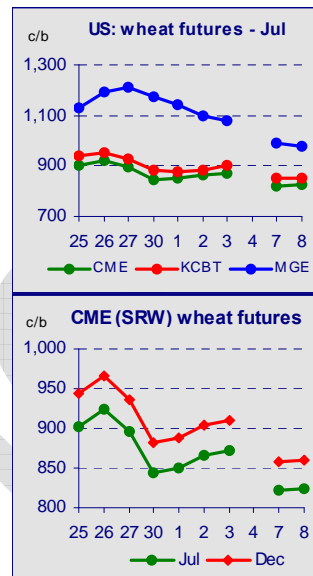




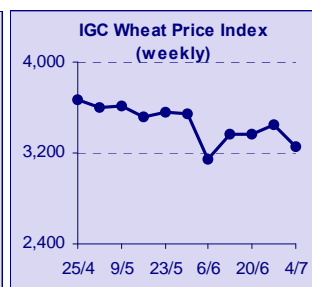
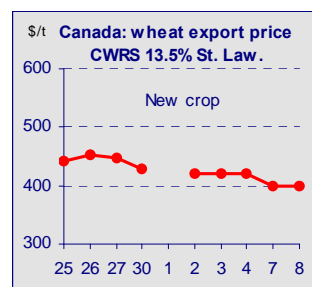
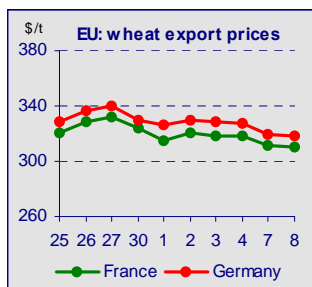
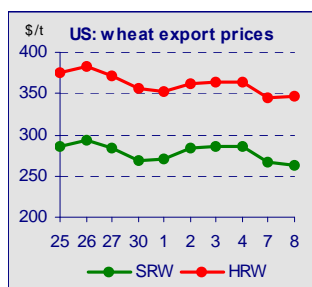
WHEAT

Export prices (fob, US\$ per ton)		8 Jul	1 Jul	year ago
Canada CWRS 13.5% (St. Law.) (New Crop)	Aug	399	429 c)	275
EU (France) grade 1 a)	Jul	€198	€200	€192
EU (France) grade 1	Jul	310	315	263
EU (Germany) B quality	Jul	318	326	266
Black Sea Feed	Jul	260	262	-
Black Sea Milling	Jul	287	292	-
US DNS 14% (PNW)	Aug	435	529 d)	255
US No 2 HRW 11.5% (Gulf)	Aug	346	360	247
US No 2 SRW (ord) (Gulf)	Aug	263	283	230
US No 2 SW (PNW)	Jul	355	395	232
IGC Wheat Price Index b)		(3,251)	(3,443)	2,314

a) Fob Rouen, euros/ton. b) As calculated by IGC for previous Friday. Brackets indicate limited sample. For composition, see Grain Market Report. c) 30 June quotation. d) July quotation.



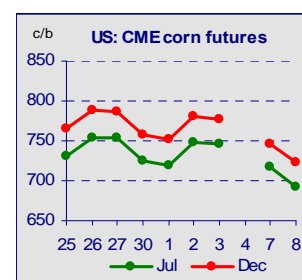
World wheat export prices mostly declined in the past week as combining of large n. hemisphere harvests accelerated. In the US, futures broadly followed direction in maize (corn) and soya, the supply-related concerns in those markets providing support ahead of the 4 July holiday. This was augmented by technical activity, as traders liquidated corn/wheat spreads, and by spillover from strength in non-grain markets. Thursday's higher than expected weekly export sales of 668,100 t (cumulative 08/09 up 44%, at 9.2m) were only mildly bullish as overall demand was seen to be slowed by competition from other origins, especially the Black Sea, this weighing on SRW export basis levels in particular. Movements in Minneapolis-based spring wheat futures diverged from the other exchanges, pressured lower by generally crop-friendly weather. Monday's 5-point drop in spring wheat condition ratings, to 69% good/excellent, mainly reflected dryness in North Dakota, but this had little impact as traders still saw production prospects as being very good. A limit-down plunge in corn set the tone when markets reopened after the holiday, wheat also pressured by harvest progress. HRW combining neared completion in Texas and Oklahoma, but wet weather continued to hamper winter wheat cutting in some other areas and USDA placed the overall harvest (as at 6 July) at a slower-than-normal 52% complete (61% 5-yr average). Yields and quality were mostly reported to be good, including better than expected results as harvesting moved into northern Kansas. Lower export prices in the EU reflected US market declines and the advancing domestic harvest, but activity was limited by slow farmer selling and sluggish export demand. Prices in the Black Sea region continued to ease lower as the large harvest progressed. Planting in Argentina reached the half-way point, still well-behind last year (69%) as rains only partly relieved dryness. Further scattered rains in Australia were favourable, but more is needed. Jordan bought 50,000 t Russia/Ukraine milling wheat at \$379 c&f (Sept) and S Korea secured 110,000 t for feed, at \$360 c&f (Dec/Jan). Turkey purchased 45,000 t durum, at up to \$609 c&f (Sept/Oct), and Tunisia (today) seeks 67,000 t of that grain, as well as 67,000 t milling wheat. Today, Egypt's GASC bought 290,000 t optional origin milling wheat, at around \$335 landed cost.



MAIZE (CORN)

Export prices (fob, US\$ per ton)		8 Jul	1 Jul	year ago
US 3YC (Gulf)	Aug	292	304	156
Argentina (Up River)	Jul	268	257	147
Brazil (Paranagua)	Jul	292	295	-
IGC Maize Price Index a)		4,117	4,177	2,043

a) As calculated by IGC Secretariat for previous Friday. For index composition, see Grain Market Report.

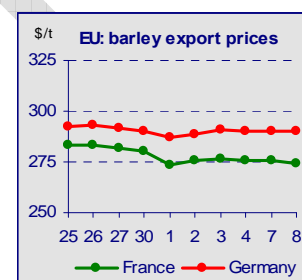


In a holiday-shortened week, US CME maize futures were weaker, the nearby Jul position at close to a 1-month low of \$6.93/bu yesterday, mainly influenced by weather and developments in external markets. Futures initially rallied on forecasts for hot and dry weather, strength in non-grain markets and the unwinding of corn/soya spreads, before gains were eroded slightly by profit taking ahead of the long weekend. Most contracts posted limit-losses (-30c/bu) on Monday, with further sharp declines yesterday, tied to weakness in external markets, including a retreat in crude oil values, a firmer dollar and outlooks for improved crop weather in the US Midwest. USDA's Crop Progress report (w/e 6 July) showed a marginal improvement in conditions, the crop rated 62% good/excellent, but this was still 8 points lower compared with 2007. Gulf export premiums were weighed by slow export demand and, with US futures falling sharply, export quotations declined by around \$12, to a near-4 week low of \$292 fob. In Argentina, where harvesting moved to 94% complete (in line with last year), Up River export quotations declined by \$5, to \$268 fob, weighed by US market losses. Despite lingering crop concerns following further reports of frost damage in Parana state, export prices in Brazil edged slightly lower, to \$292 fob Paranagua. In trade news, Chinese Taipei bought 29,000 t US maize, including 14,000 t at \$413.10 c&f and 15,000 t at \$3.5783/bu + CME, Sep, Aug/Sep. Iran sought (8 July) 100,000 t for Aug/Sep shipment, while private buyers in Israel are in the market today for 24,000 t.

BARLEY

Export prices (fob, US\$ per ton)		8 Jul	1 Jul	year ago
EU (France) Feed	Jul	274	274	256
Australia (Adelaide) Feed	Jul	327	339	221
Black Sea Feed	Jul	260	275	-
EU (France) Spring Malting (Rouen)	Jul	406	-	-
Australia (Adelaide) Malting	Jul	365	370	230
Canada (St. Lawrence) Malting	Jul	396	395 a)	261

a) 30 June quotation.

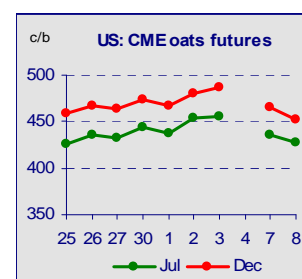


EU feed barley values were mostly unchanged on last week but those in Australia and the Black Sea region declined. Harvest pressure weighed but losses were limited by solid export demand. Jordan bought 100,000 t barley from Ukraine, at \$344.90 c&f, Aug/Sep. Turkey secured 65,000 t, at \$306-\$317.89 c&f, Jul/Oct. Yesterday, Iran was in the market for 165,000 t feed barley, Aug/Sep. Bulgaria was reported to have signed export deals for around 125,000 t barley, mostly to Saudi Arabia. In Canada, the official barley production forecast was lowered by 0.3m t, to 9.9m (-9.9% year-on-year). French spring malting barley was quoted at \$406 fob (Rouen). Malting barley values in Canada were mostly unchanged, at \$396 fob (St Lawrence), while prices in Australia declined by \$5, to \$365 fob (Adelaide).

OTHER GRAINS

Export prices (fob, US\$ per ton)		8 Jul	1 Jul	year ago
RYE				
EU (Germany) Feed a)	Jul	-	-	-
SORGHUM				
US (Gulf)	Jul	269	292	166
Argentina (Up River)	Jul	229	257	133

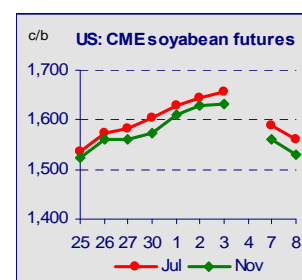
a) Intervention export tender (min. price).



Initial strong gains in US oats futures were reversed by spillover from declines in maize, the nearby Jul contract dropping by 11c/bu, to 427c/bu yesterday. The start of harvesting and improved crop condition ratings added to the negative sentiment. In Canada, 2008 oats production was forecast slightly lower than before, at 3.5m t (-25.5% year-on-year). Sorghum prices were pressured by declines in maize and a further drop in export premiums following the start of the harvest in southern Texas. Export values at the US Gulf fell by \$23, to \$269 fob. New crop rye prices in Russia were quoted at RUB5,500 (\$234).

OILSEEDS

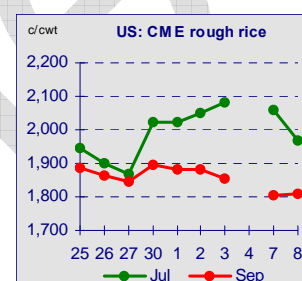
Export prices (fob, US\$ per ton)		8 Jul	1 Jul	year ago
SOYABEANS				
2Y, US (Gulf)	Aug	596	622	327
Argentina (Up River)	Jul	567	593	297
Brazil (Paranagua)	Aug	578	597	305



US **soybean** futures ended the week 4% lower, the Aug contract at 1,549c/bu (\$569/t). Bullish supply fundamentals, including Midwest weather worries, and spillover from higher crude oil and gold prices initially propelled prices to fresh highs ahead of the holiday weekend. But Monday's limit-down losses in corn and forecasts for mostly favourable conditions resulted in heavy fund selling. Canadian **canola** futures took strength from the initial rally in soyabeans, values reaching 4-month highs on Friday, but later succumbed to a broad-based commodity sell-off. The benchmark Nov position declined by C\$13.20, to C\$679.90. In the EU, French **rapeseed** futures also fell, pressured by declines in soyabeans and crude oil. Malaysian **palm oil** futures fell to 2-month lows amid growing stocks, thin demand and heavy losses in the US soyabean complex. Ideas that depressed prices would rekindle demand from the biofuel industry provided some support.

RICE a)

Export prices (fob, US\$ per ton) b)		8 Jul	1 Jul	year ago
Thailand 100% Grade B	Jul	791	780	337
Vietnam 5% Broken	Jul	763	800	305
Vietnam 25% Broken	Jul	735	775	288
India 25% Broken	Jul	-	-	273
Pakistan 25% Broken	Jul	-	-	288

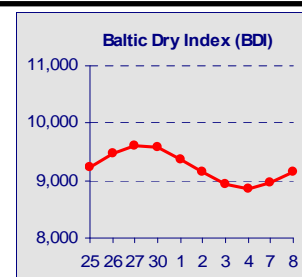


a) Provided, in part, by Jackson Son & Co (London) Ltd, other trader quotations and industry sources. b) Nominal.

Asian rice market price trends were mixed. In Thailand, values were slightly firmer, benchmark 100% B quoted at \$791 fob, as pressure from continued slow export demand was offset by the government's ongoing paddy intervention scheme. In Vietnam, where the minimum export price for 5% broken was lowered to \$720 fob, open market offers declined by \$37, to \$763 fob, weighed by ample availabilities and reduced buying interest. Following recent unsuccessful private-sector tenders, the Philippines agreed to buy 0.1m t of long-grain rice from Japan (non-Japanese origin). Although no details on age or quality were available, prices were at a discount to current market values: some 40,000 t US-origin rice was offered at \$894 fob and 60,000 t Thai supplies at \$590 fob. US CME rough-rice futures ended lower in a holiday-shortened week. Contracts were initially weighed by profit taking and slow international demand, including disappointing weekly export sales. In the w/e 26 June, 2007/08 (August/July) commitments increased by just 27,000 t, to 4.1m t and, while being up 20% on last year, this represented a slowing compared with earlier. Further losses were recorded on Monday, most contracts closing limit-down (-50c/bu), on weakness in grain and non-grain markets.

OCEAN FREIGHT RATES

US\$ per ton (heavy grains)	8 Jul	1 Jul	year ago
US Gulf to EU (B) ⁽¹⁾	83.00	83.00	38.00
US Gulf to Japan (B) ^{(1) (2)}	120.00	120.00	62.00
US Gulf to Korea, Rep (B) ⁽¹⁾	122.00	122.00	63.00
Brazil to EU (A) ⁽³⁾	104.00	104.00	65.25



1) Over 50,000 tons. (2) Heavy grain. (3) 10-15,000 tons.

After several days of easing, Atlantic Panamax rates firmed as tonnage tightened, particularly for the large modern types. Congestion in Brazil's iron ore ports resulted in long delays and a shortage of prompt tonnage. Grain cargoes from South America to FE Asia were quoted at low \$80,000s daily. Transatlantic round voyages were at about \$80,000 daily. Rates from the Black Sea to NE Asia were quoted at around \$70,000 daily. Pacific rates were pressured by limited cargo availability. In the Capesize sector, tonnage in the Atlantic remained tight, lifting voyage rates, with the major iron ore rate from Brazil to China slightly higher, at \$88.35/t (\$87.85). The Baltic Exchange's average of four timecharter rates, however, decreased by 2.2%, to \$153,936 (\$157,323) daily. Atlantic Handysize rates from South America remained weak amid excess tonnage and uncertain shipping prospects. A trip from Brazil to Bangladesh was fixed at slightly easier \$62,000 daily, but the rate to the EU was unchanged at \$104.00/t. An HSS cargo from Argentina Up River to Egypt was booked at \$90.00/t. The Baltic Dry Index (BDI) decreased by 232 points (2.5%), closing at 9,147.