

Currency:	Today	Last Week
£ / €	1.182	1.198
£ / \$	1.525	1.530
€ / \$	1.29	1.267

Futures		Today	Last Week
LIFFE Wheat	Nov-10	£132.75	£129.00
MATIF Wheat	Nov-10	£150.51	£146.00
CBOT Wheat	Dec-10	£150.74	£143.60
MATIF OSR	Nov-10	£193.45	-

Ex Farm Values:	Feed Wheat	Milling Wheat 13% Gp 1	Feed Barley	OSR
Aug-10	£120.00	£140.00	£100.00	£279.00
Nov-10	£125.00	£145.00	£103.50	£291.00
Jan-10	£128.00	£148.00	£106.50	£293.00

UK Markets:

A further week of ruffled feathers on the UK markets as we see continued response to fund activity. As an interesting aside it was widely reported that a UK investor cornered the Cocoa market at the weekend. Once hype subsided over the man dubbed Chocfinger by the press, Cocoa markets fell back 6% during trading on Monday. Whilst commodity markets soar, it continues to be worth noting that too much rumour and not enough fact are substantial reasons not get caught on either side of the current market, a fact of which both merchants and consumers are acutely aware of.

Harvest Update:

Couple of reminders as we head into harvest:

Mycotoxin Testing:

On Farm:

All sampled grain graded as suitable for Human Consumption by Fengrain lab will be automatically tested for DON at a cost of £15 which will be non refundable.

Into Store:

Fengrain will not be charging for Don tests into store, but reserve the right to apply charges at any time.

Harvest Desk

Fengrain Harvest Desk is now in operation. Please call with any movement notification or harvest queries on 01354 742206 / 9 Regular updates on opening hours will be available on the website www.fengrain.co.uk

World News:

- Algeria made a purchase of French wheat thought to be around 300,000 tonnes. Prices quoted at \$240 / \$242 Carriage & Freight
- Egypt purchased 120,000 tonnes of Russian wheat, Equivalent of \$227 Carriage & Freight. This is in spite of the decision made by the Russian government to release some 3 million tonnes of grain or 1/3 of their intervention stocks onto the domestic market to stabilise prices following production downgrades.
- World OSR production estimates seen 2-3 million tonnes lower (HGCA) production fears over Canada following adverse weather have pushed prices higher. Market spreads have been favouring the front months with lower values for forward positions freely trading on the matif, largely due to technical interference of funds.
- The pound continues to hold in a weaker position more as a result of bullish Euro sentiment
- European wheat prices are hitting 2 year highs.

Opinion:

From a growers perspective, current price levels offer the opportunity of good returns. Sensible marketing strategies would account and lock into these levels for both harvest 2010 and forward for 2011, particularly for wheat production, selling in proportion, as these price highs will be encouraging wider plantings and thus supply for 2011 harvest.

