

Report week 8

Corn:

A group of Israeli private buyers has issued international tenders to purchase up to 90,000 tonnes of corn and 25,000 tonnes of feed wheat, both of optional origin. The tenders close on Wednesday, Feb. 25

- If based on European Union or Black Sea supplies, corn shipment was sought between Apr. 25 to May 15 for 35,000 tonnes and between May 20 to June 10 for 55,000 tonnes
- Wheat shipment was sought between Apr. 1-20 if based on European Union or Black Sea supplies

Black sea (Ukraine) traded, depending on position between 175 and 170 US\$. New crop was not active last week; premiums vs CBOT remained nominal +55 vs +45.

Hungarian Danube corn paper specs traded around the 130/131€ level, and corn with DON level guarantees (max 4000ppb) traded around the 134€ level. Values remain relatively unchanged.

On the Dutch market it was very quiet last week old crop April positions were traded between 164 and 163€ and new crop oct/dec around 168€. The liquidity in the Dutch interior paper market is very low the last few weeks because of 2 main reasons: the end-consumers in Holland are not buying too far ahead and the high DON and Zea levels out of the French corn supplied this year are a problem for the end consumers.

Wheat:

Algeria's state grains agency OAIC bought 400,000 tonnes of milling wheat for June shipment in a tender that closed on Wednesday. Algeria paid around \$237-\$238 a tonne, including cost and freight. The origin of the grain is optional but most of the wheat was expected to be sourced from France

Egypt's state grain buyer has cancelled a tender to buy U.S. origin wheat for arrival on April 10-20 on Wednesday. The prices offered were exaggerated GASC claimed.

- Cargill: 60,000 tonnes U.S. soft red winter or Hard red winter, seller's option at \$287
- Bunge: 60,000 tonnes U.S. soft red winter or U.S. soft white winter seller's option at \$299.87
- Ameropa: 55,000 tonnes U.S. soft red winter at \$292.88
- Invivo: 55,000 tonnes U.S. soft white wheat at \$336.46

Egypt had been expected to tender for U.S.-origin wheat to make use of a \$100 million credit line made available to it by the United States.

Egypt's (GASC), said on Thursday it had bought 240,000 tonnes of French and Romanian wheat in a tender for shipment March 15-25. With the following breakdown of the purchase:

- 60,000 tonnes of French wheat from Soufflet at \$224.74 a tonne free-on-board and \$13.10 a tonne freight, from two ports
- 60,000 tonnes of French wheat from Lecureur at \$226.64 a tonne fob and \$13.10 a tonne freight, from two ports
- 60,000 tonnes of French wheat from Cargill at \$227.68 a tonne fob and \$12.73 a tonne freight, from one port
- 60,000 tonnes of Romanian wheat from Ameropa at \$234.84 a tonne fob and \$8.15 a tonne freight

Egypt has bought 3.865 million tonnes of wheat on the international market since July 1, the start of the fiscal year. GASC has stepped up purchases of French wheat since Russia imposed curbs on its grain exports in December.

Iraq's state grains board has once more delayed a decision on whether to buy at least 50,000 tonnes of hard wheat in a tender; with a request that offers remain valid until Tuesday Feb. 24. The tender had closed on Feb. 15 and offers originally had to remain valid up to Feb. 19. The offer deadline had already been extended once until Sunday, Feb. 22.

- No purchase had yet been made. Australian wheat was offered lowest at \$279.70 a tonne (ciffo). The tender sought wheat from the United States, Canada, Australia and Russia only for shipment between 1-30 Mar with delivery to Iraq between 31st of Mar to 14th of May.

German 12.5pro in premiums traded around +16/+17 over the May Matif for April positions, mainly short covering for the last Saudi tender. Polish 12.5 market was rather quiet last week as the sellers are trying to solve their Feb and March logistics first (nominal +15 vs +13 over May MATIF).

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

Barley:

Jordan's state grain buyer has purchased 100,000 tonnes of animal feed barley in an international tender for the same volume which closed on Wednesday.

- The barley was all bought at \$219.50 a tonne c&f, with 50,000 tonnes for shipment in the first half of August and 50,000 tonnes in the second half of August. Seller was Dolge

French barley values unchanged compared to last week, old crop 214/215 US\$ buying ideas against sellers around the 218US\$ (small quantities traded inland around the 213/214\$ parity but no big volumes), new crop 203 buyers vs 207 sellers. For the German barley market old and new crop nominal values are around 200US\$. Black sea old crop around \$205 and argentine quoted 215\$ FOB. The above mentioned tender to Jordan has been done very aggressive if you check these FOB prices.

Sunseed/Sunoil:

Week 8 started actively with Sunflower oil crushers selling AMJ positions between 760 USD and 765 USD. Towards the end of the week Argentinian Soybean oil was losing ground quickly which weakened the Sunflower oil and showed trades of AMJ positions at 5/10 USD below the weeks start. These selling prices were initiated by trading houses. With the UAH losing ground the Ukrainian Sunflower seeds market was very illiquid and caused crushers to not move to lower levels. On Friday the Argentinian Soybean oil was still decreasing which led to a market end of 745 USD bid vs 755 USD offered.

The Sunflower seeds market on the Black sea was quiet throughout the whole week. Old crop was still offered at 420 USD against buyers at 410 USD and new crop was offered at 390 USD against buyers at 380 USD. With sellers remaining at same levels and buyers lowering the bids by 5 USD from last week the bid-ask spread increased and little activity was seen.