IRON ORE

Some Fortescue Ltd. iron ore cargoes due in China next month are being held up because negotiations between the Australian miner and the country's state-backed buyer remain deadlocked, according to people familiar with the matter. Some Chinese steelmakers aren't currently able to schedule delivery of the cargoes for July, the people said, asking not to be identified because the matter is private. Due to concerns over potential shortages, some buyers sought offers on Friday for alternatives to Fortescue's ore, pushing prices higher. Fortescue is operating under short-term agreements that are due to expire at the end of June. Its talks with CMRG over long-term contracts have stalled, and it's unclear whether the placeholder agreements will be rolled over while negotiations continue. Officials at China Mineral Resources Group Co. have surveyed mills about their use of Fortescue's ore and asked them not to conduct private negotiations with the miner on new contract terms, according to some of the people. Fortescue declined to comment. CMRG didn't immediately respond to a request for comment. Singapore iron ore futures rose 1.3% to $98.75 a ton. (Mining.com)

COAL

China's latest five-year energy plan confirms two seemingly contradictory positions: it will continue to be the world's leader in both renewable energy and coal. The trick is to view China's plans to massively expand renewable power while keeping coal production and consumption around record levels through the prism of energy security. China's industrial leadership in renewables coupled with its vast domestic coal reserves and mining system is seen by Beijing as a way of reducing reliance on imports such as crude oil and liquefied natural gas. The headline news from the plan released last week is that China, the world's biggest energy consumer, expects to generate half of its electricity from non-fossil fuel sources by 2030, up from a 42.3% target for 2025. This will be achieved by increasing wind and solar generation to more than 50% of installed capacity, or 2,700 gigawatts (GW), an increase from 47% as of the end of last year. The new plan may actually be conservative as China's solar and wind capacity additions have outstripped official targets in recent years. But the positive news on renewable capacity additions has to be weighed against China's ongoing reliance on coal, both for power generation and increasingly for chemical and liquid fuel production. (Reuters)

GRAIN

Brazil's grain export outlook remains robust despite a slight downward revision to June soybean shipments. ANEC now forecasts 15.21 million tonnes of soybean exports in June (vs. 15.31 million tonnes previously), which would still mark the largest June soybean export volume on record and represent a 10.3% year-on-year increase. First-half 2026 soybean exports are projected at 73.95 million tonnes, up 8.7% from the same period last year, supported by continued strong Chinese demand, with market participants expecting heavy soybean loading programs through the third quarter. Soybean meal exports are also strengthening, with June shipments estimated at 2.47 million tonnes, up 47.8% year on year, bringing first-half exports to 12.88 million tonnes (+14.3%). The increase reflects elevated domestic soybean crushing activity, ensuring ample meal availability for export. Meanwhile, corn exports continue to improve, with June shipments forecast at 774,000 tonnes, above both last week's estimate and year-ago levels. January–June corn exports are expected to reach 6.53 million tonnes, as exporters increasingly focus on the progress of Brazil's winter (safrinha) corn harvest. ANEC noted that all June export estimates remain subject to revision as vessel lineups evolve. (SP Platts)

OIL

Whilst ship transits through the Strait of Hormuz remain a fraction of their previous norm (130-140 transits per day), plunging crude oil prices suggest the commodity markets anticipate that flows would start to recover sooner than later. The two Middle Eastern crude benchmarks, Dubai and Murban, have flipped into contango, as a temporary period of oversupply is sending ripples across the Asian markets. Logging a hefty 10% weekly loss, ICE Brent will close the week around $72 per barrel, the same level that it was before the US attack on Iran on February 28. China's State Refiners Eye Resuming Iran Imports. Chinese state-controlled refiners such as Sinopec and PetroChina are considering resuming Iranian oil purchases for the first time since 2019 as the 60-day window granted by the Trump administration could be wide enough to complete several transactions. Iraq Might Throw OPEC Under the Bus. According to media reports, Iraq has considered leaving OPEC if the oil group does not allow Baghdad to significantly increase its crude production quotas, currently at 4.378 million b/d, a claim which the Iraqi Oil Ministry subsequently denied and called 'premature'. (Oilprice.com)

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