



Fundamental Report
31 July 2019

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand		The record	#VALUE!	#VALUE!
Euro/Rand	15.8487	15.8212	-0.0275	-0.17%
GBPound/Rand	17.3240	17.2331	-0.0909	-0.52%
AusDollar/Rand	9.7935	9.7637	-0.0298	-0.30%
Euro/USDollar	1.1145	1.1153	0.0008	0.07%
GBPound/USDollar	1.2183	1.2153	-0.0030	-0.25%
AusDollar/USDollar	0.6887	0.6887	0.0000	0.00%
JpyYen/USDollar	108.5500	108.5500	0.0000	0.00%

BDLive - The JSE fell on Tuesday, tracking losses on major global markets, as US President Donald Trump fired off a series of tweets criticising China's trade practices.

The move soured the mood on global markets, which had been lifted recently by the news that US-China trade talks would resume this week. Local economic news on the day was disappointing. Statistics SA reported earlier that SA's unemployment rate rose to 29% in the second quarter of 2019, higher than the 27.7% expected in the Bloomberg forecast, and from 27.6% previously. The rand, however, was fairly firm earlier in the day, but lost some ground against the dollar when Eskom's financial results were released. As the JSE closed it was 0.16% weaker at R14.1853/\$.

Eskom reported a R20.7bn loss, roughly in line with previous guidance, and a record loss for a state-owned enterprise. The rand's earlier strength was surprising, as little positive had changed for SA's outlook, said Monex Europe forex market analyst Simon Harvey. "SA's economy still needs structural reforms, across the board. Slowing economic growth should not be a surprise."

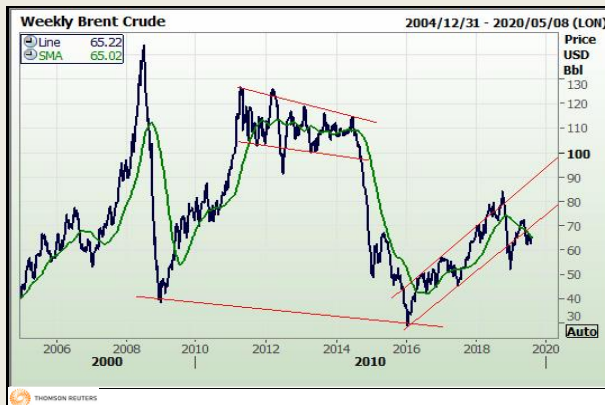


Commodities

	Last	Value Change	% Change
Platinum	875.41	9.56	1.09%
Gold	1428.75	-1.85	-0.13%
Silver	16.48	-0.10	-0.59%
Copper	2.68	0.01	0.19%
Gasoil	601.25	9.00	1.50%
Brent Oil	65.22	0.50	0.77%

BDLive - Bengaluru — Gold prices firmed on Tuesday ahead of a US Federal Reserve meeting at which the central bank is expected to signal how big an interest rate cut the world's biggest economy could take. Spot gold was up 0.1% at \$1,428.61 an ounce by 11.43am GMT and US gold futures gained 0.6% to \$1,428.60.

"The big question is what the tone of the Fed will be tomorrow. Interest rates are overwhelmingly likely to be cut. It's just a question of by how much," Mitsubishi analyst Jonathan Butler said. "Gold is still at six-year highs. Although it has been close to \$1,450 recently, it seems to have found a level around \$1,425." Investors awaited cues on the Fed's two-day monetary policy meeting, which begins later in the session and is expected to result in a rate cut of 25 basis points. If implemented, it would be the central bank's first cut to interest rates in a decade. The bank would be joining peers such as the European Central Bank in signalling the need for rate cuts. The Bank of Japan has also said it would ease "without hesitation" if the economy lost momentum.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	51206.88	0.00	0.00%
ALSI	51209.00	0.00	0.00%
S&P 500	3020.97	-7.79	-0.26%
FTSE	7686.61	-39.84	-0.52%
CAC	5511.07	0.00	0.00%
DAX	12147.24	0.00	0.00%
Hang Seng	28146.50	-305.71	-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	415.00	411.25	-5.75	-3.75	412.75	1.50	-2.25
DEC 2019	425.00	421.00	-6.00	-4.00	422.50	1.50	-2.50
MAR 2010	435.00	431.00	-5.75	-4.00	432.25	1.25	-2.75
MAY 2010	439.00	435.50	-5.25	-3.50	436.50	1.00	-2.50
JUL 2010	442.00	439.25	-5.00	-2.75	440.25	1.00	-1.75

FarmFutures - Corn prices slumped 1.5% lower Tuesday on some technical selling prompted by better-than-expected crop quality data from USDA. September futures fell 5.75 cents to \$4.1125, with December futures down 6 cents to \$4.21.

Corn basis bids were steady to slightly soft Tuesday, slipping 1 to 3 cents lower across several Midwestern locations today.

In the latest USDA crop progress report, out Monday afternoon, the agency had corn conditions move a point higher, with 58% of the crop now in good-to-excellent condition for the week ending July 28.

Farm Futures modeling points to yields of 169.5 to 171.6 bushels per acre nationwide, higher than any of our other ways of assessing crops, including weather and vegetation maps.

Physiologically, 58% of the U.S. corn crop is now silking, which is much improved from the prior week's tally of 35% but far behind 2018's pace of 90% and the five-year average of 83%. And 13% of the crop has now reached dough stage, versus 2018's pace of 35% and the five-year average of 23%.

Growers submitting corn yield estimates to our Feedback From The Field column are reporting an average of 161.3 bushels per acre in this first round of estimates, ranging from 110 bpa all the way up to 240 bpa. Soybean guesses averaged 42.4 bpa, ranging from 25 to 70 bpa. Overall, condition ratings for both crops improved a little last week but are still a little below average. Click here to read the latest farmer anecdotes and view our interactive map.

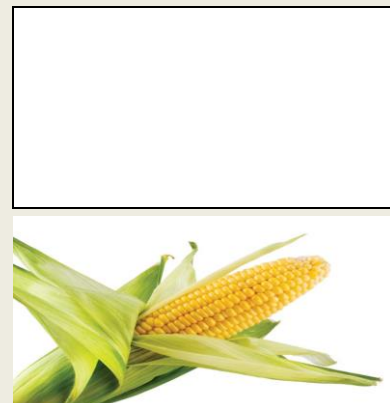
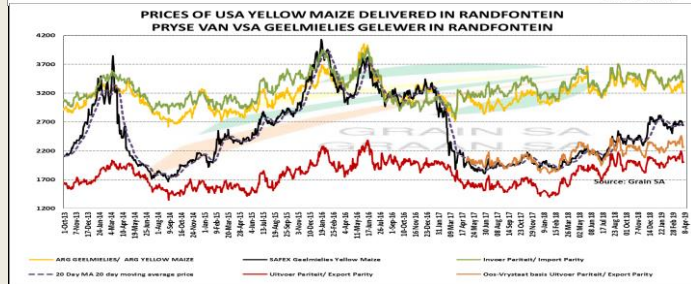
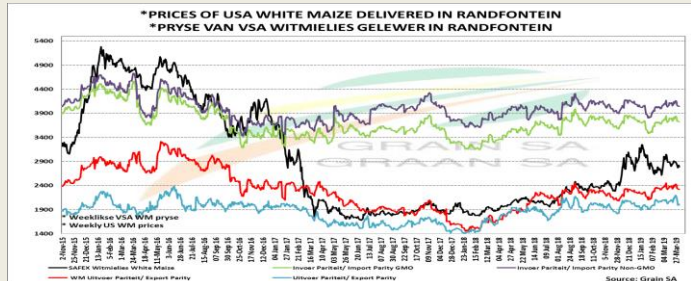
Preliminary volume estimates were for 165,511 contracts, falling moderately below Monday's final count of 225,269.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019	R 2 893.00	25%		R 2 893.00
Dec 2019	R 2 977.00	27.75%		R 2 977.00
Jul 2019				
Yellow Maize Future				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019	R 2 798.00	20.5%		R 2 798.00
Dec 2019	R 2 883.00	22%		R 2 883.00
Jul 2019				

The local Maize market traded lower yesterday. The local Aug'19 WMAZ contract ended R24.00 down and Aug'19 YMAZ closed R20.00 lower. The Sep'19 WMAZ closed higher by R23.00 while Sep'19 YMAZ ended R17.00 down. The parity move for the Aug'19 Maize contract for yesterday was R17.00 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	500.00	497.25	-6.25	-2.75	499.50	2.25	-0.50	SEP 2019	434.00	433.50	-3.00	-0.50	433.75	0.25	-0.25
DEC 2019	505.00	503.00	-5.50	-2.00	505.00	2.00	0.00	DEC 2019	451.00	451.00	-3.00	0.00	450.50	-0.50	-0.50
MAR 2010	515.00	512.50	-5.50	-2.50	514.25	1.75	-0.75	MAR 2010	468.00	467.50	-3.25	-0.50	467.00	-0.50	-1.00
MAY 2010	522.00	518.00	-5.25	-4.00	516.25	-1.75	-5.75	MAY 2010	478.50	478.50	-3.00	0.25	477.75	-1.00	-0.75
JUL 2010	522.00	520.25	-4.50	-1.75	521.00	0.75	-1.00	JUL 2010	485.00	484.00	-2.75	-1.00	0.00	-484.00	-485.00



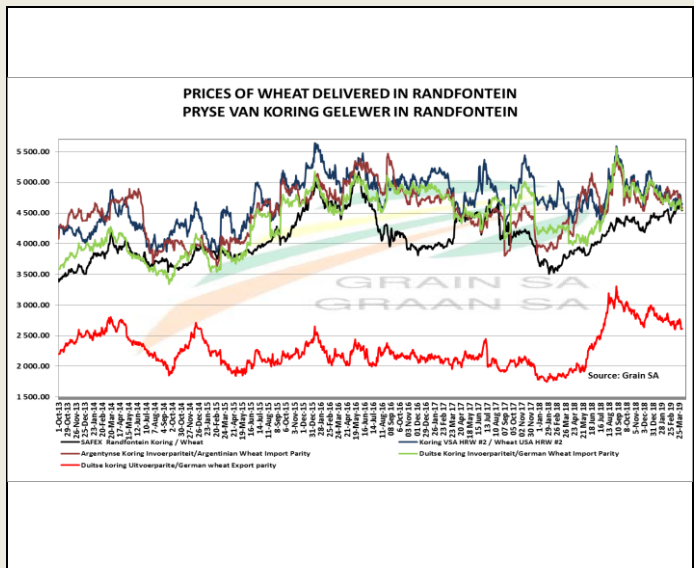
FarmFutures - Wheat prices fell 1% or more Tuesday on technical selling partly prompted by spillover weakness from corn and soybeans. September Chicago SRW futures dropped 6.25 cents to \$4.9725, September Kansas City HRW futures lost 3.75 cents to \$4.3275, and September MGE spring wheat futures also fell 3.75 cents to \$5.29.

In USDA's latest crop progress report, out Monday afternoon, spring wheat crop condition took a noticeable step lower, from 76% rated good-to-excellent a week ago down to 73%. Another 21% of the crop is rated fair (up a point from last week), with the remaining 6% rated poor or very poor (up two points from last week).

And winter wheat harvest is rolling along, although not quite as quickly as analysts had anticipated. Harvest progress has reached 75% across the top 18 production states, up from 69% a week ago. Last year's pace was 84%, with a five-year average of 86% by the end of July. The heatwave in Europe may actually be beneficial for the continent's ongoing wheat harvest, which has sped up in recent days. French consultancy Agritel even estimates the country could haul in the second-largest wheat harvest on record, topping 1.439 billion bushels. And Germany's 2019 harvest is expected to climb nearly 18% from a year ago, reaching 874.5 million bushels.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019	R 4 520.00	0%		R 4 520.00
Dec 2019	R 4 452.00	12.5%		R 4 452.00
Jul 2019				
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 Aug'19 Weat contract closed R18.00 up while Sep'19 Weat closed R18.00 lower. The parity move for the Aug'19 Weat contract for yesterday was R4.00 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	884.00	878.75	-7.00	-5.25	881.00	2.25
SEP 2019	890.00	884.25	-7.25	-5.75	886.25	2.00
NOV 2019	902.00	896.75	-7.50	-5.25	899.00	2.25
JAN 2010	916.00	910.00	-7.50	-6.00	912.25	2.25
MAR 2010	927.00	922.25	-7.00	-4.75	924.25	2.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
AUG 2019	300.3	301.00
SEP 2019	302.7	303.30
OCT 2019	304.5	305.00
DEC 2019	307.7	308.30
JAN 2010	309.6	310.10

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
AUG 2019	28.31	28.35
SEP 2019	28.44	28.49
OCT 2019	28.57	28.58
DEC 2019	28.83	28.87
JAN 2010	29.08	29.08



FarmFutures - Soybean prices faced a round of cuts Tuesday over jitters about U.S.-China trade negotiations. Prices faded nearly 1% today, with August futures down 7 cents to \$8.7875, while September futures slid 7.25 cents to \$8.8425. Trade talks resume today and tomorrow between the U.S. and China in Shanghai. But compromise may be hard to procure, especially after President Donald Trump took some swipes at China on Twitter this morning. Click here to learn more about what each country hopes to accomplish moving forward. Soybean basis bids were largely steady but mixed Tuesday, rising as much as 5 cents higher at an Indiana processor and falling as much as 2 cents lower at an Iowa river terminal today. In yesterday afternoon's crop progress report from USDA, the agency had the overall percentage of the crop in good-to-excellent condition steady at 54%, although the breakdown moved from 46/8 last week to 45/9. The latest modeling puts yield estimates between 49.5 to 50.4 bpa. Physiologically, more than half (57%) of the crop is now blooming, up from 40% a week ago. That's still significantly behind 2018's pace of 85% and the five-year average of 79%, however. And 21% of the crop is setting pods, versus 7% a week ago. Not surprisingly, that's also well behind 2018's pace (58%) and the five-year average (45%). Ahead of Thursday's monthly soybean crush report from USDA, a group of analysts estimate the agency will show June's crush at 159.4 million bushels, making it the smallest monthly total since September 2017, if realized. Preliminary volume estimates were for 172,308 contracts, falling short of Monday's final count of 214,216.

South African Futures Exchange

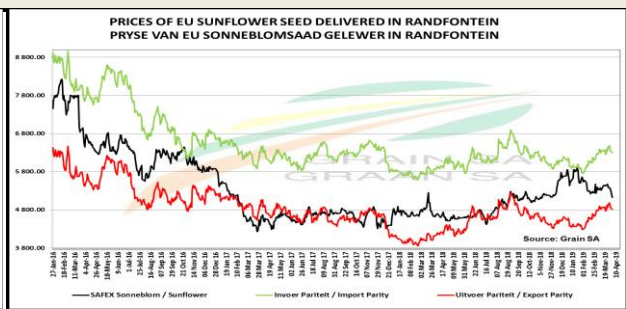
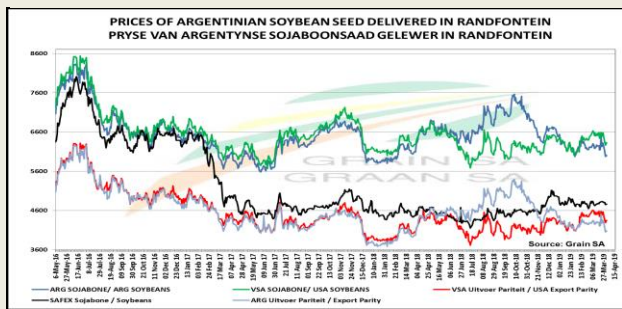
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019	R 5 421.00	0%		R 5 421.00
Dec 2019	R 5 515.00	14%		R 5 515.00
Jul 2019				

Sunflower Seeds Future		
	MTM	Vols
Dec 2018		
Mar 2019		
May 2019		
Jul 2019		
Sep 2019	R 5 178.00	13.25%
Dec 2019	R 5 344.00	16%
Jul 2019		



The local Soya market traded lower yesterday. The local Aug'19 Soya contract ended R15.00 down and Sep'19 Soya closed R24.00 lower. The parity move for the Aug'19 Soya contract for yesterday was R28.00 negative.

The local Suns market closed mixed yesterday. The local Aug'19 Suns contract closed R10.00 up while Sep'19 Suns closed unchanged.



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