Commodities Special International

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Wheat: Russian wheat sellers meet buyers lower

Buyers in both FOB and destination markets maintained strong interest in Russian 12.5% protein milling wheat, securing deals at lower prices due to the high volume of available offers.

On Wednesday, spot FOB Russian 12.5% wheat prices fell again, reaching their lowest level since 15 July. The downward pressure is expected to persist as 2025-26 (July-June) production forecasts — including Argus' latest revision — indicate higher output.

Demand was noted for cargoes headed to the Middle East and Africa, particularly Egypt, where renewed interest emerged after a brief period when high Russian wheat offers had discouraged buyers. However, bids for Egypt-bound 12.5% wheat were around $250/t CIF, roughly $3/t below offers on Wednesday, with buyers hesitant to raise their bids amid weak Egyptian flour exports that are reducing milling profit margins.

Thanks to competitive pricing, Russian and Baltic-origin 12.5% wheat is attracting more demand, limiting buyers' appetite for Romanian-Bulgarian wheat shipped via the Constanta, Varna, and Burgas (CVB) ports.

In the 11.5% protein wheat market, Ukrainian sellers cut their spot offers from Pivdennyi, Odesa, and Chornomorsk (POC) ports, pushing Argus-assessed prices to their lowest level since 17 July. Despite this, Ukraine's FOB 11.5% prices may find some support from traders covering earlier sales commitments.

Additionally, spot milling wheat prices in Ukraine's CPT POC market also declined on Wednesday, with demand largely driven by traders looking to fulfill previous contracts.

CVB 12.5pc rationale

The Argus-assessed 12.5% CVB spot price dropped on Wednesday, closing at $238/t FOB.

Demand for CVB 12.5% wheat remained limited, with buyers showing little interest regardless of dough-strength (W) specifications, as attention shifted toward more competitively priced Russian wheat. Sellers were offering Romanian 12.5% wheat at $241/t FOB for cargoes guaranteeing a 180W specification.

Freight rates weigh on Russian wheat prices

Russian fob wheat prices are coming under increased pressure due to a shortage of bulk grain vessels in the Black Sea, which is driving freight rates higher, market participants said.

This downward pressure is compounded by weaker demand and falling cfr prices. Additionally, some sellers may find it difficult to maintain prices, as slower early-season exports have led to rising port deliveries and growing supplies, intensifying the current fob price decline.

Commodity auctions: results for 28.08.2025

Purchase

OOO "Customer No. 1"

Wheat class 4, 12.5% (excluding VAT) | 16,750 ₽/t | 300 t

OOO "OZK Trading"

Wheat class 4, 12.5% (excluding VAT) | 16,900 ₽/t | 300 t

OOO "Customer No. 1"

Wheat class 4, 12.5% (excluding VAT) | 16,400 ₽/t | 279 t

OOO "OZK Trading"

Wheat class 4, 12.5% (excluding VAT) | 16,350 ₽/t | 600 t

Ukraine crop tour: Western corn yields above last year

Corn yield prospects for Ukraine's 2025-26 harvest in central and western regions appear stronger than last year, according to findings from the second day of Argus' virtual crop tour.

Favourable weather conditions supported better crop development in the western regions of Vinnytsia and Khmelnytskyi. Yields in Vinnytsia are projected to be 10% higher year-on-year, while Khmelnytskyi is expected to see a 5% increase, with yields there also exceeding the five-year average.

In contrast, Chernihiv and Sumy faced below-average temperatures and excessive rainfall this summer, delaying crop development. This could result in higher grain moisture at harvest, requiring additional drying and potentially slowing down the harvesting process.

In Cherkasy, yield prospects are mixed. While southern fields show weaker potential, the region's overall average yields are expected to rise slightly compared with last year but remain about 2% below the five-year average.

Together, Vinnytsia, Khmelnytskyi, and Cherkasy account for 32% of Ukraine's total corn production, based on Argus' concentration index, which factors in regional production trends and five-year yield variability.

Ukraine corn sellers face new season challenges

Ukrainian corn prices may face downward pressure as the 2025-26 marketing season (October–September) unfolds, driven by expectations of ample supply, strong competition from other exporters, alternative feed crops, and potential harvesting delays.

As of 27 August, forward prices for Ukrainian corn for end-of-season delivery stood at around \$214/t fob Pivdeniy-Odesa-Chornomorsk (POC), an 8% increase over the same date last year, despite projections for higher global and Ukrainian production. The USDA forecasts global corn output at 1.29bn t, up from 1.23bn t in 2024-25, and anticipates Ukraine's harvest at 32mn t, compared with 26.8mn t a year earlier.

Late-season cpt and dap POC prices exceeded \$240/t, supported by low stocks and traders covering supply obligations. Potential harvest delays of up to two weeks and limited forward sales by farmers—due to uncertain summer weather—could focus the market on spot transactions. Farmers holding back supply risk losing market share, as trading companies can easily turn to alternative origins, particularly the U.S., which last year significantly increased exports to the EU, notably Spain.

For 2025-26, the USDA projects record U.S. corn production of 425mn t, with exports at 73mn t—higher than the previous season—adding further competitive pressure. Ukrainian corn will also contend with large feed wheat supplies, resulting from favorable weather in Ukraine and the EU, while falling milling wheat prices could indirectly weigh on corn by reducing feed wheat costs.

Feed grains: Barley prices resist pressure: Correction

Prices for EU and Black Sea barley remained steady on Wednesday, supported by expectations of new demand from the Middle East and North Africa, but further gains may be limited as falling milling wheat prices threaten to cap the market.

The offer price for a Panamax cargo of feed barley from Baltic ports rose close to parity with Euronext December wheat futures. With wheat futures weakening, traders suggest that the basis could still climb, as Baltic feed barley remains priced below Russian barley offers, which are in the low-\$230s/t fob.

In France, barley prices have also narrowed the gap with Paris-listed wheat futures, with recent trades on a cpt French port basis reaching parity with the Euronext December contract late last week. Since then, exporters have slightly widened their local market basis, offering barley at a €2/t discount to the underlying futures price.

However, barley exporters may soon need to reduce prices to remain competitive. Market participants expect Turkey's state grain board (TMO) to re-enter the market after its first major purchase in two years — 225,000t of barley booked in an August shipment tender — came in below traders' expectations.

Moroccan importers are also expected to drive demand, as the country's state agency Onicl prepares for regular purchase tenders. These tenders typically require local traders to stock imported barley domestically before making offers, prompting early buying activity.

Looking ahead, barley prices could face increasing downward pressure as falling Black Sea milling wheat prices weigh on the broader grains complex. Additional pressure comes from higher feed wheat availability in Ukraine and the Baltics, a record U.S. corn crop, and renewed harvest-driven price declines for Brazil's safrinha corn. These factors may overshadow concerns over tight barley supply and the weak outlook for the September-October corn harvest in France and eastern Europe.

European rapeseed oil: Demand, margins boost prices

Fob Dutch mill rapeseed oil (RSO) prices climbed for the second consecutive session, supported by stronger rapeseed values and gains in competing vegetable oils.

The prompt 5-40 day loading assessment increased by €7/t to €1,067/t on Wednesday, with September interest assessed at €1,060-1,075/t and October at €1,060-1,070/t.

The November-December-January (NDJ) strip rose by €7.50/t to €1,054/t, while the February-March-April (FMA) period gained €6/t to €1,050/t, matching traded levels. The May-June-July (MJJ) contract posted the largest gain, rising €9/t to €1,051.50/t, with bids at €1,050/t and offers at €1,053/t.

European RSO values were partly influenced by firmer Euronext rapeseed futures and higher European sunflower oil (SFO) prices. Traders noted increased food-sector demand for RSO, driven by its discount relative to SFO. Sunflower oil prices have strengthened on the back of limited farmer selling in Ukraine and the resumption of Russian export duties.

RSO offers also moved higher to counter pressure on crushing margins, which are being squeezed by rising seed costs and falling rapeseed meal (RSM) prices. European RSM may face further downside risks, as increased Canadian canola crushing boosts global meal supply and weighs on prices. Market participants also highlighted rumours of potential EU purchases of Canadian canola seed in the near term.

France faces challenge to export 2025-26 wheat crop

Argus forecasts that France will export 8mn t of wheat to non-EU markets during the 2025-26 (July-June) marketing year, but challenging global conditions suggest exports are unlikely to exceed this level despite a recovery in French wheat production following 2024's poor harvest.

By the end of the marketing year, French wheat ending stocks are expected to reach 4mn t, the highest in 20 years. While domestic demand and intra-EU exports are projected to remain stable, shipments to non-EU destinations could remain limited. At 8mn t, France's non-EU exports would still represent the third-lowest volume in a decade.

The slowdown is largely linked to reduced demand for French wheat, notably after the loss of Algeria as a buyer since late 2024, alongside weaker Chinese demand, historically another major destination for French supplies.

Globally, exporters face intense competition. European suppliers, in particular, are disadvantaged by a stronger euro against a weaker U.S. dollar, eroding price competitiveness. Record harvests in Spain, Romania, and Bulgaria have further pressured prices. Meanwhile, Russia's wheat production is projected at 86.1mn t — the third-largest on record — and Ukraine's output at 21.9mn t. Favorable weather conditions in Australia and Argentina, combined with ample starting stocks, are also expanding global buyers' options.

As a result, global ending stocks among the top eight wheat-exporting regions could rise to an eight-year high of 69mn t, up 5mn t year on year. The overall grains market is also facing a supply surplus. In the U.S., corn production is forecast to hit a record 412mn t, more than offsetting an expected 4mn t drought-driven loss in the EU.

With ample global supply, wheat prices are unlikely to rebound significantly without a major catalyst — such as a surge in demand, reduced farmer selling, geopolitical disruptions, currency volatility, or adverse weather impacting the 2026 crop outlook.

Within France, farmers continue to face pressure. Argus estimates that current wheat prices are around €30/t below break-even levels, based on Argus-assessed prices of €193.50/t cpt Rouen (July basis), which excludes storage costs since harvest.

Argus' July projection places French wheat production for 2025 at 33.4mn t — slightly below the five-year Olympic average of 35mn t for 2017-23 but still a sharp recovery from 2024, when output plunged to 25.6mn t.

Jordan buys barley in tender, seeks more

Jordan's trade ministry (MIT) purchased 60,000t of feed barley in its latest tender on Wednesday, with shipment scheduled for the first half of November.

The tender was awarded to trading firm Olam at around $264-265/t cfr Aqaba, according to market participants.

This marks MIT's first barley purchase since late May, when prices were at least $34/t lower than this week's deal.

In addition, MIT has issued a new tender seeking 100,000-120,000t of barley for October-November shipment, with the tender set to close on 3 September.

Grains, oilseeds and veg oils tenders								
Buyer	**Issued**	**Closes**	**Status**	**Cargo**	**Shipment/ delivery**	**Price**	**Seller**	
Jordan's MIT	28-Aug	3-Sep	Open	100,000-120,000t feed barley	Oct-Nov			
Jordan's MIT	27-Aug	2-Sep	Open	100,000-120,000t milling wheat	Oct-Nov			
Jordan's MIT	21-Aug	27-Aug	Closed	60,000t feed barley	1H November	$264-265/t	Olam	
Jordan's MIT	20-Aug	26-Aug	Closed	60,000t milling wheat	1H October	$267.50/t	Cargill	
Japan's MAFF	19-Aug	21-Aug	Closed	118,219t milling wheat	Oct-Nov			US - 59,110t, Canada - 28,520t and Australia 30,580t

India to import less SFO, palm oil in 2025-26

India's palm oil and sunflower oil (SFO) imports are expected to decline in the 2025-26 marketing year (November-October), while soybean oil (SBO) imports are projected to increase, according to the USDA's Foreign Agricultural Service (FAS).

Palm oil will remain India's largest imported oil, but imports are forecast at 7.1mn t for 2025-26, down from 8mn t in 2024-25 and below the USDA's official estimate of 8.7mn t.

India, the world's biggest SFO importer, is projected to import 2.2mn t in 2025-26, down from 2.6mn t this year and well below the USDA's projection of 3.2mn t.

In contrast, SBO imports are expected to rise to 4.7mn t in 2025-26, compared with 4.3mn t this year and above the USDA's estimate of 4.1mn t. The upward revision comes after June's reduction in edible oil import duties and lower domestic SBO output, FAS noted.

Lower import duties are likely to support overall vegetable oil imports and make crude oils more price-competitive in India's market. Brazilian and Argentinian SBO are expected to maintain their dominance in India's edible oil sector in 2025-26, driven by competitive pricing.

Taiwan books 65,000t of US corn in latest tender

Taiwan's MFIG purchasing group bought 65,000t of U.S. corn in a tender on 27 August, awarding the deal to CHS at a 177¢/bu premium over March 2026 CBOT corn futures on a cfr basis for November shipment, traders said.

The group initially sought optional-origin corn from the U.S., Brazil, Argentina, or South Africa, but U.S. corn proved most competitive in Asia. Brazilian sellers have kept offers high amid strong domestic demand, while Ukraine's old-crop stocks are nearly depleted and new-crop supplies could be delayed in the 2025-26 season because of adverse weather.

Grains, oilseeds and veg oils tenders								
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Jordan's MIT	27-Aug	2-Sep	Open	100,000-120,000t milling wheat	Oct-Nov			cfr
Taiwan's MFIG		27-Aug	Closed	65,000t of feed corn	Nov	177c/bu premium to CBOT Mar contract	CHS	cfr
Jordan's MIT	21-Aug	27-Aug	Closed	60,000t feed barley	1H Nov	$264-265/t	Olam	cfr
Jordan's MIT	20-Aug	26-Aug	Closed	60,000t milling wheat	1H Oct	$267.50/t	Cargill	cfr
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Weak Demand, Rising Supply Keep U.S. Grain Futures Under Pressure

U.S. grain futures declined as China's absence from U.S. purchases continues to weigh on sentiment, with reports indicating Chinese buyers are sourcing imports elsewhere. Soybeans remain particularly vulnerable, with AgResource warning that China's retreat is becoming increasingly concerning. The firm also noted sluggish corn demand from Mexico and South America, while Russian wheat prices continue to weaken amid a large harvest. AgResource advised producers to capitalize on any price rallies to advance cash sales.

In the ethanol sector, U.S. stockpiles dropped to 22.55mn barrels — their lowest in nearly a year — according to the EIA, reflecting weaker demand for corn. Ethanol production was steady at 1.07mn barrels/day, but at relatively low levels.

Looking ahead, corn and soybean markets may trade sideways ahead of the U.S. harvest, RCM's Doug Bergman said. While current prices remain cheap enough to support demand, upcoming heavy supply could limit gains. However, corn may benefit if an ethanol export deal with India is finalized.

For wheat, downside pressure persists. Analysts at Linn & Associates warned that ample global supply, favorable U.S. weather, and higher production forecasts for both Russia and Australia are likely to keep prices subdued.

Market Commentary

Maize

The CBOT maize contract fell 1.29%, opening at $150.54/t this morning.

South Africa Local Market: SAFEX maize contracts traded lower. The CEC's latest report raised South Africa's total maize crop estimate to 15.802mn t, up from 15.031mn t previously. White maize is now projected at 8.081mn t (an increase of 345,450 t month-on-month), and yellow maize at 7.721mn t (up 425,625 t). For week 17, producer deliveries totaled 384,085 t, bringing the season-to-date total to 13.531mn t, which is 38.15% higher than the same period last year.

Soybean

The CBOT soybean contract rose 0.18%, opening at $377.43/t this morning.

South Africa Local Market: SAFEX soybean contracts traded higher. The CEC's latest report increased South Africa's soybean production estimate to 2.753mn t, up 30,550 t from the previous forecast. Weekly producer deliveries totaled 7,306 t, bringing the season-to-date total to 2.623mn t, which is 52.19% higher than the same period last season (week 25).

Wheat

The CBOT wheat contract fell 1.54%, opening at $178.35/t this morning.

South Africa Local Market: SAFEX wheat contracts trended higher. According to the CEC's crop report, South Africa's wheat area is estimated at 511,700 ha, with a total crop of 1.107mn t. Weekly producer deliveries totaled 2,398 t, bringing the season-to-date total to 1.877mn t, which is 5.68% below the three-year average.

Price and Data

Description	*Unit*	*Price*	*Date*
CORN UKRAİNE CPT POC SPOT	USD/t	242-	27.08.2025
WHEAT 11.5PC UKRAİNE FOB POC SPOT	USD/t	230,50↓	27.08.2025
WHEAT 12.5PC RUSSİA FOB NOVOROSSİYSK SPOT	USD/t	231↓	27.08.2025
SOYBEAN OİL ARGENTİNA WATERBORNE FOB UPRİVER USD/T MONTH 1 – HOUSTON CLOSE	USD/t	1.110,465↓	27.08.2025
RAPESEED OİL FOB DUTCH MİLL RSO - LONDON CLOSE	USD/t	1.054↑	27.08.2025
SUNFLOWER OİL FOB NORTHWEST ***EUROPE 6 PORTS SPOT - LONDON CLOSE***	USD/t	1.302,50-	27.08.2025

↓ 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

NAMEX Telegram Channel

Grain SA

Soyabrokers Market Report

Picture from www.intellinews.com