



Fundamental Report
17 July 2019

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand		The record	#VALUE!	#VALUE!
Euro/Rand	15.5837	15.6670	0.0833	0.53%
GBPound/Rand	17.2712	17.3442	0.0730	0.42%
AusDollar/Rand	9.7517	9.7910	0.0393	0.40%
Euro/USDollar	1.1232	1.1211	-0.0021	-0.19%
GBPound/USDollar	1.2450	1.2415	-0.0035	-0.28%
AusDollar/USDollar	0.7028	0.7006	-0.0022	-0.31%
JpyYen/USDollar	107.8900	108.1600	0.2700	0.25%

BDLive - The JSE closed marginally higher on Tuesday, with banks and financials leading the gains.

Investors were closely watching US retail sales data, released earlier in the day, as markets look for any catalysts that will encourage the US Federal Reserve to cut interest rates more sharply than expected at its next meeting. Retail sales for June in the US rose 0.4% month-on-month, unchanged from May, and double the 0.2% expected by analysts in a Bloomberg poll. Industrial production month-on-month was also unchanged from 0.4% previously. Shortly after the JSE closed, the Dow was flat at 27,376.72 points after closing at a record high on Monday. In Europe, the FTSE 100 rose 0.6%, France's CAC 40 0.71%, and Germany's DAX 30 0.42%.

The rand ended its recent winning run after the better-than-expected US retail sales data provided a reprieve for the dollar. After the JSE closed, the rand had weakened 0.15% to R13.9214/\$, while it had strengthened 0.23% to R15.6136/€ and 0.76% to R17.2731/£. The euro had weakened 0.37% to \$1.1216.



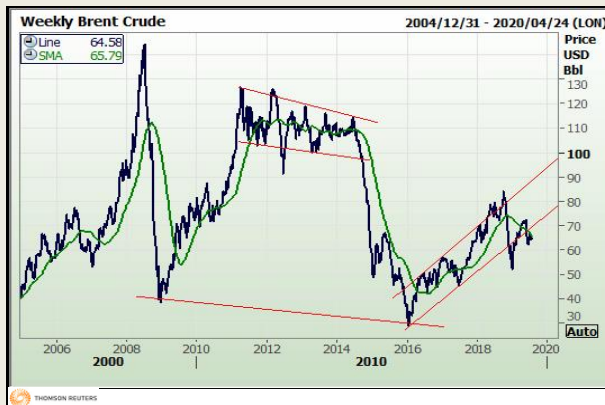
Commodities

	Last	Value Change	% Change
Platinum	839.56	1.56	0.19%
Gold	1404.83	-1.10	-0.08%
Silver	15.60	0.04	0.29%
Copper	2.70	0.00	0.06%
Gasoil	582.50	-17.50	-3.00%
Brent Oil	64.61	0.26	0.40%

BDLive - Bengaluru — Gold prices fell on Tuesday after better-than-expected US retail sales data lowered expectations of an interest rate cut by the US Federal Reserve and boosted the dollar.

Spot gold edged down 0.3% to \$1,409.71 an ounce as of 2.15pm GMT. US gold futures slipped 0.1% to \$1,411.40 an ounce. "The [gold] market is more reliant on the macro-factors to be driven higher. If we continue to see stronger data like the retail numbers, it presents a headwind for the market," said Suki Cooper, precious metals analyst at Standard Chartered Bank. "The key event the market is tracking is the July Federal open market committee meeting and the Fed rate-cut expectations, and we have seen that the expectations have declined a little bit."

The US commerce department said retail sales rose 0.4% last month as households stepped up purchases of motor vehicles and a variety of other goods. Economists polled by Reuters had forecast retail sales edging up 0.1% in June.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	51958.04	0.00	0.00%
ALSI	51904.00	0.00	0.00%
S&P 500	3014.30	-10.26	-0.34%
FTSE	7531.72	45.48	0.60%
CAC	5614.38	0.00	0.00%
DAX	12430.97	0.00	0.00%
Hang Seng	28619.62	-88.96	-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
SEP 2019	439.00	435.25	-5.75	-3.75	434.75	-0.50	-4.25
DEC 2019	445.00	441.25	-5.75	-3.75	440.50	-0.75	-4.50
MAR 2010	452.00	448.50	-5.25	-3.50	447.50	-1.00	-4.50
MAY 2010	455.00	452.00	-4.50	-3.00	451.00	-1.00	-4.00
JUL 2010	458.00	455.00	-3.75	-3.00	454.00	-1.00	-4.00

FarmFutures - Corn prices fell around 1.25% Tuesday after USDA reported better-than-expected crop conditions late yesterday afternoon, and with more rain expected across the Corn Belt later this week. September and December futures each dropped 5.75 cents to close at \$4.3525 and \$4.4125, respectively.

Corn basis bids were largely steady but slightly mixed Tuesday after firming by 4 cents at an Iowa processor and tumbling 9 cents lower at an Illinois river terminal today.

In yesterday afternoon's crop progress report from USDA, the agency showed corn quality moving from 57% in good-to-excellent condition a week ago up to 58% this past week. Another 30% of the crop is rated fair (down a point from last week), with the remaining 12% rated poor or very poor (unchanged from last week). Analysts had expected quality ratings to decline a point.

Physiologically, 17% of the crop is silking. That's up from 8% the prior week but far behind 2018's pace of 59% and the five-year average of 42%.

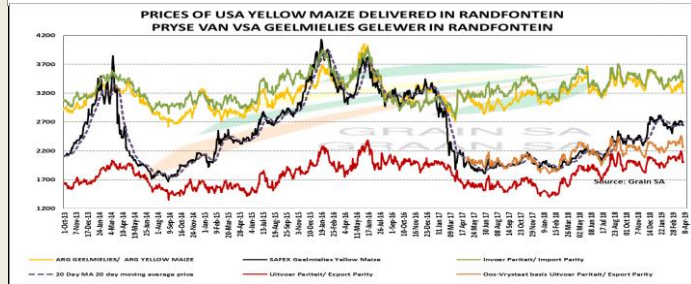
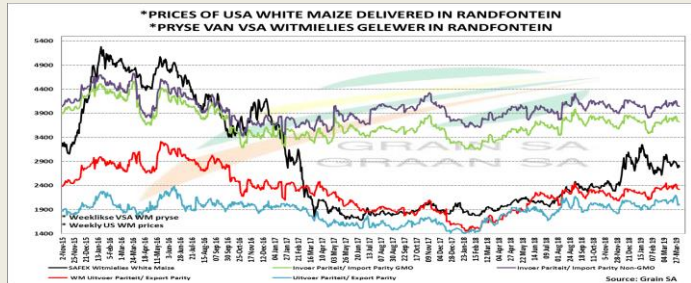
Preliminary volume estimates were for 282,004 contracts, falling 36% below Monday's final count of 442,168.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 2 914.00	31.5%		R 2 914.00
Sep 2019	R 2 969.00	25%		R 2 969.00
Dec 2019	R 3 058.00	29.5%		R 3 058.00
Jul 2019	R 2 914.00	31.5%		R 2 914.00
Yellow Maize Future				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 2 809.00	26.5%		R 2 809.00
Sep 2019	R 2 865.00	21.5%		R 2 865.00
Dec 2019	R 2 941.00	22.5%		R 2 941.00
Jul 2019	R 2 809.00	26.5%		R 2 809.00

The local Maize market traded lower yesterday. The local Jul'19 WMAZ contract ended R66.00 down and Jul'19 YMAZ closed R65.00 lower. The Sep'19 WMAZ closed lower by R67.00 and Sep'19 YMAZ ended R67.00 down. The parity move for the Jul'19 Maize contract for yesterday was R10.00 negative.



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Wheat Market

Chicago Board of Trade and Kansas Board of Trade

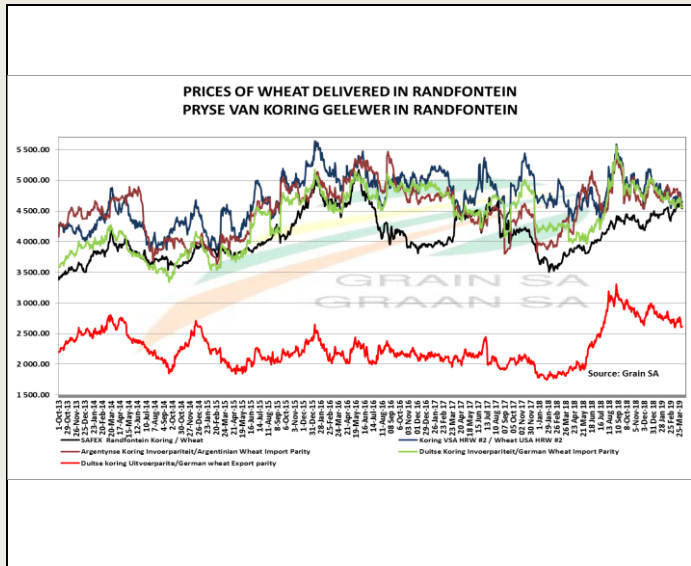
CBOT Wheat									KBOT Wheat								
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm		Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	
SEP 2019	506.00	507.50	-0.25	1.50	505.75	-1.75	-0.25		SEP 2019	448.00	446.25	-2.75	-1.75	443.75	-2.50	-4.25	
DEC 2019	518.00	519.25	-0.75	1.25	517.00	-2.25	-1.00		DEC 2019	468.00	466.25	-3.00	-1.75	463.00	-3.25	-5.00	
MAR 2010	531.00	531.50	-1.50	0.50	529.00	-2.50	-2.00		MAR 2010	488.00	486.00	-2.75	-2.00	482.00	-4.00	-6.00	
MAY 2010	536.00	537.50	-1.50	1.50	534.75	-2.75	-1.25		MAY 2010	499.00	498.25	-2.75	-0.75	496.75	-1.50	-2.25	
JUL 2010	537.00	538.25	-1.50	1.25	535.50	-2.75	-1.50		JUL 2010	503.00	503.00	-2.00	0.00	501.75	-1.25	-1.25	



FarmFutures - Wheat prices followed corn and soybeans lower on some technical selling prompted by spillover weakness in those crops. Losses were minimal after suffering a steep round of cuts Monday, however, September Chicago SRW futures eased 0.25 cents to \$5.0750, September Kansas City HRW futures fell 2.75 cents to \$4.4625, and September MGEX spring wheat futures dropped 2.25 cents to \$5.3025. Winter wheat harvest is progressing, just not quite as fast as analysts had anticipated with progress of 57% versus an expected pace of 62%. That's up from last week's tally of 47% but moderately behind 2018's pace of 72% and the five-year average of 71%. For spring wheat, 78% of the crop is now headed, up from 56% a week ago but moderately behind 2018's pace of 91% and the five-year average of 87%. Crop condition moved from 78% in good-to-excellent condition a week ago down to 76%. Russia's Grain Union says it anticipates 2019/20 wheat exports to range between 1.360 billion and 1.396 billion bushels, with the potential to move as high as 1.470 billion bushels this marketing year. Total production this year is expected to reach 2.866 billion bushels. Germany's association of farm cooperatives expects the country's 2019 wheat production to rebound 17.7% above last year's drought-stressed crop, reaching 876.3 million bushels. But a round of recent hot, dry weather had the group downgrading its estimates by 3.4% from June.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 4 530.00	12%		R 4 530.00
Sep 2019	R 4 500.00	0%		R 4 500.00
Dec 2019	R 4 447.00	12.5%		R 4 447.00
Jul 2019	R 4 530.00	12%		R 4 530.00
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 R10.00 up while Sep'19 Wheat closed unchanged. The parity move for the Jul'19 Wheat contract for yesterday was R6.00 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
AUG 2019	897.00	887.75	-14.00	-9.25	886.75	-1.00
SEP 2019	902.00	893.75	-14.00	-8.25	892.00	-1.75
NOV 2019	915.00	906.00	-14.00	-9.00	904.75	-1.25
JAN 2010	927.00	918.75	-13.50	-8.25	917.25	-1.50
MAR 2010	936.00	927.50	-13.50	-8.50	926.50	-1.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
AUG 2019	308.4	308.30
SEP 2019	309.9	309.50
OCT 2019	311.8	311.20
DEC 2019	314.8	314.70
JAN 2010	316.4	316.00

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
AUG 2019	27.99	28.00
SEP 2019	28.11	28.12
OCT 2019	28.23	28.25
DEC 2019	28.46	28.46
JAN 2010	28.69	28.68



FarmFutures - Soybean prices followed corn lower after USDA posted better-than-expected quality ratings late afternoon, and with yield-boosting rains expected across the central U.S. later this week. August and September futures each fell 14 cents to land at \$8.8775 and \$8.9375, respectively.

Soybean basis bids held steady at most central U.S. locations Tuesday but did dip 3 cents lower at an Illinois river terminal today.

Soybean crop quality ticked a point higher last week, with 54% in good-to-excellent condition. Another 34% of the crop is rated fair (down a point from last week), with the remaining 12% rated poor or very poor (unchanged from last week).

Five percent of the crop still hasn't emerged by mid-July. And 22% of the crop is now blooming - up from 10% a week ago but far behind 2018's pace of 62% and the five-year average of 49%.

Preliminary volume estimates were for 177,427 contracts, trending 34% above Monday's final count of 132,719.

South African Futures Exchange

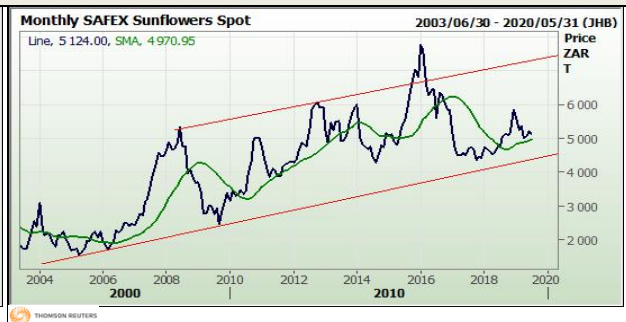
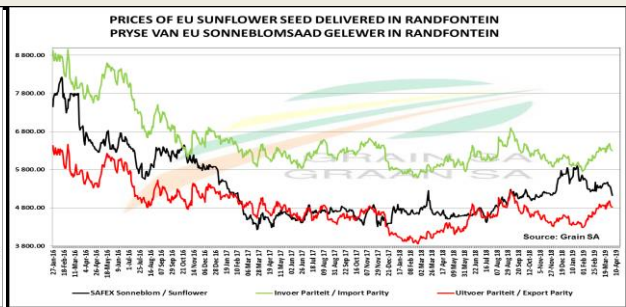
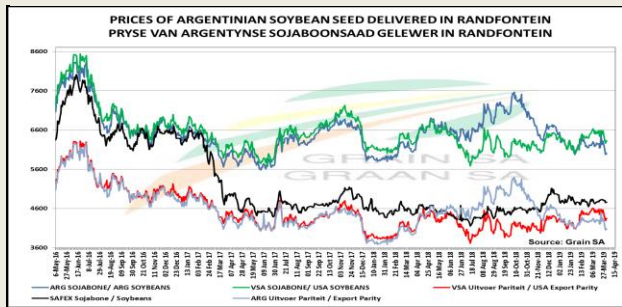
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 5 302.00	15%		R 5 302.00
Sep 2019	R 5 361.00	0%		R 5 361.00
Dec 2019	R 5 455.00	14%		R 5 455.00
Jul 2019	R 5 302.00	15%		R 5 302.00

Sunflower Seeds Future			
	MTM	Vols	
Dec 2018			
Mar 2019			
May 2019			
Jul 2019	R 5 124.00	17.25%	
Sep 2019	R 5 233.00	0%	
Dec 2019	R 5 345.00	16%	
Jul 2019	R 5 124.00	17.25%	



The local Soya market traded lower yesterday. The local Jul'19 Soya contract ended R67.00 down and Sep'19 Soya closed R69.00 lower. The parity move for the Jul'19 Soya contract for yesterday was R22.00 negative.

The local Suns market closed mixed yesterday. The local Jul'19 Suns contract closed R4.00 up while Sep'19 Suns closed R2.00 lower.



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