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Turkey

Post: Ankara

Turkish Grain Board Holds Tender for European Corn

Report Categories:

Grain and Feed

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Report Highlights:

The Turkish Grain Board (TMO) completed a corn import tender on April 19, 2017. TMO purchased about 77,000 MT of corn to be sourced from the European Union (EU) and Serbia in the tender. The average tender price was 743 TL/MT, roughly US\$201/MT. Although the tender sought a total of 118,000 tons, offers for more than 40,000 MT were rejected due to high prices. TMO will hold another international tender on April 25, 2017 to import up to 44,000 MT of corn from the European Union and Moldova.

General Information:

TMO completed a tender to purchase a total of 118,000 tons of corn sourced from the European Union (EU), Serbia, and Moldova. As a result, 77,000 MT of corn for feed usage was bought under a zero tariff quota through a tender on April 19, 2017. The average tender price was 743 TL/MT, roughly US\$201/MT. TMO purchased about 77,000 MT of corn from the European Union (72,000 MT) and Serbia (5,000 MT). The Loading Period is April 24 and May 7, 2017. TMO plans to sell this imported corn to feed producers in Turkey.

Although TMO had issued the tender for 118,000 MT of corn last week, TMO rejected some bids due to high prices. Therefore TMO has issued another international tender to import up to 44,000 MT of corn for feed usage to be sourced from the European Union (36,000 MT) and Moldova (8,000 MT), which will be held on April 25 2017.

As we reported before, Turkey has been turning to supplies of grain from the European Union and other regions after Turkey's sudden ending of duty free status under the scope of the Inward Processing Regime for Russian wheat, corn, and some other products in March effectively stopped imports. According to market sources, the starch industry is experiencing difficulty in sourcing non-Russian corn supplies. The starch industry annually uses around 500,000 MT of corn in order to export starch/fructose. In other words, the starch industry imports 500,000 MT of corn in the scope of the IPR.

According to market sources, if the Government of Turkey grants imports authorization, TMO might hold tenders for up to 500,000 MT of corn in May in order to meet corn demand in Turkey.

Table 1: Results of TMO Import Tender Held on April 19, 2017

Name of Company	Quantity **	Value (TL/MT) CFR	Discharging Port	Loading Period
ADM Int.	5,000	739	Samsun	April 24 and May 7, 2017
Nidera B.V.	12,150	739	Samsun	April 24 and May 7, 2017
Erser Group	11,900	749	Bandirma	April 24 and May 7, 2017
CHS Europe	12,050	745	Bandirma	April 24 and May 7, 2017
Nidera B.V.	12,075	743	Izmir	April 24 and May 7, 2017
Nidera B.V.	12,075	743	Izmir	April 24 and May 7, 2017
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**(- 5 % at seller's option)

