



## Quanton Weekly Communications, Week 17

### Quanton Trading Teams

#### Grains:

US weekly corn inspections above estimates with 1.65 million mt.  
(Agricensus)

Wheat production in Argentina's core area – also known as the 'nucleus' area – could drop up to 25% in the 2022/23 season. (Agricensus)

U.S. corn planting is moving at its slowest pace in nine years. Many states have been too cold, too wet or both, and corn is best planted in drier, warmer soils. Only 2% of the corn in top growers Iowa and Illinois was planted as of Sunday, well off the respective averages of 15% and 21%. (Reuters)

MARS: Conditions remain mostly favourable for northern Europe crop.  
(Agricensus)

Extremes of weather are impacting outlooks for two of Brazil's primary safrinha corn producing states. Drought hits Mato Grosso's safrinha, rain damages Paraná corn. (Agricensus)

A cargo of wheat from India has arrived and passed inspection at a port in Vietnam in what could be the first such bulk movement recorded. In the past, Vietnam has cited quality issues, such as stones in the cargo or the fungal infection karnal bunt. Now there is already a second vessel loading, destined for Vietnam, with more expected to follow. (Agricensus)

First wheat cargo to be shipped from Eastern India Port Visakhapatnam for 55000MT. Buyer Agropcorp, destination Philippines. Shipper Olam & Sirenze & Shivshakti. Visakhapatnam is the 3rd port involved in wheat bulk shipment, in addition to Kandla and Mundra. Gangavaram and Dharma are the next ports expected to ship wheat in bulk. (Twitter, @JainPaharia)

India has already exported close to 950,000 mt of wheat in April, with another 180,000 mt scheduled later, including rare destinations such as Israel and Mozambique. (Twitter, @gaurav\_kochar)

A USDA private sales note confirming the sale of another 1.09 million mt of US corn into China. (Agricensus)

#### Ukraine and Russia:

A cargo carrying over 71,000 tonnes of Ukrainian corn finished loading in the Romanian Black Sea port of Constanta on Thursday, the first since Russia invaded Ukraine on Feb. 24. (Reuters)

Ukrainian cereals conditions stable despite cold weather in April.  
(Agricensus)

Ukraine has sufficient volume of food for domestic needs. Ukraine will have high carry-over stocks, including 5.6 m mt of wheat, 6.7 mmt of corn, 11 kmt of buckwheat, 48 kmt of millet, 176 kmt of oats and 520 kmt of sugar.  
(APK)

Prices of new-crop wheat keep on declining in Ukraine. The indicative offer prices of 12.5% and 11.5% new-crop wheat decreased to 300-320 and 295-315 USD/mt FOB. (APK)

The offer prices of Ukrainian new-crop barley decreased by average 5 USD/t to 295-315 USD/t FOB. (APK)

World Bank: food, fuel price shocks from Ukraine war to last at least 3 years. (Reuters)

Ukraine's grain export during the week ending April 24 totalled 188,058 mt, dominated by corn flow. (Agricensus)

Wheat export flows from Russia have continued at a steady pace, despite logistics and payment issues. (Agricensus)

About 300,000 mt of cargoes were in Mariupol when the war started. Storing facilities, loading equipment and some berths had been damaged. Some vessels sunk. Most of berths could resume working if the war would end soon and the waters would be cleared up. (APK)

Germany government together with DB railway company plans to organize grain transportation from Ukraine, up to 20 mil mt of grains. (APK)

Ukraine accused Russia of stealing grain in territory it has occupied. (Reuters)

Ukraine shipped 567,991 mt of grain via rail in April. (Agricensus)

The UN suggesting that the Russian-Ukrainian war could linger on for years. (StoneX)

Ministry of Agrarian Policy of Ukraine resumed publishing export data. (APK)

Leading US company for production of seeds and crop protection products Corteva has announced withdraw from the Russian market. (APK)

Bulgaria to provide port of Varna for Ukrainian agricultural exports (APK)

Western Romania began to accept Ukrainian grain delivered by railway. (APK)

#### **Oilseeds:**

Crude palm oil excluded from Indonesia export ban. (Reuters)

US soybean inspections land below expectations at 602k mt. (Agricensus)

Indonesia's ban on palm oil exports is unlikely to last more than a month as Jakarta has limited infrastructure to store the surplus oil and the country faces mounting pressure from buyers to resume shipments. (Reuters)

Indonesia may widen palm export ban to combat shortages. (Reuters)

Indonesia's adds crude palm oil to export ban in policy U-turn. (Agricensus)

India has allowed imports of an extra 550,000 tonnes of GM soymeal, to help the poultry industry reeling from a surge in local prices of the important animal feed. (Reuters)

Indonesia industry body confident palm oil export ban could end in May. (Reuters)

Indonesia export ban traps 290,000 T of palm oil shipments for India. (Reuters)

Indonesia navy seizes 2 tankers carrying palm oil, destination India and United Arab Emirates. (Reuters)

EU27 oilseed production is projected to rise 7% in the 2022/23 marketing year. (Agricensus)

Indian sesame prices stabilised with exports at minimum levels. (Reuters)

Since Feb, the offer prices of bottled refined sunflower oil increased by 33-39% to 2-2.25 USD/mt FCA as of 28 Feb.

#### Coffee and Cocoa:

Kenya to Offer 149.9 Tons of Mild Arabica Coffee at Auction on May 4. At the last auction held on April 20, the average price across all coffee grades fell by 1% to \$226.39 for a 50-kg bag. (Commodity 3)

#### Sugar:

India's western state of Maharashtra will provide a transport subsidy to sugar mills to crush surplus cane in the marketing year. This year many mills are still running their units beyond April because of surplus sugar cane. The state is likely to produce a record 13.4 mmt of sugar in 2021/22, compared to the initial estimate of 11 mmt. (Reuters)

#### World:

German group Bayer starts the year very successfully thanks to agriculture unit. (Reuters)

Thousands of farmers stage anti-tax protest in Argentine capital. Taxes rose under former President Mauricio Macri, and have continued to rise under Fernandez. A 12% tax is levied on wheat and corn exports, 33% in the case of soy, flour and cooking oil exports. (Reuters)

2 million children risk starving to death as the Horn of Africa faces one of its worst droughts in more than 40 years. \$1.4 billion it needs to respond to the drought. (Reuters)

In Chile's capital Santiago, grass is becoming a rare luxury amid a decade-long drought that has forced the city to roll out emergency measures to limit water use. (Reuters)

BMW, Audi suspend shipments by train to China due to Ukraine war. (Reuters)

ADM reported 35% y-o-y increase in Q1 net earnings. (Agricensus)

Wilmar posts 17.8% y-o-y net profit increase in 1Q 2022. (Agricensus)

China reports first human case of H3N8 bird flu. (Reuters)

U.S. reports its first human case of H5 bird flu. (Reuters)

China will buy another 40,000 mt of frozen pork for its central reserves on April 29. (Agricensus)

### Fertilisers

India approves \$8 bln subsidy for phosphate-based fertilizers. (Reuters)

### Freights:

Shipping in the Black Sea to be resumed in autumn under the most optimistic scenario. (APK)

Dry bulk freight rates edged slightly lower this week as China's ongoing Covid-19 lockdowns continued. (Agricensus)

Panamax Market: Underwhelming activity in the Atlantic continued to erode both rates and confidence with both routes P1A and P2A yielding significant corrections. Asia remained largely under pressure too with little support of note, despite an influx of fresh demand. Period news included reports of Viterra sourcing the scrubber fitted Alanood ( 80,729/2020) Tianjin 1-4 April for about 9 to 12 months at USD 30,0000 with the scrubber benefit going to Charterers.

Panamax Index – 2938 (down 2.25 % over last week)

Panamax 4 TC – 25,107 (down 2.37 % over last week)

Panamax 5 TC – 26,443 (down 2.25 % over last week)

P2A (Continent/Far East) – 37,455 (up 0.77 % over last week)

P6A (Singapore/ECSA RV) – 27,368 (down 1.98 % over last week)

Supramax Market: Supramax segment stronger numbers largely driven by the USG. A 63,000 dwt was fixed around USD 60,000 from USG to Mediterranean, and a 56,000 dwt was covered for petcoke run to Far East at low USD 40,000. Otherwise, it was little reported from the Atlantic. From the Pacific Basin a Supramax open South China was fixed for a trip from Philippines to China with nickel ore at high USD 20,000. On the period side 55,000 dwt open in the East was fixed around USD 33,000 for 3 to 4 months, and Ultramax in the Atlantic covered at USD 24,500 for 1 year with world wide redelivery. In general, demand growth in the Supra segment has been weak, with the year-on-year change having been negative since October last year.

BSI 10TC – 30,074 (up 2.06 % over last week)

S1B (Canakkale via Med-Bsea/China-S.Korea) – 23,683 (down 0.60 % over last week)

S4B (Skaw-Passero/USG) – 18,837 (down 0.80 % over last week)

BHSI 7 TC – 28,679 (up 5.59 % over last week)

HS1 (Cont med-ECSA) – 19,600 (down 1.53 % over last week)

HS3 (ECSA/Cont-Med) – 39,356 (up 3.16 % over last week)

### Tenders:

**Egypt's GASC tenders for vegoil:**

- Unspecified quantity, shipment Jun – Jul

**Algeria's OAIC** bought durum wheat:

- 50,000 mt, shipment May – Jun

**Turkey's TMO** bought sunflower oil:

- 12,000 mt, 1,997 USD/mt C&F Mersin, Yayla, shipment May – Jun
- 6,000 mt, 2007 USD/mt C&F Tekirdag, Prime, shipment May – Jun

**Turkey's TMO** bought wheat 12% CNF:

- Iskenderun, 25,000 mt, Dakka, 412.00 USD/mt
- Iskenderun, 25,000 mt, Grainstar, 413.90 USD/mt
- Mersin, 50,000 mt, Crossagro, 412.61 USD/mt
- Izmir, 25,000 mt Erser, 410.00 USD/mt
- Bandirma, 25,000 mt, Tiryaki, 406.90 USD/mt
- Tekirdag, 25,000 mt, Grainstar, 406.90 USD/mt
- Derince, 25,000 mt, Dakka, 411.90 USD/mt
- Derince, 25,000 mt, Tiryaki, 411.80 USD/mt
- Samsun, 25,000 mt, Bek Tarim, 404.80 USD/mt
- Trabzon, 10,000 mt, Bek Tarim, 411.90 USD/mt
- Trabzon, 10,000 mt, Erser, 411.80 USD/mt

**South Korea's NOFI** bought soymeal:

- 60,0000 mt, 591.8 USD/mt, LDC, shipment Aug

**South Korea's** feed makers bought soymeal:

- 120,0000 mt, 571 USD/mt

**Jordan** tenders for feed barley:

- 120,0000 mt, no purchase made

**Phillipines' SMC** bought wheat:

- Indian origin, shipment July

Last week:**Japan** tenders for milling wheat:

- 27,000 mt, Australian origin, shipment Jun-Aug

**Taiwan bought** milling wheat:

- 47,120 mt, US origin, shipment Jun-Aug

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Transforming agricultural products in time, location and form sets the core of our business. For trading opportunities and general enquiries:

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