



Global Grains Situation

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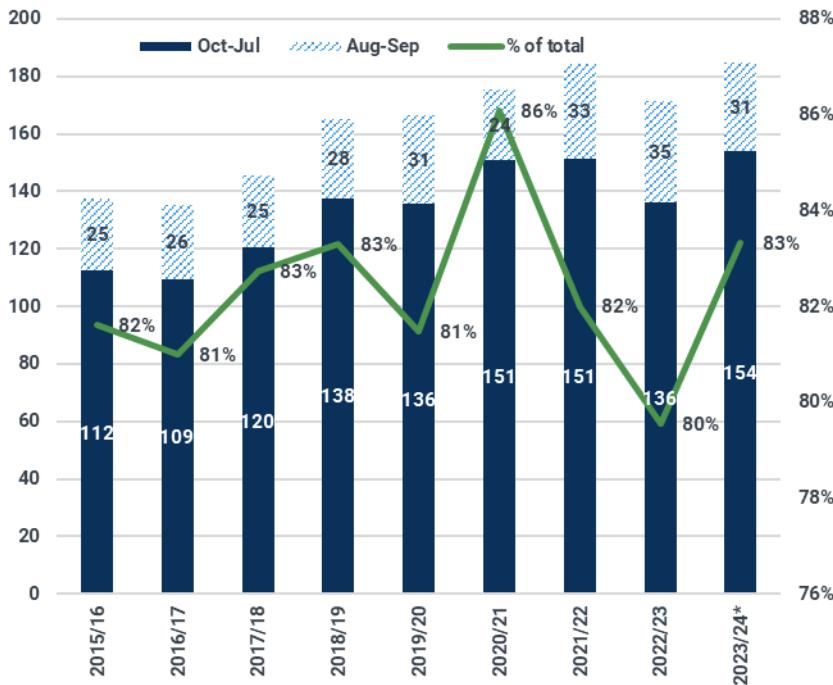
01

Corn

Corn exports 18 Mt ahead of last year

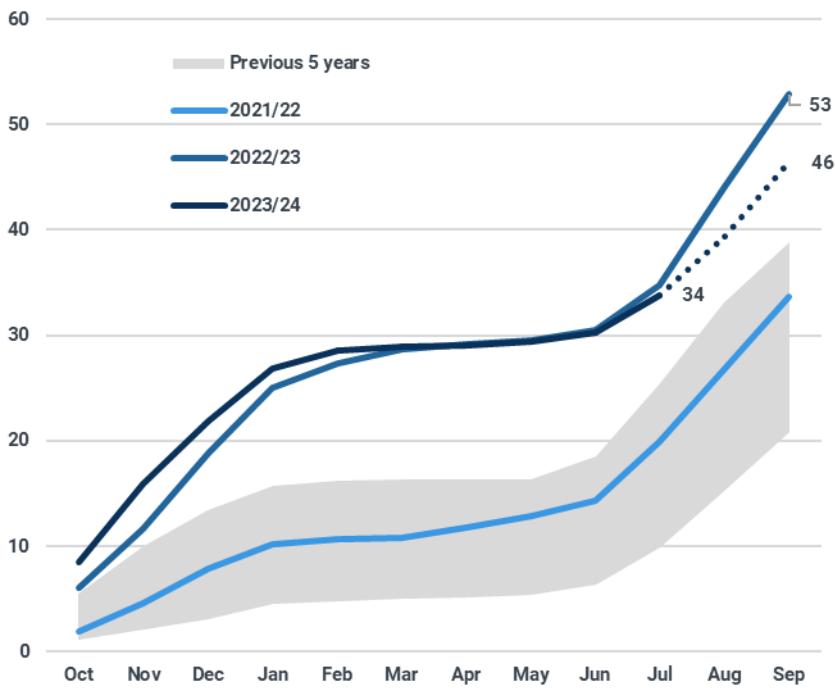
Brazil Aug-Sep exports expected lower y/y

Corn exports year-to-date (Mt)



Source: Kpler Insight

Brazil cumulative exports (Mt)



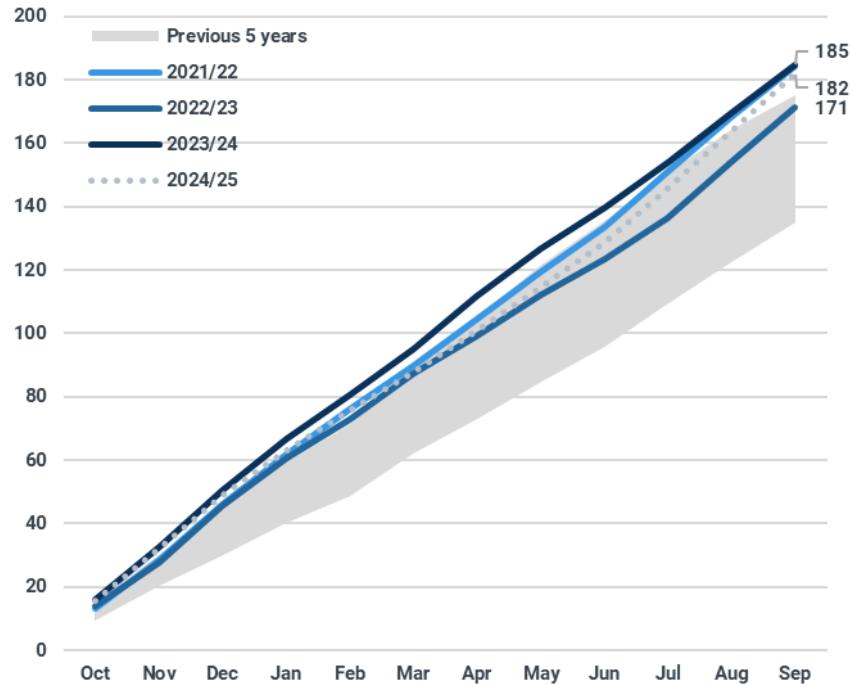
Source: Kpler Insight

2024/25 projections

Higher US, lower Ukraine production; US exports sharply up y/y

- Production changes (m/m)
 - Ukraine: 24.5 Mt, -5.5 Mt
 - US: 15.1 bn bushels/ 385 Mt, +8 Mt
- Black Sea exports lower
 - Ukraine at 20 Mt, -10 Mt y/y
 - Russia at 5.5 Mt, -1 Mt y/y
 - Expect higher Iran imports from Brazil
- Higher supplies a reality, what next?

Corn trade (Mt)



Source: Kpler Insight

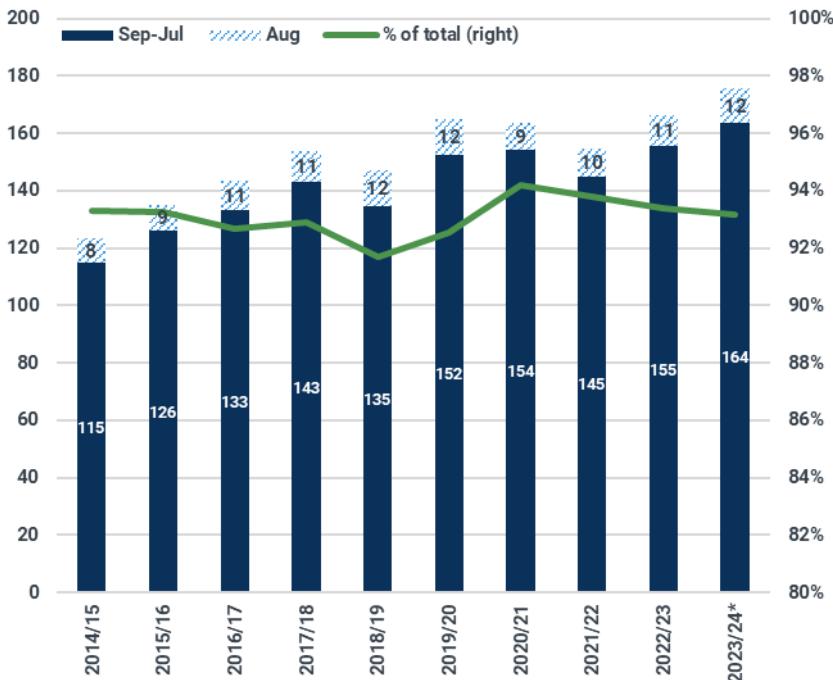
02

Soybean

Soybean trade up 9 Mt y/y

China buying aggressively from South America

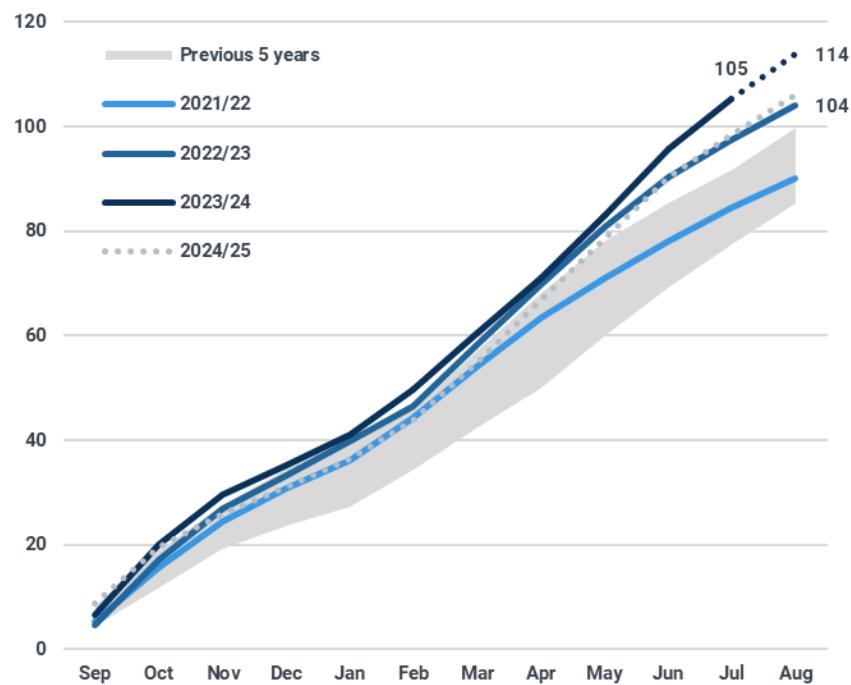
Soybean trade (Mt)



Source: Kpler Insight

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Exports to China (Mt)



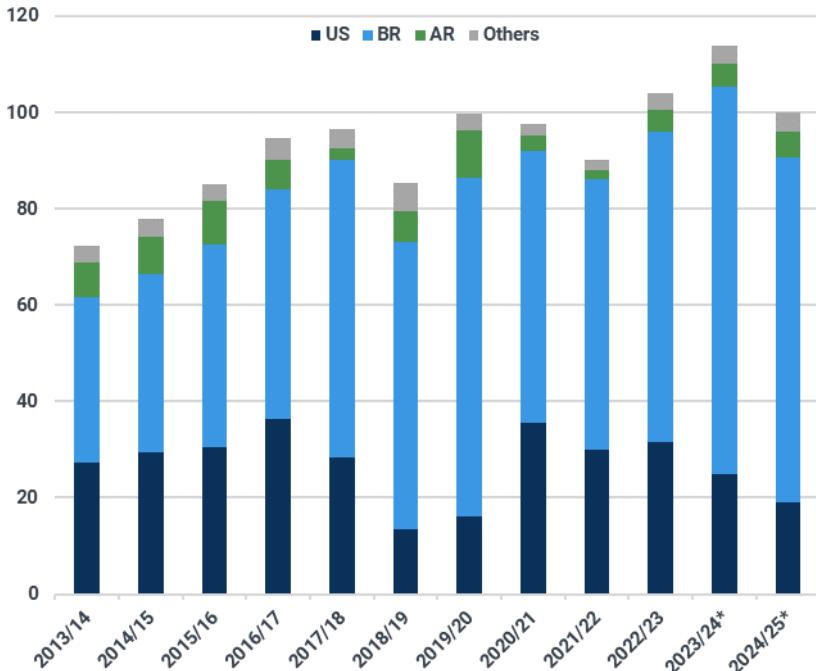
Source: Kpler Insight

Scenarios

7

US ending stocks could go much higher than USDA's current 560 mbu

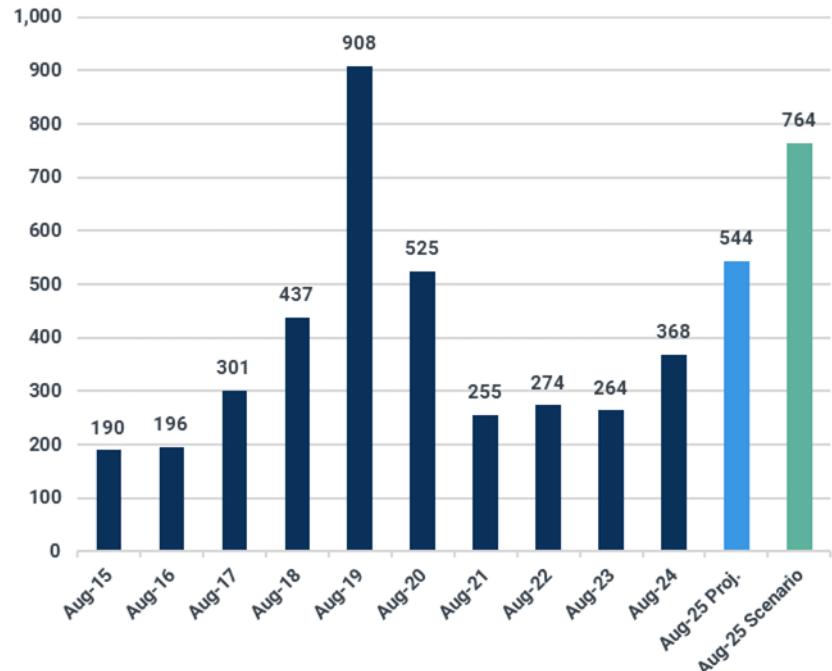
Exports to China (Mt)



Source: Kpler Insight

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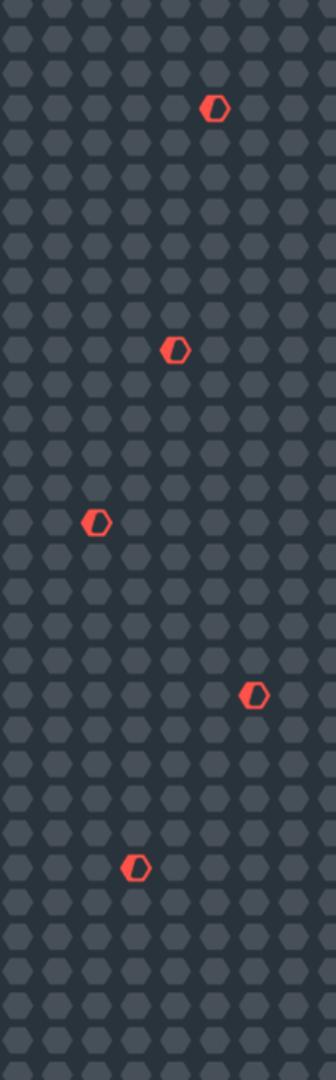
US ending stocks (mbu)



Source: Kpler Insight

03

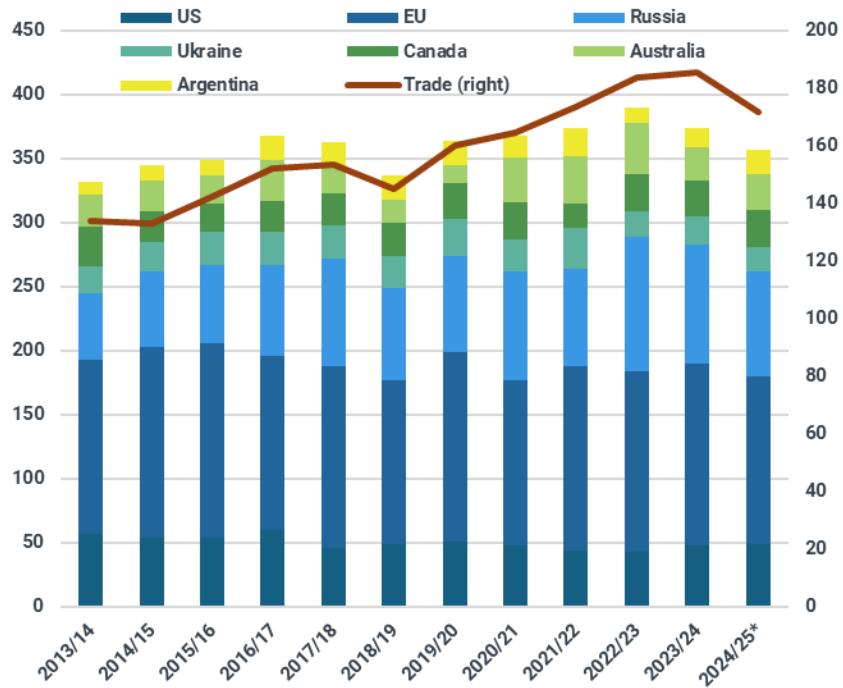
Wheat



Major exporter ending stocks sharply lower

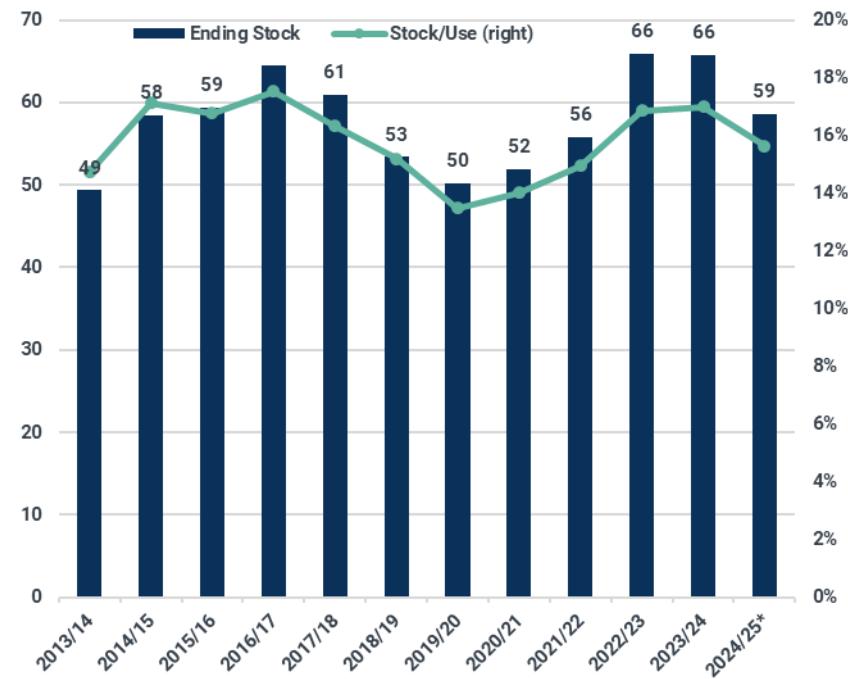
Exporters to shed 7 Mt of stocks in 2024/25, vs. 5 Mt estimated last month

Major countries' production and global trade (Mt)



Source: Kpler Insight

Major exporter ending stocks (Mt)

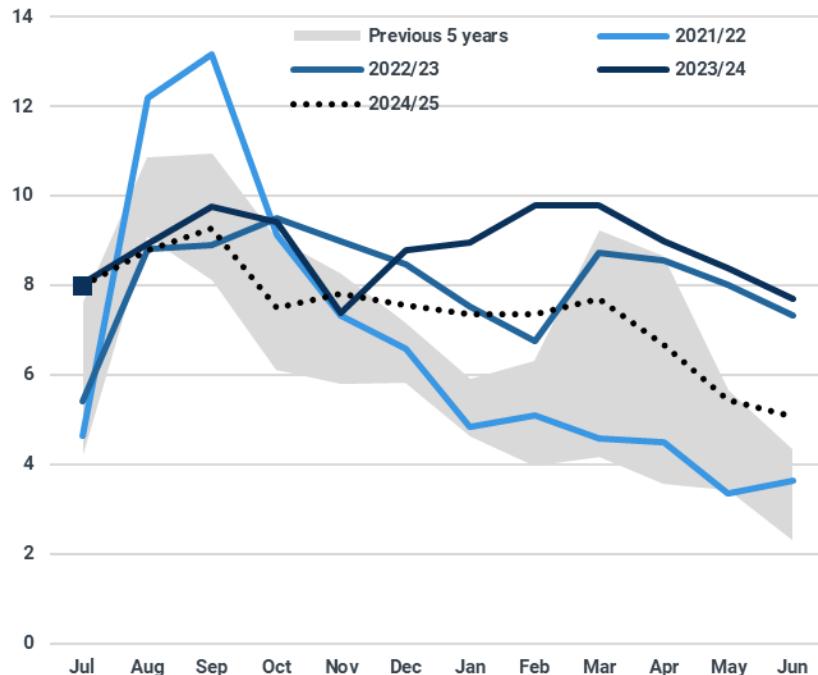


Source: Kpler Insight

Expect lower wheat trade in 2024/25, no feeding

Black Sea countries total exports remain strong, despite lower from Russia

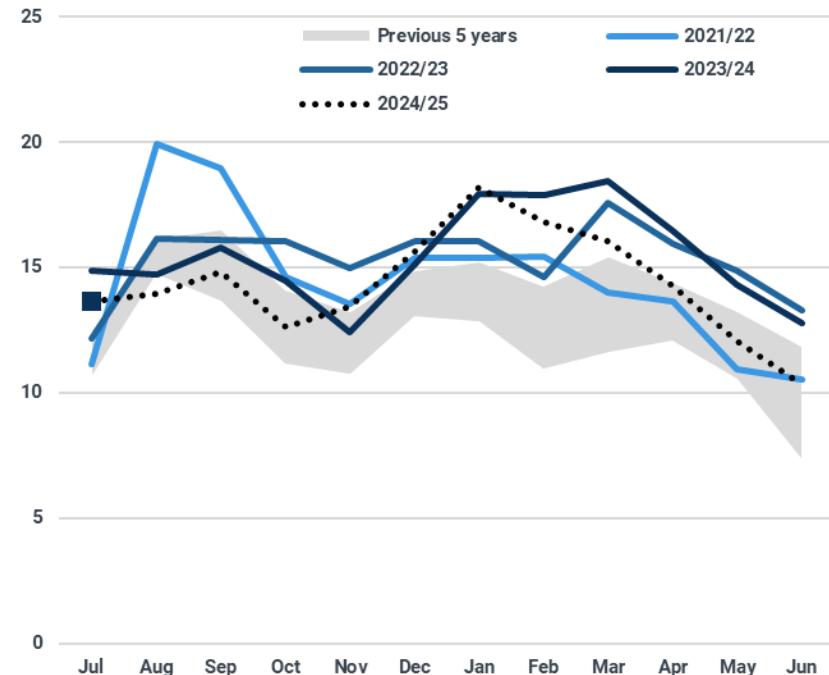
Combined EU, Ukraine and Russia exports (Mt)



Source: Kpler Insight

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Global wheat exports (Mt)



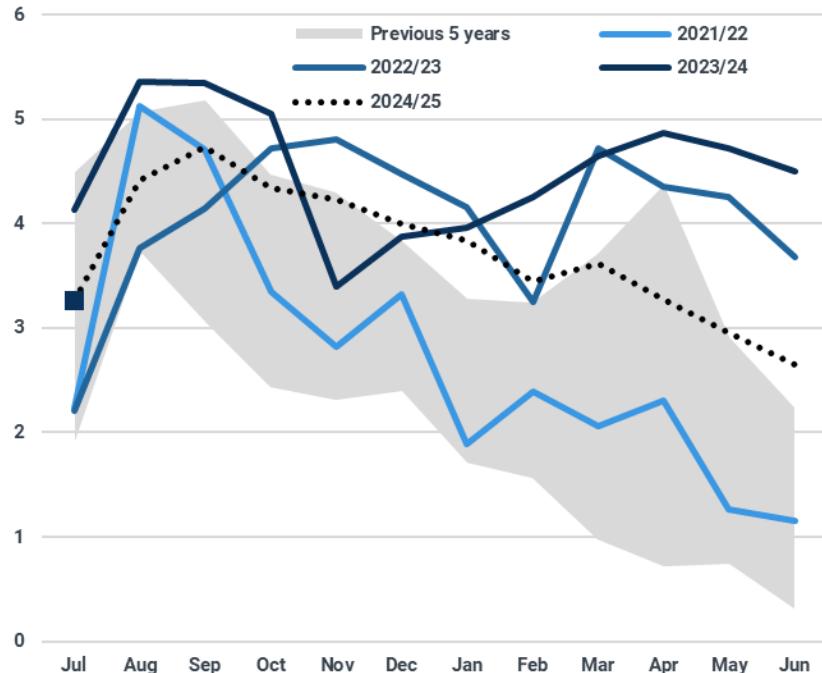
Source: Kpler Insight

Markets remain spot-traded

Traders unable to price the forward-curve

- Market unable to price multiple variables
 - Lower crop, quality in Western Europe
 - Harvest pressure in the Black Sea
 - Spring crops, duties and forex rates in Russia
- Egypt/ GASC
 - Tendered for Oct-Apr shipments
 - Bought only October
- Wheat is not trading the annual balance sheet

Russia wheat exports (Mt)



Source: Kpler Insight

04

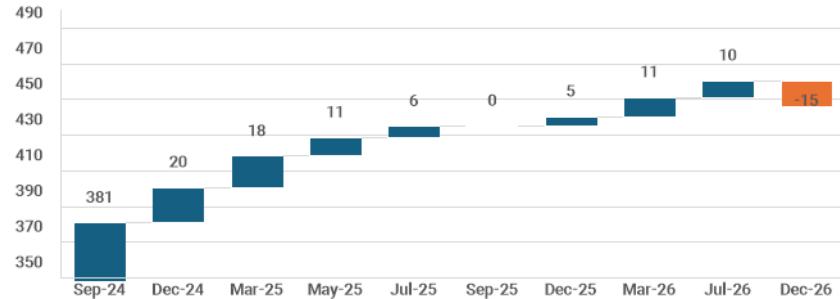
Outlook

What to trade

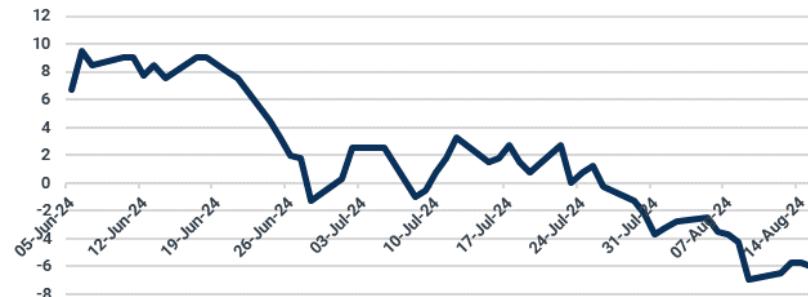
Short-term market drivers

- Corn
 - Low uncertainty, low vol, will follow others
 - Structure will tend towards full-carry
 - US sales, stocks, yields
- Soybean
 - US sales to China
 - South American acreage (Oct)
- Wheat
 - Next quarter's supply
 - Southern Hemisphere weather (Sep)
 - Food-feed spread

Corn futures structure (¢/bu)



Corn Dec'25-Dec'26 Spread



Source: MarketView



Tell us what you think!

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