SOYBEANS

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OCTOBER 2025

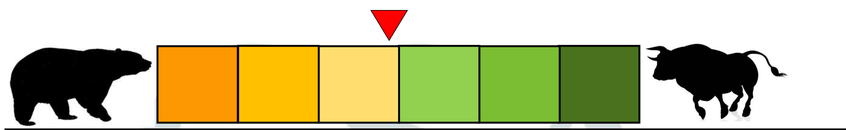
Grain Market Outlook

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 the team at economist@grainsa.co.za

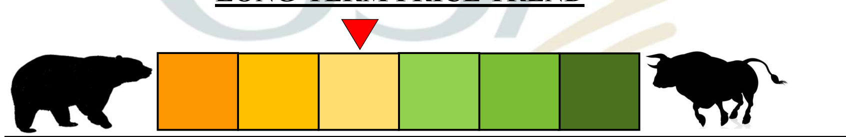
1. Bearish And Bullish Factors

EXPORTS is the word of the month, not only internationally but locally as well. Internationally, market participants are keeping a watchful eye on trade developments between the US and China. South America is also a watchpoint with their planting season commencing and hinting to another potential record crop. Locally, South Africa needs to export approximately 300 000 tons of soybeans for the 2025/26 season, of which only 21% have been exports up until August. Trade will play a big role in price determination for the short-term.

SHORT-TERM PRICE TREND



LONG-TERM PRICE TREND



Bearish factors:

- South Africa is experiencing a build up of stocks locally, as exports continues to lag.
- Brazil have started planting the 2025/2026 soybean crop, with conditions generally favourable. CONAB, reported the planted area to set another record this season.
- US soybean prices plummeted due to no exports to China in September, compared to 1.7 million tons in the previous year. The trade war continues to pressure prices.

Bullish factors:

- President Trump and Chinese Leader Xi Jinping are expected to meet at the end of October, which could bring some support to prices.

Source: USDA

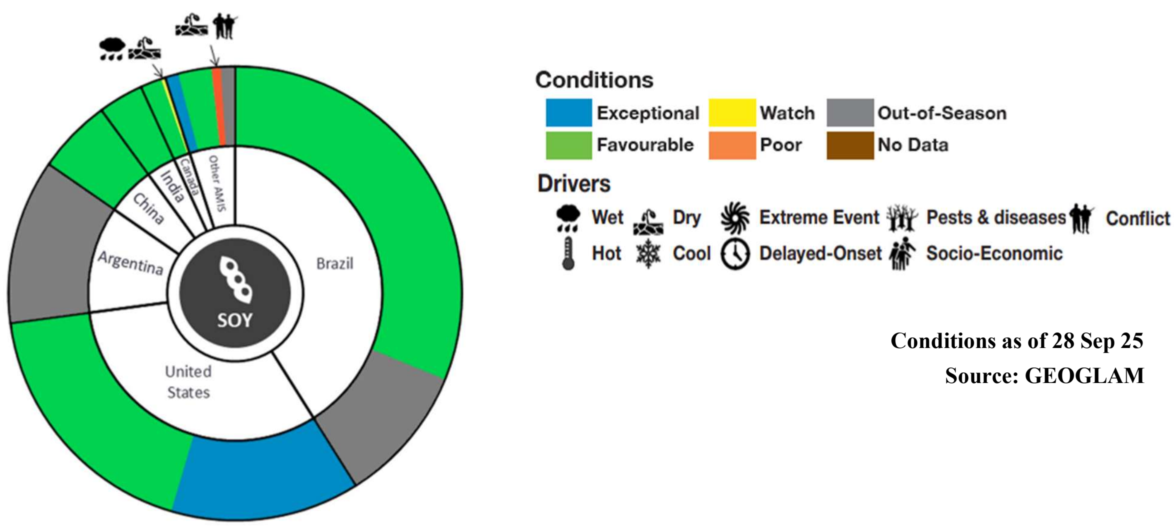
A. Global crop production conditions

In the Northern Hemisphere, the harvesting process of the soybean crop is progressing under favourable conditions in most countries. In the Southern Hemisphere planting of the next seasons soybean crop is slowly beginning.

B. Comments on El Niño

The status of the El Niño–Southern Oscillation (ENSO) is active. This will likely be a weak-strength and short-lived ENSO event. La Niña conditions are expected to develop during October to December 2025 (53 to 58% chance, according to the NOAA CPC/IRI).

C. Crop Conditions Commentary



Conditions as of 28 Sep 25

Source: GEOGLAM

United States The harvesting progress is well underway with generally favourable conditions. Some areas in the East and South have growing concerns of drought. Reuters analysts estimated that the US soybean crop is 58% harvested as of 14 October.

Canada The harvesting process began with favourable conditions, with some regions experiencing lower yields.

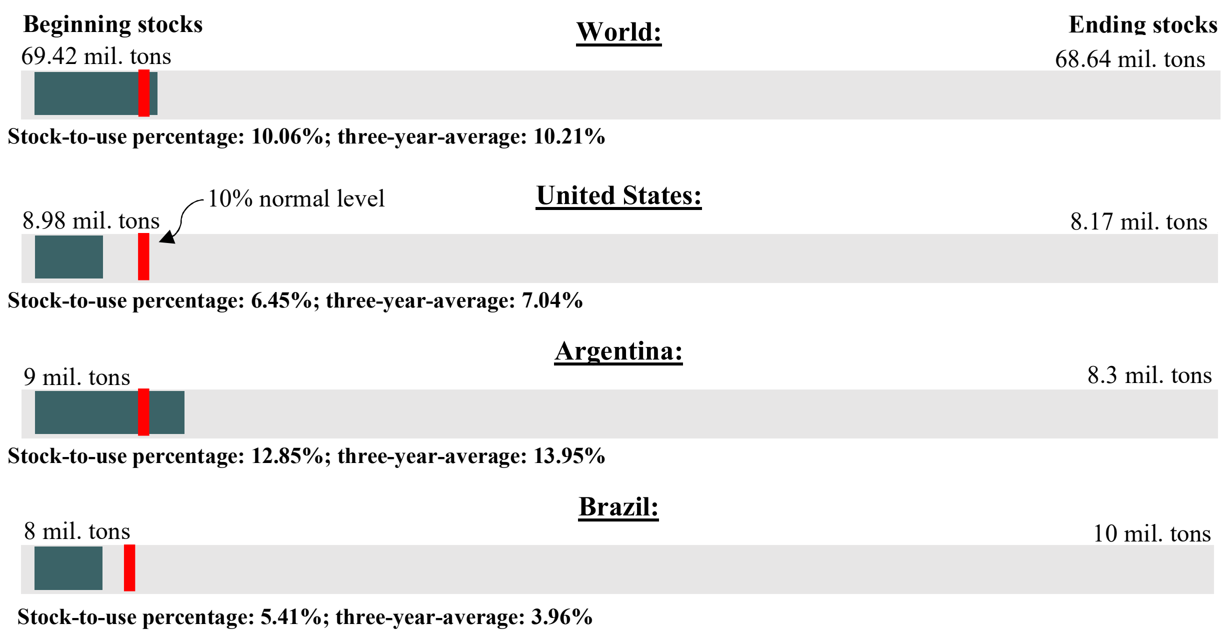
China Harvesting is well underway with generally favourable conditions.

India Crop development is generally favourable. India does however have a lower planted area compared to the previous season.

Brazil The planting process is beginning in Brazil, with early estimates indicating a record-breaking planted area.

3. Supply And Demand Estimates

3.1. World Supply and Demand (FAO-AMIS) OCTOBER 2025/2026 overview

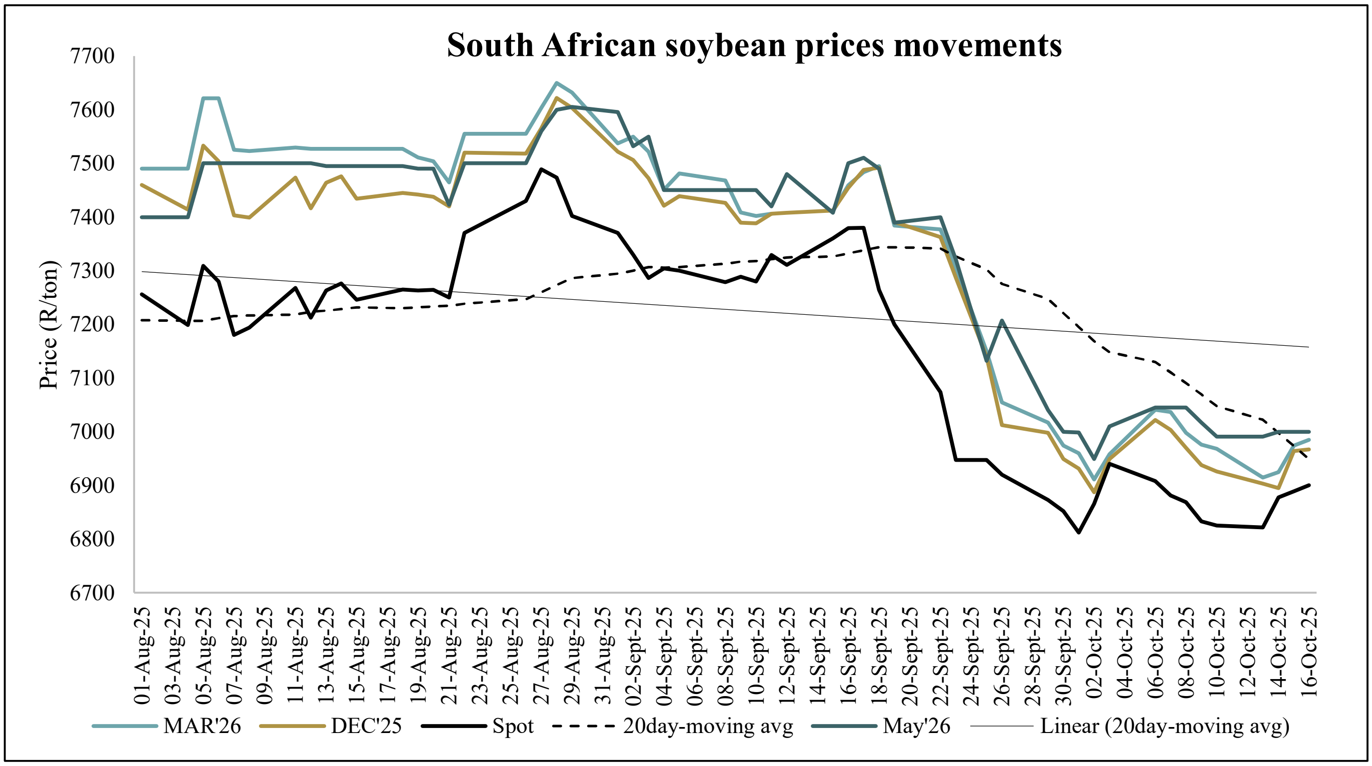


Below the normal stock-to-use level prices tend to react sharply in the market environment. By comparing current year stock-to-use percentages to the norm, an indication can be concluded regarding the direction of price trends.

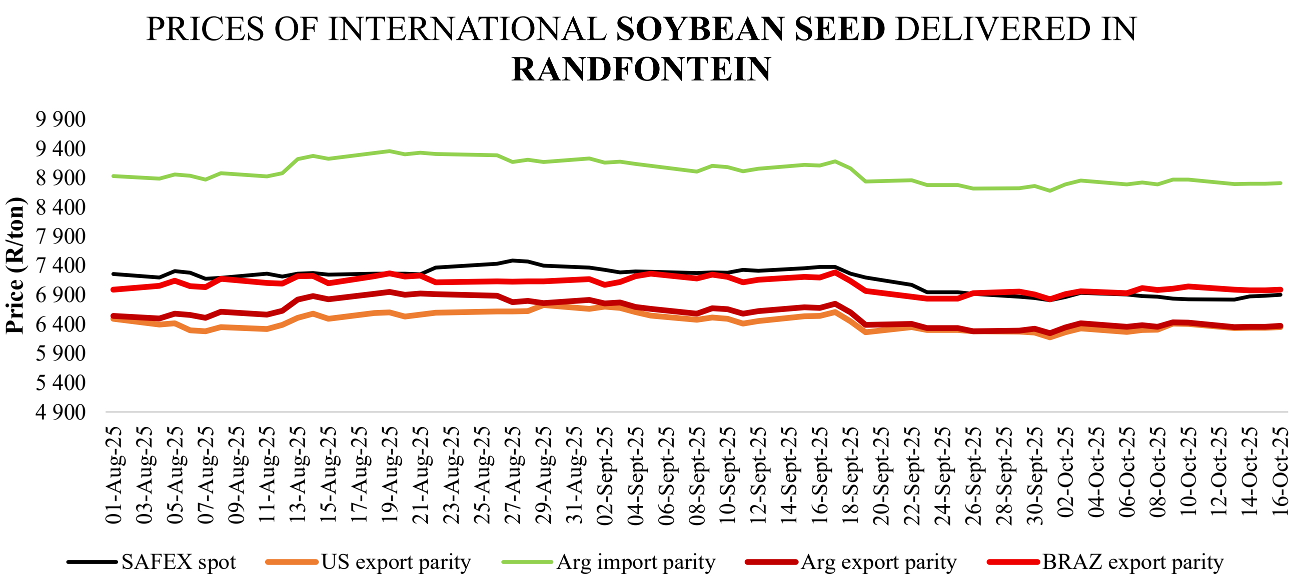
4. Monthly contract price movements

Comments on market movements for soybean contracts:

During September and October local soybean prices traded with a general slight downward trend. However, since late September local prices fell sharply, edging closer to the export parity price for Brazil.



4.1 Import and Export Parity Prices



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 the team at economist@grainsa.co.za.

Best regards,

Grain SA economy team

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