

# Weekly Market Report

**Week Ending 18/04/08**

## ROUND-UP

Exchange	Last Traded Value (18/04/08)	Weekly Change
May Liffe	£165	-£10.25
Nov Liffe	£145	-£5.00
May CBOT (Wheat)	\$8.70	-\$0.60
May MATIF (Wheat)	€212	-€24.50

## SUMMARY

- European markets fall on dearth of demand
- US CBOT falls – breaks below key moving averages = weak technically
- Argentina wheat export registry remains closed
- Kazakhstan bans exports until July
- China forecasts wheat production up 2.5% to 107.6 million
- French Soft wheat revised up from 5.01 mil ha to 5.03
- Turkey forecasts wheat production up 10% from last years 17.2 million
- Bulgaria forecasts wheat production at 3.85 mil up from 2.4

- Brazil raises min wheat price by 20% to increase production from 3.5 mill to 4.7 mil
- Sterling hovers close to contract lows

## WEATHER/CROP DEVELOPMENT

- US HRW receives further rainfall
- North Africa, Spain receive additional rainfall
- US Corn belt remains a market focus as rainfall continues

## BOTTOM LINE

Despite export restrictions in Russia, Ukraine & Kazakhstan , the market continues to struggle due to very little old crop demand. We expect EU old crop wheat consumption figures to get revised downwards as the weight of maize/sorghum et al is fully factored in !

Weather will continue to be monitored closely , but without any perceived threats prices will likely continue to struggle , particularly as old crop carry overs are likely to get revised upwards.

Note – Stats Canada planting figures out later today

Note - Meeting tomorrow at the CBOT to discuss contract issues ref size of fund position, tendering issues etc ( Watch these developments closely, as the rise in Global food prices gets more political attention & is likely to ultimately examine the impact of fund activity driving food prices higher – nb At the CBOT wheat index funds are currently 185000 contracts long = 25 Million tons !!!!! )

