

# Sourcing News Letter

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## This issue at a glance

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## View from the bridge

After a very mixed weather pattern all over Europe we are now looking into the harvest season, with Spain and France already started and first results shows promising results quality wise. Currently Spain - unlike last couple of years - will be an exporter of barley this season and be a competitor to France, UK and Ukraine into the north African market. At the same time China / Australia continues to discuss the anti-dumping situation and with import taxes still active Chinese buyer already have and will most likely continue to buy sport cargoes of France winter and spring malting barley to secure supply.

So what kind of season are we looking into, well cannot avoid to have COVID -19 in

the scenario, with more and more openings of borders in EU, politicians hope to see economy picking up again, and do expect that some cross boarder vacations will take place. However not in the usual scale which of course is bad for those who lives of such trades. Within the beer industry lower consumption is already taken into the equation, now the weather will be the decisive factor for the trend of the beer consumption. What the whole supply chain must observe is that for crop 20 we have seen a large spring barley area in most of EU—that will be challenged if wheat prices are still high in the fall and if the premium to feed is considered too low for farmers to take the risk of growing malting barley for crop 2021. Finally but not

least the effect of COVID19 is still to be seen over the summer into fall of 2020 - guiding the industry on demand for 2021.

All in all yet another interesting season ahead of us with again multiple factors to guide the season.

Wishing all our readers and clients a good summer with lots of cold beer—cheers.

## Malting Barley Balance Crop 2020.

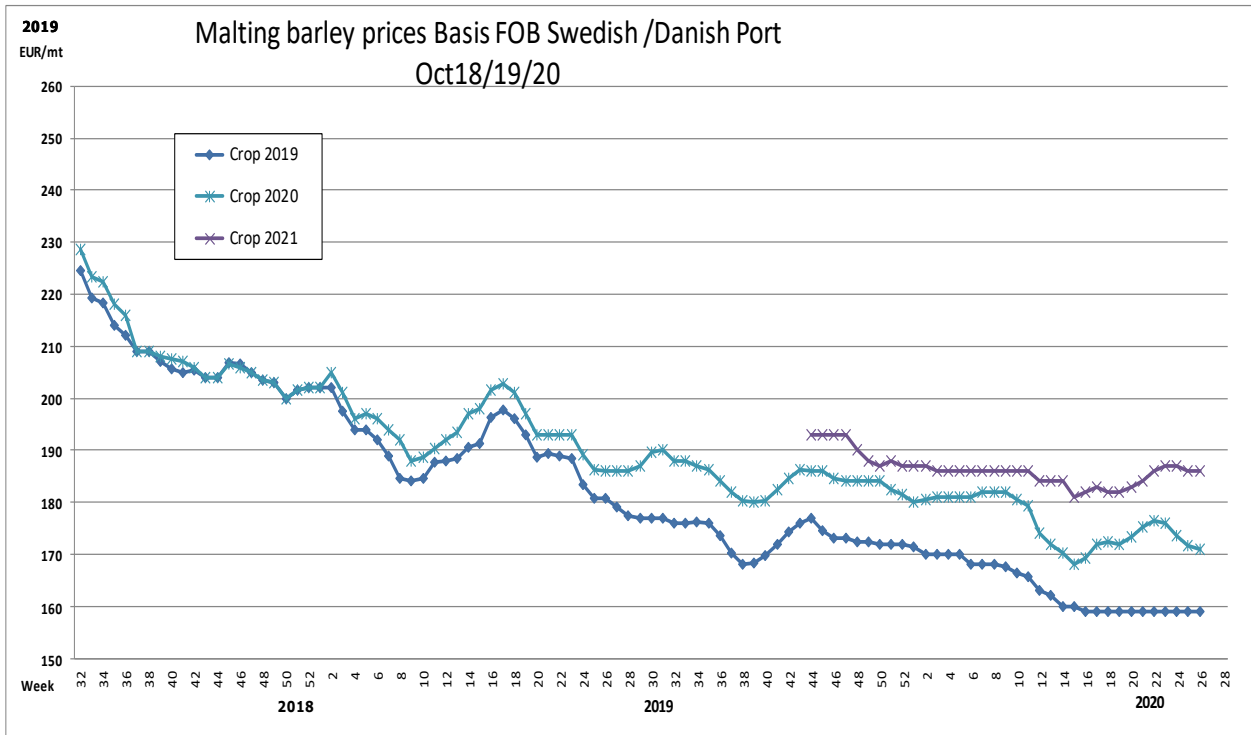


EU & UK Malting Barley Balance Crop 2020



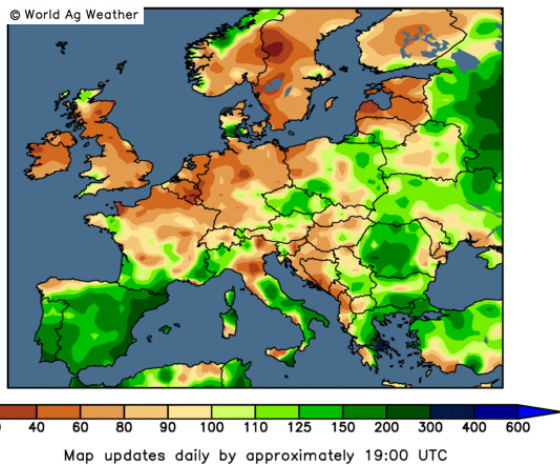
Below you see our estimated % split between both countries and varieties in our region, for Poland have in mind that the varieties is direct linked to supplies to VM Poland it is not a view for Poland in general. Observations to have in mind, again Planet / Irina will be the main varieties as also in the rest of EU, we see Laureate slowly coming up and malt produced from this variety also showing good results. Real new comers are Flair and Ellinor, tests performed in DK shows just like Laureate good results, Other varieties which is to be observed but still below 1% of the growing areas are Accordine, Cosmopolitan, Fandaga and Prospect, All these new varieties will be tested during crop 20—22 so we will keep updating on results and expected areas.

Country/Variety	DK	SE	FIN	LIT	PL
Planet	32	53	50	40	13
Irina	16	15			1
Laureate	9	15		35	3
Harbinger			15		
Charles	-	-		-	45
Propino	-	1	-	5	-
Avalon	-	-	-	6	-
Flair	13	5	-	-	-
Ellinor	4	1	-	-	-
Others	26	10	35	14	38



## Rain Forecast EU and Received Precipitation:

90-day Precipitation Analysis  
Percent of normal through 20 Jun 2020



GFS High-Resolution Precipitation Forecast  
Days 1-7: 00UTC 22 Jun 2020 – 00UTC 29 Jun 2020  
Model Initialized 00UTC 21 Jun 2020

