



Fundamental Report
21 August 2019

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand		The record	#VALUE!	#VALUE!
Euro/Rand	17.0222	17.0214	-0.0008	0.00%
GBPound/Rand	18.5748	18.6577	0.0829	0.45%
AusDollar/Rand	10.4109	10.3924	-0.0185	-0.18%
Euro/USDollar	1.1082	1.1096	0.0014	0.13%
GBPound/USDollar	1.2091	1.2167	0.0076	0.63%
AusDollar/USDollar	0.6777	0.6779	0.0002	0.03%
JpyYen/USDollar	106.3200	106.4800	0.1600	0.15%

BDLive - The JSE slipped on Tuesday in line with most major equity markets, with retailers under the most pressure after downbeat full-year results from Shoprite.

Food and drug retailers slumped 3.06%, their biggest one-day fall since January 30, after Shoprite said on Tuesday that its trading profit fell 14.3% to R6.8bn in the year to end-June. Shoprite's share price slumped 9.25% to R126.86 and Pick n Pay's 5.71% to R56.84 after the former said its basic headline earnings per share fell by 19.6% to 708.8c.

Sentiment was fragile as talks of stimulus packages from major economies contended with news that Italy's Prime Minister Giuseppe Conte resigned on Tuesday, further increasing the chances of a fresh election. Germany's central bank also warned that Europe's largest economy is headed for a recession.

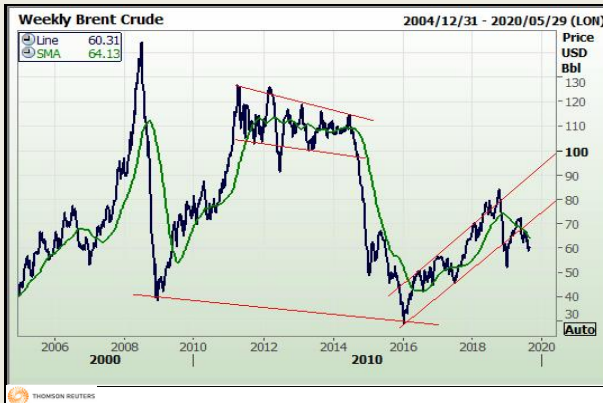


Commodities

	Last	Value Change	% Change
Platinum	846.20	-2.36	-0.28%
Gold	1502.20	-4.65	-0.31%
Silver	17.06	-0.06	-0.37%
Copper	2.58	0.00	0.10%
Gasoil	569.50	6.00	1.05%
Brent Oil	60.32	0.29	0.48%

BDLive - Bengaluru — Gold prices were flat on Tuesday, after declining more than 1% in the previous session hit by an uptick in risk appetite, while investors awaited meetings by policymakers later in the week for clues on possible interest rate cuts. Spot gold was stable at \$1,495.21 an ounce at 4.38am GMT. On Monday, gold skidded 1.2% below the key level of \$1,500, marking its biggest daily decline since July 19.

US gold futures fell 0.4% to \$1,505.20 an ounce. "There is not a lot of conviction in today's trading session for gold. Investors have gained some more confidence about the growth outlook and that weighs on gold," said Michael McCarthy, chief market strategist at CMC Markets. Asian shares extended their gains on Tuesday as hopes for stimulus in major economies tempered anxiety about a global recession, boosting riskier assets and taking the sheen off safe-havens such as bonds and gold.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	48545.63	0.00	0.00%
ALSI	48317.00	0.00	0.00%
S&P 500	2923.65	-23.14	-0.79%
FTSE	7189.65	-64.65	-0.90%
CAC	5344.64	0.00	0.00%
DAX	11651.18	0.00	0.00%
Hang Seng	26231.54	-7.38	-0.03%



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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	368.00	359.50	-5.50	-8.50	360.25	0.75	-7.75
DEC 2019	377.00	368.75	-5.75	-8.25	369.75	1.00	-7.25
MAR 2010	390.00	381.25	-5.75	-8.75	382.00	0.75	-8.00
MAY 2010	397.00	388.75	-5.50	-8.25	389.75	1.00	-7.25
JUL 2010	403.00	395.75	-4.75	-7.25	396.50	0.75	-6.50

FarmFutures - Corn prices continued to decline Tuesday as yield-improving weather is likely for much of this week for most of the Midwest. September futures fell 5.5 cents to \$3.5950, with December futures down 5.75 cents to \$3.6875.

USDA marked 56% of the U.S. corn crop in good-to-excellent condition in its latest weekly crop progress report, down a point from the agency's August 11 report. Another 30% of the crop is rated fair (unchanged from a week ago), with the remaining 14% rated poor or very poor (up a point from a week ago). The latest modeling suggests average yields are at 168.6 bushels per acre.

Physiologically, the crop remains well behind average for this time of year. Ninety-five percent of the crop is now silking, 55% is at dough stage and 15% is denting. All maturity levels remain significantly slow compared to 2018's pace as well as the prior five-year average.

Yield potential and total acres remain two huge question marks for this year's corn crop. Is there hope for a price rebound later this summer? Click here to learn what factors are currently in play with the latest Corn Outlook column from Farm Futures senior grain market analyst Bryce Knorr.

Earlier this week, President Donald Trump held a two-hour meeting with cabinet members, instructing them to address farmer criticism over his administration's biofuel policy. In particular, 31 hardship waivers have been issued to refineries earlier in August, which in turn have a direct negative effect on ethanol demand. September ethanol futures were up nearly 1% this afternoon on the news.

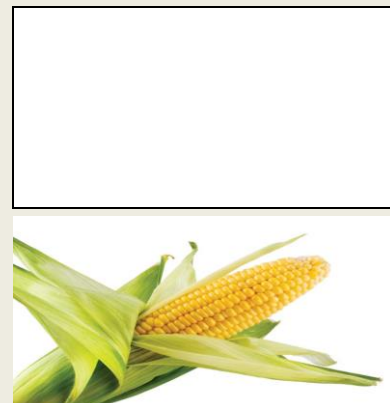
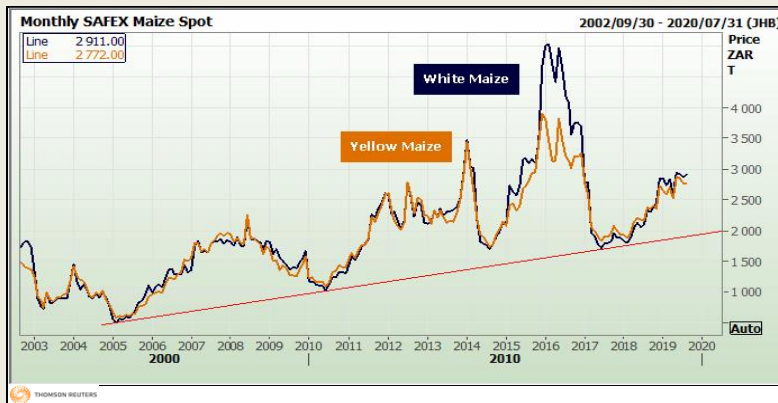
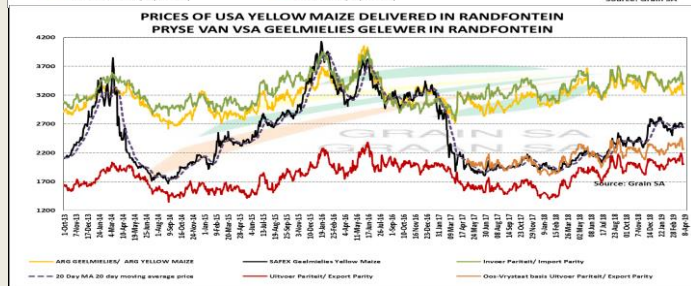
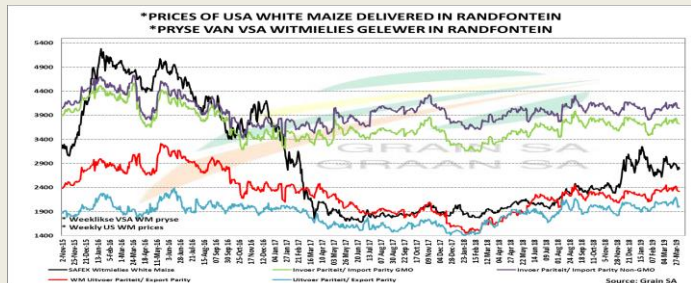
Preliminary volume estimates were for 353,250 contracts, trending 34% above Monday's final count of 264,630.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019	R 2 918.00	25%		R 2 918.00
Dec 2019	R 3 011.00	31%		R 3 011.00
Jul 2019				
Yellow Maize Future				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019	R 2 782.00	20.5%		R 2 782.00
Dec 2019	R 2 852.00	20.5%		R 2 852.00
Jul 2019				

The local Maize market traded lower yesterday. The local Aug'19 WMAZ contract ended R11.00 down and Aug'19 YMAZ closed R3.00 lower. The Sep'19 WMAZ closed lower by R19.00 and Sep'19 YMAZ ended R1.00 down. The parity move for the Aug'19 Maize contract for yesterday was R48.00 negative.

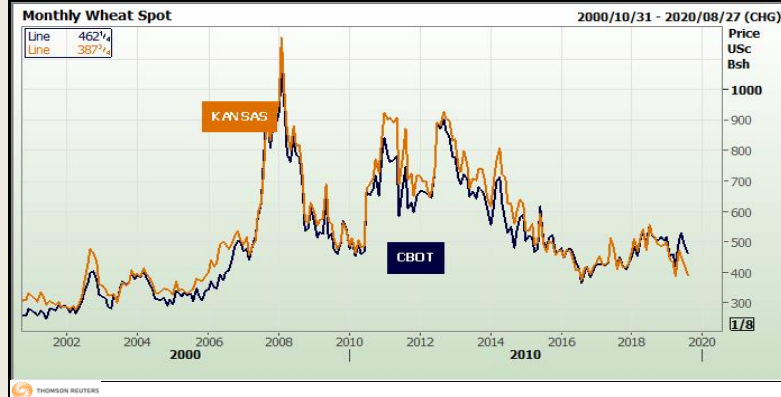


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Wheat Market

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	466.00	460.00	-5.50	-6.00	462.00	2.00	-4.00	SEP 2019	391.00	386.75	-4.50	-4.25	387.75	1.00	-3.25
DEC 2019	472.00	466.50	-6.00	-5.50	467.75	1.25	-4.25	DEC 2019	407.00	402.00	-4.75	-5.00	402.50	0.50	-4.50
MAR 2010	480.00	474.25	-5.25	-5.75	475.50	1.25	-4.50	MAR 2010	423.00	417.50	-5.00	-5.50	418.25	0.75	-4.75
MAY 2010	485.00	479.50	-5.50	-5.50	480.75	1.25	-4.25	MAY 2010	433.00	428.50	-4.75	-4.50	428.00	-0.50	-5.00
JUL 2010	491.00	484.00	-5.75	-7.00	485.00	1.00	-6.00	JUL 2010	444.00	438.50	-4.50	-5.50	438.00	-0.50	-6.00



FarmFutures - Wheat prices dropped by as much as 1.45% Tuesday on technical selling spurred by continued worries over large global stockpiles, with harvest pressure in the U.S. creating additional headwinds. September Chicago SRW futures lost 5.5 cents to \$4.60, September Kansas City HRW futures dropped 5 cents to \$3.8675, and September MGEX spring wheat futures slipped 1.5 cents to \$5.04.

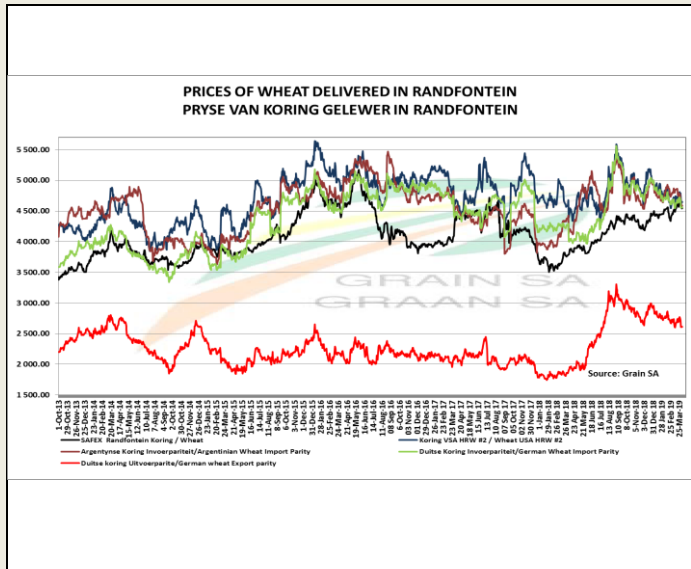
Spring wheat crop conditions firmed last week, with 70% of the crop now in good-to-excellent condition after improving a point from a week ago. The latest modeling suggest average yields are now at 50.75 bushels per acre. Harvest is also underway, reaching 16% completion as of August 18. The winter wheat harvest, meantime, is nearly complete after reaching progress of 93% last week, versus 2018's pace of 97% and the prior five-year average of 98%.

A Ukrainian grain traders union expects the country's 2019 wheat production to increase 11.6% from last year, reaching 1.019 billion bushels. The country's 2019/20 wheat exports are also expected to climb moderately, reaching 771.6 million bushels.

Jordan again cancelled its international tender to buy 4.4 million bushels of milling wheat, though two offers were presented. The country has struggled to close similar tenders in recent months but plans to issue a new one next week. Preliminary volume estimates were for 106,205 CBOT contracts, slipping below Monday's final count of 110,537.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019	R 4 703.00	0%		R 4 703.00
Dec 2019	R 4 693.00	12.5%		R 4 693.00
Jul 2019				
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 Aug'19 Weat contract closed R1.00 up and Sep'19 Weat closed R16.00 higher. The parity move for the Aug'19 Weat contract for yesterday was R29.00 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
SEP 2019	860.00	855.75	1.75	-4.25	859.50	3.75
NOV 2019	873.00	868.25	1.75	-4.75	872.25	4.00
JAN 2010	887.00	882.00	1.50	-5.00	886.00	4.00
MAR 2010	900.00	895.25	1.50	-4.75	899.00	3.75
MAY 2010	912.00	906.75	1.25	-5.25	910.50	3.75

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
SEP 2019	294	295.00
OCT 2019	295.9	297.00
DEC 2019	299.5	300.70
JAN 2010	301	302.00
MAR 2010	303.9	304.80

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
SEP 2019	28.43	28.55
OCT 2019	28.54	28.67
DEC 2019	28.79	28.91
JAN 2010	29.01	29.11
MAR 2010	29.27	29.38



FarmFutures - Soybean prices recaptured a small percentage of Monday's losses with some technical buying today, although gains were capped by continued concerns over the general lack of progress in ongoing U.S.-China trade negotiations. September and November futures each picked up 1.75 cents to close at \$8.5575 and \$8.6825, respectively.

Soybean crop condition tilted downward last week, with 53% of the crop now in good-to-excellent condition as of August 18. Another 33% of the crop is rated fair (unchanged from last week), with the remaining 14% rated poor or very poor (up a point from last week). The latest modeling based on these ratings suggests average yields are at 49.7 bushels per acre. Physiologically, 90% of the crop is now blooming, versus 2018's pace of 99% and the prior five-year average of 96%. And 68% of the crop is now setting pods, versus 2018's pace of 90% and the prior five-year average of 85%.

As the U.S.-China trade war drags on, research from JPMorgan Chase suggests the average American household could face \$1,000 per year in additional costs as long as current tariffs remain in place. Negotiations are ongoing, but with few signs of progress in recent weeks.

Preliminary volume estimates were for 109,811 contracts, inching slightly ahead of Monday's final count of 103,931.

South African Futures Exchange

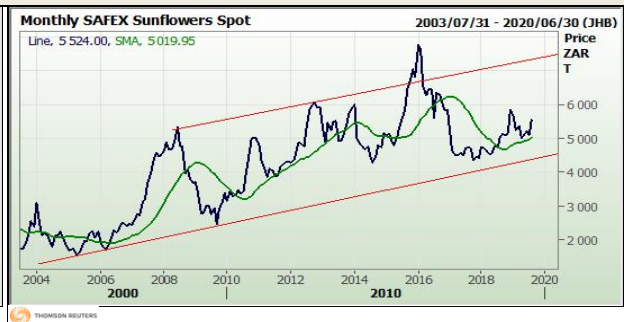
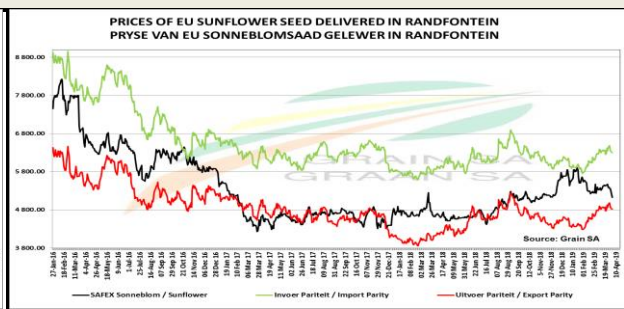
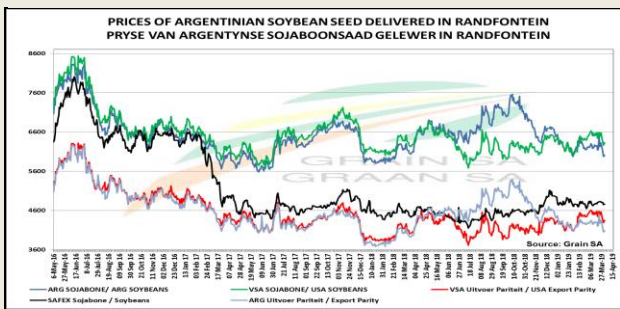
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019	R 5 618.00	0%		R 5 618.00
Dec 2019	R 5 707.00	14%		R 5 707.00
Jul 2019				

Sunflower Seeds Future			
	MTM	Vols	
Dec 2018			
Mar 2019			
May 2019			
Jul 2019			
Sep 2019	R 5 565.00	13.25%	
Dec 2019	R 5 737.00	16%	
Jul 2019			



The local Soya market traded lower yesterday. The local Aug'19 Soya contract ended R1.00 down and Sep'19 Soya closed R41.00 lower. The parity move for the Aug'19 Soya contract for yesterday was R17.00 negative.

The local Suns market closed higher yesterday. The local Aug'19 Suns contract closed R1.00 up and Sep'19 Suns closed R6.00 higher.



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