

Corn & Soybeans

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 - ▶ Global and US outlook
 - ▶ % of World Production and Exports
- ▶ **Soybeans** (source WASDE)
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MAY 2015



CORN

Estimate for 2015-16 Season

- ▶ **Global Corn supplies** for 2015-16 (new marketing year starting September 1st) are projected at **989.83 Mio t** (-0.6% from 2014-15; -0.1% from 2013-14).
- ▶ Declines in 2015-16 Corn production are also expected for the U.S, EU, Brazil, Ukraine and Mexico. Corn production is expected higher for China, South Africa, India, Canada, Russia and Argentina.
- ▶ **U.S. Corn production** is projected at 346.22 Mio t, with a lower forecast area and yield. The U.S. Corn **yield is projected at 166.8 bushels per acre** (= 10.59 tons/hectare), - 4.2 bushels from 2014-15.
- ▶ More competitive prices and growth in world demand support **gains in U.S. exports** for 2015-16, but large foreign supplies limit growth in the U.S. share of global trade.
- ▶ Corn used to produce ethanol in 2015-16 is expected to be unchanged on the year, while Corn **ending stocks** are projected lower both in the U.S. (-5.7%) and globally (-0.3%).



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



	Million tons	From 2014-15
Beginning stocks	192.50	+10.8%
Production	989.83	-0.6%
Total use	990.40	+1.3%
Ending stocks	191.94	-0.3%

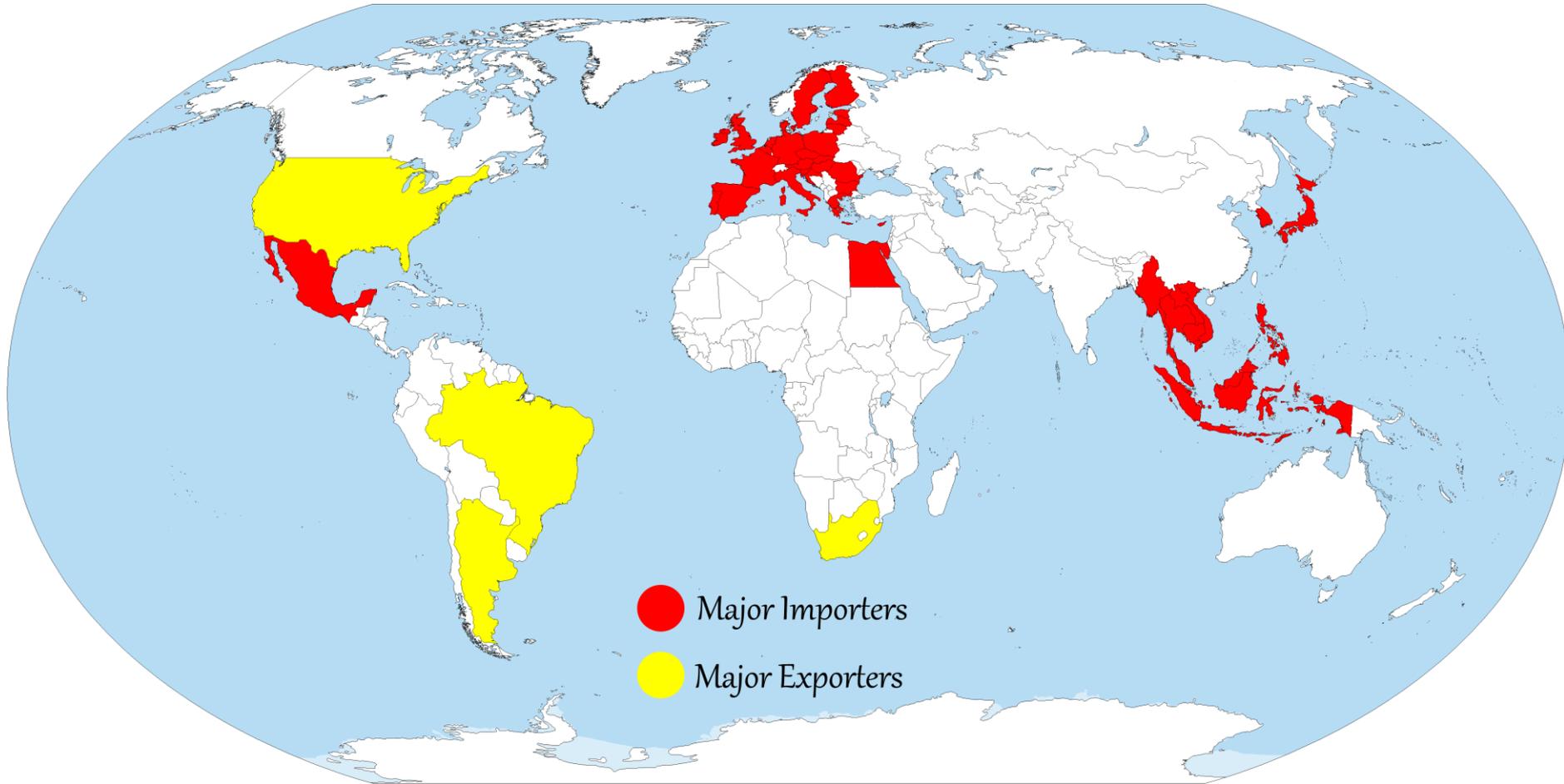


	Billion bushels	Million tons	From 2014-15
Beginning stocks	1.85	47.02	+50.3%
Production	13.63	346.22	-4.1%
Total use	11.86	301.26	+0.5%
Export	1.90	48.26	+4.1%
Ending stocks	1.75	44.35	-5.7%
Price projection	3,50 \$/bushel	138 \$/ton	121 €/ton ↓
2014-15	3,65 \$/bushel	144 \$/ton	126 €/ton

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

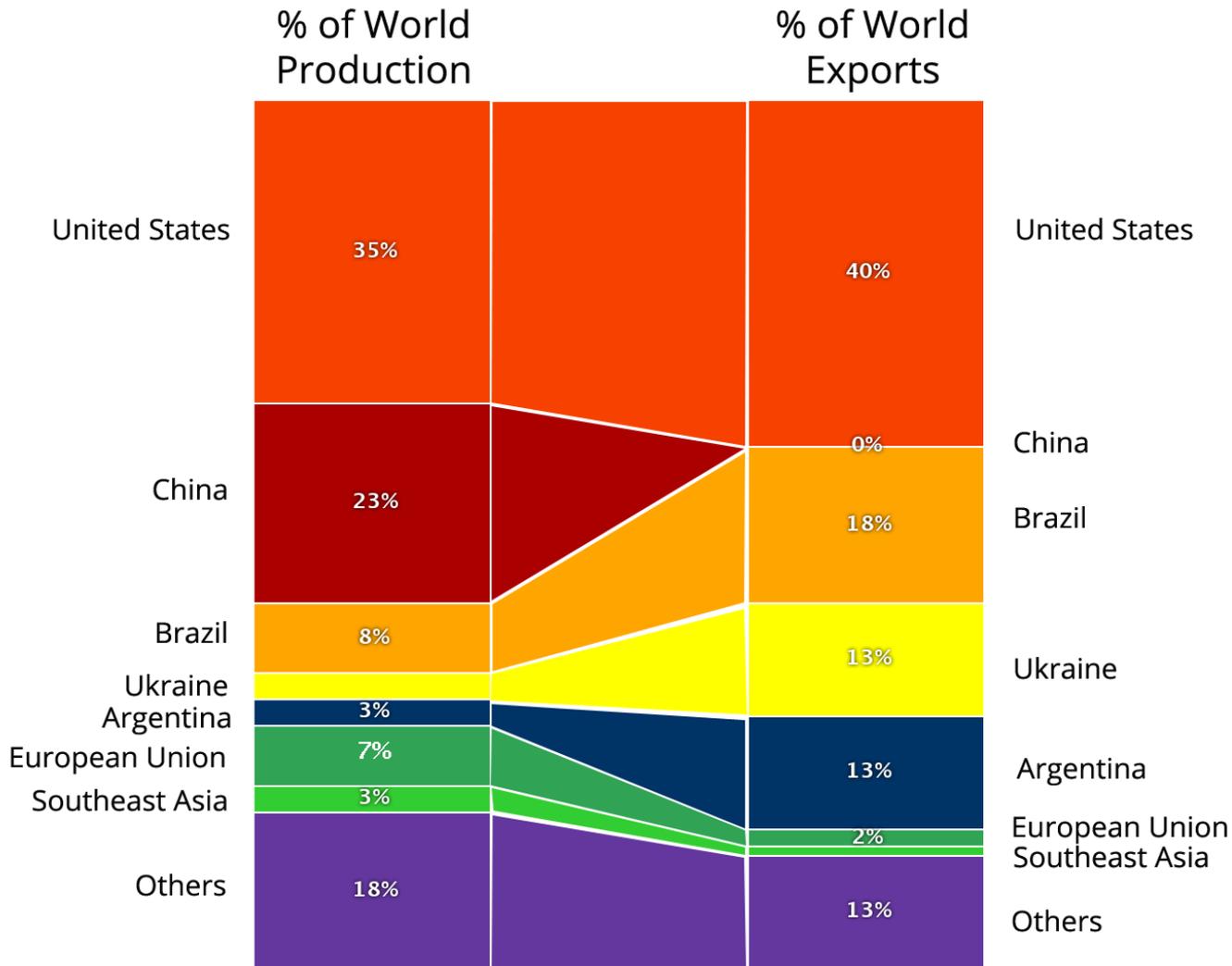


CORN – **Global** outlook: Major Exporters and Importers





CORN – **Global** outlook: Production and Exports





SOYBEANS

Estimate for 2015-16 Season

- ▶ **Global Soybean production** for 2015-16 (new marketing year starting October 1st) is projected at **317.30 Mio t**, unchanged from 2014-15 and +12% from 2013-14.
- ▶ Gains for Brazil, India, Paraguay and Ukraine are offset by reductions for the United States, Argentina and China.
- ▶ The Soybean **U.S.** yield is projected at a trend level of 46 bushels per acre, - 1.8 bushels from last year's record. The **Argentina** Soybean crop is projected lower with lower yields. **China** Soybean production is projected lower as producers shift to more profitable crops.
- ▶ Competition from record supplies in South America is expected to **limit U.S. exports** during the first half of the 2015-16 marketing year.
- ▶ **China Soybean imports** are projected at 77.5 Mio t, +5.4% from 2014-15 and +10.1% from 2013-14.



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



	Million tons	From 2014-15
Beginning stocks	85.54	+34.9%
Production	317.30	0.0%
Total use	304.28	+4.1%
Ending stocks	96.22	+12.5%

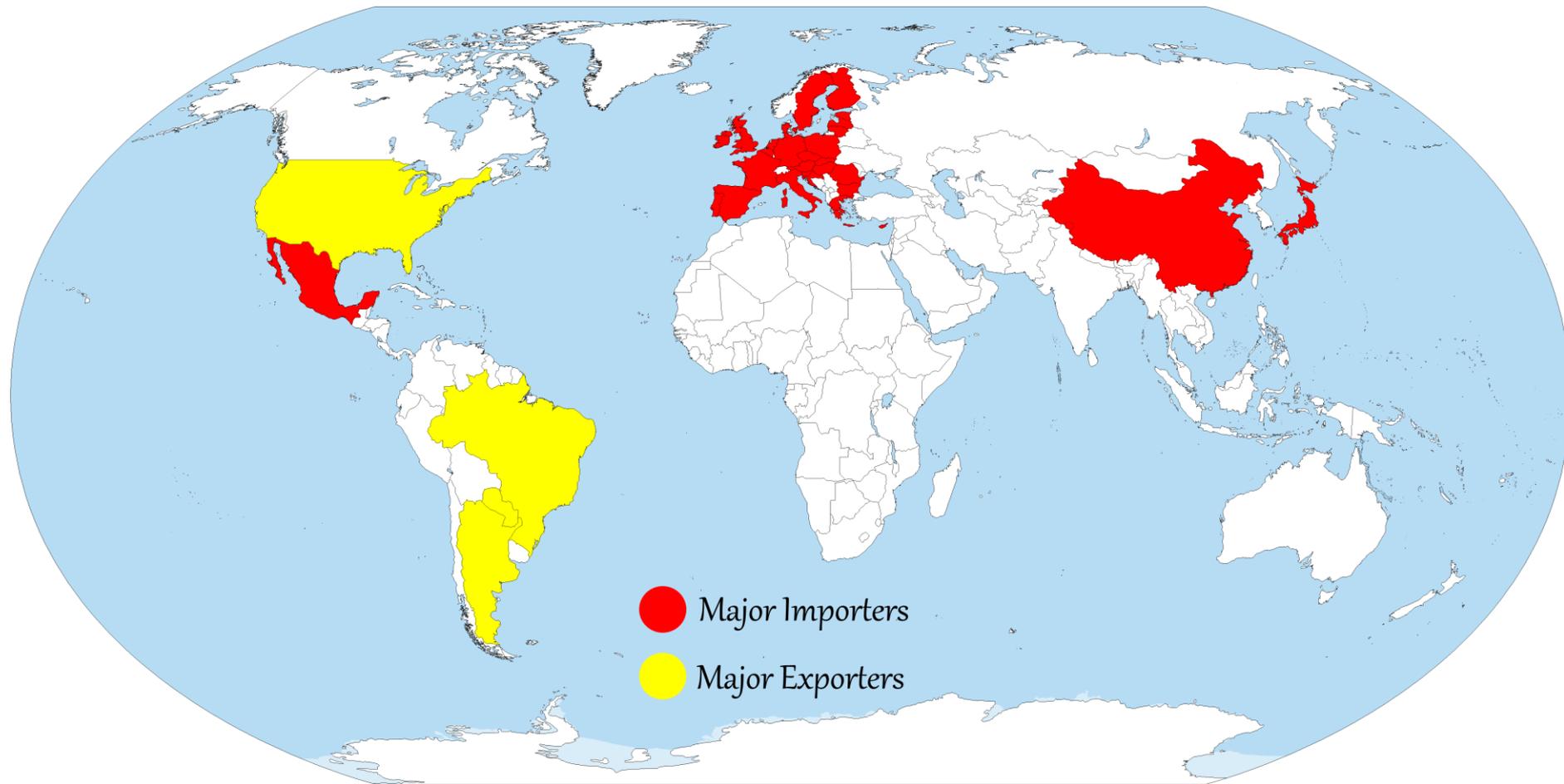


	Billion bushels	Million tons	From 2014-15
Beginning stocks	0.35	9.51	+280.4%
Production	3.85	104.78	-3%
Total use	1.95	53.19	+0.7%
Export	1.78	48.31	-1.4%
Ending stocks	0.50	13.61	+43.1%
Price projection	9.00 \$/bushel	331 \$/ton	291 €/ton ↓
2014-15	10.05 \$/bushel	369 \$/ton	324 €/ton

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

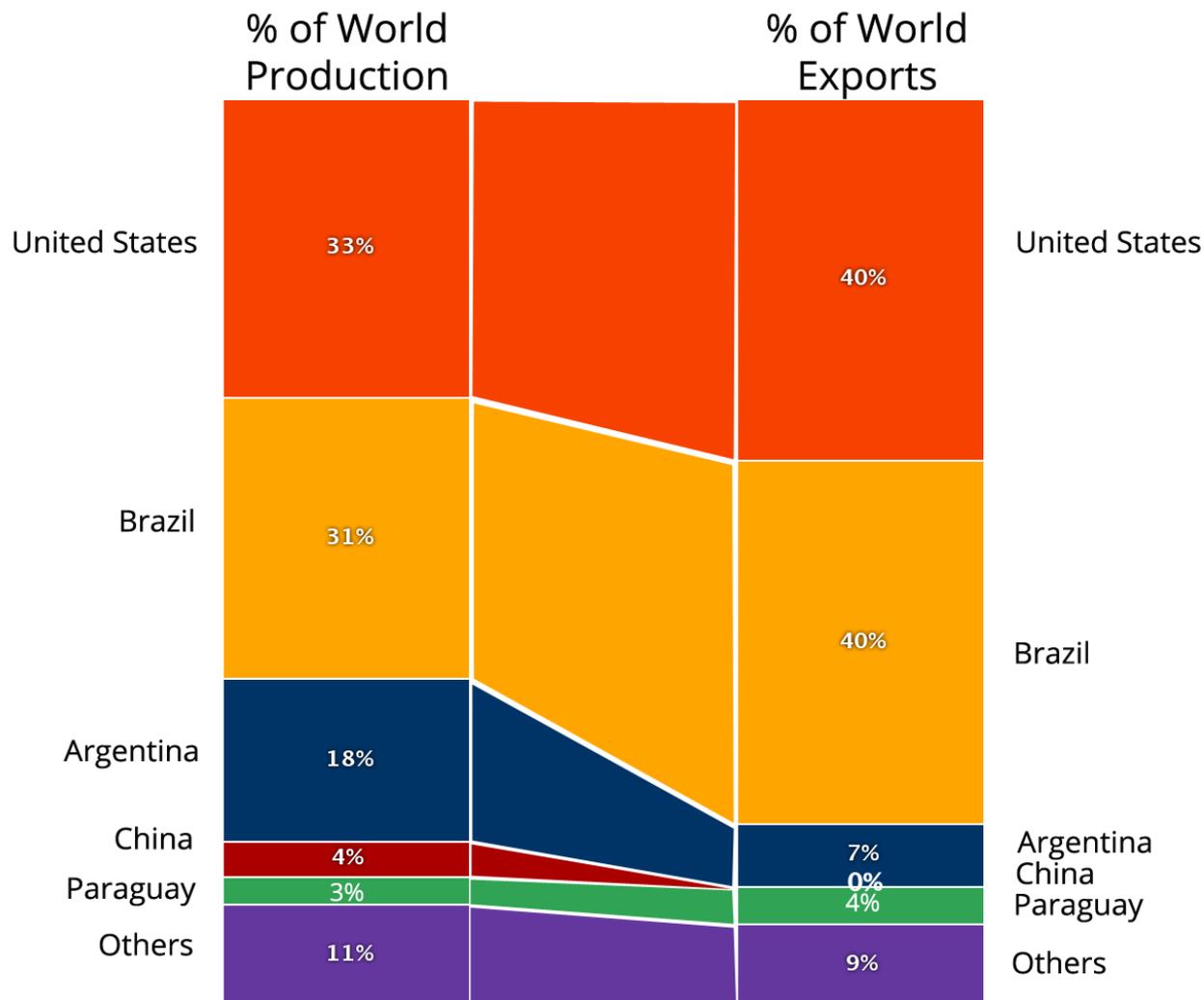


SOYBEANS – **Global** outlook: Major Exporters and Importers





SOYBEANS – **Global** outlook: Production and Exports





Chicago Mercantile Exchange (CME)

Corn prices

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

May 19, 2015

CBOT:ZCN2015 364'6 ▼ -3'2 (-0.88%) O:365'2 H:371'2 L:364'0 C:364'6



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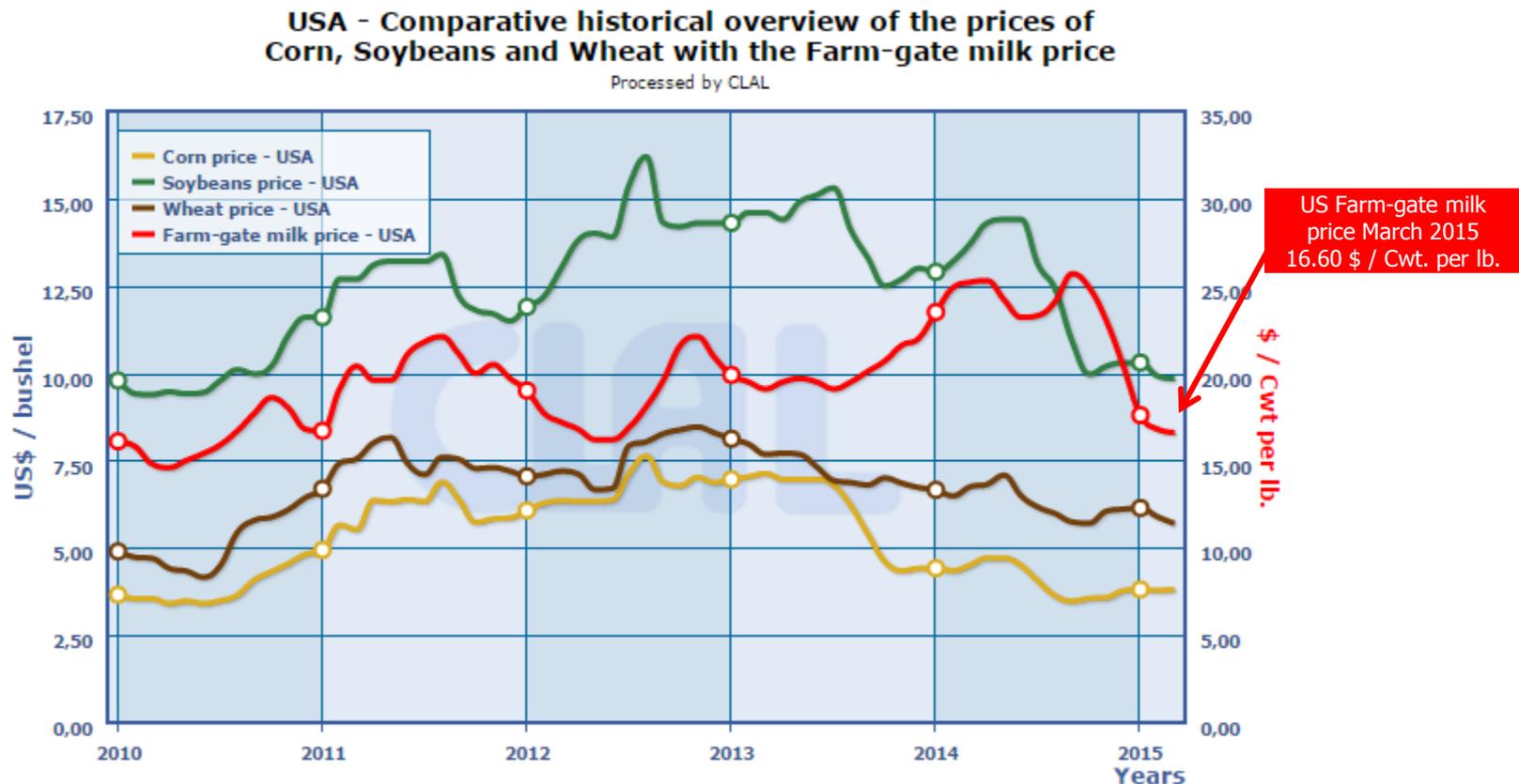
Chicago Mercantile Exchange (CME) Soybean prices

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



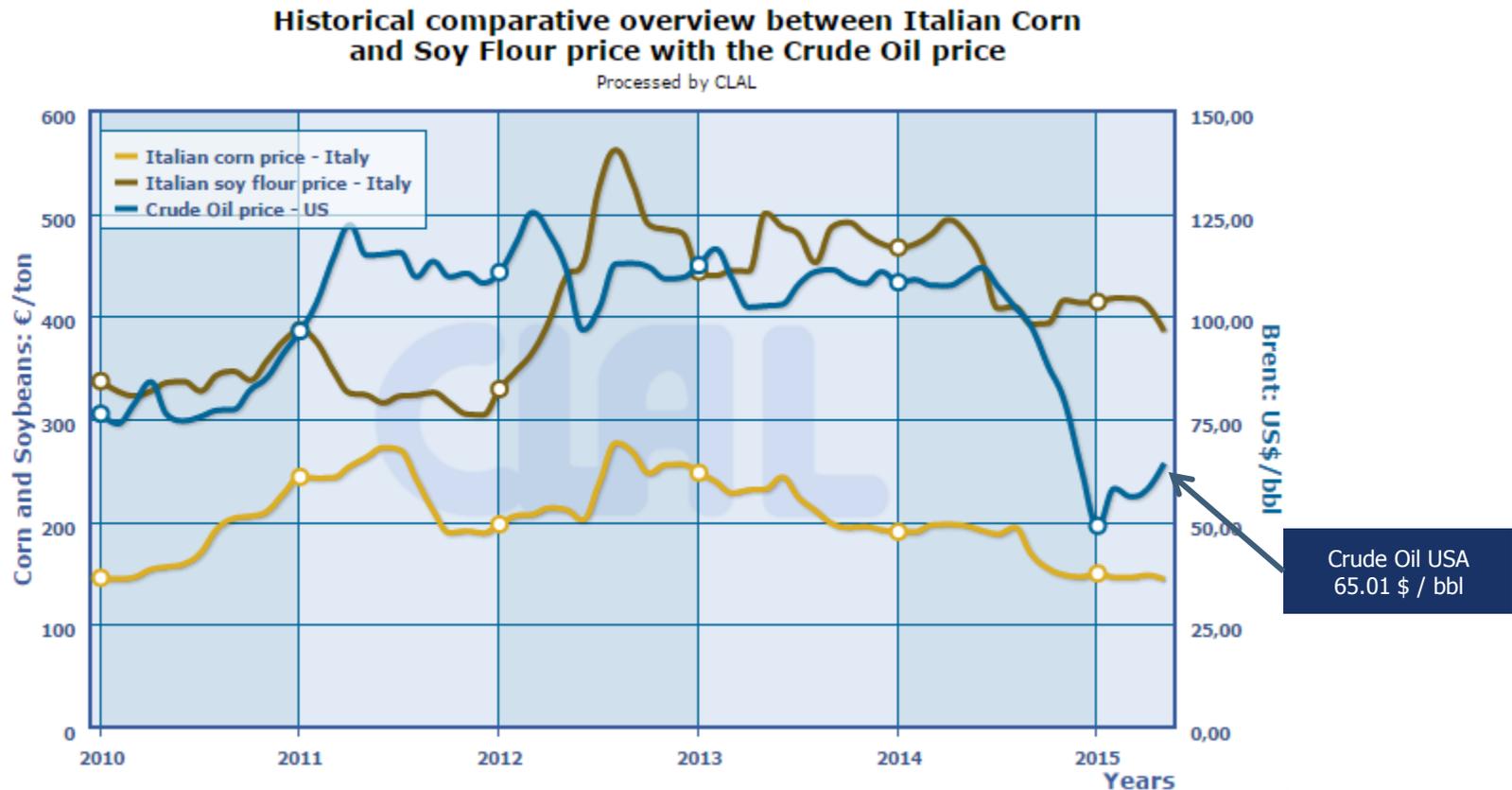
Agricultural and Energy Inputs Correlations

- ▶ US – Price comparison: Corn, Soybeans, Wheat and Farm-gate milk price



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: 141 ÷ 143 €/ton (-7 € from last month)
- ▶ Italian Soy flour: 374 ÷ 375 €/ton (-40 € 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)
March 36.50 € / 100 lt