

Market report week 21

WHEAT

Weather forecast still safe for the coming wheat crop and coops continue to sell at current prices

Russia and Ukraine most aggressive and pricing heading into usd 260 fob basis 12,5 pro Tunisia bought even at usd 270 cippo (11,5 pro, see below)

Feedwheat fob black sea at usd 240/243 for new crop and see some sales into Asia

Dutch market this week some new crop traded around levels of 190 (-8 matif nov). With Matif stabilising around the 198/7, offers still around the 190 level but buyers not paying it anymore.

Tunisia's state grains agency on Friday purchased 50,000 tonnes of soft wheat in an international tender for the same volume

The purchase comprised 25,000 tonnes purchased at \$269.49 a tonne c&f and 25,000 tonnes purchased at \$272.23 a tonne c&f

The tender had sought wheat for a range of shipment dates in June and July depending on origin.

Iraq's state grains board has bought a total 150,000 tonnes of hard wheat to be sourced from Russia in a tender which closed this week

The tender sought shipment from Aug. 1 to Aug. 31 with delivery between Sept. 1 and Oct. 14.

- 100,000 tonnes was bought from Glencore at \$324.55 a tonne c&f free out and
- 50,000 tonnes bought from CBH Grain at \$328.89 a tonne c&f free out.

Jordan's state grain buyer has purchased 50,000 tonnes of optional-origin wheat in an international tender for 150,000 tonnes which closed on Wednesday

- Price was \$299.00 a tonne c&f for shipment second half of September, Seller was Ameropa.

Jordan's state grain buyer has issued an international tender to purchase 100,000 tonnes of milling wheat which can be sourced from optional origins. Tender deadline is Wednesday, May 28.

CORN

Supportive levels at 488cz4 and 482cz4 did not hold at all this week which resulted in a low on the week of 469cz4. Currently we're hovering around 475, but first stops are 470 and 460. Weather markets are currently not showing some additional strength/ buying power so expect those levels to be rather sooner than later. Resistance at 480cz4 will easily be broken once weather is turning around.

Physical markets are rather slow. Spanish new crop corn traded at 175eur CIF equivalent levels until MCH '15 last week and offers for DEC SHPMT are being shown at +125cz4 = 173eur, no bids around unless you want to sell JAN or FEB shpmt. Dutch market on the old crop is trading at 182eur, new crop traded at 178eur last week.

FOB Danube is trading on new crop at 156eur oct/nov and at 159eur bss JAN. Constanza is offered on a FOB basis at 167eur, but a bid of 164 we would take on and try to book. Ukrainian new crop corn is at +75cz4 vs +80cz4 for NOV/DEC shpmt.

See below for this week's Korean tender results:

South Korea's MFG has purchased 198,000 tonnes of corn to be sourced from optional origins and South America in a tender for up to 210,000 tonnes which closed on Tuesday

The tender had sought corn from any origin worldwide for November to December arrival.

The purchase was comprised of:

- 68,000 tonnes of South American origin corn for arrival around Nov. 25 at \$260.54 a tonne c&f plus a \$1.50 a tonne surcharge for unloading at an additional port
- 65,000 tonnes which can be sourced from any origin for arrival around Dec. 4 was purchased at \$259.64 a tonne c&f plus a \$1.50 a tonne surcharge for unloading at an additional port
- 65,000 tonnes which can also be sourced from any origin for arrival around Dec. 13 was purchased at \$258.64 a tonne c&f plus a \$1.50 per tonne surcharge.

The seller of all the grain was Toepfer International

Turkey's state grain agency TMO has issued an international tender to purchase and import up to 70,000 tonnes of feed corn (maize). The tender closes on June 5. This tender comes after a tender for barley and milling wheat so it seems Turkey is in need for some grains after the drought.

BARLEY

No special developments this week, but market developing in special way with Australian prices high (usd 255-260 fob range) and black sea prices cheap around usd 230 fob Jordan bought cheap, Saudi bought 500/600 kmt, Turkey tendering for 100 mt, Iran, Algeria bought and Jordan back in the market as well. (See below)

Spain losing crops due to heat wave and forecast now 7.5 million tons (last forecast 8.5 million tons.)

Barley with current prices still attractive into feed compound. Canada out of competition

Dutch market sept/dec trading at same levels as the corn new crop (179/178€)

Jordan's state grain buyer has purchased 50,000 tonnes of optional-origin animal feed barley in an international tender for 100,000 tonnes which closed on Tuesday. The barley was bought at \$259.50 a tonne c&f for shipment between October 16-31 Seller was trader Dolge.

Turkey's TMO has issued an import tender to buy up to 190,000 tonnes of milling wheat and up to 100,000 tonnes of feed barley. The deadline for bids is on June 3rd
Turkey is seeking shipment between July 25 and Aug. 20 for the milling wheat and between June 20 and July 22 for the feed barley. The origin of the grain is optional.

Jordan's state grain buyer has issued an international tender to purchase 100,000 tonnes of animal feed barley. The grain can be sourced from any origin. Tender deadline is May 27.