

Executive Grain Market Summary

Note – comparisons below are against values quoted in the previous Exec Summary dated 23 Feb

Currency / Oil:

LIFFE Wheat:

	Close	Change on week		Close	Change on week
£/\$	1.38	-0.02	May 18	£145.00	+£5.75
£/€	1.12	-0.01	Nov 18	£146.00	+£1.80
Nymex Oil	\$60.12	-\$2.65	Nov 19	£147.20	+£1.70

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	-£13	-£1	+£2	+£10	-£32	-£30
Change on week	+£4	+£9	-£3	+£1	+£1	+£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:

- Revised Defra UK 2017/8 S+D increased the UK exportable surplus to 1.13m (vs 1.05m previous estimate), barley surplus cut to 1.44m (vs 1.71m)
- Defra forecast 2017/8 UK maize imports at a 5-year high of 2.05m (vs 1.95m previous forecast) on strong distilling/ethanol demand.
- Vivergo ethanol plant to re-open next week with a limited wheat intake scheduled.

EU Update:

- No weekly EU export figures so far this week following a 'technical problem'.
- Agri-Mer report Jul-Jan French third country wheat exports at 4.3m (vs 2.8m last ytd) with the full 2017/8 season target of 9m now requiring Feb-Jun exports of almost 1m/month.
- Strategie Grains trimmed their 2018/9 EU-28 osr crop forecast to 22.7m (vs 22.8m last month; 22.0m in 2016/7)
- At 4 Mar Agri-Mer reported 2018 French wheat crop at 81% good/excellent (vs 83% last week; 92% last ytd), winter barley 79% (vs 80%; 88%) with the 2018 spring barley crop 30% planted (vs 17%; 35%)
- EU maize/sorghum/rye import tariffs reduced to zero (from €5.61).

Global Update:

- Egypt paid a 3-year high price of \$230.66 cif for 5-15 Apr shipment (vs \$223.50 at previous tender).
- Russian Jul-Feb grain exports reported at 34.6m (vs 24.5m last ytd) including wheat 27.1m (vs 19m).
- Ukrainian 2018 winter cereal crops rated 87% good/satisfactory (vs 81% last ytd) with Ukr-Agro forecasting the 2018 wheat crop at 26.3m (vs 26.1m in 2017), barley 8.7m (vs 8.3m).
- Abares forecast 2018/9 Australian wheat crop at 23.7m (vs 21.2m in 2017/8)
- Indian Ag-Min forecast 2018 wheat crop at 97.1m (vs 98.5m in 2017) with recent dry conditions trimming production prospects.
- At 4 March the Kansas winter wheat crop was rated 13% good/excellent (vs 43% last ytd), Oklahoma 6% (vs 43%), Texas 10% (vs 34%)...as dry conditions persist across the Plains
- Conab forecast 2017/8 Brazilian maize crop at 87.3m (vs 88m previous forecast; 97.8m in 2016/7), soyabeans 113m (vs 111.5m; 114m)
- Buenos Aries Exchange cut 2017/8 maize crop forecast to 34m (vs 37m previous forecast; 39m in 2016/7), soyabeans 42m (vs 44m; 57.5m)
- USDA report increased end 2017/8 global wheat stocks to a record 269m (vs 266m last month; 253m end 2016/7), maize cut to 199m (vs 203m; 232m), all cereals 638m (vs 637m; 654m).

Comment:

The latest USDA report came and went without too much drama and will allow the markets to again focus on North and South American weather developments.