Notes and Observations in International Commodity Markets

12 April 2024

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

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

Contents

AG MARKETS WEAKER FOLLOWING USDA WASDE REPORT, WHILE THE GREENBACK AND GOLD RALLY SHARPLY

Thursday's USDA's World Agricultural Supply and Demand Estimates (WASDE) Report for April predicts lower corn and higher soybean ending stocks.

The 2023-2024 U.S. corn outlook is for greater corn used for ethanol, feed, and residual use. With no supply changes and use rising, ending stocks dropped 50 mbus to 2.1 million. The USDA season-average farm price is lowered five cents to $4.70 a bushel.

The U.S. soybean outlook includes lower imports, residual use, exports, and higher ending stocks. With trade changes and slightly lower residual use, soybean ending stocks were raised 25 mbus to 340 million. The USDA season-average soybean price is forecast at $12.55 a bushel, down ten cents.

The supply and demand outlook for U.S. wheat is for lower supplies, reduced domestic use, unchanged exports, and higher ending stocks, which are raised 25 mbus to 698 million, 22% above 2023. The USDA season-average farm price is down five cents at $7.10.

While the market was lower following the report, it would be suggested the corresponding strength in the U.S. Dollar was the reason for the weakness in agricultural commodities. Support for both the US Dollar and gold came in the wake of increasing concerns of military action by Iran and increasing political tension across the Middle East.

The U.S. CPI came in this past week at 3.5% for March, up from 3.2% in Feb & expectations of 3.4%. The core-CPI came in at 3.8%.

A closing thought on the current state of the U.S. economy. Bob Prince of Bridgewater became the latest high profile investment leader to voice concerns about sticky inflation. ***"I think it is clear the Fed is off-track now. The question is how far off track"****. He went on to say,* ***"if inflation and growth are at certain levels then interest rates can be lowered… none of the ifs are true right now"****. Given all this he saw* ***"no reason to move out of cash into longer-term bonds at the moment".***

Have a good weekend! ☺

➢ U.S. COMPETITIVENESS

U.S. TRADE DEFICIT - On April 4, the U.S. Bureau of Economic Analysis (BEA) released a report drawing attention to a slight increase in the U.S. goods and services trade deficit in February 2024.

According to the U.S. BEA, the U.S. trade deficit increased from $67.6 billion in January to $68.9 billion in February.

BEA notes that exports of goods and services increased by 2.3%, while imports increased by 2.2% in February.

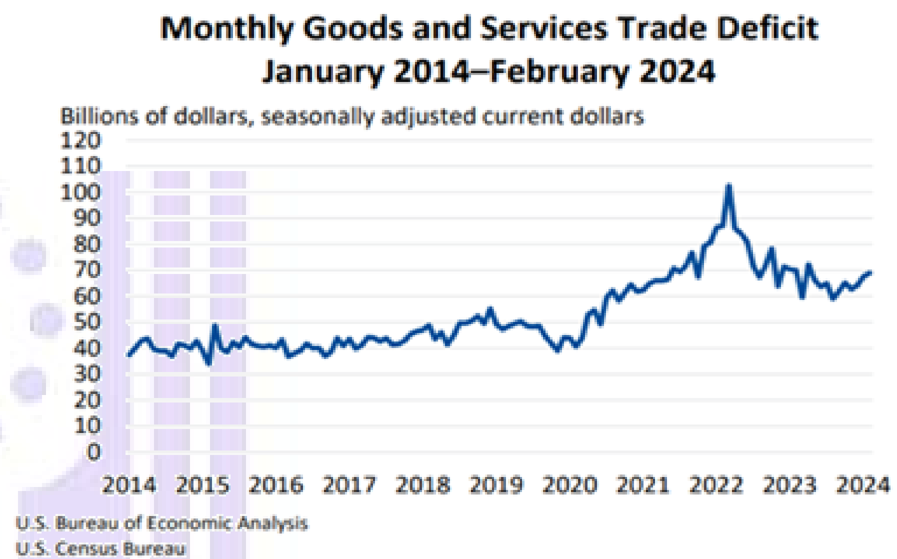
Notably for agriculture, the report highlights exports of foods, feeds, and beverages increasing $1.7 billion, including a $1 billion increase for soybeans; imports of food, feed, and beverages increased $1.3 billion.

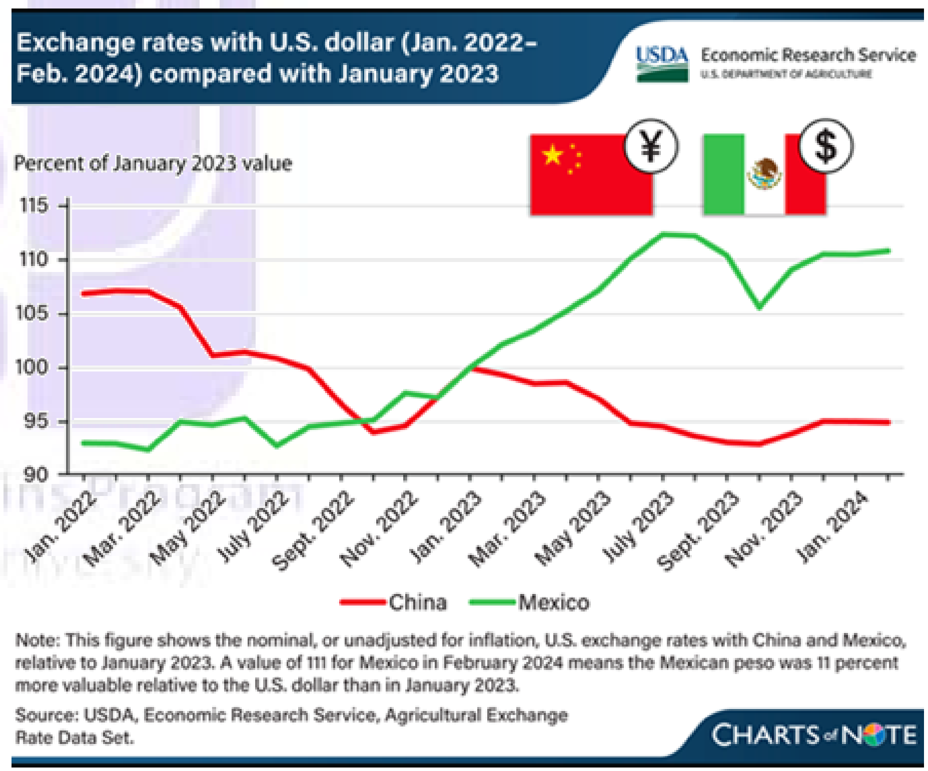
Compared to February 2022, the monthly trade deficit in goods and services has decreased from more than $100 billion to less than $75 billion.

Exchange Rates and Agricultural Trade

On April 3, Agriculture Secretary Tom Vilsack and USTR Ambassador Katherine Tai published a recorded conversation focused on ag trade. Vilsack talked about recent trade successes, the strength of the U.S. economy, and USDA's trade promotion programs.

Separately, on April 2, USDA's Economic Research Service published a simple graph and explanation of exchange rate values in the top two markets for U.S. agricultural exports — China and Mexico — based on its monthly agriculture exchange rate data set.





In this publication, ERS explains that exchange rates influence U.S. agricultural trade, with a stronger foreign currency favoring U.S. exports to that country.

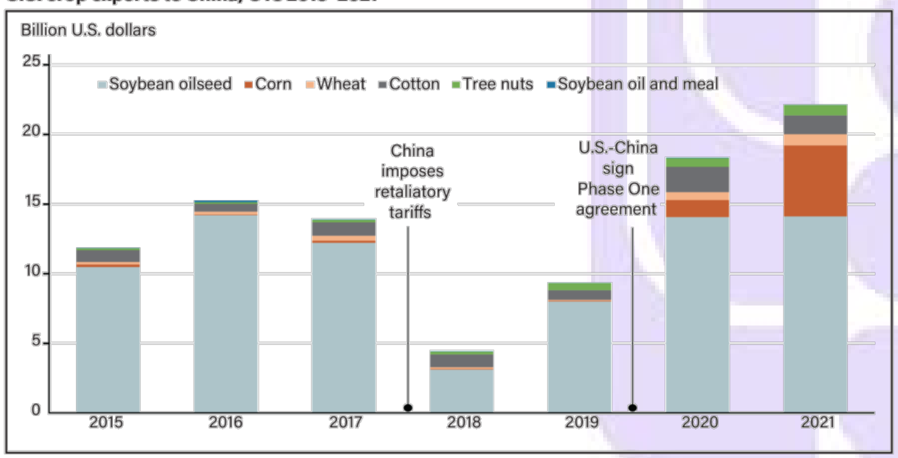
ERS specifically highlights that over the past two years, China's has depreciated relative to the U.S. dollar, weakening U.S. exports to China, while the Mexican peso has strengthened relative to the U.S. dollar.

While the report includes a caveat that "exchanges rates are one of several factors that can influence U.S. agricultural trade," it explains a weaker yuan is associated with decreased export opportunities for food and agriculture exports to China, while a stronger peso is associated with increased export opportunities to Mexico.

The report notes that U.S. agricultural exports to China decreased to $33.7 billion in FY 2023 from $36.2 billion in FY 2022. U.S. agricultural exports to Mexico rose to $28.2 billion in FY 2023 from $28 billion in FY 2022.

USDA Shares study on global competiveness for corn, soybeans, cotton, wheat and tree nuts

Figure 5
U.S. crop exports to China, CYs 2015–2021



CYs = calendar years.

Note: The USDA, Foreign Agricultural Service, Production, Supply and Distribution (PSD) product categories are used for each of the commodities in this table. For tree nuts, the PSD categories of almonds, pistachios, and walnuts are aggregated.

Source: USDA, Economic Research Service using Trade Data Monitor data.

On Mar. 27, USDA Economic Research Service (ERS) highlighted [global tree nut trade](), taken from broader March 2023 report on [U.S. competitiveness of corn, soybean products, cotton, wheat products, and tree nuts]().

The report found that:

- "[T]he United States continues to be the top exporter of corn, tree nuts, and cotton, while other competitors have penetrated the global wheat and soybean markets."
- "Over the last decade, the United States lost its position in the global wheat markets as the European Union (EU), Russia, and Ukraine gained market shares."

The report considers the lack of U.S. free trade agreements between 2012 through 2020 and says this factor is "potentially limiting U.S. export opportunities in some emerging markets while other competitors signed multiple FTAs during that same period".

The report includes sections on "Changes in Trade Environment", which considers the impact that trade policy may be affecting competitiveness on the five products considering in this study, although ERS is careful in the study to note that increases in trade may not be entirely attributable to trade agreements, and may also be affected by trade with other partners, shifting consumer preferences, etc.

Within the "Changes in Trade Environment" section, ERS includes a graph showing U.S. exports of these five products in the context of retaliatory tariffs and the U.S.-China Phase One agreement.

➢ **China vows to boost grain output by 50 mmts by 2030**

9 April 2024 - China has vowed to boost its grain output by more than 100 billion catties (50 mmts) by 2030 in a new action plan issued by the country's state council on Tuesday April 9, with a focus on increasing corn and soybean production.

China has long emphasized the importance of food security and support for production of important agricultural products, which are listed among the top priorities for the government.

But despite maintaining China's annual grain output above 650 mmts for nine consecutive years, the country still has a tight balance between grain supply and demand as residents' demand for grain keeps growing, according to a Chinese state media interview with an official from the National Development and Reform Commission.

And the country's top economic planner expects the supply/demand gap to widen going forward, the official added on explaining the necessity of releasing the plan.

The plan emphasizes the importance of prioritizing farmland for grain production and preventing the land from being used for other purposes, as well as setting a goal of stabilizing the grain growing area at 1.75 billion mu (116.7 million hectares).

It also lists soybean and corn as the focuses for improving output, vowing to use multiple measures to further explore the potential of soybeans while increasing yield per unit for corn. Meanwhile, the focus for rice and wheat will be to improve the crops' quality and achieve structure optimization.

China has designated 720 provinces that to focus on improving grain output, according to the plan.

The government will also raise funding from multiple channels to strengthen guarantees for grain production, complement the income guarantee mechanism for grain farmers to encourage them to grow crops and encourage financial institutions to launch more loans related to grain production, among other measures, it said.

➢ **Brazil poised for major agricultural expansion**

10 April 2024 Feed & Grain Staff - By transforming 70 million acres of degraded pastureland into croplands, Brazil could see a 35% expansion in agricultural area.

Joana Colussi, Nick Paulson, Gary Schnitkey and Jim Baltz from the University of Illinois and Carl Zulauf from Ohio State University broke down a study on Brazilin crop potential for farmdoc daily. A recent study by the Brazilian Agricultural Research Corporation (Embrapa) reveals Brazil's significant potential to boost crop production by converting degraded pastureland to cropland. The study, highlighting a possible 35% increase in production area, is set to reshape Brazil's agricultural landscape, already a global leader in commodity crops.

Embrapa's study, using geospatial databases, identifies around 70 million acres of planted pastures with varying levels of degradation suitable for agricultural conversion, without the need for deforestation. This includes approximately 26 million acres of severely degraded and 43 million acres of intermediately degraded pastures, mainly in states like Mato Grosso, Goiás, Mato Grosso do Sul, Minas Gerais, Pará, and Bahia. These areas have been identified as more economically viable for crop production than for pasture recovery due to high fertilizer costs relative to beef prices.

The study takes into account the need to preserve biodiversity through Legal Reserves, which require landowners to maintain a portion of their property as native vegetation. It suggests that the conversion of these 70 million acres, while retaining Legal Reserves, can significantly expand Brazil's agricultural output.

Another key aspect of the study is the potential for intensifying land use for second-crop corn, particularly in the Center-West region. Currently, around 40% of the soybean area in Brazil is used for second-crop corn cultivation. There's substantial room for expansion, with the possibility of doubling the corn-planted area. This growth is also being driven by the increase in corn-ethanol processing plants in states like Mato Grosso, Mato Grosso do Sul, and Goiás.

However, climatic limitations in southern regions like Paraná restrict the potential for double cropping with corn, where soybeans are typically followed by wheat or other winter crops.

This expansion potential, both through converting degraded pastures and intensifying current crop lands, positions Brazil to significantly increase its agricultural output. The study also highlights the importance of considering logistical challenges, market dynamics, and environmental sustainability in this growth.

Colussi, J., N. Paulson, G. Schnitkey, C. Zulauf and J. Baltz. "Potential for Crop Expansion in Brazil Based on Pastureland and Double-Cropping." farmdoc daily (14):69, Department of Agricultural and Consumer Economics, University of Illinois at Urbana-Champaign, April 9, 2024. Permalink

U.S. Dollar & Foreign Exchange

➢ **<u>U.S. Dollar Index – Daily Nearby</u> as of the 12th April 2024**

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

➢ **<u>Major Foreign Exchange Rate Indicators:</u> as of the 9th of April 2024**

	TW	LW	Year ago	% Chg, yoy
Argentina (ARS)	864.500	857.500	211.210	+309
Australia (AUD)	1.511	1.536	1.500	+1
Canada (CAD)	1.358	1.357	1.351	+1
Euro (EUR)	0.921	0.929	0.917	-
Kazakhstan	446.180	446.500	445.080	-
Russia (RUB)	92.896	92.496	80.550	+15
Ukraine (UAH)	38.950	39.260	36.850	+6

Source: International Grains Council

➢ **<u>Dollar Rallies on Fed Divergence and Heightened Geopolitical Risks</u>**

12 April 2024 by Rich Asplund, Barchart – The dollar index (DXY00) on Friday rose by +0.72% and posted a 5-1/4 month high. The divergence between the Fed and ECB is boosting the dollar and undercutting the euro, with the Fed expected to delay interest rate cuts and the ECB expected to begin cutting rates in June. Also, hawkish Fed comments Friday from Boston Fed President Collins, Kansas City Fed President Schmid, and Atlanta Fed President Bostic supported the dollar when they said they were in no hurry to cut interest rates. In addition, war jitters in the Middle East hammered stocks Friday and increased liquidity demand for the dollar.

The US Mar import price index ex-petroleum was unchanged m/m, weaker than expectations of +0.1% m/m.

The University of Michigan US Apr consumer sentiment index fell -1.5 to 77.9, weaker than expectations of 79.0.

The University of Michigan US Apr 1-year inflation expectations unexpectedly rose +0.2 to 3.1%, higher than expectations of no change at 2.9%. Also, the Apr 5-10 year inflation expectations rose +0.2 to 3.0%, higher than expectations of no change at 2.8%.

Boston Fed President Collins said the strength of the US economy allows time for patience from the Fed, and she is looking into two Fed rate cuts this year.

Atlanta Fed President Bostic said he is "not in a hurry" to cut interest rates, and his 2024 outlook is for one rate cut toward the end of the year.

Kansas City Fed President Schmid said he prefers a "patient" approach to rate cuts and policymakers should wait for "clear and convincing" evidence that inflation is headed back toward 2% before cutting interest rates rather than adjusting policy preemptively.

The markets are discounting the chances for a -25 bp rate cut at 5% for the next FOMC meeting on April 30-May 1 and 29% for the following meeting on June 11-12.

EUR/USD Friday fell by -0.81% and posted a 5-1/4 month low. Strength in the dollar Friday undercut the euro on divergence between the Fed and ECB, as the Fed is expected to delay rate cuts, and the ECB is expected to start cutting rates in June. Also, dovish comments were made on Friday by ECB Governing Council members Kazaks, Stournaras, and Muller, who weighed on the euro when they said they expected ECB rate cuts to begin in June.

ECB Governing Council member Kazaks said, "If really nothing changes, then June will be the month where we see the first rate cut" by the ECB.

ECB Governing Council member Muller said, "The ever-decelerating general price increase in the Eurozone increases the likelihood" of an ECB rate cut in June.

ECB Governing Council member Stournaras said the ECB shouldn't be afraid to shift its "overly prudent" stance on interest rates away from that of the Federal Reserve and "now is the time to diverge."

Swaps are pricing in the chances for a -25 bp rate cut by the ECB at 95% for its next meeting on June 6 and fully priced in (+148%) that rate cut for the following meeting on July 18th.

USD/JPY on Friday fell by -0.05%. The yen today rebounded from a 33-year low against the dollar and posted modest gains. Friday's decline in T-note yields sparked short covering in the yen. The yen also rose on speculation that Japanese authorities might soon intervene in the currency market to support the yen after Japanese Finance Minister Suzuki reiterated that the government would take an appropriate response if currency moves were excessive.

Japan Feb industrial production was revised downward by -0.5 to -0.6% m/m from the previous reported -0.1% m/m.

Swaps are pricing in the chances for a +10 bp rate increase by the BOJ at 1% for the April 26th meeting and 31% for the following meeting on June 14th.

June gold (GCM4) on Friday closed up +1.4 (+0.06%), and May silver (SIK24) closed up +0.080 (+0.28%). Precious metals finished slightly higher on Friday, with Jun gold posting a contract high and nearest-futures April gold at an all-time high. Silver prices also posted a 3-year high.

Escalating Middle East tensions and stock market weakness fueled safe-haven demand for precious metals Friday. The US and its allies believe a major missile or drone attack by Iran or its proxies is imminent against Israeli assets in retaliation for an Israeli attack on an Iranian embassy compound in Syria. Also, lower global bond yields Friday were supportive of precious metals. Silver prices also have carryover support from Friday's rally in copper prices to a 1-3/4 year high. Finally, dovish comments from ECB Governing Council members Kazaks, Stournaras, and Muller sparked demand for gold as a store of value when they said they expect ECB rate cuts to begin in June.

However, long liquidation pressures emerged Friday, and precious metals gave up nearly all of their advance after the dollar index jumped to a 5-1/4 month high. Also, hawkish Fed comments Friday weighed on precious metals after Boston Fed President Collins, Kansas City Fed President Schmid, and Atlanta Fed President Bostic said they were in no hurry to cut interest rates.

- **Gold – Monthly Cash as of the 12th April 2024**

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

- **Dollar Rallies on Fed Divergence and Heightened Geopolitical Risks**

12 April 2024 by Kevin Buckland, Reuters – Asian equities were in a subdued mood on Friday as investors pondered the path for Federal Reserve interest rate cuts amid a murky U.S. inflation outlook.

Gold rose to a fresh all-time peak after a mild reading for producer price inflation kept alive hopes for Fed easing this year, though U.S. Treasury yields stuck close to five-month highs in the wake of hotter-than-expected consumer price data mid-week that forced a paring back of rate cut bets.

The dollar hung near a five-month high following a nearly 1% gain this week against a basket of major peers. [FRX/]

Crude oil continued to trade north of the $90 mark amid a flare-up in Middle East tensions. [O/R]

Markets now expect fewer than two quarter point reductions to the Fed funds rate this year, below the three cuts Fed officials had pencilled in last month, after rushing to trim easing bets following Wednesday's CPI shock.

Fed officials said on Thursday there was no urgency to ease, with Boston Fed President Susan Collins saying the strength of the economy and uneven retreat in inflation argued against a near-term push to lower rates.

However, IG analyst Tony Sycamore remains bullish on the outlook for equities.

"Putting the pieces together at the end of a busy week, if U.S. economic growth remains resilient, inflation remains contained, and the sell-off in the bond market doesn't accelerate, the backdrop for U.S. equity markets remains supportive even without Fed rate cuts," he said.

Japan was the only real bright spot around the Asia Pacific on Friday, with the Nikkei 225 up 0.5%.

Tech shares led the way, drawing inspiration from a rally in U.S. peers overnight. Gains for the index would have been even bigger but for the steep slide in shares of heavily weighted Fast Retailing, owner of the Uniqlo chain, following disappointing earnings.

Elsewhere, markets mostly suffered small losses. South Korea's KOSPI slipped 0.39% and Singapore's Straits Times Index was off 0.12%. Central banks in both countries opted to keep policy unchanged on Friday.

The worst losses were in Hong Kong, with the Hang Seng sliding 1.31% as property shares weighed. Mainland China's blue chips were flat.

MSCI's broadest index of Asia-Pacific shares outside Japan slipped 0.3%, but is still on course for a 0.52% rise for the week.

Long-term U.S. Treasury yields stood at 4.5641% in Asian trading, staying close to the overnight high of 4.5680%, a level last seen on Nov. 14.

The climb in yields supported the dollar as it pushed to a 34-year high of 153.32 yen on Thursday. It last changed hands at 153.105 yen, spurring fresh intervention warnings from Japan's finance minister.

The dollar index, which measures the currency against the yen, euro and four other peers, traded at 105.26, after reaching the highest since Nov. 14 at 105.53 overnight. It has jumped 0.95% this week.

The euro bought $1.07245 after dipping to a nearly two-month trough at $1.0699 on Thursday, when the European Central Bank signalled that rate cuts may come soon.

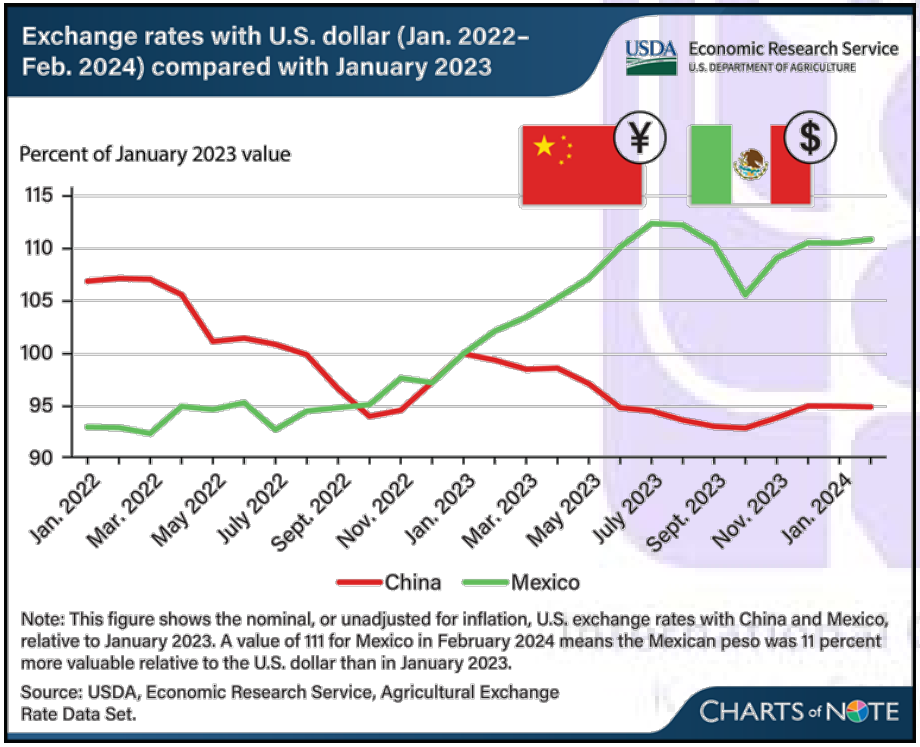
Gold climbed to a record $2,395.29, bringing its gains this week to 2.74%.

Crude oil prices rose after Iran vowed to retaliate for a suspected Israeli airstrike on its embassy in Syria.

Brent crude futures added 34 cents, or 0.38%, to $90.08 a barrel, while U.S. West Texas Intermediate crude futures gained 44 cents, or 0.51%, to $85.45.

(Reporting by Kevin Buckland; Editing by Jacqueline Wong)

- **Exchange rate values changing in top two markets for U.S. ag exports**



8 April 2024 by USDA ERS – The China and Mexico are the top two markets for U.S. agricultural exports by dollar value. Exchange rates are one of several factors that can influence U.S. agricultural trade. All else being equal, a stronger foreign currency favors U.S. exports to that country, and vice versa.

For the past 2 years, China's yuan has depreciated (has become less valuable) relative to the U.S. dollar, implying a weaker value of U.S. exports to China. The opposite has been true for the Mexican peso. The U.S. dollar appreciated in value relative to the currencies of many countries, including China, because of U.S. Federal Reserve interest rate increases during this period.

The Mexican peso was an exception to this, as the Bank of Mexico increased interest rates more aggressively and earlier than the Federal Reserve did for U.S. interest rates. In addition, the Mexican government's comparatively smaller stimulus response to the Coronavirus (COVID-19) pandemic in 2020 and 2021 and optimism regarding nearshoring—in which U.S. companies relocate operations to neighboring Mexico from China—has helped strengthen the peso, according to the Federal Reserve Bank of Dallas.

From the perspective of U.S. farmers and agribusinesses, the decrease in the value of the yuan and increase in the value of the peso is generally associated with a decrease in export opportunities to China and an increase in export opportunities to Mexico. Not adjusting for inflation, U.S. agricultural exports to China decreased in value to $33.7 billion in fiscal year (FY) 2023 from $36.2 billion the previous year and are forecast to fall further to $28.7 billion in FY 2024.

U.S. agricultural exports to Mexico increased in value from $28.0 billion to $28.2 billion from FY 2022 to 2023 and are forecast at a record high of $28.4 billion for FY 2024.

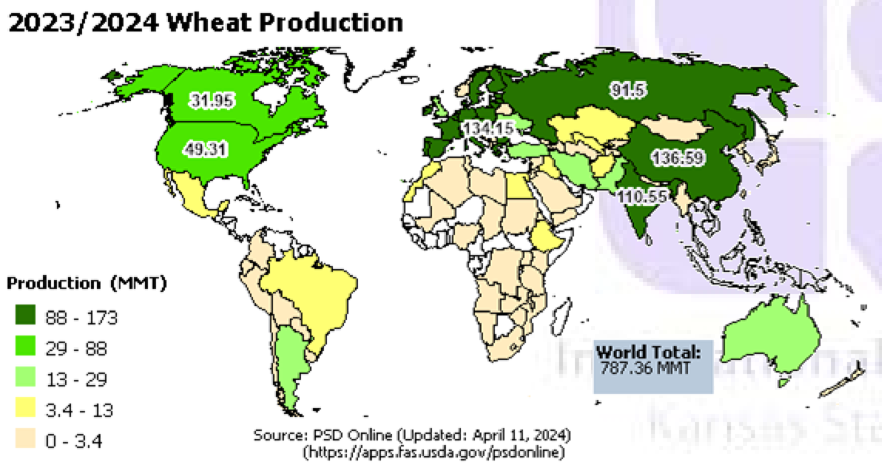
Wheat

➢ World Wheat Supply & Demand Outlook

Wheat World as of April 2024							
Attribute	23/24 Apr'24	Change	23/24 Mar'24	22/23	21/22	20/21	19/20
Area Harvested (1000 HA)	222,723	-26(-.01%)	222,749	219,622	221,662	220,232	215,239
Beginning Stocks (1000 MT)	271,002	-98(-.04%)	271,100	272,689	283,673	297,472	284,014
Production (1000 MT)	787,363	+662(+.08%)	786,701	789,335	780,350	772,770	759,272
MY Imports (1000 MT)	212,340	+1129(+.53%)	211,211	211,928	200,162	194,427	188,327
TY Imports (1000 MT)	211,880	+1015(+.48%)	210,865	211,205	201,881	194,530	189,395
TY Imp. from U.S. (1000 MT)	0	-	0	20,061	21,249	26,550	26,255
Total Supply (1000 MT)	1,270,705	+1693(+.13%)	1,269,012	1,273,952	1,264,185	1,264,669	1,231,613
MY Exports (1000 MT)	213,472	+1340(+.63%)	212,132	220,170	202,759	203,456	194,592
TY Exports (1000 MT)	216,699	+1340(+.62%)	215,359	216,090	205,165	199,618	195,097
Feed and Residual (1000 MT)	161,344	-717(-.44%)	162,061	155,168	160,687	163,181	139,466
FSI Consumption (1000 MT)	637,624	+1631(+.26%)	635,993	627,612	628,050	614,359	600,083
Total Consumption (1000 MT)	798,968	+914(+.11%)	798,054	782,780	788,737	777,540	739,549
Ending Stocks (1000 MT)	258,265	-561(-.22%)	258,826	271,002	272,689	283,673	297,472
Total Distribution (1000 MT)	1,270,705	+1693(+.13%)	1,269,012	1,273,952	1,264,185	1,264,669	1,231,613
Yield (MT/HA)	3.54	+(+.28%)	3.53	3.59	3.52	3.51	3.53

Source: USDA PS&D

11 April 2024 USDA WASDE – This month's supply and demand outlook for 2023/24 global wheat is for larger supplies, consumption, and exports and smaller ending stocks. Supplies are raised 0.6 mmts to 1,058.4 million on increased production estimates for the EU, Moldova, and Pakistan.



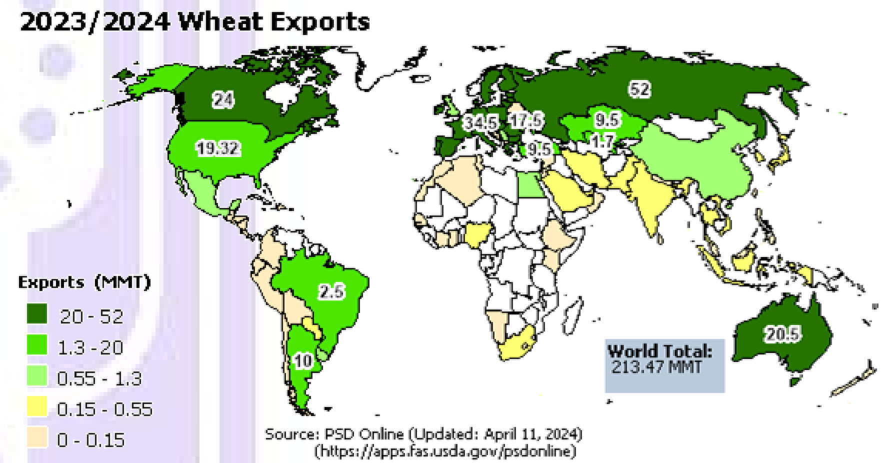
Source: USDA FAS https://ipad.fas.usda.gov/ogamaps/map.aspx?cmdty=Wheat&attribute=Production

The world consumption forecast is increased 1.1 mmts to 800.1 million.

Food, Seed, and Industrial use in India is increased 2.0 mmts this month to 106.2 million.

The latest monthly stocks reports issued by the Food Corporation of India shows continued open market sales as the Government of India attempts to limit food price inflation ahead of elections, which begin later this month.

Global feed and residual use is forecast lower on reductions for Russia and the United States that are only partly offset by increased use for the EU.

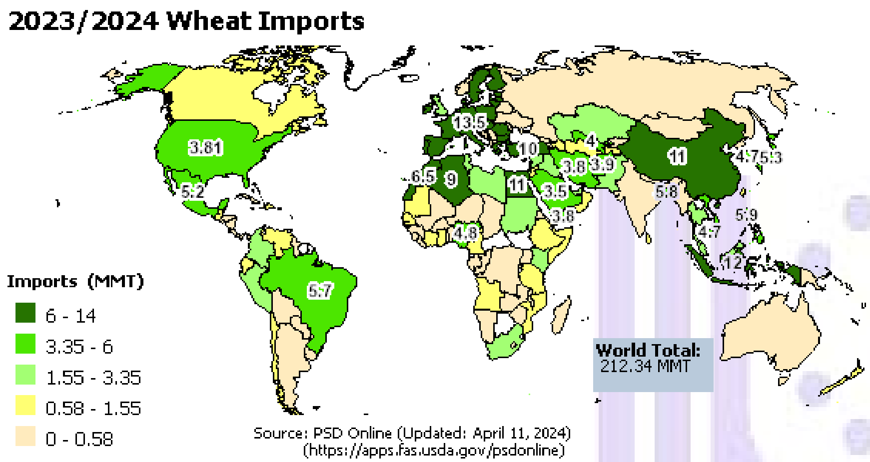


Source: USDA FAS https://ipad.fas.usda.gov/ogamaps/map.aspx?cmdty=Wheat&attribute=Exports

Projected 2023/24 global trade is raised 1.3 mmts to 213.5 million, mostly on higher export forecasts for Russia, Ukraine and Australia that are only partly offset by a reduction for the European Union.

Russia's export forecast is raised 1.0 mmts to 52.0 million, as shipments have continued at a robust pace. Ukraine exports are raised, up 1.5 mmts to 17.5 million as competitive prices and expanded operating hours at the ports of Odessa this year allow trade to increase.

EU exports, however, are reduced 2.0 mmts to 34.5 million as competition from the Black Sea has restrained their exports to date.

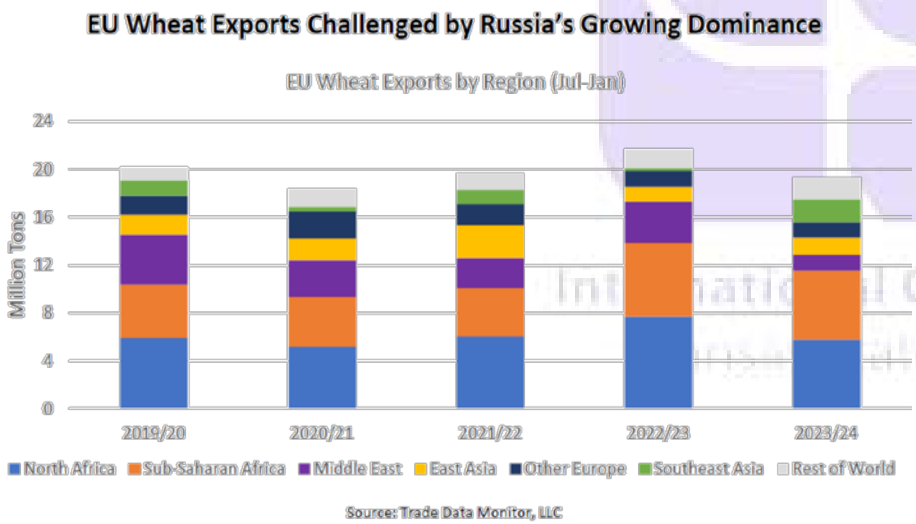


Source: USDA FAS https://ipad.fas.usda.gov/ogamaps/map.aspx?cmdty=Wheat&attribute=Exports

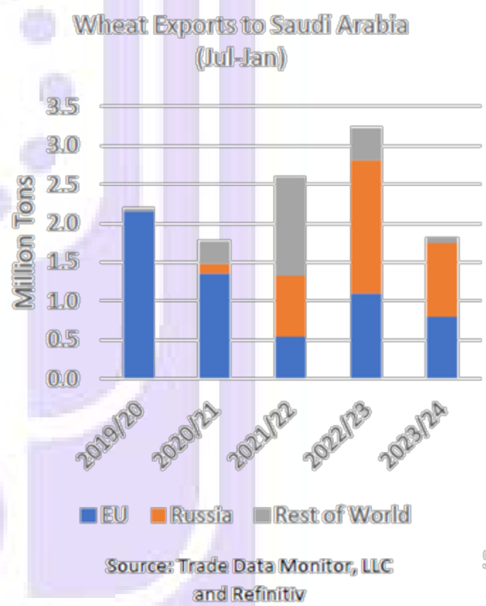
Imports are forecast up this month for Algeria, Pakistan, the EU, and Indonesia.

Projected 2023/24 world ending stocks are down 0.6 mmts to 258.3 million as lower stocks for India and Ukraine are only partly offset by increases for Algeria and the EU. **If realized, global stocks for 2023/24 would be 5% below last year and the lowest since 2015/16.**

EU Wheat Exports Challenged by Russia's Growing Dominance

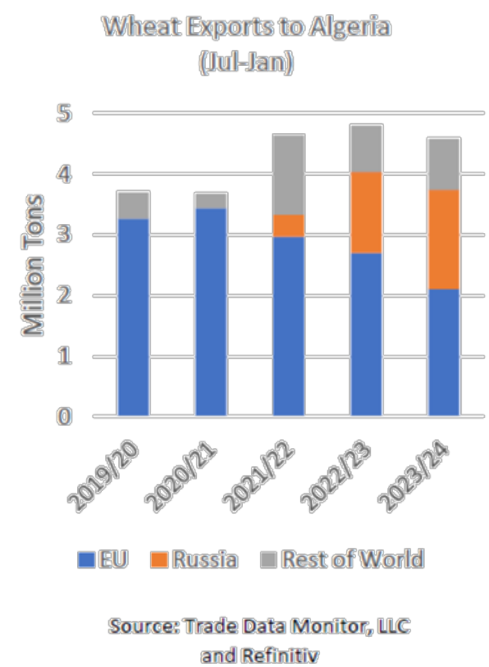


11 April 2024 USDA FAS – European Union (EU) wheat exports for 2023/24 (Jul-Jun) are forecast down 2.0 mmts this month to 34.5 million as the region loses market share to Russia in Africa and the Middle East. Leading markets for EU wheat typically are North Africa, Sub-Saharan Africa, and the Middle East. In the first 7 months of the marketing year, shipments to North Africa are down 25% compared to the same period last year, while shipments to the Middle East are down over 60%. The EU is facing unprecedented competition from Russia wheat in these regions. Russia's record wheat supplies continue to make its exports more competitive than the EU, with unabated shipments raising the Russia export forecast 1.0 mmts this month to a record 52.0 mmts. Saudi Arabia and Algeria are two of the top three traditional export destinations for the EU and examples of major EU markets where Russia has captured significant market share.



Saudi Arabia has historically been a top market for EU wheat, with the European Union capturing nearly 95% market share in the 5 years leading up to 2019/20. While wheat import demand in Saudi Arabia has declined in 2023/24 as domestic production increased due to high domestic procurement prices, government buyer Global Food Security Authority's (GFSA) import preferences have shifted from EU to Russian wheat. GFSA is the sole importer of wheat, making purchases through international tenders. Russian wheat supplies have become increasingly price competitive in these tenders, ousting the European Union as the top supplier.

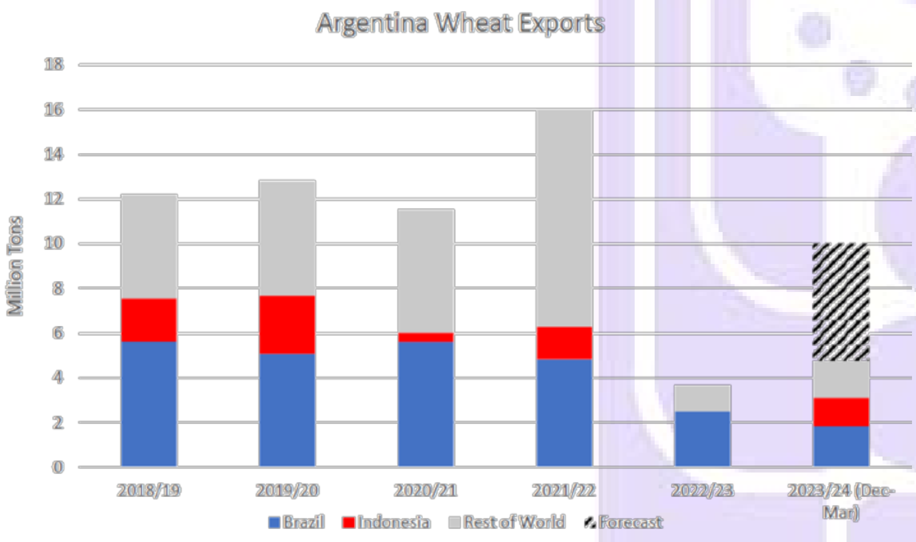
Russian encroachment on EU market share in North Africa is also evident in the case of Algeria.



Algeria's government-run procurement agency Office Algérien Interprofessional des Céréales (OAIC) is the country's sole wheat importer, and it has traditionally relied on EU supplies. Just 5 years ago, the EU captured 85% market share in Algeria, but the government has since sought to diversify suppliers of bread wheat. In 2020, Algeria modified its wheat import restrictions, raising the rate of permitted insect-damaged grain, which allowed for imports of Black Sea origin. Russia wheat exports to Algeria have since expanded significantly.

With Algerian millers indicating satisfaction with Russian supplies, Russia and the European Union have battled for majority market share so far this year.

➢ <u>Demand for Argentina Wheat Rebounds on Emergence from Drought</u>



Source: Trade Data Monitor, LLC and Agencia Maritima NABSA S.A.

11 April 2024 USDA FAS – Argentina exports in marketing year 2023/24 (Dec-Nov) are rebounding from a drought in the prior year.

Argentina's larger 2023/24 crop fueled exports in the first 4 months of the marketing year and shipments already exceed the entire 2022/23 MY. Argentina exports to markets all over the world, but its most consistent trade partner is neighboring Brazil.

Brazil benefits from both proximity to Argentina and favorable trade treatment under Mercosur. In recent years, Brazil has increased wheat production, but still relies on imports to meet domestic needs. Brazil's 2023/24 crop was negatively affected by late-season rains at harvest, resulting in a smaller crop than expected and a higher proportion of feed-quality wheat. Consequently, Brazil will increase wheat imports during 2023/24, much of which already has and will continue to come from Argentina.

Indonesia is another frequent buyer of Argentine wheat. Indonesia does not grow wheat, so domestic consumption is entirely dependent on imports, mostly from Australia. Following 3 consecutive bumper crops, Australia's 2023/24 crop is forecast lower as a result of drier El Niño weather. With lower Australia wheat exports, Argentina has opportunities to ship more. El Niño also had a negative impact on Indonesia's rice production, which is its primary food grain. With higher rice prices, wheat-based noodle consumption is expanding as a lower-priced alternative. One driver of this demand is the improving price competitiveness of wheat, as wheat prices have been trending lower since peaking in mid-2022 and rice prices have been trending higher since early 2021.

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

Country	Attribute	Previous	Current	Change	Reason
Algeria	Imports	8,300	9,000	700	Stronger durum imports from Mexico
Ethiopia	Imports	1,000	1,200	200	Larger wheat flour imports, mostly from Turkey
European Union	Imports	13,000	13,500	500	Competitively priced imports from Ukraine
Indonesia	Imports	11,500	12,000	500	More food use for noodles, some additional feed use
Jordan	Imports	1,250	1,000	-250	Import pace has slowed
Pakistan	Imports	2,700	3,300	600	Strong imports in February and March
Saudi Arabia	Imports	4,000	3,500	-500	Slower than expected pace of trade
Sri Lanka	Imports	1,150	950	-200	Reduced wheat grain imports
Yemen	Imports	4,200	3,800	-400	Reduced consumption growth
Argentina	Exports	10,000	9,500	-500	Slower pace of trade
Australia	Exports	23,500	24,000	500	Strong shipments to Asian markets
Brazil	Exports	2,200	2,500	300	Record March exports
Egypt	Exports	600	1,200	600	Larger shipments of wheat flour and products, especially to African markets
European Union	Exports	36,500	34,500	-2,000	Loss of market share in Middle East and North African markets
Kazakhstan	Exports	10,000	9,500	-500	Pace of trade
Moldova	Exports	750	1,000	250	Larger crop
Russia	Exports	51,000	52,000	1,000	Strong exports to Africa and the Middle East
Turkey	Exports	9,300	9,500	200	Higher flour exports, especially to East Africa
Ukraine	Exports	16,000	17,500	1,500	Strong exports via seaports

Wheat Export Prices (FOB, US$/mt) as of the 10th of April 2024

		TW	LW	LY	%Y/Y
Argentina Grade B, Up River	Apr	233	229	346	-33
Australia APW, Port Adelaide (SA) a)	Apr	255	253	315	-19
Australia ASW, Port Adelaide (SA) a)	Apr	242	240	297	-19
Canada 1 CWRS (13.5%), St. Lawrence	May	285	277	345	-17
EU (France) Grade 1, Rouen	Apr	221	213	283	-22
EU (Germany) B quality, Hamburg	Apr	238	230	281	-16
EU (Romania) Milling (12.5%), Const.	May	219	215	276	-21
Russia Milling (12.5%)	May	211	209	275	-23
Ukraine (<11%)	May	180	178	250	-28
US DNS (14%), PNW	May	291	282	370	-21
US HRW (11.5%), Gulf	May	269	266	384	-30
US SRW, Gulf	May	225	222	285	-21
US SW, PNW	May	230	226	294	-22

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

10th April 2024 IGC – With attention increasingly shifting to 2024/25 production prospects amid sub-optimal cropping weather in some Northern hemisphere producers, a firmer tone was noted across the global wheat market. Including firmer prices at all constituent origins, the GOI wheat sub-Index rebounded from a three-and-a-half-year low and posted a net 2% weekly increase, although with values still 23% lower y/y.

Worries about dryness in some HRW wheat growing areas underpinned US winter wheat futures, while broader support stemmed from talk of firming offers at competing origins, including in the Black Sea region, where intensified hostilities rekindled concerns about trade flows.

However, US markets turned softer recently amid wetter forecasts for the Plains, while USDA assessed US 2024/25 winter wheat crop ratings to be steady in the w/e the 7th of April, at 56% good/excellent, well above last year's 27% and compared to the five-year average of 47%. Furthermore, 2024/25 spring wheat sowing was estimated to be 3% finished (1% previous week, 1% year ago), in line with average.

Weak export interest for US supplies continued to limit advances in prices. With export sales in the w/e the 28th of March at just 16,093 t, US MY23/24 (Jun/May) cumulative commitments reached 18.7 mmts (+3% y/y). At around 15.4 mmts, US current season's accumulated export inspections as of the 4th of April were down by 11% y/y, albeit with the annual lag narrowing slightly in recent weeks.

With traders noting unfavorable soggy weather in some producers, including in parts of Germany and France, EU export prices firmed moderately w/w, also underpinned by reports of rising Black Sea tensions. However, physical trading was generally thin amid reluctant farmer selling, and with demand from some buyers limited by the observance of Ramadan.

France AgriMer reported that durum seedings in France, which had been delayed by overly wet conditions, were finished, with crops rated 70% good/excellent (92% year ago), 3 percentage points lower w/w. 2024/25 common wheat crop condition ratings also ticked lower, to 65% good/excellent (93%).

Russian export prices (12.5% protein) were a little higher w/w, with ongoing phytosanitary certification issues with shipments by some major local exporters said to have had only a limited impact on the pace of dispatches.

Nonetheless, there were reports that trading house RIF, Russia's second largest grain exporter, had suspended handling cargoes at its Azov river terminal, with an estimated annual capacity of around 4.0 mmts.

Russia's rail infrastructure operator Rusagrotrans estimated March exports (including to EAEU countries) at 4.7 mts, unchanged y/y, with 2023/24 (Jul/Jun) cumulative shipments at 40.9m (+11% y/y). April shipments were seen 4.6m t (+1%).

Citing larger than previously assumed winter wheat plantings, a private a forecaster raised its outlook for Russia's 2024/25 output by 2.1 mmts from November, to 92.1 mmts (92.8 mmts Rosstat previous year), but noted that rains would be required over the coming weeks following recent dry weather.

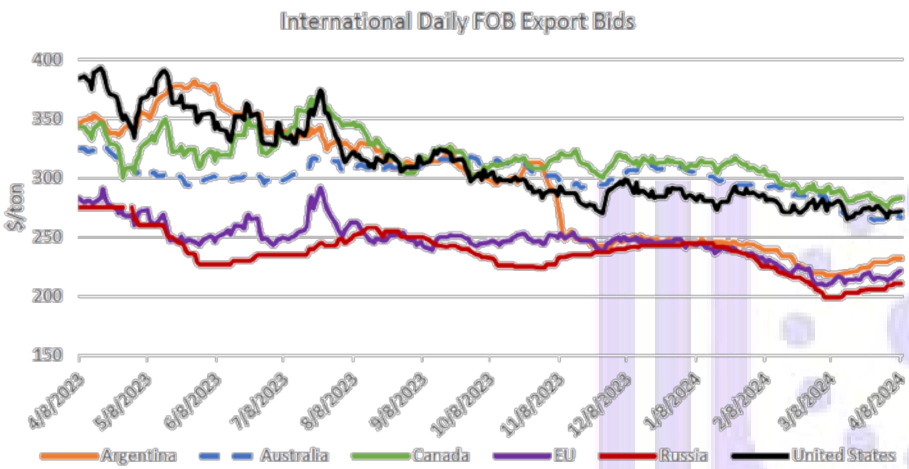
Shipments from Ukraine progressed steadily despite ongoing attacks, as 2023/24 (Jul/Jun) exports reached a cumulative 14.2 mmts by the 5th of April, up by 8% y/y.

In India, the local Flour Millers Federation reported that following a survey across nine producing states, 2024/25 production was forecast at 105.8 mmts, some 6.2 mmts below the official outlook from the Department of Agriculture, Cooperation and Farmers' Welfare (110.6 mmts official estimate previous year).

Amid few reported deals, Tunisia sourced 75,000 mts common wheat at US$233-US$240 / mts C&F and 50,000 mts durum at US$384-US$385 / C&F, both for April/May shipment.

Global Wheat Prices

11 April 2024 USDA FAS – Major exporter quotes converged since the March WASDE with the spread between the highest and lowest exporters narrowing by $21/mt.



Argentina	Australia	Canada	EU	Russia	United States
$232	$267	$283	$222	$211	$272

Note: As of April 8, 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

Russian quotes rose $12/mt as strong demand continued for its affordable wheat.
EU quotes increased $13/mt, maintaining its price premium over Black Sea origins.
Argentine quotes rallied $15/mt as global demand on strong export demand.
Canadian quotes fell $9/mts due to competition from other major exporters.
Australian quotes dropped $15/mt with buyers postponing large shipments.
U.S. quotes were the exception, remaining flat on moderate sales and shipments.

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

Wheat United States as of April 2024

Attribute	23/24 Apr'24	Change	23/24 Mar'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)	3,810	-136(-3.45%)	3,946	3,317	2,617	2,726	2,828
TY Imports (1000 MT)	3,800	-100(-2.56%)	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)	68,625	-136(-.2%)	68,761	66,570	70,422	80,234	84,795
MY Exports (1000 MT)	19,323	-	19,323	20,647	21,656	27,048	26,373
TY Exports (1000 MT)	19,500	-	19,500	20,262	21,347	26,636	26,392
Feed and Residual (1000 MT)	2,449	-817(-25.02%)	3,266	2,091	2,402	2,309	2,592
FSI Consumption (1000 MT)	27,869	+1(+%)	27,868	28,331	28,009	27,876	27,845
Total Consumption (1000 MT)	30,318	-816(-2.62%)	31,134	30,422	30,411	30,185	30,437
Ending Stocks (1000 MT)	18,984	+680(+3.72%)	18,304	15,501	18,355	23,001	27,985
Total Distribution (1000 MT)	68,625	-136(-.2%)	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. 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
	Ending Stocks, Total		223	155	90	74	28	570
2023/24 (Proj.)	Beginning Stocks		223	155	90	74	28	570
	Production		601	468	449	235	59	1,812
	Imports		18	65	7	6	44	140
	Supply, Total 3/		842	688	546	315	131	2,522
	Food		378	255	160	84	83	960
	Seed		27	16	12	6	3	64
	Feed and Residual		25	-10	90	-10	-5	90
	Domestic Use		430	261	262	80	81	1,114
	Exports		135	230	165	155	25	710
	Use, Total		565	491	427	235	106	1,824
	Ending Stocks, Total	Apr	277	197	119	80	25	698
	Ending Stocks, Total	Mar	282	177	119	74	21	673

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.

11 April 2024 USDA WASDE – This month's supply and demand outlook for 2023/24 U.S. wheat is for lower supplies, reduced domestic use, unchanged exports, and higher ending stocks.

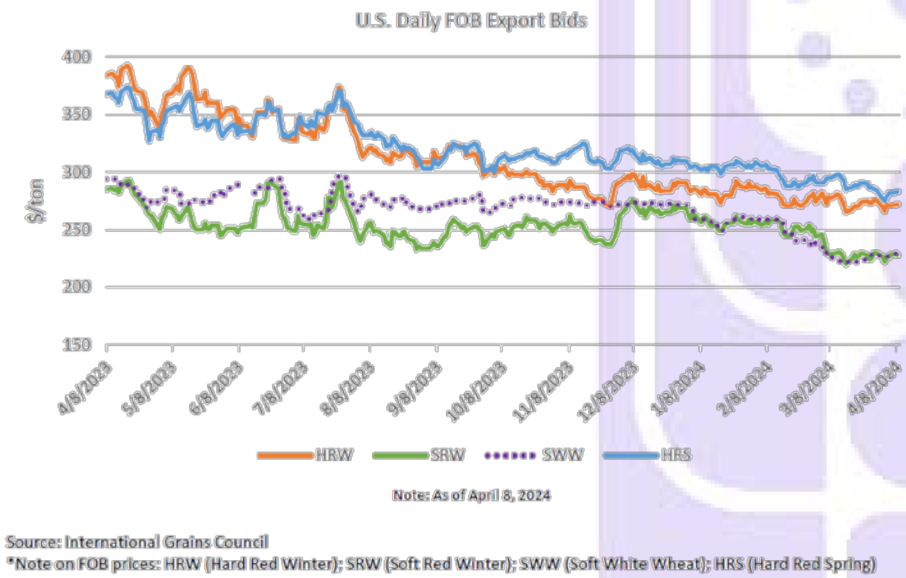
Supplies are tightened with a reduction in projected imports by 5 mbus to 140 million on a slower-than-expected import pace, primarily for Hard Red Winter.

U.S. domestic consumption is forecast down on lower-than-expected implied feed and residual use in the second and third quarters based on the latest NASS Grain Stocks report. As a result, annual feed and residual use is lowered 30 mbus to 90 million.

The USDA projected 2023/24 ending stocks are raised 25 mbus to 698 million, 22% above last year.

The USDA season-average farm price is reduced $0.05 / bushel to $7.10.

➢ U.S. Domestic Prices



11 April 2024 USDA FAS – U.S. quotes are little changed since the March WASDE with Soft Red Winter (SRW) down only $2 to $228/mt and unchanged quotes for both Hard Red Winter (HRW) at $272/mt and Soft White (SWW) at $230/mt.

The winter wheat crop is rated 56% good-to-excellent condition, compared to 27% at the same time last year. In contrast, Hard Red Spring (HRS) prices fell $12 to $283/ton, reflecting higher spring planted area in the NASS Prospective Plantings report.

➢ US Wheat Futures

The wheat complex posted Friday gains across the board. Chicago contracts were up 2 to 4½ cents, with Kansas City HRW futures 6 to 8½ cents higher.

A mixed bag on the week with Chicago down 11¼ cents on the week while KC nearby futures were up 7½ cents.

MPLS was up 2 to 5¾ cents at the close for the week.

French soft wheat conditions were rated at 64% gd/ex as of 4/8, a 1% decline from the week prior according to the FanceAgriMer. Last year's soft wheat ratings were 94% gd/ex, with the current data the lowest for the current week since 2020.

Russia's ag ministry raised their wheat export tax by 1.3% to 3,276.6 roubles/mt (95 cents/bu) as of April 17th through April 23rd.

USDA lowered imports and domestic use for U.S. wheat in the updated estimates on Thursday, resulting in a 25 mbus increase in the carryout projection. Hard red spring stocks were raised 20 mbus, durum was bumped 4 mbus and white wheat stocks increased 6 mbus. Ending stocks for hard red winter were lowered 5 mbus from last month.

➢ 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 $570¾ /bu, up 7¼ cents on the day, but off 11 cents for the week. Jul24 CBOT Wheat closed at $5.70¾, up 4½ cents,*

Chicago SRW wheat spreads were steady to firmer on the day with the K/N a touch wider at 14¾ cents and the N/U a penny narrower at 15¾ cents. With 10 trading sessions left it appears we are going to expand the VSR carry to 8 cents/month again. This would make full carry on the K/N near 22 cents.

Spec funds in CBT wheat futures and options cut 5,376 contracts from their net short as of 4/9, taking it to 86,568 contracts.

The CME announced additional delivery warehouses in NW Ohio. Gerald Grain is now regular for delivery at two of their locations. This added another 7+ mbu of available delivery.

SRW cash market continues to be quiet.

U.S. Export SRW Wheat Values – Friday the 12 April 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	4/11/2024	4/12/2024		
APR	30 / 60	30 / 60	K	UNC
MAY	30 / 60	30 / 60	K	UNC
JUN	35 / -	35 / -	N	UNC
JUL	35 / -	35 / -	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 $5.89¾/bu, up 6½ cents on the day, and gaining 7½ cents on the week. Jul24 KCBT Wheat closed at $5.87, up 8½ cents.*

A firmer Friday trade as the trade watches weather in the HRW region and Russia. In Russia the forecast Friday was drier in the wheat aeras through April 28th. This likely becomes more of a story for wheat if the dryness continues to extend into May. Russia's current attacks on Ukraine have impacted their railroad near Chornomorsk port facility and likely limits their exports from there for the balance of the month.

The HRW forecast continues with warmer temps over the next 3-4 days but then temps work lower. T-storm said in his daily update Friday afternoon that with the cooler temps early next week some t-storms move into the central and southern Plains (east of most of the HRW).

Spec funds in KC wheat were adding 4,137 contracts to their net short, at 44,611 contracts on that Tuesday.

U.S. Export HRW Wheat Values – Friday the 12th April 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	4/11/2024	4/12/2024		
APR	145 / -	145 / -	K	UNC
MAY	145 / -	145 / -	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 $6.42¾/bu, up 5 ¾ cents the day, but losing 5 cents for the week. Jul24 MGEX Wheat closed at $6.50, up 4¾ cents.*

Portland Price Trends **7 March 2024**

	04-01-23	08-01-23	03-01-24	04-04-24	04-11-24
#1 SWW (bu)	7.65	7.05	5.80	5.75	5.85
White Club	7.65	7.30	6.05	5.75	5.85
DNS 14%	9.77	9.05	7.34	7.36	7.31
HRW 11.5%	10.08	8.24	6.34	6.47	6.56
#2 Corn (ton)	290.00	254.00	213.00	220.00	220.00
#2 Barley	240.00	210.00	180.00	155.00	155.00

Weekly Sales - USDA reported a combined 13 mbus in U.S. wheat sales for both old and new crop positions last week. Net old crop sales of 3 mbus place current year commitments at 692 mbus, which is 3% ahead of a year ago but 17% below the five-year average pace. The Philippines was top buyer for old crop with 2.3 mbus. New crop sales of 10 mbus puts total commitments at 57 mbus for the coming year, up 31 mbus from this time a year ago.

White wheat saw 4.3 mbus in new crop sales, with Japan accounting for 3.3 mbus of that total. Limited farmer selling and an improved pace of export demand was supportive for white wheat prices this week. Basis levels also firmed on the drop in Chicago futures, posted at about 32 over the May futures and up 25 cents from recent lows.

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		2794.18	3589.21	513.28	2794.83	794.38
	2022/23 (Est.)		2749.83	3544.21	494.49	2762.90	781.31
	2023/24 (Proj.)	Mar	2809.49	3589.13	507.86	2814.47	774.66
		Apr	2808.02	3589.33	507.84	2814.33	774.99
Wheat	2021/22		780.35	1064.02	202.76	791.34	272.69
	2022/23 (Est.)		789.34	1062.03	220.17	791.02	271.00
	2023/24 (Proj.)	Mar	786.70	1057.80	212.13	798.98	258.83
		Apr	787.36	1058.37	213.47	800.10	258.27
Coarse Grains 5/	2021/22		1500.73	1824.37	253.62	1485.87	338.50
	2022/23 (Est.)		1446.07	1784.58	220.25	1452.24	332.34
	2023/24 (Proj.)	Mar	1507.41	1838.76	243.15	1492.63	346.14
		Apr	1505.13	1837.46	241.43	1492.89	344.58
Rice, milled	2021/22		513.10	700.81	56.91	517.63	183.19
	2022/23 (Est.)		514.42	697.61	54.07	519.64	177.97
	2023/24 (Proj.)	Mar	515.39	692.57	52.58	522.87	169.70
		Apr	515.53	693.50	52.94	521.35	172.15

8 March 2024 USDA WASDE – This month's 2023/24 U.S. corn outlook is for greater corn used for ethanol and feed and residual use and smaller ending stocks. Corn used for ethanol is raised 25 mbus to 5.4 billion based on data through February from the Grain Crushings and Co-Products Production report and weekly ethanol production data as reported by the Energy Information Administration for the month of March. Feed and residual use is increased 25 million to 5.7 billion based on indicated disappearance during the December-February quarter. With no supply changes and use rising, ending stocks are lowered 50 mbus to 2.1 billion bushels. The season-average farm price is lowered 5 cents to $4.70 per bushel.

8 March 2024 USDA WASDE – This month's Global coarse grain production for 2023/24 is forecast 2.3 mmts lower to 1,505.1 million. This month's foreign coarse grain outlook is for declines in production, trade, and ending stocks. Foreign corn production is forecast lower as cuts for South Africa, Argentina, Mexico, and Moldova are partially offset by increases for the EU and the Philippines. Corn production is cut for South Africa as a continuation of drought during March further reduces yield prospects. Argentina and Mexico are both lowered reflecting a decline in yield expectations. EU corn production is raised mostly reflecting increases for Hungary, Poland, Spain, and France that are partly offset by declines for Romania, Slovakia, and Bulgaria. Foreign barley production is virtually unchanged.

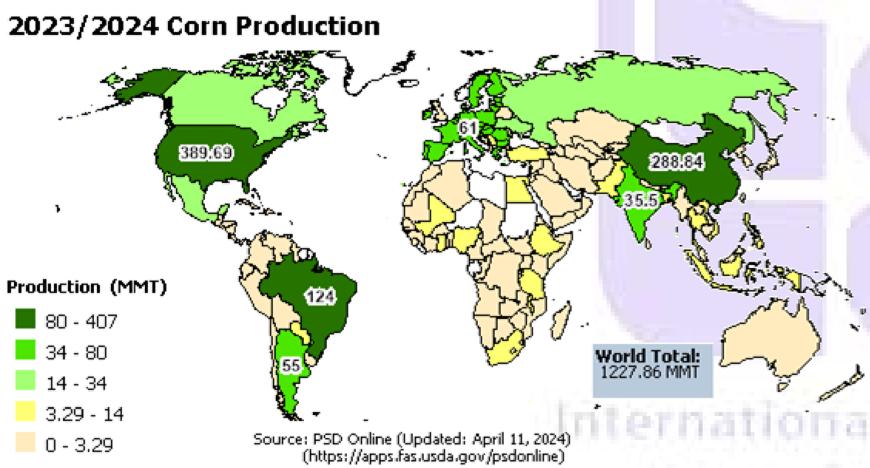
Major global trade changes for 2023/24 include lower forecast corn exports for South Africa, India, and Tanzania but an increase for Russia. Corn imports are lowered for the EU, Saudi Arabia, Bangladesh, Thailand, Cuba, and Kenya but raised for Mexico. Barley imports are raised for China but lowered for Saudi Arabia and Algeria. Foreign corn ending stocks are essentially unchanged, mostly reflecting declines for Mexico and South Africa that are offset by small increases for several countries. Global corn ending stocks, at 318.3 mmts, are down 1.4 million from last month.

CORN

- ### World Corn Supply & Demand Outlook

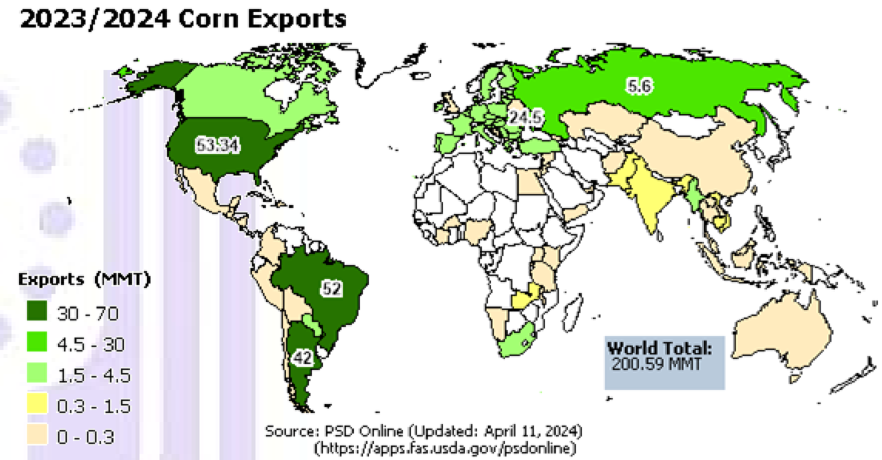
Corn World as of April 2024							
Attribute	**23/24 Apr'24**	**Change**	**23/24 Mar'24**	**22/23**	**21/22**	**20/21**	**19/20**
Area Harvested (1000 HA)	202,915	+47(+.02%)	202,868	200,448	206,153	198,344	193,623
Beginning Stocks (1000 MT)	302,190	+570(+.19%)	301,620	310,790	292,942	309,525	323,074
Production (1000 MT)	1,227,860	-2381(-.19%)	1,230,241	1,157,737	1,216,133	1,128,770	1,122,022
MY Imports (1000 MT)	187,466	-2017(-1.06%)	189,483	172,844	184,433	184,749	167,686
TY Imports (1000 MT)	189,603	-1540(-.81%)	191,143	172,562	186,692	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)	1,717,516	-3828(-.22%)	1,721,344	1,641,371	1,693,508	1,623,044	1,612,782
MY Exports (1000 MT)	200,586	-1680(-.83%)	202,266	180,231	206,387	182,728	172,394
TY Exports (1000 MT)	195,917	-1582(-.8%)	197,499	180,663	193,480	184,082	175,878
Feed and Residual (1000 MT)	758,954	-2662(-.35%)	761,616	729,574	743,284	725,599	713,990
FSI Consumption (1000 MT)	439,696	+1860(+.42%)	437,836	429,376	433,047	421,775	416,873
Total Consumption (1000 MT)	1,198,650	-802(-.07%)	1,199,452	1,158,950	1,176,331	1,147,374	1,130,863
Ending Stocks (1000 MT)	318,280	-1346(-.42%)	319,626	302,190	310,790	292,942	309,525
Total Distribution (1000 MT)	1,717,516	-3828(-.22%)	1,721,344	1,641,371	1,693,508	1,623,044	1,612,782
Yield (MT/HA)	6.05	(-.17%)	6.06	5.78	5.90	5.69	5.79

Source: USDA PS&D



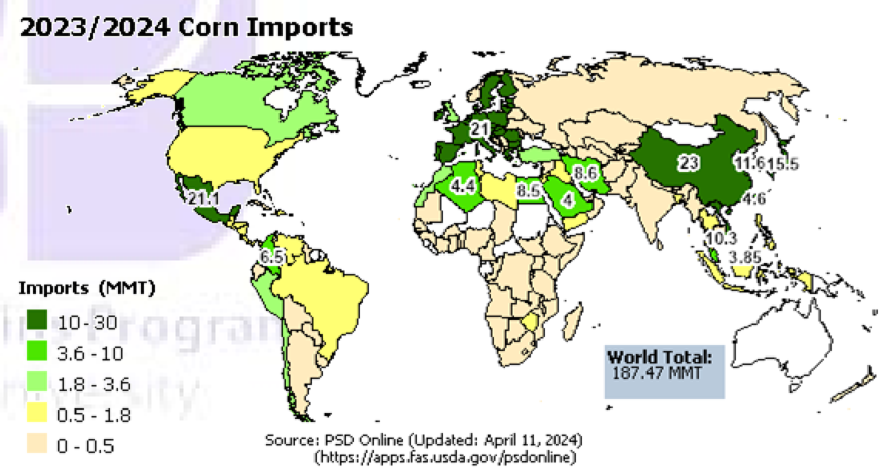
Source: USDA FAS https://ipad.fas.usda.gov/ogamaps/map.aspx?cmdty=Corn&attribute=Production

11 April 2024 USDA WASDE – Non-U.S. corn production is forecast lower as cuts for South Africa, Argentina, Mexico, and Moldova are partially offset by increases for the EU and the Philippines. Corn production is cut for South Africa as a continuation of drought during March further reduces yield prospects. Argentina and Mexico are both lowered reflecting a decline in yield expectations. EU corn production is raised mostly reflecting increases for Hungary, Poland, Spain, and France that are partly offset by declines for Romania, Slovakia, and Bulgaria.



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

Major global trade changes for 2023/24 include lower forecast corn exports for South Africa, India, and Tanzania but an increase for Russia.



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

Corn imports are lowered for the EU, Saudi Arabia, Bangladesh, Thailand, Cuba, and Kenya but raised for Mexico.

Foreign corn ending stocks are essentially unchanged, mostly reflecting declines for Mexico and South Africa that are offset by small increases for several countries. Global corn ending stocks, at 318.3 mmts, are down 1.4 million from last month.

The USDA season-average farm price is down 5 cents to $4.70 / bushel.

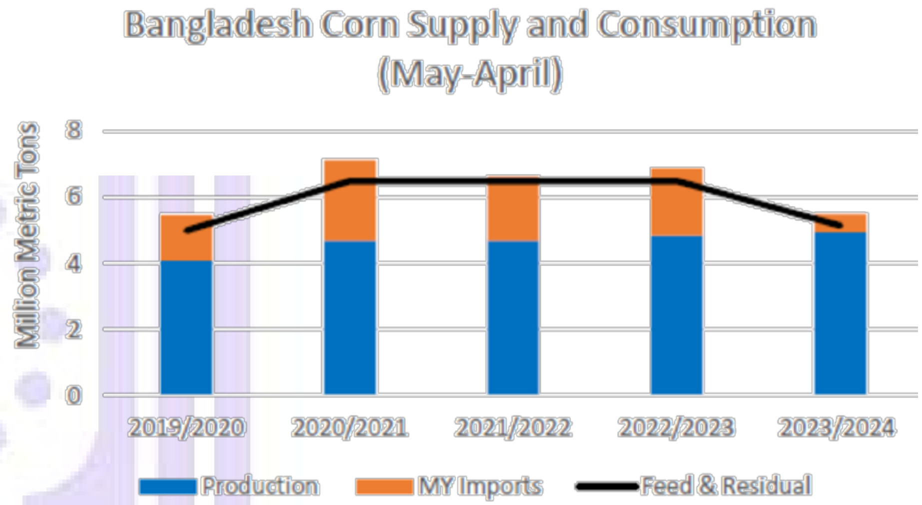
TRADE CHANGES IN 2023/24 (1,000 MT)

Country	Commodity	Attribute	Previous	Current	Change	Reason
Algeria	Barley	Imports	700	**500**	-200	Trade to date
Bangladesh	Corn	Imports	1,200	**800**	-400	Weaker India trade
China	Barley	Imports	8,700	**9,700**	**1,000**	Trade to date
Cuba	Corn	Imports	450	**250**	-200	Trade to date
European Union	Barley	Exports	6,500	**6,200**	-300	Customs surveillance
	Corn	Imports	22,000	**21,000**	-1,000	
India	Corn	Exports	1,800	**1,000**	-800	Stronger domestic demand for corn
Kenya	Corn	Imports	700	**500**	-200	Regional corn supplies less available
Mexico	Corn	Imports	20,600	**21,100**	**500**	Lower production; trade to date
Russia	Corn	Exports	5,300	**5,600**	**300**	Estimated trade to date
Saudi Arabia	Barley	Imports	3,600	**2,600**	-1,000	Compound feed substitution for barley
	Corn	Imports	4,600	**4,000**	-600	Trade to date
South Africa	Corn	Exports	3,000	**2,400**	-600	Lower production
Tanzania	Corn	Exports	400	**200**	-200	Trade hindering policies
Vietnam	Corn	Imports	11,000	**11,200**	**200**	Trade to date
Zambia	Corn	Exports	400	**200**	-200	Dry weather concerns

➢ Bangladesh Feed Consumption Contracts Amidst Falling Imports

11 April 2024 USDA FAS – Bangladesh corn imports for MY 2023/24 (May-April) are revised lower to 550,000 tons, a 73% decrease year over year and a 9-year low. Ongoing challenges with foreign exchange and uncompetitive export prices for India, a key supplier, have dampened Bangladesh corn imports. These constraints have limited feed use this year despite high demand for poultry and have led Bangladesh to increasingly rely on domestic production.

Bangladesh imported an average of 2.0 mmts of corn over the past 4 years, with India holding a 69% market share. India is a favored trading partner for Bangladeshi importers due to both logistical ease and lower transportation costs relative to other suppliers.



Since July 2023, a rebound in world corn supplies eased global export prices. At the same time, India's domestic feed and ethanol sectors surged, raising prices for domestic supplies and significantly reducing India's incentive to export.

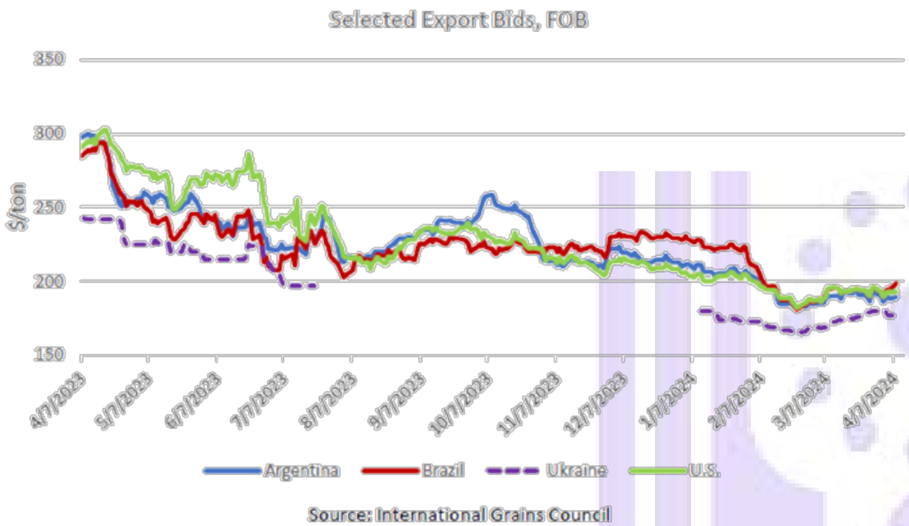
As a result, Bangladesh has turned to alternate suppliers like Brazil, which currently comprises nearly half of year-to-date imports. But ongoing economic challenges including high inflation, the devaluation of the taka, and low foreign exchange reserves in Bangladesh have increased the difficulty and cost of importing corn. FAS/Dhaka reported that Letters of Credit (LoC) are more difficult for importers to access, which has impeded the ability to import large quantities of corn.

As imports slump, investments in domestic corn production may prove essential. Government policy has incentivized investment from multinational companies in Bangladesh's seed industry and has spurred the development of high-yielding hybrid seed varieties. Additionally, high domestic corn prices during 2022/23 supported larger production in 2023/24.

Still, shortfalls in imports will be difficult to overcome for Bangladesh's poultry sector. Corn feed consumption is forecast to drop 21% year-over-year and high domestic prices due to limited supplies continue to impact small-scale operations, forcing them out of production. Bangladesh near-term growth in poultry production will continue to moderate if economic challenges continue to impede imports.

➢ Global Corn Prices

11 April 2024 USDA FAS – Since the March WASDE, export bids for all major exporters rose slightly.



Export bids (fob, US$ per ton)	8-Apr-24	6-Mar-24	7-Apr-23	*% change, '23 - '24*
Argentina, Up River	190	185	297	-36%
Brazil, Paranaguá	199	188	285	-30%
Ukraine	177	169	243	-27%
U.S. #3 Yellow Corn, Gulf	193	188	291	-34%

Argentine bids were up $5/mt to $190. Port data indicate about 3.4 mmts were shipped from Argentina in March, the largest monthly volume since August 2023. Brazilian bids were up $11/mt to $199.

Ukrainian bids were up $8/mt to $177 and remain the most price competitive of the four major exporters. U.S. bids were up $5/mt to $193.

Brazil is seasonally out of the market until its safrinha is harvested starting in June.

➢ Corn Export Prices (FOB, US$/mt) as 10th of April 2024

		TW	LW	LY	%Y/Y
Argentina, Up River	Apr	188	186	297	-37
Brazil, Paranagua	May	201	190	285	-29
Ukraine	May	176	180	243	-28
US Gulf	May	191	190	291	-34

Source: International Grains Council

Nearby CME futures upside has been limited by comfortable global supplies and ideas that US 2024/25 plantings could exceed the latest USDA projection amid a generally favourable spring weather outlook.

Sowings in the w/e the 7th of April reached 3% complete (2% week ago), similar to last year's 3% and just ahead of the 2% five-year average.

USDA export sales in the w/e the 28th March totalled 947,995 mts, down by 21% from the previous week and from the prior 4-week average, with the MY (Sep/Aug) total at 43.9 mmts (+18% y/y). There was otherwise little fresh news.

In Brazil, Conab confirmed the completion of 2023/24 secondary (safrinha) crop plantings by the 7th of April. Hot and dry conditions have curtailed early development in Parana, while ample rains were beneficial further north, in Mato Grosso and Goias. According to ANEC (grain exporters association), April maize exports are forecast sharply lower y/y, at just 26,728 mts (166,552 mts), with port activity mostly devoted to soybeans.

Argentina's Ag. Ministry noted that 2023/24 harvest was 14% complete by the 4th of April (7% week ago, 13% year ago). Outbreaks of leafhopper pests carrying Spiroplasma bacteria have been reported across a number of provinces, leading to increased incidences of stunt disease in late-season varieties. The Buenos Aires Grain Exchange noted similar concerns. Despite reports of strong initial yields in core regions, seen at around 10.4 mts/ha, the agency's production forecast was lowered by 2.0 mmts, to 52.0 mmts on rising disease pressure. Crop conditions were assessed as 68% fair/excellent as at the 5th of April (75% week ago, 48% year ago).

In Ukraine, FOB quotations weakened on a slowdown in Chinese buying interest, seen possibly linked to recent rumours that authorities sought to limit imports into bonded areas.

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

Corn United States as of April 2024							
Attribute	23/24 Apr'24	Change	23/24 Mar'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)	144,787	+635(+.44%)	144,152	139,362	144,038	143,959	146,778
FSI Consumption (1000 MT)	172,855	+635(+.37%)	172,220	166,589	171,627	164,256	159,672
Total Consumption (1000 MT)	317,642	+1270(+.4%)	316,372	305,951	315,665	308,215	306,450
Ending Stocks (1000 MT)	53,896	-1270(-2.3%)	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

11 April 2024 USDA WASDE – This month's 2023/24 U.S. corn outlook is for greater corn used for ethanol and feed and residual use and smaller ending stocks.

Corn used for ethanol is raised 25 mbus to 5.4 billion based on data through February from the Grain Crushings and Co-Products Production report and weekly ethanol production data as reported by the Energy Information Administration for the month of March.

Feed and residual use is increased 25 million to 5.7 billion based on indicated disappearance during the December-February quarter. With no supply changes and use rising, ending stocks are lowered 50 mbus to 2.1 billion bushels.

The USDA season-average farm price is lowered 5 cents to $4.70 / bushel.

➢ CME CBOT Corn Futures – Nearby Daily

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

A lot of green on the screen to end the week across grains, as corn futures settled the Friday session with contracts up 6 to 7 cents in most front months.

***CBOT May 2024 Corn Futures** settled on Friday at $4.35½/bu, up 6¾ cents on the day, and up a penny for the week. Jul24 Corn closed at $4.47¼, up 6 ¼ cents, while new crop Dec24 Corn closed at $4.72, up 6 cents.*

May within a couple cents of DVE on IWDS, and we saw the CK/N back in another half cent today after trading back in to -11, settled at -11'6.

Reports of some producer movement today, but they're still carrying large amounts for the time of the year heading into planting season.

A slightly wetter GFS model has the potential to bring some needed rains to southern Plains before mixed rain and cooler temps for most of the central Corn Belt set in midweek which could limit the farmer from getting a fast start to planting.

Widening spread between USDA and Argentina's BAGE and Rosario on production with disease potential adding to the latters' production cuts. USDA 55 MMT vs BAGE/Rosario ~50 MMT, could equate to almost 100 mbu swing in exports to favor US in later summer.

The large managed money spec funds in corn added 3,998 contracts to their net short position as of April 9th, taking the position to 263,554 contracts. During the week, commercials trimmed 2,548 contracts from their small net short, at 20,771 contracts as of Tuesday.

➢ U.S. Export Corn Values – Friday the 12th of April 2024

Corn CIF NOLA Gulf barge/rail quotes, in cents/bus basis CBOT futures:
USDA (U.S. No. 2, 14.5% moisture, CIF NOLA Gulf barge/rail quotes, in cents/bus.

CIF CORN	**4/11/2024**	**4/12/2024**	**Del. Mo.**	
APR	48 / 51	46 / 49	K	
LH APR	/	/ 49	K	
MAY	52 / 53	51 / 53	K	
JUN	42 / 45	41 / 44	N	
JUL	47 / 49	46 / 49	N	
JJ	/	42 / 47	N	
AUG	40 / 43	40 / 44	U	
SEP	49 / 54	49 / 53	U	
OCT	52 / 56	53 / 56	Z	
DEC	55 /	55 /	Z	**UNC**
OND	/	/ 58	Z	

BRAZIL FOB CORN @ PORT PARANAGUA

	4/11/2024	**4/12/2024**		
JUN	60 / 76	60 / 76	N	**UNC**
JUL	65 / 70	65 / 70	N	**UNC**
AUG	50 / 60	55 / 65	U	
SEP	50 / 62	55 / 65	U	
OCT	45 / 50	45 / 50	Z	**UNC**
NOV	50 / 60	50 / 55	Z	
DEC	55 / 65	55 / 60	Z	

Barge sellers weighing potential tie-offs as economics and lack of US export demand don't justify sending more boats north. But return of rainy season to Panama Canal and if cash markets begin to worry about production cuts to SAm, could see some PNW business shift to the Gulf rather than battling firm western rail bids that are getting arb'ed against truck bids to uncovered processors. Commercials reduced their ownership 2.5k contracts this week to 23,319 short.

Hearing more pushes out of Iowa processors as they're battling against western rail markets. Group 3 markets were steady but firm today, April 20/28, May 20/18n (+30k equiv), JJ 10/15. May PNW bid +140k and June +135n.

Eastern rail had firmer tone today with Ft. Wayne trading -10 for AM and JJ slots.

Safras & Mercado trimmed their Brazilian corn crop estimate by 0.27 mmts to 125.86 mmts. That is more in line with the current USDA projection at 124 mmts and well above the CONAB estimate of 110.97 mmts.

The Buenos Aires Grain Exchange dropped their Argentine number by 2.5 mmts to 49.5 mmts on Thursday afternoon.

BARLEY

➢ World Barley Supply & Demand Outlook

Barley World as of April 2024							
Attribute	23/24 Apr'24	Change	23/24 Mar'24	22/23	21/22	20/21	19/20
Area Harvested (1000 HA)	46,811	-944(-1.98%)	47,755	47,062	49,515	52,448	52,173
Beginning Stocks (1000 MT)	20,433	+363(+1.81%)	20,070	18,540	21,442	21,930	20,050
Production (1000 MT)	142,263	+39(+.03%)	142,224	149,534	145,160	161,405	159,244
MY Imports (1000 MT)	28,441	+386(+1.38%)	28,055	31,203	30,087	36,066	28,638
TY Imports (1000 MT)	27,661	-169(-.61%)	27,830	29,905	29,091	36,912	27,996
TY Imp. from U.S. (1000 MT)	0	-	0	56	67	346	154
Total Supply (1000 MT)	191,137	+788(+.41%)	190,349	199,277	196,689	219,401	207,932
MY Exports (1000 MT)	28,343	-165(-.58%)	28,508	30,549	32,342	36,280	28,953
TY Exports (1000 MT)	28,370	-170(-.6%)	28,540	30,383	28,489	37,370	29,480
Feed and Residual (1000 MT)	98,343	+905(+.93%)	97,438	103,184	100,095	115,893	111,099
FSI Consumption (1000 MT)	46,064	+205(+.45%)	45,859	45,111	45,712	45,786	45,950
Total Consumption (1000 MT)	144,407	+1110(+.77%)	143,297	148,295	145,807	161,679	157,049
Ending Stocks (1000 MT)	18,387	-157(-.85%)	18,544	20,433	18,540	21,442	21,930
Total Distribution (1000 MT)	191,137	+788(+.41%)	190,349	199,277	196,689	219,401	207,932
Yield (MT/HA)	3.04	+(+2.01%)	2.98	3.18	2.93	3.08	3.05

Source: USDA PS&D

➢ Barley harvest in Kazakhstan this year may grow by 16%

12 April 2024 by APK-Inform – Gross barley harvest in Kazakhstan this year may be 16% higher than last year and reach 3.25 mln tonnes. This forecast was announced during the international conference Chinese Grains&Oils Congress in Shanghai by Daulet Uvashev, director of Harvest Kazakhstan.

He specified that the growth of barley harvest is expected primarily due to an increase in crop yield by 18% to 13 centners per ha. At the same time, barley planted areas are expected to decrease slightly (by 2%, to 2.5 mln ha).

According to the expert, the export of this grain in the current season may reach 1.5 mln tonnes (+15% compared to the previous season).

At the same time, in 6 months of 2023/24 MY (September-February), Kazakhstan has already exported about 700 thsd tonnes of barley. China ranks first in the ranking of the top importers of the product - the country supplied about 535 thsd tonnes of Kazakh barley.

➢ Barley Export Prices (FOB, US$/mt) as of 10 of April 2024

		TW	LW	LY	%Y/Y
Argentina Feed, Up River	Apr	210	210	300	-30
Australia Feed, Port Adelaide (SA) a)	Apr	235	231	274	-14
Australia Malting, Adelaide, (SA) a)	Apr	242	236	343	-29
Black Sea Feed	May	183	176	247	-26
EU (France), Feed Rouen	Apr	208	202	275	-25

Source: International Grains Council

In trade news, Jordan secured 60,000 mts of feed barley from optional origins, at an estimated $219.50/mt C&F for August shipment, and is back in the market (17th April) for a further 120,000 mts, July/August.

Iran's SLAL tendered (3rd April) for 120,000 mts feed, June/July, but with no purchase yet reported.

Amid few fresh developments, prices largely tracked movements in global wheat markets, but with unfavorable cropping weather also underpinning.

In the week ending the 1st of April, 2024/25 spring sowings in the EU (France) reached 86% complete (82% previous week, 100% previous year, 100% five-year average). Both winter and spring barley conditions ratings declined slightly w/w, to 66% (67%, 92%, n/a) and 61% (62%, 97%, n/a), respectively.

As of the 4th of April, spring sowings in Ukraine covered 543,200 ha, equivalent to 66% of intended area. Beneficial rains were observed across western Ukraine, but with eastern regions remaining dry and warm. The very early stages of fieldwork in Western Australia was reportedly hindered by dryness.

Australia Barley Supply & Demand Outlook

Barley Australia as of April 2024							
Attribute	23/24 Apr'24	Change	23/24 Mar'24	22/23	21/22	20/21	19/20
Area Harvested (1000 HA)	4,200	-	4,200	4,127	5,095	5,491	5,041
Beginning Stocks (1000 MT)	3,220	-	3,220	2,848	2,518	2,711	1,908
Production (1000 MT)	10,800	-	10,800	14,137	14,337	14,649	10,127
MY Imports (1000 MT)	0	-	0	0	0	0	0
TY Imports (1000 MT)	0	-	0	0	0	0	0
TY Imp. from U.S. (1000 MT)	0	-	0	0	0	0	0
Total Supply (1000 MT)	14,020	-	14,020	16,985	16,855	17,360	12,035
MY Exports (1000 MT)	6,200	-	6,200	7,765	8,007	8,342	3,324
TY Exports (1000 MT)	6,500	-	6,500	7,084	8,233	8,007	3,231
Feed and Residual (1000 MT)	4,500	-	4,500	4,500	4,500	5,000	4,500
FSI Consumption (1000 MT)	1,500	-	1,500	1,500	1,500	1,500	1,500
Total Consumption (1000 MT)	6,000	-	6,000	6,000	6,000	6,500	6,000
Ending Stocks (1000 MT)	1,820	-	1,820	3,220	2,848	2,518	2,711
Total Distribution (1000 MT)	14,020	-	14,020	16,985	16,855	17,360	12,035
Yield (MT/HA)	2.57	-	2.57	3.43	2.81	2.67	2.01

Source: USDA PS&D

Australian malting barley cargo heads to EU

11 April 2024 by Liz Wells, Gran Central – A Panamax of Australian malting barley is on its way to Rotterdam to help shore up near-term supplies ahead of what is expected to be a late start to Europe's own harvest. Weighing in at 60,000 tonnes, the cargo loaded in Port Kembla and Geelong.

RGT Planet, a French variety favoured by maltsters globally, is believed to have filled most or all of the hatches.

Trade sources say the competitiveness of Australian pricing, and the quality of grain from a kind harvest in terms of malting quality have made Australian barley stack up for the EU buyer.

"The underlying aspect is that malthouses around the port can price offshore grain from outside the EU at quite competitive prices," Kardinia Group Consulting principal Terry Perryman said. "I think there's an interest to look outside of Europe from a risk point of view, and the progressive maltster has a concern about the traditional supply chain with climate change."

Heavy rain since autumn has made this season a tough one for barley in parts of the EU, which produces around one third of the global crop.

"The story I keep hearing is that it's too wet for their spring crops."

Aside from a likely impact on yield in some regions, wet conditions during Europe's planting window and growing season are likely to delay the harvest peak.

"The background to it is the European users of malting barley are positioning themselves to look at options outside Europe as a tactic to deal with risk."

The Lyric Poet berthed on Monday at GrainCorp's Geelong terminal to fill up with malting barley ahead of its voyage to The Netherlands.

On top of what looks like it will be a late local crop, EU maltsters also have lower-than-normal carryout stocks to call on as as a buffer because the EU became a volume exporter to China while tariffs were in place on Australian barley.

Australia is already a volume supplier of canola to the EU biodiesel market, and malting barley, often produced by the same growers, fits the EU's sustainability credentials.

Whether other Australian cargoes to Europe follow this season remains to be seen.

"Issues with the French crop are not getting any better today, with spring barley-crop ratings in a terrible state, and production estimates dropping," Flexi Grain pool manager Sam Roache said.

"Likewise, Ukraine production is set to drop around 30% year on year too, so the limited China barley supplying countries – Australia, France, Argentina, Canada and Ukraine – are tightening significantly, which will make for interesting watching."

ABARES estimates Australia 2023-24 barley crop at 10.8 mmts (Mt), and industry sources have said a larger-than-normal proportion totalling perhaps as much as 3Mt has made malting specs.

The quality profile has made for a marketer's dream, with China removing its tariffs on Australian barley last year in time to return as the volume buyer.

According to Australian Bureau of Statistics data, Australia has shipped it 3.6Mt of barley, including 1.1Mt of malting, from October 1 to February 29, the opening months of the marketing year.

Australia's Oct-Feb barley exports to all destinations total 4.52Mt, including 1.44Mt of malting.

As seen in the latest ABS data, Australia shipped China 1.16Mt of malting and feed barley in total in December, with volume trending down since then.

Planting of Australia's 2024-25 barley crop is expected to start in coming weeks.

U.S. Barley Supply & Demand Outlook

Barley United States as of April 2024							
Attribute	23/24 Apr'24	Change	23/24 Mar'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	-	327	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	-	5,789	5,109	4,501	5,715	5,803
MY Exports (1000 MT)	87	-	87	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	-	5,789	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 April 2024							
Attribute	23/24 Apr'24	Change	23/24 Mar'24	22/23	21/22	20/21	19/20
Area Harvested (1000 HA)	41,573	-	41,573	39,667	40,631	42,997	39,347
Beginning Stocks (1000 MT)	3,685	+36(+.99%)	3,649	4,096	3,969	3,724	5,194
Production (1000 MT)	59,707	-10(-.02%)	59,717	55,315	60,927	62,788	56,817
MY Imports (1000 MT)	8,964	-	8,964	6,129	12,553	9,930	5,605
TY Imports (1000 MT)	9,009	-	9,009	6,086	12,533	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)	72,356	+26(+.04%)	72,330	65,540	77,449	76,442	67,616
MY Exports (1000 MT)	9,546	-25(-.26%)	9,571	6,235	11,758	11,423	6,515
TY Exports (1000 MT)	9,528	-15(-.16%)	9,543	6,803	11,812	10,552	6,386
Feed and Residual (1000 MT)	22,749	+120(+.53%)	22,629	19,022	26,341	24,127	20,340
FSI Consumption (1000 MT)	36,337	-72(-.2%)	36,409	36,598	35,254	36,923	37,037
Total Consumption (1000 MT)	59,086	+48(+.08%)	59,038	55,620	61,595	61,050	57,377
Ending Stocks (1000 MT)	3,724	+3(+.08%)	3,721	3,685	4,096	3,969	3,724
Total Distribution (1000 MT)	72,356	+26(+.04%)	72,330	65,540	77,449	76,442	67,616
Yield (MT/HA)	1.44	-	1.44	1.39	1.50	1.46	1.44

Source: USDA PS&D

➢ Australian Rain devastates Downs sorghum in harvest window

3 April 2024 by Emma Alsop, Gran Central – Up to half the southern Queensland sorghum crop could be downgraded due to rain damage, and the situation will worsen if further rain falls in coming days.

Rain coupled with overcast conditions over four consecutive days last week have caused some shelling out of grain, which has impacted yields, with sprouting affecting quality and test weights.

Totals from that event varied across the Downs and included: Dalby 47mm; Emerald 1mm; Felton 24mm; Jondaryan 35mm; Miles 110mm; Roma 91mm, and Springsure 32mm.

With a brief spell of dry conditions across the Easter long weekend, many Downs growers have taken the opportunity to harvest as much as possible, despite high moisture levels.

AgForce grains president and Warra grower Brendan Taylor said parts of his property are inaccessible following the 75mm he received. “We are getting it off where we can but where our best sorghum is, we can’t get to because it’s too wet from the rain last week,” Mr Taylor said. “It was horrendous timing with the harvest, and has done considerable damage to the crop already with sprouting and shelling out. Some paddocks around here, there could be a tonne to the hectare on the ground already from shelling.”

Due to dry conditions in November, most of the Downs sorghum was planted during a two-week period late in the window, and only around 10pc had been harvested before last week’s rain.

Nutrien Ag Solutions Dalby agronomist Ross Pomroy said this meant “about 80pc of the sorghum crop” was in a “vulnerable stage” last week.

Mr Taylor said the situation would only get worse if the region gets the rain forecast by the Bureau of Meteorology, namely more than 5omm for Dalby, Roma and Toowoomba, over the next few days. “We have already seen significant losses, so if we get another big rainfall event, we could see things get ten times worse. “Depending on what the weather does, we could see entire crops lost.”

Downgrades seen

Mr Pomroy said he had reports that sorghum harvested over Easter had sprouting levels above 10pc and “would not meet Sorghum 2 specs”. “It’s only early days at the moment and we are still trying to get a handle on things,” Mr Pomroy said.

Mr Taylor said his recently harvested sorghum had moisture levels of 14-15pc and “was not even meeting the grain-moisture receival standards”. He said the rain hit major growing regions, with “big tonnes” of out-of-spec or SORX/SGMX crops expected to swamp the market in coming months. “There will be big tonnes of it, so the market is going to have to come to terms with that outcome.”

An industry source has told Grain Central that the market has already responded to the report of downgrades, with the Sorghum 1 market rallying $15/t yesterday.

Higher yields predicted

Mr Pomroy said the outcome was even more disappointing for growers who were eyeing “magnificent” sorghum yields before the wet weather. “We definitely grew a magnificent crop and if it wasn’t for four days of rain, we would be harvesting an absolute magic sorghum crop.”

Mr Taylor said the crop was shaping up to be “potentially the best sorghum we have ever seen”. He said there were reports of sorghum harvested before the rain returning yields of 7.5-9t/ha. He said sections of the crop yet to be harvested were looking “as good or better”.

Staff at Kurstjens Farming Australia’s Beefwood Farms north of Moree power through the sorghum harvest. Photo: Beefwood Farms

NSW races rain

In New South Wales, crops in the state’s north-west and on the Liverpool Plains are forecast to receive significant rain over the next few days.

AMPS Moree agronomist Tony Lockrey said growers “were trying to get as much off as they can before the rain event”. They have the headers going flat out right now, just smoking it,” Mr Lockrey said.

Beefwood/Kurstjens Farming manager Glenn Coughran said the operation, which farms between Moree and the Qld border, was pushing to finish harvest ahead of the rain. “We’ve been harvesting all through Easter and we are almost on the home straight,” Mr Coughran said. He said the operation was pushing the headers to the limits to get the crop off. “We’ve been averaging 90t per hour per machine, and we’ve cracked 600t per hour.” Mr Coughran said yields were looking “excellent” and averaged about 5.8t/ha.

The Beefwood yields are on the higher end of the scale, with Mr Lockrey estimating yields from the current crop to range from 4.5-6t/ha, above average for the region.

He said this was an improvement on some of the earlier crops which were “moisture limited” and saw yields of 2.5-3t/ha.

Liverpool Plains patchy

In the Liverpool Plains, Hunt Ag Solutions principal Jim Hunt said about 40pc of the crop had been harvested to date. He said growers were also powering through the harvest to beat the rain predicted to hit the region.

“We are going through the harvest as fast as we can,” Mr Hunt said. “We have still got a lot to get off.”

Mr Hunt said there was a wide variety of yields, depending on if the crop received rain. “The yields are all over the joint because we had no rain through the season, and it was all down to storms.”

He said yields from crops which were under a storm could be above-average compared to sorghum in drier areas, which could see average yields at best.

The ABARES Crop Report released on March 5 forecast Australia’s sorghum crop to reach 2 mmts in 2023–24, with 1.4 mmts of this coming from Queensland.

It estimated NSW yields to average 3.7 mts/ha, slightly above the Queensland predicted average of 3.37 mts/ha.

➢ USDA – U.S. Grain Sorghum

Sorghum United States as of April 2024							
Attribute	23/24 Apr'24	Change	23/24 Mar'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	-	6,223	2,771	7,515	7,085	5,162
TY Exports (1000 MT)	6,400	-	6,400	2,965	7,387	6,926	5,404
Feed and Residual (1000 MT)	1,270	+127(+11.11%)	1,143	1,078	2,031	2,465	2,456
FSI Consumption (1000 MT)	635	-127(-16.67%)	762	1,506	1,144	173	1,909
Total Consumption (1000 MT)	1,905	-	1,905	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 10th of April 2024

		TW	LW	LY	%Y/Y
Argentina, Up River	Apr	245	245	306	-20
Australia, Brisbane a)	Apr	302	294	341	-11
US No. 2 YGS, Gulf	May	249	251	344	-28

Source: International Grains Council

US Gulf sorghum export quotations were fractionally softer on a retreat in basis levels. Export sales in the week ending the 28th of March totalled 11,424 mts, taking the 2023/24 (Sep/Aug) cumulative tally to 5.0 mmts, a more than three-fold increase y/y.

Elsewhere, the 2023/24 harvest in Argentina was officially estimated to be 9% done by 4 April (3% year ago).

➢ U.S. Export Grain Sorghum Values – Friday the 12h of April 2024

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

TX FOB VESSEL MILO (USc/MT)	4/11/2024	4/12/2024		
May	220	220	H	**UNC**
June	200	200	H	**UNC**
July	190	190	H	**UNC**

Oats

- **World Oats Supply & Demand Outlook**

Oats World as of April 2024							
Attribute	23/24 Apr'24	Change	23/24 Mar'24	22/23	21/22	20/21	19/20
Area Harvested (1000 HA)	8,330	+50(+.6%)	8,280	9,365	9,664	10,091	9,555
Beginning Stocks (1000 MT)	3,530	+59(+1.7%)	3,471	2,470	3,025	2,235	2,192
Production (1000 MT)	19,455	+20(+.1%)	19,435	25,319	22,737	25,780	23,235
MY Imports (1000 MT)	2,401	+16(+.67%)	2,385	2,767	2,405	2,528	2,512
TY Imports (1000 MT)	2,304	+50(+2.22%)	2,254	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)	25,386	+95(+.38%)	25,291	30,556	28,167	30,543	27,939
MY Exports (1000 MT)	2,370	+65(+2.82%)	2,305	2,753	2,517	2,766	2,529
TY Exports (1000 MT)	2,386	+50(+2.14%)	2,336	2,938	2,364	2,698	2,632
Feed and Residual (1000 MT)	13,405	+95(+.71%)	13,310	16,490	15,417	17,065	15,642
FSI Consumption (1000 MT)	7,606	-25(-.33%)	7,631	7,783	7,763	7,687	7,533
Total Consumption (1000 MT)	21,011	+70(+.33%)	20,941	24,273	23,180	24,752	23,175
Ending Stocks (1000 MT)	2,005	-40(-1.96%)	2,045	3,530	2,470	3,025	2,235
Total Distribution (1000 MT)	25,386	+95(+.38%)	25,291	30,556	28,167	30,543	27,939
Yield (MT/HA)	2.34	(-.43%)	2.35	2.70	2.35	2.55	2.43

Source: USDA PS&D

USDA – US Oats Supply & Demand Outlook

Oats United States as of April 2024							
Attribute	23/24 Apr'24	Change	23/24 Mar'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)	1,293	-34(-2.56%)	1,327	1,449	1,396	1,472	1,586
TY Imports (1000 MT)	1,200	-	1,200	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)	2,626	-34(-1.28%)	2,660	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)	930	-5(-.53%)	935	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)	2,106	-5(-.24%)	2,111	2,227	2,015	2,362	2,344
Ending Stocks (1000 MT)	491	-29(-5.58%)	520	505	474	552	534
Total Distribution (1000 MT)	2,626	-34(-1.28%)	2,660	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

- **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 $3.51½/bu, up 4 cents on the day, and gaining 20 cent for the week.*

New crop July Futures settled at $3.40¼/bu on Friday.

Sowing of the 2024/25 US crop was estimated at 34% complete by the 7th of April (27% previous year, 28% five-year ave.), with sorghum seeding at 13% done (13%, 14%).

- **Oats Export Prices (FOB, US$/mt) the 10th of April 2024**

		TW	LW	LY	%Y/Y
Finland	Apr	236	241	215	+10

Source: International Grains Council

US oats (May) futures retreated by 7% w/w, with position rolling featuring at times. Canadian exports in the week ending the 31st of March totalled 23,800 mts, with 2023/24 (Aug/Jul) cumulative shipments at 1.0m (+3% on previous year).

Oilseeds Complex

➢ **World Oilseed Supply & Demand Outlook**

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

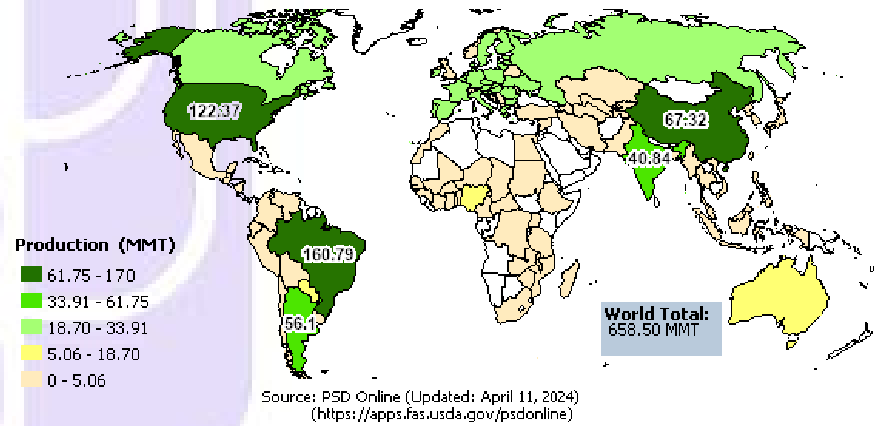
Million Metric Tons

	2019/20	2020/21	2021/22	2022/23	Mar 2023/24	Apr 2023/24
Production						
Oilseed, Copra	5.92	5.77	6.03	6.00	6.03	6.01
Oilseed, Cottonseed	43.45	41.91	41.29	42.24	41.66	41.41
Oilseed, Palm Kernel	19.36	19.09	19.14	20.07	20.71	20.71
Oilseed, Peanut	47.75	50.49	51.97	49.36	50.46	50.46
Oilseed, Rapeseed	70.32	74.74	75.82	88.83	88.07	88.39
Oilseed, Soybean	341.43	369.22	360.45	378.20	396.85	396.73
Oilseed, Sunflowerseed	53.90	48.87	56.85	52.77	54.91	54.80
Total	582.13	610.09	611.55	637.47	658.68	658.50
Imports						
Oilseed, Copra	0.15	0.08	0.10	0.08	0.09	0.09
Oilseed, Cottonseed	0.72	0.81	0.98	1.36	1.18	1.18
Oilseed, Palm Kernel	0.15	0.15	0.15	0.15	0.15	0.15
Oilseed, Peanut	4.37	4.33	4.05	4.27	4.06	4.13
Oilseed, Rapeseed	15.82	16.67	13.92	20.04	16.06	16.36
Oilseed, Soybean	165.30	166.20	154.47	167.87	170.78	170.33
Oilseed, Sunflowerseed	3.35	2.72	3.83	3.78	3.00	2.72
Total	189.86	190.95	177.50	197.55	195.32	194.96
Exports						
Oilseed, Copra	0.28	0.10	0.10	0.10	0.12	0.10
Oilseed, Cottonseed	0.88	0.96	1.27	1.24	1.42	1.44
Oilseed, Palm Kernel	0.08	0.05	0.05	0.05	0.05	0.04
Oilseed, Peanut	5.01	5.06	4.42	4.76	4.60	4.65
Oilseed, Rapeseed	16.00	18.03	15.35	19.78	17.07	17.32
Oilseed, Soybean	165.82	165.18	154.43	172.09	173.61	173.06
Oilseed, Sunflowerseed	3.60	2.95	3.95	4.02	2.77	2.81
Total	191.67	192.33	179.56	202.02	199.64	199.41
Crush						
Oilseed, Copra	5.76	5.70	5.96	5.91	5.98	5.98
Oilseed, Cottonseed	33.32	32.57	32.16	32.55	32.85	32.82
Oilseed, Palm Kernel	19.40	19.09	19.01	20.08	20.61	20.62
Oilseed, Peanut	19.10	19.68	19.83	19.18	18.90	18.88
Oilseed, Rapeseed	69.07	72.11	72.06	80.74	83.35	83.82
Oilseed, Soybean	312.51	318.07	316.51	315.03	328.19	328.03
Oilseed, Sunflowerseed	49.46	45.05	46.72	51.39	51.38	51.70
Total	508.62	512.27	512.24	524.88	541.25	541.84
Ending Stocks						
Oilseed, Copra	0.05	0.05	0.06	0.05	0.04	0.04
Oilseed, Cottonseed	1.62	1.66	1.50	1.54	1.47	1.52
Oilseed, Palm Kernel	0.18	0.18	0.29	0.26	0.29	0.29
Oilseed, Peanut	4.63	4.93	4.82	4.15	4.19	3.98
Oilseed, Rapeseed	7.56	6.03	4.41	8.43	8.07	7.82
Oilseed, Soybean	95.25	98.64	93.09	101.31	114.27	114.22
Oilseed, Sunflowerseed	2.99	2.41	7.84	4.15	3.03	2.74
Total	112.29	113.90	112.01	119.88	131.35	130.60

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		611.55	725.45	179.56	512.24	112.01
	2022/23 (Est.)		637.47	749.48	202.02	524.88	119.88
	2023/24 (Proj.)	Mar	658.68	779.44	199.63	541.25	131.36
		Apr	658.50	778.38	199.41	541.84	130.60
Oilmeals	2021/22		350.98	370.46	96.54	348.08	20.01
	2022/23 (Est.)		357.27	377.28	97.72	355.39	17.02
	2023/24 (Proj.)	Mar	369.37	386.93	101.85	364.42	18.83
		Apr	369.60	386.62	102.84	364.51	18.30
Vegetable Oils	2021/22		208.13	237.27	79.56	202.61	29.34
	2022/23 (Est.)		217.88	247.22	88.77	210.74	31.35
	2023/24 (Proj.)	Mar	222.85	254.21	88.99	218.16	30.85
		Apr	223.17	254.51	89.08	218.15	31.08

2023/2024 Total Oilseed Production



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

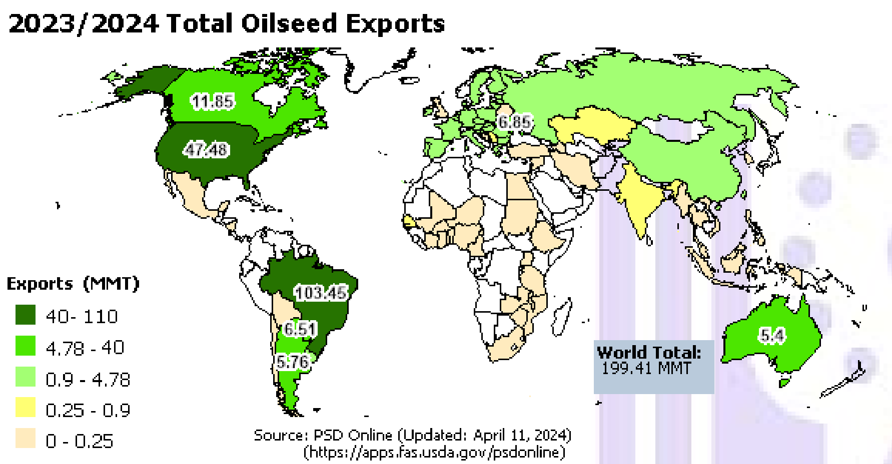
11 April 2024 USDA WASDE – Global 2023/24 soybean supply and demand forecasts include lower production, exports, crush, and nearly unchanged ending stocks.

The global oilseeds production forecast is slightly lowered this month on a decrease in South Africa soybean production more than offsetting an increase in Paraguay soybean production.

Oilseed crush is slightly higher on raised Ukraine sunflowerseed and Canada rapeseed crush offsetting lower global soybean crush.

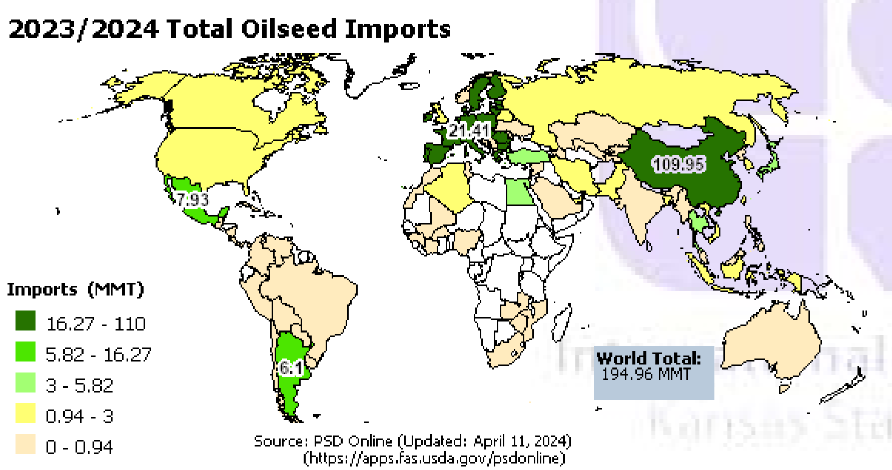
Global oilseeds trade is marginally down on lower U.S. soybean and Canada rapeseed exports despite higher Paraguay soybean trade.

Meal trade rose aligned with higher production of sunflowerseed and rapeseed meal.



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

Imports are lowered for Indonesia, Russia, Algeria, and the United States, but raised for the EU.



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

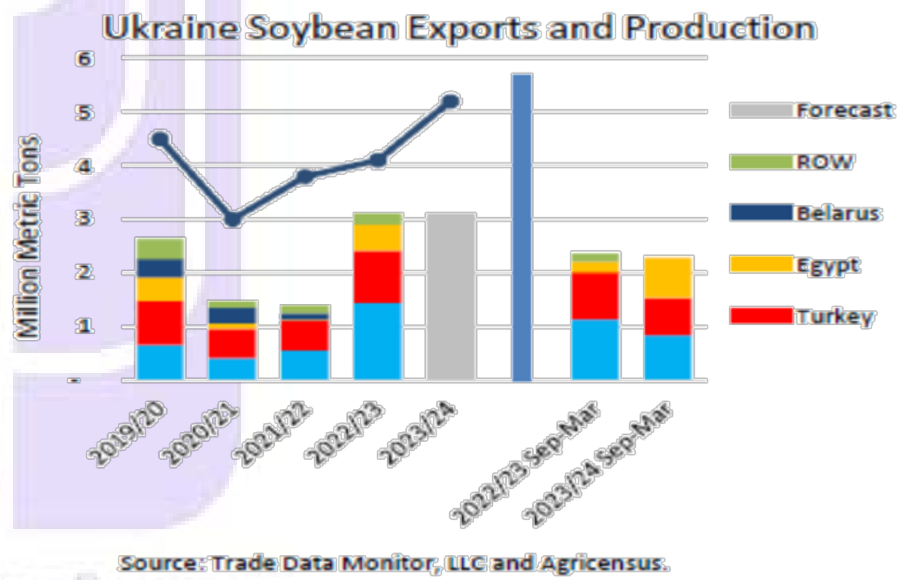
Global soybean ending stocks are nearly unchanged with higher stocks for the United States offset by lower stocks for Canada, Iran, and Russia. Although U.S. soybean ending stocks are higher, global ending stocks are down approximately 800,000 tons due to a decrease in Russia and Canada soybean stocks.

Ending oil stocks are up on an increase in palm oil stocks in Indonesia and European Union soybean oil offsetting rapeseed oil stock declines. While soybean oil production was lowered slightly, total vegetable oil production grew on higher sunflowerseed oil production in Ukraine and rapeseed oil in Canada.

The USDA season-average soybean price for 2023/24 is forecast at $12.55 /bushel, down 10 cents. Soybean meal and oil prices are unchanged at $380 per short ton and 49 cents/pound, respectively.

Surging Ukraine Soybean Production and Exports Boost Market Share

11 April 2024 USDA WASDE – Soybean production in Ukraine is export driven, and with crush not expanding during the Russia invasion, exportable supplies have been on the rise. Production has recovered to pre-war levels as soybeans remain profitable.

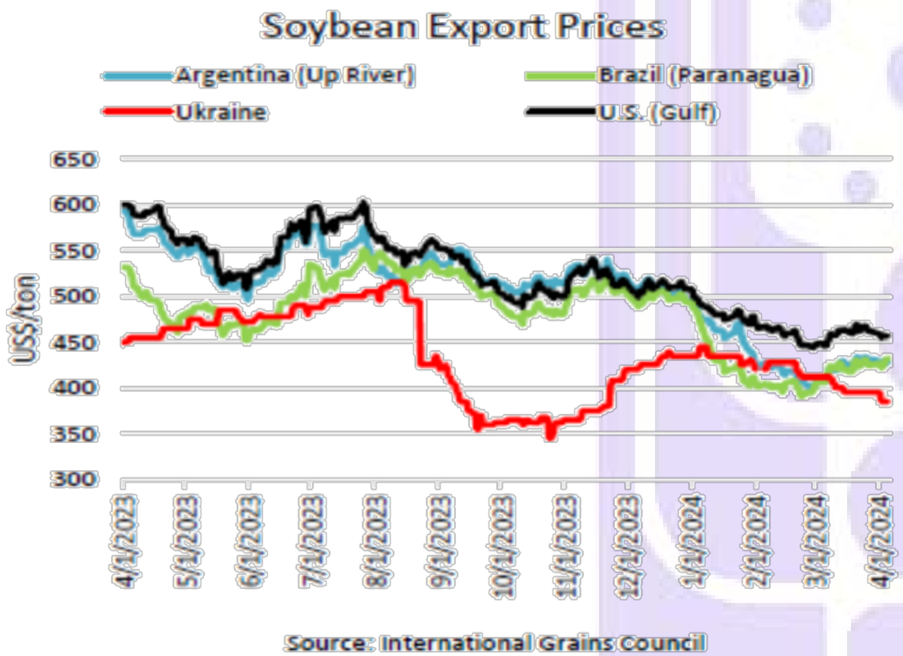


Growing output and exports during the war allowed Ukraine to emerge as a significant player on the soybean export market, especially in the Middle East and North Africa (MENA) region.

Ukraine captured market share from several traditional suppliers, including the United States. In 2023/24, Ukraine soybean exports are projected to reach a new record of 3.1 mmts. Similar to the last marketing year, the key markets include the European Union, Turkey, and Egypt. Last year, Ukraine soybean exports to Egypt reached nearly 488,000 tons. This marketing year, September-March shipments to Egypt tripled to nearly 755,000 tons. Meanwhile, September-February shipments from the

United States to Egypt were only 388,000 tons, a 45-percent decline compared to the same period last year. Ukraine has also boosted the market share in Turkey, with shipments estimated at nearly 690,000 tons during September-March. As a result, U.S. exports to Turkey have fallen 20% to 132,000 tons during the same period.

Ukraine remains an attractive soybean supplier to Europe and MENA with export prices significantly below elsewhere. A geographic location near major soybean importers, a stagnant domestic crush, and low export prices are the key factors supporting Ukraine's surging soybean exports.



Despite the current challenges from the war, Ukraine and its partners continue making significant efforts to overcome logistical issues and set up alternative export routes after the Black Sea Grain Initiative expired.

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

Country	Commodity	Attribute	Previous	Current	Change	Reason
Algeria	Oilseed, Soybean	Imports	1,800	1,700	-100	Pace of trade to date, in line with previous year's feed demand
Australia	Oilseed, Rapeseed	Exports	4,400	4,600	200	Improved production prospects
Brazil	Meal, Soybean	Exports	20,100	20,600	500	Pace of trade to date, stronger demand from Middle East
Canada	Meal, Rapeseed	Exports	5,450	5,650	200	More exportable supplies on raised crush
	Oil, Rapeseed	Exports	3,600	3,750	150	Pace of trade to date, growing demand in the United States
	Oilseed, Rapeseed	Exports	7,550	7,250	-300	Stronger pace of crush to date, less exportable supplies
China	Meal, Palm Kernel	Imports	1,300	1,450	150	Larger exportable supplies, strong demand for feedstocks other than soy
	Meal, Rapeseed	Imports	2,500	2,700	200	
	Oil, Palm	Imports	6,200	6,000	-200	Slow pace of trade to date
Egypt	Oil, Sunflowerseed	Imports	350	600	250	Stronger pace of trade from Black Sea region with competitively priced sunflowerseed oil
European Union	Meal, Sunflowerseed	Exports	650	750	100	Pace of trade to date
	Oil, Soybean	Exports	900	800	-100	
	Oil, Sunflowerseed	Exports	800	900	100	
	Oilseed, Rapeseed	Exports	400	550	150	
	Meal, Sunflowerseed	Imports	2,700	2,800	100	
	Oil, Soybean	Imports	400	500	100	
	Oil, Sunflowerseed	Imports	2,350	2,450	100	

	Oilseed, Rapeseed	Imports	5,300	**5,500**	**200**	
	Oilseed, Soybean	Imports	13,800	**14,300**	**500**	
	Oilseed, Sunflowerseed	Imports	600	**700**	**100**	
Ghana	Oil, Palm	Imports	225	**115**	**-110**	Pace and less transshipment
India	Oil, Palm	Imports	9,200	**9,000**	**-200**	Slower pace of trade to date, with other oils taking a larger import share
	Oil, Sunflowerseed	Imports	2,700	**2,900**	**200**	Stronger pace of trade from Black Sea region with sunflowerseed oil competitively priced
Indonesia	Oil, Palm	Exports	27,700	**27,350**	**-350**	Slower pace of trade
	Oilseed, Soybean	Imports	2,650	**2,400**	**-250**	
Iran	Meal, Soybean	Imports	900	**1,400**	**500**	Pace of trade to date, strong feed demand
Iraq	Meal, Soybean	Imports	1,050	**950**	**-100**	Pace to date, in line with last year's feed demand
Malaysia	Meal, Palm Kernel	Exports	2,150	**2,350**	**200**	Higher pace to date
Moldova	Oilseed, Rapeseed	Exports	65	**285**	**220**	Raised production and pace of trade to date
Paraguay	Oilseed, Soybean	Exports	6,300	**6,500**	**200**	Raised production, strong shipments to Argentina
Russia	Oil, Sunflowerseed	Exports	4,300	**4,400**	**100**	Strong crush and exports to date
	Oilseed, Soybean	Imports	1,100	**900**	**-200**	Weaker imports to date, sufficient domestic supplies
Saudi Arabia	Meal, Palm Kernel	Imports	410	**200**	**-210**	Trade to date and lower consumption expectations
South Africa	Oilseed, Soybean	Exports	250	**150**	**-100**	Reduced crop prospects
Turkey	Oilseed, Sunflowerseed	Imports	800	**600**	**-200**	Pace of trade to date, less exportable supplies at main producers
Ukraine	Oil, Sunflowerseed	Exports	5,750	**5,900**	**150**	Strong crush and exports to date
United Arab Emirates	Oil, Palm	Imports	415	**550**	**135**	Pace and increased transshipment
United States	Oilseed, Soybean	Exports	46,811	**46,266**	**-545**	Pace of trade
	Oil, Rapeseed	Imports	3,215	**3,365**	**150**	
	Oilseed, Soybean	Imports	816	**680**	**-136**	
Uzbekistan	Oilseed, Sunflowerseed	Imports	200	**100**	**-100**	Pace of trade to date, less exportable supplies at main producers
Vietnam	Meal, Palm Kernel	Imports	550	**660**	**110**	Pace of trade to date

- **Oilseed Prices (FOB, US$/mt) as of the 10th of April 2024**

		TW	LW	LY	%Y/Y
Soybeans					
Argentina, Up River	Apr	427	425	568	-25
Brazil (Paranagua)	May	433	422	510	-15
US 2Y, Gulf	May	453	455	589	-23
Soybean Meal					
Argentina (Up River)	Apr	381	385	508	-25
Soybean Oil					
Argentina (Up River)	Apr	910	908	1008	-10
Brazil (Paranagua)	May	922	924	982	-6
Canola					
Australia, Kwinana (WA) a)	May	459	-	607	-24
Canada, Vancouver	May	515	504	614	-16
Sunflowerseed					
EU (France) (Bordeaux)	Apr	453	455	482	-6
Palm oil					
Indonesia	Apr	1000	1010	1020	-2

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

In South America, harvesting in Brazil was officially estimated to be around three-quarters complete as of the 7th of April, just a touch behind y/y, with dryness aiding progress in Parana. Separately, reports indicated that recent weather patterns were favorable for late-sown crops in Rio Grande do Sul. Official data showed that the pace of exports was slightly ahead y/y, with cumulative 2023/24 (Feb/Jan) volumes at 19.2 mmts as of the end of March (+4%). Reflecting bigger than expected dispatches more recently, ANEC, the grain exporters' association, uprated its forecast for April soybean exports by 2.1 mmts from previously, to 12.7 mmts albeit still down by 10% on the same month of the prior season.

In contrast to other origins, FOB quotations in Brazil (Paranagua) were around 3% higher over the week. With US spot futures unchanged, gains were tied to firmer basis levels amid strong demand from local processors, sluggish grower sales and background harvest worries.

Highlighting the recent uplift in premiums, the US (Gulf)-Brazil (Paranagua) export price spread narrowed to just US$20 (down from close to US$40 a fortnight earlier).

Elsewhere, the Buenos Aires Grain Exchange reported that harvesting in Argentina was 2% complete in the week ending the 5th of April (n/a year earlier), with precipitation halting progress in some core areas.

- **South Africa Soybeans Production Prospects Reduced by Drought**

11 April 2024 USDA FAS – South Africa's marketing year (MY) 2023/24 soybean production is estimated at 1.82 mmts, down 0.3 mmts (15%) from last month, down 0.9 mmts (34%) from last year, and 2% below the five-year average.

Area is estimated at a record 1.15 million hectares, up 25,000 thousand hectares (2%) from last month, nearly the same as last year, and up 33% from the five-year average.

Yield is estimated at 1.58 metric tons per hectare, down 17% from last month, down 34% from last year, and down 25% from the five-year average. Yields are well below average due to El Niño induced dry spells and heat waves in February when the crop was in early pod-filling stages.

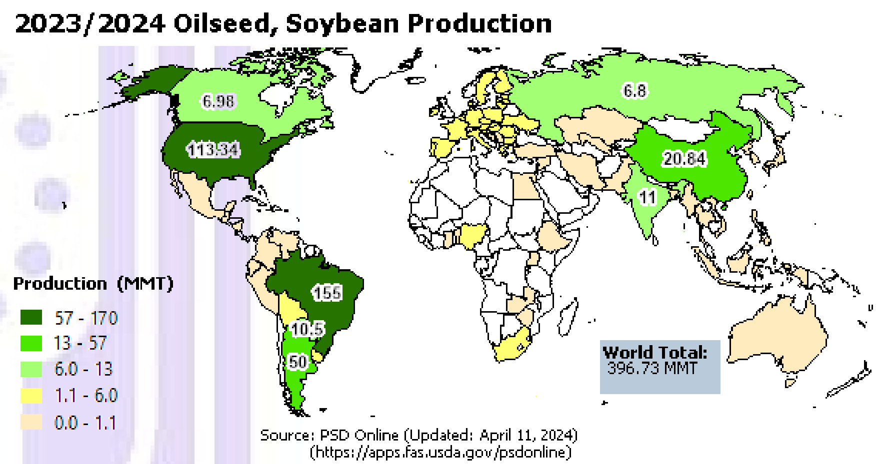
SOYBEANS

- **USDA – World Soybean**

Oilseed, Soybean World as of April 2024							
Attribute	23/24 Apr'24	Change	23/24 Mar'24	22/23	21/22	20/21	19/20
Area Harvested (1000 HA)	139,471	+6(+%)	139,465	136,855	131,461	129,733	123,565
Beginning Stocks (1000 MT)	101,310	-839(-.82%)	102,149	93,091	98,638	95,251	114,265
Production (1000 MT)	396,725	-125(-.03%)	396,850	378,196	360,446	369,222	341,430
MY Imports (1000 MT)	170,331	-447(-.26%)	170,778	167,872	154,465	166,199	165,302
Total Supply (1000 MT)	668,366	-1411(-.21%)	669,777	639,159	613,549	630,672	620,997
MY Exports (1000 MT)	173,064	-547(-.32%)	173,611	172,085	154,431	165,176	165,823
Crush (1000 MT)	328,032	-159(-.05%)	328,191	315,027	316,508	318,068	312,508
Food Use Dom. Cons. (1000 MT)	23,685	-278(-1.16%)	23,963	22,840	22,026	21,613	20,964
Feed Waste Dom. Cons. (1000 MT)	29,365	-379(-1.27%)	29,744	27,897	27,493	27,177	26,451
Total Dom. Cons. (1000 MT)	381,082	-816(-.21%)	381,898	365,764	366,027	366,858	359,923
Ending Stocks (1000 MT)	114,220	-48(-.04%)	114,268	101,310	93,091	98,638	95,251
Total Distribution (1000 MT)	668,366	-1411(-.21%)	669,777	639,159	613,549	630,672	620,997
Yield (MT/HA)	2.84	(-.35%)	2.85	2.76	2.74	2.85	2.76

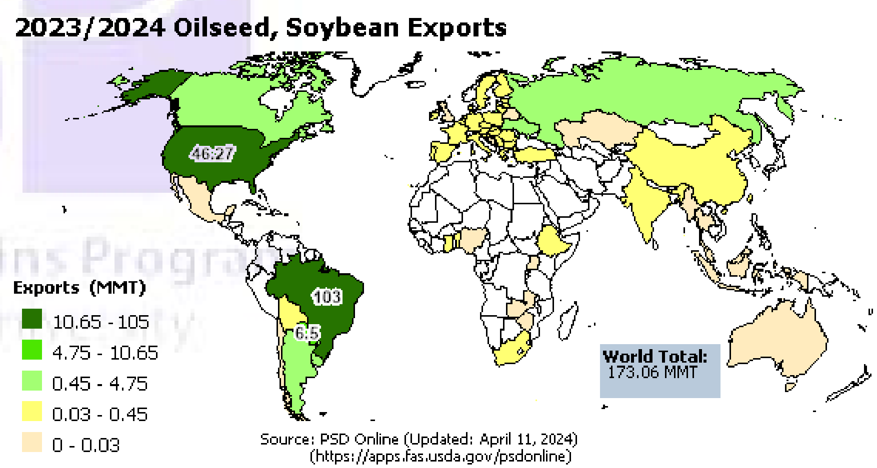
Source: USDA PS&D

11 April 2024 USDA WASDE – Global 2023/24 soybean supply and demand forecasts include lower production, exports, crush, and nearly unchanged ending stocks.



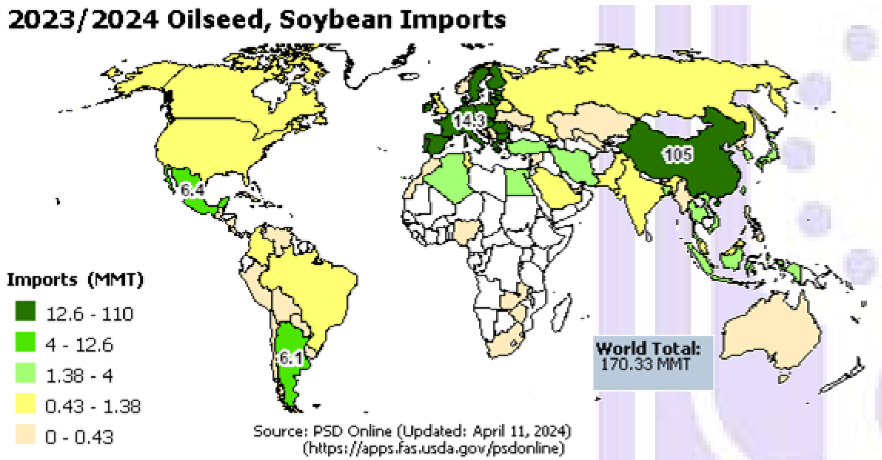
Source: USDA FAS https://ipad.fas.usda.gov/ogamaps/map.aspx?cmdty=Soybean&attribute=Exports

Soybean production is lowered mainly for South Africa on drought conditions during the season, which negatively impacted yield potential. Partly offsetting is higher production for Paraguay, up 0.2 mmts to 10.5 million.



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

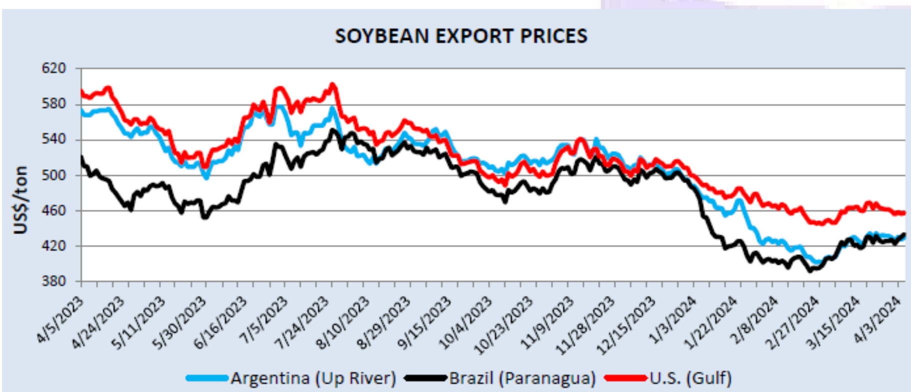
Global soybean exports are lowered 0.5 mmts to 173.1 million mainly on lower exports for the United States and South Africa partly offset by higher shipments for Paraguay.



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

Imports are lowered for Indonesia, Russia, Algeria, and the United States, but raised for the EU.

SOYBEAN EXPORT PRICES



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

	U.S.	Argentina	Brazil
March 5	$446	$406	$405
April 5	$457	$429	$433
Change	+$11	+$23	+$28

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

11 April 2024 USDA FAS – Soybean prices trended up during the month of March on a lower CONAB soybean crop projection for Brazil and slower farmer selling in Brazil.

Despite the increase in prices, Brazil is still the most competitive soybeans exporter. In contrast, soybean meal prices slightly declined on increased supplies in the United States and South America.

Vegetable oils prices increased across the board last month mainly driven by market concerns of lower palm oil supplies. Soybean oil prices in Brazil and Argentina and sunflowerseed oil prices in Ukraine followed the increase in palm oil. During the month of March, palm oil prices rallied $100/ton while soybean oil prices in South America increased only $77.

The price spread between Malaysian palm oil and Argentina soybean oil jumped from $42 at the beginning of March to $68 in April. Palm oil became the most expensive vegetable oil in the global market (excluding U.S. soybean oil, used mainly domestically). Sunflowerseed oil continues to be the cheapest vegetable oil on the global market.

<u>Spot Soybean Export Prices</u> (As of 11 April 2024)
Source: Agricensus

U.S., FOB Gulf	$447.75/mt, -$1.00
U.S., FOB PNW	$480.50/mt, -$0.75
Brazil, FOB	$429.75, Unched
Argentina, FOB upriver	$423.50, +$9.50

➢ **<u>Philippine Soy imports expected to increase on demand for animal feed</u>**

9 April 2024 – The Philippines is expected to import more soybeans this year due to increased demand from the livestock, poultry, and aquaculture industries, the US Department of Agriculture (USDA) said.

According to a report by the USDA's Foreign Agricultural Service, soybean meal imports for the feed industry are expected to grow 4% to 3.2 million metric tons (MT) in the marketing year 2024-2025.

The Philippines imports most of its soy to meet domestic demand, especially for animal feed.

Due to the limited land set aside for production, mostly in the Caraga and Ilocos Regions, the local harvest may likely be unchanged at 1,000 MT.

"The United States is the preferred source with an 85% market share. About 15-40% of the feed ration of animal and aquaculture feeds is soybean meal," it said.

It added that imports of soybean meal will help offset the 16% decline in copra meal production, mainly due to the ongoing effects of El Niño on coconut production.

China to auction 505,000 tonnes of imported soybeans on April 16th

10 April 2024 - Chinese authorities will offer around 505,000 mts of imported soybeans for sale via an auction on Tuesday April 16th, according to a notice issued by the country's National Grain Trade Center (NGTC) on Wednesday April 10th.

The auction will be for soybeans sourced from warehouses in Shandong, Hebei, Tianjin, Liaoning, Hubei, Hunan, Sichuan, Zhejiang, Fujian, Guangdong and Guangxi.

Notably, the beans offered this time were produced in 2021, 2022 and 2024, while previous auctions mostly offered beans produced in the preceding two years.

"It is a bit unusual to offer beans produced in the current year for auction so early in the year, the 2024 beans being offered could have failed to meet the standard needed to go into reserves," a Chinese broker said.

USDA – Argentina Soybeans

Oilseed, Soybean Argentina as of April 2024							
Attribute	23/24 Apr'24	Change	23/24 Mar'24	22/23	21/22	20/21	19/20
Area Harvested (1000 HA)	16,500	-	16,500	14,400	15,900	16,470	16,700
Beginning Stocks (1000 MT)	17,209	-	17,209	23,903	25,060	26,650	28,890
Production (1000 MT)	50,000	-	50,000	25,000	43,900	46,200	48,800
MY Imports (1000 MT)	6,100	-	6,100	9,059	3,839	4,816	4,882
Total Supply (1000 MT)	73,309	-	73,309	57,962	72,799	77,666	82,572
MY Exports (1000 MT)	4,600	-	4,600	4,185	2,861	5,195	10,004
Crush (1000 MT)	35,500	-	35,500	30,318	38,825	40,162	38,770
Food Use Dom. Cons. (1000 MT)	0	-	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	7,250	-	7,250	6,250	7,210	7,249	7,148
Total Dom. Cons. (1000 MT)	42,750	-	42,750	36,568	46,035	47,411	45,918
Ending Stocks (1000 MT)	25,959	-	25,959	17,209	23,903	25,060	26,650
Total Distribution (1000 MT)	73,309	-	73,309	57,962	72,799	77,666	82,572
Yield (MT/HA)	3.03	-	3.03	1.74	2.76	2.81	2.92

Source: USDA PS&D

2023/24 Argentina Soybeans 1.9% Harvested, Encouraging Yields

9 April 2024 by Michael Cordonnier/Soybean & Corn Advisor, Inc. - Rainfall last week and over the weekend favored northern and central Cordoba, Santa Fe, and Chaco. Dry weather is expected across most of Argentina through Thursday with showers increasing later this week. Heavy rains are expected next week in southern and eastern Argentina.

Moisture stress in northwestern Argentina has impacted the soybean yield potential especially in Santiago del Estero and Chaco.

The soybeans in Argentina were 1.9% harvested as of late last week which represented an advance of 1.8% for the week. The later planted soybeans are now 72% filling pods. Below is the soybean harvest progress in Argentina as of April 4, 2024 from the Buenos Aires Grain Exchange.

Early soybean yields continue to be encouraging. The average yield thus far is 3,700 kg/ha (55.1 bu/ac). The best yields are being recorded in the core production areas. In the northern core region, the soybeans are 9% harvested with an average yield of 3,800 kg/ha (56.6 bu/ac). In the southern core region, the soybeans are 4% harvested with an average yield of 4,100 kg/ha (61 bu/ac).

The soybeans in Argentina were rated 21% poor/very poor, 49% fair, and 30% good/excellent as of late last week. The good/excellent percentage was up 1% from the prior week. The soil moisture for the soybeans was rated 28% short/very short, 71% favorable/optimum, and 1% saturated. The favorable/optimum percentage was down 3% from the prior week. Below is the Argentina soybean rating for April 4, 2024 from the Buenos Aires Grain Exchange.

USDA – Brazil Soybeans

Oilseed, Soybean Brazil as of April 2024							
Attribute	23/24 Apr'24	Change	23/24 Mar'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	-	155,000	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	-	192,801	189,752	160,618	160,934	162,391
MY Exports (1000 MT)	103,000	-	103,000	95,505	79,063	81,650	92,135
Crush (1000 MT)	53,000	-	53,000	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	-	56,750	56,896	53,957	49,705	49,837
Ending Stocks (1000 MT)	33,051	-	33,051	37,351	27,598	29,579	20,419
Total Distribution (1000 MT)	192,801	-	192,801	189,752	160,618	160,934	162,391
Yield (MT/HA)	3.38	-	3.38	3.63	3.14	3.53	3.48

Source: USDA PS&D

Brazil crop agency cuts soy, corn production estimates

11 April 2024 by Ana Mano, Reuters - Brazilian crop agency Conab reduced output projections for soy and corn on Thursday, citing adverse weather in top grower Mato Grosso state for an overall decline in soy production and a smaller planted area for corn.

Conab said Brazil will reap 146.522 million metric tons of soy in the 2023/24 cycle, 336,000 tons less than projected last month and 5.2% below last year.

Brazilian farmers have nearly finished harvesting their soybeans, and gradually their attention to the country's second corn crop, which is planted after the oilseed in the same areas.

Second corn sowing, which was finalized in big producer Mato Grosso and nearly done in Parana state, represents 70-80% of output depending on the year. It is also heavily exported in the second half of the year.

Brazil will harvest 110.964 mmts of corn, some 16% below last season given an area reduction, particularly for second corn, Conab said.

"The (expected) drop in total corn production is a result of the shrinkage of the corn area, with emphasis on the fall of the second corn area, together with lower projected yields," Conab said.

The agency projects a decrease of 8.5% in planted area for total corn and an 8.1% drop in total corn yields.

Second corn production was pegged at 85.6 mmts, more than 16% below last season, reflecting an 8.2% drop in the planted area, to 15.7 million hectares (38.7 million acres), according to Conab.

The agency projects an 8.9% drop in second corn yields.

Given the expectation for lower domestic corn production, Conab said Brazil will need to import 2.5 mmts in 2023/24 to meet domestic demand for the cereal, which is used as feedstock.

- **Brazil's Paraná soybean damaged**

9 April 2024 by Deral - Parana's soybean harvest advanced by 4 percentage points in the week, covering 97% of the projected area of 5.8 million hectares.

During the period, 75% of the 2023-2024 soybean crop was rated under good development conditions, up by 1 percentage point from the previous week, while 24% of the crop was rated as average and 1% as in bad conditions.

At this point last year, 94% of the crop had been harvested, with 89% of the area rated as in good condition and 11% as average.

Deral reported that the soybean harvest is reaching its final moments showing lower yields due to late sowing, excessive rain from September to November and excessive heat and lack of rain from December to February.

Deral estimated that the 2023-2024 soybean crop in Paraná will total 18.32 mmts, down by 18% from the previous crop year.

- **Brazilian crushers buy back soyoil export positions to sell domestically**

5 April 2024 - Crushers and traders in Brazil are buying back soyoil paper positions in the export market to sell the physical product in the domestic market, which is paying 2-5 cents/lb above export-parity levels, market sources told Fastmarkets.

Local demand for biodiesel is leading internal buyers in Brazil to outbid the export market for soyoil, which represented 69% of the Brazilian biodiesel feedstock in 2023.

"The demand for biodiesel is strong, and the internal market is paying well above [export parity levels]," Eduardo Vanin, lead analyst at Agrinvest, told Fastmarkets.

"Fuel distributors have to secure at least 80% of the biofuel mandate for the May-June window," the analyst added in an Agrinvest report.

Brazil raised its mandatory biodiesel blending mandate in the diesel mixture from 12% (B12) to 14% (B14) in March.

Also, a bill that draws a horizon for biodiesel mandates in the following years — starting from 15% in 2025 and rising by 1 percentage point per year until reaching 20% in 2030 — was approved in Brazil's Chamber of Deputies in March and sent to the Senate for appreciation.

On Wednesday, a Brazilian soyoil cargo of 20,000 tonnes traded at a 6 cent per lb discount to underlying futures out of the Rio Grande port.

But this deal is understood to have been a contract-based obligation, since there is little incentive both from buyers and sellers to originate soyoil from Brazil at the moment, market sources said.

Brazilian Paranaguá export premiums for May loading were assessed at a discount of 6 cents per lb to the Chicago Mercantile Exchange (CME)'s May futures on Thursday April 4.

This is considerably higher than indications from Argentina, where assessments for the same laycan were at discounts of 6.9 cents per lb on Thursday and 7.65 cents/lb on Wednesday April 3rd, all under May CME futures.

Thus, the current outlook makes Brazilian soyoil exports unattractive both for buyers, who have a cheaper option in Argentina, and sellers, who can sell at better prices domestically.

The option to ship out of Rio Grande is also related to poor logistics at Paranaguá.

"There is very little space [in Paranaguá] being allocated for soyoil [with capacity being placed] in favor of oils/fats that require heating, like palm and tallow, or diesel and methanol," a Brazilian market source said.

Most deals done lately in the Paranaguá paper market — a physically settled financial instrument through which exporters can hedge origination costs — have been to close open short positions and sell domestically instead, sources said.

"There will be a lot of paper trading [in Brazil], but there will not be much shipping," Vanin said, adding that most exports, expected at a minimum of between 1 million-1.2 mmts this year, will likely be concentrated in the second half of the year.

Global trade - With Argentina's harvest starting, the country — which is traditionally the largest global exporter — is set to dominate global soyoil exports through the coming months.

The South American country is expected to recover from a massive soybean crop loss that hampered its crush activity in the previous season and opened up opportunities for Brazil — the second largest exporter — to increase its market share.

This year, a smaller crop in Brazil coupled with more domestic demand for oil is expected to curtail the country's soyoil exports, with Brazil's vegetable oils association Abiove projecting yearly shipments at 887,000 tonnes lower than in 2023.

That said, if current crop estimates prove correct, Argentina will be well positioned not only to fill in this gap but also to push South America's export share higher on the year.

➢ Surge In Brazil'S Soy And Biodiesel GDP Amidst Real Income Decline

5 April 2024 by MENAFN - The Rio Times - In 2023, the soy and biodiesel industry in Brazil witnessed a robust 21% GDP growth, outpacing the prior year's performance.

This upturn spanned the entire supply chain, notably in soy farming, as highlighted by research from Cepea at Esalq/USP and Abiove.

The analysis pinpointed a rise across various sectors: inputs grew by 6.24%, soy production by a remarkable 39.2%, agro-industry by 6.82%, and agro-services by 16.58%.

Despite these gains, real income fell by 5.34%, primarily due to price drops.

Yet, the sector contributed significantly to the economy, adding R$ 635.9 billion ($127.18 billion) to the GDP, which accounts for 23.2% of agribusiness and 5.9% of the national GDP. Employment in this sector hit a new high, with 2.32 million workers, up 10.74% from 2022.

This growth underscores the sector's key role in Brazil's agribusiness and overall economy, contributing 10.07% and 2.35% to each, respectively.

Job creation was particularly strong in the biodiesel agro-industry, which saw an 18.45% increase in employment.

The inputs and agro-services segments also saw growth, reflecting the sector's robust production and agro-industrial performance.

However, the farming and crushing/refining sectors saw a decline in employment.

Dynamics of International Trade in 2023

On the international trade front, exports from the chain totaled $67.6 billion in 2023, marking a 10.24% increase from the previous year.

This was mainly driven by higher shipment volumes, despite a decrease in export prices.

Soy, biodiesel, and soy meal exports rose with higher volumes, while soy oil, glycerol, and soy protein values fell.

Exports notably surged to China, North America, East Asia, and Southeast Asia, representing 72.39% of total exports.

➢ Paraguay Soy Estimate Down Slightly, Safrinha Corn Needs Rain

4 April 2024 by Michael Cordonnier/Soybean & Corn Advisor, Inc. - The 2023/24 soybean harvest is complete in Paraguay and according to the director of DASAGRO, Ester Storch, yields of the last soybeans harvested ended up being below initial expectations.

At the start of February when the harvest was half complete, Storch estimated the 2023/24 production at 10.6 mmts. By the time the harvest was complete, the estimate was lowered to 10.25 mmts. The 2023/24 soybean crop still ended up being the second largest soybean crop in Paraguay after the 10.38 mmts produced in 2019/20.

For the safrinha soybeans and safrinha corn, problematic weather has hampered crop development, especially for the corn. Most of the safrinha soybeans are produced in the southern part of the country where the weather has been better. Most of the safrinha corn is produced further north where the recent rainfall has been below normal.

The safrinha soybean crop in Paraguay is estimated at 0.88 mmts. The safrinha corn yield is estimated at 91.6 sacks per hectare (87.3 bus/acre) down from the initial estimate of 108.3 sacks per hectare (103.3 bus/acre).

Sales of soybeans and corn have been slow in Paraguay as farmers wait for higher prices that would allow them to sell their crops at above the cost of production.

➢ USDA – U.S. Soybeans

Oilseed, Soybean United States as of April 2024							
Attribute	23/24 Apr'24	Change	23/24 Mar'24	22/23	21/22	20/21	19/20
Area Harvested (1000 HA)	33,328	-	33,328	34,873	34,921	33,428	30,318
Beginning Stocks (1000 MT)	7,190	-	7,190	7,468	6,994	14,657	25,176
Production (1000 MT)	113,344	-	113,344	116,221	121,504	114,749	96,644
MY Imports (1000 MT)	680	-136(-16.67%)	816	667	433	539	419
Total Supply (1000 MT)	121,214	-136(-.11%)	121,350	124,356	128,931	129,945	122,239
MY Exports (1000 MT)	46,266	-545(-1.16%)	46,811	54,208	58,571	61,664	45,800
Crush (1000 MT)	62,596	-	62,596	60,199	59,980	58,257	58,910
Food Use Dom. Cons. (1000 MT)	0	-	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	3,096	-276(-8.19%)	3,372	2,759	2,912	3,030	2,872
Total Dom. Cons. (1000 MT)	65,692	-276(-.42%)	65,968	62,958	62,892	61,287	61,782
Ending Stocks (1000 MT)	9,256	+685(+7.99%)	8,571	7,190	7,468	6,994	14,657
Total Distribution (1000 MT)	121,214	-136(-.11%)	121,350	124,356	128,931	129,945	122,239
Yield (MT/HA)	3.40	-	3.40	3.33	3.48	3.43	3.19

Source: USDA PS&D

11 April 2024 USDA WASDE – The outlook for U.S. soybean supply and use for 2023/24 includes lower imports, residual, and exports, and higher ending stocks.

Soybean trade is reduced on pace to date and expectations for future shipments.

With the trade changes and slightly lower residual, soybean ending stocks are raised 25 million bushels to 340 million.

The USDA season-average soybean price for 2023/24 is forecast at $12.55 /bushel, down 10 cents. Soybean meal and oil prices are unchanged at $380 per short ton and 49 cents/pound, respectively.

➢ CME CBOT Soybeans Futures – Nearby Daily

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

*Soybean futures rallied off one-month lows on Friday. **CME May 2024 Soybean Futures** settled on Friday at $11.74/bu, up 14¾ cents on the day, , breaking what had been a 4-session selloff, but losing 11 cents on the week. July24 Soybeans closed at $11.86, while new crop Nov24 soybeans closed at $11.76¼, up 12 cents.*

Soybean posted stronger trade action on Friday as contracts rallied 10 to 15 cents into the close. Soymeal futures were up $5.40 to $8.20/ton in the nearbys. Soy Oil continued to be a drag on the complex this week, with 26 point losses in the front months.

SK/N continues to chop around -13 carry with IWDS values for May 6-7c below DVE.

Brazil's soybean production estimate from Safras & Mercado was back up 2.65 mmts from their previous number at 151.25 mmts. The USDA on Thursday left its estimate for Brazil's 2023/24 soybean crop unchanged at 155 mmts, while CONAB reduced its projection to 146.5 mmts, blaming adverse weather. Brazilian soybean basis has rallied fairly aggressively as of late, which may be an indication that the USDA is still overstated. It won't technically be clear whether USDA or CONAB is closer to the mark until August or Sept, when Brazil releases export and crush data.

BAGE trimmed expected Argentina production by 1.5 to 51 MMT.

NOPA's March crush report will be released on Monday. The average trade is 197.8 mbus for the month, which would be an all-time record. If realized, that would be a 6.2% increase from the 186.2 mbus in February. The range of estimates is 196-202.5 mbus. Some are suggesting the number will be towards the low end of the range due to some noted downtimes due to scheduled maintenance and available SBO storage space. SBO stocks estimates ranged from 1.725 to 1.927 billion lbs, with a median of 1.780 billion lbs.

According to the USDA March 1st soybean stocks report, on-farm inventories in the IWDS region (IL/WI) surged 50 million/35% from 2023 to a 5-year high of 190 million while off-farm stocks were only 11 mbus greater than last year at 195. Producers in the Eastern Corn Belt (IN, MI & OH) also reported a gain, up 19/12% while off-farm supplies were sharply lower, falling 34 mbus, 18% year to year to 150 million, an 8-year low. Producers may have more than the usual impact on processor bids into summer?

➢ U.S. Export Soy Basis Values – Friday the 12th of April 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	4/11/2024	4/12/2024		
APR	/ 50	40 / 50	K	
LH APR	/	43 /	K	
MAY	55 / 58	54 / 58	K	
JUN	/ 54	/ 54	N	UNC
JUL	53 / 57	53 / 56	N	
AUG	/ 65	/ 65	Q	UNC
SEP	55 /	55 / 65	X	
OCT	55 / 58	54 / 58	X	
NOV	63 / 68	62 / 66	X	
DEC	/	/ 65	F	

RAZIL FOB BEANS @ PORT PARANAGUA

	4/11/2024	4/12/2024		
APR	1 / 5	1 / 5	K	UNC
MAY	-8 / 8	-10 / 8	K	
JUN	1 / 5	5 / 12	N	
JUL	10 / 35	10 / 35	N	UNC
AUG	25 / 45	25 / 45	Q	UNC

CIF beans were bid 2 cents lower for May compared to yesterday, and a touch lower in new crop slots (Oct/Nov) as well.

A private export sale of 124,000 mts of soybeans to unknown destinations was reported this morning for old crop shipment.

Chinese Soybean imports in March totaled 5.54 mmts, a drop of 20% from the same month last year and a 4-year low for the month. The first quarter total was 18.58 mmts, the lowest since 2020.

SK/N continues to chop around -13 carry with IWDS values for May 6-7c below DVE. Barge freight continues to drop on overall poor NOLA demand. Full May is 250 bid/300 ask, now below break-even, so we may see freight tie-offs. Short hedges in the SK for those tributary to delivery market and have the ability to execute. Could argue waiting it out for either another 5 cents improvement in basis towards DVE, and if that doesn't happen, roll to SN at wider carries than the current market is offering.

Soybean basis firmed by a nickel at crush plants in Lafayette, Indian and Cedar Rapids, Iowa. Processors have been working to draw out soybeans from the country ahead of planting, but farmers remain fairly disengaged. Bean basis also improved by 2-3 c/bu on the Ohio River.

According to Agricensus, Brazilian spot FOB values have firmed from -22 K to -7 K the past week. Using nominal freight values would put Brazil beans into China at $484.00/mt.

The US Gulf continues to be uncompetitive for new business at $509 C&F while PNW beans delivered to China appear to be $1.50 per tonne below Brazil. Whether this persists remains to be seen; the PNW has not loaded any soybeans the past two weeks.

Brazil's soybean export line-up fell 29 to 356 mbus the past week and marks the 1st time since early April of 2019 that the total has been below the 10 MMT/367 mbus level at this point in the campaign. Crop size that year was 120.5 mmts versus the USDA's current 155 mmts forecast and March exports TY of 12.6 mmts were 50% greater than in 2019. Port efficiency has certainly improved; thus reduced waiting times but some are raising red flags about the strength of export demand.

➢ China's Share In Brazilian Soybean Exports Remains Above 70%

3 April 2024 by MENAFN - The Rio Times – Brazil's journey with soybean exports is a topic of much debate among experts. The relationship with China stands as a cornerstone for Brazil's economy, serving as a major trade ally.

However, concerns about over-reliance on this single market have surfaced.

Reports from the Ministry of Development, Industry, Commerce, and Services confirm that China's role in purchasing Brazilian soy remains significant.

During a discussion on "Agroexport," Giovani Ferreira pointed out Brazil 's dependence on Chinese interest for its staple crops, particularly soybeans.

Speculations arose about China's shifting focus towards enhancing its own agricultural output, potentially lessening its dependence on imports from BrazilContrary to these speculations, recent figures paint a different picture.

Despite a global push for self-sufficiency in food production, China has consistently been a leading buyer of Brazilian soy.

In early 2024, data revealed Brazil shipped out 9.46 mmts of soybeans, with an impressive 73% going to China.

➢ US Says China Spurning Farm Exports May Have Political Slant

10 April 2024 by Michael Hirtzer and Kim Chipman, Bloomberg – US Agriculture Secretary Tom Vilsack implied that China may be favoring Brazilian corn and soybeans partly in retaliation against recent restrictions on ownership of American farmland.

lsack said his counterpart in China recently brought up Arkansas' move to force seed company Syngenta AG, which is controlled by China's Sinochem Holdings Corp., to sell 160 acres of farmland in the state.

The action — the first enforcement taken under legislation signed into law by Republican governor Sarah Huckabee Sanders that bans prohibited foreign entities from owning Arkansas farmland — is part of the constant "ripping" of China that has prompted it to spurn US agriculture products, Vilsack said.

"We had a trade deficit of $6 billion in the first quarter of this fiscal year; China's purchases are $6 billion less than they were a year ago," Vilsack said in an interview Tuesday. "Why would that be? Is it just Brazil, or was there a reason why the Chinese ag minister asked me about Syngenta?"

Why was it brought up, Vilsack asked: "It was a signal."

An email sent to the Chinese embassy in Washington on Tuesday wasn't immediately answered. China's Ministry of Commerce and Ministry of Agriculture and Rural Affairs didn't immediately respond to requests for comment.

Vilsack said the US needs to diversify by working more with other countries in Asia, Africa and Latin America. Still, he said the US would like to be able to continue doing business with China.

"What we have to have I think in this country is a bit more nuanced conversation about China, and a bit more complex conversation about China," he said. "At the same time, we need to diversify away from over-reliance on China."

With China buying fewer crops from the US, Brazil has overtaken America as the world's top corn shipper after already doing so with soybeans.

CANOLA / RAPESEED

➢ World Rapeseed Supply & Demand Outlook

Oilseed, Rapeseed World as of April 2024							
Attribute	23/24 Apr'24	Change	23/24 Mar'24	22/23	21/22	20/21	19/20
Area Harvested (1000 HA)	42,495	-33(-.08%)	42,528	41,945	38,454	35,337	35,145
Beginning Stocks (1000 MT)	8,425	-282(-3.24%)	8,707	4,407	6,033	7,558	9,692
Production (1000 MT)	88,385	+317(+.36%)	88,068	88,829	75,823	74,737	70,321
MY Imports (1000 MT)	16,355	+295(+1.84%)	16,060	20,044	13,923	16,667	15,818
Total Supply (1000 MT)	113,165	+330(+.29%)	112,835	113,280	95,779	98,962	95,831
MY Exports (1000 MT)	17,317	+244(+1.43%)	17,073	19,784	15,345	18,032	16,003
Crush (1000 MT)	83,816	+465(+.56%)	83,351	80,744	72,064	72,111	69,072
Food Use Dom. Cons. (1000 MT)	745	-	745	720	665	665	265
Feed Waste Dom. Cons. (1000 MT)	3,470	-131(-3.64%)	3,601	3,607	3,298	2,121	2,933
Total Dom. Cons. (1000 MT)	88,031	+334(+.38%)	87,697	85,071	76,027	74,897	72,270
Ending Stocks (1000 MT)	7,817	-248(-3.08%)	8,065	8,425	4,407	6,033	7,558
Total Distribution (1000 MT)	113,165	+330(+.29%)	112,835	113,280	95,779	98,962	95,831
Yield (MT/HA)	2.08	+(+.48%)	2.07	2.12	1.97	2.11	2

Source: USDA PS&D

➢ Mixed outlook on global canola production

12 April 2024 by Phil Franz-Warkentin - MarketsFarm - Australian canola production is expected to rise in 2024/25, while the European rapeseed crop will likely be smaller on the year, according to updated estimates from the United States Department of Agriculture's Foreign Agricultural Service.

Citing favourable price expectations for canola compared to wheat and barley, the USDA's Australian attaché was forecasting an 8.5% increase in seeded canola area in the country in 2024/25, with production up by 14% at 6.5 mmts. If realized, that would be Australia's third-largest canola crop on record. Canola exports from Australia are forecast at 5.1 mmts, which would be up by 16% on the year.

Australian farmers are just starting to seed their next canola crop, with moisture conditions generally in better shape than they were a year ago.

Meanwhile, European farmers reduced rapeseed plantings in 2024/25 according to the Vienna-based attaché, with the EU ban on the use of neonicotinoids and declining availability of other plant protection products contributing to the smaller plantings. Profitability compared to other planting options in the EU was also said to be behind the 4.8% reduction in area.

Rapeseed production in the EU is forecast to be down by 4.4% in 2024/25, at 18.8 mmts. As a result, "the decline in production will need to be offset by imports, mainly from Ukraine and Australia, the EU's traditional suppliers," said the attaché. However, several member states have bans on imports of Ukrainian agricultural commodities in place, including rapeseed.

➢ German rapeseed imports increased on previous years

4 April 2024 - The slightly smaller German rapeseed harvest has led to an increase in demand for imports especially from Ukraine, Poland and Romania.

According to information published by the German Federal Statistical Office, Germany imported around 3.5 mmts of rapeseed in the first half of the 2023/2024 crop year (2.6 mmts; 2022/2023), with around 2.2 mmts originating from EU neighbour countries.

Romania was a major supplier, accounting for 696,600 tonnes, followed by Poland with 523,200 tonnes and France with 303,900 tonnes.

However, Germany received by far the biggest volume, 995,600 tonnes, from Ukraine. Ukraine nearly doubled its delivery volume on the previous year despite the ongoing war, retaining its position as the number one rapeseed supplier to Germany.

Traditionally, other important origins include Canada and Australia, but Canada did not contribute any significant quantities during the period stated for the first time in five years. According to investigations conducted by Agrarmarkt Informations-Gesellschaft, shipments from Australia also declined as a result of a significant reduction in the country's production area.

More specifically, Germany received only 165,800 tonnes from Australia in the first half of the crop year, less than half the previous year's amount of 405,000 tonnes.

Looking at the marketing year, Germany is the largest net importer in the EU with an average of 5.5 to 5.7 mmts.

The country's oil mills process a total of approximately 9.4 mmts of rapeseed per year. For this reason, export figures are considerably lower.

In the first six months of the current season, Germany only exported around 30,300 tonnes of rapeseed in total.

This compares to 39,600 tonnes the previous year which saw a larger harvest. Most German rapeseed goes to other EU member states. More specifically, around 8,600 tonnes were exported to France and 3,200 tonnes and 2,100 tonnes shipped to the Netherlands and Belgium, respectively.

➢ Canadian Canola / Rapeseed Supply & Demand Outlook

Oilseed, Rapeseed Canada as of April 2024							
Attribute	23/24 Apr'24	Change	23/24 Mar'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	1,328	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)	300	+50(+20%)	250	151	105	125	155
Total Supply (1000 MT)	20,606	+50(+.24%)	20,556	20,174	16,129	23,067	24,502
MY Exports (1000 MT)	7,250	-300(-3.97%)	7,550	7,951	5,246	10,485	10,041
Crush (1000 MT)	11,000	+350(+3.29%)	10,650	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	756	1,000	381	875
Total Dom. Cons. (1000 MT)	11,775	+350(+3.06%)	11,425	10,717	9,555	10,806	11,004
Ending Stocks (1000 MT)	1,581	-	1,581	1,506	1,328	1,776	3,457
Total Distribution (1000 MT)	20,606	+50(+.24%)	20,556	20,174	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

ICE July 2024 Canola Futures *settled on Friday at C$646.30/mt, up C$10.60 on the day, and gaining C$3.20 for the week.*

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

Intercontinental Exchange canola futures finished the week on a strong note after recovering most of the previous day's losses. Heightened tensions in the Middle East resulted in sharp upticks in global crude-oil prices, affecting the commodities and the futures.

An estimated 74,823 contracts traded on Friday, compared to Thursday when 70,115 contracts changed hands. Spreading accounted for 50,118 contracts traded.

There were increases in European rapeseed along with Chicago soybeans and soymeal. However, soyoil couldn't catch a break and posted small declines. Malaysian palm traded for the first time in two days, also closing lower.

The Canadian Grain Commission reported producer deliveries of canola after 36 weeks into the 2023-24 marketing year reached 12.22 mmts. However, that's behind last year's pace of 13.73 mmts. Canola exports continued to lag at 4.24 mmts versus 6.25 million a year ago. Canadian domestic usage remained ahead of pace at 7.60 mmts versus 7.13 million.

The Canadian dollar was weaker at 72.56 U.S. cents compared to Thursday's close of 73.04.

➢ U.S. Canola Seed Supply & Demand Outlook

Oilseed, Rapeseed United States as of April 2024							
Attribute	23/24 Apr'24	Change	23/24 Mar'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)	326	-23(-6.59%)	349	577	503	440	563
Total Supply (1000 MT)	2,443	-23(-.93%)	2,466	2,426	1,959	2,255	2,253
MY Exports (1000 MT)	154	-26(-14.44%)	180	149	129	156	183
Crush (1000 MT)	2,095	+32(+1.55%)	2,063	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)	57	-6(-9.52%)	63	125	61	-195	17
Total Dom. Cons. (1000 MT)	2,152	+26(+1.22%)	2,126	2,055	1,720	1,885	1,851
Ending Stocks (1000 MT)	137	-23(-14.38%)	160	222	110	214	219
Total Distribution (1000 MT)	2,443	-23(-.93%)	2,466	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

➢ Canadian coming canola crush capacity delayed

12 April 2024 by Sean Pratt - "Project delays in 2023, 2024 and into 2025 have slowed the growth of crush capacity," the USDA's Foreign Agricultural Service (FAS) stated in a recent report.

Canada's canola crush buildout is not going as smoothly as planned, according to the U.S. Department of Agriculture. "Project delays in 2023, 2024 and into 2025 have slowed the growth of crush capacity," the USDA's Foreign Agricultural Service (FAS) stated in a recent report.

Capacity is expected to reach 10.26 mmts by the middle of 2024 and 11.26 mmts by the end of 2025, according to the agency.

The FAS stated that the 2025 number incorporates known project delays described by industry contacts. "The downside risk to this forecast include further project delays," the FAS said in its Canada Oilseeds and Products Annual report.

Two more crush projects are slated for completion in 2026 and beyond.

"No firm dates for the latter two projects have been announced," said the FAS.

Chris Vervaet, executive director of the Canadian Oilseed Processors Association, doesn't think "delay" is the right word to use. "Building capacity takes time," he said.

He noted that three of the five projects announced since 2021 are under construction. "There's a lot of positive momentum on the buildout of this capacity, to say the least," said Vervaet. He declined to comment further on the suggestion that there have been delays and could be further deferrals.

The FAS report fails to detail why crush capacity is coming online slower than anticipated and the extent of the delays. But it did state that crush expansion is tied to burgeoning renewable diesel demand and there is a major hurdle on that front.

Tidewater LLC opened Canada's first renewable diesel plant in November 2023 in Prince George, B.C. It can produce 170 million litres of the fuel per year with used cooking oil, tallow, canola oil and soybean oil as feedstocks.

Braya opened the country's second plant in February in Come-By-Chance, Nfld. Its capacity is 824 million litres per year and its primary feedstock is soybean oil. Those two projects are part of seven renewable diesel plant announcements in Canada that would result in a combined 4.25 billion litres of annual capacity if they all get built.

But the FAS said those projects were placed in jeopardy when U.S. President Joe Biden's administration announced significant renewable diesel production tax credits in the Inflation Reduction Act (IRA).

"Canadian renewable fuel production could be significantly reduced from what was initially announced unless the Canadian government offers similar announcements to incentivize renewable fuel production or investment," stated the FAS.

Vervaet is in lockstep with the agency on that observation. "We do need a response here in Canada to the IRA," he said. "We are waiting with bated breath in terms of what might come out of the budget."

He is referring to the federal government's Budget 2024, scheduled to be tabled April 16th.

The Canadian Fuels Association (CFA) hopes Ottawa will respond to the threat posed by the U.S. IRA in that document. "We've reached a critical intersection, and the 2024 federal budget must set the right conditions for industry investments in Canadian biofuel solutions to level the playing field with the very generous IRA clean fuel production tax credits," CFA president Bob Larocque said in a recent press release. There is $12 billion in biofuel projects awaiting final investment decisions in Canada over the next year, according to CFA. "Without support in the 2024 federal budget to help pave the road ahead for more investments at home, several projects — including some that have already been announced — are at significant risk of relocating elsewhere or being cancelled outright," said Larocque.

Vervaet said Canada's expanded crush capacity will start coming online this year.

The FAS is forecasting that there will be 10.9 mmts of crush in 2024-25, up from 10.5 mmts in the current crop year.

Agriculture Canada is forecasting 10.5 mmts of crush in 2024-25, the exact same amount as this year.

Vervaet said crush is happening at a record pace this crop year and he expects even more next year as capacity comes online.

COPA is in the process of updating the capacity numbers on its website.

SUNFLOWERS

➢ World Sunflower Seed Supply & Demand Outlook

Oilseed, Sunflowerseed World as of April 2024							
Attribute	23/24 Apr'24	Change	23/24 Mar'24	22/23	21/22	20/21	19/20
Area Harvested (1000 HA)	27,597	-130(-.47%)	27,727	28,287	28,535	26,773	25,826
Beginning Stocks (1000 MT)	4,151	+333(+8.72%)	3,818	7,843	2,410	2,994	2,789
Production (1000 MT)	54,802	-112(-.2%)	54,914	52,770	56,854	48,874	53,901
MY Imports (1000 MT)	2,724	-271(-9.05%)	2,995	3,777	3,831	2,723	3,345
Total Supply (1000 MT)	61,677	-50(-.08%)	61,727	64,390	63,095	54,591	60,035
MY Exports (1000 MT)	2,805	+35(+1.26%)	2,770	4,019	3,945	2,953	3,598
Crush (1000 MT)	51,697	+315(+.61%)	51,382	51,385	46,721	45,047	49,457
Food Use Dom. Cons. (1000 MT)	2,098	-	2,098	2,119	2,082	2,084	2,088
Feed Waste Dom. Cons. (1000 MT)	2,339	-112(-4.57%)	2,451	2,716	2,504	2,097	1,898
Total Dom. Cons. (1000 MT)	56,134	+203(+.36%)	55,931	56,220	51,307	49,228	53,443
Ending Stocks (1000 MT)	2,738	-288(-9.52%)	3,026	4,151	7,843	2,410	2,994
Total Distribution (1000 MT)	61,677	-50(-.08%)	61,727	64,390	63,095	54,591	60,035
Yield (MT/HA)	1.99	+(+.51%)	1.98	1.87	1.99	1.83	2.09

Source: USDA PS&D

➢ Sunflower processing in Ukraine up 10% in March

5 April 2024 by InterFax - Sunflower processing in Ukraine up 10% in March but expected to drop at least 4% in season

Sunflower seed processing in Ukraine rose by 9% month-on-month and 10% year-on-year to a three-month high of 1.49 mmts in March, Ukrainian media reported, citing information and analytics agency APK-Inform.

Sunflower seed processing in the country increased by 11% year-on-year to about 9.3 mmts in the first seven months of the 2023/2024 season (September-August), the highest figure for this period in three seasons, the agency said.

The high rate of processing is being driven foremost by the growth of sunflower oil exports this season thanks to relatively stable operations at Odessa and Danube ports, the agency said.

Sunflower seed stocks totalled about 4.5 million-5 mmts at the beginning of April, the lowest figure in three seasons given the lower harvest in 2023.

As a result, sunflower seed processing will drop by at least 4% to about 13.3 million-13.8 mmts in the 2023/2024 season overall, depending on the situation on export markets, the agency forecast.

The gradual establishment of sunflower shipments to the European Union and the reduction of Turkey's import duty on oil crops could help increase exports. However, more attractive prices on the domestic market will curb this trend for the time being, the agency said.

In general, sunflower exports are far lower than last year, as the growth of these exports is being curbed by the excessively complex process of securing licenses to import Ukrainian oil crops into Bulgaria, APK-Inform said.

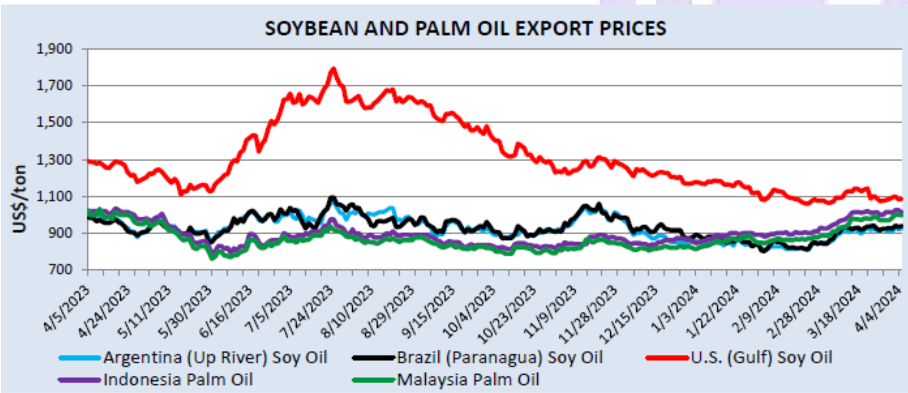
Vegetable Oils

➢ World Soybean Oil Supply & Demand Outlook

Oil, Soybean World as of April 2024							
Attribute	**23/24 Apr'24**	**Change**	**23/24 Mar'24**	**22/23**	**21/22**	**20/21**	**19/20**
Crush (1000 MT)	328,032	-159(-.05%)	328,191	315,027	316,508	318,068	312,508
Extr. Rate, 999.9999 (PERCENT)	0.19	-	0.19	0.19	0.19	0.19	0.19
Beginning Stocks (1000 MT)	4,887	-20(-.41%)	4,907	4,631	5,499	5,419	4,846
Production (1000 MT)	61,630	-53(-.09%)	61,683	59,244	59,624	59,674	58,518
MY Imports (1000 MT)	10,722	-61(-.57%)	10,783	10,933	11,350	11,701	11,611
Total Supply (1000 MT)	77,239	-134(-.17%)	77,373	74,808	76,473	76,794	74,975
MY Exports (1000 MT)	11,411	-92(-.8%)	11,503	11,646	12,322	12,608	12,384
Industrial Dom. Cons. (1000 MT)	13,572	-175(-1.27%)	13,747	12,424	11,876	11,224	11,193
Food Use Dom. Cons. (1000 MT)	47,039	-2(%)	47,041	45,791	47,579	47,383	45,874
Feed Waste Dom. Cons. (1000 MT)	60	-10(-14.29%)	70	60	65	80	105
Total Dom. Cons. (1000 MT)	60,671	-187(-.31%)	60,858	58,275	59,520	58,687	57,172
Ending Stocks (1000 MT)	5,157	+145(+2.89%)	5,012	4,887	4,631	5,499	5,419
Total Distribution (1000 MT)	77,239	-134(-.17%)	77,373	74,808	76,473	76,794	74,975

Source: USDA PS&D

World Vegetable Oil Prices



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

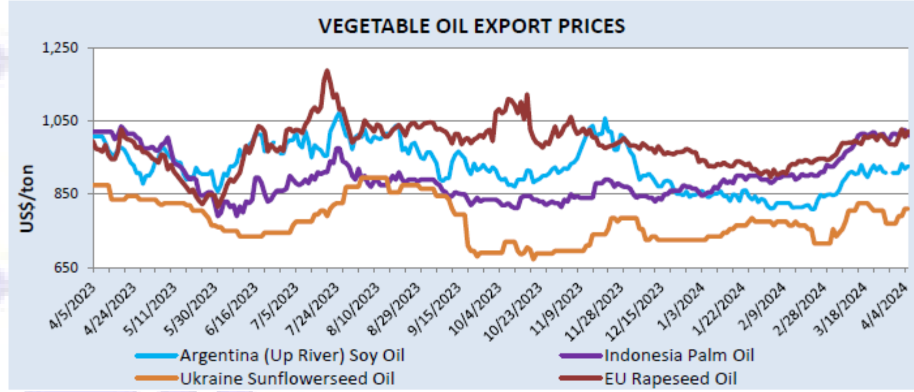
	U.S. Soybean Oil	Argentina Soybean Oil	Brazil Soybean Oil	Indonesia Palm Oil	Malaysia Palm Oil
March 5	$1,065	$850	$863	$935	$892
April 5	$1,086	$927	$940	$1,010	$995
Change	**+$21**	**+$77**	**+$77**	**+$75**	**+$103**

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

11 April 2024 USDA FAS – Vegetable oils prices increased across the board last month mainly driven by market concerns of lower palm oil supplies.

Soybean oil prices in Brazil and Argentina and sunflowerseed oil prices in Ukraine followed the increase in palm oil. During the month of March, palm oil prices rallied $100/ton while soybean oil prices in South America increased only $77.

The price spread between Malaysian palm oil and Argentina soybean oil jumped from $42 at the beginning of March to $68 in April. Palm oil became the most expensive vegetable oil in the global market (excluding U.S. soybean oil, used mainly domestically). Sunflowerseed oil continues to be the cheapest vegetable oil on the global market.



➢ USDA – U.S. Soybean Oil

Oil, Soybean United States as of April 2024							
Attribute	**23/24 Apr'24**	**Change**	**23/24 Mar'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)	0.20	-	0.20	0.20	0.20	0.19	0.19
Beginning Stocks (1000 MT)	729	-	729	903	967	840	805
Production (1000 MT)	12,279	+21(+.17%)	12,258	11,897	11,864	11,350	11,299
MY Imports (1000 MT)	227	+23(+11.27%)	204	170	137	137	145
Total Supply (1000 MT)	13,235	+44(+.33%)	13,191	12,970	12,968	12,327	12,249
MY Exports (1000 MT)	159	+23(+16.91%)	136	171	803	786	1,287
Industrial Dom. Cons. (1000 MT)	5,897	-	5,897	5,666	4,708	4,046	3,927
Food Use Dom. Cons. (1000 MT)	6,441	+1(+.02%)	6,440	6,404	6,554	6,528	6,195
Feed Waste Dom. Cons. (1000 MT)	0	-	0	0	0	0	0
Total Dom. Cons. (1000 MT)	12,338	+1(+.01%)	12,337	12,070	11,262	10,574	10,122
Ending Stocks (1000 MT)	738	+20(+2.79%)	718	729	903	967	840
Total Distribution (1000 MT)	13,235	+44(+.33%)	13,191	12,970	12,968	12,327	12,249

Source: USDA PS&D

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 $45.89/cwt, off 13 cents on the day, and losing 300 cents for the week.*

Soybean posted stronger trade action on Friday as contracts rallied 10 to 15 cents into the close. They still posted some weakness this week as May lost 11 cents and November was down 8 ½ cents. Soymeal futures were up $5.40 to $8.20/ton in the nearbys. Soy Oil continued to be a drag on the complex this week, with 26 point losses in the front months.

NOPA's March crush report will be released on Monday. The average trade is 197.8 mbus for the month, which would be an all-time record. If realized, that would be a 6.2% increase from the 186.2 mbus in February. The range of estimates is 196-202.5 mbus. Some are suggesting the number will be towards the low end of the range due to some noted downtimes due to scheduled maintenance and available SBO storage space. SBO stocks estimates ranged from 1.725 to 1.927 billion lbs, with a median of 1.780 billion lbs.

Soybean Oil Out Performing

8 April 2024 – By Susan Stroud, No Bull Soybean oil has been outperforming soybean meal in recent weeks, up 4.1% the past thirty days and unchanged year-to-date while meal is off 2.2% this past month and 13.2% thus far in 2024.

After spending the last quarter of 2023 leading the soy complex with a tight domestic market amid strong export demand, meal has since retreated and hovers near contract lows as South American new crop crush ramps up.

Meanwhile, rallying energy and palm markets have provided support to soybean oil, leaving it the stronger of the two soy products - not on a rally - but because it has not fallen out of bed like soybean meal in recent months.

Soybean Oil: The Little Engine That Could

Soybean oil remains the only commodity out of major grains and the soy complex that can boast a net long managed money position.

Funds' net position in oil first flipped to the long side in the week ending March 26, after 20 consecutive weeks with a net short.

The past month of buying, alone, totals more than a 70,000-contract uptick in the net (long) position - the equivalent of more than 4.2 billion pounds of oil, or 2.7 times the current 2023/24 ending stocks projection… and unfortunately, the market has yet to respond in a meaningful way.

USDA – World Palm Oil Supply & Demand Outlook

Oil, Palm World as of April 2024								
Attribute	23/24 Apr'24	Change	23/24 Mar'24	22/23	21/22	20/21	19/20
Area Harvested (1000 HA)	27,127	+10(+.04%)	27,117	26,522	25,384	24,788	24,468
Beginning Stocks (1000 MT)	17,623	+107(+.61%)	17,516	16,415	15,092	15,939	15,003
Production (1000 MT)	79,484	+20(+.03%)	79,464	78,083	73,009	73,277	73,111
MY Imports (1000 MT)	46,904	-362(-.77%)	47,266	46,926	41,600	46,862	47,036
Total Supply (1000 MT)	144,011	-235(-.16%)	144,246	141,424	129,701	136,078	135,150
MY Exports (1000 MT)	49,068	-350(-.71%)	49,418	49,507	43,897	48,556	48,358
Industrial Dom. Cons. (1000 MT)	26,573	-190(-.71%)	26,763	25,410	22,884	23,509	23,104
Food Use Dom. Cons. (1000 MT)	50,144	+11(+.02%)	50,133	48,211	45,846	48,221	47,044
Feed Waste Dom. Cons. (1000 MT)	642	-70(-9.83%)	712	673	659	700	705
Total Dom. Cons. (1000 MT)	77,359	-249(-.32%)	77,608	74,294	69,389	72,430	70,853
Ending Stocks (1000 MT)	17,584	+364(+2.11%)	17,220	17,623	16,415	15,092	15,939
Total Distribution (1000 MT)	144,011	-235(-.16%)	144,246	141,424	129,701	136,078	135,150
Yield (MT/HA)	2.93	-	2.93	2.94	2.88	2.96	2.99

Source: USDA PS&D

India's vegetable oil imports down 17% so far this season

12 April 2024 by ANI - The import of palm oil to India has decreased in the last five months, spanning from November 2023 to March 2024. According to a report by the Solvent Extractors Association of India on imports of vegetable oils, palm oil imports during this period plummeted to 3,529,839 tons, marking a substantial decrease from 4,399,128 tons recorded during November 2023.

The report further highlights a broader trend of declining overall vegetable oil imports, with the overall import volume during the five months from November 23 to March 24 reported at 5,830,115 tons. This marks a significant decrease of 17% compared to the same period in the previous year, when imports stood at 7,060,193 tons.

In December 2023, the central government extended the reduced import duty regime for some of the key edible oils by a year as part of its interventions to keep food inflation in check.

The reduced duty, which was set to end in March 2024, will continue till March 2025. The basic import duty on refined soybean oil and refined sunflower oil was reduced from 17.5% to 12.5%.

This notable decline in vegetable oil imports underscores shifting market dynamics and potential adjustments in domestic production of the palm oil sector of India. The decline in palm oil imports is particularly noteworthy given its status as a staple commodity in India's culinary sector and a key ingredient in various food products and cooking practices.

India is the world's second-largest consumer and number one vegetable oil importer, and it meets around 60% of its need through imports. A large part of it is palm oil and its derivatives are imported from Indonesia and Malaysia. India majorly consumes mustard, palm, soybean, and sunflower-derived edible oils. (ANI)

➢ 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 $895.25/mt, off $7.25 on the day, and losing $12.25 for the week.*

Palm oil made 9-month highs last week, touching $918.00 as estimates for the slowest production growth in 4-yrs along with increases in bio blends support prices.

➢ Malaysian palm oil futures down

12 April 2024 by Danial Azhar, Reuters - Malaysian palm oil futures fell nearly 1% on Friday, tracking weakness in Chicago soyoil prices due to ample supplies, and amid concerns over demand because of its premium over rival oils.

The benchmark palm oil contract for June delivery on the Bursa Malaysia Derivatives Exchange fell 39 ringgit, or 0.9%, to 4,279 ringgit ($897.63) a metric ton.

The contract has lost 1.5% this week, after hitting a year high of 4,443 ringgit last week. “Palm oil prices are catching up with the recent fall in soybean oil prices.

After a two-day market closure, palm oil is now adjusting to the price decline of rival vegetable oils,” said a New Delhi-based dealer with a global trade house.

Soyoil prices on the Chicago Board of Trade rose 0.4% on Friday after losing 3.2% on Thursday. Palm oil is affected by price movements in related oils as they compete for a share in the global vegetable oils market.

Palm oil stocks have been falling in recent months due to lower output and rising exports, but the trend could reverse with a rise in production and as buyers such as India are shifting to rival oils because of higher prices, the dealer said.

India’s palm oil imports in March plunged to their lowest in 10 months as higher prices prompted refiners to substitute palm oil with sunoil, resulting in sunoil imports reaching the second-highest on record.

Malaysia’s palm oil inventories are expected to have declined 6.65% from the prior month to an eight-month low of 1.79 million tons at the end of March, a Reuters survey showed.

The Malaysian Palm Oil Board (MPOB) is scheduled to release the data on April 15th. Exports of Malaysian palm oil products for April 1-10 rose 12.7% to 431,190 metric tons from a month ago, cargo surveyor Intertek Testing Services said on Wednesday.

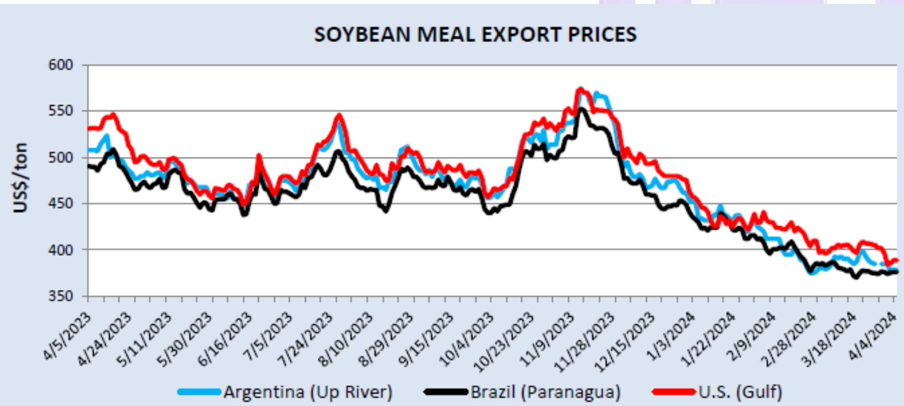
Plant Protein Meals

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

Meal, Soybean World as of April 2024							
Attribute	**23/24 Apr'24**	**Change**	**23/24 Mar'24**	**22/23**	**21/22**	**20/21**	**19/20**
Crush (1000 MT)	328,035	-159(-.05%)	328,194	315,030	316,511	318,071	312,513
Extr. Rate, 999.9999 (PERCENT)	0.79	-	0.79	0.79	0.78	0.79	0.79
Beginning Stocks (1000 MT)	13,282	-420(-3.07%)	13,702	16,434	15,757	16,054	15,245
Production (1000 MT)	257,682	-81(-.03%)	257,763	247,766	248,395	250,001	245,516
MY Imports (1000 MT)	67,410	+458(+.68%)	66,952	62,969	67,133	65,294	63,978
Total Supply (1000 MT)	338,374	-43(-.01%)	338,417	327,169	331,285	331,349	324,739
MY Exports (1000 MT)	70,491	+459(+.66%)	70,032	67,273	68,800	69,437	67,944
Industrial Dom. Cons. (1000 MT)	1,370	-	1,370	1,362	1,322	1,367	1,377
Food Use Dom. Cons. (1000 MT)	851	-1(-.12%)	852	796	796	741	671
Feed Waste Dom. Cons. (1000 MT)	251,367	+98(+.04%)	251,269	244,456	243,933	244,047	238,693
Total Dom. Cons. (1000 MT)	253,588	+97(+.04%)	253,491	246,614	246,051	246,155	240,741
Ending Stocks (1000 MT)	14,295	-599(-4.02%)	14,894	13,282	16,434	15,757	16,054
Total Distribution (1000 MT)	338,374	-43(-.01%)	338,417	327,169	331,285	331,349	324,739
SME (1000 MT)	251,367	+98(+.04%)	251,269	244,456	243,933	244,047	238,693

Source: USDA PS&D

World Soybean Meal Prices



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

	U.S.	Argentina	Brazil
March 5	$396	$379	$383
April 5	$389	$378	$376
Change	**-$7**	**-$1**	**-$7**

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

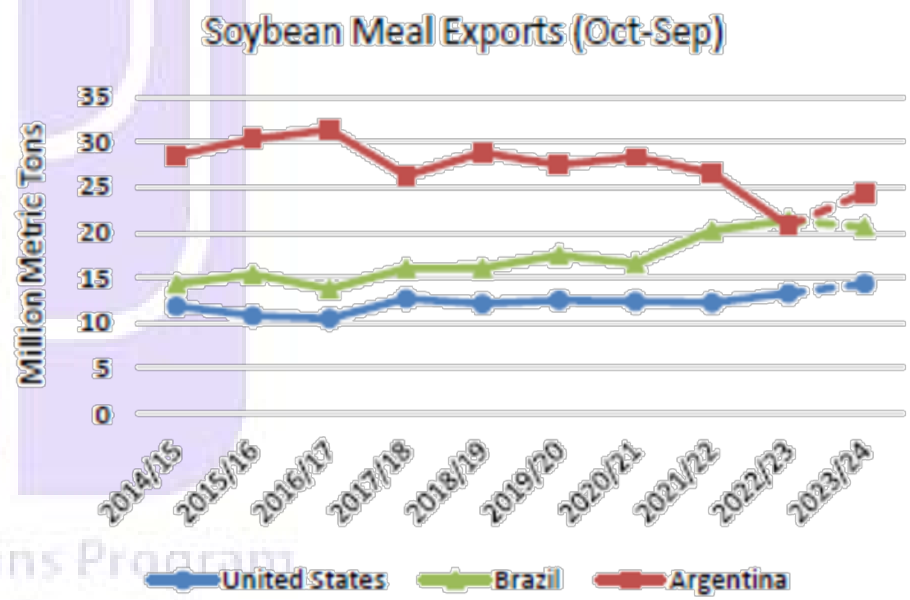
11 April 2024 USDA FAS –

➢ **U.S. Soybean Meal Supply & Demand Outlook**

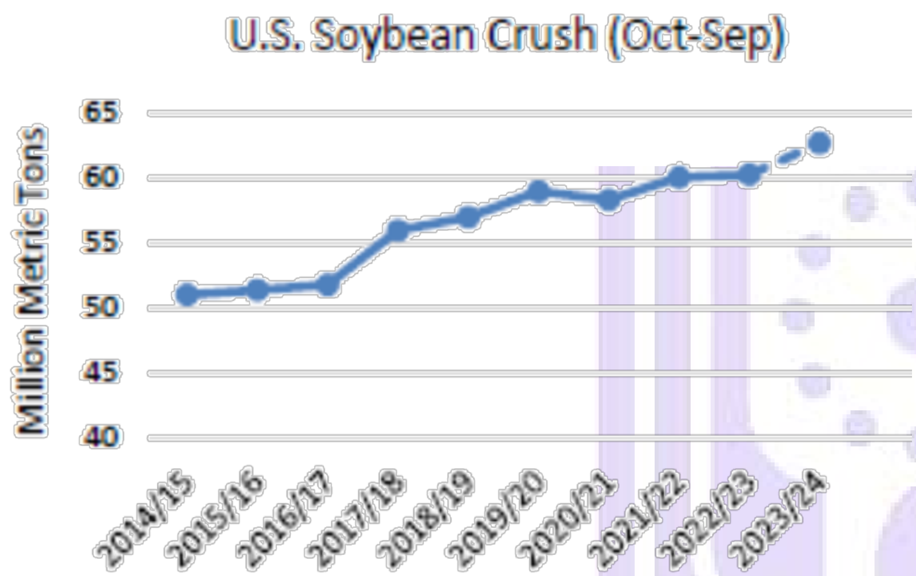
Meal, Soybean United States as of April 2024							
Attribute	**23/24 Apr'24**	**Change**	**23/24 Mar'24**	**22/23**	**21/22**	**20/21**	**19/20**
Crush (1000 MT)	62,596	-	62,596	60,199	59,980	58,257	58,910
Extr. Rate, 999.9999 (PERCENT)	0.79	-	0.79	0.79	0.78	0.79	0.79
Beginning Stocks (1000 MT)	336	-	336	282	309	310	365
Production (1000 MT)	49,218	-	49,218	47,621	47,005	45,872	46,358
MY Imports (1000 MT)	544	-	544	573	594	712	580
Total Supply (1000 MT)	50,098	-	50,098	48,476	47,908	46,894	47,303
MY Exports (1000 MT)	14,334	-	14,334	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	-	35,401	34,837	35,343	34,179	34,444
Total Dom. Cons. (1000 MT)	35,401	-	35,401	34,837	35,343	34,179	34,444
Ending Stocks (1000 MT)	363	-	363	336	282	309	310
Total Distribution (1000 MT)	50,098	-	50,098	48,476	47,908	46,894	47,303
SME (1000 MT)	35,401	-	35,401	34,837	35,343	34,179	34,444

Source: USDA PS&D

➢ **US Soybean Meal Exports Forecast at Consecutive Records 22/23 23/24**



11 April 2024 USDA FAS - U.S. soybean meal exports hit record levels in 2022/23, reaching 13.3 mmts. This record came amid a drought in Argentina, often the world's largest soybean meal exporter, resulting in other major soybean producers like Brazil and the United States stepping in as alternative suppliers.



Another major contributor to the record was rising U.S. domestic demand for feedstock oils used in biomass-based diesel production. U.S. soybean crush reached record levels to supply high soybean oil demand, leaving the United States flush with meal and well-positioned to make up for production shortfalls in Argentina.

U.S. soybean meal was exported to a diverse set of countries in 2022/23, reaching both new markets and new heights in traditional markets.

Norway and Madagascar each imported near-zero U.S. soybeans until 2021/22, and both rose substantially in 2022/23. U.S. exports to Kuwait, Grenada, and Saint Lucia also set records in 2022/23. While none of the top ten U.S. soybean meal markets set all-time record imports, a few – the European Union, Venezuela, and Morocco – reached their highest in over 5 years.

In 2023/24, U.S. soybean meal exports are forecast to reach another record at 14.3 mmts. Year-to-date (Oct-Feb) exports are at 6.7 mmts, 25% higher than the same period last year. Many markets have continued to significantly grow imports of U.S. soybean meal.

All the top ten U.S. soybean meal markets are ahead of last year's pace and many markets are significantly higher. Among these are Vietnam (103% higher than last year), the Philippines (43%), Guatemala (42%), the European Union (37%), and Venezuela (36%).

Spot Soybean Meal Export Prices (As of 11 April 2024)
Source: Agricensus

U.S. FOB Gulf	$392.00/mt, +$3.00
Brazil, fob Paranagua	$369.75/mt, +$0.75
Argentina, fob upriver	$378.00/mt, +$3.00

- **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 $344.40/short ton, up $8.80 on the day, and gaining $11.30/short ton for the week.*

Soybean posted stronger trade action on Friday as contracts rallied 10 to 15 cents into the close. They still posted some weakness this week as May lost 11 cents and November was down 8 ½ cents. Soymeal futures were up $5.40 to $8.20/ton in the nearbys. Soy Oil continued to be a drag on the complex this week, with 26 point losses in the front months.

- **Soybean Meal Export Prices (FOB, US$/mt) the 12th of April 2024**

CIF SOYBEAN MEAL	4/11/2024	4/12/2024		
APR	18 / 23	18 / 23	K	UNC
MAY	15 / 23	15 / 23	K	UNC
JUN	13 / 20	13 / 20	N	UNC
JUL	13 / 20	13 / 20	N	UNC

VALUE OF DDG VS. CORN & SOYBEAN MEAL

Settlement Price:	Quote Date	Bushel	Short Ton
Corn	4/11/2024	$4.2875	$153.1250
Soybean Meal	4/11/2024		$335.60
DDG Weekly Average			
Spot Price	4/11/2024		$178.00

DDG Value Relative to:	4/11	4/4
Corn	1.16%	1.13%
Soybean Meal	53.04%	48.84%
Cost Per Unit of Protein:		
DDG	$6.59	$7.19
Soybean Meal	$7.07	$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 continue 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

12 April 2024 Mary Kennedy, DTN – The DTN price for domestic distillers dried grains (DDG) from 33 locations reporting for the week ended April 11 was down $3 on average at $178 per ton versus one week ago. DDG prices were mixed but continued lower on average, as spot demand has been flat according to sellers. The DTN National Average Corn Index was down $4 from one week ago.

The Energy Information Administration on Wednesday reported overall ethanol production in the United States averaged 1.056 million barrels per day (bpd) in the week ended April 5, down 17,000 bpd week-on-week and 97,000 bpd, or 9.2%, higher than in the same week last year. Four-week average output at 1.057 million bpd was 66,000 bpd above the same four weeks last year. Midwest ethanol production averaged 1.008 million bpd, down 15,000 bpd week-on-week and 96,000 bpd, or 9.5%, higher than in the same week last year. Four-week average output at 1.008 million bpd was 63,000 bpd above the same four weeks last year.

Energy & Ethanol

➢ **CME Ethanol Futures – Weekly Nearby**

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

***CME Ethanol May24 Futures** settled on Friday at $1.66000/gallon, up 1.500 cents on the day, but losing 4.000 cents on the week.*

May WTI crude oil (CLK24) on Friday closed up +0.64 (+0.75%), and May RBOB gasoline (RBK24) closed up +2.88 (+1.04%).

U.S. ethanol production and stocks both peeled back last week while holding above year ago levels. The U.S. Energy Information Administration says production averaged 1.056 million barrels a day, a decrease of 17,000 on the week, but an increase of 97,000 on the year.

Net inputs of ethanol purchased by refiners and blenders and the volume of gasoline supplied to the market both saw week-to-week declines.

Corn for ethanol use remains on pace to meet or exceed USDA projections for the current marketing year, which runs through the end of August.

Ethanol exports of 156,000 barrels a day were a jump of 85,000 from the previous week.

The Renewable Fuels Association says the domestic supply dipped for the first time since early March, down 208,000 barrels from the previous week at 26.208 million, but that was still up 1.08 million from this time last year.

Iowa State University's Center for Agricultural and Rural Development says operating margins for the average Iowa plant crept slightly higher while remaining below a year ago, reflecting smaller profits for some processors.

➢ **U.S. Corn Values delivered Ethanol Plants – the 12th April 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	4/11/2024	4/12/2024		
Blair, NE	25	25	K	UNC
Cedar Rapids, IA	22	22	K	UNC
Decatur, IL	2	2	K	UNC
Fort Dodge, IA	25	28	K	
N. Manchester, IN	-7	-7	K	UNC
Portland, IN	7	7	K	UNC

➢ **USGC advances E10 fuel adoption in Nigeria**

10 April 2024 by Feed & Grain Staff – The mission involved engaging Nigerian government stakeholders, major industry figures like the Dangote oil refinery and gasoline importers.

The U.S. Grains Council (USGC) recently revisited Nigeria to promote the use of E10—a blend of 10% ethanol with gasoline—in the country's fuel mix. This follows a successful initial program in November 2023. Despite Nigeria's 2007 attempt to implement an E10 policy, which was quickly suspended, interest in the ethanol blend is growing.

USGC's latest mission focused on reiterating the benefits of reintroducing an E10 mandate to key Nigerian government stakeholders. It aimed to build technical understanding of the ethanol supply chain and establish connections with major industry players, including the Dangote oil refinery, gasoline importers, and retail station representatives.

Ramy H. Taieb, USGC's regional director for Europe, the Middle East, and Africa, shared insights from the team's visit to Dangote refinery. Discussions covered the refinery's operations, blending capacity, and technical hurdles in loading and discharging operations. Dangote refinery, located in the Lekki Free Trade Zone, operates at 325,000 barrels per day and plans to double this output. The distribution of its production between the domestic market and exports is subject to ongoing discussions with the Nigerian government.

The Council also hosted a technical workshop at the NNPC retail depot in Lagos, addressing fuel standards and specifications, vehicle compatibility, ethanol blending systems, and challenges related to water tolerance and phase separation. The workshop, attended by Major Energies Marketers Association of Nigeria (MEMAN) and NNPC staff, was part of USGC's efforts to enhance the technical capacity of key players in Nigeria's ethanol and E10 supply chain.

USGC's continued engagement in Nigeria and West Africa aims to advocate for the octane and environmental benefits of ethanol, supporting policy development and market growth for biofuels in the region.

- ## **Brazil Rebuffs US Pressure to Abandon Tariffs on Ethanol Imports**

11 April 2024 by Dayanne Sousa, Bloomberg – Brazil will maintain tariffs on US ethanol imports despite "tough" complaints from the Biden administration, said Agriculture Minister Carlos Fávaro.

"We cannot risk making things more precarious for Brazilian producers," Fávaro said during a sugar cane industry conference in Brasilia on Wednesday.

Ethanol is a hot-button issue in major corn-producing states such as Iowa and Illinois as US farmers face increasing competition from the Brazilian agricultural sector. Producers of South American ethanol made from sugar cane and corn want to increase sales to the US, where some renewable aviation fuel plants plan to use the biofuel as a feedstock.

US authorities have been pressuring Brazil to remove the tariffs reinstated by President Luiz Inacio Lula da Silva's administration. Fávaro said one option may be for Brazil to reduce tariffs in exchange for an increase in the domestic US gasoline-blending mandate. Such a move would increase overall demand for the biofuel, he noted.

"This way we would have a market big enough for everyone," Fávaro said.

- ## **Ethanol ruling could open new door for farmers**

11 April 2024 by Cameron Montemayor, St. Joseph News-Press, Mo. – As farmers across Northwest Missouri ramp up work for the start of another season of raising corn, a recent announcement in Washington D.C. will open a long-awaited door for an industry facing projected downturns in income.

Eight Midwest states, including Missouri, received the green light to sell 15% ethanol year-round beginning next April after a final ruling from the Environmental Protection Agency, eliminating a previous ban on summertime sales. Almost 98% of gas sold in the U.S. is currently mixed with the lower 10% ethanol, a biofuel produced largely from corn.

With roughly 40% of corn in the U.S. going to ethanol production, the EPA's ethanol ruling could provide a noteworthy boost to the profits of corn farmers as demand increases for biofuel.

"It's going to impact demand. It'll also impact home bases a bunch," said Reid Atha, part-owner of Atha Brothers Agriculture Service. "The more aggressive ethanol plants get needing corn to process it, then all your other elevators will kind of follow suit."

Atha Brothers' large-scale operation includes managing hundreds of thousands of acres of farmland, a significant portion of which goes to raising corn every year. He expects the year-round sales rule will also benefit everyday consumers filling up at the gas pump.

"It's going to make a substantial impact. Traditionally, you know, E-15 usually reduces the cost of gasoline by $0.20 to $0.25 normally," Atha said.

A 2022 Missouri farm census showed the state had 87,887 farms, 12,000 of which raised corn. Atha is one of thousands of farmers in the region and across the U.S. projected to see lower profits in 2024 according to a USDA report.

"There's not a whole lot of demand right now. So hopefully this E15 kind of triggers that off and maybe, you know, picks some more demand here for corn and maybe hopefully that'll kind of pull us out of a jam," Atha said.

As he looks on at the few hundred acres of land for April planting, Tim Gach, a longtime educator and president of the Buchanan County Farm Bureau, takes pride in growing the highest-graded corn consistently each season.

He expects the ethanol rule will have a notable impact on demand for a product he's grown since was a kid helping his dad more than half a century ago.

"We've seen that (ethanol) industry grow. It's a good deal for farmers because now there is more of a market for their product," Gach said.

The U.S. Department of Agriculture projects the consumption of ethanol in gas could increase as much as 10% between now and 2030, depending on economic conditions. The U.S. is already one of the world leaders in producing biofuel, generating almost half of the entire global output.

According to the Renewable Fuels Association, ethanol 15% can be used in model cars from 2001 and newer, as well as light-duty trucks, SUVs and flex-fuel vehicles. Using the fuel in older cars can cause damage to the engine. Ag groups and farm leaders are pushing for nationwide implementation of the ruling.

With advances in precision agriculture and science allowing farmers to earn significant yields even with fewer farms and millions of fewer acres of land, farmers like Atha and Gach have little worries farmers could adjust to growing demand if a nationwide policy were to ever take effect.

"We are one of the most efficient, largest producers in the world of corn. Farmers in America do it better than anybody," Gach said. "Data shows if you look at the number of bushels per acre over the course of the last 15, 20 years, and it has gone up with fewer acres."

The EPA's ruling was initially announced in 2022, but concerns about supply forced the EPA to put the rule on hold until recently. The summertime sale of 15% ethanol has been banned for years due to concerns it could increase smog during warmer weather.

Outside of the eight states allowed under the rule, which also include Iowa, Nebraska and Illinois, sales of 15% ethanol are still prohibited during the summer.

"Doing eight states like that is probably a good idea. They did choose eight states that generally are high corn-producing states," he said. "... That way you can kind of test it out and they'll find out."

In addition to farm operations, ethanol producers like ICM Biofuels in St. Joseph could see a significant boost from the change.

Ruling arrives as outlook dims

In the backdrop of the EPA's decision is a report forecasting declines in farm income over the next 10 years according to a report from Mizzou's Food & Agricultural Policy Research Institute. The declines come on the heels of U.S. farmers enjoying record-high incomes in 2022.

Thus far in 2024, prices for almost all commodities except cattle have declined, and U.S. farmers are expected to make $40 billion less in 2024 than the year before.

"Looking into 2024 ... a lot of guys are penciling $100 to $200 an acre lost," Atha said. "Right now, you know, we're penciling a loss coming up in 2024."

Significant factors that could potentially mute the ethanol rule's impact on demand: rising production expenses and land prices coupled with shrinking land. Over the last four years, total costs paid by farmers to raise crops and tend to livestock in the U.S. increased by 28% to an all-time high of $460 billion in 2023.

A report from the University of Missouri showed an 11% decrease in net farm income in 2023. Missouri crop receipts declined by $840 million as well, largely due to lower yields and falling prices.

"I know at one point last year I saw over $5 for corn, right now it is set at like $4.20. So using that estimate, obviously you're not making any money," Gach said. "Most farmers will tell you in the ag business that you can't do too many years of that and make it, you can't absorb loss year after year after year."

Atha said farmers have continued to show resiliency in the face of declining prices and rising costs. In his view, market swings and technology have forced farmers to grow more in the last 10 years than they have in the previous two decades.

Limiting the carbon footprint

Gach and Atha are keenly aware of the role that limiting fertilizers and environmental awareness will play as operations related to corn and ethanol production increase.

"So eventually what each farmer is going to have to have is a carbon intensity score to sell to an ethanol plant ... which will bring down your pollution and per ethanol plant," Atha said. "It's going to be cleaner energy going down the road, especially the more that we adapt to these carbon intensity scores and farmers learn how to lower their carbon intensity."

Gach also sees precautionary benefits. While not an opponent of a recent push for electric vehicles, he thinks it's wise to have other effective fuel alternatives as the limited EV network continues to grow.

"There has to be something in between straight fossil fuels and EVs. What's there are the alternative fuels, the biofuels, things like ethanol and soy diesel." Gach said. "The end goal is to try to replace the fossil fuels that are damaging our environment. And I think there's a lot of bright minds that are out there working on that."

According to the U.S. Energy Information Administration, biofuel-petroleum blends generally result in lower emissions relative to fuels that do not contain biofuels. Research commissioned by the USDA showed ethanol and other biofuels to be relatively green, but other studies like one published in the Proceedings of the National Academy of Sciences say ethanol is a bigger contributor to global warming than pure gasoline.

The study attributes rising emissions to land use changes to grow corn, along with processing and combustion.

- **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 $85.64/barrel,
May WTI crude oil (CLK24) on Friday closed up +0.64 (+0.75%), and May RBOB gasoline (RBK24) closed up +2.88 (+1.04%).

- **Crude and Energy Prices Underpinned on Rising Geopolitical Risks**

12 April 2024 by Rich Asplund - Barchart – Crude and gasoline prices Friday posted moderate gains, with crude climbing to a 5-1/2 month high and gasoline climbing to a 7-1/2 month high. Crude prices moved higher Friday on concern that an escalation of conflict in the Middle East could disrupt global crude supplies. Crude prices fell back from their best levels Friday after the dollar index (DXY00) rallied to a 5-1/4 month high.

Crude oil prices jumped Friday after Western intelligence assessments said an assault on Israeli government assets from missiles or drones by Iran or its proxies is expected to come as soon as the next 48 hours. Iran said it would retaliate for the recent Israel airstrike on Iran's consulate in Syria that killed some top Iranian military commanders. An escalation of hostilities in the Middle East could lead to the disruption of crude supplies from the region.

The strength of the crude crack spread is bullish for oil prices after the crack spread Friday rose to a 1-week high. The stronger crack spread encourages refiners to boost their crude purchases and refine it into gasoline and distillates.

Reduced crude demand in India, the world's third-largest crude consumer, is negative for oil prices after India's March oil demand fell -0.6% y/y to 21.09 MMT.

Crude has support from the recent Ukrainian drone attacks on Russian refineries that damaged several Russian oil processing facilities, limiting Russia's fuel exporting capacity. Russia's fuel exports in the week to April 7 fell by -450,000 bpd from the prior week to 3.39 million bpd. JPMorgan Chase said it sees 900,000 bpd of Russian refinery capacity that could be offline "for several weeks if not months" from the attacks, adding $4 a barrel of risk premium to oil prices.

Crude prices have carryover support from last Wednesday when OPEC+, at its monthly meeting, did not recommend any changes to their existing crude output cuts, which kept about 2 million bpd of production cuts in place until the end of June. However, OPEC crude production in March rose +10,000 bpd to 26.860 million bpd, a bearish factor for oil prices as Iraq and UAE continue to pump above their production quotas.

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 -17% w/w to 65.30 million bbl as of April 5.

The recent strength of Chinese crude oil demand is bullish for prices. Recent government data showed that China processed a record 118.76 MMT of crude in January and February, up +3% from the same time last year. Also, Chinese fuel demand jumped, with expressway passenger volumes 54% higher than 2019 levels, while airlines saw 19% more people than the pre-pandemic peak.

Crude prices have underlying support from the Israel-Hamas war and concern that the war might spread to Hezbollah in Lebanon. Also, 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.

Wednesday's EIA report showed that (1) US crude oil inventories as of April 5 were -1.9% below the seasonal 5-year average, (2) gasoline inventories were -2.9% below the seasonal 5-year average, and (3) distillate inventories were -5.1% below the 5-year seasonal average. US crude oil production in the week ending April 5 was unchanged w/w at 13.1 million bpd, below the recent record high of 13.3 million bpd.

Baker Hughes reported Friday that active US oil rigs in the week ended April 12 fell by -2 rigs to 506 rigs, moderately above the 2-year low of 494 rigs posted on November 10. The number of US 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 $1.772/MMBtu.*

May WTI crude oil (CLK24) on Friday closed up +0.64 (+0.75%), and May RBOB gasoline (RBK24) closed up +2.88 (+1.04%).

- **Nat-Gas Prices Recover Early Losses on Cooler US Weather Forecasts**

12th April 2024 by Rich Asplund, Barchart – May nat gas prices Friday recovered from a 1½ week low and posted modest gains after NatGasWeather said the forecast is for cooler temperatures for the Midwest and the East from April 19-26, which could boost heating demand for nat-gas. Nat-gas prices Friday initially moved lower on negative carryover from Thursday when weekly EIA inventories rose more than expected.

Nat-gas prices have collapsed this year, with nearest-futures (NGJ24) posting a 3¾ year low last Tuesday as an unusually mild winter curbed heating consumption for nat-gas and pushed inventories well above average. As of March 29, US nat-gas inventories were +38.9% above their 5-year seasonal average, signaling abundant nat-gas supplies.

Nat-gas prices are also under pressure after the Freeport LNG nat-gas export terminal in Texas on March 1 shut down one of its three production units due to damage from extreme cold in Texas. The unit recently reopened on a partial basis. However, Freeport said that once the production unit is fully reopened, the other two units will be taken down for maintenance, and all three units will not return online until May. The lack of full capacity of the Freeport export terminal limits US nat-gas exports and boosts US nat-gas inventories.

Lower-48 state dry gas production Friday was 98.5 bcf/day (-1.4% y/y), according to BNEF. Lower-48 state gas demand Friday was 69.0 bcf/day (+20/5% y/y), according to BNEF. LNG net flows to US LNG export terminals Friday were 12.1 bcf/day (-5.7% w/w), according to BNEF.

An increase in US electricity output is positive for nat-gas demand from utility providers. The Edison Electric Institute reported Wednesday that total US electricity output in the week ended April 6 rose +0.08% y/y to 71,574 GWh (gigawatt hours), although cumulative US electricity output in the 52-week period ending April 6 fell -0.38% y/y to 4,094,243 GWh.

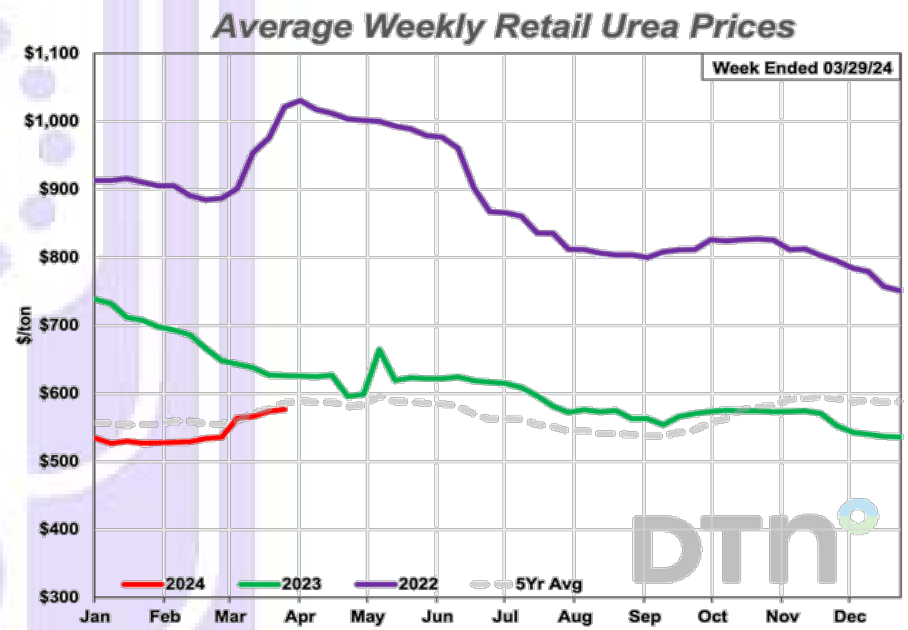
Thursday's weekly EIA report was bearish for nat-gas prices since nat-gas inventories for the week ended April 5 rose by +24 bcf, a larger build than expectations of +15 bcf and right on the 5-year average build for this time of year. As of April 5th, nat-gas inventories were up +23.1% y/y and were +38.4% above their 5-year seasonal average, signaling ample nat-gas supplies. In Europe, gas storage was 61% full as of April 8, above the 5-year seasonal average of 43% full for this time of year.

Baker Hughes reported Friday that the number of active US nat-gas drilling rigs in the week ending April 12 fell by -1 rig to a 2-1/4 year low of 109 rigs. Active rigs have fallen 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

➢ **DTN Retail Fertilizer Trends**

10 April 2024 by Russ Quinn –Average retail fertilizer prices continued to slowly climb the first week of April 2024, according to sellers surveyed by DTN. For the second consecutive week, prices for all eight major fertilizers were up from a month ago.



Despite the increases across the board, the price of only one fertilizer jumped significantly, which DTN designates as anything 5% or more. UAN28 was 5% higher than a month ago, with an average retail price of $362 per ton.

The remaining seven fertilizers were slightly more expensive compared to last month. DAP had an average price of $780 per ton, MAP $828/ton, potash $514/ton, urea $577/ton, 10-34-0 $633/ton, anhydrous $794/ton and UAN32 $405/ton.

On a price per pound of nitrogen basis, the average urea price was at $0.63/lb.N, anhydrous $0.48/lb.N, UAN28 $0.65/lb.N and UAN32 $0.63/lb.N.

USDA's Economic Research Service (ERS) recently published a report detailing the significance of fertilizer costs in corn production, according to an article from fertilizerdaily.com (https://www.fertilizerdaily.com/…). Fertilizer represents the largest variable expense, according to the report.

USDA ERS reported the average fertilizer cost from 2006 to 2021 was approximately $125 per acre, without adjusting for inflation. This figure saw a sharp increase beginning in 2022, reaching $225.78 per acre, before declining to an estimated $186.73 per acre in 2023.

"This trend indicates a significant 89% increase in costs from 2021 to 2022, followed by a 17% decrease from 2022 to 2023," according to the article.

Dry Date Range	DAP	MAP	POTASH	UREA
Mar 27-31 2023	818	810	644	626
Apr 24-28 2023	827	804	624	595
May 22-26 2023	834	832	624	623
June 19-23 2023	825	827	618	619
July 17-21 2023	807	812	608	596
Aug 14-18 2023	745	762	558	573
Sep 11-15 2023	710	742	500	554
Oct 9-13 2023	711	794	506	575
Nov 6-10 2023	714	802	509	573
Dec 4-8 2023	713	820	516	543
Jan 1-5 2024	725	812	513	534
Jan 29-Feb 2 2024	735	809	509	527
Feb 26-Mar 1 2024	756	812	505	536
Mar 25-29 2024	779	827	513	576

Liquid Date Range	10-34-0	ANHYD	UAN28	UAN32
Mar 27-31 2023	741	1026	428	513
Apr 24-28 2023	740	928	426	508
May 22-26 2023	739	798	419	509
June 19-23 2023	734	755	402	471
July 17-21 2023	717	713	385	457
Aug 14-18 2023	705	630	359	399
Sep 11-15 2023	600	696	353	389
Oct 9-13 2023	613	804	356	418
Nov 6-10 2023	613	830	360	415
Dec 4-8 2023	595	847	340	409
Jan 1-5 2024	599	789	336	394
Jan 29-Feb 2 2024	610	770	334	390
Feb 26-Mar 1 2024	615	769	341	394
Mar 25-29 2024	632	794	360	404

Fertilizer expenses made up about 22% of the total per-acre corn production cost from 2006 to 2016. This percentage dropped to an average of 17% from 2017 to 2021, as fertilizer prices were historically low.

However, the increase in prices in 2022 elevated fertilizer costs to 24% of total costs, though this number was lower than the peak, which was seen at 26% in 2008.

Most fertilizer prices are lower compared to one year ago, but one is now slightly higher. The price of MAP is 2% compared to a year.

Prices for the remaining fertilizers are lower. DAP is 5% less expensive, urea is 8% lower, 10-34-0 is 15% less expensive, UAN28 is 14% lower, potash and UAN32 are 20% less expensive, and anhydrous is 21% lower compared to a year ago.

DTN gathers fertilizer price bids from agriculture retailers each week to compile the DTN Fertilizer Index. DTN first began reporting data in November 2008.

In addition to national averages, MyDTN subscribers can access the full DTN Fertilizer Index, which includes state averages, here: https://www.mydtn.com/ ….Russ Quinn can be reached at Russ.Quinn@dtn.com. Follow him on X, formerly known as Twitter, @RussQuinnDTN.

TRANSPORTATION

➢ **Baltic Dry Freight Index – Daily = 1779**

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**

12th April 2024 Source: Baltic Exchange: https://www.balticexchange.com/en/data-services/WeeklyRoundup/dry/news/2024/bulk-report-week-10.html

Capesize: At the beginning of the week, the Pacific market showed promising activity with healthy cargo volumes. However, despite this, conditions slightly weakened, and the Atlantic market remained subdued, as the week got underway. Nevertheless, as the week progressed, the Pacific market saw increased activity, particularly before the Singapore holiday, with C5 stabilizing around the $8.90 mark. Meanwhile, the Atlantic market continued to lag behind, with minimal engagement and limited discussions. Despite a quiet day during the midweek holiday in Singapore, there was a positive turn as the market rebounded, reflecting growing confidence. Improved timecharter fixtures led to substantial surges in the C10 and C5 indices, signaling a positive momentum shift. Similarly, the Atlantic market showed signs of improvement, with a widening gap between bids and offers as the bids began to improve. Overall, it has been a positive end to the week as evidenced by the BCI 5TC rising by $641 to close at $21,164 having started the week at $18,226.

Panamax: A mixed week, the opening part returned weaker rates only to find some impetus mid-week to flatten out as the week ended. In the Atlantic, a pick-up of grain demand mid-week both from South and North Coast South America drove rates forward, an 81,000-dwt delivery North France achieving $23,000 for a trip via NC South America redelivery Fareast. The north of the arena by comparison lacking demand but weirdly saw a tightening tonnage count to leave rates in the balance. Asia blighted by various holidays had a muted feel but we end with solid demand appearing primarily ex Australia, a scrubber fitted 82,000-dwt delivery China was heard fixed at $15,000 for a trip via EC Australia redelivery India and with firm sentiment emanating from the South Atlantic rates would have appear to be supported. Limited period fixing; however, an 82,000-dwt delivery China was heard fixed basis six to nine months at $18,000.

Ultramax/Supramax: Mixed blessings for the owning side this past week, whilst the Atlantic appeared rather positional the widespread holidays in Asia saw limited action although sentiment seemingly remained fairly positive with tonnage supply remaining relatively tight. From the Atlantic better levels were seen from the US Gulf but from the South Atlantic it remained finely balanced. There was also fresh enquiry from the Mediterranean and Continent. A 60,000-dwt open US Gulf was heard fixed for a trip via Red Sea redelivery Port Said. A 63,000-dwt open North Continent was also heard fixed for a trip via the Baltic to South Africa at $18,500. From Asia, a 57,000-dwt fixed delivery passing Hoping trip via East Kalimantan redelivery WC India at $10,000. Whilst a 53,000-dwt fixed delivery Singapore trip via Indonesia redelivery China at $12,750. More activity surfaced from the Indian Ocean, a 63,000-dwt fixing delivery Port Elizabeth trip redelivery China at $22,500 plus $225,000 ballast bonus.

Handysize: In a week with more holidays across large portions of the globe due to Eid, visible activity remained muted. In the South Atlantic, limited cargo availability remained an issue for Owners and a 32,000-dwt was rumored to have been fixed for a trip from Recalada to Algeria with an intended cargo of grains at $16,500 whilst a 37,000-dwt opening in Nueva Palmira was rumored to have failed on subject's basis delivery when we're ready via the River Plate to Algeria at $18,500. There were unconfirmed rumors on the Continent of a 37,000-dwt fixing from the French Bay to North Coast South America at around $10,000 but further details had yet to surface. In Asia, cargo availability from Australia and Indonesia remained limited, keeping levels soft for tonnage in the region, with a 37,000-dwt opening in EC India being fixed basis delivery passing Singapore via Australia to North China with an intended cargo of grains at $11,000..

10th April 2024 Route (US$ per ton)	TW	LW	LY	% Chg, y/y
Argentina (Rosario) - EU (Rotterdam)	32	34	35	-9
Australia (Kwinana) - China (Dalian)	23	24	23	0
Brazil (Santos) - China (Dalian) 49	51	52	-6	
Brazil (Santos) - EU (Rotterdam)	26	28	28	-7
EU (Rouen) - Algeria (Bejaia)	20	20	21	-5
Russia (Novorossiysk) - Egypt (Alexandria)	17	18	18	-6
USA (New Orleans) - EU (Rotterdam)	26	28	28	-7
USA (New Orleans) - Japan (Yokohama)	51	53	54	-6
USA (New Orleans) - Mexico (Veracruz)	17	17	17	0

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

With activity curtailed by holidays in parts of Asia, the dry bulk freight complex declined for a third consecutive week, the Baltic Dry Index down by 8% w/w, to a two-month low, amid weakness across all vessel segments.

The Capesize sub-Index retreated by 10% w/w, as subdued demand in the Atlantic added to lacklustre chartering interest in Asia. Similarly, Panamax values fell by 10% w/w on a build-up of vessel supply in the Atlantic and slow trade in Asia, while growing tonnage in the US Gulf and negative sentiment in the southern Atlantic pushed average Supramax values 3% lower over the week. In the Handysize market, earnings were likewise softer, falling by 5% w/w, amid generally thin trading.

Lower timecharter rates saw the IGC GOFI decline by 4% w/w, with the largest losses recorded on routes from Canada, albeit with firming bunker rates providing some offsetting support. .

- **Drewry World Container Index**

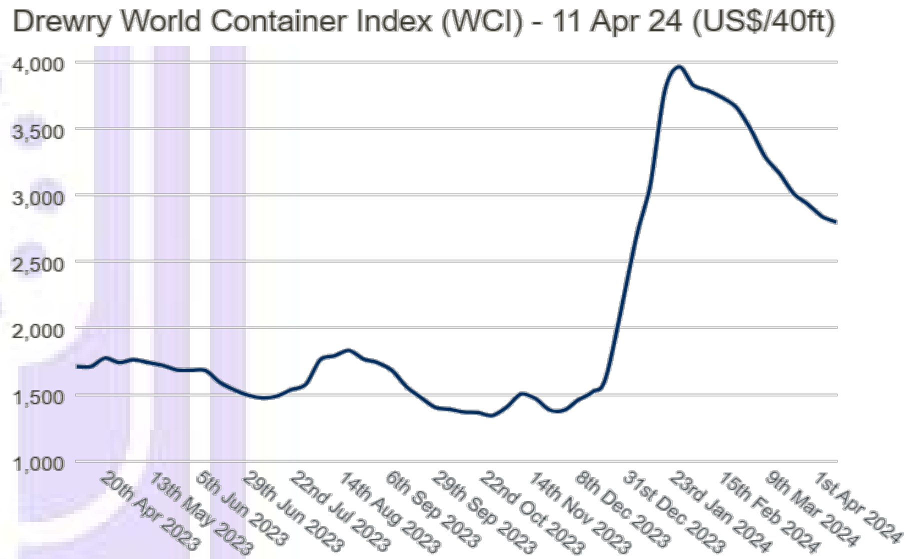
World Container Index – 11 April 2024

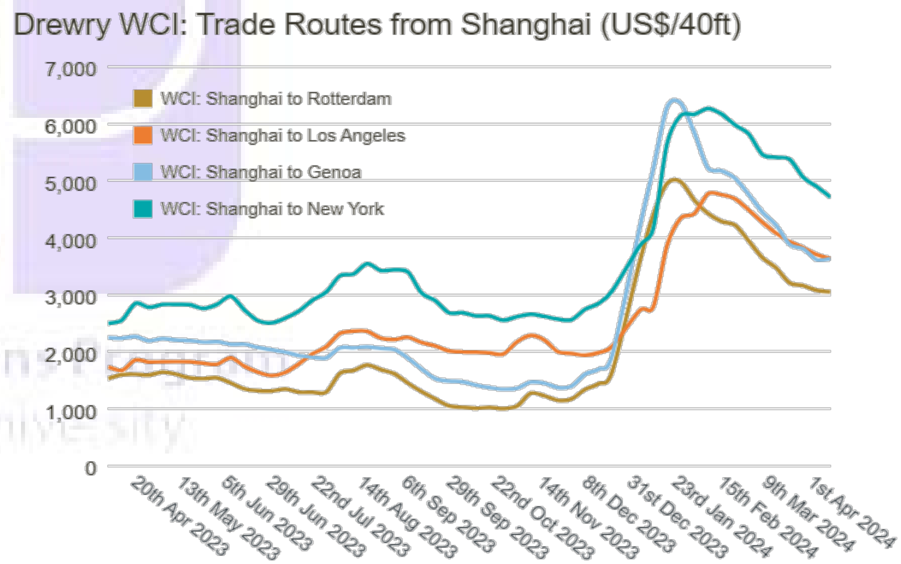
The composite index decreased by 1% to $2,795 per 40ft container this week and has increased by 64% when compared with the same week last year.

The latest Drewry WCI composite index of $2,795 per 40ft container is 97% more than average 2019 (pre-pandemic) rates of $1,420.

The average composite index for the year-to-date is $3,333 per 40ft container, which is $626 higher than the 10-year average rate of $2,707 (which was inflated by the exceptional 2020-22 Covid period).

Freight rates from Shanghai to New York decreased 4% or $184 to $4,710 per feu. Similarly, rates from Rotterdam to Shanghai dropped 3% or $27 to $767 per 40ft box. Likewise, rates on Shanghai to Los Angeles declined 2% or $70 to $3,634 per 40ft container. Also, rates from Shanghai to Rotterdam and Rotterdam to New York fell 1% to $3,050 and $2,224 per 40ft box respectively. While rates on Los Angeles to Shanghai increased 1% or $5 to $693 per 40ft container. At the same time, rates from Shanghai to Genoa and New York to Rotterdam remained stable at the previous week's level. Drewry expects a minor decrease in Transpacific spot freight rates, whereas Transatlantic and Asia-Europe head towards stability in the coming weeks.





Route	Route code	28-Mar-24	04-Apr-24	11-Apr-24	Weekly change (%)	Annual change (%)
Composite Index	WCI-COMPOSITE	$2,929	$2,836	$2,795	-1% ▼	64% ▲
Shanghai - Rotterdam	WCI-SHA-RTM	$3,159	$3,078	$3,050	-1% ▼	91% ▲
Rotterdam - Shanghai	WCI-RTM-SHA	$814	$794	$767	-3% ▼	19% ▲
Shanghai - Genoa	WCI-SHA-GOA	$3,806	$3,614	$3,632	0%	62% ▲
Shanghai - Los Angeles	WCI-SHA-LAX	$3,825	$3,704	$3,634	-2% ▼	117% ▲
Los Angeles - Shanghai	WCI-LAX-SHA	$691	$688	$693	1% ▲	-34% ▼
Shanghai - New York	WCI-SHA-NYC	$5,058	$4,894	$4,710	-4% ▼	85% ▲
New York - Rotterdam	WCI-NYC-RTM	$637	$622	$625	0%	-39% ▼
Rotterdam - New York	WCI-RTM-NYC	$2,261	$2,244	$2,224	-1% ▼	-55% ▼

11 April 2024 – Source: https://www.drewry.co.uk/supply-chain-advisors/world-container-index-weekly-update/. Drewry's World Container Index decreased by 3% to $2,836 per 40ft container this week.

- **Illinois River Barge Freight**

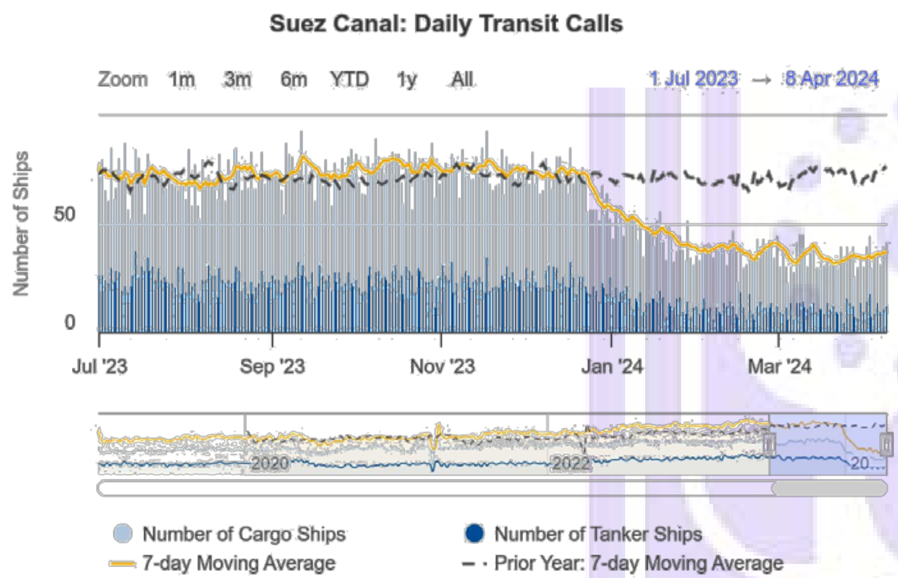
12 April 2024 – Indicative values, "bid/offer", as a% of tariff (1976 benchmark rates short ton (2,000 lbs)). Use to calculate "Delivery Value Equivalents" (DVE).

IL RIVER FREIGHT

	4/11/2024	4/12/2024	
FH April	300/325	300/325	UNC
LH April	290/325	290/325	UNC
May	290/325	290/325	UNC
June	300/325	300/325	UNC
July	310/340	310/340	UNC
Aug	350/400	350/400	UNC
Sep	525/575	525/575	UNC
Oct	600/650	600/650	UNC

Logistics

➢ **Suez Canal – Daily Transit Calls**



8 April 2024 Source: IMF PortWatch Source: https://portwatch.imf.org/pages/c57c79bf612b4372b08a9c6ea9c97ef0

➢ **How The Red Sea Dilemma Is Impacting The Global Supply Chain**

10 April 2024 by Umberto Cavallaro, Forbes Umberto is Head of Business Development at AscoService, helping clients with supply chain management systems

The recent disruptions in the Red Sea are casting long shadows over global maritime logistics, compelling shipping companies to reroute their vessels around the African continent. This significant detour, bypassing the Suez Canal in favor of the longer Cape of Good Hope route, marks a profound shift in the dynamics of international shipping, particularly impacting Southern European nations. The situation not only amplifies the logistical challenges but also raises pertinent questions about the future of global trade flows and the strategic positioning of Mediterranean ports.

The Suez Canal, historically celebrated as a linchpin of global trade, facilitating the efficient movement of goods between the East and the West, is witnessing a marked decline in traffic. The implications of this shift are multifaceted, extending from immediate operational concerns to long-term strategic considerations for countries in Southern Europe. These nations, which have thrived on their geographical advantage at the crossroads of major shipping lanes, are now confronted with the prospect of diminishing relevance as key transit points in the global supply chain.

As vessels opt for the longer journey around the Cape of Good Hope, the immediate effects are palpable in the form of increased fuel consumption, higher shipping costs and extended delivery times. This not only affects shipping companies' bottom lines but also has a ripple effect on global commerce, potentially leading to higher prices for goods and disruptions in supply chains.

The Mediterranean ports, once bustling with activity as critical nodes in the global logistics network, face the risk of being bypassed. This reorientation away from Southern European ports toward northern alternatives could have profound economic implications. These ports have historically benefited from their strategic locations, serving as gateways for goods entering the European market. The current shift threatens to relegate these hubs to secondary status, impacting local economies and potentially leading to job losses in the maritime and logistics sectors.

Beyond the immediate logistical and economic challenges lies a broader strategic dilemma. Without a diplomatic resolution to the tensions in the Red Sea, the maritime industry might be forced into a prolonged period of adaptation, exploring alternative routes or confronting structural increases in shipping costs. Moreover, the enduring disruption could precipitate a significant shift in procurement strategies among European buyers. Faced with the complexities and inflated costs associated with Far Eastern suppliers, there's an increasing propensity to favor suppliers within closer geographical proximity, boasting simpler and more cost-effective logistical chains.

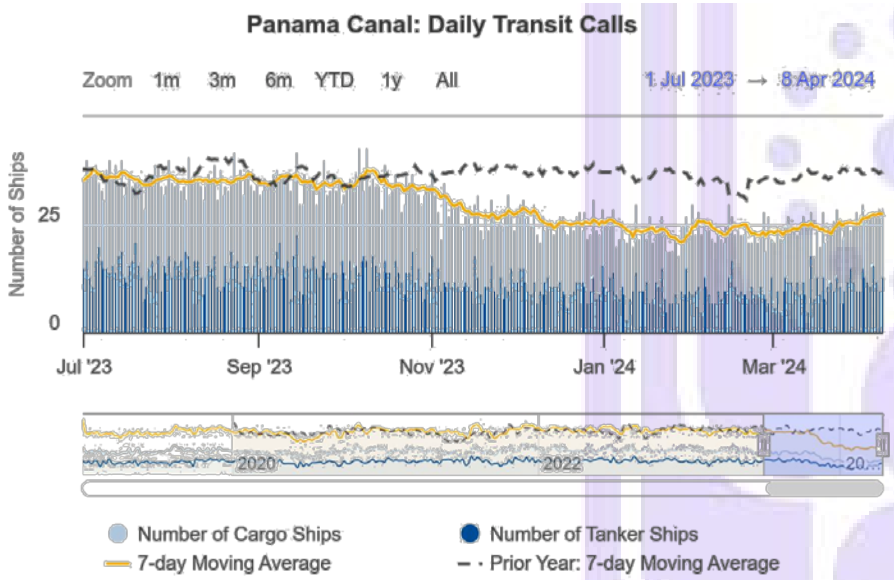
This potential reconfiguration of supply chains could signify a turning point in global trade, emphasizing regional over global sourcing. Such a transition would not only alter trade patterns but also influence geopolitical relationships and economic policies. For Southern European countries, the challenge is twofold: navigating the immediate fallout from redirected shipping routes and positioning themselves strategically in a rapidly evolving global trade landscape.

To mitigate the adverse effects and seize potential opportunities, Southern European nations must invest in enhancing their port infrastructure and logistics capabilities. Upgrading facilities, improving operational efficiencies and fostering innovation in supply chain management are critical steps toward ensuring these ports remain competitive. Moreover, there's a pressing need for diplomatic engagement and international collaboration to address the root causes of the disruptions in the Red Sea, aiming for a stable and secure maritime environment conducive to free trade.

The situation also underscores the importance of diversification in supply chain strategies. Companies and countries alike must reassess their dependence on specific routes and sources, building more resilient and flexible logistics networks capable of withstanding geopolitical tensions and other disruptions.

In conclusion, the challenges presented by the Red Sea disruptions are a clarion call for strategic foresight and collective action. European countries, at the intersection of these evolving trade dynamics, must navigate these turbulent waters with a keen eye on both the immediate challenges and the broader horizons of global commerce. The decisions made today will undoubtedly shape the future of international trade, dictating the flow of goods across continents and determining the fate of nations in the global economic order. As we stand at this pivotal juncture, the path forward demands innovation, collaboration and a steadfast commitment to securing a prosperous and interconnected world.

➢ Panama Canal – Daily Transit Calls



8 April 2024 Source: IMF PortWatch
https://portwatch.imf.org/pages/c57c79bf612b4372b08a9c6ea9c97ef0

➢ Panama Canal Targets Return to Normalcy by 2025…If Rain Keeps Up

11 April 2024 by by Glenn Taylor, Sourcing Journal - The Panama Canal Authority (ACP) expects conditions in the waterway to fully normalize by 2025 if expected rainfall starting in late April lingers for a few months. The ACP stated it will gradually ease transit restrictions if current forecasts remain in place.

"All modifications to restrictions will be contingent on the forecasts," said the ACP in a Tuesday notice. "If rains are short of expectations, the Canal could retain or apply further restrictions to either daily passage or draft. However, moderate precipitation is expected to arrive later this month and grow in intensity, which would allow the Canal to progressively increase daily slots back to the 36 daily transits typically offered during the rainy season."

The months-long drought during 2023's May-to-November rainy season forced the ACP to begin establishing the restrictions starting in July, but it seems the lake that provides the water to move ships through the Panama Canal's lock system is already showing promising progress.

Official water levels at the manmade Gatún Lake were 80.4 feet deep as of Tuesday, or 2.5 feet shallower than the 82.9 average in April over the five previous years. The 2.5-foot difference is a major improvement from the 5.5-foot average differential just three months ago in January, when water levels were 81.4 feet deep compared to the usual average of 86.9 feet.

There have been various indicators that the peak of the problem has passed, with the ACP already having begun the restriction easing process late last year. The canal went back on initial plans to reduce vessel bookings from 22 to 18 per day, instead opting to increase them to 24 per day.

In March, the ACP added three extra transit slots per day at its Panamax locks, taking the total daily maximum transits from 24 to 27.

Beyond actions taken by the ACP, Maersk said it would reinstate transit on its Oceania-to-the Americas "OC1" service through the Panama Canal starting in May. The container shipping giant first suspended the service in January, instead transporting goods through the country via rail over a land bridge.

The number of vessels waiting to traverse the canal has also leveled out in recent months, with 32 ships in queue that have already been booked, and another 10 that have not reserved a spot yet. Compare that to Nov. 30, when 110 total ships were waiting to wade through, with 51 pre-booked boats in queue and another 59 non-booked ships seeking passage.

"The majority of vessels have reservations and routinely arrive early ahead of their allotted date to transit the Canal," according to the ACP. "More than three-quarters of vessels outside the Panama Canal today have reservations and therefore will transit the Panama Canal on a predetermined date with minimal to no waiting time."

The average waiting time for non-booked vessels going northbound is just 0.3 days, while southbound trips are more backlogged at 2.3 days. These numbers have improved since March 14, when the northbound average wait was 2.1 days and the southbound queue was five days.

"The average waiting time for vessels arriving without reservations this year has been just under 2.5 days, far lower than the 3.6 days experienced between January and March last year," said the ACP in its notice.

During normal conditions, the Panama Canal traditionally has capacity for 34 to 36 daily vessel transits.

The notice was framed as a way for the ACP to dispel myths about the canal's operations, namely against such claims that ships are still waiting for long periods before they can transit the waterway, and that the restrictions have "caused unreliability and a growing bottleneck." at the canal.

Another myth the ACP argues against is that the costs to transit the canal are "significantly more expensive than normal."

"Last year, mainly during the months October and November, there was a surge in auction prices related to a market-driven congestion premium, though this is no longer the case," said the ACP. "Since the peak period last year, auction prices have leveled off. They are generally near normal levels today, though auctions remain an invaluable tool and option for customers who may otherwise not have secured reservations."

While 20 daily reservation slots are currently now open for bidding to traverse the Panamax locks, which enable passage of smaller ships up to 966 feet long with a 39.5-foot draft, the canal will scale back the slots again in May for eight days to perform maintenance.

From May 7th to May 14th, the number of booking slots for the Panamax locks will be reduced to 17. Once the maintenance is complete, allowing 24 hours for unforeseeable maintenance delays, the 20 slots for the Panamax locks will be reinstated beginning May 16th.

Government Actions and Policies

➢ **Corn Refiners Association - Trade Update**

9 April 2024 CRT Trade Update – Source: https://corn.org/trade-update-3-12-24/?utm_source=subscriber&utm_medium=subscriber-email&utm_id=tunewsletter&utm_source=CRA-PBPC+Master+Audience&utm_campaign=59dadb40db-EMAIL_CAMPAIGN_2024_03_12_11_04&utm_medium=email&utm_term=0_75be9394b9-59dadb40db-462373276#usda

- **Trade Remedies:** A U.S. anti-dumping (AD) and countervailing duty (CVD) investigation is underway on a common herbicide – 2,4 dichlorophenoxyacetic acid (2,4-D) – from China and India. The investigation was requested by Corteva Agriscience LLC on March 14, and publicly opposed by the National Corn Growers Association.
- **Trade Remedies:** On the 22nd of March the U.S. Department of Commerce (DOC) announced a **final rule** modifying the current administration of antidumping (AD) and countervailing duty (CVD) laws. Notably, the rule increases DOC's ability to counter transnational subsidies, address market distortions, and consider weak labor, environmental, human rights, or intellectual property protection.
- **U.S.-Mexico:** The Mexican government postpones a glyphosate ban due to go into effect on Apr. 1, 2024 due to the lack of chemical substitutes and the need to ensure agri-food safety.
- **U.S.-Kenya:** The fourth negotiating round for the Strategic Trade and Investment Partnership (STIP) between the United States and Kenya is underway in Washington, D.C., from April 2-12.
- **World Trade Organization:** On April 4, USTR issued a **Communication** to WTO Members on Climate and Trade, in which USTR proposed deepening Members' understanding of trade-related climate measures by contemplating policy design and implementation, as well as data and methodology.
- **U.S. Competitiveness:** On April 3, Agriculture Secretary Tom Vilsack and USTR Ambassador Katherine Tai published a **recorded conversation focused on agricultural trade**. Tai addressed the trade deficit and Vilsack highlighted recent trade successes, the strength of the U.S. economy, and USDA's trade promotion programs.
- On April 2, USDA's Economic Research Service **published a simple graph and explanation** of exchange rate values in the top two markets for U.S. agricultural exports — China and Mexico. ERS specifically highlights that over the past two years, China's yuan has depreciated relative to the U.S. dollar, weakening U.S. exports to China, while the Mexican peso has strengthened relative to the U.S. dollar.
- On April 4, the U.S. Bureau of Economic Analysis (BEA) **released a report** drawing attention to a slight increase in the U.S. goods and services trade deficit in Feb. 2024.
- **Trade Promotion: USDA announced** that eligible organizations can apply for FY 2025 funding for five export programs through the U.S. Department of Agriculture with a deadline of June 14, 2024.
- **U.S.-Africa:** On Mar. 27, USAID announced the launch of the **Africa Trade Desk**, which is expected to facilitate at least $300 million in export sales between Africa and the United States over the next 18 months by consolidating logistics, insurance, and track-and-trace technology from farm to retailer.
- **WTO:** During the Mar. 13-15, the WTO TBT Committee **adopted guidelines** to assist regulators in choice and design of conformity assessment procedures in order to avoid unnecessary obstacles to international trade. Please see below for a list of food and agriculture issues raised by the United States.
- **USTR:** USTR released its 2024 National Trade Estimate (NTE) report, which according to the **press release**, "provides a comprehensive review of significant foreign barriers to U.S. exports."
- **Trade Promotion:** The USDA Under Secretary for Trade and Foreign Agricultural Affairs, Alexis Taylor, lead an agribusiness trade mission to Seoul, South Korea from Mar. 25-28, 2024.

➢ **Mexico Glyphosate Ban Postponement**

On Mar. 26, the Mexican federal government **postponed implementation of a ban on glyphosate** due to the absence of substitutes and the need to safeguard agri-food safety.

The ban, which was initially **announced** in a decree published in the Official Gazette of the Federation on Feb. 13, 2023, would have banned authorization and permits for glyphosate use, import, production, and distribution on Apr. 1, 2024.

The Feb. 13, 2023 Decree references a **Dec. 31, 2020 Decree**, which calls on the Federal Government to "gradually replace the use, acquisition, distribution, promotion, and import of the chemical substance called glyphosate (sic) for sustainable and culturally appropriate alternatives."

In a **press statement** from Mar. 26, the Government of Mexico explains that because specific conditions to replace the use of glyphosate have not been established, several government agencies, including the Federal Commission for the Protection

Against Sanitary Risks (Cofepris) have expressed their concerns regarding agri-food safety.

The Government of Mexico acknowledges incomplete efforts to develop glyphosate substitutes and continues searching for low-toxic alternatives. In its press statement, the Government explains, “The Government of Mexico maintains the purpose of the Decree to protect the right to health, to nutritious food, to a healthy environment for the development and well-being of people, as well as to guarantee the food sovereignty of the people of Mexico.”

- **Bayer Forms New Group to Defend Glyphosate**

More than 60 ag groups, led by Bayer, have formed the Modern Ag Alliance to advocate for continued use of crop protection chemicals – glyphosate in particular. The alliance’s main goal “is instilling confidence in access to crop protection tools,” the group said in announcing its formation.

The group's web site, controlweedsnotfarming.com, focuses on glyphosate, the active ingredient in Roundup. “For nearly half a century, glyphosate has been an instrumental tool in allowing American farmers to affordably protect crops from weeds, keep yields high and compete in the global market,” the main page says.

Groups in the alliance include the Corn Refiners Association, National Corn Growers Association, American Soybean Association, National Association of Wheat Growers and a range of national and state grower associations.

- **Anti-GMO Documentary Sequel “Food Inc. 2” Debuted in Washington**

Food, Inc., the movie that pilloried the conventional U.S. agriculture industry in 2008, now has a sequel, Food, Inc. 2, which trains its lens on continued consolidation in the food industry and what are known as ultra-processed foods.

Filmmakers Robert Kenner and Melissa Robledo were in Washington, D.C., to promote the film ahead of its nationwide premiere on April 12. They told Agri-Pulse they did not want to make a sequel, but were compelled to do so by the impacts of the COVID pandemic on the U.S. food supply chain and on workers at meatpacking plants, who contracted the virus in large numbers.

The sequel's focus on consolidation in the ag and food sectors comes as the Biden administration has been trying to tie the issue to food inflation.

Robledo said that while the first film was about how consumers can influence the system through their choices of what to buy, “ultimately, what we're saying is that, to change the system, it's going to take a lot more political will. We need an appetite to enforce the antitrust laws that we already have.”

- **Ag Secretary Implies China May Be Favoring Brazil Corn and Soybeans**

U.S. Agriculture Secretary Tom Vilsack implied this week that China may be favoring Brazilian corn and soybeans partly in retaliation against recent restrictions on ownership of American farmland. Vilsack said his counterpart in China recently brought up Arkansas’ move to force seed company Syngenta AG, which is controlled by China’s Sinochem Holdings Corp., to sell 160 acres of farmland in the state.

“We had a trade deficit of $6 billion in the first quarter of this fiscal year; China’s purchases are $6 billion less than they were a year ago,” Vilsack said in an interview Tuesday. “Why would that be? Is it just Brazil, or was there a reason why the Chinese ag minister asked me about Syngenta? It was a signal.”

Vilsack said the U.S. needs to diversify by working more with other countries in Asia, Africa and Latin America. Still, he said the U.S. would like to be able to continue doing business with China. With China buying fewer crops from the U.S., Brazil has overtaken America as the world’s top corn shipper after already doing so with soybeans.

- **House Ag Committee Chairman Issues New Farm Bill Timeline**

In an exclusive interview with *Agri-Pulse*, the chairman of the House Agriculture Committee, Glenn Thompson, says he’s found a way to fund changes in farm bill commodity programs, and he says he intends to move the legislation next month.

He said that “without a doubt, we will mark up a farm bill out of committee before Memorial Day.”

He declined to detail the funding mechanism he’s identified, but he said, “it's going to allow us to do what we know needs to be done in terms of safety net issues.” He said no money would be shifted into the commodity program from the nutrition title or from Inflation Reduction Act conservation funding: “Anything that we do there will not be used for the safety net.”

- **NASS Cancels July Cattle Report, to NCBA’s Dismay**

The Agriculture Department’s National Agricultural Statistics Service (NASS) announced this week it is canceling the July Cattle Report and discontinuing the Cotton Objective Yield Survey, as well as all County Estimates for Crops and Livestock beginning with the 2024 production year. NASS cited strict appropriated budget levels as the reason for discontinuing the surveys and reports.

The National Cattlemen’s Beef Association called the decision to cancel the reports “misguided.”

NCBA Vice President of Government Affairs Ethan Lane said in a news release, “It is disingenuous for the same agency which touts its commitment to transparency in livestock markets to arbitrarily cease publication of reports which provide just that. While it may be politically expedient to blame appropriators in Congress for today’s decision, cattle producers know better than to believe discontinuing a handful of reports will result in substantive cost savings for the department. NCBA calls on USDA-NASS to immediately reverse this decision and continue delivering on its stated mission of providing timely, accurate, and useful statistics in service to U.S. agriculture.”

USTR to WTO members: Focus on climate-related trade measures

The World Trade Organization needs to focus on climate-related measures in trade, the Office of the U.S. Trade Representative said last week in an official communication to the WTO.

USTR said in a news release, “The U.S. Communication recognizes that countries are already implementing trade-related climate measures and that approaches will vary across countries based on their own unique circumstances. It proposes that discussions at the WTO should focus on how these different policies can complement each other, to the extent possible, and avoid working at cross purposes.”

EU Officials Travel to DC to Talk Ag with USDA

A delegation of European Union officials met this week with U.S. agriculture representatives and top Agriculture Department officials to exchange ideas on how to tackle some of the economic, climate, supply chain and other challenges both regions are facing.

The meeting, which took place on Monday and Tuesday, focused on "Agricultural Resilience in Uncertain Times," according to a schedule of the event. Its participants included Pierre Bascou, the deputy director-general at the European Commission Directorate-General for Agriculture and Rural Development (DG AGRI), and Katherine Geslain-Lanéelle, DG AGRI's director of strategy and policy analysis, as well as Agriculture Secretary Tom Vilsack, USDA Undersecretary for Farm Production and Conservation Robert Bonnie, and Undersecretary for Trade and Foreign Agricultural Affairs Alexis Taylor.

It's one of about six to seven meetings U.S. and EU officials have each year under the US-EU Collaboration Platform on Agriculture, a knowledge-sharing effort first launched by Vilsack and European Union Agriculture Commissioner Janusz Wojciechowski in 2021.

The European Union’s recent decision to loosen regulations on gene editing technology was one of the topics officials from the governing body discussed with Agriculture Department staff during a visit to the United States this week. Bascou told reporters Tuesday that the view of biotechnology on the continent is “very different” than it was 20 years ago, adding, “I think for us, biotechnology is one of the elements, one of the innovative practices that can enable us to become more competitive, sustainable."

Ethanol Groups Urge Brazil to Remove Ethanol Tariff

This week, the U.S. Grains Council, Growth Energy and the Renewable Fuels Association jointly submitted comments within the Brazilian Chamber of Foreign Trade (CAMEX), urging the country to drop a tariff on ethanol imported from the United States.

The three groups noted that last October ABICOM (the Brazil association of fuel importers) formally requested that the government drop the ethanol duties because data showed the tariff raised fuel costs for domestic consumers.

As of January 1, 2024, the current duty stands at 18% on all incoming U.S. ethanol, while Brazilian ethanol imported into the U.S. enjoys free access within the U.S. market, the groups said.

The three organizations’ joint comments, submitted in Portuguese, stated, “Despite the promising opportunities emerging new ethanol export markets could bring to both countries, we stress that we are not willing to cooperate with Brazil in any possible partnerships, nor with technology transferring or within new uses for ethanol such as SAF, in case the market is not completely open for free trade for ethanol. We strongly consider the permanent reinstatement of the duty-free access for ethanol as a window of opportunity to strengthen the bilateral agenda and stimulate trade cooperation between Brazil and the United States.”

USDA Trade Mission to Focus on Agribusiness Opportunities in India

Under Secretary Alexis M. Taylor will lead a U.S. Department of Agriculture agribusiness trade mission to New Delhi, India, April 22-25. India represents a growth economy for U.S. agribusinesses seeking to capture an increasing share of the household food purchases in the fifth-largest economy in the world.

The diverse delegation of 47 businesses and organizations and officials from 11 State Departments of Agriculture speaks volumes about the export sales opportunity the world’s most populous country represents for U.S. food and agricultural producers, USDA said in its press release.

International Crop & Weather Highlights

➢ **USDA/WAOB Joint Agricultural Weather Facility – 5th April 2024**

Europe – More Soaking Rain, Continued Warm In The East

- Continued anomalous warmth in eastern Europe hastened winter grains and oilseeds toward the reproductive stages of development two to four weeks ahead of normal.
- Heavy showers maintained abundant to excessive moisture supplies for winter crops in western Europe, with locally excessive rain causing lowland flooding in southern Spain and northern Italy.

Western FSU – Western Rain Contrasted With Eastern Dryness

- Additional moderate to heavy showers in Moldova as well as western and central Ukraine boosted moisture supplies for vegetative winter wheat, barley, and rapeseed.
- Acute short-term dryness and above-normal temperatures further reduced topsoil moisture for winter crop development in eastern Ukraine and western Russia, though rain returned to the Volga District.

Middle East – More Widespread Rain, Crop Prospects Remained Good To Excellent

- A slow-moving storm triggered widespread moderate to heavy showers in Turkey, Syria, Iraq, and Iran, boosting moisture reserves for vegetative (north) to reproductive (south) winter grains.
- Unusually heavy rain in southwestern Iran erased the last vestiges of winter drought.

Northwestern Africa – Late-Arriving But Sorely Needed Drought Relief In Morocco

- Moderate to heavy rain over Morocco eased drought and provided a late boost to filling to maturing winter wheat and barley, though some drought-related yield losses are still likely.
- Warm and showery weather favored reproductive to filling wheat and barley from central Algeria into northern Tunisia but did little to ease long-term drought in western Algeria.

South Asia – Favorable Harvest Weather

- Seasonably dry weather supported maturation and harvesting of rabi crops in India.

East Asia – Unseasonable Warmth Supported Spring Growth

- Widespread showers and unseasonable warmth across eastern and southern China promoted winter crop development.
- Showers in southeastern China benefited early-crop rice establishment.

Southeast Asia – More Drought Relief In The Philippines

- Showers in the northern Philippines provided further relief from season-long drought, although significant moisture deficits remained for rice and corn.

Australia – Wet In The Northeast, Dry Elsewhere

- Soaking rain in southern Queensland hampered cotton and sorghum drydown and harvesting.
- More rain would be welcome in southern and western portions of the wheat belt, where dry weather persisted, reducing soil moisture in advance of upcoming winter crop planting.

South America – Dry Weather Dominated Argentina And Southern Brazil

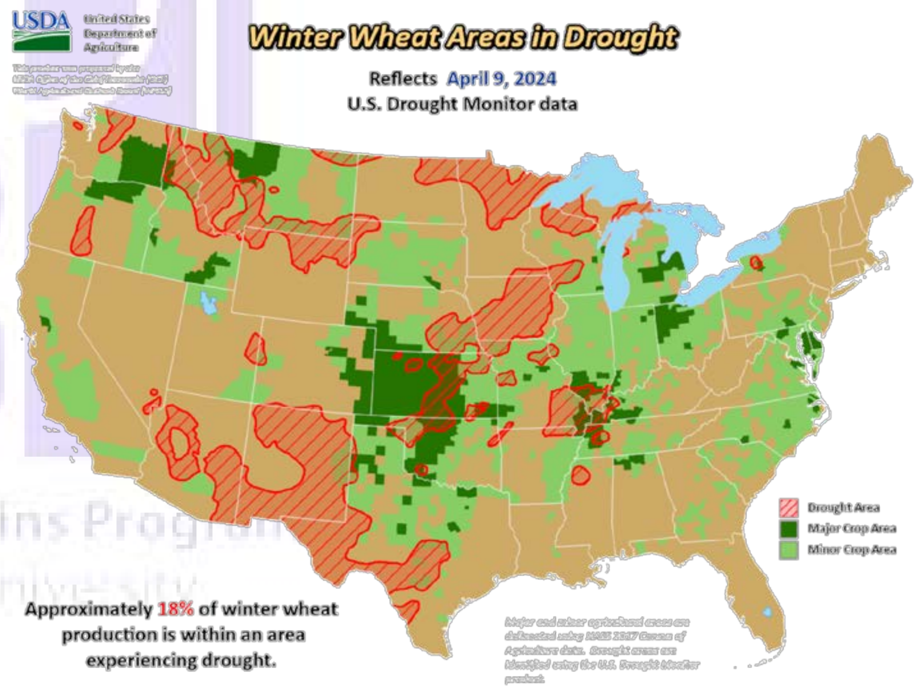
- Warm, sunny weather promoted rapid development of summer grains, oilseeds, and cotton throughout much of Argentina.
- Locally heavy rain benefited corn and cotton in central and northeastern Brazil, but drier conditions returned to southern farming areas, where moisture was limited for corn and other summer crops.

South Africa – Rain Lingered Over Eastern Farming Areas

- Locally heavy showers benefited sugarcane areas in KwaZulu-Natal and eastern Mpumalanga, but mostly dry weather persisted in much of the corn belt..

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

➢ **U.S. Agricultural Weather Highlights – Friday the 12th of April 2024**



In the West, an offshore storm system is producing a few rain and snow showers in the Pacific Northwest. Across the remainder of the western U.S., warm, dry weather favors fieldwork and crop development. Warmth is also initiating seasonal melting of high-elevation snowpack, especially in the Southwest.

On the Plains, warm, dry weather is nearly ideal for planting activities, pasture growth, and winter wheat development, although patchy drought remains a concern. According to statistics derived from the April 9 U.S. Drought Monitor, drought covers 18% of the nation's winter wheat production area, up from 12% less than a month ago. Later today, maximum temperatures will reach or exceed 80°F as far north as the central High Plains.

In the Corn Belt, rain showers and gusty winds linger east of the Mississippi River, where fieldwork remains at a standstill. In contrast, mild, dry weather favors fieldwork, including early-season corn planting efforts, in the western Corn Belt. On April 7th, Missouri led the Midwest with 7% of its intended corn acreage planted, versus 3% on average.

In the South, any lingering showers are limited to the middle Atlantic States, including Virginia. Elsewhere, dry, breezy weather favors a limited return to fieldwork, following recent downpours. A few areas, mainly across the Deep South, are still cleaning up from the April 9th – 11th severe weather outbreak, which produced localized wind damage and large hail. In addition, pockets of lowland flooding persist from eastern Texas to the Mississippi Delta.

Outlook: For the remainder of today, a weakening low-pressure system will drift north of the Great Lakes region. Lingering cool conditions, gusty winds, and rain showers will affect the Great Lakes and Northeastern States. Meanwhile, very warm weather will build across the nation's mid-section, with weekend high temperatures expected to reach 90°F or higher as far north as the central Plains. By early next week, warmth will cover the eastern U.S., except near the Canadian border. Farther west, a Pacific storm system will move inland during the weekend across California, bearing rain, snow, cooler conditions, and gusty winds. That system will arrive across the nation's mid-section early next week with similar impacts, along with an increasing threat of severe thunderstorms. Five-day precipitation totals could reach 1 to 2 inches across the upper Midwest and northern Plains, with some precipitation expected to fall as wind-driven snow in the latter region.

The NWS 6- to 10-day outlook for April 17th – 21st calls for the likelihood of near- or below-normal temperatures across much of the western and central U.S., while warmer-than-normal weather will prevail along the immediate Pacific Coast and east of a line from Texas to Lake Superior. Meanwhile, below-normal precipitation across Florida's peninsula and the western U.S. should contrast with wetter-than-normal conditions from the Mississippi Valley to the Appalachians, as well as the southern Plains and western Gulf Coast region.

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.

➢ <u>**USDA FAS OGA Current Crop Calendar**</u>