Staff Report No. 2025-34 **April 11, 2025**

April Market Update
Corn, Soybeans, Rice, and Cotton

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Prices at a Glance

Crop	2023/24 U.S. MYA Price Projection	2024/25 U.S. MYA Price Projection
Corn	$4.55 per bu.	$4.35 per bu.
Soybeans	$12.40 per bu.	$9.95 per bu.
Long Grain Rice	$15.90 per cwt.	$14.20 per cwt.
South. Med. Grain Rice	$17.20 per cwt.	$15.20 per cwt.
Upland Cotton Lint	$0.761 per lb.	$0.630 per lb.
Seed Cotton	$0.3949 per lb.	$0.3368 per lb.

WASDE Summary

This month's **2024/25 U.S. corn outlook** is for greater exports, reduced feed and residual use, and smaller ending stocks. Feed and residual use is cut 25 million bushels to 5.8 billion based on disappearance during the December-February quarter as indicated in the March 31st Grain Stocks report. Exports are raised 100 million bushels reflecting the pace of sales and shipments to date and relatively competitive U.S. prices. With no other use changes, ending stocks are down 75 million bushels from last month to 1.5 billion. The season-average corn price received by producers remains unchanged at $4.35 per bushel.

The outlook for **U.S. soybean supply and use for 2024/25** includes higher imports and crush, and lower ending stocks. Soybean crush was raised 10 million bushels to 4.42 billion on higher soybean meal domestic use and soybean oil exports. Soybean oil exports are increased based on export commitments. Soybean oil for biofuel is lowered based on pace to date. However, stronger use is forecast for the last part of the marketing year due to tariffs impacting imports of other biofuel feedstocks, like used cooking oil. With soybean exports unchanged and imports increased slightly, soybean ending stocks are lowered 5

million bushels to 375 million. The U.S. season-average soybean price for 2024/25 is forecast unchanged at $9.95 per bushel.

The outlook for **2024/25 U.S. rice** this month calls for slightly lower supplies, increased domestic use, reduced exports, and lower ending stocks. Supplies are decreased, all on medium- and short-grain imports due to a recent slowing of imports by Puerto Rico. Domestic and residual use has been raised by 3.0 million cwt (all long-grain) to a record 169.0 million, primarily on the latest NASS Rice Stocks report. All rice exports are reduced by 1.5 million cwt to 95.5 million. Long-grain exports are lowered 2.0 million cwt to 66.0 million on continued slow sales and shipments of rough rice to Western Hemisphere markets. Partially offsetting this are higher medium- and short-grain exports, up 0.5 million cwt to 29.5 million on continued strong sales and shipments to Northeast Asian markets. The combination of lower imports and higher domestic use more than offsets lower exports, reducing 2024/25 ending stocks 2.5 million cwt to 44.5 million. The 2024/25 season-average farm prices for both classes of rice are unchanged this month ($14.20 for long grain and $15.20 per cwt for southern medium grain rice).

In this month's **2024/25 U.S. cotton balance sheet**, the only changes are a 100,000-bale reduction in exports to 10.9 million bales and an increase in ending stocks of the same amount to 5.0 million bales. The projected 2024/25 season average upland farm price holds steady at 63 cents per pound.

Trade Tariffs

Soybean contracts jumped 20 cents in midday trading on Wednesday, April 9th, joining other commodities in a sharp rebound, after President Donald Trump took to social media to again raise tariffs on the biggest buyer of U.S. soybeans- China. New Chinese tariffs (125%), set Wednesday, April 9th, more than double the cost for Chinese buyers to import U.S. soybeans, but that didn't stop soybean futures from climbing higher.

At the same time, President Trump announced a 90-day reprieve for tariffs on countries that have not retaliated against the U.S. That move sparked both stocks and commodities to rebound after the midday announcement on social media. Trump's announcements came after both China and the European Union announced new retaliatory tariffs on the U.S.

The president also suggested that there could be future exemptions to the tariffs, but asked how he would decide to award carveouts he said "instinctively, more than anything else." Asked by reporters at the White House whether Mexico and Canada are part of the duty reductions, U.S. Secretary of the Treasury Scott Bessent seemed to indicate that they are. But a White House official commented that the duties on Mexico and Canada remain unchanged. "Fentanyl tariffs on Canada and Mexico remain unchanged," the official said. "The baseline of 10% did not go into effect on Canada and Mexico on April 5th, and neither country is getting the 10% baseline now." Both were exempt from the reciprocal tariffs, including the 10% baseline rate, because they had already been hit with 25% duties over concerns, they are not doing enough to curb the flow of fentanyl and illegal migrants to the U.S.

Earlier in the day, China announced it was setting 84% tariffs on all U.S. goods coming into the country- in response to Trump setting tariffs on Chinese goods at 104%. The European Union also imposed 25% tariffs on Wednesday against U.S. products pegged to the U.S. setting 25% tariffs on European steel and aluminum. The EU tariffs target $23 billion worth of goods, including soybeans as well as poultry, almonds, and orange juice along with non-agricultural products.

Trump posted on social media about 12:20 p.m. CDT that he would again raise tariffs on Chinese products. He also said more than 75 countries had contacted the U.S. Trade Representative's Office about

negotiating trade deals. So, Trump said he would set a 90-day tariff pause against countries that have not retaliated. "Based on the lack of respect that China has shown to the World's Markets, I am hereby raising the Tariff charged to China by the United States of America to 125%, effective immediately. At some point, hopefully in the near future, China will realize that the days of ripping off the U.S.A., and other Countries, is no longer sustainable or acceptable. Conversely, and based on the fact that more than 75 Countries have called Representatives of the United States, including the Departments of Commerce, Treasury, and the USTR, to negotiate a solution to the subjects being discussed relative to Trade, Trade Barriers, Tariffs, Currency Manipulation, and Non-Monetary Tariffs, and that these Countries have not, at my strong suggestion, retaliated in any way, shape, or form against the United States, I have authorized a 90 day PAUSE, and a substantially lowered Reciprocal Tariff during this period, of 10%, also effective immediately. Thank you for your attention to this matter!" Trump wrote.

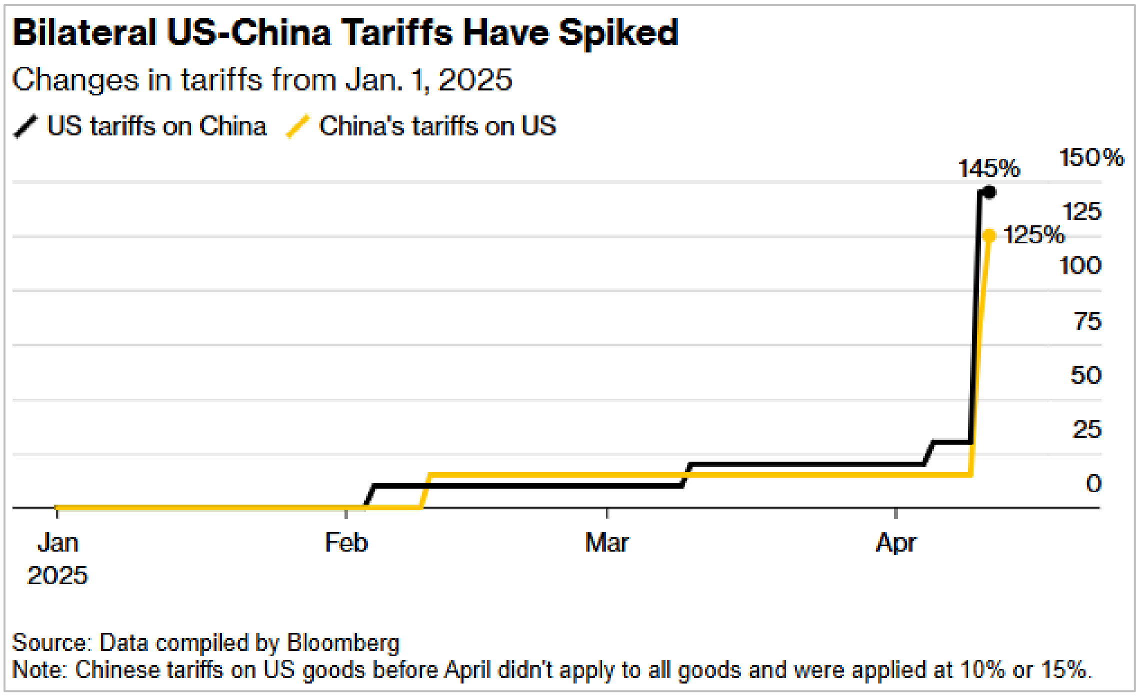
The European Union responded to President Donald Trump's 90-day pause of U.S. reciprocal tariffs by announcing its own pause on pending retaliatory tariffs on April 10th. EU member states approved a package of retaliatory measures in response to new U.S. tariffs on steel and aluminum. The retaliatory duties were set to apply new duties of up to 25% on around $23 billion in U.S. exports between now and December, according to Germany's Deutsche Welle. Soybeans, poultry, nuts, and other U.S. food products are among the products targeted, according to reporting in Europe. Announcing the pause, European Commission President Ursula von der Leyen said she wanted to give space for ongoing negotiations to continue.

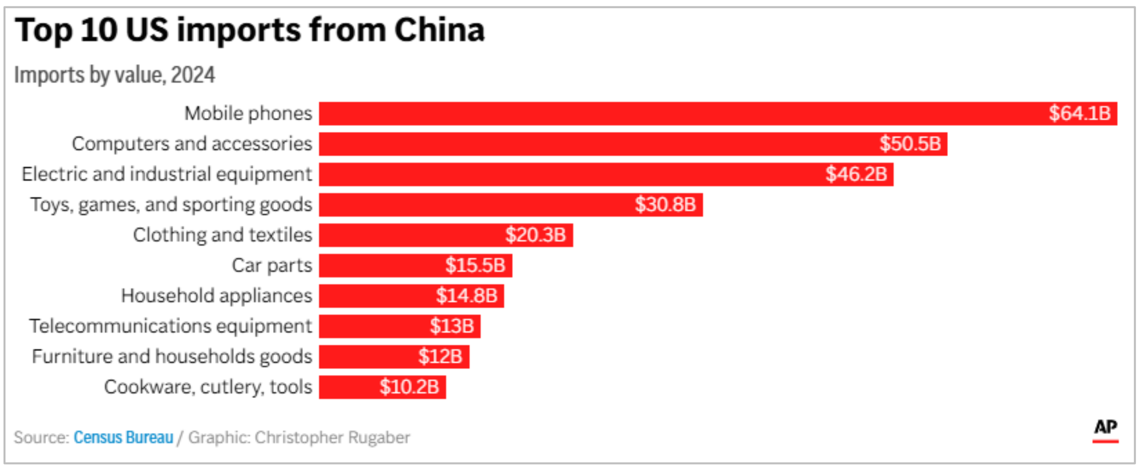
How did we get here?

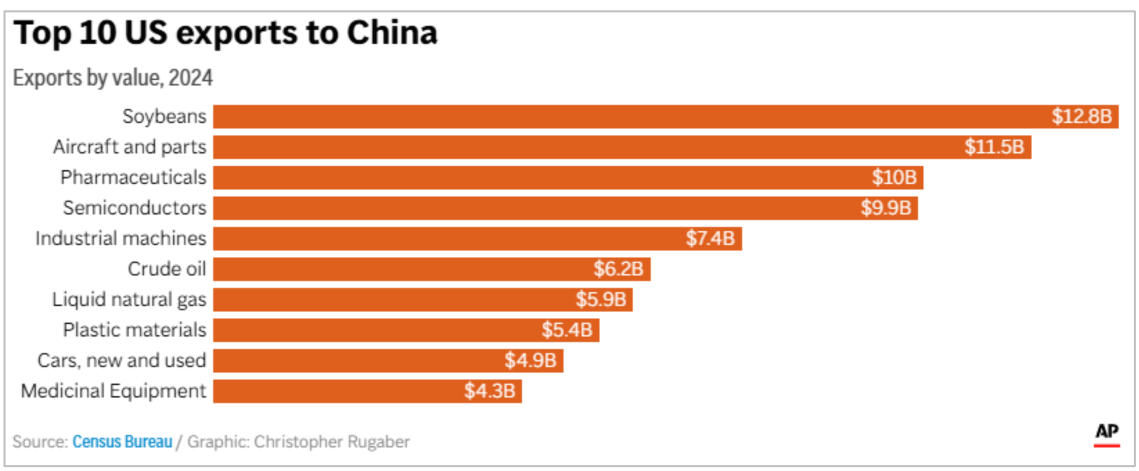
On April 2nd, Trump imposed across-the-board 10% tariffs on goods from all countries. He also levied "reciprocal" tariffs on various countries for amounts he said equaled half the tariff rate each nation levied on U.S. goods. At first, the president said those higher tariff rates were based on the "combined rates of a country's tariffs, nonmonetary barriers, other forms of cheating." Later, U.S. Trade Representative officials clarified the new rates were calculated using trade deficit numbers. Essentially, the administration divided each country's trade deficit amount by its total exports to the U.S. to determine a "tariff" percentage. The U.S. then imposed a "reciprocal" tariff for roughly half that amount.

Trump initially set China's reciprocal tariff rate at 34%. In response, China announced April 8th that it would impose 34% tariffs on U.S. imports. Trump responded with a 50% hike in reciprocal tariffs. This, coupled with previous tariffs on Chinese goods, put the new China tariff rate at 104%. Chinese officials countered today by upping their tariff rate on U.S. goods to 84%. In response, Trump pushed the U.S. tariff rates up to 125%.

China announced it will raise tariffs on all U.S. goods from 84% to 125% starting April 12th, in its sharpest retaliatory move yet against President Donald Trump's latest tariff escalation. The move is accompanied by a sharp rhetorical pivot: Beijing is done matching Washington dollar-for-dollar. "Given that American goods are no longer marketable in China under the current tariff rates, if the U.S. further raises tariffs on Chinese exports, China will disregard such measures," said the ministry of finance. In a separate rebuke, the Chinese commerce ministry declared Washington's use of high tariffs is now "economically meaningless," calling them a bullying tactic. The ministry issued a stark warning: "If the U.S. continues to infringe on China's rights and interests, we will resolutely counterattack and fight to the end." Of note: USDA Secretary Brooke Rollins said the administration is watching the impact of Chinese retaliation "hour by hour." She predicted "we'll see a little bit more movement and adjustment by the market as we move forward" but reiterated the administration was open to aid for farmers


Bilateral US-China Tariffs Have Spiked
Changes in tariffs from Jan. 1, 2025
US tariffs on China
China's tariffs on US
145%
125%
150%
125
100
75
50
25
0
Jan
2025
Feb
Mar
Apr
Source: Data compiled by Bloomberg
Note: Chinese tariffs on US goods before April didn't apply to all goods and were applied at 10% or 15%.


Top 10 US imports from China
Imports by value, 2024
Mobile phones $64.1B
Computers and accessories $50.5B
Electric and industrial equipment $46.2B
Toys, games, and sporting goods $30.8B
Clothing and textiles $20.3B
Car parts $15.5B
Household appliances $14.8B
Telecommunications equipment $13B
Furniture and households goods $12B
Cookware, cutlery, tools $10.2B
Source: Census Bureau / Graphic: Christopher Rugaber
AP


Top 10 US exports to China
Exports by value, 2024
Soybeans $12.8B
Aircraft and parts $11.5B
Pharmaceuticals $10B
Semiconductors $9.9B
Industrial machines $7.4B
Crude oil $6.2B
Liquid natural gas $5.9B
Plastic materials $5.4B
Cars, new and used $4.9B
Medicinal Equipment $4.3B
Source: Census Bureau / Graphic: Christopher Rugaber
AP

For primary agriculture inputs such as fertilizer, crop protection products, and seed, the evolving situation driven by the Trump administration around international trade has brought heightened awareness as these key input categories are vulnerable in any discussion of tariffs, emerging trade deals or trade disruptions due to their global supply chains.

As highlighted by the American Seed Trade Association (ASTA), U.S. farmers are largely sourced by domestic production of corn, soybean, and wheat seed. However, the complete seed supply process relies on an international breeding program. As for the 2025 planting season, inventories are in place with ag retailers and customers with minor exceptions. The focus for the seed industry relative to the tariff discussion is on longer range effects and uncertainty.

When it comes to the fertilizer industry, the tariff discussion has largely focused on any effect to products from North America. This includes potash, of which 85% of the U.S. potash demand is sourced from Canada and more than 90% is imported overall. Per The Fertilizer Institute: "It's our understanding that Mexico and Canada are unaffected (at least for now) and that the USMCA exemption continues. USMCA compliant potash has no tariff, non-USMCA compliant potash tariffed at a rate of 10%." For nitrogen, the U.S. is a leading producer of ammonia - which is used in the production of any nitrogen fertilizers and requires the use of natural gas. The U.S. has been a net exporter of natural gas since 2017. Of the natural gas that is imported for U.S. use, over 90% is sourced from Canada. Regarding phosphorus, up to 16% of U.S. yearly consumption is imported with nearly all the imported phosphorous and phosphate rock sourced from Peru and Morocco since 2005.

According to the Council of Producers and Distributors of Agrotechnology, it's estimated more than 50% of all the crop protection products used in the U.S. have an active ingredient (or the intermediates used) originating from overseas suppliers. "The Council of Producers & Distributors of Agrotechnology (CPDA) closely monitors global trade developments, as they play a key role in shaping the agricultural supply chain and ensuring that U.S. farmers have access to the tools they need to succeed," says CPDA. There are only a few molecules made in the U.S. totally from domestic materials. The notable exceptions being glyphosate and 2,4-D. For example, Bayer's domestic glyphosate production for Roundup is a major contributor to the supply. China, India, and European countries are key importers in the ag chemical supply chain. Specific to glyphosate, there was a bump in Chinese imports of this particular chemical prior to 2025. Nearly 40% more million tons of glyphosate acid was imported from China in the last four months of 2024 in comparison to 2023.

Corn

USDA hasn't changed its domestic supply and demand estimates for corn in three months, leaving traders uncertain of fair price direction. This has also been complicated by what would typically be significant market-moving events- such as USDA estimating this spring's corn plantings at 95.3 million acres, the largest in over a decade if accurate, as well as the Trump administration launching its trade agenda with widespread tariff policy. Still, corn prices have shown great resiliency to remain very near to support at and above the mid-$4.50's, while being equally unwilling to get too bullish with many uncertainties still lying ahead.

For the third consecutive month, traders will look to USDA for an update on the corn demand situation, expecting to see a reduction in U.S. corn ending stocks. According to the Dow Jones pre-report survey of 17 analysts, the average guess for the April report is for U.S. corn ending stocks to come in at 1.506 billion bushels. This would be a reduction of 34 million bushels from the previous WASDE's estimate, which has stood since January. In fact, 13 of the 17 analysts who send in forecasts predict a stocks reduction, with only two predicting larger ending stocks and two that are even with the current USDA

estimate of 1.54 billion bushels. Once again, increased corn exports are the most likely way USDA would accomplish a drawdown in U.S stocks. In their most recent report, the Foreign Agricultural Service (FAS) reported 2024-25 corn export commitments at 24% above 2023-24 through March 27th, with the current USDA estimate for exports of 2.45 billion bushels being equal to a 7% increase year over year.

Corn is a USMCA compliant commodity. If we did not have the tariff news, the argument could be made that the old crop contracts be higher than they are now. Corn has been largely unaffected by the tariff developments. The May corn futures contract traded at its highest level in 2 weeks. Corn futures have mostly been immune thus far from the tariff headlines with sales and shipments to Mexico continuing uninterrupted. Japan, the #2 buyer of U.S. corn, will get priority in upcoming U.S. trade talks with the White House.

At the market close on Wednesday, April 9th, corn futures posted gains ranging from 3 3/4 to 5 3/4 cents as tariff concerns eased after President Trump paused U.S. reciprocal tariffs for 90 days on all countries except China and the Trump administration revised its plan for high port fees on Chinese-related vessels. Old-crop futures rose for a fourth straight session as a lack of producer selling in the cash market indications of good demand continued to underpin prices. A sharp reversal in U.S. stock markets and a rally in crude oil futures were also supportive for corn futures. May futures rose 5 cents to $4.74, while July futures rose 5 3/4 cents to $4.80 1/2 and December futures rose 5 cents to $4.50 3/4.

Technically, the short-term chart picture for corn futures is now looking strong. Nearby May and July futures posted their highest closes in nearly 6 weeks and finished above their 40-day moving averages. Both contracts are set to challenge their March highs and a push past that resistance at $4.77 1/2 May and $4.83 1/4 July would leave no significant chart resistance below $5.00 for either contract. Meanwhile, Dec. futures finally pushed past the $4.50 level, which had been resistant for the previous 2 weeks and now should test their March high at $4.57 3/4. December needs to close above that resistance to open the door for a challenge of its February high at $4.80.

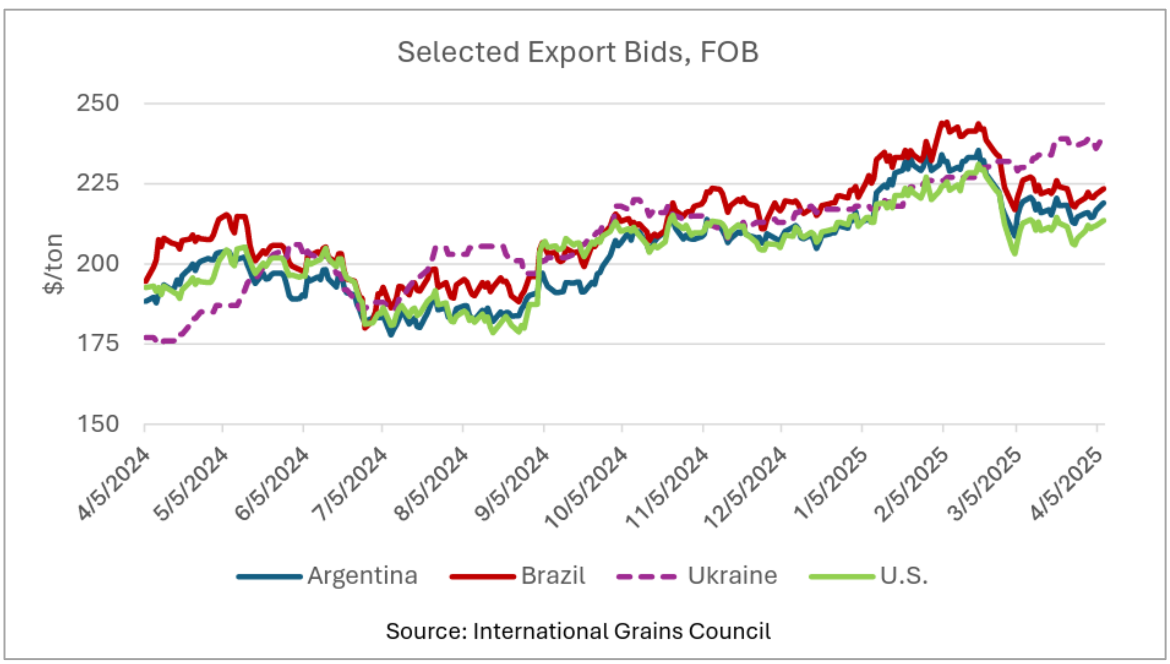
The recent strong export pace forced the USDA to make a major increase in the export category, pulling ending stocks well below the pre-report guesses and the April WASDE report can be considered friendly.

May corn prices have already moved up $0.40 over the last 11 trading sessions, mitigating some of the report’s bullishness. Furthermore, prices are moving into a retracement resistance zone between $4.80-$4.89, which may trigger some long liquidation, especially if the market is unable to build on this morning's gains. However, demand markets are slow and methodical, and it may take some new bullish news to push prices above the top of the resistance zone.

In the April WASDE, US corn ending stocks for 2024/25 were 1.465 billion bushels, compared to 1.512 billion expected (range1.405-1.605 billion). A significant 100-million-bushel upward adjustment to exports was the major change in this report, while a drop of 25 million bushels in feed and residual offered only a minor offset to exports. US exports for 2024/25 are estimated at 2.55 billion bushels. The average estimate was 2.478 billion, with a range of 2.4-2.56 billion. This is much higher than the 2.45 in March. The farmgate price for 2024-25 was $4.35 a bushel, the same as last month.

Weekly U.S. corn export inspections continue to run at a strong pace. Demand has remained firm, with export demand continuing to exceed USDA’s projected pace for the 2024/25 marketing year, Total sales commitments are 87% of the USDA current forecast, compared to the 5-year average of 82% by this point in the year. Export inspections are 55% of the USDA’s current estimate, compared to the 5-year average of 44%.

Since the March WASDE, export bids from major origins except for Ukraine remain little changed as U.S. prospective plantings for 2025/26 published by NASS on March 31st were in line with previous forecasts and close to industry expectations. U.S. bids were up $1/ton to $214. Argentine bids remained unchanged at $219/ton while Brazilian bids were down $3/ton to $223 as the market keeps an eye on weather conditions in key growing areas in Brazil. Ukraine export bids rose by $10/ton to $236 on limited supplies amid low sales from farmers.



Export bids (US$ per metric ton)	7-Apr-25	7-Mar-25	8-Apr-24	*% change, '24 - '25*
Argentina, Up River	219	219	190	**15%**
Brazil, Paranaguá	223	226	199	**12%**
Ukraine	240	230	177	**36%**
U.S. #3 Yellow Corn, Gulf	214	213	193	**11%**

On the world balance sheet, the average of analysts' estimates is also calling for a reduction in corn stocks from 288.9 million metric tons in the March report, down to 288 million metric tons. Of course, in the world corn market, traders will be mostly interested in South American production estimates. In Brazil, corn growing conditions have been mixed through the first part of the safrinha growing season, primarily in the east and south where rainfall has been irregular. However, the most important weather of the season is just around the corner as most Brazilian corn will pollinate through the middle of April and even into early May. For this reason, we may see USDA hold off on adjusting corn estimates. That is at least how the Dow Jones survey sees it with the average analyst estimate coming in at 126.1 million metric tons for Brazilian corn production, pretty much even with the current USDA estimate. Interestingly, Brazilian agency CONAB will also release its April crop report on Thursday morning. For reference, CONAB estimated corn production at 122.76 million metric tons in its March report. Corn estimates in Argentina are even more divisive, as traders are still attempting to sort out what consequences the extremely hot and dry December and January may have had on corn yields. The corn harvest was reported to be 20% complete last week, and conditions, according to the Buenos Aires Grain Exchange (BAGE), have steadily improved since early February. Other Argentina-based Rosario Grain Exchange estimated corn production last month at 44.5 million metric tons, while BAGE has remained steady in its estimate at 49 mmt. For Thursday, analysts expect USDA to be closer to the BAGE estimate with the average expectation being 49.3 million metric tons.

Globally, USDA also held pat on production for both Brazil and Argentina. Brazilian production was held at 126 million metric tons and exports held at 44 million metric tons. Argentine production was maintained at 50 million metric tons and exports at 36 million metric tons. Trade analysts had expected slightly lower production in Argentina. Global 2024-25 corn beginning stocks came in at 314.33 million metric tons, up 0.38 million metric tons. Global ending stocks were pegged at 287.65 million metric tons, down 1.29 million metric tons. USDA raised global exports 2.32 million metric tons to 188.68 million metric tons.

Soybeans

Up until fairly recently, soybean prices were trending higher since the March WASDE, finding a spark following a lower-than-expected 83.5-million-acre plantings estimate from USDA at the end of March. However, the onset of the second trade war with China sent May prices spiraling down 52 1/2 cents in two sessions, although prices have since stabilized somewhat.

The April WASDE is expected to be mostly quiet for soybeans. In USDA's most recently published data for February, crush volumes relaxed slightly off their historically strong pace seen through the first five months of the marketing year. However, total pace through February remains 5.3% above 2023-24 and even with USDA expectations for the marketing year. March is also typically a strong month for crush, so at this point in early April, some expect USDA to leave its crush estimate unaltered. As for soybean exports, since tapering off to begin 2025, the pace of sales and shipments has remained mostly steady at a combined 14% above 2023-24 as of March 27th, the most recent FAS data. USDA's current estimate is for an 8% increase year over year. The argument could be made for a slightly higher revision. But given the

current strain in U.S. trade relationships (esp. with China) as well as Brazil's monumental export performance in March, some would not be surprised to see USDA play this one extremely cautiously when the April WASDE is released. The analysts surveyed by Dow Jones seem to agree with the average trade guess for Thursday's soybean stocks reported at 381 million bushels, which would be just 1 million bushels higher than the current USDA estimate. In fact, only two out of 17 firms surveyed expect a decrease in 2024-25 soybean stocks.

On Wednesday, April 9th, soybean futures jumped by 17 to 20 cents as support from President Trump's suspension of reciprocal tariffs and its revision to planned port fees for China-related vessels overshadowed pressure from the heightened U.S.-China trade war. Rising Brazilian export prices and slow producer selling in the cash market were also supportive market factors along with strong gains in crude oil futures. May soybean futures rose 20 cents to $10.12 3/4, while July soybeans rose 19 1/2 cents to $10.23 1/2 and Nov. soybeans rose 19 1/4 cents to $9.97. The soybean market appears to have put in at least a significant short-term low, but the tariff situation is likely to remain volatile. That means price action is likely to remain volatile.

May and July soybean futures posted their highest closes in 5 sessions (as of April 9th) but are fast approaching key resistance from the downward chart gaps left on last Thursday's open in reaction to the initial reciprocal tariff announcement. May and July beans need to push past those chart gaps and their March price highs at $10.34 3/4 May and $10.49 3/4 July to extend the rally and open more significant upside. Nov. beans need to push past $10.00 to open the door technically for a further rally back to $10.26 1/2-$10.40.

In the April WASDE, U.S. soybean ending stocks for 2024/25 are estimated at 375 million bushels, compared to 382 million expected (range 320-405 million) and 380 in March. As expected, balance sheet changes were minimal in this report. Imports were raised slightly, and crush was also raised 10 million bushels. Exports are estimated at 1.825 billion bushels versus the average estimate of 1.817 billion, and a

range of 1.8-1.865 billion and 1.825 billion in March. USDA chose once again not to make any export adjustments due to the tariffs. The national average farm gate price was unchanged at $9.95 per bushel.

Immediately following the release of the April WASDE, soybean prices strengthened further after the USDA report, which did not offer any surprises. The fact USDA left exports unchanged despite the tariffs is a positive for the market. Nothing in this report is likely to change the ongoing narrative that strong Chinese demand for South American beans is giving US exports a competitive advantage to buyers other than China.

May soybeans continue to march higher, negating bears' recent technical advantage. Bulls and bears are on an overall level playing field. Open interest continues to fall on a daily basis as prices rally, indicating short-covering is driving a lot of recent strength. Bulls are seeking to overcome the 100-day moving average at $10.29, which is reinforced by resistance at $10.34 3/4. Support comes in at the psychological $10.25 mark then the 40-day moving average at $10.18 3/4 on a reversal lower. Persistent selling finds support at $10.11 1/2.

Although China's new 84% tariff on all imports from the U.S. seems likely to shut off purchases of U.S. soybeans by Chinese buyers other than Sinograin, the state-owned stockpiler, President Trump's pausing of reciprocal tariffs on other countries appeared to spark hopes that the escalation of the U.S.-China trade war may be short-lived. This despite the fact Trump announced a further hike in his tariffs on Chinese goods to 125% from 104% after Beijing hiked its tariffs.

The soybean market also seemed to ignore the EU's approval of retaliation against U.S. tariffs on steel and aluminum, which remain in place. The EU today approved new tariffs on about $23 billion worth of U.S. goods. The EU did not immediately publish a list of goods impacted by tariffs, but soybeans are a likely EU target.

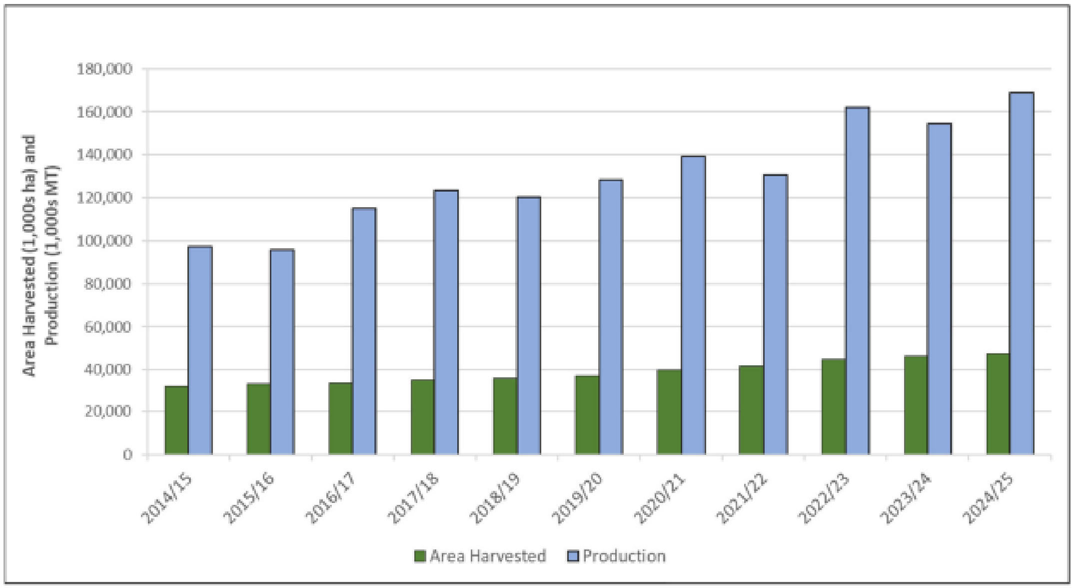
Since China is the largest buyer of U.S. soybeans year-over-year, there is a great deal of export exposure for both U.S. growers and the U.S market unlike that in the grain complex (corn). Soybeans are impacted the most, but there are some competing schools of thought regarding this. China has already bought what it had planned on buying regarding old crop (this marketing year) and therefore the tariff impact is "limited" for old crop. Tariffs are very much a new crop issue.

The large South American soybean crop coming online could weigh on old crop soybean prices. Brazilian premiums at the ports have increased because of the anticipated demand and it has added value to U.S. soybeans. When Brazil's harvest hits the market, that is what China will be buying. China has to buy from Northern Hemisphere soybean suppliers in order to meet their demand targets year-round. They could, in fact, purchase less from the U.S. in the new crop and that may have a negative impact on the market. But if U.S. prices are low, that could spark demand. China is a price-conscious buyer. China's economic struggles and years of stockpiling have reduced demand for U.S. soybeans. Imports in 2024/25 were down 3% to 4 billion bushels. According to Terrain, it will be hard to reverse course on this trend. "A renewed trade deal would offer false hope. Brazil has been busy feeding China soybeans (supplying nearly three times as much as the U.S. in 2022/23)," analysis by Terrain stated. "China met only 60% of its prior commitment in the Phase One agreement in 2020/21, is now aligned with Brazil and has been for years and has stagnant demand.

USDA has revised its production estimate upward for Brazil's MY 2023/24 soybean crop on final 2024 trade and disappearance data. Disappearance data can include variables such as trade, crush, stocks, and seed and residual use. This new information indicated a larger crop than previously estimated. USDA also increased harvested area for this crop on updated information from industry and government sources.

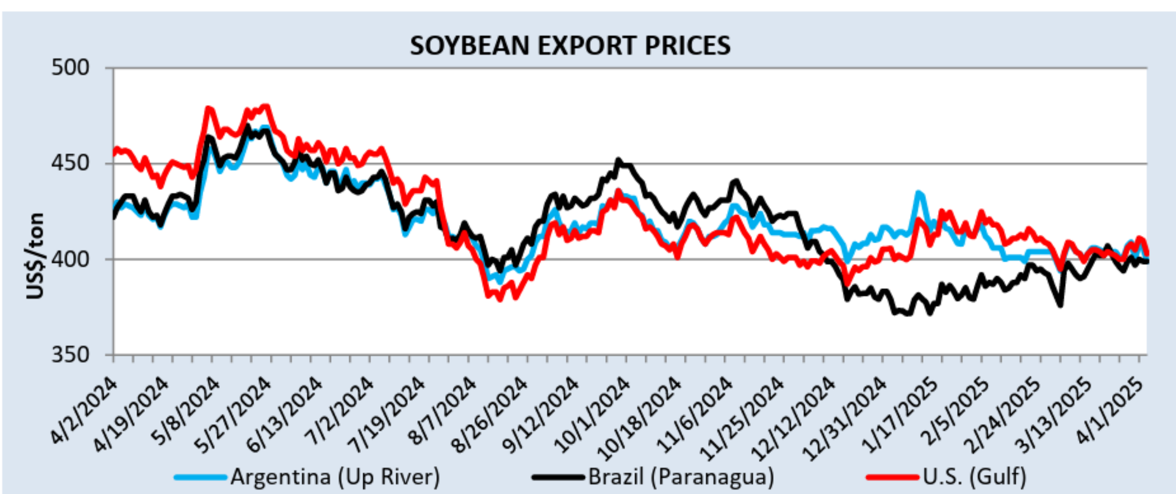
USDA estimates Brazil soybean production for marketing year (MY) 2024/25 at a record 169.0 million metric tons, unchanged from last month, but up 9 percent from last year and 18 percent above the 5-year average. Harvested area is estimated at a record 47.4 million hectares, unchanged from last month, but 3 percent higher than last year and 13 percent above the 5-year average. Yield is estimated at 3.57 tons per hectare, unchanged from last month, but up 6 percent from last year and 4 percent above the 5-year average.

Brazil Soybeans: Harvested Area & Production



Source: USDA PSD Online

Since the March WASDE, soybean prices have changed relatively little. Similar to last month, prices dropped at the beginning of April in response to new tariff announcements. Brazilian soybeans remained the most price competitive origin for the first half of March, but since rallied due to increasing demand from China and other trading partners. Global soybean meal prices generally tracked with soybeans.



Source: International Grains Council. All prices are FOB: U.S. Gulf, Argentina Up River, and Brazil Paranagua.

On the world soybean balance sheet, USDA will take another look at Brazilian production. At this point, estimating Brazilian output is likely a case of arguing which record is higher. With most of the harvest finished (exc. southern Brazil) all signs point toward a historic soybean crop. The southernmost growing areas do have some issues because of arid and dry conditions in February and March, but thus far, yields have overperformed in the central growing areas. For reference, CONAB reported production for the country last month at 167.4 million metric tons. The analysts surveyed for Thursday on average are preparing for USDA to hold its estimate at 169 million metric tons. In Argentina, rainfall was very timely to benefit most of the crop through pod setting and filling, although the northern areas remain worrisome. Analyst opinions are more mixed on the Argentine crop, likely to do with hardly any harvest activity thus far to guide estimates. But the average guess is for 48.7 million metric tons of production, just fractionally less than USDA's 49 million metric tons.

Global 2024/25 soybean supply and demand forecasts include higher beginning stocks, lower production, and higher exports, crush, and ending stocks. Beginning stocks are raised 2.7 million tons mainly on a revised 2023/24 crop for Brazil. After a review of 2024 disappearance data, Brazilian 2023/24 production is raised 1.5 million tons to 154.5 million. Globally, USDA boosted ending stocks by 1.06 million metric tons to 122.47 million metric tons. Brazil and Argentina production was left unchanged at 169 million metric tons and 49 million metric tons, respectively.

In the April report summary, USDA notes some tariff impacts for soybean oil, noting that soybean exports for oil are forecast higher on export sales data, but domestic use of bean oil for biofuel is forecast lower due to the pace of use. "However, stronger use is forecast for the last part of the marketing year due to tariffs impacting imports of other biofuel feedstocks, like used cooking oil," the report stated.

Rice

The market conditions are unchanged and that includes any effect the tariffs may have on the rice industry. For the U.S., there are considerations for both imported and exported rice. For the rice industry, tariffs on imported rice would logically be a very positive thing if the total were cut, and that consumption was replaced with a similar amount of local rice. It is going to be very interesting to see how that plays out.

U.S. planting was 24% completed, up from the 5-year average of 18% complete last week. Louisiana was reported at 70% complete ahead of the 5-year average of 65%. Arkansas was 15% complete versus their 6% average at the time of USDA’s first Crop Progress report release for the season.

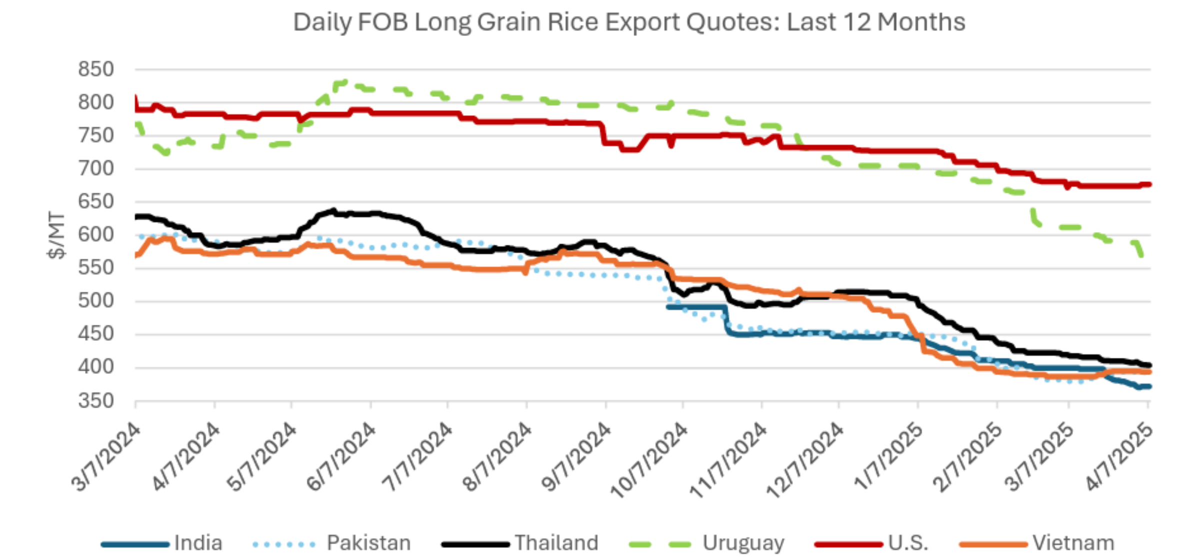
Rice futures ended higher. May rice settled up 4 cents to $13.55, after trading a range of $13.36 1/2 to $13.57. July rice was up 3 1/2 cents to $13.67 1/2. September rice was up 1 cent to $13.65 1/2.

The April WASDE brought very little to the market in the way of change. Long Grain ending stocks were lowered by 1.0 million cwt with domestic use up 3.0 million and exports down 2.0 million. Medium grain saw a reduction on ending stocks of 1.5 million cwt down from 10.0 million cwt last month placing it at 8.5 million cwt, as imports dropped by 1.0 million and exports were increased by .5 million cwt.

Since India released their export ban, prices in the far east and middle east have dropped well over 30%, now trading in the sub $400 per metric ton range for milled rice. There was some strong resistance in the Western Hemisphere, where U.S. long grain prices held around $800 per metric ton for most of last year. But with the poor milling quality, that began to weaken. Now add what is shaping up to be a very strong harvest in South America (Mercosur specifically) to a projected sizable crop and large carryover stocks (according to the USDA) in the U.S.

Might the tariffs actually help the U.S. farmer, though? There is a scenario in which this could be an actuality. In round numbers, nearly one-third of U.S. rice consumption is imported rice, led by Thai Jasmine and then Basmati. Tariffs on Thailand are 36% and 26% for India. That could add anywhere from $200-$300 per metric ton in cost, making domestic U.S. product more competitive, ideally driving up domestic demand and reducing our reliance on imports. The news is doing a fine job of explaining everything that could go wrong, so we felt it prudent to inject some "hope" into what otherwise feels like a wildly chaotic situation. In the end, consumers will decide.

Since the March WASDE, Pakistani quotes increased $15/ton to $395 on large sales to Sub-Saharan Africa. Vietnamese quotes also increased, by $7/ton to $394, with large sales to East and Southeast Asian markets. In contrast, India went down $28/ton to $372 with abundant supplies. Thai quotes dropped $13/ton to $405 with reduced sales to Southeast Asian markets. U.S. prices were virtually unchanged with quotes dropping only $1/ton to $677 with weaker demand from Latin America partially offset by sales to Iraq. Uruguayan quotes plummeted $44/ton to $568 with a recently harvested and much larger crop now available for export.



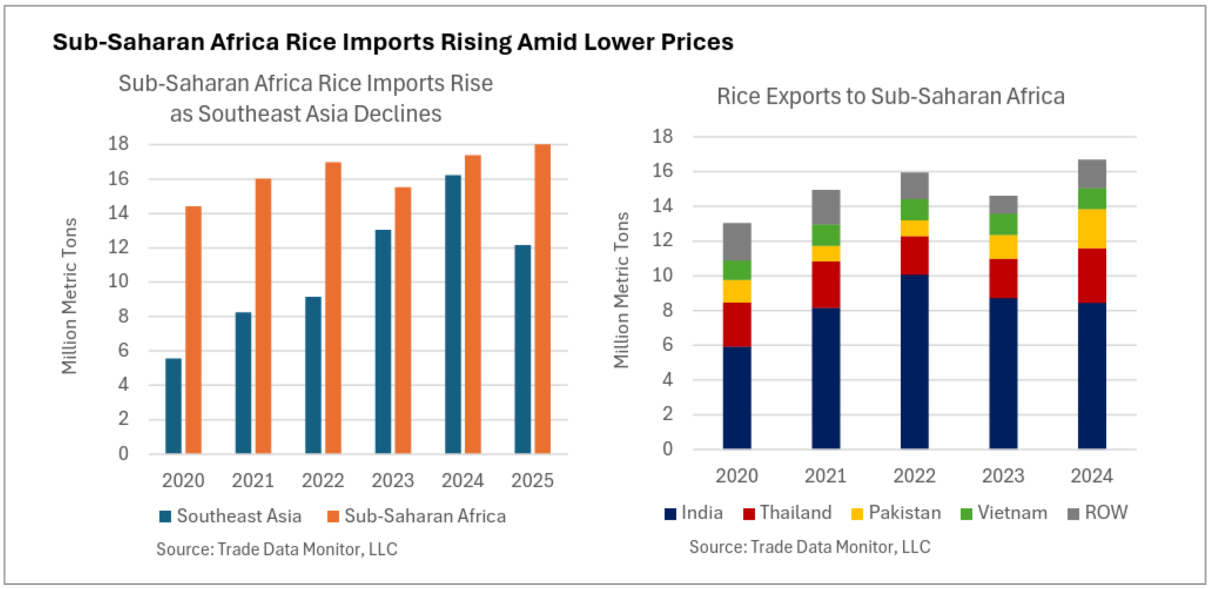
RICE PRICES
Source: International Grains Council
Note on FOB quotes: Thai 100B, U.S. 4%, all others 5% broken white rice.

The 2024/25 global rice outlook is for higher supplies, consumption, trade, and ending stocks. Supplies have been raised 3.1 million tons to 715.3 million, mainly on higher production for India, Indonesia, and Cambodia. Indian production is raised 2.0 million to a record 147.0 million on the government's Second Advanced Estimate, which included the kharif and rabi crops, and the expectation the summer crop output will be similar to recent years. This is the ninth consecutive year of higher rice production for India and is the first time that India has surpassed China in rice production, making India the leading global rice producer for 2024/25. World 2024/25 consumption is raised 1.4 million tons to 532.1 million, mostly on increases for several Sub-Saharan African countries. Global 2024/25 trade is up 2.2 million tons to a record 60.6 million mostly on larger exports for India, which are increased to a record 24.5 million tons. Projected 2024/25 world ending stocks are raised 1.7 million tons to 183.2 million, primarily on increases for Indonesia, Thailand, and Vietnam

Sub-Saharan Africa rice imports are forecast to increase to a new record in 2025. The region is forecast to be the largest rice-importing region, far outpacing Southeast Asia, which is estimated to import remarkably lower volumes on reduced Indonesian demand. Amid record high global rice production, importers in Sub-Saharan Africa are expected to take advantage of lower prices resulting from India abolishing export restrictions thus signaling to the market ample exportable supplies.

Sub-Saharan African rice consumption has nearly doubled over the past 15 years. Key factors include growing population, urbanization, economic growth, and dietary shifts towards rice as a staple. Despite some growth in domestic production, consumption is rising at a faster rate. In coastal cities and across West Africa, increased consumption is fueled by imports which are generally more affordable or preferred because of quality. India has emerged as the largest supplier to the region, due to its competitive prices and ability to supply large quantities of both milled white rice and parboiled rice.

In 2023, imports by the region fell as global prices skyrocketed, with India banning white and broken rice exports and taxing parboiled rice. In 2024, Sub-Saharan African importers shifted to alternative suppliers such as Thailand and Pakistan. After lifting most of its export restrictions in October 2024, India quickly regained market share in Sub-Saharan Africa as buyers who were awaiting lower prices sharply increased imports in the final quarter of 2024. Looking ahead to 2025, imports are expected to climb further as production for the region is forecast down slightly and attractive prices spur additional consumption across Sub-Saharan Africa.



Cotton

Last week's tariffs- particularly the 34% tariff on Chine and 46% on Vietnam hit the cotton market hard. China's imports this year have been down sharply regardless of the tariff situation so the near-term impact should be limited. Still, the tariffs do not bode well for any future export efforts.

Cotton futures ended higher, rallying despite China's announcement this morning that it was raising tariffs on U.S. products by another 50%, to 84%. Futures may have had support from a sharply lower U.S. dollar and rallying stocks, which overshadowed plummeting crude oil prices. Worries about U.S. cotton plantings given current price levels is also supportive. May cotton settled up 1.08 cents to 66.51, after

trading a range of 64.25 to 67.00. July cotton was up 98 points to 67.22, and December cotton was up 72 points to 68.35.

The stock market soared after the close on Trump's tariff news, although for cotton that notably did not include any easing of tariffs on China. U.S. cotton exports to China this year were already expected to be down sharply regardless of tariffs.

Cotton futures continue to see volatile trade, pushing to the highest mark in a week today before reversing and closing modestly lower on the session. The April USDA reports didn't yield a lot of changes on the domestic or world balance sheets. USDA expectedly lowered their U.S. export forecast by 100,000 bales to 10.9 million bales, which puts their ending stocks forecast at 5 million bales. That is the highest level since 2019-20 and reflects disappointing export demand which drove prospective plantings to the lowest mark in a decade. Volatility continues in outside markets as stocks were down heavily today, giving up a portion of yesterday's gain. The U.S. dollar index pushed to six-month lows as well amid heavy volatility in the treasury markets. Persistent heavy volatility in highly traded markets, such as treasuries and equities, continues to spew liquidation trade in other markets.

May cotton futures found stiff resistance at the 40-day moving average today, which stands as initial resistance at 66.57 cents. Strength above that mark challenges today's high of 67.62 cents, then the 100-day moving average at 68.35 cents. Bulls are looking to hold support at the 20-day moving average at 66.17 cents, which capped the downside today. Selling below that mark quickly finds support at 66.00 cents then the psychological 65.00 cent mark.

Since the March WASDE, cotton futures on the Intercontinental Exchange (ICE) are mostly unchanged at around 66 cents per pound despite heightened volatility. Like last month, additional Chinese tariffs on U.S. cotton pressured cotton futures to 63 cents per pound before rising 3 cents. The Prospective Plantings report published on March 31 estimates roughly 9.9 million acres for all U.S. cotton planted area, roughly meeting industry expectations.

The latest Commodity Futures Trading Commission Commitment of Traders supplemental report for futures and options showed the net long (buy) position (as of April 1st) for both Non-Commercial and Index participants rising to around -10,000 contracts compared with -25,000 contracts last month.4 Cotton futures are more than 20 cents lower compared with last year, yet speculators remain net short and predict prices will fall even further. Commodity prices (represented by the Bloomberg Commodity Spot Index) fell significantly compared with last month amid escalating trade tensions.

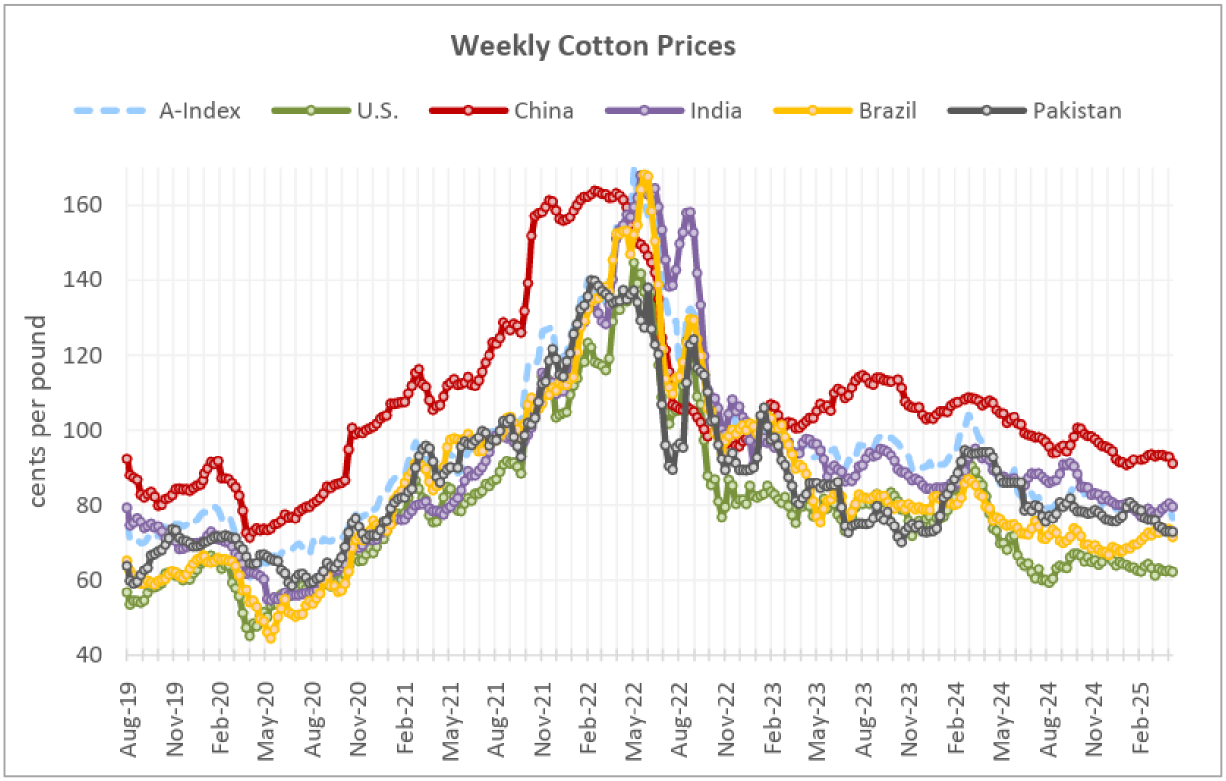
U.S. spot prices are once again unchanged at around 62 cents per pound. Southeast basis was slightly lower at -125 basis points and North and South Delta were also lower at-225. West Texas-Kansas-Oklahoma was unchanged at -425, and average basis across the United States was also unchanged at around -350. Average U.S. basis is more than 300 points higher compared with the previous year and likely owed to significantly lower futures.

China prices are down 3 cents to 90 cents per pound on a lower yuan and falling prices for the nearby futures contract (May) on the Zhengzhou Commodity Exchange (ZCE). Basis (relative to ICE) is down 300 points compared with last month to around 2,500 points.

Indian prices are up slightly to around 79 cents per pound. Basis is up 100 points to nearly 1,400 and higher compared with last year's level of around 700 points.

Brazil prices are down 3 cents to around 70 cents per pound, and basis is down nearly 400 points to roughly 500 points, but significantly higher compared with last year's level of -600.

The observed A-Index this month includes the simple average of the following 5 quotes: Brazil, Memphis/Orleans/Texas, Memphis/Eastern, Ivory Coast, and Burkina Faso. Brazil is once again the lowest quoted origin at 76.00 cents per pound; Burkina Faso is the highest at 80.25 cents. The A-Index relative to ICE is roughly 11 cents higher and notably higher compared with the previous year



PLC Farm Program Payment Projections – 2023/24 CY, 2024/25 CY, and 2025/26 CY

The table below projects the national marketing year average prices for Price Loss Coverage (PLC) program. A PLC program payment is triggered when the national Marketing Year Average (MYA) price for a commodity falls below that commodity's effective reference price. The payment rate is then multiplied by the farm's program yield and made on 85% of base acres.

Covered Commodity	***2023/24 MYA Price****	*Effective Reference Price*	***2023/24 PLC Payment Rate***
Corn	$4.55	$3.70	--
Grain Sorghum	$4.93	$3.95	--
Long Grain Rice	$15.90	$14.00	--
Medium Grain Rice	$17.20	$14.00	--
Seed Cotton	$0.3949	$0.3670	--
Soybeans	$12.40	$8.40	--
Wheat	$6.96	$5.50	--

**national marketing year average (MYA) prices reflect the prices contained in the USDA WASDE report on April 10, 2025.

Covered Commodity	***2024/25 MYA Price****	*Effective Reference Price*	***2024/25 PLC Payment Rate***
Corn	$4.35	$4.01	--
Grain Sorghum	$4.15	$4.06	--
Long Grain Rice	$14.20	$14.00	--
Medium Grain Rice	$15.20	$14.00	--
Seed Cotton	$0.3346	$0.3670	$0.0324
Soybeans	$9.95	$9.26	--
Wheat	$5.50	$5.50	--

*The 2024/25 national marketing year average (MYA) prices reflect the prices contained in the USDA WASDE report on April 10, 2025.

Covered Commodity	***2025/26 MYA Price****	*Effective Reference Price*	***2025/26 PLC Payment Rate***
Corn	$4.23	$4.26	$0.03
Grain Sorghum	$3.91	$4.51	$0.60
Long Grain Rice	$13.28	$14.00	$0.72
Medium Grain Rice	$14.94	$14.00	--
Seed Cotton	$0.3520	$0.3670	$0.015
Soybeans	$10.02	$9.66	--
Wheat	$5.50	$5.56	$0.06

*The 2025/26 national marketing year average (MYA) prices reflect the prices from the University of Missouri FAPRI April 2, 2025, baseline projections. Seed cotton price projection reflects an internal LSU AgCenter projection.

Sources: USDA Agriculture Market Service (AMS), USDA Foreign Agriculture Service (FAS), USDA Farm Service Agency (FSA), USDA National Agriculture Statistics Service (NASS), USDA Economic Research Service (ERS), USDA FAS GAIN Report, USDA Office of Communications, USDA World Supply Demand Estimates (WASDE), ADM Investor Services, AgDay, Ag Fax Media, AEI, Ag Market Network, Agri-Pulse, AgRural, Ag Resource Company, Ag Web, Agricultural Market Information System (AMIS), Allendale, American Farm Bureau Federation, Bloomberg News, Brock Report, CME Group, Co-Bank, Cotbase.com, Cotton Grower, Cotton Incorporated, Cotton Outlook, Creed Rice Report, O.A. Cleveland, Daniels Trading, Delta Farm Press, DTN Progressive Farmer, Farm Futures, Fastmarkets, Fiber 2 Fashion, Gro Intelligence, Hightower Report, Intercontinental Exchange, International Grains Council, Iowa State University, INTER-RICE, Lakefront Futures and Options, LSU AgCenter, Mississippi State University, NOAA, National Cotton Council, No Bull, Peterson Institute of International Economics, Plains Cotton Cooperative Association, Plexus Cotton, Pro Farmer, Refinitiv, Reuters (Karen Braun), Rice Market Letter, Southeast Farm Press, Sovecon, StoneX, Standard Grain, Successful Farming, Texas A&M University (John Robinson), Textile Exchange, Total Farm Marketing, University of Arkansas, University of Georgia, University of Illinois, University of Tennessee, U.S. Grains Council, U.S. Rice Producers Association, USA Rice Federation, U.S. Soybean Export Council, United Nations Food and Agriculture Organization (FAO), and the Wall Street Journal.

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