



**Fundamental Report**  
**19 June 2019**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
<b>USDollar/Rand</b>		The record	#VALUE!	#VALUE!
Euro/Rand	16.4205	16.2648	-0.1557	-0.95%
GBPound/Rand	18.3881	18.2442	-0.1439	-0.78%
AusDollar/Rand	10.0454	9.9888	-0.0566	-0.56%
Euro/USDollar	1.1183	1.1191	0.0008	0.07%
GBPound/USDollar	1.2524	1.2562	0.0038	0.30%
AusDollar/USDollar	0.6841	0.6875	0.0034	0.50%
JpyYen/USDollar	108.2800	108.4400	0.1600	0.15%

BDLive - The JSE closed higher on Tuesday with banks leading gains as the rand strengthened more than 2% to the dollar.

Global markets were mostly higher as expectations grow that the US Federal Reserve will cut interest rates soon. Reuters reported that the US is likely to keep interest rates unchanged this month but the market is hoping for a 25-basis-point cut in July. On the local front, the SA Reserve Bank has also signaled the possibility of a rate cut after keeping the repo rate unchanged at 6.75% at their last monetary policy committee meeting. On Tuesday, European Central Bank (ECB) president Mario Draghi hinted at possible rate cuts for the eurozone. Draghi said the ECB would have to loosen monetary policy should inflation remain subdued.

Hopes that the US and China will put an end to the prolonged trade war also lifted sentiment. On Tuesday, US President Donald Trump tweeted that he and Chinese president Xi Jinping will have an "extended meeting" at the G20 summit next week.



### Commodities

	Last	Value Change	% Change
Platinum	796.86	-2.64	-0.33%
Gold	1344.16	-1.92	-0.14%
Silver	14.97	-0.03	-0.23%
Copper	2.70	0.00	0.06%
Gasoil	561.25	-1.25	-0.22%
Brent Oil	62.11	-0.03	-0.05%

BDLive - Bengaluru — Gold prices edged higher on Tuesday as the dollar pulled back from multiweek highs ahead of the US Federal Reserve's two-day monetary policy meeting.

Spot gold was up 0.2% at \$1,341.38 as of 0344 GMT. US gold futures also rose 0.2% to \$1,345.20 an ounce. "The overall sentiment in the gold markets is positive. There are expectations that the Fed will cut interest rates, which has weakened the dollar and remains a main driver for prices," said Helen Lau, analyst, Argonaut Securities.

The dollar index against basket of major currencies was down 0.1% on Tuesday, making bullion cheaper for investors holding other currencies. The dollar was slightly undermined by the New York Fed's business index showing a record fall in June to its weakest level in more than two and a half years.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	52593.97	0.00	0.00%
ALSI	52652.00	0.00	0.00%
S&P 500	2889.67	28.08	0.97%
FTSE	7357.31	85.73	1.17%
CAC	5509.73	0.00	0.00%
DAX	12331.75	0.00	0.00%
Hang Seng	27498.77	662.79	2.41%



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# Corn / Maize Market

## Chicago Board of Trade

Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
JUL 2019	447.00	449.75	-5.00	2.75	448.75	-1.00	1.75
SEP 2019	453.00	455.50	-6.00	2.50	454.25	-1.25	1.25
DEC 2019	461.00	463.00	-5.50	2.00	460.75	-2.25	-0.25
MAR 2010	466.00	468.25	-4.75	2.25	466.00	-2.25	0.00
MAY 2010	467.00	469.00	-5.00	2.00	466.25	-2.75	-0.75

FarmFutures - Corn prices fell on a round of profit-taking now that most of the 2019 U.S. crop has finally been planted. July futures fell 5 cents to \$4.4975, with September futures down 6 cents to \$4.5550.

Corn basis bids were steady to mostly firm Tuesday, moving as much as 10 cents higher at an Indiana ethanol plant today. More common increases of 2 to 4 cents were seen elsewhere across the central U.S.

Corn planting progress improved from 83% the prior week up to 92% complete as of June 16, according to USDA's latest crop progress report, out late Monday afternoon. Still, that progress failed to match 2018's pace and the prior five-year average, both at 100%. Among planted acres, 79% of the crop is now emerged, up from 62% a week ago but well behind 2018's pace and the five-year average, both at 97%.

Corn condition held mostly steady, with 59% rated in good-to-excellent (unchanged from last week). Another 31% of the crop is rated fair (down from 32% last week), with the remaining 10% rated poor or very poor (up from 9% last week).

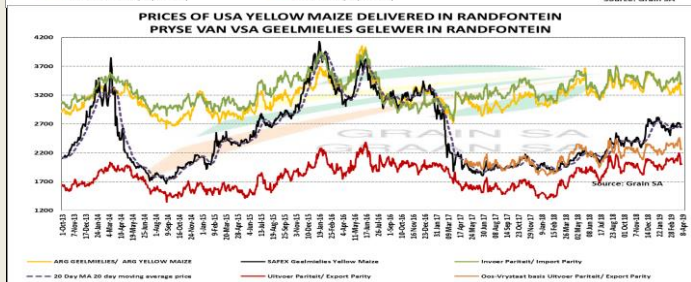
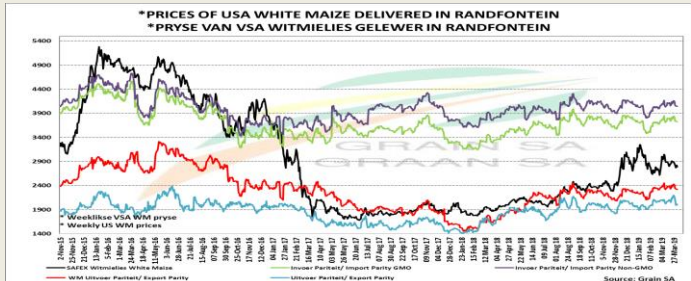
Brazilian consultancy Agroconsult has again raised its estimates for the country's 2018/19 corn production, now at a projected 3.984 billion bushels. Agroconsult also sharply increased its estimates for 2019 Brazil corn exports, now at 1.496 billion bushels.

Preliminary volume estimates were for 452,582 contracts, retreating 39% below Monday's final count of 745,605.

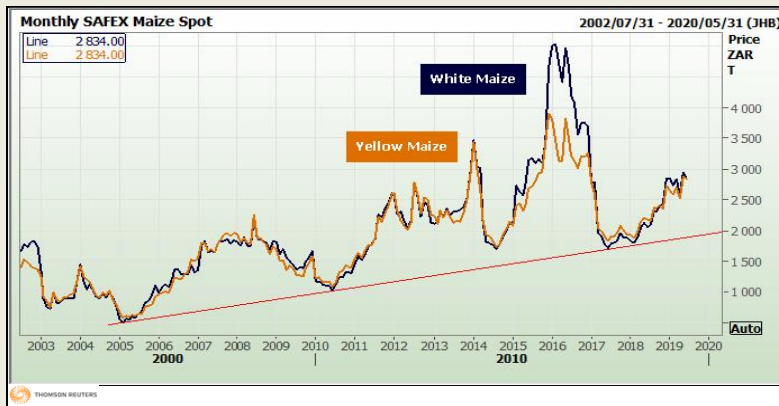


## South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 2 856.00	34%		R 2 856.00
Sep 2019	R 2 909.00	25%		R 2 909.00
Dec 2019	R 3 005.00	27.25%		R 3 005.00
Jul 2019	R 2 856.00	34%		R 2 856.00
<b>Yellow Maize Future</b>				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 2 852.00	27%		R 2 852.00
Sep 2019	R 2 903.00	20%		R 2 903.00
Dec 2019	R 2 983.00	20.5%		R 2 983.00
Jul 2019	R 2 852.00	27%		R 2 852.00



The local Maize market traded lower yesterday. The local Jul'19 WMAZ contract ended R45.00 down and Jul'19 YMAZ closed R35.00 lower. The Sep'19 WMAZ closed lower by R40.00 and Sep'19 YMAZ ended R34.00 down. The parity move for the Jul'19 Maize contract for yesterday was R10.00 negative.



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## Wheat Market

### Chicago Board of Trade and Kansas Board of Trade

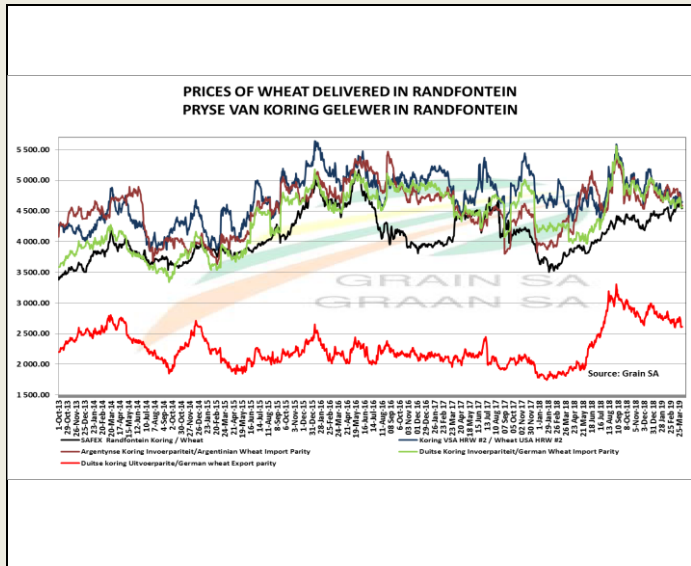
CBOT Wheat								KBOT Wheat							
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
JUL 2019	530.00	531.50	-8.00	1.50	527.25	-4.25	-2.75	JUL 2019	464.00	465.25	-10.25	1.25	461.75	-3.50	-2.25
SEP 2019	532.00	535.50	-7.25	3.50	531.00	-4.50	-1.00	SEP 2019	476.00	477.00	-10.50	1.00	473.00	-4.00	-3.00
DEC 2019	544.00	546.75	-7.25	2.75	542.25	-4.50	-1.75	DEC 2019	498.00	499.25	-9.75	1.25	495.25	-4.00	-2.75
MAR 2010	554.00	558.25	-6.00	4.25	553.25	-5.00	-0.75	MAR 2010	519.00	520.75	-8.75	1.75	516.50	-4.25	-2.50
MAY 2010	557.00	562.25	-9.25	5.25	557.75	-4.50	0.75	MAY 2010	533.00	532.75	-8.75	-0.25	528.75	-4.00	-4.25



FarmFutures - Wheat prices saw moderate to significant losses Tuesday on some technical selling prompted by spillover weakness in corn, with overseas competition applying additional headwinds. July Chicago SRW futures dropped 8 cents to \$5.3150, July Kansas City HRW futures fell 10.75 cents to \$5.3150, and July MGEX spring wheat futures were down 8 cents to \$5.5225. The 2018/19 winter wheat crop prepares for harvest, meantime, with 89% of the crop now headed, according to the latest USDA crop progress report. That's slightly behind 2018's pace of 94% and the five-year average of 95%. Harvest is now 8% complete, up from 4% the week prior but bucking analyst expectations of 10%. USDA also held crop quality ratings mostly steady, with 51% of the crop in good condition and 13% rated excellent (versus 50/14 last week). Another 27% of the crop is rated fair, with the remaining 9% rated poor or very poor – all unchanged from a week ago. Spring wheat crop quality took a dip, however – with 77% of the crop now rated in good-to-excellent condition, versus 81% a week ago. Physiologically, 95% of the spring wheat crop is now emerged, up from 85% a week ago and slightly behind 2018's pace and the five-year average, both at 97%. Australia cut its 2019/20 wheat export forecast by more than 18%, due largely to ongoing drought concerns in some of the country's major production regions. The latest estimates are for 429.9 million bushels for the world's No. 4 wheat exporter.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 4 482.00	12%		R 4 482.00
Sep 2019	R 4 492.00	0%		R 4 492.00
Dec 2019	R 4 416.00	12.5%		R 4 416.00
Jul 2019	R 4 482.00	12%		R 4 482.00
<b>Cape Wheat</b>				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019				
Dec 2019				
Jul 2019				



The local Weat market closed higher yesterday. The local Jul'19 Weat contract closed R7.00 up and Sep'19 Weat closed R12.00 higher. The parity move for the Jul'19 Weat contract for yesterday was R35.00 negative.



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## Oil Seed Market

### Chicago Board of Trade

CBOT Soybean Seed						
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session
JUL 2019	911.00	913.50	0.75	2.50	908.75	-4.75
AUG 2019	916.00	920.25	1.00	4.25	915.75	-4.50
SEP 2019	924.00	927.25	1.00	3.25	922.50	-4.75
NOV 2019	937.00	940.25	0.75	3.25	935.50	-4.75
JAN 2010	948.00	952.25	1.50	4.25	947.75	-4.50

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JUL 2019	322	320.80
AUG 2019	323.5	322.30
SEP 2019	325.3	324.20
OCT 2019	327.1	325.10
DEC 2019	330.9	329.60

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JUL 2019	28.33	28.18
AUG 2019	28.47	28.32
SEP 2019	28.58	28.43
OCT 2019	28.68	28.61
DEC 2019	28.94	28.78



FarmFutures - Soybean prices found some light technical buying but were pressured overall by spillover weakness from corn. Still, prices ended Tuesday's session slightly in the green, with July futures up 0.75 cents to \$9.1350 and August futures up a penny to \$9.2025.

Soybean basis bids were mixed at Midwestern processors Tuesday but held steady across most other interior locations today.

In yesterday's USDA crop progress report, analysts expected the agency to show 79% of the crop was now in the ground, but the agency's official tally came in lower than that, at 77% completion. That's up from the prior week's tally of 60% but still far behind 2018's pace of 96% and the five-year average of 93%.

Soybean emergence has progressed to 55%, improving over the prior week's 34% but still far behind 2018's pace of 89% and the five-year average of 84%.

Brazilian consultancy Agroconsult increased its estimates for the country's 2019 soybean exports by 5.2% in March, now at 2.590 billion bushels.

Preliminary volume estimates were for 275,661 contracts, falling moderately below Monday's final count of 344,194.

### South African Futures Exchange

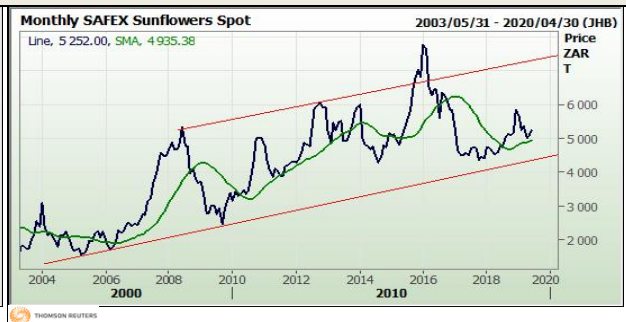
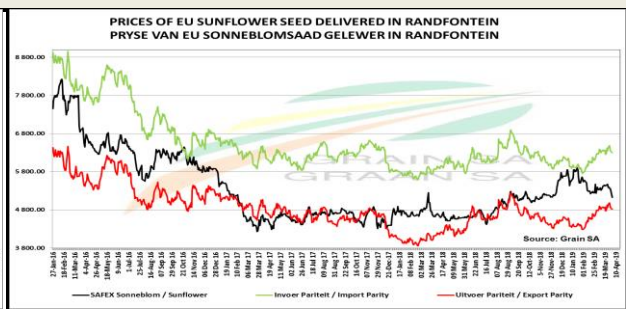
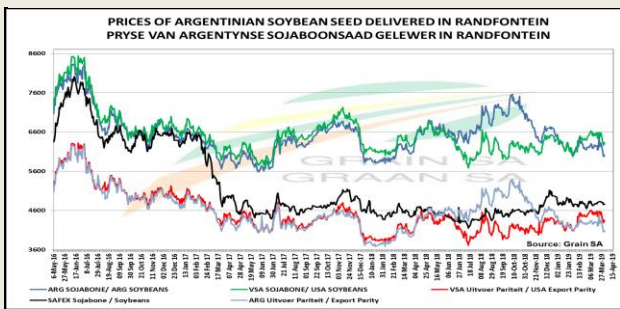
Soybean Future			
	MTM	Vols	Market Price
Dec 2018			
Mar 2019			
May 2019			
Jul 2019	R 5 542.00	15%	R 5 542.00
Sep 2019	R 5 622.00	0%	R 5 622.00
Dec 2019	R 5 695.00	14%	R 5 695.00
Jul 2019	R 5 542.00	15%	R 5 542.00

Sunflower Seeds Future		
	MTM	Vols
Dec 2018		
Mar 2019		
May 2019		
Jul 2019	R 5 296.00	17.25%
Sep 2019	R 5 389.00	0%
Dec 2019	R 5 508.00	16%
Jul 2019	R 5 296.00	17.25%



The local Soya market traded lower yesterday. The local Jul'19 Soya contract ended R42.00 down and Sep'19 Soya closed R28.00 lower. The parity move for the Jul'19 Soya contract for yesterday was R50.00 negative.

The local Suns market closed higher yesterday. The local Jul'19 Suns contract closed R36.00 up and Sep'19 Suns closed R29.00 higher.



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