

# MAIZE



MARCH 2025

Grain Market Outlook

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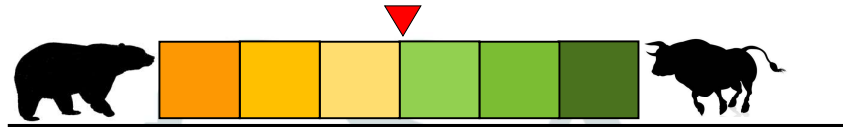
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This report was compiled by the applied economics team of Grain SA. If you would like any further information, or to be added to the monthly contact list, please feel free to contact Heleen ([heleen@grainsa.co.za](mailto:heleen@grainsa.co.za)) or Strelza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

## 1. Bearish and bullish factors

US maize exports navigated turbulent waters since 2019 between tariffs and geopolitical tensions. On 20 December 2024 a three-member-trade-dispute panel ruled that restrictions by Mexico on genetically modified (GM) maize exports from the US violated the US-Mexico-Canada (USMCA) agreement. Mexico accounts for nearly 50% of the total US maize export sales annually. Recent tariff announcements from Pres. Trump contributed to further market volatility.

### SHORT-TERM PRICE TREND



### LONG-TERM PRICE TREND



#### Bearish factors:

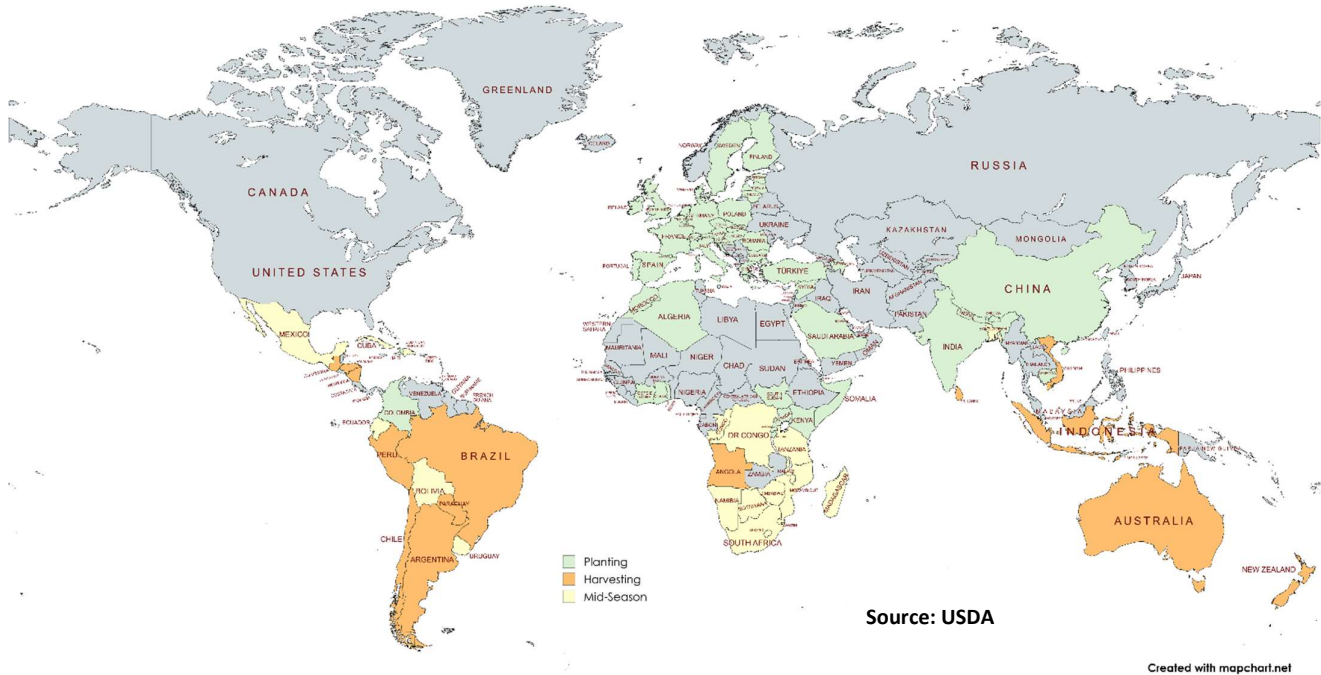
- The 2025 estimated planted area report, released by the USDA indicated that maize planting could increase significantly this season. The report indicated that 1,91 million hectares could be planted additionally this season.

#### Bullish factors:

- Hot and dry conditions in Argentina could offer some support to short term prices.



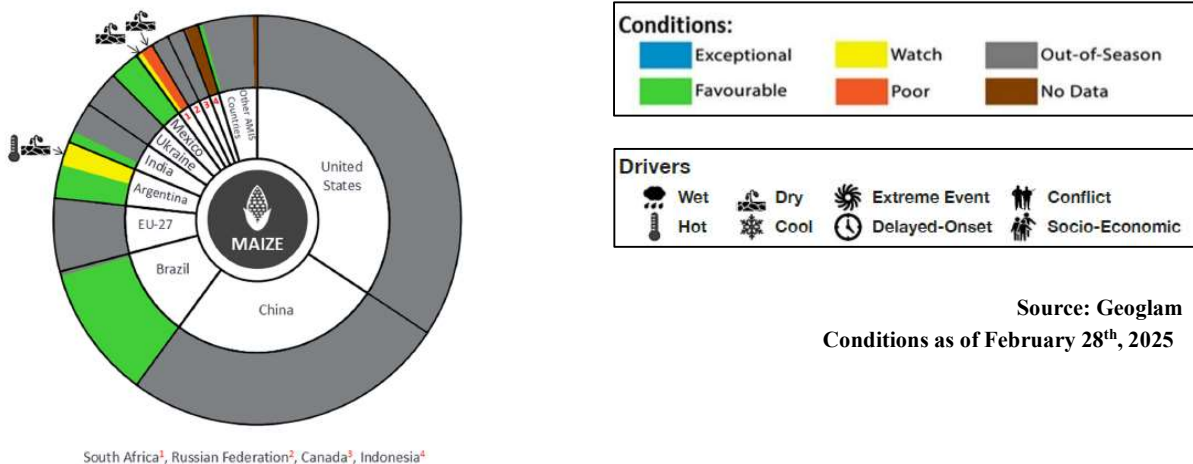
## 2. World maize production



### 1.1. Global crop production conditions

In the southern hemisphere, recent rains have improved conditions in parts of Argentina, however, conditions have worsened in South Africa.

According to the CPI/IRI transition to ENSO-neutral is likely during March-May 2025 (66% chance) and neutral ENSO conditions are most likely through November 2025.



**Brazil:** The harvest of their smaller season spring-planted crop is under favourable conditions; less planted area compared to last year. The planting of their summer-planted crop (larger season) is expected to be a larger area than the previous year and it is taking place at an increasing tempo.

**Argentina:** Due to extreme heat and water deficits, the early-planted crop (larger season) is expected to have variable yields while the expectations for the late-planted crop (smaller season) have improved due to rain during February in main production areas. Upcoming weather will determine final yields.



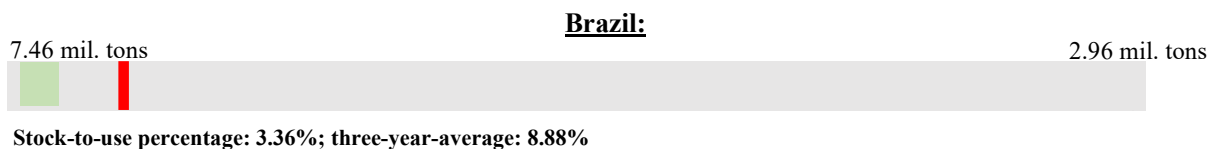
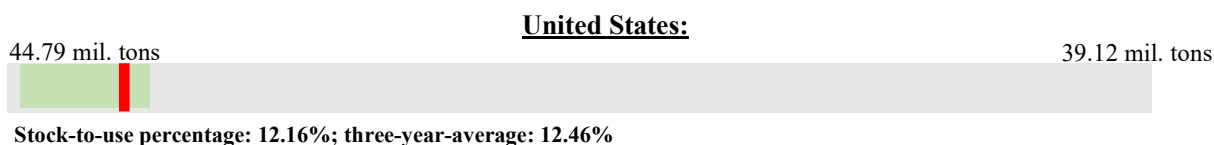
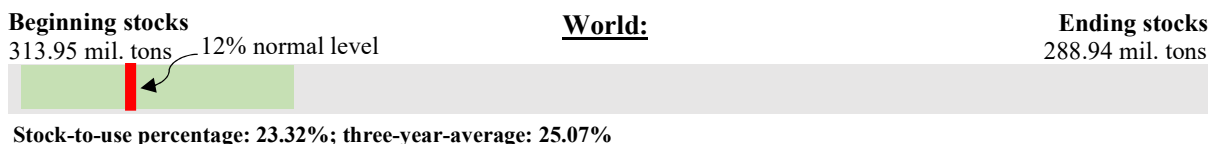
**India:** Rabi crop (smaller season) is under favourable conditions.

**Mexico:** The autumn-winter season (smaller season) is coming to an end. Due to a lack of irrigation water, the area planted has decreased compared to normal.

**South Africa:** Main production regions' yields are negatively affected by the late start of the rainy season and a dry period from min-January to early February.

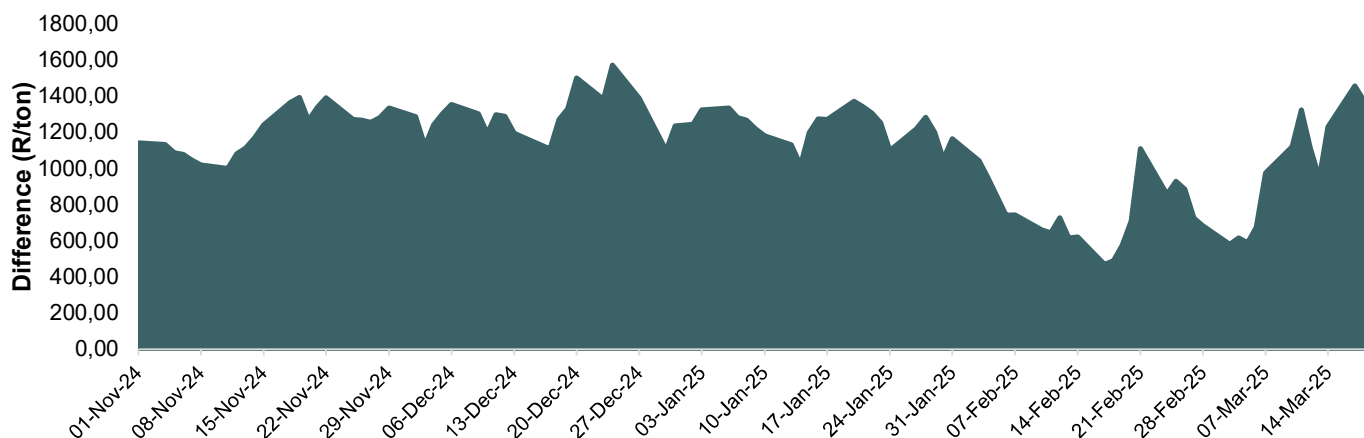
### 3. World supply and demand

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

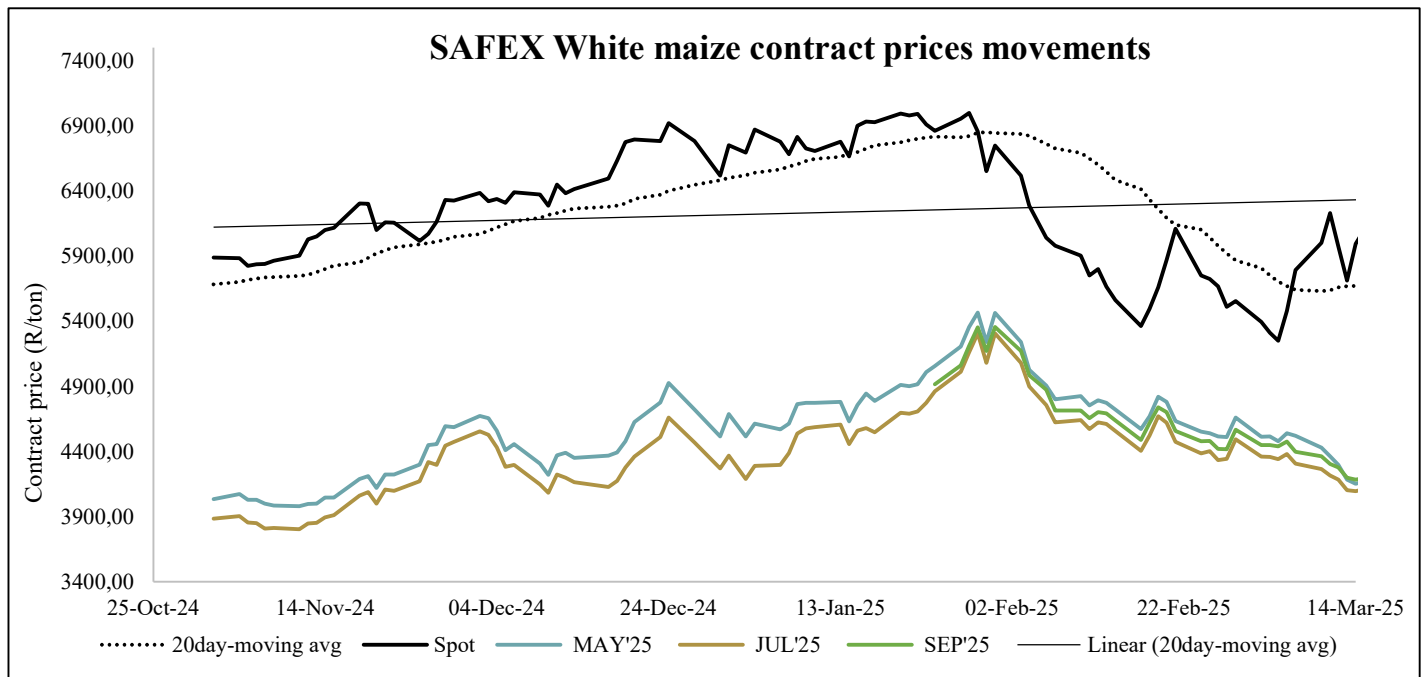


Below the normal stock-to-use level prices tend to react sharply in the market environment. By comparing current year stock-to-use percentages to the norm, an indication can be concluded regarding the direction of price trends.

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



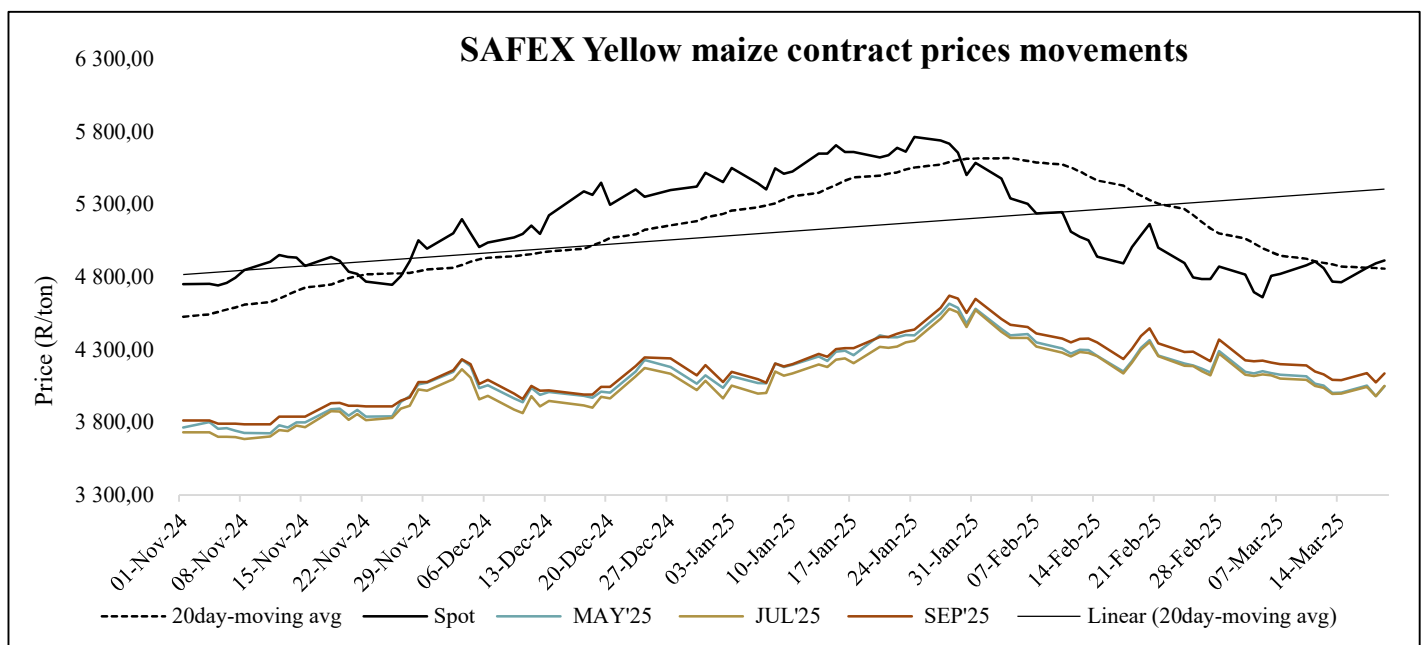
## 5. Monthly contract price movements (white maize)



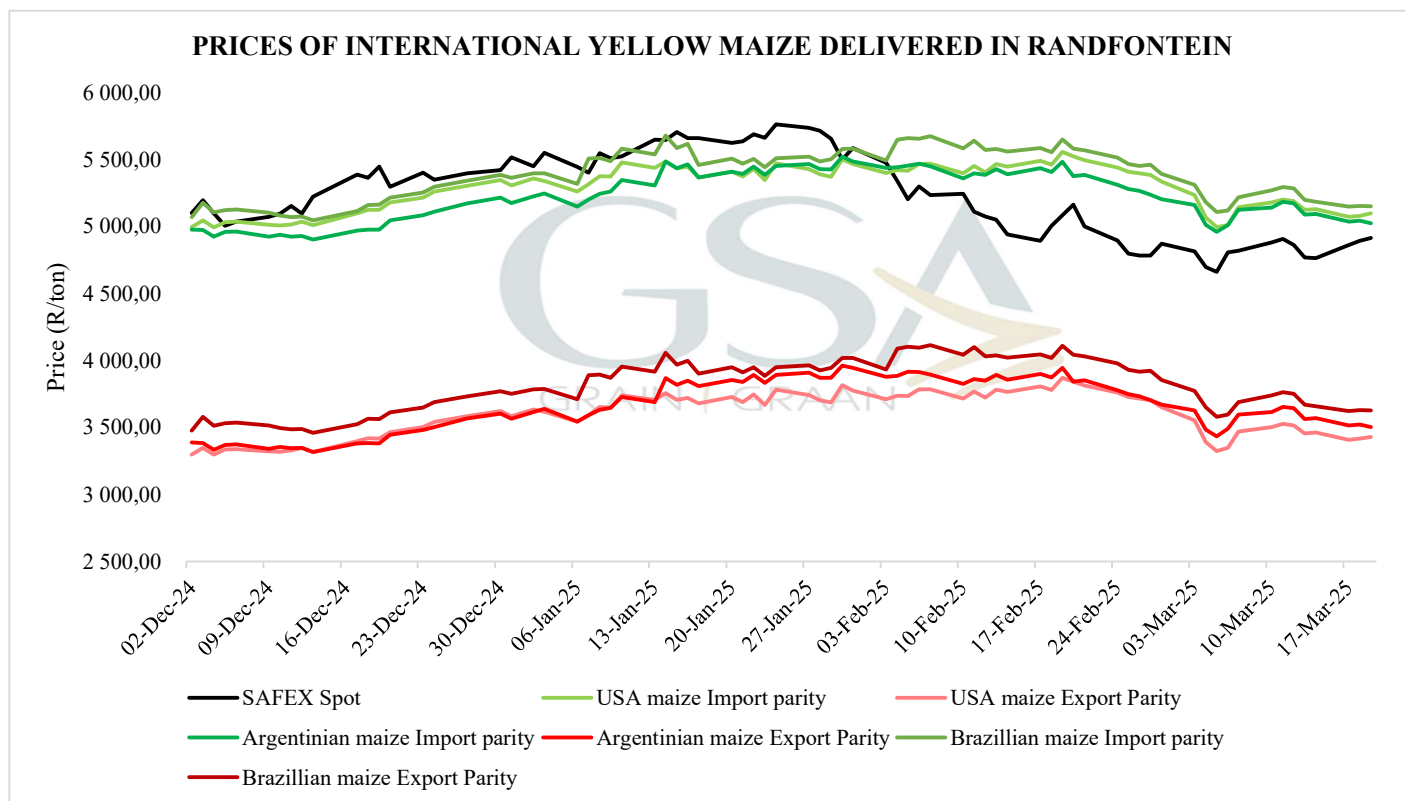
### Comments on market movements for maize contracts:

Prices for both white- and yellow maize contracts traded with downward trends since the end of January / start of February. However, both white- and yellow maize contracts started to recover in March. The decrease in maize prices were due to improved crop conditions from good rain since late January, but both remained 30% higher year-on-year.

## 6. Monthly contract price movements (Yellow maize)



## 7. Import- and export parity movements



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Best regards,

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