

Report week 8 (2017)

Corn:

South Korea's (KOCOPIA) purchased about 55,000 tonnes of yellow corn seen likely to be sourced from the United States in a tender which closed on Wednesday.

- The corn was purchased at just over \$200 a tonne c&f including surcharge for additional port unloading. The corn is for arrival around May 10 and can contain genetically-modified organisms (GMOs)

A group of Israeli private buyers has issued international tenders to purchase up to 85,000 tonnes of corn, 45,000 tonnes of feed wheat and 30,000 tonnes of feed barley all from optional origins. The tenders close on March 2.

The group tendered for 35,000 tonnes of corn with shipment from the European Union or Black Sea between April 25 and May 15, and another 50,000 tonnes for shipment between May 20 and June 10 if from the EU or Black Sea. If supplies are from South America, the corn would be shipped 20 days earlier while supplies from the United States would be shipped 15 days earlier.

The feed wheat was sought for April 25 to June 10 shipment if from the EU or Black Sea with adjustments made for shipment from other regions. The barley was sought for April 10 to June 10 shipment also with adjustment of the period if other origins are bought.

Blacksea was showing some trades out of Ukraine. March traded between 170 and 172US\$. April traded at 62 over may CBOT. May/June sellers quoted with a little carry around 173/174US\$. But buyers (if any) quoting low 170's. New crop premiums cooling down a bit as well, +39 sellers but buyers more around +35/6.

On the Danube market it was still pretty quiet on corn. 143/144€ traded FOB for bss march and new crop sellers quoted 146/7€ but no close buying interest.

On the Dutch market it was very quiet on corn.

Wheat:

Egypt's (GASC) set a tender on Monday to buy an unspecified amount of wheat from global suppliers for shipment from April 1 to 10.

GASC Vice Chairman Ahmed Youssef said the authority was seeking to buy cargoes of soft and/or milling wheat from the United States, Canada, Australia, France, Germany, Poland, Argentina, Russia, Kazakhstan, Ukraine, Romania, Bulgaria, Hungary and Paraguay.

GASC will accept wheat with up to 13.5 percent moisture in the tender, up from 13.0 percent normally.

Jordan's state grain buyer has issued new international tenders to purchase 100,000 tonnes of hard milling wheat to be sourced from optional origins. The deadline for the wheat tender is March 7. The wheat is sought in a range of possible shipment periods in 50,000 tonne consignments between July 16 and Sept. 15.

Jordan's state grains buyer purchased 100,000 tonnes of milling wheat to be sourced from optional origins in a tender which closed on Tuesday.

- It was purchased at about \$202 a tonne c&f for shipment between July 2 and Aug. 1. Seller was trading house Ameropa.

Jordan has struggled to make purchases in a series of wheat tenders in recent months, with traders saying uncertainty about changed quality controls and payment terms has reduced participation by major grain exporting houses.

Tunisia's state grains agency purchased about 100,000 tonnes of milling wheat and some 25,000 tonnes of feed barley all to be sourced from optional origins in a tender which closed on Wednesday.

- The wheat was bought in four 25,000 tonne consignments at \$199.64 and \$202.64 a tonne c&f from Soufflet, at \$204.48 a tonne c&f from Casillo and at \$202.75 a tonne c&f from Bunge.
- The barley was all bought at \$177.55 a tonne c&f from Bunge. The grains are for shipment in March and April.

Egypt's GASC bought 360,000 tonnes of wheat in its international purchase tender (position 25mrt - 5apr). Herewith the breakdown of the purchase:

- Cargill: 60,000 tonnes of Russian wheat at \$196.50 a tonne free-on-board (FOB) and \$11.25 a tonne freight, equating to \$207.75 a tonne cost and freight (C&F)
- Louis Dreyfus: 60,000 tonnes of Ukrainian wheat at \$195.90 a tonne FOB and \$12.55 a tonne freight, equating to \$208.45 a tonne C&F
- Louis Dreyfus: 60,000 tonnes of Russian wheat at \$196.95 a tonne FOB and \$11.25 a tonne freight, equating to \$208.20 a tonne C&F
- Olam: 60,000 tonnes of Russian wheat at \$197 a tonne FOB and \$11.25 a tonne freight, equating to \$208.25 a tonne C&F
- Medgulf: 60,000 tonnes of Russian wheat at \$198.25 a tonne FOB and \$10.85 a tonne freight, equating to \$209.10 a tonne C&F
- ADM: 60,000 tonnes of Russian wheat at \$199.30 a tonne FOB and \$10.85 a tonne freight equating to \$210.15 a tonne C&F

Blacksea 12.5pro continued to rise last week, again supported by tender GASC (see above). With these tender prices, selling quotes were given as follows. 195\$ april/194\$ may/192\$ june. New crop (aug) values nominal around 180US\$.

Dutch market showed some activity in the front positions between 175and 178€ for spot-april positions.

Barley:

Jordan's state grain buyer has purchased 50,000 tonnes of animal feed barley to be sourced from optional origins in an international tender which closed on Wednesday.

- It was bought at around \$180 a tonne c&f for shipment in the second half of July. Seller was trading house Cerealcom Dolj

Jordan's state grain buyer has issued new international tenders to purchase 150,000 tonnes of animal feed barley. The deadline for the barley is March 8. The barley was sought for July 1-31 shipment.

Northern German export harbours are getting full for the month of march with both milling wheat and barley vessels coming in to load. April is still available, but sellers quote 168US\$ and buyers looking for 164/165US\$ levels.

French origin is around the same price for min 62kg as german origin (168\$). Lower quality traded between 160\$(59kg) and 162\$(60kg). All based on march/april positions.

On the Dutch market we have seen some movement on apr/june positions between 159 and 160€. New crop non-discussed.

Sunseed/Sunoil

The Ukrainian Sunflower oil market kept its weakness from last week going. The week started with April offered at 750 USD. March was considered at a 5USD discount and May/June at 5USD carry against this April. Towards end of the week we saw the market move down 10USD. While the AMJ position kept the spreads unchanged the March showed more volatility. The front side of the market was heavier as the market was still finding longs on the paper, making March offers go below 735USD. Buyers showed little action with this clear movement down and especially staying out of the March. AMJ positions started the week with bids at 735USD and moved down to 730USD on Friday. Week 9 continued this weakness on Monday. When CBOT was not showing significant support the Sunflower oil kept heavy. The Blacksea Sunflower seeds market doesn't show much changes from last weeks. While the oil is still heavy, the Sunflower seed market didn't show sellers willing to offer March/April positions below 400USD. Origination is not letting the markets move down. Throughout the week market was quoting 401USD vs 392USD. Worth noting is that there have been some discussions regarding newcrop. Buyers have been developing some concrete ideas for September/October positions, quoting round 380USD. Sellers however less active and didn't see anything lower than 395USD.

