**Report week 9 (2017)**

**Corn:**

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

* The corn was purchased at just over $200 a tonne c&f including surcharge for additional port unloading. The corn is for arrival around May 10 and can contain genetically-modified organisms (GMOs)

A group of Israeli private buyers has postponed an international tender for 85,000 tonnes of corn, 45,000 tonnes of feed wheat and 30,000 tonnes of barley which closed on Thursday with no purchase made. No reason was given. A new tender is expected to be issued next week but no date was given.

Blacksea was showing some trades out of Ukraine. March traded around 171/172US$. April traded at 170US$. May/June sellers quoted with a little carry around 172/173US$. But buyers (if any) quoting 170/171US$. New crop premiums showing selling side around +38 over vs buyers +33.

On the Danube we have seen some movement on current crop with the water rising and the ice gone, 143/144€ traded FOB for bss march. New crop oct/nov market showed sellers around 148 and buyers 146€.

On the Dutch market we have seen some trades on AMJ positions around 175/6 € and new crop OND at 171€.

**Wheat:**

Egypt's GASC bought 535,000 tonnes of wheat in its international purchase tender. With the following breakdown of the purchase for position 1-10 april:

* Cerealcom (Rom) $197.89 + $11.40 freight = $209.29
* AOS (Rus) $197.80 + $10.85 freight = $208.65
* Daewoo (Rus) $198.85 + $11.24 freight = $210.09
* Alegrow (Rus) $198.70 + $11.64 freight = $210.34
* Cargill (Rom) $200.50 + $11.25 freight = $211.75
* Cargill (Fra) $197.00 + $14.12 freight = $211.12
* Daewoo (Ukr) $199.50 + $13.00 freight = $212.50
* Lecureur (Fra) $199.00 + $14.12 freight = $213.12

Turkey's TMO has issued a series of international tenders to purchase a total of about 130,000 tonnes of milling wheat to be sourced from the European Union.

The tenders close on March 8. A total of 13 separate tenders each seeking 10,000 tonnes have been issued by the TMO.

Turkey's wheat crop last summer was of a reasonable size but there is a lack of high quality milling wheat. Russian supplies of high quality wheat are also tight, so Turkey is turning to the EU. Only wheat of EU origin can be offered in the new tenders and one loading port and one EU member country of origin must be declared in the signing of the final contract.

Offers must be made in Turkish lira on a c&f basis including shipping costs to Turkey.

The TMO traditionally undertakes several negotiating rounds after receiving the initial offers to achieve lower prices. In its last reported tender on Jan. 13, the TMO bought 99,000 tonnes of EU-origin milling wheat.

South Korea's (FLC) purchased about 60,000 tonnes of feed wheat to be sourced from any origin worldwide in a direct deal last week.

* The wheat was purchased at $205.95 a tonne c&f including a surcharge for additional port unloading, seller was Concordia. The wheat should arrive around June 5.

Importers in the Philippines purchased about 165,000 tonnes of feed wheat seen likely to be sourced from Australia in a tender which closed on Tuesday.

* The tender had sought the wheat in three 55,000 tonne consignments for May, June and July shipment. Three consignments were bought, one at $207 a tonne c&f and two at $208 a tonne c&f.

Jordan's state grains buyer purchased 50,000 tonnes of hard milling wheat to be sourced from optional origins in an international tender for up to 100,000 tonnes which closed on Tuesday.

* It was purchased at about $203 a tonne c&f for shipment in the first half of August. Seller was said to be trading house Ameropa.

Blacksea 12.5pro was showing less movement as GASC was not in the market. Values 195$ april/194US$ 1hMay/193US$ 2hmay. New crop (aug) values nominal around 180US$, buyers there 177/178$.

Dutch market was relatively quiet on feedwheat, market moving higher every day and consumers not willing to pay the price.

**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 which closed on Wednesday.

* It was bought at around $180 a tonne c&f for shipment in the second half of July. Seller was trading house Cerealcom Dolj

Jordan's state grain buyer has issued new international tenders to purchase 150,000 tonnes of animal feed barley. The deadline for the barley is March 8. The barley was sought for July 1-31 shipment.

Northern German export harbours are full for the month of march with both milling wheat and barley vessels coming in to load. April is still available, but sellers quote 168US$ and buyers looking for 164/165US$ levels.

On the Dutch market we have seen some movement on apr/june positions between 159 and 160€. New crop sellers 158 vs buyers around 155€

**South America:**

A very short week last week in South America with Argentina, Brazil and Uruguay on holidays due to the Carnival. The currency in Argentina started a bit firmer at 15.40 and ended the week also stronger at 15.44. In Brazil a similar scenario for the real where it started firmer after carnival at 3.089 and ended 3.135. The weather for the summer crops has been excellent all over the continent. The places in Argentina with lack of rain received very beneficial precipitation. Also the places with excess of water had high temperatures for which the water is evaporating and field work can start. In Argentina corn harvest has started and preliminary yields came in much higher than expected. However the exchange remains with their estimate of 37 million tons until the higher yields confirm to be more general.

After carnival some movement in the FOB market in Argentina. Two cargoes were reported to have traded last week. An April was done at +46ck and an August at +22cu. There continues to be demand in the nearby position but the general feeling is that with harvest starting to come in and beneficial weather for logistics, more offers will come. Offers for 15/3 are at +62ck, april at +50ck and may at +43ck versus demand for handies at +38ck. July to September is offered at +25 for handy or +30 for panamax up river completing in Bahia Blanca. In Brazil the corn market is still very quiet. Most are focused on soybeans. Offers for August to November are at low 40´s. Buyers however only looking at later positions at level closer to 30.

**Sunseed/Sunoil**

The Ukrainian Sunflower oil market kept its weakness from last week again. The week started with April offered at 745 USD. March was considered still at a 5USD discount and May/June at 5USD carry against this April. The market was choosing less direction this week but still showed its heaviness at time. March was still considered a difficult sell with buyers staying side-lined most of the time. Even in the few days of significant firmness on the CBOT Soyoil, the Sunflower oil kept close to unmoved. Neither buyers nor sellers were convinced of the ability for the Sunflower oil market to move up. With this indecisiveness in the market and illiquidity for the march position it seems march is getting more disconnected and expected to increase its spread against the April. The start of week 10 showed the same market ideas. While Soyoil was showing some volatility during the trading day, Sunflower oil still kept a low correlation. While the market is little to not following other oils up it is also proving to have a hard time to break down to lower levels.

The Blacksea Sunflower seeds market shows little to no change. The Sunflower seed market still didn’t show sellers willing to offer March/April positions below 400USD. Throughout the week market was quoting 400USD vs 392USD. Newcrop also didn’t find any new development. Buyers have still been showing quotes round 380USD for September/October positions against some starting ideas from the selling side quoting low 390s USD.