



Fundamental Report
04 June 2019

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.5269	14.4489	-0.0780	-0.54%
Euro/Rand	16.2335	16.2635	0.0300	0.18%
GBPound/Rand	18.3652	18.2973	-0.0679	-0.37%
AusDollar/Rand	10.1013	10.0720	-0.0293	-0.29%
Euro/USDollar	1.1174	1.1253	0.0079	0.71%
GBPound/USDollar	1.2643	1.2664	0.0021	0.17%
AusDollar/USDollar	0.6952	0.6974	0.0022	0.32%
JpyYen/USDollar	108.3300	108.0000	-0.3300	-0.30%

BDLive - The JSE rose on Monday, while global markets remained cautious as US President Donald Trump's trade crackdown continues to weigh on market sentiment.

The protracted US-China trade war has fuelled concerns of a potential global recession, as the two superpowers have not yet reached a deal. Asian markets were lower earlier and there was little positive news flow. Most commodity prices pushed higher, however, with gold faring well, amid investor interest in safe-haven assets.

The gold index led gains on the local bourse, climbing 3.62%. The all share added 1.14% to 56,286.3 points and the top 40 1.26%. Banks rose 1.6%, industrials 1.5%, property 1.44% and platinum miners 1.08%.

Risk aversion increased on Friday after the US announced it would impose a 5% tariff on Mexican imports in a bid to force it to stem illegal migration.



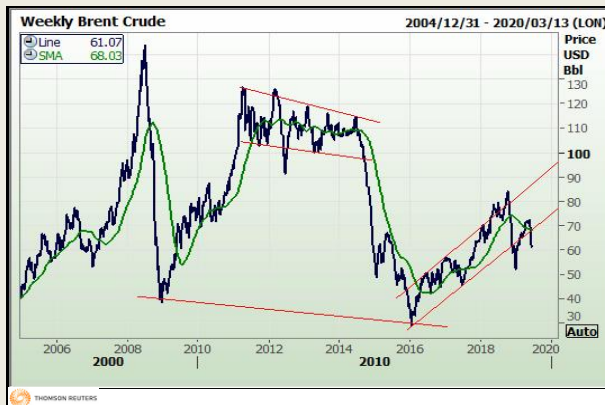
Commodities

	Last	Value Change	% Change
Platinum	819.12	-1.39	-0.17%
Gold	1321.80	-2.97	-0.22%
Silver	14.73	-0.04	-0.29%
Copper	2.65	0.00	0.02%
Gasoil	557.25	-4.50	-0.81%
Brent Oil	61.10	-0.18	-0.29%

BDLive - Bengaluru — Gold prices rose on Monday to their highest in more than two months on worries that US-Chinese trade tensions and Washington's threat of tariffs on Mexico would hurt the global economy.

Spot gold rose almost 1% higher to \$1,317.53 an ounce at 12:07pm GMT, after touching its highest since March 27 at \$1,318.10. US gold futures rose 0.9% to \$1,322.40 an ounce.

Ross Norman, CEO at Sharps Pixley, said concerns over tariffs had driven investors to safe havens. "Gold has also cruised pretty seamlessly across important levels such as \$1,293 and \$1,300," he said, adding that crossing these technical barriers boosted the metal's momentum further. US-Chinese relations slid further downhill when the two countries clashed at the Shangri-La Dialogue in Singapore due to security disputes over Taiwan and the South China Sea.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	50213.46	0.00	0.00%
ALSI	50296.00	0.00	0.00%
S&P 500	2752.06	-7.61	-0.28%
FTSE	7161.71	23.09	0.32%
CAC	5241.46	0.00	0.00%
DAX	11792.81	0.00	0.00%
Hang Seng	26893.86	-83.64	-0.31%



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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	425.00	424.25	-2.75	-0.75	433.25	9.00	8.25
SEP 2019	434.00	433.75	-2.25	-0.25	442.50	8.75	8.50
DEC 2019	443.00	441.75	-2.00	-1.25	450.50	8.75	7.50
MAR 2010	451.00	450.75	-0.75	-0.25	458.75	8.00	7.75
MAY 2010	453.00	453.50	0.75	0.50	460.00	6.50	7.00

FarmFutures - Corn prices saw moderate declines Monday on anticipation that planting progress may have accelerated last week. July futures dropped 2.75 cents to \$4.2425, with September futures down 2.25 cents to \$4.3375.

Corn basis bids were widely mixed Monday, moving as much as 14 cents lower at an Iowa river terminal and as much as 8 cents higher at an Indiana ethanol plant today.

U.S. corn export inspections reached 29.3 million bushels for the week ending May 30, down noticeably from the prior week's total of 43.7 million bushels and on the low end of trade estimates, which ranged between 27 million and 43 million bushels. Mexico was the No. 1 destination, with 9.9 million bushels.

Ahead of this afternoon's USDA crop progress report, analysts expect the agency to show corn planting reaching 71% as of June 2, with a range of estimates between 68% to 76%. That would represent a moderate jump from the prior week's tally of 58%.

European Union corn imports are up 38% year-over-year after reaching 878 million bushels as of June 2.

China's corn production is expected to drop 1.2% to just under 10 billion bushels, according to the country's Agriculture Outlook Committee, citing an expansion of soybean acres this year.

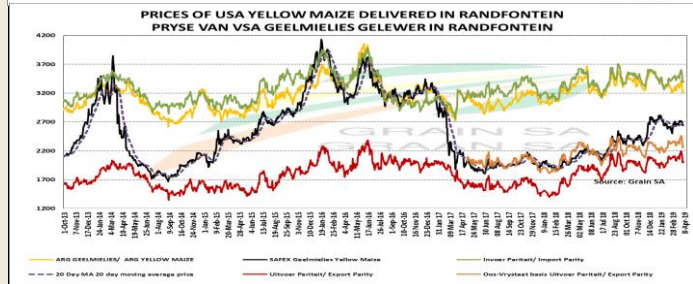
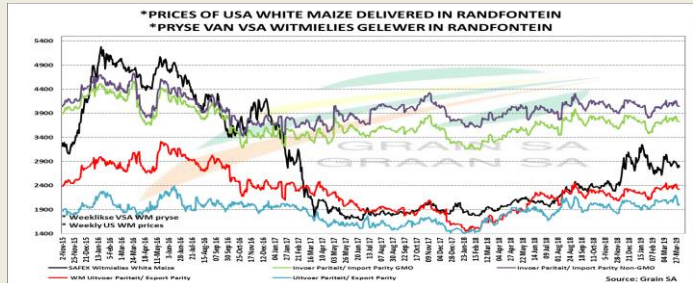
Turkey issued ten international tenders to purchase a total of 3.9 million bushels of corn, which closes June 14. The grain is for shipment in late June and early July.

Preliminary volume estimates were for 437,344 contracts, down moderately from Friday's final count of 582,995.

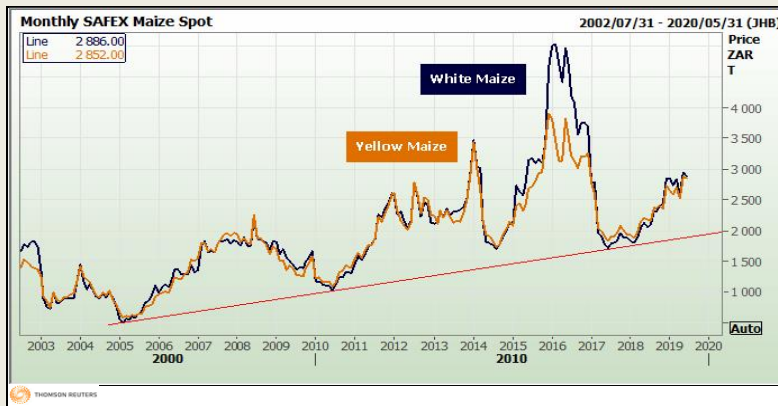


South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 2 915.00	40%	R 33.88	R 2 948.88
Sep 2019	R 2 965.00	25%	R 35.02	R 3 000.02
Dec 2019	R 3 057.00	25.5%	R 29.06	R 3 086.06
Jul 2019	R 2 915.00	40%	R 33.88	R 2 948.88
Yellow Maize Future				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 2 882.00	28%	R 33.88	R 2 915.88
Sep 2019	R 2 933.00	19%	R 35.02	R 2 968.02
Dec 2019	R 3 000.00	18.5%	R 29.06	R 3 029.06
Jul 2019	R 2 882.00	28%	R 33.88	R 2 915.88



The local Maize market traded lower yesterday. The local Jul'19 WMAZ contract ended R58.00 down and Jul'19 YMAZ closed R45.00 lower. The Sep'19 WMAZ closed lower by R58.00 and Sep'19 YMAZ ended R51.00 down. The parity move for the Jul'19 Maize contract for yesterday was R40.00 positive.



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Wheat Market

Chicago Board of Trade and Kansas Board of Trade

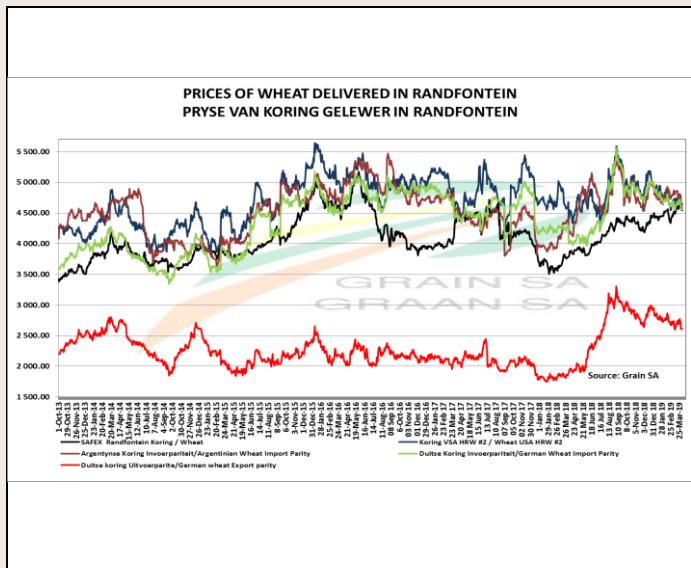
CBOT Wheat							KBOT Wheat								
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
JUL 2019	506.00	519.75	16.75	13.75	524.25	4.50	18.25	JUL 2019	479.00	486.75	13.75	7.75	489.50	2.75	10.50
SEP 2019	513.00	526.00	16.25	13.00	530.50	4.50	17.50	SEP 2019	490.00	498.75	14.00	8.75	501.50	2.75	11.50
DEC 2019	525.00	538.75	15.50	13.75	543.25	4.50	18.25	DEC 2019	510.00	518.50	13.25	8.50	521.75	3.25	11.75
MAR 2010	538.00	551.25	15.00	13.25	555.75	4.50	17.75	MAR 2010	528.00	537.00	12.50	9.00	540.25	3.25	12.25
MAY 2010	543.00	556.25	14.75	13.25	560.50	4.25	17.50	MAY 2010	537.00	546.00	11.50	9.00	548.75	2.75	11.75



FarmFutures - Wheat prices moved significantly higher on some various production concerns around the world, including too much rain in the U.S., coupled with overly dry conditions in the Black Sea region. July Chicago SRW futures gained 16.75 cents to \$5.1975, July Kansas City HRW futures added 14.25 cents to \$4.8725, and July MGEX spring wheat futures picked up 11.5 cents to \$5.64. Wheat export inspections reached 21.8 million bushels last week, ending above the prior week's tally of 19.5 million bushels and on the upper end of trade estimates that ranged between 14 million and 22 million bushels. Malaysia was the top destination, with 2.8 million bushels. Ahead of Monday afternoon's USDA crop progress report, analysts expect the agency to show spring wheat planting at 93% as of June 2, up from 84% the prior week. Analysts also anticipate USDA will downgrade winter wheat quality conditions from 61% in good-to-excellent conditions a week ago down to 59% good-to-excellent for the week ending June 2. European Union soft wheat exports for 2018/19 are mostly keeping pace year-over-year, trending 1% lower after reaching 701.8 million bushels as of June 2. EU barley exports are down 21% year-over-year. Iraq has purchased 8.1 million bushels of domestic wheat so far this year, with intentions of buying as much as 18.4 million bushels, according to the country's trade ministry. Preliminary volume estimates were for 109,766 CBOT contracts, drifting 40% below Friday's final count of 184,556.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 4 470.00	12%	R 82.39	R 4 552.39
Sep 2019	R 4 460.00	0%	R 78.21	R 4 538.21
Dec 2019	R 4 399.00	12.5%	R 81.84	R 4 480.84
Jul 2019	R 4 470.00	12%	R 82.39	R 4 552.39
Cape Wheat				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019				
Dec 2019				
Jul 2019				



The local Wheat market closed lower yesterday. The local Jul'19 Wheat contract closed R82.00 down and Sep'19 Wheat closed R28.00 lower. The parity move for the Jul'19 Wheat contract for yesterday was R96.00 positive.



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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	878.00	879.00	1.25	1.00	892.25	13.25
AUG 2019	885.00	885.75	1.25	0.75	898.75	13.00
SEP 2019	892.00	893.00	1.25	1.00	905.75	12.75
NOV 2019	905.00	906.25	1.50	1.25	919.25	13.00
JAN 2010	916.00	918.00	2.00	2.00	930.50	12.50

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JUL 2019	320.5	326.10
AUG 2019	322	327.60
SEP 2019	323.8	329.70
OCT 2019	325.5	331.20
DEC 2019	329.1	334.70

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JUL 2019	27.34	27.47
AUG 2019	27.48	27.61
SEP 2019	27.62	27.68
OCT 2019	27.76	27.81
DEC 2019	28.07	28.19



FarmFutures - Soybean prices firmed slightly on some technical maneuvering today, with July and August futures each adding 1.25 cents to close at \$8.79 and \$8.8575, respectively. Soybean basis bids dropped between 2 and 10 cents across multiple central U.S. locations today.

Soybean export inspections reached 18.3 million bushels last week, dropping below the prior week's tally of 19.7 million bushels but staying in the middle of analyst expectations, which ranged between 14 million and 23 million bushels. China was the leading destination, with 12.3 million bushels.

Ahead of Monday afternoon's USDA crop progress report, analysts expect the agency to show soybean planting progress at 42% as of June 2, up from 29% the prior week. European Union soybean imports for 2018/19 have reached 503 million bushels as of June 2, trending 8% higher year-over-year. EU soybean imports are down 6% from a year ago, meantime, with EU palm oil imports down 1% year-over-year.

EU consultancy Strategie Grains is expecting the smallest canola crop since 2006/07, at around 785 million bushels, after downgrading production estimates in Germany and France.

Preliminary volume estimates were for 165,219 contracts, down moderately from Friday's final count of 204,794.

South African Futures Exchange

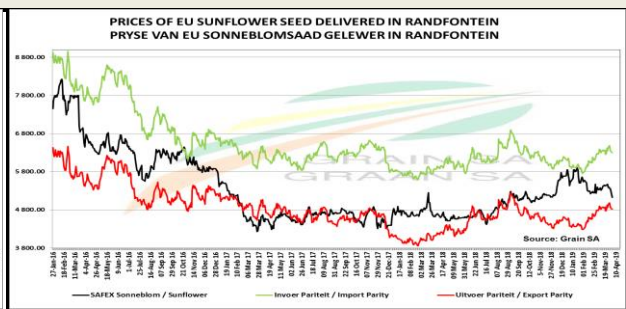
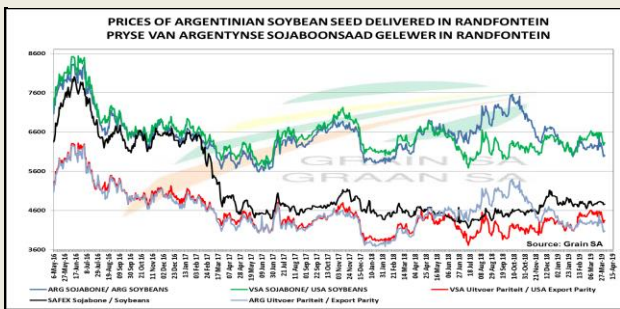
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 5 260.00	15%	R 50.49	R 5 310.49
Sep 2019	R 5 350.00	0%	R 47.43	R 5 397.43
Dec 2019	R 5 453.00	14%	R 5 453.00	
Jul 2019	R 5 260.00	15%	R 50.49	R 5 310.49

Sunflower Seeds Future		
	MTM	Vols
Dec 2018		
Mar 2019		
May 2019		
Jul 2019	R 5 174.00	17.25%
Sep 2019	R 5 307.00	0%
Dec 2019	R 5 406.00	16%
Jul 2019	R 5 174.00	17.25%



The local Soya market traded higher yesterday. The local Jul'19 Soya contract ended R38.00 up and Sep'19 Soya closed R36.00 higher. The parity move for the Jul'19 Soya contract for yesterday was R61.00 positive.

The local Suns market closed higher yesterday. The local Jul'19 Suns contract closed R9.00 up and Sep'19 Suns closed R25.00 higher.



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