



Market Developments

Global equity markets appreciated again last week with favourable US inflation and consumer data. Crude oil jumped from last week's lows, recovering the entire loss of the previous week and upon demand from China. All precious metals rose with lower US bond rates. All base metals appreciated with lower dollar index, except for nickel.



The graph on the left shows the price development of Copper on LME, since the beginning of 2022 to last Friday.

Commodities Last Week

Reuters/Jefferies CRB	%4,3
CME Gold	%2,9
CME Silver	%1,7
Brent crude oil	%8,5
WTI crude oil	%8,3
LME Copper	%8,9
LME Aluminium	%12,0
LME Zinc	%10,3
LME Nickel	-%1,2

Last week's USDA WASDE report was seen as bullish for soybeans & corn and neutral to bearish for wheat. USDA pegged global corn stocks 1 million tonnes below market expectations. USDA also gave US corn stocks much below expectations and below its December report. US soybean stocks were also below expectations.

USDA World Ending Stocks			
WASDE January 12, 2023 – millions of tonnes			
	2022/23	Trade	USDA Dec.
Corn	296.42	297.86	298.4
Soybeans	103.52	101.69	102.71
Wheat	268.39	268.02	267.33

Data sources: USDA, Reuters @kannbw

United States Ending Stocks			
USDA January 12, 2023 – billions of bushels			
	2022/23	Trade Avg	USDA Dec.
Corn	1.242	1.314	1.257
Soybeans	0.210	0.236	0.220
Wheat	0.567	0.580	0.571

Data sources: USDA, Reuters @kannbw

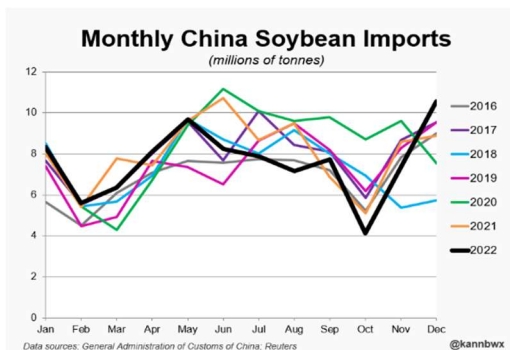
2022/23 South American Crop Production				
(millions of tonnes)				
	CORN		SOYBEANS	
	Argentina	Brazil	Argentina	Brazil
USDA Jan	52.0	125.0	45.5	153.0
Trade average	51.97	126.34	46.71	152.28
USDA Dec	55.0	126.0	49.5	152.0
USDA 2021/22	49.5	116.0	43.9	129.5

Data sources: USDA/FAS, Reuters @kannbw

USDA increased Brazil's soybean production by 1 mmt to 153 mmt but pegged Argentina production 4 mmt below its December report at 45.5 mmt. Brazil's Conab gave country's soybean production at 152.7 mmt, below its December number. Rosario Commodity Exchange gave Argentina's soybean production as low as 37 mmt, 7.5 mmt below the USDA number. Another surprise in USDA report was Russia wheat production being kept at 91 mmt, whereas most Black Sea analysts give the same number well over 100 mmt. Following the USDA WASDE report soybeans and corn jumped on Chicago exchange and most active soybean contract leaped over 1,535 cent/bu level on Friday, its highest since June of last year. The graph below shows the price development of most active soybean contract against 100 and 200-day averages.



China has imported 10.56 mmt of soybeans in December, highest December number and second highest ever monthly soybean import China has ever made. The graph below shows China's monthly soybean imports for the last years, curve in black showing year 2022 which ended in a high note.



According to Turkish Ministry of Defence, since the opening of “grain corridor” in August 17.254 mmt of grain was shipped and safely crossed Bosphorus on 643 vessels from Ukraine.

On international scene, Turkey's TMO bought 565,000 mt of Russia & Ukraine origin 12% protein milling wheat but there is no confirmation from TMO yet. The offers were at \$323,30-334,40/mt CFR range to different ports for shipment 1 Feb-15 March and 1-31 March.

On CBOT last week, nearby January soybeans jumped 2.45% for the week, ending on Friday at 1,538.24 cent/bu. December soy meal rose again by 1.97% for the week, closing the week on Friday at \$513/ton. January soy oil edged lower by 0.75% for the week, ending the week on Friday at 63.25 points (\$1,394/ton). Nearby March wheat was flat for the week but corn jumped 3.2% with bullish USDA report. Today markets in the US are closed for “Martin Luther King Jr. Day”.

Palm oils fell again last week with poor demand and stronger ringgit. On Kuala Lumpur BMD exchange, new benchmark April delivery CPO fell 5.18% or 189 ringgits for the week, ending on Friday at 3,842 points (\$886.480/mt). MPOB report released last week showed Malaysia's end-December palm oil stocks fell 4.09% to 2.195 mmt, production fell 3.68% to 1.619 mmt and exports fell 3.48% to 1.468 mmt.



	Dec-22	Nov-22	Change	% Change
Production	1.619	1.681	▼	-3.68
Imports	0.047	0.047	▲	0.14
Exports	1.468	1.521	▼	-3.48
Domestic use	0.291	0.326	▼	-10.76
End-month stock	2.195	2.288	▼	-4.09

In million metric tons

International surveyors ITS Intertek said Malaysia's palm oil exports for 1-15 January fell 36.9% from the same period in December to 409,731 tonnes. At Malaysian cash market, spot January shipment RBD Palm Oil fell \$17.50/mt for the week, quoted on Friday at \$927.50/mt, spot RBD Palm Olein too, fell \$17.50/mt, quoted at \$937.50/mt FOB. Today, on BMD, benchmark March CPO contract was trading at 4,098 points, up 46 ringgits from Friday's close.

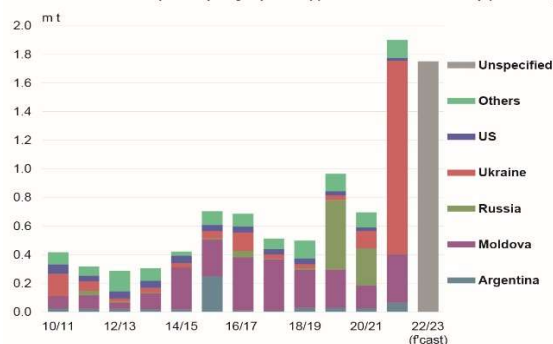
Both Canadian canola and European rapeseeds retreated last week on poor biodiesel demand. On Winnipeg ICE exchange, new nearby March canola fell Can\$21.80/ton for the week on Friday at Can\$840/ton. The graph below shows the volatile price development of canola seeds on ICE exchange since beginning of the season.



On ICE Euronext MATIF exchange too, nearby February contract rapeseeds fell €11/mt for the week, closing on Friday at €566.75/mt. At European cash market, ex-works Montoir-France rapeseeds too fell by €10/mt for the week, quoted at €570/mt on Friday. Northwest European ports February shipment crude rapeoil too jumped €30/mt for the week, quoted on Friday at €1,210/mt. Ukraine origin rapeseeds too retreated \$20/mt for the week, quoted on Friday at \$630/mt CIF Marmara.

Industry members came back to price erosion from Orthodox Christmas holidays last week. Bulgarian Ministry of Agriculture said the country has produced 2.054 million tonnes of sunseeds this season. The ministry also said that between 2 September & 6 January, the country has exported 94,500 mt of sunseeds but imported 509,000 mt, most being from Ukraine. London based International Grains Council IGC said that this season EU countries has imported record sunflower seeds, mainly from Ukraine, compensating for less crude sunoil which could not be shipped.

Sunflowerseed: EU imports by origin (Oct/Sep) – f'cast as at 12 January (GMR 539)



Turkish TMO has booked 24,000 mt of crude in a tender, traders reported. According to them, 6,000 mt of sunoil was bought at \$1,218,80/mt CFR Tekirdağ and a further 18,000 mt at \$1,228,80/mt ex-tank Mersin/Iskenderun. Both purchases were made from local Aves.

At Black Sea cash market, Ukraine/Russia origin crude sunoil fell \$30-35/mt for the week, quoted on Friday at \$1,180-1,185/mt FOB. Ukraine origin sunseed price too fell by \$25/mt for the week, offered in large vessels on Friday at \$615/mt CIF Marmara.

Local Market Developments

Istanbul BIST100 again collapsed by 6.68% last week, US\$/TL rising 0.54% for the week at 18.782. Thrace delivery crude sunoil price jumped to 25,000 TL/mt but even at this level very few parcels were available. Sunmeal, soymeal and wheat bran all appreciated sharply in a demand driven week.

With 0% duty, current prices and the exchange rate; the cost of replacement crude sunoil in the Thrace, from imported sunoil would be at \$1,232/mt and from local and imported seeds at \$615/mt, it would also calculate as \$1,232/mt.

Quotations (**Today USD/TL 18.788**)

Price quotations per tonne today 16th January, 2023 were as follows:

Import:

- Black Sea Sunseeds (44% bss) - CIF Marmara - \$ 615
- Black Sea origin Rapeseeds (42% bss) - CIF Marmara - \$ 630
- US Soybeans - CIF TR - \$ 673
- Brazil Soybeans - CIF TR - Unq
- Ukraine Soybeans - CIF Marmara - \$ 585

- RBD Palm Oil - CIF TR - \$ 1,027.50
- RBD Palm Olein - CIF TR - \$ 1,037.50
- RBD Palm Stearin - CIF TR - \$ 1,000
- RBD Palm Kernel Oil - CIF TR - \$ 1,010
- Crude Palm Oil - FOB Malaysia - \$ 950

- Russia origin Crude Sunoil - CIF Marmara/Mersin - \$ 1,220-1,225 / \$ 1,230-1,235
- S. America origin Crude Soyoil - FOB Argentina - \$ 1,205
- Optional origin Crude Degummed Corn Oil - CIF Turkey - \$ 1,535
- Extra virgin Olive Oil - FOB Spain - € 5,420

- Russia origin Milling Wheat 10,5 protein - CIF Marmara - \$ 325
- Russia origin Milling Wheat 12,5 protein - CIF Marmara - \$ 328
- Black Sea origin Yellow Corn CIF Marmara - \$ 300
- Black Sea origin 36% protein Sunmeal - CIF Marmara - \$ 345
- 48 protein S. America origin Soymeal - CIF TR - \$ 655
- Wheat Bran pellets - CIF Marmara - \$ 240

Domestic:

- Sunflower seeds (40% oil) - Thrace delivery - 11.000 TL
- Wheat (14.2% protein) - Thrace delivery - 6,653 TL

- Crude Sunoil - Thrace/Bandırma/Aegean/Çukurova delivery - \$ 1,330/ \$ 1,384/ \$ 1,357/ \$ 1,365
- Crude Rape Oil - Bandırma delivery - \$ 1,464
- Crude Safflower Oil - Bandırma delivery - \$ 1,305
- Crude Soyoil - Bandırma delivery - \$ 1,270
- Crude Corn Oil - South Marmara delivery - \$ 1,362
- Semi-refined Cotton Oil - Gaziantep delivery - \$ 1,335
- Virgin Olive Oil ex-works Aegean (Ayvalık) - \$ 4,366
- Virgin Olive Oil ex-works Aegean (Aydın) - \$ 4,313

Unquoted

- 28 protein Sunmeal - Thrace/Bandırma/Aegean/Çukurova delivery - 4,600/ 4,950/ 5,000/ 5,200 TL
- 34 protein Sunmeal - Thrace/Bandırma delivery - \$ 345/ \$ 345
- Rapeseed meal - Thrace delivery - \$ 360/ \$ 415
- Soymeal (47% protein) - Bandırma/Çukurova delivery - \$ 670
- Wheat Bran - Thrace delivery - \$ 238
- Safflower meal - Bandırma - \$ 245
- Linseed meal - \$ 435
- Corn germ meal - \$ 370

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