

# **Report week 49 (2016)**

## **Corn:**

Taiwan's MFIG purchased around 65,000 tonnes of corn expected to be sourced from the United States in an international tender which closed on Thursday.

- It was purchased at a premium of 119.50 U.S. cents c&f over the Chicago May corn contract CK7.

The tender had sought shipment for Feb. 23 to March 14 if from the U.S. Gulf and for March 10-29 from the U.S. Pacific North West coast.

A group of Israeli private buyers bought corn and feed barley to be sourced from optional origins in a tender which closed on Thursday. The group had sought 95,000 tonnes of corn and 30,000 tonnes of barley.

- The corn was bought in a series of consignments for 2017 shipment at \$178.50 a tonne c&f for shipment between Jan. 1-31, also at \$178.50 a tonne for shipment between Feb. 1-20, at \$177.75 a tonne c&f for Feb. 20 to March 10 shipment and at \$176.25 a tonne c&f for March 15 to April 5 shipment.
- The barley was all bought at \$175.00 a tonne c&f for Feb. 15-March 5 shipment.

The shipment dates indicated that a large proportion of the corn and all the barley was likely to be sourced from the Black Sea region.

Blacksea was showing very little activity this week with Christmas time getting closer for most European trading companies. J/F/M showing premiums on the selling side around 68 over vs 62 buying interest over march CBOT. New crop O/N/D remained quiet, one trade reported at 34 over for a November'17 position.

On the Danube Bss January was showing some movement between 140€ and 138€.

On the Dutch market it has been quiet in corn.

## **Wheat:**

Saudi Arabia's (SAGO), said on Monday it had bought 725,000 tonnes of hard wheat.

A tender closed on Friday for 715,000 tonnes of wheat with 12.5 percent protein for delivery Feb. 1 to April 10. SAGO said the accepted origins were from the European Union, North and South America and Australia, at the seller's option. The following is a breakdown of the purchases in dollars per tonne with arrival period in brackets:

Jeddah (C&F):

- 65,000 tonnes hard wheat from Glencore Grain at \$208.15 C&F (Feb. 1-10)
- 65,000 tonnes hard wheat from Glencore Grain at \$205.15 C&F (Feb. 10-20)
- 60,000 tonnes hard wheat from Glencore Grain at \$206.80 C&F (Feb. 20-28)
- 60,000 tonnes hard wheat from Louis Dreyfus at \$208.00 C&F (March 1-10)
- 60,000 tonnes hard wheat from Louis Dreyfus at \$208.00 C&F (March 10-20)
- 60,000 tonnes hard wheat from Louis Dreyfus at \$208.00 C&F (March 20-30)
- 60,000 tonnes hard wheat from Louis Dreyfus at \$208.00 C&F (April 1-10)

Dammam (C&F):

- 60,000 tonnes hard wheat from Glencore Grain at \$211.40 C&F (Feb. 1-10)
- 60,000 tonnes hard wheat from Glencore Grain at \$208.30 C&F (Feb. 20-28)
- 60,000 tonnes hard wheat from Glencore Grain at \$209.80 C&F (March 10-20)
- 60,000 tonnes hard wheat from Louis Dreyfus at \$209.50 C&F (April 1-10)

Jazan (C&F):

- 55,000 tonnes hard wheat from Louis Dreyfus at \$211.74 C&F (April 1-10)

Tunisia's state grains agency has purchased about 75,000 tonnes of soft milling wheat and about 75,000 tonnes of in an international tender that closed on Wednesday. The grains can all be sourced from optional origins.

- The soft wheat was bought in three 25,000 tonne consignments at \$192.89, \$193.45 and \$196.20 a tonne c&f.
- The durum was purchased at \$274.68, \$275.33 and \$275.69 a tonne c&f

Shipment was sought between February and March for the soft wheat and January to February for the durum, all depending on origin.

India on Thursday scrapped its 10 percent import duty on wheat after droughts in the past two years depleted stocks and raised prices, a move that traders said could lift overseas purchases to their highest in a decade. Finance Minister Arun Jaitley told parliament the latest cut was effective immediately with no end date. Traders in Mumbai said India could import as much as 5 million tonnes of wheat this fiscal year ending March 31, the highest since 6.7 million tonnes arrived in 2006/07.

Blacksea 11.5 pro on the FOB market showed some action with destination India, 181US\$ was traded for a January position (handy size) and 182/182.5US\$ for panamax sizes. Saudi tender above was done at relatively high prices compared to these numbers but limited origins accepted (based on Polish/German/US origin).

## Barley:

Tunisia's state grains agency has purchased about 75,000 tonnes of feed barley in an international tender that closed on Wednesday. The barley can be sourced from optional origins.

- The barley was bought at \$178.85, \$178.69 and \$178.97 a tonne c&f.

Shipment was sought between February and March.

A group of Israeli private buyers bought feed barley to be sourced from optional origins in a tender which closed on Thursday. The group bought 30,000 tonnes of barley.

- The barley was all bought at \$175.00 a tonne c&f for Feb. 15-March 5 shipment.

On the Dutch market we have seen some movement on the front positions JFM around 155/156€