



Fundamental Report
07 June 2019

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.8719	15.0199	0.1480	1.00%
Euro/Rand	16.7087	16.9242	0.2155	1.29%
GBPound/Rand	18.8707	19.0614	0.1907	1.01%
AusDollar/Rand	10.3767	10.4751	0.0984	0.95%
Euro/USDollar	1.1235	1.1266	0.0031	0.28%
GBPound/USDollar	1.2691	1.2695	0.0004	0.03%
AusDollar/USDollar	0.6979	0.6973	-0.0006	-0.09%
JpyYen/USDollar	108.1800	108.4900	0.3100	0.29%

BDLive - The JSE closed flat on Thursday, as the rand hit R15/\$ for the first time in eight months, putting pressure on banks but benefiting local miners.

The rand weakened past the psychologically important level despite a late statement by President Cyril Ramaphosa clarifying the ANC's stance on the Reserve Bank. He said the ANC wanted the Bank to be publicly owned, but this was not affordable.

Shortly after the JSE closed, the rand had weakened 0.59% to R14.9528/\$, 1.21% to R16.8805/€ and 0.89% to R19.0163/£. The euro was up 0.62% at \$1.1289. The rand briefly hit R15/\$ before recovering slightly.

Contradictory statements regarding the Bank's mandate have dented confidence towards SA, analysts say, even as investors await announcements regarding Eskom's finances, as well as other policy changes from the new cabinet.



Commodities

	Last	Value Change	% Change
Platinum	799.90	-3.39	-0.42%
Gold	1332.94	-1.86	-0.14%
Silver	14.88	0.03	0.19%
Copper	2.66	0.01	0.28%
Gasoil	555.00	13.00	2.34%
Brent Oil	62.49	0.82	1.31%

BDLive - Bengaluru — Gold rose on Thursday, drawing closer to its highest level this year on increased expectations of a US rate cut, even as some investors locked in profits from bullion's recent rally. Spot gold rose 0.4% to \$1,335.05 an ounce as at 11.45am GMT, while US gold futures gained 0.5% to \$1,340.01.

"Gold's strength is most certainly based on the prompt change in the market outlook on how aggressively the US Fed will cut rates over the coming months," Saxo Bank commodity strategist Ole Hansen said. Having suspended a three-year monetary tightening campaign earlier this year, the US Federal Reserve is now widely expected to cut rates. Chair Jerome Powell said the Fed will closely monitor the economic impact of trade conflicts.

Non-yielding gold has risen about \$60 an ounce in one week, climbing on Wednesday to within a few dollars of its current 2019 high, set in February, of \$1,346.73. It later reversed course.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	50988.44	0.00	0.00%
ALSI	51027.00	0.00	0.00%
S&P 500	2826.15	17.34	0.61%
FTSE	7220.22	39.63	0.55%
CAC	5278.43	0.00	0.00%
DAX	11953.14	0.00	0.00%
Hang Seng	26895.44	69.84	0.26%



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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	414.00	420.50	5.75	6.50	418.75	-1.75	4.75
SEP 2019	423.00	429.50	5.25	6.50	427.50	-2.00	4.50
DEC 2019	432.00	438.50	5.00	6.50	436.50	-2.00	4.50
MAR 2010	441.00	446.75	4.75	5.75	444.50	-2.25	3.50
MAY 2010	443.00	450.00	5.00	7.00	450.50	0.50	7.50

FarmFutures - Corn prices moved around 1.5% higher today on some technical buying, further supported by spillover strength from soaring wheat prices. July and September futures each added 5.75 cents to close at \$4.2050 and \$4.2950, respectively.

Corn basis bids continued to trend steady to firm Thursday, moving 2 to 5 cents higher across several Midwestern locations amid relatively sluggish farmer sales this week. Corn exports tallied just 600,000 bushels of export sales for the week ending May 30, down sharply from the prior week's total of 38.7 million bushels and trade estimates of 31.5 million bushels.

Corn export shipments of 40.7 million bushels are also below USDA weekly forecasts of 54.7 million bushels. For the 2018/19 marketing year, Mexico leads all destinations for U.S. corn export commitments, accounting for 31% of the total. Ahead of the June World Agricultural Supply and Demand Estimates (WASDE) report from USDA, out Monday morning, analysts expect the agency to significantly trim its expectations for 2019 U.S. corn production from May's 15.030 billion bushels down to 14.040 billion bushels, on average yields of 171.1 bushels per acre.

Analysts also expect USDA to significantly downgrade 2019/20 corn ending stocks from 2.485 billion bushels down to 1.772 billion bushels. China sold 108.5 million bushels of its state reserves of corn at auction Thursday, which was 68.8% of the total available for sale. Farmers made progress planting crops last week. But with emergence slow, yield potential falling and millions of acres left to go, growers talked about the hard decisions they face on reports to Feedback From The Field this past week. Click here to access the latest farmer anecdotes and our interactive map.

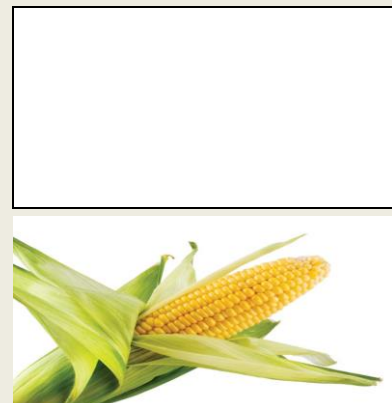
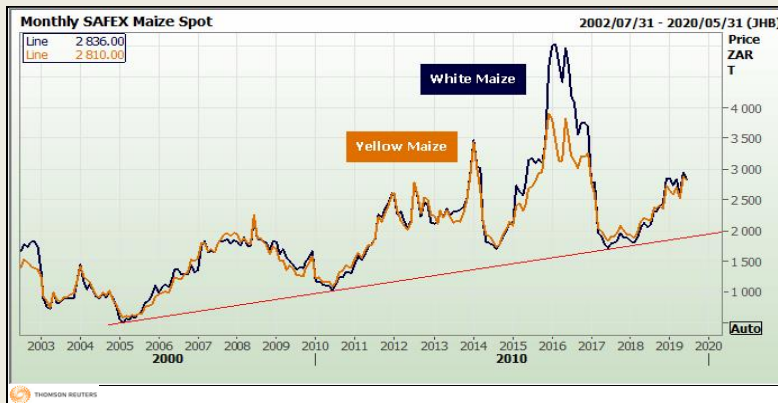
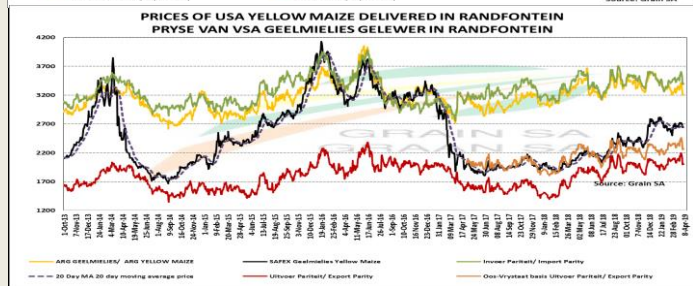
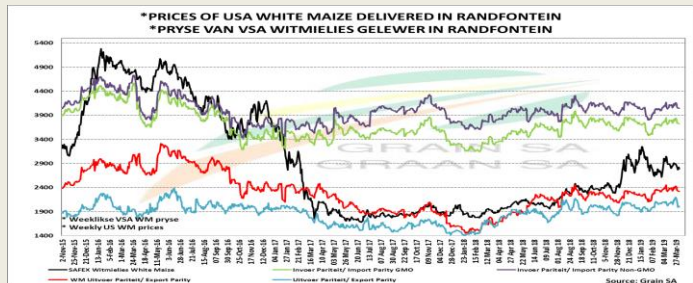
Preliminary volume estimates were for 468,460 contracts, trending slightly above Wednesday's final count of 464,934.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 2 865.00	41%	R 52.21	R 2 917.21
Sep 2019	R 2 919.00	25%	R 51.25	R 2 970.25
Dec 2019	R 3 007.00	26.25%	R 51.78	R 3 058.78
Jul 2019	R 2 865.00	41%	R 52.21	R 2 917.21
Yellow Maize Future				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 2 832.00	28%	R 52.21	R 2 884.21
Sep 2019	R 2 888.00	19%	R 51.25	R 2 939.25
Dec 2019	R 2 957.00	18.5%	R 51.78	R 3 008.78
Jul 2019	R 2 832.00	28%	R 52.21	R 2 884.21

The local Maize market traded lower yesterday. The local Jul'19 WMAZ contract ended R28.00 down and Jul'19 YMAZ closed R23.00 lower. The Sep'19 WMAZ closed lower by R26.00 and Sep'19 YMAZ ended R23.00 down. The parity move for the Jul'19 Maize contract for yesterday was R55.00 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	496.00	510.00	19.25	14.00	505.00	-5.00	9.00	JUL 2019	450.00	455.25	9.50	5.25	451.75	-3.50	1.75
SEP 2019	503.00	514.25	16.50	11.25	508.75	-5.50	5.75	SEP 2019	463.00	468.50	9.75	5.50	465.25	-3.25	2.25
DEC 2019	514.00	525.75	14.75	11.75	520.50	-5.25	6.50	DEC 2019	487.00	491.75	10.00	4.75	488.50	-3.25	1.50
MAR 2010	527.00	536.50	13.25	9.50	531.25	-5.25	4.25	MAR 2010	509.00	513.50	10.25	4.50	511.75	-1.75	2.75
MAY 2010	531.00	542.25	12.00	11.25	538.00	-4.25	7.00	MAY 2010	524.00	527.75	11.25	3.75	526.25	-1.50	2.25



FarmFutures - Wheat prices saw a major lift Thursday amid some dry weather concerns emerging in major production regions overseas, including Russia and Australia. July Chicago SRW boomed 19.25 cents higher to \$5.10, July Kansas City HRW futures gained 10.25 cents to \$4.56, and July MGEX spring wheat futures added 18 cents to \$5.6575.

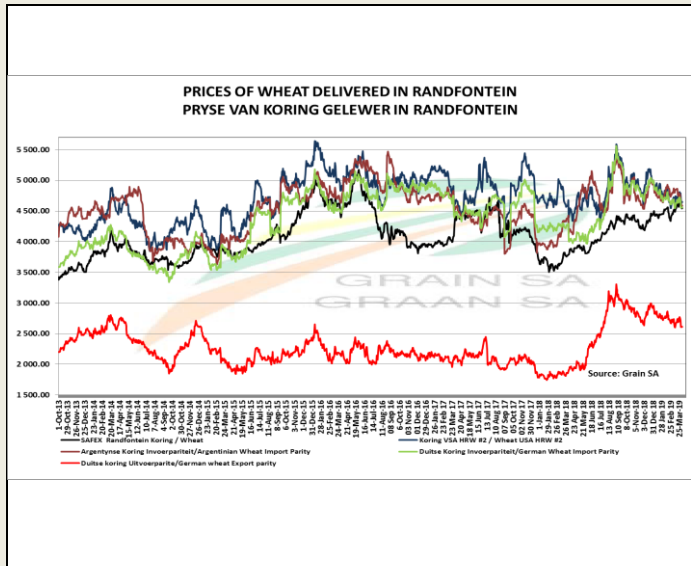
For wheat export sales last week, 1.0 million bushels in old crop cancellations were more than balanced by 18.4 million bushels in new crop sales, for a total of 17.5 million bushels, pushing well past trade estimates of 11.0 million bushels. Wheat export shipments reached 17.2 million bushels last week. Ahead of Monday morning's June WASDE report from USDA, analysts expect a small decline in 2019/20 ending stocks, moving from May estimates of 1.141 billion bushels down to 1.106 billion bushels.

Argentina's 2019 wheat plantings could reach 16.8 million acres – the highest levels in nearly two decades, due in large part to improved domestic prices. Japan purchased 2.8 million bushels of food-quality wheat from the U.S. and Australia in a regular tender that closed earlier today. Of the total, 75% was sourced from the U.S.

Preliminary volume estimates were for 234,949 CBOT contracts, moving nearly 36% ahead of Wednesday's final count of 172,772.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 4 538.00	12%	R 76.64	R 4 614.64
Sep 2019	R 4 523.00	0%	R 59.09	R 4 582.09
Dec 2019	R 4 443.00	12.5%	R 63.82	R 4 506.82
Jul 2019	R 4 538.00	12%	R 76.64	R 4 614.64
Cape Wheat				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019				
Dec 2019				
Jul 2019				



The local Wheat market closed mixed yesterday. The local Jul'19 Wheat contract closed R4.00 down while Sep'19 Wheat closed R14.00 higher. The parity move for the Jul'19 Wheat contract for yesterday was R75.00 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	864.00	868.75	-1.00	4.75	867.00	-1.75
AUG 2019	871.00	875.25	-1.00	4.25	873.50	-1.75
SEP 2019	878.00	882.25	-1.50	4.25	880.50	-1.75
NOV 2019	891.00	895.25	-2.00	4.25	894.00	-1.25
JAN 2010	905.00	908.75	-1.75	3.75	906.50	-2.25

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JUL 2019	315.9	315.20
AUG 2019	317.1	316.30
SEP 2019	318.8	318.10
OCT 2019	320.4	319.80
DEC 2019	323.8	323.20

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JUL 2019	27.76	27.75
AUG 2019	27.89	27.90
SEP 2019	27.99	27.99
OCT 2019	28.09	28.09
DEC 2019	28.35	28.33



FarmFutures - Soybean prices took minor losses Thursday on some light technical selling. July and August futures each retreated a penny to close at \$8.6875 and \$8.7525, respectively.

Soybean basis bids were largely steady Thursday but firmed by 3 cents at an Illinois processor and an Ohio elevator today. Soybean export sales reached 18.7 million bushels in old crop sales plus another 2.7 million bushels of new crop sales for a total of 21.5 million bushels last week. That tally was slightly ahead of the prior week's total of 17.6 million bushels and ahead of analyst expectations of 18.4 million bushels. Soybean export shipments were for 32.9 million bushels.

Ahead of Monday morning's June WASDE report from USDA, analysts expect the agency to show a slight decline in 2019 soybean production potential, moving from 4.150 billion bushels in May down to 4.118 billion bushels on average yields of 49.0 bushels per acre. Analysts expect slightly higher 2019/20 ending stocks, however, moving from May estimates of 970 million bushels up to 990 million bushels. With this spring's sluggish planting pace, soybeans may be the only game in town for farmers looking for another crop to plant. Click here to learn more about what's currently at stake in the latest Soybean Outlook from Farm Futures senior grain market analyst Bryce Knorr.

Preliminary volume estimates were for 158,163 contracts, sliding moderately below Wednesday's final count of 233,766.

South African Futures Exchange

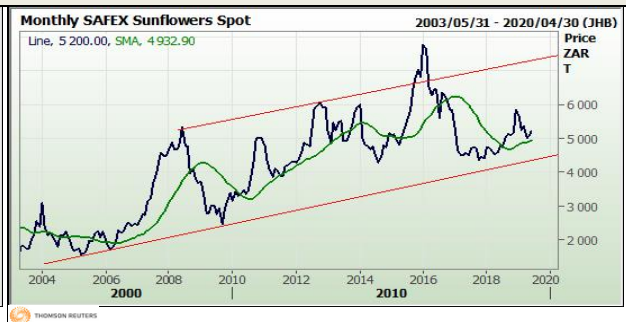
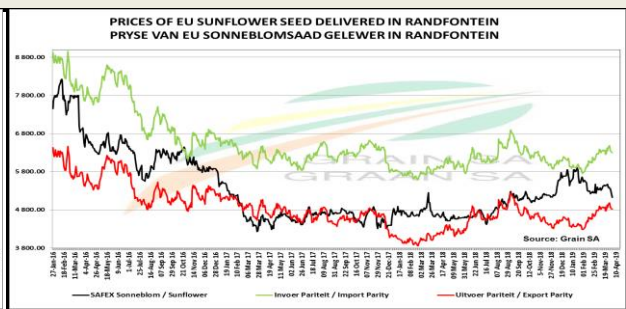
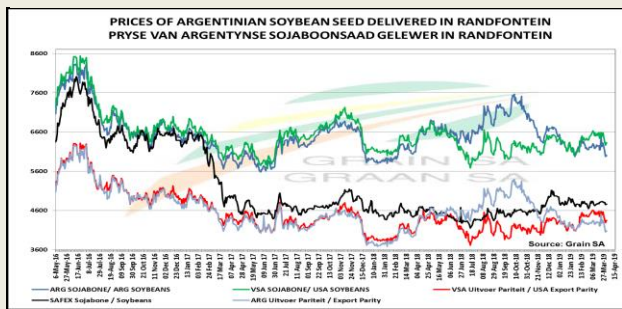
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 5 243.00	15%	R 63.54	R 5 306.54
Sep 2019	R 5 329.00	0%	R 61.54	R 5 390.54
Dec 2019	R 5 425.00	14%	R 5 425.00	
Jul 2019	R 5 243.00	15%	R 63.54	R 5 306.54

Sunflower Seeds Future		
	MTM	Vols
Dec 2018		
Mar 2019		
May 2019		
Jul 2019	R 5 275.00	17.25%
Sep 2019	R 5 402.00	0%
Dec 2019	R 5 525.00	16%
Jul 2019	R 5 275.00	17.25%



The local Soya market traded higher yesterday. The local Jul'19 Soya contract ended R21.00 up and Sep'19 Soya closed R11.00 higher. The parity move for the Jul'19 Soya contract for yesterday was R65.00 positive.

The local Suns market closed higher yesterday. The local Jul'19 Suns contract closed R5.00 up and Sep'19 Suns closed R5.00 higher.



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