

Corn & Soybeans

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- ▶ **Soybean** (source WASDE)
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CORN

Estimate for 2015-16 Season

- ▶ **Global corn production** for 2015-16 is projected at **974.87 Mio t**, +2.3 Mio t from last month, with increases for the major Exporters: U.S. (348.82 Mio t), Argentina (25.60 Mio t) and Brazil (81.50 Mio t).
- ▶ The **U.S.** average yield raised 1.3 bushels per acre to **169.3 bushels per acre**, just 1.7 bushels below last year's record.
- ▶ U.S. corn export sales and shipments lag well behind last year at this time and U.S. supplies remain uncompetitive in many foreign markets **as corn from Brazil** continues to undercut U.S. offerings.
- ▶ **Global corn ending stocks** are raised +12.8%, with nearly all the increase for China corn. More than half of the world's 2015-16 corn ending stocks are expected to be held in **China**, according to the downward revisions to China corn feeding for 2013-14 through 2015-16.
- ▶ China corn beginning stocks are raised 18.8 Mio t (+23%) for 2015-16 reflecting the impact of **lower estimated feed use** for the preceding marketing years.
- ▶ China corn ending stocks are raised 23.8 Mio t (+26%).



CORN – **Global** and **US** outlook: Estimate for the 2015-16 Season



	Million tons	From October 2015 (projections)
Beginning stocks	208.21	+6.2%
Production	974.87	+0.2%
Total use	971.16	-1.0%
Ending stocks	211.91	+12.8%



	Billion bushels	Million tons	From October 2015 (projections)
Beginning stocks	1.73	43.98	0.0%
Production	13.66	346.82	+0.7%
Total use	11.86	301.13	-0.4%
Export	1.80	45.72	-2.7%
Ending stocks	1.76	44.70	+12.7%
Price projection	3,65 \$/bushel	144 \$/ton	134 €/ton ↑
1 month ago	3,80 \$/bushel	150 \$/ton	132 €/ton

CORN conversion factors
1 bushel = 0.025 metric ton
1 metric ton = 39.38 bushel



SOYBEANS

Estimate for 2015-16 Season

- ▶ **Global soybean production** for 2015-16 is projected at **321 Mio t**, +0.5 Mio t from last month, with the larger U.S. crop only partly offset by reductions for India, South Africa and Uruguay.
- ▶ **U.S. soybean production** is forecast at a record **108.35 Mio t**, +2.4% on higher yields. The **soybean yield** is forecast at **48.3 bushels per acre**, +1.1 bushels mainly on gains for Iowa, Illinois and Minnesota.
- ▶ U.S. ending stocks are raised +9.4% at 12.65 Mio t. If realized, they would be the highest since 2006-07.
- ▶ **Global soybean ending stocks** are projected at 82.86 Mio t, -2.7% from last month, with reductions for Argentina, Brazil, South Africa, India and Canada only partly offset by an increase in the U.S.
- ▶ The **India** soybean crop is reduced 1.5 Mio t to **9.5 Mio t** on lower projected yields. Inconsistent rainfall during the growing season and late-season heat results in below-average yields for the third consecutive year.



SOYBEANS – **Global** and **US** outlook: Estimate for the 2015-16 Season



	Million tons	From October 2015 (projections)
Beginning stocks	77.58	-0.5%
Production	321.02	+0.2%
Total use	312.33	+0.6%
Ending stocks	82.86	-2.7%

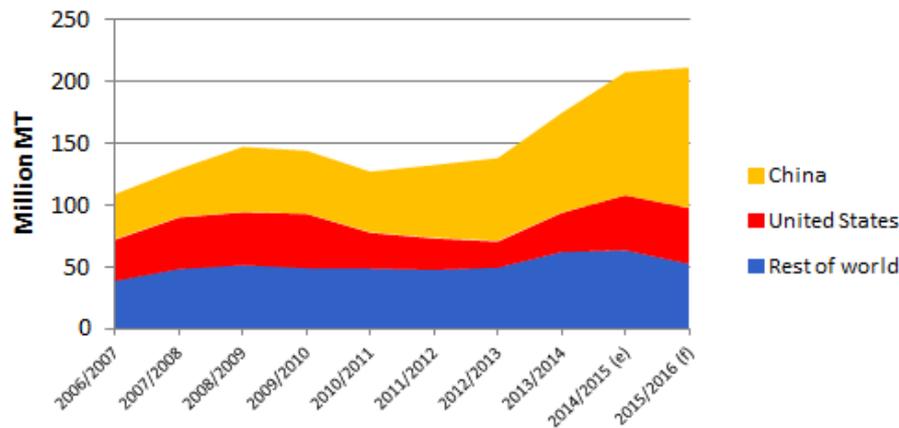


	Billion bushels	Million tons	From October 2015 (projections)
Beginning stocks	0.19	5.21	0.0%
Production	3.98	108.35	+2.4%
Total use	2.02	55.06	+0.7%
Export	1.72	46.68	+2.3%
Ending stocks	0.46	12.65	+9.4%
Price projection	8.90 \$/bushel	327 \$/ton	304 €/ton ↑
1 month ago	9.15 \$/bushel	336 \$/ton	297 €/ton

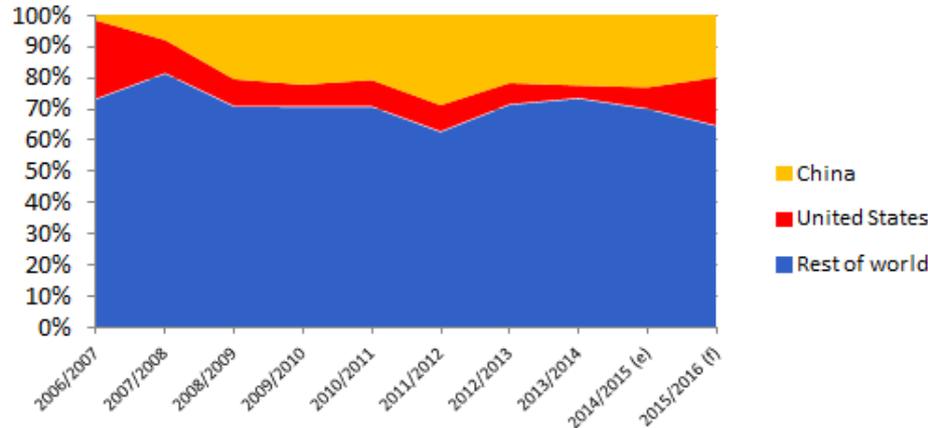
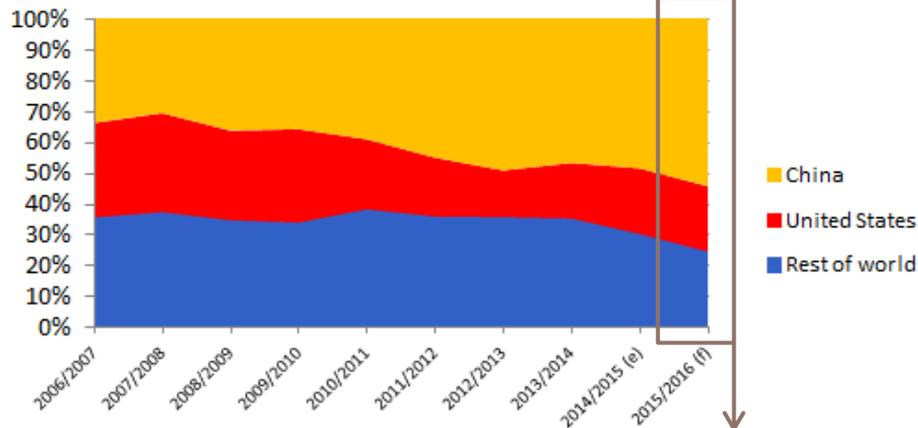
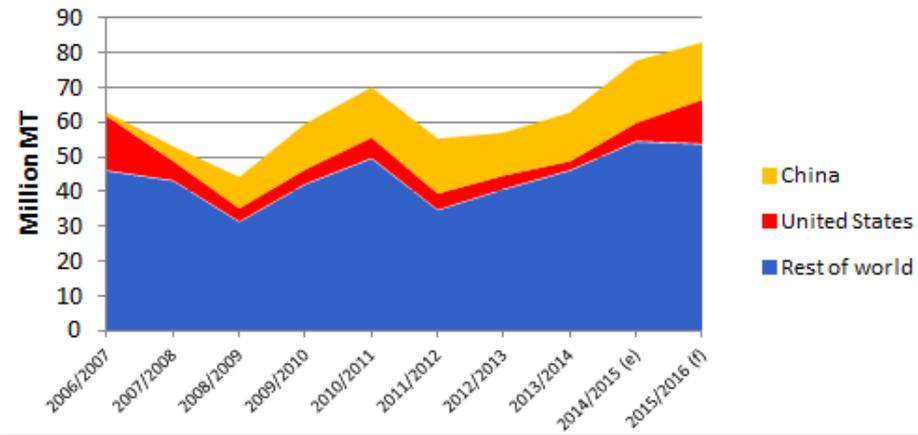
SOYBEANS conversion factors
1 bushel = 0.027 metric ton
1 metric ton = 36.74 bushel

Corn and Soybeans Ending Stocks with FOCUS ON CHINA AND THE UNITED STATES

CORN



SOYBEANS



54% of the world's 2015-16 ending stocks are expected to be held in China



Source: USDA – FAS Foreign Agricultural Service, November 2015 - WASDE (World Agricultural Supply and Demand Estimates)



Chicago Mercantile Exchange (CME)

Corn prices

- ▶ Corn price trend as listed by the [CME of Chicago](#):

CBOT:ZCZ2015, W 360'0 ▲ +1'0 (+0.28%) O:372'6 H: 375'4 L:356'0 C:360'0



 **CME Group**
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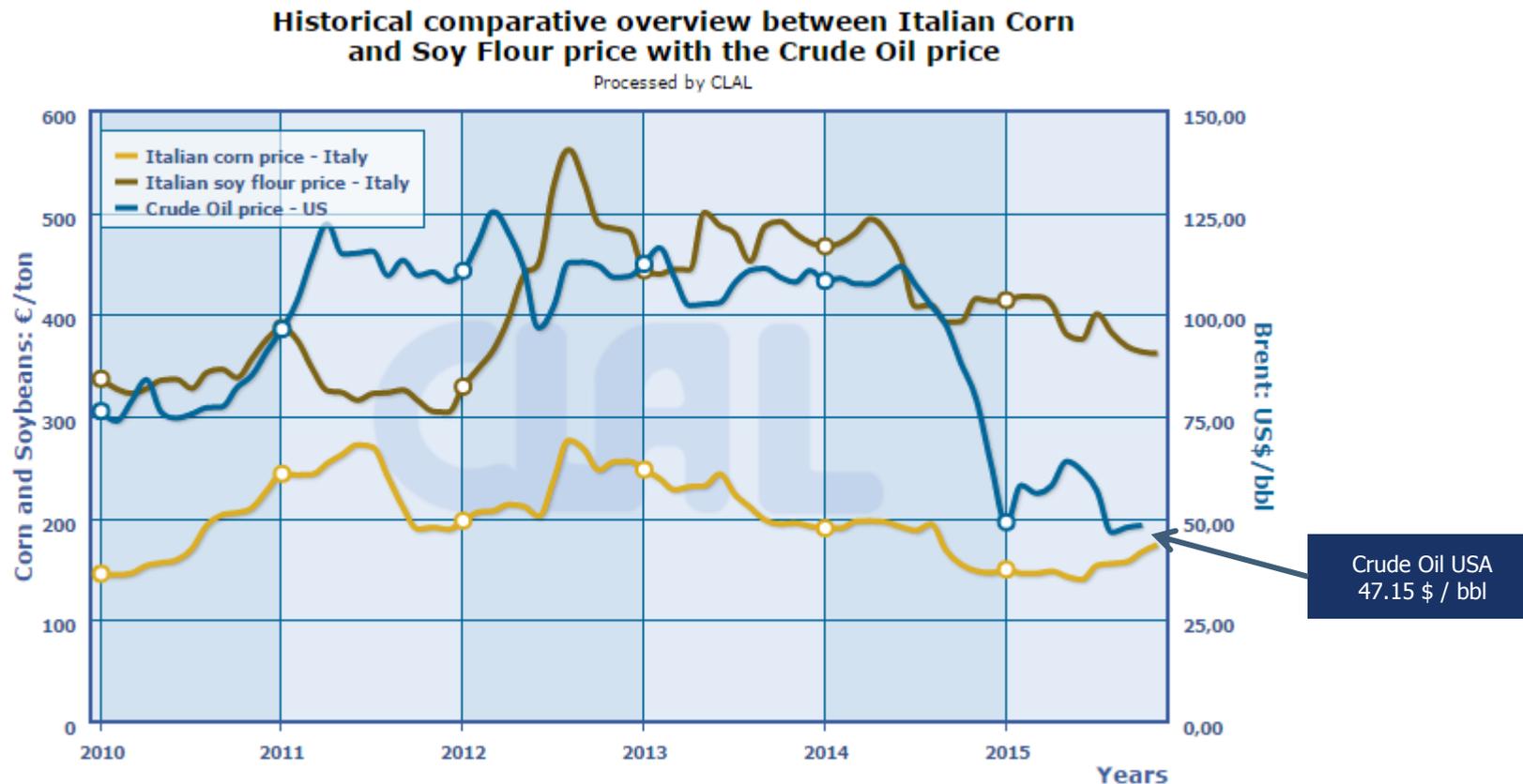
Chicago Mercantile Exchange (CME) Soybean prices

- ▶ Soybean price trend as listed by the [CME of Chicago](#):



Agricultural and Energy Inputs Correlations

- ▶ Price comparison: Corn (Italy), Soy flour (Italy) and Crude Oil (US)



Focus on **Italy**

Corn and Soy prices

▶ National Corn and Soy prices as listed by the Milan Chamber of Commerce, in comparison with the Farm-gate milk price:

- ▶ Italian Corn: 173 ÷ 175 €/ton (+6 € from last month)
- ▶ Italian Soy flour: 363 ÷ 364 €/ton (stable from last month)



Historical comparative overview between Italian Corn and Soy Flour price with the Farm-gate Milk price

Processed by CLAL



Farm-gate milk
Italy (Lombardy)
September 36 € / 100 lt