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CHINA SOYBEANS: OVER 3MN T OF US SOYBEANS FACE TARIFFS

Beijing, 31 March (Argus) — More than 3mn t of US soybeans face retaliatory tariffs from China, with the exemption period set to end later next week.

China's imposition of a 10pc tariff on US soybeans took effect on 10 March but it was waived on shipments arriving before 12 April.

About 20 cargoes carrying 1.39mn t of US soybeans are scheduled to arrive at China's ports after the exemption deadline, according to data from trade analytics platform Kpler. Another 14 cargoes will arrive at ports from 31 March-11 April. These cargoes are also at risk of attracting tariffs because of the prolonged clearance procedure. Additionally, the US Department of Agriculture reported that there were 953,540t of outstanding sales to China as of 20 March. This probably indicates an overall 3.2mn t of US soybeans that could be charged with tariffs after 12 April.

Chinese state-owned firms booked multiple US cargoes in December-January before US president Donald Trump took office. The import costs for these volumes were 3,570-3,620 yuan/t (\$492-499/t) for March-April shipments, taking 3pc import duties and 9pc value-added tax into consideration, under *Argus* assessments. The retaliatory tariffs will add Yn340-350/t to the overall import costs, which in turn make US soybeans uneconomical compared with South American product or even domestically produced beans. As a result, it is possible that some outstanding sales — volumes booked but not yet exported from the US — will be cancelled in the near future, or that undelivered cargoes will change destination, trading firms said.

MOROCCO ANNOUNCES NEW GRANT FOR WHEAT IMPORTERS

Paris, 31 March (Argus) — Moroccan state grains agency ONICL has announced a new grant for the country's private importers of milling wheat.

ONICL will pay importers 2.5 dirhams/100kg (\$2.60/t) for each calendar fortnight imported wheat is held in approved silos and kept back from the domestic wheat market, according to a letter to importers published on 29 March.

ONICL will award storage grants on a first-come, first-served basis, for up to 800,000t of wheat held in storage in any one two-week-period.

ONICL then plans to hold its own tenders to purchase the wheat held in these strategic reserves, which it will then supply to mills producing subsidised flour. Importers will then be able to apply for new storage grants to replace any volumes liquidated and rebuild the strategic reserve to 800,000t.

The storage grant is available for imported wheat on ships which dock at Moroccan ports between 1 April and 31 December.

Importers must hold the wheat they declare in silos for a minimum of four fortnights, or two months, to be eligible. Storage will be remunerated up until end-February 2026.

The grant is designed to complement the existing state rebate system in place for wheat imported during this period.

A similar system in place in February-April 2024 encouraged a notable rise in wheat purchases during its first two months.

BLACK SEA RAIN FORECAST SPELLS WHEAT PRICE PRESSURE

London, 31 March (Argus) — Black Sea wheat prices could come under pressure from a favourable weather forecast in the coming two weeks in wheat areas of the three largest producers in the region — Russia, Ukraine and Romania.

Across the three countries' winter wheat areas, producers have hoped for rain to lift moisture levels in April and May, which would help raise yields or at least prevent declines. If this happens, 2025-26 (July-June) output forecasts for the three countries are likely to remain stable, or even see slight upward revisions.

For Russia, this would mean production of above 80mn t, and for Romania, record output.

If Black Sea wheat production outlooks improve for 2025-26, prices could come under pressure for old-crop volumes as well, market participants said. But this effect could be offset by firming demand, particularly as many buyers return to the market after the end of the Islamic fasting month of Ramadan.

Of the three main Black Sea producers, winter wheat crops in Russia are at greater risk from the lack of precipitation in recent months. While this winter's snow boosted soil moisture, it did not increase sufficiently, and as a result many

market participants expect to see average yields in the country only if sufficient rain falls in April and May.

As for Ukraine, rainfall and continued favourable weather conditions for winter wheat could boost yields above historical averages. And given stable or slightly larger wheat areas on the year in 2025-26, higher yields could raise the outlook for Ukrainian wheat production beyond last year's estimates.

And in Romania, where winter wheat is faring the best out of the largest Black Sea producers, the wheat output is likelier to break records if the forecast rainfall materialises.

WEEKLY WRAP OF GRAINS AND OILSEEDS

INSIGHTS

Wheat

Global wheat futures have been under pressure from a number of factors recently, including the uncertainty caused by US tariffs and other countries' counter-tariffs, as well as US-Russia and US-Ukraine negotiations. As for global wheat supply in the 2025-26 season, there seem to be more risks present than at this time last year.

Factors to watch:

- Beneficial rains in the south of Russia
- Below-average export flows from the main exporting regions in the second part of the current season
- Stronger than previously expected wheat March exports from France and Russia

Corn

Corn market participants were waiting for the release of the US Department of Agriculture's (USDA) grains stocks and prospective plantings reports on Monday. The market was already largely anticipating an increase in US corn acreage in 2025-26, given that corn is currently more attractive for farmers to plant than soybeans. US corn remains the most competitive in the world, which is confirmed by a brisk pace of US export sales.

Factors to watch:

- Corn ending stocks in the US
- Historically low corn and soybean margins for US farmers as spring plantings are about to begin

- The European Commission estimates the EU corn production 2025-26 at 65mn t, up by 5.7mnt over a year

Barley

Last week, French feed barley prices fell below €200/t for Rouen delivery, for the first time since mid-December. French product remains competitive in the Mediterranean basin and globally, resulting in a strong port loading schedule.

Factors to watch:

- The end of spring barley sowing in France
- Conditions worth watching in Northern Europe
- Pressure from the wider global grain complex
- Sluggish global demand for malting barley

Rapeseed

Rapeseed prices have strengthened, almost erasing the decline observed earlier in March on Euronext. The renewed firmness of the vegetable oil market, supported by firmer palm oil prices and stronger crushing margins in the EU, led to the strong rebound in rapeseed prices. Limited oilseed supply of the current season globally, combined with better production prospects for rapeseed and sunflower seed for 2025-26 in Europe, justify a larger spread between old- and the new-season prices on Euronext.

Factors to watch:

- Drier weather settling in Western Europe, favouring winter rapeseed flowering and spring plantings
- Crushing margins improve in the EU
- Strong palm oil exports from Indonesia and Malaysia despite seasonal decrease in production
- Euronext rapeseed at a wide premium to US soybeans on new crop

Sunflower

Sunflower seed prices have found support from vegetable oils. Palm oil is the main reason for the rise in international vegetable oil prices. A seasonal decline in palm oil production is still in place in Indonesia and Malaysia, while global demand remains strong. The sunflower market keeps a premium against rapeseed, given current risks for spring plantings in the northern hemisphere.

Factors to watch:

- Support from the palm oil market
- Expected increase in sunflower seed areas in the EU for the 2025-26, coupled with better yield prospects than last year

Agenda

- 01 Apr : UE Commission on trade flow
- 03 Apr : US weekly exports sales
- 07 Apr: US national crop conditions
- 10 Apr : USDA Wasde report
- 10 Apr : CONAB report
- 10 Apr : MPOB report
- 15 Apr : Last trading day for wheat/rapeseed May-25 options

FEED GRAINS: US CORN PRICES KEEP ASIA MARKETS LIVELY

Paris, 31 March (Argus) — Traders awaited the US Department of Agriculture (USDA)'s report on US corn acreages on Monday, with expectations for an upwards revision to acreages running high given attractive corn prices relative to other crops.

The prospect of a further drop in Chicago-listed corn prices revived interest in various Asian markets. In South Korea, feed group KFA bought 68,000t of corn in a tender that closed on 28 March. Trading firm Cargill won the contract at \$252.99/t cif for June shipment, with the cargo to arrive in South Korea in mid-July.

Looking towards the new marketing year, the USDA's local attache in Manila forecast a rise in the Philippines' corn imports to 1.75mn t in 2025-26 (July-June), based on an estimated 200,000-280,000t rise in annual domestic consumption since 2023-24.

In Europe meanwhile, feed grain markets remained tight. Ukrainian corn prices began to cave to some pressure as prices discussed for Handysize cargoes to Turkey slid below the \$250/t cif registered last week.

Exporters in Ukraine held their bids for corn and feed wheat for spot delivery to Pivdennyi-Odesa-Chornomorsk (POC) ports steady early in the day on Monday but buying interest began to tail off towards the day's close, market participants said.

In France, buyers actively bid for feed wheat in the local market on Monday, but offers were scarce as first-hand sellers waited for Euronext May futures to correct back upwards after last week's drop. Feed wheat last changed hands at €5.50/t below Euronext milling wheat futures for April-May delivery, with buyers at ports facing strong competition from feed manufacturers in the domestic market. Bids held steady at this level on Monday, but with little success.

Meanwhile, demand for France's feed barley continued to wane, with latest bids at €15-16/t below May wheat futures for old crop, depending on the delivery port, and €18/t below September for new. Here too, there was little on offer from farmers.

WHEAT: MORE FRENCH WHEAT SOLD TO MOROCCO

London, 31 March (Argus) — Exporters have sold more French wheat to Morocco since at least two cargoes traded late last week. Market participants put the total agreed for April loading at at least five Handysize cargoes.

More could follow once Morocco returns this coming Wednesday from two days of public holidays for Eid. And importers now have an additional incentive to import - ONICL this weekend confirmed details of a new storage grant on offer to wheat importers, in addition to existing import rebates, after hinting at such a scheme one week ago. Grants are available on a first come, first served basis, which could encourage a rush to buy in the coming days, particularly as only wheat arriving at Moroccan ports from 1 April onwards is eligible, which rules out a part of the cargoes booked in recent weeks which have arrived throughout March.

The latest trades of French wheat lent support to Euronext May futures, which increased their premium to the September contract at Monday's close as France potentially heads towards a tighter end to 2025-26 than previously expected. But the effect was slow to trickle down into France's local market, where traders were unwilling to sell to exporters at latest bids on a cpt basis, due to little selling from farmers at current prices.

Elsewhere, pressure could mount on Russian wheat prices from a favourable rainfall forecast over the next two weeks in central and southern Russian regions, the country's major wheat production areas.

Rain is also forecast in wheat areas of Ukraine and Romania.

Black Sea producers are hoping rain will lift moisture levels, which have been largely insufficient over the winter period. If production prospects for the three countries improve for the 2025-26 season, it could also pressure old-crop prices, market participants said. That said, the return of some buyers to the market after the end of the the Islamic fasting month of Ramadan could boost demand and provide support to prices.

US WHEAT, SORGHUM STOCK GAINS OUTLIERS IN USDA REPORT

St Louis, 31 March (Argus) — US grain stocks were mostly lower at the start of March, as selling moved inventory off of farms.

US corn stocks fell 2pc below year-prior levels at the start of March, with total stock levels reported at 8.15bn bushels (bu) in the US Department of Agriculture's (USDA) recent report. Corn stocks were driven lower by reduced on-farm holdings, which fell 11pc compared with a year earlier to 4.5bn bu, confirming an increased pace in farmer selling over the second quarter of the 2024-25 corn marketing year.

Off-farm storage reached 3.65bn bu, gaining 12pc compared with the prior year, boosted by the same increase in farmer selling. Iowa and Nebraska had the largest increases in off-farm storage, gaining 29pc and 39pc, respectively, from the prior year.

Illinois on-farm storage declined the most, down to a three-year low of 800mn bu at the start of March. In Iowa, the increase in off-farm storage was consistent with an 11pc drop from the prior year in on-farm storage, while Nebraska on-farm storage gained as the harvest concluded through December 2024, increasing by 2pc from the prior year to reach 500mn bu.

Stocks of other grains fell as well, with total stocks of barley and oats down from the prior year by 8pc and 20pc, respectively. US sorghum stocks were the exception, as weak export demand slowed sales and pushed stock levels up 42pc from the prior year to 150mn bu.

Central plains wheat stocks move higher

Gains in states that are primary hard red winter wheat producers pushed US wheat stocks higher at the start of March.

Total US wheat stocks were reported at 1.24bn bushels as of 1 March, up 14pc from the prior year, due to large gains in Kansas, Nebraska and Oklahoma, according to USDA data. Nearly all of the gains were in off-farm storage, which increased 61pc from the prior year across the three states to reach 229mn bu. Wheat held on-farm increased in these states as well, gaining 29pc from the previous year, but remained a smaller share of the total supply position at just 12mn bu.

Soybean supplies build off-farm

Soybean stocks remained above prior-year levels through the first half of the 2024-25 soybean marketing year, supported by limited growth in on-farm supplies and building off-farm storage levels.

US soybean total stocks reached 1.91bn bu at the start of March, gaining 4pc over the prior year, according to USDA data. Off-farm stocks gained 13pc from the prior year to reach 1.03bn t, as Illinois, Iowa and Nebraska had off-farm supplies increase by 25mn bu or more. In Illinois, the increase in off-farm storage was met by a 18pc decrease in on-farm storage. In Iowa, on-farm stocks gained 10pc from the prior year, boosting total stocks for the state to 360mn bu and making Iowa soybean supplies the largest within the US.

US GRAIN, OILSEED STOCKS***MN BUSHELS***

	1 Mar, 2025	Chng from Dec 2024	Chng from Ma
CORN TOTAL	8,150.6 7	-3,924.74	-201.71
OFF-FARM	3,650.6 7	-761.74	377.29
ON-FARM	4,500.0 0	-3,163.00	-579.00
WHEAT TOTAL	1,236.9 5	-336.04	148.24
OFF-FARM	929.82	-176.58	113.04
ON-FARM	307.13	-159.46	35.20
SOYBEANS TOTAL	1,910.0 4	-1,190.25	65.21
OFF-FARM	1,033.5 4	-526.75	121.71
ON-FARM	876.50	-663.50	-56.50
SORGHUM TOTAL	150.21	-62.17	44.45
BARLEY TOTAL	102.91	-13.87	-8.70
OATS TOTAL	41.35	-10.71	-10.08

TRUMP TO UNVEIL NEW TARIFFS ON 2 APRIL

Washington, 31 March (Argus) — President Donald Trump will roll out new tariffs targeting imports from specific countries and, separately, specific industries on 2 April, the White House said today.

Trump has taken to calling 2 April "Liberation Day", referencing his plan to unveil sweeping tariffs on major foreign trade partners. But Trump and his key advisers have described only in general terms what he will announce, leaving the government agencies that will be tasked with enforcing new tariffs largely in the dark.

Trump is set to unveil his tariffs during a special ceremony at the White House Rose Garden, in the presence of Cabinet members. The tariffs "will roll back the unfair trade practices that have been ripping off this country for decades," the White House said today. New actions will include both "country-based tariffs but certainly sectoral tariffs", and no exemptions will be issued, the White House said.

But Trump, speaking to reporters on Sunday, said that his new "tariffs will be far more generous than those countries were to us".

Trump has previewed or announced multiple tariff actions since taking office. The barriers actually in place now include a 20pc tariff on all imports from China, in effect since 4 March, and a 25pc tax on all imported steel and aluminium, in effect since 12 March.

Trump, via an executive order on 26 March, announced a 25pc tariff on all imported cars, trucks and auto parts, scheduled to go into effect on 3 April.

The 2 April date acquired its significance for the Trump administration soon after he took office on 20 January. An executive order he signed among his first actions in office required government agencies to investigate the causes of massive US trade deficits by 1 April and to suggest higher tariffs against all US trading partners.

Trump separately has talked about the need for "reciprocal tariffs", contending that most foreign countries typically charge higher rates of tariffs on US exports than the US applies to imports from those countries.

Trump's words and actions already have drawn retaliatory tariffs from Canada and China, and the EU is preparing to implement its first batch of counter-tariffs in April.

Trump – for now - has deferred his tariff plans for imported Canadian and Mexican oil and other energy commodities. But the US oil and gas sector, which depends on pipelines and foreign-flagged vessels to transport its crude, natural gas, refined products and LNG, will feel the effects of tariffs on imported steel and proposed fees on Chinese-made and owned vessels calling at US ports.

The US Federal Reserve Bank of Dallas, in a survey released last week, quoted US oil executives expressing deep concerns over Trump's trade policy.

"I have never felt more uncertainty about our business in my entire 40-plus-year career," one executive said.

Little reaction following big USDA corn acre outlook

St Louis, 31 March (Argus) — The US Department of Agriculture's (USDA) spring planting intentions report placed US corn acres on the high side of pre-report expectations, but drew little reaction from the market.

The 31 March US prospective planting report, a survey-based indicator of US crop planting for the year ahead, placed US corn planting at 95.326mn acres for the year, up 5.2pc from 2024.

On 27 February, the USDA published its annual market outlook, which speculated the US would plant 94mn acres of corn in 2025. Following the February USDA release, the March 2025 Chicago Board of Trade (CBOT) corn contract closed down \$0.13/bushel (bu) from the previous day due to the large projected planting.

With Monday's planting report release, the previously price bearish outlook for US corn acres was surprised by more than a million unforeseen acres. However, CBOT prices were undisturbed with the May 2025 delivered contract up 1pc and the December 2025 delivered mostly even with the start of the day.

That CBOT corn future contracts seem unaffected by Monday's report could signal a couple of things. This week is expected to bring several events that could sway the market, including US president Donald Trump's 2 April US tariff plan roll-out. Also, 1 April will bring the key US demand data with the USDA's release of its monthly grain milling and oilseed crushing reports. It may prove to be that the market is waiting on more information before making any large moves.

It may also be that US markets were prepared ahead of the report. The week ending 28 March saw the May CBOT corn futures close down \$0.11/bu from the end of the prior week, in anticipation of this week's planting report.

Soybean planting to hit the mark, mostly

US soybean planting was lower, and in line with expectations, drawing similarly little activity from the futures markets.

The USDA prospective planting report places 2025 US soybean planting at 83.495mn acres, down 4pc from the previous year and slightly below the USDA's February projection of 84mn acres. The market response could at best be described as moderately negative for price, with both the May and December 2025 delivered contracts closing down about 1pc from the start of the day. It appears likely markets may have expected a larger reduction in US soybean planting this spring, as the May CBOT futures contract gained \$0.13/bu from the previous Friday by the close of 28 March.

US spring wheat acres take a hit

US wheat acres are on pace to see a large reduction in 2025, with spring wheat planting in Montana and North Dakota projected to decline a combined 600,000 acres in 2025, according to the USDA's report.

Total US planted area is projected to reach 45.35mn acres for the 2025-26 marketing year. While projected corn planting was unexpectedly higher, and soybeans mostly in line with expectations, wheat planted acres were 1.65mn below the USDA's February projection, and more than a million acres below many pre-report estimates.

Spring wheat planting in North Dakota, the largest US spring wheat producing state, is projected to decline 5.6pc from the prior year to 5.05mn acres, while Montana, the second largest spring wheat producing state, is projected to see planting decline 12pc from the prior year to 2.15mn acres.

Some of Montana's lost spring wheat acres may be attributed to increased winter wheat, with the state increasing fall 2024 winter wheat planting by 18pc compared to the prior year, reaching 2.3mn acres.

US PLANTING INTENTIONS '000 ACRES

	2025	Chng from 2024
CORN	95,326	4,732
SOYBEANS	83,495	-3,555
WHEAT TOTAL	45,350	-729
WINTER	33,315	-75
SPRING	10,020	-605
DURUM	2,015	-49
SORGHUM	6,565	265
BARLEY	2,317	-56
OATS	2,177	-36
OTHER CROPS	29,360	-1,160
TOTAL CROPS	309,940	-1,268

Price and Data

Description	Unit	Price	Date
Corn Ukraine cpt POC spot	USD/t	226,50↓	31.03.2025
Wheat 11.5pc Ukraine fob POC spot	USD/t	240,50↑	31.03.2025
Wheat 12.5pc Russia fob Novorossiysk spot	USD/t	254,50-	31.03.2025
Soybean oil Argentina waterborne fob upriver USD/t month 1 - Houston close	USD/t	1.006,19↓	31.03.2025
Rapeseed oil fob Dutch Mill RSO - London close	USD/t	1.199,741↓	31.03.2025
Sunflower oil fob northwest Europe 6 ports spot - London close	USD/t	1.232,50↓	31.03.2025

↓ Price dropped in comparison to last report.

↑Price raised in comparison to last report.

-Price has not changed.

References:

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