



**Fundamental Report**  
**10 July 2019**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	0.0000	The record	#VALUE!	#VALUE!
Euro/Rand	15.9283	15.8999	-0.0284	-0.18%
GBPound/Rand	17.7167	17.6583	-0.0584	-0.33%
AusDollar/Rand	9.8597	9.8158	-0.0439	-0.45%
Euro/USDollar	1.1203	1.1207	0.0004	0.04%
GBPound/USDollar	1.2461	1.2452	-0.0009	-0.07%
AusDollar/USDollar	0.6931	0.6919	-0.0012	-0.17%
JpyYen/USDollar	108.8800	108.8900	0.0100	0.01%

BDLive - The JSE closed lower on Tuesday, tracking global markets as traders await any further signs regarding the trajectory of US monetary policy, placing pressure on global risk assets.

Investors have dialed back expectations that the US may cut interest rates after better-than-expected non-farm payrolls data was released on Friday. US Federal Reserve chair Jerome Powell will testify before Congress on Wednesday and Thursday, as expectations of a 50-basis-point cut at its next meeting wear off. "A moderate easing in interest rates could help in counterbalancing the negative impacts of the US-China trade war. Hence, at Powell's testimony, US policy makers will be after any information on whether the Fed will lower interest rates in the coming meetings and by how much," London Capital Group senior market analyst Ipek Ozkardeskaya said in a note.

Traders will be monitoring developments in the US-China trade dispute as the two economic superpowers are set to resume negotiations this week.



### Commodities

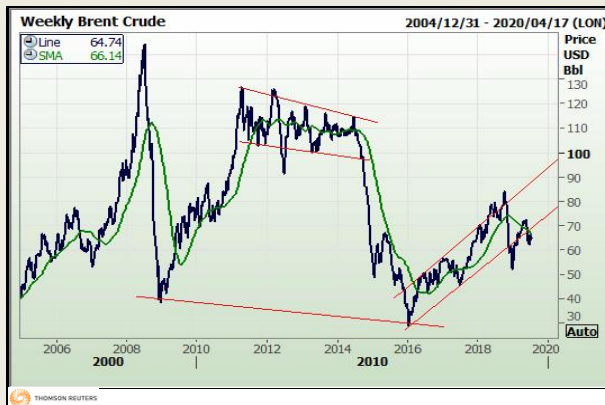
	Last	Value Change	% Change
Platinum	803.82	-2.18	-0.27%
Gold	1392.80	-5.00	-0.36%
Silver	15.07	-0.03	-0.17%
Copper	2.64	0.01	0.44%
Gasoil	583.00	6.75	1.16%
Brent Oil	64.75	0.59	0.91%

BDLive - BBengaluru — Gold eased to a one-week low on Tuesday, consolidating below \$1,400 as the dollar rallied on expectations of a less dovish US Federal Reserve ahead of testimony from the chair of the central bank.

Spot gold was 0.5% lower at \$1,387.80 an ounce at 10.26am GMT, having earlier touched \$1,386.11, its lowest since July 2. US gold futures for August delivery shed 0.7% to \$1,389.50.

"The [gold] market is clearly erring on the side of caution. We have the dollar having moved higher and with that, gold is struggling a bit," said Saxo Bank analyst Ole Hansen, noting that bullion was managing to hold above key support around \$1,380. "The real question is how dovish will Powell be in his expression of the US economy."

Fed chair Jerome Powell's two-day testimony before US Congress starts on Wednesday.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	50908.51	0.00	0.00%
ALSI	51354.00	0.00	0.00%
S&P 500	2975.95	3.68	0.12%
FTSE	7549.27	-12.80	-0.17%
CAC	5572.10	0.00	0.00%
DAX	12436.55	0.00	0.00%
Hang Seng	28116.28	130.21	0.46%



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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	431.00	431.75	-6.75	0.75	430.00	-1.75	-1.00
SEP 2019	432.00	432.50	-7.00	0.50	428.50	-4.00	-3.50
DEC 2019	436.00	437.25	-6.50	1.25	433.25	-4.00	-2.75
MAR 2010	443.75	444.50	-6.00	0.75	440.00	-4.50	-3.75
MAY 2010	447.00	448.00	-5.75	1.00	443.50	-4.50	-3.50

FarmFutures - Corn prices ended with losses today, never really recovering from a lower open overnight.

Sellers focused on Monday's Crop Progress report, which showed improvement in the percentage of the crop rated good to excellent nationally. However, when viewed according to state-level rankings, our estimate of yield potential actually dropped slightly.

Traders are also getting into position for what is expected to be bearish headline numbers from USDA in Thursday's production, supply and demand reports. The government is likely to raise its forecast for both old and new crop carryout. The 2018 figure should edge higher on slowing exports, while new crop stocks will reflect USDA's larger than expected June 28 acreage forecast unless the agency lowers its yield estimate again to offset the acreage.

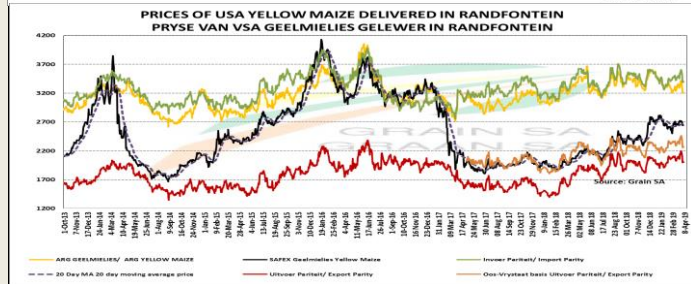
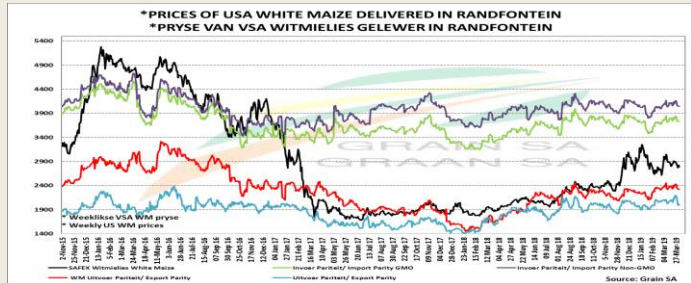
Basis was mixed, though strength continues to be seen on parts of the river system and shippers try to fill barges than finally made it up river. Bids at the Gulf also were stronger.

September futures closed down 7 cents at \$4.325 and December lost 6.5 to \$4.3725. Total volume was 309,695 compared to 409,512 on Monday.

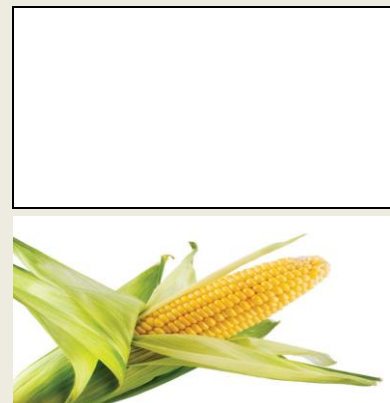


### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 2 979.00	31.5%		R 2 979.00
Sep 2019	R 3 032.00	25%		R 3 032.00
Dec 2019	R 3 121.00	29.5%		R 3 121.00
Jul 2019	R 2 979.00	31.5%		R 2 979.00
<b>Yellow Maize Future</b>				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 2 861.00	26.5%		R 2 861.00
Sep 2019	R 2 917.00	21.5%		R 2 917.00
Dec 2019	R 3 002.00	22.5%		R 3 002.00
Jul 2019	R 2 861.00	26.5%		R 2 861.00



The local Maize market traded higher yesterday. The local Jul'19 WMAZ contract ended R41.00 up and Jul'19 YMAZ closed R31.00 higher. The Sep'19 WMAZ closed higher by R40.00 and Sep'19 YMAZ ended R31.00 up. The parity move for the Jul'19 Maize contract for yesterday was R40.00 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	507.75	509.75	-7.00	2.00	0.00	-509.75	-507.75	JUL 2019	443.00	440.50	-1.50	-2.50	0.00	-440.50	-443.00
SEP 2019	502.75	502.75	-8.25	0.00	498.75	-4.00	-4.00	SEP 2019	435.25	439.25	-1.50	4.00	435.25	-4.00	0.00
DEC 2019	514.75	515.50	-7.25	0.75	512.25	-3.25	-2.50	DEC 2019	456.75	461.00	-1.50	4.25	456.50	-4.50	-0.25
MAR 2010	527.00	528.75	-6.50	1.75	524.75	-4.00	-2.25	MAR 2010	477.50	481.75	-1.75	4.25	477.00	-4.75	-0.50
MAY 2010	532.50	535.50	-5.50	3.00	531.75	-3.75	-0.75	MAY 2010	490.75	495.50	-1.50	4.75	492.00	-3.50	1.25



FarmFutures - Wheat prices posted losses today though some markets were able to move well off session lows. Ideas crops around the world are in good shape pummeled futures from Australia to Paris. Indeed, U.S. wheat continues to face tough competition into the big Middle East markets like Egypt, which filled its latest tender today with 8.8 million bushels out of Ukraine and Romania. Those originations were even cheaper than Russia, while U.S. wheat out of the Gulf delivered was more than \$1 a bushel off the winning offers.

Improving ratings for both winter and spring wheat make it likely USDA will increase its estimate of production modestly in Thursdays update. Big changes aren't expected to the agency's estimate of new crop carryout, which should stay above 1 billion bushels.

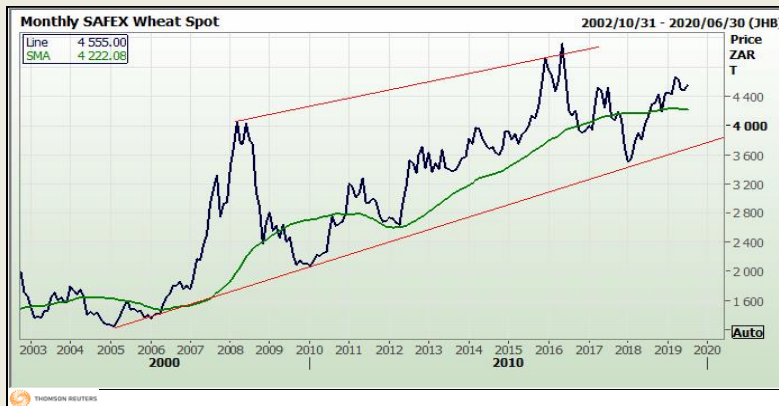
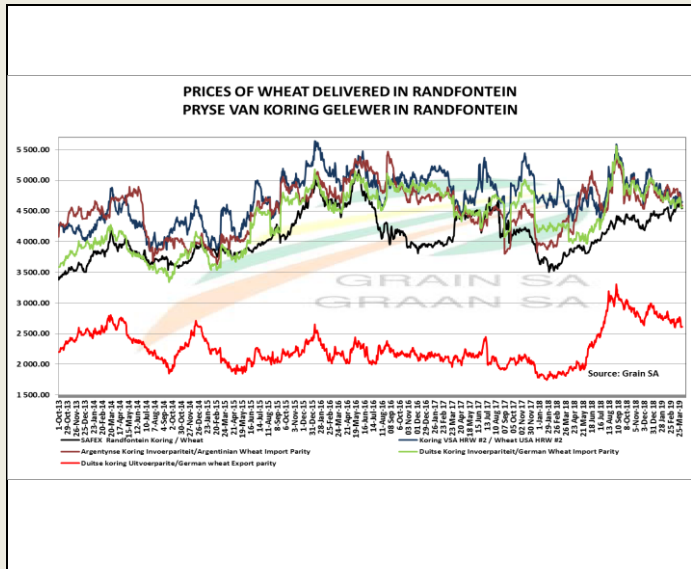
September SRW fell 8.25 cents to \$5.075 on volume of 110,693, up from 104,559 Monday.

September HRW was off only 1.5 cents to \$4.38, with volume at 44,139, compared to 46,605 yesterday.

Minneapolis September dropped 6 cents to \$5.265.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 4 544.00	12%		R 4 544.00
Sep 2019	R 4 471.00	0%		R 4 471.00
Dec 2019	R 4 427.00	12.5%		R 4 427.00
Jul 2019	R 4 544.00	12%		R 4 544.00
<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 R44.00 up and Sep'19 Weat closed R16.00 higher. The parity move for the Jul'19 Weat contract for yesterday was R17.00 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	871.00	882.75	7.50	11.75	884.50	1.75
AUG 2019	874.25	886.00	7.00	11.75	883.50	-2.50
SEP 2019	880.50	891.75	6.50	11.25	889.50	-2.25
NOV 2019	893.00	904.25	6.50	11.25	901.75	-2.50
JAN 2010	904.75	916.25	6.75	11.50	913.75	-2.50

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JUL 2019	307.9	0.00
AUG 2019	309.2	308.00
SEP 2019	310.9	310.00
OCT 2019	312.7	312.00
DEC 2019	315.9	314.60

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JUL 2019	27.88	0.00
AUG 2019	28.01	28.06
SEP 2019	28.13	28.20
OCT 2019	28.25	28.25
DEC 2019	28.49	28.54



FarmFutures - Soybeans turned around earlier losses to close higher today, getting a boost from slow planting and lower ratings reported in Monday's Crop Progress reports.

Selling quickly dried up following a lower open this morning. That helped November reverse higher as funds bailed out of short positions. Big speculators remained overall bearish on beans during the June rally, even though they turned bullish on corn. Those short positions could be at risk if a friendly number grabs headlines in Thursday's USDA report. The agency's production estimate will reflect its sharply lower estimate of acreage made June 28, while old crop ending stocks could be down by nearly 100 million bushels based on the inventory report out the same day.

There may also be a few hopes for additional purchases by China when negotiators resume telephone talks later this week. Any purchases are likely to be for new crop because China is still sitting on more than 200 million bushels of old crop bookings made when the trade war thawed a little this spring.

Stronger basis in the cash market also triggered some buying. Some river terminals boosted bids and eastern processors were also trying to originate supplies in an area where new crop production is likely to be short this fall.

August futures gained 7 cents to close at \$8.86 with November up 6.5 to \$9.0425. Open interest was 146,268 compared to 125,684 Monday.

### South African Futures Exchange

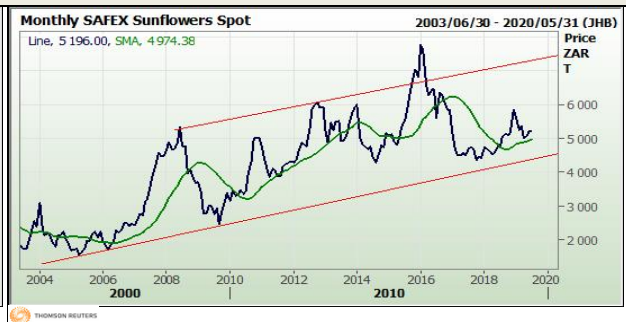
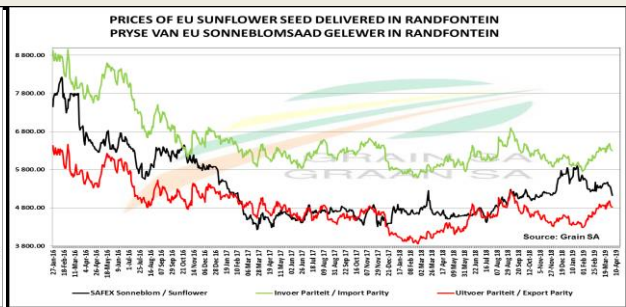
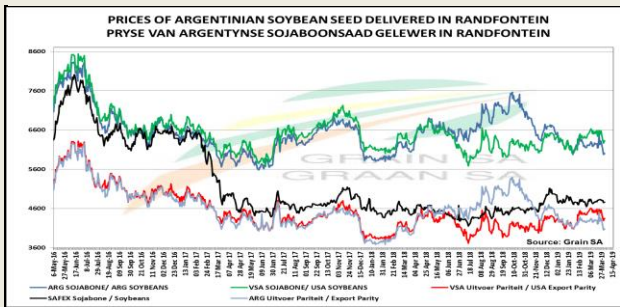
Soybean Future			
	MTM	Vols	Market Price
Dec 2018			
Mar 2019			
May 2019			
Jul 2019	R 5 342.00	15%	R 5 342.00
Sep 2019	R 5 411.00	0%	R 5 411.00
Dec 2019	R 5 490.00	14%	R 5 490.00
Jul 2019	R 5 342.00	15%	R 5 342.00

Sunflower Seeds Future		
	MTM	Vols
Dec 2018		
Mar 2019		
May 2019		
Jul 2019	R 5 214.00	17.25%
Sep 2019	R 5 351.00	0%
Dec 2019	R 5 459.00	16%
Jul 2019	R 5 214.00	17.25%



The local Soya market traded higher yesterday. The local Jul'19 Soya contract ended R11.00 up and Sep'19 Soya closed R4.00 higher. The parity move for the Jul'19 Soya contract for yesterday was R57.00 positive.

The local Suns market closed lower yesterday. The local Jul'19 Suns contract closed R11.00 down and Sep'19 Suns closed R22.00 lower.



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