



Grains Update

Ishan Bhanu – Lead Agricultural Commodities Analyst

19 Nov 2024





01

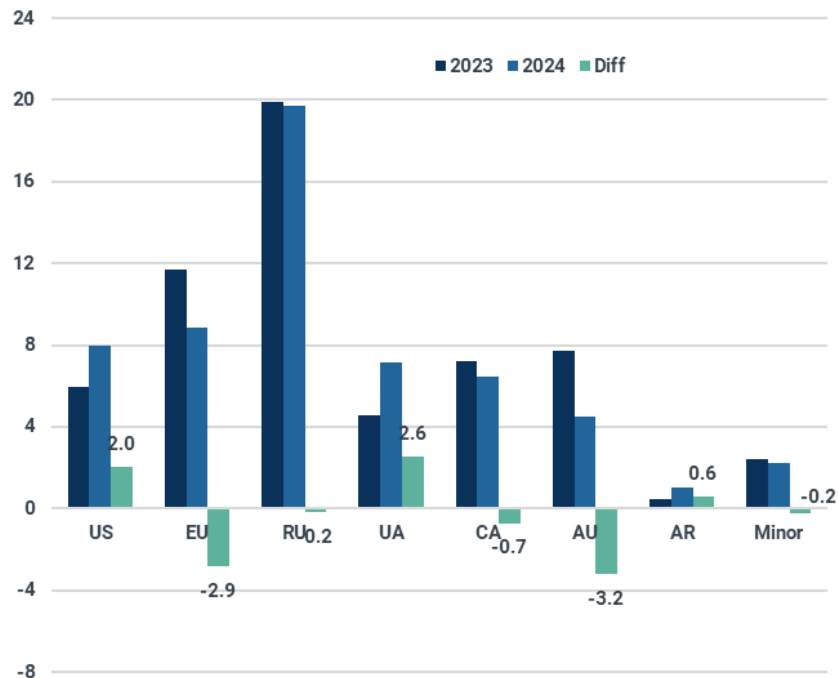
Wheat



Wheat trade and 2025 prospects

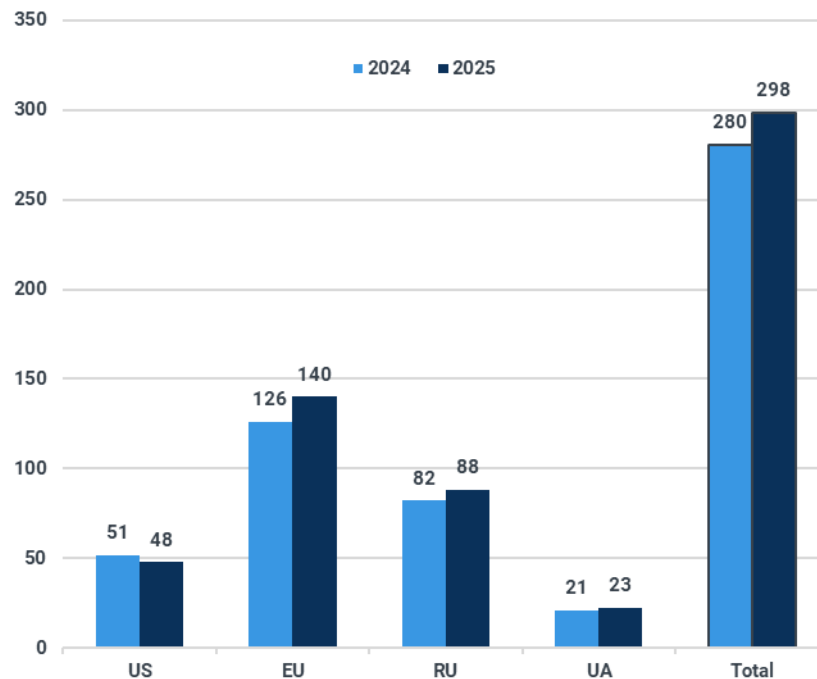
Assuming normal weather, production is expected to bounce back from a low

Jul-Oct year-to-date exports (Mt)



Source: Kpler Insight

Production estimates (Mt)



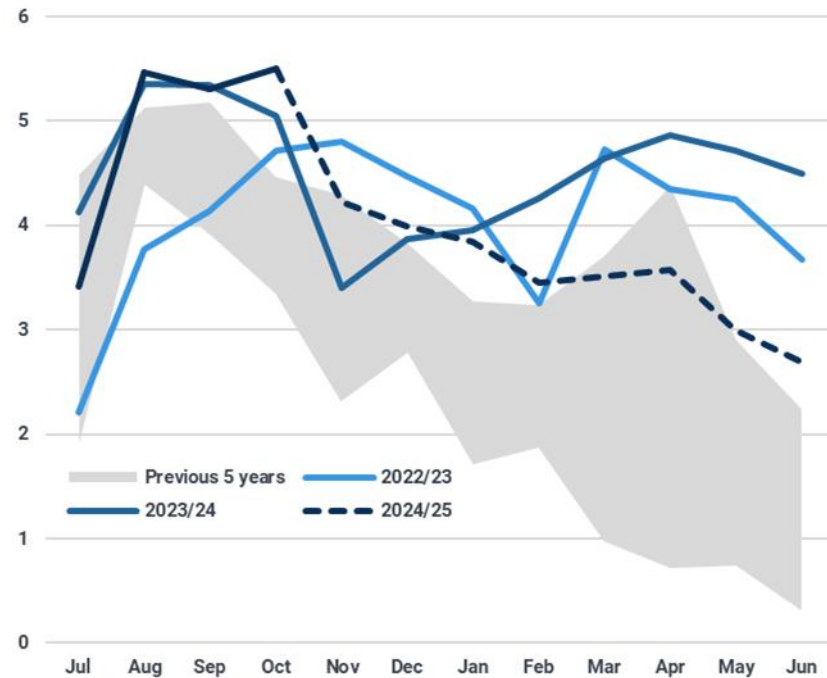
Source: Kpler Insight

Russian exports and availability

Black sea supplies continue, market now trading 2025 production

- Despite a much lower crop, **year-to-date Russian exports are the same as last year**
- Without forward price visibility, it **remains a spot market** trading current availability
- **Policy uncertainty** around taxes, export rights, price floors and scramble for quotas create pressure to sell – fear of future policy
- Feb-Jun export **quota expected at 10-12 Mt**, significantly lower than 29 Mt in 2024
- **Will the market trade lower availability in H1 2025?**
- Futures likely to **trade new crop supply news**

Russia monthly exports (Mt)



Source: Kpler Insight



02

Corn

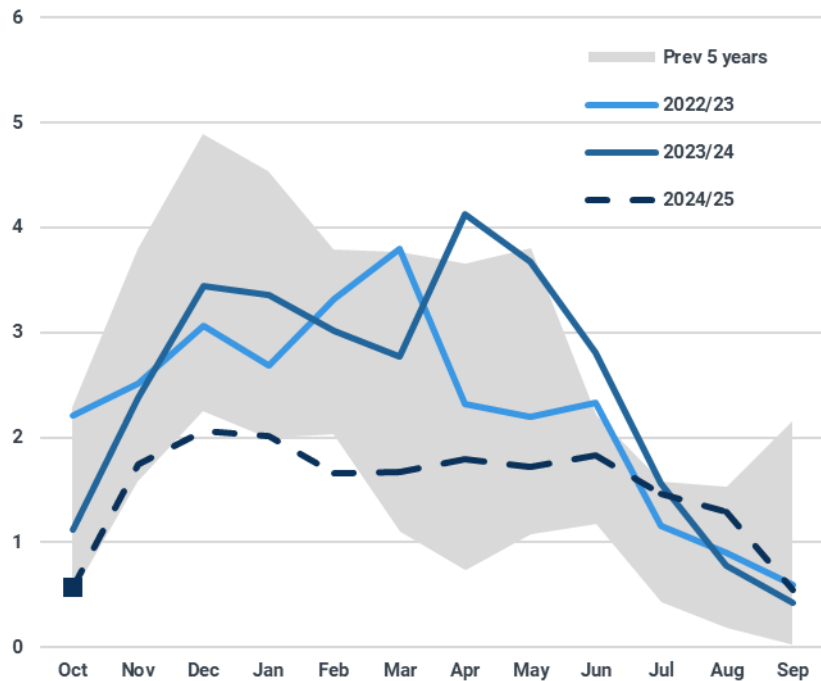


Corn exports

US corn facing less competition from other origins

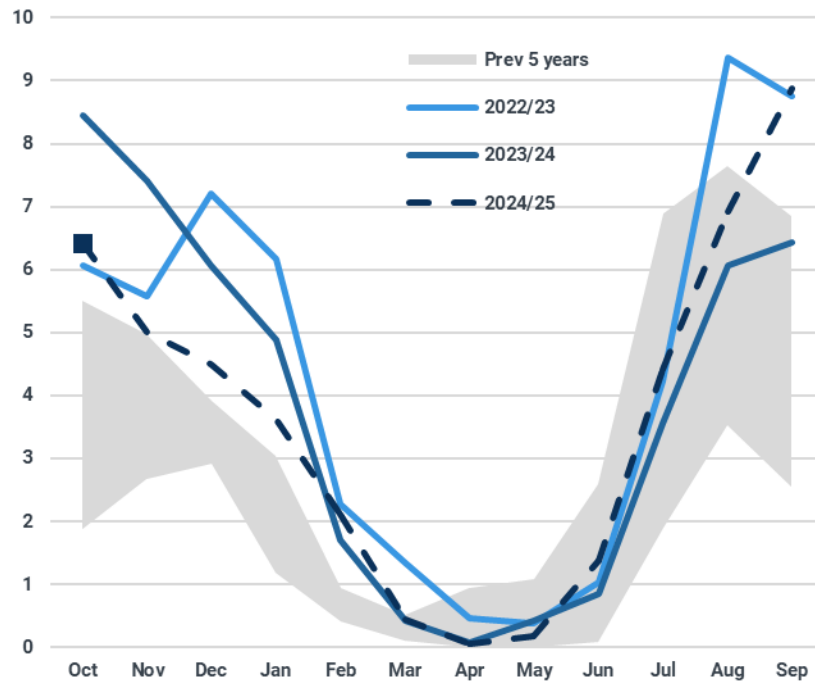
6

Ukraine monthly exports (Mt)



Source: Kpler Insight

Brazil monthly exports (Mt)



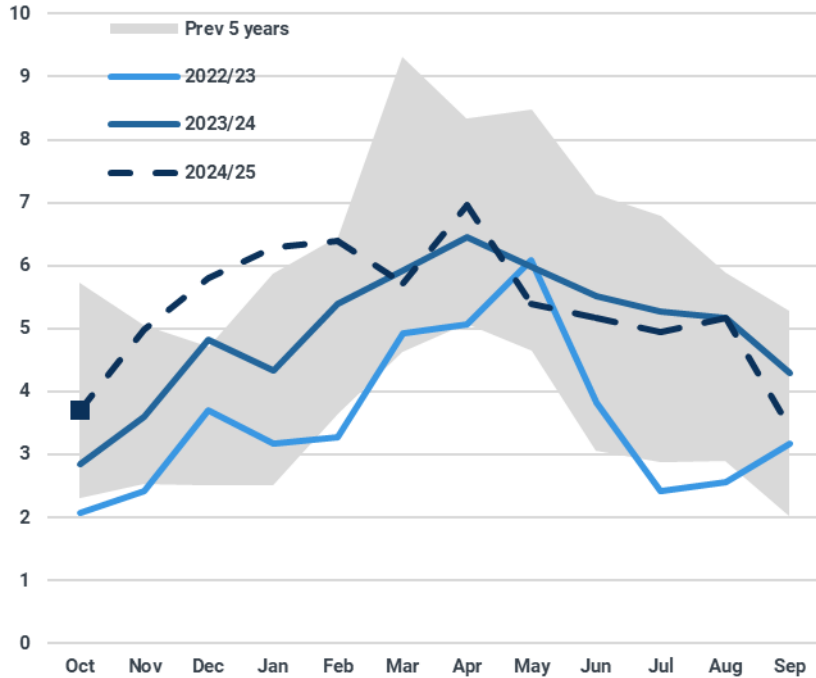
Source: Kpler Insight

Corn exports

Strong US exports projected at current prices due to lack of competition, but the balance sheet remains heavy

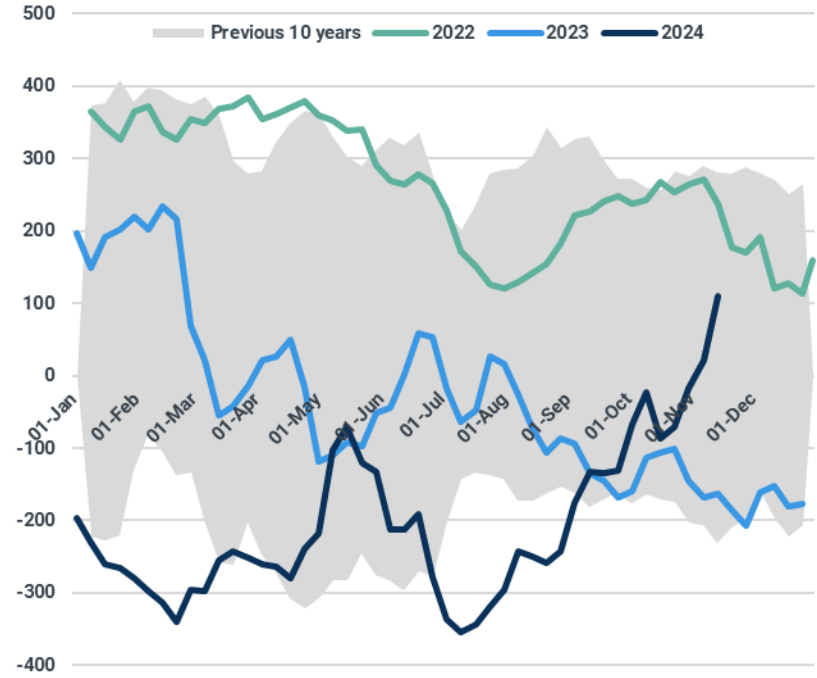
7

US corn exports (Mt)



Source: Kpler Insight

Managed money positions (k lots)



Source: CFTC

03

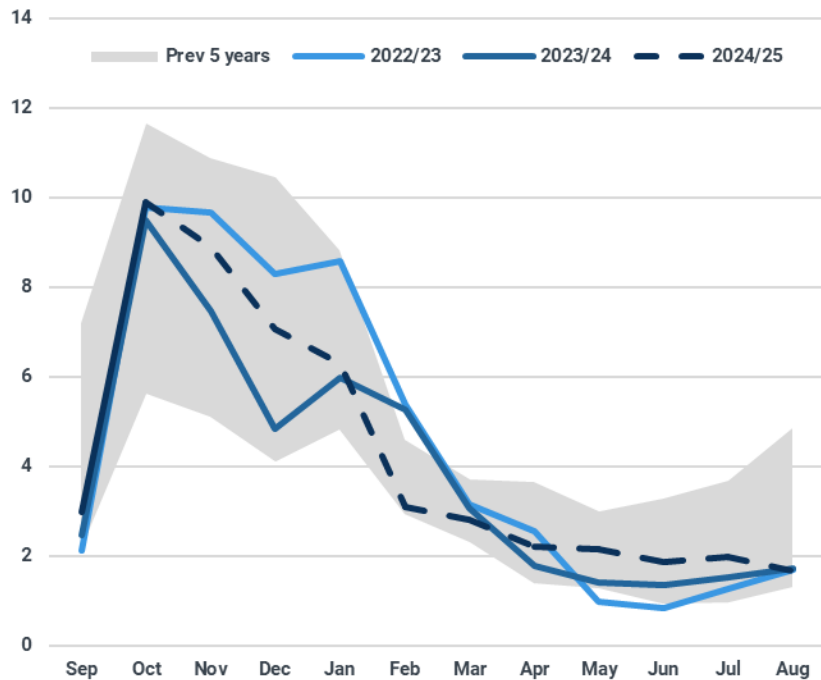
Soybean



Export seasonality

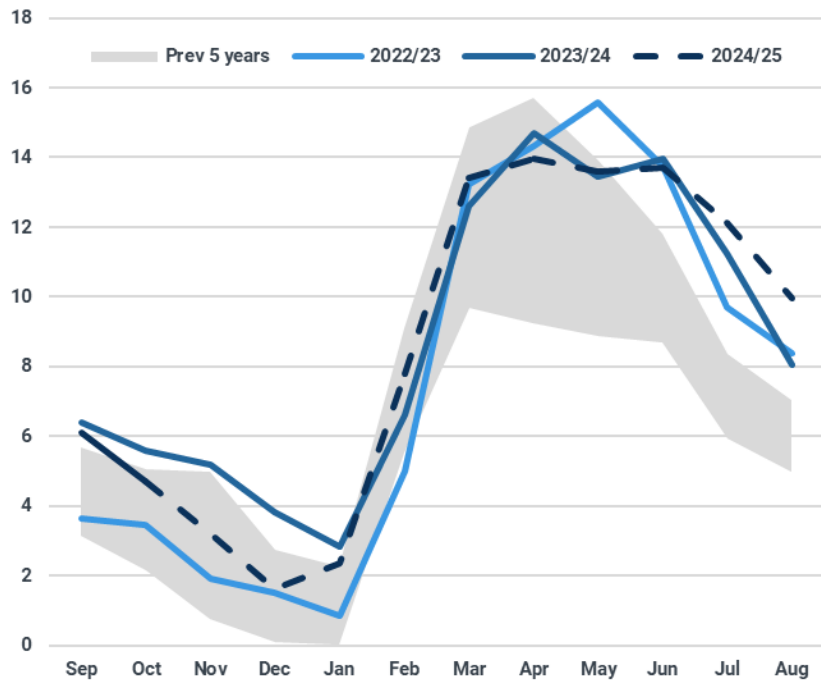
A trade war with China will only play out in 2025/26 MY

US monthly exports (Mt)



Source: Kpler Insight

Brazil monthly exports (Mt)



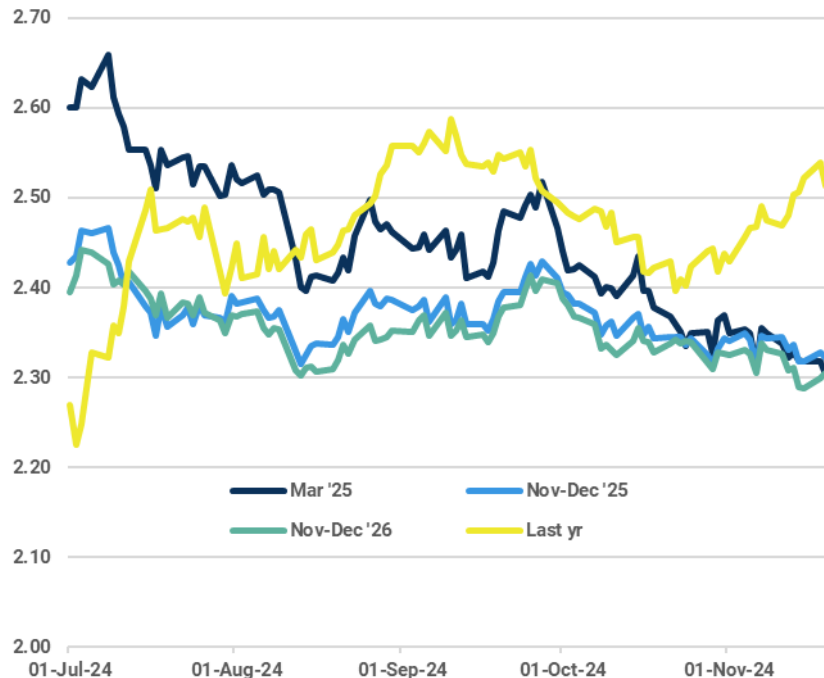
Source: Kpler Insight

2025 production prospects

The soy-corn ratio will affect planted acreage

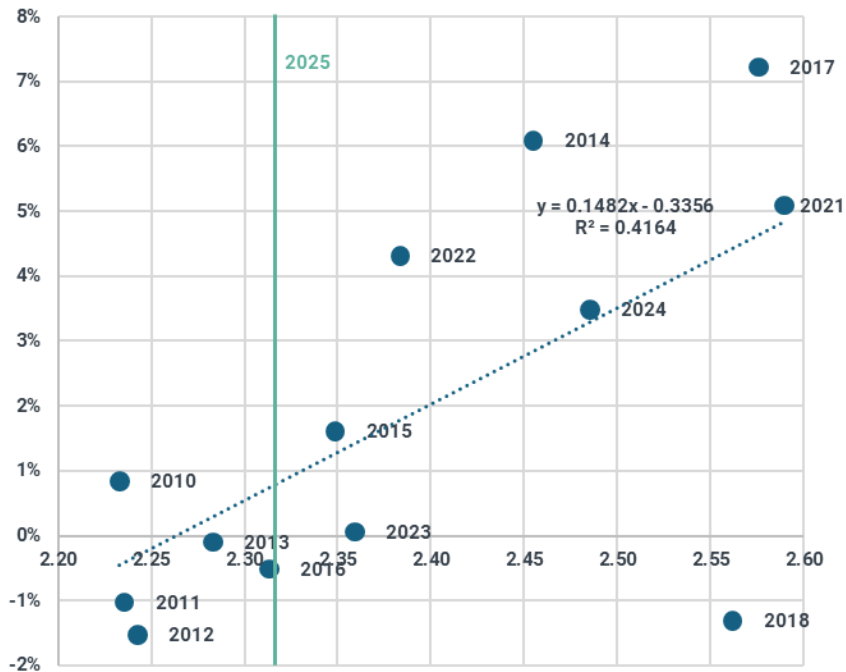
10

Soybean-corn price ratios



Source: Kpler Insight

Soybean acreage change vs. soy-corn ratio



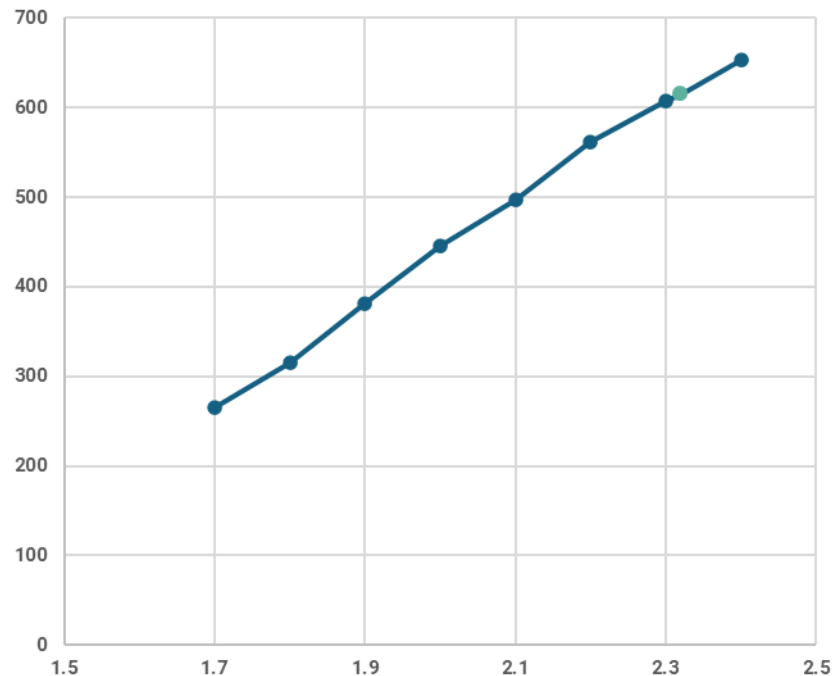
Source: Kpler Insight

2025/26 ending stocks

A trade war scenario will affect US ending stocks in Aug 2026

- Will there be a US-China trade war?
- Current soy-corn ratio should **increase US soy acreage** in 2025 by 0.9%
- Projected record production in Brazil allows China to import BR soy and **stock up through 2025** in anticipation of a trade war
- **2025/26 exports will suffer** in case of a trade war and low Chinese imports from the US
- Aug-26 US ending **stocks are projected to increase to ~615 mbu**, at current prices
- Conversely, to maintain stocks unchanged, a **soy-corn ratio of 1.9-2.0 is required**

Aug 2026 ending stocks (mbu) vs. soy-corn ratio



Source: Kpler Insight



04

Outlook



What to look out for?

Short-term market drivers

- Soybean
 - Brazil planting progress and growing season weather
 - US sales and inspections – weekly/ monthly
 - US & China trade policy
- Corn
 - Sales and importer demand (Asia/ China)
 - South American weather (Nov onwards)
- Wheat
 - Northern Hemisphere winter weather (2025 crop)
 - Australia, Argentina finishing weather, crop size
 - Russian policy & demand

Wheat-corn spread, Dec-25 (¢/bu)



Source: MarketView

kpler

Reach out!

ibhanu@kpler.com

terminal.kpler.com/insight