Arable & Potatoes Dashboard

Key Market Indicators

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

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

  Price Facts & Figures | Market Information

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

  Market Report | Prospects | Potato Weekly | Grain Market Daily | Euro Potato | Potato Market Dynamics

- Or follow us on twitter:

  @AHDB_Cereals @AHDB_Potatoes

- 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 in of the following sectors via these links:

  Pig & Poultry | Dairy | Beef & Sheep

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- **Next issue** of this report will be available:
  6 January 2016

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Trends in UK Prices

£/tonne	Current Price*	% change 3 months	% change 6 months	% change 12 months
Feed wheat (del. East Anglia)	111.50	-1.33%	-5.51%	-5.11%
Rapeseed (del. Erith)	258.50	-6.85%	-1.34%	+1.77%
Potatoes (WAPS Free Buy)	177.32	+64.60%	+125.77%	+74.75%

(Source: AHDB) **w/e 28/08/15*

Trends in International Prices

£/tonne	Current Price*	% change 3 months	% change 6 months	% change 12 months
Paris Wheat futures	119.15	-5.84%	-12.69%	-14.02%
US Wheat futures (Chicago)	113.86	-0.87%	-7.51%	-6.60%
US Maize futures	92.92	+2.45%	-5.20%	9.02%
US Soyabean futures	213.22	-5.20%	-13.05%	-11.67%

(Source: AHDB) **Nearby prices w/e 28/08/15*

UK Trade Data for Crop Year to Date*

000 tonnes	Imports		Exports	
	2014/15	2013/14	2014/15	2013/14
Fresh and seed potatoes	243	346	286	307
Processed potatoes**	705	720	78	80
Wheat	1,654	2,210	1,924	431
Barley	126	100	1,495	1,158
Rapeseed	72	201	316	280

(Source: UK HMRC) **Jun–May for Potatoes, Jul-Jun for cereals*
***Processed potatoes reported at product weight*

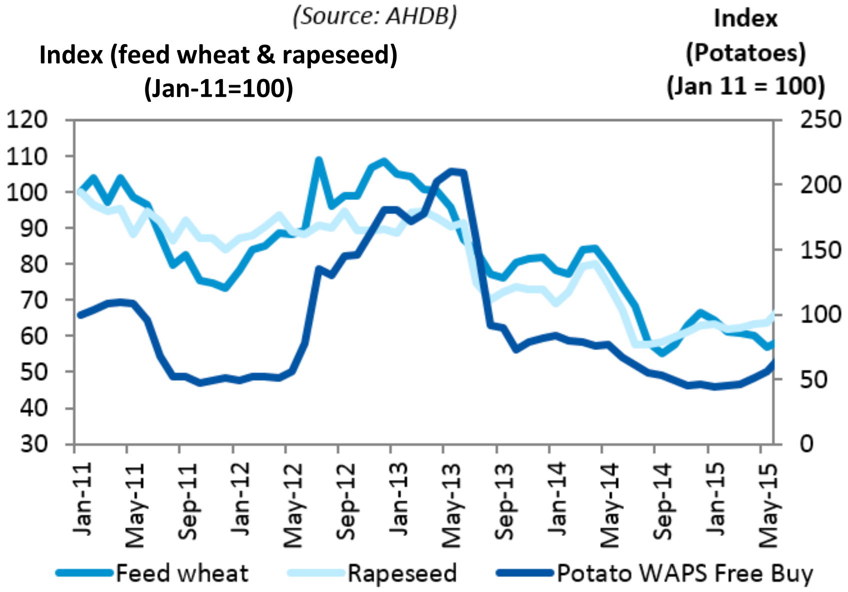
Farm Productivity - Crop Yields

Tonnes/hectare	2014	2013	% change	2008-2012 average
Potatoes (Ave. GB net yield)	47.4	45.8	+3.5%	45.0
Wheat	8.6	7.4	+16.3%	7.7
Barley	6.4	5.9	+9.4%	5.7
Rapeseed	3.7	3.0	+22.5%	3.5

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

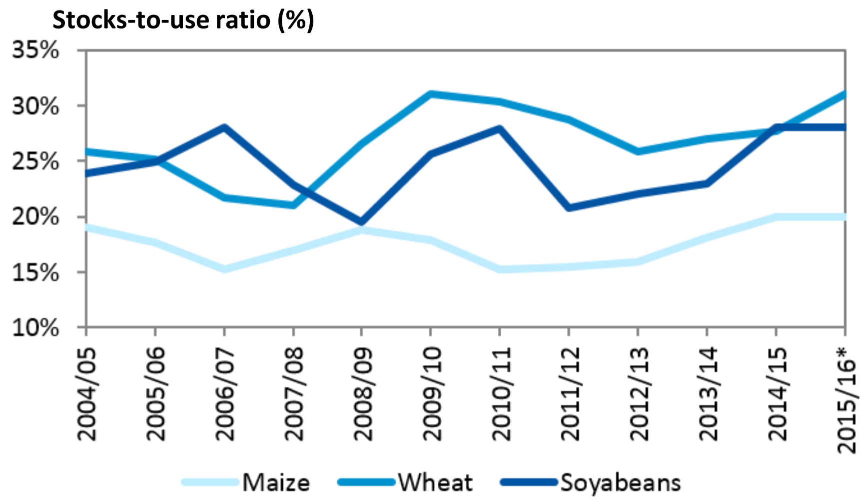
Price Trends

(Source: AHDB)



Global Stock Levels Relative to Demand

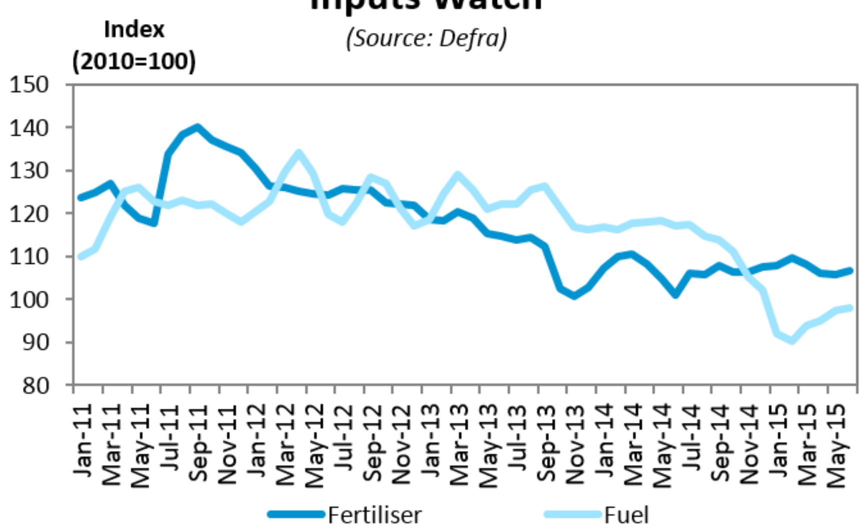
(Source: USDA)



*2015/16 is an estimate

Inputs Watch

(Source: Defra)



Demand Trends

- Consumer expenditure on fresh potatoes was down 13% as average retail prices fell by an equal amount in 12 weeks to 16 August according to Kantar Worldpanel data. Volume sales of fresh potatoes are static year on year. Pre-packed maincrop potatoes (which make up 52% of fresh volume) made strong gains in the 12 week period. Shoppers buying these packs more frequently resulted in a 10% increase in volume sales. Overall the levels of promotional activity in fresh potatoes have lessened in the 12 week period with 30% of volumes being sold on promotion, down from 41% a year ago.
- UK exports of wheat continued to disappoint in 2014/15 (Jul 2014 – June 2015), totalling 1.9 million tonnes. This equates to just 12% of production, the lowest proportion for a net-exporting season in records back to 1992/93. This contributed to a large increase in stocks between the end of June 2014 and June 2015. Defra estimates that 71% more wheat was held on farms in England and Wales and at Ports, Merchants and Co-ops in the UK, at the end of June 2015 compared to a year earlier.

Sector Composition

	2015 (Est)	2014	% Change
Total GB planted cereal and oilseed areas (MHa) *(Source: AHDB)*	3.72	3.79	-2%

Industry Outlook

- Harvest has been progressing slower than in recent years, with all crops behind the five year average. However, yields have been promising. According to ADAS, UK wheat yield estimate remains at 8.5-8.7 t/ha – 10-12% higher than the ten year average of 7.8 t/ha, with numerous reports of crops yielding over 10 t/ha, and a record yield of 16.5 t/ha recorded in Lincolnshire.
- In the latest USDA report, global wheat supplies for 2015/16 have been revised upwards, primarily on increased production in the EU to 731.61million tonnes and the 3rd consecutive global record.
- Global use of wheat is expected to be nearly 9 million tonnes higher than last season, due in part to higher usage for animal feed. Nonetheless, supplies are still forecast to grow much faster than use and consequently, global stocks are expected to swell by more than 15 million tonnes over this season to a new record of 226.6 million tonnes.

Horizon Scan

- The European Commission has proposed a partial solution to address problems faced by farmers and co-operatives operating forward trades under prospective new EU rules (MiFID). The updated proposal is going through the legislative process with a decision expected later this year. The detail as to how exactly trades will be required to be registered still remains outstanding.
- The biofuel market continues to be put under pressure with one of two UK plants currently closed to this year's harvest. As a result we can expect to see feed wheat entering an already over supplied market that would in previous years have gone for biofuel production.