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Market News

CME Group announces the launch of Australian Wheat FOB (Platts) futures contract
28 June – Exchange News Direct

CME Group , the world's leading and most diverse derivatives marketplace, today announced the launch of the Australian Wheat FOB (Platts) futures contract, to begin trading on July 24, 2017, pending all relevant regulatory review periods.
The Australian Wheat FOB (Platts) futures contract will be available for trading on CME Globex, for submission for clearing through CME ClearPort, and will be listed with and subject to the rules and regulations of CBOT. The financially-settled contract will reference the Platts daily assessment of the Australian Premium White wheat spot prices. The contract will be U.S. dollar denominated and will be 50 metric tons per contract.
"A significant amount of Australian wheat is sold overseas to markets in the Middle East and Asia, and with this new contract, international traders can now take exposure to export prices of Australian wheat without having to take physical delivery," said Nelson Low, Executive Director, Agricultural Products, CME Group. "The addition of this new Australian wheat futures contract to our already robust suite of global wheat benchmarks increases our capacity to provide a convenient one stop venue for all wheat risk management needs, and the platform for market participants to create spreading opportunities with other CBOT wheat contracts."
"Since starting its coverage of the Asia-Pacific wheat markets a little over 18 months ago, S&P Global Platts has established itself as a trusted independent source for detailed, concise and timely price information," said Ian Dudden, Global Content Director, Agriculture at S&P Global Platts. "We believe the marketplace benefits from price formation and risk management tools that reflect regional fundamentals and welcome this recognition by CME Group of the role our price assessments can play in bringing greater transparency and efficiency to global grains markets."
This new Australian Wheat FOB (Platts) futures contract complements CME Group's existing suite of global wheat benchmarks, including Euro-denominated EU Wheat, Soft Red Winter Wheat, Hard Red Winter Wheat and Black Sea Wheat futures and options contract.

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Dusty fields signal a peak for the global wheat glut
25 June - Bloomberg

It’s finally starting to look like the world wheat glut has peaked.
Dry, hot weather from the U.S. to Europe is taking its toll on crops, and the U.S. government is forecasting global output will fall for the first time in five seasons. The adverse conditions have pushed benchmark futures in Chicago to their best start to a year in a decade, a stark reversal from the previous four years when burdensome supplies dragged down prices.
“We’re definitely at an inflection point,” Matt Connelly, grains analyst at The Hightower Report in Chicago, said in a telephone interview. “I’m thinking these world production numbers are going to creep lower and kind of wake up the world.”
It isn’t just the weather. Years of low prices encouraged farmers to plant less. While yields are up, quality has declined and the grain contains less protein. And a changing climate means more heat and dry spells everywhere. Globally, this spring was the second-warmest

on record, trailing only 2016, according to the National Centers for Environmental Information in Asheville, North Carolina.
The weather woes have already spooked bearish hedge funds, who cut back holdings for a third straight week. As of June 20, money managers held a net-short position, or the difference between bets on a price decline and wagers on a rise, of 20,971 futures and options, according to U.S. Commodity Futures Trading Commission data released three days later. That's the least bearish since November 2015.
On the Chicago Board of Trade, benchmark wheat futures have jumped 15 percent in 2017 to $4.7075 a bushel. Prices are trading near a one-year high.
Here's how crops are faring in major producing regions:
Farmers are in the midst of harvesting winter wheat across the U.S. Midwest and Great Plains. Production will be lower than last year after growers planted the fewest acres in a century, and initial testing data suggests that the hard red winter crop, the largest variety grown, will have lower-than-average levels of protein for a second straight year.
That's boosting demand for the high-protein spring variety, grown in northern states that have been plagued by drought. Conditions for the crop are the worst for this time of year since 1988.
The dryness in the north is coming after other parts of the Plains had an usually wet spring and late snow that hampered winter grain. In Canada, some areas have been too wet, while others too dry, and many spring-wheat crops are developing at a slower pace than normal.
Plants on Edward Kessel's farm in southwestern North Dakota, near Belfield, are only about a foot tall (0.3 meter) after a dry spring. Yields may shrink to 20 bushels per acre, compared with 40 to 50 bushels in a normal year, he said.
"The crop's not lost, but it's in serious, serious trouble," Kessel said. "Even if it rained right now, I think we'd still have some losses."
A heat wave gripping western Europe is threatening production, as rising temperatures curb the potential of crops entering the critical grain-filling stage. Paris futures tracking milling-wheat touched an 18-month high last week. Output is still expected to rebound from last year's disastrous crop, which was harmed by flooding. Still, analysts are rapidly trimming their expectations for the harvest.
"The market is still not pricing in this hot-weather risk," said Didier Nedelec, director general of French farm adviser Offre & Demande Agricole Groupe. The group has cut its outlook for French wheat production to 35 million metric tons from 36.4 million, with further reductions possible.
Production is expected to total 24.2 million tons this season, down 31 percent from last year's record harvest of 35.1 million, according to the latest government forecast. While eastern states have seen favorable soil moisture, below-average rains in the west triggered unfavorable planting conditions. Ongoing dryness may reduce wheat acreage, according to Commodity Weather Group.
While the USDA forecasts that record Chinese production will help stockpiles surge 16 percent to 128 million tons, the hoard will likely do little to ease global supply tightness because the nation exports very little. The country's reserves will account for almost half of the global total, underscoring the shrinking cushion. Removing China's inventory from the world balance sheet shows ebbing stockpiles and a clearer view of the global supply and demand picture, said Tanner Ehmke, a senior economist at CoBank in Greenwood Village, Colorado.

While most countries grapple with dryness, in Argentina farmers are suffering from too much rain. After consecutive years of heavy rains, about 100,000 hectares (247,000 acres) of waterlogged fields in the country's main crop belt may not be planted. Still, favorable conditions in southern Buenos Aires province, known as Argentina's bread basket, and in the north could help compensate for lost acreage. At the same time, the scrapping of an export tax means many farmers were eager to boost plantings.
One bright spot for production is in Russia, which is expected to leapfrog the U.S. to reclaim its position as the world's No. 1 wheat exporter in the 2017-18 season. Consultant IKAR boosted its forecast for production recently, citing plentiful rains in parts of the country.

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Egypt court ruling revives row over ergot fungus in wheat imports
22 June – Reuters

A court that ordered the suspension of Egypt's food inspection system based its ruling in part on the quarantine service's right to ban grain imports with any trace of the ergot fungus, raising the possibility the contested rule could be restored.
The government's new food inspection system simplified trade after a nearly year-long row over the quarantine service's zero-tolerance approach to ergot. Traders had said they could not guarantee zero trace and boycotted tenders, effectively shutting off the world's biggest wheat importer from the grain trade.
The new inspection regime, launched this year, applied a more common global standard, allowing 0.05 percent of ergot in shipments and helping regular state grain tenders to proceed.
But an Egyptian court this month ordered that the new system be suspended, although the government said it would appeal that decision and keep its inspection system in place as it did so.
The court's written verdict, seen by Reuters on Thursday, said the new system "resulted in a breach of the (import) requirements stipulated by the Agriculture Ministry's quarantine service, which banned the entry of wheat shipments containing pests that are prohibited from entering the country, including the fungus ergot."
This opens the possibility that the quarantine service could restore its zero-tolerance rule. However, for now, the government has not empowered the quarantine service to do so.
After last year's trade row, Egypt moved the inspection process away from the quarantine service to the Trade Ministry's General Organization for Export and Import Control (GOEIC).
The Agriculture Ministry said last week it would not return inspection authority to its quarantine service.
A group of quarantine inspectors had challenged the new system in court, arguing it illegally handed inspections to a body ill-equipped to oversee the process, allowing imports to enter with hazardous contaminants harmful to animals and plants.
Lawyers who raised the case said the government was obliged to suspend its new inspection system during an appeal, a process that could take months.
Egypt's state grain buyer GASC has continued its purchases on Thursday, orderinng 175,000 tonnes of Romanian and Ukrainian wheat at international tender.
The purchase reflects the government's insistence that it would not re-impose the outright ban on ergot, despite the court ruling.

Egypt said it expected wheat imports to reach about 6.2 million tonnes in the financial year starting July in a bid to boost strategic reserves for its subsidised bread programme. Egypt typically imports about 5.5 million tonnes a year.
Earlier this week, Egypt said it bought 3.4 million tonnes of local wheat from farmers, just short of the government target of about 3.5 million-4 million tonnes.

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China nearly doubles 2017 subsidy for farmers to rotate crops
21 June – The Economic Times

China will spend almost twice as much this year on subsidies to encourage farmers in the northeast to reduce corn plantings as it intensifies its push to rebalance grain stocks. The country will issue 2.56 billion yuan ($374.95 million) in funds to pay farmers subsidies to rotate their corn plantings with other crops every other year as well as to leave some land fallow, the Ministry of Finance said on Tuesday. The funds are 78 percent higher than last year, and the acreage targeted by the subsidies is double last year's area at around 800,000 hectares. China started giving out the subsidies last year under an overhaul of its grains policy under which it had paid farmers artificially high prices for their corn. That policy left it with a stockpile of 250 million tonnes of corn, more than one year's worth of consumption. The money will go mainly to farmers in the northeast where soybeans had been planted in the past and to areas unsuited to corn production. The area covered under the subsidies includes 667,000 hectares where growers must rotate between corn and other crops like soybeans and 133,000 hectares that must lie fallow. The area targeted for the rotation subsidy represents 1.9 percent of the 35.4 million hectares planted with corn this year. Farmers also get 'producer' subsidies for major crops, and some provinces plan to offer higher subsidies for soybeans than corn this year.

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US maize ethanol producers to tap into overseas demand
18 June – Financial Times

The US maize ethanol industry is increasing production capacity even as domestic fuel sales and government support reach a plateau.
Two new refineries, the first in years, are proposed in Iowa and South Dakota. They are part of a nationwide expansion that would add 500m gallons per year of capacity by 2018, according to the Renewable Fuels Association.
The US biofuels industry is the world’s largest, producing 44 per cent of global supply. It was unleashed by a law requiring a sharp rise in domestic ethanol sales.
But the federal maize ethanol mandate — which dictates minimum amounts of ethanol used in US fuel supplies — has levelled off at 15bn gallons per year, a volume the Trump administration is expected to maintain in a pending proposal for 2018. Stagnant gasoline demand is also capping sales, as most petrol sold in the US contains no more than 10 per cent ethanol.
However, these constraints have not stopped ethanol companies from building in the maize belt. With grain prices low and foreign demand robust, plants are still making a profit.
Ringneck Energy is raising equity to build a $150m, 80m-gallon ethanol plant in Onida, South Dakota. “There’s a whole new opportunity out here for an ethanol plant, as long as you can be a low-cost producer,” said Walt Wendland, Ringneck chief executive.

In Atlantic, Iowa, the Elite Octane company has broken ground on a $190m, 150m-gallon ethanol plant. “We’re not making this investment based on existence of the [mandate],” said Nick Bowdish, chief executive. “We’re making this investment because the economics of maize ethanol are very attractive to us.”
More than half a dozen other companies are raising output capacity at operating ethanol refineries, including Poet, the leading producer, which plans to double capacity in Marion, Ohio.
John Campbell of Ocean Park Advisors, an investment bank, said the expansion reflected a drive to be the lowest-cost commodity producer.
If the market weakened, as it did after a severe drought limited maize supplies in 2012, some older, higher-cost plants could be forced out while leaner operators would survive.
“They want to have a chair when the music stops,” Mr Campbell said.
The last new ethanol plant opened two years ago in North Dakota, bringing the total to more than 200, said Geoff Cooper, an RFA executive. Capacity had grown within the existing fleet as operators stripped out bottlenecks and deployed enzymes that more efficiently digest maize starch, he said.
Total US ethanol plant capacity now stands at 16.1bn gallons per year, while RFA forecasts that the industry will pump out between 15.7bn and 15.8bn in 2017, well above the mandated level.
The gap between domestic production and consumption has been filled by exports to countries such as Brazil and Canada.
“The opportunity in the short term is in the export market,” Mr Cooper said.
The biofuels industry is pushing to increase ethanol blending rates to 15 per cent from 10 per cent, but it has encountered a roadblock with rules on ozone pollution that limit blending levels during hot summer months.
The Trump administration supports the ethanol standard, even as it has considered shifting the responsibility to blend ethanol downstream from oil refiners to fuel blenders.
Mr Wendland said: “I would argue that Trump is a champion of energy independence — that means all of the above. So if you can produce energy at a competitive price you’re going to do pretty well under this administration.”

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World barley prices ‘to soften’ – but oats could ‘rally’ yet

16 June - Agrimoney

Barley prices appear poised to lose some of their vim, but for oats, there is potential yet for a further "rally" before harvest pressure on values begins to tell, Canada's farm ministry said.
Global barley prices "continue to hold their premium" to maize, a major rival among feed grains, "since moving higher at the beginning of March", the ministry, AAFC, said.
In Canada itself, feed barley had touched Can$185 a tonne at one point, up $25 a tonne since the end of April and trading on a par with feed wheat, said the ministry, attributing the strength in values in part to strength in livestock prices, which can exert a pull on values of feed ingredients.
Furthermore, there was a "slowdown in producer deliveries as spring seeding ramped up", with the majority of Canadian crops spring planted.

And a hangover from a wet harvest period last year had an impact too, with AAFC noting "lots of vomitoxin wheats" – that is, wheat contaminated with toxic fungal residues, encouraged by damp late-season conditions, and which can require blending with clean grain to make it suitable even for livestock feed.
The wet nature of the 2016 harvest period was reflected in an estimated 2.3m acres of last year's crop left standing as of the end of year, for harvest in spring this year, or ploughing in.
However, AAFC coarse grains analyst John Pauch raised questions of whether the strength in barley values could last, saying that global prices "should soften as the northern hemisphere winter barley crops harvest is just around the maizeer, and the new crop supply becomes available".
Barley, with a relatively short growing period, is typically one of the earliest grains reaped in summer harvests.
That said, AAFC, forecasting 2017-18 barley prices averaging Can$160-190 a tonne in Canada, compared with the Can$160-170 a tonne expected for this season, forecast that domestic barley prices would "increase slightly" next season.
Values would be supported by "tighter total barley supplies", with a market consensus of a smaller world harvest in 2017-18, and "decline in the stocks of competing off-grade and other feed grains".
By contrast, AAFC forecast that a rise in oat prices - which on Chicago's futures exchange stand close to two-year highs, boosted by the same dryness worries which have sent spring wheat values soaring – may have legs yet.
"Long-term seasonality would suggest the start of a price rally as end-users lock-up US new crop supplies," AAFC said.
The US is a structural importer of oats, mainly from Canada.
"Prices would then fall back when the oat harvest in Western Canada begins during the last half of July."
AAFC nudged higher to Can$200-210 a tonne, from Can$190-210 a tonne its estimate for domestic oat prices this season, and to Can$200-230 a tonne, from Can$190-220 a tonne, its forecast for 2017-18.

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New Cuba policy may cut into wheat, maize exports
16 June – World-grain

A new Cuba trade policy announced June 16 by U.S. President Donald Trump will make it more difficult for U.S. growers to sell maize, wheat and other grains to the island country, but executives of the U.S. Grains Council, the U.S. Wheat Associates and the National Association of Wheat Growers are hopeful the market eventually will become more open.
The new policy includes measures designed to restrict the flow of money to elements of the Cuban regime — the military, intelligence and security services. The policy is designed to prohibit direct financial transactions with businesses owned by those elements. President Trump's policy comes after President Barack Obama reached out to Cuba to restore diplomatic ties.
"This is a political process, and that means there are going to be steps forward and back," said Alan Tracy, president of USW. "Our organizations support measures that move toward ending the embargo. Cuba is a significant wheat-importing nation, and our farmers can supply high-quality wheat at a lower cost than Cuba pays now to import European and Canadian wheat. Wheat is an important food grain that should be above politics, but the

embargo will likely have to end before wheat farmers can help meet the increasing demand for agricultural products to help feed the Cuban people."
David Schemm, a wheat farmer from Sharon Springs, Kansas, U.S., and president of the NAWG, added, "NAWG supports the effort to end the embargo on Cuba because it is what is best for our farmers, and farmers like me know that agricultural trade is a proven way to foster stronger and more productive ties with folks who live outside the United States."
Cuba purchased more than 250,000 tonnes (9.8 million bushels) of maize from the United States, about 30% of Cuba's total demand, in the first eight months of the marketing year, said Tom Sleight, president of the USGC.
"The USGC has worked in Cuba for nearly two decades to help capture grain demand and develop its livestock industry within the confines of U.S. policy," Sleight said. "While the announcement today will make our efforts in Cuba more difficult — and almost certainly cost U.S. maize farmers sales in the short term — we have every intention of continuing our work there to build long-term, mutually beneficial trade."
Cuba historically has been a 900,000-tonne (35.4 million-bushel) maize market, he said. Based on recent export sales, Cuba would be the 11th largest customer for the United States if U.S. maize growers could capture that demand. Free flow of grain to Cuba also could help U.S. growers capture sales to the Dominican Republic and Puerto Rico.
"In the past two years, our work in Cuba and with Cuban grain buyers has shown us that the only hindrance to progress there is U.S. policy," Sleight said. "While we are concerned about the announcement today, we are steadfast in our support of the market and our Cuban customers."
Wesley Spurlock, president of the National Maize Growers Association (NCGA), said he is concerned about the competition getting an upper hand with the new trade policy.
"Cuba should be an easy market for U.S. maize farmers," Spurlock said. "Instead, that market has gone to our competitors — costing us an estimated $125 million in lost opportunity each year. If trade with Cuba were normalized, it would represent our 11th largest market for maize. Instead, we have just 11% market share in a country only 90 miles from our border. At a time when the farm economy is struggling, we ask our leaders in Washington not to close doors on market opportunities for American agriculture."

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Nigeria: wheat imports soar 54 percent to USD 201 million in Q1 2017
16 June – Ecofin Agency

Nigeria's annual wheat imports rose by 54% to$201 million in the first quarter of this year against the$130.9 million the same period last year, data from the National Bureau of Statistics (NBS) shows. This result, among others, is due to the lack of High Quality Cassava Flour (HQCF), a composite which is mixed with wheat by flour millers for flour production.
Explaining the unavailability of HQCF on the market, Nike Tinier, President of the Industrial Cassava Stakeholders Association of Nigeria, said the price at which millers currently buy HQCF is no longer sustainable as prices of raw cassava tubers have soared significantly. "We no longer sell to the flour millers because they want to buy a ton of HQCF for N80, 000 ($248) as against the N160, 000 ($497) which is profitable for us. We need to continue to be in business," Tinier said. Moreover, there is a shortage of cassava tubers, from which HQCF is derived, on the market.
The Food and Agriculture Organization (FAO) in its recent bi-annual report forecasts revealed that Nigeria's 2017 wheat imports will increase by 100,000 tons to 4.6 million tons,

despite restrictions on foreign exchange and government's renewed commitment to reduce imports next year.
"The insurgency in the North-Eastern region is a major setback to our efforts in increasing wheat production. Before the Boko Haram conflicts, Borno alone contributed 30% to the country's total output but now the state has been contributing nothing," indicated Saleh Mohammed, President, Wheat Growers Association of Nigeria.
Nigeria is the fourth largest wheat importer in Africa, importing 4.5 million tons yearly, behind Egypt, Algeria and Morocco. The Africa's second largest economy currently produces 60,000 tons of wheat per annum.

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Russia 2017/18 wheat exports seen at record, Ukraine down 18 percent
16 June – Times of India

Large stocks should help Russian wheat exports climb to a record level in the 2017/18 marketing year despite a drop in production in the region which should lead to a decline in shipments from Ukraine, a Reuters poll showed.
Overall exports from Russia, Ukraine and Kazakhstan are forecast to fall 3.3 percent to 50.4 million tonnes in the upcoming season which starts on July 1, the poll of 16 analysts, officials and traders showed.
The bulk of the wheat is exported via the Black Sea to customers in North Africa and the Middle East.
The combined crop of Russia, Ukraine and Kazakhstan is expected to decline by 7.5 percent year-on-year to 105.8 million tonnes of wheat in 2017.
Russia is seen on track to set a new record for its wheat exports in 2017/18 despite the lower crop thanks to historically high stockpiles and competitive prices.
"Russia is $10 to $15 cheaper than European origins for delivery during summer. This is usual due to their need to export every year at the beginning of season," Michel Portier, French agricultural consultancy Agritel chief executive, said.
"This element will be even more important this year due to the huge beginning stock which we estimate at 11 million tonnes of wheat compared to 5.6 million tonnes last year," Portier added.
The poll gave a 2017/18 wheat export forecast for Russia of 28.8 million tonnes, up 4.7 percent year-on-year, with the crop expected to fall 6.2 percent to 68.0 million tonnes. In the current year, the U.S. Department of Agriculture (USDA) sees Russia's wheat exports at 27.5 million tonnes.
For Ukraine, the focus will be on its crop quality as exports are expected to decline but still large.
The poll suggests Ukraine's 2017/18 exports will fall to 14.6 million tonnes from the USDA's 17.8-million-tonne estimate for this year, while the 2017 crop is forecast at 24.5 million tonnes, down 8.6 percent year-on-year.
Kazakhstan, central Asia's largest grain producer, is expected to export 7.0 million tonnes of wheat, including flour, up 2.9 percent year-on-year, with a 11.3-percent fall in the crop to 13.3 million tonnes.
No big changes are expected for Kazakhstan it terms of trade but the country may raise sales to Iran, a German trader said.

Forecasts for Russia and Ukraine exclude about 750,000 tonnes of wheat which, according to an average estimate, the Crimean peninsula is expected to produce and about 500,000 tonnes of its estimated exports.
Crimea exports some grain but its supplies are complicated by legal risks due to the annexation by Moscow in 2014.
Among the risks for the poll are uncertainty over Russia's rouble rate against the dollar as the rouble is 15 percent stronger now than around the same date a year ago but is still far from its level in mid-2014 when it began falling.
"Due to the strong rouble farmers try to avoid selling. That's the main reason for the huge beginning stock," Portier said.
Traders also said logistical challenges and Russia's new domestic rules on strict value-added tax accounting brought additional risks and may affect domestic purchases, but no export restrictions are expected in the new season.
The geopolitical situation will also be a factor with the focus on Russia's relationship with Turkey over the Syria crisis and Kiev's relations with Moscow.
While supplies to Egypt, the world's largest wheat importer, remain uncertain for all traders due to the recent issue surrounding the ergot fungus, Russia may strengthen its position in sub-Saharan Africa, where it has managed to increase market share after weak French exports this year, said Gabriel Omnes, an analyst at consultancy Strategie Grains.

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Brazil maize crop may surpass 100 million tonnes for first time
5 June – Black sea grains

Brazilian farmers are expected to harvest more than 100 million tonnes of maize in the 2016/17 crop cycle because of favorable weather and higher productivity, according to two separate research notes on Monday.
With a strong presence in agribusiness lending, Banco Pine rose its forecast for this year's maize crop by almost 10 million tonnes to 102.2 million tonnes.
If confirmed, this would represent a 55 percent rise from the prior season, when a severe drought cut production.
"We realized over the past few years that rains until the second half of April are important for higher maize productivity," Lucas Brunetti, Banco Pine commodities analyst, wrote in a report. He said rains in May "are a seal of guarantee" for productivity in the Center-West, Brazil's agricultural heartland.
In general terms, Brazil's winter maize crop was bolstered by favorable weather in all producing regions, according to Céleres, a consultancy.
"After the smooth progress of the soybean harvest, the winter maize was planted in the ideal period," Céleres said in its own research note.
Céleres said farmers should harvest more than 100 million tonnes of maize this season.
Brazil's biggest maize crop had been in the 2014/15 season, when producers harvested 84.7 million tonnes of the cereal.

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Food Outlook - FAO

Food Outlook is a biannual publication (May/June and November/December) focusing on developments affecting global food and feed markets. The sub-title "Global Market Analysis" reflects this focus on developments in international markets, with comprehensive assessments and forecasts on a commodity by commodity basis.

Chokepoints and Vulnerabilities in global food trade – Chatham house

Policymakers must take action immediately to mitigate the risk of severe disruption at certain ports, maritime straits, and inland transport routes, which could have devastating knock-on effects for global food security.

Services trade policies and the global economy – OECD

This book synthesises recent work by the OECD analysing services trade policies and quantifying their impacts on imports and exports, the performance of manufacturing and services sectors, and how services trade restrictions influence the decisions and outcomes of firms engaged in international markets.

International trade by commodity statistics - OECD

This reliable source of yearly data covers a wide range of statistics on international trade of OECD countries and provides detailed data in value by commodity and by partner country.

Global economy prospect. A fragile recovery – World Bank

Global activity is firming broadly as expected. Manufacturing and trade are picking up, confidence is improving, and international financing conditions remain benign. Global growth is projected to strengthen in 2018-19, in line with January forecasts. In emerging market and developing economies (EMDEs), growth is predicted to recover in 2017-19, as obstacles to growth in commodity exporters diminish amid moderately rising commodity prices, and activity in commodity importers remains robust.

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