

## Domestic Wheat

It's been a while since I bothered with a week on week analysis as the market has remained very flat for the last 4 - 6 weeks. The biggest mover has been the FED1 OR 70/10 type wheat (70+ test weight / <10 screenings) and the APH / H2 container trade markets. Feed wheat has climbed from a low of around \$190 ex farm Liverpool Plains to a high of around \$215 early this week. APH has moved higher but being container trade the bids are hard to nail down but are above \$250 ex farm for good quality APH with no signs of weather damage. Most old season grower stock is close to being depleted, this would see the consumer getting coverage through the trade ex the system so if you do have ex farm stock be sure to compare it to grain ex the system. For instance FED1 track Newcastle, \$220 - \$30.50 to Gunnedah is \$189.50 delivered, add receipt, storage, interest, shrinkage and out turn and it is roughly equivalent to \$215 ex farm, or Free On Truck (FOT). Now there is not a lot of FED1 left so the next grade is AH9, this is at a premium to FED1 and would be equivalent to \$225 ex farm. New crop multi grade basis is around 42c/bu FOB, not bad for this time of year, but with widespread rain you may expect to see this halved.

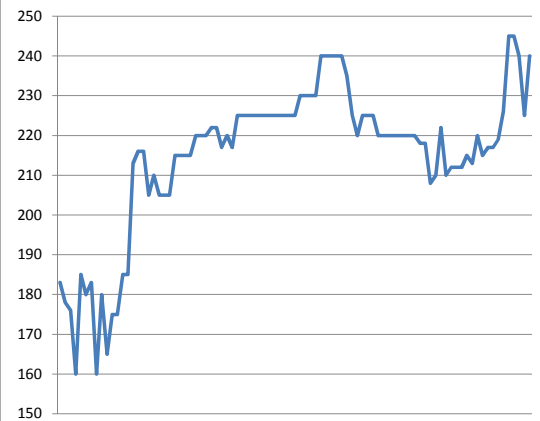
## Other Grains

Sorghum is choppy, grower offers are around \$180 ex farm Liverpool Plains and track offers are at \$210 track Newcastle. You can look at track numbers for sorghum the same way you can for wheat, \$210 - \$30.50, + costs will give you a system bid equivalent to an ex farm number to the consumer, those consumers that ship their sorghum by rail may have a saving over the \$30.50 NACMA site deduction but don't expect this to be factored into a bid unless the weather remains dry, ok back to the equation. Sorghum FOT Gunnedah equivalent is around \$192 at this stage as costs are low for storage and interest being the harvest period so this may indicate that \$180 may well be a little under the market when sorghum is bid at \$210, as you can see today is at \$200 so \$180 is about the money. Pulses remain strong with chick peas at \$495 delivered Narrabri, mung beans graded and bagged at about \$780 delivered Narrabri and faba beans still holding on. Barley has been flat but demand seems to be improving, keep an eye on new crop barley as Nth Hemisphere acres are decreasing.

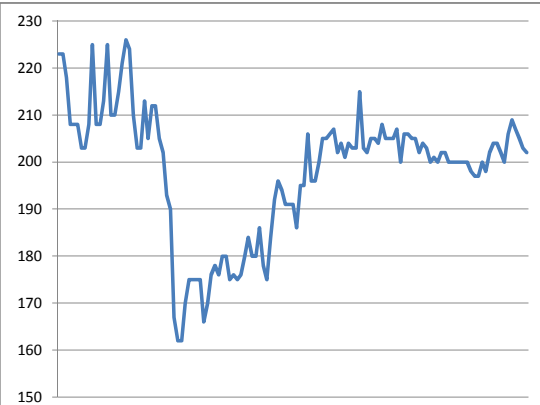
## International Markets

US wheat futures have seen some good upside during May, CBOT up 27.75c/bu, KCBT up 34c/bu and MGEX up 44c/bu in the Dec 09 contract. As you can see the greater moves have been in the spring wheat, the higher protein wheat contract on Minneapolis. Unfortunately we have also seen a sharp jump in the Aussie Dollar over the first few weeks of May, 72.41c to almost 78c this morning. The move in currency alone equates to roughly AUD\$22.83/tonne which is roughly US\$0.48c/bu, this is actually more than the major wheat exchanges have actually gone up, so for local values to have moved higher traders are giving away basis. The USDA report was bullish row crop and bearish wheat with increases in global stocks expected to see values slip quickly in wheat, weather delays in the US countered the decline in US values but overall weakening of the global price of wheat has been observed. India has suggested they may export excess wheat again this year. China has announced it will not import wheat, then announced it may import some wheat, but to date no sales have been struck. All in all markets should appear flat to softer through to Dec 09.

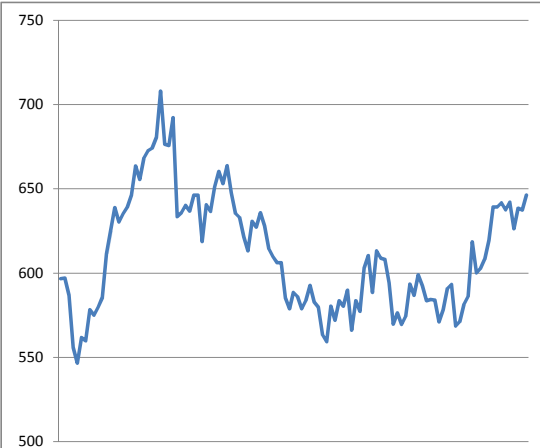
FED1 Wheat Track Newcastle From Dec 08



Track Sorghum From Oct 08



CBOT Dec 09 Wheat from Dec 08



## Today's Market Indicators For Liverpool Plains:

## Important: Call For Site Specific Prices, Use As A Guide Only

Nearby Futures	Move 24hr	Wheat 08/09	Newcastle	Move	Barley 08/09	Newcastle	Sorghum 09	Track	Ex Farm
CBOT Wheat	597.75	9	APH	\$303.00	MLT1	\$245.00	Location	2009	2009
KCBT Wheat	650.00	7 1/4	H2	\$292.00	F1	\$200.00	Gunnedah	\$173.50	\$179
MGEX Wheat	725.50	12	APW	\$288.00	F1 X Farm		Premier	\$173.50	\$179
ASX Milling	\$285.00	-\$0.30	ASW	\$281.00	Sorghum 09		Spring Ridge	\$176.25	\$179
ASX Sorg	\$200.00	\$4.70	AGP	\$254.00	Newcastle Trak	\$204.00	Werris Creek	\$178.25	\$179
CBOT Corn	426.00	1/4	FED1	\$240.00	Ex Farm LPP	\$179.00	Willow Tree	\$181.25	\$179
Currency	0.7799	0.0063	Canola Track Newcastle				Quirindi	\$179.75	\$179
Chickpeas	Del Nbri	\$485	Canola 08/09	\$565.00					

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