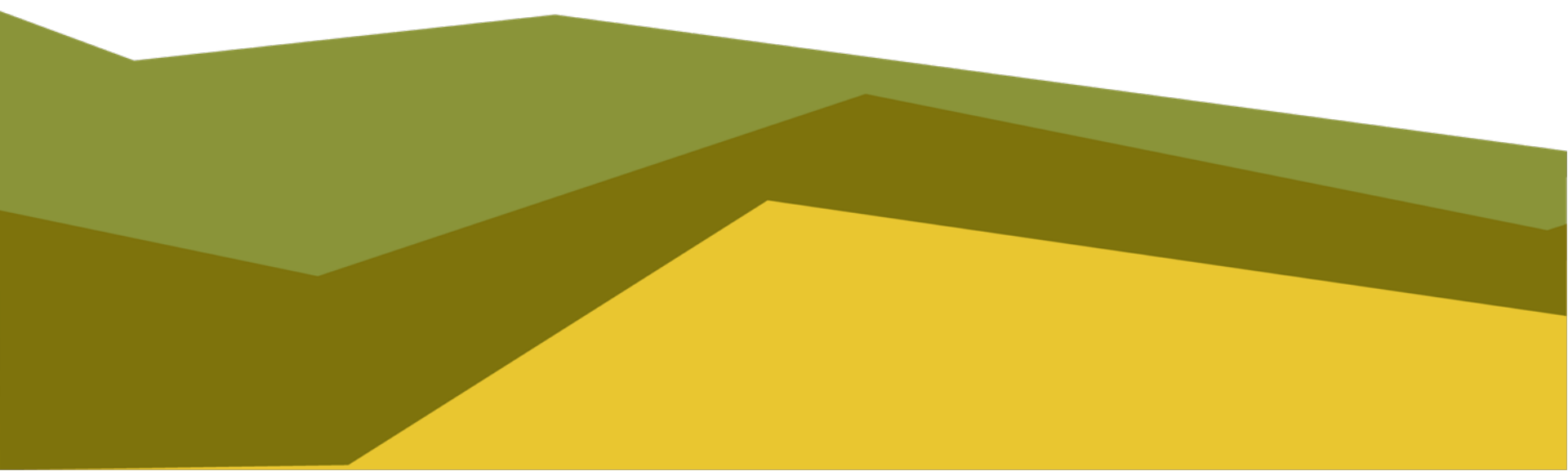


Wheat Market Outlook

Helen Plant – Analyst
AHDB Market Intelligence



Overview



Prices

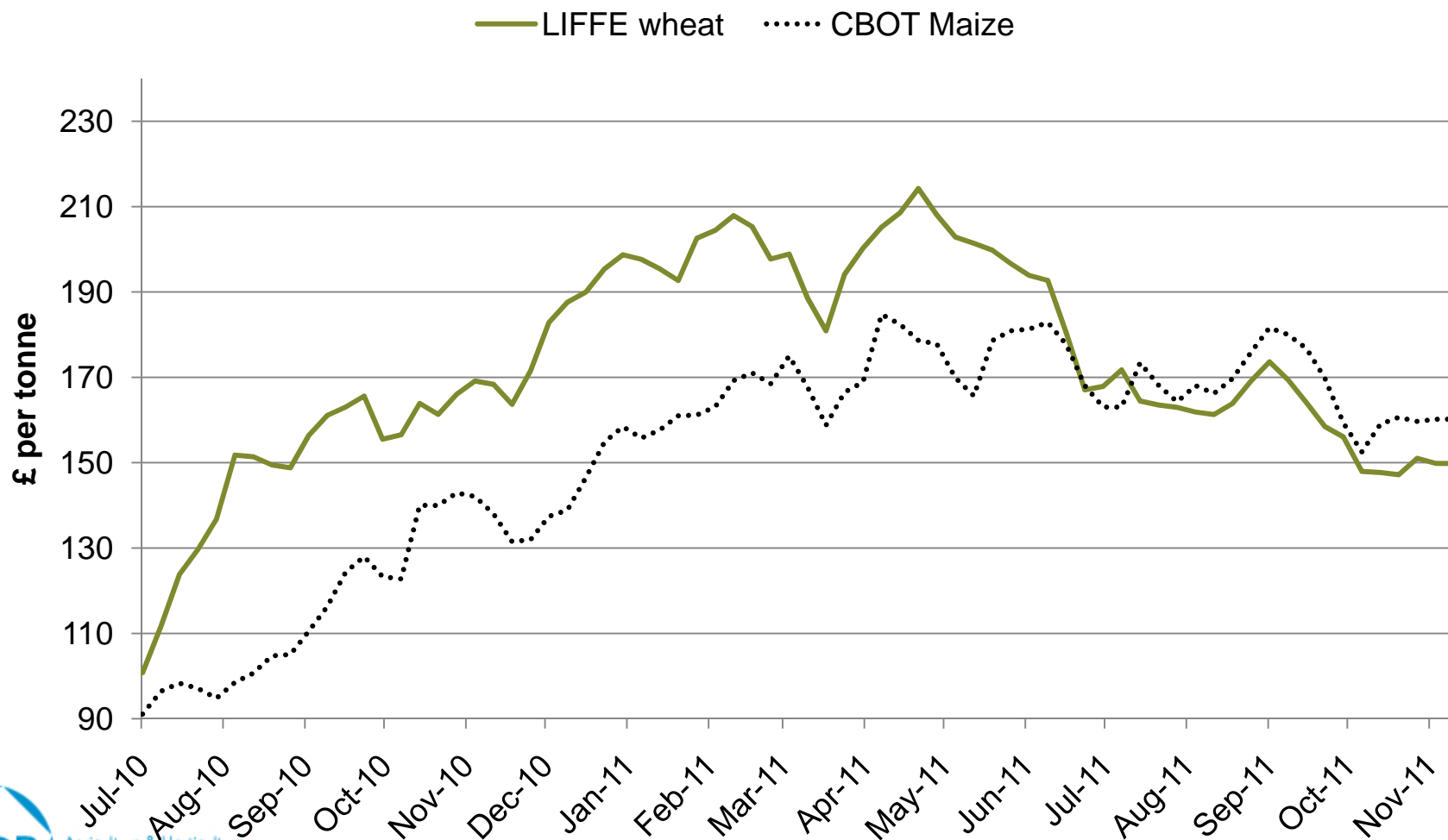
Main drivers for the 2011/12 season

The UK wheat market in 2011/12

Early information on harvest 2012

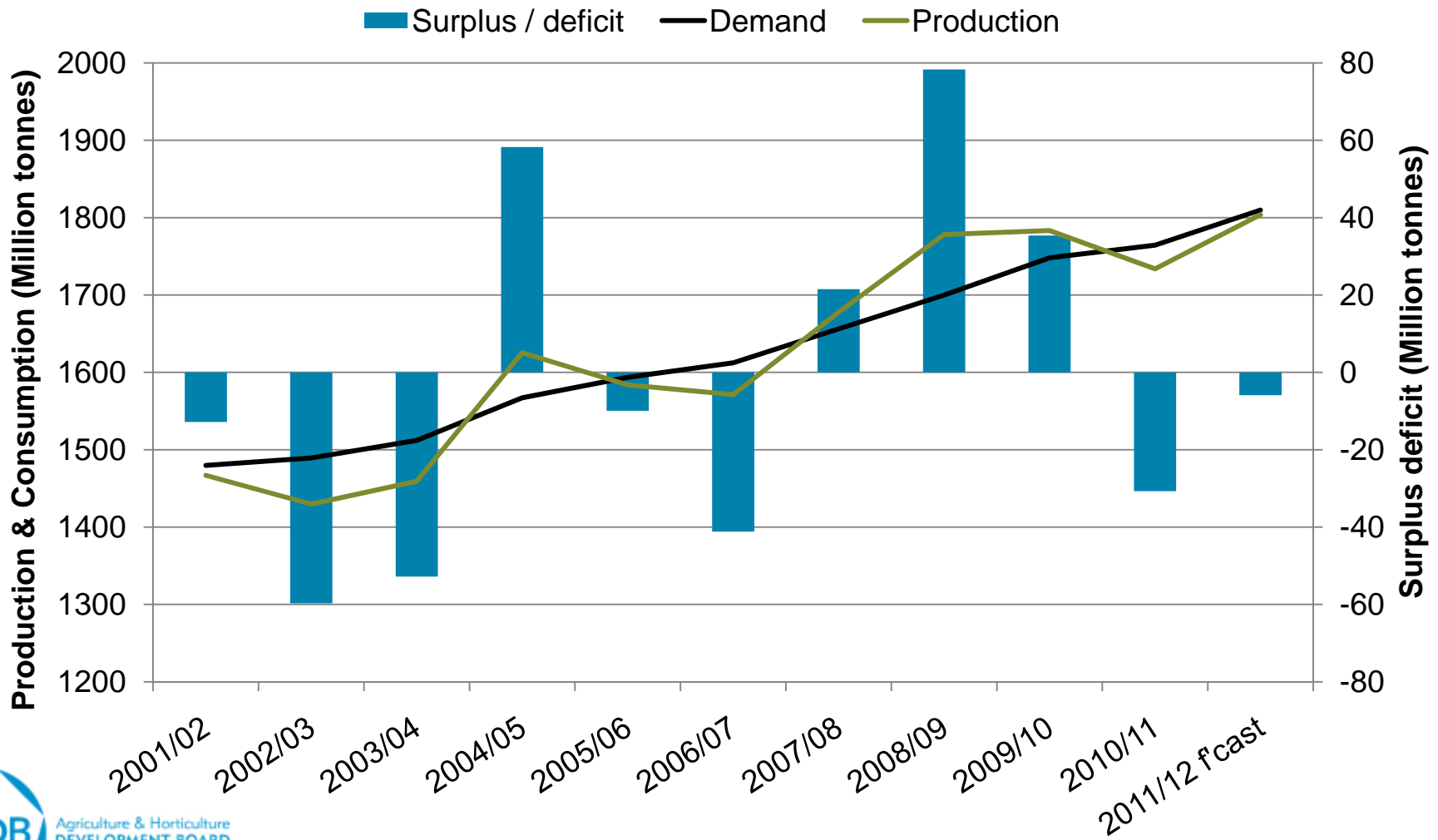
Prices follow global S&D changes

-still considerably higher than 09/10 levels



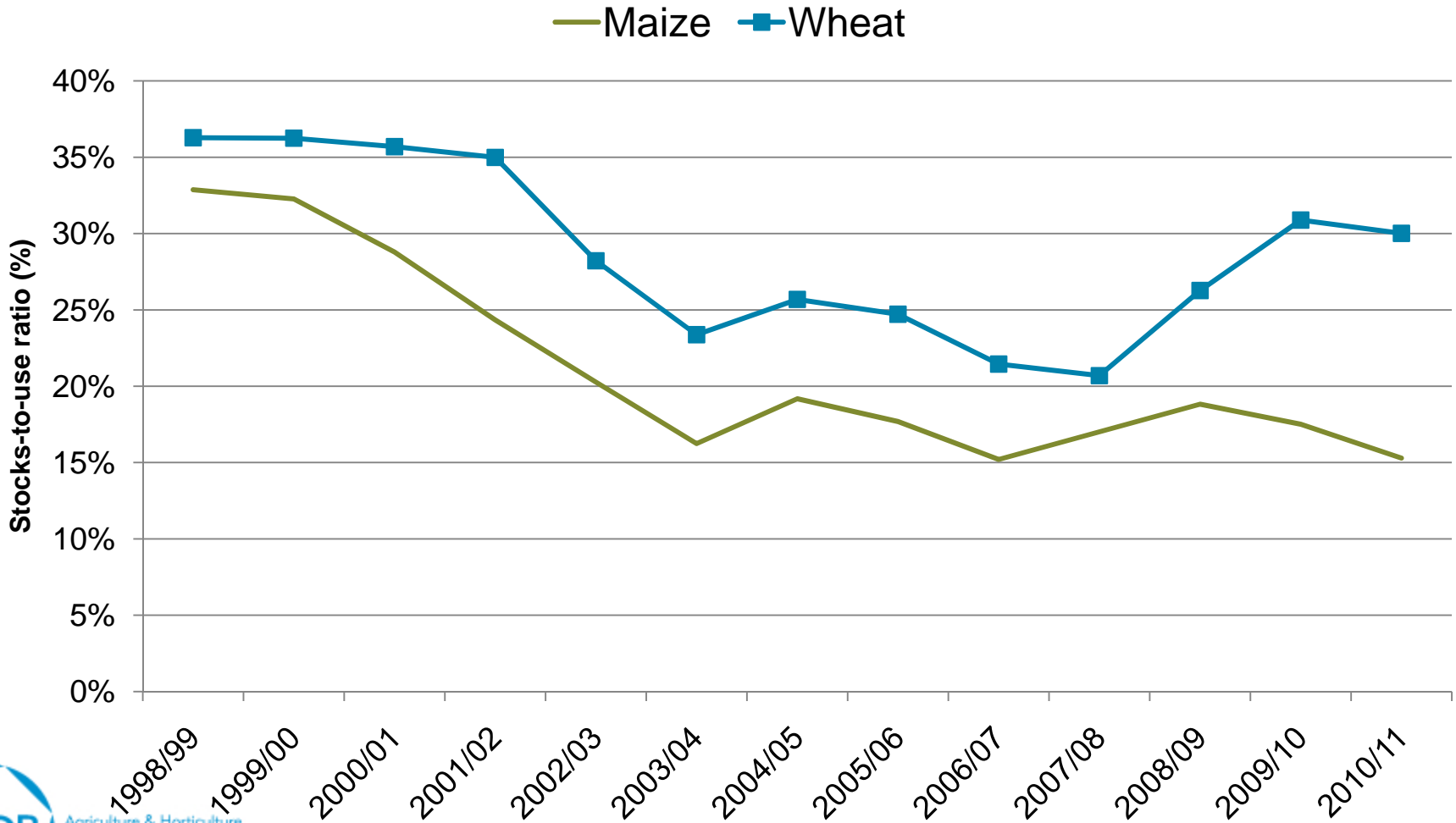
Global grain supply and demand

- variability in production causing volatility



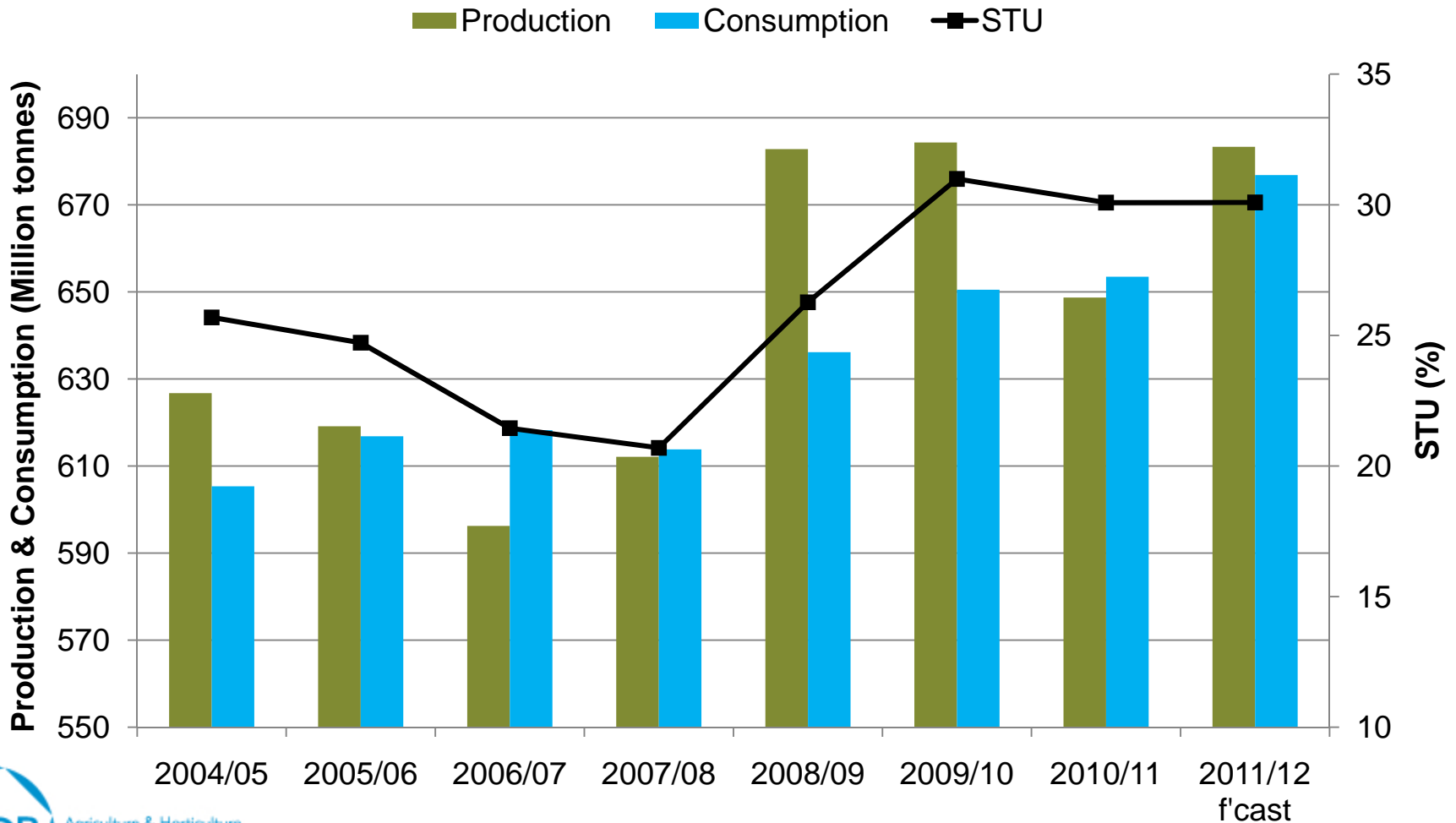
Global stocks-to-use ratios

- *how low can maize stocks go?*

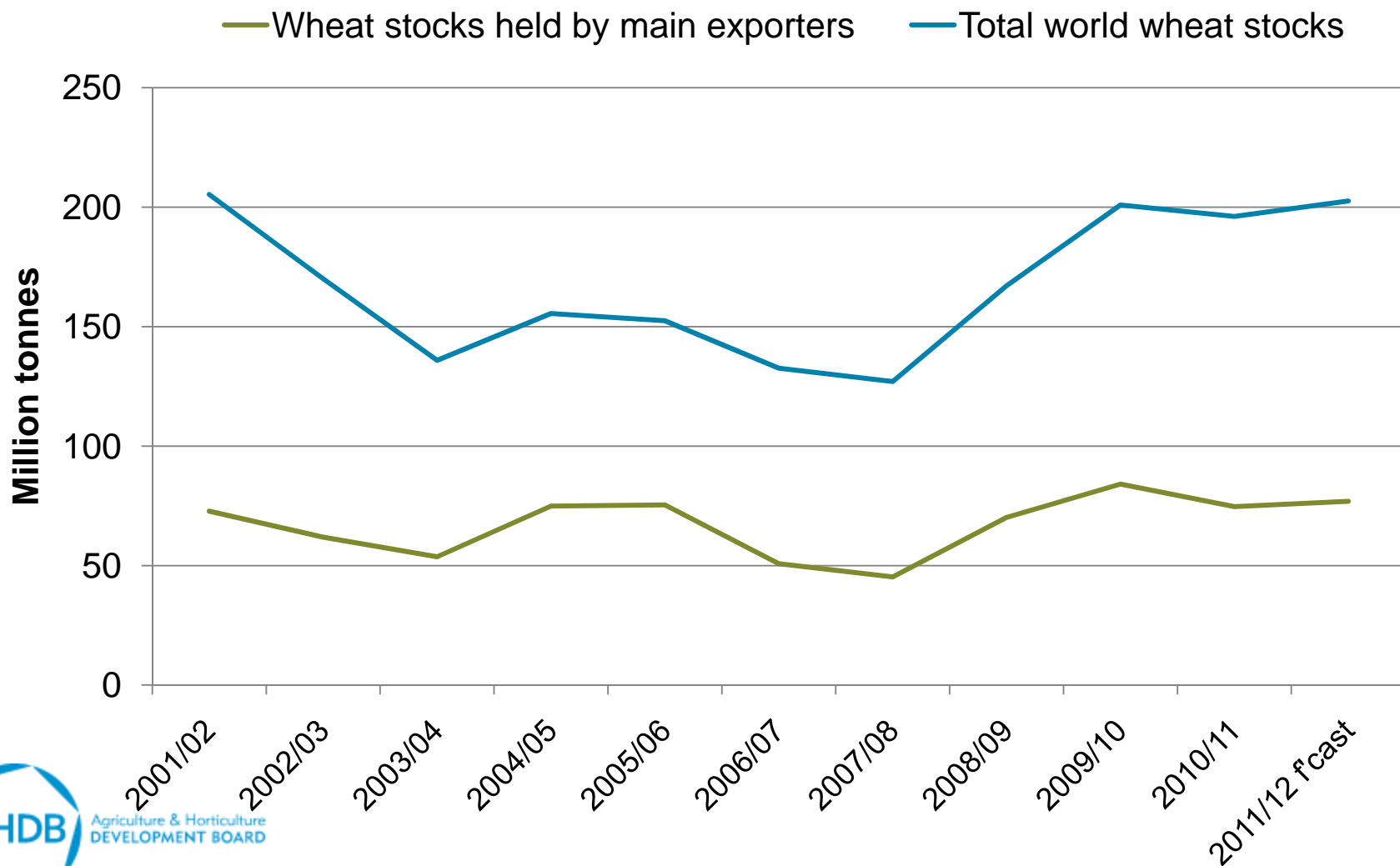


Global wheat supply and demand

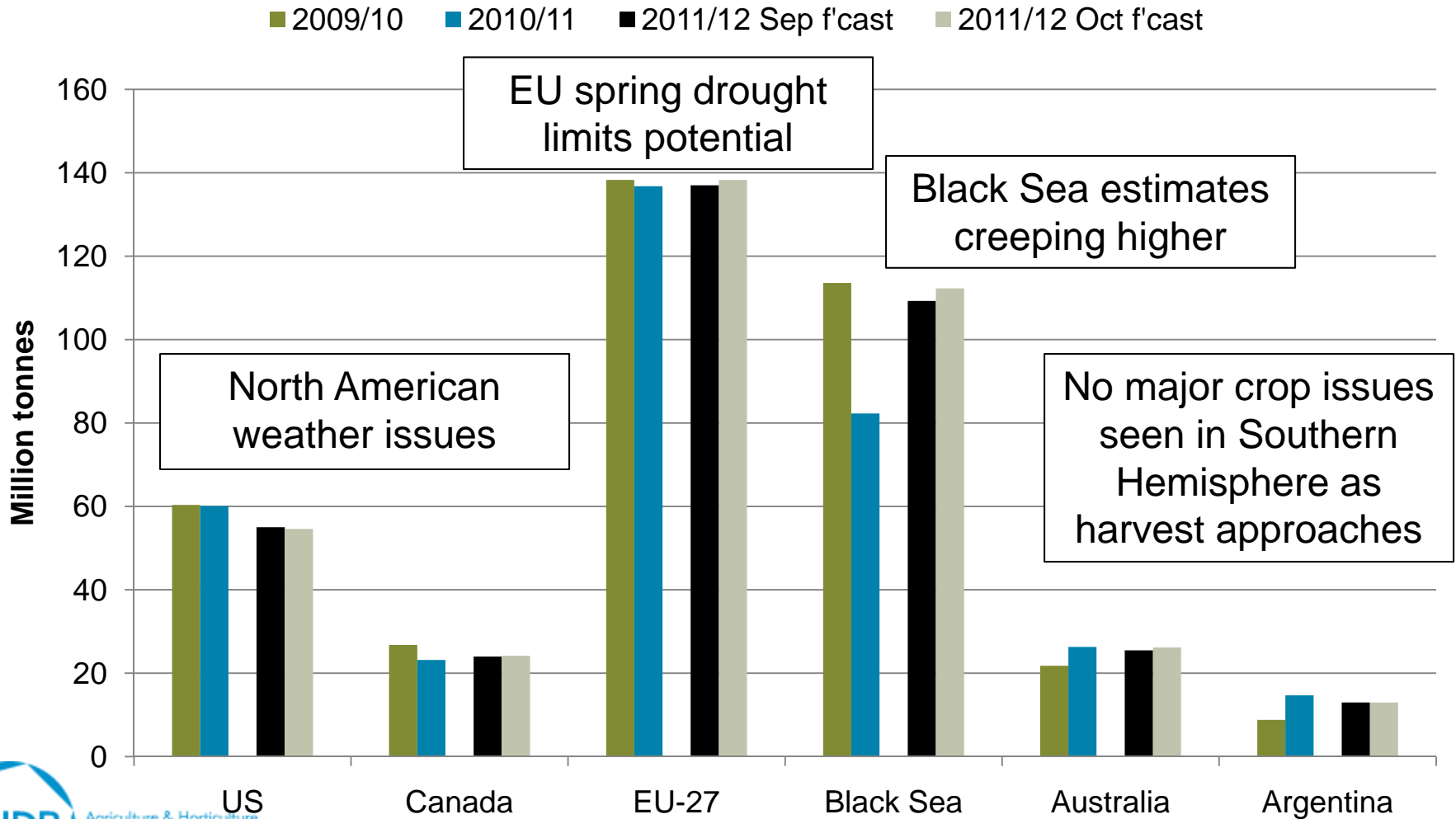
- healthy



Exportable stocks still an issue? - a background issue this season

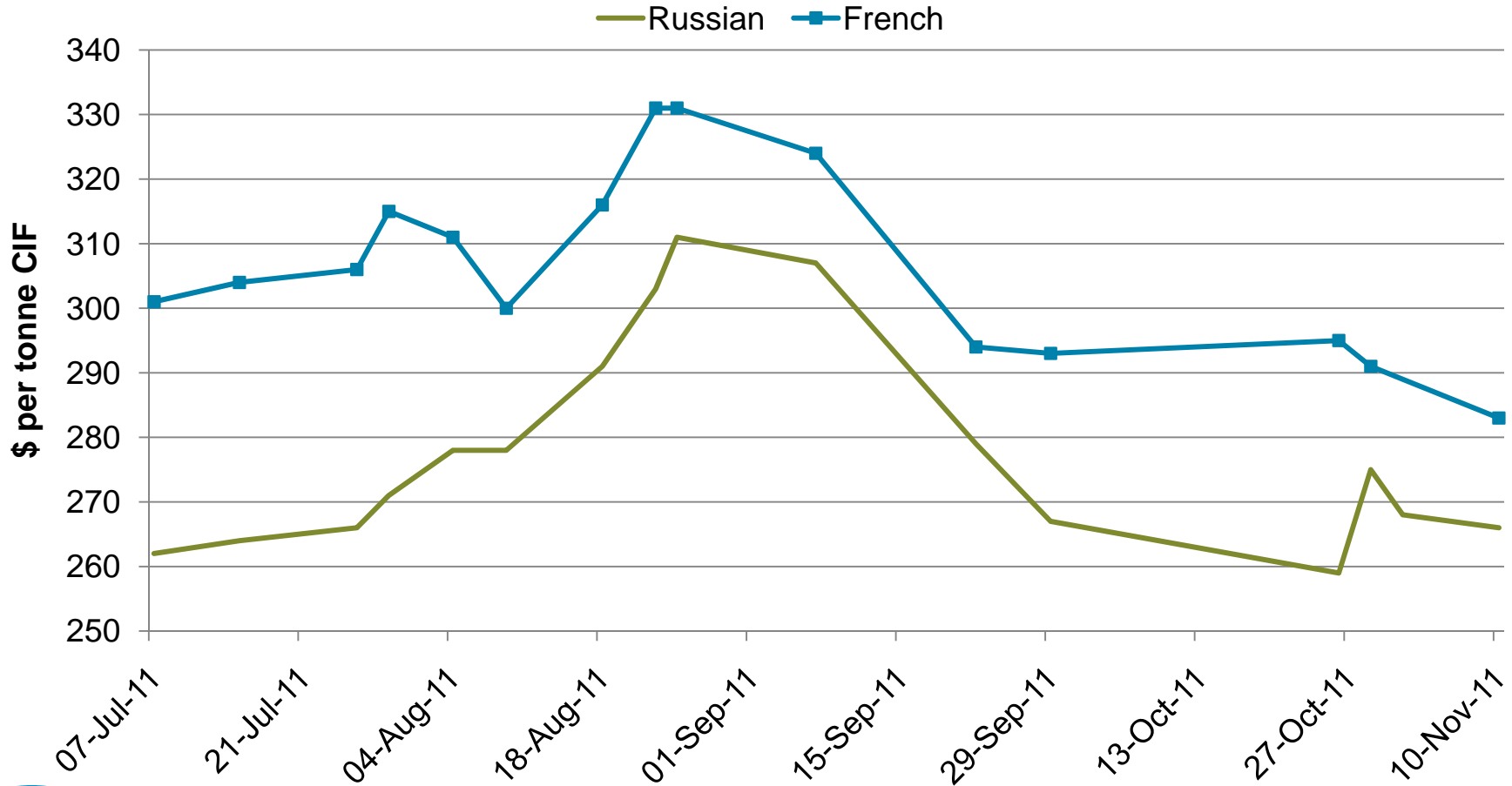


Wheat production (exporters)- *Black Sea recovery and estimates edging higher*



Competition for Egypt

- Russian pricing to regain market share



UK wheat supply and demand

- tighter availability, but exports still feature



<i>Million tonnes</i>	2010/11	2011/12
Opening stocks	2.027	1.537
Imports	1.001	0.945
Production	14.878	15.363
Total availability	17.906	17.845
Domestic demand	13.714	13.729
Exports and closing stocks	4.192	4.116
Jul-Sep exports	0.862	0.559

UK wheat quality in 2011

- *small improvements on 2010*

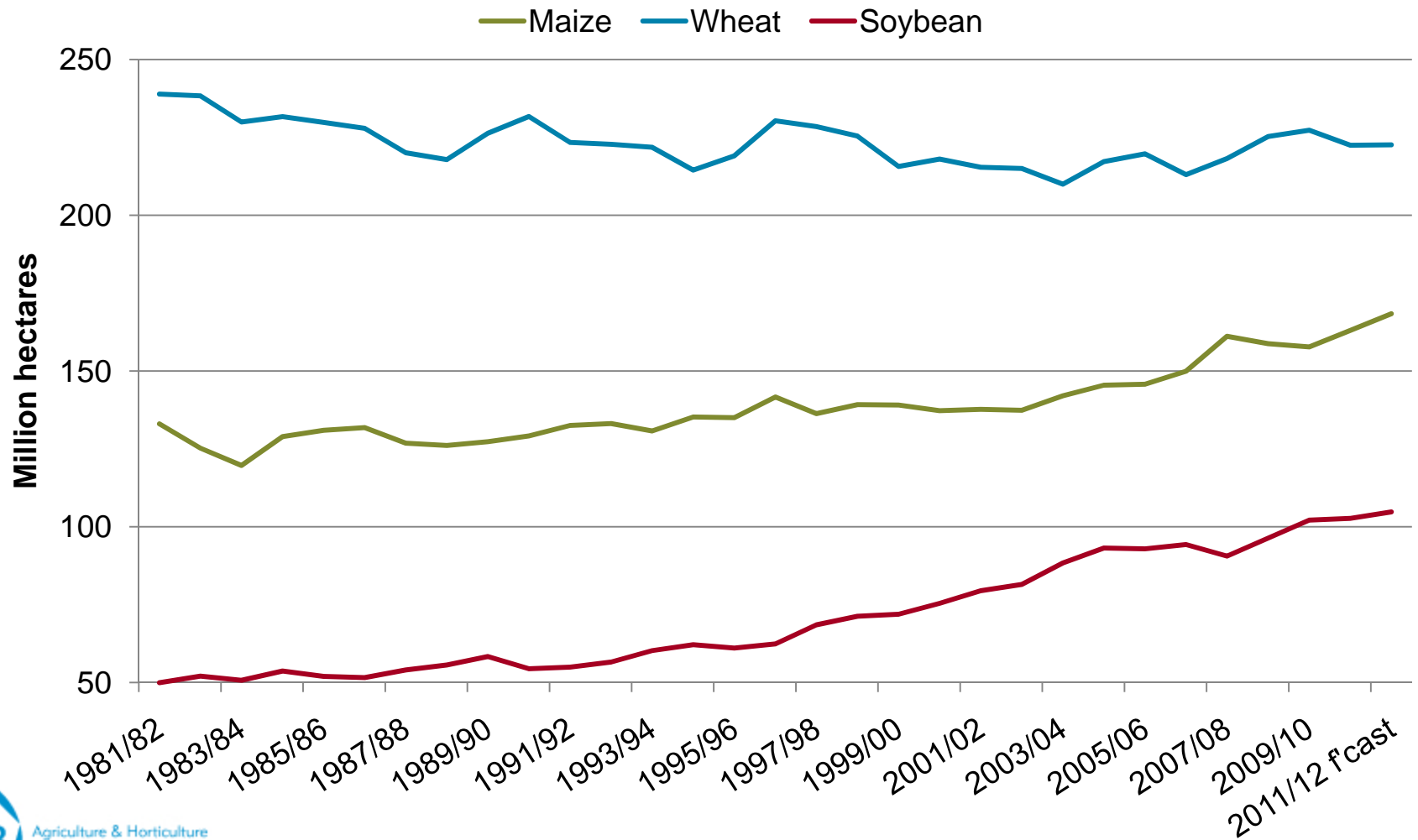


Nabim group	Specific Weight (kg/hl)		Hagberg FN (seconds)		Protein (%DM)	
	2010	2011	2010	2011	2010	2011
1	77.9	79.8	307	308	12.9	13.0
2	78.0	79.4	306	304	12.3	12.6
3	76.2	78.4	244	246	11.3	11.5
4	76.0	77.7	223	230	11.0	11.1

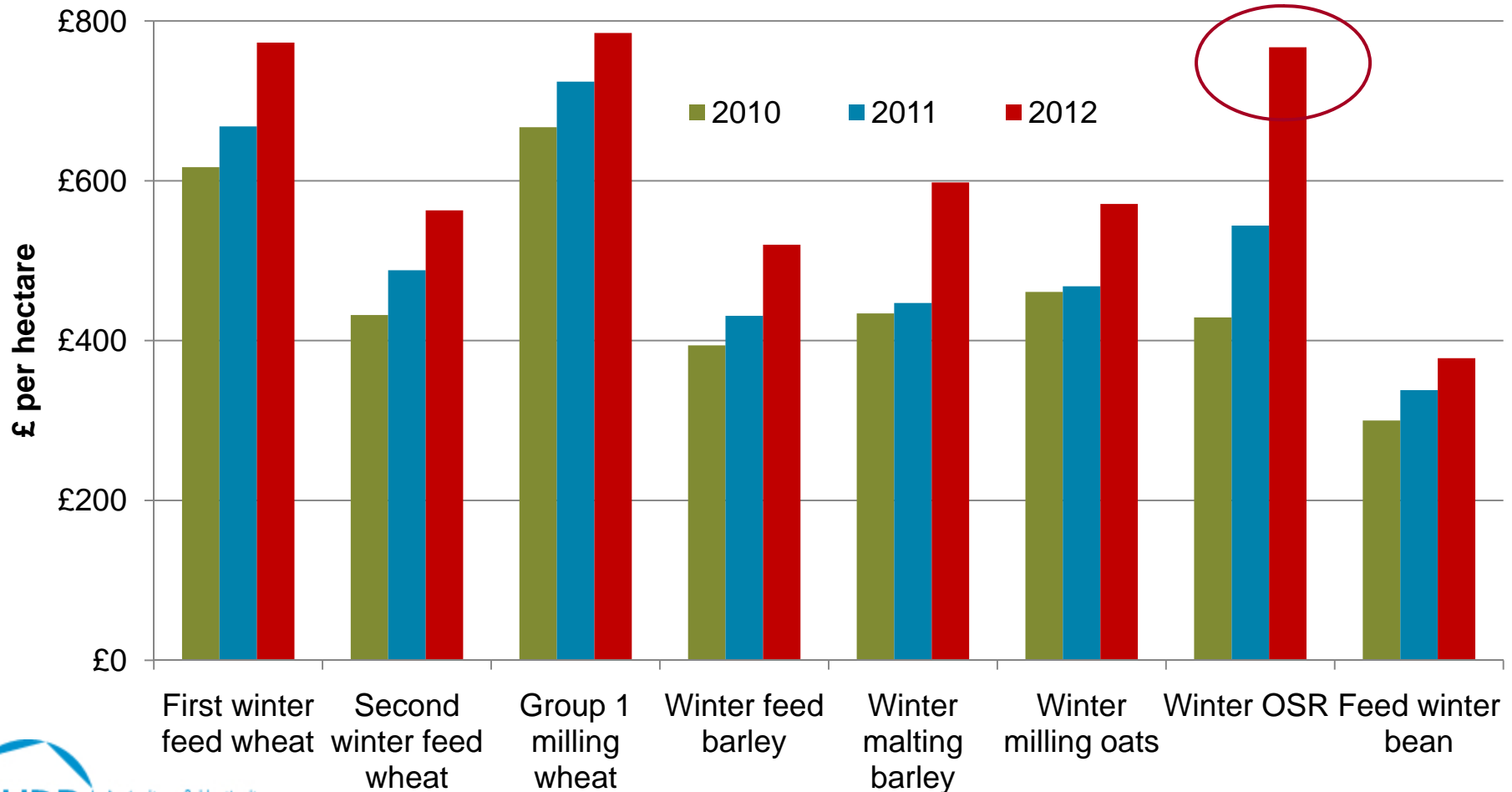
**Final results*

Global crop areas

- *wheat stagnating as maize and soy grow*



Pre-planting gross margin estimates - *the economic planting stimulus*



Any questions?

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