

Report week 11

Corn:

South Korea's NOFI has issued an international tender to purchase up to 207,000 tonnes of corn and up to 69,000 tonnes of feed wheat. Tender deadline is March 17th

Both the grains can be sourced from any worldwide origin

- The corn is sought in three consignments of up to 69,000 tonnes for arrival around Oct. 1, Oct. 5 and Oct. 15
- The feed wheat was sought in a single consignment for arrival around Sept. 25

Black sea (Ukraine) with the €/ \$ sharply declining again last week was not too active. \$167 selling ideas spot and \$174 traded for a June parcel. New crop was selling ideas around the +40 level but buyers showing ideas around +30.

Constanta was traded around the 157/158€ level for April position. Because of the sharp drop of the €/ \$ this calculated to a level around 167\$.

Hungarian Danube corn was relatively active again last week with the drop of the €/ \$ helping to calculate to export. FOB levels traded between 135 and 137.5€

On the Dutch market some pricing took place for the May/June positions by Dutch end-consumers. May/June was traded up to 168€. For the deferred positions it was a relatively quiet market, Oct/Dec traded between 170 and 172€ in smaller volume.

Wheat:

Bangladesh's state grains buyer received a lowest offer of \$243.69 a tonne CIF liner out in an international tender on Tuesday to purchase and import 50,000 tonnes of wheat.

The tender closed on Tuesday with offers having to remain valid up to March 25.

Optional origin was sought in the tender with shipment 40 days after the contract signing. A purchase has not yet been confirmed

The lowest offer was made by trading company Phoenix Commodities. Other offers in the tender were \$243.95 and \$254.90 a tonne CIF liner out.

South Korea's Daehan Flour Mill Co Ltd purchased 47,000 tonnes of Australian-origin milling wheat in a tender which closed on Wednesday. The tender had sought August delivery.

- The purchase comprised 42,700 tonnes of Australian standard white wheat of 10.3 to 11.0 percent protein content bought at \$234.00 a tonne fob.
- Some 4,300 tonnes of Australian hard wheat with a minimum 11.5 percent protein content was bought at \$243.50 a tonne fob.

The seller of all of the grain was said to be Japanese trading house Sumitomo

Tunisia's state grains agency purchased around 92,000 tonnes of milling wheat and 75,000 tonnes of feed barley from optional origins in a tender which closed on Thursday

- The wheat was bought at between \$217.91 and \$226.94 a tonne c&f, sellers were lecoureur/Invivo and Nidera.

- The barley was bought at between \$204.74 and \$205.75 a tonne c&f, sellers were Invivo and Nidera.

The tender had sought the grains for a range of shipment dates in April and May depending on origin

German 12.5pro market quoted +15 from the selling side for April/May positions, but a general lack of buying interest. Port line-ups in Hamburg/Rostock are huge for March and will for sure move into the April position. New crop German 12.5pro quoted from sellers around +12/+11 with no trades reported as buying interest was more around +9. Polish 12.5 market traded +11 for April position beginning of the week now further offered even at +10 but buying interest really hard to find.

Feed wheat Dutch market was not very active with small volume traded front positions Apr/Jun around 180€ new crop moved along with matif (sellers -4/5 under Dec vs buyers around -8)

Barley:

French barley new crop was traded around 204US\$ FOB with still good demand from China for these particular goods. For the German barley market old and new crop nominal values are around 183US\$. New crop in the delivered market last week in Germany traded up to 172.5€ cif/franko which calculates to a 188\$ FOB equivalent price.

Dutch market some activity noticeable also front positions (apr/jun), trades between 172 and 175€, and new crop traded a bit lower 172/173€ level.

Sunseed/Sunoil:

Sunflower oil was quiet during the first half of week 11. With Palm oil and Soy oil prices decreasing the Sunflower oil bids were following and so increasing the bid-ask spread. Starting the week buyers were convinced we needed to break the lows of 735 USD in order to trade. Ukrainian Sunflower oil however showed a strong resistance of crushers between 760 USD and 765 USD for April/May/June positions. According to the crushers they were still having a difficult time buying some significant quantities of Sunflower seeds. On Thursday buyers started becoming nervous and moved bids up in order to buy some Sunflower oil. While the Palm oil and Soy oil prices kept on falling some buyers realized the sellers were in few numbers and nowhere close to lowering their prices. Both Thursday and Friday recorded trades between 755 USD and 760 USD for April and May positions. Friday ended even with 765 USD being paid. Due to crushers decreasing capacity traders see their long-position decreasing and market becoming more illiquid. These price movements indicate that Sunflower oil might be decoupling from the oils spectrum and starting its own path. This is to be confirmed the coming weeks.

The Sunflower seeds market on the Black sea was again rather slow during week 11. Old crop market was not showing many participants. Nominal value should have been round 400 USD, a touch weaker from last week's trade. New crop sellers decreased prices a bit due to the heavy declines in oils which led to offers at 377 USD against bids at 370 USD.

Bid-Ask development SFO Week 11

