



Global Grains Situation

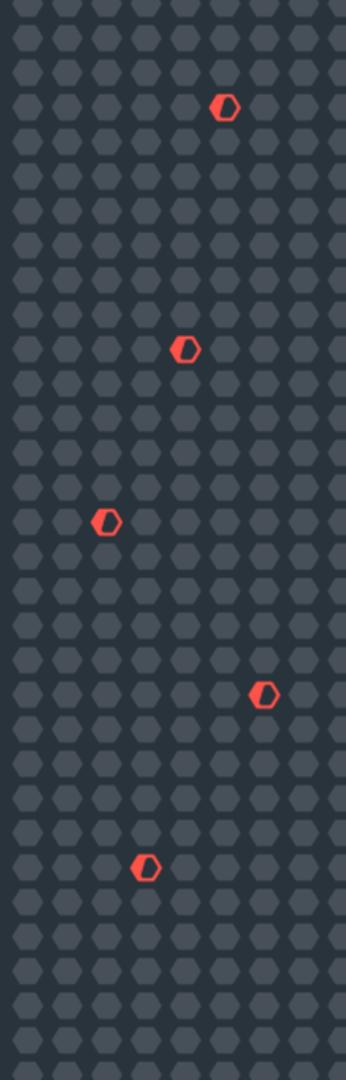
Ishan Bhanu – Lead Agricultural Commodities Analyst

14 June 2024



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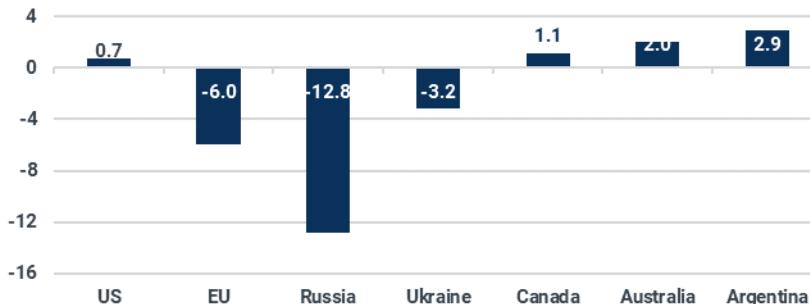
Wheat



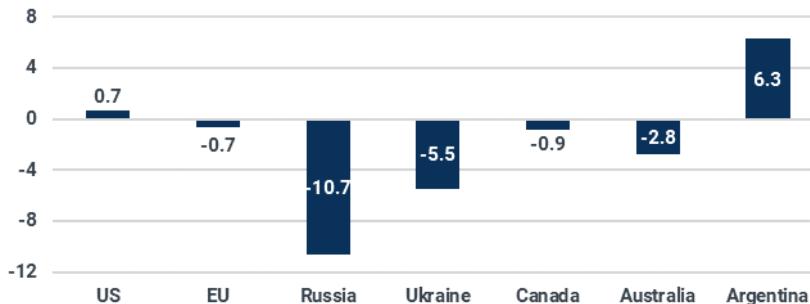
Lower supplies, higher prices to cause demand-rationing

Major exporter production down 15.3 Mt, trade lower by 13.6 Mt

Production changes y/y (Mt)

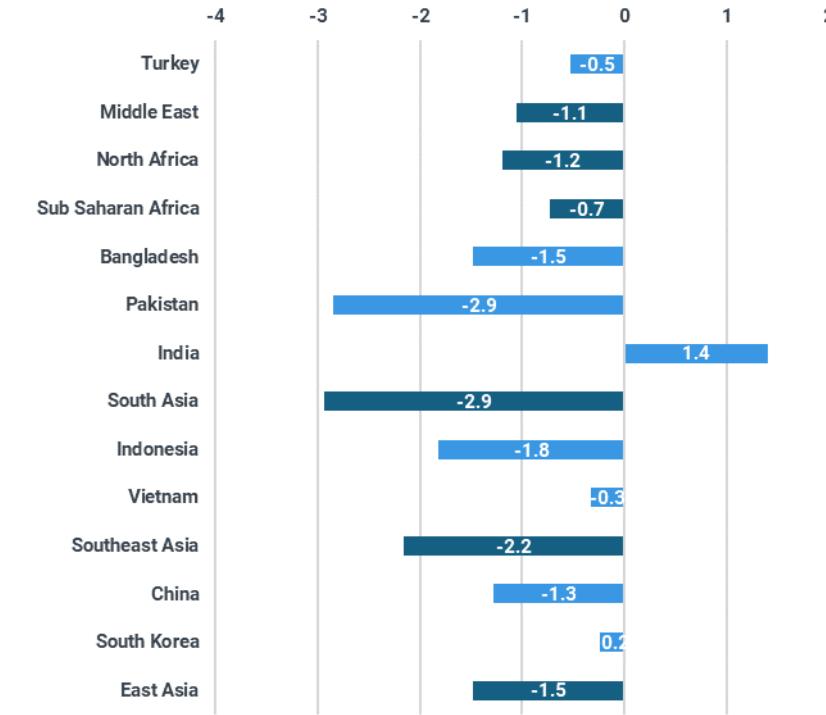


Jul-Jun export changes y/y (Mt)



Source: Kpler Insight

Import changes (Mt)

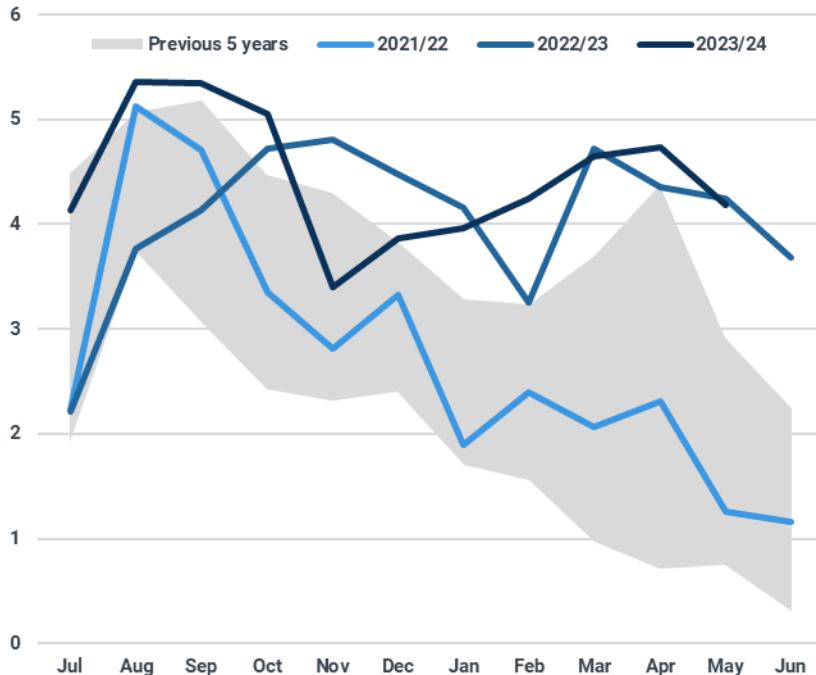


Source: Kpler Insight

Seasonality of exports will be a key market-driver

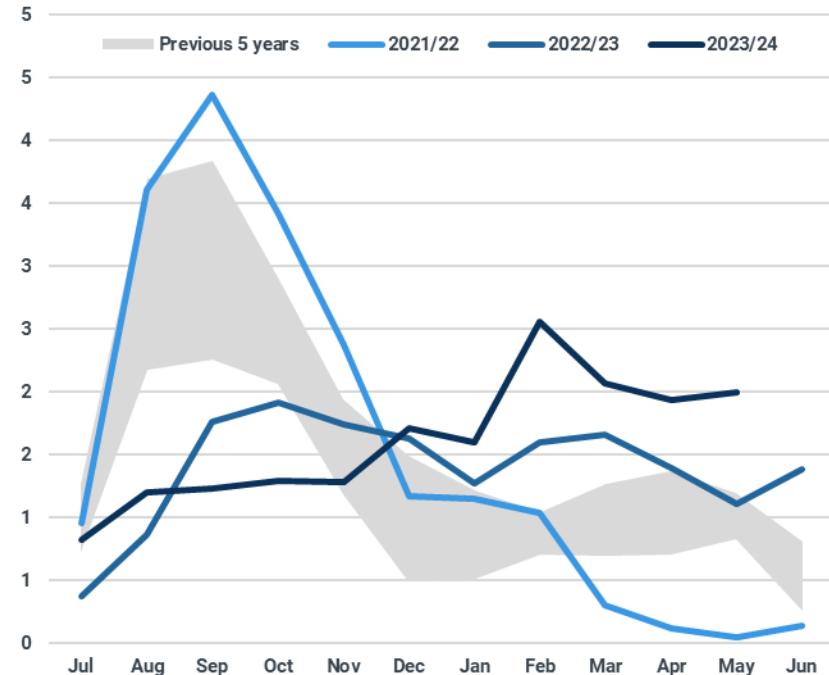
Black Sea harvest pressure may drive the market lower despite lower crops

Russian wheat exports (Mt)



Source: Kpler Insight

Ukraine wheat exports (Mt)



Source: Kpler Insight

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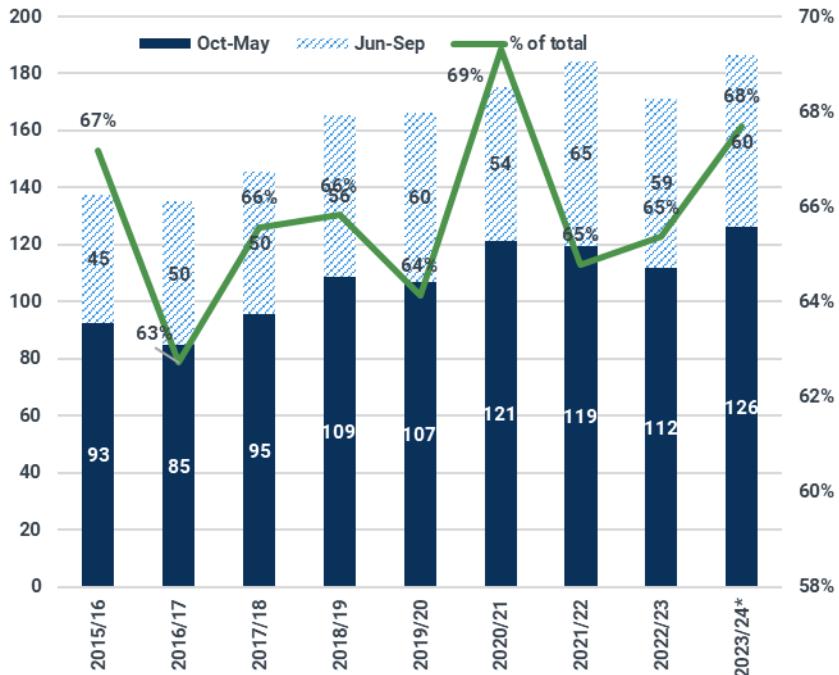
Corn



Corn exports 14 Mt ahead of last year

Jul-Sep trade will depend on Brazilian exports

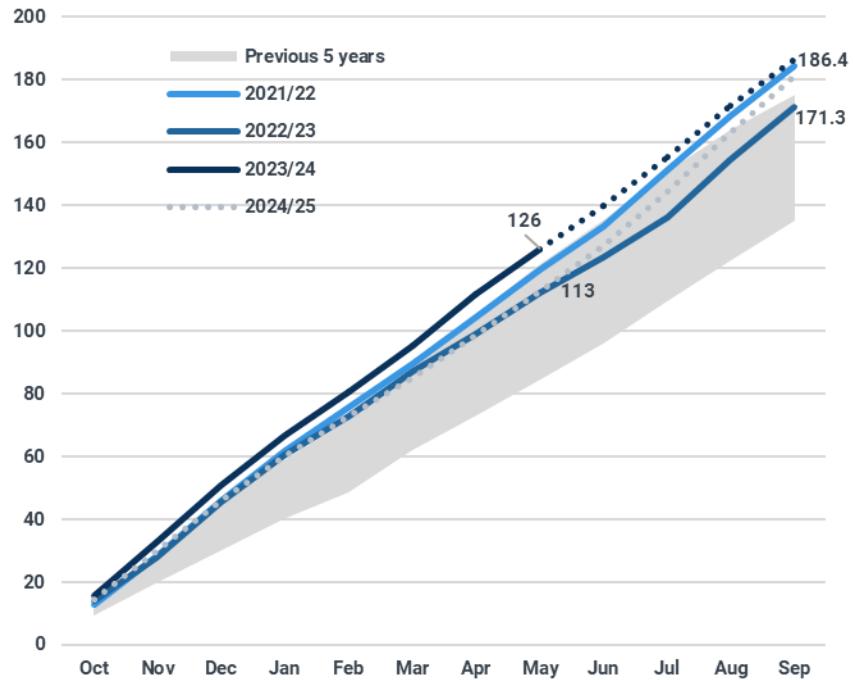
Corn exports year-to-date (Mt)



Source: Kpler Insight

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Corn trade and projections (Mt)



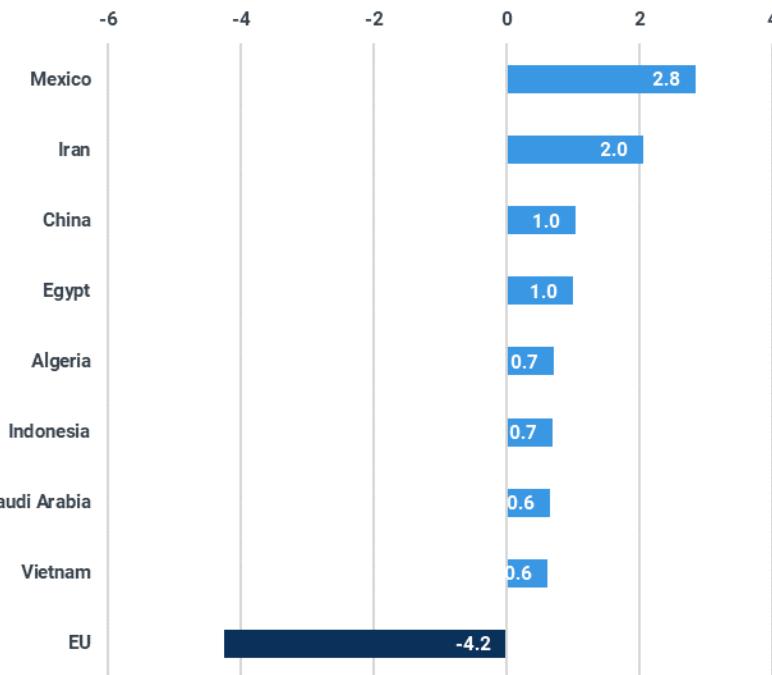
Source: Kpler Insight

Higher availability and lower prices have spurred demand

Feed importers flock to corn

- Mexico likely to become world's largest corn importer, due to lower domestic availability, higher growth
- EU imports from Ukraine lower y/y
- North Africa, Middle East and Asian consumers switch to feeding corn
- While higher y/y, China bought early in the season and will import Brazilian corn from July

Oct-May corn imports, y/y change (Mt)



Source: Kpler Insight

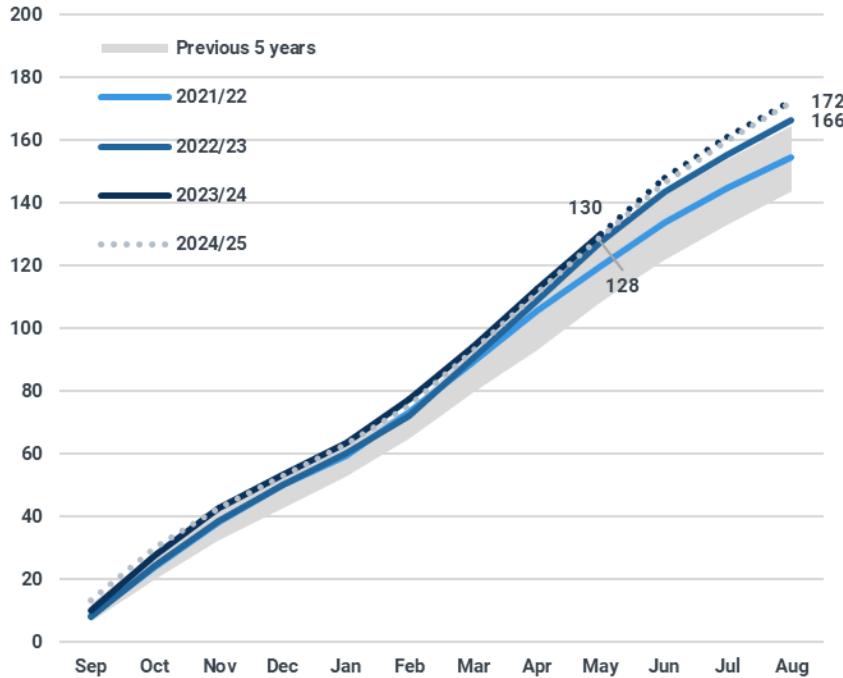
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Soybean

Soybean trade flat y/y

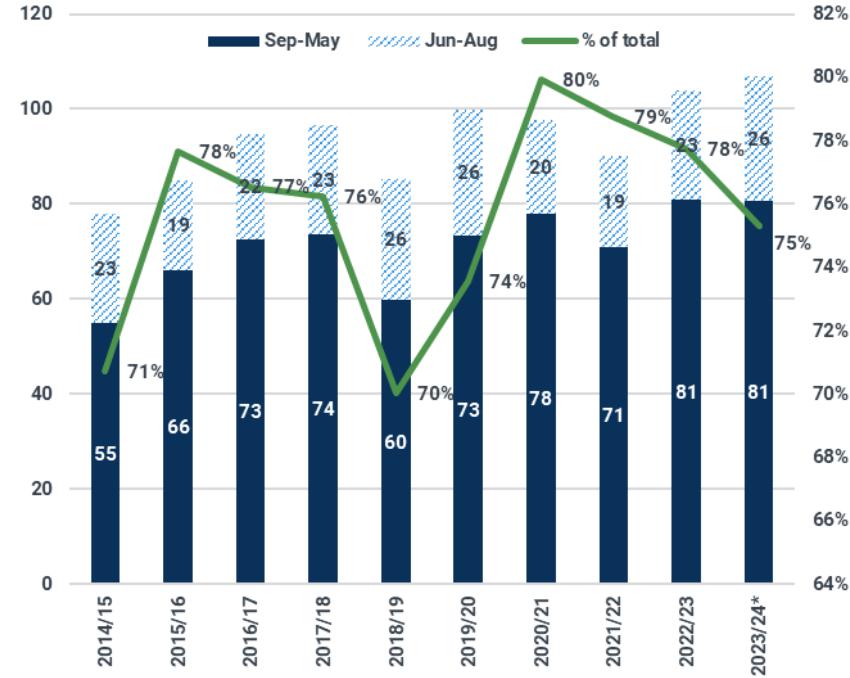
Chinese imports at 107 Mt

Soybean trade and projections (Mt)



Source: Kpler Insight

China soybean imports (Mt)



Source: Kpler Insight

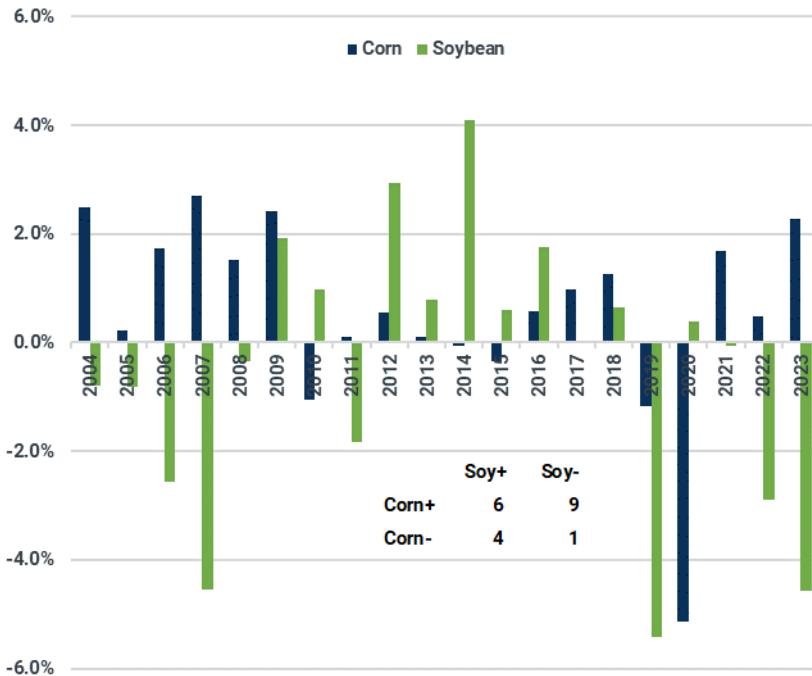
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Acreage report and outlook

Crop Acreage Report – June 28, 2024

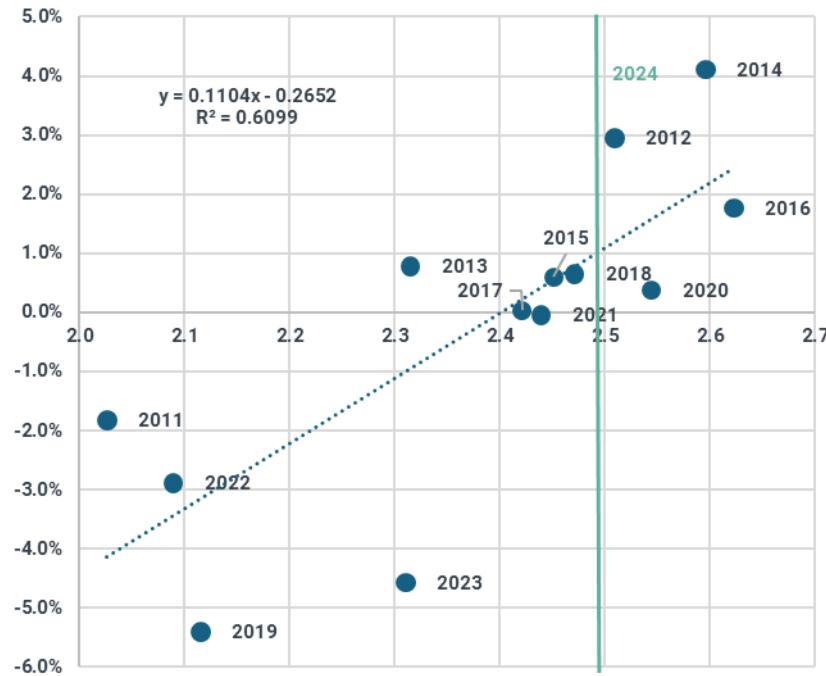
Soybean acres show a strong relationship to soybean/ corn price ratio

Mar- Jun change in US planted acres (%)



Source: NASS

Change in soybean acres vs. price ratio



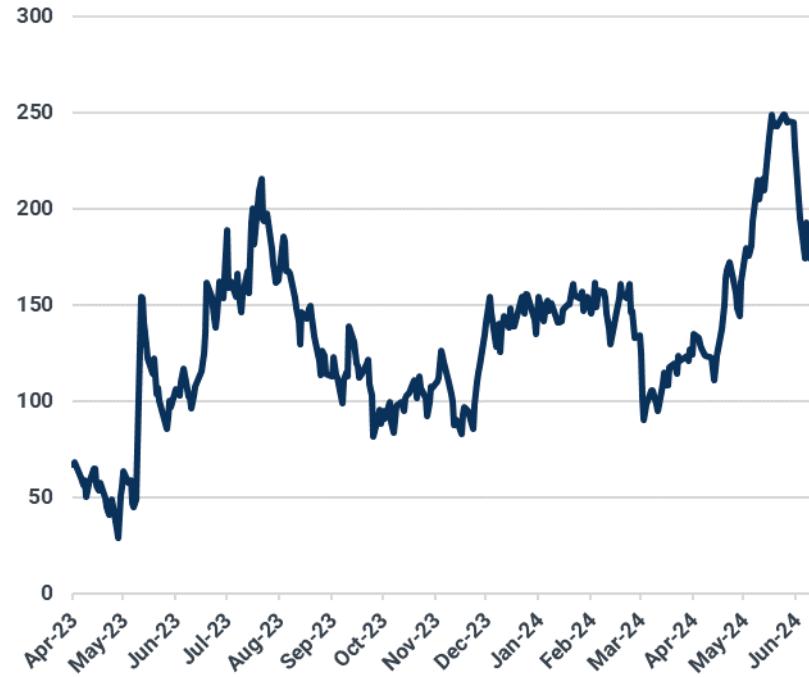
Source: Kpler Insight

Outlook

Short-term market drivers

- Corn
 - Brazil production totals
 - US acreage report on 28 June
 - US weather in July
- Soybean
 - Chinese buying
 - US acreage report on 28 June
 - US weather in Jul-Aug
- Wheat
 - Export pressure from Russia
 - Turkey and India imports
 - Spread vs. corn

CBOT wheat-corn spread, 2nd contract (¢/bu)



Source: MarketView



Thank you

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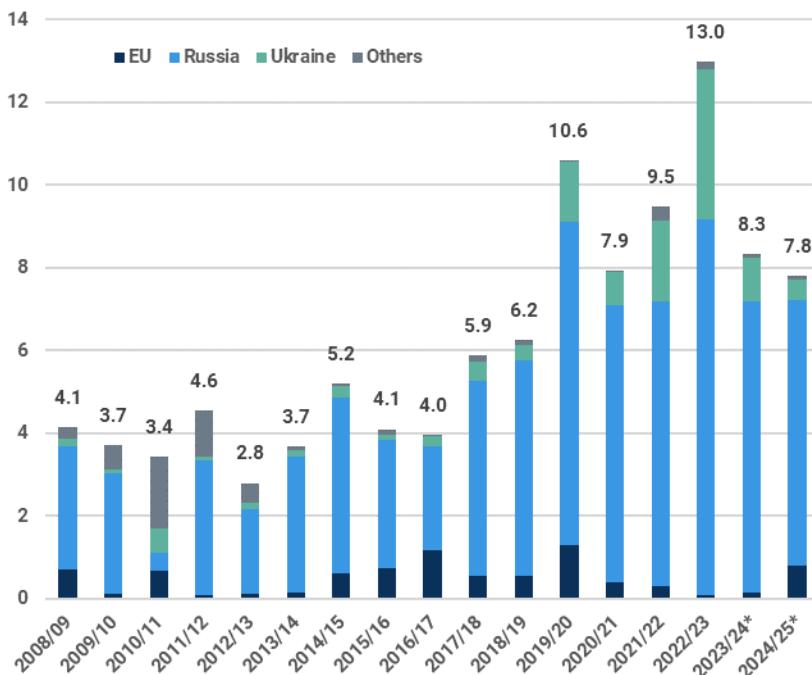
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Overall Turkish demand is unlikely to be lower with production unchanged

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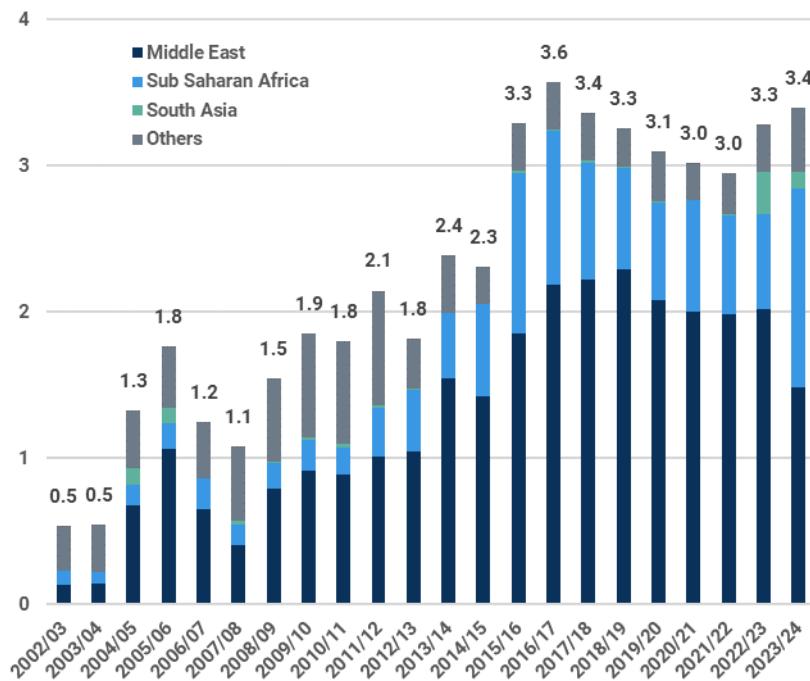
The large flour-export industry depends on imports

Turkey wheat imports



Source: Kpler Insight

Flour exports from Turkey (Mt)



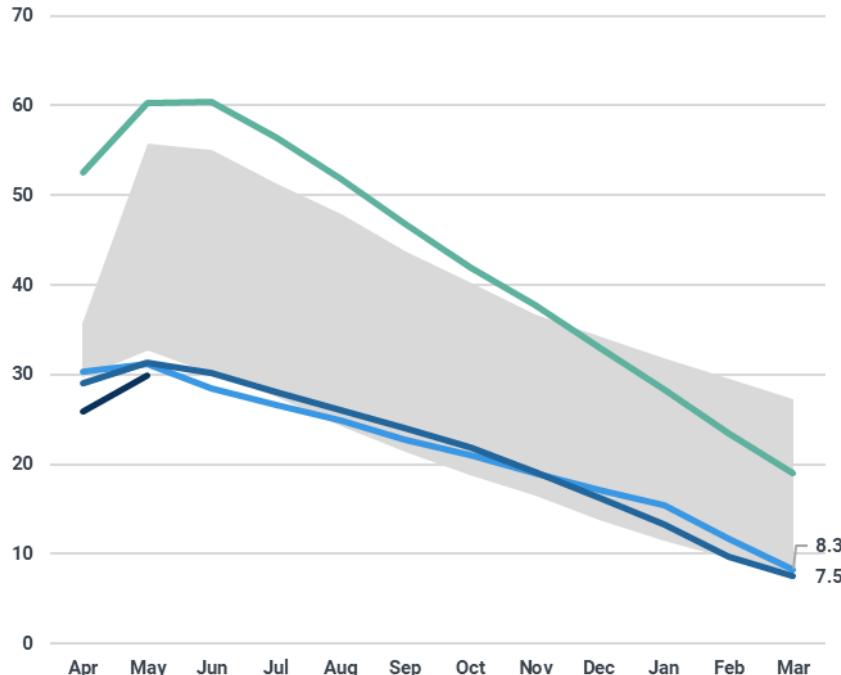
Source: Turkish Statistical Institute

Indian imports depend on the monsoon

Better rice stocks allow the government to avoid exports, unless weather plays spoilsport

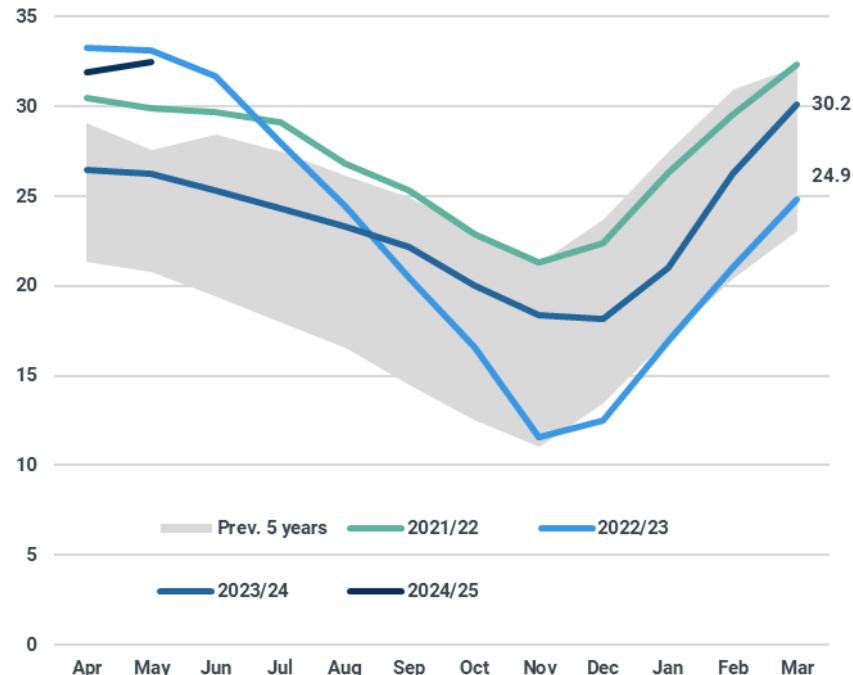
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Government wheat stocks (Mt)



Source: Food Corporation of India

Government rice stocks (Mt)



Source: Food Corporation of India