

# Report week 19

## Corn:

Taiwanese buyer the Great Wall Group has purchased around 65,000 tonnes of corn from the United States in a tender which closed on Tuesday

- It was purchased at a premium of 130.5 cents a bushel c&f over the Chicago September CU5 corn contract

Shipment was June 1-20. Offers for shipment between June 21 to July 10 were rejected

South Korea's (FLC) purchased 63,000 tonnes of optional-origin corn in a direct non-tender deal late on Thursday

- The yellow corn was purchased at \$189.82 a tonne c&f including a surcharge for extra port unloading, seller was CHS

The corn is for arrival in South Korea around Dec. 5, with shipment from Nov. 11-30 from the U.S. Pacific North West coast, between Oct. 12-31 from the U.S. Gulf or Black Sea or between Oct. 7-26 from South America

Taiwanese buyer the Great Wall Group has issued an international tender to purchase up to 130,000 of corn to be sourced optionally from the United States, Brazil or Argentina.

The tender closes on Tuesday, May 12.

The corn is sought in two consignments both of between 50,000 to 65,000 tonnes, one with shipment between June and July and one for shipment between July and August.

A group of Israeli private buyers has issued international tenders to purchase up to 85,000 tonnes of corn, 65,000 tonnes of feed wheat and 15,000 tonnes of feed barley all of optional origins. The tenders close on Wednesday, May 13.

If based on European Union or Black Sea region supplies, some 35,000 tonnes of corn was sought for shipment between June 25 to July 15 and a further 50,000 tonnes between July 20 to Aug. 10

If based on EU or Black Sea supplies, a shipment of 15,000 tonnes of feed wheat was sought between May 20 to June 10, 20,000 tonnes between June 20 to July 10 and 30,000 tonnes between July 20 to Aug. 10.

The barley was sought for a shipment between June 20 to July 10 if from the Black Se or EU.

Black sea (Ukraine) was relatively quiet last week. Sellers old crop indicated 174/175\$ selling ideas but buyers were missing. New crop was in premiums selling side official at +50/+48 over Dec and buyers more in the +40/+42 level, bids around +45 were invited by the sellers. There were some trades reported for the June positions out of Constanta at prices between 171 and 170\$

Hungarian Danube corn FOB levels traded old crop may/jun last week around 136€, new crop buyers around the 136€ levels but selling side indicated 139/138€

On the Dutch market it was very quiet last week with Tuesday being an official day off in Holland. Old crop may/june 168 vs 166, jul/sep 171 vs 168, oct/dec 165 vs 162.

## **Wheat:**

Iraq's state grains board has purchased 50,000 tonnes of hard wheat to be sourced from the United States

- The wheat was priced at \$257.35 a tonne c&f free out to the port of Umm Qasr with shipment between June 1-30 and delivery between July 7 to Aug. 14

Traders said that Iraq had originally cancelled a tender for 50,000 tonnes of wheat on April 30 but then later decided to make a purchase.

Egypt's (GASC) bought 120,000 tonnes of Russian and Romanian wheat in a tender for June 16-25 shipment with the following breakdown of the purchase:

- 60,000 tonnes of Russian wheat from Vitol at \$194.22 a tonne free-on-board (fob) and \$9.40 a tonne freight
- 60,000 tonnes of Romanian wheat from Cargill at \$199.50 a tonne fob and \$8.40 a tonne freight

Russian wheat was offered at attractive prices in the tender, lower than the French, Polish and U.S. origins.

"The reason for the cheapness of Russian wheat in the Egyptian tender is the anticipation that Russian export taxes will be removed at least by the beginning of July. Russia is expected to take a decision by mid-May on removing a tax on wheat exports ahead of schedule and will set up a new mechanism in case it needs to act quickly to regulate trade in the future.

South Korea's (NOFI) is seeking up to 44,000 tonnes of world-wide feed wheat for July and August arrival via two tenders. The tender will close on Tuesday. Details are as follows:

- 20,000-22,000 July 25, 2015
- 20,000-22,000 Aug 5, 2015

Old crop German was traded between +10 and +8 for May/June 12.5pro, 11.5 pro was traded out of Poland around even/-1 matif Sep (for July positions) probably with destination Algeria. New crop is discussed in Germany with selling ideas around +9, but buyers now willing to pay more than +6 for 12.5 proteins. Polish 12.5 discussed for new crop (Sep/Nov) +3 vs +2 over the Dec matif.

Feed wheat Dutch market some trades were done on May/June positions around 170€ and new crop Sep/Dec also at 170€.

## **Barley:**

French market barley new crop traded at a 194\$ level, further discussed 197/196 sellers vs 193\$ buyers. For the German barley market old crop is quoted around 170\$ FOB, ex-crop sellers around \$180 and new crop nominal values are around 186US\$.

Australian Old crop barley nominal value 235\$ FOB, and new crop 225 vs 215\$

CIF Saudi new crop quoted 198\$ sellers vs 192\$ buyers.

Dutch market some small trades reported around 169/170 (May/Jun), new crop traded 165/164€ for Sep/Dec.

## **Sunseed/Sunoil:**

During week 19 the Ukrainian Sunflower oil market was slow due to a very thin selling side. When even the big crushers stopped offering old crop, the only Sunflower oil in the market was found from resellers which after rearranging their programs found some small surplus. The week started with Monday some June position trading at low 830's USD. With a rally on the Palm and Soybean oil futures, midweek some trades were recorded round 840 USD. Towards the end of the week Palm and Soybean oil futures were bit weaker which pushed down on the Sunflower oil paper market (6ports). This showed how the physical Sunflower oil was leading its own path when Ukrainian Sunflower oil kept trading up with a few trades recorded at 845 USD for the June position. During week 20 the FIHC will be an important driver for the Ukrainian Sunflower oil market.

We would like to inform you that FIHC. Announced new oil tender to be hold on Tuesday 12 / 5 / 2015 for following :

- 15000 Crude Sun Oil  
Arrival from 1 up to 20 July / 2015  
( Min. Quantity to be offer 9000 T. )
  
- 25000 Crude Soya Oil  
Arrival from 1 up to 20 July 2015-05-04  
( Min. Quantity to be offer 15000 T. )

The Sunflower seeds market activity on the Black Sea was picking up on the September position during week 19. Old crop market was still not showing many participants as there seem to be no sellers in the open market. For now the biggest focus is on the new crop September position which is showing a rather active buying side. During week 19 the September Sunflower seeds market was rather well supported with a number of buyers in the market against fewer sellers. Few trades were recorded this week round 375 USD.

