

# Fryer's EU - Black Sea Report

WHEAT										
Futures	Matif (€)			CBOT (€)		Liffe (£)		Freight (Handies)		
	Mar	May	Sep	Feb	Apr	May 19	Nov 19		Rouen	B.Sea
Previous	205.75	206.75	187.75	247.00	253.00	172.25	154.00	Egypt	19.00	16.00
Close Jan 28	205.00	206.25	187.75	247.00	253.00	171.90	153.55	Algeria	17.00	18.00
Change	-0.75	-0.50	0.00	0.00	0.00	-0.35	-0.45	Morocco	14.00	19.00
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	
Mar	210.50	213.00	212.00	220.57	Mar	250.04	240.50	243.35	242.21	
Apr	210.82	214.75	213.75	223.19	Apr	251.93	241.18	245.67	244.21	
May	211.75	216.50	215.50	225.82	May	253.82	242.56	248.00	246.21	
Jun	212.68	218.25	217.25	228.45	Jun	255.73	243.94	250.33	248.21	
		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
Mar	220.00	252.00	251.00	252.00	244.00	267.00	Mar	234.00	240.83	217.08
Apr	222.00	254.00	254.00	255.00	247.00	270.00	Apr	237.00	242.70	219.08
May	225.00	257.00	257.00	258.00	250.00	273.00	May	240.00	244.57	222.08
Jun	228.00	260.00	260.00	261.00	253.00	276.00	Jun	243.00	246.45	225.08

It was a quiet start to the week with Matif down 50¢ in thin volume and French cash premiums also easier - notably on Fob at +5K with no real bids. Brussels' weekly shipment update showed the season total still down 27% on last year (see page 2) and for the 2nd straight week there was no Algerian vessel in the French line-up (there are however 3 loading in Argentina). German/Baltic premiums on the other hand were firm with reports of fresh business to Turkey and B'desh amongst others, and the Fob spreads continue to argue for more significant demand switches (see page 2). Russian 12.5 pro was not offered below \$252, and basis a \$3 per month carry (although there are no offers beyond FH March), June Russian Fob would be an \$18 premium to HRW. That, along with the Russian old crop/new crop inverse of \$45 implies the Black Sea 18/19 campaign has less than 4 months to go and basis 1.6 Mmt in January, the season export total will struggle to make 32 Mmt. S Russian truckers' strike is adding to logistics issues and ongoing soaring domestic prices make it increasingly expensive to source wheat. The lack of snow cover in S Russia is starting to cause concern.

## BARLEY 50k

	France (€)	Germ/Balt (€)	UK (€) 25kt	France (\$)	Germ/Balt (\$)	UK (\$) 25kt	B. Sea	C&F Saudi	BB/Neco	WA	
Mar	202.75	206.00	199.27	231.64	235.36	227.67	233-238	255-260	212-218	240.00	
Apr	203.07	207.50	200.42	232.31	237.38	229.51	233-238	255-260	214-220	243.00	
May	204.00	209.00	201.58	233.68	239.41	231.35	233-238	-	214-220	246.00	
Jun	205.43	210.50	202.73	235.63	241.44	233.20	-	-	-	-	
							N. EU	B. Sea	Argie	Aussie	
							Fret Jeddah	27	24	33	24

EU premiums were nominally unchanged, although UK values slumped and are around \$5 below other origins on a Fob basis. Brussels weekly shipments were again just 26kt and the season total 2.81 Mmt is now 7% below last year (see page 2). We heard nothing fresh on the Black Sea values although there were reports that Iran in fact bought two cargoes at its last tender at around \$270 C&F (but in Euros).

Futures	Matif (€)		CME (US\$)		CORN					
	Mar	Nov	Feb	Apr	Fob	Fr Bay €	Rhine €	Danube €	Costanza €	Ukraine \$
Previous	179.75	175.50	183.50	188.00	FM	185.00	182.00	n/a	163.98	183.35
Close Jan 28	179.50	174.75	183.50	188.00	AMJ	188.00	185.00	n/a	168.13	188.09
Change	-0.25	-0.75	0.00	0.00	JAS	190.00	187.00	n/a	171.63	192.09

Matif corn slipped 50¢, Fob premiums remained offered at +6 whilst Fob bids remained either absent or €5-7 lower. Weekly EU imports of just under 500kt took the Jul-Jun season total to 14 Mmt, with the Oct-Sep cumulative still up 63% on last year against the USDA's projected 14% increase. In the Black Sea, Ukraine premiums remained firm and the Brussels' data suggested that Ukraine took almost 100% of this week's EU imports, and even at these elevated levels, Ukraine could carry on at this pace into the EU until the Brazilian Safrinha crop becomes available (the forecast are increasingly in agreement for a pattern change in S America by mid February).

# Fryer's EU - Black Sea Report

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

Origin	Russian	Russian	German	Baltic	Argentine	French	HRW*	HRW*	Argentine	SRW*
% Protein*	12.5	11.5	12.5	12.5	12.5	11.5	11/12.5	Ords	11.5	9.5
Mar	251.0	244.0	243.4	242.2	242.0	240.5	238.7	236.8	236.0	228.6
Apr	254.0	247.0	245.7	244.2	244.0	241.2	240.5	238.7	238.0	229.3
May	257.0	250.0	248.0	246.2	246.0	242.6	241.6	239.8	240.0	229.7
June	260.0	253.0	250.3	248.2	248.0	243.9	242.2	240.4	242.0	227.8

Origin	APW WA	CWRS 13.5 VCVR	HRS 13.5 PNW	CWRS 13 VCVR	HRW* 11.5/13	Exchange €	\$ 1.1425	Change 0.0020	€ 1	Change 0
Mar	286.0	255.3	255.0	251.6	240.5	£	1.3160	-0.0020	1.1519	-0.0038
Apr	286.0	256.0	256.5	252.3	242.3	Rub	66.170	0.1700	75.599	0.3262
May	289.0	257.8	258.0	254.1	243.4	UAH	27.800	0.0100	31.7615	0.0670
June	292.0	259.8	259.5	256.1	244.1	Turk Lr	5.3350	0.0675	6.0952	0.0877
						Egypt £	17.6200	-0.2700	20.1309	-0.2727

## Brussels All-Grain Update 2018/19

Exports	Soft Wht	Flour	Durum	Semolina	All Wheat	Barley	Malt	Corn	Oats	Total
Last week	169	7	1	4	181	26	59	9	4	279
Season	9'196	270	369	98	9'933	2'811	1'569	1'122	64	15'499
Year ago	12'497	478	511	128	13'614	3'020	1'630	723	99	19'086
17/18 Total	20'690	709	867	225	22'491	5'544	2'843	1'566	182	36'410

Imports	Soft Wht	Flour	Durum	Semolina	All Wheat	Barley	Corn	Rye	Sorghum	Total
Last week	89		18		107		491	10	4	612
Season	2'989	22	620	1	3'632	108	13'959	213	332	18'244
Year ago	2'201	1	972		3'174	369	9'786	33	110	13'472
17/18 Total	3'984	37	1'476	1	5'498	447	17'097	57	418	23'517

## Brussels non-EU Soft Wheat Shipments through Jan 20

	Germany	Latvia/Est	Lithuania	Poland	Romania	Bulgaria	France	Others	Last Week	Adjusted
1 Jul - 20 Jan	696	231	523	731	1'999	70	4'472	238	8'960	9'027
21-27 Jan	4	0	31	0	63	0	133	5	236	169
Total	700	231	554	731	2'062	70	4'605	243	9'196	9'196

## Brussels non-EU Barley Shipments through Dec Jan 20

	Germany	Lit-Lat-Est	Bulgaria	Finland	Spain	Romania	France	Others	Last Week	Adjusted
1 Jul - 20 Jan	279	233	101	8	146	591	1'324	93	2'775	2'785
21-27 Jan	0	0	0	0	0	11	2	23	36	26
Total	279	233	101	8	146	602	1'326	116	2'811	2'811

## EUWheat Exports July-Jan 20 (major detinations)

	2017/18	2018/19	Change on week
Algeria	2'671	3'470	29
Saudi	1'950	1'433	32
Egypt	957	726	63
Jordan	508	450	0
Cuba	373	191	35
Others	6'038	2'926	10
Total	12'497	9'196	

## EU Barley Exports July-Jan 20 (major detinations)

	2017/18	2018/19	Change on week
Saudi	1'292	1'223	0
China	307	386	0
Tunisia	232	210	0
Libya	152	296	19
Kuwait		114	0
Others	1'189	992	26
Total	3'172	3'221	

## EU Corn Imports July-Sep 20

	2017/18	2018/19
Ukraine	1'160	1'228
Brazil	1'540	1'348
Canada	185	619
USA	362	267
Argentina	90	126
Others	253	274
Total	3'590	3'862

## EU Corn Imports July-Jan 27

	2017/18	2018/19	Change on week
Ukraine	3'324	7'555	504
Brazil	4'852	3'765	0
Canada	515	1'215	0
USA	383	272	0
Argentina	179	289	11
Others	533	863	-24
Total	9'786	13'959	

## EU Corn Imports Oct-Jan 27

	2017/18	2018/19
Ukraine	2'164	6'327
Brazil	3'312	2'417
Canada	330	596
USA	21	5
Argentina	89	163
Others	280	589
Total	6'196	10'097