Oil | Agriculture | Metals | Carbon & Power | Dry Freight
Click on headers to go to that section

Top News - Oil

Trump's climate withdrawal creates rare discord with Big Oil

U.S. oil and gas producers are thrilled that President Donald Trump wants to encourage domestic energy development but say his decision to withdraw the United States from international climate cooperation will not help their investment plans in the global transition to cleaner energy.

The position reflects a rare note of discord between Trump and Big Oil, one of his most important constituencies and long considered the top villain behind climate change for pumping and selling the fossil fuels driving planetary warming.

Removing the United States from the Paris climate deal for the second time was among a flurry of first-day moves by Trump aimed at pumping up already record high domestic energy production, sending a signal to the rest of the world the U.S. will no longer engage in multilateral efforts to combat climate change.

He called the decade-old pact to limit global warming a "rip off" that puts the U.S. at a competitive disadvantage to China.

Big U.S. oil companies, however, believe the withdrawal only limits Washington's ability to influence an ongoing global energy transition and exposes them to an uneven regulatory environment, according to Reuters interviews with industry representatives.

Marty Durbin, president of the U.S. Chamber of Commerce's Global Energy Institute representing U.S. energy companies, said its members would have preferred Trump keep the U.S. involved in the pact.

"While we prefer that the U.S. government remain engaged in the UN climate process, the private sector is committed to developing the solutions necessary to meet the energy needs of a growing global economy while addressing the climate challenge," he said.

Bethany Williams, a spokesperson for the American Petroleum Institute - whose members include Exxon Mobil and Chevron - said the group has "long supported the ambitions of the Paris Agreement."

Exxon's CEO Darren Woods had made an early plea to the newly-elected president at the COP29 climate summit in Azerbaijan in November to keep the U.S. in the Paris pact, saying the cycle of exiting and re-entering the agreement would create long-term policy uncertainty for companies.

Exxon and other big oil companies are planning long-term investments in technologies intended to fight climate change, including green hydrogen and carbon capture, while also navigating decisions about new oil and gas exploration.

Exxon and Occidental did not respond to requests for comment. Chevron and ConocoPhillips declined to comment.

Asked about the Paris withdrawal order, the president of the American Exploration and Production Council (AXPC), representing U.S. independent drillers, said it was important for U.S. industry to be part of the global climate discussion.

"It's critical that any conversation about addressing climate change must be global in nature, and also recognize that America is the world leader in both energy production and emissions reductions," said AXPC CEO Anne Bradbury.

A shift in the U.S. power industry away from coal has contributed to a roughly 17% decline in U.S. carbon dioxide emissions since 2007, according to government data.

Climate liability risk specialist Wynne Lawrence of insurance law firm Clyde & Co said policy volatility around international climate participation puts U.S. companies at risk.

"The U.S. withdrawal from the Paris Climate Agreement will increase regulatory ambiguity, creating increased complexity and, potentially, lead to legal disputes as companies deal with the resulting uncertainty around transition strategies across multinational groups and supply chains," said Lawrence.

In recent years, oil majors had begun sending executives to annual UN climate conferences, where they touted investments in clean energy projects and cuts in the operating emissions.

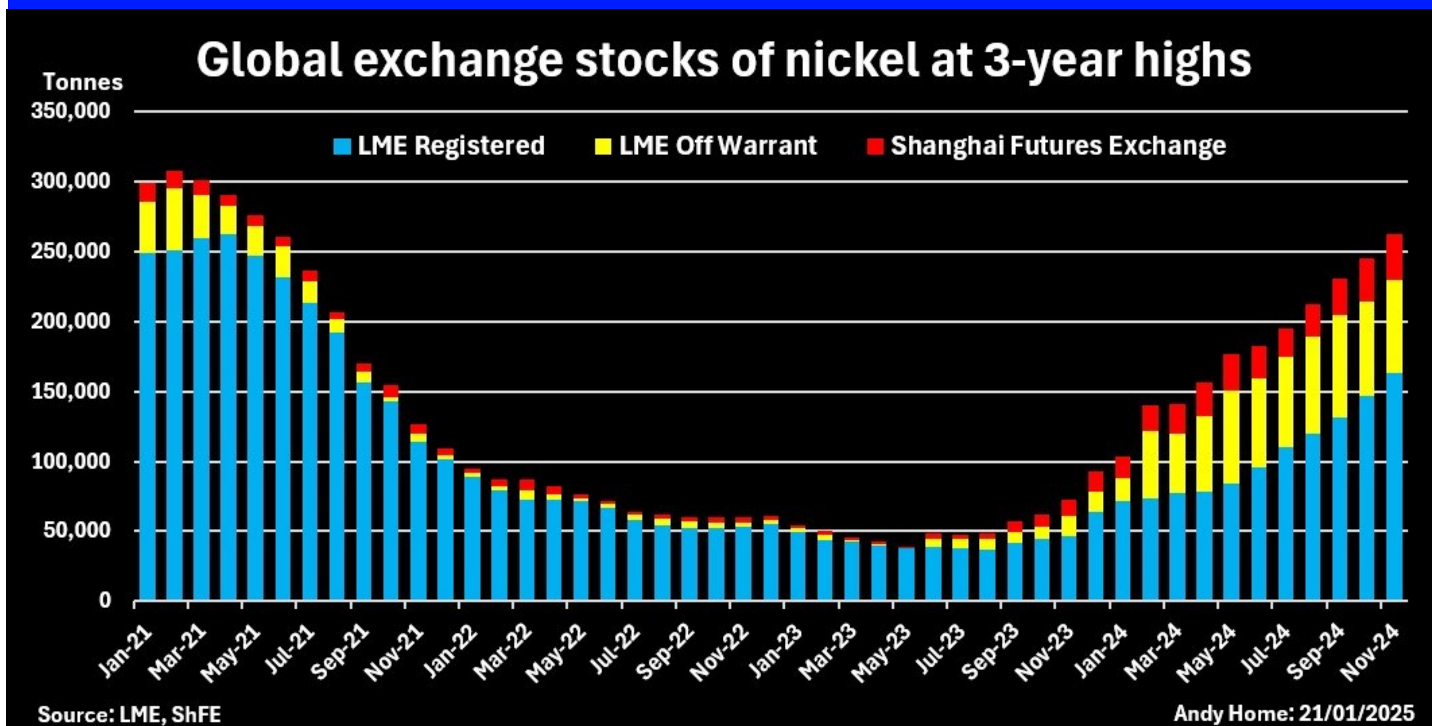
Frank Maisano, senior principal at law firm Bracewell, which represents energy industry clients, said it "makes little sense to give up a seat at the table." "U.S. industries in all sectors continue to invest in new technologies and innovations that are driving the global energy transition in a way that reduces emissions and protects our economy," he said. "We should be shouting that success story from every rooftop and in every venue."

ANALYSIS-Trump US energy emergency order should withstand court challenges

U.S. President Donald Trump’s declaration of a national energy emergency to boost drilling and speed up pipeline construction should withstand court challenges but will not allow oil and gas producers to skirt all environmental laws, according to legal experts.

Trump, a Republican who campaigned on a promise to "drill baby drill," has said the declaration will speed permitting and approval of energy projects to fix what he has called an inadequate and unaffordable U.S. energy supply.
The U.S. is the world's largest oil producer and the world's largest exporter of liquefied natural gas, according to U.S. Energy Information Administration data.
Trump's energy declaration, among the executive orders he signed his first day in office, invokes a federal law giving the president broad discretion to declare emergencies and unlock special powers. Legal experts say challenging the declaration itself in court would likely be futile because courts rarely question the president’s judgment in using the National Emergencies Act.
"The law doesn’t define what an emergency is, and so far no court has been willing to overturn a finding that there is an emergency," said University of California, Berkeley Law School professor Dan Farber.
The National Emergencies Act can unlock presidential powers in 150 different statutes but has limited reach into environmental laws and regulations.
The true legal tests will likely arise in implementation of the order, which directs federal agencies to scour their books for laws and regulations that could be used to speed along approval and permitting for projects like drilling, refining and pipeline construction.
The order cites laws including the Clean Water Act, Endangered Species Act and Mammal Protection Act, which impose review and permitting requirements on energy projects.
"It could expedite energy projects but also harm water standards, endangered species protections, fill in the blank," said Emory University School of Law professor Mark Nevitt.
"There’s a reason those emergency regulations aren’t tapped on a day-to-day basis."
Erik Schlenker-Goodrich, Executive Director of the Western Environmental Law Center, said he expects most of the legal fighting to arise over what federal agencies actually do, rather than the declaration itself.
"We anticipate that political appointees will work to implement Trump’s agenda through secretarial orders and specific agency actions, whether regulatory rollbacks, new lease sales, drilling permits, pipeline approvals, etc. That’s where the fight will prove most intensive," Schlenker-Goodrich said. The emergency declaration could be a useful tool for defending those agency decisions in court, providing a national security rationale that judges would be unlikely to question, some experts said. The order includes a prominent role for the president’s National Security Advisor, who could sign off on reports concluding that certain regulatory rollbacks are necessary to protect vital national interests.
"Once you have that badge of approval from the National Security Council, you can flash it to every federal judge that tries to stand in the way, because courts consistently defer to national security claims," said Tyson Slocum of the consumer advocacy group Public Citizen.
Environmental groups have condemned the energy emergency order, saying climate change driven by fossil fuels consumption is the true emergency. But some have said they do not expect to file lawsuits until they see what the administration actually does.

Chart of the Day



"It's hard to challenge an executive order in general," said Brett Hartl of the Center for Biological Diversity. "If they start doing things that are egregious and use the executive order as a rationale, we would be prepared to sue," Hartl added.
David Doniger, a senior attorney with the Natural Resources Defense Council, said in a statement that the emergency declaration does not override other laws and that any regulatory rollbacks outlined in executive orders will have to be done through proper legal channels.
"We certainly will challenge rollbacks that lack legal and scientific support."

While Trump can encourage new drilling by rolling back regulations and pushing for more fossil fuel output in places like Alaska, the cadence at which oil and gas production increases will ultimately be decided by energy companies and market forces. Many energy firms have restrained growth in recent years to focus on shareholder returns and buybacks after investors soured on the sector. Meanwhile, natural gas producers are looking to a boom in new U.S. LNG facilities to boost demand after cutting output in 2024 as prices fell to the lowest in decades.

Top News - Agriculture

Brazil says soy shipments to China from five firms halted due to contamination

China, the world's biggest soybean buyer, has stopped receiving Brazilian soybean shipments from five firms after cargoes did not meet plant health requirements, according to a statement from the Brazilian government confirming what Reuters had learned from two sources on Wednesday.
The phytosanitary-related suspension comes as Brazil has been bolstering its share of the world's biggest soybean market at the expense of the No. 2 exporter, the United States.
It's also an unexpected twist in the global agricultural supply chain, as U.S. President Donald J. Trump's threats of renewed tariffs against Chinese imports have increased geopolitical tensions between the world's top two economies.
The Brazilian agriculture ministry said the "non-conformity" notice it received from China's General Administration of Customs (GACC) refers to five Brazilian companies, which the ministry did not name.

One of the sources told Reuters that since Jan. 8 Brazil has suspended shipments to China from Terra Roxa Comercio de Cereais, Olam Brasil and C.Vale Cooperativa Agroindustrial.
On Jan. 14, Chinese customs suspended shipments from Cargill Agricola SA and ADM do Brasil, that source added.
Olam, Cargill and ADM together accounted for about 30% of the more than 73 million metric tons of soybeans shipped from Brazil to China in 2024, according to data from shipping company Cargonave Group.
However, Brazil's agriculture ministry said only a small volume of soybeans were affected and the impact on the country's exports was minimal. "The companies' units were suspended, but other units of the same companies can continue exporting," said Luis Rua, the Ministry of Agriculture's secretary of commerce and international relations.
Archer-Daniels-Midland Co, the parent company of ADM do Brasil, declined to comment. Cargill Inc, the privately-held U.S. grain trading giant and parent of Cargill Agricola SA, also declined to comment. Juliana Basso de Araújo, owner of Terra Roxa Comercio de Cereais, declined to comment. The parent firms of the other two affected companies did not respond to Reuters' requests for comment. China's GACC did not respond to a request for comment. "When we try to process clearance on customs' website for soybeans shipped by these five companies, we are not able to proceed," said a second source, a trader at a China-based soybean crusher.
Countries typically require imported or exported agricultural goods to be inspected to ensure they are free of pests and diseases, to protect local food supplies.

HOLD-UP COMES AHEAD OF PEAK LOADINGS
Brazilian soybean export shipments remain seasonally light early in the South American harvest. But loadings are due to surge over the coming weeks as more of the harvested crop is moved to market, at which point suspensions could be far more disruptive, market analysts said. Some analysts questioned the timing of the suspensions, so close to Trump's inauguration. China may want to slow shipments from Brazil to wait for crush margins to improve after making big purchases or to give Beijing room to make a trade deal with Washington that could include purchases of U.S. soy, said Jim Gerlach, president of U.S. brokerage A/C Trading.
"It could be something to give Xi (Jinping) an opportunity to buy U.S. beans to put in reserve and get some goodwill," Gerlach said. The Brazilian agriculture ministry said the GACC detected the presence of pesticides and pests on a routine inspection of cargos.
"The temporary suspension of the companies' units was communicated in advance by GACC to the Brazilian side, demonstrating confidence in the Brazilian inspection system and the robustness of the work carried out by the Brazilian government and exporters," the ministry said.
The ministry said Brazil's overall soy exports to China "will not be affected", adding it will provide the needed information for China to lift the temporary suspensions.
It was unclear how many cargoes and volumes were affected by the non-conformities, as the Brazilian

Top News - Metals

government did not provide additional details. It also was not clear how long the suspension would last, although traders expected it to be short-term. China, which buys more than 60% of soybeans shipped across the world, now takes more than 70% of its imports of the oilseed from Brazil, eating into U.S. market share. "We are taking it seriously," an official at one of the affected companies told Reuters. He declined to be named due to sensitivities of the issue.
China imported a record 105 million metric tons of soybeans in 2024.

Brazil's beef companies breathing easy over prospect of new Trump tariffs
Brazilian beef companies do not expect to be hurt by potential new tariffs from President Donald Trump's administration because of low inventories of cattle in the U.S. and a sizable tariff that already exists on these exports.
Roberto Perosa, head of the Brazilian beef exporters association ABIEC, said in an interview on Wednesday that Brazilian beef exports outside a 65,000-ton annual quota already are slapped with a 26.4% tariff when entering the U.S.
His remarks suggest Brazil, the world's largest beef exporter, will remain a key U.S. supplier despite any protectionist rhetoric from the Trump administration. Brazilian companies exported $1.3 billion worth of beef products to the U.S. last year.
"I think the U.S. is in a difficult moment relative to its livestock cycle, and (will remain so) at least for the next two years," said Perosa, who leads the powerful beef lobby that represents firms like JBS and Marfrig, both of which have U.S. operations.
Brazil exported some 230,000 tons of fresh and processed beef to the U.S. last year, up almost 66% from 2023, with most of it paying the hefty tariff, Perosa said, citing trade data.
Scarcity of cattle in the U.S., where inventories have hit the lowest level in seven decades, means U.S. buyers will need to secure a reliable partner for large beef volumes. "That partner is Brazil," Perosa said.
Brazil has tried to negotiate an increase of the tariff-free quota to 150,000 tons with the U.S., but the state of the talks is unclear following Trump's return to the White House earlier this week, Perosa said.
The U.S. is Brazil's second-largest export destination for beef after China, and is also the South American country's second-largest trade partner overall.
Brazil pays a 12% tariff to export beef to China, which

MARKET MONITOR as of 07:35 GMT

Contract	Last	Change	YTD
NYMEX Light Crude	$75.03 / bbl	-0.54%	4.62%
NYMEX RBOB Gasoline	$2.08 / gallon	-0.26%	3.60%
ICE Gas Oil	$718.75 / tonne	-1.13%	3.38%
NYMEX Natural Gas	$3.98 / mmBtu	0.51%	9.55%
Spot Gold	$2,753.02 / ounce	-0.07%	4.92%
TRPC coal API 2 / Dec, 25	$116.88 / tonne	-0.95%	4.97%
Carbon ECX EUA	€79.28 / tonne	0.43%	8.60%
Dutch gas day-ahead (Pre. close)	€48.77 / Mwh	-3.43%	0.45%
CBOT Corn	$4.92 / bushel	-0.51%	5.53%
CBOT Wheat	$5.65 / bushel	-0.48%	0.36%
Malaysia Palm Oil (3M)	RM4,158 / tonne	-1.19%	-6.52%
Index	**Close 22 Jan**	**Change**	**YTD**
Thomson Reuters/Jefferies CRB	373.00	0.18%	4.54%
Rogers International	30.58	-0.20%	4.67%
U.S. Stocks - Dow	44,156.73	0.30%	3.79%
U.S. Dollar Index	108.39	0.20%	-0.09%
U.S. Bond Index (DJ)	437.87	-0.14%	0.42%

took in $5.4 billion worth of the South American country's beef last year, Perosa said, citing trade data.

EXCLUSIVE-LME plans to consult on tackling warehouse gridlock

The London Metal Exchange (LME) plans to launch a consultation on revamping its warehouse storage rules, four sources with knowledge of the matter said, after bottlenecks resurfaced last year despite a previous overhaul.

Nearly a decade ago, the LME thought it had solved the problem of gridlock in its approved storage facilities with queue-based rent capping (QBRC) rules.

QBRC limits the rental income of warehouses to 80 days after the firm that owns the metal has given notice of intention to take delivery or cancelled the warrants - title documents conferring ownership.

But one consequence has been that some traders with contractual obligations to deliver metal to customers beyond 80 days, in the knowledge there are queues, cancel warrants to get free storage. Consumers are also prevented from getting metal in LME warehouses with queues when they need it. Rent-capping has failed to stop the queues, which resumed last year after a large delivery of aluminium to ISTIM's facilities in Port Klang for a rent-sharing deal between the warehouse firm and the company depositing the metal.

In response to a request for comment, the LME said only: "The LME has a comprehensive set of rules around queues, including a specific provision which caps the amount of rent which can be charged in a queue. As we have said previously, the LME keeps its warehousing rule sets under review." The LME introduced QBRC after the wait to take aluminum out of LME registered warehouses in Vlissingen in the Netherlands soared to two years and to 700 days in Detroit in 2014, which created artificial shortages and high prices for consumers on the physical market.

The queues this time are significant, although shorter. In May last year, when the queue emerged, the wait time to take delivery of aluminium from ISTIM's warehouses in Port Klang was 253 days. At the end of last year, it was still 163 days.

Most of the aluminium in Port Klang was produced in India rather than Russia. Many Western consumers have refused to buy metal produced in Russia, after its invasion of Ukraine in February 2022.

PERCENTAGE 'LOAD-OUT'

The sources, who spoke on condition of anonymity because they were not authorised to speak publicly, said one alternative to QBRC would be to stipulate the percentages of metal that would have to leave the warehouse, or be loaded out, within a certain period.

They said no numbers had yet been floated.

The concept would align with the principle the LME is the market of last resort for consumers, producers and traders with contracts to sell or buy metal, and that LME warehousing must be efficient for the physical industry.

Percentage load-out would oblige warehouse keepers to ensure they can load out required percentages of their total inventory, meaning they would have to limit the quantity of metal in their storage facilities.

It would also bring the LME in line with aluminium on the commodity exchange COMEX, which requires its approved warehouses to deliver out 2% of their total stocks of the metal. Aluminium, used in transport, construction and packaging, is the world's largest non-ferrous produced metal market and the LME's highest volume contract.

OPPOSITION LIKELY

The sources said they expected opposition to percentage load-out rules from firms whose business models focus on earning rent by storing large amounts of metal.

Replacing QBRC would also make redundant the LME's load-in load-out rule (LILO), which specifies the tonnage that has to be shipped out when a queue is longer than 50 days and simplify warehouse regulations. Other potential changes the LME is expected to consult on are the banning of agreements known as "rent deals" that allow warehouses to share rental income with companies that deliver metal to them, the sources said. The firm that delivers the metal to a warehouse does not have to retain ownership under the rent deals, but still gets a share of the rent as long as the metal stays in the warehouse, and the fees are paid by the new owners of the metal.

Three of the sources said the LME also wanted some control over warehouse charges, such as those for handling, warranting and rewarranting.

COLUMN-Only Indonesia can help nickel recover from price bust: Andy Home

Nickel ended 2024 trading at four-year lows, a spectacular reversal of fortune for a metal that soared so high in 2022 it almost broke the London Metal Exchange (LME).

There is no mystery to this dramatic tale of boom and bust. Indonesia has flooded the world with more metal than it can absorb, crushing the price and leaving a trail of casualties among the rest of the world's producers.

The market's fortunes this year depend on whether Jakarta can tame the excesses of its nickel sector and align supply more closely with demand.

There are positive signs. Indonesia's mining ministry plans to cut the nickel ore mining quota to 200 million metric tons this year from a previously planned 240 million. The news has sparked a modest price revival, LME 3-month nickel rising by 3% since the start of January. Whether it's enough to generate a more sustained recovery remains to be seen.

OUT OF THE SHADOWS

Indonesia has emerged as the world's dominant nickel producer over the last decade.

The country's mined production exploded from 358,000 tons in 2017 to 2.2 million tons in 2023, according to the World Bureau of Metals Statistics.

Indonesian supply was equivalent to over half of global demand that year.
The Indonesian supply tsunami initially washed through the Class II segment of the nickel market in the form of stainless steel inputs such as nickel pig iron. That's changed over the last two years after Chinese operators mastered the technology to convert Indonesia's relatively low-grade resource into high-purity Class I products such as sulphate and refined metal. The processing revolution has transferred the market surplus from the Class II shadows to the highly visible world of exchange trading.

STOCKS SURGE
The LME has listed five Chinese brands and one Indonesian brand of refined nickel since its 2022 meltdown. The impact is clear to see in rising LME inventory.
Low LME stocks were one of the reasons for the price going supernova in March 2022. They continued sliding through the first half of 2023, falling below 40,000 tons for the first time since 2007. LME inventory has since surged to 172,206 tons on the back of Chinese and Indonesian deliveries.
There was no Chinese nickel in the LME storage system until August 2023. As of the end of December 2024 there were 70,000 tons, accounting for 47% of on-warrant stocks.
The first Indonesian metal turned up in July last year and amounted to over 7,000 tons by the close of December.
LME registered stocks are only part of the bigger stocks picture. LME off-warrant stocks have also grown, while Shanghai Futures Exchange stocks have risen to a five-year high of 35,327 tons.
Total exchange inventory was almost 230,000 tons at the end of November 2023, the highest level since 2021. This is good news for both exchanges. The physical liquidity boost has helped restore confidence in both markets, generating a recovery in trading volumes after activity slumped in the wake of the 2022 nickel crisis.
It's been less good news for anyone in the nickel production business outside Indonesia and China.
Rising stocks have driven the price ever lower.

BATTERY DEMAND STUTTERS
It's not as if nickel demand has collapsed.
The stainless steel sector, which still accounts for the largest share of the metal's usage, performed strongly in 2024. Global melt-shop production rose by 6.3% year-on-year in the first half of last year, according to industry association worldstainless.
But nickel's usage in electric vehicle (EV) batteries has been weaker than expected.
Although global EV sales grew by 25% in 2025, most of the growth came from China, where automotive companies are increasingly shifting to non-nickel battery chemistry such as lithium-iron-phosphate.
Western car-makers are sticking with nickel in their batteries but EV sales rose by a relatively modest 9% in North America and contracted by 3% in Europe last year, according to consultancy Rho Motion.
Moreover, both Western and Chinese car buyers are choosing hybrids over pure battery models and hybrids need smaller batteries.
Researchers at Adamas Intelligence estimate that the global sales-weighted average amount of nickel deployed per passenger vehicle battery was 12.6 kg in November 2024, down 16% from November 2023.
While European EV sales are expected to recover this year as tougher emission rules kick in, North American sales face the challenge of Donald Trump rolling back the Biden administration's EV subsidy scheme.

SUPPLY DISCIPLINE
Indonesia has made no secret of its desire to leverage its nickel supply dominance into pricing dominance.
It now has that power.
The key question for the nickel market is how it will use that power. The cut to this year's ore quotas suggests that Jakarta knows the price has fallen too far even for some of its own producers.
The trick will be tailoring production rates to a fast-evolving EV battery demand dynamic. Without supply discipline from the world's dominant producer, a sustained nickel price recovery will remain elusive.
(The opinions expressed here are those of the author, a columnist for Reuters.)

Top News - Carbon & Power

Solar power overtook coal in EU's electricity mix in 2024, Ember says

Solar power overtook coal in the European Union’s electricity mix for the first time last year, while wind power’s share plateaued, data from energy think tank Ember showed on Thursday.
The EU is seeking to increase its renewable power generation as part of efforts to cut emissions and reach its climate targets as well as cutting its reliance on fossil fuel imports to help boost energy security.
Solar generation provided 11% of the EU’s electricity mix in 2024, up from 9.3% in 2023 and overtaking coal which fell to less than 10% for the first time since Ember began collating the figures in 2011, the data showed. “
For the past two years we have seen sharp declines in both coal and gas in the EU power system and fossil fuels are now at an historic low,” Chris Rosslowe, senior analyst and lead author of the report said in an interview.
Gas-fired power production fell to a 15.7% share from 16.9% in 2023 while wind power was almost flat at 17.4%.
Although some 13 gigawatts (GW) of new wind capacity was added in 2024, wind conditions were less favourable

than in 2023, leading to lower than expected generation. "The new capacity added this year was slightly offset by the worse wind conditions," Rosslowe said. The EU wants wind power to make up around 34% of its electricity mix by 2030 and more action is needed, particularly around making permitting for new projects easier, to meet the goal, Rosslowe said.
Nuclear remained the dominant electricity provider in the EU, rising to 23.7% from 23% in 2023.

GRAPHIC-Europe may need over 100 extra gas cargoes to refill shrinking stocks

Europe may have to buy at least 100 additional gas cargoes this summer, worth around $6 billion at today's prices, to replenish gas stocks after a plunge in storage levels this winter due to cold weather and a stoppage of Russian supply.
EU gas storage sites have emptied faster this year than in recent winters and are currently 59% full, according to the latest data from Gas Infrastructure Europe. That is much lower than this time last year, when storage was still 75% full, or the 79% filling level at the same time in 2023, after the 2022 energy crisis triggered by Russia's invasion of Ukraine. By the end of March, storage levels could drop to as low as 30-35% of capacity, said Rabobank energy strategist Florence Schmit. EU gas storage was 58% full at end-March last year.
If storage drops to 35% full - around 38 billion cubic meters (bcm) - European buyers will need to find an extra 12 bcm of gas on the global market this summer, compared with 2024, Energy Aspects analyst Erisa Pasko said. That 12 bcm equates to around 120 liquefied natural gas (LNG) tankers worth $6 billion at today's prices, according to Reuters calculations. "Europe will need to maintain high prices to continue attracting spot and divertible LNG supply away from Asia," Pasko said.
The storage concerns are helping to prop up already high European gas prices, which are trading at 14-month highs, also boosted by cold weather and the end of Russian gas transit via Ukraine. Europe's higher demand for refilling storage is also reflected in high gas prices for the summer months, which are more expensive than contracts covering next winter. This is unusual and last occurred in late 2021 and 2022, when Russia's Gazprom stopped filling its European storages, according to LSEG data.
Energy Aspects expects summer EU gas prices of 49.50 euros per megawatt hour (MWh), accounting for the loss of some Russian LNG due to U.S. sanctions.
Front-month TTF gas prices were trading at around 49 euros/MWh on Wednesday, up from 27.70 euros/MWh a year ago - but still far below their peak above 300 euros/MWh during the 2022 energy crisis.
Rabobank only sees summer prices at 34-37 euros/MWh, a 10% rise over 2024 levels but below where the market is currently trading. Rabobank's Schmit said this was because relatively high prices would continue to dampen European consumers' gas demand, offsetting some of need for LNG to replace lost Russian pipeline supplies and to refill storage.
Europe's gas-intensive industrial production has been trending down since 2022, as firms struggle with weak consumer demand, cheap Chinese competition and high energy costs.

GLOBAL IMPACT

Analysts and industry agree that European gas shortages are unlikely this year. Even Slovakia, the country hit hardest by the end of Ukraine gas transit, has said it has enough supply and storage to cover 2025.
"We're really not concerned about the fact that storage will be depleted and we cannot find supplies. But of course, this is not to say it's going to be cheap to refill them," said Aurora Energy Research analyst Arturo Regalado.
Germany's gas market trading hub is in talks with the economy ministry and regulator about the possibility of contractors receiving subsidies to refill gas storage sites.
The EU's need to buy more gas will reverberate around the world, potentially pulling LNG cargoes away from Asia. "Globally, there is possibly still a shortage in terms of gas supplies," said Andreas Guth, head of industry association Eurogas, though he noted that shortages are not expected in Europe.
While two new U.S. LNG export terminals are expected to start up this year, the market will remain tight until 2027.

Top News - Dry Freight

Fortescue's Q2 iron ore shipments edge up; Iron Bridge shutdown weighs

Shares of Australia's Fortescue slipped on Thursday to a one-week low as it posted a marginal rise in its second-quarter iron-ore shipments, largely in line with market expectations for the period.
The company's shares fell as much as 1.3% to A$18.78 by 2343 GMT, slipping to its lowest level since Jan. 15.
Fortescue attributed its quarterly output to the management of wet weather impacts in the Pilbara region, which were offset by a shutdown in facilities at its Iron Bridge project.
The uptick in iron ore shipments comes as Fortescue, the world's fourth largest iron ore miner, is making continuous efforts to boost output at its new high grade Iron Bridge project, which is expected to be producing at full capacity later this year.
The miner said it completed a major shutdown of the ore processing facility and concentrate handling facility at Iron Bridge during the quarter, impacting overall production, as noted by analysts at Jefferies, "resulting in a material miss to our and consensus expectations."

Analysts at Jefferies and UBS also flagged misses for hematite costs realised in the quarter compared to their estimates.
The firm posted hematite C1 cost of $18.24 per wet metric ton (wmt), down 10% against $20.16 per wmt realised in the previous quarter.
Fortescue posted quarterly iron shipments of 49.4 million mt, compared to a market consensus of 49.2 mt and 48.7 mt recorded a year earlier.
The Perth-headquartered firm is now assessing the implications for its U.S. hydrogen project in Arizona, it said in its statement, after the U.S. government released final rules for green hydrogen tax credits.
Fortescue maintained its fiscal 2025 guidance for iron ore shipments between 190 mt and 200 mt.
It also maintained the capital expenditure for Fortescue Metals between $3.2 billion and $3.8 billion.

Algeria tenders to buy 240,000 T corn, 70,000 T soymeal

Algerian state agency ONAB has issued new international tenders to purchase up to 240,000 metric tons of animal feed corn and 70,000 tons of soymeal, European traders said on Wednesday.
The deadline for submissions of price offers in the tenders is Thursday.
Traders said the new tenders were seen as indicating that Algeria made no purchase, or bought only small volumes, in its previous tenders for corn and other animal feeds with price offers submitted on Tuesday.
The corn in Thursday's tender is sought sourced from Argentina or Brazil only in up to six consignments of 30,000 to 40,000 tons with shipment in any period in February.
The soymeal is sought in two consignments of 25,000 to 35,000 tons also for shipment in any period in February

Picture of the Day

Flames rise behind vehicles as the Hughes Fire burns in Castaic Lake, California, U.S., January 22. REUTERS/David Swanson

(Inside Commodities is compiled by Arya Sinha in Bengaluru)

For questions or comments about this report, contact: **commodity.briefs@thomsonreuters.com**

To subscribe to Inside Commodities newsletter, **click here**.

© 2025 London Stock Exchange Group plc. All rights reserved.

LSEG
10 Paternoster Square, London, EC4M 7LS, United Kingdom

Please visit: **LSEG** for more information

Privacy statement