



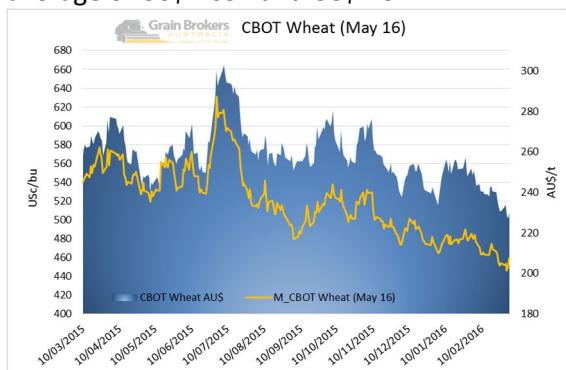
WEEKLY REPORT

05 March 2016

WHEAT

Wheat futures closed higher for the third consecutive day on Friday in response to weather concerns coming from the US.

CBOT March 16 futures finished the week at 459.6 US\$/bu up 14.4 US\$/bu from the previous week. Prices rose above the 20 day moving average of US\$4.54, but still well below the 50-day and 100-day moving average of US\$4.654 and US\$4.81.

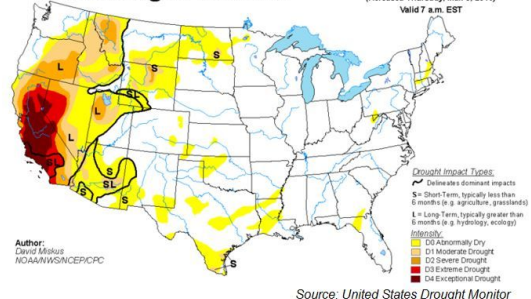


Dry conditions in the US Great Plains has made headlines this week providing a boost to the wheat market. Drier than normal conditions have been highlighted in the key wheat producing states, which could negatively affect crop quality and quantity. The dry conditions is expected to persist for the next 2 to 4 weeks – according to the MDA weather services.

The dry conditions could result in reduced snow cover, leaving crops vulnerable to late season cold weather outbreaks.

U.S. Drought Monitor

March 1, 2016
(Released Thursday, Mar. 3, 2016)
Valid 7 a.m. EST



Author:
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NOAA/NWS/NCEP/CPC

Source: United States Drought Monitor

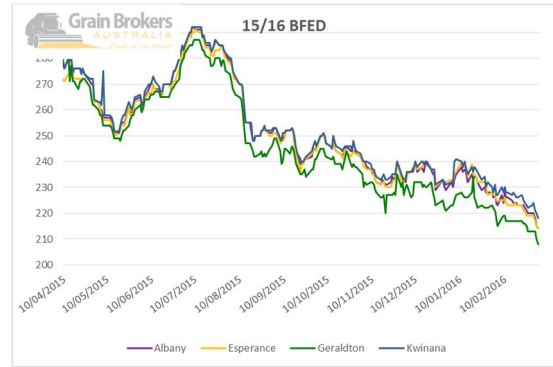
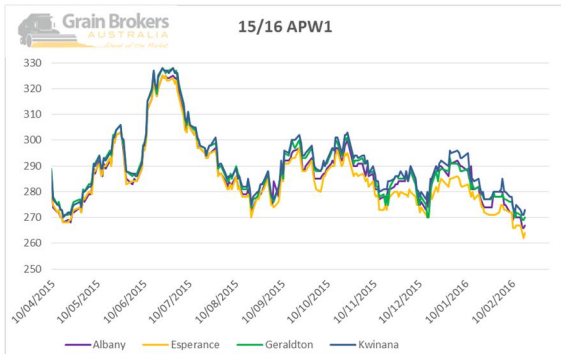
US attaches have revised Indian wheat production down to 88 million mt from their previous estimation of 93.8 million mt, as dry weather impacts production. This could see India import near 1 million mt of wheat, the first time since 2010/11. India purchased 60,000t of Aussie wheat last week at US\$230/t.

The French Crop Bureau reported that 94% of the French soft wheat crop is in good to excellent condition vs 91% last year.

The Food and Agriculture Organization estimated global wheat production at 723 million mt – down 10 million mt from 2015/16. The drop in production is mainly due to reduced plantings in Russia and Ukraine.

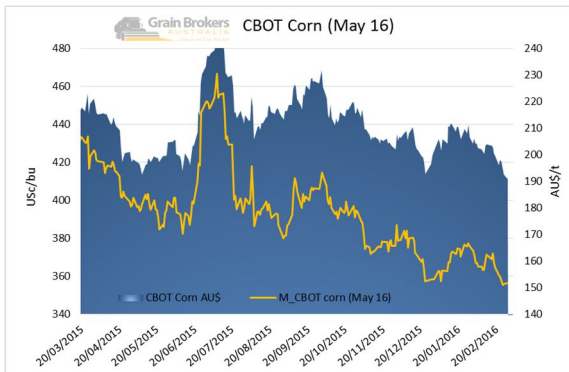
ABARES estimate Australian wheat production to rise by 1% to 24.5 million mt in 2016/17, and if realized, this could result in wheat production rising to a 3 year high.

The fall in the Aussie dollar this week could impact our local values this week.



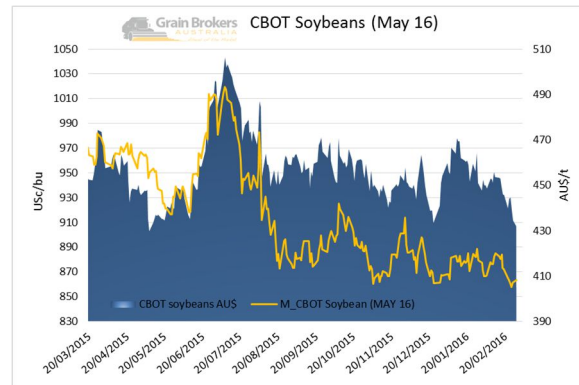
CORN/BARLEY

Corn prices have had little movement over the last seven days despite stronger production indications from Brazil. March 16 CBOT corn futures remained relatively unchanged for the week at US\$3.56 per bushel.



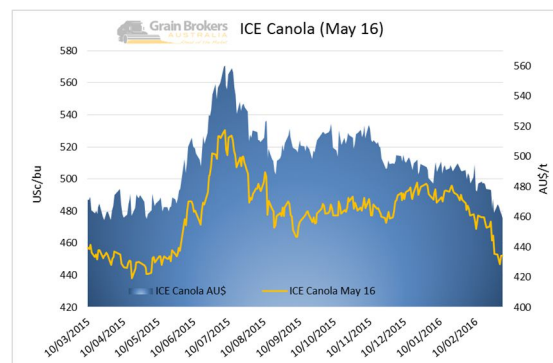
BEANS/CANOLA

Chicago May-16 soybean prices increased 1% and settled at 863.6 US\$/bu on Friday, as the sharp rise in Brazilian Real hurts their export prospects, and also found support on the back of weather concerns in the US.



French farmers had sown around 14% of the intended spring barley area. This represents a significant increase from the 6% sown a week earlier and while it is still behind last year's progress, it is ahead of 2014. The condition of winter crops remains good and at historically high levels.

Canola took a huge knock over the week with ICE Canola March 16 finishing at CA\$452.3 up CA\$4.5/t for the week.



Grain South Africa estimate that this year's production could fall lower than previously estimated. The government estimate corn production at 7.25 million mt down 25% from last year, as yields are affected by drought.

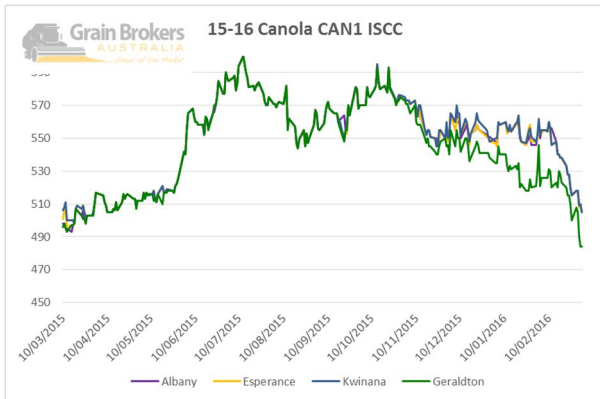
Although the international markets saw increases last week, there is still growing concerns that the South American crop could limit gains in the near term.

With the Brazilian Soybean harvest gathering momentum and 54% complete. Informa has

increased the Brazilian soybean crop to 101.3 million mt up 800,000t from their previous estimate.

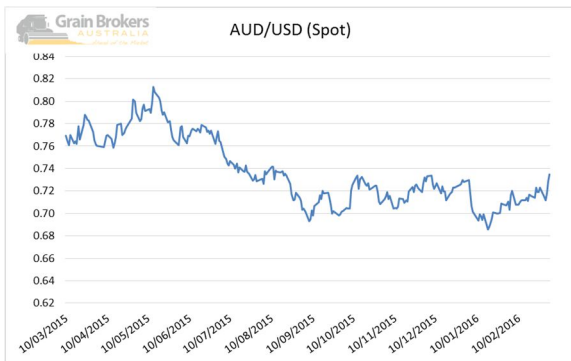
The Argentine soybean crop has benefited from the recent rainfall and the crop is now well into their flowering period and pod fill stages. Informa lowered the Argentine production by 1 million mt to 58 million mt.

COFCO estimate Chinese soybean imports could reach 83 million mt, due to improved margins on the pig production, This estimate is above the 80.5 million mt estimated by the USDA.



AUSTRALIAN DOLLAR

This week, the Australian dollar pushed through the US73 cents mark for the first time this year, due to stronger than expected economic data.



MARKET OVERVIEW

| | 4/03/2016 | This Week | Last Week | Change |
|------------------------|-----------|-----------|-----------|--------|
| CBOT Wheat May 16 | | 459.6 | 445.2 | 14.4 |
| CBOT Wheat Dec 16 | | 490 | 489.4 | 0.6 |
| Kansas Wheat May15 | | 466 | 446.25 | 19.75 |
| MGEX Wheat May 15 | | 498 | 486.25 | 11.75 |
| Paris Wheat Spot | | 171 | 171 | 0 |
| CBOT Corn May 16 | | 356.4 | 355.4 | 1 |
| CBOT Corn Nov 16 | | 375.4 | 379.6 | -4.2 |
| MATIF Corn Spot | | 171 | 171 | 0 |
| MATIF Malt Barley Spot | | 214 | 214 | 0 |
| ICE Canola May 16 | | 452.3 | 447.8 | 4.5 |
| ICE Canola Nov 16 | | 463 | 467.7 | -4.7 |
| MATIF Rapeseed Spot | | 373 | 373 | 0 |
| CBOT S-Beans May 16 | | 863.6 | 859 | 4.6 |
| CBOT S-Beans Nov 16 | | 878 | 876.6 | 1.4 |
| AUD/USD | | 0.7348 | 0.7232 | 0.012 |
| AUD/CAD | | 0.9857 | 0.9794 | 0.006 |
| AUD/EUR | | 0.6711 | 0.6562 | 0.015 |

| 2015/16 FIS Prices | | | | Basis Usc/bu | | | |
|--------------------|-----------|-----------|--------|--------------|-----------|--------|--|
| Wheat APW1 | | | | | | | |
| 4/03/2016 | This Week | Last Week | Change | This Week | Last Week | Change | |
| Albany | 267 | 273 | -6 | 54 | 92 | -38 | |
| Esperance | 264 | 266 | -2 | 49 | 78 | -29 | |
| Kwinana | 273 | 272 | 1 | 66 | 90 | -24 | |
| Geraldton | 270 | 270 | 0 | 60 | 86 | -26 | |

| Canola ISCC 15/16 | | | |
|-------------------|-----|-----|-----|
| Albany | 505 | 515 | -10 |
| Esperance | 505 | 515 | -10 |
| Kwinana | 505 | 515 | -10 |
| Geraldton | 484 | 500 | -16 |

| Feed Barley 15/16 | | | |
|-------------------|-----|-----|----|
| Albany | 214 | 218 | -4 |
| Esperance | 214 | 219 | -5 |
| Kwinana | 218 | 222 | -4 |
| Geraldton | 208 | 213 | -5 |

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