

Fryer's Feedgrain Report

CORN

Futures	CBOT (¢)			Ethanol	RBOB	Matif (€)	S. Africa White Dec		Dalian Jan	
	Dec	Mar	May	Jan	Jan	Jan	Zar	\$	CNY	¢/bu
Previous	339.00	353.50	361.50	1.3540	1.7359	154.50	1'880	137.98	1'716	659.2
Close Nov 30	341.75	355.75	363.75	1.3610	1.7285	154.25	1'882	137.67	1'706	655.3
Change	2.75	2.25	2.25	0.0070	-0.0074	-0.25	2	-0.31	-10	-3.8
SX8/CZ8	2.58					€\$: 1.1890		\$/ZAR 13.670		\$/CNY 6.613

Fob (\$)	US 2 YC Gulf		Argentine up-river		Brazil Cargo		Ukraine		C&F Asia	Jan-Feb
	prem	\$/mt	prem	\$/mt	prem	\$/mt	prem	\$/mt	US	187-192
Dec	58	157.38	57	156.99	73	163.29	72	162.89	S. Am	192-197
Jan	48	158.96	44	157.38	60	163.68	66	166.04	Ukraine	195-200
Feb	49	159.35	45	157.78	n/a	n/a	69	167.22		
Mar	50	159.74	48	158.96	n/a	n/a	73	168.80		
			Peso	17.34	Real	3.275		UAH 27.08		

Crops/Weather: There is no change in S America with much of Argentina and S Brazil remaining dry, whilst the rest of Brazil continues to see regular and good rainfall.

Markets. CBOT corn extended Wednesday gains and is now fractionally up on the week as S American premiums continue rise amidst an intensifying La Nina. US corn in the Gulf looks competitive on paper but weekly export sales of 599kt were well below expectations and left the season total 867 Mbu down 27% on last year (the same gap as last week), against the USDA's projected 16% decline, a 250 Mbu annualised difference.

In S America, BAGE put Argentine plantings up just 2.4% on the week at 38.2% complete against 43.3% last year, and they kept their acreage estimate unchanged at 5.4 mHa (up 6%). The Rosario exchange in its report highlighted the deterioration in crop conditions, and argues that this can only get worse if dryness continues, particularly as some early corn is about to enter the critical stage. Argentina may get some showers over the weekend but the long term outlook remains warm/hot and dry. The domestic market closed steady with farmers still reluctant sellers particularly given yesterday's firmer Peso, whilst Fob premiums continue to rise and are up over 10¢ on the week. Brazilian premiums are also up on the week but at these levels, Brazil is picking up little fresh business.

Jo'burg was flat both in Rand and US\$ terms, whilst Dalian is down this morning but will end the week marginally higher.

Matif corn eased fractionally on the higher Euro and no cash interest, whilst Brussels' weekly update showed imports remaining strong at 287kt, which took the season total to 5.84 Mmt, up 59% on last year. At the same time, net imports (imports less exports) are up an even more impressive 2.9 Mmt or 110%. There was little fresh in the Black Sea as very wide bid-offer spreads made it near impossible to trade.

Outlook: Without a major weather problem in S America which pushes the funds to cover their shorts, corn remains the market with the least long term upside. Overnight is unchanged.

FEED BARLEY

OATS

Fob US\$	French/EU	UK	Black Sea	W Aus	Argentina	C&F Saudi	Canada		Chi (¢)
50kt		25kt			BB/Neco		Dom C\$	king (96%) ar	Z
Dec	186.63	188.86	185-190	205.00	175-183	212-217	Previous	219.00	246.50
Jan	187.73	189.11	185-190	205.00	175-183	212-217	Close Nov 30	219.00	247.75
Feb	188.84	189.36	n/a	205.00	177-185	-	Change	0.00	1.25
Mar	189.94	189.61	-	-	177-185	-	US\$	1.290	

Crops/Weather: Europe has added a little more precip in the west in this morning's maps, and in week two of the forecast has pushed the expected cold spell back much further east. Apart from a few showers, Argentina remains mostly dry whilst heavy rainfall persists across eastern Australia.

Brussels: There were just 10kt of reported weekly shipments, although Brussels adjusted the previous week's number by 115kt, which lifted the season cumulative to 2.26 Mmt, still up 28% on last year.

Trade: Jordan returns next Tuesday for 100kt.

Markets: EU barley premiums were unchanged, and as expected, weekly Brussels shipments were poor. And it was the same story elsewhere with no reported changes in the Black Sea, S Hemisphere Fob (feed or malting) or Canadian cash. Stats Canada issues their final crop report next Wednesday.