

REPORT WEEK 25

Corn

High volatility on CBOT resulted in the fact that trading in Black Sea corn was not ample this week, +22cz3 traded for 1H DEC this week (Agrifert bought part of his sale to Korea back) and +28cz3 traded for 2H SEPT today. In between we have seen offers going from +30cz3 to +20cz3 and back. Buyers do not know what to do in this market. It is a fact that on a premium basis combined with freight Ukrainian origin is by far the cheapest into Far East. This one could see in this week's Korean tender won by Agrifert at 259,23USD, most possible origin is the BlackSea.

FOB Danube traded at 157/158 for the harvest position Oct/NOV and basis Jan 163 traded for larger volumes. Constanta is not discussed as far as we can see. That port is dominated at the moment by barley and wheat trading.

Dutch interior market traded at 180eur and below for Oct/Dec position this week which is an equivalent of almost -25cz3 FOB.... It feels as if Northern Europe will get a huge crop. Compound feed producers still not interested to buy and say they have a target around 170eur to make their first purchases.

Wheat

This week's wheat market was quiet, bids and offers were about 4usd apart for 11.5 and 12.5 pro and if the real interest is there, positions or origins do not match. It is obvious that we will get a major crop in the BlackSea as CBOT's move did not have any influence on physical prices. The day the Chicago wheat market increased by 20cts a bushel, Ukrainian and Russian wheat prices remain offered at same levels.

Feedwheat traded in Constanta on Wednesday at 181,25 for 15jul-10aug position (Nidera buyer) , and yesterday Quadra bought at 184eur, both sales from Toepfer. Today Constanta is offered at 185 and bid at 181. Ukrainian feed wheat for 2h JULY is offered at 241usd, further positions are most probably buyable at same levels.

Jordan bought wheat this week at 296,35 and 296,50 for 2h Sept and 1h Oct. Ameropa and Dreyfus the sellers. Yesterday they announced another tender for wheat and barley for the next positions.

Dutch paper market feed wheat lost quite some euro's premium wise. The start of this week showed buyers at -5Matif X, where at the moment we see seller at -6 and buyers at -8Matif X. This is probably a reaction on the Strategy grain report of this week where crops were increased again.

Big news of the week was of course China buying 200k French wheat. Rumour has it, this wheat is destined for Egypt (GASC by the way claiming they have more than enough wheat)

Barley

This week's barley prices went slightly down, Constanta traded down in one week from 198 to 188EUR, also helped by the eur/usd which went from 1,32 to 1,34 and now back again to 1,32.

Jordan was booked at 275.25 for 2h September shipment, seller Al Ghurair. This is an equivalent just below 245usd FOB BlackSea.

CIF Saudi was trading this week between 270 and 275usd for Oct/Nov positions, similar levels as has traded into Jordan.

Hear from several sites that Russian export can go to 4Mmt this year, EU export at 3.5Mmt and Ukrainian exports slightly above 1Mmt. This number, plus the fact that the demand side is well covered till the end of 2013, will make this market highly interesting. Who will win, the farmer not selling or the trade who has the position in their books and waiting for the farmer who should lower his price idea

FOB Danube a larger volume has traded at 164/165eur for Jul/Aug positions.
Dutch market rather quiet where some trades happened on back of corn in spreads. Nothing to write about in general although levels like 180eur interior Holland should make people more interested as FOB equivalent is around 245usd in Rotterdam for September till December positions.

Prices

CIFFO Saudi 272/275 usd

FOB Constanta 190eur offered, 187eur bid

FOB Russia 250usd offered, 245usd bid

FOB Canada 250usd offered, 245usd bid. Churchill offered at 242usd

FOB Australia offered at 255usd

FOB Argentina, rumours about trading at 245usd

FOB Danube 164 eur

CIFFO Dutch river ports 182eur

CIFFO Hamburg 182eur