AMIS Market Monitor

No. **116** March 2024

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In February 2024, food commodity markets continued to sustain their relative calmness, despite the presence of external shocks including shipping disruptions and farmers' protests in several countries. Wheat, maize and soybean export prices declined further, reaching their lowest levels over the past two years. While rice prices eased as Lunar New Year Holidays curtailed trade in some parts of the world, they remained almost a third higher than their levels a year ago. Following record-breaking temperatures in January reflecting the influences of the strong 2023-2024 El Niño event and the impacts of climate change, February was also exceptionally warm, speeding up crop development in many parts. Winter wheat crops in the northern hemisphere are beginning to break dormancy, while harvesting of maize and soybeans continued in the southern hemisphere.

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.

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Feature article

Farmers' protests underscore challenges in agrifood system transformation

From the United Kingdom to India, from Spain to the borders of Ukraine, farmers across the world have been expressing their discontent. While the actual triggers of the protests might differ, farmers seem to be driven by similar fears and frustrations, with possible repercussions for global food security. The common underlying cause appears to be compensation, often perceived as inadequate by farmers, who cite the difficulties they face in covering escalating costs for inputs such as energy, fertilizers, and transport. Profitability concerns have become more evident as most commodity prices have declined from their 2022 peaks, and shipping disruptions in the Panama Canal, the Red Sea and elsewhere alter the competitiveness of different product origins.

In early 2023, amidst historical drought and challenging economic conditions in the country, farmers in Argentina demanded lower taxes and more favourable exchange rates for their exports. In India, unrest broke out in February 2024 as farmers demanded a law guaranteeing a minimum support price for a broad range of crops to protect farmers against price fluctuations. In Europe, demonstrations took place in Belgium, France, Germany, Italy, Poland, Spain, Romania, and beyond. In Germany, the end of tax rebates on agricultural diesel contributed to the protests; in Poland, the suspension of import duties, quotas and trade defense measures for imports from Ukraine were perceived as causing unfair competition for local farmers; while in France, agricultural producers raised concerns about unnecessary bureaucracy and imports from outside the bloc that do not meet European standards of quality, health protection, and environmental regulations.

Agricultural and trade policies that frame and support farmers' activities embrace multiple objectives. Over time, these policies have evolved away from focusing solely on supporting agricultural output to encompass more and more complex objectives such as mitigating climate change, protecting the environment, and preserving landscapes and biodiversity. Conditioning agricultural support on progress towards these broader objectives may be perceived as jeopardizing the competitiveness of domestic producers in international markets. In addition, with agricultural policies becoming broader in their field of intervention and public budgets more constrained, controls over support programmes have intensified, resulting in more administrative requirements for farmers.

Protests underscore the challenges in agrifood system transformation, at the nexus of food security, farmers livelihoods and climate change issues. These protests, and how governments respond to them, could potentially have profound consequences for global food security. Imposing additional barriers to imports in a quest to protect domestic producers, for example, would risk negatively impacting not only domestic but also global availability - and consequently also prices - of agricultural products.

The need for the agrifood sector to transform is evident. According to recent estimates of the International Panel on Climate Change, agriculture contributes about 20 percent to global greenhouse gas emissions and accounts for about 70 percent of global freshwater use. Already, climate change is believed to have caused an increased frequency, intensity and duration of heat-related events and droughts as well as heavy precipitation and floods that have each adversely impacted agricultural yields and production.

Since its inception, AMIS has advocated for well-functioning, open agricultural markets. The attributes of these markets may well be at stake if the policy environment cannot be aligned to the needs of farmers and communicated effectively to agricultural producers around the world.

The ongoing protests encapsulate the overarching dilemma facing policymakers in meeting the triple challenge of providing adequate, affordable, safe, and nutritious food for a growing global population; providing livelihoods all along the food value chain; and doing so while increasing the environmental sustainability of the sector.

Efforts to increase market and policy transparency need to continue across the entire agri-food system. However, this agenda requires a deep understanding of existing policies and frameworks at the national and global levels. In addition, governments should invest in targeted interventions that support climate change adaptation and mitigation as well as the sector's transition to more sustainable and resilient agriculture and food systems while phasing out measures that hinder adjustments to production. In all this, maintaining open trade and efforts to increase market and policy transparency are crucial.

World supply-demand outlook

WHEAT

WHEAT production in 2023 now stands 2.3 percent below 2022 level following a revision this month largely on lower estimate in India.

Utilization in 2023/24 also lowered m/m, mostly for other uses, but still set to increase by 1.8 percent above the 2022/23 level led by strong growth in feed use.

Trade in 2023/24 (July/June) nearly unchanged and still headed for a 1.2 percent decrease from the 2022/23 level with smaller shipments from Australia and weaker demand from China, EU, and Türkiye.

Stocks (ending in 2024) forecast trimmed, reflecting lower stocks in India due to lower production, and set to decline by 1.3 percent below opening levels.

Wheat	FAO-AMIS			USDA		IGC	
	2022/23 est	2023/24 f'cast		2022/23 est	2023/24 f'cast	2022/23 est	2023/24 f'cast
		1 Feb	7 Mar		8 Feb		15 Feb
Prod.	**805.6**	**788.5**	**787.3**	**789.2**	**785.7**	**803.4**	**788.0**
	667.9	651.9	650.7	651.5	649.2	665.7	651.4
Supply	**1104.9**	**1111.3**	**1110.1**	**1061.9**	**1057.0**	**1075.3**	**1068.1**
	833.3	833.2	832.0	787.4	781.5	805.8	792.3
Utiliz.	**779.2**	**794.3**	**793.3**	**782.7**	**797.0**	**795.2**	**803.1**
	636.5	646.3	645.3	634.7	643.5	652.4	653.7
Trade	**199.9**	**197.4**	**197.5**	**216.1**	**214.0**	**207.5**	**199.6**
	186.4	186.7	186.8	202.8	202.0	193.9	186.9
Stocks	**323.2**	**319.7**	**318.9**	**271.2**	**259.4**	**280.1**	**264.9**
	181.6	179.3	178.6	132.4	126.4	139.8	126.0

IN MILLION TONNES

MAIZE

MAIZE 2023 production raised m/m, mostly on a higher estimate for Ukraine, and now 5.3 percent above the 2022 level.

Utilization in 2023/24 scaled up slightly this month on higher feed use, especially in Algeria and India, and now standing 1.4 percent above 2022/23 level.

Trade in 2023/24 (July/June) set to increase by 3.3 percent from 2022/23 following an upward revision on further upgrades for demand from China and exports from Ukraine.

Stocks (ending in 2024) lifted m/m, mostly reflecting larger inventories seen in China, and reaching 11.1 percent above opening levels.

Maize	FAO-AMIS			USDA		IGC	
	2022/23 est	2023/24 f'cast		2022/23 est	2023/24 f'cast	2022/23 est	2023/24 f'cast
		1 Feb	7 Mar		8 Feb		15 Feb
Prod.	**1171.3**	**1229.4**	**1233.0**	**1155.9**	**1232.6**	**1163.1**	**1233.7**
	894.1	940.6	944.1	878.7	943.7	885.9	944.8
Supply	**1477.8**	**1513.9**	**1517.1**	**1466.4**	**1532.8**	**1449.6**	**1508.3**
	1043.9	1070.9	1074.1	980.1	1037.9	984.2	1043.5
Utiliz.	**1189.1**	**1205.5**	**1206.3**	**1157.9**	**1198.1**	**1175.0**	**1222.0**
	890.7	900.1	900.9	858.9	892.1	866.6	910.1
Trade	**183.2**	**186.1**	**189.2**	**180.7**	**197.9**	**179.7**	**177.3**
	164.1	161.1	161.7	162.0	174.9	160.6	157.3
Stocks	**285.5**	**315.2**	**317.2**	**300.2**	**322.1**	**274.6**	**286.3**
	131.3	152.6	152.1	94.2	110.2	98.6	113.4

IN MILLION TONNES

RICE

RICE production in 2022/23 and 2023/24 raised following revisions to India's output figures, which overshadowed some minor downward adjustments, namely for Colombia and Myanmar.

Utilization in 2023/24 upgraded largely on account of India, but still seen registering little to negative growth for the second consecutive season.

Trade in 2024 essentially unchanged m/m, as somewhat less buoyant export expectations, namely for Thailand, are compensated by upgrades, chiefly to Vietnamese shipments.

Stocks (2023/24 carry-out) still seen rising to a record high, but with accumulations occurring in exporting countries (mostly India), while aggregate reserves held by importers fall for the third successive season.

Rice	FAO-AMIS			USDA		IGC	
	2022/23 est	2023/24 f'cast		2022/23 est	2023/24 f'cast	2022/23 est	2023/24 f'cast
		1 Feb	7 Mar		8 Feb		15 Feb
Prod.	**524.0**	**524.6**	**526.2**	**513.0**	**513.7**	**514.5**	**511.3**
	381.1	383.0	384.7	367.0	369.1	368.5	366.6
Supply	**720.7**	**721.3**	**722.5**	**696.2**	**690.1**	**690.6**	**682.1**
	477.3	480.1	481.4	437.3	438.9	438.3	435.4
Utiliz.	**524.9**	**522.2**	**523.7**	**525.5**	**519.6**	**519.7**	**515.6**
	378.0	379.4	380.9	370.5	369.7	368.9	367.6
Trade	**52.8**	**51.5**	**51.4**	**52.8**	**52.4**	**51.2**	**49.6**
	50.0	48.1	48.0	50.2	50.1	48.4	46.9
Stocks	**196.3**	**198.8**	**198.7**	**176.3**	**167.2**	**170.9**	**166.5**
	96.7	99.7	99.6	69.7	65.8	66.6	65.0

IN MILLION TONNES

SOYBEAN

SOYBEAN 2023/24 production trimmed, primarily reflecting a further downward revision for Brazil, while the forecast for Argentina was also reduced somewhat due to unfavourable dry conditions.

Utilization in 2023/24 lowered across a number of countries amid reduced supplies, yet the global consumption is still expected to expand by 5.5 percent from the previous season.

Trade in 2023/24 (Oct/Sep) scaled down marginally on smaller export forecasts for Brazil and the US, while import expectations were lowered for China and the Russian Federation.

Stocks (2023/24 carry-out) virtually unchanged, as downward revisions for Brazil and the Russian Federation were mostly compensated by expected stock accumulation in the US.

Soybean	FAO-AMIS			USDA		IGC	
	2022/23 est	2023/24 f'cast		2022/23 est	2023/24 f'cast	2022/23 est	2023/24 f'cast
		1 Feb	7 Mar		8 Feb		15 Feb
Prod.	**374.6**	**395.5**	**392.3**	**378.1**	**398.2**	**372.8**	**390.9**
	354.3	374.7	371.5	357.8	377.4	352.5	370.0
Supply	**419.7**	**438.8**	**436.6**	**476.1**	**501.8**	**424.2**	**448.2**
	380.5	395.0	392.8	426.6	447.1	375.8	388.7
Utiliz.	**367.2**	**388.6**	**387.3**	**364.9**	**383.0**	**365.3**	**381.2**
	251.1	269.0	267.9	248.4	262.5	248.8	260.7
Trade	**171.6**	**168.2**	**167.1**	**172.0**	**170.6**	**171.6**	**168.0**
	71.7	69.4	68.7	71.1	68.6	64.7	66.2
Stocks	**44.3**	**49.0**	**48.7**	**103.6**	**116.0**	**57.4**	**65.4**
	21.3	26.0	25.9	69.8	80.0	18.6	24.6

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 2023/24 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
WORLD	**-1191**	**113**	**-1013**	**120**	**-761**	**3564**	**3082**	**807**	**3075**	**1972**	**1621**	**-122**	**1530**	**-92**	**-111**	**-3211**	**-1131**	**-1305**	**-1072**	**-308**
Total AMIS	**-1252**	**300**	**-1083**	**30**	**61**	**2224**	**1800**	**-46**	**1800**	**2072**	**1923**	**440**	**1831**	**-17**	**202**	**-3411**	**-1131**	**-1505**	**-1072**	**-308**
Argentina	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-500	-200	-700	-120	-
Australia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bangladesh	-	-50	-50	-	-	163	-500	-317	-	-30	-	-	-	-	-	-	-	-	-	-
Brazil	-	-	-	300	-	-53	-	-53	-	-	-	-	-	-	-	-3500	-	-	-900	-500
Canada	-	-	-6	-	-390	-	-	100	-	-100	-	-	-	-	-	-	-	-	-	-
China Mainland	-	-	-	-	-	-	2500	-	-	2500	-	-	-	-	-	-	-400	-200	-	-200
Egypt	-	-	-	-	-	-322	200	-122	-	-	-	-	10	-	-	-	-	-	-	-
EU	164	500	1	-	669	-	-	-	-	-	11	-	96	10	10	-	-	-	-	-
India	-2189	50	-539	-250	-1500	500	-	1400	-600	-628	2056	-	1746	-	-	-	11	-187	-2	200
Indonesia	-	-	-	-	-	-	-	-	-	-	-	460	5	-	100	-	-	-	-	-
Japan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Kazakhstan	910	-	-	-	910	186	-	-	-	326	-23	-	-18	-	-5	-	-	-	-	-
Mexico	1	-	1	-	-	-241	-	-241	-	-	-	-	-	-	-	-	-	-	-	-
Nigeria	-	-	-	-	200	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Philippines	-	-	-	-	-	-	-	-	-	-	-85	-	2	-	-130	-	-	-	-	-
Rep. of Korea	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Russian Fed.*	-	-	-	-	-	-	-	-	-	-	-36	-	4	-55	-	400	-500	-300	70	-670
Saudi Arabia	-	-100	-	-	-100	-	-	-	-	-	-	-30	-	-	50	-	-	-	-	-
South Africa	-62	-	-62	-	-	-629	-	-429	-100	-	-	-90	13	-	110	-	-	-	-	-
Thailand	-	-	-	-	-	121	100	221	-	-	-	-	-91	-400	50	-	-	-	-	-
Türkiye	-	-	-	-	-	-	-	-	500	-500	-	30	-19	3	50	-	-	-	-	-
Ukraine**	-	-	-	-	-	2400	-	-	2000	400	-	-5	-3	-	-1	189	-4	-75	280	-100
UK	-75	-	-75	-	-	-	-	-	-	-	-	-	26	-	-	-	-	-	-	-
US	-	-	-272	-	272	-	-	-254	-	254	-	75	-	125	-32	-	-	-	-400	950
Viet Nam	-	-100	-80	-20	-	100	-500	-350	-	-150	-	-	60	300	-	-	-38	-43	-	12

In thousand tonnes

Note

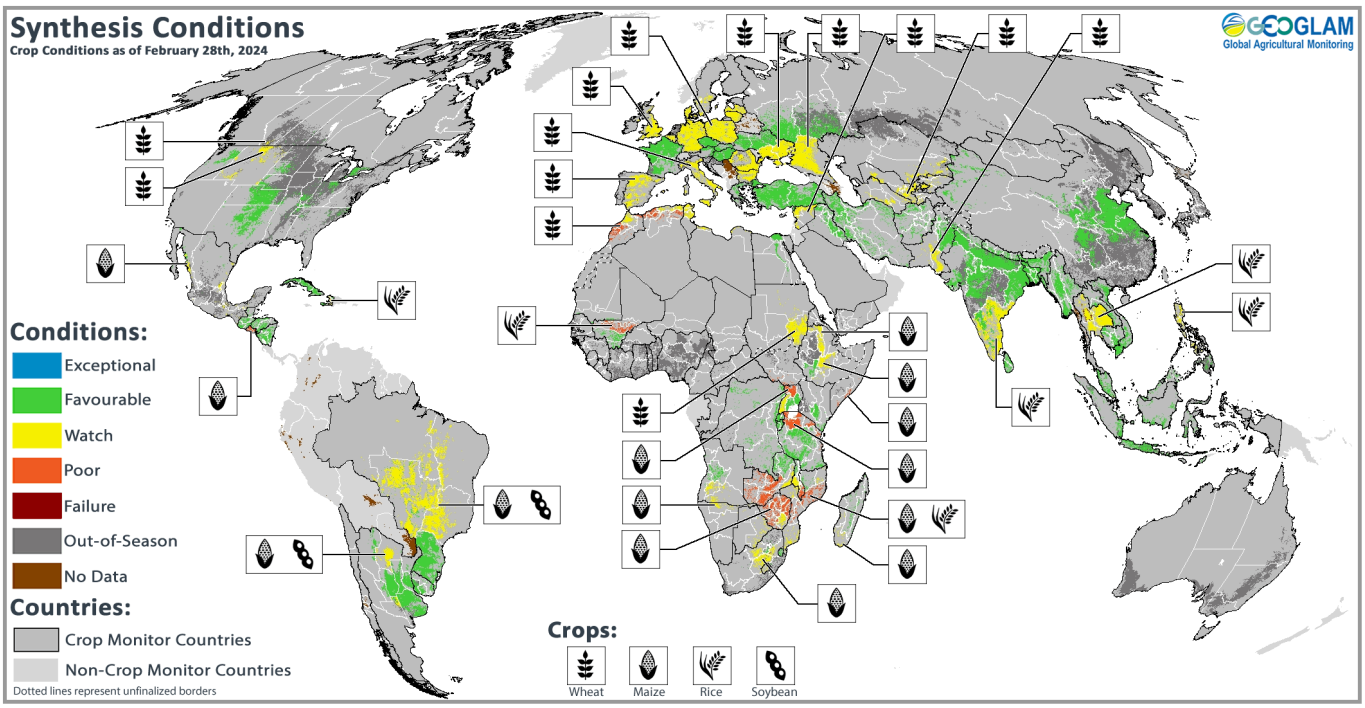
Only significant changes (of more than 1 000 tonnes) are displayed in the table.

*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 February. 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 begins to break winter dormancy in the southern regions under mixed conditions in parts of Europe, Ukraine, and the Russian Federation, and North America.

Maize

In the southern hemisphere, harvesting of spring-planted crop is continuing under mixed conditions in Brazil as conditions improve in Argentina. Dry conditions develop in South Africa.

Rice

In India, transplanting of the Rabi crop continues in the east. In Bangladesh, Boro season rice is favourable. In Southeast Asia, conditions are favourable in Indonesia as dry conditions develop in Thailand and the Philippines.

Soybeans

In the southern hemisphere, harvesting is continuing in Brazil under mixed conditions as recent rainfall improves crops in Argentina.

Weakening El Niño

The ongoing El Niño event has started to weaken, and neutral ENSO conditions are likely by April to June (79 percent chance). A La Niña event may develop soon thereafter. There is a 68 percent chance of La Niña conditions by July to September 2024, based on the CPC/IRI forecast. While long-range ENSO forecasts made at this time of year have less accuracy, it is notable that there may be a quick shift to a persistent La Niña. The strong and impactful 2023-2024 El Niño was preceded by three years of La Niña conditions and associated multi-year droughts, most notably in eastern East Africa.

Globally, record-high temperatures for January reflected the influences of the strong 2023-2024 El Niño and climate change. February temperatures have also been exceptionally warm. El Niño impacts constraining precipitation may also continue, such as in Southern Africa, Southeast Asia, the northern Maritime Continent, and portions of northern South America.

Source: UCSB Climate Hazards Center

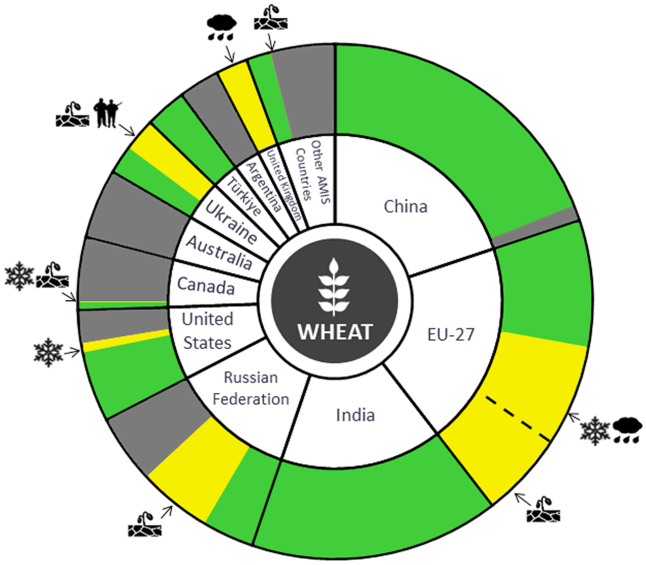
Crop monitor

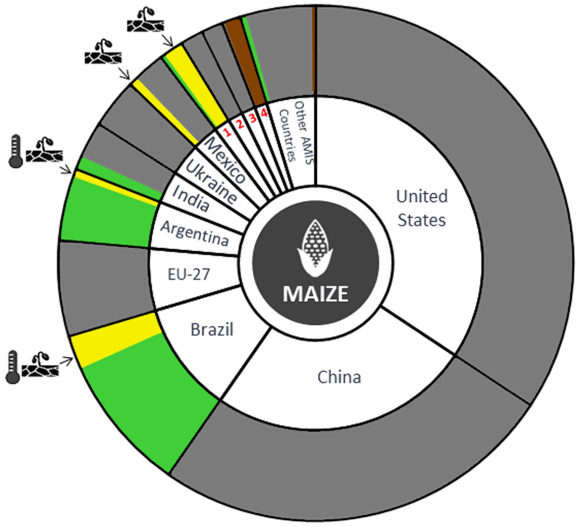
Conditions

Exceptional | Favourable | Watch | Poor | Out-of-Season | No Data

Drivers

Wet | Hot | Dry | Cool | Extreme Event | Delayed-Onset | Conflict | Socio-Economic





South Africa[1], Russian Federation[2], Canada[3], Indonesia[4]

Summaries by crop

Wheat

In the **EU**, conditions are currently mixed due to cold and wet weather in northern Europe along with warmer and drier-than-average weather in the south. The spring weather will determine final yields. In the **UK**, continuing excessive rainfall remains a concern. In **Türkiye**, conditions are favourable. In **Ukraine**, due to high winter temperatures, plant growth and development have restarted in some areas, benefiting crops that had reduced development in the fall due to dry conditions, however, the active warzone and dry conditions in the south remain a concern. In the **Russian Federation**, dry conditions remain in some areas of the Caucasus despite some recent precipitation. In **China**, conditions are favourable for winter wheat as spring green-up begins. In **India**, conditions are favourable with an increase in total sown area compared to last year. In the **US**, unseasonably warm weather in late February has brought winter wheat out of dormancy about two weeks earlier than normal across the southern half of the country. In **Canada**, winter wheat conditions are generally favourable, however, below-average winter precipitation and a lack of adequate snow cover places parts of the Prairies at risk of winterkill.

Maize

In **Brazil**, harvesting is continuing for the spring-planted crop (smaller season) under mixed conditions in the Northeast and Southeast regions due to an earlier lack of rainfall and high temperatures. Sowing of the summer-planted crop (larger season) is continuing under favourable conditions. Both the spring-planted and the summer-planted seasons are estimated to have decreased in total sown area compared to last year. In **Argentina**, harvesting is beginning for the early-planted crop (larger season) under generally favourable conditions as recent rains broke weeks of hot and dry weather. Conditions are generally favourable for the late-planted crop (smaller season). In **South Africa**, dry conditions since mid-January over large parts of the main maize-producing provinces have negatively impacted potential yields. Rainfall during the next week is critical to prevent further damage. In **Mexico**, sowing continues for the Autumn-winter season (smaller season) albeit with reduced irrigation water reserves. In **India**, conditions are favourable for the Rabi crop.

+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.

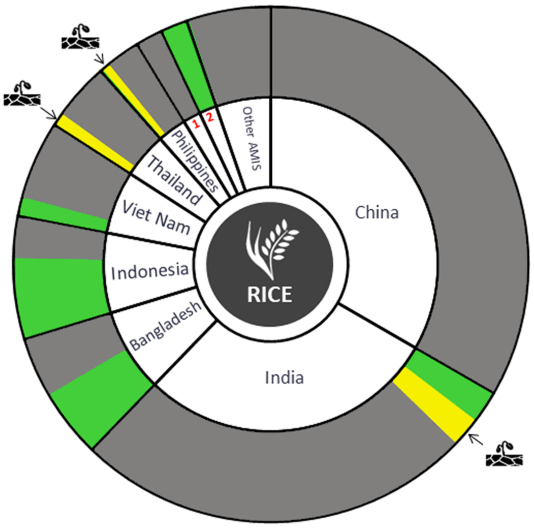
Crop monitor

Conditions

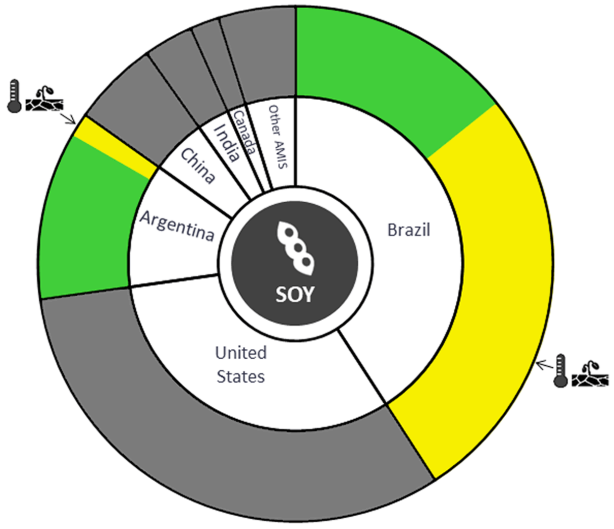
Exceptional | Favourable | Watch | Poor | Out-of-Season | No Data

Drivers

Wet | Hot | Dry | Cool | Extreme Event | Delayed-Onset | Conflict | Socio-Economic



Japan[1], Brazil[2]



Rice

In **India**, the Rabi crop is under favourable conditions in the eastern states as transplanting continues, however, reduced water availability in the southern states, especially in Karnataka, has resulted in a reduction in total sown area compared to last year and may threaten yields. In **Bangladesh**, conditions are favourable for the Boro season rice (largest season). In **Indonesia**, conditions are favourable as the sowing of wet-season rice enters its fifth month and harvesting of earlier sown crops continues. In **Viet Nam**, sowing of dry-season rice (winter-spring rice) is beginning in the north, while in the south, the development of dry-season rice (winter-spring rice) is continuing. Harvest is beginning in some provinces of the Mekong River Delta. In **Thailand**, dry-season rice is under mixed conditions due to a shortage of irrigation water and recent high temperatures that are damaging to crop and yield development. In the **Philippines**, conditions are mixed for dry-season rice as reduced rainfall since the end of 2023 is beginning to impact crops across most of the country except for Mindanao. In **Brazil**, harvesting is beginning under favourable conditions.

Soybeans

In **Brazil**, harvesting continues under mixed conditions across most of the country due to a lack of rain and high temperatures during crop development. Despite periods of reduced or excess rainfall in some areas of the South region, crop yields are close to average. In **Argentina**, conditions have improved across most of the country owing to ample rainfall in February, which was critical for the early-planting crop (typically larger season) during the yield development period. The rains have also improved conditions for the late-planted crop (typically smaller season), which is at the beginning of the yield definition period.

Information on crop conditions in non-AMIS countries can be found in the GEOGLAM Early Warning Crop Monitor, published 7 March.

+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 & GeoTerraImage & SANSA), 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 February, India extended indefinitely its parboiled rice export duty, while Argentina dropped plans to raise agricultural export taxes. India announced expanded support for oilseeds (including soybeans), nano-DAP and molasses-based potash, and sugar- and maize-based ethanol, while China and Argentina announced increases in minimum purchase prices for wheat and biofuels, respectively. Both Nigeria and the EU approved GM maize for sale, while Mexico proposed banning it, and Argentina approved GM soybeans.

Wheat

- On 8 February, **India** announced it was revising the limits on the maximum permitted levels of wheat stock that can be maintained by traders and wholesalers, big chain retailers, and processors (see AMIS Market Monitor, February 2024) to prevent hoarding. For traders and wholesalers, the new wheat stock limit is 500 metric tonnes - half the previous level. While the stock limit for big chain retailers remains unchanged at five metric tonnes per retail outlet, stock maintained at their depot is now limited to 500 metric tonnes (i.e. half the previously allowed amount). Processors can keep stocks equal to 60 percent of their monthly installed capacity multiplied by the months remaining until April 2024 (previously 70 percent of monthly installed capacity multiplied by the remaining months of 2023-24).

- On 8 February, the **European Commission** indicated it would not raise objections to Romania applying state aid to support its cereal producers. Common winter wheat and durum winter wheat were among products covered by the scheme. The programme, with an estimated budget of RON 1.2 billion (USD 267 million) and set to expire on 30 June 2024, seeks to address the economic impacts of the war in Ukraine on local producers. Over 162 000 beneficiaries are expected to be covered by the programme.

- On 20 February, the Ministry of Agriculture in **Kazakhstan** published an updated list of licensed elevators, grain processors, and poultry enterprises that are allowed to import wheat, as an exception to a ban on road and rail imports that was initially introduced in April 2023 for a six-month period, and subsequently extended for the same period from 11 October 2023. (See AMIS Market Monitor, October 2023).

Maize

- On 11 January, the National Committee on Naming, Registration and Release of Crop Varieties of **Nigeria** approved 23 new varieties for commercial planting, including four varieties of genetically engineered "TELA" maize.

- On 26 January, the **European Commission** allowed the commercialisation of food, feed, and other products from genetically engineered maize Bt11 x MIR162 x MIR604 x MON 89034 x 5307 x GA21 and thirty sub-combinations. Cultivation remains unauthorized.

- On 14 February, the President of **Mexico** proposed banning genetically modified and transgenic maize for human consumption and for planting. The proposal follows a ban on GM maize imports in February 2023, and a decision by the US to initiate a dispute, later joined by Canada, under the Canada-United States-Mexico Agreement (CUSMA) over the use of biotech maize in food (see AMIS Market Monitor, March 2023 and September 2023).

Rice

- On 2 February, **India** issued a notification requiring traders, wholesalers, retailers, and processors/millers to report their rice stock positions by category of rice, within seven days of the order until further notice. The government said the directive aimed to promote transparency and accountability in the rice supply chain. In addition, 500 000 tonnes of rice from the Food Corporation of India inventories will be sold to consumers at a subsidized rate of INR 29 (USD 0.35) per kilogramme to mitigate inflationary pressures.

- On 21 February, the Ministry of Finance in **India** extended indefinitely a 20 percent export duty it had imposed on parboiled rice in August 2023, under Notification 12/2024. The measure had previously been set to expire on 31 March (see AMIS Market Monitor, September 2023).

- On 26 February, the National Food Agency (Bapanas) in **Indonesia** said the government would import an additional 1.6 million tonnes of rice to supplement its existing stock of reserves. The President of Indonesia has ordered Bulog, the state food distribution agency, to establish a minimum stock of at least 1.2 million tonnes.

Soybeans

- On 1 February, **India** announced it would strengthen support to soybeans and other oilseeds under its interim budget for 2024-25. The government indicated support for research into high-yielding varieties, adoption of modern farming techniques, market linkages, procurement, value addition, and crop insurance would be included.

- On 6 February, **Argentina** approved the commercialisation of a new variety of genetically modified soybean, under Provi-

Policy developments

sion 3/2024. While the approved variety cannot be planted, it can be imported from abroad. According to the government, the measure would improve availability of oilseeds on the domestic market.

Biofuels

- On 1 February, **India** announced it would expand support for production of sugarcane-based ethanol to INR 4.5 billion (USD 54 million), in its interim budget for 2024-25. The new figures represent an increase of INR 500 million (USD 6 million) from the 2023-24 budget estimate.
- On 1 February, **Argentina** raised minimum purchase prices for biodiesel and bioethanol, through Resolution 5/2024 and 6/2024. They are set at ARS 940.33 (USD 1.13) per litre for biodiesel (up from ARS 923.59, USD 1.1), ARS 584.18 (USD 0.7) per litre for sugar-based bioethanol (up from ARS 465.84, USD 0.56), and ARS 536.98 (USD 0.64) for maize-based bioethanol (up from ARS 463.91, USD 0.56).
- On 19 February, media reports announced **India** had authorised cooperatives such as National Agricultural Cooperative Marketing Federation (NAFED) and National Cooperative Consumer's Federation (NCCF) to sell maize at a base price of INR 2 291 (USD 28) per quintal to ethanol distilleries, after having the procured grain at the minimum support price (MSP) of INR 2 090 (USD 25) per quintal from farmers.
- On 29 February, the **US** Environmental Protection Agency authorized eight Midwest states (Illinois, Iowa, Minnesota, Missouri, Nebraska, Ohio, South Dakota, and Wisconsin) to sell E15 ethanol (gasoline blended with 15 percent ethanol) throughout the year starting 28 April 2025 - including during summer months, when it is currently banned on environmental grounds due to concerns over smog.

Fertilizers

- On 1 February, **India** indicated it would expand support for nano-DAP (di-ammonia phosphate) fertilizers, as part of measures unveiled in its interim budget for 2024-25. Expenditure on organic fertilizers is set to grow from INR 60 million (USD 723 000) in 2023-24 to INR 1 billion (USD 12 million) in 2024-25, the government's budget estimates show. Expansion of nano-DAP could reduce overall outlays on fertilizer subsidies, which have increased in recent years as fertilizer prices rose. On 29 February, the cabinet also approved a budget of INR 244.2 billion (USD 2.9 million) for phosphatic and potassic fertilizers during the kharif season, from 1 April to 30 September. Through Notification No. 23011/2/2024-P&K, the Department of Fertilizers confirmed that the subsidy for phosphatic fertilizers would rise to INR 28.72 (USD 0.35) per kilogramme of nutrient (up from INR 20.82 - USD 0.25 - per kilogramme in the 2023 rabi season), while subsidy rates for other categories of fertilizer would be maintained: INR 47.02 (USD 0.57) per kilogramme for nitrogen, INR 2.38 (USD 0.03) per kilogramme for potassium, and INR 1.89 (USD 0.02) per kilogramme for sulphur.
- On 22 February, **India** announced it would provide a subsidy of INR 345 (USD 4) per tonne to manufacturers of potash derived from molasses (PDM). Sugar mills would also be able to sell PDM to fertilizer companies at a set price of INR 4 263 (USD 51) per metric tonne, the government said.
- On 26 February, **Indonesia** said it would increase the volume of subsidised fertilizers it provides to farmers in 2024 to 9.55 million tonnes - more than doubling the 4.7 million tonnes allocated previously. The increase comes after the government announced a budget increase for fertilizer subsidies in January (see AMIS Market Monitor, February 2024).

Vegetable oils

- On 2 February, **India** extended, until March 2025, measures lowering basic import duties for both crude and refined vegetable oils, following a decision to reduce them in June 2023 (see Market Monitor, July 2023). Import duties will remain at zero for crude palm, soybean, and sunflower oils, and at 12.5 percent for refined palm, soybean, and sunflower oils. The Agriculture Infrastructure and Development Cess (AIDCCess) import tax on these crude vegetable oils will also remain at 5 percent.

Across the board

- On 26 January, the government of **Argentina** announced it would withdraw the fiscal chapter of an omnibus bill that had been put forward in December 2023, and which included provisions to raise agricultural export taxes (see AMIS Market Monitor, February 2024). Among measures related to the agricultural sector, the bill had proposed increasing export taxes on soy products from 31 percent to 33 percent.
- On 3 February, **China** released its annual agriculture white paper, which indicated the government would raise the minimum purchase price of wheat, and maintain subsidies for rice, maize and soybeans. The policies were among a series of measures which the government said were aimed at supporting food security, preventing rural poverty, and supporting rural development.

Policy developments

- On 5 February, the **Russian Federation** through Order Number 222-r allocated RUB 20 billion (USD 218 million) in preferential loans to farmers. The funds from the federal budget will be used to subsidise preferential loans to firms for the production and processing of agricultural products, the government said.
- On 7 February, the **European Parliament** approved legislation on plants that are bred using new genomic techniques (NGTs). Two categories of NGT plants are recognised under the legislation: those which could arise naturally or be developed through conventional breeding, and other NGT plants, which would still require risk assessments and authorisation (see AMIS Market Monitor, February 2024 and September 2023).
- On 7 February, the National Board of Revenue of **Bangladesh**, until 15 May, removed a 25 percent customs duty on rice imports, and cut regulatory duties from 25 to 5 percent. Additionally, until 15 April, VAT on imported soya and palm oil was cut from 15 to 10 percent, while locally produced oils were exempt. These measures aim to stabilise domestic prices during the upcoming month of Ramadan.
- On 29 February, the Ministry of Consumer Affairs, Food and Public Distribution in **India** announced procurement estimates for wheat and paddy during the upcoming harvest season for the rabi crop, in April and May. The government aims to procure 30 to 32 million tonnes of wheat during the season, and 9 to 10 million tonnes of paddy, with both grains being purchased at minimum prices that are set by the government.

Note

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

International prices

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

	Feb 2024 Average*	Change	
		M/M	Y/Y
GOI	227.5	-6.4%	-25.0%
Wheat	210.5	-4.2%	-24.8%
Maize	195.3	-9.9%	-37.1%
Rice	261.5	-0.9%	+31.5%
Soybeans	215.3	-8.1%	-28.7%

*Jan 2000=100, derived from daily export quotations

Wheat

With pressure from sizable global supplies and stiff export competition amplified by renewed strength of the US dollar, the GOI wheat sub-Index averaged 6 percent lower month-on-month during February, quoted at levels last seen in October 2020. Declines in prices were largely driven by the Russian Federation, where exporters looked to stimulate demand amid ample availabilities and improved port logistics. Offers in Ukraine softened, with talk about slowing demand from Asia amid Red Sea shipping concerns overriding support from reluctant farmer selling. Sustained export worries pressured US quotations, but with downside capped by reports of variable cropping weather across the main winter wheat regions. Despite a brisk pace of port loadings and worries about local crop prospects, values in the EU (France) dropped sharply, trailing declines at Black Sea origins.

Maize

The downtrend in maize export prices gathered steam in February, the GOI sub-Index dropping by an average of 10 percent, to its lowest since August 2020. Losses in the US were mainly driven by supply-side considerations, including large domestic stocks and expectations that combined output in Brazil and Argentina would be larger than last season. Quotations in Argentina eased as traders tried to stimulate demand ahead of the next harvest. Nearby values in Brazil were similarly soft, albeit deemed highly nominal. With export routes from Ukraine functioning, there were regular offers for competitively-priced maize shipments out of the country's deep sea ports.

Rice

International rice prices eased in February amid generally slow activity and as new crop arrivals weighed in some markets, albeit as quotations remained markedly higher year-on-year. While trade was curtailed by Lunar New Year holidays, Vietnamese values declined as threshing of the main (winter-spring) harvest got underway, albeit with losses pared by fresh demand from Indonesia. Thai white and parboiled values also retreated amid muted demand in the run up to off-season crop arrivals, but Indian parboiled offers advanced on an uptick in purchasing from West Africa. Elsewhere, South American values fell on seasonally rising supplies.

Soybeans

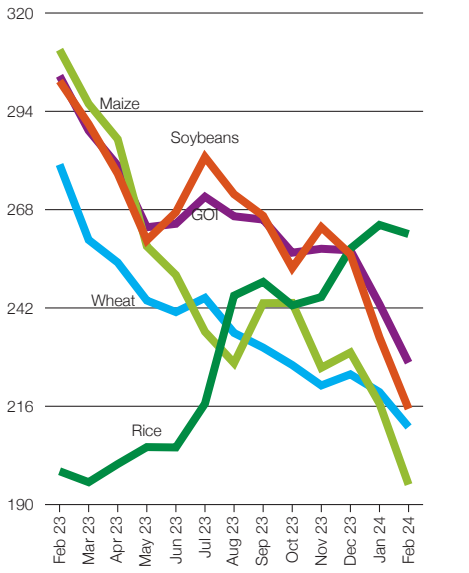
Against a bearish fundamental backdrop, soybean export prices posted further declines during February, with average GOI sub-Index values down by 8 percent month-on-month. Quotations in South America fell sharply on building seasonal pressure, with big harvests still expected in Brazil and Argentina, despite concerns about the impact of earlier sub-optimal weather on yield potential. Generally tepid international demand added to the downbeat tone - as evidenced by a sizable year-on-year lag in US export commitments and mostly routine interest in Brazilian new crop supplies. At times, too, movements in soybean product prices and outside markets were influential.

IGC commodity price indices

		GOI	Wheat	Maize	Rice	Soybeans
2023	February	**303.4**	279.9	310.3	198.8	302.0
	March	**288.9**	260.0	296.0	195.9	290.6
	April	**279.7**	254.0	286.6	200.7	277.5
	May	**263.3**	244.0	258.3	205.2	259.9
	June	**264.3**	240.9	250.7	205.1	267.3
	July	**271.4**	244.7	235.7	216.7	281.9
	August	**266.2**	235.4	227.4	245.3	272.1
	September	**265.4**	231.5	243.3	248.9	266.4
	October	**256.6**	226.9	243.3	242.7	252.6
	November	**257.7**	221.5	226.2	244.9	263.4
	December	**257.2**	224.4	230.2	257.7	256.2
2024	January	**243.0**	219.7	216.7	264.0	234.2
	February	**227.5**	210.5	195.3	261.5	215.3

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

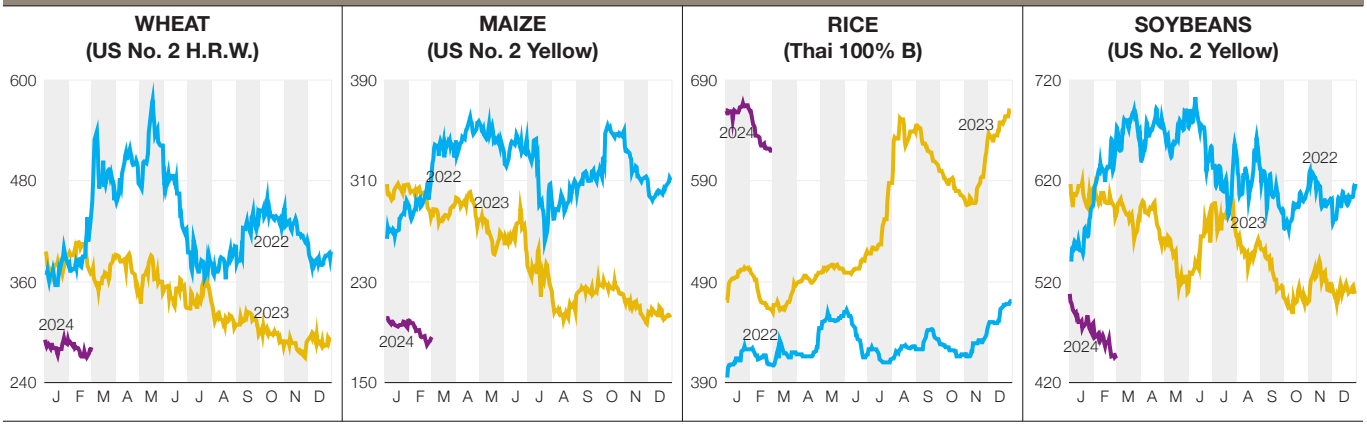
IGC commodity price indices



International prices

Selected export prices, currencies and indices

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



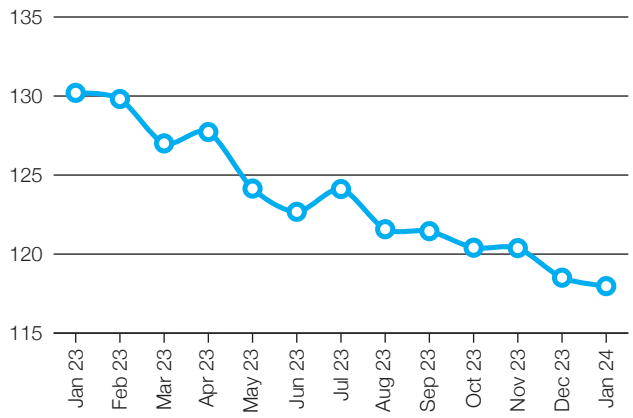
Daily quotations of selected export prices

	Effective date	Quotation	Month ago	Year ago	% change M/M	% change Y/Y
		USD/tonne				
Wheat (US No. 2, HRW)	29-Feb	282	287	370	-1.7%	-23.8%
Maize (US No. 2, Yellow)	29-Feb	186	199	281	-6.6%	-33.7%
Rice (Thai 100% B)	29-Feb	620	661	463	-6.2%	+33.9%
Soybeans (US No. 2, Yellow)	29-Feb	444	479	584	-7.3%	-24.0%

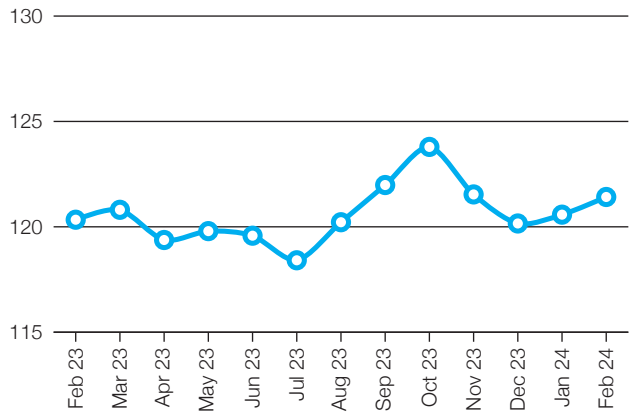
AMIS countries' currencies against US Dollar

AMIS Countries	Currency	Feb 2024 Average	Monthly Change	Annual Change
Argentina	ARS	834.5	-2.0%	-77.0%
Australia	AUD	1.5	-1.8%	-5.4%
Bangladesh	BDT	109.5	0.0%	-3.1%
Brazil	BRL	5.0	-1.0%	4.4%
Canada	CAD	1.3	-0.6%	-0.4%
China	CNY	7.2	-0.4%	-4.9%
Egypt	EGP	30.9	0.0%	-1.3%
EU	EUR	0.9	-1.1%	0.8%
India	INR	83.0	0.2%	-0.4%
Indonesia	IDR	15641.2	-0.2%	-3.3%
Japan	JPY	149.6	-2.4%	-11.0%
Kazakhstan	KZT	449.6	0.2%	0.3%
Rep. of Korea	KRW	1331.7	-0.5%	-4.0%
Mexico	MXN	17.1	-0.1%	8.8%
Nigeria	NGN	1499.0	-38.5%	-69.3%
Philippines	PHP	56.0	-0.1%	-2.1%
Russian Fed.	RUB	91.7	-2.5%	-20.0%
Saudi Arabia	SAR	3.7	0.0%	0.0%
South Africa	ZAR	19.0	-1.2%	-5.8%
Thailand	THB	35.9	-1.9%	-5.0%
Türkiye	TRY	30.8	-2.3%	-38.7%
UK	GBP	0.8	-0.6%	4.6%
Ukraine	UAH	38.0	-0.4%	-3.3%
Viet Nam	VND	24484.0	-0.1%	-3.5%

FAO Food Price Index Jan 2023 - Jan 2024



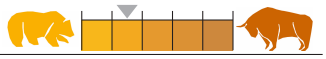
Nominal Broad Dollar Index Feb 2023 - Feb 2024



Futures markets

Overall market sentiment

- Maize, soybean, and wheat futures prices on Chicago Mercantile Exchange (CME) and Euronext continue to trend downward amid prospects of limited exports and ample inventories in the US and EU.
- Volatility levels in February were contained, but potential outbursts of grain price variance call for monitoring as volatility, especially for maize, tends to increase from March to July.
- Money managers have accumulated largest short position in 20 years across CME maize, soybean, and wheat, reflecting their persistent downward view.

MONTHLY PRICE TREND 

Futures prices

Soybean and maize prices have dipped below November 2020 levels, driven by below average US exports and sluggish Chinese import activity during the Lunar New Year festivities. Despite a slight uptick in Brazilian soybean cash markets, the dominance of the Brazilian crops on export markets is expected to persist, exerting further downward pressure on US soybean futures. Wheat markets on CME and Euronext also trended down, amid heightened competition with Black Sea origins, particularly Russian exports, which are reaching record monthly volumes while prices hit their lowest since September 2020. Anticipated ample carryover stocks in Ukraine, Russian Federation, and EU, alongside favourable early production prospects in the Russian Federation, weigh on futures contracts corresponding to next harvest prices.

Volumes & volatility

Historical and implied volatilities remained contained in February, close to 10-year average levels on CME maize, soybean and wheat contracts. Low volatility levels are typical at the beginning of the year on maize, soybean, and wheat contracts. However, potential outbursts of grain price variance call for monitoring, especially for maize, the volatility of which tends to increase from March to July as potential adverse weather impacts on crops get gradually more significant at later stages of crop development.

Trading activity rebounded on CME maize and wheat compared to last month but declined in CME soybean. Euronext wheat experienced a significant jump in activity, reaching record high traded volume in February, increasing market share against CME wheat. With EU wheat prices nearing parity with Russian counterparts, market participants reallocate their portfolios more frequently to capitalize on opportunities for Russian/European arbitrage, resulting in increased trading volumes as they purchase cheaper wheat and sell it where it commands a higher price.

Forward curves

CME soybean and maize still maintain a carry configuration, reflecting increased availability in the US due to limited export performance, while global inventories are expected to rise next season. This market structure rewards storage through higher prices for later month contracts.

In contrast, CME wheat has reverted to a backwardation configuration for the first time since April 2022. While in April 2022, the shift to backwardation indicated an anticipation of a significant shortfall in wheat availability due to adjustments in trade routes caused by the start of the war in Ukraine, the recent shift in February 2024 appears to be more technical in nature as fundamentals in wheat indicate no sign of shortage. As the March contract approached expiration, managed money needed to roll over large short positions, resulting in unwinding (and thus buying) of the March contract, pushing its price up, while simultaneously shorting the May contract, thereby pulling its price down.

Investment flows

Money managers have continued to accumulate their net short positions in agricultural derivatives, with funds displaying their largest short position in 20 years across CME maize, soybean, and wheat, according to the latest data from the US Commodity Futures Trading Commission.

The persistent and prolonged downward trend has attracted short sellers. However, it is important to note that a significant portion of money manager positioning is based on trend following. Therefore, a swift reversal to a net long position could occur if there is a shift in price trends upward, particularly if fundamental factors are affected.

Euronext futures volumes and price evolution

Average daily volume (1000 tonnes)	Feb 2024	M/M	Y/Y
Wheat	5 532.9	+71.6%	+71.5%
Maize	216.2	+91.8%	+47.9%

Prices (USD/t)	Feb 2024	M/M	Y/Y
Wheat	220.2	-7.1%	-28.6%
Maize	190.2	-8.0%	-37.7%

CME futures volumes and prices evolution

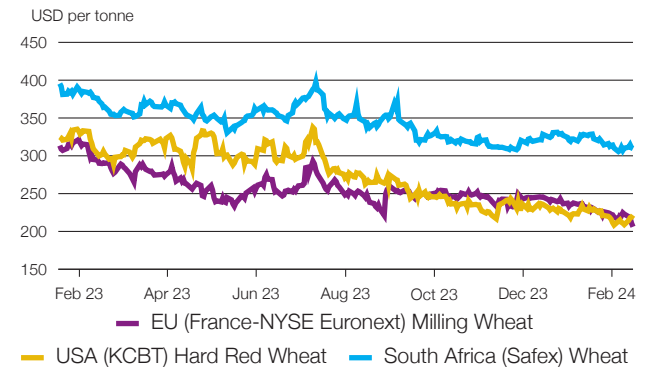
Average daily volume (1000 tonnes)	Feb 2024	M/M	Y/Y
Wheat	21 864.0	+64.5%	+14.6%
Maize	59 121.3	+49.5%	+22.2%
Soybean	38 151.7	+20.0%	-1.1%

Prices (USD/t)	Feb 2024	M/M	Y/Y
Wheat	215.0	-2.4%	-22.8%
Maize	169.3	-4.7%	-35.8%
Soybean	432.7	-4.4%	-22.6%

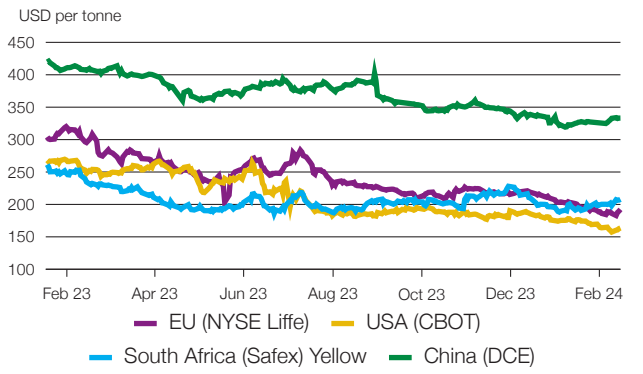
Market indicators

Daily quotations from leading exchanges - nearby futures

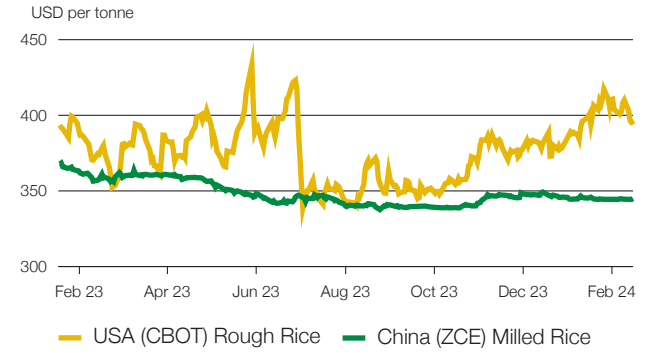
Wheat



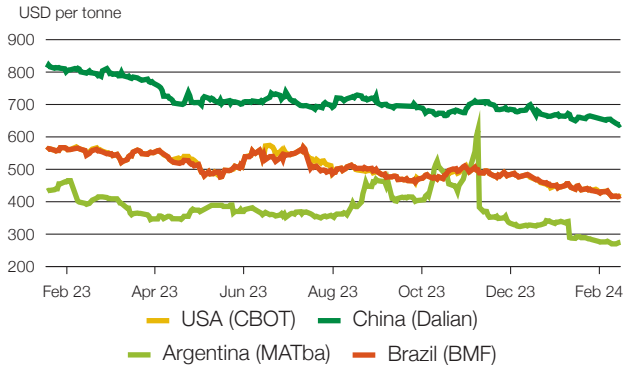
Maize



Rice



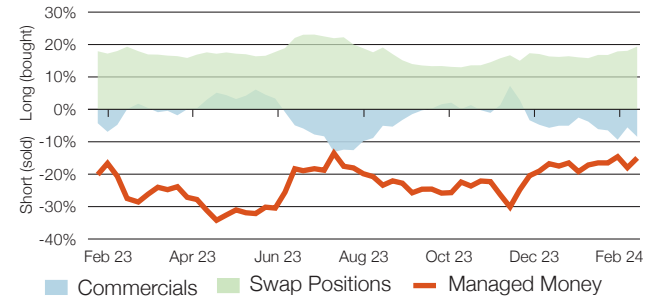
Soybean



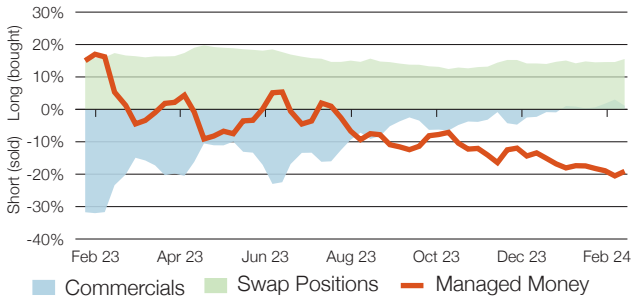
CFTC commitments of traders

Major categories net length as percentage of open interest*

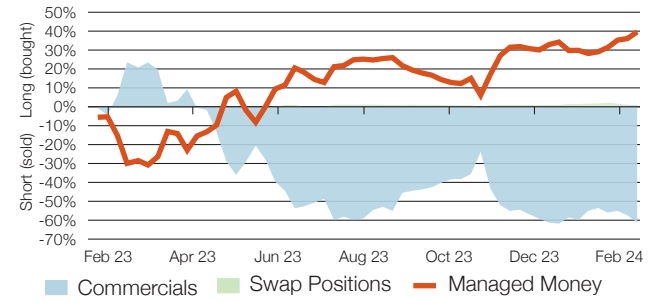
Wheat



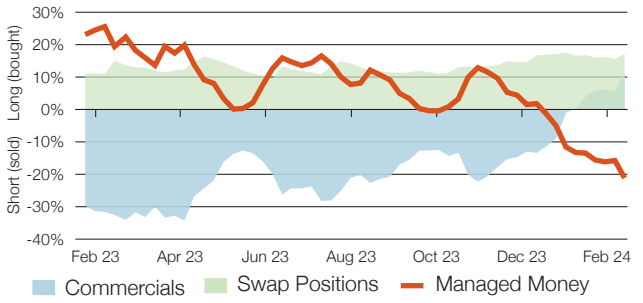
Maize



Rice



Soybean

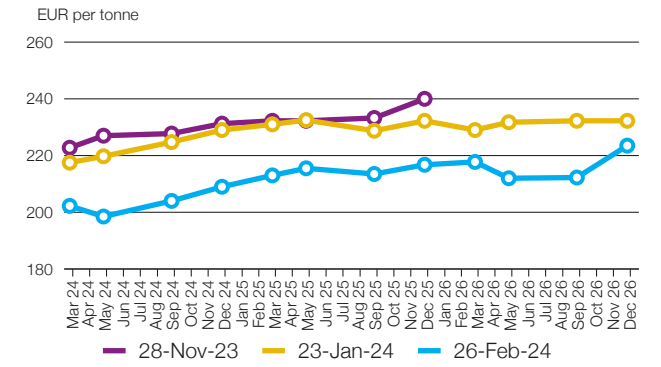


*Disaggregated futures only. Though not all positions are reflected in the charts, total long positions always equal total short positions.

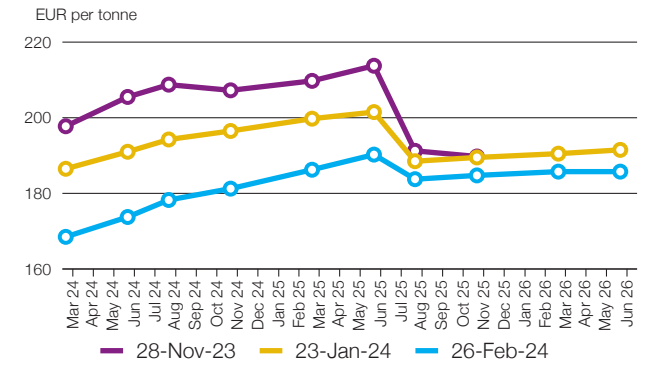
Market indicators

Forward curves

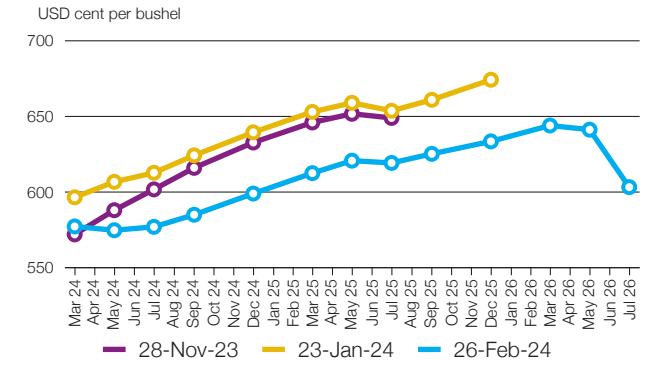
Euronext wheat (EBM)



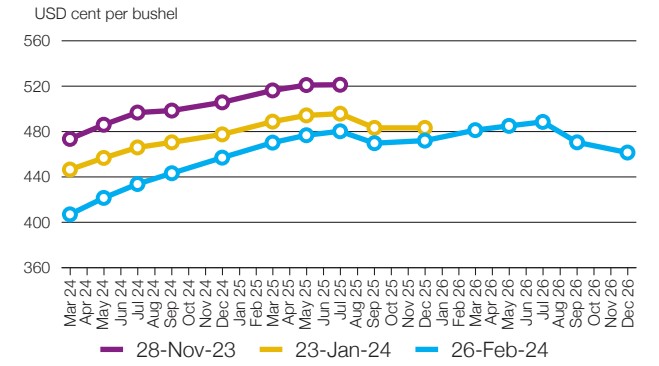
Euronext maize (EMA)



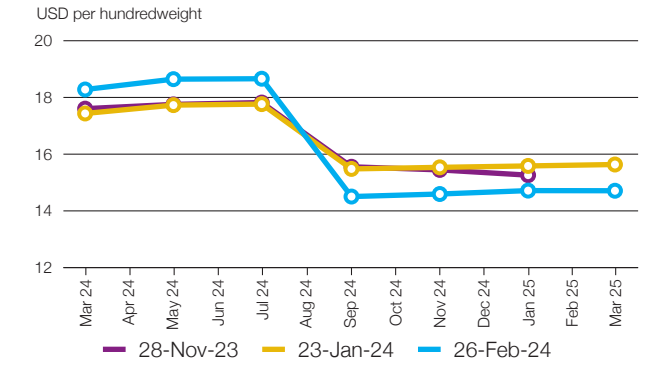
CBOT wheat



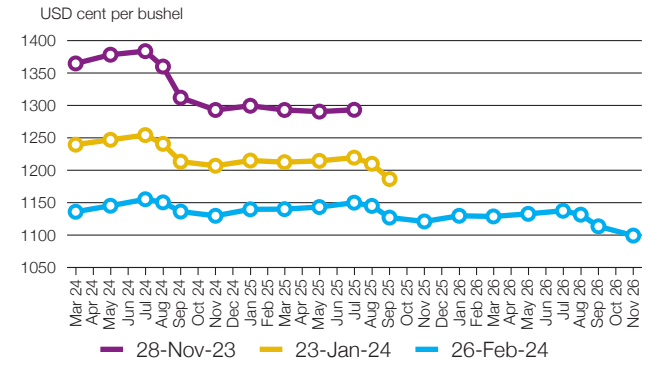
CBOT maize



CBOT rice

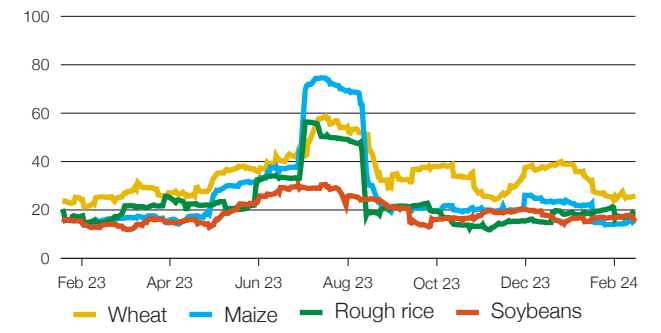


CBOT soybean

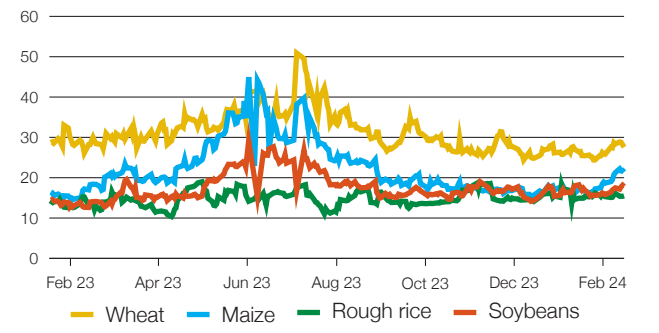


Historical and implied volatilities

Historical Volatility (30 days)



Implied Volatility (Daily)

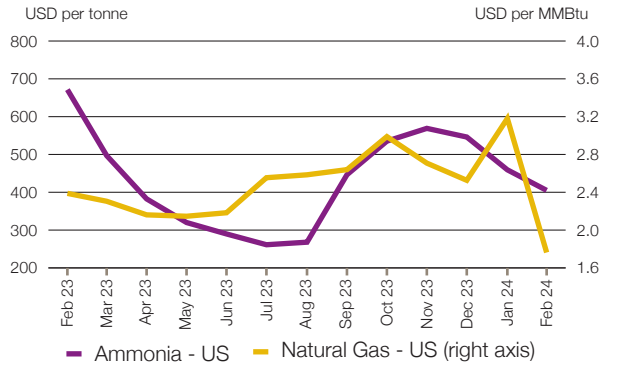


AMIS market indicators

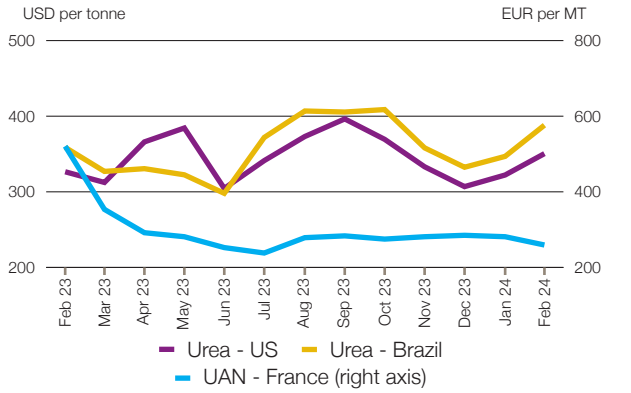
Several of the indicators covered in this report are updated regularly on the AMIS website. These, as well as other market indicators, can be found at: https://www.amis-outlook.org/amis-monitoring/indicators/. For more information about forward curves see the feature article in AMIS Market Monitor no.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

Fertilizer outlook

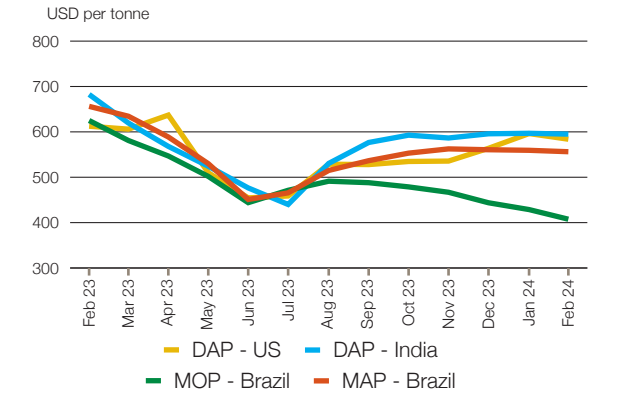
Input prices



Nitrogen prices



Potash and phosphate



Major market developments

Market activity was limited in February, yet upcoming spring demand in the Northern hemisphere provided some support. Overall, sufficient availabilities are foreseen in the near-term. Concern remains after an attack on a bulk vessel carrying fertilizers on February 18 - shipping disruptions in the Red Sea and elsewhere are increasing costs and causing delays.

- **Fertilizer input prices**. Natural gas prices continue to trend downward with European prices retreating to June 2023 levels. Mild winter in Europe preserved inventories. Generally limited activity in ammonia markets prevailed. East of Suez, ammonia prices were stable to soft, suggesting comfortable supplies. A seasonal uptick in demand in the United States supports prices in the near-term. Ammonia import demand in Europe is soft as low natural gas prices prompt domestic ammonia production.
- **Nitrogen fertilizer prices**. Urea prices were up in most markets, except in off-season Brazil. In the United States, spot supplies are tight. The timing of the next tender by the National Fertilizers Ltd. (India) could support global prices if it coincides with the upturn in spring demand elsewhere. France UAN prices are soft due to abundant supply from the Russian Federation in the region and limited buying interest – though demand may pick up once weather conditions improve. Overall, nitrogen prices are likely to move up on spring demand in the Northern Hemisphere. Exports from the Russian Federation and the possible reentry of product from China could mitigate upward movements. For now, export limitations remain in place in China and will likely be maintained until May.
- **Phosphorus fertilizer prices**. Unlike nitrogen and potash prices, phosphate markets remain firm. Moroccan volumes are widely committed and export restrictions in China contribute to tight supplies. On the other hand, limited demand globally mitigated any substantial price increases. Looking ahead, Chinese exports should resume in March, which would weigh on prices.
- **Potash prices**. Global potash demand is low as crop prices decline. In this context, the company Mosaic announced a reduction in output in one of its Saskatchewan plants. February prices were overall stable to soft. Brazilian prices have likely reached a floor, and sales are forecasted to strengthen for March deliveries. Asian markets should provide further direction as India and China negotiate import contracts.

	Feb-24 average	Feb-24 std. dev.	% change last month*	% change last year*	12 month high	12-month low
Ammonia - US (USD/ST)	405.0	-	-11.8	-39.7	569.0	261.2
Natural Gas - US (USD/MMBtu)	1.8	0.2	-44.6	-26.2	3.2	1.8
Urea Ammonium Nitrate (UAN) - France (EUR/MT)	259.4	5.9	-7.8	-50.2	353.5	238.1
Urea - US (USD/ST)	350.5	4.1	+8.8	+7.4	396.4	304.5
Urea - Brazil (USD/MT)	388.1	10.3	+11.9	+8.2	408.8	298.0
Di-ammonium Phosphate (DAP) - India (USD/MT)	595.0	-	-0.3	-12.8	619.6	440.0
Di-ammonium Phosphate (DAP) - US (USD/ST)	583.8	7.9	-2.1	-4.7	637.0	454.6
Mono-ammonium Phosphate (MAP) - Brazil (USD/MT)	556.2	2.5	-0.6	-15.2	634.5	451.0
Muriate of Potash (MOP) - Brazil (USD/MT)	407.5	2.0	-5.0	-34.8	581.0	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.

Ocean freight markets

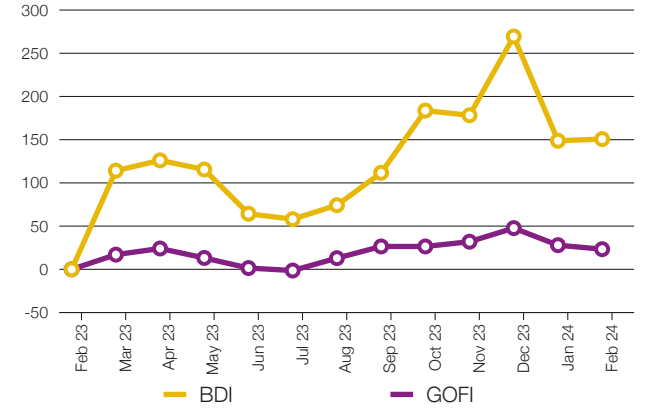
Dry bulk freight market developments

	Feb-24 average	Change	
		M/M	Y/Y
Baltic Dry Index (BDI)	**1650.4**	**+0.8%**	**+150.7%**
sub-indices:			
Capesize	2599.2	+3.2%	+474.9%
Panamax	1566.1	-2.3%	+62.6%
Supramax	1106.8	-1.1%	+47.1%
Baltic Handysize Index (BHSI)	*600.8*	*-6.8%*	*+32.1%*

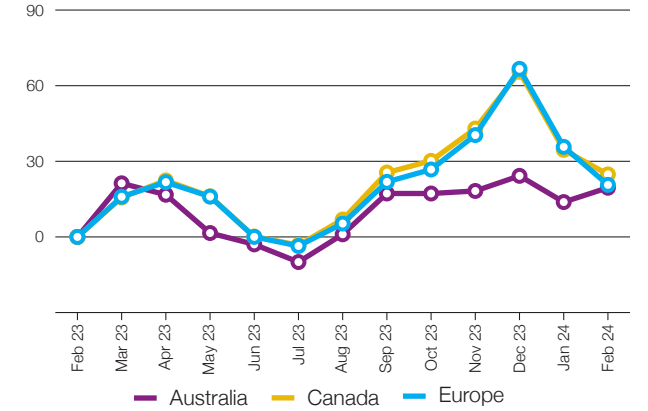
Source: Baltic Exchange, IGC. Base period for BDI: 4 January 1985 = 1000; for BHSI: 23 May 2006 = 1000; for GOFI: 1 January 2013 = 100

	Feb-24 average	Change	
		M/M	Y/Y
IGC Grains and Oilseeds Freight Index (GOFI)	**149.7**	**-3.6%**	**+23.3%**
sub-Indices:			
Argentina	*187.4*	*-1.9%*	*+22.9%*
Australia	*100.5*	*+5.0%*	*+19.5%*
Brazil	*196.3*	*-2.5%*	*+23.9%*
Black Sea	*161.8*	*-4.0%*	*+31.0%*
Canada	*112.5*	*-7.2%*	*+24.8%*
Europe	*122.0*	*-11.1%*	*+20.7%*
US	*119.1*	*-4.3%*	*+19.6%*

BDI and IGC GOFI



Selected IGC GOFI sub-indices



- Lunar New Year festivities in Asia curtailed activity in the dry bulk freight complex in February. Nonetheless, markets continued to monitor the situation around the Suez Canal, as increasing volumes were diverted via the Cape of Good Hope, including US soybeans, as well as wheat from Europe and canola from Australia.
- Reflecting a seasonal lull in activity in the first half of the month amid holidays in Asia, average **Baltic Dry Index** (BDI) values changed little month-on-month, remaining more than twice as high as the depressed levels of February 2023.
- Accelerating Chinese demand for coal and minerals, for shipment in the larger-sized **Capesize** vessels, underpinned rates in that sector towards the end of the month, as the corresponding Baltic sub-Index gained by 3 percent month-on-month, on average.
- Rates in the grains and oilseeds carrying segments were generally softer. **Panamax** vessel earnings eased amid growing tonnage in the northern Atlantic, which outweighed sustained fixing out of South America.
- In the **Supramax** sector, fresh demand in the Indian Ocean and fixing at the US Gulf did not fully compensate for slower activity in Asia in the early part of the month. Despite the more recent upturn, rates averaged a little lower month-on-month. Similarly, **Handysize** earnings initially retreated amid lacklustre interest in most regions, albeit as sentiment improved by late-February.
- Amid lower voyage rates across all routes, aside from Australia, the **IGC Grains and Oilseeds Freight Index** (GOFI), which excludes the larger Capesize vessels, retreated by 4 percent month-on-month, despite underlying support from firmer marine fuel prices.

+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 cargos, 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.

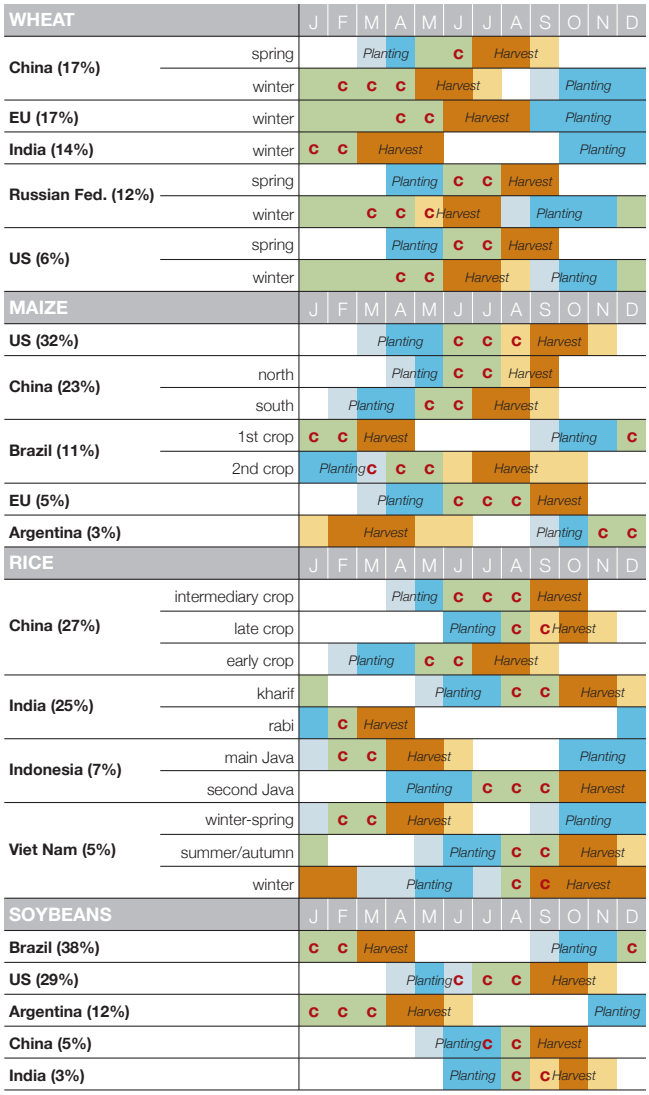
UTILIZATION: For all three sources, wheat, maize and rice utilization includes food, feed and other uses (namely, seeds, industrial uses and post-harvest losses). For soybeans, it comprises crush, food and other uses. However, for all AMIS commodities, the use categories may be grouped differently across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



***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**
- **C** **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, 5 September, 3 October, 7 November, 5 December

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