

Market Update

Continued strong demand for molasses based liquid feeds as farmers see the benefits of including them in their rations.



THE MOLASSES MARKET

Currency

The weak GBP£ is not helping UK prices. Most winter 2018-19 supply deals were done in July/August 2018 when currency was at around \pounds /\$1.33. When it broke above \$/£1.33 last week, it looked as if currency would help the situation, but it has now dropped to well below \pounds /\$1.31. This does not help in terms of the UK molasses price (and other \$ based commodities).

Molasses Market

The global molasses market is firming on the back of good demand in most key export countries, particularly India. With limited export volumes available, export prices have increased. The outlook is for the market to remain very firm April/May onwards.

Freight

At the same time, the freight market has risen dramatically over the past couple of months. Vessel availability is very tight

The Value of Sugars & Molasses based blends

As part of ED&F Man's commitment to ongoing research & development and expansion of our knowledge of rumen function, we hosted a nutrition conference in conjunction with the University of Bologna. The one day conference was attended by over 400 Nutritionists from 10 different countries. We presented new research from the University of Bologna, funded by ED&F Man and heard from world renowned Ruminant Scientists, Prof Paul Weimer (University of Wisconsin, USA) and Dr Gregg Penner (University of Saskatchewan, Canada) who highlighted the role and value of sugar in ruminant diets. If you would like a copy of the proceedings, please contact us at **info.mlpuk@edfman.com**.

and freight rates have increased by 35-45% in the last couple of months. The high demand is causing port congestion, which is pushing up the freight market further. Things have eased a little over the last couple of weeks, but the freight market is still higher than we have seen in a considerable time.

Brexit

No update would be complete without a mention of Brexit. While there is a great deal of uncertainty around Brexit, although there are no guarantees, we feel confident it will not cause any issues with product supply. We have discussed possible implications with the key UK ports we use, and the feedback is that while there are significant concerns around the major Ro-Ro Ports, which connect the UK with Europe, the large bulk vessel destination ports are less likely to be adversely affected. However, we could see the introduction of import tariffs if we end up leaving without a deal in place. This is something we are monitoring closely.



Turn out challenges

It has been one of the driest and warmest Februaries since records began in 1878. Both livestock and arable farmers have been taking advantage of this across the UK by drilling crops, applying fertiliser and turning out animals. This weather is particularly welcomed by those livestock farmers with dwindling forage stocks. However, the risks that come with this change in diet must be carefully assessed and monitored throughout the grazing period.

Due to the lack of forage, many animals have been fed with higher levels of concentrates than previous winters to make up for protein and energy shortfalls. Therefore, animals have become accustomed to a higher quality feed, which has resulted in higher milk yields over winter. December milk production saw the highest output for 25 years, and current production running at 800,000L per day higher than this time last year. With these cattle now looking to be turned out to grass, there are several metabolic risks, such

as sub-acute ruminal acidosis (SARA) and grass staggers, that need to be considered.

Unless the nutrient supply from grazed grass is correctly balanced in the ration, farmers run the risk of reducing feed efficiency, milk from forage and suppressing butterfats. An unbalanced ration can also quickly lead to metabolic problems such as SARA, which can decrease feed intakes by 5%, potentially reducing milk yield by up to 2.5 litres/cow. Therefore, it is essential to slowly introduce grazed grass into the diet and avoid any rapid



changes to minimise disruption to rumen fermentation. Additionally, with margins tightening on farm, it is vital to both extract the greatest value from low-cost grazing and maintain the value of the milk, especially if milk supply contracts contain minimum thresholds. However, even the best quality grass will only deliver maintenance plus 15-20 litres/cow, therefore, buffer feeding is essential throughout the grazing period.

Magnesium supply is another critical issue during the grazing season, with spring grass being particularly low in magnesium and higher in potassium due to fertiliser application. This proves the perfect combination to cause magnesium deficiency. Potassium inhibits magnesium uptake, further exacerbating the low supply of magnesium. Magnesium deficiency can be a fatal disorder and therefore it is essential to supplement livestock, as often the first sign of a clinical issue is death. Ruminants depend on a daily supply of magnesium since magnesium metabolism is not regulated by specific hormones. Supplementing stock with magnesium via a molasses based liquid feed is a proven and cost-effective means to overcome grass staggers.

Grazed grass has much higher levels of RDP and therefore the diet must also be matched in fermentable energy levels to make efficient use of this protein. The lack of fibre within fresh grass is also a challenge as this can lead to reduced rumen function. Supplementation with straw and molasses within a buffer feed will provide the structural fibre needed to maintain rumen function and reduce the risk of SARA, as well as provide a source of readily fermentable energy to the rumen microbes to aid in the utilisation of protein.

Timing of buffer feeding is also critical, with intakes highest in the late afternoon and early evening, it is suggested to bring cows in to buffer feed 2-3 hours before afternoon milking, or before turning out to pasture overnight. If possible, house early lactation cows and high yielders overnight to maximise buffer feed intakes as this will encourage the greatest response to buffer feeding.

ED&F Man strengthens its Technical Support.

ED&F Man have appointed Georgina Chapman as Nutritionist/ Technical Support Manager to provide a higher level of Technical support and national advice to our customers. This appointment strengthens our merchant and farmer support. As well as technical and nutritional advice on products and general feeding, Georgina will be able to offer ration evaluation and advice on getting the most from home grown forage. See contact details opposite.

ED&F Man offer a range of molasses based magnesium supplements suitable for all types of livestock and feeding situations.

Magnesium-rich bulk molasses

Ultimate flexibility, ideal for producers who order bulk molasses, i.e. 10 tonnes at a time, and tend to buffer feed at turnout. The percentage magnesium inclusion can be varied to suit feeding requirements (1-3.5%).

Biomag 3.5

A 3.5% magnesium, as fed, sugar-rich molasses liquid feed. Biomag 3.5 is particularly appropriate where the inclusion of essential vitamins and trace minerals are required. The high sugar content of Biomag 3.5 overcomes the palatability problems associated with magnesium and also aids magnesium absorption in the gut.

Promag 3.5

A free flowing blend of cane molasses, molasses co-products and magnesium chloride, and contains 3.5% magnesium, as fed. Promag 3.5 offers a useful alternative to Biomag 3.5 for the customer who does not require vitamins and trace minerals.

Many farmers aim to supply their dairy and suckler animals around 35g of Magnesium per day.

Out and about

As part of ED&F Man's commitment to support our customers, we will be attending the following upcoming trade events:



| 9-11 April | British Society of Animal Science, Edinburgh | |
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| 23 May | Beef Expo, Kendal | |
| 30 May | Scotland Beef Event, Old Meldrum | |
| 6-8 June | Royal Cornwall Show, Wadebridge | |
| 19-20 June | Total Dairy, Stratford-upon-Avon | |

Want to know more? Contact your local Commercial Manager:

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