

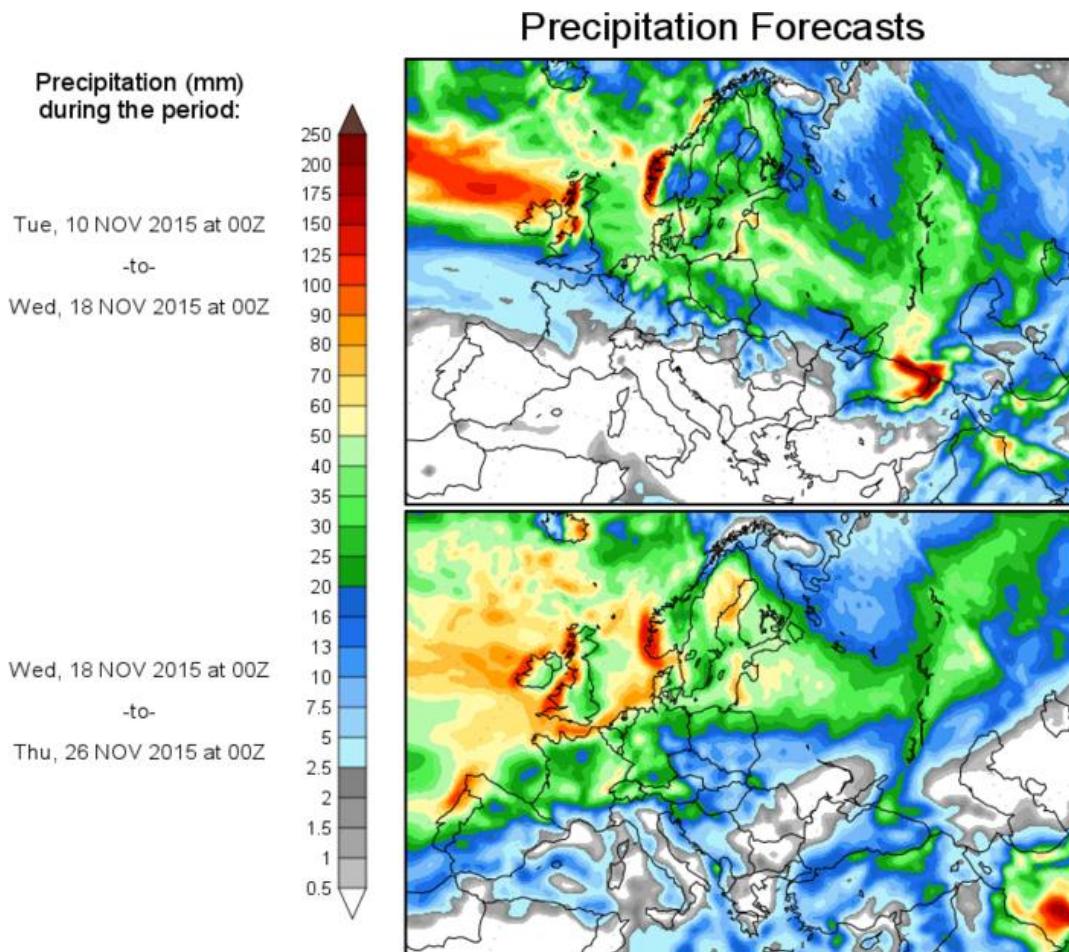
Report week 45

Corn:

In the Black Sea (Ukr) was active last week, nov/dec'15 positions were quoted between 166 and 170\$ depending on position. March positions were traded at premiums between 63 and 65 over the march CBOT. New crop traded 40 over dec CBOT for nov'16 positions

Hungarian Danube corn FOB levels nov/dec positions last week traded around 150€, Basis January traded around 155€.

Corn in the Dutch market some Jan/march traded around the 172€ level. Not allot of action was to be seen as people were more focussed on resolving their logistical issues on the spot/dec positions because of the water problems. With the euro/dollar dropping towards 1.075, the prices for corn were moving up. And buyers were not following. No water/rainfall expected this week in the area's needed. (see below)



Wheat:

The Ethiopian government has purchased about 800,000 tonnes of milling wheat of optional origin in a giant international tender for up to 1 million tonnes. Offers in the tender had been submitted on Oct. 23. Negotiations are continuing and more sales are possible

The purchase (all on a c&f basis) involved about:

- 150,000 tonnes at around \$233 a tonne
- 80,000 tonnes at around \$234 a tonne
- 300,000 tonnes at about \$243 a tonne
- 176,000 tonnes at \$241.86 a tonne
- 100,000 tonnes at \$243-\$244 a tonne

Origin of the grain was optional but could include wheat from the Black Sea and Baltic Sea regions. The sales were largely made by small to mid-size trading houses, including some from the Middle East and Black Sea regions. Talks about the remaining 200,000 tonnes in the tender continue, with suppliers being asked to accept \$243 a tonne c&f

This is one of the largest wheat tenders in the global grains market in recent years and comes as Ethiopia faces poor local harvests linked to the disruptive El Nino weather pattern. Shipment of the wheat is due within four months of the purchase being completed.

Jordan's state grain buyer has issued another international tender to purchase 100,000 tonnes of hard milling wheat which can be sourced from optional origins. The tender closes on Nov. 12. A series of wheat tenders issued by Jordan in the past month have ended without a purchase. A wheat tender for 100,000 tonnes was cancelled on Tuesday.

Milling wheat's out of northern Europe were quit active last week with mainly Baltic 12.5 pro traded at -4/-5 under matif dec for nov/dec positions and -3/-4 under march matif for bss jan positions.

On the Dutch market the feed wheat was really quiet.

Barley:

Jordan's state grain buyer has purchased 100,000 tonnes of animal feed barley to be sourced from optional origins, in an international tender for that quantity which closed on Thursday. The limited interest in selling to Jordan was due to stricter tender terms on grain quality inspection and payment, which create higher risks for sellers. Some 50,000 tonnes of barley were bought at \$216 a tonne c&f and 50,000 tonnes at \$217 a tonne c&f, for shipment separately in the first and second half of March 2016. The seller was a regional trading house based in Dubai.

Jordan had made no purchase in a tender for 100,000 tonnes of wheat which closed on Tuesday and on Wednesday issued a new tender for wheat which closes on Nov. 12.

For the German barley market there was some volume traded on the delivered market bss nov at a FOB equivalent at that time of 184US\$. Saudi bought a million ton of barley at a cif price of 195\$ (dec/jan/feb). So this delivered market is well paid.

Dutch market for barley was active last week with dec/jan positions trading at 169/170€, jan/jun traded at 174€ towards Dutch end consumers.

South America:

The argentine political situation is completely focused on the elections. The government is not fully backing their candidate as ahead of the 2nd round he became lighter on certain items with regards to the politics of the current president. Scioli in his campaign is also more appointing to the negative effects that (according to him) an election in favor of the opposition might have, instead of defending his points of view. The opposition candidate, Mauricio Macri is seizing in certain points in order to obtain enough votes to get into the pink house. It will remain a stride until the 22nd of November. In Brazil, some trucker associations have announced to go on strike. However, the current freight prices are not really giving support to the truckers to go on strike. Therefor any strike is not expected to last for a long time.

The weather in southern Brazil and northern Argentina continues to difficult the harvest of wheat. More concerns appear regarding Vomitoxine, zereanonin and testweight. The planting in Argentina is at schedule but still appointing to 20% less area versus last year. The area can still increase if the elections turn out to be more favorable to a change with regards to the agriculture approach of the government. Heavy rains in southern Brasil are also complicating logistics. Santos and Tubarao are already facing waiting times of 20 days and it can become more if rains continue.

Premiums have continued firm in the southern hemisphere. In Argentina no business reported with sellers still willing to sell but not considering bids below 60cz. Paraguayan is similar but a bit less than 20 cents discounted. New crop in Argentina (March) was offered at +50ck with demand at +30ck. In Brazil before the farmer strike we saw offers at 65cz for 20/11-10/12 or 70ch for 1-20 Jan. During the past week we saw buyers at 55ch for January. At higher levels the premiums of US are starting to make more sense. August/September was offered at 35cu with bids at 25cu for Santos/Tubarao. OND offered at 30cz for Santos/Tubarao/Paranagua or October Santos/Tubarao/Itaqui.

Sunseed/Sunoil

Ukrainian Sunflower oil did not show much volatility during week 45. The market seemed to have found some resistance at 780 USD for JFM positions. At these levels also some crushers were seen on the buying side as their net crush margin was negative. The offers in the market therefor were primarily coming from the trade. Due to the FOSFA annual dinner the week was not very active but on Thursday December was reported trading at 803 USD. Otherwise the JFM kept steady with buyers at 780 USD throughout the week while the sellers kept quiet and at some points showed some offers round 790 USD.

From the big move down on the Ukrainian Sunflower oil during week 44 the Sunflower seeds market in Constanta finally showed some weakness for week 45. Buyers moved down to 455 USD bids. Sellers however not increasing prices still rather stayed proud and didn't start chasing the market. Finally end of the week there was a keen enough seller who was willing to go below the last traded level and a trade was recorded at 460USD