



CROP UPDATE

18th March 2014



CROP UPDATE

W/C 10th March 2014

WHEAT

Bullish ▲

- Wheat and corn still trading higher mainly on the back of the continued concerns in the Ukraine but also due to dry conditions in the Southern Plains of America.
- The dry conditions in the southern plains have been caused by lack of rain and strong winds. Although this has been taken as bullish news in the market with possible damage occurring to winter crops, the conditions were actually the same this time last year and look what a bumper crop we had then.
- Brazil and Argentina are behind on the corn plantings against last year.
- The ethanol demand remains strong and is rumoured to remain strong for the near future.
- Buyers of corn are still exporting from the Ukraine although being a high risk option against Europe and the US. If directions were to turn the European market could struggle due to minimal stocks.

Bearish ▼

- Russia and Ukraine continue to export grain in spite of the continued controversy over Crimea.
- China demand for soybeans has lowered due to economy concerns and resulted in cancelling exports from Brazil.
- USDA is neutral to bearish with world corn and wheat stocks increased slightly.

Neutral ◆

- Weather in the UK continues to be favorable for both winter crops and drillings for spring. This continues through Europe.

BARLEY

Bullish ▲

- Old and new crop malting barley premiums continue supported by the Ukrainian crisis and US southern US plains dryness concerns.

Bearish ▼

- The Ukraine sent their first cargo load of barley to China.

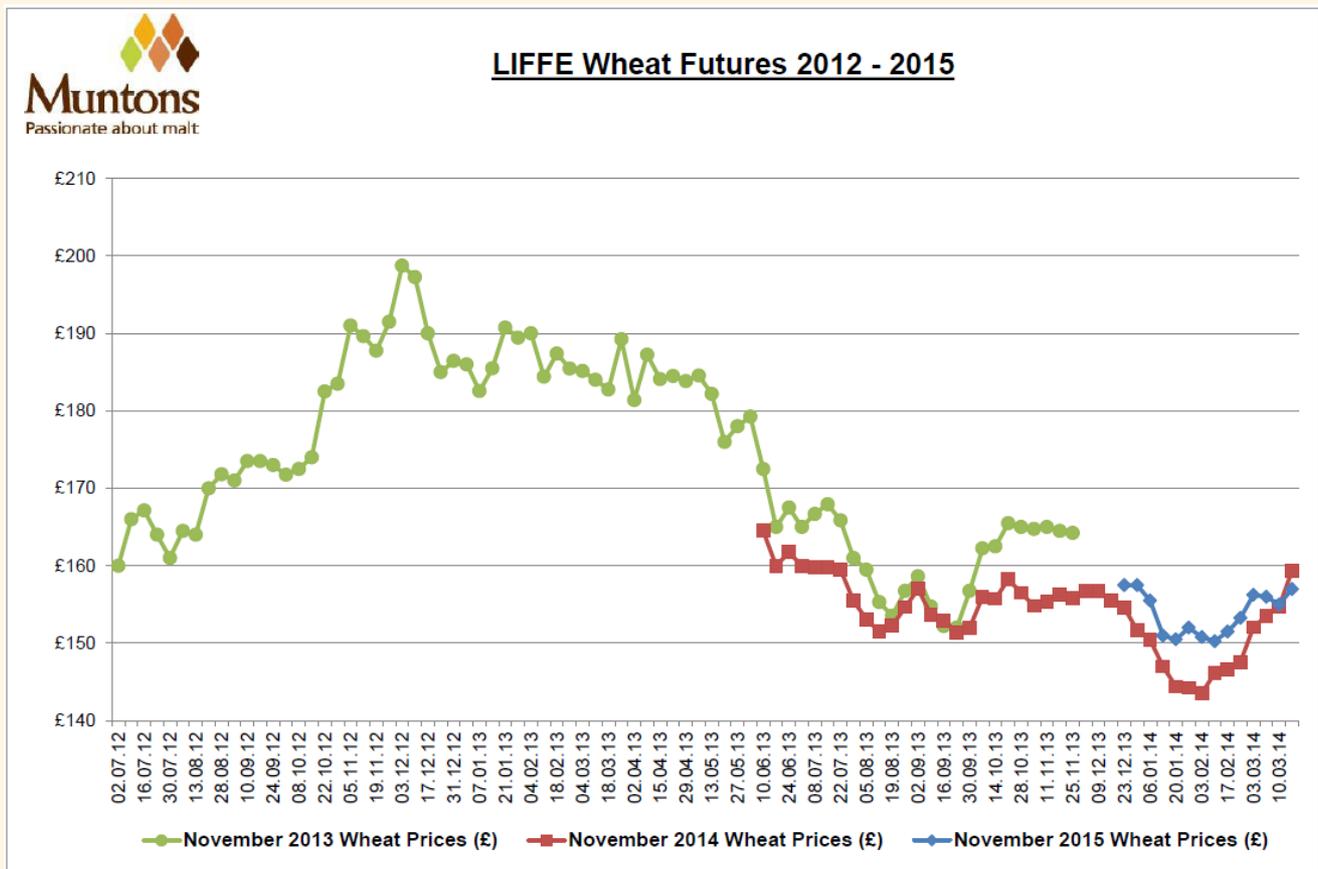


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- Weather conditions across the UK and Europe continue to be favorable for spring barley plantings.
- In the UK it is expected that most of the spring drilling will be complete by the end of next week. Northern England is already 'Springing' ahead while the south has only completed a small percentage due to wet soils but adds no concerns.

Summary

Again this week the Ukrainian crisis is the main leader of the rising market place for corn and wheat albeit the concerns in the southern plains, However, Thursday traded lower and again on Monday 17th March as there has been no fresh news to creep any higher and there has been controversy that the Ukrainian crisis has been overplayed.





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