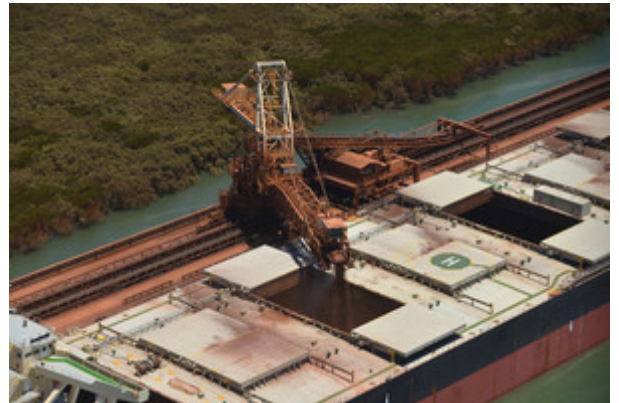


Sugar and rice shippers return to dry bulk

25th October 2021



Food traders have been switching from containers to dry bulk vessels to transport refined sugar and rice in an effort to bypass the current systemic congestion in the movement of containers and their contents from point A to point B. Reuters reported that commodities such as refined sugar, coffee, rice, cotton and cocoa had moved from dry bulk vessels to containers in the past because the large boxes were more practical and offered good quality control.



Paulo Roberto de Souza, CEO of major sugar trader Alvean Sugar SL, said that "around 80% of the trade on refined sugar was done using containers before the pandemic. This has now fallen to around 60%". Souza said that the shift would have been larger were it not for the fact that there were too few bulkers available in the market.

Shipping agency Williams looked at port movements in Brazil, the world's largest sugar exporter, and found that in June and July, the most recent dates for which data are available, showed that volumes of refined sugar transported using containers fell 48% year on year.

Bob Cymbala, owner at Vancouver, Canada-based food trader A&J Global USA, told Reuters that one of his clients, a rice exporter in India, was looking to use a dry bulk cargo to ship to Western Africa a volume of rice equivalent to 10 full containers. However, because of concerns over quality, coffee exporters from Brazil were not yet considering a change away from containers.

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