

Arable Dashboard – June 2018

Key Market Indicators



The purpose of this quarterly dashboard is to provide an update on key market drivers and indicators for Arable Sectors

- A range of **arable data** is available within the following sections of the AHDB website:

[Potato Data Centre](#)

[Cereals & Oilseeds Market Data Centre](#)

- In addition **AHDB** produces a number of **industry related** publications which are available via these website links:

[Market Report](#)

[Grain Market Daily](#)

[Prospects](#)

[Potato Weekly](#)

[GB Potatoes](#)

[Fertiliser Information](#)

- Or follow us on twitter: @AHDB_Cereals @AHDB_Potatoes @NFUeconomics
- The **NFU** also produces a number of **industry related** publications which are available via this website link:

[NFU Online](#)

- A range of **other dashboards** are available for the following sectors via these links:

[Pig & Poultry](#)

[Dairy](#)

[Beef & Lamb](#)

- AHDB's Horizon reports examining the **key issues relating to Brexit** are available at this link:

[Horizon Reports](#)

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- Next issue** of this report will be available:
3 September 2018

Arable Dashboard

Key Market Indicators

Trends in UK Prices

£/tonne	Current Price	% change 3 months	% change 6 months	% change 12 months
Feed wheat * (del. East Anglia)	160	9.59%	15.11%	9.97%
Rapeseed * (del. Erith)	295	-2.48%	-6.05%	-11.54%
Potatoes ** (WAPS Free-buy)	99.16	6.02%	14.54%	-53.37%

(Source: AHDB) *w/e 15/06/18
**w/e 02/06/18

Trends in International Prices

£/tonne	Current Price*	% change 3 months	% change 6 months	% change 12 months
Paris Wheat futures	154.99	6.60%	9.42%	2.15%
US Wheat futures (Chicago)	138.19	12.09%	20.30%	3.23%
US Maize futures	107.10	-0.93%	4.72%	-9.54%
US Soyabean futures	250.51	-9.45%	-5.70%	-7.28%
EEX Potato Futures**	141.46	208.24%	248.45%	-14.42%

(Source: EURONEXT, CME Group, EEX) *Nearby prices as at 15/06/18
** From 01/05/2018 changed from April 2018 to April 2019

UK Trade Data for Crop Year to Date*

000 tonnes	Imports		Exports	
	2017/18	2016/17	2017/18	2016/17
Fresh and seed potatoes	116	175	250	244
Processed potatoes**	461	425	74	56
Wheat	***	1,405	411	1,369
Barley	80	93	1,047	921
Rapeseed	149	206	101	133

(Source: UK HMRC) *Jul-Jun year, YTD to Apr
**Processed potatoes reported at product weight
***Outstanding query with HMRC for wheat imports in March 2018 – click [here](#)

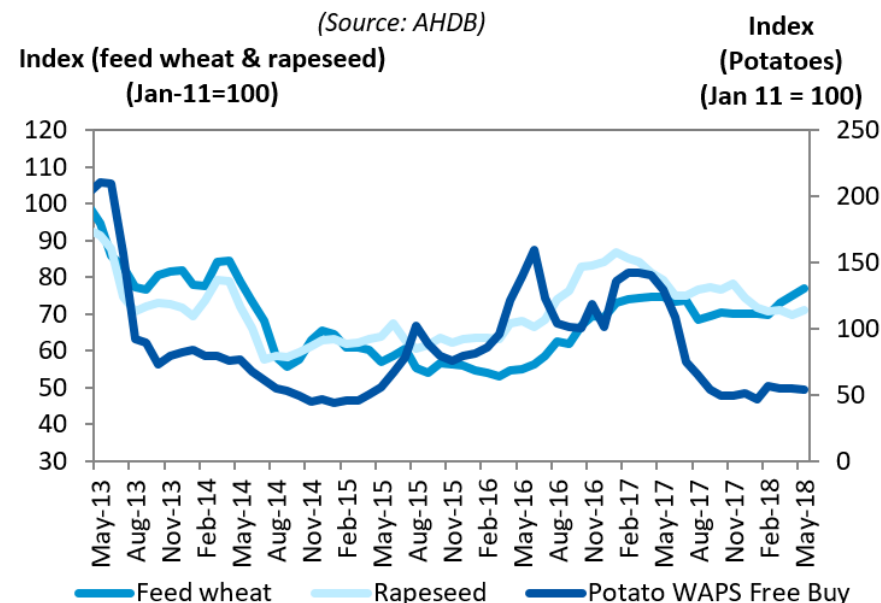
Farm Productivity - Crop Yields

Tonnes/hectare	2017	2016	% change	2012-2016 average
Potatoes (Ave. GB net yield)	49.3	45.0	9.6%	45.1
Wheat	8.3	7.9	5.2%	7.9
Barley	6.1	5.9	2.9%	6.1
Rapeseed	3.9	3.1	27.3%	3.4

(Source: Defra/AHDB) Data is UK related unless otherwise stated

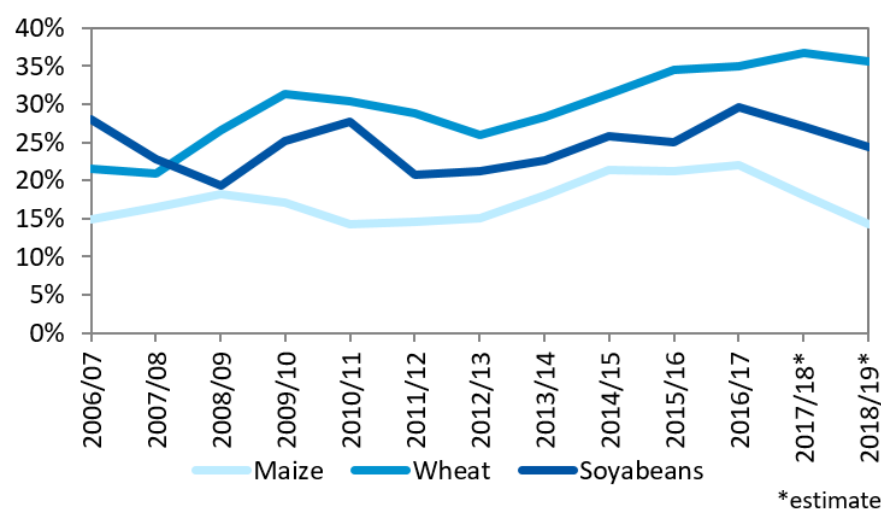
Price Trends

(Source: AHDB)



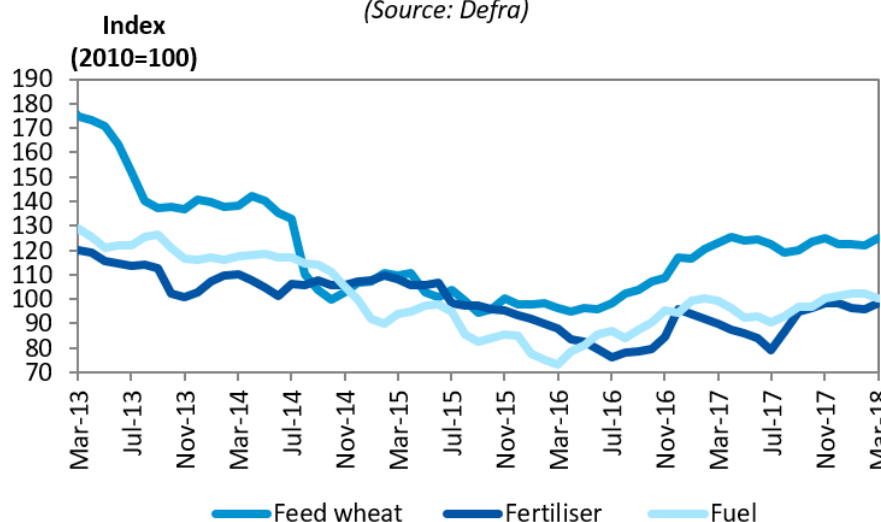
Global Stock Levels Relative to Demand

(Source: USDA)



Inputs Watch

(Source: Defra)



Demand Trends

- According to Kantar Worldpanel, expenditure on fresh potatoes was down just over 5% in the 12 weeks to 20 May 2018. The amount bought was static compared to a year ago despite a fall in retail prices which have driven some value out of the category. The loose sector continues to see a decline in sales which is offset by growth in pre-packed, led by baking potatoes
- The third official 2017/18 UK cereals supply and demand estimates suggest that the UK wheat balance sheet will be the tightest in four years. Total availability of wheat in 2017/18 is forecast to be 4% lower than season earlier levels, due lower opening stocks and imports. In addition, total domestic consumption of wheat for 2017/18 is set to remain relatively unchanged on year earlier levels, with a rise in animal feed usage outweighing a decline in demand for wheat by the human and industrial sectors. A reduction in total availability, combined with, amongst other factors, strong domestic demand, has led to estimated commercial end of season stocks to decline 1% on year earlier levels, to 1.735Mt (including operating stocks).

Total UK Availability and Domestic Demand for Wheat

Million tonnes	2016/17 (est)	2017/18 (f'cast)	% Change
Total Availability	19.04	18.19	-4%
Total Domestic Demand	15.68	15.62	0%

(Source: AHDB & Defra)

Industry Outlook

- In the latest publication of USDA world supply and demand estimates, global wheat production for 2018/19 was forecast down 3.1Mt from the May report to 744.7Mt. However, 2018/19 ending global stocks have been revised up 1.8Mt from May's estimate to 266.2Mt, as a result of reduced 2018/19 consumption (-3Mt) and increased 2017/18 ending stocks (+1.9Mt). European 2018/19 wheat production was revised down 1Mt from May estimates to 149.4Mt, therefore anticipating a 1% decline from 2017/18. This projected decline follows dry spring conditions in Germany and Poland raising concerns for winter wheat.
- Dry weather in some key grain producing areas around the world is pushing domestic prices ever higher, with a tight end of season picture. AHDB Cereals & Oilseeds Early Bird Survey showed a decline in the wheat area, so if average yields are achieved, we may expect production levels to be back on 2017 levels. If this is realised, this could potentially support prices further.

Horizon Scan

- Weather continues to take its toll on the resilience of UK crops. Following the late winter / spring and the subsequent delay in planting, it is the hot and dry conditions of late that now are of concern. Late planted spring barley is particularly at risk and we should expect to see both yield and potentially quality issues emerge come harvest. Winter wheat crops are also at risk given that June, in parts, is likely to have delivered no measurable rainfall. June is the key yield forming month for many crops and lack of moisture reduces the ability of crops to build yield.
- Defra are currently consulting on the clean air strategy. Ammonia emissions from the use of urea fertiliser are in the spotlight, although there is some debate about the reliability of the supporting evidence. There is call for greater use of urea that has been treated with inhibitors. However, there is little independent knowledge of the performance of these products. Urea plays an important role in crop production and helps to maintain a competitive fertiliser market in the UK.