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US to impose $50/nt fees on Chinese-owned ships

New York, 17 April (Argus) — The US will impose fees of $50/net ton (nt) on Chinese ship operators and owners starting this fall and fees of $18/nt on Chinese-built ships, according to new trade policies released today.

The rules, released by the US Trade Representative late Thursday, would be applied to ships as they called on the US. The rules also take aim at foreign-built vehicle carriers, assessing $150 for every car or vehicle the ship carries, starting in 180 days.

For a 182,000 deadweight tonnes (dwt) Capesize vessel owned by a Chinese operator, which commonly carries dry bulk commodities like grains, the fee would be nearly $3mn. The fees would increase by $30 year for the following three years. For a Chinese-built Capesize the fee would be around $1mn.

The closely-watched proposals — part of President Donald Trump's plan to kick-start a flagging US shipbuilding industry and challenge Chinese dominance in the sector — were the subject of hearings and public comments last month in Washington, DC.

The original proposal included fees of up to $1.5mn per port call for ships based on the percentage of Chinese-built vessels in an operator's fleet. But the plans released Thursday back off some of the worst-case scenarios.

The fees would be assessed for every voyage to the US, not for every port of call — meaning a ship that calls on multiple US ports on a trip would only be assessed the fees once.

The fees will not be stacked and will also not be assessed on any single ship more than five times per year.

The fees will not apply to Chinese-built ships that are owned by certain US companies, engaged in a voyages of less than 2,000 nautical miles, and vessels with capacities of less than 55,000 dwt or 80,000 dwt for bulkers. The weight limits mean that nearly all asphalt, coal and petcoke vessels would be exempted.

Vessels operating in the Great Lakes, the Caribbean, shipping to and from US territories, or bulk operators that arrive in the US empty would also be exempt.

If Chinese ship operators show proof of ordering a US-built ship, fees will be suspended for three years on one similar ship in their fleet.

Shipping market participants said the proposals could significantly curtail US import and exports and hurt the broader economy. Higher costs for shipping would likely be passed on to US consumers.

The restrictions will expand over time. In three years the US would require one percentage of US LNG exports be carried on US-built, -owned and -flagged ships.

The USTR is open for comments on its proposed actions and will hold a public hearing on 19 May ahead of their implementation in October.

China soybeans: Muted flows pressure cfr

Beijing, 18 April (Argus) — Chinese buyers suspended soybean purchases because of weak crush margins, resulting in cfr premiums declines.

Differentials to the Chicago Board of Trade (CBOT) futures fell by 1.5-4¢/bu for June-August shipments from Brazil, tracking lacklustre demand from China this week, on the back of recent crush margin losses.

Brazilian farm sales remained slow with some 300,000-500,000t traded on the day because of currency appreciation against the US dollar, which supported fob prices at the origin but failed to boost China-bound cfr.

Traders confirmed two Brazilian cargoes traded on 16 April at 145¢/bu cfr to the July CBOT contract for shipment in late May to early June. China also booked soybeans from Argentina or Uruguay on the same day possibly for June-loading, but details have yet to be confirmed at the time of writing.

China bought totalled nine cargoes so far this week, mostly for May-July shipments. Soybean purchases were significantly below the pace last week, which was some 70 cargoes traded.

Chinese crushers are poised to increase their running rate in the next 1-2 weeks, considering higher soybean arrivals from global market. This could lift domestic supply on soybean meal.

China corn: Narrower spread lifts wheat demand

Beijing, 18 April (Argus) — The spread between Chinese wheat and corn spot prices continued a downtrend, boosting demand for feed wheat and curbing the price rise for corn.

Spot wheat prices in China's major belt, the North China Plain (NCP), averaged 2,420-2,450 yuan/t ($332-336/t) in mid-April, while corn prices were in a range of Yn2,250-2,270/t during the same period, according to an Argus survey. This left the NCP wheat-corn spread at Yn170-180/t, a narrower spread compared with Yn210-220/t in late March.

The nationwide spread fell to Yn259/t in the week ending 8 April from Yn370/t a year earlier, data from China's National Food and Strategic Reserves Administration show.

Animal feed producers in southern Chinese regions have adopted wheat as a substitute for corn because of the narrower spread. The protein content of wheat is typically higher than that of corn, which is another reason why the feed producers prefer to use it.

Locally-produced wheat is set to start harvesting in late May to mid-June, which is likely to weigh on spot wheat prices further and narrow its spread with corn in the coming months, according to market participants.

Chinese corn spot prices in the NCP and northeastern regions remain in an upward trajectory in the NCP and northeastern regions because farmers in these growing belts have nearly sold out their stocks. Farmers in some key areas have sold nearly 94-96pc of their crops as of 17 April, rising by 7-16 percentage points on the year, according to market sources.

The expected supply squeeze pushed spot corn prices close to a range of Yn2,220-2,230/t at north China ports on 18 April, representing a rise of Yn10/t from seven days earlier. Prices for domestic products at south China ports are showing a similar uptrend, with indications offered by trading firms rising by Yn10/t on the week to Yn2,300-2,310/t on 18 April. Most market participants expect that the uptrend in corn prices is likely to continue until the bulk arrival of new-crop wheat in late-May.

As for imported products, stronger corn futures prices listed on the Chicago Board of Trade boosted corn offer indications for shipments to be made in June. China's retaliatory

tariffs on US products may further restrain corn imports from the US, which is likely to spur Chinese processors to shift their purchases to other supply sources, including new-crop products from Ukraine and Brazil.

China's corn imports totaled 80,000t in March, down sharply from 1.71mn t on the year, customs data show. This brings China's corn receipts to a total of 1.1mn t for the 2024-25 season starting last October, compared with 18.5mn t received over the same period during 2023-24.

Serbian corn output to rise if summer weather allows

Paris, 19 April (Argus) — Serbia's corn production could rebound sharply this year if weather remains mild from May into the summer, according to the latest report from the US Department of Agriculture (USDA)'s Foreign Agriculture Service (FAS).

FAS projects Serbia's corn production at 7.1mn t for the upcoming October-September marketing year, with exports expected at 2.5mn t. Weather conditions have so far been favourable, but the picture could change over the coming summer months.

Serbia's corn production has been curtailed by drought through the latter stages of the crop cycle in May-September for the past three years in a row. For the current 2024-25 marketing year, FAS estimates put Serbia's corn production and exports at just 5.3mn t and 1.5mn t, respectively. Almost 60pc of the 2024 harvest was infected by aflatoxins, deterring international buyers, FAS said. Serbian corn also struggled to compete for export via Danube River ports against cheaper Ukrainian and Russian corn, according to FAS. So far this marketing year, traders have moved close to 60pc of Serbia's corn exports via the Danube to the Romanian port of Constanta, FAS said, with the remainder travelling by truck or train elsewhere.

As for wheat, the USDA attache expects Serbia to produce 3.3mn t in 2025-26 (July-June), in line with its latest estimate for the 2024 harvest. This figure relies on improved weather conditions for the current growing season and a year-on-year rise in yields, given a 4pc year-on-year fall in areas expected for the 2025 harvest.

FAS projects Serbia's wheat exports for 2025-26 at 1.5mn t, up from 1.4mn t estimated for the previous two marketing years. Around 30pc of Serbia's wheat exports to date have

travelled via river barges for onward shipment from Constanta, with traders moving the remainder via truck and train to neighbouring countries and Italy, FAS said.

Canada expects rise in wheat exports

Paris, 19 April (Argus) — Canada could export more wheat than previously expected in both the current and upcoming August-July marketing years, according to the country's agriculture ministry, Agriculture and Agri-Food Canada (AAFC).

For the current 2024-25 marketing year, AAFC projected Canada's total wheat exports at 26.25mn t in its April report on the outlook for principal field crops. The figure is up by 100,000t from the ministry's previous forecast released in March. This reflects a rise in exports of durum wheat from 4.9mn t in the previous report to 5mn t, reflecting strong exports to the EU, US and North Africa in recent months.

For the upcoming 2025-26 marketing year, AAFC expects higher exports of wheat other than durum to lift the figure for Canada's wheat exports overall. AAFC trimmed its forecast for use of wheat (excluding durum) in the domestic sector by 200,000t, and instead allocated this to exports. Projected exports for wheat excluding durum now stand at 20.9mn t for 2025-26, up from 20.7mn t previously.

AAFC simultaneously cut its forecast for ending stocks in 2024-25 by 100,000t to 4.3mn t, and for 2025-26 by 50,000t to 4.55mn t.

AAFC kept its balance sheet for canola unchanged from the previous report, but noted several factors to watch in the coming months, including global trade disruptions and tariff policy in China.

Price and Data

Description	Unit	Price	Date
Corn Ukraine cpt POC spot	USD/t	235↑	18.04.2025
Wheat 11.5pc Ukraine fob POC spot	USD/t	242,50-	17.04.2025
Wheat 12.5pc Russia fob Novorossiysk spot	USD/t	250-	17.04.2025
Soybean oil Argentina waterborne fob upriver USD/t month 1 - Houston close	USD/t	981,94-	17.04.2025
Rapeseed oil fob Dutch Mill RSO - London close	USD/t	1239,481-	17.04.2025
Sunflower oil fob northwest Europe 6 ports spot - London close	USD/t	1.228,75-	17.04.2025

↓ Price dropped in comparison to last report.

↑Price raised in comparison to last report.

-Price has not changed.

References:

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