

# Corn & Soybeans

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# CORN

## Estimate for 2015-16 Season

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- ▶ **Global Corn production** for 2015-16 is projected at **972.13 Mio t**, +2.49 Mio t from last month, reflecting higher production expected for Argentina, Mexico and Serbia.
- ▶ Corn production is raised 1 Mio t for **Argentina**, as timely rain during February and March was beneficial following some dryness and heat during January. It is raised 0.5 Mio t both for **Mexico** and **Serbia**, reflecting the latest government statistics and revisions for the crop.
- ▶ **U.S. Corn production** is unchanged. **U.S. Corn use in ethanol production** is projected 25 million bushels higher (+0.63 Mio t) on a stronger-than-expected pace of weekly ethanol production through March.
- ▶ **EU** Corn imports are lowered 1 Mio t, on a slowing import license pace and large, competitively priced Wheat supplies, which are expected to support greater domestic Wheat feeding.
- ▶ **China** Corn feeding is raised, offsetting a decline in Wheat as internal market prices are expected to favor Corn. China ending stocks are lowered 2 Mio t.



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



	Million tons	From March 2016 (projections)
Beginning stocks	207.58	+1.2%
Production	<b>972.13</b>	+0.3%
Total use	970.80	+0.3%
Ending stocks	208.91	+0.9%



	Billion bushels	Million tons	From March 2016 (projections)
Beginning stocks	1.73	43.97	0.0%
Production	13.60	<b>345.49</b>	0.0%
Total use	11.87	301.53	-0.2%
Export	1.65	<b>41.91</b>	0.0%
Ending stocks	1.86	47.29	+1.3%
<b>Price projection</b>	<b>3,55 \$/bushel</b>	<b>140 \$/ton</b>	<b>124 €/ton</b> ↓
1 month ago	3,60 \$/bushel	142 \$/ton	128 €/ton

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



# SOYBEANS

## Estimate for 2015-16 Season

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- ▶ **Global Soybean production** for 2015-16 is projected at **320.15 Mio t**, virtually unchanged as a projected boost to Argentina production offsets a decline for India.
- ▶ **Argentina** Soybean production is projected at 59 Mio t, +0.5 Mio t, as a higher forecast yield more than offsets a decline to harvested area.
- ▶ **India** Soybean production is lowered 0.5 Mio t to 7.5 Mio t on reduced harvested area and yield.
  
- ▶ **U.S. Soybean exports** are increased +0.41 Mio t reflecting stronger global Soybean **imports led by China** (from 82 to 83 Mio t) and several other countries including Iran, Bangladesh and Mexico.
  
- ▶ Increased **exports** projected for Brazil and the United States are only partly offset by reductions for Argentina and India.



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



	Million tons	From March 2016 (projections)
Beginning stocks	77.73	+0.8%
Production	<b>320.15</b>	0.0%
Total use	316.35	+0.2%
Ending stocks	79.02	+0.2%

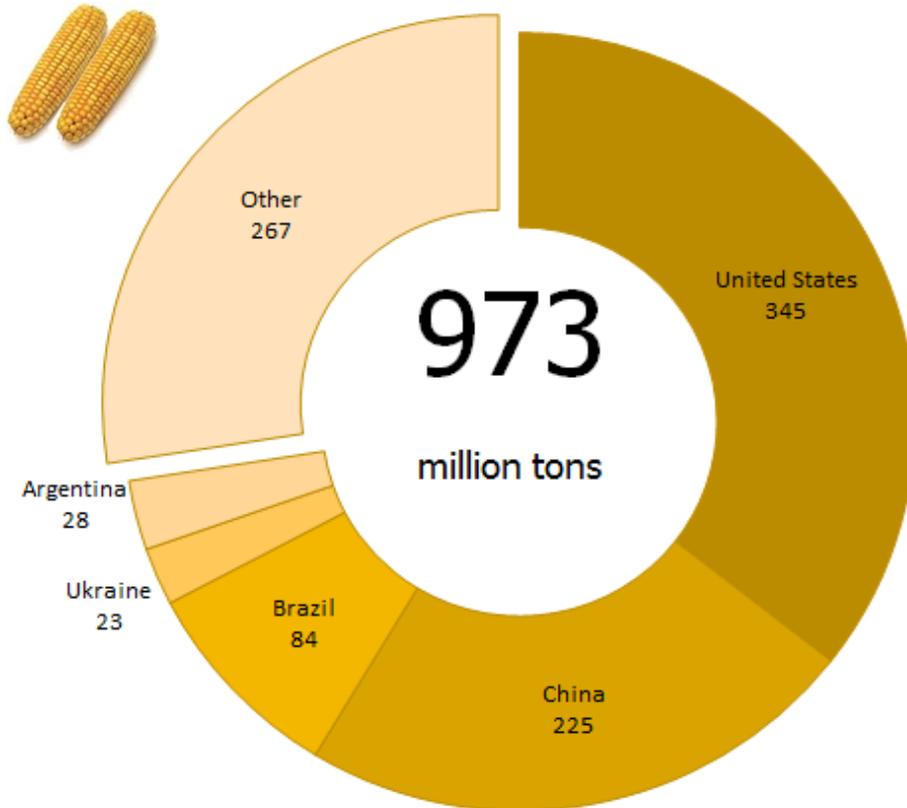


	Billion bushels	Million tons	From March 2016 (projections)
Beginning stocks	0.19	5.19	0.0%
Production	3.93	<b>106.93</b>	0.0%
Total use	2.00	54.42	0.0%
Export	1.70	46.40	+0.9%
Ending stocks	0.44	12.11	-3.2%
<b>Price projection</b>	<b>8.75 \$/bushel</b>	<b>322 \$/ton</b>	<b>286 €/ton ↓</b>
1 month ago	8.75 \$/bushel	322 \$/ton	291 €/ton

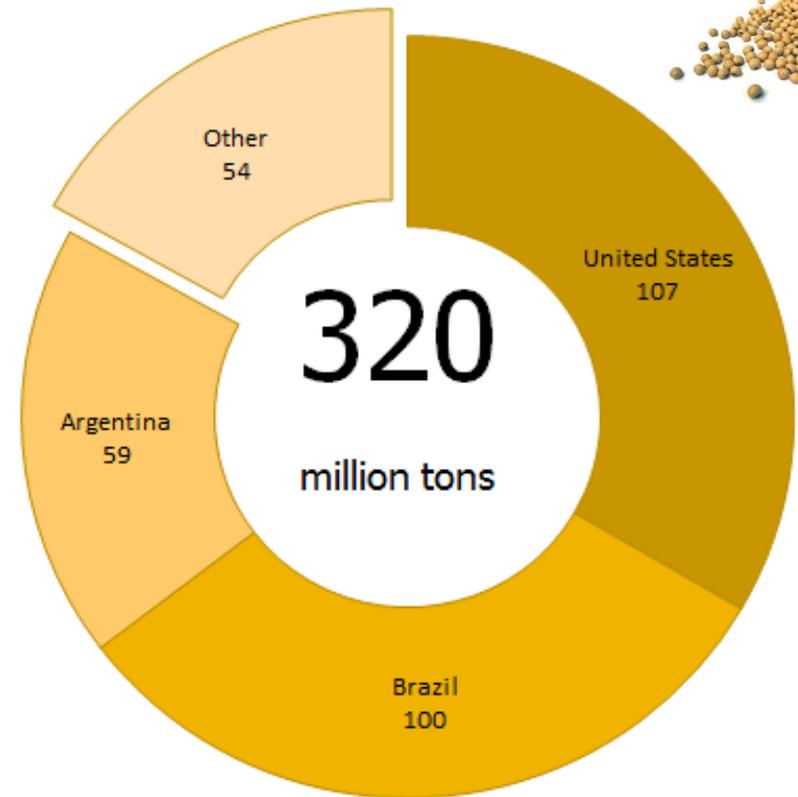
SOYBEANS conversion factors  
1 bushel = 0.027 metric ton  
1 metric ton = 36.74 bushel

# Top Producers of Corn and Soybean

5 countries produce 73% of the world **corn** output



3 countries produce 83% of the world **soybean** output





# Chicago Mercantile Exchange (CME)

## Corn prices

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

CBOT:ZCK2016, W 372'0 ▼ -1'4 (-0.4%) O:362'0 H:374'6 L:356'0 C:372'0



CME Group  
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# Chicago Mercantile Exchange (CME) Soybean prices

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

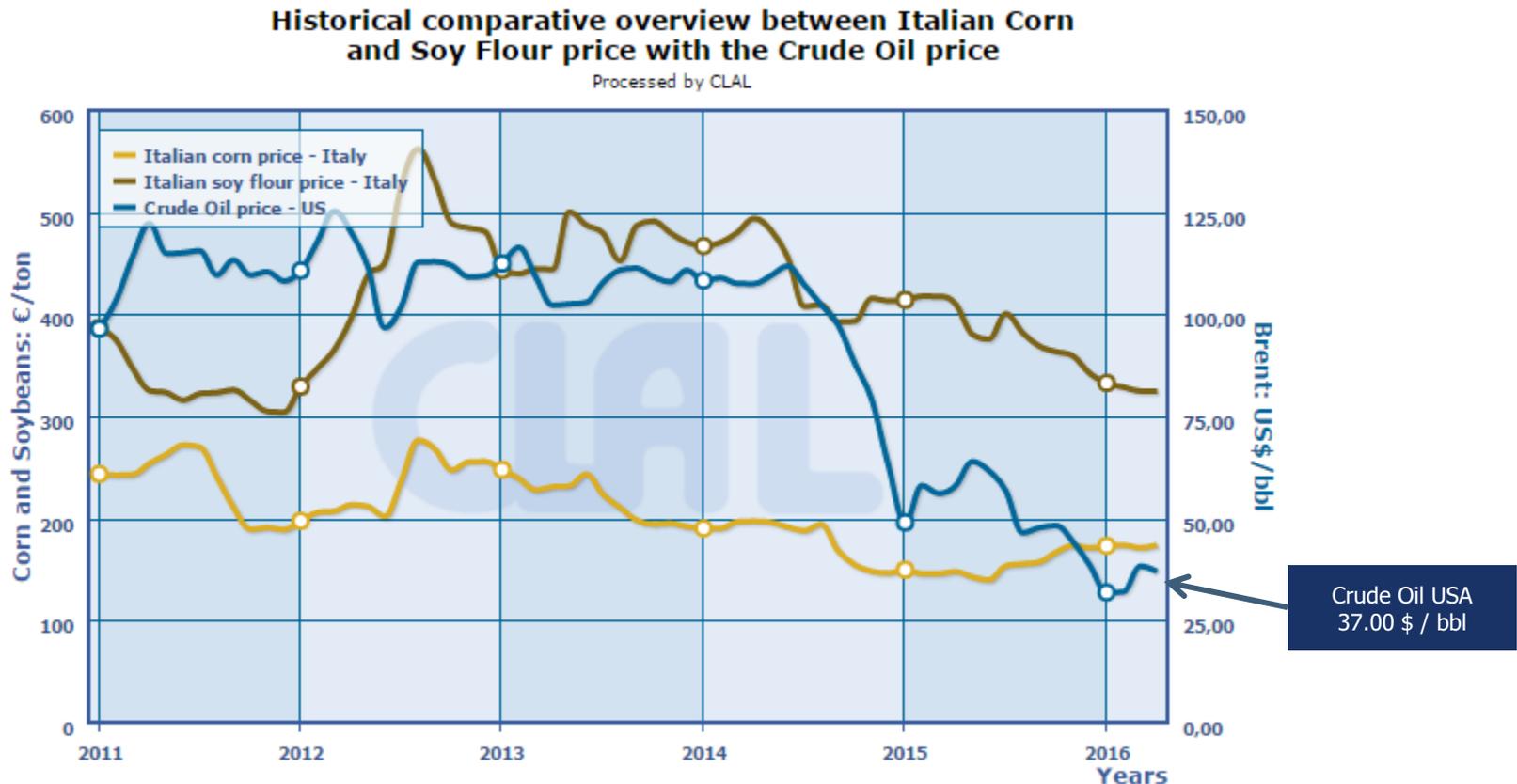
CBOT:ZSK2016, W 952'0 ▼-3'6 (-0.39%) O:916'2 H:959'4 L:915'4 C:952'0



 **CME Group**  
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# 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: 174 ÷ 175 €/ton (+4 € from last month)
- ▶ Italian Soybean meal: 329 ÷ 330 €/ton (+2 € 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) February 2016 36 € / 100 lt