


Corn & Soybeans

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- ▶ **Soybeans** (source WASDE)
 - ▶ Estimate for the 2013-14 Season
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CORN

Estimate for 2013-14 season

- ▶ **Global corn supplies** for 2013/14 are projected higher at **964.28 Mio t** (+0.2% from November estimates and +8% from season 2012/13).
- ▶ Corn production in **Canada** is forecast at 14 Mio t (+9% from 2012/13 and +25% from 2011/12); additional quantities of Canadian corn are expected to find their way into the U.S. market.
- ▶ **U.S. corn** use for 2013/14 is projected higher with increases for **ethanol production**, food and seed; then, projected U.S. ending stocks are lowered (\approx 2 Mio t).
- ▶ Corn feeding is raised for Canada, the European Union and Ukraine.



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



	Million tons	From Nov 2013 (projections)
Beginning stocks	134.90	+0.0%
Production	964.28	+0.2%
Total use	936.73	+0.4%
Ending stocks	162.46	-1.1%



	Billion bushels	Million tons	From Nov 2013 (projections)
Beginning stocks	0.82	20.92	+0.0%
Production	13.99	355.33	+0.0%
Total use	11.60	294.65	+0.4%
Export stocks	1.45	36.83	+3.6%
Ending stocks	1.79	45.53	-5.0%
Price projection	4.40 \$/bushel	173 \$/ton	126 €/ton ↓
1 month ago	4.50 \$/bushel	177\$/ton	132 €/ton

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



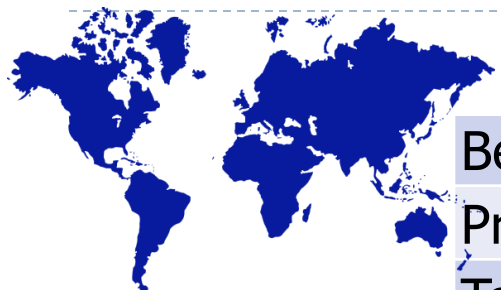
SOYBEANS

Estimate for 2013-14 season

- ▶ **Global soybean production** for 2013-14 is projected at a record **284.94 Mio t**, due to increases for **Canada** and **Argentina**, where higher area is projected.
- ▶ **U.S. soybean production** remains unchanged, while soybean exports are increased +1.7% reflecting record commitments (shipments plus outstanding sales) through November.
- ▶ Soybean crush is raised as strong foreign **demand for soybean meal**, led by the European Union and Southeast Asia.
- ▶ **Brazil** confirms its leadership in soybean exports, exporting 50% of the production.
- ▶ Soybean imports in **China**, the main Importer, are expected at 69 Mio t (+15% compared to the 2012/13 season).



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



	Million tons	From Nov 2013 (projections)
Beginning stocks	60.18	+0.1%
Production	284.94	+0.5%
Total use	270.87	+0.3%
Ending stocks	70.62	+0.6%



	Billion bushels	Million tons	From Nov 2013 (projections)
Beginning stocks	0.14	3.83	+0.0%
Production	3.26	88.66	+0.0%
Total use	1.80	48.96	+0.3%
Export stocks	1.47	40.14	+1.7%
Ending stocks	0.15	4.07	-12.1%
Price projection	12.50 \$/bushel	459 \$/ton	333 €/ton
1 month ago	12.15 \$/bushel	446 \$/ton	333 €/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](#):

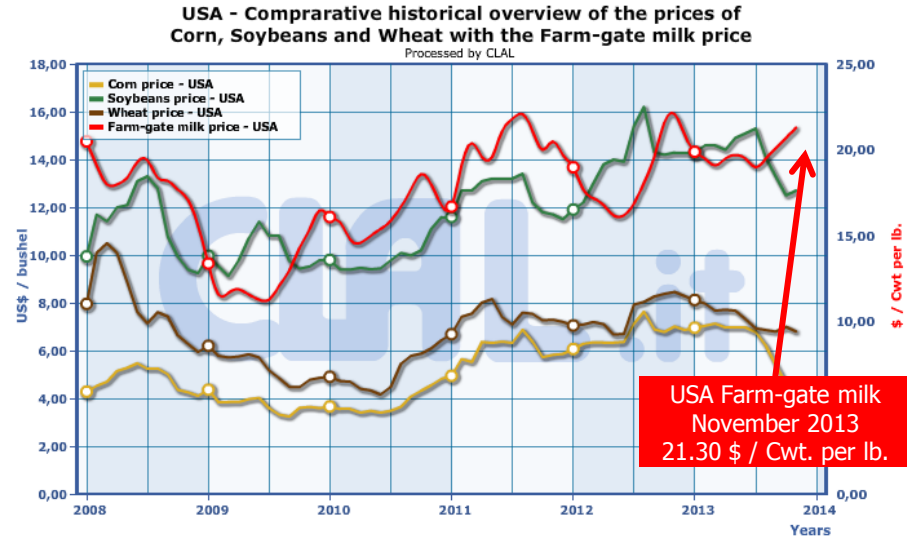


- ▶ Soybean price trend as listed by the [CME of Chicago](#):

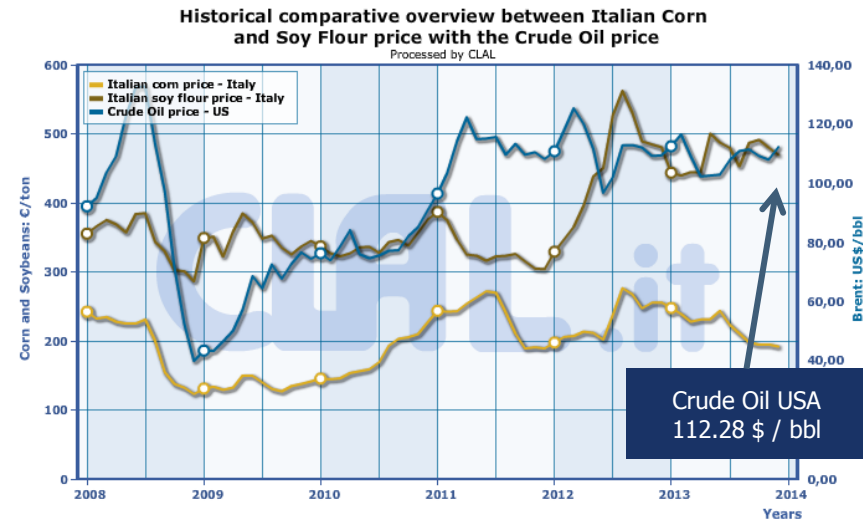


Agricultural and Energy Inputs Correlations

- ▶ 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

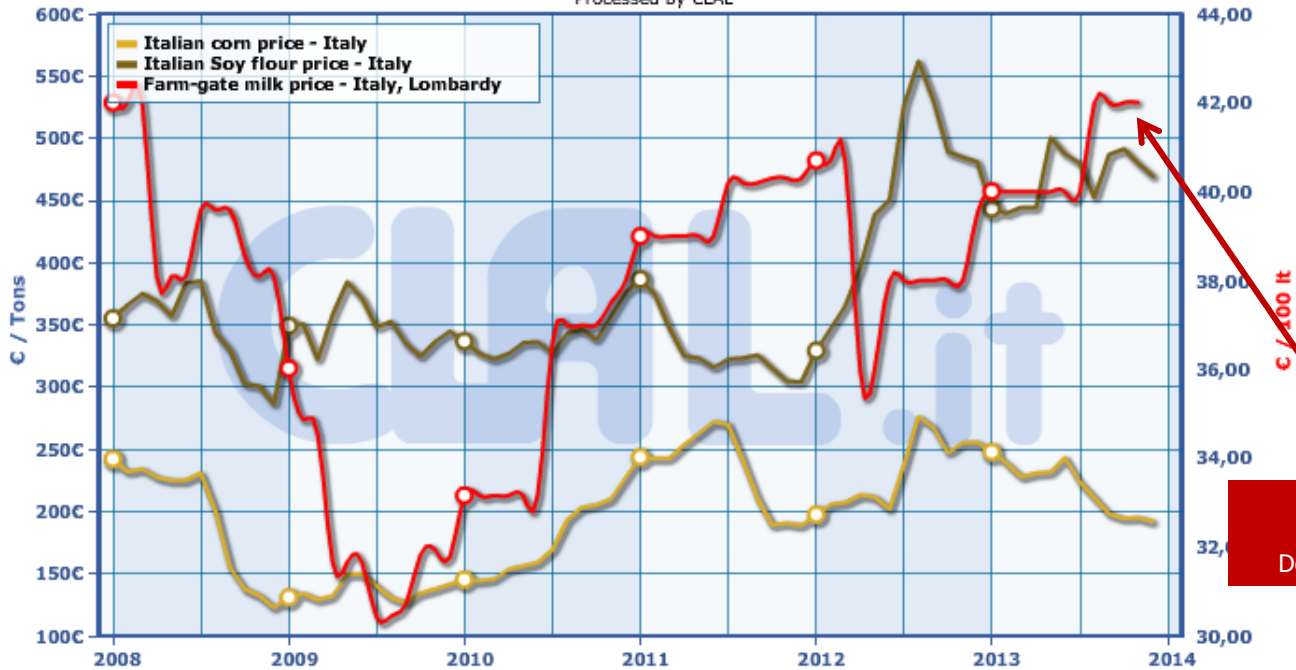
▶ National Corn and Soy prices as listed by the Milan Chamber of Commerce, in comparison with the Farm-gate milk price:

- ▶ Italian Corn: 192 ÷ 193 €/ton (-15 € from last month)
- ▶ Italian Soy flour: 469 ÷ 479 €/ton (-12 € 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)
December 42 € / 100 Lt

Focus on **Italy**

The value of the **Simulated Feed Ration**

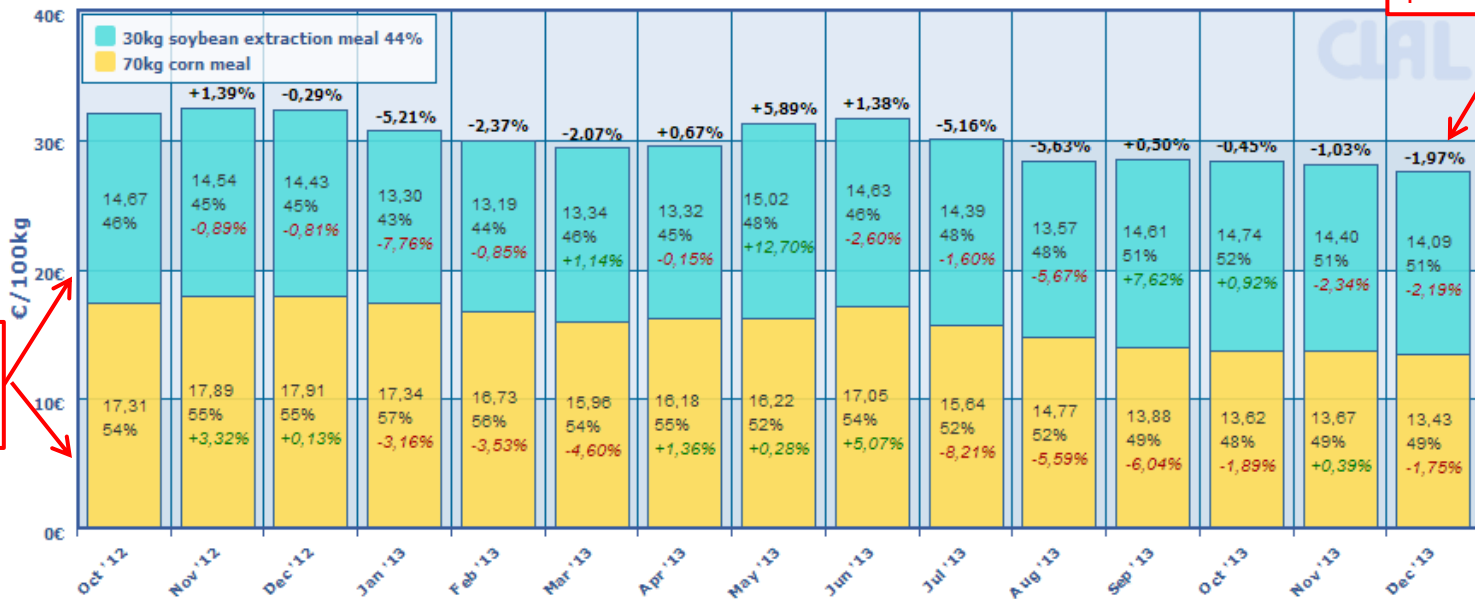
- ▶ The **Simulated Feed Ration** is a theoretical feed model exclusively based on the use of domestic corn and soybean extraction meal 44%; this has been taken as a model since the two constituent ingredients are the price drivers for all the raw materials available on the market.



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

