



Notes and Observations in International Commodity Markets

9 March 2024

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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

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MARKETS SHOW STRENGTH IN WAKE OF NEUTRAL TO BEARISH USDA WASDE REPORT

Grain and oilseed markets have seen some support as a result of a weaker US Dollar, poor US export and in the wake of a neutral to bearish March USDA WASDE Report o Friday. (See inside the report for more comments on the USDA report)

Maybe commodity price have put in their lows as the US farmer heads to the fields for spring planting. The USDA left most of the US domestic numbers unchanged this month.

Have a good weekend! ☺

➤ Record Attendance at Commodity Classic

6 March 2024 - Over 11,500 attendees, including more than 4,600 farmers, along with exhibitors, industry stakeholders, and ag media, gathered in Houston from February 28 to March 2 for the 2024 Commodity Classic. This year's event featured a

keynote address by U.S. Secretary of Agriculture Tom Vilsack and Environmental Protection Agency Administrator Michael S. Regan, and policy meetings of the sponsoring commodity associations.

Secretary Vilsack did not include news of new tax incentives for sustainable aviation fuel production in his address to attendees. Instead, he said, "The reason we're not (announcing) today is because we're measuring twice and cutting once. We want to make sure that the latest and best information is utilized in the modeling that will inform the Treasury."

A federal interagency group with members of the Environmental Protection Agency and the Departments of Agriculture, Energy and Transportation had previously committed to a March 1 deadline for revision to the so-called GREET model. Vilsack says he expects the announcement delay to only be a matter of days.

Groups also gathered to discuss farm bill priorities, though not much has changed.

"We've been talking (about) our farm bill priorities for two years now," Christy Seyfert, the head lobbyist for the American Soybean Association, told Agri-Pulse after the group wrapped up its policy revisions in a little more than an hour Saturday morning. "The biggest change we made with respect to the farm bill here was updating '2023' to '2024.' We just really hope a farm bill can be enacted in 2024."

But groups representing corn, soybean and wheat farmers were divided on what, if anything, should happen to base acres. All three major groups do see a need to increase reference prices, even though they know it's a costly ask. (NOTE: Base acres are the core for the Agricultural Risk Coverage and Price Loss Coverage programs. A producer needs at least ten acres of base to receive payments.)

Delegates for the National Association of Corn Growers voted 73-51 to keep pressing Congress for a mandatory update of base acres, while the American Soybean Association has taken the position that there should be a voluntary base-acre update. However, the National Association of Wheat Growers (NAWG) opposes making changes to base acres in the farm bill, except for enrolling farmers who currently do not have any base acres, said CEO Chandler Goule.

A U.S. Senate Agriculture Committee Minority Staff (GOP) analysis last summer concluded a mandatory base acre update would save taxpayers about \$1.9 billion over ten years. Still, the analysis said, "Few in agriculture would benefit from a base acre update. A mandatory base acre update would create winners and losers among neighbors, crops, counties and states, and most certainly would complicate efforts to successfully pass a new farm bill."

➤ **Brazil's 2023 farmer bankruptcy filings up 535%, raising alarm bells**

7 March 2024 By Ana Mano, Reuters - Brazilian farmer bankruptcy requests shot through the roof in 2023, according to a new survey from data services company Serasa Experian, reflecting higher business risks for global grain traders in one of the world's biggest food producers.

According to Serasa's data released on Thursday, there were 127 farmer bankruptcy filings last year, up 535% from the year before.

Most of the creditor protection requests came from soybean growers, Serasa said, though cattle property owners and coffee farmers also sought to stay creditors and reorganize their businesses, Serasa said citing satellite sensing data.

"Put into perspective, the number of bankruptcy filings compared with the millions of people engaged in farming activities seems small," said Marcelo Pimenta, head of agribusiness at Serasa. "But the speed at which these requests are growing quarter by quarter is worrying."

Brazilian grain merchants have become increasingly vocal about the issue because the rise in farmer bankruptcy cases may affect delivery of committed produce and hamper traders' ability to complete export programs.

"A historically big challenge in Brazil is how to finance agricultural production," said Paulo Sousa, CEO of U.S. grain trader Cargill in Brazil, speaking at an event this week. "Lately there has been a wave of bankruptcy filings in agriculture ... and brings a lot of concern to the sector."

Serasa's Pimenta cited climate issues, which have caused crop failure in several regions and boosted farm management challenges, as a driver of farmer bankruptcies.

He also said lower commodities prices have tightened farmer margins in a scenario of still-high interest rates in Brazil.

➤ **USDA Issues Food Deflation Forecast**

USDA economists have raised their forecast for food prices this year. [The Economic Research Service](#) had been predicting supermarket prices would fall 0.4% in 2024. But the new forecast is for inflation of 1.6%. That's still well under the increases for recent years and the 20-year historical rate of 2.7%.

Some of the largest increases are expected in prices for sugar and sweets (5.3%), fats and oils (4.6%) and beef (2.2%). Prices for dairy products are expected to be nearly flat, with an increase of just 0.2%. Pork prices are projected down 0.5%.

➤ **China raises budget for grain, oil stockpiles to improve food security**

5 March 2024 By Mei Mei Chu, Reuters – China on Tuesday sharply expanded its budget to stockpile grains and edible oils this year and stepped up support and policies to boost agricultural production, doubling down on improving food security.

The world's biggest buyer of grains and oilseeds wants to reduce its heavy dependence on imports that amount to over 100 mmts annually, mostly from the United States and Brazil. China's total agriculture imports totalled \$234 billion in 2023.

"These efforts will help guarantee the incomes of grain growers and motivate major grain-producing areas to stay focused on grain production and further tap their potential for higher yields," the finance ministry said in a report released at the start of China's annual meeting of parliament.

China will spend 140.63 billion yuan (\$19.54 billion) on stockpiling grains, edible oils and "other materials" this year, up 8.1% from a year ago, the report said.

"The rising reserve budget signals Beijing continues to be concerned about its supply of food and other key raw materials," said Even Pay, agriculture analyst at Trivium China. "By maintaining or even growing reserves, it is looking to put a floor under its own economic and food security, but at the expense of even greater intervention into markets," she said.

China also said on Tuesday it allocated 54.5 billion yuan (\$7.57 billion) in subsidies for agricultural insurance premiums, up 18.7% from a year ago.

The finance ministry will also increase the minimum purchase price of wheat and expand insurance coverage for rice, wheat and corn nationwide.

"As China has a large population, we must adopt an all-encompassing approach to agriculture and food and ensure that China's food supply remains firmly in our own hands," Premier Li Qiang said in a separate report.

Li said China will expand the production and yields of oilseed crops, including soybeans and rapeseed, while keeping livestock and fishery production stable.

China's state planner on Tuesday targeted 2024 grain output of more than 650 mmts, adding that overall grain production capacity was expected to grow steadily.

"Steady progress will be made in the new drive to increase grain production by 50 mmts," the National Development and Reform Commission (NDRC) said.

That includes building on progress increasing soybean acreage, accelerating the construction of national soybean seed centers and supporting the development of high-oil and high-yield crop varieties, it said.

"We will build agriculture into a major modern industry", the report said.

The world's second-largest corn grower is looking to continue raising production even after last year's record crop of 288.84 mmts.

➤ **China lowers national target for normal retention of breeding sows**

1 March 2024 Reuters – China's agriculture ministry said on Friday it had adjusted the national target for normal retention of breeding sows to 39 million from 41 million.

It also adjusted the lower limit for normal fluctuations in the stock of breeding sows to 92% from 95% of the normal retention level, the Ministry of Agriculture and Rural Affairs said in a statement.

➤ **China's New Hope Group 'optimistic' hog prices will pull out of slump**

4 March 2024 By Mei Mei Chu, Reuters – (Reuters) - The chairman of New Hope Group, one of China's biggest pig breeders, said on Monday he is "optimistic" hog prices will pull out of a multi-year slump this year as government policies to stimulate the market take effect.

Liu Yonghao said a shift towards bigger producers that drove pig supply higher and pork prices down have meant the market was taking longer than usual to recover from its latest downturn.

Large hog enterprises have elbowed their way into the sector in recent years and prioritized growth and market share over profits, creating a surplus.

Slowing demand has added to pressure on farms struggling with heavy losses and mounting debts to slim down their breeding herds and sell off farms.

Pork prices have been at a bottom for nearly three years, Liu told reporters on the sidelines of Chinese People's Political Consultative Conference. "Companies have invested a lot of money and are unwilling to give up," he said.

A mismatch between an acceleration in production capacity and slow consumption growth have helped prolong the downturn, he said.

But Liu said pork consumption is set to increase as the economy and consumer confidence develops with supportive government policies.

"I am still optimistic. I believe that after nearly three consecutive years of lows, the possibility of another three years is very small, and the probability of going up is higher," he added.

China has unveiled new regulations to control the nation's expanded pig production capacity, lowering the national target for normal retention of breeding sows to 39 million from 41 million in a move that could dent the size of the world's largest pig herd.

➤ **ADM Delays Annual Report as It Warns on Internal Accounting**

1 March 2024 Bloomberg - Archer-Daniels-Midland Co., the US agricultural trader, said it has delayed the publication of its annual report and warned that it anticipates reporting a "material weakness" in the company's internal financial reporting practices.

The brief update is the first from ADM since it stunned investors and the commodities trading world in January with the announcement that it was placing Chief Financial Officer Vikram Luthar on administrative leave pending an internal probe. The US Attorney's Office in Manhattan has launched an investigation into the accounting practices, people familiar with the matter said last month.

ADM's internal investigation centers on accounting practices at its nutrition unit.

ADM said Friday it expects to file its Form 10-K by March 15th, within the extension period allowed under US rules. It also said it doesn't expect the accounting issues to impact "consolidated balance sheets, statements of earnings" and cash flows. The shares rose 1.9% to \$54.13 as of 7:17 a.m. in New York in pre-market trading.

U.S. DOLLAR & FOREIGN EXCHANGE

➤ U.S. Dollar Index – Daily Nearby as of the 8th March 2024



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

➤ Major Foreign Exchange Rate Indicators: as of the 5th of March 2024

	TW	LW	Year ago	% Chg, yoy
Argentina (ARS)	845.000	841.100	198.270	+326
Australia (AUD)	1.537	1.528	1.480	+4
Canada (CAD)	1.358	1.352	1.361	-
Euro (EUR)	0.921	0.921	0.942	-2
Kazakhstan	448.000	450.000	430.780	+4
Russia (RUB)	90.870	92.046	75.520	+20
Ukraine (UAH)	38.360	38.260	36.929	+4

Source: International Grains Council

The Egyptian pound fell about 40% to a record low after the central bank said it would let currency trade freely and raised rates by 600 basis points at an unscheduled meeting. The currency move was done to secure an IMF loan package that's expected to exceed \$10B. A few weeks ago, Abu Dhabi based, ADQ, announced they were investing \$35B in Egypt to develop the coastal town of Ras El-Hekma. ADQ hopes to make it a "next generation city" and destination spot for tourism.

➤ Dollar Slides and Gold Gains on Soft U.S. Unemployment Report

8 March 2024 by Rich Asplund, Barchart – The dollar index (DXY00) on Friday fell by -0.09% and posted a 7-week low. The dollar on Friday was under pressure after the U.S. Feb unemployment report bolstered expectations for the Fed to begin cutting interest rates by the June FOMC meeting. Friday's fall in the 10-year T-note yield to a 5-week low was also bearish for the dollar. The dollar recovered from its worst levels Friday after stocks gave up an early advance and turned lower, boosting liquidity demand for the dollar.

U.S. Feb nonfarm payrolls rose +275,000, stronger than expectations of +200,000. However, Jan payrolls were revised downward to +229,000 from the previously reported +353,000. The Feb unemployment rate rose +0.2 to a 2-year high of 3.9%, showing a weaker labor market than expectations of no change at 3.7%.

U.S. Feb average hourly earnings eased to +4.3% y/y from +4.4% y/y in Jan, right on expectations.

Dovish comments on Friday from Chicago Fed President Goolsbee were bearish for the dollar when he said, "As inflation comes down, the Fed will be moving toward less restrictiveness over the course of the year."

The markets are discounting the chances for a -25 bp rate cut at 2% for the March 19-20 FOMC meeting and 25% for the following meeting on April 30-May 1.

EUR/USD on Friday fell by -0.09%. The euro on Friday fell back from a 7-week high and posted modest losses on dovish comments from ECB Governing Council members Nagel and Villeroy de Galhau, who said the ECB could begin cutting interest rates in the spring. On Friday, the euro initially moved higher on the stronger-than-expected German industrial production and PPI reports that were hawkish for ECB policy.

German Jan industrial production rose +1.0% m/m, stronger than expectations of +0.6% m/m and the biggest increase in 11 months.

German Jan PPI of +0.2% m/m and -4.4% y/y was stronger than expectations of +0.1% m/m and -6.6% y/y.

ECB Governing Council member and Bundesbank President Nagel said, "The probability is increasing that we could see an interest rate cut before the summer break."

ECB Governing Council member Villeroy de Galhau said, "It seems very probable that there will be a first rate cut in the spring."

Swaps are pricing in the chances for a -25 bp rate cut by the ECB at 17% for its next meeting on April 11 and fully priced in that -25 bp rate cut (106%) for the following meeting on June 6.

USD/JPY on Friday fell by -0.66%. The yen on Friday climbed to a 5-week high against the dollar on a Reuters report that said BOJ policymakers are leaning toward exiting negative interest rates at this month's policy meeting. The yen also rose after the 10-year JGB bond yield climbed to a 3-week high Friday, strengthening the yen's interest rate differentials. The yen extended its gains Friday after T-note yields retreated.

Reuters reported that an increasing number of BOJ policymakers are leaning toward scrapping the BOJ's negative interest rate at this month's policy meeting, given expectations of larger wage increases this year.

Japan Jan household spending fell -6.3% y/y, weaker than expectations of -4.1% y/y and the biggest decline in nearly three years.

The Japan Jan leading index CI fell -0.6 to 109.9, stronger than expectations of 109.7.

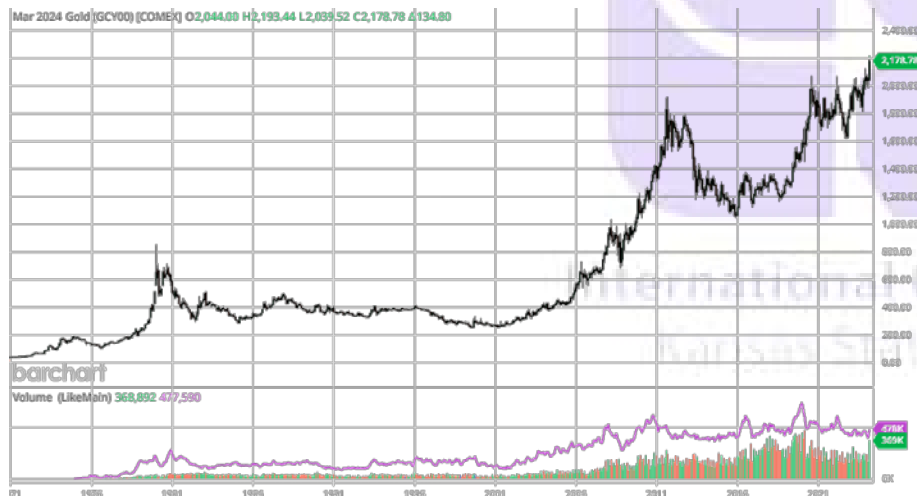
The Japan Feb eco watchers outlook survey unexpectedly rose +0.5 to a 9-month high of 53.0, stronger than expectations of a decline to 52.2.

Swaps are pricing in the chances for a +10 bp rate increase by the BOJ at 67% for its next meeting on March 19 and 79% for the following meeting on April 26.

April gold (GCJ4) on Friday closed up +20.3 (+0.94%), and May silver (SIK24) closed down -0.029 (-0.12%). Precious metals on Friday settled mixed, with April gold posting a contract high and nearest-futures (H24) gold posting an all-time high. Friday's fall in the dollar index to a 7-week low is bullish for metals. Also, a slump in U.S. and European government bond yields supported precious metals on Friday. In addition, speculation that the Fed and ECB will soon pivot to cutting interest rates has sparked the buying of gold as a store of value. Finally, persistent geopolitical risks in the Middle East have underpinned safe-haven demand for precious metals.

On the negative side, funds continue to liquidate their long gold positions after long gold holdings in ETFs fell to a 4-year low on Thursday. Silver prices were under pressure Friday after the U.S. Feb unemployment rate unexpectedly rose to a 2-year high, a sign of labor market weakness that is negative for industrial metals demand.

➤ **Gold Cash – Monthly Nearby as of the 8th March 2024 (50 Year Chart)**



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

➤ **There's More to Gold's Outlook Than Just Its Confirmed Breakout**

8 March 2024 by Przemyslaw K. Radomski – The key event of this week was the huge rally in gold that took it to new all-time highs. Let's start with the long-term gold price chart.



Gold price is moving to new all-time highs after breaking above the 2020 high and confirming this breakout in terms of the daily closing prices. And yet, there's something that still puts a huge question mark behind the "breakout". It's the realization of what happened when gold previously broke above its all-time high.

It was back in 2020 – gold was after a sharp upswing. It jumped visibly above its previous all-time high – the 2011 top. I marked it with a blue, dashed line. As you can see, back then gold moved more above its previous high than it did this week, it clearly confirmed this breakout in terms of the daily closing prices – rallying for nine trading days straight.

And then gold topped like nothing happened and started a decline that ended about 7 months later and over \$400 lower.

Today is the sixth day after the breakout above the previous highs in terms of the closing prices – well within the analogy to the breakout above the 2011 top that was still followed by a huge decline.

This means that while we saw a confirmed breakout and this could be a game-changer for the medium-term outlook, the emphasis is still on "could". The medium-term trend did not become bullish in my view just yet, especially because multiple other charts don't support much higher gold prices.

Moreover, please note that gold moved to the rising, long-term resistance line based on the 2011 and 2020 tops. This could trigger a reversal without us having to wait for another four trading days for the top to form. Yes, gold moved above this line (and it's even flirting with \$2,200 at the moment of writing these words), but the move above this line is definitely not confirmed yet.

Another important thing that happened this week was a move to new highs in bitcoin and... The subsequent invalidation of the breakout.



At times, cryptocurrencies like bitcoin and ethereum and the precious metals sector moved together. The 2022 tops were aligned, so it could be the case that gold reaching its rising long-term resistance line and bitcoin invalidating its breakout are connected on an emotional level as both anti-dollar assets are topping at the same time.

Speaking of the U.S. dollar, it appears to have just bottomed slightly below the downside target. As the USD Index just moved below its late-Feb. low it can now decline even lower – how low? Quite likely to the 102.5 – 102.8 area. That's where we have the following:

- the 50% Fibonacci retracement,
- the previous lows,

- and the declining support line that was broken in the final days of February.

Before anyone says that the rates might fall in the U.S. and this would make dollar decline, please note that the same thing is the case globally – the ECB just provided the same no-rate-cut-yet-but-sometime-in-the-future narrative. The USD Index is an index that is based on several currency exchange rates, so its value is driven by how well the U.S. currency does relative (!) to other currencies. If the situation is bad for the USD but it's worse for other currencies, the USD Index would be likely to rally, because in relative terms, the USD would be a better choice.

Technically speaking, the USD Index has floor just below today's lows, so its downside is likely limited. And it's bottom and the subsequent rally might be the trigger that takes gold lower and that takes our short positions in junior mining stocks to their profit-take levels.

The USD Index just moved even slightly below my target area and now it's back in it. It seems quite likely that the bottom for the USD Index was just formed.

Therefore, it could be the case that gold price (that just moved slightly above \$2,200) just as mining stocks just formed their local tops, especially that miners are clearly underperforming gold today. The euro is likely topping here as well.

Will gold hold above its previous all-time highs and start a new powerful upleg after the upcoming correction? I'm discussing that in the full version of today's analysis along with multiple other charts and details.

➤ **U.S. Treasury Yellen says Argentina moving toward fiscal sustainability**

29 February 2024 by Andrea Shalal, Reuters – U.S. Treasury Secretary Janet Yellen met Argentina Economy Minister Luis Caputo on Thursday, welcoming what she called "important steps" by the Milei government to restore fiscal sustainability, adjust the exchange rate and fight inflation.

"There is no doubt that this has been, and will continue to be, a difficult economic transition period for the Argentine people," Yellen said in remarks prepared for her first meeting with Caputo. She said protecting the most vulnerable during the transition would be vitally important.

Yellen, the latest in a string of U.S. officials to meet with senior Argentine officials since Argentine President Javier Milei took office, commended Caputo for his leadership.

"The Milei administration has inherited a steep stabilization task but has already taken some important steps toward restoring fiscal sustainability, adjusting the exchange rate, and combating inflation," she said.

Caputo told Yellen that Milei's government knew the reforms would be challenging, but said he was "very confident" that they would amount to "an inflection point" for his country.

Yellen said she saw many areas for collaboration between the U.S. and Argentina on key issues on the agenda during this week's meeting of finance officials from the Group of 20 major economies. She said she expected an "active and constructive relationship" between the U.S. Treasury and Caputo's ministry.

WHEAT

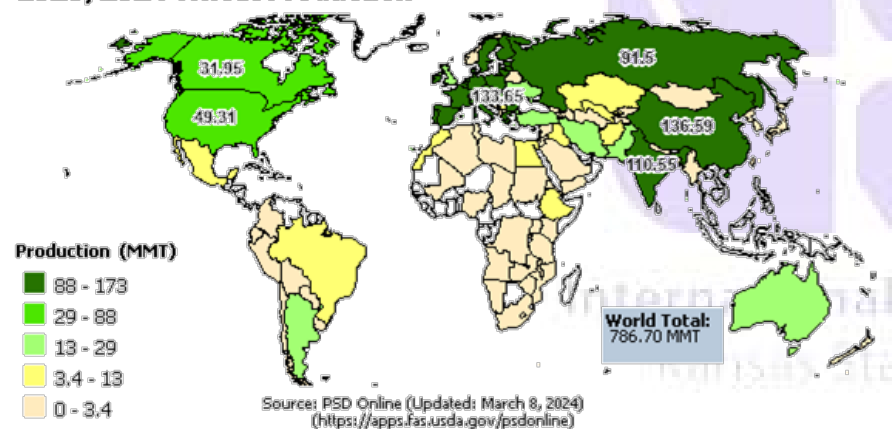
➤ World Wheat Supply & Demand Outlook

Wheat World as of March 2024							
Attribute	23/24 Mar'24	Change	23/24 Feb'24	22/23	21/22	20/21	19/20
Area Harvested (1000 HA)	222,749	+62(+.03%)	222,687	219,529	221,663	220,241	215,238
Beginning Stocks (1000 MT)	271,100	-114(-.04%)	271,214	272,751	283,858	297,644	284,036
Production (1000 MT)	786,701	+960(+.12%)	785,741	789,173	780,052	772,785	759,317
MY Imports (1000 MT)	211,211	+1317(+.63%)	209,894	211,227	199,906	194,419	188,397
TY Imports (1000 MT)	210,865	+1217(+.58%)	209,648	210,504	201,625	194,522	189,475
TY Imp. from U.S. (1000 MT)	0	-	0	20,061	21,249	26,550	26,255
Total Supply (1000 MT)	1,269,012	+2163(+.17%)	1,266,849	1,273,151	1,263,816	1,264,848	1,231,750
MY Exports (1000 MT)	212,132	+1442(+.68%)	210,690	220,171	202,767	203,453	194,558
TY Exports (1000 MT)	215,359	+1350(+.63%)	214,009	216,091	205,174	199,615	195,101
Feed and Residual (1000 MT)	162,061	+1605(+1%)	160,456	153,968	160,187	163,181	139,466
FSI Consumption (1000 MT)	635,993	-271(-.04%)	636,264	627,912	628,111	614,356	600,082
Total Consumption (1000 MT)	798,054	+1334(+.17%)	796,720	781,880	788,298	777,537	739,548
Ending Stocks (1000 MT)	258,826	-613(-.24%)	259,439	271,100	272,751	283,858	297,644
Total Distribution (1000 MT)	1,269,012	+2163(+.17%)	1,266,849	1,273,151	1,263,816	1,264,848	1,231,750
Yield (MT/HA)	3.53	-	3.53	3.59	3.52	3.51	3.53

Source: USDA PS&D

8 March 2024 USDA WASDE – The USDA global wheat outlook for 2023/24 is for larger supplies, consumption, and trade with reduced stocks. Supplies are projected to increase 0.8 mmts to 1,057.8 million, primarily on higher government production estimates for Australia, Russia, and Argentina partially offset by reductions for the EU and Serbia.

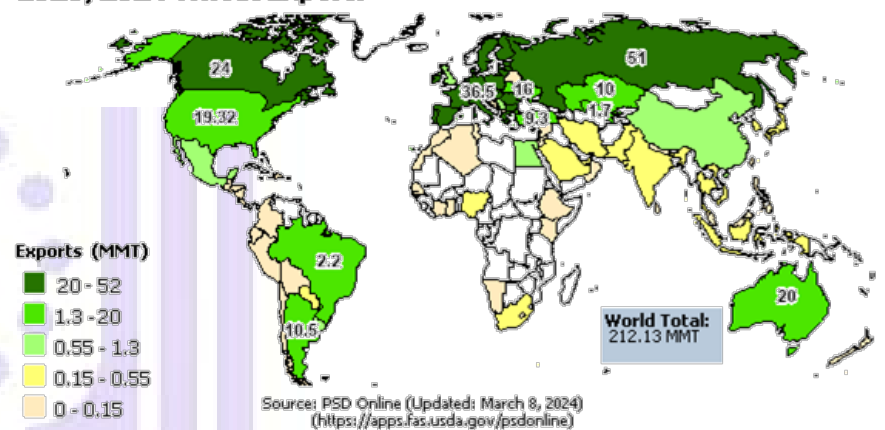
2023/2024 Wheat Production



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

Global consumption is raised 1.5 mmts to 799.0 million, mainly on higher feed and residual use for the EU, Kazakhstan, and Indonesia.

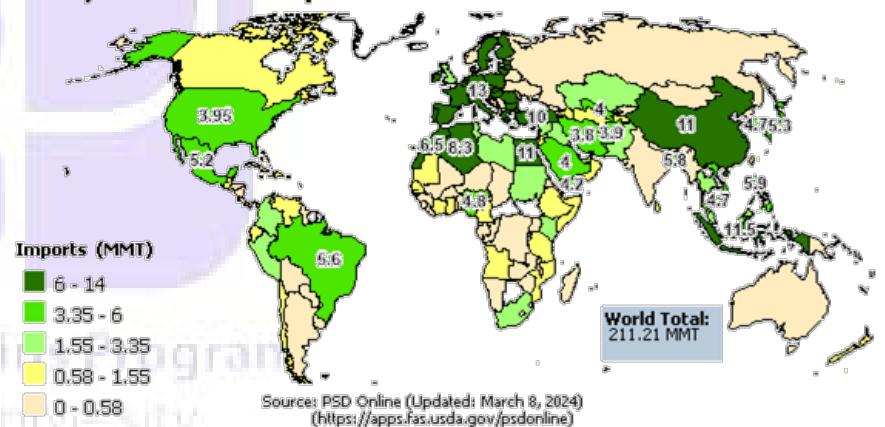
2023/2024 Wheat Exports



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

World trade is raised 1.4 mmts to 212.1 million on higher exports by Ukraine, Australia, and Turkey.

2023/2024 Wheat Imports



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

Projected 2023/24 global ending stocks are lowered 0.6 mmts to 258.8 million, the lowest since 2015/16.

Global stocks are lowered this month, still at the lowest level since 2015/16.

The U.S. season-average farm price forecast decreased to \$7.15 per bushel.

TRADE CHANGES IN 2023/24 (1,000 MT)

Country	Attribute	Previous	Current	Change	Reason
China	Imports	12,000	11,000	-1,000	Reduced purchases from the European Union and sluggish import pace
European Union	Imports	12,000	13,000	1,000	Customs surveillance data indicates continued strong shipments
Indonesia	Imports	10,500	11,500	1,000	Large purchases to date, especially from Australia
Kazakhstan	Imports	2,000	2,500	500	Sizable imports from Russia in recent months
Kenya	Imports	2,600	2,100	-500	Lower purchases from the EU
Korea, South	Imports	4,500	4,700	200	More low-priced imports for feed use
Saudi Arabia	Imports	4,500	4,000	-500	Slower pace to consumption growth
Sudan	Imports	2,600	2,300	-300	Reduced wheat grain imports
Thailand	Imports	2,700	3,000	300	More low-priced imports for feed use
United Kingdom	Imports	2,100	2,400	300	Continued strong monthly shipments
Vietnam	Imports	4,300	4,700	400	Large imports of feed-quality wheat
Australia	Exports	23,000	23,500	500	Larger production
Moldova	Exports	550	750	200	Increased shipments to EU and Turkey
Turkey	Exports	9,000	9,300	300	Higher flour exports, especially to East Africa
Ukraine	Exports	15,000	16,000	1,000	Strong export pace to EU and Asia markets
United States	Exports	20,000	19,500	-500	Weak HRW and SRW shipments

➤ **Wheat Export Prices (FOB, US\$/mt) as of the 5th of March 2024**

			TW	LW	LY	%Y/Y
Argentina Grade B, Up River	Mar		219	222	357	-39
Australia APW, Port Adelaide (SA) a)	Mar		280	280	335	-17
Australia ASW, Port Adelaide (SA) a)	Mar		265	266	312	-15
Canada 1 CWRS (13.5%), StL	Mar		290	295	350	-17
EU (France) Grade 1, Rouen	Mar		209	224	300	-30
EU (Germany) B quality, Hmb	Mar		219	236	304	-28
EU (Romania) Milling (12.5%)	Mar		209	221	296	-29
Russia Milling (12.5%)	Mar		199	212	295	-33
Ukraine (<11%)	Mar		171	172	270	-37
US DNS (14%), PNW	Mar		297	303	376	-21

US HRW (11.5%), Gulf	Mar	278	279	364	-24
US SRW, Gulf	Mar	239	254	306	-22
US SW, PNW	Mar	229	241	312	-27

Fob Rouen, euros/ton. b) Jan 2000 = 100. c) 22 Mar quotation.

Source: International Grains Council - visit: http://www.igc.int/grainsupdate/igc_goi.xlsb

5th March 2024 IGC – Global wheat price remained under pressure from stiff competition for export business, as the GOI wheat sub-Index slid by a net 3% w/w, to near three-and-a-half-year low.

Against a bearish fundamental backdrop, US futures markets featured renewed speculative and technical selling, with losses most pronounced in SRW wheat-based Chicago futures, which hit new contract lows. With all-wheat net export sales in the w/e 22nd February of 327,279 mts broadly matching the prior four-week average, US MY23/24 (Jun/May) commitments reached 18.2 mmts, up by 6% y/y. At 353,137 mts, all-wheat export inspections were down by one-quarter w/w, taking the MY cumulative total to 13.0 mmts (-17% y/y).

Canada's exports progressed steadily, with around 550,000 mts shipped in the w/e 25th February, lifting the MY23/24 (Aug/Jul) tally to 14.2 mmts (-3% y/y), including durum at 1.9 mmts (-42%) and other wheats at 12.3 mmts (+8%).

Even though the official data pointed to a narrowing year-on-year lag in EU exports, reported at 21.6 mmts as at 25th February (-2% y/y), quotations in France and Germany fell sharply over the past week on mounting worries about export competitiveness. This was amplified by the latest milling wheat purchases by Algeria (up to 900,000 mts at an estimated US\$227-US\$228 C&F, June shipment) and Jordan (60,000 mts at US\$236 C&F, July), with prices in both tenders quoted below earlier reported sales. In France, little progress was noted for 2024/25 durum sowing, with fieldwork estimated at 91% complete as at 26th February (90% prior week, 97% year ago), according to France AgriMer. 2024/25 common wheat and durum crop conditions remained well below the previous season, rated at 68% good/excellent (69%, 95%) and 74% (74%, 91%), respectively. In a monthly update, the official estimate for 2023/24 wheat production in the EU was cut by 0.3 mmts, to 125.6 mmts (125.8 mmts previous year). However, with imports raised by 0.5 mmts, to 7.5 mmts (9.6 mmts), ending stocks were lifted by 0.2 mmts m/m, to 19.3 mmts (19.3m).

With traders keen to boost sales amid sizeable nearby supplies and improved shipping conditions, old crop fob quotations for 12.5% protein wheat in Russia fell below the US\$200/t mark, also aided by declining floating export taxes. Prices continued to be quoted at a discount to competing origins, however, traders noted wide bid-offer spreads, with some buyers said to be eyeing further downside in offers. Accelerated shipments in the latter half of the month prompted some private analysts to raise the estimate for February exports from Russia, to 4.1 mmts -4.2 mmts (3.6 mmts previous month, 3.3 mmts February 2023).

Prices in Ukraine were likewise weaker, with suppliers competing for deliveries to Pacific Asia, including Indonesia and Vietnam. Recent official data highlighted strong

export progress, with 2023/24 (Jul/Jun) cumulative shipments as at 4th March of 11.9 mmts some 4% higher than one year earlier.

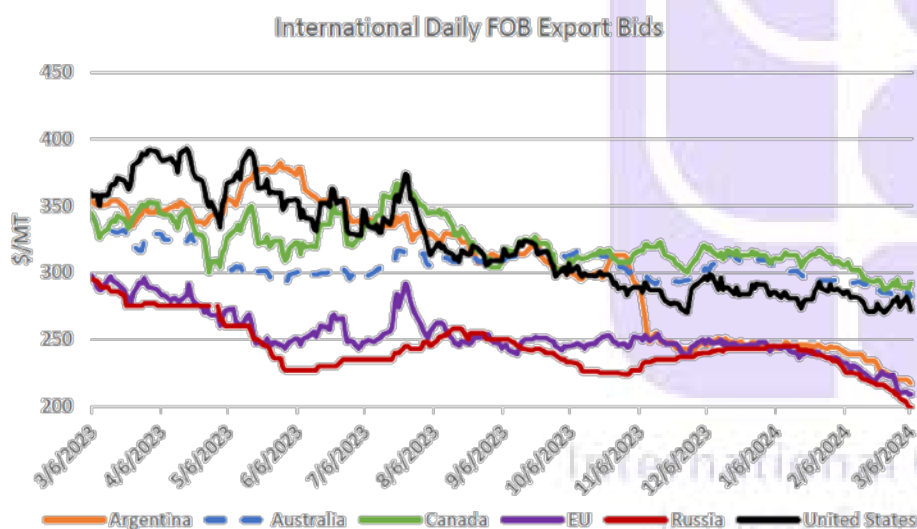
In a quarterly update, Australia's ABARES lifted its estimate for the 2023/24 harvest by 0.5 mmts, to 26.0 mmts (40.5 mmts previous year), citing better final results in some areas, but also pointed to mixed quality, with declines noted in Victoria and parts of New South Wales. With potentially better weather conditions amid a fading El Niño expected to underpin winter crop plantings, ABARES saw 2024/25 wheat production rising to 28.4 mmts.

The second official estimates pegged India's 2024/25 output at a record 112.0 mmts (110.6 mmts previous year). However, more recent reports pointed to localized crop damage due to hailstorms, with some local traders predicting production losses of around 2.0-3.0 mmts.

The government in China unveiled plans to boost spending on stockpiling grains (as well as edible oils and other products), as well as to raise the minimum purchasing price for wheat.

After the early-February sale of 150,000 mts durum, Turkey's TMO issued a new export tender for the same amount (11th March), for March/April loading.

➤ Global Wheat Prices



Argentina	Australia	Canada	EU	Russia	United States
\$217	\$282	\$292	\$209	\$199	\$272

Note: As of March 6, 2024

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

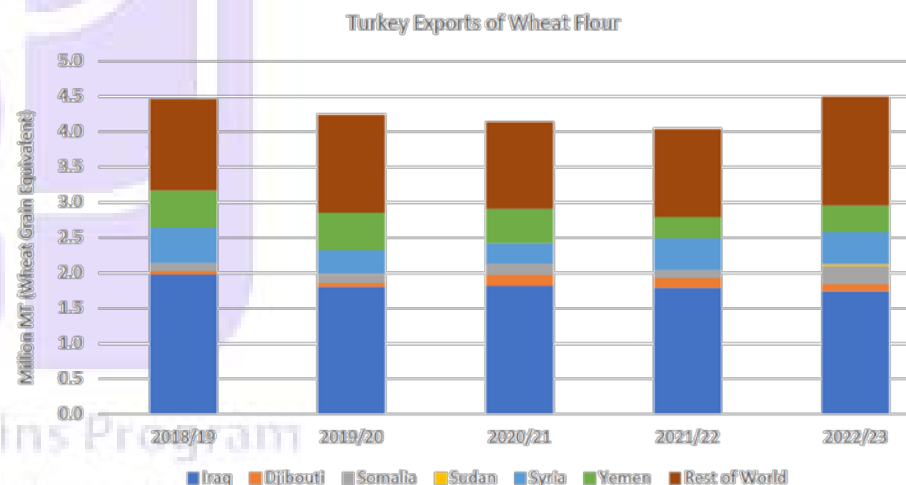
8 March 2024 USDA FAS – Major exporter quotes have all declined since the February WASDE. Russian quotes fell \$26 to below \$200/mt, the lowest since 2020 and the most competitive among major exporters, as export tariffs were decreased and large shipments continued out of the Black Sea.

EU quotes declined \$24/mt with continued strong competition from Black Sea origins.

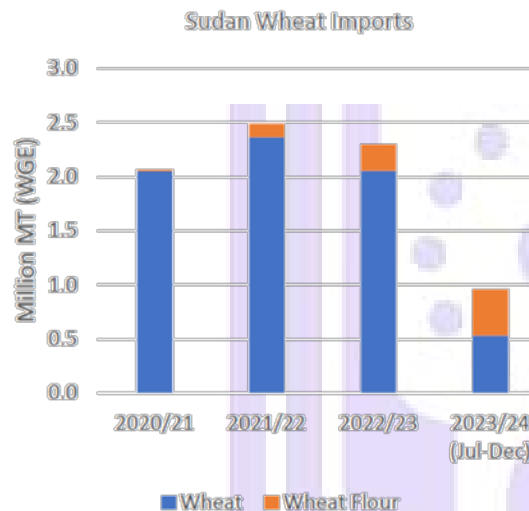
Australian quotes dropped \$9/mt on lower demand. Canadian quotes fell \$14/mt due to competition from other major exporters.

Argentine quotes eased \$23/mts as the crop harvest was larger than anticipated. U.S. quotes decreased \$14/mt on slower sales and shipments.

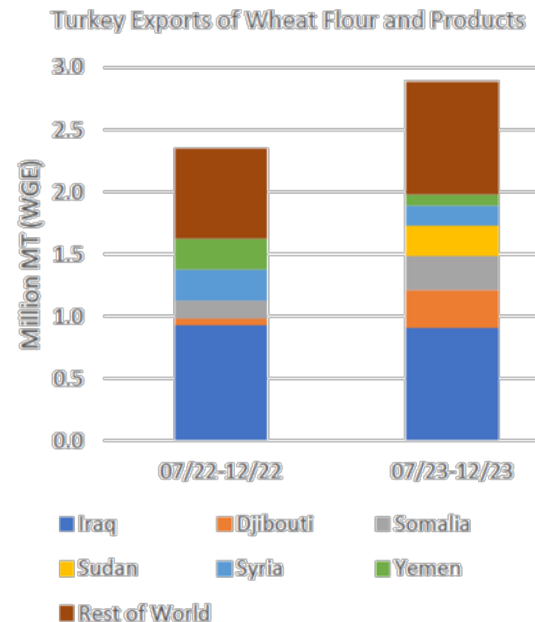
➤ Turkish Flour Rises in Conflict-Affected Markets



8 March 2024 USDA FAS — Turkey is the world's largest exporter of wheat flour and is on track to export a record amount of wheat and wheat products in 2023/24, with unusually large wheat grain exports. Turkey exported a record 4.5 mmts of flour in the 2022/23 trade year with approximately 10% supplied to humanitarian organizations including the World Food Programme (WFP) and is on pace to post another record, shipping 20% more flour and wheat products during the first 6 months of 2023/24 than the same period in 2022/23. This increase is being driven by traditionally smaller trade partners, with significant volumes sent to East African markets. However, these gains are tempered by relatively flat or decreasing year-over-year purchases from several other trade partners.



The most striking expansion of exports have been to East African markets, notably Sudan, Djibouti, and Somalia. Sudan and Djibouti have each imported about one-quarter mmts more through the first 6 months of the trade year than the same period last year, and Somalia has increased imports by more than 100,000 tons.



Forecast imports for Sudan have been lowered to 2.3 mmts for 2023/24, with Turkish flour comprising a significant share of imports year to date. Sudan has been gripped by a civil war for nearly a year, with millions of people displaced and almost 20 million people facing food insecurity. Prior to the conflict, Sudan imported almost entirely wheat grain; however, flour imports are beginning to replace some grain imports. Reduced access to fuel to power generators in Sudan has

impacted domestic wheat milling. Consequently, flour imports have been substituted for domestically milled flour as a more reliable way to meet domestic demand.

Djibouti has also increased Turkish flour imports. Djibouti has a small population that relies on imports, but it primarily serves as a hub for the WFP in the Horn of Africa. From the Humanitarian Logistics Hub in Djibouti, the WFP provides aid to neighboring countries facing food insecurity. While much of what is transshipped through Djibouti is food aid, there are also commercial shipments as well. Somalia, like the aforementioned countries, faces significant food insecurity due to several years of drought that brought the country to the brink of famine, giving way to heavy rains and flooding. Additionally, domestic conflict has increased reliance on food aid.

In contrast to East Africa, Turkey's flour exports to Middle Eastern markets have contracted during the first half of the trade year. Exports to Syria fell by 35% and exports to Yemen plummeted by 64%. Syria's imports of wheat and wheat products have decreased due to a significant rebound in domestic production in 2023/24 after 2 years of smaller harvests, and fewer imports were needed to meet domestic demand. Yemen imports shifted to include proportionally less flour and more grain for local milling, but import volumes remained relatively consistent year over year. Iraq is by far the largest market for Turkish flour, and this year has only a minimal decrease in volume.

➤ **Indonesia's 2024 wheat imports seen rising by 5%**

5 March 2024 by Naveen Thukral and Dewi Kurniawati, Reuters — Indonesia is likely to import larger volumes of wheat in 2024 compared to 10.87 mmts shipped last year, driven by higher demand for flour and animal feed, a senior industry official said on Tuesday.

"There will be growth in consumption for flour and feed with assumption of normal conditions," Franciscus Welirang, Chairman of Indonesian Flour Producers Association, told Reuters on the sidelines of an industry conference in Jakarta. Indonesia is the world's third-largest wheat importer, buying largely from Australia, Canada, U.S. and the Black Sea region.

Welirang said the country's flour consumption this year is expected to rise by 5% from 2023.

Meanwhile, Indonesian grain buyers are boosting imports of lower quality wheat, as a decline in corn output last year following a severe drought linked to an El Nino weather pattern tightened the country's animal feed supplies.

Ships carrying grains and other commodities are being diverted from the Suez Canal to sailings around the Cape of Good Hope on concerns about attacks on vessels in the Red Sea.

"There is high risk in transporting through Red Sea," he said. "It will have to go down south, so it will take longer time, and higher freight."

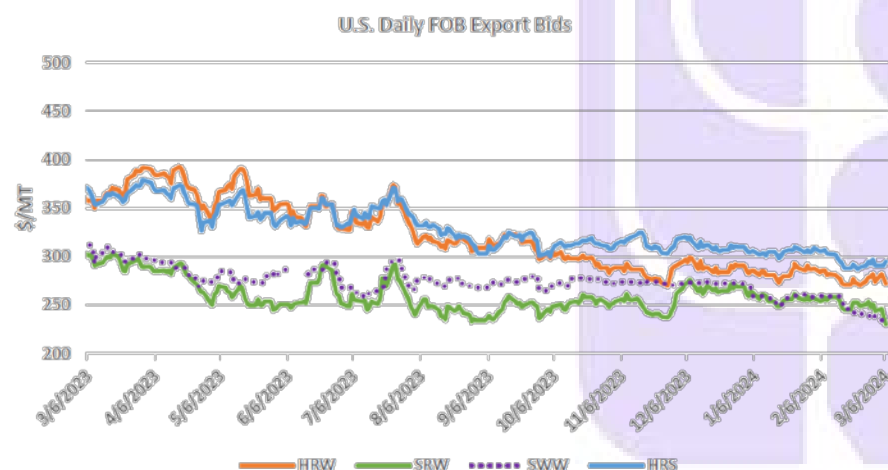
(Reporting by Naveen Thukral and Dewi Kurniawati; Editing by Varun H K)

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

Wheat United States as of March 2024							
Attribute	23/24 Mar'24	Change	23/24 Feb'24	22/23	21/22	20/21	19/20
Area Harvested (1000 HA)	15,084	-	15,084	14,360	15,032	14,815	15,133
Beginning Stocks (1000 MT)	15,501	-	15,501	18,355	23,001	27,985	29,386
Production (1000 MT)	49,314	-	49,314	44,898	44,804	49,523	52,581
MY Imports (1000 MT)	3,946	-	3,946	3,317	2,617	2,726	2,828
TY Imports (1000 MT)	3,900	-	3,900	3,275	2,737	2,686	2,836
TY Imp. from U.S. (1000 MT)	0	-	0	0	0	0	0
Total Supply (1000 MT)	68,761	-	68,761	66,570	70,422	80,234	84,795
MY Exports (1000 MT)	19,323	-408(-2.07%)	19,731	20,647	21,656	27,048	26,373
TY Exports (1000 MT)	19,500	-500(-2.5%)	20,000	20,262	21,347	26,636	26,392
Feed and Residual (1000 MT)	3,266	-	3,266	2,091	2,402	2,309	2,592
FSI Consumption (1000 MT)	27,868	-1(%)	27,869	28,331	28,009	27,876	27,845
Total Consumption (1000 MT)	31,134	-1(%)	31,135	30,422	30,411	30,185	30,437
Ending Stocks (1000 MT)	18,304	+409(+2.29%)	17,895	15,501	18,355	23,001	27,985
Total Distribution (1000 MT)	68,761	-	68,761	66,570	70,422	80,234	84,795
Yield (MT/HA)	3.27	-	3.27	3.13	2.98	3.34	3.47

Source: USDA PS&D

➤ U.S. Domestic Prices



Note: As of March 6, 2024

Source: International Grains Council

*Note on FOB prices: HRW (Hard Red Winter); SRW (Soft Red Winter); SWW (Soft White Wheat); HRS (Hard Red Spring)

8 March 2024 USDA FAS – U.S. quotes have declined since the February WASDE, reflecting downward pressure in the global market and favorable U.S. weather conditions.

Soft Red Winter (SRW) decreased \$25 to \$230/ton with competition from other global competitors and good weather conditions for the upcoming crop.

Hard Red Winter (HRW) declined \$14 to \$272/ton as the 2024/25 crop emerged from dormancy with good conditions and warmer spring temperatures across the producing regions.

Hard Red Spring (HRS) prices softened \$11 to \$291/ton in concert with declining Canadian prices.

Soft White (SWW) slid the most, down \$30 to \$230/ton with weaker demand from trading partners.

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					
2022/23 (Est.)	Beginning Stocks	356	142	99	54	24	674
	Production	531	446	336	272	64	1,650
	Imports	5	56	4	7	51	122
	Supply, Total 3/	891	644	439	333	139	2,446
	Food	374	266	163	85	85	973
	Seed	29	17	14	6	3	68
	Feed and Residual	42	-8	65	-22	0	77
	Domestic Use	444	275	242	68	88	1,118
	Exports	224	214	107	190	23	759
	Use, Total	669	489	349	259	111	1,876
2023/24 (Proj.)	Ending Stocks, Total	223	155	90	74	28	570
	Beginning Stocks	223	155	90	74	28	570
	Production	601	468	449	235	59	1,812
	Imports	23	65	8	5	44	145
	Supply, Total 3/	847	688	547	314	131	2,527
	Food	378	255	160	84	83	960
	Seed	27	16	13	6	2	64
	Feed and Residual	25	10	90	-5	0	120
	Domestic Use	430	281	263	85	85	1,144
	Exports	135	230	165	155	25	710
	Use, Total	565	511	428	240	110	1,854
	Ending Stocks, Total Mar	282	177	119	74	21	673
	Ending Stocks, Total Feb	279	177	111	74	17	658

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.

8 March 2024 USDA WASDE – The outlook for 2023/24 U.S. wheat this month is for unchanged supplies and domestic use, lower exports, and higher ending stocks. Exports are reduced 15 million bushels to 710 million with reductions for Soft Red Winter and Hard Red Winter. Ending stocks are raised by an equivalent amount to 673 million bushels and are 18% higher than last year.

The season-average farm price is reduced \$0.05 per bushel to \$7.15.

➤ US Wheat Futures

Front month wheat futures were double digits higher into the weekend. The session ended with 6 to 10 ¾ cent gains on Friday. KC wheat futures were 13 ¼ to 14 cents higher at the close. MGE spring wheat futures were 8 cents firmer.

Global wheat S&Ds saw a 500 kmts increase for Australia and a 400 kmts increase for Argentina and a 500 kmts increase for Russia. The EU output was 350k tighter. On net exports were raised by 1.5 mmmts to 212.1 mmmts, of that the U.S. holds a now 9.1% market share.

In the world numbers wheat feeding increased 1.6 mmmts to 158.8 mmmts or 7 mmmts more than LY. EU wheat feeding was up 1 mmmts. Ukraine raised wheat export 1.0 with total foreign exports up 1.85 mmmts. Chinese wheat imports were lowered 1 to 11.0 vs 13.3 LY.

In total the USDA trimmed U.S. wheat exports by 15 mbus to 710 mbus in the monthly S&D update. That was added to carry-out as the only adjustment. USDA had some other minor domestic changes, which added 15 mbus to all wheat carryout.

CFTC's weekly CoT data had Chicago wheat specs adding more net shorts through the week. That grew their net short back to 65.5k contracts. The funds were slightly less net short in KC for the week. Spring wheat spec traders were shown with a 24,138 contract net short – an 1,830 contract weaker net position for the week.

➤ CME CBOT Wheat Futures – Daily Nearby



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

CME SRW futures May 2024 CBOT wheat closed on Friday at \$537½ /bu, up 9½ cents on the day, but off 20 cents for the week..

New crop July 2024 CBOT wheat closed on Friday at \$5.50½/bu, up 10½ cents on the day, after making new life of contract lows during the week.

China started the week with 52 mbu of outstanding SRW sales. However, the USDA confirmed another 110 kmmts Chinese SRW cancelation this morning following their 130 kmmts cancelation on Thursday.

Also Egypt's GASC canceled their import tender for wheat.

Sources showed Algeria booked between 850 kmmts and 900 kmmts of milling wheat.

Ukraine's March grain shipments were already 774 kmmts according to Ministry data. That compared to 641 kmmts last year. February's total was 5.8 mmmts and +11.5% vs last year.

The WK/WN went from a high of 1½ inverse in late Feb to closing today at 12½ carry.

➤ U.S. Export SRW Wheat Values – Friday the 8th of March 2024

SRW Wheat Gulf barge quotes, in cents/bus basis CBOT futures:

Changes are from the AM Barge basis report. Source: USDA
Gulf barge/rail quotes, in cents/bus.

CIF SRW WHEAT	3/7/2024	3/8/2024		
MAR	80 / 90	80 / 90	H	UNC
APR	85 / 95	75 / 85	K	
MAY	- / -	75 / 85	K	
JUN	55 / 60	55 / 60	N	UNC

➤ CME KC HRW Wheat Futures – Daily Nearby



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

Kansas May 2024 HRW Wheat Futures settled on Friday at \$5.88½/bu, up 8 cents on the day, and gaining 24 cents on the week.

The KN/CN rebounded off the low yesterday to +106 to settle at +122.5. If the HRW crop can finish, the wheat/corn spread is probably subject to continue to weaken.

There was additional chatter of some wheat feed trading in North Texas.

There was a heavy wet snow across W NE and northeast CO overnight, which will go a long way helping the HRW crop finish.

With KK/CN trading out to 14.75 inverse, continue to step into a DP short with longs left in the May. KC 11 pro A/M 120/145.

HRW KC protein scales were steady.

➤ **U.S. Export HRW Wheat Values – Friday the 8th of march 2024**

HRW Wheat Texas Gulf Rail quotes, in cents/bus basis KCBT futures:

Changes are from the AM Barge basis report. Gulf barge/rail quotes, in cents/bus.

TX GULF HRW

12% Protein	3/7/2024	3/8/2024		
MAR	150 / -	150 / -	K	UNC
APR	150 / -	150 / -	K	UNC

➤ **MGE HRS Wheat Futures – Daily Nearby**



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

MGE May 2024 HRS Wheat Futures settled on Friday at \$6.62³/bu, up 8 on the day, and gaining 19 cents for the week.

HRS saw 12 singles for sale with 15% 75c firmer at +275MK.

Portland Price Trends

7 March 2024

	03-01-23	08-01-23	02-01-24	02-29-24	03-07-24
#1 SWW (bu)	8.10	7.05	6.40	6.05	5.50
White Club	8.10	7.30	6.90	6.30	5.75
DNS 14%	9.48	9.05	7.81	7.44	7.45
HRW 11.5%	9.56	8.24	6.81	6.52	6.45
#2 Corn (ton)	278.00	254.00	226.00	218.00	213.00
#2 Barley	250.00	210.00	180.00	180.00	170.00

It was another rough and tumble week for the west coast white wheat markets, as recent price declines fail to attract any significant quantity of export demand. As a result, nearby bids slipped more than 50 cents and set at the lowest levels since September 2020.

Hard red winter and hard red spring bids recovered some ground on Thursday with a modest rebound across KC and Minneapolis futures.

USDA reported total old crop wheat sales of 10 mbus over the past week, along with 2.3 mb in new crop commitments. Year-to-date total sales of 677 mbus stand 6% ahead of a year ago but 14% below the 5-year average pace. Hard red spring wheat accounted for over half of the overall total and with 228 mb in commitments, sets 18% ahead of a year ago and 1% above average. Soft white wheat registered 2.7 mb in export demand last week and with 140 mb in sales, stands 13% behind a year ago and 20% below average.

The Philippines was the top U.S. wheat buyer for the week with 3.9 mb, followed by South Korea with 3.4 mb. Mexico was a buyer of a combined 2.7 mb between old crop and new crop positions.

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/	2021/22	2793.65	3588.62	513.28	2794.81	793.81
	2022/23 (Est.)	2749.77	3543.57	494.72	2763.94	779.64
	2023/24 (Proj.) Feb	2809.56	3587.20	503.23	2812.11	775.09
	Mar	2809.49	3589.13	507.86	2814.47	774.66
Wheat	2021/22	780.05	1063.91	202.77	791.16	272.75
	2022/23 (Est.)	789.17	1061.93	220.17	790.83	271.10
	2023/24 (Proj.) Feb	785.74	1056.96	210.69	797.52	259.44
	Mar	786.70	1057.80	212.13	798.98	258.83
Coarse Grains 5/	2021/22	1500.50	1824.14	253.62	1485.85	338.29
	2022/23 (Est.)	1446.02	1784.31	220.29	1452.96	331.36
	2023/24 (Proj.) Feb	1510.08	1840.17	240.92	1491.70	348.47
	Mar	1507.41	1838.76	243.15	1492.63	346.14
Rice, milled	2021/22	513.10	700.56	56.90	517.80	182.76
	2022/23 (Est.)	514.57	697.34	54.25	520.16	177.18
	2023/24 (Proj.) Feb	513.74	690.08	51.62	522.90	167.18
	Mar	515.39	692.57	52.58	522.87	169.70

8 March 2024 USDA WASDE – This month's USDA WASDE global coarse grain production for 2023/24 was forecast 2.7 mmts lower to 1,507.4 million. This month's foreign coarse grain outlook is for reduced production, larger trade, and smaller ending stocks relative to last month. Non-U.S. corn production is forecast lower with declines for South Africa, Ukraine, Mexico, Venezuela, and Russia that are partly offset by increases for Argentina and Syria. South Africa is down reflecting lower yield prospects. Mexico is cut based on expectations of lower winter corn area. Ukraine and Russia are reduced based on reported harvest results to date. Argentina is raised based on higher expected area. Foreign barley production is down, with reductions for Iraq and Syria that are partly offset by an increase for Australia.

Major global trade changes include higher corn exports for Ukraine and Argentina but reductions for South Africa and India. Corn imports are lowered for the EU, Saudi Arabia, Israel, and South Korea but raised for Mexico, Venezuela, and Indonesia. Barley exports are raised for Australia. Foreign corn ending stocks are lower, mostly reflecting a decline for Ukraine that is partly offset by an increase for Brazil. Global corn ending stocks, at 319.6 mmts, are down 2.4 million.

CORN

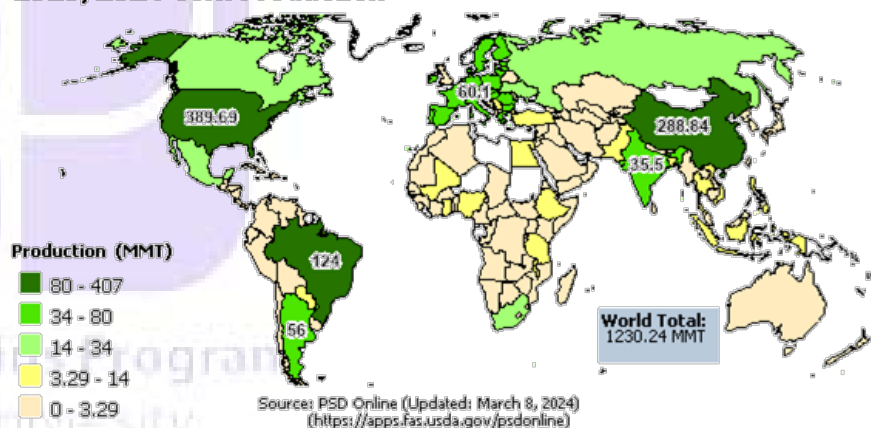
World Corn Supply & Demand Outlook

Corn World as of March 2024							
Attribute	23/24 Mar'24	Change	23/24 Feb'24	22/23	21/22	20/21	19/20
Area Harvested (1000 HA)	202,868	-657(-.32%)	203,525	200,528	206,171	198,468	193,623
Beginning Stocks (1000 MT)	301,620	+1371(+.46%)	300,249	310,645	292,944	309,527	323,075
Production (1000 MT)	1,230,241	-2329(-.19%)	1,232,570	1,157,531	1,215,970	1,128,770	1,122,023
MY Imports (1000 MT)	189,483	-335(-.18%)	189,818	172,579	184,447	184,749	167,686
TY Imports (1000 MT)	191,143	-335(-.17%)	191,478	172,500	186,706	179,783	169,682
TY Imp. from U.S. (1000 MT)	0	-	0	42,760	62,862	68,359	47,064
Total Supply (1000 MT)	1,721,344	-1293(-.08%)	1,722,637	1,640,755	1,693,361	1,623,046	1,612,784
MY Exports (1000 MT)	202,266	+1450(+.72%)	200,816	180,187	206,385	182,728	172,394
TY Exports (1000 MT)	197,499	-450(-.23%)	197,949	180,670	193,478	184,082	175,878
Feed and Residual (1000 MT)	761,616	-135(-.02%)	761,751	729,578	743,284	725,599	713,990
FSI Consumption (1000 MT)	437,836	-175(-.04%)	438,011	429,370	433,047	421,775	416,873
Total Consumption (1000 MT)	1,199,452	-310(-.03%)	1,199,762	1,158,948	1,176,331	1,147,374	1,130,863
Ending Stocks (1000 MT)	319,626	-2433(-.76%)	322,059	301,620	310,645	292,944	309,527
Total Distribution (1000 MT)	1,721,344	-1293(-.08%)	1,722,637	1,640,755	1,693,361	1,623,046	1,612,784
Yield (MT/HA)	6.06	-	6.06	5.77	5.90	5.69	5.79

Source: USDA PS&D

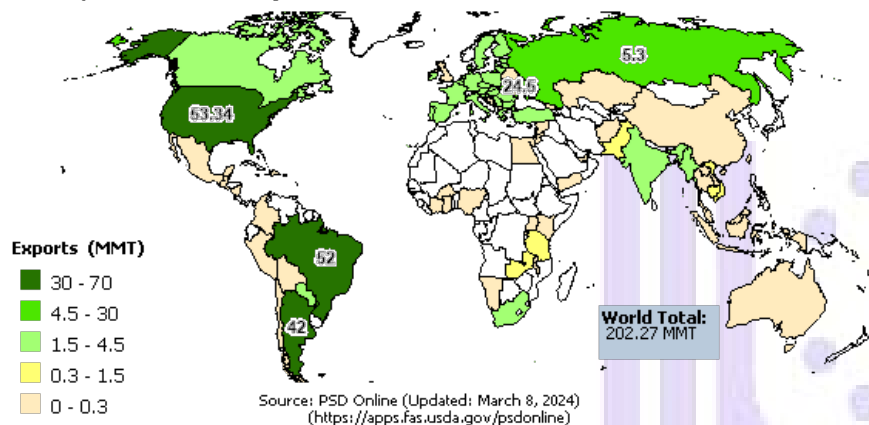
8 March 2024 USDA WASDE – This month's USDA WASDE global corn production is forecast down this month, primarily on smaller crops in Mexico, South Africa, Ukraine, and Venezuela.

2023/2024 Corn Production



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

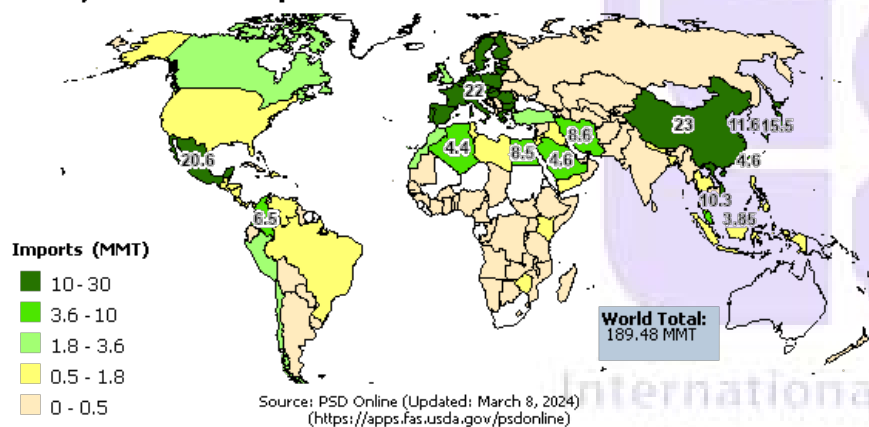
2023/2024 Corn Exports



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

Global trade is forecast down slightly as higher exports for Argentina and Ukraine do not offset cuts to Brazil, India, and South Africa.

2023/2024 Corn Imports



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

Global imports are down as cuts to the European Union, Saudi Arabia, and Israel more than offset increases to Mexico and Venezuela.

The U.S. season-average farm price is down 5 cents to \$4.75 per bushel.

TRADE CHANGES IN 2023/24 (1,000 MT)

Country	Commodity	Attribute	Previous	Current	Change	Reason
Algeria	Corn	Imports	4,400	4,600	200	Competitive Argentine corn prices
Argentina	Corn	Exports	35,000	37,000	2,000	Larger crop
Australia	Barley	Exports	6,000	6,500	500	Larger crop
Bangladesh	Corn	Imports	1,400	1,200	-200	Lower India exports
Brazil	Corn	Exports	55,000	52,000	-3,000	Weak finish to prior, slow start to new marketing year
China	Barley	Imports	8,400	8,700	300	Large Australia imports and competitive landed prices
European Union	Corn	Imports	23,000	22,000	-1,000	Pace of imports per customs surveillance; expectations of more wheat feeding
India	Corn	Exports	2,200	1,800	-400	Stronger domestic prices for corn
Indonesia	Corn	Imports	1,000	1,200	200	Larger feed demand
Israel	Corn	Imports	1,800	1,600	-200	Observed trade
Korea, South	Corn	Imports	11,800	11,600	-200	Higher wheat in feed
Mexico	Corn	Imports	19,600	20,600	1,000	Smaller winter corn production
Morocco	Barley	Imports	1,000	1,200	200	Strong pace of trade
Saudi Arabia	Barley	Imports	3,900	3,600	-300	Observed trade
	Corn	Imports	4,900	4,600	-300	Observed trade
South Africa	Corn	Exports	3,400	3,000	-400	Smaller crop
Ukraine	Corn	Exports	23,000	24,500	1,500	Observed trade
United States	Sorghum	Exports	6,200	6,400	200	Continued strong FGIS inspections volume
Venezuela	Corn	Imports	700	1,000	300	Smaller crop

➤ Argentina Corn: Planted Area Increased

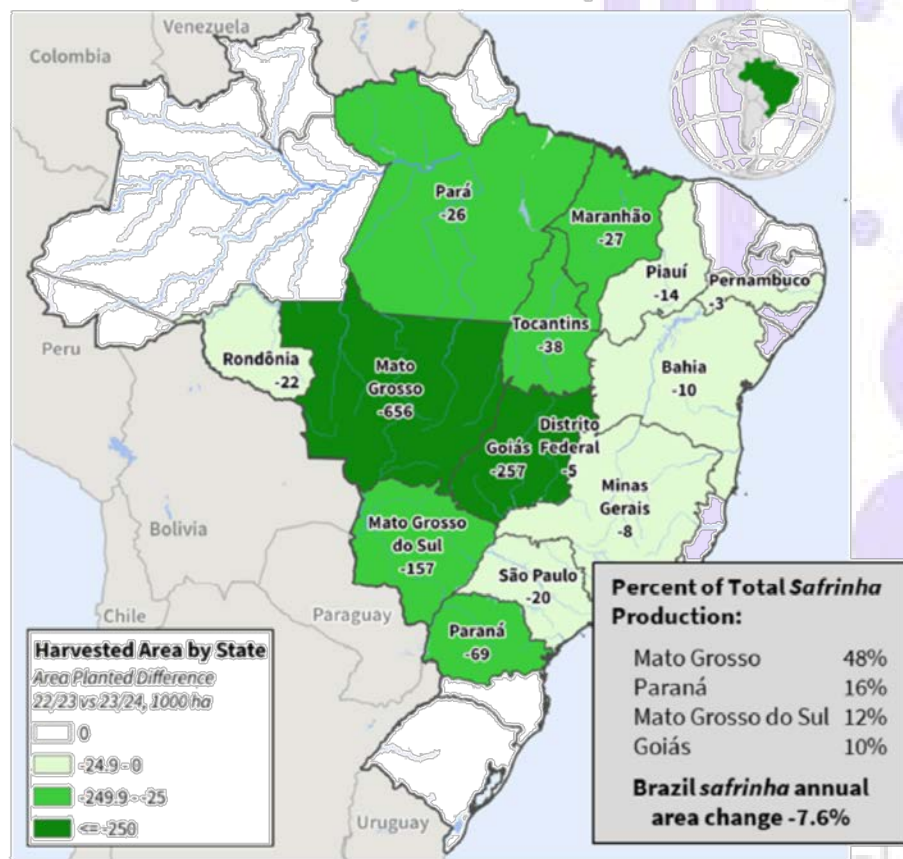
8 March 2024 USDA FAS – Argentina corn production for marketing year 2023/24 is forecast at 56.0 million metric tons, up 2% from last month, and up 56% from last year. Corn yield is forecast at 8.00 tons per hectare, up slightly from last month, and up 50% from last year's yield. Harvested area is forecast at 7.0 million hectares (mha), up 1% from last month, and 4% from last year.

Planting occurs from late September until early February but there are two distinct periods; early planted corn that occurs from late September until early December and late-planted corn that occurs from early December until early February. Bolsa de Cereales Buenos Aires increased their planted area forecast to 7.2 mha and average abandonment is 3%. Rainfall in the main corn producing provinces has been above average and significantly above last year's low rainfall levels. High heat occurred in early February, but crop conditions are above average, and the crop still has another month in the critical yield development stage.

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

➤ Brazil Safrinha Corn Crop Sowing Advances Rapidly

Brazil 2nd Corn Crop: Annual Area Change from MY 2022/23 to MY 2023/24



Source: CONAB Production Statistics

8 March 2024 USDA FAS – Brazil corn production for marketing year (MY) 2023/24 is estimated at 124.0 million metric tons (mmt), unchanged from last month, and lower by 13.0 mmt (9%) from last year's record crop. Harvested area for all three corn crops is estimated unchanged from last month at 21.9 million hectares (mha), and lower by 0.5 mha (2%) from last year's record.

Yield is estimated at 5.66 tons per hectare, 7% below the record MY 2022/23 yield, and 2% above the 10-year trend yield.

Planted area for the second-season crop was reduced drastically this season by market pressures to 15.9 mha (about 7.6% lower than last year) according to the Companhia Nacional de Abastecimento (CONAB). This is the largest area reduction observed for the Brazilian safrinha crop. The state with the largest area reduction is the highest safrinha producer, Mato Grosso, where area was reduced by 9% or 656,000 hectares.

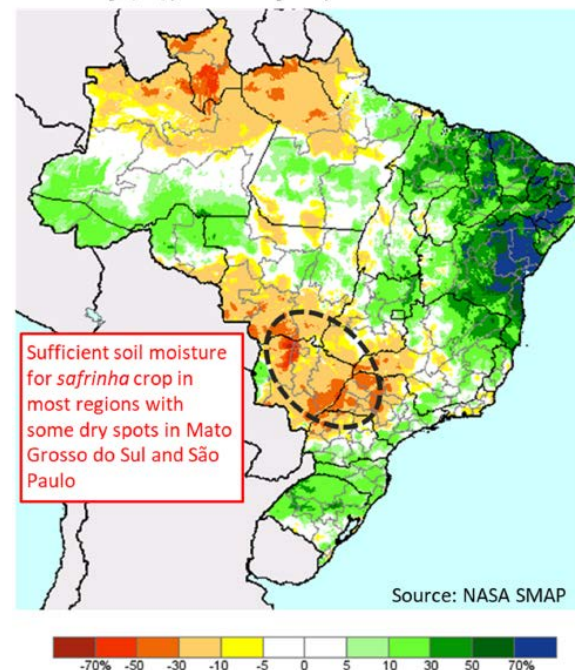
Harvest is underway for the first-season crop (19% of total production) and is about 29% complete in early March, compared to 23% at this time last season. Planted area for the first-season crop is reported at 3.9 mha (11.5% smaller than last year) and production is at 23.6 mmt (almost 14% below last year's production), as reported by CONAB. State level reporting from Paraná shows a slightly larger production, but yield was reduced by 13% from the initial estimate. In southern Brazil, yield was reduced due to excessive rains during pollination stages.

Planting for the second-season crop (78% of total production) is progressing at a rapid pace in several center-west and southern states. Overall sowing is ahead of the 5-year pace at 74% nationally compared to 64% last season. The Instituto Mato-Grossense de Economia Agropecuária (IMEA) reports 90% of the area has been sown for the state of Mato Grosso for MY 2023/24, tracking ahead of the 5-year average. Roughly 90% of the crop in Mato Grosso was sown within the ideal window per IMEA. In the second largest safrinha producer, Paraná, sowing is currently at 66%, well ahead of the 5-year average of 44%.

Soil moisture conditions are favorable in most states except for some localized areas in the state of Mato Grosso do Sul. Planting will continue through March in the center-west and south and through May in the northeastern states. The peak harvest period ranges from June to August.

(For more information, please contact Sunita.Yadav-Pauletti@usda.gov.)

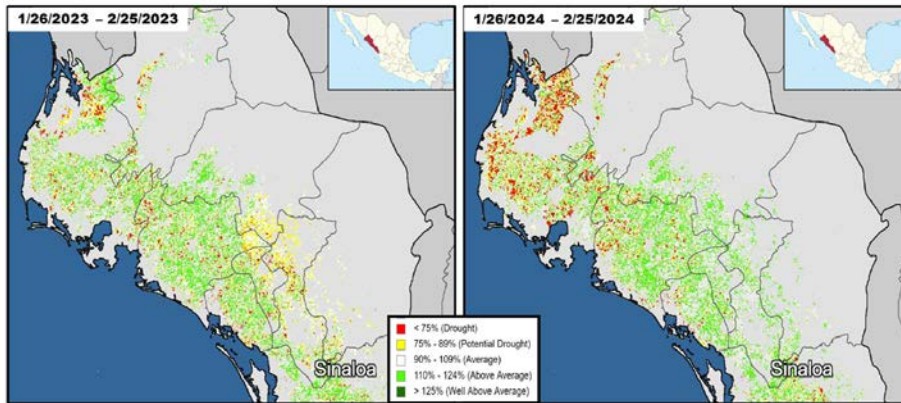
SMAP Root Zone (0-100 cm) Soil Moisture Anomaly (%), February 29, 2024



➤ Mexico Corn: Dryness Reduces Winter Crop Area

8 March 2024 USDA WASDE – USDA estimates marketing year 2023/24 corn production at 24.0 million metric tons, down 4% from last month and down 15% from last year. Harvested area is estimated at 6.1 million hectares (mha), down 5% from last month and 11% from last year. Yield is estimated at 3.93 metric tons per hectare, up 1% from last month, but down 3% from last year.

MODIS Percent Average Seasonal Greenness (PASG 1-Month) in Sinaloa



Source: USDA NASA MODIS Percent of Average Seasonal Greenness (250 meter), ESRI Sentinel-2 non-cropland mask 2020 (10 meter)

Mexico corn is planted in two seasons, spring/summer (main) followed by fall/winter, with the bulk of the production occurring in the main season, at 75%. The main corn season relies predominantly on rainfall for crop development. Rainfall for the 2023 main corn crop underperformed throughout the rainy season (April through October). As a result, corn planted area for the main season was one of the lowest on record.

The winter season corn crop, predominantly irrigated, has experienced water supply shortages caused by the drier than normal wet season. As a result, winter corn planting pace continues to be one of the slowest planting periods on record. As of January 31, 2024, SADER/SIAP reported winter season planted area at 0.706 mha, down from 1.059 mha last year.

Crop vegetative conditions depicted through the satellite-derived MODIS Normalized Difference Vegetation Index (NDVI) highlights the below average conditions in the northern region of Sinaloa.

(For more information, please contact Justin.Jenkins@usda.gov and lfeoma.Collins@usda.gov.)

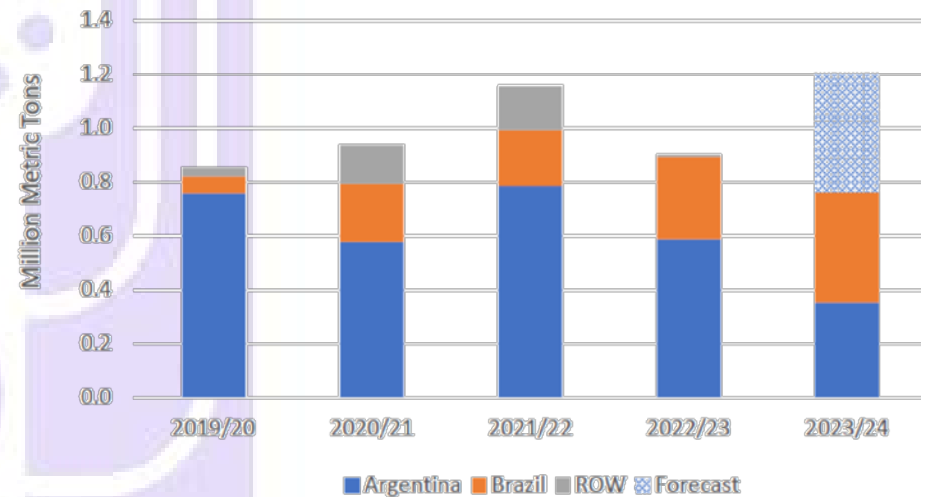
➤ **Indonesian Imports Raised on Growing Demand**

8 March 2024 USDA FAS – Indonesia corn imports for 2023/24 (Oct-Sep) are revised to 1.2 mmmts, up 33% year over year and an 8-year high. Drivers include a decline in global corn prices, and a growth in feed demand from Indonesia's poultry and ethanol sector.

Favorable prices have played a large part in Indonesia's increase in imports. Over the past 5 years, 69% of Indonesia corn imports were from Argentina and 23% from Brazil, which is often an early-season supplier until the start of the Argentine marketing year in March. Argentina's 2023/24 devaluation of the peso, drop in corn prices from \$306/ton to \$251/ton year over year, and larger supplies make Argentina an attractive origin for Indonesia.

Larger feed demand, especially from the growing poultry sector, combined with new ethanol capacity, has further spurred imports. Indonesia's Ministry of Agriculture estimated broiler population at 3.2 billion birds in 2022, with a forecast of 8.5% growth per year from 2020/21 to 2023/24.

Indonesia Corn Imports by Supplier (Oct-Sep)

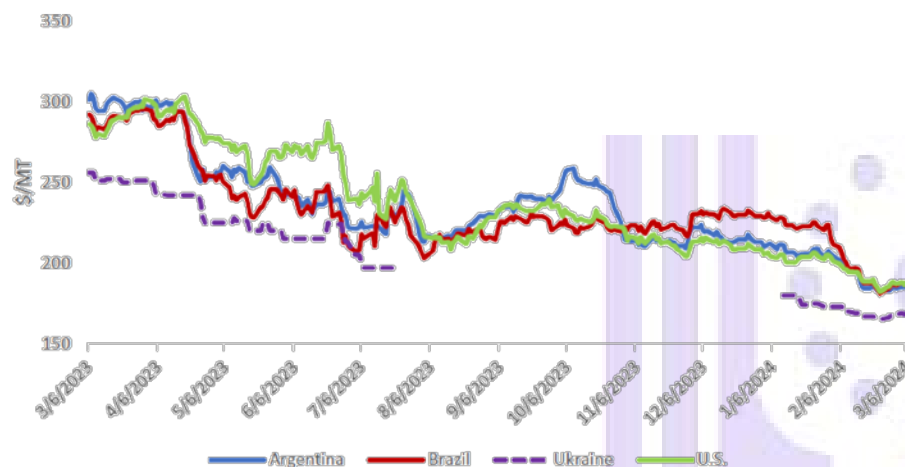


Source: Trade Data Monitor, LLC.

Additionally, the return of Indonesia's feed formulation composition to historical norms of 50% -60% corn may further boost demand. While wheat is another component of feed formulation, trade policies make imports of feed-quality wheat challenging. With lower global corn prices incentivizing higher corn ratios in feed and the operation of two new ethanol plants with 300,000 tons capacity, low domestic supplies are causing corn prices to rise higher than the government reference price of \$318/ton to \$446/ton. In an effort to control inflation, Indonesia's National Logistics Agency (BULOG) announced additional imports of approximately 500,000 tons. December imports also skyrocketed to 321,000 tons indicating that Indonesia may need to continue to import above-average corn supplies to support its growing demand.

➤ **Global Corn Prices**

Selected Export Bids, FOB



Source: International Grains Council

Export bids (fob, US\$ per ton)	6-Mar-24	6-Feb-24	6-Mar-23	% change, YoY
Argentina, Up River	185	200	301	-39%
Brazil, Paranaguá	188	206	292	-36%
Ukraine	169	173	256	-34%
U.S. #3 Yellow Corn, Gulf	188	198	286	-34%

8 March 2024 USDA FAS – Since the February WASDE, export bids for all major exporters continued to ease amid ample global supplies. Bids for Argentina, Brazil, and the United States are now essentially at parity.

Argentine bids were down \$15/mt to \$185; the outlook for Argentina production remains favorable for a large year-to-year rebound in exportable supplies.

U.S. bids were down \$10/mt to \$188 as domestic supplies remain plentiful.

Brazilian bids were down \$18/mt to \$186. Last season's exports have drawn to a close and the market awaits the new season's safrinha.

Ukrainian bids were down \$5/mt to \$168 as Ukraine continues to export through its Odesa ports.

➤ **Corn Export Prices (FOB, US\$/mt) as 5th of March 2024**

		TW	LW	LY	%Y/Y
Argentina, Up River	Mar	185	183	301	-39
Brazil, Paranaqua	Mar	186	184	293	-36
Ukraine	Mar	168	166	256	-34
US Gulf	Mar	186	186	287	-35

Source: International Grains Council

CME futures gained by 1%, recovering slightly from recent contract lows, on light speculative and technical short covering. Amid little fresh news, activity was partly shaped by positioning in the run up to the 8th March WASDE update. Light support stemmed from solid weekly export sales data, up by 1.1 mmts in the w/e 22nd February, lifting the MY (Sep/Aug) total to 38.1 mmts (+30% y/y). More recently however, traders noted increasingly strong competition from Ukraine, highlighted by recent bookings from that origin to China. Demand concerns contributed to some easing of Gulf export premiums after the weekend, offsetting the modest advances in the futures market.

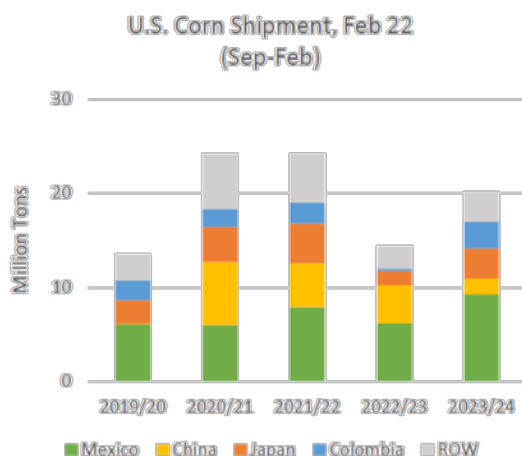
Brazilian export quotations were seasonally nominal, where there remain significant differences in forecasts for 2023/24 secondary (safrinha) production. According to Conab, harvesting of the primary (full-season) crop was 29% finished by 3rd March (25% last week, 23% last year). Dry conditions aided harvesting in Minas Gerais, but with operations in Rio Grande do Sul interrupted by rains. Safrinha sowings were 74% finished (59%, 64%). In Mato Grosso, accelerated sowing progress compared to the previous season partly reflected reduced planting intentions. Precipitation across the state supported crop development. Following recent rains in Argentina, the Buenos Aires Grain Exchange noted a recent improvement in crop conditions, rated at 87% fair/excellent (85%, 44%) in the w/e 28th February. Harvesting of early-planted crops continued in the provinces of Santa Fe and Entre Rios.

Maize markets in Ukraine were firmer, buoyed by recent buying interest from China, Turkey and the EU (Spain). Shipments in w/e 4 March totalled 674,000 mts, with cumulative exports since July at 16.1 mmts (-16% y/y). In South Africa, the Crop Estimates Committee (CEC) forecast 2023/24 commercial production at 14.4 mmts (16.4 mmts). With weather recently turning unfavorably dry, SAFEX white maize futures climbed to fresh contract highs.

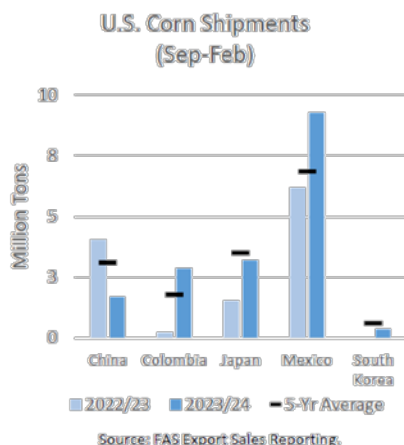
➤ **U.S. Corn Exports Shift Destinations as Brazil Captures China Market**

8 March 2024 USDA FAS – As of February 22nd, 2024, U.S. shipments and outstanding sales (commitments) of corn have reached 38 mmts in 2023/24 (Sep-Aug). Record U.S. corn production and large inventories have contributed to a nearly one-third decline in U.S. corn export prices from a year ago, increasing U.S. competitiveness and supporting forecast exports in 2023/24.

Absent from the list of renewed buyers is China. Since May 2022, a new phytosanitary agreement has enabled corn trade between Brazil and China, increasing competition in China later in the year. To-date commitments of U.S. corn stand at just 1.7 mmts, 3.0 million less than in 2022/23 and a fraction of the 17.0 mmts China at the same point in 2020/21. This sharp drop is mostly due Brazil's bumper 2023 safrinha corn crop, which made Brazil supplies extremely competitive at the start of the current U.S. marketing year.



to other buyers, presenting new opportunities for U.S. exporters to backfill markets supplied by Brazil last year, while also enabling U.S. trade to further support record demand in Mexico.

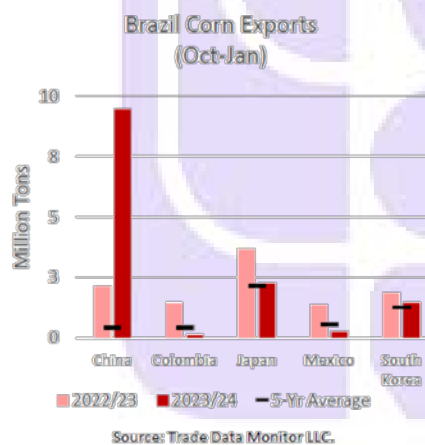


Mexico has been a top buyer of U.S. corn for many years. In 2023/24 (Oct-Sep), Mexico imports are forecast at a record 20.6 mmTs. Surging consumer demand for livestock products continues to support feed demand in Mexico. An ongoing drought and reduction in water available for irrigated winter corn has also hindered Mexico's domestic corn supplies, further fueling imports. Corn inspected for export to Mexico totals 9.4 mmTs this marketing year, 3.1 mmTs higher than in 2022/23 and 38% higher than the 5-year average. By law, truck and rail shipments are not required to be inspected.

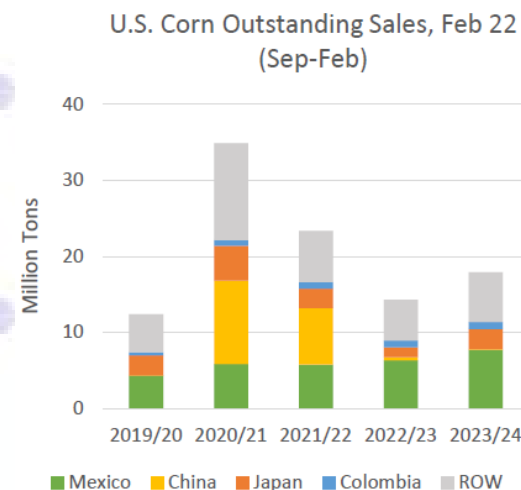
In Colombia, renewed U.S. supplies and the advantage of duty-free access along with weaker 2022/23 Argentina exports have caused volumes to rebound. Between

From August 2023 through January 2024, Brazil exported 45.2 mmTs of corn, with China accounting for one third of the total. Per China Customs data, Brazil corn accounted for nearly 85% of imports between September and December 2023. While lower global corn prices are limiting expansion in 2024 safrinha crop plantings, Brazil's marketing year (Mar-Feb) exports remain forecast at 52.0 mmTs, posing competition for U.S. corn trade in 2024/25.

Higher Brazil shipments to China have reduced supplies available



October through December 2023, Colombia imported around 90% of supplies from the United States versus 70% from Brazil in October-December 2022. U.S. market share plummeted in 2022/23 amid high prices and preferential access granted to Brazil under the Andean Price Band system.



Commitments in long-standing East Asia markets including Japan, South Korea, and Taiwan have also recovered year to year. Lower corn prices in 2023/24 have offset the higher cost of moving corn for shipment out of ports in the Pacific Northwest. These ports offer faster shipping times than those in Argentina or Brazil, preserving quality characteristics and reducing delays for these entirely import dependent markets.

Some headwinds are still present for U.S. exporters through the remainder of the year. After facing a significant drought in

2022/23 (Mar-Feb), Argentina exports are forecast to rebound and increase competition for the United States in the coming months.

U.S. corn exports are forecast at 53.3 mmTs for marketing year 2023/24 (Sep-Aug) and 54.0 million for trade year 2023/24 (Oct-Sep), unchanged from last month's forecast.

USDA – U.S. Corn Supply & Demand Outlook

Corn United States as of March 2024							
Attribute	23/24 Mar'24	Change	23/24 Feb'24	22/23	21/22	20/21	19/20
Area Harvested (1000 HA)	35,011	-	35,011	31,851	34,394	33,252	32,776
Beginning Stocks (1000 MT)	34,551	-	34,551	34,975	31,358	50,913	56,823
Production (1000 MT)	389,694	-	389,694	346,739	381,469	357,819	344,651
MY Imports (1000 MT)	635	-	635	983	615	616	1,064
TY Imports (1000 MT)	600	-	600	1,022	607	629	959
TY Imp. from U.S. (1000 MT)	0	-	0	0	0	0	0
Total Supply (1000 MT)	424,880	-	424,880	382,697	413,442	409,348	402,538
MY Exports (1000 MT)	53,342	-	53,342	42,195	62,802	69,775	45,175
TY Exports (1000 MT)	54,000	-	54,000	42,833	62,978	68,293	47,035
Feed and Residual (1000 MT)	144,152	-	144,152	139,368	144,038	143,959	146,778
FSI Consumption (1000 MT)	172,220	-	172,220	166,583	171,627	164,256	159,672
Total Consumption (1000 MT)	316,372	-	316,372	305,951	315,665	308,215	306,450
Ending Stocks (1000 MT)	55,166	-	55,166	34,551	34,975	31,358	50,913
Total Distribution (1000 MT)	424,880	-	424,880	382,697	413,442	409,348	402,538
Yield (MT/HA)	11.13	-	11.13	10.89	11.09	10.76	10.52

Source: USDA PS&D

8 March 2024 USDA WASDE – This month's USDA WASDE 2023/24 U.S. corn outlook is unchanged relative to last month.

The season-average corn price received by producers is lowered to \$4.75 per bushel based on observed prices to date.

➤ **CME CBOT Corn Futures – Nearby Daily**



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

CBOT May 2024 Corn Futures settled on Friday at \$4.39/bu, up 1½ cents on the day, up 15 cents for the week

Corn prices finished in the black Friday after the USDA. While the report was mostly neutral, May futures prices saw a 10½ cent range almost entirely in the black on the day. Spreads leaked wider with the K/N back to -12 and N/Z at -20½.

The WASDE left the US balance sheet unchanged as the only change for domestic corn S&Ds was a nickel worse cash average price, now at \$4.75. Most traders were looking for tighter carryover, though no change was recognized by USDA.

The WAOB tightened global corn production by 2.3 mmts. That was a result of a 1.3 mmts cut to South Africa, Ukraine was 1 mmts tighter and Russia was trimmed by 400 kmts. USDA raised Argentina's production by 1 mmts and left Brazil unchanged.

The surprise was for a 1 mmts larger export total for Ukraine, despite the 2.8 mmts carry-in and lower production forecast.

Worth noting was the USDA increase in worldwide corn demand by 1.5 mmts to 1212 mmts, up 46 mmts y/y and up 14 mmts from the 2021/22 record. Compared to 2021/22, all of the "new" demand is via China. This is all a bit of a "headscratcher"

considering the headlines coming out of China and global food companies reporting drops in volumes in Q4 earnings.

Total global stocks were revised 2.4 mmts tighter to 319.6 mmts – compared to the average trade guess of -1.2 mmts.

Preliminary Open Interest showed short covering in May (-4.3k) and net new buying in Dec (+1k). CME also had 7.8k new calls added yesterday with 5k fewer puts across the corn complex.

CFTC reported a strong liquidation from the corn specs during the week that ended the 5th of May. The 43k fewer contracts reduced their net long by 10.7k contracts to 11.4k contracts. The funds were 1.5k contracts more net short at 296.8k contracts after a slight positional change for the week. This was the smallest long position since Jan 9th.

➤ **U.S. Export Corn Values – Friday the 8th of March 2024**

Corn CIF NOLA Gulf barge/rail quotes, in cents/bush basis CBOT futures:

USDA (U.S. No. 2, 14.5% moisture, CIF NOLA Gulf barge/rail quotes, in cents/bush.

CIF CORN	3/7/2024	3/8/2024	Del. Mo.
MAR	62 / 63	49 / 53	K
APR	52 / 53	50 / 54	K
MAY	53 / 55	52 / 55	K
JUN	44 / 49	42 / 48	N
JUL	44 / 49	42 / 48	N
OCT	52 / 59	52 / 60	Z

BRAZIL FOB CORN @ PORT PARANAGUA

	3/7/2024	3/8/2024	
JUL	47 / 60	60 / 70	N
AUG	35 / 55	40 / 50	U
SEP	30 / 50	40 / 50	U
OCT	50 / 60	35 / 45	Z

Cash basis was mostly steady today after a decent a decent round of farmer selling yesterday.

BARLEY

➤ World Barley Supply & Demand Outlook

Barley World as of March 2024							
Attribute	23/24 Mar'24	Change	23/24 Feb'24	22/23	21/22	20/21	19/20
Area Harvested (1000 HA)	47,755	+595(+1.26%)	47,160	47,691	50,119	52,451	52,173
Beginning Stocks (1000 MT)	20,070	-129(-.64%)	20,199	18,485	21,442	21,930	20,050
Production (1000 MT)	142,224	-558(-.39%)	142,782	149,611	145,104	161,405	159,244
MY Imports (1000 MT)	28,055	+448(+1.62%)	27,607	31,215	30,087	36,066	28,638
TY Imports (1000 MT)	27,830	+415(+1.51%)	27,415	29,909	29,101	36,912	27,996
TY Imp. from U.S. (1000 MT)	0	-	0	56	67	346	154
Total Supply (1000 MT)	190,349	-239(-.13%)	190,588	199,311	196,633	219,401	207,932
MY Exports (1000 MT)	28,508	+493(+1.76%)	28,015	30,557	32,341	36,280	28,953
TY Exports (1000 MT)	28,540	+469(+1.67%)	28,071	30,376	28,494	37,370	29,480
Feed and Residual (1000 MT)	97,438	-935(-.95%)	98,373	103,373	100,095	115,893	111,099
FSI Consumption (1000 MT)	45,859	+75(+.16%)	45,784	45,311	45,712	45,786	45,950
Total Consumption (1000 MT)	143,297	-860(-.6%)	144,157	148,684	145,807	161,679	157,049
Ending Stocks (1000 MT)	18,544	+128(+.7%)	18,416	20,070	18,485	21,442	21,930
Total Distribution (1000 MT)	190,349	-239(-.13%)	190,588	199,311	196,633	219,401	207,932
Yield (MT/HA)	2.98	(-1.65%)	3.03	3.14	2.90	3.08	3.05

Source: USDA PS&D

➤ Barley Export Prices (FOB, US\$/mt) as of 5th of March 2024

		TW	LW	LY	%Y/Y
Argentina Feed, Up River	Mar	215	215	320	-33
Australia Feed, Port Adelaide (SA) a)	Mar	228	232	273	-16
Australia Malting, Adelaide, (SA) a)	Mar	241	247	342	-29
Black Sea Feed	Mar	170	180	255	-33
EU (France), Feed Rouen	Mar	195	204	289	-33

Source: International Grains Council

Mostly due to declines in the EU and the Black Sea, with weakness in wheat markets weighing on market sentiment. The European Commission lifted the 2023/24 production forecast by 0.1 mmmts m/m, to 47.5 mmmts (-8% y/y), with ending stocks up by the same amount, to 4.3 mmmts (-24%). In the w/e 26th February, spring sowings in France made little progress, advancing to 27% complete (26% previous week, 92% previous year), with winter crop conditions pegged at 70% good/excellent (71%, 93%). Amid favorable weather conditions, early 2024/25 spring sowings got underway in Ukraine's southern oblasts, covering 11,400 ha as at 29th February.

In its March crop report, Australia's ABARES maintained its 2023/24 production estimated at 10.8 mmmts (-24%) from 4.2 mha (+1%). Based on positive soil moisture and improved precipitation prospects amid a fading El Niño event, the 2024/25 outturn could increase to 11.6 mmmts, with planted area, including in Queensland and New South Wales, seen rising, too. Exports are anticipated to exceed the long-term average.

In trade news, Iran's SLAL is in the market today for 120,000 mts feed barley from optional origins, March/April shipment, while Jordan's state grain buyer secured 60,000 mts, at \$219.50 C&F, May shipment.

➤ Jordan gets 4 participants in 120,000 mts barley tender

28 February 2024 by Michael Hogan, Reuters - An estimated four trading companies are believed to be taking part so far in the international tender from Jordan's state grains buyer to purchase up to 120,000 metric tons of animal feed barley on Wednesday, traders said.

Trading houses participating so far were believed to be Viterra, Dreyfus, Cerealcon Dolj and Grainflower.

No purchase has yet been made and results are expected later on Wednesday, traders said.

➤ U.S. Barley Supply & Demand Outlook

Barley United States as of March 2024							
Attribute	23/24 Mar'24	Change	23/24 Feb'24	22/23	21/22	20/21	19/20
Area Harvested (1000 HA)	1,034	-	1,034	981	807	896	898
Beginning Stocks (1000 MT)	1,433	-	1,433	809	1,555	1,856	1,895
Production (1000 MT)	4,029	-	4,029	3,787	2,626	3,717	3,754
MY Imports (1000 MT)	327	+22(+7.21%)	305	513	320	142	154
TY Imports (1000 MT)	325	-	325	461	458	137	157
TY Imp. from U.S. (1000 MT)	0	-	0	0	0	0	0
Total Supply (1000 MT)	5,789	+22(+.38%)	5,767	5,109	4,501	5,715	5,803
MY Exports (1000 MT)	87	+22(+33.85%)	65	46	160	300	125
TY Exports (1000 MT)	75	-	75	57	70	349	155
Feed and Residual (1000 MT)	1,306	-	1,306	775	495	667	736
FSI Consumption (1000 MT)	2,723	-	2,723	2,855	3,037	3,193	3,086
Total Consumption (1000 MT)	4,029	-	4,029	3,630	3,532	3,860	3,822
Ending Stocks (1000 MT)	1,673	-	1,673	1,433	809	1,555	1,856
Total Distribution (1000 MT)	5,789	+22(+.38%)	5,767	5,109	4,501	5,715	5,803
Yield (MT/HA)	3.90	-	3.90	3.86	3.25	4.15	4.18

Source: USDA PS&D

GRAIN SORGHUM

➤ World Grain Sorghum Supply & Demand Outlook

Sorghum World as of March 2024							
Attribute	23/24 Mar'24	Change	23/24 Feb'24	22/23	21/22	20/21	19/20
Area Harvested (1000 HA)	41,573	-18(-.04%)	41,591	39,670	40,631	42,997	39,347
Beginning Stocks (1000 MT)	3,649	+28(+.77%)	3,621	4,096	3,969	3,724	5,194
Production (1000 MT)	59,717	+138(+.23%)	59,579	55,346	60,927	62,788	56,817
MY Imports (1000 MT)	8,964	+122(+1.38%)	8,842	6,129	12,553	9,930	5,605
TY Imports (1000 MT)	9,009	+137(+1.54%)	8,872	6,086	12,534	9,968	5,629
TY Imp. from U.S. (1000 MT)	0	-	0	2,868	7,329	6,882	5,325
Total Supply (1000 MT)	72,330	+288(+.4%)	72,042	65,571	77,449	76,442	67,616
MY Exports (1000 MT)	9,571	+327(+3.54%)	9,244	6,322	11,758	11,423	6,515
TY Exports (1000 MT)	9,543	+100(+1.06%)	9,443	6,802	11,813	10,552	6,386
Feed and Residual (1000 MT)	22,629	+88(+.39%)	22,541	19,002	26,341	24,127	20,340
FSI Consumption (1000 MT)	36,409	-142(-.39%)	36,551	36,598	35,254	36,923	37,037
Total Consumption (1000 MT)	59,038	-54(-.09%)	59,092	55,600	61,595	61,050	57,377
Ending Stocks (1000 MT)	3,721	+15(+.4%)	3,706	3,649	4,096	3,969	3,724
Total Distribution (1000 MT)	72,330	+288(+.4%)	72,042	65,571	77,449	76,442	67,616
Yield (MT/HA)	1.44	+(+.7%)	1.43	1.40	1.50	1.46	1.44

Source: USDA PS&D

GHA: For summer crops due to be harvested in the coming months, ABARES said Australia would produce 2 mmts of sorghum,

➤ USDA – U.S. Grain Sorghum

Sorghum United States as of March 2024							
Attribute	23/24 Mar'24	Change	23/24 Feb'24	22/23	21/22	20/21	19/20
Area Harvested (1000 HA)	2,475	-	2,475	1,849	2,626	2,062	1,892
Beginning Stocks (1000 MT)	616	-	616	1,201	516	764	1,617
Production (1000 MT)	8,071	-	8,071	4,770	11,375	9,474	8,673
MY Imports (1000 MT)	1	-	1	0	0	1	1
TY Imports (1000 MT)	1	-	1	0	0	1	1
TY Imp. from U.S. (1000 MT)	0	-	0	0	0	0	0
Total Supply (1000 MT)	8,688	-	8,688	5,971	11,891	10,239	10,291
MY Exports (1000 MT)	6,223	+127(+2.08%)	6,096	2,771	7,515	7,085	5,162
TY Exports (1000 MT)	6,400	+200(+3.23%)	6,200	2,965	7,387	6,926	5,404
Feed and Residual (1000 MT)	1,143	-	1,143	1,078	2,031	2,465	2,456
FSI Consumption (1000 MT)	762	-127(-14.29%)	889	1,506	1,144	173	1,909
Total Consumption (1000 MT)	1,905	-127(-6.25%)	2,032	2,584	3,175	2,638	4,365
Ending Stocks (1000 MT)	560	-	560	616	1,201	516	764
Total Distribution (1000 MT)	8,688	-	8,688	5,971	11,891	10,239	10,291
Yield (MT/HA)	3.26	-	3.26	2.58	4.33	4.59	4.58

Source: USDA PS&D

➤ Grain Sorghum Export Prices (FOB, US\$/mt) the 5th of March 2024

		TW	LW	LY	%Y/Y
Argentina, Up River	Mar	270	270	316	-15
Australia, Brisbane a)	Mar	300	301	346	-13
US No. 2 YGS, Gulf	Mar	242	232	350	-31

Source: International Grains Council

US Gulf sorghum FOB quotations advanced by 4% w/w on gains in basis levels and maize futures. Export sales in the week ending 22nd February totalled 445,481 mts, with the 2023/24 (Sep/Aug) cumulative tally at 4.9 mmts, a near-fivefold gain on a year earlier.

The official 2023/24 Indian production figure was seen at 4.0 mmts (3.8 mmts previous year). In Australia, ABARES lifted its estimate for 2023/24 output by 0.5 mmts, to 2.0 mmts (2.6 mmts), with oats production maintained at 1.0m (1.6m).

➤ U.S. Export Grain Sorghum Values – Friday the 8th of March 2024

Texas Gulf FOB quotes, in cents/bus basis CBOT futures:

TX FOB VESSEL

MILO (USc/MT)	3/7/2024	3/8/2024		
January	200	200	H	UNC
February	200	200	H	UNC
March	200	200	H	UNC

➤ U.S. sorghum industry journeys to India to tap into new markets

8 March 2024 International Grains Council – Grain sorghum or jowar, as it is called in India, is a valuable commodity to the more than 1.4 billion people who inhabit India. In order to create opportunities for United States sorghum in India, an exploratory trade mission to the country was funded primarily by the United Sorghum Checkoff Program, but also included the U.S. Grains Council and National Sorghum Producers.

The trip took place January 13th to 20th and meetings were held in Delhi, Ahmedabad, Himatnagar, Mumbai, Pune, and Satara.

“The meetings focused on creating opportunities for U.S. sorghum for human consumption, industrial starch extraction, feed grain applications and ethanol production,” said Norma Ritz Johnson, executive director of Sorghum Checkoff. “Despite India imposing a 50% tariff on U.S. sorghum and the absence of a completed Pest Risk Assessment by both the Indian and U.S. governments, the demand for food products in India is on the rise. This initiative aims to examine and emphasize the potential role sorghum can and should play in offering a dependable and advantageous source of food and feed.”

The U.S. sorghum industry has identified India as an ideal market for trade expansion for several reasons. India has a strict ban on genetically modified organisms and since all sorghum is non-GMO, it meets India's requirements. Additionally, the country has produced and utilized sorghum for centuries, so India is already culturally familiar with the commodity. India produces approximately 3 to 4 million metric tons of grain sorghum a year. However, its use and demand in the country is expected to expand.

Participants of the U.S. exploratory trade mission to India included: Norma Ritz Johnson, executive director at the United Sorghum Checkoff Program; Florentino Lopez, consultant at Creando Mañana; Adam Schindler, past chairman of the board at United Sorghum Checkoff Program; Craig Meeker, Meeker Farms in Wellington, Kansas; Shelee Padgett, director of emerging markets at the United Sorghum Checkoff Program; Jace Hefner, manager of global trade at U.S. Grains Council; Reece Cannady, regional director of South Asia at U.S. Grains Council; Amit Sachdev, regional consultant at U.S. Grains Council; Nayantara Anandani Pande, marketing specialist at U.S. Grains Council and Sonjoy Mohanty, senior ethanol advisor at U.S. Grains Council. (Photo courtesy United Sorghum Checkoff Program.)

"India is the world's third largest sorghum producer, behind the U.S. and Nigeria," said Bryan Jernigan, director of communications at the U.S. Grains Council.

"However, among the top five sorghum producing countries, India has the lowest yield, which is projected at 17 bushels per acre this coming year—compare that to the U.S., which is currently sitting at 52 bushels per acre for their 2023 final projections. So, for them to meet their production totals, they have to plant large swaths of land, and they are."

Jernigan said at one time India had the most dedicated acres to sorghum in the world, but with increases in rice, sugar and corn prices, the number of sorghum acres has been reduced. Right now, India is the second largest planter of sorghum today, behind Nigeria. Jernigan said India dedicates roughly 1.5 times the acreage to sorghum versus what the U.S. does. India is projected to raise roughly 4.4 million metric tons or 173.2 million bushels during the 2023-2024 marketing year.

"When you look at the agrarian population, which makes up 50% of the population and has an average farm size of 2.5 acres, the population that relies on sorghum for sustenance and/or sales is enormous," Jernigan explained. "Never forget, India is the most populous country in the world, so when you're looking at population economics, the proportions can be hard to grasp."

International Grains Program
Kansas State University

OATS

➤ World Oats Supply & Demand Outlook

Oats World as of March 2024							
Attribute	23/24 Mar'24	Change	23/24 Feb'24	22/23	21/22	20/21	19/20
Area Harvested (1000 HA)	8,280	-10(-.12%)	8,290	9,353	9,655	10,091	9,555
Beginning Stocks (1000 MT)	3,471	-	3,471	2,439	3,025	2,235	2,192
Production (1000 MT)	19,435	+75(+.39%)	19,360	25,234	22,706	25,780	23,235
MY Imports (1000 MT)	2,385	-50(-2.05%)	2,435	2,768	2,405	2,528	2,512
TY Imports (1000 MT)	2,254	-50(-2.17%)	2,304	2,855	2,337	2,615	2,518
TY Imp. from U.S. (1000 MT)	0	-	0	22	25	42	23
Total Supply (1000 MT)	25,291	+25(+.1%)	25,266	30,441	28,136	30,543	27,939
MY Exports (1000 MT)	2,305	-50(-2.12%)	2,355	2,747	2,517	2,766	2,529
TY Exports (1000 MT)	2,336	-50(-2.1%)	2,386	2,931	2,364	2,698	2,632
Feed and Residual (1000 MT)	13,310	+119(+.9%)	13,191	16,438	15,417	17,065	15,642
FSI Consumption (1000 MT)	7,631	-	7,631	7,785	7,763	7,687	7,533
Total Consumption (1000 MT)	20,941	+119(+.57%)	20,822	24,223	23,180	24,752	23,175
Ending Stocks (1000 MT)	2,045	-44(-2.11%)	2,089	3,471	2,439	3,025	2,235
Total Distribution (1000 MT)	25,291	+25(+.1%)	25,266	30,441	28,136	30,543	27,939
Yield (MT/HA)	2.35	+(+.43%)	2.34	2.70	2.35	2.55	2.43

Source: USDA PS&D

USDA – US Oats Supply & Demand Outlook

Oats United States as of March 2024							
Attribute	23/24 Mar'24	Change	23/24 Feb'24	22/23	21/22	20/21	19/20
Area Harvested (1000 HA)	336	-	336	356	263	408	335
Beginning Stocks (1000 MT)	505	-	505	474	552	534	549
Production (1000 MT)	828	-	828	837	578	954	773
MY Imports (1000 MT)	1,327	-52(-3.77%)	1,379	1,449	1,396	1,472	1,586
TY Imports (1000 MT)	1,200	-50(-4%)	1,250	1,609	1,256	1,572	1,591
TY Imp. from U.S. (1000 MT)	0	-	0	0	0	0	0
Total Supply (1000 MT)	2,660	-52(-1.92%)	2,712	2,760	2,526	2,960	2,908
MY Exports (1000 MT)	29	-	29	28	37	46	30
TY Exports (1000 MT)	30	-	30	28	33	51	32
Feed and Residual (1000 MT)	935	-8(-.85%)	943	1,051	863	1,224	1,160
FSI Consumption (1000 MT)	1,176	-	1,176	1,176	1,152	1,138	1,184
Total Consumption (1000 MT)	2,111	-8(-.38%)	2,119	2,227	2,015	2,362	2,344
Ending Stocks (1000 MT)	520	-44(-7.8%)	564	505	474	552	534
Total Distribution (1000 MT)	2,660	-52(-1.92%)	2,712	2,760	2,526	2,960	2,908
Yield (MT/HA)	2.46	-	2.46	2.35	2.20	2.34	2.31

Source: USDA PS&D

➤ Oats Export Prices (FOB, US\$/mt) the 5th of March 2024

	TW	LW	LY	%Y/Y
Finland	-	-	249	-

Source: International Grains Council

The most active US oats futures contract (May) declined by 1% w/w in mostly technical trade.

Canadian exports in the week ending 25th February reached 15,000 mts, with 2023/24 (Aug/Jul) cumulative shipments at 0.9 mmts (+5% y/y).

In Australia, ABARES left its estimate for 2023/24 for oats production unchanged at 1.0 mmts (1.6 mmts).

➤ CME CBOT Oat Futures – Daily Nearby



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

CME May 2024 Oats Futures settled on Friday at \$3.62¼/bu, up 4 cents on the day, but losing 9 cent for the week.

New crop July Futures settled at \$3.54¼/bu on Friday.

OILSEEDS COMPLEX

➤ World Oilseed Supply & Demand Outlook

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

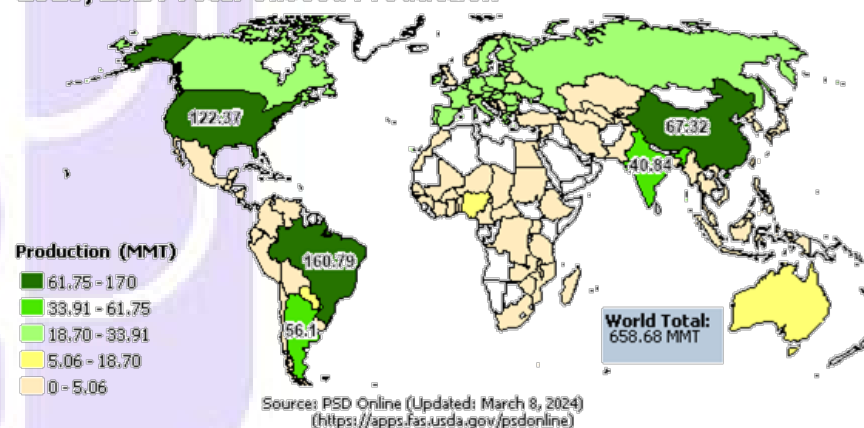
	Million Metric Tons				
	2019/20	2020/21	2021/22	2022/23	Feb 2023/24
Production					
Oilseed, Copra	5.92	5.78	6.04	6.01	6.05
Oilseed, Cottonseed	43.45	42.05	41.51	42.57	41.46
Oilseed, Palm Kernel	19.36	19.09	19.14	20.07	20.71
Oilseed, Peanut	47.75	50.49	51.97	49.36	50.46
Oilseed, Rapeseed	70.32	74.74	75.83	88.83	87.44
Oilseed, Soybean	341.43	369.22	360.41	378.06	398.21
Oilseed, Sunflowerseed	53.79	48.83	56.85	52.39	55.08
Total	582.02	610.19	611.75	637.28	659.40
Imports					
Oilseed, Copra	0.15	0.08	0.10	0.08	0.07
Oilseed, Cottonseed	0.81	0.84	1.02	1.38	1.18
Oilseed, Palm Kernel	0.14	0.15	0.14	0.15	0.15
Oilseed, Peanut	4.37	4.33	4.05	4.22	4.42
Oilseed, Rapeseed	15.82	16.66	13.84	20.06	16.02
Oilseed, Soybean	165.29	165.49	155.31	168.03	167.85
Oilseed, Sunflowerseed	3.35	2.71	3.82	3.77	2.83
Total	189.92	190.24	178.29	197.69	192.51
Exports					
Oilseed, Copra	0.28	0.10	0.10	0.10	0.15
Oilseed, Cottonseed	0.88	0.96	1.27	1.44	1.37
Oilseed, Palm Kernel	0.08	0.06	0.12	0.04	0.05
Oilseed, Peanut	5.01	5.06	4.42	4.75	4.93
Oilseed, Rapeseed	16.01	18.14	15.34	19.79	17.15
Oilseed, Soybean	165.82	165.18	154.22	171.96	170.57
Oilseed, Sunflowerseed	3.66	2.91	3.96	4.06	2.91
Total	191.74	192.41	179.44	202.13	197.13
Crush					
Oilseed, Copra	5.76	5.71	5.97	5.92	5.96
Oilseed, Cottonseed	33.32	32.58	32.16	32.60	32.79
Oilseed, Palm Kernel	19.40	19.08	18.92	20.09	20.61
Oilseed, Peanut	19.10	19.68	19.83	19.17	19.46
Oilseed, Rapeseed	69.03	71.91	72.23	80.41	82.44
Oilseed, Soybean	312.66	318.04	316.60	315.18	329.29
Oilseed, Sunflowerseed	49.39	44.94	46.64	51.33	51.31
Total	508.65	511.93	512.36	524.69	541.85
Ending Stocks					
Oilseed, Copra	0.05	0.05	0.06	0.05	0.04
Oilseed, Cottonseed	1.67	1.65	1.48	1.49	1.50
Oilseed, Palm Kernel	0.18	0.18	0.29	0.26	0.29
Oilseed, Peanut	4.71	5.01	4.96	4.29	4.19
Oilseed, Rapeseed	7.64	6.37	4.48	8.71	8.00
Oilseed, Soybean	95.53	98.27	93.93	102.15	116.03
Oilseed, Sunflowerseed	2.88	2.44	7.94	3.82	3.12
Total	112.67	113.95	113.14	120.76	133.37

World and U.S. Supply and Use for Oilseeds 1/

(Million Metric Tons)

World		Output	Total Supply	Trade	Total Use 2/	Ending Stocks
Oilseeds	2021/22	611.75	725.70	179.44	512.35	113.14
	2022/23 (Est.)	637.28	750.42	202.13	524.69	120.76
	2023/24 (Proj.) Feb Mar	659.40 658.68	781.76 779.44	197.13 199.63	541.85 541.25	133.37 131.36
Oilmeals	2021/22	351.19	371.13	96.38	348.35	20.53
	2022/23 (Est.)	357.23	377.76	97.22	355.85	17.56
	2023/24 (Proj.) Feb Mar	369.79 369.37	387.42 386.93	101.51 101.85	364.17 364.42	19.28 18.83
Vegetable Oils	2021/22	208.15	237.17	79.66	202.77	29.30
	2022/23 (Est.)	217.81	247.11	88.65	210.40	31.36
	2023/24 (Proj.) Feb Mar	222.83 222.85	254.24 254.21	89.60 88.99	217.98 218.16	31.13 30.85

2023/2024 Total Oilseed Production



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

8 March 2024 USDA WASDE – This month's outlook for global 2023/24 oilseed production is reduced 0.7 mmts to 658.7 million, on lower soybean and sunflowerseed production partly offset by higher rapeseed.

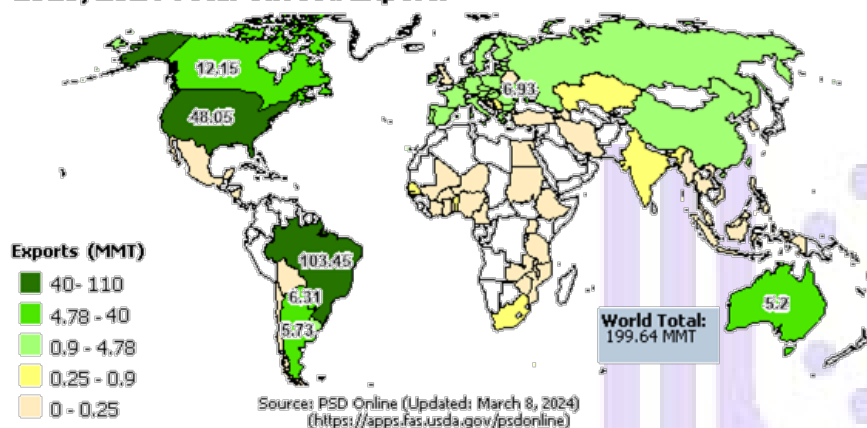
Global soybean production is reduced 1.4 mmts on lower production for Brazil and South Africa.

Sunflowerseed production is reduced on lower output for South Africa.

Rapeseed production is increased on higher output for India, Russia, and Ukraine.

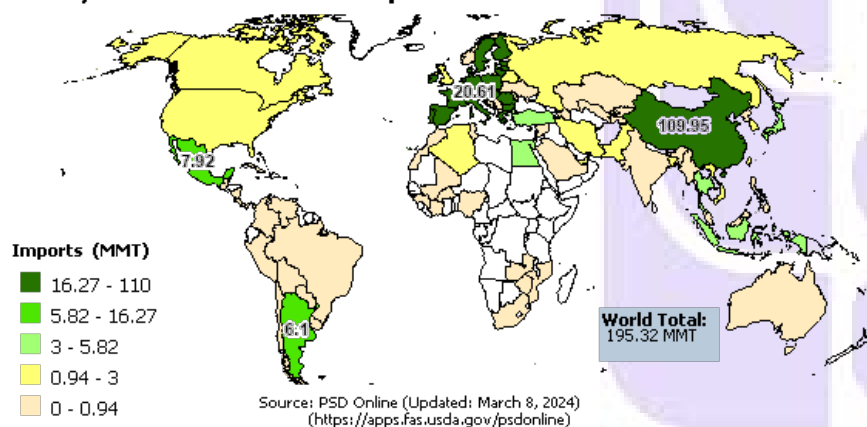
Global oilseeds trade is up slightly on higher soybean exports from Brazil.

2023/2024 Total Oilseed Exports



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

2023/2024 Total Oilseed Imports



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

World ending stocks are down approximately 1.5 million tons due to a decrease in Brazil soybean stocks. Oilseed crush is slightly lower with soybean and peanut crush reductions more than offsetting higher rapeseed crush.

Global protein meal exports remain nearly unchanged with cuts in Brazil soybean meal exports offset by larger exports of sunflowerseed meal from Argentina and Bolivia and rapeseed meal from Canada.

Vegetable oil trade is slightly down on lower Malaysia palm oil exports.

The projected U.S. season-average farm price for soybeans is unchanged at \$12.65 per bushel.

2023/24 OUTLOOK CHANGES (All figures are in thousand metric tons)

Country	Commodity	Attribute	Previous	Current	Change	Reason
Brazil	Meal, Soybean	Exports	20,500	20,100	-400	Reduced crush on smaller crop prospects and stronger soybean exports
	Oil, Soybean	Exports	1,850	1,750	-100	
	Oilseed, Soybean	Exports	100,000	103,000	3,000	Strong early-season shipments
Canada	Oilseed, Rapeseed	Exports	7,650	7,550	-100	Trade pace to date and stronger domestic crush
	Oilseed, Rapeseed	Imports	100	250	150	Strong imports to date
	Meal, Rapeseed	Exports	5,300	5,400	100	Raised crush and stronger exports to China
	Oil, Rapeseed	Export	3,400	3,600	200	Large shipments to the United States
	Meal, Rapeseed	Imports	2,300	2,400	100	Strong Q1 imports
China	Oil, Rapeseed	Imports	1,700	2,000	300	
	Oil, Palm	Imports	6,400	6,200	-200	Weaker pace of trade, larger supplies of other vegetable oils
	Oil, Peanut	Imports	300	200	-100	Weaker pace of trade, especially from Sudan
	Oilseed, Peanut	Imports	1,150	750	-400	Strong exporters' shipments
European Union	Oilseed, Soybean	Imports	102,000	105,000	3,000	
	Meal, Sunflowerseed	Imports	2,600	2,700	100	Strong pace of trade to date
	Oilseed, Sunflowerseed	Imports	500	600	100	
India	Meal, Soybean	Exports	1,200	1,400	200	Strong pace of trade to date
	Oil, Palm	Imports	9,300	9,200	-100	Larger domestic rapeseed oil supplies
Indonesia	Oil, Palm	Exports	28,200	27,700	-500	Weaker pace of trade to date
Malaysia	Oil, Palm	Exports	16,200	15,800	-400	Weaker demand from major buyers

	Oil, Palm	Imports	1,400	1,000	-400	Weaker demand for refined oil
Pakistan	Oil, Palm	Imports	3,850	3,700	-150	Slow pace of trade to date
Philippines	Meal, Soybean	Imports	2,925	3,025	100	Stronger pace of imports from the United States
Russia	Oilseed, Rapeseed	Exports	600	700	100	Higher domestic production
South Africa	Oilseed, Soybean	Exports	400	250	-150	Smaller crop prospects
Sudan	Oilseed, Peanut	Exports	500	100	-400	Exports affected by the war
	Oilseed, Soybean	Exports	2,900	3,100	200	Stronger pace of trade to date
Ukraine	Meal, Soybean	Exports	900	700	-200	Reduced crush, lower exportable supplies
	Oilseed, Sunflowerseed	Exports	500	400	-100	Stronger domestic seed crush
United States	Meal, Soybean	Exports	13,880	14,334	454	Strong pace of trade to date

➤ **Oilseed Prices (FOB, US\$/mt) as of the 5th of March 2024**

			TW	LW	LY	%Y/Y
Soybeans						
Argentina, Up River	Mar		406	401	619	-34
Brazil (Paranagua)	Mar		405	394	556	-27
US 2Y, Gulf	Mar		446	445	598	-25
Soybean Meal						
Argentina (Up River)	Mar		379	375	564	-33
Soybean Oil						
Argentina (Up River)	Mar		850	848	1140	-25
Brazil (Paranagua)	Apr		863	853	1146	-25
Canola						
Australia, Kwinana (WA) a)	Apr		455	469	687	-34
Canada, Vancouver	Mar		473	472	660	-28
Sunflowerseed						
EU (France) (Bordeaux)	Mar		447	442	596	-25
Palm oil						
Indonesia	Mar		935	910	1040	-10

Source: International Grains Council visit: http://www.igc.int/grainsupdate/igc_goi.xlsb

In mostly narrow, range-bound activity, Chicago soybean futures registered a 1% net gain over the week as technical activity and some short covering underpinned. However, upside was capped by pressure from a bearish fundamental backdrop, chiefly linked to progressing South American harvests amid soft international demand.

Sluggish buying interest for US old crop supplies was evidenced by disappointing weekly export sales data; in the week ending 22nd of February, volumes totalled just 159,700 mts, with cumulative 2023/24 (Sep/Aug) commitments running some 20% behind y/y. Moreover, given the underlying pace of shipments, there was speculation that USDA could downgrade its expectations for US (full-season) exports, potentially resulting in an uprated figure for carryovers in 2023/24.

The 2023/24 Brazilian harvest was officially estimated to be approaching the halfway stage as at 3 March, with progress modestly ahead y/y. Reports pointed to highly variable yields in Mato Grosso state, but with recent rains seen as beneficial to crops in Parana and Rio Grande do Sul. Ahead of the release of Conab's updated S&D forecasts, Abiove, the vegetable oils industry association, cut its 2023/24 production outlook by 2.3 mmts m/m, to 153.8 mmts (149.4 mmts Conab Feb forecast, 154.6 mmts previous year), with 2024 (Jan/Dec) exports trimmed by 0.3 mmts, to 97.8 mmts (94.2 mmts, 101.9 mmts). Domestic processing was maintained at 54.5 mmts (53.4 mmts, 52.2 mmts). Separately, soya oil dispatches were seen falling sharply, to 1.5 mmts (1.5 mmts, 2.3 mmts) as domestic use rises to 9.6 mmts (9.3 mmts, 8.4 mmts), the latter shaped by increasing biodiesel production. In Argentina, recent rains boosted soil moisture in core areas, the Buenos Aires Grain Exchange estimating that 82% of crops were in fair/excellent condition by the end of February (34% year ago).

In its latest assessment, ABARES placed 2023/24 canola production in Australia 0.2 mmts higher than in December, at 5.7 mmts (8.3 mmts previous year), linked to better than anticipated results in eastern states, more than compensating for a challenging backdrop in Western Australia. Looking further ahead, prospects for winter crops in 2024/25 were seen as positive: owing to improved soil moisture and a retreat in El Nino conditions, canola output was projected to expand to 6.1m t (5.7m), tied to larger plantings and improved yields.

➤ **EU 2023/24 soybean imports 7.9 mmts, rapeseed 3.8 mmts by Feb 28th**

5 March 2024 Reuters - European Union soybean imports so far in the 2023/24 season that started in July had reached 7.9 mmts by Feb. 28, compared with 8.0 mmts by March 5 a year earlier, data published by the European Commission showed on Tuesday.

EU rapeseed imports in the same period totalled 3.8 mmts, against 5.7 million a year earlier.

The Commission said data was only available up to Feb. 28 because of a continuing technical problem. Data for Ireland was missing since June 2023 while import data for Bulgaria is available until Jan. 12, it said.

The publication has been subject to repeated delays, some of which the Commission has attributed to problems receiving data from EU states, preventing like-for-like comparisons.

Soymeal imports totaled 9.63 mmts, compared with 11.06 million on March 5 last year, while palm oil imports stood at 2.23 mmts, compared with 2.77 million.

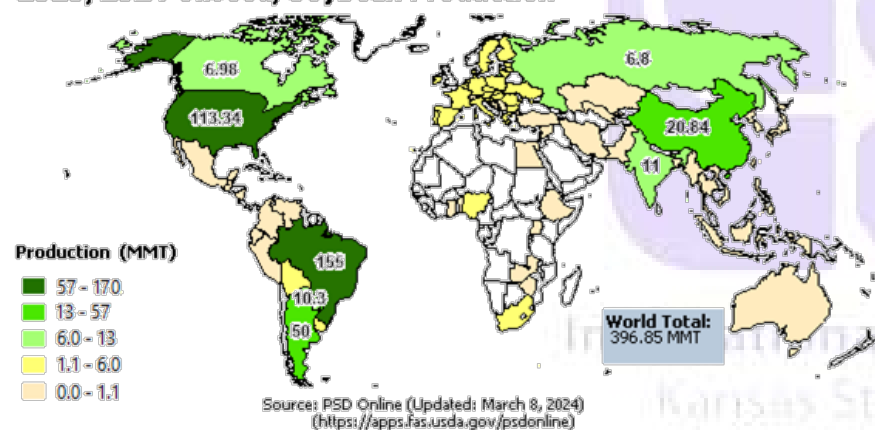
SOYBEANS

➤ USDA – World Soybean

Oilseed, Soybean World as of March 2024							
Attribute	23/24 Mar'24	Change	23/24 Feb'24	22/23	21/22	20/21	19/20
Area Harvested (1000 HA)	139,465	+85(+.06%)	139,380	136,839	131,445	129,733	123,565
Beginning Stocks (1000 MT)	102,149	-1418(-1.37%)	103,567	93,926	98,266	95,528	114,621
Production (1000 MT)	396,850	-1360(-.34%)	398,210	378,055	360,410	369,222	341,430
MY Imports (1000 MT)	170,778	+2930(+1.75%)	167,848	168,031	155,309	165,490	165,289
Total Supply (1000 MT)	669,777	+152(+.02%)	669,625	640,012	613,985	630,240	621,340
MY Exports (1000 MT)	173,611	+3040(+1.78%)	170,571	171,960	154,218	165,182	165,821
Crush (1000 MT)	328,191	-1100(-.33%)	329,291	315,176	316,603	318,036	312,656
Food Use Dom. Cons. (1000 MT)	23,963	-	23,963	22,851	22,026	21,603	20,961
Feed Waste Dom. Cons. (1000 MT)	29,744	-30(-.1%)	29,774	27,876	27,212	27,153	26,374
Total Dom. Cons. (1000 MT)	381,898	-1130(-.3%)	383,028	365,903	365,841	366,792	359,991
Ending Stocks (1000 MT)	114,268	-1758(-1.52%)	116,026	102,149	93,926	98,266	95,528
Total Distribution (1000 MT)	669,777	+152(+.02%)	669,625	640,012	613,985	630,240	621,340
Yield (MT/HA)	2.85	(-.35%)	2.86	2.76	2.74	2.85	2.76

Source: USDA PS&D

2023/2024 Oilseed, Soybean Production



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

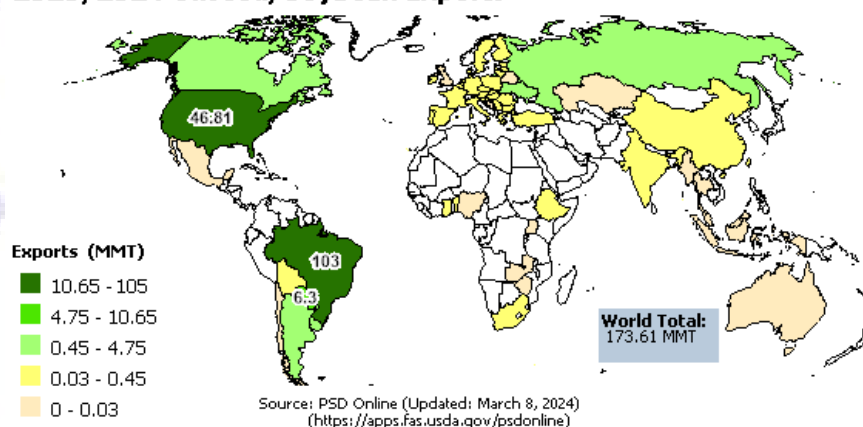
8 March 2024 USDA WASDE – This month's USDA WASDE Report showed global soybean production for 2023/24 is reduced on lower production for Brazil and South Africa. Soybean production for Brazil is lowered 1.0 mmts to 155 million on harvest

results in Parana and poor weather conditions in São Paulo offset by favorable conditions in the north and Rio Grande do Sul.

South African soybean production is lowered 0.4 million to 2.1 million on lower yield prospects.

Global crush is reduced for Brazil and South Africa on lower supplies, and lower for Ukraine on higher soybean exports.

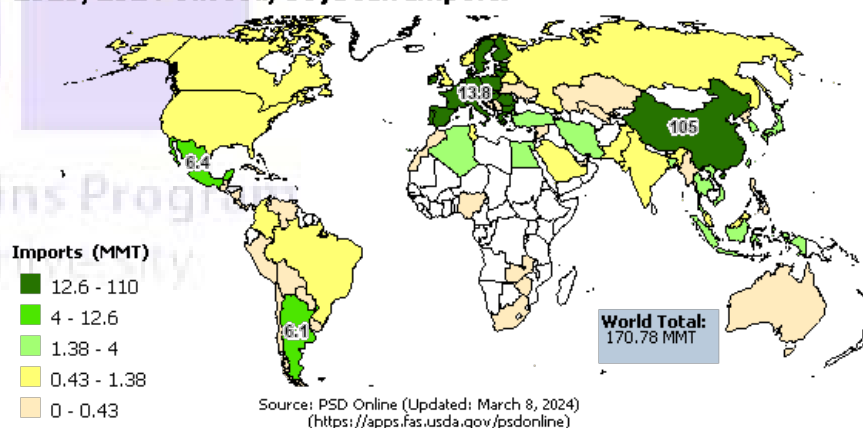
2023/2024 Oilseed, Soybean Exports



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

Global soybean exports are raised 3.0 mmts on higher shipments to date from Brazil and Ukraine.

2023/2024 Oilseed, Soybean Imports



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

Soybean imports are raised on higher imports for China, which are now 0.5 mmts higher than the prior marketing year's revised estimate. Global soybean ending stocks are lowered 1.8 mmts to 114.3 million on lower stocks for Brazil that are partly offset by higher Chinese stocks.

➤ **Brazil Soybean Production Further Reduced Based on Harvest Results**

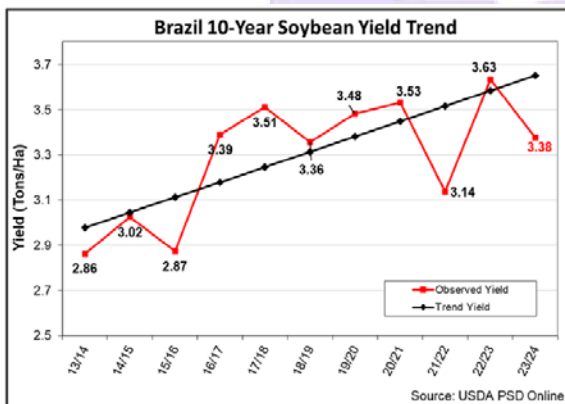
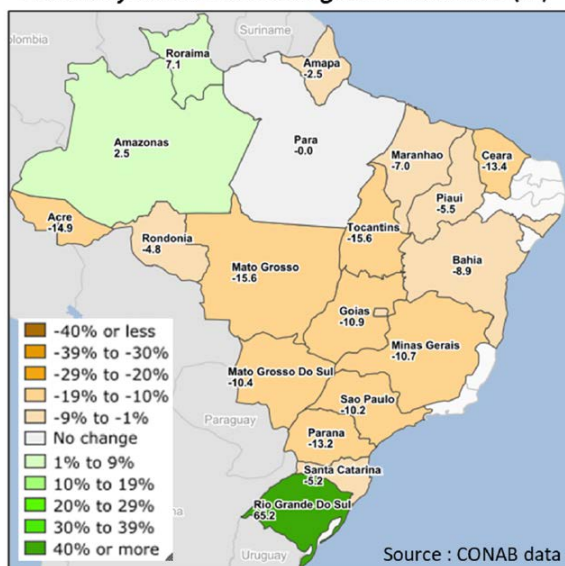
8 March 2024 USDA FAS - Soybean production in Brazil for marketing year (MY) 2023/24 is estimated at 155.0 mmts, lower by 1.0 mmts (1%) from last month, and lower by 7.0 mmts (4%) from last season's record crop.

Harvested area is estimated at a record 45.9 million hectares (mha), unchanged from last month, and up 1.3 mha (3%) from last year.

Yield is estimated below the 10-year trend at 3.38 tons per hectare (t/ha), down 1% from last month's yield, and down 7% from last year's record yield. Current harvest results led to the lower production this month.

Overall, harvest is approximately at the halfway mark of 47% in early March. The fast harvest pace early on has now slowed due to a combination of a staggered planting schedule and heavy rainfall over the last month. Harvest progress is 82% complete in Mato Grosso, 52% in Goiás, 58% in Mato Grosso do Sul, and 64% in Paraná. The state of Rio Grande do Sul harvests the crop later because of the

Brazil Soybeans: Yield Change from Last Year (%)



- MY 2023/24 yield is -7% lower than last year's record
- MY 2023/24 yield is -7.5% below the trend yield

later planting schedule. At the harvest midpoint, reports indicate yields are below average in several states in contrast to the record yields of MY 2022/23. The state with the worst outcome last season, Rio Grande do Sul, is one of the few with more optimistic yield prospects.

Satellite imagery indicates below-average yields for Mato Grosso, Mato Grosso do Sul, Goiás and Paraná, but above-average yields for Rio Grande do Sul. State agency reports from Mato Grosso indicate yields reduced 10% from initial estimates and in Paraná the reduction is 16% from initial projections. Recent rains in southern Brazil aided recovery of the later planted crop in Rio Grande do Sul with 86% in critical reproductive stages. Harvest began in January, and will continue through late May in the major producing areas.

(For more information, please contact Sunita.Yadav-Pauletti@usda.gov.)

Spot Soybean Export Prices (As of 8 March 2024)

Source: Agricensus

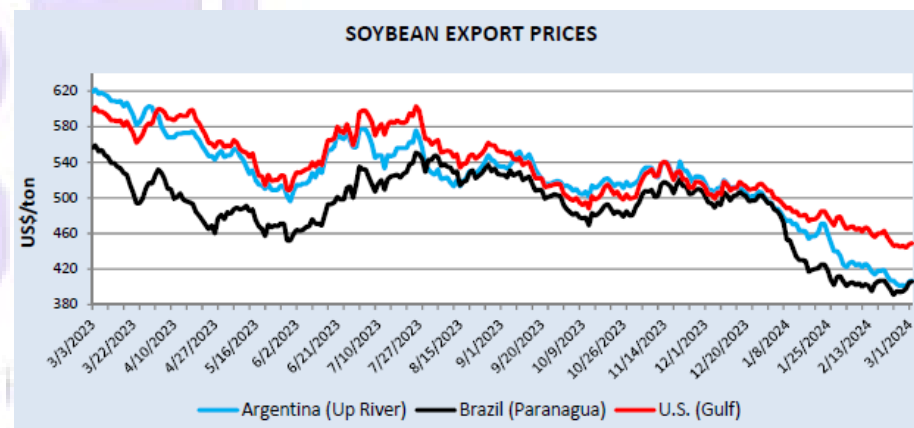
U.S., fob Gulf, \$448.75/MT, +\$5.25

U.S., fob PNW, \$470.25/MT, +\$4.25

Brazil, fob - \$419.50, +\$9.50

Argentina, fob upriver, \$419.50, +\$9.50

SOYBEAN EXPORT PRICES



Soybean Export Prices (U.S. dollars per metric ton)

	U.S.	Argentina	Brazil
February 5	\$467	\$427	\$404
March 4	\$449	\$407	\$406
Change	-\$18	-\$20	+\$2

Source: International Grains Council. All prices are FOB: U.S. Gulf, Argentina Up River, and Brazil Paranagua.

8 March 2024 USDA FAS – Soybean prices continued to decline since the last WASDE report on ample global supply projections.

While Brazil soybeans rose in the first days of March on strong farmers' selling, February's average price was lower than January. Soybean meal prices decreased along with soybean prices, at a slightly higher magnitude on prospects of high supply in the coming months.

Palm oil prices increased on seasonally low production in Malaysia. While U.S. soybean oil prices fell slightly with competition from other biofuel feedstocks, Argentina and Brazil soy oil prices rose on low seasonal supplies.

Black Sea sunflowerseed oil prices declined on high exportable supplies, particularly from Russia, which created an unusually wide discount to palm oil.

➤ **USDA – Argentina Soybeans**

Oilseed, Soybean Argentina as of March 2024						
Attribute	23/24 Mar'24	Change	23/24 Feb'24	22/23	21/22	20/21
Area Harvested (1000 HA)	16,500	-	16,500	14,400	15,900	16,470
Beginning Stocks (1000 MT)	17,209	-	17,209	23,903	25,060	26,650
Production (1000 MT)	50,000	-	50,000	25,000	43,900	46,200
MY Imports (1000 MT)	6,100	-	6,100	9,059	3,839	4,816
Total Supply (1000 MT)	73,309	-	73,309	57,962	72,799	77,666
MY Exports (1000 MT)	4,600	-	4,600	4,185	2,861	5,195
Crush (1000 MT)	35,500	-	35,500	30,318	38,825	40,162
Food Use Dom. Cons. (1000 MT)	0	-	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	7,250	-	7,250	6,250	7,210	7,249
Total Dom. Cons. (1000 MT)	42,750	-	42,750	36,568	46,035	47,411
Ending Stocks (1000 MT)	25,959	-	25,959	17,209	23,903	25,060
Total Distribution (1000 MT)	73,309	-	73,309	57,962	72,799	77,666
Yield (MT/HA)	3.03	-	3.03	1.74	2.76	2.81

Source: USDA PS&D

➤ **2023/24 Argentina Soybeans Rated 30% Good/Excellent, Down 1%**

5 March 2024 by Michael Cordonnier/Soybean & Corn Advisor, Inc. - The rain last week and over the weekend favored northern Argentina while southern Argentina remained mostly dry with only a few showers in Buenos Aires and La Pampa. This week, the rain is expected to favor northern Argentina while dryness and crop stress will continue to build across southern production areas. The moisture has favored the late growth of soybeans and the soybeans that are currently filling pods. Approximately 40.5% of the early planted soybeans are filling pods and 27% of the late planted soybeans are setting pods. No soybean harvest has been reported yet.

Recent rainfall has been sort of a mixed bag in Argentina. Where the rainfall has been adequate, the soybean yields should be trendline. Where the recent rainfall has been below average, such as in southern Argentina, the soybean yields will likely be disappointing. Therefore, the Argentina's soybean estimate was left unchanged this week while we wait to see how the weather develops.

The soybeans in Argentina were rated 18% poor/very poor, 52% fair, and 30% good/excellent as of late last week. The percentage of the crop rated good/excellent

was down 1% from the prior week. The soil moisture for the soybeans was rated 27% short/very short and 73% favorable/optimum. The percentage rated favorable/optimum was up 6% from the prior week.

➤ **BA Exchange holds grains estimates as rains bring relief to crops**

29 February 2024 by Karen Braun Reuters - The Buenos Aires grains exchange on Thursday left its forecasts unchanged for the 2023/24 corn and soybean harvest, halting a series of cuts in its estimates as recent rains provided relief to crops.

The grains exchange kept at 52.5 mmts its forecast for the soybean harvest, while corn estimates remained at 56.5 mmts.

Some 72.2% of the country's soy crops benefited from "adequate/optimal" conditions, up 5.4 percentage points from the previous report by the exchange.

Agricultural powerhouse Argentina is one of world's largest exporters of processed soybeans, as well as a major corn and wheat supplier.

The first corn crops planted were hurt by a heat wave that ran from January and through the beginning of February, but corn planted after the heat wave benefited from the rains.

➤ **Argentine soy crush volumes up in January, sun crush stable**

7 March 2024 - Argentina's soybean crush volumes increased in January to 2.1 mmts, compared with 1.9 mmts in December, the country's oil industry chamber Ciara-CEC said in its monthly bulletin.

The increase is a consequence of local producers selling a higher volume of available soybeans with the price rise after the most recent exporter dollar, Ciara-CEC said.

The January figure is also above the 1.9 mmts from the same time last year but below the volumes seen in previous years.

The industry chamber also confirmed the accumulated soybean crush for 2023 at 27.1 mmts, the lowest since 2011.

The figure is 29.5% lower than the 38.5 mmts in 2022 and 39.8% below the record of 45.1 mmts in 2016.

Estimates on last year's soybean crush had already been released by Argentina's secretariat of agriculture, livestock and fisheries, SAGyP, and Rosario Grains Exchange (BCR).

The index of crush capacity utilization in January rose to 36.1%, from 32.3% in December, increasing for the first time since August.

The idle capacity decreased to 63.9%, from 67.7%.

Sunseed crush volumes remained stable at 218,000 mt, the same as in December, but reached the highest level for January in the last five years, Ciara-CEC said.

The industry chamber also confirmed the record of 3.9 mmts of sunseed crushed in 2023, the highest of the last decade.

The second highest volume was in 2022, when 3.4 mmts were crushed.

The inflow of US dollars to Argentina linked to agricultural exports totaled \$1.50 billion in February, similar to the \$1.52 billion seen in January, with a low volume of grains being offered in the country, Ciara-CEC said.

The figure is up 133% compared with the \$645 million in the same month in 2023, which is a result of the most recent export dollar and the macroeconomic policies of the new government, according to the industry chamber.

➤ USDA – Brazil Soybeans

Oilseed, Soybean Brazil as of March 2024							
Attribute	23/24 Mar'24	Change	23/24 Feb'24	22/23	21/22	20/21	19/20
Area Harvested (1000 HA)	45,900	-	45,900	44,600	41,600	39,500	36,900
Beginning Stocks (1000 MT)	37,351	-	37,351	27,598	29,579	20,419	33,342
Production (1000 MT)	155,000	-1000(-.64%)	156,000	162,000	130,500	139,500	128,500
MY Imports (1000 MT)	450	-	450	154	539	1,015	549
Total Supply (1000 MT)	192,801	-1000(-.52%)	193,801	189,752	160,618	160,934	162,391
MY Exports (1000 MT)	103,000	+3000(+3%)	100,000	95,505	79,063	81,650	92,135
Crush (1000 MT)	53,000	-750(-1.4%)	53,750	53,096	50,712	46,500	46,742
Food Use Dom. Cons. (1000 MT)	0	-	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	3,750	-	3,750	3,800	3,245	3,205	3,095
Total Dom. Cons. (1000 MT)	56,750	-750(-1.3%)	57,500	56,896	53,957	49,705	49,837
Ending Stocks (1000 MT)	33,051	-3250(-8.95%)	36,301	37,351	27,598	29,579	20,419
Total Distribution (1000 MT)	192,801	-1000(-.52%)	193,801	189,752	160,618	160,934	162,391
Yield (MT/HA)	3.38	(-.59%)	3.40	3.63	3.14	3.53	3.48

Source: USDA PS&D

➤ C.Vale Members in Brazil Report Disappointing Soybean Yields

28 February 2024 by Michael Cordonnier/Soybean & Corn Advisor, Inc. – The Technical Director of the C.Vale cooperative, Carlos Konig, indicated that coop members in various Brazilian states such as Mato Grosso, Parana, and Rio Grande do Sul have had a very challenging 2023/24 soybean growing season.

C.Vale is the second largest agricultural cooperative in Brazil with 27,000 members and 189 business units in the states of Parana, Santa Catarina, Mato Grosso, Mato Grosso do Sul, Rio Grande do Sul, and Paraguay.

According to Konig, 93% of the coop's members in Mato Grosso completed their soybean harvest with yields varying from 20 to 70 sacks per hectare (18 to 62 bu/ac). He estimates the average yield will be between 41 to 52 sacks per hectare (36 to 46 bu/ac). The normal yield for these producers is approximately 63 sacks per hectare (56 bu/ac).

In the western regions of the state of Parana, the cooperative members have harvested 98% of their soybeans with an average yield of 52 sacks per hectare (46 bu/ac). The yields were impacted by irregular rain and high temperatures especially in the lower elevations. In northwestern Parana, the harvest is not quite as advanced due to delayed planting. Yield losses are not as severe as in western Parana due to more moderate temperatures at the higher elevations.

For C.Vale's members in Rio Grande do Sul, the soybean harvest will get underway starting in mid-March. Excess rainfall delayed the soybean planting until November and December. A 20-25 day period of dry weather in January impacted the plant development. After the rain returned to the region, there has been increased pressure from soybean rust.

Mato Grosso, Parana, and Rio Grande do Sul are the three largest soybean producing states in Brazil. As of late last week, farmers in Brazil had harvested 40% of their 2023/24 soybean production.

➤ Brazil soy crop view revised twice in a day showing opposing trends

1 March 2024 By Roberto Samora, Reuters – An agribusiness consultancy on Friday raised the forecast for Brazil's 2023/2024 soybean crop while another cut its projection, indicating how different methodologies and unpredictable weather events have made it difficult to estimate the country's output this season.

StoneX raised its soy forecast to 151.5 mmts, citing improved climate conditions in a season marked by excessive heat and dryness in top producer Mato Grosso state when the season kicked off.

Previously, StoneX had said local farmers would reap a 150.35 million-ton soy crop, but now it sees improving yields in six states, including Goias, at the heart of Brazil's farm country.

"Over the last few weeks, good amounts of precipitation have been observed in most soybean producing regions, which have benefited crop conditions, especially fields planted later," StoneX said.

Consultancy AgResource, on the other hand, released a more pessimistic review of Brazil's current soy crop, saying it will total 143.92 mmts, 5.5 mmts below last month's prediction, citing falling yields.

A sizeable portion of Brazil's soy crop still needs to be harvested and, therefore, new crop estimates are likely, StoneX said. AgResource did not elaborate on its new soybean output forecast.

StoneX has kept its estimated Brazilian soy export demand at 93 mmts, while domestic consumption was maintained at 57.5 mmts. For AgResource, however, Brazil won't export its 90 mmts export potential.

StoneX also lowered its total Brazilian corn crop forecast to 124.44 mmts, citing smaller sowings of the country's second corn crop. AgResource pegged Brazil's corn production at 114.94 mmts, 3.27% below a previous projection, citing lower productivity.

StoneX believes Brazil will not export as much corn as in the previous season, when it became the world's top supplier and sold 54.6 mmts, surpassing the United States.

Brazilian corn exports in the season are forecast at 45 mmts, while domestic consumption was maintained at 84 mmts, StoneX said.

AgResource sees Brazil's corn export potential at 39 mmts this season.

➤ USDA – U.S. Soybeans

Oilseed, Soybean United States as of March 2024						
Attribute	23/24 Mar'24	Change	23/24 Feb'24	22/23	21/22	20/21
Area Harvested (1000 HA)	33,328	-	33,328	34,873	34,921	33,428
Beginning Stocks (1000 MT)	7,190	-	7,190	7,468	6,994	14,657
Production (1000 MT)	113,344	-	113,344	116,221	121,504	114,749
MY Imports (1000 MT)	816	-	816	667	433	539
Total Supply (1000 MT)	121,350	-	121,350	124,356	128,931	129,945
MY Exports (1000 MT)	46,811	-	46,811	54,208	58,571	61,664
Crush (1000 MT)	62,596	-	62,596	60,199	59,980	58,257
Food Use Dom. Cons. (1000 MT)	0	-	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	3,372	-	3,372	2,759	2,912	3,030
Total Dom. Cons. (1000 MT)	65,968	-	65,968	62,958	62,892	61,287
Ending Stocks (1000 MT)	8,571	-	8,571	7,190	7,468	6,994
Total Distribution (1000 MT)	121,350	-	121,350	124,356	128,931	129,945
Yield (MT/HA)	3.40	-	3.40	3.33	3.48	3.43

Source: USDA PS&D

8 March 2024 USDA WASDE – This month's outlook for U.S. soybean supply and use for 2023/24 is unchanged this month. While soybean crush is unchanged, the soybean meal extraction rate is increased slightly, and higher soybean meal exports are mostly offset by lower domestic use. The U.S. season-average soybean price and the soybean meal price forecasts are unchanged for 2023/24. The soybean oil price is reduced 2 cents to 49 cents per pound.

➤ CME CBOT Soybeans Futures – Nearby Daily



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

CME May 2024 Soybean Futures settled on Friday at \$11.84/bu, up 17½ cents on the day, and gaining 33 cents on the week. July24 Soybeans closed at \$11.95½, up 19½ cents, while new crop Nov24 soybeans closed at \$11.73¾, up 20 cents.

The soybean market finished the Friday session after the USDA Report with a 13 to 20 cent gains on the day. Soybean and Meal futures led the way higher after a mostly neutral report.

USDA's monthly update had no changes for domestic soybean supply nor demand. The cash average price remained at \$12.65/bu, while the soybean oil cash average price was 2 cents weaker at 49 cents/lb.

World production numbers were bearish with Brazilian crop down only 1 mmt to 155 mmts vs trade guess at -3.2 mmts. Argentina production was unchanged at 50 mmts. Total South American production was still nearly 700 mbus larger than last year. Brazil exports +3 mmts netted against China imports +3 mmts. China import estimates are at a record high 105 mmts, +5 mmts compared to last year, while stocks will be +5.2 from last year. Crush was held steady at 98 mmts.

Calendar bean spreads were mostly weaker with Mar CIF NOLA beans trading 2 cents lower on Friday. The futures strength did entice a modest increase in farmer selling for old crop and a few hedges noted for new.

The May board crush fell 4 cents to 75 cents.

CFTC reported spec funds were adding shorts in soybeans during the week that ending the 5th of March. That extended their net short to 172k contracts. Commercial soybean hedgers also grew their net long during the week, though through short covering.

➤ U.S. Export Soy Basis Values – Friday the 8th of March 2024

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	3/7/2024	3/8/2024	
MAR	60 / 67	60 / 65	H
APR	55 / 68	55 / 67	K
MAY	60 / 68	55 / 68	K
JUN	55 /	55 / 68	N
JUL	55 /	55 / 64	N
OCT	53 / 60	52 / 60	X
NOV	58 / 67	57 / 67	X

BRAZIL FOB BEANS @ PORT PARANAGUA

	3/7/2024	3/8/2024	
MAR	-30 / -15	-30 / -22	H
APR	-25 / -15	-35 / -22	K

MAY	-26 / -20	-25 / -5	K
JUN	-5 / 10	-10 / 5	N
JUL	10 / 30	10 / 25	N

Brazil confirmed record high February soybean exports at 6.6 mmts +1.6 LY. Brazil farmer selling has picked up this week as farmers move toward the LH of harvest and see slightly higher prices. BAGE says 80% of Argentine beans are in normal / excellent condition.

Brazil's soybean line-up declined 43 mbus to 437 million at the start of this week. This is down more than 50 mbus versus the 2023 figure. Sources put to-date March exports at 1.7 mmts and are suggesting this month's total could off as much as 50 mbu, i.e. 10% from last March. U.S. exports the past 4 weeks are 9% less year to year; perhaps suggesting global demand is not quite as robust as earlier thought?

➤ **Brazil soybean port premiums react amid stronger export demand**

1 March 2024 By Roberto Samora, Reuters – Brazilian soybean port premiums have recovered against reference Chicago contracts this week, reflecting stronger international demand for the oilseeds produced in the world's biggest supplier, according to data from the Center for Advanced Studies in Applied Economics (Cepea).

The rally boosted liquidity in the domestic soy market, with export deals being reported for 2023/24 crop and next season's crop, which has yet to be sowed.

Brazilian soybean port premiums against Chicago's April contract, for shipment at the port of Paranagua, had price indications from buyers at -40 dollar cents per bushel and at -37 cents per bushel from sellers this week, Cepea said.

This compares with price indications at -75 cents from buyers and -55 cents from sellers in the previous week, according to Cepea data.

On Tuesday, grain exporters lobby Anec raised its February projection for Brazilian soybean exports by more than 1 mmts, to 8.5 mmts.

Soybean's FOB price rose 0.4% through Thursday, to \$24.31 per bag (\$11.02/MT), despite a fall in Chicago quotes.

CANOLA / RAPESEED

➤ **World Rapeseed Supply & Demand Outlook**

Oilseed, Rapeseed World as of March 2024							
Attribute	23/24 Mar'24	Change	23/24 Feb'24	22/23	21/22	20/21	19/20
Area Harvested (1000 HA)	42,528	-	42,528	41,899	38,464	35,337	35,145
Beginning Stocks (1000 MT)	8,707	+200(+2.35%)	8,507	4,483	6,365	7,644	9,744
Production (1000 MT)	88,068	+625(+.71%)	87,443	88,834	75,829	74,737	70,321
MY Imports (1000 MT)	16,060	+45(+.28%)	16,015	20,060	13,840	16,657	15,818
Total Supply (1000 MT)	112,835	+870(+.78%)	111,965	113,377	96,034	99,038	95,883
MY Exports (1000 MT)	17,073	-75(-.44%)	17,148	19,786	15,344	18,138	16,012
Crush (1000 MT)	83,351	+911(+1.11%)	82,440	80,411	72,233	71,913	69,029
Food Use Dom. Cons. (1000 MT)	745	-	745	720	665	665	265
Feed Waste Dom. Cons. (1000 MT)	3,601	-36(-.99%)	3,637	3,753	3,309	1,957	2,933
Total Dom. Cons. (1000 MT)	87,697	+875(+1.01%)	86,822	84,884	76,207	74,535	72,227
Ending Stocks (1000 MT)	8,065	+70(+.88%)	7,995	8,707	4,483	6,365	7,644
Total Distribution (1000 MT)	112,835	+870(+.78%)	111,965	113,377	96,034	99,038	95,883
Yield (MT/HA)	2.07	+(+.49%)	2.06	2.12	1.97	2.11	2

Source: USDA PS&D

Australian Canola Production

In its latest assessment, ABARES placed 2023/24 canola production in Australia 0.2 mmts higher than in December, at 5.7 mmts (8.3 mmts previous year), linked to better than anticipated results in eastern states, more than compensating for a challenging backdrop in Western Australia. Looking further ahead, prospects for winter crops in 2024/25 were seen as positive: owing to improved soil moisture and a retreat in El Nino conditions, canola output was projected to expand to 6.1m t (5.7m), tied to larger plantings and improved yields.

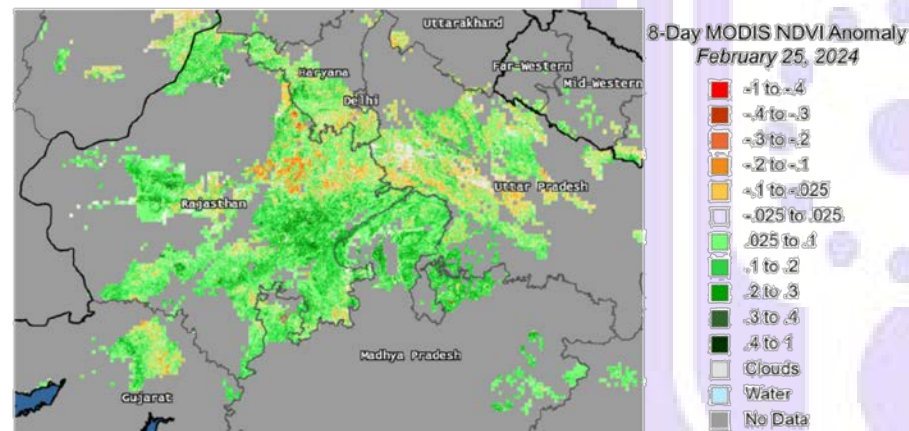
➤ **India Rapeseed: Record Production**



Source: USDA PSD Online

8 March 2024 USDA FAS - USDA estimates rapeseed production for marketing year 2023/24 at a record 12.5 mmts, up 4% from last month, and 11% from last year. Harvested area is estimated at a record 9.3 million hectares, unchanged from last month and up 4% from last year due to favorable planting conditions. Yield is estimated at 1.35 mts/hectare, up 4% from last month, and 6% from last year.

Major Rapeseed Areas in Rajasthan and Uttar Pradesh Show Strong Crop Vigo



Source: USDA/NASA, MODIS NDVI Anomaly (250m) imagery; International Food Policy Research Institute (IFPRI), Spatial Production Allocation Model 2010 crop mask.

The satellite-derived 8-day MODIS Normalized Difference Vegetation Index (NDVI) anomaly showed strong crop vigor in Rajasthan before harvest. Industry reports have not reported any incidences of pests and disease. Currently, the crop is being harvested in Rajasthan and Madhya Pradesh.

Rapeseed is grown only in the rabi season. Rapeseed is planted in late October to January and harvested in March.

(For more information, please contact Arnella.Trent@usda.gov.)

Canadian Canola / Rapeseed Supply & Demand Outlook

Oilseed, Rapeseed Canada as of March 2024							
Attribute	23/24 Mar'24	Change	23/24 Feb'24	22/23	21/22	20/21	19/20
Area Harvested (1000 HA)	8,855	-	8,855	8,596	8,946	8,325	8,471
Beginning Stocks (1000 MT)	1,506	-	1,506	1,325	1,776	3,457	4,435
Production (1000 MT)	18,800	-	18,800	18,695	14,248	19,485	19,912
MY Imports (1000 MT)	250	+150(+150%)	100	151	105	125	155
Total Supply (1000 MT)	20,556	+150(+74%)	20,406	20,171	16,129	23,067	24,502
MY Exports (1000 MT)	7,550	-100(-1.31%)	7,650	7,954	5,253	10,589	10,041
Crush (1000 MT)	10,650	+350(+3.4%)	10,300	9,961	8,555	10,425	10,129
Food Use Dom. Cons. (1000 MT)	0	-	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	775	-	775	750	996	277	875
Total Dom. Cons. (1000 MT)	11,425	+350(+3.16%)	11,075	10,711	9,551	10,702	11,004
Ending Stocks (1000 MT)	1,581	-100(-5.95%)	1,681	1,506	1,325	1,776	3,457
Total Distribution (1000 MT)	20,556	+150(+74%)	20,406	20,171	16,129	23,067	24,502
Yield (MT/HA)	2.12	-	2.12	2.17	1.59	2.34	2.35

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 July 2024 Canola Futures settled on Friday at C\$609.60/mt, up C\$4.20 on the day, and gaining C\$19.00 for the week.

The ICE Futures canola market finished higher for the fifth straight session on Friday, underpinned by supportive technical signals and spillover from gains in Chicago soybeans.

Canola had moved lower in early trade, but speculative positioning came forward to provide support and take the May contract above its 40-day moving average by the close.

The USDA's monthly supply/demand estimates out earlier in the day only included minor adjustments to the balance sheets, but Chicago soybeans turned higher after the data was released and soyoil took back most of its earlier losses.

Statistics Canada releases planted acreage estimates on Monday, March 11, with average trade guesses expecting planted area intentions come in below the 22.1 million acres seeded in in 2023.

There were an estimated 38,054 contracts traded on Friday, which compares with Thursday when 44,816 contracts traded. Spreading accounted for 20,684 of the contracts traded.

➤ U.S. Canola Seed Supply & Demand Outlook

Oilseed, Rapeseed United States as of March 2024							
Attribute	23/24 Mar'24	Change	23/24 Feb'24	22/23	21/22	20/21	19/20
Area Harvested (1000 HA)	943	-	943	880	849	733	776
Beginning Stocks (1000 MT)	222	-	222	110	214	219	139
Production (1000 MT)	1,895	-	1,895	1,739	1,242	1,596	1,551
MY Imports (1000 MT)	349	-45(-11.42%)	394	577	503	440	563
Total Supply (1000 MT)	2,466	-45(-1.79%)	2,511	2,426	1,959	2,255	2,253
MY Exports (1000 MT)	180	-	180	149	129	156	183
Crush (1000 MT)	2,063	+36(+1.78%)	2,027	1,930	1,659	2,080	1,834
Food Use Dom. Cons. (1000 MT)	0	-	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	63	-36(-36.36%)	99	125	61	-195	17
Total Dom. Cons. (1000 MT)	2,126	-	2,126	2,055	1,720	1,885	1,851
Ending Stocks (1000 MT)	160	-45(-21.95%)	205	222	110	214	219
Total Distribution (1000 MT)	2,466	-45(-1.79%)	2,511	2,426	1,959	2,255	2,253
Yield (MT/HA)	2.01	-	2.01	1.98	1.46	2.18	2

Source: USDA PS&D

SUNFLOWERS

➤ World Sunflower Seed Supply & Demand Outlook

Oilseed, Sunflowerseed World as of March 2024							
Attribute	23/24 Mar'24	Change	23/24 Feb'24	22/23	21/22	20/21	19/20
Area Harvested (1000 HA)	27,727	+74(+.27%)	27,653	28,136	28,535	26,746	25,783
Beginning Stocks (1000 MT)	3,818	-137(-3.46%)	3,955	7,941	2,436	2,882	2,752
Production (1000 MT)	54,914	-161(-.29%)	55,075	52,385	56,854	48,832	53,792
MY Imports (1000 MT)	2,995	+169(+5.98%)	2,826	3,770	3,823	2,707	3,345
Total Supply (1000 MT)	61,727	-129(-.21%)	61,856	64,096	63,113	54,421	59,889
MY Exports (1000 MT)	2,770	-140(-4.81%)	2,910	4,063	3,955	2,913	3,662
Crush (1000 MT)	51,382	+69(+.13%)	51,313	51,330	46,641	44,937	49,392
Food Use Dom. Cons. (1000 MT)	2,098	-1(-.05%)	2,099	2,119	2,082	2,084	2,088
Feed Waste Dom. Cons. (1000 MT)	2,451	+39(+1.62%)	2,412	2,766	2,494	2,051	1,865
Total Dom. Cons. (1000 MT)	55,931	+107(+.19%)	55,824	56,215	51,217	49,072	53,345
Ending Stocks (1000 MT)	3,026	-96(-3.07%)	3,122	3,818	7,941	2,436	2,882
Total Distribution (1000 MT)	61,727	-129(-.21%)	61,856	64,096	63,113	54,421	59,889
Yield (MT/HA)	1.98	(-.5%)	1.99	1.86	1.99	1.83	2.09

Source: USDA PS&D

➤ U.S. Sunflower Seed Supply & Demand Outlook

Oilseed, Sunflowerseed United States as of March 2024							
Attribute	23/24 Mar'24	Change	23/24 Feb'24	22/23	21/22	20/21	19/20
Area Harvested (1000 HA)	513	-	513	647	503	673	506
Beginning Stocks (1000 MT)	166	-	166	134	179	88	130
Production (1000 MT)	1,027	-	1,027	1,274	862	1,351	884
MY Imports (1000 MT)	170	-	170	140	174	170	181
Total Supply (1000 MT)	1,363	-	1,363	1,548	1,215	1,609	1,195
MY Exports (1000 MT)	41	-7(-14.58%)	48	50	50	59	45
Crush (1000 MT)	425	-	425	411	435	504	389
Food Use Dom. Cons. (1000 MT)	0	-	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	729	+7(+.97%)	722	921	596	867	673
Total Dom. Cons. (1000 MT)	1,154	+7(+.61%)	1,147	1,332	1,031	1,371	1,062
Ending Stocks (1000 MT)	168	-	168	166	134	179	88
Total Distribution (1000 MT)	1,363	-	1,363	1,548	1,215	1,609	1,195
Yield (MT/HA)	2	-	2	1.97	1.71	2.01	1.75

Source: USDA PS&D

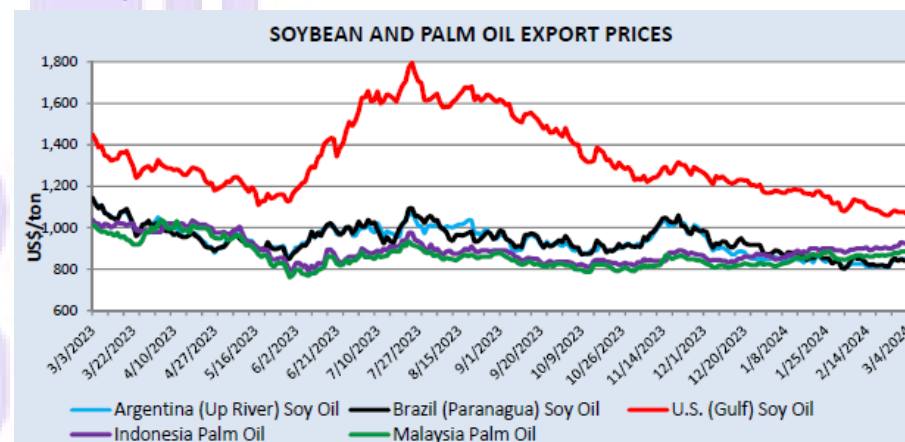
VEGETABLE OILS

➤ World Soybean Oil Supply & Demand Outlook

Oil, Soybean World as of March 2024							
Attribute	23/24 Mar'24	Change	23/24 Feb'24	22/23	21/22	20/21	19/20
Crush (1000 MT)	328,191	-1100(-.33%)	329,291	315,176	316,603	318,036	312,656
Extr. Rate, 999.9999 (PERCENT)	0.19	-	0.19	0.19	0.19	0.19	0.19
Beginning Stocks (1000 MT)	4,907	-33(-.67%)	4,940	4,824	5,588	5,419	4,903
Production (1000 MT)	61,683	-206(-.33%)	61,889	59,353	59,645	59,672	58,551
MY Imports (1000 MT)	10,783	+35(+.33%)	10,748	10,671	11,527	11,794	11,543
Total Supply (1000 MT)	77,373	-204(-.26%)	77,577	74,848	76,760	76,885	74,997
MY Exports (1000 MT)	11,503	-15(-.13%)	11,518	11,641	12,322	12,611	12,384
Industrial Dom. Cons. (1000 MT)	13,747	-	13,747	12,439	11,876	11,224	11,193
Food Use Dom. Cons. (1000 MT)	47,041	+134(+.29%)	46,907	45,801	47,673	47,382	45,896
Feed Waste Dom. Cons. (1000 MT)	70	-	70	60	65	80	105
Total Dom. Cons. (1000 MT)	60,858	+134(+.22%)	60,724	58,300	59,614	58,686	57,194
Ending Stocks (1000 MT)	5,012	-323(-6.05%)	5,335	4,907	4,824	5,588	5,419
Total Distribution (1000 MT)	77,373	-204(-.26%)	77,577	74,848	76,760	76,885	74,997

Source: USDA PS&D

World Vegetable Oil Prices

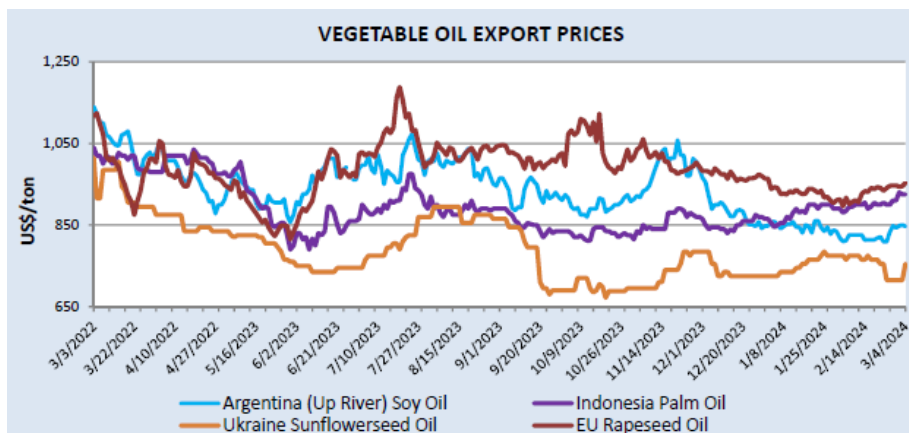


Soybean and Palm Oil Export Prices (U.S. dollars per metric ton)

	U.S. Soybean Oil	Argentina Soybean Oil	Brazil Soybean Oil	Indonesia Palm Oil	Malaysia Palm Oil
February 5	\$1,079	\$802	\$810	\$880	\$845
March 4	\$1,067	\$847	\$841	\$925	\$885
Change	-\$12	+\$45	+\$31	+\$45	+\$40

Source: International Grains Council; all prices are FOB: U.S. Gulf, Argentina Up River, Brazil Paranagua.

8 March 2024 USDA FAS – Palm oil prices increased on seasonally low production in Malaysia. While U.S. soybean oil prices fell slightly with competition from other biofuel feedstocks, Argentina and Brazil soy oil prices rose on low seasonal supplies. Black Sea sunflowerseed oil prices declined on high exportable supplies, particularly from Russia, which created an unusually wide discount to palm oil.



➤ USDA – U.S. Soybean Oil

Oil, Soybean United States as of March 2024						
Attribute	23/24 Mar '24	Change	23/24 Feb '24	22/23	21/22	20/21
Crush (1000 MT)	62,596	-	62,596	60,199	59,980	58,257
Extr. Rate, 999.9999 (PERCENT)	0.20	-	0.20	0.20	0.19	0.19
Beginning Stocks (1000 MT)	729	+2(+.28%)	727	903	967	840
Production (1000 MT)	12,258	-	12,258	11,897	11,864	11,350
MY Imports (1000 MT)	204	-	204	170	137	145
Total Supply (1000 MT)	13,191	+2(+.02%)	13,189	12,970	12,968	12,327
MY Exports (1000 MT)	136	-	136	171	803	786
Industrial Dom. Cons. (1000 MT)	5,897	-	5,897	5,666	4,708	4,046
Food Use Dom. Cons. (1000 MT)	6,440	-1(-.02%)	6,441	6,404	6,554	6,528
Feed Waste Dom. Cons. (1000 MT)	0	-	0	0	0	0
Total Dom. Cons. (1000 MT)	12,337	-1(-.01%)	12,338	12,070	11,262	10,574
Ending Stocks (1000 MT)	718	+3(+.42%)	715	729	903	840
Total Distribution (1000 MT)	13,191	+2(+.02%)	13,189	12,970	12,968	12,327

Source: USDA PS&D

➤ Soy Oil use for US biofuels rose to 1.141 blbs in December - EIA 28%

29 February 2024 Reuters – Soybean oil used to produce biofuels in the United States rose to 1'141 billion lbs used in December.

In November, soyoil used in biodiesel production was 1.062 billion lbs. Soybean oil remains the largest U.S. biodiesel feedstock.

➤ Bunge, Chevron JV breaks ground on oilseeds plant

5 March 2024 World Grain – Bunge Chevron Ag Renewables LLC on March 4 broke ground on a new oilseed processing plant adjacent to its existing processing facility located on the Gulf Coast in Destrehan, Louisiana, US.

The plant will feature a flexible design, intended to allow it to process soybeans as well as softseeds, including novel winter oilseed crops, such as winter canola and

CoverCress, among others. Expected to be operational in 2026, the processing facility aims to add scale and efficiencies to Bunge Chevron Ag Renewables that will allow the company to better meet the increased market demand for renewable fuel feedstocks, company officials said.

The plant also will support the growing feed and protein markets through the production of meal products, they noted.

“This new facility is another step in our long-term strategy to improve our capabilities at scale for the renewable fuels market and to reduce the carbon intensity of our own and our customers' value chains,” said Luciano Salvatierra, Bunge's senior vice president, Renewable Fuels, during a groundbreaking ceremony at the site.

The expansion is expected to create more than 150 construction jobs and add 30 new jobs when the plant is operational.

“Having greater ability to process softseeds, including novel winter oilseed crops, will help advance our innovation in the feedstock space and meet the growing demand for renewable fuels,” said Stacey Orlandi, director, manufacturing, Chevron Renewable Energy Group. “Investments like this one help support farmers and consumers while reducing the lifecycle carbon intensity for transportation fuels.”

Bunge Chevron Ag Renewables, a joint venture between Chevron USA, Inc. and Bunge North America, Inc., is focused on developing renewable fuel feedstocks leveraging Bunge's expertise in oilseed processing and farmer relationships and Chevron's expertise in renewable fuels production and marketing.

Under the joint venture agreement, Bunge operates the joint venture's processing plants in Destrehan and Cairo, Illinois, US; Chevron has purchase rights for the oil to use as feedstock to manufacture transportation fuels with lower lifecycle carbon intensity.

➤ Chevron (CVX) Shuts Down Biodiesel Plants Amid Market Challenges

4 March 2024 – Chevron Corporation CVX recently confirmed the indefinite idling of two biodiesel production facilities in the U.S. Midwest due to weakening economics for renewable fuels. This decision comes as a significant move for the second-largest U.S. oil producer, which had previously acquired biodiesel maker Renewable Energy Group for \$3.15 billion in 2022. The acquisition is aimed toward expanding CVX's renewable fuels production to 100,000 barrels per day by 2030, adding 10 biodiesel plants and one renewable diesel facility to its portfolio.

The idled plants, located in Ralston, IA, and Madison, WI, have a combined capacity of processing 50 million gallons per year of biodiesel. Despite the potential of biodiesel as a cleaner burning fuel made from agricultural oils and animal fats, its production is costlier than that of petroleum-based diesel. The biodiesel production also generates credits that can offset production costs, making it an attractive option for companies like Chevron. However, the unfavorable market conditions have forced it to idle its plants.

Background - Market Conditions

Biodiesel prices have seen a significant decline in recent months due to increased supplies and a fall in the value of renewable credits. For instance, the price of a blend of 20% biodiesel dropped from \$4.80 per gallon of gasoline equivalent in October 2022 to \$3.45 last month.

This decline has been exacerbated by President Joe Biden's administration's decision to increase the number of biofuels that oil refiners must blend into the nation's fuel mix over the next three years. However, the plan includes lower mandates for corn-based ethanol, which has further contributed to the fall in credit prices.

Prospects

Despite the current challenges facing biodiesel production, the production of renewable diesel, another type of fuel produced with animal fats, is expected to reach 230,000 barrels per day this year, according to the U.S. Energy Information Administration. Producers of renewable diesel are expected to generate more renewable credits due to their lower carbon intensity score compared with biodiesel.

Conclusion

CVX's decision to indefinitely idle two biodiesel production facilities in the U.S. Midwest reflects the challenges facing the biodiesel industry, particularly due to changing market conditions and government policies. However, the growth of renewable diesel production offers a potential avenue for companies to continue their commitment to renewable fuels while navigating the complexities of the current market landscape.

➤ CME Soybean Oil – Nearby Daily



Source: Barchart <https://www.barchart.com/futures/quotes/ZLU22/interactive-chart>

CME May 2024 Soybean Oil Futures settled on Friday at \$46.17/cwt, off 18 cents on the day, but gaining 101 cents for the week.

Soymeal futures finished the session with \$7 gains for the day. Supported by USDA US SBM production of +100k, and exports +500k, while domestic use was -400k, leaving c/o unchanged.

Soy Oil futures closed with 9 to 12 point losses on the day. USDA had SBO beginning stocks +5 taking c/o +5.

COT had MM in beans -172 +11, SBM -50k +2, SBO -62k +10.

➤ USDA – World Palm Oil Supply & Demand Outlook

Oil, Palm World as of March 2024							
Attribute	23/24 Mar'24	Change	23/24 Feb'24	22/23	21/22	20/21	19/20
Area Harvested (1000 HA)	27,117	-	27,117	26,519	25,384	24,788	24,468
Beginning Stocks (1000 MT)	17,516	+109(+.63%)	17,407	16,179	14,951	15,907	14,953
Production (1000 MT)	79,464	-	79,464	78,063	72,964	73,277	73,111
MY Imports (1000 MT)	47,266	-950(-1.97%)	48,216	46,915	41,677	46,813	47,025
Total Supply (1000 MT)	144,246	-841(-.58%)	145,087	141,157	129,592	135,997	135,089
MY Exports (1000 MT)	49,418	-935(-1.86%)	50,353	49,507	43,953	48,544	48,358
Industrial Dom. Cons. (1000 MT)	26,763	-165(-.61%)	26,928	25,485	22,884	23,509	23,104
Food Use Dom. Cons. (1000 MT)	50,133	-215(-.43%)	50,348	47,926	45,917	48,293	47,015
Feed Waste Dom. Cons. (1000 MT)	712	-	712	723	659	700	705
Total Dom. Cons. (1000 MT)	77,608	-380(-.49%)	77,988	74,134	69,460	72,502	70,824
Ending Stocks (1000 MT)	17,220	+474(+2.83%)	16,746	17,516	16,179	14,951	15,907
Total Distribution (1000 MT)	144,246	-841(-.58%)	145,087	141,157	129,592	135,997	135,089
Yield (MT/HA)	2.93	-	2.93	2.94	2.87	2.96	2.99

Source: USDA PS&D

➤ CME Palm Oil – Nearby Weekly



Source: Barchart <https://www.barchart.com/futures/quotes/ZLU22/interactive-chart>

CME May 2024 Palm Oil Futures settled on Friday at \$856.00/mt, up \$6.00 on the day, and gaining \$25.75 for the week.

Palm oil made 7-month highs as estimates for the slowest prod growth in 4-yr along with increases in bio blends support prices.

➤ **Malaysian palm oil future up**

8 March 2024 by Danial Azhar, Reuters - Malaysian palm oil futures rose on Friday to log a third straight weekly gain amid higher Dalian softs and crude oil prices, although a stronger ringgit capped further gains.

The benchmark palm oil contract for May delivery on the Bursa Malaysia Derivatives Exchange rose 18 ringgit, or 0.44%, to 4,089 ringgit (\$873.34) a metric ton at closing, the highest close since July 25. The contract logged a weekly gain of 3.1%, fuelled by tight supply and optimism over palm demand.

Citing lower productions in key palm-producing countries, palm oil is likely to "continue to ration demand, pricing itself at a premium to available soft oil alternatives", said Pranav Bajoria, director of Singapore-based brokerage Comglobal Pte Ltd. Higher Malaysian palm oil prices are attributed to upticks in vegetable oil futures listed on China's bourses, while gains were seen capped by a stronger ringgit, said Anilkumar Bagani, research head of Mumbai-based vegetable oils broker Sunvin Group.

Dalian's most-active soyoil contract rose 1.92%, while its palm oil contract gained 1.69%.

Soyoil prices on the Chicago Board of Trade dipped 0.39% after a 2.27% climb on Thursday. Palm oil is affected by price movements in related oils as they compete for a share in the global vegetable oils market.

Oil prices rose on Friday, driven by growing demand in the world's biggest consumers, the United States and China, while the US Federal Reserve gave a positive signal on the possibility of rate cuts. Stronger crude oil futures make palm a more attractive option for biodiesel feedstock.

The Malaysian ringgit, palm's currency of trade, strengthened 0.45% against the dollar, after the Bank Negara Malaysia stood steady on interest rates for a fifth straight meeting on Thursday, where it reiterated that the currency was undervalued and did not reflect Malaysia's positive economic fundamentals and prospects.

➤ **Shrinking palm oil supplies, strong biodiesel demand to boost prices**

6 March 2024 by Danial Azhar and Bernadette Christina, Reuters - Stagnating global palm oil production and higher biodiesel mandates are likely to curb supplies of the world's most used vegetable oil this year, setting the stage for further gains in prices, which are trading at their highest in seven months.

Palm oil output in Indonesia and Malaysia, which account for a bulk of global production, is likely to either rise marginally in 2024 or decline from last year's level,

as ageing plantations and a lack of expansion caps output, analysts told an industry conference in Kuala Lumpur on Wednesday.

"Vegetable oil prices will be supported by the prospective global production deficit," leading industry analyst Thomas Mielke said.

Palm oil inventories in the world's No. 1 producer Indonesia are low and stockpiles in the second-largest producer Malaysia are declining, he added.

The benchmark Malaysian palm oil contact jumped on Wednesday to its highest since late July at 4,075 ringgit per metric ton, taking the gains in 2024 to almost 10%. The market dropped for the last two years.

Palm oil, which accounts for more than half of around 90 million metric tons of edible oils shipped worldwide, is used in a range of products from chocolates, pizzas to cosmetics and as a biofuel.

LOWER PRODUCTION GROWTH

Annual palm oil production growth in 2023/24 is expected to be the smallest in four years at around 0.2-0.3 million metric tons, Mielke said, forecasting a 3,800-4,300 ringgit price range in the next three months.

While Indonesia's 2024 palm oil production will be at least one mmts lower than 2023, Malaysia's production is likely to be unchanged, analyst Dorab Mistry said.

"We are not able to expand acreage anymore. And the age profile of the trees is adverse," Mistry said at the end of the widely-watched event. "The fresh fruit bunches' yields are falling and unfortunately, the application of technology in the palm (industry) has been the slowest if you look at the entire world oil scene and oil complex."

The decline in palm oil production growth comes as Indonesia is likely to step up compulsory use of the tropical product in making biodiesel.

"There is a possibility of the new incoming government increasing B35 to B40," Fadhil Hasan, of the Indonesia Palm Oil Association (GAPKI), said, referring to the mandatory bio-content blend that currently stands at 35% of biodiesel. "One of the programmes by the candidate likely to be elected is intention to raise to B50, but that is maybe for after 2025," he added.

Even Malaysia's biodiesel production could rise in 2024 if the 20% biodiesel mandatory programme is implemented in more areas, the Malaysian Biodiesel Association said.

➤ **World's biggest palm oil exchange to launch soyoil futures**

4 March 2024 - Bursa Malaysia Derivatives Exchange (BMD), the world's leading exchange for crude palm oil futures, will launch a soyoil futures contract on March 18 to facilitate arbitrage between soyoil and palm oil contracts, its chairperson said at an industry conference on Tuesday.

This would be the first non-palm based edible oil futures to be listed on Malaysia Bursa Derivatives, said Abdul Wahid Omar, after an agreement with Dalian Commodity Exchange (DCE).

"Soyoil contract will enable market participants to seamlessly arbitrage between soybean oil and palm oil prices on the same platform," he said.

The BMD will use the settlement price of the soyoil futures contract on the DCE as the basis for calculating the settlement price for its new U.S. dollar-denominated soyoil futures, he added.

Price movements in palm oil, soyoil, sunflower oil and rapeseed oil depend on the price trends of other competing edible oils.

Currently, traders and refiners hedge their risk in various edible oils on different exchange platforms.

Currently, Chicago Mercantile Exchange (CME Group), which merged with the Chicago Board of Trade (CBOT), offers one of the most liquid soyoil futures contract that is used by the industry as a benchmark.

The BMD's new soyoil contract appears attractive, but it may not be easy for BMD to garner large participation due to the already very active existing soyoil contracts offered by CBOT and DCE, said a Mumbai-based dealer with a global trade house.

"The new contract needs to bring a lot of participation and liquidity, which will eventually attract more people to trade the contract," the dealer said.

Meanwhile, Omar also said Malaysian palm oil prices are expected to improve in 2024, helped by heightened demand from key markets, but warned that market participants should remain vigilant of possible challenges.

➤ **Malaysia to monitor changes in EU on palm biofuel after WTO ruling**

6 March 2024 by Danial Azhar and Bernadette Christina, Reuters - Malaysia said on Wednesday it will closely monitor how the EU responds to a WTO ruling that supported the bloc's stance that biofuels causing deforestation cannot be regarded as renewables, but sought changes in how it implemented that decision.

A World Trade Organization adjudicating panel, in its first ruling related to deforestation, on Tuesday rejected many of Malaysia's claims against EU measures that led it to rule out palm oil-based biofuel as a renewable fuel.

However, the panel accepted Malaysia's complaints over how the measures had been prepared, published and administered. The EU will need to make adjustments, but need not withdraw its measures, following the WTO ruling.

The European Commission said it welcomed that the WTO panel report allowed the EU to preserve its legal framework on renewable energy and biofuels broadly intact, and confirmed it had the right to take action to tackle greenhouse gas emissions.

It said it was analysing the report but believed it would need to issue a report on the most recent scientific data to determine whether crops have a high risk of contributing to deforestation, and amend an act to change certain criteria for certification for crops of low risk. It would do so in the coming months.

The Malaysian government will monitor any changes to the EU's regulations to bring it into line with the WTO's findings and pursue compliance proceedings if necessary,

Plantations and Commodities Minister Johari Abdul Ghani said in a statement on Wednesday.

Malaysia, the world's second largest producer of palm oil, has described the EU's renewable energy directive as discriminatory, and in 2021 asked the WTO to examine the rules restricting the bloc's use of palm oil-based biofuels.

Under the regulations, palm oil-based fuels can no longer be considered as renewable transport fuel and are to be phased out by 2030, as the EU has determined that palm oil cultivation leads to excessive deforestation.

Johari said the WTO report found fault with the EU's rules on indirect land use change to ban palm oil biofuels, and with the bloc's approach to notifying and consulting with other economies when introducing new trade measures.

"This ruling from the WTO demonstrates that Malaysia's claims of discrimination are indeed justified," he said, adding that the government would continue to defend the interests of palm oil biofuels industry players against trade barriers.

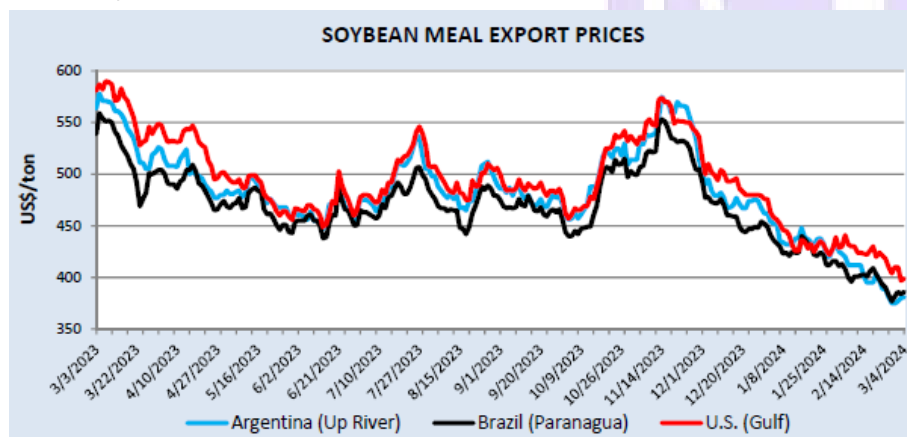
PLANT PROTEIN MEALS

➤ World Soybean Meal Supply & Demand Outlook

Meal, Soybean World as of March 2024							
Attribute	23/24 Mar'24	Change	23/24 Feb'24	22/23	21/22	20/21	19/20
Crush (1000 MT)	328,194	-1100(-.33%)	329,294	315,179	316,606	318,039	312,661
Extr. Rate, 999.9999 (PERCENT)	0.79	-	0.79	0.79	0.78	0.79	0.79
Beginning Stocks (1000 MT)	13,702	+67(+.49%)	13,635	16,922	16,297	16,523	16,209
Production (1000 MT)	257,763	-756(-.29%)	258,519	247,815	248,415	249,933	245,604
MY Imports (1000 MT)	66,952	+185(+.28%)	66,767	62,672	67,153	65,360	63,323
Total Supply (1000 MT)	338,417	-504(-.15%)	338,921	327,409	331,865	331,816	325,136
MY Exports (1000 MT)	70,032	-14(-.02%)	70,046	67,210	68,826	69,434	67,942
Industrial Dom. Cons. (1000 MT)	1,370	-	1,370	1,362	1,322	1,367	1,377
Food Use Dom. Cons. (1000 MT)	852	-	852	796	796	741	671
Feed Waste Dom. Cons. (1000 MT)	251,269	-231(-.09%)	251,500	244,339	243,999	243,977	238,623
Total Dom. Cons. (1000 MT)	253,491	-231(-.09%)	253,722	246,497	246,117	246,085	240,671
Ending Stocks (1000 MT)	14,894	-259(-1.71%)	15,153	13,702	16,922	16,297	16,523
Total Distribution (1000 MT)	338,417	-504(-.15%)	338,921	327,409	331,865	331,816	325,136
SME (1000 MT)	251,269	-231(-.09%)	251,500	244,339	243,999	243,977	238,623

Source: USDA PS&D

World Soybean Meal Prices



Soybean Meal Export Prices (U.S. dollars per metric ton)

	U.S.	Argentina	Brazil
February 5	\$430	\$423	\$413
March 4	\$399	\$381	\$386
Change	-\$31	-\$42	-\$27

Source: International Grains Council. All prices are FOB: U.S. Gulf, Argentina Up River, and Brazil Paranagua.

8 March 2024 USDA FAS – Soybean meal prices decreased along with soybean prices, at a slightly higher magnitude on prospects of high supply in the coming months.

➤ U.S. Soybean Meal Supply & Demand Outlook

Meal, Soybean United States as of March 2024							
Attribute	23/24 Mar'24	Change	23/24 Feb'24	22/23	21/22	20/21	19/20
Crush (1000 MT)	62,596	-	62,596	60,199	59,980	58,257	58,910
Extr. Rate, 999.9999 (PERCENT)	0.79	+(+1.28%)	0.78	0.79	0.78	0.79	0.79
Beginning Stocks (1000 MT)	336	-	336	282	309	310	365
Production (1000 MT)	49,218	+90(+.18%)	49,128	47,621	47,005	45,872	46,358
MY Imports (1000 MT)	544	-	544	573	594	712	580
Total Supply (1000 MT)	50,098	+90(+.18%)	50,008	48,476	47,908	46,894	47,303
MY Exports (1000 MT)	14,334	+454(+3.27%)	13,880	13,303	12,283	12,406	12,549
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)	35,401	-364(-1.02%)	35,765	34,837	35,343	34,179	34,444
Total Dom. Cons. (1000 MT)	35,401	-364(-1.02%)	35,765	34,837	35,343	34,179	34,444
Ending Stocks (1000 MT)	363	-	363	336	282	309	310
Total Distribution (1000 MT)	50,098	+90(+.18%)	50,008	48,476	47,908	46,894	47,303
SME (1000 MT)	35,401	-364(-1.02%)	35,765	34,837	35,343	34,179	34,444

Source: USDA PS&D

➤ Diverging Trends for U.S. Soybean and Soybean Meal Exports in 2023

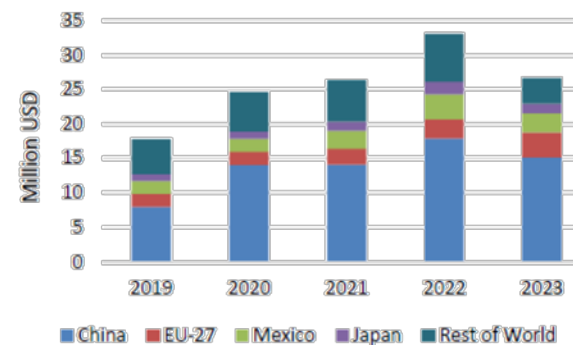
8 March 2024 USDA FAS - Calendar year (CY) 2023 exports of U.S. soybeans and soybean meal diverged, with a marked decrease in soybeans compared to record high soybean meal. Year-over-year soybean exports shrunk 15 percent by volume (48.7 million tons) and 19 percent by value (\$27.9 billion). Conversely, U.S. soybean meal exports rose 20 percent by volume (14.1 million tons) and 21 percent by value (\$7.4 billion).

Soybean exports for 2023 fell by value to three of the top four markets from last year: China (-15 percent), Mexico (-24 percent), and Japan (-26 percent). Major contributors to this decline include record Brazil soybean production and higher crush demand in the United States, which contributed to higher prices for U.S. soybeans.

Meanwhile, exports to the European Union were up 32 percent by value, in part due to stronger Chinese demand for Brazil soybeans.

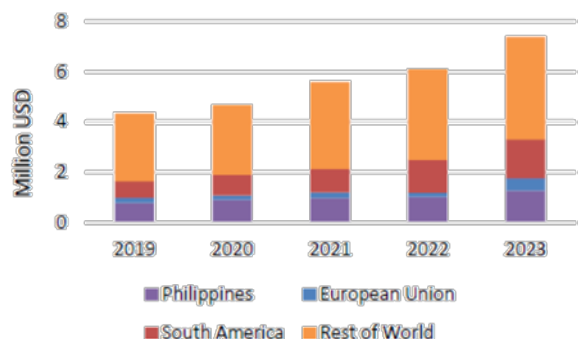
Soybean meal has become one of the top ten exported U.S. agricultural products following 5 years of steady value growth. In 2023, exports of soybean meal rose to record levels on ample exportable supplies due to high domestic crush supported by U.S. biofuel policy and lower output from Argentina due to drought. The Philippines was the top market for U.S. soybean meal, raising imports of U.S. product by 25 percent. South American markets, including Colombia, Ecuador, and Venezuela, also grew imports of U.S. soybean meal owing to reduced supply from Argentina. Lower

U.S. Soybean Exports, Calendar Year



meal supplies from Argentina also contributed to a near-doubling of U.S. exports to the European Union, especially to Ireland and Poland.

U.S. Soybean Meal Exports, Calendar Year



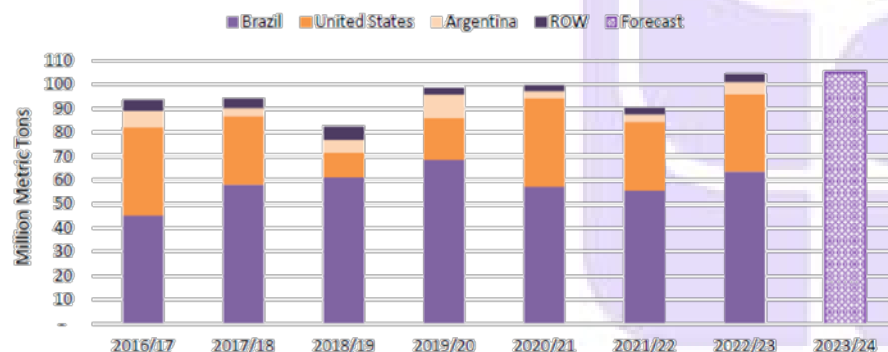
Source: U.S. Census Bureau; FAS-GATS- BICO HS-10.

Looking ahead, U.S. soybean exports are forecast to further decline in marketing year 2023/24. This forecast is based on the expectation that domestic crush continues to grow as well as continuing large soybean production in South America. Meanwhile, U.S. soybean meal exports are expected to grow further in 2023/24. However, ample global supplies due to higher soybean processing in South

America will prevent robust export gains. Soybean meal is expected to be a more competitive feed ingredient on higher global supplies.

China Soybean: Supply and Demand Balance Changes

China Soybean Imports by Supplier



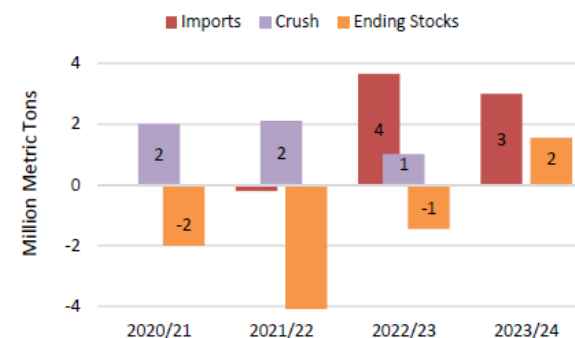
Source: Trade Data Monitor, LLC.

This month, 2022/23 China soybean imports are revised up nearly 3.7 million tons to 104.5 million. This revision is based on evaluation of major exporters' shipments to China versus reported imports in the last marketing year. Prior to the 2022/23 marketing year, imports are unchanged and reflect reported import data which aligns with exports by major shippers.

2023/24 China soybean imports are also raised this month by 3.0 million tons to 105.0 million, up 500,000 tons from the revised 2022/23 estimate, based on major exporters' most recent trade data.

Additionally, based on in-country data sources, China soybean crush is adjusted higher for the following marketing years: 2020/21, 2021/22, and 2022/23. With higher crush and imports, 2023/24 carryin soybean stocks have been reduced by 1.5 million tons. Strong current-year soybean shipments to China are projected to support domestic crush, soybean meal and oil production, as well as growing soybean stocks.

China Supply and Demand Changes (March vs. February WASDE)



Source: Trade Data Monitor, LLC.

Spot Soybean Meal Export Prices (As of 8 March 2024)

Source: Agricensus

U.S. fob Gulf, \$401.25/MT, +\$2.50

Brazil, fob Paranagua, \$383.75.00MT, +\$0=1.50

Argentina, fob upriver, \$380.00/MT, +\$2.75

CME CBOT Soybean Meal – Daily Nearby



Source: Barchart <https://www.barchart.com/futures/quotes/ZMU22/interactive-chart>

CME May 2024 Soybean Meal Futures, settled on Friday at \$341.40/short ton, up \$7.00 on the day, and gaining \$9.00/short ton for the week.

➤ **Soybean Meal Export Prices (FOB, US\$/mt) as of 8th of March 2024**

CIF SOYBEAN MEAL	3/7/2024	3/8/2024		
MAR	- / -	- / -	0	UNC
APR	17 / 25	16 / 25	K	
MAY	15 / 25	12 / 20	K	
JUN	15 / 25	12 / 20	N	
JUL	15 / 25	12 / 20	N	

➤ **VALUE OF DDG VS. CORN & SOYBEAN MEAL**

Settlement Price:	Quote Date	Bushel	Short Ton
Corn	3/7/2024	\$4.2600	\$152.1429
Soybean Meal	3/7/2024		\$339.90
DDG Weekly Average Spot Price			
	3/7/2024	\$191.00	
DDG Value Relative to:			
	3/7	2/29	
Corn	1.26%	1.13%	
Soybean Meal	56.19%	48.84%	
Cost Per Unit of Protein:			
DDG	\$7.07	\$7.19	
Soybean Meal	\$7.16	\$8.36	

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.

➤ **DDG's – Prices were lower for the week**

Source: DTN <https://www.dtnpf.com/agriculture/web/ag/news/article/2023/12/08/dtn-weekly-ddg-average-price-firm-2>

8 March 2024 Mary Kennedy, DTN – The DTN price for domestic distillers dried grains (DDG) from 33 locations reporting for the week ended March 7 was down \$4 on average at \$191 per ton versus one week ago. DDG prices were mixed but lower on average, in spite of strength in the cash corn price this past week and lower plant production. The DTN National Corn Index was 10 cents higher Thursday versus one week ago.

The Energy Information Administration on Wednesday reported overall ethanol production in the United States averaged 1.057 million barrels per day (bpd) as of March 1, down 21,000 bpd week-on-week and 47,000 bpd, or 4.4%, higher than in the same week last year. Four-week average output at 1.075 million bpd was 61,000 bpd above the same four weeks in 2022. Midwest ethanol production averaged 1.008 million bpd, down 21,000 bpd week-on-week and 44,000 bpd, or 4.4%, higher than in the same week last year.

Based on the average of prices collected by DTN, the value of DDG relative to corn for the week ended March 7 was 1.26%. The value of DDG relative to soybean meal was 56.19 and the cost per unit of protein for DDG was \$7.07 compared to the cost per unit of protein for soybean meal at \$7.16. (Still off March futures.)

ENERGY & ETHANOL

➤ **CME Ethanol Futures – Weekly Nearby**



Source: Barchart <https://www.barchart.com/futures/quotes/FLV22/interactive-chart>

NYMEX Cash WTI Crude Oil settled on Friday at \$78.02/barrel, April WTI crude oil (CLJ24) on Friday closed down -0.92 (-1.17%), and Apr RBOB gasoline (RBJ24) closed down -2.76 (-1.08%).

The Energy Information Administration on Wednesday reported overall ethanol production in the United States averaged 1.057 million barrels per day (bpd) as of March 1, down 21,000 bpd week-on-week and 47,000 bpd, or 4.4%, higher than in the same week last year. Four-week average output at 1.075 million bpd was 61,000 bpd above the same four weeks in 2022. Midwest ethanol production averaged 1.008 million bpd, down 21,000 bpd week-on-week and 44,000 bpd, or 4.4%, higher than in the same week last year.

million bpd, down 21,000 bpd week-on-week and 44,000 bpd, or 4.4%, higher than in the same week last year.

➤ **U.S. Corn Values delivered Ethanol Plants – the 8th March 2024**

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	3/7/2024	3/8/2024		
Blair, NE	7	7	K	UNC
Cedar Rapids, IA	8	12	K	
Decatur, IL	-2	-2	K	UNC
Fort Dodge, IA	5	8	K	
N. Manchester, IN	-12	-12	K	UNC
Portland, IN	0	-2	K	

➤ **Brazil mills boost sugar capacity, 'leave' ethanol to corn processors**

7 March 2024 by By Marcelo Teixeira, Reuters – Brazil cane mills will boost their sugar production capacity as much as 10% in the new season from April to take advantage of relatively high sugar prices and as increasing supplies of corn make the grain a cheap feedstock for ethanol output.

Brazil is the world's largest sugar producer. It accounted for nearly 50% of global sugar trade last year as unfavorable weather due to the El Nino climate pattern reduced output and exports from competitors India and Thailand.

Sugar prices have dipped from a 12-year peak hit in November, but are still historically high. Brazilian mills are rushing to complete expansions or new plants to boost their sugar production capacity, analysts said.

"Every mill that can do it (boost sugar capacity), is doing it," said Julio Maria Borges, a director and partner at JOB Economia e Planejamento, an advisory firm. "The difference on financial returns between sugar and ethanol is just too big."

Sugar prices are currently 60% higher than Brazilian ethanol prices, broker and supply chain services provider Czarnikow said in a report this week. It is the widest price gap in 15 years.

Among some of the largest sugar investments are Jalles Machado's (JALL3.SA), opens new tab 170 million reais (\$34.19 million) plant in Minas Gerais state, Cerradinho Bionergia's 289 million reais factory in Mato Grosso do Sul and Coruripe's 200 million reais new sugar production line also in Minas Gerais.

France's Tereos (TEREOT.UL), which has seven plants in Brazil, plans to allocate 70% of its sugarcane for sugar production, and 30% to ethanol. That is a boost from the already high level of 67% last season.

Many other mills are making smaller adjustments, optimizing sugar installations. Cane allocation towards sugar production - and away from ethanol production - across Brazil last year was the largest in 12 years at 49%. Most analysts expect it to be a record in the new season.

CLIMATE HIT

Despite the increase in sugar production capacity, Brazil is unlikely to produce more of the sweetener in the new season than it did in 2023/24.

"We had (in 23/24) a climate that was like laboratory, just perfect," Borges said. "It rained well at the right time, and then was dry for harvest. We are not seeing this now."

Cumulative rainfall in the main sugar area of Ribeirao Preto, opens new tab in Brazil this year, for example, is 50% below normal, according to GFS climate modeling.

Tereos expects Brazil's Centre-South (CS) sugarcane production to fall below 600 mmts in 2024/25 from 660 mmts in 2023/24.

Broker StoneX still projects a record sugar production in the new season at 43 mmts, saying the increase in cane allocation to sugar production, at the expense of ethanol, will offset a smaller sugarcane volume.

CORN ETHANOL

StoneX estimates that production of ethanol from sugarcane will fall by nearly 3 billion liters in 2024/25, or 10.4%, to 24.5 billion liters. It said output of corn-based ethanol, on the other side, will grow 16% to 7.2 billion liters.

"There is a change in the industry," said StoneX sugar and ethanol analyst Filipi Cardoso. "Corn-ethanol is more cost-efficient, so cane mills are going for sugar."

Corn production has expanded quickly across Brazil, which became the world's top corn exporter last year. That has also encouraged the expansion of corn-based ethanol production. Typically, ethanol in Brazil has been made from sugar cane rather than ethanol.

"Brazilian corn ethanol production was less than 1 billion liters five years ago and this crop it could reach 5 billion liters, and 10 billion in the next 5-6 years," said Citi analysts.

Brazil is one of the world's largest consumers of ethanol as a transport fuel. The biofuel accounted for 46% of light vehicle fuel use in Brazil in 2023, or 28.5 billion liters.

The rapid expansion of corn ethanol production, however, has capped prices for the biofuel in Brazil, another factor that has encouraged sugar mills to focus on sugar.

Reporting by Marcelo Teixeira; Editing by Simon Webb and Chizu Nomiyama

➤ **NYMEX WTI Crude Oil – Weekly Cash**



Source: Barchart <https://www.barchart.com/futures/quotes/CLY00/interactive-chart>

NYMEX Cash WTI Crude Oil settled on Friday at \$78.02/barrel, April WTI crude oil (CLJ24) on Friday closed down -0.92 (-1.17%), and Apr RBOB gasoline (RBJ24) closed down -2.76 (-1.08%).

➤ **Crude Prices Settle Lower on Chinese Energy Demand Concerns**

8 March 2024 by Rich Asplund, Barchart – Crude oil and gasoline prices on Friday erased an early advance and turned lower on Chinese energy demand concerns. Also, Friday's stock weakness undercut confidence in the economic outlook and weighed on crude prices. Crude prices Friday initially moved higher after the dollar index (DXY00) dropped to a 7-week low.

Crude prices came under pressure Friday after the president of China National Petroleum Corp's Economics & Technology Research Institute said China's oil demand has entered a low-growth phase as greater use of electric vehicles and liquified natural gas will replace about 20 MMT or 10-12% of China's gasoline and diesel consumption this year.

Friday's global economic news was mixed for energy demand and crude prices. On the negative side, the U.S. Feb unemployment rate rose +0.2 to a 2-year high of 3.9%, showing a weaker labor market than expectations of no change at 3.7%. Also, Japan Jan household spending fell -6.3% y/y, weaker than expectations of -4.1% y/y and the biggest decline in nearly three years. On the positive side, German Jan industrial production rose +1.0% m/m, stronger than expectations of +0.6% m/m and the biggest increase in 11 months.

A decline in Russian crude oil exports is supportive of crude oil prices. Tanker-tracking data from Vortexa, monitored by Bloomberg, shows Russian crude exports in the week to March 3 fell about -230,000 bpd from the prior week to 2.78 million bpd, the lowest in five weeks.

Crude has support after OPEC+ announced on Sunday that it will extend its current crude production cuts of about 2 million bpd until the end of June. The group said its crude production cuts will be "returned gradually subject to market conditions" after the second quarter. OPEC Feb crude production rose +110,000 bpd to 26.680 million bpd, a bearish factor for oil prices as Iraq and UAE continue to pump above their production quotas.

A recovery in Russian crude refining from Ukrainian drone attacks is negative for prices. Bloomberg calculations show Russia processed 5.44 million bpd of crude during the Feb 15-28 period, more than +4% above levels in the first half of February. Several Russian oil processing and storage facilities have been targeted and damaged by Ukrainian drone attacks but have been repaired and are running near capacity.

A report from Vortexa on Monday weighed on crude prices as it said OPEC+ compliance with crude production cuts is still "questionable." The report said that Russian oil exports were about 500,000 bpd above the OPEC+ commitments, and there are "little indications that Russia is actively cutting either crude production or exports."

Crude prices are supported by concern that the Israel-Hamas war might widen to Lebanon. Hezbollah and Israel have traded fire almost daily since the Israel-Hamas war erupted on Oct 7. Also, the U.S. and UK have engaged in airstrikes against Houthi rebels in Yemen in retaliation for Houthi attacks on commercial shipping in the Red Sea. Attacks on commercial shipping in the Red Sea by Iran-backed Houthi rebels have forced shippers to divert shipments around the southern tip of Africa instead of going through the Red Sea, disrupting global crude oil supplies.

Strong oil-product consumption in India, the world's third largest crude consumer, is bullish for oil prices after India's Jan oil-product consumption rose +8.3% y/y to 20 MMT, the most in 9 months.

A decline in crude in floating storage is bullish for prices. Monday's weekly data from Vortexa showed that the amount of crude oil held worldwide on tankers that have been stationary for at least a week fell -2.4% w/w to 68.60 million bbl as of Mar 1.

Wednesday's EIA report showed that (1) U.S. crude oil inventories as of March 1 were -1.3% below the seasonal 5-year average, (2) gasoline inventories were -2.5% below the seasonal 5-year average, and (3) distillate inventories were -9.9% below the 5-year seasonal average. U.S. crude oil production in the week ending Mar 1 fell -0.8% w/w to 13.2 million bpd, falling back from the prior week's record high of 13.3 million bpd.

Baker Hughes reported Friday that active U.S. oil rigs in the week ended Mar 8 fell by -2 rigs to 504 rigs, modestly above the 2-year low of 494 rigs posted on Nov 10. The number of U.S. oil rigs has fallen over the past year from the 3-3/4 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>

NYMEX Cash Natural Gas settled on Friday at \$1.808/MMBtu.

April Nymex natural gas (NGJ24) on Friday closed -0.013 (-0.72%). April WTI crude oil (CLJ24) on Friday closed down -0.92 (-1.17%), and Apr RBOB gasoline (RB24) closed down -2.76 (-1.08%).

➤ **Nat-Gas Prices Fall on Warm Winter Temps, Ample Supplies**

8th March 2024 by Rich Asplund, Barchart – Nat-gas prices on Friday posted moderate losses and fell to a 1-½ week low. Warm U.S. winter temperatures and ample nat-gas supplies are weighing on nat-gas prices. Maxar Technologies said on Friday that weather forecasts have shifted warmer for much of the western and midwestern parts of the U.S. from March 18th to 22nd. Current U.S. nat-gas stockpiles are abundant, with supplies +30.9% above the five-year average.

Short-covering on Tuesday pushed nat-gas prices to a 1-month high on carryover support from Monday when EQT Corp, the largest U.S. nat-gas producer, said it would cut about 30 to 40 billion cubic feet of net production through March in response to low prices.

Nat-gas prices have collapsed this year and plunged to a 3-1/2 year nearest-futures low (H24) last week as an unusually mild winter curbed heating consumption for nat-gas and pushed inventories well above average. The U.S. Climate Prediction Center said there is a greater than 55% chance the current El Niño weather pattern will remain strong in the Northern Hemisphere through March, keeping temperatures above average and weighing on nat-gas prices. AccuWeather said El Niño will limit

snowfall across Canada this season in addition to causing above-normal temperatures across North America.

Nat-gas prices are also under pressure after the Freeport LNG nat-gas export terminal in Texas said last Friday that one of its three production units will remain shut down until at least the middle of March after extreme cold in Texas damaged equipment. The unit's closure will limit U.S. nat-gas exports and increase U.S. nat-gas inventories.

Lower-48 state dry gas production Friday was 99.8 bcf/day (unchanged y/y), according to BNEF. Lower-48 state gas demand Friday was 79.6 bcf/day (-13% y/y), according to BNEF. LNG net flows to U.S. LNG export terminals Friday were 13.7 bcf/day (-3.3% w/w), according to BNEF.

An increase in U.S. electricity output is positive for nat-gas demand from utility providers. The Edison Electric Institute reported Wednesday that total U.S. electricity output in the week ended March 2 rose +0.4% y/y to 75,244 GWh (gigawatt hours), although cumulative U.S. electricity output in the 52-week period ending March 2 was unchanged y/y at 4,102,305 GWh.

Thursday's weekly EIA report was neutral to slightly bearish for nat-gas prices as nat-gas inventories for the week ended March 1 fell -40 bcf, right on expectations, but a much smaller draw than the five-year average for this time of year of -93 bcf. As of March 1, nat-gas inventories were up +15.0% y/y and were +30.9% above their 5-year seasonal average, signaling ample nat-gas supplies. In Europe, gas storage was 62% full as of March 4, above the 5-year seasonal average of 45% full for this time of year.

Baker Hughes reported Friday that the number of active U.S. nat-gas drilling rigs in the week ending March 8 fell by -4 rigs to 115 rigs, just above the 2-year low of 113 rigs posted September 8. Active rigs have fallen back since climbing to a 4-1/2 year high of 166 rigs in Sep 2022 from the pandemic-era record low of 68 rigs posted in July 2020 (data since 1987).

OTHER MARKETS

➤ **Here's Why Gold Is At A Record High**

8 March 2024 by Derek Saul, Forbes Staff – The U.S. looks all but certain to dodge a recession, American stock indexes are trading at record levels and even riskier investments like bitcoin are at their highest prices ever, but gold, arguably the world's oldest investment—often viewed as a hedge against market losses elsewhere—keeps gaining value.

KEY FACTS

Gold traded at an all-time high of \$2,195 per ounce Friday, extending its year-to-date gain to 5% and 12-month gain to a blistering 19%, moving in the same direction as the American benchmark stock index S&P 500's 8% year-to-date and 31% 12-month return.

The gold rush may come as a surprise for American investors, considering the "safe haven" precious metal's record run-up does not coincide with prior events which

sparked all-time highs for gold, such as the late 2000s financial crisis and the Covid-19 pandemic.

A key factor behind gold's rally is things are looking far less bright for many non-U.S. markets: The U.S.' 2.1% projected economic growth this year outpaces the sub-1% projected growth of other developed economies like Germany, Japan and the United Kingdom—while stocks listed on large foreign exchanges have largely underperformed their American counterparts, with Hong Kong's Hang Seng index losing 18% over the last year and Britain's FTSE 100 down 3%.

"The western investor is not behind" the gold rally, according to Metals Daily CEO Ross Norman, attributing the gains to "phenomenal" demand from Chinese investors looking to hedge against the potential economic instability of the world's second-largest economy amid a commercial real estate crisis in China.

Within the U.S., there are several other explanations for the gold bump, as some investors look for ways to bet against the potential of worse-than-expected inflation, reposition their portfolios following the stock surge and safeguard against geopolitical instability, with issues such as the wars between Israel and Hamas and Russia and Ukraine, along with November's presidential election looming on the minds of investors.

WHAT TO WATCH FOR - Incoming cuts to interest rates, which will cause yields for U.S. government bonds to fall and thus make the returns less appealing of another typically safe asset class. Five-decade high gold purchases by central banks globally and the potential for Republican presidential candidate Donald Trump to heighten tensions between the U.S. and China are also all reasons to remain bullish on gold moving forward, Solita Marcelli, UBS Global Wealth Management's chief investment officer, Americas, said in a Friday note to clients.

BIG NUMBER - \$3.3 trillion. That's the amount of gold held by investors, according to JPMorgan Chase strategist Nikolaos Panigirtzoglou. That accounts for about 1.4% of the value of all global investments.

SURPRISING FACT - About half of all gold shipments in January went to Hong Kong and mainland China, according to UBS.

KEY BACKGROUND - Gold's popularity as an investment tracks its centuries-long history of retaining value through bouts of inflation and periods of conflict across the globe. American investors' faith in the precious metal hit its highest level since 2012 last year, and a Gallup poll showed respondents were more confident investing in gold than stocks. Gold's rally coincides with a fairly flat U.S. dollar, which also typically gains value during times of market distress; the DXY, which tracks the dollar against a basket of other top global currencies, is up 1% year-to-date and down 2% over the last year. Gold has added 394% in value over the past 20 years, according to FactSet data, below the S&P 500's 522% return over the two-decade period, but still a remarkable feat considering gold is an inorganic material without the potential to return profits to shareholders as a stock would.

GHA: Maybe the stock market and the U.S. economy are not as strong as we think.

➤ **China has snapped up a huge amount of gold for 16 months in a row**

8 March 2024 by Phil Rosen, Reuters –

- China has added to its gold coffers for 16 months in a row, Bloomberg data shows.
- Gold hit new record highs this week, hovering at \$2,162 an ounce on Thursday.
- China continues to diversify its central bank holdings to reduce dependence on the US dollar.

China's gold-buying spree has been going strong for 16 consecutive months. The People's Bank of China added roughly 390,000 troy ounces of the key metal in February, according to government data cited by Bloomberg on Thursday. In total, China's central bank holds 72.58 million troy ounces of gold, or roughly 2,257 tons. On Thursday around 10:00 a.m. in New York, the price of gold hovered at a record high of \$2,161.90. It's up 5.25% in the last five days, and 18.77% in the last 12 months.

The World Gold Council reported that central banks bought 1,037 tons of gold in 2023, just below the all-time record from 2022. Central bank buying activity has helped the commodity's rally, but recently traders' expectations for rate cuts from the Federal Reserve have also helped fuel price gains.

China's move to build up its coffers with gold, which other central banks around the world have also made over the last year, points to its continued push toward diversifying its holdings, with the goal of becoming less reliant on the US dollar.

The country is part of the BRICS economic bloc — Brazil, Russia, India, China, and South Africa — which has shared ambitions to cut into the global dominance of the greenback.

In any case, demand for gold in China is high, based on the volume of Swiss exports to the country. That nearly tripled in January, Bloomberg data shows, and the bullion binge comes as the country's stock market, economy, and property sector remain on shaky ground.

Historically, investors pile into the safe-haven asset of gold as a hedge against economic tumult or inflation.

"Gold is now the most overbought since March 8, 2022 where it peaked and declined from \$2,050 to \$1,650," Bank of America strategists wrote in a note on Wednesday. "While we are not calling for that, it is rational to expect price momentum to slow at some point and/or price to dip in given stretched daily RSI conditions."

TRANSPORTATION

➤ **Baltic Dry Freight Index – Daily = 2251**



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 mts; Panamax, which usually carry coal or grain cargoes of about 60,000 to 70,000 mts; and Supramax, with a carrying capacity between 48,000 and 60,000 mts. 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**

8th March 2024 Source: Baltic Exchange: <https://www.balticexchange.com/en/data-services/WeeklyRoundup/dry/news/2024/bulk-report-week-10.html>

Capesize: Throughout the week, the capesize market experienced shifts in sentiment and activity. The week commenced robustly in the Pacific, with all three miners bustling with activity, driving up rates, and causing C5 to spike by at least \$1.00. However, as the week progressed there was a notable softening in market

sentiment, particularly evidenced by a substantial drop in the BCI 5TC which plummeted by \$3,142 to reach \$31,260, and the C5 index experienced a significant drop of \$1.56 to \$12.90. This decline was attributed to subdued activity in both the Pacific and Atlantic markets. In the Atlantic, bids were swiftly withdrawn from South Brazil and West Africa to the Far East, widening the gap as owners sought to resist. However, the market saw a turnaround towards the end of the week, influenced by positive movements in the FFA market and a pickup in activity in both basins. In the Pacific brokers have also noticed an increase in operator-controlled cargoes helping the C5 index to edge back up, with the C5 index ending the week at \$14.40. Activity in the Atlantic notably picked up, particularly from South Brazil and West Africa to the Far East. With reports of fixtures in the high \$29.00s from Tubarao to Qingdao, followed by \$30.50, and today there are reports of \$31.25 concluded. All in all, it has been a volatile but positive week, illustrated by the BCI 5TC rising by \$2,205 to close at \$35,201.

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 April arrival window absorbing several vessels at firmer rates compared to end March where rates inevitably became discounted. Typically, some of the well described units were able to achieve around the \$20,000 mark arrival delivery Singapore for route P6 trips. This seemingly impacted positively on south positions in the Pacific basin with solid levels of demand from Indonesia and Australia adding some gravitas to an already well supported market, with \$20,000 achieved a few times on 82,000-dwt types on Australia mineral round trips. Period activity was muted possibly impacted by a volatile FFA market, but reports emerged of a 93,000-dwt delivery China fixing at \$16,250 basis four to seven months, also an 81,000-dwt open North China fixed 12 to 14 months trading at 122.5% of BPI.

Ultramax/Supramax: A week of mixed fortunes for the owning side of things. The Atlantic overall lacked much fresh impetus certainly from the US Gulf, whilst there was also limited possibilities from the South Atlantic. The Continent-Mediterranean saw some action although rates generally remained flat. However, a more positive feel from the Asian arena with tonnage supply remaining tight, the rates being seen were healthy. Period cover was short, a 58,000-dwt open China was fixed for one year at \$16,500, and a 56,000-dwt open SE Asia fixed seven to nine months at \$16,000. From the Atlantic, a 61,000-dwt open West Africa fixed a trip to China with manganese ore at \$28,500 and a 58,000-dwt open Mediterranean fixed a trip to the US Gulf at \$16,000. From Asia a 61,000-dwt open Singapore fixed a trip via Malaysia redelivery SE Asia at \$21,000. A 56,000-dwt open Philippines fixed a trip via Indonesia redelivery Bangladesh at \$24,000. It remains to be seen if the optimism in the Asian basin can continue through to the upcoming week.

Handysize: After an extended period of decline, the first shoots of positivity emerged in the US Gulf, with more visible activity, a 39,000-dwt opening in Tampa fixing to the Continent with grains at \$11,500 whilst a 40,000-dwt fixed from Baltimore to Turkey with an intended cargo of scrap at \$13,000. The South Atlantic also showed promise of improvements with a 36,000-dwt rumored to have fixed from

Antonina to the Continent with sugar at around \$18,500 and a 38,000-dwt fixing from Recalada to WC South America with grains at \$27,000. The positivity seen in Asia last week continued for a majority of the week with rumors of upper teens being achieved on larger handles for trips from South East Asia via Australia to China and a 38,000-dwt logger was rumored to have fixed for 2 to 3 laden legs in the \$17,000's but as the week progressed there was a shift in balance and numbers had begun to soften as cargo availability reduced.

6 th March 2024 Route (US\$ per ton)	TW	LW	LY	% Chg. y/y
Argentina (Rosario) - EU (Rotterdam)	32	31	31	3
Australia (Kwinana) - China (Dalian)	26	24	22	18
Brazil (Santos) - China (Dalian)	49	45	9	
Brazil (Santos) - EU (Rotterdam)	25	25	25	0
EU (Rouen) - Algeria (Bejaia)	19	19	19	0
Russia (Novorossiysk) - Egypt (Alex)	17	18	17	0
USA (New Orleans) - EU (Rotterdam)	26	25	26	0
USA (New Orleans) - Japan (Yokohama)	51	49	48	6
USA (New Orleans) - Mexico (Veracruz)	16	16	16	0

Source: IGC <https://www.igc.int/en/subscribers/gmi/gmi.aspx>

Building on previous week's gains, the dry bulk freight complex advanced further, the Baltic Dry Index rising by a net 21% w/w, to a more than two-month peak.

The largest increase was seen in the Capesize sector, where robust demand in both Basins underpinned a 29% weekly gain in average time-charter rates, with strength most notable on key iron ore routes from Australia and Brazil to China.

In other segments, solid interest was reported for front-haul grains/oilseeds deliveries from the US Gulf, and for minerals cargoes from the northern coast of South America. Average Panamax earnings firmed by 14% w/w, with steady demand and tightening tonnage availability noted in the Atlantic and in Asia.

Supramax values averaged 6% higher w/w on positive sentiment across Asia, buoyed by ongoing demand for coal cargoes out of Indonesia, albeit as activity in the Atlantic was relatively more subdued.

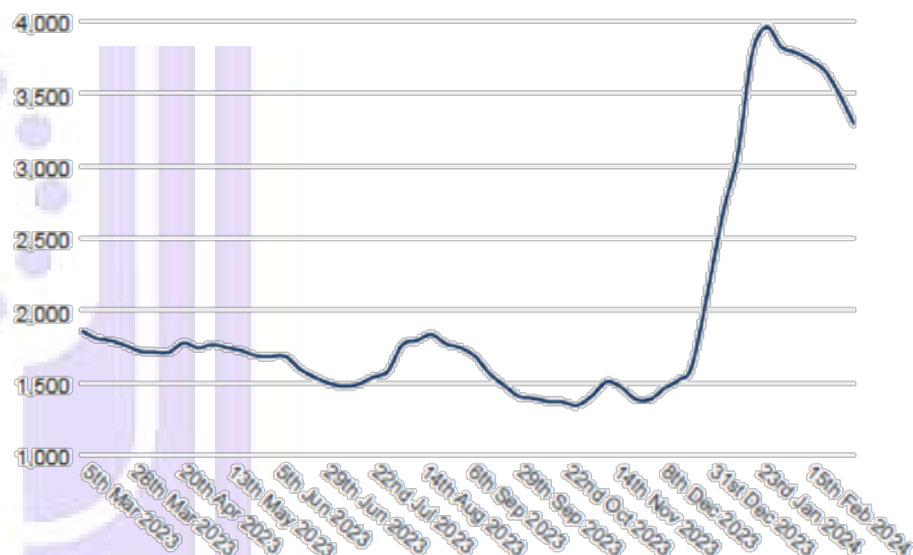
Handysize rates extended recent strength on fresh enquiries for nearby shipments from the southern Atlantic, amid improved River Plate water levels, while rising demand and limited tonnage supply in south-eastern Asia added to the firmer tone.

With time-charter rates improving, the IGC GOFI advanced by 3%, as firmer bunker rates also underpinned.

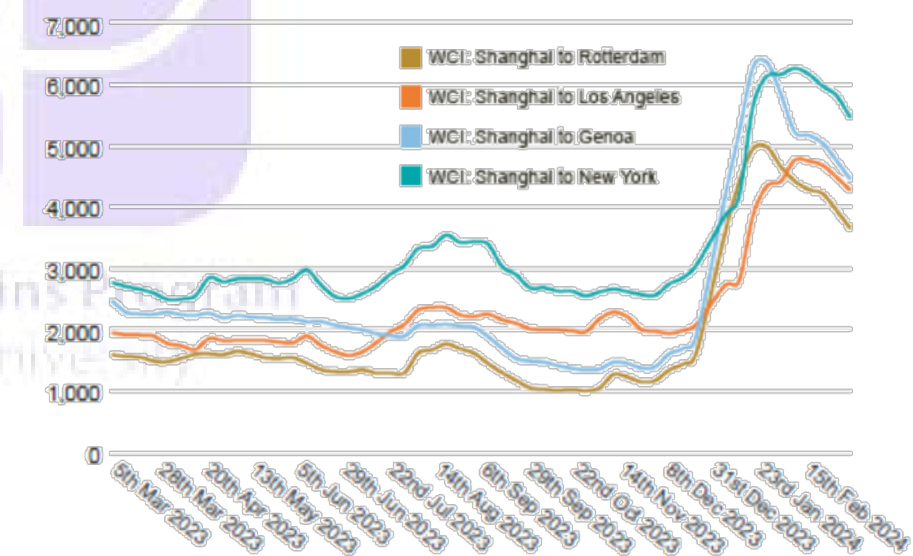
➤ Drewry World Container Index

World Container Index – 7 March 2024

Drewry World Container Index (WCI) - 07 Mar 24 (US\$/40ft)



Drewry WCI: Trade Routes from Shanghai (US\$/40ft)



Route	Route code	22-Feb-24	29-Feb-24	7-Mar-24	Weekly change (%)	Annual change (%)
Composite Index	WCI-COMPOSITE	\$3,659	\$3,483	\$3,287	-6% ▼	82% ▲
Shanghai-Rotterdam	WCI-SHA-RTM	\$4,221	\$3,944	\$3,650	-7% ▼	134% ▲
Rotterdam-Shanghai	WCI-RTM-SHA	\$810	\$815	\$861	-6% ▼	23% ▲
Shanghai-Genoa	WCI-SHA-GOA	\$5,042	\$4,757	\$4,449	-6% ▼	95% ▲
Shanghai-Los Angeles	WCI-SHA-LAX	\$4,683	\$4,486	\$4,272	-5% ▼	123% ▲
Los Angeles-Shanghai	WCI-LAX-SHA	\$708	\$719	\$717	0% ▼	-34% ▼
Shanghai-New York	WCI-SHA-NYC	\$5,976	\$5,820	\$5,458	-6% ▼	102% ▲
New York-Rotterdam	WCI-NYC-RTM	\$623	\$633	\$624	-1% ▼	-46% ▼
Rotterdam-New York	WCI-RTM-NYC	\$2,204	\$2,220	\$2,192	-1% ▼	-59% ▼

Source: Drewry World Container Index, Drewry Supply Chain Advisors

<https://www.drewry.co.uk/supply-chain-advisors/supply-chain-expertise/world-container-index-assessed-by-drewry>

Drewry's Container Index detailed assessment for Thursday, 07 March 2024

The composite index decreased by 6% to \$3,287 per 40ft container this week and has increased by 82% when compared with the same week last year.

The latest Drewry WCI composite index of \$3,287 per 40ft container is 131% more than average 2019 (pre-pandemic) rates of \$1,420.

The average composite index for the year-to-date is \$3,526 per 40ft container, which is \$830 higher than the 10-year average rate of \$2,697 (which was inflated by the exceptional 2020-22 Covid period).

Freight rates from Shanghai to Rotterdam decreased by 7% or \$294 to \$3,650 per 40ft box. Similarly, freight rates from Rotterdam to Shanghai, Shanghai to Genoa and Shanghai to New York dropped by 6% to \$861, \$4,449 and \$5,458 per feu respectively. Followed by rates on Shanghai to Los Angeles which reduced by 5% or \$214 to \$4,272 per 40ft container. Likewise, rates on New York to Rotterdam and Rotterdam to New York declined by 1% to \$624 and \$2,192 per feu respectively.

While rates on Los Angeles to Shanghai remained stable. Drewry expects spot rates to continue declining in the coming weeks without a dramatic crash..

➤ Illinois River Barge Freight

8 March 2024 – 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

	3/7/2024	3/8/2024	
wk 3/3	350/370	350/370	UNC
wk 3/10	350/360	350/360	UNC
wk 3/17-3/31	340/350	340/350	UNC
April	325/375	330/375	
May	325/375	325/375	UNC
June	325/375	325/375	UNC
July	325/375	325/375	UNC
Aug	425/525	425/525	UNC
Sep	625/725	625/725	UNC
Oct	750/850	750/850	UNC

ST LOUIS BARGE

FREIGHT 14'	3/7/2024	3/8/2024	
wk 3/3	255/265	255/265	UNC
wk 3/10	250/260	250/260	UNC
wk 3/17-3/31	240/250	240/260	
April	225/275	225/275	UNC
May	225/275	225/275	UNC
June	225/275	225/275	UNC
July	250/300	250/300	UNC
Aug	325/425	325/425	UNC
Sep	525/625	525/625	UNC
Oct	625/725	625/725	UNC

➤ Army Corps. of Engineers: Drought conditions along the Mississippi River are over for now

1 March 2024 by Amber Weaver - The drought along the Mississippi River is over, for now, according to the Army Corps of Engineers.

That's according to the Army Corps of Engineers. Mike Steenhoek with the Soy Transportation Coalition says the better conditions are due to recent snow and rainfall experienced in the overall watershed. He shares more about the declining water levels that began back in September of 2022, and how quickly that situation could return.

“Good to see water levels back to some degree of normalcy, the concern we have going forward is that so much of the farm ground is very dehydrated. And so, what that means is it won't take a very prolonged period of dry conditions to all of a sudden

return us back to low water conditions.” - Mike Steenhoek, Soy Transportation Coalition

Taking a look at current drought conditions along the Mighty Mississippi, dryness has cleared up, but farmers in several spots are still facing anywhere from abnormal to extreme drought conditions.

Steenhoek says the river is one of the largest and most efficient pathways for Midwestern growers to get their grain to market and the best time to respond to these potential logistical challenges is now, before it happens again.

“So, anything that we can do in terms of water levels that really point to having dredges that are available, ready to be deployed if there’s going to be problems that materialize. Not just waiting for a problem to occur then all of a sudden making a plan for addressing it.” - Mike Steenhoek, Soy Transportation Coalition

Infrastructure laws have been passed over the last few years to help with this situation, but Steenhoek says a more reliable and predictable form of funding is still needed.

➤ **Port NOLA sets new container-on-barge service record**

5 March 2024 by Amber Weaver - The Port of New Orleans (Port NOLA) marked 20,500 container moves by barge during calendar year 2023, the highest since starting the container-on-barge (COB) service in 2016 in partnership with the Port of Greater Baton Rouge and Ingram Marine Group.

Moving an average of 30,000 TEU of containers per year between New Orleans, the Port of Greater Baton Rouge, Memphis and St. Louis, the service is the largest container-on-barge network in the U.S. with connectivity to the nation’s heartland.

“We are poised to expand this service even further in the coming years,” said Port NOLA president & CEO, Brandy D. Christian. “This is one more example of Port NOLA working alongside our partners to provide innovative solutions for global supply chain disruptions while simultaneously honoring a commitment to sustainability.”

The service eliminated more than 1,300 tonnes of carbon dioxide (CO2) emissions and saved more than 130,000 gallons of diesel fuel in calendar year 2023. Since 2016, the accumulated (CO2) emissions reduction is more than 10,400 tonnes.

Port NOLA says that it values its ongoing partnership with the Port of Greater Baton Rouge and Ingram Marine Group to offer the weekly service that repositions empty containers where they can be used and offers shippers alternative ways to move their goods.

“We are proud to partner with the Port of New Orleans and Ingram Marine Group to continue to offer innovative and sustainable maritime solutions,” said Port of Greater Baton Rouge executive director Jay Hardman, P.E. “These record- breaking numbers for our container-on-barge service are a direct result of our collective effort to create a stronger and more resilient supply chain.”

“We are proud to be a part of the thriving maritime economy of the Port of New Orleans, which includes a growing container-on-barge system,” said Ingram Marine

Group President and CEO John Roberts. “Our recent creation of Ingram Infrastructure Group, fueled in part by our acquisition of SCF, has greatly increased our presence in the container-on-barge market, as well as our material handling capabilities and ability to provide end-to-end supply chain solutions for our customers. As such, we are positioned to build on the incredible success of 2023 in partnership with the Port of New Orleans and Ports America, as well as carriers and shippers, and look forward to continuing our container-on-barge services with them.”

Like the Uptown Napoleon Container Terminal, Port NOLA’s downriver container terminal, the port’s new Louisiana International Terminal (LIT), will also be equipped to provide container-on-barge services. LIT will allow the container-on-barge operation to expand with a dedicated berth space designed for this service.

Categories: Coastal, Inland, Inland and Coastal, News, Ports & Terminals Tags: Brandy D. Christian, container-on-barge, Ingram Infrastructure Group, Ingram Marine Group, Jay Hardman, John Roberts, Memphis and St. Louis, Port NOLA, Port of Greater Baton Rouge, Port of New Orleans

LOGISTICS

➤ **Argentina plans \$550 mln investment to build grains ports**

7 March 2024 by Reuters - Argentina’s government on Thursday announced it would invest around \$550 million to build a new port in the Rosario area, a major agricultural hub which moves more than 80% of the South American nation’s agricultural and agro-industrial exports.

Argentina is one of the world’s top grains exporters and the banks of the Parana River are dotted with ports to ship out farm products.

“We’re announcing an investment for the construction of a new agro-industrial port in Timbues, on the Parana River,” - some 50 km north of the city of Rosario - presidential spokesman Manuel Adorni said in his morning press conference.

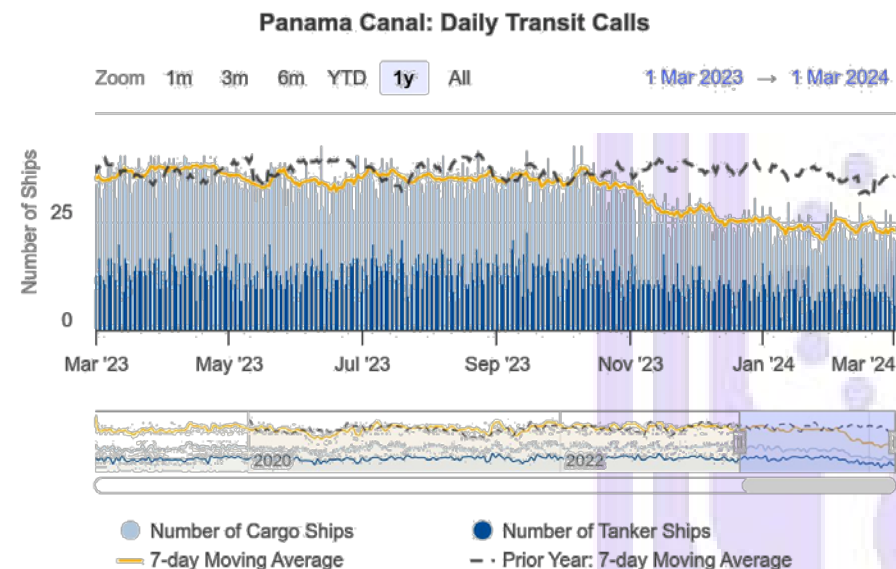
“The investment will be around \$550 million. Construction will begin this month,” he said, without giving more detail.

The bioeconomy secretariat, under the agricultural ministry, told Reuters it did not have additional information. Meanwhile, the CIARA-CEC chamber of grains exporters and processors did not immediately respond to a Reuters request for comment.

Argentina is one of the world’s top two exporters of soybean oil and meal, and No. 3 in corn exports. Along the string of ports in Rosario, companies such as Bunge, Cargill and Louis Dreyfus have grain loading and unloading terminals.

Argentina’s 2023/24 soybean and corn harvests are set to kick off next month. The Rosario Stock Exchange estimates the harvests will bring in 49.5 million metric tons of soybeans and 57 million tons of corn.

➤ Panama Canal – Daily Transit Calls



2 March 2024 Source: IMF PortWatch

<https://portwatch.imf.org/pages/c57c79bf612b4372b08a9c6ea9c97ef0>

➤ Red Sea Attacks Disrupt Global Trade

7 March 2024 by Parisa Kamali, Robin Koepke, Alessandra Sozzi, and Jasper Verschuur, IMF Blog - In the past few months, global trade has been held back by disruptions at two critical shipping routes. Attacks on vessels in the Red Sea area reduced traffic through the Suez Canal, the shortest maritime route between Asia and Europe, through which about 15% of global maritime trade volume normally passes. Instead, several shipping companies diverted their ships around the Cape of Good Hope. This increased delivery times by 10 days or more on average, hurting companies with limited inventories.

On the other side of the world, a severe drought at the Panama Canal has forced authorities to impose restrictions that have substantially reduced daily ship crossings since last October, slowing down maritime trade through another key chokepoint that usually accounts for about 5% of global maritime trade.

The Chart of the Week uses data from our PortWatch platform to show trade volume that transits through these three critical shipping lanes. Our high-frequency transit estimates indicate that the volume of trade that passed through the Suez Canal dropped by 50% year-over-year in the first two months of the year, and the volume of trade transiting around the Cape of Good Hope surged by an estimated 74% above last year's level. Meanwhile, the transit trade volume through the Panama Canal fell by almost 32% compared with the prior year.

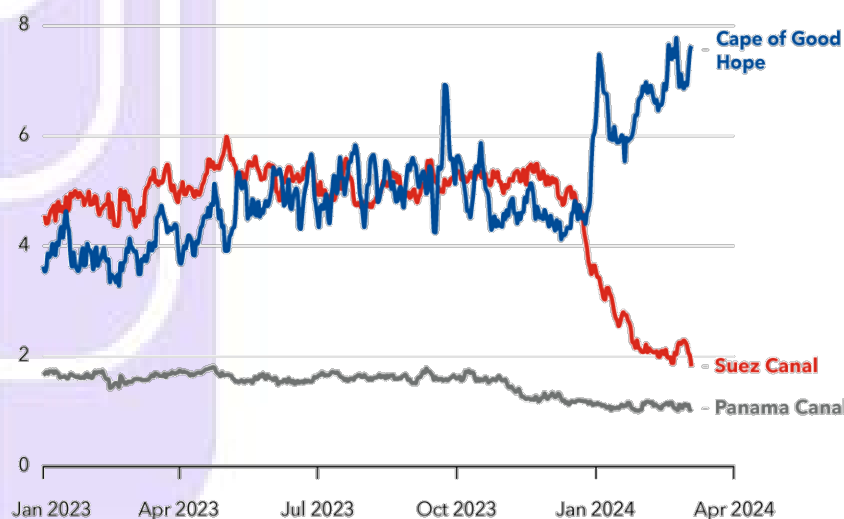
The platform also shows that in January and February 2024, there was a 6.7% decline year-over-year in port calls to the 70 ports we track in sub-Saharan Africa. The corresponding declines for the European Union and the Middle East and Central Asia were 5.3%. These decreases likely reflect the transitory effects of longer shipping times. If continued, the ripple effects of these disruptions could temporarily hamper some supply chains in affected countries and cause upward pressure on inflation (in part due to higher shipping costs).

Trade disruptions

Trade has been diverted from the Suez Canal to the Cape of Good Hope, while less has passed through the Panama Canal.

Daily transit trade volume

(million metric tons, 7-day moving average)



Sources: UN Global Platform; IMF PortWatch.

IMF

An important implication of these shipping disruptions is that official statistics on recorded imports (and exports) based on customs records may be affected by the temporary impact of ships being re-routed. This will make it more difficult to gauge the underlying momentum of global trade and economic activity in the coming months.

For example, merchandise trade reports for January in many countries in Africa, the Middle East and Europe may show slowing import growth as some imports that would normally have been recorded in January were only delivered in February. For

the same reason, many low-income countries that obtain a significant share of their fiscal revenues from import duties (and export taxes) may report lower fiscal revenue than expected for January.

—This blog was co-authored by the PortWatch team, which includes Serkan Arslanalp. See the press release: IMF and University of Oxford Launch “PortWatch” Platform to Monitor and Simulate Trade Disruptions.

➤ **Red Sea - MSC containership struck by Houthi missile**



4 March 2024 by Nick Blenkey - An MSC containership has become the latest vessel to be damaged in a Houthi attack.

U.K. Maritime Trade Operations today issued a report at 1500 UTC on an incident 91 nautical miles southeast of Aden in which the master of a vessel reported two explosions. The first was a distance off the vessel's port quarter, the second caused damage to the vessel, with the master reporting fire and smoke on board that the vessel was tackling. No injuries were reported. In updates, UKMTO said first that the fire had been extinguished and then that the ship had cleared the area and was proceeding to its next port of call.

That vessel was identified by a Houthi spokesman as the MSC containership MSC Sky II.

While vessel charterers and operators continuing to transit through the Red Sea are now taking a calculated risk with their eyes wide open, one of the biggest economic victims of the Houthi's activities is the Suez Canal Authority, as can be seen by the latest data from IMF Portwatch.

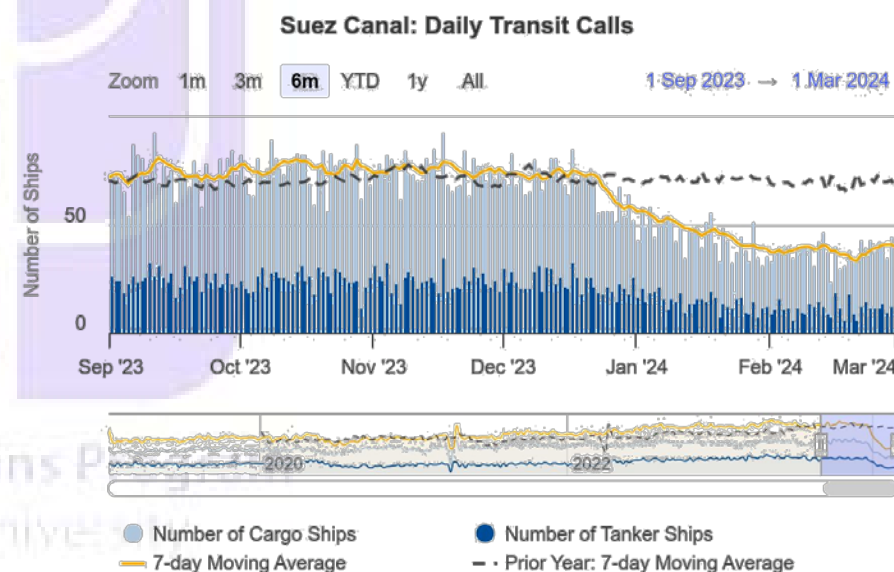
While the Houthi spokesman identified the MSC Sky II as “Israeli,” the Liberian-flagged ship is operated by Switzerland based Mediterranean Shipping Company. It is the second MSC vessel to be targeted by the Houthis following an earlier, unsuccessful, attack on the MSC Clara.

The Houthi activities are also, of course, no good news for the environment. CENTCOM reported on March 2 that, at approximately 2:15 a.m. (Sanaa time), Rubymar, a Belize-flagged, UK-owned bulk carrier, sank in the Red Sea after being struck by a Houthi anti-ship ballistic missile on Feb. 18.

The ship had been slowly taking on water since the unprovoked attack.

“The approximately 21,000 metric tons of ammonium phosphate sulfate fertilizer that the vessel was carrying presents an environmental risk in the Red Sea,” said CENTCOM. “As the ship sinks it also presents a subsurface impact risk to other ships transiting the busy shipping lanes of the waterway.”

➤ **Suez Canal – Daily Transit Calls**



Source: IMF PortWatch <https://portwatch.imf.org/pages/c57c79bf612b4372b08a9c6ea9c97ef0>

Government Actions and Policies

➤ Corn Refiners Association - Trade Update

5 March 2024 CRT Trade Update -

- **Free Trade Agreements:** A [study](#) by the European Commission's Joint Research Centre published on Feb. 22, 2024, evaluated the impacts of 10 free trade agreements on EU agri-food exports and imports. The study estimates both increased exports and imports because of the agreements, and a slightly higher agri-food trade balance.
- **WTO:** On Mar. 2, the WTO Thirteenth Ministerial Conference in Abu Dhabi, UAE, concluded with no agreements on agriculture or fisheries subsidies.
- **Rice:** On Feb. 29, the U.S. International Trade Commission (ITC) announced the schedule for its Section 332 investigation into "[Rice: Global Competitiveness and Impacts on Trade and the U.S. Industry](#)." The transmission of the final report to congress is set for Mar. 5, 2025.
- **U.S.-Paraguay:** Senators Jon Tester and Mike Rounds aim to [overturn Biden's administration decision](#) on lifting the beef import ban from Paraguay, highlighting the concerns over animal health standards in the United States.

U.S.-Mexico Trade:

- On Feb. 29, USDA ERS [shared a graph and explanation](#) that tracks the increase of U.S. sugar exports to Mexico, emphasizing that U.S. sugar exports to Mexico are returning to levels seen during 2008 - 2013. The report notes that production in Mexico has fallen to a 15-year low, and attributes the low to drought and reduced fertilizer use.
- In August 2023, USDA ERS published a report: "[How Mexico's Horticultural Export Sector Responded to the Food Safety Modernization Act](#)" (FSMA), which highlights the drastic growth in U.S. imports of horticultural products from Mexico.

Trade Remedies:

- On Feb. 29, ITC [announced](#) the scheduling for the final phase of the AD CVD investigation for pea protein from China.
- On Mar. 1, the Department of Commerce, International Trade Administration (ITA) and U.S. [International Trade Commission](#) (ITC) [announced](#) the initiation of a five-year (sunset review) on anti-dumping (AD) and countervailing duties (CVDs) for pasta from Italy and Turkey.
- **Trade Remedies:** In a Feb. 20 [report](#), a WTO compliance panel found that the EU demonstrated that the United States failed to bring certain anti-dumping (AD) and countervailing duties (CVD) measures for ripe olives from Spain into conformity, according to the adopted findings in the panel report.
- **Environment:** On Dec. 12, 2023, the UK Secretary of State for Environment, Food and Rural Affairs announced draft legislation to stop products from illegal deforestation from being sold in the United Kingdom. The system will first be

applied to cattle products (excluding dairy), cocoa, palm oil, and soy.

➤ USDA Deputy Secretary Torres Small Leads Trade Mission to Angola

The U.S. Department of Agriculture today announced that Deputy Secretary Xochitl Torres Small is leading USDA's first agribusiness trade mission to Luanda, Angola, accompanied by representatives from the Kansas and Wisconsin departments of agriculture, as well as 16 U.S. companies and organizations.

Members of the U.S. delegation will conduct business-to-business meetings with potential buyers from Angola, as well as from neighboring Democratic Republic of the Congo and Republic of the Congo. They will also receive in-depth market briefings from USDA Foreign Agricultural Service staff and industry trade experts, gaining insights that will help inform their export strategies for Sub-Saharan Africa.

Trade mission participants represent a variety of American-made food and agricultural products, including beef, dairy, distilled spirits, dry beans and lentils, grains, oilseeds, poultry and more.

➤ Ag Shippers Praise Fed Maritime Commission Rule on Billing Reform

The Agriculture Transportation Coalition is applauding a final rule out Friday from the Federal Maritime Commission to reform detention and demurrage practices that the coalition said "contributed to massive financial injury to U.S. shippers, from small 'main street' businesses to the nation's very largest ag exporters and retailers."

The rule clarifies "who can be billed, within what timeframe, and the process for disputing bills," the FMC said.

"Abusive practices included billing [detention and demurrage] without informing the shipper what – or when or where – the detention/demurrage occurred [and] waiting years to impose the charges," the coalition said.

➤ Ag Groups Accuse Corps, EPA of Using 'Secret' WOTUS Guidance

Agriculture industry stakeholders remains critical of the Biden administration's "waters of the U.S." rule, asserting the EPA and Army Corps of Engineers are relying on "secret guidance" that stretches the agencies' authority beyond the limits set by the Supreme Court.

Since September, EPA and the Corps have been using implementation guidance that "apparently directs Corps officials to 'use ephemeral features to establish a continuous surface connection' or to 'find any physical connection to establish jurisdiction, even if a hydrologic connection does not exist,'" Courtney Briggs, a senior director of government affairs at the American Farm Bureau Federation, said during a WOTUS listening session held by the two agencies for ag stakeholders Tuesday.

National Pork Producers Council's chief legal strategist, Michael Formica, added, "the farmers I represent and their neighbors in rural America continue to hear that the

Army Corps and EPA rely on seemingly secret internal guidance that's not available for all stakeholders to view and understand."

EPA responded to *Agri-Pulse* to an inquiry about the guidance, which Briggs and others at the session said had been requested by numerous stakeholders. Without directly answering whether the charges of a "secret" guidance were true, the agency said that "guidance documents and memoranda about jurisdictional tributaries are publicly available."

The Biden administration rule is in effect in 23 states and the District of Columbia but has been enjoined in 27 states that sued to block its implementation. In those states, the agencies are implementing regulations that existed before 2015.

➤ **Vilsack Testifies Before Senate Ag Committee**

At a Senate Agriculture Committee hearing Wednesday, Agriculture Secretary Tom Vilsack heard familiar concerns about the use of the Commodity Credit Corporation, foreign land ownership, the proposed Packers & Stockyards Act rules, and the impact of California's Proposition 12, which he has recently begun saying points up the need for Congress to craft a legislative solution to prevent all 50 states from passing their own laws defining which types of food products can or cannot be sold in their states.

In his opening statement, Vilsack repeated his frequent point that the biggest problem in rural America is the unequal distribution of income between large and small farmers.

The Senate hearing with Vilsack lasted just two hours and 45 minutes, compared with five hours last week at the House Agriculture Committee.

➤ **House Members Raise Concerns About Agricultural Trade Deficit**

More than 20 House members are pressing U.S. Trade Representative Katherine Tai and Agriculture Secretary Tom Vilsack for "strong support and swift action" in addressing the nation's projected \$30 billion agricultural trade deficit.

The lawmakers, led by House Ag members Max Miller, R-Ohio, and Angie Craig, D-Minn., worry the deficit may stem from the U.S. falling behind competitors when it comes to establishing new trade pacts, [according to a letter they sent to the two leaders on Monday](#). They recommend Vilsack and Tai "recommit" to comprehensive trade agreements, expand domestic trade promotion programs, and work to reform the World Trade Organization's dispute resolution process.

USDA estimates put American ag exports at \$169.5 billion for fiscal 2024, while imports are projected to reach \$200 billion. In a speech at USDA's Agricultural Outlook Forum earlier this month, Tai said that the deficit should be "no cause for alarm." She added, "The U.S. dollar is extraordinarily strong at the moment, which gives American consumers more buying power on the international market."

➤ **Senate Confirms Gooden at USDA, Mersinger at CFTC**

The Senate on Monday confirmed President Biden's nominations of Basil Ivanhoe Gooden to be Agriculture undersecretary for rural development and Summer Mersinger, a re-appointee, as a commissioner of the Commodity Futures Trading Commission for a term that expires on April 28, 2028.

Senate Agriculture Committee Chairwoman Debbie Stabenow, D-Mich., and Sen. John Boozman, R-Ark., ranking member on the committee, jointly announced their confirmation, which was unanimous by voice vote.

Stabenow added, "Dr. Gooden and Commissioner Mersinger are both extremely qualified for these positions. They were both raised on farms and understand the needs of farmers, ranchers, and rural communities."

➤ **House Ag to Hold Hearing with CFTC's Behnam**

The House Agriculture Committee will hold a hearing next Wednesday to receive testimony from Commodity Futures Trading Commission Chairman Rostin Behnam. The hearing will begin at 10 a.m. in Room 1300 of the Longworth House Office Building. It will be livestreamed on the committee website.

International Crop & Weather Highlights

➤ USDA/WAOB Joint Agricultural Weather Facility – 2nd March 2024

Europe – Record Warmth In The East; Heavy Rain In The West And South

- Record warmth hastened winter crop development up to four weeks ahead of normal over eastern Europe. Moisture supplies remained favorable, although short-term dryness intensified in the Balkans.
- Heavy rain over western and southern growing areas caused localized flooding but maintained adequate to abundant moisture supplies for winter grains and oilseeds.

Western FSU – Very Warm In The West

- Much-above-normal temperatures in Moldova, Ukraine, Belarus, and western Russia continued to promote unusually early winter grain and oilseed greening (north) and vegetative growth (south).

Middle East – Sunny And Warm In The West, Cold And Wet In Iran

- Sunny and warm weather in Turkey, Syria, northern Iraq, and northwestern Iran promoted faster-than-normal winter grain development.
- Moderate to heavy rain and high-elevation snow in central and eastern Iran accompanied much colder temperatures, slowing winter crop development but maintaining overall favorable crop prospects.

Northwestern Africa – Western Drought Persisted, But More Eastern Rain

- In Morocco and western Algeria, extreme drought continued to adversely impact reproductive to filling winter wheat and barley despite the arrival of cooler weather.
- Heavy rain from central Algeria into Tunisia boosted prospects for reproductive winter grains.

South Asia – Stormy Weather In The North

- Stormy weather pushed through Pakistan and northern India, providing favorable rainfall to immature wheat.

East Asia – Unseasonably Cold

- Colder-than-normal weather prevailed across eastern China, slowing green up of rapeseed (south) and wheat (north) while possibly causing localized damage from a brief incursion of bitter cold.

Southeast Asia – More Southern Showers, Heat In The North

- More showers in the south benefited oil palm and rice in Indonesia and parts of Malaysia, while the remainder of the region was dry.
- Earlier-than-normal heat continued in Thailand and environs, necessitating increased irrigation for second-season rice.

Australia – Hot, Mostly Dry

- In eastern Australia, hot, mostly dry weather favored dry down and harvesting of the earliest maturing sorghum and cotton but increased stress on later-maturing crops.

South America – Heat And Dryness Returned To Much Of Brazil

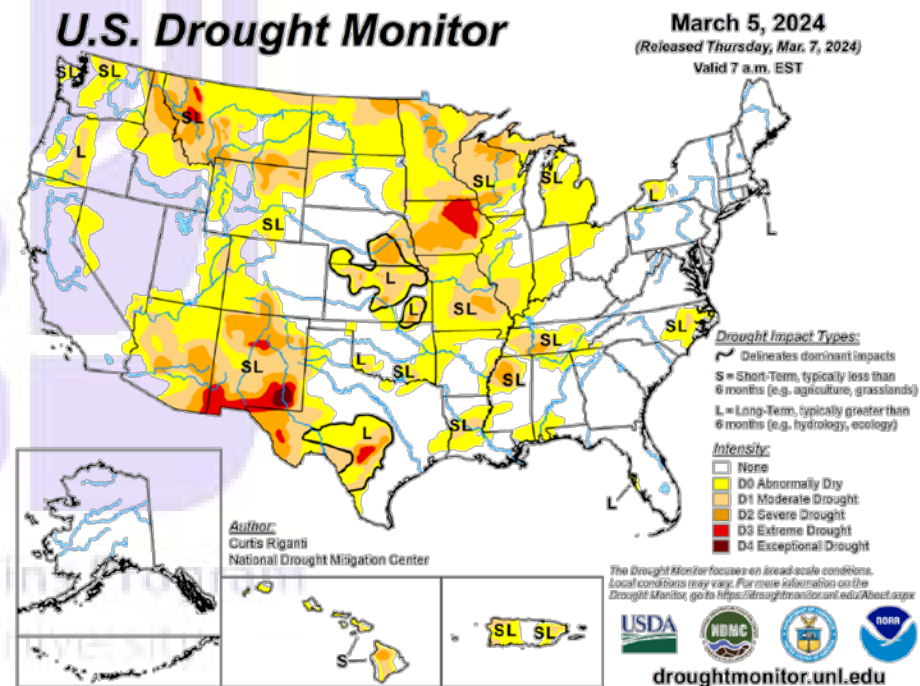
- Unseasonable heat and dryness stressed immature summer crops over a large section of central Brazil. Meanwhile, locally heavy showers increased moisture for corn and late-maturing soybeans in the south.
- Warm, showery weather maintained overall favorable conditions for reproductive to filling corn and soybeans in central Argentina, though pockets of dryness lingered in sections of La Pampa and Buenos Aires.

South Africa – Unseasonable Dryness Persisted Across The Corn Belt

- Dryness and summer warmth (temperatures reaching the middle and upper 30s degrees C) increased stress on reproductive to filling corn and other rain-fed summer crops.

Source: USDA <https://www.usda.gov/oce/weather-drought-monitor/publications>

➤ U.S. Agricultural Weather Highlights – Friday the 8th of March 2024



In the West, any lingering snow showers are confined to the central and southern Rockies. Cool, dry weather covers the remainder of the western U.S., with some frost noted this morning in near-coastal areas of Oregon and northern California. Elsewhere, mountain snowpack remains substantially below average for this time of

year across the northern tier of the region, including much of Montana and Washington, as well as northern sections of Idaho and Wyoming.

On the Plains, overnight thunderstorms in Oklahoma and Texas have shifted eastward, trailed by cool, breezy weather. Meanwhile, snow is gradually ending across the central Plains, with the greatest accumulations—locally 6 inches or more—having been observed across northeastern Colorado and southwestern Nebraska. The snow, along with a corresponding bump in topsoil moisture, is benefiting rangeland, pastures, and winter wheat.

In the Corn Belt, cooler air and snow showers are arriving across the upper Midwest in the wake of a cold front's passage. Meanwhile, warmth lingers in the Ohio Valley, where today's high temperatures should range from 60 to 70°F. East of the boundary between cool and warm air, rain is spreading northeastward. The Midwestern rain is helping to improve topsoil moisture, following an extended spell of warm, mostly dry weather in February and early March.

In the South, showers and thunderstorms stretch from eastern Texas into the Tennessee Valley. The rain is slowing spring fieldwork but generally benefiting pastures and winter grains. However, with rain expected to become heavier today, areas from the Mississippi Delta to the southern Appalachians are bracing for possible flooding.

Outlook: Showers and thunderstorms will become heavier and more widespread later today into Saturday, especially from the lower Mississippi Valley into parts of Alabama, Georgia, and South Carolina. Some Southern thunderstorms may have the potential to produce high winds, large hail, and isolated tornadoes. Meanwhile, significant rain (as much as 1 to 2 inches) will fall from the eastern Corn Belt into the Northeast. During the weekend, precipitation should end as snow from areas downwind of the Great Lakes to interior sections of the Northeast. Meanwhile, tranquil weather will accompany a warming trend across the nation's mid-section, while unsettled weather will gradually return across the West. In the latter region, precipitation will first arrive on Saturday across the Pacific Northwest, with rain and snow showers overspreading many other parts of the western U.S. early next week.

The NWS 6- to 10-day outlook for March 13 – 17 calls for the likelihood of near- or above-normal temperatures nationwide, except for cooler-than-normal conditions in parts of Arizona, New Mexico, and western Texas. Meanwhile, below-normal precipitation in California, the Great Basin, and the Northwest should contrast with wetter-than-normal weather across the remainder of the country, generally east of a line from Arizona to the northern High Plains.

Contact: Brad Rippey, Agricultural Meteorologist, USDA/OCE/WAOB, Washington, D.C. (202-720-2397)

Web Site: <https://www.usda.gov/sites/default/files/documents/TODAYSWX.pdf>

References

➤ Conversion Calculations

Metric Mt = 1000 kg, approximately 2204 lbs.

American or Short Ton = 2000 lbs.

British Mt or Long Ton = 2240 lbs.

Metric mtss to Bushels:

- Wheat, soybeans = metric mtss * 36.7437
- Corn, sorghum, rye = metric mtss * 39.36825
- Barley = metric mtss * 45.929625
- Oats = metric mtss * 68.894438

Metric mtss to 480-lbs Bales

- Cotton = metric mtss * 4.592917

Metric mtss to Hundredweight

- Rice = metric mtss * 22.04622

Area & Weight

- 1 hectare = 2.471044 acres
- 1 kilogram = 2.204622 pounds

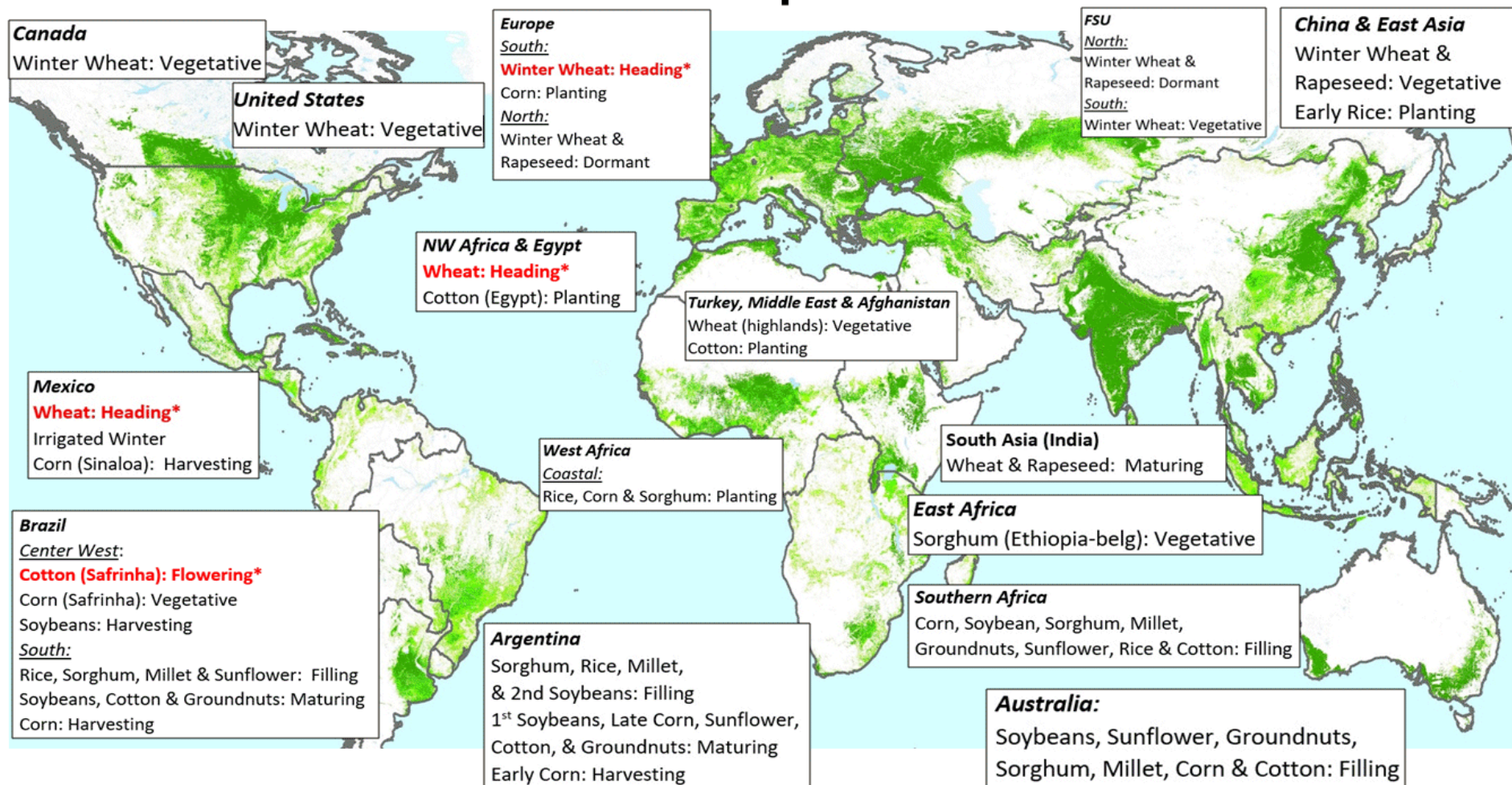
➤ Marketing Years (MY)

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.

March Crop Calendar



*Crop stage sensitive to moisture and temperature stresses.



U.S. Department of Agriculture (USDA)
Foreign Agricultural Service (FAS)
Office of Global Analysis (OGA)
International Production Assessment Division (IPAD)

https://ipad.fas.usda.gov/ogamaps/images/mar_calendar.gif