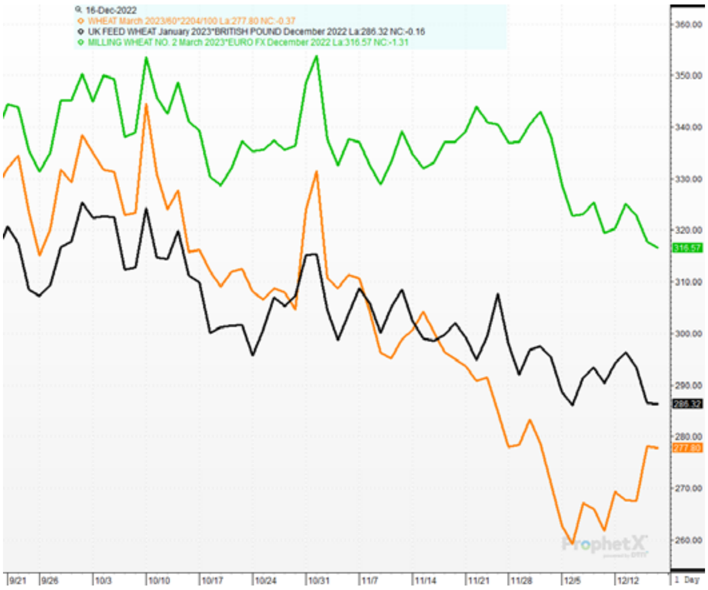
Markets have been reassuringly dull this week, whether it is the run up into year end with an equally uninspiring December USDA report we are unsure. Regardless, this will reflect in our weekly update which looks as if it is going to be (mercifully to many) short!



We suggested last week that wheat might be attempting to find a low point, we hesitate to suggest a bottom, but it appears that this remains the case. The spot Paris MATIF market has reached a ten-month low with the front month breaking below €300/mt. London's May '23 contract is mirroring its French counterpart with a sub £240/mt price. Argentine production is once again the subject of a downgrade by the Rosario Grain Exchange who updated their forecast to 11.5 million mt, a million below the USDA's latest figure. Buyers of Russian origin supplies are reaping the benefits of aggressive pricing but are running the risks associated with both logistics and finance/insurance, which may ultimately prove costly. This week has seen Russia launch missile attacks on key Ukraine export port Odessa, which seems to be in direct conflict with their stated objective of assuring safe passage for Ukrainian grain and oilseed supplies. Maybe we are once again to be accused of an overly cynical viewpoint.

Corn remains something of a hostage to Argentine weather although it will be new year before the markets truly react to the real impact of the rain/no rain discussion. Latest forecasts have better rain chances across northern Argentina, and La Niña's impact and waning significance will need to be watched closely for any changes in direction. Argentine planting has progressed but remains behind average. Doubtless progress will be made in the next week or two, focus will then turn to new year weather, both temperature and precipitation.

Soybeans continue to press against the $15/bu price resistance level, without successfully breaking through, yet! Meal is struggling slightly at the expense of higher oil prices. Continued expansion of renewable diesel fuel demand will likely be supportive of soybean oil prices going forward. Similarly, the reported relaxation in Chinese Covid-19 lockdown restrictions could point towards in proved demand, which could underpin prices to some degree. It will be worthwhile keeping an eye on the southern tier of Brazil which is in the process of drying out. This can become an issue in the next 6 weeks if we don't see a pattern change.

As far as year end's go it seems this one is going out like a lamb; does this herald the approaching new year as potentially coming in like a lion? Time, as always, will tell. We will be taking a seasonal break until our next update on 6 January and would like to thank all readers for their continued support. Wishing everyone a safe, happy and healthy festive season.