**Report week 42 (2016)**

**Corn:**

South Korea's (MFG) purchased 66,000 tonnes of optional-origin corn in a tender for up to 70,000 tonnes which closed on Tuesday.

* The corn was purchased at $192.90 a tonne c&f plus a $1.25 a tonne surcharge for additional port unloading,.It was sold for arrival around Jan. 15, 2017, some ten days earlier than required in the tender. Seller was CHS

Indonesia’s Bulog has purchased about 150,000 tonnes of corn in a tender last week expected to be sourced from the United States and Brazil. Some traders put the total purchased as high as 200,000 tonnes.

* It was purchased at just over $200 a tonne c&f for arrival by Dec. 25.

Nov/Dec positions traded around 75 over CBOT dec (FOB Ukraine). J/F/M traded same premiums (between 75 and 80 over) but then over the march CBOT.

Low waterlevels on the Danube still gives allot of troubles for shippers (100% low water surcharge) put the market for oct/nov at a standstill. Oct/Nov traded at levels between 128€ and 132€, bss January was showing some movement between 134€ and 138€.

On the Dutch market it has been very quiet last week(s), traders are busy with their front position logistics (low water in inland rivers) and not working on new sales.

**Wheat:**

Egypt's state grain buyer GASC received offers from seven suppliers at its international wheat purchasing tender on Tuesday.

The lowest offer was at $182.74 a tonne free-on-board (FOB) for 60,000 tonnes of Russian wheat, traders said.

Results are due later on Tuesday.

GASC is seeking the wheat for shipment Dec. 1-10.

Traders said the following offers were made in dollars per tonne FOB:

* Louis Dreyfus: 60,000 tonnes Russian at $182.74
* Cargill: 60,000 tonnes Romanian at $183.50
* Cargill: 55,000 tonnes Russian at $184.90
* Alegrow: 60,000 tonnes Russian at $184.92
* Cargill: 55,000 tonnes U.S. soft red or hard red at $185
* Aston: 60,000 tonnes Russian at $185.75
* ADM: 60,000 tonnes Romanian at $185.77
* Ameropa: 60,000 tonnes Romanian at $186.23
* Cargill: 60,000 tonnes Russian at $186.90
* Olam: 60,000 tonnes Russian at $189
* ADM: 60,000 tonnes Russian at $189.50

Egypt's GASC said on Thursday it bought 120,000 tonnes of Russian wheat in a tender.

Traders gave the following breakdown of the purchase:

* 60,000 tonnes of Russian wheat from Cargill at $179.55 a tonne FOB and $9.74 a tonne freight equating to $189.29 a tonne cost and freight (C&F)
* 60,000 tonnes of Russian wheat from ECTP at $179.85 a tonne FOB and $9.74 a tonne freight equating to $189.59 a tonne C&F

Blacksea some decent action noticable last week in milling wheat. Russian origin trading 173$ for spot, 175$ for nov, 176 for dec, 177$ for jan and 178$ for feb. 11.5 pro is quoted and sold at a 5$ discount (still Indonesia/India as biggest destinations).

Feed wheat in the Dutch market was quiet, prices have not moved on the selling side for the whole of last week.

**Barley:**

Jordan's state grain buyer has purchased 50,000 tonnes of animal feed barley to be sourced from optional origins in an international tender for 100,000 tonnes which closed on Wednesday.

* It was bought at $180.90 a tonne c&f for shipment in the second half of March 2017. It was purchased from trader GTCS.

In the blacksea we have seen some movement on Ukrainian barley for January postions between 155 and 157 US$ FOB.

German delivered barley market traded last week around levels of 142/141€ for bss october (around 160US$ FOB eq.)

A few parcels of scandinavian/baltic barley traded at prices between 135€ and 137€ FOB (147-150US$FOB eq.), Nov/Dec positions.

On the Dutch market it was quiet on barley.

**South America**

The peso remained very stable during the last week. It moved slightly above 15.2. The real moved in a downward trend, ending the week at 3.159. Eduardo Cunha, the main leader on the campaign in favor of the impeachment against Dilma, was arrested by the police for being involved in the corruption case of Petrobras.

The Buenos Aires grain exchange reported a progress on the corn of 2.9 percent to a total of 34.7% of 4.9 million hectares. The wheat is informed to be in very good conditions with very good soil moisture. However, this report didn’t include the rains from last week and the ones forecasted for this week. On the corn market, Brazilians were proposing to either delay or wash out the cargos bought. It is supposed that some wash outs took place at +80cz. On the new crop, sellers were indicating +53ck for March, +45ck for April/ May and +35cn for June/ July. Demand is getting weaker, buyers looking to buy June/ July pmx at +25cn. Regarding the wheat, a February was traded at 172 for 12% prot. Sellers for this protein level were seen at 170 for January and 175 for February.

On the Brazilian corn market, not much movement taking place. Offers remain at +58cu for August and +53cu for September. Demand is not even willing to discuss at these values. On the wheat, they say quality is going to be very good in terms of prot. However, prices are still not competitive. The government will discuss a possible subsidy in order to get them competitive. Regarding the container business, SBM Hipro for December shipment was offered at +71smz while demand was aiming to buy below 410.

**Sunseed/Sunoil**

The Ukrainian Sunflower oil market got some extra boost from CBOT Soyoil this week. With some funds stepping in on CBOT, it has given extra support to the overall Sunoil market. However, it has to be noted that the big swings on CBOT have also shown lesser correlation to Sunflower oil. While a firmer CBOT potivates the buyers the move for Sunoil is still limited as the market sees enough supply. This especially can be notised on the front side where the inverse is being lost. When the market is being pushed up the front position keep rather unmoved due to the big longs that need to step out of there position still. So after a long time we have the feeling market is going back to flat. Maybe even to take a small carry. Overall for November 770 is being bid during the week but trades have been recorded multiple times at 775usd throughout the week. Otherwise the December position shows most liquidity where the selling side is rather active starting the week at 775 and moving to 785USD after a few trades. The buying side is moving round 770USD with some moves when CBOT gave some bullish signals.

The Blacksea Sunflower seeds market is unchanged. Supply not pushing while the trade is now focusing on creating the next significant short market on January. Best buyers seen where showing 395USD throughout the week for December/January positions. Sellers however were not found below 405 as the cpt market in constanta was trading fob value of 400+ USD. With liquidity being rather low the market had no clear changes from last week.