

Executive Grain Market Summary

Currency / Oil:

	Close	Change on week			Close	Change on week
£/\$	1.43	+0.03		May 18	£146.65	+£1.60
£/€	1.16	+0.02		Nov 18	£146.60	+£0.30
Nymex Oil	\$67.07	+£3.53		Nov 19	£147.55	+£0.25

LIFFE Wheat:

Wheat Futures Market Comparisons:

	Cbot/Liffe		Matif/Liffe		Cbot/Liffe (Corn/Wheat)	
	May 18	Nov 18*	May 18	Nov 18*	May 18	Nov 18*
Closing differential	-£23	-£9	-£3	+£4	-£38	-£33
Change on week	u/c	+£2	-£4	-£3	-£3	-£3

Note:

1. Cbot/Liffe Nov* and Matif/Liffe Nov * compares Cbot and Matif Dec with Liffe Nov
2. Relevant forward exchange rates are used to convert to Sterling equivalents
3. **Prices are based on Thursday pm market closes. Nymex oil = front month position.**
4. All figures are approximate and intended solely to illustrate trends

UK Update:

- Vivergo announced the re-opening of the Hull ethanol plant which has been closed for the past 4 months...and again lobbied the government to enforce their revised RTFO targets.
- Wet conditions continue to frustrate spring barley planting with the 2018 English crop only 35% sown (vs 90% normal)...better weather is, at last, forecast over the 2nd half of April.

EU Update:

- Weekly EU soft wheat exports of 422k took the ytd total to 15.2m (vs 20.0m last ytd); weekly barley exports 1k, ytd 4.6m (4.2m); weekly maize imports 234k, ytd 13.4m (9.1m).
- Agri-Mer revised down French 2017/8 third country soft wheat exports to 8.3m (vs 8.5m last month; 10.2m at the start of the season; 5.0m in 2016/7) but cut ending stocks to 2.7m (vs 3.2m last month; 2.9m end 2016/7) on higher domestic use/intra-EU exports.
- At 10 April Agri-Mer rated the 2018 French soft wheat crop at 78% good/excellent (vs 78% last week; 85% last ytd) with the spring barley crop now 96% planted (vs 78%; 100%).

Global Update:

- IKAR further increased the 2017/8 Russian wheat export forecast to 39.5m (vs 37.5m previous forecast; 27.1m in 2016/7).
- At 10 April Ukr-Agro report cereal (excluding maize)/pulse plantings at only 0.4m ha (vs 2.1m last ytd; 2.4m target area) following the cold, wet early spring.
- Ukr-Agro forecast 2018 Russian cereal crop at 120m (vs 133m in 2017) including wheat 74m (vs 83m), barley 18.7m (vs 20.0m), maize 14.5m (vs 13.6m).
- At 10 April the US winter wheat crop was rated 30% good/excellent (vs 32% last week; 53% last ytd)
- Wet, cold conditions continue to delay spring plantings in the US.
- Ag-Rural forecast 2017/8 Brazilian soyabean crop at a record 119m (vs 117.9m previous forecast; 114.4m in 2016/7), maize 89.8m (vs 89.9m; 97.8m).
- China sold 3.3m from old maize stocks at auction yesterday with a further 3.6m on offer today and 7m next week...these will be used by the domestic ethanol/starch industry.
- Crude oil firmed to a 4 year high this week on rising super-power tension around Syria.
- Hot, dry conditions in Australia causing some early concern ahead of 2018 crop plantings.
- Funds appear to have a new appetite for agricultural commodities with CME reporting a new daily record of 3 million contracts of futures/options trading on 4 April (this equates to approx 400 million tonnes!)
- Rosario Exchange forecasts 2017/8 soyabean crop at 37m (vs 40m previous forecast; 57.5m in 2016/7), maize 32m (vs 32m; 39m)

Comment:

Trade war concerns have been parked this week, with attention instead focused on the risk of escalating multi-national conflict in the Middle East...dangerous times.

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