
Soybeans Buoyed as China Turns to U.S. for Nearby Supplies
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By Bloomberg News

(Bloomberg) -- Soybeans held onto most of Monday's gains after news that China is seeking U.S. soybeans for February shipment because the harvest in Brazil this year will start even later than traders expected.

The soybeans will load at ports in the Pacific Northwest, which have a shorter travel time to China than the Gulf of Mexico. China is looking for more U.S. soybeans after top exporter Brazil suffered from a drought that delayed planting and now downpours that slowed harvesting. The Asian nation needs so much of the oilseed to feed a growing pig herd that it already bought supplies for delivery in August, at the end of the U.S. season, and for 2021-2022.

China's interest in nearby U.S. supplies comes after Chicago soybean futures slumped more than 7% last week, or over \$1 a bushel, the worst performance in more than six years. Crop prices recouped some of their losses on Monday, but remain well down on their multiyear highs earlier in January.

Corn futures in China are also down from record highs this month, tracking Chicago prices and pressured by sales from state wheat stockpiles. In terms of South American supplies, Brazil is heading for a record soybean crop after rains, while dryness is still threatening the production outlook in Argentina.

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Dalian Futures

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Soybean meal for May +0.9% to 3,452 yuan/ton
Corn for May +0.3% to 2,781 yuan/ton
Soybeans for May +1.1% to 5,663 yuan/ton

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CBOT Futures

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Soybeans for March -0.4% to \$13.38 a bushel, after +2.4%
Monday
Corn for March flat at \$5.11 a bushel
Wheat for March -0.9% to \$6.42 1/2 a bushel

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