



CSI Daily News

6.06.2025



Feed grains: Turkey corn buyers look to July

Turkish importers are focusing on small, coaster-sized shipments of corn for July delivery to the Marmara region, despite nearing their import quota. Buyers were bidding in the mid-\$240s per tonne (cif Marmara), but Russian sellers were asking for \$250/t or more for higher-quality cargoes. However, some deals were still concluded in the high-\$240s/t range, indicating Turkish buyers are gradually meeting sellers' prices.

Ukrainian corn, both coaster and Handysize volumes, was available for June delivery, but attention in Ukraine shifted to new-crop corn (Oct–Sep). Farmers reported strong interest from traders, particularly for corn suitable for export to China, including the required documentation.

In China, rain delayed corn planting in the northeast, the country's key growing region. However, upcoming warmer weather is expected to benefit the crop, minimizing any negative impact on yields.

South Korea's MFG issued a tender for a Panamax corn shipment for September, aiming for prices under \$235/t cif. Meanwhile, Australian barley exports dropped by 151,000t in April compared to March, largely due to reduced shipments to China.

Krasnodar Krai faces high rice reserves

By the beginning of June 2025, large amounts of raw rice and rice groats had accumulated in Krasnodar Krai

“The volume of rice residues in the region today is about 300 thousand tons. Considering that about 50-60 thousand tons will be sent for processing, by the time the new harvest begins, we will have excess residues. The average price of raw rice on the market today is 22-26 rubles per 1 kg. Moreover, over the past year and a half, the price has remained at the level of 32-36 rubles per 1 kg. The market froze and sales stopped,” said Igor Lobach, Chairman of the National Rice Union.

According to the chairman of the National Rice Union, rice growers expect the situation to improve in the near future, as the Russian Ministry of Agriculture plans to introduce quotas for cereal supplies in the amount of 50 thousand tons by the end of the first half of the year.

Wheat: Spot Black Sea leaves US, Australia on sidelines

On 5 June, strong spot market activity in the Black Sea region limited demand for US and Australian wheat, particularly as parts of the Middle East and North Africa (MENA) entered a holiday period. Black Sea sellers continued to attract buyers covering sales to Southeast Asia and MENA, reducing interest in more distant origins like the US and Australia as the Black Sea harvest approached.

Australia's wheat exports surged to 2.6 million tonnes in April, largely driven by demand from East Africa — where Australian wheat was favored over pricier Russian supplies. In May, nearly half of Australian wheat shipments went to Southeast Asia and East Africa. However, by mid-May, Australian wheat lost traction in key markets like Indonesia.

US wheat sales, especially of hard red winter (HRW) wheat, started to decline in the last week of May. Buyers had earlier capitalized on competitive US Gulf prices for June shipment but began shifting to more affordable Black Sea new-crop wheat available from July. Sales fell to 445,000 tonnes during 23–29 May, down from a 780,000t/week average earlier in the month, with Nigeria among the top buyers.

In Ukraine, limited domestic activity was driven by international interest in old-crop wheat, mainly from Egyptian private buyers. Supplies were tight, and sellers offered 30,000t cargoes at \$241/t fob from Pivdennyi, Odesa, and Chornomorsk — a premium compared to smaller lots.

CVB 12.5pc rationale

On 5 June, the Argus-assessed CVB spot new-crop 12.5% protein wheat contract ended the day higher. Some sellers were offering late-July loading cargoes at a €1/tonne premium over the Euronext September wheat futures, though actual spot fob demand remained limited. Meanwhile, a rare offer of old-crop 12.5% wheat for June shipment surfaced, pushing tradeable spot prices for the 2024 harvest to their lowest point since early March.

COMMODITY AUCTIONS: RESULTS FOR 06.06.2025

Purchase

Trading House Sodruzhestvo LLC

Soybean 40 (with VAT) | 42,250 ₺/t | 100 t

Trading House Sodruzhestvo LLC

Soybean 38 (with VAT) | 40,000 ₺/t | 100 t

Trading House Sodruzhestvo LLC

Soybeans 37 (with VAT) | 39,500 ₺/t | 1,500 t

LLC "Customer No. 1"

Wheat 4th grade, 12.5% (excluding VAT) | 15,800 ₺/t | 279 t

OOO OZK Trading

Wheat 4th grade, 12.5% (excluding VAT) | 16,422 ₺/t | 270 t

LLC "Dymovskoe sausage production"

Pork half carcasses (with VAT) | 223 ₺/kg | 17,500 kg

Sale

OOO "PRODIMEX"

Sugar (with VAT) | 51,000 ₺/t | 20 t

LLC "TD Cherkizovo"

Broiler chicken meat: breast (with VAT) | 205 ₺/kg | 36,000 kg

LLC "TD Cherkizovo"

Broiler chicken meat: drumstick (with VAT) | 167 ₺/kg | 36,000 kg

LLC "TD Cherkizovo"

Broiler chicken meat: thigh (incl. VAT) | 120 ₺/kg | 18,000 kg

European Rapeseed oil: Curve up, prompt pressured

On 5 June, Dutch fob rapeseed oil (RSO) prices showed mixed movement. While forward contracts firmed, spot prices declined as trading activity increased.

The spot price for prompt 5–40 day loading dropped by €8.50 to €1,064/t, with June loading ideas averaging €1,077/t and July at €1,046/t. In contrast, forward strips saw gains:

- August–October rose €4 to €988/t,
- November–January settled at €993/t, up €3,
- February–April increased €3 to €996/t.

Price fluctuations were partly attributed to volatile Euronext rapeseed futures, which swung during the day before ending slightly higher.

Support for RSO prices may come from declining rapeseed meal values, prompting crushers to raise oil prices to offset losses. However, a strong outlook for Romanian rapeseed production — with expanded planting areas in southeastern regions — could add downward pressure.

Iowa, Vietnam agree on \$800mn in ag trade

On 5 June, Vietnam and Iowa signed \$800 million worth of agricultural trade agreements aimed at strengthening commercial ties between the two. The deals were formalized during a visit by Vietnamese Minister of Agriculture and Environment Do Duc Duy, who led a 50-person delegation to meet with Iowa's agricultural leadership, including Secretary Mike Naig and Deputy Secretary Grant Menke. The visit marks the beginning of broader efforts to deepen Vietnam–US trade relations.

The timing is notable, occurring just two days before a deadline set by former President Donald Trump requiring countries to present trade concessions to avoid additional US tariffs. Vietnam currently faces a suspended 46% tariff, in effect through 9 July.

Key deals included:

- A \$400 million agreement for 1 million tonnes of soybean meal to be imported by Khai Anh Binh Thuan from Ag Processing Inc.
- A \$250 million deal for 900,000 tonnes of corn from United Grain to the same Vietnamese feed producer.
- A \$84 million purchase of 250,000 tonnes of Distillers Dried Grains (DDGS) by Viet Nhat Feed from biofuel firm POET.
- A smaller deal for 2,000 tonnes of soybeans, and a collaborative agreement between Vietnam's agriculture ministry and the Iowa Pork Producers Association, reflecting Iowa's role as the top US pork exporter.

Vietnam's agricultural imports from Iowa have risen sharply, with corn imports increasing from just \$267,000 in 2023 to \$21 million in the first quarter of 2025, and the latest deals expected to further boost this growth.

US food giant Cargill buys Australian meat firm Teys

On 6 June, it was announced that US food giant Cargill will acquire full ownership of Teys Investments, one of Australia's largest meat processors. The move will see Cargill buy the remaining 50% stake in Teys — which includes both Teys Australia and Teys USA — making it the sole owner. The companies have been operating as a 50:50 joint venture since 2011 under the name Teys Australia, which helped expand Teys' access to global markets.

The acquisition is subject to regulatory approval and is expected to close in the second half of 2025. Both firms emphasized that the change in ownership will not significantly alter Cargill's existing operations in Australia.

Teys currently runs six meat processing plants and three feedlots across Australia. Cargill, meanwhile, is active in grain handling and oilseed crushing. In a joint statement, the companies reaffirmed their commitment to supplying high-quality Australian meat to both domestic and global markets.

Market Commentary

Maize

On the international market, the CBOT July 2025 maize contract edged up by 0.18%, opening at \$172.98/t. The December contract reached a two-week high, driven by planting delays in the eastern Corn Belt and fears that over 404,000 hectares may remain unplanted. Positive sentiment

was further supported by short-covering and improved new-crop export sales, although old-crop sales stayed relatively low.

South African Market:

South African maize prices moved higher:

- White maize spot price rose by R71/t to R4,702/t
- Yellow maize spot price increased by R50/t to R4,237/t

Soybean

The CBOT July 2025 soybean contract rose by 0.63%, opening at \$386.39/t. The global soybean market remains highly volatile, influenced by factors such as tight crush margins, changes in Argentina's export policy (the "soy dollar"), increased biofuel demand, and severe weather disruptions affecting supply logistics. In such a fast-changing environment, closely monitoring price movements and market indicators is critical for effective risk management.

South African Market:

South African soybean prices declined:

- The spot contract fell by R46/t, opening at R7,144/t
- The September 2025 contract dropped by R51/t, opening at R7,372/t

Wheat

The CBOT July 2025 wheat contract rose by 0.37%, opening at \$199.29/t. Prices reached a two-week high, driven by short-covering from investment funds, wet weather in the US Plains, and renewed tensions in the Black Sea region, which all raised concerns about harvest delays. However, gains were limited by weak new-crop export sales.

South African Market:

South African wheat contracts remained under pressure:

- The spot contract fell by R10/t to R6,385/t
- The September 2025 contract slipped R1/t to R6,405/t

Wheat Markets Balance Improving Global Supply with Uncertain Demand and Weather Risks

Wheat futures saw modest gains, with the WN contract closing above its 50-day moving average for the second straight session—offering technical support. Export data was mixed: old crop bookings were reduced by 49.1k tonnes, while new crop sales reached 445k tonnes, slightly below

expectations. Nigeria and Mexico remained key buyers of both HRW and SRW wheat, signaling steady demand from core markets despite global trade challenges.

Internationally, Ukraine increased its 2025/26 wheat crop forecast to 22.6 million tonnes, citing favorable May weather, and expects exports of 17.1 million tonnes. In contrast, Russian 12.5% wheat is facing sluggish demand at ports. Although concerns persist about southern Russia's yields, forecasts still keep total output above 80 million tonnes.

European markets remain pressured, with French Matif wheat weighed down by heavy speculative shorts and lackluster buying from China and Algeria—raising worries about stockpiling and port congestion.

Weather continues to dominate the outlook. Excessive rainfall threatens U.S. HRW and SRW yields and quality, while precipitation forecasts are uncertain in the Northern Plains and Canadian Prairies. China remains dry, and Argentina's planting progress for 2025/26 is strong at 23.6%, with total area expected to reach 6.7 million hectares—slightly above last year.

Conclusion: Wheat markets are navigating between improved global production potential and weak or uncertain demand, with short-term direction largely driven by weather conditions.

Corn Firms on U.S. Weather Risk; Soybeans Steady with Harvest Nearing Completion

Corn prices edged higher, driven by concerns over new crop weather risks and possible planting delays in the Eastern Corn Belt. Old crop pricing remains unexpectedly firm despite tight fundamentals, with a stocks-to-use ratio below 10%. Internationally, Ukraine boosted its 2025/26 corn output forecast to 28.3 million tonnes, signaling strong export potential. In Argentina, the 2024/25 corn harvest has reached 43.8%, with production steady at 49.0 million tonnes—still below last year's 51.6 million.

Soybeans posted modest gains, underpinned by renewed trade optimism following a Trump-Xi phone call, though sustained buying has been limited. Chinese demand remains focused on Brazilian and Argentine supplies. Argentina's soybean harvest is nearly complete at 88.7%, with output expected at 50.0 million tonnes, nearly matching last year's 50.2 million. However, soybean product markets underperformed, and July crush margins narrowed.

Price and Data

<i>Description</i>	<i>Unit</i>	<i>Price</i>	<i>Date</i>
<i>CORN UKRAINE CPT POC SPOT</i>	USD/t	227-	5.06.2025
<i>WHEAT 11.5PC UKRAINE FOB POC SPOT</i>	USD/t	219-	5.06.2025
<i>WHEAT 12.5PC RUSSIA FOB NOVOROSSIYSK SPOT</i>	USD/t	226,25↑	5.06.2025
<i>SOYBEAN OIL ARGENTINA WATERBORNE FOB UPRIVER USD/T MONTH 1 – HOUSTON CLOSE</i>	USD/t	1.006,41↓	5.06.2025
<i>RAPSEED OIL FOB DUTCH MILL RSO - LONDON CLOSE</i>	USD/t	988↑	5.06.2025
<i>SUNFLOWER OIL FOB NORTHWEST EUROPE 6 PORTS SPOT - LONDON CLOSE</i>	USD/t	1.181,25↓	5.06.2025

↓ Price dropped in comparison to last report.

↑Price raised in comparison to last report.

-Price has not changed.

References:

www.direct.argusmedia.com

www.agflow.com

Rus Grain Union Telegram Channel