



Fundamental Report
03 July 2019

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand		The record	#VALUE!	#VALUE!
Euro/Rand	16.0107	15.9224	-0.0883	-0.55%
GBPound/Rand	17.8677	17.7569	-0.1108	-0.62%
AusDollar/Rand	9.8958	9.8662	-0.0296	-0.30%
Euro/USDollar	1.1306	1.1288	-0.0018	-0.16%
GBPound/USDollar	1.2618	1.2594	-0.0024	-0.19%
AusDollar/USDollar	0.6990	0.6995	0.0005	0.07%
JpyYen/USDollar	108.2400	107.6000	-0.6400	-0.59%

BDLive - Concern about an escalation in trade tension between the US and Europe, as well as weak economic data, kept the JSE under pressure on Tuesday, with local banks and retailers feeling the most strain. The all share fell 0.65% to 58,092.5 points and the top 40 0.71%. General retailers lost 2.05% and banks 1.57%, while platinum added 2.79%. Rand hedges performed well, although the rand was mixed as the JSE closed, having weakened against the euro while firming a little against the dollar.

US President Donald Trump said on Monday that talks between the US and China had already started, while other US officials warned that additional tariffs may be imposed on Europe amid a dispute over subsidies to aircraft manufacturer Airbus.

Additional tariffs against the EU would add to a slowdown in global economic growth, which is worrying financial markets, Investec chief economist Annabel Bishop said in a note. Market focus is, however, on the pace of the US Federal Reserve's interest-rate cuts, with the rand unlikely to push past R14/\$ without a 25 basis points decrease. That assumes that there are no negative local events until then.

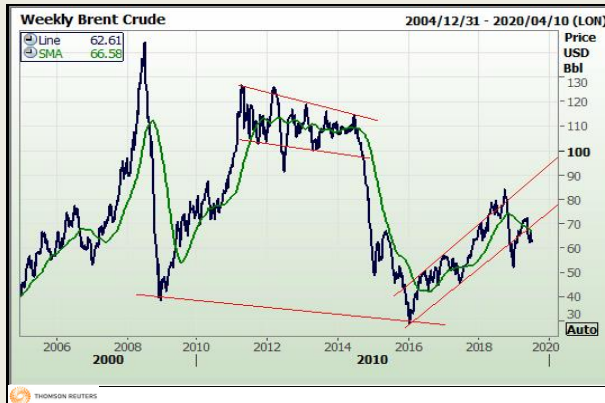


Commodities

	Last	Value Change	% Change
Platinum	830.70	3.20	0.39%
Gold	1424.81	6.62	0.46%
Silver	15.30	-0.01	-0.03%
Copper	2.66	0.00	-0.13%
Gasoil	574.75	-2.75	-0.48%
Brent Oil	62.69	0.29	0.46%

BDLive - Bengaluru — Gold prices rose on Tuesday, after its biggest one-day percentage fall in two-and-a-half years the previous session, as risk appetite soured on worries over global growth and uncertainties around a China-US trade deal. Spot gold was up 0.6% at \$1,391.80 an ounce at 12.05pm GMT, after falling 1.8% on Monday, its biggest one-day percentage decline since November 2016. US gold futures were up 0.5% at \$1,395.70 an ounce.

US President Donald Trump said on Monday that any trade deal with China would need to be "somewhat tilted" in favour of the US. The US government also threatened tariffs on \$4bn of additional EU goods in a long-running dispute over aircraft subsidies. "The trade fiasco could be a positive factor for gold as the deal is still not reached yet... The stock markets are in red, which is another positive thing for gold," said Carlo Alberto De Casa, chief analyst with ActivTrades. Data showed manufacturing activity slowed last month, weakening appetite for risk. Factory activity shrank across much of Europe and Asia in June, while growth in manufacturing cooled in the US, keeping the world's monetary policy makers under pressure to avert a recession.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	52093.35	0.00	0.00%
ALSI	52380.00	0.00	0.00%
S&P 500	2964.33	8.68	0.29%
FTSE	7497.50	61.69	0.82%
CAC	5576.82	0.00	0.00%
DAX	12526.72	0.00	0.00%
Hang Seng	28875.56	-75.16	-0.26%



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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	414.00	413.50	1.50	-0.50	418.75	5.25	4.75
SEP 2019	418.00	419.00	3.50	1.00	421.75	2.75	3.75
DEC 2019	425.00	426.00	3.50	1.00	428.00	2.00	3.00
MAR 2010	434.00	434.75	3.00	0.75	436.50	1.75	2.50
MAY 2010	438.00	438.75	2.75	0.75	440.50	1.75	2.50

FarmFutures - Corn prices found moderate gains Tuesday on a round of technical buying spurred by slightly lower crop ratings from USDA, out late yesterday. July futures inched ahead 1.5 cents to \$4.1350, with September futures up 3.5 cents to \$4.19.

Corn basis bids were steady to firm Tuesday amid sluggish farmer sales after futures prices have seen significant cuts in recent days. Bids moved 2 cents higher at an Illinois processor and boomed 11 cents higher at an Illinois river terminal today.

In its weekly crop progress report Monday afternoon, USDA kept 56% of the U.S. corn crop rated good-to-excellent, but shifted the mix slightly, from 48%/8% last week to 47%/9% for the week ending June 30. Another 32% of the crop is rated fair, with the remaining 12% rated poor or very poor – all unchanged from the prior week.

The latest analysis from Farm Futures shows an average yield potential of 169 bushels per acre, which is about 7 bpa below trendline.

Physiologically, 94% of the U.S. crop is emerged, which is up from 89% a week ago but unsurprisingly behind 2018's pace and the five-year average, both at 100%.

Following record harvests last fall, Ukraine's grain exports for the 2018/19 marketing year soared 26.3% over the country's 2017/18 totals. That tally included corn exports topping 1.173 billion bushels.

China has recently sold massive amounts of its 2014 and 2015 strategic corn reserves at auction, topping 604.5 million bushels since late May. The latest was for a sale of 52.6 million bushels that concluded last Thursday.

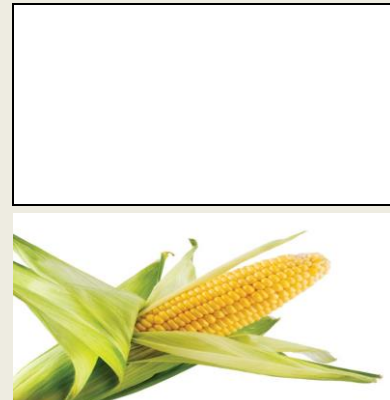
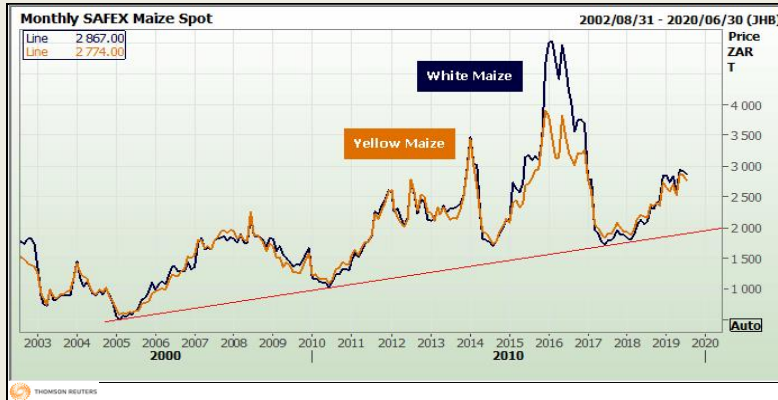
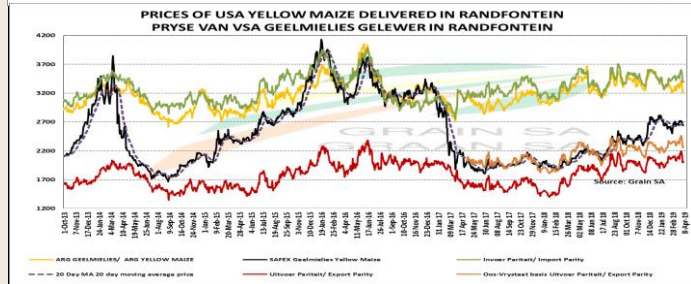
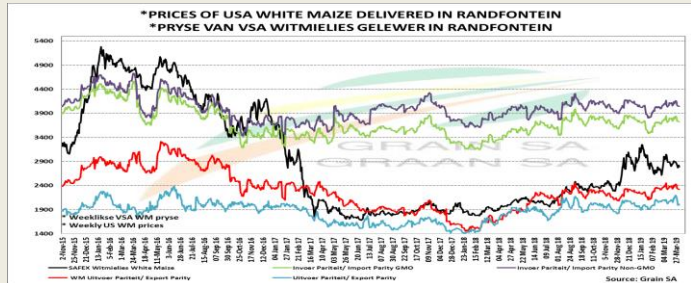
Preliminary volume estimates were for 293,523 contracts, falling significantly below Monday's final count of 528,008.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 2 867.00	31.5%		R 2 867.00
Sep 2019	R 2 920.00	25%		R 2 920.00
Dec 2019	R 3 002.00	28%		R 3 002.00
Jul 2019	R 2 867.00	31.5%		R 2 867.00
Yellow Maize Future				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 2 774.00	26.5%		R 2 774.00
Sep 2019	R 2 828.00	21.5%		R 2 828.00
Dec 2019	R 2 903.00	22.5%		R 2 903.00
Jul 2019	R 2 774.00	26.5%		R 2 774.00

The local Maize market traded lower yesterday. The local Jul'19 WMAZ contract ended R26.00 down and Jul'19 YMAZ closed R51.00 lower. The Sep'19 WMAZ closed lower by R20.00 and Sep'19 YMAZ ended R47.00 down. The parity move for the Jul'19 Maize contract for yesterday was R15.00 positive.



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Wheat Market

Chicago Board of Trade and Kansas Board of Trade

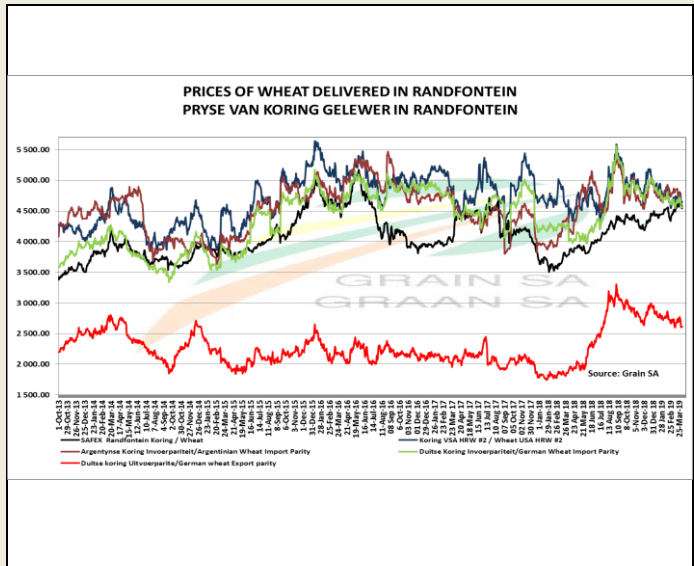
CBOT Wheat								KBOT Wheat							
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
JUL 2019	515.00	503.50	-10.50	-11.50	504.00	0.50	-11.00	JUL 2019	438.00	424.00	-10.75	-14.00	424.00	0.00	-14.00
SEP 2019	512.00	503.25	-8.50	-8.75	502.00	-1.25	-10.00	SEP 2019	446.00	432.50	-11.50	-13.50	432.75	0.25	-13.25
DEC 2019	525.00	515.50	-8.75	-9.50	514.00	-1.50	-11.00	DEC 2019	469.00	455.00	-12.00	-14.00	455.25	0.25	-13.75
MAR 2010	537.00	528.75	-7.25	-8.25	527.50	-1.25	-9.50	MAR 2010	490.00	476.25	-12.00	-13.75	476.50	0.25	-13.50
MAY 2010	543.00	535.50	-6.25	-7.50	534.25	-1.25	-8.75	MAY 2010	503.00	489.00	-11.50	-14.00	489.50	0.50	-13.50



FarmFutures - Wheat prices faced another steep round of losses, with most contracts down 2% or more today after USDA reported harvest for winter wheat is accelerating, with mostly favorable forecasts for that trend to continue this coming week. July Chicago SRW futures fell 10.5 cents to \$5.0350, July Kansas City HRW futures dropped 10 cents to \$4.2475, and July MGEX spring wheat futures tumbled 13.25 cents to \$5.4325. USDA reported that winter wheat harvest progress doubled from the prior week's tally of 15% up to 30%, as analysts largely predicted. However, progress varies widely state-by-state and nationwide remains sluggish compared to 2018's pace of 50% and the five-year average of 48%. USDA reported 63% of the U.S. winter wheat crop is in good-to-excellent condition as of June 30, trending two points higher from a week ago. Spring wheat crop condition held steady week-over-week, with 75% in good-to-excellent condition. Ukraine's 2018/19 grain exports were up substantially year-over-year, but its wheat exports were a bit of a letdown this past marketing year, falling 9% to 573.2 million bushels. Barley exports were also down 16% year-over-year. Japan made offers to purchase nearly 4.6 million bushels of food-quality wheat from the U.S., Canada and Australia in a regular tender that closes tomorrow. Of the total, 53% is expected to be sourced from the U.S.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 4 516.00	12%		R 4 516.00
Sep 2019	R 4 480.00	0%		R 4 480.00
Dec 2019	R 4 400.00	12.5%		R 4 400.00
Jul 2019	R 4 516.00	12%		R 4 516.00
Cape Wheat				
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 R16.00 up and Sep'19 Weat closed R13.00 higher. The parity move for the Jul'19 Weat contract for yesterday was R66.00 negative.



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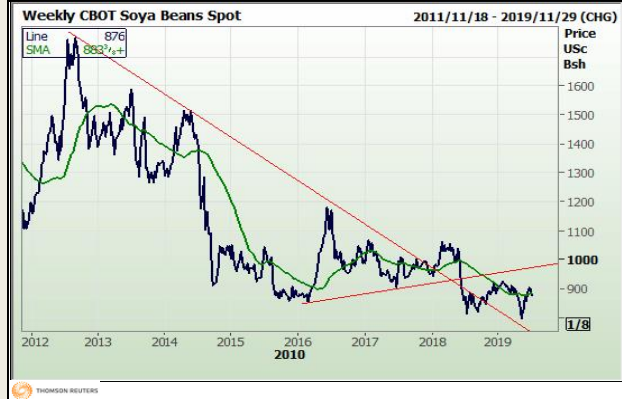
Oil Seed Market

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
JUL 2019	887.00	876.25	-9.25	-10.75	876.00	-0.25	-11.00
AUG 2019	893.00	879.75	-10.00	-13.25	880.00	0.25	-13.00
SEP 2019	899.00	886.00	-10.25	-13.00	886.50	0.50	-12.50
NOV 2019	912.00	898.75	-9.75	-13.25	899.00	0.25	-13.00
JAN 2010	924.00	910.50	-10.25	-13.50	911.00	0.50	-13.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JUL 2019	303.5	303.80
AUG 2019	305.7	305.80
SEP 2019	307.7	307.80
OCT 2019	309.5	309.60
DEC 2019	313	312.80

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JUL 2019	27.66	0.00
AUG 2019	27.81	27.78
SEP 2019	27.93	27.90
OCT 2019	28.04	27.99
DEC 2019	28.26	28.21



FarmFutures - Soybean prices continued to move lower Tuesday as generally improving weather forecasts could help farmers final wrap up planting and offer a brighter outlook on yield potential. July futures dropped 9.25 cents to \$8.7625, with August futures down 10 cents to \$8.7975.

Soybean basis bids were largely unchanged Tuesday but did tick 3 cents higher at an Iowa river terminal today.

Soybean planting progress moved from 85% the week prior up to 92% as of June 30. Analysts had expected USDA to report progress of 93% this week, however. Soybean emergence reached 83%, up from 71% the prior week but significantly behind 2018's pace of 98% and the five-year average of 95%.

Soybean crop condition saw few changes this past week. Fifty-four percent was rated in good-to-excellent condition, unchanged from the prior week. Another 35% of the crop was rated fair (down a point from last week), with the remaining 11% rated poor or very poor (up a point from last week).

Preliminary volume estimates were for 141,429 contracts, falling 29% below Monday's final count of 198,022.

South African Futures Exchange

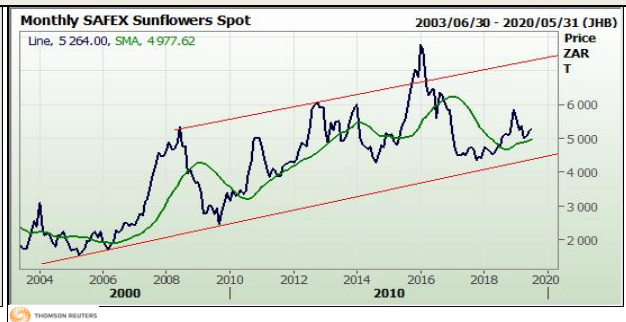
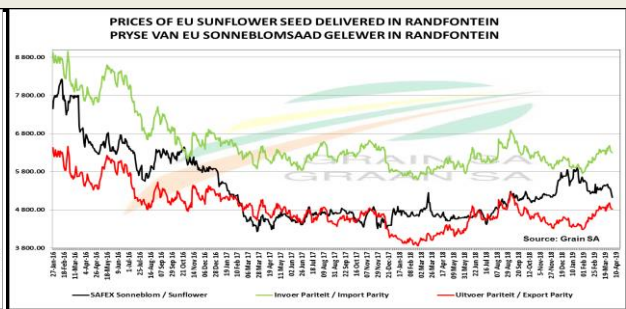
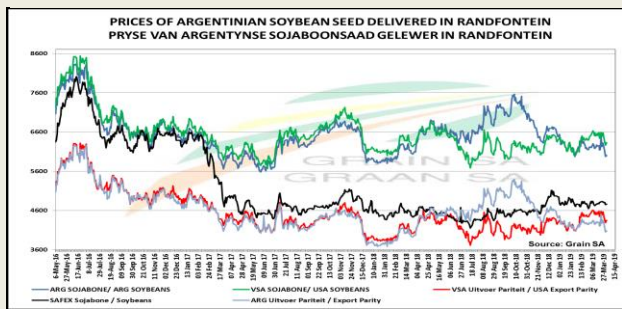
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 5 363.00	15%		R 5 363.00
Sep 2019	R 5 420.00	0%		R 5 420.00
Dec 2019	R 5 510.00	14%		R 5 510.00
Jul 2019	R 5 363.00	15%		R 5 363.00

Sunflower Seeds Future		
	MTM	Vols
Dec 2018		
Mar 2019		
May 2019		
Jul 2019	R 5 264.00	17.25%
Sep 2019	R 5 419.00	0%
Dec 2019	R 5 511.00	16%
Jul 2019	R 5 264.00	17.25%



The local Soya market traded lower yesterday. The local Jul'19 Soya contract ended R57.00 down and Sep'19 Soya closed R82.00 lower. The parity move for the Jul'19 Soya contract for yesterday was R79.00 negative.

The local Suns market closed lower yesterday. The local Jul'19 Suns contract closed R14.00 down and Sep'19 Suns closed R25.00 lower.



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