



Grains Update

Ishan Bhanu – Lead Agricultural Commodities Analyst

17 Sep 2024



01

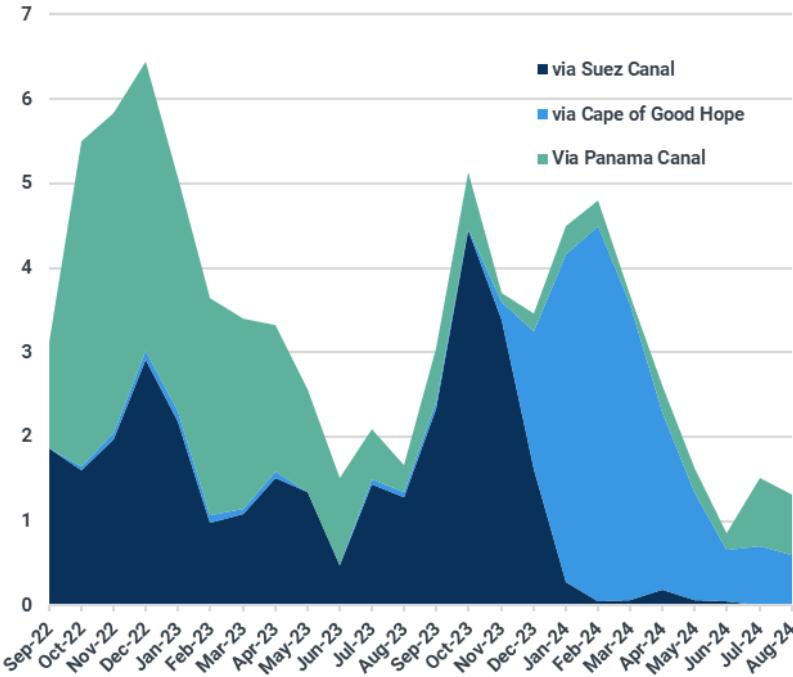
Red Sea disruption

Conflict creates winners and losers

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

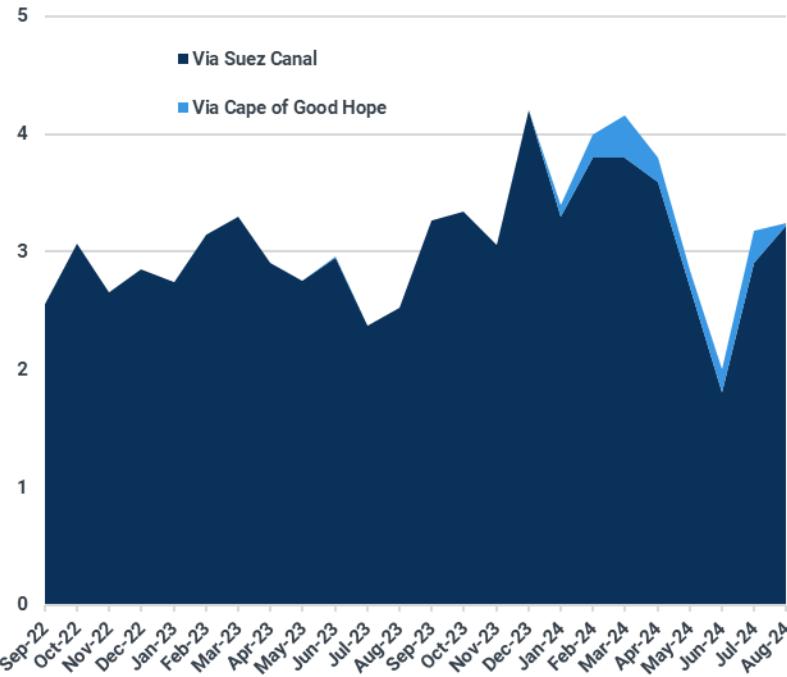
3

North Atlantic exports to Asia (Mt)



Source: Kpler

Black Sea exports to Asia (Mt)



Source: Kpler

02

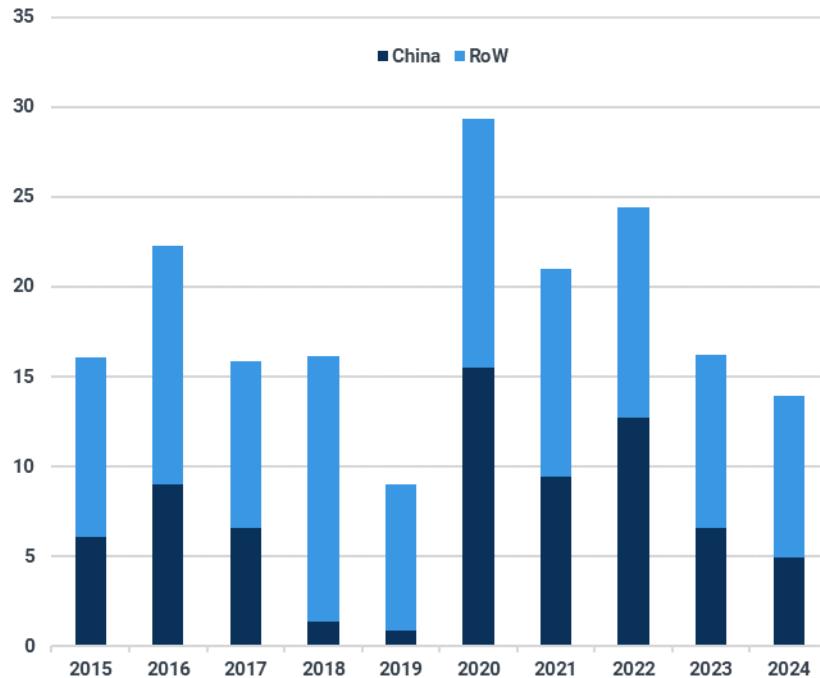
Soybean

US soybean exports and stocks

Lower sales to China a reality

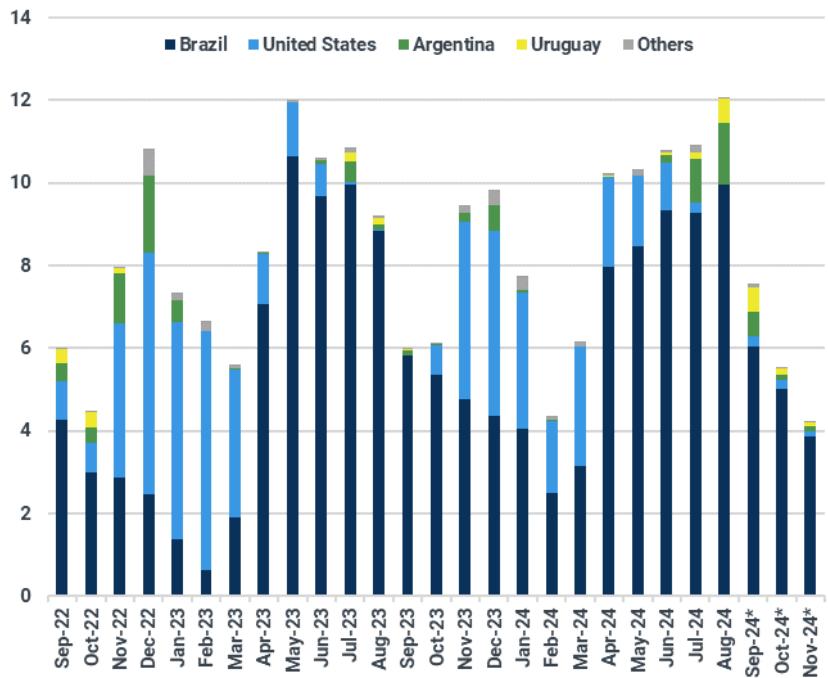
5

US soybean outstanding sales (Mt)



Source: USDA

China soybean imports (Mt)

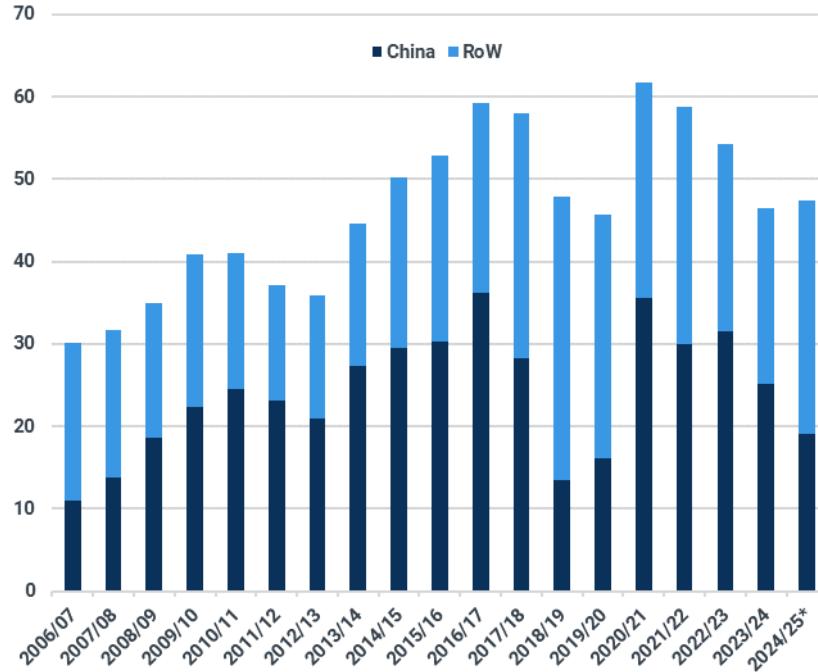


Source: Kpler

US soybean exports and stocks

RoW exports, stocks higher

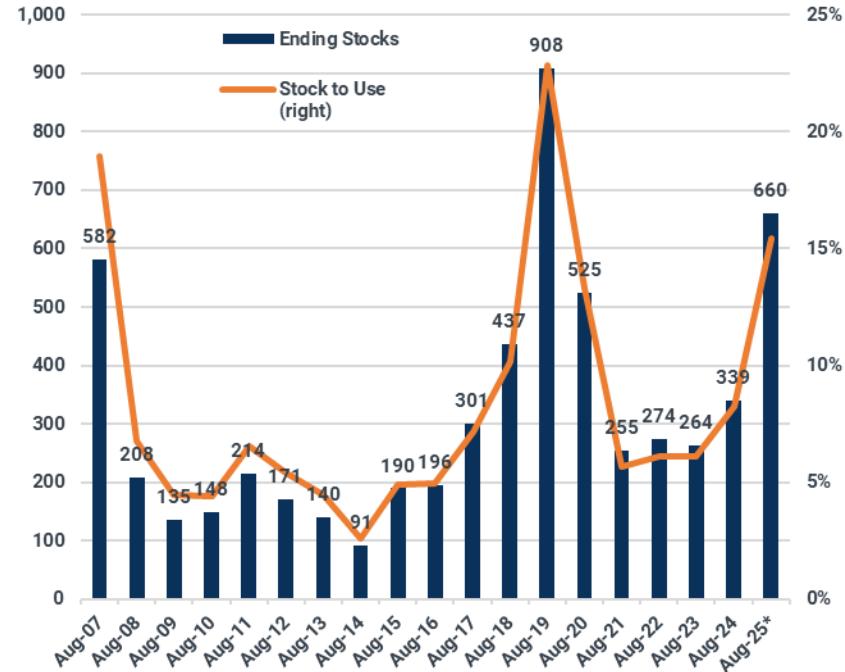
US soybean MY exports (Sep-Aug, Mt)



Source: Kpler Insight

Copyright © 2014 – 2024 Kpler. Confidential. All rights reserved. Contents included in this presentation must not be shared in any way possible with external parties without the consent of Kpler.

US soybean ending stocks (mbu)



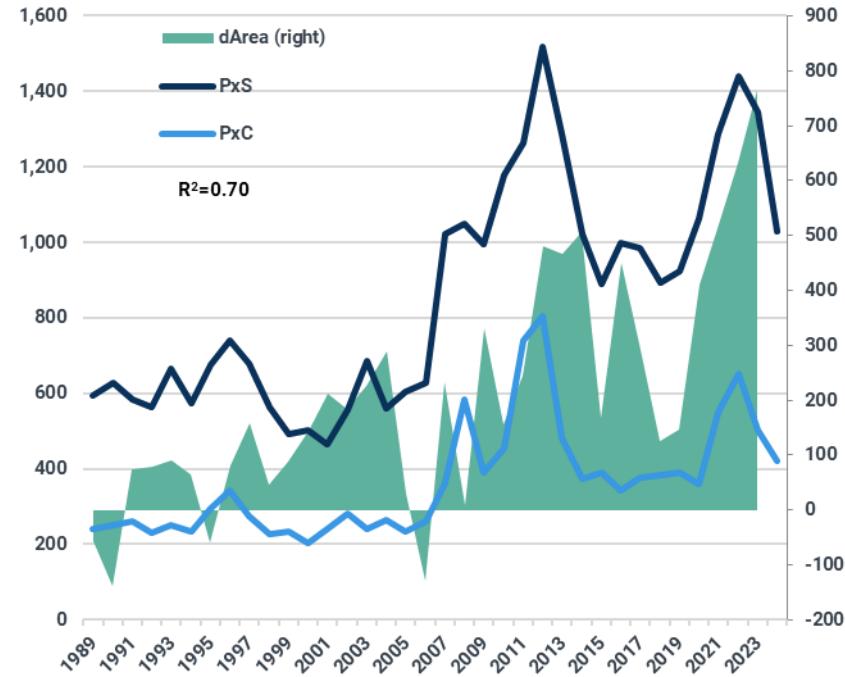
Source: Kpler Insight

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

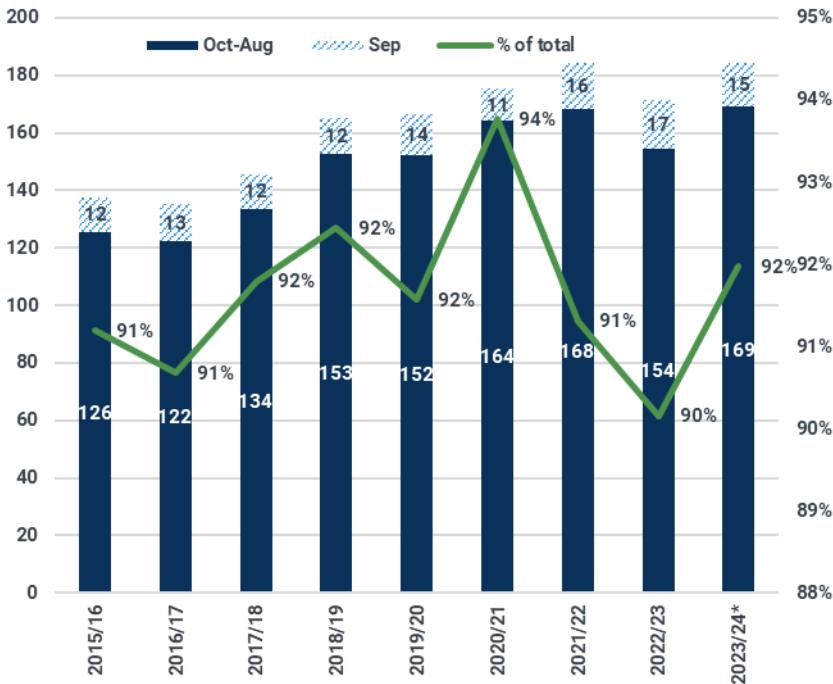
Corn

Corn trade remains strong

2024/25 US exports higher y/y

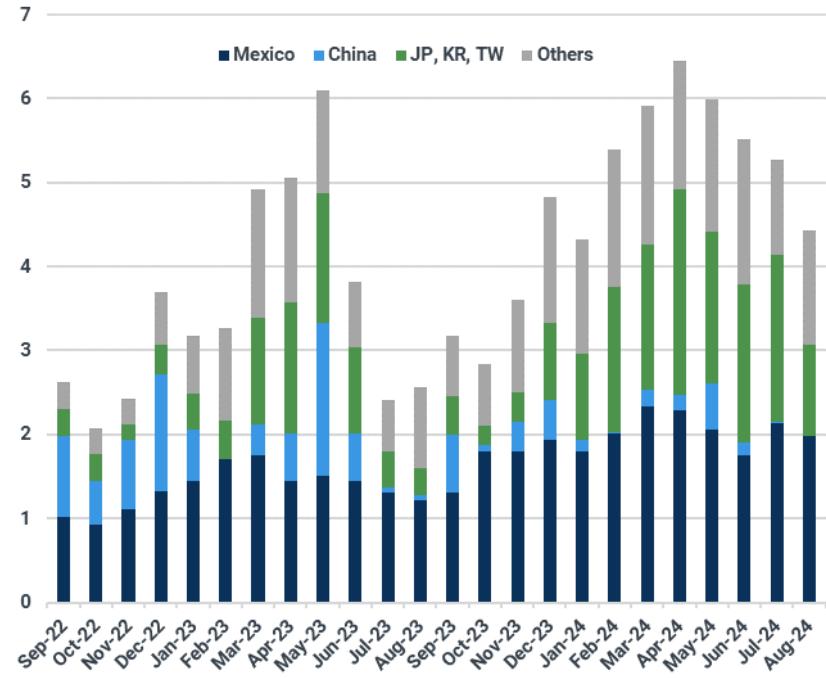
9

Corn exports (Mt)



Source: Kpler Insight

US exports by destination (Mt)



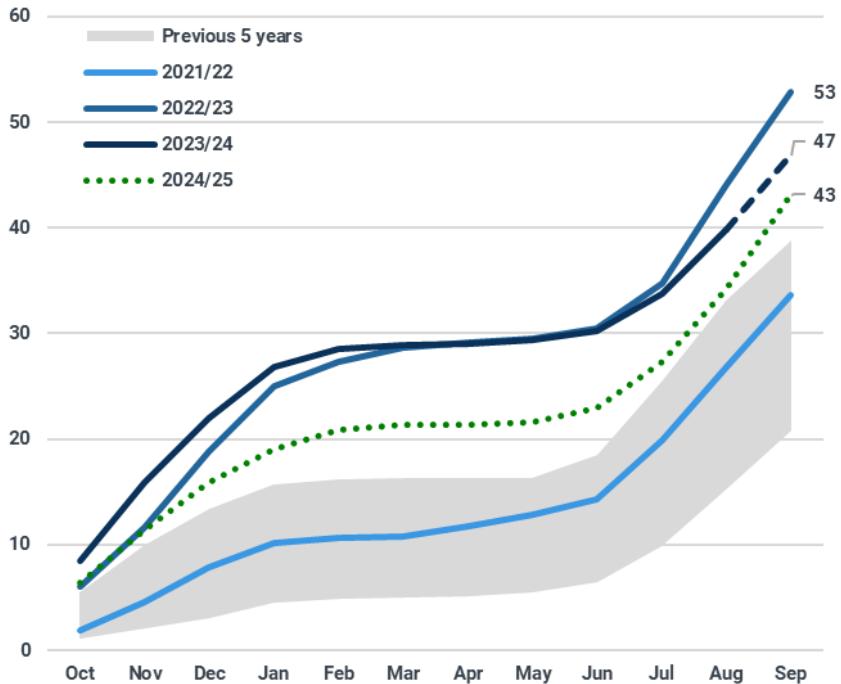
Source: Kpler Insight

Corn: Brazil

The market depends on the 2025 safrinha crop

10

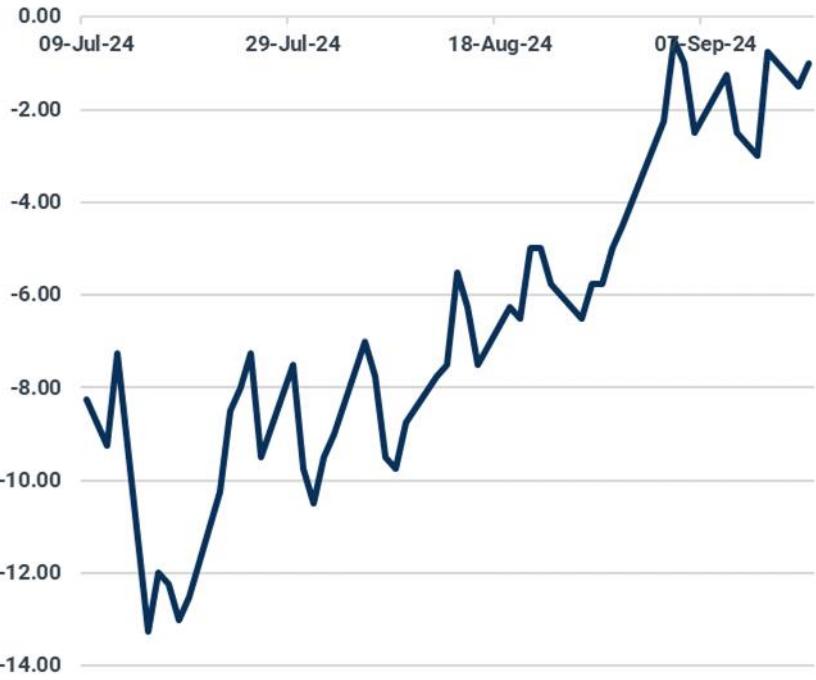
Brazil corn exports (Mt)



Source: Kpler Insight

Copyright © 2014 – 2024 Kpler. Confidential. All rights reserved. Contents included in this presentation must not be shared in any way possible with external parties without the consent of Kpler.

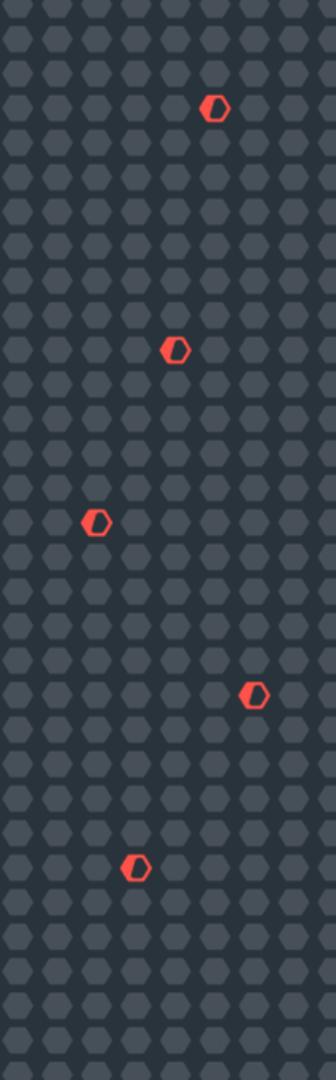
CBOT corn Jul-Dec 2025 spread (¢/bu)



Source: MarketView

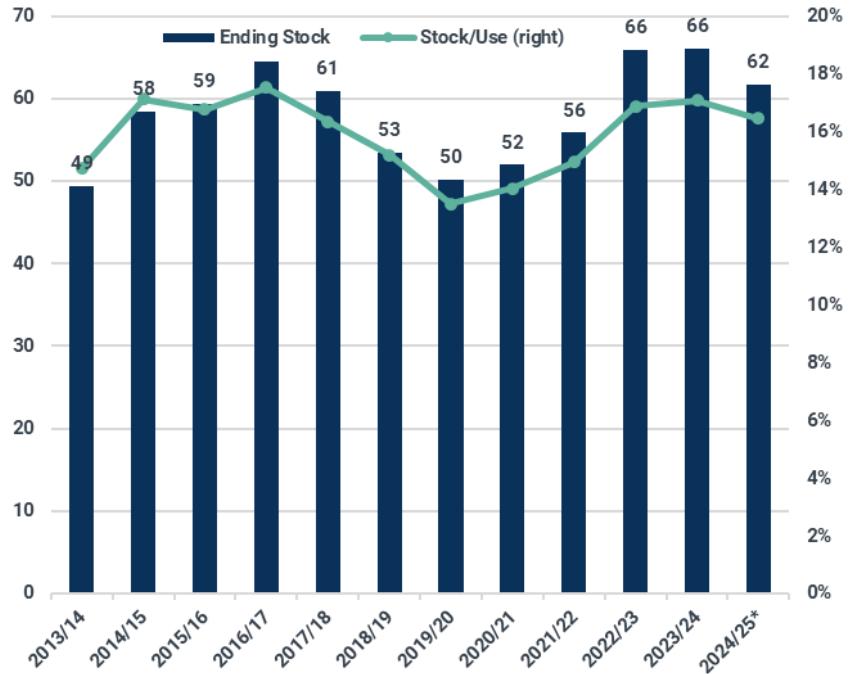
04

Wheat



Market continues to avoid trading the annual balance sheet

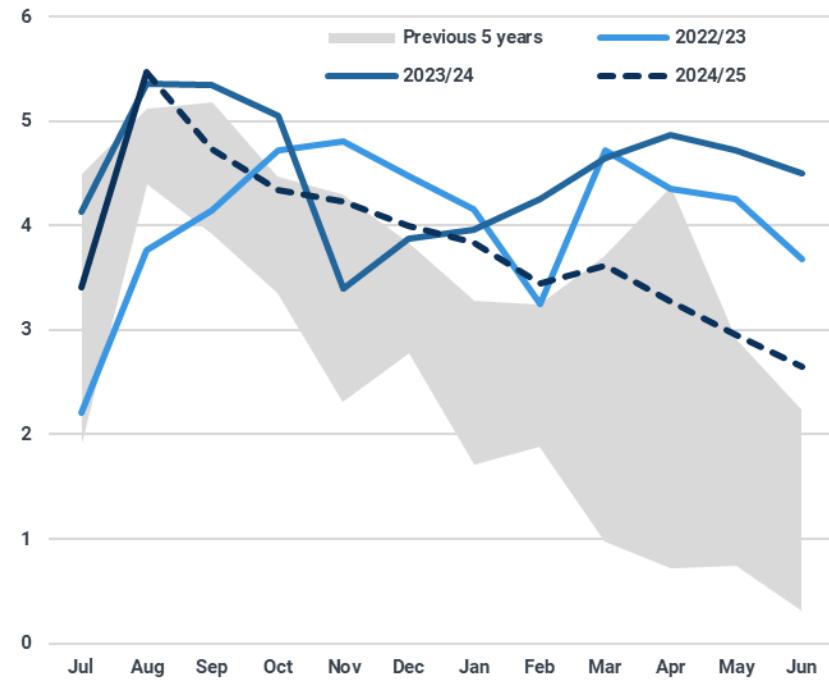
Major exporter stocks (Mt)



Source: Kpler Insight

Copyright © 2014 – 2024 Kpler. Confidential. All rights reserved. Contents included in this presentation must not be shared in any way possible with external parties without the consent of Kpler.

Russia exports (Mt)



Source: Kpler Insight

05

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



Tell us what you think!

ibhanu@kpler.com

terminal.kpler.com/insight