



SOYBEANS



JUNE 2025

Grain Market Outlook

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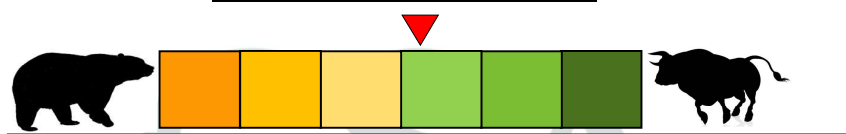
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This report was compiled by the applied economics team of Grain SA. If you would like any further information, or to be added to the monthly contact list, please feel free to contact Heleen Viljoen (heleen@grainsa.co.za) or Cathrine Mathekga (cathrine@grainsa.co.za)

1. Bearish And Bullish Factors

The global market is keeping a watchful eye on the crop development in the US. The majority of the crop have emerged, with initial conditions being slightly below the previous season's ratings. Additionally, in the Southern Hemisphere the harvesting process is well underway, with some concerning conditions emerging in Argentina and Brazil.

SHORT-TERM PRICE TREND



LONG-TERM PRICE TREND



Bearish factors:

- South Africa's 2025 soybean crop harvest progressed significantly faster than the previous season, bringing stock to the market at an increased pace.
- South Africa is expected to export approximately 200 000 tons of soybeans this season, with only 13 000 tons exported until the end of April. Suggesting local prices can move closer to export parity. SAFEX prices are currently +- R400/ton above export parity.

Bullish factors:

- The first USDA crop condition ratings indicated that 67% of the soybean crop is rated as good-to-excellent. This offered some support to global prices.
- Argentina's soya bean harvest is progressing more slowly than normal due to rainfall, though yields continue to exceed initial expectations with harvest 88.7% complete as of 4 June.
- China's soybean imports jumped to a record 13.92 million tonnes in May. May imports were 36.2% higher than the same month last year, with Brazil continuing to dominate as the main supplier. This surge in demand is currently underpinning global soybean prices.



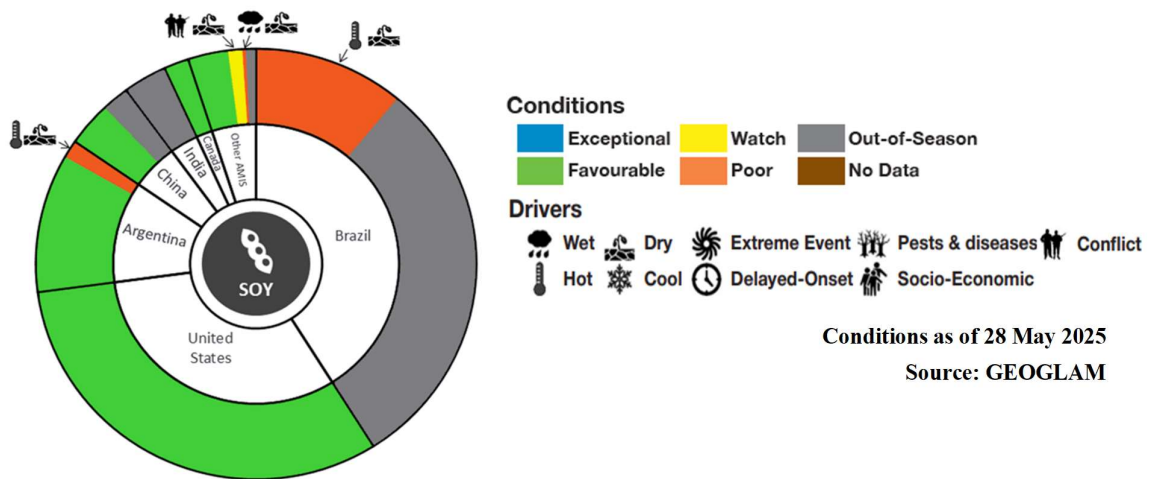
2. World Soybean Production



Source: USDA

A. Global crop production conditions

In the Southern Hemisphere, the harvesting process is continuing in Argentina and almost concludes in Brazil and South Africa. In the Northern hemisphere, planting is progressing above the normal pace. **Comments on El Niño:** The climate is currently in an ENSO-neutral state, and forecasts currently estimate a 98 to 54% chance of ENSO-neutral conditions. It will likely stay that way until at least October 2025, according to the IRI¹. At this time of the year, there is limited long-range ENSO predictability.



B. Crop Conditions Commentary

- Brazil:** Harvesting is concluding in Rio Grande do Sol due to a lack of rainfall and high temperatures, although the yields are poor.
- Argentina:** The early- and late-planted crops are being harvested; however, the recent rains in northeastern Buenos Aires are delaying progress.
- South Africa:** Harvesting is progressing, although under mixed conditions.
- United States** Planting and emergence are progressing above average in most states due to the dry and warm weather in May. The total area planted is anticipated to decrease compared to last year.

¹ International Research Institute for Climate and Society



Canada	Planting is progressing well; however, the area planted is expected to slightly decrease in comparison to the previous year.
Ukraine	Planting is progressing despite the challenges of the ongoing war and the soil moisture deficits in the eastern and southern regions.

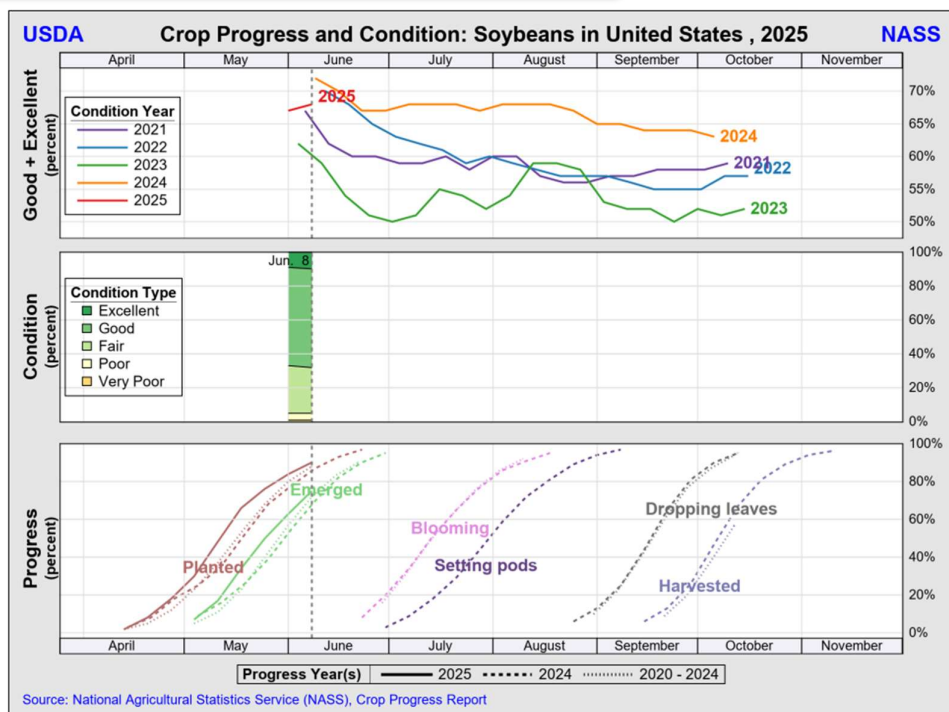
2.1. South African producer deliveries

South Africa, as of 06 June, has delivered 96% of the estimated crop for the 2025/2026 season. The Crop Estimate Committee (CEC) projects that South Africa can produce 2 330 975 tons of soybeans this season, which is a 26% increase compared to the previous season. Deliveries have been substantially faster than last year. For the remainder of this season 2 401 tons/week is needed to be delivered, compared to the previous season's 5,603 tons/week.

Delivery Estimate vs CEC Estimate 2025/26 Marketing year	
	Sojabone /Soybeans
Total deliveries (tons)	2 190 955
CEC production estimate (tons)	2 330 975
Adjustment for on farm consumption & storage (tons)	44 000
Adjustment for seed retention	
Crop estimate MINUS farm consumption, storage, seed retention etc	2 286 975
Deliveries as % of CEC estimate minus retentions (%)	95,8%
Outstanding after adjustment (tons)	96 020
Remaining weeks for delivery	40
Delivery tempo needed to obtain CEC estimate	2 401
Delivery tempo needed to obtain CEC estimate (same period 2024/25)	5 603

2.2. United States crop development

Source: Grain SA. CEC. SAGIS



3. Supply And Demand Estimates

3.1. World Agricultural Supply and Demand (WASDE) JUNE 2025/2026 overview

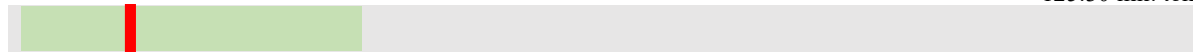
Beginning stocks

124.20 mil. tons

World:

Ending stocks

125.30 mil. tons



Stock-to-use percentage: 29.54%; three-year-average: 29.98%

9.53 mil. tons

10% normal level

United States:

8.03 mil. tons

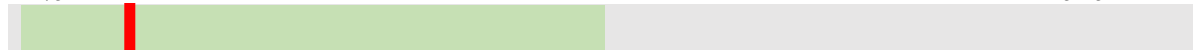


Stock-to-use percentage: 11.35%; three-year-average: 13.13%

24.75 mil. tons

Argentina:

25.45 mil. tons



Stock-to-use percentage: 50.40%; three-year-average: 51.56%

33.44 mil. tons

Brazil:

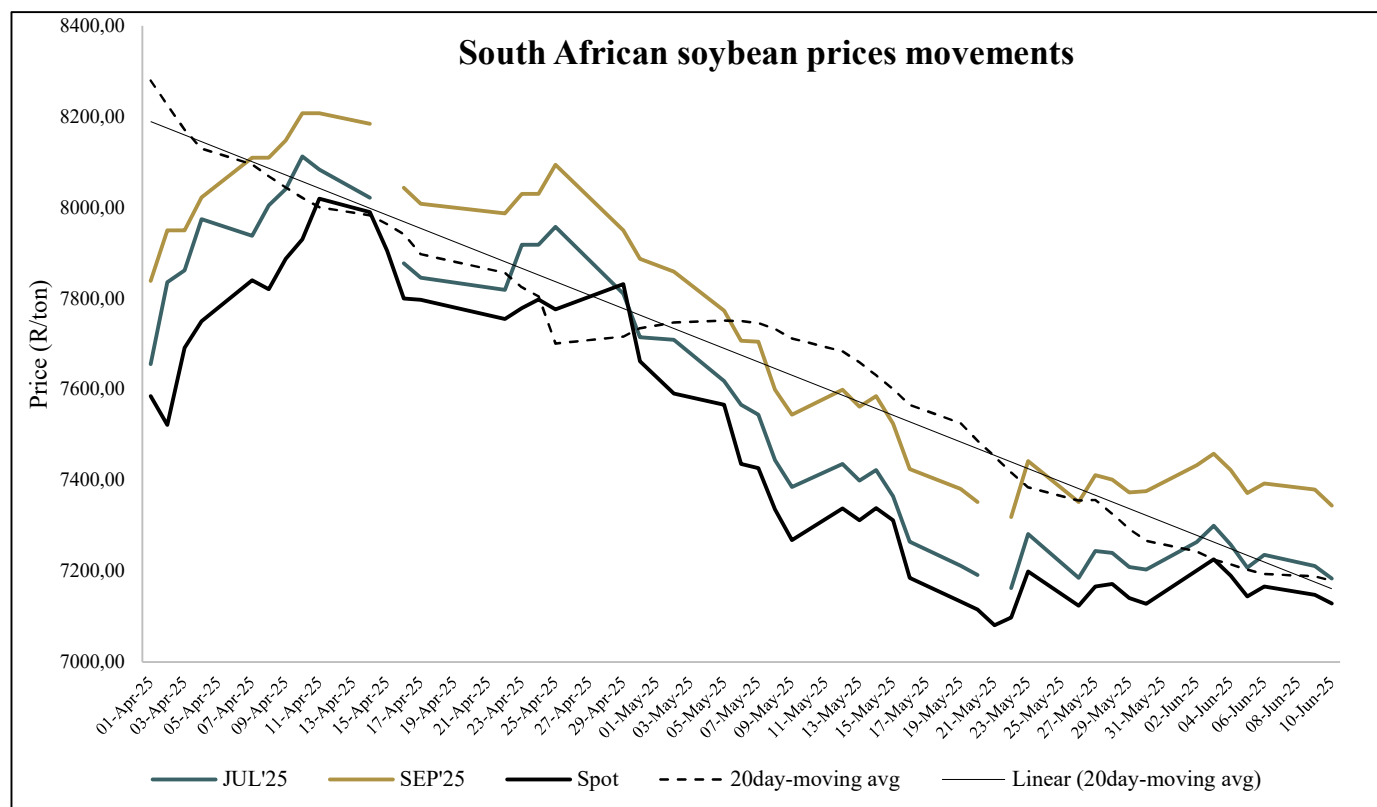
34.29 mil. tons



Stock-to-use percentage: 55.04%; three-year-average: 53.62%

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. Monthly Contract Price Movements

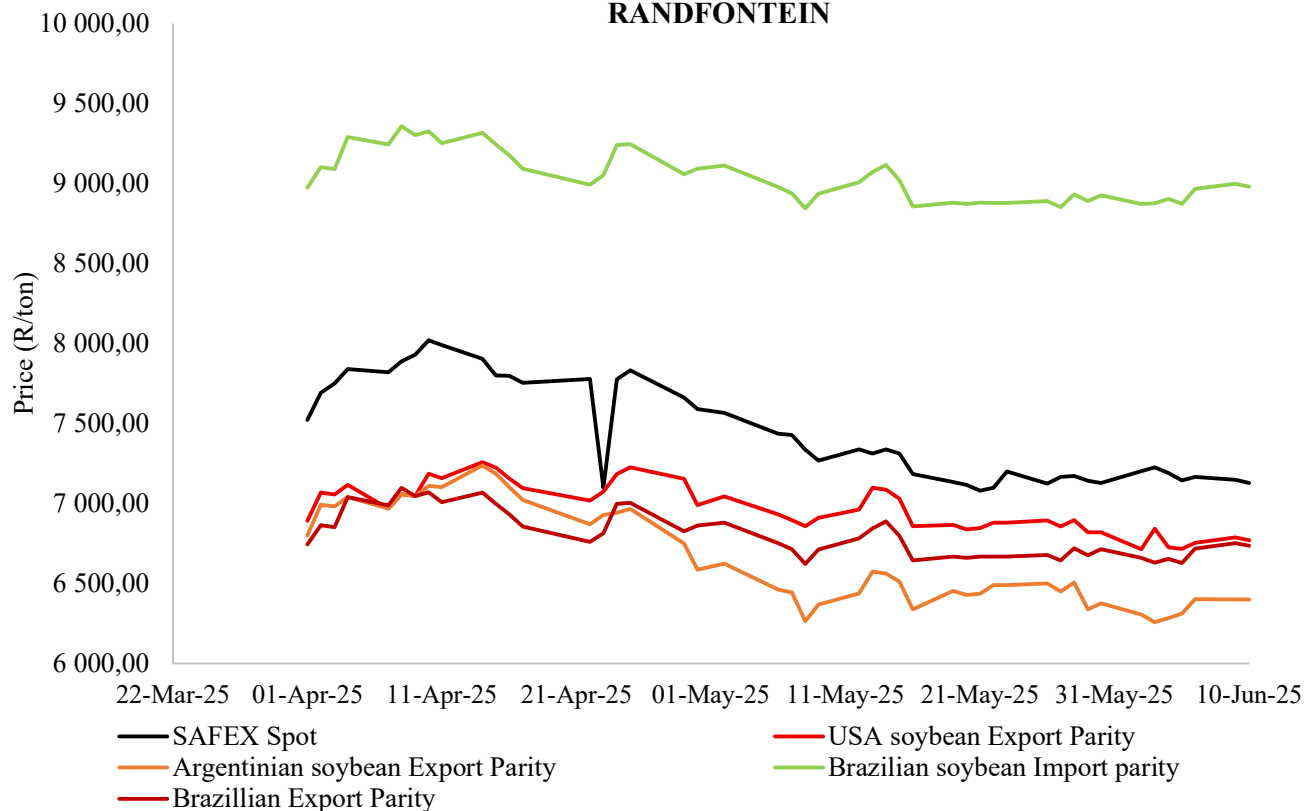


Comments on market movements for soybean contracts:

Soybean prices have continued trading downward into June for all contracts. The July '25 and September '25 contracts are trading slightly higher than the spot month prices. The local price is approximately R400/t above export parity.

4.1 Import and Export Parity Prices

PRICES OF INTERNATIONAL SOYBEAN SEED DELIVERED IN RANDFONTEIN



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Best regards,

Grain SA economy team

Second floor | Alenti Office Park | Lynnwood Road | Pretoria East

