

# Corn & Soybeans

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# CORN

## Estimate for 2012-13 season

- ▶ **Global corn supplies** for 2013/14 are projected higher at **962.83 Mio t** (+0.6% from September estimates), with raised production for the United States, Russia, India and the European Union
- ▶ In the **United States** corn production is forecast higher at a record **355.33 Mio t**: the acreage planted to corn is -2% from the previous estimate, however production forecast remains high due to **high forecasted yield** (160.4 bushels/acre = 10.18 tons/hectare), thanks to favorable weather conditions.
- ▶ Corn Exports are projected higher (+14%) with larger supplies and lower prices that have increased the competitiveness of U.S. corn.
- ▶ Corn production for **Brazil**, the second Importing Country after the U.S., is reduced (from 72 Mio t to 70 Mio t) with lower expected area as declines in interior corn prices push expected returns into negative territory for the *safrinha* crop.
- ▶ For the **European Union** and **Mexico**, among the major corn Importers, imports are raised (respectively +7% and +31%)



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



	Million tons	From Sep 2013 (projections)
Beginning stocks	134.86	<b>+10.0%</b>
Production	<b>962.83</b>	<b>+0.6%</b>
Total use	933.36	<b>+0.8%</b>
Ending stocks	164.33	<b>+8.5%</b>



	Billion bushels	Million tons	From Sep 2013 (projections)
Beginning stocks	0.82	20.92	<b>+24.5%</b>
Production	13.99	<b>355.33</b>	<b>+1.0%</b>
Total use	11.55	293.38	<b>+0.9 %</b>
Export stocks	1.40	35.56	<b>+14.3%</b>
Ending stocks	1.89	47.94	<b>+1.8%</b>
<b>Price projection</b>	<b>4.50 \$/bushel</b>	<b>177 \$/ton</b>	<b>132 €/ton</b> ↓
September '13	4.80 \$/bushel	189\$/ton	142 €/ton

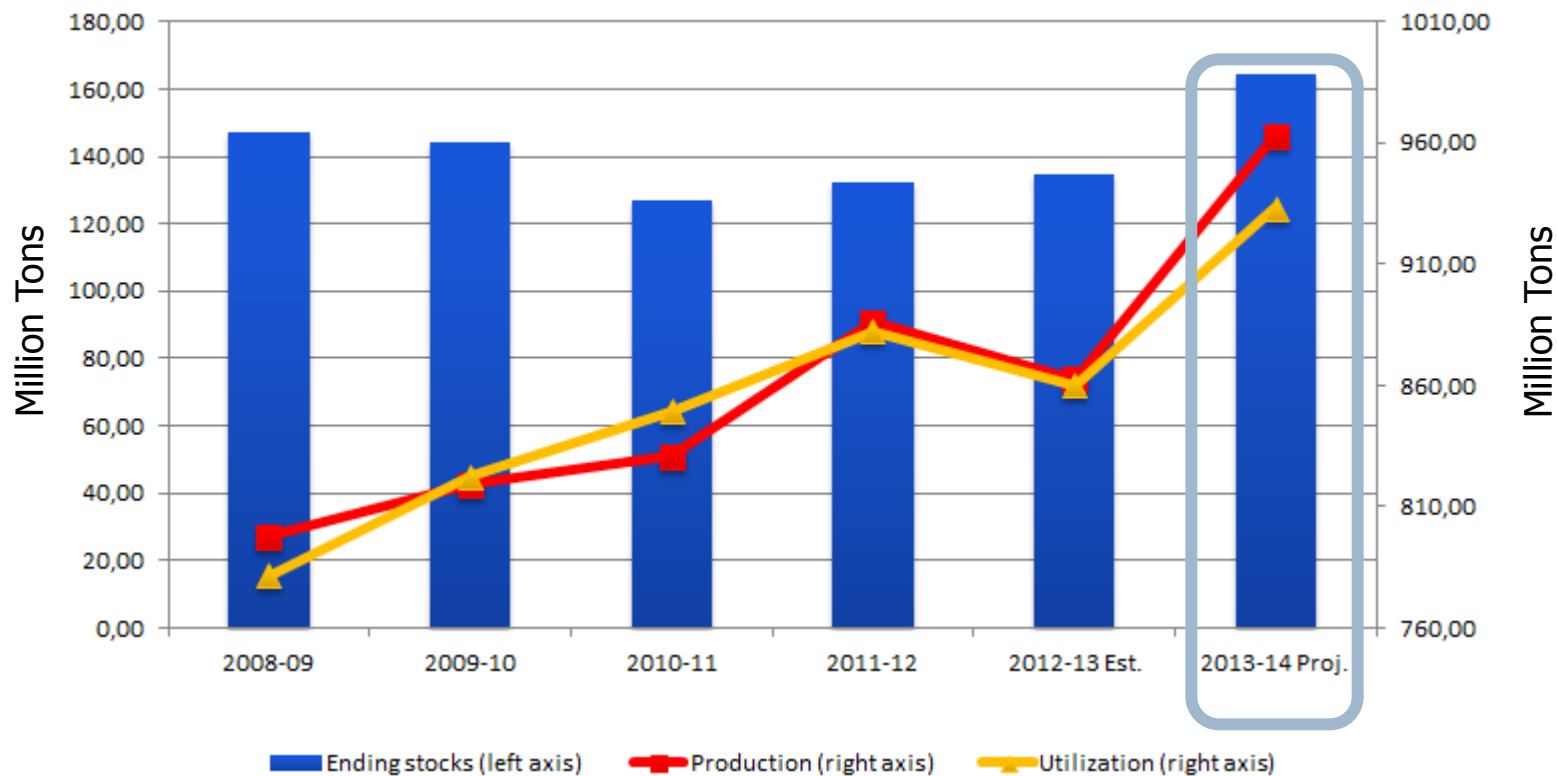
CORN conversion factors  
1 bushel = 0.025 metric ton  
1 metric ton = 39.38 bushel



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

## World – Corn Production, Utilization and Stocks

Processed by CLAL on WASDE data





# SOYBEANS

## Estimate for 2013-14 season

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- ▶ **Global soybean production** for 2013-14 is projected at **283.54 Mio t**, +0.7% higher from September estimates.
- ▶ **U.S.** soybean production is forecast at **88.66 Mio t**, as higher yields more than offset lower harvested area. The soybean yield is projected at 43 bushels/acre (2.93 tons/hectare).
- ▶ Reductions in soybean production are projected for India (as excessive rainfall during much of the growing season reduced yield potential), Canada, Russia and Ukraine.
- ▶ Exports are expected to increase for the **United States** (+6%) and for **Brazil** (+4%), the main Exporters; they are projected lower (-24%) for **Argentina**, due to an increased use expected for processing into flour and oil (*crush*).



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



	Million tons	From Sep 2013 (projections)
Beginning stocks	60.11	-2.3%
Production	<b>283.54</b>	+0.7%
Total use	270.00	+0.4%
Ending stocks	70.23	-1.8%



	Billion bushels	Million tons	From Sep 2013 (projections)
Beginning stocks	0.14	3.83	+12.3%
Production	3.26	<b>88.66</b>	+3.4%
Total use	1.79	48.81	+1.3%
Export stocks	1.45	39.46	+5.8%
Ending stocks	0.17	4.63	+13.5%
<b>Price projection</b>	<b>12.15 \$/bushel</b>	<b>446 \$/ton</b>	<b>333 €/ton ↓</b>
September '13	12.50 \$/bushel	459 \$/ton	344 €/ton

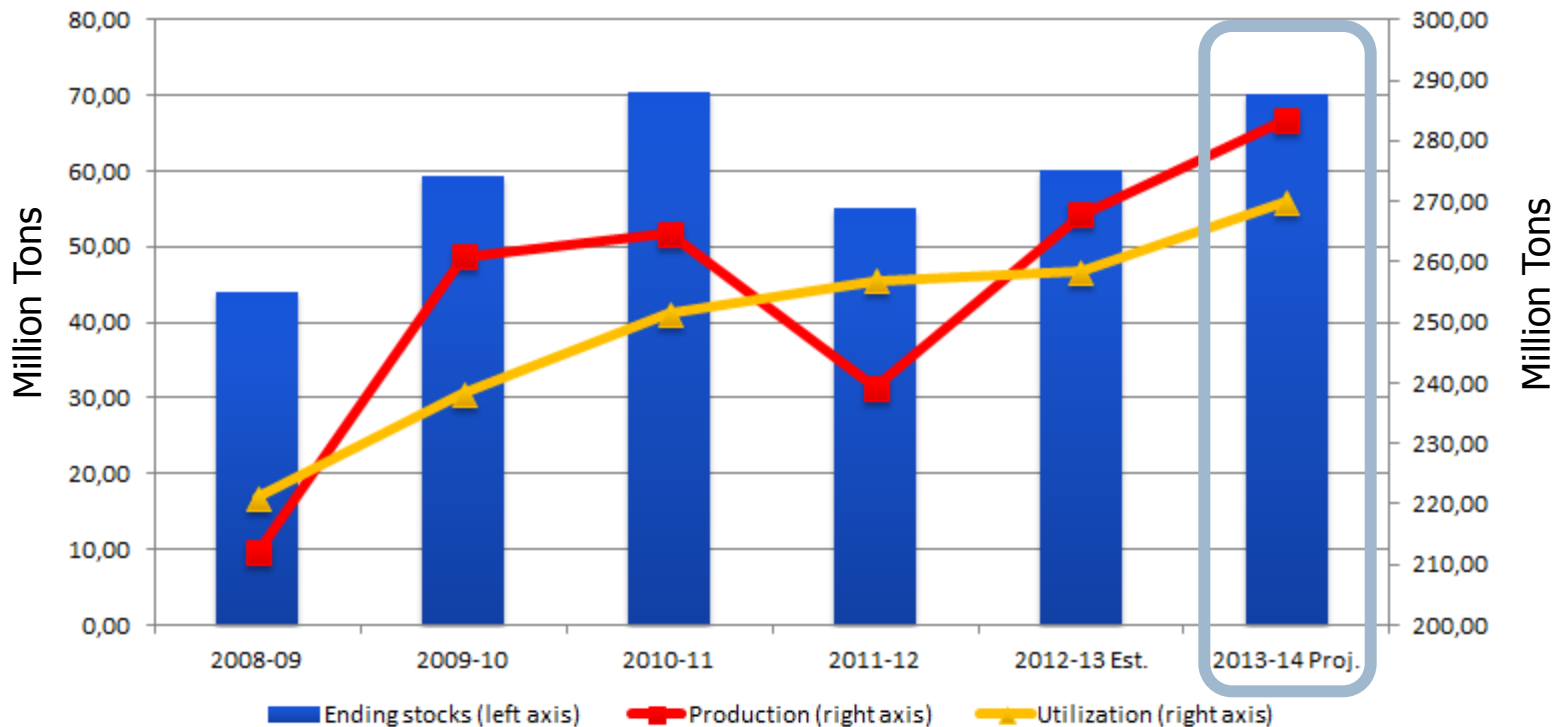
SOYBEANS conversion factors  
1 bushel = 0.027 metric ton  
1 metric ton = 36.74 bushel



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

## World – Soybeans Production, Utilization and Stocks

Processed by CLAL on WASDE data



# Chicago Mercantile Exchange (CME)

## Corn and Soybeans prices

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



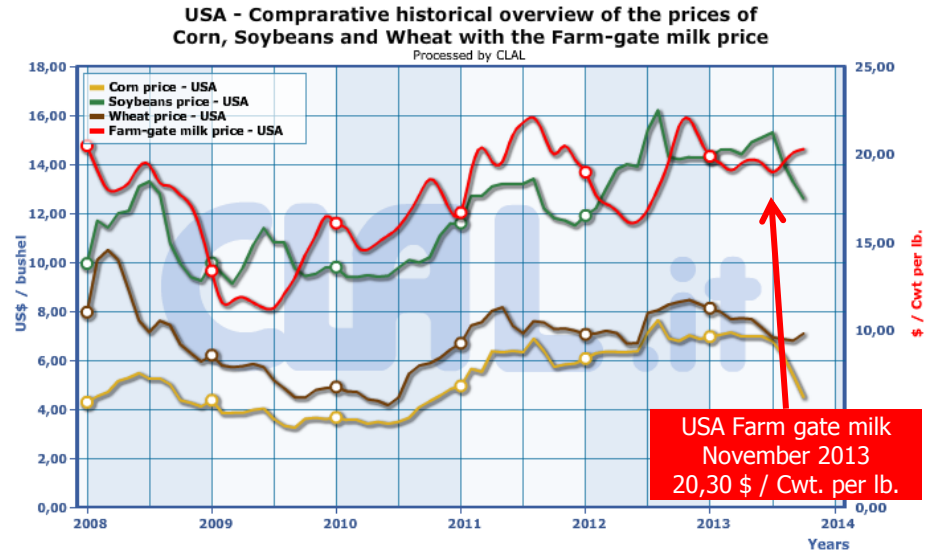
- ▶ Soybean price trend as listed by the [CME of Chicago](#):



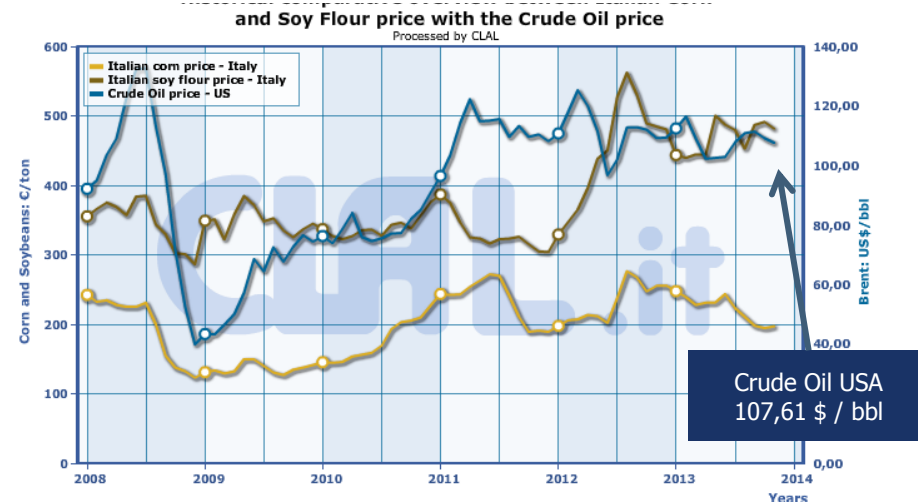


# Agricultural and Energy Inputs Correlations

- ▶ 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

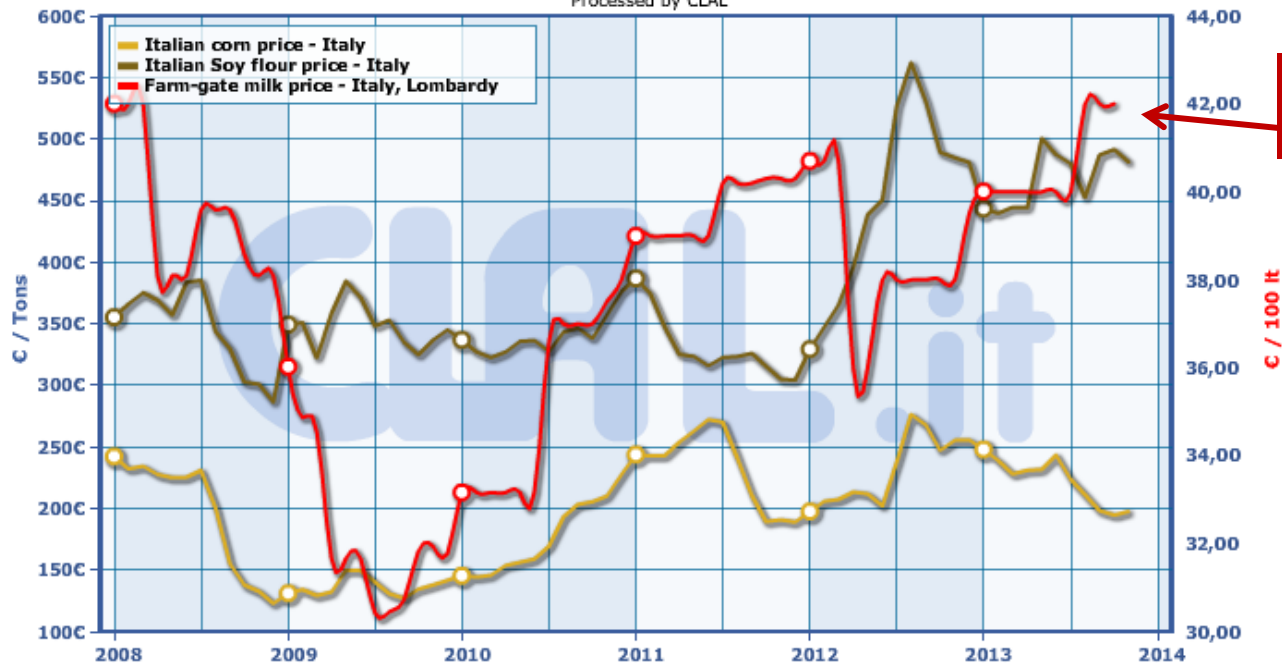
▶ National Corn and Soy prices as listed by the Milan Chamber of Commerce, in comparison with the Farm-gate milk price:

- ▶ Italian Corn: 197 ÷ 198 €/ton (+3 € from last month)
- ▶ Italian Soy flour: 481 ÷ 482 €/ton (-10 € 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)  
November 42 € / 100 lt