



GrainCo

Spring 2018

www.grainco.co.uk

news

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

GrainCo goes from strength to strength after another successful trading year

The financial year ending June 30th 2017 was an excellent year for both the company and its Farmer shareholders and clients alike.

The Tynegrain Group of Companies, which includes its wholly owned marketing company GrainCo Ltd, achieved a pre-tax profit of £2,089,147 on a turnover of £152,506,00.00 with the Group balance sheet increasing to £19,443,770.00.

These results were after our Tynegrain shareholders received £307,732 in rebates on the trade conducted with the co-operative during the financial year.

Another fantastic year of pool marketing, with good prices being achieved, has been combined with a record volume of seed and fertiliser traded with farmer-customers, with many taking advantage of excellent early season deals.

Whilst the overall grain volumes handled by GrainCo reduced due to the smaller crop, the volume of grain handled into the local ethanol producer (Ensus) reached in excess of 250,000MT.



GrainCo capital investments have included new storage facilities and biomass boilers.

Significant capital investments of £6,500,000.00 were made throughout the year in buying and building additional storage facilities and upgrading those already owned. GrainCo acquired its own seed processing plant at Piercebridge to enable the company to have absolute confidence in the quality of seed it sells to its farmer clients.

In the current trading year GrainCo continues to perform profitably with the main focus being incorporating its latest



acquisitions and investments into the group and the day-to-day trading of its farmer's grain.

Peter Jackson, Chairman of Tynegrain, said "Many years of successful trading have put the Tynegrain Group into a very strong position. After another profitable trading year, even in the face of challenging markets, our company has delivered a very profitable outcome. The credit must go to our dedicated staff and we will continue to build on the good results of this year."

New varieties on offer in the north

WHEAT

The 2018 recommended list contains several new varieties that look to offer benefits to growers in the North. Stiff straw and good disease resistance is essential, and in wheat, ripening date is also becoming a big issue for many growers in the GrainCo region, although no variety can yet match Grafton in earliness.

RGT GRAVITY (Scout/Oakley X Santiago)

The highest yielding wheat on the recommended list. Weak on mildew and eyespot but Gravity has good ratings for the rusts and septoria tritici, as well as OWBM resistance. Has done well as both 1st and 2nd wheat, and seems to prefer the later drilling slot.

GLEAM (Hereford X Kielder) Bred by Syngenta. Gleam has produced high yields in both treated and untreated

trials with an excellent disease resistance profile including OWBM. Gleam is suitable as both a 1st or 2nd wheat, and has potential to be a good early driller. A good choice for those looking for a low risk variety and that is earlier to ripen.

SHABRAS (Cassius X Hereford)

Bred by Syngenta. Top yielder at the Grainco 2017 wheat trial site in the Tyne valley. Shabras performs well on lighter soils and as a 2nd wheat. Good resistance to both yellow rust and septoria tritici, although weak on brown rust. An earlier ripening variety.

ELICIT (Cassius X Viscount) Bred by Elsoms. Elicit looks likely to take a big acreage with those who like to grow a group 3 suitable for biscuit making and distilling. A stiff strawed variety with a good disease profile especially yellow rust and septoria tritici. Another which has OWBM resistance.

KWS JACKAL (Santiago X W177)

The highest yielding soft group 4 on the recommended list. Jackal has good yellow rust and mildew resistances, but moderate septoria resistance. It has performed well as both a 1st or 2nd wheat, and prefers heavier ground. OWBM resistant.

KWS ZYATT (Hereford X Quartz)

A group 1 variety which has a very robust disease resistance package. Has performed well in the 2nd wheat and continuous wheat slots and likes heavier land. Very stiff straw and suitable for drilling early September onwards. Early to ripen compared to many of the current wheat varieties.

RAPESEED

BROADWAY

Bred in the UK by Mike Pickford, this newly listed conventional variety has performed well in the North. Medium/Early to flower but late maturing. It offers good resistance to LLS but weak on stem canker.

DJANGO KWS

Django is a short stiff strawed variety which has performed well in NIAB trials. It has a 6 for both LLS and stem canker and above average oil content.

KIELDER

Marketed by Elsoms, a new conventional for the North. Kielder is early to flower and medium maturity with very stiff straw. Another with good LLS resistance but weak on stem canker. Kielder has the highest oil content of any variety on the recommended list.

ELEVATION

Sister variety to Broadway which looks a useful variety for the North. Moderate resistance to LLS and weak on stem canker. Elevation produces seed with above average oil content.

BUTTERFLY KWS

A short stiff strawed variety, added to the recommended list for the North. Good resistance to LLS and very good stem canker resistance.



Check your contract balances online

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

Check your account online

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

No login details?

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

GrainCo website

Up to date information on:

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

A good year for beans – and we want more!

GrainCo has had its biggest and best trading year in the Human Consumption Bean market.

Whilst the quality further South has been poorer than in recent years, Northern beans seem to have fared better.

A challenging harvest period where the beans were being cut at anywhere from 18-24% meant there was the risk of some damage in the drying phase, but the stores did an excellent job in holding onto the quality.

With a change in market dynamics, we have sought out new buyers with beans being bagged and shipped predominately to Sudan. A few containers have been loaded out of the North East for Egypt but this market has become more and more difficult for the UK over the last couple of years. Big crops and carryovers in Australia coupled to cheaper products from the Baltic region



Spring Beans being loaded into containers from a store near Darlington.

have pushed the UK further down the pecking order, although some business is still to be done.

Going forward into the 2018 harvest we have seen a greater area of Winter Beans being planted. A better autumn period, an earlier harvest and a switch from peas to beans has contributed to this increase.

On the flip side, a change in policy regarding 'greening' may leave us with a smaller spring bean area. Furthermore, the terrible weather over the last few months has meant many planned spring bean crops will be abandoned.

Some demand remains for old crop beans for export – with premiums still about £20/tonne over feed beans – however these are on a sample by sample basis as we get closer to the end of the season.

GrainCo can offer contracts for new crop feed beans which are currently trading at about £15-20/t over November wheat futures with an additional premium of £15-20/t for beans suitable for the human consumption market depending on your location.

If there are any old crop beans that are still to be marketed we would be interested in seeing samples – ***In a nutshell – we want your beans!***

Rapeseed market is the biggest disappointment of the year

The UK rapeseed market after harvest looked like it had the potential to go on a good run but a combination of events has prevented this from happening.

Sterling has slowly strengthened over the last six months, reducing rapeseed values by £20/t. UK rapeseed values are linked to a euro denominated futures market, so the sterling price is very sensitive to currency.

Secondly the Australian rapeseed crop, which was forecast to drop from 4.2 million tonnes to 2.5 million tonnes, was a vastly over estimated reduction with only a four hundred thousand drop from 4.2 to 3.8 million tonnes being the reality. So once again large scale imports of Australian rapeseed have come into Europe pressuring UK prices.

Whilst the UK was forecast to have a modest surplus of rapeseed, major crushers were possibly over-zealous in their desire to import cargoes in the first half of the year, they state this was a



Rapeseed being loaded onto MV Ameland.

consequence of UK farmers reluctance to sell their crop. Imports this year have more than doubled from 61,779MT last year to 141,537MT this year up to the end of January 2018.

The final nail in the coffin was the European decision to change the import levy on Bio diesel into Europe from Argentina reducing the import duties from between 22% and 25.7 % to 4.5% and 8.1%. This event has reduced the demand for rapeseed in Europe by at least 1 million tonnes which was the

last thing both farmers and European crushers needed.

Argentina levies a 27% tax on soyabean oil exports but only a 0.13% tax on methyl ester thereby giving the equivalent of a 26.87% export subsidy on this product.

Why the European commission thought changing this import levy was a good idea I have no clue, it is equally strange that the worst affected countries will be France and Germany, who normally are the first to be shielded from such events.

Exports from the UK are running well behind last year's pace with 31,386.00MT shipped by the end of January compared with 74,641.00MT at the same time in the previous year.

GrainCo loaded the MV Ameland in March bound for Germany with 5250mt which has been one of the few exports from the UK since the turn of the year.

Whilst the game isn't over yet the window for a price rally does appear to be disappearing as each week goes by.

GrainCo seed plant performs 'exceptionally well' in 2017

The GrainCo seed plant has performed exceptionally well in 2017 with a record spring seed tonnage some 39% higher than 2016. This was followed by an equally strong autumn performance with an increase of 35% on the previous year, split 2/3rds wheat 1/3rd barley.

Our Spring performance is especially pleasing as we saw seed delivered to all corners of the UK on the back of our strong reputation for quality. This extended from Thurso in the north, right down to Cornwall in the south. There is room for further increases in spring seed production, but we are being hampered by a lack of spring growers. If anyone is interested in becoming a seed grower please contact Peter Collins in the seed office.

The Autumn campaign saw 5 main varieties Costello, Lilli, Grafton, Dickens and Revelation taking 60% of the sales, with a further 10 varieties being



27t of Laureate on its way to Scotland earlier last month.

processed. The plant does its best to accommodate everyone's requests but with 41 varieties on the recommended list the plant has to make informed decisions on what to put in production.

2018 will see an increase in over-year seed being available as demand outstripped supply last year. This allows us to get seed out quickly for those

wanting to drill early and also extends the short processing window we have in the North East. Last year 95% of our autumn seed sales were dispatched by the 25th of September, with this in mind we are looking to increase our overyear seed offering so if you are looking to grow seed wheat and can store till April/May please get in touch.

GrainCo seed quality for autumn exceeds industry standards

The GrainCo seed plant prides itself on producing the highest quality seed possible, with autumn 2017 exceeding both HVS and EEC standards. Higher Voluntary Standard (HVS) is the industry standard for seed, the table below shows how the seed-intake at Piercebridge compared.

Control is key to quality at our seed plants with our seed plant.

- ✓ We select the varieties and order direct from the breeder.

- ✓ We have our own Ministry licensed Crop Inspectors.
- ✓ We have our own Ministry licensed Seed samplers.
- ✓ We have our own Ministry Analyst in Charge, one of only 47 in the UK.
- ✓ We have our own Ministry licensed lab, one of only 24 in the UK.
- ✓ We have our own Bulk Haulage.

Peter Collins inspects all of our seed crops and in 2017 all of our certified

seed was officially Blackgrass free. We aim to keep it that way and have seen on numerous occasions crops being rejected by our seed plant and redirected to other seed plants.



Colin inspecting our Zyatt seed crop at Tadcaster 2017.

Varieties	EEC standard	HVS standard	GrainCo Piercebridge	GrainCo Piercebridge
			Autumn 2017	Autumn 2017
			Wheat	Barley
Germination	85%	85%	96%	97%
Purity	98%	99%	99.90%	99.90%
Blackgrass free	No	No	Yes	Yes

Optimism for oats continues, despite more difficult year

Another successful OatCo Grower Group AGM was brought to a close on 14th March in St Andrews, with OatCo growers, as well as GrainCo and Quaker staff all contributing to a constructive day.

Both challenges and opportunities facing the industry were discussed in depth, following a more difficult growing season, particularly for the northern half of the UK.

Scottish oats production is estimated to be 8% lower than 2016 at 185tmt, in spite of a 5% increase in area, whilst screenings and weedseeds in particular have been an issue for winter oats. Extremely dry spring conditions followed by persistent rain through until harvest, put all crops under pressure, oats included.

John Weir, who farms at Lacesston Farm, near Cupar, suggests that there is still cause for optimism however.

"It's all about finding common ground, sitting down together and thrashing out what can be achieved. We have two meetings a year, one in the spring where we discuss how the year has gone and then a summer trials visit where we look at new varieties, discuss what they would like us to try and what we could



John Weir.

do differently in the field to improve the quality of the oats for our end market."

"It's an ever growing market," John says. "It's a health food and Quaker have shown that they value both the quality and the provenance of Scottish oats."

John Weir joined the OatCo group after he decided to drop oilseed rape as a break crop and switch to winter oats.

The OatCo Grower Group are the largest supplier into the Quaker Mill in Cupar, supplying from a grower base spread from Northumberland to the Highlands. Demand for oats products remains strong, with the launch of a number of new products including: 'Oats So Simple Protein', 'Porridge to Go: Breakfast Squares' and 'Fruit and Oats Squeeze'. Oat quality has become of increasing importance to the mill since PepsiCo took over the brand in 2001, with high Beta Glucan levels in particular being sought in recent years, predominantly for their ability to help reduce cholesterol – a key health claim for a number Quaker Oats products.

Oats continue to look an attractive break crop option within the rotation, with generally lower input costs relative to some other crops and newer spring varieties, helping push both yield potential and quality higher.

Get in touch with your GrainCo contact for more details around what growing oats in your region would involve. It might be that they could add something to your own farm business!



Left to right: Roy Fisher (senior), Stewart Stevenson, David Aglen and Johnny Balfour pictured collecting their awards at the OatCo AGM in St Andrews.

Diary dates...

Tynegrain Golf Day

Friday June 15th at Northumberland Golf Course, High Gosforth Park.
Ring Tom Carmichael for details.

Grainco Variety Trial Open Day

Tuesday 26th June at Wylam trial site, Wylam Hills Farm, 2pm onwards.
Come and meet representatives from Syngenta, Monsanto, IPF and CF fertiliser as well as GrainCo seed and agronomy team.

Ken Wilson Memorial Clay Pigeon Shoot at Hall Farm, Seaton Deleval.
July date to be confirmed.

The importance of sulphur to arable crops and grass land

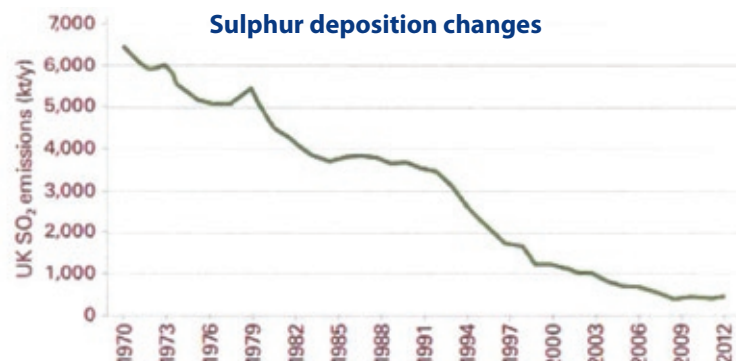
Those who attended the recent GrainCo/Tynegrain meetings were brought up to date about the increasing importance of sulphur to arable crops and grass land.

The chart opposite shows the drop in atmospheric sulphur deposition over the past 40 years.

Sulphur is hugely important for nitrogen uptake and utilisation. Brassicas need sulphur for glucosinolates, wheat for protein production and in grassland clover content is improved. Unfortunately by the time the sulphur deficit is visible in the growing crop the damage has been done. Those on lighter soils in areas of heavy rainfall have the largest requirement for sulphur, with those in drier areas on heavy clay based soils less so.

Figures from the new edition of the RB209 fertiliser handbook suggest the following:

Cereals	50kg SO_3/Ha
Winter Oilseed rape	50-75kg SO_3/Ha
Grassland	40kg $\text{SO}_3/\text{Ha}/\text{CUT}$



GrainCo: Choices and Challenges – Feb '18

UK SO₂ emissions 1970-2012. Source: RICADO-AEA

The tried and tested method of applying sulphur is the use of ammonium sulphate (21N 60S₂O₃) on its own or in a nitrogen sulphur compound (26N 35S₂O₃). Research has shown the ammonium sulphate based products release the sulphur over a short period, under 10 days. However, we can now offer Poly Sulphate which releases its sulphur gradually over a 50 day period, giving the crop time to take it up. The analysis of Poly sulphate is 48%SO₃, 14%K₂O, 6%MgO and 17% CaO with growers probably needing to adapt their fertiliser regime to include it in the spring, especially since poly sulphate has

no nitrogen content but does contain potash. Poly sulphate can also be a blend constituent.

The results of the many soil samples carried out by the GrainCo team still show that soils in our region are high in magnesium due to the use of magnesium lime by farmers to correct pH levels over many, many years. High magnesium causes the lock up of Potash in the soils. GrainCo can supply bagged calcium based lime products which can be applied through the fertiliser spreader. Give us a call.

PelletCo grows market share

PelletCo import high quality ENplus and BSL accredited wood products from Europe and Russia, to meet the rising UK demand for wood pellets to fuel biomass boilers.

PelletCo have also found that there is a strong market for horse bedding due to the huge absorption ability of the pellets, the ease of mucking out, cost effectiveness and nullification of the ammonia smell that comes with traditional bedding materials.

The company initially started trading pellets locally in the Tyne and Wear region through word of mouth and existing farming customers which allowed it to establish good supply

lines and operational procedures. After careful research PelletCo established, in their view, that MM Royal wood pellets are the best in the market. Being produced in a modern facility they are very light in colour which ensures that they are pure virgin wood with no bark included, they also have a very low dust content which ensures a very clean burn. The company's customers have substantiated the decision to go with MM Royals with many of them giving excellent feedback on the quality.

In early March 2017 PelletCo established its ecommerce website www.pelletco.co.uk and social media sites on Facebook and Twitter and began to promote the business to the UK retail market.

In December 2017 the pan European market for wood pellets fell into short supply due to a combination of factors. Demand for PelletCo's products rose dramatically with online sales being very strong across the whole of the UK with orders being delivered from Cornwall to Fife.

Through strong links with suppliers and careful stock control, PelletCo managed to maintain relatively good stock levels and serviced its existing clients and at the same time massively expanded sales to new patrons.

PelletCo's honest approach to price, delivery and service coupled with an excellent product, MM Royals, have allowed its customer base to grow rapidly over the winter months and the company expects to continue to expand.

Ensus still going strong

Ensus, our largest wheat buyer in the north of England, has been running all season, maintaining the demand for locally grown wheat and keeping the price strong in our area despite the wheat futures market falling over the winter.

Ensus imports corn to meet a third of its demand, a logical step considering the logistical constraints of supplying the volume of wheat required to run the plant from an area already in deficit.

When Vivergo was closed wheat was travelling from as far away as the South coast of England as well as East Anglia and Norfolk to go into Ensus. With Vivergo now back on line, if a shortfall in wheat supplies exist it is now more likely the wheat will be imported from Denmark and France to fill the gap until new crop supplies come on line.

Vivergo re-opened its doors in March after a four month closure for repairs and maintenance. It spent its time whilst being closed lobbying the government to increase the demand for ethanol in the UK by introducing what is called E10 as a legal requirement by the end of the year.

It claims the roll-out of E10 would provide an immediate benefit to the environment and public health and in addition it is the most readily available environmentally friendly



GrainCo's 40,000mt drying and storage facility at the Wilton site with Ensus operating in the background.

option for consumers to reduce the impact of transport emissions

E10 is a more environmentally friendly blend of 10% renewable bioethanol with petrol which can lower emissions from vehicles. It is commonly used across North America, Europe and Australasia and introducing it in the UK would be the carbon emissions savings equivalent to taking 700,000 cars off the road. The only firm action the government has taken to affect UK Bio-fuels is capping the proportion of E10 derived from crops to 4% in 2018

and reducing annually from 2021 to reach 3% in 2026 and finally 2% in 2032.

In the short term the greatest threat we face is that the European Ethanol market is currently over supplied, causing the market to crash 20% in price over the last 5 months, with wheat and corn prices rising over the same period. The financial numbers currently look unattractive, and with Ensus and Vivergo capable of consuming 1.5 million tonnes of UK wheat this can make a huge difference to our market prices.

Lets hope the government embrace E10, providing a strong, local market for wheat in north and ensuring prices remain buoyant in the future.

Another GrainCo success story

Tom Carmichael has been working from the Tynegrain office in South Shields for six years now after graduating from the University of Sunderland with a degree in Automotive Engineering.

Son of a Northumberland farmer, he has always had a keen interest in agriculture particularly from an arable perspective. His main role at GrainCo is co-ordinating the inputs side of the business, which includes regular dialogue with all

suppliers of both seed and fertiliser, and reporting back to the traders with relevant information on pricing and products available to their farmer customers.

We are pleased to say he has recently become FACTS qualified after completing a month-long course down in North Yorkshire, which is now a legal requirement for people giving fertiliser advice.



The majority of the GrainCo farm traders have the FACTS qualification and adding Tom to their ranks can only be a benefit to the business and farmers alike, particularly with the year on year increase in the tonnages of fertiliser sourced through the company.

He also services an established client base in the Northumberland area, so please don't hesitate to get in touch with him if you have any questions, queries or orders.

See the back page for his contact numbers under Input Admin.

Training Courses

by Tri-Grain Ltd



Tri-Grain Ltd have recruited Kevin Skelly as the company Trainer and General Manager.

Kevin has worked in the agricultural industry for over 30 years including management roles for Greenseed International, Alcan Farms and Northumberland Estates. His roles have included practical operational management whilst complying with all aspects of Health and Safety.

One of Kevin's main roles is to promote and carry out training on behalf of Tri-Grain for grain store staff, cooperative members and farming customers. The training will be provided across the North East of England and the Scottish Borders and can be carried out on farm or at any of the six Tri-Grain sites.

Both refresher and full novice courses are available. Kevin is fully qualified to train candidates on the following courses:

- Telehandler
- Loading Shovel
- Counterbalance truck
- Confined spaces
- Steps and ladders
- MEWP
- Working at heights
- Manual Handling
- Noise and Dust monitoring
- Power Tools
- Face fit

Please email kevin.skelly@tri-grain.co.uk or telephone Katherine on **0845 4989022** to discuss your requirements.

DRIVING SKILLS

- Basic Forklift
- Forklift Refresher
- Novice Moving Elevated Work Platform
- Refresher Moving Elevated Work Platform
- ATV Novice
- ATV Refresher

FORESTRY SKILLS

- Chainsaw Maintenance & Cross Cutting Timber
- Felling and Processing Small Trees

ENVIRONMENTAL SKILLS

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

EMERGENCY FIRST AID AT WORK

MANUAL HANDLING

CONFINED SPACE AWARENESS



Training alert!



The Health and Safety at Work Act 1974 requires employers to provide their employees with information, instruction and supervision necessary to ensure their Safety and Health whilst working.

Everyone in the work place needs to know how to work safely and meet their legal duties without risk to their health and others. Up to date health and safety training helps everyone identify hazards and control the ever changing risks they encounter throughout their work.

Effective training is what we strive to deliver at Tri-Grain which in turn should build employee competency, avoiding the distress of accidents and ill health, damaged products, equipment and loss of production.

The cost to business and reputations when things go wrong are disproportionate to the cost of mitigation and planning for a sustainable future. If the HSE finds you to be in material breach of health and safety law, you will have to pay **£149 per hour** for the time it takes them to identify the breach and help you put things right. This includes investigating and taking enforcement action and is called "Fee For Intervention" (FFI) and is charged regardless of and as well as enforcement fines.



FFI charged by the HSE has increased 4 fold over the last two years with the average cost to businesses of £1,000. The current rate of invoices from pay for intervention to farmers is over 40 per month and rising.

Training allows workers to gain competency in identifying hazards and the associated risks created by their work activities.

- Training is recognised as a significant factor and usually used to identify as how risk is controlled.
- Risk comes from not knowing what you are doing, be it consciously or unconsciously.

Learning with like-minded people also allows shared experiences to become learning points which like a 'near-miss' can prove a significant learning experience for all; The aim of Tri-grain is to minimize any major health & safety incidents throughout our membership and service users.

Please join in with our training so that we can minimise the unnecessary burdens placed upon businesses through our joined up delivery programme.

To minimise the risk of FFI the next time HSE inspect your business, check the list of courses opposite and make sure you and your staff have completed all the relevant training.

Help us make sure everyone returns home safely from work.

Please email kevin.skelly@tri-grain.co.uk or telephone Katherine on **0845 4989022** to discuss your requirements and see how we will help you stay safe.

"Great initiative by Tri-Grain; excellent course and presentation, good value for money." – Dave Cowton, Carr Farm, Durham

"Training is essential to keep my business on the right side of the law and but also to ensure we stay safe" – Jonathan Stokoe, Normans Riding Farm, Winlaton

Second Scottish office provides local link

In June 2014 GrainCo set up a second trading office in Scotland based at Balgonie, near Glenrothes, to give our grower base a local presence within the consumer belt of Scotland.

With key consumers such as Quaker, Diageo, Noble Foods, Carrs and 2Ag all within a 30 mile radius the geography gave us an opportunity to strengthen consumer links on behalf of our growers with Gavin and Simon based at the Fife office trading grain as well as fertiliser and seed inputs.

With Scottish Agronomy also sharing the site for plot trials it has given us a unique opportunity to link up consumers with independent agronomy advice.



Simon Thomson (left) and Gavin Will at the Balgonie Facility.

"The location of the office has given us some real presence in the area and through our consumer and agronomy links we're now starting to add real value and pass very practical knowledge

across supply chains" said Edward Rust, trading director.

He added, "The on-site drying and storage facility at Balgonie gives GrainCo the flexibility to service its key customers with local First class facilities. We believe that creating a local Agricultural Hub strengthens our position for future development".

The GrainCo open day at the Balgonie site has become a perennial fixture linking together practical plot trial tours with consumer thinking and input advice. This year it will be on 4th July.

Please look out for invites or get in touch for more details.

Barley boat bound for Algeria

The MV Esra loaded at Tyne Dock in the last week of March bound for Algeria with 26,250mt of feed barley.

Exports of Barley from the North of England and Scotland have been few and far between this year as domestic supplies have been surprisingly tight with local market prices trading at a premium to the export trade preventing exports leaving our local ports.

Barley at a certain point earlier in the marketing year traded as much as £30.00 p/t discount to wheat but this has now narrowed dramatically to as little as £5 to £10.00 p/t. It would appear consumers took advantage of this large discount at harvest time booking large volumes forward which has driven the 24% increase in domestic consumption of barley this year.

Demand has dissipated somewhat with the recent price rally, but with virtually no barley left on farm available for sale the market remains finely balanced and this will remain the case till the forthcoming harvest is delivered.

The world barley market has been very strong in price over the last few months for two key reasons: a reduction



MV Esra being loaded at Tyne Dock.

in Australian barley production from a record beating 14.2 million MT crop in 16/17 down to 9.3 million MT crop this year, combined with China being present as a large buyer of low grade malting barley in Australia and Europe taking large volumes from France since the turn of the year. To put the world barley price in context, Saudi Arabia first purchased a million tonnes of barley for July / August 17 delivery in June 17, this was sold at \$176.00 p/t CNF Saudi. Its last purchase for this season for June 18 delivery, the price traded was \$249.50 p/t CNF – a \$73.50 (or 42%) rally in price. Over the same period the world FOB wheat price hasn't really moved more than \$15.00 up or down.

With global supplies forecast to remain relatively static and, more importantly, local supplies of feed barley to get even smaller, one can only assume a relatively tight year again for barley. The only note of caution to this is that spring barley crops are going in to the ground pretty late across Europe, which could have an impact on quality therefore increasing feed barley supplies next year. Combined with this, Spain had a disastrous feed barley harvest, dropping from 9.15 million MT in 16/17 to 5.98 million MT in 17/18 causing them to be active buyers of barley since harvest to supplement their own very much reduced crop. However, next year their own crop is forecast to rebound back up to 9 million MT.

Just one call gets the best price. No stress.

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

0191 428 7700

GrainCo

Latest local ex farm prices* (as of 20th April 2018)

* Subject to market fluctuations.

Prices Current	Feed Wheat (Farm Assured)			Barley (Farm Assured)			Rape (Farm Assured)		
	Yorks/ Durham	Northum- berland	Scotland	Yorks/ Durham	Northum- berland	Scotland	Yorks	Durham/ N'land	Scotland
May '18	155.00	155.00	156.00	153.00	150.00	150.00	288.00	286.00	282.00
June '18	156.00	156.00	157.00	154.00	157.00	157.00	289.00	287.00	283.00
Harvest '18	145.00	145.00	150.00	130.00	130.00	130.00	278.00	276.00	272.00
Sept '18	147.00	147.00	151.00	135.00	133.00	135.00	282.00	280.00	276.00
Nov '18	150.00	150.00	154.00	138.00	136.00	139.00	288.00	286.00	282.00

Accounts		0191 428 7700
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	
Forwarding		0191 428 7700
Sylvia Jordan	0191 428 7709	
Mark Bell	0191 428 7702	
Sue Devine	0191 428 7700	07584 515068
Martin Rushworth	0191 428 7708	
Trading		0191 428 7700
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	01642 200418	07867 392 880
Hayley Mitchell	0191 428 7700	07884 666886
Colin Jewell	01642 200418	07495 858460
Seed Plant		
Peter Collins	01325 504644	07957 819397
Trading Administration		
Louise Fairbairn	0191 428 7700	07880 200374
Input Administration		
Tom Carmichael	0191 428 7700	07920 712855
Secretariat		
Lynn Atkinson	0191 428 7700	
Agronomist		
Richard Allinson		07866 695 485
GrainCo Scotland		01888 564190
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
Meldon Store		01670 775296
Wilton Store		01642 200418
Piercebridge Store		01325 728907