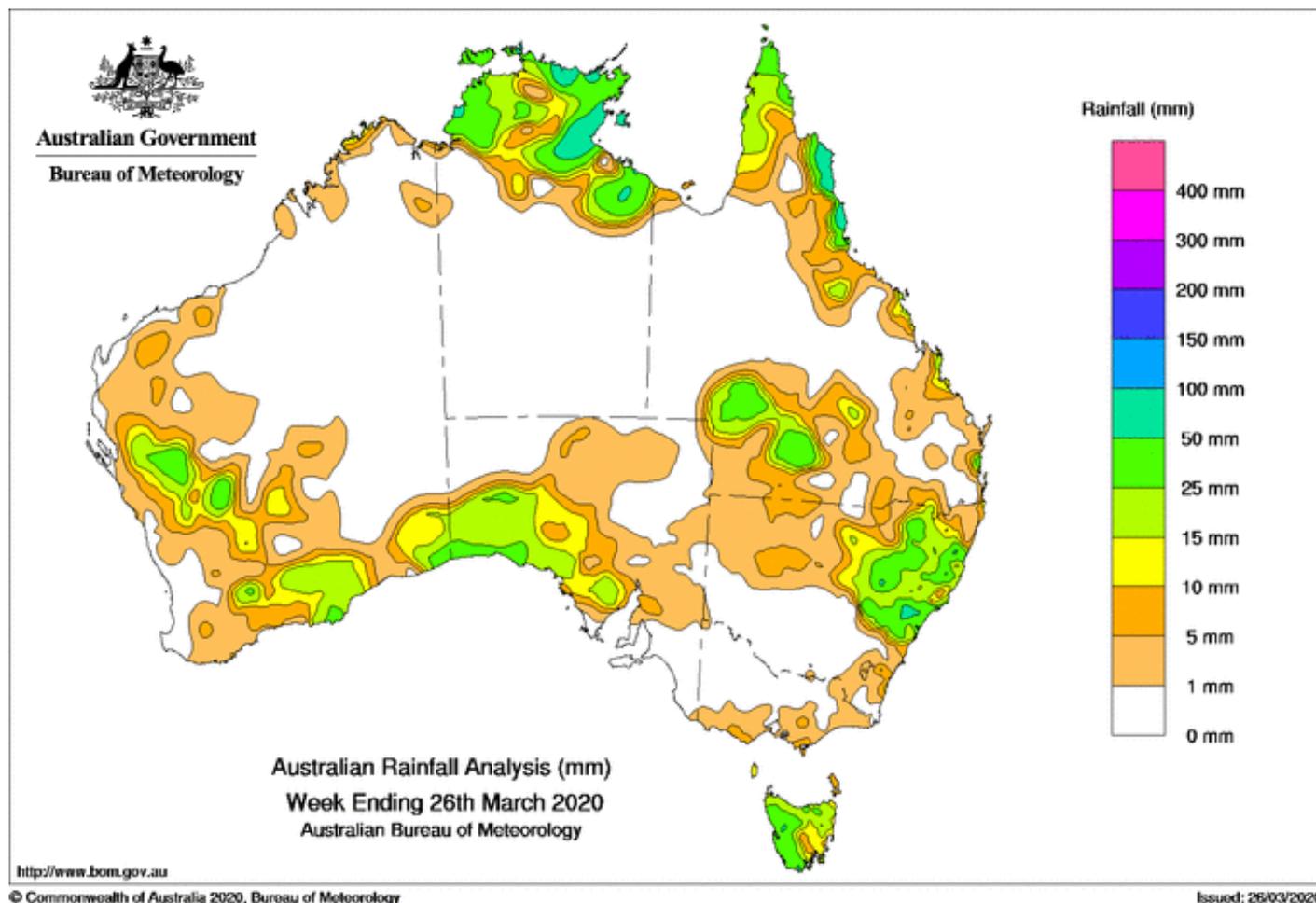


	This Report	Last Report	Change
AUD/USD (Spot)	\$0.5914	\$0.5778	\$0.0136
CBOT Wht USC/Bu (Spot)	571.75	508.25	63.50
CBOT Corn USC/Bu (Spot)	345.75	337.25	8.50
ASX Wht AUD/MT (Jan 20)	\$393.00	\$358.00	\$35.00
ASX Bar AUD/MT (Jan 20)	\$307.00	\$290.00	\$17.00



Weather & Crop Conditions

Australia has had another good week for rainfall throughout the country, with both the east, west and south receiving patchy rainfall at different points during week. WA and SA set the weeks positive tone with an easterly bringing rain over WA and through the SA coastal regions, providing decent falls for the areas east of Geraldton, north of Esperance and throughout Western SA. Decent rainfall also occurred in Northern NSW over the last few days and with more due to arrive over the coming days and early next week, northern areas of the Eastern Australia are close to locking in a full moisture profile and plant. The rain forecast at the start of next week is also expected to hit some of the drier areas of Southern NSW, hopefully further providing for a complete Eastern Australian winter crop plant.

Wheat – Global

Nearby wheat markets have rallied in spite of the negative macro environment as both private and government importers as well as local flour mills rush to replenish wheat based products on supermarkets shelves as people stock up on supplies due to the uncertainty of COVID-19. Staples such as flour, bread and pasta have been in hot demand, seeing a nearby spike in values to drag inventory out of both farmer and trade hands and into flour mills which are running at full capacity. New crop values have been more subdued with cash markets little changed on the week. With major exporter currencies in a downtrend, those who grow a crop are likely to see strong selling as the conversion from USD to local currency looks attractive.

Coarse Grain – Global

The past seven days has seen the Saudi Grains organisation book 1.2mmt of feed barley for May and June positions with prices for Red Sea ports averaging around the \$199 USD mark and Persian Gulf \$210 USD. The volume was a surprise to the market given SAGO only tendered for 720kmt however with the second half June positions reflecting Black Sea new crop FOB values sub USD170, SAGO took the opportunity to snap up some cheap barley. New crop condition in Western Europe look benign with chatter of dry conditions in Russia and Ukraine continuing, the Aussie and Canadian crops are yet to be planted and perhaps we will see more area switch into wheat in these origins if barley values continue to remain at a significant discount to competing crops.

Wheat – Australia

Australian wheat flat price values have firmed this week as consumers look to cover a nearby demand surge whilst navigating large and unpredictable FX swings. As is occurring globally, consumers in Australia are bringing demand forward in response to COVID-19 with many millers now operating at full capacity to meet sudden retail demand. Concerns around supply chain capacity during lockdown is also bringing consumers to market as they look to cover themselves before new crop becomes available late this year. Similarly, overseas government buying agencies are looking to sure up supply in the near term and with a depreciated AUD, Australia as well as other non-USD denominated origins are receiving strong FOB demand. Increased interior prices, a good relativity to barley and a promising rain forecast has been great news for growers recently and increased eastern grower engagement this week has highlighted the sentiment.

Coarse Grains – Australia

The sorghum harvest continues to move along in Australia with values settling in the past week despite limited liquidity available. April delivery is still at an elevated level due to a technical paper short however the June/July period has settled to a relativity to other feed grains which should attract some domestic demand. There were some rumours of China showing interest of Australian sorghum this week however the AUD appreciation in the latter half of the week quickly moved Australia away from any competitiveness internationally. Australian barley markets firmed this week with values in the North moving at a faster pace than southern markets. Values in the north are approaching WA/SA replacement values highlighting consumers reappearing to engage in coverage for the last half of the year. The overall weaker AUD over the last month has also brought Chinese demand for Australian malting and feed barley and a large export and transshipment program is looking likely for April.

