

## TOP NEWS

**Ship blocking Suez Canal like 'beached whale' could be stuck for weeks**

A container ship blocking the Suez Canal like a "beached whale" may take weeks to free, the salvage company said, as officials stopped all ships entering the channel on Thursday in a new setback for global trade.

The 400 m (430 yard) Ever Given, almost as long as the Empire State Building is high, is blocking transit in both directions through one of the world's busiest shipping channels for oil and grain and other trade linking Asia and Europe.

The Suez Canal Authority (SCA) said eight tugs were working to move the vessel, which got stuck diagonally across the single-lane southern stretch of the canal on Tuesday morning amid high winds and a dust storm. "We can't exclude it might take weeks, depending on the situation," Peter Berdowski, CEO of Dutch company Boskalis which is trying to free the ship, told the Dutch television programme "Nieuwsuur".

**Soy, sugar traders fight for space in Latam's largest port; costs jump**

Soy and sugar traders are fighting for room in Latin America's largest port, rushing to secure loading slots as the slowest Brazilian soy harvest in 10 years pushes the grains export window into the sugar season.

Congestion was hitting Brazil's Santos port just as consumers worldwide have been turning to top exporter Brazil for sugar and soybean supplies. The glut of shipments waiting to leave is boosting transport costs and will likely delay arrivals at destinations.

Sugar prices hit a four-year high late last month, boosted by supply tightness. Soybean prices, already near seven-year highs, could rise further at a time when Brazil is effectively the world's main supplier.

"It is a perfect storm, a combination of factors that are leading to soy and sugar to compete for logistics," said Tiago Medeiros, Brazil head and executive director for Czarnikow Group, a food trader and supply chain services provider.

**Egypt's Alexandria and Dekheila ports pause activity due to weather**

Egypt's Alexandria and Dekheila ports, which both lie along the Mediterranean, were closed on Wednesday due to poor weather conditions, the Alexandria Port Authority said in a statement.

The ports are among the biggest in Egypt and each can handle a maximum of 1 million 20ft-equivalent units (TEUs).

High winds and a dust storm were blamed for the stranding on Tuesday morning of a 400 meter long container ship that ran aground in Egypt's Suez Canal, blocking vessels from passing through.

Four Egyptian Red Sea ports had been shut on Tuesday, also due to weather conditions, but all were re-opened by

late on Wednesday, including the Ain Sokhna port, said the Red Sea Ports Authority and the Suez Canal Economic Zone Authority in separate statements.

**EU forecasts higher wheat crop, exports in 2021/22**

The European Commission on Thursday forecast that usable production of common wheat in the European Union's 27 member countries would rise to 126.7 million tonnes in 2021/22 from an estimated 117.1 million this season.

In grain supply and demand data, the Commission also projected that EU exports of common wheat, or soft wheat, would reach 30.0 million tonnes next season compared with 27.0 million expected in the 2020/21 season that ends on June 30.

Common wheat stocks at the end of the 2021/22 season would be 3.4 million tonnes higher than at the end of the current one at 12.9 million tonnes.

The barley harvest next season was also expected to rise, to 56.3 million tonnes from 54.7 million in 2020/21.

**Bad weather slows ship movements at Australia's top coal port of Newcastle**

Australia's Port of Newcastle, the world's largest coal export port, said on Monday that ship movements at the port have been affected by the heavy rainfall that has hit the east coast of Australia, but operations were continuing.

"Port of Newcastle is monitoring conditions and scheduling vessels in close communication with Port Authority NSW," a Port of Newcastle spokesman said.

"The port continues to operate and is monitoring conditions closely," it said.

All coal rail deliveries into the port, which last year shipped 158 million tonnes of coal, have been halted as a safety precaution on the rail lines.

**Australian coal rail line to Newcastle port partly reopens as flood waters recede**

Australian Rail Track Corp (ARTC) said on Wednesday it has partially reopened the Hunter Valley coal rail lines to Newcastle, the world's biggest coal export port, after nearly a week of heavy rain stopped in New South Wales state.

Coal rail deliveries to the Port of Newcastle, which last year shipped 158 million tonnes of coal, were suspended on Thursday when relentless rainfall began in New South Wales, triggering the worst floods in at least 50 years.

"Coal services have resumed in a limited capacity following minor restoration works, which were carried out during a six hour work window on Wednesday morning after flood waters receded at Sandgate," the ARTC, which runs the rail network, said in a statement.

It has reopened limited operations between Newcastle and Maitland and said it would continue to assess conditions as it progresses toward a full return to service.



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**Brazilian sugar exports seen falling by 3 mln T in 2021/22 -report**

Brazil's centre-south sugar exports are expected to fall by 3 million tonnes in the 2021/22 season that starts in April, to 26.5 million tonnes, as a smaller sugar cane crop will cut the sweetener's production, according to a report on Wednesday.

Agricultural analyst Agroconsult projects centre-south sugar production to fall to 35.8 million tonnes in 2021/22 from 38.4 million tonnes in the previous season as total cane crush is estimated to fall 3.3% to 585 million tonnes due to dryer-than-normal weather in the region.

Brazil's central areas had below-average rains during most of the cane development period that runs from late last year to now. The reduced rainfall has also delayed the start of the crushing season, with most mills deciding to kick off crushing later to give plants more time to grow. Agroconsult also expects smaller cane-based ethanol production in the new season, at 28.1 billion liters from 30 billion liters in the previous crop.

The consultancy's sugar analyst, Fabio Meneghin, said sugar content in cane is expected to be smaller this year, at 142.4 kg per tonne of cane from 146.4 kg/tonne in 2020/21.

**China's soybean imports from Brazil plunged in Jan-Feb on cargo delays**

China's soybean imports from Brazil fell sharply in the first two months of 2021 compared to the same period last

year, customs data showed on Saturday, as rain delayed some shipments from the top exporter.

China, the world's top buyer of soybeans, brought in 1.03 million tonnes of the oilseed from Brazil in Jan-Feb, down nearly 80% from 5.14 million tonnes a year earlier, data from the General Administration of Custom showed.

Rain in Brazil has slowed the harvest and exports in the South American country, forcing some crushers in China to consider curbing operations.

**Argentina orders grain port workers to end short-lived strike and negotiate**

Workers at the Argentine grains port hub of Rosario ended an hours-long strike on Friday, after the government ordered labor unions to negotiate a settlement with management.

The General Labor Confederation of San Lorenzo, which represents workers in the northern part of the Rosario grains hub, began the strike at the start of the morning shift over claims that one of the export companies operating in the area had laid off workers without proper compensation.

"The protest has been lifted. We have a meeting at the Labor Ministry on Monday to negotiate an end to the conflict," union official Pablo Reguera told Reuters. The work stoppage had originally been scheduled to last 24 hours. Rosario, located on the banks of the Parana River in Santa Fe province, ships about 80% of Argentina's farm exports.

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(Inside Dry Freight is compiled by Carl Bob Willis Bagh in Bengaluru)

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