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China corn: Local prices edge up

Beijing, 14 March (Argus) — Domestic corn prices in China rose in mid-March because of a higher farm selling pace, which indicates limited corn availability from farmers in from the second quarter onwards.

Farmers in northeastern regions and the North China Plain (NCP) started to prepare for the spring sowing season, which triggered an uptick in corn sales this week. Almost 80pc of overall crops produced in 2024 in these two belts have been sold in the week to 14 March, according to market participants. Selling pace advanced by some 5 percentage points from seven days earlier and it rose on the year by 10-15 percentage points.

In NCP, corn sales are about a month ahead of the pace in the previous year. NCP processors may face corn shortages after April when farmers clear out their stocks at that time and seek volumes from northeastern regions.

In the northeastern regions — China's largest corn producing area — corn is not only supplied to local processing enterprises, but also transported to the southern consuming area through northern ports, and also transported to the NCP. Corn price rises at north China ports reflected the strengthening demand, with trading firms raising their price levels to the range of 2,245-2,250 yuan/t ($310-311/t) in the week ending 14 March. This marked an uptrend for the third consecutive week, up from Yn2,210-2,220/t seven days earlier, according to market participants.

Trading firms also raised their prices to Yn2,320-2,330/t at south China ports, up by Yn30/t on the week. Prices for domestic products have rebounded to the level before the newly produced corn supplied to the market in late September 2024 (*see chart*).

Processors are focusing on possible reserves sales in the future. State-owned firms secured volumes from local suppliers in northeastern regions over December-January, when spot corn prices fell below planting costs. China's corn prices may halt their uptrend if these reserve volumes re-enter the market.

Offer indications for global corn to Chinese buyers remained largely flat from the previous week. US corn prices for May shipment to China were at $245/t for products delivered from the Pacific northwest and $252/t cfr for US Gulf-origin products on 14 March. With extra tariffs increasing import costs, China's buyers' interest in US products was muted.

China was absent from the US corn market for months because of trade uncertainty. The latest sales reported by the US Department of Agriculture (USDA) was 6,000t in the week to 16 January. China's US corn purchases in the 2024-25 season totalled 32,325t as of 6 March, far lagging behind the 1.9mn t traded over the same period last year. The USDA projected Chinese demand for imports at 8mn t in its March report, in line with estimates from China-based agencies which are pegged in a 7mn-9mn t range.

Brazilian corn lured purchases from China's processors, with some new-crop cargoes traded for July-August shipments in the mid-$240s/t cfr this week. As for Ukrainian corn, sellers kept a wait-and-see approach despite Chinese buyers raising bids slightly higher.

China may reopen to Australia rapeseed in 2025

Beijing, 14 March (Argus) — China may have updated quarantine and inspection requirements for Australian rapeseed for several exporters, indicating a higher likelihood of China-Australia rapeseed trade flows in 2025.

China is expected to reopen its markets to Australian rapeseed to ease its foreseeable supply tightness in 2025, with a few offers emerging in early February, according to market sources. China may have already updated the quarantine and inspection requirements as well as biosafety certificates for Australian rapeseed for several exporters this week, which was the main issue preventing rapeseed imports from the country in recent years.

But some 19,000t of rapeseed was shipped from Australia in January and was unloaded at Chinese ports in February, according to global trade analytics platform Kpler.

Australia used to be one of the major rapeseed sources to China, but trade flows have stayed muted since 2021. Australian rapeseed may regain its Chinese market share with Canada's absence from China's rapeseed market.

Australia is expected to export 4.85mn t of rapeseed in the December 2024-November 2025 marketing year, according to US Department of Agriculture (USDA)'s projection. The country's rapeseed exports totalled 2.47mn t in the first five months of 2024-25, including volumes already shipped and predicted deliveries, Kpler's latest data show. This suggests a remaining export capacity of less than 2.4mn t until November 2025.

China received some 2.15mn t of rapeseed in October-December 2024, customs data show. USDA forecasted China to import 3mn t of rapeseed in October 2024-September 2025 given current tighter trade dynamics with Canada. China still needs to seek another 3.2mn-3.3mn t of rapeseed in the current season, taking into consideration China's imports of 5.3mn-5.5mn t of rapeseed in 2022-23 and 2023-24 marketing years. Australian rapeseed is unable to meet China's appetite even if all produced volumes were exported to the destination.

China soybeans: Cfr premiums rise

Beijing, 14 March (Argus) — Chinese soybean cfr premiums rose on a combination of stronger demand from China for Brazilian soybeans and the possibility higher buying interest from the EU for the product.

Chinese buyers secured some May-July loading cargoes overnight, market participants said. The May cargoes likely traded at premiums of around 170-175¢/bu cfr over the May Chicago Board of Trade (CBOT) contract, while the June-loading deals were done at a premium of around 180¢/bu cfr to the July Chicago futures. China may have also booked shipments in late-April to early-May, as well as July loadings on a fob basis, but details were yet to be confirmed at the time of writing.

The European Commission is consulting on imposing duties on US soy, which could result in the bloc's demand switching to South American soybenas. This, combined with China's purchases and slow farmer selling at the origin - at 56-57pc of overall output - supported cfr premiums for Brazilian soybean.

China's soybean meal (SBM) futures moved up on 14 March, in line with higher CBOT soybean futures. The primary May Dalian-listed SBM contract rose by 24 yuan/t ($3.2/t) on the day to close at Yn2,901/t. But SBM basis fell by Yn50/t on the day to Yn480/t in southern China's Guangdong province, leading SBM outright prices to settle at Yn3,370/t on 14 March, down by Yn30/t from the previous day. Crushers struggled to attract SBM sales even with reduced prices, because of slow demand from feed producers.

Malaysian crude palm oil futures rise on lower stocks

Singapore, 14 March (Argus) — Third-Month Malaysian crude palm oil (CPO) futures on the Bursa Malaysia Exchange rose by 41 ringgit/t ($9/t) or 1pc from the previous week to 4,573 ringgit/t by the 4:30pm Singapore close (8:30am GMT) today.

The benchmark CPO futures declined over two straight sessions on 10 and 11 March before rising for the rest of the week, supported by reported Malaysian stocks hitting a 21-month low in February.

Malaysian CPO futures are still 2pc higher on the year as of 14 March, in contrast to industry analysts' expectations of lower palm oil prices in the first half of 2025. Indonesian agricultural commodities sales and marketing agent for state-owned plantation company PTPN, KPBN's CPO tenders reflect a similar 2pc year-to-date rise to 15,150 rupiah/kg ($927/t) as of 14 March.

But industry participants expect a recovery in Indonesian palm oil production to weigh on palm oil prices from April, as additional Indonesian volumes are likely to be imported into Malaysia.

Industry pushback on proposed US port fees for China

London, 14 March (Argus) — The United States Trade Representative (USTR) has received pushback on its proposal to impose fees on Chinese ships that dock in the US, with various industry stakeholders complaining about the threat of economic damage, disruption to trade flows and higher consumer costs.

Of the 64 testimony summaries submitted to the USTR ahead of a public hearing on the fee proposal on 24 March, a majority expressed concern about the potential economic damage. Much of the opposition came from port, shipping, retail, agricultural and energy sectors, all of which rely on revenues from international trade and would likely face the most disruption from the measures. This was counterbalanced by outright support from the domestic shipbuilding, manufacturing and security sectors.

In many cases, explicit opposition to the proposal was based on the argument that the fees would stunt US trade by substantially ramping up costs, driving down the competitiveness of US goods and increasing consumer costs.

The measures would "slam the brakes on oil and gas production as the fees are onerous and make the US immediately uncompetitive", according to US midstream firm Enterprise Products' chief executive Jim Teague. "The result will be that petroleum products will not be able to clear the market, threatening US energy security and affordability."

Some in the agricultural sector argued that the port fees would make US exports uncompetitive. The American Soybean Association said it would effectively shut off US soybean exports from global markets. The North American Export Grain Association said it supports eliminating practices that disadvantage US businesses but elements of the proposal present "challenges that may require exemptions or other actions to maintain competitiveness in the exports".

Submissions from the National Retail Federation, the American Association of Port Authorities and the International Longshore and Warehouse Union said the port fees could divert cargoes to neighbouring countries, with the latter noting that cargo diversions to Canada and Mexico could increase substantially if there are no equivalent fees for cargoes entering the US via these countries. President of the World Shipping Council Joe Kramek said the fees could cause port congestion, trade diversion, higher costs for consumers and harm to US businesses.

Support for the proposal was dominated by those involved in US domestic manufacturing, shipbuilding, or security sectors. The United Steelworkers said the measures "provide a strong base upon which to rebuild our shipbuilding capacity, protect our logistics interests and restore maritime power", while US steelmaker Nucor noted that higher steel demand from a reinvigorated domestic shipbuilding industry had yet to materialise because of "China's unreasonable acts, policies and practices".

The Alliance for American Manufacturing claimed the measures would help to "restore American economic security, push back against China's unfair trade practices and revitalize shipbuilding in America".

Others disagreed that the measures would support domestic shipbuilding. The International Chamber of Shipping said it would probably take many years to develop US shipbuilding capacity to fill the vacuum caused by the loss of Chinese ships. Similarly, the Association of Ship Brokers and Agents suggested that focusing on Chinese-built ships without a broad strategic plan to restore the US' maritime leadership would increase the market share of other Asian shipyards, rearrange worldwide trade flows and drive up the cost of freight for US exports carried on non-Chinese vessels. It called for a "more measured strategy".

The USTR's original proposal was that Chinese vessel operators be charged up to $1mn lumpsum per entrance "for any vessel of that operator" to a US port or "at a rate of up to $1,000 per net ton of the vessel's capacity". It also said that "Chinese-built" vessels be charged up to

$1.5mn when calling at a US port, with the fee determined by the percentage of Chinese-built vessels in the operator's fleet.

The USTR's proposals follow a report it published on 16 January that suggests China has "targeted the maritime, logistics and shipbuilding sectors for dominance" through "top-down industrial planning" that employs "non-market policies" which "unfairly depress costs or provide advantages".

Brazil’s farmers struggle to advance soy sales in Feb

Sao Paulo, 14 March (Argus) — Brazilian farmers progressed their soybean sales for the 2024-25 crop slowly last month, burdened by concerns over delayed field work, higher transportations costs and falling oilseed prices.

Sales negotiations reached approximately 43pc of expected production of 167.4mn metric tonnes (t) by the end of February, according to market participants' estimates. That is an advancement of 5.6mn metric tonnes (t) on the month to approximately 72mn t already sold.

It is usual for this period of the year for sales to speed up, since harvesting advances. But in February the progress was curbed as farmers were focused on progressing soybean harvesting. Work ended January less than 5pc complete, according to surveys from the national supply company Conab. That compares with 14pc a year prior. As of 2 March, harvesting reached 48.4pc completion, ahead of the 47.3pc completion hit a year earlier.

The delay was mostly caused by the excess of rainfall in the center-west region during January. Central-western Mato Grosso state registered the worst start of soybean harvesting since 2021.

As rainfall progressively reduced by the end of January, producers rushed to harvest as many areas as possible. Volumes that were previously traded had to arrive in ports already in February to comply with previously signed contracts.

The consequences of a sudden surge of volumes available for transportation boosted freight rates, further discouraging farmers from negotiating.

The stronger demand for road transport service upped the grain and oilseeds freight rates assessed by Argus by an average 80pc between the end of January and mid-February. Market participants reported that prices started to post daily increases instead of weekly.

Farmers also became concerned with soybean prices, as demand got off to a sluggish start in 2025. The domestic industry was slow to return to negotiations this year, while Chinese demand has also fluctuated in the past months.

This was amplified by an appreciation of the Brazilian real to the US dollar, since agricultural products are priced in the latter. It reached a peak on 14 February, when the exchange rate strengthened to below R5.7/$1 for the first time since November 2024.

The average price of a 60kg soybean bag in the Mato Grosso's cities of Rondonopolis and Sorriso dropped to around R110.7 from almost R133 between 3 January and 27 February.

The US dollar resumed gains relative to the Brazilian real in the last half of the month, but that did not offset worries that the availability of a record expected production could lead to more losses in soybean prices.

Sales continue ahead of the 33pc — or 48.5mn t — sold for the 2023-24 soybean crop in February 2024, when soybean prices were fixed at lower levels and demand was scarcer.

Despite being slightly below the five-year average of approximately 45pc sold, the current cycle is ahead in absolute numbers because of the record expected production, which is likely to surpass the 2022-23 crop record high of 154.6mn t.

Corn

Sales for the 2024-25 winter corn crop ended February at around 30pc — or nearly 29mn t — of an expected production of 95.5mn t for the cycle, advancing by around 4mn t during the month.

That is progress from the 3mn t sold a month prior, but negotiations in January were way below market expectations. Last month's sales are more akin to what is expected for this time of the year.

Market participants expect that the trend will be the same registered in 2024, when a record domestic demand boosted deals. Corn ethanol and animal feed domestic industries sectors consumed previously acquired stocks, having returned to the market in February after seasonal maintenance shutdowns in January.

But farmers are slow to advance sales, maintaining their focus on delayed field work and negotiating according to their own financial needs. They also prioritize soybean sales, since the oilseed is currently being harvested and is priced at higher levels.

The 2024-25 winter corn sales are significantly ahead of the 15pc negotiated — or 13.6mn t — a year prior for the 2023-24 season, which totaled 90.3mn t. Negotiations barely advanced in February 2024, as lower international prices severely discouraged sales. But sales continue to lag an average of over 40pc sold for this time of the year.

Brazil Rio Grande do Sul soy harvest behind average

Sao Paulo, 14 March (Argus) — The 2024-25 soybean harvest in Brazil's southern Rio Grande do Sul state is advancing at a pace below the average for this time of year, according to regional rural agency Emater-RS.

Work progressed to 5pc from 3pc in the week ended 13 March. That is 3 percentage points behind the five-year average. But activities are ahead of the 1pc harvested for the 2023-24 at this time last year.

The state expects to produce 15.1mn metric tonnes (t) of soybeans in the 2024-25 season, down by 17pc from 18.6mn t in the 2023-24 crop. The 2024-25 soybean crop is set to be sowed in 6.73mn hectares (ha) and register average yields of 2,240 kg/ha. That compares with 6.7mn ha and 2,809 kg/ha in the prior cycle.

The 2024-25 season was initially expected to reach a record high, but a drought hit the state earlier this year and severely damaged crop development. First harvested areas posted yields much lower than initially expected, while plants still in fields continue to register hydric stress symptoms. But recent rainfall contributed to the recovery of some areas.

Summer corn

The 2024-25 summer corn harvest advanced by 1 percentage point to 69pc of the sowed area between 6-13 March.

That is ahead of the 66pc harvested for the 2023-24 crop a year ago and compares with a five-year average of 62pc. But this cycle's advantage has reduced this week because of the sluggish pace of activities, as farmers prioritize other crops such as soybeans and rice.

The state expects to produce 4.8mn t of summer corn in the 2024-25 season, a 6pc increase from the 4.5mn t in 2023-24. Rio Grande do Sul's 2024-25 summer corn crop is set to be sowed in around 696,590ha and yield 6,866 kg/ha. The previous season was planted on 808,916ha, posting average yields of 5,646 kg/ha.

Tunisia books milling wheat in tender

London, 14 March (Argus) — Tunisian state-run grains buyer ODC bought 100,000t of optional-origin soft milling wheat in a tender on Thursday.

ODC secured cargoes from three trading firms at an average price of $269/t cfr Tunisia for April-May shipment. Trading firms Casillo and Buildcom sold one 25,000t cargo each at $268.67/t cfr and $269.77/t, respectively, while trading firm Viterra sold two 25,000t cargoes at $268.79/t cfr.

The wheat is to be shipped across four periods between 20 April and 25 May for loading from the Black Sea, eastern Europe or Mediterranean. The loading period is five or 10 days earlier for cargoes from western Europe or the Americas.

Price levels in this tender were higher than in ODC's previous tender last week, when it bought 25,000t of milling wheat at $262.12/t cfr for March-April shipment.

Tunisia has already bought 1.6mn t of milling and durum wheat through tenders in 2024-25 (July-June), *Argus*-aggregated data show.

Grains, oilseeds and veg oils tenders								
Buyer	**Issued**	**Closes**	**Status**	**Cargo**	**Shipment/ Delivery**	**Price**	**Seller**	**Note**
Jordan's MIT	13-Mar	19-Mar	Open	100,000-120,000t feed barley	May-Jun, 1-15 Aug			
Jordan's MIT	12-Mar	18-Mar	Open	100,000-120,000t milling wheat	Jul-Aug			
Tunisia's ODC	12-Mar	13-Mar	Closed	100,000t milling wheat	20 Apr-25 May	$268.67/t, $268.79/t, $269.77/t	Casillo, Viterra, Buildcom	cfr, optional origin
Algeria's OAIC	10-Mar	12-Mar	Closed	>450,000t milling wheat	May	~$268.50/t		cfr
Jordan's MIT	6-Mar	12-Mar	Closed	100,000-120,000t feed barley	May-Aug			cfr Aqaba
Jordan's MIT	27-Feb	11-Mar	Cancelled	100,000-120,000t milling wheat	May-Jul			cfr Aqaba
Japan's MAFF	4-Mar	6-Mar	Closed	94,282t milling wheat	21 Apr-30 Jun			US (HRW, WW), Can (CWRS), Aus (ASW)
Jordan's MIT	27-Feb	5-Mar	Closed	100,000t feed barley	May-Jul	$230.50/t	Ameropa	cfr Aqaba

April rain could boost Australian farmers' wheat sales

Sydney, 15 March (Argus) — Australia's east coast farmers could step up sales of this season's wheat harvest if rains improve planting conditions for the upcoming 2025-26 winter crop.

More than half of remaining exportable supplies of Australia's 2024-25 wheat crop in east coast cropping areas are still stored by producers, in sharp contrast with Western Australia, where more than three-quarters of the volume sit in exporters' hands, market participants said.

Farmers' sales of wheat in the east coast have lagged the pace of previous seasons, at least in part because of higher profits from other crops, such as chickpeas, and because of producers' price expectations on the backdrop of previous wheat seasons, according to market participants.

But rainfall supporting conditions for winter crop planting, which typically starts in about April, could improve farmers' confidence about the upcoming season and boost sales of current crop wheat.

Extreme weather from ex-cyclone Alfred looked set to deliver heavy showers to cropping regions of southeast Queensland and northern New South Wales last week, but more precipitation will probably be needed in the coming months to lift soil moisture levels. The majority of rainfall fell outside major production zones, although the Bureau of Meteorology (BoM) show that some of these regions received 25-100mm of rain in the seven days to 13 March.

Root soil moisture across Australia's eastern coast was close to or slightly below historical averages and considerably below average in southern wheat areas in Victoria and South Australia (SA) as of 13 March, according to Australia's BoM. Rainfall deficiencies in the 13 months to 28 February show rainfall percentiles in much of SA's cropping areas to be the lowest on record, according to the BoM.

If Australia's eastern coast cropping areas do not receive enough rain to improve conditions for planting, farmers could choose to hold on to the grain and wait for higher prices or as a drought hedge for the coming season. Grain can be stored for more than a season, although bulk handlers typically charge higher storage fees for old-season grain and some domestic sale contracts must specify the year in which the grain was grown.

And independent of pre-planting rainfall, some growers may delay sales until crops reach early development, or until the new financial year, starting on 1 July, to reduce their tax obligations unless they are able to defer payment terms, market participants said.

More rain forecast for late March

Soil moisture levels appear to be supported by a favourable rainfall outlook in late March, with a 60pc chance of above-median rainfall expected in most eastern and southern cropping regions from 17-30 March, according to BoM modelling.

But the outlook was less optimistic for southern wheat areas in April.

Turkey’s TMO seeks SFO for first time since 2023

Kyiv, 14 March (Argus) — Turkey's state-owned grain agency, TMO, has issued a tender to book 18,000t of crude sunflower oil (SFO) for the first time in two years.

The tender is set to close on 20 March.

TMO is requesting cargoes delivered on 2-21 April — four 3,000t shipments to the ports of Mersin and/or Iskenderun and two 3,000t cargoes to the port of Tekirdag. The tender is on a cfr basis.

This is TMO's first international SFO tender since March 2023, as the government attempts to curb domestic food inflation.

Earlier in January, Turkey allocated import tariff quotas to local buyers for sunflower seeds and SFO for January-April.

Turkey — one of the world's largest SFO importers and exporters — is forecast to import 1.25mn t of SFO in the 2024-25 marketing year, down from the 1.49mn t estimated for 2023-24, according to the US Department of Agriculture (USDA). This is despite a projected decrease in local sunflower seed production to 1.36mn t, from 1.55mn t a year earlier, according to the USDA.

Feed grains: Ukraine corn in demand

London, 14 March (Argus) — Buyers showed interest in spot Ukrainian corn for delivery to the country's Black Sea ports, and at destination markets on Friday, pushing cpt prices higher.

At destination markets, buyers sought Handysize cargoes of Ukrainian corn shipping to Turkish ports in March and April some $4/t below corresponding offers heard on Thursday. And demand was still present for Ukrainian corn shipping to China in April at just under $260/t cif south China. This compares with offers of US corn at $245/t cfr south China for spot shipment. That said, Chinese buyers have shown little interest in US corn because of uncertainties around trade rules going forward.

As for Ukrainian product, bid levels cif China were at least $10/t below equivalent levels in Ukraine's spot corn market, once Panamax freight rates are subtracted. And Ukrainian sellers could refrain from lowering their offers because of limited supplies remaining for the rest of the season (October-September) and rising prices for volumes delivered to Ukraine's deep-water ports of Pivdennyi, Odesa and Chornomorsk, up by $2/t on the day for spot volumes.

Further out, buyers seeking July-August shipment corn looked to Brazil. The origin traded for July-August shipment to China in the mid-$240s/t cfr this week. And liquidity rose for July-August volumes at Brazil's port of Barcarena, which typically ships to Europe and North Africa. This, despite an incident last week which raised logistical concerns at Barcarena. Brazil's new-crop corn prices could draw support from delayed pace of farmer sales, compared with previous seasons. And support could also come from the increasing use of corn in Brazil's ethanol production, both at the expense of sugarcane and increased crushing. Brazil's ethanol production, in turn, could see a boost both from firming domestic demand and interest from global buyers. As for Brazil's corn supply, the country's national supply company Conab lowered its estimate of winter corn areas, saying that delays in planting have pushed farmers to cap acreages. But firmer corn prices at the time of planting have prompted some market participants to mull the possibility of farmers having planted more corn, not less.

Wheat: Thin demand pressures Russian 12.5pc

London, 14 March (Argus) — Prices of 12.5pc protein content Russian milling wheat fell under pressure from the buy-side on Friday. The country's new-crop outlook brightened, while lacklustre spot demand kept shipments well behind previous years' pace.

Bids and offers diverged on a fob Novorossiysk basis, as buyers interested in April positions lowered their price ideas in line with more prompt March-loading bids, while sellers maintained a carry for April over March shipments.

That said, demand for Russian 12.5pc wheat remained scarce, keeping the country's March export campaign subdued. Just 1.1mn t has been loaded or is set to load at Russian ports in March to date, preliminary line-up data show – well behind the 4.8mn t shipped over the month last year, according to Argus-aggregated export data.

Russian line-ups have also faced some pressure from the domestic market, where producers and traders fail to see eye-to-eye. Wheat prices on a cpt basis are currently too high for exporters, market participants said, while producers seek stronger prices to offload their crop.

Some Russian sellers eyed the Egyptian market to offload stock, but offers in the low $260s/t cfr remained unattractive to destination buyers, market participants said.

Looking ahead to the 2025-26 crop, conditions for winter wheat improved in some of Southern Russia's major cropping zones in recent week, according to producers, but lack of soil moisture continues to be a concern. Growers are hoping for sufficient rainfall to improve development conditions, but expectations for winter wheat yields remain tempered, market participants said. Up to 50mm of rainfall is forecast in Russia's southern cropping regions in the coming week, meteorological forecasting data show.

Elsewhere, prices of 11.5pc and 12.5pc milling wheat grades converged for Romanian-Bulgarian cargoes on Friday. Sellers of 11.5pc wheat revised offers some €2/t higher on the day in premium terms to underlying Paris-listed futures on a fob Constanta/Varna/Burgas (CVB) ports basis. Firmer Black Sea 11.5pc wheat prices came in the wake of North African tender activity, with Algeria and Tunisia both securing volumes this week.

In contrast, some sellers put pressure on 12.5pc wheat ex-CVB, although offers of the grade lacked direction at the end of the week. Offers of Romanian-only wheat emerged at a premium of up to €4/t to Bulgarian on Friday, likely owing to greater demand at the Romanian port of Constanta, market participants said.

Corn: Cargo market muted

Sao Paulo, 14 March (Argus) — Buyers and sellers were away from the Santos/Tubarao and Barcarena/Itaqui cargo markets on Friday, while port differentials in the Northern Arc region decreased despite losses posted on the CBOT, as low liquidity prevails in the market.

Corn deals are yet to pick up, as the 2024-25 winter corn planting is still underway and farmers are slow to advance their forwards sales. Main producing central-western Mato Grosso state's second corn planting reached 99.5pc of the expected area as of 14 March, according to regional institute of agricultural economics Imea.

Sales are advancing slowly for the 2024-25 winter corn crop, with forward deals ending February at around 30pc — or nearly 29mn metric tonnes (t) — of an expected production of 95.5mn t for the cycle, advancing by around 4mn t during the month. Domestic demand may follow last year's trend, which may boost regional prices and encourage sellers to prioritize inland sales than the export market.

CBOT futures continue to decrease as the current season is also expected to face an undersupply of the grain, with demand expected to surpass global production by approximately 25mn t, according to the US Department of Agriculture.

BR agriculture: Soy crop ups 2024-25 record

Sao Paulo, 14 March (Argus) — Brazil's national supply company Conab increased its projections for the 2024-25 soybean harvest, as rainfall in the center-west favored average yields.

The oilseed crop is now forecast to reach a historic 167.4mn metric tonnes (t), almost 1.4mn t higher than the previous forecast and a dramatic 19.7mn t increase from the previous crop. The current production record is of 154.6mn t, produced in the 2022-23 crop.

Field surveys on which the updated estimate is based on were completed when the harvest was nearly 49pc complete. Average yields observed in areas harvested to date have exceeded initial projections, raising the country's projected total to a record 3,527 kg/hectare (ha) from 3,499 kg/ha.

Yields in Mato Grosso, Goias, Minas Gerais, Para and Tocantins states were mainly responsible for the increase in expected national production, as the wetter weather boosted crop development in these states, Conab said.

The center-west accounted for the most significant increases in production and yield projections for the 2024-25 soybean harvest. The production estimate for Mato Grosso and Goias rose by almost 1.4mn t to 48.5mn t and 20.2mn t, respectively, amid record average yields of 3,808 kg/ha and 4,079 kg/ha.

Crops in these states have benefited from intense rainfall since the beginning of the year. Plants in these crops developed well, with high production of pods and grains.

Initially, the rains caused delays in the harvest's progress. This late start to field work and a small number of grains damaged by excessive rainfall had slightly reduced the production outlook last month.

But the rapid progress of activities in the last month brought a large number of areas with higher-than-expected yields to the center-west. These high yields more than compensated for crop losses reported in the south.

Rio Grande do Sul state led the declines, with around 1.4mn t trimmed from its production outlook, which now stands at around 17.1mn t. Conab's projection is still above the total forecast by the state's technical assistance and rural extension company Emater-RS, which now expects the harvest to reach 15.1mn t.

The estimate is 5.6mn t below the record 21.7mn t Emater-RS had initially predicted for the cycle. Rio Grande do Sul has been facing a shortage of regular and well-distributed rainfall since the beginning of the year, while temperatures recorded across the state are high.

The predominantly hot and dry weather hampered crop development, with yields varying significantly depending on the region. But, in general, the conditions of the planted areas are considered poor, with all regions showing losses in relation to the crop's potential.

Crops sown at the beginning of the planting window, from the beginning of November, were the most affected by the drought, since they reached their reproductive phases in January-February. The damage to those sown after 20 November was smaller, but the plants showed visible signs of water stress.

Conab also reduced its projection for the current oilseed cycle in Parana state by 682,500t to 21.1mn t. Low humidity levels caused by a lack of rain and high temperatures in the first weeks of the year reduced some crops' average yields. But the return of rainfall in the last month favored the recovery of areas under development.

Price and Date

Description	Unite	Price	Date
Corn Ukraine cpt POC spot	USD/t	224	14.03.025
Wheat 11.5pc Ukraine fob POC spot	USD/t	240	14.03.2025
Wheat 12.5pc Russia fob Novorossiysk spot	USD/t	249,50	14.03.2025
Soybean oil Argentina waterborne fob upriver USD/t month 1 - Houston close	USD/t	981,94	14.03.2025
Rapeseed oil fob Dutch Mill RSO - London close	USD/t	1.110,205	14.03.2025
Sunflower oil fob northwest Europe 6 ports spot - London close	USD/t	1.217,50	14.03.2025

↓ Price dropped in comparison to last report.

↑Price raised in comparison to last report.

-Price has not changed.

References:

www.direct.argusmedia.com