WHEAT MARKETS IN ASIA.

Milltek Company Services Ltd;

Focus.

- **Market Overview.**

  Wheat Imports, Container destinations, Wheat Origins - 99/00.

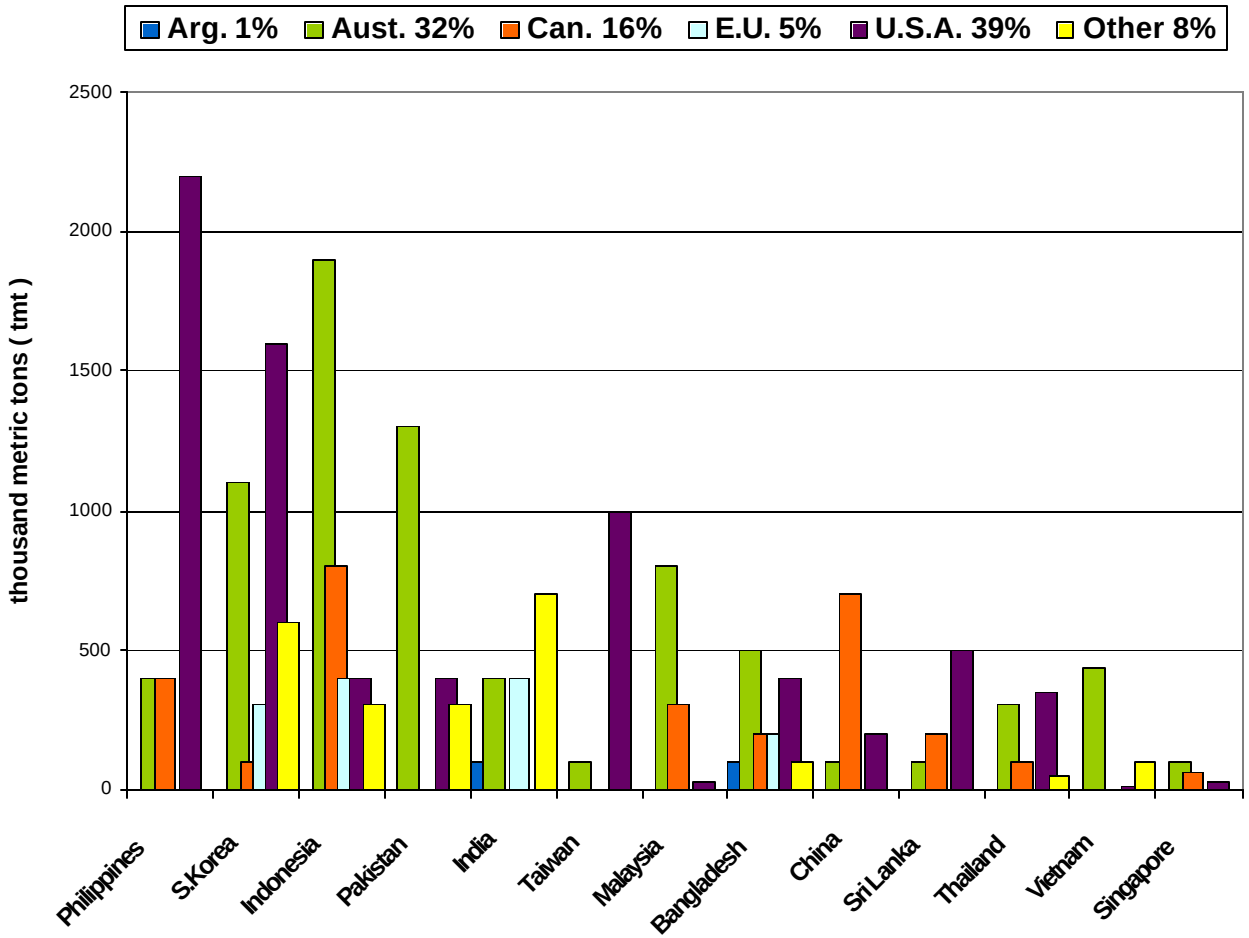
- **Customer Requirements.**

  Quality, Value, Service.

- **Logistics.**

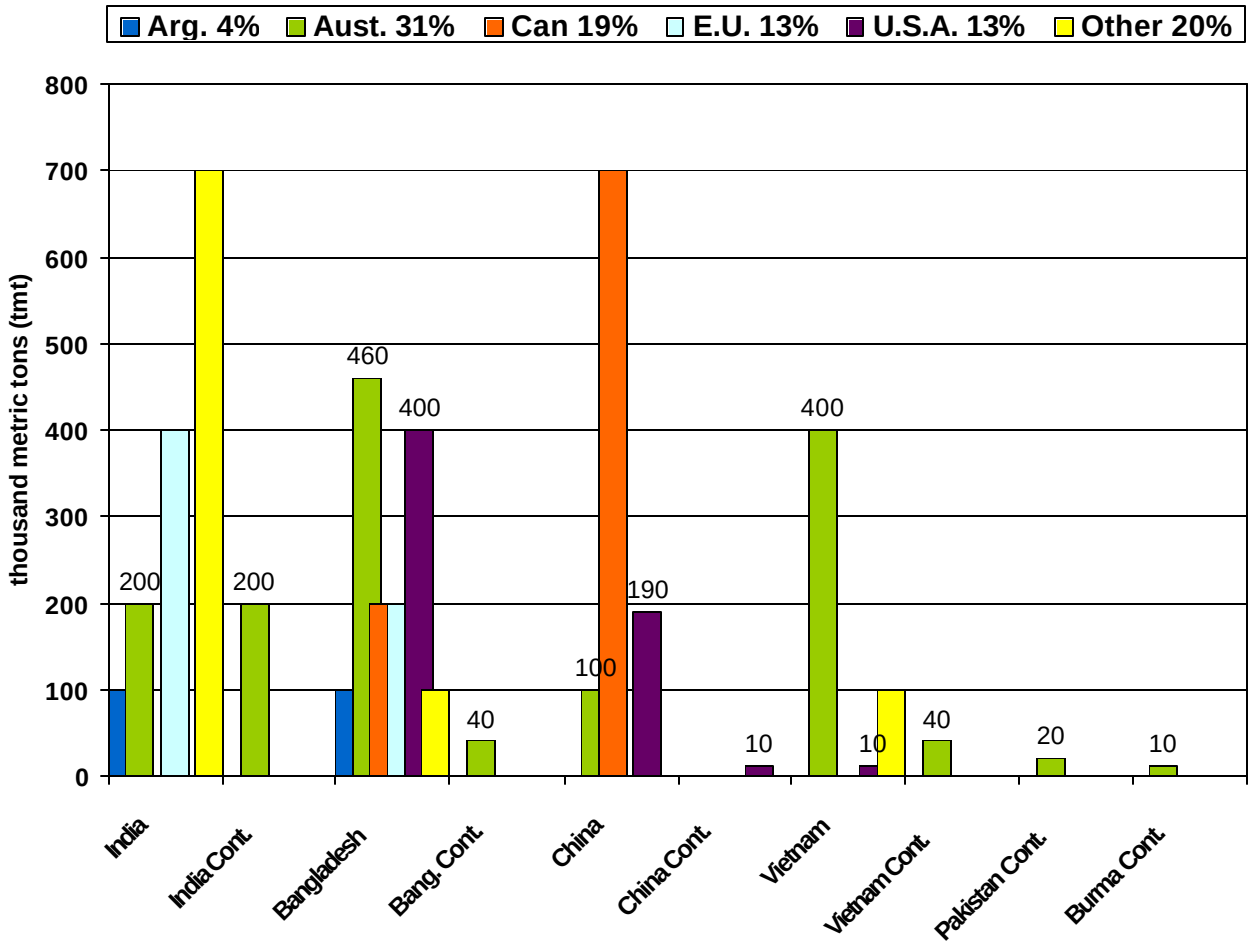
  Destination Ports.

Asian Wheat Imports 99/00.



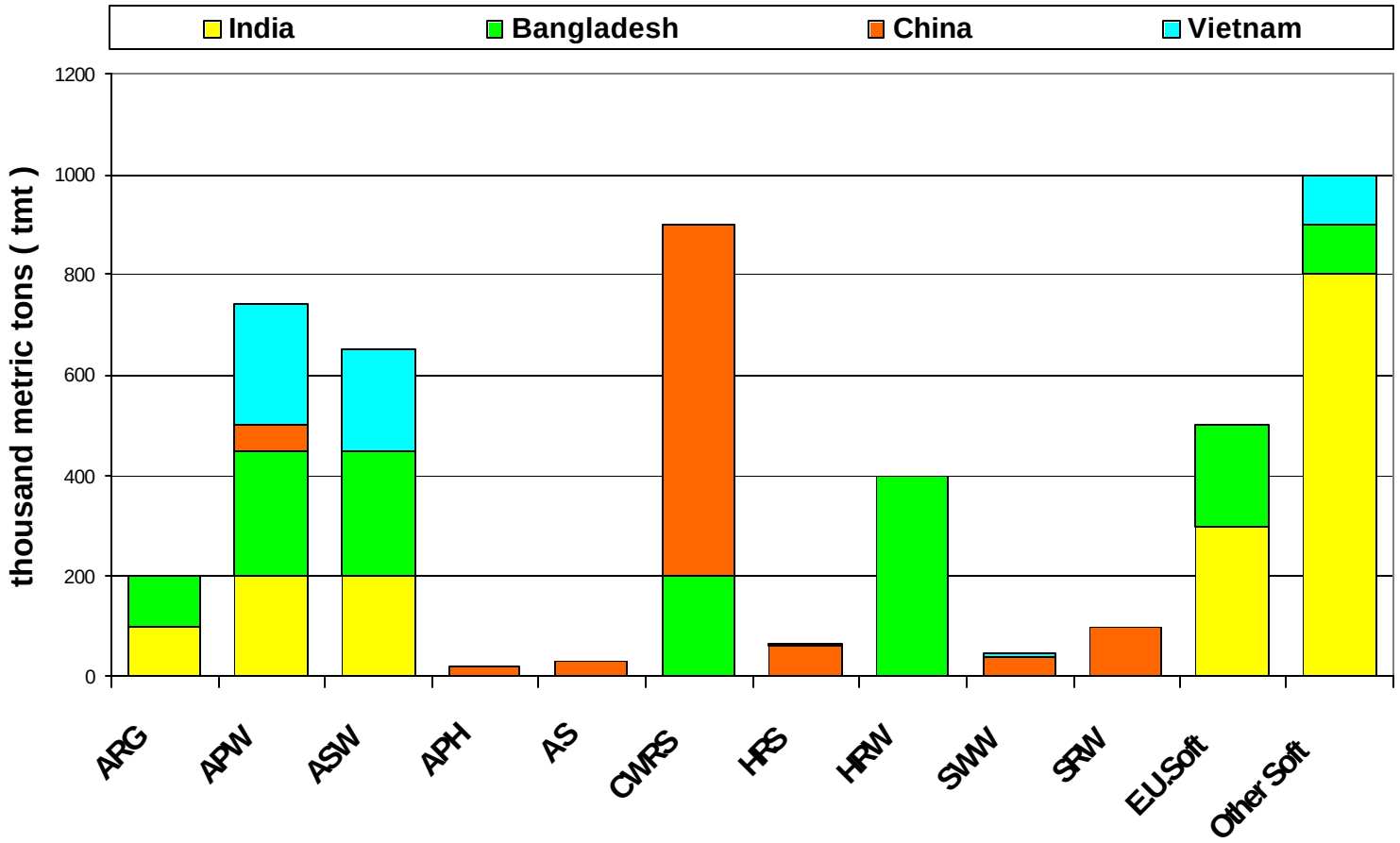
Source : USDA

Container Destinations 99/00.



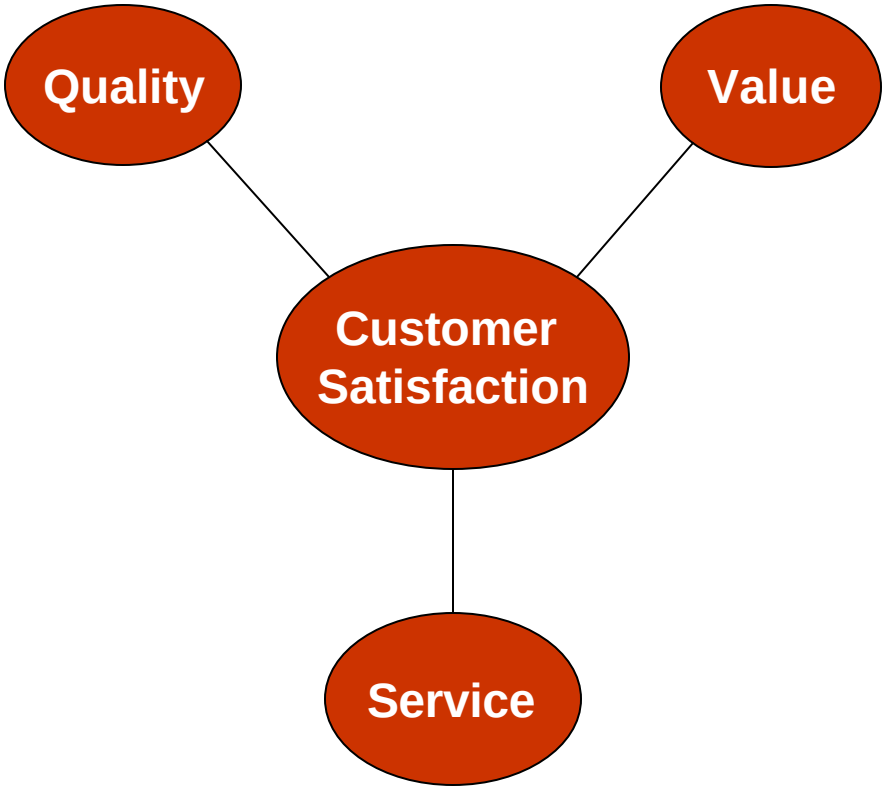
Source : Trade Contacts

Wheat Types to Container Destinations.



Source : Trade Contacts

Customer Requirements.



- **Delivered Value.**
  - **Versus bulk ship rates**
  - **Versus domestic values**
- **Quality.**
  - **Quality demand**

  or
  - **Wheat demand**
- **Efficient Execution.**
  - **Consistent schedule**
  - **Same CY to CY**
  - **Free days at CY**
- Note : CY = Container Yard

East Asia and Oceania

ASIA
RUSSIA
SIBERIA
CHINA
INDIA
INDONESIA
MONGOLIA
KAZAKHSTAN
IRAN
PAKISTAN
AFGHANISTAN
JAPAN
PHILIPPINES
AUSTRALIA
Arctic Ocean
Indian Ocean
Scale 1:48,000,000
Azimuthal Equal-Area Projection
800 Kilometers
800 Miles
Boundary representation is not necessarily authoritative.
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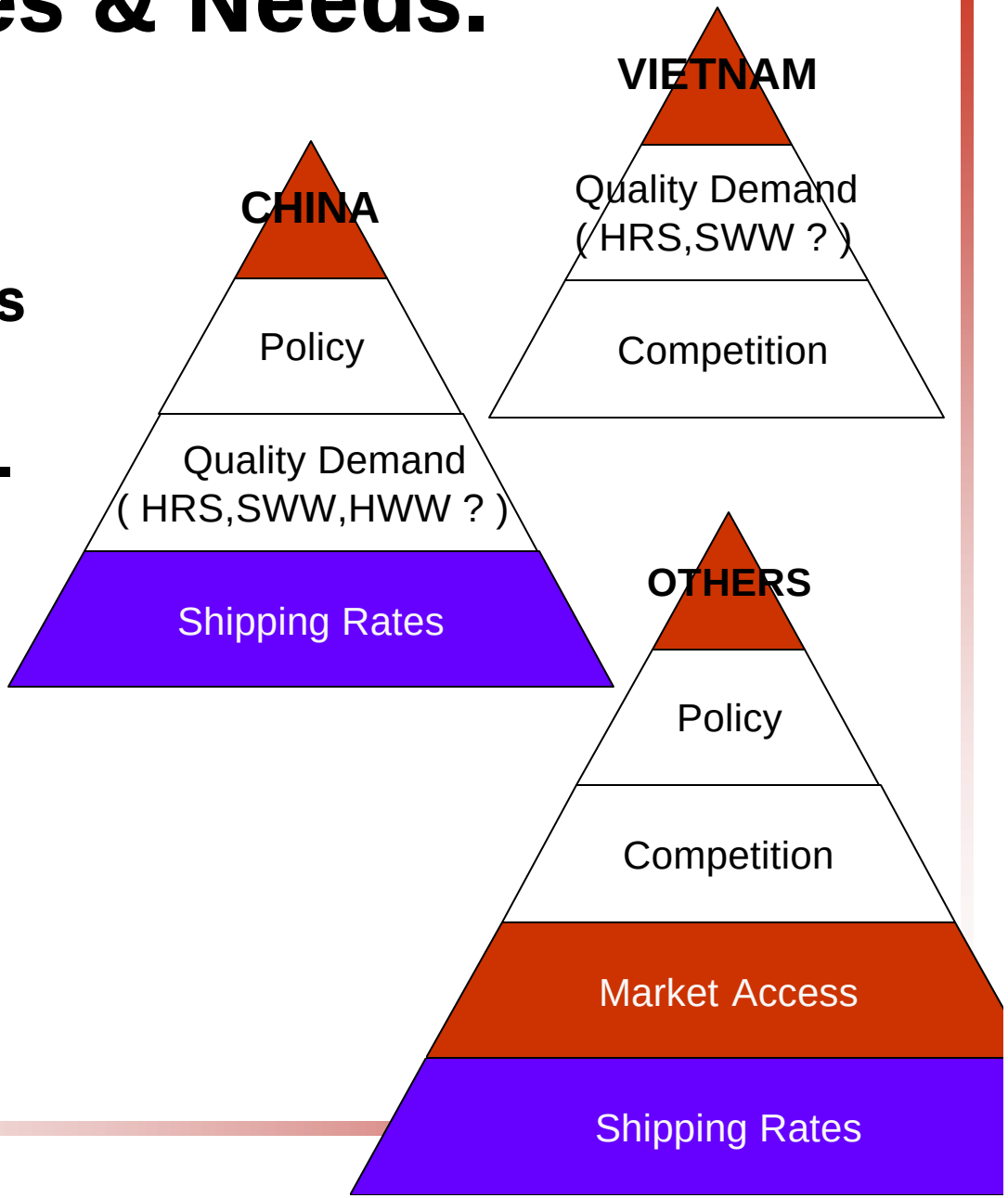
Target Countries & Needs.

- **Quality US wheat markets – China, Vietnam and others according to government policy.**
- **Container shipping rates is a critical aspect.**



Cost Analysis 1.1.

- **Country Price Analysis.**

- **Govt. Support Price.**
- **Stock Levels.**
- **Delivered to Mill.**

Country	Support Price	Production	Open Stocks	Ending Stocks	Domestic Wheat	Protein
	USD	MMT	MMT	MMT	USD	%
India	133	74.3	29.4	19	190	8-9
Bangladesh	150	1.8	0.87	0.4	194	9-10
China	135	102		27	175	10-11
Pakistan	144	21	9.3	3.5		9-10

Note : All prices USD per metric ton. Harvest production CY' 00.

Source : Trade contacts.

Cost Analysis 1.2.

- **Import Duty**
- **Clearing Expenses**
- **Inland Transport**

Country	Duty	Container Inland	to mill Clearing	Bulk
	%	USD	USD	USD
India	50		7	5
Vietnam	3		5.5	4.5
Burma	10		6	
Bangladesh	10		6.5	5
China	1	2	12	3.5
Philippines	3	4.2	7.5	9.2

Note : All USD per metric ton basis.

Source : Trade contacts.

Cost Analysis 1.3.

- **Container delivered comparison V's bulk shipment**
- **Quality V's Price**

Country	Bulk	Container	CY	Scrs.	Class
	USD	USD	USD	%	
India	260	247	160	5	APW
Vietnam	154	145	135	10	ASW/APW
Burma		173	152	10	APW/ASW
Bangladesh	185	177	155	5	APW/ASW
China	181	251			HRS
Philippines	190	250			HRS

Note : All prices USD inclusive of duty & expenses to mill

Scrs = Screenings (3% thou. 2 mm screen = approx. US# 2/1)

Source : Trade contacts

Advantages (Containers).

- Reduced risk for both buyer and seller.
- Less handling of grain.
- Greater consistency.
- Reduced shrinkage.
- Reduced storage loss.
- Just in time scheduling.
- Electronic Data Interchange (EDI) allows buyer / seller access and trace ability.

Disadvantages (Containers).

- Competitive delivery
- Low sales volume per customer
- Payment risk ?
- Longer unloading time.
- Additional man power.
- Increased documentation.

Next Steps.

- More information – Samples.
- Which countries and buyer to target.
- Research container lines; routes, and rates.
- Which wheat class and specification to focus.
- Current EDI achievable and timeframe.
- Customer access.
- Required documentation.
- Payment.
- Delivered pricing.