

MAIZE



APRIL 2025

Grain Market Outlook

Table of contents:

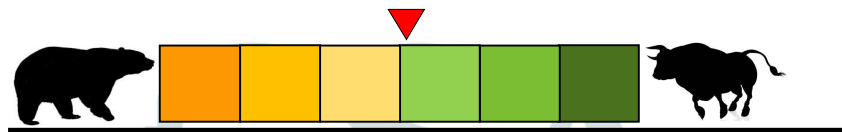
1. Bearish and bullish factors.....1
2. World maize production.....2
3. World supply and demand (WASDE).....3
4. Spot price comparison.....3
5. WM movements.....4
6. YM movements.....4
7. Parity movements.....5

This report was compiled by the applied economics team of Grain SA. If you would like any further information, or to be added to the monthly contact list, please feel free to contact Heleen (heleen@grainsa.co.za) or Strelza (strelza@grainsa.co.za)

1. Bearish and bullish factors

Global markets are keeping a close eye on the shift in market dynamics due to changing tariffs. However, when looking at trade statistics from the US, exports does not seem to be decreasing. Increasing global supply could add pressure to global prices.

SHORT-TERM PRICE TREND



LONG-TERM PRICE TREND



Bearish factors:

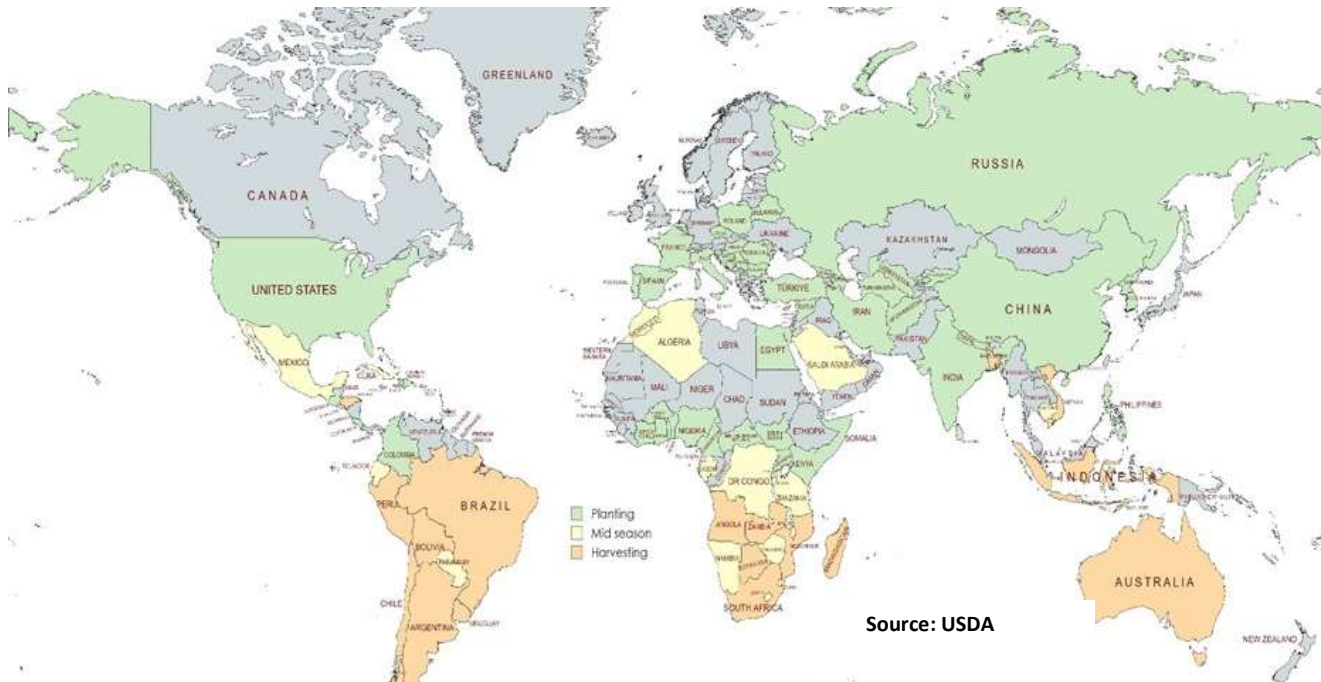
- Despite tariff fears, and less imports from China. The US export shipments as of 3 April increased 18% year-on-year. US maize is expected to remain very competitive until June when Brazil's second crop of Safrina maize comes on the market.
- The US is currently busy planting the 2025 crop. As of April 20th, maize plantings were slightly ahead of the five-year average as well as the previous season.
- In its April Grain Market Report, the IGC revised its maize output projection to a record 1.274 billion tonnes, adding to global pressure. If realized, corn output would be 5% higher than in 2024-25

Bullish factors:

- In the April WASDE report global supply was adjusted slightly upwards. However, use for the feed market increased to such an extent that ending stocks was lowered. If this trend continues, global maize prices could find support.



2. World maize production

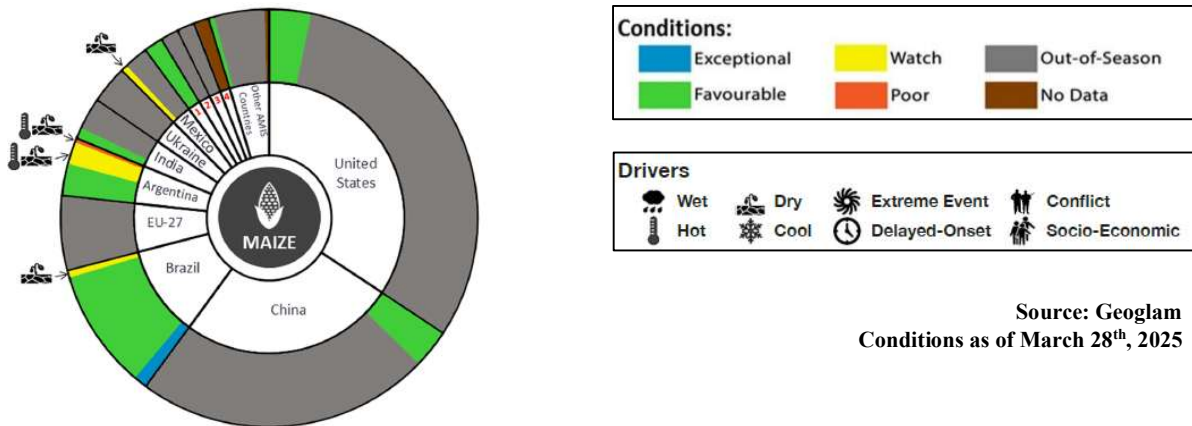


1.1. Global crop production conditions

Conditions in the southern hemisphere are mixed due to exceptional conditions in Brazil and some drought areas in Argentina. The northern hemisphere is starting to plant.

Comments on El Niño: The El Niño Oscillation (ENSO) have been in a La Niña phase since late March. Forecasts currently estimate a 65% chance of ENSO-neutral conditions until October 2025, according to the IRI¹.

¹International Research Institute for Climate and Society



South Africa¹, Russian Federation², Canada³, Indonesia⁴

Brazil: The harvest of their smaller season spring-planted crop is still under favourable conditions. Planting of their summer crop is coming to an end.

Argentina: Experiencing a decrease in expected yield with the early-planted crop because of not enough rain during the growing season. Rain in February helped to stem yield losses for the late-planted crop.

China: Starting to plant the spring-planted crop.

India: Rabi crop continues to be under favourable conditions.

Mexico: Lack of irrigation water continues to be a problem.



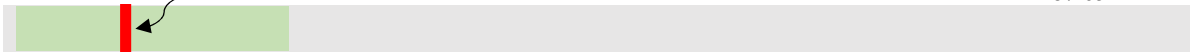
United States: The southeast is starting to plant. Total area planted is estimated to be larger than the previous season.

South Africa: Crop conditions are improving due to above-normal rainfall since early February.

3. World supply and demand

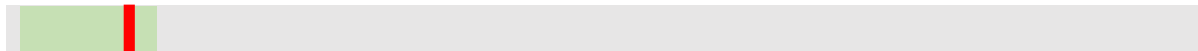
3.1. World Agricultural Supply and Demand (WASDE) APRIL 2024/2025 Overview

World: Beginning stocks 314.33 mil. tons (12% normal level) Ending stocks 287.65 mil. tons



Stock-to-use percentage: 23.16%; three-year-average: 25.02%

United States: 44.79 mil. tons Ending stocks 37.22 mil. tons



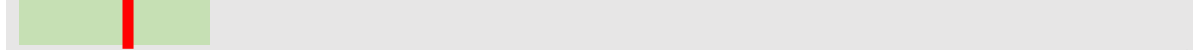
Stock-to-use percentage: 11.59%; three-year-average: 12.27%

Brazil: 7.48 mil. tons Ending stocks 2.98 mil. tons



Stock-to-use percentage: 3.39%; three-year-average: 8.89%

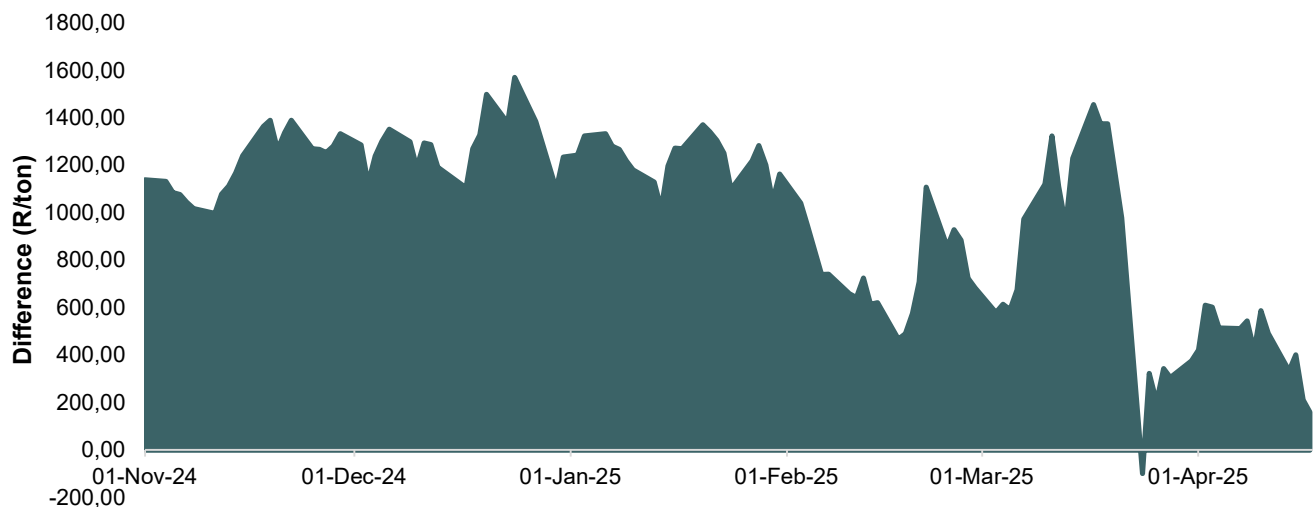
Argentina: 2.68 mil. tons Ending stocks 2.38 mil. tons



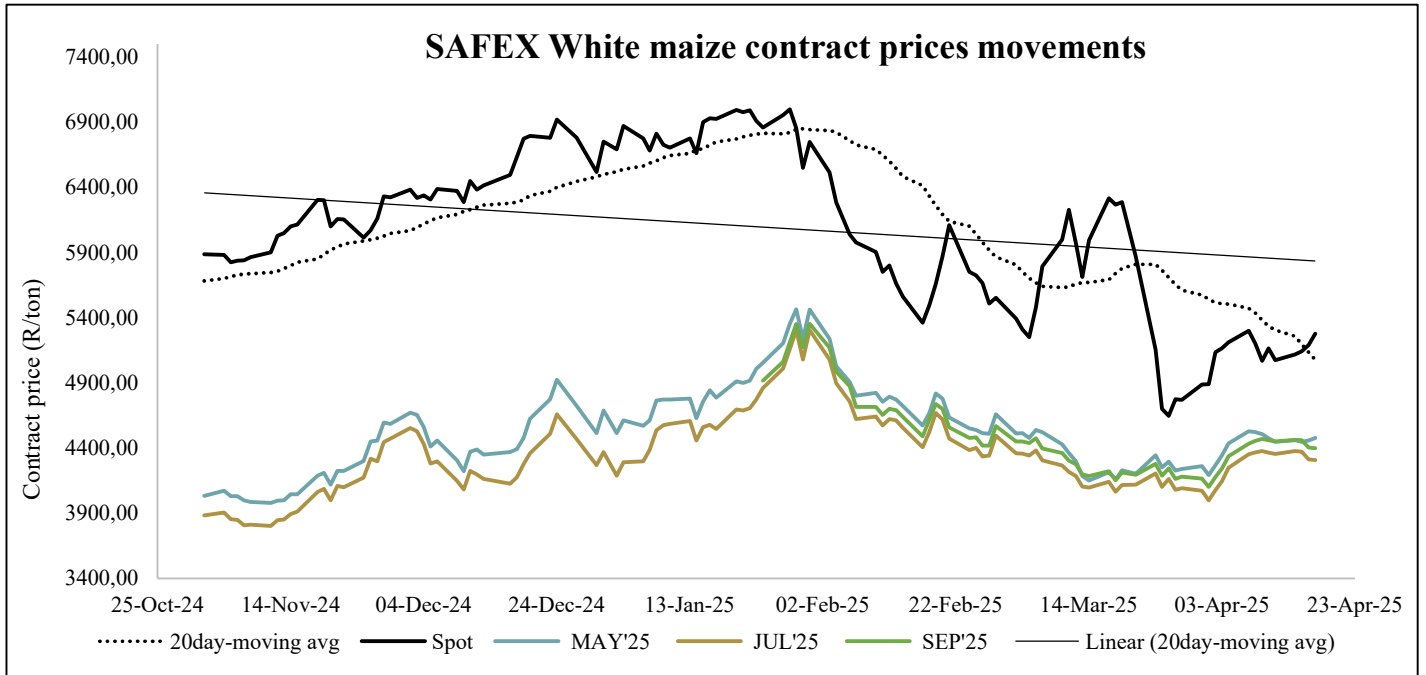
Stock-to-use percentage: 16.64%; three-year-average: 18.22%

Below the normal stock-to-use level prices tend to react sharply in the market environment. By comparing current year stock-to-use percentages to the norm, an indication can be concluded regarding the direction of price trends.

4. Spot price comparison of yellow- and white maize (YM – WM)



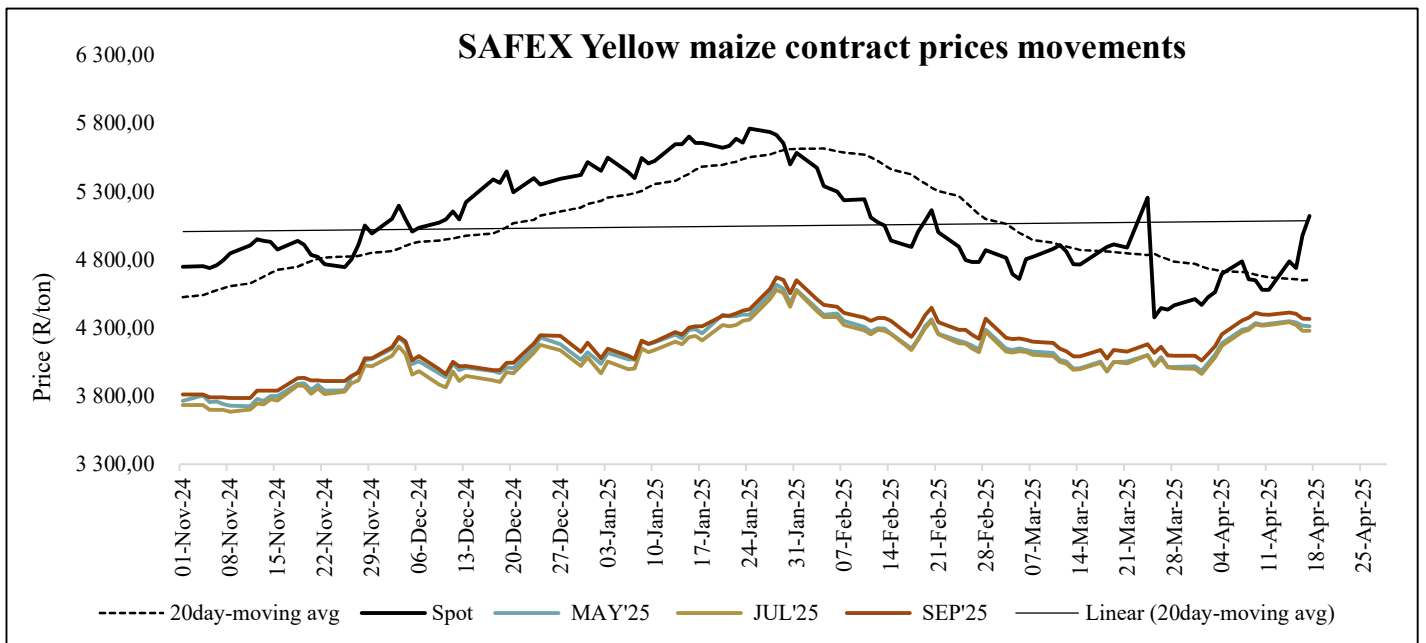
5. Monthly contract price movements (white maize)



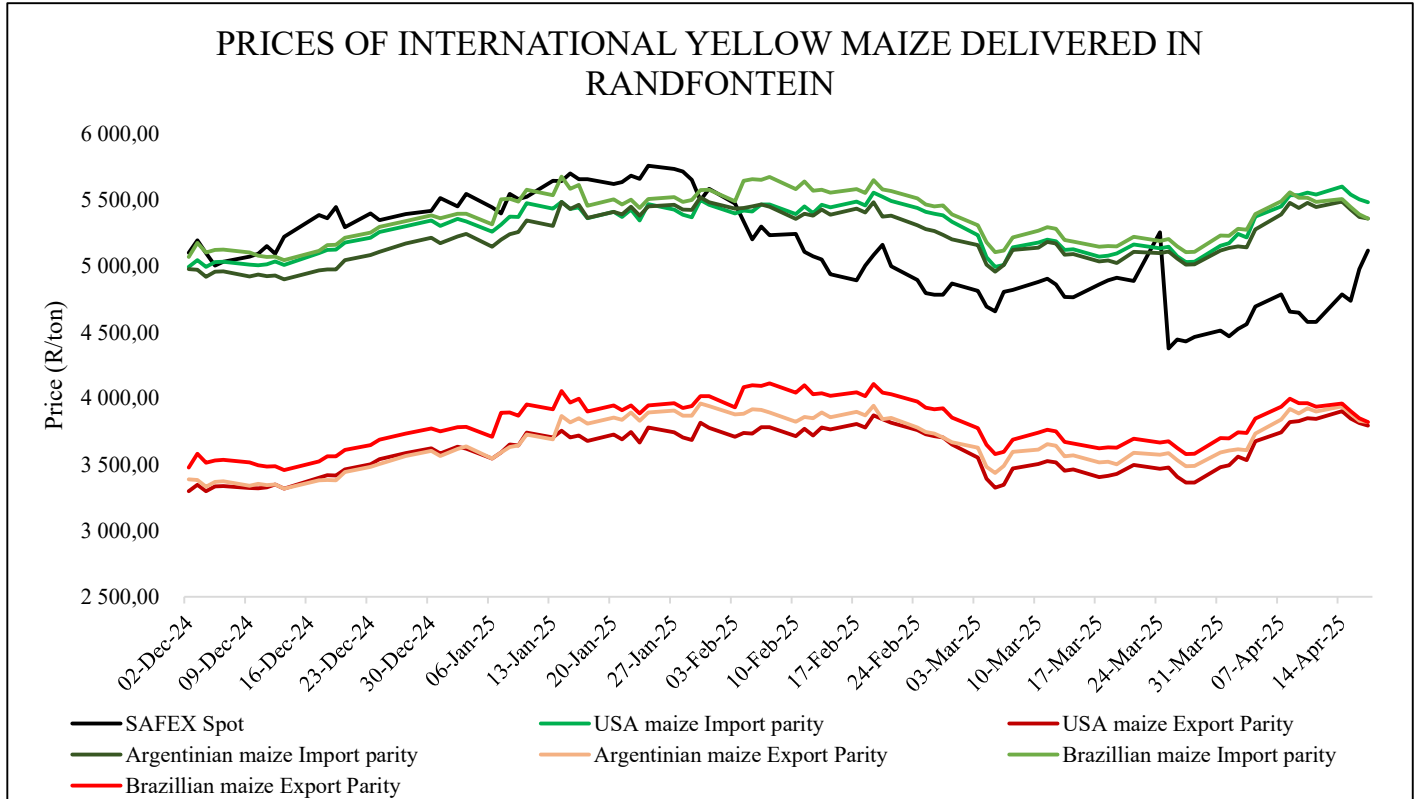
Comments on market movements for maize contracts:

The slow recovery of contract prices that started in March continued during April. The yellow maize spot price made the biggest recovery of all. This may be brought on by the need to import yellow maize, causing yellow maize contracts to trade closer to import parity. The demand in the cash market remains high, supporting prices.

6. Monthly contract price movements (Yellow maize)



7. Import- and export parity movements



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Best regards,

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