A cereal campaign marked by climatology

By José Manuel Álvarez, Secretary General of the Association of Trade in Cereals and Oilseeds in Spain (ACCOE)

Although the stocks of the 2016/2017 cereal season have reached record levels, by the end of 2017/18 a global decline is expected, so that in the medium term can generate tension in the markets, still maintaining current consumption projections.

In Spain, we are facing a campaign with one of the worst harvests in recent years, with areas such as Castilla y León severely damaged by the lack of water in spring and high temperatures, which has led to a sharp drop in yields and, a national production of between two and four million less than the average. *The same thing is happening with maize, which between heatstrokes and lack of availability of water for irrigation goes the same way as its spring buddies. The ports are going to have 'extra work' this year.*

> "Fortunately on a global level, despite the general decline in production, the picture is a bit more flattering because the huge accumulated stocks we mentioned at the outset, together with the harvests, guarantee us an availability only slightly lower than that of the past

campaign"

Throughout this new business cycle, we must not lose sight of other factors that can be decisive, such as political decision-making - that leaders like so much, especially in campaigns 'with tension' - that prevent the correct operation and markets fluid: export / import ban; increase in tariffs; war conflicts, etc ... and of course, the increase or decrease of consumption in Asia.

Therefore, campaign very similar to the last, *except in the chapter of national production*, and as always, with merchants and operators willing to perform well their work to keep the sector at its usual levels of excellence.

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