

DML | COMMODITY MARKET REPORT

30th November 2015

Currency

Once again a quiet week on the currency markets. Sterling is currently trading at \$1.5044 against the U.S. Dollar which is only slightly weaker than last week. Against the Euro, Sterling is almost unchanged week on week and is currently trading at Euro 1.4240.

Soya

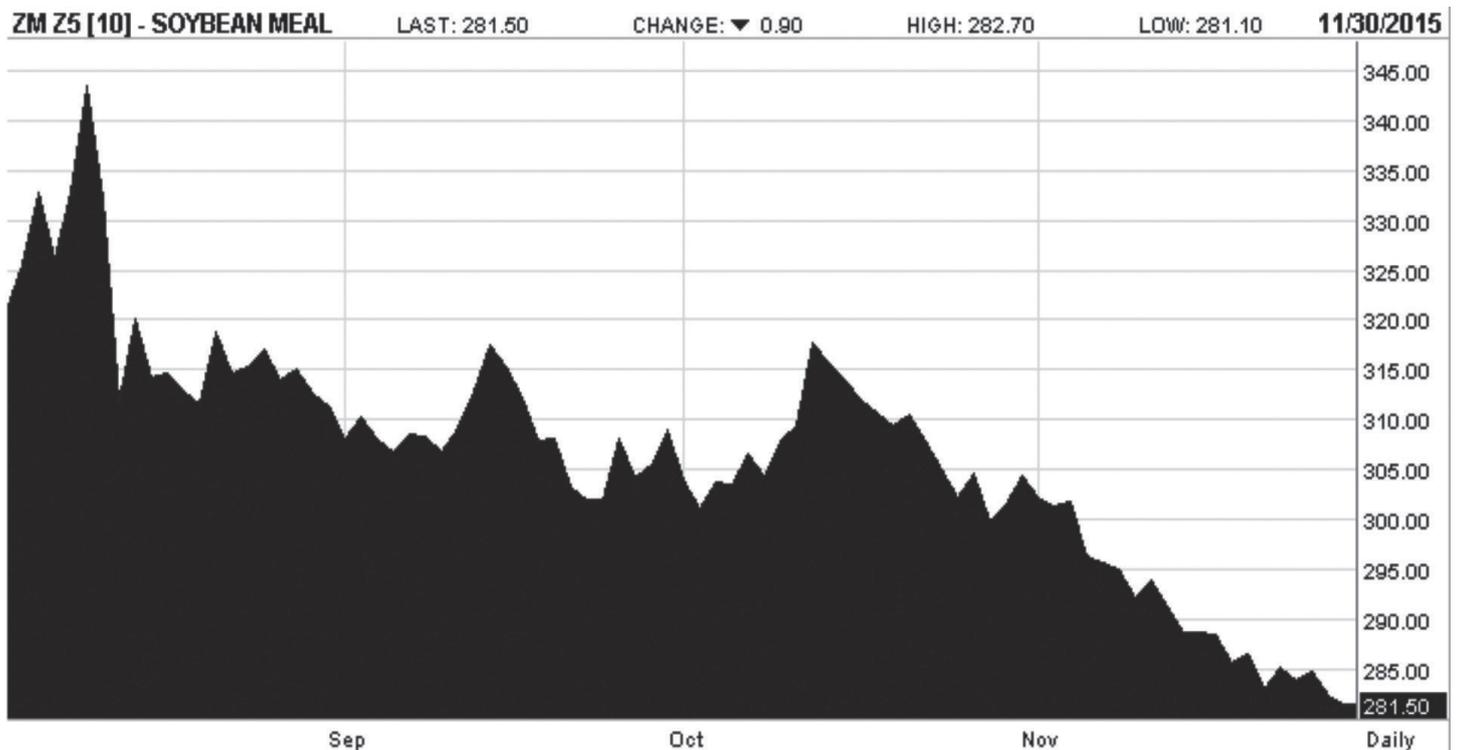
Last week saw the Chicago Board of Trade (CBOT) show its lowest soy meal contract value for the last 6 ½ years. Funds have moved out of their long positions for the first time in a long while and are now seeking market direction. The end of the week saw very little trade as the market was closed for the U.S. Thanksgiving holidays.

South American weather is still offering little in the way of support for prices. In Brazil, its slightly drier than ideal in some areas but plantings are catching up and are now 81% complete which is only 4% behind the average pace. In Argentina the crop is approximately 45% planted and once again this is only a couple of % behind last years pace.

Overall, the market is easing lower on ample global supplies. The large U.S. crop is safe and focus has now turned to South American plantings which are currently progressing reasonably well.

On the percentage cover front we still suggest that the main focus has to be on the nearby months as it looks as if shippers may have vessels delayed due to various reasons. Looking further forward we still see downside potential assuming the weather behaves as expected.

The Below graph shows the Spot (Dec '15) movements for CBOT Soybean meal futures.



Rapemeal and Distillers

Rapemeal still remains under pressure in the short term and this is now having a knock on effect on the deferred months. Pressure from the falling soy complex is likely to limit any immediate rally in this market. It is worth covering any December requirements before collection fixings get tight.

Wheat Distillers have eased slightly this week as Vivergo have come to the market once again. Values still look a little toppy versus Rapemeal but are moving in the right direction.

Corn distillers have eased slightly this week. This is probably a realignment with the soya and Rapemeal complex's.

Fibres

Soya hulls still represent good value. However, due to Sterling slipping against the Dollar and import vessels being delayed we have seen values firm in the nearby months. Full cover is suggested over the next few months as this situation is only likely to get tighter. It is expected that February onwards levels should ease when the South American sellers come to the table.

Sugarbeet values have not altered over the past week. However, they are likely to firm up in the nearby months due to the hulls values firming. If you require any then it's probably not a bad time to be buying.

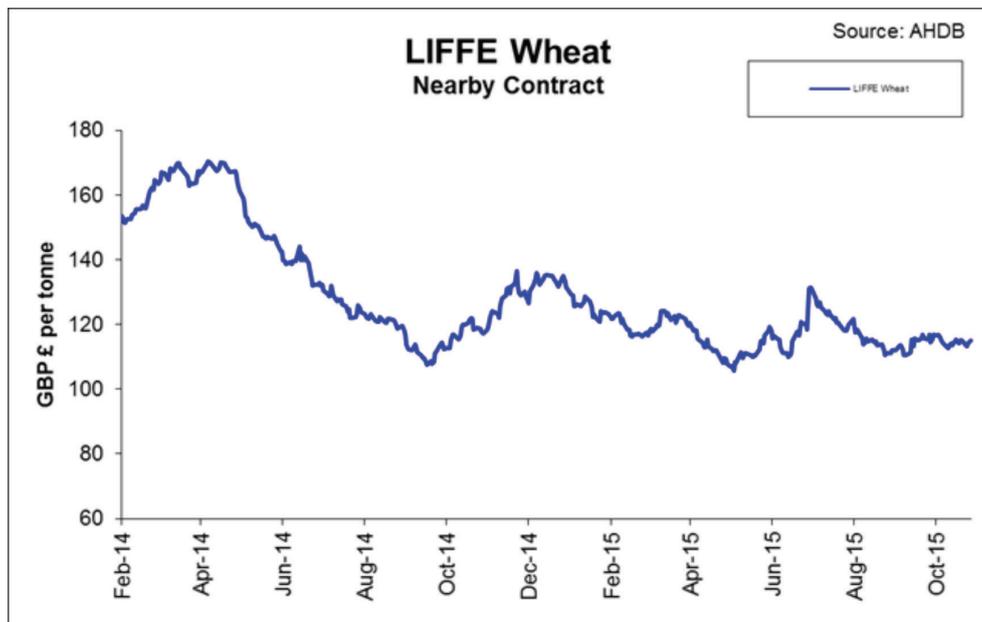
Grain and Maize

Once again, this past week has seen cereal values trade within a very narrow range on the futures markets and end up only slightly weaker week on week. Overall, very little trade is going on. In general, if you still have cover to be taken then the levels are reasonable and way beneath the cost of production.

On the maize front, winter values are still within a few pounds of the lows. Nearby cover is suggested but we may see increased downwards pressure into the New Year due to ample global supplies.

On the energies front it is still worth considering alternatives such as bread and biscuit meals currently as they represent good value for money.

London Feed wheat historical price graph. (£/t)



Market Prices 30/11/15 – All prices Ex Port, subject to change without notice, please ring for quotes.

£/\$ - 1.5044	£ /Euro – 1.4240	Euro / £ - 0.7022	Euro / \$ - 1.0560
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Rapeseed Meal	Ex Erith	Ex Liverpool
Dec '15	149	157
Jan '16	153	163
Feb /Apr '16	158	170
May / Jul '16	160	174

Palm Kernel	Ex Portbury	Ex Liverpool
Dec	97	97
Jan - Apr '16	98	98

Imp Sugarbeet Ex Port	Ex Portbury	Ex Humber
Dec	129	126
Jan - Apr '16	130	127

Hipro Soya	Ex Portbury	Ex Liverpool
Dec	253	245
Dec / Apr '16	251	245
Asa May / Oct '16	252	246
Asa Nov / Apr '17	258	253

Maize Distillers	Ex Portbury	Ex Liverpool
Dec	161	161
Jan - Apr '16	164	164

Soya Hulls	Ex Portbury	Ex Liverpool
Dec '15	109	113
Jan / Apr '16	109	112
May / Oct 16	112	113

London Wheat Futures		Weekly Change
Jan '16	113.25	0.95
Mar '16	115.60	1.05
May '16	117.50	0.60
Jul '16	120.40	0.70
Nov '16	125.25	0.75
Jan '17	128.50	0.50
Mar '17	129.40	0.55
May '17	131.00	0.90

Whole Maize	Ex Portbury	Ex Liverpool
Dec '15	138	138
Jan / Apr '16	141	141
Asa May / Oct '16	146	146

Red Price Firmer, Green = Price Lower, Black = Price is the same.

For more information on any of these products, please contact;

South of Birmingham

Amesbury 01386 429730
Blends - South 01275 378 331

Midlands

Shepshed 0870 0500306
Blends - Midlands 07803 286754

North and Scotland

Wetherby 01386 429530
Blends - North 01524 752475
Blends - Scotland 01576 300901

Alternatively, please phone your local Account Manager

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