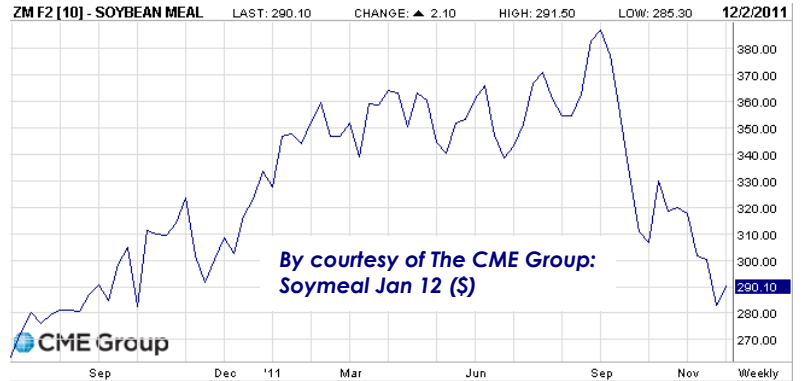




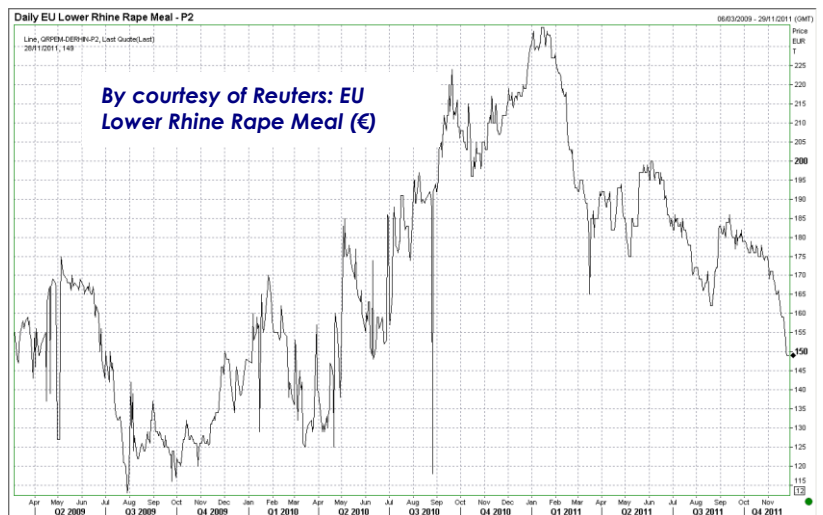
North Market Report

DRY FEEDS – MARKETS GAIN STRENGTH BUT ECONOMIC UNCERTAINTY CONTINUES TO IMPACT MARKETS

- Soymeal:** Soymeal values moved up over \$5/t on the Chicago Board of Trade for the first time in approximately three weeks on Monday. This was on macro economic news that the International Monetary Fund (IMF) has €600 billion available for Italy should it require it. This was enough to temporarily quell financial fears regarding the high debt levels with this European economy. This was enough information to change sentiment on the days trading. Wider economic trouble persists with the gloomy outlook from Chancellor Osborne on the UK economy. Especially when any statements regarding the future of the UK economy were laced with implications of a collapse in the European single currency. The US Federal Reserve, European Central Bank (ECB), the Bank of England and the central banks of Canada, Japan and Switzerland are working together to make US dollars cheaper to borrow. The idea of this is to make lending to banks cheaper and therefore ease borrowing to the markets. This news went down well yesterday with the FTSE 100 up 3% and CBOT soymeal up \$4.20/short ton. Good weather for the soybean crop in South America persists which is the only fundamental news regarding the crop. There is strong potential for ongoing macro economic gloom impacting on levels. We have seen increasing interest in a percentage cover on next summer for hipo soya with ex levels in the mid to late £240's.



- Rapemeal/Distillers:** Rapemeal levels have eased further this week, although the rate of lowering prices has slowed. The rapemeal carry out remains comfortable and therefore there are no supportive supply and demand factors at present. The markets continue to be dominated by outside factors and so further declines are likely if world economies continue to falter. The US credit rating agency Fitch lowered its outlook for US credit to negative and suggested the AAA rating would be downgraded in early 2013 unless a sustainable plan is adopted. Rapemeal is likely to continue taking its lead from outside markets with further declines a possibility. August-October rapemeal and ProtoTec continues to have interest at its discounted rates to the winter.



- Wheat:** Wheat levels have generally drifted lower and have not particularly been supported by some of the macroeconomic news that has impacted on soy meal levels. London wheat futures for March 12 are £141.75/t at present. There is little market confidence in wheat at present. On the fundamental side there is news of ongoing rains in Australia causing lower wheat quality, and that China is buying good quantities of wheat at present. Without Chinese demand it is possible that wheat values could fall away. In the UK, spot wheat trading remains busy whilst further ahead is quite. There are also initial concerns about dry weather in the UK causing the potential for a drought next summer.



- **Fibres/Energies:** Soya hulls are available ex port in the late £130's per tonne for the winter in the North of England. With a shortage of available moist feeds this may help those who are short on feed requirements. Again, sugar beet feed is still available at first offer levels for this winter. Please consider pre-Christmas requirements now as prices can move up in this period if product availability becomes tight. As part of this it is also worth considering placing delivery slots on all products for pre-Christmas delivery.

MOIST FEEDS

Extra loads of moist feeds may become available in the run up to Christmas; these could be worth taking if there is a chance of running low on moist feeds this winter. Extra loads are unlikely to become available in January/February 12.

- **Brewers Grains (DM 24%, CP 24, ME 11.7):** Sold out at present for the winter.
- **Pressed Pulp (DM 27%, CP 9, ME 13):** Withdrawn
- **C☆ Traffordgold (DM 50%, CP 21, ME 13.4):** Withdrawn
- **Vitagold (DM 35%, CP 36, ME 14.5):** Withdrawn

BEST BUYS: Rapemeal/ProtoTec Aug-Oct 12, Soya Hulls and SBF for the winter

Ex Port Guide Prices (price subject to change)

	December – January 12					February – April 12					Asa May – October 12				
	Liverpool	Hull	South Humber	Erith	Manchester	Liverpool	Hull	South Humber	Erith	Manchester	Liverpool	Hull	South Humber	Erith	Manchester
HiPro Soya	253	256	254			253	256	254			251	255	251		
Maize Gluten	169		174			175		175							
Palm Kernel	131		133			131		133							
Citrus Pulp Pellets	170					160					160				
Soya Hulls	142		143			143		145			141				
Rape Meal	148	145	159	151		148	145	159	148		149	146	159	146	
Wheatfeed Pellets			POA		POA			POA		POA			POA		POA

Currency: £/\$ 1.5682 £/€ 1.1639

Whilst care is taken to provide accurate information, no liability whatsoever can be accepted for any omission or inaccuracy of fact or opinion, or any loss however caused. Any opinions expressed are subject to change without notice.