

GRAINS

2024/2025 OUTLOOK SUMMARY



JANUARY/2025



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Soybean futures remain under strong downward pressure, with expectations of a record harvest in South America and record global stocks.

Corn prices are supported in the foreign and domestic markets, with a scenario of higher average prices throughout 2025.

In the wheat market, the failure in the 2024 harvest will increase the need for imports in 2025 and the rise in the dollar should impose an upward bias on prices.

The rice harvest will be larger in 2025, both in Brazil and in the Mercosur countries, which should put pressure on prices in the first half of 2025. In the cotton market, the lint is supported by the appreciation of the dollar and record Brazilian exports.

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SOYBEAN: 2024/2025 MARKET OUTLOOK

The trend is bearish for future prices in 2025, with a scenario of record harvest in South America, record global final stocks and an increase in the global stocks/consumption ratio.

Futures prices in Chicago for the first half of 2025 range between US\$9.90 and US\$10.20 per bushel and contracts for the second half of 2025 operate between US\$10.00 and US\$10.20 per bushel.

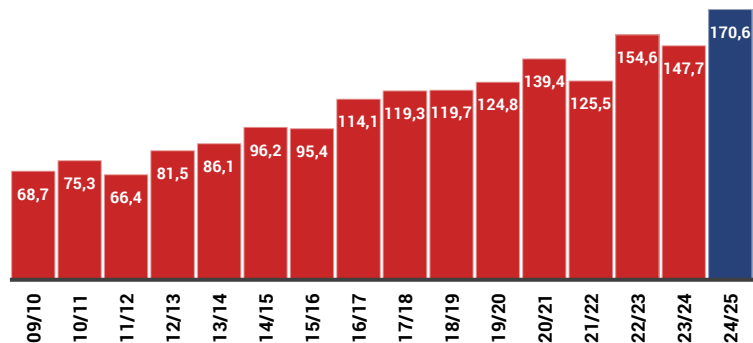
Our model for projecting future soybean prices indicates that soybean prices for the 2025 maturity should range between US\$9.52 and US\$10.49 per bushel.

In the most pessimistic forecast, our model for projecting future soybean prices indicates that prices could test even lower levels if the record harvest in South America is confirmed, fluctuating between US\$8.18 and US\$9.15 per bushel.

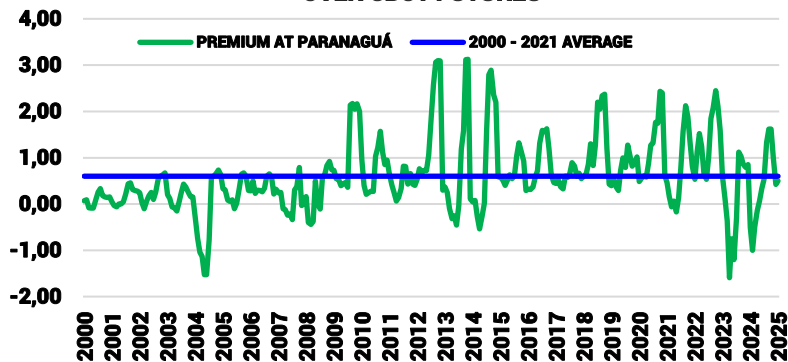
In Brazil, the trend is for prices to fall in the first half of 2025, with a decline in premiums at Brazilian ports, which are already in the negative range for shipments in March/April. However, premiums in Brazil could be impacted by Trump's policy, as already occurred during the previous administration: premiums increased by an average of 148% in 2018.



SOYBEAN: BRAZIL PRODUCTION - MMT



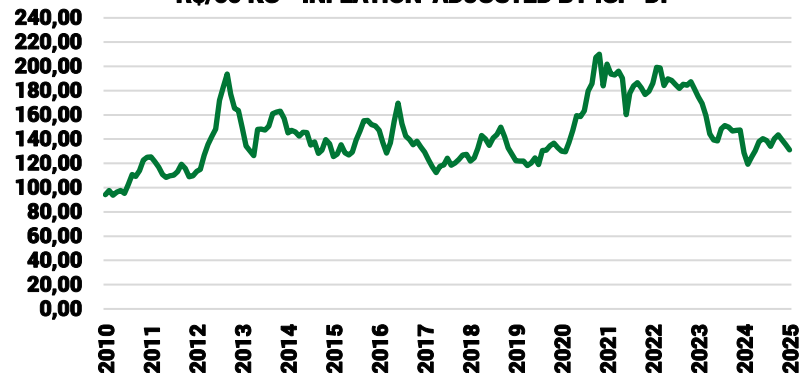
SOYBEAN: PREMIUMS AT PARANAGUÁ IN US\$/BUSHEL OVER CBOT FUTURES



SOYBEAN: CHICAGO FUTURE PRICES US\$/BUSHEL



SOYBEAN: PRODUCER PRICES FOB PR R\$/60 KG - INFLATION-ADJUSTED BY IGP-DI





CORN: 2024/2025 MARKET OUTLOOK

Corn futures in Chicago for 2025 are trading between US\$4.45 and US\$4.70 per bushel. There will be a reduction in the global stock/consumption ratio in 2025, which should provide greater support for external prices, with an upward bias in the long term.

In Brazil, faster soybean cultivation will allow the sowing of the 2nd corn crop at the ideal time. Despite the prospect of higher production, our estimates indicate record domestic consumption, especially by the animal protein sector and the growing corn ethanol industry. We should have a balance between supply and demand throughout 2025, with exports limited by the smaller surpluses.

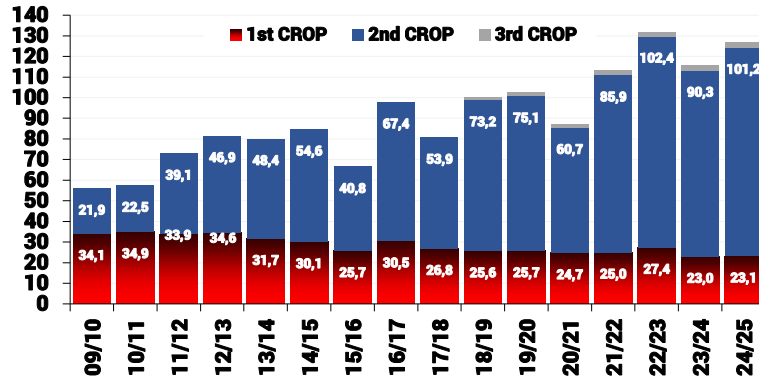
The projection is for a 4.0% increase in the planted area for the 2nd crop in 2025, with a large part of the crop planted within the ideal cultivation window and a harvest potential of 101 MMT.

The total Brazilian corn harvest for 2024/2025 is estimated by our Consulting firm at 126.8 MMT, 9.6% above the volume harvested in the 2023/2024 harvest.

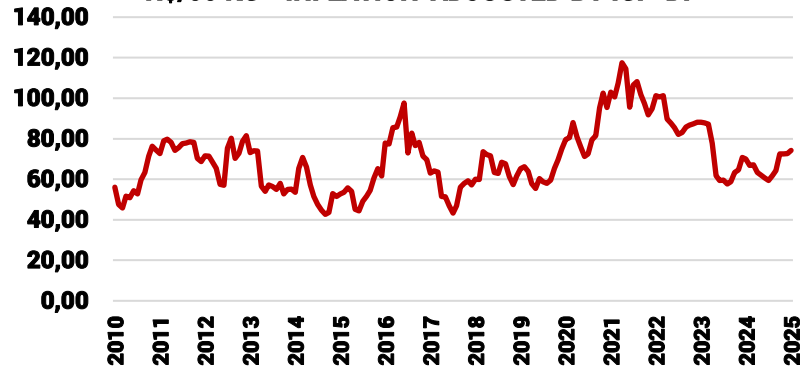
The strong dollar increases Brazil's export parity, which should make foreign sales more attractive in 2025, creating a higher price floor during the 2nd crop harvest.



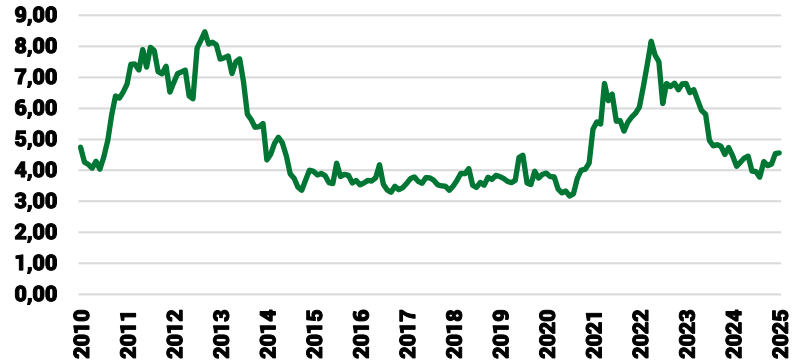
CORN: BRAZIL PRODUCTION - MMT



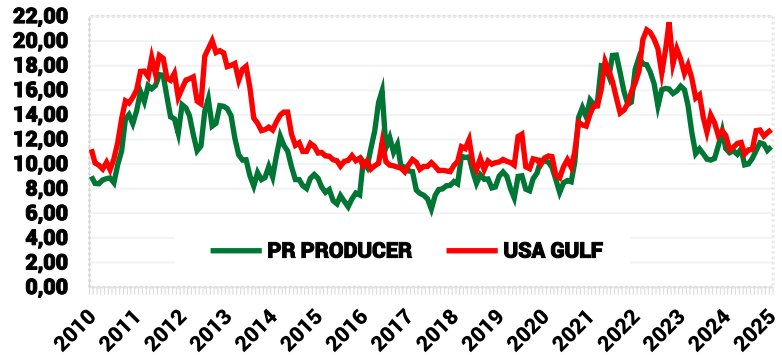
CORN: WHOLESALE PRICES CIF SÃO PAULO R\$/60 KG - INFLATION-ADJUSTED BY IGP-DI



CORN: CBOT FUTURE PRICES US\$/BUSHEL



CORN: PRICE PARITY PRODUCER PARANÁ X US GULF US\$/60 KG FOB





WHEAT: 2024/2025 MARKET OUTLOOK

With crop failures in Paraná and losses also in Rio Grande do Sul, our Consulting firm's estimate for the 2024 Brazilian harvest was reduced to 7.6 MMT, well below domestic consumption, estimated at 12.0 MMT.

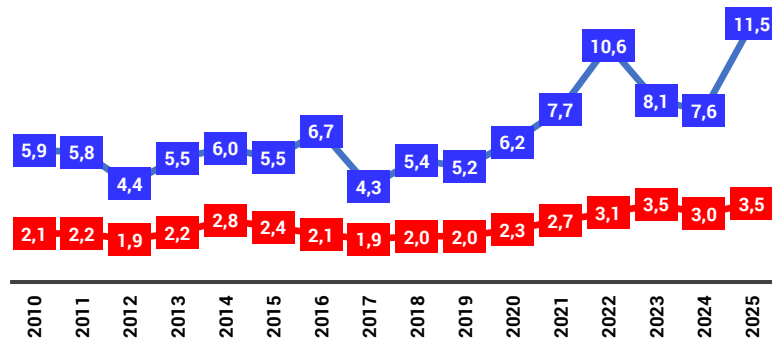
Prices for bread wheat FOB producer range between R\$1,360 and R\$1,400/tonne in Paraná and between R\$1,200 and R\$1,245/tonne in Rio Grande do Sul. With the rise in the dollar, producers are holding back remaining lots in anticipation of higher prices, while mills are buying hand to mouth, awaiting pressure from the arrival of the 1st corn harvest, which could generate greater release of wheat stocks.

The year 2025 begins with less wheat available on the domestic market. In the second half of 2024, the crop failure was partially offset by increased imports. Therefore, foreign purchases should remain strong in the first half of 2025, with prices trending upwards.

Higher wheat prices in the coming months may lead Brazilian producers to increase the area planted in the next season. Our Consulting firm estimates a 15.5% increase in the area to be planted with wheat in Brazil in 2025, to 3.5 million hectares, with a production potential of 11.5 MMT, 50% above the 2024 harvest.

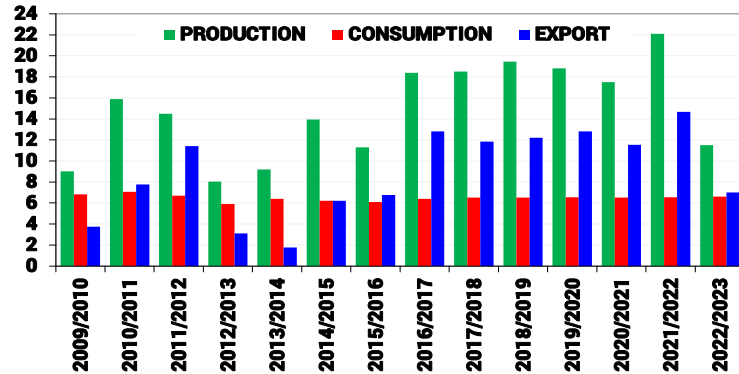
WHEAT: BRAZIL AREA AND PRODUCTION

— AREA - MILLION HA — PRODUCTION - MMT

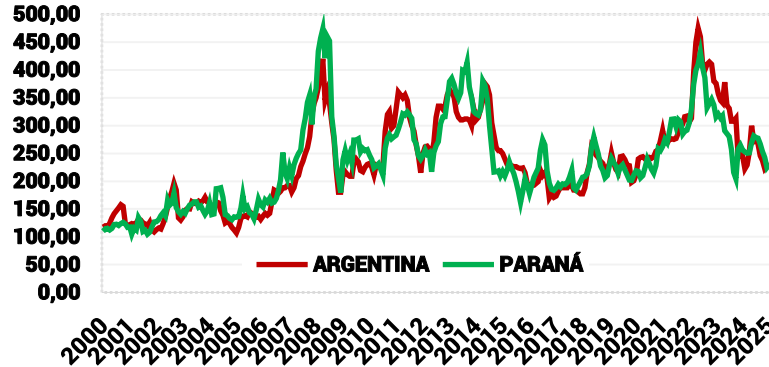


ARGENTINA: WHEAT SUPPLY - MMT

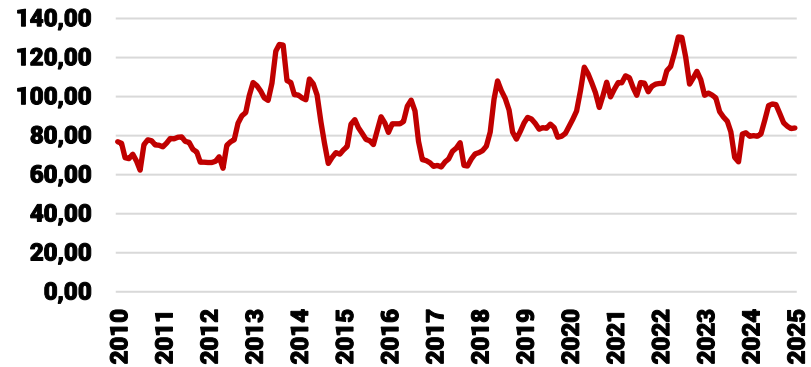
■ PRODUCTION ■ CONSUMPTION ■ EXPORT



BREAD WHEAT: FOB PRICES US\$/T ARGENTINA (ROSÁRIO) X PR (PRODUCER)



WHEAT: FOB PRODUCER PR PRICES - R\$/60 KG INFLATION-ADJUSTED BY IGP-DI





RICE: 2024/2025 MARKET OUTLOOK

The area planted with rice in Brazil saw a strong expansion of 7.4% in the 2024/2025 harvest, with production estimated at 11.8 MMT, 11.5% above the previous season. With domestic consumption estimated at 11.0 MMT, import needs are expected to decline in 2025, with potential for exports to expand.

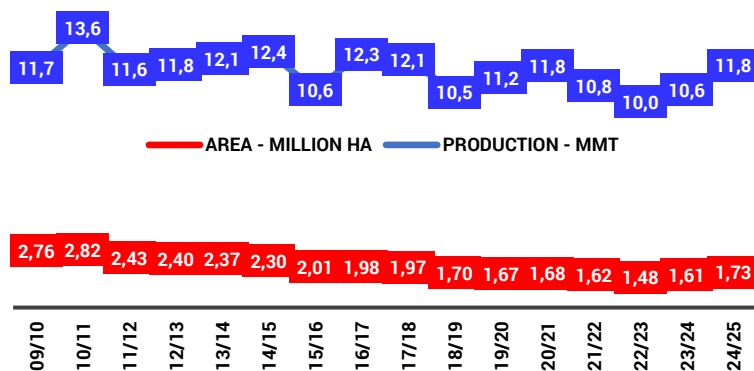
Between January and December 2024, Brazilian rice exports (paddy basis) fell by 17%, while imports grew by 11% in the same period. In 2025, this situation is expected to reverse, with exports growing by more than 30% compared to 2024 and imports falling by 14% compared to last year.

The return of exports from India in 2025 should increase availability in global trade, reducing international prices, which have already fallen 23% over the past 12 months. However, the appreciation of the dollar in Brazil should increase import and export parities, mitigating the downward potential of the larger harvest on prices.

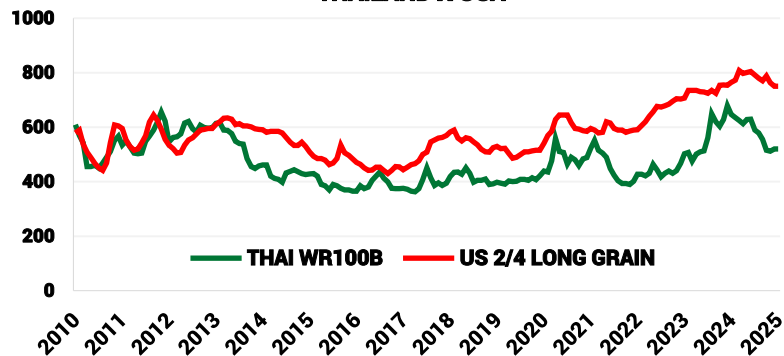
In the auctions of Put Option contracts held by Conab last December, 91.7 thousand tonnes were traded. Producers' interest in Put Options should grow in the next auctions, if the downward pressure on prices intensifies during the harvest of the new crop.



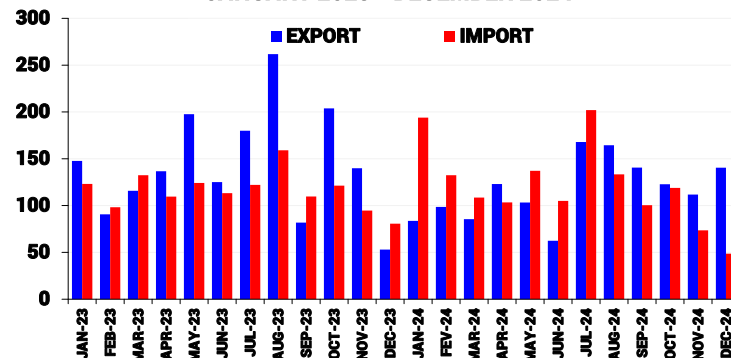
RICE – BRAZIL AREA AND PRODUCTION



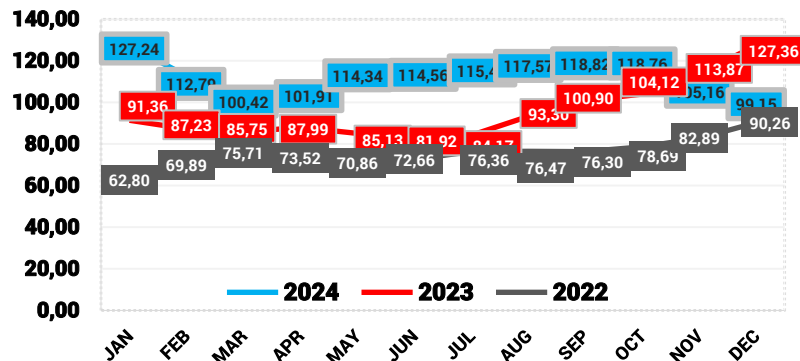
PROCESSED RICE LONG-GRAIN: FOB PRICES US\$/TONNE THAILAND X USA



RICE: BRAZIL EXPORT x IMPORT 1000 T (PADDY) JANUARY 2023 - DECEMBER 2024



PADDY RICE: FOB PRODUCER RS PRICES 58% UNBROKEN - R\$/50 KG





PULSES - BEANS: 2024/2025 MARKET OUTLOOK

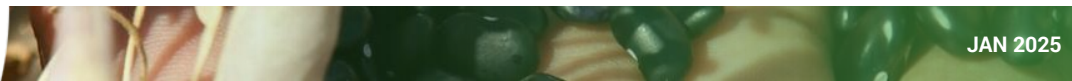
Prices for carioca beans with grades 9/10, FOB producer, are fluctuating between R\$195 and R\$225 per 60 kg in January 2025, compared to R\$230 and R\$245 last December.

Prices for black beans-extra, FOB producer, are ranging from R\$185 to R\$205 per 60 kg in January 2025, compared to R\$220 and R\$240 last December.

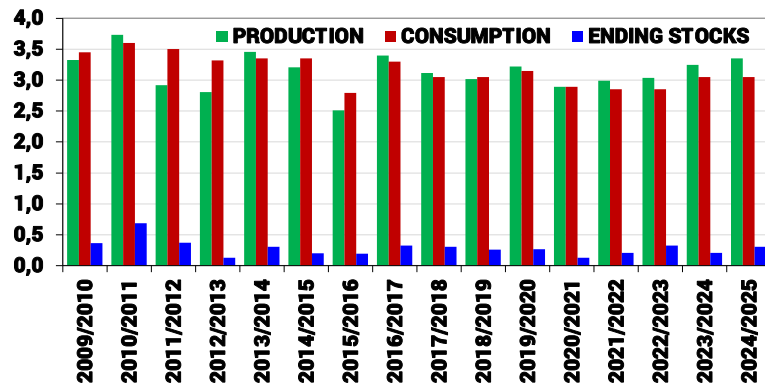
In general, negotiations mostly take place on the spot market, right after the harvest and according to the buyers' needs. As a result, supply pressure increases on prices.

In an environment where domestic consumption has been relatively stable for at least eight harvests, the growth in bean cultivation will only tend to find support in exports. The expectation is that foreign sales in 2025 will perform well, especially after the record sales recorded in 2024.

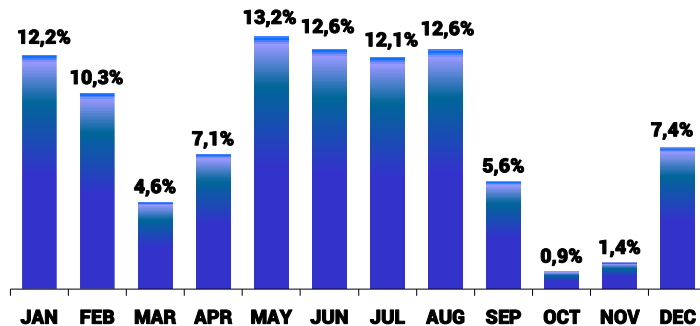
The year 2025 points to a challenging scenario for producers, with greater supply and growth in domestic surpluses, which, for now, will be the largest in history. Therefore, external sales will be essential to sustain prices in the coming months.



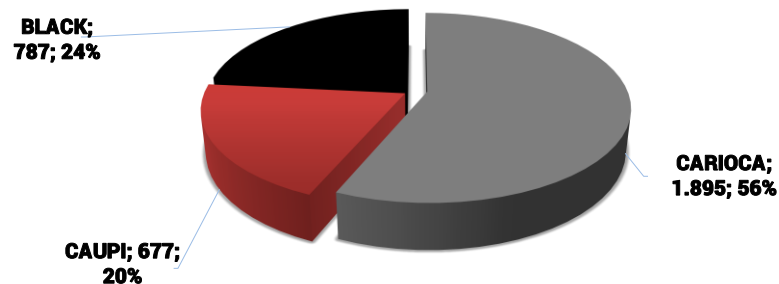
BEANS: BRAZIL SUPPLY - MMT



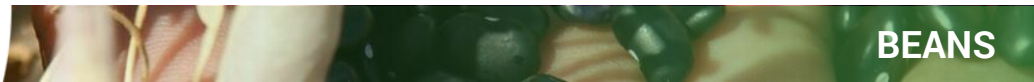
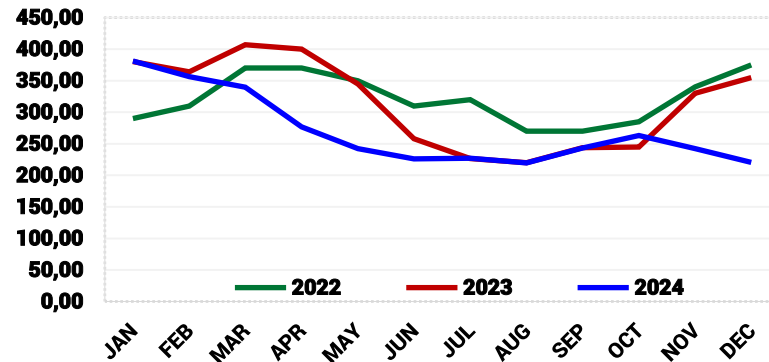
BEANS: MONTHLY CROP DISTRIBUTION 3 ANNUAL HARVESTS



BEANS: BRAZIL 2024 PRODUCTION DISTRIBUTION BY CLASS - THOUSAND TONNES AND %



CARIOCA BEANS: FOB PRODUCER SP PRICES R\$/60KG - BATCH MARKET





COTTON: 2024/2025 MARKET OUTLOOK

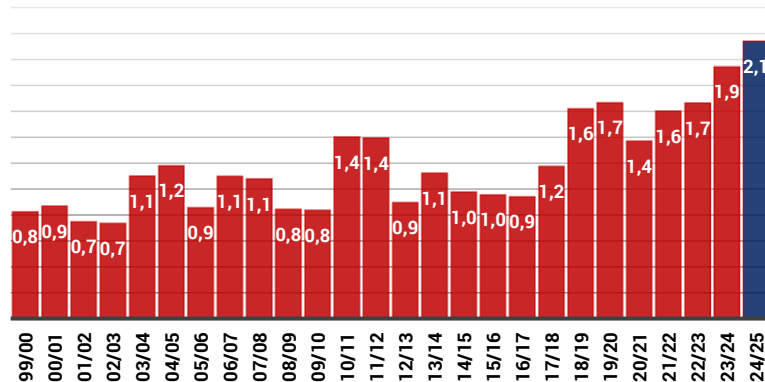
Cotton lint prices fluctuate between R\$4.15 and R\$4.18 per pound on the domestic market, in line with the appreciation of the dollar in Brazil. On the New York Stock Exchange, futures contracts maturing in 2025 fluctuate between 68 ¢ and 71 ¢ per pound, accumulating an average decline of 19% over the last 12 months.

Despite the external devaluation and the slow pace of sales in the domestic spot market at the beginning of the year, cotton lint prices are rising in Brazil. The support comes from the firm position of sellers, who are paying attention to the high level of the dollar.

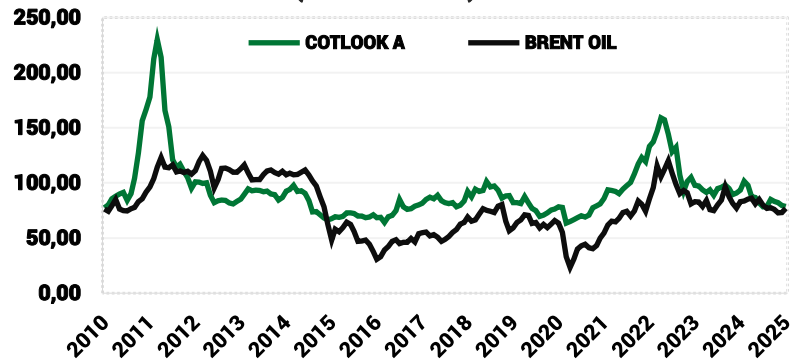
The Free Alongside Ship export parity is R\$4.13/pound (68 ¢/pound) at the Port of Santos, based on the Cotlook A Index, referring to the cotton lint sent to the Far East.

Global cotton production is growing more than demand, increases in production costs exceed increases in sales prices for the new season, the global economy signals growth in line with that observed in 2024, oil is trading at levels below those recorded a year ago (which favors synthetic fibers) and cotton lint futures contracts indicate stability, with a downward bias for 2025.

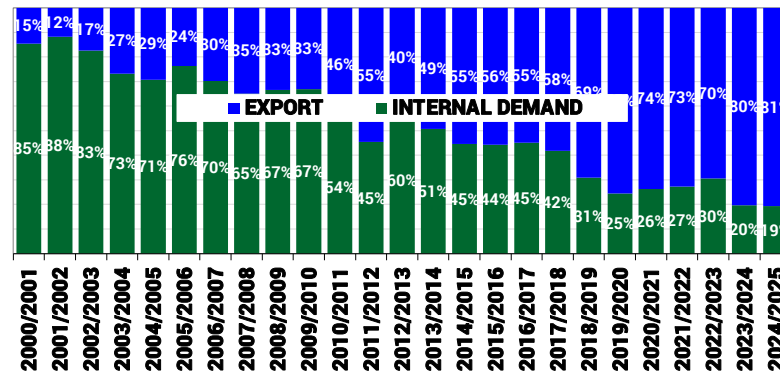
COTTON: BRAZIL AREA – MILLION HA



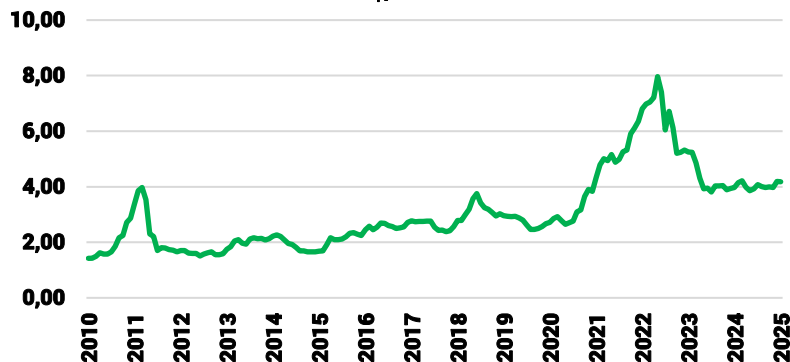
BRENT OIL (U\$/BARREL) X COTLOOK A INDEX (CENTS/POUND)



COTTON LINT: BRAZIL PRODUCTION DESTINATION



COTTON LINT: ESALQ INDICATOR MONTHLY AVERAGE R\$/POUND





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