

Corn & Soybeans

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CORN

Estimate for 2013-14 Season

- ▶ **Global corn supplies** for 2013-14 are projected at **966.63 Mio t**, stable compared to January estimates.
- ▶ In the **U.S.**, the main Corn Producer and Exporter, there's a slight decrease in the expected corn ending stocks (about -4 Mio t), due to the increase projected for corn Exports (+10%).
- ▶ Corn Production and Exports for **Argentina** are lowered 1 Mio t, as additional dryness in January reduces expected plantings and trims yield prospects.
- ▶ For 2013-14 harvested area, Production and Exports for both **Russia and Ukraine** are record.
- ▶ Global corn Imports are raised for: the European Union (+1.5 Mio t), Egypt (+0.5 Mio tons), South Korea (+0.5 Mio tons), Mexico (+0.5 Mio tons) and Vietnam.



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



	Million tons	From Jan 2014 (projections)
Beginning stocks	134.00	+0.8%
Production	966.63	+0.0%
Total use	943.33	+0.4%
Ending stocks	157.30	-1.8%



	Billion bushels	Million tons	From Jan 2014 (projections)
Beginning stocks	0.82	20.86	+0.0%
Production	13.93	353.72	+0.0%
Total use	11.70	297.19	+0.0%
Export stocks	1.60	40.64	+10.3%
Ending stocks	1.48	37.63	-9.2%
Price projection	4.50 \$/bushel	177 \$/ton	129 €/ton ↑
1 month ago	4.40 \$/bushel	173\$/ton	127€/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 slightly higher from January estimates, at a record **287.69 Mio t**, on gains for Brazil and Paraguay (among the major Exporters).
- ▶ **U.S.** soybeans supplies are increased to 0.82 Mio t on higher projected imports mainly from Canada. Soybean Exports for 2013-14 are projected higher (+1%) reflecting the record pace of shipments and sales through January.
- ▶ While global Imports are unchanged, increased Exports projections for the United States, Brazil and Paraguay are offset by a reduction for Argentina (-1.7 Mio t), due to diminished soybean crop for an extended period of hot and dry weather through mid-January.
- ▶ Reduced soybean meal Imports are projected for the European Union, compared to January estimates.



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



	Million tons	From Jan 2014 (projections)
Beginning stocks	58.65	-3.1%
Production	287.69	+0.3%
Total use	269.34	-0.6%
Ending stocks	73.01	+0.9%



	Billion bushels	Million tons	From Jan 2014 (projections)
Beginning stocks	0.14	3.83	+0.0%
Production	3.29	89.51	+0.0%
Total use	1.80	48.96	-0.6%
Export stocks	1.51	41.10	+1.0%
Ending stocks	0.15	4.09	+0.0%
Price projection	12.70 \$/bushel	467 \$/ton	341 €/ton ↑
1 month ago	12.50 \$/bushel	459 \$/ton	335 €/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](#):

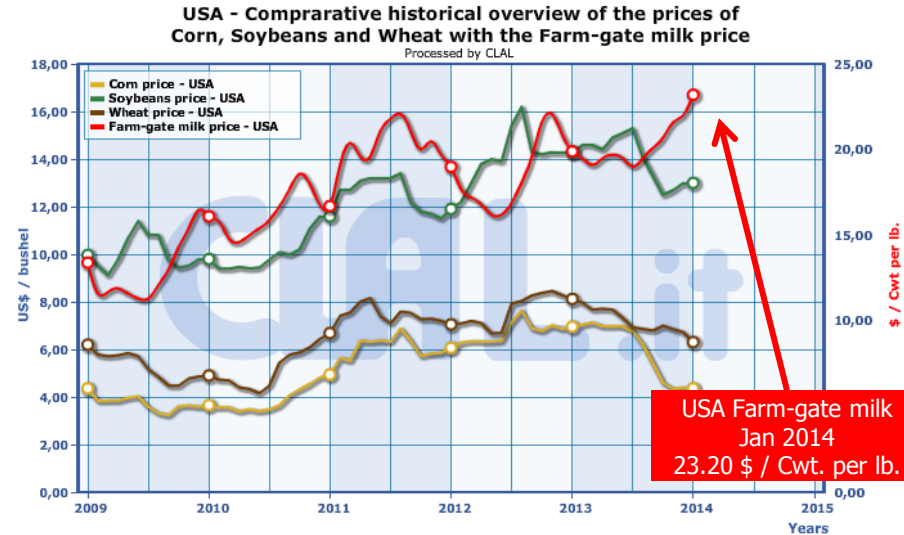


- ▶ Soybean price trend as listed by the [CME of Chicago](#):

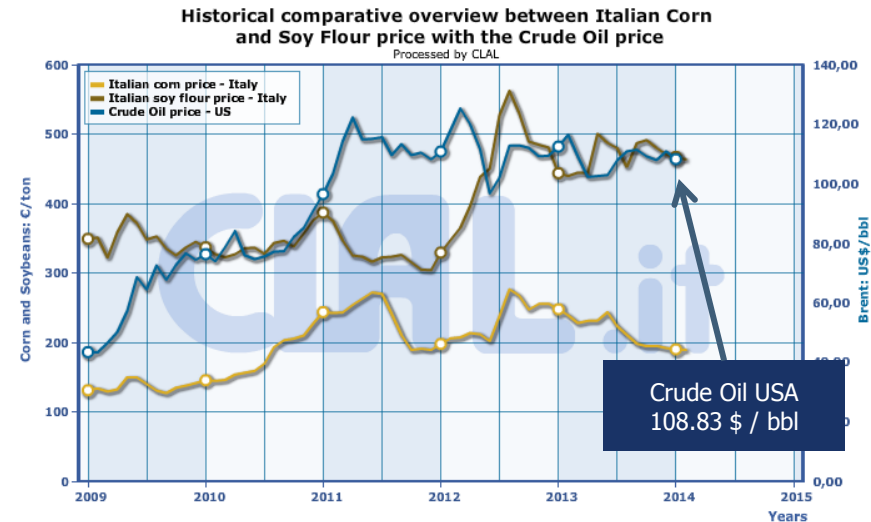


Agricultural and Energy Inputs Correlations

- ▶ 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

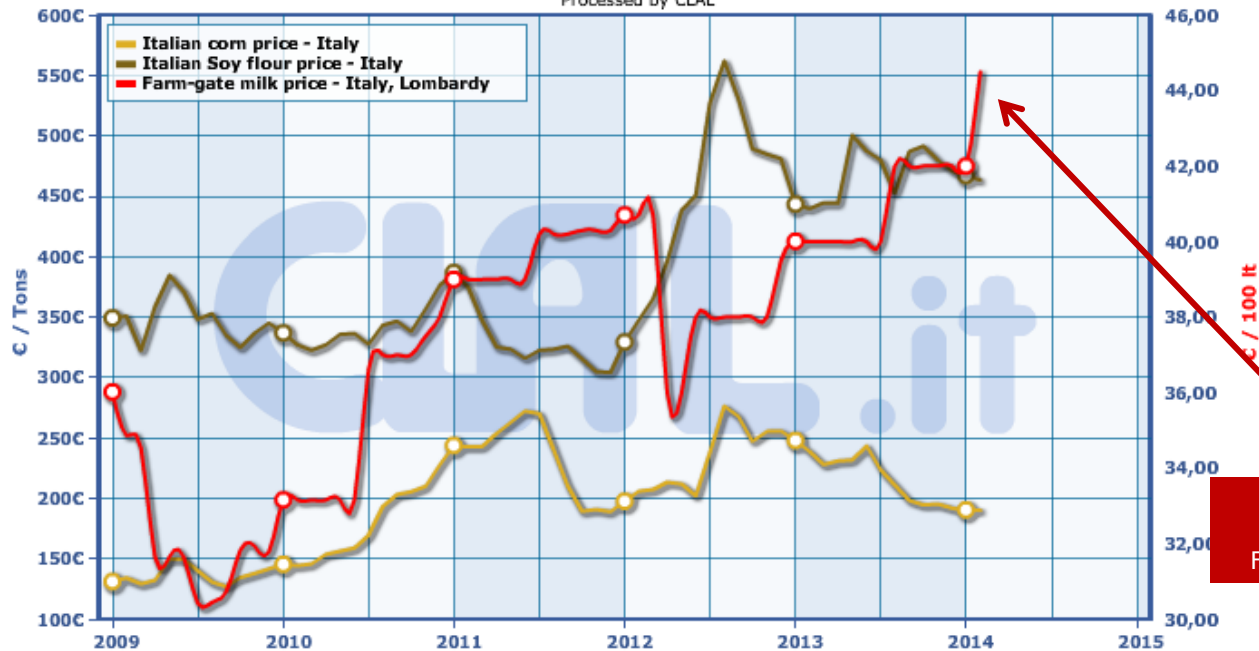
▶ National Corn and Soy prices as listed by the Milan Chamber of Commerce, in comparison with the Farm-gate milk price:

- ▶ Italian Corn: 190 ÷ 191 €/ton (= from last month)
- ▶ Italian Soy flour: 464 ÷ 465 €/ton (-5 € from last month)



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

Processed by CLAL

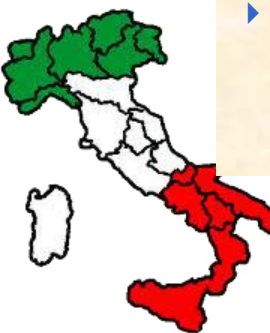


Farm-gate milk
Italy (Lombardy)
February 44.50 € / 100 lt

Focus on Italy

The value of the Simulated Feed Ration

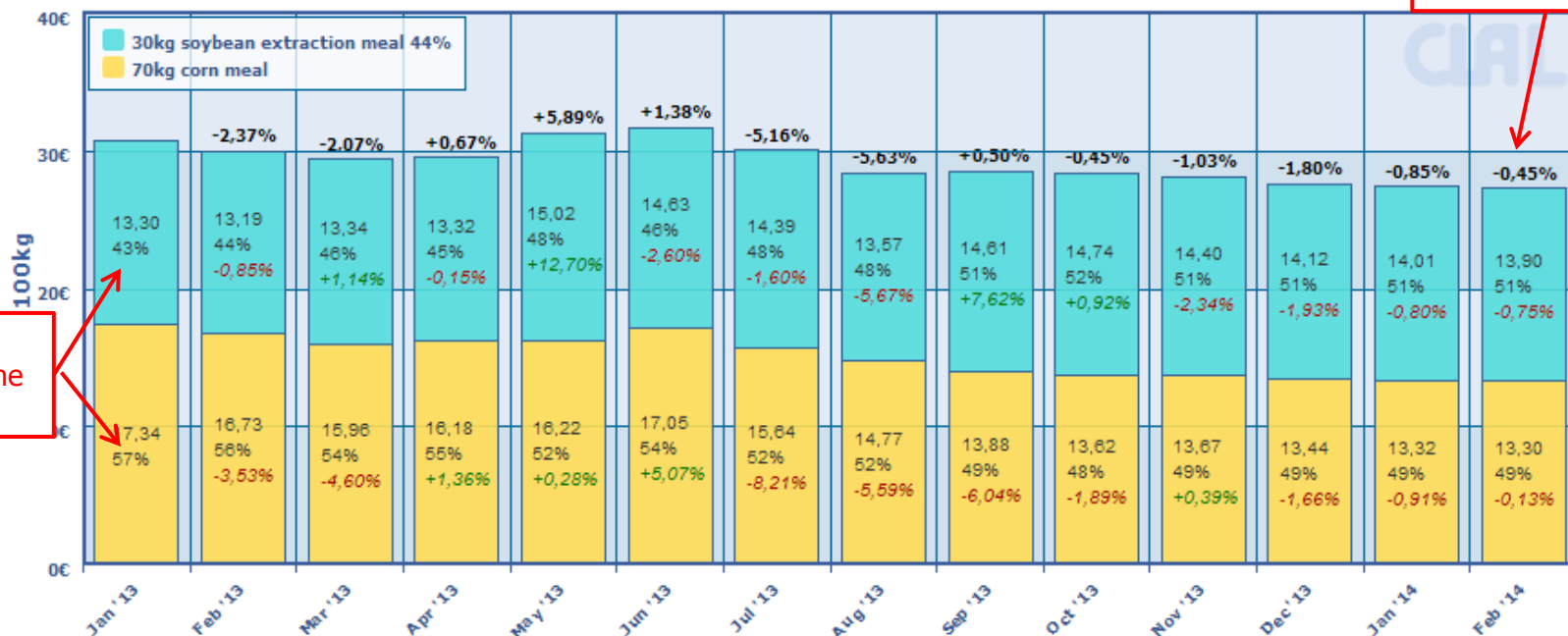
- ▶ The **Simulated Feed Ration** is a theoretical feed model exclusively based on the use of domestic corn and soybean extraction meal 44%; this has been taken as a model since the two constituent ingredients are the price drivers for all the raw materials available on the market.



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

