

Corn & Soybeans

- ▶ **Corn** (source WASDE)
 - ▶ Estimate for the 2014-15 Season
 - ▶ Global and US outlook
- ▶ **Soybeans** (source WASDE)
 - ▶ Estimate for the 2014-15 Season
 - ▶ Global and US outlook
- ▶ **Corn and Soybeans prices** (Source CME)
- ▶ **Price connections** (CIal's processing)



CORN

Estimate for 2014-15 Season

- ▶ **Global Corn supplies** for 2014-15, started September 1st, are projected at **987.52 Mio t**, higher compared to August estimates, reflecting higher production in the U.S. (+9.23 Mio t), in Brazil (+1 Mio t) and in the E.U. (+1.3 Mio t).
- ▶ **U.S. Corn production** is forecast at a record 365.66 Mio t with a corn yield raised to 171.7 bushels per acre (= 10.90 tons/hectare).
- ▶ U.S. Corn exports are projected higher at 44.45 Mio t with lower prices and reduced competition expected from South America later in the marketing year.
- ▶ Corn production is reduced for **China** where output is expected down 5 Mio t based on persistent summer dryness in key growing areas of the North China Plain and Northeast.
- ▶ Hot and dry conditions in **Ukraine** and **Russia** reduce corn production prospects.
- ▶ **Global Corn ending stocks** are projected at a record **189.91 Mio t**.



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



	Million tons	From August 2014 (projections)
Beginning stocks	173.08	+1.2%
Production	987.52	+0.2%
Total use	970.69	+0.2%
Ending stocks	189.91	+1.1%



	Billion bushels	Million tons	From August 2014 (projections)
Beginning stocks	1.18	30.01	0.0%
Production	14.40	365.66	+2.6%
Total use	11.86	301.13	+1.2%
Export	1.75	44.45	+1.4%
Ending stocks	2.00	50.84	+10.7%
Price projection	3,50 \$/bushel	138 \$/ton	107 €/ton ↓
1 month ago	3,90 \$/bushel	154 \$/ton	115 €/ton

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



SOYBEANS

Estimate for 2014-15 Season

- ▶ **Global Soybean production** for 2014-15 (new marketing year starting October 1st) is projected at **311.13 Mio t**, higher from the estimates from May to August, reflecting higher production in the largest Exporting Countries.
- ▶ In the **U.S.** the production is expected at 106.50 Mio t (+2.65 compared to August estimates), due to a higher yield forecast.
- ▶ **Brazil and Argentina** production of Soybeans is projected to increase as producers choose to plant Soybeans instead of Corn, based on the strong U.S. Corn crop.
- ▶ **China Soybean imports** are raised 1 Mio t to 74 Mio t, +7% from 2013-14 and +24% from 2012-13.
- ▶ **Global Soybean ending stocks** are projected at a record **90.17 Mio t**.



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



	Million tons	From August 2014 (projections)
Beginning stocks	66.91	-0.3%
Production	311.13	+2.1%
Total use	284.98	+0.6%
Ending stocks	90.17	+5.3%

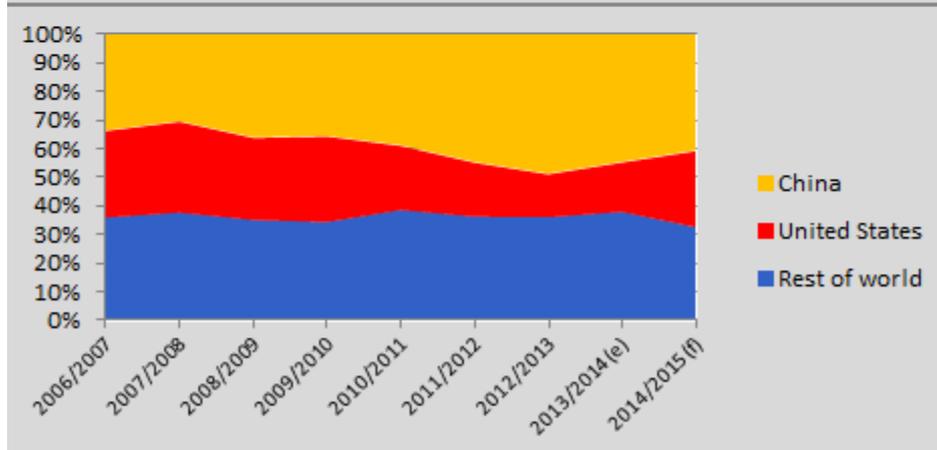
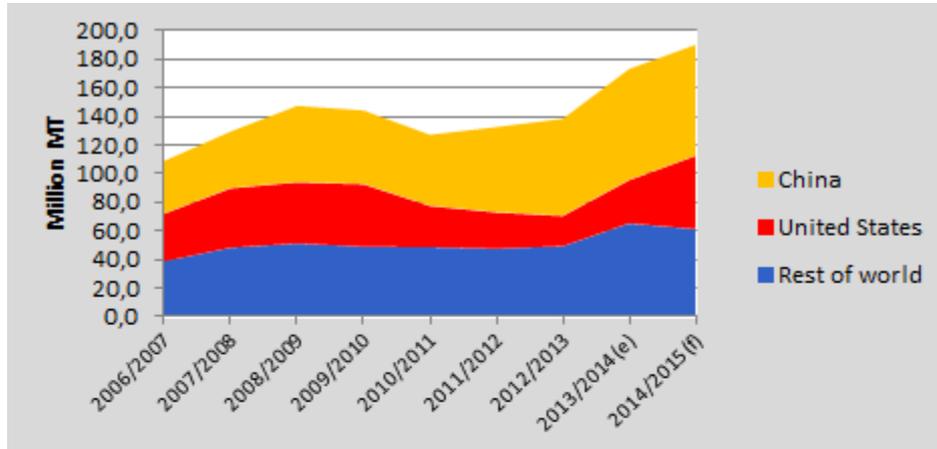


	Billion bushels	Million tons	From August 2014 (projections)
Beginning stocks	0.13	3.55	-7.1%
Production	3.91	106.50	+2.6%
Total use	1.88	51.26	+0.9%
Export	1.70	46.27	+1.5%
Ending stocks	0.48	12.93	+10.4%
Price projection	10.00 \$/bushel	367 \$/ton	283 €/ton ↓
1 month ago	10.35 \$/bushel	380 \$/ton	284 €/ton

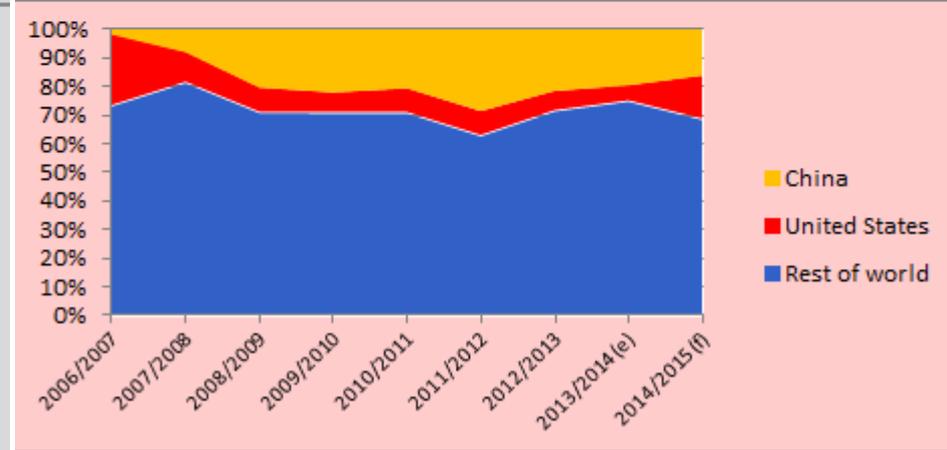
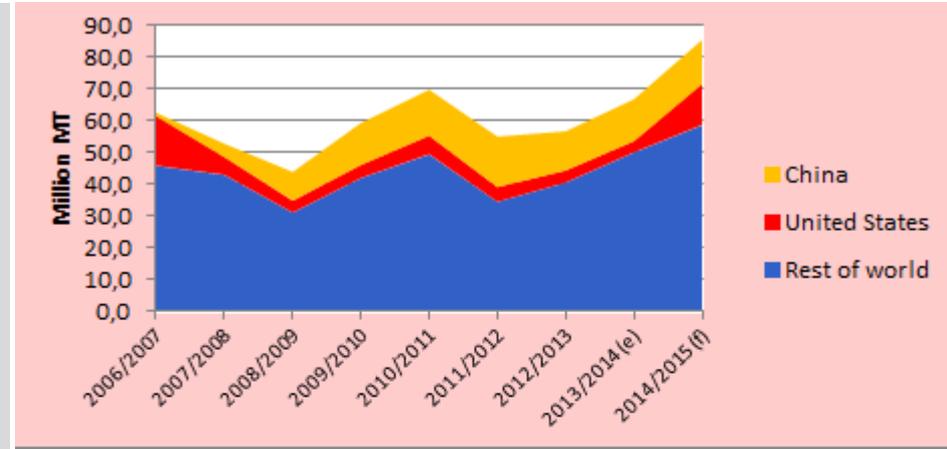
SOYBEANS conversion factors
1 bushel = 0.027 metric ton
1 metric ton = 36.74 bushel

Corn and Soybeans **Ending Stocks** with FOCUS ON CHINA AND THE UNITED STATES

CORN



SOYBEANS



Chicago Mercantile Exchange (CME)

Corn and Soybeans prices

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

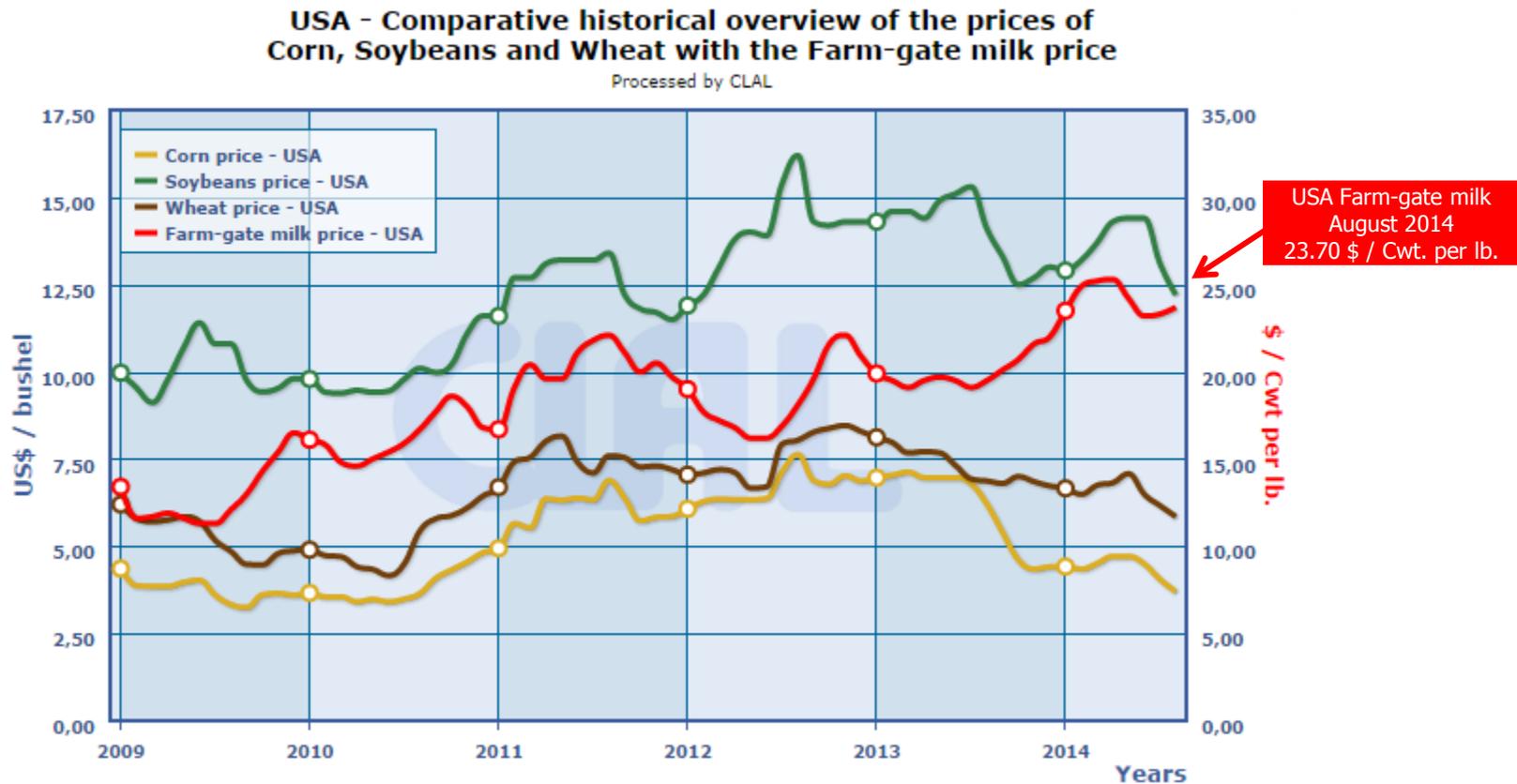


- ▶ Soybean price trend as listed by the [CME of Chicago](#):



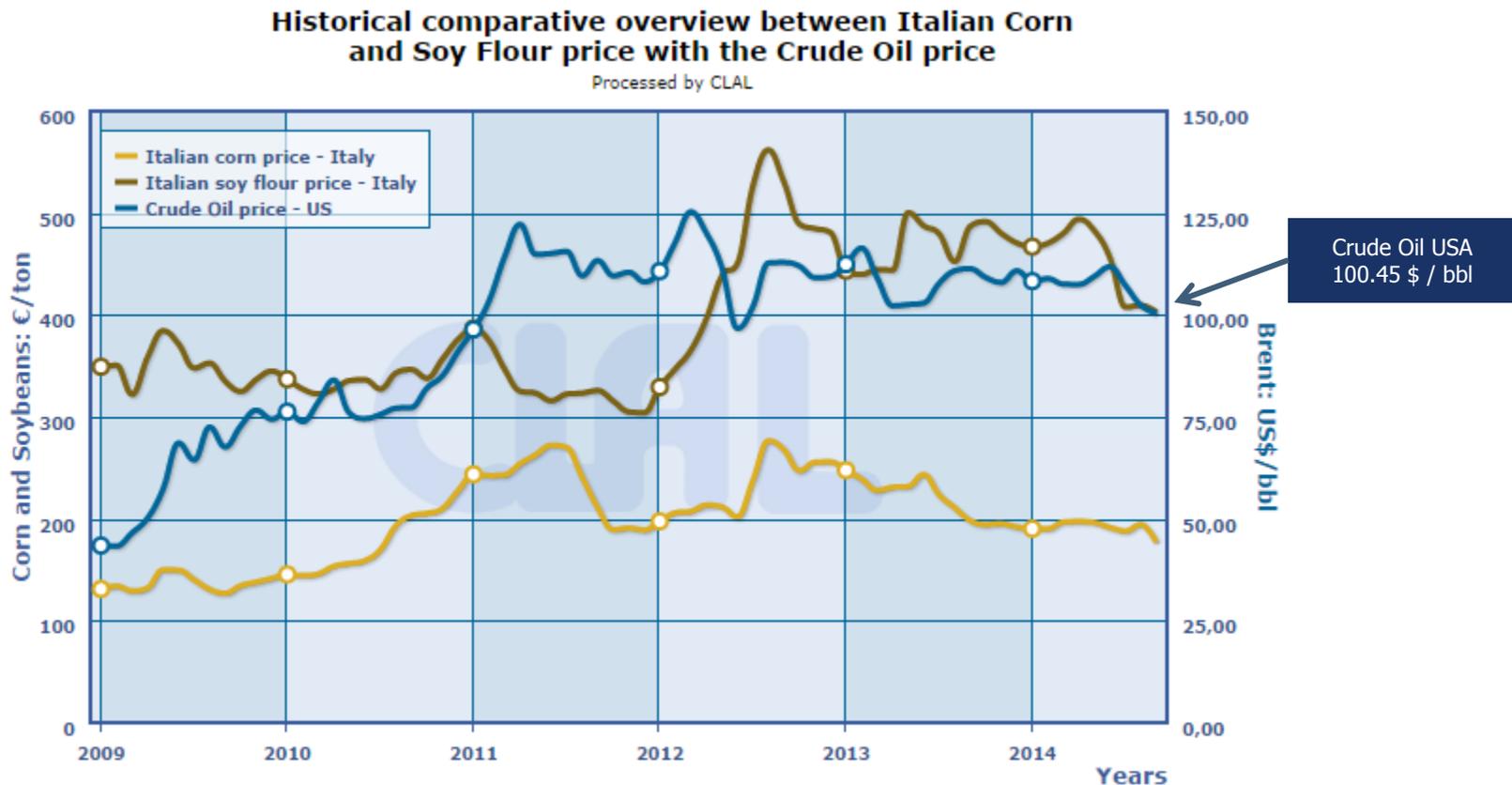
Agricultural and Energy Inputs Correlations

- ▶ US – Price comparison: Corn, Soybeans, Wheat and Farm-gate milk price



Agricultural and Energy Inputs Correlations

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



Focus on **Italy**

Corn and Soy prices

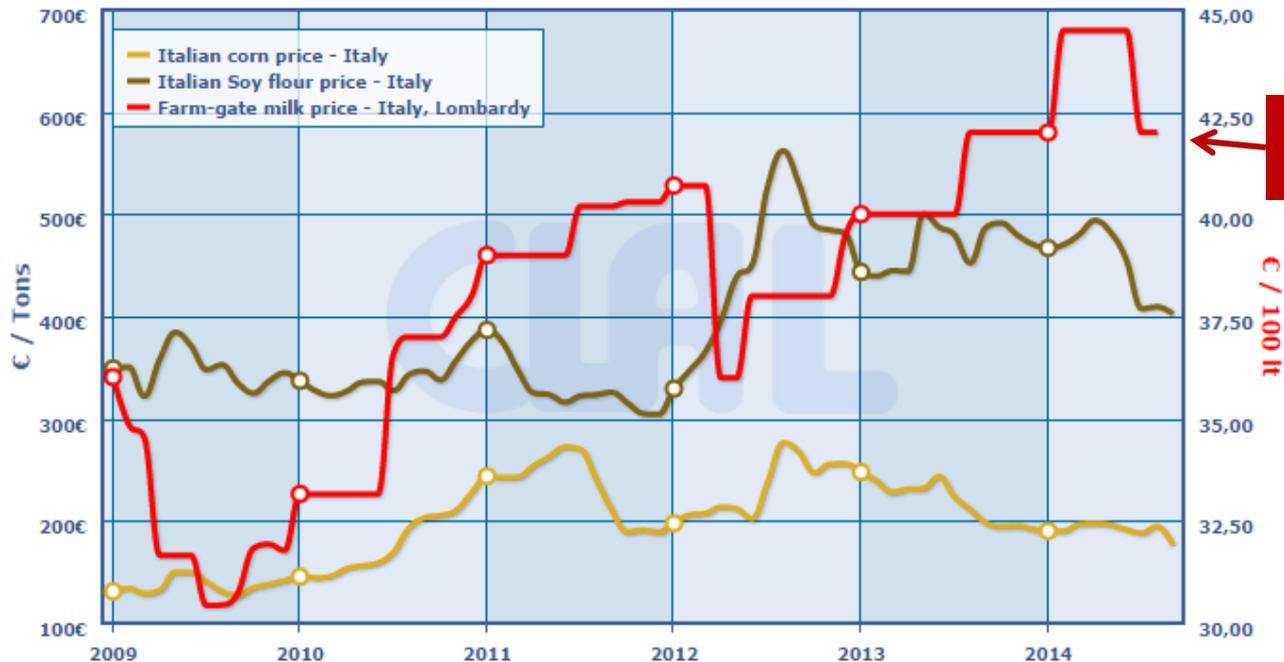
▶ National Corn and Soy prices as listed by the Milan Chamber of Commerce, in comparison with the Farm-gate milk price:

- ▶ Italian Corn: 160 ÷ 161 €/ton (-33 € from last month)
- ▶ Italian Soy flour: 389 ÷ 390 €/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) August 42 € / 100 It