



Grains Fundamentals Update

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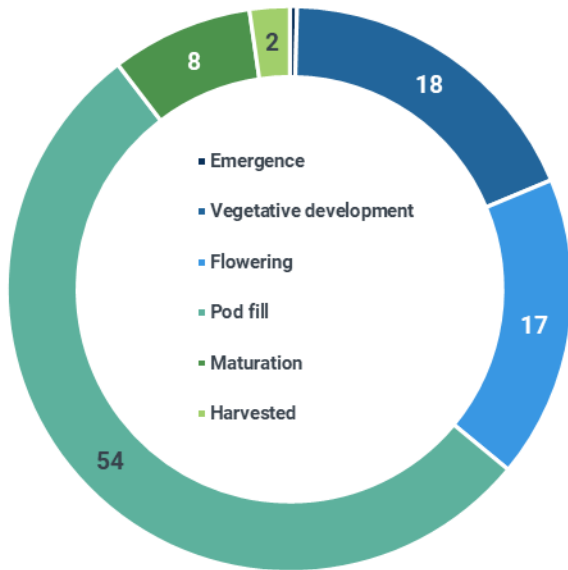
Crop development



Brazilian soybean crop

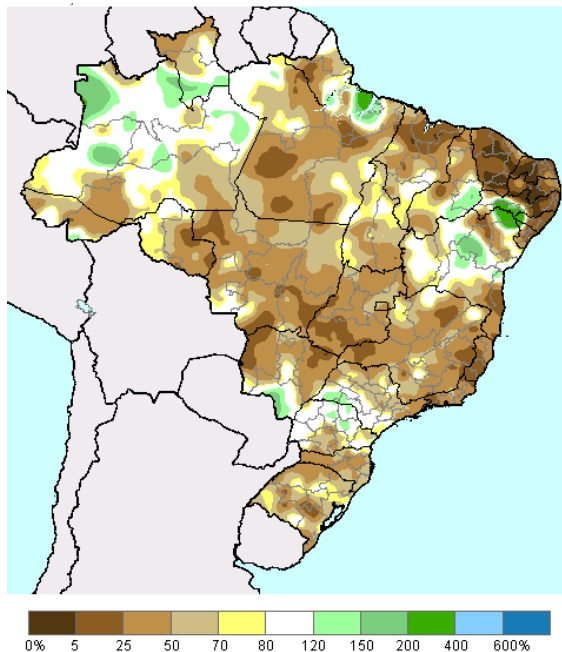
Following improved weather during December, expectations of a new record crop become more confident

Development stage by 17 Jan (% of crop)



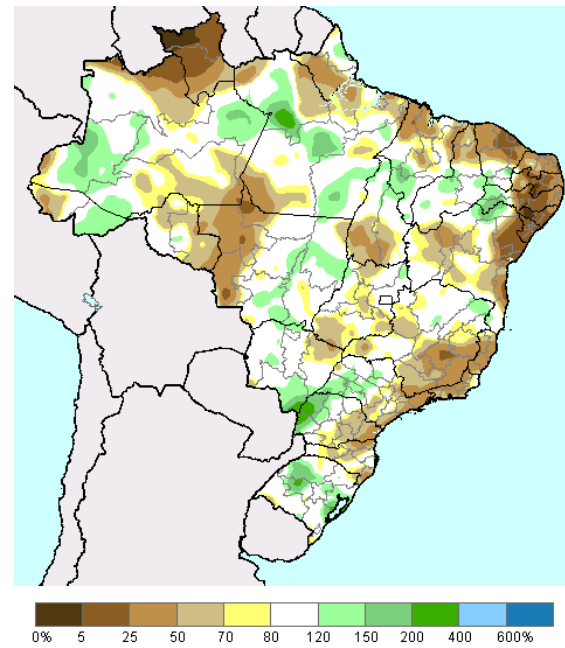
Source: Conab

Rainfall during Nov (% of normal)



Source: USDA, NOAA

Rainfall during Dec (% of normal)

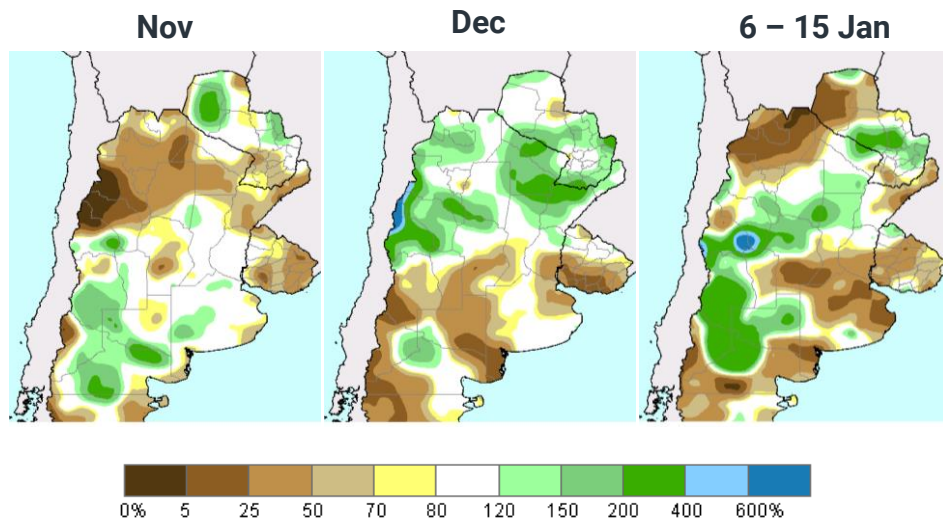


Source: USDA, NOAA

Argentine corn and soybean crops

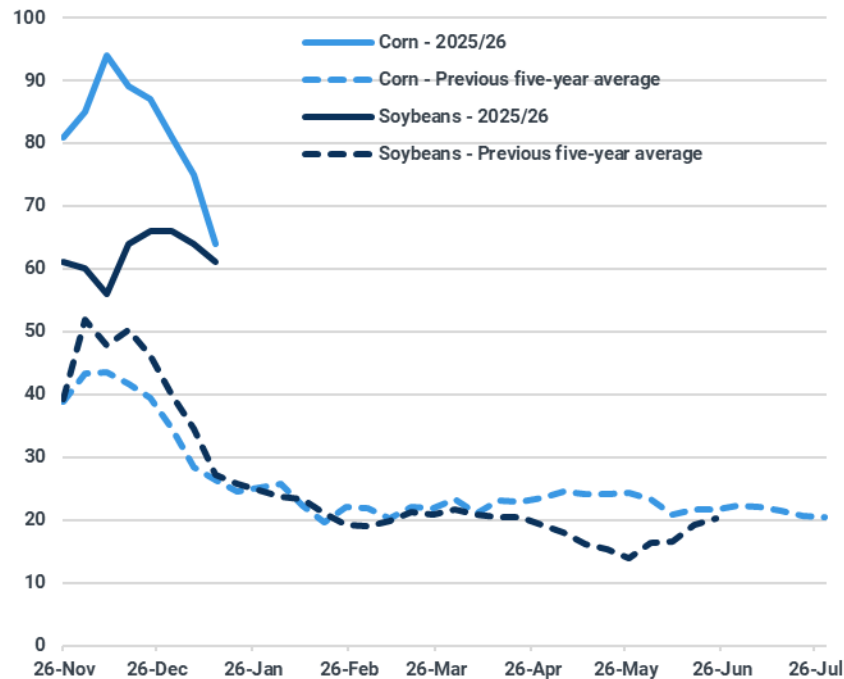
After an encouraging start, drier weather is threatening yield potential

Rainfall anomaly (% of normal)



Source: USDA, NOAA

Corn and soybean crop in G/E condition (%)

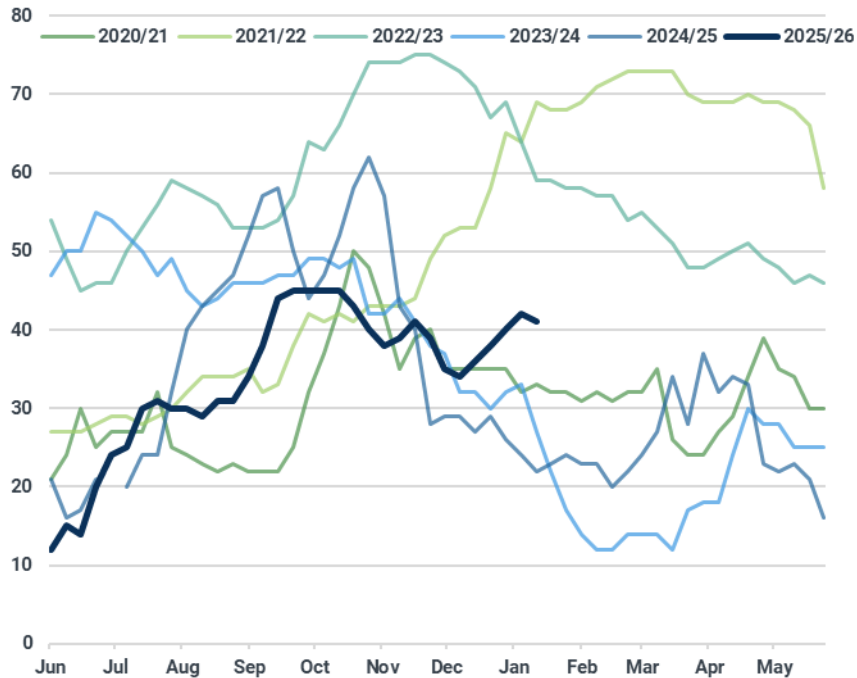


Source: Buenos Aires Grain Exchange

US and EU winter wheat

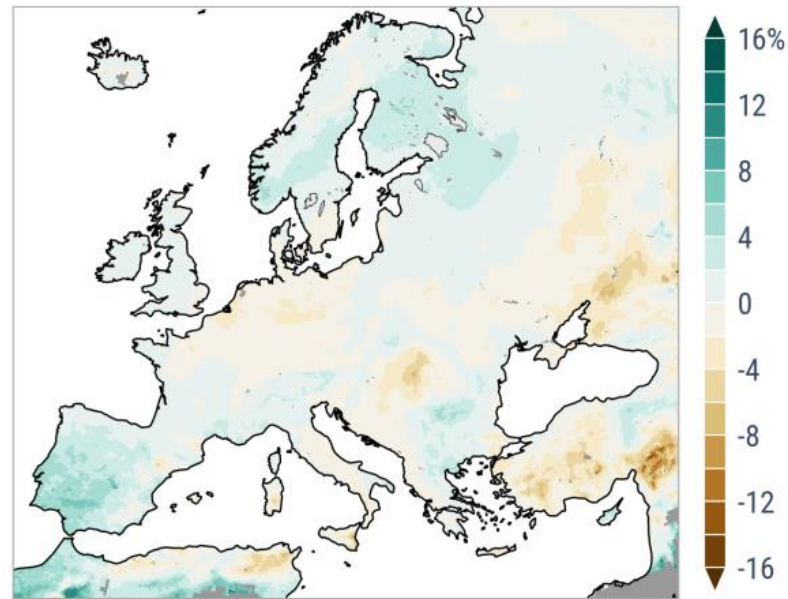
Some concerns of dryness for the US winter wheat crop while conditions remain broadly benign for the EU crop

US WW in moderate or more intense drought (% of crop)



Source: USDA

EU surface soil moisture anomaly during Dec (ECMWF)

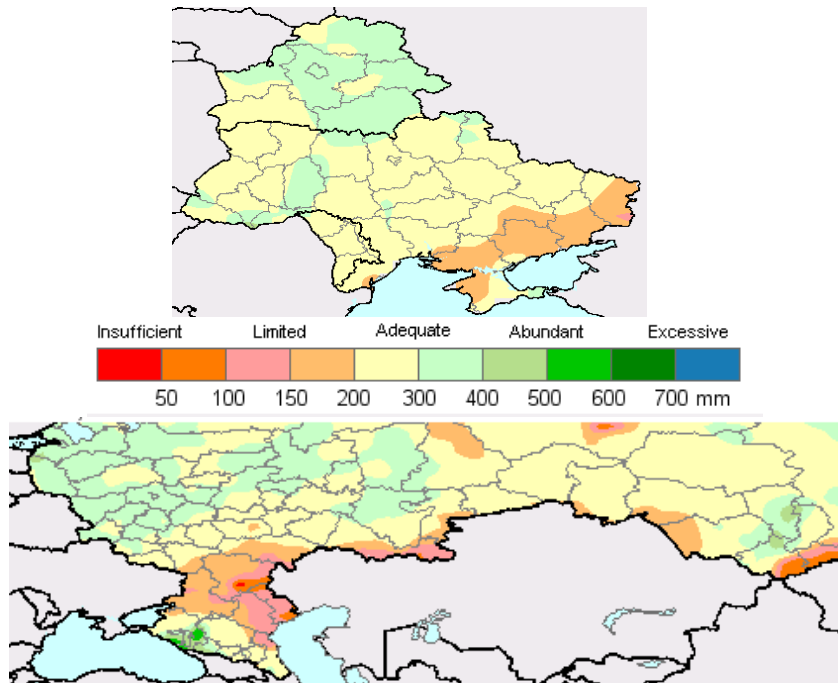


Source: Copernicus, ECMWF

Black Sea winter wheat

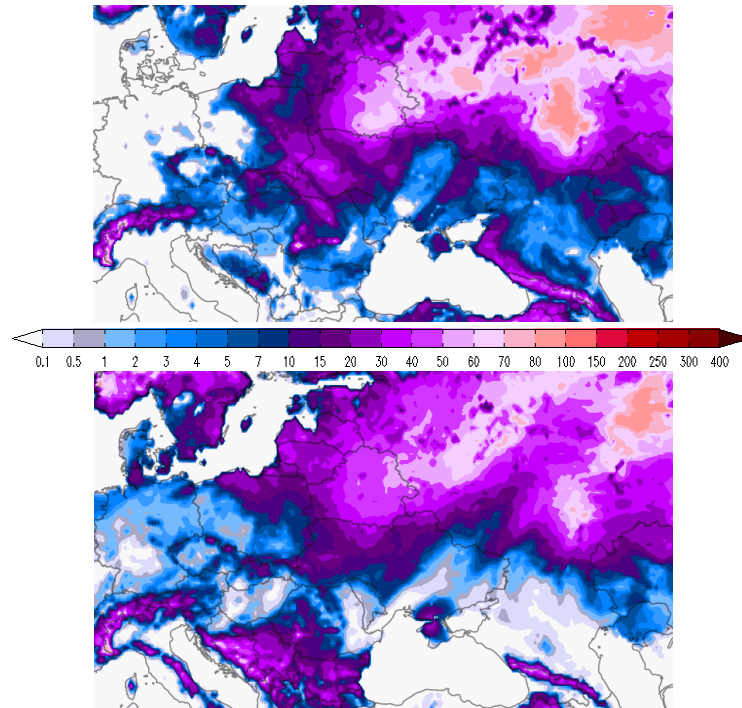
Winter wheat conditions remains favourable, although snow cover is a watch point for European Russia

Soil moisture conditions for Ukraine and Russia (15 Dec)



Source: USDA, NOAA

Snow depth across Eastern Europe 19 Jan and 31 Jan (cm)



Source: Weather.US



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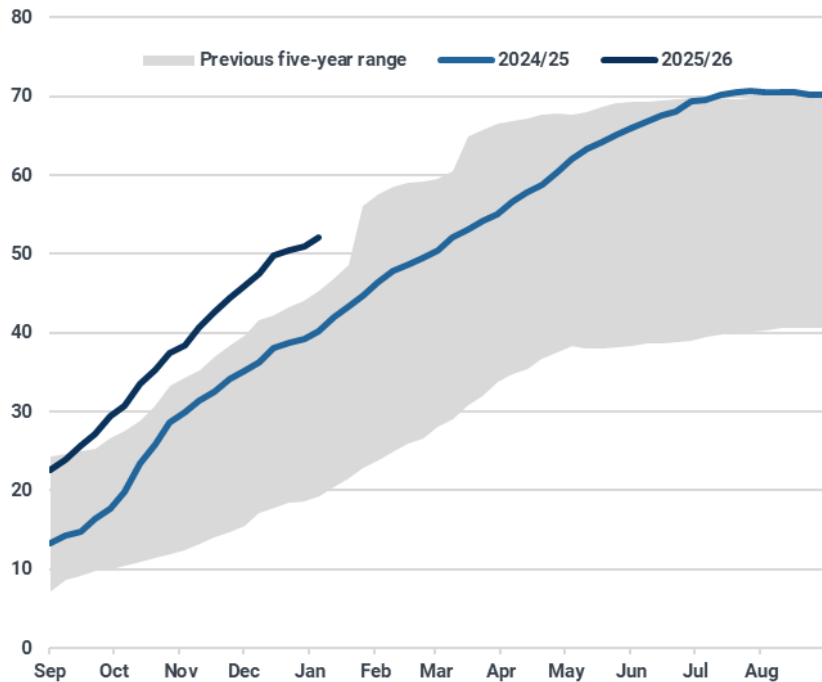
Corn and soybean fundamentals



US corn sales

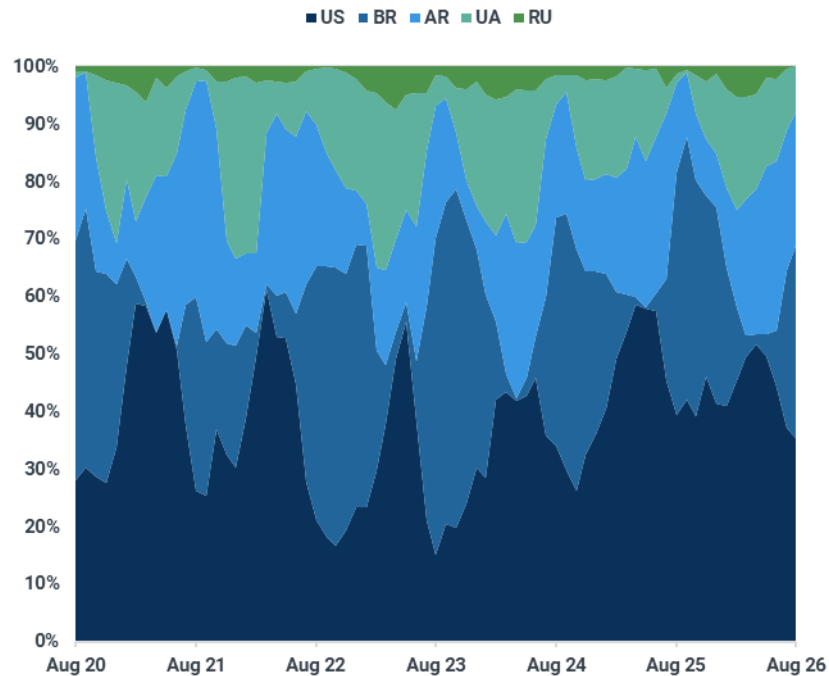
As US corn sales remain record high, it's been more dominant than usual on the export market

US corn sales (Mt)



Source: USDA

Corn export market by major exporter (% of total exports)

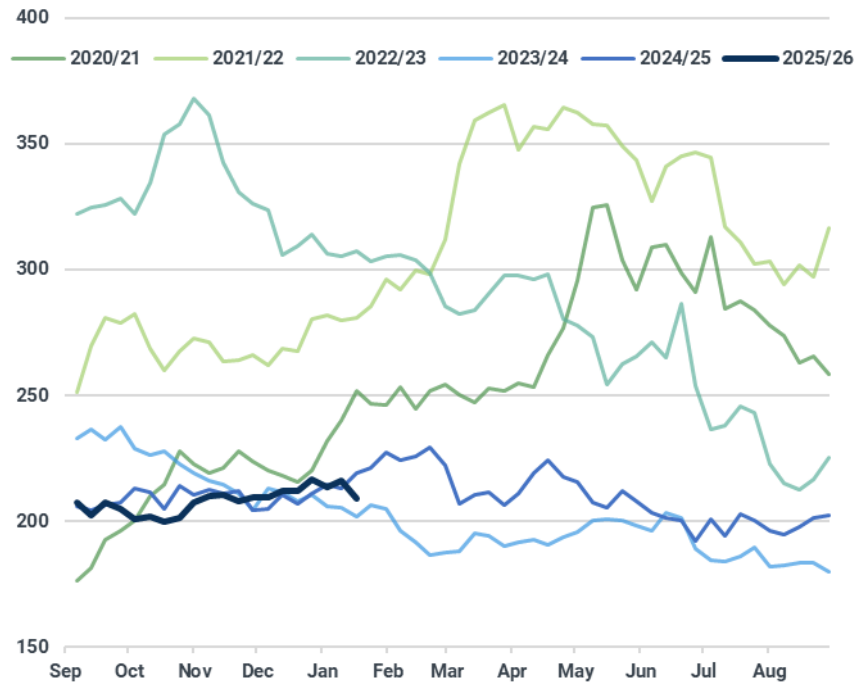


Source: Kpler Insight

US corn competitiveness

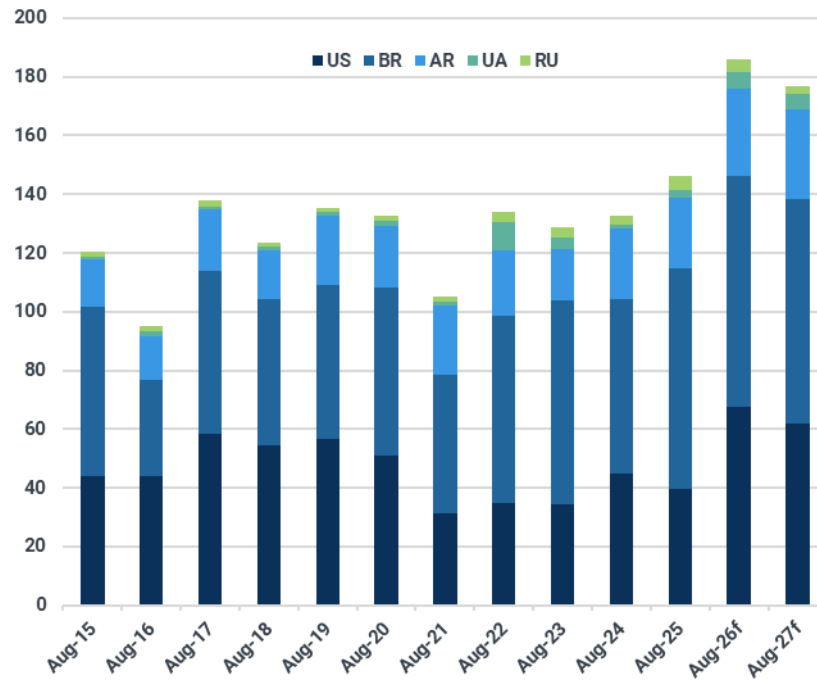
US corn is pricing near multi-year lows in response to the weight of heavy stocks

US corn (Gulf, spot FOB, \$/t)



Source: International Grains Council

Corn stocks by major exporter (Mt)

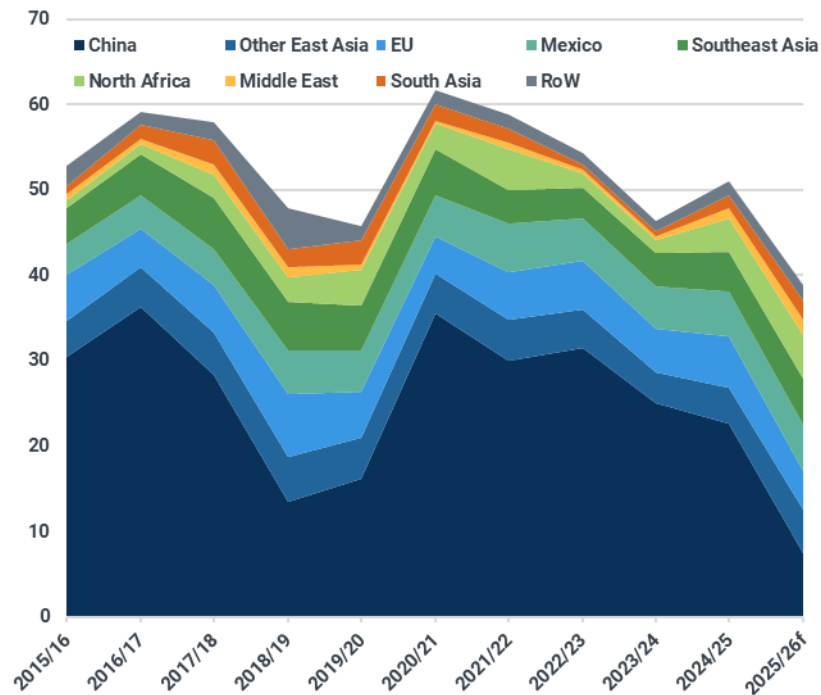


Source: Kpler Insight

Soybean export market

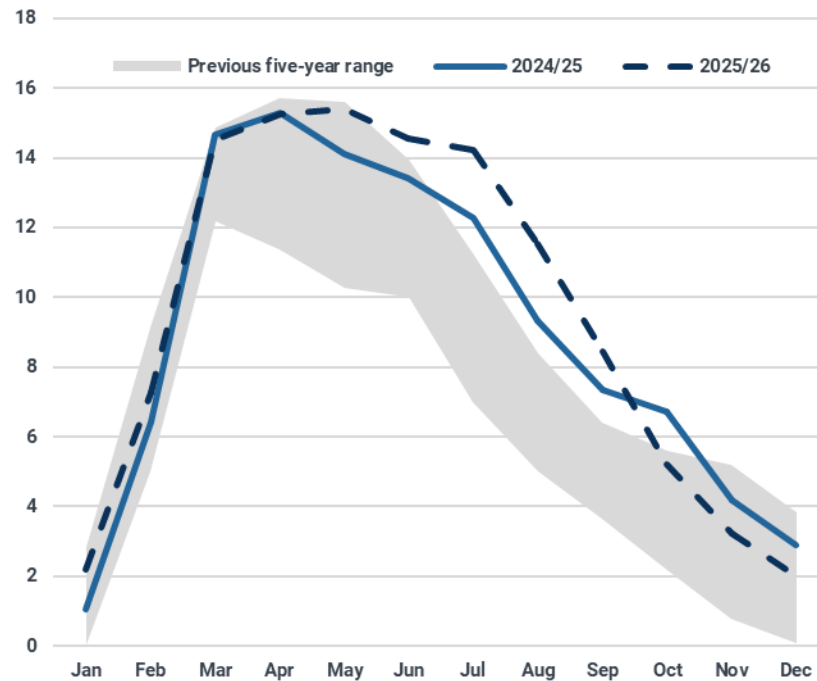
US soybean exports struggle under lower Chinese demand, Brazilian exports to be dominant following record crop

US soybean exports by destination (Mt)



Source: Kpler Insight

Brazilian soybean exports (Mt)

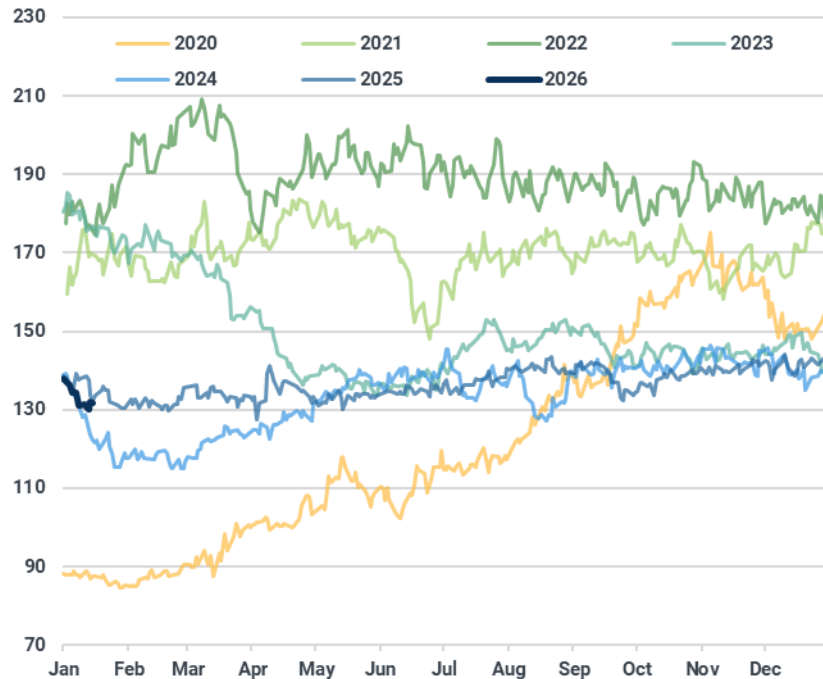


Source: Kpler Insight

Brazilian soybean crop

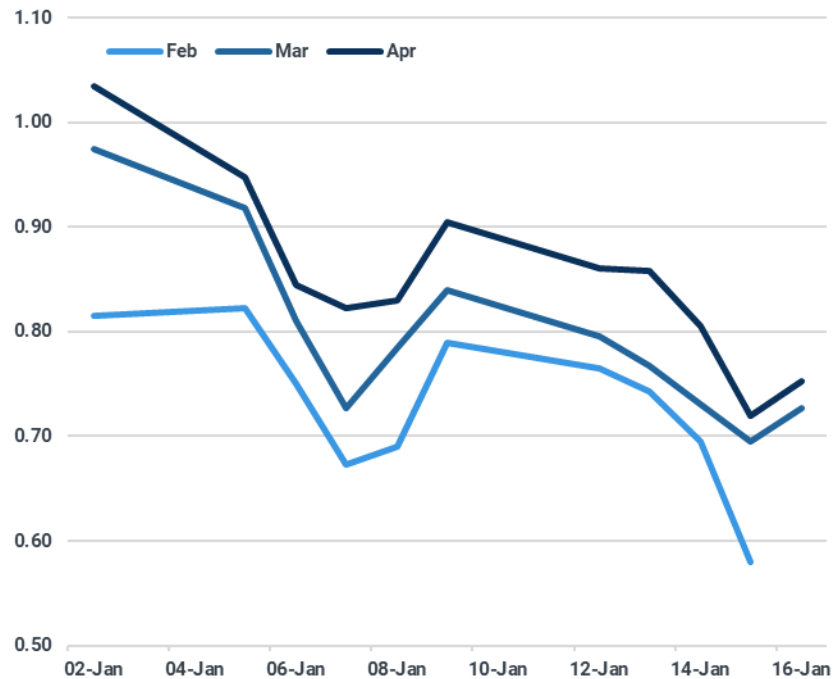
With a record crop on the horizon, Brazil will sideline the US from the export market

Brazil soybean cash price index (Paranaguá, R\$/bag)



Source: CEPEA

US (Gulf) vs Brazil (Paranaguá) (FOB, \$/bu)

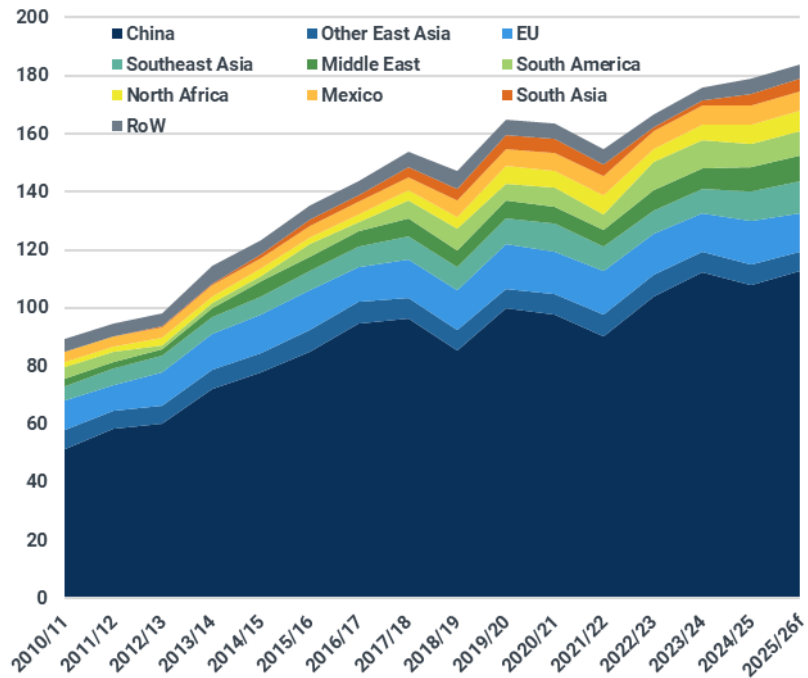


Source: Argus

Global soybean stocks

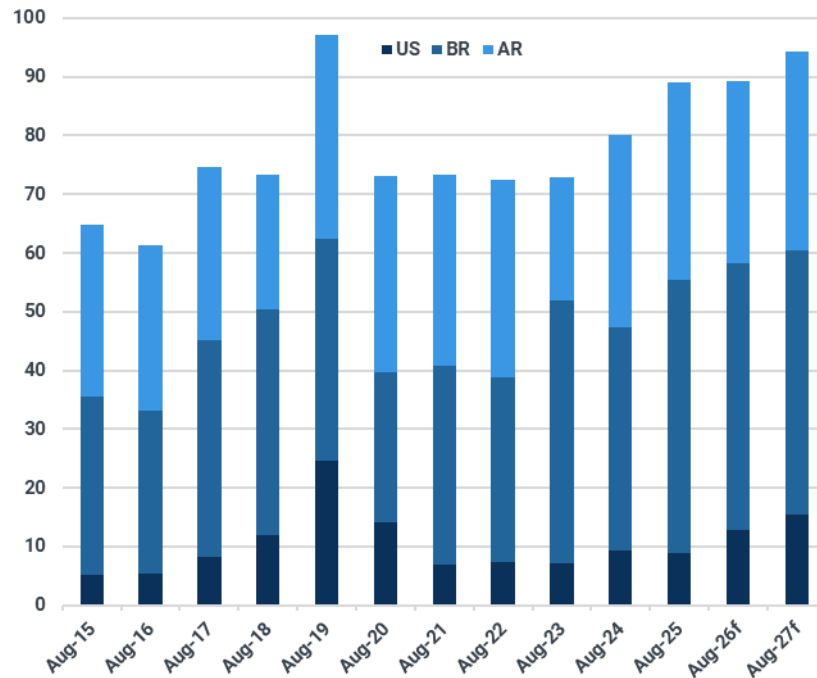
As Chinese demand growth levels off, the rest of the world struggles to offset the greater production

Global exports by destination (Mt, TY)



Source: Kpler Insight

Soybean stocks by major exporter (Mt)

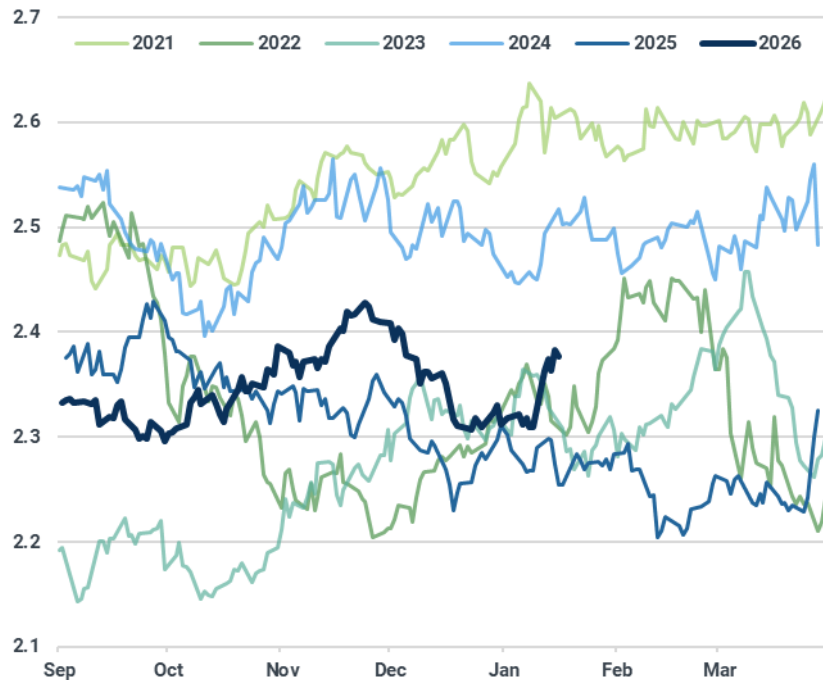


Source: Kpler Insight

2026 US spring planting intentions

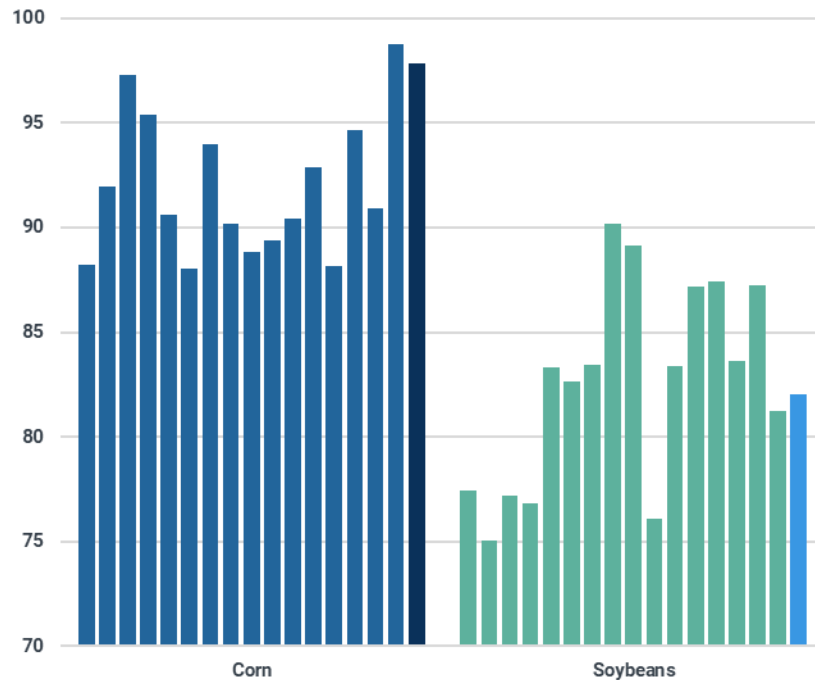
The 2026 CBOT soybean-corn ratio is favouring more soybean acres

2026 CBOT soy-corn ratio



Source: MarketView

US corn and soybeans planted area (Ma)



Source: Kpler Insight



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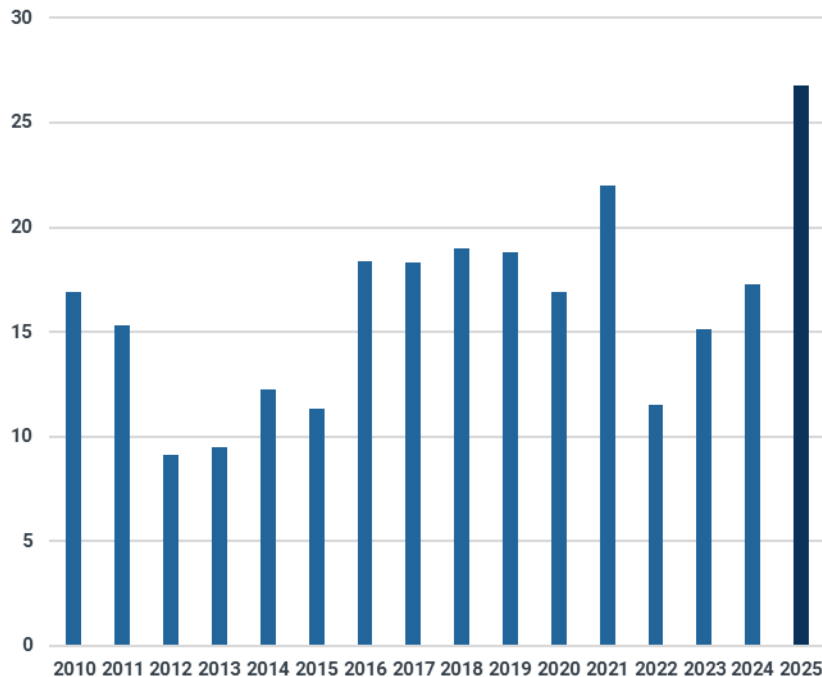
Wheat fundamentals



Argentine wheat

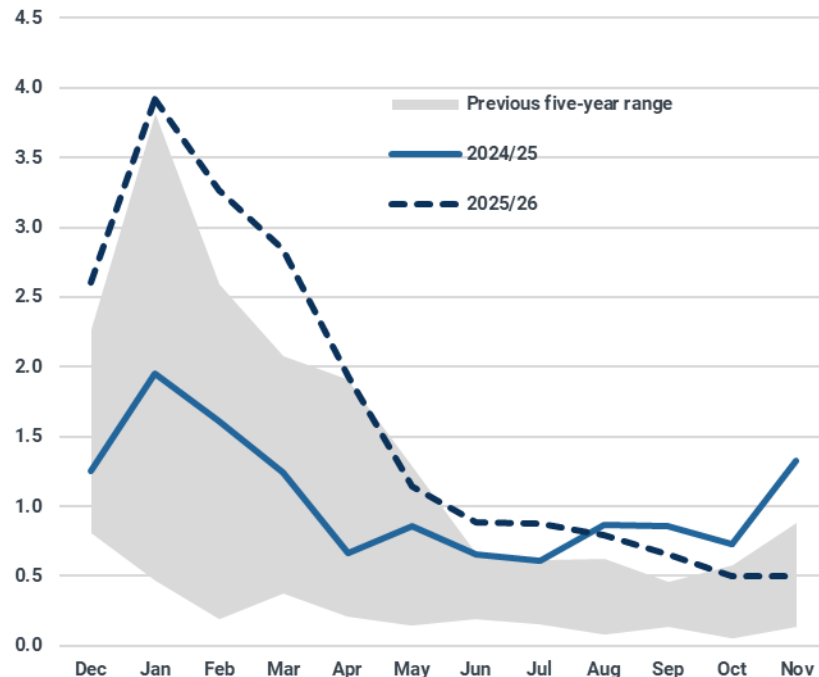
As harvest of Argentina's wheat crop nears completion, results have affirmed estimations of record production

Argentine wheat production (Mt)



Source: Kpler Insight

Argentine wheat exports (Mt)

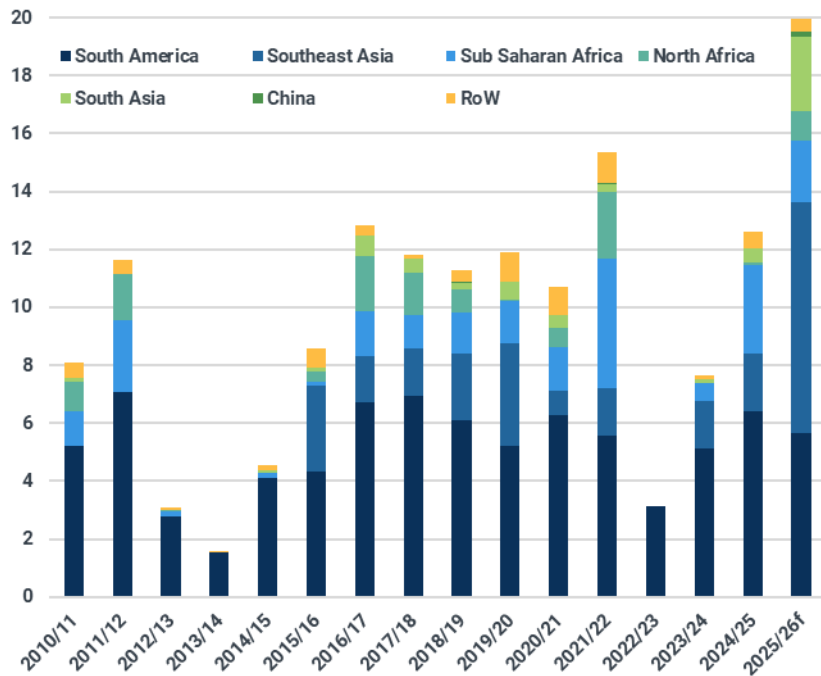


Source: Kpler Insight

Argentina wheat exports

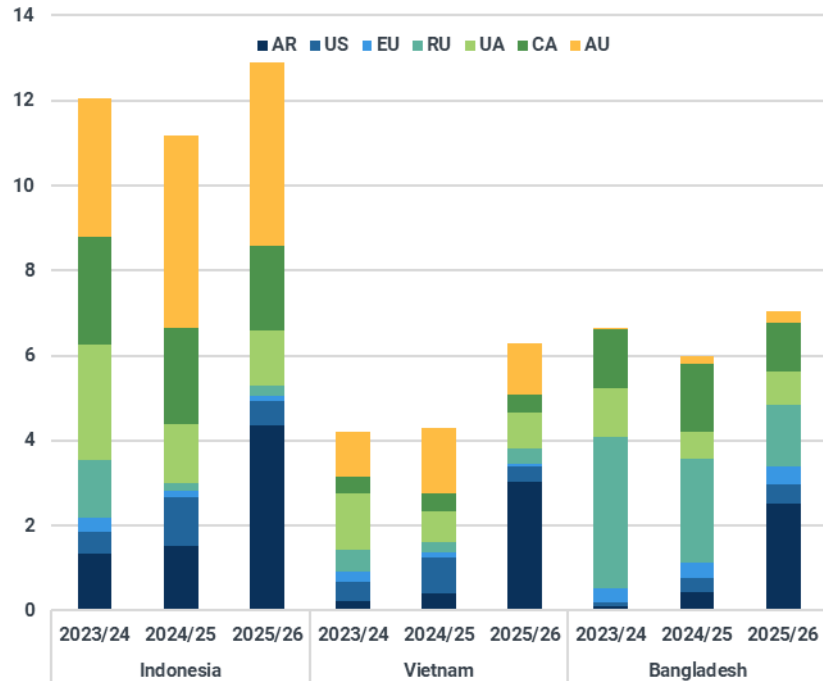
Expectations of a record Argentine export campaign will see competitors lose market share

Argentine wheat exports by destination (Mt)



Source: Kpler Insight

Key Argentine export destinations by origin (Mt, Dec-Nov)

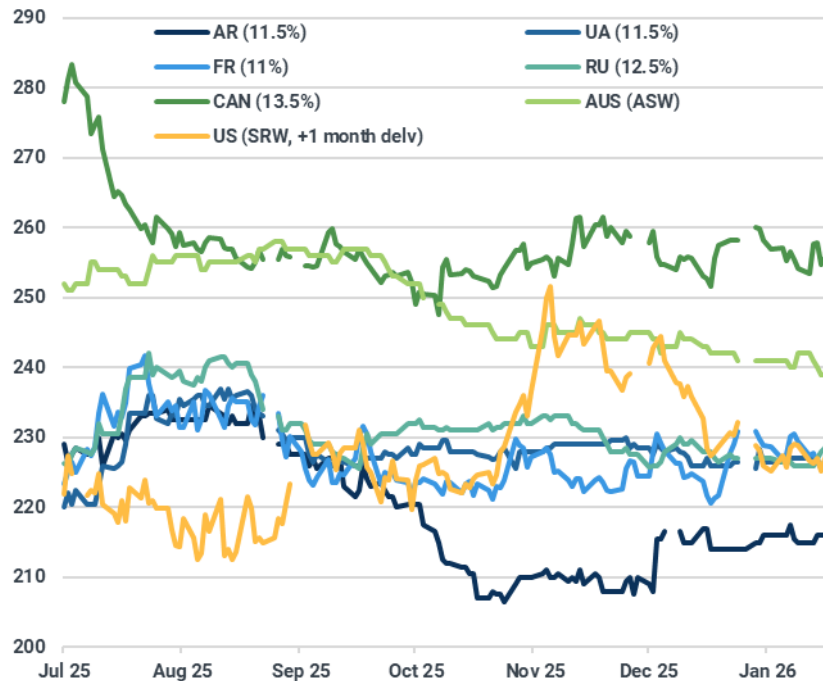


Source: Kpler Insight

Wheat market

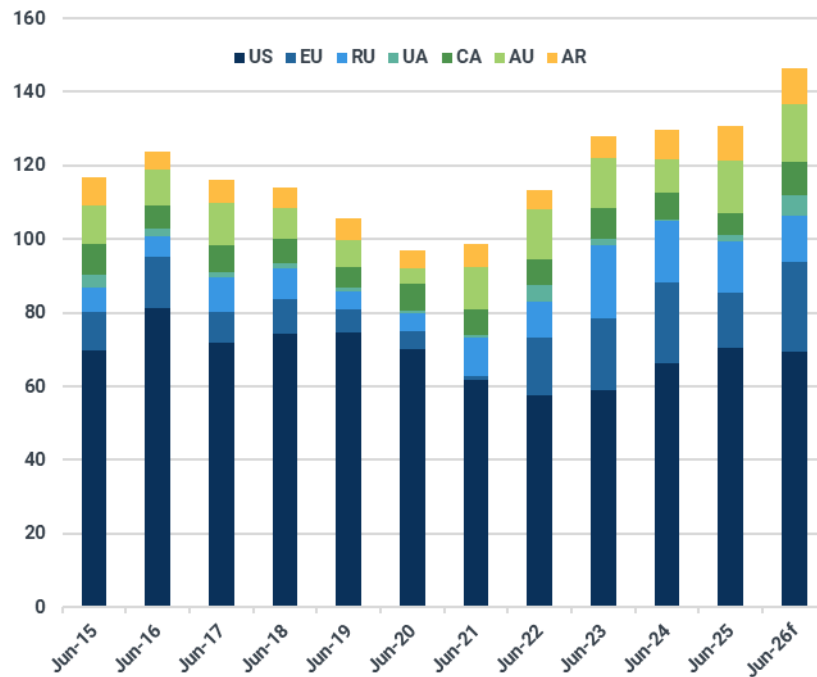
Argentina remains highly competitive on the export market, global supply of wheat remains heavy

Wheat price by major exporter (Spot FOB, \$/t)



Source: Argus

Wheat stocks by major exporter (Mt)



Source: Kpler Insight



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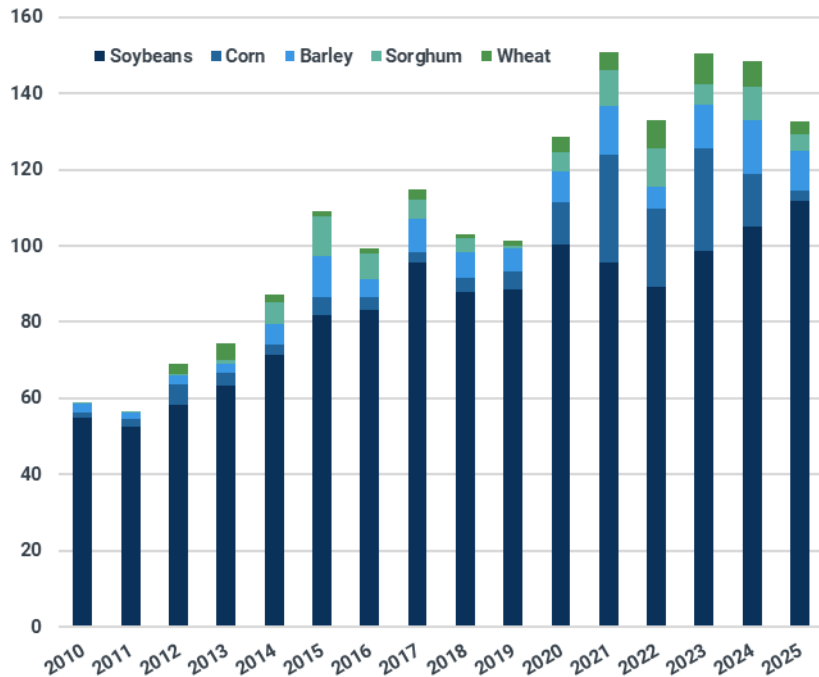
Wildcard



China's import demand

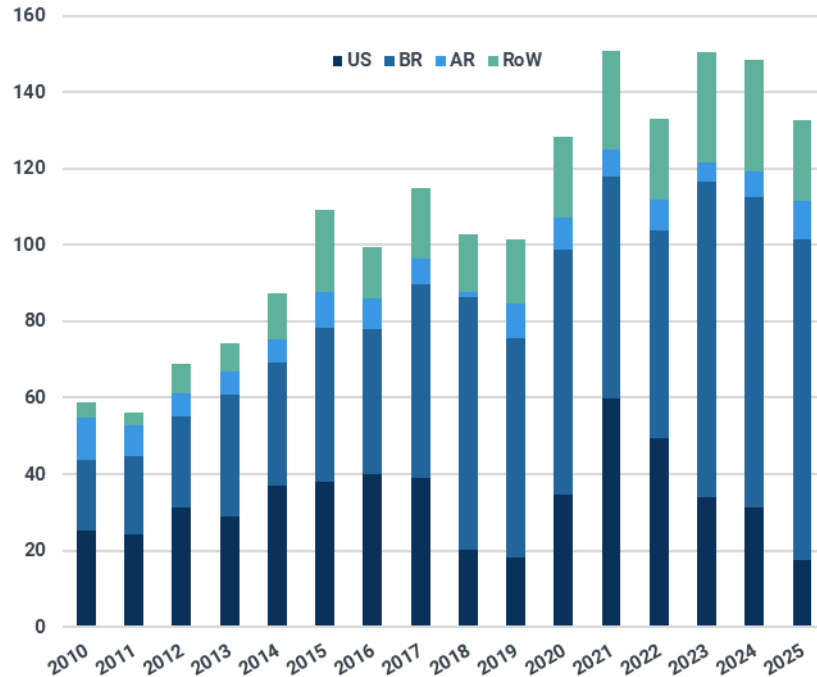
As the major grain markets sit on heavy stocks, Chinese demand is a catalyst which could tighten supplies

China grain and soybean imports by crop (Mt)



Source: GTT
Calendar year data

China grain and soybean imports by origin (Mt)



Source: GTT
Calendar year data



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Outlook



Short term drivers

Markets will follow growing season weather in wheat, corn and soybean

- Soybean **harvest results in Brazil** will offer insight regarding the overall production outlook. Continued positive yields should pressure spreads.
- **Dry weather across Argentina** will be watched as it coincides at a time when corn and soybean crops are at key yield-determining growth stages.
- Corn sales and biofuel policy will influence the **2026 soybean-corn ratio**. Markets are likely to discourage soy planting.
- Snow cover across key wheat producers in the Northern Hemisphere will be tracked in addition to the **potential for winterkill events**. Currently favourable conditions limit widening of Wheat-Corn spreads.
- **Argentine wheat exports to untraditional destinations** will continue to displace competitors, leading to a greater concentration on nearby destinations for rivals.

CBOT Mar-26 Wheat-Corn spread (¢/bu)



Source: MarketView

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Thank you!

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