



# Market Monitor



No. 120 July 2024

## Contents

<b>Feature article:</b>	
Price insulation policies	2
<b>World supply-demand outlook</b>	3
<b>Crop monitor</b>	5
<b>Policy developments</b>	8
<b>International prices</b>	10
<b>Futures markets</b>	12
<b>Market indicators</b>	13
<b>Fertilizer outlook</b>	15
<b>Ocean freight markets</b>	16
<b>Explanatory notes</b>	17

Wheat prices are ebbing under the harvest pressure from the northern hemisphere. Fresh supplies from the southern hemisphere are doing the same for maize prices, even as harvests in Argentina and Brazil are likely to fall short of expectations. Exceptionally wet weather in parts of the European Union could bring up quality concerns for wheat. May 2024 was the 12th consecutive month of record-breaking global temperatures. Should this trend persist, there will likely be negative impacts on agriculture from extreme heat, particularly if heat occurs during periods of moisture stress or the key reproductive stages that determine final yields.

AMIS Market Monitor will return with fresh features and on a new publication schedule on Friday, 6 September.

## Markets at a glance

	FROM PREVIOUS FORECASTS	FROM PREVIOUS SEASON
WHEAT	■	▼
MAIZE	■	■
RICE	■	▲
SOYBEANS	■	▲

The **Market Monitor** is a product of the Agricultural Market Information System (AMIS). It covers international markets for wheat, maize, rice and soybeans, giving a synopsis of major market developments and the policy and other market drivers behind them. The analysis is a collective assessment of the market situation and outlook by the ten international organizations and entities that form the AMIS Secretariat.



Food and Agriculture Organization of the United Nations



Enabling poor rural people to overcome poverty



## Feature article

### Price insulation policies significantly affect global agrifood markets

Multiple and overlapping shocks, including conflicts, the COVID-19 pandemic, and the intensification of climate extremes, have contributed to a surge in food price volatility, which heightened food and nutrition insecurity concerns around the world. To ensure that domestic prices fluctuate less than world commodity prices, many governments have resorted to uncoordinated ad hoc changes to their trade policies at the sign of any crisis and remove them as the situation improves. When world prices increase, governments in food net-importing countries often reduce tariffs or non-tariff barriers or take other measures to prevent internal prices from rising, while governments in food net-exporting countries might impose or adjust export taxes and restrictions. Both measures are intended to insulate domestic prices from world prices.

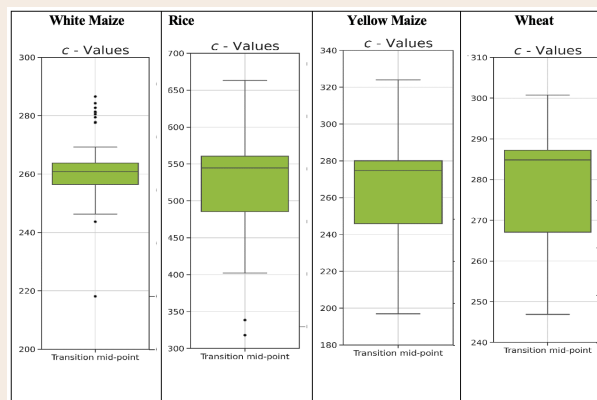
These strategies tend to exacerbate the volatility in global agrifood markets and create a collective action problem. For example, based on over 60 years of data for 29 countries<sup>1</sup>, and focusing on rice and wheat, the recent IFPRI research supported by the World Bank<sup>2</sup> shows that, on average, systematic price insulation policies reduce the volatility of domestic prices relative to world prices but roughly double the world price volatility for rice and wheat. This is because systematic responses to changes in world prices are correlated across countries, magnifying the effects of shocks to world prices. At the same time, idiosyncratic domestic price shocks from policy changes, such as shifts in trade policy goals (i.e., export restrictions), reduce the effectiveness of insulating policies. The combined effect of systematic and idiosyncratic shocks tends to outweigh the efforts to stabilize domestic prices. Thus, national policy reforms that move away from discretionary, destabilizing policies would help to both improve domestic market outcomes and reduce the obstacles to securing complementary reforms to global trade rules.

Another research supported by the World Bank found strong evidence of a tendency for governments to take stronger actions to insulate domestic markets when world prices are higher, with a rather clear threshold, such as a reference point in behavioral economics that delineates “low price reaction” from “high-price reaction.” In fact, governments may refrain from insulating their markets until prices approach this threshold. Once prices near a certain threshold, typically, USD260–265 per tonne for white maize, USD270–280 per tonne for yellow maize, USD550 per tonne for rice, and USD 250–

300 per tonne for wheat, policy makers tend to respond with increased insulation (Figure 1). This nuanced information could strengthen the global early warning system by better predicting public responses to global food price spikes.

#### Call for action

The food price insulation remains widespread and could even increase along with the increased frequency of nature- and human-triggered shocks. This collective action problem needs to be urgently addressed to reduce the global food price volatility and keep trust of the nations in global markets and trade to enhance food and nutrition security. Since its launch in 2011, AMIS has advocated for enhancement of food market transparency and policy response for food security by providing a platform to coordinate policy action in times of market uncertainty. While some progress has been achieved among AMIS participants, room for improvement remains. In addition, diverging policy decisions introduced by non-AMIS participants also impact the markets.



**Figure 1:** Estimated transition mid-point  $c$  for white and yellow maize, rice, and wheat

Although the WTO rules do not effectively discipline export taxes and controls, there are clearly some aspects of WTO rules, which play a role to mitigate this collective action problem. Thus, in addition to strengthening the policy coordination pillar, as the World Bank analysis indicates, ensuring more effective disciplines in WTO commitments on export taxes/controls, ad hoc import tariff adjustments, and levels of bound tariffs would be beneficial, even though negotiating such rules would undoubtedly be contentious.

This article draws on the recent report of the [World Bank \(2024\): Trade Policy and Food Security in an Era of Climate Change](#). Washington, DC.

1. The dataset includes low, middle, and high-income countries, with the long-term series of annual data available from the World Bank's Distortions to Agricultural Incentives project up to 2004 and the AgIncentives Consortium ([www.agincentives.org](http://www.agincentives.org)) for subsequent years.  
 2. For more details, see IFPRI Working Paper: Martin, W., A. Mamun, and N. Minot. 2024. Food trade policy and food price volatility. IFPRI Discussion Paper 2253. Washington, DC: International Food Policy Research Institute. <https://cgspace.cgiar.org/server/api/core/bitstreams/5ac9073f-a4b9-4068-b18e-247f34adaa2e/content>

# World supply-demand outlook

**WHEAT** production in 2024 raised slightly with improved prospects in several countries, including China, India, Kazakhstan, Pakistan, Türkiye, and Ukraine, outweighing a downward revision in the Russian Federation.

Utilization in 2024/25 lifted marginally, mostly reflecting higher forecast in Pakistan due to larger domestic supplies, but overall still heading for a slight decline from 2023/24.

Trade in 2024/25 (July/June) trimmed on smaller imports expected for India and Türkiye, and downgraded exports for the Russian Federation.

Stocks (ending in 2025) have been revised upwards slightly, reflecting higher estimates in China, the European Union, and Kazakhstan, but are still forecast to decline by 1.4 percent below opening levels.

Wheat	FAO-AMIS			USDA		IGC	
	2023/24 est	2024/25 f'cast		2023/24 est	2024/25 f'cast	2023/24 est	2024/25 f'cast
		6 Jun	4 Jul				
Supply Prod.	788.1	786.7	789.1	787.6	790.8	793.1	793.0
Supply Prod.	651.5	649.0	650.6	651.0	650.8	656.5	653.0
Supply Utiliz.	1108.3	1098.5	1102.0	1058.6	1050.3	1073.0	1060.9
Supply Utiliz.	830.2	820.3	820.6	783.2	776.9	797.3	781.9
Trade Utiliz.	801.2	794.0	795.5	797.7	792.4	805.2	799.7
Trade Utiliz.	653.2	651.0	652.5	643.7	641.4	655.4	652.9
Trade Utiliz.	204.6	198.0	197.1	222.2	213.0	209.5	194.5
Trade Utiliz.	191.6	189.0	187.1	209.2	202.0	195.2	183.8
Stocks	312.9	306.8	308.4	259.6	252.3	267.9	261.2
Stocks	170.0	162.9	160.3	126.1	119.8	127.7	118.2

IN MILLION TONNES

**MAIZE** production in 2024 lifted slightly m/m, on larger outputs in Argentina, Brazil, Türkiye, and Ukraine, but still forecast to decline below the 2023 level by 1.1 percent.

Utilization in 2024/25 scaled up marginally, mostly on higher forecast in Brazil, and expected to increase by 0.9 percent above the 2023/24 level.

Trade in 2024/25 (July/June) predicted to decline by 4.4 percent from 2023/24 despite an upward revision reflecting larger expected exports from Ukraine, and bigger purchases by China and Zambia.

Stocks (ending 2025) cut m/m, largely due to lower estimates in Brazil and Ukraine, but still forecast to increase above opening levels by 2.7 percent.

Maize	FAO-AMIS			USDA		IGC	
	2023/24 est	2024/25 f'cast		2023/24 est	2024/25 f'cast	2023/24 est	2024/25 f'cast
		6 Jun	4 Jul				
Supply Prod.	1239.9	1222.0	1226.3	1228.1	1220.5	1224.8	1222.6
Supply Prod.	951.1	930.0	934.3	939.3	928.5	936.0	926.6
Supply Utiliz.	1527.8	1535.5	1537.6	1529.0	1532.9	1505.1	1509.4
Supply Utiliz.	1084.7	1074.8	1076.9	1034.2	1030.1	1035.9	1033.2
Trade Utiliz.	1215.6	1224.1	1226.9	1202.4	1215.6	1218.3	1228.1
Trade Utiliz.	912.2	915.7	918.5	895.4	902.6	906.4	912.4
Trade Utiliz.	193.1	183.7	184.7	196.1	193.9	189.8	177.9
Trade Utiliz.	164.6	163.7	164.2	173.1	170.9	166.8	158.8
Stocks	311.3	324.5	319.7	312.4	310.8	286.8	281.3
Stocks	142.6	152.3	146.9	101.5	97.9	106.6	101.7

IN MILLION TONNES

**RICE** production essentially unchanged m/m, amid only small upward adjustments to production in Australia, Brazil and Ecuador and a downward revision to output in Zambia.

Utilization in 2024/25 little changed m/m and still seen expanding to an all-time high on higher food intake.

Trade in 2024 trimmed largely on lower import expectations for China, where rice purchases are now seen at thirteen-year lows.

Stocks (2024/25 carry-out) down marginally m/m, but still forecast to rise to a fresh peak, largely owing to accumulations in China and India, and to a lesser extent in Brazil and Thailand.

Rice	FAO-AMIS			USDA		IGC	
	2023/24 est	2024/25 f'cast		2023/24 est	2024/25 f'cast	2023/24 est	2024/25 f'cast
		6 Jun	4 Jul				
Supply Prod.	530.2	534.9	535.1	520.0	527.6	520.8	527.5
Supply Prod.	388.7	392.6	392.7	375.4	381.6	376.2	382.5
Supply Utiliz.	726.0	734.6	734.5	699.4	704.4	693.1	700.7
Supply Utiliz.	484.9	493.2	493.3	448.2	455.4	445.7	456.0
Trade Utiliz.	525.1	531.4	531.5	519.1	522.5	519.9	525.3
Trade Utiliz.	382.8	390.3	390.5	370.9	377.5	371.9	380.0
Trade Utiliz.	51.1	53.4	53.1	54.6	53.8	52.1	52.5
Trade Utiliz.	48.5	50.4	50.4	52.9	52.3	50.1	50.2
Stocks	199.5	205.1	204.9	176.8	178.0	173.2	175.3
Stocks	100.6	103.3	103.2	73.8	74.0	71.7	73.7

IN MILLION TONNES

**SOYBEAN** 2024/25 production trimmed compared with the previous forecasts, mainly reflecting expectations of smaller area harvested in the EU and the US.

Utilization in 2024/25 revised down fractionally on a lower consumption outlook in the EU, while global soybean use is seen expanding by more than 5 percent y/y.

Trade in 2024/25 (Oct/Sep) practically stable, with a lower export forecast for the US compensated by expected larger shipments from Uruguay, while import prospects remained untouched.

Stocks (2024/25 carry-out) virtually unchanged, confirming expectations of inventory accumulations across all major stockholders.

Soybean	FAO-AMIS			USDA		IGC	
	2023/24 est	2024/25 f'cast		2023/24 est	2024/25 f'cast	2023/24 est	2024/25 f'cast
		6 Jun	4 Jul				
Supply Prod.	393.6	419.2	418.9	395.9	422.3	391.7	414.9
Supply Prod.	372.7	398.7	398.3	375.1	401.6	370.9	394.4
Supply Utiliz.	441.3	472.4	472.2	496.5	533.3	450.2	483.0
Supply Utiliz.	397.0	427.3	427.2	443.3	476.3	390.9	421.4
Trade Utiliz.	388.7	410.1	409.8	383.3	401.6	382.1	404.3
Trade Utiliz.	267.0	283.7	283.4	261.6	274.8	260.5	277.4
Trade Utiliz.	169.5	173.4	173.4	172.6	180.2	169.9	174.6
Trade Utiliz.	67.5	66.9	66.9	67.6	71.2	66.4	69.3
Stocks	53.4	60.5	60.6	111.1	127.9	68.1	78.7
Stocks	28.9	35.5	35.6	74.7	88.7	27.0	38.8

IN MILLION TONNES

## +i World Balances

Data shown in the second rows refer to world aggregates without China; world trade data refer to exports; and world trade without China excludes exports to China.

To review and compare data, by country and commodity, across three main sources, go to <https://app.amis-outlook.org/#/market-database/compare-sources>

Estimates and forecasts may differ across sources for many reasons, including different methodologies. For more information see [Explanatory notes](#) on the last page of this report.

## World supply-demand outlook

## Revisions (FAO-AMIS) to 2024/25 forecasts since the previous report

	WHEAT					MAIZE					RICE					SOYBEANS				
	Production	Imports	Utilization	Exports	Stocks	Production	Imports	Utilization	Exports	Stocks	Production	Imports	Utilization	Exports	Stocks	Production	Imports	Utilization	Exports	Stocks
<b>WORLD</b>	2375	-909	1546	-910	1566	4321	975	2780	970	-4862	147	-221	171	-230	-213	-349	-	-301	-	65
<b>Total AMIS</b>	-1296	-533	-210	-910	1949	5503	500	2853	1500	-4777	136	-225	-4	-80	-227	-549	-	-171	-400	-
Argentina	500	-	100	-	100	1700	-	700	-	-500	-	-	-	-	-	-	-	-	-	-
Australia	-	-	-85	-	-537	-	-	-	-	-	37	25	-3	70	5	-	-	-	-	-
Bangladesh	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Brazil	-18	-	-18	-	-	2508	-	2008	-	-2000	99	-	109	-	40	-	-	-	-	-
Canada	-	-	-50	-	-650	-	-	50	-	-50	-	-	-	-	-	100	-	100	-	-
China Mainland	820	1000	-	-	4143	-	500	-	-	500	-	-250	-31	-150	-100	-	-	-	-	-
Egypt	-	300	-	700	-100	434	-	434	-	-	-	-	-	-	-	-	-	-	-	-
EU	30	1167	-201	-110	2813	-439	-	61	-	1000	-	-	-	-	-	-168	-	-268	-	-
India	906	-800	506	-	-	-	-	-	-	173	-	-	-	-	-	-	-	-	-	-
Indonesia	-	-	-	-	-	-700	-	-700	-	-	-	-	-	-	-	-	-	-	-	-
Japan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Kazakhstan	2000	-	-	800	2000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mexico	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nigeria	-	-	-	-	-	-	-	-	-	-	-	-	-80	-	-140	-	-	-	-	-
Philippines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rep. of Korea	-	-200	-200	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Russian Fed.*	-8000	-	-	-3000	-5000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Saudi Arabia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
South Africa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Thailand	-	-	-350	-	-100	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Türkiye	1000	-2000	-	-	-200	1000	-	500	500	-	-	-	-	-	-	-	-	-	-	-
Ukraine**	1000	-	-115	700	-305	1000	-	-200	1000	-3900	-	-	-	-	-	-	-	-	-	-
UK	-	-	202	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
US	466	-	1	-	-215	-	-	-	-	-	-	-	-	-	-32	-481	-	-3	-400	-
Viet Nam	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

In thousand tonnes

**+i Note**

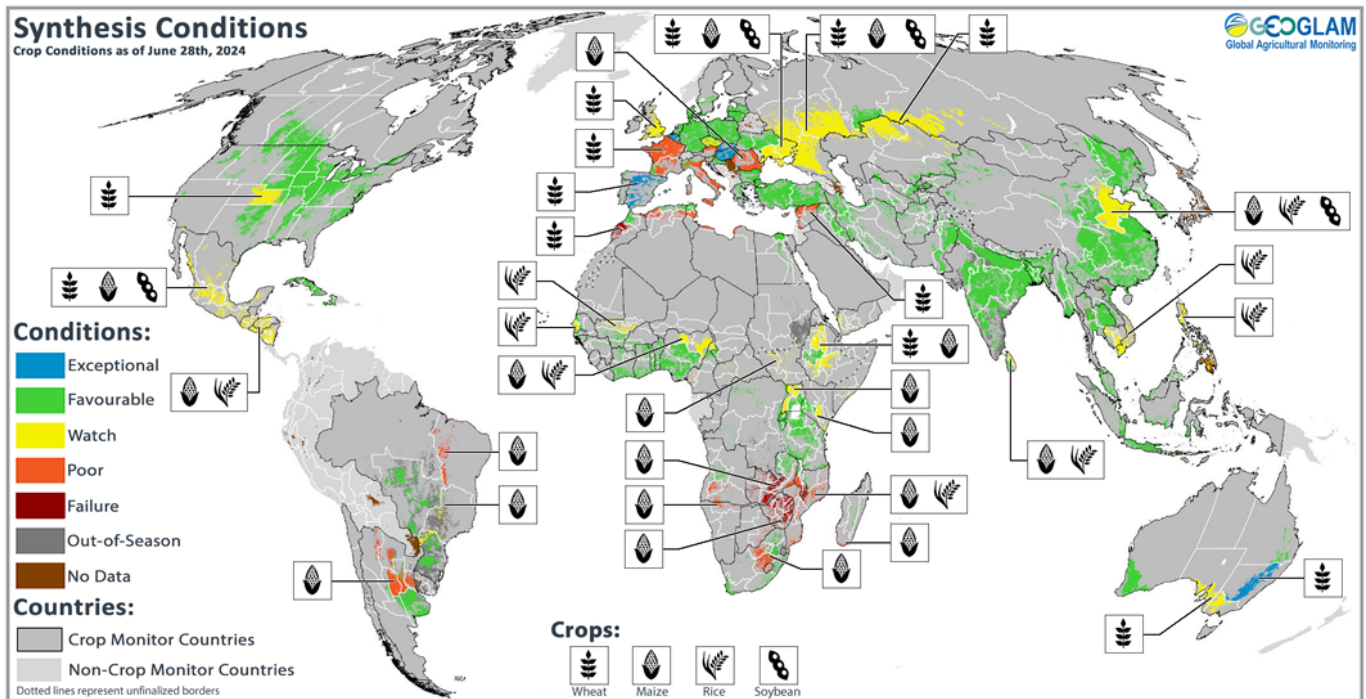
Only significant changes (of more than 1 000 tonnes) are displayed in the table.

\*Information for the Russian Federation includes statistical data for the Autonomous Republic of Crimea and the city of Sevastopol, Ukraine, temporarily occupied by the Russian Federation.

\*\*Information for Ukraine excludes statistical data concerning the Autonomous Republic of Crimea, the city of Sevastopol and the Donetsk, Luhansk, Kherson and Zaporizhzhia regions. The information is presented without prejudice to relevant UN General Assembly and UN Security Council resolutions, which reaffirm the territorial integrity of Ukraine.

# Crop monitor

## Crop conditions around the world



Crop condition map synthesizing information for all four AMIS crops as of 28 June. Crop conditions over the main growing areas for wheat, maize, rice, and soybean are based on a combination of national and regional crop analyst inputs and earth observation data. Only crops that are in other-than-favourable conditions are displayed on the map with their crop symbol.

### Conditions at a glance

#### Wheat

In the northern hemisphere, winter wheat harvest is progressing with areas of concern in parts of Europe, the Russian Federation, and Ukraine. In the southern hemisphere, sowing continues in Argentina as crops develop in Australia.

#### Maize

In the southern hemisphere, the harvest is progressing under mixed conditions. In the northern hemisphere, there are areas of concern in Mexico, the North China Plain, Romania, and Ukraine.

#### Rice

Conditions are generally favourable, albeit with some dry conditions in parts of China, southern Viet Nam, and the Philippines.

#### Soybeans

In the northern hemisphere, sowing is wrapping up under favourable conditions except near the conflict areas in Ukraine.

## ENSO Transitioning Period

ENSO-neutral conditions have been present since May 2024. The CPC/IRI predicts a 65 percent chance of La Niña during summer 2024, and chances remain high into early 2025. Reflecting a La Niña influence, the July to September seasonal forecasts indicate above-normal precipitation in India, the Maritime Continent, northern East Africa, the African Sahel region, and Central America. During late 2024 to early 2025, La Niña conditions would raise the chances of below-average precipitation in East Africa, central-southern Asia, southern South America, the southern United States of America, northern Mexico,

and eastern East Asia. Above-average precipitation would become more likely in Southeast Asia, Australia, Southern Africa, and northern South America. May 2024 was the **hottest May on record**, and the 12th consecutive month of record-breaking global temperatures. 2024 will be among the top five warmest years on record. There will likely be agricultural impacts from extreme heat, particularly if heat occurs during periods of moisture stress or the key reproductive stages that determine final yields.

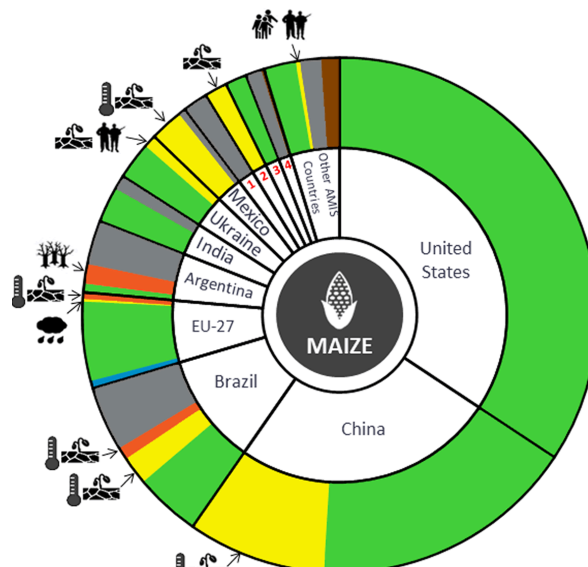
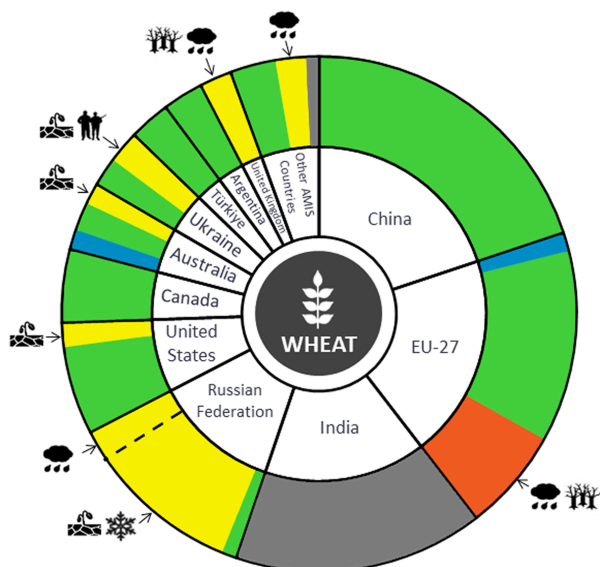
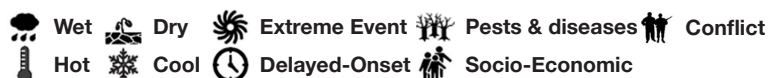
Source: UCSB Climate Hazards Center

## Crop monitor

## Conditions



## Drivers



South Africa<sup>1</sup>, Russian Federation<sup>2</sup>, Canada<sup>3</sup>, Indonesia<sup>4</sup>

## Summaries by crop

## Wheat

In the **EU**, excessive water has negatively affected crop growth and hindered field operations, reducing potential yields in Austria, France, Italy, and the Netherlands. In the **UK**, recent good weather has enabled winter wheat to partially recover, however, yields will likely be below the 5-year average. In **Türkiye**, recent wet and warm weather is supporting grain filling. In **Ukraine**, harvesting is beginning 2-3 weeks earlier than usual due to the warm weather. Despite the recent predominantly dry weather, prospects remain good away from the war zones. In the **Russian Federation**, prolonged dryness and then sharp freezes in May have negatively impacted winter wheat. Spring wheat development has been affected by dry and cold weather in the west and excess rain in Siberia. In **China**, harvesting is continuing for winter wheat. In the **US**, conditions are generally favourable as winter wheat harvest is progressing and spring wheat continues to develop. In **Canada**, conditions have improved for spring wheat owing to ample rainfall. In **Australia**, close-to-average June rainfall has benefitted crops across most of the country, however, soil moisture conditions remain below-average in parts of Queensland, South Australia, and Victoria. In **Argentina**, sowing is progressing despite a delay due to the late harvesting of the summer crops.

## Maize

In **Brazil**, harvest is wrapping up in the Northeast region for the spring-planted crop (smaller season) with poor yields due to a lack of rain and high temperatures. Harvesting of the summer-planted crop (larger season) is progressing with some concern in parts of the South and Southeast regions due to the lack of rain and high temperatures during the reproductive stages. In **Argentina**, harvesting of the late-planted crop (smaller season) is progressing under mixed conditions due to the impact of corn stunt disease. In **Mexico**, conditions are mixed due to prolonged hot and dry weather as harvesting continues for the autumn-winter crop (smaller season) alongside the sowing of the spring-summer crop (larger season). In **China**, conditions are generally favourable, however, persistent hot and dry conditions in the North China Plain are of concern. In **India**, sowing of the Kharif crop (larger season) begins under favourable conditions. In the **US**, most of the crops are emerging under favourable conditions, despite excessive heat in the east and excessive rainfall in the northwestern Corn Belt. In **Canada**, conditions are favourable. In the **EU**, the outlook is favourable, albeit with dry conditions in southeastern Romania. In the **Russian Federation**, dry conditions remain a concern for crops.

## +i Pie chart description

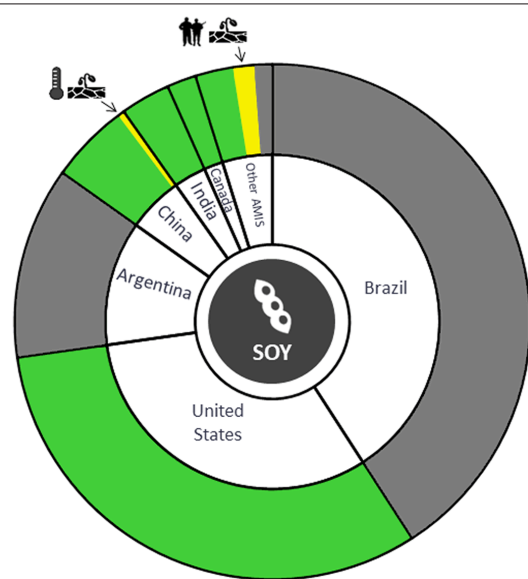
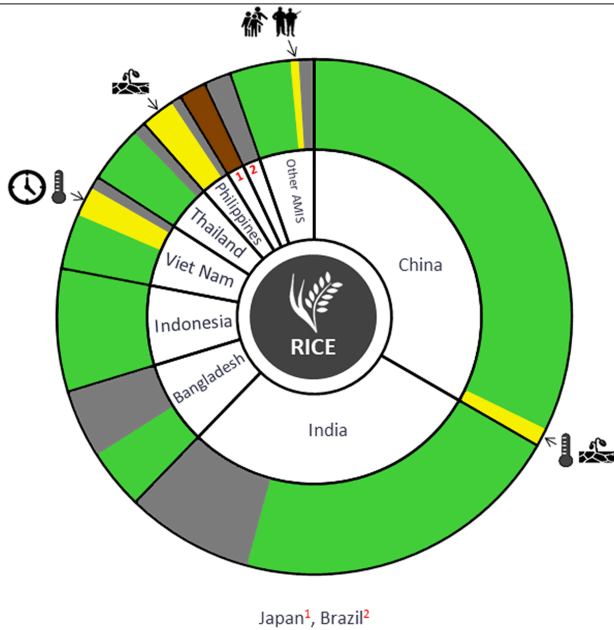
Each slice represents a country's share of total AMIS production (5-year average), with the main producing countries (95 percent of production) shown individually and the remaining 5 percent grouped into the "Other AMIS Countries" category. Sections within each country are weighted by the sub-national production statistics (5-year average) of the respective country and account for multiple cropping seasons (i.e. spring and winter wheat). The late vegetative to reproductive crop growth stages are generally the most sensitive periods for crop development.

Crop monitor

Conditions



Drivers



Rice

In **China**, harvest begins for the early double-crop as the sowing of the late double-crop begins. Single-season rice has benefitted from ample rainfall south of the Yangtze River. In **India**, sowing of the Kharif crop (larger season) begins under favourable conditions. In **Bangladesh**, harvest is starting for the Aus crop (smallest season) as the sowing of the Aman crop (mid-sized season) continues. In **Indonesia**, harvesting of wet-season rice is wrapping up as the sowing of dry-season rice continues, supported by ample rainfall. In **Viet Nam**, harvesting has begun for dry-season rice (winter-spring) in the north as the sowing of wet-season rice (summer-autumn) begins. In the south, sowing is delayed for wet-season rice (summer-autumn) due to hot weather and a lack of rainfall. In **Thailand**, the sowing of wet-season rice is continuing, however, reduced rainfall will likely lead to a reduction in the total sown area compared to the 5-year average. In the **Philippines**, wet-season rice is under mixed conditions due to below-average rainfall across most of the country, despite the impact of typhoon “Ewiniar”, which caused some flooding damage.

Soybeans

In the **US**, sowing is wrapping up under favourable conditions with an expected increase in total sown area compared to last year. In **Canada**, sowing is being completed under favourable conditions despite excess moisture over parts of Manitoba, Ontario, and Saskatchewan. In **China**, conditions are favourable with good soil moisture supporting crop development in the main producing northeast region. In **India**, sowing is beginning under favourable conditions. In **Ukraine**, conditions are favourable away from the war zone, however, additional rainfall will be necessary to support development, particularly in the eastern regions.

Information on crop conditions in non-AMIS countries can be found in the GEOGLAM Early Warning Crop Monitor, published 4 July.

+i Sources and disclaimers

The Crop Monitor assessment is conducted by GEOGLAM with inputs from the following partners (in alphabetical order): Argentina (Buenos Aires Grains Exchange, INTA), Asia Rice Countries (AFSIS, ASEAN+3 & Asia RiCE), Australia (ABARES & CSIRO), Brazil (CONAB & INPE), Canada (AAFC), China (CAS), EU (EC JRC MARS), Indonesia (LAPAN & MOA), International (CIMMYT, FAO, IFPRI & IRRI), Japan (JAXA), Mexico (SIAP), Russian Federation (IKI), South Africa (ARC & GeoTerralimage & SANS), Thailand (GISTDA & OAE), Ukraine (NASU-NSAU & UHMC), USA (NASA, UMD, USGS - FEWS NET, USDA (FAS, NASS)), Viet Nam (VAST & VIMHEMARD). The findings and conclusions in this joint multiagency report are consensual statements from the GEOGLAM experts, and do not necessarily reflect those of the individual agencies represented by these experts. More detailed information on the GEOGLAM crop assessments is available at <https://cropmonitor.org>.

## Policy developments

### Highlights

In June, new minimum purchasing prices were announced in Brazil and Türkiye for wheat, in Mexico for maize, and in India for paddy, maize, and soybeans. India set import quotas for maize and vegetable oils. Import restrictions were eased on rice in the Philippines, while the Russian Federation extended export restrictions on rice, and India again allowed exceptional rice exports to Senegal and Gambia. Ukraine adopted new biofuel blending requirements.

### Wheat

- On 5 June, the Ministry of Agriculture and Livestock in **Brazil** announced minimum purchasing prices for wheat grains and wheat seed for the 2024-25 marketing season (July-June). The prices, which are set at lower levels than during the 2023-24 season, vary across the three main producing regions (South, South-East, and Central-West/Bahia) and according to the type and quality of wheat. While the new prices reflect average production costs, they also include an additional premium. The harvesting of the 2024 wheat crop will start in September.
- On 6 June, the Ministry of Agriculture and Forestry in **Türkiye** suspended wheat imports from 21 June to 15 October; allowed exports of flour made of domestically produced wheat after having imposed a ban in September 2018; and announced grain purchasing prices for the 2024 crop. Support for fertilizer, diesel, and certified seeds will continue, the government indicated, while exports of bread and durum wheat would be allowed so long as they were approved. Wheat producers that have registered in the Farmer Registration System would also be eligible to receive deficiency support payments of TRY 1 750 (USD 53.8) per tonne. On 7 June, the Turkish Grain Board (TMO) - a public organization under the Ministry of Agriculture and Forestry - set the procurement prices for durum wheat (TRY 8 750 to 10 500 - USD 269.2 to 323.1 - per tonne), milling wheat (TRY 8 000 to 9 750 - USD 246.2 to 300 - per tonne), and barley (TRY 7 250 to 7 300 - USD 223.1 to 224.6 - per tonne), depending on the quality.
- On 24 June, **India** set limits on wheat stocks maintained by the main domestic supply chain entities: 3 000 tonnes for traders and wholesalers, 10 tonnes for each retail outlet (with a 3 000 tonnes limit for big chain retailers at all their depots), and, for processors, a volume equal to 70 percent of their monthly installed capacity multiplied by the number of remaining months of the current fiscal year 2024-25. This follows the request to declare wheat stocks introduced in March this year (see [AMIS Market Monitor, April 2024](#)) and is immediately applicable.

### Maize

- On 12 June, **Mexico** announced a maize subsidy scheme, offering an incentive of MXN 750 (USD 41) per tonne to large maize producers for the Autumn-Winter 2023/24 agricultural cycle, in selected states (Baja California, Baja California Sur, Jalisco, Michoacán, Nayarit, Sinaloa, Sonora, and Tamaulipas).

### Rice

- On 28 May, **Brazil** announced a budget of BRL 2.3 billion (USD 426 million) for the import of rice, and to provide domestic consumption subsidies, following severe floods in the south of the country. On 6 June, the National Supply Company (Conab) authorized the importation of about 263 000 tonnes of rice. However, five days later, an auction to purchase rice imports was cancelled by the federal government, due to concerns about the technical capabilities of the winning companies. Before a new auction is held, the procedure will be reviewed.
- On 20 June, the National Economic and Development Authority (NEDA) in the **Philippines** reduced rice tariffs from 35 to 15 percent, until 2028, for both in-quota and out-of-quota rates (Executive Order EO 62). The government said the move was intended to bring down prices to make rice more affordable for consumers.
- On 5 June, the Directorate General of Foreign Trade in **India** extended, through notification No. 15/2024-25, the authorization to export broken rice to Senegal and Gambia, for a further six-month period until 30 November 2024. India initially banned broken rice exports in September 2022, but subsequently granted specific exemptions on the request of importing countries' governments, in order to meet their food security needs (see [Market Monitor, October 2022](#), [April 2023](#), and [June 2023](#)).
- On 6 June, the Ministry of Agriculture in the **Russian Federation** proposed extending the temporary ban on rice and rice cereal exports from 1 July to 31 December 2024 (see [AMIS Market, February 2024](#)). This ban does not apply to rice exported to the Eurasian Economic Union, rice sent as international humanitarian aid based on decisions by the Russian government, or rice exported under international intergovernmental agreements.

### Biofuels

- On 4 June, the parliament of **Ukraine** adopted Law No. 3356-d, requiring that motor gasoline contains at least 5 percent biofuels from 1 May 2025 onwards. Businesses which fail to comply with the new requirements will be liable to a fine.



## Policy developments

- On 7 June, the Ministry of Economy in **Argentina** raised, through Resolution 95/2024, the minimum purchase price for sugar-based ethanol, from ARS 622 (USD 0.732) to ARS 635 (USD 0.703) per litre. The minimum purchase price for maize-based ethanol, was also raised, from ARS 570 (USD 0.631) to ARS 582 (USD 0.644) per litre. Separately, on the same date, Resolution 96/2024 raised the minimum purchase price of biodiesel, from ARS 938.54 (USD 1.03) to ARS 951.28 (USD 1.05) per tonne.
- On 20 June, **Brazil** confirmed that the US had accepted the International Plant Health Certificate for the export of used cooking oil (UCO) from Brazil. UCO, a residue from vegetable oils and fats used in cooking, serves as a feedstock for biofuels such as biodiesel and sustainable aviation fuel. To comply with US regulations, the Department of Inspection of Plant Origin Products (DIPOV) of the Brazilian Ministry of Agriculture and Livestock (MAPA) will certify the traceability, identity, and origin of the product, based on audits of self-control procedures at storage facilities and by exporters.
- On 7 June, the **Russian Federation** declared a federal state of emergency in 10 regions affected by frost in May. The decision allows producers from the affected regions to seek compensation.
- On 10 June, the Ministry of Economy in **Argentina** adopted Resolution 32/2024, easing requirements for the export of grains and other products. In particular, it abolishes measures that the government considers placed an unduly onerous burden on exporters, such as reporting requirements related to bank account details and transactions made in the six preceding months.
- On 18 June, the Ministry of Agriculture, Livestock and Fisheries in **Argentina** through Resolution 50/2024 abolished the obligation to register all foreign sales of agricultural products, including broken rice, maize oil, and wheat bran. The previous requirement aimed to facilitate a smoother inflow of foreign exchange and provide advance knowledge of projected export volumes.
- On 18 June, the Ministry of Finance in **China** allocated CNY 443 million (USD 61 million) in disaster prevention and relief funds to support areas of Hebei, Shanxi, Jiangsu, Anhui, Shandong, Henan, Shaanxi and seven other provinces affected by drought and high temperatures.
- On 18 June, the Directorate-General of Foreign Trade in **India** issued Notice No. 06/2024-25, which proposed easing requirements on exporters of processed wheat, maize, and other products that benefit from duty-free imports of raw materials. The proposed measures would extend the period during which firms must export processed products to avoid penalties. The export obligation period for maize would be extended from 3 to 6 months, and for wheat from 180 days to 6 months. The government is seeking comments from stakeholders on the proposed amendments within 15 days.
- On 19 June, **India** increased prices for Kharif (summer-sown) crops to boost production for the 2024/25 marketing season. The price for common rice paddy was raised by 5.4 percent to INR 2 300 (USD 27.5) per 100 kg, while the 'A' grade variety increased by 5.3 percent to INR 2 320 (USD 27.8) per 100 kg. Maize prices rose from INR 2 090 (USD 25.03) to INR 2 225 (USD 26.65), and soybeans from INR 4 600 (USD 55.09) to INR 4 892 (USD 58.59). These levels correspond to at least 1.5 times the All-India weighted average cost of production, as recommended by the Union Budget 2018-19, to support production and diversification.
- On 26 June, **India** permitted limited imports of maize (500 000 tonnes), crude sunflower oil (150 000 tonnes) and refined rapeseed oil (150 000 tonnes) under the tariff rate quota system, allowing importers to benefit from zero or reduced duties.

## Fertilizers

- On 7 June, **China** halted inspections of urea exports, media sources reported, without giving a date for resumption.
- On 10 June, the Ministry of Energy and Natural Resources in **Canada** included phosphorus on its list of critical minerals and maintained inclusion of potash. This list influences federal policies and programs, and highlights government priorities to market actors.
- On 25 June, the government of **Thailand** approved a budget of THB 29.99 billion (USD 817 million) for the period from 15 July 2024 to 31 May 2025 to help rice farmers purchase fertilizers, providing up to THB 1 250 (USD 34) per acre, with a maximum support of 8 acres per household.

## Across the board

- On 1 June, **China** officially implemented its Food Security Law. Among a wide set of measures, this law stipulates that the state will strictly control the conversion of cultivated land to other types of land use, prioritizing the production of grain, cotton, oil, sugar, vegetables, and forage feed (see [AMIS Market Monitor, February 2024](#)).
- On 4 June, **Brazil** introduced provisional resolution 1227 which restricts the capacity of Brazil's commodity exporters and processors to use PIS (Social Integration Program) and Cofins (Social Security Financing Contribution) tax credits to pay other national taxes. This measure takes effect immediately but requires Congressional approval within four months to remain valid.

### +i Note

Only AMIS participants are marked in **bold**.

# International prices

## International Grains Council (IGC) Grains and Oilseeds Index (GOI) and GOI sub-Indices

	Jun 2024 Average*	Change	
		M/M	Y/Y
<b>GOI</b>	234.9	-2.6%	-11.1%
<b>Wheat</b>	212.1	-4.8%	-12.0%
<b>Maize</b>	205.4	-2.1%	-18.1%
<b>Rice</b>	256.0	+1.2%	+24.8%
<b>Soybeans</b>	226.9	-2.6%	-15.1%

\*Jan 2000=100, derived from daily export quotations

### Wheat

Wheat export prices turned lower during the past month on northern hemisphere harvest pressure and subdued nearby demand, average GOI wheat sub-Index values down by 5 percent month-on-month. Weakness was also tied to subsiding production concerns in the Russian Federation, amid better than anticipated initial harvest results, with sentiment also weighed by news of a temporary wheat import ban by Türkiye. Ukraine's prices also softened ahead of harvesting, with better crop quality expected compared to last season. Despite quality concerns due to unfavourably wet weather, quotations in France dropped on impending new crop arrivals and sustained export competition. US prices also fell amid brisk harvest progress, with solid export sales offering only limited support.

### Maize

A softer tone prevailed across world maize export markets in June, the IGC GOI maize sub-Index averaging 2 percent lower month-on-month, on a seasonal uptick in supplies and overall favourable 2024/25 northern hemisphere production outlooks. Much of the downside reflected harvest pressure in South America, with fieldwork accelerating in parts of Brazil and Argentina. Although outturns in both countries will likely

fall short of earlier expectations, supplies will be sufficient to maintain heavy export programmes in the months ahead. US prices worked lower on generally optimistic crop expectations, with early season field condition seen better than average. After solid gains in the prior month, deep sea fob values in Ukraine weakened on waning overseas demand.

### Rice

Average international rice prices firmed by around 1 percent during June amid seasonally tightening availabilities. This includes Thailand, where white and parboiled quotations were underpinned by falling nearby supplies and the covering of previously agreed sales, albeit with some offsetting pressure from generally muted buying interest. In contrast, softer fob values were seen in Vietnam amid slow demand and early arrivals of the summer/autumn harvest. Indian parboiled quotes advanced, as the off-season (rabi) harvest drew to a close, albeit as elevated container freight prices curtailed purchasing from West African markets.

### Soybeans

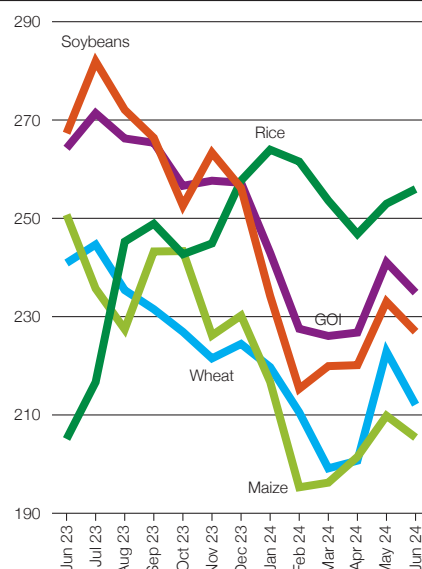
Average soybean export values, as tracked by the IGC GOI sub-Index, retreated by around 3 percent in June on bearish supply and demand fundamentals. Despite weather-related concerns more recently, solid US Midwest planting progress was a key influence throughout the month, with weak underlying export demand – both for US old and new crop supplies – and softer vegetable oils markets adding to the negative tone. In South America, too, despite earlier worries about crop losses in southern states, the completion of the Brazilian harvest weighed, with export premiums weakening on currency movements, together with some efforts to clear storage space for secondary (safrinha) maize supplies. In line with other origins, Up River fob quotations in Argentina were lower.

## IGC commodity price indices

		GOI	Wheat	Maize	Rice	Soybeans	
2023	June	<b>264.3</b>	240.9	250.7	205.1	267.3	
	July	<b>271.4</b>	244.7	235.7	216.7	281.9	
	August	<b>266.2</b>	235.4	227.4	245.3	272.1	
	September	<b>265.4</b>	231.5	243.3	248.9	266.4	
	October	<b>256.6</b>	226.9	243.3	242.7	252.6	
	November	<b>257.7</b>	221.5	226.2	244.9	263.4	
	December	<b>257.2</b>	224.4	230.2	257.7	256.2	
	2024	January	<b>243.0</b>	219.7	216.7	264.0	234.2
		February	<b>227.5</b>	210.5	195.3	261.5	215.3
		March	<b>226.1</b>	199.1	196.2	253.6	219.9
		April	<b>226.8</b>	200.7	201.5	246.8	220.1
		May	<b>241.1</b>	222.9	209.8	253.0	233.1
June		<b>234.9</b>	212.1	205.4	256.0	226.9	

(..... January 2000 = 100 .....)

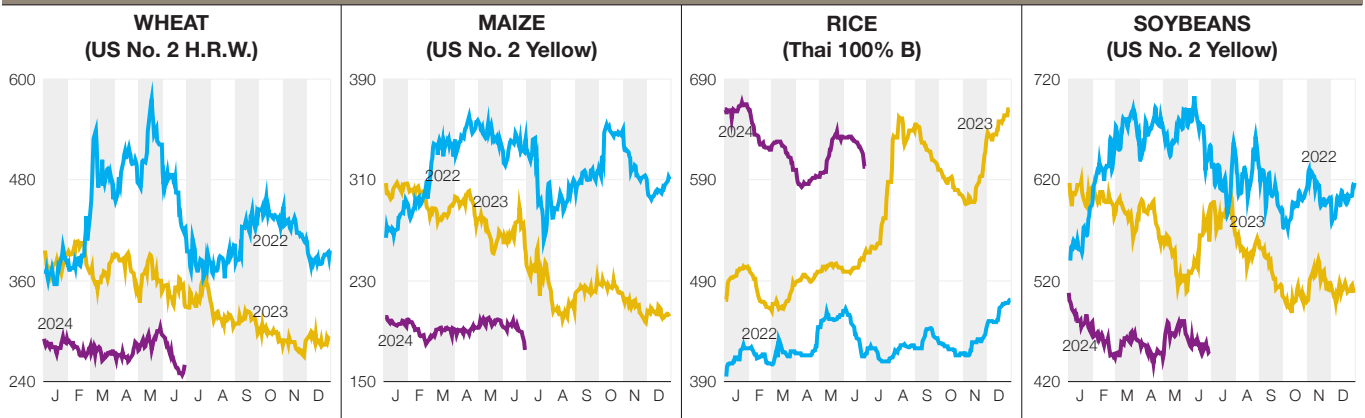
## IGC commodity price indices



International prices

Selected export prices, currencies and indices

Daily quotations of selected export prices (USD/tonnes, 2022-2024)



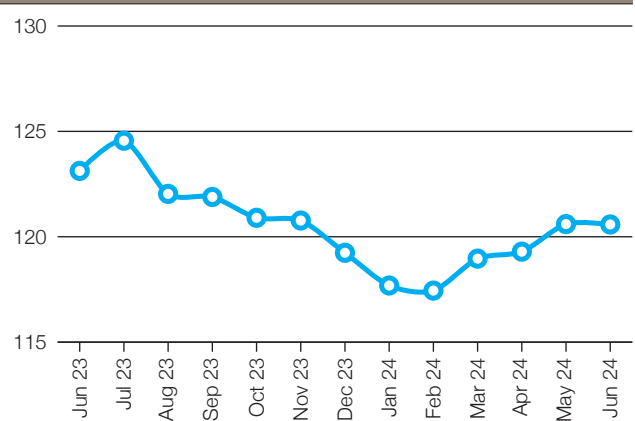
Daily quotations of selected export prices

	Effective date	Quotation	Month ago	Year ago	% change M/M	% change Y/Y
		USD/tonne				
<b>Wheat (US No. 2, HRW)</b>	28-Jun	260	295	329	-11.9%	-21.0%
<b>Maize (US No. 2, Yellow)</b>	28-Jun	175	193	242	-9.5%	-27.7%
<b>Rice (Thai 100% B)</b>	28-Jun	603	632	518	-4.6%	+16.4%
<b>Soybeans (US No. 2, Yellow)</b>	28-Jun	450	464	596	-3.0%	-24.5%

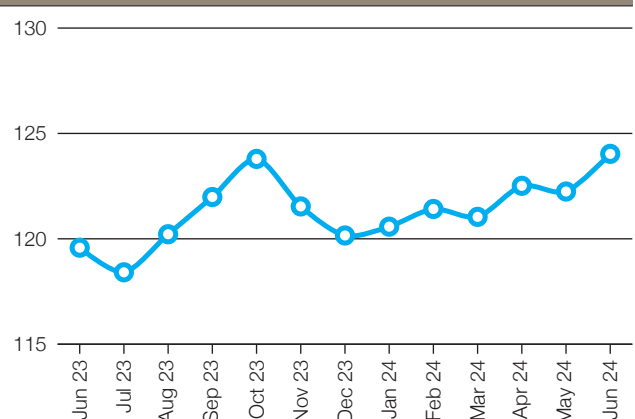
AMIS countries' currencies against US Dollar

AMIS Countries	Currency	Jun 2024 Average	Monthly Change	Annual Change
Argentina	ARS	903.2	-1.9%	-72.5%
Australia	AUD	1.5	0.2%	-1.1%
Bangladesh	BDT	117.0	-1.9%	-7.6%
Brazil	BRL	5.4	-4.7%	-10.1%
Canada	CAD	1.4	-0.3%	-3.1%
China	CNY	7.3	-0.3%	-1.3%
Egypt	EGP	47.7	-0.9%	-35.2%
EU	EUR	0.9	-0.5%	-0.8%
India	INR	83.5	-0.1%	-1.6%
Indonesia	IDR	16331.0	-1.6%	-8.5%
Japan	JPY	157.9	-1.3%	-10.4%
Kazakhstan	KZT	456.3	-3.1%	-1.7%
Rep. of Korea	KRW	1379.2	-1.1%	-6.1%
Mexico	MXN	18.2	-7.9%	-5.5%
Nigeria	NGN	1470.4	-3.4%	-58.5%
Philippines	PHP	58.7	-1.6%	-5.0%
Russian Fed.	RUB	87.9	3.4%	-5.4%
Saudi Arabia	SAR	3.8	0.0%	0.0%
South Africa	ZAR	18.4	0.1%	1.7%
Thailand	THB	36.7	-0.2%	-4.9%
Türkiye	TRY	32.5	-1.0%	-26.9%
UK	GBP	0.8	0.6%	0.6%
Ukraine	UAH	40.4	-1.7%	-8.7%
Viet Nam	VND	25438.3	0.0%	-7.6%

FAO Food Price Index Jun 2023 - Jun 2024



Nominal Broad Dollar Index Jun 2023 - Jun 2024



## Futures markets

### Overall market sentiment

- Wheat, maize, and soybean futures on CME and Euronext declined in June amid favourable maize and soybean crop conditions and increasing harvest pressure for wheat.
- Historical volatilities remained low for maize and soybeans and have cooled off for wheat, but rising implied volatility in maize signals price fluctuation risks that need monitoring during this key crop development phase.
- Money managers increased their net short position across all analysed grains and oilseeds futures, reflecting their persisting bearish outlook.

### MONTHLY PRICE TREND



### Futures prices

Chicago Mercantile Exchange (CME) and Euronext futures for wheat, maize, and soybean sharply declined in June. In May, wheat futures markets rapidly priced in concerns about crop conditions in the Northern Hemisphere. However price increases were short-lived due to robust progress in the US harvest and unexpectedly strong initial yields in the Russian Federation. Harvest pressure and the prospect of reduced short-term demand due to Türkiye's suspension of wheat imports have lowered export prices from Black Sea origins. This exerted downward pressure on CME and Euronext wheat front-month futures, pushing them to their lowest levels in two months. In contrast, later-term futures for the 2024/25 season experienced milder declines, underscoring persistent concerns regarding yield projections and wheat supply dynamics among major exporters.

CME maize and soybean markets also declined as heavy rains alleviated initial concerns about heat waves stressing crops in the central United States. Maize and soybean futures remain in a downward trend, driven by expectations of high US maize and soybean stocks and a robust export competition for 2024/25, compounded by a strong US dollar. Notably, the elevated price difference between CME maize and CME wheat has returned to a more typical level, as the decline in maize was less sharp than in wheat, possibly benefiting from feed use substitution from wheat.

### Volumes & volatility

Large monthly volumes were traded on the CME in June. Such volumes are typically seen as confirming a trend, indicating strong investor commitment and confidence in the direction of price movement, thus suggesting validation of the ongoing downward trend momentum. Declining volumes on Euronext indicate alleviating concerns in the Black Sea, as the Euronext wheat contract is considered the most closely related derivative for hedging wheat market risks for Black Sea origins.

Historical wheat volatility declined, while maize and soybean volatilities stayed low in June, all nearing or below their 10-year

averages. Implied volatility (IV) in CME wheat showed a significant decline, suggesting reduced concerns about wheat crop risks amid more favourable weather following a dry May in the United States and Black Sea region. However, a rising IV trend is noticeable in maize. Although rising IV is typical for this time of the year, as June corresponds to a critical crop development phase in the Northern Hemisphere, the current level signals that market participants are factoring in gradually rising risks of high price gyrations, warranting close monitoring.

### Forward curves

CME wheat and maize showed steepened contango (or carry), suggesting there is enough grain moving to satisfy nearby demand while higher prices on deferred contracts incentivize storage. Soybeans displayed a steepening backwardation (or inverse), reaching the largest inverse since January. This forward curve movement might signal an impending rise in upfront demand for US soybeans, as local demand indicators (measured by the premium of local price to the first nearby futures contract) do not yet reflect such dynamics.

### Investment flows

Managed money investors hold the shortest net position in agricultural contracts since late April reflecting their persisting bearish leaning. Funds added to their preexisting net short positions in June, an unusual divestment trend for this time of the year, which was last observed in June 2018 during the US-China trade war. On Euronext wheat, investment firms trimmed their net long positions, reflecting moderated bullish sentiment.

#### Euronext futures volumes and price evolution

Average daily volume (1000 tonnes)	Jun 2024	M/M	Y/Y
Wheat	4 562.5	+1.6%	+44.0%
Maize	111.2	-34.4%	+1.4%

Prices (USD/t)	Jun 2024	M/M	Y/Y
Wheat	260.5	-4.5%	+1.8%
Maize	228.4	-2.3%	-9.2%

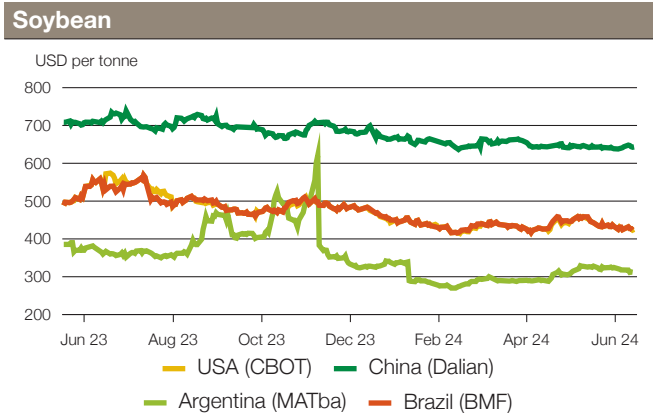
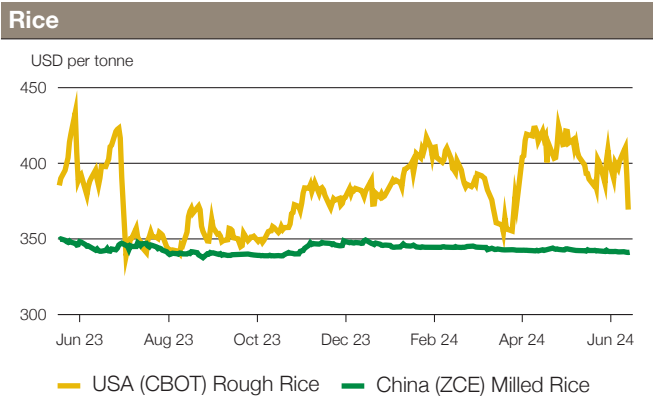
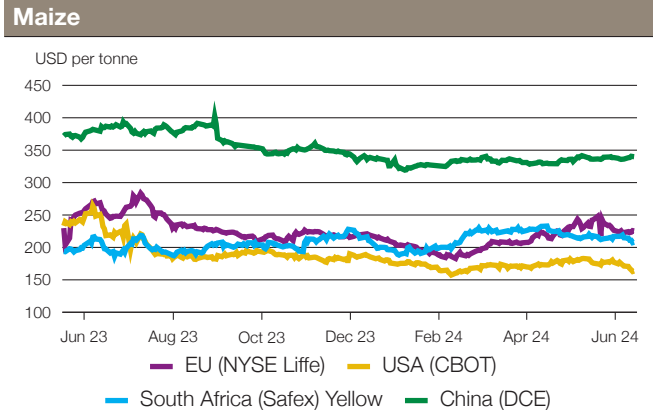
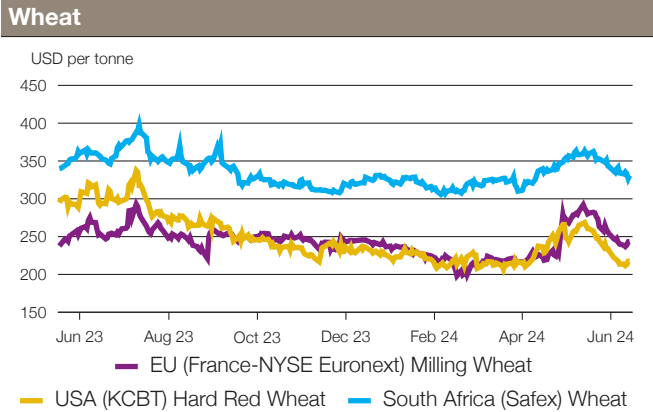
#### CME futures volumes and prices evolution

Average daily volume (1000 tonnes)	Jun 2024	M/M	Y/Y
Wheat	26 100.4	+39.0%	+9.2%
Maize	69 846.2	+41.0%	+5.3%
Soybean	46 099.5	+32.4%	+3.5%

Prices (USD/t)	Jun 2024	M/M	Y/Y
Wheat	223.9	-8.3%	-8.7%
Maize	178.3	-1.6%	-21.4%
Soybean	421.8	-6.1%	-12.8%

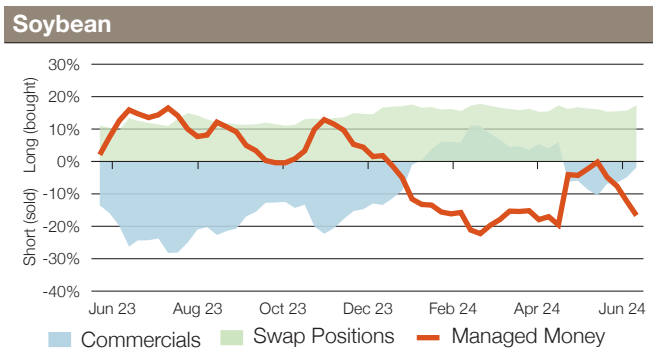
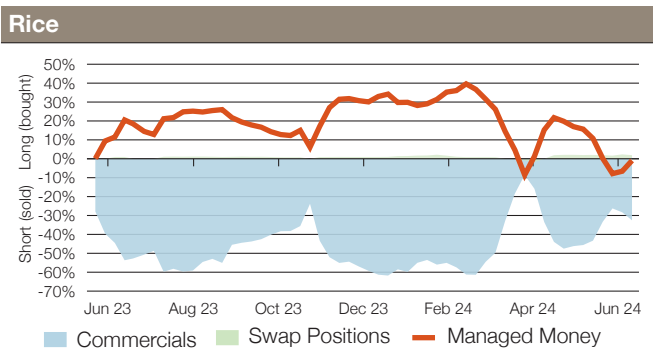
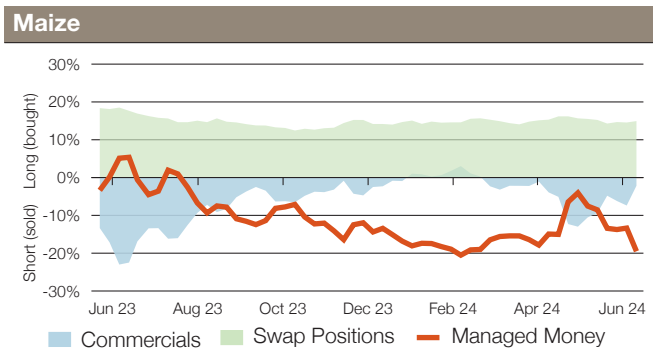
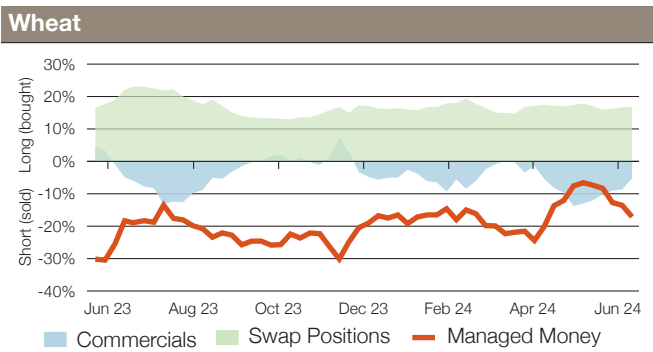
# Market indicators

## Daily quotations from leading exchanges - nearby futures



## CFTC commitments of traders

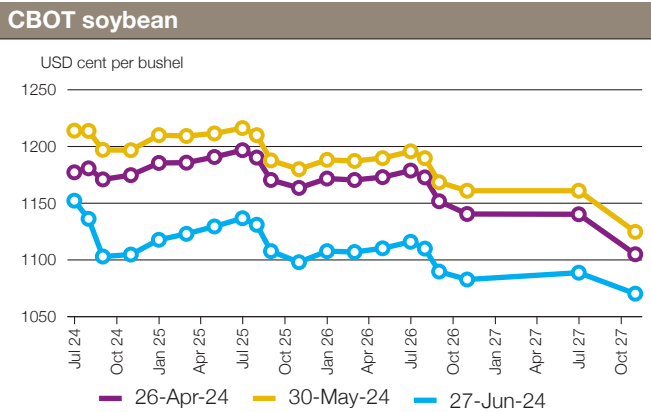
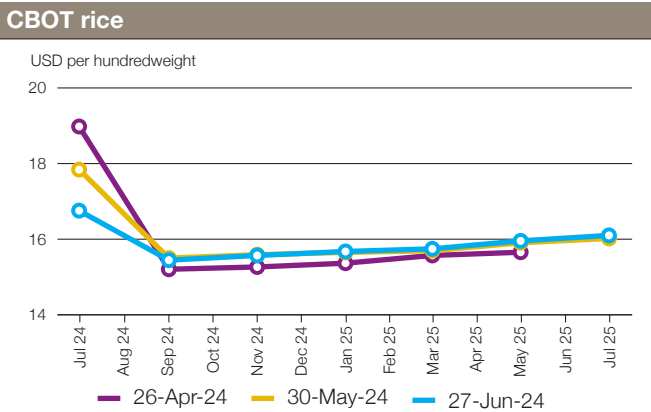
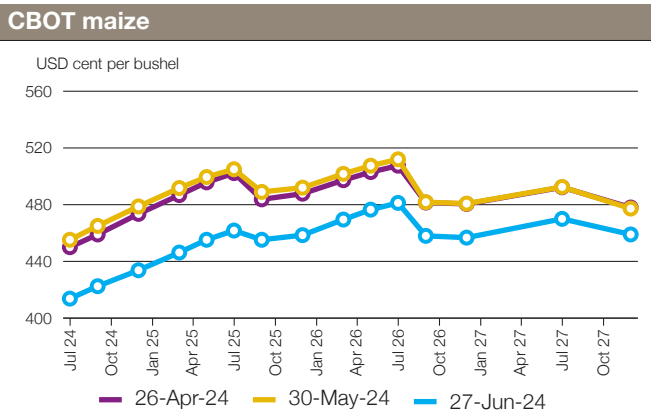
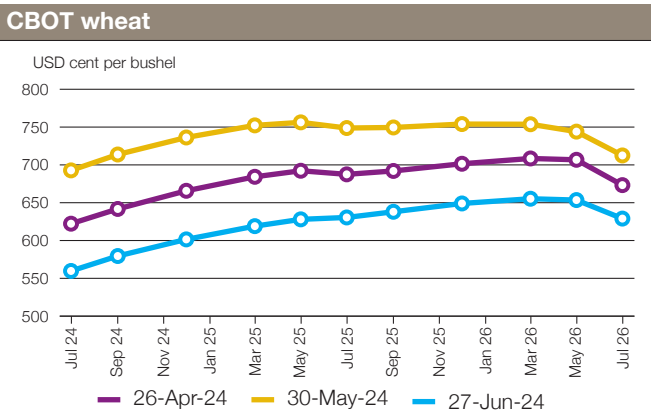
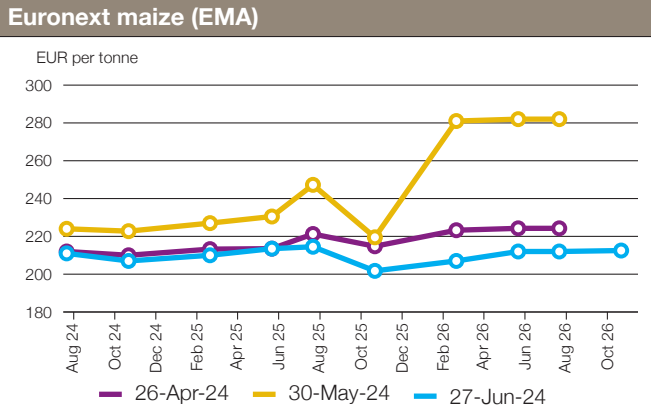
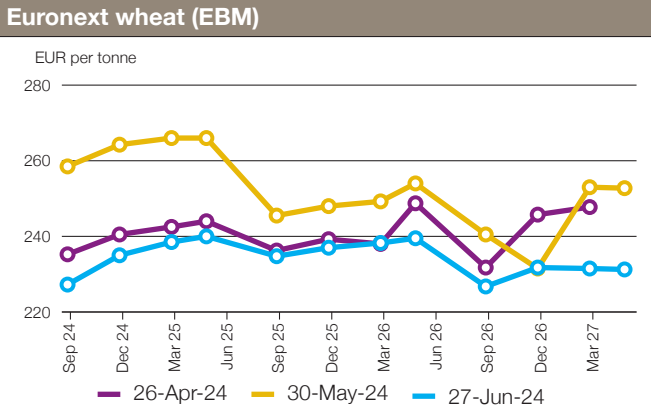
Major categories net length as percentage of open interest\*



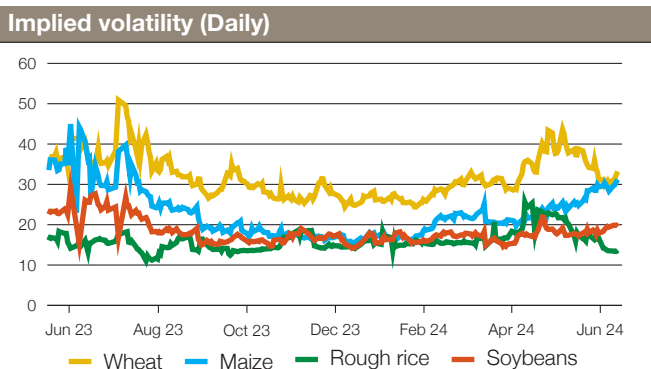
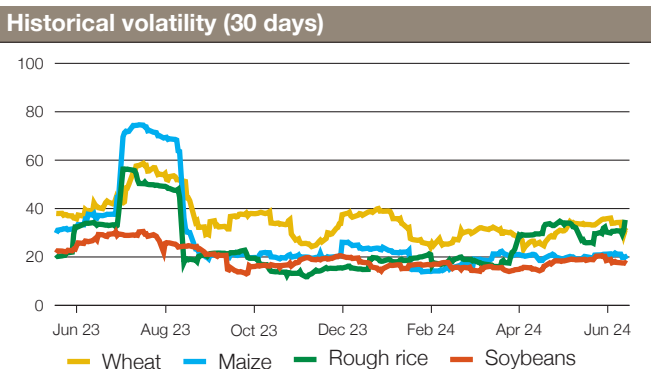
\*Disaggregated futures only. Though not all positions are reflected in the charts, total long positions always equal total short positions.

Market indicators

Forward curves



Historical and implied volatilities

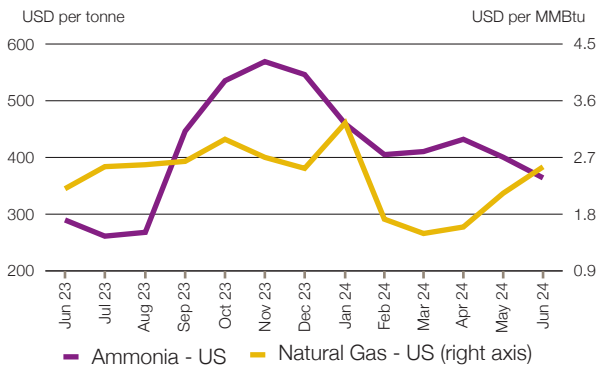


+i AMIS market indicators

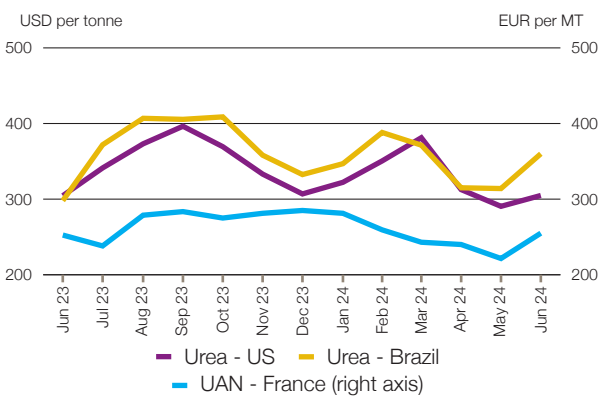
Several of the indicators covered in this report are updated regularly on the AMIS website. These, as well as other market indicators, can be found at: <https://www.amis-outlook.org/amis-monitoring/indicators/>. For more information about forward curves see the feature article in AMIS Market Monitor no. 75, February 2020.

# Fertilizer outlook

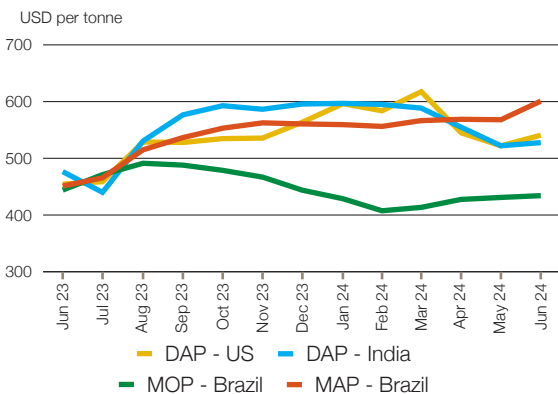
## Input prices for manufacturing fertilizers



## Nitrogen prices



## Potash and phosphate



## Fertilizer outlook prices

	Jun-24 average	Jun-24 std. dev.	% change last month*	% change last year*	12 month high	12-month low
Ammonia - US (USD/ST)	364.0	-	-9.1	+25.6	569.0	261.2
Natural Gas - US (USD/MMBtu)	2.6	0.2	+19.6	+15.8	3.2	1.5
Natural Gas - EU (EUR/MWh)	34.3	0.9	+7.0	+5.4	43.4	25.6
Urea Ammonium Nitrate (UAN) - France (EUR/MT)	255.0	-	+15.1	+1.0	285.0	221.5
Urea - US (USD/ST)	304.8	12.4	+4.9	+0.1	396.4	290.5
Urea - Brazil (USD/MT)	360.0	13.2	+14.6	+20.8	408.8	314.0
Di-ammonium Phosphate (DAP) - India (USD/MT)	527.7	8.7	+1.1	+10.7	596.9	440.0
Di-ammonium Phosphate (DAP) - US (USD/ST)	540.7	8.3	+3.6	+18.9	617.5	458.8
Mono-ammonium Phosphate (MAP) - Brazil (USD/MT)	600.8	15.1	+5.8	+33.2	600.8	465.6
Muriate of Potash (MOP) - Brazil (USD/MT)	434.2	1.4	+0.7	-2.2	491.2	407.5

Source: Own elaboration based on Bloomberg. Units: MT = Metric Tonne; ST = Short Ton; MMBtu = Million British Thermal Unit  
 \*Estimated using available weekly data to date.

## Major market developments

Fertilizer prices were supported by higher crop prices in May, but price increases moderated in June. Nitrogen fertilizer prices are higher on natural gas availability affecting production in Egypt and limits still in place on exports out of China. Phosphates remain firm while potash is unchanged. In the next few weeks, upcoming import demand in major buyers Brazil and India will emerge.

- Fertilizer input prices.** Natural gas prices in the U.S. increased in June with above normal temperature forecasts suggesting higher energy demand for cooling. Prices in Europe were up on supply concerns and competition from other major LNG buyers, but higher than usual reserves kept price increases in check. Ammonia prices remain supported East of Suez by production outages, but West of Suez, prices are down due to soft demand.
- Nitrogen fertilizer prices.** Urea prices were up the most out of all markets tracked. In Egypt, urea production plants ran at reduced rates as the government manages energy use. Meanwhile, export certificates were suspended out of China where domestic prices remain high. Virtually no volumes from China have been exported since January. On the demand side, a tender was announced in India despite high stocks.
- Phosphorus fertilizer prices.** Phosphorus fertilizer prices were up slightly in June. Supply remains tight. Exports this year to date from China - which normally make up a third of phosphorus fertilizer exports - are down 30 percent compared to the same period last year. Major buyers like Brazil have been deferring purchases in hopes of lower phosphate prices but have since returned to market in attempts to make up the import lag ahead of September application.
- Potassium fertilizer prices.** Potash prices were largely unchanged in June, and the market was slow. Markets are waiting for clarity how the establishment of a new government in India, a major importer, could impact import demand. Import demand is strong in China and Brazil, though global supply has kept pace.

# Ocean freight markets

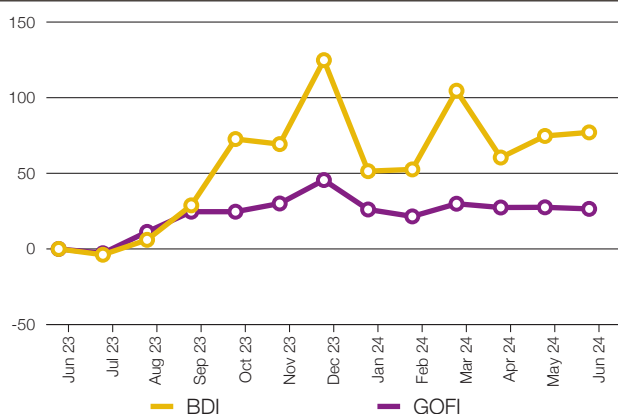
## Dry bulk freight market developments

	Jun-24 average	Change	
		M/M	Y/Y
<b>Baltic Dry Index (BDI)</b>	<b>1915.3</b>	<b>+1.4%</b>	<b>+77.0%</b>
sub-indices:			
Capesize	2982.3	+7.4%	+86.7%
Panamax	1803.3	-3.5%	+61.3%
Supramax	1330.2	-5.3%	+75.6%
<b>Baltic Handysize Index (BHSI)</b>	<b>728.9</b>	<b>+3.3%</b>	<b>+51.2%</b>

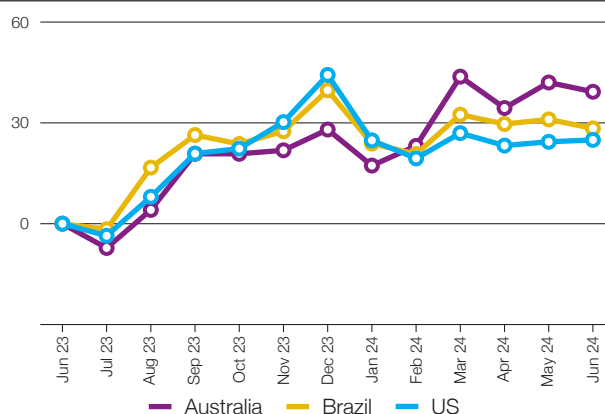
Source: Baltic Exchange, IGC. Base period for BDI: 4 January 1985 = 1000; for BHSI: 23 May 2006 = 1000; for GOFI: 1 January 2013 = 100

	Jun-24 average	Change	
		M/M	Y/Y
<b>IGC Grains and Oilseeds Freight Index (GOFI)</b>	<b>155.9</b>	<b>-0.8%</b>	<b>+26.5%</b>
sub-Indices:			
Argentina	196.3	-1.6%	+25.4%
Australia	113.7	-1.9%	+39.3%
Brazil	208.7	-2.0%	+28.4%
Black Sea	157.9	-1.4%	+26.6%
Canada	111.9	+3.1%	+24.0%
Europe	124.2	+3.4%	+22.8%
US	124.6	+0.5%	+24.9%

**BDI and IGC GOFI**



**Selected IGC GOFI sub-indices**



- Average **Baltic Dry Index (BDI)** values edged higher month-on-month in June, albeit with mixed movements across constituent segments, while average earnings remain well above one year ago.
- Dry bulk freight continued to be affected by disruptions in the Red Sea as vessels take longer routes via southern Africa, which is curtailing fleet capacity and underpinning freight costs. Transits via the Panama Canal also remained below average numbers, albeit as water levels continued to improve in the Gatun Lake.
- The biggest month-on-month increase was recorded in the **Capesize** sector, which typically carries non-grains cargoes, as solid demand for minerals and coal from Asian destinations underpinned, including improving fundamentals on key routes from Brazil and West Africa to China.

- Earnings in the grains and oilseeds carrying sectors were relatively weaker, with average **Panamax** values 3 percent lower month-on-month, as muted activity in Asia outweighed an uptick in demand for grains and oilseeds cargoes from the Americas for early July shipment.
- Average **Supramax** values posted a 5 percent month-on-month drop, as subdued trade in the Pacific was only partly offset by an uptick in activity at the US Gulf.
- In contrast, the **Handysize** sector was stronger, as limited vessel supply and rising enquiries at the US Gulf underpinned.
- The **IGC Grains and Oilseeds Freight Index (GOFI)**, which accounts for fuel costs, was a touch weaker amid lower marine fuel (bunker) prices and mostly softer timecharter rates for key grains and oilseeds carrying vessel sizes.

**+i Source: International Grains Council**

**Baltic Dry Index (BDI):** A benchmark indicator issued daily by the Baltic Exchange, providing assessed costs of moving raw materials on ocean going vessels. Comprises sub-Indices for three segments: Capesize, Panamax and Supramax. The Baltic Handysize Index excluded from the BDI from 1 March 2018. **IGC Grains and Oilseeds Freight Index (GOFI):** A trade-weighted composite measure of ocean freight costs for grains and oilseeds, issued daily by the International Grains Council. Includes sub-Indices for seven main origins (Argentina, Australia, Brazil, Black Sea, Canada, the EU and the USA). Constructed based on nominal HSS (heavy grains, soybeans, sorghum) voyage rates on selected major routes. **Capesize:** Vessels with deadweight tonnage (DWT) above 80,000 DWT, primarily transporting coal, iron ore and other heavy raw materials on long-haul routes. **Panamax:** Carriers with capacity of 60,000-80,000 DWT, mostly geared to transporting coal, grains, oilseeds and other bulks, including sugar and cement. **Supramax/Handysize:** Ships with capacity below 60,000 DWT, accounting for the majority of the world's ocean-going vessels and able to transport a wide variety of cargoes, including grains and oilseeds.



# Explanatory note

The notions of **tightening** and **easing** used in the summary table of **"Markets at a glance"** reflect judgmental views that take into account market fundamentals, inter-alia price developments and short-term trends in demand and supply, especially changes in stocks.

All totals (aggregates) are computed from unrounded data. World supply and demand estimates/forecasts are based on the latest data published by FAO, IGC and USDA. For the former, they also take into account information provided by AMIS focal points (hence the notion **"FAO-AMIS"**). World estimates and forecasts produced by the three sources may vary due to several reasons, such as varying release dates and different methodologies used in constructing commodity balances. Specifically:

**PRODUCTION:** Wheat production data from all three sources refer to production occurring in the first year of the marketing season shown (e.g. crops harvested in 2016 are allocated to the 2016/17 marketing season). Maize and rice production data for FAO-AMIS refer to crops harvested during the first year of the marketing season (e.g. 2016 for the 2016/17 marketing season) in both the northern and southern hemisphere. Rice production data for FAO-AMIS also include northern hemisphere production from secondary crops harvested in the second year of the marketing season (e.g. 2017 for the 2016/17 marketing season). By contrast, rice and maize data for USDA and IGC encompass production in the northern hemisphere occurring during the first year of the season (e.g. 2016 for the 2016/17 marketing season), as well as crops harvested in the southern hemisphere during the second year of the season (e.g. 2017 for the 2016/17 marketing season). For soybeans, the latter approach is used by all three sources.

**SUPPLY:** Defined as production plus opening stocks by all three sources.

**UTILIZATION:** For all three sources, wheat, maize and rice utilization includes food, feed and other uses (namely, seeds, industrial uses and post-harvest losses). For soybeans, it comprises crush, food and other uses. However, for all AMIS commodities, the use categories may be grouped differently across sources and may also include residual values.

**TRADE:** Data refer to exports. For wheat and maize, trade is reported on a July/June basis, except for USDA maize trade estimates, which are reported on an October/September basis. Wheat trade data from all three sources includes wheat flour in wheat grain equivalent, while the USDA also considers wheat products. For rice, trade covers shipments from January to December of the second year of the respective marketing season. For soybeans, trade is reported on an October/September basis by FAO-AMIS and the IGC, while USDA data are based on local marketing years except for Argentina and Brazil which are reported on an October/September basis. Trade between European Union member states is excluded.

**STOCKS:** In general, world stocks of AMIS crops refer to the sum of carry-overs at the close of each country's national marketing year. For soybeans, stock levels reported by the USDA are based on local marketing years, except for Argentina and Brazil, which are adjusted to October/September. For maize and rice, global estimates may vary across sources because of differences in the allocation of production in southern hemisphere countries.

## AMIS - GEOGLAM Crop Calendar Selected leading producers\*

WHEAT		J	F	M	A	M	J	J	A	S	O	N	D
China (18%)	spring			Planting			c		Harvest				
	winter		c	c	c		Harvest					Planting	
EU (16%)	winter				c	c		Harvest				Planting	
India (14%)	winter	c	c		Harvest							Planting	
Russian Fed. (11%)	spring				Planting		c	c		Harvest			
	winter		c	c		c	Harvest				Planting		
US (6%)	spring				Planting		c	c		Harvest			
	winter				c	c		Harvest			Planting		
MAIZE		J	F	M	A	M	J	J	A	S	O	N	D
US (31%)	NA				Planting		c	c	c		Harvest		
China (24%)	north				Planting		c	c		Harvest			
	south			Planting		c	c		Harvest				
Brazil (9%)	1st crop	c	c		Harvest							Planting	
	2nd crop		Planting	c	c	c			Harvest				
EU (6%)	NA				Planting		c	c	c		Harvest		
Argentina (5%)	NA				Harvest						Planting	c	c
RICE		J	F	M	A	M	J	J	A	S	O	N	D
China (27%)	early crop			Planting		c	c		Harvest				
	intermediary crop				Planting		c	c	c		Harvest		
	late crop						Planting		c	c		Harvest	
India (26%)	kharif					Planting		c	c		Harvest		
	rabi	Planting		Harvest									
Indonesia (6%)	main Java		c	c		Harvest						Planting	
	second Java				Planting		c	c	c		Harvest		
	summer/autumn					Planting		c	c		Harvest		
Viet Nam (5%)	winter				Planting		c	c		Harvest			
	winter-spring		c	c		Harvest					Planting		
SOYBEAN		J	F	M	A	M	J	J	A	S	O	N	D
Brazil (39%)	NA	c	c		Harvest						Planting		
US (29%)	NA					Planting	c	c	c		Harvest		
Argentina (12%)	NA	c	c	c		Harvest						Planting	
China (5%)	NA					Planting	c	c		Harvest			
India (3%)	NA						Planting	c	c		Harvest		

\*Percentages refer to the global share of production according to the latest AMIS-FAO estimates available for the most recent season

Planting (peak)	Harvest (peak)
Planting	Harvest
Weather conditions in this period are critical for yields	Growing period

**For more information on AMIS Supply and Demand, please view AMIS Supply and Demand Balance Manual**

### Main sources

Bloomberg, CFTC, CME Group, FAO, GEOGLAM, IFPRI, IGC, OECD, Reuters, USDA, US Federal Reserve, WTO

### 2024 AMIS Market Monitor release dates

1 February, 7 March, 4 April, 2 May, 6 June, 4 July, 6 September, 4 October, 8 November, 6 December

Contacts and Subscriptions  
AMIS Secretariat Email: AMIS-Secretariat@fao.org

Download the AMIS Market Monitor or sign up for a free e-mail suscription at:  
www.amis-outlook.org/amis-monitoring