



Fundamental Report
23 July 2019

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand		The record	#VALUE!	#VALUE!
Euro/Rand	15.6098	15.5626	-0.0472	-0.30%
GBPound/Rand	17.3496	17.3087	-0.0409	-0.24%
AusDollar/Rand	9.7988	9.7576	-0.0412	-0.42%
Euro/USDollar	1.1215	1.1195	-0.0020	-0.18%
GBPound/USDollar	1.2467	1.2458	-0.0009	-0.07%
AusDollar/USDollar	0.7040	0.7022	-0.0018	-0.26%
JpyYen/USDollar	107.8900	108.0400	0.1500	0.14%

BDLive - The JSE closed lower on Monday, tracking Asian markets, amid concern that the US Federal Reserve may only make a moderate cut to the interest rate this month.

Expectations that the Fed will cut rates by 50 basis points have started to wane after the Fed dismissed assumptions that its CEO John Williams had hinted at a meaningful rate cut late last week.

Markets have now priced in the chance of a 25 basis-point rate cut at 100% at the end of the month. The anticipation of the cut has kept the local currency below R14 to the dollar for a third trading day.

Locally, investors have been watching the unfolding battle between President Cyril Ramaphosa and public protector Busisiwe Mkhwebane, which has investors concerned about the effect it will have on the president's economic reform agenda. The battle comes after Mkhwebane released a damning report on a campaign deposit received by Ramaphosa from corruption-accused company Bosasa.

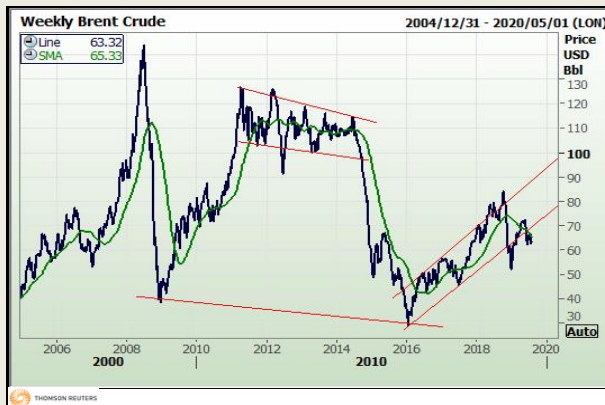


Commodities

	Last	Value Change	% Change
Platinum	845.25	1.25	0.15%
Gold	1417.84	-6.89	-0.49%
Silver	16.23	-0.11	-0.68%
Copper	2.72	0.00	0.09%
Gasoil	584.50	-0.25	-0.04%
Brent Oil	63.32	0.06	0.09%

BDLive - Gold steadied on Monday, having slid 1% in the previous session on lowered expectations of a big interest rate cut by the US Federal Reserve, but the metal's overall momentum remained supported by global geopolitical uncertainties. Spot gold was slightly higher at \$1,425.53 an ounce as of 11.38am GMT, having touched \$1,448 on Friday for its highest since May 2013. Though prices then dropped by more than 1% gold was still up 0.7% over the week.

US gold futures remained unchanged on Monday at \$1,426.30. "Gold is clearly bullish even though we saw that pullback on Friday. The precious metal is searching for a fresh directional catalyst," said FXTM analyst Lukman Otonuga, adding that a timid dollar and uncertainty over international trade, Brexit and geopolitical tensions around the globe are all propping up gold markets. "That the Fed is expected to cut rates is one of the key things supporting gold markets. How deep the cut is will determine how gold enters August."



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	51890.58	0.00	0.00%
ALSI	52033.00	0.00	0.00%
S&P 500	2976.61	8.42	0.28%
FTSE	7508.70	6.23	0.08%
CAC	5567.02	0.00	0.00%
DAX	12289.40	0.00	0.00%
Hang Seng	28371.26	23.93	0.08%



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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	425.00	422.25	-8.50	-2.75	426.00	3.75	1.00
DEC 2019	429.00	426.75	-9.00	-2.25	430.75	4.00	1.75
MAR 2010	437.00	435.75	-8.25	-1.25	439.00	3.25	2.00
MAY 2010	441.00	440.25	-7.75	-0.75	442.75	2.50	1.75
JUL 2010	445.00	443.75	-7.50	-1.25	446.50	2.75	1.50

FarmFutures - Corn prices dropped nearly 2% Monday on a round of technical selling triggered by favorable forecasts across the Corn Belt this week as late-planted corn struggles to catch up and recover from last week's heat wave. September futures fell 8.5 cents to \$4.2225, with December futures down 9 cents to \$4.2675.

Corn basis bids were steady to mixed Monday, moving as much as 7 cents higher at an Illinois ethanol plant and as much as 4 cents lower at an Ohio elevator today.

It goes without saying that 2019 is far from normal. That could be an ace in the hole for farmers clinging to old crop corn, according to Farm Futures senior grain market analyst Bryce Knorr. Find out what trends are unfolding in Knorr's latest Basis Outlook column.

Corn export inspections fell week-over-week, landing at 17.2 million bushels and falling below trade guesses that ranged between 19 million and 29 million bushels. Mexico was the top destination, with 7.7 million bushels. Ahead of this afternoon's crop progress report from USDA, analysts expect the agency to leave corn quality ratings unchanged from a week ago, with 58% of the crop rated good-to-excellent.

Brazil consultancy AgRural says the country's second-corn harvest is trending much faster than a year ago, with a pace of 67%. Mato Grosso leads all states, with progress reaching 89% there.

European Union corn imports in July are up 81% year-over-year after reaching 47.2 million bushels, according to the European Commission. South Korea purchased 2.2 million bushels of corn from optional origins in an international tender that closed earlier today. The grain is for arrival in late October.

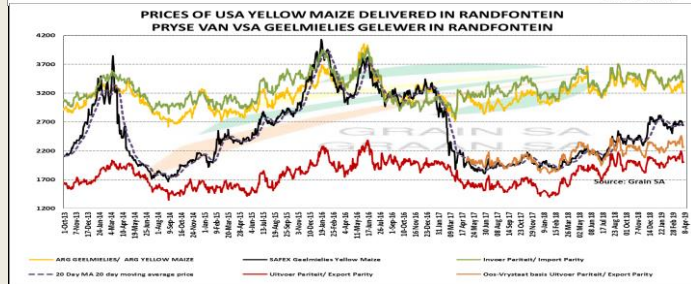
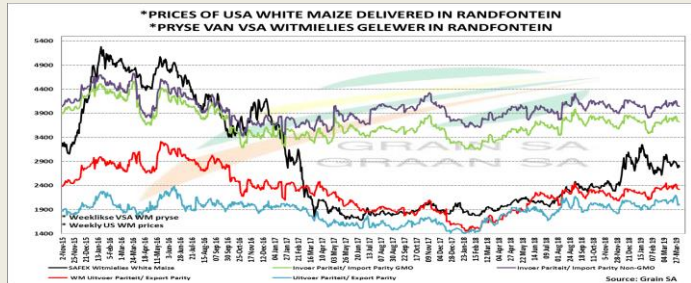
Preliminary volume estimates were for 202,479 contracts, falling moderately below Friday's final count of 293,831.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 2 862.00	31.5%		R 2 862.00
Sep 2019	R 2 911.00	25%		R 2 911.00
Dec 2019	R 2 995.00	29.5%		R 2 995.00
Jul 2019	R 2 862.00	31.5%		R 2 862.00
Yellow Maize Future				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 2 752.00	26.5%		R 2 752.00
Sep 2019	R 2 803.00	21.5%		R 2 803.00
Dec 2019	R 2 880.00	22.5%		R 2 880.00
Jul 2019	R 2 752.00	26.5%		R 2 752.00

The local Maize market traded lower yesterday. The local Jul'19 WMAZ contract ended R41.00 down and Jul'19 YMAZ closed R26.00 lower. The Sep'19 WMAZ closed lower by R43.00 and Sep'19 YMAZ ended R25.00 down. The parity move for the Jul'19 Maize contract for yesterday was R4.00 positive.

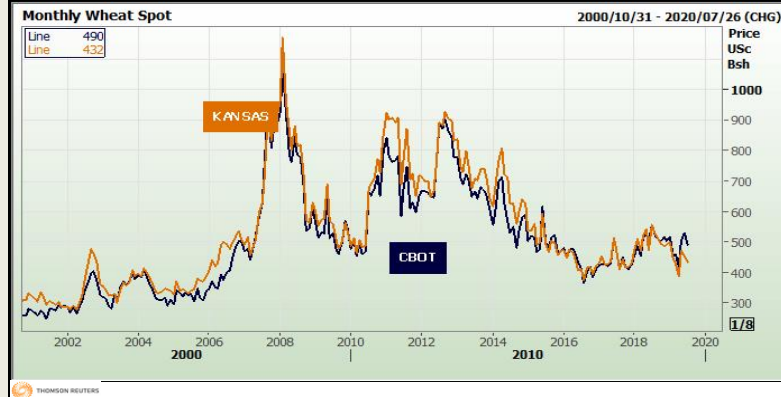


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Wheat Market

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
SEP 2019	497.00	487.25	-15.25	-9.75	490.25	3.00	-6.75	SEP 2019	437.00	429.25	-10.75	-7.75	432.00	2.75	-5.00
DEC 2019	508.00	499.00	-14.50	-9.00	501.00	2.00	-7.00	DEC 2019	456.00	448.50	-11.25	-7.50	450.25	1.75	-5.75
MAR 2010	520.00	511.50	-13.75	-8.50	514.00	2.50	-6.00	MAR 2010	475.00	467.75	-11.50	-7.25	468.75	1.00	-6.25
MAY 2010	524.00	518.00	-13.00	-6.00	519.00	1.00	-5.00	MAY 2010	487.00	480.00	-11.50	-7.00	480.50	0.50	-6.50
JUL 2010	526.00	520.50	-10.75	-5.50	522.25	1.75	-3.75	JUL 2010	492.25	485.75	-11.25	-6.50	486.75	1.00	-5.50

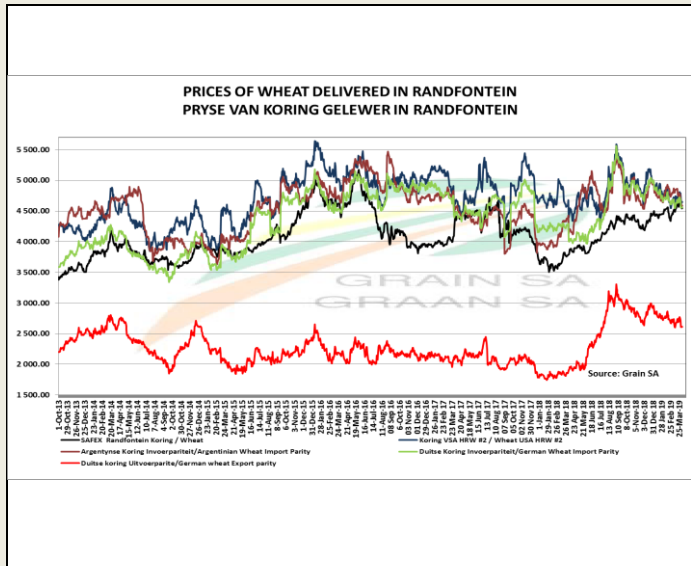


FarmFutures - Wheat prices took a tumble Monday, following corn and soybean lower as harvest pace is expected to roll along in the U.S. this week, and as European Union production potential is on the rise. September Chicago SRW futures fell 15.25 cents to \$4.8725, September Kansas City HRW futures dropped 11.25 cents to \$4.2875, and September MGEX spring wheat futures lost 8 cents to \$5.2075.

Wheat export inspections rebounded from the prior week's tally of 12.8 million bushels up to 15.9 million bushels. That total also landed in the middle of trade guesses that ranged between 12 million and 20 million bushels. Algeria was the leading destination, with 3.3 million bushels. Ahead of this afternoon's crop progress report from USDA, analysts expect the agency to show moderate winter wheat harvest progress, moving from 57% a week ago up to 73% as of July 21. For spring wheat, analysts expect USDA to hold quality ratings steady, with 76% of the crop in good-to-excellent condition. European Union soft wheat exports in July are down 10% year-over-year, reaching 21.5 million bushels, according to the European Commission. The Institute of Agricultural Market Studies has again lowered its forecast for Russia's 2019 wheat production to 2.796 billion bushels. The group also lowered its expectations for Russia's wheat exports this marketing year to 1.220 billion bushels.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 4 502.00	12%		R 4 502.00
Sep 2019	R 4 500.00	0%		R 4 500.00
Dec 2019	R 4 418.00	12.5%		R 4 418.00
Jul 2019	R 4 502.00	12%		R 4 502.00
Cape Wheat				
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 R2.00 up while Sep'19 Weat closed R3.00 lower. The parity move for the Jul'19 Weat contract for yesterday was R39.00 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	Overnight Change from 12pm
AUG 2019	896.00	888.25	-13.25	-7.75	889.25	1.00	-6.75
SEP 2019	903.00	894.00	-13.25	-9.00	896.00	2.00	-7.00
NOV 2019	914.00	905.75	-13.50	-8.25	908.00	2.25	-6.00
JAN 2019	926.00	918.50	-13.25	-7.50	919.75	1.25	-6.25
MAR 2010	936.00	928.25	-12.25	-7.75	930.00	1.75	-6.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
AUG 2019	308.4	308.60
SEP 2019	309.7	309.90
OCT 2019	311.3	311.40
DEC 2019	314.4	314.70
JAN 2010	316.2	316.00

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
AUG 2019	27.73	27.85
SEP 2019	27.85	27.96
OCT 2019	27.95	28.07
DEC 2019	28.17	28.30
JAN 2010	28.4	28.53



FarmFutures - Soybean prices fell around 1.5% Monday on improving Midwestern weather forecasts and frustration over the lack of meaningful progress in ongoing U.S.-China trade negotiations. August and September futures each fell 13.5 cents to \$8.88 and \$8.9375, respectively. Soybean basis bids were largely steady Monday but slipped 2 cents lower at an Ohio elevator today.

Total soybean export inspections for the week ending July 18 were lackluster, with a tally of 20.6 million bushels. That was still in the middle of trade expectations that ranged between 16 million and 27 million bushels, however. China was the No. 1 destination, with 11.7 million bushels. Ahead of this afternoon's crop progress report from USDA, analyst expect the agency to show stable crop quality from the prior week, with 54% in good-to-excellent condition. European Union soybean imports in July are up big year-over-year, trending 81% higher at 33.0 million bushels. Soybean imports are also up 49% so far in July, with palm oil imports tumbling 45% over the same period. China sold a small amount (around 138,000 bushels) of its state reserves of 2013 soybeans at auction Monday, which was 2.7% of the total available for sale. The 2019 growing season has seen just about every type of weather imaginable. And last week conditions were almost as varied depending on where you farm, according to growers reporting Feedback From The Field. Click here to read the latest farmer anecdotes we have collected and view our interactive map.

Preliminary volume estimates were for 103,136 contracts, tilting 54% below Friday's final count of 223,500.

South African Futures Exchange

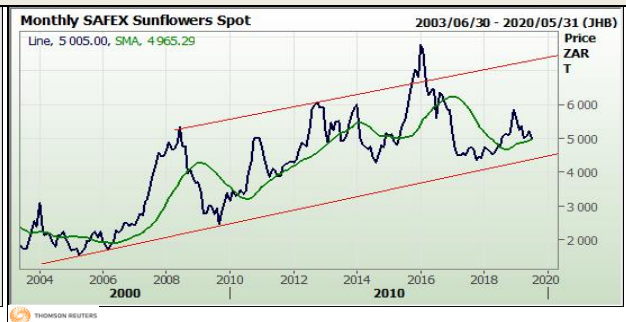
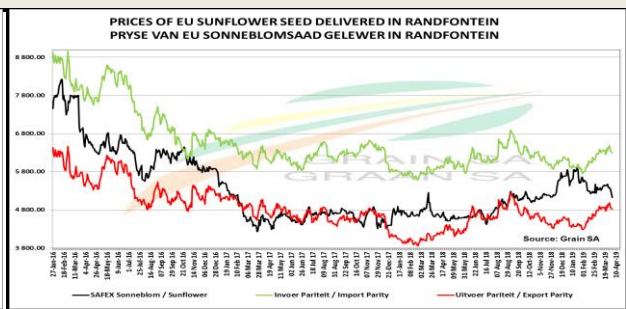
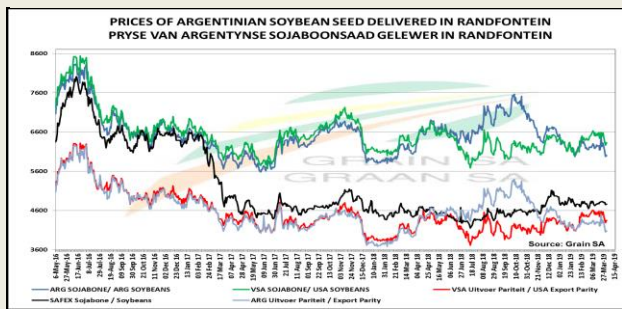
Soybean Future			
	MTM	Vols	Market Price
Dec 2018			
Mar 2019			
May 2019			
Jul 2019	R 5 310.00	15%	R 5 310.00
Sep 2019	R 5 350.00	0%	R 5 350.00
Dec 2019	R 5 446.00	14%	R 5 446.00
Jul 2019	R 5 310.00	15%	R 5 310.00

Sunflower Seeds Future		
	MTM	Vols
Dec 2018		
Mar 2019		
May 2019		
Jul 2019	R 5 005.00	17.25%
Sep 2019	R 5 091.00	0%
Dec 2019	R 5 260.00	16%
Jul 2019	R 5 005.00	17.25%



The local Soya market traded higher yesterday. The local Jul'19 Soya contract ended R21.00 up and Sep'19 Soya closed R20.00 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 R32.00 down and Sep'19 Suns closed R47.00 lower.



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