A PRACTICAL GUIDE FOR BROKERS

AGRI-COMMODITY BROKERAGE

GRAINS & OILSEEDS MARKETS

PEOPLE | COMMODITIES | LOGISTICS | PRICE | DEALS

From zero to market: products, logistics, basis, deals, brokers and modern digital workflows.

FROM ZERO TO MARKET

UNDERSTAND THE MARKET
structure, participants, mechanisms

WORK WITH PRODUCTS
grains, oilseeds, quality, standards, specs

MANAGE LOGISTICS
storage, transport, ports, vessels, documents

PRICE WITH CONFIDENCE
basis, index, costs, spreads, execution

CLOSE DEALS
offers, bids, matches, contracts, risk management

FREE EDITION 1.0

MN7R
mn7r.com

Agri-Commodity Brokerage:

Grains & Oilseeds Markets

A Practical Guide for Brokers

From zero to market: people, products, logistics, price, deals and the modern digital workflow

MN7R Team:
Anton Biletskyi-Volokh, Oleksandr Solovei, Viktoriia Zhylka

MN7R
mn7r.com

Copyright / disclaimer

© 2026 MN7R Team: Anton Biletskyi-Volokh, Oleksandr Solovei, Viktoriia Zhylka.

This is a free educational edition prepared for brokers, agri-commodity market participants and MN7R users.

This material is for informational purposes only and does not constitute financial, legal, investment, trading, tax or any other professional advice. Agri-commodity markets involve price, logistics, counterparty, quality, documentation and operational risks.

Any decision regarding transactions, contracts, transportation, purchasing, selling, credit, hedging or other market activity should be made independently and with professional advice where appropriate.

This free edition may be shared with attribution to MN7R and without modifying the content. If you want to use the material for training, internal documents, presentations or publications, please keep attribution to MN7R and the authors.

Version: Free Edition 1.0

Language: English

Project website: https://mn7r.com

Table of Contents

How to read this book....9
1. Why this book exists....13
Who this book is for....14
What this book covers....16
What this book does not cover....17
The central idea....18
2. What are grain and oilseed agri-commodities....20
Grains....20
Oilseeds....21
Primary and rough processing products....22
Why the product name is not enough....23
Physical goods vs. abstract price....24
3. Why this market is special....25
Weather: the trader nobody hired....26
Harvest and seasonality....27
Storage: goods do not float in the air....28
Quality: same name, different value....29
Logistics: the market on trucks, trains, barges and vessels....30
Local and global at the same time....31
Why this matters for the broker....32
Short conclusion....33
4. Who is who in the chain....35
Farmer....35
Cooperative or producer group....37
Elevator or storage operator....37
Trader....39
Merchant....39
Broker....40
Processor....41
Exporter....42
Importer....43
Industrial buyer....44

Logistics participants..45
Who makes the decision..46
Why the broker needs the whole picture..............................47
Short conclusion...48
5. What a broker is and how a broker differs from a trader......49
A broker does not simply forward messages........................50
What a broker actually sells...51
A broker works with trust..52
Broker vs. trader...53
Why a broker is not a redundant layer.................................54
Broker commission..56
What a good broker looks like..56
What a broker should remember...57
6. How a deal works: offer, bid, match, trade, contract............59
Request..59
Offer..61
Bid..62
Offers and bids must be comparable...................................64
Match..65
Counter..66
Trade...67
Contract...68
Execution...69
Typical deal path..70
Why the clean version matters..71
What a broker should remember...72
7. Why deals die..74
Deals do not die randomly..75
How a broker can reduce deal mortality...............................87
Why structure helps...90
What a broker should remember...91
8. Why logistics is half of the market......................................92
Price without movement is incomplete................................93
Logistics changes the economics of the deal........................94
Logistics is part of negotiation...95

Logistics creates inequality between identical products……96
Logistics and risk..98
Logistics and speed..99
Logistics as a broker’s advantage......................................100
What a broker should remember...101
9. Trucks, rail, ports and sea logistics in plain language.........102
Truck logistics..103
Rail logistics..104
Railcars and why the broker should care...........................106
Inland terminals and elevators...107
Port logistics...108
Sea logistics...109
Barges and river logistics..110
Border routes and corridor logic..111
Combined routes...112
How transport affects negotiation......................................113
When logistics creates additional value.............................114
Minimum logistics questions for a broker..........................115
What a broker should remember..116
10. What basis means...117
Basis in plain language..117
Why basis matters to the broker...118
EXW: goods at the seller’s place...119
FCA: handover to carrier or at an agreed place.................120
CPT and DAP: delivery inside the price............................121
FOB: port logic...122
CIF: price delivered to destination port.............................124
Why prices cannot be compared without basis..................125
Basis and responsibility...125
Basis and negotiation...126
What a broker should remember.......................................127
11. How basis, freight and logistics build the price................128
The basic idea...128
Example: from FCA to DAP...129
Example: from FCA to FOB...130

Example: from FOB to CIF....131
Freight as a moving part....132
Buffer and risk....133
Why the same product has different prices....134
How the broker uses this logic in negotiation....135
When it is better to stop....136
The broker's minimum mental calculator....137
What a broker should remember....138
12. Risks beginners forget....139
Price risk....140
Logistics risk....141
Quality risk....142
Counterparty risk....144
Execution risk....145
Documentation risk....146
Communication risk....147
Reputation risk....148
The "I thought it was obvious" risk....149
How a broker works with risks....150
What a broker should remember....151
13. What makes a broker strong....152
The formula of a strong broker....159
The first 30 days for a beginner....160
The first 90 days....161
What a broker should remember....162
14. Modern brokerage: data, monitor, communication....163
Messengers are necessary. But they are not an operating system....164
Excel is useful. But it should not be the team's market memory....166
Data as the broker's working memory....167
The deal as an object, not as a message....169
Status matters....171
Reference data is not a small detail....172
The monitor as the working screen....173

Communication must remain fast......174
AI and automation......175
What a broker should remember......176
15. MN7R and the new communication layer for brokers......178
Not another CRM......178
Deals / Clients / EXE......179
A shared monitor without giving away clients......180
Brokers as partners, not enemies fighting for the client......182
Matching: not more information, more relevance......183
UPDATE and CLONE: why versions matter......184
Execution starts earlier than it seems......185
CRM that does not live separately from work......186
Messengers and Excel as a soft landing......187
Roles: broker, boss, admin......188
Reference Data and governance......189
Analytics above the operating layer......190
MN7R as a direction, not a final point......191
What a broker should remember......192
16. What comes next......194
What we have covered......195
What future versions may add......196
How to use this edition......196
Final thought......197
Appendix A. Mini-glossary......199
Appendix B. Offer / bid checklist......205
How to use this checklist......217

How to read this book

This book is not an academic textbook.

Academic textbooks are useful things, of course. But sometimes they explain the market in such a way that by page three you no longer want to become a broker. You want to move somewhere quiet and grow cactus.

This is a practical guide.

It is written for people who already work, or plan to work, in the market for grains, oilseeds and primary processing products. First of all, it is for brokers. But it is also for junior traders, operations people, logistics specialists, maritime professionals, agribusiness people, sales managers and anyone from a related field who wants to understand how commodity brokerage actually works.

We will not pretend that agri-commodity brokerage is simply "find a seller, find a buyer, take a commission and go drink coffee."

Sometimes there will be coffee.

But before that, there will usually be an offer, a bid, a basis, logistics, quality, counterparty risk, delivery period, freight, documents, one clarification, then another clarification, and then a message that starts with the words:

"There is one small issue."

In this market, small issues are not always small.

The same wheat may not be the same wheat. The same price may mean different things depending on basis. The same buyer may look excellent on Monday and become rather complicated on Thursday if logistics, currency, quality or market mood changes.

So in this book we move from basic market logic to the practical structure of the brokerage profession.

We will talk about:

- what grain and oilseed agri-commodities are;
- why physical goods are not just rows in a spreadsheet;
- who is who in the chain from farmer to port, processor or importer;
- how a broker differs from a trader;
- how offers and bids may become trades;
- why logistics can matter as much as price;
- what basis means and why a price without basis is a number without an address;
- which risks beginners usually underestimate;
- what makes a broker strong;
- why modern brokers need more than memory, Excel and messengers;
- how digital working layers such as MN7R help structure market flow, communication and trade execution.

You can read this book from start to finish. That is probably the best way if you are new to the profession or want to systematize your knowledge.

But you can also use it as a set of practical blocks.

If you already work with clients but feel weak on basis, go to the basis chapter. If you know maritime logistics well but do not fully understand the brokerage workflow, read the chapters on offers, bids, matches, trades and execution. If you are an experienced broker but want to build a more structured team workflow, the chapters on data, monitors and the modern communication layer will be especially useful.

It is also important to say what this book is not.

- It is not a legal manual for contracts.
- It is not financial advice.
- It is not a trading signal.
- It is not a guide on how to "guarantee profit in grain."
- It is not a universal encyclopedia of every commodity market in the world.

This is a practical map for someone who wants to understand agri-commodity brokerage in the niche of grains, oilseeds and related processing products.

The goal is simple: to help a new broker stop seeing the market as chaos made of chats, spreadsheets, calls and random prices, and start seeing a system: product, quality, place, basis, logistics, counterparty, risk, deal and next action.

A good broker does not simply "pass information."

A good broker understands what matters in that information, what is missing from it, who may care about it, where the deal may break, and how to move it toward a result.

That is what this book is about.

1. Why this book exists

Most brokers have a similar story of entering the profession.

Nobody hands you a beautiful map of the market, places a calm mentor next to you with a cup of coffee, and says: “Here is wheat, here is basis, here is logistics, here are counterparties, here are risks, and over there is the place you should not go unless you enjoy pain.”

Usually it is simpler.

You get a phone, a few contacts, a couple of spreadsheets, access to several chats, three abbreviations explained very quickly, and then the market starts teaching you by itself.

Quite efficiently.

Not always kindly.

You see offers. Then bids. Then someone says the price is already stale. Then it turns out the basis was understood differently. Then the goods exist, but not where you need them. Or they are where you need them, but not of the right quality. Or the quality is right, but the delivery window is wrong. Or everything looks fine, except there is “one small issue with documents.”

At this point many people discover the first serious truth of agri-commodity brokerage:

It is not simply “find a seller and find a buyer.”

It is a profession where you need to understand product, people, logistics, price, basis, risk, documents, timing and context — ideally without losing your sanity after the fifth message that begins with “just to clarify…”

This book exists to turn that chaos into a system.

- Not to make the reader a great trader in three evenings.
- Not to teach “guaranteed profit in grain.”
- Not to provide magic phrases after which buyers immediately call and beg for corn, wheat or sunflower seed.

That is not how this market works.

But we can do something more useful.

We can explain how a broker thinks. What a broker sees in the market. Which questions matter. Why some brokers merely forward messages, while others help deals actually happen. Why a price without basis is only half a conversation. Why logistics can be more important than a beautiful number. Why client trust is built over years and damaged by one casual “I thought that was obvious.”

Who this book is for

First, this book is for brokers who work with MN7R or may work with MN7R in the future.

Many of these people already have market experience, but that experience is often uneven. Someone may understand maritime logistics very well because they came from shipping. Someone may be strong in sales but less confident when comparing basis, product specs or freight assumptions. Someone may have spent years in agribusiness but only inside one narrow segment, without seeing the whole brokerage picture.

That is normal.

Very few people enter grain and oilseed brokerage with the full map already in their head. Most people enter through one door: logistics, trading, export, import, finance, agribusiness, processing, sales, shipping, personal contacts or simply one unexpected opportunity. Then they gradually build the rest of the map.

This book is meant to help build that map faster.

The second audience is people who are only starting, or planning to start, a professional path as brokers.

For them, it is important to understand one thing early: brokerage is not a romantic story about “I know everyone and I call everyone.” Contacts matter. The phone matters. Reputation matters. But if there is no discipline, no product understanding, no grasp of logistics, basis and risk, the phone quickly becomes a device for manufacturing problems.

The third audience is managers, brokerage teams, operations people, analysts and, looking a little further ahead, even AI broker-assistant systems.

Any digital assistant for brokerage must be built not only on "data," but on clear professional logic: what an offer is, what a bid is, where a match appears, what execution means, why reference data matters, and why "fast" should never be confused with "correct."

What this book covers

We will focus on grains, oilseeds and primary or rough processing products.

That means wheat, corn, barley, oats, rye, soybeans, rapeseed, sunflower seed, meals, cakes, bran, pellets and related products. We may sometimes touch adjacent markets such as oils, flour or sugar, but they are not the center of this book.

The center of the book is brokerage work around the physical market for grains and oilseeds.

The word "physical" matters.

This is not only a price chart. Not only a screen. Not only "the market is up" or "the market is down." Physical goods must be grown, harvested, dried, cleaned, stored, transported, documented, loaded, received and paid for. And before all of that, people must agree on terms in such a way that both sides understand the same reality.

That is no longer just a chart.

That is life.

Sometimes a rather nervous one.

We will cover the basics:

- what agri-commodities mean in this book;
- why grain and oilseed markets differ from many other markets;
- who is who in the chain from farmer to buyer;
- how a broker differs from a trader;
- what offers, bids, matches, trades and contracts are;
- why logistics is part of price;
- what basis means;
- which risks beginners usually underestimate;
- what makes a broker strong;
- why modern brokers need data, a monitor and structured workflow;
- how MN7R and similar systems may change team brokerage.

What this book does not cover

This book does not try to cover every commodity market in the world.

We are not going deep into energy, metals, coffee, cocoa, cotton, meat, dairy, vegetables or every possible agricultural niche. These markets may be fascinating, but they are different worlds with different rules, risks and working cultures.

We are also not writing a book for a farmer who wants to become a trader and replace the entire market by himself.

Farmer-side trading is a separate topic. Here we are talking about the broker: a person or team that helps the market find deals, connect interests, clarify terms and reduce chaos.

> This is not a legal manual on Incoterms.
> Not a futures and options textbook.
> Not a tax guide.
> Not a compliance manual.
> And definitely not an instruction called "how to make easy money in grain."

If someone promises easy money in the physical agri-commodity market, check whether they are also selling motivational courses and a picture of a yacht.

This market is not easy.

But it is extremely interesting.

The central idea

Brokerage is a profession at the intersection of information, trust and execution.

A broker does not grow the crop. A broker does not always own the goods. A broker does not always take a price position. But a good broker creates value for the market by helping the right information reach the right person at the right time in the right form.

The key phrase is: “in the right form.”

Simply forwarding a message is not enough. The market is already drowning in messages.

A broker has to understand what matters in that message. What is missing. Whether the price is real. Whether the basis is clear. Whether logistics works. Whether quality may break the deal. Whether the counterparty looks like someone who saw a contract yesterday and decided it was a long postcard.

A strong broker does not add noise.

A strong broker reduces noise and increases the chance of a deal.

That is where we begin.

2. What are grain and oilseed agri-commodities

The word “commodity” can sound as if it was invented by people who enjoy presentations, exchange tickers and coffee without sugar.

But the basic idea is simple.

A commodity is a product that can be bought and sold using reasonably understandable market parameters. It can be compared, priced, contracted, transported, stored and used in trade or industry.

In this book, we are talking about agri-commodities: agricultural products with a broad commercial market.

But even here, we need to narrow the frame.

We are not trying to cover the entire agricultural universe. Our focus is the market for grains, oilseeds and primary processing products.

Grains

In this book, grains include:

- wheat;
- corn;
- barley;
- oats;
- rye;

- rice where relevant to the market.

Grains are a foundation of global food, feed and industrial markets. They move into flour, animal feed, processing, export cargoes, domestic trade, government reserves, bioenergy chains and many other uses that beginners usually discover only when they can no longer pretend these details are optional.

Wheat may be food-grade or feed-grade. Corn may move into feed, export or processing. Barley may be feed barley or malting barley. In each case, the name changes less than the commercial reality: buyer, specification, price, logistics and risk may all be different.

So “grain” is not one product.

It is a family of market stories.

Oilseeds

In our frame, oilseeds include:

- soybeans;
- rapeseed / canola;
- sunflower seed.

Oilseeds have their own logic. They matter not only as raw materials, but as part of processing chains: oil, meal, cake, feed, biodiesel, food industry and export flows.

Here, the market may care about oil content, protein, moisture, impurities, origin, certification, genetic status,

buyer requirements and proximity to a processor, port or other point of demand.

Soybeans are not just “soybeans.” They may be GMO or non-GMO, with different specifications and different buyer groups. Rapeseed or canola may carry certification requirements. Sunflower seed sits close to the logic of crushing, oil and meal.

One row in a spreadsheet does not capture the full reality.

And the market, as usual, is not obliged to be convenient for spreadsheets.

Primary and rough processing products

Next to grains and oilseeds sits a large group of processing products:

- meals;
- cakes;
- bran;
- pellets;
- other related products depending on the market.

These often have their own commercial logic. Meal may be important for the feed market. Bran may serve certain feed or food-industry segments. Pellets may be relevant for energy or specialized supply chains.

These are not simply “leftovers from processing.” For one buyer, they are raw material. For another, they are regular demand. For another, they are a logistics problem with a price attached. For a broker, they are another market where quality, buyer type, basis and seasonality matter.

Why the product name is not enough

A beginner often thinks: if we said “wheat,” we already said a lot.

Not really.

“Wheat” is the beginning of a conversation.

Then you need to clarify:

- food or feed;
- protein;
- moisture;
- impurities;
- test weight;
- origin;
- crop year;
- volume;
- location;
- basis;
- delivery period;
- documents;
- certification;

- currency;
- seller;
- buyer;
- logistics;
- whether the counterparty is real;
- whether the price is still valid.

If the list looks long, that is because it is.

But a long list of questions before a deal is better than a short list of problems after it.

In the physical market, details do not decorate the deal.

They hold it together.

Physical goods vs. abstract price

On a screen, price looks clean.

For example:

```
Corn — 230 USD

Wheat — 220 EUR

Soybean meal — 390 USD
```

3. Why this market is special

The grain and oilseed market is special because it is both global and local at the same time.

On one side, wheat, corn, soybeans, rapeseed, canola or sunflower seed live inside a global market. They are influenced by harvests in different countries, currency movements, freight, weather, importer demand, futures expectations, politics, export restrictions, trade routes, wars, droughts, port capacity and a few dozen other factors that usually arrive without asking permission.

On the other side, every real physical deal is very local.

The goods are somewhere.
Someone owns them.
They must be loaded.
They must be transported.
They must be documented.
They must be received.
They must be paid for.

And that is where real life begins.

Because a global price may look elegant on a chart, but a broker does not work with a chart. A broker works with a specific cargo, a specific counterparty, a specific basis, a specific delivery period and a specific logistics route.

Sometimes the difference between “good opportunity” and “do not touch this unless you enjoy suffering” is not hidden in the price. It is hidden in the fact that the goods

are not where they need to be, not when they need to be there, and not quite in the quality the buyer wants.

The market explains this quickly.

Usually without much kindness.

Weather: the trader nobody hired

Weather does not read contracts.

It does not care that someone expected a good harvest, that a buyer is waiting for cargo, that logistics have already been discussed, or that the broker has almost mentally spent the commission.

Rain, heat, drought, frost, delayed harvest, excess moisture — all of this can change volume, quality, timing and market mood.

For grains and oilseeds, weather affects not only yield but also product parameters. Wheat may lose part of its food-grade quality. Corn may have moisture problems. Oilseeds may change characteristics that matter to crushers or processors.

For a broker, the lesson is simple: this market is never static.

A price that looked reasonable last week may become irrelevant after a weather update, crop report, port delay, freight move or change in demand. A broker working with

yesterday's market picture is like a person driving forward while staring confidently into the rear-view mirror.

Sometimes it works.

Not for long.

Harvest and seasonality

Agri-commodities live in seasons.

There is the period of crop expectations.
There is harvest.
There is the period of active supply.
There is storage.
There are moments when sellers do not want to sell.
There are moments when everyone wants to sell at once, and logistics begins to look at the situation with despair.

Before harvest, the market often trades expectations. During harvest, it trades reality. After harvest, it trades the balance between who has what, who is willing to hold, who needs cash, who needs raw material, and who has export or processing commitments to fill.

Seasonality affects not only price. It affects behavior.

A farmer may not sell because he expects a better price.
A trader may buy more actively because of an export program.
A processor may hurry because a plant needs raw material.

An importer may wait because alternative origins are available.

The broker has to understand not only “how much does it cost?” but also “why is this side ready to move now?”

That is important.

Because the market is not only prices.

It is motivation.

Storage: goods do not float in the air

The product must be stored somewhere.

Farm storage, commercial elevator, inland terminal, warehouse, silo, port terminal, temporary storage — these are not background details. They are part of the commercial logic.

Storage affects:

- availability;
- quality;
- cost;
- speed of loading;
- documents;
- logistics;
- the seller’s negotiating position.

If the goods are already in the right place, with usable documents and ready for shipment, that is one story.

If the goods "exist," but still need to be collected from several farms, dried, cleaned, checked, moved and legally clarified, that is a different story. Even if the price in the message looks attractive.

A broker should understand that the phrase "the goods are available" does not close the question.

It opens the next list of questions.

Quality: same name, different value

Two cargoes may have the same headline product name and still have different commercial value.

Wheat may be milling wheat or feed wheat.
Soybeans may be GMO or non-GMO.
Soybean meal may have different protein levels.
Sunflower seed may differ in moisture, impurities or oil content.
Certification may be essential for one buyer and irrelevant for another.

This means that seeing the product name is not enough. The broker must understand which parameters matter to the specific buyer.

If a buyer needs wheat of a certain quality, “almost the same” may not work.

If a processor needs stable raw material, the phrase “good product” will not impress them. They will want parameters.

“Good product” is fine for conversation.

For a deal, you need specification.

Logistics: the market on trucks, trains, barges and vessels

In the physical market, goods must move.

And they must move in the real world, not in imagination. The real world contains roads, trucks, rail wagons, stations, elevators, terminals, ports, barges, vessels, queues, documents, loading windows, restrictions, tariffs and people who sometimes respond slower than everyone would prefer.

Logistics can make a deal possible.

It can also kill it.

For example, the price may be good, but delivery to the required destination makes it uncompetitive. Or the goods may be close to the buyer, but not in the right volume. Or a vessel may be available, but the cargo cannot be accumulated in time. Or rail wagons may exist, but not in

the right week. Or everything may exist, but the port suddenly becomes a bottleneck.

In grains and oilseeds, logistics is not an “operational detail after the deal.”

It is part of price, risk and negotiation.

A strong broker does not simply ask: “What is the price?”

A strong broker asks:

```
Where are the goods?

How will they move?

When can delivery really happen?

Who pays for logistics?

What is the basis?

What can break between agreement and execution?
```

Those questions often separate professional brokerage from random message forwarding.

Local and global at the same time

A broker in the Black Sea region may work with local supply, but the buyer may compare origins from Europe, South America or North America.

A buyer in Italy may compare Ukrainian corn with Romanian, Bulgarian, Brazilian or Argentine alternatives.

A processor in Spain may look at origin, protein, logistics, documents and timing.

A buyer in the Middle East or North Africa may compare Black Sea wheat with French, Russian, Romanian, Baltic, Australian or other origins, depending on season and availability.

A feed mill in Asia may not care how emotionally attached you are to a particular route. It compares delivered value, reliability, timing and quality.

That means the broker must see beyond the local bulletin board.

The local market gives goods and counterparties.
The global market gives alternatives and pressure.
Logistics connects one with the other.
Basis explains why one price is not equal to another.

Once a broker understands this, the market stops looking like a collection of random prices.

It becomes a system.

A complex, sometimes nervous system.

But a system.

Why this matters for the broker

The broker does not work with perfect abstract positions. The broker works with a living market where almost every number has conditions attached.

If the broker sees only price, he sees too little.

If he sees product, quality, place, basis, logistics, period, counterparty and risk, he starts seeing the deal.

That is the main difference.

A beginner often asks:

“Where is it cheaper?”
“Where is it more expensive?”

An experienced broker asks:

- Is this price real?
- Is this offer still valid?
- Do the goods exist?
- Does the quality fit?
- Does the logistics route work?
- Is the basis clear?
- Is the counterparty reliable?
- Can this move to contract and execution?

The market does not reward the person who sees the most messages.

It rewards the person who understands which messages can become real business.

Short conclusion

The grain and oilseed market is special because it is physical, seasonal, logistically complex and globally connected.

Price never lives alone.

It lives with product, quality, place, basis, logistics, period, counterparty and risk.

If a broker wants to be useful, he must learn to see the whole picture.

Otherwise he is simply forwarding half the truth very quickly.

4. Who is who in the chain

To work properly as a broker, you need to understand not only the product, but also the people and companies around the product.

Grain or oilseed cargo does not appear in a deal by itself. Behind every lot there is a chain of participants: someone grew it, someone stored it, someone bought it, someone sold it, someone transported it, someone processed it, someone financed it, someone prepared the documents, and someone later asked in the chat:

“So who is responsible for this?”

A broker must understand who performs which role.

Otherwise he will quickly end up speaking with a person who promises very confidently but has no authority to decide. Or has authority, but no goods. Or has goods, but does not control logistics. Or controls logistics, but does not understand what another department has already promised.

In the physical market, this is not rare.

Farmer

The farmer or agricultural producer is the beginning of the commodity chain.

The farmer grows the product. From the field, farm or agricultural company begins the physical reality of the market.

A farmer may sell in different ways:

- directly to a trader;
- through a broker;
- through a cooperative;
- to a local elevator or storage operator;
- to a processor;
- to an exporter;
- through other channels.

For the broker, the key point is this: a farmer may have goods, but that does not mean the farmer has the whole infrastructure for a complex transaction.

A farmer may have excellent wheat but no desire to deal with export logistics.
A farmer may have corn but no time to negotiate with several buyers.
A farmer may have sunflower seed but need fast payment.
A farmer may have goods, but not in the form, timing or delivery setup required by a specific buyer.

So for the farmer, a broker may be more than "someone who found a buyer."

A broker can help understand which offer is real, which terms matter, where demand exists, and how not to enter a bad deal because of a small detail that did not look important at first.

Cooperative or producer group

A cooperative or producer group may combine goods from several farmers.

This can create larger volume, better organization and stronger negotiating power. A buyer is often more interested in a clear larger pool of product than in 300 tons scattered across three locations.

But for the broker, there are still questions:

- Is the quality the same across the different lots?
- Where are the goods physically located?
- Who makes the final decision?
- Who signs documents?
- Do all participants understand the terms in the same way?
- Is there one person responsible for execution?

When goods are pooled, risks do not always disappear.

Sometimes they simply become more social.

Elevator or storage operator

An elevator is not just a place where “grain sits.”

For the market, it is a very important point.

At an elevator, goods may be:

- received;
- weighed;
- dried;
- cleaned;
- stored;
- accumulated;
- blended;
- loaded;
- documented.

The elevator affects quality, timing, logistics and trust in the cargo.

For a broker, an elevator is part of execution.

If the goods are at a reliable elevator, with proper documents and loading capacity, that is one story. If the goods are spread across farms and still need to be collected, dried, moved and confirmed, that is another story.

Both may be workable.

But they should not be valued in the same way.

In some markets this point may be called an elevator, inland silo, warehouse, terminal or storage facility. The name varies by country. The logic is the same: storage is not passive. It shapes the deal.

Trader

A trader usually buys and sells goods, takes position, and works with margin, risk, logistics, financing or arbitrage.

A trader may be local, regional or international. A trader may work with exports, imports, processing, domestic flows or a specific commodity niche.

The main difference between a trader and a broker is that the trader often owns the product or takes a commercial position. The trader buys, sells and carries part of the risk.

A broker usually does not buy the product for himself. The broker helps the sides find each other and move commercial interest toward a deal.

That does not make the broker less important.

It is simply a different role.

The trader earns on position, margin, structure, logistics or market movement.

The broker earns on access, speed, trust, context and the result of the deal.

Merchant

The word “merchant” can mean slightly different things in different companies and countries.

Usually it refers to a commercial participant working between production, market, logistics and buyer. A merchant may buy, accumulate, resell, structure flows, work with exports or domestic trade.

In practice, the line between "trader" and "merchant" can be blurred. In one company, the terms may be almost identical. In another, they may describe different responsibilities.

For the broker, the important thing is not to argue about the word.

The important thing is to understand the function.

Does the person or company:

- own the goods or not?
- have authority to decide or not?
- buy for themselves or for a client?
- control logistics or only commercial interest?
- carry risk or simply pass information?

Job titles matter.

Actual function matters more.

Broker

A broker is a participant who helps connect commercial interest.

The broker may work with sellers, buyers, traders, processors, exporters, importers, and sometimes logistics participants or financial partners.

A broker does not necessarily own the goods. That is the special nature of the role.

The broker's value is not that he "has grain on the balance sheet." His value is that he knows where interest exists, who may be the right counterparty, which terms are real, where price can converge, how not to confuse basis, and how not to bring the sides to a beautiful but dead deal.

A broker works with information, but does not simply sell information.

A broker sells structured access to the market.

In plain language: a good broker saves the sides time, nerves and a certain number of stupid mistakes.

In the physical market, that can be worth more than it looks.

Processor

A processor buys raw material and turns it into another product.

For example:

- an oilseed crusher buys soybeans, rapeseed/canola or sunflower seed and produces oil and meal;
- a mill buys wheat and produces flour;

- a feed producer buys grains, meals, bran and other ingredients for feed;
- a biofuel producer may buy grain or oilseed products depending on the market.

For the processor, price and volume are not the only concerns.

The processor cares about stable supply, quality, schedule, technical parameters, documents and the ability to plan production.

If a trader may look at a commodity as a position, a processor often looks at it as input for a process. If the raw material does not fit, even a good price may not save the deal.

The broker must understand this.

A buyer does not need a “cheap product” in the abstract.

The buyer needs a product that works for the job.

Exporter

An exporter organizes the sale of goods from one country to another.

The exporter works with domestic origin, logistics to port or border, documents, currency terms, international buyer requirements, quality, certification, customs or other procedures.

For a broker, the exporter may be an important buyer or seller depending on the market structure.

The exporter does not think only in terms of “local price.” The exporter thinks about programs, volumes, vessels, timing, freight, ports, documents and execution risk.

If the broker offers goods to an exporter, the broker should understand whether the goods can realistically fit the export program.

Not everything that is available somewhere can be exported properly to someone.

Importer

An importer buys goods for their market.

This may be a trader, processor, feed company, food-industry buyer or another participant.

The importer compares alternatives.

A buyer in one country may be interested in cargo from the Black Sea, but also compare it with France, Romania, Brazil, Argentina, the United States, Canada, Australia, the Baltics or another origin, depending on the commodity and season.

For the importer, the important factors are:

- delivered price;
- reliability of the seller;
- quality;

- documents;
- timing;
- logistics risk;
- currency;
- ability to receive goods exactly when needed.

A broker working with an importer must speak the language of full cost and full risk, not just “I have something cheaper.”

The importer has usually heard “cheaper” before.

The importer wants to know whether it is real.

Industrial buyer

An industrial buyer is a company that uses the product in production.

This may be a mill, feed mill, oilseed crusher, bioenergy plant, food company or another end user.

For such a buyer, the product is not just a speculative position. It is raw material for a process.

That is why the buyer often cares deeply about:

- quality;
- regular supply;
- stability of parameters;
- schedule;
- documents;
- payment terms;

- supplier reputation.

A broker who understands the industrial buyer's real need can create more long-term value than a broker who simply throws random prices into a chat.

Logistics participants

The chain also includes carriers, freight forwarders, port operators, terminals, vessel brokers, rail operators, warehouse operators, customs agents and documentation partners.

They may not be a party to the sale and purchase of the commodity, but without them the deal may not execute.

For the broker, this is important.

Sometimes the buyer does not kill the deal.
The seller does not kill the deal.
Logistics kills the deal.

Or a document.
Or a queue.
Or an unaligned loading window.
Or the phrase: "We thought the other side was doing that."

In the physical market, "we thought" is a poor operating model.

Who makes the decision

One of the first skills of a broker is understanding who he is speaking to.

A person may know the information but not make the decision.
A person may make the decision but not know all operational details.
A person may influence the decision but not sign the contract.
A person may sound very confident while representing only one small part of the chain.

So the broker should carefully find out:

- who owns the goods;
- who has authority to agree the price;
- who is responsible for logistics;
- who signs the contract;
- who controls documents;
- who is actually interested in the deal;
- who can say “no” at the last moment.

This is not bureaucracy.

It is protection from spending three days discussing a deal with someone who eventually says:

“Sounds good. I will pass it to management.”

At that moment, one would like to pass management not only the deal terms, but also a small internal scream.

Why the broker needs the whole picture

A broker does not need to be a narrow specialist in everything.

He does not need to understand rail logistics better than a rail operator.
He does not need to understand freight better than a vessel broker.
He does not need to understand processing technology better than a plant.
He does not need to understand agronomy better than a farmer.

But he must understand how these parts connect inside the deal.

Because broker value often appears at the intersection of roles.

The farmer sees the goods.
The trader sees the position.
The processor sees the raw material.
The exporter sees the program.
The logistics operator sees the route.
The bank sees the risk.

The broker must see how this may become a deal.

And just as importantly, how it may fall apart.

Short conclusion

The grain and oilseed market is not simply seller and buyer.

It is a chain of participants, each with a role, interest, risk and limit of responsibility.

A broker must learn to see not only product and price, but also the people and institutions around them:

- who owns the goods;
- who makes the decision;
- who pays;
- who carries risk;
- who controls logistics;
- who can break execution;
- who actually needs the deal.

Once the broker starts seeing the chain, he stops being a message forwarder.

He becomes a person who helps the market work.

5. What a broker is and how a broker differs from a trader

People in the market often confuse brokers and traders.

This is not a disaster. But if someone works in brokerage and does not understand the difference, the market will explain it rather quickly. Not always with words.

The simplest explanation is this:

A trader usually works with position. A broker works with connection.

A trader may buy goods, sell goods, take price risk, organize logistics, finance stock, manage exposure and earn on margin, arbitrage, structure or market movement.

A broker, in the classic sense, does not necessarily own the goods. He does not always buy and sell "for himself." His job is to find, verify, connect and move commercial interest toward a deal.

But this does not mean that a broker is "just a middleman."

"Middleman" is one of those words that makes the role sound as if a person stands between two sides and makes the view worse.

A good broker does the opposite.

He removes fog.

A broker does not simply forward messages

If a broker only copies messages from one chat to another, he is not really a broker.

He is an expensive cable.

The market is already full of messages. A broker does not create value by increasing the amount of noise.

The value of a broker is different:

- he understands which information is real;
- he sees what is missing from a message;
- he knows who may care about it;
- he understands where the deal may break;
- he helps the sides clarify terms;
- he reduces unnecessary movement;
- he turns commercial interest into something the market can actually work with.

Here is a simple example.

A seller writes:

```
Corn available. Good price. We can talk.
```

A weak broker forwards it to a buyer.

A normal broker asks:

```
What kind of corn?
```

```
What volume?
```

```
Where is it located?

What basis?

What delivery period?

What moisture?

What currency?

Is this a firm price or an idea?

Who is the seller?

Are the documents ready?
```

A strong broker also understands who may actually care, who is active in that destination, whether logistics makes sense, whether the seller is serious, whether the price will survive the next two hours, and how to present the opportunity so the buyer does not need half a day to excavate it.

That is the difference.

A broker does not simply pass data.

He makes it usable for the market.

What a broker actually sells

A broker does not usually sell the product directly, unless he takes position or acts under another commercial structure.

He sells something else:

- speed;

- accuracy;
- access;
- trust;
- context;
- memory;
- structure;
- the ability to move interest toward a result.

Structure matters especially.

Most market information arrives in poor shape. It comes as messages, calls, voice notes, spreadsheets, screenshots, fragments of conversations, “he said last week,” and the immortal phrase “I think it was DAP, but let me check.”

If the broker does not structure that information, he becomes part of the chaos.

If he does, he becomes useful.

A broker works with trust

Trust is the main currency of a broker.

Commission can be calculated. Price can be checked. Basis can be written down. Trust must be earned.

And it can be damaged very quickly.

If a broker constantly sends stale offers, buyers start reading him less carefully. If he exaggerates buyer interest, sellers feel it. If he promises what he cannot

control, the market remembers. If he does not clarify basic terms, people begin to lose time because of him.

The grain and oilseed market may look large, but professional circles are often much smaller than they appear.

Reputation does not hang on the wall in a frame.

It walks ahead of the broker.

Sometimes faster than the broker himself.

Broker vs. trader

A trader often asks:

```
Can I buy this cheaper, sell it higher, hedge the
risk, use logistics or structure, and make money on
the position?
```

A broker asks:

```
Who is the right other side for this interest?

Is this offer real?

What is missing for a deal?

What needs clarification?

How can the sides move toward agreement?
```

A trader often works with his own risk.

A broker works with trust risk, information risk and execution risk.

That does not mean the broker is “less commercial.” A good broker is very commercial. But his commercial value is not necessarily in owning the goods. It is in connecting the market correctly.

A trader can be strong without a broker if he has his own network, logistics, financing, team, information and access.

But even strong traders often work with brokers because a broker provides something difficult to buy directly: live market context.

Who is really selling now.
Who is only testing the market.
Who is looking but not in a hurry.
Who may move on price.
Who has goods but does not want to show them widely.
Who is already in work, but not closed.
Who can do a deal quickly, and who will spend three days clarifying the word “possibly.”

This knowledge is not always visible in spreadsheets.

But it decides a lot.

Why a broker is not a redundant layer

Some people say: “Why do we need a broker? The seller and buyer can speak directly.”

Sometimes they can.

People can also repair their own cars, cut their own hair in a mirror and write contracts without lawyers. Occasionally, it even ends well.

The question is not whether it is possible without a broker.

The question is what a good broker saves.

A good broker saves:

- time;
- search;
- verification;
- communication;
- clarification;
- mistakes;
- nerves;
- operational chaos.

He knows who to call.
He knows which questions to ask.
He knows where people are over-optimistic, not malicious, but still dangerous.
He knows what must be written down immediately because tomorrow everyone will remember it differently.
He knows that "good price" means nothing if the goods cannot move.

That is a service.

Not magic. Not intermediation for the sake of intermediation.

A service.

Broker commission

Broker commission is not a gift for being present in the conversation.

It should be payment for value created.

If a broker only forwarded two messages and did nothing to clarify, verify, structure or move the deal toward execution, the market will sooner or later ask what exactly he expects to be paid for.

If the broker found real interest, brought the sides toward workable terms, reduced uncertainty, helped prevent the deal from dying, and moved the process toward result, commission becomes understandable.

Broker commission is not payment for “standing between.”

It is payment for making it possible that the sides might not have found, understood or trusted each other quickly enough without him.

What a good broker looks like

A good broker is not necessarily the loudest person in the chat.

He is not necessarily the person sending the most messages.

A good broker:

- reacts quickly, but does not panic;
- asks questions, but does not interrogate the client to death;
- understands the product;
- understands basis;
- understands logistics;
- knows counterparties;
- does not decorate reality;
- remembers history;
- fixes terms clearly;
- does not promise what he cannot control;
- does not confuse activity with result.

This profession is for people who can combine communication and discipline.

Only communication creates noise.

Only discipline creates a beautiful spreadsheet that nobody wants to talk to.

A broker needs both.

What a broker should remember

A broker is not a person who “just knows people.”

A broker is a person who turns market chaos into commercial opportunity.

He does not necessarily own the goods, but he must understand the goods.

He does not always take price risk, but he must understand risk.

He does not always control logistics, but he must see where logistics can break the deal.

He does not always sign the contract, but he must understand which terms need to reach the contract.

A weak broker forwards a message.

A normal broker finds interest.

A strong broker helps interest become a deal.

6. How a deal works: offer, bid, match, trade, contract

A deal rarely appears fully dressed.

It does not walk into the market wearing a suit, carrying a document folder and saying: “Good morning, I am a fully structured commercial opportunity.”

More often, it begins as a fragment.

```
Corn available.
```

```
Looking for wheat.
```

```
Need soybeans, DAP, June.
```

```
Anything on FOB?
```

```
Buyer is asking, but we need it fast.
```

This is where the broker begins.

His job is to turn a fragment into an object the market can work with.

In brokerage, these objects are requests, offers, bids, matches, counters, trades and, eventually, contracts and execution records.

Request

Very often, the process begins not with a proper offer or bid, but with a request.

A request is a signal of interest.

For example:

```
Anything on corn for Italy?

Need soybeans, DAP, June.

Buyer may look at meal, but quality needs checking.

What is the idea on rapeseed?
```

A request can be valuable, but it is not yet a bid and not a deal.

Usually, a request is missing details:

- product;
- quality;
- volume;
- basis;
- place;
- delivery period;
- price;
- currency;
- buyer or seller identity;
- seriousness of interest;
- what has already been checked.

A beginner may see a request and immediately run to "find the market."

An experienced broker first clarifies what exactly needs to be found.

And whether it needs to be found at all.

Because not every request is real demand.

Sometimes it is just a person checking the water temperature without even taking off their shoes.

Offer

An offer is seller-side interest.

The seller is effectively saying: “I have goods and I am ready to consider selling under these terms.”

A useful offer should include:

- seller or at least a clear seller profile;
- commodity;
- quality or specification;
- volume;
- basis;
- place;
- transport or logistics logic;
- delivery period;
- price or price idea;
- currency;
- additional terms;
- status of validity.

If the offer looks like this:

```
Wheat available, good quality, good price.
```

that is not an offer.

That is a greeting from the fog.

It can be worked with, but first it must be brought into the light.

The broker should clarify:

```
What wheat?

Protein?

Crop year?

Where is it located?

What basis?

What volume?

What period?

What price?

Currency?

Documents?

Is the cargo definitely free?
```

Only then does the offer become a market object.

Bid

A bid is buyer-side interest.

The buyer is saying: “I am ready to buy goods under these conditions.”

A good bid also needs:

- buyer or clear buyer profile;
- commodity;

- quality;
- volume;
- basis;
- place;
- delivery period;
- price or price idea;
- currency;
- delivery requirements;
- document requirements;
- seriousness and current validity of interest.

A bid without details is not yet a working instrument.

For example:

```
Buyer looking for corn.
```

Good. Now the questions begin:

```
Where?

How much?

When?

What quality?

What basis?

What price?

Which currency?

How ready is the buyer?

Have they bought before?

Do they have credit approval?
```

A broker who does not clarify these points may bring a seller a “buyer” who was only curious about the market.

The difference between “curious” and “buying” can consume a lot of time.

Offers and bids must be comparable

One of the main tasks of a broker is to make offers and bids comparable.

The problem is that sides often speak different commercial languages.

A seller may offer FCA.
A buyer may think in DAP.
One side speaks in dollars.
The other thinks in euros.
One side has goods at an elevator.
The other wants delivery to a plant.
One side says June.
The other has a July window.

Formally, everyone is talking about corn.

Practically, they are talking about different commercial objects.

The broker’s job is to understand whether these objects can be brought closer together.

Sometimes yes.
Sometimes no.
Sometimes yes, but only with work.

Sometimes it is better to say “this does not match” quickly than to spend three heroic days pushing it toward a dead end.

Match

A match is potential overlap between an offer and a bid.

Important: a match does not mean a deal is done.

It means there is commercial reason to look closer.

For example:

```
Offer: corn, 1,000 MT, FCA, June.
```

```
Bid: corn, 1,500 MT, DAP, June-July.
```

They are not identical.

But there is a shared commodity, a partially aligned period, workable volume and possibly room for logistics or a counter.

That is a working interest.

Matches are almost never perfect.

Price may not align.
Basis may differ.
Location may be close, but not exact.
Volume may not match.
Delivery windows may overlap only partly.
Quality may need checking.

This is where the broker starts creating value.

Not when everything is obvious.

But when something almost works and still needs to become a deal.

Counter

A counter is a response or adjusted proposal.

The buyer says:

```
Not at this price, but we can look 5 dollars lower.
```

The seller says:

```
Not at that level, but we can adjust delivery
period.
```

Or:

```
We can change volume.
```

```
We can look at another basis.
```

```
We can consider another route.
```

```
We can split the lot.
```

A counter is not just bargaining.

It is a way to bring two realities closer together.

The broker must record counters carefully because this is where deal history is often lost.

Today the buyer gives a counter. Tomorrow the seller responds. The next day freight changes. Then someone says: “But we agreed.”

Without proper records, everyone begins playing a game called “who remembers what.”

It is a bad game.

Especially when money participates.

Trade

A trade is the point where the sides have agreed the main commercial terms.

The word “main” matters.

Because after commercial agreement, the work is not finished. It changes mode.

A trade should clearly include:

- commodity;
- quality;
- volume;
- price;
- currency;
- basis;
- place;
- delivery period;
- seller;
- buyer;
- key terms;
- commission or brokerage model;
- who does what next.

A trade is no longer simply "maybe." It is a working agreement that must move toward contract and execution.

This is where many beginners make a mistake.

They think: "Great, agreed. The deal is done."

No.

Agreed is not executed.

Between "agreed" and "closed" lives a whole world of contracts, documents, logistics, payments, quality, delays and people who suddenly remember they need one more approval.

Contract

The contract records the agreement.

This is no longer chat, voice note or "we talked about it."

The contract must fix the terms so the sides understand what exactly they agreed, who is responsible for what, and what happens if something goes wrong.

The broker does not always prepare the contract. Often that is done by legal, operational or contract teams of the parties.

But the broker should understand which commercial terms must move from the negotiation into the contract.

Because if the chat had one logic and the contract has another, the market stops being charming very quickly.

The contract is the point where conversation must become document.

Execution

Execution is the performance of the deal.

It includes everything after commercial agreement:

- contract preparation;
- documents;
- logistics;
- shipment;
- receipt;
- invoices;
- payments;
- commission;
- problem solving;
- final closure.

Execution is often less glamorous than finding the deal.

But it is where the market checks whether the deal was real.

You can agree beautifully and execute badly.
You can have a good price and fail logistics.
You can connect the sides quickly and spend the next week searching for the clean version of the terms.
You can close a trade and lose the client because everything after "done" became chaos.

That is why the modern broker should think about execution before the trade “flies.”

If the broker sees a potential execution problem at the offer or bid stage, it is better to raise it early than to become a heroic firefighter later.

Especially if he helped light the fire.

Typical deal path

In simplified form, a deal may look like this:

```
Request → Offer / Bid → Match → Counter → Trade →
Contract → Execution → Closure
```

Real life is not always this clean.

Sometimes a request creates several offers.
Sometimes a bid appears before the goods.
Sometimes a match appears between positions owned by different brokers.
Sometimes a counter changes the entire logic.
Sometimes a trade dies before contract.
Sometimes execution shows that the broker missed a critical detail at the very beginning.

Still, the structure is useful.

It helps the team understand where exactly the record sits in the process.

Because if the team does not know what stage a record is in, the classic brokerage dialogue begins:

```
Is this already a deal?

No, still an idea.

But they agreed?

They agreed partly.

Is there a contract?

Not yet.

Are the goods real?

Yes.

And logistics?

That is why we are still here.
```

It is better to play this game on paper than in a live trade.

Why the clean version matters

Brokerage involves a lot of communication.

That is normal.

But every important deal needs a clean version of the terms.

Not “somewhere in the chat.”

Not “in the voice note.”

Not “I remember.”

Structured:

- product;

- quality;
- volume;
- price;
- currency;
- basis;
- place;
- period;
- parties;
- commission;
- next actions;
- status.

Ideally, this clean version lives in a working system, not in the broker's head. A broker's head is useful, but it sleeps, gets tired, drives a car, forgets things and usually carries twenty other stories at the same time.

Human memory is a wonderful instrument.

But as the single source of truth for a brokerage team, it is a little like a warehouse where everything is "somewhere around here."

What a broker should remember

A deal is not one moment.

It is a process.

First there is a signal.
Then interest.
Then clarification.

Then possible overlap.
Then negotiation.
Then agreement.
Then contract.
Then execution.

The broker creates value along the whole path.

He does not simply “find a buyer.” He helps the market move from noise to structure, from structure to agreement, and from agreement to execution.

If he fails to clarify important things at any stage, the market will clarify them later.

Usually more expensively.

7. Why deals die

Deals rarely die beautifully.

They do not gather all participants in a conference room, clear their throat, and announce:

“Unfortunately, due to a combination of market, logistics and communication factors, I must now cease to exist.”

Usually it is simpler.

First, someone stops replying.
Then the price is no longer valid.
Then the buyer says he meant another basis.
Then the seller clarifies that the volume is “maybe not all.”
Then logistics suddenly becomes more expensive.
Then quality is “almost fine.”
Then everyone remembers that “almost” is not a word contracts enjoy.

And now the deal is gone.

Nobody slammed a door. Nobody made a dramatic speech. Another market opportunity simply dissolved into air, leaving behind several messages, some irritation and the feeling that “we were so close.”

In brokerage, “so close” is a dangerous phrase.

Deals do not die randomly

Of course, sometimes a deal really dies because of a major external reason.

The market moves sharply. Logistics breaks. Freight changes. The buyer disappears. The seller changes position. A port delay appears. A counterparty fails internal approval. A crop-quality issue becomes obvious. A sanction or compliance flag appears. A shipment window closes.

That happens.

But many deals do not die from one big market event.

They die from small mistakes that accumulate.

Quality was not clarified.
Basis was not fixed.
Price validity was not checked.
The decision-maker was not identified.
The clean version of the terms was not recorded.
Logistics did not actually work.
One uncomfortable question was not asked early enough.

Bad news: these mistakes cost deals.

Good news: many of them can be reduced.

For that, the broker must understand where deals usually break.

1. The price was stale

One of the most common causes of deal death is an old price.

Physical markets move. Sometimes quickly. What was real in the morning may become historical material by the afternoon.

A seller gave a price yesterday.
The broker showed it to a buyer today.
The buyer became interested.
The broker returned to the seller.
The seller said: “No, that does not work anymore.”

Technically, nobody lied.

Practically, everyone lost time.

A broker should always understand the status of the price:

```
Is this a firm price?

Is it an indication?

Is it valid right now?

Is it valid only if the market does not move?

Until when is it valid?

Who confirmed it?
```

“The price was” is not the same as “the price is.”

Especially if between “was” and “is” there was a day, a news item, a freight move, a futures shift, or simply a very active market.

2. The offer or bid was only testing the market

Many people test the market.

A seller may check demand.
A buyer may check supply.
A trader may test where the market stands.
A client may ask "just in case."
Someone may want to know whether they are selling too cheap or buying too expensive.

That is normal.

The problem begins when testing interest is treated as real working interest.

A broker must distinguish between:

```
a party that really wants to buy;

a party that really wants to sell;

a party collecting market color;

a party checking alternatives;

a party that does not yet know what it wants;

a party that speaks confidently but does not make
the decision.
```

Deals often die because one side was ready for action, while the other side was ready only for conversation.

These are different sports.

3. Basis was understood differently

Basis is one of the most popular deal killers.

Everyone appears to be talking about price, but actually they are talking about different prices.

The seller says:

```
230
```

The buyer hears:

```
230 delivered to me
```

The seller meant:

```
230 at my location
```

The broker looks away for one second and the deal is already in a ditch.

A price without basis is not a price. It is the beginning of a misunderstanding.

You must fix:

```
EXW, FCA, CPT, DAP, FOB, CIF or another basis;

exact place;

who pays for logistics;

who carries which risk;

where responsibility changes;

delivery period and transport logic.
```

If basis is not clear, the sides can honestly agree to different things.

The worst part is that both may be right in their own heads.

4. Quality was not confirmed

Quality is another classic point of failure.

"Good wheat" is not a specification.
"Normal corn" is not a parameter.
"Standard meal" is not a document.
"It should be okay" is not a commercial category. It is a request to destiny.

A buyer may have clear requirements:

```
protein;

moisture;

impurities;

test weight;

oil content;

GMO / non-GMO;

certification;

origin;

residue limits;

other parameters.
```

If the broker does not clarify quality early, it may catch the deal later.

And it usually does not arrive with flowers.

For example, the sides may nearly agree on price, but the buyer needs a specific protein level. The seller has goods below that parameter. Formally, "wheat is available." Practically, the deal is not.

In the physical market, the goods must fit the buyer's purpose.

If they do not, even a good price may not help.

5. Logistics did not work

Logistics can destroy a deal even when the product, price and parties are good.

Goods exist, but far away.
Transport exists, but not in the required period.
The port is available, but congested.
Rail wagons are needed, but unavailable.
Trucks are possible, but the tariff kills the margin.
The vessel exists, but the cargo cannot be accumulated in time.
The border works, but slowly.
Documents exist, but not the right ones.

These are not "operational details."

They are commercial facts.

The broker should see logistics before the deal, not after.

Questions to ask:

```
Where are the goods physically?

How will they move?

What is the distance?

Which transport mode?

What are the timings?

Are there bottlenecks?
```

```
Who organizes the movement?

Who pays?

Can this delivery really be executed?
```

If there are no answers, the deal may be alive only on paper.

Or in a chat.

Which is worse.

6. The volume was not what it seemed

Volume is not just a number.

There is a difference between:

```
1,000 MT in one place;

1,000 MT across three places;

1,000 MT maybe;

1,000 MT in parts;

1,000 MT to be confirmed;

1,000 MT on paper, but really 700.
```

For the buyer, these are different stories.

For logistics, too.

For the contract, even more.

A deal may die when the declared volume cannot actually be delivered in the required form, place or period.

The broker must clarify not only “how much,” but also “how exactly does this volume exist?”

This may sound strange, but in agri-commodities, volume can indeed “exist” in different ways.

7. Delivery period did not align

Delivery period is another quiet killer.

The seller can ship in June.
The buyer needs July.
Logistics is available in another week.
The vessel has a window.
The plant has a schedule.
The farmer is not ready to load earlier.

And now the goods exist, the price is close, the parties are acceptable, but the deal does not work.

Because the market is physical.

Time is not background.

Time is a term.

The broker should always clarify:

```
delivery period;

shipment period;

flexibility of both sides;

possibility of partial delivery;

whether there is a hard window;

what happens if delivery shifts.
```

If the delivery period does not align, a deal may die quietly, without drama.

Simply: “we cannot make it.”

8. The counterparty was not ready to perform

Sometimes the problem is not product.

Not price.

Not even logistics.

The problem is the counterparty.

They may be unreliable.
They may lack financing.
They may not have authority to decide.
They may have a bad execution history.
They may promise more than they control.
They may work by the principle: “Let us agree first and then see.”

For a broker this is dangerous, because the broker risks his own reputation.

If a broker brings a weak counterparty, the market remembers not only the counterparty.

It remembers the broker who brought them.

So the broker should ask:

```
Can this party really perform?

Do they have the goods or the money?

Have they worked in this market before?

Is there a history of problems?
```

`Does this look too beautiful?`

`Who confirms the decision?`

Sometimes it is better to lose a beautiful deal than to bring a bad one.

Commission passes once.

Reputation stays longer.

9. There was no clean version of the terms

This is one of the most painful reasons.

The sides seem to have agreed.

But where exactly?

Some terms are in chat.
Some in a voice note.
Some in Excel.
Some in the broker's head.
Some are "obvious."

Then it begins:

`We discussed FOB.`

`No, we discussed FCA.`

`The price was in dollars.`

`No, euros.`

`The period was June.`

`No, June-July.`

`The volume was 1,000.`

`No, up to 1,000.`

This is no longer negotiation.

This is reconstruction of events.

A broker must fix the clean version of the terms:

```
product;
quality;
volume;
price;
currency;
basis;
place;
period;
parties;
payment terms;
logistics obligations;
commission;
status.
```

If there is no clean version, the deal is fragile.

Even if everyone “basically agreed.”

Especially if everyone “basically agreed.”

10. The broker called an idea a deal too early

Almost every beginner does this at least once.

There is interest.
The price is close.
Both sides are replying.
In the broker's head, it is almost a deal.
The mood is good.
The commission has already been mentally spent.

And the broker begins to think the deal exists.

But it does not yet exist.

There is interest.

There is possibility.

There is process.

A deal appears when the main terms are agreed, the sides understand each other, there is real readiness to move toward contract, and execution looks possible.

Before that moment, it is safer to use careful language:

```
in work;

potential match;

sides are close;

counter pending;

waiting for confirmation;

terms under clarification;

not closed yet.
```

This is not pessimism.

It is professional hygiene.

The market enjoys punishing people who celebrate too early.

How a broker can reduce deal mortality

You cannot remove risk completely.

If someone promises you a system where every deal lives happily ever after, they have probably never seen the real physical market, or they are selling something extremely expensive.

But a broker can reduce the number of deals that die from chaos.

That requires a few simple disciplines.

1. Clarify before showing the market

Before running with an offer or bid to the other side, you need minimum structure.

```
What?

How much?

Where?

When?

On what basis?

At what price?

What quality?

Who is the party?

How valid is it?
```

If this is missing, the broker is not bringing the market an opportunity.

He is bringing a riddle.

2. Track status

An offer may be:

`fresh;`

`in work;`

`needs update;`

`under counter;`

`cancelled;`

`traded;`

`archived.`

A bid as well.

If status is not tracked, the team does not know what is alive and what died long ago but continues to frighten people in a spreadsheet.

3. Write the clean version

After every important step, there should be a short clean version.

Not a novel.

Not “how we got here.”

Terms.

`Product:`

```
Volume:

Quality:

Price:

Currency:

Basis:

Place:

Period:

Parties:

Comment:

Next action:
```

It looks simple.

That is why people often ignore it.

They should not.

4. Do not be afraid of boring questions

Boring questions save deals.

```
Is the price still valid?

Are the goods definitely free?

Who makes the decision?

What exact basis?

What quality?

What delivery period?

Is logistics confirmed?

Are documents ready?
```

These questions do not make the broker weak.

They make him professional.

What makes a broker weak is failing to ask, and then having everyone look at him later.

5. Separate interest, match and deal

This is essential.

Interest is when someone is willing to look at something. Match is when there is possible commercial overlap. Deal is when the sides have agreed main terms and are ready to move toward contract.

If the broker confuses these stages, he creates false expectations.

False expectations are fuel for conflict.

Why structure helps

This is where proper workflow starts to make sense.

Not because brokers love filling fields.

Nobody loves filling fields for the sake of fields. If someone does, they should be studied carefully by science.

Structure is needed so the team does not lose reality.

When offers, bids, matches, counters, trades, contracts and execution live in a clear working layer, the team

depends less on memory, random chats and "I thought everyone understood."

Structure does not make the market simple.

But it makes the market more manageable.

What a broker should remember

Deals do not die only because of bad markets.

They often die because of unclear terms, stale prices, weak logistics, wrong basis, unconfirmed quality, uncertain counterparties or no clean version of the agreement.

A broker cannot control everything.

But he can control the quality of his work:

- clarify;
- record;
- update;
- separate interest from deal;
- see logistics;
- do not decorate reality;
- do not celebrate too early.

The market is complicated enough by itself.

There is no need to help it kill your deals.

8. Why logistics is half of the market

Physical commodities have one inconvenient feature.

They are heavy.

Wheat, corn, soybeans, rapeseed, canola, sunflower seed, meal or bran do not move by enthusiasm. They do not magically appear at a port, plant, warehouse or destination country just because the sides had a good conversation in a chat.

Goods must be loaded.
Moved.
Weighed.
Documented.
Sometimes dried.
Sometimes cleaned.
Sometimes accumulated.
Sometimes transshipped.
Sometimes delayed.
Sometimes delayed again.
And then someone has to explain why everyone was waiting.

That is why, in grains and oilseeds, logistics is not "something after the deal."

Logistics is part of the deal.

And very often, part of the price.

Price without movement is incomplete

Beginners often look at price as the main parameter.

That is understandable. Price is short, clear and gives the pleasant feeling that we already understand something.

`Corn — 220`

`Wheat — 230`

`Soybeans — 410`

The problem is that without logistics, those numbers can mean very different things.

220 where?
At farm?
At elevator?
At inland terminal?
At rail station?
At port?
Loaded on vessel?
Delivered to the buyer?
With freight included?
To which destination?
In which period?
By which transport?

The same price may be good, average or bad depending on where the goods physically are and how they need to move.

In the physical market, product cannot be separated from place.

Place is not just geography.

Place is cost, risk, time and execution possibility.

Logistics changes the economics of the deal

Imagine two corn offers.

The first is a little more expensive, but the goods are in a place from which they can easily move to the buyer.

The second is cheaper, but the goods are far away, the transport is difficult, the delivery window is tight, and the logistics plan looks as if it was written at midnight during a storm.

Which offer is better?

A beginner may say: the second one, because it is cheaper.

An experienced broker says: let us calculate.

Because the cheaper product may become more expensive after delivery. And the more expensive product may actually be better if it is already where it needs to be and can move quickly.

Logistics can:

- consume margin;

- create margin;
- make a deal possible;
- make a deal pointless;
- change negotiating power;
- turn “expensive” into “reasonable”;
- turn “cheap” into “please never send me this again.”

So a strong broker does not ask only:

“What is the price?”

A strong broker asks:

```
Where are the goods?

How will they move?

What will that cost?

How long will it take?

Who organizes it?

Where is the bottleneck?

What happens if transport does not arrive?
```

This is not being boring.

This is the difference between a deal and a beautiful illusion.

Logistics is part of negotiation

Logistics affects not only execution, but also negotiation.

A seller may have stronger negotiating power if the goods are in a convenient location. A buyer may push on price if

the logistics are difficult. A trader may earn not on the commodity price itself, but on better movement. A broker may find value where others only see "it does not match."

For example, the buyer wants DAP to its plant. The seller offers FCA at an inland elevator. Between them stands logistics.

If the broker does not understand logistics, he sees only a gap between terms.

If he does understand it, he can try to build a bridge:

```
What is the delivery cost?

Is transport available?

Does the delivery period work?

Can volume be split?

Is there an alternative route?

Can basis be changed?

Does a counter make sense?
```

Sometimes logistics creates the space for a deal.

Not price by itself, but the correct conversion of one price into another.

Logistics creates inequality between identical products

In a table, two lots may look identical.

Corn, 1,000 MT.

Corn, 1,000 MT.

In real life, they may be two different worlds.

The first lot:

is at a reliable elevator;

has usable documents;

is close to rail or truck access;

can be loaded in the required period;

comes from a seller who works systematically.

The second lot:

is spread across several farms;

needs additional cleaning or drying;

has unconfirmed logistics;

has a vague delivery window;

comes with the phrase “we will figure it out.”

The product name is the same.

The commercial quality of the offer is not.

A broker must learn to see that difference.

Because the market often pays not just for the product, but for the product in the right place, at the right time, with a realistic route to the buyer.

Logistics and risk

Logistics is also risk.

Risk of delay.
Risk of tariff change.
Risk of unavailable trucks or railcars.
Risk of port congestion.
Risk of wrong documents.
Risk of route changes.
Risk that everyone agreed, but nobody actually controls movement.

Sometimes the broker is not directly responsible for logistics. But if he does not understand logistics risk, he may bring the sides into a deal that was fragile from the start.

That is a poor service.

A broker does not need to understand logistics better than a logistics operator. But he must understand where to ask questions and where the weak points may be.

For example:

```
Is transport available in the required period?

Is the loading point confirmed?

Does the route work?

Are there weight or infrastructure limits?

Are movement documents ready?
```

```
Is the freight or inland tariff realistic?

Is there enough time buffer?
```

If these questions are not asked before the deal, they may arrive after the deal.

After the deal, they usually arrive with an invoice or a problem.

Sometimes both.

Logistics and speed

Brokerage loves speed.

But speed without logistics is sometimes just falling down the stairs quickly.

You can quickly find a buyer.
You can quickly agree a price.
You can quickly say: “Yes, let’s work.”

Then you may slowly discover that the goods cannot move.

Real speed in the physical market is not only agreeing quickly.

It is quickly understanding whether the agreement can be executed.

Sometimes a broker who spends thirty extra minutes checking logistics saves the team a week of future pain.

That is not slowness.

That is professional speed.

Logistics as a broker's advantage

A broker who understands logistics becomes stronger.

He reads prices better.
He understands basis better.
He sees which deals are real.
He negotiates better.
He explains to clients why one offer is better than another.
He finds opportunities where others only see “it does not work.”

Sometimes a broker with logistics understanding can help a client not only find a counterparty, but assemble a workable commercial chain.

That is another level of value.

A weak broker looks only for price.
A normal broker understands price and terms.
A strong broker understands price, terms, logistics and how the whole thing can actually be executed.

That is why logistics is half of the market.

On some days, it feels like more.

What a broker should remember

Logistics does not start after the deal.

It starts the moment you look at an offer or bid.

If the broker does not understand where the goods are, how they will move, who pays, what the route is, what the period is and where the risk sits, he sees only part of the picture.

In the physical market, seeing part of the picture can be more dangerous than seeing nothing.

Because it creates confidence.

And confidence without logistics is a very expensive genre of fiction.

9. Trucks, rail, ports and sea logistics in plain language

In grains and oilseeds, goods move in different ways.

By truck.
By rail.
By barge.
Through inland terminals.
Through ports.
By sea.
Sometimes through a combination of all of the above, plus documents, weather and mild despair.

A broker does not need to be a professional logistics manager.

But he must understand the basic logic of each mode of transport.

Transport affects:

- cost;
- speed;
- minimum workable volume;
- flexibility;
- risk;
- availability;
- negotiating position;
- execution reality.

If the broker does not understand transport, he may formally find a deal and practically bring the sides into something nobody can execute.

Truck logistics

Trucks mean flexibility.

A truck can collect goods from a farm, elevator, warehouse or plant and deliver them to another storage point, processor, border, terminal, port or final buyer.

Truck logistics often works for shorter and medium distances. It is useful when the market needs speed, flexibility, smaller lots or delivery to a place that rail or barge cannot serve easily.

Advantages of trucks:

- flexible routes;
- relatively fast organization;
- smaller lot sizes;
- point-to-point movement;
- usefulness in local and regional markets.

But trucks are not magic.

There are limits:

- tariff;
- distance;
- truck availability;
- road conditions;

- weight restrictions;
- loading and unloading queues;
- seasonality;
- documentation;
- human factor.

Truck delivery can be an excellent solution for 80 kilometers and a questionable plan for 800.

A broker must understand when trucks create flexibility and when they only make the price look good until somebody calculates the freight.

Rail logistics

Rail means volume and planning.

It is important when large quantities need to move over longer distances, often toward ports, borders, large processors, inland terminals or export corridors.

But a railcar is not simply a larger truck.

Rail has its own logic:

- stations;
- station codes;
- routes;
- railcar types;
- availability of rolling stock;
- schedules;
- delays;
- infrastructure limitations;

- border crossings or gauge changes in some regions;
- documents;
- queues;
- loading rules.

For a broker, “we can ship by rail” is not a complete answer.

You need to clarify:

```
from which station;

which code;

which type of railcar;

whether railcars are available;

when loading is possible;

where they go;

where bottlenecks may appear;

who organizes the shipment;

who pays;

whether there is delay risk.
```

Rail gives scale.

But rail does not love chaos.

If planning is weak, rail does not become fast. It becomes a large slow problem on wheels.

Railcars and why the broker should care

A broker does not need to know the full technical encyclopedia of rolling stock.

But he should understand that different cargoes and different routes may require different equipment.

For grains and related products, markets may use:

- grain hoppers;
- covered railcars;
- open wagons in certain scenarios;
- containers;
- tank cars for liquid products;
- specialized equipment depending on country and commodity.

Why does this matter?

Because “we will send by rail” is not a plan.

A plan begins when it is clear what equipment is needed, from where, to where, when, at what tariff, and with what risk.

If the broker does not clarify this, he may miss the fact that the deal depends on a resource that does not exist.

The best railcar for a deal is the one that actually exists at the required time.

Not poetic.

Very important.

Inland terminals and elevators

In many markets, inland storage or terminal infrastructure is the quiet engine of the grain and oilseed flow.

Elevators, silos, warehouses and inland terminals allow the market to:

- receive goods from farms;
- dry or clean product;
- store and preserve quality;
- accumulate volume;
- load trucks, railcars or barges;
- prepare documents;
- connect local production to national or export logistics.

For a broker, the location and quality of inland infrastructure matters.

A cargo at a well-organized elevator near a working rail line is not the same as a cargo scattered across farms with unclear loading timing.

A terminal that can accumulate and ship efficiently creates value.

A weak storage point may turn a cheap offer into a long operational headache.

Port logistics

A port is where local physical goods enter international logic.

But a port is not just a dot on the map.

A port means:

- terminal;
- cargo accumulation;
- quality control;
- documents;
- queue;
- loading schedule;
- transshipment;
- vessel;
- freight;
- weather and operational risk;
- coordination between many participants.

For an export deal, the port can be the central element.

Goods must reach the port.
They must be accepted by the terminal.
They must meet requirements.
They must be accumulated into a lot.
They must be loaded into the right vessel or program.

Each of these steps can create delay.

Port logistics is especially important for brokers working with international buyers or exporters.

A buyer may see FOB or CIF price, but behind that price there is a whole system moving the goods to port and beyond.

If the broker does not understand it, he sees only the elegant top of a very heavy iceberg.

Sea logistics

Sea logistics means large volumes, international flows and freight.

It includes:

- vessel;
- vessel type;
- parcel size;
- load port;
- discharge port;
- freight;
- loading window;
- laycan;
- demurrage;
- documents;
- delay risk;
- weather;
- coordination between seller, buyer, terminal, vessel broker and others.

If a broker comes from shipping, some of this will feel familiar. But it is important to remember that in commodity brokerage, sea logistics is only one part of the commercial picture.

A vessel may be excellent.

But if the goods are not accumulated, quality is not confirmed, the seller is not ready, or the basis is wrong, the vessel will not save the deal.

Sea transport adds scale.

It also makes mistakes more expensive.

Barges and river logistics

In some markets, barge and river logistics are very important.

Barges, river ports and inland waterways may connect production regions with major ports, processors or export terminals.

River logistics can be cost-efficient, but it depends on:

- seasonality;
- water levels;
- infrastructure;
- terminal capacity;
- route restrictions;
- regulatory and operational conditions.

For the broker, the point is not to memorize every river route in the world.

The point is to understand that in some regions, river logistics is not an “alternative.”

It is a key pricing factor.

Border routes and corridor logic

International agri-commodity flows often involve borders, customs points, different rail networks, road restrictions, documentation rules, changing carriers or transshipment.

This is especially relevant in regions where goods move from inland origin to another country by road or rail before reaching a processor, port or final buyer.

Border and corridor logistics can affect:

- timing;
- cost;
- risk;
- documentation;
- customs process;
- wagon or truck availability;
- route reliability;
- final delivered price.

A route may look short on a map and still be difficult commercially.

Maps are optimistic. Logistics is not always so polite.

Combined routes

In the real world, goods often move through more than one transport mode.

For example:

```
truck → elevator → rail → port → vessel
```

or:

```
truck → border → rail network → processor
```

or:

```
rail → terminal → barge → port → vessel
```

Every transition between modes is a risk point.

There may be:

- delays;
- extra costs;
- transshipment;
- documents;
- queues;
- different standards;
- change of responsibility;
- new participants.

The more complex the route, the more discipline is needed.

And the less useful the phrase "it will somehow move" becomes.

“Somehow” is not a logistics strategy.

It is a prayer.

How transport affects negotiation

Understanding transport helps the broker negotiate.

If the seller offers FCA and the buyer wants DAP, the broker needs to understand what stands between them.

If the buyer says the price is too high, perhaps the problem is not the product but the route.

If the seller does not want to reduce price but has a convenient loading location, that is an argument.

If goods are cheap but logistically difficult, that is also an argument.

A broker must translate transport into commercial language.

Not simply:

```
it is far
```

but:

```
this route adds this cost, this risk and this time,
so the price either makes sense or it does not.
```

That is professional work.

When logistics creates additional value

Sometimes the broker creates value not only by finding the seller or buyer.

He creates value by helping assemble a logistics solution.

For example:

- finding goods that can move efficiently to the buyer;
- seeing that another basis makes the deal possible;
- suggesting an alternative route;
- splitting a lot;
- adjusting delivery period;
- connecting commercial interest with a realistic movement plan.

This does not mean the broker must become a logistics company.

But he must understand where logistics adds or removes value.

A broker who sees only price is half blind compared with a broker who also sees movement.

Minimum logistics questions for a broker

It is useful to keep a short list.

When you see an offer or bid, ask:

```
Where are the goods physically?

What is the basis?

Which transport mode is expected?

Is there an alternative transport mode?

What is the delivery distance?

Who organizes logistics?

Who pays?

What is the delivery period?

Is transport confirmed?

Where are the bottlenecks?

Are movement documents ready?

Can logistics change the economics of the deal?
```

These questions do not guarantee success.

But they greatly reduce the chance that the deal dies because everyone assumed and nobody checked.

What a broker should remember

Trucks provide flexibility.
Rail provides volume and requires planning.
Inland terminals and elevators shape availability and execution.
Ports connect local goods with international trade.
Sea logistics adds scale and makes mistakes more expensive.
Barges and rivers can be key pricing factors in some regions.
Border routes and combined corridors create both opportunity and risk.

A broker does not need to be a professional logistics manager.

But a broker who does not understand logistics too often sees only half of the deal.

And half a deal, sadly, is not half a commission.

10. What basis means

A price without basis is a number without an address.

It exists. It looks serious. It may sit beautifully in a spreadsheet. But until we know **where**, **how**, and **under what delivery terms** that price works, we know very little.

If someone says:

```
Corn — 220
```

the first proper brokerage question is not:

“Can we do 218?”

The first proper question is:

```
220 where?
```

Because 220 at farm, 220 at elevator, 220 at rail station, 220 at port, 220 loaded on vessel, 220 delivered to the buyer, and 220 including freight to destination are different commercial realities.

All of them may sound like “220.”

They are not the same price.

Basis in plain language

Basis is the commercial link between price, place, delivery terms and responsibility.

Even simpler:

Basis explains what is included in the price and where the goods sit in the commercial logic of the deal.

Who organizes transport?
Who pays for delivery?
Where does the seller complete their obligation?
Where does the buyer take over?
Who carries risk at which stage?
Which place is the price built around?

This is why basis is not a small legal detail hidden somewhere in the contract.

For a broker, basis is a working tool for comparing prices.

Without basis, you cannot compare two prices properly.

Well, technically you can. But it is like comparing two cars by price without asking whether one of them has an engine.

Why basis matters to the broker

A broker constantly compares commercial interests.

One seller offers FCA.
Another offers CPT.
The buyer thinks in DAP.
The exporter looks at FOB.
The importer calculates CIF.

If the broker sees only numbers, he does not see the deal.

For example:

```
Offer A: 220 FCA elevator

Offer B: 230 DAP buyer’s plant
```

Which is better?

You cannot answer until you calculate what stands between the elevator and the buyer’s plant.

If delivery costs 15, then 220 FCA may become 235 DAP. But 230 DAP already includes delivery. In that case, B may be better even though it looks more expensive at first.

Or the opposite may be true.

That is why a broker must be able to translate prices from one basis to another at least at a working level.

Not as a lawyer.
Not as an accountant.
Not as a professor of international trade.

As a person who understands whether there is commercial sense in the idea.

EXW: goods at the seller’s place

EXW is often understood as “come and collect it yourself.”

In simple brokerage terms, it means the seller offers goods at their place, and the buyer carries most of the logic of collecting and moving them onward.

But even here, you must clarify.

Where exactly are the goods?
Can trucks access the site?
Are the goods ready for loading?
Who loads?
Are documents available?
Are scales available?
Is there a schedule?
Does “seller’s place” actually mean “three places, but we will clarify later”?

EXW can be convenient for the seller, but the buyer must understand the entire logistics path after that point.

A broker should remember: EXW does not make the deal simple. It simply shifts more questions to the buyer.

FCA: handover to carrier or at an agreed place

FCA is one of the most common working bases in physical commodity trade.

In brokerage practice, it usually means the goods are handed over to a carrier or made available at an agreed place. That may be an elevator, warehouse, rail station, plant, terminal or another specific point depending on the deal.

The exact place is critical.

FCA “Ukraine” is not a basis.
FCA “somewhere near Milan” is not exactly a basis either.
FCA a specific elevator, station, plant or terminal is a working logic.

The broker must clarify:

```
which place;

which transport;

who loads;

which documents;

which delivery period;

whether loading is technically possible;

who carries costs after that point.
```

FCA is often useful because it allows the sides to negotiate around a concrete transfer point.

But if the point is vague, the basis begins to dissolve.

A dissolved basis is nearly always a future dispute.

CPT and DAP: delivery inside the price

CPT and DAP are connected with delivery to an agreed point, but they have different legal and risk logic. This book is not an Incoterms legal course, so we will stay at broker level.

The key point is this: when the price includes delivery, logistics already lives inside the price.

If the seller gives DAP to the buyer's plant, the seller is effectively taking on the delivery logic to that place.

If the price is CPT or DAP, the broker should ask:

```
delivery to where exactly;

by which transport;

whether the tariff is realistic;

which period;

whether the receiver can accept goods;

which costs are included;

who carries which risk;

whether the buyer is actually ready to receive at
that point.
```

Delivery inside the price is convenient.

But only if it was calculated correctly.

Otherwise it is not "included logistics."

It is a small bomb hidden in the margin.

FOB: port logic

FOB is often associated with export and port logic.

In simple brokerage terms, FOB means the price is built around the load port and vessel-loading logic. The seller's

side carries responsibility up to the agreed port/shipment structure, depending on the contract and exact terms.

But FOB is not simply "somewhere at the port."

You need to know:

- which port;
- which terminal;
- which shipment period;
- whether cargo is accumulated;
- vessel / program logic;
- which documents are needed;
- what costs are included;
- where delay risk may appear.

FOB price already includes a large part of the journey from inland origin to export point.

For a broker, this means: if you compare FCA elevator with FOB port, you are not comparing two equal prices. You are comparing a price "before port" with a price "at export point."

It is like comparing a person already standing at the checkout with a person still trying to find parking.

Both are technically "at the shop."

The situation is different.

CIF: price delivered to destination port

CIF is already a destination-port logic with cost, insurance and freight included to the agreed port of destination.

For the broker, the key point is that a CIF price includes sea logistics to a specific destination port.

So you need to understand:

```
which destination port;

which freight;

which shipment period;

which risks;

which insurance;

whether the goods meet importer requirements;

whether vessel logistics is realistic.
```

CIF may look convenient for the buyer because the buyer sees a price to destination port.

But for the seller or trader, it means more logistics responsibility and more calculation.

A broker must understand that CIF is not just “price plus sea.”

It is a whole execution block.

Why prices cannot be compared without basis

Imagine two offers:

```
Wheat — 210 FCA
```

```
Wheat — 218 FOB
```

Which is better?

At first glance, FCA is cheaper.

But if inland transport, port costs and time turn 210 FCA into roughly 222 FOB, then 218 FOB may be better.

Or not.

You must calculate.

A broker who sees only “210” and “218” sees numbers.

A broker who sees basis sees the commercial structure.

That is a very different level.

Basis and responsibility

Basis also defines who is responsible for what.

Who organizes transport?
Who pays?
Who handles loading?

Who carries delay risk?
Who works with documents?
Who controls which part of the route?

If this is not discussed clearly, each side may have its own version.

Then the market receives a beautiful drama called:

```
We thought you were doing that.
```

Deals do not like this phrase.

Basis and negotiation

Basis is not only a technical condition. It is also a negotiation tool.

If price does not align, sometimes you can work not only with the number itself, but with the basis.

You can change the delivery place.
You can change who takes logistics.
You can shift part of the cost.
You can offer another point.
You can compare FCA against DAP or FOB.

Sometimes the sides do not match not because the market is far apart, but because they are speaking in different bases.

A broker must translate.

Not only languages.
Not only messages.
Commercial terms.

What a broker should remember

Basis is the address of the price.

It shows where the goods stand in the commercial logic, what is included in the price, who is responsible for what, and how one offer can be compared with another.

A price without basis is dangerous.

It may be true.

But incomplete.

And in the physical market, incomplete truth can be more expensive than an obvious mistake.

11. How basis, freight and logistics build the price

Now that we understand that price without basis says very little, the next step is to understand how a price “moves” from one basis to another.

This is not always exact mathematics down to the last cent. The market is alive. Logistics changes. Freight moves. Parties have different costs, routes, risks and agreements.

But a broker must think in this logic.

Otherwise he will look at two prices and not understand whether they are close, far apart, fair, inflated, or coming from different planets.

The basic idea

In simplified form, price contains:

```
product value

+ movement costs

+ storage / handling / terminal / documentation costs

+ risk

+ margin or expectations

= working price on a certain basis
```

If basis changes, the set of costs and risks included in the price changes.

So the broker must understand:

```
what the starting price is;

which costs are added;

which risks move;

what the final comparison point is.
```

This is the commercial arithmetic of basis.

Example: from FCA to DAP

Suppose the seller offers:

```
Corn — 220 USD/MT FCA elevator
```

The buyer wants:

```
DAP buyer’s plant
```

To understand whether the offer is interesting, you roughly calculate:

```
FCA price

+ delivery to plant

+ possible additional costs

+ route risk

= approximate DAP logic
```

If delivery costs 18 USD/MT and additional costs add 2 USD/MT, then 220 FCA becomes roughly 240 DAP.

If the buyer can pay 238 DAP, the sides are close but not aligned.

If the buyer can pay 245 DAP, there may be room to work.

If the buyer can pay 225 DAP, the problem is not negotiation. The problem is arithmetic.

Real life is more complex, of course.

But the logic is exactly this.

A broker must quickly understand: is there something to work with, or are we politely staring into emptiness?

Example: from FCA to FOB

Another example.

Seller offers:

```
Wheat — 205 EUR/MT FCA rail station
```

The buyer or exporter thinks in FOB port terms.

To compare, you need to add:

```
rail or truck movement to port;

terminal / handling cost;

port costs;

possible delays;

documents;

time and accumulation risk;

margin or buffer.
```

If all these costs together are roughly 22 EUR/MT, then 205 FCA becomes close to 227 FOB in working logic.

Now the broker compares it with the FOB market.

If FOB market is 230, the idea may work.
If FOB market is 222, the FCA price must come down, logistics must improve, or the idea does not work.

This does not mean a broker must be a professional logistics calculator.

But he must understand the direction of thought.

Example: from FOB to CIF

FOB is load-port logic.

CIF is destination-port logic with cost, insurance and freight included.

Roughly:

```
FOB price

+ sea freight

+ insurance

+ other costs depending on structure

= CIF price
```

If FOB corn is 230 USD/MT and freight to the destination port is 28 USD/MT, the CIF logic starts around 258 USD/MT plus any other relevant elements.

If the importer sees another CIF offer cheaper, the broker must understand where the difference comes from:

```
Is FOB higher?

Is freight higher?

Is the port different?

Is the quality different?

Is the period different?

Is the risk different?
```

That is price work.

Not simply saying “too expensive.”

But understanding why.

Freight as a moving part

Freight is the cost of transport.

In international trade, it can change deal economics very quickly.

Sometimes the commodity itself has not become more expensive.

The sea did.

Sometimes the local price has not fallen.

Freight became cheaper, and CIF suddenly looks better.

Sometimes the sides argue about product price while the real problem is the route.

Freight can move because of:

- vessel demand;
- seasonality;
- port delays;
- geopolitical risks;
- fuel;
- fleet availability;
- direction;
- parcel size;
- urgency.

A broker does not need to know freight as deeply as a vessel broker.

But he must understand that freight is not background.

It is a variable that can consume or create a deal.

Buffer and risk

In real life, calculations often include a buffer.

Because costs can change.

Transport may become more expensive.
The port may delay.
Documents may require extra work.
Currency may move.
Delivery period may shift.

If the calculation works only at zero margin, the deal is fragile.

A broker must understand that parties often add not only cost, but risk.

Sometimes the buyer will not pay what “mathematically works” because the buyer sees risk. Sometimes the seller will not reduce price because their logistics alternative is stronger. Sometimes the trader adds buffer because he has already seen a “fixed tariff” survive exactly until the first phone call.

Risk is part of price.

It just does not always appear as a separate line in a spreadsheet.

Why the same product has different prices

Now it becomes clear why the same corn or wheat may have different value.

Not because the market is insane.

Although one may have suspicions.

But because different lots have different commercial positions:

```
different location;

different basis;

different transport;

different period;
```

```
different quality;

different risk;

different availability;

different counterparty;

different speed of execution.
```

For the broker, this means: do not look only at product and price.

Look at the whole construction.

How the broker uses this logic in negotiation

When a broker understands basis arithmetic, he negotiates better.

Not simply:

```
Can you go cheaper?
```

But:

```
If we calculate delivery to this point, your price
is above market.

Can we look at another basis?

Can we change the delivery place?

Is there another transport route?

Can you offer FCA instead of DAP?

Can the buyer collect?
```

```
Is there room in freight?
```

That is already a professional conversation.

It shows that the broker is not just pushing price. He understands the mechanics of the deal.

Sometimes parties are willing to move when they see a proper explanation.

Nobody enjoys being asked to “reduce a little more.”

But if the broker shows that the problem is a specific logistics difference, the conversation becomes more mature.

Not always successful.

But more mature.

When it is better to stop

Not every difference can be closed.

Sometimes price does not work.
Sometimes logistics makes the deal pointless.
Sometimes freight is too expensive.
Sometimes the basis does not fit.
Sometimes the parties want different realities.

A good broker should not drag every idea to its death.

Sometimes the best action is to quickly understand that a deal does not work and stop wasting time.

That is also professionalism.

The market is full of opportunities that look interesting exactly until someone calculates them.

You calculate.

It becomes easier.

Sad, perhaps.

But easier.

The broker's minimum mental calculator

A broker does not always need a complex model.

But he needs basic logic:

```
price on current basis

+ / - logistics

+ / - freight

+ / - port / terminal / handling / documentation costs

+ / - risk / buffer

= approximate comparable price
```

"Approximate" is important.

At an early stage, the broker often does not need final accounting precision. He needs to understand whether there is a commercial corridor.

If there is a corridor, work it.

If there is no corridor, do not invent the market.

What a broker should remember

Basis, freight and logistics are not separate topics.

Together, they answer the central question:

```
What does the product really cost where it is
needed?
```

That is the point.

The buyer usually does not need abstract goods "somewhere." The buyer needs goods in a specific place, in a specific period, under specific terms.

The seller needs to know what they receive at their point of responsibility.

The trader needs to see where margin can exist.

The broker needs to connect these logics.

Price is not just a number.

Price is product plus place, time, movement, risk and responsibility.

Once a broker understands that, he is no longer simply reading the market.

He begins to calculate it.

12. Risks beginners forget

Beginners in brokerage often think the main risk is price.

Price falls.
Price rises.
The buyer wants lower.
The seller wants higher.

Yes, price matters.

But in the physical grain and oilseed market, price is only one risk. Sometimes it is not even the most dangerous one.

Many deals fail not because the market collapsed, but because someone did not check quality, did not understand basis, overestimated logistics, trusted a weak counterparty, or assumed that documents could be "sorted out later."

"Later" is one of the most expensive words in agri-commodities.

A broker cannot control everything. But he should see the main risks before they become problems.

And yes, a good broker should be slightly paranoid.

Not because he is afraid of the market.

Because he has already seen one small detail turn a beautiful deal into a long and miserable television series.

Price risk

Price risk is the most obvious one.

The market moves. Sellers and buyers change position. Something acceptable in the morning may stop working in the afternoon.

Price may move because of:

- global news;
- weather;
- crop expectations;
- currency;
- freight;
- importer demand;
- export restrictions;
- local surplus or shortage;
- futures movement;
- political risk;
- or simply market nervousness, because the market sometimes behaves like a person who has had too much coffee.

A broker does not always carry price risk directly, unless he takes position or acts under another structure. But he carries the risk of communicating price incorrectly.

If the broker shows a stale price, he wastes time.

If he presents an indication as a firm price, he creates false expectations.

If he does not clarify how long a price is valid, he invites future conflict.

Useful questions:

```
Is this a firm price or an indication?

Until when is it valid?

Who confirmed it?

For what volume?

On what basis?

In which currency?

Is there room for a counter?
```

Price risk cannot be removed.

But a broker can stop treating price as if it were carved into a mountain.

In this market, price is often closer to snow in the sun.

Logistics risk

Logistics risk is often underestimated until it arrives personally.

The goods exist.
The price exists.
The sides are nearly aligned.
Then it turns out that transport does not work, the delivery period does not align, the port is congested, railcars are unavailable, trucks are expensive, the loading

point is inconvenient, the route is risky, and freight has changed the entire economics.

Now the deal that looked alive begins to lose color very quickly.

Logistics risk includes:

- lack of transport;
- tariff changes;
- delays;
- queues;
- route problems;
- shortage of trucks, railcars, barges or vessels;
- port restrictions;
- difficulty accumulating a lot;
- different expectations about timing;
- wrong delivery place.

A broker should see logistics not after the sides agree price, but from the beginning.

If logistics does not work, the price can be as attractive as it wants.

The deal will still walk with a limp.

Quality risk

Quality is not “a laboratory detail.”

Quality is a commercial factor.

Wheat may not meet protein requirements.
Corn may have the wrong moisture.
Soybeans may not fit buyer requirements.
Meal may have a different protein level.
Sunflower seed may have parameters unsuitable for the crusher.
Certification may be critical for one destination and irrelevant for another.

If the broker does not clarify quality, he may lead the sides toward a deal that physically does not fit the buyer's needs.

This is especially dangerous when people use general phrases:

`good wheat;`

`normal corn;`

`standard soybeans;`

`quality is fine;`

`same as usual.`

"Same as usual" is not a specification.

"Fine" is not a parameter.

"Good" describes a mood, not a cargo.

A broker must ask for specifics.

Yes, sometimes it is annoying.

But a deal that dies because "good wheat" was not good for this buyer is far more annoying.

Counterparty risk

In the physical market, what is being bought or sold is not the only issue.

Who stands on the other side matters.

A counterparty may be strong, weak, new, experienced, strange, slow, unreliable, very confident, or simply too beautiful to be true.

A broker should pay attention to:

- company history;
- reputation;
- ability to perform;
- financial discipline;
- authority to make decisions;
- reality of goods or demand;
- previous problems;
- behavior in negotiation.

Not every new counterparty is bad. Not every famous counterparty is safe.

But the broker must understand: when he brings a party into a deal, he is partly putting his own reputation behind that introduction.

If the counterparty fails, the market remembers not only that counterparty.

It remembers who brought them.

Execution risk

Execution risk is everything that happens after the beautiful word “agreed.”

That includes:

- contract;
- documents;
- loading;
- quality;
- logistics;
- timing;
- invoices;
- payments;
- commission;
- final closure.

Beginners often think the main job is to bring the sides to “yes.”

In reality, “yes” is just the door.

Behind that door lives execution.

And execution can be unpleasant if the commercial agreement was not clear.

Typical problems:

```
the sides understood basis differently;

the contract does not reflect what was discussed;

documents are not ready;
```

```
logistics is not confirmed;
timing is unrealistic;
quality does not match;
payment terms are unclear;
broker commission is not fixed properly.
```

Execution does not like fog.

It turns fog into conflict very quickly.

Documentation risk

Documents may look boring.

But documents are what turn “we agreed” into “this can be executed and proven.”

In the physical market, documents matter for:

- contract;
- quality;
- origin;
- certification;
- customs;
- logistics;
- payment;
- insurance;
- acceptance;
- disputes.

If documents are not ready, incorrect or incomplete, a deal may get stuck.

The broker is not always responsible for documents. But he should understand which documents are critical for the specific deal and when they must be checked.

The phrase “we will do it later” may be normal.

Or it may be a red flag the size of a port crane.

Communication risk

Brokerage is communication.

But communication itself creates risk.

A message can be misunderstood.
A voice note can be forgotten.
A screenshot can become outdated.
A spreadsheet can have the wrong version.
One broker may think everyone understood.
Another may think it was only a preliminary discussion.

If important terms are not recorded cleanly, the deal becomes dependent on human memory.

Human memory is excellent for dinner stories.

For deals, it is better to have something more structured.

Communication risk decreases when the broker:

- records main terms;
- confirms changes;
- separates interest, match and trade;
- does not call something a deal too early;

- writes the next action;
- keeps important data in one working place.

Reputation risk

Reputation risk is the slowest and most painful.

You do not always see it immediately.

Today the broker forwards a weak offer.
Tomorrow he brings an unreliable counterparty.
The next day he fails to clarify basis.
Next week he promises something he cannot control.
A month later, people read his messages less carefully.

Nobody holds a formal trial.

The market simply starts trusting him less.

For a broker, that is dangerous because trust is his main asset.

Not the contact list. Not speed of typing. Not the number of chats.

Trust.

A broker’s reputation is built from small things:

- whether his offers are accurate;
- whether his bids are real;
- whether he warns about risks;
- whether he decorates reality;
- whether he brings weak counterparties;

- whether he records terms;
- whether he plays fairly with partners;
- whether he can say: “I do not know, I will check.”

That last sentence is often more professional than confident invention.

The “I thought it was obvious” risk

This deserves its own category because it kills too many deals.

```
I thought the price was in dollars.

I thought this was FCA.

I thought delivery was included.

I thought the goods were food-grade.

I thought they were ready for contract.

I thought this was not final.

I thought this was already final.
```

In the market, “I thought” often means “I did not clarify.”

And “I did not clarify” often means “now we have a problem.”

A broker should learn to kill obviousness with questions.

Not because he is boring.

Because what is obvious in one person's head may look completely different in another's.

How a broker works with risks

A broker cannot make the market safe.

But he can make his own work cleaner.

That requires basic habits:

1. Clarify key terms before spreading an offer or bid.
2. Record price validity.
3. Separate interest, match, counter and trade.
4. Check logistics reality.
5. Ask for specific quality parameters.
6. Understand who makes the decision.
7. Record the clean version of terms.
8. Do not promise what you do not control.
9. Do not be afraid to say "I need to check."
10. Remember that reputation is worth more than one deal.

This does not guarantee success.

But it greatly reduces the number of pointless failures.

In brokerage, that is already a lot.

What a broker should remember

Risks do not begin “after the deal.”

They live from the first message.

In the product.
In the price.
In the basis.
In logistics.
In the counterparty.
In documents.
In communication.
In your desire to call something a deal too early.

A good broker does not panic because of risks.

He simply sees them earlier.

That is why he may look slightly paranoid.

In this market, that is not a defect.

It is professional eyesight.

13. What makes a broker strong

A strong broker is not the person who speaks the loudest in the chat.

Not the person who sends the most messages.

Not even the person with the largest contact list, although that helps. Contacts are useful. But without discipline, memory, context and trust, a contact list is just a long list of people you can disappoint.

A strong broker helps the market find workable deals faster and more accurately.

That requires not one talent, but several pillars.

1. Product understanding

A broker must know the product.

Not as a laboratory specialist. Not as an agronomist. Not as a plant technologist. But enough not to look accidental when speaking with a serious buyer or seller.

He should understand:

- which parameters matter for wheat;
- why corn is not just “yellow grain”;
- how oilseeds differ;
- what meal, cake, bran and pellets are;
- why certification may matter;
- how quality changes price and deal possibility.

If the broker does not understand the product, he cannot properly clarify an offer or bid.

If he cannot clarify, he sends the market half-raw material.

The market may work with it.

Or politely ignore it.

2. Logistics understanding

A strong broker sees not only the product, but also the path of the product.

Where is it?
How will it move?
When?
By which transport?
At whose cost?
On what basis?
Where is the risk?

A broker who understands logistics reads the market better. He sees faster when an offer is truly interesting and when it is beautiful only until someone calculates movement.

Logistics should not frighten a broker.

But it should interest him.

Because goods that cannot move are commercially similar to a car without wheels: possibly beautiful, but difficult to drive.

3. Basis understanding

A strong broker does not compare prices without basis.

He knows that 220 FCA and 230 DAP are not simply "220 versus 230." They are different terms, different logistics, different responsibilities and different economics.

He is not afraid to ask:

```
Where?

On what basis?

Who pays delivery?

What is included?

Where does responsibility change?
```

Basis is the language of the physical market.

If the broker does not understand it, he constantly risks translating incorrectly.

The market does not enjoy bad translators.

4. Communication

A broker lives in communication.

Calls, messages, meetings, clarifications, short answers, long explanations, counters, confirmations, refusals, delicate "no," and very careful "maybe."

But strong communication is not simply talking a lot.

Strong communication means:

- asking the right questions;
- listening to the answer;

- not inventing what was not said;
- being brief when brief is needed;
- explaining fully when details matter;
- not promising too much;
- passing the essence without noise.

A broker must speak with different people: farmer, trader, processor, exporter, logistics operator, manager, owner, operations team.

Each has their own language.

A strong broker does not force everyone to speak his language.

He translates between them.

5. Discipline

Discipline sounds boring.

In brokerage, it often separates a professional from a person who is simply very busy.

Discipline means:

- recording terms;
- updating statuses;
- checking validity;
- writing next action;
- keeping client history;
- not losing details;
- not confusing “in work” with “closed”;
- not keeping the entire system only in your head.

A broker’s head is an important tool.

But if the entire work of the team lives only in brokers' heads, that is not a system. It is a group of people heroically trying not to forget too much.

Discipline does not kill speed.

It makes speed useful.

6. Working with data

A modern broker must work with data.

Not necessarily as an analyst or programmer.

But he must understand that data is not "office stuff." It is market memory.

Data includes:

- history of offers;
- history of bids;
- client activity;
- previous trades;
- prices;
- bases;
- logistics;
- statuses;
- counters;
- refusals;
- execution;
- comments;
- mistakes.

If this is not in a system, it lives in chats, spreadsheets and heads.

That is a poor place for strategic memory.

A strong broker does not necessarily love systems.

But he understands that without structured data, his market becomes a short memory with many messages.

7. Reputation

A broker's reputation is not built from big statements.

It is built from what he does every day.

Are his offers current?
Are his bids real?
Does he warn about risks?
Does he avoid decorating reality?
Does he avoid bringing random counterparties?
Does he play fairly with partners?
Does he record terms?
Does he admit when he does not know?

The market does not always say directly: "We trust you less now."

It simply starts replying slower.

Or stops showing the best ideas.

Or goes around you.

For a broker, that is very dangerous.

Because losing one deal is unpleasant.

Losing your place in the market is worse.

8. The ability to say no

A strong broker does not work every idea.

This matters.

Not every offer should be shown.
Not every bid should be spread.
Not every counterparty is worth the risk.
Not every price is real.
Not every “urgent” story is important.
Not every client is good for the long game.

Beginners are often afraid to say no because they think they will lose opportunity.

Experienced brokers know: sometimes “no” protects reputation, time and nerves.

The market is full of noise.

A strong broker is not required to retransmit all of it.

9. Speed without hysteria

A broker must be fast.

But speed should not look like a circus fire.

Real speed means:

- quickly understanding the essence;
- quickly clarifying what matters;
- quickly finding the relevant side;
- quickly responding;
- quickly recording the result;
- quickly understanding that an idea does not work.

Speed without structure creates chaos.

Structure without speed creates a museum.

A strong broker holds the balance.

10. Professional curiosity

The market changes.

Clients change.
Logistics changes.
Tools change.
Data becomes more important.
AI, APIs, digital monitors, automatic matching, CRM, execution layers — all of this gradually enters brokerage.

A strong broker does not need to chase every fashionable technology.

But he must be curious enough not to get stuck in the past.

Excel and messengers will not disappear. But a broker who believes that in 2026 all team work should live only in chats and files is slowly turning his profession into manual archaeology.

The market moves on.

The formula of a strong broker

In simple terms, a strong broker stands on several pillars:

```
product;

market;
```

logistics;

basis;

communication;

discipline;

data;

reputation;

healthy skepticism.

You do not need to be perfect from day one.

Nobody starts strong.

But you should know where to grow.

The first 30 days for a beginner

If you are entering the profession, do not spend the first 30 days trying to look like a “market wolf.”

The market has seen many wolves.

Some of them later learned basis very quietly.

Better to do simple things:

1. Learn the main commodities.
2. Understand basic quality parameters.
3. Learn the main bases.
4. Understand who is who in the chain.
5. Write down every new term.
6. Keep a daily market journal.
7. Ask when you do not understand.

8. Do not pretend you understand when you do not.

9. Watch how experienced brokers formulate offers and bids.

10. Learn to record clean terms.

This does not sound heroic.

But it works.

The first 90 days

In the first 90 days, a beginner should start seeing the market not as random messages, but as a system.

He should understand:

- which commodities appear most often;
- which buyers and sellers are active;
- which bases repeat;
- which logistics routes matter;
- which questions arise constantly;
- which deals reach result;
- which deals die, and why.

One of the most useful habits is recording not only successes, but failures.

Why did the deal not happen?
Where was information missing?
What should have been clarified earlier?
Which risk was missed?
Which counterparty behaved poorly?
What should be done differently next time?

That is how the market teaches.

Without unnecessary romance.

What a broker should remember

A strong broker is not born with a perfect contact list and built-in understanding of FOB.

He becomes strong through systematic work.

He learns to see product, logistics, basis, risk, counterparty and next action.

He does not simply forward information.

He turns it into commercial opportunity.

If we make it very short:

```
A weak broker creates noise.

A normal broker finds interest.

A strong broker builds trust, structure and result.
```

14. Modern brokerage: data, monitor, communication

Brokerage has always been a communication profession.

Phone calls.
Messengers.
Meetings.
Voice notes.
Fast replies.
Short “any interest?” messages.
Even shorter “no.”
And sometimes a long explanation of why “no” actually means “maybe, but not today, not on this basis, and certainly not with this freight.”

Communication has always been the heart of brokerage.

But the modern market has a new problem: the number of messages has increased, while clarity has not always followed.

A broker receives offers in one chat, bids in another, a clarification in a voice note, a counter in a screenshot, an old price in Excel, a new price in a messenger, a client comment in a private thread, and the final “yes, let’s work” sometimes happens on a call after which everyone remembers the terms slightly differently.

This is not because people are bad.

It is because the market is fast, and the working tools of many brokerage teams still depend on “we will somehow put it together.”

This is where modern brokerage begins to differ from old brokerage.

Not because the broker stops speaking with people.

But because communication stops being the only place where the deal lives.

Messengers are necessary. But they are not an operating system

Brokers like messengers.

They should.

Messengers mean speed. They provide live contact. In one minute, a broker can check whether there are goods, whether there is demand, whether the price moved, whether a buyer is still alive, and whether yesterday’s almost-deal still has a pulse.

The problem is not messengers.

The problem begins when the messenger becomes the operating system of the brokerage team.

That means everything lives in chats:

- offers;
- bids;

- counters;
- price updates;
- clients;
- comments;
- statuses;
- history;
- agreements;
- execution;
- documents;
- and the wonderful question: “What exactly did we agree?”

A messenger is excellent at sending messages.

It is not excellent at answering:

```
Which offers are active?

Which bids are fresh?

Where is the real match?

Who owns the client?

What is the latest price?

What is the deal status?

What moved to execution?

What is stale?

What needs an update?
```

For that, you need more than a chat.

You need a working layer.

Excel is useful. But it should not be the team's market memory

Excel is a great tool.

It has survived trends, crises, startups, expensive presentations, and thousands of corporate systems that were supposed to "replace Excel" and then quietly added export back to Excel.

Spreadsheets are useful.

In brokerage, they help structure information quickly, calculate, compare, maintain lists and produce basic reports.

But Excel has the same weakness as messengers: when it becomes the only operating layer, version confusion begins.

```
offers_final.xlsx

offers_final_new.xlsx

offers_final_new_2.xlsx

offers_actual.xlsx

offers_actual_REAL.xlsx

offers_actual_REAL_last.xlsx
```

Somewhere, an execution manager begins to cry quietly.

The problem is not that Excel is bad.

The problem is that a deal is not just a row in a spreadsheet.

A deal has a life:

- it appears as interest;
- it gets clarified;
- it gets updated;
- it receives a counter;
- it may find a match;
- it may become a trade;
- it may move to contract;
- it may move into execution;
- it may change status;
- it may die;
- it may return one week later in another form.

A spreadsheet can record this.

But it does not always manage it well as a process.

Data as the broker's working memory

A modern broker should work not only with messages, but with data.

This does not mean the broker needs to become a data scientist.

A broker should not be forced to open Python in the morning just because he wanted to check a corn bid.

But a broker should understand that data is the memory of his work.

Data means:

- who gave the offer;
- who gave the bid;
- when it happened;
- what the price was;
- what the basis was;
- what the volume was;
- what delivery period was discussed;
- what counter was given;
- what became a trade;
- what did not;
- who refused;
- who performed;
- who failed;
- who always negotiates;
- who makes decisions quickly;
- who spends three days clarifying the obvious.

If this is not recorded, it lives in heads, chats and separate files.

That does not scale.

When one broker works alone and remembers everything, it may seem like no system is needed.

Then a team appears.

Then there are more clients.

Then more offers.

Then someone goes on holiday.

Then someone gets sick.

Then a new person asks: “What is this client’s story?”

And suddenly “I remember everything” turns out not to be a business process.

It is heroism.

Heroism is a poor foundation for regular operations.

The deal as an object, not as a message

Modern brokerage workflow starts with a simple shift in thinking.

An offer is not a message.
A bid is not a message.
A match is not a random overlap in one broker’s head.
A trade is not “we agreed in chat.”

These are objects.

Each object has structure:

```
product;

quality;

volume;

price;

currency;
```

```
basis;

place;

delivery period;

party;

status;

responsible broker;

history;

next action.
```

When offers and bids live as objects, they can be:

- filtered;
- searched;
- updated;
- compared;
- matched;
- converted into trades;
- passed to execution;
- analyzed;
- archived;
- reported.

When they live only as messages, they can be forwarded.

That is useful.

But not enough.

Status matters

One major problem in brokerage work is unclear status.

Is this offer still alive?
Is this bid fresh?
Is the match being worked, or forgotten?
Is the trade agreed, or almost agreed?
Is the contract in progress, or stuck?

Without statuses, the team lives inside assumptions.

Assumptions are a very expensive form of creativity.

A modern monitor should show not only records, but the state of work:

- active;
- needs update;
- cancelled;
- matched;
- traded;
- executed;
- archived;
- needs revision;
- pending confirmation;
- in execution.

Names may vary. The logic is the same: every record should be not merely "somewhere in the system," but in a clear phase of life.

Then the team sees not a pile of information, but a working flow.

Reference data is not a small detail

In the old approach, reference data often lives "somewhere in a spreadsheet."

Commodity names.
Companies.
Bases.
Countries.
Delivery places.
Ports.
Transport types.
Currencies.
Brokers.

At first, this looks like administrative detail.

In reality, it is the foundation of clean data.

If one broker writes "Corn," another writes "Maize," a third writes "yellow grain," and a fourth writes "corn 2025 maybe," the system may be as modern as it wants, but analytics will look at this and consider a career change.

Reference data is needed so the market speaks one working language.

Not because everyone loves order.

But because without order:

- filters break;
- matching becomes weaker;
- reports become inaccurate;
- messenger publications look inconsistent;
- execution receives messy data;
- the team loses time on manual fixes.

In modern brokerage, reference data is infrastructure.

Boring, but important.

Like plumbing in a city: few people romanticize it, but without it everything becomes unpleasant rather quickly.

The monitor as the working screen

A modern brokerage monitor is not just a table.

It is the working screen where the team sees market flow.

Ideally, one place should contain:

- offers;
- bids;
- matches;
- trades;
- clients;
- comments;
- statuses;
- updates;

- reference data;
- reports;
- execution;
- history.

Such a monitor does not replace the broker.

It replaces the chaos around the broker.

The broker still speaks with people.
Clarifies.
Persuades.
Compares.
Explains.
Negotiates.
Builds trust.

But now he does not do it inside an information fog.

He sees the working picture.

Communication must remain fast

There is a dangerous mistake in digitalization.

Some systems try to make everything "correct," but so slowly that the broker begins to dream of paper, carrier pigeons and a return to a button phone.

That does not work.

Brokerage needs speed.

So modern workflow should not kill communication. It should structure it.

Messengers, email, Excel, calls — all of these do not disappear immediately. And they should not.

The question is not how to ban familiar channels.

The question is how to make important information from those channels land in structure:

- to a specific client;
- to a specific offer;
- to a specific bid;
- to a specific match;
- to a specific trade;
- to a specific execution stage.

Then the messenger remains a fast channel.

And the monitor becomes memory and working truth.

AI and automation

AI in brokerage is not a magic broker in a box.

And it is definitely not a replacement for the person who has trust, context and market judgment.

But AI can be useful.

It can help:

- structure messages;
- find similar offers and bids;

- highlight possible matches;
- analyze history;
- detect old or not-updated records;
- suggest next actions;
- prepare short reports;
- help clean reference data;
- check contradictions in records;
- extract meaning from a large communication flow.

AI should not make market decisions instead of the broker.

But it can help the broker not drown in noise.

And that is already quite a lot.

What a broker should remember

Modern brokerage does not mean the human disappears.

Quite the opposite.

The more information there is, the more important the person who understands context becomes.

But a person without structure becomes overloaded quickly.

Messengers are needed for speed.
Excel is useful for tables.
Data is needed for memory.
A monitor is needed for the working picture.

Reference data is needed for a shared language.
AI is needed as an assistant, not as a magician.

A modern broker is not the person who replaced the phone with software.

A modern broker is the person who learned to turn communication into structured work.

15. MN7R and the new communication layer for brokers

Now we can talk about MN7R.

Not at the beginning of the book, because showing the tool first and explaining the profession later would be strange.

First, we had to walk through the market: product, participants, broker role, deal flow, logistics, basis, risk and discipline.

Now the logic becomes clear.

If a broker's day consists of offers, bids, matches, clients, statuses, comments, logistics, bases, contracts and execution, a team cannot live forever only in chats, files and the memory of individual people.

It needs a working layer.

Not instead of the broker.

For the broker.

MN7R is one example of such a layer for agri-commodity brokerage.

Not another CRM

Many systems like calling themselves CRM.

Sometimes CRM is genuinely useful. But classic CRM often lives separately from real brokerage work.

The broker works in chats, spreadsheets and calls. Then someone asks him to "enter everything into CRM."

This is the moment when many brokers look as if they have been asked to manually copy a railway directory.

The problem is not CRM.

The problem is that CRM often stands beside the deal, not inside it.

A brokerage workspace should think differently: the client must be connected to real market work.

Offers.
Bids.
Matches.
Trades.
Comments.
History.
Responsibility.
Execution.

A client base should not be a dead list of companies.

It should be the living memory of market relationships.

Deals / Clients / EXE

In MN7R, brokerage work is structured around three large blocks:

Clients — counterparties, history, assignments, activity, notes and relationships.

Deals — offers, bids, matches, trades, market ideas, updates, filters and statuses.

EXE — the execution layer: contracts, confirmations, invoices, payments, documents and post-trade follow-up.

This matters because in the old approach these things often live separately.

Clients are in someone's head or in CRM.
Offers are in spreadsheets.
Bids are in chats.
Matches are in the broker's memory.
Trades are in separate files.
Execution lives in email, documents and the nerves of the operations team.

MN7R tries to bring this into one working contour.

Not because everyone must love systems.

Because a deal does not end at "agreed."

After "agreed" comes responsibility.

A shared monitor without giving away clients

One of the biggest problems in brokerage is the conflict between information and control.

On one hand, the more of the market a broker sees, the more chances for a match. Maybe he has an offer for which the perfect bid sits with another broker. Or the opposite. Maybe a trade could happen if the sides simply knew that the other side existed.

On the other hand, brokers do not want to put their client base on a shared table and say: “Please, enjoy.”

And they are right not to want that.

The client base is work, trust and years of communication.

So the market needs a model that increases visibility without destroying control.

The MN7R idea is:

a shared request and deal monitor without giving away clients.

A broker can see market parameters of offers and bids in the system, without full disclosure of sensitive company details where that is not needed.

He sees the opportunity.

But the client and full context remain with the broker-owner.

If another broker sees a potential match, he can request details, propose joint work, discuss a trade or agree a partnership structure.

This changes the social model.

Another broker’s offer stops being a threat.

It can become an opportunity.

Brokers as partners, not enemies fighting for the client

In the classic model, brokers are often afraid to share information.

This is understandable.

If the market is built on "who grabbed the client first," any transparency looks dangerous.

But that model limits liquidity.

Each broker sees only his piece of the market. He may not see opportunities sitting nearby — inside another team, another company, another broker's flow.

MN7R proposes a different logic.

Clients can be assigned.
Ownership of relationships remains.
Sensitive details are not shown to everyone.
But market flow becomes wider.

This allows brokers to act not only as competitors, but as partners inside a controlled environment.

Not:

"Give me your client."

But:

"I have one side, you have another. Let's see whether we can build a deal."

For grains and oilseeds, where liquidity is often distributed among many participants, this matters.

Matching: not more information, more relevance

A shared monitor can become a problem by itself.

If there are many offers and bids, the broker does not want to see everything. He wants relevance.

That is why matching matters.

The system should help find possible overlaps:

- by commodity;
- basis;
- place;
- period;
- volume;
- price;
- direction;
- and other parameters.

Good matching does not make the deal automatically.

It tells the broker:

```
Here is something worth looking at.
```

Then the human works.

The broker understands context, calls, clarifies, works the counter, checks risk, reads the counterparty and moves the process.

Matching does not replace the broker.

It removes part of the manual searching.

Sometimes that is enough for a deal that would never have found itself to become visible.

UPDATE and CLONE: why versions matter

In brokerage, the same commercial idea may change.

Price changes.
Delivery period changes.
Volume is clarified.
Basis becomes different.
The counterparty gives a counter.

If every update simply creates another chaotic record, the team quickly stops understanding what happened.

So it is important to distinguish:

UPDATE — the same commercial position is updated. History remains. The system understands that this is a chain of changes.

CLONE — a new independent position is created based on the old one. It may be similar, but it lives separately.

This may sound technical.

For the market, it is very practical.

A brokerage team needs to see not just “records,” but the evolution of a commercial idea.

What it was.
What changed.
What is current now.
What became a separate object.

That is operational memory.

Execution starts earlier than it seems

In many teams, execution is treated as something that starts after the deal.

First, brokers “make the market.”
Then the sides “agree.”
Then the execution team heroically tries to understand what actually happened.

This is a poor model.

Execution should begin already when the deal is being structured.

Because if the offer or bid does not have proper terms, if basis is unclear, if delivery period is not recorded, if logistics is not realistic, if the sides understand the

agreement differently — execution receives not a deal, but a box of wires.

MN7R tries to connect Deals and EXE.

That means a trade should not fall into execution as a mystery.

It should move there as a structured object with key terms, history and context.

This reduces manual rewriting, loss of detail, and the classic question:

```
Who remembers what they agreed?
```

CRM that does not live separately from work

In brokerage, client information should not live only in a "client card."

It should be connected to real activity:

- which offers the client gave;
- which bids;
- which deals happened;
- which did not;
- why;
- how quickly the client responds;
- which commodities matter;
- which bases;
- which risks;

- execution history;
- who in the team is responsible.

This is not just CRM.

It is memory of market relationships.

If CRM exists separately, brokers often do not maintain it.

If client memory is naturally collected through work with deals, resistance becomes lower.

The broker works the market.

The system collects structure.

That is a better balance.

Messengers and Excel as a soft landing

MN7R should not require the market to forget messengers and Excel in one day.

That would be naïve.

Brokers will still use Telegram, WhatsApp, email, spreadsheets, voice notes, files and screenshots.

The question is not how to forbid that.

The question is how to extract structure from it.

Messengers can be channels.
Excel can be an import or temporary format.
A message can become an offer.

A file can become a data source.
A comment can attach to a deal.

The familiar tools remain.

But the center of gravity moves into the monitor.

This matters because the market does not enjoy sudden religious reforms in software.

If a system tells a broker, “From today, live completely differently,” the broker usually answers very shortly and continues working in chat.

Better to build a bridge.

MN7R should be that bridge.

Roles: broker, boss, admin

Team brokerage needs roles.

Not everyone should see everything.

A broker should see his working area, his clients, his deals and his opportunities.

A boss should see the team picture: who is doing what, where activity exists, which records need attention, where the team loses opportunities.

An admin should have broader control: teams, reference data, roles, governance, changes and system-level data quality.

This is not bureaucracy.

It is healthy architecture of trust.

If everyone sees everything, people become afraid to work openly.

If nobody sees enough, the team loses liquidity and shared opportunities.

Balance is needed.

That is why role logic is not a small technical detail.

It is part of product thinking.

Reference Data and governance

In MN7R, reference data is not just lists.

Commodities, delivery places, bases, transport types, companies, brokers, currencies — all of this must be managed.

Why?

Because if reference data is dirty, the system begins to make mistakes.

Matching becomes weaker.
Filters become inaccurate.
Reports become strange.
Messenger publications become inconsistent.
Execution receives chaos.

So reference data needs:

- statuses;
- change history;
- editing;
- approval where needed;
- archiving;
- safe deletion control;
- governance requests;
- audit trail.

This sounds boring.

But normal operating systems are made of exactly these boring things.

The market may be chaotic.

Data does not need to be.

Analytics above the operating layer

When offers, bids, matches, trades, clients and execution live in a structured layer, analytics becomes possible.

Not just "a nice chart."

Answers to practical questions:

- which commodities are active;
- where demand is stronger;
- where supply is stronger;

- which bases work;
- which clients respond;
- which brokers create flow;
- where deals die;
- where execution slows down;
- which matches are most interesting;
- which market signals repeat.

Analytics without clean operating data often becomes a decorative dashboard.

Beautiful.

Not very useful.

The operating layer is the foundation.

First the system must learn to remember the market.

Then it can help read it.

MN7R as a direction, not a final point

MN7R is not “the final answer” to every brokerage problem.

Statements like that should be left to people selling universal platforms that solve everything, including office coffee.

MN7R is a direction.

The idea that a brokerage team should have:

- a shared monitor;
- role-based visibility;
- structured offers and bids;
- matching;
- execution layer;
- client memory;
- messenger-ready communication;
- reference data;
- governance;
- analytics;
- the ability to work not only inside one small base, but more widely through partner links.

This is a new communication layer for brokers.

Not instead of the market.

Above its chaos.

What a broker should remember

MN7R matters not because it is “another piece of software.”

Software alone does not solve the market.

The important idea is that brokerage work must become structured, team-based, controlled and fast at the same time.

Not slow bureaucracy.
Not chaos in chats.
Not private Excel files in several versions.

Not brokers fighting each other for clients inside the same system.

A working layer where:

- the broker keeps speed;
- the team sees the market;
- clients have ownership;
- matches become visible;
- execution receives clean data;
- reference data does not fall apart;
- messengers help, but do not control everything;
- data becomes memory, not garbage.

In one sentence:

MN7R turns brokers from isolated deal hunters into a connected market of partners with more information, more opportunities and less chaos.

16. What comes next

This is the first full free edition of the practical guide.

Not the final encyclopedia.
Not the complete map of the entire market.
Not a magic instruction after which a person wakes up as a great broker and starts saying "FOB, CIF, DAP" in their sleep.

This is the starting framework.

Its job is to help a broker, or future broker, see the market as a system.

Not as chaos made of messages, files, calls, random prices and "there was an offer somewhere."

But as a living chain:

```
product → quality → place → basis → logistics →
counterparty → price → risk → deal → execution
```

Once this framework appears in your head, the market becomes easier to understand.

Not simple.

It will not be simple.

If someone says the physical grain and oilseed market is simple, you may politely ask when they last tried to move a deal from "almost agreed" to actual execution.

But it becomes clearer.

What we have covered

In this version, we went through the core ideas:

- what grain and oilseed agri-commodities are;
- why physical goods are not abstract prices;
- who is who in the chain;
- how a broker differs from a trader;
- how the path from request to offer, bid, match, trade and contract works;
- why deals die;
- why logistics is part of the market, not “something after the deal”;
- what basis means;
- how basis, freight and logistics build the price;
- which risks beginners usually underestimate;
- what makes a broker strong;
- why modern brokers need data, monitors and structured communication;
- how MN7R thinks about team brokerage, matching, client ownership, execution and the new communication layer for brokers.

This is not enough to know everything.

But it is enough to start asking better questions.

And in brokerage, a good question is often more valuable than a pretty answer.

What future versions may add

Future editions can go deeper.

We may expand:

- grain and oilseed quality;
- specifications and certification;
- regional logistics examples;
- truck, rail, port, barge and sea logistics;
- freight;
- practical basis arithmetic;
- counterparty risk;
- contract management;
- execution and post-trade follow-up;
- client portfolio management;
- team brokerage;
- data, APIs and interoperability;
- AI as a broker tool;
- practical cases;
- more checklists, templates and glossaries.

The main goal stays the same: to make the brokerage profession clearer, more structured and stronger.

How to use this edition

If you are new to the profession, read it fully.

Not because it contains every answer.

Because it gives you a map.

If you are already a broker, use it to check your own system:

```
Do I always clarify basis?

Do I understand logistics before moving an offer?

Do I record the clean version of terms?

Do I separate interest from a deal?

Do I know why my deals do not reach execution?

Does my client memory live in a system, or only in
my head?
```

If you manage a brokerage team, use this book as onboarding material.

Give it to a new broker not instead of live training, but before it.

So the conversation does not start from zero, but from a shared working language.

Final thought

Brokerage in grains and oilseeds is not a profession about “just finding a buyer.”

It is a profession about turning market information into a deal that can be executed.

For that, a broker needs:

- product understanding;

- logistics;
- basis;
- counterparty caution;
- fast communication;
- discipline;
- data;
- trust;
- the ability to see not only the price, but the full construction of the deal.

A strong broker does not remove market complexity.

He makes it manageable.

That is why this profession does not disappear in a digital world.

It changes.

The broker of the future is not a person defeated by technology.

The broker of the future is a person who uses technology to see the market faster, connect interests better and drown less often in chaos.

Which means we are only getting started.

Appendix A. Mini-glossary

This glossary does not replace a full commodity-market dictionary. Its purpose is to give short working explanations of terms a broker meets every day.

Agri-commodity

An agricultural product with a broad commercial market that can be bought, sold, transported and contracted using recognizable market parameters. In this book, the main focus is grains, oilseeds and primary processing products.

Basis

The delivery term and commercial point to which a price is linked. Basis explains where the goods stand in the deal logic, what is included in the price, and who carries which costs or responsibilities.

Bid

Buyer-side interest in purchasing goods under certain conditions. A useful bid includes product, quality, volume, basis, place, delivery period, price or price idea, and buyer requirements.

Broker

A market participant who connects commercial interest between sellers and buyers, helps clarify terms, finds potential matches, supports negotiation and moves an idea toward a deal.

Moisture

A quality parameter showing the amount of water in the product. It affects storage, quality, processing, transport and price.

Delivery

The physical movement of goods from one point to another. In brokerage, it is important to understand who organizes delivery, who pays, which transport mode is used and where the risks sit.

Elevator / storage

A facility used to receive, weigh, dry, clean, store, accumulate and load grains or oilseeds. Depending on the country, similar infrastructure may be called a silo, warehouse, inland terminal or storage facility.

Execution

The performance of a deal after commercial agreement: contract, documents, logistics, shipment, invoices, payments, commission and final closure.

EXW

A delivery logic where the buyer collects goods from the seller’s place. At broker level, this means the exact place, readiness for loading, documents and onward logistics must be checked carefully.

FCA

A delivery logic where goods are handed over to the carrier or made available at an agreed place. The exact point matters: elevator, station, warehouse, plant, terminal or another location.

FOB

A port-based export logic built around the loading port and vessel-related structure. The broker must clarify port, terminal, shipment period, cargo accumulation, documents and included costs.

CIF

A delivery logic where the price includes cost, insurance and freight to the destination port. The broker must understand destination port, freight, insurance, shipment period and importer requirements.

DAP

Delivery to an agreed place. A DAP price includes a significant part of logistics, so the exact destination, route, cost and receiving conditions must be clear.

Freight

The cost of transport, especially in sea or large-scale logistics. Freight can significantly change the economics of a deal.

Counterparty

The other side of a trade or potential trade: seller, buyer, trader, processor, exporter, importer or another market participant.

Counterparty risk

The risk that the other side cannot or will not perform as expected because of finance, reputation, documents, goods, logistics, authority or reliability issues.

Match

A potential overlap between an offer and a bid. A match does not mean the deal is done. It means there is a commercial reason to look closer.

Oilseeds

Crops used for oil, meal, cake and other processing products. In this book, the main examples are soybeans, rapeseed/canola and sunflower seed.

Offer

Seller-side interest in selling goods under certain conditions. A useful offer includes product, quality, volume, basis, place, delivery period, price, currency and status of validity.

Delivery period

The time window in which goods are to be delivered or shipped. Delivery period can be critical for logistics, plants, vessels, contracts and price.

Protein

A quality parameter, especially important for wheat, meals and some related products. It can strongly affect price and buyer suitability.

Certification

Documented confirmation that goods meet certain standards or requirements. Certification may be critical for specific buyers, destinations or supply chains.

Impurities

Unwanted material in the commodity. Impurities affect quality, acceptance, processing, storage and price.

Trade

A commercial agreement on main terms. After trade agreement, the process moves toward contract and execution.

Trader

A market participant who usually buys and sells goods, takes position and works with margin, risk, logistics, financing or arbitrage.

Quality

A set of product parameters that determine whether goods fit a specific buyer or use: protein, moisture, impurities, oil content, test weight, certification and other requirements.

Appendix B. Offer / bid checklist

This checklist is not meant to turn the broker into a person who lives inside forms.

It exists so important things do not get lost.

Offers and bids do not always arrive in complete form. Often they begin as a short message, a call, a voice note or a line in a chat. The broker's job is to turn that signal into structure.

1. Basic information

```
Record type:
[ ] Offer
[ ] Bid
[ ] Request
[ ] Counter
[ ] Other

Date / time received:

Source:
[ ] Call
[ ] Telegram / WhatsApp / other messenger
[ ] Email
```

[ ] Excel / file

[ ] Meeting

[ ] Other

Who provided the information:

Company / counterparty:

Responsible broker:

2. Product

Commodity:

Category:

[ ] Grains

[ ] Oilseeds

[ ] Processing products

[ ] Other

Crop year:

Origin:

Certification / special requirements:

3. Quality / specification

Protein:

Moisture:

Impurities:

Oil content:

Test weight:

GMO / non-GMO:

Other parameters:

Is quality confirmed?

[ ] Yes

[ ] No

[ ] Needs clarification

Quality documents:

[ ] Available

[ ] Not available

[ ] Expected

[ ] Unknown

4. Volume

Volume:

Unit:

[ ] MT

[ ] Other

Is the volume firm or approximate?

[ ] Firm

[ ] Approximate

[ ] Needs confirmation

Is the full volume in one location?

[ ] Yes

[ ] No

[ ] Unknown

Partial delivery possible?

[ ] Yes

[ ] No

[ ] Needs clarification

5. Price

Price:

Currency:

[ ] USD

[ ] EUR

[ ] GBP

[ ] Local currency

[ ] Other

Price status:

[ ] Firm

[ ] Indicative

[ ] Needs confirmation

Valid until:

Who confirmed the price?

Counter possible?

[ ] Yes

[ ] No

[ ] Maybe

6. Basis and place

Basis:

[ ] EXW

[ ] FCA

[ ] CPT

[ ] DAP

[ ] FOB

[ ] CIF

[ ] Other

Exact place:

Country:

Region:

Elevator / station / port / plant / warehouse:

Station or terminal code, if relevant:

Who organizes logistics?

Who pays logistics?

What is included in the price?

7. Period

Delivery period:

Shipment period:

Hard window?

[ ] Yes

[ ] No

[ ] Needs clarification

Flexibility:

[ ] High

[ ] Medium

[ ] Low

[ ] Unknown

8. Logistics

Expected transport:

[ ] Truck

[ ] Rail

[ ] Barge / river

[ ] Port

[ ] Sea

[ ] Combined

[ ] Unknown

Is transport confirmed?

[ ] Yes

[ ] No

[ ] Needs clarification

Known bottlenecks:

Estimated logistics cost:

Freight, if relevant:

Port / terminal, if relevant:

Delay risk?

[ ] Yes

[ ] No

[ ] Needs clarification

9. Counterparty

Side:

[ ] Seller

[ ] Buyer

Counterparty known?

[ ] Yes

[ ] No

[ ] New

Reputation / history:

Who makes the decision?

Authority to confirm terms?

[ ] Yes

[ ] No

[ ] Needs clarification

Financial / execution reliability:

[ ] Normal

[ ] Needs review

[ ] Risky

[ ] Unknown

10. Status

Status:

[ ] New

[ ] Fresh

[ ] In work

[ ] Under counter

[ ] Needs update

[ ] Cancelled

[ ] Match found

[ ] Moved to trade

[ ] Archived

Next action:

Responsible person for next action:

Deadline:

11. Matching

Potential match?

[ ] Yes

[ ] No

[ ] Need to check

May match with:

What does not align?

[ ] Price

[ ] Basis

[ ] Place

[ ] Period

[ ] Volume

[ ] Quality

[ ] Logistics

[ ] Counterparty

[ ] Other

What must be clarified for match:

12. Red flags

[ ] Price not confirmed

[ ] Basis unclear

[ ] Quality not specified

[ ] Goods location unclear

[ ] Weak logistics

[ ] Counterparty not checked

[ ] No authority to decide

[ ] Delivery period unrealistic

[ ] Volume not confirmed

[ ] Documents not ready

[ ] Too many “we will clarify later”

13. Clean working version

After clarification, the broker should prepare a short clean version.

```
Product:

Quality:

Volume:

Price:

Currency:

Basis:

Place:

Period:

Side:

Logistics:

Status:
```

Comment:

Next action:

How to use this checklist

Not every point is needed for every situation.

Not every deal requires a three-page questionnaire and a view of the documents.

But if the broker cannot answer the basic questions about product, price, basis, logistics, counterparty and status, he does not yet have a proper offer or bid.

He has a market signal.

A signal may be valuable.

But it still needs to become a working object.

That is where professional brokerage begins.