

Report week 26 (2016)

Corn:

A group of Israeli private buyers has issued international tenders to purchase up to 120,000 tonnes of corn, 115,000 tonnes of feed wheat and 15,000 tonnes of feed barley all of optional origins. The tenders close on Wednesday, July 6.

- If based on supplies from the Black Sea region, 20,000 tonnes of corn was sought for shipment for Sept. 25-Oct. 15, 50,000 tonnes for Oct. 20-Nov. 10 and 50,000 tonnes for Nov. 20-Dec. 10. If based on U.S. corn, shipment would be 15 days earlier and for South American supplies shipment would be 20 days earlier.
- If the feed wheat is sourced from the Black Sea region or Europe, some 25,000 tonnes was sought for shipment for Aug. 15-Sept. 5, 25,000 tonnes for Sept.25-Oct. 15, 35,000 tonnes for Oct. 20-Nov. 10 and 30,000 tonnes for Nov. 20-Dec. 10.
- All of the barley was sought for shipment for Oct. 20-Nov. 10 if sourced from Europe or the Black Sea region with changes negotiated for other origins.

South Korea's (KOCOPIA) purchased about 55,000 tonnes of yellow corn to be sourced from the United States in a tender which closed on Thursday.

- The corn was purchased at \$206.30 a tonne c&f including surcharge for additional port unloading. The corn is for arrival around Oct. 1 with shipment between Aug. 7-27 from the U.S. Gulf or between Aug. 28-Sept. 16 from the U.S. Pacific North West coast. Seller was Daewoo

CBOT corn (dec) dropped again 30 points last week after sliding already over 50 points. The week before. Premiums in black sea (Ukr) were not moving too much against this, OND positions still 60 over vs 70 over depending on position.

Hungarian Danube corn FOB market showed some activity on new crop. Oct/Nov traded around levels of 141/142€, bss January around 144/145€.

On the Dutch market we have only seen some movement on the Aug/Sep positions between 170 and 172€. Some Dutch consumers priced part of their basic corn needs for these positions. Still around 15-20€ premium over feed wheat.

Wheat:

Tunisia's state grains agency has purchased about 100,000 tonnes of soft milling wheat and 75,000 tonnes of feed barley in a tender which closed on Wednesday. The grains can be sourced from optional origins.

- The soft wheat was purchased in four 25,000 tonne consignments at \$177.25 a tonne, \$177.66 a tonne, \$177.86 a tonne and \$178.77 a tonne all c&f (cost & freight). Seller on all positions was Nidera
- The feed barley was purchased in three 25,000 tonne consignments at \$161.55 a tonne, \$163.55 a tonne and \$165.82 a tonne all c&f. sellers were nidera(2x) and Bunge.

The tender sought milling wheat for shipment in September and October, and barley for shipment between August and October.

Jordan's state grains buyer purchased 100,000 tonnes of hard milling wheat to be sourced from optional origins in a tender for the same volume which closed on Tuesday.

- It was purchased at about \$204.40 a tonne c&f for shipment in the second half of December, 2016, and in the first half of January, 2017. Seller was said to be trading house Sarels.

A government source said on June 17 that Jordan had changed its wheat import purchase terms in a bid to attract more suppliers to its purchase tenders.

Blacksea levels going down last week as demand is very limited (partially to do with Ramadan) Based on August positions nominal values last week were: 12.5 pro (172US\$), 11.5pro (167US\$), feedwheat (163US\$).

Feed wheat in the Dutch market showed some activity on the new crop (sep/dec-oct/dec positions) some consumer business was done on these positions around 155/156€. Paper terms got traded around 2-3€ lower.

Barley:

Jordan's state grain buyer has again issued an international tender to purchase 100,000 tonnes of animal feed barley to be sourced from optional origins,. Tender deadline is July 12. (2h December / 1h January shipment)

For the German barley market the new crop Basis September traded around levels between 140-142€ (around 162US\$ FOB eq.)

French market not showing activity on the export market for barley, French origin seems to be having some problems with the test weight on the first cuts. (58-59kg/hl) FOB levels nominally still around 158US\$, but no active trades.

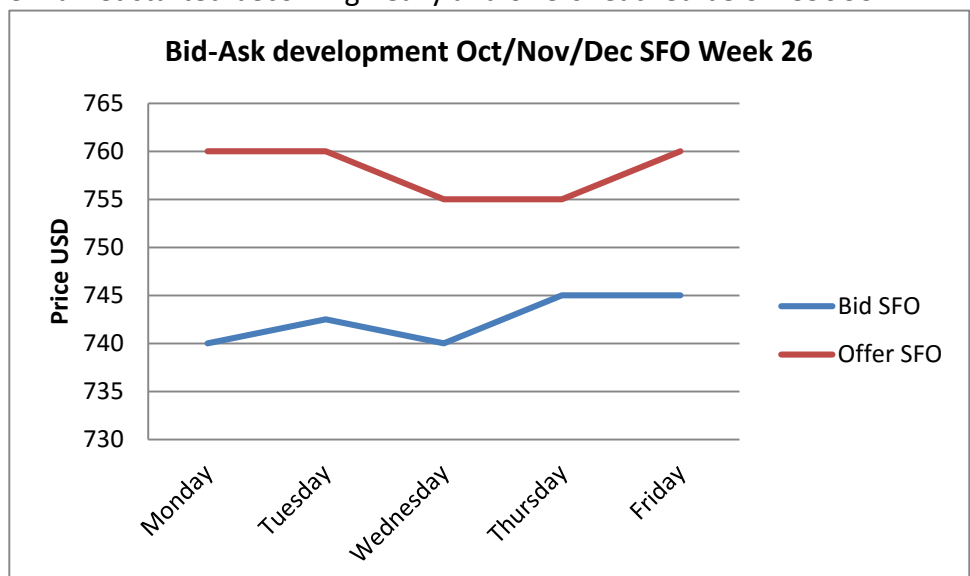
Black sea barley showed some activity on the Jul/August positions with trades reported between 153 and 150 US\$.

Dutch market was quiet, some ex-crop positions were traded at 139€, sep/dec positions traded between 148 and 144€.

Sunseed/Sunoil:

The Ukrainian Sunflower oil market, as last week, still not finding too much support. The EU 6ports paper market keeps heavy with plenty sellers. There seems to be still plenty oldcrop with a lack of demand while newcrop is able to lock a paper gross crush margin of 45/50 USD. So for the newcrop also an active selling side while buyers sporadically step into the market for limited quantity. After a few weeks of heavy oldcrop on the 6ports the Blacksea market started following this aswell. While the crush kept round 800USD offers the trade dived down and we found offers for July/August at 790/785USD. On the newcrop market didn't change much from last week and kept offers round 760USD and bids round 740USD throughout the biggest part. With still time left sellers are waiting for better levels even tough market feels that the OND positions are still undersold comparing to previous crops. The Blacksea Sunflower seeds market started showing some activity. With EU crushers still not ready to commit, the market started becoming heavy and offers reached below 390USD for

September/October positions. Best buyers seen was showing 386USD during start of the week and slowly, with weakness on the bean markets, moved to 383USD towards end of the week. While the ARAG market was showing throughout the week



possibilities to lock gross crush margin of round 45USD the crush was still not attracted to support this Blacksea Sunflower seeds market.

South America

The Argentinian currency ended the week at an average of 15 against the dollar. The Brazilian real finished the week a little bit firmer at 3,22950. Weather continues being an issue in Argentina, rains started last Thursday and are expected to finish today. The week concluded with 4.363 trucks delivered to the port.

Regarding the Argentinian corn market, due to the rains and the logistic problems, sellers for spot positions are not found. Even for August there are still some papers around but sellers are not showing open values. For October, sellers were asking openly for +85cz, on the demand side, buyers were willing to pay +80cz. By the end of the week this position was traded at +82cz. Regarding the new crop, not many sellers around for A/M/J, for July sellers were indicating +35.

On the Brazilian corn market, sellers for 20/7 – 20/8 were indicating +120cu for Santos/ Tubarao. For the second half of August, sellers are willing to sell at +115cu for Itaqui/ Barcarena. Not many sellers around for the more forward positions. On the demand side, buyers are willing to buy at +95cz for October and at +100cz for November.