



**Fundamental Report**  
**19 July 2019**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
<b>USDollar/Rand</b>		The record	#VALUE!	#VALUE!
Euro/Rand	15.7269	15.5892	-0.1377	-0.88%
GBPound/Rand	17.4575	17.3631	-0.0944	-0.54%
AusDollar/Rand	9.8464	9.7905	-0.0559	-0.57%
Euro/USDollar	1.1232	1.1263	0.0031	0.28%
GBPound/USDollar	1.2467	1.2545	0.0078	0.63%
AusDollar/USDollar	0.7030	0.7071	0.0041	0.58%
JpyYen/USDollar	107.7600	107.5400	-0.2200	-0.20%

BDLive - The JSE closed higher on Thursday as the rand firmed following the Reserve Bank's decision to cut the repo rate 25 basis points (bps).

The Bank's monetary policy committee (MPC) voted unanimously to cut the rate by 0.25% to 6.5%, in line with market expectations. The Bank said it expects inflation to average 4.4% for 2019 and revised its GDP growth forecast from 1% to 0.6%. The rate cut is concurrent with expectations that the US Federal Reserve may begin an easing cycle and markets have priced in a 100% probability of a rate cut ahead of the Fed's meeting at the end of July. "Historically, whatever the Fed does, we tend to follow suit. A cut by the Bank sounded like a prudent thing to do. If the Fed gets more dovish at their next meeting then that would be an easy excuse for the Bank to cut again," said Sanlam Private Wealth portfolio manager Nick Kunze.

Soon after the JSE closed, the rand had strengthened 0.92% to R13.8833/\$, 0.95% to R15.5799/€, and 0.49% to R17.3361/£. The euro was flat at \$1,1223.



### Commodities

	Last	Value Change	% Change
Platinum	850.43	1.43	0.17%
Gold	1442.70	-3.30	-0.23%
Silver	16.41	0.08	0.46%
Copper	2.76	0.05	1.85%
Gasoil	580.00	11.00	1.90%
Brent Oil	63.15	1.22	1.93%

BDLive - Bengaluru — Gold prices pulled back from a two-week high to trade lower on Thursday, as some investors took advantage of the last session's gain to book profits. Spot gold was down 0.3% at \$1,422.68/oz, as of 3.50am GMT, after hitting its highest since July 3 at \$1,428.40.

It rose nearly 1.5% in the previous session as the dollar slipped after weaker-than-expected US housing data increased prospects for an interest rate cut by the Federal Reserve. US gold futures were steady at \$1,423.70/oz.

"A slightly weaker dollar and a clear preference from investors over the last 24 hours drove safe-haven assets higher," said Michael McCarthy, chief market strategist at CMC Markets. "From gold's point of view, it approached a key resistance level around \$1,430, and having failed to push through it, it looks like short-term trading investors are taking advantage of gains."



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	51733.36	0.00	0.00%
ALSI	51719.00	0.00	0.00%
S&P 500	2984.42	10.69	0.36%
FTSE	7535.46	-42.37	-0.56%
CAC	5550.55	0.00	0.00%
DAX	12227.85	0.00	0.00%
Hang Seng	28461.66	310.80	1.09%



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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	434.00	424.50	-11.50	-9.50	427.00	2.50	-7.00
DEC 2019	439.00	429.75	-11.75	-9.25	432.00	2.25	-7.00
MAR 2010	446.00	438.25	-10.50	-7.75	440.25	2.00	-5.75
MAY 2010	450.00	442.25	-10.00	-7.75	444.50	2.25	-5.50
JUL 2010	452.00	445.75	-9.00	-6.25	447.50	1.75	-4.50

FarmFutures - Corn prices continued to crumble Thursday after forecasts signal cooler weather on the way next week, even though much of the Corn Belt is currently sweating out an excessive heat warning for the rest of this week. September futures lost 11.5 cents to \$4.2450, with December futures down 11.75 cents to \$4.2975.

Corn basis bids were steady to mixed Thursday, slipping 2 to 3 cents lower across multiple Midwestern locations but firming by a penny at an Ohio elevator today. Corn exports saw 7.9 million bushels in old crop sales plus another 5.2 million bushels in new crop sales for a total of 13.1 million bushels last week. That was slightly behind the prior week's total of 15.6 million bushels and moderately below trade estimates of 22.6 million bushels. Corn export shipments reached 26.8 million bushels last week, meantime, Mexico remains the No. 1 destination for U.S. corn export commitments this marketing year, with 31% of the total.

India issued an international tender to purchase an as-yet-undetermined amount of corn, although individual offers need to reach a minimum of 944,000 bushels. The tender closes July 30, with shipment between August and October. India needs additional grain after below-normal rainfall and insect damage lowered its domestic production this year. China sold 20.6 million bushels of its state reserves of corn at auction Thursday, which was 13.5% of the total available for sale. China has been slow to make grain purchases over the past several months, meantime, although the country did buy the most U.S. sorghum since April, picking up a little over 2 million bushels that will likely be used as livestock feed.

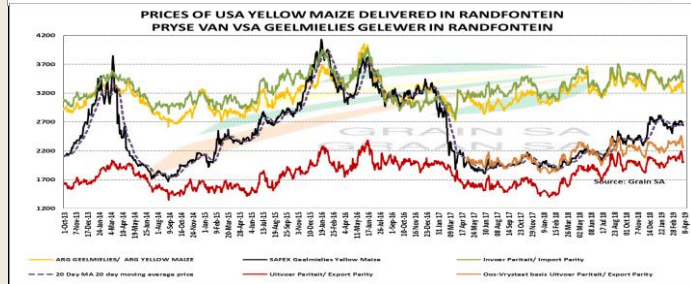
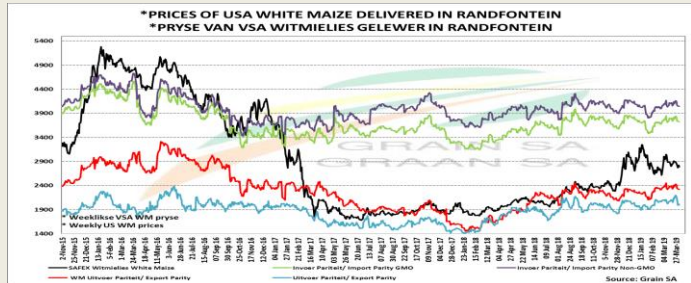
Producers needing propane to dry what could be a wet corn crop face a similar situation. Record propane production last week is keeping prices weak at a time when they typically are beginning their rise into fall. Learn plenty more energy price trends in the latest Energy/Ethanol Outlook column from Farm Futures senior grain market analyst Bryce Knorr.



## South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 2 933.00	31.5%		R 2 933.00
Sep 2019	R 2 989.00	25%		R 2 989.00
Dec 2019	R 3 077.00	29.5%		R 3 077.00
Jul 2019	R 2 933.00	31.5%		R 2 933.00
<b>Yellow Maize Future</b>				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 2 803.00	26.5%		R 2 803.00
Sep 2019	R 2 859.00	21.5%		R 2 859.00
Dec 2019	R 2 942.00	22.5%		R 2 942.00
Jul 2019	R 2 803.00	26.5%		R 2 803.00

The local Maize market traded higher yesterday. The local Jul'19 WMAZ contract ended R28.00 up and Jul'19 YMAZ closed R5.00 higher. The Sep'19 WMAZ closed higher by R28.00 and Sep'19 YMAZ ended R7.00 up. The parity move for the Jul'19 Maize contract for yesterday was R60.00 negative.

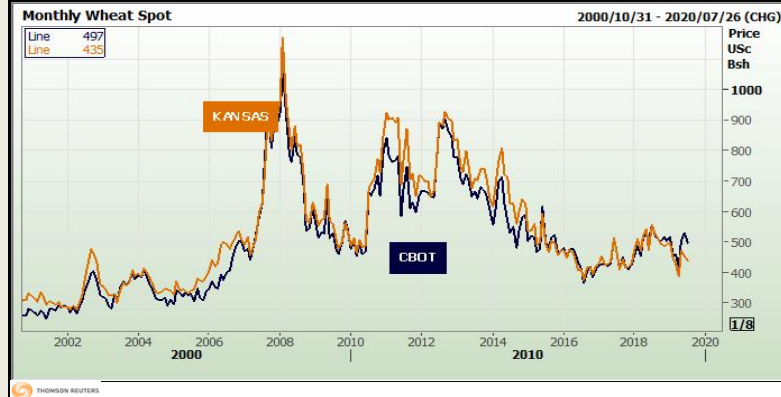


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## Wheat Market

### 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	503.00	493.50	-12.00	-9.50	497.00	3.50	-6.00		SEP 2019	439.00	432.75	-9.00	-6.25	435.00	2.25	-4.00	
DEC 2019	514.00	505.25	-12.00	-8.75	508.75	3.50	-5.25		DEC 2019	459.00	453.25	-9.00	-5.75	455.00	1.75	-4.00	
MAR 2010	526.00	517.75	-12.00	-8.25	520.50	2.75	-5.50		MAR 2010	479.00	473.25	-8.50	-5.75	474.00	0.75	-5.00	
MAY 2010	532.00	523.50	-11.75	-8.50	525.75	2.25	-6.25		MAY 2010	493.00	485.50	-8.50	-7.50	486.50	1.00	-6.50	
JUL 2010	531.00	524.25	-11.00	-6.75	526.50	2.25	-4.50		JUL 2010	497.00	491.00	-7.75	-6.00	490.00	-1.00	-7.00	



FarmFutures - Wheat prices continue to be slashed by technical selling brought on by harvest pressure. September Chicago SRW futures tumbled 12 cents to \$4.9350, September Kansas City HRW futures lost 8.75 cents to \$4.3275, and September MGEX spring wheat futures dropped 2.25 cents to \$5.2550.

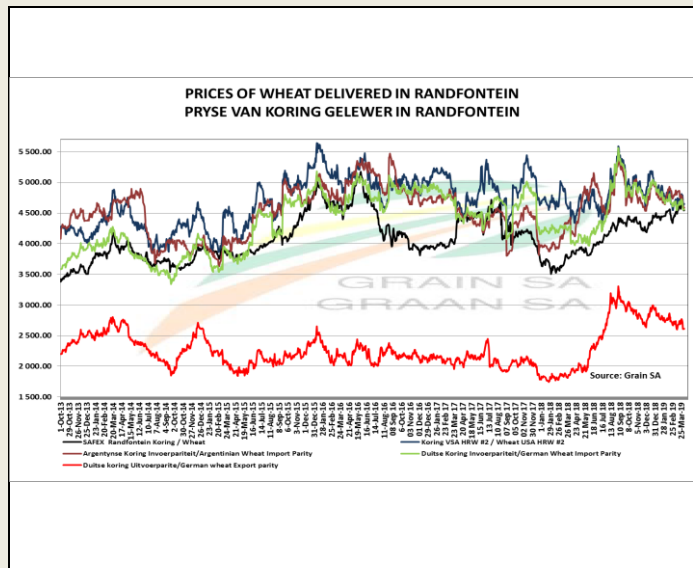
Wheat exports moved slightly higher to 12.8 million bushels last week, besting the prior week's tally of 10.5 million bushels and trade estimates of 11.0 million bushels. Mexico is the leading destination for U.S. wheat export commitments so far this marketing year, with 14% of the total.

Japan purchased 1.9 million bushels of food-quality wheat from Canada and Australia in a regular tender that closed earlier today. The grain is for shipment in September.

Preliminary volume estimates were for 74,956 CBOT contracts, trending 25% above Wednesday's final count of 59,828.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 4 490.00	12%		R 4 490.00
Sep 2019	R 4 500.00	0%		R 4 500.00
Dec 2019	R 4 430.00	12.5%		R 4 430.00
Jul 2019	R 4 490.00	12%		R 4 490.00
<b>Cape Wheat</b>				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019				
Dec 2019				
Jul 2019				



The local Wheat market closed lower yesterday. The local Jul'19 Wheat contract closed R19.00 down and Sep'19 Wheat closed R6.00 lower. The parity move for the Jul'19 Wheat contract for yesterday was R58.00 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
AUG 2019	882.00	881.25	-1.25	-0.75	886.25	5.00
SEP 2019	888.00	887.00	-1.25	-1.00	892.00	5.00
NOV 2019	900.00	899.00	-1.50	-1.00	903.75	4.75
JAN 2010	912.00	911.50	-1.25	-0.50	916.50	5.00
MAR 2010	922.00	921.25	-1.25	-0.75	926.25	5.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
AUG 2019	307	308.00
SEP 2019	308.4	309.30
OCT 2019	310	311.10
DEC 2019	312.8	313.80
JAN 2010	314.5	315.60

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
AUG 2019	27.64	27.75
SEP 2019	27.74	27.86
OCT 2019	27.84	27.95
DEC 2019	28.05	28.17
JAN 2010	28.29	28.39



FarmFutures - Soybean prices nearly endured a choppy session with fractional gains but spilled over into the red just before the close. August futures fell 1.25 cents to \$8.8125, with November futures down 1.5 cents to \$8.99.

Soybean basis bids were steady to soft Thursday, declining 2 to 4 cents across multiple interior river terminals and an Ohio elevator today.

Soybean sales tallied 4.7 million bushels in old crop sales plus another 7.3 million bushels in new crop sales last week, for a total of 12.0 million bushels. That was slightly better than the prior week's tally of 9.6 million bushels but below trade estimates of 14.7 million bushels.

Soybean export shipments fared better, with 33.4 million bushels. Despite China's lack of activity last week, the country remains the No. 1 destination for U.S. soybean export commitments this marketing year, with 30% of the total.

Amid this week's heatwave across the central U.S., soybean farmers are reporting fairly wide variations in crop conditions in Feedback From The Field, which is updated regularly. Want to know what's happening in your area? Click here to read our latest farmer anecdotes and view the interactive map.

Preliminary volume estimates were for 135,032 contracts, tilting slightly lower than Wednesday's final count of 139,494.

### South African Futures Exchange

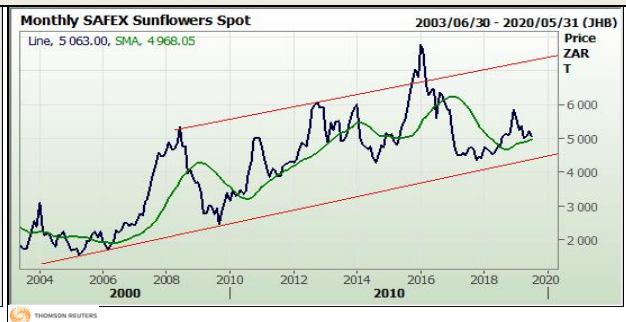
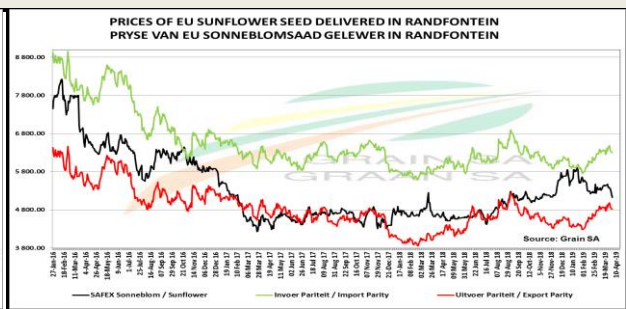
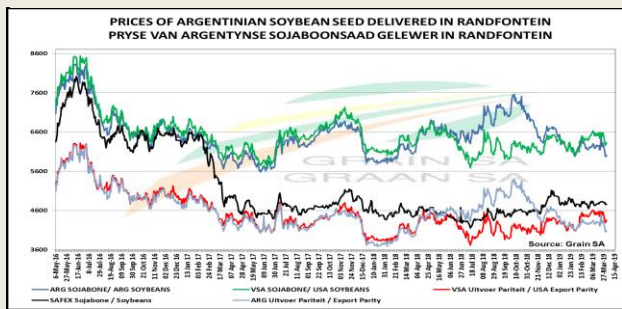
Soybean Future			
	MTM	Vols	Market Price
Dec 2018			
Mar 2019			
May 2019			
Jul 2019	R 5 304.00	15%	R 5 304.00
Sep 2019	R 5 350.00	0%	R 5 350.00
Dec 2019	R 5 455.00	14%	R 5 455.00
Jul 2019	R 5 304.00	15%	R 5 304.00

Sunflower Seeds Future		
	MTM	Vols
Dec 2018		
Mar 2019		
May 2019		
Jul 2019	R 5 063.00	17.25%
Sep 2019	R 5 171.00	0%
Dec 2019	R 5 315.00	16%
Jul 2019	R 5 063.00	17.25%



The local Soya market traded mixed yesterday. The local Jul'19 Soya contract ended R4.00 up while Sep'19 Soya closed unchanged. The parity move for the Jul'19 Soya contract for yesterday was R32.00 negative.

The local Suns market closed lower yesterday. The local Jul'19 Suns contract closed R32.00 down and Sep'19 Suns closed R37.00 lower.



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