



**Fundamental Report**  
**05 August 2019**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
<b>USDollar/Rand</b>		The record	#VALUE!	#VALUE!
Euro/Rand	16.2953	16.5015	0.2062	1.27%
GBPound/Rand	17.7998	18.0150	0.2152	1.21%
AusDollar/Rand	9.9656	10.0505	0.0849	0.85%
Euro/USDollar	1.1097	1.1126	0.0029	0.26%
GBPound/USDollar	1.2127	1.2149	0.0022	0.18%
AusDollar/USDollar	0.6787	0.6779	-0.0008	-0.12%
JpyYen/USDollar	106.8900	105.8600	-1.0300	-0.96%

BDLive - The JSE had its worst week in 10 on Friday, closing at a more than two-month low as US President Donald Trump's latest tariff threat weighed on global stocks.

Trump said on Thursday that he would impose a 10% tariff on \$300bn worth of Chinese goods from September 1, further dampening hopes that the two economic superpowers will soon reach a deal amid concern about the effect of the trade war on global economic growth. Trump's threat comes after US and Chinese officials met in Shanghai this week to resume negotiations, to no effect.

Shortly after the JSE closed, the Dow had fallen 0.84% to 26,360.16 points. In Europe, the FTSE 100 was down 2.45%, France's CAC 40 3.49% and Germany's DAX 30 3.05%. Earlier, the Shanghai Composite fell 1.41%, Hong Kong's Hang Seng 2.35% and Japan's Nikkei 225 2.11%. On Wednesday, the US Federal Reserve downplayed market expectations of a monetary policy easing cycle after cutting the interest rate by 25 basis points. The hawkish tone from the Fed pushed the rand to its worst level in five weeks.



### Commodities

	Last	Value Change	% Change
Platinum	850.82	8.32	0.98%
Gold	1453.51	13.06	0.90%
Silver	16.50	0.29	1.75%
Copper	2.56	-0.02	-0.65%
Gasoil	572.00	-6.00	-1.05%
Brent Oil	61.20	-0.69	-1.13%

BDLive - Bengaluru — Gold retreated on Friday, shedding as much as 1%, as investors booked profits following a 2% rise in the previous session after US President Donald Trump promised fresh tariffs on China. Spot gold was down 0.6% at \$1,436.45 an ounce by 10.59am GMT in a volatile session, which saw prices fall as much as 1% after scaling a two-week peak of \$1,446.10 earlier. The metal is still on course for a weekly gain of about 1.3%. US gold futures, meanwhile, were up 1.1% at \$1,448.60. ABN Amro analyst Georgette Boele said that as gold had not managed to test the \$1452.6 high hit on July 19, a return to the \$1,440-\$1,450 range would see some investors continue to take profits, making it harder for prices to move higher. However, gold could break above \$1,450 if the dollar comes under pressure due to weak US data, she added.

Trump said he would impose an additional 10% tariff on \$300bn worth of Chinese imports from September and would raise it even further if trade negotiations fail to progress.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	50332.33	0.00	0.00%
ALSI	50324.00	0.00	0.00%
S&P 500	2953.56	-21.51	-0.73%
FTSE	7584.87	-177.81	-2.34%
CAC	5359.00	0.00	0.00%
DAX	11872.44	0.00	0.00%
Hang Seng	26918.58	-820.07	-3.05%



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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	396.00	399.50	6.75	3.50	394.25	-5.25	-1.75
DEC 2019	406.00	409.50	7.00	3.50	404.00	-5.50	-2.00
MAR 2010	416.00	420.50	7.25	4.50	415.00	-5.50	-1.00
MAY 2010	422.00	426.50	6.75	4.50	421.00	-5.50	-1.00
JUL 2010	426.00	430.75	6.25	4.75	425.75	-5.00	-0.25

FarmFutures - Corn prices rose around 1.75% Friday as bargain buyers helped the commodity capture a modest technical reversal today. September futures still ended the week with losses of about 3.3%, however, and were unable to climb back above the \$4.00 mark. Today, September futures gained 6.75 cents to \$3.9950, with December futures up 7 cents to \$4.0950.

Logistical challenges on waterways plus slow export sales kept corn basis bids steady to weak Friday, dropping 2 cents across several Midwestern locations, with one Illinois river terminal tumbling 19 cents lower.

An ongoing heatwave in Europe had French consultancy FranceAgriMer lowering the country's corn quality ratings for a fifth consecutive week, now at 61% in good-to-excellent condition as of July 29, versus 67% the prior week.

South Korea purchased 2.7 million bushels of corn in an international tender that closed earlier today. The grain, which is likely sourced from either the U.S. or South America, will be for arrival in early January.

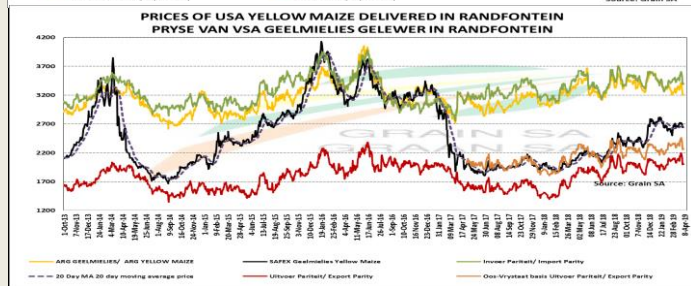
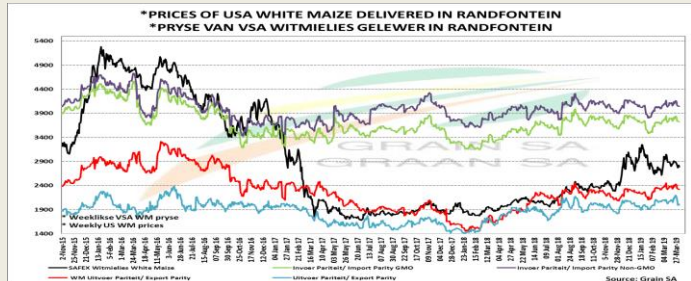
Weak summer monsoon rains have India's summer crop plantings down 6.6% so far year-over-year, which include 194.719 million acres of corn, soybeans, cotton, rice and other summer row crops. Rice acres have seen the biggest year-over-year drop so far, with corn acres remaining mostly steady compared to 2018.

Preliminary volume estimates were for 233,331 contracts, dropping 47.5% below Thursday's final count of 444,515.

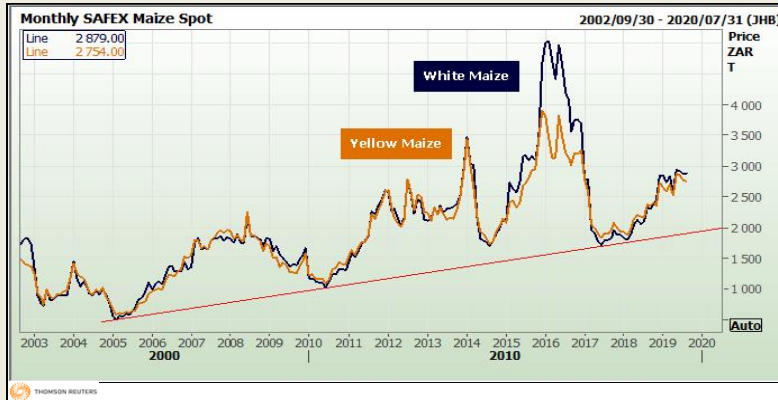


## South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019	R 2 917.00	25%		R 2 917.00
Dec 2019	R 3 001.00	27.75%		R 3 001.00
Jul 2019				
<b>Yellow Maize Future</b>				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019	R 2 793.00	20.5%		R 2 793.00
Dec 2019	R 2 876.00	20%		R 2 876.00
Jul 2019				



The local Maize market traded mixed yesterday. The local Aug'19 WMAZ contract ended R16.00 up while Aug'19 YMAZ closed R11.00 lower. The Sep'19 WMAZ closed higher by R11.00 while Sep'19 YMAZ ended R5.00 down. The parity move for the Aug'19 Maize contract for yesterday was R16.00 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	480.00	490.75	15.00	10.75	482.25	-8.50	2.25	SEP 2019	420.00	421.75	6.00	1.75	415.75	-6.00	-4.25
DEC 2019	484.00	491.50	10.75	7.50	484.50	-7.00	0.50	DEC 2019	437.00	438.75	5.50	1.75	433.50	-5.25	-3.50
MAR 2010	495.00	500.50	8.75	5.50	493.25	-7.25	-1.75	MAR 2010	454.00	455.50	5.00	1.50	450.00	-5.50	-4.00
MAY 2010	500.00	506.00	8.25	6.00	501.50	-4.50	1.50	MAY 2010	465.00	466.25	4.00	1.25	462.25	-4.00	-2.75
JUL 2010	504.00	510.00	9.00	6.00	504.75	-5.25	0.75	JUL 2010	471.00	472.25	4.25	1.25	468.75	-3.50	-2.25



FarmFutures - Wheat prices moved uniformly higher Friday on some short-covering and technical buying partly spurred by spillover strength from corn and soybeans. September CBOT contracts trended 3% higher, but it wasn't enough to climb out of the red this week, with a net deficit of -0.9%. September Chicago SRW futures gained 15 cents to \$4.9075, September Kansas City HRW futures added 6.75 cents to \$4.2250, and September MGEX spring wheat futures picked up 3.75 cents to \$5.23.

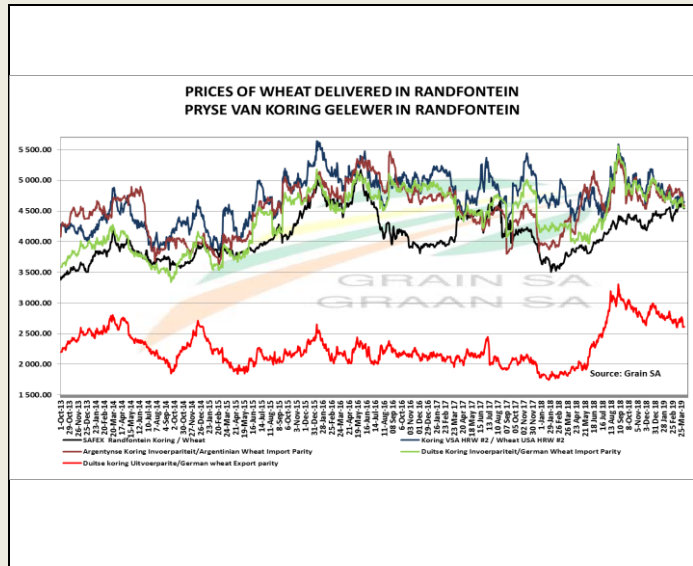
France's 2019 soft wheat harvest is 87% complete as of July 29, per consultancy FranceAgriMer. That's moderately behind last year's pace of 99%, although it does represent a lot of forward progress from the prior week's tally of 63%.

South Korea purchased 3.1 million bushels of milling wheat from the U.S., for shipment in October. The country also recently purchased 1.2 million bushels of milling wheat from Canada, also likely for shipment in October.

Preliminary volume estimates were for 149,310 CBOT contracts, landing slightly above Thursday's final count of 139,045.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019	R 4 478.00	0%		R 4 478.00
Dec 2019	R 4 478.00	12.5%		R 4 478.00
Jul 2019				
<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 Aug'19 Weat contract closed R17.00 down and Sep'19 Weat closed R15.00 lower. The parity move for the Aug'19 Weat contract for yesterday was R43.00 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
AUG 2019	852.00	850.25	3.25	-1.75	845.25	-5.00
SEP 2019	859.00	855.75	3.00	-3.25	850.50	-5.25
NOV 2019	871.00	868.50	3.25	-2.50	863.50	-5.00
JAN 2010	885.00	882.00	3.25	-3.00	876.75	-5.25
MAR 2010	897.00	894.25	2.50	-2.75	889.25	-5.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
AUG 2019	292.4	291.30
SEP 2019	294.5	293.40
OCT 2019	296.2	295.20
DEC 2019	299.4	298.30
JAN 2010	301.2	300.10

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
AUG 2019	28.19	27.96
SEP 2019	28.32	28.09
OCT 2019	28.44	28.26
DEC 2019	28.71	28.48
JAN 2010	28.95	28.76



FarmFutures - Soybean prices also reversed higher Friday but only picked up gains of around 0.5% today. That left September futures down 3.6% this week after skittish traders pondered favorable weather forecasts and crumbling U.S.-China trade negotiations. Today, September futures picked up 3.25 cents to \$8.5025, while December futures added 3 cents to \$8.5575.

Amid slow export sales, soybean basis bids were steady to weak Friday, dropping 2 to 7 cents lower at two Midwestern locations today. An Illinois river terminal tumbled 21 cents lower, meantime, after it was forced to stop loading barges due to dangerous river conditions.

Should we expect retaliation from China after President Donald Trump threatened an additional 10% tariff on \$300 billion in Chinese goods earlier this week? It's likely – a Chinese Foreign Ministry spokesperson told reporters today that the country will take "necessary countermeasures" to protect its fundamental interests.

Preliminary volume estimates were for 130,433 contracts, falling 39% below Thursday's final count of 214,765.

### South African Futures Exchange

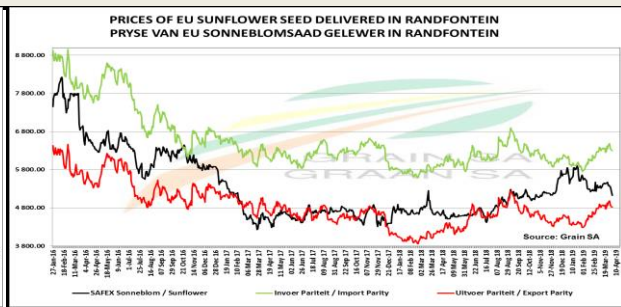
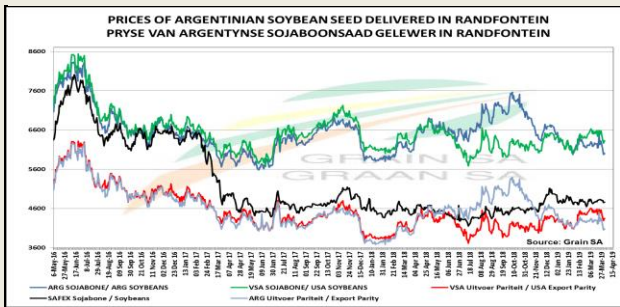
Soybean Future			
	MTM	Vols	Market Price
Dec 2018			
Mar 2019			
May 2019			
Jul 2019			
Sep 2019	R 5 434.00	0%	R 5 434.00
Dec 2019	R 5 530.00	14%	R 5 530.00
Jul 2019			

Sunflower Seeds Future		
	MTM	Vols
Dec 2018		
Mar 2019		
May 2019		
Jul 2019		
Sep 2019	R 5 232.00	13.25%
Dec 2019	R 5 382.00	16%
Jul 2019		



The local Soya market traded higher yesterday. The local Aug'19 Soya contract ended R19.00 up and Sep'19 Soya closed R4.00 higher. The parity move for the Aug'19 Soya contract for yesterday was R14.00 positive.

The local Suns market closed higher yesterday. The local Aug'19 Suns contract closed R27.00 up and Sep'19 Suns closed R33.00 higher.



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