

CORN

Fireworks on the corn market this week. Lots of volume has changed ownership. Weather is spoiling the harvest in the Ukrainian market which results in logistical problems/ non availability of corn in the sea ports. Trade houses being long some spot or even OCT cargoes can benefit. 194usd traded for handy size OCT, 193usd for NOV and 194,50usd for DEC. Panamax size was also mentioned as being traded at 196usd.

On the other hand, South Korea (Kocopia) bought a cargo at 247,50usd for JAN from Concordia which calculates back to the Ukraine just above 200usd which reflects another 10cts extra on premiums. MFG is tendering today for another 280kMt for FEB/MCH, first rumours are talking about levels between 241 and 244usd.

Today's premium markets are hovering around or just above +40cz3/ ch4 in Ukraine. Buyers for panamax size would pay these prices. Handy size is bid at +30ch4. It is quite clear that any drop on CBOT is nullified by increases in premiums.

Premiums in South America are +80cz3 for Argentinean, +60cz3 for Brazilian and +30cz3 for Paraguayan (smoke smell, so not very popular).

European corn traded around 150eur for deferred positions in Constanta/Varna, Dutch paper for the JAN/JUN position traded at 169eur, NOV/DEC positions traded between 157 in washout to 160eur between others, the Hungarian Danube traded at 140eur for OCT/NOV positions. Total export as per July 1st is 601k, total import as per July 1st is 960k.

CBOT did not move a lot this week, it seems 450cz is a supportive level, but basis current supply and demand figures the board doesn't have much room on the upside.

Next Monday another USDA report (crop progress + stocks) is expected, but in general one doesn't expect much additional fireworks from that one on corn, wheat and soybeans will be another issue so that might have some influence.

WHEAT

Milling wheat prices steady this week ,although not many tenders.

reasons could be:

- usd/euro makes EU prices pretty high
- rains in Australia might make better yields but lower proteins
- Russian government talks about wheat-intervention
- rains in Black sea area delaying corn and sun seed crops.
- some fear for frost in South America

German wheat 12,5 pro now at usd 275 FOB

Russian milling wheat 12,5 pro at usd 255 FOB

EU exports on schedule and granted this week 436kMt ,bringing total at 6.2 Mmt this campaign (nearly double from last year)

Feedwheat prices reached top level by South Korea buying 55 mt November position at usd 284,50 cippo, meaning usd 242/243 fob Black Sea!!!!

Very limited offers feedwheat and seems most blended into milling.

Feedwheat prices in the Dutch paper market trading this week Nov/ Nov-Dec @ -2 matif November (around €188). Jan/June positions traded @ even matif march (around €190)

BARLEY

EU still continues to be main exporter/supplier start of this season. Export licences this week 290kMt, bringing total at 3.4 Mmt.

Saudi Arabia has committed 3.5 million tons, so relaxed and not in the “buying mood”

Canada crop forecast 9.5 million tons, Australia heading into 8.5-9 million tons crop and Argentina starts to realize barley prices not bad at all

Current levels

Fob Germany/France usd 240 fob

Fob Baltic usd 230 fob

Fob Black Sea usd 242

Fob Argentina usd 230

Fob Australia usd 230

Fob Canada usd 235

Ciffo Saudi Jan/March usd 260 buyer vs 265 seller

Barley trades this week in the Dutch inland market raging between €174 and €178 for no/nov-dec positions