

Corn & Soybeans

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CORN

Estimate for 2014-15 Season

- ▶ **Global Corn supplies** for 2014-15 season, starting September 1st, are projected at **981.12 Mio t**, slightly higher compared to May estimates, with increases for Ukraine, the European Union and Russia.
- ▶ **Ukraine** and **Russia** supplies are raised 1 Mio t and 0.5 Mio t, respectively, on higher expected yields, as the latest trade data for both countries confirm further expansion in the use of imported hybrid seed corn.
- ▶ **European Union** production is raised 0.6 Mio t with increases for Germany and central Europe, reflecting improved early season growing conditions in the region.
- ▶ Global Corn consumption is raised 1.8 Mio t, compared with last month forecasts, **with increased feed use** projected for Turkey, the European Union, Ukraine and Russia.
- ▶ **U.S.** Corn production for 2014-15 season is expected unchanged, with a **yield of 165.3 bushels per acre** (= 10.50 tons/hectare).
- ▶ U.S. crop conditions are the best in 4 years and better than any time since 2007 for the Corn Belt, the most intensively agricultural region of the Midwest.



CORN – **Global** and **US** outlook: Estimate for the 2014-15 Season



	Million tons	From May 2014 (projections)
Beginning stocks	169.05	+0.4%
Production	981.12	+0.2%
Total use	967.52	+0.2%
Ending stocks	182.65	+0.5%



	Billion bushels	Million tons	From May 2014 (projections)
Beginning stocks	1.15	29.12	0,0%
Production	13.94	353.97	0,0%
Total use	11.69	296.81	0,0%
Export	1.70	43.18	0,0%
Ending stocks	1.73	43.85	0,0%
Price projection	4,20 \$/bushel	165 \$/ton	122 €/ton↑
1 month ago	4,20 \$/bushel	165\$/ton	120 €/ton

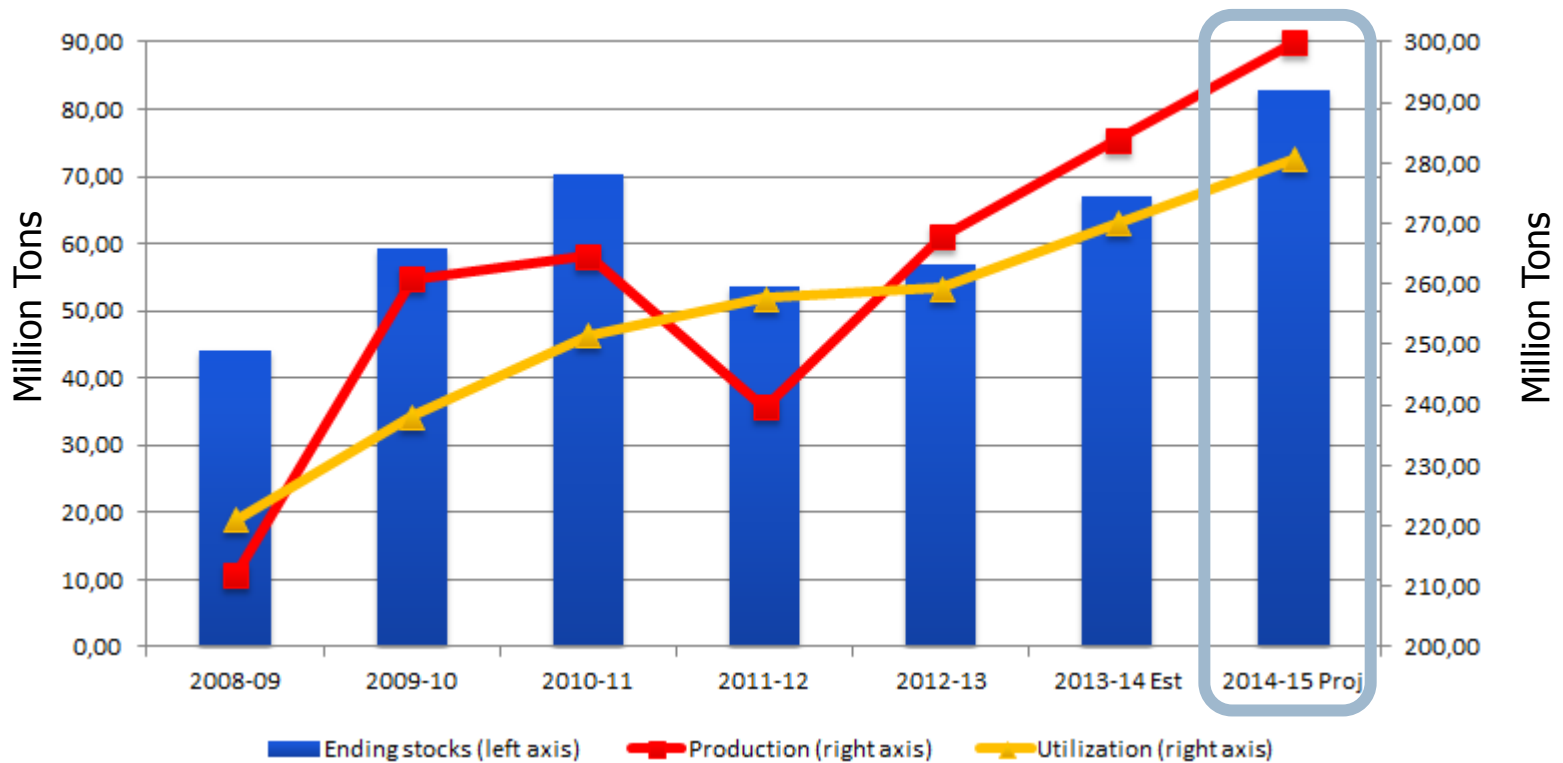
CORN conversion factors
1 bushel = 0.025 metric ton
1 metric ton = 39.38 bushel



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

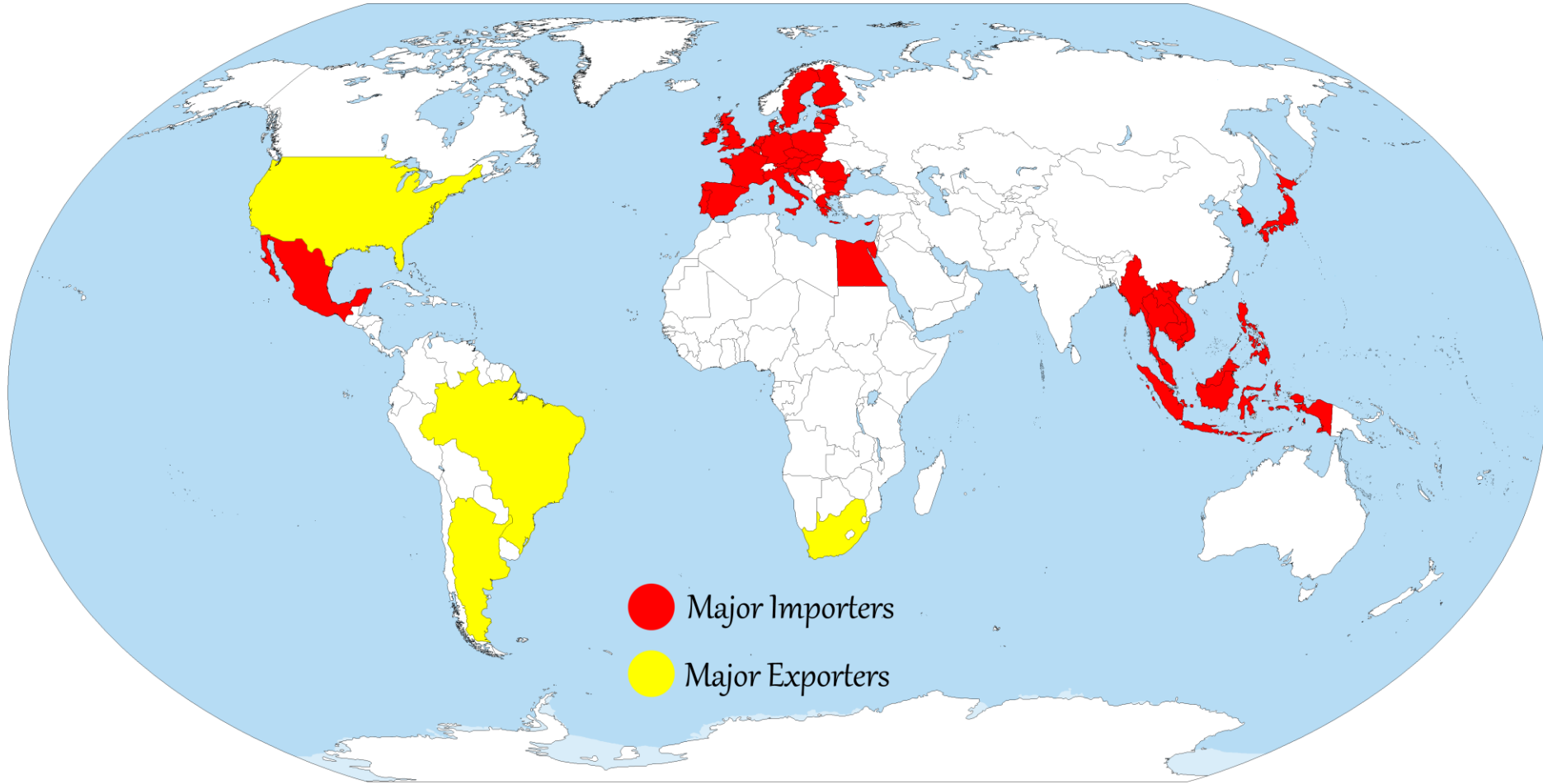
World – Corn Production, Utilization and Stocks

Processed by CLAL on WASDE data





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





SOYBEANS

Estimate for 2014-15 Season

- ▶ **Global Soybean production** for the season 2014-15 is expected at **299.99 Mio t**, unchanged compared with May estimates and higher (+6%) compared with 2013-14, ending September 30th.
- ▶ Estimates of record crops for the **United States** and **Brazil**, the major Soybean Producers, have been confirmed, with respectively 98.93 Mio t (+5% from the 2013-14 season) and 94 Mio t (+4%), on gains in area and yield.
- ▶ U.S. lower beginning stocks (-3.7% from last month forecasts) reflect a higher crush projection for 2013-14. Ending stocks for 2014-15 are also reduced (-1.6%).
- ▶ In the **European Union**, one of the main Importers of Soybean, the production is expected to increase (+14.4%), from 1.25 Mio t (May estimates) to 1.43 Mio t.



SOYBEANS – **Global** and **US** outlook: Estimate for the 2014-15 Season



	Million tons	From May 2014 (projections)
Beginning stocks	67.17	+0.3%
Production	299.99	+0.1%
Total use	280.63	0,0%
Ending stocks	82.88	+0.8%



	Billion bushels	Million tons	From May 2014 (projections)
Beginning stocks	0.12	3.40	-3.7%
Production	3.64	98.93	0,0%
Total use	1.83	49.67	0,0%
Export	1.63	44.23	0,0%
Ending stocks	0.32	8.84	-1.6%
Price projection	10.75 \$/bushel	395 \$/ton	292 €/ton ↑
1 month ago	10.75 \$/bushel	395 \$/ton	288 €/ton

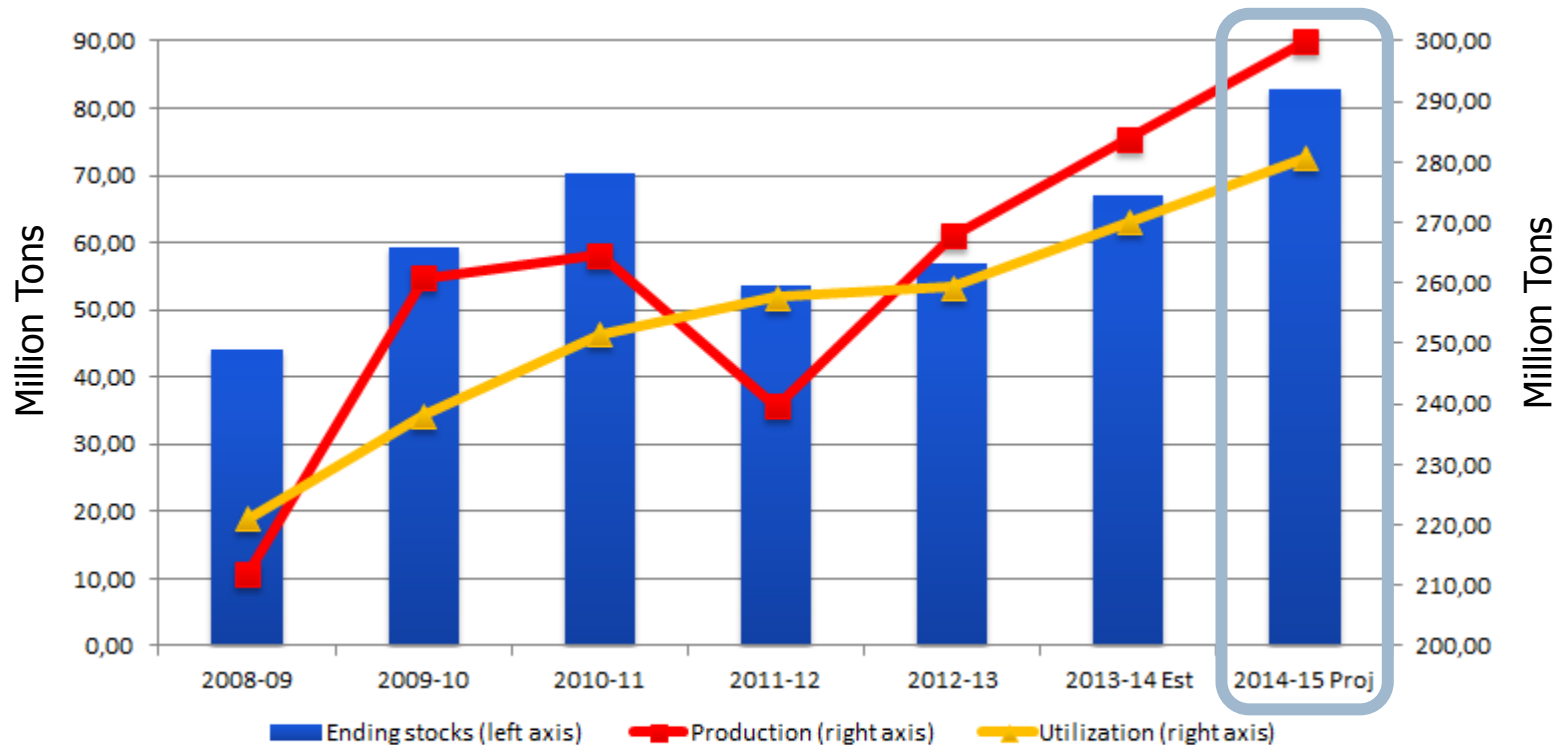
SOYBEANS conversion factors
1 bushel = 0.027 metric ton
1 metric ton = 36.74 bushel



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

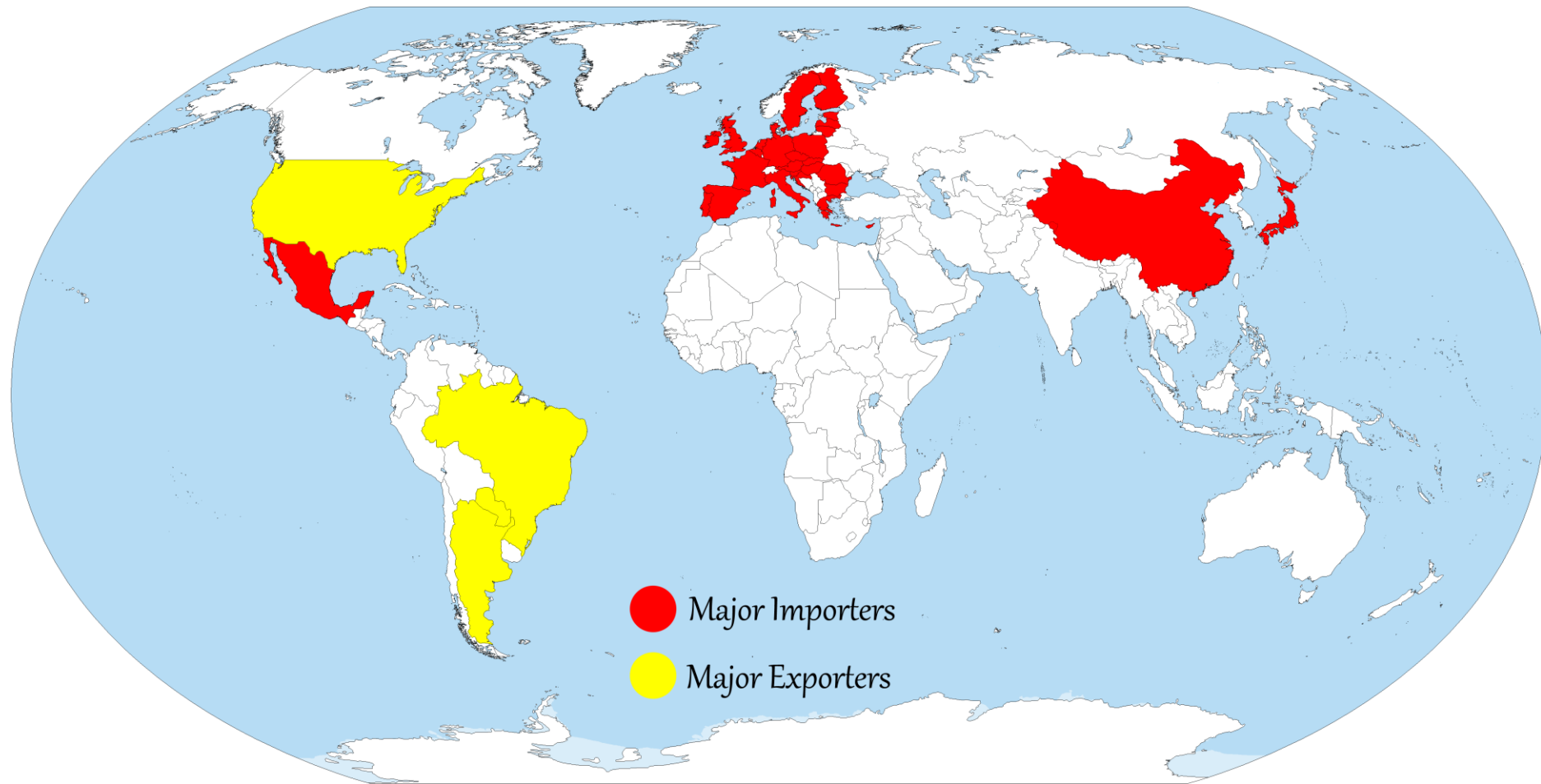
World – Soybeans Production, Utilization and Stocks

Processed by CLAL on WASDE data





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



Chicago Mercantile Exchange (CME)

Corn and Soybeans prices

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

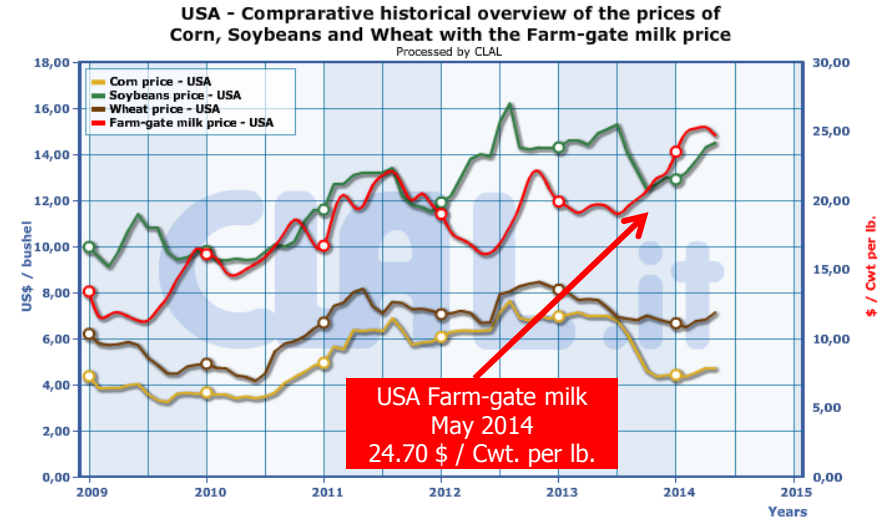


- ▶ Soybean price trend as listed by the [CME of Chicago](#):

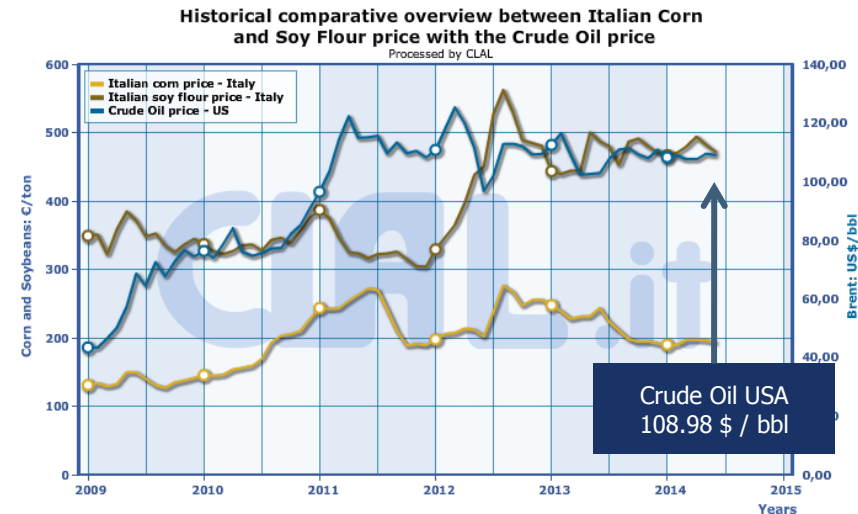


Agricultural and Energy Inputs Correlations

- ▶ 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

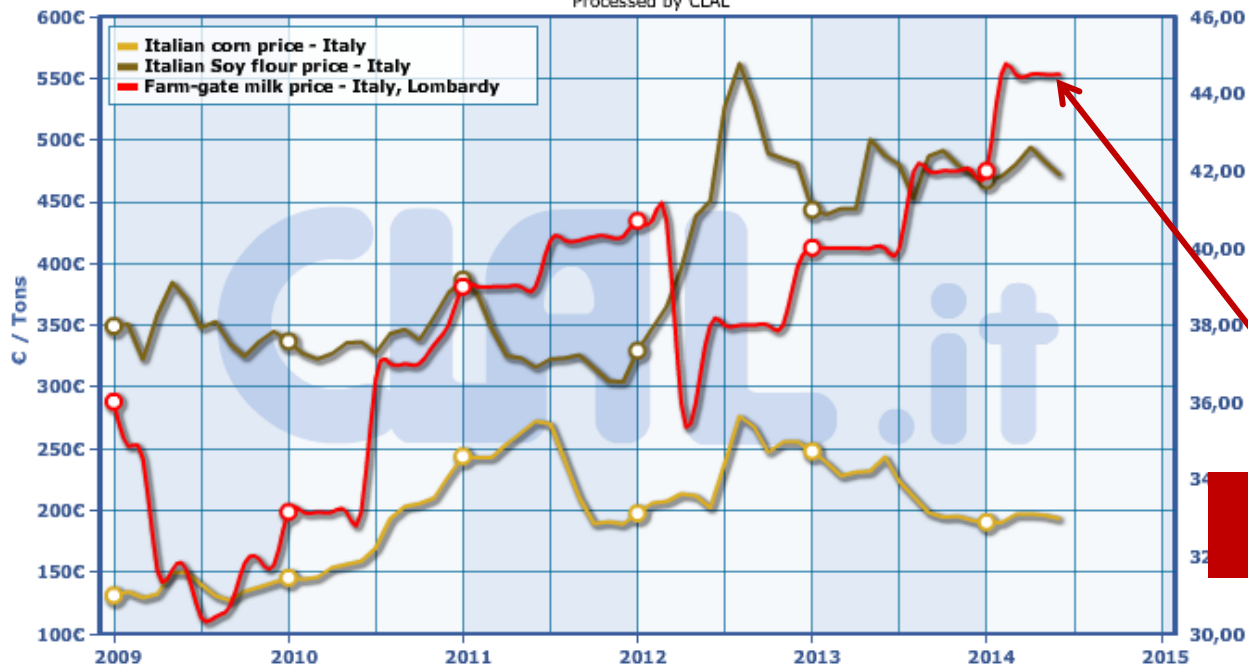
▶ National Corn and Soy prices as listed by the Milan Chamber of Commerce, in comparison with the Farm-gate milk price:

- ▶ Italian Corn: 191 ÷ 192 €/ton (-4 € from last month)
- ▶ Italian Soy flour: 464 ÷ 465 €/ton (-13 € 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 44.50 € / 100 lt