

Report week 9

Corn:

South Korea's (NOFI) purchased up to 197,000 tonnes of corn, 65,000 tonnes of feed wheat and 10,500 tonnes of feed barley all of optional origin in a tender on Tuesday

The tender had sought corn for September arrival, wheat for August arrival and barley for July arrival.

- The corn was purchased in three consignments all at \$203.90 a tonne cost and freight (c&f), plus a \$1.50 a tonne surcharge for each additional port unloading, sellers were Bunge and Nidera
- The feed wheat was purchased at \$221.85 a tonne c&f plus a \$1.50 a tonne surcharge for each additional port unloading.
- The barley was purchased at \$219.23 a tonne c&f plus a \$1.75 a tonne surcharge for each additional port unloading. It was likely to be sourced in India.

A group of Israeli private buyers has purchased about 90,000 tonnes of corn and about 25,000 tonnes of feed wheat of optional origin in an international tender for the same volume which closed on Wednesday

- Some 35,000 tonnes of the corn was purchased at around \$176 a tonne c&f and 55,000 tonnes of corn at about \$177 a tonne c&f. sellers were Bunge and ADM
- All the feed wheat was bought at around \$210 a tonne c&f. all sold by Nidera.

The Korea Feed Association (KFA) purchased 120,000 tonnes of corn and 25,000 tonnes of feed wheat all of optional origin in a tender which closed on Thursday

The corn was for arrival in South Korea in September and the wheat was for arrival in May

- Some 60,000 tonnes of corn was purchased by the KFA's Busan section at \$203.90 a tonne c&f plus a \$1.50 a tonne surcharge for additional port unloading, seller was CHS
- Another 60,000 tonnes was purchased at \$202.17 a tonne c&f plus a \$1.50 a tonne surcharge for additional port unloading, traders said. Seller was ETG
- The feed wheat was all purchased at \$235 a tonne c&f plus a \$1.50 a tonne surcharge for additional port unloading. Seller was Dreyfus.

Black sea (Ukraine) traded down compared to last week, depending on position between 173 and 168 US\$. New crop was quoted selling side around +45 and buyers around +35.

Hungarian Danube corn paper specs traded around the 131/132€ level, and corn with DON level guarantees (max 4000ppb) traded around the 133€ level. The premium for guaranteed DON levels in the corn is getting smaller. The big shorts are buying back the paper and locking in some profit.

On the Dutch market it was very quiet last week as there is little incentive in the market to trade.

Wheat:

Jordan's state grain buyer has issued an international tender to purchase 100,000 tonnes of hard milling wheat which can be sourced from optional origins, European traders said on Monday. The tender closes on Wednesday 4th of March.

Iraq's state grains board has cancelled an international tender to buy at least 50,000 tonnes of hard wheat with no purchase made. The tender had closed on Feb. 15 and offers originally had to remain valid up to Feb. 19. The offer deadline was first delayed until Feb. 22 and then until Tuesday Feb. 24.

- Australian wheat was offered lowest at \$279.70 a tonne c&f free out (ciffo).

Egypt's GASC bought 290,000 tonnes of U.S. hard red winter wheat (HRW) for arrival on April 15-25 with the following breakdown of the purchase:

- Invivo: 55,000 tonnes at \$271.44 c&f
- Louis Dreyfus: 55,000 tonnes at \$273.50 c&f
- Cargill: 60,000 tonnes at \$273.50 c&f
- Cargill: 60,000 tonnes at \$273.50 c&f
- Ameropa: 60,000 tonnes at \$273.50 c&f

Egypt cancelled a tender last week to buy U.S.-origin wheat saying the prices offered were too high. In last week's tender, GASC had asked only for U.S. soft red wheat (SRW) or soft white wheat (SWW) but in Tuesday's tender it had included HRW.

South Korea's (MFG) has purchased 53,000 tonnes of feed wheat which can be sourced from optional origins in a tender which closed on Thursday.

- The group made the purchase from ADM Asia at \$214.75 a tonne c&f plus a \$1.50 a tonne surcharge for additional port unloading. The wheat was for arrival in South Korea around Aug. 10

Bangladesh's state grains buyer said on Sunday the lowest offers in its tender to buy 100,000 tonnes of wheat were at \$244.50 and \$261.25 per tonne from Glencore.

- Glencore submitted the lowest offer of \$244.25 a tonne including CIF liner out for a 50,000 tonne consignment, which was sought with 10 percent protein content.
- The lowest offer of \$261.25 a tonne including CIF liner out for the other consignment of 50,000 tonnes of wheat with 12.5 percent protein content.

The wheat has to be shipped within 40 days after contract signing.

German 12.5pro market relatively quiet last week as there was little demand from destinations. Polish 12.5 market traded +15 for MARCH (spot) position and further positions (Apr/May) around same premium asked from selling side but buyer's more around +13 levels. There is a lack of destination business so second hand are looking for an outlet on their long positions and thus decreasing their prices/premiums.

Feed wheat Dutch market was relatively quiet last week with nominal value around 180€ for old crop as well as new crop.

Barley:

French barley values unchanged compared to last week, old crop 214/215 US\$ buying ideas against sellers around the 218US\$. New crop 204 buyers vs 207 sellers. For the German barley market old and new crop nominal values are around 200US\$. Some volume traded in the delivered market last week in Germany between 169 and 171€ cif/franko which calculates to a 197\$ FOB equivalent price. Black sea old crop around \$205 and argentine quoted 215\$ FOB.

Dutch market traded old crop (March till June) between 172 and 170€. New crop is around the same price with little buying interest, only people who are doing the spread on even money buying Dutch paper selling Hamburg delivered market new crop.

Sunseed/Sunoil:

Week 9 started off slow with buyers showing 730/735 USD bids for FOB AMJ positions, levels below the traded lows of this 2014 campaign. Crushers were not willing to move closer to these levels and offered 760/755 USD. Due to the UAH losing ground and being very volatile farmers were still not selling Sunflower seeds. Due to this crushers were having a difficult time to keep up production and some rumours were spreading into the market of crushers significantly reducing production. Best offers were produced by the trade, offering AMJ positions at 750 USD. Mid-week this offer was picked up and the Black sea SFO market started firming up quickly where on Friday trades were recorded at 760/765 USD levels for the AMJ positions.

The Sunflower seeds market on the Black sea was during week 9 again rather quiet. Old crop was showing some movement which resulted in 410 USD being trade for March/April positions. New crop seller decreased a bit which led to offers at 385 USD against bids at 380 USD. While the bid-ask spread improved it was still not enough to trade new crop Sunflower seeds.