

Report week 20 (2017)

Corn:

Turkey's TMO bought about 180,000 tonnes of corn in a tender for the same volume which closed on Thursday. The TMO had sought the corn from a series of possible supplier countries with Russia not accepted as origin.

These purchases were made each of 12,000 tonne consignments for arrival at specific Turkish ports. The corn was purchased for May/June shipment from a series of trading houses in Turkish lira per tonne:

Mersin port

- Two vessels from Hakan at 709.95 Turkish lira per tonne
- One vessel from BT Nano at 710 Turkish lira

Bandirma port

- One vessel from Hakan at 706.95 Turkish lira
- One vessel from ADM at 706.50 Turkish lira

Iskenderun port

- Two vessels from Tiryaki at 709.90 Turkish lira

Samsun port

- Two vessels from BT Nano at 710 Turkish lira

Derince port

- Three vessels from VA Intertrading at 704 Turkish lira

Izmir port

- One vessel from Hakan at 709.75 Turkish lira
- One vessel from ADM at 709.50 Turkish lira
- One vessel from BT Nano at 710 Turkish lira

(\$1 = 3.6193 liras)

Taiwan's MFIG purchased about 65,000 tonnes of corn likely to be sourced from Brazil in a tender on Wednesday.

- The corn was all purchased at a premium of 84.7 U.S. cents c&f over the Chicago December 2017 corn contract CZ7. It was for shipment for Aug. 17 to Sept. 5

Blacksea market on corn was rather slow last week on old crop 172/171 selling side June positions but buyers aiming at prices around 168/9\$. New crop premiums came down a bit in Ukraine as Brazilian origin became competitive with the real dropping like a stone last week. 30 over was traded a few times for November positions. Feb/march showed a market +36/5 vs +33.

On the Danube at the end of the week we have seen some movement on FOB for bss may at 146€. New crop traded 142/143€ range for oct/nov. Bss jan'18 levels 147 vs 145€.

On the Dutch market we have seen some small trading on June positions around 174/175€. Dutch consumers covering some bits and pieces on this position. Jul/sep showed some trades at 171/172€.

Wheat:

South Korea's (FLC) rejected all offers and made no purchase in a tender for about 63,000 tonnes of feed wheat which closed on Monday. Lowest offer was \$189.75 a tonne c&f plus a \$1.25 a tonne surcharge for additional port unloading. The FLC rejected the offers as it was seeking to purchase around \$180 a tonne c&f. The wheat was sought for arrival around Oct. 30

Tunisia's state grains agency purchased some 92,000 tonnes of soft milling wheat to be sourced from optional origins in an international tender which closed on Thursday.

The wheat was bought in a series of consignments for shipment during July and August, varying according to the origin selected for the wheat.

- Two 25,000 tonne consignments were bought from trading house Dreyfus at \$181.74 and \$182.54 a tonne c&f.
- Another 25,000 tonne consignment was bought from ADM at \$184.39 a tonne c&f
- One consignment of 17,000 tonnes from Ameropa at \$189.99 a tonne c&f.

Egypt's (GASC), said on Wednesday it had bought 295,000 tonnes of wheat in a tender. The tender sought shipment between 15 and 24 June and gave the following breakdown of the purchase in dollars per tonne:

- Cerealcom: 60,000 tonnes of Romanian wheat at \$197.49 FOB and \$9.69 freight equating to \$207.18 C&F
- Ameropa: 60,000 tonnes of United States HRW wheat at \$186.75 FOB and \$20.50 freight equating to \$207.25 C&F
- Louis Dreyfus: 55,000 tonnes of United States HRW wheat at \$185.40 FOB and \$22.50 freight equating to \$207.90 C&F
- Midgulf: 60,000 tonnes of Russian wheat at \$198.00 FOB and \$10.49 freight equating to \$208.49 C&F
- Louis Dreyfus: 60,000 tonnes of Ukrainian wheat at \$197.05 FOB and \$11.69 freight equating to \$208.74 C&F.

Blacksea 12.5pro was less active last week with GASC announcing its tender beginning of the week (see above) after the tender results offers moved up fast for the new crop (aug 176\$ vs 173\$/sep179\$ vs 176\$/oct182\$), logical as the spread old vs new crop was huge.

Dutch market was showing some front position (jun/jul) action around 174/175€, mostly some consumers covering small demand.

Barley:

Saudi Arabia's (SAGO) has purchased 1.5 million tonnes of animal feed barely in an international tender last Friday. The barley had been sought from global suppliers for arrival in Saudi Arabia during July into August 2017. The origins offered were Australia, North & South America, EU and Black Sea at the sellers' option SAGO said these purchases were made in dollars a tonne:

Arrival in Red Sea ports (C&F):

- *60,000 tonnes from Holbud Limited at \$177.85 C&F (July 1-15)*
- *60,000 tonnes from Holbud Limited at \$178.29 C&F (July 1-15)*
- *60,000 tonnes from Holbud Limited at \$179.47 C&F (July 1-15)*
- *60,000 tonnes from Holbud Limited at \$180.83 C&F (July 1-15)*
- *60,000 tonnes from Cargill at \$178.85 C&F (July 1-15)*
- *60,000 tonnes from Holbud Limited at \$176.69 C&F (July 15-30)*
- *60,000 tonnes from Cargill at \$176.16 C&F (July 15-30)*
- *60,000 tonnes from Concordia at \$174.16 C&F (July 15-30)*
- *60,000 tonnes from Olam at \$173.43 C&F (July 15-30)*
- *60,000 tonnes from Holbud Limited at \$174.39 C&F (August 1-15)*
- *60,000 tonnes from LLC Trade House at \$172.90 C&F (August 1-15)*
- *60,000 tonnes from Nibulon at \$171.00 C&F (August 1-15)*
- *60,000 tonnes from Cargill at \$173.47 C&F (August 1-15)*
- *60,000 tonnes from Louis Dreyfus at \$174 C&F (August 1-15)*
- *60,000 tonnes from Holbud Limited at \$173.63 C&F (15-30 August)*
- *60,000 tonnes from LLC Trade House at \$172.80 C&F (15-30 August)*
- *60,000 tonnes from Nibulon at \$168 C&F (15-30 August)*
- *60,000 tonnes from Louis Dreyfus at \$170.00 C&F (15-30 August)*

Arrival in Arabian Gulf ports (C&F):

- *60,000 tonnes from Holbud Limited at \$183.68 C&F (July 1-15)*
- *60,000 tonnes from Holbud Limited at \$184.47 C&F (July 1-15)*
- *60,000 tonnes from Holbud Limited at \$180.68 C&F (July 15-30)*
- *60,000 tonnes from Holbud Limited at \$180.94 C&F (July 15-30)*
- *60,000 tonnes from Holbud Limited at \$178.79 C&F (August 1-15)*
- *60,000 tonnes from Holbud Limited at \$179.26 C&F (August 1-15)*
- *60,000 tonnes from LLC Trade House at \$178.00 C&F (August 15-30)*

Again some trades out of Ukraine end july/beginning august (destination China) last week before saudi tender around 155/154\$. Russian origin traded for 2h july position at 155.5\$ as a cover for Jordan.

Dutch market was quiet on barley

Sunseed/Sunoil

The Ukrainian Sunflower oil market is still not finding consistency in its liquidity. Pricewise however is looking rather supportive still. The market is less reactive to Soyoil or Rapeoil movements as sellers see short buying waves which pay close to the offered levels. The window for trading seems to be becoming smaller as liquidity on oldcrop is becoming less. But non the less trades are mostly recorded round the offers. With week 20 showing multiple trades July round 745USD. August is still considered at 5usd carry against the July. While September still hasn't shown much value determination the newcrop was swapping October against the July with 1 USD carry. Where the market throughout the week was quoting 0USD vs 2,50USD carry for swapping July against October/November/December positions.

The Blacksea Sunflower seeds market showed little movement throughout week 20. June positions were discussed still offered at 379USD throughout the week but with the illiquidity on oil making the locking of margins difficult buyers stayed rather quiet with now and then bids at 370USD. Newcrop is developing liquidity bit more. Also as oil is becoming traded more it seem this is translating to the seeds. The newcrop October market was showing 375USD offers against crushers starting buying levels at 369/370USD.

