Notes and Observations in International Commodity Markets

14 February 2025

by Guy H. Allen – Senior Economist, International Grains Program, Kansas State University

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*Quote for the month: **"Prediction is very difficult, especially if it's about the future!"** – Niels Bohr, Nobel laureate in Physics*

Contents

USDA WASDE REPORT MOSTLY NEUTRAL FOR U.S. GRAINS AND OILSEEDS

CME corn and soy futures were steady to slightly lower on Tuesday after the monthly USDA WASDE projected U.S. 2024/25 ending stocks to be slightly above market expectations.

Wheat futures drifted lower amid a lack of bullish news, though prices received a lift after the USDA cut its supply outlook following adverse weather in Europe and the Black Sea region.

Nearby CME corn settled down 7-1/2 cents to $4.84 a bushel, while CME soybeans settled down 6 cents to $10.43-1/2 a bushel. CBOT wheat settled down 2-1/2 cents to $5.77 a bushel.

Traders have been following the dryness in Argentina, the world's top exporter of soyoil and meal and No. 3 corn exporter, as the USDA lowered its estimates for Argentina's corn and soybean production after hot, dry weather set back these crops.

South American production is particularly important this season as global inventories for 2024/25 have been projected to drop to their lowest level in a decade.

At the forefront, however; traders are continuing to closely watch the latest news coming out on U.S. tariff measure and their potential fallout for agricultural trade.

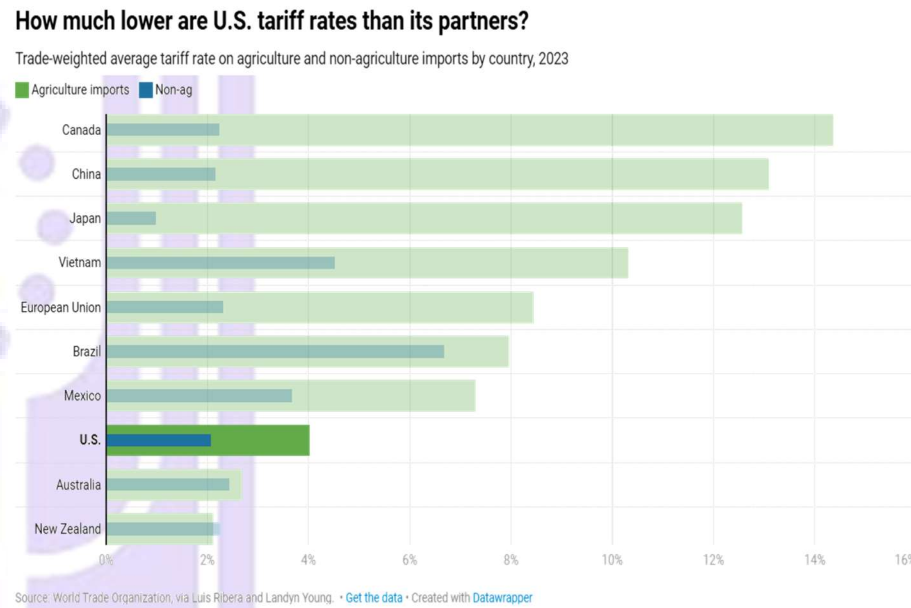
The markets will be closed on Monday for President's Day, with a normal open for the Tuesday session.

Have a good weekend! 😊

➢ **Trump signs executive order laying groundwork for 'reciprocal' tariffs**

13 February 2025 Oliver Ward, AgriPulse -- President Donald Trump signed an executive order Thursday outlining plans for "reciprocal" tariffs on U.S. trading partners that have higher duties on imports than the U.S. imposes.

The order directs departments and agencies to investigate the harm to U.S. industries from non-reciprocal tariff rates, as well as non-tariff trade barriers that countries apply to U.S. products, subsidies to domestic industries, policies to manipulate exchange rates and value-added taxes. They will then have to submit a report on proposed remedies.



"For many years, the U.S. has been treated unfairly by other Countries, both friend and foe," Trump wrote in a Truth Social post announcing the tariffs. "This System will immediately bring Fairness and Prosperity back into the previously complex and unfair System of Trade."

The analysis would occur after a slate of reports on U.S. trade policy are due on April 1st, the executive order says. But during a press conference with Trump, nominee for Commerce Secretary Howard Lutnick suggested that the analysis could be completed the same day as the other reports.

"I think we'll be ready to go April 1st, and we'll hand it to the president, and he'll make his decisions," Lutnick said.

In a fact sheet accompanying the executive order, the White House singled out Brazil's 18% tariff on U.S. ethanol compared to the U.S.' 2.5%, in addition to the U.S.' low applied average tariff on agricultural imports.

"The farmers are going to be helped by this very much, because product is being dumped into our country," Trump told reporters in the Oval Office Thursday. He added that this executive order could be "the most important thing I've signed."

U.S. tariff rates are, on average, lower than many of its trading partners, particularly for agriculture products. Around 70% of all U.S. imports enter the country duty-free, according to the Congressional Research Service. The weighted average tariff applied to U.S. agriculture imports in 2023 was 4%; for non-agriculture imports it was just 2.1%. Meanwhile, Canada subjects agriculture imports to a weighted average tariff of more than 14%.

These low tariffs were intentional, however, as successive administrations prioritized lower food prices for consumers, Luis Ribera, a professor of agricultural economics at Texas A&M University, told Agri-Pulse. The approach was to preserve tariffs on agriculture products that the U.S. produces to limit competition to domestic industry, but to drive down tariffs on products the U.S. doesn't produce, to reduce consumer prices.

"We're really good at producing the products that we're good at producing, and then the rest we import. And we import with very low or no tariffs at all," Ribera said.

The strategy worked as intended. The U.S. spends the least on food as a share of national expenditures than any country on the planet, according to Agriculture Department data. Just 6.7% of consumer expenses went for food in 2023.

In his press conference on Thursday, Trump admitted that prices could go up in the short term but suggested that in the longer term they would fall.

"Ultimately, prices will stay the same – go down – but we're going to have a very dynamic country," he said. The president did not elaborate on how the tariffs would lead to lower long-term prices.

Under World Trade Organization rules, developing economies are allowed to maintain higher tariffs than developed countries – a principle known as "special and differential treatment." The goal, Ribera said, is to allow developing countries to build out domestic industries – which boosts development, consumer spending power, and, in theory, demand for foreign exports – and then have them lower their tariffs and compete on more level footing.

"In reality, that doesn't happen very often," Ribera said.

Accordingly, multiple emerging economies stand to be particularly affected by the new reciprocal tariff. Full reciprocity would mean a new U.S. weighted tariff rate on India of more than 15%, up from around 3% today, according to Mitsubishi UFJ Financial Group, a Japanese bank. Similarly, Indonesian exports would face a weighted tariff of almost 10%.

In the press conference, Trump also highlighted the potential impacts on imports from India.

"India is right at the top of the pack," Trump said. "They charge tremendous tariffs."

In both his Truth Social post earlier in the day and during the press conference, Trump suggested that countries could avoid any new tariffs reducing or eliminate their own duties on U.S. goods.

"[I]f a Country feels that the United States would be getting too high a Tariff, all they have to do is reduce or terminate their Tariff against us," Trump wrote on Truth Social.

Some countries are already eyeing the potential for dealmaking. Bernd Lange, who chairs the European Parliament's international trade committee, told the Financial Times last week that the bloc could lower its 10% tariff on U.S. cars as part of a deal to head off new tariffs. During the press conference, Trump claimed the EU had already lowered its tariff rate to match the U.S.' 2.5%, but Brussels has not announced any such reduction publicly, according to a spokesperson at the EU delegation in Washington, D.C.

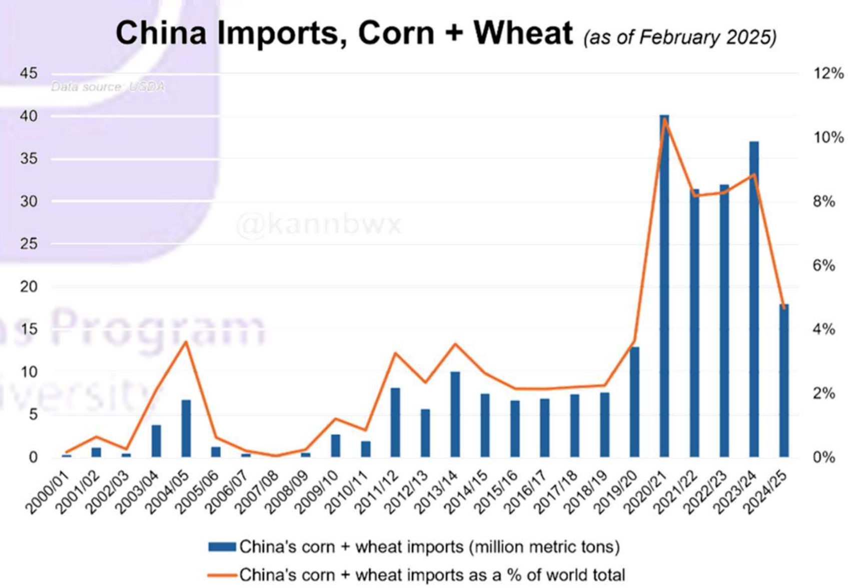
Indian Prime Minister Narendra Modi is in Washington on a two-day visit, with tariffs likely to feature prominently in his discussions with Trump and other administration officials. Officials in Modi's government have discussed lowering tariffs on U.S. whiskey and pecans to strike a deal with Trump, according to reporting from India's Economic Times.

If imposed as described, the new tariffs would take the U.S. further away from the WTO principles that have undergirded international trade for generations. WTO members are supposed to apply tariffs in a non-discriminatory fashion under the "most-favored nation" principle. This principle dictates that if a country reduces a tariff for one trading partner, it does so for all trading partners and does not apply varying tariff rates on the same products depending on the country of origin.

What this all means for U.S. agriculture will take time to discern, however, and will depend on which tariffs materialize, how trading partners respond and whether, or what, deals can be struck, executive head of Terrain and former Senate Agriculture Committee chief economist, John Newton, told Agri-Pulse on Thursday morning.

"If there's a response, how does that change purchasing patterns?" Newton said. "At this point, all the conversations around tariffs – outside of China, right now – it's just been conversation, and I think it's important to take a wait and see approach before evaluating what any economic implications may be."

- **<u>Is China ending its stint as major global grain importer?</u>**



11 February 2025 Karen Braun – (The opinions expressed here are those of the author, a market analyst for Reuters.) **China giveth, China taketh away.**

Agricultural exporters around the world know this feeling all too well, as they can either flourish or flounder under China's sometimes unpredictable demand habits.

Relative to use, Chinese corn and wheat stocks in 2024-25 are both set to reach the lowest levels in about a decade, though this is not translating into the opportunity one might expect for global grain suppliers.

The U.S. Department of Agriculture on Tuesday slashed Chinese grain imports for 2024-25, certainly not surprising given China's recently lighter market involvement.

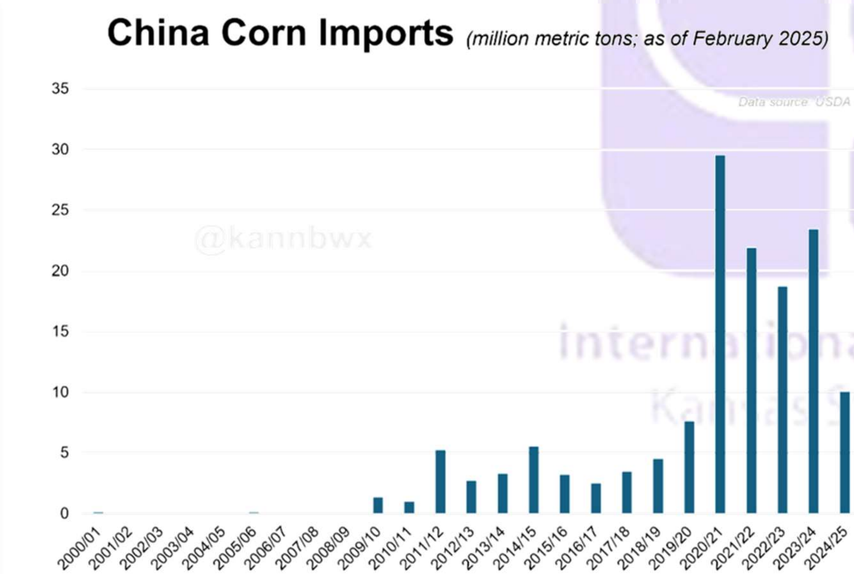
The agency now pegs China's 2024-25 corn and wheat imports at 10 million and 8 mmts, respectively, down nearly a quarter from the January estimates. These volumes would be down 57% and 32% from the respective averages of the previous four seasons.

China's predicted grain hauls will still be historically large, though some global grain exporters may need to block out the memories of what used to be and focus on a newer normal.

BEFORE AND AFTER

Throughout the 2010s, China imported modest amounts of corn and wheat, averaging just over 3 mmts of each per year. That accounted for about 2% of annual world imports - volumes that were practically drops in the bucket compared with China's overall grain usage.

China was also heavily stockpiling grain during that time in the name of food security, rapidly increasing the share of world grain supplies sitting in the Asian country.



But China abruptly ramped up grain imports in 2020. Its corn haul for the 2020-21 marketing year totaled 29.5 mmts, more than five times the pre-2020 maximum. Much of that was U.S.-sourced, and China easily became top corn importer.

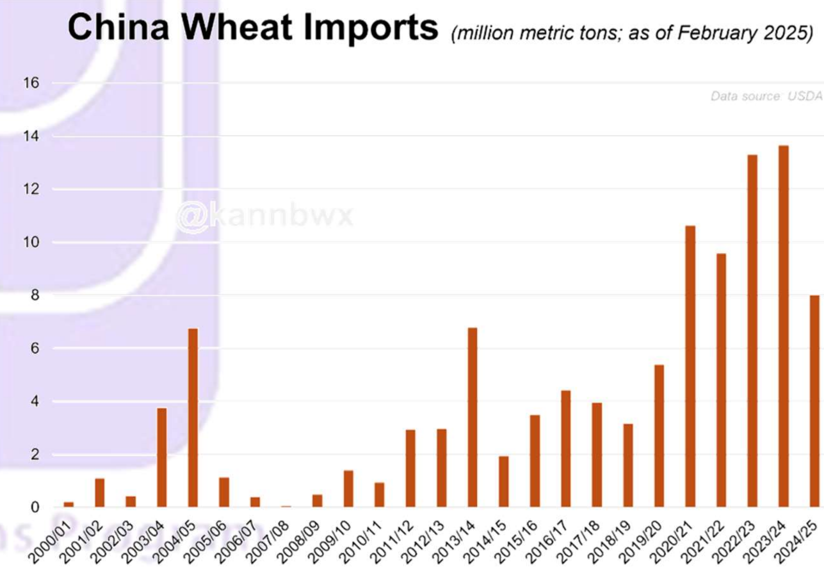
USDA balance sheets at that time suggested Chinese corn supplies were ample and that import needs should not be dire. Domestic corn and wheat crops were near record highs.

However, there were credible rumors that Chinese corn stocks had rapidly dwindled by mid-2020, much of it potentially spoiling in storage.

China's corn futures offered clues, having risen slightly earlier and more rapidly than global prices in mid-2020 and presumably reflecting domestic supply concerns.

Chinese demand helped U.S. corn exports hit exceptional levels in 2020-21 and 2021-22 despite relatively thin U.S. supplies, but Brazil siphoned much of that business starting in 2023 with China finally green-lighting Brazilian corn.

U.S. corn exports to China in 2022-23 fell nearly 50% from the previous year, and 2023-24 shipments fell another 60%. Brazil started feeling China's pullback last year as 6% of its calendar-year 2024 corn exports went to China, down from a whopping 29% in 2023.



The shift in Chinese wheat imports is less extreme but still notable. Its 2023-24 haul reached a 32-year high of 13.6 mmts. Australia is a top wheat supplier to China, though the United States shipped 1.9 mmts to China in calendar 2024.

China was the world's leading wheat importer in 2022-23 and 2023-24, but it is set for the fourth spot in 2024-25.

CHINA'S FUTURE

China's corn and wheat harvests were both record-large in 2024-25. As such, stocks-to-use is set for levels that any other country would consider tremendously burdensome, some 65% for corn and 86% for wheat.

However, those are 11- and nine-year lows, respectively, which could eventually favor China's return to global grain trade. By comparison, some analysts cannot agree whether U.S. corn stocks-to-use at 10% is bullish.

But China's economic growth is seen slowing this year and again next year, which typically does not bode well for agricultural purchases in general.

China last week delayed imports of up to 600,000 tons of mostly Australian wheat, emphasizing its retreat as an importer. It also has a negligible amount of U.S. corn on the books for export in 2024-25, the volume being the lowest for this time of year in eight years.

Chinese corn futures have drifted about 13% higher from recent lows set two months ago. Chicago corn futures have risen by the same degree since then, indicating some level of synchrony between the two markets.

But global grain exporters, particularly the United States and Brazil, may need to channel the pre-2020 mentality for now, ensuring that trade with their mainstay customers remains strong.

Karen Braun is a market analyst for Reuters. Views expressed above are her own.

➢ US comes knocking on Asia's door amid trade reset

7 February 2025 The Straits Times –Trade winds have blown a certain way for decades: Asia has mostly been the exporter and the US the biggest importer. Asia is also the producer, while the US is the consumer with an enormous appetite.

That may be about to change, as the White House, under new management, looks for ways to cut the largest trade deficit in the world, amounting to more than a trillion dollars. Most nations run huge trade surpluses with the world's largest economy, which buys more goods from the rest of the world than it sells.

At a congressional confirmation hearing for US President Donald Trump's prospective chief trade negotiator Jamieson Greer, senator after senator had the same demand: Amp up the market for America's wares – from apples and whiskey to energy, digital goods and services.

The February 6th hearing, held days after the White House fired the opening shots of a trade war, also made clear that US political elites are worried about the fallout of Trump's tariff threats on a country where millions hold trade-related jobs.

The other source of unhappiness was Trump's push for universal tariffs, a campaign promise that he would impose at least 10% on all goods from all countries.

There was no sufficient rationale or precedence for such sweeping measures, the senators said. Such tariffs would also impact Singapore, which is among a few countries to have a trade deficit with the US.

Greer, 44, who played a key role in negotiating the US-Mexico-Canada Agreement and the phase one trade deal with China during Trump's first term, was rarely on the back foot during the three-hour hearing.

Unlike Trump's more controversial nominees, such as Robert F. Kennedy Jr for health secretary, Kash Patel for chief of the Federal Bureau of Investigation and Tulsi Gabbard for director of national intelligence, Greer's candidature faced hardly any resistance.

The clamor for market access was the loudest from senators hailing from states producing agricultural goods. These states, which export significant amounts of soya bean and corn to China, fear retaliatory tariffs.

A 10% tariff on all Chinese goods went into effect on Feb 4, a day after Trump paused for 30 days his planned 25% tariffs on goods from Canada and Mexico.

In return, Beijing said it would implement from Feb 10 a 15% tariff on coal and liquefied natural gas products as well as a 10% tariff on crude oil, agricultural machinery and large-engine cars imported from the US.

It also placed curbs on exports of minerals and began an anti-monopoly investigation into Google.

"We have not opened up any new markets for our farmers in the last four years. Farmers are also concerned that they may become the target of retaliation if we use tariffs to pressure other countries to change their ways," said Republican Senator Mike Crapo, chairman of the Senate Finance Committee, which convened the hearing. His state Idaho is a leading producer of potatoes, barley and milk and cheese products.

Greer promised to shake things up. "For many decades, we have had a trading system where the United States opens its market over and over again, and others do not. In India, for example, their average tariff rate on agricultural products is 39%," he said.

Democratic Senator Maria Cantwell from Washington state suggested that a "tariff first" approach was misplaced.

"The biggest task at hand is to get more free trade agreements, to get US products into more places," she said.

Apples are her state's No. 1 export item, with most sold in Canada.

Before the tariffs were suspended, Canada had vowed to match Trump's threat of a 25% tariff on most imports from the northern neighbour.

New Hampshire's Democratic Senator Maggie Hassan warned that if tariffs on Canadian fuel imports – proposed at 10% by Trump – were to go ahead, they could raise home heating oil bills at a time of freezing temperatures.

Around 80% of New England's fuel comes from Canada, she pointed out. Before Trump delayed tariffs, some New Hampshire customers were told they would pay a 10% surcharge on their bill, adding more than US$100 to fill a 1,041-litre tank, she said.

She asked: “How would you track the impact of the President’s tariffs on New Hampshire’s families and small businesses, and what actions would you take to address increased prices caused by these tariffs?”

She proposed Greer create a hotline at his office for small businesses to call to help navigate increased prices from tariffs. He agreed.

Her fellow Democrat Senator Catherine Cortez Masto from Nevada said a small business in her state had complained about losing tens of thousands of dollars because of the trade tensions.

“I just have to tell (the businesses), ‘You are just going to be, unfortunately, a victim of the trade war. Suck it up. It’s better for the country.’” She added that workers could end up as “collateral damages”.

For Republican Senator Steve Daines from Montana, the concern was small ranchers and farmers, who were paying for the previous round of tariffs on aluminum and steel. That had pushed prices up 15%, which came to bite them when they bought large farming equipment, he said.

“Farmers and ranchers are facing razor-thin margins, in many cases now negative margins,” he said, asking for swift action to secure new markets for Montana’s producers of wheat, barley and pulses.

That idea of imposing universal tariffs drew the ire of the top Democrat on the panel, Senator Ron Wyden of Oregon. “My view is that a smart approach in trade is to dig in, in a targeted kind of way,” he said. “The Trump approach is to apply universal tariffs across the board... that’s a prescription for hitting our citizens, small businesses and individuals... and also raising inflationary pressures.”

But Greer defended Trump’s way, saying it makes sense in the context of the US trade deficit in goods, which hit a record US$1.2 trillion in 2024. The year saw a record rise in both the imports of goods and services, which grew to US$4.1 trillion, while exports hit US$3.2 trillion.

“How large of a trade deficit do we want? Because the trade deficit represents, in large part, manufacturing jobs that have gone overseas,” Greer said.

A universal tariff should be considered to see if it can reverse the direction of the deficit and the offshoring, he said, adding that the US had only a “short window” to restructure the international trading system.

Senator Tina Smith, a Democrat from Minnesota, zeroed in on a key issue that might hobble the administration’s search for new deals and markets.

Trump’s “erratic and chaotic” trade policy made the US seem like an unreliable negotiator and trading partner, she noted.

“Greer, how do you go in and try to negotiate in good faith with potential trading partners when we have a President who appears willing to tear up agreements on a whim, on an issue that might be completely unrelated to trade?”

Greer said that even if it was disruptive, Trump’s threat to impose tariffs on Canada, Mexico and China was intended to protect the US against drugs such as fentanyl and illegal immigrants. As the US trade representative, he would try to find a balance between securing more markets for US goods, protecting US workers and safeguarding national security.

➢ **By the numbers: US, Mexico, Canada, China trade: Braun**

4 February 2025 Reuters - A potential trade war between the United States and its two neighbors has been thwarted for now, though the U.S.-China status remains murky after both parties implemented tariffs on Tuesday, their leaders yet to speak with one another as of late afternoon.

All four countries occupy significant spots on each other’s trade ledgers, though the highly diverse array of products and industries involved can complicate efforts to assess the impact of a trade dispute.

China, Canada and Mexico are the top three origins for U.S. imports of all goods, accounting for about 45% of the value in 2022, which exceeded $3 trillion.

On the export side, the same three countries are the top destinations for U.S. exports of all goods, accounting for almost 39% of the total, valued near $2 trillion in 2022.

Data from the Observatory of Economic Complexity helps break down this data a bit further.

EXPORTS

The United States is the leading destination for Chinese goods and China is the No. 3 destination for U.S. ones.

Both countries’ shares of each other’s exports have fallen since the first trade war began in 2018, though the United States’ piece of China’s exports has declined by a larger degree.

In 2019, the portion of U.S. exports destined for China dropped to an 11-year low of 6.7% by value. The pre-trade-war peak was 8.7% in 2017, and it settled at 7.7% in 2022.

The United States was the destination for 18% of Chinese exports by value in 2017 and 2018, though that share fell to 14.8% in 2022.

For Mexico and Canada, exports to the United States are overwhelmingly more critical by comparison. In 2022, the United States accounted for 77% and 75%, respectively, of the total values of Mexican and Canadian exports. Mexico’s No. 2 destination at 4.1%.

Canada and Mexico share a similar importance in U.S. exports as they accounted for about 16% and 15% of the 2022 value, respectively.

IMPORTS

Canada and Mexico also rely heavily on the United States for their imports, as U.S. goods accounted for 56% of the value of all imports for both countries in 2022.

Mexico’s top U.S. imports include items like machinery, electronics, appliances, crude oil and natural gas. Those accounted for about 48% of the 2022 import value.

Cars and other vehicles are Canada’s top U.S. import at nearly 17% of the 2022 value, followed by machinery, electronics and appliances at 21%.

The United States, South Korea and Japan are generally the top contributors to China's imports, each accounting for around 7% of the total value between 2020 and 2022. In each of those same years, soybeans were the No.1 U.S. product imported by China, accounting for between 10% and 12% of the total value. Although

China's latest retaliation did not include soybeans, the oilseed offers an example of a trade flow threatened not only by possible tariffs, but also by rival suppliers.

The United States over the last decade-plus has lost competitive advantage to Brazil, particularly in the agricultural space as Brazil's output expands.

This trend can be felt at the wider scale. In 2002, the United States and Brazil combined to account for 10.6% of China's total import value, only slightly lower than the combined 2022 share of 11.2%.

But Brazil over that period increased its individual share to 4.2% from 1.1%, and similar phenomena could ultimately result if the United States finds itself in prolonged tariff disputes with other trade partners.

- **<u>U.S. Ag Export Volumes Surged 22% in 2024</u>**

7 February 2025 – Reuters market analyst Karen Braun wrote on Wednesday that Canada, China, and Mexico were the leading destination for U.S. farm goods in 2024. The three countries accounted for $91 billion or 48% of U.S. agricultural exports last year, and that percentage share is consistent with the previous three years.

By volume, U.S. bulk agricultural exports in 2024 surged 22% on the year, the biggest annual rise in a decade. Tonnages to No. 2 Mexico and No. 4 Colombia smashed records, rising 29% and 20% above the previous highs, respectively. Bulk exports to No. 3 Japan and No. 5 South Korea were up 43% and 107% on the year, respectively, with those volumes reaching six- and three-year highs. These four countries accounted for 44% of the total exported volume.

By value, U.S. agricultural and related product exports totaled $191 billion in 2024, up fractionally from 2023. That is the third largest on record in nominal dollar terms, down from 2022's high of $213 billion.

"Lower prices meant this group of commodities pulled in 5% less revenue than a year earlier, but the quantity was up significantly according to U.S. Census Bureau data published on Wednesday," said Braun.

Although bulk commodity prices were down in 2024, export prices for other top farm goods were higher on the year and pulled in more revenue versus 2023 despite mixed trends in volumes. Prices for beef, pork, tree nuts, and dairy products all rose on the year, grossing $37 billion in exports, some 19% of the total. These four commodities were among the top seven farm exports along with corn, soybeans, and forest products.

- **<u>US grain, oilseed exports surge in 2024 without boost from China</u>**

5 February 2025 Braun, Reuters News – Most global importers last year took advantage of plentiful and cheaper U.S. bulk agricultural commodities, including soybeans and corn, the top-ticket items. But China somewhat sat out on that rush.

Milestones were notched among the top U.S. bulk grain destinations in 2024 as average export prices fell by more than one-fifth versus 2023.

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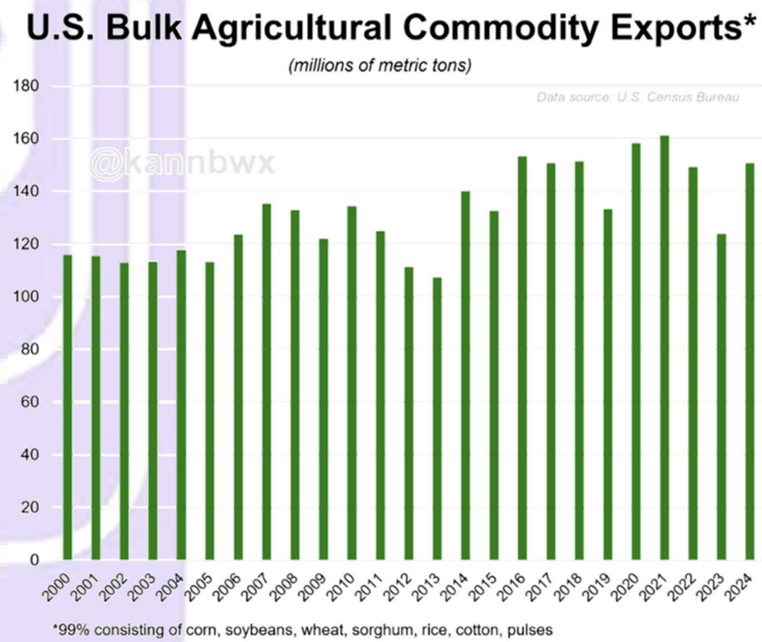

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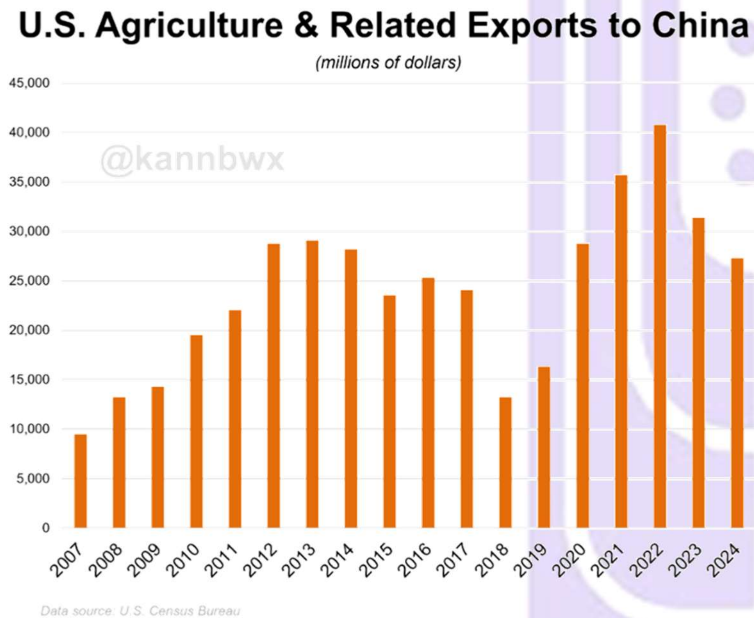
China was narrowly the largest destination for U.S. bulk exports last year, accounting for 24% of the total, though the volume was down 5% on the year. This marked a five-year low, but excluding trade war years, it was an 11-year low.

The trend with China is a bit unsettling following this week's tariff escalation. However, heavier involvement from other importers is a positive sign, especially as some industry participants have feared some markets might be weaning off U.S. agriculture, especially other Asian destinations.

BIGGER PICTURE - By value, U.S. agricultural and related product exports totaled $191 billion in 2024, up fractionally from 2023. That is the third-largest on record in nominal dollar terms, down from 2022's high of $213 billion.

Canada, which along with China and Mexico comprise the top three markets for U.S. agriculture, was the leading destination for U.S. farm goods in 2024. The three countries accounted for $91 billion or 48% of U.S. agricultural exports last year, and that percentage share is consistent with the previous three years.



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Aside from Mexico and Colombia, U.S. farm export values last year reached at least decade-high – if not record – levels to the United Kingdom, India, the Dominican Republic and Guatemala, to name a few.

Although the size of these markets pales in comparison with China's, maintaining and expanding them never hurts, especially when trade with larger partners is in question.

Value of U.S. Agricultural & Related Product Exports in 2024

(millions of U.S. dollars)

		versus 2023
Soybeans	$24,501	*(12%)*
Corn	$13,918	*+6%*
Beef & Beef Products	$10,455	*+5%*
Tree Nuts	$9,828	*+11%*
Forest Products	$9,508	*0%*
Pork & Pork Products	$8,626	*+6%*
Dairy Products	$8,219	*+3%*
Soybean Meal	$6,408	*(12%)*
Food Preparations	$6,290	*+14%*
Wheat	$5,943	*(2%)*
Everything Else	$87,522	*+2%*
GRAND TOTAL	**$191,219**	***+0.4***

Data source: U.S. Census Bureau

Karen Braun is a market analyst for Reuters. Views expressed above are her own.

(Writing by Karen Braun; Editing by Matthew Lewis)

U.S. DOLLAR & FOREIGN EXCHANGE

➢ U.S. Dollar Index – Daily Nearby as of 14th February 2025

Source: https://www.barchart.com/futures/quotes/DXY00/interactive-chart

➢ Dollar Declines on Falling US Yields

13 December 2024 by Rich Asplund, Barchart –

The dollar index (DXY00) on Friday fell by -0.52%, posting a new 2-month low and adding to Thursday's decline of -0.58%.

The dollar was undercut by Friday's weak US retail sales report and a -5 bp decline in the 10-year T-note yield, which added to Thursday's decline of -9 bp. Also, there were continued fears about a global trade war after President Trump on Friday said that new tariffs on autos are coming around April 2nd.

Friday's US Jan retail sales report of -0.9% was weaker than expectations of -0.2%. Excluding autos, Jan retail sales fell by -0.4%, weaker than expectations of +0.3%. Jan "control group" retail sales, which excludes volatile sectors, fell by -0.8%, weaker than expectations of +0.3%. However, the retail sales report was undercut to some extent by the wildfires in California and severe weather in various areas of the country.

In other US economic news, US Jan industrial production rose +0.5% m/m, stronger than expectations of +0.3%. However, Jan manufacturing production fell by -0.1%m/m, weaker than expectations of +0.1% m/m.

US Jan import prices rose by +0.3% m/m and +1.9% y/y, which was close to expectations of +0.4% m/m and +1.9% y/y. Excluding petroleum, US Jan import prices rose by +0.1% m/m, weaker than expectations of +0.2%.

The markets are discounting the chances at 2% for a -25 bp rate cut at the next FOMC meeting on March 18-19.

EUR/USD on Friday rose by +0.28%, adding to Thursday's +0.79% rally. The euro has been boosted by hopes that talks could lead to a resolution of the Russian-Ukraine war. However, the risks rose in the Russian-Ukraine war after a drone strike Thursday night damaged the Chernobyl nuclear plant.

The euro was undercut this week by Thursday's announcement by the Trump administration of reciprocal tariffs by April 1, which are likely to involve significant tariffs on US imports from Europe that would likely damage the European economy.

The Eurozone Q4 GDP report of +0.1% q/q and +0.9% y/y was close to expectations. Eurozone Q4 employment of +0.1% q/q and +0.6% y/y was slightly weaker than expectations of +0.2% q/q and +1.0% y/y.

Swaps are discounting the chances at 100% for a -25 bp rate cut by the ECB at the March 6 policy meeting.

USD/JPY fell -0.34%, adding to Thursday's decline of -1.05%. The yen continued to benefit from hawkish comments Thursday from Japanese Prime Minister Ishiba, who said the Japanese economy is on its way to achieving sustainable inflation backed by wage growth.

April gold (GCJ25) on Friday closed down -44.70 (-1.52%), while March silver (SIH25) closed up +0.129 (+0.39%). Precious metals saw support from the weaker dollar and the continued decline in the 10-year T-note yield. However, gold prices saw long liquidation pressure after the sharp rally seen in the past two months. Gold failed to see much support from the Thursday night drone attack on the Chernobyl nuclear plant in Ukraine..

➢ Relevant Exchange Rates as of 11th February 2025

	TW	LW	LY	%Y/Y
Argentina (ARS)	1,055.5	1,053.2	831.200	+27
Australia (AUD)	1.590	1.599	1.535	+4
Canada (CAD)	1.431	1.432	1.348	+6
China	7.307	7.251	7.193	+2
Euro (EUR)	0.967	0.964	0.928	+4
Indonesia (IDR in 000's)	16,370	16,340	15,630	+5
Kazakhstan	505.940	519.850	446.330	+13
Russia (RUB)	95.870	99.620	91.370	+5
Ukraine (UAH)	41.739	41.680	37.671	+11

Source: International Grains Council

- **<u>Gold – Cash Daily Nearby</u> as of 14th February 2024**

Source: https://www.barchart.com/futures/quotes/DXY00/interactive-chart

Gold might have formed the final top the past week, or it could still take place on Monday. This surge has been driven by rising geopolitical tensions, economic uncertainty, and central banks buying over 1,000 tons of gold for the third year in a row.

April gold (GCJ25) on Friday closed down -44.70 (-1.52%), while March silver (SIH25) closed up +0.129 (+0.39%). Precious metals saw support from the weaker dollar and the continued decline in the 10-year T-note yield. However, gold prices saw long liquidation pressure after the sharp rally seen in the past two months. Gold failed to see much support from the Thursday night drone attack on the Chernobyl nuclear plant in Ukraine..

Why Politicians Are Betting Big on Gold

Gold has always been seen as a safe place to invest during uncertain times, but 2025 has taken its appeal to a whole new level. This year, gold prices have hit record highs, and it's not just regular investors taking notice—politicians are making big moves too.

The global economy is filled with volatility. Trump's new [tariffs on aluminum and steel] have sparked fears of a trade war, pushing more investors toward gold as a safe bet.

Big banks like JPMorgan and Goldman Sachs are predicting that gold prices could cross $3,000 per ounce by the end of the year, thanks to ongoing inflation worries and central banks continuing to buy up massive amounts of gold.

On top of that, falling interest rates make gold, which doesn't pay interest, more attractive compared to other investments. The Federal Reserve is expected to cut rates further this year, which could boost demand for gold even more.

Geopolitical tensions are also playing a big role. Conflicts in Ukraine and the Middle East, along with uncertainty around U.S.-China trade relations, are making gold an even more appealing choice for those looking for stability.

WHEAT

➢ **World Wheat Supply & Demand Outlook**

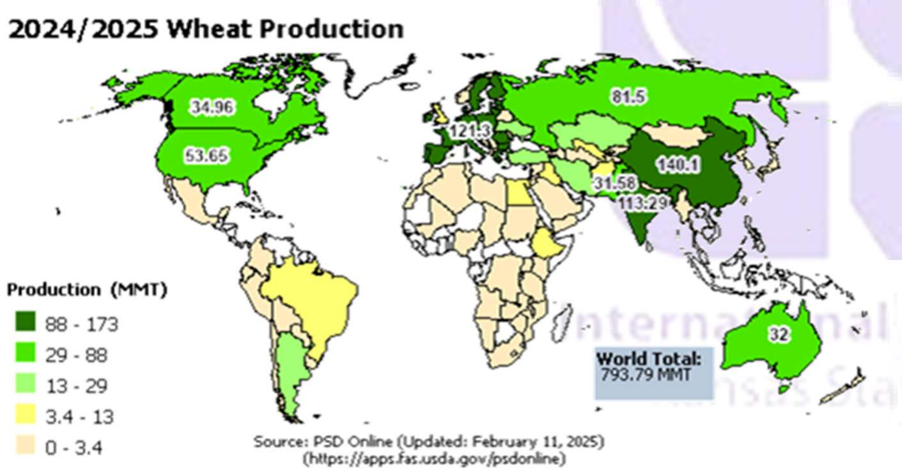
Wheat World as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Area Harvested (1000 HA)	222,361	+125(+.06%)	222,236	222,931	219,638	221,592	220,221
Beginning Stocks (1000 MT)	267,492	+25(+.01%)	267,467	274,273	273,958	284,322	297,613
Production (1000 MT)	793,792	+554(+.07%)	793,238	791,206	789,891	780,615	772,759
MY Imports (1000 MT)	204,813	-3670(-1.76%)	208,483	221,790	213,276	200,284	194,471
TY Imports (1000 MT)	204,975	-3570(-1.71%)	208,545	220,288	212,359	201,995	194,574
TY Imp. from U.S. (1000 MT)	0	-	0	19,113	20,143	21,248	26,495
Total Supply (1000 MT)	1,266,097	-3091(-.24%)	1,269,188	1,287,269	1,277,125	1,265,221	1,264,843
MY Exports (1000 MT)	208,991	-3005(-1.42%)	211,996	221,223	221,745	203,801	203,456
TY Exports (1000 MT)	209,308	-3005(-1.42%)	212,313	224,122	217,656	206,190	199,618
Feed and Residual (1000 MT)	153,501	+800(+.52%)	152,701	159,218	152,823	159,176	162,961
FSI Consumption (1000 MT)	646,044	+368(+.06%)	645,676	639,336	628,284	628,286	614,104
Total Consumption (1000 MT)	799,545	+1168(+.15%)	798,377	798,554	781,107	787,462	777,065
Ending Stocks (1000 MT)	257,561	-1254(-.48%)	258,815	267,492	274,273	273,958	284,322
Total Distribution (1000 MT)	1,266,097	-3091(-.24%)	1,269,188	1,287,269	1,277,125	1,265,221	1,264,843
Yield (MT/HA)	3.57	-	3.57	3.55	3.60	3.52	3.51

Source: USDA PS&D

OVERVIEW FOR 2024/25

11 February 2024 USDA WASDE – The USDA global wheat outlook for 2024/25 was for slightly larger supplies and higher consumption but lower trade and ending stocks.

Supplies were raised 0.6 mmts to 1,061.3 million, primarily on higher production for Kazakhstan and Argentina.



Source: USDA FAS https://ipad.fas.usda.gov/ogamaps/map.aspx?cmdty=Wheat&attribute=Production

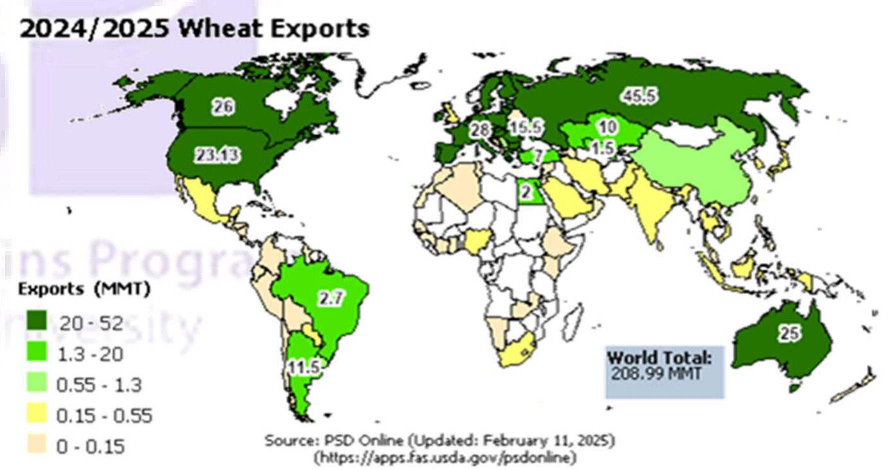
Global Wheat Production Forecast Slightly Higher in 2024/25

Global wheat production in 2024/25 is forecast up 0.6 mmts to a record 793.8 mmtsT with relatively small offsetting changes. Kazakhstan is raised based on final data from Kazakhstan's Bureau of National Statistics. Kazakhstan's 2024/25 production is estimated as the second highest on record, supported by abundant seasonal precipitation and significantly above-average soil moisture reserves. Argentina is raised on a higher yield based on updated statistics from the Ministry of Agriculture as the harvest is now complete. A lower yield in Brazil more than offsets a small increase to area harvested, reflecting updated statistics from Brazil's National Supply Company (known as CONAB)

Global Consumption Increased Slightly

Global consumption is increased 1.8 mmts to 803.7 million on higher feed and residual use for the EU, Kazakhstan, Thailand, and Ukraine. Consumption was raised this month mainly on higher projected feed and residual use.

Feed and residual use for the EU is raised on expectations that more will be available domestically with the slow export pace. Canada's feed and residual is lowered based on analysis of the latest Statistics Canada stocks data, which showed stocks were larger than expected on December 31st, 2024. Iran's feed and residual use is also expected lower based on smaller projected imports. Kazakhstan is raised with larger domestic production. Thailand is forecast higher based on larger imports of feed-quality wheat. Ukraine's feed and residual use is forecast larger based on price ratios with competing feed grains. Notably, barley feed use is projected down month to month and year to year. Food, seed, and industrial (FSI) consumption is raised for Mexico, now showing about a 1% increase year to year mainly due to population growth. For more information, see Mexico's Grain and Feed Update report published by USDA, FAS in its Global Agricultural Information Network (GAIN). United Kingdom FSI is also forecast higher based on a stronger pace of imports

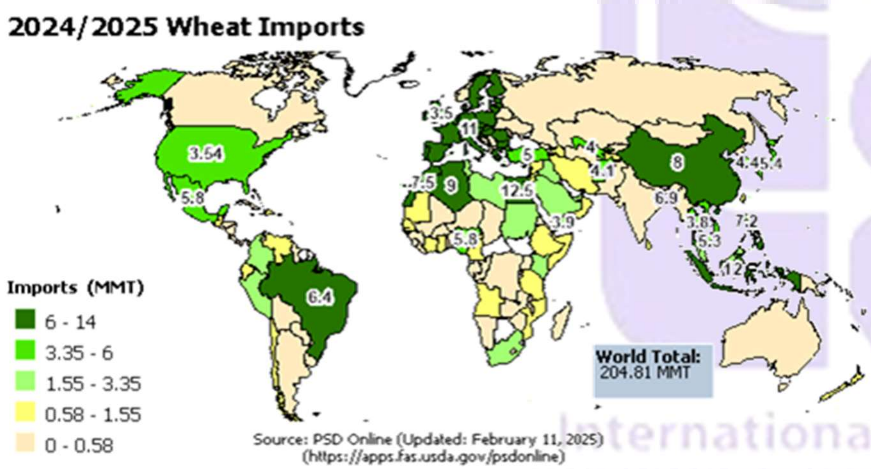


Source: USDA FAS https://ipad.fas.usda.gov/ogamaps/map.aspx?cmdty=Wheat&attribute=Exports

Global Trade Lowered Slightly in 2024/25

World trade declines 3.0 mmts to 209.0 million with export reductions for the EU, Mexico, Russia, Turkey, and Ukraine. The largest import change is a decrease for China of 2.5 mmts to 8.0 million on a continued sluggish import pace. These would be their lowest imports in five years and China was the leading world wheat importer last year at 13.6 mmts.

Global wheat exports are forecast down 14.8 MMT year to year, the largest year-to-year reduction in global trade since 1985/86. Over time, global trade tends to expand with consumption growth in regions that do not produce enough wheat. However, in 2024/25, global wheat trade is forecast down from the previous year largely as a result of abundant domestic supplies in China, Turkey, and Pakistan. All of these countries were among the leading importers in 2023/24. Wheat exports are lowered this month for the European Union (EU) based on a weak pace of trade and tight supplies. Mexico's exports are also expected down with low supplies and weak pace of trade for Durum, its primary class of wheat exported. Russia's exports are lowered based on a slowing pace of trade in January, the last full month before Russia's export quota takes effect from mid-February until the end of June. Turkey's exports are reduced with smaller expected flour and product shipments and uncompetitive prices for Durum. Ukraine's exports are forecast lower on a slowing pace of trade.

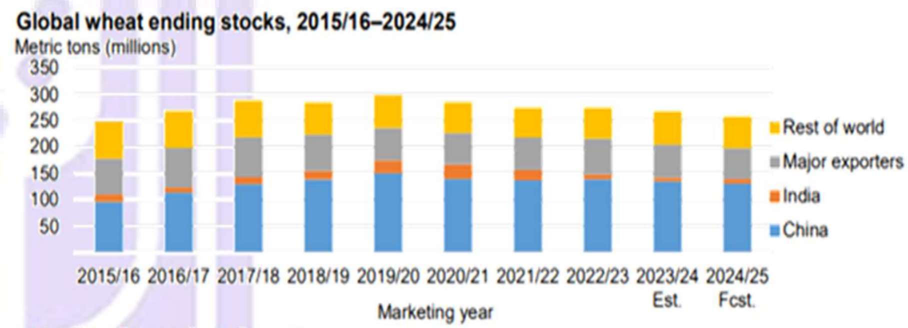


Source: USDA FAS https://ipad.fas.usda.gov/ogamaps/map.aspx?cmdty=Wheat&attribute=Exports

Global imports are reduced 3.6 MMT to 205.0 MMT mainly driven by lower expected demand from China. Import demand in that country is forecast at a 5-year low amid a weak pace of trade to date and reports that shipments are being re-routed to Southeast Asian countries. The other large reductions are for the EU and Turkey, which are both motivated by the pace of trade to date. In the case of Turkey, its government continues trade-restrictive policies that limit the percentage of imported wheat that millers can blend with domestic supplies. Other changes are predicated on the pace of trade to date, notably higher imports for the United Kingdom and Thailand as well as lower imports for Sudan and Iran.

Global Wheat Stocks Lowered

Projected USDA 2024/25 world ending stocks were lowered 1.3 mmts to 257.6 million, on a reduction for China that is only partly offset by increases for Russia, Kazakhstan, and Ukraine, and remain the lowest in 9 years.



Notes: Est. = Estimate. Fcst. = Forecast.
Major exporters: Argentina, Australia, Canada, the European Union, Kazakhstan, Russia, Ukraine, and the United States.
Source: USDA, Economic Research Service using data from USDA, World Agricultural Outlook Board.

Among major exporters, stocks are raised 1.3 MMT to 58.4 MMT with larger stocks projected for Russia and Ukraine due to reduced projected exports. Kazakhstan and Argentina are also expected to have larger stocks due to higher forecast production. Outside of major exporting countries, China's ending stocks are projected lower by 2.5 MMT based on smaller imports, Brazil is forecast down 0.2 MMT based on a smaller crop, and Mexico is up 0.2 MMT with a large reduction to its exports.

The USDA forecasted U.S. season-average farm price was unchanged at $5.55 per bushel.

Citation: Sowell, A. (2024). Wheat outlook: June 2024 (Report No. WHS-24f). U.S. Department of Agriculture, Economic Research Service.

World Wheat, Flour, and Products Trade

July/June Year, Thousand Metric Tons

	2020/21	2021/22	2022/23	2023/24	2024/25 Jan	2024/25 Feb
TY Exports						
Russia	39,100	34,000	49,000	55,500	46,000	45,500
European Union	29,736	31,927	35,083	37,974	29,000	28,000
Canada	27,722	15,010	25,334	25,659	26,000	26,000
Australia	19,720	25,958	32,329	22,504	25,000	25,000
Ukraine	16,851	18,844	17,122	18,577	16,000	15,500
Argentina	9,597	17,651	4,681	7,282	11,500	11,500
Kazakhstan	8,128	8,459	9,862	8,409	10,000	10,000
Turkey	6,571	6,646	6,953	9,998	7,500	7,000
Brazil	911	3,105	2,689	2,812	2,700	2,700
Egypt	705	300	661	1,851	2,000	2,000
Others	13,941	22,943	13,663	13,962	13,113	12,608
Subtotal	172,982	184,843	197,377	204,528	188,813	185,808
United States	26,636	21,347	20,279	19,594	23,500	23,500
World Total	199,618	206,190	217,656	224,122	212,313	209,308
TY Imports						
Egypt	12,149	11,256	11,221	12,346	12,500	12,500
Indonesia	9,995	11,271	9,446	13,015	12,000	12,000
European Union	5,390	4,631	12,228	12,652	11,500	11,000
Algeria	7,680	8,500	8,700	9,500	9,000	9,000
China	10,618	9,568	13,282	13,635	10,500	8,000
Morocco	5,191	4,726	5,770	6,205	7,500	7,500
Philippines	6,105	6,886	5,750	6,915	7,200	7,200
Bangladesh	7,200	6,340	5,120	6,700	6,900	6,900
Brazil	6,359	6,582	4,985	5,917	6,500	6,500
Mexico	4,724	5,326	5,232	5,290	5,800	5,800
Nigeria	6,586	6,187	4,732	5,105	5,800	5,800
Japan	5,493	5,605	5,452	5,346	5,400	5,400
Vietnam	3,900	4,517	4,317	5,441	5,300	5,300
Turkey	8,051	9,555	12,500	8,940	5,500	5,000
Korea, South	3,889	5,099	4,533	4,990	4,400	4,400
Afghanistan	3,700	4,000	4,350	3,900	4,100	4,100
Uzbekistan	3,546	3,318	4,269	3,616	4,000	4,000
Yemen	4,058	3,442	4,157	3,993	3,900	3,900
Thailand	3,306	2,351	3,163	3,316	3,600	3,800
United Kingdom	3,033	2,634	2,030	3,135	3,200	3,500
Saudi Arabia	2,773	3,052	5,260	3,890	3,200	3,200
Kenya	2,092	2,042	2,324	2,591	2,600	2,600
Iraq	2,175	2,576	3,986	2,761	2,200	2,200
Colombia	1,906	2,057	2,036	1,973	2,100	2,100
Peru	2,240	1,979	1,906	2,101	2,100	2,100
Others	59,761	65,785	62,371	63,236	58,245	57,675
Subtotal	191,920	199,285	209,120	216,509	205,045	201,475
Unaccounted	5,012	4,174	5,267	3,834	3,768	4,333
United States	2,686	2,731	3,269	3,779	3,500	3,500
World Total	199,618	206,190	217,656	224,122	212,313	209,308

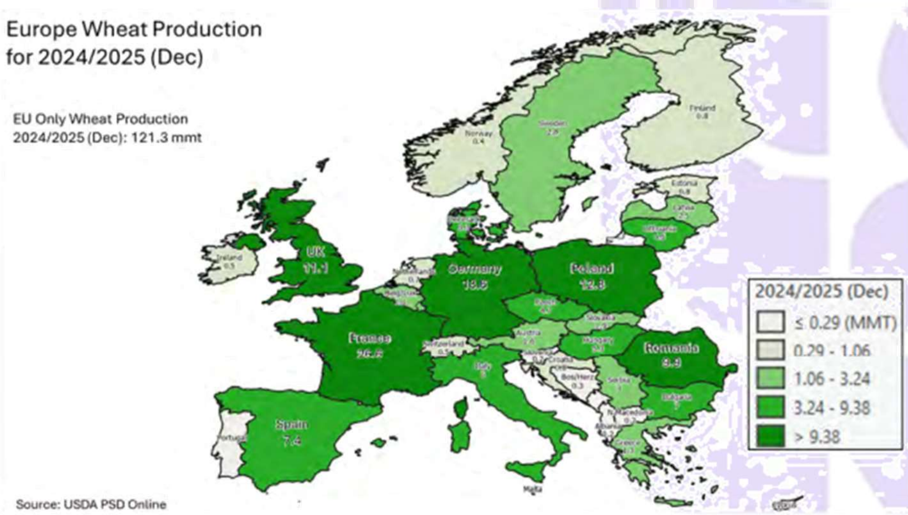
TRADE CHANGES IN 2024/25 (1,000 MT)

Country	Attribute	Previous	Current	Change	Reason
China	Imports	10,500	8,000	-2,500	Continued slow pace of imports
European Union	Imports	11,500	11,000	-500	Diminishing imports from Ukraine
Iran	Imports	1,800	1,600	-200	Lower trade volumes with Russia
Sudan	Imports	2,400	2,100	-300	Reduced volumes of both grain and flour
Thailand	Imports	3,600	3,800	200	Continued large purchases of feed-quality wheat
Turkey	Imports	5,500	5,000	-500	Continued trade-restrictive policies
United Kingdom	Imports	3,200	3,500	300	Strong pace of imports
European Union	Exports	29,000	28,000	-1,000	Slow pace of exports
Mexico	Exports	700	200	-500	Low supplies and exports of durum
Russia	Exports	46,000	45,500	-500	Smaller shipments in January
Turkey	Exports	7,500	7,000	-500	Lower flour shipments and uncompetitive durum export prices
Ukraine	Exports	16,000	15,500	-500	Reduced exportable supplies

USDA – European Union Wheat Supply & Demand Outlook

Wheat European Union as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Area Harvested (1000 HA)	22,834	-	22,834	24,339	24,435	24,294	22,972
Beginning Stocks (1000 MT)	15,541	-	15,541	16,268	13,631	10,698	13,110
Production (1000 MT)	121,300	-	121,300	135,095	134,492	138,479	126,684
MY Imports (1000 MT)	11,000	-500(-4.35%)	11,500	12,652	12,228	4,631	5,390
TY Imports (1000 MT)	11,000	-500(-4.35%)	11,500	12,652	12,228	4,631	5,390
TY Imp. from U.S. (1000 MT)	0	-	0	0	381	285	657
Total Supply (1000 MT)	147,841	-500(-.34%)	148,341	164,015	160,351	153,808	145,184
MY Exports (1000 MT)	28,000	-1000(-3.45%)	29,000	37,974	35,083	31,927	29,736
TY Exports (1000 MT)	28,000	-1000(-3.45%)	29,000	37,974	35,083	31,927	29,736
Feed and Residual (1000 MT)	45,000	+500(+1.12%)	44,500	46,500	45,000	45,000	42,500
FSI Consumption (1000 MT)	64,250	-	64,250	64,000	64,000	63,250	62,250
Total Consumption (1000 MT)	109,250	+500(+.46%)	108,750	110,500	109,000	108,250	104,750
Ending Stocks (1000 MT)	10,591	-	10,591	15,541	16,268	13,631	10,698
Total Distribution (1000 MT)	147,841	-500(-.34%)	148,341	164,015	160,351	153,808	145,184
Yield (MT/HA)	5.31	-	5.31	5.55	5.50	5.70	5.51

Source: USDA PS&D



European Union Wheat: Production Reduced Based on Harvest Results

11 February 2025 USDA FAS – Wheat production in the European Union (EU) for marketing year (MY) 2024/25 was left unchanged this month, estimated at 121.3 mmts 10% below last year and the 5-year average.

Harvested area is estimated at 22.8 million hectares (mha), down 6% from last year and 5% from the 5-year average.

Yield is estimated at 5.31 mts/ha, 4% below last year's estimate.

(For more information, please contact Bryan.Purcell@usda.gov)

USDA – Russia Wheat Supply & Demand Outlook

Wheat Russia as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Area Harvested (1000 HA)	28,000	-	28,000	28,830	29,000	27,630	28,683
Beginning Stocks (1000 MT)	11,688	-	11,688	14,388	12,088	11,380	7,228
Production (1000 MT)	81,500	-	81,500	91,500	92,000	75,158	85,352
MY Imports (1000 MT)	300	-	300	300	300	300	400
TY Imports (1000 MT)	300	-	300	300	300	300	400
TY Imp. from U.S. (1000 MT)	0	-	0	0	0	0	0
Total Supply (1000 MT)	93,488	-	93,488	106,188	104,388	86,838	92,980
MY Exports (1000 MT)	45,500	-500(-1.09%)	46,000	55,500	49,000	34,000	39,100
TY Exports (1000 MT)	45,500	-500(-1.09%)	46,000	55,500	49,000	34,000	39,100
Feed and Residual (1000 MT)	15,500	-	15,500	16,000	18,000	17,500	19,000
FSI Consumption (1000 MT)	22,750	-	22,750	23,000	23,000	23,250	23,500
Total Consumption (1000 MT)	38,250	-	38,250	39,000	41,000	40,750	42,500
Ending Stocks (1000 MT)	9,738	+500(+5.41%)	9,238	11,688	14,388	12,088	11,380
Total Distribution (1000 MT)	93,488	-	93,488	106,188	104,388	86,838	92,980
Yield (MT/HA)	2.91	-	2.91	3.17	3.17	2.72	2.98

Source: USDA PS&D

Russia's IKAR trims 2024/25 wheat export forecast to 43 mmts

10 February 2025 Reuters – Russia's IKAR consultancy cut its 2024/25 wheat export forecast on Monday to 43 mmts from 43.5 mmts, citing low stocks in the world's top wheat exporter and low margins as the main factors.

Russia's overall grain exports are set to fall by a fifth from last season's record 57 mmts owing to bad weather affecting crops, agriculture minister Oksana Lut said.

IKAR has been lowering its wheat export estimates from the 44.5 mmts initially forecast for the season last summer.

"This is related to our assessment of the availability of wheat that meets export quality and its distribution, high stocks beyond the Urals and relatively low in the south and centre of the country," said IKAR head Dmitry Rylko.

He emphasised that exporters' low margins were also partly responsible for the reduced forecast.

IKAR also cut its 2025 wheat production estimates to 82 mmts from 84 mmts previously in a baseline scenario, saying that forecast freezing temperatures in a snowless winter could affect crops.

"We see that in January-February there is no strong and proper precipitation, especially in the central and northern parts of the southern region of the country," Rylko said.

"Moreover, the coming frosts are not very strong, but they may affect the condition of already weak plants," he added.

Frosts are expected to hit the European part of Russia later in February.

IKAR also cut its wheat production estimate to 77 mmts from 79 mmts in a pessimistic scenario and to 87 mmts from 89 mmts in an optimistic scenario.

Russia Ministry of Agriculture distributed the bulk of the quota

11 February 2025 – The Russian Agriculture Ministry has distributed the main part of the quota for wheat exports in 2025 among 219 companies, Interfax reports citing the ministry's order. "The largest share - almost 2.4 mmts - was given to the company Grain Gates. The share of the company "Aston" was almost 991.2 thousand tonnes, "OZK Trading" - 494.4 thousand tonnes. Got a share in the quota (404.1 thousand tonnes) and the company "Rodnye Polye" (former TD "Rif"), which was transferred to the possession of Rosmuschestvo", - stated in the message. As it is specified, the quota will be effective from February 15, its volume is 10.6 mmts. Outside the quota the rate will be 50%, but not less than 100 EUR/t. From 2024 the quota for export of Russian grain outside the EAEU is divided into main and additional parts. Its main part (90%) is distributed according to the historical principle. At the same time, each exporter will calculate a reduction factor equal to the percentage of quota sampling in the previous period. The additional quota volume will consist of three parts: 10% of the total quota volume plus the volume "released" as a result of the application of the reduction coefficient, as well as the volume formed from refusals. Exporters who have already been allocated the main part of the quota according to the historical principle will be able to apply for the additional part. **(APK)**

Russian grain harvest in 2025 will be about 123 mmts

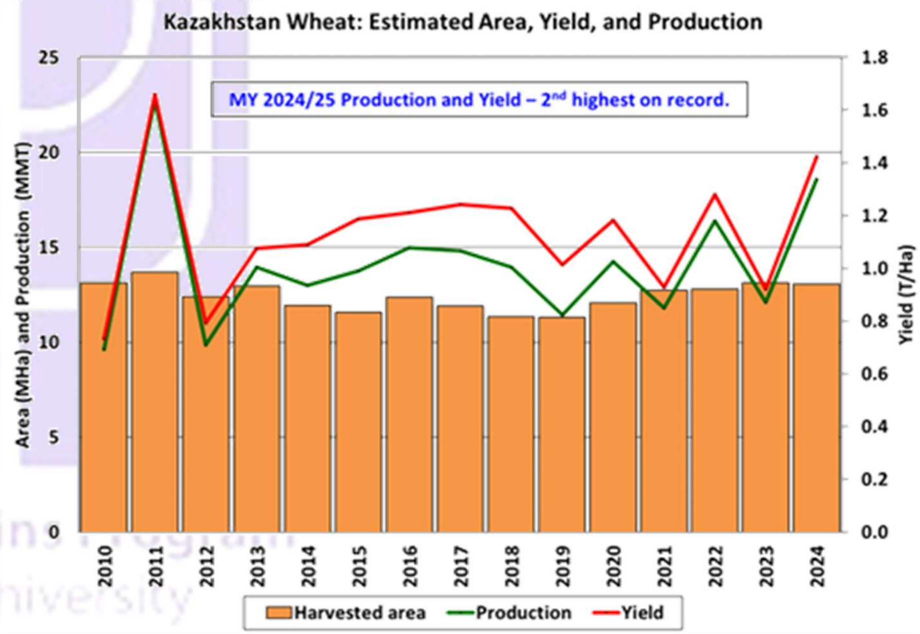
11 February 2025 APK – Analysts of the company ProZerno released the first forecast of the gross harvest of grain and leguminous crops in Russia, which in 2025 may amount to 122.88 mmts. This is 1.7% behind last year's figure and 10% behind the average result for the last five years, as stated in the company's Telegram channel. "At the moment we forecast winter crops death at the level of 8.2% - from the sown 17.548 mha of winter crops about 16.11 mha will be harvested. Sown areas under spring cereals may be about 29.1 mha. And in general grain crops-2025 may decrease by 2%, from 46.093 mha in 2024 to 45.2 mha in the current year", - analysts specified. The company specified that by now Rosstat has released only a preliminary estimate of the total gross harvest of Russian grain last year - 124.964 mmts of grain against 144.962 mmts in 2023. "And since the preliminary data does not detail winter and spring grain crops, it is possible to make a comparative analysis of the total data for wheat, barley and rye," the analysts said. Thus, according to their calculations, the wheat harvest in this year may decrease by 6% - to 77.44 mmts against 82.42 mmts a year earlier. At the same time, barley production may increase (by 6.2%, to 17.7 mmts against 16.7 mmts in 2024) and corn production by 9.8% (to 14.55 mmts against 13.25 mmts a year ago). In addition, a record harvest of grain legumes can be expected in 2025 - 6 mmts against 5.37 mmts in 2024.

USDA – Kazakhstan Wheat Supply & Demand Outlook

Wheat Kazakhstan as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Area Harvested (1000 HA)	13,067	+67(+.52%)	13,000	13,130	12,811	12,719	12,057
Beginning Stocks (1000 MT)	3,445	-	3,445	4,209	1,479	1,475	663
Production (1000 MT)	18,577	+577(+3.21%)	18,000	12,111	16,404	11,814	14,256
MY Imports (1000 MT)	500	-	500	2,500	4,000	2,500	1,000
TY Imports (1000 MT)	500	-	500	2,347	4,000	2,500	1,000
TY Imp. from U.S. (1000 MT)	0	-	0	0	0	0	0
Total Supply (1000 MT)	22,522	+577(+2.63%)	21,945	18,820	21,883	15,789	15,919
MY Exports (1000 MT)	10,000	-	10,000	7,825	10,874	8,110	8,194
TY Exports (1000 MT)	10,000	-	10,000	8,409	9,862	8,459	8,128
Feed and Residual (1000 MT)	3,200	+200(+6.67%)	3,000	2,500	1,800	1,350	1,450
FSI Consumption (1000 MT)	5,100	-	5,100	5,050	5,000	4,850	4,800
Total Consumption (1000 MT)	8,300	+200(+2.47%)	8,100	7,550	6,800	6,200	6,250
Ending Stocks (1000 MT)	4,222	+377(+9.8%)	3,845	3,445	4,209	1,479	1,475
Total Distribution (1000 MT)	22,522	+577(+2.63%)	21,945	18,820	21,883	15,789	15,919
Yield (MT/HA)	1.42	+(+2.9%)	1.38	0.92	1.28	0.93	1.18

Source: USDA PS&D

Kazakhstan Wheat: Second Highest Yield and Production Based



Source: USDA PSD Online

11 February 2025 USDA FAS – Kazakhstan wheat production for marketing year 2024/25 is estimated at 18.6 mmts, up 3% from last month and 53% from last year. Total wheat yield is estimated at 1.42 mts/ha, up 3% from last month and 54% from last year. Total harvested area is estimated at 13.1 million hectares, up less than 1% from last month, but down less than 1% from last year.

The National Bureau of Statistics of the Republic of Kazakhstan released its annual agricultural statistics for all crops harvested in 2024 on January 30, 2025. Abundant seasonal precipitation and significant above-average soil moisture reserves allowed the vegetation response to remain above normal during the entire growing season across all major grain producing oblasts. Based on open source articles, the abnormally wet weather boosted yields, but hampered the grain quality.

Yields exceeded expectations and surpassed the 5-year averages in all three key wheat growing oblasts of North Kazakhstan (up 41%), Qostanay (up 33%), and Aqmola (up 30%) resulting in the second highest yield and production on record. These percentages represent this season’s yield change relative to the 5-year average for each oblast.

For more information, please contact Iliana.Mladenova@usda.gov.)

Kazakhstan has exported 4.8 mmts of grain harvest 2024

11 February 2025 APK – According to the operational data of KTZ NC JSC, in September-January 2024/25 MY 6.1 mmts of Kazakhstani grain was transported, of which 1.3 mmts - within the country, and 4.8 mmts - for export. The growth of export volumes amounted to 47%, the Ministry of Agriculture of the Republic of Kazakhstan specified. The main export destinations were:

- Uzbekistan - 1.8 mmts (+40%)
- Tajikistan - 724 thousand tons (+50%)
- China - 659 thousand tonnes
- Afghanistan - 217 thousand tonnes (+38%)
- Iran - 576 thousand tonnes (29-fold increase)
- Azerbaijan - 266 thousand tonnes (88 times growth).

At the end of the calendar year 2024 the country transported 10.6 mmts of grain, of which 2.5 mmts was within the country, and 8.1 mmts for export. Also, for this period 3.2 mmts of flour were transported, of which 817 thousand tons were within Kazakhstan, 2.4 mmts - for export (+3% growth). The main importers of flour were Central Asian countries, China, Afghanistan, and others.

Kazakhstan says grain transit issues with Russia resolved

11 February 2025 Reuters – Kazakhstan has resolved most of its grain transit and transhipment issues with Russia, allowing grain exports to Europe and North Africa through Russia's Baltic ports to flow unhindered, the country's agriculture minister said on Tuesday.

Ex-Soviet neighbours Russia and Kazakhstan, both members of the Eurasian Economic Union, have been in a grain trade dispute since last year with both countries banning each other's grain from their domestic markets.

Kazakhstan, which only has access to the inland Caspian Sea and relies on Russian ports for exports, had a record grain harvest of 26.7 mmts in 2024 and plans to export 6.5 mmts with 1.5 mmts going to Europe and North Africa.

Russia allowed transit of Kazakh grain through its ports last November, but on condition the grain was loaded directly from railcars into vessels without going into temporary storage, creating logistical problems for Kazakh exporters.

"Issues with grain, legumes, and oilseed crops have been resolved. The rail cars are no longer standing idle at the transshipment points as they used to. We have resolved this promptly, and exports are being shipped," said Agriculture Minister Aidarbek Saparov.

USDA – Ukraine Wheat Supply & Demand Outlook

Wheat Ukraine as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Area Harvested (1000 HA)	5,200	-	5,200	5,010	5,600	7,409	6,847
Beginning Stocks (1000 MT)	706	-	706	2,926	6,265	1,505	1,504
Production (1000 MT)	22,900	-	22,900	23,000	21,500	33,007	25,420
MY Imports (1000 MT)	80	-	80	57	83	97	132
TY Imports (1000 MT)	80	-	80	57	83	97	132
TY Imp. from U.S. (1000 MT)	0	-	0	0	0	0	0
Total Supply (1000 MT)	23,686	-	23,686	25,983	27,848	34,609	27,056
MY Exports (1000 MT)	15,500	-500(-3.13%)	16,000	18,577	17,122	18,844	16,851
TY Exports (1000 MT)	15,500	-500(-3.13%)	16,000	18,577	17,122	18,844	16,851
Feed and Residual (1000 MT)	2,200	+200(+10%)	2,000	2,000	3,000	3,500	2,600
FSI Consumption (1000 MT)	4,700	-	4,700	4,700	4,800	6,000	6,100
Total Consumption (1000 MT)	6,900	+200(+2.99%)	6,700	6,700	7,800	9,500	8,700
Ending Stocks (1000 MT)	1,286	+300(+30.43%)	986	706	2,926	6,265	1,505
Total Distribution (1000 MT)	23,686	-	23,686	25,983	27,848	34,609	27,056
Yield (MT/HA)	4.40	-	4.40	4.59	3.84	4.45	3.71

Source: USDA PS&D

Ukrainian wheat exports in 2024/25 exceed 11 mmts

7 February 2025 APK – Ukraine has exported 26.449 mmts of grain and leguminous crops since the beginning of 2024/25 MY, of which 758 kmts were shipped this month.

This was reported by the press service of the Ministry of Agrarian Policy with reference to operational data of the State Customs Service of Ukraine.

On the same date last year, the total shipments amounted to 24.716 mmts, including 840 kmts in February. In terms of crops since the beginning of the current season were exported:

- wheat - 11.073 mmts (in February - 269 kmts);
- barley - 2.079 mmts (15 kmts);
- rye - 10.8 kmts (0);
- corn - 12.865 mmts (472 kmts).

Total exports of Ukrainian flour since the beginning of the season as of February 7th are estimated at 44.3 kmts (0.7 kmts in February), including wheat flour - 40.9 kmts (0.7 kmts).

- **Feed wheat prices in Ukrainian ports steadily rise**

7 February 2025 APK – According to APK-Inform news agency, since the beginning of the week in Ukrainian ports there has been a stable increase in purchase prices in the segment of feed wheat. The demand prices were supported by the steady demand of importers with a limited number of offers of feed wheat from agricultural producers and increased competition for its purchase. In addition, a similar price situation in the market of food wheat and previous increases on the world platforms contributed to the price increase. Thus, in Great Odessa and Danube ports demand prices for feed wheat increased by another 1-3 USD/t and as of February 6, 2025, are reported in the ranges of 213-220 and 213-221 USD/t CPT-port, respectively. At the same time, on FOB basis the increase in demand prices amounted to 2 USD/t on average and is fixed in the range of 226-232 US$/mt.

- **USDA – Argentina Wheat Supply & Demand Outlook**

Wheat Argentina as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Area Harvested (1000 HA)	6,000	-	6,000	5,575	5,500	6,550	6,395
Beginning Stocks (1000 MT)	4,537	-	4,537	3,967	1,926	2,322	2,457
Production (1000 MT)	17,700	+200(+1.14%)	17,500	15,850	12,550	22,150	17,640
MY Imports (1000 MT)	10	-	10	4	3	4	6
TY Imports (1000 MT)	10	-	10	4	3	4	6
TY Imp. from U.S. (1000 MT)	0	-	0	0	0	0	0
Total Supply (1000 MT)	22,247	+200(+.91%)	22,047	19,821	14,479	24,476	20,103
MY Exports (1000 MT)	11,500	-	11,500	8,234	3,662	16,000	11,531
TY Exports (1000 MT)	11,500	-	11,500	7,282	4,681	17,651	9,597
Feed and Residual (1000 MT)	250	-	250	250	250	250	50
FSI Consumption (1000 MT)	6,800	-	6,800	6,800	6,600	6,300	6,200
Total Consumption (1000 MT)	7,050	-	7,050	7,050	6,850	6,550	6,250
Ending Stocks (1000 MT)	3,697	+200(+5.72%)	3,497	4,537	3,967	1,926	2,322
Total Distribution (1000 MT)	22,247	+200(+.91%)	22,047	19,821	14,479	24,476	20,103
Yield (MT/HA)	2.95	+(+1.03%)	2.92	2.84	2.28	3.38	2.76

Source: USDA PS&D

Argentina Wheat Exports Accelerate with Competitive Prices

Argentina has started strong for marketing year (MY) 2024/25 (December – November) and exports are forecast to increase by 40% to 11.5 mmts. A key factor driving exports is a continued rebound in production from a drought year in MY 2022/23, with the 2024/25 harvest up almost 12% from the prior year to 17.7 mmts.

In addition, Argentina has ample carry-in stocks as producers held supplies in the hopes of more favorable government policies. On January 27th, 2025, Argentina lowered export taxes on major commodities until June 30, 2025. The wheat export tax was reduced from 12.0% to 9.5%, further supporting exports.

As a Southern Hemisphere wheat producer, Argentina supplies the global market during a time of year when many Northern Hemisphere exporters have dwindling supplies. Argentina's wheat exports historically follow a seasonal pattern, with significant exports from December to March after its harvest. Russia and Ukraine recently enacted export quotas, while European Union exports are limited due to its historically small crop. Argentina is well positioned to fill these shortfalls.

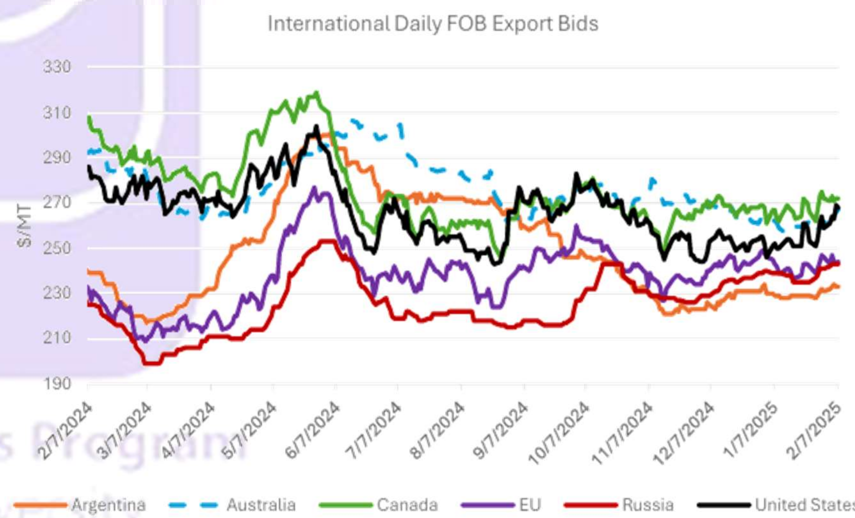
Argentina's National Institute of Statistics reports December 2024 wheat exports were 1.3 mmts, and port data shows January 2025 wheat exports at 1.9 mmts10, consistent with historically strong starts to the marketing year.

Argentina's primary export market is Brazil, representing over 50% of its wheat exports in 2023/24. However, in the first few months of the current marketing year, Argentina's port data shows that exports are expanding into new regions.

Russia, the key supplier to Africa, is curtailing its wheat shipments with an export quota, and Argentina has steadily gained market share across the continent in recent months. Argentina has also increased exports to South and Southeast Asia, though it will soon face competition from Australian exports.

With increased supplies and lower export prices, Argentine wheat export prices are currently the most competitive among major exporters at $233/ton as of February 7th.

- **Global Wheat Prices**



Note: Prices as of February 7, 2025

Source: International Grains Council
*Note on FOB prices: Argentina- 12.0%, up river; Australia- average of APW; Kwinana, Newcastle, and Port Adelaide; Russia - Black Sea- milling; EU- France grade 1, Rouen; US- HRW 11.5% Gulf; Canada- CWRS (13.5%), Vancouver.

Argentina	Australia	Canada	EU	Russia	United States
$233	$267	$272	$244	$243	$268

Source: International Grains Council
*Note on FOB prices: Argentina- 12.0%, up river; Australia- average of APW; Kwinana, Newcastle, and Port Adelaide; Russia - Black Sea- milling; EU- France grade 1, Rouen; US- HRW 11.5% Gulf; Canada- CWRS (13.5%), Vancouver

Apart from the $16/ton increase for U.S. quotes, global exporter quotes were largely unchanged since the January WASDE.

Canadian quotes rose $5/ton with a steady pace of exports.

Argentine quotes remain the most competitive, despite a slight increase of $4/ton. Argentina's peak season for exports continues as new-crop supplies are abundant following its recent harvest.

Australian quotes rose $5/ton with stronger demand from several key Asia markets despite weak demand from China.

EU quotes were little changed. Russian quotes edged $4/ton higher as domestic wheat supplies tighten and exporters prepare for quota implementation in mid-February.

- **Wheat Export Prices (FOB, US$/mt) as of 11th February 2025**

		TW	LW	LY	%Y/Y
Argentina Grade B, Up River	Feb	236	233	239	-1
Australia APW, Port Adelaide (SA) a)	Feb	257	255	290	-11
Australia ASW, Port Adelaide (SA) a)	Feb	251	249	274	-8
Canada 1 CWRS (13.5%), St. Lawrence	Mar	271	275	304	-11
EU (France) Grade 1, Rouen	Feb	248	247	231	+7
EU (Germany) B quality, Hamburg	Feb	254	254	241	+5
EU (Romania) Milling (12.5%),	Mar	251	250	228	+10
Russia Milling (12.5%)	Mar	246	243	225	+9
Ukraine (<11%)	Mar	232	230	185	+25
US DNS (14%), PNW	Mar	284	291	310	-8
US HRW (11.5%), Gulf	Mar	264	264	282	-6
US SRW, Gulf	Mar	247	247	258	-4
US SW, PNW	Mar	245	240	259	-5

Source: International Grains Council

Price changes were reported mixed across major wheat origins over the past week. While traders noted generally tepid international demand, global values remained supported by new crop uncertainties in some northern hemisphere producers.

Market sentiment has been underpinned by solid export-related data, which included US all-wheat net export sales of 438,867 mts in the w/e the 30th January, up by 12% from the prior four-week average, lifting 2024/25 (Jun/May) cumulative commitments to 18.6 mmts (+8% y/y). U.S. export inspections in the w/e 6th February of 536,217 mts were the largest since late September 2024, with the MY2024/25 total at 14.6 mmts (+26%). Additional support to prices stemmed from perceived weather-related crop risks in Ukraine and Russia.

Traders also monitored the condition of local winter crops amid reports severe cold and patchy snow cover in some areas. This week's USDA WASDE report had little discernible market impact, as 2024/25 all-wheat domestic consumption forecast was raised by 0.1 mmts, to 31.4 mmts (30.2mmts LY), with end-season stocks lowered to 21.6 mmts (19.0 mmts LY), still a four-season high.

Global 2024/25 wheat production and consumption were pegged 0.6 mmts and 1.2 mmts higher m/m, at 793.8 mmts (791.2 mmts LY) and 799.5 mmts (798.6 mmts LY), respectively, while end-season carryovers were lowered by 1.3 mmts, to a multi-year low of 257.6m (267.5m).

Trade-related changes included reduced import projections for the EU and China, as well as lower export outlooks for the EU, Russia and Ukraine.

Prices quoted in Canada were softer w/w, in part tied to Statistics Canada's higher than anticipated estimate for all-wheat stocks as at 31st December, pegged at 24.5 mmts (+1% on one year ago), including durum at 3.6 mmts (+13%).

At 561,200 mts, Canada's all-wheat shipments in the w/e 2nd February were slightly above the prior four-week average, lifting 2024/25 (Aug/Jul) accumulated shipments to 13.3 mmts (+6% y/y), including durum at 2.9 mmts (+77%) and other wheats at 10.5 mmts (-4%).

Despite slack overseas buying interest, EU export prices (France) were little changed, with support coming from crop-related uncertainties in the Black Sea region, robust domestic feed demand and sub-optimal local growing conditions for winter crops. The latter was highlighted in the latest report from the French Farm Ministry, which suggested that soggy conditions in some areas could lead to yield losses and re-sowing with spring crops. Nonetheless, the Ministry raised its 2025/26 winter wheat plantings estimate for France by 0.1 mha from December, to 4.6 mha (+10% y/y, +0.4% on five-year average). Durum area estimate was pegged slightly lower than in December, at 198,000 ha (-6%, -17%), a 30-year low.

Export quotations in Russia continued to climb amid tightening exportable supplies. Few offers were noted ahead of the introduction of a 10.6 mmts export quota (15th Feb – 30th Jun 2025), of which 8.6 mmts had reportedly been allocated to local trading companies. However, there were unconfirmed rumours that the recommended floor price for export tenders had been lowered by $5/mt ahead of today's tender from Algeria's OAIC for a nominal 50,000 mts optional-origin milling wheat for March/April shipment.

Russian rail infrastructure operator Rusagrotrans estimated January exports at 2.5 mmts (vs 4.1 mmts same period of previous year), with 2024/25 (Jul/Jun) accumulated shipments seen at a record 32.2 mmts (31.8 mmts LY). February exports were forecast at 2.4 mmts - 2.5 mmts (4.4 mmts). Citing dwindling inventories and lower export margins, analyst IKAR cut its 2024/25 (Jul/Jun) export projection by 0.5 mmts, to 43.0 mmts. Furthermore, 2025/26 production forecast was reduced by 2.0 mmts, to 82.0 mmts (base scenario), amid forecasts for frosty conditions and limited snow cover in southern growing regions.

With solid overseas demand and reluctant grower selling, FOB quotations in Ukraine ticked higher w/w. According to the Ag. Ministry, wheat shipments in the w/e the 7th February totaled 329,000 mts, taking 2024/25 (Jul/Jun) cumulative dispatches to 11.1 mmts (vs 9.6 mmts year ago).

➢ USDA – U.S. Wheat Supply & Demand Outlook

Wheat United States as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Area Harvested (1000 HA)	15,568	-	15,568	15,005	14,360	15,032	14,815
Beginning Stocks (1000 MT)	18,954	-	18,954	15,501	18,355	23,001	27,985
Production (1000 MT)	53,650	-	53,650	49,095	44,898	44,804	49,523
MY Imports (1000 MT)	3,538	-	3,538	3,760	3,309	2,617	2,726
TY Imports (1000 MT)	3,500	-	3,500	3,779	3,269	2,731	2,686
TY Imp. from U.S. (1000 MT)	0	-	0	0	0	0	0
Total Supply (1000 MT)	76,142	-	76,142	68,356	66,562	70,422	80,234
MY Exports (1000 MT)	23,133	-	23,133	19,241	20,730	21,656	27,048
TY Exports (1000 MT)	23,500	-	23,500	19,594	20,279	21,347	26,636
Feed and Residual (1000 MT)	3,266	-	3,266	2,308	2,026	2,402	2,309
FSI Consumption (1000 MT)	28,127	+95(+.34%)	28,032	27,853	28,305	28,009	27,876
Total Consumption (1000 MT)	31,393	+95(+.3%)	31,298	30,161	30,331	30,411	30,185
Ending Stocks (1000 MT)	21,616	-95(-.44%)	21,711	18,954	15,501	18,355	23,001
Total Distribution (1000 MT)	76,142	-	76,142	68,356	66,562	70,422	80,234
Yield (MT/HA)	3.45	-	3.45	3.27	3.13	2.98	3.34

Source: USDA PS&D

11 February 2025 USDA WASDE – The 2024/25 U.S. wheat supply and demand outlook was for slightly higher domestic use that leads to lower ending stocks.

Food use was raised 4 mbus to 970 million, as wheat flour grind during the October-December quarter was up 2% from last year as indicated in the NASS Flour Milling Products report. Projected ending stocks decreased by 4 mbus to 794 million but are 14% above last year.

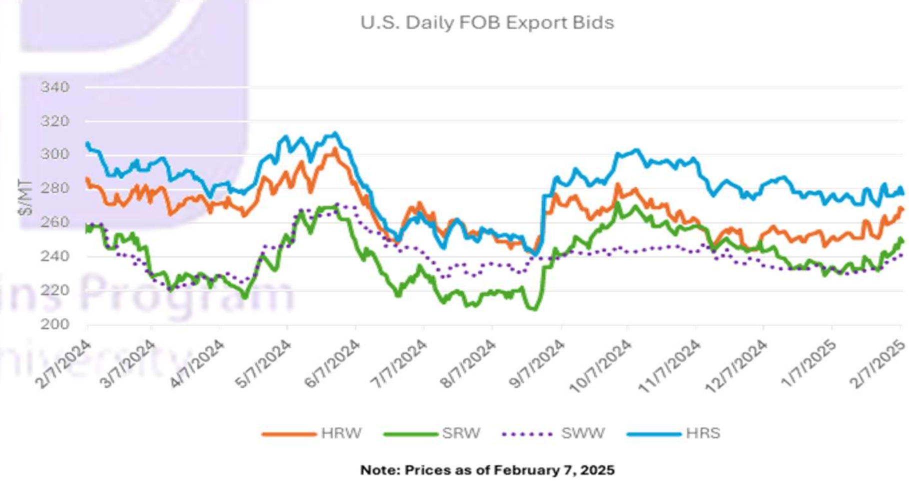
The USDA season-average farm price forecast was unchanged at $5.55 per bushel.

U.S. Wheat by Class: Supply and Use

Year beginning June 1			Hard Red Winter	Hard Red Spring	Soft Red Winter	White	Durum	Total
					Million Bushels			
2023/24 (Est.)	Beginning Stocks		223	155	90	74	28	570
	Production		596	465	449	234	59	1,804
	Imports		18	63	6	6	45	138
	Supply, Total 3/		837	683	545	314	132	2,512
	Food		384	253	158	84	83	961
	Seed		27	15	11	6	3	62
	Feed and Residual		18	-10	91	-12	-2	85
	Domestic Use		428	258	261	77	84	1,108
	Exports		134	235	158	152	27	707
	Use, Total		563	493	419	229	111	1,815
	Ending Stocks, Total		274	190	126	85	21	696
2024/25 (Proj.)	Beginning Stocks		274	190	126	85	21	696
	Production		770	503	342	276	80	1,971
	Imports		5	70	5	5	45	130
	Supply, Total 3/		1,050	763	473	366	146	2,798
	Food		386	260	155	85	84	970
	Seed		27	16	13	6	3	64
	Feed and Residual		45	20	70	-15	0	120
	Domestic Use		458	296	238	76	87	1,154
	Exports		210	270	125	220	25	850
	Use, Total		668	566	363	296	112	2,004
	Ending Stocks, Total	Feb	382	197	111	70	35	794
	Ending Stocks, Total	Jan	384	198	110	70	36	798

Note: Totals may not add due to rounding. 1/ Marketing year beginning June 1. 2/ Marketing-year weighted average price received by farmers. 3/ Includes imports.

➢ U.S. Domestic Wheat Prices



Source: International Grains Council
*Note on prices: HRW (Hard Red Winter); SRW (Soft Red Winter); SWW (Soft White Wheat); HRS (Hard Red Spring)

11 February 2025 USDA FAS – U.S. quotes rose for most classes since the January WASDE based on lower exportable supplies among key competitors and sustained sales and exports.

Hard Red Winter rose $16/ton to $268, while Soft Red Winter climbed $15/ton to $249 with concerns over winter wheat crop conditions.

Soft White Winter edged $11/ton higher to $244, while Hard Red Spring held steady at $277.

- **CME CBOT Wheat Futures – Daily Nearby**

Source: https://www.barchart.com/futures/quotes/ZWU22/interactive-chart

The wheat complex was in rally mode across all three exchanges on Friday. Chicago SRW futures were up 20 to 23 cents in the front months, with March up 17 ¼ cents this week. KC HRW futures rallied 20 to 23 cents on the session, as March rose 17 cents since last Friday. MPLS spring wheat was 15 to 18 cents in the green on the day, with March ticking just 5 ¾ cents higher in the week.

Cold temps in parts of the US with little snow cover, as well as the Black Sea growing regions and the potential for some winter kill in the coming week is giving the market some support. Weakness in the US Dollar and strength in underlying fundamental helped push wheat to a four month high.

The markets will be closed on Monday for President's Day, with a normal open for the Tuesday session.

***CBOT March 2025 Wheat Futures** settled on Friday at $600/bu, up 22¼ cents on the day, and gaining 17 cents for the week. May25 Wheat closed at $6.13½, up 21½ cents. New crop July25 settling at $625.¼/bu.*

Nice rally to end the week as cold temperatures threaten US HRW and Russian wheat production areas. IKAR trimmed the Russian production outlook for the 25/26 wheat crop in their baseline scenario to 82 mmts, with a range of 77-87 and 82.4 mmts in the current marketing year. For the remainder of marketing year exports through June could be 14 mmts below last year, which would put marketing year exports below the current 43 mmts projections from IKAR, and down from last year's 53.3 mmts. 25/26 exports are estimated at 39 mmts on their 82 mmts baseline production scenario with a range of 35-43.

The French soft wheat crop was estimated at 73% good/excellent, as of 2/10, up 5 percentage points from the same point last year.

SRW CIF steady bid 80 WH and domestics covered nearby. SRW H/K was ¾ firmer at -13 ½ carry. Market seems range bound with 50% of full carry around -11 and 80% at -17.5, look to get shorts to May if need time in the mid-teens.

Commitment of Traders data from CFTC showed a total of 7,633 contracts slashed from the spec net short as of Tuesday, to a net short of 82,809 contracts. In KC wheat, they were trimming back that net short by 5,733 contracts to 53,248 contracts

- **U.S. Export SRW Wheat Values – the 13th February 2025**

***SRW Wheat Basis, US Gulf Barge Quotes vs CBOT Futures,** in cents/bu. Changes are from Midday US Gulf barge basis report. Source: USDA*

CIF SRW WHEAT	2/12/2025	2/13/2025		UNC
FEB	85 / -	85 / -	H	
MAR	80 / -	80 / -	H	UNC
APR	70 / -	70 / -	K	UNC
MAY	65 / -	- / -	0	
JUN	45 / -	45 / -	N	UNC
JUL	45 / -	45 / -	N	UNC

USDA reported yet another relatively good week of export demand for U.S. wheat, with sales of 20.9 mbus that sets at the top of the marketing year range and the best level since June. Mexico was the top buyer with 4.7 mbus, followed by South Korea with 3.1 million and The Philippines with 1.8 mbus. Year-to-date sales of 704 mbus now sets 11% better than a year ago and right on track with the five-year average pace.

SRW CIF steady bid 80 WH and domestics covered nearby. Two weeks of respectable wheat export sales also are providing a positive tone to the US wheat markets as we watch adjustments in the Russian wheat export forecast for the remainder of the marketing year. The momentum doesn't feel like major shift as the US remains $10-$15 MT premium to competitors.

CME KC HRW Wheat Futures – Daily Nearby

Source: https://www.barchart.com/futures/quotes/KEU22/interactive-chart

Kansas March 2025 HRW Wheat Futures *settled on Friday at $621¼/bu, up 23 cents on the day, and gaining 17 cents for the week. May25 KCBT Wheat closed at $6.32¾, up 23¼ cents, with July New Crop closing at $6.42½/bu.*

HRW H/K at -11 ½ continues to leak wider after struggling to move from the -9/-10 range since the start of 2025. 80% of full carry at -13 is a good target to get any remaining shorts cleaned up.

COT report showed funds reduced their net short ~7600 contracts in SRW, 5700 in HRW and 4100 in HRS.

U.S. Export HRW Wheat Values – the 13th of February 2025

HRW Wheat Basis, Texas Gulf Quotes vs CBOT Futures, *in cents/bu. Changes are from midday basis report. Source: USDA*

TX GULF HRW				
12% Protein	**2/12/2025**	**2/13/2025**		
FEB	105 / -	105 / -	H	**UNC**
MAR	105 / -	105 / -	H	**UNC**

Hard red winter export sales also picked up for the second straight week with 5.8 mbus to put sales 50% ahead of a year ago but 25% below average.

HRW protein scales dropped 15 cents for 11% pro wheat and down 7 for ORD's. HRW gulf 11's 90/105 for March and new crop JJ 80/100.

MGE HRS Wheat Futures – Daily Nearby

Source: https://www.barchart.com/futures/quotes/MWU22/interactive-chart

Minneapolis March 2025 HRS Wheat Futures *settled on Friday at $6.33½/bu, up 16¾ cents on the day, and gaining 22 cents for the week. May25 MGEX Wheat closed at $6.49¼, up 17¾ cents, with July New Crop closing at $6.61½/bu.*

HRS H/K at -15 3/4, if need time it's a good return over interest and around 87% of full carry. HRW/YC spread for July firmed 20 ¾ cents to +131 1/4, muting the wheat feeding conversations for now as wheat pencils around 95% the value of corn.

COT report showed funds reduced their net short ~7600 contracts in SRW, 5700 in HRW and 4100 in HRS.

HRS floor had 17 cars, and no trains offered today with basis steady across 13-14.5 pro and 15's at 225/280 up 5 on the bids/down 20 on the offer.

Hard red spring wheat was the top export seller with nearly 7 mbus and with 226 million in commitments is running 8% ahead of both a year ago and the average pace.

West coast white wheat prices were the sole gainer on a week-to-week basis, moving modestly higher as spreads to Chicago futures firmed in late week trade.

Recent export demand remains supportive to white wheat, with USDA reporting another solid week of sales. New crop August bids held at a 10 cent premium to old crop, posted today at $6.30.

White wheat also had a good week with 5.5 mbus and with 192 mbus in the books, set 47% ahead of a year ago and 24% above average.

Portland Price Trends **13th February 2025**

	01-01-24	08-01-24	01-01-25	02-06-25	02-13-25
#1 SWW (bus)	6.65	5.65	5.90	6.10	6.20
White Club	7.15	5.65	6.05	6.25	6.35
DNS 14%	8.03	6.58	6.71	7.03	6.89
HRW 11.5%	6.97	6.04	6.33	6.62	6.45
#2 Corn (ton)	232.00	199.00	224.00	227.00	228.00
#2 Barley	180.00	150.00	150.00	150.00	150.00

COARSE GRAINS

World and U.S. Supply and Use for Grains 1/
Million Metric Tons

World			Output	Total Supply	Trade 2/	Total Use 3/	Ending Stocks
Total Grains 4/	2022/23		2762.00	3561.96	497.18	2770.43	791.53
	2023/24 (Est.)		2820.02	3611.55	515.12	2818.11	793.44
	2024/25 (Proj.)	Jan	2820.40	3615.84	500.01	2854.91	760.93
		Feb	2818.97	3612.41	493.17	2856.08	756.33
Wheat	2022/23		789.89	1063.85	221.75	789.58	274.27
	2023/24 (Est.)		791.21	1065.48	221.22	797.99	267.49
	2024/25 (Proj.)	Jan	793.24	1060.71	212.00	801.89	258.82
		Feb	793.79	1061.28	208.99	803.72	257.56
Coarse Grains 5/	2022/23		1455.44	1797.24	220.35	1460.64	336.60
	2023/24 (Est.)		1506.51	1843.11	237.02	1496.64	346.47
	2024/25 (Proj.)	Jan	1494.29	1842.77	230.10	1522.78	319.99
		Feb	1492.52	1838.98	225.85	1521.84	317.14
Rice, milled	2022/23		516.67	700.87	55.09	520.21	180.66
	2023/24 (Est.)		522.31	702.96	56.88	523.48	179.48
	2024/25 (Proj.)	Jan	532.87	712.36	57.91	530.24	182.13
		Feb	532.67	712.15	58.32	530.52	181.63
United States							
Total Grains 4/	2022/23		406.43	471.34	67.85	349.89	53.60
	2023/24 (Est.)		458.90	520.32	86.80	365.43	68.09
	2024/25 (Proj.)	Jan	451.56	527.05	94.34	367.78	64.93
		Feb	451.56	527.02	92.94	369.18	64.90
Wheat	2022/23		44.90	66.56	20.73	30.33	15.50
	2023/24 (Est.)		49.10	68.36	19.24	30.16	18.95
	2024/25 (Proj.)	Jan	53.65	76.14	23.13	31.30	21.71
		Feb	53.65	76.14	23.13	31.39	21.62
Coarse Grains 5/	2022/23		356.45	397.17	45.06	314.97	37.14
	2023/24 (Est.)		402.88	442.67	64.45	330.35	47.87
	2024/25 (Proj.)	Jan	390.86	441.11	68.03	331.25	41.84
		Feb	390.86	441.07	66.76	332.52	41.79
Rice, milled	2022/23		5.08	7.61	2.05	4.60	0.96
	2023/24 (Est.)		6.92	9.30	3.12	4.92	1.27
	2024/25 (Proj.)	Jan	7.05	9.80	3.18	5.24	1.38
		Feb	7.05	9.81	3.05	5.27	1.49

1/ Aggregate of local marketing years. 2/ Based on export estimate. See individual commodity tables for treatment of export/import imbalances. 3/ Total use for the United States is equal to domestic consumption only (excludes exports). 4/ Wheat, coarse grains, and milled rice. 5/ Corn, sorghum, barley, oats, rye, millet, and mixed grains (for U.S. excludes millet and mixed grains).

➢ 2024/25 Non- U.S. Course Grains Output Is Lower

11 February 2024 USDA FAS – Global coarse grain production for 2024/25 was forecast 1.8 mmts lower to 1.492 billion.

This month's non-U.S. coarse grain outlook is for reduced production, trade, and ending stocks. Non-U.S. corn production is forecast down with declines for Argentina and Brazil. Production was reduced for Argentina reflecting a cut in yield, as heat and dryness during January and into early February reduce yield prospects for early-planted corn in key central growing areas. For Brazil, the corn production forecast is reduced as slow second-crop planting progress in the Center-West lowers yield prospects.

Major global trade changes for 2024/25 include smaller projected corn exports for Brazil, Ukraine, and South Africa. Corn imports are cut for China but raised for Vietnam and Chile.

Non-U.S. corn ending stocks are reduced reflecting a reduction for China.

Global corn ending stocks, at 290.3 mmts, are down 3.0 million.

➢ China's Coarse Grains Demand Continues To Weaken

13 February 2024 USDA ERS – In addition to a reduced 2024/25 coarse grains production forecast, adjustments and revisions made to 2023/24 balance sheet estimates further contract 2024/25 supplies. The net effect of 2023/24 supply and use changes for coarse grains contribute to a lower beginning stocks estimate that accounts for nearly 30% of the projected decline in 2024/25 global coarse grains supply. With fewer supplies available, 2024/25 coarse grains use is projected down this month—for domestic consumption and trade. Supply reductions outweigh expected-use declines, however, lowering 2024/25 coarse grains ending stocks.

Many of the changes to 2024/25 coarse grains international trade year (TY) projections can be attributed to weaker global demand—particularly by China. This is reflected in China's lower 2024/25 TY coarse grains import forecast. Reduced by 4.2 mmts, the revised import forecast for China encompasses a 3-million-ton decrease to corn imports and 1.2 mmts decline in expected sorghum imports.

Ukraine's corn export forecast is lowered this month, reflecting slow shipments to China and other countries. With fewer supplies available, Brazil is expected to allocate 1 million fewer tons of corn for trade (with China). Slight changes to Burma's and Moldova's 2024/25 TY corn export forecasts offset each other and reflect shipment paces to date. For Kazakhstan, just over half of the increase in corn production is expected to be sold in the global market, with the remainder used for feed. The reduction to Argentina's 2024/25 corn production forecast is expected to impact domestic use of corn for feed. All other changes to domestic corn use reflect revisions to the 2023/24 balance sheets.

For sorghum, China's anemic import demand suggests domestic sorghum use for feed is weaker than expected (see the domestic section). Consequently, U.S. sorghum exports are lowered by 1 mmts. Although China approved sorghum from Argentina for entry in late 2024, this development is not expected to boost

Argentina's 2024/25 TY export prospects. Considering the reduction in Argentina's sorghum output prospects in conjunction with feed requirements, Argentina's 2024/25 TY sorghum export forecast is reduced by 200,000 tons.

Although Argentina's 2024/25 barley production forecast is raised this month, the TY export forecast is reduced by 100,000 tons—reflecting trade volumes to date. The increase in barley output, partly offset by a slight reduction to beginning stocks, is expected to contribute to feed rations. Global barley demand remains relatively unchanged, however, as large Turkish barley stocks support a strengthening export program—capturing a portion of Argentina's share in the global barley export market.

Ates, A. M., Marsh, C., & Hutchins, C. (2025). Feed outlook: February 2025 (Report No. FDS-25b). U.S. Department of Agriculture, Economic Research Service.

➢ South America's 2024/25 Coarse Grains Production Prospects Lower

World and U.S. coarse grains production at a glance (2024/25)

Commodity	Region or country	2023/24	2024/25 Jan.	2024/25 Feb.	Month-to-month changes (MMT)
		Million metric tons (MMT)			
Coarse Grains	United States	402.9	390.9	390.9	0.0
	Total foreign	1,103.6	1,103.4	1,101.7	-1.8
	World	1,506.5	1,494.3	1,492.5	-1.8
Corn	United States	389.7	377.6	377.6	0.0
	Total foreign	840.4	836.7	834.8	-1.9
	World	1,230.1	1,214.3	1,212.5	-1.9
Barley	United States	4.1	3.1	3.1	0.0
	Total foreign	139.3	138.9	139.3	0.4
	World	143.4	142.0	142.5	0.4
Sorghum	United States	8.1	8.7	8.7	0.0
	Total foreign	50.3	52.7	52.3	-0.4
	World	58.4	61.5	61.1	-0.4
Oats	United States	0.8	1.0	1.0	0.0
	Total foreign	18.6	21.3	21.4	0.0
	World	19.5	22.3	22.3	0.0
Rye	United States	0.3	0.4	0.4	0.0
	Total foreign	11.4	10.2	10.2	0.0
	World	11.7	10.6	10.6	0.0

Note: Changes are compared to the January projections for 2024/25.

Source: USDA, Economic Research Service using data from USDA, Foreign Agricultural Service, *Production, Supply, and Distribution* database.

13 February 2024 USDA ERS – Global 2024/25 coarse grains production is projected down 1.8 mmts this month to 1,492.5 million. Reductions to corn (for Brazil and Argentina) and sorghum (Mexico and Argentina) production forecasts more than offset higher expected output for barley (Argentina and Kazakhstan) and oats (Kazakhstan). Most of the reduction is for world corn output, down 1.9 mmts from the previous month. Global sorghum output is down 0.4 mmts this month—offset by a 0.44 mmts increase in barley output. Changes in oats and rye output are minimal. This month, the U.S. coarse grains production is unchanged.

According to Brazil's Agriculture National Supply Company (CONAB), 18.8% of Brazil's intended second corn crop (safrinha) hectares have been planted as of February 9, 2025— trailing last year by 12.7 percentage points. Although planting progress is highest in some of the top producing states (like Mato Grosso and Paraná), planting is also the furthest behind last year's progress in these areas (see figure below). In large part, the sluggish start to the 2024/25 safrinha crop can be attributed to challenging weather conditions

Brazil second-crop (safrinha) corn planting progress

State	Percent complete as of Feb. 10 2024	Percent complete as of Feb. 9, 2025	Year-to-year changes (percent complete)
Goiás	15	13	-2
Piauí	0	0	0
Tocantins	20	25	5
São Paulo	0	0	0
Minas Gerais	2.7	5.4	2.7
Maranhão	5	3	-2
Mato Grosso do Sul	10	14	4
Mato Grosso	48.3	20.8	-27.5
Paraná	32	28	-4
Total	31.5	18.8	-12.7

Note: Listed states represent 91 percent of cultivated area.

Source: USDA, Economic Research Service using data from Companhia Nacional de Abastecimento, *Progresso de safra*, accessed February 10, 2025.

Some areas in Brazil's Central-West region received excessive precipitation in January, particularly in Mato Grosso and Goiás. Mato Grosso do Sul received slightly less, but still elevated, precipitation levels. Nonetheless, high saturation levels in this region delayed timely safrinha corn plantings. Conversely, high temperatures and scant rainfall in the southwest region of Brazil cultivated an environment with insufficient soil moisture levels early in the season. Recent rainfall in this region (spanning from Paraná to Rio Grande do Sul) has provided some respite from the heat and dryness, improving planting conditions. As such, the poor weather conditions and delayed plantings contribute to a reduction in Brazil's safrinha corn crop yield forecast, lowering the total corn production forecast by 1 mmts to 126 million. Despite the reduction, this forecast remains 4 mmts above the 2023/24 estimate.

In Argentina, corn producers had planted an estimated 98% of the 2024/25 corn crop as of January 19, according to Bolsa de Cereales. Because a larger portion of corn area was planted early, this planting pace is slightly ahead of prior years. More specifically, roughly 3 million of the (anticipated) 6.4 million corn hectares were planted by December 1st, 2024. Consequently, slightly less than half of planted corn hectares in Argentina entered the tasseling stage in January—a time when growing conditions are critical.

During the past 5 weeks, minimal rainfall levels in southern Buenos Aires have normalized cumulative precipitation levels. Combined with temperatures climbing to the mid 30's (degrees Celsius), conditions for summer crops are considered ideal in this major producing region. As crops continue to cycle through reproductive stages, additional rainfall will be necessary in the coming weeks and months to aid summer crop development.

In other parts of Argentina's main crop area, however, conditions are vastly different. Including the northern portion of Buenos Aires, it has been relatively dry—particularly in Córdoba and parts of Santa Fe. In fact, this region received virtually no precipitation for many weeks. Although a little rain was recently received, cumulative precipitation levels in this main growing region are an estimated 25% below normal levels. Combined with higher-than-normal temperatures (that continue to climb), conditions are (and have been) less than ideal for the portion of this year's (early planted) crop, which is advancing through reproductive development stages. As a result, the yield forecast is reduced this month, lowering production prospects to 50 mmts from 51 million. If realized, this forecast would match the expected output level for 2023/24.

These reductions to corn production in South America are minimally offset by an increase to Kazakhstan's 2024/25 projected corn output (up 0.1 million to 1 mmts). The net effect of these corn output changes reduces global corn-output expectations to 1.2 billion tons.

For sorghum, the 2024/25 foreign production forecast is 0.4 mmts lower this month—representing declines for Argentina and Mexico. In Mexico, the summer sorghum harvest is nearing completion. Although a drought in the northwest portion of the country required producers to seek irrigation support from reservoirs, the rainy season provided a reprieve from last year's drought. With a vast improvement in growing conditions year over year for Mexico's summer sorghum crop, yields are lifted this month to 3.5 mts/ha. However, high input costs and low local sorghum prices are expected to impact winter plantings. This is reflected in this month's lower (total) sorghum area forecast. The net effect of these competing changes reduces Mexico's 2024/25 total sorghum output prospect by 0.3 mmts to 4.2 million.

Much like corn, producers in Argentina planted a larger than normal portion of this year's sorghum crop early. Consequently, this portion of Argentina's 2024/25 sorghum crop has faced many of the same adverse conditions, as with early planted corn. Argentina's 2024/25 sorghum yields are reduced this month, resulting in a 3% decrease in the production forecast to 3.5 mmts.

Changes to 2024/25 foreign barley and oats production forecasts this month mostly represent official country estimates and offset the sorghum-output reduction. For barley, harvested area estimates are raised for Kazakhstan and Argentina, boosting production forecasts by 240,000 and 200,000 tons, respectively. For oats, increases in Kazakhstan's area and yield forecasts produce a boost in the production forecast that is greater than the impact of a lower oats yield for South Africa on its production prospects.

Ates, A. M., Marsh, C., & Hutchins, C. (2025). Feed outlook: February 2025 (Report No. FDS-25b). U.S. Department of Agriculture, Economic Research Service.

World Coarse Grain Trade

October/September Year, Thousand Metric Tons

	2020/21	2021/22	2022/23	2023/24	2024/25 Jan	2024/25 Feb
TY Exports						
Brazil	27,504	31,938	53,307	46,568	44,210	43,210
Argentina	40,977	44,418	29,448	35,157	43,100	42,800
Ukraine	29,049	29,895	29,765	32,727	25,475	24,475
European Union	12,558	12,812	11,054	11,425	9,030	9,000
Australia	9,705	11,109	10,500	10,345	8,810	8,810
Russia	9,871	7,375	11,515	12,865	6,225	6,245
Canada	7,219	5,552	7,863	6,214	5,730	5,730
Paraguay	2,564	3,208	4,006	2,927	2,735	2,735
South Africa	2,756	3,841	3,626	2,490	2,630	2,630
Burma	2,600	2,300	2,000	2,900	2,300	2,400
Others	15,090	14,008	12,577	13,315	10,053	10,093
Subtotal	159,893	166,456	175,661	176,933	160,298	158,128
United States	75,623	70,394	45,900	65,653	67,835	66,860
World Total	235,516	236,850	221,561	242,586	228,133	224,988
TY Imports						
China	50,531	41,499	32,619	48,107	30,625	26,425
Mexico	17,301	18,498	20,297	25,468	25,225	25,250
European Union	15,823	21,353	25,639	21,738	21,055	21,025
Japan	16,972	16,506	16,451	16,673	16,710	16,710
Vietnam	11,947	9,653	10,122	11,597	12,700	13,300
Korea, South	11,804	11,617	11,227	11,667	11,598	11,598
Iran	10,902	10,302	8,000	9,900	9,600	9,600
Egypt	9,653	9,771	6,238	8,041	8,270	8,270
Colombia	6,132	6,846	6,697	6,951	6,950	6,950
Saudi Arabia	9,128	8,778	6,394	7,599	6,805	6,805
Algeria	5,004	3,965	4,249	5,859	5,605	5,605
Taiwan	4,472	4,644	4,269	4,666	4,775	4,775
Peru	3,851	3,646	3,495	4,443	4,050	4,050
Malaysia	3,726	3,697	3,476	3,886	3,730	3,730
Morocco	2,937	2,724	2,979	4,201	3,556	3,456
United Kingdom	2,695	2,637	2,166	3,022	2,695	2,690
Chile	2,557	2,564	2,430	2,619	2,270	2,535
Turkey	3,395	5,861	4,360	3,435	2,505	2,505
Canada	1,871	6,341	2,278	2,897	2,346	2,346
Brazil	2,679	4,064	2,353	2,265	2,240	2,240
Thailand	2,881	1,568	1,965	2,079	1,900	2,000
Philippines	561	1,126	1,340	1,889	1,825	1,825
Guatemala	1,358	1,574	1,618	1,894	1,800	1,800
Tunisia	2,004	1,795	1,587	1,724	1,600	1,600
Dominican Republic	1,492	1,354	1,386	1,665	1,550	1,550
Others	25,346	26,561	24,616	27,749	25,935	26,344
Subtotal	227,022	228,944	208,251	242,034	217,920	214,984
Unaccounted	5,965	5,254	9,956	-1,784	7,737	7,578
United States	2,529	2,652	3,354	2,336	2,476	2,426
World Total	235,516	236,850	221,561	242,586	228,133	224,988

TRADE CHANGES IN 2024/25 (1,000 MT)

Country	Commodity	Attribute	Previous	Current	Change	Reason
Argentina	Sorghum	Exports	1,700	**1,500**	-200	Stronger domestic use
Bangladesh	Corn	Imports	1,500	**1,300**	-200	Weak local marketing year imports
Brazil	Corn	Exports	44,000	**43,000**	-1,000	Weak tail of local marketing year exports
Chile	Corn	Imports	2,200	**2,500**	300	Strong pace of imports
China	Corn	Imports	13,000	**10,000**	-3,000	Reduced Brazil, Ukraine trade
	Sorghum	Imports	7,700	**6,500**	-1,200	Lower U.S., Argentina trade
South Africa	Corn	Imports	350	**550**	200	Imports for domestic consumption
Ukraine	Corn	Exports	23,000	**22,000**	-1,000	Early pace of trade
United States	Sorghum	Exports	5,200	**4,200**	-1,000	Weak shipments and sales to date
Vietnam	Corn	Imports	12,200	**12,800**	600	Record pace of imports

CORN

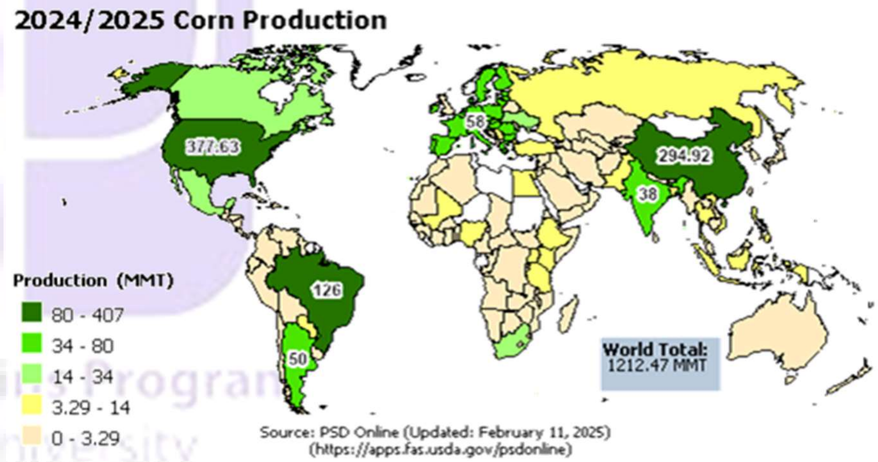
- **World Corn Supply & Demand Outlook**

Corn World as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Area Harvested (1000 HA)	202,900	+12(+.01%)	202,888	205,282	202,183	207,463	200,706
Beginning Stocks (1000 MT)	315,806	-1656(-.52%)	317,462	304,826	313,910	296,466	313,684
Production (1000 MT)	1,212,470	-1875(-.15%)	1,214,345	1,230,066	1,163,326	1,218,500	1,133,803
MY Imports (1000 MT)	181,155	-1995(-1.09%)	183,150	197,328	173,401	184,529	184,933
TY Imports (1000 MT)	181,594	-1805(-.98%)	183,399	199,722	173,286	186,804	179,849
TY Imp. from U.S. (1000 MT)	0	-	0	59,260	42,745	62,841	68,222
Total Supply (1000 MT)	1,709,431	-5526(-.32%)	1,714,957	1,732,220	1,650,637	1,699,495	1,632,420
MY Exports (1000 MT)	189,233	-2175(-1.14%)	191,408	193,248	180,348	206,515	183,101
TY Exports (1000 MT)	187,797	-1925(-1.01%)	189,722	198,114	180,954	193,535	184,454
Feed and Residual (1000 MT)	777,503	-830(-.11%)	778,333	772,838	735,108	747,096	732,252
FSI Consumption (1000 MT)	452,383	+505(+.11%)	451,878	450,328	430,355	431,974	420,601
Total Consumption (1000 MT)	1,229,886	-325(-.03%)	1,230,211	1,223,166	1,165,463	1,179,070	1,152,853
Ending Stocks (1000 MT)	290,312	-3026(-1.03%)	293,338	315,806	304,826	313,910	296,466
Total Distribution (1000 MT)	1,709,431	-5526(-.32%)	1,714,957	1,732,220	1,650,637	1,699,495	1,632,420
Yield (MT/HA)	5.98	(-.17%)	5.99	5.99	5.75	5.87	5.65

Source: USDA PS&D

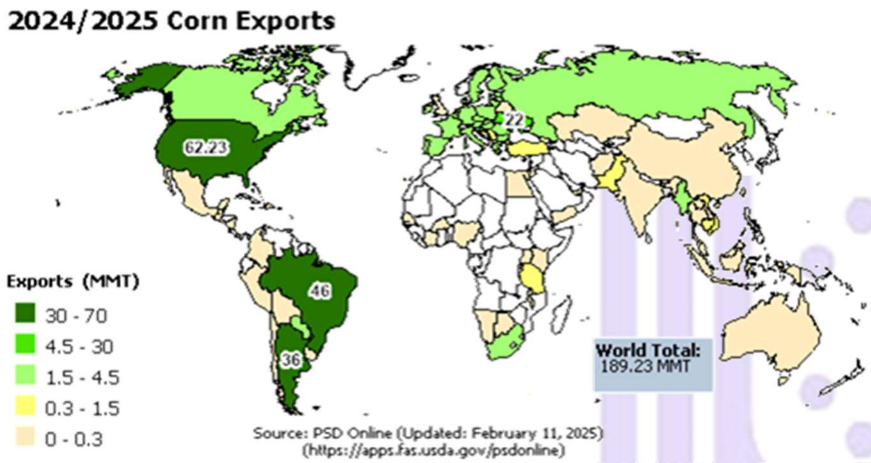
OVERVIEW FOR 2024/25

11 February 2024 USDA WASDE – Global corn production was forecast down this month, primarily on cuts to Argentina and Brazil.



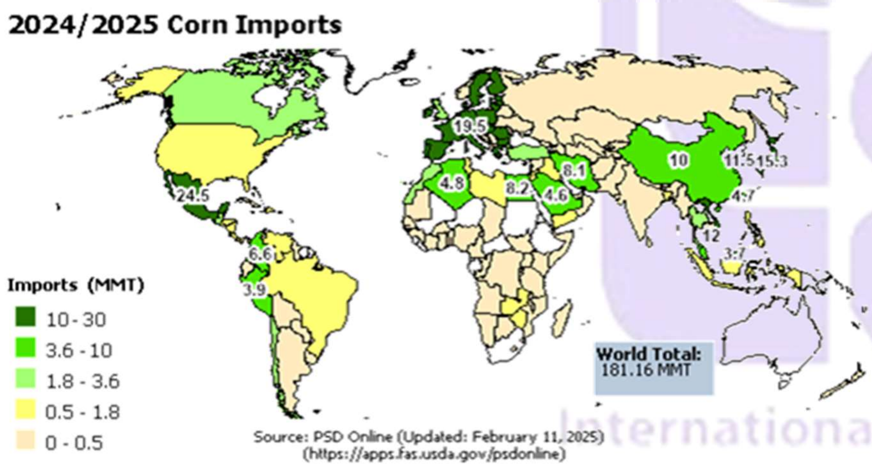
Source: USDA FAS https://ipad.fas.usda.gov/ogamaps/map.aspx?cmdty=Corn&attribute=Production

Global trade is down from last month as lower exports for Brazil, Ukraine, and Moldova more than offset modest increases to Burma and Kazakhstan.



Source: USDA FAS *https://ipad.fas.usda.gov/ogamaps/map.aspx?cmdty=Corn&attribute=Production*

Global imports are also forecast down as cuts to China and Bangladesh more than offset higher imports for Vietnam, Chile, and South Africa.



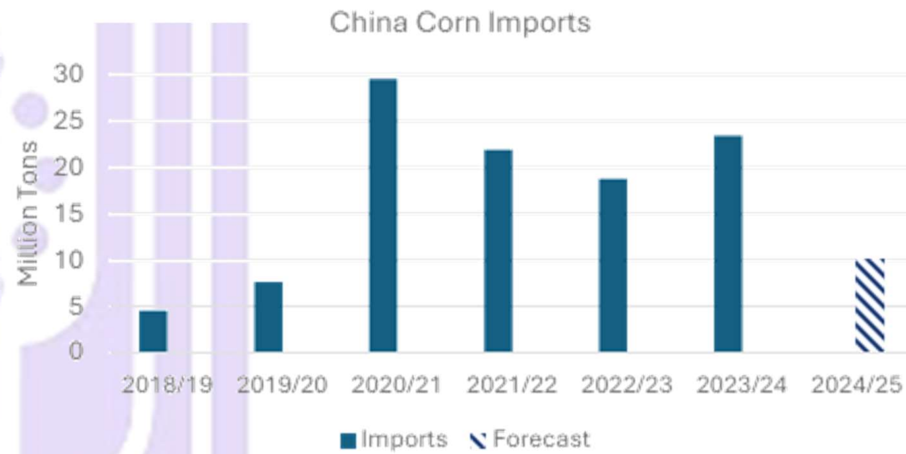
Source: USDA FAS *https://ipad.fas.usda.gov/ogamaps/map.aspx?cmdty=Corn&attribute=Production*

Global trade is down from last month as lower exports for Brazil, Ukraine, and Moldova more than offset modest increases to Burma and Kazakhstan.

Global imports are also forecast down as cuts to China and Bangladesh more than offset higher imports for Vietnam, Chile, and South Africa.

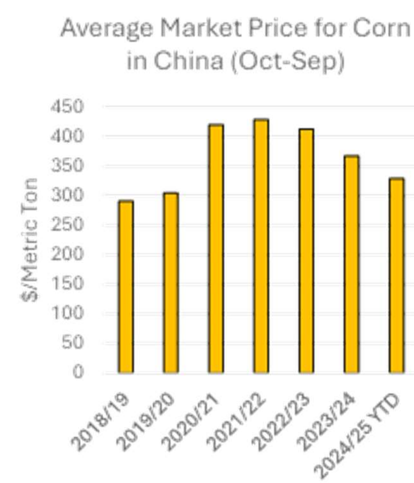
The USDA forecast U.S. season-average farm price is up 10 cents to $4.35 per bushel.

➢ China Corn Imports Fall on Weaker Domestic Demand



11 February 2024 USDA WASDE – The forecast for 2024/25 (Oct-Sep) China corn imports is lowered 3.0 mmts to 10.0 mmts this month. If realized, corn imports for China will drop by more than half (from 23.4 mmts in 2023/24) and reach the lowest volume since 2019/20. Policy interventions to support declining domestic corn prices amid weaker consumption are the primary driver of China's dramatic drop in corn imports.

Falling prices for corn reflect slowing demand growth from end-users, particularly the livestock sector, which is grappling with weaker consumer spending. Since December 2023, China's National Bureau of Statistics (NBS) reports a more than $53/ton (~400 CNY/ton) decline in market prices for corn1. Weaker income growth and declining prices for homes, a significant source of wealth2 for China's middle class, have both curbed disposable incomes. This is particularly acute in the urban areas that drive livestock product demand. NBS reports that growth in median per capita disposable income for urban residents in 2024 was 4.6% – only

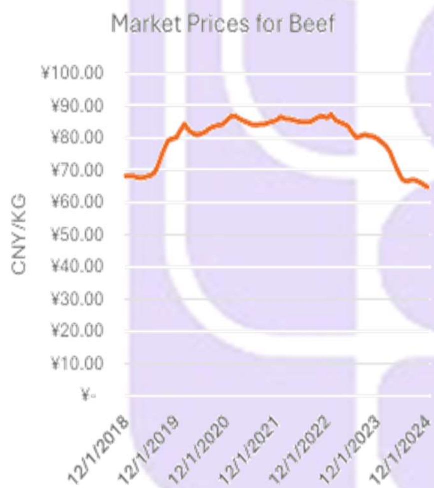


Source: China National Bureau of Statistics

0.2% higher than the 4.4% in 2023, and significantly lower than the 7.8% growth reported in 2019.

Weaker spending is reflected in falling market prices for beef and pork, which combined cover more than 70% of China's meat consumption. Market prices for beef, a meat long considered to signal Chinese buyers' rising appetite for luxury, have fallen to the lowest levels since 2019. Pork, regarded as a cultural staple and more widely consumed, has seen significant interventions such as purchases of meat for state reserves. Additionally, the Chinese government revised the optimal sow herd size lower to balance supply against current demand. Lower meat prices are forecast to cause live cattle and swine inventories in China to decline from 2024 to 2025.

As consumer pullback keeps livestock margins tight, demand for corn has slowed, posing a risk of further revenue loss for China's corn farmers. China is attempting to support domestic prices with a supply side approach. Reports from FAS/Beijing note that China has asked buyers to limit imports, while SinoGrain – the holder of state grain reserves – has stopped auctions of imported corn and raised purchases of domestic corn for its reserves.



Source: China National Bureau of Statistics

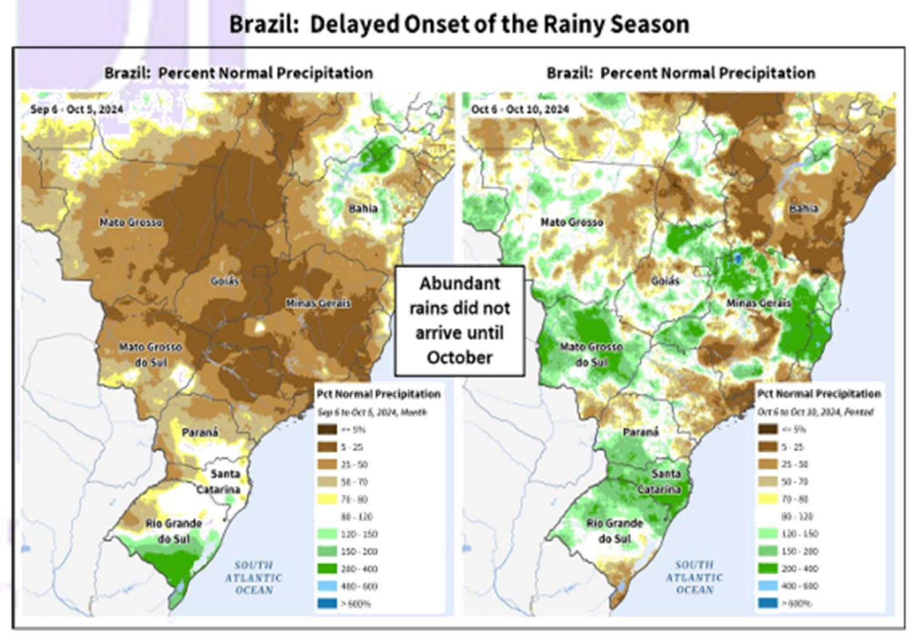
To date, supply side efforts via reduced imports have not reversed corn price declines. Fourth quarter producer price index for corn – correlated with the key harvest season in China – fell by more than 16% year over year, signaling a continuation of structural issues in the market. Until consumption rebounds, China is likely to play a reduced role in global corn trade through the end of 2024/25.

➢ USDA – Brazil Supply & Demand Outlook

Corn Brazil as of February 2025							
Attribute	**24/25 Feb'25**	**Change**	**24/25 Jan'25**	**23/24**	**22/23**	**21/22**	**20/21**
Area Harvested (1000 HA)	22,300	-	22,300	21,500	22,400	21,800	19,900
Beginning Stocks (1000 MT)	8,841	-	8,841	10,041	3,971	4,653	6,328
Production (1000 MT)	126,000	-1000(-.79%)	127,000	122,000	137,000	116,000	87,000
MY Imports (1000 MT)	1,500	-	1,500	1,300	1,333	2,596	2,848
TY Imports (1000 MT)	1,400	-	1,400	1,450	1,684	3,316	2,281
TY Imp. from U.S. (1000 MT)	0	-	0	1	0	1	1
Total Supply (1000 MT)	136,341	-1000(-.73%)	137,341	133,341	142,304	123,249	96,176
MY Exports (1000 MT)	46,000	-1000(-2.13%)	47,000	39,500	54,263	48,278	21,023
TY Exports (1000 MT)	43,000	-1000(-2.27%)	44,000	46,471	53,285	31,921	27,492
Feed and Residual (1000 MT)	64,000	-	64,000	63,500	61,500	59,000	59,000
FSI Consumption (1000 MT)	23,500	-	23,500	21,500	16,500	12,000	11,500
Total Consumption (1000 MT)	87,500	-	87,500	85,000	78,000	71,000	70,500
Ending Stocks (1000 MT)	2,841	-	2,841	8,841	10,041	3,971	4,653
Total Distribution (1000 MT)	136,341	-1000(-.73%)	137,341	133,341	142,304	123,249	96,176
Yield (MT/HA)	5.65	(-.88%)	5.70	5.67	6.12	5.32	4.37

Source: USDA PS&D

➢ Brazil Corn Production Down due to Slow Planting

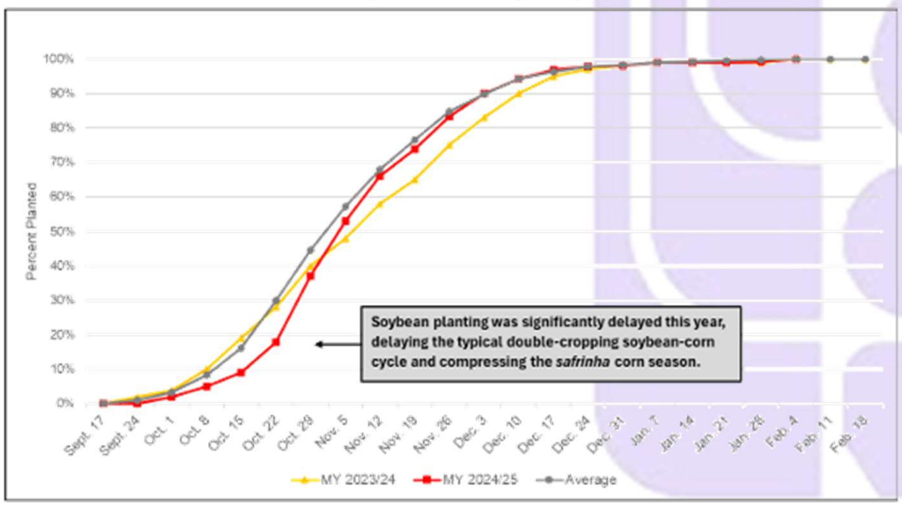


Source: UCSB Climate Hazards Center InfraRed Precipitation with Station data (CHIRPS) v2 Precipitation Data

11 February 2025 USDA FAS – USDA estimates Brazil corn production for marketing year (MY) 2024/25 at 126.0 mmts (mmt), down 1% from last month, but up 3% from last year and 12% above the 5-year average. Harvested area is estimated at 22.3 million hectares, unchanged from last month, but up 4% from last year and 7% above the 5-year average. Yield is estimated at 5.65 mts/ha, down 1% from last month and slightly below last year, but 5% above the 5-year average.

USDA has lowered its corn production estimate due to delays in the early portion of the annual double-cropping cycle of soybeans and corn. Soybean farmers in Brazil typically follow harvest with a second (safrinha) crop, most commonly corn, but alternatively it could be cotton. The safrinha corn season accounts for roughly 76% of Brazil's annual corn production. The start of the soybean season is restricted in Brazil to control for soybean rust and includes a moratorium during the winter months (June-August) where soybean planting is prohibited. Soybean planting optimally begins in the early part of September, with the onset of the rainy season, which aids in crop establishment, and begins the double-cropping cycle. The beginning of the rainy season in September 2024 was delayed, which in turn, delayed the onset of soybean planting until later that month, and even into October and November. Farmers rushed to plant soybeans in October and November, which compressed the harvest season. Soybean harvest begins in January, but this year, will extend into the early part of February 2025.

Brazil Soybean Planting Progress

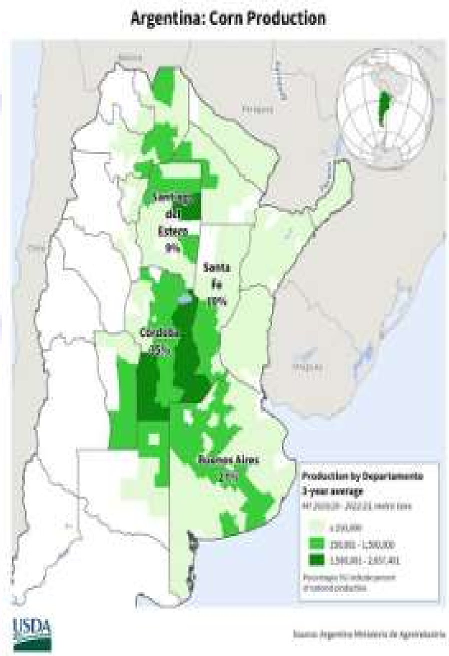


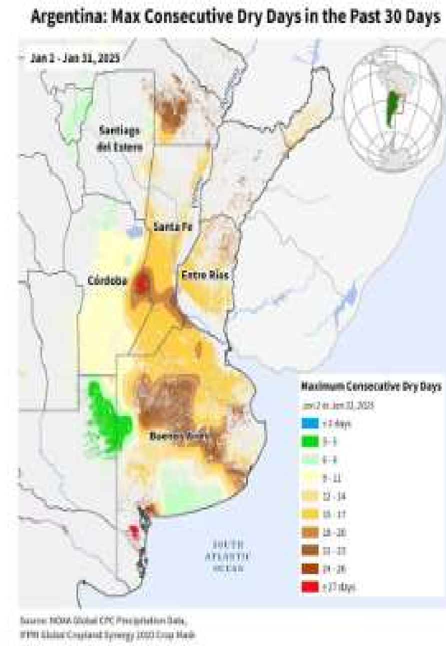
Source: Companhia Nacional de Abastecimento (CONAB)

The delayed and compressed timing of the soybean harvest has delayed safrinha corn planting in the primary corn producing region of the Center-West of Brazil. This has reduced the optimal window for the safrinha season, which relies on adequate rainfall through the month of April, provided the corn crop has time to fully develop. Seasonal rains typically end in late April, followed by a significant dry season. Despite the delayed soybean planting window and potentially shortened growing season for safrinha corn, expectations for the MY 2024/25 corn crop remain positive. Prices have incentivized corn planting among farmers and seed sales were reportedly very high. Planted corn area is expected to increase, which should offset much of the yield losses due to the shortened season.

(For more information, please contact Aaron.Mulhollen@usda.gov.)

➢ Argentina Below-Average Weather Causes Drop in Corn Production





11 February 2025 USDA FAS – Argentina corn production for 2024/25 is forecast at 50.0 mmts, down 2% from last month, but matching last year. Corn yield is forecast at 7.81 mts/ha, down 2% from last month, but up 9% from last year's yield. Harvested area is forecast at 6.4 million hectares (mha), unchanged from last month, and down 9% from last year.

Corn planting is complete as of late January. Argentina farmers plant both early-planted corn (corn planted prior to December 1st) and late-planted corn (corn planted after December 1st). In a normal year, early corn is about 2.3 mha, but early corn for MY 2024/25 is forecast at 3.0 mha, according to industry sources. Farmers planted more early corn this year because early planted corn largely missed the chicharrita infestation last year. Farmers have typically been shifting to more late planted corn to miss the traditionally dry and hot January, but due to the larger than normal area of early corn, more of the total corn crop was in the critical phase of yield development during January when conditions were drier and hotter than normal. Corn yield development for the late planted crop will continue for another month and then harvest for the early-planted corn will begin in March.

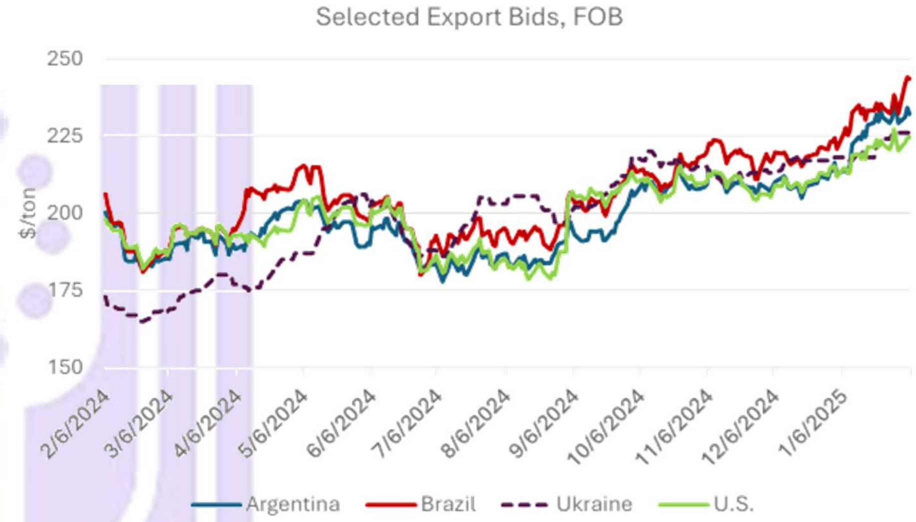
(For more information, please contact Katie.McGaughey@usda.gov.)

World Corn Trade

October/September Year, Thousand Metric Tons

	2020/21	2021/22	2022/23	2023/24	2024/25 Jan	2024/25 Feb
TY Exports						
Brazil	27,492	31,921	53,285	46,471	44,000	43,000
Argentina	36,544	38,853	25,740	31,213	38,000	38,000
Ukraine	23,864	26,980	27,122	29,488	23,000	22,000
Russia	3,989	4,000	5,900	6,600	3,300	3,300
Paraguay	2,563	3,187	3,968	2,864	2,700	2,700
South Africa	2,751	3,830	3,619	2,464	2,600	2,600
European Union	3,740	6,027	4,198	4,389	2,500	2,500
Burma	2,600	2,300	2,000	2,900	2,300	2,400
Canada	1,592	2,200	2,851	2,157	2,100	2,100
Serbia	3,157	1,495	534	2,355	1,400	1,400
Others	7,869	9,839	8,893	7,866	5,322	5,297
Subtotal	116,161	130,632	138,110	138,767	127,222	125,297
United States	68,293	62,903	42,844	59,347	62,500	62,500
World Total	184,454	193,535	180,954	198,114	189,722	187,797
TY Imports						
Mexico	16,498	17,584	19,392	24,759	24,500	24,500
European Union	14,496	19,521	23,188	19,832	19,500	19,500
Japan	15,471	15,003	14,927	15,291	15,300	15,300
Vietnam	11,200	9,100	9,500	11,300	12,200	12,800
Korea, South	11,708	11,510	11,099	11,550	11,500	11,500
China	29,512	21,884	18,711	23,407	13,000	10,000
Egypt	9,633	9,763	6,215	8,019	8,200	8,200
Iran	7,200	8,600	6,700	8,500	8,100	8,100
Colombia	5,795	6,512	6,343	6,622	6,600	6,600
Algeria	4,215	3,273	4,069	4,956	5,000	5,000
Taiwan	4,386	4,553	4,193	4,590	4,700	4,700
Saudi Arabia	3,017	4,071	3,289	4,989	4,600	4,600
Peru	3,679	3,514	3,324	4,288	3,900	3,900
Malaysia	3,700	3,678	3,448	3,870	3,700	3,700
Morocco	2,474	1,963	2,244	2,736	2,700	2,700
United Kingdom	2,546	2,521	2,036	2,756	2,550	2,550
Chile	2,333	2,497	2,344	2,586	2,200	2,500
Turkey	1,761	3,782	2,388	3,307	2,300	2,300
Canada	1,550	6,108	2,219	2,753	2,200	2,200
Thailand	1,838	1,480	1,346	2,018	1,800	1,900
Guatemala	1,358	1,574	1,618	1,894	1,800	1,800
Philippines	338	669	1,024	1,784	1,650	1,650
Dominican Republic	1,492	1,354	1,386	1,665	1,550	1,550
Brazil	2,281	3,316	1,684	1,450	1,400	1,400
Bangladesh	1,848	2,544	1,145	885	1,500	1,300
Others	18,891	19,823	18,433	23,209	20,299	20,694
Subtotal	179,220	186,197	172,265	199,016	182,749	180,944
Unaccounted	4,605	6,731	7,668	-1,608	6,323	6,203
United States	629	607	1,021	706	650	650
World Total	184,454	193,535	180,954	198,114	189,722	187,797

➢ Global Corn Prices



Source: International Grains Council

Export bids (US$ per metric ton)	6-Feb-25	6-Jan-25	6-Feb-24	*% change, '24 - '25*
Argentina, Up River	232	214	200	**16%**
Brazil, Paranaguá	244	225	206	**18%**
Ukraine	227	218	173	**31%**
U.S. #3 Yellow Corn, Gulf	226	214	198	**14%**

Since the January WASDE, export bids for all major origins rose. U.S. bids were up $11/ton to $226. The January WASDE report estimated tighter-than-expected corn production amid strong export and domestic demand, lifting prices higher.

Argentine export bids were up $18/ton to $232, while Brazil bids also rose $18/ton to $244. Forecasts for reduced production in both countries are supporting higher bids.

Ukraine export bids rose $9/ton to $227, as exportable supplies from a smaller crop continue to decline.

➢ Corn Export Prices (FOB, US$/mt) as of 11th February 2025

		TW	LW	LY	%Y/Y
Argentina, Up River	Feb	230	234	196	+17
Brazil, Paranagua	Mar	240	244	196	+22
Ukraine	Mar	227	226	170	+34
US Gulf	Mar	223	224	194	+15

Source: International Grains Council

Corn prices declined w/w led by declines in South American quotations. Nearby (March) US CME futures eased by 2% on profit taking and background concerns about international trade relations. The downside was curbed at times by supportive fundamentals, including strong demand from domestic (ethanol) and overseas users.

The USDA made no changes to domestic supply and demand forecasts in the February WASDE, but there were cuts to Brazilian and Argentine production numbers, as well as a down-graded estimate for Chinese imports.

US weekly export sales have been strong, rising by 1.5 mmts in the w/e the 30th of January, up 9% from the previous week and 32% from the prior 4-week average, lifting the (Sep/Aug) marketing year total to 44.8 mmts (+28% y/y).

Spot Brazilian values were highly nominal amid tight seasonal supplies, with new crop (July) priced at around a US$25/mt discount. As of the 9th of February, 2024/25 first (full-season) plantings reached 97% done (vs 95% week ago, and 97% year ago), with harvesting 13% finished (vs 11% LW, and 19% LY). With generally favorable growing conditions, second crop (safrinha) sowings reached 18% complete (vs 5% LW, and 31% LY), with good progress reported in key producing states of Mato Grosso and Parana.

Corn planting in Argentina was officially assessed at 98% complete (vs 96% LW, and 98% LY) by the 6th of February. The Buenos Aires Grain Exchange noted that recent widespread rains in central regions arrived too late to benefit early planted crops, but will likely provide some relief to late-sown varieties in southern Cordoba and western Buenos Aires provinces.

Maize FOB corn values in the Ukraine edged higher, with some support stemming from steady demand, which included a rumored sale to China.

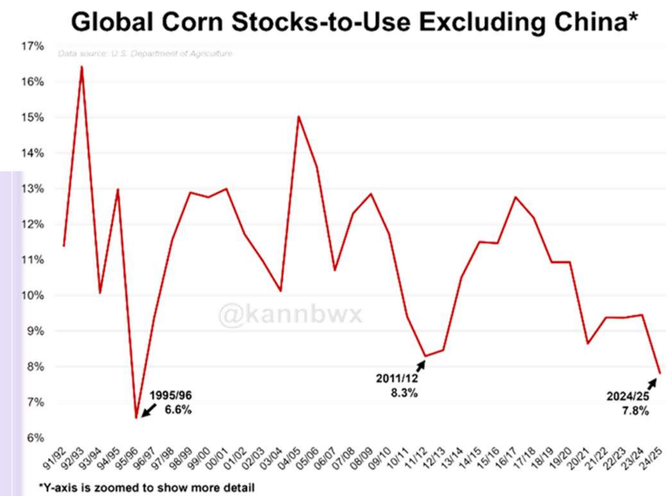
➢ **<u>FEATURE: Effective global corn supplies heading for 29-year lows</u>**

13 February 2025 Karen Braun, Reuters News – Relative to demand, world corn stocks later this year are predicted to hit 11-year lows. But when considering corn supplies actually accessible to the global market, the milestone is closer to three decades.

On-and-off grain importer China has an extraordinary amount of corn in storage, more than five times that of the United States, the No. 2 corn stockpiler. As such, China is sometimes excluded from world grain balances to obtain a more realistic view of available supplies.

After subtracting China, estimates from the U.S. Department of Agriculture show 2024-25 world corn ending stocks at a 12-year low of about 87 million metric tons.

Supplies are even tighter when measured against demand. In 2024-25, world corn stocks-to-use sans China is pegged at 7.8%, the lowest ratio since 1995-96. That compares with a four-year average of 9.2% and a 20-year average of 11%.

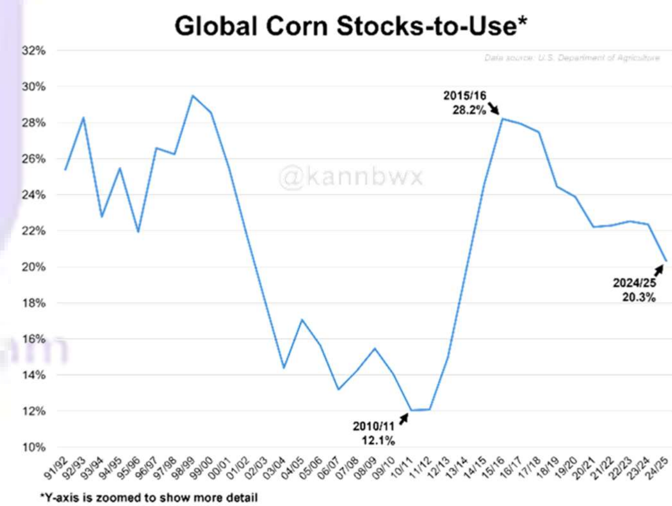


Corn supplies in No. 2 exporter Brazil are predicted at the lowest levels in more than two decades, and Ukrainian and European Union stocks are the thinnest in over a decade. U.S. inventory is now seen as modest versus prior expectations for ample volumes.

Things are still somewhat snug even when adding back China. USDA's figures imply full world corn stocks-to-use in 2024-25 at 20.3%, the lowest since 2013-14. That compares with a decade average of 24.6% and a low within that period of 22.2%.

THE CHINA CONUNDRUM

In the mid-2000s, China accounted for around 30% of global corn ending stocks, though that surged in the early 2010s as the country incentivized increasing production.

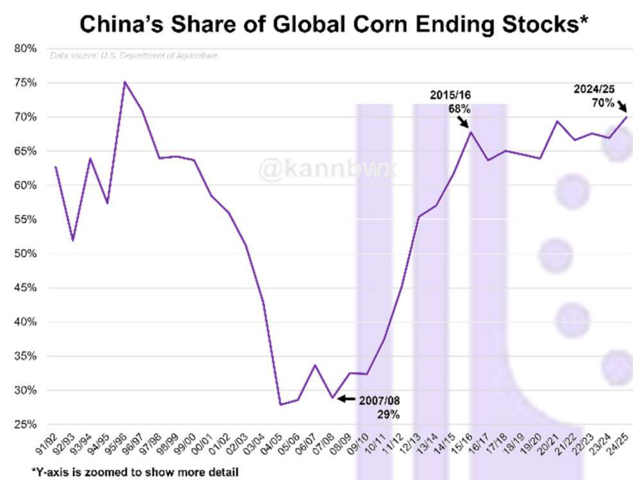


China's share of global corn stocks has been above 60% over the last decade, and according to USDA will reach a 28-year high of 70% in 2024-25.

In 2008, Beijing began a government corn stockpiling program, paying farmers above-market rates for their crops. This ended in 2016 amid sky-high costs for the government, which was keeping domestic prices well above global ones, unintentionally encouraging imports.

China has continued to subsidize corn farmers and output has grown even further, hence the large stockpiles.

Excluding China from global grain analyses might be controversial because the original premise lies in the country's minimal involvement in global trade. Although it has backed off significantly this year, China has been the world's No. 1 corn importer within the last five years.



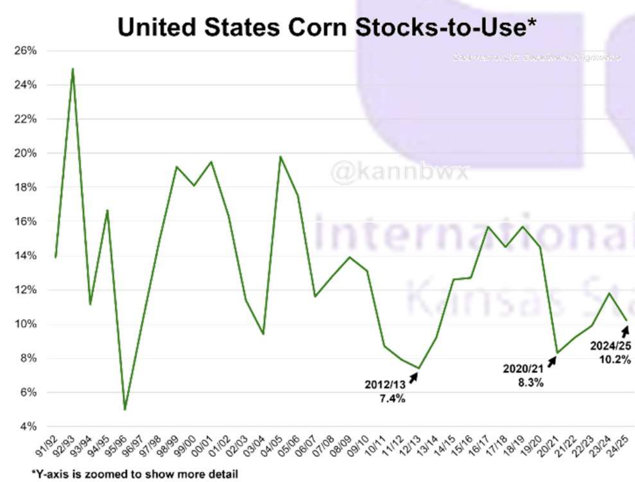
However, China's corn imports in the last few years have accounted for about 7% of its annual corn consumption, extremely light versus other top importers. Nearly 100% of Japan and South Korea's corn use comes from imports, and Mexico's rate has climbed above 50%.

This statistic plus China's enormous share of world stocks defends the exclusion of China from global corn balance sheets, but its sometimes-importer status means that both calculations are worthwhile.

U.S. STOCKPILES

Corn stocks in the United States, the leading exporter, will be thinner than originally assumed. But the situation is not as rare as the global one.

USDA figures peg 2024-25 U.S. corn stocks-to-use at 10.2%, below the year-ago 11.8% and the decade average of 12.5% but slightly above



the levels of the early 2020s.

In mid-2024, the 2024-25 ratio was forecast above 14%, but strong demand plus a smaller crop pared inventory. This helped propel large speculators into their currently massive bullish bets on Chicago corn futures.

However, corn bulls know that U.S. farmers are ready and willing to boost supplies by planting a potentially huge area this spring.

Although an inherently bearish force, plentiful corn supplies are what allow the United States to dominate the global export market and provide for customers like China, should it ever resume the interest.

➢ USDA – U.S. Corn Supply & Demand Outlook

Corn United States as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Area Harvested (1000 HA)	33,547	-	33,547	35,008	31,851	34,394	33,252
Beginning Stocks (1000 MT)	44,792	-	44,792	34,551	34,975	31,358	50,913
Production (1000 MT)	377,633	-	377,633	389,667	346,739	381,469	357,819
MY Imports (1000 MT)	635	-	635	721	982	615	616
TY Imports (1000 MT)	650	-	650	706	1,021	607	629
TY Imp. from U.S. (1000 MT)	0	-	0	0	0	0	0
Total Supply (1000 MT)	423,060	-	423,060	424,939	382,696	413,442	409,348
MY Exports (1000 MT)	62,233	-	62,233	58,226	42,217	62,802	69,775
TY Exports (1000 MT)	62,500	-	62,500	59,347	42,844	62,903	68,293
Feed and Residual (1000 MT)	146,692	-	146,692	147,465	139,345	144,037	143,959
FSI Consumption (1000 MT)	175,014	-	175,014	174,456	166,583	171,628	164,256
Total Consumption (1000 MT)	321,706	-	321,706	321,921	305,928	315,665	308,215
Ending Stocks (1000 MT)	39,121	-	39,121	44,792	34,551	34,975	31,358
Total Distribution (1000 MT)	423,060	-	423,060	424,939	382,696	413,442	409,348
Yield (MT/HA)	11.26	-	11.26	11.13	10.89	11.09	10.76

Source: USDA PS&D

11 February 2024 USDA ERS – The USDA's outlook for the 2024/25 U.S. corn supply is unchanged from the January 2025 World Agricultural Supply and Demand Estimates (WASDE) report.

Based on the Crop Production 2024 Summary report released by the National Agricultural Statistics Service (NASS) on January 10th, 2025, the U.S. corn output is projected to be 14,867 million bushels. With beginning stocks unchanged at 1,763 million bushels and projected imports still forecast at 25 million bushels, total projected corn supplies remain unchanged from the January WASDE report, at 16,655 million bushels.

The projected season-average farm price is raised 10 cents to $4.35 per bushel.

CME CBOT Corn Futures – Nearby Daily

Source: https://www.barchart.com/futures/quotes/ZCZ22/interactive-chart

***CBOT March 2024 Corn Futures** settled on Friday at $4.96¼ /bu, up 2¾ cents on the day, and gaining 8¾ cents for the week. May25 Corn closed at $5.08¾, up 2¾ cents, - prices reaching the highest level since August of 2023. New Crop Dec25 Corn closed at $4.73, up ¼ cent,*

CmdtyView's national average Cash Corn price was up 2¾ cents at $4.63½.

Corn was on the receiving end of spillover support from the wheat market on Friday, as futures were up fractionally to 3 cents higher.

Corn opened slightly lower in overnight trade, closing higher in part due to the Trump admin pushing back reciprocal tariffs to beginning of April 1st and spillover support from wheat. H/K settled unch'd at 12 ½ carry. K/N narrowed ½ cent to 2 ½ carry.

Trump push back on reciprocal tariffs an art of the deal move? Statements from The White House regarding tariffs noted Brazil's current tariff on US Ethanol of 18%, while current US tariff on Brazil ethanol just 2.5% (maybe Brazil is upset with our 81% tariff on Brazil sugar ☺).

CFTC data via the Commitment of Traders report showed specs cutting 31,828 contracts from their net long position in corn futures and options as of Tuesday. They took that net position to 332,389 contracts. Long only fund position at 418K contracts, lowest in three weeks. Light movement reflected in this week's Commercial position – net short dropped 27K contracts from the previous week to short 616.6K contracts as of Tues close.

Forecasts for Northern Brazil remain bean harvest/safrinha corn planting friendly, while Southern Brazil/Argentina has a beneficial wet forecast for the next couple of weeks. IMEA pushed safrinha corn planting progress for Mato Grosso (48% of safrinha production) out today at 45% complete (vs 65% LY, 54% 5 yr avg). After CONAB bumped up Brazil corn production 2.5 mmts to slightly over 122 kmts this week (USDA 126), Rosario Grain Exchange cut 2 mmts off its previous Argentine production estimate to 46 mmts.

Looking at just generic Midwest ethanol margins, rough calcs would argue a steady improvement over the week, though coming arctic weather could challenge natural gas usage and logistics for both incoming corn and outgoing product rail.

A bipartisan bill was reintroduced Thursday in the US Senate that will allow year-round E15 gas blend sales nationwide - both biofuel industry groups and the American Petroleum Institute support the bill.

Though futures volume were strong, cash markets saw generally light/quiet movement to end the week. Western rail markets were steady to slightly firmer through July.

U.S. Corn Values delivered Ethanol Plants – the 13th of February 2025

Corn Delivered Selected Plants / Road quotes, in cents/bus basis CBOT futures: *USDA (U.S. No. 2, 14.5% moisture, in cents/bus*

Nearby Ethanol Bids	2/12/2025	2/13/2025		
Blair, NE	-15	-15	H	UNC
Cedar Rapids, IA	-11	-11	H	UNC
Decatur, IL	-2	-2	H	UNC
Fort Dodge, IA	15	15	N	UNC
N. Manchester, IN	-5	-5	N	UNC
Portland, IN	0	0	H	UNC

Western processor published bids were firmer. Eastern values seeing a slightly firmer tone in rail – NS bids were 2 cents firmer from Wed, CSX 2 to 4 firmer through May. Eastern processor basis had a firmer tone for spot ship.

While the major corn belt is battling through winter weather, the Rio Grande valley area of South Texas is estimated to be 60% planted with some corn already ankle high – well ahead of normal.

U.S. Export Corn Values – the 13th February 2025

***Corn CIF NOLA US Gulf Barge Quotes vs CBOT Futures**, in cents/bu. Changes are from Midday Gulf barge basis report. (U.S. No. 2, 14.5% moisture) Source: USDA*

CIF CORN	2/12/2025	2/13/2025	Del. Mo.
FH FEB	77 / 81	79 /	H
FEB	75 / 78	77 / 81	H

MAR	74 / 77	75 / 77	H	
MAY	/	62 / 64	K	
AM	62 / 64	63 / 65	K	
JUN/JUL	57 / 60	57 / 63	N	
AUG/SEP	53 / 70	53 / 70	U	UNC
OCT	/	/ 71	Z	
OND	63 / 72	64 / 73	Z	

BRAZIL FOB CORN @ PORT PARANAGUA

	2/12/2025	2/13/2025		
FH F	#N/A	- / -	-	#N/A
JUL	37 / 48	37 / 48	N	UNC
AUG	64 / 77	64 / 77	U	UNC
SEP	67 / 79	67 / 79	U	UNC
OCT	70 / 75	70 / 75	Z	UNC
NOV	73 / 78	73 / 80	Z	
DEC	75 / 80	75 / 83	Z	

CIF values were a couple cents firmer – barge freight generally steady making upper river values FOB back to 4 (vs 6 yest) below delivery vs the March.

USDA reported a private export sale of 100,000 MT of 2024/25 corn to Columbia this morning.

BARLEY

➢ **World Barley Supply & Demand Outlook**

Barley World as of February 2025

Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Area Harvested (1000 HA)	45,792	+58(+.13%)	45,734	47,079	47,099	49,509	52,442
Beginning Stocks (1000 MT)	21,338	-368(-1.7%)	21,706	20,798	18,546	21,393	21,925
Production (1000 MT)	142,470	+440(+.31%)	142,030	143,374	150,935	145,168	161,464
MY Imports (1000 MT)	26,260	-34(-.13%)	26,294	32,431	30,363	29,950	36,145
TY Imports (1000 MT)	25,375	-51(-.2%)	25,426	32,479	28,935	29,290	36,708
TY Imp. from U.S. (1000 MT)	0	-	0	151	56	67	347
Total Supply (1000 MT)	190,068	+38(+.02%)	190,030	196,603	199,844	196,511	219,534
MY Exports (1000 MT)	25,730	-350(-1.34%)	26,080	30,806	30,544	32,342	36,281
TY Exports (1000 MT)	26,114	+25(+.1%)	26,089	31,943	30,394	28,487	37,372
Feed and Residual (1000 MT)	100,969	+300(+.3%)	100,669	98,606	103,187	99,940	116,065
FSI Consumption (1000 MT)	45,728	-5(-.01%)	45,733	45,853	45,315	45,683	45,795
Total Consumption (1000 MT)	146,697	+295(+.2%)	146,402	144,459	148,502	145,623	161,860
Ending Stocks (1000 MT)	17,641	+93(+.53%)	17,548	21,338	20,798	18,546	21,393
Total Distribution (1000 MT)	190,068	+38(+.02%)	190,030	196,603	199,844	196,511	219,534
Yield (MT/HA)	3.11	-	3.11	3.05	3.20	2.93	3.08

Source: USDA PS&D

World Barley Production, Consumption, and Stocks

Local Marketing Years, Thousand Metric Tons

	2020/21	2021/22	2022/23	2023/24	2024/25 Jan	2024/25 Feb
Production						
European Union	54,235	52,065	51,829	47,813	50,400	50,400
Russia	20,629	17,505	21,500	20,500	16,250	16,250
Australia	14,649	14,337	14,137	10,800	11,700	11,700
Canada	10,741	6,984	9,987	8,905	8,144	8,144
United Kingdom	8,117	6,961	7,385	6,963	7,200	7,200
Turkey	8,100	4,500	7,400	8,000	7,000	7,000
Ukraine	7,947	9,923	6,100	6,350	5,900	5,900
Argentina	4,035	5,300	4,695	5,100	4,900	5,100
Kazakhstan	3,659	2,367	3,287	2,614	3,600	3,840
Iran	3,600	2,700	3,000	3,000	3,100	3,100
Ethiopia	2,261	2,350	2,184	2,450	2,485	2,485
China	2,036	2,134	2,192	2,000	2,000	2,000
India	1,720	1,656	1,371	1,913	1,699	1,699
Iraq	1,850	360	235	200	1,400	1,400
Algeria	1,213	950	1,400	1,025	1,200	1,200
Others	12,993	12,488	10,484	11,689	11,920	11,920
Subtotal	157,785	142,580	147,186	139,322	138,898	139,338
United States	3,717	2,626	3,787	4,052	3,132	3,132
World Total	161,502	145,206	150,973	143,374	142,030	142,470

➢ Barley Export Prices (FOB, US$/mt) as of 11th February 2025

		TW	LW	LY	%Y/Y
Argentina Feed, Up River	Feb	228	223	215	+6
Australia Feed, Port Adelaide (SA) a)	Feb	232	232	238	-2
Australia Malting, Adelaide, (SA) a)	Feb	245	244	260	-6
Black Sea Feed	Mar	232	229	187	+24
EU (France), Feed Rouen	Feb	233	233	204	+14

Source: International Grains Council

International barley prices rose by 1% w/w on gains in Argentina and the Black Sea.

Amid few fresh developments, feed barley quotations in the EU (France) were little-changed w/w. There are heightened worries about waterlogged fields in parts of Western Europe, seen potentially adversely affecting 2025/26 winter cropping prospects. As at the 9th of February, cumulative 2024/25 (Jul/Jun) EU shipments were officially pegged at 4.7 mmts (-12% y/y).

Black Sea feed barley prices firmed w/w, likely tied to tightening exportable supplies. Weekly barley shipments from Ukraine totaled 15,000 mts, bringing the cumulative 2024/25 (Jul/Jun) tally to 2.1 mmts (vs 1.5 mmts the same period the previous year) as of the 7th of February.

Export prices in Australia were broadly steady w/w, with increased requirements of supplemental feeding from the domestic cattle and sheep industry – due to overly dry conditions in the south – providing some underlying support.

Based on a farmer survey conducted, Statistics Canada pegged barley inventories at 5.0 mmts as of 31st December, down by 9% y/y, but above market expectations.

Tunisia's state grains agency secured 75,000 mts of feed barley from optional origins, at $254.49 C&F for Mar/Apr shipment. Traders speculated that the grain was likely of Russian origin, which has been stored in warehouses in Turkey.

Jordan is in the market this week for 120,000 mts of optional origin feed barley, Apr/May, after having made no purchase in the previous week.

This week Algeria's OAIC (state grains agency) is seeking a nominal 50,000 mts, for Mar/Apr shipment.

➢ Jordan tenders to buy up to 120,000 T feed barley, traders say

6 February 2025 Michael Hogan, Reuters News – Jordan's state grains buyer has issued an international tender to purchase up to 120,000 mts of animal feed barley, European traders said on Thursday. The deadline for submission of price offers in the tender is February 12th.

A new announcement had been expected by traders after Jordan made no purchase in its previous tender for 120,000 mts of barley on Wednesday.

Shipment in the tender is sought in a series of possible combinations in 50,000 mts to 60,000 mts consignments between April 1-15, April 16-30 and May 1-15. These are the same shipment periods as sought in Wednesday's tender.

Jordan has also issued a separate international tender to buy up to 120,000 mts of milling wheat with offers to be submitted on February 11th.

➢ Feed barley price continues to increase more expensive in Ukraine

31 January 2025 APK - According to APK-Inform news agency, since the beginning of the year Ukraine has maintained upward price dynamics in the market of feed barley. Seasonal reduction of grain supply, active demand of both domestic consumers and traders and corresponding price dynamics continue to influence further price growth.

Thus, since the beginning of January demand prices for feed barley have increased by 700-1200 UAH/mt and as of January 31st are mainly fixed in the range of 8700 - 9900 UAH/mt CPT.

Feed barley continues to rise in price in Ukraine amid strong demand

5 February 2025 APK – In the sector of feed barley in Ukraine last week, the upward price dynamics remained. This situation, as before, was due to the high demand of processing, livestock, and export-oriented companies, as well as a seasonal decrease in the supply of this grain. In addition, further price growth in related markets and export direction continued to support prices.

Feed barley prices in Ukrainian ports increased by 2-4 USD/mt and were mainly fixed in the range of 200-215 USD/mt CPT-port. Processors more often fixed demand prices for grain in the range of 8700-9900 UAH/mt CPT.

UAH = Ukrainian Hryvnia

➢ Australia Barley Supply & Demand Outlook

Barley Australia as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Area Harvested (1000 HA)	4,440	-	4,440	4,200	4,127	5,095	5,491
Beginning Stocks (1000 MT)	1,118	+10(+.9%)	1,108	3,220	2,848	2,518	2,711
Production (1000 MT)	11,700	-	11,700	10,800	14,137	14,337	14,649
MY Imports (1000 MT)	0	-	0	0	0	0	0
TY Imports (1000 MT)	0	-	0	0	0	0	0
TY Imp. from U.S. (1000 MT)	0	-	0	0	0	0	0
Total Supply (1000 MT)	12,818	+10(+.08%)	12,808	14,020	16,985	16,855	17,360
MY Exports (1000 MT)	5,800	-	5,800	7,102	7,765	8,007	8,342
TY Exports (1000 MT)	6,200	-	6,200	7,909	7,084	8,233	8,007
Feed and Residual (1000 MT)	4,400	-	4,400	4,300	4,500	4,500	5,000
FSI Consumption (1000 MT)	1,500	-	1,500	1,500	1,500	1,500	1,500
Total Consumption (1000 MT)	5,900	-	5,900	5,800	6,000	6,000	6,500
Ending Stocks (1000 MT)	1,118	+10(+.9%)	1,108	1,118	3,220	2,848	2,518
Total Distribution (1000 MT)	12,818	+10(+.08%)	12,808	14,020	16,985	16,855	17,360
Yield (MT/HA)	2.64	-	2.64	2.57	3.43	2.81	2.67

Source: USDA PS&D

➢ Australia exports 679,112 mts of barley in December

11 February 2025 Liz Wells, Grain Central – Australia exported 679,112 mts of barley in December, according to the latest data from the Australian Bureau of Statistics.

The barley figure comprises 498,458 mts of feed and 180,654 mts of malting, both down from the November totals of 600,437 mts and 233,340 mts respectively.

On feed barley, China on 258,230 mts accounted for more than half of the December total, followed by surprise re-entrant Saudi Arabia on 150,000 mts, and Japan on 66,000 mts.

On malting barley, China on 127,711 mts followed by South Africa on 46,411 mts and Singapore on 2,363 mts were the three biggest customers.

Flexi Grain pool manager Sam Roache said Saudi's purchase of 30% of Australia's December feed barley exports points to the global tightness in barley, and Australia's "very competitive pricing relative to other origin countries". "Added to 66,000 mts to Japan and we have one of our most diverse demand months in recent times," Mr Roache said.

On malting, Mr Roache said South Africa being in for a large shipment of 50,000 mts further evidences Australia's overall competitiveness versus other origins, and has added to higher grain imports to sub-Saharan Africa on account of drought and poor local production.

"Looking forward, we see big barley shipping stems for January and February, pointing to more than 1 mmts/month exports, with March beginning to build now too." Mr Roache said shipments to date, plus what is on stems, pointing to 4 mmts plus being exported to first-half March out of an expected 6.7 mmts total for the year to September. "With the continued strong demand we have been seeing, we should expect the majority of exports to be shipped by June, avoiding any Northern Hemisphere harvest pressure."

Mr Roache said further business and continuing inquiry can be seen into secondary markets, including Saudi Arabia and the wider Middle East, as Chinese inquiry continues strongly as the consumer slowly adjusts to higher prices.

On the local front, he said a slowdown in barley selling was evident in Western Australia as the grower moves to a very well sold position. "This is leaving the market a little short on tonnage, as WA was doing all the heavy lifting on export volume.

"In response, we are seeing export prices grind higher to US$10-15/mt over harvest lows, as the market tries to encourage the last 10%c out of WA farmers, and growers in other states to let go of barley stocks, despite very dry conditions across Victorian and South Australian growing regions."

"Looking at the overall picture in the back end of the year, we will need to see global barley ration demand with price, which is not happening today. Higher corn prices are driving base feed prices higher, which increases barley demand at both origin and destination."

Mr Roache said Dalian Corn Exchange corn price support in China and strong demand for both feed and malting barley does not indicate the adjustment will be driven by Chinese demand at current prices.

"Barley surplus is super tight, demand is higher than many continue to estimate and overall we can afford no problem with Northern Hemisphere production."

➢ Saudi unlikely to be the saviour for Australian barley

11 February 2025 Peter McMeekin, Grain Brokers Australia – Bulk shipments of Australian feed barley to Saudi Arabia resumed last December, according to Australian Bureau of Statistics barley export data, for the first time since shipments stopped abruptly in June 2023.

The halt to the Saudi Arabian barley export flow 18 months ago came only weeks before the resumption of Australian barley sales to China, following the removal of punitive anti-dumping tariffs on August 5, 2023, that Beijing had imposed on all new sales made on or after May 19, 2020.

Dramatic: The escalation of shipments to Saudi Arabia late in 2020, once the open sales to China were executed and new crop stocks became available, was almost as dramatic. There was only one bulk shipment of barley to Saudi Arabia between May 2017 and September 2020. However, in the intervening 33-month period to the end of June 2023, Australia shipped 7.864 mmts of feed barley to Saudi Arabia, predominantly to the Persian Gulf port of Dammam.

It would appear the connection remains between Australia's shipments to China and those to Saudi Arabia. A marked slowdown in new crop sales to China has coincided with an increase in sales to Saudi Arabia, the world's second-biggest barley importer. While Australian barley shipments to China in December were a seemingly respectable 0.39 mmts, exports in the September to December 2024 period were only 1.45 mmts, just 50% of the 2.88 mmts shipped over the same period in 2023.

However, Saudi Arabia's appetite for feed barley is also waning, despite there being no domestic production. The United States Department of Agriculture's January global supply and demand update pegged 2024/25 marketing year imports at just 2.2 mmts, down from 2.6 mmts in 2023/24, 3.1 mmts in 2022/23, 6.1 mmts in 2020/21 and 10.4 mmts in 2015/16. Some pundits have attributed the sharp fall in barley imports over recent years to the absence of Australian feed barley in the market, following the tidal wave of demand from China once the tariffs were removed.

According to Saudi Arabian Customs data, Russia supplied 74% of all barley imports in the 2023/24 marketing year, followed by Australia at 10% (all June 2023 shipments out of Australia must have arrived in July), the European Union at 9% and Ukraine at 7%. Based on ABS export data, Australia's share of the Saudi Arabian feed barley market in 2022/23 was around 53pc and in 2021/22 it was more than 63%.

Manufactured stockfeed ascendancy

The year-on-year decline is underpinned by supply chain disruptions, primarily in the Red Sea, but the longer-term decline mirrors the growth of the domestic stock feed processing sector that encourages farmers to use locally processed animal rations, which are reported to be more cost-effective than imported barley.

Farmers in Saudi Arabia have traditionally mixed feed barley with alfalfa (lucerne) hay to feed their livestock, but domestic hay prices have gradually been rising, making the fodder mixture more costly than processed stockfeed. Furthermore, the barley/alfalfa mix will get even more expensive when local alfalfa production is terminated in 2027.

The increasing demand for locally processed animal rations has reduced the use of feed barley in the domestic market. Locally produced stockfeed uses corn as the primary ingredient, substantially increasing its demand over the past two years. Consequently, corn imports are on an upward trajectory, with the USDA penciling in 4.6 mmts in 2024/25, down from 5 mmts in 2023/24 due to a higher carry-in, but well above the five-year average.

Imported corn is primarily used for stockfeed rations, but approximately 240,000 mts is used in the production of food processing ingredients, such as starch and sweeteners. Domestically grown corn, of which there are around 110,000 mts, are consumed for food as corn-on-the-cob or milled for flour by small neighborhood mills.

According to the USDA's Riyadh-based Foreign Agricultural Service bureau, local farmers have been educated about the cost saving benefits of processed stockfeed and are comfortable making the change. As much as 30pc of raw barley fed to livestock is discharged without being digested, providing no benefit to animals in terms of nutrition or weight gain.

The Arabian Agricultural Services Company (ARASCO), the largest animal feed processor in Saudi Arabia, reports that one kilogram of manufactured livestock feed, referred to as "wafi", is equal to 1.5 kilograms of raw feed barley. It also offers higher nutritional value, leading to faster weight gain relative to feeding barley. ARASCO markets wafi as a complete animal ration consisting of cereals, wheat bran, soybean meal, molasses, alfalfa, minerals, and vitamins. It uses the most price competitive of feed wheat, feed barley, sorghum, or corn in wafi production.

While the barley distribution network across the nation is extensive and well-established, the market penetration of the processed stockfeed sector is catching up rapidly. As the production of processed rations has increased with new builds and increased capacity at existing facilities, so too has the distribution arc from each of the regionally based feed mills. With the wider availability of competitively priced feed alternatives, demand for feed barley is decreasing.

Late last year, the Saudi government announced a three-year plan to phase out domestic green forage production by 2027 as part of its water conservation efforts. The termination of domestic alfalfa hay cultivation is projected to further reduce the competitiveness of the imported hay-barley feed mix relative to processed animal rations.

If this plan is implemented, the demand for processed stock feed, and thus for imported corn, should significantly increase beyond 2027. The requirement for imported feed barley will likely decrease accordingly in the absence of a significant and sustained change to the landed price related to the other imported grains.

The Ministry of Environment, Water and Agriculture wants to see feed barley imported only for use as an ingredient in the domestic stockfeed processing sector when prices are competitive instead of being fed unprocessed to cattle. This means that Saudi Arabian barley imports are likely to continue falling and will only be used as an ingredient in stockfeed rations when cost dictates relative to alternative feed grain options.

➢ Canada Barley Supply & Demand Outlook

Barley Canada as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Area Harvested (1000 HA)	2,394	-	2,394	2,703	2,636	3,011	2,809
Beginning Stocks (1000 MT)	1,152	-	1,152	709	543	711	957
Production (1000 MT)	8,144	-	8,144	8,905	9,987	6,984	10,741
MY Imports (1000 MT)	125	-	125	118	25	228	294
TY Imports (1000 MT)	125	-	125	123	36	204	301
TY Imp. from U.S. (1000 MT)	0	-	0	125	39	47	299
Total Supply (1000 MT)	9,421	-	9,421	9,732	10,555	7,923	11,992
MY Exports (1000 MT)	2,100	-	2,100	2,311	3,148	1,981	3,534
TY Exports (1000 MT)	2,100	-	2,100	2,470	2,899	1,973	3,520
Feed and Residual (1000 MT)	5,400	-	5,400	5,184	5,596	4,178	6,416
FSI Consumption (1000 MT)	1,200	-	1,200	1,085	1,102	1,221	1,331
Total Consumption (1000 MT)	6,600	-	6,600	6,269	6,698	5,399	7,747
Ending Stocks (1000 MT)	721	-	721	1,152	709	543	711
Total Distribution (1000 MT)	9,421	-	9,421	9,732	10,555	7,923	11,992
Yield (MT/HA)	3.40	-	3.40	3.29	3.79	2.32	3.82

Source: USDA PS&D

➢ U.S. Barley Supply & Demand Outlook

Barley United States as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Area Harvested (1000 HA)	759	-	759	1,042	981	807	896
Beginning Stocks (1000 MT)	1,703	-	1,703	1,433	809	1,555	1,856
Production (1000 MT)	3,132	-	3,132	4,052	3,787	2,626	3,717
MY Imports (1000 MT)	218	-43(-16.48%)	261	289	511	320	142
TY Imports (1000 MT)	250	-50(-16.67%)	300	214	458	458	137
TY Imp. from U.S. (1000 MT)	0	-	0	0	0	0	0
Total Supply (1000 MT)	5,053	-43(-.84%)	5,096	5,774	5,107	4,501	5,715
MY Exports (1000 MT)	174	-	174	109	46	160	300
TY Exports (1000 MT)	125	+25(+25%)	100	152	57	68	349
Feed and Residual (1000 MT)	871	-	871	1,249	753	495	667
FSI Consumption (1000 MT)	2,614	+1(+.04%)	2,613	2,713	2,875	3,037	3,193
Total Consumption (1000 MT)	3,485	+1(+.03%)	3,484	3,962	3,628	3,532	3,860
Ending Stocks (1000 MT)	1,394	-44(-3.06%)	1,438	1,703	1,433	809	1,555
Total Distribution (1000 MT)	5,053	-43(-.84%)	5,096	5,774	5,107	4,501	5,715
Yield (MT/HA)	4.13	-	4.13	3.89	3.86	3.25	4.15

Source: USDA PS&D

World Barley Trade

October/September Year, Thousand Metric Tons

	2020/21	2021/22	2022/23	2023/24	2024/25 Jan	2024/25 Feb
TY Exports						
Australia	8,007	8,233	7,084	7,909	6,200	6,200
European Union	8,559	6,355	6,614	6,694	6,200	6,200
Argentina	2,458	3,765	2,908	2,843	3,400	3,300
Russia	5,691	3,100	5,400	5,800	2,600	2,600
Ukraine	5,053	2,710	2,559	3,176	2,400	2,400
Canada	3,520	1,973	2,899	2,470	2,100	2,100
Kazakhstan	1,028	563	1,253	1,399	1,600	1,600
United Kingdom	1,280	785	1,061	653	750	750
Turkey	122	215	121	149	150	250
Uruguay	185	317	127	350	250	250
Others	1,120	403	311	348	339	339
Subtotal	37,023	28,419	30,337	31,791	25,989	25,989
United States	349	68	57	152	100	125
World Total	37,372	28,487	30,394	31,943	26,089	26,114
TY Imports						
China	12,049	8,282	8,582	15,898	9,500	9,500
Saudi Arabia	6,100	4,700	3,100	2,600	2,200	2,200
Iran	3,700	1,700	1,300	1,400	1,500	1,500
European Union	1,150	1,237	2,157	1,625	1,400	1,400
Japan	1,132	1,184	1,228	1,203	1,200	1,200
Brazil	398	734	652	759	825	825
Jordan	484	1,166	1,261	847	800	800
Morocco	456	760	734	1,462	850	750
Tunisia	1,008	845	766	701	750	750
Algeria	778	688	180	900	600	600
Libya	1,043	535	750	450	600	600
Mexico	499	363	544	471	500	500
Vietnam	747	553	622	297	500	500
Qatar	358	292	394	155	450	450
Colombia	336	333	353	329	350	350
Kuwait	507	551	410	300	300	300
United Arab Emirates	453	337	260	320	300	300
Iraq	351	141	59	150	100	250
India	14	101	253	100	200	200
Israel	463	317	260	200	200	200
Others	4,555	4,013	4,620	2,098	2,001	1,950
Subtotal	36,581	28,832	28,485	32,265	25,126	25,125
Unaccounted	654	-803	1,451	-536	663	739
United States	137	458	458	214	300	250
World Total	37,372	28,487	30,394	31,943	26,089	26,114

GRAIN SORGHUM

➢ World Grain Sorghum Supply & Demand Outlook

Sorghum World as of February 2025

Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Area Harvested (1000 HA)	40,760	-120(-.29%)	40,880	40,036	40,614	41,131	43,411
Beginning Stocks (1000 MT)	3,805	-1(-.03%)	3,806	3,981	4,274	3,979	3,724
Production (1000 MT)	61,064	-400(-.65%)	61,464	58,364	57,484	61,451	62,936
MY Imports (1000 MT)	7,699	-1110(-12.6%)	8,809	9,497	6,138	12,552	9,929
TY Imports (1000 MT)	7,754	-1110(-12.52%)	8,864	9,388	6,088	12,530	9,968
TY Imp. from U.S. (1000 MT)	0	-	0	6,037	2,891	7,330	6,877
Total Supply (1000 MT)	72,568	-1511(-2.04%)	74,079	71,842	67,896	77,982	76,589
MY Exports (1000 MT)	8,090	-1670(-17.11%)	9,760	9,942	6,221	11,764	11,433
TY Exports (1000 MT)	8,272	-1200(-12.67%)	9,472	9,639	6,795	11,818	10,561
Feed and Residual (1000 MT)	24,582	-565(-2.25%)	25,147	23,348	20,670	26,404	24,185
FSI Consumption (1000 MT)	35,980	+735(+2.09%)	35,245	34,747	37,024	35,540	36,992
Total Consumption (1000 MT)	60,562	+170(+.28%)	60,392	58,095	57,694	61,944	61,177
Ending Stocks (1000 MT)	3,916	-11(-.28%)	3,927	3,805	3,981	4,274	3,979
Total Distribution (1000 MT)	72,568	-1511(-2.04%)	74,079	71,842	67,896	77,982	76,589
Yield (MT/HA)	1.50	-	1.50	1.46	1.42	1.49	1.45

Source: USDA PS&D

USDA's WASDE February update for 2024/25 showed world sorghum ending stocks down 11 kmts from January at 3.9 mmts.

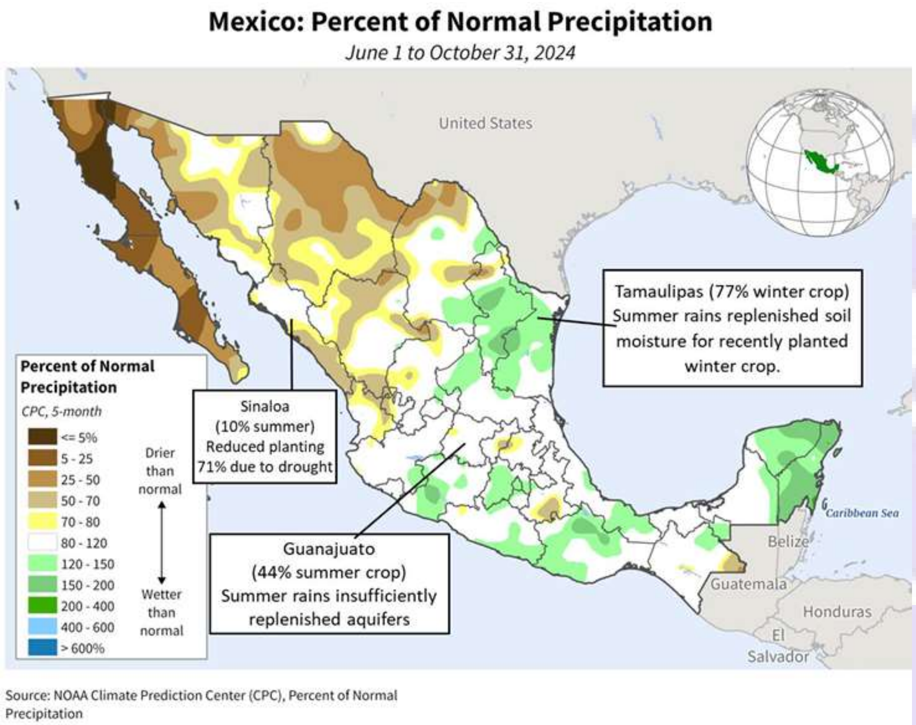
FSI consumption was up 750 kmts to 35.98 mmts, while feed and residual use were lowered 565 kmts to 24.6 mmts. In world trade, exports were off 1.7 mmts to 8.1 mmts. World sorghum ending stocks were off a modest 11 kmts, to 3.9 mmts

World Sorghum Production, Consumption, and Stocks

Local Marketing Years, Thousand Metric Tons

	2020/21	2021/22	2022/23	2023/24	2024/25 Jan	2024/25 Feb
Production						
Nigeria	6,590	6,725	6,806	6,400	6,900	6,900
Brazil	2,084	3,120	4,789	4,426	5,000	5,000
India	4,812	4,150	3,814	4,737	4,400	4,400
Mexico	4,348	4,840	4,892	4,485	4,500	4,200
Ethiopia	5,058	4,450	4,140	4,010	4,100	4,100
Argentina	3,319	2,883	1,610	2,487	3,600	3,500
Sudan	5,150	3,528	5,248	3,055	3,300	3,300
China	2,970	3,377	3,094	3,000	3,000	3,000
Australia	1,639	2,648	2,638	2,200	2,100	2,100
Niger	2,132	1,207	2,100	1,700	1,900	1,900
Burkina Faso	1,840	1,644	2,014	1,859	1,900	1,900
Mali	1,823	1,248	1,582	1,528	1,500	1,500
Cameroon	1,200	1,200	1,200	1,200	1,200	1,200
European Union	1,006	801	522	810	1,110	1,110
Bolivia	1,481	595	886	985	1,000	1,000
Others	8,010	7,660	7,379	7,411	7,220	7,220
Subtotal	53,462	50,076	52,714	50,293	52,730	52,330
United States	9,474	11,375	4,770	8,071	8,734	8,734
World Total	62,936	61,451	57,484	58,364	61,464	61,064

➢ **<u>Mexico Drought and Lower Prices Reduce Sorghum Area</u>**



11 February 2025 USDA FAS – Mexico sorghum production for marketing year (MY) 2024/25 is estimated at 4.2 mmts, down 7% from last month, down 6% from last year, and down 8% from the 5-year average.

Harvested area is estimated at 1.2 mha, down 9% from last month, down 7% from last year, and down 11% from the 5-year average.

Yield is estimated at 3.50 metric mts/ha, up 3% from last month, slightly up from last year, and up 3% from the 5-year average.

Mexico has two sorghum crops: summer (about 45% of production) and winter (about 55% of production). Planting finished for the summer sorghum crop in August and harvest completed in January. Tamaulipas and Jalisco reported higher production than last year's summer season, while Guanajuato, Michoacán, Sinaloa, and others are lower. Guanajuato is the top producer, making up 44% of the summer sorghum production. In Guanajuato, farmers planted 11% less of the summer sorghum crop than they did last year due to lower profitability and limited water availability. Roughly 63% of the state's sorghum is irrigated and relies on water from aquifers, but the severe drought conditions that started in 2023 limited water extraction for the summer 2024 crop. In Sinaloa, representing 10% of production, the severe drought continued through summer 2024 and farmers only planted 11,000 ha, which is 71% less than last year.

The winter sorghum crop is typically planted from September to March and harvested from March to July, with about 77% of the winter production found in Tamaulipas. According to FAS/Mexico City, farmer associations reported that producers are likely to reduce planted area by 27% to around 550,000 ha in Tamaulipas due to relatively low prices. Current soil moisture levels are adequate for planting due to the rainy season's above-average precipitation.

(For more information, please contact Lisa.Colson@usda.gov.)

World Sorghum Trade

October/September Year, Thousand Metric Tons

	2020/21	2021/22	2022/23	2023/24	2024/25 Jan	2024/25 Feb
TY Exports						
Australia	1,235	2,267	2,753	2,060	2,100	2,100
Argentina	1,973	1,800	800	1,100	1,700	1,500
Brazil	11	10	1	93	200	200
India	56	41	37	33	50	50
Nigeria	50	50	50	50	50	50
Ukraine	59	72	66	36	50	50
Paraguay	1	21	38	63	35	35
Others	250	170	85	86	87	87
Subtotal	3,635	4,431	3,830	3,521	4,272	4,072
United States	6,926	7,387	2,965	6,118	5,200	4,200
World Total	10,561	11,818	6,795	9,639	9,472	8,272
TY Imports						
China	8,669	10,991	4,863	8,341	7,700	6,500
Ethiopia	5	12	35	10	60	150
Japan	299	258	241	127	150	150
South Africa	8	1	29	78	150	150
Sudan	125	75	110	60	125	125
Mexico	133	362	176	60	100	100
Eritrea	65	95	63	162	70	70
Kenya	181	79	152	24	60	60
South Sudan	71	55	35	30	50	50
Somalia	50	50	50	50	50	50
Others	361	552	334	445	348	348
Subtotal	9,967	12,530	6,088	9,387	8,863	7,753
Unaccounted	593	-712	707	251	608	518
United States	1	0	0	1	1	1
World Total	10,561	11,818	6,795	9,639	9,472	8,272

Shipping of Australian new crop sorghum nears

13 February 2025 Grain Central – Limited on-farm storage for sorghum now being harvested at pace in north-west New South Wales and southern Queensland is pushing reasonable volumes into the prompt market. Bids being offered by container packers and those accumulating for bulk export are holding up under the pressure.

As the massive chickpea-export program winds down, slots are appearing for milling-wheat cargoes, which is absorbing volume for some warehoused and on-farm grain.

This is evidenced by GrainCorp's first sorghum shipment for the season, a 60,000 mts cargo, appearing in recent days on the stem as loading at the Fisherman Islands terminal in March, with the next out of Queensland, 30,000 mts, to load in Gladstone in May.

"If growers want to access the delivered-port market, they'll have to harvest and hold," Mr Warnock said.

Bulk handlers in sorghum-growing areas are generally holding big stocks of wheat and barley, and are taking in what sorghum they can ahead of the bulk program ramping up.

"The market's been holding up okay," Mr Warnock said, adding that growers were unlikely to see major sorghum rallies in the near term with the Australian dollar where it is, and with China well supplied with corn.

Volume traded in wheat and barley is steady. "It's a relative state of equilibrium; buyers are buying hand to mouth, and growers aren't bringing forward big volumes."

While some early cargoes of ASW-type wheat were shipped in the north, exports of higher grades have so far been limited.

Mr Warnock said that market has livened up lately, with the premium for APH2 over APW widening to around $30/t, while APW wheat is sitting at around $5/t over ASW.

"Just lately there's been a bit more interest in higher protein." He said consumers of feed grains were generally comfortable with their positions. "They know the grain is out there, and they're not seeing demand for barley and wheat to go export."

Sources generally say the global market is cautious about buying too far forward, not least because of uncertainty about tariffs to be imposed by the Trump administration, and possible retaliatory moves from US counterparties.

Australia exports 45,809 mts of sorghum in December

11 February 2025 Liz Wells, Grain Central – Australia exported 45,809 mts of sorghum in December, according to the latest data from the Australian Bureau of Statistics.

A shipment of 29,395 mts to Kenya made it the biggest customer for December-shipped sorghum, followed by China on 11,072 mts, and Taiwan on 3,720 mts.

On sorghum, December and the months beside it reflect the annual seasonal low in shipping.

"With low sorghum stocks and high shipping competition from pulses and wheat due to harvest pressure, we rarely see big sorghum months this time of year.

"This year it was even lower than normal due to the record chickpea program taking the majority of stem in the sorghum-export areas.

Notable in the figures was a Kenyan shipment, which is a small but consistent destination ex Australia.

"As with barley, this creates one of our most diverse destination months for sorghum in a long time."

Mr Roach said sorghum shipments look likely to stay for in January and February before the new-crop program fires up in March-April.

"Demand from China is present for Aussie origin at good values, with the tariff and potential retaliation question marks hanging over US sorghum, our biggest competitor.

"Today, Australia is in a preferential position to capture Chinese demand, which is ideal for the bigger crop year on year.

Mr Roache has flagged a possible tariff deal could see China agreeing to buy large volumes of US agricultural products, which happened during the previous Trump presidency trade war.

"This would see Australia lose its outright preference versus US, but not undermine demand completely."

Grain Sorghum Export Prices (FOB, US$/mt) as of 11th February 2025

		TW	LW	LY	%Y/Y
Argentina, Up River	Feb	210	210	268	-22
Australia, Brisbane a)	Feb	259	258	301	-14
US No. 2 YGS, Gulf	Mar	242	246	240	+1

Source: International Grains Council

US Gulf sorghum export quotations declined by 2% w/w, chiefly tied to softer US corn futures, as basis levels held steady.

Export sales in the week ending the 30th of January totaled a meagre 6,545 mts, with the 2024/25 (Sep/Aug) cumulative tally at 1.1 mmts (vs -74% y/y).

Reflecting the weak pace to date, USDA's February WASDE report featured a cut of 1.3 mmts to forecasted 2024/25 exports, to 4.3 mmts (vs 6.1 mmts the previous year).

In Argentina, planting neared completion, estimated at 96% done as of the 6th of February (vs 94% year ago).

USDA – U.S. Grain Sorghum

Sorghum United States as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Area Harvested (1000 HA)	2,268	-	2,268	2,475	1,849	2,626	2,062
Beginning Stocks (1000 MT)	831	-	831	616	1,201	516	764
Production (1000 MT)	8,734	-	8,734	8,071	4,770	11,375	9,474
MY Imports (1000 MT)	1	-	1	1	0	0	1
TY Imports (1000 MT)	1	-	1	1	0	0	1
TY Imp. from U.S. (1000 MT)	0	-	0	0	0	0	0
Total Supply (1000 MT)	9,566	-	9,566	8,688	5,971	11,891	10,239
MY Exports (1000 MT)	4,318	-1270(-22.73%)	5,588	6,075	2,770	7,515	7,085
TY Exports (1000 MT)	4,200	-1000(-19.23%)	5,200	6,118	2,965	7,387	6,926
Feed and Residual (1000 MT)	2,667	+635(+31.25%)	2,032	1,172	1,079	2,031	2,465
FSI Consumption (1000 MT)	1,778	+635(+55.56%)	1,143	610	1,506	1,144	173
Total Consumption (1000 MT)	4,445	+1270(+40%)	3,175	1,782	2,585	3,175	2,638
Ending Stocks (1000 MT)	803	-	803	831	616	1,201	516
Total Distribution (1000 MT)	9,566	-	9,566	8,688	5,971	11,891	10,239
Yield (MT/HA)	3.85	-	3.85	3.26	2.58	4.33	4.59

Source: USDA PS&D

USDA's WASDE February update for 2024/25 showed US sorghum ending stocks unchanged from January at 32 mbus. However, FSI consumption was increased 25 to 70 mbus. Feed and residual use was also increased 25, to 105 bus.

US exports were cut 50 million to 170 bus as China demand remains very meager;

US sorghum eding stocks were unchanged at 32 mbus. This left the USDA forecasted average US farm gate prices unchanged at $4.25/ bushel.

U.S. Export Grain Sorghum Values – the 13th of February 2025

Grain Sorghum Basis, FOB Texas Gulf Vessel Quotes vs CBOT Corn Futures, *in cents/bu. Changes are from midday basis report. Source: USDA*

TX FOB VESSEL MILO (USc/bu)	2/12/2025	2/13/2025		
February	161	161	H	UNC
March	161	161	H	UNC
March	161	161	H	UNC

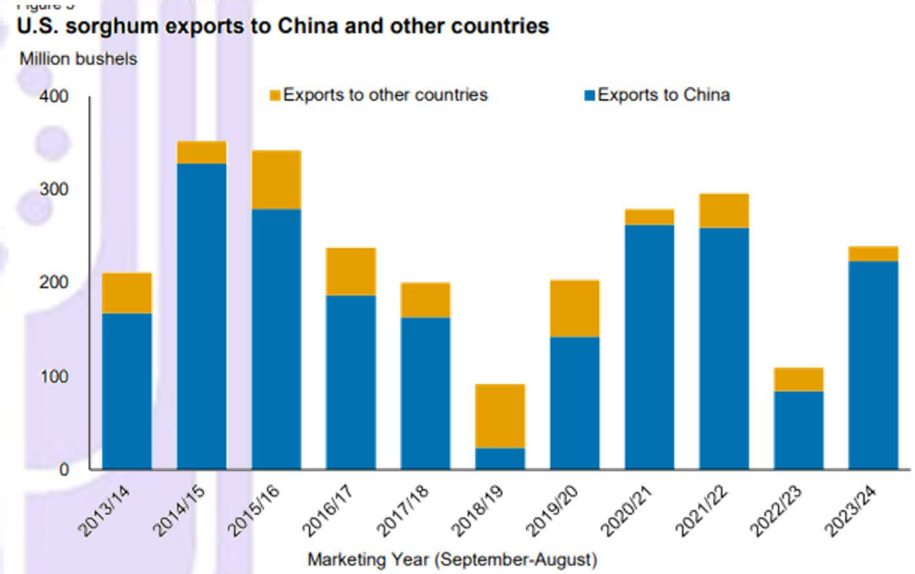
Cash milo market remains quiet/difficult to define, many still utilizing the 85% value of corn to formulate bids.

Lower Sorghum Export Prospects Are Offset by Higher Domestic Use

GHA: US domestic sorghum prices are now showing a cheap enough basis level, and discount to corn to begin pricing in to both feed and ethanol demand.

13 February 2025 USDA ERS – Sorghum export prospects are cut by 50 mbus this month, to 170 mbus, on reduced sorghum-export expectations to China and low export volumes to date. China drives the overall U.S. sorghum exports.

For further context, in the last decade, the highest U.S. sorghum export volume to other countries amounted to 68 mbus in 2018/19 (see figure below). Like for corn imports, China's overall sorghum imports are projected lower this month.



Source: USDA, Economic Research Service using data from the U.S. Department of Commerce, Bureau of the Census.

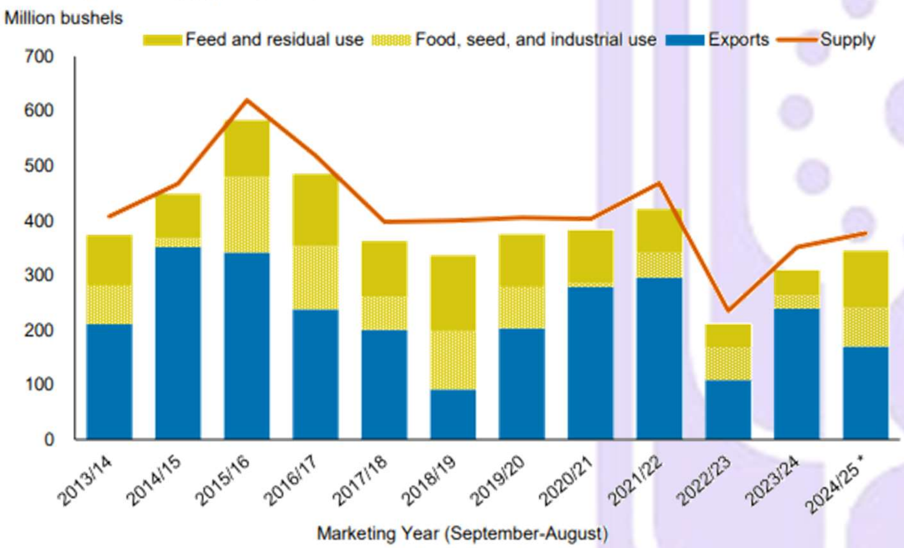
According to the U.S. Department of Commerce, Bureau of the Census data, U.S. sorghum exports totaled 56.8 mbus for the September-December period of the U.S. sorghum marketing year, down 32.2% compared to a year ago. This number includes donations to African countries that are not reported in commercial export sales.

During that time frame, sorghum exports to China were 38.6 mbus, 48.1% below the volume exported a year ago for the same period. Less than 1 mbus of new commercial sorghum sales (to China) have been reported to FAS in January, and as of January 30, 2025, Agricultural Marketing Service's total sorghum inspections stand at 57.3 mbus. Therefore, low U.S. sorghum export data, recorded inspections, and sluggish outstanding sales support a reduction in U.S. sorghum exports for 2024/25.

With lower export demand, a larger share of U.S. sorghum supplies is projected to be consumed domestically. Domestic sorghum disappearance is expected to be 50 mbus higher this month, at 175 mbus. Sorghum consumption for feed and residual use—and for food, seed, and industrial usage (FSI)—are each increased by 25 mbus.

The 2024/25 sorghum feed and residual use is raised to 105 mbus. During the first quarter of the 2024/25 U.S. sorghum MY (September-November), sorghum feed and residual use is estimated to be 17.4% higher than during the same quarter a year ago. Sorghum cash prices have softened versus corn prices since November. This is expected to stimulate incremental additions of sorghum quantities into feed rations. The 2024/25 sorghum FSI forecast is increased to 70 mbus.

U.S. sorghum supply, exports, and domestic use



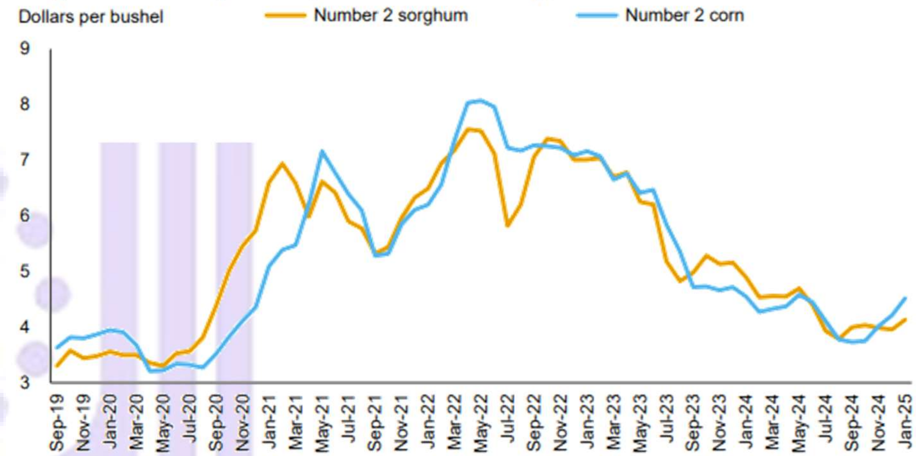
Note: (*) denotes forecast.
Source: USDA, Economic Research Service using data from Department of Commerce, Bureau of the Census and USDA, *World Agricultural Supply and Demand Estimates.*

For further context, FSI use for sorghum has ranged between 6.8 and 136.9 mbus during the last decade (see figure below), showcasing an inverse relationship with export volumes.

Sorghum crush for ethanol production over the course of the first 3 months of the U.S. sorghum MY has been steadily rising. According to EIA data, September-November 2024 sorghum use for ethanol production was 64.5% higher than the same period in 2023, at 10.3 mbus.

As mentioned above for feed, U.S. sorghum cash prices started trading at a discount to corn prices in December, spurring favorable market conditions to continue increasing sorghum usage for ethanol (see figure above). This expected increase is also supported by strong ethanol production. Therefore, additional growth in sorghum FSI usage is expected.

Sorghum and corn prices reported for Kansas City, Missouri



Source: USDA, Economic Research Service, based on data from USDA, Agricultural Marketing Service, Grain and Feed Market News.

This month's increase in projected sorghum domestic use offsets the decrease in projected exports. With no changes in sorghum supply and offsetting changes in total use, the 2024/25 sorghum ending-stocks estimate is unchanged at 31.6 mbus.

The sorghum season average price forecast remains at $4.25 per bushel, reflecting the discount to corn prices observed in cash markets.

OATS

➢ World Oats Supply & Demand Outlook

Oats World as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Area Harvested (1000 HA)	8,712	+3(+.03%)	8,709	8,417	9,381	9,651	10,086
Beginning Stocks (1000 MT)	2,365	-2(-.08%)	2,367	3,568	2,464	3,057	2,241
Production (1000 MT)	22,336	+20(+.09%)	22,316	19,462	25,509	22,822	25,956
MY Imports (1000 MT)	2,282	+25(+1.11%)	2,257	2,378	2,753	2,405	2,528
TY Imports (1000 MT)	2,286	-10(-.44%)	2,296	2,225	2,840	2,337	2,615
TY Imp. from U.S. (1000 MT)	0	-	0	26	25	26	43
Total Supply (1000 MT)	26,983	+43(+.16%)	26,940	25,408	30,726	28,284	30,725
MY Exports (1000 MT)	2,358	-50(-2.08%)	2,408	2,374	2,754	2,517	2,766
TY Exports (1000 MT)	2,369	-35(-1.46%)	2,404	2,303	2,939	2,364	2,698
Feed and Residual (1000 MT)	14,564	+40(+.28%)	14,524	13,186	16,623	15,540	17,215
FSI Consumption (1000 MT)	7,586	+5(+.07%)	7,581	7,483	7,781	7,763	7,687
Total Consumption (1000 MT)	22,150	+45(+.2%)	22,105	20,669	24,404	23,303	24,902
Ending Stocks (1000 MT)	2,475	+48(+1.98%)	2,427	2,365	3,568	2,464	3,057
Total Distribution (1000 MT)	26,983	+43(+.16%)	26,940	25,408	30,726	28,284	30,725
Yield (MT/HA)	2.56	-	2.56	2.31	2.72	2.36	2.57

Source: USDA PS&D

➢ Grain Oats Export Prices (FOB, US$/mt) as of 11th February 2025

		TW	LW	LY	%Y/Y
Australia	Feb	356	345	366	-3

Source: International Grains Council

US CME March oats futures retreated by 6% w/w on fund liquidation.

Canadian exports in the week ending the 2nd February totaled 19,600 mts, with 2024/25 (Aug/Jul) cumulative shipments at 0.8 mmts (+2% on previous year). As at 31 December 2024, inventories were officially estimated at 2.2 mmts (-4%).

➢ USDA – US Oats Supply & Demand Outlook

Oats United States as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Area Harvested (1000 HA)	359	-	359	336	356	263	408
Beginning Stocks (1000 MT)	526	-	526	505	474	552	534
Production (1000 MT)	984	-	984	828	837	578	954
MY Imports (1000 MT)	1,207	-	1,207	1,279	1,441	1,396	1,472
TY Imports (1000 MT)	1,250	-	1,250	1,098	1,600	1,256	1,572
TY Imp. from U.S. (1000 MT)	0	-	0	0	0	0	0
Total Supply (1000 MT)	2,717	-	2,717	2,612	2,752	2,526	2,960
MY Exports (1000 MT)	29	-	29	29	28	37	46
TY Exports (1000 MT)	30	-	30	30	29	33	51
Feed and Residual (1000 MT)	1,061	-	1,061	898	1,049	863	1,224
FSI Consumption (1000 MT)	1,176	-	1,176	1,159	1,170	1,152	1,138
Total Consumption (1000 MT)	2,237	-	2,237	2,057	2,219	2,015	2,362
Ending Stocks (1000 MT)	451	-	451	526	505	474	552
Total Distribution (1000 MT)	2,717	-	2,717	2,612	2,752	2,526	2,960
Yield (MT/HA)	2.74	-	2.74	2.46	2.35	2.20	2.34

Source: USDA PS&D

World Oats Trade

October/September Year, Thousand Metric Tons

	2020/21	2021/22	2022/23	2023/24	2024/25 Jan	2024/25 Feb
TY Exports						
Canada	1,959	1,222	1,891	1,430	1,350	1,350
Australia	391	512	574	300	450	450
Russia	90	150	150	275	275	275
European Union	145	202	90	118	125	125
United Kingdom	31	167	147	95	125	90
Kazakhstan	5	2	13	16	15	15
Ukraine	15	9	4	19	15	15
Others	11	67	41	20	19	19
Subtotal	2,647	2,331	2,910	2,273	2,374	2,339
United States	51	33	29	30	30	30
World Total	2,698	2,364	2,939	2,303	2,404	2,369
TY Imports						
China	301	342	463	461	425	425
Mexico	171	189	185	178	125	150
European Union	33	209	125	98	75	75
India	46	45	53	32	50	50
Japan	48	48	44	44	50	50
Switzerland	49	50	42	43	45	45
Peru	44	30	45	40	35	35
Malaysia	26	19	28	16	30	30
Korea, South	24	26	21	21	25	25
South Africa	21	0	39	32	25	25
Canada	19	28	21	17	20	20
Chile	169	12	75	25	50	20
Norway	15	32	13	50	20	20
United Kingdom	18	16	19	15	20	15
Uruguay	1	10	21	15	15	15
Others	59	26	47	40	36	36
Subtotal	1,044	1,082	1,241	1,127	1,046	1,036
Unaccounted	82	26	98	78	108	83
United States	1,572	1,256	1,600	1,098	1,250	1,250
World Total	2,698	2,364	2,939	2,303	2,404	2,369

- **CME CBOT Oat Futures – Daily Nearby**

Source: https://www.barchart.com/futures/quotes/ZOU22/interactive-chart

***CME March 2025 Oats Futures** settled on Friday at $3.41¾/bu, up 3¾ cents on the day, but losing 8½ cents for the week.*

MILLET

- **World Millet Supply & Demand Outlook**

Millet World as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Area Harvested (1000 HA)	30,962	+21(+.07%)	30,941	31,127	31,450	29,043	31,879
Beginning Stocks (1000 MT)	625	-	625	685	619	620	612
Production (1000 MT)	31,103	+30(+.1%)	31,073	30,255	32,073	27,890	32,774
MY Imports (1000 MT)	0	-	0	0	0	0	0
TY Imports (1000 MT)	0	-	0	0	0	0	0
TY Imp. from U.S. (1000 MT)	0	-	0	0	0	0	0
Total Supply (1000 MT)	31,728	+30(+.09%)	31,698	30,940	32,692	28,510	33,386
MY Exports (1000 MT)	0	-	0	0	0	0	0
TY Exports (1000 MT)	0	-	0	0	0	0	0
Feed and Residual (1000 MT)	1,791	-	1,791	1,918	1,736	1,617	1,671
FSI Consumption (1000 MT)	29,317	+30(+.1%)	29,287	28,397	30,271	26,274	31,095
Total Consumption (1000 MT)	31,108	+30(+.1%)	31,078	30,315	32,007	27,891	32,766
Ending Stocks (1000 MT)	620	-	620	625	685	619	620
Total Distribution (1000 MT)	31,728	+30(+.09%)	31,698	30,940	32,692	28,510	33,386
Yield (MT/HA)	1	-	1	0.97	1.02	0.96	1.03

Source: USDA PS&D

Millet World Production – Top 10 in 2024

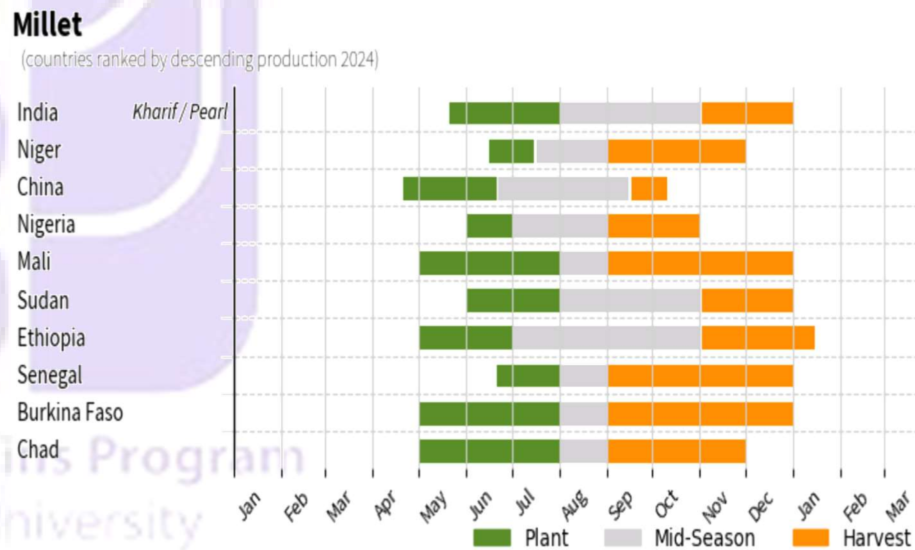
1.	India	13,500 kmts
2.	Niger	3,400 kmts
3.	China	2,700 kmts
4.	Nigeria	1,900 kmts
5.	Mali	1,800 kmts
6.	Sudan	1,600 kmts
7.	Ethiopia	1,125 kmts
8.	Senegal	1,100 kmts
9.	Burkina Faso	1,000 kmts
10.	Chad	700 kmts

Millets are a group of small-seeded grains that are resilient, drought-tolerant, and packed with nutrients. Varieties like sorghum, pearl millet, and finger millet are not only staples in many developing countries but are also gaining traction in health-conscious markets across Europe and North America. As more people seek plant-based and gluten-free options, millets are now becoming a staple in global diets, boosting the trade of this versatile grain.

India stands out as the largest producer of millets, contributing significantly to the global supply. In addition to India, countries like Nigeria, China, and Niger are also important producers.

These nations cultivate millets on a large scale, catering to both domestic and international markets.

While production is concentrated in these regions, the global millet trade is rapidly expanding due to growing demand from developed nations.



Global Millets Trade and Export Trends

The global trade in millets is experiencing a steady rise, with increasing demand from countries like the U.S., Germany, Japan, and the UK. Europe is witnessing growing interest in millets due to its benefits as a gluten-free grain, while the U.S. is seeing rising demand for millets in health-conscious and organic food markets.

Export trends indicate that the demand for organic and non-GMO millet varieties is increasing. As health awareness continues to spread, millet exports from top-producing countries are expected to grow steadily over the next decade.

Despite the rising demand, the millet export market faces challenges like fluctuating prices, quality control, and trade barriers. Exporters must meet the strict quality and certification standards imposed by importing nations, particularly in Europe and North America.

Global market size: The global millet market is expected to grow from $11.53 billion in 2024 to $14.43 billion by 2029.

Top exporters: In 2022, the top exporters of millet were India, the United States, Ukraine, Russia, and France.

India is by far one of the biggest millet exporters, dominating the international market due to its high production capacity and diverse millet varieties. Indian millets suppliers are well-positioned to meet the rising global demand.

Other countries contributing significantly to millet exports include Ukraine, the United States, and certain African nations.

Ukraine, in particular, has seen rapid growth in its millet exports, while the U.S. focuses on niche organic and specialty millet varieties.

US Exports: In 2022, United States exported $35.2M in Millet, making it the 2nd largest exporter of Millet in the world. At the same year, Millet was the 2292nd most exported product in United States. The main destination of Millet exports from United States are: Indonesia ($16.3M), Canada ($5.9M), Philippines ($3.54M), Malaysia ($2.33M), and Mexico ($1.78M).

The fastest growing export markets for Millet of United States between 2021 and 2022 were Philippines ($2.82M), Canada ($2.09M), and Indonesia ($1.57M).

Top importers: In 2022, the top importers of millet were Indonesia, Belgium, Germany, Canada, and the United Arab Emirates.

US Imports: In 2022, United States imported $4.12M in Millet, becoming the 18th largest importer of Millet in the world. At the same year, Millet was the 4019th most imported product in United States. United States imports Millet primarily from: France ($1.53M), Canada ($858k), South Africa ($739k), India ($311k), and Russia ($118k).

The fastest growing import markets in Millet for United States between 2021 and 2022 were South Africa ($638k), Russia ($72.8k), and Mexico ($65.7k).

Source: Ero Sun https://medium.com/@eurosunglobal/exploring-the-largest-millet-exporters-leading-suppliers-in-the-millets-market-b2d86b51192a; OEC https://oec.world/en/profile/bilateral-product/millet/reporter/usa

- **‘Integrated approach must for increasing millet production’**

A major initiative towards increasing millet production will be expanding the area by encouraging farmers to utilize semi-arid and rainfed regions for millet cultivation, says official

Published 4 February 2025 The Hindu Bureau - Academicians and officials suggest a combination of strategies, including agricultural process, policies and market support, to increase area of production and productivity of minor millets in the State.

A major initiative towards increasing the production would be expanding the area by encouraging farmers to utilise semi-arid and rainfed regions for millet cultivation as millets required less water, S. Vasuki, Deputy Director of Seed Inspection, said based a series of field studies being conducted across districts.

Utilizing fallow, degraded lands for millet cultivation with soil and water conservation measures, following crop rotation system and intercropping with cash crops were some steps that could be suggested to increase the growth of crops, she added.

Using high-yielding varieties, supply of quality seeds, adopting the best practices and efficient irrigation were helpful in enhancing yield.

“Some of the varieties like Co-9, Co-10, pearl millet, Co-7, Co-9 (foxtail millet) and Kodo millet, which were developed by Tamil Nadu Agricultural University, are highly recommended. Also, ensuring the availability of certified seeds through extension services and agricultural cooperatives is deemed as one of the important ways for ensuring quality crops,” Ms. Vasuki said.

Adopting practices like timely sowing, optimal spacing, use of bio-fertilizers, vermicompost and farmyard manure for improved soil health and promoting Integrated Nutrient Management and Integrated Pest Management were important steps to be followed, she added.

Farmer training programs on millet agronomy, pest management and soil health should be conducted in addition to assisting farmers with small-scale machinery for sowing, weeding and harvesting, she noted.

“Policy and institutional support like providing subsidies and incentives, creating market linkages for farmers through Farmer-Producer Organizations, ensuring Minimum Support Price for millets and supporting them through government schemes like National Food Security Mission and Tamil Nadu State Millet Mission will also help more farmers take up millet farming,” Ms. Vasuki observed.

Ms. Vasuki said conducting awareness campaigns among the public about the health benefits of millets, supporting small-scale processing units for value addition and including millets in Public Distribution System, mid-day meal schemes and Integrated Child Development Services would increase millet consumption.

Focusing on research and development to address issues in production and pest management by collaborating with researches conducted by the TNAU, Indian Council of Agricultural Research and Indian Institute of Millets Research could help resolve many of the ground-level issues. Other aspects like easy access to credit and insurance schemes would support the farmers financially, she added.

OILSEEDS COMPLEX

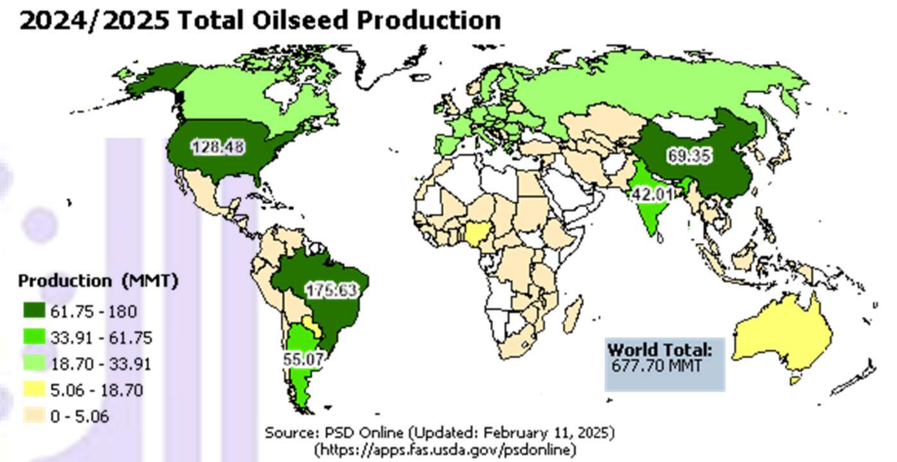
➢ **World Oilseed Supply & Demand Outlook**

World and U.S. Supply and Use for Oilseeds 1/
(Million Metric Tons)

World			Output	Total Supply	Trade	Total Use 2/	Ending Stocks
Oilseeds	2022/23		638.35	752.61	201.37	526.45	122.36
	2023/24 (Est.)		657.10	779.46	205.61	545.94	132.46
	2024/25 (Proj.)	Jan	680.35	812.93	207.30	560.27	144.32
		Feb	677.70	810.17	207.32	561.25	140.05
Oilmeals	2022/23		358.09	378.30	97.65	356.33	17.39
	2023/24 (Est.)		372.63	390.01	106.24	366.17	18.92
	2024/25 (Proj.)	Jan	385.04	403.90	107.41	378.56	21.10
		Feb	385.73	404.65	108.14	379.42	21.08
Vegetable Oils	2022/23		217.29	247.41	88.93	211.08	31.17
	2023/24 (Est.)		221.69	252.85	85.99	217.50	30.83
	2024/25 (Proj.)	Jan	227.18	257.99	86.36	224.78	28.30
		Feb	227.36	258.19	86.18	224.69	28.35
United States							
Oilseeds	2022/23		125.75	136.42	54.78	64.16	8.85
	2023/24 (Est.)		122.16	132.12	47.35	66.27	10.81
	2024/25 (Proj.)	Jan	128.48	140.44	50.78	69.79	11.74
		Feb	128.48	140.41	50.80	69.72	11.74
Oilmeals	2022/23		49.93	54.59	13.39	40.78	0.41
	2023/24 (Est.)		51.46	56.17	14.80	40.89	0.49
	2024/25 (Proj.)	Jan	54.08	58.92	15.98	42.44	0.50
		Feb	54.10	58.94	15.98	42.46	0.50
Vegetable Oils	2022/23		13.18	20.74	0.34	19.27	1.14
	2023/24 (Est.)		13.61	21.60	0.42	20.17	1.02
	2024/25 (Proj.)	Jan	14.34	22.61	0.87	20.68	1.06
		Feb	14.31	22.58	0.86	20.67	1.06

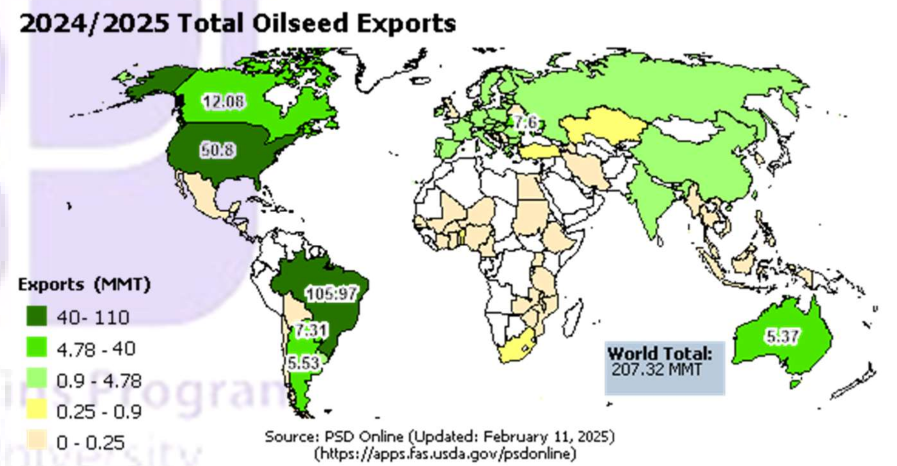
OVERVIEW 2024/25

11 February 2025 USDA FAS – The global oilseeds production forecast is down 2.7 mmts to 677.7 million this month on lower Argentina and Paraguay soybean, not offset by an increase in China cottonseed and Kazakhstan sunflower production.



Source: USDA FAS https://ipad.fas.usda.gov/ogamaps/map.aspx?cmdty=Oilseed&attribute=Production

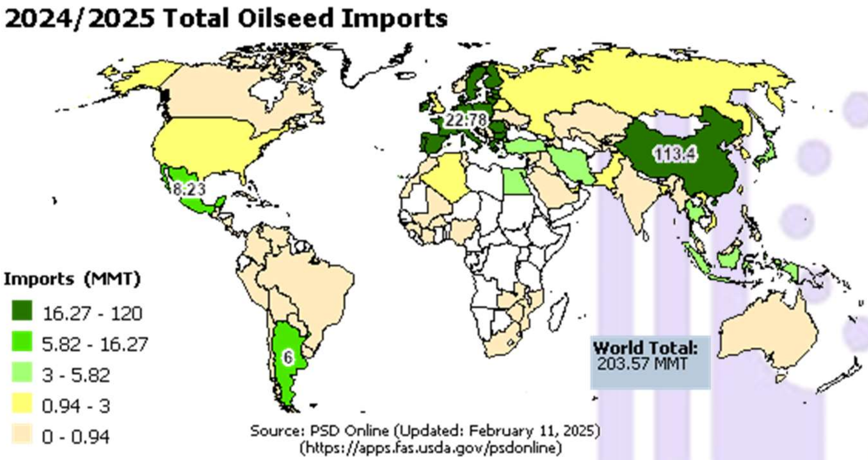
Global crush is raised nearly 600,000 tons to 561.3 million on higher Brazil soybean crush, not offset by lower Paraguay soybean crush.



Source: USDA FAS https://ipad.fas.usda.gov/ogamaps/map.aspx?cmdty=Oilseed&attribute=Production

Oilseeds trade remains unchanged at 207.3 mmts, with higher U.S. rapeseed exports offsetting lower sunflowerseed exports by Argentina.

Global meal trade is up 700,000 tons to 108.1 million on higher Brazil soybean meal exports, despite lower shipments from Paraguay.



Source: USDA FAS https://ipad.fas.usda.gov/ogamaps/map.aspx?cmdty=Oilseed&attribute=Production

Oilseeds ending stocks are lowered 4.3 mmts to 140.0 million on lower Argentina and Brazil soybean and Argentina sunflowerseed and peanut stocks.

The projected U.S. season-average farm price for soybeans is lowered to $10.10/bu.

2024/25 OUTLOOK CHANGES (All figures are in thousand metric tons)

Country	Commodity	Attribute	Previous	Current	Change	Reason
Algeria	Meal, Soybean	Imports	100	**300**	**200**	Larger exportable supplies in Argentina
	Oilseed, Soybean	Imports	1,850	**2,050**	**200**	Larger exportable supplies in Canada
Argentina	Meal, Soybean	Exports	27,300	**28,000**	**700**	Larger exportable supplies on higher crush
	Oil, Soybean	Exports	5,600	**5,800**	**200**	
Brazil	Oil, Soybean	Exports	1,400	**1,550**	**150**	Increased exports reflecting renewed price competitiveness
Burma	Meal, Soybean	Imports	480	**220**	**-260**	Reduced demand for feed consumption
Canada	Oilseed, Rapeseed	Exports	7,350	**6,750**	**-600**	Lower crop prospect
	Oilseed, Soybean	Exports	4,600	**4,800**	**200**	Higher crop prospects
	Oil, Soybean	Imports	240	**400**	**160**	Raised industrial usage

Table 01: Major Oilseeds: World Supply and Distribution (Commodity View)

Million Metric Tons

	2020/21	2021/22	2022/23	2023/24	Jan 2024/25	Feb 2024/25
Production						
Oilseed, Copra	5.77	6.03	6.00	6.21	5.81	5.81
Oilseed, Cottonseed	41.70	41.13	42.36	41.30	43.33	43.72
Oilseed, Palm Kernel	19.09	18.88	19.75	19.68	20.62	20.59
Oilseed, Peanut	50.62	51.89	49.44	49.53	50.49	50.39
Oilseed, Rapeseed	75.42	76.65	89.86	89.39	85.17	85.31
Oilseed, Soybean	369.60	360.54	378.16	394.97	424.26	420.76
Oilseed, Sunflowerseed	48.87	56.86	52.78	56.02	50.69	51.12
Total	611.07	611.98	638.35	657.10	680.35	677.70
Imports						
Oilseed, Copra	0.08	0.10	0.08	0.09	0.09	0.09
Oilseed, Cottonseed	0.81	0.98	1.36	1.32	1.18	1.18
Oilseed, Palm Kernel	0.15	0.15	0.15	0.24	0.15	0.15
Oilseed, Peanut	4.33	4.05	4.27	4.14	4.20	4.20
Oilseed, Rapeseed	16.67	13.78	20.05	18.17	16.57	16.55
Oilseed, Soybean	166.20	154.47	168.60	178.11	179.24	179.24
Oilseed, Sunflowerseed	2.72	3.83	3.77	2.60	2.17	2.16
Total	190.96	177.36	198.28	204.66	203.60	203.57
Exports						
Oilseed, Copra	0.10	0.10	0.10	0.08	0.09	0.09
Oilseed, Cottonseed	0.96	1.27	1.07	1.46	1.36	1.37
Oilseed, Palm Kernel	0.05	0.05	0.05	0.05	0.05	0.05
Oilseed, Peanut	5.06	4.43	4.83	4.94	4.68	4.68
Oilseed, Rapeseed	18.03	15.35	19.55	18.88	16.85	16.91
Oilseed, Soybean	165.18	154.44	171.75	177.51	181.97	181.98
Oilseed, Sunflowerseed	2.95	3.95	4.02	2.69	2.30	2.24
Total	192.33	179.57	201.37	205.61	207.30	207.32
Crush						
Oilseed, Copra	5.70	5.96	5.91	6.18	5.78	5.78
Oilseed, Cottonseed	32.34	31.88	32.50	33.02	33.75	33.66
Oilseed, Palm Kernel	19.09	18.73	19.77	19.58	20.60	20.60
Oilseed, Peanut	19.68	19.83	19.15	18.67	19.28	19.28
Oilseed, Rapeseed	72.11	72.06	82.11	84.63	84.08	84.17
Oilseed, Soybean	318.16	316.63	315.62	331.24	349.29	349.89
Oilseed, Sunflowerseed	45.05	46.72	51.40	52.62	47.48	47.86
Total	512.13	511.81	526.45	545.94	560.27	561.25
Ending Stocks						
Oilseed, Copra	0.05	0.06	0.05	0.04	0.04	0.04
Oilseed, Cottonseed	1.66	1.49	1.44	1.57	1.74	1.79
Oilseed, Palm Kernel	0.19	0.32	0.28	0.37	0.33	0.30
Oilseed, Peanut	4.96	5.05	4.37	4.05	3.85	3.75
Oilseed, Rapeseed	7.55	6.60	10.84	10.83	7.64	7.60
Oilseed, Soybean	98.70	92.90	101.24	112.49	128.37	124.34
Oilseed, Sunflowerseed	2.41	7.85	4.15	3.11	2.36	2.24
Total	115.52	114.26	122.36	132.46	144.32	140.05

2024/25 OUTLOOK CHANGES (All figures are in thousand metric tons)

Country	Commodity	Attribute	Previous	Current	Change	Reason
Brazil	Meal, Soybean	Exports	21,000	**22,000**	**1,000**	Strong biofuel demand and favorable crush margins
China	Oil, Sunflowerseed	Imports	1,100	**900**	**-200**	Weak imports to date
India	Oil, Palm	Imports	9,400	**8,900**	**-500**	Negative refining margins and slow import pace
	Oil, Sunflowerseed	Imports	1,900	**2,300**	**400**	Stronger than expected Q1 shipments
Indonesia	Oil, Palm	Exports	24,200	**24,000**	**-200**	Weak exports to date
Iran	Meal, Soybean	Imports	1,975	**2,675**	**700**	Strong import pace to date
Paraguay	Meal, Soybean	Exports	2,000	**1,725**	**-275**	Reduced crush or lower production

➢ **<u>Oilseed Export Prices (FOB, US$/mt)</u> as of 11th February 2025**

Soybeans		**TW**	**LW**	**LY**	**%Y/Y**
Argentina, Up River	Feb	406	418	422	-4
Brazil (Paranagua)	Mar	388	392	400	-3
US 2Y, Gulf	Mar	415	425	462	-10
Soybean Meal					
Argentina (Up River)	Feb	321	339	412	-22
Soybean Oil					
Argentina (Up River)	Feb	1050	987	826	+27
Brazil (Paranagua)	Mar	1075	1011	851	+26
Canola					
Australia, Kwinana (WA) a)	Mar	544	538	474	+15
Canada, Vancouver	Mar	504	491	474	+6
Sunflowerseed					
EU (France) (Bordeaux)	Feb	688	680	437	+58
Palm oil					
Indonesia	Feb	1140	1100	900	+27

Source: International Grains Council

With general decline across the complex at all key origins retreated by around 2% from last week.

US CME March futures eased by a net 3% over the week as signs of improving crop weather in South America and the associated advance of the Brazilian harvest weighed on sentiment.

The influence of soya product markets was mixed: while soya oil values were a touch firmer, soybean meal futures dropped sharply, the spot contract some 6% weaker, tied to prospects for heavy availabilities in Argentina and Brazil in the months ahead.

Against the backdrop of worries about the potential for heightened US-China trade tensions, weekly US export sales data were at the low end of trade estimates and added to pressure.

In this week's February's USDA's WASDE Report, forecasts for US supply and demand numbers were unchanged from January. However, the report continued to underscore prospects for heavy global production and export availabilities in 2024/25; with Brazilian output seen at a record of 169.0 mmts (vs 166.3 mmts by Conab in January, vs 147.7 mmts the prior year). Supplies are set to be more than sufficient to absorb growth in local and international demand.

Separately, looking ahead to the 2025/26 (Feb/Jan) campaign, ANEC, the grain exporters' association, predicted February exports at a record of 10.1 mmts.

In Conab's latest assessment, soyabean plantings were more or less complete in the week ending the 9th of February. With weather patterns turning more favorable in Mato Grosso state, there was a step up in the pace of harvesting, with nationwide progress pegged at 15% done (vs 8% LW, and 21% LY). Fieldwork in Parana was hampered by rain, but with precipitation aiding the development of late-seeded crops. In Rio Grande do Sul, sustained hot, dry conditions were concerning, with crop losses notable in some areas of the region.

In Argentina, the latest report from Buenos Aires Grain Exchange pegged condition ratings 4 percentage points lower w/w, at 68% fair/excellent as of the 5th of February (vs 81% a year ago). Nevertheless, recent rains were expected to have been helpful, potentially countering the potential for an erosion of yields in central regions, while also improving the outlook for double crop plantings.

➢ **<u>EU 2024/25 soybean imports 8.27 mmts by Feb 2nd, rapeseed 3.67 mmts</u>**

4 February 2025 Reuters – European Union soybean imports so far in the 2024/25 season that started in July had reached 8.27 mmts by February 2nd, compared with 7.32 mmts a year earlier, data published by the European Commission showed on Tuesday.

EU rapeseed imports in the same period totaled 3.67 mmts, against 3.56 mmts a year earlier. Soymeal imports totaled 11.42 mmts versus 8.92 MMT a year earlier; an increase of 28%.

Soybeans

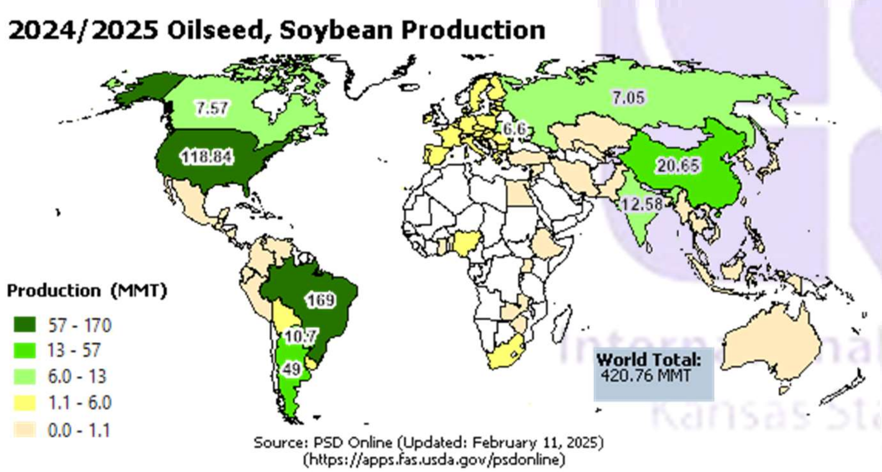
➢ **USDA – World Soybean**

Oilseed, Soybean World as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Area Harvested (1000 HA)	146,434	+99(+.07%)	146,335	140,474	137,330	131,574	130,181
Beginning Stocks (1000 MT)	112,494	+116(+.1%)	112,378	101,238	92,901	98,702	95,218
Production (1000 MT)	420,763	-3492(-.82%)	424,255	394,966	378,160	360,541	369,603
MY Imports (1000 MT)	179,238	-	179,238	178,113	168,604	154,469	166,199
Total Supply (1000 MT)	712,495	-3376(-.47%)	715,871	674,317	639,665	613,712	631,020
MY Exports (1000 MT)	181,981	+8(+%)	181,973	177,512	171,752	154,435	165,176
Crush (1000 MT)	349,890	+600(+.17%)	349,290	331,239	315,620	316,627	318,155
Food Use Dom. Cons. (1000 MT)	24,767	+25(+.1%)	24,742	23,820	22,865	22,026	21,613
Feed Waste Dom. Cons. (1000 MT)	31,518	+20(+.06%)	31,498	29,252	28,190	27,723	27,374
Total Dom. Cons. (1000 MT)	406,175	+645(+.16%)	405,530	384,311	366,675	366,376	367,142
Ending Stocks (1000 MT)	124,339	-4029(-3.14%)	128,368	112,494	101,238	92,901	98,702
Total Distribution (1000 MT)	712,495	-3376(-.47%)	715,871	674,317	639,665	613,712	631,020
Yield (MT/HA)	2.87	(-1.03%)	2.90	2.81	2.75	2.74	2.84

Source: USDA PS&D

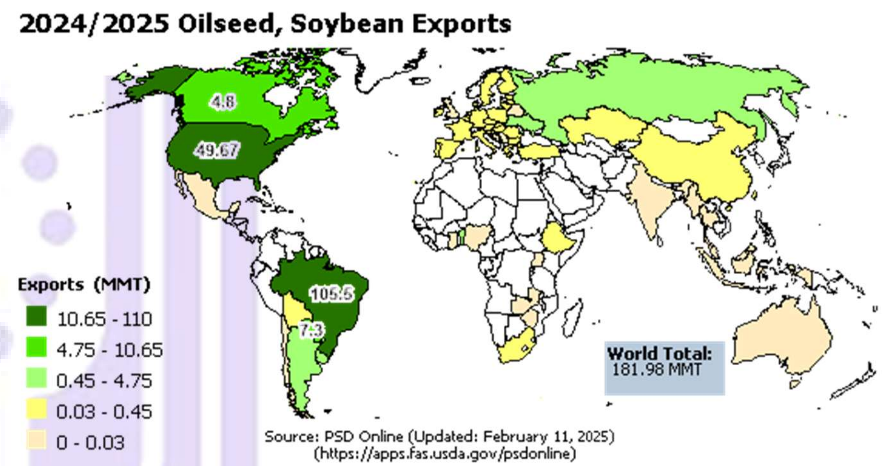
11 February 2025 USDA FAS – Global 2024/25 soybean supply and use forecasts include lower production, higher use, and lower ending stocks. Production is reduced for Argentina and Paraguay due to persistent heat and dryness during January.

Brazilian soybean production is unchanged at 169.0 mmts. Beneficial weather in the Center-West is boosting soybean prospects, but drier weather in the south accelerated soybean development at the expense of yields.

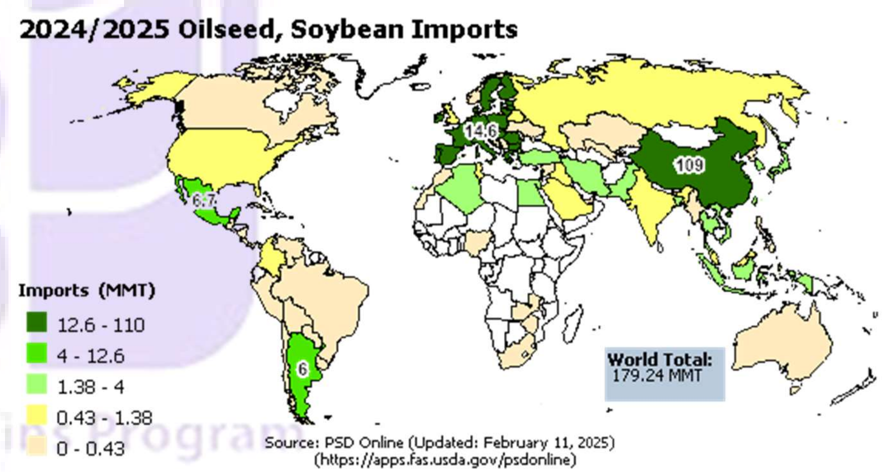


Source: USDA FAS https://ipad.fas.usda.gov/ogamaps/map.aspx?cmdty=Soybean&attribute=Exports

Global soybean crush is raised on higher crush for Brazil. The increase is driven by favorable crush margins, strong biofuel demand, and the pace of soybean meal exports to date. Partially offsetting is lower soybean crush and soybean meal exports for Paraguay on lower supplies.



Source: USDA FAS https://ipad.fas.usda.gov/ogamaps/map.aspx?cmdty=Soybean&attribute=Exports



Source: USDA FAS https://ipad.fas.usda.gov/ogamaps/map.aspx?cmdty=Soybean&attribute=Exports

With negligible changes to soybean exports, global ending stocks are reduced 4.0 mmts to 124.3 million on lower stocks for Argentina and Brazil.

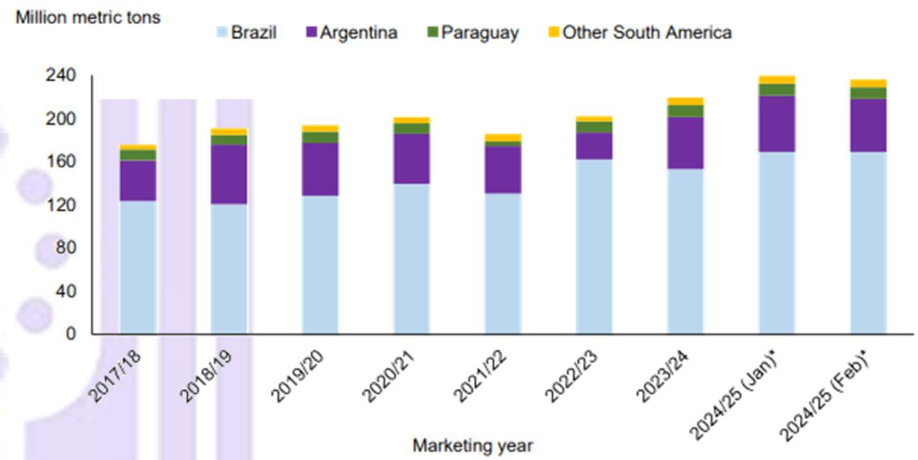
Table 07: Soybeans: World Supply and Distribution

Thousand Metric Tons

	2020/21	2021/22	2022/23	2023/24	Nov 2024/25	Dec 2024/25
Production						
Brazil	139,500	130,500	162,000	153,000	169,000	169,000
United States	114,749	121,504	116,221	113,273	121,417	121,417
Argentina	46,200	43,900	25,000	48,210	51,000	52,000
China	19,602	16,395	20,284	20,840	20,700	20,700
India	10,456	11,889	12,411	11,875	12,582	12,582
Paraguay	9,642	4,183	10,250	11,000	11,200	11,200
Canada	6,359	6,224	6,543	6,981	7,200	7,568
Other	23,095	25,946	25,451	29,694	32,303	32,669
Total	369,603	360,541	378,160	394,873	425,402	427,136
Imports						
China	99,740	90,297	104,500	112,000	109,000	109,000
European Union	14,786	14,544	13,143	13,454	14,600	14,600
Mexico	6,101	5,956	6,442	6,456	6,700	6,700
Argentina	4,816	3,839	9,059	7,787	6,000	6,000
Thailand	4,157	3,243	3,238	3,428	3,875	3,875
Egypt	3,607	4,566	1,992	3,200	3,600	3,600
Turkey	2,745	2,949	2,888	3,252	3,500	3,500
Japan	3,085	3,455	3,332	3,099	3,350	3,350
Iran	2,777	1,817	2,803	2,554	3,250	3,250
Taiwan	2,615	2,622	2,559	2,625	2,850	2,850
Other	21,770	21,180	17,929	19,801	21,187	21,457
Total	166,199	154,468	167,885	177,656	177,912	178,182
Exports						
Brazil	81,650	79,063	95,504	104,170	105,500	105,500
United States	61,664	58,570	53,874	46,128	49,668	49,668
Paraguay	6,330	2,273	6,495	8,100	7,300	7,300
Canada	4,554	4,289	4,240	4,846	4,600	4,800
Argentina	5,195	2,861	4,185	5,114	4,500	4,500
Other	5,783	7,379	7,455	9,114	10,142	10,205
Total	165,176	154,435	171,753	177,472	181,710	181,973
Crush						
China	95,000	90,000	96,000	99,000	103,000	103,000
United States	58,257	59,980	60,199	62,244	65,589	65,589
Brazil	46,675	50,767	53,409	54,700	54,000	54,000
Argentina	40,162	38,825	30,318	36,550	40,000	41,000
European Union	15,800	15,400	14,300	14,500	15,200	15,200
India	10,000	8,500	10,300	11,300	11,000	11,000
Mexico	6,200	6,350	6,650	6,530	6,650	6,650
Russia	4,500	4,900	5,400	5,900	6,100	6,100
Egypt	3,700	4,500	2,200	3,125	3,500	3,500
Paraguay	3,325	2,200	3,450	3,000	3,500	3,500
Iran	2,400	2,500	3,000	2,700	3,350	3,350
Bolivia	3,050	3,100	3,300	3,000	3,000	3,100
Japan	2,300	2,640	2,600	2,345	2,540	2,540
Thailand	2,800	2,500	2,100	2,400	2,500	2,500
Taiwan	2,050	2,075	1,950	2,020	2,155	2,155
Other	21,936	22,390	19,864	21,617	24,061	24,236
Total	318,155	316,627	315,040	330,931	346,145	347,420
Ending Stocks						
China	28,856	25,146	32,340	43,310	46,010	46,010
Brazil	29,419	27,378	36,819	27,966	33,512	33,516
Argentina	24,838	23,691	16,997	24,080	28,980	28,980
United States	6,994	7,468	7,190	9,308	12,797	12,797
European Union	1,455	1,446	1,098	1,126	1,505	1,306
Other	7,140	7,771	6,653	6,371	8,940	9,261
Total	98,702	92,900	101,097	112,161	131,744	131,870

➢ South America - Lower Soybean Crop in Argentina and Paraguay

South America's soybean production, MY 2017/18–2024/25



MY = Marketing year. Other South America = Bolivia, Colombia, Ecuador, Peru, Uruguay, and Venezuela.
Note: Asterisk (*) denotes forecasts.
Source: USDA, Economic Research Service using data from USDA, Foreign Agricultural Service, *Production, Supply and Distribution* database.

13 February 2025 USDA ERS – South America's production is forecast down 3.5 mmts to 236.1 mmts on lower production in Argentina and Paraguay and unchanged production forecast in Brazil.

Argentina's soybean production is reduced this month by 3.0 mmts to 49.0 mmts on lower soybean yield driven by unfavorable weather during January in the major soybean growing regions. The soybean yield is forecast at 2.83 mts/ha, down 6% from last's month yield and 4% below last year's yield. In January 2025, the major soybean producing provinces experienced below normal precipitation. The region received some rain toward the beginning of February that could stabilize the crop. The degree of yield loss in this region will depend on the distribution of rainfall and temperatures throughout February and March 2025. With Argentina's soybean production forecast lower, soybean ending stocks for MY 2024/25 are reduced this month by 3.0 mmts. The soybean crush and export forecast are unchanged this month and stand at 41.0 mmts and 4.5 mmts, respectively.

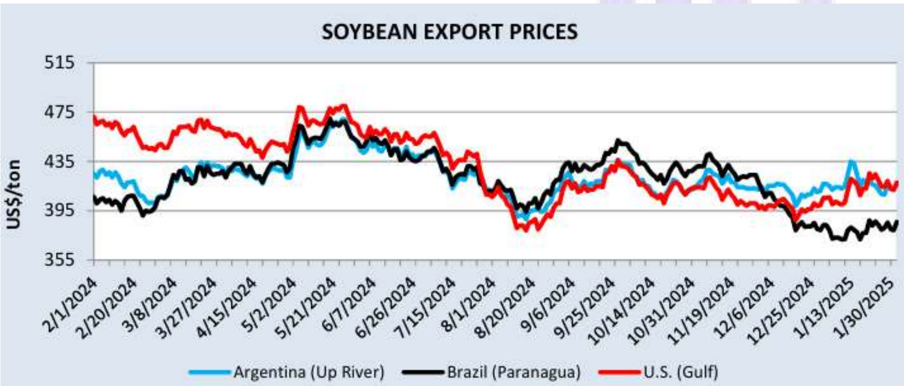
Paraguay's soybean production forecast for MY 2024/25 is lowered this month by 0.5 mmts to 10.7 mmts on lower yields. Yields are reduced this month from 2.91 mts/ha to 2.78 mts/ha on declining growing conditions in January. The high temperature and dry weather impacted the yield while the crop was in the finishing stage. With lower soybean production, Paraguay's soybean crush forecast is reduced this month.

Brazil's production is unchanged and stands at 169 mmts. The Center-West and Northern regions of Brazil continue to experience regular precipitation and favorable crop development. In contrast, the southern region of Brazil—especially southern Mato Grosso Do Sul—portions of Paraná and Rio Grande Do Sul had unfavorable precipitation during January. However, they received more beneficial rainfall recently which has alleviated some crop stress. Yield prospects for those States remain favorable, although the potential will depend on February's rainfall.

Brazil's soybean crush for 2024/25 is increased this month by 1.0 mmts to 56.0 mmts on higher soybean products demand. This increase is partially offset by lower crush forecasts for Paraguay. With larger exportable supplies of soybean meal, Brazil's soybean meal export forecast for MY 2024/25 is raised to 22.0 mmts. Soybean oil domestic consumption is raised by 0.2 mmts to a record-high 9.9 mmts.

Bolivia's soybean production forecast for MY 2024/25 is unchanged at 4.1 mmts but is 0.3 mmts higher than the estimate for MY 2023/24 soybean production.

SOYBEAN EXPORT PRICES



11 February 2025 USDA FAS – Since the last WASDE, soybean export prices for the United States, Brazil, and Argentina increased amid a lower global production outlook.

Argentine soybean prices topped the market in mid-January as dry weather conditions lowered production expectations, but ended just below the United States as Argentina announced a reduced export tax on soybeans and products. Brazil soybeans maintain a discount during its record crop year, even amidst harvest delays.

Soybean meal prices declined in major markets as record crushing continues to meet increased demand for soybean oil. Soybean oil prices strengthened globally throughout January. Strength in U.S. soybean oil prices drove convergence with Malaysian palm oil this month as soybean oil exports meet increased demand for palm oil substitutes. Argentina soybean oil emerged as the world's discount oil this month fueled by record crush and export tax cuts. Malaysian and Indonesian palm oil prices decreased on continued weak demand though remain high on decreased production in Malaysia and increased domestic stocks in Indonesia.

EU rapeseed oil prices declined in tandem with fuel prices, exacerbated by lower demand from the domestic biofuel industry.

Ukrainian sunflower seed oil prices continue to rise as supplies tighten following production losses.

- **<u>China adjusts soybean purchases in response to global market</u>**

GHA - Both the USDA and CASDE (Chinese USDA equivalent) left their respective SB balance sheets unchanged. But while the USDA is expecting Chinese bean demand to increase 5 MMT (4 from crush), CASDE is forecasting a 2+ DECLINE in use and is using a 15 MMT SMALLER import forecast. Combine that with anecdotal comments about declining SBM inclusion rates due to price (cheaper canola meal as well as wheat feeding) makes it difficult to get overly friendly beans and meal.

7 February 2025 – JCI reported China's January crush down 14% from last year at 7.4 mmts and 8% below last month, in part due to the New Year's holiday occurring earlier.

Still, China's 4-month crush total of 32.4 mmts is only ½ million higher this year, suggesting the USDA's forecast for a 4 mmts annual increase could be on the high side. Yet, some say Tuesday might bring a 15-25 mbus increase in the USDA export forecast due to China re-stocking reserves but with C&F Brazil soybeans more than $1.00/bu below the U.S., the status quo might be more likely.

- **<u>Soybean imports remain strong in Turkey and Egypt</u>**

6 February 2025 - LSEG Commodities Research & Forecast – Saudi Arabia's soybean imports declined by 32% to 70,400 mts during the first four months of the 2024/25 season (October/September).

In contrast, Egypt's soybean imports surged, tripling to 1.7 mmts during the same period, 45% higher than the five-year average. The United States accounted for approximately 80% of these imports. Projections from LSEG trade flows suggest further growth in February, with expected arrivals of 240,835 tons of U.S. soybeans. As a result, cumulative U.S. soybean exports to Egypt are anticipated to increase fivefold, reaching 1.6 mmts in the first five months of the 2024/25 season.

According to the U.S. Department of Agriculture, U.S. soybean shipments to Egypt reached 1.5 mmts between September 1, 2024, and January 23, 2025, marking a fourfold increase compared to the same period last year.

Turkey's soybean imports grew by 89% between September and December 2024, reaching 1.1 mmts, according to customs data. Ukraine was the top supplier, accounting for 43% of the imports, followed by the United States (25%), Brazil (23%) and Canada (9%). LSEG trade flows indicate that Turkey imported 40,237 mts of Ukrainian soybeans, 79,602 tons of Canadian soybeans and 189,399 tons of U.S. soybeans in January 2025. Looking ahead, Turkey is expected to import an additional 49,590 mts of Brazilian soybeans and 190,053 tons of U.S. soybeans in February.

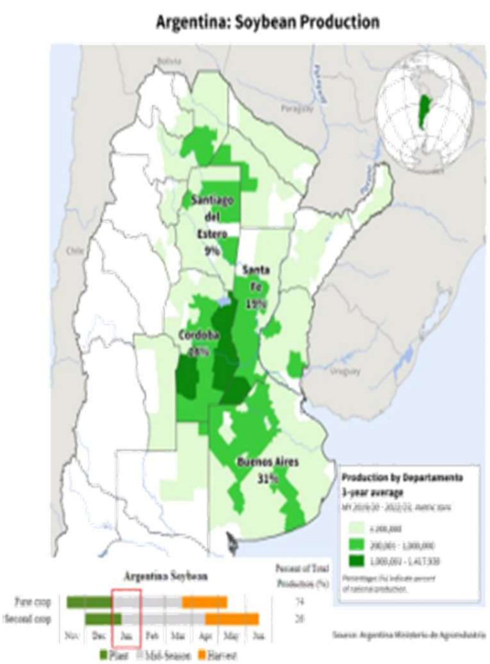
USDA – Argentina Soybeans

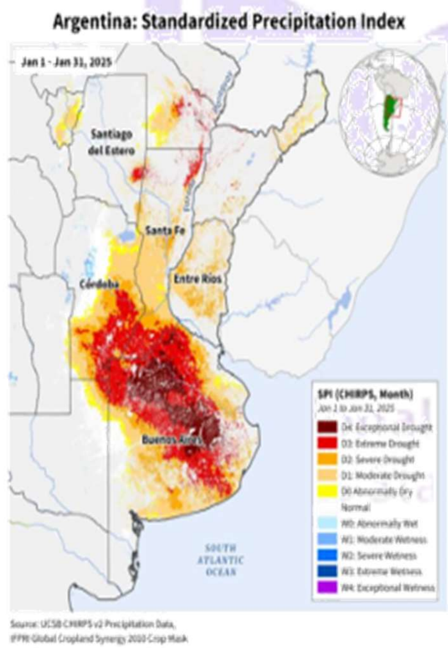
Oilseed, Soybean Argentina as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Area Harvested (1000 HA)	17,300	-	17,300	16,370	14,400	15,900	16,470
Beginning Stocks (1000 MT)	24,047	-	24,047	16,997	23,691	24,838	26,529
Production (1000 MT)	49,000	-3000(-5.77%)	52,000	48,210	25,000	43,900	46,200
MY Imports (1000 MT)	6,000	-	6,000	7,787	9,059	3,839	4,816
Total Supply (1000 MT)	79,047	-3000(-3.66%)	82,047	72,994	57,750	72,577	77,545
MY Exports (1000 MT)	4,500	-	4,500	5,114	4,185	2,861	5,195
Crush (1000 MT)	41,000	-	41,000	36,583	30,318	38,825	40,162
Food Use Dom. Cons. (1000 MT)	0	-	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	7,600	-	7,600	7,250	6,250	7,200	7,350
Total Dom. Cons. (1000 MT)	48,600	-	48,600	43,833	36,568	46,025	47,512
Ending Stocks (1000 MT)	25,947	-3000(-10.36%)	28,947	24,047	16,997	23,691	24,838
Total Distribution (1000 MT)	79,047	-3000(-3.66%)	82,047	72,994	57,750	72,577	77,545
Yield (MT/HA)	2.83	(-5.98%)	3.01	2.95	1.74	2.76	2.81

Source: USDA PS&D

Argentina Soybeans: Yield Down Due to Hot and Dry January

11 February 2024 USDA FAS – Argentina soybean production for marketing year (MY) 2024/25 is forecast at 49.0 mmts, down 6% from last month, but up 2% from last year. Soybean yield is forecast at 2.83 mts/ha (t/ha), down 6% from last month, and 4% from last year's yield. Harvested area is forecast at 17.3 million hectares (mha), unchanged from last month, and up 6% from last year.





Soybean planting is complete as of late January and soybeans in Argentina are grown as first or second soybeans. Second soybeans are planted on the same field after the winter crop harvest. First soybeans are typically higher yielding since they have a longer growing season and have been planted in soils not leached of nutrients and soil moisture by the winter crop.

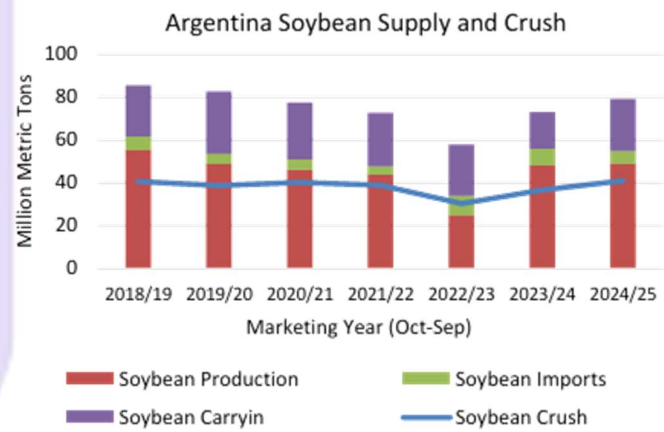
Soybeans in Argentina are about 75% early-soybeans and 25% late-soybeans. Much of the first soybean crop was in flowering stage during January, when conditions were drier and hotter than normal. The satellite-derived MODIS Normalized Difference Vegetation Index (NDVI) highlights the below-average conditions in the main soybean growing regions due to the unfavorable weather in January. Total soybean yield is forecast at 2.83 t/ha. The crop has another month of critical yield development and then harvest will begin in late March.

(For more information, please contact Katie.McGaughey@usda.gov.)

Argentina Soy Meal & Oil Exports Steady Despite Production Cut

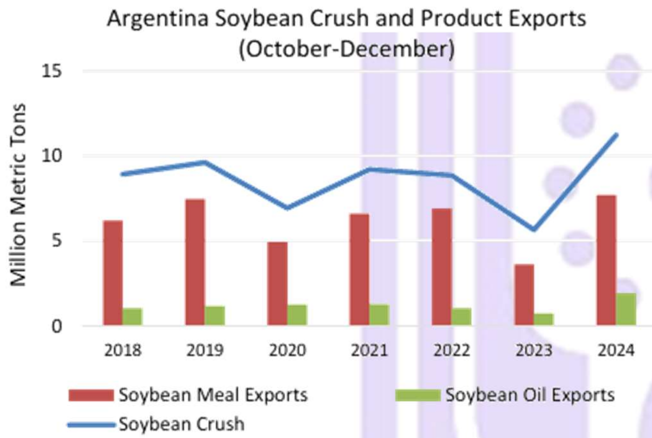
11 February 2024 USDA FAS – The 2024/25 (October-September) export forecasts for Argentina's soybean meal and soybean oil exports are unchanged this month, holding steady despite an expected reduction in soybean production.

In recent weeks, dryness in some of Argentina's growing regions has diminished crop conditions, lowering the production forecast by 3.0 mmts to 49.0 million. However, robust supplies from a still-large crop and bolstered by imported soybeans from neighboring countries are expected to enable strong crush and soybean product exports.



Additionally, the recent reduction in Argentina's export tax for soybean products and high global vegetable oil demand have also contributed to maintaining the 2024/25 forecasts for exports of soybean meal at 28.0 mmts and soybean oil at 5.8 mmts. The 2024/25 local year (April-March) export forecasts for soybean meal and oil also remain unchanged.

Argentina soybean crush for the October to December 2024 quarter hit record levels, exceeding 11.2 mmts according to national data. This period generally sees a decline in crush volume compared to the months following harvest. However, crushing did not slow significantly, and domestic supplies were supplemented by imported soybeans from Paraguay and other South American producers. Competitive soybean oil prices and high vegetable oil demand were key contributors to unseasonably high crush volumes. This resulted in record soybean oil exports and the highest soybean meal shipments in nearly two decades for the October to December quarter.



Source: Trade Data Monitor LLC; Argentina Ministerio de Economia.

As Argentina's harvest approaches (and the local marketing year begins in April), several factors suggest a continuation of strong crush and product exports. At 49.0 mmts, 2024/25 production is forecast to remain in the upper half of crops in the last decade, with stocks fully recovering from the 2022/23 drought year. Soybean oil demand is expected to remain elevated given relative tightness in global vegetable oil markets and rising biofuel demand. The recently announced reduction of Argentina's export taxes on items including soybeans and its products through June 30th, 2025 should also incentivize crushing and exporting during this period, though momentum may be affected by a large incoming crop and high expected crush from Brazil.

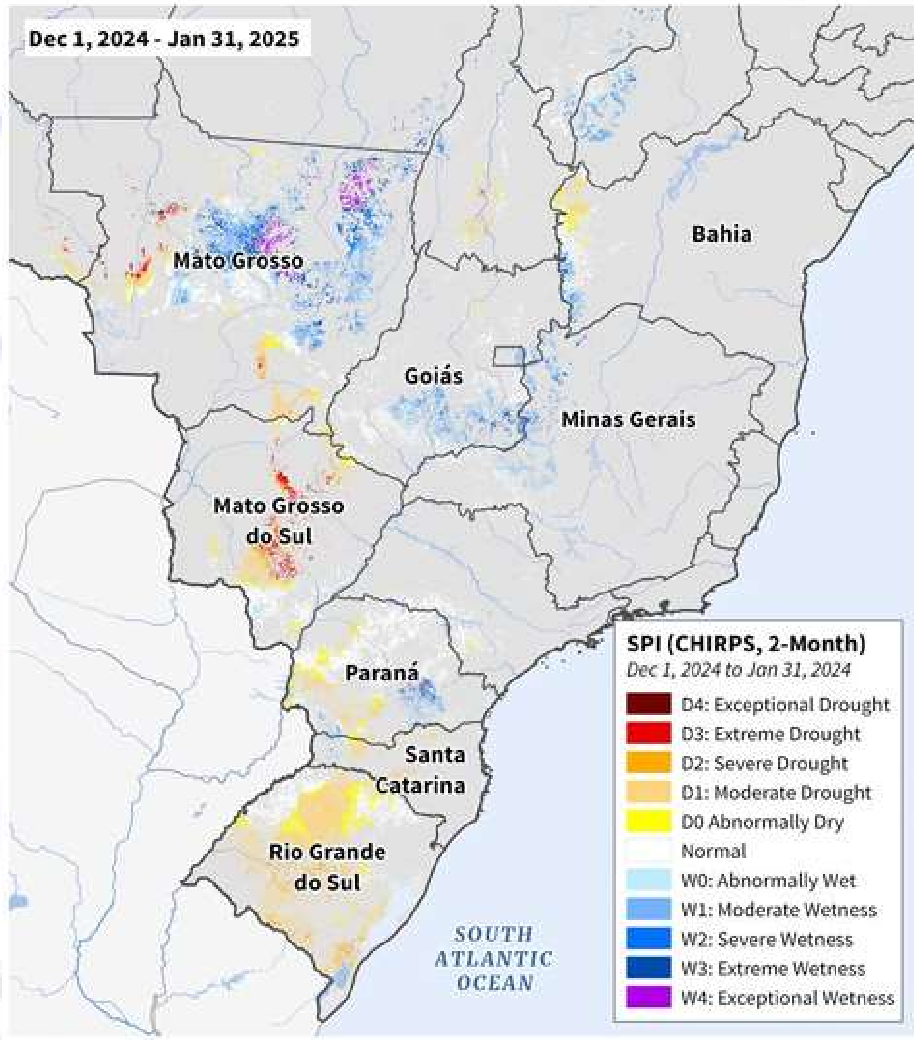
➢ USDA – Brazil Soybeans

Oilseed, Soybean Brazil as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Area Harvested (1000 HA)	47,400	+100(+.21%)	47,300	46,100	44,600	41,800	39,800
Beginning Stocks (1000 MT)	27,966	-	27,966	36,819	27,378	29,419	20,429
Production (1000 MT)	169,000	-	169,000	153,000	162,000	130,500	139,500
MY Imports (1000 MT)	150	-	150	867	154	539	1,015
Total Supply (1000 MT)	197,116	-	197,116	190,686	189,532	160,458	160,944
MY Exports (1000 MT)	105,500	-	105,500	104,170	95,504	79,063	81,650
Crush (1000 MT)	56,000	+1000(+1.82%)	55,000	54,700	53,409	50,767	46,675
Food Use Dom. Cons. (1000 MT)	0	-	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	4,100	-	4,100	3,850	3,800	3,250	3,200
Total Dom. Cons. (1000 MT)	60,100	+1000(+1.69%)	59,100	58,550	57,209	54,017	49,875
Ending Stocks (1000 MT)	31,516	-1000(-3.08%)	32,516	27,966	36,819	27,378	29,419
Total Distribution (1000 MT)	197,116	-	197,116	190,686	189,532	160,458	160,944
Yield (MT/HA)	3.57	-	3.57	3.32	3.63	3.12	3.51

Source: USDA PS&D

➢ Record Brazil Soybeans Production Unch, Yield Expectations Positive

Brazil: Standardized Precipitation Index



Sources: UCSB Climate Hazards Center InfraRed Precipitation with Station data (CHIRPS) v2 Precipitation Data; GDA 2023 Soybean Classification

11 February 2025 USDA FAS – USDA estimates Brazil soybean production for 2024/25 at a record 169.0 mmts, unchanged from last month, but up 10% from last year and 18% above the 5-year average.

Harvested area is estimated at a record 47.4 million hectares, up slightly from last month, 3% higher than last year and 13% above the 5-year average.

Yield is estimated at 3.57 mts/ha, virtually unchanged from last month, but up 7% from last year and 5% above the 5-year average.

The soybean harvest has begun. Industry sources are reporting 15.1% harvested as of February 7th. That's only slightly behind average (18.4%).

Overall, expectations for yields are positive. USDA staff conducted crop travel to Brazil during the second half of January, meeting with representatives from government and industry, as well as soybean farmers from southern Mato Grosso and northern Mato Grosso do Sul. The consensus outlook was very positive for soybean yields, as weather and crop conditions have been positive throughout the growing season in much of the Center-West of the country, where approximately 44% of the soybean crop is grown.

Top-end yield potential, however, has been tempered due to heat and dryness in southern portions of the country, including Rio Grande do Sul and portions of Paraná. Rio Grande do Sul has received beneficial rainfall more recently, which has reportedly alleviated some crop stress. Given that soybean planting in the state extends later into the season, there is more time for improved rainfall and potential for some yield recovery.

Farmers and representatives from the Mato Grosso do Sul soybean growers' association, Aprosoja-MS, also reported diminished crops in southern portions of that state, which have also experienced below-average rainfall.

USDA continues to hold an expectation for above-average soybean yields in Brazil and has left its production estimate unchanged.

(For more information, please contact Aaron.Mulhollen@usda.gov.)

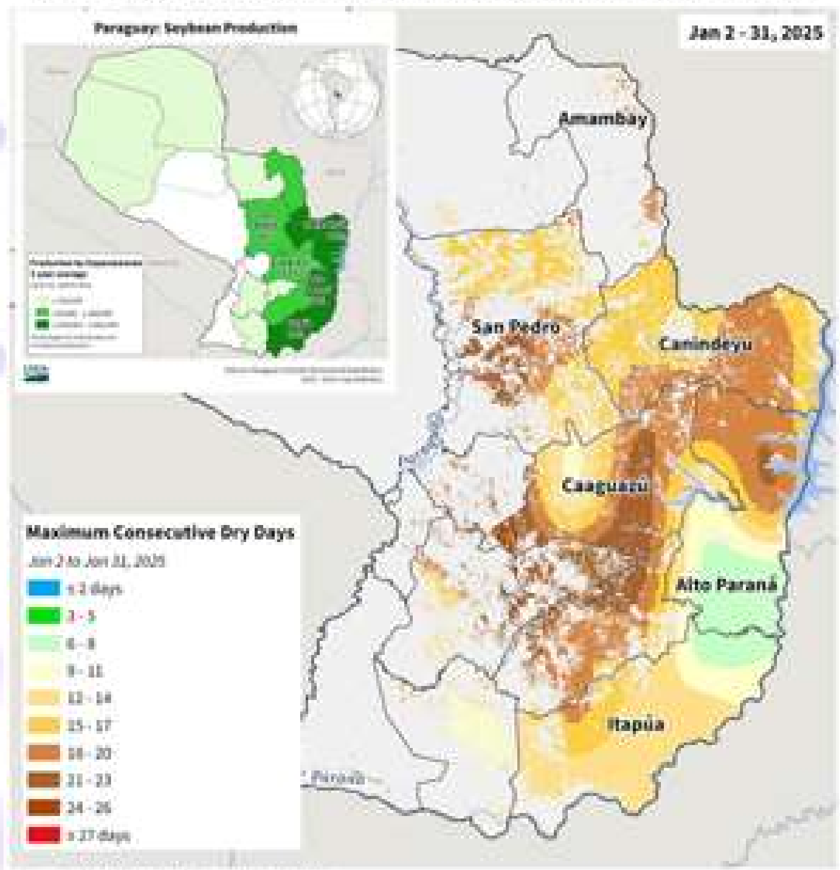
USDA – Paraguay Soybeans

Oilseed, Soybean Paraguay as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Area Harvested (1000 HA)	3,850	-	3,850	3,750	3,650	3,416	3,294
Beginning Stocks (1000 MT)	286	+99(+52.94%)	187	367	177	477	572
Production (1000 MT)	10,700	-500(-4.46%)	11,200	11,000	10,250	4,183	9,642
MY Imports (1000 MT)	20	-	20	6	10	40	18
Total Supply (1000 MT)	11,006	-401(-3.52%)	11,407	11,373	10,437	4,700	10,232
MY Exports (1000 MT)	7,300	-	7,300	7,987	6,495	2,273	6,330
Crush (1000 MT)	3,100	-400(-11.43%)	3,500	3,000	3,450	2,200	3,325
Food Use Dom. Cons. (1000 MT)	0	-	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	175	-	175	100	125	50	100
Total Dom. Cons. (1000 MT)	3,275	-400(-10.88%)	3,675	3,100	3,575	2,250	3,425
Ending Stocks (1000 MT)	431	-1(-.23%)	432	286	367	177	477
Total Distribution (1000 MT)	11,006	-401(-3.52%)	11,407	11,373	10,437	4,700	10,232
Yield (MT/HA)	2.78	(-4.47%)	2.91	2.93	2.81	1.22	2.93

Source: USDA PS&D

Paraguay Soybeans: Below-Normal Weather Reduces Yield

Paraguay: Max Consecutive Dry Days in the Past 30 Days



Source: NOAA Global CPC Precipitation Data, IFPRI Global Cropland Synergy 2010 Crop Mask

11 February 2025 USDA FAS – Paraguay soybean production for 2024/25 is estimated at 10.7 mmts, down 4% from last month, and down 3% from last year. Soybean yield is estimated at 2.78 mts/ha (t/ha), down 4% from last month and 5% from last year. Harvested area is estimated at 3.9 million hectares (mha), unchanged from last month, and up 3% from last year.

Soybeans are grown mostly in the zafra season (roughly 90%), which begins in September and ends in February. Some of the soybeans (roughly 10%) are grown in the zafrina season, which runs from January through April. Soybeans in Paraguay are mostly grown along the border of Brazil and conditions during January, when some of the zafra crop was still in the critical development stage, were hotter and drier than normal, reducing yield and leading to a sharp reduction in crop health.

Periodic dry spells where the days without rain reached or exceeded 10 days were observed.

The satellite-derived MODIS Normalized Difference Vegetation Index (NDVI) highlights this steeper-than-normal rate of senescence. Essentially, this means the soybean pods did not have time to properly fill, and their weight (and therefore yield) would be lower. Harvest is underway for the zafra crop and planting for the zafrina crop is ongoing through the end of February.

(For more information, please contact Katie.McGaughey@usda.gov.)

USDA – U.S. Soybeans

Oilseed, Soybean United States as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Area Harvested (1000 HA)	34,823	-	34,823	33,294	34,873	34,921	33,428
Beginning Stocks (1000 MT)	9,319	-	9,319	7,190	7,468	6,994	14,657
Production (1000 MT)	118,836	-	118,836	113,273	116,221	121,504	114,749
MY Imports (1000 MT)	544	-	544	567	667	433	539
Total Supply (1000 MT)	128,699	-	128,699	121,030	124,356	128,931	129,945
MY Exports (1000 MT)	49,668	-	49,668	46,128	53,874	58,570	61,664
Crush (1000 MT)	65,589	-	65,589	62,244	60,199	59,980	58,257
Food Use Dom. Cons. (1000 MT)	0	-	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	3,105	-	3,105	3,339	3,093	2,913	3,030
Total Dom. Cons. (1000 MT)	68,694	-	68,694	65,583	63,292	62,893	61,287
Ending Stocks (1000 MT)	10,337	-	10,337	9,319	7,190	7,468	6,994
Total Distribution (1000 MT)	128,699	-	128,699	121,030	124,356	128,931	129,945
Yield (MT/HA)	3.41	-	3.41	3.40	3.33	3.48	3.43

Source: USDA PS&D

11 February 2025 USDA FAS –

U.S. 2024/25 soybean supply and use projections are unchanged this month. The season-average soybean price is projected at $10.10 per bushel, down 10 cents from last month. Soybean meal and oil prices are unchanged at $310 per short ton and 43 cents per pound, respectively.

NOPA January US soybean crush seen slowing to 204.536 mbus

14 February 2025 Reuters – The U.S. soy crush likely declined in January from a record high the previous month as a stretch of harsh winter weather and a glut of soymeal led some facilities to slow their processing pace, according to analysts polled ahead of a National Oilseed Processors Association (NOPA) report due on Tuesday.

NOPA members, who handle more than 95% of all soybeans processed in the U.S., were estimated to have crushed 204.536 million bushels last month, according to the average of estimates from nine analysts surveyed by Reuters.

If realized, it would be down 1.0% from the record 206.604 million bushels crushed in December but up 10.1% from the January 2024 crush of 185.780 million bushels. It would also be the second largest monthly crush on record.

Soybean crushing rates have surged in recent years as several new processing plants have come online while others have expanded capacity to meet rising demand for soyoil from biofuel makers.

NOPA's monthly crush totals have also climbed as new members have joined the group.

However, a stretch of harsh cold curbed plant efficiency last month while record snow and icy roads in several southern states hindered some processors, analysts said.

Abundant supplies of soymeal also anchored the crush pace, they said.

Crush estimates for January ranged from 200.000 million to 208.700 million bushels, with a median of 205.000 million bushels.

The NOPA report is scheduled for release at 11 a.m. CST (1700 GMT) on Tuesday.

Soyoil stocks held by NOPA members as of January 31 were projected to rise to 1.289 billion pounds, based on estimates from six analysts.

If the estimate is realized, it would be up 4.2% from stocks totaling 1.236 billion lbs at the end of December but down 14.5% from the 1.507 billion lbs held by NOPA members a year ago.

Oil stocks estimates ranged from 1.135 billion to 1.478 billion lbs, with a median of 1.275 billion lbs.

CME CBOT Soybean Futures – Daily Nearby

Source: https://www.barchart.com/futures/quotes/ZSF23/interactive-chart

***CME March 2025 Soybean Futures** settled on Friday's session at $10.36/bu, up 6 cents on the day, and losing 13 cents on the week. May25 Soybeans closed at $10.52 3/4, up 5 3/4 cents, while new crop Nov25 Soybeans closed at $10.52, up 6 3/4 cents.*

The national front month Cash Bean price from cmdtyView was 6 cents higher at $9.75 1/2.

The market started off with March futures rallying up just shy of the 20-day of $10.50. The market pulled back but closed up 6cts at $10.36.

Board Spreads were firmer on the rally with the H/K in a quarter cent at -16¼ and K/N at -15½ cents. Bias is we test 80% of full carry again which is -18.25, but not until we get closer to deliveries.

Soymeal futures were up $2.70/ton, with Soy Oil futures back down 4 points so far on the session. The markets will be closed on Monday for President's Day, with a normal open for the Tuesday session.

The large managed money spec funds in soybean futures and options were slashing their net-long position as of February 11 by 28,554 contracts. They cut that fresh net-long by nearly half to just 28,475 contracts on that Tuesday.

Headlines were quiet today in the soy complex.Soybeans found some support heading into the long weekend, as contracts were up 5 to 7 cents in the nearby contracts on Friday.

IMEA was out this afternoon with a crop progress update in Mato Grosso. Harvest is 50% complete vs. 29% LW and 53% LY. The trade says that yields are very good, and several farmers are wrapping up this weekend. As always, logistics are backing up more in Brazil as harvest moves along.

China continues to inquire on Argentina beans for reserves and buy MAM beans from Brazil. Cash markets were mostly steady today.

NOPA data will be released on Tuesday (delayed due to the holiday), with traders expecting to see 204.54 MMT for January crush totals, up 10.1% from last year total if realized. Soy oil stocks are estimated at 1.289 billion lbs.

U.S. Export Soy Basis Values – the 13th of February 2025

Soybeans Gulf barge/rail quotes, in cents/bus basis CBOT futures:

USDA (U.S. No. 2, CIF New Orleans) Gulf barge/rail quotes, in cents/bus.

CIF BEANS	2/12/2025	2/13/2025		
FEB	65 /	67 / 77	H	
LH FEB	/	68 /	H	
MAR	/	75 / 80	H	
LH MAR	/	75 / 85	H	
APR	/	/ 66	K	
MAY	59 /	59 / 66	K	
APR/MAY	/	/ 66	K	
AMJJ	/	/ 65	K	
JUN/JUL	47 /	/ 65	X	
SEP	65 /	65 / 75	X	
OCT	68 / 72	68 / 72	X	UNC
NOV	76 /	76 / 82	X	

BRAZIL FOB BEANS @ PORT PARANAGUA

	2/12/2025	2/13/2025	
MAR	5 / 20	18 / 20	H
APR	2 / 5	7 / 12	K
MAY	14 / 22	20 / 24	K
JUN	23 / 30	28 / 33	N
JUL	33 / 50	38 / 50	N

CIF beans were up another 2 cents, but remain a dime below DV for March and 15 cents below DVE for May & July.

Both the USDA and CASDE (Chinese USDA equivalent) left their respective SB balance sheets unchanged. But while the USDA is expecting Chinese bean demand to increase 5 mmts (4 mmts from crush), CASDE is forecasting a 2+ mmts decline in use and is using a 15 mmts smaller import forecast. Combine that with anecdotal comments about declining SBM inclusion rates due to price (cheaper canola meal as well as wheat feeding) makes it difficult to get overly friendly beans and meal.

CANOLA / RAPESEED

Table 12: Rapeseed and Products: World Supply and Distribution

Thousand Metric Tons

	Marketing Year	Meal, Rapeseed 2022/23	Meal, Rapeseed 2023/24	Meal, Rapeseed 2024/25	Oil, Rapeseed 2022/23	Oil, Rapeseed 2023/24	Oil, Rapeseed 2024/25	Oilseed, Rapeseed 2022/23	Oilseed, Rapeseed 2023/24	Oilseed, Rapeseed 2024/25
Production										
China	(Oct-Sep)	11,507	11,684	11,507	7,605	7,722	7,605	16,317	15,800	15,800
India	(Oct-Sep)	6,015	6,219	6,189	3,840	3,975	3,956	11,200	11,600	11,600
Canada	(Aug-Jul)	5,810	6,408	6,908	4,151	4,706	5,092	18,850	19,192	18,800
Japan	(Oct-Sep)	1,146	1,203	1,089	853	896	822	4	4	4
European Union	(Jul-Jun)	13,794	13,908	13,509	10,164	10,248	9,954	19,612	19,934	17,240
Other		9,537	9,795	9,677	6,634	6,845	6,703	23,874	22,857	21,869
World Total		47,809	49,217	48,879	33,247	34,392	34,132	89,857	89,387	85,313
Imports										
China	(Oct-Sep)	2,030	2,842	3,000	1,998	2,040	1,750	5,335	5,486	3,000
India	(Oct-Sep)	2	17	2	6	6	5	0	0	0
Canada	(Aug-Jul)	6	3	10	26	19	20	151	276	100
Japan	(Oct-Sep)	20	5	10	13	8	15	1,976	2,117	1,900
European Union	(Jul-Jun)	846	823	900	391	463	450	6,841	5,457	6,850
Other		6,388	6,220	6,429	4,448	4,987	5,334	5,742	4,831	4,696
World Total		9,292	9,910	10,351	6,882	7,523	7,574	20,045	18,167	16,546
Exports										
China	(Oct-Sep)	24	7	10	4	21	5	0	0	0
India	(Oct-Sep)	1,920	1,608	1,500	11	10	10	0	0	0
Canada	(Aug-Jul)	5,308	5,636	6,300	3,018	3,419	4,100	7,951	6,747	7,250
Japan	(Oct-Sep)	0	0	0	5	4	5	0	0	0
European Union	(Jul-Jun)	795	869	650	664	747	600	544	534	300
Other		1,730	2,037	1,970	2,840	3,228	2,992	11,053	11,603	9,356
World Total		9,777	10,157	10,430	6,542	7,429	7,712	19,548	18,884	16,906
Domestic Consumption										
China	(Oct-Sep)	13,513	14,519	14,497	8,800	9,700	9,900	20,325	20,675	20,300
India	(Oct-Sep)	4,350	4,600	4,600	3,680	3,980	4,005	11,300	11,650	11,600
Canada	(Aug-Jul)	525	740	605	1,055	1,250	1,230	10,673	11,831	12,692
Japan	(Oct-Sep)	1,168	1,205	1,100	890	890	845	2,005	2,105	1,915
European Union	(Jul-Jun)	13,800	13,900	13,750	9,925	9,950	9,800	24,850	25,050	24,300
Other		14,204	13,892	14,172	8,227	8,607	9,089	16,962	17,368	17,377
World Total		47,560	48,856	48,724	32,577	34,377	34,869	86,115	88,679	88,184
Ending Stocks										
China	(Oct-Sep)	0	0	0	1,589	1,630	1,080	4,173	4,784	3,284
India	(Oct-Sep)	197	225	316	402	393	339	619	569	569
Canada	(Aug-Jul)	134	169	182	629	685	467	1,858	2,748	1,706
Japan	(Oct-Sep)	16	19	18	17	27	14	182	198	187
European Union	(Jul-Jun)	431	393	402	291	305	309	1,686	1,493	983
Other		476	562	526	570	567	523	2,319	1,036	868
World Total		1,254	1,368	1,444	3,498	3,607	2,732	10,837	10,828	7,597

➢ World Rapeseed Supply & Demand Outlook

Oilseed, Rapeseed World as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Area Harvested (1000 HA)	42,335	+99(+.23%)	42,236	42,900	42,443	38,716	35,566
Beginning Stocks (1000 MT)	10,828	-30(-.28%)	10,858	10,837	6,598	7,554	8,312
Production (1000 MT)	85,313	+146(+.17%)	85,167	89,387	89,857	76,648	75,419
MY Imports (1000 MT)	16,546	-23(-.14%)	16,569	18,167	20,045	13,783	16,667
Total Supply (1000 MT)	112,687	+93(+.08%)	112,594	118,391	116,500	97,985	100,398
MY Exports (1000 MT)	16,906	+53(+.31%)	16,853	18,884	19,548	15,345	18,032
Crush (1000 MT)	84,170	+90(+.11%)	84,080	84,628	82,107	72,062	72,107
Food Use Dom. Cons. (1000 MT)	670	-	670	670	670	665	365
Feed Waste Dom. Cons. (1000 MT)	3,344	-11(-.33%)	3,355	3,381	3,338	3,315	2,340
Total Dom. Cons. (1000 MT)	88,184	+79(+.09%)	88,105	88,679	86,115	76,042	74,812
Ending Stocks (1000 MT)	7,597	-39(-.51%)	7,636	10,828	10,837	6,598	7,554
Total Distribution (1000 MT)	112,687	+93(+.08%)	112,594	118,391	116,500	97,985	100,398
Yield (MT/HA)	2.02	-	2.02	2.08	2.12	1.98	2.12

Source: USDA PS&D

➢ EU Canola / Rapeseed Supply & Demand Outlook

Oilseed, Rapeseed European Union as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Area Harvested (1000 HA)	5,690	-	5,690	6,210	5,924	5,362	5,324
Beginning Stocks (1000 MT)	1,493	-	1,493	1,686	627	668	1,187
Production (1000 MT)	17,240	-	17,240	19,934	19,612	17,353	16,732
MY Imports (1000 MT)	6,850	-	6,850	5,457	6,841	5,433	5,797
Total Supply (1000 MT)	25,583	-	25,583	27,077	27,080	23,454	23,716
MY Exports (1000 MT)	300	-	300	534	544	452	173
Crush (1000 MT)	23,700	-	23,700	24,400	24,200	21,800	22,300
Food Use Dom. Cons. (1000 MT)	0	-	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	600	-	600	650	650	575	575
Total Dom. Cons. (1000 MT)	24,300	-	24,300	25,050	24,850	22,375	22,875
Ending Stocks (1000 MT)	983	-	983	1,493	1,686	627	668
Total Distribution (1000 MT)	25,583	-	25,583	27,077	27,080	23,454	23,716
Yield (MT/HA)	3.03	-	3.03	3.21	3.31	3.24	3.14

Source: USDA PS&D

➢ China's Dec imports of Canadian rapeseed decline amid trade probe

20 January 2025 by Mei Mei Chu, Reuters – China's imports of rapeseed from Canada, which had been surging since June, plunged in December after Beijing opened an anti-dumping investigation into the oilseed, Chinese customs data showed on Monday.

Beijing in September launched a one-year investigation into rapeseed imports from Canada after Ottawa imposed tariffs on Chinese-made electric vehicles, prompting importers fearing retaliatory anti-dumping duties to scale back purchases from Canada.

December shipments from Canada dropped 12% from the same period the year before to 588,181 mts. That was the first year-on-year decline in seven months and the smallest shipment volume since August.

More than half of Canada's rapeseed exports, also known as canola, make their way to China, the world's biggest oilseed importer.

China's total rapeseed imports rose in 2024 to 6.39 mmts compared to 5.49 mmts in 2023, customs data shows. Nearly all of that, at 6.13 mmts, arrived from Canada, amounting to $3.29 billion.

➢ Canadian Canola / Rapeseed Supply & Demand Outlook

Oilseed, Rapeseed Canada as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Area Harvested (1000 HA)	8,850	-	8,850	8,857	8,596	8,946	8,325
Beginning Stocks (1000 MT)	2,748	-	2,748	1,858	1,481	1,776	3,435
Production (1000 MT)	18,800	-	18,800	19,192	18,850	14,248	19,485
MY Imports (1000 MT)	100	-	100	276	151	105	125
Total Supply (1000 MT)	21,648	-	21,648	21,326	20,482	16,129	23,045
MY Exports (1000 MT)	7,250	-	7,250	6,747	7,951	5,246	10,485
Crush (1000 MT)	12,000	-	12,000	11,033	9,961	8,555	10,425
Food Use Dom. Cons. (1000 MT)	0	-	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	692	-	692	798	712	847	359
Total Dom. Cons. (1000 MT)	12,692	-	12,692	11,831	10,673	9,402	10,784
Ending Stocks (1000 MT)	1,706	-	1,706	2,748	1,858	1,481	1,776
Total Distribution (1000 MT)	21,648	-	21,648	21,326	20,482	16,129	23,045
Yield (MT/HA)	2.12	-	2.12	2.17	2.19	1.59	2.34

Source: USDA PS&D

➢ ICE Canadian Canola Futures – Daily Nearby

Source: https://www.barchart.com/futures/quotes/RSX22/interactive-chart
Prices in Canadian dollars per metric mt

ICE March 2025 Canola Futures *settled on Friday C$663.50/mt, up C$4.90 on the day; May25 C$674.50, up C$6.90; July25 C$679.40, up C$7.20; with ne crop Nov25 C$653.70, up C$6.50.*

Intercontinental Exchange canola futures found some support from Chicago soybeans and soymeal, as well as Malaysian palm oil and European rapeseed, but Chicago soyoil was lower. Losses in crude oil weighed on the vegetable oils.

The Canadian Grain Commission reported year-to-date canola exports and domestic remain strong. As of February 9th canola exports reached 5.67 mmts and domestic use rose to 6.19 mmts.

There continued to be some uncertainty over tariff threats from the United States.

EU rapeseed oil prices declined in tandem with fuel prices, exacerbated by lower demand from the domestic biofuel industry.

The Canadian dollar strengthened Friday afternoon, climbing to 70.59 U.S. cents compared to Thursday's close of 70.21.

There were 66,145 contracts traded on Friday, compared to 63,136 on Thursday. Spreading accounted for 47,998 contracts traded.

The markets in Canada will be closed on Monday for various provincial holidays.

➢ Tariff threats endanger Canada's largest canola market

13 February 2025 by D'Arce McMillan – U.S. president Donald Trump's tariff threats against Canada have potential to be more damaging to the canola industry here than China's past actions.

China is the leading buyer of Canadian canola seed, but the United States, through its massive buying of canola oil and meal, is actually the largest canola market.

Because so much of Canada's raw canola seed goes to China and because the Asian giant often limits or threatens canola trade, it figures prominently in the mind.

Trade with the U.S., on the other hand, usually is conducted so smoothly that one can forget the primacy of that market. The amount of canola grown by Canadian farmers that winds up in the U.S., in the form of oil and meal, is larger than the amount shipped to China. Indeed, I was a bit surprised to see how much of the output from Canada's crushing plants goes to the U.S.

The Canola Council of Canada says that in 2023, the U.S. market, mostly through its massive intake of canola oil and meal, generated $8.6 billion in sales while China's buying generated $5 billion. Mexico generated $1 billion and Japan $883 million. And because of the increasing American demand for renewable fuel made from vegetable oil, the importance of the U.S. market has expanded for Canada's canola growers.

So the industry is rightfully shocked at the prospect of an across the board 25% American tariff on all Canadian imports.

"Tariffs will have devastating impacts on farmers, input providers, canola crushing activities and exports of canola seed, oil and meal," said Chris Davison, Canola Council of Canada president and chief executive officer.

In the past, when China limited imports, some seed moved to alternative markets such as Pakistan and the United Arab Emirates. I doubt it would be as easy to find alternative markets for oil and meal.

The tariffs are on hold for a month, but Trump's motivation is still unclear.

He appeared placated by Canada's efforts to increase border security and crack down on fentanyl crime, but he also says he wants a trade regime that is more favorable to the U.S.

And aside from the tariff threat, the future of Canadian canola oil exports is uncertain because Trump has frozen all money that was to be distributed to clean energy projects under the Inflation Reduction Act and the infrastructure bill.

Those funds were directed to a swath of environmental projects, from electric vehicles to solar and wind energy to clean fuel such as sustainable aviation fuel and renewable diesel that use canola oil as a feedstock.

We don't know if Trump will be able to completely wipe out what he has dubbed the Green New Deal.

So Canadian politicians and industries are furiously lobbying in the U.S. to get the message across that trade with Canada is a net benefit to America.

The canola council has analyzed canola's positive impact on the U.S., generating a value of US$11.2 billion a year, including $1.2 billion in wages.

The analysis shows economic benefits at almost every stage, including U.S.-based processing and refining, transportation, bottling and packing, food end uses and livestock.

Let's look at Statistics Canada export data to get more detail on America's impact on the canola industry:

- In crude canola oil exports in calendar year 2024, the U.S. was the destination for 92% of all exports.
- The 1.405 mmts sent to the U.S. generated almost $2.1 billion.
- In refined canola, the U.S. took 1.94 mmts, or 95% of all exports, generating $3.56 billion.
- In canola meal, Canada exported 5.78 mmts in total and the U.S. took 3.76 mmts or 65%.
- The meal sales to the U.S. added up to $1.78 billion dollars.
- Taken together, these canola product exports to the U.S. generated $7.44 billion in 2024.

To look at it another way, in 2024 Canadian crushers produced about 4.84 mmts of refined and crude canola oil. Of that, about 69% went to the U.S. As for meal, crushers produced a total of 6.62 mmts, and 60% of that went to the U.S. So let's say roughly 65% of canola products produced went south to the U.S.

Crushers processed in total 10.36 mmts of canola, so 65% of that means roughly 6.73 mmts were crushed to make products for the U.S. market.

You can add to that total the 280,000 tonnes of raw seed that went to the U.S.

So in total, the U.S. took in the neighborhood of seven mmts of seed or seed equivalent.

China, on the other hand, imported mostly raw seed, 5.86 mmts, plus a fair amount of canola meal and a little oil.

Australian canola exports for Dec quarter hit 1.48Mt

14 February 2025 Liz Wells, Grain Central – Australia exported 593,809 mts of canola in December, according to the latest data from the Australian Bureau of Statistics.

The December figure lifts shipments for the first quarter of the crop year to 1.48 mmts, up from 1.47 mmts shipped in the December 2023 quarter.

December 2024 shipments were down 16% from the 709,428 mts shipped in the previous month, and the three biggest markets were Belgium on 185,415 mts, Germany on 125,2315 mts, and France on 115,018 mts.

South Asian demand was also notable, with Pakistan taking 63,787 mts and Bangladesh 28,966 mts.

If a general seasonal break arrives at the ideal time, Australia's 2025-26 canola will be planted primarily in April and May.

According to Lachstock Consulting's recent vessel line-up reports, January stems indicate 604,000 mts was to be shipped last month, and 491,000 mts is booked for this month. Lachstock's latest GM canola wire said the global oilseed market continues to show great volatility.

"Looking further ahead, many market participants are seeing a tight vegetable oil market through 2025 thanks to strong demand due to increasing biofuel mandates [in Indonesia and Europe] and production challenges for palm oil in Indonesia and Malaysia," the report said.

"Demand in India remains strong. Whilst China has been a strong buyer of Canadian canola in recent months, the jury is still out on the ability of the Chinese economy to continue to warrant growth in vegetable oil consumption. The big swinging factors for demand are all political for now as we talk through some of the scenarios below in this week's case study."

SUNFLOWERS

➢ World Sunflower Seed Supply & Demand Outlook

Oilseed, Sunflowerseed World as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Area Harvested (1000 HA)	27,898	+6(+.02%)	27,892	27,936	28,299	28,537	26,773
Beginning Stocks (1000 MT)	3,105	-195(-5.91%)	3,300	4,146	7,847	2,410	2,998
Production (1000 MT)	51,124	+434(+.86%)	50,690	56,023	52,780	56,858	48,874
MY Imports (1000 MT)	2,164	-7(-.32%)	2,171	2,598	3,771	3,832	2,723
Total Supply (1000 MT)	56,393	+232(+.41%)	56,161	62,767	64,398	63,100	54,595
MY Exports (1000 MT)	2,239	-56(-2.44%)	2,295	2,694	4,017	3,945	2,953
Crush (1000 MT)	47,864	+381(+.8%)	47,483	52,619	51,399	46,722	45,049
Food Use Dom. Cons. (1000 MT)	1,918	-	1,918	2,104	2,119	2,082	2,084
Feed Waste Dom. Cons. (1000 MT)	2,134	+32(+1.52%)	2,102	2,245	2,717	2,504	2,099
Total Dom. Cons. (1000 MT)	51,916	+413(+.8%)	51,503	56,968	56,235	51,308	49,232
Ending Stocks (1000 MT)	2,238	-125(-5.29%)	2,363	3,105	4,146	7,847	2,410
Total Distribution (1000 MT)	56,393	+232(+.41%)	56,161	62,767	64,398	63,100	54,595
Yield (MT/HA)	1.83	+(+.55%)	1.82	2.01	1.87	1.99	1.83

Source: USDA PS&D

➢ Hungary becomes the EU's top sunflower seed producer

7 February 2025 Biofuels International – The EU Commission slightly lowered its forecast of sunflower seed output in its February estimate for the 2024 oilseed harvest.

According to recent information by the EU Commission, the 2024 EU sunflower seed harvest is seen to total around 8 mmts, 7,000 mts less than expected at the end of December.

The revision increases the year-on-year decline to 18%, as unfavorable weather conditions throughout the year significantly curtailed yield potential. The harvest also falls 18% short of the long-term average, representing the EU's smallest sunflower seed harvest since 2015.

The downward revision is mainly due to the smaller crop in Germany. The Commission now forecasts German production at 127,000 mts, 7,000 mts below the December estimate. This represents a 25% drop from 2023, but remains just about 20% above the five-year average. Many farmers had expanded sunflower cultivation significantly in 2022 following the start of the war in Ukraine and the sharp rise in producer prices, but scaled back production the following year.

The harvest in Romania also declined compared to 2023, falling 38% to 1.2 mmts. Despite a record area planted with sunflower seed, this would represent the country's smallest harvest in fifteen years. As a result, Romania lost its top position as the EU's largest producer, dropping to the fourth place.

In contrast, Hungary climbed to first place for the first time, harvesting 1.7 mmts despite a presumed 13% decline from the previous year.

In France, crop development and harvest operations were severely impacted by persistent rainfall, according to research by Agrarmarkt Informations-Gesellschaft. With 1.7. mmts currently projected, France ranks second largest producer within the Community despite an 18% decrease compared to the previous year.

➢ Sowing season-2025 in Kazakhstan: focus on oilseeds and legumes

11 February 2025 APK – This year in Kazakhstan will continue the diversification of sown areas in accordance with the Roadmap to increase gross agricultural output by 2 times. This was announced by Agriculture Minister Aidarbek Saparov during the government meeting on February 11th. "It is planned to place crops on an area of 23.8 mha, which exceeds the level of last year by 518 thousand hectares. The diversification program will cover about 1 mha, in particular the area of highly profitable crops will be increased by 750 thousand ha. Including the area of oilseeds will increase by 365 thousand hectares, fodder crops - by 184 thousand hectares, barley - by 114 thousand hectares, buckwheat - by 41.5 thousand hectares, potatoes - by 15 thousand hectares," the Minister said. In order to ensure a solid fodder base it is planned to increase the area of fodder crops to 3.4 mha. The area of oilseeds will increase to 3.3 mha. The planned areas will fully meet the needs of the domestic market. The implementation of the Roadmap for the diversification of sown areas will also continue. The program will cover about 1 mha, with a focus on highly profitable crops, including an increase in the area of oilseeds by 365 thousand ha. Reducing dependence on wheat remains an important step: in two years its area has decreased by almost 730 thousand hectares. There will be an emphasis on oilseeds and pulses, which are in high demand in the markets, with prices for flax and rapeseed reaching 200,000 tenge/mt. "This will not only increase the profitability of agribusiness, but also improve the structure of crops, ensuring sustainable development of agriculture," the head of the Ministry of Agriculture said.

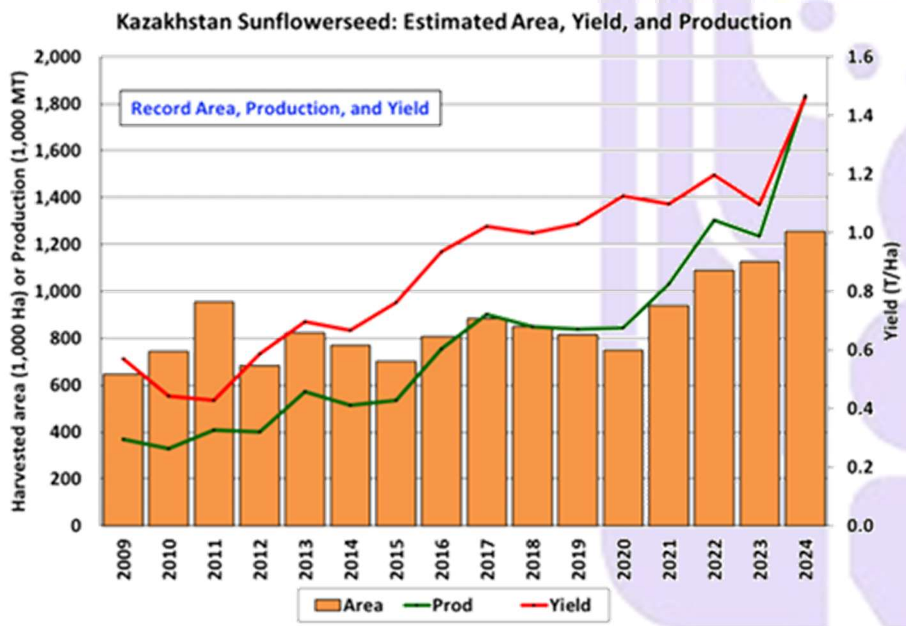
➢ In 2025, Kazakhstan will increase sunflower crops by at least 15%

13 February 2025 APK - This year, Kazakhstan will increase the area under sunflower by at least 15%, to 1.5-1.8 mln ha. This forecast was made by Farid Abitaev, CEO of the Oilseeds Research Farm and Chairman of the Republican Chamber of Seed Growers of Kazakhstan, at the KazOil-2025 international conference in Astana on February 13. He noted that such interest in sunflower is primarily due to high demand and the development of exports of processed products (oil and meal) from Kazakhstan, in particular to China. "We have a large shortage of raw materials for the existing processing capacities - 1.7 mmts of sunflower is produced, and the capacity of the plants reaches 3.8 mmts and will continue to increase," the speaker said. Another factor is the price. Global production of sunflower seeds is declining, and prices will rise. Besides, sunflower is a drought-resistant crop, so it is possible to get good oilseed yields in unfavorable years. The only caveat is that the oilseed yield potential has not been fully realized, but if farmers follow the technology, apply plant protection products in time, and fertilize in the required volumes, the yield will increase significantly. "In virgin regions, if the technology is followed, it is possible to get 15-20 c/ha, which will make Kazakhstan's sunflower absolutely competitive with its northern neighbors," said Mr. Abitaev. According to the expert, in the next 5 years, Kazakhstan can increase the gross harvest of sunflower to 4.5-5 mmts. As reported by APK-Inform, in 2024, the sunflower harvest in Kazakhstan reached a record 1.83 mmts. This is up 48% compared with 1.23 mmts in 2023 and 40% more than the gross harvest in 2022 (1.3

mmts). In 2024, the harvested area of sunflower amounted to 1.25 mln ha, compared to 1.12 mln ha in 2023 and 1.09 mln ha in 2022. The sunflower seed yield was also the highest in the last three years and reached 14.6 c/ha (11 c/ha in 2023, 12 c/ha in 2022).

➢ Kazakhstan Sunflowerseed: Record Area, Production, and Yield

11 February 2025 USDA FAS – Kazakhstan sunflowerseed production for marketing year 2024/25 is estimated at record 1.8 mmts, up 31% from last month, 48% from last year, and 75% from to the 5-year average. Yield is estimated at a record 1.46 mts/ha, up 30% from last month, 33% from last year, and 32% from the 5-year average. Total harvested area is estimated at a record 1.3 million hectares, up less than 1% from last month, 11% from last year, and 33% from the 5-year average.



Source: USDA PSD Online

(For more information, please contact Iliana.Mladenova@usda.gov)

This season's sunflowerseed area, production, and yield are at a record based on official data released by the National Bureau of Statistics (NBS) of the Republic of Kazakhstan. NBS published its annual agricultural statistics for all crops harvested in 2024 on January 30, 2025. The bumper crop is a result of the significant increase in planted area this season combined with substantially higher-than-normal yields. Overall favorable seasonal weather and an abundance of soil moisture reserves provided optimal growing conditions across all oilseed growing regions. In addition, FAS/Astana and open-source articles indicate that the overall growth in Kazakhstan's sunflowerseed production in the last decade was driven by more efficient use of modern technologies, access to improved seed varieties for planting, favorable domestic prices and better market opportunities for this crop. In a FAS Global Agricultural Information Network (GAIN) report published in May 2023, FAS/Astana, however, also elaborated that based on industry representatives, the production increases may be stymied by inaccurate market statistics, inconsistent government policies, and challenging transportation logistics.

➢ Kazakhstan to increase exports of oil and fat products

Kazakhstan plans to significantly increase its oilseed processing capacity in the coming years. By 2027, this figure may increase to more than 6 mmts, including 5 mmts of sunflower seeds. This was stated by the Chairman of the National Oilseed Processors Association (NOPA) Yadykar Ibragimov during the international conference KazOil-2025 in Astana on February 13th. According to him, along with the increase in processing, Kazakhstan is actively increasing the volume and expanding the geography of exports of finished products. One of the most promising and logistically convenient markets is China. In 2023/24 MY, the supply of sunflower oil and meal to China amounted to 274.5 thsd tonnes (27% of total exports). There are no logistics problems in this direction, Mr. Ibragimov noted, as the monthly shipment plans are fulfilled by 95-96%. An important factor in the growth of supplies to China is the processing plants in the border regions with China, in which Chinese partners have invested. Central Asian countries remain traditional export destinations (they account for more than 50% of the export structure) and supplies to these markets may increase by 6-10% this season. However, Chinese buyers are ready to offer higher prices than importers from Central Asia, the spokesman emphasized. Iran and Afghanistan are also among the promising destinations. According to the head of NOPA, Kazakh enterprises plan to supply oil to Iran. To this end, it is planned to equip an oil transshipment point in the port of Aktau, from where exports to Iran are made. As for Afghanistan, in 2023/24 MY, the share of supplies to this market was only about 2%, but there are plans to increase exports. **(APK)**

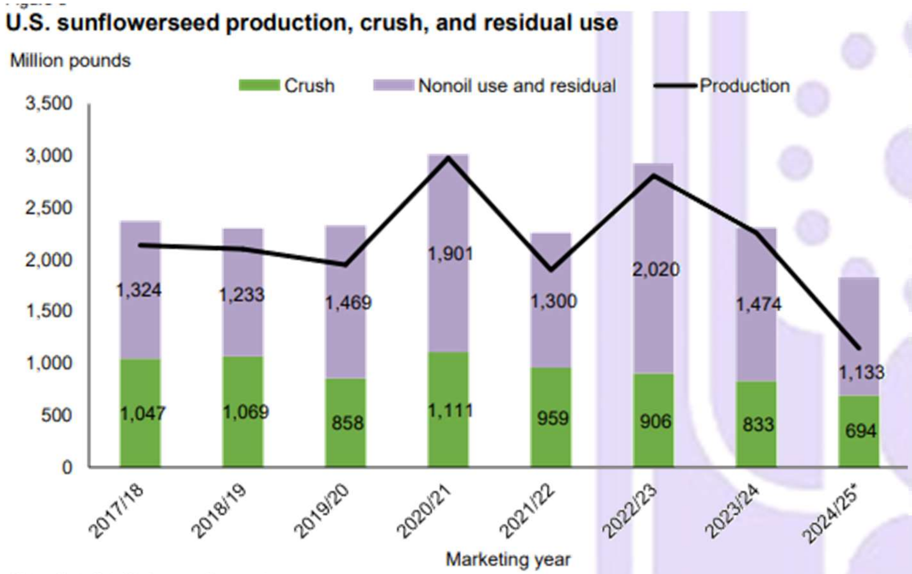
➢ U.S. Sunflower Seed Supply & Demand Outlook

Oilseed, Sunflowerseed United States as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Area Harvested (1000 HA)	278	-	278	511	647	503	673
Beginning Stocks (1000 MT)	259	-	259	166	134	179	88
Production (1000 MT)	520	-	520	1,024	1,274	862	1,351
MY Imports (1000 MT)	163	-7(-4.12%)	170	157	140	174	170
Total Supply (1000 MT)	942	-7(-.74%)	949	1,347	1,548	1,215	1,609
MY Exports (1000 MT)	26	-6(-18.75%)	32	38	50	50	59
Crush (1000 MT)	315	-19(-5.69%)	334	378	411	435	504
Food Use Dom. Cons. (1000 MT)	0	-	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	510	+11(+2.2%)	499	672	921	596	867
Total Dom. Cons. (1000 MT)	825	-8(-.96%)	833	1,050	1,332	1,031	1,371
Ending Stocks (1000 MT)	91	+7(+8.33%)	84	259	166	134	179
Total Distribution (1000 MT)	942	-7(-.74%)	949	1,347	1,548	1,215	1,609
Yield (MT/HA)	1.87	-	1.87	2	1.97	1.71	2.01

Source: USDA PS&D

U.S. Sunflowerseed Crush Lowered on Updated Statistics

The MY 2024/25 sunflowerseed crush is forecast down to 694 million pounds, 139 million pounds lower than revised MY 2023/24 crush, based on updated statistics from the National Sunflower Association (figure below).



Note: Asterisk (*) denotes forecast.
Source: USDA, Economic Research Service using data from USDA, World Agricultural Outlook Board. *World Agricultura Supply and Demand Estimates.*

If realized, this will be the lowest sunflowerseed crush since MY 2004/05 largely driven by low supplies. Other sunflowerseed domestic use is revised up to 1.1 billion pounds. In addition to lower crush, exports are forecast down to 57 million pounds based on pace-to-date. The sunflowerseed exports in the September–December 2024 period totaled 18 million pounds, down 38.5% from the same period in MY 2023/24. Sunflowerseed ending stocks are raised slightly to 201 million pounds.

With lower crush, sunflowerseed oil and meal production are forecast to decline to 291 million pounds and 177,000 short tons, respectively. Tighter production of sunflowerseed oil continues to support sunflowerseed oil imports at 370 million pounds, mainly from Ukraine, the European Union (EU), and Argentina. Sunflowerseed meal domestic disappearance is forecast down to 172,000 metric tons driven by lower supplies and ample other meal supplies

Citation Bukowski, M., Swearingen, B., & Hubbs, T. (2025). Oil crops outlook: February 2025 (Report No. OCS 25b). U.S. Department of Agriculture, Economic Research Service

Table 13: Sunflowerseed and Products: World Supply and Distribution

Thousand Metric Tons

		Oilseed, Sunflowerseed			Meal, Sunflowerseed			Oil, Sunflowerseed		
	Marketing Year	**2022/23**	**2023/24**	**2024/25**	**2022/23**	**2023/24**	**2024/25**	**2022/23**	**2023/24**	**2024/25**
Production										
Argentina	(Mar-Feb)	5,019	3,895	4,000	1,789	1,660	1,605	1,752	1,623	1,570
Russia	(Sep-Aug)	16,254	17,100	16,300	6,453	6,780	6,574	6,484	6,815	6,608
Turkey	(Sep-Aug)	1,900	1,550	1,375	1,334	872	818	1,066	696	653
Ukraine	(Sep-Aug)	12,200	15,500	12,900	5,782	6,484	5,183	6,020	6,751	5,398
European Union	(Oct-Sep)	9,386	10,125	8,780	5,135	4,973	4,378	4,014	3,887	3,422
Other		8,021	7,859	7,157	2,573	2,513	2,449	2,386	2,362	2,306
World Total		52,780	56,029	50,512	23,066	23,282	21,007	21,722	22,134	19,957
Imports										
Argentina	(Mar-Feb)	1	1	0	0	0	0	0	0	0
Russia	(Sep-Aug)	75	50	50	5	5	5	1	1	1
Turkey	(Sep-Aug)	941	310	450	879	1,312	950	1,711	1,491	1,250
Ukraine	(Sep-Aug)	31	20	30	13	13	10	1	1	0
European Union	(Oct-Sep)	1,460	828	410	2,756	3,155	2,700	2,103	2,964	2,175
Other		1,264	1,362	1,231	4,887	5,494	4,763	8,744	9,294	7,328
World Total		3,772	2,571	2,171	8,540	9,979	8,428	12,560	13,751	10,754
Exports										
Argentina	(Mar-Feb)	94	150	150	1,128	1,150	1,050	1,115	950	900
Russia	(Sep-Aug)	260	450	350	2,250	2,650	2,275	4,000	4,400	4,075
Turkey	(Sep-Aug)	102	102	125	78	45	20	1,102	1,189	600
Ukraine	(Sep-Aug)	1,856	314	230	3,973	4,653	4,100	5,624	6,264	5,000
European Union	(Oct-Sep)	595	446	350	1,001	956	800	1,221	990	650
Other		1,109	1,409	1,093	725	750	726	1,213	1,247	1,106
World Total		4,016	2,871	2,298	9,155	10,204	8,971	14,275	15,040	12,331
Domestic Consumption										
Argentina	(Mar-Feb)	4,553	4,055	3,950	600	550	550	652	672	672
Russia	(Sep-Aug)	16,180	16,980	16,320	3,900	4,125	4,350	2,425	2,525	2,575
Turkey	(Sep-Aug)	2,672	1,802	1,702	2,025	2,175	1,770	1,290	1,465	1,290
Ukraine	(Sep-Aug)	14,175	15,875	12,725	1,700	1,525	1,400	415	440	455
European Union	(Oct-Sep)	10,535	10,235	9,135	6,860	7,060	6,410	5,213	5,413	5,238
Other		8,121	7,734	7,481	6,720	7,230	6,524	9,550	10,488	8,876
World Total		56,236	56,681	51,313	21,805	22,665	21,004	19,545	21,003	19,106
Ending Stocks										
Argentina	(Mar-Feb)	1,084	775	675	292	252	257	329	330	328
Russia	(Sep-Aug)	907	627	307	397	407	361	346	237	196
Turkey	(Sep-Aug)	168	124	122	223	187	165	611	144	157
Ukraine	(Sep-Aug)	845	176	151	247	566	259	76	124	67
European Union	(Oct-Sep)	407	679	384	320	432	300	328	776	485
Other		736	814	628	242	269	231	1,417	1,338	990
World Total		4,147	3,195	2,267	1,721	2,113	1,573	3,107	2,949	2,223

VEGETABLE OILS

➢ **World Soybean Oil Supply & Demand Outlook**

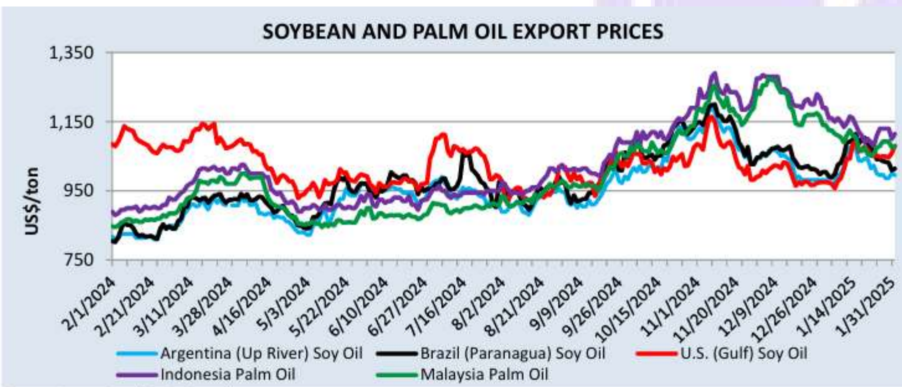
Oil, Soybean World as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Crush (1000 MT)	349,890	+600(+.17%)	349,290	331,239	315,620	316,627	318,155
Extr. Rate, 999.9999 (PERCENT)	0.19	-	0.19	0.19	0.19	0.19	0.19
Beginning Stocks (1000 MT)	5,398	+46(+.86%)	5,352	5,054	5,143	5,943	5,684
Production (1000 MT)	66,372	+124(+.19%)	66,248	62,799	59,670	60,047	60,064
MY Imports (1000 MT)	12,127	-	12,127	10,582	10,892	11,440	11,810
Total Supply (1000 MT)	83,897	+170(+.2%)	83,727	78,435	75,705	77,430	77,558
MY Exports (1000 MT)	12,845	-30(-.23%)	12,875	11,819	11,751	12,426	12,604
Industrial Dom. Cons. (1000 MT)	15,950	+200(+1.27%)	15,750	14,417	13,083	12,076	11,399
Food Use Dom. Cons. (1000 MT)	49,930	-	49,930	46,741	45,757	47,720	47,532
Feed Waste Dom. Cons. (1000 MT)	60	-	60	60	60	65	80
Total Dom. Cons. (1000 MT)	65,940	+200(+.3%)	65,740	61,218	58,900	59,861	59,011
Ending Stocks (1000 MT)	5,112	-	5,112	5,398	5,054	5,143	5,943
Total Distribution (1000 MT)	83,897	+170(+.2%)	83,727	78,435	75,705	77,430	77,558

Source: USDA PS&D

EU rapeseed oil prices declined in tandem with fuel prices, exacerbated by lower demand from the domestic biofuel industry.

Ukrainian sunflower seed oil prices continue to rise as supplies tighten following production losses.

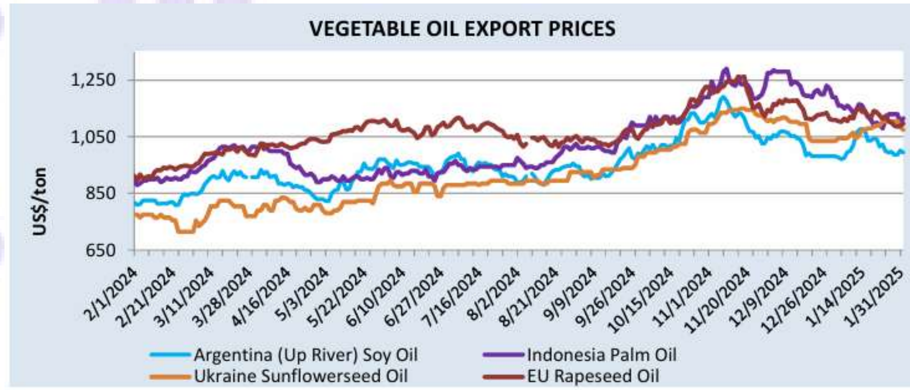
World Vegetable Oil Prices



Source: International Grains Council

11 February 2025 USDA FAS – Soybean oil prices strengthened globally throughout January. Strength in U.S. soybean oil prices drove convergence with Malaysian palm oil this month as soybean oil exports meet increased demand for palm oil substitutes. Argentina soybean oil emerged as the world's discount oil this month fueled by record crush and export tax cuts. Malaysian and Indonesian palm oil prices decreased on continued weak demand though remain high on decreased production in Malaysia and increased domestic stocks in Indonesia.

Ukrainian sunflower seed oil prices continue to rise as supplies tighten following production losses. EU rapeseed oil prices declined in tandem with fuel prices, exacerbated by lower demand from the domestic biofuel industry..



Source: International Grains Council

➢ **Vegetable oil production in Russia to increase by 7% in 2024**

14 February 2025 APK – In 2024, vegetable oil production in Russia amounted to more than 10.4 mln tonnes, which is 6.9% higher than in the previous year. In particular, 8 mln tonnes of sunflower oil (the growth in this category reached 11.7%) and about 1.1 mln tonnes of soybean oil (+9.6%) were produced. Such data was announced by the press service of the Ministry of Agriculture of the Russian Federation. As it is specified, self-sufficiency in vegetable oils in the country is 2.8 times higher than the threshold value of the Food Security Doctrine. "At present, the domestic oil and fat industry is increasing production capacity at an outstripping pace, which makes it possible to expand the area under oilseed crops every year. In particular, last year, due to the implementation of modernization projects and new construction, processing capacity increased by almost one mln tonnes and exceeded 32 mln tonnes per year," the report quotes Mikhail Maltsev, Executive Director of the Russian Oil and Fat Union, as saying. **(APK)**

➢ **India's palm oil imports hit 14-year low as rival oils gain**

4 February 2025 – India's palm oil imports in January plunged to their lowest level in nearly 14 years as refiners replaced the tropical oil with cheaper rival soyoil because of negative refining margins for palm oil, five dealers said.

Lower palm oil imports by India, the world's biggest buyer of vegetable oils, could weigh on benchmark Malaysian palm oil prices, but support US soyoil futures.

Palm oil imports plunged 46% in January from the previous month to 272,000 tonnes, the lowest since March 2011, according to estimates from dealers.

India imported an average of more than 750,000 tonnes of palm oil every month in the marketing year that ended in October 2024, says trade body the Solvent Extractors' Association of India, which is set to publish its January import data by mid-February.

Reuters reported last month that palm oil imports would sink to a multi-year low in January as refiners were shifting to soyoil.

Soyoil imports in January rose 4% from a month earlier to 438,000 tonnes, the highest in seven months, while sunflower oil imports jumped 9.5% to 290,000 tonnes, dealers said.

Lower shipments of palm oil brought down the country's total edible oil imports in January by 15.6% to one mmts, the lowest in 11 months, according to dealers' estimates. The drop in vegetable oil imports over recent months lowered vegetable oil inventories to 2.18 mmts at the start of February, the lowest since April 2022, the SEA said.

Palm oil imports could slightly increase in February from the multi-year low hit in January but will remain lower than usual, said Rajesh Patel, managing partner at GGN Research, an edible oil trader. He said soyoil imports could fall and sunflower oil could rise marginally in February.

Negative margins for palm oil prevailed for Indian refiners last month, which discouraged them from making overseas purchases, said Rajesh Patel, managing partner at GGN Research, an edible oil trader.

Palm oil usually trades at a discount to soyoil and sunflower oil, but falling stocks have lifted its prices above rival oils, whose supplies are abundant.

Palm oil traditionally accounts for more than half of India's total edible oil imports, but its share fell below 30% for the first time in more than a decade, said Sandeep Bajoria, CEO of Sunvin Group, a vegetable oil brokerage.

India buys palm oil mainly from Indonesia, Malaysia and Thailand, while it imports soyoil and sunflower oil from Argentina, Brazil, Russia and Ukraine.

- **Malaysia will crack down on fraud in used cooking oil exports**

*14 February 2025 b*y Ashley Tang, *Reuters* – Malaysia will crack down on fraud in the used cooking oil industry, its deputy commodities minister told Reuters, as western governments investigate whether shipments of the biofuels feedstock from Asia actually contain virgin oil.

The Malaysian Palm Oil Board (MPOB) is reviewing its standards and policies governing used cooking oil (UCO) and palm industry waste known as sludge palm oil (SPO) to better distinguish them in order to prevent discrepancies in exports, said Deputy Plantation and Commodities Minister Chan Foong Hin.

"The government is also strengthening enforcement mechanisms to uphold industry credibility and Malaysia's reputation as a responsible exporter," he said in an interview on Thursday, adding that complaints from buyers could endanger the country's status as a credible UCO exporter.

He said ensuring that the entire supply chain is traceable would combat fraudulent practices.

"Basically the centre of this issue is the traceability. How do you make the whole supply chain traceable?", Chan said.

The European biodiesel industry last year complained of a surge in imports from China it believes involve supplies declared as made with recycled oil and fat but actually produced with cheaper and less sustainable virgin oil.

Neighbouring Indonesia, the world's biggest palm oil producer, last month moved to curb exports of UCO and palm oil residue, saying that shipments in recent years had exceeded production capacity, indicating virgin crude palm oil had been mixed in.

In August, the U.S. Environmental Protection Agency said it launched investigations into the supply chains of at least two renewable fuel producers, without naming the companies, amid industry concerns that some may be using fraudulent biodiesel feedstocks to secure lucrative government subsidies.

DEFORESTATION RULES

Malaysia's palm industry, the world's second-largest, should not view the EU's looming deforestation regulation negatively as the country is committed to anti-deforestation, Chan said.

About 87% of Malaysia’s palm oil plantations are sustainably certified through the Malaysian Sustainable Palm Oil (MSPO) standards, Chan said. “In fact, we are ready,” he said.

In December, the EU approved a one-year delay to the landmark deforestation law requiring importers of soy, beef, cocoa, coffee, palm oil, timber, rubber and related products to prove their supply chains do not contribute to the destruction of the world's forests, or face hefty fines.

Chan downplayed a downturn in shipments to top palm oil buyer India, which hit a 14-year low in January, as a “short term" situation given the demand needs of its 1.45 billion population.

India imported 3.03 mmts of Malaysian palm oil in 2024, up 6.5%.

"The permanent factor is the population. So yes, we are still optimistic," Chan said.

(Reporting by Ashley Tang; Editing by Tony Munroe and Christian Schmollinger)

USDA – U.S. Soybean Oil

Oil, Soybean United States as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Crush (1000 MT)	65,589	-	65,589	62,244	60,199	59,980	58,257
Extr. Rate, 999.9999 (PERCENT)	0.20	-	0.20	0.20	0.20	0.20	0.19
Beginning Stocks (1000 MT)	681	-	681	729	903	967	840
Production (1000 MT)	13,009	-	13,009	12,306	11,897	11,864	11,350
MY Imports (1000 MT)	249	-	249	282	170	137	137
Total Supply (1000 MT)	13,939	-	13,939	13,317	12,970	12,968	12,327
MY Exports (1000 MT)	726	-	726	280	171	803	786
Industrial Dom. Cons. (1000 MT)	6,169	-	6,169	5,892	5,675	4,708	4,046
Food Use Dom. Cons. (1000 MT)	6,350	-	6,350	6,464	6,395	6,554	6,528
Feed Waste Dom. Cons. (1000 MT)	0	-	0	0	0	0	0
Total Dom. Cons. (1000 MT)	12,519	-	12,519	12,356	12,070	11,262	10,574
Ending Stocks (1000 MT)	694	-	694	681	729	903	967
Total Distribution (1000 MT)	13,939	-	13,939	13,317	12,970	12,968	12,327

Source: USDA PS&D

CME Soybean Oil – Nearby Daily

Source: Barchart https://www.barchart.com/futures/quotes/ZLU22/interactive-chart

***CME March 2025 Soybean Oil Futures** settled on Friday at $46.07/cwt, off $0.18 on the day, but gaining $0.09 for the week.*

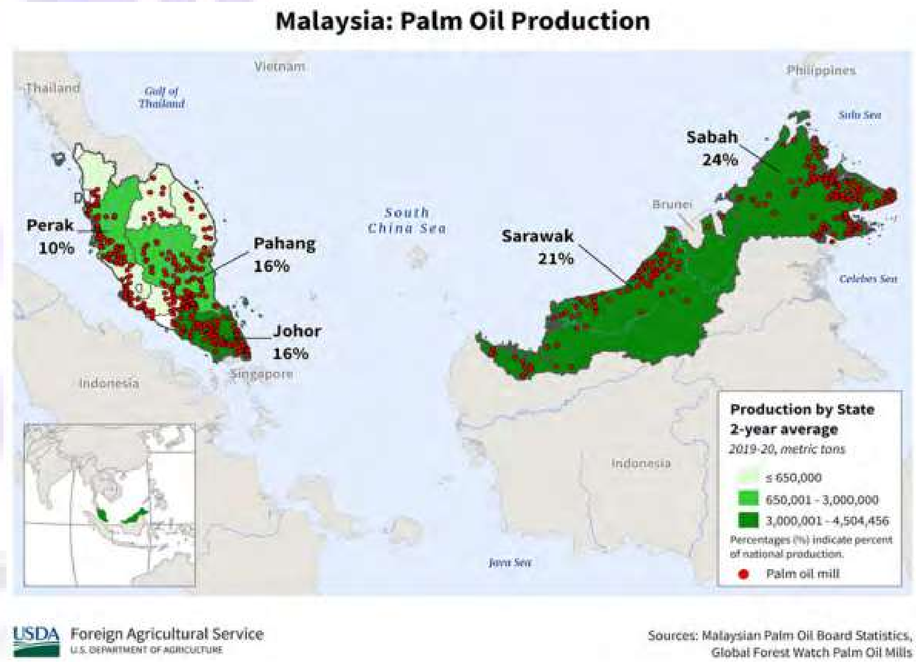
NOPA data will be released on Tuesday (delayed due to the holiday), with traders expecting to see 204.54 mmts for January crush totals, up 10.1% from last year total if realized. Soy oil stocks are estimated at 1.289 billion lbs

USDA – World Palm Oil Supply & Demand Outlook

Oil, Palm World as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Area Harvested (1000 HA)	27,381	-	27,381	26,791	26,481	25,371	24,800
Beginning Stocks (1000 MT)	16,212	-	16,212	16,574	16,640	15,225	16,021
Production (1000 MT)	79,529	-100(-.13%)	79,629	76,259	76,625	73,172	73,365
MY Imports (1000 MT)	44,082	-500(-1.12%)	44,582	43,198	47,214	41,781	46,862
Total Supply (1000 MT)	139,823	-600(-.43%)	140,423	136,031	140,479	130,178	136,248
MY Exports (1000 MT)	46,304	-280(-.6%)	46,584	44,544	49,523	43,903	48,556
Industrial Dom. Cons. (1000 MT)	27,163	-	27,163	26,173	25,385	23,084	23,509
Food Use Dom. Cons. (1000 MT)	50,560	-205(-.4%)	50,765	48,508	48,335	45,897	48,258
Feed Waste Dom. Cons. (1000 MT)	555	-	555	594	662	654	700
Total Dom. Cons. (1000 MT)	78,278	-205(-.26%)	78,483	75,275	74,382	69,635	72,467
Ending Stocks (1000 MT)	15,241	-115(-.75%)	15,356	16,212	16,574	16,640	15,225
Total Distribution (1000 MT)	139,823	-600(-.43%)	140,423	136,031	140,479	130,178	136,248
Yield (MT/HA)	2.90	(-.34%)	2.91	2.85	2.89	2.88	2.96

Source: USDA PS&D

Malaysia Palm Oil: Production Reduced due to Floods and Low Output



11 February 2024 USDA FAS – Malaysia palm oil production for marketing year (MY) 2024/25 is estimated at 19.2 mmts, down 1% from last month, and 3% from last year. Harvested area is estimated at 5.6 million hectares, unchanged from last month, but up 1% from last year. Yield is estimated at 3.43 mts/ha, down 1% from last month and 3% from last year.

Malaysia palm oil output has continued to experience impacts from the late-November extreme rainfall event that consumed most of Peninsular Malaysia, leading to widespread flooding in the region. Localized floods caused logistical challenges that affected harvest operations. For the second consecutive month, the Malaysia Palm Oil Board (MPOB) estimate has decreased. Both November and December MPOB reports indicate crude palm oil output is down 9% and 4% from last year, respectively. Observed late-January rainfall in East Malaysia has led to reports of localized flooding in both Sabah and Sarawak; this has moderately impacted harvest operations. USDA began its MY 2024/25 for Malaysia palm oil in October 2024.

(For more information, please contact Justin.Jenkins@usda.gov.)

➢ **Malaysia palm oil output resilient despite flood disruption, says MPOB**

14 February 2025 by Ashley Tang, *Reuters* – KUALA LUMPUR (Reuters) - Malaysia's palm oil production remained resilient despite potential disruption from floods that have hit several states in recent months, the Malaysian Palm Oil Board (MPOB) said on Monday.

"While localised disruptions may occur due to temporary waterlogging and harvesting delays, the overall impact on the country's production is expected to be manageable," MPOB director general Ahmad Parveez Ghulam Kadir told Reuters.

The Malaysian Meteorological Department said last month that the Northeast Monsoon, which began on November 5 last year, was expected to continue until March. Continuous heavy rainfall over a period of a few days could cause floods in low lying and flood prone areas, it warned.

Malaysia experienced its most severe flooding in decades in November last year, displacing more than 90,000 people. Another wave of floods in January forced thousands from their homes in the southern state of Johor, as well as in Sarawak and Sabah on the island of Borneo.

Sarawak and Sabah account for some 55% of Malaysia's 5.61 million hectares of palm oil plantations, and were responsible for 43.6% of crude palm oil production last year.

Ahmad Parveez said the MPOB would work closely with growers to help the industry recover.

"While some short-term effects are possible, Malaysia's palm oil sector is well-prepared to safeguard its output and ensure steady global supply," he said.

When asked about future palm oil demand from key, Ahmad Parveez said demand from India, China, and Europe was stable.

In India, he said refiners have shifted towards soybean oil due to better refining margins, but demand is expected to pick up ahead of the Muslim fasting month of Ramadan.

In China, future imports will depend on price competitiveness and overall market conditions, he added.

"In Europe, demand remains relatively stable, though the delay in the EU Deforestation Regulation (EUDR) means there is no longer an urgency to stockpile. Imports may fluctuate based on price movements and how the industry adapts to regulatory changes.

"Palm oil's competitiveness against soybean and sunflower oil will be the key factors influencing short-term demand trends in these markets," he said.

➢ **CME Palm Oil – Nearby Weekly**

Source: Barchart https://www.barchart.com/futures/quotes/ZLU22/interactive-chart

***March 2025 Crude Palm Oil Futures** settled on Friday at $1,009.50/mt, mostly steady on the day, and gaining $13.75 for the week.*

Plant Protein Meals

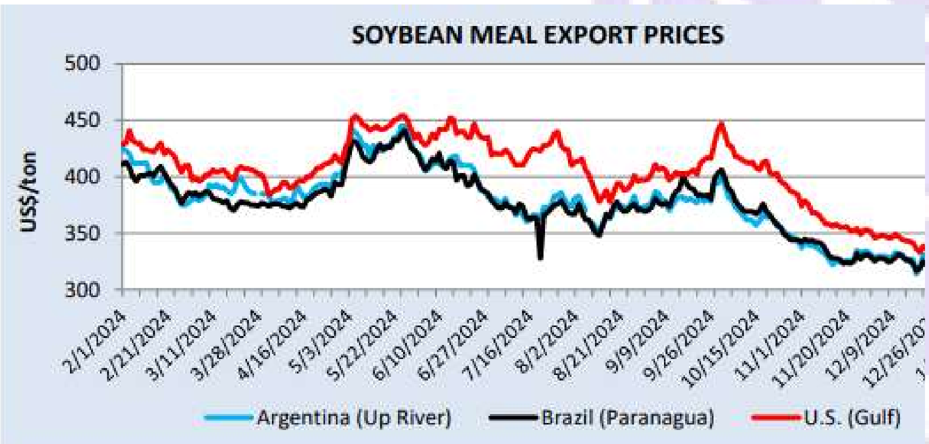
- **World Soybean Meal Supply & Demand Outlook**

Meal, Soybean World as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Crush (1000 MT)	349,893	+600(+.17%)	349,293	331,242	315,623	316,630	318,158
Extr. Rate, 999.9999 (PERCENT)	0.78	-	0.78	0.79	0.79	0.78	0.78
Beginning Stocks (1000 MT)	14,338	+23(+.16%)	14,315	13,276	16,461	15,994	16,095
Production (1000 MT)	274,580	+467(+.17%)	274,113	260,099	247,911	248,157	249,751
MY Imports (1000 MT)	73,005	+800(+1.11%)	72,205	69,672	63,288	67,063	65,365
Total Supply (1000 MT)	361,923	+1290(+.36%)	360,633	343,047	327,660	331,214	331,211
MY Exports (1000 MT)	76,320	+650(+.86%)	75,670	74,423	67,060	68,758	69,463
Industrial Dom. Cons. (1000 MT)	1,370	-	1,370	1,370	1,362	1,322	1,367
Food Use Dom. Cons. (1000 MT)	881	-	881	851	796	796	741
Feed Waste Dom. Cons. (1000 MT)	266,499	+775(+.29%)	265,724	252,065	245,166	243,877	243,646
Total Dom. Cons. (1000 MT)	268,750	+775(+.29%)	267,975	254,286	247,324	245,995	245,754
Ending Stocks (1000 MT)	16,853	-135(-.79%)	16,988	14,338	13,276	16,461	15,994
Total Distribution (1000 MT)	361,923	+1290(+.36%)	360,633	343,047	327,660	331,214	331,211
SME (1000 MT)	266,499	+775(+.29%)	265,724	252,065	245,166	243,877	243,646

Source: USDA PS&D

11 February 2024 USDA WASDE –

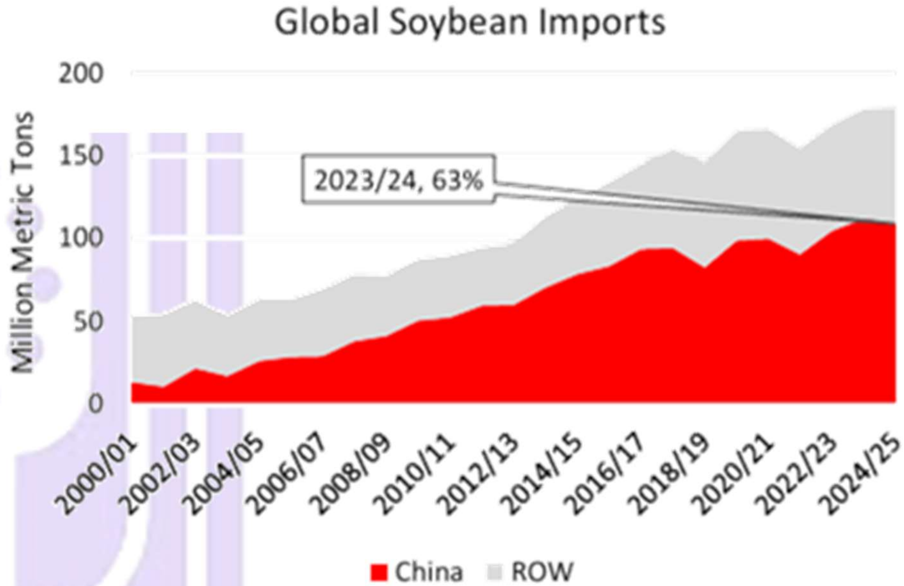
World Soybean Meal Prices: *8 November 2024 USDA WASDE –*



Source: International Grains Council

11 February 2025 USDA FAS – Soybean meal prices declined in major markets as record crushing continues to meet increased demand for soybean oil. Soybean oil prices strengthened globally throughout January.

- **China's Imported Meal Supplies Shift to Mid-Protein Meals**

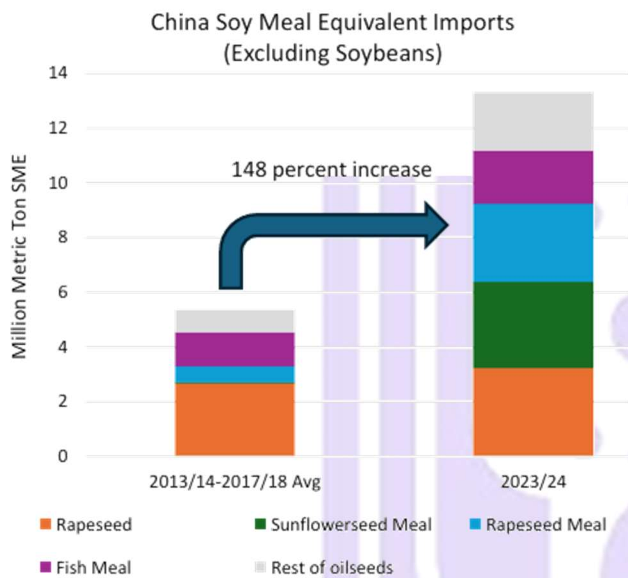


11 February 2024 USDA FAS – For over 2 decades, China has been the primary destination for exported soybeans, accounting for over 60% of global imports in recent years. These imports are utilized by the largest crushing industry in the world to produce soybean meal for the world's largest swine herd (approximately half of the world's pigs) and one of the world's largest poultry flocks. In recent years, China has aimed to diversify its supplier base and ensure a stable food supply for its population. However, despite efforts to diversify suppliers, China soybean imports have remained concentrated between the 3 major suppliers. Imports of alternative protein meals have increased but are still low compared to soybeans.

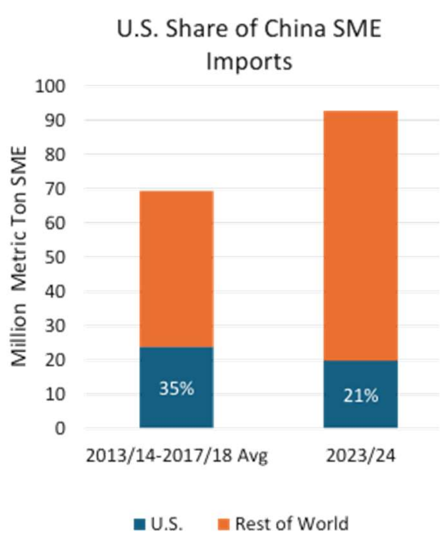
Soybean meal is the largest source of protein for feed rations in China, but feeding of mid-protein meal is on the rise. From 2013/14-2017/18, meal from imported soybeans averaged 93% of total imported soy meal equivalent (SME).1 Increased utilization of other protein meals pushed meal from imported soybeans down to 87% in 2023/24. Imports of other protein meals on a SME basis more than doubled over this period, largely driven by import growth of sunflowerseed and rapeseed meal.

China started to import significant quantities of sunflowerseed meal in 2018/19, primarily from Ukraine, after a new protocol was established in late 2017 (see Post report). Significant amounts have also come from Russia since 2022. Similarly, rapeseed meal, primarily from Canada, has reached prominent levels in recent years.

In the last 5 years, China has shifted away from U.S. sourced soybeans, both as a percentage of total SME and in absolute tonnage. The increased importation of other feedstuffs like rapeseed and sunflowerseed meal may have contributed to this change, as higher global production led to more competitive prices over time. However, this trend pales in comparison to the increased utilization of soybeans from Brazil.



The share of China's soybean imports that came from Brazil rose from 62% in 2017/18 to 71% in 2023/24, while the U.S. share declined from 30% to 22%. This shift was in part driven by lower prices for Brazilian soybeans resulting from increasing Brazilian production and a weak Real compared to the U.S. dollar. From 2013/14-2017/18, unit values for China imports of U.S. soybeans were approximately 2% greater than those for Brazilian beans. In 2023/24, Chinese importers paid an average 13% more for U.S. soybeans than those from Brazil, according to import unit values (China Customs Statistics).



On a volume basis, China's reliance on imported soybeans continues to grow. A moderate shift towards other protein sources such as rapeseed and sunflowerseed meal has hardly dented an increasing reliance on soybeans from Brazil, while imports of U.S. soybeans continue to decline. Based on the most recent FAS export sales reporting data, soybean commitments to China are at a 5-year low and Brazilian soybeans are trading at a significant discount to U.S. origin.

➢ U.S. Soybean Meal Supply & Demand Outlook

Meal, Soybean United States as of February 2025							
Attribute	24/25 Feb'25	Change	24/25 Jan'25	23/24	22/23	21/22	20/21
Crush (1000 MT)	65,589	-	65,589	62,244	60,199	59,980	58,257
Extr. Rate, 999.9999 (PERCENT)	0.79	-	0.79	0.79	0.79	0.78	0.79
Beginning Stocks (1000 MT)	411	-	411	336	282	309	310
Production (1000 MT)	51,661	-	51,661	49,120	47,621	47,005	45,872
MY Imports (1000 MT)	612	-	612	623	575	594	712
Total Supply (1000 MT)	52,684	-	52,684	50,079	48,478	47,908	46,894
MY Exports (1000 MT)	15,785	-	15,785	14,612	13,196	12,303	12,406
Industrial Dom. Cons. (1000 MT)	0	-	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	0	-	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	36,491	-	36,491	35,056	34,946	35,323	34,179
Total Dom. Cons. (1000 MT)	36,491	-	36,491	35,056	34,946	35,323	34,179
Ending Stocks (1000 MT)	408	-	408	411	336	282	309
Total Distribution (1000 MT)	52,684	-	52,684	50,079	48,478	47,908	46,894
SME (1000 MT)	36,491	-	36,491	35,056	34,946	35,323	34,179

Source: USDA PS&D

➢ CME CBOT Soybean Meal – Daily Nearby

Source: Barchart https://www.barchart.com/futures/quotes/ZMU22/interactive-chart

***CME March 2025 Soybean Meal Futures,** settled on Friday at $295.90/short ton, up $3.20 on the day, but losing $5.50 for the week.*

NOPA data will be released on Tuesday (delayed due to the holiday), with traders expecting to see 204.54 mmts for January crush totals, up 10.1% from last year total if realized.

Soybean Meal Export Prices (FOB, US$/mt) the 14th of February 2025

CIF SOYBEAN MEAL	2/12/2025	2/13/2025	
FEB	- / -8	- / -9	H
MAR	- / -4	- / -5	H
APR	- / -3	- / -10	K
MAY	- / -	- / -1	K
JUN	- / -	- / -1	N
JUL	- / -	- / -1	N

Value of DDGs VS. CORN & SOYBEAN MEAL

Settlement Price:	Quote Date	Bushel	Short Ton
Corn	2/13/2025	$4.9350	$176.2500
Soybean Meal	2/13/2025		$292.70
DDG Weekly Average Spot Price	2/13/2025	$158.00	

DDG Value Relative to:	2/13	2/6
Corn	89.6%	89.9%
Soybean Meal	53.98%	51.89%
Cost Per Unit of Protein:		
DDG	5.85	5.89
Soybean Meal	6.16	6.45

Notes: Corn and soybean prices taken from DTN Market Quotes. DDG price represents the average spot price from Midwest companies collected on Thursday afternoons. Soybean meal cost per unit of protein is cost per ton divided by 47.5. DDG cost per unit of protein is cost per ton divided by 27.

Source: DTN https://www.dtnpf.com/agriculture/web/ag/blogs/market-matters-blog/blog-post/2025/02/14/dtn-weekly-ddg-price-slightly-lower

DDG's – Prices slightly higher lower for the week

14 February 2025 Mary Kennedy, DTN – The DTN spot price for domestic distillers dried grains (DDG) from 33 locations reporting for the week ending February 13th was down $1 on average at $158/ton versus one week ago.

DDG prices were mixed for the week but slightly lower on average as market participation was quiet according to a trader. The DTN National Average Corn Index was down 2 cents versus one week ago.

Based on the average of prices collected by DTN, the value of DDG relative to corn for the week ended Feb. 13 was 0.896%. The value of DDG relative to soybean meal was 53.98% and the cost per unit of protein for DDG was $5.85 compared to the cost per unit of protein for soybean meal at $6.16.

U.S. Grains Council in its weekly distillers dried grains with solubles (DDGS) export market prices report showed as of Feb. 13, February CIF NOLA barge price was up $6 at $211/mt; FOB vessel Gulf price was up $3 at $221/mt; rail delivered PNW was down $4 at $229/mt; and rail delivered to California was down $8 at $237/mt.

The U.S. Energy Information Administration reported overall ethanol production in the United States averaged 1.082 million barrels per day (bpd) through Feb. 7, down 30,000 bpd week-on-week and 1,000 bpd, or 0.1%, lower than in the same week last year. Four-week average output at 1.077 million bpd was 96,000 bpd above the same four weeks last year. Midwest ethanol production averaged 1.023 million bpd, down 35,000 bpd week-on-week and 9,000 bpd, or 0.9%, lower than in the same week last year. Four-week average output at 1.022 million bpd was 92,000 bpd above the same four weeks last year.

Other Markets

- **CME Plans Launch of Micro Grain and Oilseed Futures Contracts**

CME Group has announced it will launch a suite of micro grain and oilseed futures contracts on February 24th, 2025, pending regulatory review, according to a news release from January 3rd. These contracts will be cash-settled and one-tenth the size of the company's legacy corn, wheat, soybean, soybean oil and soybean meal futures.

The new micro contracts trade at 1/10 the size of the standard contracts, allowing you to scale up or down with precision. As an example, a standard (also known as legacy) corn contract is 5,000 bushels. The micro contract will be 500 bushels. In comparison, mini futures are 1/5 the size and are 1,000 bushels. CME noted the micro futures allow someone to trade the agricultural markets without the hassle and cost of managing the physical product.

- **Arabica Coffee Falls on Long Liquidation Pressure**

Arabica Coffee – Futures Nearby

Source: Barchart https://www.barchart.com/futures/quotes/KCH25/interactive-chart

March arabica coffee (KCH25) on Friday closed down -19.15 (-4.36%), and March ICE robusta coffee (RMH25) closed -59 (-1.02%).

14 February 2025 Rich Asplund, Barchart - Arabica coffee prices Friday fell back from Thursday's all-time nearest-futures high on long liquidation pressures after the month-long rally. However, coffee prices have support from continued coffee supply fears. On Wednesday, Cecafe reported that Brazil's Jan green coffee exports fell -1.6% y/y to 3.98 million bags. Also, on January 28, Conab, Brazil's government crop forecasting agency, forecasted that Brazil's 2025/26 coffee crop would fall -4.4% y/y to a 3-year low of 51.81 million bags. Conab also cut its 2024 Brazil coffee crop estimate by -1.1% to 54.2 million bags from a September estimate of 54.8 million bags.

Below-normal rain in Brazil has heightened coffee crop concerns and is supporting coffee prices after Somar Meteorologia reported Monday that Brazil's biggest arabica coffee growing area of Minas Gerais received 53.9 mm of rain last week, or 85% of the historical average. Brazil is the world's biggest arabica coffee growing country.

The impact of dry El Nino weather last year may lead to longer-term coffee crop damage in South and Central America. Rainfall in Brazil has consistently been below average since last April, damaging coffee trees during the all-important flowering stage and reducing the prospects for Brazil's 2025/26 arabica coffee crop. Brazil has been facing the driest weather since 1981, according to the natural disaster monitoring center Cemaden. Also, Colombia, the world's second-largest arabica producer, is slowly recovering from the El Nino-spurred drought last year.

After a brief increase, coffee supplies are falling again, a bullish price factor. ICE-monitored robusta coffee inventories rose to a 4-month high on January 31 of 4,603 lots but have fallen back and dropped to a 6-week low of 4,332 lots Thursday. Meanwhile, ICE-monitored arabica coffee inventories rose to a 2-1/2 year high of 993,562 bags on January 6 but have since fallen back and dropped to a 3-1/2 month low of 841,795 bags Wednesday.

Robusta Coffee – Futures Nearby

Source: Barchart https://www.barchart.com/futures/quotes/RMH25/interactive-chart

Robusta coffee prices are underpinned by reduced robusta production. Due to drought, Vietnam's coffee production in the 2023/24 crop year dropped by -20% to 1.472 MMT, the smallest crop in four years. The USDA FAS on May 31st projected that Vietnam's robusta coffee production in the new marketing year of 2024/25 will dip slightly to 27.9 million bags from 28 million bags in the 2023/24 season. In addition, Vietnam's General Statistics Office reported on January 10 that 2024 Vietnam coffee exports fell -17.1% y/y to 1.35 MMT. Conversely, the Vietnam Coffee and Cocoa Association on December 3 raised its 2024/25 Vietnam coffee production estimate to 28 million bags from an October estimate of 27 million bags.

News of larger global coffee exports is bearish for prices. Last Tuesday, Conab reported that Brazil's 2024 coffee exports rose +28.8% y/y to a record 50.5 million bags. Also, Vietnam's General Statistics Office reported last Thursday that Vietnam's Jan coffee exports rose +6.3% m/m to 134,000 MT. Vietnam is the world's largest producer of robusta coffee. However, ICO reported last Thursday that Dec global coffee exports fell -12.4% y/y to 10.73 million bags, and Oct-Dec global coffee exports are down -0.8% y/y to 32.25 million bags.

In a bearish factor, the International Coffee Organization (ICO) recently said that 2023/24 global coffee production climbed +5.8% y/y to a record 178 million bags due to an exceptional off-biennial crop year. ICO also said global 2023/24 coffee consumption rose +2.2% y/y to a record 177 million bags, resulting in a 1 million bag coffee surplus.

The USDA's biannual report on December 18 was mixed for coffee prices. The USDA's Foreign Agriculture Service (FAS) projected that world coffee production in 2024/25 will increase +4.0% y/y to 174.855 million bags, with a +1.5% increase in arabica production to 97.845 million bags and a +7.5% increase in robusta production to 77.01 million bags. The USDA's FAS forecasts that 2024/25 ending stocks will fall by -6.6% to a 25-year low of 20.867 million bags from 22.347 million bags in 2023/24. Separately, the USDA's FAS on November 22 projected Brazil's 2024/25 coffee production at 66.4 MMT, below the USDA's previous forecast of 69.9 MMT. The USDA's FAS projects Brazil's coffee inventories at 1.2 million bags at the end of the 2024/25 season in June, down -26% y/y.

For the 2025/26 marketing year, Volcafe on December 17 cut its 2025/26 Brazil arabica coffee production estimate to 34.4 million bags, down by about 11 million bags from a September estimate after a crop tour revealed the severity of an extended drought in Brazil. Volcafe projects a global 2025/26 arabica coffee deficit of -8.5 million bags, wider than the -5.5 million bag deficit for 2024/25 and the fifth consecutive year of deficits.

- **Coffee is in a 'perfect price storm' —finally starting to hit your wallet**

13 February 2025 Yahoo Finance - Coffee futures have ripped more than 30% year to date, hovering near all-time high levels. The surge is starting to pass through to consumer wallets.

The Consumer Price Index report released Wednesday showed that the prices consumers paid for roasted coffee rose 2.5% in January over the previous year. Meanwhile, instant coffee jumped a whopping 7.1%.

One global buyer and seller of coffee told Yahoo Finance that while it has yet to raise prices, it has no choice but to consider hiking them in the medium term.

"Coffee is in a perfect price storm," Andrea Illy, chairman of illy caffè, said in an interview Wednesday.

Illy points to climate issues at top world producers and exporters, including Vietnam and Brazil, where poor weather conditions impacted harvest. Brazil had its hottest year on record in 2024, with a record number of forest fires impacting its arabica coffee and sending prices higher. The US imports the second-highest amount of coffee per year behind the European Union, with top supply coming from Brazil, Colombia, and Vietnam.

“There is no alternative," Illy said of price increases. Of the surge in coffee futures, he added, "We don’t know how long it will last."

Other companies are considering price hikes as well. "If you look at 2025, we expect coffee inflation to continue to ramp. We will look to offset with pricing that is going into market early in the year," Sudhanshu Priyadarshi, CFO of Keurig Dr Pepper (KDP), said during the company's most recent earnings call in October.

Not all commercial coffee buyers are seeing a big impact, as it's common practice for big retailers to purchase large quantities at least a year in advance and lock in prices with futures contracts.

"Given our overall practices and hedging strategy, our year-over-year coffee price impact was minimal in Q1," Starbucks (SBUX) CFO Rachel Ruggeri said last month on the company's post-earnings conference call.

Coffee products are seen in a Lidl discount supermarket in Warsaw, Poland, on Feb. 12, 2025. Coffee prices will see a sharp rise in prices in 2025 due to weather events and lower production, according to Bloomberg. (Jaap Arriens/NurPhoto via Getty Images)

Coffee products are seen in a Lidl discount supermarket in Warsaw, Poland, on Feb. 12, 2025. Coffee prices will see a sharp rise in prices in 2025 due to weather events and lower production, according to Bloomberg. (Jaap Arriens/NurPhoto via Getty Images)

Part of the reason instant coffee saw a big pop in the CPI report is that the already-low price points make it easier for companies to raise them without giving consumers major sticker shock.

"Generally, instant coffee is a lot cheaper, and [retailers are] able to bump up that price and still be in the 'lot cheaper' category," said Shonali Paul, founder of Paul John Caffeine, a Florida-based coffee roaster.

Instant coffee uses robusta, a lower-tier bean compared to arabica, the kind used for restaurant chain coffee. Climate droughts in Vietnam last year impacted robusta production, sending prices 60% higher over the past year.

Rising shipping and labor costs have also weighed on the instant coffee market.

"With instant coffee, your margins are just so thin, it's why you see them take a hit on some of those other logistical costs so much sooner," Heather Perry, CEO of Klatch Coffee, told Yahoo Finance.

Energy & Ethanol

- **Ethanol export picture remains unclear for US**

14.February 2025 by Arvin Donley — Coming off a year in which US ethanol exports soared to record levels, the industry is positioned to continue capitalizing on growing global demand for the biofuel, but export market headwinds could be on the horizon, according to a new report from CoBank.

Producers in 2024 shipped more than 1.9 billion gallons to customers abroad, but CoBank cautioned that policy uncertainty at home and abroad continues to cloud the market outlook for US ethanol, which is almost entirely derived from corn.

Biofuel inclusion or blending rate policies in Canada, Europe and Colombia, which are key buyers of US ethanol, likely will determine if the strong pace of exports continues this year, CoBank said. Shifting political sentiment abroad could result in lower ethanol inclusion rates and imports from domestic producers if international buyers roll back low-carbon policies or miss biofuel targets, the report said.

Despite those potential concerns, the export market still offers the most promising opportunity to drive US ethanol demand in 2025, CoBank said, adding that "higher ethanol blend rates for US gasoline and nationwide approval of year-round E15 sales would provide a slight boost to domestic sales, but not enough to substantially increase overall demand."

"Ethanol used for higher level blends is expected to increase annually in the US, but it constitutes only a small portion of overall ethanol demand due to the market's size," said Jacqui Fatka, farm supply and biofuels economist with CoBank. "And without significant investments in infrastructure that enable retailers to change pumps or signage, nationwide E15 sales won't dramatically move the needle in the near term. Currently, the best opportunity to increase demand in 2025 remains in the export market." He noted that higher crude-oil-to-corn-price ratios, paired with low-carbon fuel standards in Canada's Clean Fuel Regulations and Europe's Renewable Energy Directives, have created strong demand for US ethanol. The United States and Brazil continue to produce around 75% of global ethanol supply. However, Brazil uses most of its own ethanol domestically and does not compete with the United States for exports.

Canada has been the top destination for US ethanol in both volume and value for the last four years. While Canada has a national blending mandate of 5% ethanol in gasoline, several provinces require higher rates. Ontario's mandate will rise to 11% in 2025 as it continues toward its goal of reaching E15 by 2030, CoBank said.

But the potential for trade disputes or changes in Canada's government loom large and could disrupt the flow of US ethanol into Canada. A trade war between the United States, Canada and Mexico was averted on Feb. 3 as the leaders of the three countries reached agreements to pause any actions for 30 days.

The short-term agreements ended the threat that the United States would impose tariffs of 25% on imports from Canada and Mexico on Feb. 4, and that those countries would not retaliate. There's also a question of who will replace outgoing Prime Minister Justin Trudeau, who after 12 years in office announced in January that he would not seek re-election in 2025.

The report said the European Union saw substantial growth in US ethanol imports last year due to growth of the gasoline pool and expansion of E10 and E85 in some member states. Exports in 2024 were up 280% from September to November compared to the same period in 2023. India also has increased its nonfuel ethanol imports, which increased 84% year over year from September to November in 2024.

In the US market, ethanol blend volumes follow gasoline demand, which is projected to be flat in 2025. Increased adoption of electric vehicles has resulted in a slight drop in gasoline demand, but not as much as ethanol producers originally feared. The report noted that domestic ethanol demand has benefited from workers returning to the office and the overall strength in employment, as well as moderate retail gas prices..

- **ICME Ethanol Futures – Weekly Nearby**

Source: Barchart https://www.barchart.com/futures/quotes/FLV22/interactive-chart

***CME Ethanol March25 Futures** settled on Friday at $1.83200/gallon,*

March WTI crude oil (CLH25) on Friday closed down -0.55 (-0.77%), and March RBOB gasoline (RBH25) closed down -0.0208 (-0.99%).

March Nymex natural gas (NGH25) on Friday closed up +0.097 (+2.67%).

Looking at just generic Midwest ethanol margins, rough calcs would argue a steady improvement over the week, though coming arctic weather could challenge natural gas usage and logistics for both incoming corn and outgoing product rail.

A bipartisan bill was reintroduced Thursday in the US Senate that will allow year-round E15 gas blend sales nationwide - both biofuel industry groups and the American Petroleum Institute support the bill.

U.S. ethanol production and stocks dipped over the past week. The U.S. Energy Information Administration says production averaged 1.082 million barrels per day, down 30,000 on the week and 1,000 on the year. Part of the reason for the decline was profitability, which is influenced by several factors including corn prices and the cost of natural gas.

Iowa State University's Center for Agricultural and Rural Development says margins for the average Iowa ethanol plant fell into negative territory, discouraging production.

Ethanol stocks of 25.692 million barrels were a four-week low, 720,000 below the previous week and 118,000 under a year ago.

The Renewable Fuels Association says net inputs of ethanol purchased by refiners and blenders were fractionally lower, but the volume of gasoline supplied to the market rose to a seven-week high. The USDA expects 5.5 bbus of corn to be used for ethanol production this marketing year, with the next guess out March 11th.

Ethanol exports averaged 150,000 barrels a day, an increase of 44,000 from the week before and 43,000 from this time last year.

➢ NYMEX WTI Crude Oil – Weekly Cash

Source: Barchart https://www.barchart.com/futures/quotes/CLY00/interactive-chart

March WTI crude oil (CLH25) on Friday closed down -0.55 (-0.77%), and March RBOB gasoline (RBH25) closed down -0.0208 (-0.99%).

March Nymex natural gas (NGH25) on Friday closed up +0.097 (+2.67%).

➢ Crude Prices Decline on Continued Tariff Concerns

14 February 2025, Rich Asplund, Barchart –

Crude oil prices traded lower on Friday on continued concern about US reciprocal tariffs announced on Thursday, which would likely have a negative impact on global economic growth and energy demand. Also, there are hopes for progress in ending the Russia-Ukraine war, which could eventually lead to reduced sanctions on Russian oil. In addition, the IEA and US EIA this week forecasted a small oil surplus for this year.

However, oil prices on Friday saw support from a weaker dollar. Crude oil prices also saw support from expectations for tighter US sanctions on Iranian oil exports after US Treasury Secretary Bessent said the US aims to cut Iranian oil exports by more than 90%. The US Treasury last Thursday sanctioned an international network facilitating the shipment of Iranian crude oil to China.

Oil prices saw support this week after Saudi Arabia, Iraq, and the United Arab Emirates raised their crude selling prices to Asian customers for March delivery.

Crude had support on Monday's report from Politico that said EU countries may begin seizures of Russia's illegal shadow fleet of oil-exporting tankers in the Baltic Sea using international law to grab vessels on environmental and piracy grounds. Meanwhile, the US on January 10 imposed new sanctions on Russia's oil industry that could curb global oil supplies. The measures targeted Gazprom Neft and Surgutneftgas, which exported about 970,000 bpd of Russian crude in the first 10 months of 2024, accounting for about 30% of its tanker flow, according to Bloomberg data. The US also targeted insurers and traders linked to hundreds of tanker cargoes. Weekly vessel-tracking data from Bloomberg showed Russian crude exports fell by -130,000 bpd to 3.09 million bpd in the week to February 2. Russian oil production fell to 8.062 million bpd in January, which was -16,000 bpd below its OPEC+ quota.

Crude oil demand in China has weakened and is a bearish factor for oil prices. According to Chinese customs data, China's 2024 crude imports fell -1.9% y/y to 553 MMT. China is the world's biggest crude importer.

A decline in crude oil held worldwide on tankers is bullish for oil prices. Vortexa reported Monday that crude oil stored on tankers that have been stationary for at least seven days fell by -14% w/w to 65.79 million bbl in the week ended February 7.

OPEC+ said last Monday at its monthly meeting that it would not change its oil-production plans in the first quarter and then gradually restore crude output in monthly stages beginning in April. OPEC+ last month pushed back a planned hike of its crude production by +180,000 bpd from January to April and said it would unwind its crude output cuts at a slower pace than planned. Also, the United Arab Emirates (UAE) said it will delay the planned 300,000 bpd increase in its crude production target from January to April. OPEC+ had previously planned to restore 2.2 million bpd of output in monthly installments between January and late 2025. However, that is now pushed back until September 2026. OPEC Jan crude production fell -700,000 bpd to 27.03 million bpd.

Wednesday's EIA report showed that (1) US crude oil inventories as of February 7 were -4.2% below the seasonal 5-year average, (2) gasoline inventories were -1.2% below the seasonal 5-year average, and (3) distillate inventories were -11.2% below the 5-year seasonal average. US crude oil production in the week ending February 7 rose +0.1% w/w to 13.494 million bpd, modestly below the record high of 13.631 million bpd from the week of December 6.

Baker Hughes reported Friday that active US oil rigs in the week ending February 14 rose by +1 to 481 rigs, modestly above the 3-year low of 472 rigs posted January 24. The number of US oil rigs has fallen over the past two years from the 4-1/2 year high of 627 rigs posted in December 2022.

- **NYMEX Natural Gas – Weekly Cash**

Source: Barchart https://www.barchart.com/futures/quotes/CLY00/interactive-chart

March Nymex natural gas (NGH25) on Friday closed up +0.097 (+2.67%).

March WTI crude oil (CLH25) on Friday closed down -0.55 (-0.77%), and March RBOB gasoline (RBH25) closed down -0.0208 (-0.99%).

- **Nat-Gas Prices Rally on Cold Weather**

14 February 2025 by Rich Asplund, Barchart – Mar nat-gas prices Friday extended this week's rally as a Polar Vortex moved towards the central United States. The Commodity Weather Group said that forecasts shifted colder for the Midwest and southern US for Feb 19-23.

Nat-gas prices had carry-over support from Thursday's news that EIA nat-gas inventories fell -100 bcf in the week ended February 7, a larger draw than expectations of -91 bcf.

In a bullish longer-term factor for nat-gas prices, President Trump in January lifted the Biden administration's pause on approving gas export projects, thus moving into active consideration a backlog of about a dozen LNG export projects. Bloomberg reported that the Trump administration is close to approving its first LNG export project, a Commonwealth LNG export facility in Louisiana. Increased US capacity for exporting LNG would boost demand for US nat-gas and would be supportive of nat-gas prices.

Lower-48 state dry gas production Friday was 106.4 bcf/day (+0.5% y/y), according to BNEF. Lower-48 state gas demand Friday was 110.0 bcf/day (+14.2% y/y), according to BNEF. LNG net flows to US LNG export terminals Friday were 15.4 bcf/day (+3.8% w/w), according to BNEF.

An increase in US electricity output is positive for nat-gas demand from utility providers. The Edison Electric Institute reported Wednesday that total US (lower-48) electricity output in the week ended February 8 rose +4.8% y/y to 79,239 GWh (gigawatt hours), and US electricity output in the 52-week period ending February 8 rose +2.6% y/y to 4,206,808 GWh.

Thursday's weekly EIA report was bullish for nat-gas prices since nat-gas inventories for the week ended February 7 fell -100 bcf, a larger draw than expectations of -91 bcf, although a smaller draw than the 5-year average draw for this time of year of -144 bcf. As of February 7, nat-gas inventories were down -9.2% y/y and -2.8% below their 5-year seasonal average, signaling tight nat-gas supplies. In Europe, gas storage was 47% full as of February 11, versus the 5-year seasonal average of 5% full for this time of year.

Baker Hughes reported Friday that the number of active US nat-gas drilling rigs in the week ending February 14 rose +1 to 101 rigs, modestly above the 3-1/2 year low of 94 rigs posted on September 6, 2024. Active rigs have fallen since posting a 5-1/4 year high of 166 rigs in Sep 2022, up from the pandemic-era record low of 68 rigs posted in July 2020 (data since 1987).

Transportation

➢ Baltic Dry Freight Index – Daily = 776

Source: https://www.tradingview.com/chart/?symbol=INDEX%3ABDI

The Baltic Dry Index is reported daily by the Baltic Exchange in London. The index provides a benchmark for the price of moving the major raw materials by sea. The index is a composite of three sub-indices that measure different sizes of dry bulk carriers: Capesize, which typically transport iron ore or coal cargoes of about 150,000 tonnes; Panamax, which usually carry coal or grain cargoes of about 60,000 to 70,000 tonnes; and Supramax, with a carrying capacity between 48,000 and 60,000 tonnes. Not restricted to Baltic Sea countries, the index provides "an assessment of the price of moving the major raw materials by sea. Taking in 23 shipping routes measured on a time-charter basis, for dry bulk carriers carrying a range of commodities including coal, iron ore, grain, and other commodities. Because dry bulk primarily consists of materials that function as raw material inputs to the production of intermediate or finished goods, the index is also seen as an efficient economic indicator of future economic growth and production.

➢ Baltic Exchange Weekly Dry Bulk Market Report

7th February 2025 Source: Baltic Exchange: https://www.balticexchange.com/en/data-services/WeeklyRoundup/dry/news/2024/bulk-report-week-50.html

Capesize: The Capesize market experienced a generally softer week, with the 5TC declining to $6,733 by Thursday then edging back up to $6,964 by the end of the week. Despite the Pacific showing signs of strength with a healthy cargo flow and tightening of tonnage early in the week, reported fixtures struggled to push levels higher. The C5 index hovered around the upper $6s to settle at $6,71 by weeks end. In the Atlantic, the North saw continued oversupply of tonnage, particularly on transatlantic routes, where limited cargo led to steep declines on C8, which fell to $4,257 by midweek. Some Fronthaul activity provided slight support, keeping the C9 index steady in the low $25,000s. Conditions from South Brazil and West Africa to China were relatively subdued, though bids and offers remained around the high $16s versus low $17 range. Despite some midweek positivity in the Pacific, overall sentiment remained weak.

Panamax: Mixed market signals highlighted well with a volatile FFA market failed to dampen spirits in the Panamax sector, with significant gains made. Transatlantic volume remained thin still, but positive sentiment radiated from firmer rates on the fronthaul trips. South America mid-week became the market's driving force, with the March arrival window absorbing several vessels at firmer rates compared to end February where rates inevitably became discounted. Typically, some of the well described units were able to achieve firmer levels, the headline rate of $13,000 delivery Singapore with various load options of EC South America/US Gulf and NC South America trip to Far East. This seemingly impacted positively on south positions in the Pacific basin despite limited fresh demand from Indonesia and Australia. NoPac rates appeared well supported all week, $10,500 agreed on 82,000-dwt delivery Japan for a NoPac round trip. Period activity was muted but reports emerged of an 85,000-dwt delivery Vietnam fixing at $14,00 basis 1 year period.

Ultramax/Supramax: With the end of the widespread Lunar New Year holidays, the sector saw upward momentum return in most areas throughout the week. In the Atlantic, better numbers were seen than of late, a 63,000-dwt was heard fixed delivery EC South America for a fronthaul in the mid $11,000s and mid $100,000s ballast bonus. Elsewhere, a 58,000-dwt fixed a trip delivery SW Pass redelivery Buenaventura at $13,100. Asia saw a significant increase inactivity again this renewed interest helped push rates up. A 53,000-dwt fixing delivery North China for a trip to Bangladesh at $9,000. Further south, a 55,000-dwt fixed delivery Singapore for a trip to China at $8,500 with option redelivery SE Asia at $8,000. From the Indian Ocean, a 64,000-dwt was heard fixed delivery Chittagong trip via Indonesia redelivery WC India at $7,000. Period interest was seen a 63,000-dwt open Germany fixed for 4/6 months trading redelivery worldwide at $12,250.

Handysize: This week, the market displayed a mixed performance with slight movements across both basins. The Continent and Mediterranean regions saw some positive momentum, with rates edging slightly above previous levels and market appearing more supported. For instance, a 37,000-dwt reported fixed delivery Skaw via Riga to redelivery Morocco with grains at $8,250. Meanwhile, the South Atlantic also showed improvement as new requirements entered the market and tonnage availability tightened, prompting owners to raise their offers. A 35,000-dwt open Puerto Montt 2 - 3 Feb fixed delivery Recalada via upriver redelivery WC South America at $13,000. On the other hand, the U.S. Gulf market remained subdued and still showing signs of weakening support. A 38,000-dwt placed on subjects for SW Pass for redelivery West Coast Central America at $10,250. In Asia, activity began robustly, with an optimistic sentiment prevailing as the cargo book displayed healthy volumes. A 40,000-dwt fixed delivery Yeosu to redelivery Mumbai with steel coils at $7,750.

Relevant Ocean Freight (US$/mt) as of 11th February 2025

	TW	LW	LY	%Y/Y
Argentina (Rosario) - EU (Rotterdam)	27	27	33	-18
Australia (Kwinana) - China (Dalian)	19	17	21	-10
Brazil (Santos) - China (Dalian)	37	36	48	-23
Brazil (Santos) - EU (Rotterdam)	21	21	27	-22
EU (Rouen) - Algeria (Bejaia)	19	19	21	-10
Russia (Novorossiysk) - Egypt (Alexandria)	16	15	20	-20
USA (New Orleans) - EU (Rotterdam)	22	22	27	-19
USA (New Orleans) - Japan (Yokohama)	41	39	50	-18
USA (New Orleans) - Mexico (Veracruz)	16	16	18	-11

Source: International Grains Council

The Baltic Dry Index rose by a net 6% in the w/e the 11th of February, as higher earnings for grains and oilseeds carrying vessels more than offset losses in the Capesize market. The week featured two-sided movements against the backdrop of persistent worries about potentially escalating international trade tensions.

Amid limited activity in both Basins, average Capesize earnings declined by 8% w/w, to a two-year low. Subdued Chinese demand for minerals weighed on rates from Brazil and West Africa, with ample tonnage adding to the negative tone in the northern Atlantic. Trade in the Pacific was likewise muted, aside from steady shipments from Australia.

In contrast, demand for Panamax vessels increased across all key loading areas, with the Baltic sub-Index posting a 12% weekly gain. In the southern Atlantic, rising requirements for South American grains and oilseeds loadings in March, partly reflecting delays to February shipments, provided support, while fresh enquiries underpinned at the US Gulf. In Asia, rates were supported by demand for transpacific voyages, as well Indonesian coal dispatches.

Supramax rates gained 17% over the week, on average, led by marked increases in rates in the Pacific, where a rebound in activity after seasonal holidays underpinned, with fresh enquiries also reported in the Atlantic. Similarly, the Handysize Baltic Index advanced by 13% w/w, rebounding from the prior-week's four-year low, led by gains in Asia amid an uptick in enquiries, albeit as ample tonnage supply in some other loading areas pared overall increases.

As firmer timecharter rates more than offset mild declines in marine fuel values, the IGC GOFI advanced by 4% w/w, led by gains on routes out of Australia.

Illinois River and St Louis Barge Freight

13 February 2025 – Indicative values, "bid/offer", as a% of tariff (1976 benchmark rates short ton (2,000 lbs)). Use to calculate "Delivery Value Equivalents" (DVE).

IL RIVER FREIGHT

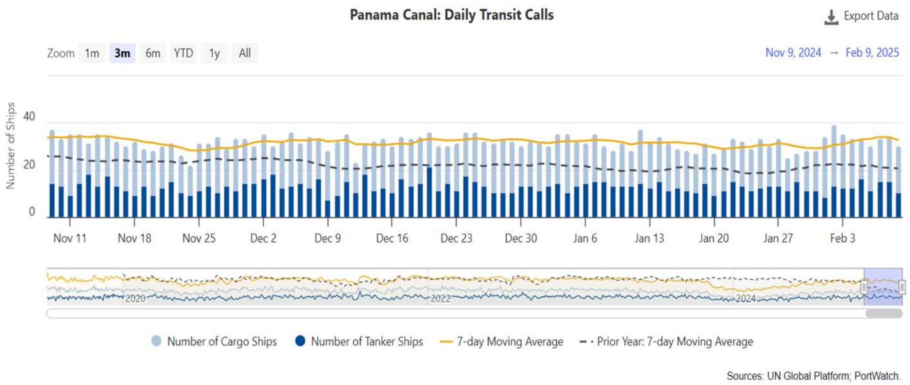
	2/12/2025	**2/13/2025**	
wk 2/9	525/550	525/550	**UNC**
wk 2/16	500/540	500/540	**UNC**
wk 2/23	500/525	500/525	**UNC**
Mar	450/500	460/525	
April	400/450	410/450	
May	370/405	375/415	
AMJJ	380/410	380/415	

ST LOUIS BARGE

FREIGHT 14'	**2/12/2025**	**2/13/2025**	
wk 2/9	475/500	450/490	
wk 2/16	450/475	450/475	**UNC**
wk 2/23	450/475	425/450	
Mar	375/425	375/425	**UNC**
April	325/375	325/375	**UNC**
May	300/325	300/325	**UNC**
AMJJ	325/350	325/350	**UNC**

Logistics

➢ **Panama Canal – Daily Transit Calls**



09 February 2025 Source: IMF PortWatch
https://portwatch.imf.org/pages/76f7d4b0062e46c5bbc862d4c3ce1d4b

➢ **Panama Canal reaffirms obligation for safe, cost-effective transit**

4 February 2025 – The ACP's words come in a context in which the United States questions the neutrality of the interoceanic waterway.

In the midst of continuous questioning by the United States about China's interference in the waterway, the Panama Canal Authority (ACP) issued a statement on February 4 in which it reiterated that it maintains the obligation to transit ships in a "safe, continuous and profitable" manner for all Panamanians.

The ACP's words come after the US Secretary of State, Marco Rubio, pointed out that Panama "is violating the [Neutrality] Treaty" because "a third sovereign country has control over an area of the Canal", in an interview with Fox News.

The ACP mentioned that Panama Canal Administrator Ricauter Vásquez met with Rubio at the Miraflores locks to discuss the transit of US warships and "Panama's willingness to hold the required technical talks".

Regarding his conversation with the Panamanian government, Rubio said that they had "a very frank conversation and they [Government of Panama] have already taken some steps, they came out of the Silk Road initiative and we expect to see more in the coming days", he detailed.

The U.S. official stressed that his hope is based on being able to "get back to the point where the Canal returns to what it should be: a place where the United States and Panama work in partnership".

In addition, on Monday, February 3, U.S. President Donald Trump indicated that he was "not completely happy" with the agreements reached by Rubio in Panama.

Likewise, Trump indicated that there will be a new meeting between the Panamanian and U.S. governments this Friday, February 7, which will be via telephone.

The U.S. president also noted that the option of a face-to-face meeting is being considered, either with Panamanian delegates in Washington D.C. or with U.S. delegates in Panama.

➢ **Rail and barge movements increase amid mixed performance in grain**

13 February 2025 Feed & Grain Staff, USDA GTR – ***Corn sales rise while soybeans and wheat decline; rail and barge movements increase amid shifting ocean freight rates.***

The latest U.S. Department of Agriculture Grain Transportation Report reveals a complex picture for major grain commodities in the week ending January 30%, 2025. Total unshipped balances of corn, soybeans, and wheat for the 2024/25 marketing year stood at 36.33 mmts, down 1% from the previous week but up 8% year-over-year.

Corn export sales showed strength, increasing 9% from the previous week to 1.48 mmts. However, soybean and wheat sales experienced declines, with soybeans dropping 12% to 0.39 mmts and wheat falling 4% to 0.44 mmts.

Transportation data indicates varied performance across different modes:

Rail: U.S. Class I railroads originated 25,393 grain carloads for the week ending February 1, marking a 15% increase from the previous week and a 1% rise year-over-year. However, this figure remains 3% below the 3-year average.

Barge: Grain movements totaled 623,116 tons for the week ending February 8, up 1% from the previous week and 7% higher than the same period last year. The number of grain barges moving downriver decreased slightly to 389.

Ocean Freight: In the Gulf, 33 oceangoing grain vessels were loaded for the week ending February 6, a 3% increase from the same period last year. However, projections for the next 10 days show a 20% decrease in expected loadings compared to last year.

Freight rates saw increases, with the cost of shipping grain from the U.S. Gulf to Japan rising 2% to $45.50/mt, while rates from the Pacific Northwest to Japan increased 4% to $26.75/mt.

The U.S. average diesel price continued its upward trend, reaching $3.665 per gallon for the week ending February 10, an increase of 0.5 cents from the previous week but still 44.4 cents below last year's price.

These fluctuations in export sales and transportation metrics highlight the dynamic nature of the grain market and underscore the importance of efficient logistics in maintaining U.S. competitiveness in global agricultural trade.

Government Actions and Policies

- **Corn Refiners Association - Trade Update**

14 February 2025 CRT Trade Update –
Source: https://corn.org/trade-update-2-11-25/?utm_source=subscriber&utm_medium=subscriber-email&utm_id=tunewsletter&utm_source=CRA-PBPC+Master+Audience&utm_campaign=9fd8f48052-EMAIL_CAMPAIGN_2025_02_11_12_59&utm_medium=email&utm_term=0_75be9394b9-9fd8f48052-462373276

- **Tariffs**:
  - U.S. tariffs on Canada and Mexico are delayed, but 10% tariffs on China have gone into effect. China is retaliating on certain manufactured and energy products, including agricultural machinery, and has taken the initial steps in challenging the measure at the World Trade Organization (WTO).
  - Meanwhile, attention is now focused on President Donald Trump's Friday comments on reciprocal tariffs to be announced later this week.
  - **US-Mexico**: Mexico **revoked** two measures that restrict genetically engineered corn imports. These measures were successfully challenged by the United States in a U.S.-Mexico-Canada Agreement dispute.
- **Trump Administration**: U.S. Trade Representative Nominee Jamieson Greer used his Senate Finance Committee nomination hearings to reflect on his belief that America should be a "country of producers," with opportunities for Americans to work in high-paying jobs, producing goods and services sold domestically and abroad.
- **Congress**: Senate Ag Committee members and producers highlighted the harmful impact tariffs can have on agriculture at a recent committee hearing. Participants also emphasized the need for new "fair trade" deals.
- **Food Aid**: Secretary of State Marco Rubio issued a waiver allowing humanitarian assistance to continue flowing amid confusion over the state of U.S. international food aid.
- **Trade Promotion**: USDA sent its first-ever trade mission to Bangkok, Thailand, with 40 businesses and trade organizations taking part in site visits and trade briefings to learn more about Thailand's market conditions.

On December 5th the European Union reached a **trade agreement** with four Mercosur countries – Argentina, Brazil, Paraguay, and Uruguay.

The EU is the biggest foreign investor in Mercosur with a stock of €340 billion in 2021. While the relationship is very substantial, both exporters and potential investors face barriers in Mercosur markets.

The deal includes **commitments** to stop deforestation, promote sustainable development, and protect labor rights.

- **Tariffs as of 11 February 2025**

President Donald Trump's planned 25% tariffs on Canada and Mexico have been delayed, but 10% duties on China went into place starting on Feb. 4.

- China is retaliating on certain manufactured and energy products, including agricultural machinery, and has taken the initial steps in challenging the measure. at the World Trade Organization (WTO) by **requesting bilateral consultations**.
- The Trump Administration **reversed** its initial plan to require the additional tariffs be added to *de minimis* shipments, or shipments worth less than $800.

On Friday, Trump publicly stated that he would announce reciprocal tariffs on U.S. trading partners next week.

On Sunday, Trump told reporters he plans to announce 25% tariffs on imported steel and aluminum.

The "**America First Trade Policy**" memo calls for a review and recommendations regarding "revisions that may be necessary or appropriate to achieve or maintain the general level of reciprocal and mutually advantageous concession concerning free trade agreement partner countries."

- **Trump Signs Exec Order Laying Groundwork for 'Reciprocal' Tariffs**

14 February 2025 - President Donald J. Trump signed an executive order on Thursday outlining plans for "reciprocal" tariffs on U.S. trading partners that have higher duties on imports than the U.S. imposes. The order directs departments and agencies to investigate the harm to U.S. industries from non-reciprocal tariff rates, as well as non-tariff trade barriers that countries apply to U.S. products, subsidies to domestic industries, policies to manipulate exchange rates and value-added taxes. They will then have to submit a report on proposed remedies. The analysis would occur after a slate of reports on U.S. trade policy are due on April 1, the executive order says. But during a press conference with Trump, Commerce Secretary Howard Lutnick suggested that the analysis could be completed the same day as the other reports.

In a fact sheet accompanying the executive order, the White House singled out Brazil's 18% tariff on U.S. ethanol compared to the U.S.' 2.5%, in addition to the U.S.' low applied average tariff on agricultural imports.

"The farmers are going to be helped by this very much, because product is being dumped into our country," Trump told reporters in the Oval Office Thursday. He added that this executive order could be "the most important thing I've signed."

U.S. tariff rates are, on average, lower than many of its trading partners, particularly for agriculture products. Around 70% of all U.S. imports enter the country duty-free, according to the Congressional Research Service. The weighted average tariff applied to U.S. agriculture imports in 2023 was 4%; for non-agriculture imports it was just 2.1%.

However, Luis Ribera, a professor of agricultural economics at Texas A&M University, told *Agri-Pulse*, "We're really good at producing the products that we're good at producing, and then the rest we import. And we import with very low or no tariffs at all.” The strategy means that the U.S. spends the least on food as a share of national expenditures than any country on the planet, according to Agriculture Department data. Just 6.7% of consumer expenses went for food in 2023.

Executive head of Terrain and former Senate Agriculture Committee chief economist, John Newton, told *Agri-Pulse,* “If there's a response, how does that change purchasing patterns? At this point, all the conversations around tariffs – outside of China, right now – it’s just been conversation, and I think it's important to take a wait and see approach before evaluating what any economic implications may be.”

Brooke L. Rollins Sworn in as 33rd U.S. Secretary of Agriculture

13 February 2025 USDA — Brooke Rollins was sworn in as the 33rd U.S. Secretary of Agriculture by Associate Justice of the U.S. Supreme Court Clarence Thomas in a private ceremony today at the Supreme Court building. The U.S. Senate confirmed Rollins by a vote of 72-to-28.

“It is the honor of a lifetime to serve as the nation’s thirty-third Secretary of Agriculture — and a privilege beyond description to have the trust of President Donald J. Trump, and the opportunity to advance his agenda. I am thrilled to lead the United States Department of Agriculture and to serve the people of this country,” said U.S. Secretary of Agriculture Brooke Rollins. “Every day, I will fight for American farmers, ranchers, and the agriculture community. Together, we have an historic opportunity to revitalize rural America and to ensure that U.S. Agriculture remains the best in the world for generations to come.”

Upon nominating Brooke Rollins in November, President Donald J. Trump said, “Brooke's commitment to support the American Farmer, defense of American Food Self-Sufficiency, and the restoration of Agriculture-dependent American Small Towns is second to none.”

About Secretary Rollins:

Brooke Leslie Rollins is originally from Glen Rose, Texas. Most recently, Rollins served as the Founder, President, and Chief Executive Officer of the America First Policy Institute (AFPI). During President Trump’s first administration, she was the Director of the Domestic Policy Council and Assistant to the President for Strategic Initiatives in the White House. She also previously served as Director of the Office of American Innovation. In these roles, she developed and managed the transformational domestic policy agenda of the Trump Administration, leading to historic achievements for the American people.

Rollins graduated with honors from Texas A&M University with a degree in agricultural development and was the first female to be elected student body president. After earning her Juris Doctor with honors at the University of Texas School of Law, she served as Governor Rick Perry’s policy director before running the Texas Public Policy Foundation (TPPF) for 15 years. At TPPF, Rollins elevated a small policy organization to a national force and redefined the possibilities for a state-based think tank — setting the model and aspiration for AFPI. Rollins and her husband, Mark, call Fort Worth, Texas home, and spend a large majority of their free time taxiing their four very active children to baseball games, cattle shows, piano lessons, and Aggie football games.

Mexico Repeals Ban on US Biotech Corn, Follows Loss on Dispute

7 February 2025 – The Mexican government on Thursday repealed its ban on genetically modified (GM) corn imports from the U.S. after losing an arbitration ruling under the U.S.-Mexico-Canada Agreement, or USMCA, in December 2024*.* That includes an immediate ban on the use of GM corn in dough, tortillas and an instruction to the Mexican government agencies to gradually eliminate the use of GM corn for other food uses and in animal feed.

The USMCA panel issued its final report on Dec. 20, 2024, and the U.S. prevailed on all seven of its claims. Under USMCA rules, the countries were required to try to agree on a resolution of the dispute within 45 days from the date of the final report.

USTR said on Thursday it would "continue to monitor closely" Mexico's compliance with its USMCA commitments to "ensure that Mexico's agricultural biotechnology measures are based on science and provide U.S. corn growers the market access that Mexico agreed to provide in the USMCA."

The U.S. exported $5.6 billion of corn to Mexico in 2024, which is the largest export market for U.S. corn. In the 2023-2024 season, the U.S. exported a record 24.5 mmts of corn to Mexico, according to the USDA's Foreign Agricultural Service.

Changing of the Guard at the Surface Transportation Board

7 February 2025 – It is common for an incoming president to place a new chairman of the Surface Transportation Board (STB) along party lines, writes *DTN’s Progressive Farmer.*

On Jan. 21, 2025, Patrick J. Fuchs was designated as chairman of the STB, replacing Robert E. Primus. Fuchs is serving in his second, five-year term on the STB, following his confirmation by the U.S. Senate on May 14, 2024. His current term expires Jan. 14, 2029. Board member Michelle Schultz has been designated as the agency's vice chairman.

Former chairman Primus spoke at the Midwest Association of Rail Shippers 2025 Winter Meeting on Jan. 16 and said, "2024 was a very busy and productive year at the board, and 2025 has begun in similar fashion. Last year, the board rendered 92 entire board decisions and another 281 director orders in support of activities along our nation's freight rail network.”

"In the wake of my predecessor Marty Oberman retiring, the board continues to sit at four members and, I can tell you, moving a 2-2 board to consensus is a far more difficult endeavor than doing so with five members and a 3-2 majority. Because there is no outright majority, opinions become amplified, and everyone has greater influence with respect to the outcome. No one has the upper hand -- not even the chairman."

House Bill Would Strengthen Market Access for Farmers

Bipartisan members of Congress announced this week the reintroduction of the Agriculture Export Promotion Act of 2025 to increase funding to the Market Access Program (MAP) and Foreign Market Development Program (FMD) and help American farmers compete in global markets.

The legislation seeks to double the authorized annual funding for MAP, which currently receives $200 million annually, and for the FMD program, which currently receives $34.5 million in annual funding. The bill was previously introduced two years ago to expand and extend MAP and FMD through fiscal 2029.

The bill was introduced by Rep. Dan Newhouse (R-Wash.), who was joined by Reps. Jim Costa (D-Calif.) Tracey Mann (R-Kan.), Brad Finstad (R-Minn.), Ashley Hinson (R-Iowa), Jimmy Panetta (D-Calif.), Kim Schrier (D-Wash.), Jim Costa (D-Calif.) and Chellie Pingree (D-Maine) on the legislation.

Rep. Finstad pointed to the $45.5 billion agricultural trade deficit and encouraged prioritizing policies that will foster agricultural trade growth. By making "targeted investments" in the MAP and FMD programs, this bill "will strengthen and establish new markets around the world for our American farmers and producers," he added.

The legislation is supported by over 150 stakeholder organizations.

House, Senate GOP Bills Would Move USAID Food Aid to USDA

Five Republican House members and two senators on Tuesday introduced bills that would move the Food for Peace international food assistance program from the U.S. Agency for International Development (USAID) to the Agriculture Department. The bills reflect long-term views in farm country that food aid should be administered by USDA and that all U.S. food aid money should be used to purchase foodstuffs in the United States and shipped to needy countries and not be used to purchase food aid in other countries, even if that is cheaper. In recent years, food aid has been split between purchases in the United States and overseas.

The Republican House members who introduced the bill are Reps. Tracey Mann of Kansas, Rick Crawford of Arkansas, Dan Newhouse of Washington, David Rouzer of North Carolina and Glenn "GT" Thompson of Pennsylvania. The senators introducing the bill are Sen. Jerry Moran of Kansas and Senate Agriculture Appropriations Subcommittee Chairman John Hoeven of North Dakota. Rep. Mann said more than 50 groups support his legislation, including the National Association of Wheat Growers, National Corn Growers Association, North American Millers' Association, and more.

At a House Foreign Affairs Committee hearing this week to criticize the "waste" at USAID, Rep. Young Kim, R-Calif., countered the rhetoric with a note on America's role as a global superpower: "[Chinese President] Xi Jinping is watching and he is waiting for the chance to fill any U.S. vacuum. Already, there have been many reports of Chinese Communist Party officials signaling their willingness to replace USAID in Nepal and [taking over] de-mining activities in Cambodia and these are just the instances that we know about. Even critics of USAID acknowledge the critical soft power of targeted and efficient programming."

19 Land-Grant Innovation Labs to Close Due to USAID Cuts

Nineteen innovation labs at land-grant universities across the country are closing because the Trump administration has stopped the distribution of U.S. Agency for International Development foreign aid, a University of Illinois professor said in a post.

"Today is a dark day when once there were so many winners," wrote Peter Goldsmith, a professor at the University of Illinois at Champaign-Urbana and director of the Soybean Innovation Lab, which will close by April 15.

Mark Becker, president of the Association of Public & Land-grant Universities, wrote congressional leaders, "APLU is deeply concerned that the freeze in operations of USAID and State Department-funded grants and programs pursuant to the executive order, 'Reevaluating and Realigning United States Foreign Aid,' is having an immediate and deleterious impact on the vital work of public research universities in furtherance of national interests."

"I respectfully request your assistance in ensuring Congress' intent with appropriations is met by the administration and public research universities' global work funded by the U.S. government receives expedited review and soon resumes," Becker wrote.

Lawmakers Push EPA to Move on Biofuel Policies

A bipartisan group of House members is pushing EPA Administrator Lee Zeldin to accelerate the release of the next biofuel usage mandates.

In a letter, the nearly 30 lawmakers urged Zeldin to set conventional biofuel renewable volume obligations (RVOs) of at least 15 billion gallons. Additionally, the lawmakers want EPA to set advanced RVOs at volumes that account for growth in renewable diesel and include forward looking volume obligations for cellulosic biofuels.

Under the Biden administration, EPA announced it would set RVOs for 2026-2028 in December this year. Lawmakers point out this is far past the statutory deadline. They argue this delay, coupled with inadequate RVOs set in 2023, has slowed investment. This has a negative impact on gas prices, rural economies and commodity prices, lawmakers wrote.

USTR Nominee Testifies before Senate Finance Committee

7 February 2025 – At a Senate Finance Committee confirmation hearing, Jamieson Greer, the nominee to be the U.S. Trade Representative (USTR) suggested that the first Trump administration wasn't fully successful with the so-called Phase One agreement reached with China after the two countries slapped mutual tariffs on one another's goods. China committed in that deal to purchase an additional $200 billion in U.S. goods over 2020 and 2021. The Peterson Institute for International

Economics reported in 2022 that commitment fell short, with China buying only 58% of the goods agreed upon, not enough to reach its import levels before the trade war started.

“We don’t just want to pound our fist and have rhetoric. We want to be able to very clearly see where they did or did not comply,” Greer said. “And then from there, you move to dispute settlement and you move to enforcement, if you need to.”

At one point, Chairman Michael D. Crapo, R-Idaho, asked, “How will you support the interests of America’s farmers and ranchers once you’re confirmed as our nation’s chief trade negotiator?”

“We need to go and gain market access where things have been closed until now,” Greer said. “For many decades, we have had a trading system where the United States opens its market over and over again and others do not.” He proposed expanding agricultural markets. Greer said that the average tariff ceiling on agricultural products is 39% in India and nearly 40% in Turkey.

“These are markets where they need to open to the United States, and I think we need to use all the tools at our disposal to do so,” Greer said.

CBO Issues New Farm Bill Projections

7 February 2025 – The Congressional Budget Office (CBO) has released its new 10-year projections for farm bill spending. CBO now estimates the programs will cost $1.4 trillion over the next decade, an increase of 3%, according to a brief analysis of the new baseline by *Terrain*.

Estimated payments under the Price Loss Coverage program were raised $4.3 billion to $33 billion over the 10-year period. The estimate for the Agriculture Risk Coverage was shaved by $312 million to $14.8 billion.

“Feeding USAID into the woodchipper”

7 February 2025 – President Donald Trump's administration plans to keep fewer than 300 staff at the U.S. Agency for International Development (USAID) out of the agency's worldwide total of more than 10,000.

This week, the humanitarian aid agency was a target of a government reorganization program. Elon Musk said on social media that USAID was a "criminal organization" that he said he spent the weekend "feeding into the woodchipper." President Trump said USAID was "run by radical lunatics" that should be fired. Staff were ordered not to come into work and email access was shut off. Secretary of State Marco Rubio had said the administration was identifying and designating programs that would be exempted from the sweeping stop-work orders. The administration's goal is to merge USAID with the State Department led by Rubio, who Trump has made acting USAID administrator. However, it is not clear that he can merge the agencies unless Congress votes to do so, since USAID was created and is funded by laws that remain in place.

The agency managed a budget of over $70 billion and provided aid to some 130 countries in 2023. The top recipients were Ukraine, followed by Ethiopia, Jordan, the Democratic Republic of Congo, Somalia, Yemen and Afghanistan. USAID is responsible for about $2 billion in U.S. commodity purchases, including rice, wheat, lentils and peas, annually for humanitarian food aid. The organization provided up to $15 billion in food aid worldwide.

The top Democrat on the House Agriculture Committee, Angie Craig of Minnesota, said in a statement:

“U.S.-run international food assistance programs provide critical business for American farmers and the entire agricultural supply chain. There are currently over 550 mmts of food — worth over $340 million — that were expected to be provided by America’s farmers that are now either in limbo or stuck at U.S. export ports, unable to be delivered. The uncertainty caused by Elon Musk’s attacks on USAID hurts the rural economy and damages the proud heritage of American farmers feeding the world.”

But Sen. Joni Ernst, R-Iowa, said the agency did not cooperate with her investigations of its spending. She told Fox News its personnel “only allowed us access to a small amount of data, but what we found was extreme expenditures on the part of USAID with very little data-driven results.” Ernst told reporters Monday she has “a laundry list of years' worth of frustrations with USAID and their efforts to block me from looking at contracts.”

EU-Ukraine trade terms change, Ukrain wheat to look for new markets

10 February 2025 – If the mechanisms for exporting Ukrainian agro-products to the European Union change after the completion of autonomous trade measures, wheat supplies to this market may decrease from the current 6 mmts to 1 mmts. This opinion was expressed by the President of the Ukrainian Grain Association Mykola Gorbachev, reports Interfax-Ukraine. "We hope to sell about 6 mmts of wheat to the European Union in the 2024/25 season. There are rumors that since June 6 this year, there have been agreements, that if the same mechanisms are not involved, we will be able to export only 1 mmts under the quota. Then for 5 mmts, we will have to look for other markets,” he said. At the same time, the UGA President noted a rather constructive position of the Ministry of Agrarian Policy and Food and agrarian politicians, who are trying to find new markets for Ukrainian agricultural products, including African countries. Therefore, according to Gorbachev, the Ukrainian harvest will be fully sold even if the European Commission imposes restrictions. Speaking about other grain crops, the UGA president expressed confidence that the restrictions would not affect them. "Corn supplies have already been adjusted. Europe imports 20 mmts of corn annually, of which more than half are supplies of Ukrainian corn. Europe, to grow jamon and prosciutto, needs our corn. No one will replace it. This is the fastest way to get it,” he assured. Gorbachev also believes that the EU will not limit the purchase of Ukrainian soybeans, meal, and sunflower seeds. At the same time, the UGA president noted that there was no final decision on changing the EU's trade rules with Ukraine yet and that the negotiation process was ongoing.

International Crop & Weather Highlights

- **USDA/WAOB Joint Agricultural Weather Facility – 8th February 2025**

Europe – Mostly Dry And Cooler, But Some Rain In The West

- Drier and cooler weather prevailed over central and eastern Europe; winter crops remained dormant.
- Occasional showers kept soils favorably moist over the western third of the continent for dormant (north) to greening (south) winter grains and oilseeds.

Middle East – Rain And Snow

- Widespread rain and snow from Turkey into western Iran improved soil moisture for dormant (north) to vegetative (south) winter wheat and barley.
- Dry conditions persisted in eastern Iran, exacerbating short-term drought.

Northwestern Africa – Western Drought Contrasted With Eastern Rain

- Drought persisted in Morocco and western Algeria despite recent showers; more rain is needed.
- Additional showers from central Algeria into northern Tunisia maintained favorable prospects for vegetative to heading winter wheat and barley.

Southeast Asia – Heavy Showers Continued

- Heavy showers in the eastern Philippines maintained ample to excessive moisture conditions for seasonal rice and corn.
- Downpours in eastern Malaysia halted oil palm harvesting.

Australia – Spotty Showers

- Patchy showers maintained local moisture supplies for immature summer crops.

Argentina – Rain Helped Stabilize Summer Crop Prospects

- Widespread, soaking rain overspread the south, providing much-needed moisture for reproductive corn and soybeans.

Brazil – Rains Slowed Harvesting

- Widespread showers in the Center-West and sections of the south caused harvest delays for soybeans but helped condition soils for second-crop corn and cotton.

South Africa – Warm Weather And Scattered Showers In The East

- Summer heat and scattered showers prevailed in the eastern corn belt, while drier weather continued for much of the western corn belt.

Source: USDA https://www.usda.gov/oce/weather-drought-monitor/publications

- **U.S. Agricultural Weather Highlights – Friday 14th February 2025**

https://www.usda.gov/oce/weather-drought-monitor/publications

In the West, a storm system that arrived along the Pacific Coast on Thursday continues to move farther inland, with precipitation becoming lighter and less organized. Still, Western weather hazards include widespread, high-elevation snow; freezing rain in western Oregon; high winds from southern California to the central and southern Rockies; and residual flooding in a few areas, including parts of northern and central California.

On the Plains, bitterly cold conditions have temporarily eased, except along and near the Canadian border. Mostly dry weather prevails, despite widespread cloudiness, although portions of the northern and central Plains are bracing for impending snow and a return to cold, windy weather. Winter wheat's protective snow cover across the northern and central Plains has improved in recent days, although some gaps in coverage exist in South Dakota and environs.

In the Corn Belt, cold, dry weather prevails in advance of an approaching storm system. Sub-0°F temperatures were broadly noted this morning in the upper Mississippi Valley, despite an increase in cloudiness. A variable snow cover from recent storms blankets the Midwest, except parts of the Ohio Valley.

In the South, dry weather is temporarily in place, although some rivers from the mid-South into the central Appalachians are running high due to runoff from recent downpours. Many of the areas experiencing lowland flooding are expecting additional heavy rain, starting on Saturday. Elsewhere, lingering warmth is confined to the lower Southeast.

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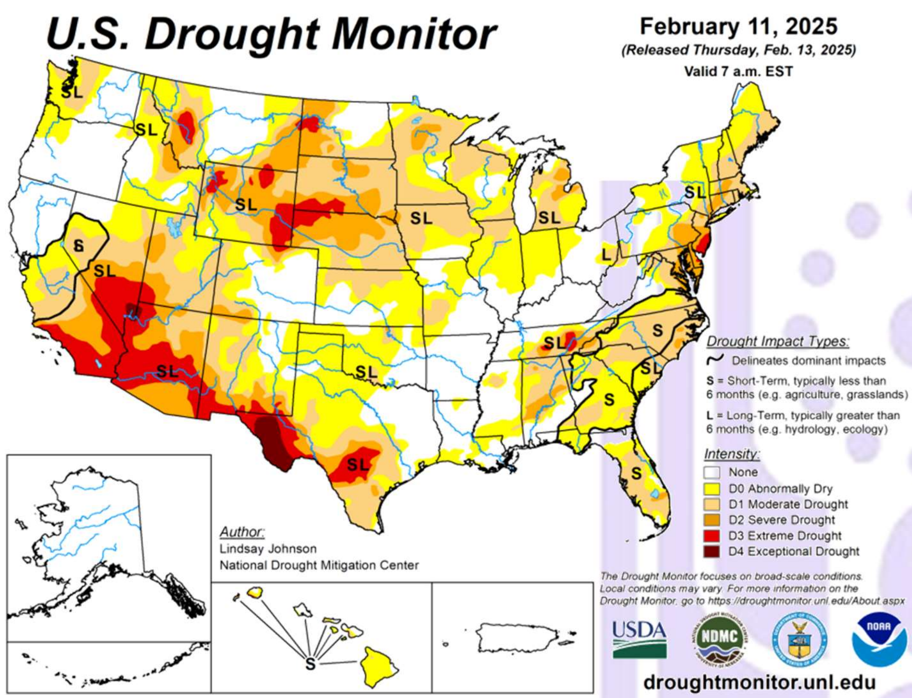
Chief Economist (OCE)
Outlook Board (WAOB).

Agriculture in Drought*

	Feb 11	Previous		Change		
	2025	Week	Year	Week	Year	
Corn	46%	46%	26%	0%	20%	(summer crops)
Soybeans	37%	37%	24%	0%	13%	
Cotton	30%	28%	16%	2%	14%	
Peanuts	36%	33%	1%	3%	35%	
Rice	3%	3%	10%	0%	-7%	
Sunflowers	73%	73%	7%	0%	66%	
Barley	30%	35%	18%	-5%	12%	
Sorghum	33%	33%	17%	0%	16%	
Durum Wheat	63%	84%	7%	-21%	56%	
Spring Wheat	40%	45%	17%	-5%	23%	
Winter Wheat	23%	23%	12%	0%	11%	(winter crop)
Hay	38%	39%	13%	-1%	25%	(forage)
Alfalfa Hay	51%	52%	18%	-1%	33%	
Cattle	38%	37%	14%	1%	24%	(livestock)
Milk Cows	38%	37%	10%	1%	28%	
Hogs	63%	63%	33%	0%	30%	
Sheep	45%	42%	15%	3%	30%	
Sugarbeets	44%	45%	18%	-1%	26%	(sugar)
Sugarcane	50%	50%	3%	0%	47%	

*** Numbers represent the percent of each commodity located in moderate or more intense drought (D1+) and the changes since last week and last year.**

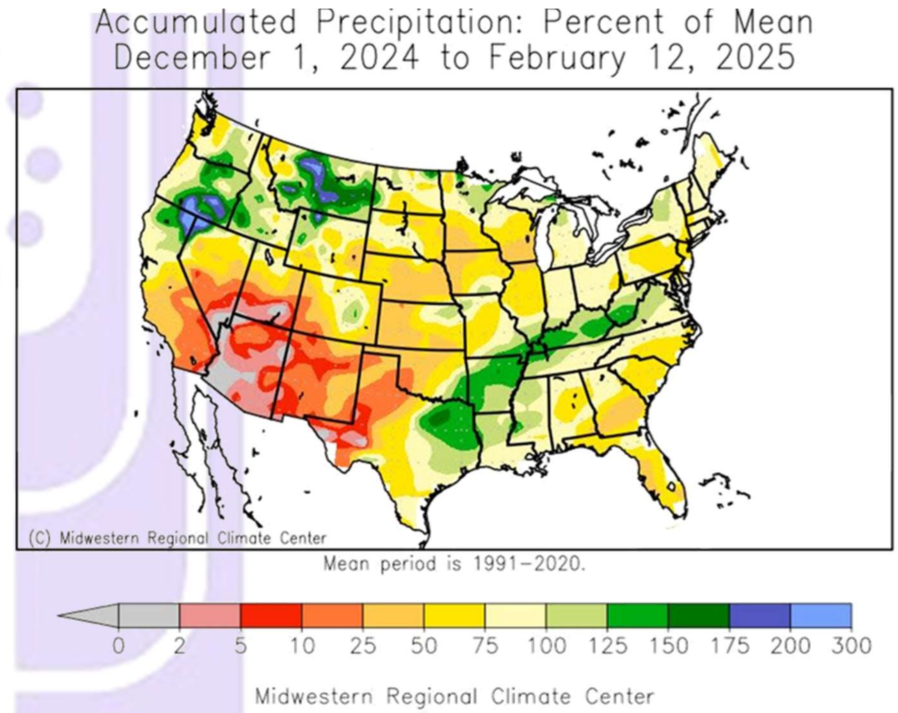


Outlook: Loosely organized storminess currently traversing the western U.S. will coalesce into a low-pressure system crossing the central and southern Plains tonight and Saturday. The storm system will continue to intensify until reaching the lower Great Lakes region on Sunday. Storm-related highlights will include ongoing Western precipitation for the remainder of today; torrential weekend rainfall (2 to 4 inches or more) and possible flooding from the mid-South into the Ohio Valley; severe thunderstorms sweeping eastward from the lower Mississippi Valley, especially late Saturday into Sunday; and weekend snow from the upper Midwest into the Northeast. Another surge of very cold air will trail the storminess, with widespread readings below -20°F expected early next week across the northern Plains and upper Midwest. Freezes could extend as far south as the Gulf Coast, from Texas to northern Florida. Elsewhere, dry weather will soon return across southern California and the Southwest, while generally light precipitation will affect the Northwest.

The NWS 6- to 10-day outlook for February 19 – 23 calls for the likelihood of near- or below-normal temperatures and precipitation across much of the country. Warmer than-normal weather will be limited to the Desert Southwest and locations along and near the Pacific Coast, while wetter-than normal conditions should be confined to the Pacific Northwest and an area stretching from central, southern, and eastern Texas to the southern Atlantic Coast

➢ <u>La Niña Conditions Continue, But Not Expected To Last Past Spring</u>

13 February 2025 Chris Dolce, *Weather Channel* – La Niña conditions have remained in place this month but will likely fade as we head through spring, according to a monthly update released by NOAA on Thursday.



Percent of mean precipitation Dec. 1, 2024-Feb. 12, 2025. Below-average precipitation is depicted by the yellow, orange and red shadings. Wetter-than-average conditions have been seen in areas shaded in green and blue.

A La Niña advisory continues to be in effect. NOAA announced a weak La Niña officially developed a little over a month ago. That prompted the agency to issue a La Niña advisory, which just means those conditions are ongoing.

La Niña occurs when the ocean's surface temperatures in the central and east-central equatorial Pacific reach a specific cooler-than-average level, as circled below. In addition, the response of atmospheric circulations globally is also considered.

Those collective oceanic and atmospheric signals continue to indicate the weak La Niña has persisted into February.

The oval highlights the cooler-than-average waters associated with La Niña conditions in the equatorial Pacific Ocean.

The oval highlights the cooler-than-average waters associated with La Niña conditions in the equatorial Pacific Ocean.

La Niña conditions are expected to end in spring. The cooling of the equatorial Pacific Ocean waters is expected to fade as we head into spring. A transition back to neutral conditions (66% chance) is forecast between March and May. Neutral conditions mean neither La Niña nor its counterpart El Niño would be ongoing.

It's typical for La Niña and El Niño events to weaken or end in spring. But what lies beyond that time is often highly uncertain.

That's because of what's known as a spring predictability barrier – a time of year when models struggle with accurate predictions.

Have there been any signs of La Niña's impacts this winter? Weak events like this one tend to exert less influence on winter temperatures and precipitation.

In climatology records, winter is the three-month period from December through February. Although we aren't completely done with the season yet, let's see how precipitation stacks up through February 12th compared to typical La Niña expectations:

- Southern California, the Southwest and Florida have all been drier than average for much of winter, which is a typical feature of La Niña winters.
- Above-average precipitation in the Ohio Valley is also another signature of La Niña. That's what has been observed in some parts of that region, especially Kentucky.
- On the other hand, the Pacific Northwest tends to be wetter in winter, and that hasn't been the case on the Interstate 5 corridor so far. Through Feb. 12, Seattle was running a precipitation deficit of more than 5 inches this winter. Quillayute Airport on the northwest Washington coast had a deficit of more than 10 inches.

References

➢ **Conversion Calculations**

Mtne = 1000 kg, approximately 2204 lbs.
American or Short Ton = 2000 lbs.
British Mtne or Long Ton = 2240 lbs.

Metric Mts to Bushels:

- Wheat, soybeans = metric mts * 36.7437
- Corn, sorghum, rye = metric mts * 39.36825
- Barley = metric mts * 45.929625
- Oats = metric mts * 68.894438

Metric mts to 480-lbs Bales

- Cotton = metric mts * 4.592917

Metric mts to Hundredweight

- Rice = metric mts * 22.04622

Area & Weight

- 1 hectare = 2.471044 acres
- 1 kilogram = 2.204622 pounds

➢ **Marketing Years** (MY)

MY - refers to the 12-month period at the onset of the main harvest, when the crop is marketed (i.e., consumed, traded, or stored). The year first listed begins a country's marketing year for that commodity (2021/22 starts in 2021); except for summer grains in certain Southern Hemisphere countries and for rice in selected countries, where the second year begins the MY (2021/22 starts in 2022). Key exporter MY's are:

Wheat	Corn	Barley	Sorghum
Argentina (Dec/Nov)	Argentina (Mar/Feb)	Australia (Nov/Oct)	Argentina (Mar/Feb)
Australia (Oct/Sep)	Brazil (Mar/Feb)	Canada (Aug/Jul)	Australia (Mar/Feb)
Canada (Aug/Jul)	Russia (Oct/Sep)	European Union (Jul/Jun)	United States (Sep/Aug)
China (Jul/Jun)	South Africa (May/Apr)	Kazakhstan (Jul/Jun)	
European Union (Jul/Jun)	Ukraine (Oct/Sep)	Russia (Jul/Jun)	
India (Apr/Mar)	United States (Sep/Aug)	Ukraine (Jul/Jun)	
Kazakhstan (Sep/Aug)		United States (Jun/May)	
Russia (Jul/Jun)			
Turkey (Jun/May)			
Ukraine (Jul/Jun)			
United States (Jun/May)			

For a complete list of local marketing years, please see the FAS website (https://apps.fas.usda.gov/psdonline/): go to Reports, Reference Data, and then Data Availability.

- [USDA FAS OGA IPAD Current Crop Calendar]

February Crop Calendar

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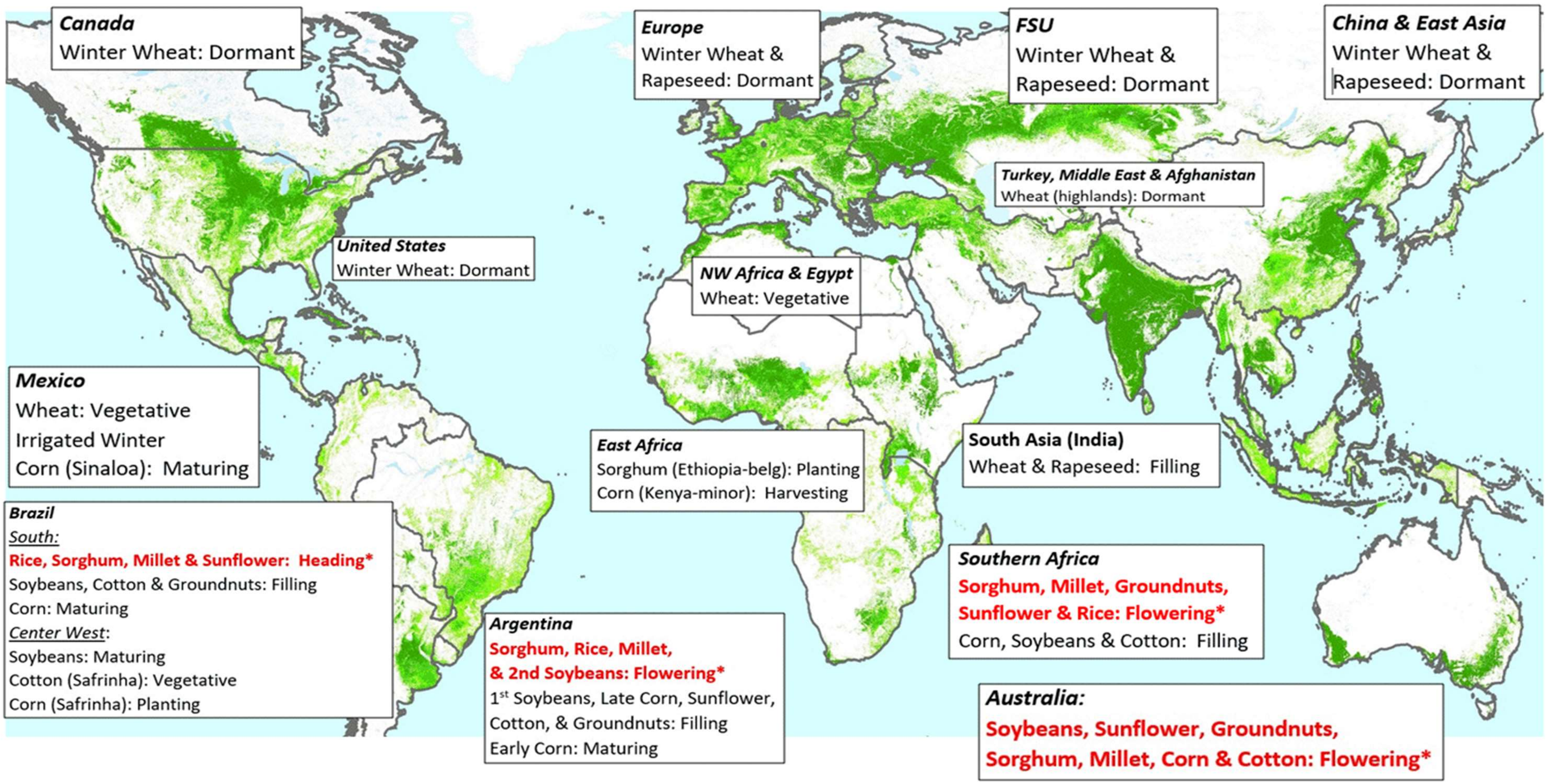

*Crop stage sensitive to moisture and temperature stresses.

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https://ipad.fas.usda.gov/ogamaps/images/dec_calendar.gif