Fryer's Weekly Overview

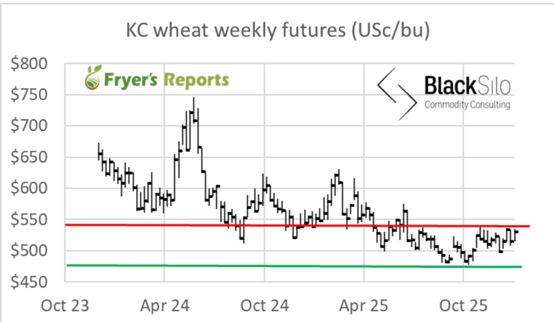
Weekly Changes

	Wheat			Corn	*converted to Usc/bu						
Futures	**CME (H)**	**Matif (H)**	**KC (H)**	**CBOT (H)**	**Dalian (F)***	**Brazil (F)***	**Beans (F)**	**Meal (F)**	**Oil (F)**	**US$**	**Brent**
02-Jan	506.50	189.25	515.00	437.50	834.37	546.51	1,029.50	291.00	48.87	98.42	60.75
09-Jan	517.25	191.75	530.25	445.75	831.90	541.74	1,048.50	300.00	49.26	99.13	63.34
Change	**10.75**	**2.50**	**15.25**	**8.25**	**-2.47**	**-4.77**	**19.00**	**9.00**	**0.39**	**0.71**	**2.59**
Russian Export Tax		$/Rb		**US Funds***	**CBOT Wht**	**All Wheat**	**Corn**	**Beans**	**Meal**	**Oil**	**Total**
Jan 12	97	80.30	$1.21	30-Dec	-97	-135	-24	90	-13	-67	-148
Jan 14	0	79.00	$0.00	06-Jan	-109	-145	-16	66	-24	-66	-186
	-97.3		-$1.21		-12	-10	7	-24	-11	1	-37

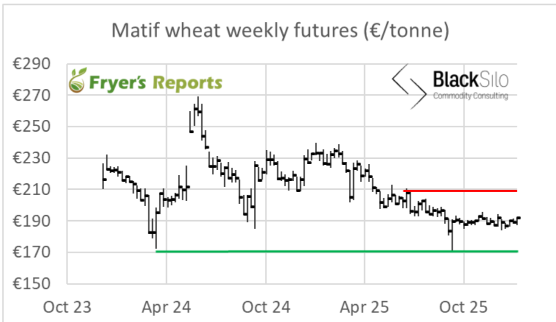
Wheat: It was a mixed week to start the year for US wheat with the CBOT and KC ending higher, but HRS making a contract low weekly close. News was equally mixed, with weekly sales just 120kt, HRW ratings lower, whilst SRW improved. BAGE put the Argentine harvest at 99% complete, keeping the crop at 27.8 Mmt, but Fob quality spreads widened with 10.5 pro around $200 against 11.5 at $220. Farmer sales rose to 13.6 Mmt of which exporters own 10.4 Mmt against 5.6 Mmt licences. Australia's harvest is also coming to an end, which with a weaker AUD took futures to a 4-week high weekly close. Matif made a 7-week high weekly close on a 5-week low in the €uro and still good French export demand, particularly for low-pro/feed wheat into other EU destinations. However total EU non-US exports remain way below the USDA's projected 18% increase and should be lowered on Monday, and similar comments can be made for Russia and Ukraine. Black Sea values were nominal with the region still on holiday. **Outlook:** World wheat S&D's need demand in the 2nd half of 25/26, but Monday's WASDE is almost certain to raise ending stocks for the major exporters, with possible lower than expected US winter wheat plantings the only potential supporting factor.

Corn: CBOT corn closed higher but remained range-bound. Inspections are still up 65% on last year but sales were very poor and gave the first hint of a slowdown ahead of Monday's WASDE, which sent Fob premiums lower. BAGE put Argentine plantings at 89% complete, with crops rated 75% Gd/Ex, down from 82% last week on dryness in N La Pampa and Western BA. Farmer 24/5 sales hit 33.7 Mmt of which exporters own 29.1 against 27.5 licences. A 10-week high in the Real pushed Brazil futures to a 7-week low, although they were still higher in US$ terms. The market expects higher S American crops from WASDE on Monday. Dalian rose to a 5-week high, and after making contract lows Monday, Jo'burg also closed higher as the Rand eased from 40-month highs. Matif hit a 15-week high amidst a weaker €uro and improved export demand on ongoing Ukraine logistics issues. Ukraine's export pace is down 23% on last year against the USDA's projected 15% annual increase, a 7 Mmt swing factor which will be watched in Monday's WASDE. Some 10% of Ukraine's crop is estimated to still be in the fields. **Outlook:** Monday's WASDE will focus on US yield and S American crop sizes, but geopolitics and Chinese demand (or lack of) will continue to play a part, as will the pace of Ukraine exports.

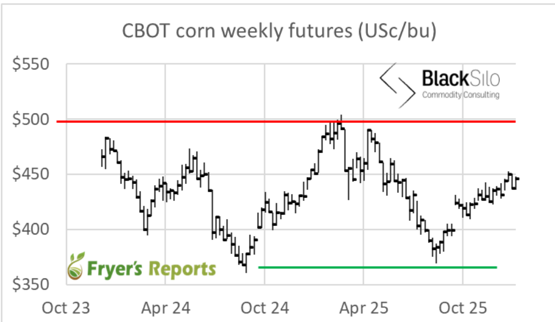
Proteins: The soybean complex rebounded from last week's losses, with March beans, gaining 16.6¢ on renewed reports about Chinese buying taking total business toward an estimated 10-11 MMT. That support spilt into meal, which rose $7.7 to regain the $300 level. Soybean oil lagged, up just 39 points amid an uncertain energy market, though weekly sales exceeded expectations. In Brazil, bean basis strengthened despite the firmer board, as slow farmer selling was met with ongoing Chinese interest. The trade is looking for a 1-3 MMT upward revision in USDA number. In Argentina, BAGE reported plantings at 88% complete, with northern areas facing rain delays. Crop ratings slipped 3 points to 65%, still above last year's 57%. The market expects little change in the WASDE report. Sunflower harvest reached 11%, with yields above avg at 2.27 t/ha. Dalian March beans and meal tested contract highs as healthy crush margins encouraged aggressive coverage, while the absence of state auctions supported the move. Soybean oil closed at 4 week highs. Palm oil recovered part of last week's losses, while Indonesia considers raising export levies to support expansion of the biodiesel blending mandate. MATIF rapeseed made a sharp rebound, gaining €19.25 amid ongoing logistical constraints in Ukraine and reports on Sino-Canadian deal. Canadian canola also firmed, supported by farmer holding on hopes for the China deal (though it would cover meal and oil only).
Outlook: Geopolitical tensions and volatile energy markets will continue to have key influence on oilseeds. The USDA is expected to trim soybean production, though this may be offset by lower exports. Ongoing headlines about Chinese buying, coupled with a sustained firm crush margins in China, could continue to lend support across the supply chain and into origin markets.



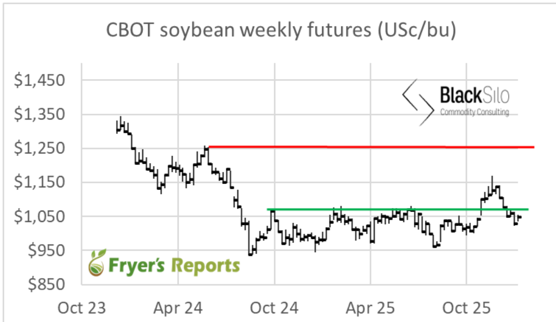
Heads to retest resistance level



Continues to trade within long term base



Extends 450-435 rangebound trade



Recovers from a losing streak

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