



**Grain Brokers**  
AUSTRALIA  
*Ahead of the Market*

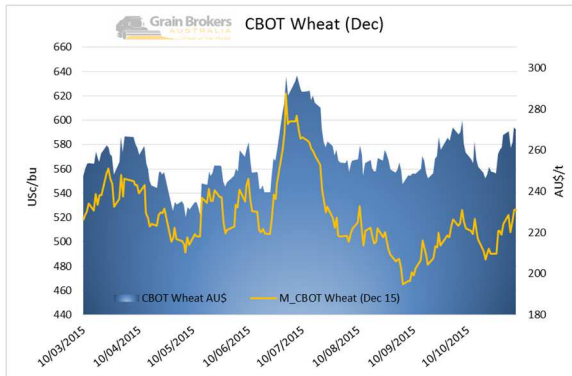


# WEEKLY REPORT

6<sup>th</sup> October 2015

## WHEAT

CBOT Dec 15 futures finished the week at 526.3USc/bu. An 11.30 USc/bu rise week on week.



Chicago December wheat futures managed to close just above its' 200day moving average, a bullish technical signal.

Once again dryness in Ukraine, Russia and the US combined with harmful harvest rain in Australia cited as reasons for futures pushing higher

The Ukraine government is suggesting up to 20% of their winter wheat crop will not survive the lack of rainfall and will need to be reseeded in the spring. According to UkrAgroConsult, a little more than 14 million acres of wheat will go into the ground in Ukraine, a similar acreage number to 2006, when just 16.5 million and 13.8 million tonnes of wheat was taken off, respectively. However, analysis think that the 2016/17

Ukrainian wheat crop could yield closer to 19 million tonnes. Only 55% of the seeded wheat crop (or about 8.7 million acres) has emerged, and only 69% of fields were in "good or satisfactory" condition.

In Russia, the Ag Ministry reported that at least 25% of their fall-seeded crops are in poor condition due to a lack of rain, and 92% of the planned acreage was in the ground at the end of October. A harsh winter would result in re-seeding in the spring with something other than wheat.

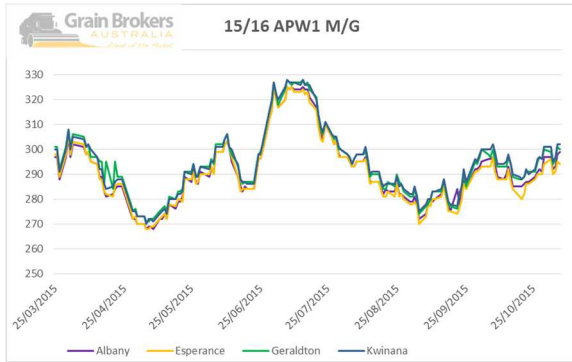
US winter wheat 88% planted, up 5% but Good to Excellent only rated 49% up 2% from last week. This time year at 59%

France's winter wheat 78% planted.

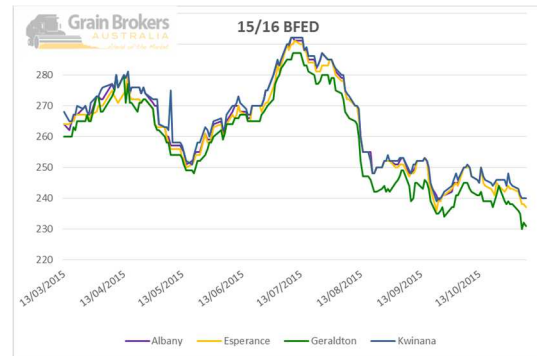
India have planted winter crop on 8.40 million hectares so far this year- down 3.8% from a year ago due to dryness.

Local pricing has followed the offshore market with Kwinana and Geraldton at the \$300 mark.



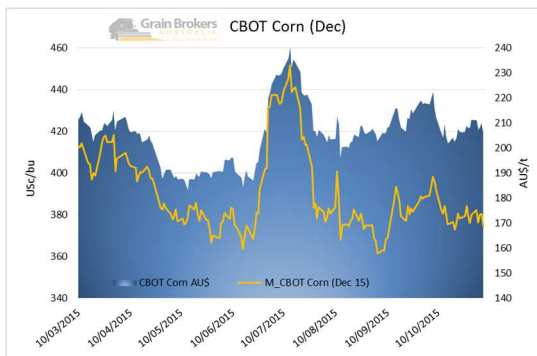


Local pricing following the offshore corn market lower this week, falling \$5-10 across WA.



## CORN/BARLEY

Corn December 15 CBOT finished the week up, from 388.75 USc/bu to 374.40c/bu, down 5.6USc/bu.



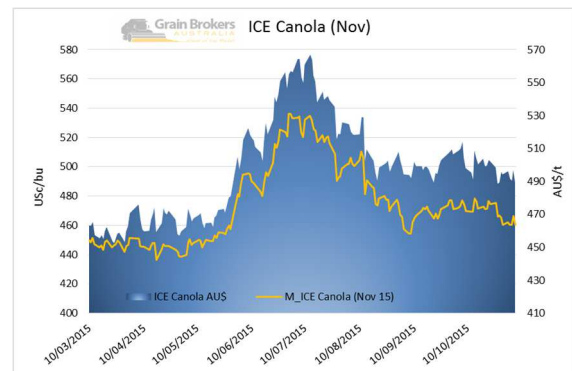
US Corn harvest is currently at 85% up 10% from last week. Brazil has exported 12.8mt of corn in the period July-October 2015 compared to 8.8mt for the corresponding period last year.

French corn harvest is about 75% done

The Australian barley market continues to drift lower over the last few weeks on the back of poor demand! China remains very quiet and it is forecasted that China will reduce feed imports from Australia, with domestic corn and US sorghum being more attractive compound feed option. The lower demand from China will mean that Australian feed barley will have to find a home into the traditional market of Saudi Arabia and Japan. However, Saudi continues to remain quiet, with buying ideas well below current Australian levels.

## BEANS/CANOLA

Soybean November 15 CBOT futures were unchanged for the week, at 877.25USc/bu



Beneficial rains continue to fall in Brazilian soybean producing areas, weighing on the oilseed complex. 31% of the national area had been sown according to AgRural, a jump of 11 percentage on the week. However, progress remains behind the five year average of 42% so weather forecasts will remain a watch area. More rain is expected this week.

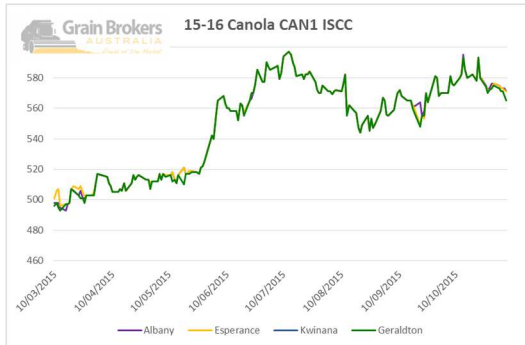
US soybean harvest is currently at 92% up 5% from last week. The Canadian canola crop forecast continues to grow as harvest gathers pace. It is now predicted to be between 16 and 17 Mt

Ukrainian rapeseed crops are in the worst condition in the last 7 years with more than

1/3 of the crop considered “weak and thinned”, almost double than of last year.

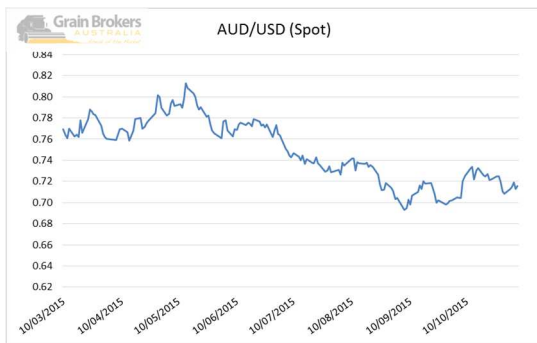
The Australian canola market is relatively steady pricewise. The Australian Oilseeds Federation has adjusted its crop forecast to 2.92m Mt, which is slightly below most other forecasted levels.

A heavy shipping program of canola out of All WA ports could see a few shorts in the coming weeks. Be prepared to sell into these.



## AUSTRALIAN DOLLAR

The Aussie dollar currently trading at 0.7155. The AUD remains weak despite the Reserve Bank leaving interest rates on hold for another month.



## MARKET OVERVIEW

	6/11/2015	This Week	Last Week	Change
CBOT Wheat Dec 15		526.3	515	11.3
CBOT Wheat Dec 16		548.6	544.6	4
Kansas Wheat Dec 15		486	488.5	-2.5
MGEX Wheat Dec 15		520	520	0
Paris Wheat Spot		183.75	180.75	3
CBOT Corn Dec 15		374.4	380	-5.6
CBOT Corn Mar 16		382.6	389.6	-7
MATIF Corn Spot		161	166.5	-5.5
MATIF Malt Barley Spot		214	214	0
ICE Canola Nov 15		460.6	460.6	0
ICE Canola Nov 16		472.6	472	0.6
MATIF Rapeseed Spot		380	375.75	4.25
CBOT S-Beans Nov 15		878.6	878.6	0
CBOT S-Beans Mar 16		866.2	883.2	-17
AUD/USD		0.7155	0.7081	0.0074
AUD/CAD		0.9415	0.9321	0.0094
AUD/EUR		0.6571	0.6445	0.0126

2015/16 FIS Prices				Basis Usc/bu		
Wheat APW1 M/G						
6/11/2015	This Week	Last Week	Change	This Week	Last Week	Change
Albany	299	297	2	54	56	-2
Esperance	294	294	0	44	50	-6
Kwinana	302	301	1	60	64	-4
Geraldton	300	300	0	56	62	-6

Canola ISCC 15/16			
Albany	571	576	-5
Esperance	571	576	-5
Kwinana	571	576	-5
Geraldton	565	575	-10

Feed Barley 15/16			
Albany	238	243	-5
Esperance	237	243	-6
Kwinana	240	244	-4
Geraldton	231	238	-7

Mike Saunders.