

Weekly Market Report

Week Ending 29/08/08

ROUND-UP

Exchange	Last Traded Value (29/08/08)	Fortnightly Change
Nov 08	£120.00	-£5.50
Nov 09	£133.5	-£4.00
Dec CBOT (Wheat)	\$8.02	-\$0.62
Nov MATIF (Wheat)	€186	-€8.50

SUMMARY

- European weaken as Global supplies grow
- US falls heavily – exports slow
- US corn consolidates – weather/crude - eyed
- IGC raises Global wheat production by 10 million to 672 million
- IGC raises Global corn production by 15 million to 774 million
- IGC raises Global total grains by 31 million to 1749 million
- Russian grain production raised by 10 million to 95 million
- Sterling slides against both Euro and Dollar

WEATHER/CROP DEVELOPMENT

- US corn ratings drop as dry weather persists
- Australia receives timely rainfall

BOTTOM LINE

Global grain crops continually get revised higher which coupled with “ just in time “ Australian rains has once again put markets under pressure , with key long term support at the CBOT only 30c below Fridays close. In the UK private crop estimates are growing as more and more above average yields are reported.

Sterling should give some underlying support to the UK , though it remains difficult to see any sustained strength in international feed grain prices.

Edward