



**Fundamental Report**  
**04 July 2019**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
<b>USDollar/Rand</b>		The record	#VALUE!	#VALUE!
<b>Euro/Rand</b>	15.9309	15.8723	-0.0586	-0.37%
<b>GBPound/Rand</b>	17.7391	17.6946	-0.0445	-0.25%
<b>AusDollar/Rand</b>	9.8936	9.8944	0.0008	0.01%
<b>Euro/USDollar</b>	1.1285	1.1282	-0.0003	-0.03%
<b>GBPound/USDollar</b>	1.2567	1.2579	0.0012	0.10%
<b>AusDollar/USDollar</b>	0.7010	0.7032	0.0022	0.31%
<b>JpyYen/USDollar</b>	107.7000	107.7800	0.0800	0.07%

BDLive - The JSE closed a little lower on Wednesday, in somewhat cautious trade as investors await US non-farm payrolls data on Friday.

The rand was stable, but interest rate-sensitive shares were again under pressure. These include retailers and banks. It was difficult to pinpoint a reason for the recent underperformance of banks, said portfolio manager at FNB Wealth and Investments Edgar Mafoko. Their underperformance could reflect some investor nervousness due to the conflict between President Cyril Ramaphosa and public protector Busisiwe Mkhwebane, who has accused Ramaphosa of not upholding his constitutional duty.

Liquidity in the market was also a bit low, which may also be a factor, said Mafoko.

US markets close early on Wednesday and are closed on Thursday, while US non-farm payroll numbers on Friday is the major international data release this week, and activity is expected to be subdued until then.



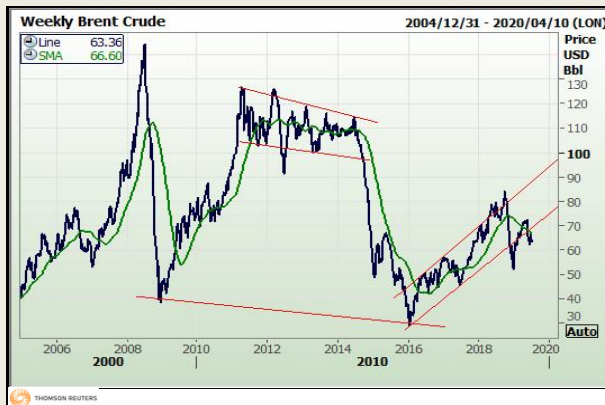
### Commodities

	Last	Value Change	% Change
Platinum	839.20	2.70	0.32%
Gold	1419.13	0.59	0.04%
Silver	15.26	-0.04	-0.26%
Copper	2.68	-0.01	-0.28%
Gasoil	573.75	0.00	0.00%
Brent Oil	63.38	-0.44	-0.69%

BDLive - Bengaluru — Gold prices rose on Wednesday on concern about global growth and as the latest nominations to major central banks reinforced the expectation of monetary policy easing.

Spot gold was up 0.1% at \$1,419.20/oz, as of 11.55am GMT, having earlier hit its highest since June 25, at \$1,435.99. US gold futures rose 1% to \$1,422.30. EU leaders' nomination of IMF chief Christine Lagarde as Mario Draghi's replacement at the helm of the European Central Bank (ECB) reinforced the expectation of monetary policy easing in the bloc. Traders greeted the decision by kicking German 10-year bund yields to record lows.

"Yields falling further on eurozone on [the nomination of Lagarde] is positive for gold. With the pledge to continue loose monetary policy and further easing rates, the opportunity cost of holding gold is falling and that's giving support to gold," said Quantitative Commodity Research analyst Peter Fertig.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	51960.56	0.00	0.00%
ALSI	52082.00	0.00	0.00%
S&P 500	2973.01	22.81	0.77%
FTSE	7559.19	50.13	0.66%
CAC	5618.81	0.00	0.00%
DAX	12616.24	0.00	0.00%
Hang Seng	28855.14	-34.61	-0.12%



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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	418.00	433.00	19.25	15.00	432.75	-0.25	14.75
SEP 2019	423.00	436.75	17.25	13.75	436.25	-0.50	13.25
DEC 2019	429.00	441.25	14.50	12.25	440.50	-0.75	11.50
MAR 2010	437.00	448.25	12.75	11.25	447.50	-0.75	10.50
MAY 2010	441.00	451.75	12.50	10.75	451.25	-0.50	10.25

FarmFutures - Corn prices caught a bit of pre-holiday fireworks, booming more than 4% higher Wednesday on a major round of short-covering today. July futures added 19.5 cents to \$4.33, with September futures up 17.75 cents to \$4.3675.

Corn basis bids were mostly steady to firm across Midwestern locations Wednesday, up as much as 15 cents at an Illinois processor today.

This year in particular, corn acreage and yields will both be difficult to predict for months – especially after USDA admitted 15 million acres hadn't been planted when its annual acreage survey was conducted. Farm Futures senior grain market analyst Bryce Knorr is predicting production will reach 13.35 billion bushels – “not enough to trigger a huge rally, but maybe enough to get the market back to recent highs or a little better,” he says. Find out how Knorr arrived at that number in his latest Corn Outlook column.

Meantime, USDA is actively looking at ways to help farmers impacted by this year's historic spring rainfall and flooding, which could result in record prevented planting. Click here to learn more about the agency's latest efforts.

Ethanol production moved slightly higher for the week ending June 28, with a daily average of 1.081 million barrels. That was slightly ahead of the prior week's tally of 1.072 million barrels per day. Surging corn futures also kept ethanol futures buoyant today, tacking on gains of more than 2%.

After severe drought cut Zimbabwe's corn production in half this past year, the country's President says it will need to purchase nearly 31.5 million bushels of corn to combat food shortages.

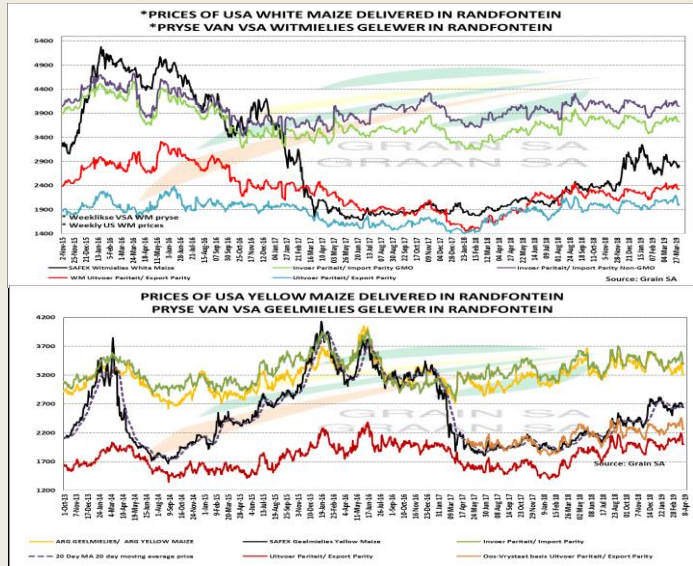
Preliminary volume estimates were for 349,773 contracts, down slightly from Tuesday's final count of 370,924.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 2 857.00	31.5%		R 2 857.00
Sep 2019	R 2 907.00	25%		R 2 907.00
Dec 2019	R 2 993.00	28%		R 2 993.00
Jul 2019	R 2 857.00	31.5%		R 2 857.00
<b>Yellow Maize Future</b>				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 2 784.00	26.5%		R 2 784.00
Sep 2019	R 2 836.00	21.5%		R 2 836.00
Dec 2019	R 2 911.00	22.5%		R 2 911.00
Jul 2019	R 2 784.00	26.5%		R 2 784.00

The local Maize market traded mixed yesterday. The local Jul'19 WMAZ contract ended R10.00 down while Jul'19 YMAZ closed R10.00 higher. The Sep'19 WMAZ closed lower by R13.00 while Sep'19 YMAZ ended R8.00 up. The parity move for the Jul'19 Maize contract for yesterday was R72.00 positive.



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## Wheat Market

### Chicago Board of Trade and Kansas Board of Trade

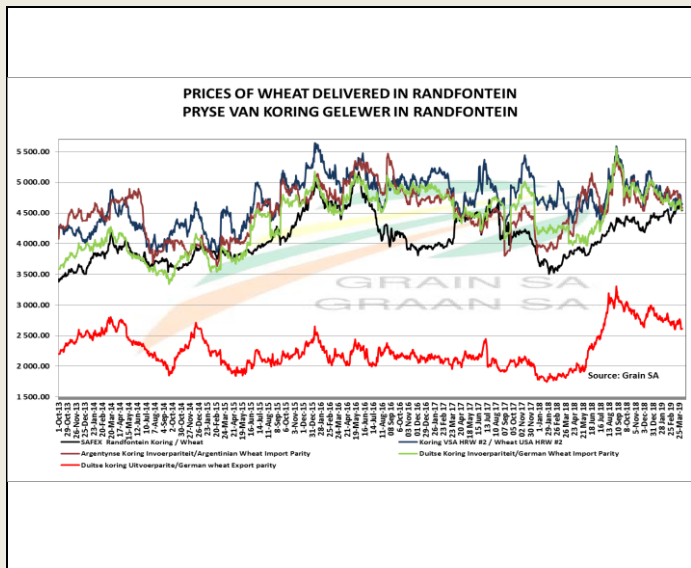
CBOT Wheat								KBOT Wheat							
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
JUL 2019	504.00	518.00	15.00	14.00	518.50	0.50	14.50	JUL 2019	424.00	436.00	10.00	12.00	434.00	-2.00	10.00
SEP 2019	504.00	514.00	10.25	10.00	513.50	-0.50	9.50	SEP 2019	434.00	443.75	10.50	9.75	443.00	-0.75	9.00
DEC 2019	517.00	525.25	9.25	8.25	524.75	-0.50	7.75	DEC 2019	456.00	465.50	10.00	9.50	465.00	-0.50	9.00
MAR 2010	530.00	537.25	8.00	7.25	536.75	-0.50	6.75	MAR 2010	477.00	486.50	9.50	9.50	485.75	-0.75	8.75
MAY 2010	535.00	542.75	6.75	7.75	542.25	-0.50	7.25	MAY 2010	490.00	499.50	9.50	9.50	498.50	-1.00	8.50



FarmFutures - Wheat prices attracted some bargain buying Wednesday, with some contracts rising nearly 3% in the session. Spillover strength from corn lent additional support. July Chicago SRW futures gained 14.5 cents to \$5.18, July Kansas City HRW futures added 10 cents to \$4.34, and July MGEX spring wheat futures picked up 10.5 cents to \$5.4050. Germany's winter wheat crop is expected to rebound 23% this year to reach 885.5 million bushels as the country continues to recover from significant drought conditions in 2018. Russian consultancy IKAR lowered its estimates for the country's 2019/20 grain production by around 1% to 123.4 million metric tons. Russia's grain exports are also expected to decline slightly this marketing year, exporting around 37% of its total production. Tunisia purchased 2.5 million bushels of soft milling wheat from optional origins in an international tender that closed earlier today. The grain is for shipment in August. Japan wants to purchase 2.2 million bushels of feed wheat and a similar amount of feed barley in a simultaneous buy-and-sell auction a week from today. The grain would be for arrival in late December. China sold 2.8 million bushels of its 2013 state wheat reserves at auction earlier today, which was 100% of the total available for sale. Preliminary volume estimates were not immediately available, but Tuesday's final count was for 133,451 CBOT contracts.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 4 500.00	12%		R 4 500.00
Sep 2019	R 4 440.00	0%		R 4 440.00
Dec 2019	R 4 397.00	12.5%		R 4 397.00
Jul 2019	R 4 500.00	12%		R 4 500.00
<b>Cape Wheat</b>				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019				
Dec 2019				
Jul 2019				



The local Weat market closed lower yesterday. The local Jul'19 Weat contract closed R16.00 down and Sep'19 Weat closed R40.00 lower. The parity move for the Jul'19 Weat contract for yesterday was R65.00 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
JUL 2019	876.00	885.25	9.50	9.25	885.75	0.50
AUG 2019	881.00	889.75	9.50	8.75	889.25	-0.50
SEP 2019	888.00	896.25	9.50	8.25	895.50	-0.75
NOV 2019	900.00	908.75	9.25	8.75	908.00	-0.75
JAN 2010	912.00	920.50	9.25	8.50	919.75	-0.75

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JUL 2019	306	306.10
AUG 2019	308.1	308.20
SEP 2019	310.1	310.20
OCT 2019	311.8	311.70
DEC 2019	315.1	315.20

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JUL 2019	28.02	27.98
AUG 2019	28.17	28.08
SEP 2019	28.3	28.21
OCT 2019	28.42	28.37
DEC 2019	28.66	28.57



FarmFutures - Soybean prices firmed moderately on some technical buying and spillover strength from corn, closing just over 1% higher today. July futures added 9 cents to \$8.8525, with August futures up 10 cents to \$8.8975.

Soybean basis bids moved 2 to 9 cents higher at two interior river terminals Wednesday but remained steady across other Midwestern locations today. The Ag Economy Barometer from Purdue University / CME group has seasawed up and down in recent months but moved 25 points higher in June, thanks in large part to rising soybean and corn prices following a historically slow planting pace. The barometer acknowledges soybean prices gained about 12% from mid-May to mid-June.

But farmers are less confident the ongoing trade dispute between the U.S. and China will be resolved in the next two months, according to the Ag Economy Barometer. Only 32% are optimistic this will be likely, although that percentage has risen from 20% when the question was asked earlier this year.

Some farmers reporting Feedback From The Field say they're still planting a few soybean acres, but most of that comes from double-cropped acres behind wheat. What else have our readers been sharing lately? Be sure to click here and catch up on the latest farmer anecdotes and view our interactive map.

Preliminary volume estimates for Wednesday were not immediately available. Tuesday's final count was 177,362 contracts.

### South African Futures Exchange

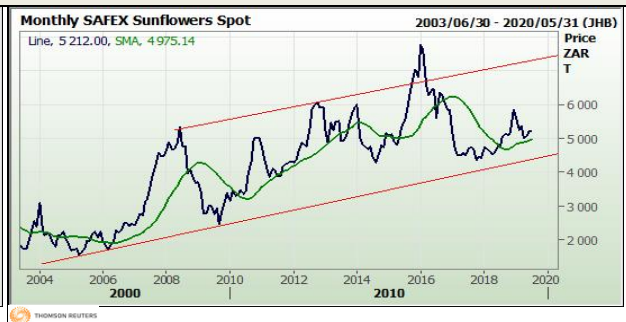
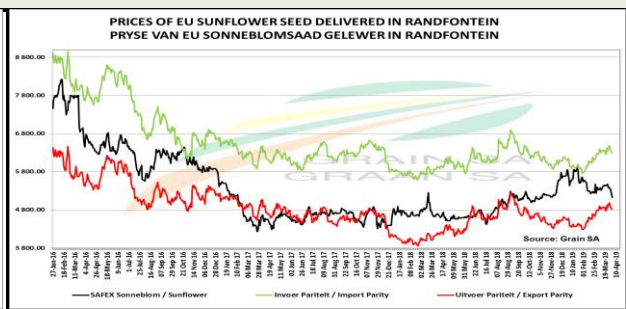
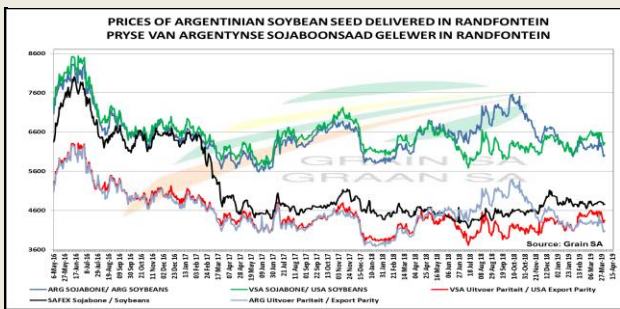
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 5 289.00	15%		R 5 289.00
Sep 2019	R 5 354.00	0%		R 5 354.00
Dec 2019	R 5 435.00	14%		R 5 435.00
Jul 2019	R 5 289.00	15%		R 5 289.00

Sunflower Seeds Future			
	MTM	Vols	
Dec 2018			
Mar 2019			
May 2019			
Jul 2019	R 5 212.00	17.25%	
Sep 2019	R 5 369.00	0%	
Dec 2019	R 5 462.00	16%	
Jul 2019	R 5 212.00	17.25%	



The local Soya market traded lower yesterday. The local Jul'19 Soya contract ended R74.00 down and Sep'19 Soya closed R66.00 lower. The parity move for the Jul'19 Soya contract for yesterday was R34.00 positive.

The local Suns market closed lower yesterday. The local Jul'19 Suns contract closed R52.00 down and Sep'19 Suns closed R50.00 lower.



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