

[Oil](#) | [Agriculture](#) | [Metals](#) | [Carbon & Power](#) | [Dry Freight](#)*Click on headers to go to that section***Top News - Oil****US oil export gains slow as output, global demand turn tepid**

U.S. crude oil export gains should plateau in 2024 after years of strong growth, with domestic output expected to increase by the smallest amount since the pandemic at a time when global oil demand remains sluggish.

Crude oil exports from U.S. ports averaged about 4.2 million barrels per day so far this year, according to U.S. government data. That was up 3.5% from a year earlier, or the lowest percentage increase since 2015, when the U.S. exported its first cargo of domestic crude oil after a 40-year federal ban on export of domestic crude ended.

Last year, exports grew 13.5%. They have grown every year except in 2021 when COVID-19 crushed global oil demand.

"U.S. crude exports are plateauing due to a combination of slowing supply growth and easing demand - particularly from Asia this year," said Matt Smith, an analyst at energy data firm Kpler.

U.S. oil production is set to grow just 2.3% this year, as shale producers remain focused on shareholder returns and limit new spending on production.

Offshore production is expected to rise this year on new project startups, such as Chevron's Anchor platform in the Gulf of Mexico. But output is expected to ramp slowly over several years, meaning exports this year will not benefit.

Global demand for oil has slowed this year, especially in China, where a protracted property downturn has exacerbated economic worries. Average U.S. daily exports of crude oil to China has fallen by more than a third so far this year, data from Kpler showed.

The recent expansion of Canada's Trans Mountain pipeline has also boosted China's imports of crude directly from that country's west coast.

Previously, Canadian crude was transported to the U.S. Gulf Coast and exported from there to China.

U.S. export volumes to Singapore also fell, while those to India and South Korea climbed.

"Asia demand has not materialized," said Rohit Rathod, market analyst at energy researcher Vortexa.

Average daily U.S. exports to Europe also edged down about 1% so far this year versus last year as European buyers bought cheaper regional and West African oil.

The only major new market for U.S. crude has been

Africa, as Nigeria's Dangote refinery snapped up barrels of WTI Midland crude after its start up early this year.

"Dangote is an outlier when it comes to new refining capacity, in that it is running on predominantly light sweet crude - from Nigeria or the U.S.," Kpler's Smith said.

"New refining capacity is being built predominantly in OPEC+ countries or Asia, two regions where light and medium sour barrels are more prevalent," Smith added.

U.S. export volumes could get a boost in coming weeks on production constraints in Libya and elsewhere, and as U.S. refiners start maintenance, pushing more domestic barrels onto the water.

Refiners that usually import light sweet crude could look to replace Libya's Sharara with U.S. WTI Midland among other grades, trade sources said, after Libya's National Oil Corporation declared force majeure on the Sharara field from Aug. 7.

**US crude stocks, fuel inventories decline as demand picks up, EIA says**

U.S. crude stocks, gasoline and distillate inventories all fell by more than expected in the week ending August 16 as demand and exports rose, the Energy Information Administration (EIA) said on Wednesday.

Crude inventories fell by 4.6 million barrels to 426 million barrels in the week ended August 16, the EIA said, compared with analysts' expectations in a Reuters poll for a 2.7 million-barrel draw.

Oil prices rose to session highs following the larger-than-anticipated decline in inventories, but eased shortly after on weaker U.S. economic data.

Brent futures were up about 5 cents to \$77.22 a barrel at 11:05 a.m. EDT (1505 GMT), while U.S. futures were at \$73.09 a barrel, down roughly 7 cents.

Crude stocks at the Cushing, Oklahoma, delivery hub fell by 560,000 barrels.

Net U.S. crude imports rose last week by 78,000 barrels per day, while exports rose by 289,000 bpd to 4.05 million bpd, EIA said.

"A tick higher in both refinery runs and exports has encouraged a draw to crude inventories, while buoyant implied demand for gasoline and distillates has helped to round out a trio of draws as we fast approach the finale of summer driving season," said Matt Smith, an analyst for

ship tracking firm Kpler.

Refinery crude runs rose by 222,000 barrels per day in the week ended August 16, and utilization rates rose by 0.8 percentage points in the week to 92.3%, the EIA said.

U.S. gasoline stocks fell by 1.6 million barrels in the week to 220.6 million barrels, the EIA said, compared with analysts' expectations in a Reuters poll for a 933,000 barrel draw.

Product supplied for gasoline, a proxy for demand, was up 148,000 bpd week-over-week to 9.19 million bpd.

Gasoline stocks on the U.S. Gulf Coast are now at their lowest seasonal level since 2019.

Distillate stockpiles, which include diesel and heating oil, fell by 3.3 million barrels in the week to 122.8 million barrels, versus expectations for a 215,000 barrel drop, the EIA data showed.

Both U.S. gasoline and heating oil futures were up following bigger than expected draws in stockpiles.

Gasoline futures turned negative along with U.S. crude in the hour following the report.

## Top News - Agriculture

### Crop tour finds huge Illinois corn yield potential, big soy pod counts

Corn yield prospects in Illinois are the biggest in the Pro Farmer crop tour's 32-year history and the state's soybean pod count is the largest seen on the tour since 2000, scouts on the annual U.S. Midwest tour reported on Wednesday.

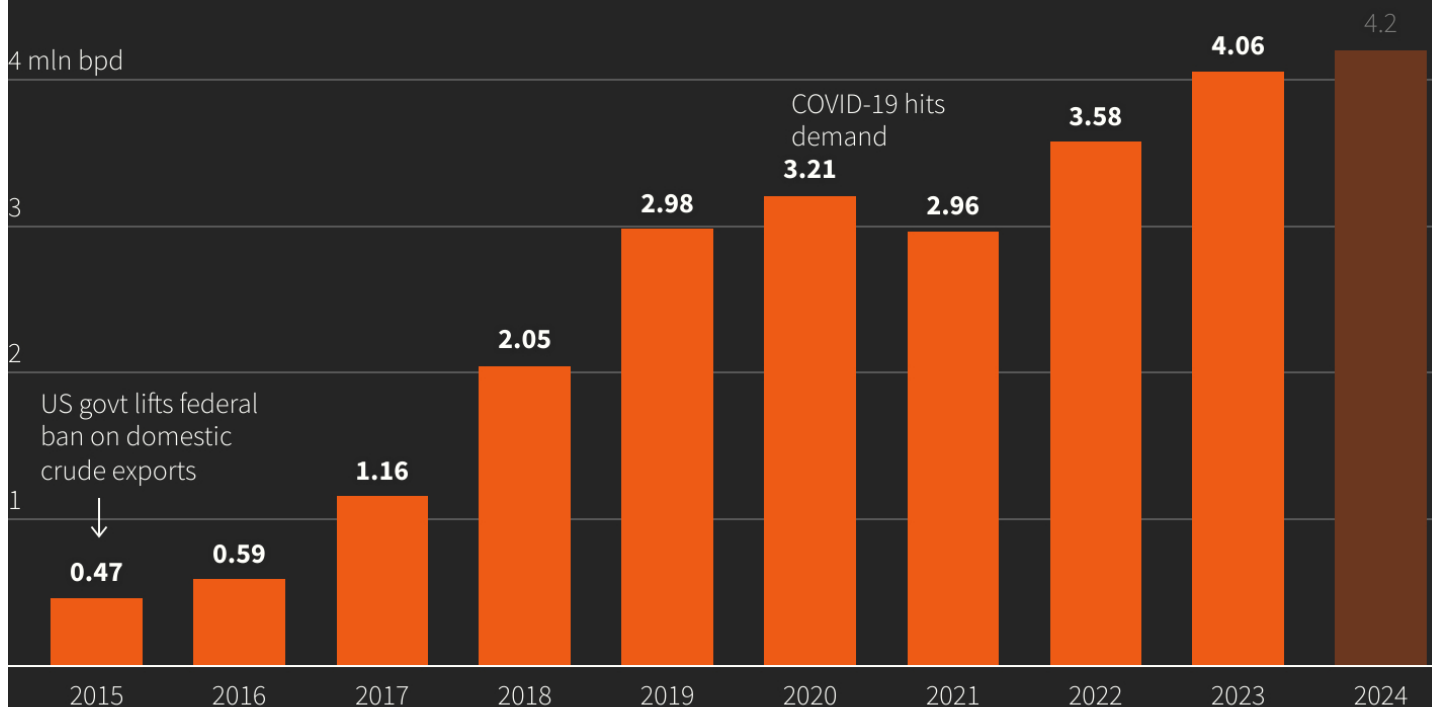
The crop tour projected the Illinois corn yield at 204.14 bushels per acre (bpa), a record that surpassed the tour's previous high set in 2014. The figure topped the tour's 2023 Illinois average of 193.72 bpa and the three-year average of 193.58 bpa.

"Those were heavy, heavy ears, extreme heavy ears that we pulled, in a lot of cases," said Brian Grete, editor of

## Chart of the Day

### U.S. crude oil export growth to plateau

U.S. crude exports set to climb about 3.5% in 2024, the smallest growth since U.S. government lifted a federal ban on the export of domestic crude. It has climbed every year except in 2021, when COVID-19 cut demand



Note: 2024 figure is an average of weekly U.S. export data so far this year

Source: EIA data

Pro Farmer and leader of the tour's eastern leg.

The potential for a bumper harvest comes as grain and oilseed futures prices have slumped to nearly four-year lows amid robust global supplies and concerns about demand from top soy buyer China. The U.S. Department of Agriculture this month forecast record U.S. corn and soybean yields and projected the Illinois corn yield at a whopping 225 bpa, topping the state's previous record by 11 bpa.

The four-day crop tour, which does not project soybean yields, estimated the number of soybean pods in a 3-by-3-foot square in Illinois, the top soybean producing state, at an average of 1,419.11, above last year's tour average of 1,270.61 pods and the three-year average of 1,266.70 pods.

Scouts on the tour's western leg found mostly above-average corn yield prospects in the western third of Iowa, though heavy spring rains and hail during the growing season impacted fields in the state's northwest corner.

The tour projected corn yields in northwest Iowa's crop District 1 at 176.59 bushels per acre (bpa), below last year's findings and the tour's three-year average.

Soybean pod counts per 3-by-3 foot area averaged 1,108.76, down from last year but slightly up over the three-year average.

Corn yields in the west-central District 4 were pegged at 195.86 bpa, above the tour's year-ago and three-year averages. Soybean pod counts averaged 1,254.09, up from 2023 and the three-year average.

And corn yields in southwest Iowa's District 7 were seen at 191.59 bpa, also up from the year-ago and three-year averages. Soybean pod counts averaged 1,366.22 pods, above last year's count and the three-year average.

The crop tour, which began on Monday, will release statewide figures for Iowa as well as Minnesota on Thursday.

### **China's red-hot wheat imports to cool on local output gains, slowing demand**

China's wheat buying spree is likely to slow in the second half of 2024 as higher domestic output and declining flour consumption reduce import demand in the world biggest consumer of the grain.

China has made record wheat purchases in recent years and a reduction in buying is expected to put additional pressure on global prices which are trading close to their lowest in four years amid plentiful supply, traders and analysts said.

Estimates for China's July-to-December wheat imports range between 2 million and 4 million tons, according to a survey of one China-based and two Singapore-based

grains traders, down from 4.09 million tons shipped in the second half of 2023.

"There is lack of interest from Chinese wheat importers ever since supplies from this year's harvest hit the market," said one of the Singapore-based traders, who works for an international company that ships grain to China.

"They are booking fewer cargoes. China's demand is unlikely to be as strong as we have seen in the past."

China's output of summer wheat, harvested mainly in June, rose 2.7% from a year ago to a record 138.22 million tons, with near-perfect growing conditions boosting quality.

China, the world's biggest wheat importer in the last two years, brought 10.08 million metric tons between January and July, up 15.6% from a year earlier, according to customs data, mostly from the United States, France, Australia, and Canada.

Those imports, fuelled by fears of weather-related crop damage, exceed the wheat import quota allocated by Beijing of 9.636 million tons for 2024, and the additional volumes will have an import duty of 65%.

### **LOCAL AND FOREIGN GRAIN**

"Domestic wheat production and large imports are putting pressure on prices," said Ma Wenfeng, senior analyst at Beijing Orient Agribusiness Consultancy. "At the same time, the economy is declining ... the price of processed flour products have dropped sharply. The flour industry is operating at a loss."

China's economy expanded by 4.7% from a year earlier in the second quarter of 2024, missing expectations of 5.1% growth and slowing from the first quarter as consumer purchases declined.

Spot wheat prices in Henan province, which accounts for a third of China's output, have been declining most of the year and are at their lowest since June 2021.

The price decline comes despite repeated announcements by state-stockpiler Sinograin and its affiliates pledging to buy more new crop wheat for reserves.

To be sure, food manufacturers will still require higher-quality grains from overseas for blending to make certain breads, pasta and noodles.

"There will still be imports in the latter half of this year due to different milling and protein needs, but this year's crop was very good," said Darin Friedrichs, co-founder of Shanghai-based Sitonia Consulting.

The use of wheat in animal feed is also expected to drop due to plentiful supplies of cheap corn and soybeans.

## Top News - Metals

### Consol Energy, Arch Resources strike merger deal to create \$5 bln coal mining giant

Arch Resources will merge with Consol Energy in an all-stock deal to create a North American coal mining giant valued at more than \$5 billion.

There has been a lack of investment in new coal mines amid tight emission regulations, but the fossil fuel is expected to remain part of the energy mix for years to come, especially in countries such as India and China.

"We anticipate more than 67% of the company's pro forma volume would be exported to fast-growing Asian markets," Consol CEO James Brock said on a call with analysts. "The company will virtually have no overlap in products and customers," Brock added.

Shares of Consol gained 4.4%, while those of Arch Resources rose 2.3%.

The combined company will have an export capacity of 25 million tons per annum across two shipping terminals.

The deal is expected to generate \$110 million to \$140 million of annual cost savings by six to 18 months following the close of the transaction, which is expected in the first quarter of 2025.

Consol will issue 1.326 of its common stock for each

share of Arch Resources, or about \$125.61 on a per-share basis, according to Reuters' calculations, as per the last close.

Arch stockholders will own about 45% of the combined company, with Consol shareholders owning the rest.

The new company will be called Core Natural Resources and will trade under a new ticker symbol that has yet to be disclosed.

Deal-making in the sector has gained momentum over the last one year as demand, especially for coking coal, remains strong.

Commodities trader Glencore acquired coal assets of Canada's Teck Resources earlier this year, while Anglo American is seeking buyers for its Australian metallurgical coal mines after rebuffing BHP's \$49 billion takeover offer.

### COLUMN-Cobalt supply tsunami hits the market of last resort: Andy Home

Someone delivered 23 metric tons of cobalt to London Metal Exchange warehouses last month.

This may not sound like a big deal, but it was the first LME warranting of the battery metal since February 2022.

## MARKET MONITOR as of 06:45 GMT

Contract	Last	Change	YTD
NYMEX Light Crude	\$71.73 / bbl	-0.28%	0.11%
NYMEX RBOB Gasoline	\$2.04 / gallon	-0.46%	-3.06%
ICE Gas Oil	\$687.50 / tonne	-1.68%	-8.42%
NYMEX Natural Gas	\$2.17 / mmBtu	-0.14%	-13.52%
Spot Gold	\$2,506.00 / ounce	-0.24%	21.50%
TRPC coal API 2 / Dec, 24	\$124.5 / tonne	-4.23%	28.35%
Carbon ECX EUA	€72.36 / tonne	0.30%	-9.97%
Dutch gas day-ahead (Pre. close)	€36.30 / Mwh	-2.29%	13.97%
CBOT Corn	\$3.99 / bushel	0.06%	-17.67%
CBOT Wheat	\$5.45 / bushel	0.09%	-14.86%
Malaysia Palm Oil (3M)	RM3,803 / tonne	1.31%	2.20%
Index	Close 21 Aug	Change	YTD
Thomson Reuters/Jefferies CRB	325.67	-0.35%	8.05%
Rogers International	26.40	-0.51%	0.27%
U.S. Stocks - Dow	40,890.49	0.14%	8.49%
U.S. Dollar Index	101.18	0.14%	-0.15%
U.S. Bond Index (DJ)	446.54	0.12%	3.67%



It is, moreover, just the tip of the cobalt iceberg. There were another 684 tons sitting in the LME storage shadows at the end of June. This off-warrant inventory, which is being warehoused under a contractual option for full warranting, first showed up in February, when it amounted to 839 tons. The stocks activity has revitalised a contract that didn't trade at all for most of last year. Volumes this year have reached 1,020 lots, a level of liquidity last seen in 2020.

This is good news for the LME, but bad news for the cobalt market. The appearance of so much metal at the dormant market of last resort is a sign of chronic global supply glut.

#### ANOTHER BOOM AND BUST

Cobalt's recent price history has been a classic tale of boom and bust. The super-charged rally of 2017-2018, when LME three-month cobalt peaked above \$95,000 per ton, generated an overwhelming supply surge that sent the market tumbling all the way back to \$26,000 in 2019.

The same story has played out again this decade.

Cobalt's price surged to \$82,000 per ton in March 2022 only to collapse to the current level of \$24,900. The first price implosion was triggered by a flood of swing supply from artisanal miners in the Democratic Republic of Congo, which hosts the world's largest reserves of cobalt. This time around the supply boom is being driven by a structural combination of capacity expansion in the Congo and fast-rising output from Indonesia.

Cobalt is mined as a byproduct of copper and nickel respectively in those two countries, meaning the sensitivity to low prices is limited. China's CMOC Group overtook Glencore as the world's largest cobalt producer last year, with output of 55,000 tons.

It expects an expansion of its Tenke Fungurume copper mine in Congo will cause byproduct cobalt production to hit 100,000 tons by 2028. Meanwhile, Indonesia has rapidly emerged as the world's second largest cobalt producer thanks to its massive build-out of nickel mining and processing capacity.

Production jumped 86% to 17,000 tons last year, meaning the country now accounts for 7% of global mined cobalt output, according to the Cobalt Institute.

Ever more Indonesian capacity is being added. The Institute was tracking only 10 nickel-cobalt processing plant projects in 2023. The number has risen to nearly 60 this year, it said in its annual market report.

#### SUPPLY GLUT

Cobalt has historically been used in the form of super-alloys with applications in the aircraft and aerospace

industries.

However, the new driver of demand growth comes in the shape of an electric vehicle battery, where cobalt enhances both chemical stability and power performance. The battery sector accounted for 73% of the 200,000 tons of cobalt used last year, according to the Cobalt Institute, which notes that electric vehicles alone now support around 45% of the market.

True, cobalt has taken a knock from strong growth in lithium-iron-phosphate battery chemistry, but usage is still expanding at a fast rate. Analysts at Adams Intelligence estimate 5,026 tons of cobalt were deployed globally in new vehicle sales in May, a year-on-year rise of 12%.

The problem is that demand still can't keep up with the production surge playing out in both Congo and Indonesia. The market was in oversupply to the tune of 18,300 tons last year, following a 10,700-ton surplus in 2022, the Cobalt Institute says. Given the scale of the current supply-demand mismatch, the expectation is for more of the same in the coming years. Macquarie Bank analysts are forecasting surplus to persist until 2027.

#### BUY THE DIP

The price bust has created opportunity for some. China's state reserves manager bought 8,700 tons of cobalt last year and is planning to buy another 15,000 tons this year. The CME, which launched its cobalt contract in 2020, has seen activity mushroom as the price has fallen steadily from its most recent peak.

The standard cobalt contract notched up just 3,997 lots of turnover in its first full year of trading. Volumes grew to over 17,000 lots in 2022 and to almost 27,000 lots last year. Low prices have attracted industrial players looking to lock in long-term hedges and investors betting on a change of price trend. The CME cobalt curve is also in a pronounced contango. The gap between spot metal and forward prices allows for a profitable stocks finance trade. However, banks prefer financed inventory to be stored in a place from which it can be easily sold if anything goes wrong. The first choice is a terminal market. The CME contract is priced against Fastmarkets' assessment of the price of cobalt in Rotterdam and is not deliverable.

The LME's cobalt contract, by contrast, is deliverable, which might explain the recent sudden appearance of so much metal in LME shadow storage and the simultaneous burst of activity in a contract that seemed to have passed into the history books.

It remains to be seen whether this is the start of a bigger trend, but the current state of the cobalt market suggests there is going to be a lot more metal looking for a home in the coming months.

## Top News - Carbon & Power

### China's plunging coal plant approvals signal energy policy pivot, report says

A sharp drop in new coal plant permits in China suggests the world's largest builder of the polluting power plants is pivoting its energy policy towards more renewable development, although coal will keep playing a major role, a report said.

China approved just 10 new coal plants with 9 gigawatts of capacity in the first half of 2024 - an 83% drop on the year, according to a report by the Helsinki-based Centre for Research on Energy and Clean Air (CREA) and U.S.-based Global Energy Monitor.

The report found China has added over 400 GW of wind and solar since 2023, which led to a 7% drop in coal power output between June 2023 and June 2024.

"With new renewable energy build-outs now capable of meeting all incremental power demand in China, the need for new coal is waning, and there are signs the central government may be embracing this change," the report said.

"This economic powerhouse has transformed clean energy from a climate policy component into a cornerstone of China's broader energy and economic strategies," it said.

China's economic planning body, the National Development and Reform Commission declined to comment on the report.

Other examples of the policy shift include China's decision not to approve any coal-based steel plants in the first half of 2024, and Beijing's move to prioritise carbon emissions reductions, where progress was previously measured by energy efficiency improvements.

The permit findings are in line with a Greenpeace analysis also released this week based on a different data set.

Still, China started building 41 GW of previously permitted coal plants during the first half of the year - nearly as much as was built in all of 2022, and over 90% of the global total.

In 2022 and 2023, a power crunch and the resulting focus on energy security drove a surge in coal permit approvals.

New project proposals are slowing down, the report said, but not at the same rate as permits, with 37.4 GW of new and revised proposals were submitted in January-June, down from 60.2 GW a year earlier.

With the government aiming for commissioning of 80 GW of coal-fired power this year, project completions could still surge in the second half of the year.

Experts polled by CREA late last year saw China on track to reach a peak in its carbon emissions before its stated goal of 2030. The new report argues China could accelerate its climate action by cancelling new coal plants, noting that China's existing baseload power capacity of 1,890 GW was already more than sufficient to meet estimated peak energy needs of 1,450 GW.

China says it is building new coal facilities to ensure grid stability and to safeguard power supply during periods of peak demand, such as July's record-breaking heat. Its stated policy is to "strictly control" coal power projects.

### COLUMN-Florida reverses energy transition by cranking fossil fuel use: Maguire

The United States' third most populous state has the country's dirtiest major power system, and looks set to become a stand-out by remaining highly dependent on fossil fuels even as the rest of the nation transitions power systems towards cleaner energy.

Fossil fuels generated over 80% of Florida's electricity supplies since the beginning of June, according to LSEG data.

That was the highest fossil-fired power share in over three years for the summer period, and compares to 62.4% for the national average, 62% for the power system of Texas, and 72% for the main power system covering the southeast region. Florida's system is also the only major power network that has increased its overall fossil fuel dependency so far in 2024 compared to the year before.

Just over 77.2% of Florida's power was produced from fossil fuels from Jan. 1 to Aug. 19, compared to 71.3% for the same period in 2023, LSEG data shows.

That rising trend contrasts with drops in fossil fuel dependency nationally and among other regional systems this year, and means Florida is the only major power network that has a growing reliance on fossil fuels.

Yet several factors, including a recent repeal of state renewable energy goals and a ban on offshore wind farms, look set to restrict generation options for power firms, and may continue to delay Florida's energy transition progress.

### GASSED UP

Natural gas is the foundation of Florida's power system, with nearly 50 gas-fired power stations supplying around 72% of the state's power, according to the United States Energy Information Administration (EIA).

Coal-fired generation has been steadily reduced in the

state's power mix over the past decade, but still accounts for around 5%-6% of total electricity generation, while oil-fired power stations account for another 1%, Ember data shows.

All told, such a heavy reliance on fossil fuels for power results in a hefty emissions toll.

The state's power sector discharged just over 108 million metric tons of carbon dioxide and equivalent gases in 2023, or about 7.4% of the national total for power sector pollution.

Florida's pollution tonnage last year was down 1.3% from the year before, and reflects the cuts made to coal-fired power in recent years.

However, Florida's emissions have declined by far less than the national average, which dropped 5% in 2023 from 2022.

The state's recent emissions cuts have also been overshadowed by the cuts made by other fossil-heavy states, including West Virginia (-9.6% in 2023), Wyoming (-7.2%) and Colorado (-6.2%), Ember data shows.

Over the longer run, Florida's power pollution reductions look even more paltry, coming in at 3.1% between 2018 and 2023 compared to a 7.2% drop in Texas, a 25% drop in West Virginia and a 14% drop nationally over the same period.

#### TOUGH GOING

A slew of factors have conspired to limit the scope for power firms to reduce their collective reliance on fossil fuels.

On the supply side, limited incentives and low wind speeds have curtailed the build-out of renewable energy output.

For solar, Florida has been one of the few states without

a tax credit for solar systems, which has meant that home owners have had to bear a majority of system costs themselves.

Even so, Florida has been the country's third-fastest growth market for solar installations, with capacity climbing from 1,432 megawatts (MW) in 2018 to over 10,000 MW in 2023, according to the Solar Energy Industries Association (SEIA).

Net metering deals that to pay households for excess electricity steered onto local grids look set to sustain demand for small-scale solar systems in Florida going forward, while utilities have deployed more large-scale solar systems than any other state so far in 2024, according to EIA data.

The state's wind generation sector remains nonexistent, however, with no onshore farms in operation and a ban in place since July 1 on offshore projects.

That total absence of any large-scale wind generation capacity means that Florida's power firms will struggle to boost renewable generation at the same pace as rival states such as Texas, where both solar and wind capacity is being developed.

At the same time, Florida's power firms face steep annual climbs in energy demand, thanks in part to heavy use of power-hungry air conditioners due to the state's hot and humid climate, and a massive tourism industry that drives electricity use in the state's roughly 500,000 hotel rooms.

Florida has also seen power demand increase due to rapid growth in its population, which has swelled by roughly 20% since 2010 to over 23 million in 2024.

In combination, continued growth in power demand alongside only piecemeal expansions in clean energy supplies look set to keep Florida's power sector heavily dependent on natural gas for a majority of its power needs for the foreseeable future.

## Top News - Dry Freight

### Canada's CN Rail, CPKC lock out Teamsters union workers, shut networks

Canadian National Railway (CN) and Canadian Pacific Kansas City (CPKC) announced the lockout of their Canadian workers after failed labor talks, resulting in a shutdown of their rail networks in the country.

The decision, confirmed by the Teamsters union representing close to 10,000 workers at the companies, sets the stage for an unprecedented rail stoppage that could badly damage the Canadian economy and have a significant effect on cross-border trade with the United States.

Canada is the world's second-largest country by area and relies heavily on rail transport. The stoppage is set to

cripple shipments of grain, potash and coal while also slowing the transport of petroleum products, chemicals and autos.

Industry groups had urged Prime Minister Justin Trudeau's Liberal government to prevent a stoppage, noting Canada's railways transport around C\$380 billion (\$277 billion) worth of goods annually.

U.S. railroad Union Pacific said on Tuesday a stoppage would halt the movement of 2,500 rail cars across the border daily.

The Canadian and U.S. economies are highly integrated. Rail transport accounted for 14% of total bilateral trade of \$382.4 billion between the countries for the first half of the year, according to the U.S. Department of Transportation.

The stoppage comes after months of talks.

The union and the companies struggled to reach an agreement on key terms, with both sides accusing the other of bad faith.

The union is seeking improved provisions for fatigue, rest, and scheduling, stressing the need for worker safety.

CN said it had offered better wages and a deal that would have seen employees work fewer days per month, but the "union did not respond".

CPKC said a negotiated outcome with the Teamsters Canada Rail Conference (TCRC) union was not within reach.

The companies said they had made final offers to the Teamsters in an attempt to avoid the stoppage and urged the union to engage in negotiations.

"Teamsters have put forward multiple offers, none of which were seriously considered by either company," the union said in a statement, adding it would remain at the bargaining table with both companies despite the lockout.

#### **Ukraine's farm ministry proposes limiting 2024/25 wheat export to 16.2 mln T**

Ukraine's agriculture ministry has proposed limiting wheat exports in the 2024/25 July-June season to 16.2 million

metric tons, acting farm minister Taras Vysotskiy said on Wednesday.

He said the figure was still being discussed in the annual memorandum between the government and traders.

The government and traders annually sign a memorandum in which the officials promise to maintain the existing terms of trade and not restrict exports within the agreed volume.

Traders in their turn undertake not to exceed this volume.

Vysotskiy said the 16.2 million tons export limit reflected the balance of supply and demand in the 2024/25 season, given that the wheat harvest was 21.8 million tons.

He also said that the ministry sees the 2024 corn crop at 25 million tons, more than 2 million tons less than the U.S. Department of Agriculture's assessment in its August forecast.

Ukrainian officials have said the harvest has been limited by heatwave conditions as well as the impact of war on available farmland.

The USDA report shows Ukraine is expected to harvest 27.2 million metric tons of corn, while domestic analysts and brokers anticipate 24-to-25 million tons.



**Picture of the Day**

*Don Harris, a scout on the Pro Farmer crop tour, counts soybeans near Roachdale, Indiana, August 20. REUTERS/Julie Ingwersen*

(Inside Commodities is compiled by Haritha K P in Bengaluru)

For questions or comments about this report, contact: [commodity.briefs@thomsonreuters.com](mailto:commodity.briefs@thomsonreuters.com)

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