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Top News - Oil

OPEC+ members send less oil to U.S., adding to tight supply outlook

U.S. waterborne imports of crude from OPEC+ members including Saudi Arabia have dropped steadily over the last year, further tightening supplies in the U.S. while supporting other markets including Europe, according to flows data and analysts.

Going forward, the level of U.S. crude imports from OPEC and other exporters and U.S. shipments to Europe will probably have a more direct impact on global oil prices thanks to a change made earlier this year to the Brent crude benchmark.

Lower U.S. imports coincide with supply cuts by the Organization of the Petroleum Exporting Countries, Russia and other allies, and extra voluntary curbs from Saudi Arabia and Russia of a combined 1.3 million bpd until the end of 2023.

The decision by Saudi Arabia and Russia to extend the voluntary cuts drove up oil prices to over $90 a barrel in late September. The cuts also tightened supplies of crude, particularly sour grades, ahead of the winter heating season. Total U.S. crude waterborne imports are set to average 2.47 million barrels per day in October, down from 2.92 million bpd in September according to figures from data intelligence firm Kpler, with shipments falling from OPEC+ producers including Nigeria, Algeria and Saudi Arabia. Within that, Saudi crude exports to the U.S. are set to drop to 241,000 bpd in October, Kpler figures showed, down from 286,000 bpd in September and from 410,000 bpd in October 2022.

Some of the decrease is linked to the change of seasons. U.S. peak gasoline demand winds down at the end of summer as refineries slow operations for maintenance. But there are other reasons for the fall, analysts said. "By keeping barrels away from the U.S., it is influencing sentiment, keeping inventories in check, and ultimately influencing pricing," said Matt Smith, lead oil analyst for the Americas at Kpler, referring to Saudi Arabia.

Instead, Saudi Arabia is exporting more crude to China, Smith added. Saudi crude exports to China rose to nearly 1.6 million bpd in September, up from 1.2 million bpd in August and 1.37 million bpd in July, Kpler data showed.

West Coast refiners including Chevron's Richmond, California, refinery and Los Angeles-area refiners took in less Saudi crude in September, Vortexa's Rohit Rathod said.

U.S. CRUDE EXPORTS FALL

As the U.S. sees less crude imports, it has exported less oil to Europe. U.S. crude exports to Europe fell to 1.86 million bpd in September and 1.84 million bpd in August, from 2.01 million bpd in July, Kpler data showed.

Lower exports to Europe impacted Brent benchmark crude futures prices, some traders said.

Tight supply led the premium for front-month Brent crude futures to rise to as much as $3.26 a barrel above the second month, the highest since 2022. Adi Imsirovic of consultant Surrey Clean Energy and a senior associate at CSIS said tightness in the U.S. crude market is being felt more quickly on international markets than in the past because of the increased role of U.S. crude in the benchmark. "The fact that it is more direct now is probably a good thing," said Imsirovic, also a veteran oil trader. "The U.S. market has a more direct link with the key global benchmark than you had before and you can see it right away." The introduction in June of U.S. crude grade WTI Midland to help set the price of the dated Brent benchmark assessed by S&P Global Commodity Insights means that the U.S. crude market's influence over prices abroad has increased.

Dated Brent, used globally for trades, is now based on the price of five North Sea crudes and that of U.S. grade WTI Midland. Large exports of Midland to Europe during the summer helped keep a lid on Brent prices, traders and analysts said.

Equinor cuts output guidance as Q3 profit beats forecast

Equinor on Friday cut its full-year oil and gas output guidance while posting a bigger-than-expected profit for the third quarter and maintaining its dividend and share buyback levels.

The Norwegian energy group's adjusted earnings before interest and tax for July-September fell to $8.02 billion from a revised $24.5 billion a year earlier, beating the $7.59 billion predicted in a poll of 22 analysts compiled by Equinor. "We continue to contribute to energy security by developing profitable oil and gas projects with low emissions from production," CEO Anders Opedal said in a statement.

Equinor reported an adjusted net income of $2.73 billion, down from a revised $7.19 billion in the same quarter a year ago and beating the $2.24 billion forecast by analysts.

The company cut its full-year oil and gas production growth target to 1.5% in 2023 from 3% seen previously, dented by heavy maintenance at many of its offshore fields. The company booked net impairments of $971 million in the quarter, including a $300 million impairment to offshore wind projects in the United States after local authorities rejected a request from energy firms to charge more for the power. The company also made impairments in Norway, related to reduced reserves at an offshore field and at its refining unit due to weaker margins. Oil and gas prices soared last year as Russia's invasion of Ukraine led to supply disruptions but the cost of energy has since fallen as fears of shortages eased amid global economic headwinds.

Majority state owned Equinor's operating profit was up from the $7.54 billion booked in the second quarter. Equinor's Oslo-listed stocks have risen 4.4% year-to-date, broadly in line with European petroleum stocks.

Top News - Agriculture

EU cuts 2023/24 wheat export forecast, increases stocks

The European Commission on Thursday lowered its forecast of European Union exports of common wheat, or soft wheat, in 2023/24 to 31 million metric tons from 32 million projected a month ago.

EU soft wheat exports so far in 2023/24 are running 22% below the year-ago level, reflecting stiff early-season competition from Russia.

The reduced export outlook drove an upward revision to the Commission's forecast of 2023/24 soft wheat ending stocks, now at 19.1 million tons against 17.8 million expected last month, though slightly below last season's stockpile of 19.3 million.

The increased supply forecast for soft wheat was supported to a lesser extent by a 200,000-ton increase to the Commission's estimate of usable production from this year's harvest, now pegged at 125.5 million tons.

In contrast, barley usable production was cut again to a new 12-year low of 47.5 million tons, 0.9 million below the Commission's September estimate.

The barley crop was hurt by drought and hot spells in Spain and Scandinavia, which are major production zones. In its grain supply and demand data, the Commission increased its forecast for EU barley imports to 1.7 million tons from 1.5 million previously, though that remained below last season's 2 million tons.

For maize, currently being harvested, the Commission kept almost unchanged its harvest estimate at 59.9 million tons, in a rebound from last year's drought-hit crop of 53.1 million.

In oilseeds, estimated EU rapeseed production was revised up 19.8 million tons from 19.6 million, while projected EU imports of rapeseed were cut by 200,000 tons to 5.6 million tons.

For sunflower seed, which like maize is being harvested, expected production this year was lowered to 10 million tons from 10.5 million a month ago.

Bunge lifts 2023 outlook as vegoils fuel profit beat; shares rally

Global crop trader and processor Bunge lifted its 2023 outlook on Thursday after its third-quarter profit topped Wall Street expectations, though earnings were lower year-on-year.

Solid crushing results in Brazil, Asia and North America, and good vegetable oil demand helped the world's largest oilseed processor offset weaker results in Argentina, where a severe drought slashed crop harvests this year.

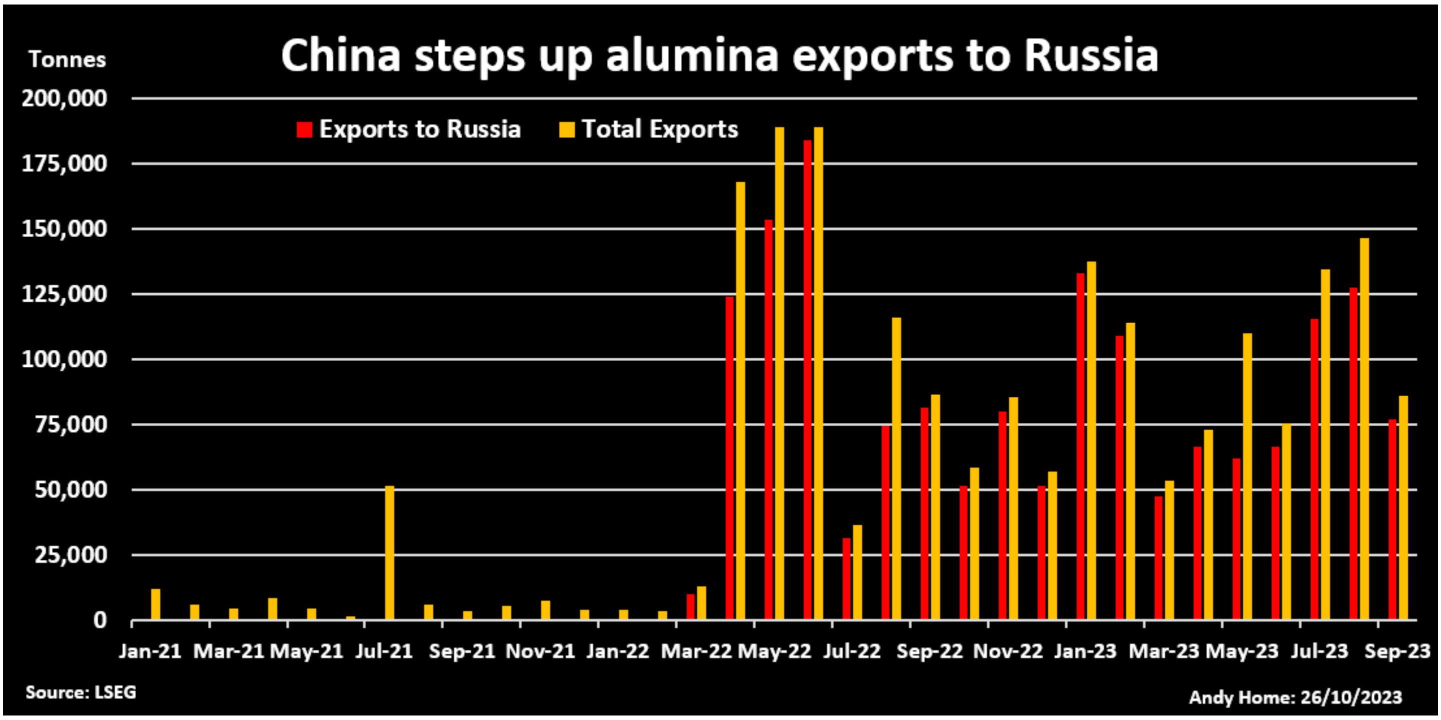
The earnings beat comes as Bunge is working to close a merger deal with crop handler Viterra by mid-2024 that would create a global agribusiness powerhouse but which has sparked scrutiny from regulators.

Bunge shares rallied 5% to $107.30 on the company's rosier 2023 outlook, its second guidance lift in as many quarters. The company expects annual adjusted earnings of $12.50 a share, up from a prior forecast of $11.75 amid favourable margins and solid results in the year so far.

Strong Brazilian crop exports and soaring demand for vegetable oils to make renewable fuels have helped lift revenue for Bunge and agribusiness peers such as Archer-Daniels-Midland and Cargill. But rising costs, volatile markets and supply disruptions in places like Argentina and war-torn Ukraine have dented earnings at times.

"While being pretty balanced globally has helped us

Chart of the Day



deliver, our most complete footprint is South America and especially Brazil. So the record crop there was good for our export system as well as our crushing system," said CEO Greg Heckman.Weaker U.S. soy exports, meanwhile, underpinned North American crush margins, he added.
Bunge's Agribusiness segment, its largest in terms of volumes and revenue, posted an 11% drop in adjusted profit due largely to weak merchandising results. But full-year guidance was increased to be in line record earnings for the segment last year. Merchandising could rebound next year with another large Brazilian harvest and a recovery from drought in Argentina, Heckman said.
China's soybean imports next year were seen flat while corn imports would likely be higher, though "any surprises there could be to the upside on volume," he said.
Earnings from Refined & Specialty Oils rose 18% and Bunge expects 2023 earnings from the segment, its second largest, to improve from a record 2022.
The company reported an adjusted profit of $2.99 per share for the three months ended Sept. 30, higher than analysts' average estimate of $2.50 per share, according to LSEG data, but down from adjusted earnings of $3.45 a share in the same quarter last year.

Top News - Metals

Indonesia export plan to upset Freeport's mined copper benchmark
Indonesia's bid to add value to its mineral exports will dilute copper miner Freeport's benchmark status for annual contracts as its 2024 sales will fall short of levels needed for a global reference, three sources with direct knowledge of the matter said.
As one of the world's largest copper miners, producing two million metric tons annually, treatment and refining charges (TC/RCs) Freeport agrees with Chinese smelters has for years been used as a basis for contracts worldwide.
Without the consensus benchmark TC/RCs for processing concentrate many miners, traders and smelters may have to negotiate their own contracts or use the spot market which is much more volatile.
Other than Freeport's TC/RCs, the numbers negotiated by other major copper miners could be used in industry contracts, but this split will cause unprecedented opposition from Chinese smelters that consume nearly half of global copper concentrate supplies.
The copper benchmark TC/RCs structure has been in place for the past 30 years. TC/RCs fall when concentrate supplies are tight and undermine copper smelters' profit margins.
To comply with Indonesia's push to process concentrate locally into metal, Freeport is building the Manyar smelter which is due to be completed by May next year.
The feedstock for Manyar will come from Freeport's Grasberg mine in Indonesia, the world's second largest active copper mine. Grasberg produces 688,400 tons copper or roughly 4% of global mined copper supply.
"If Freeport is going to sell Grasberg's material for only five months next year, they should not be seen as a benchmark," a source at a major mining company said.
Export permits for Grasberg expire in May next year when its Manyar smelter should be operational. Sources say Freeport needs to show the Indonesian government it has reserved raw material for the smelter.
"It is not easy to determine the amount of Grasberg that is available for export beyond May 2024. The amount will reduce gradually as the new smelter ramps up," said Javier Targetta, senior vice president for Freeport's copper concentrates marketing and sales.
"Freeport has not been officially appointed as the benchmark negotiator, it is called benchmark only when other miners and smelters agreed to use it. If other miners can agree on separate numbers, then there will be other references."
Manyar is expected to treat up to two million tons of concentrates annually. It may take up to six months to reach capacity.
Delays to the construction of Manyar meant 1.7 million tons of Grasberg's concentrate will be exported between July 2023 and May 2024 under a licence which carries a 7.5% export penalty.
Freeport is negotiating with Indonesia for its export license to sell concentrate from Grasberg from May 2024, five sources with knowledge said.
"The export license is through May," said Freeport President Kathleen Quirk at a recent briefing.
"We've still got to work with the government to work through this issue beyond May of having a ramp-up period."

EXCLUSIVE- Codelco workers warn against job cuts, do not rule out strike -union head
Workers for Chile's Codelco will not rule out a strike if the state-owned copper company enacts job cuts to counteract a slump in production, which has reached its lowest point in a quarter century, the head of the company's union association said.
In an interview with Reuters, Amador Pantoja, president of the Federation of Copper Workers (FTC) - which brings together the company's unions - said Codelco, the world's largest copper producer, should focus on getting structural projects, which have faced numerous delays, into production.
"We have said in every tone that today we have an extremely stressed crew," Pantoja said, adding that the number of workers has dropped from 19,000 in 2015 to 12,000. "We cannot allow staff adjustments, we can't afford anymore."
Pantoja said that the unions aren't ruling out any actions to pressure the company against any decisions that would reduce the company's workforce and to force it to hold up agreements.
"We have never ruled out anything because those are the tools we have to defend ourselves," he said.
"We understand that there must be adjustments, but if they want lower staffing, they may encounter surprises and workers are on alert."
Pantoja also complained that the number of contractors has ballooned to 60,000, with 23,000 involved in

production, which he says is in violation of previous agreements. "We are losing the commitments that we already had," Pantoja said, adding that the FTC will host a workshop in the first half of November to present their vision of the situation and solutions for the company.
One of the proposals includes returning maintenance tasks from contractors to employees, which Pantoja says is one of the main bottlenecks for current operations.
The union leader noted that the company's current woes are "cyclical" and that workers have worked with the company before to find solutions. "At one point in the past we froze our salaries, worked with management to reduce costs and came out almost even between the cost of production and the price of copper," Pantoja said.
He stressed that unions will also oppose attempts to privatize or allow private capital to enter Codelco.
"Having our company 100% in the hands of the state is non-negotiable for us," Pantoja said.

Top News - Carbon & Power

Siemens Energy shares slide 39% after company seeks state guarantees
Siemens Energy shares plunged nearly 40% on Thursday, wiping 3 billion euros ($3.16 billion) off its market value, after the group said it was in talks with the German government about state guarantees following big setbacks at its wind unit.
A spokesperson for the German economy ministry also confirmed the talks, describing them as "close and trustworthy".
Siemens Energy shares slid to all-time lows on the news, implying a 3.3 billion euro loss in market value to 5.3 billion euros since Wednesday, and were down more than 32% at 7.20 euros by 1359 GMT.
Quality problems emerged this year at the power engineering company's wind unit Siemens Gamesa centred on rotor blades and gears in newer onshore wind turbines, drawing the ire of top shareholder and former parent Siemens AG SIEGn.DE.
Siemens Gamesa has booked billions in related losses.
As a result, Siemens Energy fears it will struggle to secure guarantees from banks, and has approached the government and Siemens to obtain a guarantee framework, business news weekly WirtschaftsWoche said.
The weekly, which first reported the talks along with Spiegel magazine, said Siemens Energy is seeking up to 15 billion euros in guarantees.
The German state would assume liability for 80% of an initial 10 billion euro funding tranche, while banks would be liable for the remaining 20%, WirtschaftsWoche said.
A spokesperson for Siemens AG, which according to the report was being asked to guarantee a second tranche of the remaining 5 billion euros, said that the company was

MARKET MONITOR as of 06:35 GMT

Contract	Last	Change	YTD
NYMEX Light Crude	$84.54 / bbl	1.60%	5.33%
NYMEX RBOB Gasoline	$2.27 / gallon	1.55%	-8.34%
ICE Gas Oil	$891.25 / tonne	0.31%	-3.23%
NYMEX Natural Gas	$3.29 / mmBtu	2.36%	-26.48%
Spot Gold	$1,987.99 / ounce	0.16%	8.97%
TRPC coal API 2 / Dec, 23	$133.75 / tonne	-3.95%	-27.60%
Carbon ECX EUA	€79.97 / tonne	0.40%	-4.76%
Dutch gas day-ahead (Pre. close)	€48.20 / Mwh	-2.23%	-36.22%
CBOT Corn	$4.95 / bushel	0.30%	-27.03%
CBOT Wheat	$6.08 / bushel	0.33%	-99.24%
Malaysia Palm Oil (3M)	RM3,747 / tonne	-0.40%	-10.23%
Index	**Close 26 Oct**	**Change**	**YTD**
Thomson Reuters/Jefferies CRB	318.59	-0.55%	5.73%
Rogers International	28.95	0.75%	0.99%
U.S. Stocks - Dow	32,784.30	-0.76%	-1.09%
U.S. Dollar Index	106.63	0.03%	3.00%
U.S. Bond Index (DJ)	384.04	0.63%	-2.15%

awaiting more details. "Siemens is now in close and continuous talks with all parties involved," the spokesperson added. Siemens remains an anchor investor in Siemens Energy, retaining a 25.1% stake.
In a statement confirming the talks, Siemens Energy said this year's financial results are expected to be fully in line with previous guidance, and that Siemens Gamesa is working through its quality issues.
Siemens Energy is scheduled to release annual results on Nov. 15 and to hold a capital markets day on Nov. 21, its website showed.
It did not comment on the financial details of a targeted package. Siemens Energy's budgeting process is still ongoing and no decisions on the 2024 annual budget or any specific financing measures have yet been taken by the executive board, it said.
Government sources in Berlin declined to comment on the size of a possible package. The government was ready to help Siemens Energy, and stakeholders will also have to play their role, they said.
Germany's Economy Ministry on Tuesday pledged to support industry as it moves towards a low-carbon economy, and the European Commission has also released an action plan for Europe's wind industry.
The Free Democrats, junior partner in the German government coalition, criticised the prospect of state aid. "The German state cannot give guarantees for companies on a weekly basis. That is the responsibility of the owners," Michael Kruse, energy policy spokesperson for the party's parliamentary group, told newspaper Die Welt. In August, Siemens Energy said the problems at Gamesa would be the main factor inflating its year-on-year loss six-fold in 2023 to 4.5 billion euros.
Spiegel magazine cited sources close to the company as saying the losses might turn out to be higher.
Top managers at Siemens Gamesa, the world's largest maker of offshore wind turbines, have been replaced without resulting improvements in profitability.
JPMorgan said in a note that the energy transition will require substantially higher rates of investments, which will bring commercial opportunities for Siemens Energy and sector peers.
Lending guarantees given as an insurance to customers needed to rise accordingly, a development JPMorgan sees also applying to Vestas, Prysmian, Nexans and NKT. The possibility of a capital increase has also risen, it said.

INSIGHT- Europe's wind power goal hits new snag: security

As Europe turns to renewable sources to diversify energy supplies away from Russian oil and gas, a peaceful marine scene conceals a billion-dollar security headache.
Rising above the Baltic Sea less than 10 km (6 miles) off the coast of Denmark, 161 wind turbines spin slowly. They supply around 4% of the country's power, sent to shore through two cable connections.
The turbines have no barriers or surveillance.
"Our technicians are only here until five o'clock in the afternoon, then they go home," said Thomas Almegaard, head of operations at Nysted wind farm, co-owned and operated by Denmark-based Orsted, the world's biggest offshore wind developer. "If the Russians wanted to cause damage, they could do it easily," he told Reuters aboard a service vessel as it sailed through the wind farm.
"We don't do any monitoring."
The picture is similar across the North and Baltic Seas, Reuters found in a survey of 13 governments and interviews with a dozen lawmakers, regulators, military and industry officials. European states and companies are only now starting to monitor and secure their windfarms, the reporting showed.
Developers like Orsted think governments should take the lead and help provide the billions of dollars needed to protect their infrastructure. But even as North Sea countries alone plan to install enough wind power for more than 100 million homes by 2030, governments are still considering how much they can spend to safeguard such offshore assets.
Time is short: The EU has a legally binding goal to nearly double renewable sources as a share of total energy by 2030, to 42.5%, requiring a rapid expansion of offshore wind.
The risk was underlined last year with attacks by unidentified saboteurs on the Nord Stream pipeline. Again this month, Finland and Sweden said a subsea gas pipeline and telecommunications cables had been damaged, including a link between NATO members Finland and Estonia. Finland said its review of vessels in the area at the time found a Russian and a Chinese ship among them.
President Vladimir Putin has dismissed the idea Russia was involved as "rubbish;" the Chinese shipowner, NewNew Shipping, declined to comment.
The Netherlands and Denmark have both accused Russian ships of attempting to map what Sweden's Prime Minister has called a "spaghetti" of critical infrastructure in their waters.
But of the governments surveyed, only Britain and Poland said they had invested or budgeted for steps to improve the security of offshore infrastructure. The others declined to answer questions on budgetary commitments or said they were now looking into further funding.
When it comes to who should pay for such measures, most governments said the buck stops with the developers.
Britain, which has spent 65 million pounds ($79 million) adapting two vessels for underwater surveillance and seabed warfare, said its government was responsible for security policy and works with industry to implement protection measures.
Seven other countries said the job of securing energy assets falls mainly to industry, although the naval forces play a role.
Officials at two large wind energy firms and at two defence companies told Reuters only a few wind farms have installed radars to monitor traffic. Otherwise, they said, no security equipment is installed today - because there are no requirements to do so and because of the cost.
"I think it's extremely important to say that protection of assets within territorial waters is a state matter and not (that of) a developer," Orsted CEO Mads Nipper told Reuters in April.
Orsted has 12 operating wind farms in the UK, five in

Denmark, four in Germany, and one in the Netherlands. Soaring inflation and interest rates, increased seabed leasing fees and volatile energy markets have all come together to squeeze European wind developers in the last two years.

'VERY INTENSE'

In March, NATO set up a unit to address vulnerabilities of undersea infrastructure: it says it has boosted ships and aircraft patrolling the Baltic and North Sea.

The threat is acute. Swedish Rear Admiral Ewa Skoog Haslum has called the situation at sea "very intense" and James Appathurai, NATO's Deputy Assistant Secretary General for Emerging Security Challenges, told a conference in Copenhagen earlier this month the threat is a live one.

He said Russia's Undersea Research Program has spent decades mapping out Europe's critical undersea infrastructure and "preparing ways to sabotage it".

"It's extremely well resourced," he said. "These are very, very modern ships with very, very modern capabilities, including remotely operated vehicles that come out from underneath."

Moscow did not respond to a request for comment.

COST

Individual turbines are not as critical as infrastructure such as high-voltage cables, Apparuthai and six industry sources said.

Solutions include underwater drones to monitor subsea infrastructure, small radars and cameras to observe ships, and sensors inside power cables to detect unusual movements.

Installing such equipment on a large wind farm would cost between 20 million euros and 60 0million euros ($21 million-$63 million), according to three industry sources.

Overall cost data is not widely available but as an indication, that would be less than 2% of the cost of one project, Sofia, being built by Germany's RWE in the North Sea.

If North Sea countries were to meet their target for extra offshore capacity, that would cost up to 3.6 billion euros more to secure, according to Reuters calculations.

Surveillance including active patrols would add much more.

Under the European Union's Internal Security Fund for 2021 to 2027, 1.35 billion euros are available for members to increase security in their countries, said the European Commission's spokesperson for home affairs, Anitta Hipper. This may be spent on critical infrastructure, but that's up to individual countries, she said.

An EU directive that focuses on strengthening resilience of critical infrastructure came into force this year. It requires every country to have plans in place to protect their critical assets by 2026.

Military officials, lawmakers, and the wind industry in at least five countries have yet to agree who should bear the cost, nine wind and defence industry insiders and government officials told Reuters.

Finland, Sweden, Denmark, the Netherlands and Germany either told Reuters or have said elsewhere that it is primarily industry's responsibility to invest and secure wind farms; Poland and Belgium have said it was a shared responsibility and the other countries said the state or navy should have a role to play in risk assessment or in threat situations.

Norway, Estonia, France and Lithuania did not respond to Reuters' inquiry. Latvia has yet to build its planned windfarms, so declined to comment.

"Protecting underwater infrastructure, including cables, pipelines and wind turbines, is crucial but challenging. It requires a lot of effort from the government side," said Mattia Cecchinato, senior adviser for offshore wind at WindEurope.

"The industry wants to and must do its part too."

'SOMEONE TAKE CHARGE'

A direct attack on a NATO country could trigger a full response from the alliance. NATO is clear that within territorial waters, it's down to states to protect their infrastructure.

But without surveillance, it is not possible to find culprits. And most planned new offshore projects will be in international waters.

There is one planned project where Orsted says the roles are clear - a 1.5 gigawatt offshore wind project it is building in the Polish part of the Baltic.

Poland in July passed legislation to allow its military to sink an enemy ship targeting energy infrastructure there. It said it would establish a permanent coast guard base close to where offshore wind farms are planned.

"It is very clear in Poland who is responsible," said Orsted's head of European operations Rasmus Errboe.

But even Poland thinks the burden should be shared.

"The military's role is to defend critical infrastructure in war time ... but the day-to-day activity of protecting infrastructure is a commercial issue," said Krzysztof Jaworski, Commander of the Naval Operations Centre in the Polish Navy.

Elsewhere in Europe, Orsted's Errboe said, there are different framework conditions depending on where you are.

"From the industry's side, there is an unequivocal need for someone to take charge," he said.

Top News - Dry Freight

Ukraine says its Black Sea grain corridor is working

Ukrainian Deputy Prime Minister Oleksandr Kubrakov denied on Thursday reports by Ukrainian and British firms that the new Black Sea export corridor had been suspended.

"The information regarding the cancellation or unscheduled stoppage of the temporary #Ukrainian_corridor for the movement of civilian vessels from and to the ports of the Big Odesa (region) is false," Kubrakov said on X, formerly Twitter.

"All available routes established by the Ukrainian Navy are valid and being used by civilian vessels."

The Kyiv-based Barva Invest consultancy, British security firm Ambrey and a specialised outlet, Ukrainian Ports, reported that Ukraine had suspended use of the corridor due to a possible threat from Russian warplanes and sea

mines. Ukraine has been using the corridor to try to revive its seaborne exports without Russian approval, defying threats from Moscow which quit a U.N.-brokered deal in July that had allowed some food exports to flow despite the war.
"We would like to inform you of a temporary suspension of vessel traffic to and from (the ports). The current ban is in force on Oct. 26, but it is possible that it will be extended," the consultancy said on the Telegram messaging app.
Chicago wheat futures Wv1, a global price benchmark, turned higher on the news to recover from an earlier two-week low. They later traded up about 1%.
Wheat futures had been pressured this week by hopes that Ukraine would expand grain exports, as well as rain relief in dry crop belts worldwide. GRA/
Barva Invest, which specialises in Ukraine's agriculture sector, said a de facto suspension had already been in place for two days at the behest of Kyiv's military, which had cited a threat from increased Russian air force activity.
Russian President Vladimir Putin said last week that he had ordered Russian warplanes armed with Kinzhal missiles to patrol the Black Sea.
British maritime security company Ambrey said in a report that the Ukrainian Seaport Authority issued a communique late on Wednesday, saying: "There would be no vessel movement along the corridor for entry and exit on 26th of October, 2023."
The suspension was prompted by Russian Air Force operations in the region, it said.
"On October 25th, Ambrey informed its clients that the Russian Air Force had dropped at least four objects, likely acoustic and/or magnetic sea mines, into the Ukrainian grain corridor transit area near Snake Island, Ukraine," it said.

HUMANITARIAN CORRIDOR
Ukraine launched a "humanitarian corridor" for ships bound for African and Asian markets in August to try to circumvent a de facto blockade in the Black Sea after Russia quit the deal that had guaranteed Kyiv's seaborne exports during the war.
Later, a senior agricultural official said the route - which runs along Ukraine's southwest Black Sea coast, into Romanian territorial waters and onwards to Turkey, would also be used for grain shipments.
About 700,000 tons of grain have left Ukrainian ports via the new route since it began operating in August. Ukraine shipped up to six million tons of grain a month from its Black Sea ports before Russia's full-scale invasion in February 2022.
Kubrakov said 23 ships were loading in the ports of Odesa, Chornomorsk and Pivdennyi.
"A total of 51 vessels used the entrance corridor. 33 vessels exported more than 1.3 million tons of Ukrainian agricultural products and other cargo," he said.

India cuts floor price for basmati rice exports to revive shipments
India has cut the floor price for basmati rice exports to $950 per metric ton from $1,200, a government source told Reuters on Thursday, after farmers and exporters complained it was damaging the trade by stalling shipments.
India had imposed a $1,200 per ton minimum export price (MEP) on basmati rice shipments in August to keep a lid on local prices ahead of key state elections.
The MEP was expected to be cut with the arrival of the new season harvests, but the government said on Oct. 14 it would maintain it until further notice, angering farmers and exporters who said the new season's rice crops had led to a drop in domestic prices.
Authorities later said they were actively reviewing the MEP. "The reduction will reinstate competitiveness of Indian basmati rice shipments at the global markets. Exporters are now working towards regaining the lost ground," said Atul Garg, managing director at GRM Overseas, a leading exporter.
India and Pakistan are the leading exporters of basmati rice. New Delhi exports more than 4 million metric tons of basmati - the premium long-grain variety famed for its aroma - to countries such as Iran, Iraq, Yemen, Saudi Arabia, the United Arab Emirates and the United States.
India is set to produce more basmati rice this year than the previous year as farmers have expanded their cultivation areas following record returns last year, said a dealer with a global trade house.
However, farmers were struggling to sell paddy because millers and traders stopped coming to key wholesale markets to make purchases, he said.
"Now they will start buying paddy, which will help stabilize paddy prices that have corrected nearly 20% in the last two months," he added.
India, the world's biggest rice exporter, has also curbed exports of non-basmati rice varieties.

Picture of the Day

Cows stand in the sales ring as auctioneers make announcements at Kilcullen Cattle Mart, in Kilcullen, Ireland, October 25. REUTERS/Clodagh Kilcoyne

(Inside Commodities is compiled by Jerin Tom Joshy in Bengaluru)

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