



Market Monitor



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Markets at a glance

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

With 2024 likely to rank among the warmest years on record, weather continued to dominate commodity market news in recent weeks, in both positive and negative ways. While the forecast for 2024 global maize output was trimmed as heat constrained yields in parts of the European Union, Mexico and Ukraine, global soybean production forecast was lifted on account of favourable weather in the United States. Crossings in the Panama Canal are approaching their usual levels, while shipping disruptions in the Red Sea continue. The current edition broadens the coverage of developments in the fertilizer markets and introduces new indicators. Although easing from their peaks, fertilizer cost indices and fertilizer crop price ratios remained above their 2019 average in almost all regions. A page on vegetable oils was also added, covering main market developments.

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



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Enabling poor rural people to overcome poverty



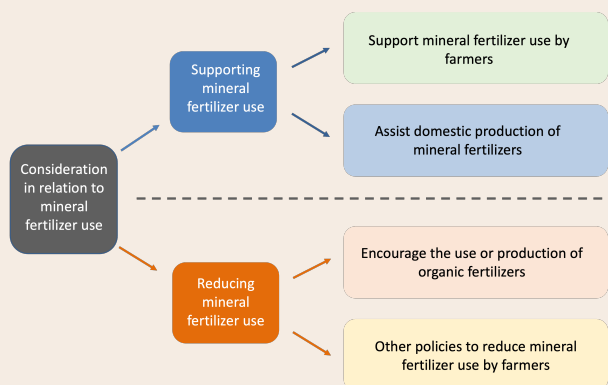
Feature article

Understanding the resilience of fertilizer markets to shocks

Fertilizer markets, determining fertilizer application with direct implications for yields, have far-reaching impacts on food systems, economic stability, and the environment. They are highly concentrated and closely linked to energy markets, making them very susceptible to shocks and supply disruptions.

The dramatic rise in fertilizer prices in 2021 and 2022 raised significant concerns about supply and affordability, prompting countries to revise or introduce new policies to enhance market resilience. In response to this market uncertainty, governments worldwide have adjusted their long-term fertilizer use plans or implemented new measures to secure supply and manage costs. However, these changes often build on or extend existing policies, making it challenging to gain a clear understanding of the current landscape.

A recent OECD policy paper by Jones and Deuss (2024) reviews the variety of fertilizer policies introduced since 2021 and presents a framework for stocktaking and analysis that classifies long-term objectives for fertilizer use and then identifies policy measures implemented to reach those objectives.



Source: Jones and Deuss (2024)

Historically, fertilizer policies were aimed at supporting mineral fertilizer use, with governments providing financial incentives to farmers and manufacturers through concessional loans, direct grants, and tax concessions. Between 2020 and 2022, the average annual total value of support for agricultural producers for fertilizer use across economies covered by the OECD Support Estimate (PSE) database¹ was estimated at USD 27.1 billion.

This figure is nearly double the support provided during the 2015-2019 period and represents 6 percent of the total value of global producer support and 9 percent of total budgetary support to agriculture.

While tariffs on fertilizers are generally low due to high import dependence, some major fertilizer-exporting countries have introduced export restrictions, including bans, quotas, and taxes. Countries like the People's Republic of China, the Russian Federation, Türkiye, and Ukraine have used these measures to maintain domestic supply, but these restrictions often lack transparency and are subject to frequent changes, adding further instability to global fertilizer markets.

In response to these challenges, some countries are shifting their policies away from supporting mineral fertilizers and are increasingly promoting organic alternatives. These policies include budgetary support to help farmers offset the higher costs of organic fertilizers, regulations limiting mineral fertilizer use, and increased investment in research and extension programs aimed at improving the efficiency of fertilizer use.

Current fertilizer policies are insufficiently transparent and often conflict in a way that adds to market uncertainty. The framework developed by the OECD in this report provides a basis for future analysis of policy effectiveness, their impact on crop yields and environmental outcomes, and can help identify and streamline policy incoherence within countries. Ultimately, more coherent and transparent policies are essential for reducing market uncertainty and achieving long-term sustainability in fertilizer use.

References

Jones, D. and A. Deuss (2024), "Understanding the resilience of fertilizer markets to shocks: An overview of fertilizer policies", OECD Food, Agriculture and Fisheries Papers, No. 208, OECD Publishing, Paris, <https://doi.org/10.1787/43664170-en>

OECD (2022), Producer and Consumer Support Estimates, OECD Agriculture statistics (database), <https://doi.org/10.1787/agr-pcse-data-en>.

1. The OECD PSE database covers 54 countries, including the 38 OECD countries, the five non-OECD EU Member States, and 11 emerging economies (OECD, 2022)

World supply-demand outlook

WHEAT

production in 2024 now set to exceed last year's level by 0.4 percent following upward revisions for Argentina, China and, especially, the US.

Utilization in 2024/25 lowered, largely due to official historical revisions in China, now standing 0.6 percent below the 2023/24 level.

Trade in 2024/25 (July/June) still set to decrease below 2023/24 despite an upward revision reflecting stronger anticipated demand from the EU, and larger shipments from Kazakhstan and the US.

Stocks (ending in 2025) lifted on larger inventories in China stemming from historical revisions, and in the US due to a larger expected harvest.

Wheat	FAO-AMIS			USDA		IGC	
	2023/24 est	2024/25 f'cast		2023/24 est	2024/25 f'cast 12 Aug	2023/24 est	2024/25 f'cast 15 Aug
		4 Jul	6 Sep				
Supply Prod.	788.5	789.1	791.4	789.7	798.3	794.0	799.1
	651.9	650.6	651.3	653.1	658.3	657.4	659.1
Supply Utiliz.	1111.7	1102.0	1106.5	1061.1	1060.6	1074.9	1068.7
	831.3	820.6	819.3	785.7	786.1	0.0	0.0
Trade Utiliz.	798.2	795.5	793.3	799.3	797.3	805.5	802.7
	652.0	652.5	652.2	645.8	646.3	655.7	655.9
Trade Stocks	207.0	197.1	199.4	223.7	214.9	214.3	196.6
	193.6	187.1	189.4	210.1	202.9	200.1	185.8
Stocks	315.1	308.4	314.5	262.4	256.6	269.5	266.0
	168.0	160.3	158.7	127.9	122.1	129.4	123.2

IN MILLION TONNES

MAIZE

production forecast for 2024 trimmed, led by downward revisions in the EU, as well as Mexico and Ukraine; now 1.2 percent below the 2023 level.

Utilization in 2024/25 nearly unchanged from the July edition and forecast to increase by 0.7 percent, largely on growth in feed use.

Trade in 2024/25 (July/June) raised, mostly on larger exports from the US and greater purchases by Mexico and Viet Nam, but still to decline by 4.7 percent from 2023/24.

Stocks (ending in 2025) revised down on lower inventories in the EU and Ukraine due to reduced harvest prospects, but still 1.5 percent above opening levels.

Maize	FAO-AMIS			USDA		IGC	
	2023/24 est	2024/25 f'cast		2023/24 est	2024/25 f'cast 12 Aug	2023/24 est	2024/25 f'cast 15 Aug
		4 Jul	6 Sep				
Supply Prod.	1240.2	1226.3	1225.2	1223.8	1219.8	1222.5	1225.5
	951.4	934.3	933.2	935.0	927.8	933.7	929.5
Supply Utiliz.	1527.7	1537.6	1533.2	1526.6	1528.3	1501.7	1506.2
	1084.6	1078.9	1072.5	1031.7	1025.5	0.0	0.0
Trade Utiliz.	1219.2	1226.9	1227.5	1204.8	1212.0	1221.1	1229.0
	915.8	918.5	919.1	897.8	899.0	909.2	913.3
Trade Stocks	196.7	184.7	187.6	199.3	193.1	194.9	180.6
	170.6	164.2	167.1	176.3	170.1	171.9	162.6
Stocks	307.9	319.7	312.5	308.5	310.2	280.7	277.4
	139.2	146.9	139.7	97.7	97.3	100.3	98.8

IN MILLION TONNES

RICE

production upgraded, mostly due to an adjustment to historical output estimates for Bangladesh and more buoyant expectations for Viet Nam. Combined with various other smaller upgrades, this upgrade more than compensated for slight downward revisions mostly for China and Indonesia.

Utilization in 2024/25 raised amid more buoyant supply expectations for Asia and following adjustments to global population figures.

Trade in 2024 upgraded somewhat, but still seen below the 2023 reduced level largely due to reduced imports by African countries.

Stocks (2024/25 carry-out) only fractionally changed since July as downgrades mostly for China and Japan were largely offset by upward revisions for Bangladesh, Indonesia and the Philippines.

Rice	FAO-AMIS			USDA		IGC	
	2023/24 est	2024/25 f'cast		2023/24 est	2024/25 f'cast 12 Aug	2023/24 est	2024/25 f'cast 15 Aug
		4 Jul	6 Sep				
Supply Prod.	531.8	535.1	536.9	520.4	527.7	521.8	528.0
	390.3	392.7	394.9	375.8	381.7	377.1	383.0
Supply Utiliz.	726.5	734.5	734.9	700.1	704.4	694.1	702.0
	485.6	493.3	494.0	448.9	455.4	0.0	0.0
Trade Utiliz.	525.9	531.5	532.9	518.5	522.8	520.1	526.4
	383.9	390.5	392.5	370.4	377.8	372.2	381.2
Trade Stocks	52.0	53.1	53.3	55.2	54.1	53.4	53.7
	50.0	50.4	51.1	53.6	52.6	51.6	51.6
Stocks	197.9	204.9	204.8	176.7	177.4	174.0	175.6
	99.1	103.2	103.6	73.7	73.4	72.6	73.8

IN MILLION TONNES

SOYBEAN

2024/25 production lifted, primarily on higher forecasts in the Russian Federation and the US, more than offsetting a downward revision for Paraguay.

Utilization in 2024/25 virtually unchanged, confirming expectations of continued growth in global crushing demand.

Trade in 2024/25 (Oct/Sep) revised up marginally, underpinned by prospects of higher import purchases by Argentina and China, while shipment forecasts were lifted mainly for the US.

Stocks (2024/25 carry-out) raised sizeably, mainly reflecting expectations of further accumulations in China and the US, potentially resulting in a fresh record high on the global level.

Soybean	FAO-AMIS			USDA		IGC	
	2023/24 est	2024/25 f'cast		2023/24 est	2024/25 f'cast 12 Aug	2023/24 est	2024/25 f'cast 15 Aug
		4 Jul	6 Sep				
Supply Prod.	392.8	418.9	423.5	395.1	428.7	392.2	419.3
	372.0	398.3	403.0	374.3	408.0	371.4	398.7
Supply Utiliz.	440.5	472.2	476.5	495.8	541.1	452.8	487.6
	396.2	427.2	431.5	442.6	477.5	0.0	0.0
Trade Utiliz.	388.4	409.8	410.1	383.0	402.8	384.5	405.7
	266.6	283.4	283.7	261.3	276.0	262.1	278.3
Trade Stocks	169.7	173.4	174.2	177.3	181.2	172.9	177.1
	67.7	66.9	67.2	65.8	72.2	66.4	70.1
Stocks	53.0	60.6	64.2	112.4	134.3	68.4	81.9
	28.5	35.6	38.7	69.5	88.6	24.5	38.0

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
WORLD	2258	2313	-2211	2314	6129	-1093	2860	661	2860	-7166	1881	171	1328	186	-84	4652	852	281	827	3680
Total AMIS	1863	1951	-1906	1960	5505	-988	2500	880	2910	-7852	1217	-395	947	200	-229	5072	852	501	927	3680
Argentina	1000	-	-100	-	100	-400	-	-400	-	-	-	-	-	-	-	-	470	200	-	-500
Australia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40	-	-	-	-	-
Bangladesh	-	-	-	-	-	-	-	-	-	-	1133	-	1133	-	200	-	-	-	-	-
Brazil	-228	-	-78	-	50	1505	-	-2995	460	-	132	-	122	-	10	-	-	-	-	-
Canada	-236	-	-461	-	-950	71	500	871	-	-50	-	-	25	-	50	102	-	-98	50	150
China Mainland	1520	-	-1900	-	7657	-	-	-	-	-	-294	-500	-694	-	-500	-	500	-	-	500
Egypt	-	-500	-200	-	155	-	-	-	-	-	-	-	-50	-	-	-	-	-	-	-
EU	-3087	1901	-251	180	-3215	-5708	-	-175	-	-5000	50	-	50	-	-	36	-	50	-14	100
India	-	-400	-100	-100	-	-	-100	1000	-800	-370	-	-	-	-	-	-	50	103	-18	-
Indonesia	-	-	-	-	-	-	-	-	-	-	-269	-	321	-	200	-	-	-	-	-
Japan	10	-	-	-	60	-	-	-	-	-	-26	-	154	-	-390	-	-	-	-	-
Kazakhstan	800	-	-	1000	-200	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mexico	-330	200	-30	-100	-	-1390	700	-190	-	-500	-	-	-	-	-	-	-	-	-	-
Nigeria	3	-	3	-	-	-364	-	-364	-	-	-	-	-	-	-	-	-	-	-	-
Philippines	-	-100	-	-	-250	-200	100	-140	-	-80	-	-	-142	-	280	-	-	-	-	-
Rep. of Korea	-	-	-	-	-	-	-	-	-	-	-	30	-30	-	-60	-	-	-	-	-
Russian Fed.*	-1000	-	-	-1000	-	-	-	-	-	-	-	-	-	-	-	666	-20	246	200	200
Saudi Arabia	-	-	-	-	-	-	-	-	-	-	-	100	20	-	-80	-	-	-	-	-
South Africa	-175	250	75	-	-	-332	350	818	-800	-	-	-	-	-	-	-	-	55	-	-
Thailand	-	300	500	-	400	-	-	-	-	-	-	-50	-	-	-150	-	-	-	-	-
Türkiye	-	-	-	-	-98	-	-	-	-	300	-	-	-	-	-	-	-	-	-	-
Ukraine**	680	-	-100	500	280	-1500	-	-70	500	-1430	-	-	-	-	-	-	-	-	-	-
UK	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
US	2906	-	326	1500	1886	7280	-50	1525	3500	-722	17	25	-1	-	-29	4270	-	102	700	3140
Viet Nam	-	300	410	-20	-370	50	1000	1000	50	-	474	-	39	200	200	-2	-148	-157	9	90

In thousand tonnes

+i Note

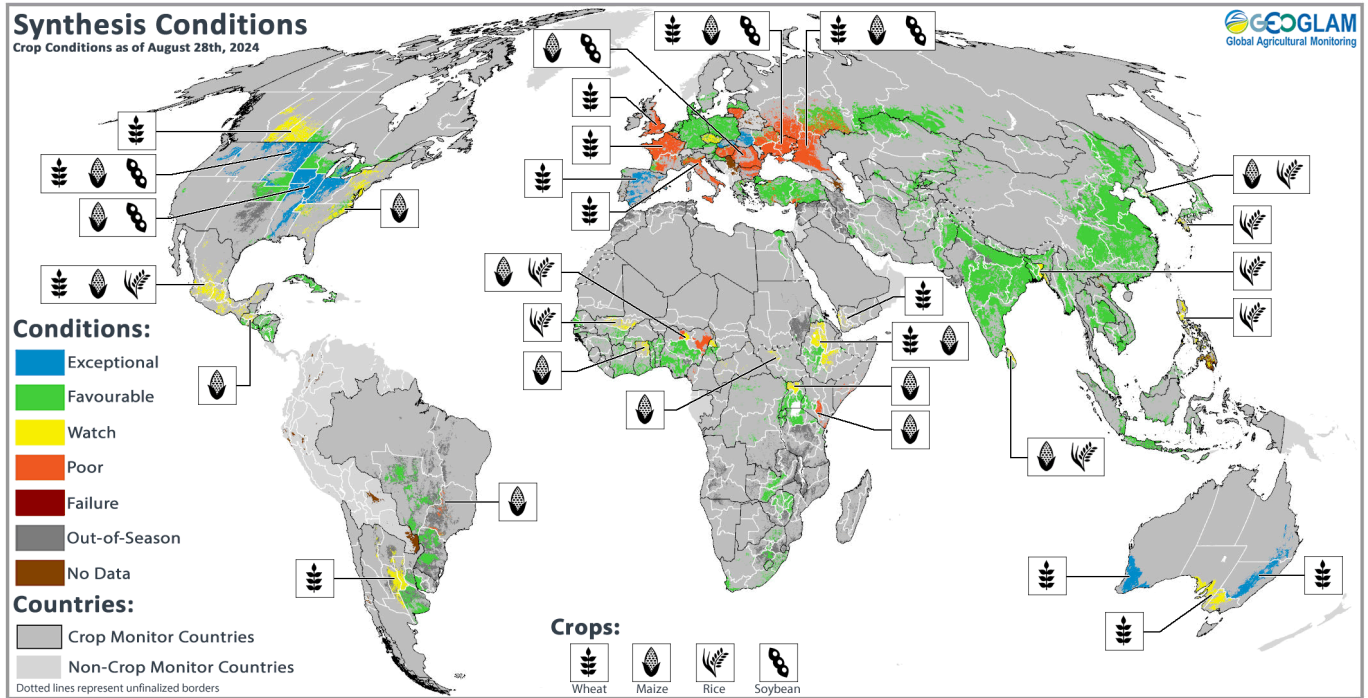
Only significant changes (of more than 1 000 tonnes) are displayed in the table.

*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 August. 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 wrapping up under mixed conditions and harvesting begins for spring wheat. In the southern hemisphere, crops are under generally favourable conditions.

Maize

In the southern hemisphere, harvest is wrapping up in Brazil. In the northern hemisphere, conditions are exceptional in the US, while poor in parts of southeastern Europe, the southern Russian Federation, and Ukraine.

Rice

Conditions are generally favourable, albeit with heavy rainfall damage from an enhanced southwest monsoon in the Philippines.

Soybeans

In the northern hemisphere, conditions are exceptional in the US while poor in parts of eastern Europe, the southern Russian Federation, and Ukraine.

La Niña watch

ENSO-neutral conditions have been present since June 2024. La Niña conditions are likely to develop during the next several months. The CPC/IRI predicts there is a 67 to 74 percent chance of La Niña during October 2024 to February 2025. La Niña typically raises the chances of below-average precipitation in eastern East Africa, central-southern Asia, southern South America, the southern US, northern Mexico, and eastern East Asia. Above-average precipitation tends to become more likely in Southeast Asia, Australia, Southern Africa, and northern South America.

July 2024 was the **hottest July on record** and the 14th consecutive month of record-breaking global temperatures according to NOAA National Centers for Environmental Information (NCEI). 2024 will rank among the warmest years on record. Above-average temperatures are forecast in many regions during late 2024, continuing the elevated likelihood of adverse heat impacts. Excessive heat can be particularly damaging during periods of moisture stress or reproductive stages that determine final yields.

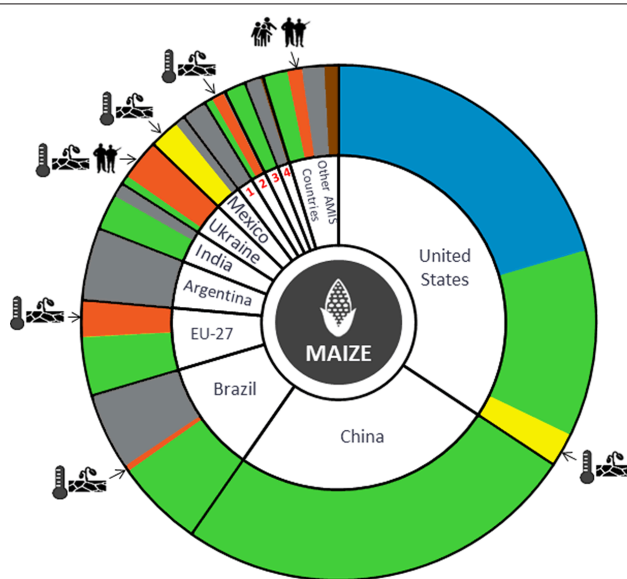
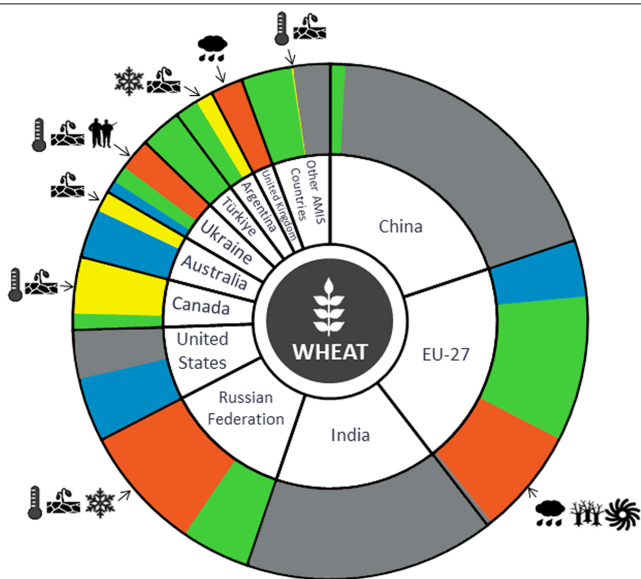
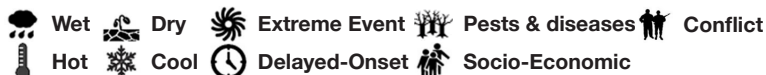
Source: UCSB Climate Hazards Center

Crop monitor

Conditions



Drivers



South Africa¹, Russian Federation², Canada³, Indonesia⁴

Summaries by crop

Wheat

In the **EU**, harvest is wrapping up with poor yields in Belgium, France, and Italy, conversely with exceptional conditions in Bulgaria, Romania, and Spain. In the **UK**, harvest is wrapping up with below-average yields. In **Türkiye**, harvesting is wrapping up under favourable conditions. In **Ukraine**, harvesting is concluding with exceptional yields in the western regions and poor yields in the eastern and southern regions due to dry weather and the ongoing war. In the **Russian Federation**, winter wheat harvest is nearing completion with reduced yields due to a frost event in May followed by hot and dry weather in June. Spring wheat harvest is beginning under favourable conditions. In **China**, spring wheat is being harvested. In the **US**, harvesting of winter wheat wraps up and progresses for spring wheat with above-average yields. In **Canada**, spring wheat harvesting is ongoing under variable conditions due to prolonged hot and dry weather in the western Prairies. In **Australia**, conditions are exceptional in New South Wales, Queensland, and Western Australia; however, dry conditions remain in parts of South Australia and Victoria. In **Argentina**, conditions are mixed due to a lack of soil moisture and low temperatures in the central and northern regions, delaying crop growth.

Maize

In **Brazil**, harvesting of the summer-planted crop (larger season) is wrapping up ahead of last season and under generally favourable conditions except in the southeast region due to earlier hot and dry weather. In **Mexico**, sowing of the spring-summer crop (larger season) is progressing under mixed conditions due to the late arrival of rains. In **China**, conditions are favourable for both the spring-planted and summer-planted crops. In **India**, conditions are favourable for the Kharif crop (larger season) with an increase in total sown area compared to last year. In the **US**, conditions are exceptional across most of the Corn Belt, however, earlier hot and dry weather has likely impacted crop yields along the East Coast. There is a reduction in the total sown area compared to last year. In **Canada**, conditions are favourable. In the **EU**, hot and dry weather continues to negatively impact crops in Bulgaria, Greece, Hungary, and Romania. In **Ukraine**, July's long heatwave combined with an expanding drought during August in the southern, central, and eastern regions has severely degraded potential yields. In the **Russian Federation**, hot and dry weather has negatively impacted crop yields in the south.

+i Pie chart description

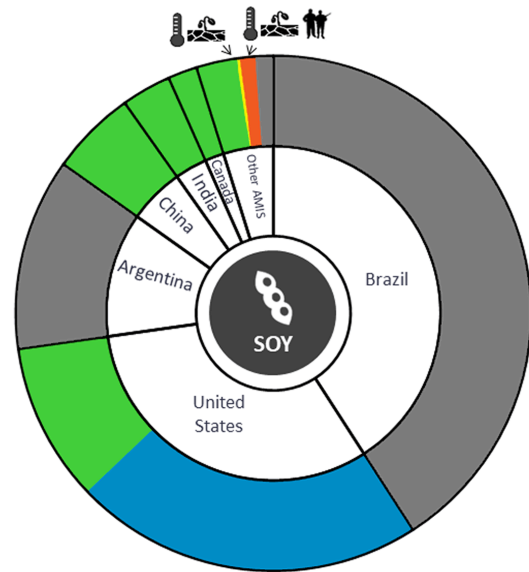
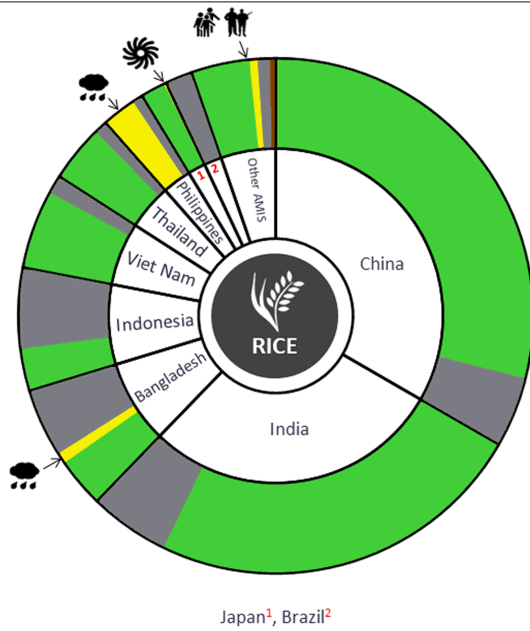
Each slice represents a country's share of total AMIS production (5-year average), with the main producing countries (95 percent of production) shown individually and the remaining 5 percent grouped into the "Other AMIS Countries" category. Sections within each country are weighted by the sub-national 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**, conditions are favourable as single-season crop harvesting begins and the late double-crop continues to develop. In **India**, the transplanting of the Kharif crop (larger season) is progressing supported by good August rainfall. In **Bangladesh**, harvesting is wrapping up for the Aus crop (smallest season) as flooding in the east impacts the Aman crop (mid-sized season). In **Indonesia**, the sowing and harvesting of dry-season rice continues with an increase in total sown area compared to last year. In **Viet Nam**, wet-season rice (summer-autumn) is developing in the north alongside the sowing of the main wet-season rice (seasonal). In the south, harvesting of wet-season rice (summer-autumn) continues alongside the development of the other wet-season rice (autumn-winter and seasonal). In **Thailand**, wet-season rice is in the tilling stage under favourable conditions. In the **Philippines**, harvest is beginning for wet-season rice under mixed conditions due to recent heavy rainfall damage from an enhanced southwest monsoon and previous dry weather during sowing. In **Japan**, conditions are generally favourable; however, a lack of sunlight and the recent landfall of Typhoon Shanshan have likely impacted yields in the southwest.

Soybeans

In the **US**, conditions are exceptional across a large portion of the major producing states with an increase in total sown area compared to last year. In **Canada**, conditions are favourable; however, exceptionally hot and dry conditions in Saskatchewan have accelerated development, leading to possible yield declines. In **China**, conditions are favourable as the crops are in the pod-filling stage. In **India**, conditions are favourable with a slight increase in total sown area compared to last year. In **Ukraine**, a hot and dry August has spread and deepened the ongoing drought conditions in the southern and eastern regions; however, the biggest damage to crop yields was during the July heatwave. Conditions remain favourable in the western region.

Information on crop conditions in non-AMIS countries can be found in the **GEOGLAM Early Warning Crop Monitor**, published 5 September 2024.

+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 & IRRRI), 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 July and August, India, the Russian Federation, and Ukraine were among countries introducing new or modified measures affecting exports, or extending existing arrangements, while China, Kazakhstan, Nigeria, and Türkiye amended import restrictions. Brazil, Egypt, the Philippines, and Türkiye announced new subsidy measures for producers or consumers.

Wheat

- On 26 July, **Kazakhstan** extended further a ban on wheat imports, until the end of the year. The measure, which covers imports from all countries by rail, road, and water, was first introduced in April 2023, and subsequently extended in September 2023 and April 2024. (See AMIS Market Monitor, October 2023 and May 2024). Imports destined for further processing in poultry farms and flour milling enterprises are covered by an exception.
- On 1 August, the **Russian Federation** approved the release of 500 000 tonnes of wheat from the federal intervention fund to the market by the end of 2024 (Order No. 2042-r). The order specified that the wheat must be sold at a minimum price that is set above the price at which the grain was initially purchased by the state.
- On 1 August, **Egypt** raised by 20 percent the price paid by mills to purchase wheat used to produce subsidized bread, media reports indicated.
- On 2 August, media reports indicated that **China** had stopped duty-free wheat imports from **Kazakhstan**. While bonded zones in China's Xinjiang had previously imported Kazakh wheat duty free, shipments now have to enter under import quotas, with a 65 percent duty levied on out-of-quota imports. On 7 August, Kazakhstan indicated it would also suspend wheat exports to China indefinitely.
- On 8 August, **South Africa** eliminated tariffs on wheat and wheat flour, through Government Gazette 51021-R.5111. These tariffs, up to ZAR 264.5 (USD 14.7) per tonne, had been imposed since 19 July on imports from countries other than members of the Southern African Development Community, through Government Gazette 50969-R.5054.
- On 27 August, the Department of Agriculture in the **US** declared that HB4 wheat, a herbicide-tolerant and drought-resistant genetically engineered variety, was unlikely to pose an increased plant pest risk. It may be safely grown and bred in the US, the agency said, thereby paving the way for closed-system field trials and commercialization.

Maize

- On 2 July, the **European Commission** authorized the imports of two more varieties of genetically modified maize for use in food and animal feed, but without authorizing their cultivation in the EU.

Rice

- On 5 July, the Department of Agriculture in the **Philippines** launched an initiative that sought to provide rice to some 6.9 million vulnerable households at a reduced price of PHP 29 (USD 0.50) per kilo compared to the prevailing market price of approximately PHP 47 (USD 0.82) per kilo. The government expects the large-scale trial to reach 35 million Filipinos.
- On 5 July, the Directorate-General of Foreign Trade in **India** extended, for another six-month period, arrangements governing the export of both basmati and non-basmati rice to various European countries, through Notification No. 19/2024-25. The latest notification permits rice exports to EU member states and to the United Kingdom, Iceland, Liechtenstein, Norway, and Switzerland, on condition that the exports are accompanied by a Certificate of Inspection granted by the Export Inspection Council or Export Inspection Agency. For the same period, exports to other European countries will not require a Certificate of Inspection (see also AMIS Market Monitor, July 2023 and February 2024).
- On 6 July, the **Russian Federation** through Resolution 920 extended its temporary ban on exports of rice and rice cereals until 31 December 2024. The exceptions that were previously applied are maintained, including for humanitarian assistance, international transit, and shipments to certain geographical regions. The measure was initially introduced in 2022, and subsequently extended (see AMIS Market Monitor, September 2022, and February 2024).
- On 16 August, the Directorate General of Foreign Trade in **India**, through Notification No. 23/2024-25, extended the export ban on de-oiled rice bran until 31 January 2025. This ban was implemented in July 2023, before being twice extended (see AMIS Market Monitor, February 2024 and April 2024).
- On 19 August, the Directorate General of Foreign Trade in **India** permitted the export of 200 000 metric tonnes of non-basmati white rice to Malaysia, through Notification No. 24/2024-25. Three weeks earlier, on 29 July, the DGFT also authorized the export of 1 000 tonnes of non-basmati white rice to Namibia, through Notification No. 21/2024-25. Although exports of this category of rice were banned in July 2023, successive exemptions have been authorized on food security grounds, following requests from importing governments.

Policy developments

- On 15 August, the Court of Appeals in the **Philippines** amended its April decision revoking biosafety permits for the commercial propagation of Golden Rice, a genetically engineered rice which includes the provitamin beta carotene (see AMIS Market Monitor, May 2024). The amended decision, CA-G.R. SP No. 00038, upholds most aspects of the initial ruling, but withdraws one part which prohibited applications for contained use, field testing, direct use as food or feed, or processing, commercial propagation, and importation of genetically modified organisms. The amendment clarifies that the decision applies only to Golden Rice and *Bt* eggplant, which were the object of the initial case, and not to other agricultural products such as maize for use as animal feed.

Biofuels

- On 26 July, in the **US**, the Court of Appeals for the District of Columbia overturned a 2022 decision by the Environmental Protection Agency (EPA) to deny requests from small oil refineries for a temporary waiver from requirements that they blend maize-based ethanol into fuel, media reports indicated. The court ordered the EPA to review its decision.
- On 5 August, the Ministry of Economy in **Argentina** raised the minimum purchase price of biodiesel for mandatory blending, with the new measure taking effect two days later (Resolution 201/2024). The minimum price is now set at ARS 965 554 (USD 1 026) per tonne, up from ARS 951 285 (USD 1 011) per tonne previously.
- On 14 August, the **European Commission** imposed provisional anti-dumping tariffs on biodiesel imports from China. These tariffs, ranging from 12.8 percent to 35.4 percent of the cost, insurance, and freight (CIF) price at the EU border, took effect on 17 August and will apply until 16 January 2025.
- On 29 August in **India**, the Ministry of Consumer Affairs, Food, and Public Distribution lifted the July 2023 ban on using rice for ethanol production. Distilleries will be allowed to participate in rice e-auctions from August to October 2024, with a maximum of 2.3 million metric tonnes to be released for sale from the stocks held by the Food Corporation of India.
- On 29 August, **India** allowed sugar mills to use cane juice or b-heavy molasses (a lower-sugar type of molasses that results from a second stage of sugarcane processing) to produce ethanol from the next marketing year on, starting on 1 November 2024. The notification is subject to review, with priority given to sufficient availability of sugar in the country.

Fertilizers

- On 22 July, the **European Council** voted to adopt legislation setting the requirements for digital labelling on fertilizer packaging or on its accompanying documentation. Manufactur-

ers and importers must ensure that digital labels specify their name; registered trade name or registered trademark; and the postal address at which they can be contacted, among other things.

- On 9 August, the Ministry of Chemicals and Fertilizers in **India** announced an additional subsidy of INR 3 500 (USD 41.7) per metric tonne of di-ammonium phosphate (DAP) to fertilizer companies from April to December 2024. The Government said that this measure is in response to the difficulty fertilizer companies face in importing DAP.
- On 28 August, the **US** Department of Agriculture announced USD 35 million to support domestic fertilizer production through grants in seven states. The government said the grants would allow businesses to modernize equipment, adopt new technologies, and build production plants.

Vegetable oils

- On 5 August, the government of **Türkiye** through Decision 8788 established a tariff rate quota for imports of sunflower seeds and sunflower oil from 1 January to 30 April 2025. During that period, up to 1 million tonnes of sunflower seeds can be imported at a lower duty of 8 percent, and up to 400 000 tonnes of sunflower oil can be imported at 20 percent. The import quota will be allocated to companies that purchase domestic sunflower seeds between 1 July and 30 November 2024, the decision indicates.
- On 14 August, the trade ministry of **Indonesia** raised the domestic price ceiling on palm oil, through Decree Number 1028 / 2024, in a bid to improve the availability of subsidized cooking oil under the 'Minyakita' scheme for low-income consumers. The price cap was raised to INR 15 700 (USD 187) per litre, up from IDR 14 000 (USD 167) previously. As export permits are set at four times the volume of companies' contributions under the scheme, weaker export demand has resulted in less palm oil being supplied under the scheme in recent months. The government also lowered its monthly target for palm oil contributions through the programme, from 300 000 to 250 000 metric tonnes.
- On 23 August, the **Russian Federation** announced that, in September, sunflower oil exports will continue to be permitted free of tax, while the export tax on sunflower meal will increase to RUB 2 881 (USD 32.3) from RUB 1 780 (USD 19.9) per tonne.

Across the board

- On 3 July, **Brazil** announced its two agricultural support plans for the 2024/25 campaign, amounting to a total of BRL 476.5 billion (USD 85 billion), which will be distributed in the form of credit allocation. Large and medium-sized agricultural firms will benefit from the country's BRL 400.5 billion

Policy developments

- (USD 71.5 billion) 2024-2025 "Plano Safra" (Harvest Plan), a 10 percent increase from the previous year. Small family businesses will instead benefit from the BRL 76 billion (USD 13.6 billion) in support under the National Program for the Strengthening of Family Farming (Pronaf), 6.2 percent more than the previous year.
- On 30 July, the Ministry of Finance in **China**, in collaboration with the Ministry of Agriculture and Rural Affairs, released CNY 238 million (USD 33.5 million) of central fiscal fund for disaster prevention and relief in agricultural production in Henan, Hunan, Chongqing, Sichuan, Shaanxi, and other flood-stricken areas. The subsidies will focus on replanting crops and restoring damaged agricultural facilities.
 - On 31 July in **China**, the Ministry of Finance allocated CNY 2.037 billion (USD 287 million) of central fiscal funds for agricultural production disaster prevention and relief for autumn grain crops in Hebei, Shanxi, Inner Mongolia, Liaoning, Jilin, Heilongjiang, Jiangsu, Anhui, Jiangxi, Shandong, Henan, Hubei, Hunan, Shaanxi, Gansu, and other places. To promote spraying operations, the central government will focus on subsidies for spraying plant growth regulators, foliar fertilizers, stress resistance agents, fungicides and insecticides on crops such as maize, soybeans and rice, and support organizations such as farmers' cooperatives, service professionals, agricultural service enterprises, rural collective economic organizations, and supply and marketing cooperatives.
 - On 14 August, **Nigeria** issued a set of Guidelines for Implementation of Zero Duty Rate on Some Basic Food Items, indicating it would suspend duties, tariffs and taxes on imports of certain commodities, including maize, husked brown rice, and wheat, until the end of December 2024. Subsequent media reports indicated that the implementation of the measure, which was initially announced on 10 July, had been delayed as the government undertook consultations with affected stakeholders.
 - On 20 August, the Cabinet of Ministers in **Ukraine** adopted resolution 944, titled "Approval of the Procedure for Setting Minimum Permissible Export Prices for Certain Goods". This new regulation will enable the Ministry to establish minimum export prices for specific agricultural commodities, including wheat, maize, sunflower oil, soybeans, and rapeseed. These prices will be determined based on contract prices during the previous month, with values to be published by the 10th of each month. The resolution took effect ten days after its publication.
 - On 16 August, the **Russian Federation** confirmed it would extend export duties on sunflower seeds and soybeans from 1 September 2024 until 31 August 2026, media reports indicated. The export duty on sunflower seeds will be set at 50 percent, but not less than RUB 32 000 (USD 358) per tonne. On soybeans, the export duty will be 20 percent, but no less than USD 100 per tonne. Over the same period, a new export duty on rapeseed will replace the previous export ban: this will be set at 30 percent, but not less than EUR 165 (USD 183) per tonne.
 - On 29 August, **Türkiye** through Decision No. 8859 announced basic production support payments for the three-year period 2025-2027. For the 2025 production year, producers that have registered in the Farmer Registration Scheme will benefit from a basic subsidy of TRY 244 (USD 7.2) per 1 000 square meters. The programme will allow wheat producers to claim 1.3 times the rate of the basic payment; producers of sunflower oil, rapeseed (canola) and soy to claim 1.5 times the basic rate; and producers of rice to claim 2.25 times the basic rate. Maize farmers will receive the basic payment without any adjustment. Producers of other crops will also be able to benefit from varying subsidy rates under the new programme. Farmers will also be able to claim additional support if the crops they produce are covered under government plans.

+i Note

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

International prices

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

	Aug 2024 Average*	Change	
		M/M	Y/Y
GOI	217.5	-3.8%	-18.3%
Wheat	197.1	-2.2%	-16.3%
Maize	200.0	+1.1%	-12.1%
Rice	246.0	-0.7%	+0.3%
Soybeans	202.7	-7.2%	-25.5%

*Jan 2000=100, derived from daily export quotations

Wheat

Wheat prices were pressured by competition for limited demand, while production concerns and slow grower selling in some countries offered only limited support. The GOI wheat sub-Index averaged 4 percent lower month-on-month and touched a four-year low recently. Despite rain-induced harvest delays, Russian quotations eased, with exporters keen to generate sales amid lagging shipments and falling export duties. Downside in Ukraine’s market was capped by brisk export progress and thin grower selling, while participants eyed the implementation of minimum export prices. Despite disappointing harvest results, EU prices (France) softened on worries about overseas business, especially in light of a strengthening euro. Changes in US prices were mixed, with export optimism amid sizeable export sales and a weaker dollar tempered by competitively-priced Black Sea supplies.

Maize

With contrasting changes across the key origins, GOI maize sub-Index values ticked higher month-on-month. US prices edged higher after a period of two-sided movements, often shaped by local weather. While a private crop tour confirmed prospects for a bumper harvest, the recent heatwave across

the Midwest offered price support. Export-related data provided mixed signals, as slowing old crop sales contrasted with rising demand for 2024/25 supplies. Quotations in Brazil firmed, as domestic demand and slack farmer selling countered muted interest from China. Slow country movement underpinned prices in Argentina, as did concerns about dryness ahead of new crop planting. While nearby Ukrainian prices averaged lower month-on-month amid thin demand from China, values remained at an unusual premium to competing origins due to tight spot supplies and crop uncertainties.

Rice

Average rice prices eased during August on lacklustre demand, with the exception of a tender by Indonesia’s food logistics agency. USD-based offers in Thailand softened, as limited enquiries outweighed support from currency gyrations. Quotations in Pakistan declined on seasonal pressure ahead of harvesting, while Indian parboiled prices fell on slow West African purchasing and prospects for an improved 2024/25 kharif crop. However, in Vietnam, offers ticked higher on demand from the Philippines.

Soybeans

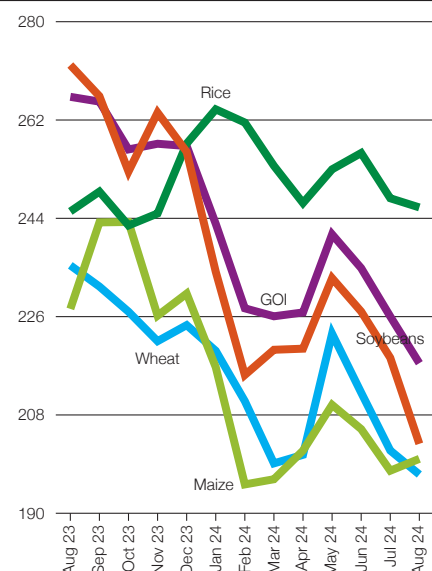
Average soybean values weakened during August, the GOI sub-Index down by 7 percent month-on-month, albeit with mixed changes across key origins. US values were weighed by outlooks for a record harvest, underscored by strong yield forecasts from the annual crop tour. Some offsetting price support stemmed from the recent acceleration in export sales, even though accumulated commitments continued to trail last season. Quotations in Argentina showed little overall change month-on-month, while those in Brazil firmed on reluctant farmer selling and sub-optimal soil conditions for crop sowing.

IGC commodity price indices

		GOI	Wheat	Maize	Rice	Soybeans
2023	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
	March	226.1	199.1	196.2	253.6	219.9
	April	226.8	200.7	201.5	246.8	220.1
	May	241.1	222.9	209.8	253.0	233.1
	June	234.9	212.1	205.4	256.0	226.9
	July	226.0	201.5	197.8	247.7	218.5
	August	217.5	197.1	200.0	246.0	202.7

(..... January 2000 = 100)

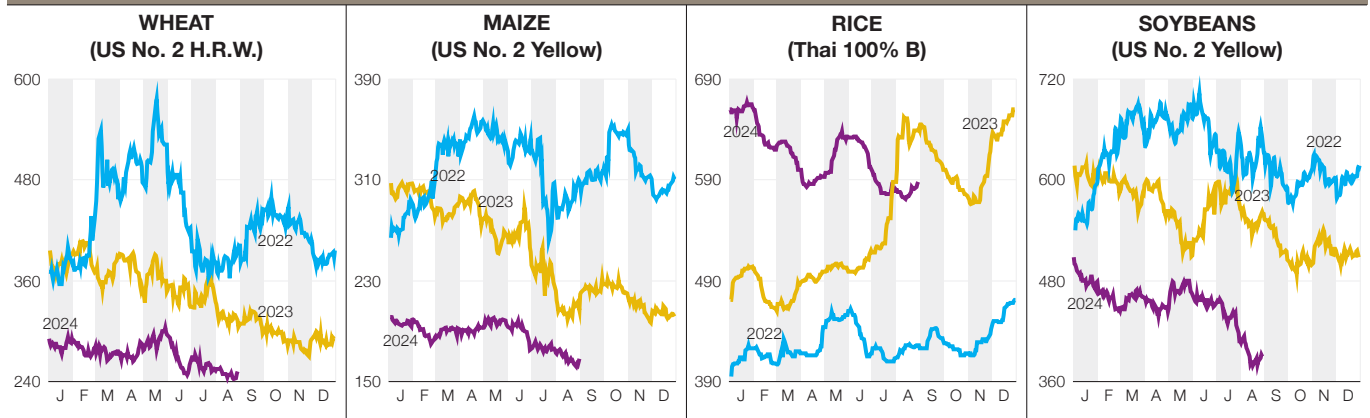
IGC commodity price indices



International prices

Selected export prices, currencies and indices

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



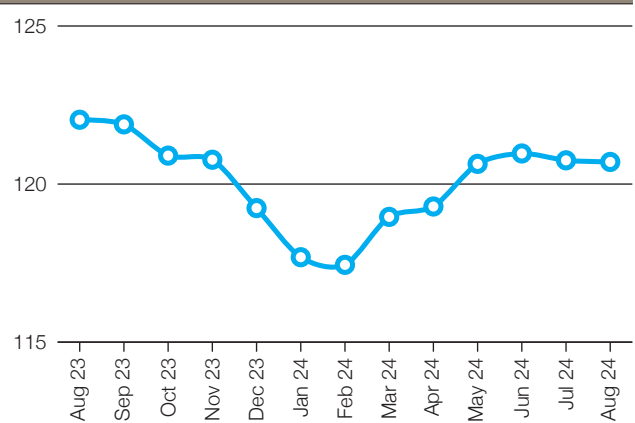
Daily quotations of selected export prices

	Effective date	Quotation	Month ago	Year ago	% change M/M	% change Y/Y	
		USD/tonne					
Wheat (US No. 2, HRW)	28-Aug	252	253	309	-0.4%	-18.4%	
Maize (US No. 2, Yellow)	30-Aug	168	173	219	-2.7%	-23.3%	
Rice (Thai 100% B)	28-Aug	588	580	645	+1.4%	-8.8%	
Soybeans (US No. 2, Yellow)	28-Aug	390	408	553	-4.4%	-29.5%	

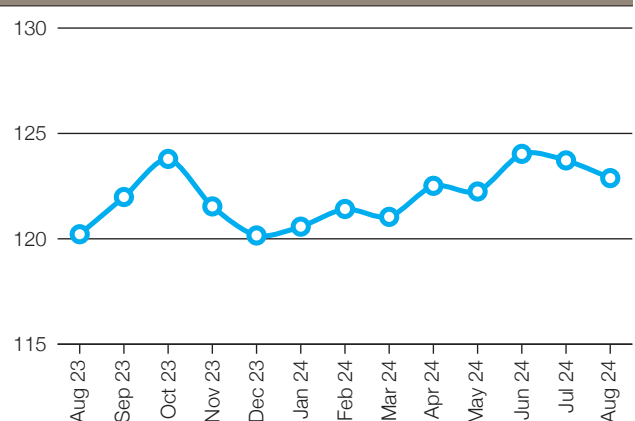
AMIS countries' currencies against US Dollar

AMIS Countries	Currency	Aug 2024 Average	Monthly Change	Annual Change
Argentina	ARS	941.3	-2.1%	-65.7%
Australia	AUD	1.5	-0.2%	2.7%
Bangladesh	BDT	117.9	-0.7%	-7.3%
Brazil	BRL	5.6	-0.2%	-11.6%
Canada	CAD	1.4	0.4%	-1.3%
China	CNY	7.1	1.6%	1.4%
Egypt	EGP	48.9	-1.5%	-36.8%
EU	EUR	0.9	1.6%	1.1%
India	INR	83.9	-0.4%	-1.3%
Indonesia	IDR	15734.8	3.2%	-3.1%
Japan	JPY	146.1	7.9%	-0.9%
Kazakhstan	KZT	479.0	-0.8%	-5.5%
Rep. of Korea	KRW	1349.7	2.4%	-2.0%
Mexico	MXN	19.2	-5.6%	-11.4%
Nigeria	NGN	1551.7	0.2%	-50.7%
Philippines	PHP	57.0	2.6%	-1.1%
Russian Fed.	RUB	89.3	-2.2%	6.5%
Saudi Arabia	SAR	3.8	0.0%	-0.1%
South Africa	ZAR	18.0	1.2%	4.1%
Thailand	THB	34.7	4.4%	1.0%
Türkiye	TRY	33.7	-2.4%	-20.2%
UK	GBP	0.8	0.6%	1.9%
Ukraine	UAH	41.1	-0.6%	-10.4%
Viet Nam	VND	25015.7	1.4%	-4.6%

FAO Food Price Index Aug 2023 - Aug 2024



Nominal Broad Dollar Index Aug 2023 - Aug 2024



Futures markets

Overall market sentiment

- Wheat, soybean and maize futures have reached four-year lows due to favorable weather conditions in main production areas.
- Implied volatility has declined to near or below 10-year averages, indicating reduced expectations of significant price swings as crops in the northern hemisphere are nearing harvesting.
- Investor flows reflect a bearish outlook, with money managers holding their shortest net position in nearly five years on Chicago Mercantile Exchange (CME) futures and investment funds shifting to net short positions on Euronext wheat.

MONTHLY PRICE TREND



Futures prices

The persistent downward trend in grain and oilseed futures observed since the start of the 2023-24 season intensified in August, with maize, soybean, and wheat futures reaching four-year lows, close to price levels during the COVID-19 pandemic.

In wheat, CME futures were notably influenced by favourable late-season weather conditions in the US, supporting yields that surpassed expectations. Meanwhile, in Europe, high opening stocks combined with an early start of the harvest pressured Euronext wheat futures, culminating in a low point in mid-August. Since then, Euronext wheat prices have shown signs of stabilizing, underpinned by lower availability of wheat that is meeting the futures contract specifications in a context of below-average production levels in the EU and widespread quality concerns, particularly in France.

Soybean and maize futures have similarly declined over July and August, approaching four-year lows as favourable weather conditions in the US Corn Belt bolstered expectations of record yields. From September 2023 to February 2024, the soybean-to-maize price ratio favored soybeans, influencing US farmers to allocate more acreage to soybean relative to maize at the sowing time. This larger planted area led to a sharper bearish reaction in soybeans, as conducive weather during flowering suggested a robust production. Yet, the decline in CME soybean and maize futures led US producers to reach parity against their Brazilian counterparts, which should limit further decreases in price.

Volumes & volatility

Historical volatility decreased and is now near or below the 10-year average for wheat, maize, and soybean futures. Implied volatility also declined, reaching levels below historical averages, suggesting that market participants anticipate a lower risk of significant price swings in the coming weeks. Notably, in maize and soybeans, implied volatility generally trends downward after August as the most critical phases of crop development have

passed, reducing weather-related risks and consequently expected volatility.

Trading volumes on CME have been subdued, a typical pattern in contexts of low volatility and declining price trends. Meanwhile, open interest for grain and oilseed contracts is significantly higher than at the start of the previous season, indicating increased long-term holding of positions. Such a combination of lower volumes and higher open interest hints at reduced intraday speculation.

Forward curves

Futures contracts for wheat, maize, and soybeans on CME show a steepened contango, with deferred contract prices rising relative to those for nearby deliveries. The steepening contango dynamic, which intensified through July and August, incentivizes market participants to store grain rather than sell. This price structure indicates that available supplies at harvest are expected to exceed initial new-crop demand. Euronext wheat futures are also in a pronounced contango, driven by a rapid harvest and tepid international demand for the European origin.

Investment flows

Money managers currently hold their shortest net position in nearly five years in CME grains and oilseed futures, reflecting a bearish outlook. In contrast, investment funds that ended the 2023/24 season net long on Euronext wheat have started the new season with a net short position, aligning with the bearish stance of money managers in the CME market.

Euronext futures volumes and price evolution

Average daily volume (1000 tonnes)	Jul 2024	M/M	Y/Y
Wheat	4 225.7	-7.2%	+5.1%
Maize	117.0	+5.1%	+1.1%

Prices (USD/t)	Jul 2024	M/M	Y/Y
Wheat	248.4	-4.4%	-8.3%
Maize	227.8	-0.0%	-11.4%

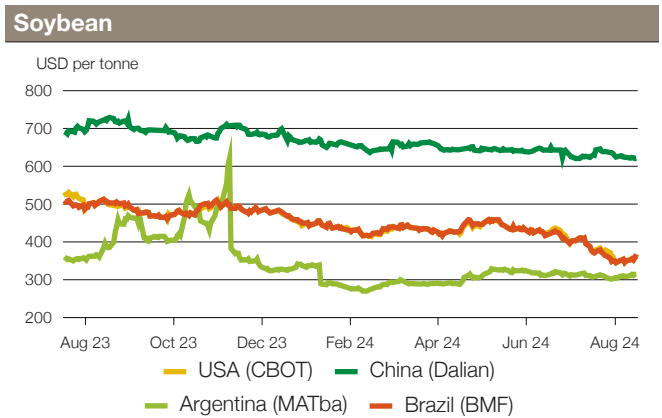
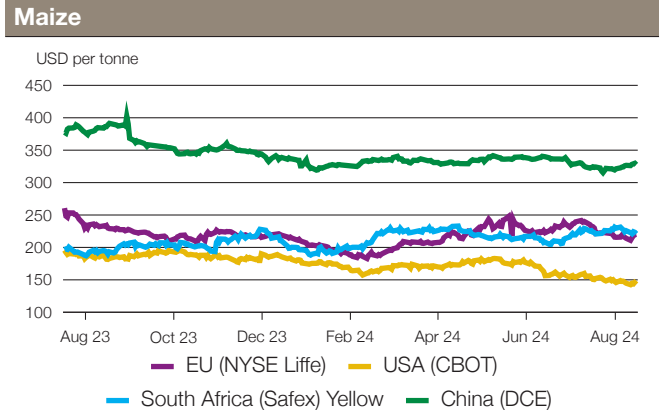
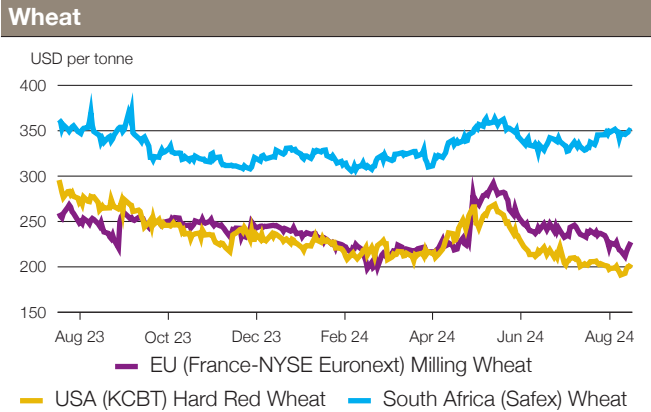
CME futures volumes and prices evolution

Average daily volume (1000 tonnes)	Jul 2024	M/M	Y/Y
Wheat	13 559.7	-47.2%	-28.5%
Maize	47 914.1	-33.4%	+9.1%
Soybean	34 235.1	-25.9%	+11.0%

Prices (USD/t)	Jul 2024	M/M	Y/Y
Wheat	207.7	-6.9%	-17.1%
Maize	160.1	-9.7%	-21.9%
Soybean	397.4	-5.7%	-21.3%

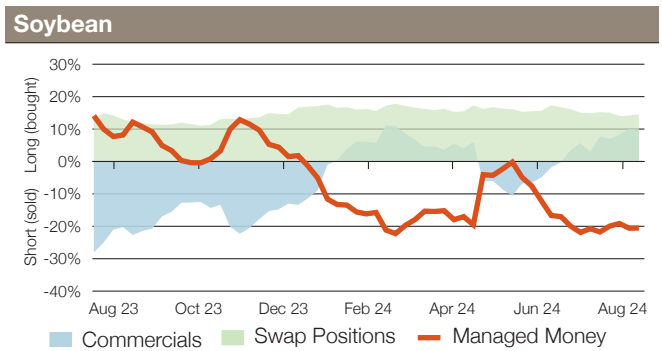
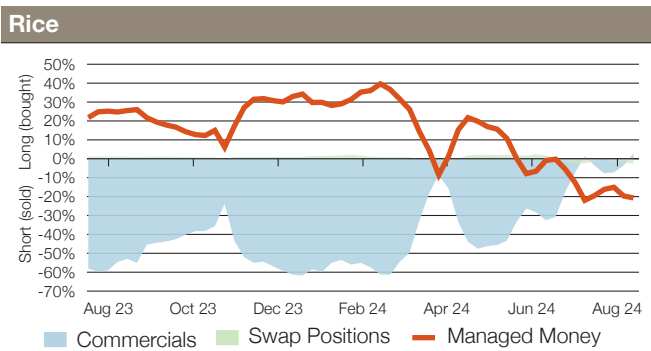
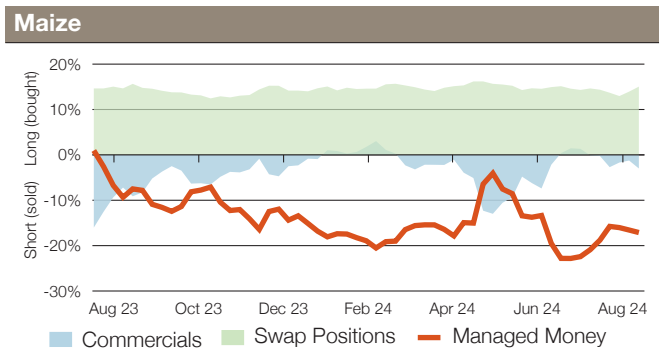
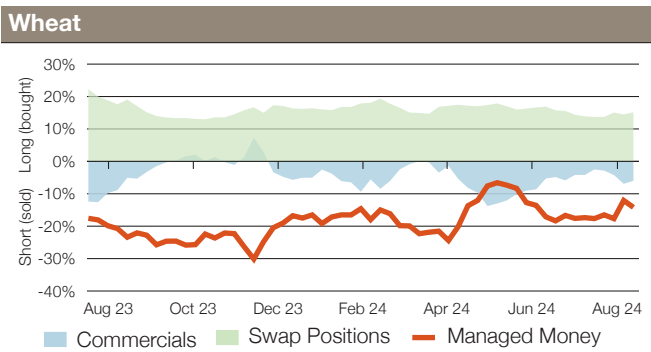
Market indicators

Daily quotations from leading exchanges - nearby futures



CFTC commitments of traders

Major categories net length as percentage of open interest*

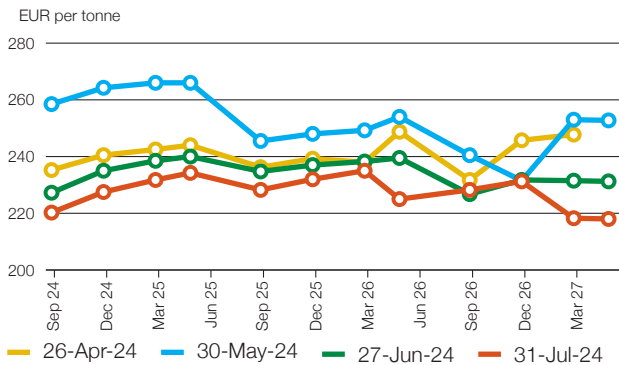


*Disaggregated futures only. Though not all positions are reflected in the charts, total long positions always equal total short positions.

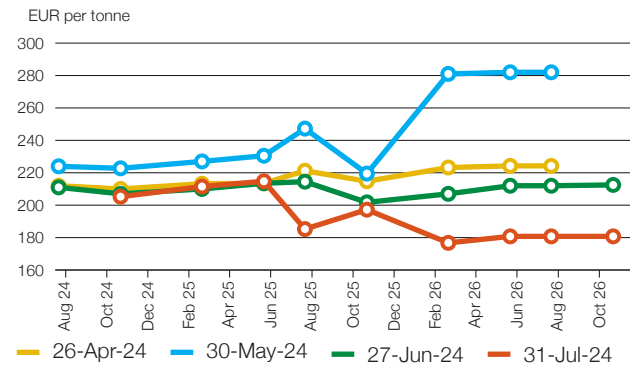
Market indicators

Forward curves

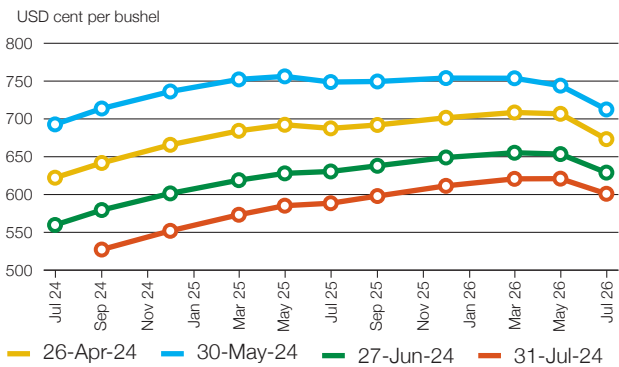
Euronext wheat (EBM)



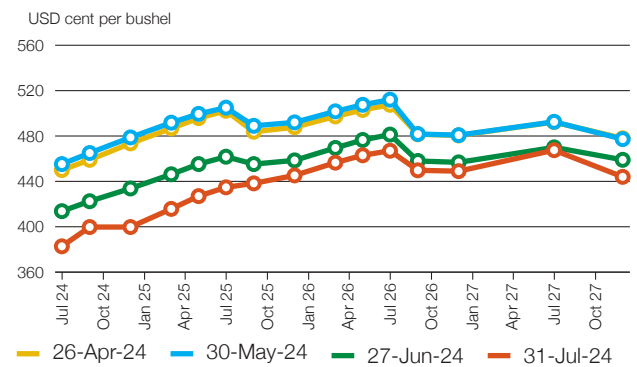
Euronext maize (EMA)



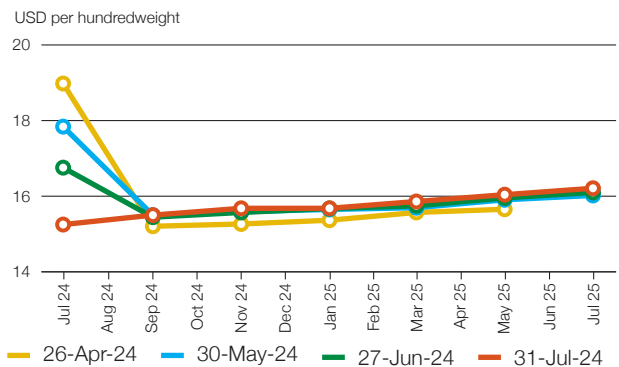
CBOT wheat



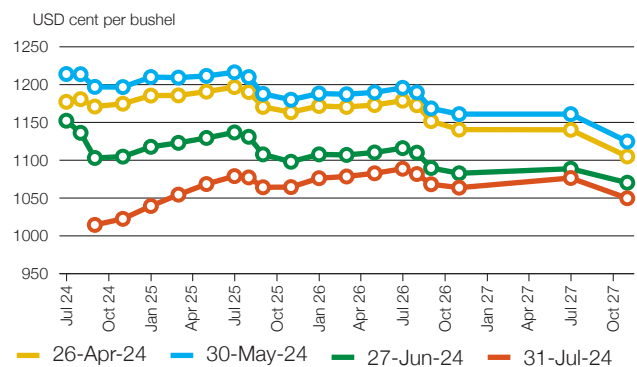
CBOT maize



CBOT rice

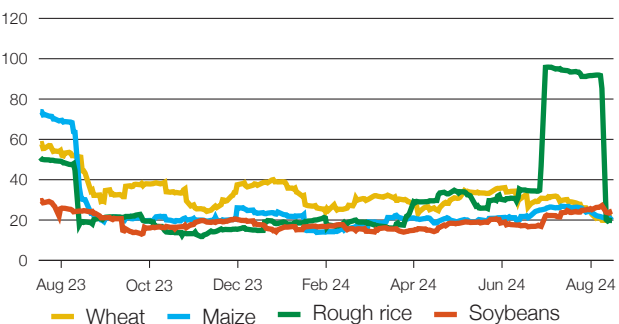


CBOT soybean

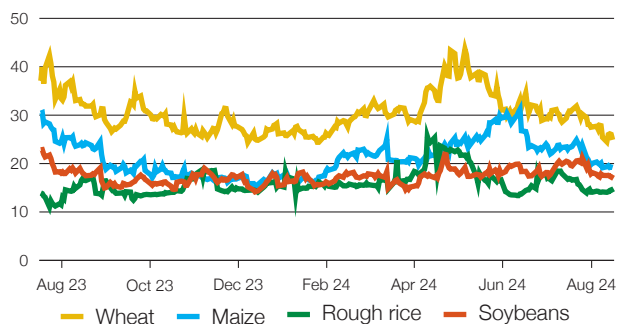


Historical and implied volatilities

Historical volatility (30 days)



Implied volatility (Daily)

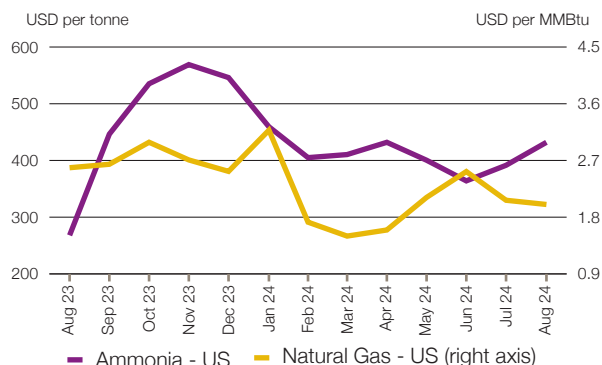


+i AMIS market indicators

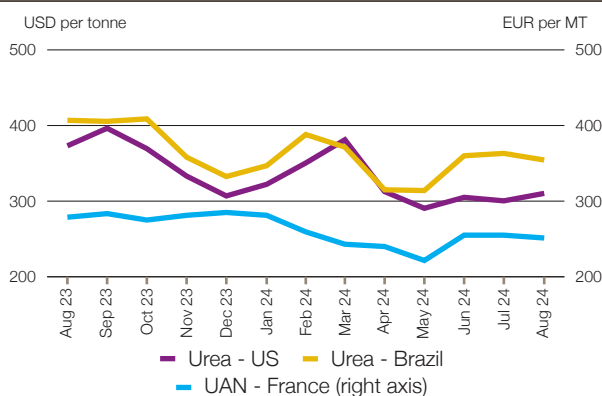
Several of the indicators covered in this report are updated regularly on the AMIS website. These, as well as other market indicators, can be found at: <https://www.amis-outlook.org/amis-monitoring/indicators/>. For more information about forward curves see the feature article in AMIS Market Monitor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

Fertilizer outlook

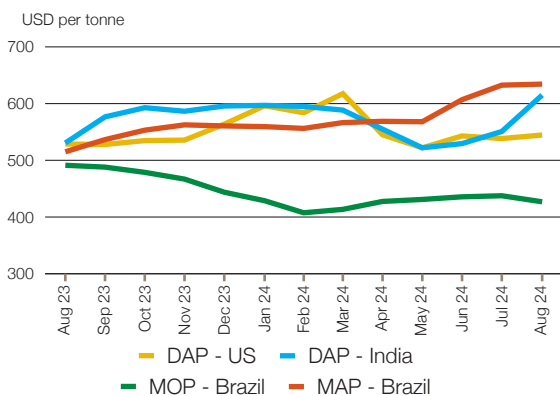
Input prices for manufacturing fertilizers



Nitrogen prices



Potash and phosphate



Fertilizer outlook prices

	Aug-24 average	Aug-24 std. dev.	% change last month*	% change last year*	12 month high	12-month low
Ammonia - US (USD/ST)	432.0	-	+10.3	+61.2	569.0	364.0
Natural Gas - US (USD/MMBtu)	2.0	0.1	-3.2	-22.6	3.2	1.5
Natural Gas - EU (EUR/MWh)	37.6	1.5	+16.6	+11.9	43.4	25.6
Urea Ammonium Nitrate (UAN) - France (EUR/MT)	251.2	4.8	-1.5	-9.9	285.0	221.5
Urea - US (USD/ST)	310.2	1.7	+3.3	-16.9	396.4	290.5
Urea - Brazil (USD/MT)	354.4	8.5	-2.4	-12.9	408.8	314.0
Di-ammonium Phosphate (DAP) - India (USD/MT)	615.0	6.8	+11.7	+15.9	615.0	522.1
Di-ammonium Phosphate (DAP) - US (USD/ST)	544.6	2.2	+1.2	+3.0	617.5	522.0
Mono-ammonium Phosphate (MAP) - Brazil (USD/MT)	634.4	1.2	+0.3	+23.2	634.4	536.5
Muriate of Potash (MOP) - Brazil (USD/MT)	426.9	1.2	-2.4	-13.1	488.0	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.

Major market developments

Fertilizer markets overall are seasonally slow with softening commodity prices encouraging buyers to defer purchases. The exception is the global phosphorus fertilizer market, where major exporter China remains focused on safeguarding the domestic market. Geopolitical concerns remain, particularly in the Near East.

■ **Fertilizer input prices.** Natural gas prices in the U.S. decreased in August in a context of oversupply and high storage levels. Despite solid inventories, prices in Europe were up, supported by annual maintenance in Norway, the developments of the Ukraine-Russia war, and Hurricane Beryl cancelling LNG exports from the US. Ammonia availabilities are tight West of Suez with reduced output in key exporters (e.g., Egypt, Trinidad), while East of Suez, prices remain stable-to-soft on sufficient availability and limited demand.

■ **Nitrogen fertilizer prices.** Nitrogen fertilizer prices were stable to soft in August reflecting low buying interest. Supply concerns were limited to the availability of natural gas for nitrogen fertilizer production in Egypt. While in China inventories are growing and domestic prices easing, exports could remain curtailed through the next few months, which would support global prices.

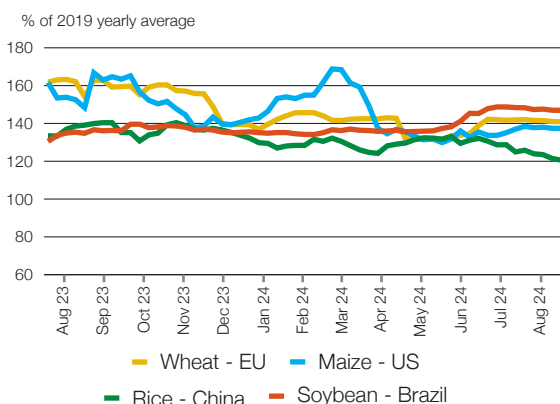
■ **Phosphorus fertilizer prices.** Phosphorus fertilizer prices increased in August, with DAP prices higher East of Suez and more moderate West of Suez. Supply remains tight with January-July aggregate exports from China down substantially compared to last year, with expectations of further export restrictions ahead. This coincides with increased import demand in India. Hence, DAP prices are expected to remain firm in the coming months.

■ **Potassium fertilizer prices.** Potash prices were down on comfortable supplies, though there were some concerns over the impact of Canadian rail logistics on exports due to labour disputes in August. Global potash prices are expected to remain rangebound in the months ahead.

Fertilizer outlook

Fertilizer market developments - Indicators

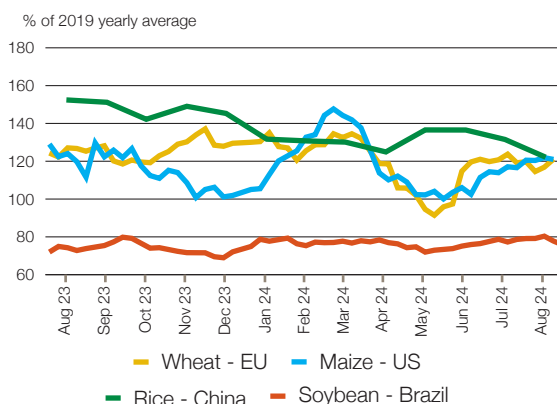
Fertilizer cost index for selected regions and commodities



Fertilizer cost indices remain above their 2019 average for all the sets of regions and commodities.

Fertilizer costs remained mostly stable in August for maize in the US, at levels that remain below those observed in August of last year. The fertilizer cost index was also stable in August for soybean in Brazil, but current values exceed those observed last year due to higher phosphate costs. Meanwhile the fertilizer cost index decreased for wheat in the EU in August, for the first time since May 2024, reflecting the switch to new season prices. In China, the fertilizer cost index for rice continued its downward trend initiated in June 2024 as both nitrogen and potash prices slide, while phosphate prices remain mostly stable.

Fertilizer crop price ratio for selected regions and commodities



Fertilizer crop price ratios remained above their 2019 average for all four regions in August, except for the potash-soybean ratio in Brazil which has been steadily below its 2019 average since early 2023. The higher the ratio, the more costly the purchase of fertilizers for farmers compared to crop prices.

In the US, the affordability of urea has declined since June as maize prices softened while fertilizer prices were mostly stable. In the EU, both wheat prices and fertilizer prices declined but at different rates, resulting in only a slight deterioration of the affordability ratio. Meanwhile, decreasing fertilizer costs against mostly stable rice prices in China improved affordability of urea for rice production in China.

Fertilizer market developments - Selected leading crop producers

Brazil: Nitrogen markets have been quiet in Brazil but buyers should return in September. January to July phosphate imports were below last year levels, reflecting slow demand as MAP prices were high compared to other fertilizers and to crop prices. Potash applications for soybeans are largely met and prices are expected to weaken in the coming weeks.

China: Inland nitrogen prices have dropped by 15 percent since their 2024 peak observed in June, reflecting decreasing local demand. Chinese urea exports would seasonally accelerate in September, but export restrictions, in place since April 2024, may be extended to protect domestic supply. Demand for NPK fertilizers is low and limits DAP, MAP and MOP buying activity for blends, while there is sufficient supply in the distribution system waiting to be delivered.

EU: Summer is a slow season for fertilizer trade in Europe. Urea demand is set to increase towards September, potentially supporting exports out of Egypt and Algeria. Domestic producers increased their nitrate prices to reflect firmer natural gas costs but failed to spark demand, except in Germany.

India: Intense monsoon conditions have boosted fertilizer sales. While urea stocks are still well above last year's levels, another purchase tender has been issued for deliveries through October. Meanwhile, DAP imports in January-July are down 50 percent year on year and stocks are dwindling, which prompted the government to announce a relief package to support DAP importers, although it may fall short of making bulk imports viable.

Thailand: Nitrogen and potash fertilizer imports over the January-July timeframe rose compared to last year as importers have built inventories and good rainfall has prompted purchases at the farm level. Furthermore, local discussions point at a potential government fertilizer subsidy scheme to increase farmers' purchasing power into October.

US: Summer lull in the domestic market, also reflecting limited incentive for farmers to prepay fertilizer due to high interest rates. Continuing firmness of phosphate markets compared to other nutrients is also a concern, as observed on a global scale.

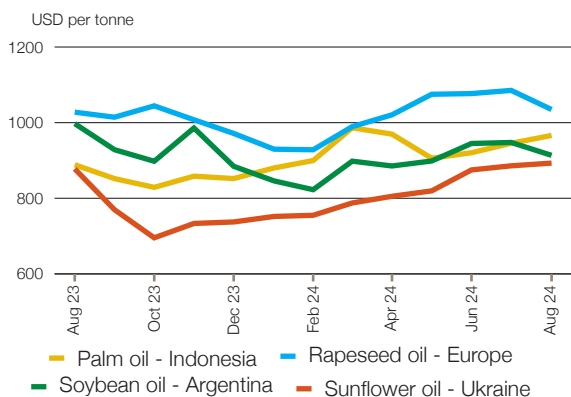
+i Fertilizer outlook indicators

This page provides monthly indicators on fertilizer markets with emphasis on selected leading crop producers. It covers the evolution of fertilizers costs and relative pricing compared to crop prices, as well as a summary of major developments on fertilizer markets for a selected set of leading crop producers.

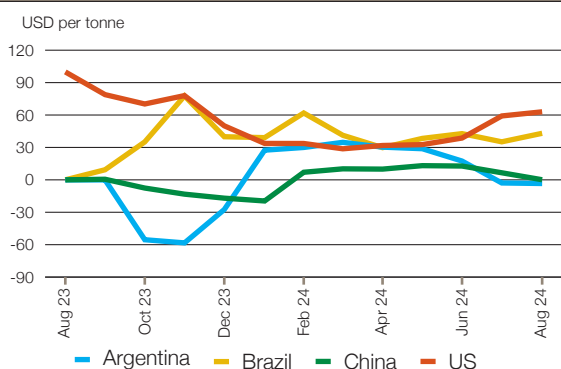
Two background notes, available on AMIS website, explain the rationale, construction, interpretation and limitations of the fertilizer cost index and the fertilizer crop price ratio index.

Vegetable oils

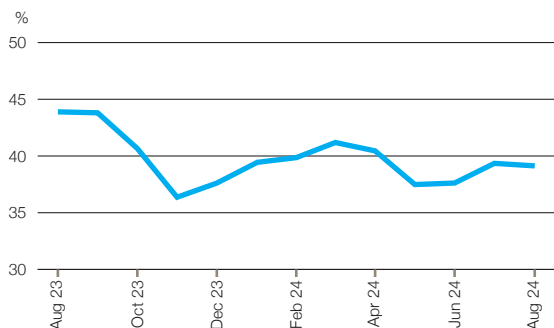
Vegetable oil export prices



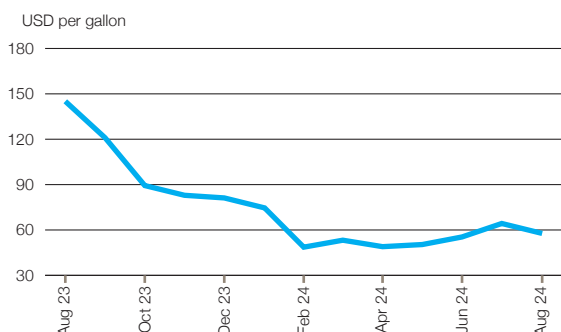
Soybean gross crush margin



Soybean oil share of crush margin



D4 RIN price (for biomass-based diesel)



Highlights

In August, international vegetable oil export prices showed mixed trends with palm and sunflower oil prices rising, while soyoil exerted downward pressure on rapeseed oil prices due to improved production prospects in North America, intensifying the competition between soyoil and rapeseed oil as feedstocks for biomass-based diesel.

Palm oil

Despite seasonally improved production in key producers Indonesia and Malaysia, export prices rose in August, continuing the momentum from July as strong demand from India, the world's largest buyer, supported prices.

Soybean oil

Argentina's export prices declined, largely driven by expectations of increased soybean supply from the US. Crush margins varied across key countries, with margins rising in Brazil and the US due to bottoming soybean prices, remaining relatively flat in Argentina after an earlier strike disrupted exports causing inventory buildup, and falling in China amid ample supplies.

Rapeseed oil

EU rapeseed oil prices declined despite tighter market fundamentals. This drop was primarily driven by a global oversupply of soyoil, which reduced demand for EU rapeseed oil, commonly used as feedstock for biodiesel production. Additionally, the start of Canada's rapeseed harvest added to global supply, further exerting downward pressure on prices.

Sunflower oil

Ukrainian export prices increased slightly, supported by deteriorating sunflower production prospects in the EU due to earlier adverse weather conditions. Steady import demand from India also contributed to the upward pressure on prices. However, these gains were moderated by the overall supply of soyoil, which influenced the broader vegetable oil market.

Biomass-based diesel

In August, D4 RIN credit prices, which are critical to the profitability of biomass-based diesel production in the US, dropped by 10 percent. While there was no significant change in the number of credits generated from the previous month, the cumulative year-over-year increase in the number of credits during the first seven months of 2024 was substantial at 21 percent, supported by lower feedstock prices like soybean oil.

+i Vegetable oils indicators

Soybean gross crush margin: Gross revenue from selling soybean oil and meal minus the costs of soybeans, an indicator of processing profitability.

Soybean oil share of crush margin: The proportion of revenue from soybean oil in the gross crush margin based on CME futures prices, reflecting its value relative to soybean meal in processing.

D4-RIN: Renewable Identification Number (RIN) is a code for biomass-based diesel under the US Renewable Fuel Standard. It verifies compliance with blending requirements and can be traded in the market. The D4 RIN prices are often indicative of profitability of the biomass-based diesel sector in the US.

Sources: The analysis is based on calculations and direct data from Chicago Mercantile Exchange (CME), Intercontinental Exchange (ICE), International Grains Council (IGC) and Fastmarkets.

Ocean freight markets

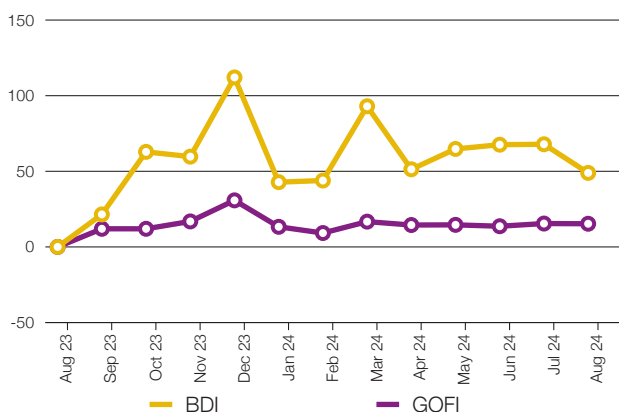
Dry bulk freight market developments

	Aug-24 average	Change	
		M/M	Y/Y
Baltic Dry Index (BDI)	1708.1	-11.3%	+48.9%
sub-indices:			
Capesize	2580.8	-16.2%	+67.2%
Panamax	1551.6	-7.6%	+14.0%
Supramax	1312.4	-3.8%	+62.1%
Baltic Handysize Index (BHSI)	755.0	+0.7%	+68.3%

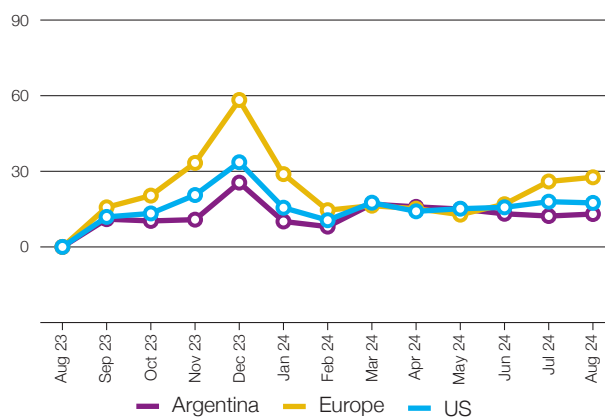
Source: Baltic Exchange, IGC. Base period for BDI: 4 January 1985 = 1000; for BHSI: 23 May 2006 = 1000; for GOFI: 1 January 2013 = 100

	Aug-24 average	Change	
		M/M	Y/Y
IGC Grains and Oilseeds Freight Index (GOFI)	158.1	-0.1%	+15.3%
sub-Indices:			
Argentina	196.0	+0.7%	+13.0%
Australia	103.5	-2.7%	+21.8%
Brazil	209.4	+0.1%	+10.3%
Black Sea	162.6	-1.5%	+21.6%
Canada	119.5	-0.5%	+24.1%
Europe	135.9	+1.3%	+27.6%
US	126.5	-0.4%	+17.5%

BDI and IGC GOFI



Selected IGC GOFI sub-indices



- Average dry bulk freight rates dropped moderately during August amid seasonally slow activity, albeit as values remained almost 50 percent higher year-on-year.
- Improving conditions at the Panama Canal, where the number of transits returned to near-normal levels, added to the softer market tone, although dry bulk freight continued to be affected by disruptions in the Red Sea, as vessels took longer routes via southern Africa.
- The biggest month-on-month drop was recorded in the **Capesize** sector, which typically carries non-grains cargoes, as a slowdown in Chinese steel production weighed on demand for iron ore.
- Earnings in the grains and oilseeds carrying sectors were mostly weaker, with average **Panamax** values down by 8 percent month-on-month. Pressure in the latter segment

stemmed from excessive tonnage availability in the Atlantic, where progressing northern hemisphere harvests contrasted with slowing grains and oilseeds shipments from South America.

- Average **Supramax** values posted a 4 percent month-on-month drop amid a subdued pace of enquiries at key loading regions, albeit with overall losses pared by improving demand for grains cargoes at the US Gulf, notably towards the end of the month.
- The **Handysize** sector was mildly stronger, largely reflecting an uptick in rates out of the US Gulf.
- The **IGC Grains and Oilseeds Freight Index (GOFI)**, which accounts for fuel costs, was broadly unchanged month-on-month, with slight gains in South America and Europe countered by modest declines elsewhere.

+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. (10%)	spring				Planting		c	c		Harvest			
	winter		c	c	c		Harvest					Planting	
US (7%)	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 (5%)	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 (26%)	early crop			Planting		c	c		Harvest				
	intermediary crop				Planting		c	c	c		Harvest		
	late crop						Planting		c	c		Harvest	
India (25%)	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

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