



China's Seventh National Soybean Reserve Auction Achieved Disappointing Results

On September 2, 2009, China held its seventh national soybean temporary storage auction in Anhui Grain Wholesale Market and branch markets in Inner Mongolia, Jilin, and Heilongjiang Provinces. The soybeans were provided by Sinograin, the state-owned company that maintains China's national grain reserves. Sinograin had planned to sell 499,700 tons of soybeans through the auction, but only sold 10,600 tons (2.13%), at an average price of RMB 3,758 per ton. The auctions in Inner Mongolia and Jilin had targeted sales of 98,600 tons and 100,000 tons, respectively, but no transactions occurred. The auction in Heilongjiang had planned to achieve sales of 300,000 tons, but only sold 10,600 tons (3.53%) at an average price of RMB 3,758 per ton. Six such soybean auctions were held in China from July 21 to August 31, 2009, none of which achieved significant sales.

(Source: Dalian Commodity Exchange)