



There's a better
future in store

WEALD GRANARY LTD

Weald Granary

Newsletter: April 2009

MARKETING REPORT

Simon Ingle, Openfields

Heading into the last quarter of the season, old crop stocks, not just in the UK but Globally, are acting like an anchor around the neck of the wheat market. Record production from the 2008 harvest has rebuilt World stocks by 35 million tonnes and will offset the lower crop predicted for 2009 harvest. However with supply and demand relatively well balanced **the market remains sensitive to any production issues.** In the UK, with Defra figures suggesting that wheat plantings up to 1st December 2008 were 14.7% down on the previous year, we expect a significantly smaller crop. Most reports suggest that little wheat in comparison has been drilled since and it would not be unreasonable to expect the area to be overall 11% down. Using average yield figures for the past 5 years **we expect a crop of 14.5 million tonnes, some 2.7 million tonnes down on 2008.** With 1 million tonnes of additional demand from the new biofuel plant in the North East of England our exportable surplus may only be half a million tonnes. We could therefore be very friendly to UK prices but even with such a small surplus the scope for UK prices will be limited by the World market. Nationally plantings of Group 1 and 2 milling wheat varieties have decreased slightly and, coupled with a much smaller crop overall, quality premiums should be similar to this season. **Solstice and Cordiale dominate** the wheat volume heading for Weald Granary this coming harvest and there are no clear alternatives for members to switch from drilling this coming autumn

MEMBERS CHOICE

2009 will be the last year in which members have the choice of fixing contracts outside the pools for committed grain. There are only a very few of these each year but unfortunately they take up an awful lot of administration time and money, and detract from the pool marketing power.

MOISTURE METER CLINIC

17th of June, from 10 AM with refreshments
Members: FREE, Non-members: £10

TIM CALCUTT



Sadly we have to report that Tim Calcutt passed away in January. He was one of the founders of the Granary as well as being the first chairman and he was held in high esteem by all who worked with him here. More details of his career and proposed memorial are enclosed.

THE NEW DEVELOPMENT IS OUT OF THE BLOCKS...



...at pace: 96 loads of concrete arrived in one day! It is all driven by demand meaning the nascent silo above is already sold out. To this end we are now submitting a planning application for further expansion next year. The Chairman explains more in his attached letter. It will all help keep the costs per tonne down and increase marketing clout. The demand is nationwide with 90,000 tonnes of new capacity under construction for the coming harvest across the Network Grain associated stores. **Please put the 26th of June in your diary for the Grand Opening of the new office block.**

PROBLEMS WITH COMMITMENT ?

Yes it's another form **but** your early commitments really help optimise the marketing. Please do ring up and discuss the best options, many have already done so and its good to see a large proportion of the most marketable varieties being committed.

MMM....BEER

Anyone grow hops? Coors, the people we sell malting barley to, are keen to source some on contract. Contact Elved Phillips at Openfields