

CSI DAILY NEWS



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Bulk Freight Market Rebounds: Baltic Dry Index Jumps 88% in 2025

The Baltic Dry Index (BDI) recorded its strongest annual growth in nine years in 2025, rising by 88.3%, according to data cited by Trading Economics. The surge marked the sharpest increase since 2016 and followed a steep 52.5% decline in 2024, the largest annual drop in a decade.

On December 24, the index slipped by 0.6% to 1,877 points, its lowest level since mid-July, marking the final trading session of the year. The Baltic Exchange, which calculates the index, is set to resume daily publications on January 2, 2026, following the Christmas and New Year holidays.

The Baltic Dry Index reflects freight rates for major bulk carriers, including capesize vessels used primarily for iron ore and coal shipments, panamax vessels transporting grain and coal, and supramax vessels.

Russia Expands Agro-Industrial Cooperation with African Markets

Africa remains one of the key destinations for Russian agricultural exports, accounting for around 40% of total overseas shipments in recent years. In 2024, Russian agricultural exports to the continent reached \$6.97bn, while total deliveries including fertilizers amounted to \$9.5bn. However, exports declined to \$2.1bn in the first half of 2025 amid a temporary reduction in Russia's export capacity.

Grain remains the backbone of Russian supplies to Africa, representing 87% of total exports. In 2024, wheat exports totaled \$5.8bn, barley \$231.7mn, and corn \$40.2mn. Fertilizers also play a strategic role, accounting for about 10% of the market, with deliveries of 1.9mn tonnes valued at \$1.5bn. Vegetable oil exports reached \$702mn, with Russia supplying more than one-third of Africa's total imports. Demand is also growing for dairy products that meet halal standards, as well as for fish and seafood, with exports to South Africa reaching \$100mn.

Major Russian companies continue to strengthen their presence on the continent. PhosAgro supplies fertilizers to 21 African countries, accounting for about 7% of total fertilizer imports. EuroChem increased its deliveries by 45% in 2024, while Uralchem plans to raise exports to 5mn tonnes by 2030 and has established joint ventures in South Africa and Côte d'Ivoire. Agricultural holdings are also expanding grain and oilseed shipments, with some exporters supplying more than 100,000 tonnes annually.



Looking ahead, total shipments to Africa could reach \$21bn by 2030. The fertilizer market alone is expected to grow by more than 30%, to around \$20bn. Additional growth opportunities exist in poultry, pulses, confectionery products and dairy, supported by government transport subsidies.

At the same time, exporters face a number of challenges, including logistical constraints, port infrastructure limitations, higher insurance costs for maritime transport, climate-related risks, settlement difficulties, and strong competition from China, the US, the EU, Brazil, India and Turkey.

Despite these risks, Russia retains competitive advantages such as price competitiveness, the ability to supply large volumes, diversified production geography and an integrated approach that includes training and technical support. With African agricultural imports expanding at an average annual rate of around 20%, the region remains a promising market for Russian agro-industrial exports.

Iraq May Significantly Increase Wheat Imports in 2026

Iraq's wheat import requirements could rise sharply in 2026 amid worsening drought conditions, according to market analysts cited by Reuters. For several years, the country had largely eliminated wheat imports by boosting domestic production, achieving three consecutive seasons of surplus through extensive government support measures.

In recent years, Iraqi authorities invested heavily in high-yield seed varieties, modern irrigation systems, and desert farming technologies, while also subsidizing grain purchases by offering farmers prices more than double prevailing global levels. These policies helped build strategic wheat reserves exceeding 6 million tonnes in some seasons, surpassing the country's storage capacity. The government purchased around 5.1 million tonnes of wheat from the 2025 harvest and stated in September that existing reserves were sufficient to meet annual domestic demand.

However, the current agricultural season has been marked by exceptionally low rainfall. Iraq is experiencing its driest year in modern history, with water levels in the Tigris and Euphrates rivers falling to record lows. Experts warn that wheat production could decline by 30–50% as a result.

According to preliminary estimates from the Food and Agriculture Organization (FAO), Iraq's wheat import needs in the 2025/26 marketing year may increase to around 2.4 million tonnes. While global wheat markets remain oversupplied and prices are relatively low, analysts caution that Iraq could again face price volatility.

If these projections materialize, Iraq may return to international markets as a major wheat buyer, creating additional opportunities for exporters, including Russia, despite strong competition from other supplying countries.



Commodity Auctions: Results For 25.12.2025

Purchase

LLC "Customer No. 1"

Wheat 4th grade, 12.5% (excluding VAT) | 16,225 ₰/t | 600 t

LLC Trading House "Sodruzhestvo"

Soya 40 Far East (with VAT) | 22,500 ₰/t | 1,000 t

LLC Trading House "Sodruzhestvo"

Soya 38 (including VAT) | 31,000 ₰/t | 1,000 t

LLC "Customer No. 1"

Wheat 4th grade, 12.5% (excluding VAT) | 15,650 ₰/t | 620 t

OZK Trading LLC

Wheat 4th grade, 12.5% (excluding VAT) | 16,250 ₰/t | 75 t

OZK Trading LLC

Wheat 4th grade, 12.5% (excluding VAT) | 15,635 ₰/t | 1,200 t

Peasant farm Derevyanko V.I.

Wheat 4th grade, 12.5% (excluding VAT) | 15,300 ₰/t | 5,810 t



LLC "CHERKIZOVO-MASLA"

Soya 40 (including VAT) | 33,050 P/t | 1,000 t

LLC "CHERKIZOVO-MASLA"

Soya 41 (with VAT) | 34,050 P/t | 1,700 t

Russia to Raise Sunflower Oil Export Duty in January, Cut Meal Levy to Zero

Russia will raise export duties on sunflower oil and its blends in January 2026, while removing the duty on sunflower meal.

From January, the export duty on sunflower oil and its mixtures will increase to 9,298.6 rubles per tonne, up from 8,214.5 rubles per tonne in December. In contrast, the export duty on sunflower meal will be reduced to zero from the current level of 783.1 rubles per tonne.

The revised duties are based on updated indicative prices. The reference price for sunflower oil has been set at \$1,200.2 per tonne, compared with \$1,169.5 in the current month, while the indicative price for sunflower meal has declined to \$195.7 per tonne from \$210.9.

Russia's December Wheat Shipments Expected to Approach Historic Levels

Russian wheat exports in December 2025 are expected to approach near-record levels, according to estimates from the Sovecon analytical center. Shipments for the month could total around 3.9 million tonnes, exceeding the 3.4 million tonnes exported in December last year, though remaining below the all-time high of 4.1 million tonnes recorded in December 2022.

Export activity has strengthened in recent months. Sovecon data show that wheat exports reached a record 5.1 million tonnes in November, up from 4.1 million tonnes a year earlier. In October, shipments amounted to 5.5 million tonnes, slightly below the previous season's peak of 5.6 million tonnes.

For the first half of the current agricultural year, Sovecon estimates total wheat exports at 26 million tonnes, which is 2.4 million tonnes lower year on year.



References:

www.interfax.ru

Agroexport Telegram Channel

Agroexpert Telegram Channel

World Trading Telegram Channel

Namex Telegram Channel

Picture from www.deliverdeli.com