



Fundamental Report
06 June 2019

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.6785	14.8543	0.1758	1.20%
Euro/Rand	16.5637	16.6860	0.1223	0.74%
GBPound/Rand	18.6636	18.8430	0.1794	0.96%
AusDollar/Rand	10.2808	10.3533	-0.0725	-0.71%
Euro/USDollar	1.1283	1.1229	-0.0054	-0.48%
GBPound/USDollar	1.2714	1.2687	-0.0027	-0.21%
AusDollar/USDollar	0.7003	0.6969	-0.0034	-0.49%
JpyYen/USDollar	108.2800	108.2200	-0.0600	-0.06%

BDLive - The JSE closed higher on Wednesday, getting a boost from global markets, as speculation grows that the US Federal Reserve may soon cut interest rates to boost the US economy.

Although global sentiment was positive and the JSE pushed higher, the rand remained under some pressure amid uncertainty about the possibility of political interference in the Reserve Bank. ANC secretary-general Ace Magashule said on Tuesday that the party had resolved to include job creation in the Bank's mandate, but finance minister Tito Mboweni has since contradicted this.

Shortly after the JSE closed, the rand had weakened 1.46% to R14.8763/\$, 1.45% to R16.7446/€, and 1.61% to R18.9269/£. The euro was little changed at \$1,1256.



Commodities

	Last	Value Change	% Change
Platinum	807.10	8.10	1.00%
Gold	1331.51	1.73	0.13%
Silver	14.84	0.04	0.25%
Copper	2.63	0.01	0.27%
Gasoil	547.50	5.25	0.96%
Brent Oil	60.77	0.14	0.23%

BDLive - Bengaluru — Gold prices rose 1% to a more than three-month high on Wednesday as trade tensions induced safe-haven demand and increased bets on a cut in interest rates by the US Federal Reserve.

Spot gold gained 0.8% to \$1,335.82 an ounce at 11.44am GMT, having reached its highest since February 21 at \$1,340.08 earlier. US gold futures gained 0.9% to \$1,340.50 an ounce.

"A lot of the strength in gold is related to the trade-war tensions, which have been ratcheted up after [US President Donald] Trump's tariff threats on Mexico," said Philip Newman, a director at Metals Focus.

As the US's trade clash with China drags on, Trump's tariff threat to Mexico added to concerns, drawing investors to safe-haven assets such as gold.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	50975.72	0.00	0.00%
ALSI	51045.00	0.00	0.00%
S&P 500	2803.27	22.88	0.82%
FTSE	7214.29	5.93	0.08%
CAC	5292.00	0.00	0.00%
DAX	11980.81	0.00	0.00%
Hang Seng	26895.44	63.12	0.23%



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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	417.00	414.75	-10.50	-2.25	415.75	1.00	-1.25
SEP 2019	427.00	424.25	-10.50	-2.75	425.00	0.75	-2.00
DEC 2019	436.00	433.50	-10.50	-2.50	434.00	0.50	-2.00
MAR 2010	445.00	442.00	-10.75	-3.00	442.25	0.25	-2.75
MAY 2010	448.00	445.00	-10.50	-3.00	444.75	-0.25	-3.25

FarmFutures - Corn prices tumbled as more agreeable planting weather has finally emerged this week, particularly in the upper Midwest. July and September futures each dropped 10.5 cents to close at \$4.1475 and \$4.2425, respectively. Relatively slow farmer sales kept corn basis bids mostly steady to firm Wednesday, moving 2 to 5 cents higher across multiple Midwestern locations today. Ethanol production eased slightly last week, reaching an average daily production of 1.044 million barrels, compared to a daily average of 1.057 million barrels the week prior. It also marked the lowest weekly total since early May.

In the latest Energy/Ethanol Outlook from Farm Futures senior grain market analyst Bryce Knorr, find out why it might be a savvy move to start booking fall fuels now. Ahead of Thursday morning's USDA export report, analysts expect the agency to show corn sales totaling between 21.7 million and 41.3 million bushels for the week ending May 30. IEG Vantage now estimates 2019 corn plantings will reach 84.9 million acres, sharply lower than USDA's last estimate of 92.8 million bushels. With average yields of 174.0 bushels per acre, that could set the stage for a total production of 13.6 billion bushels.

Taiwan purchased 2.6 million bushels of corn from Brazil in a snap tender that closed earlier today. The grain is for shipment between late August and early September. Mexican President Andres Manuel Lopez Obrador says he is optimistic that talks with the U.S. will be productive and an agreement can soon be reached to avoid tariffs President Donald Trump has threatened over immigration concerns.

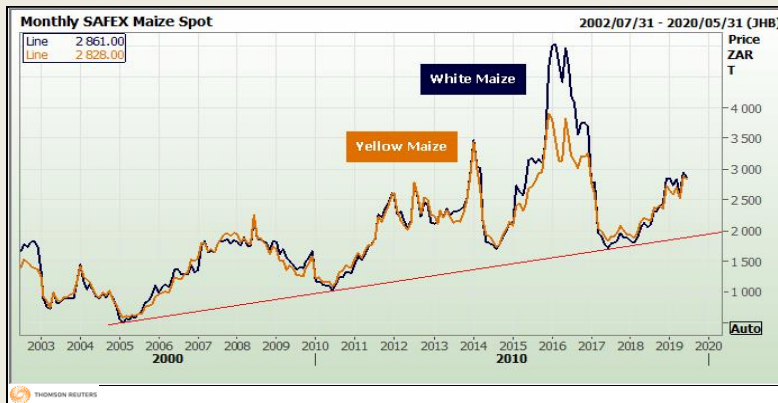
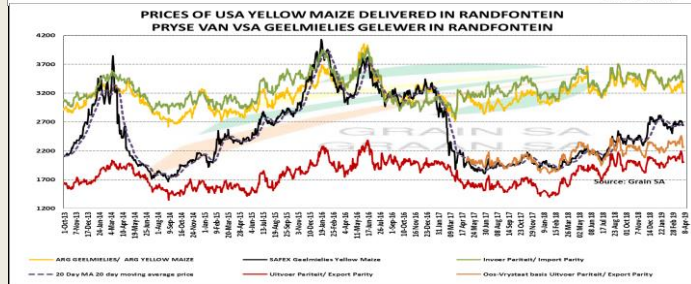
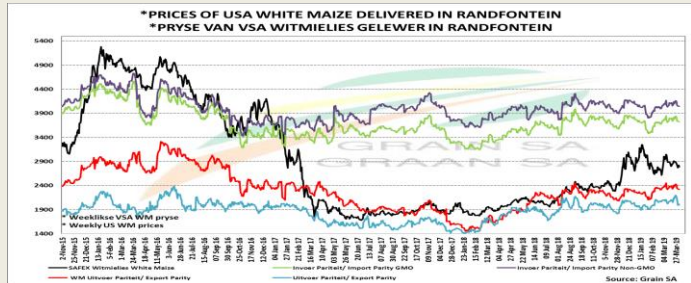
The Ag Economy Barometer from Purdue University / CME Group showed a second straight month of declines, with producer sentiment falling to the lowest levels since October 2016. Farmers are also bearish on farmland values, with just 39% of respondents expecting them to rise over the next five years. Many producers responding to Farm Futures' Feedback from the Field are mulling their options in the wake of a sluggish planting pace, with plenty more wet weather possibly in store this week. Click here to read the latest farmer anecdotes and access our interactive map.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Dec 2018	R 2 789.00	31.25%		R 2 789.00
Mar 2019	R 2 776.00	46.5%		R 2 776.00
May 2019	R 2 816.00	26.75%		R 2 816.00
Jul 2019	R 2 863.00	37.5%	R 21.55	R 2 884.55
Sep 2019	R 2 900.00	0%	R 17.86	R 2 917.86
Dec 2019	R 2 944.00	30%	R 18.48	R 2 962.48
Jul 2019	R 2 863.00	37.5%	R 21.55	R 2 884.55
Yellow Maize Future				
Dec 2018	R 2 618.00	26%		R 2 618.00
Mar 2019	R 2 660.00	26.75%		R 2 660.00
May 2019	R 2 650.00	0%		R 2 650.00
Jul 2019	R 2 700.00	26%	R 21.55	R 2 721.55
Sep 2019	R 2 724.00	0%	R 17.86	R 2 741.86
Dec 2019	R 2 773.00	0%	R 18.48	R 2 791.48
Jul 2019	R 2 700.00	26%	R 21.55	R 2 721.55

The local Maize market traded yesterday. The local Jul'19 WMAZ contract ended unchanged while Jul'19 YMAZ closed lower. The Sep'19 WMAZ closed unchanged while Sep'19 YMAZ ended unchanged. The parity move for the Jul'19 Maize contract for yesterday was R10.00 positive.

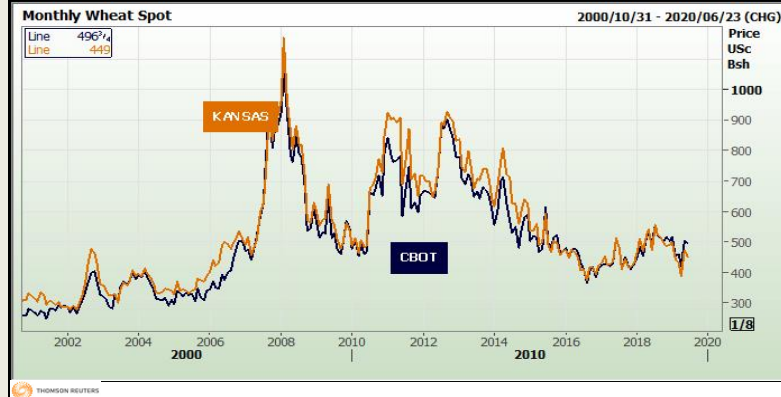


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Wheat Market

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	494.00	490.75	-16.50	-3.25	496.75	6.00	2.75	JUL 2019	452.00	445.75	-22.75	-6.25	449.00	3.25	-3.00
SEP 2019	502.00	497.75	-17.00	-4.25	502.00	4.25	0.00	SEP 2019	465.00	458.75	-22.75	-6.25	461.75	3.00	-3.25
DEC 2019	515.00	511.00	-17.50	-4.00	514.75	3.75	-0.25	DEC 2019	489.00	481.75	-21.75	-7.25	484.00	2.25	-5.00
MAR 2010	529.00	523.25	-18.25	-5.75	526.00	2.75	-3.00	MAR 2010	512.00	503.25	-20.25	-8.75	507.50	4.25	-4.50
MAY 2010	535.00	530.25	-18.00	-4.75	532.00	1.75	-3.00	MAY 2010	524.00	516.50	-19.25	-7.50	0.00	-516.50	-524.00



FarmFutures - Wheat prices took deep cuts Wednesday on a round of technical selling, with further downward pressure from spillover weakness from tumbling corn and soybean prices. July Chicago SRW futures fell 16.5 cents to \$4.9075, July Kansas City HRW futures dropped 21.25 cents to \$4.4725, and July MGEX spring wheat futures were down 13.5 cents to \$5.4625. Ahead of Thursday morning's USDA export report, analysts threw out a wide array of guesses for wheat sales for the week ending May 30 - ranging between zero and 22.0 million bushels. IEG Vantage estimates 2019 spring wheat plantings (minus durum) will total 12.2 million acres, which is 4.7% lower than the last USDA estimates of 12.8 million acres.

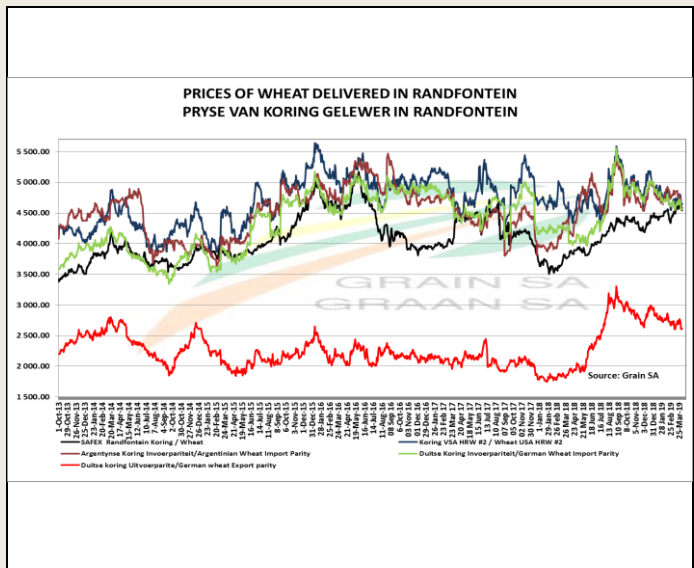
Germany's 2019 wheat production is expected to rebound by as much as 22% year-over-year due to improved growing conditions. The country's association of arm cooperatives currently projects total yields at 907.6 million bushels.

China sold 3.9 million bushels of its wheat reserves at auction today, which was 3.6% of the total available for sale.

Preliminary volume estimates were for 123,615 CBOT contracts, trending 42% below Tuesday's final count of 211,513.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Dec 2018	R 4 300.00	13%		R 4 300.00
Mar 2019	R 4 406.00	9.75%		R 4 406.00
May 2019	R 4 463.00	0%		R 4 463.00
Jul 2019	R 4 494.00	0%	R 46.92	R 4 540.92
Sep 2019				
Dec 2019				
Jul 2019	R 4 494.00	0%	R 46.92	R 4 540.92
Cape Wheat				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019				
Dec 2019				
Jul 2019				



The local Wheat market closed yesterday. The local Jul'19 Wheat contract closed unchanged while Sep'19 Wheat closed unchanged. The parity move for the Jul'19 Wheat contract for yesterday was R31.00 positive.



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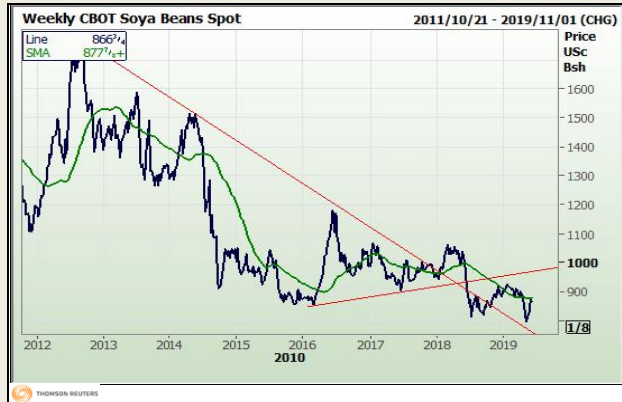
Oil Seed Market

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	875.00	869.75	-12.00	-5.25	866.75	-3.00
AUG 2019	883.00	876.25	-12.50	-6.75	873.00	-3.25
SEP 2019	890.00	883.75	-12.25	-6.25	880.00	-3.75
NOV 2019	903.00	897.25	-12.00	-5.75	893.75	-3.50
JAN 2010	916.00	910.50	-11.25	-5.50	906.50	-4.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JUL 2019	317.7	316.10
AUG 2019	319.2	317.50
SEP 2019	321	319.20
OCT 2019	322.8	319.70
DEC 2019	326.3	324.60

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JUL 2019	27.22	27.17
AUG 2019	27.37	27.33
SEP 2019	27.49	27.44
OCT 2019	27.59	27.56
DEC 2019	27.88	27.83



FarmFutures - Soybean prices tumbled almost 1.5% lower on a round of technical selling, due in large part to more favorable planting forecasts this week. July futures fell 12 cents to \$8.6975, with August futures down 12.5 cents to \$8.7625. Soybean and soyoil futures trended about 1% lower today.

Soybean basis bids held steady to firm Wednesday, booming as much as 15 cents higher at an Indiana processor today, although gains of 2 to 5 cents were more common among other Midwestern locations.

Ahead of Thursday morning's USDA export report, analysts expect the agency to show soybean sales totaling between 9.2 million and 27.6 million bushels for the week ending May 30.

Analysts also expect USDA to report soybean sales ranging between 100,000 and 350,000 metric tons last week, plus another 8,000 to 25,000 MT of soyoil sales.

IEG Vantage's latest 2019 soybean production estimates are for 4.3 billion bushels across 85 million acres, with average yields of 51.1 bushels per acre.

Preliminary volume estimates were for 167,861 contracts, sliding 32% below Tuesday's final count of 247,952.

South African Futures Exchange

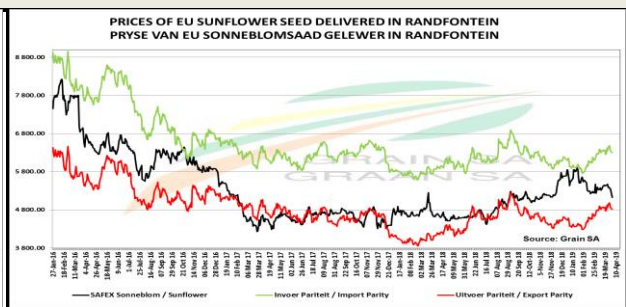
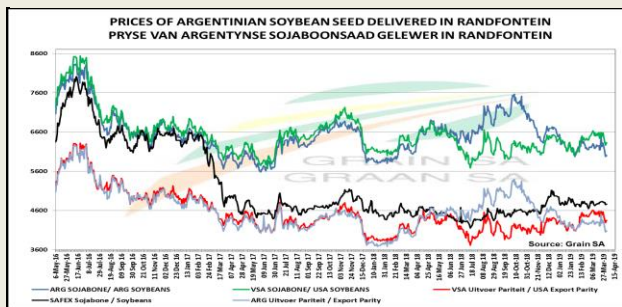
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Dec 2018	R 4 836.00	16.25%		R 4 836.00
Mar 2019	R 4 956.00	18%		R 4 956.00
May 2019	R 5 046.00	16%		R 5 046.00
Jul 2019	R 5 159.00	15%	R 11.49	R 5 170.49
Sep 2019				
Dec 2019				
Jul 2019	R 5 159.00	15%	R 11.49	R 5 170.49

Sunflower Seeds Future		
	MTM	Vols
Dec 2018	R 5 415.00	15.5%
Mar 2019	R 5 375.00	16%
May 2019	R 4 978.00	17%
Jul 2019	R 4 952.00	17.25%
Sep 2019	R 5 219.00	0%
Dec 2019		
Jul 2019	R 4 952.00	17.25%



The local Soya market traded yesterday. The local Jul'19 Soya contract ended unchanged while Sep'19 Soya closed unchanged. The parity move for the Jul'19 Soya contract for yesterday was R6.00 negative.

The local Suns market closed yesterday. The local Jul'19 Suns contract closed unchanged while Sep'19 Suns closed unchanged.



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