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Top News - Oil

China gasoline exports may hit 8-year low in Feb on domestic demand recovery

China's February gasoline exports may fall a second straight month to hit their lowest in eight years as domestic consumption rebounds after the nation emerged from COVID lockdowns, industry and market sources said, likely buoying Asian refining margins.
Refiners in the world's No. 2 oil consumer began scaling back refined fuel exports in January as local demand rebounded, reversing a surge in exports in the fourth quarter of 2022.
Lower gasoline exports from China will likely tighten regional supplies ahead of the peak summer driving season in northern hemisphere countries, driving refining margins in Asia upwards as buyers pay higher prices to secure cargoes.
China's February gasoline exports were estimated at between 285,000 tonnes and 360,000 tonnes, down from an estimated 840,000 tonnes for January, according to two China-based consultancies and two trade sources.
This would be the lowest since gasoline exports of 224,000 tonnes in February 2015, Chinese customs data showed.
The exports have declined as road traffic in major Chinese cities recovered or surpassed year-ago levels, with migrant flows over the Lunar New Year festival period hitting a five-year high, real-time traffic data from Baidu showed.

Traffic is normal and there are no more restrictions, so domestic consumption of gasoline has been high during the annual Chinese New Year travel season, said Vortexa's China oil market analyst, Emma Li.
Post-holiday commercial storage levels are also likely low, limiting export shipments, Li said.
Asia's benchmark gasoline cracks have been trading above $10 a barrel since mid-January - a six-month high - mainly because of the drop in Chinese supplies and some opportunistic arbitrage demand from the United States.

China's jet fuel seaborne exports may also fall in February to 400,000 tonnes versus around 500,000 tonnes in January, two other Singapore-based traders estimated.
Domestic demand is increasing with weekly air passenger figures exceeding 10 million from late January, the highest in at least 10 months, according to flight data provider VariFlight.
Last week, domestic air passenger numbers were at 86% of pre-pandemic levels, VariFlight said.
The resumption of international flights, however, will push up demand for refuelling airplanes at Chinese airports - counted as exports - lifting total February jet fuel exports to 1.83 million tonnes from 1.2 million last month, according to consultancy JLC.

DIESEL EXPORTS REMAIN ELEVATED
Meanwhile, Chinese diesel exports are expected to hold above 2 million tonnes, as seasonal domestic demand for the industrial and truck fuel remains lacklustre, according to consultancies Wood Mackenzie, Longzhong and JLC.
This will bring the combined February exports of diesel, gasoline and jet fuel to between 3.9 million and 4.15 million tonnes, about stable with January, according to the range of estimates from the consultancies.
China's usual winter demand lull for diesel has led to limited domestic stocking up activities as well, with Chinese refiners having more incentive to ship the fuel overseas at better margins, said a China-based trading analyst.
The large export volumes will continue to weigh on Asian diesel margins, which have declined 18% in the past month despite concerns of tight supplies following the embargo and price cap on Russian refined products from Feb. 5.

COLUMN-Fantasy league matchmaking between oil majors and transition upstarts: Maguire

This weekend's Super Bowl is the annual showpiece for American football's top professional teams, and marks the end of the fantasy league season where amateur fans select their own configurations of players that compete on virtual fields.
Fantasy footballers deploy their own optimal mix of real-life players from different teams, and compete with other fans for team scoring totals and bragging rights.
In a similar spirit, it's possible to fantasize about optimal corporate match-ups on the energy field, pairing up the financial heft and business savvy of established giants with the entrepreneurial zeal of start ups and speciality players.
While no trophies will be awarded in this power sector showdown, the accelerating consolidation trend across the energy landscape means plenty of real-life company hook-ups are likely anyway, and so it can be instructive to dream up potential pairings.

$200 BILLION SEASON
The West's largest oil and gas producers raked in nearly $200 billion in profits in 2022, a testament to the enduring profitability of the oil and gas sector even as global efforts to phase out fossil fuel extraction and sale stepped up a gear. The record profit haul - which came on top of massive dividends and share buybacks that delighted shareholders - lured praise from investors.

But the eye-catching headline numbers also drew scrutiny from climate trackers and policymakers anxious to see fossil fuel majors show leadership in the renewable energy field.
Some of so-called Big 5 majors, especially Europe-based firms BP, Shell and TotalEnergies, already boast major business segments tied to renewable energy.
But the most profitable of the big western firms were U.S. giants Exxon Mobil and Chevron which raked in roughly $92.5 billion in profits between them in 2022, or 47% of the Big 5's total haul.
Big exposure to U.S.-based production assets, along with lucrative export streams of oil, gas and fuel were key drivers behind the outsized earnings of U.S. firms.
But Exxon and Chevron were also aided by relatively smaller investments in renewable energy businesses compared to their European peers, which allowed the U.S. firms to devote most of their efforts to maximising returns from traditional fossil fuel businesses.
That has brought the firms into conflict with the U.S. government, which has laid out bold ambitions tied to the energy transition away from fossil fuels, and has been critical of energy companies "padding the pockets of executives and shareholders."
Even so, the profit pile earned by Exxon and its rivals clearly presents each firm with expansion opportunities in all areas of the energy sector, including the clean and green space.

POTENTIAL MATCH UPS
While the oil and gas majors were busy making bank, niche firms specialising in accelerating the energy transition - from upgrading transmission networks to developing smart grids - have faced mounting pressure to scale up operations and product lines to meet surging demand.
On paper, the two sets of companies seem primed for a bout of matchmaking, with the hefty war chests of the majors seemingly ideal for funding the capital-intensive expansions planned by the firms engaged in energy transition efforts.
Firms such as Quanta Services Inc, a contractor specialising in repair and maintenance of renewable networks, and Itron Inc, which uses Industrial Internet of Things (IIoT) capabilities to help utilities monitor energy flows, have both seen strong growth in sales and interest in recent years.
But both also face margin pressure from rising operating and financing costs, as well as significant investment needs to scale up and refine product offerings.
The market capitalizations of both U.S.-headquartered firms are miniscule compared to Exxon and Chevron, with Exxon's market cap at the end of 2022 nearly 200 times larger than Itron's and 22 times larger than Quanta's.
Other relatively small firms deployed in the renewable space include NV5 Global, a technical engineering and consulting firm, and Stem Inc, a digital smart network and energy storage system provider.
Both firms operate at the front edge of the energy transition in different sectors, and present potentially appealing entry points for majors seeking access to fast-growing specialist areas.
Beyond possible David and Goliath set-ups, there are also some larger firms that may be on the radar for oil majors looking to quickly beef up their presence in the green energy and electrification spaces.
Enphase Energy Inc, a supplier of microinverters to the solar and battery storage industries, had a market cap of more than $30 billion at the end of 2022, so is already an established entity.
But the firm also derives a majority of its revenues from the United States, and so may need a helping hand from a larger firm to extend its global reach.
Chicago-based Exelon Corporation may be another intriguing addition to a potential fantasy energy team.
As the largest utility company in the United States, the firm is already in the starting line-up for any energy sector discussion.
But along with hefty annual revenues comes substantial grid investment needs that may strain the company's coffers in the years ahead.
In real life, the utility sector is so heavily regulated that a pair-up with an oil major is unlikely.
But for a fantasy league exercise, the partnering of an established utility needing to upgrade electric grids with a cash-rich oil and gas giant could make a tough team to beat.

Top News - Agriculture

U.S. demands Mexico explain science behind GMO corn ban

The new U.S. agriculture trade chief on Thursday told Reuters that he has given Mexico until Feb. 14 to respond to a U.S. request to explain the science behind Mexico's planned bans on genetically modified corn and glyphosate herbicide.

Doug McKalip, the U.S. Trade Representative's (USTR) new chief agricultural trade negotiator, said that Mexico's response will help the trade agency decide next steps in its quest to resolve a long running dispute over Mexico's biotechnology agricultural policies.

This could include escalating the dispute settlement process under the U.S.-Mexico-Canada Agreement (USMCA) on trade, he said. The dispute threatens to disrupt billions of dollars worth of corn trade between the United States and Mexico.

The U.S. request came in a previously unreported letter sent by the USTR on Jan. 30 to Mexico's economy ministry seeking scientific evidence behind the bans and risk assessments backing the decisions, which are required under the trade agreement launched in 2020.

Mexico "rejected 14 separate agricultural product traits that were submitted to them and they did not provide any justification," McKalip told Reuters in his first news media interview since his U.S. Senate confirmation on Dec. 23.

"We want to make sure that they do the science, show their work, and make decisions based upon risk assessments."

The U.S. request comes just days after McKalip and other USTR officials met with Mexican officials and voiced "grave concerns" over their biotechnology approach, warning that they may take formal steps to reinforce trade rights under USMCA.

LEGAL STEP

The letter marks a legal step in this direction, and further steps include seeking formal consultations over the dispute or asking for a dispute settlement panel to determine whether Mexico's policies violate the trade deal.

"We'll see what those responses contain. And then, based upon where we are in that process, figure out next steps to try to resolve the situation," McKalip said. "We are very much laser-focused on this."

Mexico's economy ministry had no immediate comment on the U.S. request.

The two North American trade partners have been at loggerheads over a decree issued by Mexican President Andres Manuel Lopez Obrador in 2020 that sought to phase out imports of genetically modified corn for human consumption and the herbicide glyphosate by 2024.

Mexico is one of the biggest buyers of U.S. corn, with American farmers sending about 17 million tonnes of mostly GMO yellow corn to Mexico annually, the majority of which is used for animal feed. Mexican officials have said they will keep importing GM corn for animal feed.

In December Mexico offered to delay the ban's implementation until 2025, but McKalip, who previously served as the top trade adviser to U.S. Agriculture Secretary Tom Vilsack, said delays and more exceptions would not resolve "the underlying problem, which is that the science ought to drive the decisions on these products."

He said such statements were likely aimed at reassuring U.S. producers that Mexico "intends to be a reliable buyer" and to avoid food supply chain disruptions.

McKalip, who also helped lead the U.S. Department of Agriculture's Animal and Plant Health Inspection Service, added that while the ban is not due to start until 2024, it is affecting U.S. farmers' planting decisions now for some products.

"There are new products that contain sustainability traits, things that would help farmers be more productive," he said. " But they have the problem of making the decision to utilize those products if there isn't a guarantee of access in the Mexican market."

Louis Dreyfus starts trading in Brazil's free energy market

Agricultural commodity merchant Louis Dreyfus Company (LDC) on Thursday unveiled that late last year it began operating as a trader in the Brazilian free energy market, according to a statement.

The company said it intends to expand its activities in the sugar and ethanol market using energy from sugarcane biomass cogenerated by mills.

The trader intends to fully service "the more than 40 groups of mills with which we already originate sugar and ethanol, and thus meet the demand from LDC and its clients, increasing the share of renewable energy in the composition of a more competitive and sustainable energy matrix," said Mario Barbosa, head of sugar for North Latin America.

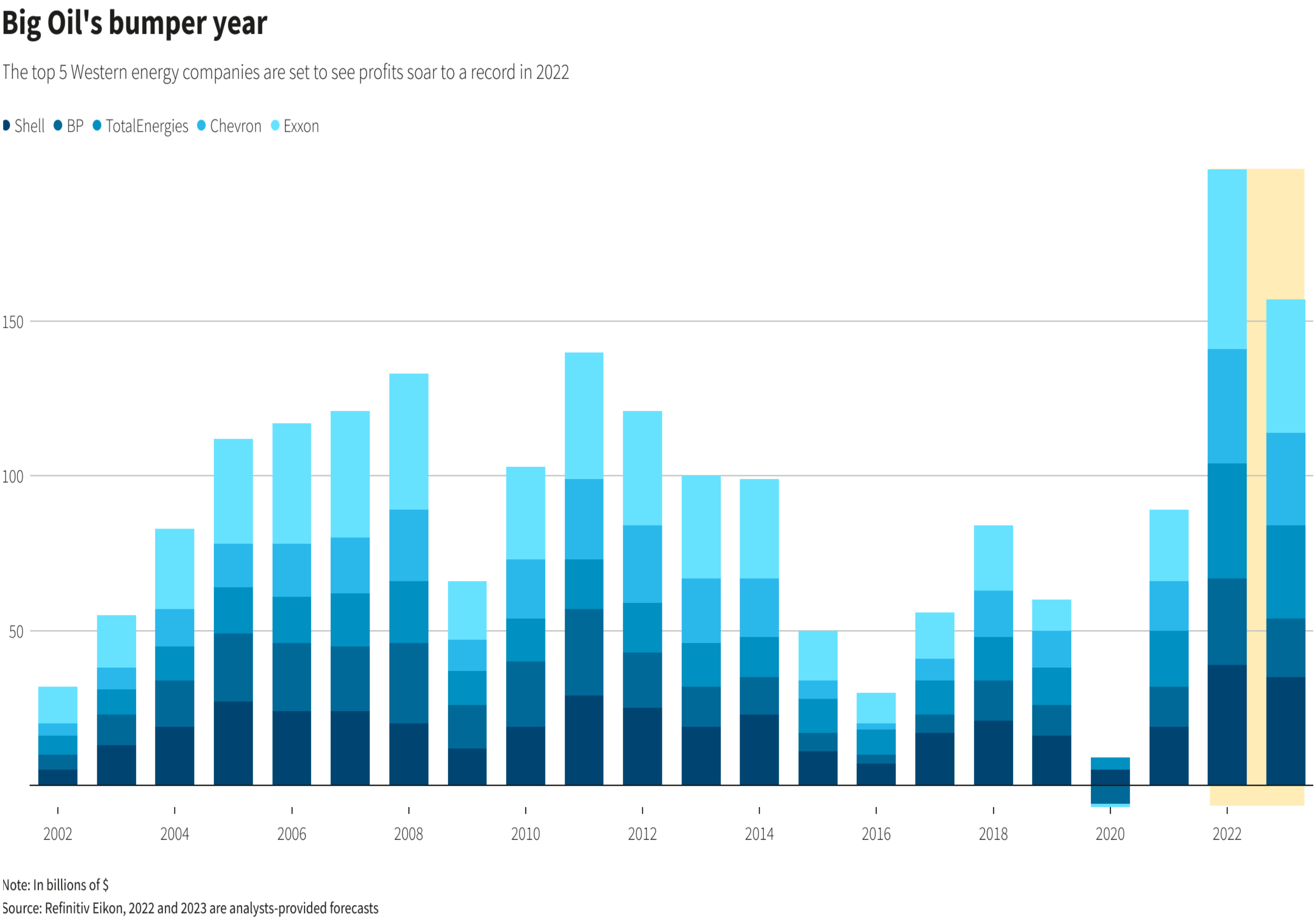
Currently, LDC's facilities in Brazil purchase on the free market 90% of the energy they use, about 35 average monthly megawatts.

Brazil's free energy market is expanding, LDC said, citing data from the Brazilian Association of Energy Traders (Abraceel) that showed a 17% increase in 12 months.

The main growth drivers are "competitive prices, predictability of on-demand contracting and the option for renewable energy sources," said Barbosa.

The free energy market currently accounts for more than 37% of total electricity consumption in Brazil and has already drawn 97% of the biomass energy generated in the country, LDC said, citing Abraceel.

Chart of the Day



Top News - Metals

COLUMN-US tariffs on Russian aluminium risk more market fracture: Andy Home
The political fracturing of the aluminium market looks set to intensify as the United States mulls imposing penal tariffs of up to 200% on imports of Russian metal.
Russian producers of industrial metals such as aluminium and nickel have largely evaded the official sanctions net since the invasion of Ukraine.
Western policy-makers are still mindful of the supply-chain chaos caused by U.S. sanctions on Russian aluminium giant Rusal and its owner Oleg Deripaska in 2018. Those sanctions were lifted in January 2019 after Deripaska relinquished operating control of the company.
Memories of the market disruption, which spanned the entire production chain from bauxite to alumina to primary metal, have played an important part in allowing Russian metal to continue flowing to Western markets.
But not for much longer to the United States, it seems.
A unilateral move to shut out Russian aluminium will accelerate the splintering of what was once a highly globalised market-place.

REDUCED DEPENDENCY
The United States is now much less dependent on Russian aluminium than it was a few years ago, which means that penal tariffs could be imposed without the domestic market blow-back seen in 2018.
Imports of Russian unwrought metal peaked at over 700,000 tonnes in 2016 and 2017, when they accounted for around 30% of total inbound flows.
The sanctions scare of 2018 caused a structural shift

lower with Russian imports falling to 215,000 tonnes - just 12% of total imports - in 2021, according to the International Trade Center.
Volumes decreased again last year after the United States stripped Russia of its most-favoured-nation status, which meant extra import tariffs over and above the Trump-era 10% duty.
Duties of the magnitude now being considered would amount to a de-facto ban on Russian metal, killing off any residual flow of either unwrought aluminium or products.

HIGHER PREMIUMS IN THE WEST
The aluminium market has shrugged off the news of potential U.S. tariffs on Russian metal, calculating that the current reduced flows will simply be redirected to other regions.
London Metal Exchange (LME) three-month metal has continued sliding from a mid-January high of $2,679.50 to a current $2,490.00 per tonne.
However, there has been an immediate impact on physical premiums in the United States, with that for Midwest delivery jumping from $448 per tonne over the LME cash price at the start of January to $647 per tonne.
The country will need to replace Russian imports with metal from other suppliers such as the Middle East, which comes with higher transport costs.
The rally in the U.S. premium has created a small ripple effect in the European market, which is also a net importing region and therefore in partial competition with the United States for units.
The European duty-paid premium has risen from $254 per tonne over LME cash to $310 since the start of January.

REGIONAL SPLIT
While U.S. and European consumers face higher premiums to get physical metal, those in Asia are benefitting from falling purchase costs.
Japanese buyers will receive first-quarter deliveries at a premium of $85-86 per tonne over LME cash, down from $99 in the last quarter and the fifth straight quarterly decline in what is a benchmark for the Asian market-place.
Physical premiums attest to the growing regional divergence in the aluminium market.
Supply deficit in the West, which may be about to deepen if the United States slams the door on Russian metal, contrasts with surplus in the East.
This is partly down to the strength of Chinese exports of semi-manufactured exports such as foil and plate, many of which face high tariff barriers in the West.
The displacement effect on primary metal demand in Asia has kept regional premiums consistently lower than European and U.S. ones since early 2019.
Excess Chinese product in the Asian region is now being supplemented by excess Russian primary aluminium as many Western users choose to self-sanction and not buy Russian metal.

LME STOCKS SURGE
Some of that surplus Russian metal has just become visible.
LME warehouses in the South Korean port of Gwangyang registered 107,900 tonnes of aluminium "arrivals" on Feb. 7, hot on the heels of a 40,200-tonne inflow on Jan. 25.
The surge in exchange stocks is widely reported to be Russian metal being delivered by trade house Glencore, which has a long-term offtake deal for primary aluminium with Rusal.
The timing of so much aluminium hitting the LME system in a week of speculation about U.S. intentions on Russian imports may or may not be coincidental.
However, it poses a significant headache for the exchange.
Were the United States to impose high tariffs on Russian metal, the LME need only suspend delivery to U.S. locations, a precedent set with the United Kingdom's post-war tariffs on Russian nickel.
The more fundamental question, though, is the impact on market pricing itself if LME registered stocks comprise a rising ratio of Russian aluminium.
The LME decided in November not preemptively to ban Russian metal deliveries ahead of formal government action against Russian producers.
It accepted at the time there was a strong possibility that more displaced Russian metal would arrive at the market of last resort. So it has proved.
While deliveries of Russian copper and nickel are expected to wash through the LME system before finding ready buyers, aluminium is a much bigger market and Rusal a much bigger producer.
China has been soaking up growing amounts of Russian metal but it's unclear how much more it can take, given it is also the world's largest producer of aluminium.
The risk is that as aluminium piles up in LME warehouses and stays there, the global reference price becomes a discounted Russian reference price.
The aluminium market is already diverging along regional lines. Any U.S. move on Russian metal risks accelerating a further split between the LME price and physical premium structure.

Canada to not permit sea floor mining without 'rigorous' regulations
The Canadian government said on Thursday it would not allow mining in its domestic ocean seabeds without a "rigorous regulatory structure" and that the need for natural resources does not override Ottawa's environmental commitments.
Sea floor nodules contain critical minerals used in batteries that are needed to fuel the world's transition to clean energy, but trawling the sea floor for them could disrupt ecosystems.

"Canada does not presently have a domestic legal framework that would permit seabed mining and, in the absence of a rigorous regulatory structure, will not authorize seabed mining in areas under its jurisdiction," natural resources and oceans and fisheries ministers said in a joint statement.
The decision comes after a report commissioned by the High Level Panel for a Sustainable Ocean Economy, which includes representatives from 14 countries, in 2020 said mining on sea floors should not begin before full assessments of the likely environmental impacts are made.
Any decision on whether to allow seabed mining needed to be "informed by science" and protect ecosystems while also weighing economic and social effects, according to the joint statement.
Canada is also not exploring the potential for seabed mining outside its jurisdictional waters, it added, citing previous G7 commitments.
Speaking at an event in Vancouver on Thursday, Natural Resources Minister Jonathan Wilkinson noted Canada's critical minerals strategy, which was unveiled in December, aims to balance economic progress with environmental management.
Canada's "need for critical minerals and other resources did not override our obligation for science based decision making and high ESG standards," Wilkinson said, referring to the strategy document.
The joint statement "makes clear our position our economic advancement cannot come at the cost of the health of our oceans," he added.

Top News - Carbon & Power

Kremlin says those behind Nord Stream blasts must be punished

The Kremlin said on Thursday the world should know the truth about who sabotaged the Nord Stream gas pipelines and that those responsible should be punished after an investigative journalist said U.S. divers blew them up at the behest of the White House.
A sharp drop in pressure on both pipelines was registered on Sept. 26 and seismologists detected explosions, triggering a wave of speculation about sabotage to one of Russia's most important energy corridors.
In a blog post, Pulitzer Prize-winning investigative journalist Seymour Hersh cited an unidentified source as saying that U.S. navy divers had destroyed the pipelines with explosives on the orders of President Joe Biden.
Reuters was unable to corroborate the allegations. The White House dismissed them as "utterly false and complete fiction". Norway's foreign ministry said the allegations were "nonsense". Kremlin spokesman Dmitry Peskov said Hersh's blog post deserved more attention and that he was surprised it had not been covered more fully by Western media.
"The world must find out the truth about who carried out this act of sabotage," Peskov told reporters. "This is a very dangerous precedent: if someone did it once, they can do it again anywhere in the world."
He called for "an open international investigation of this unprecedented attack on international critical infrastructure", adding: "It is impossible to leave this without uncovering those responsible and punishing them." Peskov struck a note of caution about treating a blog as a primary source but said it was "unfair" to ignore an article he said was "remarkable for the depth of analysis". Russia, without providing evidence, has repeatedly said the West was behind the blasts affecting the Nord Stream 1 and 2 pipelines last September - multibillion-dollar infrastructure projects that carried Russian gas to Germany. President Vladimir Putin has accused "Anglo-Saxon" powers of blowing up the pipelines, a Kremlin-designed project to circumvent Ukraine in exporting its gas under the Baltic Sea directly to western Europe.

PIPELINE MYSTERY

Investigators from Sweden and Denmark - in whose exclusive economic zones the explosions occurred - have said the ruptures were a result of sabotage, but have not said who they believe was responsible.
In his blog post, entitled "How America Took Out The Nord Stream Pipeline", Hersh said a plan was hatched in 2021 at the highest levels in the United States to destroy the pipelines. The report said a Central Intelligence Agency (CIA) working group came up with a covert operation plan to put explosives on the pipelines.
Russian officials and politicians have lined up to demand answers since the blog appeared.
"I think there will be consequences from this," state news agency RIA quoted Deputy Foreign Minister Sergei Ryabkov as saying. Another deputy foreign minister, Alexander Grushko, was later quoted by TASS news agency as saying Russia could take political or legal action in response to the report. "The investigation is being carried out in such a way that... the remains are literally and figuratively left in the water," he said in other comments cited by RIA.

Vyacheslav Volodin, chairman of the Russian State Duma, or lower house of parliament, said the report should become the basis for an international investigation for "bringing Biden and his accomplices to justice". The United States should pay "compensation to countries affected by the terrorist attack", Volodin added.

EXCLUSIVE-Germany in advanced talks with Oman for natural gas supplies

Germany and Oman are in advanced talks to sign a long-term deal for liquefied natural gas (LNG) lasting at least 10 years as Berlin continues its search for alternatives to Russian fuel supplies, three sources familiar with the matter said. Europe has been scrambling to replace Russian gas since last year against a backdrop of war in Ukraine, with state-run Gazprom progressively reducing and then suspending the lion's share of pipeline supplies to Europe. Energy firm RWE in September secured an LNG deal with UAE's ADNOC, and Germany has been looking elsewhere through utility companies Uniper and Sefe, both of which were nationalised by Berlin last year. Two sources with direct knowledge of the matter said the deal with Oman would be for between 0.5-1 million tonnes per annum (mtpa), with one specifying around 0.8 mtpa over 10 years. A third source familiar with the talks also said a 10-year deal was being discussed. Two sources said Uniper was involved in the talks. The company was already in discussions with Oman over an ammonia deal, one of the sources said, after the group signed an agreement with Oman's hydrogen project HYPORT Duqm in 2021 under which it is negotiating an offtake deal for green ammonia. Uniper and the Economy Ministry, which is in charge of the government's ownership of Sefe, declined to comment. Sefe and Germany's Finance Ministry, which manages Berlin's holding in Uniper, did not immediately respond to requests for comment. Oman's energy ministry also did not immediately respond to a comment request.
Europe's biggest economy hopes to replace all Russian energy imports by mid-2024, a major effort for a country that relies to a great extent on natural gas to power its industry. Germany has been holding talks for months with the world's biggest LNG producer Qatar for additional supplies, but negotiations have been lengthy. Doha prefers 20-years contracts, which jar with Berlin's climate goals. In November, QatarEnergy and ConocoPhillips signed two sales and purchase agreements to export 2 million tonnes of LNG annually to Germany for at least 15 years from 2026. While supply deals with Qatar would be positive for Germany, they would not offer an immediate solution to Berlin's energy crisis.

MARKET MONITOR as of 07:15 GMT

Contract	Last	Change	YTD
NYMEX Light Crude	$77.92 / bbl	-2.43%	-2.92%
NYMEX RBOB Gasoline	$2.63 / gallon	3.71%	6.26%
ICE Gas Oil	$815.75 / tonne	-12.54%	-11.43%
NYMEX Natural Gas	$2.44 / mmBtu	-28.52%	-45.39%
Spot Gold	$1,860.95 / ounce	-3.09%	2.00%
TRPC coal API 2 / Dec, 23	$133 / tonne	-19.39%	-28.01%
Carbon ECX EUA / Dec, 24	€95.04 / tonne	13.52%	8.00%
Dutch gas day-ahead (Pre. close)	€53.97 / Mwh	-16.33%	-28.58%
CBOT Corn	$6.73 / bushel	0.22%	-0.88%
CBOT Wheat	$7.57 / bushel	1.88%	-4.39%
Malaysia Palm Oil (3M)	RM3,892 / tonne	1.33%	-6.76%
Index (Total Return)	**Close 09 Feb**	**Change**	**YTD Change**
Thomson Reuters/Jefferies CRB	294.98	0.80%	-2.11%
Rogers International	27.83	0.69%	-2.93%
U.S. Stocks - Dow	33,699.88	-0.73%	1.67%
U.S. Dollar Index	102.2	-0.04%	-1.27%
U.S. Bond Index (DJ)	406.21	-0.31%	4.08%

Top News - Dry Freight

South Korea’s MFG buys 67,000 corn in tender - traders

South Korea's Major Feedmill Group (MFG) has purchased an estimated 67,000 tonnes of animal feed corn to be sourced from South America in an international tender seeking up to 70,000 tonnes on Thursday, European traders said.

Some 49,600 tonnes was bought at an estimated outright price of $343.59 a tonne c&f plus a $1.25 a tonne surcharge for additional port unloading.

The rest was bought at an estimated premium of 198.50 U.S. cents c&f a bushel over the Chicago May 2023 corn contract plus a $1.25 a tonne surcharge for additional port unloading.

The corn was sought for arrival in South Korea around May 30.

Seller was believed to be trading house CJ International.

Taiwan buys estimated 48,100 tonnes wheat of U.S.-origin in tender

The Taiwan Flour Millers' Association purchased an estimated 48,100 tonnes of milling wheat to be sourced from the United States in a tender on Thursday, European traders said.

The purchase involved various wheat types for shipment from the U.S. Pacific Northwest coast between March 29 and April 12.

The purchase involved 30,650 tonnes of U.S. dark northern spring wheat of a minimum 14.5% protein content bought at $390.58 a tonne FOB U.S. Pacific Northwest coast, traders said.

It also involved 9,300 tonnes of hard red winter wheat of a minimum 12.5% protein content bought at $397.56 a tonne FOB and 8,150 tonnes of soft white wheat of a minimum 8.5% and maximum 10% protein bought at $324.44 a tonne FOB.

The purchase has an additional freight charge of $34.95 per tonne for ocean shipping from the U.S. Pacific Northwest coast to Taiwan, they said.

The seller of all the grain was said to be trading house CHS.

The association’s tenders traditionally provide an accurate snapshot of U.S. export prices in Asian markets.

Picture of the Day

Soybeans are seen during the harvest at a farm in Luziania, state of Goias, Brazil February 9. REUTERS/Adriano Machado

(Inside Commodities is compiled by Indrishka Bose in Bengaluru)

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

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