

Corn & Soybeans

- ▶ **Corn** (source WASDE)
 - ▶ Estimate for the 2014-15 Season
 - ▶ Global and US outlook
 - ▶ Production, utilization and stocks
- ▶ **Soybeans** (source WASDE)
 - ▶ Estimate for the 2014-15 Season
 - ▶ Global and US outlook
 - ▶ Production, utilization and stocks
- ▶ **Corn and Soybeans prices** (Source CME)
- ▶ **Price connections** (CIAl's processing)
- ▶ **Focus on Italy** (Source Milan Chamber of Commerce)



CORN

Estimate for 2014-15 Season

- ▶ **Global corn supplies** for 2014-15 (new marketing year starting September 1st) are projected at **979.08 Mio t** (virtually unchanged from 2013-14; +13% from 2012-13).
- ▶ Expected decreases for Ukraine, Brazil, India and South Africa are mostly offset by increases for China, Argentina, Russia and Mexico. **Ukraine production** is lowered 4.9 Mio t (-16%) from last year's record level as the reduced value of the local currency keeps input prices high and reduces expected use of fertilizer and other inputs.
- ▶ **U.S.** corn production is projected slightly up from the 2013-14 record with higher expected yields more than offsetting the less acreage devoted to corn. The **corn yield is projected at 165.3 bushels per acre** (= 10.50 tons/hectare), +6.5 bushels from 2013-14.
- ▶ Corn used to produce ethanol in 2014-15 is expected to be unchanged on the year, while corn **Ending Stocks** are projected higher both in the U.S. (+51%), and globally (+8%).



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



	Million tons	From 2013-14 Season
Beginning stocks	168.42	+22%
Production	979.08	+0.0%
Total use	965.77	+1.8%
Ending stocks	181.73	+8%



	Billion bushels	Million tons	From 2013-14 Season
Beginning stocks	1.15	29.12	+40%
Production	13.94	353.97	+0.1%
Total use	11.69	296.81	-0.4%
Export	1.70	43.18	-10.5%
Ending stocks	1.73	43.85	+51%
Price projection	4,20 \$/bushel	165 \$/ton	120 €/ton ↓
2013-14 price	4,65 \$/bushel	183\$/ton	133 €/ton

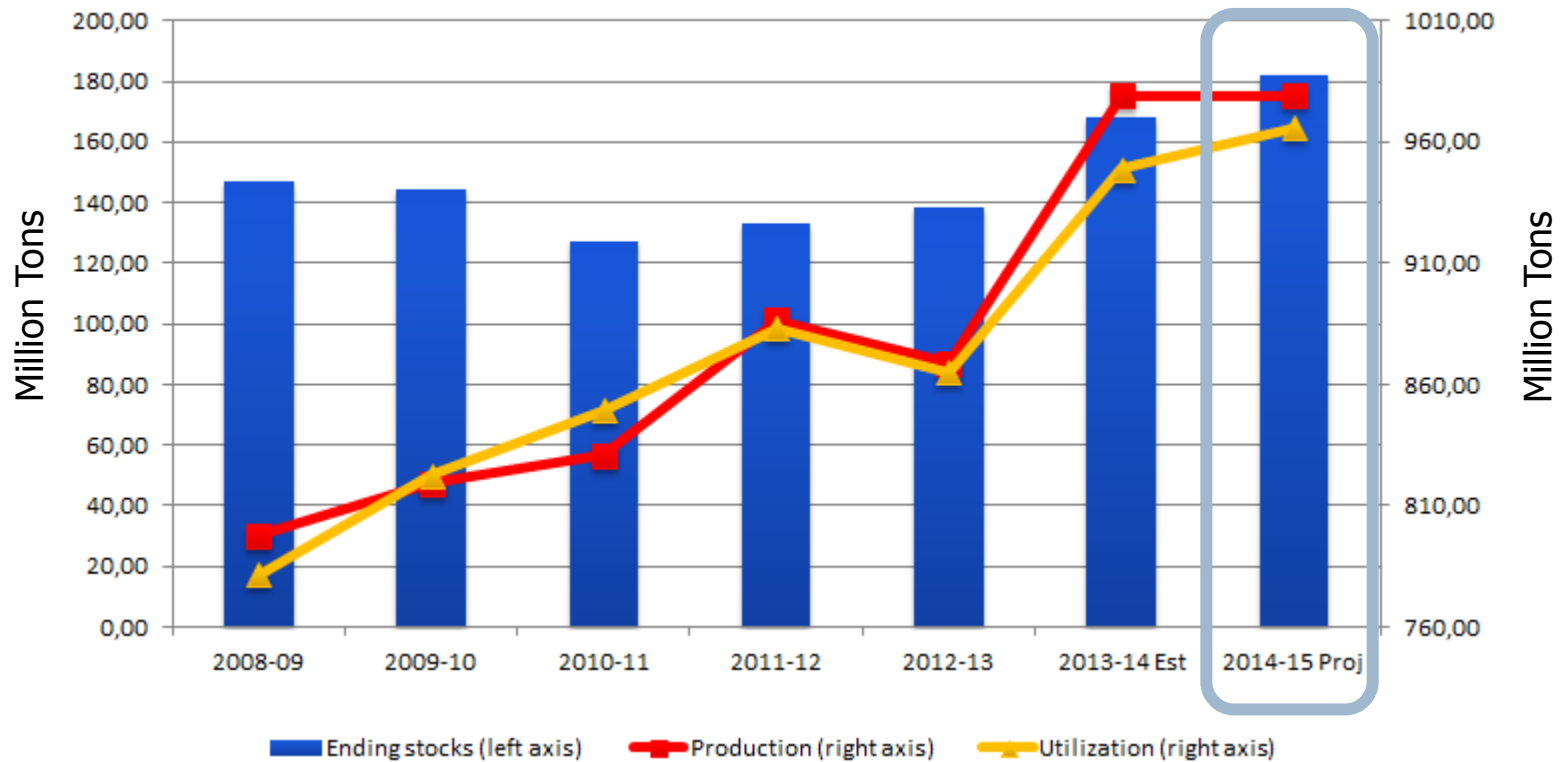
CORN conversion factors
1 bushel = 0.025 metric ton
1 metric ton = 39.38 bushel



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

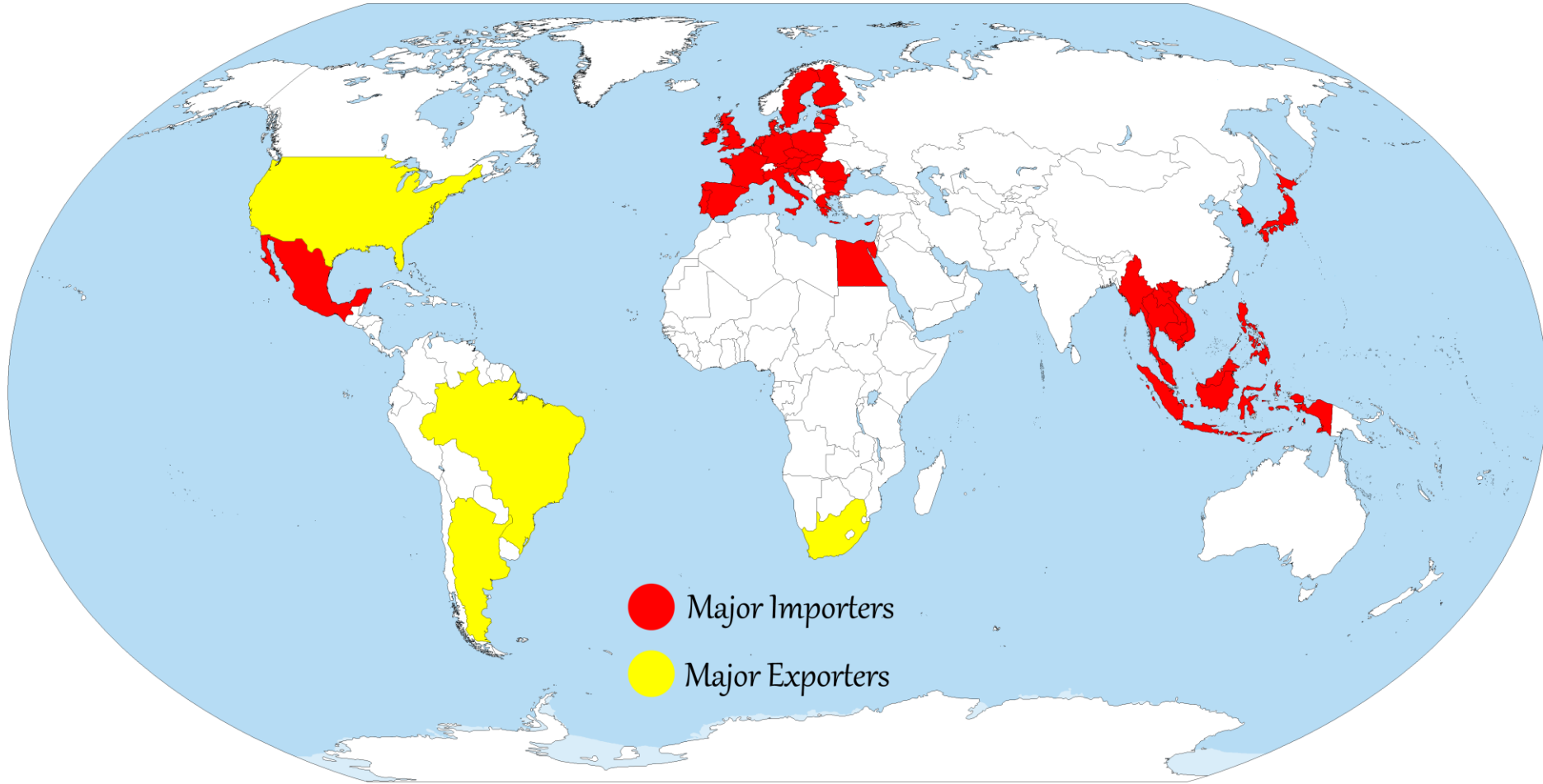
World – Corn Production, Utilization and Stocks

Processed by CLAL on WASDE data





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





SOYBEANS

Estimate for 2014-15 Season

- ▶ **Global soybean production** for 2014-15 (new marketing year starting October 1st) is projected at **299.82 Mio t**, +6% from 2013-14.
- ▶ In the major soybean Producers, **United States and Brazil**, crops are projected at a record level (respectively 98.93 Mio t and 91 Mio t), on gains in area and yield.
- ▶ In **Argentina**, third soybean Producer, the crop is projected unchanged from 2013-14 with lower area offset by higher yields.
- ▶ In **China**, the main Importer of soybeans, the production is expected to **decrease slightly**, as producers continue to shift area to more profitable crops.
- ▶ China soybean imports are projected at 72 Mio t, +4% from 2013-14 and +20% from 2012-13.



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



	Million tons	From 2013-14 Season
Beginning stocks	66.98	+17%
Production	299.82	+6%
Total use	280.58	+4%
Ending stocks	82.23	+23%



	Billion bushels	Million tons	From 2013-14 Season
Beginning stocks	0.13	3.53	-8%
Production	3.64	98.93	+11%
Total use	1.83	49.67	+2%
Export	1.63	44.23	+1.6%
Ending stocks	0.33	8.98	+154%
Price projection	10.75 \$/bushel	395 \$/ton	288 €/ton ↓
2013-14 price	13.10 \$/bushel	481 \$/ton	351 €/ton

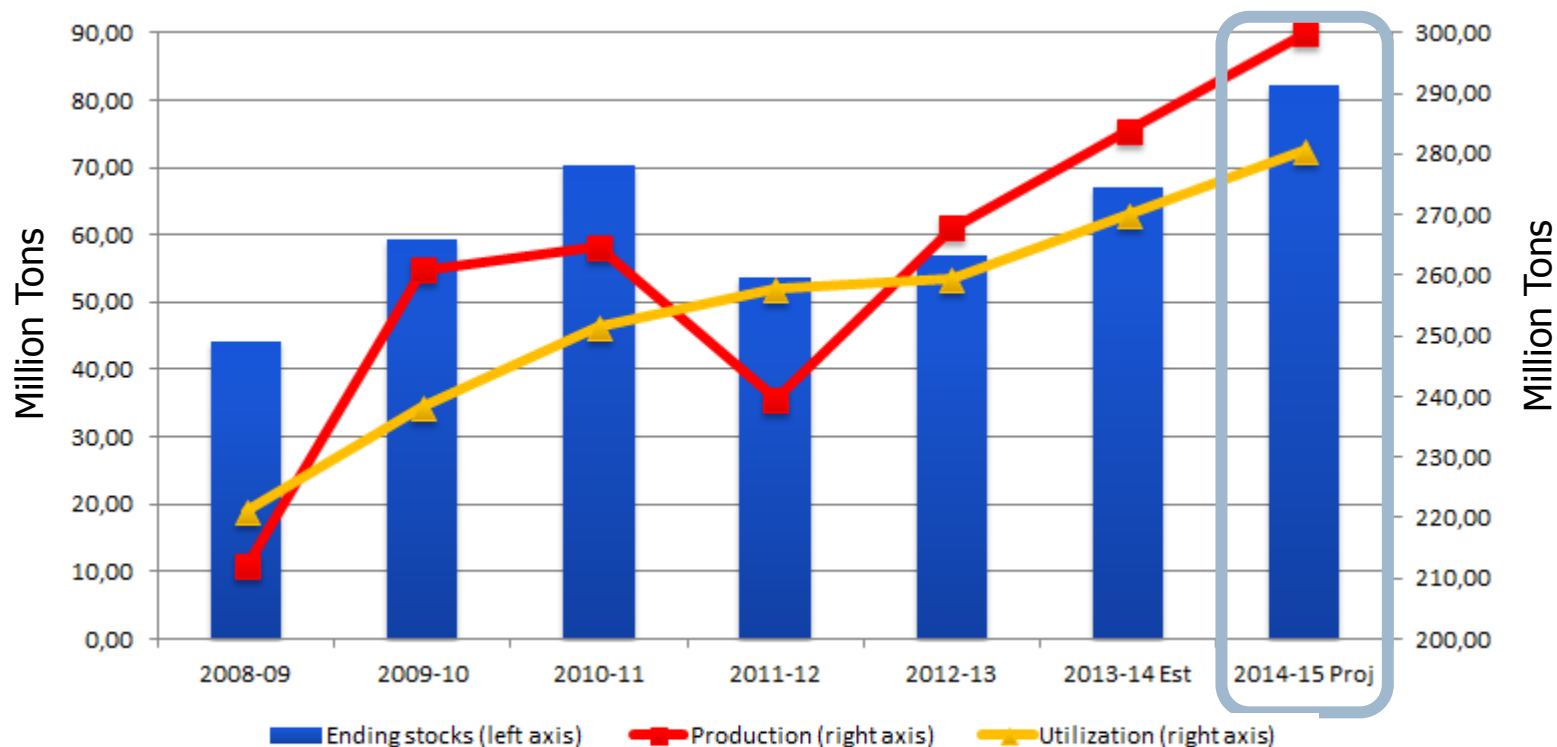
SOYBEANS conversion factors
1 bushel = 0.027 metric ton
1 metric ton = 36.74 bushel



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

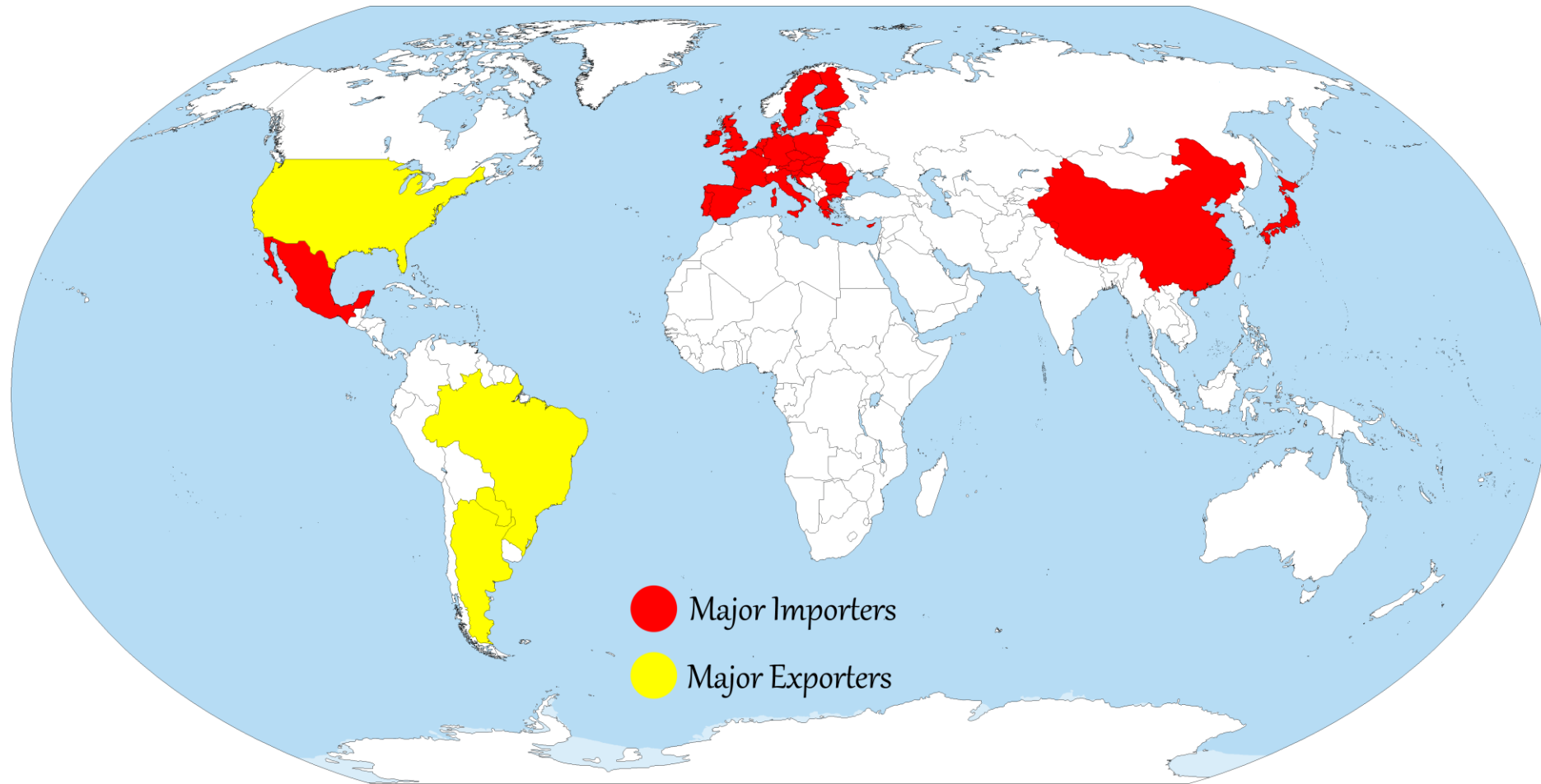
World – Soybeans Production, Utilization and Stocks

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](#):



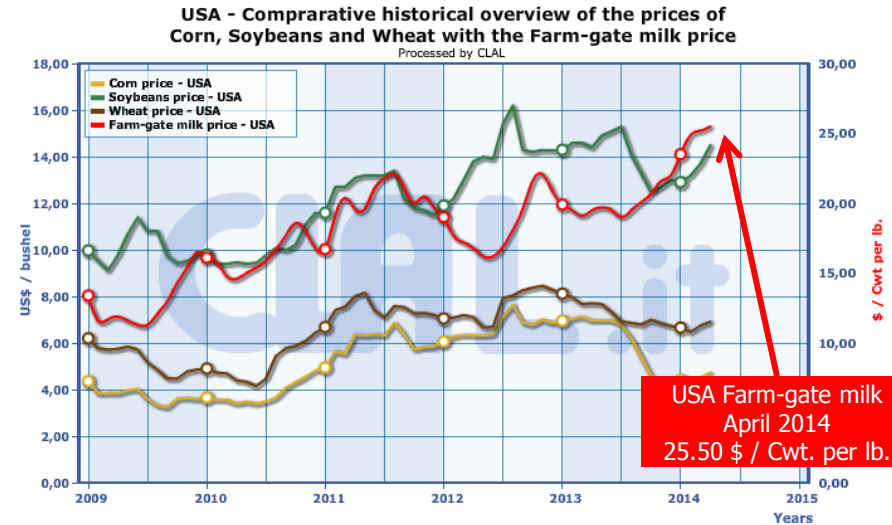
- ▶ Soybean price trend as listed by the [CME of Chicago](#):



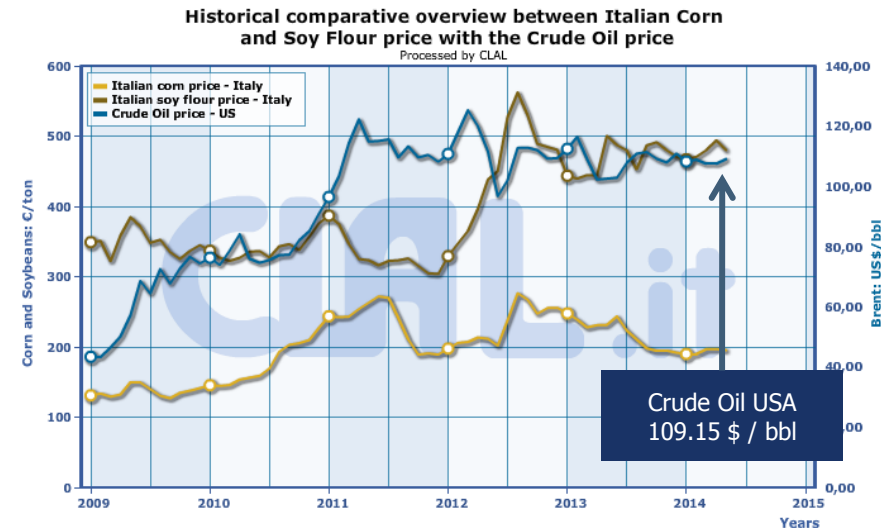
Update: 2014, May 14^h

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

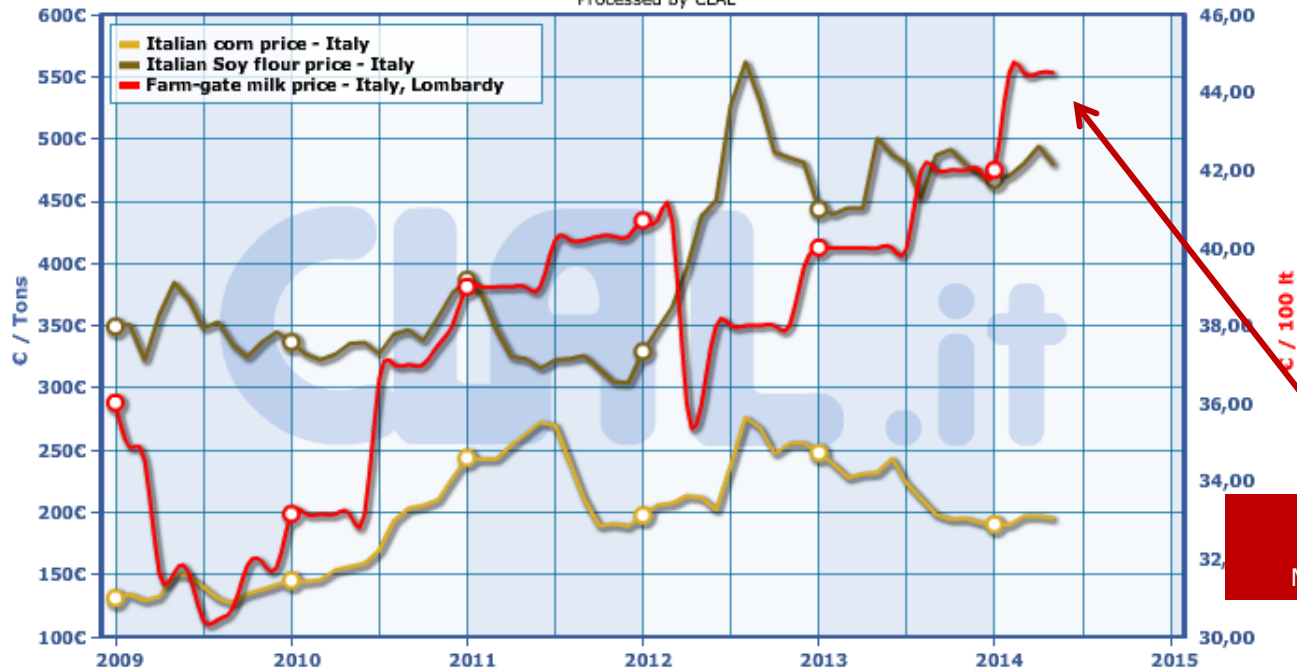
▶ National Corn and Soy prices as listed by the Milan Chamber of Commerce, in comparison with the Farm-gate milk price:

- ▶ Italian Corn: 195 ÷ 196 €/ton (**unchanged** from last month)
- ▶ Italian Soy flour: 477 ÷ 478 €/ton (**-15 €** 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)
May 44.50 € / 100 It