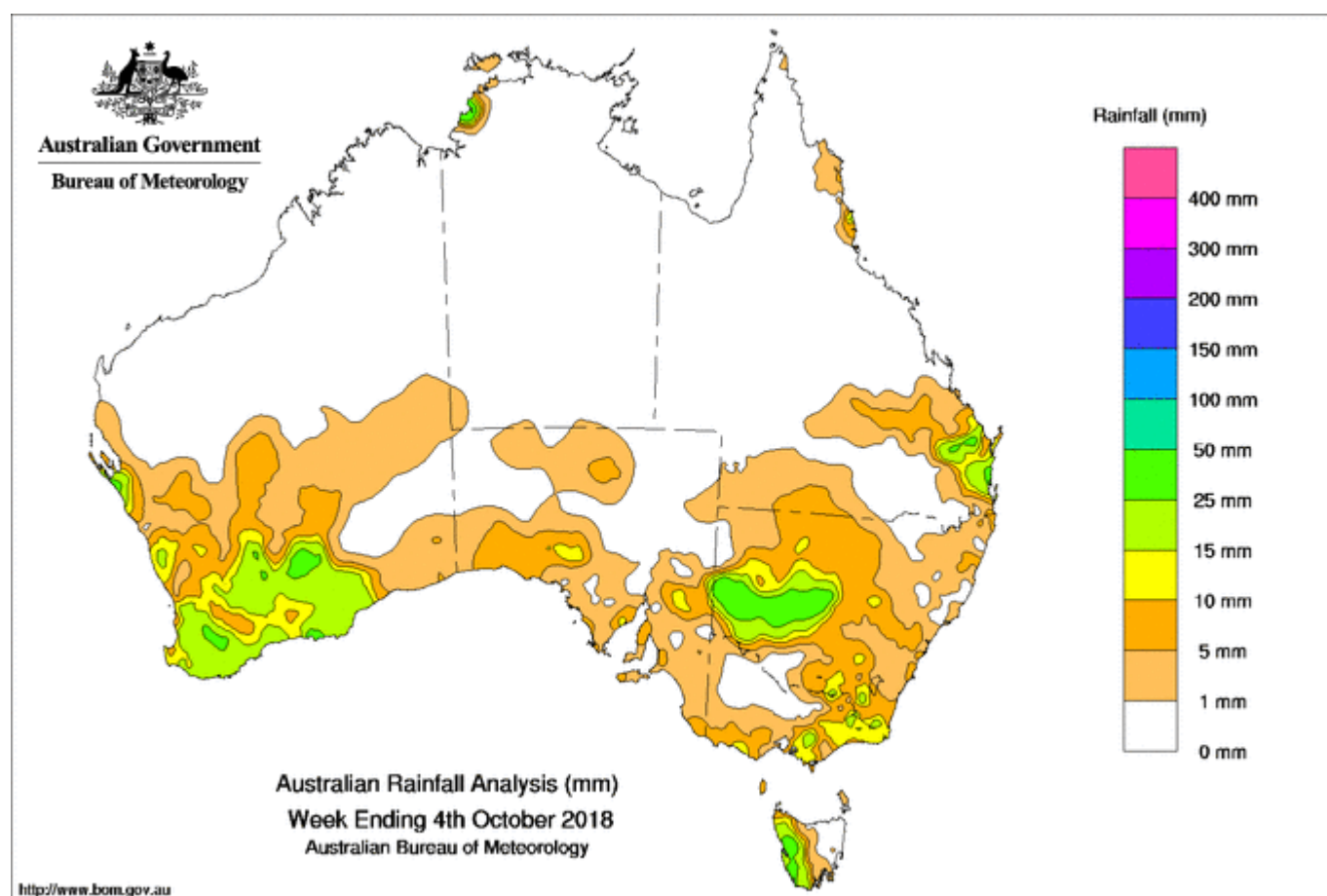


	This Report	Last Report	Change
AUD/USD (Spot)	\$0.7076	\$0.7204	-\$0.0128
CBOT Wht USC/Bu (Spot)	521	513	8.00
CBOT Corn USC/Bu (Spot)	368.75	364.75	4.00
ASX Wht AUD/MT (Jan 19)	\$441.00	\$448.00	-\$7.00
ASX Bar AUD/MT (Jan 19)	\$423.00	\$435.00	-\$12.00



Weather & Crop Conditions

Southern parts of West Australia received up to 25 millimetres of rainfall last week which has eased concerns after a couple of dry weeks with BOM indicating that September 2018 was the driest on record nationally. NSW also received some rainfall however the best falls were largely contained to the south. Sorghum growing regions received only 5 millimetres yesterday but are forecast to receive some more substantial rainfall today which is positive for the December plant. In Victoria winter cereals have continued to deteriorate with more damaging frosts appearing last weekend. Hot weather is expected in Victoria near the South Australian border this weekend with temperatures forecast to reach near 30 degrees Celsius.

Wheat – Global

Futures markets have been choppy this week as reports of export restrictions in the Black Sea overlaid by a relatively bearish Sept USDA report have fed both the bulls and the bears. Cash markets have been relatively stable this week with the Black Sea exports still moving along at an aggressive pace. HRW has connected with some demand this week with a cargo each to Saudi and Iraq reported which highlights the relatively tight supply situation outside of the Black Sea. Australian values remain firm as production estimates continue to fall and the export surplus shrinks.

Coarse Grain – Global

Tender business continues to tick along for global feed barley markets with Turkey booking 138kmt of the 246kmt they tendered for, CFR prices ranged from USD250 for USD260 for various Turkish ports for October shipment. Tunisia booked 50kmt at CFR USD262.67 for November and Jordan has issued another tender for 120kmt after passing on their previous tender. There is little fundamental news to report other than continued delays to Canadian harvest from snow, rain and cold conditions. Global FOB feed barley values are little changed and the Black Sea origins are quickly chewing through their exportable surpluses. US corn harvest was last reported at 26% percent complete, the coming week to 10 days looks far from conducive to harvest with heavy rainfall set in for much of corn belt. WASDE out this coming week, a number of private estimates putting US yield at over 182bu/ac.

Wheat – Australia

The positive rainfall received in West Australia over the last week along with the 20-30 millimetres forecast for next week has relieved some recent production concerns. This along with a weaker USD saw West Australian track values soften this week which translated to lower transshipment costs for East coast importers. Almost all east coast markets remain capped at west coast import parity and track values in each port-zone have weakened in line with West Australia. Victorian track values peaked towards the end of last week on increased liquidity however this week prices have softened with limited trade.

Coarse Grains – Australia

Feed barley markets have ground slightly lower this week in west Australia in line with some favourable rainfall received and on the forecast. East coast markets continue to connect to west coast shipments and values moved lower in line with WA markets. Malting values remained firm across the country with recent frosts in Victoria expected to impact malting barley supply. New crop sorghum values have remained steady through the week with the first planting window now closed. Much more rainfall is still needed in Sorghum growing regions to encourage a large plant in the December window.

