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Japan

Grain and Feed

Result of 5th SBS Tender for Feed Wheat and Barley 2002

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Report Highlights:

On November 21, the Food Agency (FA) conducted its fifth Simultaneous Buy and Sell (SBS) tender for feed wheat and barley during Japanese fiscal year 2002. The FA contracted 3,025 metric tons (MT) of wheat and 180,000 MT of barley.

According to trade sources, all of the wheat will be purchased from China and at least 56,000 MT of barley will be purchased from either Ukraine or Germany.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Tokyo [JA1], JA

On November 21, the Food Agency (FA) of the Ministry of Agriculture, Forestry and Fisheries (MAFF) conducted its fifth simultaneous buy and sell (SBS) tender for feed wheat and barley during Japanese fiscal year 2002 (April 2002 - March 2003).

The FA contracted 3,025 metric tons (MT) of wheat for feed and 180,000 MT of barley for feed. Information on country allocations is not available because country of origin is not required on the bids. However, according to industry sources, all of the wheat was contracted with China and at least 56,000 MT of barley will be purchased from either the Ukraine or Germany (importers may designate multiple 2 purchase points). Reports indicate that the importers would have returned to North American grain except for 1) the current tight supply and high prices for grain from traditional suppliers and 2) uncertainty over timely deliveries due to a potential resumption of the U.S. West Coast port lockout in late December which would affect January shipments. Considering that Japanese feed manufacturers seem to have been satisfied with the quality of the Ukrainian wheat and barley delivered to date, the buyers decided to continue purchasing from Europe. The wheat purchases from China in this tender are considered to be a test (as was done earlier this year for Ukrainian grain) to evaluate its quality versus its low price.

Results of the 5th Tender for Wheat and Barley for Feed (metric tons, yen/metric ton)				
	Quantity Applied (MT)	Quantity Awarded (MT)	Food Agency's Purchase Price (Yen/MT)	Food Agency's Selling Price (Yen / MT)
Wheat for Feed	3,025	3,025	18,646	21,647
Barley for Feed	180,100	180,000	21,445	24,445

The table below shows cumulative results of the 1st through 5th tenders.

	Wheat		Barley	
	Quantity Applied (MT)	Quantity Awarded (MT)	Quantity Applied (MT)	Quantity Awarded (MT)
1st (March 20)	18,490	18,490	160,000	160,000
2nd (May 17)	13,970	13,970	160,000	160,000
3rd (July 31)	10,120	10,120	160,000	160,000
4th (Sept. 20)	4,450	4,450	140,100	140,000
5th (Nov. 21)	3,025	3,025	180,100	180,000
Total	50,055	50,055	800,200	800,000

End of report.