



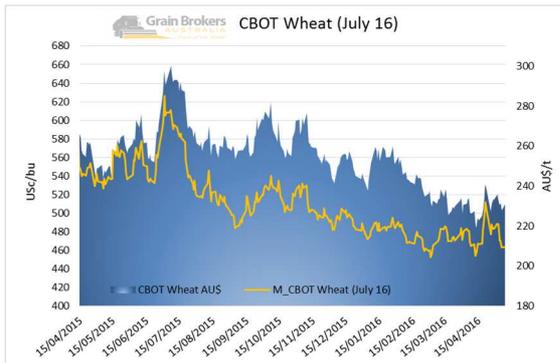
WEEKLY REPORT

9th May 2016

WHEAT

Wheat futures fell over the week, due to optimism over the US crop potential and sluggish export sales.

CBOT July 16 futures finished the week at 46.6US¢/bu down 24.8 US¢/bu from the previous week.

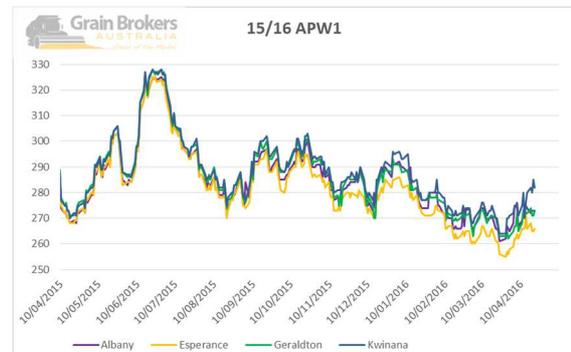


Results from a series of crop tours across key wheat growing regions of the US were the main focus of wheat markets last week, with prospects looking favourable. As a result, wheat futures fell recording the biggest Fri-Fri weekly fall in almost six months.

With harvesting just a few weeks off in the US Plains, the crop tours are finding to provide a good indication of crop quality, and so far, yield prospects are looking good. Final results from the Kansas tour indicate average yields at 3.27t/ha up 35% from last year, and if realised, could be the second highest on record.

Also weighing on wheat markets last week was poor US export data, revealing old crop sales 50% less than the previous week. New crop sales were also disappointing at 140Kt, down 455Kt from a week earlier.

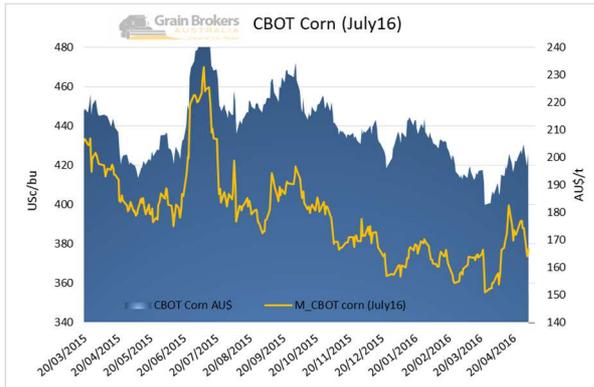
French wheat conditions have weakened slightly, according to the latest crop update from FranceAgriMer 87% of the crop was rated as good or excellent, down one percentage point from a week earlier and lower than the previous five year average of 90% at this point in the season.



BARLEY/CORN

Like Wheat, Chicago July-16 corn futures closed lower on the week. With positive US planting progress helping to offset the dry conditions hampering the Brazilian second corn crop.

Corn settled at 377.4 US¢/bu, down 14.2 US¢/bu for the week.



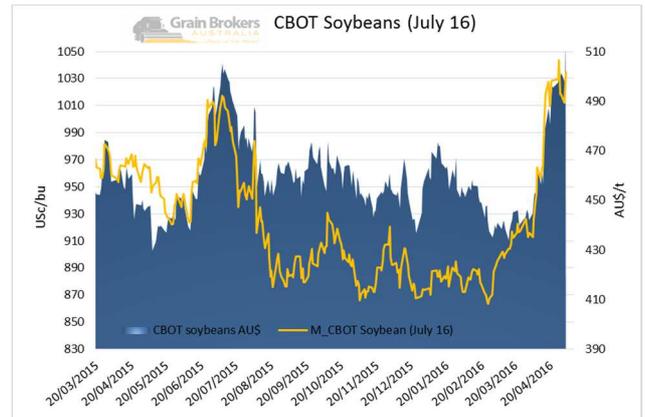
US planting progress is pegged at 45% against previous five year average of 30%.

Planting of the French maize crop got off to a relatively slow start due to wet weather during early spring, with only 44% of the crop planted, compared with 80% at the same point last year. However, dry warm weather last week is expected to have aided sowing progress, according to FranceAgriMer.

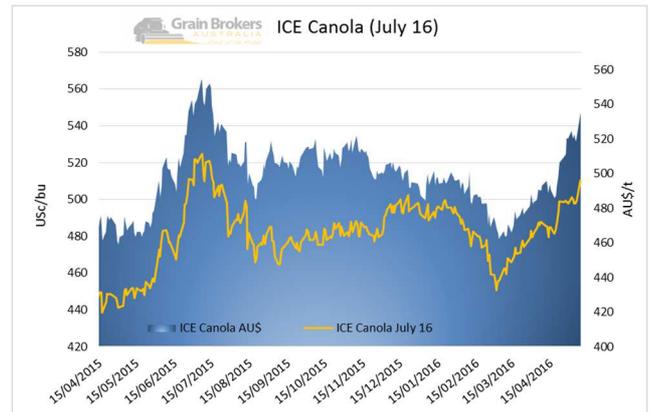
The Chinese Agricultural Ministry has estimated that this year's corn area will fall by 1.33Mha, the first year on year decline for 13 years (37Mha, 2015). The fall in area is expected as a result of cancelling the stockpiling system, which is expected to encourage farmers to switch to growing other crops. According to Reuters, stocks of corn are in the region of 250Mt and it is unclear how China is planning to dispose of them.

BEANS/CANOLA

July-16 Chicago soybean futures made strong gains as the market was boosted by further confirmation of crop damage in Argentina. Settling at 1034.6 US\$/bu.

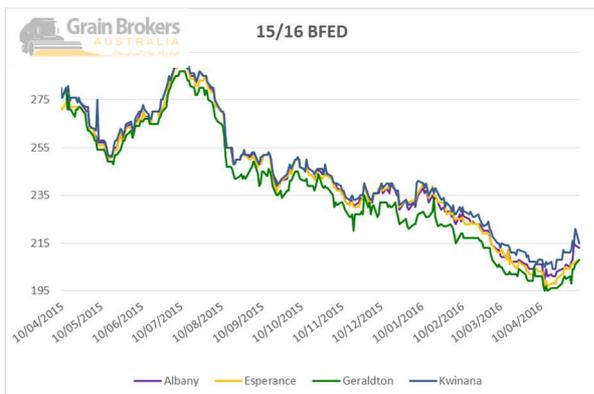


Canola futures followed soybeans closing CA\$510.5/t for the week.



The fallout from flooding in Argentina continues to buoy soybean markets. Soybean prices gained following further confirmation of crop losses in Argentina and the US reported strong soybean export sales for the time of year.

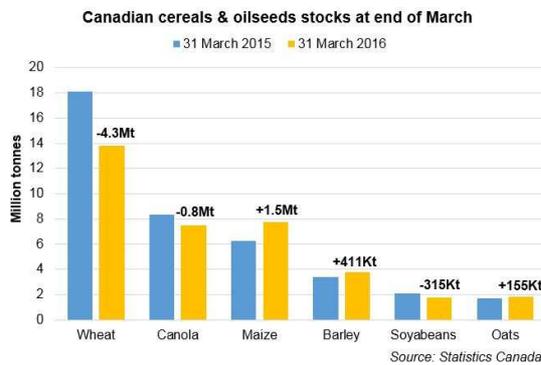
An estimated 0.79Mha of Argentine soybeans have been lost due to the heavy rain in April according to the Buenos Aires Grain Exchange (BAGE). On top of earlier losses of 0.75Mha caused by previous weather issues, over 7% of the planted area has now been lost. Though BAGE maintained its output forecast at 56Mt, the latest report did not rule out further



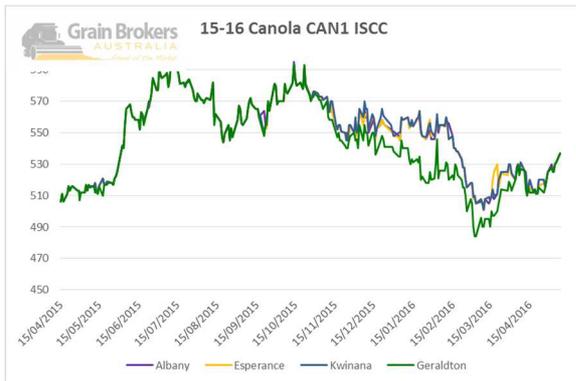
adjustments, with quality and harvest concerns affecting a further 0.7Mha.

Drier weather last week allowed the Argentine soybean harvest to progress, with 42% of the area now harvested, up from 24% a week ago. However this is still behind the 69% complete a year ago (BAGE)

Canadian canola stocks were reported last week at 7.49 million mt, down 10% year on year, reflecting a smaller crop and positive exports. Planting of the 2016 crop is ahead of average in key provinces



Australian canola production could reach 3.3Mt in 2016/17. This would be 10% higher than the 2015/16 crop.



AUSTRALIAN DOLLAR

The Aussie dollar continues to decline as the market continues to digest the RBA's decision to lower interest rates to 1.75%



MARKET OVERVIEW

	9/05/2016	This Week	Last Week	Change
CBOT Wheat July 16	463.6	463.6	488.4	-24.8
CBOT Wheat Dec 16	492	492	516	-24
Kansas Wheat May15	453.5	453.5	488.5	-35
MGEX Wheat May 15	535	535	547	-12
Paris Wheat Spot	151	151	153.3	-2.3
CBOT Corn May 16	377.4	377.4	391.6	-14.2
CBOT Corn Dec 16	384.6	384.6	395.2	-10.6
MATIF Corn Spot	160.5	160.5	163	-2.5
MATIF Malt Barley Spot	214	214	214	0
ICE Canola Jul 16	510.5	510.5	501	9.5
ICE Canola Nov 16	506.5	506.5	490.3	16.2
MATIF Rapeseed Spot	363.75	363.75	367.25	-3.5
CBOT S-Beans May 16	1034.6	1034.6	1029.6	5
CBOT S-Beans Nov 16	1022	1022	1007.6	14.4
AUD/USD	0.7378	0.7378	0.7607	-0.023
AUD/CAD	0.9536	0.9536	0.955	-0.001
AUD/EUR	0.6475	0.6475	0.664	-0.017

2015/16 FIS Prices				Basis Usc/bu		
Wheat APW1						
9/05/2016	This Week	Last Week	Change	This Week	Last Week	Change
Albany	273	275	-2	70	67	3
Esperance	266	267	-1	56	51	5
Kwinana	282	283	-1	88	84	4
Geraldton	273	272	1	70	61	9

Canola ISCC 15/16			
Albany	537	530	7
Esperance	537	528	9
Kwinana	537	528	9
Geraldton	537	528	9

Feed Barley 15/16			
Albany	213	205	8
Esperance	208	204	4
Kwinana	215	211	4
Geraldton	208	201	7

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