



# Global Grains Situation

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# 01

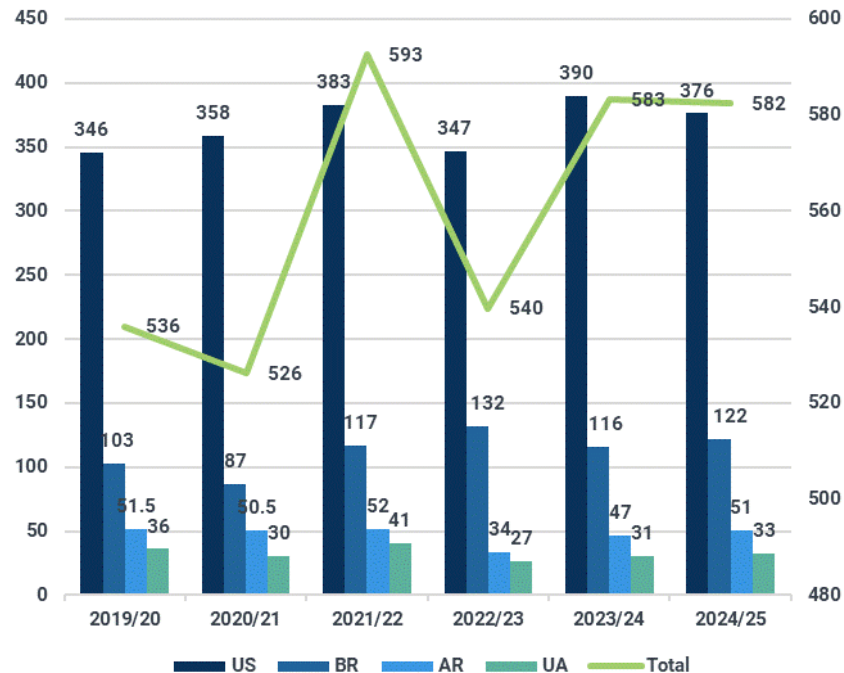
## 2024/25 Balances

- Corn
- Soybean
- Wheat



- 2024/25 production
  - US production at 14.8b bushels (376 Mt) close to the USDA. **Requires record yields**
  - Average yields, slightly higher area in Brazil
  - Average projections for Argentina with area unch
  - South American crops are estimated, will be harvested Feb-Jun 2025. Weather dependent
- Trade demand is projected similar
- Ending stocks build up
  - Major exporter ending stocks higher
  - US stocks relatively lower at 1865 mbu, down from 2046 in 2023/24. Still at comfortable levels

Production (Mt)



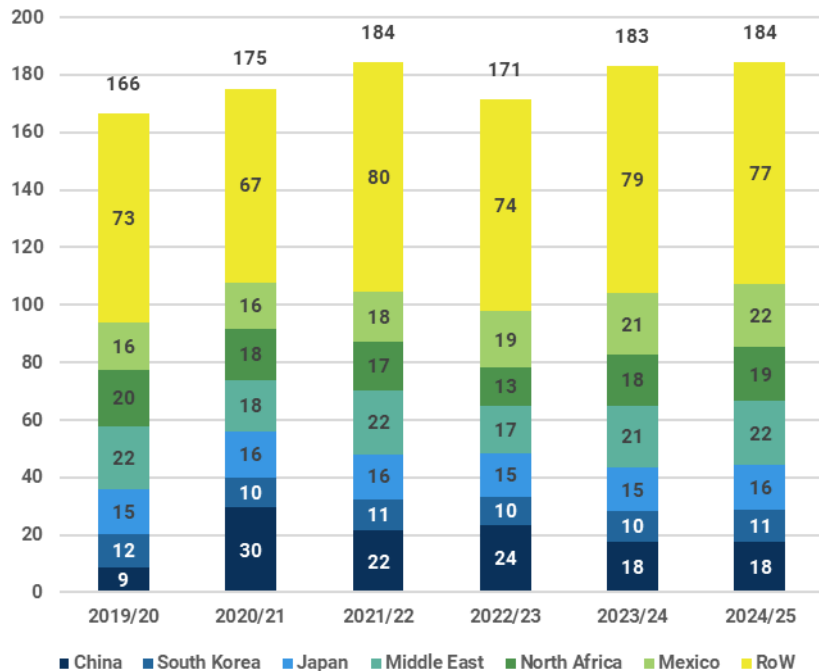
Source: Kpler Insight

# Corn trade and stocks

Global trade projected unch, at high 2023/24 levels

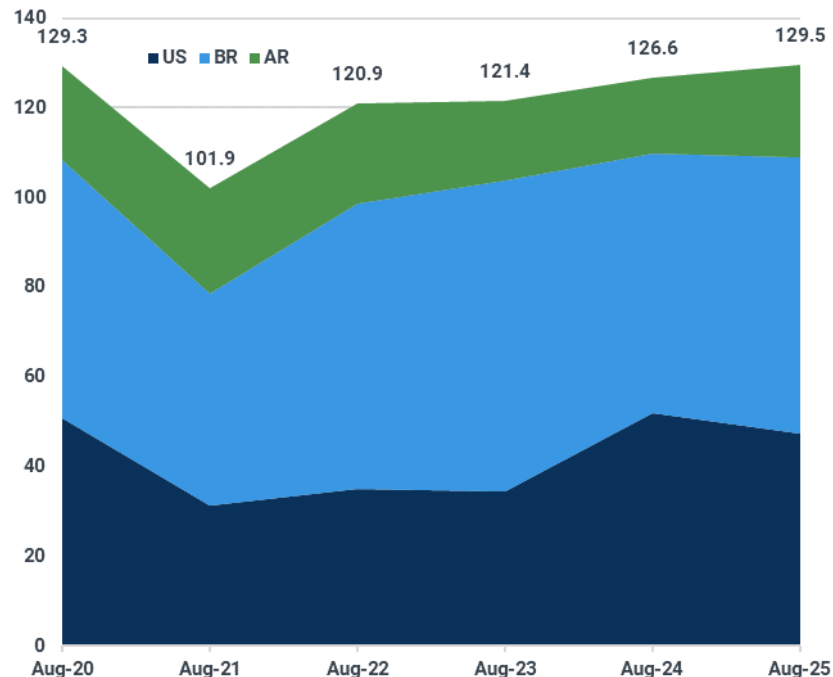
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Trade, incl. projections (Oct-Sep, Mt)



Source: Kpler Insight

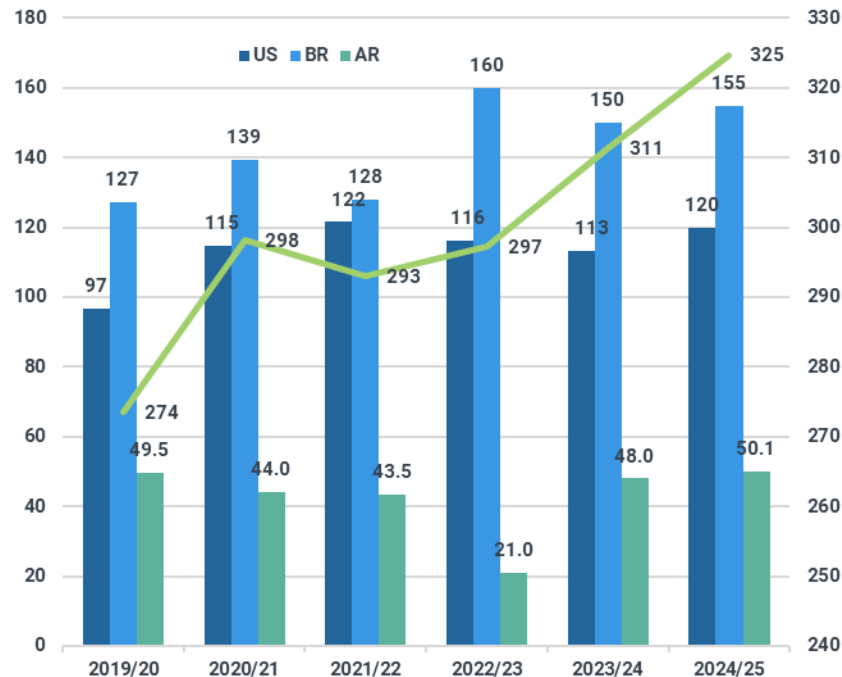
Major exporter ending stocks (Mt)



Source: Kpler Insight

- 2024/25 production, weather permitting
  - US set to produce 4400 mbu (120 Mt) later this year, USDA at 4450 mbu on higher published area.
  - Brazil to produce 155 Mt, yield assumption lower than trend
  - Argentina at 50.1 Mt with higher area
  - South American crops will harvest Jan-Mar 2025

Production (Mt)



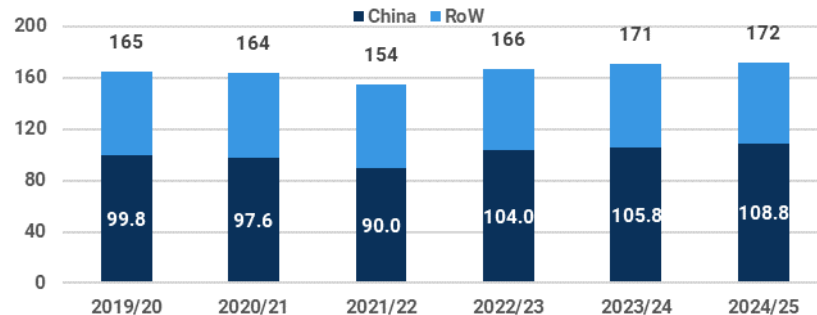
Source: Kpler Insight

# Soybean trade and stocks

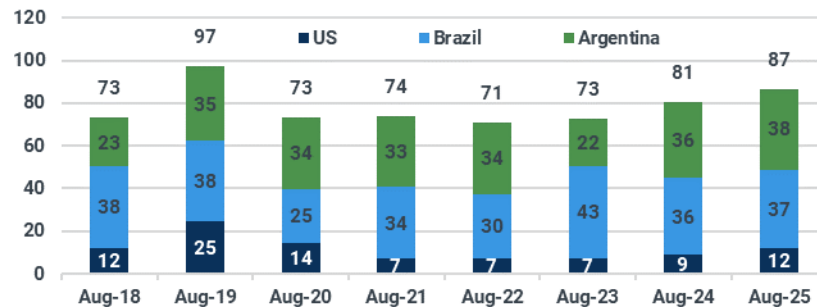
## Ending stocks increase in a normal year without weather issues

- Demand
  - Chinese demand is expected to increase modestly
  - China will need to buy from the US, unlike in 2023
  - Overall demand projected slightly higher y/y
- Ending stocks
  - Major exporter ending stocks increase to highest since the trade-war
  - Argentina carrying significant stocks
  - Free-stock slightly lower
- Projections are predicated on normal production

Trade, incl. projections (Sep-Aug, Mt)



Major exporter ending stocks (Mt)



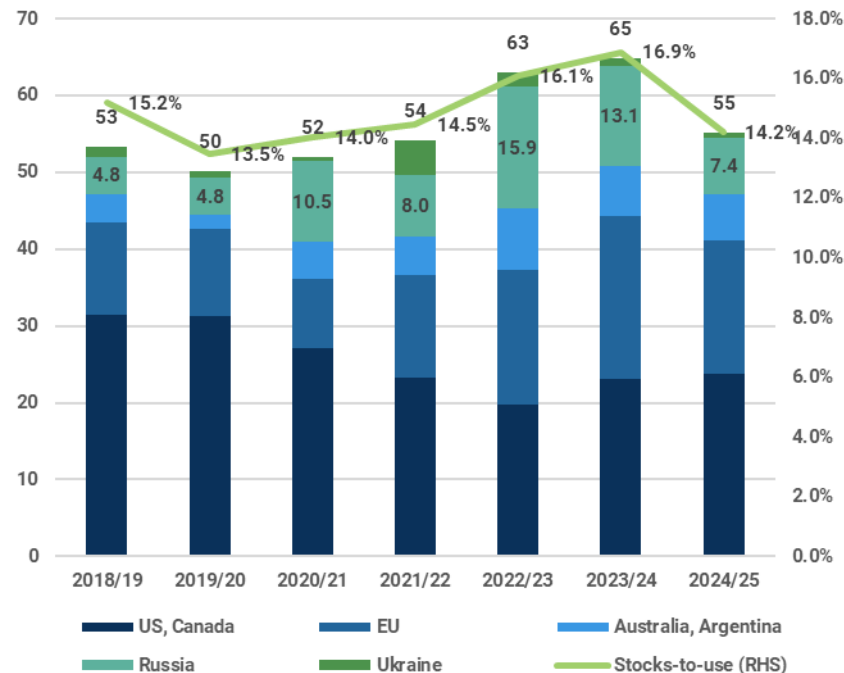
Source: Kpler Insight

# Wheat

## Stock increases were led by Russian production

- Wheat is different
  - Balance sheet depends on Russia for replacement of stocks
  - High sensitivity to supply shocks given low stocks-to-use compared to other crops
  - 'Normal' weather does not build stocks
  - Demand is inelastic
- Production
  - Further cuts will require demand rationing
  - Price implications

Major exporter ending stocks (Mt)



Source: Kpler Insight



# 02

## Weather and outlook

- Russia
- Brazil
- Major short-term drivers



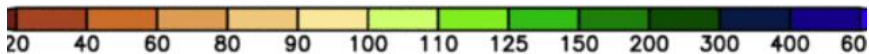
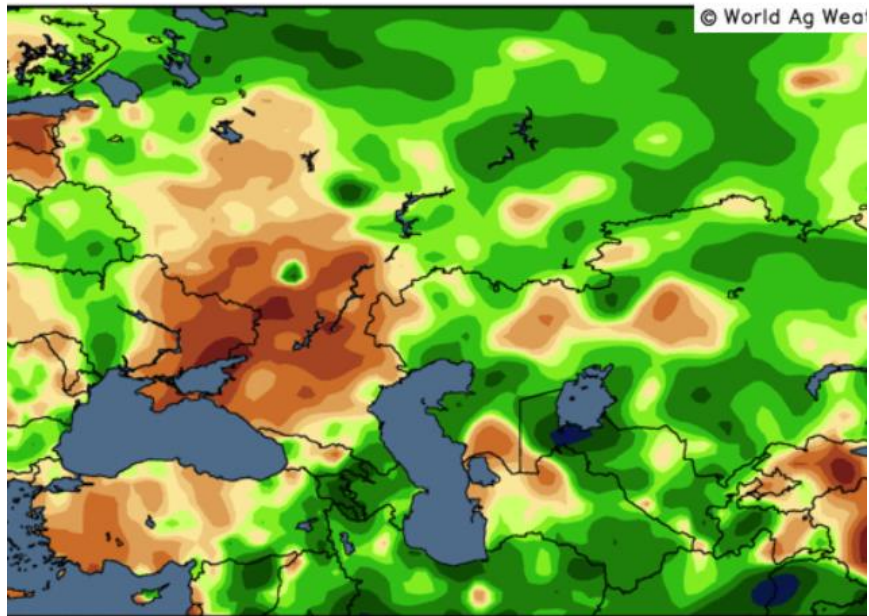


# Weather - Russia

## Frost and dryness threat to wheat production

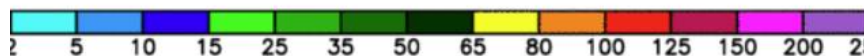
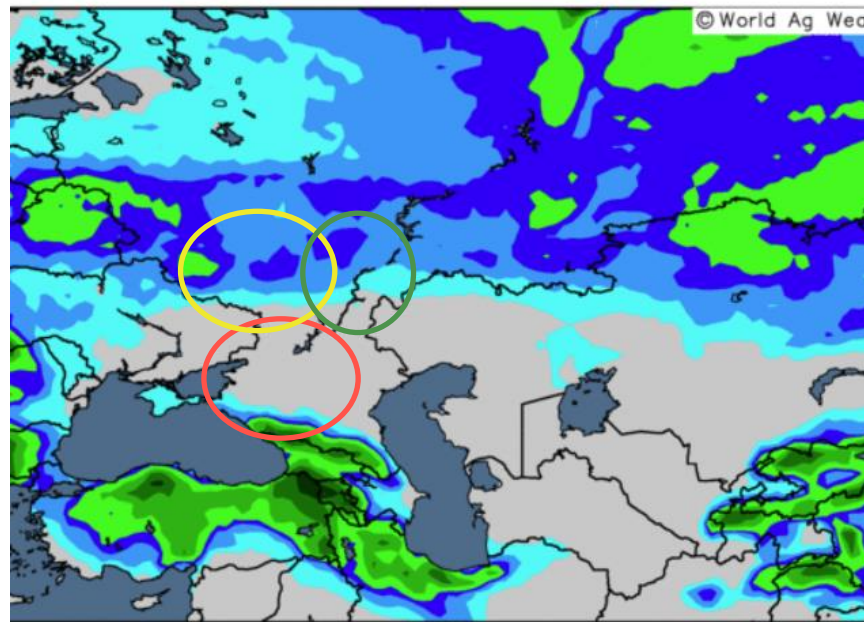
9

Past precipitation – 90d (% of normal)



Source: World Ag Weather

7d precipitation forecast – 20 May 00Z (mm)



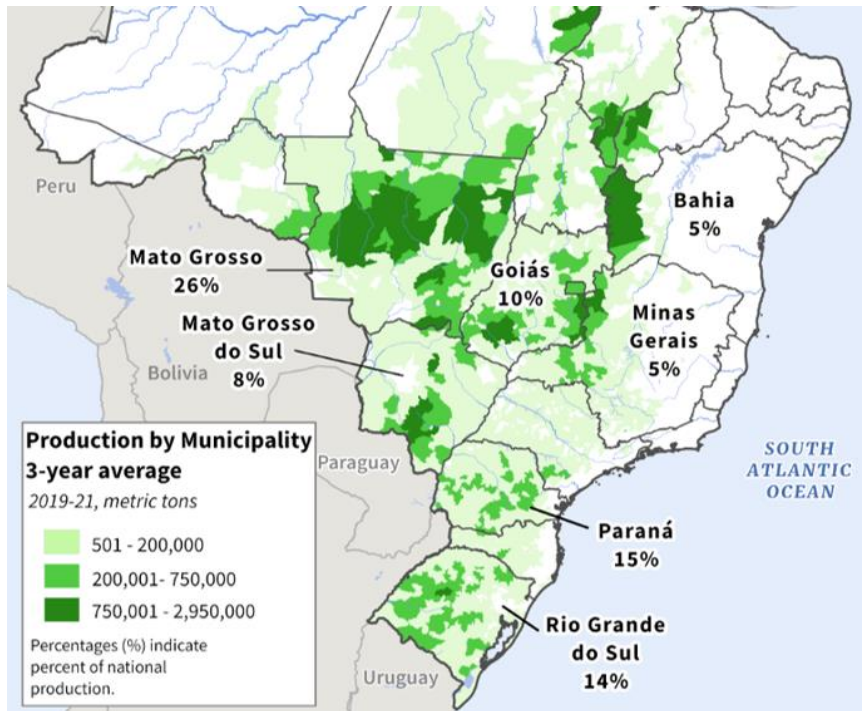
Source: World Ag Weather

# Weather - Brazil

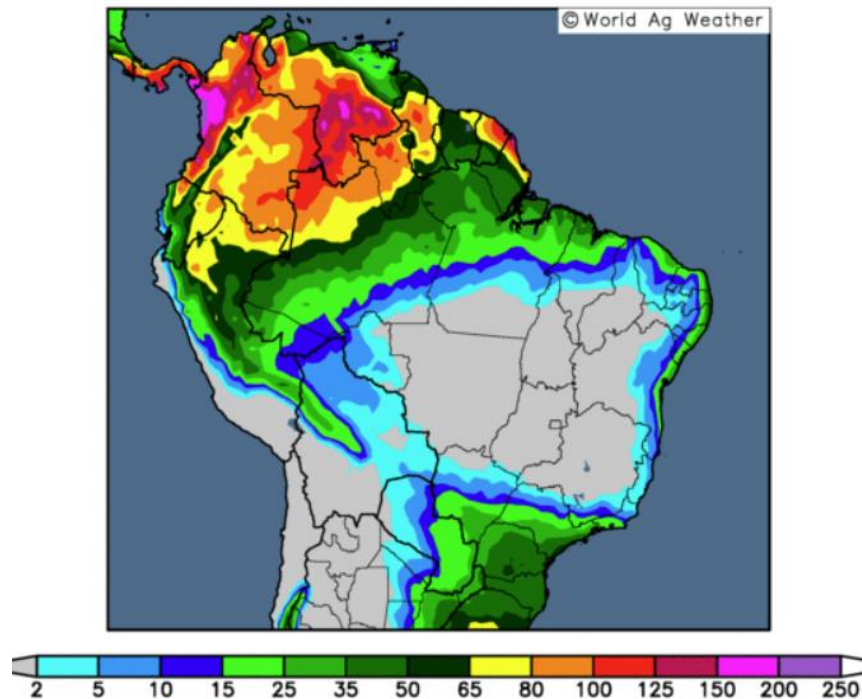
Floods in RGDS, dryness in MT

10

## Brazil soybean areas

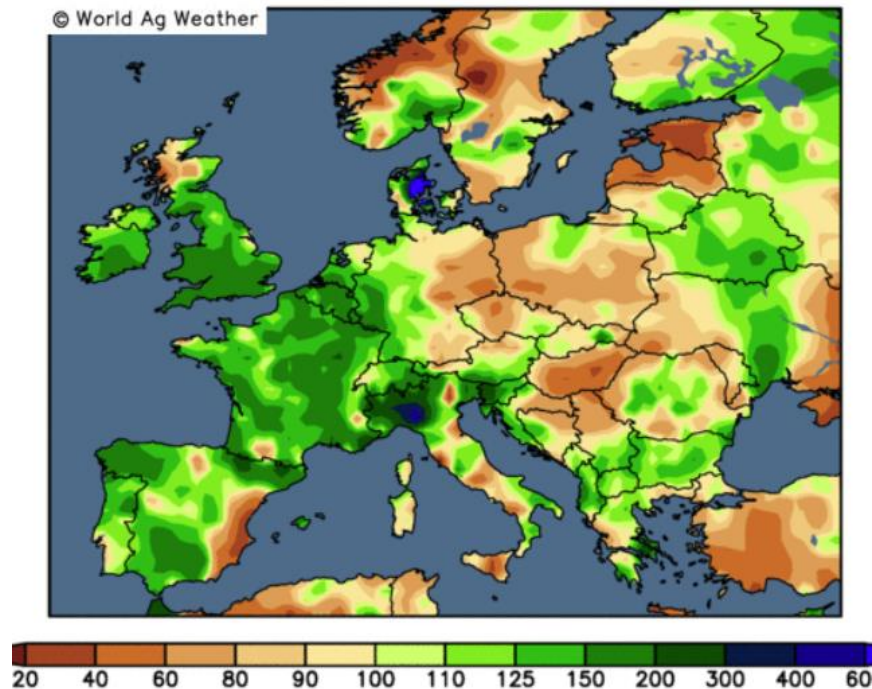


## 7d precipitation forecast – 20 May 00Z (mm)



- Corn
  - Mato Grosso weather through May-June
  - Argentina crop totals
  - US acreage report on 28 June
  - US weather in July
- Soybean
  - Brazil production total
  - Chinese demand
  - US acreage report on 28 June
- Wheat
  - Dry in Southern Russia and Eastern Ukraine
  - Wet in France
  - Import demand from India

Past precipitation – 90d (% of normal)



Source: World Ag Weather

**kpler**

**Thank you**

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