



**GrainCo**

Winter 2018/19

[www.grainco.co.uk](http://www.grainco.co.uk)

**news**

The North of England & Scotland's leading farmer-owned grain marketing business

# GrainCo delivers another excellent year of profit

**The financial year ending June 30th 2018 was once again an excellent year for the company, its Farmer Shareholders and farmer clients alike.**

The Tynegrain Group of Companies, including its wholly owned marketing company GrainCo Ltd, achieved a pre-tax profit of £2,217,162.00 on a turnover of £152,163,072.00 with the Group balance sheet increasing to £21,221,514.00.

These financial results were after our shareholders received £298,077.00 in rebates on the trade conducted with the co-operative during the financial year.

Throughout the year, GrainCo combined excellent pool marketing prices with record seed sales to its farmer clients. Despite an increase in the volume of oats and beans handled by GrainCo, overall volume fell, with barley seeing the largest reduction.

Net cash used in investing activities reduced to £1,097,106.00 in the financial year but significant expenditure will occur in the current financial year as 40ptc grant funding was obtained from the RDPE to upgrade our key facilities.

GrainCo's seed processing plant at Piercebridge delivered excellent results with the volume of seed processed



**New bio-mass boiler at Piercebridge.**

increasing whilst maintaining the high level of seed quality.

The newly acquired Piercebridge grain store operated well; small capital improvements and staffing changes ensured farmers were guaranteed a quick turnaround which is so essential at harvest time.

The company's investment in PelletCo, a wood trading company supplying wood pellets to the domestic boiler and horse bedding market, has seen continued

good growth. The business has created an extensive client base who now enjoy the benefits of dealing with a local company who can deliver on first class service as well as price.

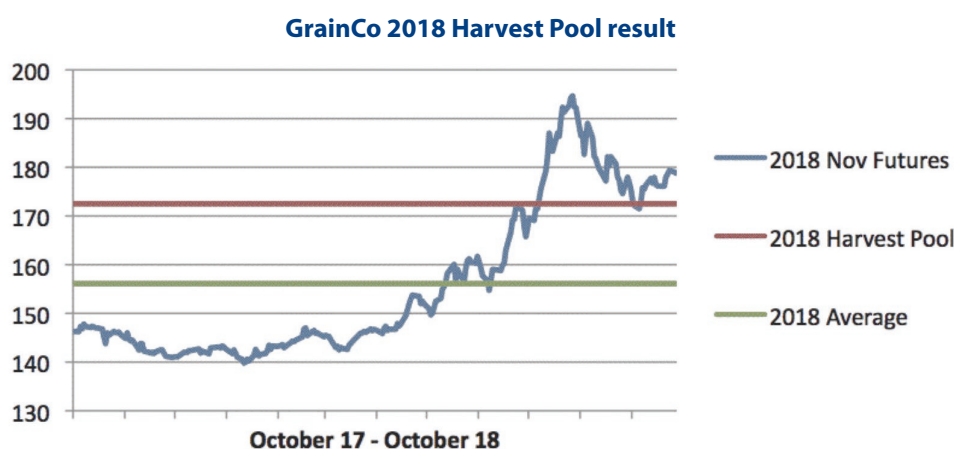
Gareth Baird, Vice Chairman of GrainCo and a Tynegrain shareholder, said, "GrainCo continues to deliver excellent marketing opportunities and unbiased advice to all of its farmer clients along with competitive finance packages for inputs and grain sales. It is fantastic that GrainCo continues to deliver all these core objectives whilst also delivering exceptional financial results."

# GrainCo's 2018 Harvest Pool beats average by £15/T

GrainCo's 2018/19 pool season has begun well with the harvest pool paying out £171.00/t (net of all management charges), representing a £15/MT bonus above the average of November '18 futures over the trading year, proving the wide-ranging benefits of pool marketing during a volatile year for grain values.

With a spread of over £50/t between the high and the low over the last twelve months, you can soon find yourself on the wrong side of the market. From October 2017 onwards, the wheat market was relatively flat until June when dry-weather stories began to gather pace in Europe. To put it into perspective, there were only six trading-days before August 2018 where November wheat levels were higher than the GrainCo Harvest pool price.

Pool marketing has always been a useful tool to offset risk, generate cash-flow, benchmark further sales and taking the hard decision making out of selling



grain. All three of GrainCo's pools in the 2017/18-season exceeded the average of the marketing year, with the short pool and the long pool comfortably beating the average.

Pools can be used in many different ways; some use them to market the majority of their grain, some use it as a sensible way of selling grain pre-harvest whilst others use it purely to benchmark against the rest of their grain sales.

Flexible payment terms also help to aid cash-flow through the year when marketing in the short and long pools.

Whatever the individual purpose of pooling grain, the benefits are obvious; if you are interested in pooling grain in the future contact your local GrainCo rep.

Space at Tynegrain is still available to be purchased if you would like to secure storage at this premium location

## Oilseed rape shipments make up the bulk of exports from Tyne Dock facilities

**GrainCo have made a brisk start to the 2018/2019 export season with multiple cargoes already loaded out to a range of destinations.**

GrainCo's port-side facilities at Tyne Dock have once again proved invaluable, giving GrainCo the ability to outload whilst in the midst of harvest, providing a much needed market for farmers at an often saturated time of the year.

To date, Oilseed Rape (OSR) has made up the bulk of export business out of the Tyne, the most recent shipment being the M. V. Geert K, sending



The M. V. Geert K loading at Tyne Dock.

2500MT of OSR to Erith, the third OSR shipment out of the Tyne this season.

Barley exports have been much slower, with a 4000MT barley cargo destined for the Republic of Ireland, loaded out in early August.

With haulage during harvest being so challenging, the export market for OSR is vital to trade in the north east. GrainCo have storage availability at a range of sites along the North-East coast, allowing farmers quick movement at harvest along with competitive storage rates.

Membership of Tynegrain is available to all if you would like to secure premium storage at Tyne Dock.

# Imports rise 74% after low harvest

**AHDB reports that harvest 2018 has been the lowest since 2013, with ending stocks forecast to tighten as well, even with a slip in demand.**

Despite an increase in planted area, this year's wheat harvest is estimated at 14.09MMT, 5% lower than harvest 2017.

Imports remain level at around 1.7MMT, although during the period July to August, imports rose 74% against the same period last year, a result of the tightening of on-farm stocks and high domestic demand.

The closure of the Vivergo bio-ethanol site at Hull (see page 7 for more) has had a knock-on effect to overall domestic wheat usage, with the AHDB pegging industrial wheat-usage down 7% for the coming year. The AHDB figures came out before the closure of the Ensus bio-



ethanol plant was announced; inevitably this will further reduce the industrial wheat demand in the UK over the next year.

Given the poor forage crops made this year, animal feed demand is inevitably higher, but overall the AHDB estimate we should have a greater exportable surplus this year than last year.

Feed Barley production is estimated at 7.782MMT, a fall of 596KT on the previous year.

Several poor years for feed barley values has put many growers off winter barley, either moving to spring barley or ceasing to grow the crop all together. This has resulted in a tightening in the premium between feed wheat and feed barley.

Furthermore, poor yields of winter and, especially, spring barley this year have resulted in a rapid rise in values post-harvest.

A strong farm-to-farm trade in barley has also helped raise values, with many livestock farmers buying delivered barley direct from growers.

Whether they can be sustained throughout the entire season is yet to be seen but compounders will certainly be switching back to wheat given the current price difference.

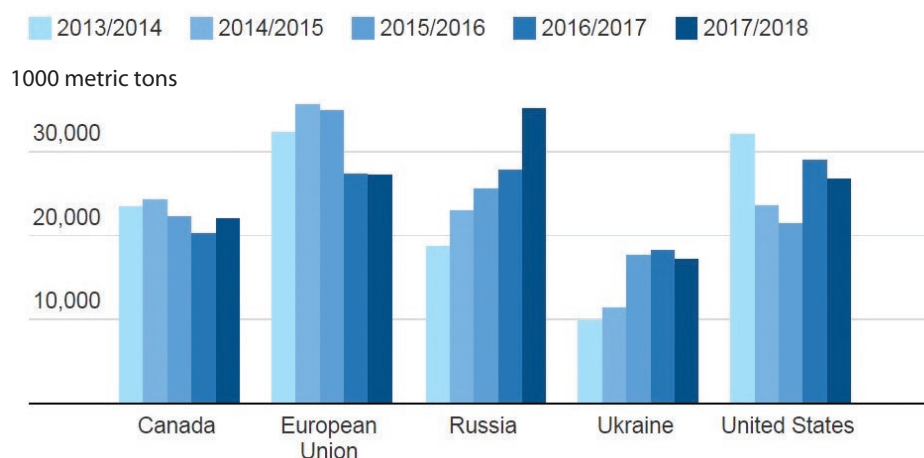
## Volatility in Russian market: what's going on?

**All summer, the talk of dry-weather in Russia affecting both their wheat and corn crop rumbled on, and with rumours of export restrictions not wanting to die away, what really is going on?**

Russia has become the largest single-country exporter of wheat in the world; its vast area of agricultural land, access to water, fantastic port facilities and geographical location means it is ideally placed to supply the big North-African wheat buyers and also meaning that global prices now take huge influence from the size of the Russian harvest.

As the UK baked in the driest summer since 1976, the rest of Eastern Europe and Russia was experiencing the same. As a consequence, rumours of a much depleted Russian harvest began to circulate and as a result, grain markets began to follow suit. Analysts began to try and estimate the size, or reduction, in the Russian harvest, with figures of as low as 64MMT being discussed. Sure enough, before long the spectre of export-restrictions started to surface

**Top wheat exporting countries – Russia continues to dominate world wheat exports.**



and, given the rapid acceleration in prices when the export ban of 2010 was announced, markets reacted quickly.

Now that the dust has settled, it seems that although the Russian wheat harvest is lower, it is not quite as poor as some feared a few months ago. The USDA even reported that it would be over 70MMT, a significant threshold value. Despite this, the talk of export restrictions will not go away, and even factoring in typical

Russian mis-information, the trade is still in two minds as to how this will play out.

For the time being it seems that Russia will continue to be the number one wheat-seller, but what is probably more significant in the long term is that following on from a reduced harvest this year (causing a sustained rally in prices), the country could ill-afford to have another diminished harvest in 2019, with their stocks already lower.



# Fertiliser prices stay high due to worldwide demand and turmoil

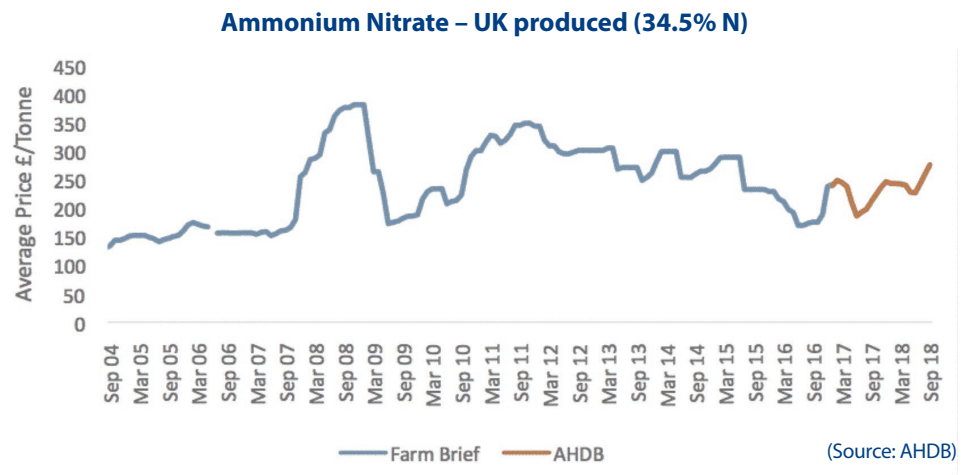
## Fertiliser prices are set to remain high, despite UK demand stalling.

Rising gas prices coupled to poor exchange rates have meant that Ammonium Nitrate (AN) is now at its highest levels since early 2015. The sharp rise in levels since new season values emerged in June have put off many UK farmers with nitrogen still to source.

Globally, nitrogen prices are also firming, with China set to produce only 50% of its recent Urea tonnage whilst conversely India is still looking to buy another 600KT of the product.

Global sanctions on Iran, who have capacity to produce nearly 7 million tonnes of Urea annually, will reduce available supply to the world market, further boosting values in the short term.

Potash prices are continuing to firm as global demand grows and the cost of extraction and production increase. The Phosphate market seems somewhat flatter of late but still at very high levels; as with potash, the continued growth in global grain production is leading



to ever-higher phosphate levels and an increase in the cost of extraction brought on by high oil prices.

A substantial drop in fertiliser prices now seems highly unlikely. Global oil prices will certainly underpin the cost of production but there is probably a more pertinent reason why UK values are set to remain high.

Given the very open autumn, early finish to harvest and poor performing spring crops, a much greater area of

winter-cropping has been drilled this year. Not only do winter crops require a greater amount of fertiliser but the fertiliser suppliers are well aware that once a crop of winter wheat or barley is in the ground, the fertiliser price would have to be astronomically high for the farmer not to use it. Growers should possibly look towards Urea instead of AN to provide some of their nitrogen this year as, on a cost per unit of Nitrogen basis, it is working out at around £50 per tonne less than AN.

## Check your contract balances online with GrainCo

### What do you do?

Log onto our online **Fast Track** accounts/admin system via the GrainCo website [www.grainco.co.uk](http://www.grainco.co.uk)

### Don't have your login details?

If you don't have your username and password please contact **Mark Bell** on **0191 428 7702**.

### Check your account online

This useful service enables you to track deliveries, check collected weights, contract balances, forward commitments, invoices etc online 24/7.

### GrainCo website

Visit our website and you will find information about...

- Grain markets and pool results
- Company financial accounts
- Seed and fertiliser
- Upcoming events and training courses



# UK spring seed yields 'below expectations'

**Despite the greater amount of winter cereals drilled this autumn, there already looks to be a shortage of spring seed on the horizon.**

The incredibly hot summer of 2018 has meant that a lot of the spring seed crops around the country have yielded far below expectation, with high screening levels further reducing output.

Coupled to this, an ever reducing number of spring seed growers mean that the domestic supply of spring cereal seed in the UK (and especially the north) is ever-diminishing.

Although the back-end has been very open and suitable to autumn sowing, farmers across the country in areas with high blackgrass pressure will be continuing to increase spring cropping levels in a bid to control the weed.

Furthermore, large areas of land across the country cropped with potatoes and



Wagon tipping at GrainCo seed plant.

sugar-beet is yet to be cleared, and in some circumstances is still too dry to do so!

Add to this an increase in end-user demand for both spring malting barley, spring milling oats and a further increase in demand for spring milling wheat from

Europe, the supply/demand dynamic for spring seed will continue to tighten.

GrainCo has a broad but limited supply of quality spring seed, grown by trusted seed-growers in the north east. Given the early finish to autumn sowing, it may be worth giving thought to varieties for spring, especially if a specific variety is needed for either a milling oat or barley contract.

## Could you be a seed grower?

GrainCo are looking for new growers to produce spring seed for harvest 2019. Growing seed is especially suitable for those whose land struggles to produce malting-spec barley as you can achieve much higher premiums than those offered by maltsters without the worry of hitting nitrogen specifications!

*If you are interested in growing spring-seed as a break crop, please get in contact with GrainCo seed manager Peter Collins on 01325 728905.*

## Demand for oats soars – could you get in on the boom?

**Farmers in the north east and Scotland are perfectly poised to take advantage of the explosion in global milling oat demand.**

Both domestically and around the world, the increased demand for oat-based products, particularly breakfast cereal bars and porridge oats, has led to a rise in the premiums paid for milling oats.

Global premiums are set to increase in 2019 as Canada, the world's leading milling oat producer, is suffering from an unseasonably early spell of cold weather, with heavy snow and frosts in major cereal growing areas expected to reduce the Canadian oat harvest by almost 10%. Furthermore, dry-weather worries in Australia, the world's second largest oat producer, are heaping further pressure on global supplies.

Meanwhile, in the EU, despite demand for milling oats growing nearly 6% each year, production in the area is still falling. The

UK oat crop has been a mixed bag this year. Again quantity and quality issues from the South up into Scotland have seen spot milling oat prices trade at a premium over feed wheat. Despite an 8% expansion in the UK oat area, production is estimated to fall 2% to 857Kha. This provisionally pegs the average UK yield at just 4.9t/ha, the lowest level since 1989.

Farmers in the north east have been successful growers of milling oats for many years. With land and climate often unsuitable to growing malting barley and milling wheat, milling oats offer growers in the area a profitable break crop.

Further North, the Scottish oats market continues to adjust after a challenging season. Winter oat yields are estimated down circa 15% with spring oats down 30% or more in parts, though milling quality has been good to date.

GrainCo Scotland are the largest buyer of milling oats in Scotland and continue

to focus on supporting the development of the OatCo Producer Group, alongside group Chairman John Hutcheson (one of GrainCo's Farm Directors). The OatCo Group remains lead supplier to Quaker Oats in Cupar, who operate the largest oat mill in Europe.

Long term demand prospects for oats in the health food market remain good, with generally lower growing costs relative to wheat/barley making oats an attractive cropping option.

## Which oats to grow

Oat millers will only accept the following varieties:

**Winter** – Gerald/Dalguise/Mascani

**Spring** – Firth/Canyon (available from the GrainCo seed plant)/Conway

*If you are interested in taking a contract for your winter oats, or the possibility of growing spring oats, get in contact with your local GrainCo rep.*

# Global Report: Stocks are plentiful in US, South America and China as Australia flags

**Much has been made this year about the effect of dry weather on crops in northern Europe and Russia, with reports of much lower yields and possible export restrictions the driving force behind markets over summer. The US however has fared much better.**

The latest USDA estimates note that despite relatively average production, the carry-over of both wheat and, especially, corn means that they have an abundance of supply.

With the trade-war between **CHINA** and the **US** set to rumble on, the US has had to look outside of its normal trading partners to find homes for its huge stocks of Soya, Wheat and Corn, meaning we in the **UK** are now very much competitors with the US.



Mercifully, President Trump gave the go-ahead for the US to increase the level of bio-ethanol blended in gasoline from 10% to 15%, which if given the green-light, should soak up some of the US' corn surplus.

Around the rest of the World, **AUSTRALIA** looks set to have its poorest wheat harvest since 2007/8 with estimates forecasting their wheat harvest at 17.5MMT as a result of an exceptionally dry winter and spring.

**BRAZIL** and **ARGENTINA** each have enormous projected corn crops this year of 97MMT and 48MMT respectively

against 84MMT and 39MMT last year. The two Southern American countries also look set to benefit from ban of US soya imports to China. China now imports a staggering 94MMT of soya beans each year, with the US historically being their largest supplier. Brazil is perfectly placed to meet Chinese demand, being the only other country around the world with a soya production level anywhere near that of the US (120MMT vs 127MMT in the US).

Overall, despite a reduction in EU and **RUSSIAN** production, the world seems to have adequate supplies of grain for the coming year. However, should we see a significant reduction in ending-stocks from the world's leading producers, a more sustained bull-run on the markets would result.

## Beans yield down around 50%

**Undoubtedly the worst performing crop this year has been winter and spring beans.**

Not only did the hot and dry weather over summer greatly reduce yields, but also affected germination levels in seed-crops giving way to the bizarre scenario where some farmers are putting more beans back in the ground than they harvested two months ago!

The hot and dry weather has led to a much smaller-sized bean than usual, with yields down around 40-50% in most places. Huge pressure from Bruchid Beetle this summer has also led to many samples failing to make spec for human consumption.

The combination of these two factors has led to a fairly buoyant bean market this autumn; feed beans are commanding a premium over wheat of around £50/t with human consumption beans making a further £50/t on top.

As always, exports to **NORTH AFRICA** drive the trade for UK Human Consumption beans. Many of the major buyers still have product to purchase and are having to accept poorer quality in order to maintain supply. Given the catastrophic bean harvest and the continued demand from abroad, it looks unlikely that the bean market will be falling anytime soon!

## OSR market flat

**The Oilseed Rape (OSR) market has been relatively flat over the last few months, with ex-farm values broadly trading in the mid-£320s since harvest having peaked in August £10/t above these values.**

The OSR market has largely been hampered by the on-going trade war between the **US** and **CHINA**, with the latter's import tariffs on US Soya weighing heavy on the protein market of which OSR is part of.

That said, there are a few fundamental issues around the world that may help OSR markets over the next year.

Strategie Grains recently reported that EU OSR plantings had fallen to their lowest level since 2008/2009 whilst also reducing their estimate for 2018/19 production to 19.83MT, 10.7% lower than last year.

Furthermore, the **AUSTRALIAN** government recently reduced their Canola crop by a further 20% to 2.2MT, making it their smallest crop since 2009/10, as a result of the persistent dry weather they've experienced this season.

Some within the trade are suggesting however that the record-dry summer this year is having an effect on the European OSR market in slightly different way.

It is reported that water levels on the Rhine are so low that boats carrying OSR to crushes located down the waterway are reducing cargo sizes from 2000MT to 500MT just to stay afloat! This is consequently reducing supply levels drastically and many of the crushes are having to reduce production and in some extreme circumstances ceasing all together.



# Sad decline of the UK bio-ethanol market

**In the space of just over a month, the UK's two largest bio-ethanol plants and consequently the two largest wheat-users, have announced their closure.**

Vivergo, based at Hull, decided in September to cease production, citing the government's indecision over increasing the inclusion rate of bio-ethanol in petrol from 5% (E5) to 10% (E10).

In mid-October Ensus, based at Teeside, announced that they would be shutting at the end of November. A sharp downturn in ethanol values they say has made the plant uneconomical to run and that the duration of the closure would depend on 'market conditions'.

This seems to be a repetitive cycle; Ensus has ceased production four times since opening in 2009 whilst Vivergo only reopened this year in April following a closure five months earlier. The bio-ethanol market is particularly fickle and is heavily influenced by both economic and political factors.

Despite bio-ethanol being a direct replacement for petrol, is not a direct competitor. The bio-ethanol market relies entirely on the requirement for it to be blended with petrol. Discussions surrounding an increase from E5 to E10 have far more effect on the values than petrol prices at the pumps.

Furthermore, the fluctuating value of the raw commodities that produce bio-



Gloomy times for the Ensus plant on Teeside (above) and Vivergo in Hull.

ethanol heavily effect profitability. Ensus and Vivergo have largely run on wheat, with current high-values cited as a factor in their respective closures. In Europe, many bio-ethanol plants use sugar beet as the raw ingredient to produce the fuel. A sharp drop in recent sugar values has increased the supply of beet into the ethanol market say CropEnergies (the owners of Ensus), with ethanol values dropping ten percent in October as a result of heavy selling pressure.

The US has recently taken steps to supply E15 (a blend of petrol including 15% bio-ethanol) year-round. This has largely been seen as a move by President Trump to appease the farming community who have been the biggest losers in his on-going trade

war with China and certainly not a measure to reduce fossil-fuel emissions. Furthermore, it is not an especially popular decision with the general US population who worry that E15 will raise fuel prices whilst also being a risk to vehicle engines, 75% of which are not designed to run on E15.

For how long Ensus and Vivergo remain shut is uncertain; given the current wheat value and domestic demand for bio-ethanol it would seem unlikely that either are likely to view the UK market favourably any time soon. Short of a total collapse in wheat values, a government decision to implement E10 would seem the only way bio-ethanol production in UK could be viable for the long term.

## Demand for wood pellets to remain strong

**The ever-increasing switch from coal-fired power stations to wood pellets has been the principal reason for the surge in the demand for wood pellets globally.**

Over the last year, wood-pellet use in power stations has increased significantly, with the UK and Asia being the principal buyers. China has almost doubled its pellet usage over the last year with the Japan taking a further 1.3

million tonnes. The 'beast from the east' in March caught many UK suppliers on the hop with the plunge in temperatures spiking demand.

Interestingly though, while recent gas and electricity prices have gone up over 30%, inline with oil, wood pellets have only increased by 15%. However, with the ever-increasing domestic demand for wood pellets, prices are expected to go up as we head into winter.

PelletCo can help users mitigate against the rise in pellet-price by allowing customers the option of 'Buy now, deliver and pay later'.

Customers can order now and defer delivery and payment until the end of 2018 to take advantage of current prices.

*To order, please visit our website [www.pelletco.co.uk](http://www.pelletco.co.uk) or call us on 0845 498 9020.*

# Training Courses

by Tri-Grain Ltd



**Health and safety continues to be an extremely important matter for all businesses. Adequate staff training is critical, not only to prevent accidents occurring, but also to ensure your business is not breaking the law.**

Tri-Grain (a partnership between GrainCo, North East Grains and Coastal Grain) was established nearly seven years ago, with the main aim of providing high-quality training at a very competitive value to its farmer-members.

Tri-Grain is run by Kevin Skelly, a highly skilled instructor with many year's experience, using various sites around the north east to ensure convenience for members.

Tri-Grain also now run a specific one-day course to update farmers on the most recent changes to health and safety legislation whilst also demonstrating how to do both risk assessments and emergency action plans.

***"The Forklift course I undertook with Tri-Grain was very professionally run with very thorough instruction and guidance from Kevin throughout the day, giving me the confidence to operate machines safely and ensuring our business meets all health and safety requirements"*** – Rebekah Westgarth



Tri-Grain offers an extensive range of courses available, including:

## **DRIVING SKILLS**

- Novice Forklift – Counterbalance/ Telehandler/Articulated Telescopic Boom Loader
- Refresher Forklift – Counterbalance/ Telehandler/Articulated Telescopic Boom Loader
- Mobile Elevated Working Platform
- ATV
- 360 Diggers – up to 20 tonne

## **ENVIRONMENTAL SKILLS**

- PA1 Safe Use of Pesticides
- PA2 Use of Boom Sprayer
- PA4S Slug Pellet Application
- PA6 Use of Knapsack Sprayer

## **FORESTRY SKILLS**

- Chainsaw Maintenance and Cross Cutting
- Felling and Processing Small Tress

## **VERMIN CONTROL**

- Rodent Control on Farm
- Practical Mole Trapping

## **HEALTH & SAFETY**

- Work at Height & Ladder Awareness
- Emergency First Aid at Work
- Manual Handling
- PAT Testing
- Noise at Work

*For course enquiries, please contact Katherine Walsingham ([Katherine@coastal-grains.co.uk](mailto:Katherine@coastal-grains.co.uk)) or Claire Fairbairn ([Claire@coastal-grains.co.uk](mailto:Claire@coastal-grains.co.uk)) via email or call **01668 213568**.*



# Over year'd seed: what are the benefits?

**Over the last couple of years, the GrainCo seed plant has dressed a rapidly increasing quantity of over-year'd (OY) seed. Many of our customers in the North east have seen the obvious advantages to using OY seed in order to ensure winter cereal drilling can begin as promptly as possible.**

## Why use OY seed?

There are many advantages to using OY seed, but the main being that in the narrow drilling window available in the north; delays in seed delivery can be enormously detrimental to the establishment of the autumn cropping.

If seed is not available on time, conditions can soon go against the farmer, reducing the potential yield of the next harvest before the seed is in the ground!

GrainCo's OY seed is delivered from May onwards to ensure the grower is able to drill as soon as land is available.

OY seed also helps growers in the North east utilise higher yielding, later developing varieties, such as revelation, which drilled in the second half of September can end up delaying the following year's harvest significantly. Using OY seed for such late-maturing varieties enables farmers to drill earlier and so compensate for the natural late-maturity of the variety.

## How does it work?

Contrary to belief, OY seed is not just the remnants of what wasn't sold the previous year. OY seed is stored in bins at our Piercebridge Seed Plant, where it is germination tested before processing, allowing for individual seed-treatments to be applied, according to each order.

GrainCo specifically select popular and early-drilling/late maturing varieties to over-year as these provide the best qualities for early-drilling in late August/early September. We are also able to select the best quality from the previous year, ensuring good quality, high germination seed is carried over into the following year, something of enormous value should we have a repeat of poor years such as 2012 where both germination and spec. weight were both very low.

GrainCo has over-year'd stocks of the following varieties:

- KWS Lili
- Costello
- KWS Jackal
- Grafton
- Revelation
- Graham

All high yielding varieties well suited to early-drilling. Over-year'd stocks sell out quickly so please get in touch if interested.

## GrainCo trial sites update

**GrainCo now have two, field-scale demonstration sites, the long established site at Wylam, Northumberland and the recently acquired site at Stephen Buckle's farm near Boroughbridge.**

The purpose of these demonstration sites has always been to provide an independent venue for GrainCo customers to evaluate varieties in the run-up to harvest.

### Wylam barley results

The most pertinent result from the barley trials undertaken at Wylam was the conclusive benefit of growing six-row hybrid barley against two-row, with the highest yielding two-row (Cassia) yielding nearly a tonne per hectare less than the highest yielding six-row (Bazooka). With a very minor difference between the current wheat and barley price, an extra tonne per hectare would be worth around £170.



### Wylam wheat results

The wheats did tremendously well at Wylam, with an average of 12T/ha. Elation topped the chart with a yield of 12.96T/ha, with Graham and Costello close behind with a very respectable yield of 12.72T/ha. It must be emphasised that these are not replicated trials, and only really offer a guide. None of the varieties grown at Wylam did poorly; the only real distinguishable caveat was the relatively low bushel weight of Sundance, which may in other, wetter years be more problematic.

### Boroughbridge results

It must be stressed that these are not full-scale trials and only demonstration plots: all varieties are drilled on the same day, receive the same treatment and are harvested on the same date. It should be pointed out that this, along with the light-land at the site, will suit some varieties better than others. The site at Boroughbridge has also been in constant wheat for 12 years. Yields are measured with the combine yield-monitor and are only a guide. Kerrin was found once again to be the highest yielding, as it was in 2017. Zyatt and Siskin also fared well, aided by their robust disease resistance. Costello's consistency continues, its high spec. weight ensuring it always yields well. That being said, the average across the site was just over 10.0t/ha with 14 of the 17 varieties yielding within 5% of this.

**GrainCo would like to thank the hosts of both sites for allowing us year-round access and for helping with the management of the trials – their help is invaluable!**

# Malting barley crops north of the border are mixed news for distillers

## Malting Barley

The Scottish malting barley crop has been very variable this year, with lower yields and higher nitrogen the main features.

Maltster's tolerances on nitrogen were moved to accommodate this variability, resulting in extremely high conformity levels relative to where we would have been if they had left the N level at 1.65.

For the end distiller however, spirit yields were negatively impacted on the malt produced from harvest 2018. As a result, this means more barley is needed to achieve end spirit requirement.

While in Scotland this shouldn't affect the supply and demand too much for the distilling market, the UK's exportable surplus is helping ease an EU shortfall for European brewers of circa 600,000 tonnes.

The French malting barley crop has been the exception in Europe with yields more reasonable relative to the rest of the continent.

However, there has been some suggestion that Argentinean barley may feature into Europe in the New Year to address the wider shortfall.

## Scottish Varieties

For the Pot Still market, **Laureate** has performed well this year and will look to take up pole position now in the Scottish market followed by Concerto.

New variety **Diablo** will look to take a small market share, having not yet got distilling approval, but is looking good in micro malting trials. Diablo does look to have the potential to take a good percentage of the malting barley area in Scotland for harvest 2020.

However, being a new variety, the availability of seed will be even more pronounced and will ultimately dictate the level of uptake this year.

For those in a slightly higher fertility situation, **Fairing** for the high DP market has been a real success story and offers a good option for growers struggling with high nitrogen malting barley.

GrainCo Scotland have a range of options for malting barley available throughout Scotland with developing supply agreements in place with key consumers. This allows for a greater range of contract options and opportunities for growers than ever before.

*For more details on growing spring barley in your area for GrainCo Scotland, please speak to your GrainCo contact.*

## Successful open day at Fife helps growers maximise opportunities

**In July we held our perennial open day based at our Fife trading office at South Parks, Balgonie and for a change the sun shone!**



This is becoming a permanent fixture for those needing the low down on anything new on the horizon.

Thanks to our associates Scottish Agronomy, who have their extensive trial site for Central Scotland based also at South Parks, we spent two insightful sessions looking at trial plots and discussing new variety portfolios.

Emphasis in the PM session was placed on best oats practise with fantastic input from the technical team at Quaker Oats. A great example of consumers and growers working together to optimise opportunity.

*If you would like to attend next year's event please speak to your GrainCo contact.*

## New addition to GrainCo Scotland haulage

Welcome to **Jason Grant** (below), our new addition to the GrainCo team in Central Scotland, shown here with our new GrainCo Scotland lorry. Jason will be based at our Fife hub to service our client base and consumers in Central Scotland.





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Why spend all day on the phone trying to get the cheapest price for your inputs when one call to GrainCo will solve your problem? We have already scoured the market for the best deals around from our extensive network of reliable suppliers.

- **Sourcing competitive prices**
- **Quality service**
- **Reliable Information and advice**
- **Independent unbiased advice**
- **Suppliers who deliver on time**

The **only** number you need is

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**GrainCo**

## Latest local ex farm prices\* (as of 22nd November 2018)

\* Subject to market fluctuations.

Prices Current in £	Feed Wheat (Farm Assured)			Barley (Farm Assured)			Rape (Farm Assured)		
	Yorks/Durham	Northumberland	Scotland	Yorks/Durham	Northumberland	Scotland	Yorks	Durham/N'land	Scotland
December '18	168.00	168.00	172.00	167.00	167.00	171.00	322.00	320.00	318.00
May '19	172.00	172.00	176.00	171.00	171.00	175.00	328.00	326.00	324.00
Harvest '19	141.00	141.00	143.00	136.00	136.00	138.00	314.00	312.00	310.00
September '19	146.00	146.00	148.00	141.00	141.00	143.00	318.00	316.00	314.00
November '19	151.00	151.00	153.00	146.00	146.00	148.00	323.00	321.00	319.00



# Who's who at GrainCo

<b>Accounts</b>		<b>0191 428 7700</b>	
Sue Duck	0191 428 7700	Neil Wetherell	0191 428 7700
Lynn Atkinson	0191 428 7700	Danielle Green	0191 428 7700
Caroline Mace	0191 428 7700	Kelly Tate	0191 428 7700
Penny Stobbs	0191 428 7700		

<b>Forwarding</b>		<b>0191 428 7700</b>	
Sylvia Jordan		0191 428 7709	
Mark Bell		0191 428 7702	
Martin Rushworth		0191 428 7708	
Jon Dawson		0191 428 7700	

<b>Trading</b>		<b>0191 428 7700</b>	
Gary Bright	0191 428 7700		07768 993 669
James Chapman	0191 428 7705		07866 695 609
Jonathan Pearse	0191 428 7707		07977 008 513
Robin Swinburn	0191 428 7700		07801 416 250
David Young	0191 428 7700		07827 805 659
James Clark	0191 428 7700		07584 470 508
Doug Gray	0191 428 7700		07525 299 243
Michael Temple	0191 428 7700		07867 395 269
Tony Ault			07867 392 880
Hayley Mitchell	0191 428 7700		07884 666 886
Colin Jewell	01642 200418		07739 296 588
Tom Carmichael	0191 428 7700		07920 712 855
Rebecca Parker	01325 728907		07554 669 316

<b>Seed Plant</b>			
Peter Collins	01325 728905		07957 819397

<b>Trading Administration</b>			
Louise Fairbairn	0191 428 7700		07880 200374

<b>Secretariat</b>			
Lynn Nevins	0191 428 7700		

<b>Agronomist</b>			
Richard Allinson			07866 695 485

<b>GrainCo Scotland</b>		<b>01888 564190</b>	
Edward Rust	01888 564195		07740 214 162
Keith Golesworthy	01888 564192		07740 214 161
Charlie Birnie	01888 564194		07740 214 160
Joe Ali	01888 564193		07764 293 922
Julie Craigs	01888 564191		
Carol Gregor	01888 564196		
Gavin Will	01592 757793		07551 173 594
Simon Thomson	01592 757793		07557 286 444

<b>Meldon Store</b>	<b>01670 775296</b>
<b>Wilton Store</b>	<b>01642 200418</b>
<b>Piercebridge Store</b>	<b>01325 728907</b>