



Grains Update

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01

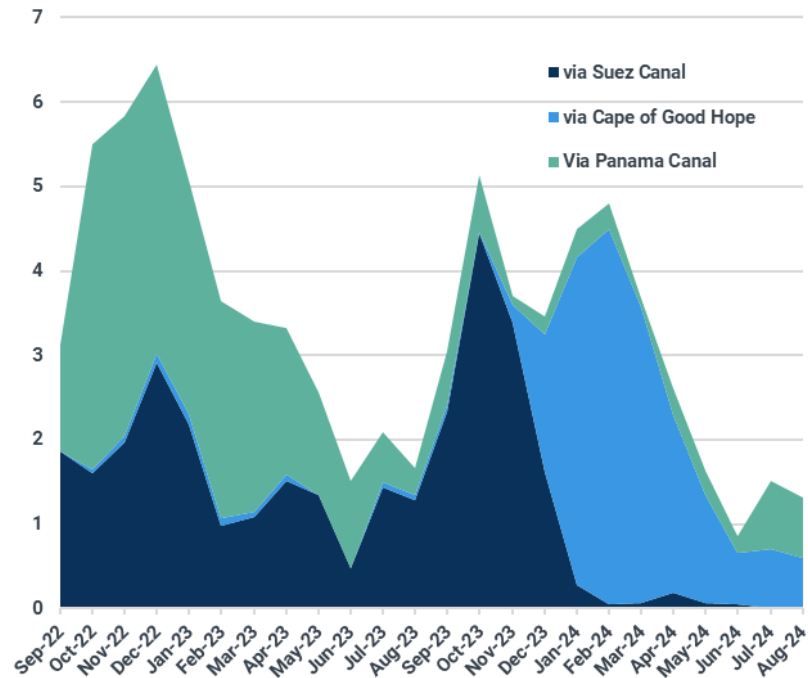
Red Sea disruption



Conflict creates winners and losers

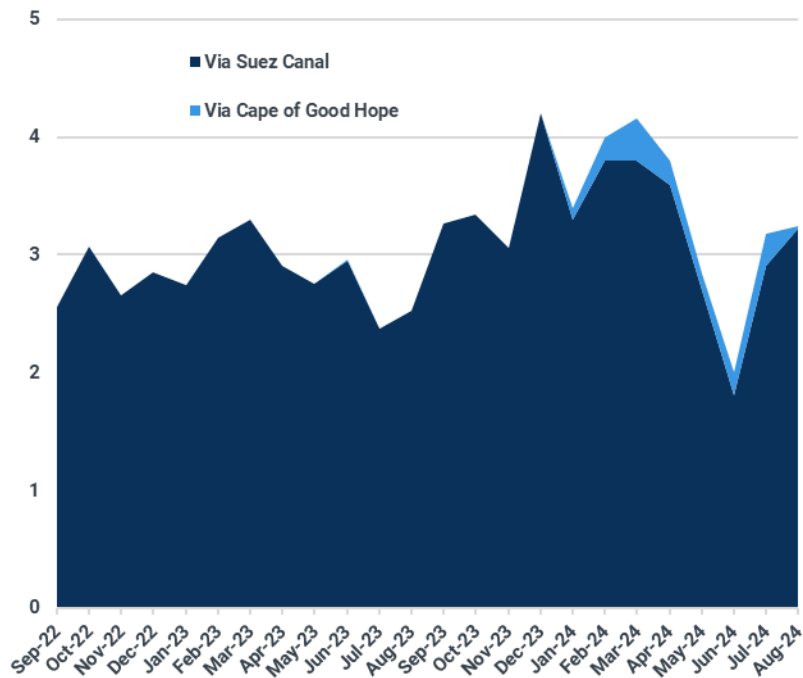
Black Sea exporters continue to brave Red Sea waters, avoiding costly diversions and creating an advantage

North Atlantic exports to Asia (Mt)



Source: Kpler

Black Sea exports to Asia (Mt)



Source: Kpler



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Soybean

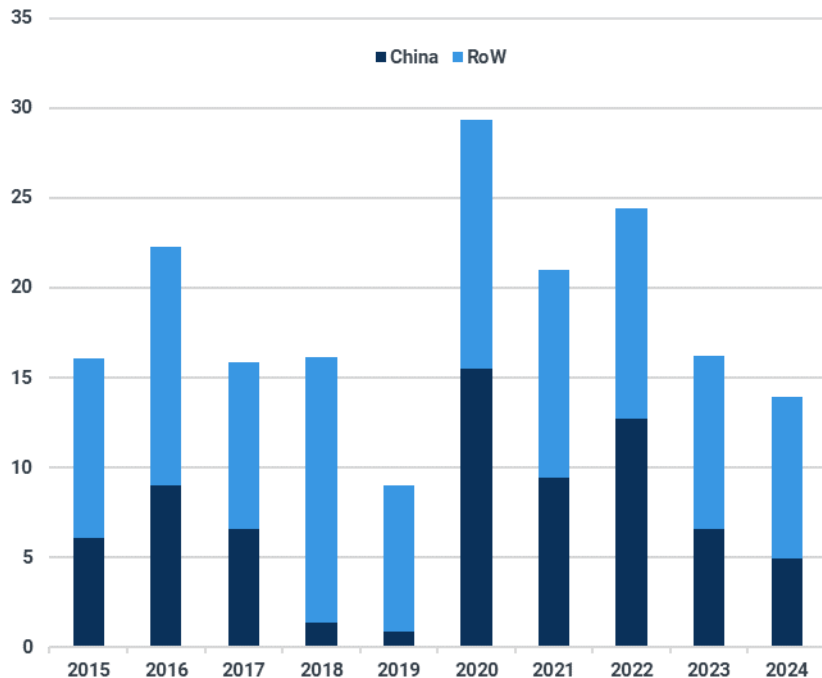


US soybean exports and stocks

Lower sales to China a reality

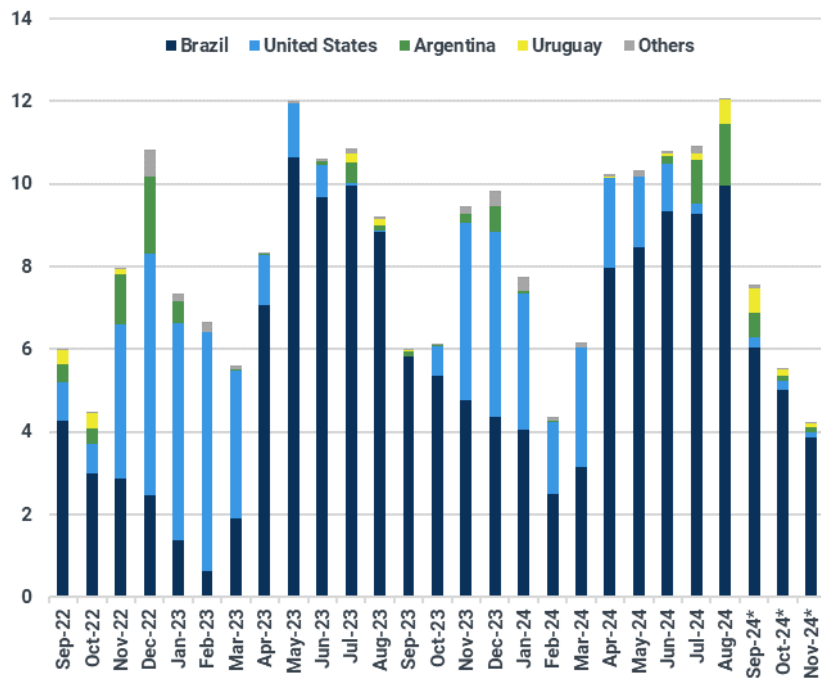
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US soybean outstanding sales (Mt)



Source: USDA

China soybean imports (Mt)



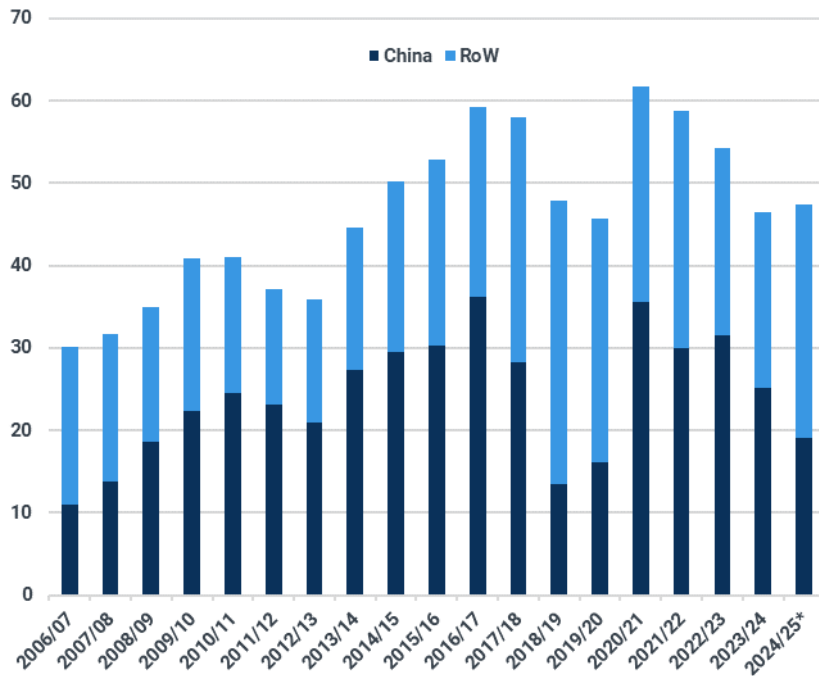
Source: Kpler

US soybean exports and stocks

RoW exports, stocks higher

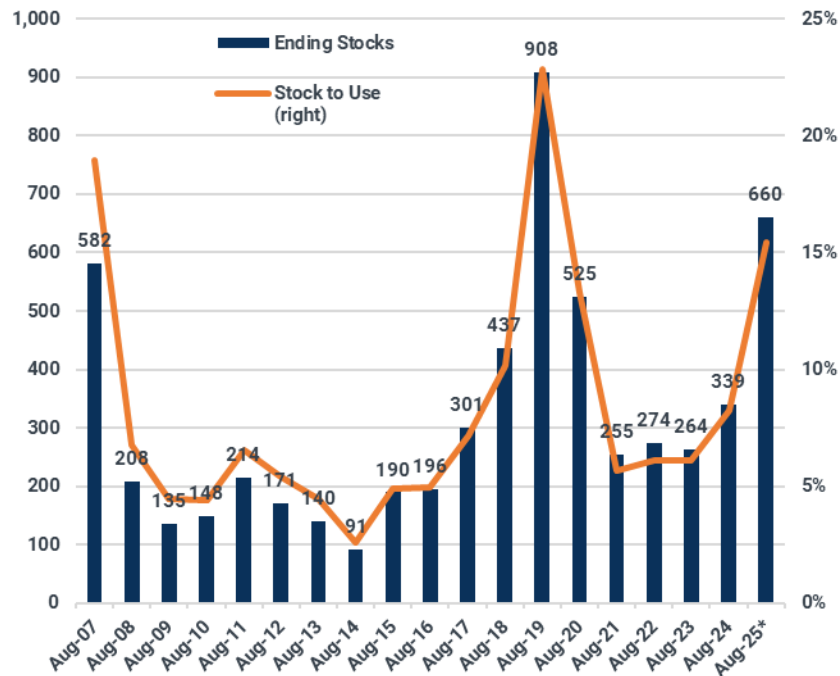
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US soybean MY exports (Sep-Aug, Mt)



Source: Kpler Insight

US soybean ending stocks (mbu)



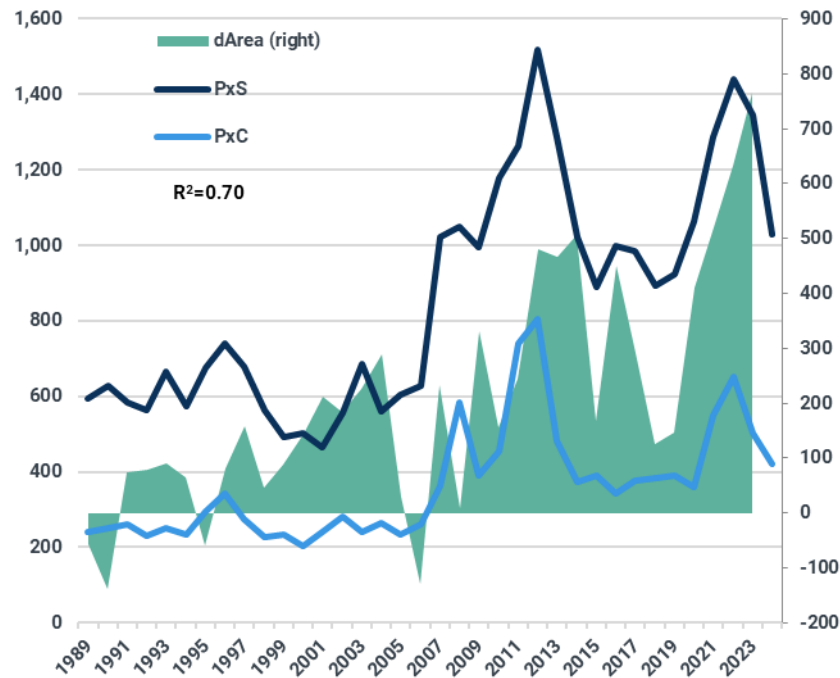
Source: Kpler Insight

Soybean price drivers

Growers will look at forward prices at harvest to decide how much to plant

- Marginal areas in **North and Northeast Brazil** show strong sensitivity to March contract prices of soybean and corn from August till December
- After the phytosanitary break, **planting will start now** in most parts of the country. Lower prices will make marginal land less attractive for planting.
- However, low corn prices do not provide an easy alternative
- While most of the work will be done by premiums, **futures should rise on hedging** before premiums come into play

N/NE BR soybean area changes (kHa) vs Mar prices (¢/bu)



Source: Kpler Insight



03

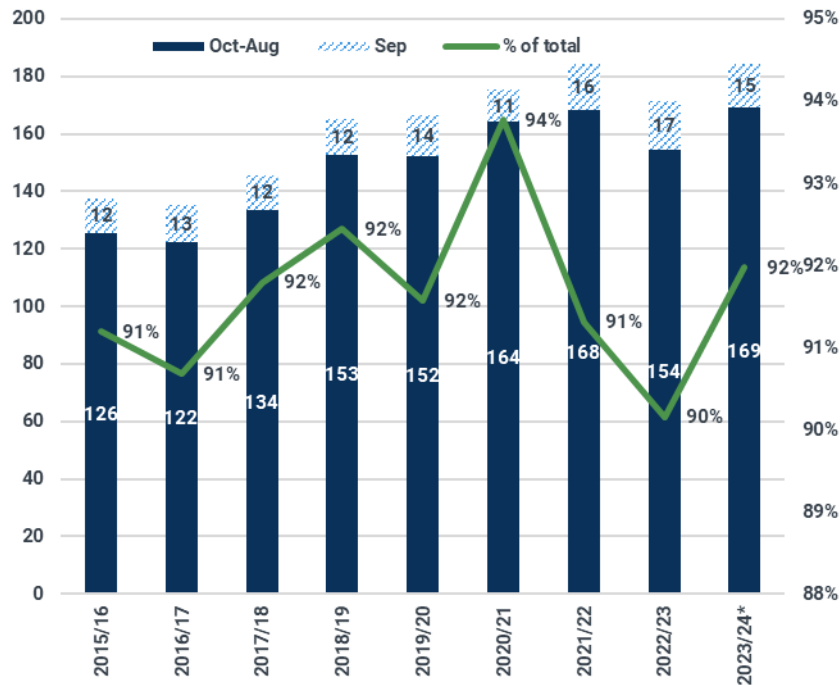
Corn



Corn trade remains strong

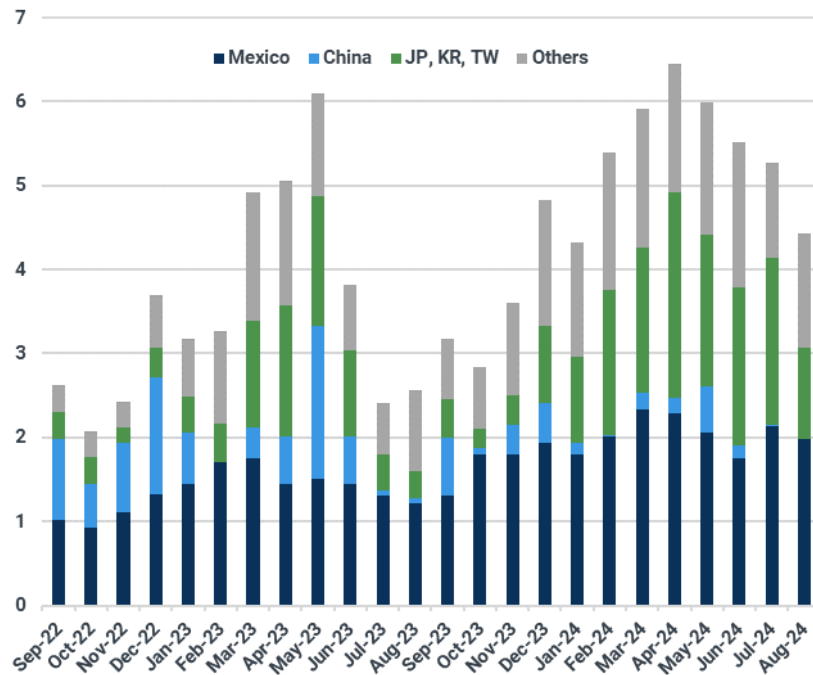
2024/25 US exports higher y/y

Corn exports (Mt)



Source: Kpler Insight

US exports by destination (Mt)



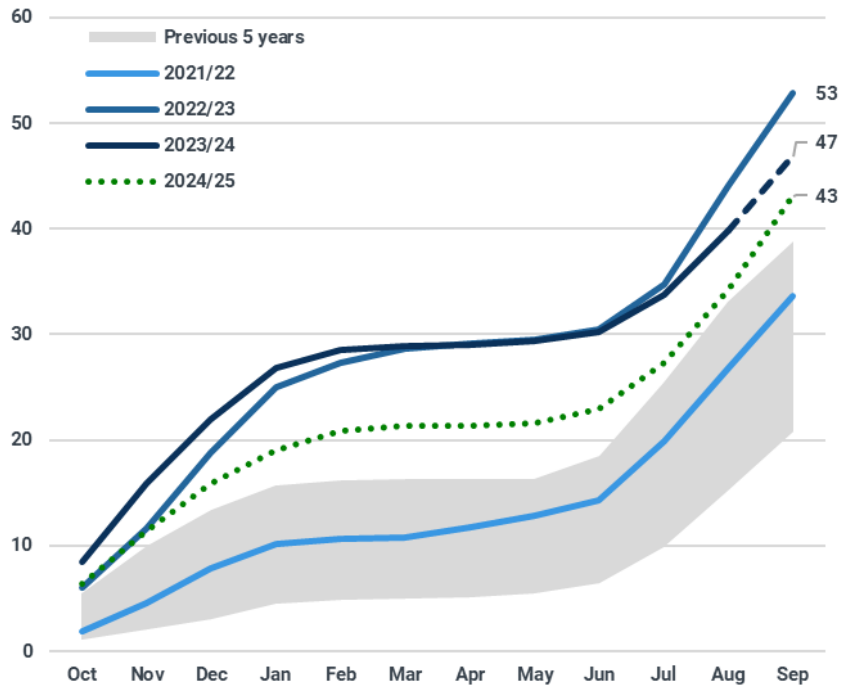
Source: Kpler Insight

Corn: Brazil

The market depends on the 2025 safrinha crop

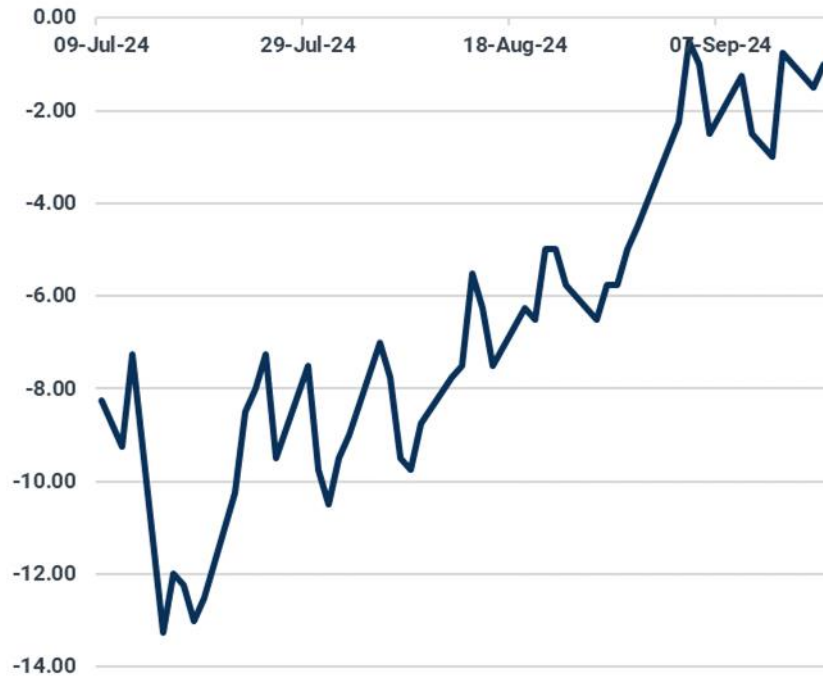
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Brazil corn exports (Mt)



Source: Kpler Insight

CBOT corn Jul-Dec 2025 spread (¢/bu)



Source: MarketView



04

Wheat

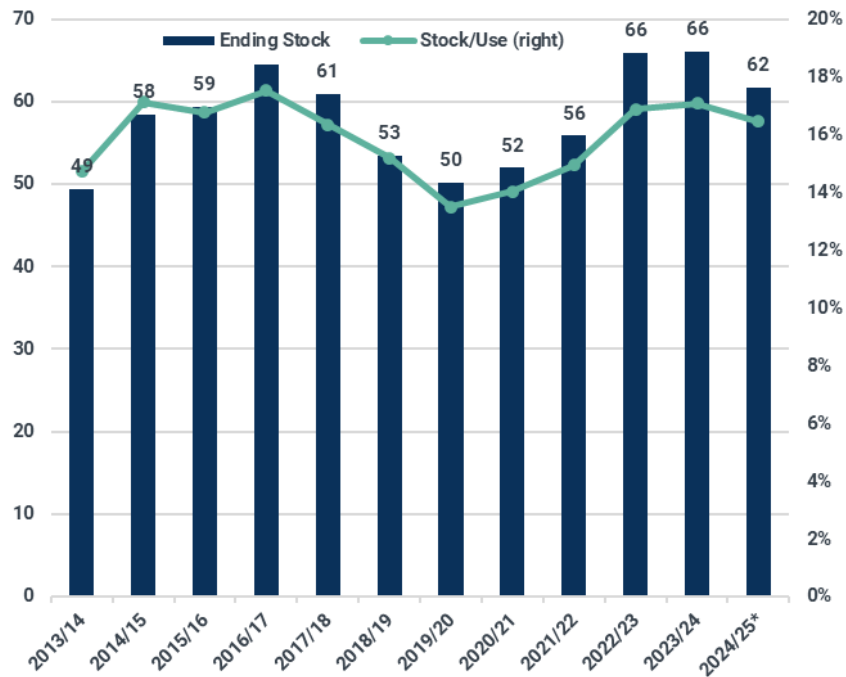


Wheat

Market continues to avoid trading the annual balance sheet

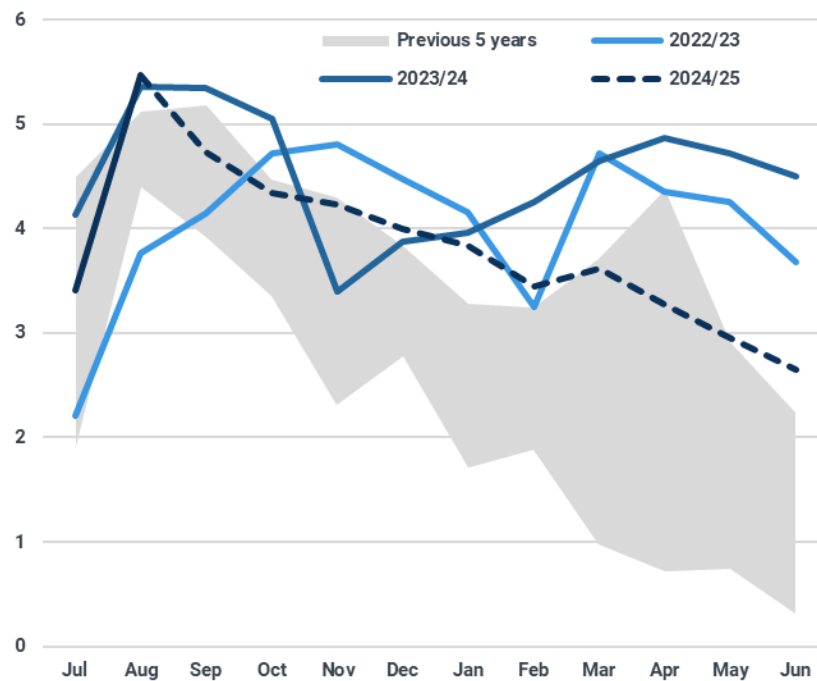
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Major exporter stocks (Mt)



Source: Kpler Insight

Russia exports (Mt)



Source: Kpler Insight



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Outlook



What will the market trade?

Short-term market drivers

- Soybean
 - Brazil planting progress and acreage
 - US sales, especially to China
 - South American weather (Oct onwards)
- Corn
 - US sales & Chinese buying
 - South American weather (Nov onwards)
- Wheat
 - Russian inland prices
 - Australian weather

CBOT wheat-corn Dec '24 spread (¢/bu)



Source: MarketView

kpler

Tell us what you think!

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