

# GRAINS

## 2025/2026 OUTLOOK SUMMARY



MAY/2025



## TABLE OF CONTENTS

*The truce in the “global tariff war” boosted future soybean prices in Chicago, but negatively impacted premium values at Brazilian ports.*

*The harvest of the second corn crop begins, increasing the downward pressure on domestic grain prices. In addition, the market is still evaluating the future impacts of the detection of the first outbreak of “Bird Flu” on a commercial farm in Rio Grande do Sul.*

*In the rice market, prices remain weak, with available supply exceeding demand. In the wheat segment, the lack of rural credit in the South of the country negatively impacted the area to be planted in 2025.*

Item	Page
Soybean: 2025/2026 outlook	03
Corn: 2025/2026 outlook	05
Wheat: 2025/2026 outlook	07
Rice: 2025/2026 outlook	09
Beans: 2025/2026 outlook	11
Cotton: 2025/2026 outlook	13





# SOYBEAN: 2025/2026 MARKET OUTLOOK

The trade truce between the US and China could limit the growth of Brazilian soybean shipments – China reduced the US import tariff from 125% to 10%. This led to an increase in futures in Chicago and a devaluation of premiums at Brazilian ports.

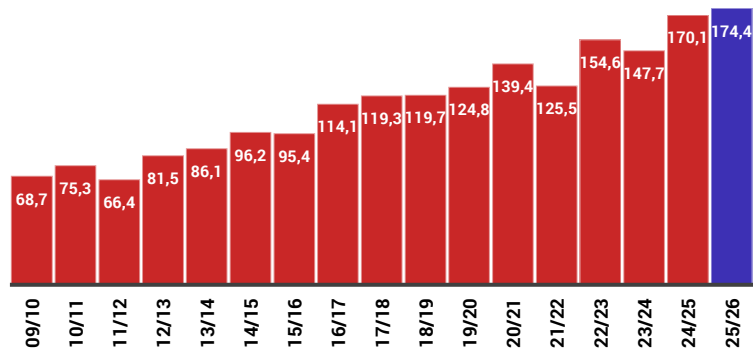
However, despite this 90-day pause in tariffs between China and the US, there is still no sign of an effective resumption of Chinese purchases in the US. Demand remains concentrated in South American origins, with China covering the months of July/August with imports from Brazil and Argentina. China could resume its purchases in the US market from September/October, with the entry of the new harvest into the market.

The “climate market” is expected to gain prominence in the formation of future prices on the CBOT in the coming weeks. Soybean planting in the US is progressing and there are forecasts of heavy rainfall in part of the US Midwest, which could ensure a good harvest in the country, despite the 4.1% drop in the area planted with soybeans in the 2025/2026 harvest.

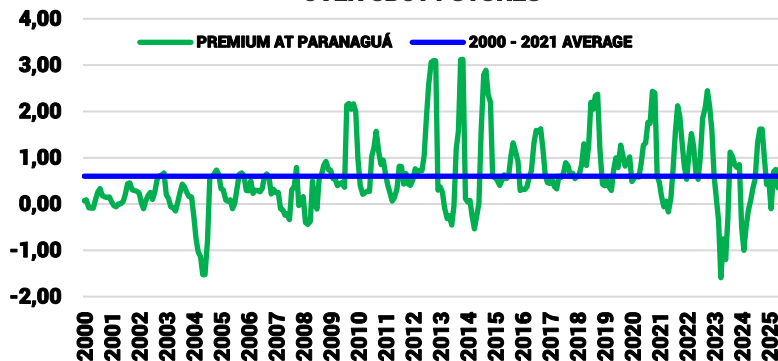
The first estimate of global supply and demand for the 2025/2026 season indicates record ending stocks, projected at 124.3 MMT. The relationship between ending stocks and global demand, however, is expected to decline slightly, to 29.3%, but it still represents a high level and will not have significant impacts on futures.



### SOYBEAN: BRAZIL PRODUCTION - MMT



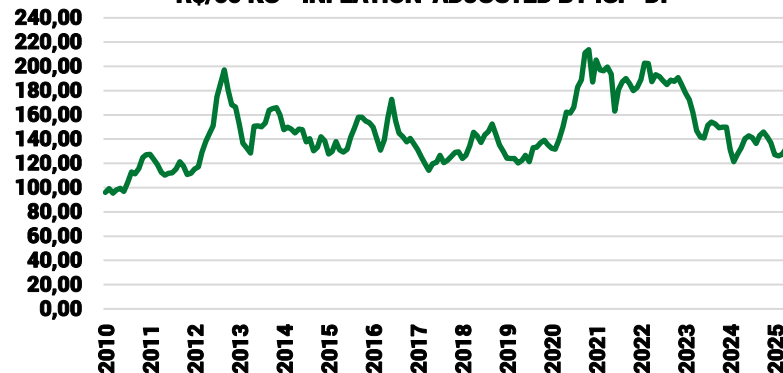
### SOYBEAN: PREMIUMS AT PARANAGUÁ IN US\$/BUSHEL OVER CBOT FUTURES



### SOYBEAN: CHICAGO FUTURE PRICES US\$/BUSHEL



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





# CORN: 2025/2026 MARKET OUTLOOK

Corn prices continue to face downward pressure in the domestic market, given the progress of the 2<sup>nd</sup> crop harvest in 2025, the prospect of good productivity and the reduction of the so-called "climate risk premium". The market continues to price the relief from concerns about losses in the second crop. The downward pressure is expected to persist, with shipments limited by competition with soybeans at ports.

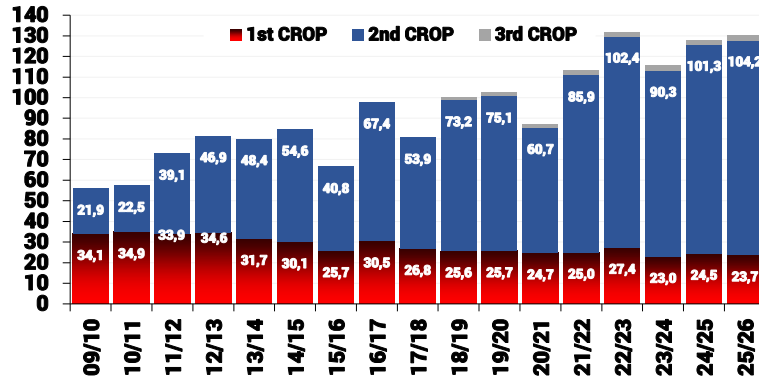
Despite expectations of a full harvest, the domestic supply and demand scenario is tight and the combination of strong demand for feed and corn ethanol may limit more aggressive declines. From July onwards, the pace of exports may support prices.

On the external front, corn futures prices are supported on the Chicago Board of Trade, driven by the reduction in global stocks. The global balance indicates a strong adjustment between supply and demand in 2025/2026, with a sharp reduction in the ending stocks/global demand ratio, which will fall to the lowest level since the 2014/2015 season.

The stocks/global consumption ratio projected for the end of the 2025/2026 season is 21.8%, well below the average of the last five years, of 26.4%. This is the lowest ratio since the 2013/2014 season. The projection of a record 2025/2026 harvest in USA may impose limitations on future prices in the medium term.



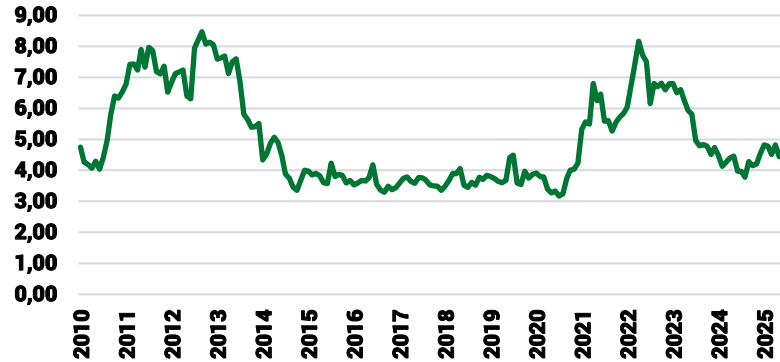
## CORN: BRAZIL PRODUCTION - MMT



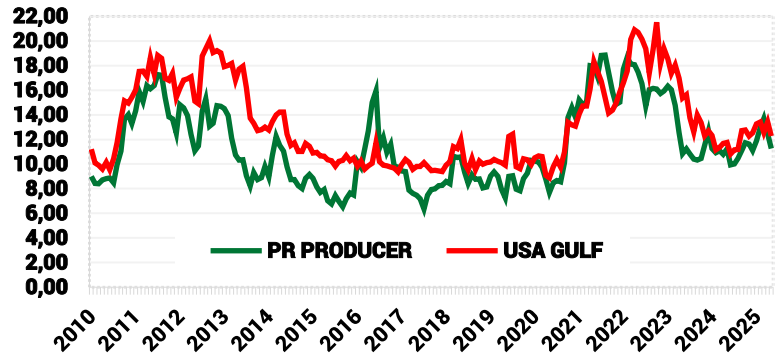
## CORN: WHOLESALE PRICES CIF SÃO PAULO R\$/60 KG - INFLATION-ADJUSTED BY IGP-DI



## CORN: CBOT FUTURE PRICES US\$/BUSHEL



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





# WHEAT: 2025/2026 MARKET OUTLOOK

Wheat prices remain stable in the domestic market, with limited supply during this off-season. Wheat buyers are showing some resistance to paying higher prices for new batches of grain. In addition, buyer stance is also linked to recent external devaluations of wheat.

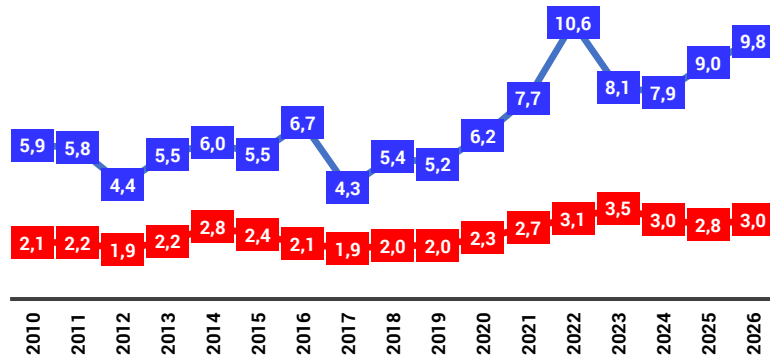
Producers who still have wheat left over from the previous harvest are holding on to the batches in the expectation of an increase in bids until the start of the national harvest. The decline is also explained by producers' focus on planting the 2025 harvest. The pace of activity is considered satisfactory, with expectations that the weather will be favorable and that this year's production will exceed that of 2024.

Bread wheat prices FOB producer range between R\$1,550 and R\$1,600 per tonne in Paraná and between R\$1,400 and R\$1,450 per tonne in Rio Grande do Sul. For the new crop, buyers are indicating R\$1,450 to R\$1,500 per tonne CIF at the mill in the interior of Paraná.

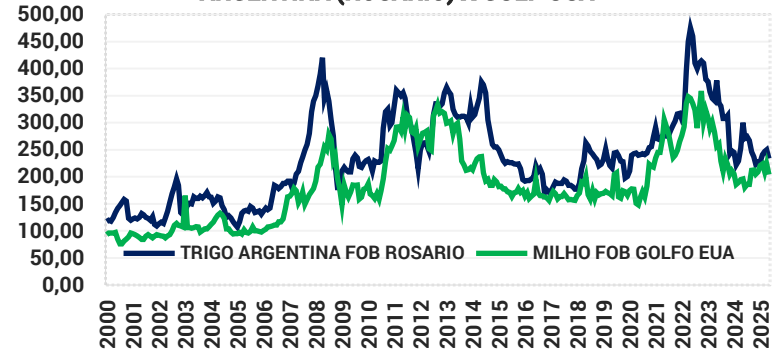
In Argentina, the area to be planted with wheat in the next 2025/2026 harvest is estimated at 6.9 Mha, an increase of 8% compared to the previous season and the largest planted area in the last 24 years. On the CBOT, the May/2025 contract for Soft Red Winter wheat has fallen by 5% in the last 30 days, falling to the lowest level since August 2024, due to the improvement in the weather in the producing areas of the United States.

## WHEAT: BRAZIL AREA AND PRODUCTION

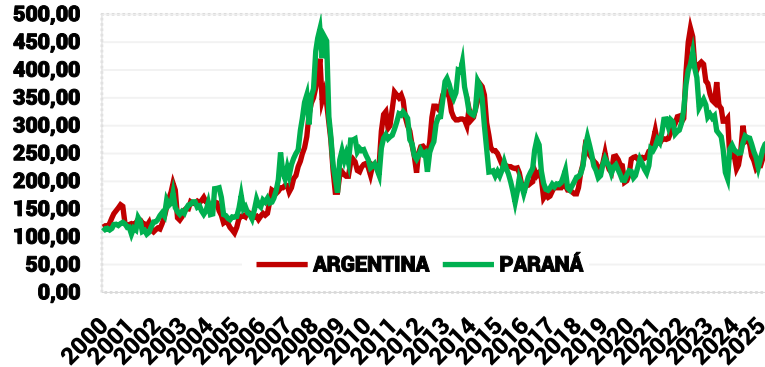
— AREA - MILLION HA — PRODUCTION - MMT



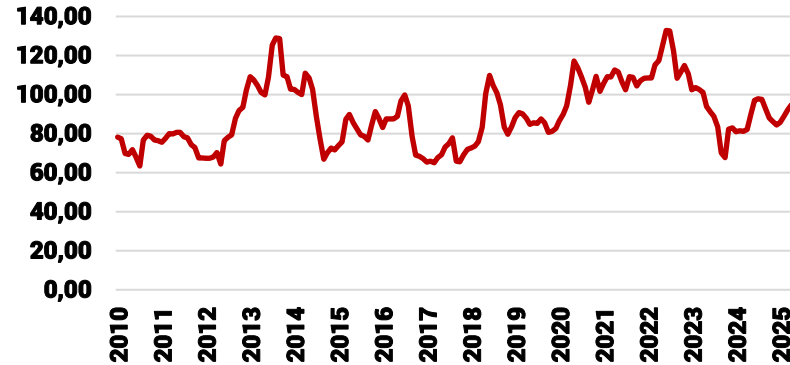
## WHEAT X CORN: FOB PRICES US\$/T ARGENTINA (ROSÁRIO) X GULF USA



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



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







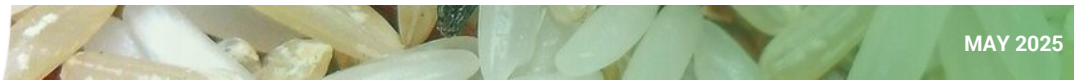
# RICE: 2025/2026 MARKET OUTLOOK

Prices for paddy rice in Rio Grande do Sul remain weak, given the growing disparity between the prices offered by buyers and asked by sellers. The current average price for paddy rice is 38% lower than the same period last year. This scenario is expected to affect the profitability of producers, influencing their decision regarding the cultivation of the new season, in the second half of 2025.

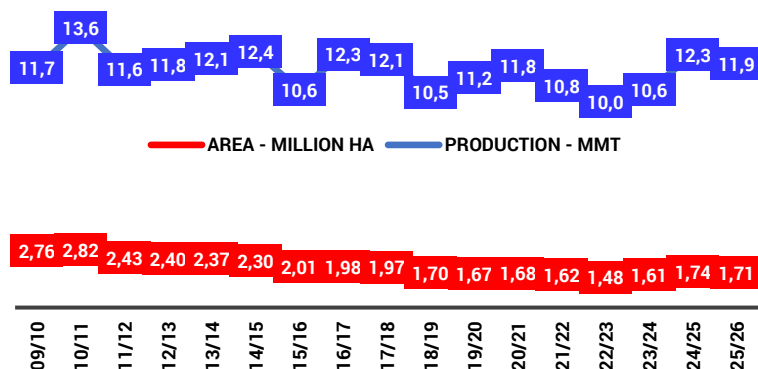
Global rice prices have also recorded sharp declines in the same period, with the grain processed in Thailand accumulating a 36% decline in the last 12 months, reflecting the end of export restrictions from India – the largest global exporter.

Brazilian production is estimated at 12.3 MMT in 2025, 16% above the previous harvest and well above the estimated domestic consumption of 10.5 MMT, which should significantly increase ending stocks for 2026.

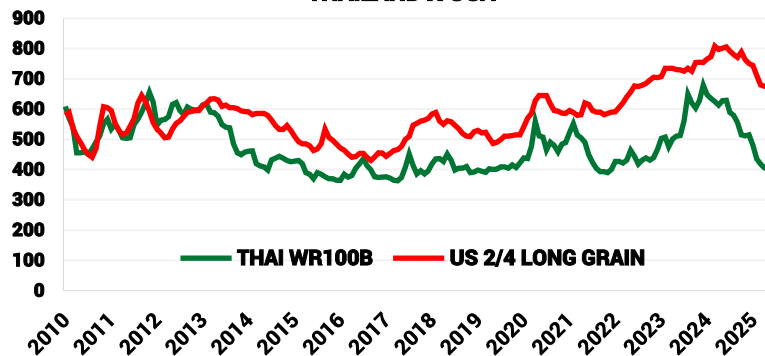
Brazilian rice exports fell 7% in volume between January and April this year, when compared to the same period in 2024. Imports, on the other hand, fell 17%, on the same basis of comparison. Stronger foreign sales at this time could reduce the domestic surplus and support prices. Given the higher production, Brazil is expected to export 2 MMT of rice in the current harvest.



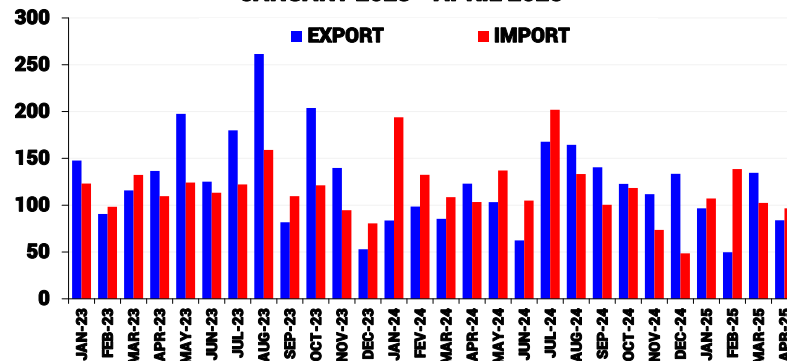
## RICE – BRAZIL AREA AND PRODUCTION



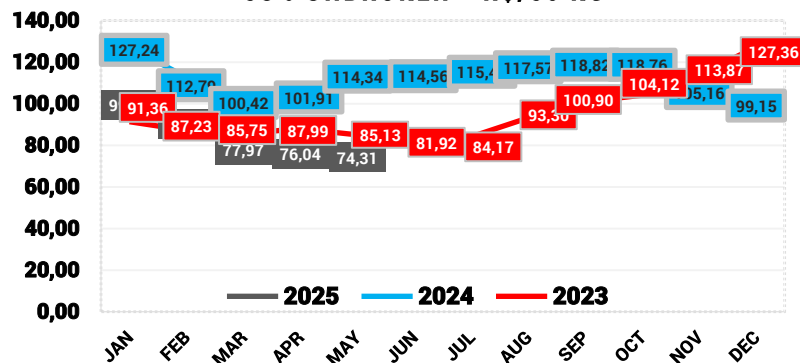
## PROCESSED RICE LONG-GRAIN: FOB PRICES US\$/TONNE THAILAND X USA



## RICE: BRAZIL EXPORT x IMPORT 1000 T (PADDY) JANUARY 2023 - APRIL 2025



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





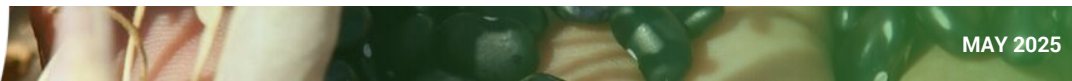
# PULSES - BEANS: 2025/2026 MARKET OUTLOOK

Prices for carioca beans with grades 9/10, FOB producer, are fluctuating between R\$265 and R\$300 per 60 kg in May 2025, compared to R\$260 and R\$280 last April. Prices for black beans-extra, FOB producer, are fluctuating between R\$125 and R\$140 per 60 kg in May 2025, compared to R\$145 and R\$165 last April.

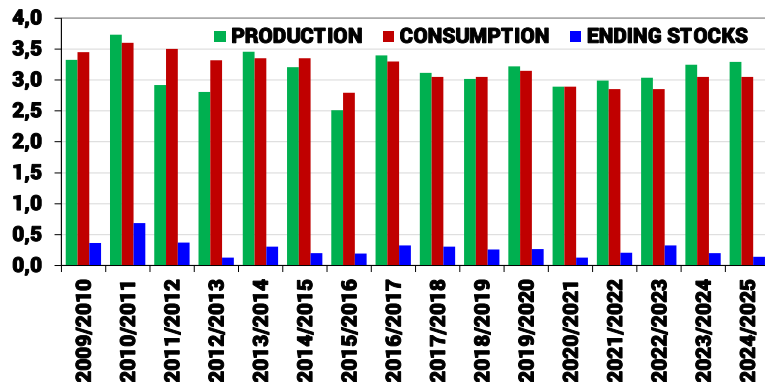
In several regions of the country, the larger availability of beans, given the advance of the 1<sup>st</sup> crop harvest, is keeping trading values down. The biggest pressure is observed on black bean prices. For this grain, many producers increased supply because they needed to make cash.

The prices of higher quality beans, especially carioca beans, remain firm, supported by selective demand and the limited supply of freshly harvested and/or well-stored lots. In addition, demand is more active from industries and the retail market. These buyers aim to replenish stocks with higher quality products, which contributes to the acceptance of higher priced offers.

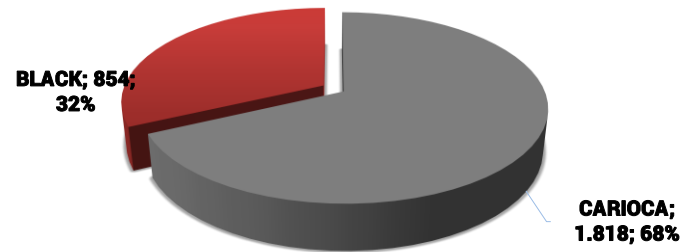
By the beginning of May, the harvest of the 1<sup>st</sup> Brazilian bean crop for 2024/2025 had reached 91% of the area. The market's attention is now turning to the 2<sup>nd</sup> crop of 2025, especially in the South of the country.



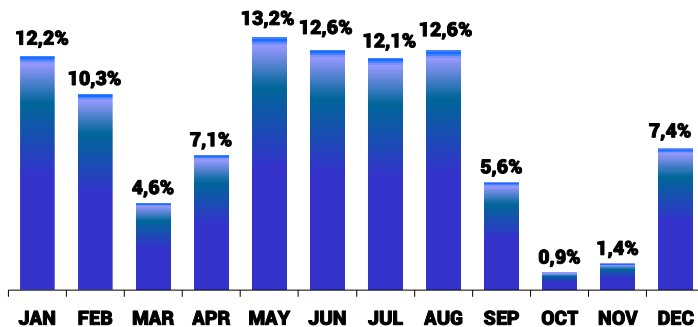
### BEANS: BRAZIL SUPPLY - MMT



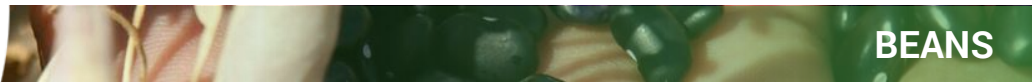
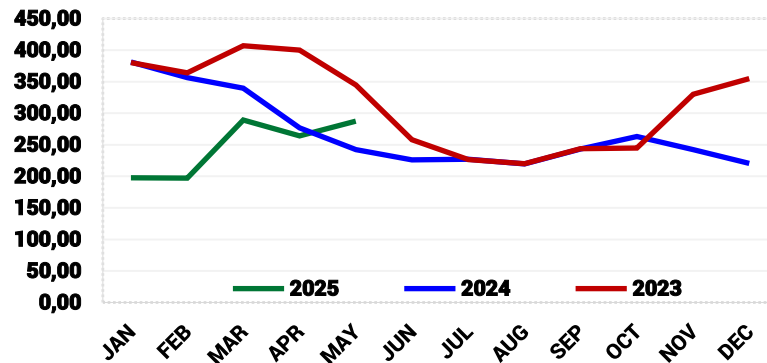
### BEANS: BRAZIL 2024 PRODUCTION DISTRIBUTION BY CLASS - THOUSAND TONNES AND %



### BEANS: MONTHLY CROP DISTRIBUTION 3 ANNUAL HARVESTS



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





# COTTON: 2025/2026 MARKET OUTLOOK

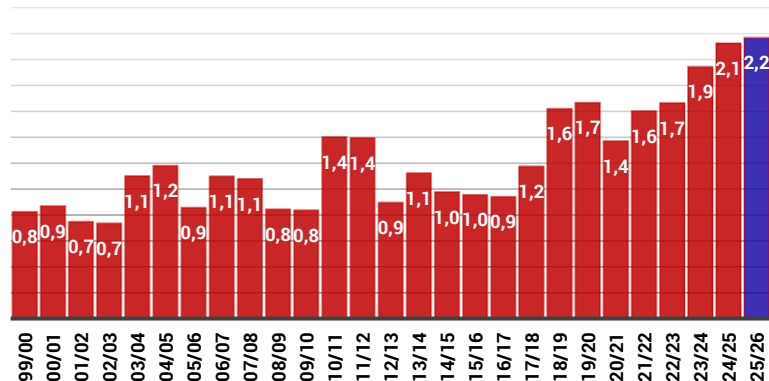
Cotton prices remain stable in the domestic market, with cotton priced between R\$4.30 and R\$4.40 per pound. Remaining stocks from the 2023/2024 harvest remain in warehouses, with producers reluctant to deliver more batches to the industry, and thus sales are lagging. International prices, which have been structurally low this year, are not encouraging the producer side.

Buyers, aiming to have raw material until the new harvest, which begins this May, are seeking to close forward contracts involving the 2024/2025 and 2025/2026 harvests. Producers remain firm, limiting the supply of batches.

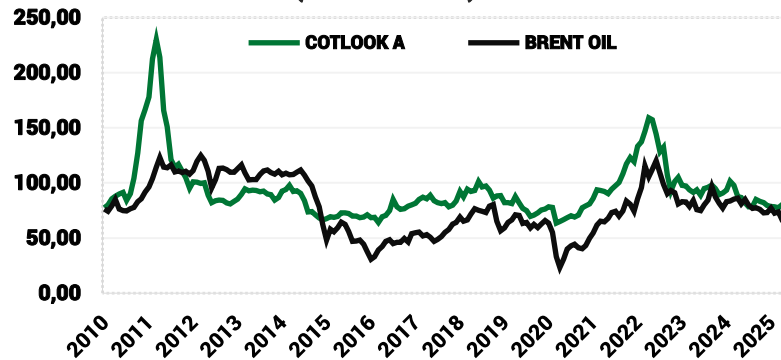
However, domestic demand for the fiber remains firm, which is why domestic prices are more sustainable than those for export. Since the beginning of 2025, domestic prices for cotton lint have been operating above export parity. The Free Alongside Ship export parity is R\$3.86 per pound (67.98¢ per pound) at the Port of Santos, based on the Cotlook A Index, referring to lint sent to the Far East.

Throughout this month of May, lint prices have continued to rise, while international prices have weakened. In this scenario, the domestic advantage over the foreign price has increased.

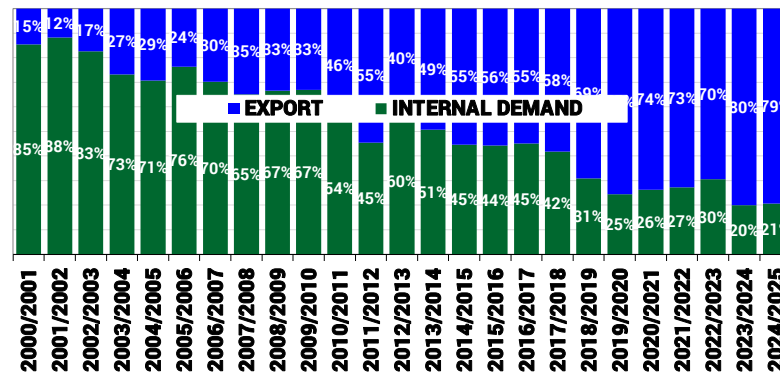
## COTTON: BRAZIL AREA – MILLION HA



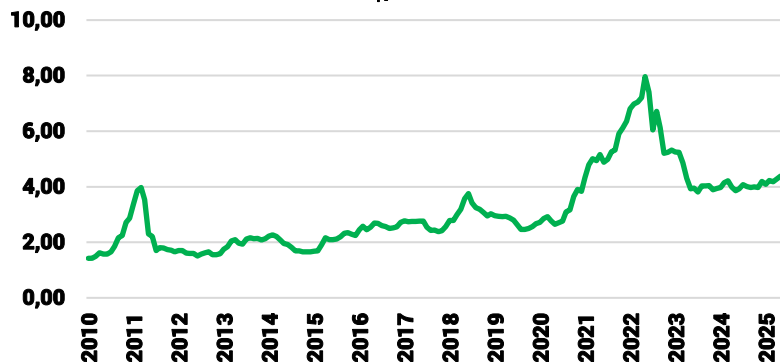
## BRENT OIL (U\$/BARREL) X COTLOOK A INDEX (CENTS/POUND)



## COTTON LINT: BRAZIL PRODUCTION DESTINATION



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





**+55 51 32481117**

**+55 51 999867666**



**[www.carloscogo.com.br/en](http://www.carloscogo.com.br/en)**



**[consultoria@carloscogo.com.br](mailto:consultoria@carloscogo.com.br)**



**[@cogointeligencia](https://www.instagram.com/cogointeligencia)**

