

Corn & Soybeans

- ▶ **Corn** (source WASDE)
 - ▶ Estimate for the 2015-16 Season
 - ▶ Global and US outlook
- ▶ **Soybean** (source WASDE)
 - ▶ Estimate for the 2015-16 Season
 - ▶ Global and US outlook
- ▶ **Corn and Soybeans Producers**
- ▶ **Corn and Soybeans prices** (Source CME)
- ▶ **Price connections** (Clal's processing)
- ▶ **Focus on Italy** (Milan Chamber of Commerce)



CORN

Estimate for 2015-16 Season

- ▶ **Global corn production for 2015-16** is lowered 5.5 Mio from last month at **972.60 Mio t**, with reductions for the U.S., Ukraine, Argentina, India, Philippines and several Sub-Saharan African countries more than offsetting an increase for Brazil.
- ▶ **Projected U.S. corn production** is 0.2% lower with harvested area lowered 437000 acres. Partly offsetting is a 0.5-bushel-per acre increase in the national average corn yield to **168 bushels per acre**.
- ▶ **Brazil** is expected to increase production (from 79 to 80 Mio t) and exports (from 24 to 25 Mio t).
- ▶ **Global corn beginning stocks** are lowered 1.2 Mio t, reflecting higher 2014-15 EU corn feeding and exports and Ukraine exports.
- ▶ Global 2015-16 **ending stocks** are projected 1.9 Mio t lower at 187.83 Mio t, 8.2 Mio t lower than in 2014-15.



CORN – **Global** and **US** outlook: Estimate for the 2015-16 Season



	Million tons	From September 2015 (projections)
Beginning stocks	196.03	-0.6%
Production	972.60	-0.6%
Total use	980.79	-0.5%
Ending stocks	187.83	-1.0%



	Billion bushels	Million tons	From September 2015 (projections)
Beginning stocks	1.73	43.98	-0.1%
Production	13.56	344.31	-0.2%
Total use	11.91	302.40	0.0%
Export	1.85	46.99	0.0%
Ending stocks	1.56	39.66	-2.0%
Price projection	3,80\$/bushel	150 \$/ton	132 €/ton↑
1 month ago	3,75 \$/bushel	148 \$/ton	131 €/ton

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



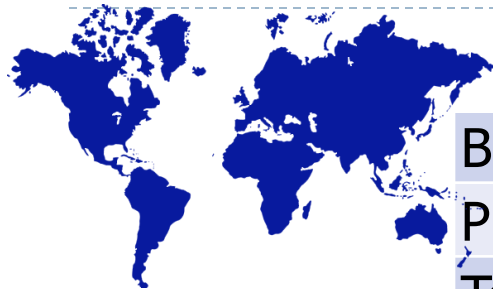
SOYBEANS

Estimate for 2015-16 Season

- ▶ **Global soybean production** for 2015-16 is projected at a record **320.49 Mio t**, +0.9 Mio t from the September forecast.
- ▶ **Brazil** soybean production is projected at a **record 100 Mio t** on higher area. A sharp decline in the value of the Brazilian real recent months is expected to lead to increased area despite lower international soybean prices this year.
- ▶ Lower projections are forecast for **the U.S., India and Ukraine.**
- ▶ The **U.S. soybean yield** is forecast at 47.2 bushels per acre, +0.1 bushels from the September forecast. Harvested area is reduced 1.1 million acres to 82.4 million.
- ▶ **U.S. soybean exports** for 2015-16 are reduced on the slow pace of sales and increased competitor supplies.
- ▶ **Global soybean stocks** are raised marginally as higher stocks for Brazil are only partly offset by reductions for the U.S., Argentina and India.



SOYBEANS – **Global** and **US** outlook: Estimate for the 2015-16 Season



	Million tons	From September 2015 (projections)
Beginning stocks	77.97	-1.0%
Production	320.49	+0.3%
Total use	310.47	+0.1%
Ending stocks	85.14	+0.2%

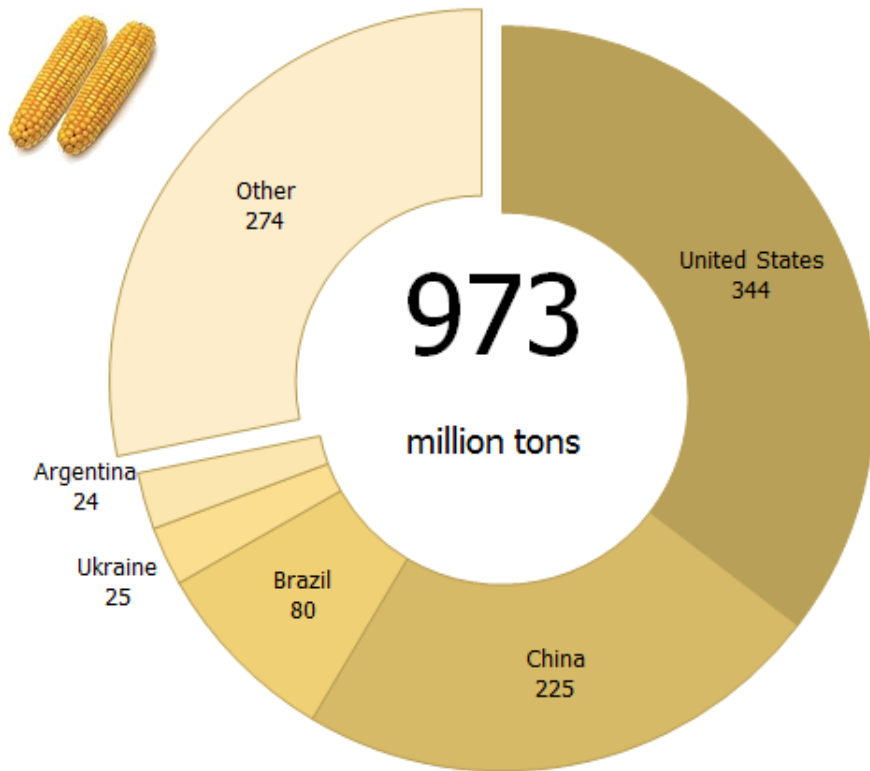


	Billion bushels	Million tons	From September 2015 (projections)
Beginning stocks	0.19	5.21	-8.8%
Production	3.89	105.81	-1.2%
Total use	2.01	54.69	+0.5%
Export	1.68	45.59	-3.0%
Ending stocks	0.42	11.56	-5.7%
Price projection	9.15 \$/bushel	336 \$/ton	297 €/ton ↔
1 month ago	9.15 \$/bushel	336 \$/ton	297 €/ton

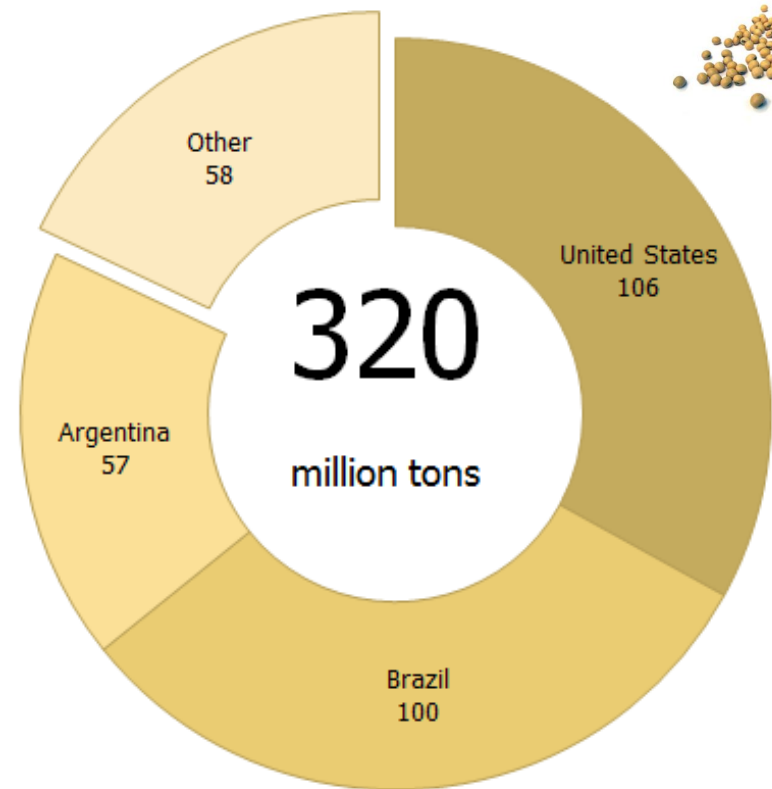
SOYBEANS conversion factors
1 bushel = 0.027 metric ton
1 metric ton = 36.74 bushel

Top Producers of Corn and Soybean

5 countries produce 70% of the world **corn** output



3 countries produce 80% of the world **soybean** output



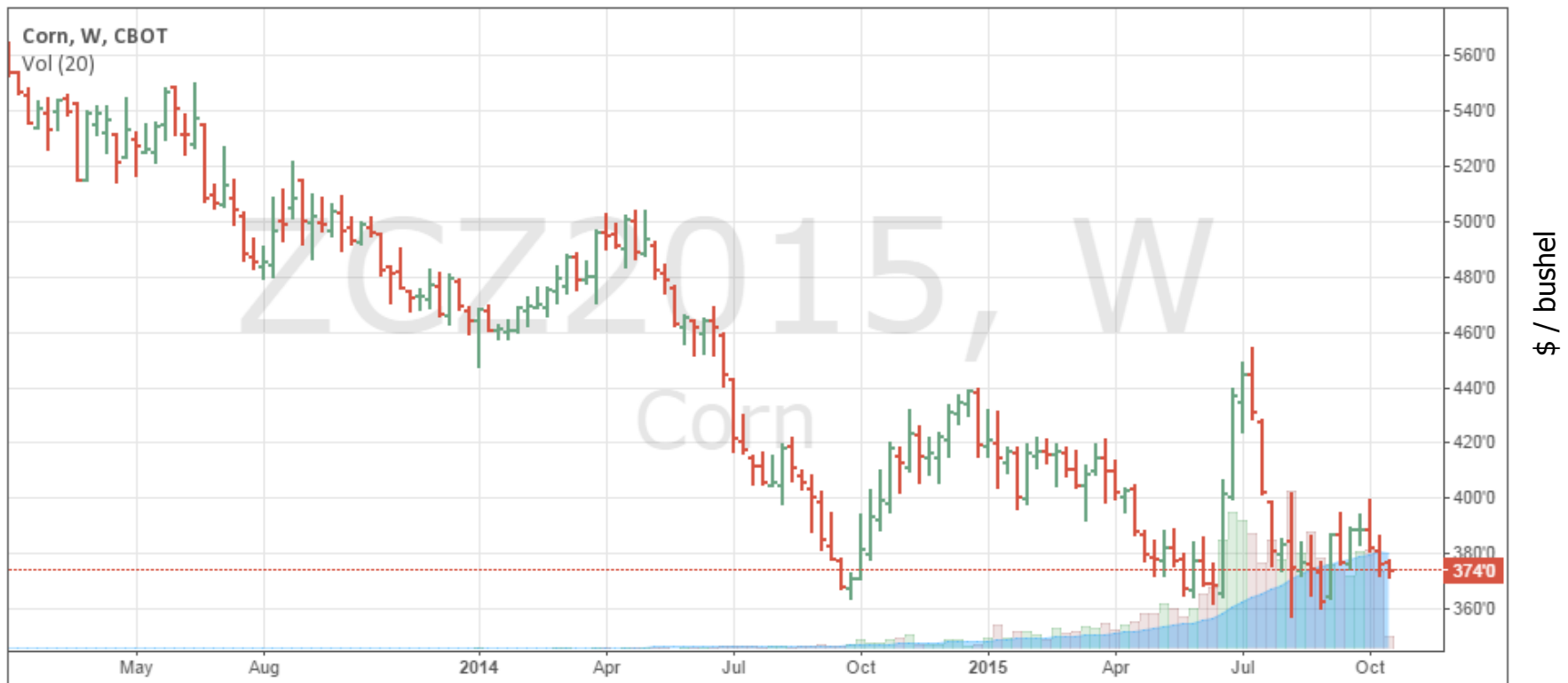


Chicago Mercantile Exchange (CME)

Corn prices

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

CBOT:ZCZ2015, W O:377'2 H:377'4 L:372'0 C:374'0



 **CME Group**
Powered by TradingView.com



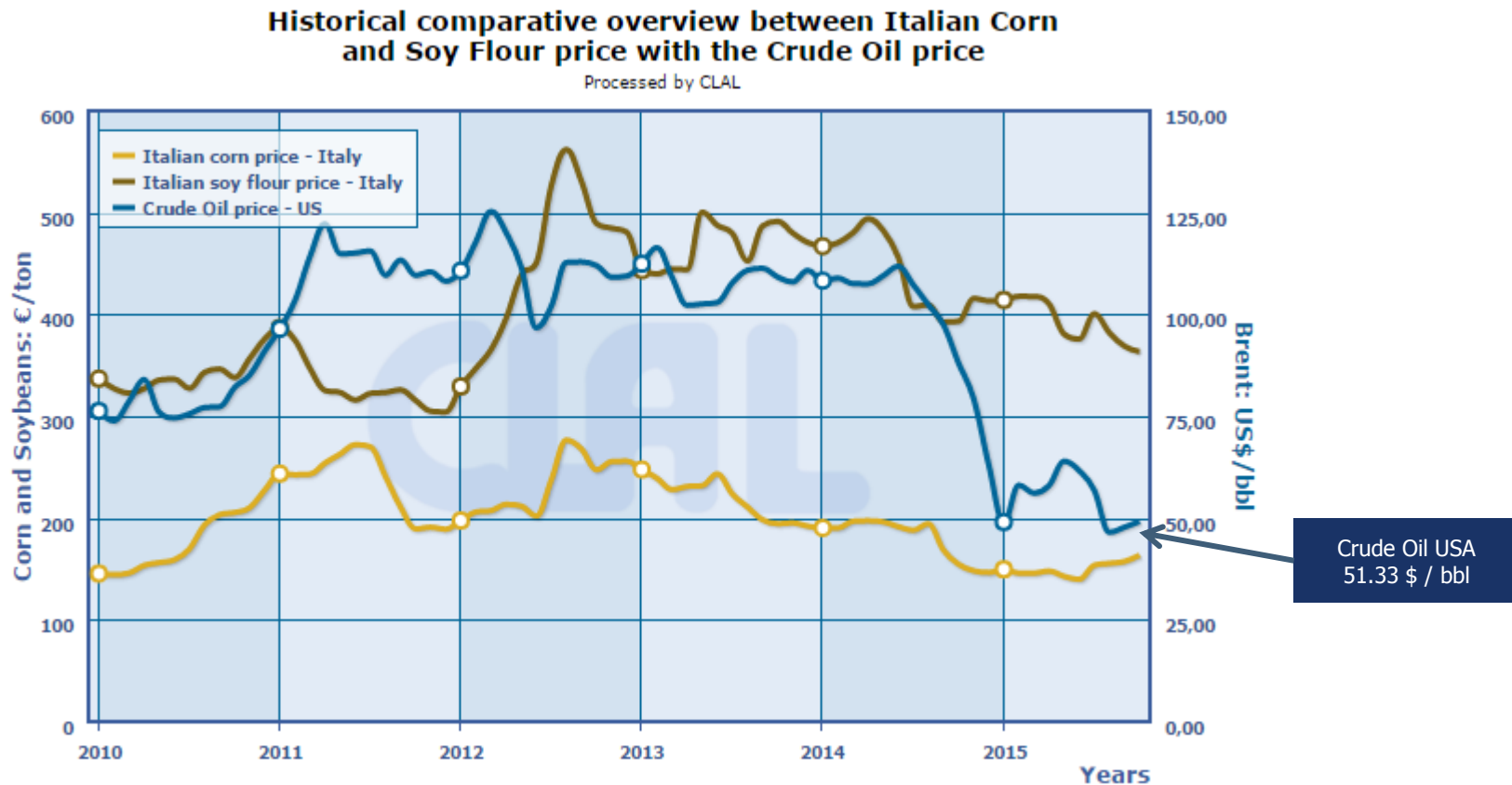
Chicago Mercantile Exchange (CME) Soybean prices

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



Agricultural and Energy Inputs Correlations

- ▶ Price comparison: Corn (Italy), Soy flour (Italy) and Crude Oil (US)



Focus on **Italy**

Corn and Soy prices

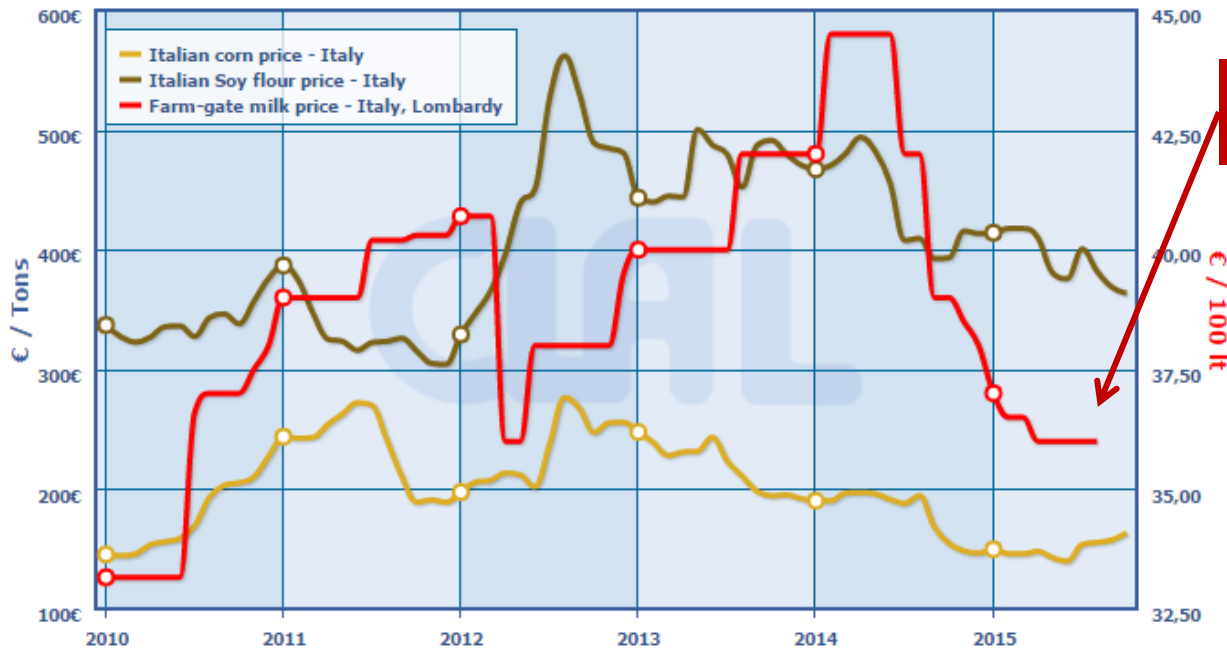
- ▶ National Corn and Soy prices as listed by the Milan Chamber of Commerce, in comparison with the Farm-gate milk price:

- ▶ Italian Corn: 167 ÷ 169 €/ton (+9 € from last month)
- ▶ Italian Soy flour: 363 ÷ 364 €/ton (-7 € 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)
August 36 € / 100 lt