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Top News - Oil

EXCLUSIVE-Mexico's new Pemex refinery still needs important work, is far from ready, sources say

Mexican state energy company Pemex is unlikely to produce any commercially viable motor fuels at its new Olmeca refinery before the end of the year, five sources said, despite pressure that it should be ready before the outgoing president's term ends.

President Andres Manuel Lopez Obrador, a resource nationalist, inaugurated the 340,000-barrel-per-day refinery in July 2022 in his home state Tabasco, billing it as crucial to energy self-sufficiency for Mexico.

However, delays at the refinery in the port of Dos Bocas, whose cost has more than doubled to $16.8 billion, means it will be up to his successor Claudia Sheinbaum to try to make the dream a reality when she takes office on Oct. 1.

As recently as last Thursday, Pemex CEO Octavio Romero insisted during an industry event the refinery would "work at full capacity next month."

Now, five sources familiar with the operations told Reuters that it was impossible to meet these targets and that progress had been exaggerated ahead of the June presidential election.

Neither Pemex nor the president's office responded to requests for comment.

Two sources with detailed knowledge of the operations said engineers were still working on individual parts of the refinery and will then face the even bigger challenge of linking them.

One of the sources, an engineer, described this last step as a hugely complex and "agonizing" process of trial and error that takes months.

The other source, also an engineer, said that in the most optimistic scenario the first of two production lines of the refinery would be ready between October and November.

"Technically and operationally, the refinery is fine so far but the problem is the expectations that have been created," the source said.

He added that the information shared publicly by officials "doesn't take into consideration more technical criteria" around how a refinery works.

Pemex officials had sought to demonstrate the refinery was operational by bringing a cargo of high-sulfur diesel to the Olmeca refinery to be turned into ultra-low-sulfur diesel but this was not produced from crude oil as is the plan.

Parts that still need work include the fluid catalytic cracking plant, where heavy petroleum fractions are converted into lighter products, and the hydrodesulfurization plant where sulfur is removed under high pressure and high-temperature.

Another challenge for engineers will be the coker plant that converts and processes residual fuel oil, the source said.

NATIONAL PRIDE

The refinery is by far the biggest of various energy projects running behind schedule and the two sources said Mexico would not follow through with hundreds of thousands of barrels of crude oil export cuts but continue importing diesel and gasoline instead.

None of the sources said the construction of the refinery was inherently flawed and that it is too early to determine how the delay would affect public finances because refining margins are not known.

Independent experts have long argued Pemex, a matter of national pride for most Mexicans, should instead have invested in much more profitable exploration and production instead of refining.

There were also concerns over just how rushed the project was, sources said, and how its progress had been exaggerated for political reasons which has disrupted markets.

In March, Pemex ordered its trading arm to cancel exports of 436,000 barrels of crude oil it said it needed for the domestic refineries. In April, it announced export cuts of another 330,000 barrels, only to backtrack shortly afterwards.

Then, Pemex requested only 16,300 bpd of crude oil for the new Olmeca refinery as of mid-May - just about 1% of what the state company pumps and less than 5% of its capacity.

One of the sources, a trader familiar with the export schedule, said the refinery was so delayed that it was now not even able to take in such a small load.

Despite being a crude oil producer, Mexico imports most of its motor fuels. Last year, it exported crude oil worth more than $31 billion and imported various types hydrocarbon products - including gasoline and diesel - worth just under $31 billion.

Lopez Obrador, who has staked his legacy on rescuing debt-laden Pemex and making Mexico self-sufficient in energy, had promised shortly after taking office in late 2018 that the refinery would be constructed in a record time of three years.

Proposals from several private companies were deemed too expensive, with Lopez Obrador arguing that savings from his fight to root out corruption would make the refinery cheaper. The final price tag, however, will be much higher than those proposals.
In another setback for his agenda, new coker plants aimed at boosting the efficiency of two older refineries, Tula and Salina Cruz, are also still not ready, two separate sources said.
Pemex's other ailing refineries - including one that went online 118 years ago - struggle to efficiently process the heavy sour Maya crude Pemex pumps. They leave the country with volumes of highly polluting fuel oil that are so large, they exceed gasoline and diesel production.
Sheinbaum plans to invest in Pemex' refineries to reduce output of low-value fuels and byproducts, including the fuel oil state utility CFE uses to generate power, and instead boost production of motor fuels, one of her advisors said.

Covestro opens books to ADNOC over $12.5 bln takeover offer

Germany's Covestro said on Monday it was stepping up talks with ADNOC after the Emirati energy company made an improved 11.7 billion euro ($12.5 billion) takeover bid following more than a year of pursuing the chemicals firm.
Covestro, which makes plastics and chemicals for construction and engineering, said it was opening its books to ADNOC and believed the two sides could "generally reach a common understanding regarding core aspects of a possible transaction including support for Covestro's further growth strategy".
Talks, which had previously been described as open-ended, will now be "concrete negotiations", with Covestro saying it will provide Abu Dhabi National Oil Co with due diligence information after it made a 62 euros per share offer.
That was up from 60 euros previously, based on what people familiar with the talks had told Reuters.
Shares in Covestro, which said talks would proceed "in a timely manner" and there was no certainty of an agreement, were up 6% to 54.3 euros at 1356 GMT.
"We welcome the fact that Covestro is now negotiating with ADNOC," said Arne Rautenberg, fund manager at Union Investment, which LSEG data shows as one of Covestro's top-10 shareholders.
"But from an investor's point of view, there is still room for improvement regarding the 62 euros-per-share offer price."
It has taken more than a year to get to this stage.
ADNOC's initial informal offer was reported in June 2023, but it was not until September last year that the Covestro entered into talks.
"We look forward to jointly working with Covestro to swiftly progress due diligence for this important transaction," an ADNOC spokesperson said, adding that this was a final offer.
The length of talks would suggest that many of issues are likely to be well advanced, Jefferies analyst said in a note.
Covestro said it had postponed until further notice its capital markets day scheduled for June 27 "in light of the recent developments".
ADNOC has been pursuing several European targets.
It has also been in talks with Austria's OMV to create a chemicals giant with combined annual sales of more than $20 billion.
And in December, it agreed to buy European chemical producer OCI's stake in ammonia and urea producer Fertiglobe for $3.6 billion. Reuters reported in April that it had for a while considered buying Britain's BP.

Top News - Agriculture

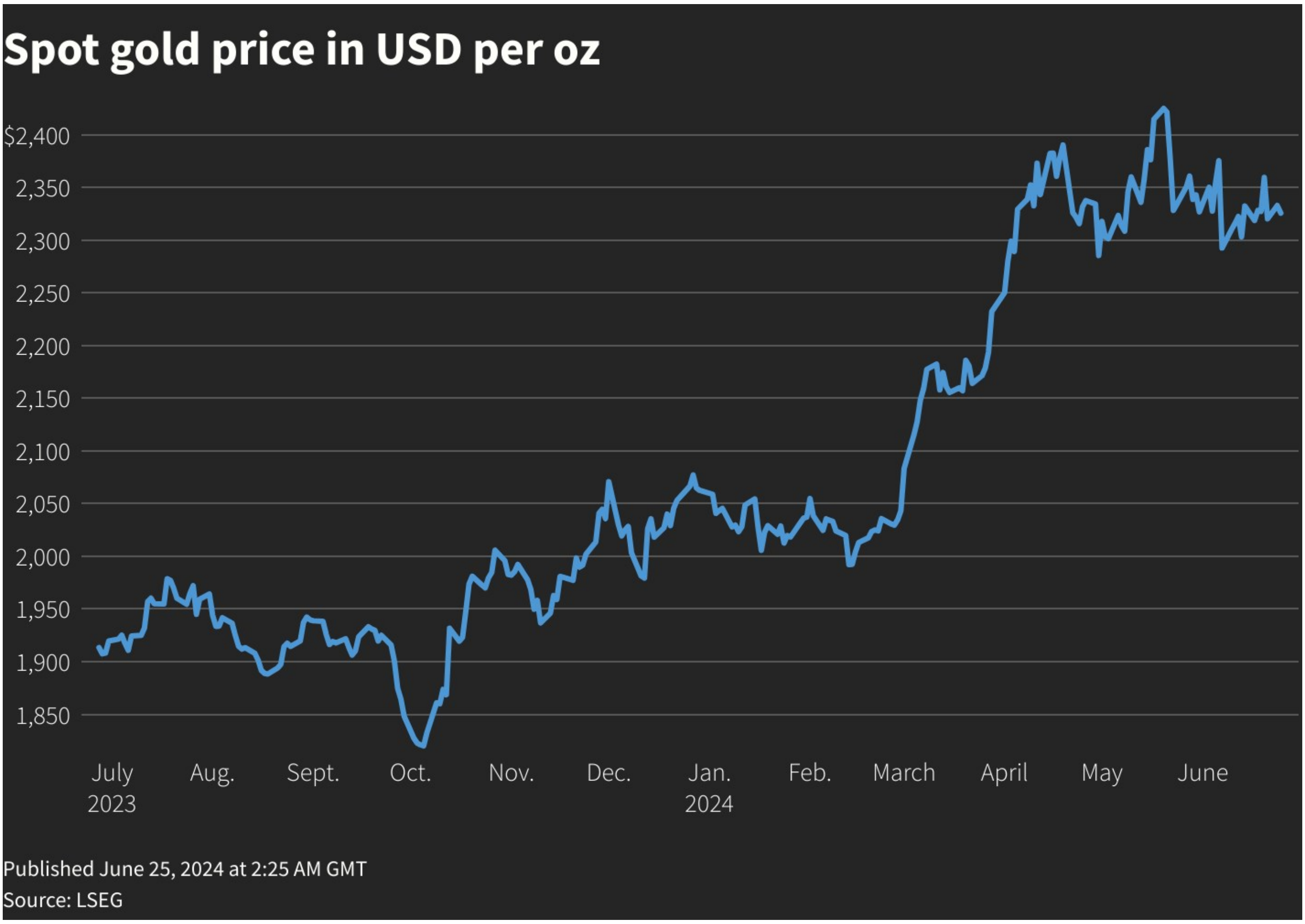
From Black Sea to US Midwest, extreme weather threatens crop output

Forecast dryness in the Black Sea region's breadbasket is likely to stunt sunflower and corn yields, while heavy rain in the U.S. after near-record temperatures threatens to take a toll on crops, squeezing world supplies and pushing prices higher.
"The weather forecast for the Black Sea region is a big red flag," said Chris Hyde, a meteorologist at U.S.-based Maxar, with dryness and below-normal rains expected for July and August likely to crimp the region's key corn and sunflower crops.
Record temperatures in major global growing regions have delayed planting and hurt developing crops as the impact of climate change intensifies, with vast swathes of farmland in Russia, China, India and parts of the United States experiencing extremely hot conditions and below-normal rainfall.
Global wheat prices jumped to a 10-month high in May after adverse weather trimmed yields for the maturing crop in Russia, the biggest exporter.
Hot weather in southern Russia will hit crops because of a lack of soil moisture, with lower precipitation and heat also expected in Urals, Western Siberia and Transbaikalia, Russia's Hydrometeorological Centre said in a forecast.
Southern and eastern Ukraine have also seen hot and dry weather, with precipitation between May 1 and June 10 only 20-50% of normal, according to the state weather forecaster, with drought hindering development of winter

and spring crops in parts of the Kharkiv and Donetsk regions.
"The month of May in Ukraine turned out to be one of the driest for the last 30 years," state forecasters said. "In northern regions, in particular in Zhytomyr, hail resulted in damage of spring crops such as corn, soybeans and sunflower."
In the U.S., a top food exporter, intense heat has gripped parts of the east coast, causing the government to reduce the percentage of corn and soy rated good and excellent on Monday. Excessive rains in the key Midwest growing region and forecasts for more wet weather have raised fears of floods.
"In the Midwest, the focus is shifting from heat to too much rain, which could result in flooding on corn and soybean producing areas, especially in the Upper Midwest," Hyde said.
Iowa governor Kim Reynolds said on social media platform X that widespread flooding in northwest Iowa, the top U.S. corn producing state, had pushed river levels above 1993 records.
BNSF railway, owned by Berkshire Hathaway, said in a statement a bridge collapsed over the Big Sioux River on Sunday and it is rerouting trains through Creston, Iowa.
Union Pacific said it closed rail lines between Mason City, Iowa, and St. Paul, Minnesota, and between Sioux City, Iowa, and St. Paul.
Rob Jacobs, chief executive officer of Cooperative Farmers Elevator, said severe flooding impacted several of the cooperative’s locations, with roads washed out and feed mill facilities swamped. Tunnels used to load grain bins flooded and warehouses used to store seeds and farm chemicals filled with up to 18 inches of water, Jacobs said.
Most analysts said it was too early to estimate potential crop damage from flooding.

CHINA, INDIA WEATHER SEEN IMPROVING
In Asia, ample rains are expected to alleviate severe dryness in parts of China, a top soybean buyer, while rains during India's monsoon, running a fifth below normal, are likely to recover, boosting agriculture in the world's biggest rice exporter and top edible oil importer.

Chart of the Day



"China's corn and soybean producing north and east has been dry and a worry," said Hyde. "But the weather is expected to be normal to slightly above normal precipitation in the July-September period, which will be beneficial for crops."
China's meteorological centre told Reuters that parts of the north, northeast and western provinces will see higher precipitation in July to September, which will encourage crop growth.
"But the precipitation will be intense in some areas, there will need to be vigilance about rapid shifts in droughts and floods," it said, adding that the higher humidity may also raise the risk of crop diseases and pests.
In India, the monsoon is advancing after stalling for more than a week, a weather department official said.
"It has now gained much-needed momentum for its advance into the northern plains. In the next few weeks, we expect several spells of heavy rainfall that will erase the rainfall deficit. July is shaping up to be promising."
The weather in Australia is expected to be normal, with some areas getting higher than average rains, boosting the wheat crop outlook, while mainly normal weather is also forecast in coming months in Argentina and Brazil.

India buys record amount of sunoil as Ukraine-Russia fight for market share cuts price

Indians bought a record 500,000 metric tons of sunflower oil for June delivery, as competition between leading suppliers Russia and Ukraine made it cheaper than soyoil and palm oil, two leading buyers and a customs official told Reuters.
Higher sunflower oil purchases by the world's biggest importer of vegetable oils will help to reduce sunflower oil inventories in the Black Sea region and lift sunoil prices.
A leading buyer who declined to be named said sunoil was trading at a discount to soyoil and even palm oil, which was tempting Indian buyers especially given robust demand in southern states.
A few weeks ago, crude sunoil was available at $940 a metric ton, including cost, insurance and freight (CIF), in India for June delivery, while soyoil and palm oil were offered around $1,015 and $950 a ton, respectively, dealers said.
Sunoil usually holds a premium of more than $100 per ton over soyoil and palm oil, Rajesh Patel, managing partner at edible oil trader and broker GGN Research, said.
Russia and Ukraine, as well as another big supplier Argentina, were aggressively competing and offered sunoil at a lower price than other oils, another buyer based in Hyderabad said. He has reduced palm oil and soyoil purchases to make space for sunoil.
The currencies of Russia and Ukraine have depreciated since the war started in February 2022, allowing them to offer sunflower oil at competitive prices in dollar terms, the buyer said.
Russia and Ukraine account for more than 70% global shipments of sunoil.
Around 320,000 metric tons of sunflower oil have been discharged at various Indian ports so far this month, said a custom official, who also declined to be identified as he was not allowed to speak to media.
India on an average bought 250,000 tons of sunflower oil every month in the last marketing year, mostly from Black Sea region.
The industry will need time to refine and distribute the 500,000 tons of sunflower oil imported in June, which will reduce imports in July, the Hyderabad based buyer said.
In January 2023, India had imported a record 461,458 tons of sunflower oil.
India buys palm oil mainly from Indonesia, Malaysia and Thailand, while it imports soyoil from Argentina, Brazil, and United States.

Top News - Metals

LMEWEEK-Aluminium prices under pressure, but brighter prospects on the horizon

Weak global manufacturing has hit aluminium prices, but the impact is likely to be short-lived as the physical market is tight, including in top consumer China.
A deficit in top producer China - expected to produce 42.5 million metric tons, close to its 45 million ton capacity - and short supplies of feedstocks bauxite and alumina are expected to push aluminium prices back on an upward trajectory.
Prices of the metal used in the transport, construction and packaging industries at around $2,520 a ton on the London Metal Exchange (LME) have dropped 10% since hitting two-year highs of $2,799 last month.
"The only area doing okay is demand for packaging with events like football games and Paris Olympics," said Uday Patel, senior research manager of aluminium at Wood Mackenzie.
Patel forecasts a surplus of half a million tons of primary aluminium globally, and aluminium prices to average $2,450 a ton this year.
But he added that U.S. and UK bans on delivering Russian metals to exchanges and logistics hurdles due to the Red Sea shipping crisis could tighten supply.
Other analysts are more bullish, expecting a deficit for this year - a view reflected in physical market premiums paid above the LME benchmark prices to account for costs including transport and import taxes.

Duty-paid premiums for aluminium on the spot market in the United States at around $440 a ton are up 10% since late March, while those in Europe have jumped 30% to around $340 a ton over the same period.

"Premiums in major ex-China consumption regions showed faster growth, suggesting continued improvements in physical markets," Macquarie analysts said in a note.

Macquarie expects global aluminium production at around 72 million tons and a deficit of 960,000 tons this year. It expects a 2024 deficit of 2.26 million tons in China.

Shortages are likely to see a continuation of the upward trend in Chinese imports, which in May rose more than 60% from a year earlier to 310,000 tons, much of them of Russian-origin and under U.S. sanctions.

China imported 562,186 tons of primary aluminium from Russia in January-May, 70.5% more than the same period last year.

"While upside is limited near-term, the aluminium market remains tight and once demand re-accelerates, (LME) prices should push higher again," said Bank of America analyst Michael Widmer.

Widmer expects prices to average $3,000 a ton and a deficit of 2.1 million tons next year. For this year, his forecasts are for prices to average $2,500 and a shortfall of 800,000 tons.

Eramet, BASF cancel plan to invest $2.6 billion in refining complex in Indonesia

Rare earth developer Meteoric Resources will collaborate with a regional department of Brazil's Minas Gerais state to explore the production of rare earth magnets, the Australian company said on Tuesday.

Meteoric is developing its Caldeira rare earths deposit in Minas Gerais. It is planning a demonstration plant to produce a mixed rare earth carbonate and small volumes of separated oxides that will start commissioning next year, and which will be supplied to the magnet factory, CEO Nick Holthouse told Reuters.

"Brazil at a state and federal level are very clear about their ambitions to build a rare earths supply chain," he said.

Aiming to break China's dominance of the supply chain, mining giant Brazil is forging ahead to build a rare earths industry as Western economies push to secure the metals needed for magnets used in green energy and defence.

Meteoric has signed a preliminary agreement that includes raw material supply to the Lab Fab permanent magnet facility for the pilot production of rare earth magnets, it said in a filing to the Australian stock exchange.

Lab Fab is a permanent magnet technology developer backed by Minas Gerais that aims to stimulate the industry to scale up to produce magnets for car manufacturers, electric motors and wind turbine industries.

It is the first permanent magnet facility in Latin America and will begin operations later this year. It will have an initial capacity of 100 tonnes of permanent magnets per year once, with plans to double capacity within three years.

Meteoric has a preliminary deal with Canada's Neo Performance Materials to supply its Estonia plant for 25-30 pct of its production, when it starts in the second half of 2027, and has also been speaking with automakers or original equipment makers (OEMs) for new supply deals.

"We do need to secure some more supply agreements. We are constantly talking to offtakers and OEMs so there’s multiple opportunities we are developing in the background," Holthouse added.

Meteoric also been awarded $250 million in preliminary support from the U.S. Export-Import Bank (EXIM).

Top News - Carbon & Power

Rising US labor costs threaten to derail new LNG projects

A shortage of skilled labor and nagging inflation from strong wage growth on the U.S. Gulf Coast are pressuring liquefied natural gas (LNG) developers and delaying some projects from reaching a financial go-ahead.

There are five LNG plants under development in Texas and Louisiana and 16 others on the drawing board in the U.S. looking to secure investment and customers. The five under construction would add a combined 86.6 million metric tons per annum (MTPA) of the superchilled gas, enough to keep the U.S. as the world's largest exporter for years to come.

With labor costs jumping as much as 20% since 2021, busting construction budgets and squeezing projected returns for those firms still trying to attract new investors, the fate of some of the early projects has become less certain.

Work at Golden Pass LNG, one of the largest U.S. projects, largely halted after its main contractor ran $2.4 billion over the original budget and filed for bankruptcy.

Sempra LNG has revisited selecting Bechtel Corp to build its Cameron LNG expansion project to reduce costs, and it has reduced its stake in a Texas project, Port Arthur LNG, on higher construction costs.

NextDecade, which is building the first phase of its $18 billion Rio Grande LNG export terminal, achieved a greenlight after recruiting new investors that reduced its original investors' stake after engineering, procurement and construction (EPC) costs rose, analysts said.

EXTRA PAY

Behind the struggles are costs that skyrocketed after the COVID-19 pandemic. Contractors have raised wages for skilled workers by as much as 20% in three years, and in some cases are having to pay a per diem rate to retain them, said Travis Woods, president of Gulf Coast Industrial Group, which represents over 1,500 contractors in Texas and Louisiana.

"Welders, pipefitters and electricians for sure are demanding more to keep them on the job. Per diem in some cases are paid to everyone on the project no matter where they live," Woods said.

The five plants had on site in excess of 20,000 employees up until Golden Pass LNG's prime contractor Zachry sent home 4,000 workers, according to regulatory filings by the companies and company statements over the last three months.

Venture Global LNG, which has Zachry helping build its Plaquemines plant in Louisiana, said the modular nature of the projects has "insulated us from the significant labor and inflationary challenges that have impacted other projects," said a spokesperson.

Data from the U.S. Bureau of Labor and Statistics show wages for construction workers in the oil and gas pipeline sectors increasing in Louisiana, where many of the new U.S. plants are being built, by 19% in 2023 compared to 2022.

"Welders and pipefitters are being offered up to $60 an hour and a sign-on bonus, if they agree to stay through completion," added Woods.

Data from LNG research and consulting firm Rapidan Energy Group show that between 2021 and 2023 EPC contracts for new LNG plants increased between 18% and 25%.

Bechtel Corp, which is the largest U.S. LNG plant contractor and a Zachry rival, declined comment on the situation.

The Reston, Virginia-based contractor has been the preferred builder for top U.S. LNG exporter Cheniere Energy, delivering projects using largely lump-sum, turnkey EPC contracts.

EPC contractors may look to reduce the scope of their contracts and make more elements cost reimbursable, to lessen the risks, according to Poten & Partners, a LNG shipping and consulting company.

"EPC contractors may now be factoring in a 30% to 40% increase into their lump-sum turnkey contracts," it said in a note last month.

MARKET MONITOR as of 06:43 GMT

Contract	Last	Change	YTD
NYMEX Light Crude	$81.63 / bbl	0.00%	13.93%
NYMEX RBOB Gasoline	$2.49 / gallon	-0.07%	18.37%
ICE Gas Oil	$786.50 / tonne	0.67%	4.76%
NYMEX Natural Gas	$2.82 / mmBtu	0.46%	12.33%
Spot Gold	$2,325.19 / ounce	-0.33%	12.73%
TRPC coal API 2 / Dec, 24	$119.5 / tonne	-1.24%	23.20%
Carbon ECX EUA	€67.20 / tonne	-0.22%	-16.39%
Dutch gas day-ahead (Pre. close)	€34.20 / Mwh	1.48%	7.38%
CBOT Corn	$4.36 / bushel	-0.74%	-9.87%
CBOT Wheat	$5.72 / bushel	0.13%	-10.59%
Malaysia Palm Oil (3M)	RM3,861 / tonne	-0.95%	3.76%
Index	**Close 24 Jun**	**Change**	**YTD**
Thomson Reuters/Jefferies CRB	345.66	0.58%	14.68%
Rogers International	29.13	-0.29%	10.66%
U.S. Stocks - Dow	39,411.21	0.67%	4.57%
U.S. Dollar Index	105.47	0.00%	4.08%
U.S. Bond Index (DJ)	429.74	0.29%	-0.23%

Indian imports of Russian coal fall, U.S. shipments rise

Indian imports of Russian coal have declined while U.S. shipments have risen in the three months ending in May, data from coal consultancy Bigmint showed, which traders attributed to Russian supplies becoming less competitive.

Russia's exports of all types of coal to India over the period fell 22.4% from a year earlier to 6.76 million metric tons, Bigmint's data showed. U.S. exports rose 14.4% to 6.68 million tons in the same period.

The decline in Indian imports of Russian coal was driven by a 67% plunge year-on-year in shipments of thermal coal, used mainly for power generation. Purchases of steelmaking grades such as coking coal, anthracite and pulverized coal injection (PCI) coal rose during the period, the Bigmint data showed.

India is Russia's second-largest coal market after China and the decrease follows fresh western sanctions on Russia because of the war in Ukraine. However, buyers downplayed their impact and said Russia thermal coal was less attractive without lower discounts amid a drop in global prices.

"Main issue is thermal coal prices and not the sanctions. Logistics cost has gone up in Russia, that is why they are not able to compete," said K.C. Gandhi, Joint President of Materials Management at India's Shree Cement.

Russia has been boosting supplies to China amid the lower Indian exports, pushing coal shipments to China to the highest in eight months in May.

U.S. exports of thermal coal to India in the three months ended May 31 rose 21.6% from a year earlier to 4.57 million tons, with its share in Indian imports increasing to 9.2% from 6.7%. However, its share in India's coking coal imports fell from 16% to 13.5%.

A 44% year-on-year increase in Russia's coking coal imports to India pushed its share in India's seaborne market for the steelmaking feed to 13.9% from 10.9%, while its share in India's thermal coal imports fell to 3.2% from 8.8%, the Bigmint data showed.

Russia continued to dominate Indian imports of other steelmaking grades such as anthracite and PCI, continuing to account for nearly all its imports.

"Other thermal coal exporting countries may benefit in the short term from Russia's pricing constraints," said Riya Vyas, senior analyst at iEnergy Natural Resources Limited, a Indian coal trading firm.

Top News - Dry Freight

Russian wheat export prices decline further after yield data

Russian wheat export prices continued to decline last week amid data on high yields at the start of the harvesting campaign in Russia, analysts said.

The price of 12.5% protein Russian new crop wheat scheduled free-on-board (FOB) with delivery in July was $231 per metric ton at the end of last week, $3 lower than the price a week earlier, according to the IKAR consultancy.

Sovecon determined the price of wheat with a protein content of 12.5% with the nearest delivery at $234-236 a ton at the end of last week, down from $244-$248 a ton FOB.

Agricultural consultancy Sovecon said early yield data had supported a bearish case for wheat, with Russia's agriculture ministry putting the average wheat yield at 5.2 tons a hectare from 12,000 hectares harvested, compared to around 4.5 tons a hectare a year ago.

"This year’s figure is misleading due to the early start of the harvest in the high-yielding Krasnodar region," Sovecon said however in the weekly note.

"Early information from farmers and local authorities indicates a patchy picture for starting yields".

Harsh frost did not have a significant impact on grain harvest volumes as Russia was able to reseed most of the affected farmland, Russian Agriculture Minister Oksana Lut said last week.

The ministry had kept it forecast of 132 million metric tons for the grain harvest in 2024, but said it might be adjusted later.

IKAR raised its forecast for Russia's wheat crop to 82 million metric tons from 81.5 million tons last week after specifying production by regions.

Russia has almost completed its sowing campaign and started harvesting the new crop in the southern regions of the country.

As of June 14, farmers had seeded 28.1 million hectares of grains, compared to 30.2 million hectares in the same period in 2023. That included 12.5 million hectares of spring wheat, compared to 13.7 million last year, Sovecon wrote.

Russia is the world's largest wheat exporter. Its exports increased to 0.83 million tons of grain last week from 0.80 million in the previous week.

Exports included 0.77 million tons of wheat, down from 0.78 million tons a week earlier, Sovecon wrote, citing port data.

Sovecon estimates wheat exports in June at 4.0 million tons, compared to 3.6 million tons in June 2023.

Algeria tenders to buy soft wheat for shipment to 2 ports only, traders say

Algeria's state grains agency OAIC has issued an international tender to buy soft milling wheat for shipment to two ports only, European traders said on Monday.

The tender sought a nominal 50,000 metric tons but the shipment to two ports generally indicates a small purchase is planned, traders said.

The deadline for submission of price offers in the tender is Wednesday, June 26, with offers having to remain valid until Thursday, June 27.

The wheat is sought for shipment in several periods from the main supply regions including Europe: Aug. 1-15, Aug. 16-31, Sept. 1-15, Sept. 16-30, Oct. 1-15 and Oct. 16-31.

If sourced from South America or Australia, shipment is one month earlier. The wheat should be unloaded in the ports of Mostaganem and/or Tenes.

Algeria is a vital customer for wheat from the European Union, especially France.

Picture of the Day

Avocado farmer Custodio Valero inspects colour of the water on his farm after a tailing liquid spill from Las Cenizas tailings dam (not pictured), following heavy rains in the nation's south-central regions, in Penablanca, Valparaiso region, Chile June 22, 2024. REUTERS/Ivan Alvarado

(Inside Commodities is compiled by Shoubhik Ghosh in Bengaluru)

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

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