

Report week 12 (2016)

Corn:

The Korea Feed Association (KFA) purchased about 63,000 tonnes of yellow corn in a private deal late last week

- The corn was purchased by the KFA's Incheon section at \$177.45 a tonne c&f. It can be sourced optionally from the United States or South America and is for arrival around July 30, seller was LDC.

A group of Israeli private buyers bought about 65,000 tonnes of corn in a tender which closed on Tuesday thought likely to be sourced from the Black Sea region.

- Price for all the corn was around \$171.50 a tonne c&f, Seller was Nidera.

The group made no purchase of 35,000 tonnes of feed wheat also sought in the tender.

Taiwan's MFIG purchasing group on Wednesday bought 65,000 tonnes of corn.

- At a premium of 79.77 cents a bushel c&f over the Chicago September corn contract CU6. It was purchased from Cargill in a single consignment for June 9-28 shipment from the U.S. Pacific North West Coast.

In the Black Sea (Ukr) market was relatively quiet last week April/May/June positions nominally quoted between 166 and 168US\$. New crop traded last week (November positions) @ +30 over CBOT dec.

Hungarian Danube corn FOB levels for new crop bss October nominal at 140€ for paper specs, with local industry paying 140/141€ for sustainable goods. Bss January 143€ seller 141€ buyer.

The Dutch market still relatively quiet with consumption not buying far away positions. May/jun traded at 159€ (last paper long holders).

Wheat:

An importer in Qatar has issued a tender to purchase 40,000 tonnes of hard milling wheat, Some 20,000 tonnes is for shipment in the first half of July and 20,000 tonnes is for second half July shipment. Tender deadline is April 7.

Jordan's state grain buyer has postponed an international tender to buy 100,000 tonnes of milling wheat which closed on Tuesday with no purchase made. The tender sought shipment in a range of combinations in 50,000 tonne consignments between Sept. 16 to Oct. 31. The tender is now expected to take place on April 5, Jordan made no purchase in its previous tender for 100,000 tonnes of wheat which closed on March 22.

A series of previous tenders in late 2015 ended without purchases after new terms on quality control and payment terms were introduced, reducing participation in tenders by international trading houses.

Iraq's state grains board has issued an international tender to buy at least 50,000 tonnes of wheat. The tender closes on April 10 and offers must remain valid up to April 14.

The wheat can be sourced optionally from the United States, Canada, Australia or Russia.

In its last reported purchase on March 15, Iraq's grain board bought 100,000 tonnes of

wheat to be sourced from Canada. Iraq frequently buys more wheat than it tenders for.

Egypt's (GASC), said on Thursday it had bought 60,000 tonnes of French wheat in a tender.

- The wheat was purchased from Soufflet at \$179 a tonne free-on-board, and \$10.20 a tonne freight from National Navigation Company.

GASC had received offers from six suppliers for the tender to purchase the grain.

12.5 pro out of Northern Europe is getting very technical for the April positions with line-ups in all the ports. 2h April traded last week at a premium of +7 over matif may (At the time of trade this calculated around 182/183 US\$ FOB). May onwards you find selling ideas around +8. New crop German (sep/dec) -1 vs -3, polish same position -2 vs -4. Russian market traded for 2h April at prices of 181US\$. New crop Jul/Aug traded @ 175US\$ out of Russia.

11.5pro market out of the black sea region nominal quoted around 168 US\$. And feed wheat around 162US\$. All based on April/May positions.

Feed wheat in the Dutch market was not active last week.

Barley:

New crop Saudi sellers indicating 172US\$ CIF last week with best buying interest around 170US\$.

For the German barley market the delivered new crop basis September traded between 148 and 150€. Which was at the time of trading around -18/-20 compared to matif December.

Dutch market old crop some movement noticeable on physical delivery Apr/May/Jun positions between 145 and 148€ depending on position. New crop no activity.

Sunseed/Sunoil

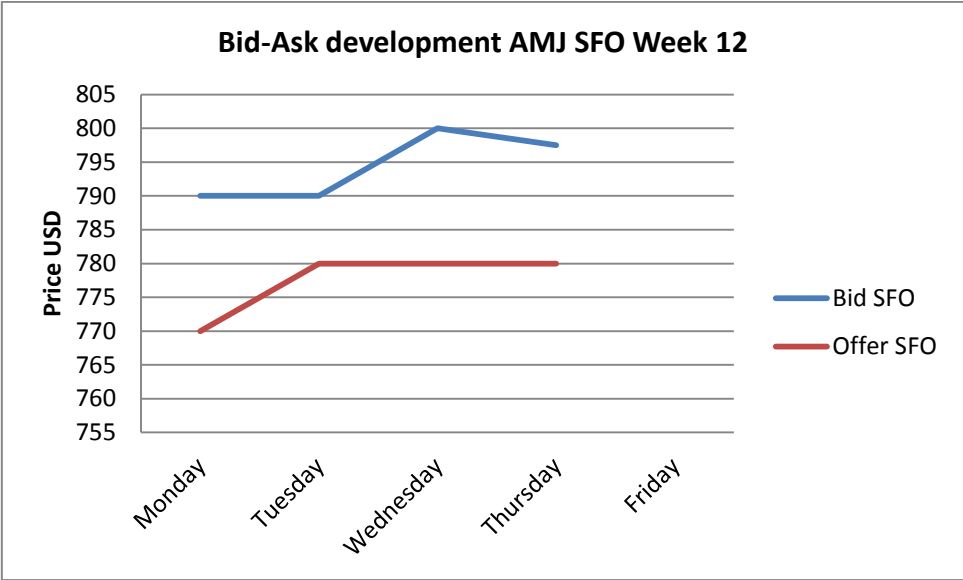
The Ukrainian Sunflower oil market started firming up a bit during week 13. The overall market kept feeling heavy still from the existing Sunflower oil stocks in Ukraine and still the large volumes of Sunflower seeds available in the market. However, on the front side of the market it seems there were still some shorts in need to cover while the crush was not selling much with illiquid seed markets. Due to this the April position moved quickly from trading at 785USD to 795USD, with week closing 800USD offers vs 785USD bids. This technical April pushed up the offer side on other positions as well. May/June positions were less firm and showed some trades 5USD below the April.

Egypt's FIHC

Egypt's Food Industries Holding Company (FIHC) has issued an international tender to purchase up to 40,000 tonnes of crude soyoil and 30,000 tonnes of crude sunflower oil. The

oils are both sought for arrival in Egypt between May 1-20 or between June 1-20. The tender deadline is March 31.

Week 12 showed slow movement on the Black Sea Sunflower seeds market as well. While Sunflower oil was seeing a bit of support buyers of seeds were still showing the same bearish attitude towards new crop Sunflower seeds. Buyers of new crop Sunflower seeds kept bidding 365USD throughout the week and also during the start of week 13. Sellers however due to support on the oil and little liquidity were quick to move offers up to 375USD. On old crop there seems to be nothing close to a market. While buyers show 390USD for April there seems to be no firm selling side.



South America

Argentina started the week with its currency at 14.69 and ended it gaining some value at 14.535. From the Brazilian side, the real started the week at 3.6116 and finished it rather stable at 3.682. On Wednesday Argentina had the honor of receiving president Obama. The USA president talked about the great progress of Argentina since Macri and considered him as a role model for the South American people in their development process.

On the corn market, last week it was confirmed that the second round of Brazilians buying argy corn was approximately 10 cargos at levels next to +40ck. By Monday, on the Argentinian corn market, April position was quoted at +47ck, while buyers were looking for values at +43ck. For May position was offered at +42/3ck with buyers willing to trade at 38ck. Moving forward to June sellers aimed at values near 30cn, while buyers were looking for values at +26cn. Regarding barley, the market was still interested to buy a panamax for April at levels of 152 but sellers weren't able to get the volume together.

On the Brazilian market, corn has been offered at +40cu for optional ports with buyers interested at +35cu for Santos or Tubarao. Sellers were only able to do these ports at +50cu. For November position buyers were willing to trade at +35cz and December at +37cz. Sellers on the other hand were looking for October/ November positions at 37cz for optional ports. At least, for November Santos/ Tubarao was offered at +40cz.