

Market Report week 31

Every day we get closer to the feeling that we have reached bottom-prices in the grain-market, however next day we realize that there is still some downward potential as long as crops develop in the positive way they do....

Corn

Corn seems heading direction of 450 on Chicago December and despite fact that Ukraine corn trading at level usd 195/196 fob we feel consumers still hesitant to buy. Interesting news is that China bought first 120000 mt of Ukraine corn for October/November and can be start of. Korea keeps on buying November at usd 234 ciffo and bought 400/500000 mt lately. Some concern for early frost in USA/Canada but even this doesn't seem to worry market

Hungary hot and dry and farmers praying for rain. New crop corn traded this week at between 145 and 147, basis jan'14 at eur 152.

Dutch paper market on corn goes one way...down. This week we are trading at a level of € 162/1 for oct/dec position.

Millingwheat

Some comments about crops: France and Spain complain about good yields but lower proteins. Next week wheat harvest will start in Germany/Baltic and will be interesting if proteins will be lower as well. Impression should be normal the more we go to the North in Europe. We expect demand for 13-15 pro proteins to blend local crops.

Ukraine first fear of lower quality disappearing and after 90% harvest done we get impression percentage of feed wheat lower than expected and we see lack of supply for August/September and prices moving up to usd 222/223 fob[up usd 4-5 per mt from last week]. Romanian/Bulgarian trading at usd 218/219 so cheaper than Ukraine. No offers feed wheat from Russia presently

GASC Egypt bought 480000 mt Romanian and Ukraine milling wheat around usd 252 fob. Russia defending premium

Rains in Australia and Argentina seem beneficial for the crop and Canada looks promising as well. In EU taken this week 565919 mt export-licences total from July 1th is 1026045 mt

Hungarian feed wheat traded at eur 152 , 11.5 protein wheat at eur 157 and 14 protein at eur 164

Barley

EU leading the show and expect we are going to see 2-2.5 million tons of export during July/August/September[up till now 888281 export-licences taken] with healthy prices around usd 240-245 fob Germany/France if you compare with prices other grains Russian/Ukraine farmers defending levels usd 250 fob

Canada/Argentina and Australian crop will be later this season so no competition for today

Hungarian barley traded at 165 but offers getting less and less.

Dutch paper markets on Barley holding up well in comparison to the other grains. Levels trading sep/dec, oct/dec around 180-182 € ciffo inland.