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China soybeans: Crushers slow buying pace

Beijing, 25 March (Argus) — Chinese soybean crushers have slowed their buying pace because of delayed soybean arrivals from the global market and uncertainties surrounding soybean trade flows between the US and China.

Chinese crushers largely retracted their bids on the day for near- and far-curve loadings. China's current buying pace is still below market estimates but some crushers decided to hold off on purchases. Delayed soybean harvest and port-loading in Brazil in early 2025 and tighter Chinese customs inspection processes pushed back large-scale soybean arrivals to mid-April onwards. This, paired with nearly muted domestic soybean meal demand, encouraged buyers to trim purchasing of near-curve loading soybeans.

For far-month shipments, the lack of direction on US-China trade flows also discouraged buyers from purchasing at current price levels.

Differentials to the Chicago Board of Trade futures slid by 1-7¢/bu on the day for May-August loadings from Brazil, driven by reduced Chinese buying interest. Exporters also largely retracted their offers for far-month shipments from the origin.

But certain large-scale crushers were still in the Brazilian soybean market, with two deals reported overnight. One deal was booked to be shipped in late April-early May, and the other was for loading in late May-early June.

Brazil's 2024-25 soybean harvest advances rapidly

Sao Paulo, 25 March (Argus) — Brazil's 2024-25 soybean harvest maintained a fast pace in the week ended 23 March, according to national supply company Conab.

- Work advanced by 6.6 percentage points to 76.4pc of the sowed area since 16 March.
- This is above last year's pace of 66.3pc and the five-year average of almost 66.2pc.
- Central-western Mato Grosso do Sul is the only state to post a yearly delay, as rains slowed activities.
- Crops conditions continue to be considered as favorable in central-western Mato Grosso and southern Parana states, the two largest producers.
- Some regions in southern Rio Grande do Sul state are posting yields below 10 60kg bags/hectare (ha) because of dry weather conditions.

- Recent dry weather and high temperatures hampered development in central-western Goias and southeastern Minas Gerais states.

Summer corn

- The 2024-25 first corn crop harvest advanced to 48pc from 40.1pc of the sowed area between 16-23 March.
- That compares with 42.8pc sowed a year earlier for the 2023-24 crop. It is also almost 7.9 percentage points ahead of the five-year average.
- Works were interrupted in Rio Grande do Sul because of the return of predominantly dry weather.
- Harvesting in southeastern Sao Paulo and southern Santa Catarina states are now the most advanced.
- Work in Goias begun in the past week, ahead of the previous crop's pace and the five-year average.
- Activities are yet to start in northern Maranhao and Piaui states, as is usual for this time of year.
- Planting wrapped as of 9 March, in line with the pace from the 2023-24 season and the five-year average.

Winter corn

- The 2024-25 second corn crop planting advanced by 6 percentage points to 95.6pc of the expected areas in the week ended 23 March.
- The pace returned to an advantage from the five-year average, which is of 91.9pc. The 2023-24 crop was 96.8pc planted at this time in 2024.
- Work is now complete in Mato Grosso — the country's largest corn producer — in line with the progress from a year before and slightly ahead of the five-year average.
- Crop conditions in Mato Grosso are considered favorable.
- Goias, Maranhao and Piaui also wrapped activities this week, ahead of the five-year average in the states.
- Dry weather and high temperatures hamper crop development in Parana, Goias and Minas Gerais.

Cotton

- Planting of the 2024-25 cotton crop has been considered complete nationally since 9 March.
- That is in line with the progress a year ago and slightly above the five-year average of 99.9pc.

PLANTING PROGRESS

STATE	2024	2025		Five-year average
	24 Mar	16 Mar	23 Mar	
SUMMER CORN CROP, 2024-25				
MARANHAO	100.0%	100.0%	100.0%	100.0%
PIAUI	100.0%	100.0%	100.0%	100.0%
BAHIA	100.0%	100.0%	100.0%	100.0%
GOIAS	100.0%	100.0%	100.0%	100.0%
MINAS GERAIS	100.0%	100.0%	100.0%	100.0%
SAO PAULO	100.0%	100.0%	100.0%	100.0%
PARANA	100.0%	100.0%	100.0%	100.0%
SANTA CATARINA	100.0%	100.0%	100.0%	99.9%
RIO GRANDE DO SUL	100.0%	100.0%	100.0%	100.0%
TOTAL	100.0%	100.0%	100.0%	100.0%
WINTER CORN CROP, 2024-25				
GOIAS	100.0%	99.0%	100.0%	95.0%
PIAUI	75.0%	70.0%	100.0%	82.2%
TOCANTINS	100.0%	100.0%	100.0%	85.6%
SAO PAULO	70.0%	25.0%	85.0%	58.0%
MINAS GERAIS	85.6%	65.0%	83.2%	74.0%
MARANHAO	99.0%	92.0%	100.0%	90.0%
MATO GROSSO DO SUL	94.0%	80.0%	87.0%	83.6%
MATO GROSSO	100.0%	98.8%	100.0%	99.1%
PARANA	96.0%	82.0%	91.0%	81.4%
TOTAL	96.8%	89.6%	95.6%	91.9%
COTTON CROP, 2024-25				
MARANHAO	100.0%	100.0%	100.0%	100.0%
PIAUI	100.0%	100.0%	100.0%	100.0%
BAHIA	100.0%	100.0%	100.0%	100.0%

MATO GROSSO	100.0%	100.0%	100.0%	99.8%
MATO GROSSO DO SUL	100.0%	100.0%	100.0%	100.0%
GOIAS	99.0%	100.0%	100.0%	99.8%
MINAS GERAIS	100.0%	100.0%	100.0%	99.8%
TOTAL	100.0%	100.0%	100.0%	99.9%

Harvesting progress				
State	**2024**	**2025**		**Five-year average**
	24 Mar	**16 Mar**	**23 Mar**	
Summer corn crop, 2024-25				
Maranhao	0.0%	0.0%	0.0%	0.0%
Piaui	0.0%	0.0%	0.0%	0.0%
Bahia	2.6%	12.0%	18.0%	18.0%
Goias	0.0%	0.0%	2.0%	0.6%
Minas Gerais	28.0%	19.0%	38.0%	27.8%
Sao Paulo	75.0%	75.0%	90.0%	63.4%
Parana	87.0%	74.0%	81.0%	69.4%
Santa Catarina	78.0%	63.0%	85.5%	76.5%
Rio Grande do Sul	76.0%	84.0%	84.0%	71.0%
Total	42.8%	40.1%	48.0%	40.1%
Soybean crop, 2024-25				
Tocantins	65.0%	70.0%	75.0%	65.6%
Maranhao	38.0%	52.0%	55.0%	46.6%
Piaui	24.0%	32.0%	55.0%	32.4%
Bahia	40.0%	70.0%	80.0%	42.6%
Mato Grosso	95.5%	96.6%	98.8%	96.3%
Mato Grosso do Sul	90.0%	80.0%	85.0%	85.0%

Goias	75.0%	82.0%	90.0%	82.9%
Minas Gerais	60.0%	75.0%	86.0%	71.2%
Sao Paulo	88.0%	95.0%	97.0%	74.0%
Parana	80.0%	72.0%	81.0%	67.0%
Santa Catarina	29.0%	35.0%	45.0%	32.6%
Rio Grande do Sul	3.0%	10.0%	19.0%	6.8%
Total	66.3%	69.8%	76.4%	66.2%

EU winter crops in fairly good condition: Mars

London, 25 March (Argus) — Winter crops are in fairly good condition across most of the EU, although dry soil puts regions in Romania, Bulgaria and Hungary at risk, according to the latest European Commission Monitoring Agricultural Resources (Mars) bulletin.

Prevailing dry soil conditions in southwestern Romania, northwestern Bulgaria and eastern Ukraine are likely to have irreversibly harmed crops, according to the report.

In Bulgaria, winter crop establishment has been below average across most of the country, being particularly weak in northwestern and south-central Bulgaria. There has been a lack of precipitation since late December, which could cause serious issues when crop growth and water demand intensify in the coming weeks, Mars said.

The report indicated higher crop yield forecasts, but said the projections "at this early stage of the season are predominantly based on historical trends, resulting in figures at EU level that are above last year's poor results, and above the five-year average".

It pegged EU crop yields at 6t/hectare (ha) for non-durum wheat, up by 8pc from last year and above the five-year average of 5.77t/ha.

And Mars expects some European countries to see lower crop yields in the coming season. Minor frost damage may have occurred in eastern and southern Ukraine, it said, with winter crop yield outlook slightly below the five-year average.

The report projects non-durum wheat crop yields in Romania to fall by 1pc on the year, to 4.58t/ha.

Rapeseed

Snow cover in Bulgaria helped winter crops avoid severe frost damage, but winter rapeseed may suffer as a result of its reduced resistance to frost, the report said.

A cold spell at the end of February in Romania and Bulgaria is likely to have caused damage to winter rapeseed in these countries, Mars said.

In the Baltic states, rapeseed crops are likely to fare well, apart from some limited impact in Latvia and Lithuania from a cold spell in mid-February, it said.

Mars expects higher temperatures to support crop development in the coming weeks, although rains are needed to reach optimal soil moisture levels in Lithuania and the wider Baltic region.

Meanwhile, northern Germany had its driest period on record between 1 February and 15 March. This puts the country's winter grains and rapeseed at risk, with precipitation needed to maintain crop potential, Mars said.

US vows Russia shipping, insurance sanctions relief

Washington, 25 March (Argus) — The US has promised to restore Russia's access to global grains and fertilizer markets curbed by sanctions on shipping, insurance and payment systems.

The US committed to taking those steps following discussions on the Black Sea maritime security with Russian officials in Riyadh, Saudi Arabia on 24-25 March.

The other primary purpose of the US-Russia meeting and a separate discussion between the US and Ukraine officials on 23-25 March was to finalize a proposal for a 30-day halt on strikes against energy facilities in Russia and Ukraine. President Donald Trump on 18 March claimed to have secured an agreement from the leaders of Russia and Ukraine to stop mutual strikes on energy infrastructure.

But the outcome of the meetings, which the White House released today, merely commits to "developing measures" and to using "good offices of third countries" to implement the halt on energy strikes. The Kremlin separately said that the energy-related ceasefire agreement, which it claimed to have been in effect since 18 March, "could be extended or discontinued if one of the sides violates it".

The US-Russia and the US-Ukraine agreements on the Black Sea would effectively resurrect the UN-brokered initiative, which enabled the safe export of Ukrainian and Russian grain across the Black Sea. Russia pulled out of that agreement in 2023, complaining that its access to global markets was curtailed by US and EU financial, shipping and insurance sanctions.

The White House said today that the US reached separate agreements with Russia and Ukraine to "ensure safe navigation, eliminate the use of force and prevent the use of commercial vessels for military purposes in the Black Sea."

As part of that agreement with Russia, the US will "help restore Russia's access to the world market for agricultural and fertilizer exports, lower maritime insurance costs, and enhance access to ports and payment systems for such transactions."

The US could unilaterally lift restrictions on the Russian banks' access to the dollar-based financial system that underpins global trade and lift its countervailing duties or import bans on the Russian commodities.

The US imports a handful of fertilizer products from Russia, including potash and a variety of nitrogen-based products. A countervailing duty placed on phosphate cut off imports of that Russian fertilizer product into the US in 2021.

Most sanctions related to shipping and insurance belong under the jurisdiction of the EU and the UK, which have been left out of the US-led discussions.

If the deal succeeds in stopping attacks on merchant vessels in the Black Sea area, additional war risk insurance premium (AWRP) may drop, pushing down freight rates in the region, one shipbroker said. "It will also reduce commodity prices as traders will not need to (buy) insurance from their side as well," the shipbroker said.

A Ukrainian broker said he was not sure if the agreement would address continuing strikes on main Ukrainian ports cluster in the Odesa region. The Barbados-flagged *MJ Pinar* came under a missile attack on 12 March while loading grain for export to Algeria, according to the Odesa governor's office.

Ukraine's defense minister Rustem Umerov confirmed the agreement to ensure maritime security in the Black Sea, but added a warning for Russian naval vessels to remain in the eastern part of the basin. "All movement by Russia of its military vessels outside of Eastern part of the Black Sea will constitute violation of the spirit of this agreement," Umerov said in a social media post.

Moscow, in turn, said it would observe the Black Sea security deal only after it receives sanctions relief promised by the US.

The Kremlin said it would need to secure the lifting of sanctions on Russia's Rosselkhozbank and other banks involved in agricultural and seafood trade finance, the removal of sanctions on leading Russian agricultural producers and shipping sanctions affecting loading of agricultural and fertilizer cargoes from Russian ports.

Jordan buys milling wheat for August in state tender

Paris, 25 March (Argus) — Jordan's state grains buyer MIT has booked milling wheat for late-August shipment under a tender that closed on Tuesday, in its first wheat contract of the new July-June marketing year.

MIT bought 50,000t of milling wheat from the trading firm Buildcom at $265/t cfr Aqaba. Shipment is due between 15 and 31 August.

The tender attracted offers from seven other trading firms.

The initial tender gave the option of shipment between multiple periods over July and August. MIT rejected all offers under an identical tender closed on 18 March, as well as a previous tender spanning shipment in May-July.

Grains, oilseeds and veg oils tenders								
Buyer	**Issued**	**Closes**	**Status**	**Cargo**	**Shipment/delivery**	**Price**	**Seller**	**Notes**
Jordan's MIT	20-Mar	26-Mar	Open	100,000-120,000t feed barley	July-Aug			
Jordan's MIT	19-Mar	25-Mar	Closed	50,000t milling wheat	15-31 Aug	$265/t	Buildcom	cfr Aqaba
Turkey TMO	14-Mar	20-Mar	Closed	18,000 SFO	2-21 Apr	$1,195/t, $1,208.90/t, $1,209/t	Aves, Yayla	cfr, Mersin and/or Iskenderun, Tekirdag
Japan's MAFF	17-Mar	19-Mar	Closed	122,456t milling wheat	Apr-Jun			

Global vegoils: Destination markets attract SFO flows

Kyiv, 25 March (Argus) — Sunflower oil (SFO) demand from Turkey will likely stay firm in the coming weeks thanks to import tariff quotas. In India, sellers of SFO from Argentina could leave Black Sea SFO uncompetitive for shipments for May and beyond.

Over the past week, SFO activity was mainly focused on destination markets. Turkey is likely to maintain buying interest for SFO in the coming weeks, with buyers rushing to use allocated import tariff quotas for sunflower seed and SFO that are valid until 30 April. This resulted in increased trading activity in recent days, including private and state tenders. Turkish state-run grains agency TMO came back to the global vegetable oils market with an SFO tender last week, the first in two years. It booked 18,000t of SFO for shipment in April.

An SFO cargo traded last Wednesday at $1,195/t cif Mersin for April shipment, while on Monday another cargo changed hands at $1,198/t on the same basis for spot shipment.

Meanwhile, India bought last week volumes of Argentinian SFO. At least two cargoes of Argentinian SFO traded at $1,175/t and $1,174/t cif India for April and May shipment, respectively, on Thursday. The price levels were sharply below offers from Ukraine and Russia, which stood at $1,220/t and $1,210/t cif India for April delivery on Friday. Argentinian SFO was later offered higher, at $1,195/t cif India, and did not attract any buyers. Should sellers continue to offer Argentinian SFO at lower levels, it could result in demand shifting from Black Sea to Argentina from May, as advancing sunflower seed harvest in Argentina will increase SFO supply from the origin.

In Europe, trading activity decreased on the week, with only three deals heard last Wednesday. The April-May-June (AMJ) strip traded at $1,230/t, while July-August-September (JAS) and October-November-December (OND) contacts changed hands at $1,220/t and $1,110/t fob six ports, respectively.

In China, palm olein prices moved down in the reporting week, tracking lower fob prices at the origin. Most market participants are expecting palm olein prices to fall further in the coming weeks, given that both Indonesia and Malaysia are entering peak production season.

With crude palm oil prices at premiums to crude soybean oil in the global vegetable oil market, it could encourage more demand for the latter. Palm oil trading firms and exporters may have to cut their prices further in the coming weeks to attract deals.

The expectations of lower palm olein prices going forward, buyers remained largely quiet in the palm olein market in the reporting week. Traders talked about some sales over the past week for shipment in May and September, but these deals were yet to be confirmed at the time of writing. That said, with falling cfr prices, China's palm olein import margins have strengthened, especially for May shipment to minus 383 yuan/t (minus $53/t) on 25 March, from minus Yn536/t seven days earlier.

Wheat: Buyers cast gaze on Black Sea new crop

London, 25 March (Argus) — Buyers at destination markets looked forward on Tuesday, mulling prices for Black Sea new crop milling wheat.

Jordan's trade ministry MIT booked 50,000t of milling wheat from trading firm Buildcom on Tuesday for shipment in the second half of August at $265/t cfr Aqaba.

On Black Sea fob markets, sellers offered Ukraine's new-crop 11.5pc protein content milling wheat at around $240/t fob Pivdennyi/Odesa/Chornomorsk (POC) for August loading. This fob level could have room to decline, because corresponding cpt prices were at least $20/t lower. Elevation costs at Ukraine's deep-water ports are around $7-8/t in the spot market, according to market participants.

On the spot market, Ukraine's 11.5pc milling wheat prices came under pressure for delivery to ports, at least partly because some buyers had covered their demand.

And sellers weighed on prices in Ukraine's spot fob POC wheat market, lowering their offers for 11.5pc crop.

Wheat prices in the Black Sea market could also come under pressure if risks to shipping ease.

Meanwhile, some buyers seeking wheat at Romania and Bulgaria's Black Sea seep-water ports of Constanta, Varna and Burgas (CVB) were bidding for old crop in outright terms in euros, rather than the more typical premium over Euronext-listed milling wheat futures.

At least one likely reason for this is the divergence of France's milling wheat market — which underpins Euronext wheat futures — from the Black Sea market. French wheat exports continued to lag far behind historical averages.

Further out, sellers offered new-crop Romanian-Bulgarian milling wheat around $8/t below corresponding offers of Ukrainian crop.

Elsewhere, milling wheat sellers continued to eye Morocco as a potential destination in the coming months, because Morocco has said it would continue with its state rebate until the end of the year, unlike in some previous years when it taxed imports instead to support local producers.

But for now, spot offers of both French and Baltic milling wheat failed to capture buyers' attention.

Feed grains: EU barley prices under pressure

Paris, 25 March (Argus) — European barley sellers remained under pressure on Tuesday, with few buyers willing to pay a high price for a now limited supply of feed grains.

French barley offers held stable on the week in the mid-$230s/t fob, with sellers able to shake off competition from the Baltic states thanks to a freight advantage to Mediterranean markets. The spread in freight between French and Baltic ports stretched some €7/t on Tuesday, market participants said. But limited interest from abroad kept things slow. Bids from Libya failed to match up to offer levels, while Moroccan import activity has slowed since a wave of buying back in January-February.

In France's local market too, demand for feed grains began to wane. Sellers of French feed wheat — particularly those able to supply feed wheat with a higher protein content from central France to blend with a lower protein, higher test-weight crop in the north — had enjoyed firmer bids over the past two weeks. But on Tuesday, buyers tried for feed wheat for April-May delivery to Rouen at a €7/t discount to Paris-listed milling futures on Tuesday, compared with as little as a €4/t discount this time last week.

In Ukraine, corn markets remained active. There were multiple bids for corn on a fob basis at Pivdennyi-Odesa-Chornomorsk (POC) ports for various cargo sizes ranging from coasters to Panamax. Any Panamax buyers may have to contend with strong demand from Turkey, where importers, undeterred by a lack of Ukrainian corn coasters on the market, turned to Handysize vessels instead. By staggering customs clearance into multiple lots of 8,000t one week at a time, Turkish traders can continue to import corn arriving on Handysize cargoes while keeping within the import quota announced last week. But such operations may soon subside. Many Turkish traders are sat on a backlog of corn at ports bought in anticipation of the quota news, and have yet to declare. Market participants expect this to eat up a large share of the 1mn t quota, which is applied on a first-come, first-served basis. For any fresh purchases, Turkish buyers run the risk of paying a 130pc tax on corn once the quota runs out.

Brazil's Parana corn planting nearly done

Sao Paulo, 25 March (Argus) — Planting of the 2024-25 second corn — also known as the winter corn — is nearly finished in Brazil's southern Parana state, with work advancing to 96pc from 91pc of the expected area from 18-25 March.

But that is below the planting pace of the 2023-24 crop, which was 99pc in the same period a year ago, according to the department of rural economics Deral.

Crop conditions worsened in the week, with 70pc of the areas now rated in good quality, compared with 82pc a week prior. Those considered to be in medium conditions rose to 21pc from 14pc. Areas in bad quality rose to 9pc from 4pc.

Summer corn

Parana's 2024-25 first corn harvest increased by 8 percentage points to 92pc of expected areas in the week ended 25 March.

This is slightly above the 91pc harvest progress in the same week last year for the 2023-24 crop harvest.

Crop conditions improved, with areas rated to be of good quality increasing by 3 percentage points from last week to 95pc. That is above the same week last year for the 2023-24 crop, when areas rated in good quality were at 50pc. Areas in medium conditions fell to 5pc from 8pc.

Soybeans

The 2024-25 soybean harvest in Parana kept advancing in the week, while crop conditions improved.

Harvesting work advanced by 9 percentage points on the week to 90pc. That is above the 87pc harvested for the 2023-24 crop in the same period.

Of the crops still in fields, 90pc are rated in good quality, while 10pc of areas are in medium conditions. That compares with 87pc of areas in good conditions, 12pc in medium conditions and 1pc considered to be of bad quality a week prior, according to Deral.

Price and Data

Description	Unit	Price	Date
Corn Ukraine cpt POC spot	USD/t	231,50-	25.03.2025
Wheat 11.5pc Ukraine fob POC spot	USD/t	244,50↓	25.03.2025
Wheat 12.5pc Russia fob Novorossiysk spot	USD/t	255,50↓	25.03.2025
Soybean oil Argentina waterborne fob upriver USD/t month 1 - Houston close	USD/t	972,235↑	25.03.2025
Rapeseed oil fob Dutch Mill RSO - London close	USD/t	1.185,534↑	25.03.2025
Sunflower oil fob northwest Europe 6 ports spot - London close	USD/t	1.225-	25.03.2025

↓ Price dropped in comparison to last report.

↑Price raised in comparison to last report.

-Price has not changed.

References:

www.direct.argusmedia.com