



**Fundamental Report**  
**11 July 2019**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
<b>USDollar/Rand</b>		The record	#VALUE!	#VALUE!
Euro/Rand	15.9329	15.7206	-0.2123	-1.33%
GBPound/Rand	17.7229	17.4677	-0.2552	-1.44%
AusDollar/Rand	9.8295	9.7261	-0.1034	-1.05%
Euro/USDollar	1.1222	1.1275	0.0053	0.47%
GBPound/USDollar	1.2484	1.2534	0.0050	0.40%
AusDollar/USDollar	0.6924	0.6976	0.0052	0.75%
JpyYen/USDollar	108.8800	107.9100	-0.9700	-0.89%

BDLive - The JSE closed higher on Wednesday as US markets cheered Federal Reserve chair Jerome Powell's indication that the US will likely loosen monetary policy soon. In his testimony before the US Congress earlier, Powell noted "cross-currents", which included the US-China trade war. "Based on incoming data and other developments, it appears that uncertainties around trade tensions and concerns about the strength of the global economy continue to weigh on the US economic outlook. Inflation pressures remain muted," he said.

Investors have already priced in a 100% chance of a rate cut at the Fed's next meeting in July, despite positive US jobs data reducing the expectation of a cut of 50 basis points. Powell said the Fed would consider a broad range of factors, including upcoming labour, retail and quarterly GDP figures ahead of announcing its decision at the end of the month. Shortly before the JSE closed, the Reserve Bank announced the re-appointment of its governor Lesetja Kganyago for another five-year term. His current term is due to end on November 8. The Bank also appointed monetary policy committee members Nomfundo (Fundji) Tshabana and Rashad Cassim as deputy governors.



### Commodities

	Last	Value Change	% Change
Platinum	827.20	2.70	0.33%
Gold	1423.83	5.03	0.35%
Silver	15.27	0.03	0.20%
Copper	2.69	0.00	-0.11%
Gasoil	607.75	13.25	2.18%
Brent Oil	67.19	0.18	0.27%

BDLive - Bengaluru — Gold prices eased on Wednesday as the dollar climbed higher on expectations of a less dovish US Federal Reserve, ahead of a testimony from the its chair Jerome Powell.

Spot gold was down 0.4% to \$1,392.50/oz as of 4.10am GMT. US gold futures slipped 0.4% to \$1,394.90/oz. "A stronger US dollar is clearly weighing on gold prices. Overall, it appears that the markets are backing away from their more dovish stance given that we have important minutes being released by the US Fed," said Michael McCarthy, chief market strategist at CMC Markets. "Also, people are locking in gains and reducing positions ahead of those key events," he added.

The minutes from the Fed's previous meeting will be released later in the day. The dollar edged toward a three-week high against a basket of major currencies on Wednesday, as fading expectations of an aggressive US interest rate cut pushed Treasury yields higher.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	51491.95	0.00	0.00%
ALSI	51934.00	0.00	0.00%
S&P 500	2979.63	13.44	0.45%
FTSE	7536.47	-5.78	-0.08%
CAC	5567.59	0.00	0.00%
DAX	12373.41	0.00	0.00%
Hang Seng	28204.69	332.52	1.18%



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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	429.00	434.25	2.50	5.25	433.25	-1.00	4.25
SEP 2019	430.00	435.00	2.50	5.00	433.75	-1.25	3.75
DEC 2019	434.00	439.50	2.25	5.50	437.75	-1.75	3.75
MAR 2010	441.00	446.25	1.75	5.25	444.50	-1.75	3.50
MAY 2010	444.00	449.50	1.50	5.50	447.75	-1.75	3.75

FarmFutures - Corn prices took small gains on some technical buying ahead of tomorrow morning's WASDE report. July and September futures each added 2.5 cents to reach \$4.3425 and \$4.35, respectively.

Corn basis bids rose 1 to 4 cents across several interior river terminals, 2 to 5 cents at multiple Midwestern ethanol plants and 5 cents at two central elevators Wednesday, with farmer sales remaining sluggish ahead of tomorrow morning's supply and demand estimates report from USDA.

Analysts are predicting USDA will show a relatively low volume of corn sales for the week ending July 4 when the agency releases its weekly export sales report tomorrow morning, with trade guesses ranging between 9.8 million and 27.6 million bushels.

Ethanol production for the week ending July 5 fell to the lowest levels since late May after tallying an average daily production of 1.047 million barrels. The prior four-week average is 1.082 million barrels per day.

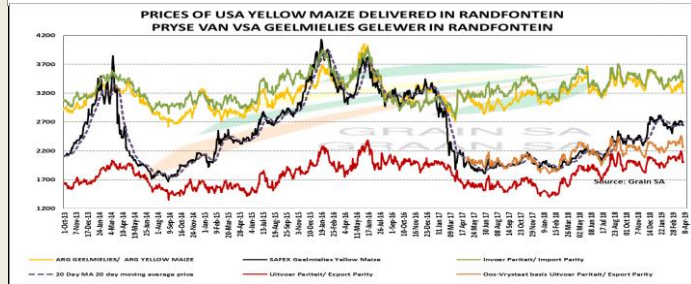
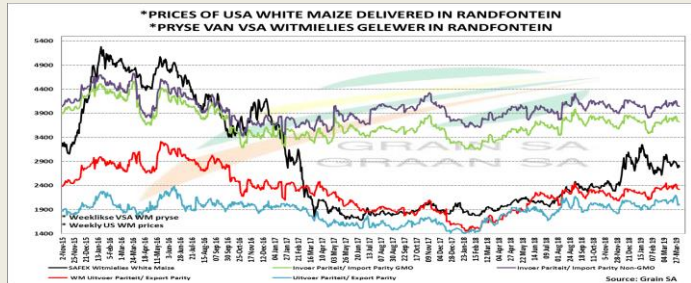
Grain traveling the nation's railways saw an uptick in volume last week after reaching 23,651 carloads. Cumulative totals for 2019 remain 4.6% lower year-over-year, however, at 594,803 carloads.

Preliminary volume estimates were for 165,188 contracts, down by nearly half from Tuesday's final count of 309,677.

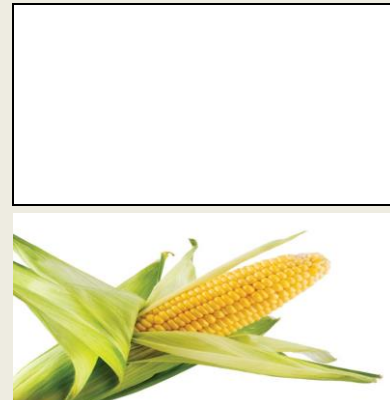
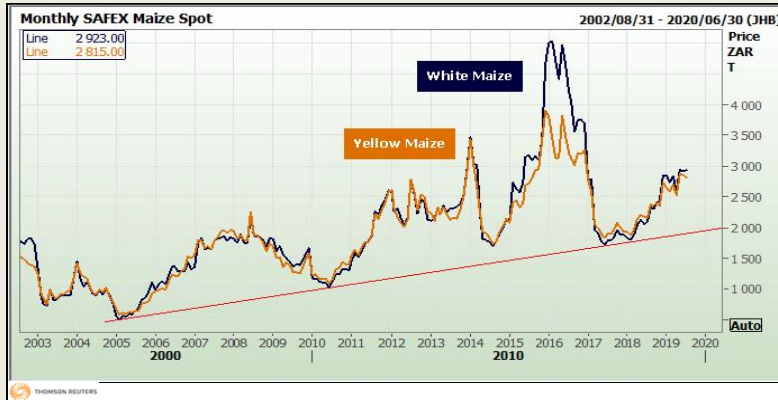


### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 2 923.00	31.5%		R 2 923.00
Sep 2019	R 2 977.00	25%		R 2 977.00
Dec 2019	R 3 065.00	29.5%		R 3 065.00
Jul 2019	R 2 923.00	31.5%		R 2 923.00
<b>Yellow Maize Future</b>				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 2 815.00	26.5%		R 2 815.00
Sep 2019	R 2 869.00	21.5%		R 2 869.00
Dec 2019	R 2 958.00	22.5%		R 2 958.00
Jul 2019	R 2 815.00	26.5%		R 2 815.00



The local Maize market traded lower yesterday. The local Jul'19 WMAZ contract ended R34.00 down and Jul'19 YMAZ closed R18.00 lower. The Sep'19 WMAZ closed lower by R32.00 and Sep'19 YMAZ ended R16.00 down. The parity move for the Jul'19 Maize contract for yesterday was R20.00 negative.

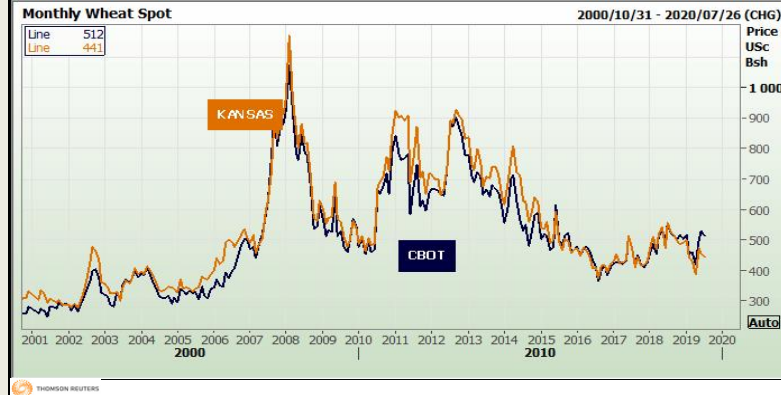


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## Wheat Market

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

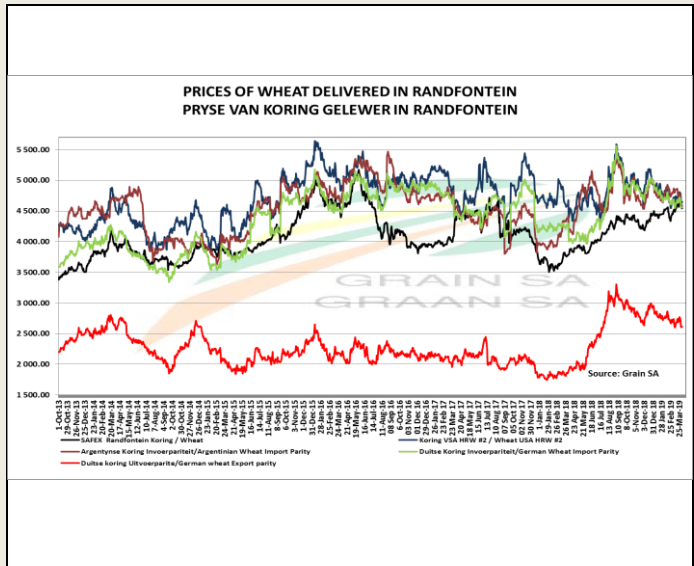
CBOT Wheat							KBOT Wheat								
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
JUL 2019	506.00	511.75	2.00	5.75	0.00	-511.75	-506.00	JUL 2019	425.25	441.25	0.75	16.00	0.00	-441.25	-425.25
SEP 2019	501.00	504.75	2.00	3.75	503.50	-1.25	2.50	SEP 2019	438.00	441.50	2.25	3.50	440.00	-1.50	2.00
DEC 2019	514.00	516.75	1.25	2.75	515.00	-1.75	1.00	DEC 2019	459.00	462.50	1.50	3.50	460.75	-1.75	1.75
MAR 2010	526.00	529.50	0.75	3.50	527.50	-2.00	1.50	MAR 2010	480.00	483.00	1.25	3.00	480.50	-2.50	0.50
MAY 2010	532.00	535.75	0.25	3.75	0.00	-535.75	-532.00	MAY 2010	493.00	496.50	1.00	3.50	0.00	-496.50	-493.00



FarmFutures - Wheat prices found small to moderate gains Wednesday on some technical buying partly spurred by spillover strength from other commodities. September Chicago SRW futures picked up 1.75 cents to \$5.0475, September Kansas City HRW futures gained 1.5 cents to \$4.4075, and September MGEX spring wheat futures picked up 1.75 cents to \$5.2825. Wheat prices are generally feeling the heat of harvest pressure in recent days, especially after USDA marked 47% winter wheat harvest progress Monday afternoon. Learn more about what other factors are at play in the latest Wheat Outlook column from Farm Futures senior grain market analyst Bryce Knorr. Ahead of tomorrow morning's weekly export sales report from USDA, analysts expect the agency to show wheat sales last week totaling between 9.2 million and 20.2 million bushels. Egypt purchased 8.8 million bushels of wheat for arrival in August. Two-thirds of the total was sourced from Romania, with Russia supplying the remainder. South Korea purchased 2.9 million bushels of milling wheat sourced from the U.S. in an international tender that closed earlier today. The grain is for shipment in September or October. The Philippines purchased 2.2 million bushels of feed wheat, sourced from the Black Sea region, in a deal late last week. The grain will be for shipment in August or September. Preliminary volume estimates were for 70,479 CBOT contracts, down about 36% from Tuesday's final count of 110,693.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 4 555.00	12%		R 4 555.00
Sep 2019	R 4 522.00	0%		R 4 522.00
Dec 2019	R 4 447.00	12.5%		R 4 447.00
Jul 2019	R 4 555.00	12%		R 4 555.00
<b>Cape Wheat</b>				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019				
Dec 2019				
Jul 2019				



The local Weat market closed mixed yesterday. The local Jul'19 Weat contract closed unchanged while Sep'19 Weat closed R33.00 higher. The parity move for the Jul'19 Weat contract for yesterday was R34.00 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	881.00	893.00	10.25	12.00	894.00	1.00
AUG 2019	885.00	894.50	8.50	9.50	894.25	-0.25
SEP 2019	891.00	900.25	8.50	9.25	900.00	-0.25
NOV 2019	903.00	912.75	8.50	9.75	912.50	-0.25
JAN 2010	915.00	924.50	8.25	9.50	923.50	-1.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JUL 2019	309.1	0.00
AUG 2019	310.7	310.30
SEP 2019	312.4	312.20
OCT 2019	314.2	314.10
DEC 2019	317.5	317.20

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JUL 2019	27.97	0.00
AUG 2019	28.09	28.09
SEP 2019	28.2	28.20
OCT 2019	28.33	28.29
DEC 2019	28.56	28.55



FarmFutures - Soybean prices moved around 1% higher Wednesday as traders prepped for tomorrow morning's WASDE report, a signal that they may be expecting to find some bullish soybean data Thursday. July futures gained 10.25 cents to \$8.93, with August futures up 8.5 cents to \$8.9450.

Soybean basis bids were mostly steady Wednesday but moved as much as 7 cents higher at an Iowa river terminal and an Illinois processor today. Bids at an Ohio elevator eased by a penny today.

Ahead of tomorrow morning's weekly export sales report from USDA, analysts are expecting the agency to show soybean sales totaling between 9.2 million and 27.6 million bushels last week. Analysts also expect USDA to report another 50,000 to 300,000 metric tons of soy meal sales last week, plus another 5,000 to 25,000 MT of soy oil sales.

How many acres of corn and soybeans did you plant this spring? How many wound up taking prevent plant coverage? Those are just a few of the questions our readers have been answering in the latest round of updates to Feedback From The Field. Click here to read plenty of farmer anecdotes and view our interactive map.

Preliminary volume estimates shrank down to 90,437 contracts after seeing a moderate decline from Tuesday's final tally of 144,805.

### South African Futures Exchange

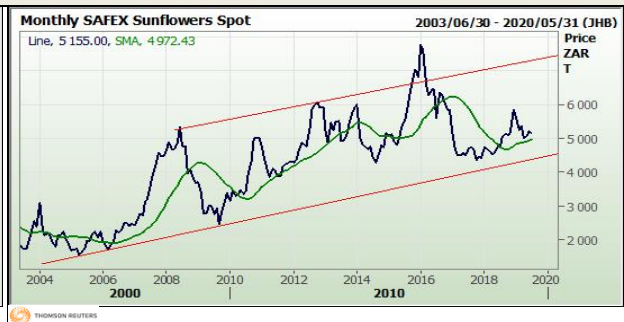
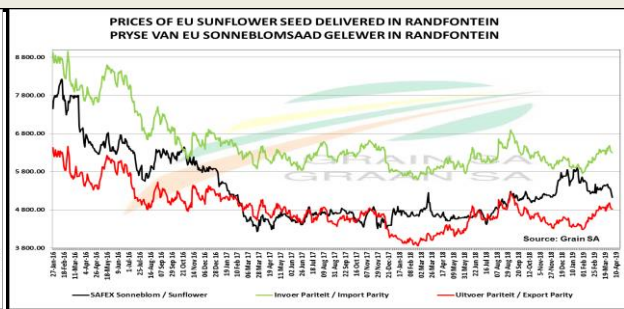
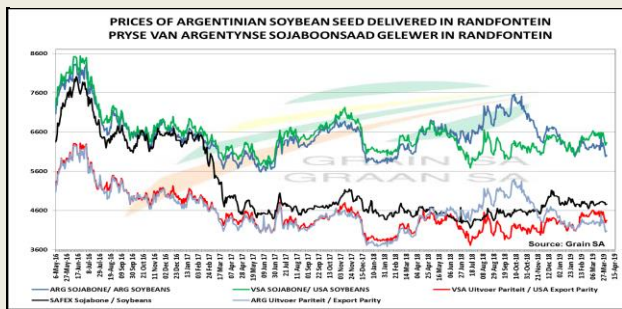
Soybean Future			
	MTM	Vols	Market Price
Dec 2018			
Mar 2019			
May 2019			
Jul 2019	R 5 350.00	15%	R 5 350.00
Sep 2019	R 5 430.00	0%	R 5 430.00
Dec 2019	R 5 512.00	14%	R 5 512.00
Jul 2019	R 5 350.00	15%	R 5 350.00

Sunflower Seeds Future		
	MTM	Vols
Dec 2018		
Mar 2019		
May 2019		
Jul 2019	R 5 155.00	17.25%
Sep 2019	R 5 291.00	0%
Dec 2019	R 5 403.00	16%
Jul 2019	R 5 155.00	17.25%



The local Soya market traded higher yesterday. The local Jul'19 Soya contract ended R10.00 up and Sep'19 Soya closed R27.00 higher. The parity move for the Jul'19 Soya contract for yesterday was R37.00 negative.

The local Suns market closed lower yesterday. The local Jul'19 Suns contract closed R41.00 down and Sep'19 Suns closed R40.00 lower.



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