

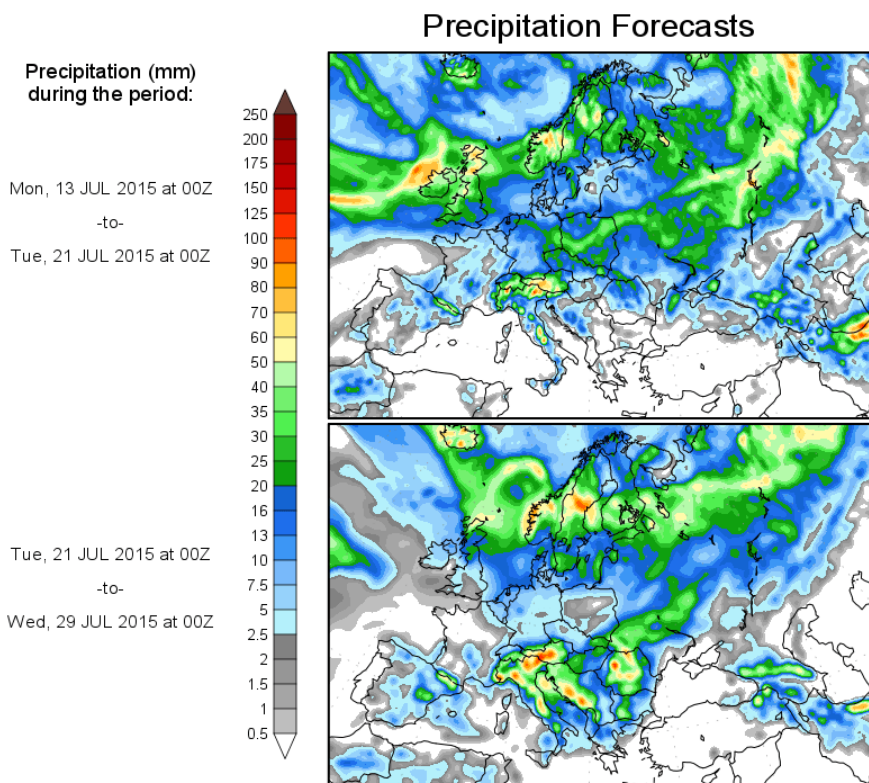
Report week 28

Corn:

In the Black sea (Ukr) new crop (Oct/Nov/Dec) selling side indicating +50 vs +45 underlying buying interest. Oct/dec'16 out of Ukraine quoted +40 sellers against +37 buyers.

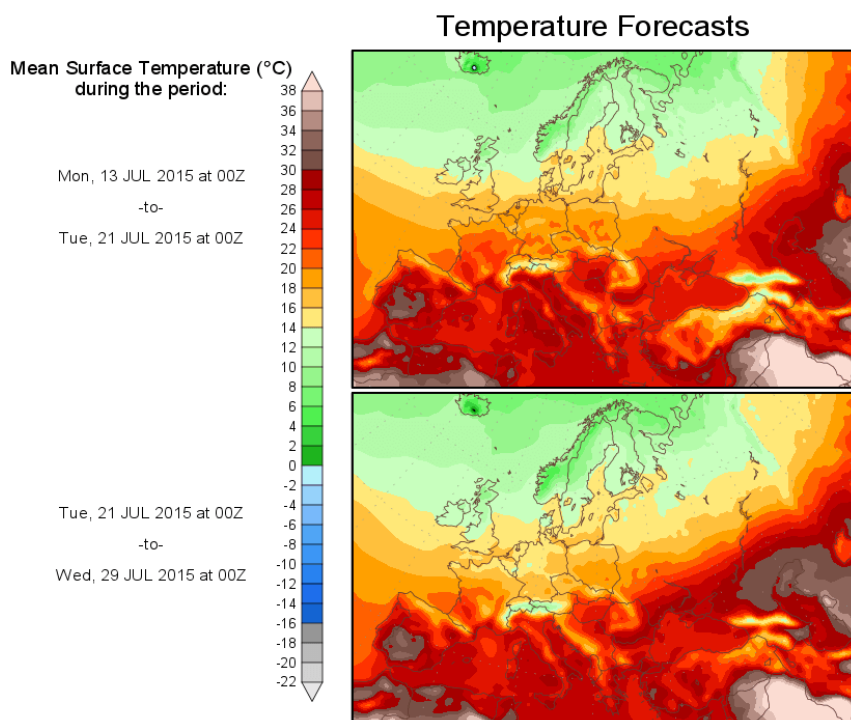
A prolonged dry spell and intense heat have stressed maize crops in parts of the European Union as they enter the crucial pollination phase, with top grower France particularly at risk. Like spring barley, maize (corn) is expected to have suffered more than wheat and winter barley which were already near maturity when a heat wave struck in late June.

Yield losses due to the weather would amplify an expected drop in EU maize production from a record volume last year.



Hungarian Danube corn FOB levels traded old crop Jul/Aug positions last week around 150€. New crop (Oct/Nov) traded between 153€ and 155€. Basis Jan between 157€ and 160€.

On the Dutch market some trades were done on the corn last week. New crop oct/dec with 185€, Jan/march traded 186€. Last week the market for jul/1hSep'16 kicked off, with multi's trying to sell these positions in the Dutch market out of a Brazil based calculation. Traded some volume in a range between 190€ and 186€.



Wheat:

Egypt's (GASC), has bought 180,000 tonnes of Russian and Ukrainian wheat in a tender for Aug. 11-20 shipment. Traders gave the following breakdown of the purchase:

- 60,000 tonnes of Russian wheat from Cargill at \$202 a tonne on a free-on-board (fob) basis and \$10 a tonne freight from National Navigation
- 60,000 tonnes of Russian wheat from Olam at \$202.40 a tonne fob and \$10 a tonne freight from National Navigation
- 60,000 tonnes of Ukrainian wheat from Olam at \$200.50 a tonne fob and \$11.88 a tonne freight from National Navigation

Tunisia's state grains agency has purchased 117,000 tonnes of soft wheat, optional origin.

- The soft wheat was purchased at between \$208.49 a tonne and \$212.10 a tonne, cost and freight included, for shipment in August and September. Sellers were Nidera and Invivo

German milling wheat 12.5pro traded last week around a premium of +6 over Dec matif for position sep/dec. Buyers are betting on a sharp decline of the MATIF as these prices do not calculate into destination yet. Polish selling levels for the same position is +1 and Baltic traded last week aug/sep at a -4 premium vs MATIF.

Feed wheat Dutch market some activity noticeable last week. With aug/sep positions traded physical delivery at 193€. Which was a good price for the seller as it could be originated out of Constanta with profit the same day. The buyer looked at it vs MATIF and found it a good premium (-9). Further position quiet jan/mrt and jan/jun quiet.

Barley:

Tunisia's state grains agency has purchased 75,000 tonnes of feed barley, optional origin, in a tender that closed on Wednesday

- The feed barley was bought at between \$201.00 and \$201.44 a tonne c&f for shipment in October, seller was Nidera on all positions.

Algeria's state grains agency OAIC has issued a tender to buy 100,000 tonnes of optional-origin feed barley for shipment in August. The deadline for bids is on Wednesday. The tender called for half of the volume to be shipped during Aug. 1-31 in three cargoes, and the other half in Aug. 15-31 in two 25,000 tonne cargoes. Results of this tender are not yet known.

French barley market new crop last week selling ideas 208/207\$ but buyers indicating 200\$. For the German barley market new crop nominal values were around 200US\$. The delivered market in Germany keeps on being active with buyers locking in a favourable premium compared to matif, (-22/-23). Volume traded on the Danube ex-crop (jul/aug) between 143 and 149€. Russian market selling ideas around 185\$, buyers there low 180's

Sunseed/Sunoil:

Ukrainian Sunflower oil was quiet during the start of week 28. This was mainly caused by the big drops on CBOT during the first days. Buyers started indicating prices between 825 USD for old crop and 760 for new crop while the crushers were offering Jul/Aug positions at 850 USD and OND positions at 780 USD. The selling side was mainly made up out of crushers, which made trading difficult as they didn't follow the big Soyoil drops while the buyers moved down with it. During midweek finally the sellers decided to move a bit towards the buyers. After some volumes trading to India the FOB market made a move and some October was traded between 765 USD and 770 USD on Thursday.

The Sunflower seeds market activity on the Black Sea was rather slow due to a lack of sellers. Biggest focus was still on the new crop September position which is showing a rather active buying side. During week 28 for the first time in a few weeks the buyers decreased their bids. While there were plenty buyers, the weakness on the Sunflower oil held back the bids to under 400 USD. After a period of no offers due to unfavourable weather there was finally a seller in the market at 410 USD. While buyers were willing to consider these levels during the previous week the oil prices made these levels out of reach.

