


# Corn & Soybeans

- ▶ **Corn** (source WASDE)
  - ▶ Estimate for the 2013-14 Season
  - ▶ Global and US outlook
- ▶ **Soybeans** (source WASDE)
  - ▶ Estimate for the 2013-14 Season
  - ▶ Global and US outlook
- ▶ **Corn and Soybeans prices** (Source CME)
- ▶ **Price connections** (Clal's processing)
- ▶ **Focus on Italy** (Source Milan Chamber of Commerce)
  - ▶ Simulated Feed Ration 



# CORN

## Estimate for 2013-14 season

- ▶ Global corn supplies for 2013-14 are projected at **957.15 Mio t** (-0,3% from July estimates), with lower production in the United States (-4.75 Mio t), in the European Union (-0.6 Mio t) and in Mexico (-1 Mio t).
- ▶ **Ukraine** production is raised 3 Mio t with higher reported area; production is raised 1 Mio t for **India** as favorable monsoon rainfall supports a higher yield outlook; **Turkey** corn production is raised 0.4 Mio t with higher area and higher expected yields.
- ▶ In the **United States** are expected lower harvested area and the projected yield is at 154.4 bushels/acre (equivalent to 9.80 tons/hectare). Exports are projected lower (-2%) with reduced domestic supplies and increased foreign competition.
- ▶ **Global corn ending stocks** for 2013-14 are projected at 150.17 Mio t (-0.5% compared to July forecasts), with the increases for Ukraine, India and Brazil mostly offsetting the reduction projected for the United States and for Argentina.



# CORN – **Global** and **US** outlook: Estimate for the 2013-14 Season



	Million tons	From Jul 2013 (projections)
Beginning stocks	123.11	<b>-0.4%</b>
Production	<b>957.15</b>	<b>-0.3%</b>
Total use	930.09	<b>-0.3%</b>
Ending stocks	150.17	<b>-0.5%</b>



	Billion bushels	Million tons	From Jul 2013 (projections)
Beginning stocks	0.72	18.27	<b>-1.4%</b>
Production	13.77	<b>349.60</b>	<b>-1.3%</b>
Total use	11.45	290.84	<b>-0.4%</b>
Export stocks	1.23	31.12	<b>-2%</b>
Ending stocks	1.84	46.67	<b>-6%</b>
<b>Price projection</b>	<b>4.90 \$/bushel</b>	<b>193 \$/ton</b>	<b>145 €/ton</b>
<b>1 month ago</b>	<b>4.80 \$/bushel</b>	<b>189 \$/ton</b>	<b>145 €/ton</b>

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



# SOYBEANS

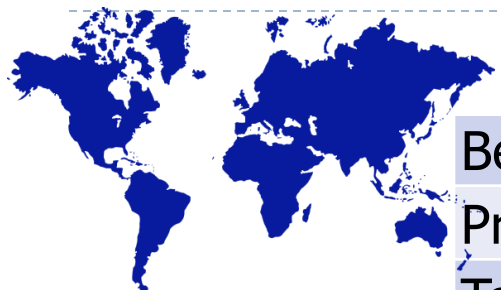
## Estimate for 2013-14 season

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- ▶ **Global soybean production** for 2012-13 is projected at **281.72 Mio t** (-1.5% from last month), due to lower soybean production projected for the United States. Global estimates still remain higher than the current season (2012-13), ending September 30<sup>th</sup>: + 14 Mio t (+5%).
- ▶ Estimates of a record crop for the **United States (88.60 Mio t)** have been confirmed, even if harvested area is estimated lower at 76.4 Mio acres (30.56 hectares) and the soybeans yield is projected lower at 42.6 bushels per acre (2.9 tons/hectare), compared to July forecasts.
- ▶ Global 2013-14 trade is slightly raised: lower U.S. exports will be mostly offset by increases for South America, especially **Argentina**.



# SOYBEANS – **Global** and **US** outlook: Estimate for the 2013-14 Season



	Million tons	From Jul 2013 (projections)
Beginning stocks	62.22	+1.1%
Production	<b>281.72</b>	-1.5%
Total use	268.72	-0.7%
Ending stocks	72.27	-2%



	Billion bushels	Million tons	From Jul 2013 (projections)
Beginning stocks	0.13	3.41	+0.6%
Production	3.26	<b>88.60</b>	-5%
Total use	1.79	48.73	-1.3%
Export stocks	1.38	37.69	-4%
Ending stocks	0.22	5.99	-25%
<b>Price projection</b>	<b>11.35 \$/bushel</b>	<b>417 \$/ton</b>	<b>313 €/ton ↑</b>
1 month ago	10.75\$/bushel	395 \$/ton	302 €/ton

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

# Chicago Mercantile Exchange (CME)

## Corn and Soybeans prices

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

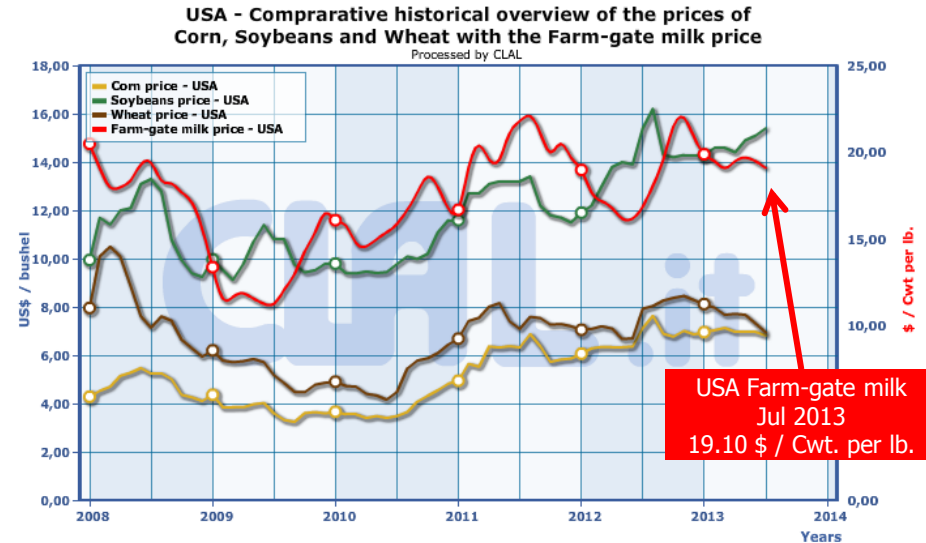


- ▶ Soybean price trend as listed by the [CME of Chicago](#):

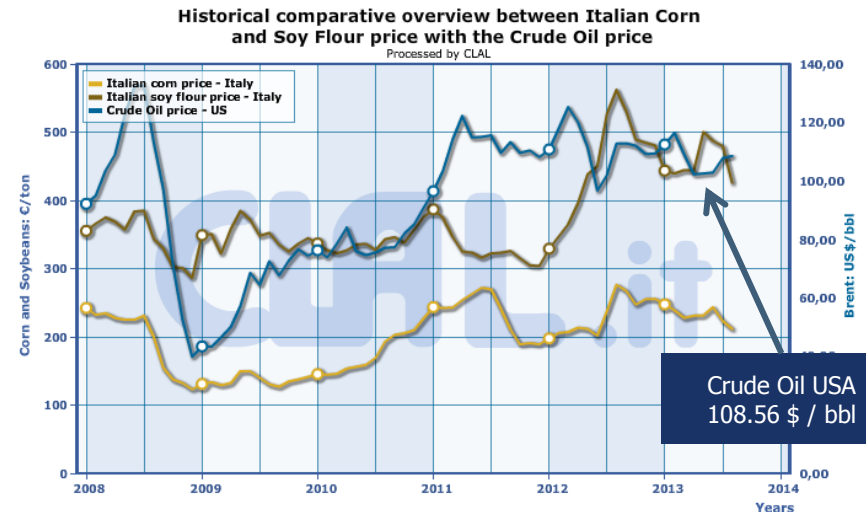


# Agricultural and Energy Inputs Correlations

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



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



# Focus on **Italy**

## Corn and Soy prices

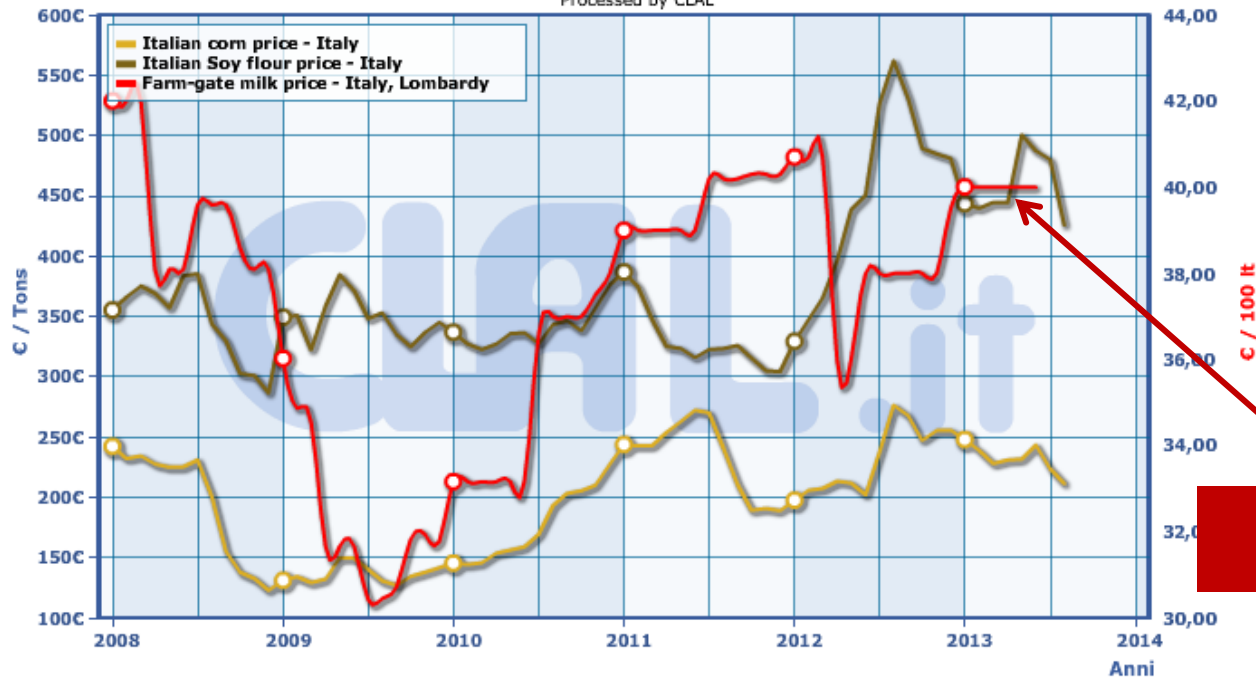
▶ National Corn and Soy prices as listed by the Milan Chamber of Commerce, in comparison with the Farm-gate milk price:

- ▶ Italian Corn: 211 ÷ 212 €/ton (-13 € from last month)
- ▶ Italian Soy flour: 425 ÷ 426 €/ton (-54 € 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)  
June 40 € / 100 lt



# Focus on Italy

## The value of the Simulated Feed Ration

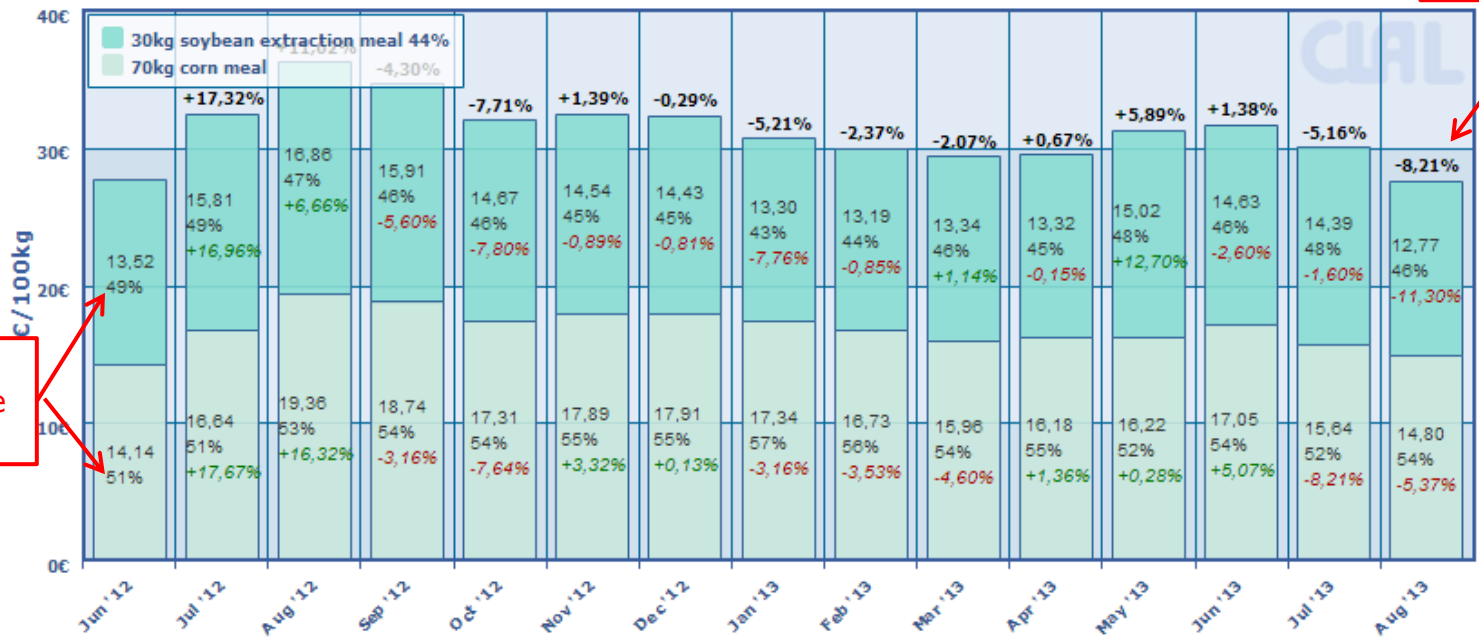
- The **Simulated Feed Ration** is a theoretical feed model exclusively based on the use of domestic corn and soybean extraction meal 44%; this has been taken as a model since the two constituent ingredients are the price drivers for all the raw materials available on the market.



**Simulated Feed Ration: value of 100kg**  
70kg of domestic corn meal + 30kg of soybean extraction meal 44% protein

Above the columns the % variation of the total cost  
Inside the columns the % weight of each component on the total cost and % variation versus the previous month  
Quotations of the Milan Chamber of Commerce - Processed by CLAL

Price % variation compared to the previous month



Weight % of the price of the components

