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Top News - Oil

Institutional investors back Shell board lawsuit over climate risk
A group of European institutional investors is backing a novel London lawsuit against energy giant Shell's board over alleged climate mismanagement in a case that could have far-reaching implications for how companies tackle emissions.
ClientEarth, an environmental law charity turned activist Shell investor, said it had filed a High Court claim on Wednesday, alleging Shell's 11 directors have failed to manage the "material and foreseeable" risks posed to the company by climate change - and that they are breaking company law.
It is the first, notable lawsuit by a shareholder against a board over the alleged failure to properly prepare for a shift away from fossil fuels - and comes one week after Shell posted a record $40 billion profit for 2022, partly fuelled by the energy crunch after Russia's invasion of Ukraine.
Shell rejected the allegations, saying its climate targets were ambitious and on track and that its directors complied with their legal duties and acted in the company's best interests.
"ClientEarth's attempt ... to overturn the board's policy as approved by our shareholders has no merit," a spokesperson said.

CARBON CONFLICT
Shell has ramped up spending on renewable energy and low-carbon technologies.
But British pension funds London CIV and Nest, Swedish pension fund AP3, French asset manager Sanso IS, Degroof Petercam Asset Management in Belgium and Denmark's Danske Bank Asset Management and Danica Pension and AP Pension are among those to have written letters supporting the claim.
The investor group has around 450 billion pounds ($543 billion) in assets under management collectively, and owns about 12 million of Shell's 7 billion shares.
London CIV said its Shell stake was a "primary hotspot of risk and exposure within our portfolio".
"We hope the whole energy industry sits up and takes notice," added Mark Fawcett, Nest's chief investment officer.
If judges allow the so-called derivative action to proceed, it could encourage investors in other companies, including in those funding carbon emitters, to litigate against boards that fail to adequately manage climate-related risks, experts say.
Some banks are reducing their funding of fossil fuel companies.
The case comes two years after Shell was ordered to slash carbon emissions in a landmark Dutch climate case.
Shell, which is appealing, plans to reduce the carbon intensity of its products - which measures greenhouse gas emissions per unit of energy produced - by 20% by 2030, 45% by 2035 and by 100% by 2050 from 2016 levels.
According to third-party assessments, the strategy excludes short to medium-term targets to cut the absolute emissions from products Shell sells, known as Scope 3 emissions, although they account for more than 90% of overall emissions, ClientEarth said.
"The board is persisting with a transition strategy that is fundamentally flawed, leaving the company seriously exposed to the risks that climate change poses to Shell's future success – despite the board's legal duty to manage those risks," said ClientEarth's senior lawyer Paul Benson.
The UK Companies Act imposes a legal duty on directors to promote the success of businesses.
ClientEarth declined to divulge which other companies it has invested in.

COLUMN-China crude demand rising, but costly Saudi oil is less desirable: Russell
The surprise increase in the price of Saudi Arabian crude oil for March-loading cargoes is being viewed by the market as a bullish signal that Chinese demand is ramping up as the world's biggest importer reopens and stimulates its economy.
There are certainly increasing signs of revival in China's fuel demand, with passenger flights and road traffic rising strongly and indications that the country's huge refining sector is accelerating processing rates.
It seems quite possible that China will be importing more crude in coming months, but the question for Saudi Aramco and the broader oil-trading community is whether they will be buying relatively expensive Saudi oil, or whether Chinese refiners will successfully source cheaper alternatives.
Aramco, the state-controlled oil producer, raised the official selling price (OSP) of its flagship Arab Light blend for Asian customers for March cargoes by 20 cents a barrel to a premium of $2.00 over the regional benchmark Oman/Dubai quotes.
The increase defied refiners' expectations for a 30 cent a barrel cut to the OSP for March-loading cargoes, amid signs that actual physical demand in China was lagging behind the bullish view.

If China's physical demand does accelerate from March, it may prove Aramco made the correct call in raising its OSP.

But it also makes it more likely that Saudi oil will become less sought after by refiners, not only in China but also in the rest of Asia, the continent that takes about two-thirds of the kingdom's exports.

Saudi crude is sold under long-term contracts that typically allow for variations in the volumes sought by refiners, or offered by Aramco.

This allows Saudi Arabia to restrict exports if it aims to boost global prices, but it also allows refiners to take smaller volumes if they see demand for refined products slipping, or if refining margins make processing crude uneconomic.

Let's assume the bullish China story is valid and refiners want to boost arrivals in April and May, which is when March-loading cargoes from Saudi Arabia would arrive at Chinese ports.

By raising its OSP for March-loading cargoes, Aramco has ensured that its crude will be relatively more expensive than other grades.

This provides an incentive for Chinese refiners to maximise volumes from other producers that offer spot cargoes.

These include West African producers such as Angola and Nigeria, the United States and Brazil, but most importantly, from Russia.

China has already been buying increasing volumes from Russia, so much so that Russia has displaced Saudi Arabia as China's top supplier in several recent months.

This is because Russian crude is now being offered at steep discounts as European and other buyers such as Japan end imports as part of efforts to punish Moscow for its Feb. 24 invasion of Ukraine.

China imported 2.03 million barrels per day (bpd) from Russia in January, according to Refinitiv Oil Research data, up from 1.52 million bpd in December.

This made Russia the top supplier to China, overtaking Saudi Arabia, with January imports of 1.77 million bpd from the kingdom.

It's likely that Chinese refiners will first turn to Russian crude if they are boosting imports, as will refiners in India, Asia's second-biggest oil importer.

FUEL OIL

Another factor to consider is that China's independent refiners may turn to importing fuel oil instead of crude, especially since Russian oil products were banned by European Union countries from Feb. 5.

While China is a net exporter of refined fuels, some refiners have the ability to process fuel oil into higher value products such as diesel and gasoline.

Already flows of Russian fuel oil to China have increased sharply, with data from commodity consultants Kpler showing China imported 3.89 million barrels from Russia in January, which was a record high.

This is set to be surpassed this month, with Kpler tracking seaborne arrivals of Russian fuel oil in China at 6.75 million barrels.

It appears that China is already buying more Russian crude and fuel oil.

The question then becomes if China's rising demand exceeds what it can source from Russia, where will it turn to next?

U.S. crude is currently cheaper than Middle East grades, which tend to price in tandem with moves in the Saudi OSPs.

There are already signs that China's appetite for U.S. oil is rising, with Kpler estimating March arrival at 23.61 million barrels, up from 6.76 million in February and 8.65 million in January.

China's imports from Brazil are estimated by Kpler at 24.1 million barrels for March, up from 21.06 million in February and the highest in two years.

The overall picture that emerges is that if Aramco expects a strong increase in China's crude demand, it must be expecting a fantastically strong outcome if it also expects to sell increased volumes of its own higher-priced oil.

Top News - Agriculture

China becomes biggest Brazil corn buyer in January, revised trade data show

China became the main destination of Brazilian corn exports in January by volume, surpassing traditional importers like Japan, Iran and Spain, according to revised trade data released by the government on Wednesday.
Brazil sold 983,684 tonnes to China in the period, the second full month of corn trading action following Beijing's authorizations for Brazilian sales of the cereal in late November.
The South American country already ships most of its soybeans to China, a massive importer which also buys meat and other food staples from Brazil.
Wooing a big customer like China will help Brazil grab an even larger share of the global corn trade.
Until recently, China used to import approximately 70% of U.S. corn and 29% of Ukrainian corn, Brazilian grain exporters group Anec said on Wednesday.
But after Russia's invasion of Ukraine, China sought new suppliers.
Last year, China was already the destination of 1.16 million tonnes of corn from Brazil, with almost the totality shipped in December.
In 2023, despite the increase in domestic corn production, China will import a estimated 20 million tonnes, Anec said.
On Wednesday, government agency Conab rose Brazil's export forecast to 47 million tonnes in the 2022/2023 season, up from 45 million tonnes.
By value, Brazilian corn exports to China totaled $271.4 million in January, representing about 15% of the $1.773 billion total exported for the month, according to revised trade data.
Japan, Brazil's second biggest corn buyer by volume and first biggest by value last month, paid $275.2 million for 975,858 tonnes, the new trade data showed.
On Wednesday, the government also revised overall Brazilian corn exports for January, lowering the estimate to 6.16 million tonnes from a preliminary 6.34 million tonnes.

COLUMN-Argentine crop pegs take unusual dive; U.S. corn demand remains at risk -Braun

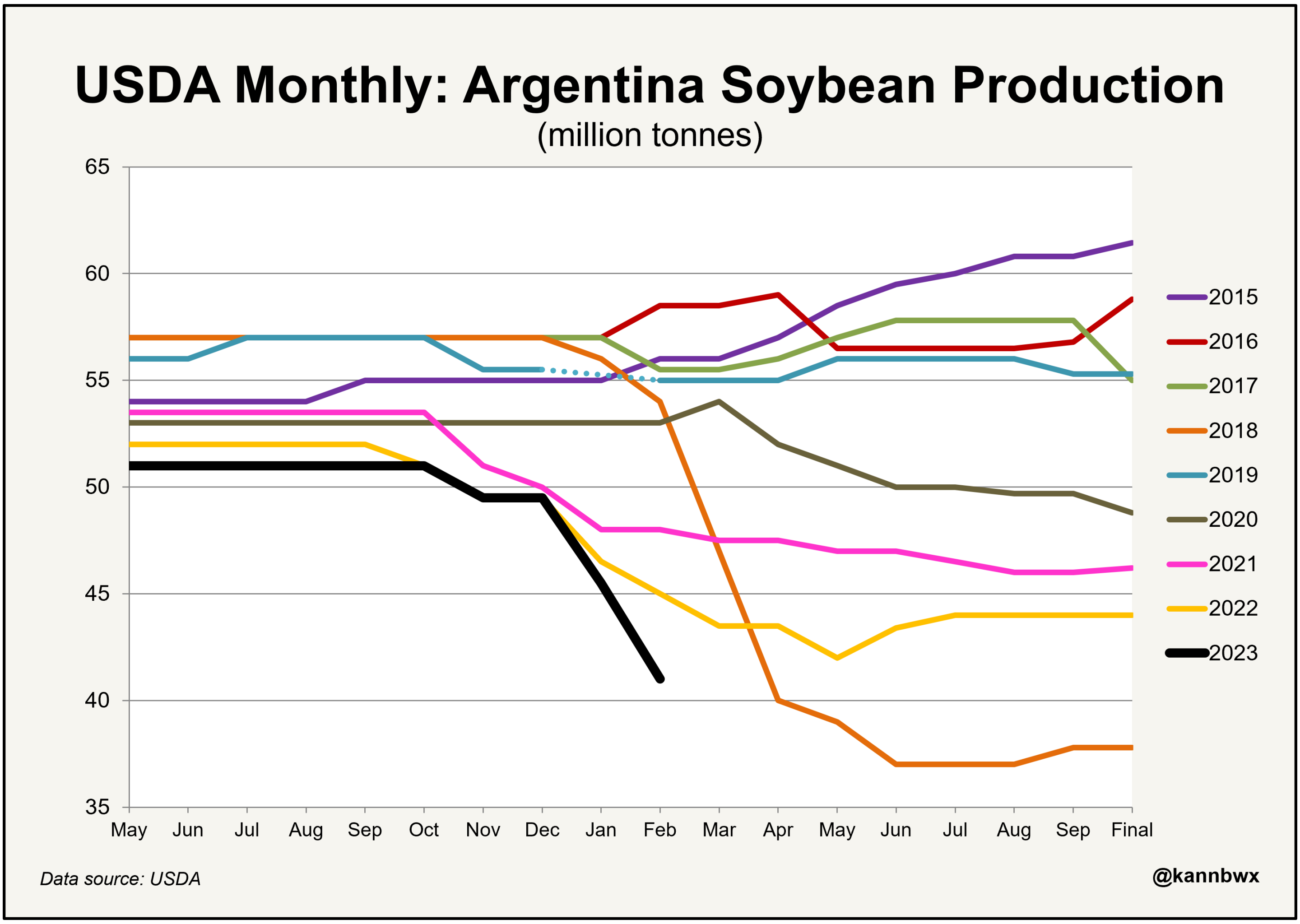
The U.S. Department of Agriculture's February supply and demand report is often uneventful, and that was mostly true this time around even with large cuts to Argentina's drought-stricken harvests.
But despite most key report numbers coming in near expectations, there may be more pressure on U.S. corn demand than meets the eye following increased export competition in Wednesday's update.
USDA's views of Argentina's corn and soybean crops landed below trade guesses by more than 1 million tonnes each. Analysts typically see USDA as being more conservative with harvest cuts versus other agencies.
The new soy production estimate of 41 million tonnes is down an unprecedented 20% from USDA's initial peg and down 10% from January. Monthly reductions of this magnitude are extremely rare but were observed in 2009 and 2018, two other severe drought years for Argentina.
In both those years, the final soy crops were a third smaller than USDA originally predicted. Applying those losses to 2023 would yield 34 million tonnes, still much below the current forecast.
But that number is already in play. Argentina's Rosario grains exchange on Wednesday cut the soy crop to 34.5 million tonnes from 37 million previously, warning of more heat and dryness on tap for the next two weeks.
Rosario also reduced its corn crop outlook to 42.5 million tonnes from 45 million, and USDA made a 10% cut to 47 million from 52 million. The U.S. agency last month had Argentine corn yield slightly beating the five-year average, but now it is seen falling 6%.
Argentina's corn production is significantly more robust than in 2009 so that year may not be a good comparison, but trends in the 2018 crop estimates suggest this year's harvest could drop into the low 40 million range.
In the past six years, USDA's initial estimates of Argentine corn production versus finals were split: three were too high and three too low. But this year will mark the seventh consecutive season where Argentine soybean output falls below original ideas.

CORN EXPORTS

USDA left Brazil's corn and soybean crops unchanged, though Brazilian agency Conab on Wednesday trimmed the second corn harvest based on late planting in top state Mato Grosso.
U.S. corn ending stocks increased as expected in USDA's update, but it was on a reduction in corn used for ethanol production and not exports, which could have been justified given the slow pace of shipments and sales.
That opens the door for another U.S. corn demand reduction soon, especially if exporters' luck does not reverse immediately. USDA's country-level assumptions for grain trade are not public, but the latest movement among top market players seems to increasingly squeeze U.S. corn out of the mix.
USDA added 3 million tonnes to Brazil's 2022-23 corn exports, which increased to 50 million, despite no change to production. China has been buying Brazilian corn for over two months now, in January becoming Brazil's top corn customer.
U.S. corn exporters' biggest problem has been China's glaring absence from its market this year versus the last

two, and both expanding capacity in rival exporters and softer Chinese demand are unhelpful. Both USDA and China's ministry on Wednesday left 2022-23 Chinese corn imports unchanged at 18 million tonnes, a three-year low.
Ukraine's corn exports also increased 2 million tonnes to 22.5 million, well above the grim sub-10 million ideas from mid-last year. China is a mainstay buyer of Ukrainian corn, though this month's export increase could be mostly allocated to Europe as its import outlook rose.
USDA took Argentina's corn exports down with the smaller crop, but it does not ship corn to China.

Chart of the Day



Top News - Metals

Glencore deposits more Russian aluminium on LME system -sources

Commodity trader Glencore has deposited more than 100,000 tonnes of aluminium in London Metal Exchange registered warehouses in the South Korean port of Gwangyang, two sources with knowledge of the matter told Reuters.
Rusal produces aluminium in Russia and accounts for 6% of global supplies estimated at around 70 million tonnes this year. Neither Rusal nor its metal has been targeted by sanctions against Russia following its invasion of Ukraine.
London-listed Glencore declined to comment. A Rusal representative said the company has not delivered any aluminium to LME warehouses and does not plan to.
Many buyers and consumers in the transport, packaging and construction industries chose to renew their contracts to buy Russian aluminium. Some did not because of Russia's invasion of Ukraine.
Some metal producers worry large amounts of unwanted Russian aluminium in LME warehouses will depress benchmark prices on the exchange, referenced in their contracts with consumers.
Aluminium prices on the LME hit a four-week low of $2,471 a tonne on Wednesday.
Last month, sources told Reuters that Glencore had delivered 40,000 tonnes of Russian aluminium, taking its deliveries to LME warehouses in Gwangyang to at least 150,000 tonnes.
Glencore also delivered Russian aluminium into LME warehouses in Gwangyang in October, according to sources, who did not detail the quantity.
"Russian aluminium in Gwangyang has been building for some time, it just wasn't warranted," one of the sources with knowledge of the matter said.
Warehouse operators issue a warrant conferring ownership when metal enters the LME's global warehouse storage network, comprising more than 500 warehouses in 32 locations.
Metal that is stored in LME warehouses but is not on LME warrant is off warrant.
Overall aluminium stocks at 495,750 tonnes are up more than 30% since Jan. 20, which has helped widen the discount for the cash over the three-month aluminium contract to nearly $40 a tonne.
Glencore has a long-term contract with Rusal for 6.9 million tonnes of aluminium. Of that, around 1.6 million tonnes a year would be delivered between 2021 and 2024.
After an industry consultation, the LME last November decided not to ban Russian metal from being traded and stored in its system because a significant portion of the market still planned to buy the country's metal in 2023.
In the absence of a ban, the LME said it was likely "additional tonnages of Russian metal" will eventually be delivered into LME-approved warehouses, but that there is no evidence that this would create disorder.

Hudbay Mineral Inc's Constancia mine has seen power use start to decline recently. Others, like Freeport-McMoRan's Cerro Verde are at normal or elevated levels. A combined index of six key mines is near normal.
Freeport-McMoRan spokesperson Linda Hayes said: "We are continuing to operate, but have limited our mill throughput by about 10% to deal with intermittent supply disruptions."
The other firms did not immediately respond to requests for comment about activity at their mines in Peru.
The mining activity is key to keeping global copper supply flowing. Brokerage Jefferies said in a Jan. 31 note that some 30% of Peruvian copper supply was at risk from the unrest, a "potential positive for the copper price."
The protests - which have led to the deaths of 48 people and are the worst violence Peru has seen in over 20 years - could of course soon start to have a greater effect on mining operations. Demonstrators are becoming more determined as lawmakers struggle to agree on calling snap elections, a key protest demand.
This week, Peru's Buenaventura suspended operations at a key silver mine after protesters invaded the site.
At a blockade on the "mining corridor" highway, protester Wilber Toco Aragua Salcedo told Reuters that people felt like the mines took all the wealth and left little for locals. "The south is quite rich, but the mining concessions that we have harm the people," he said, adding he had heard mines were stocking up on supplies. "The people do not get tired, the people won't go away, we will not take a step back."

ArcelorMittal expects to increase steel shipments by 5% in 2023

ArcelorMittal, the world's second-largest steelmaker, on Thursday said it expects its steel shipments to increase by around 5% this year, as it reported fourth-quarter earnings that were in line with expectations.
The Luxembourg-based company said its fourth-quarter core profit (EBITDA), the figure most watched by the market, was $1.26 billion, down from $5.05 billion a year before but in line with the average forecast in a company poll.
The company said worldwide demand for steel, excluding China, was expected to recover by 2% to 3% this year, following the global economic slowdown last year that decreased Arcelor's shipments by 11%.
"Evidence suggests that the customer destock we saw in the second half of 2022 has peaked, hence providing support to apparent steel consumption and steel spread," Chief Executive Aditya Mittal said.

ArcelorMittal said it expected to have a positive free cash flow over 2023, with capital expenditures between $4.5 billion and $5 billion.

The company reported a net profit of $0.30 per share over the last three months of 2022, below the $0.38 analysts had expected on average.

Top News - Carbon & Power

With years of high prices ahead, LNG buyers covet long-term deals

The global liquefied natural gas (LNG) market is expected to take several years to adjust to last year's shake-up, and high prices will spur the hunt for long-term deals, industry executives said at the India Energy Week conference.

After Russia slashed piped supply to Europe following its invasion of Ukraine, gas prices hit new highs and Europe bought record volumes of LNG.

Prices for both Europe's benchmark gas and Asian spot LNG hit milestone highs.

"What I foresee in the coming years, I see the tensions that we observed in 2022 are not over for 2023," said Thomas Maurisse, senior vice president LNG at France's TotalEnergies.

"Even if Europe is now more confident that we will pass winter 2023, it will still be difficult and there might be demand coming back in Europe and in China."

Supply from Russia could fall further while growth in LNG supplies "will not be enough" this year, possibly meaning prices remain "a little bit higher in the years to come" despite having softened recently, Maurisse said.

"Only (from) 2026-2027, when we will have a new wave of energy from the U.S. and from Qatar, that the situation may ease a little bit."

Demand from China, the world's second largest LNG importer, is expected to recover this year as it emerges from stringent COVID-19 measures, though imports are still forecast to fall short of its record 2021 levels.

LONG-TERM DEALS SOUGHT

Industry executives and governments have touted gas as a crucial transition fuel while switching to renewable energy sources, but last year's high prices had kept many buyers priced out.

While Asian spot LNG prices as of last week have eased by more than 70% from their record levels to $18.50 per million British thermal units (mmBtu), they remain high compared to their previous single-digit prices, leading buyers to seek term contracts to avoid spot market volatility.

"What the industry has realised now is that they can't have long-term business on spot purchases. So the need is to have long-term contracts, a good mix of long-term, short-term and medium-term contracts," said Akshay Kumar Singh, CEO of India's Petronet LNG.

"Long-term contracts and the increase in domestic (gas) production during this crisis have definitely helped our country," he said. "Going forward, we think we should move more contracts on (to a) long-term basis."

Petronet, India's top gas importer, is seeking up to 1 million tonnes per annum (mtpa) in additional LNG supplies when it renews its long-term deal with Qatar.

The company said it will also seek another 0.6 mtpa from the Gorgon LNG project in Australia, which it already has a contract with.

"If it is available at a reasonable price, a lot of gas can come to the country," said Singh, adding that current spot rates were still "on the higher side" at around $16-17/mmbtu versus current long-term contract prices of $12-13/mmBtu.

Bangladesh, while seeking 10-12 spot LNG cargoes through to June, is also trying to negotiate a deal with Brunei LNG to secure long-term supplies, said an energy adviser to the country's prime minister.

Meanwhile, Indian state-run GAIL (India) Ltd is poised to seal a gas deal with Russia's largest LNG producer Novatek.

Chinese state-owned players have also inked term deals with Oman and Qatar in recent months. Sinopec sealed a 27-year deal with QatarEnergy in November in the largest single LNG sales and purchase agreement on record.

Andrew Barry, chairman of LNG market development at ExxonMobil, said that long-term supply contracts have helped energy companies navigate phases of demand destruction and low investor confidence due to volatility in the short-term markets.

Australia's AGL skids to H1 loss, lowers outlook; shares fall most since 2007

Top Australian power producer AGL Energy Ltd on Thursday posted its second-biggest six-month net loss due to plant outages and soaring supply costs, and cut full-year profit guidance, sending its shares tumbling the most in 15 years.

The gas and electricity supplier to one-sixth of all Australians said a horror stretch of power plant failures and volatile wholesale markets squeezed underlying profit in the first half ended Dec. 31 by 55% to just A$87 million ($60.45 million) - little more than half of what analysts had forecast.

A previously disclosed writedown due to a sped-up closure of a coal-fired power station brought a net loss of A$1.08 billion. Compounding the gloom, AGL lowered the

top of its full-year underlying profit forecast range by one-eighth.
Shares in AGL tumbled 12% by mid-session on Thursday, against a 0.4% decline in the broader market, their biggest one-day drop since 2007, as investors questioned the ability of a company facing severe disruption on multiple fronts to grow profit amid soaring costs and inflation.
Since Russia's February 2022 invasion of Ukraine supercharged energy wholesale markets, the Australian government has imposed a cap on gas and coal prices. Meanwhile AGL, Australia's biggest carbon emitter, must prioritise an exit from fossil fuel under pressure from its biggest shareholder, activist tech billionaire Mike Cannon-Brookes, who has four directors on its board. Last September the company said it would bring forward closure of its coal-fired Loy Yang A power station by a decade to 2035.
UBS analysts called the trading update "a soft result with slower than expected pass-through of rising electricity prices". Jefferies analysts called the results announcement "a very weak set of numbers".
Chief Executive Damien Nicks, only in his post since last month, lashed the federal government's decision to impose wholesale price caps from December which had forced down retail prices for coal-powered electricity, limiting benefits to AGL from owning the mine that supplies much of its coal.
AGL buys in its gas, but the benefit of the price cap - A$12 per gigajoule - was limited by suppliers withdrawing from negotiations to seek better prices elsewhere, Nicks said in an interview with Reuters.
The company had enough contracted gas supply for current residential needs, but AGL had to buy gas for about 40 commercial customers on the spot market at about A$40 per gigajoule then pay the customers rebates, Nicks added.
"That is not a long-term solution," he said by phone. "A long-term solution is ... some of those negotiations with the big gas producers coming back into play so that we can bring gas back into the market."

MARKET MONITOR as of 07:25 GMT

Contract	Last	Change	YTD
NYMEX Light Crude	$78.50 / bbl	0.04%	-2.19%
NYMEX RBOB Gasoline	$2.67 / gallon	0.64%	7.69%
ICE Gas Oil	$845.75 / tonne	1.17%	-8.17%
NYMEX Natural Gas	$2.38 / mmBtu	-0.75%	-46.86%
Spot Gold	$1,880.72 / ounce	0.27%	3.09%
TRPC coal API 2 / Dec, 23	$140 / tonne	-8.50%	-24.22%
Carbon ECX EUA / Dec, 24	€94.44 / tonne	0.00%	7.32%
Dutch gas day-ahead (Pre. close)	€54.80 / Mwh	-1.26%	-27.48%
CBOT Corn	$6.77 / bushel	-0.29%	-0.29%
CBOT Wheat	$7.67 / bushel	0.23%	-3.44%
Malaysia Palm Oil (3M)	RM3,975 / tonne	-0.55%	-4.77%
Index (Total Return)	**Close 08 Feb**	**Change**	**YTD Change**
Thomson Reuters/Jefferies CRB	295.44	0.07%	-1.96%
Rogers International	28.00	0.27%	-2.32%
U.S. Stocks - Dow	33,949.01	-0.61%	2.42%
U.S. Dollar Index	103.41	-0.02%	-0.11%
U.S. Bond Index (DJ)	408.46	0.22%	3.85%

Top News - Dry Freight

EXCLUSIVE-India may extend wheat export ban to preserve local supplies

India is considering extending a ban on wheat exports as the world's second-biggest producer seeks to replenish state reserves and bring down domestic prices, government sources said.

The current ban was scheduled to be reviewed in April and top government officials from food, farm and trade ministries are likely to make a decision on an extension by the end of March, or early April, government and industry sources said, adding they don't expect wheat exports to resume until mid-2024.

A jump in exports following Russia's invasion of Ukraine has pushed up local wheat prices, prompting India to ban exports in May, but that failed to stop domestic prices rising, as a sudden spike in temperatures hit last year's output. Although the new season looks promising, slightly warmer than normal patterns in March, when farmers start harvesting, could still shrivel the crop. "The idea is to ensure that the government's own wheat procurement goes up this year," said a government source who didn't wish to be named, in line with official rules. "We do not want a repeat of last year."

Higher food prices makes the government vulnerable to criticism from opposition parties ahead of state elections, which are due later this year. Last year, state purchases of wheat fell by 53% to 18.8 million tonnes, as open market prices rose above the rate at which the government buys the staple from domestic farmers. The government buys rice and wheat from farmers at state-set prices to run the world's biggest food welfare programme. "The priority is to build stocks and bring down prices," said a second government source. "The focus is to buy as much as possible from farmers from the current season's crop and build the wheat stockpile." Wheat stocks at government warehouses dropped 47.9% to 17.2 million tonnes on Jan. 1, the lowest for the month in six years. In 2023, India is expected to harvest a record 112 million tonnes of wheat. India's local wheat demand is estimated at around 105 million tonnes, and traders estimate last year's production dropped to about 95 million tonnes, resulting in record prices. Domestic wheat prices hit an all -time high of 32,500 rupees ($393.53) a tonne in January, higher than 21,250 rupees a tonne - the price at which the government will buy the grain from local farmers this year.

Egypt in talks to buy wheat, corn from Serbia

Egypt is in talks to import around one million tonnes of wheat, as well as an unspecified quantity of corn, from Serbia as part of its efforts to diversify its grain supplies, the supply ministry said on Wednesday.

Supply Minister Ali Moselhy spoke with Serbian officials to also supply wheat and corn from Romania and Bulgaria via Romania's Constanta port, according to the statement.

The war in Ukraine disrupted wheat purchases by Egypt, one of the world's top buyers.

The government has held talks with countries including Argentina and the United States in a bid to diversify away from Black Sea supplies. These included an agreement to buy wheat from India. Despite these efforts, Egypt relied more heavily on Russian wheat last year, buying 57% of its total wheat imports from the country, up from 50% in 2021. The private sector was able to diversify some of its purchases, with rare shipments from the United States and Brazil making their way to ports.

Egyptian officials also held talks with the European Investment Bank on the financing of a large silo at Damietta port, with 200,000 tonne storage capacity, as well as five smaller field silos in other governorates.

Picture of the Day

Flue gas and steam rise out of chimneys and smokestacks of an oil refinery during sunset on a frosty day in the Siberian city of Omsk, Russia, February 8. REUTERS/Alexey Malgavko

(Inside Commodities is compiled by Indrishka Bose in Bengaluru)

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