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Top News - Oil

COLUMN-China's commodity imports limp into 2025 amid economic, trade concerns: Russell
China's imports of major commodities got off to a weak start in 2025, continuing the recent softening trend amid concern over growth momentum in the world's second-biggest economy.
Imports of crude oil, natural gas, iron ore and copper all declined in the first two months of the year compared with the same period last year, according to official customs data released on Friday.
Coal imports were up in the January-February period compared to the same period in 2024, however, they were down significantly from the levels seen in November and December, suggesting that China's appetite for the fuel is waning.
The tepid start to the year for the world's biggest buyer of commodities adds to concerns about the outlook for China's economy, especially as trade tensions with the new U.S. administration of President Donald Trump show signs of escalating.
Nowhere was this concern more evident than in imports of crude oil, which dropped to 83.85 million metric tons in the first two months, equivalent to 10.42 million barrels per day (bpd).
This is down 3.4% on a barrels per day basis from the 10.79 million bpd reported for the first two months of 2024, and is also below the 11.31 million bpd imported in December.
China combines import data for January and February to smooth out the impact of the week-long Lunar New Year holiday, the timing for which changes each year.
There is the possibility that the stricter sanctions on Russian crude exports introduced in January by former U.S. president Joe Biden cut some of China's import demand.
But it also appears that Chinese refiners made little effort to source crude from other suppliers to replace any lost Russian cargoes, which is most likely a reflection of the high global crude prices that prevailed in early January.
Brent crude futures hit a six-month high of $82.63 a barrel on January 15, a time when some February- and March-arriving cargoes would have been arranged.
The price has since slipped amid geopolitical and trade tensions to around $69.52 a barrel in Asian trade on Friday, but it's too early to say if this level is low enough to spark renewed buying from Chinese refiners.

LNG PRICES
High spot prices may also have impacted imports of liquefied natural gas (LNG), with customs data showing arrivals of LNG and pipeline gas at 20.31 million tons, down 8.1% from the 22.1 million recorded for the first two months of last year.
Spot LNG for delivery to North Asia reached a 15-month high of $16.10 per million British thermal units in mid-February, but the price had been around $14 since late November, a level almost double what it was in February 2024.
The picture for coal, the other major energy commodity, was more mixed, with imports of all grades in the first two months hitting a record high for the January-February period of 76.12 million tons, up 2.1% from the 74.52 million last year.
But that number flatters to deceive, as it is also down 29% from the 107.33 million tons for the previous two months of December and November.
Such a sharp decline from the last two months of 2024 most likely reflects that domestic coal output has been strong, and inventories at power plants have been rising, cutting demand for imported fuel.
Turning to metals and imports of iron ore, the key steel raw material, were down 8.4% to 191.36 million tons in the first two months of 2025 from the same period last year. Imports may have been affected in February by the delay of some cargoes from top producer Australia after a cyclone disrupted shipments from Western Australia state.
However, the outlook for iron ore demand this year is at best cautious, especially in light of the state economic planner's guidance this week that steel production should be lower this year than in 2024.
Copper, the industrial metal often seen as an economic bellwether, saw imports drop 7.2% in the first two months of the year to 837,000 tons.
The softer demand for unwrought copper is also likely a reflection of higher prices, which London contracts rising from $8,768 a ton at the end of 2024 to a peak of $9,739 on March 5, a gain of 11%.
History shows that when prices of commodities rise sharply, or rapidly, Chinese buyers tend to scale back imports and turn to inventories if needed.
While price rises help explain the weakness in imports of crude oil, natural gas and copper, they are less helpful when it comes to iron ore and coal, both of which saw declining prices in the first two months of the year.
Rather, it's likely that the price impact added to an already weakening trend for China's imports of major commodities.
The views expressed here are those of the author, a columnist for Reuters.

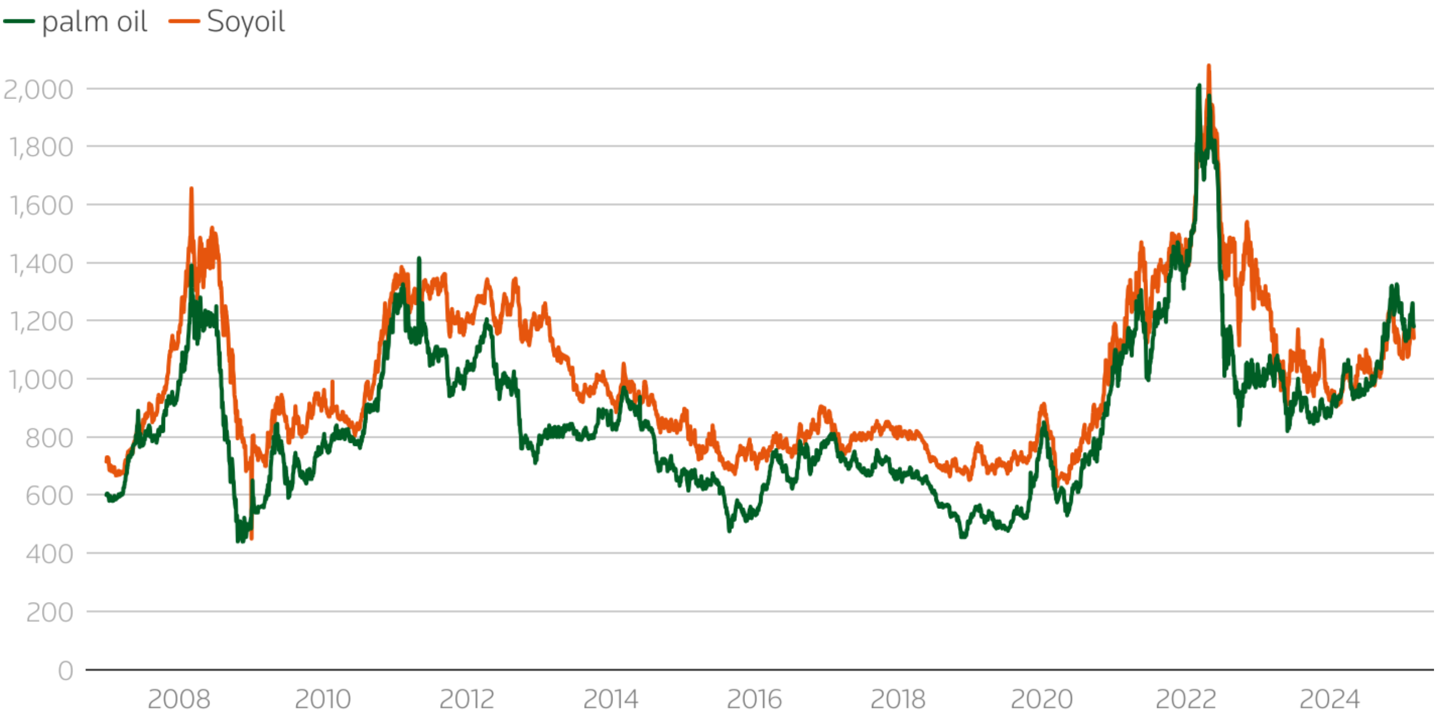
CERAWEEK-US energy secretary promises executives faster industry development
In one of his first meetings with oil and gas executives since being confirmed as U.S. energy secretary, Chris Wright said he intended to speed up permitting and support the industry, attendees told Reuters.
His comments, made at a dinner ahead of the world's

largest energy industry gathering in Houston, were in line with President Donald Trump's push to maximize U.S. oil and gas production.
"They're in a hurry," said Bob Dudley, former CEO of British oil major BP, told Reuters as he exited the dinner. "They don't want things to be slowed by years and years and years of permitting. The world needs to move fast, and the United States is known as being a very slow country."
Dudley, who now chairs the Oil and Gas Climate Initiative, an industry-led organization that aims to accelerate the response to climate change, added he anticipated an emphasis on nuclear development and faster permitting from Wright.
The world's energy industry leaders are gathering against the backdrop of plummeting oil prices that may undermine the administration's "drill, baby, drill" policy agenda. Top U.S. energy companies have already announced thousands of job cuts this year.
U.S. oil and gas output was already at record levels before Trump took power, and there is little incentive to pump more with prices hovering near their lowest in three years. It has become a tradition in recent years for executives from the U.S. shale industry to meet for a private dinner as the conference gets underway.
Sunday's dinner included U.S. Interior Secretary Doug Burgum, as well as CEOs from Baker Hughes, Occidental Petroleum, TotalEnergies, Williams Companies, Petrobras, EQT Corp and Gunvor Group Ltd.
In the past, those dinners had included representation from the Organization of the Petroleum Exporting Countries.
Wright, who formerly ran a Denver, Colorado-based hydraulic fracturing company, declined to comment when leaving the dinner. He will address the conference on Monday.
The discussion at the dinner also focused on energy production and the structure of the new government energy dominance council, said Dan Brouillette, who was the U.S. energy secretary during Trump's first term.
Tariffs, which have roiled oil markets as Trump has implemented and then paused levies on neighbouring Canada and Mexico, were not discussed, said several attendees. Trump's protectionist trade policies have shaken markets due to concern the policies will impact economic growth and lower demand for oil.

Chart of the Day

Palm oil commands a premium over soy oil as supply tighten

Palm oil started trading in premium on lower output and higher demand for biofuels



Note: Palm oil and soyoil prices in $ per metric ton C&F basis at Indian ports

Source: Solvent Extractors' Association of India I By Rajendra Jadhav

Top News - Agriculture

ANALYSIS-The end of cheap palm oil? Output stalls as biodiesel demand surges

Prices of cooking oil could be buoyed up for years by stagnating production and a biodiesel push in top producer Indonesia that are making traditionally cheap palm oil costlier, eliminating an advantage that also curbed prices of rival oils.

Used in everything from cakes and frying fats to cosmetics and cleaning products, palm oil makes up more than half of global vegetable oil shipments and is especially popular among consumers in emerging markets, led by India.

After decades of cheap palm oil, thanks to booming output and a battle for market share, output is slowing and Indonesia is using more to make biodiesel, respected industry analyst Dorab Mistry said.

"Those days of $400-per-ton discounts are gone," added Mistry, a director of Indian consumer goods company Godrej International. "Palm oil won't be that cheap again as long as Indonesia keeps prioritising biodiesel."

Indonesia increased the mandatory mix of palm oil in biodiesel to 40% this year, and is studying moving to 50% in 2026, as well as a 3% blend for jet fuel next year, as it seeks to curb fuel imports.

The biodiesel push will reduce Indonesia's exports to just 20 million metric tons in 2030, down a third from 29.5 million in 2024, estimates Eddy Martono, chairman of the southeast Asian nation's largest palm oil association, GAPKI.

Jakarta's biodiesel mandate, coupled with lower production because of floods in neighbouring Malaysia, has already lifted palm oil prices above rival soyoil, prompting buyers to cut purchases.

In India, the largest buyer of vegetable oils, crude palm oil (CPO) has commanded a premium over crude soybean oil for the past six months, sometimes exceeding $100 per ton. As recently as late 2022, palm oil traded at discounts of more than $400.

Indians were paying $1,185 a ton for crude palm oil last week, up from less than $500 in 2019.

Higher vegetable oil prices could complicate governments' efforts to rein in inflation, whether in palm oil-reliant nations or those dependent on rival soybean, sunflower, and rapeseed oils.

STUNTED GROWTH

Palm oil production, dominated by Indonesia and Malaysia, nearly doubled every decade from 1980 to 2020, fuelling criticism over deforestation to add plantations. During that time, average annual production growth of more than 7% was roughly in line with demand.

But Malaysia's palm oil production stagnated more than a decade ago because of lack of space for new plantations and slow replanting, while deforestation concerns have slowed growth in Indonesia.

Even in Indonesia, replanting by smallholders, who generate 40% of its supply, remains sluggish.

As a result, global production growth has slowed to 1% annually over the past four years.

In the current decade, production growth is likely to average 1.3 million tons a year, said analyst Thomas Mielke, executive director of Hamburg-based forecaster Oil World, less than half the average of 2.9 million in the decade to 2020.

Production could lose even more momentum from the impact of labour shortages, ageing plantations and the spread of Ganoderma fungus, which is hurting yields, Mielke said.

REPLANTING RELUCTANCE

Oil palms, which start losing productivity after 20 years, need to be replaced after 25 years, with new trees taking three to four years to yield fruit, rendering land unproductive until then and making farmers reluctant to replant.

Malaysia replanted 114,000 hectares (282,000 acres), or just 2% of total planted area in 2024, against a target of 4% to 5%, Plantation Minister Johari Abdul Ghani said in February.

In Indonesia, slow replanting has brought lower yields amid as plantations get older, said GAPKI official Fadhil Hasan. Its yields of crude palm oil fell 11.4% to 3.42 tons per hectare in a decade.

While countries from Colombia and Ecuador to Ivory Coast and Nigeria have boosted palm oil output, industry officials say growth among newer players falls short of rising demand, particularly for biofuel.

Both Mistry and Mielke called for Indonesia to resume issuing new permits for palm oil plantations, a practice it halted in 2018.

"If Indonesia keeps the moratoriumon new planting, there will be periodic shortages and spells of very high palm oil prices," said Mistry.

The restricted production that resulted would inflict higher prices on3 billion to 4 billion consumers in the developing world, he added.

Demand is already softening in key markets thanks to rising prices, and even industrial buyers are seeking alternatives, SD Guthrie International CEO Shariman Alwani Mohamed Nordin told an industry conference in February.

Still, palm oil consumption will keep surging, fuelled by demand from chemicals and biofuel, industry officials say.

"We see huge demand increase happening for palm oil and with the limited land, we feel, there would be demand and supply imbalance," said Harish Harlani, vice-president at P&G Chemicals.

Higher palm oil prices could ripple out to boost those of rival oils as demand shifts, said Sanjeev Asthana, CEO of India's Patanjali Foods Ltd. "As buyers switch to soy and sunflower, their prices shoot up too," he added. "Plus, there's only so much of those oils available, so they can't completely take palm oil's place."

COLUMN-Spooked by tariffs, funds purge bullish corn bets in near-record fashion: Braun

An imminent trade war between the United States and its two largest agricultural trading partners sent bullish Chicago corn speculators running for the hills last week. But very few bears were made of the ordeal.

On Thursday, U.S. tariffs against most Mexican and Canadian goods were postponed until April. However, the levies had gone into effect on Tuesday and the market reaction was harsh, especially with Mexico the top destination for U.S. corn.
Most-active CBOT corn futures plunged 8.6% in the week ended March 4, their biggest such downturn since mid-2023. Money managers during the week slashed their net long in CBOT corn futures and options to 219,752 contracts from 337,454 a week prior.
Weekly net corn selling near 118,000 contracts was the second-largest ever, behind the 147,000 contracts sold during the week ended February 28, 2023. But last week's reduction in gross longs, which exceeded 100,000 contracts, was by far a record.
On average, funds' biggest net selling weeks in corn are somewhat evenly split between exiting longs and new short positions.
An unusually low 11% of last week's move owed to new gross shorts, suggesting that the selloff was more risk-off in nature rather than a genuinely bearish vote.
In the periphery of the week's events, the U.S. Department of Agriculture predicted strong 2025 U.S. corn plantings and thus a recovery in domestic supplies, though that had been largely expected.
South American corn crop outlooks have also recently improved. But accessible global corn supplies are historically thin, especially in Brazil where stocks are the lightest in over two decades. Demand has persevered in the meantime, pushing investors to build their bullish corn stance after forging a record bearish one last year.

SOYBEANS AND WHEAT
Speculators were also hefty net sellers in wheat and the soy complex during the week ended March 4, but unlike in corn, new short positions drove these moves.
Money managers ditched their net long in CBOT soybean futures and options, flipping to a net short of 35,487 contracts versus a net long of 8,209 in the prior week.
Funds' bullish stint in beans lasted just seven weeks, and net selling in the latest week was the strongest since last June.
Most-active CBOT soybeans fell nearly 5% through March 4, while soymeal eased 3% and soyoil plunged 7%. Funds erased much of their net long in CBOT soybean oil futures and options, which dropped to 9,669 contracts from 43,052 a week earlier. Their net short in soybean meal futures and options reached a 10-week high of 85,344 contracts versus 63,193 in the week before, almost entirely the result of new gross shorts.
In CBOT wheat futures and options, the entrance of new gross shorts was the heaviest for any week since 2017. Money managers also added a handful of gross longs, though the net short grew to 82,399 contracts from 67,614 a week earlier.
So far this year, funds' bearish wheat bets and bullish corn bets have been historically out of sync, though last week's epic corn selloff pulled things closer to normal territory.
However, corn futures rallied nearly 4% over the last

MARKET MONITOR as of 07:35 GMT

Contract	Last	Change	YTD
NYMEX Light Crude	$67.03 / bbl	-0.01%	-6.54%
NYMEX RBOB Gasoline	$2.11 / gallon	-0.17%	5.18%
ICE Gas Oil	$667.75 / tonne	-0.56%	-3.96%
NYMEX Natural Gas	$4.65 / mmBtu	5.71%	27.99%
Spot Gold	$2,913.19 / ounce	0.08%	11.03%
TRPC coal API 2 / Mar, 25	$95.7 / tonne	-0.57%	-15.31%
Carbon ECX EUA	€68.52 / tonne	-0.16%	-6.14%
Dutch gas day-ahead (Pre. close)	€39.30 / Mwh	3.97%	-19.05%
CBOT Corn	$4.68 / bushel	-0.37%	0.38%
CBOT Wheat	$5.55 / bushel	0.73%	-1.29%
Malaysia Palm Oil (3M)	RM4,535 / tonne	-1.95%	1.96%
Index	**Close 07 Mar**	**Change**	**YTD**
Thomson Reuters/Jefferies CRB	367.25	0.67%	2.93%
Rogers International	28.73	0.02%	-1.64%
U.S. Stocks - Dow	42,801.72	0.52%	0.61%
U.S. Dollar Index	103.87	0.03%	-4.26%
U.S. Bond Index (DJ)	446.04	-0.30%	2.30%

three sessions with the delay of U.S. tariffs on Mexico and Canada. Other gains were as follows: soybeans 2.6%, wheat 2.7%, soymeal 3.7% and soyoil 1.4%.
This week, the trade will be watching for the U.S. Department of Agriculture's monthly supply and demand report due on Tuesday. Large changes are not anticipated, though the agency could factor tariff impacts into its estimates if deemed necessary.
Karen Braun is a market analyst for Reuters. Views expressed above are her own.

Top News - Metals

Barrick says 'committed to reaching a mutually beneficial resolution' in Mali
Barrick Gold remains "fully engaged and committed to reaching a mutually beneficial resolution" with Mali to end a dispute over its assets there, its chief operating officer for Africa and the Middle East said in a memo seen by Reuters on Saturday.
The Canadian miner and Malian government have been locked in a dispute since 2023 over the implementation of the West African country's new mining code, which gives the state a greater share in Barrick's Loulo-Gounkoto gold mining complex.
Barrick said on January 13 that it was obliged to temporarily suspend mining operations in Mali after the government seized around three metric tons of gold stock from its complex. The government had been blocking the company's gold exports since early November.
Reuters reported on February 19 that Barrick had signed an agreement to end the dispute, which then went to the state for formal approval.
While there has not been any major hiccup since then, the deal is taking some time to be finalised, one person close to the process told Reuters.
Previous deals with other mining companies operating in Mali also took "some time" to be signed by the government, according to another person familiar with the deals.
In the company memo sent to staff on Saturday, Sebastiaan Bock said there are "no major updates at this stage".
"As a reminder, all non-critical operations remain temporarily paused until further notice," he said.
Salaries and annual bonuses have been maintained for staff despite the suspension. But one of the complex's suppliers told Reuters in early March that Barrick had two months' worth of overdue payments.

COLUMN-Congo's export ban not enough to clear the cobalt glut: Andy Home
The Democratic Republic of Congo's four-month suspension of cobalt exports is a sign that even the world's largest producer is now feeling the pain of historically low prices.
The news has given the cobalt market a fillip and the impact is already rippling through the supply chain with one Congolese operator, Eurasian Resources Group (ERG), declaring force majeure on deliveries of the electric vehicle battery metal.
But will it be enough to address the underlying problems of a structurally over-supplied market? History suggests not.
The Congolese government appears to understand that an export ban offers only temporary relief and that something more drastic may be needed.

FEELING THE PAIN
The cobalt price was languishing at multi-year lows of $10 per lb prior to the Congo's surprise decision to suspend all exports.
In most commodity markets such rock-bottom pricing would have already caused a major supply response.
But the impact in cobalt has been limited. Sure, artisanal production in the Congo has dwindled and new projects such as MMG's Kinsevere cobalt plant, also in the Congo, have been deferred.
Yet global supply still increased from 238,000 metric tons in 2023 to 290,000 tons in 2024, according to the U.S. Geological Survey
The problem is that 98% of the world's cobalt comes as a by-product to either nickel or copper, meaning the metal has no independent floor price or self-correcting supply mechanism.
Production has continued booming because of surging nickel output in Indonesia, the world's second largest cobalt producer, and rising copper output in the Congo itself.
China's CMOC Group reported a 55% year-on-year increase in copper output from its Congo operations last year. Along with the copper came an extra 60,000 tons of cobalt, flooding an already over-supplied market.
Global stocks of cobalt have mushroomed to the equivalent of 233 days worth of consumption, according to consultancy Benchmark Minerals.

STEMMING THE FLOOD
The cobalt price has reacted positively to news of the export suspension, the most-active CME contract jumping to $15 per lb in the space of a week.
But a ban on exports is only a short-term panacea, likely leading to a build-up in stocks of intermediate product cobalt hydroxide in the Congo.
This is what happened in 2022-2023, when the Congo government suspended exports of both copper and cobalt from CMOC in a protracted tax dispute with the Chinese company.
CMOC didn't stop producing during the near year-long export halt and simply accumulated ever more inventory at its production sites.
The impact showed up in China's copper imports from the Congo. After slowing significantly in the first part of 2023 imports accelerated sharply in the second half as the stockpiled metal was exported.
A four-month suspension of cobalt exports is likely to generate the same outcome - a short-term booster followed by renewed price weakness as exports rebound.
The Congo government needs another solution. Options include extending the export ban beyond four months or introducing an export quota system.
But as long as the likes of CMOC and Glencore keep

producing copper, which they will given that metal's high price, they will continue generating by-product cobalt units.
Maybe the Congo could even introduce production quotas, but that would represent a double-hit to the country's tax revenues.

ELECTRIC DREAMS FADE
The Congo's other problem is that the global cobalt glut is not just about over-supply. It's also down to weaker-than-expected demand from the key electric vehicle (EV) battery sector.
The EV market continues to grow but cobalt usage is not growing in tandem because car-makers are shifting their battery chemistry to low- or no-cobalt formulas.
They are doing so because of the metal's notorious price volatility and for fear of reputational damage arising from Congo's artisanal production, which is associated with atrocious working conditions and child labour.
The current sharp rise in the cobalt price may be good news for the Congo government but in the longer term it will simply reinforce the view that cobalt is not the metal around which to bet the future of the energy transition.

WANNA BUY SOME COBALT?
The EV sector may be losing its appetite for cobalt but that doesn't mean there aren't other potential buyers of the Congo's production.
Cobalt is also a critical metal for the defense sector, where it is used in the form of super-alloys for the aviation and aerospace industries.
Both the United States and the European Union have made no secret of their desire to reduce China's dominance of the cobalt supply chain, a vice-like grip that results from the country's investment in Congo's production sector.
The West is struggling to build out its own cobalt supply chain precisely because Chinese companies like CMOC are producing so much.
The Congo government has already mooted a Ukraine-style minerals deal with Western countries as it struggles to fend off the M23 rebel group, which is expanding its control of the country's eastern province of Kivu.
Negotiating a long-term supply deal with the West might be the country's best hope of finding a home for its excess production.
A four-month export ban is not going to do the trick.

Top News - Carbon & Power

Trump administration ends Iraq's waiver to buy Iranian electricity
The Trump administration rescinded a waiver on Saturday that had allowed Iraq to pay Iran for electricity, as part of President Donald Trump's "maximum pressure" campaign against Tehran, a State Department spokesperson said.
The decision to let Iraq's waiver lapse upon its expiration "ensures we do not allow Iran any degree of economic or financial relief," the spokesperson said, adding that Trump's campaign on Iran aims "to end its nuclear threat, curtail its ballistic missile program and stop it from supporting terrorist groups."
Trump restored "maximum pressure" on Iran in one of his first acts after returning to office in January. In his first term, he pulled the U.S. out of the Iran nuclear deal, a multinational agreement to prevent Iran from developing nuclear weapons.
The U.S. government has said it wants to isolate Iran from the global economy and eliminate its oil export revenues in order to slow Tehran's development of a nuclear weapon.
Iran denies pursuing nuclear weapons and says its program is peaceful.
For Iraq, the end of the waiver "presents temporary operational challenges," said Farhad Alaaeldin, foreign affairs adviser to Prime Minister Mohammed Shia al-Sudani.
"The government is actively working on alternatives to sustain electricity supply and mitigate any potential disruptions," Alaaeldin told Reuters. "Strengthening energy security remains a national priority, and efforts to enhance domestic production, improve grid efficiency and invest in new technologies will continue at full pace."
Washington has imposed a range of sanctions on Tehran over its nuclear program and support for militant organizations, effectively banning countries that do business with Iran from doing business with the U.S.
"President Trump has been clear that the Iranian Regime must cease its ambitions for a nuclear weapon or face Maximum Pressure," said National Security spokesperson James Hewitt. "We hope the regime will put the interests of its people and the region ahead of its destabilizing policies."

PRESSURE ON BAGHDAD
Trump initially granted waivers to several buyers to meet consumer energy needs when he reimposed sanctions on Iran's energy exports in 2018, citing its nuclear program and what the U.S. calls its meddling in the Middle East.
His administration and that of Joe Biden repeatedly renewed Iraq's waiver while urging Baghdad to reduce its dependence on Iranian electricity. The State Department spokesperson reiterated that call on Saturday.
"We urge the Iraqi government to eliminate its dependence on Iranian sources of energy as soon as possible," the spokesperson said. "Iran is an unreliable energy supplier."
The U.S. has used the waiver review in part to increase pressure on Baghdad to allow Kurdish crude oil exports via Turkey, sources have told Reuters. The aim is to boost supply to the global market and keep prices in check, giving the U.S. more room to pursue efforts to choke off Iranian oil exports. Iraq’s negotiations with the semi-autonomous Kurdish region over the oil export resumption have been fraught so far.
"Iraq’s energy transition provides opportunities for U.S. companies, which are world-leading experts in increasing the productivity of power plants, improving electricity grids, and developing electricity interconnections with reliable partners," the State Department spokesperson said.

The spokesperson played down the impact of Iranian electricity imports on Iraq's power grid, saying, "In 2023, electricity imports from Iran were only 4% of electricity consumption in Iraq."

Over $13 billion in solar, wind investment at risk in Vietnam, industry letter says

More than two dozen foreign and Vietnamese investors, including Adani Green Energy, have warned Vietnam's plans to retroactively change rules on subsidised prices for wind and solar energy could affect more than $13 billion of investments.

In a letter to Vietnamese leaders dated March 5 and reviewed by Reuters, the investors expressed "deep alarm" about the possible end of favourable energy tariffs, noting the policy change could undermine broader financial stability and erode confidence in Vietnam at a time when the country plans to significantly expand its renewables capacity.

Among the 28 signatories are private equity fund Dragon Capital, the Vietnamese subsidiary of Philippines' ACEN energy group, and investors from Thailand, the Netherlands, Singapore and China.

In recent years, the Southeast Asian country experienced a boom in renewable energy investments driven by generous feed-in tariffs, under which the state committed to buying electricity for 20 years at above-market prices.

However, the high tariffs increased losses for Vietnam's state-owned power utility EVN, the only buyer of the generated electricity, and led to an increase in power prices for households and factories.

Authorities have repeatedly tried to reduce the high tariffs. Now they are considering a retroactive review of the criteria set for accessing the feed-in tariffs, according to the investors' letter, even after the projects are producing power. "Such a move could result in equity write-offs of nearly 100% for the affected projects, jeopardizing approximately over US$13 billion in investment," the letter said.

The letter did not clarify if all of the funds had been spent yet, and it was not clear how and when Vietnam intended to review existing rules. Vietnam's industry ministry and EVN did not immediately respond to requests for comment.

RISKS FOR CREDITORS

Investors said in the letter that EVN was already delaying payments or only partially paying for the electricity generated by renewable projects "without clear justification".

As a result, "multiple projects (are) facing loan default to both local and international lenders," the letter said, warning that a permanent revision or end of agreed tariffs "risks undermining national banking stability and eroding confidence in Vietnam's regulatory framework."

This comes as Vietnam is planning to greatly expand its capacity for solar and wind energy generation under a revised draft power plan for this decade seen by Reuters.

Under the plan's base scenario, installed capacity from wind and solar farms would exceed 56 gigawatts by 2030, nearly one-third of the total planned installed capacity from all sources, including fossil fuels.

Of the projects that could be hit by the retroactive reform, those funded by foreign investors have a combined capacity of nearly 4 GW, almost exclusively in solar energy, with an aggregate value of $4 billion, according to the letter.

Top News - Dry Freight

India allows exports of broken rice to cut stockpiles

India allowed the export of 100% broken rice, the government said in a notification late on Friday, after inventories reached a record high at the start of February, nearly nine times the government's target.

Exports of 100% broken rice could help reduce stocks in the world's biggest exporter and enable poor African countries to secure the grain at lower prices, as well as support Asian animal feed and ethanol producers that rely on the grade.

India had banned exports of 100% broken rice in September 2022 and then imposed curbs on exports of all other rice grades in 2023 after poor rainfall raised concerns over production.

However, as the supply situation improved after the country harvested a record crop, New Delhi removed curbs on exports of all grades except 100% broken rice.

"Now that broken rice exports are allowed, we anticipate exporting around 2 million tons of this grade in 2025," said B.V. Krishna Rao, president of the Rice Exporters' Association (REA).

India exported 3.9 million metric tons of broken rice in 2022, mainly to China for animal feed and to African countries such as Senegal and Djibouti for human consumption.

Broken rice is a byproduct of milling, and African countries prefer this grade because it is cheaper than other grades. Indian broken rice is currently offered at $330 per metric ton, compared to approximately $300 from rival suppliers like Vietnam, Myanmar, and Pakistan, said Himanshu Agrawal, executive director at Satyam Balajee, a leading rice exporter.

"However, these competing countries have limited stocks. As their stocks deplete, buyers will switch to India, and exports will pick up in coming months."

State granary reserves of rice, including unmilled paddy, totalled 67.6 million tons as of Feb. 1, compared to the government's target of 7.6 million tons, data compiled by the Food Corporation of India (FCI) showed.

Chinese rapeseed meal, oil contracts surge after 100% tariffs on Canadian imports

Zhengzhou rapeseed meal and oil contracts jumped, the first day of trade since China decided to impose 100% tariffs on imports of those products from Canada.

The most-active rapeseed meal futures on the Zhengzhou exchange climbed 6% to 2,611 yuan ($360) per metric ton - the biggest daily rise since September 2022. Rapeseed oil futures gained 5.2% to 9,213 yuan ($1,270) per ton.

Canada's exports of rapeseed oil, oil cakes and peas were worth roughly $1 billion last year. The tariffs, effective March 20, come in tandem with a 25% duty on Canadian aquatic products and pork, worth $1.6 billion in 2024. The levies follow 100% and 25% tariffs Canada imposed on Chinese-made electric vehicles and steel last year. Analysts said the spike in prices may not last long. "China has alternative origins for rapeseed oil such as Russia and the EU and also the Chinese import duty hike could pressure Canadian canola prices, resulting in a sharp decline in product prices," said Anilkumar Bagani, research head of Mumbai-based vegetable oil broker Sunvin Group. "It also needs to be noted that China has huge rapeseed oil stocks at the moment and the crush capacity utilisation is also considerably high," Bagani said. China last year began an anti-dumping investigation into Canadian rapeseed but rapeseed was not included among the tariffs announced on Saturday, just rapeseed meal and oil. This likely leaves room for negotiation during trade talks, traders and analysts said.

Picture of the Day

A cargo ship full of shipping containers is seen at the port of Oakland as trade tensions escalate over U.S. tariffs, in Oakland, California, U.S., March 6. REUTERS/Carlos Barria

(Inside Commodities is compiled by Vaishali Puthran in Bengaluru)

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