

Fryer's Wheat Report

		Chicago/SRW			Kansas/HRW			M'polis/HRS		Aus	China
US Futures	May	July	Sep	May	July	Sep	May	July	May 18	May	
Previous	455.75	473.00	490.00	486.00	504.25	522.75	576.75	587.25	277.00	2597	
Close Apr 5	464.75	481.25	498.00	498.50	516.50	534.50	589.75	601.25	277.00	2597	
Change	9.00	8.25	8.00	12.50	12.25	11.75	13.00	14.00	0.00	0	

		2SRW (Gulf)		White Wht	HRW 12 Gulf		2HRS 13.5 pro		Matif	CME B Sea
US Fob	prem	\$/mt	PNW	prem	\$/mt	PNW	Lakes	May	May	
May	95	205.68	224.00	195	254.83	276.00	236.00	Previous	166.25	208.50
Jun	80	206.23	224.00	180	255.93	275.00	235.00	Close Apr 5	166.75	209.50
July	80	206.23	224.50	185	257.77	274.00	234.00	Change	0.50	1.00
Aug	65	206.88	224.50	170	258.87	273.00	233.00			

Other Fob		Arg 12%	APW	ASW	France	UK	German	Baltic	Russian 12.5		Egypt
	Up River	WA	WA	11.5 pro	11 pro	12.5 pro	12.5 pro	5kt	25kt	C&F	
May	220-230	235-240	228-233	210.05	219.64	217.39	215.55	182.00	210.00	228	
Jun	225-235	235-240	228-233	210.83	221.52	219.49	217.39	182.50	210.50	229	
July	-	-	-	208.90	223.40	221.60	219.22	183.00	211.00	229	
Aug	-	-	-	207.84	225.28	223.71	221.06	169.50	197.50	216	

Peso 20.18	A\$ 0.7685	€\$ 1.223	Rub 57.70
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C&F Asia				Baltic Freight Indices					
Feed Fob \$	UK	France	Ukraine	Feed Wht	Corn		Apr 5	Apr 4	Change
May	214.05	n/a	199.00	230-235	220-225	Panamax	1343	1397	-3.87%
Jun	215.91	n/a	199.50	230-235	220-225	Handy	644	648	-0.62%
July	217.78	n/a	200.00	230-235	220-225	Dry	953	977	-2.46%

Crops/Weather. There are again few changes heading into the weekend. More snow is forecast in the upper Midwest where ground cover is near record levels, rain, often heavy, continues in the Delta and south-east, and temperatures remain well below normal everywhere. Dryness in the Plains persists however with the maps suggesting no relief for at least another two weeks. Canada is looking a little warmer in this morning's maps, and Europe continues to move to above normal temperatures everywhere except Iberia with the precip pattern still dry in the east, wet in the west. Showers continue in N Africa, Turkey and the Middle East and rain is becoming more widespread in India. The Argentine forecast is again adding some generalised rains but Australia remains completely dry with temps above normal.

Brussels: Weekly all-wheat shipments of just 171kt left the season total down 25% at 15.9 Mmt against 21.4 Mmt a year ago, further widening the gap against last year. Annualised soft wheat exports will struggle to make 18 Mmt, whilst all wheat looks to be around 19.5 Mmt.

Trade: The Philippines bought 224kt July-Aug feed wheat of which 56kt was Aussie at \$243, 56kt EU/Black Sea at \$224 plus another 2x56kt Black Sea/EU at \$219. US export sales of 109kt were well below expectations leaving the season total 840 Mbu down 14% on last year against USDA's projected 12% decline.

Markets: A rebound in CBOT corn and beans plus renewed focus on unfavorable US weather helped wheat futures to gains of 8-15¢ yesterday, leaving them up 10-30¢ on the week although the overnight trade is slightly lower. The maps suggest at least another 2 weeks of near complete dryness over the Plains, along with more excessive rains in the SE and Delta plus more weekend snow in the upper Midwest. On the other hand, yesterday's weekly sales figures once again highlighted to what extent US exports are struggling to meet even the reduced USDA number and this will be an increasing factor going forward, with new crop commitments already at a 6-year low. Next week's USDA report may trim old crop exports again, but the new crop S&D will not be addressed until May, whilst the 'by-class' slit, and the definition of just how much rationing has to take place on the HRW S&D, does not appear until the July report.

Argentine Fob values were little changed (but again nominal), and the domestic market remained well supported whilst farmers wait to see just how much of the rain that is forecast for the coming week actually falls. Aussie futures are unchanged this morning but still up around \$3 on the week, and concern continues to grow over the lack of any rain in the forecast, plus the above normal temps. The feedwheat price to the Philippines, reflecting around \$200-225 Fob, was a good indication of just how tight the Aussie feedgrain complex is.

China is closed again today but despite the shortened week, is still up around \$13.

Despite the US rally, Matif struggled to stay in the green following yet another poor week of EU shipment data from Brussels. And with the season all-wheat total down 25%, the current USDA projection still looks to be some 5 Mmt too high ahead of next week's WASDE update.

In the Black Sea, Russian 12.5 pro was reported trading at \$210 for April with May offered at the same price and the 11.5 pro discount still around \$6. Old crop feed was around \$200 against Baltic offers at \$195, the new crop bid-offer spread on Black Sea feed firmed to \$185-190, following the Philippines purchase, whilst 12.5 pro remained at \$196-200 for Aug plus \$2 per month. CME Black Sea futures were little changed and overall the market was quiet ahead of the Orthodox Easter holidays. The Turkish Lira hit an all-time record low.

Outlook: The US will continue to trade the weather, whilst there doesn't look to be much to move the EU/Black Sea cash markets either way. The USDA is on Tuesday, overnight is down 2-5¢.