

# Corn & Soybeans

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# CORN

## Estimate for 2012-13 season

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- ▶ **Global corn supplies for 2013-14** are projected at **962.58 Mio t**, slightly down from May estimates, but sharply up from the ongoing marketing year, ending August 30<sup>th</sup> (855.72 Mio t).
- ▶ **Corn beginning stocks** are also lowered at **124.31 Mio t** (-0.9%): a reduction in China stocks (-2.4 Mio t) is only partly offset by an increase for Brazil (+1 Mt), based on higher reported area for the *safrina* crop which will be harvested in the coming weeks.
- ▶ The outlook for **U.S.** corn supplies is lowered this month at **355.74 Mio t**, but strongly increased compared to last season (273.83 Mio t).
- ▶ Despite spring rainfalls and cool temperatures, which delayed planting and damaged crops especially across the Corn Belt, if the estimates will be confirmed at the end of the season, the 2013-14 U.S. production will break the record set in 2009.



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



	Million tons	From May 2013 (projections)
Beginning stocks	<b>124.31</b>	<b>-0.9%</b>
Production	<b>962.58</b>	<b>-0.3%</b>
Total use	935.06	<b>-0.2%</b>
Ending stocks	151.83	<b>-2%</b>



	Billion bushels	Million tons	From May 2013 (projections)
Beginning stocks	0.77	19.54	<b>+1.3%</b>
Production	14.01	<b>355.74</b>	<b>-1%</b>
Total use	11.55	293.38	<b>-0.6%</b>
Export stocks	1.30	33.02	<b>0.0%</b>
Ending stocks	1.95	49.52	<b>-2.7%</b>
<b>Price projection</b>	<b>4.80 \$/bushel</b>	<b>189 \$/ton</b> ↑	<b>142 €/ton</b>
<b>1 month ago</b>	<b>4.70 \$/bushel</b>	<b>185 \$/ton</b>	<b>142 €/ton</b>

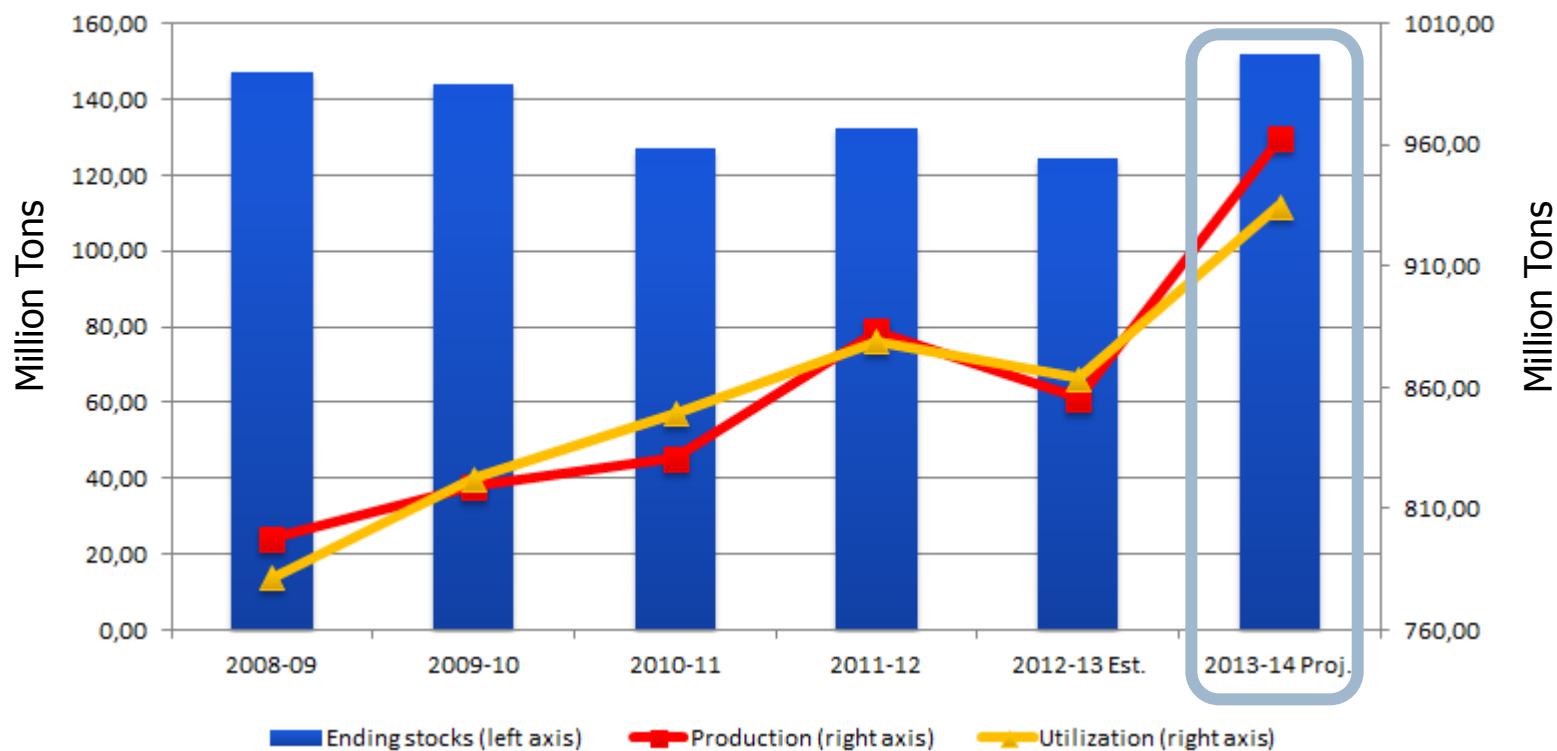
CORN conversion factors  
1 bushel = 0.025 metric ton  
1 metric ton = 39.38 bushel



# CORN - **Global** outlook: production, utilization and stocks

## World – Corn Production, Utilization and Stocks

Processed by CLAL on WASDE data





# SOYBEANS

## Estimate for 2013-14 season

- ▶ **Global soybean production** for 2013-14 is projected at 285.30 Mio t, in line with the forecasts made in May and higher (+6%) compared to the 2012-13 underway season, ending September 30<sup>th</sup>.
- ▶ Brazil 2012-13 soybean production is reduced 1.5 Mio t reflecting the impact of dry conditions in the northeast.
- ▶ Estimates of a record crop for the **United States (92.26 Mio t**, corresponding to about 1/3 of the soybeans produced in the world) have been confirmed. The 2012-13 season-average price for soybeans is forecast +0.25 \$/bushel: the higher forecast reflects higher corn prices.
- ▶ For the current season, soybean U.S. exports are reduced 0.54 Mio t (20 million bushels) reflecting exceptionally low shipments and sales in May and competition from Brazil.



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



	Million tons	From May 2013 (projections)
Beginning stocks	61.21	<b>-2%</b>
Production	285.30	<b>-0.1%</b>
Total use	270.15	<b>0.0%</b>
Ending stocks	73.69	<b>-1.7%</b>



	Billion bushels	Million tons	From May 2013 (projections)
Beginning stocks	0.12	3.39	<b>0.0%</b>
Production	3.39	92.26	<b>0.0%</b>
Total use	1.81	49.38	<b>0.0%</b>
Export stocks	1.45	39.46	<b>0.0%</b>
Ending stocks	0.27	7.22	<b>0.0%</b>
<b>Price projection</b>	<b>10.75 \$/bushel</b>	<b>395 \$/ton</b> ↑	<b>296 €/ton</b> ↓
<b>1 month ago</b>	<b>10.50\$/bushel</b>	<b>386 \$/ton</b>	<b>300 €/ton</b>

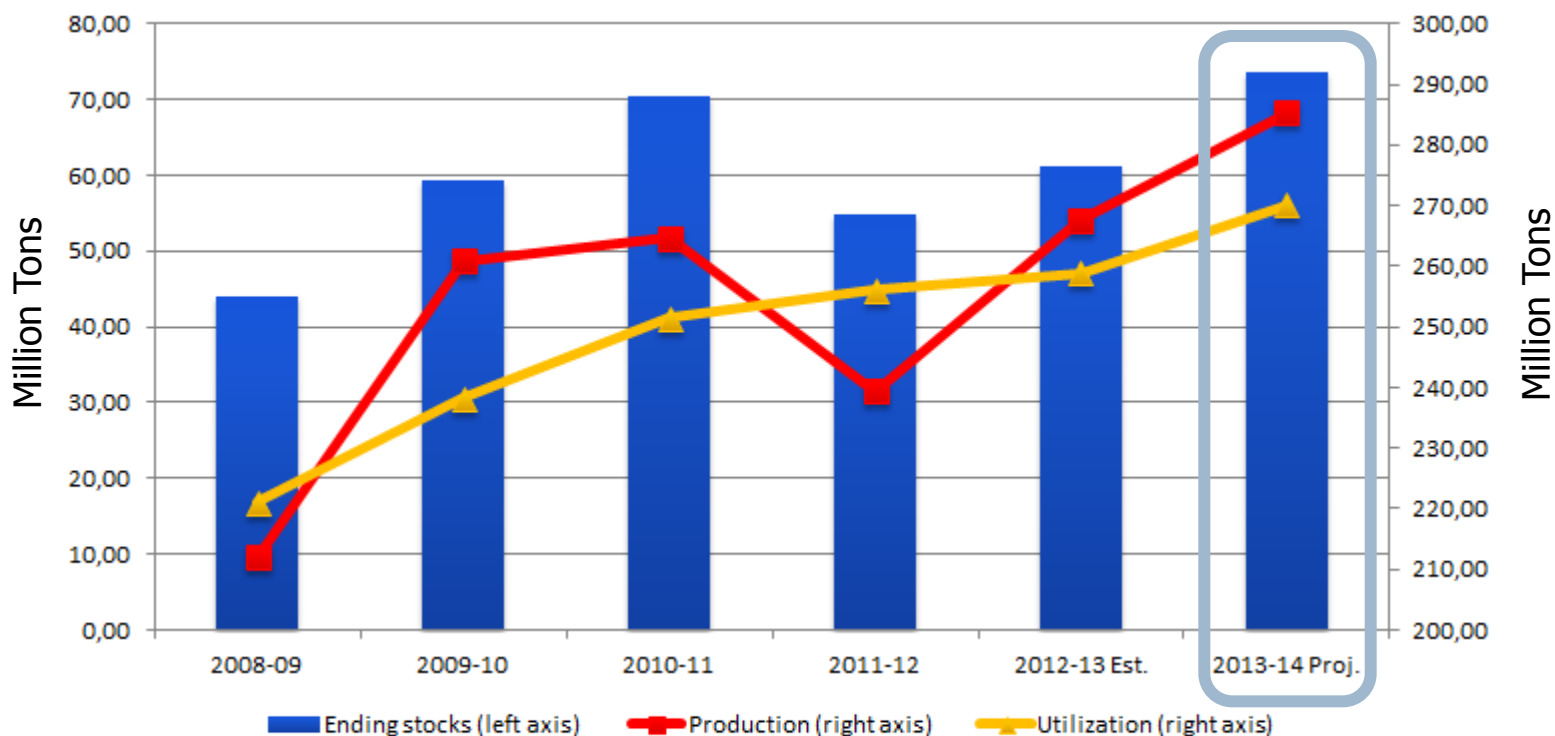
**SOYBEANS conversion factors**  
1 bushel = 0.027 metric ton  
1 metric ton = 36.74 bushel



# SOYBEANS - **Global** outlook: production, utilization and stocks

## World – Soybeans Production, Utilization and Stocks

Processed by CLAL on WASDE data



# Chicago Mercantile Exchange (CME)

## Corn and Soybeans prices

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



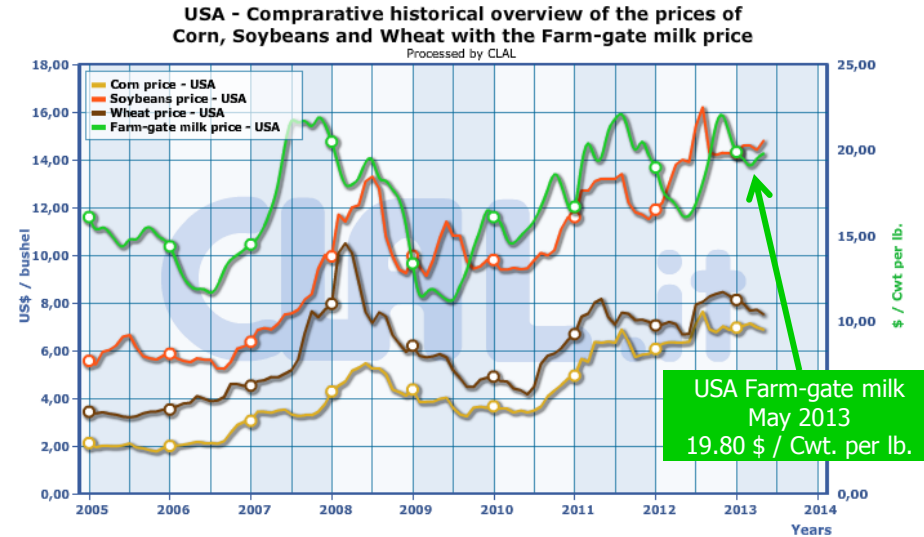
- ▶ Soybean price trend as listed by the [CME of Chicago](#):



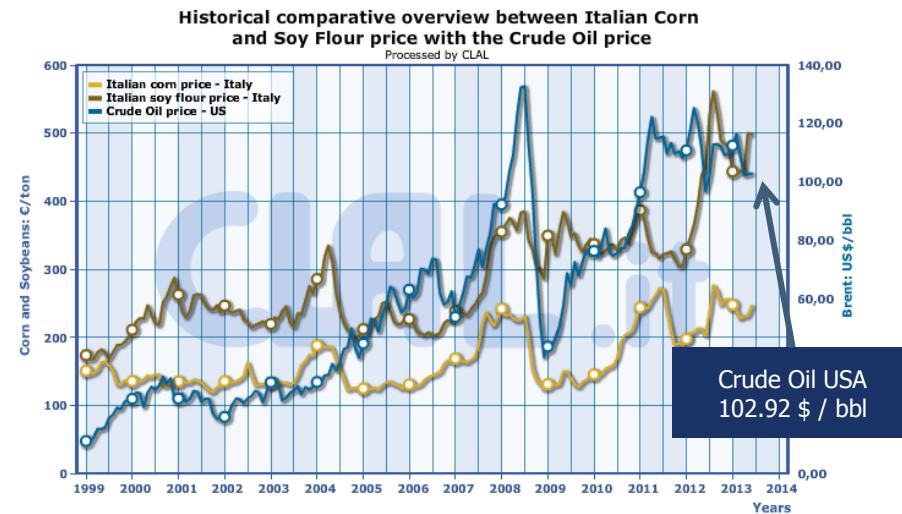


# Agricultural and Energy Inputs Correlations

- ▶ 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

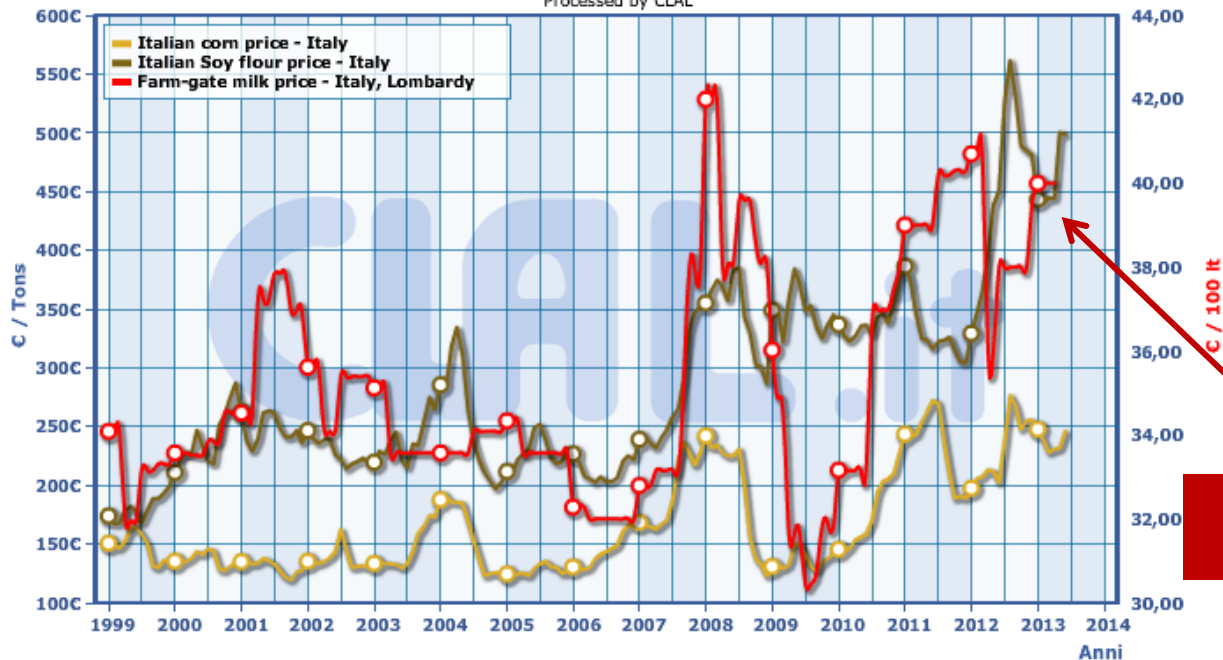
▶ National Corn and Soy prices as listed by the Milan Chamber of Commerce, in comparison with the Farm-gate milk price:

- ▶ Italian Corn: 246 ÷ 247 €/ton (+16 € from last month)
- ▶ Italian Soy flour: 489 ÷ 490 €/ton (-9 € 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)  
April 40 € / 100 It