

Fryer's EU - Black Sea Report

| WHEAT | | | | | | | | | | |
|-------------|-----------|------------------|----------|----------|----------|-----------|----------|-------------------|----------------|-----------|
| Futures | Matif (€) | | | CBOT (€) | | Liffe (£) | | Freight (Handies) | | |
| | May | Sep | Dec | May | Sep | May | Nov | | Rouen | B.Sea |
| Previous | 166.25 | 170.00 | 173.50 | 208.50 | 202.75 | 144.50 | 146.00 | Egypt | 22.00 | 18.00 |
| Close Apr 5 | 166.75 | 170.25 | 173.75 | 208.50 | 202.75 | 145.05 | 146.30 | Algeria | 20.00 | 21.00 |
| Change | 0.50 | 0.25 | 0.25 | 0.00 | 0.00 | 0.55 | 0.30 | Morocco | 19.00 | 23.00 |
| Fob 25kt | France | German | Baltic | Costanza | Fob 25kt | UK | France | German | Baltic | |
| €uro | 11.5 pro | 12.5 pro | 12.5 pro | 12.5 pro | US\$ | 76/220/11 | 11.5 pro | 12.5 pro | 12.5 pro | |
| May | 171.75 | 177.75 | 176.25 | 172.53 | May | 219.64 | 210.05 | 217.39 | 215.55 | |
| Jun | 172.18 | 179.25 | 177.75 | 172.94 | Jun | 221.52 | 210.83 | 219.49 | 217.39 | |
| July | 170.39 | 180.75 | 179.25 | 173.34 | July | 223.40 | 208.90 | 221.60 | 219.22 | |
| Aug | 169.32 | 182.25 | 180.75 | 162.31 | Aug | 225.28 | 207.84 | 223.71 | 221.06 | |
| | | Russian 12.5 pro | | Costanza | | C&F Egypt | | | Feed 25kt US\$ | |
| | Azov | Marmara | Big Port | 12.5 pro | 11.5 pro | 12.5 pro | | Ukraine | UK | EU B. Sea |
| May | 182.00 | 217.00 | 210.00 | 211.00 | 204.00 | 228.00 | May | 199.00 | 214.05 | 206.99 |
| Jun | 182.50 | 217.50 | 210.50 | 211.50 | 204.50 | 228.50 | Jun | 199.50 | 215.91 | 207.99 |
| July | 183.00 | 218.00 | 211.00 | 212.00 | 205.00 | 229.00 | July | 200.00 | 217.78 | 208.99 |
| Aug | 169.50 | 204.50 | 197.50 | 198.50 | 191.50 | 215.50 | Aug | 186.50 | 219.65 | 209.99 |

A breakout day for US wheat futures but Matif struggled to stay in positive territory as Brussels' weekly update showed EU all-wheat shipments of just 171kt, leaving the season total down 25%, thereby further widening the gap against last year. Basis current stats, annual soft wheat exports will struggle to make 18 Mmt, whilst all wheat will be around 19.5 Mmt against the USDA's 25 Mmt (see details on page 2). Cash premiums were little changed, with no additional reaction to the transport logistics. In the Black Sea Russian 12.5 pro was reported trading at \$210 for April with May offered at the same price and the 11.5 pro discount still around \$6. Old crop feed was around \$200 against Baltic offers at \$195. The bid-offer spread on Black Sea new crop feed firmed to \$185-190 against Philippines purchase of 56kt Aussie at \$243, 56kt EU/Black Sea at \$224 and 2x56kt at \$219 (Aussie doesn't pay the import duty). Overall the Black Sea was quiet and will likely remain that way till next Tuesday due to the Orthodox Easter holidays. The Turkish Lira hit an all-time record low.

| BARLEY 50k | | | | | | | | | | | |
|------------|------------|---------------|-------------|-------------|----------------|--------------|-------------|-----------|---------|---------|----|
| | France (€) | Germ/Balt (€) | UK (€) 25kt | France (\$) | Germ/Balt (\$) | UK (\$) 25kt | B. Sea | C&F Saudi | BB/Neco | WA | |
| May | 178.75 | 179.75 | 184.17 | 218.61 | 219.83 | 225.24 | 210-215 | 245-255 | 215-220 | 227-232 | |
| Jun | 178.68 | 181.25 | 185.31 | 218.79 | 221.94 | 227.12 | 210-215 | 245-255 | 215-220 | 227-232 | |
| July | 169.39 | 182.75 | 186.46 | 207.67 | 224.05 | 229.02 | 205-210 | 235-245 | | | |
| Aug | 169.32 | 184.25 | 187.60 | 207.84 | 226.17 | 230.91 | 200-205 | 235-245 | | | |
| | | | | | | | N. EU | B. Sea | Argie | Aussie | |
| | | | | | | | Fret Jeddah | 30 | 26 | 37 | 26 |

EU cash premiums were again nominally unchanged, and Brussels' weekly shipment data showed just 14kt exported last week, leaving the season total looking like it will be close to 5.75 Mmt against 5.4 Mmt last year. Old crop Black Sea barley looked a little easier with Chinese specs buyable for a panamax at \$218 which would put standard paper around \$215. The western Europe forecast this weekend is wet, the east and Black sea is dry.

| Futures | Matif (€) | | CORN | | | | | | | |
|-------------|-----------|--------|------|----------|----------|---------|----------|------------|------------|-------------|
| | Jun | Nov | Fob | Poland € | Fr Bay € | Rhine € | Danube € | Costanza € | Ukraine \$ | France (\$) |
| Previous | 165.50 | 169.00 | AMJ | n/a | 170.00 | 172.00 | 153.00 | 170.00 | 205.91 | 207.91 |
| Close Apr 5 | 167.00 | 169.50 | JAS | n/a | 174.00 | 176.00 | 157.82 | 174.82 | 211.81 | 213.06 |
| Change | 1.50 | 0.50 | ON | n/a | 172.00 | 176.00 | 139.48 | 156.48 | 189.37 | 210.87 |

Helped by a 5-week low in the €uro and the ongoing logistics problems, Matif old crop corn made its highest close in 5 months. But nevertheless this once again had the trade scratching its collective head as Brussels showed another 336kt of weekly imports, which continued to argue for an annualised total of close to 20 Mmt (see page 2). In the Black Sea, the bid-offer on Ukraine old crop was \$203-205 for April with May \$2 higher on either side, whilst new crop premiums were little changed despite the CBOT rally. Overall the market was dead ahead of the Orthodox Easter holiday, with the trade also waiting for next week's USDA report - notably the S American crop numbers. The western Europe forecast this weekend is wet, notably in France, the east and Black sea is dry.

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World Wheat Fob Comparisons (from highest to lowest basis the nearby)

| Origin | HRW* | Argentine | HRW* | German | Baltic | Argentine | Russian | French | SRW* | Russian |
|------------|---------|-----------|-------|--------|--------|-----------|---------|--------|-------|---------|
| % Protein* | 11/12.5 | 12 | Ords | 12.5 | 12.5 | 11.5 | 12.5 | 11.5 | 9.5 | 11.5 |
| May | 229.3 | 220.0 | 221.9 | 217.4 | 215.6 | 215.0 | 210.0 | 210.1 | 205.8 | 204.0 |
| Jun | 230.4 | 225.0 | 223.0 | 219.5 | 217.4 | 220.0 | 210.5 | 210.8 | 206.5 | 204.5 |
| July | 232.2 | 230.0 | 224.9 | 221.6 | 219.2 | 225.0 | 211.0 | 208.9 | 206.5 | 205.0 |

| Origin | HRS 13.5 | CWRS 13.5 | HRW* | CWRS 13 | APW |
|--------|----------|-----------|---------|---------|---------|
| | PNW | VCVR | 11.5/13 | VCVR | WA |
| May | 273.0 | 257.6 | 242.2 | 244.7 | 235-240 |
| Jun | 272.0 | 258.7 | 243.3 | 245.8 | 235-240 |
| July | 271.0 | 259.8 | 245.1 | 246.9 | |

*US protein is basis 12% moisture. Thus HRW 10.5 pro equates to 12% EU/Russian; 11 pro HRW equates to 12.5% EU/Russian. SRW 10 pro equates to 11.4%

| Exchange | \$ | Change | € | Change |
|----------|---------|---------|---------|---------|
| € | 1.2230 | -0.0065 | 1 | 0 |
| £ | 1.3990 | -0.0090 | 1.1439 | -0.0013 |
| Rub | 57.700 | 0.2300 | 70.567 | -0.0923 |
| UAH | 26.015 | -0.2600 | 31.8163 | -0.4888 |
| Turk Lr | 4.0400 | 0.0440 | 4.9409 | 0.0278 |
| Egypt £ | 17.7000 | 0.0000 | 21.6471 | -0.1150 |

Brussels All-Grain Shipment Update 2017/18

July 1- Apr 4

| Exports | Soft Wht | Flour | Durum | Semolina | All Wheat | Barley | Malt | Corn | Oats | Total |
|----------------------|---------------|-------|-------|----------|---------------|--------------|--------------|-------|------|--------|
| Last Week | 160 | 9 | | 2 | 171 | 14 | 27 | 28 | 1 | 241 |
| Season | 14'523 | 588 | 618 | 174 | 15'903 | 4'393 | 2'157 | 929 | 113 | 23'495 |
| Year ago | 19'400 | 812 | 1'001 | 176 | 21'389 | 4'116 | 2'264 | 1'929 | 94 | 29'792 |
| 16/17 Total | 23'992 | | | | 26'222 | 5'382 | 2'972 | | | |
| ProRata 17/18 | 17'961 | | | | 19'496 | 5'744 | 2'832 | | | |

| Imports | Soft Wht | Flour | Durum | Semolina | All Wheat | Barley | Corn | Rye | Sorghum | Total |
|----------------------|----------|-------|-------|----------|-----------|--------|---------------|-----|---------|--------|
| Last Week | 56 | | 1 | | 57 | 5 | 336 | 1 | 20 | 419 |
| Season | 3'294 | 28 | 1'103 | 1 | 4'426 | 411 | 13'178 | 50 | 146 | 18'211 |
| Year ago | 2'718 | 40 | 1'314 | 1 | 4'073 | 361 | 8'749 | 9 | 76 | 13'268 |
| 16/17 Total | | | | | | | 13'120 | | | |
| ProRata 17/18 | | | | | | | 19'762 | | | |

Brussels non-EU Soft Wheat Shipments to through Apr 4

| | Germany | Latvia/Est | Lithuania | Poland | Romania | Bulgaria | France | Others | Last Week | Adjusted |
|---------------|--------------|--------------|--------------|------------|--------------|------------|--------------|------------|---------------|---------------|
| 1 Jul- 27 Mar | 1'889 | 1'468 | 1'409 | 666 | 2'804 | 463 | 5'211 | 363 | 14'273 | 14'363 |
| 28 Mar-4 Apr | 39 | 0 | 0 | 0 | 54 | 23 | 130 | 4 | 250 | 160 |
| Total | 1'928 | 1'468 | 1'409 | 666 | 2'858 | 486 | 5'341 | 367 | 14'523 | 14'523 |

Brussels non-EU Barley Shipments to through Apr 4

| | Germany | Lit-Lat-Est | Finland | Sweden | Italy | Romania | France | Others | Last Week | Adjusted |
|---------------|--------------|-------------|-----------|-----------|-----------|------------|--------------|------------|--------------|--------------|
| 1 Jul- 27 Mar | 1'044 | 357 | 21 | 30 | 24 | 890 | 1'803 | 164 | 4'333 | 4'379 |
| 28 Mar-4 Apr | 20 | 0 | 0 | 11 | 0 | 0 | 3 | 26 | 60 | 14 |
| Total | 1'064 | 357 | 21 | 41 | 24 | 890 | 1'806 | 190 | 4'393 | 4'393 |