



There is a lot to Consider

**Potato
Business
Summit**

Prepared by Stephen P. Nicholson
EVP/Global Sector Strategist-Grains and Oilseeds
RaboResearch Food & Agribusiness
January 2025



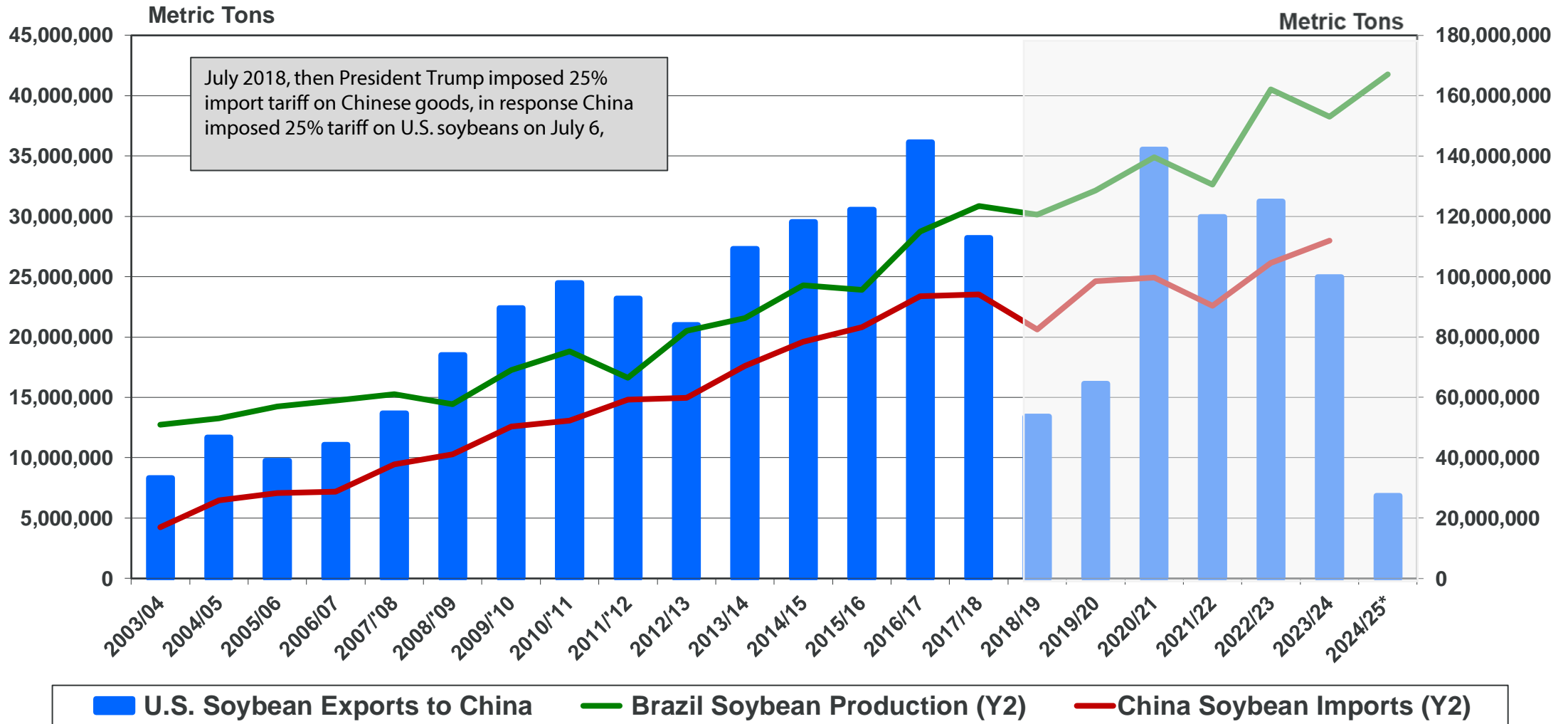
Impacts on Agriculture of a New Administration

- The new administration is going to disrupt trade---it is all about tariffs.
- Deregulation is always welcomed, but always holds unexpected consequences.
- Farm Bill is still needing to be passed—likely delayed until second half of 2025
- Fossil fuels have a tailwind and biofuels do not.
- Immigration has been a cornerstone of Trump's campaigns since 2015—deportation and immigration restrictions will hit agriculture particularly hard.
- Inflation and “higher” interest rates may not be going away, i.e. spending goals, tariffs, deportation, and tax policy.
- Majority of cabinet nominations are based on loyalty rather than expertise.
 - RFK Jr is a wildcard for food and agriculture.
 - Secretary of Agriculture nominee Brooke Rollins will have access to the President.



U.S. Soybean Exports to China

The upward trajectory of U.S. soybean exports to China has been broken.



* Sept-Oct 2024. YTD, -19.8%

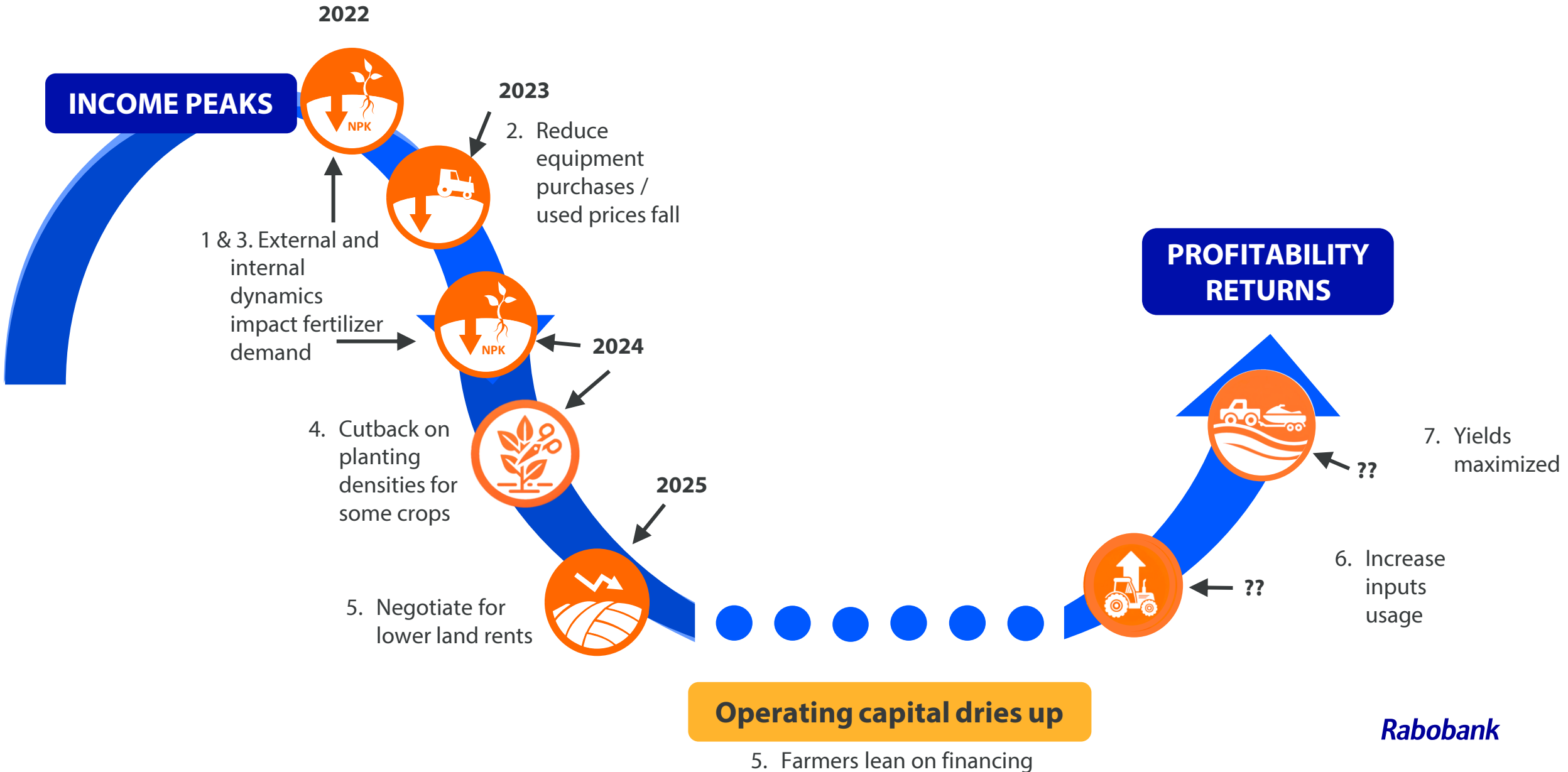
Source: USDA-FAS/GAT, USDA-FAS/PSD, Yeutter Institute, Rabobank 2025

Are there Trade Opportunities?

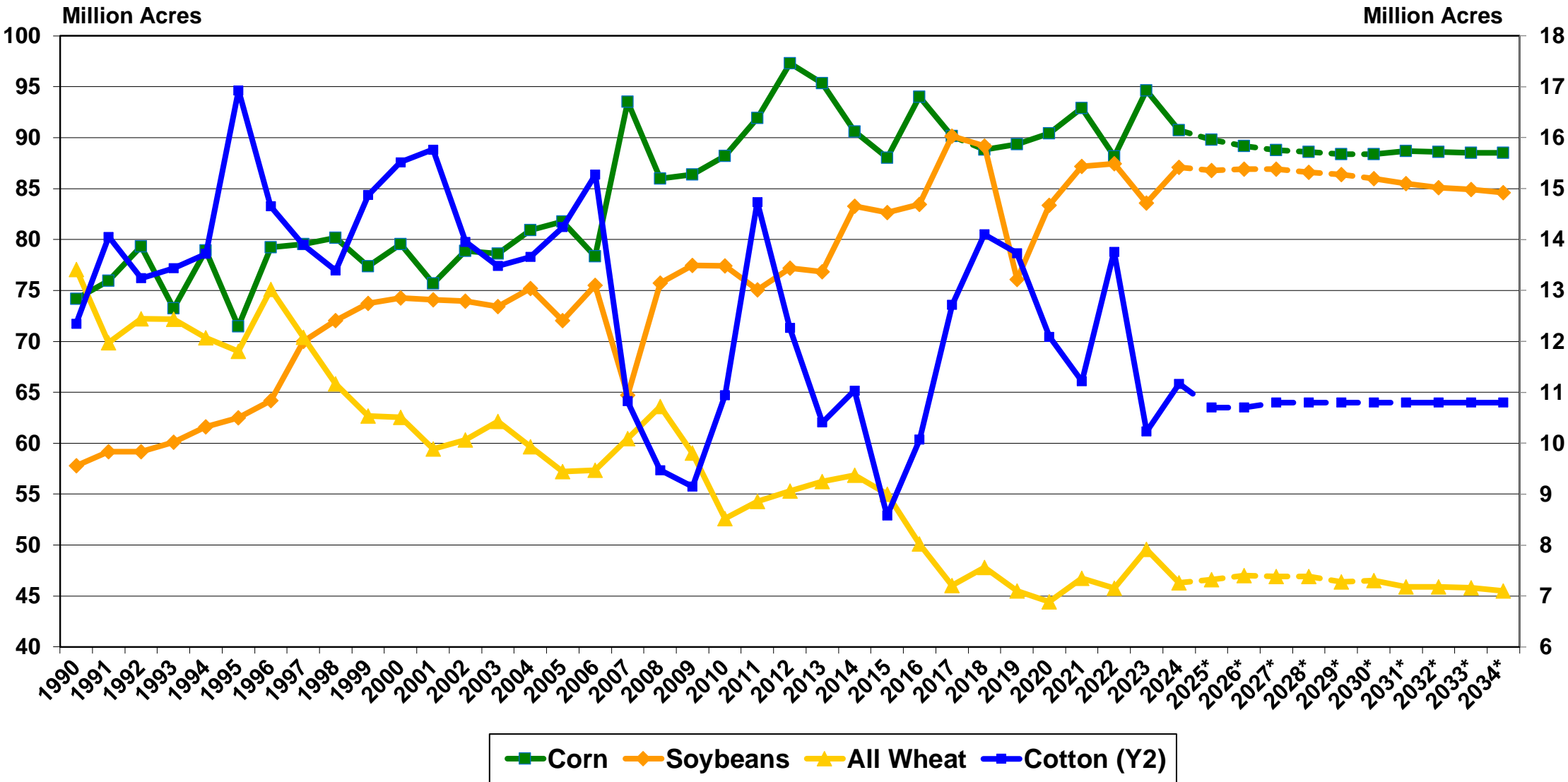
- **Due to strong domestic demand in North America, it has been difficult to compete in global export markets.**
- **Analyzed major corn, wheat and oilseed exporters and importers.**
- **Corn trade has seen some major changes**
 - In the past decade, Argentina, Brazil and Ukraine have emerged as major forces in the corn export trade.
 - On the import side of the ledger, China, Mexico, EU & Vietnam have grown to 30% of total imports
- **Oilseed is dominated by two players—Brazil and U.S.**
 - No surprise, Brazil (38%) has taken over the U.S. (28%)
 - China remain dominant importer, but EU and Mexico have become significant buyers
- **Global wheat trade is highly fragmented.**
 - Eight countries account for 90% of global wheat exports
 - On the imports, the top ten wheat importers only account for 40% of global wheat trade.
- **Some trends emerge**
 - The EU is emerging a major and growing importer of grains and oilseeds.
 - While Ukraine has become a major exporter over the last decade, they are starting to fade.
 - Mexico and Vietnam are an increasingly important importer of corn and oilseeds.



Stages of Behavior during a "Typical" Row Crop Cycle



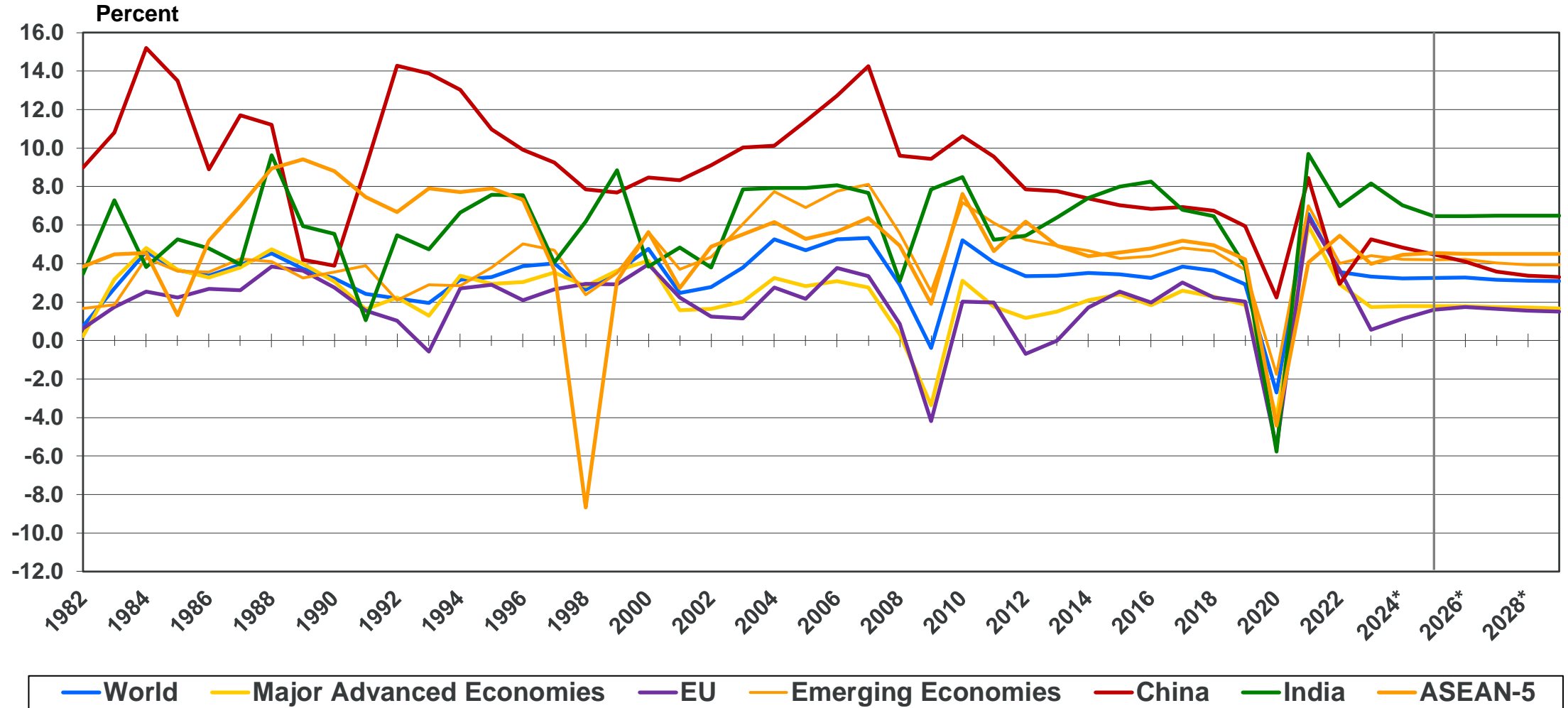
Major U.S. Row Crop Planted Acres



* Rabobank projections
 Source: USDA-NASS, Rabobank 2025

Global Economic Growth is Slowing

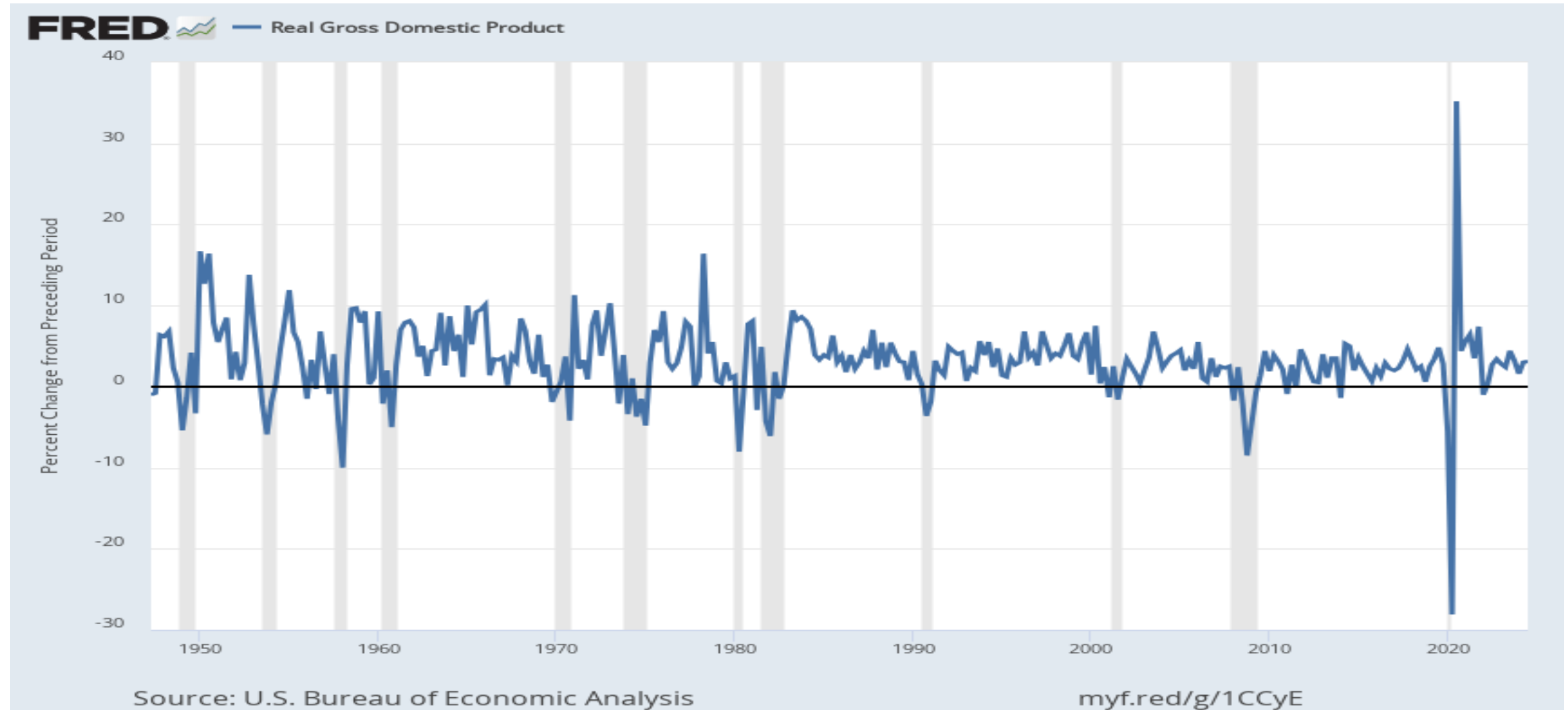
More uncertainty around the world as general elections in 2024 saw many incumbent governments turned out.



Source: IMF, October 2023, Rabobank 2024
ASEAN-5 includes Indonesia, Malaysia, Philippines, Thailand & Vietnam
* Projections

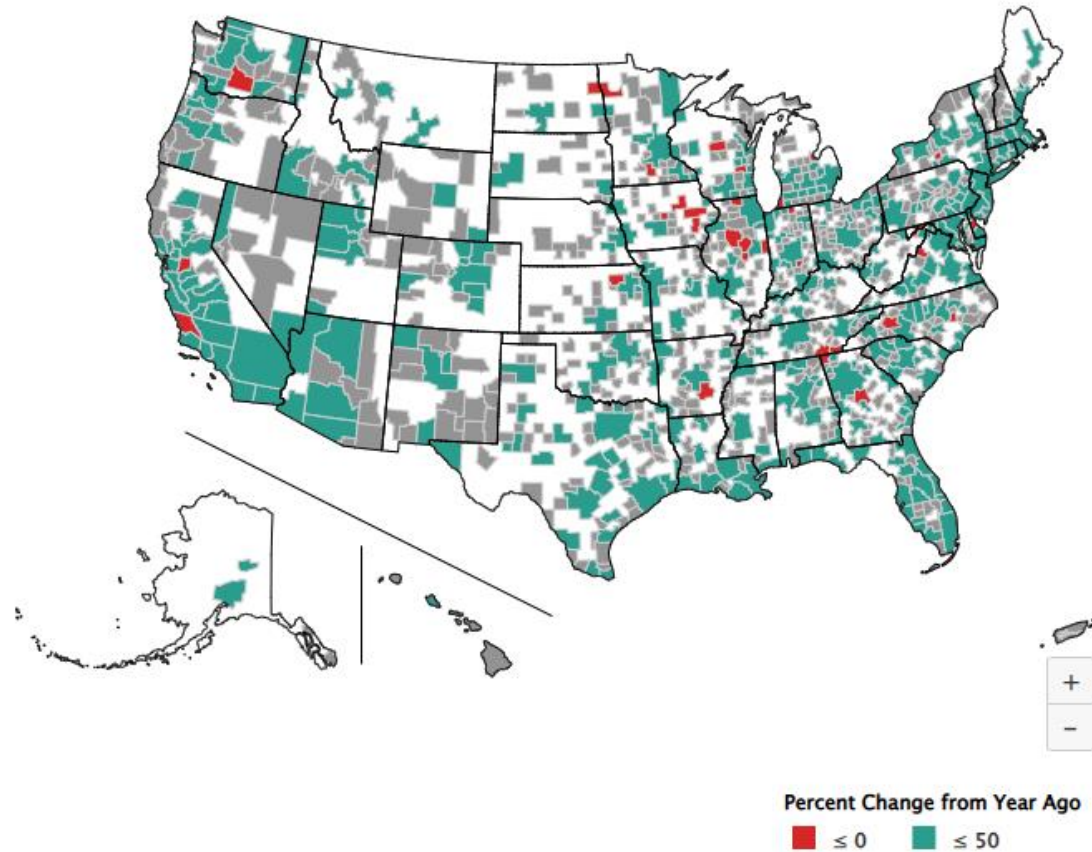
U.S. Real Gross Domestic Product (GDP)

In 2024, U.S. GDP has remained strong-well above other advance economics



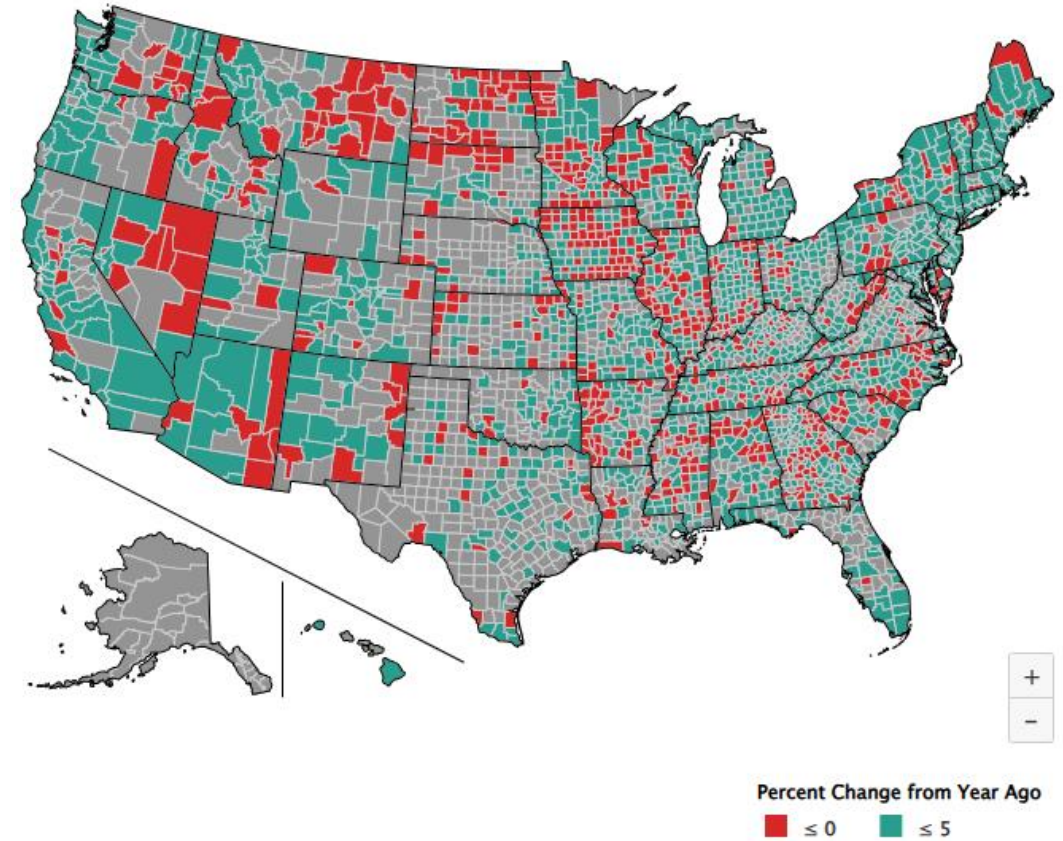
In 2023, More Rural Counties Showed Negative Growth versus Metropolitan Statistical Areas

FRED 2023 Total Real Gross Domestic Product by Metropolitan Statistical Area (Percent Change from Year Ago)



Source: U.S. Bureau of Economic Analysis

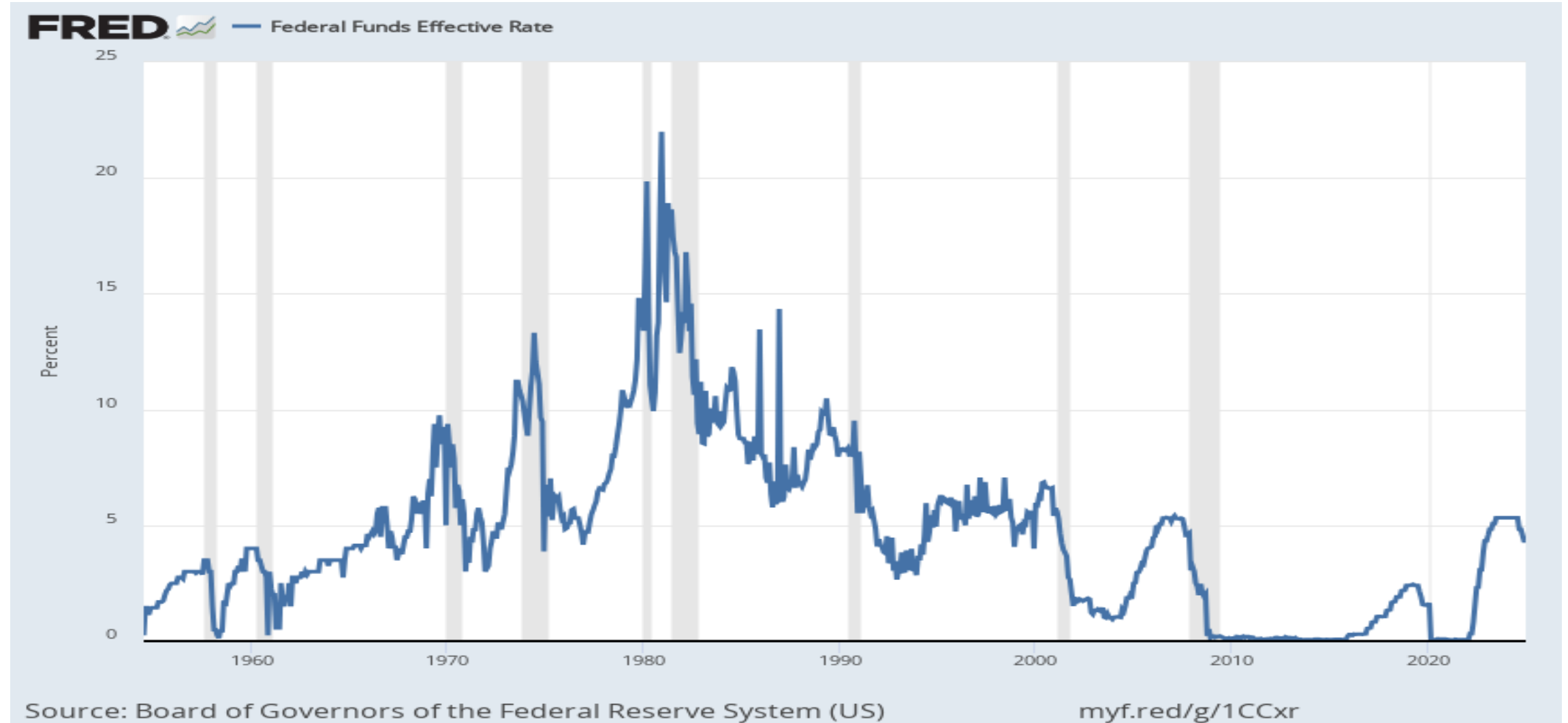
FRED 2023 Real Gross Domestic Product: All Industries by County (Percent Change from Year Ago)



Source: U.S. Bureau of Economic Analysis

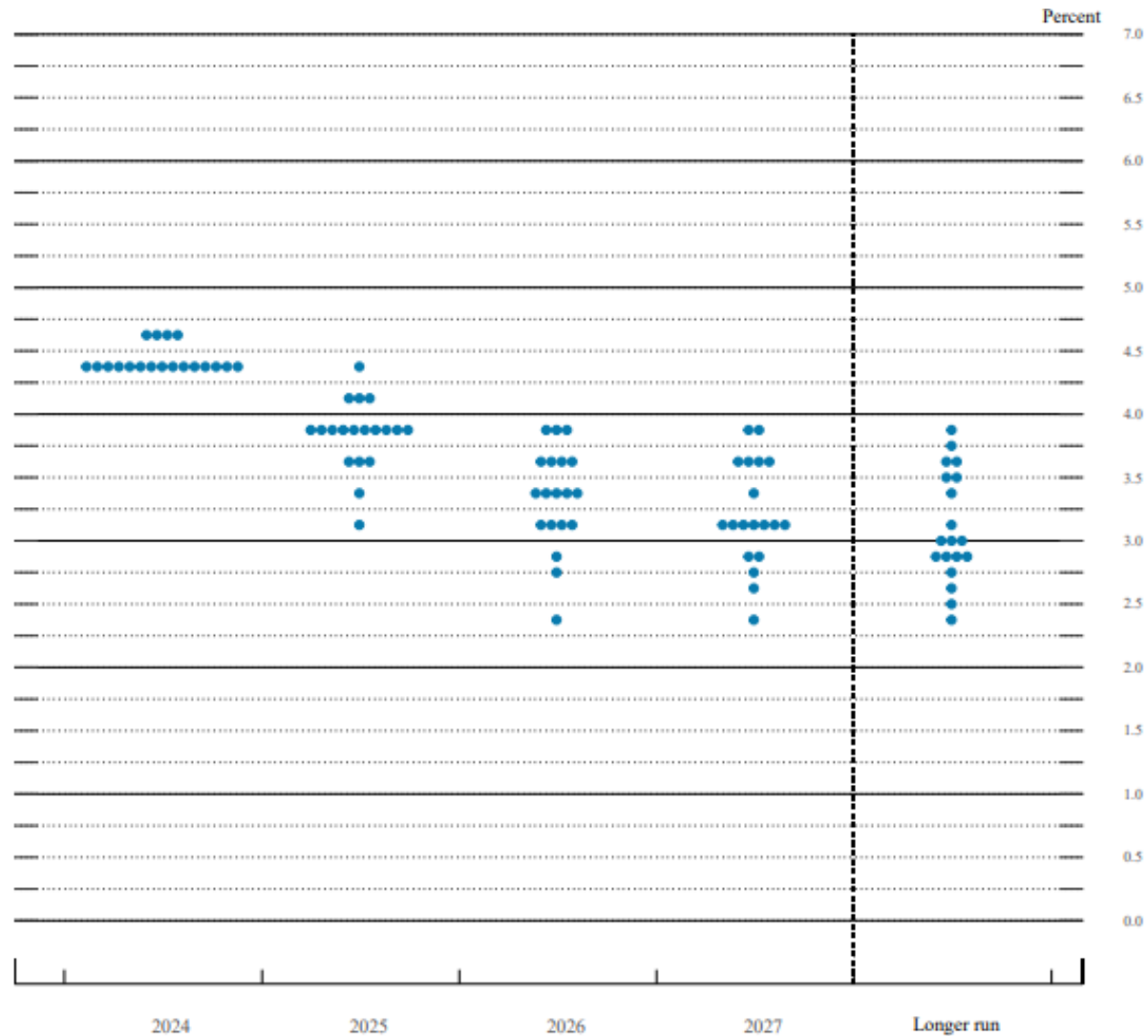
Federal Funds Effective Rate

Target range for federal funds rate is now @ 4¼% to 4½%--exactly 100 pts less than a year ago.



The Infamous Dot-Plot of Effective Federal Funds Rate

Majority of FOMC participants surveyed are indicating another 50 bps cut in 2025

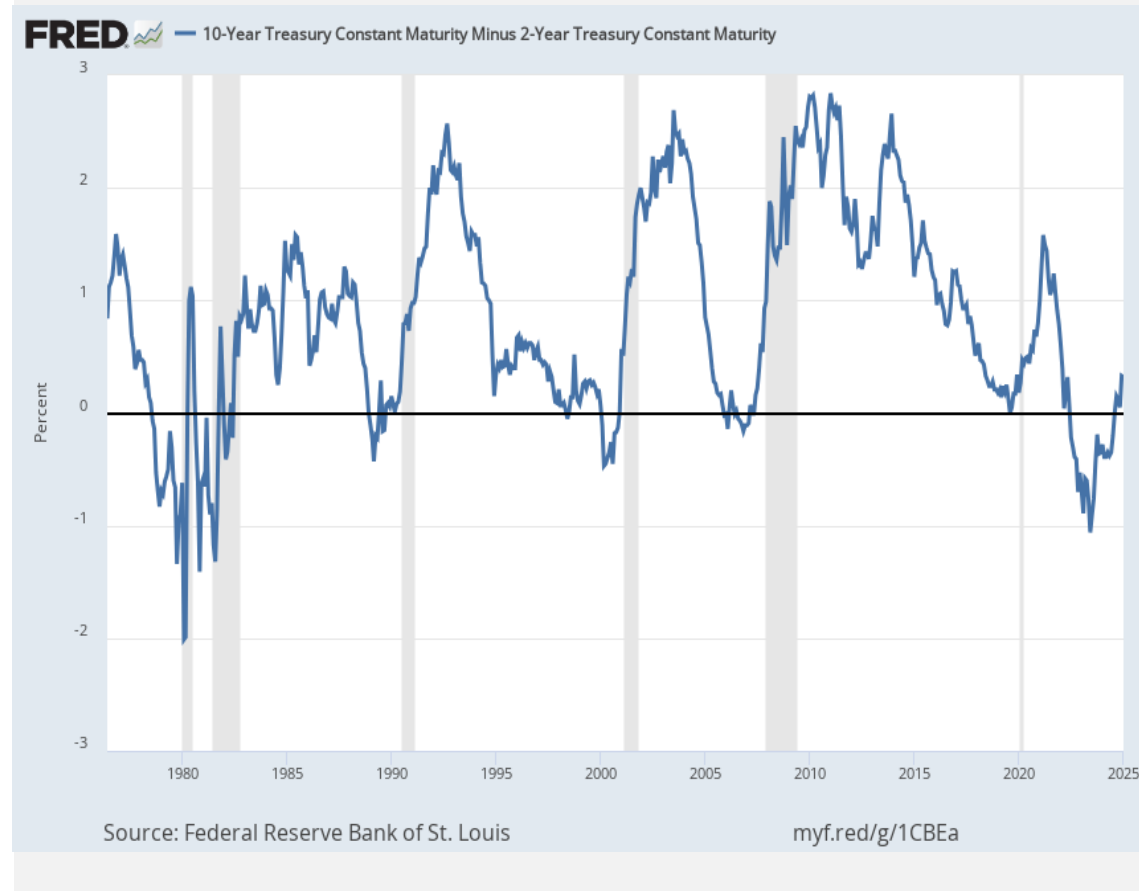


Source: Federal Open Market Committee, December 2024

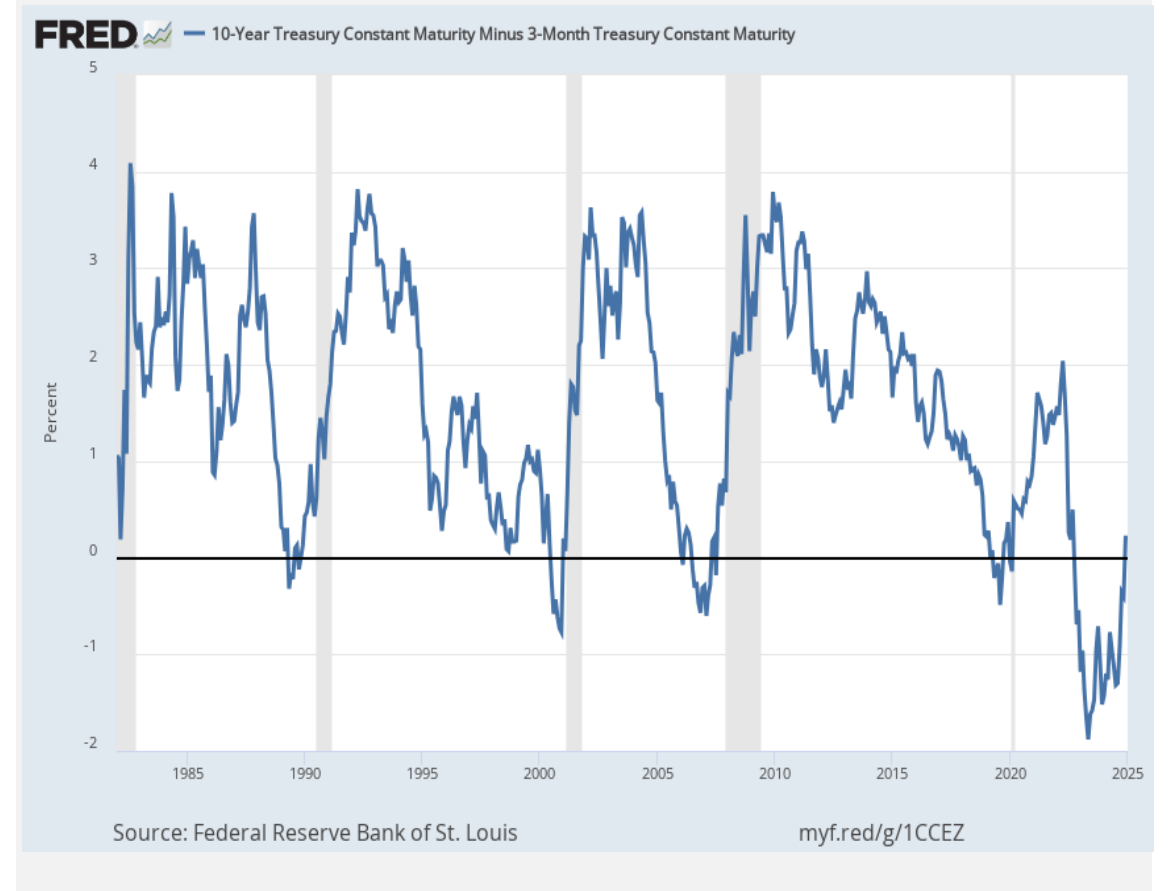
Yield Curves have Turned Positive

By this measure, we have avoided the long dreaded and predicted recession

10-Year Treasury Minus 2-Year Treasury (Constant Maturity)



10-Year Treasury Minus 3-Month Treasury (Constant Maturity)



USD Index had Highest Level since June 2002



Source: DTN ProphetX, Rabobank 2025

The USD is Showing Strength Against Nearly All Currencies

The Chinese RMB is 6.9% weaker against the USD from 2023-present.

Brazilian Real (BRL/USD)



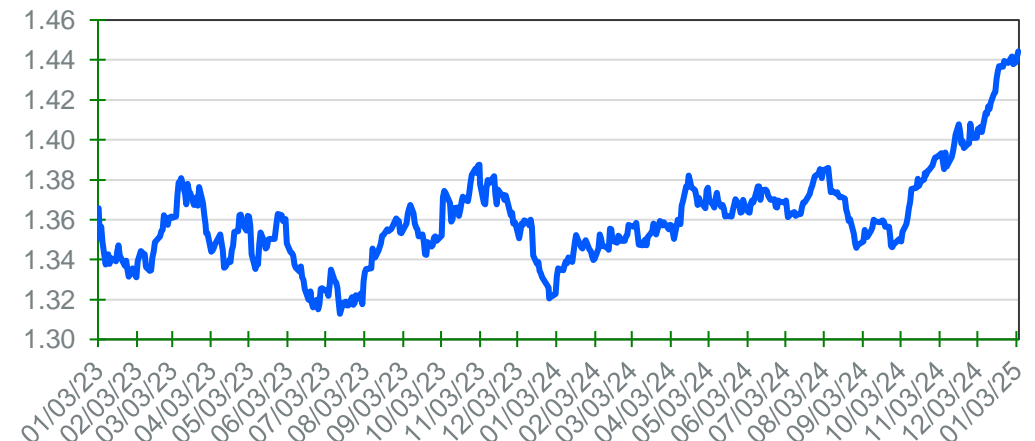
Japanese Yen (JPY/USD)



Euro (EUR/USD)



Canadian Dollar (CAD/USD)

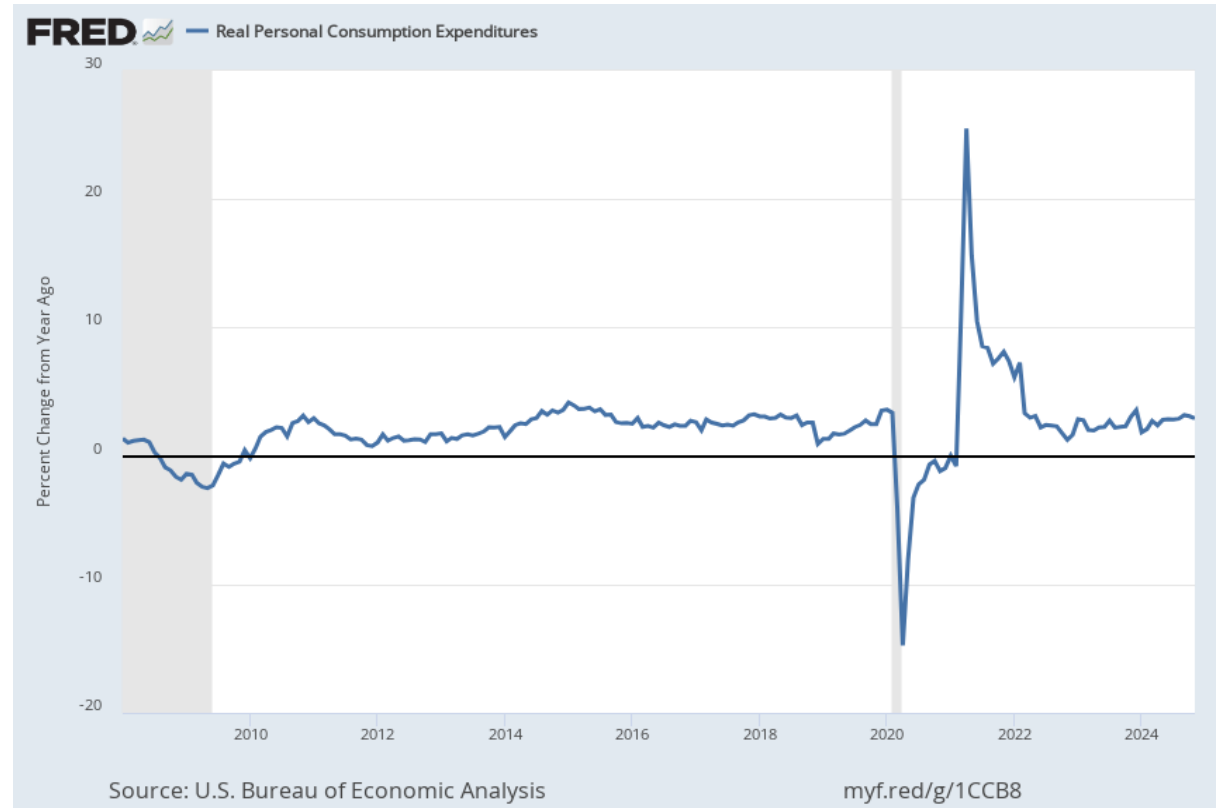
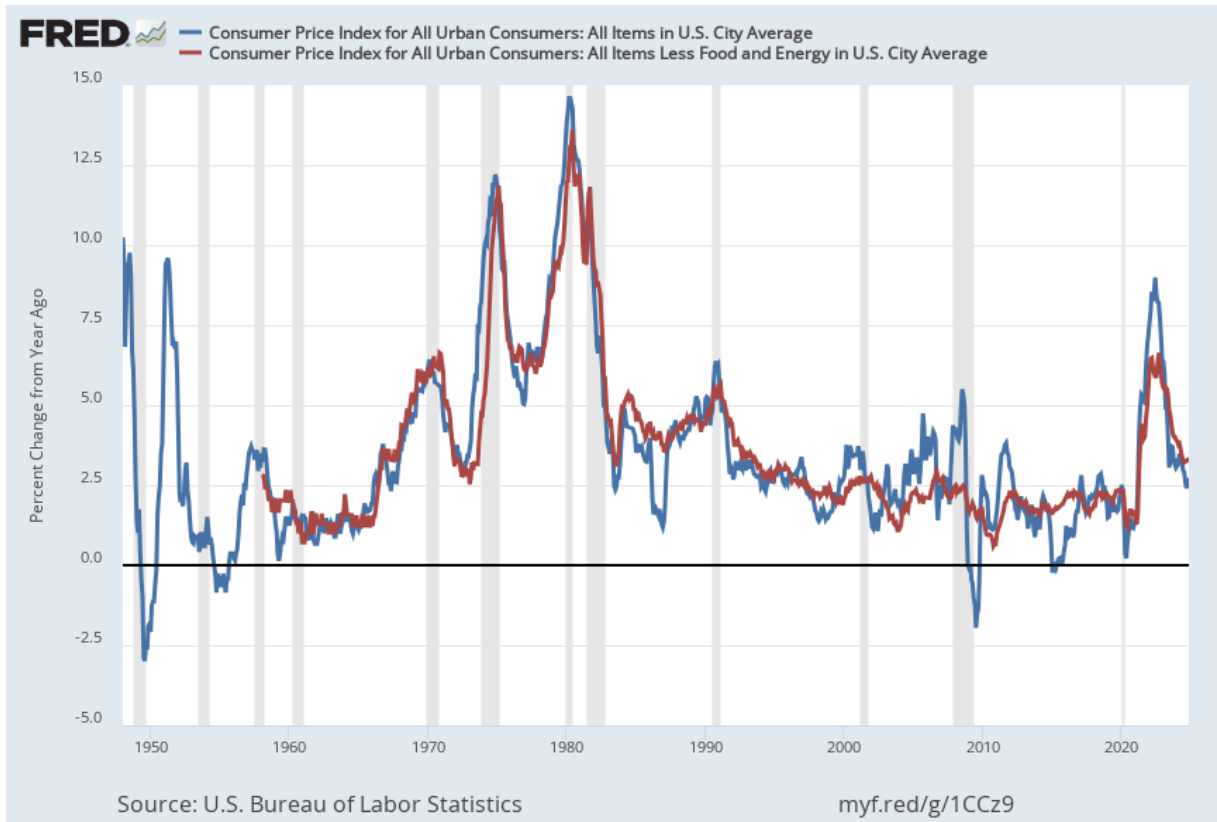


Year-Over-Year Change in Inflation is Down, but...

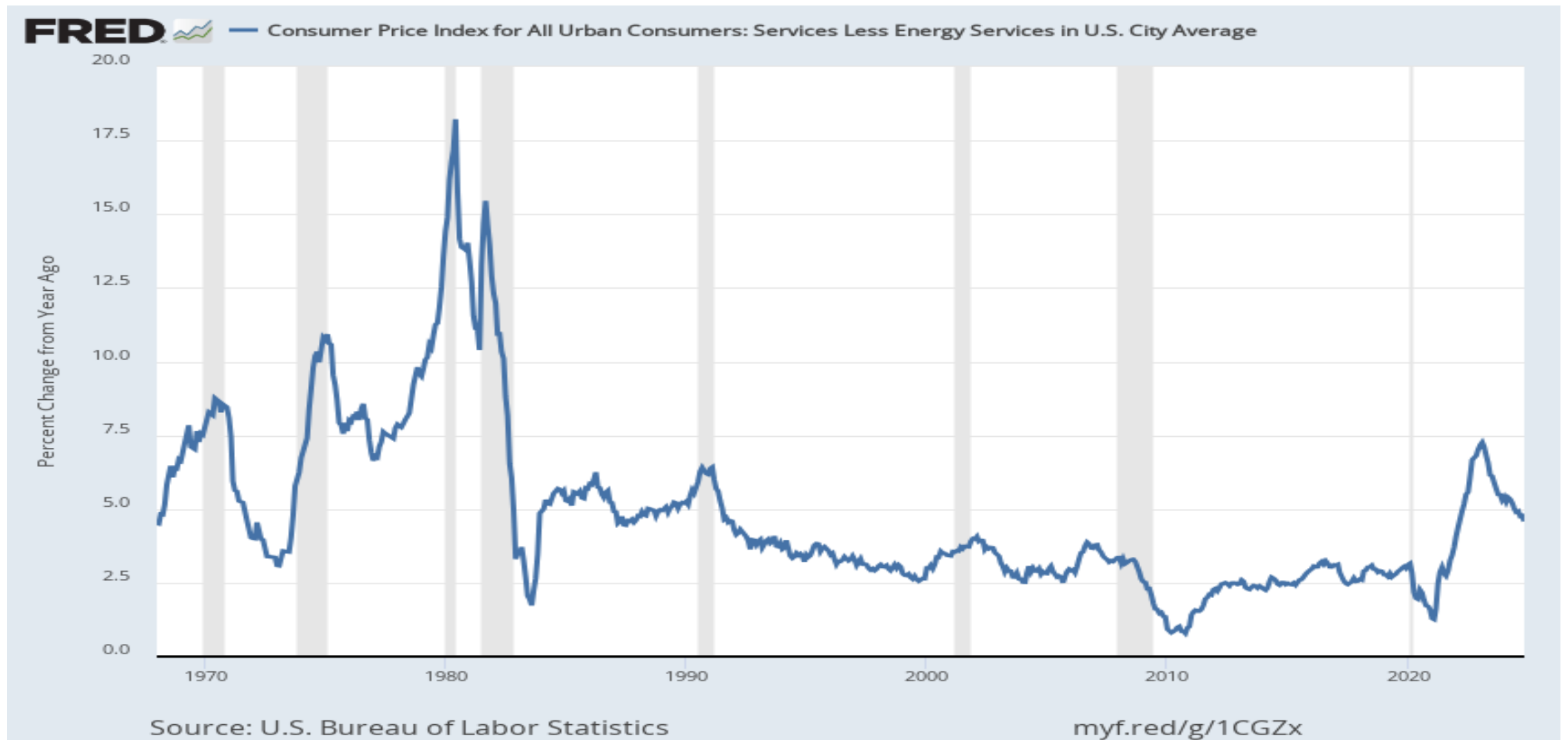
Consumer Price Index (CPI) versus Personal Consumption Expenditure (PCE)

Consumer Price Index (CPI) has cooled off to +2.7% in Nov. 2024 versus +3.1% in Nov. 2023.

The Fed's favorite inflation measure Personal Consumption Expenditure (PCE) shows inflation at 2.9%, above the Fed's stated goal of 2.0%

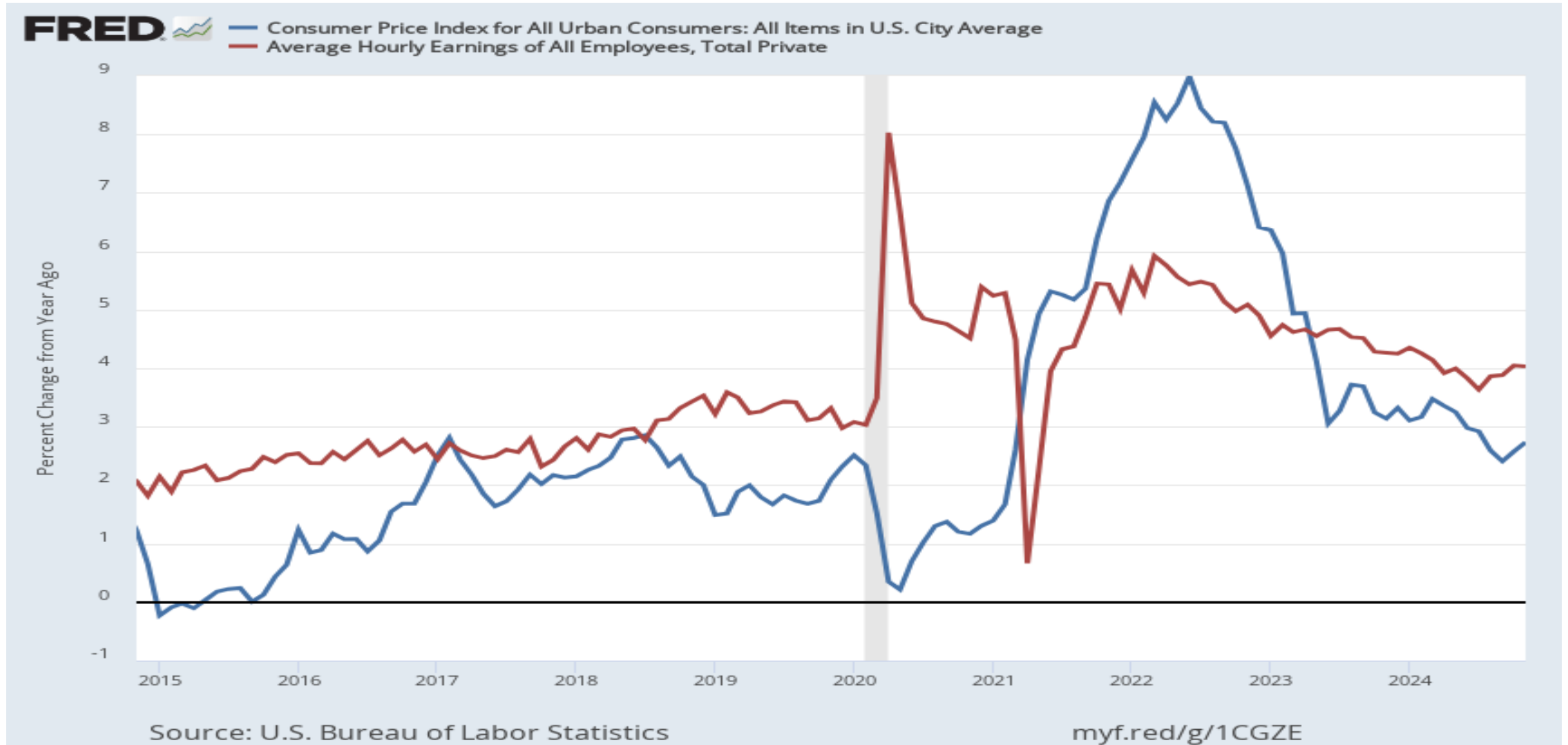


Services Inflation remains Stubbornly High near 5%

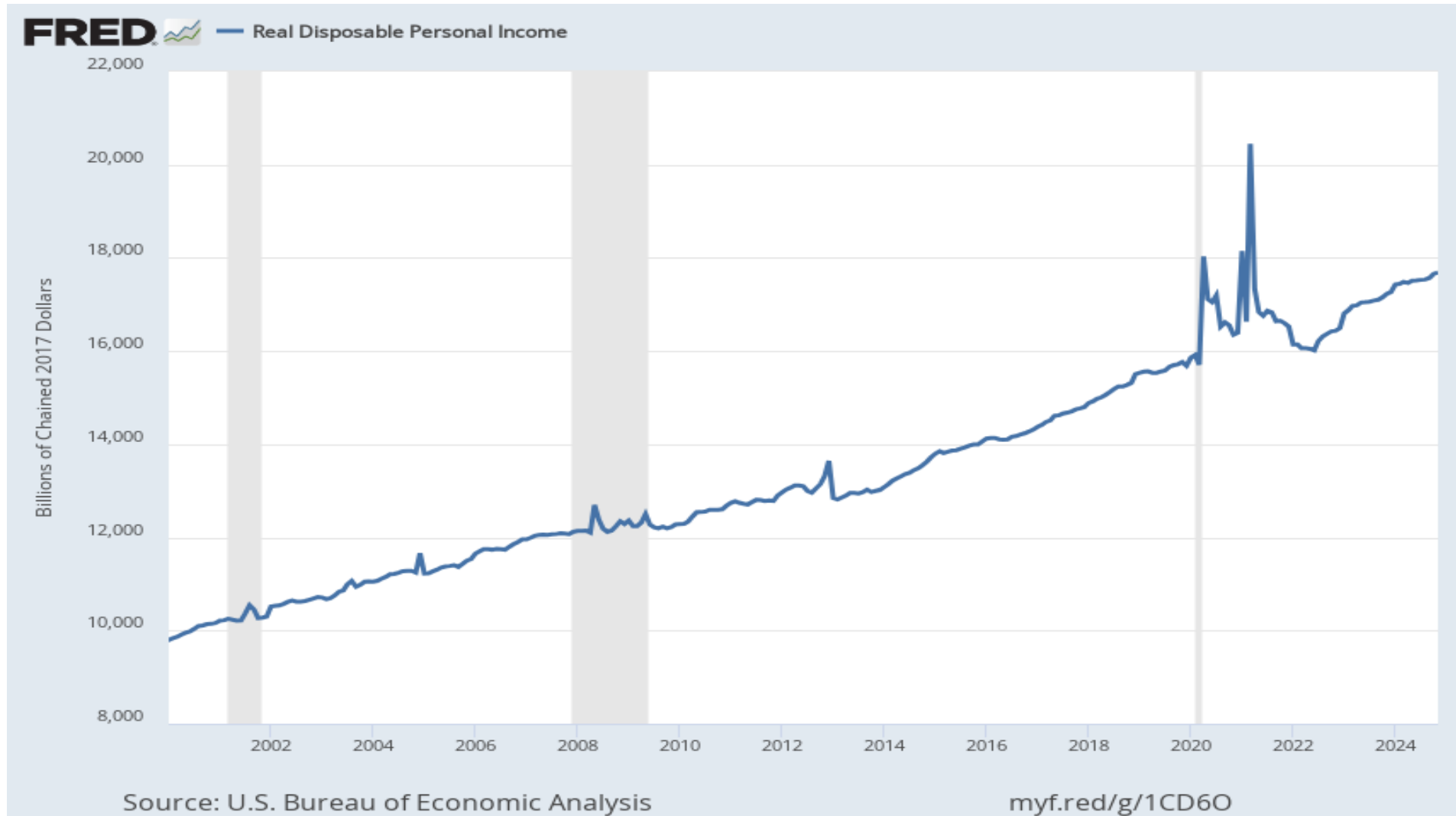


Annual Change in Earnings versus Inflation

Wage earners continue to beat inflation



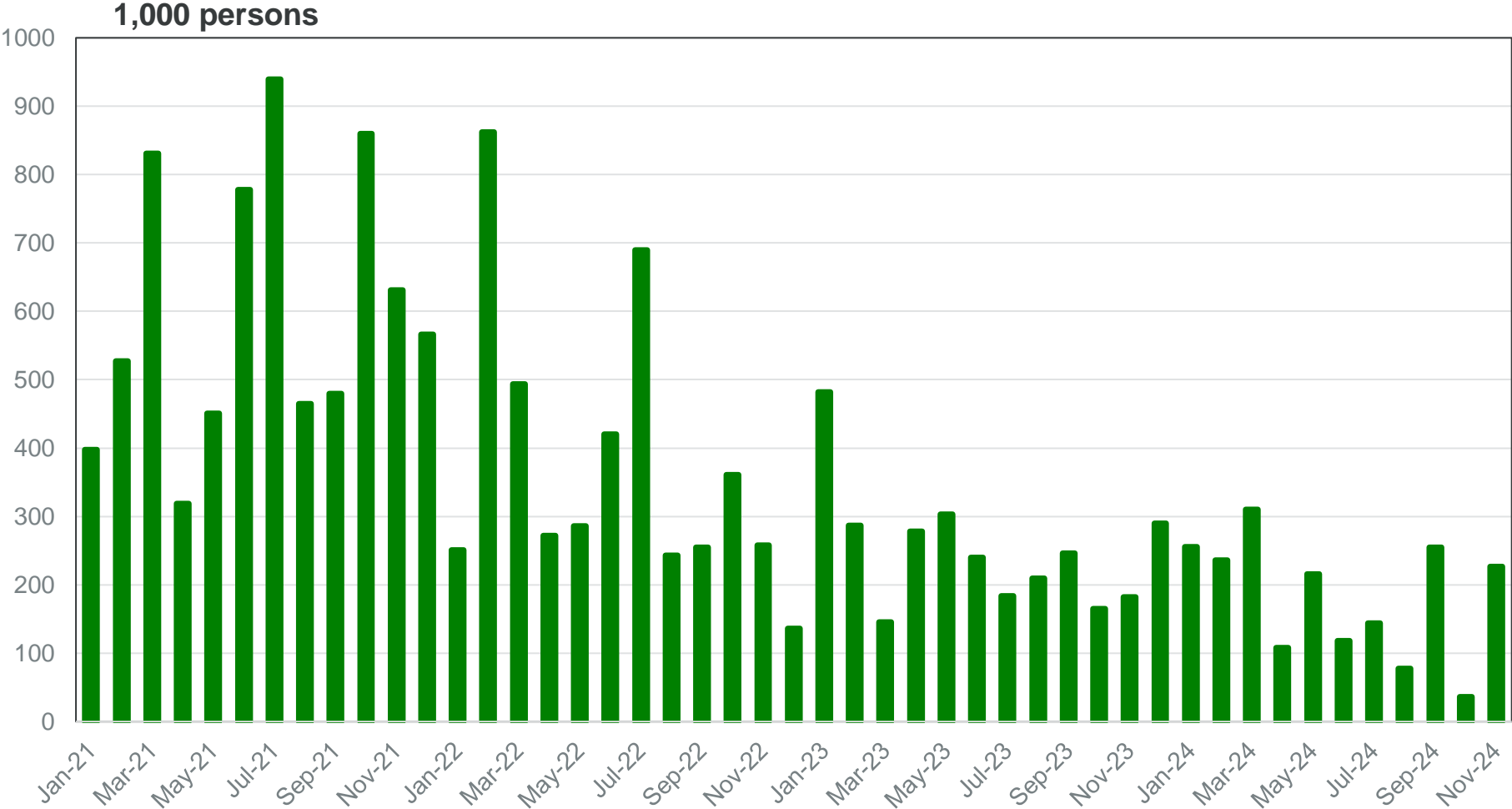
Real Disposable Personal Income Continued to Rise in 2024



The Unemployment Rate is Still Historically Low, but Inching Higher

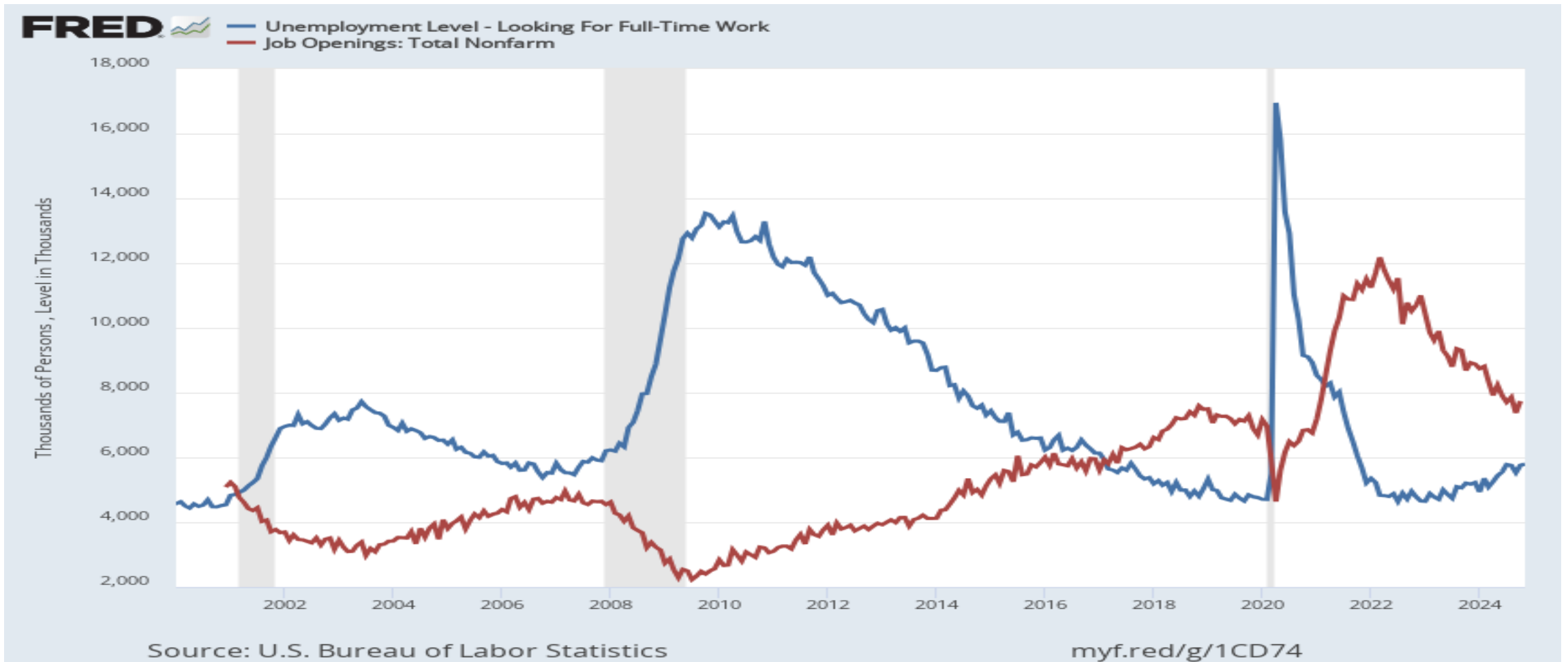


Remarkably, The U.S. Economy is Still a Creating New Jobs

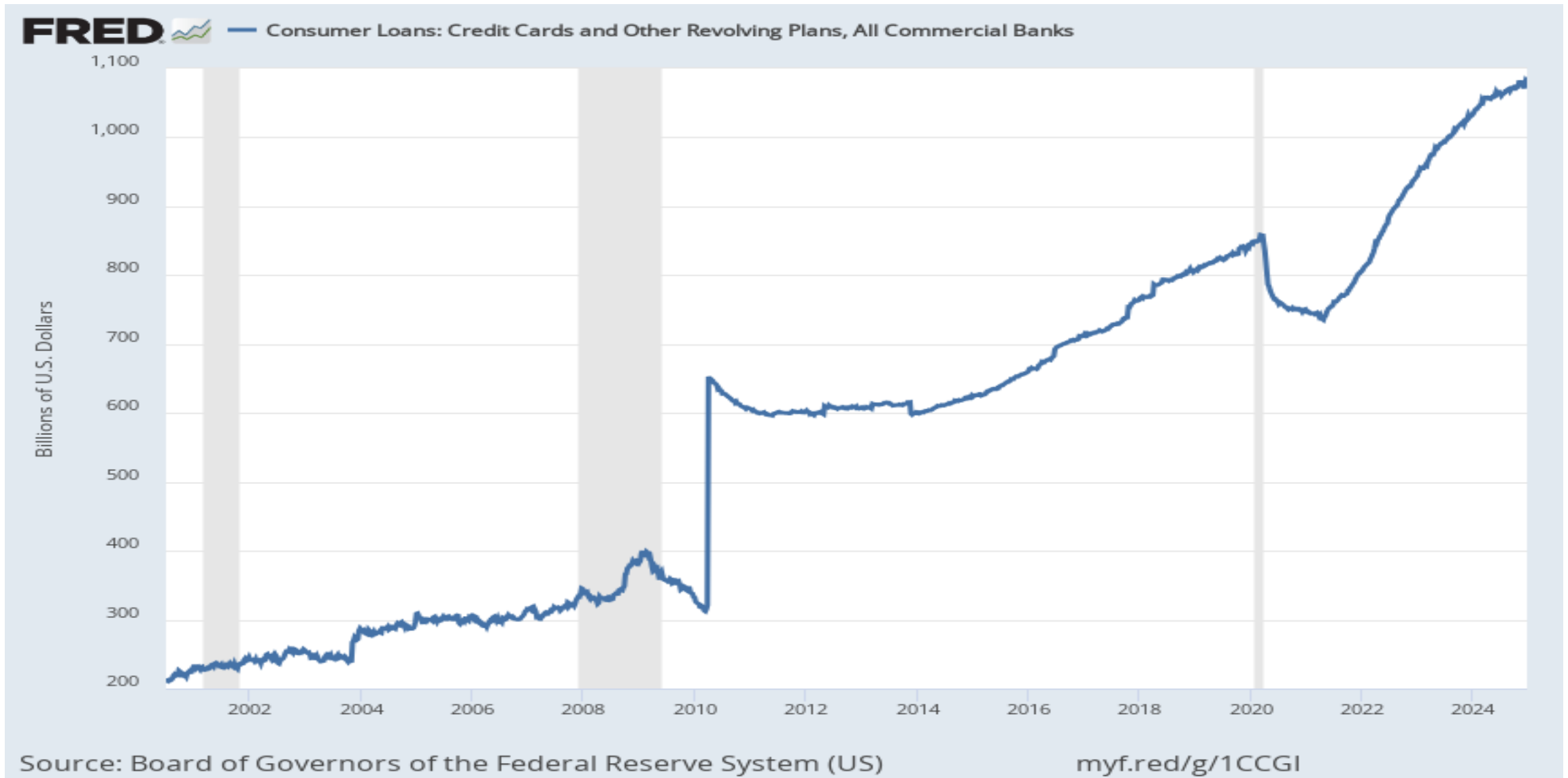


Source: FRED Economic Data, Federal Reserve Bank of St. Louis, Rabobank 2025

U.S. Job Market is Still Strong as Job Openings Outnumber Job Seekers, but that Spread is Narrowing

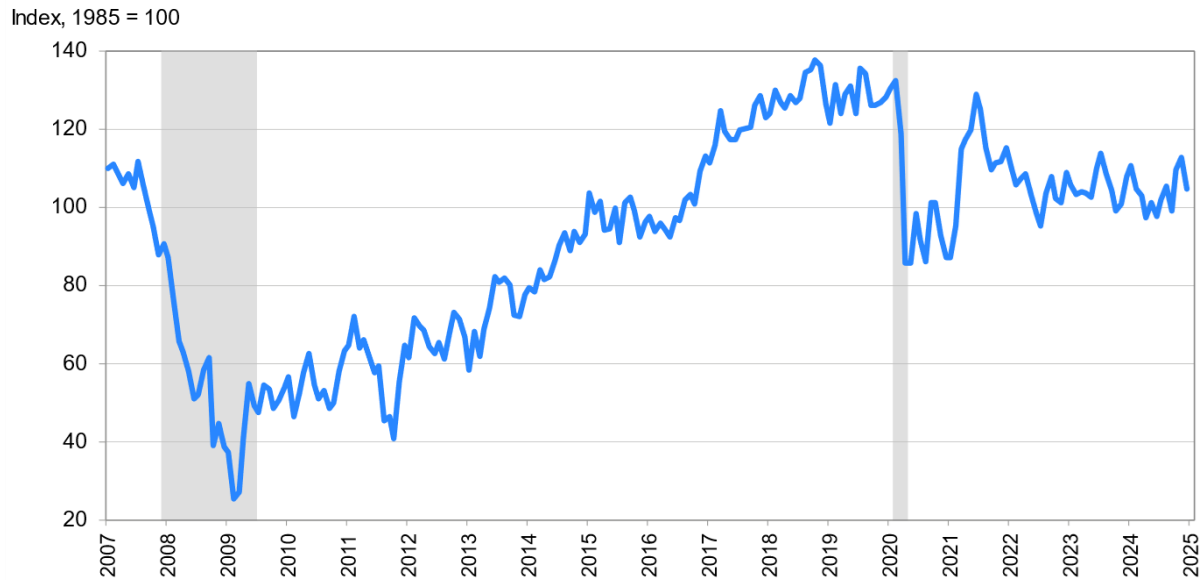


The Consumer is Showing More Stress



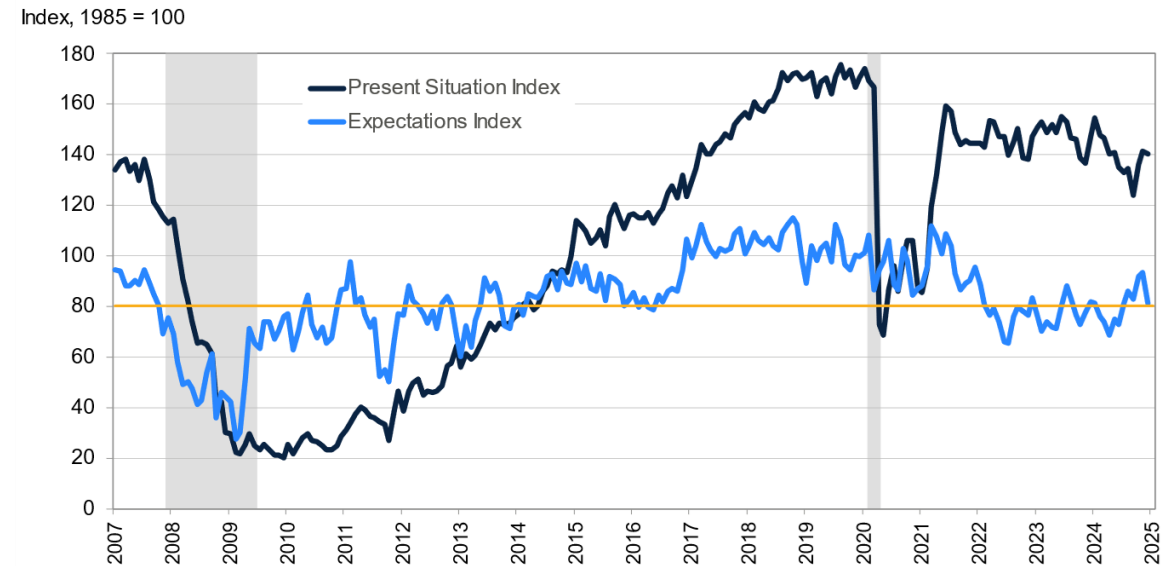
The Conference Board Consumer Confidence Index Shows Consumer Confidence was not Sustained in December

Consumer Confidence Index®



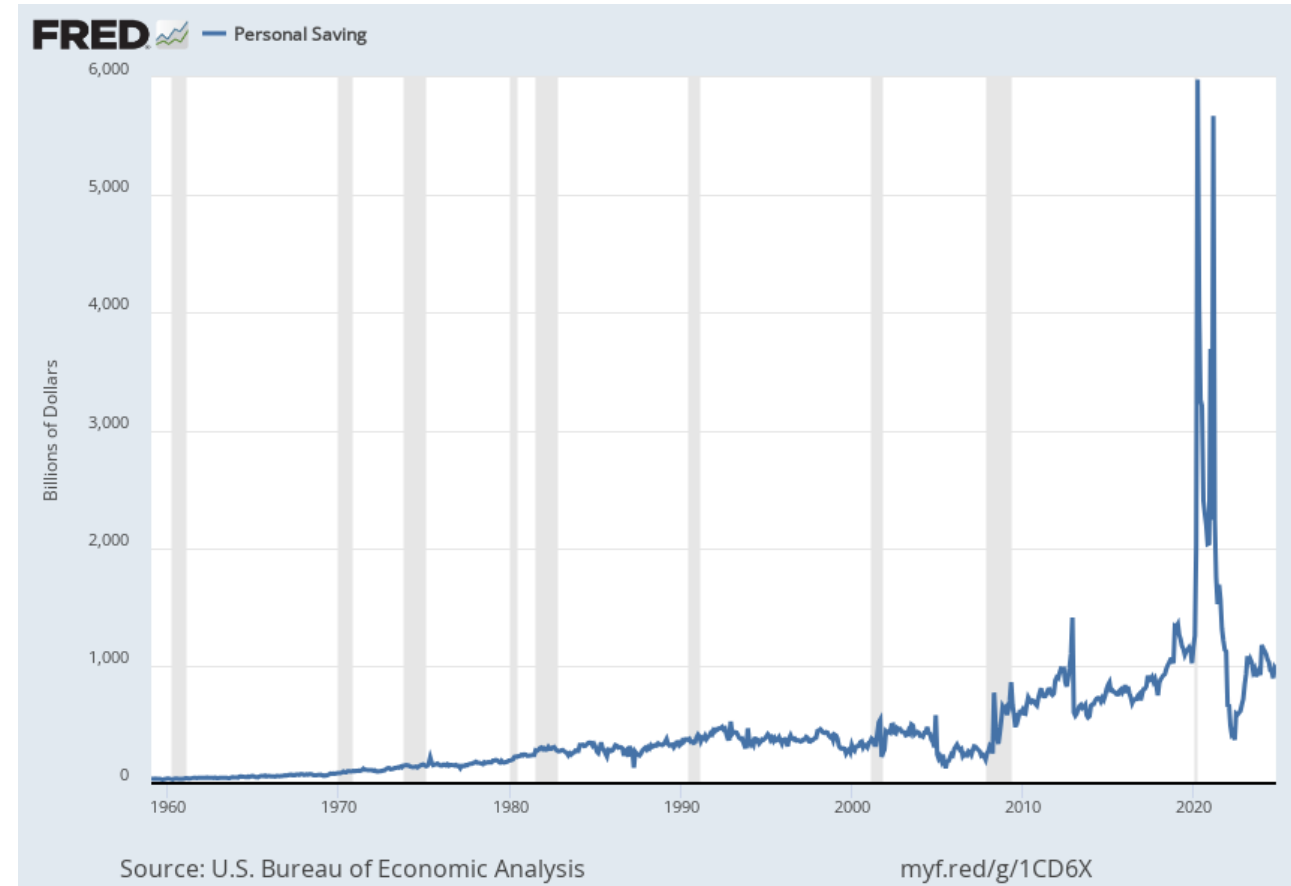
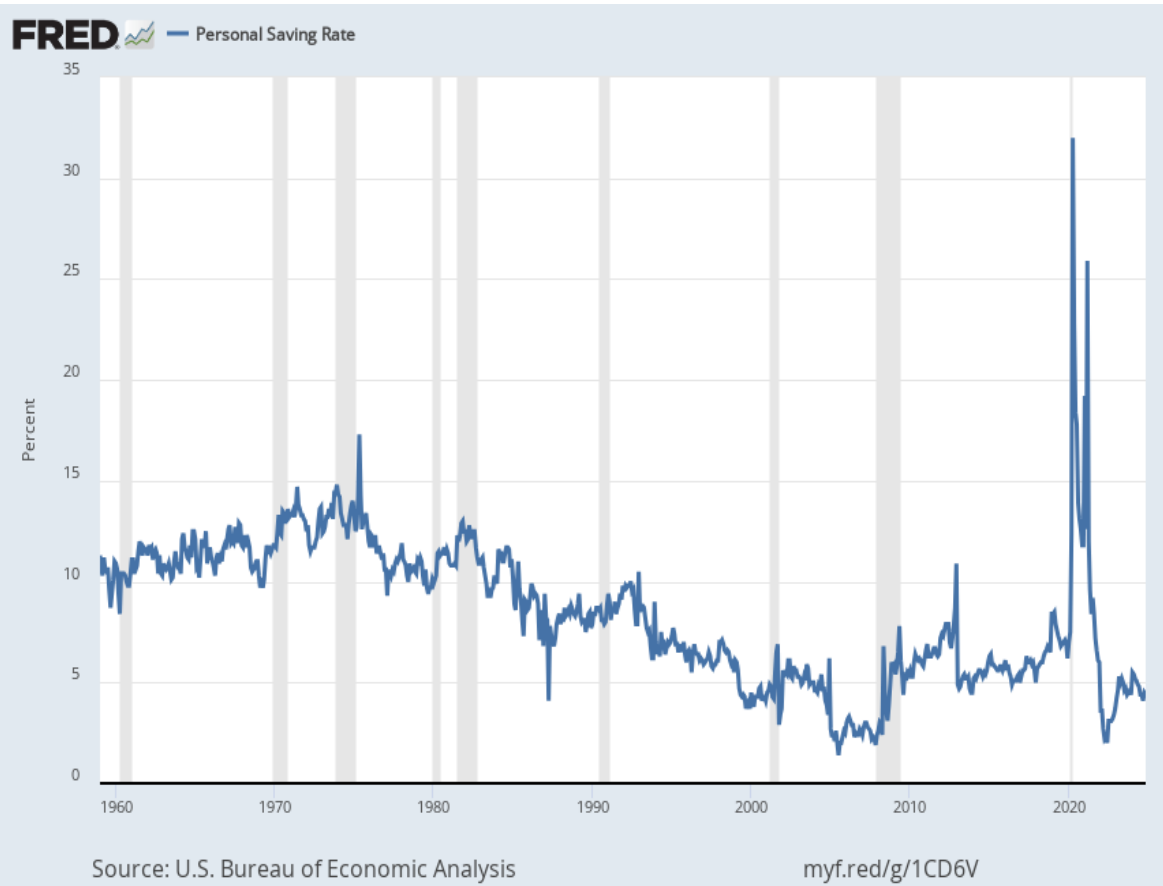
*Shaded areas represent periods of recession.
Sources: The Conference Board; NBER
© 2024 The Conference Board. All rights reserved.

Present Situation and Expectations Index



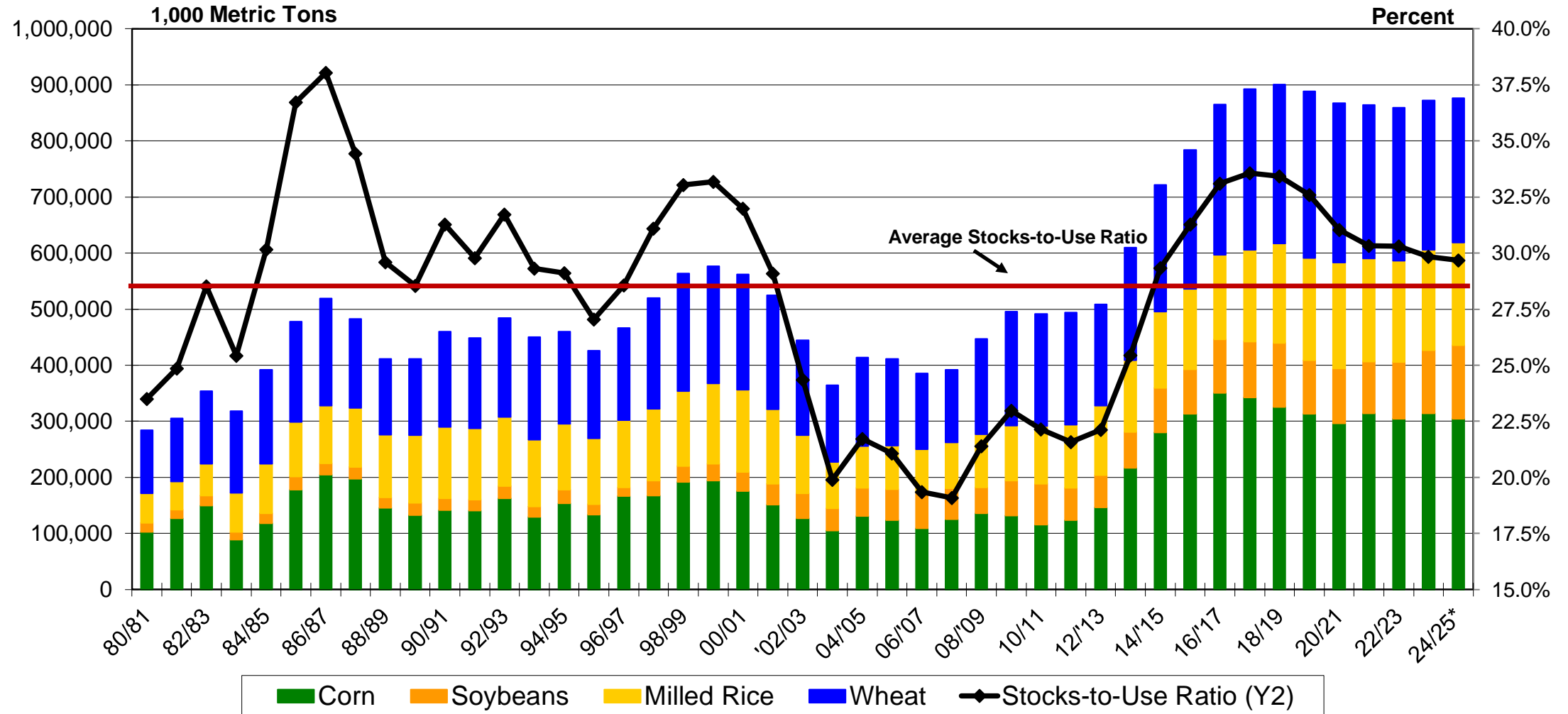
*Shaded areas represent periods of recession.
Sources: The Conference Board; NBER
© 2024 The Conference Board. All rights reserved.

Personal Savings Data has Returned to “Normal”

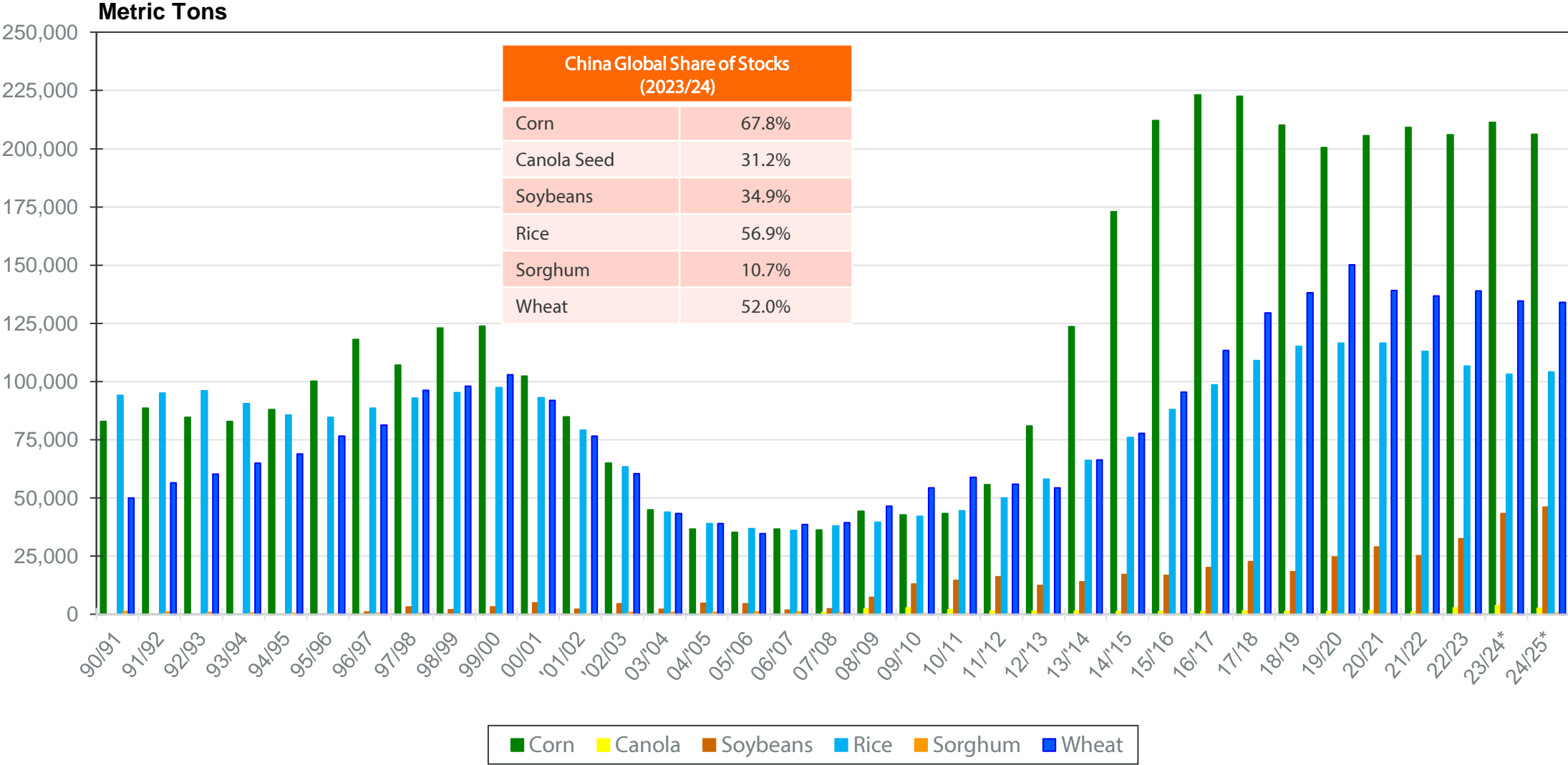


Global G&O Stocks Situation--Have Moved Back to Near Record

However, stocks-to-use ratio continues to lag behind increase in stocks—production is not keeping up with increasing demand.

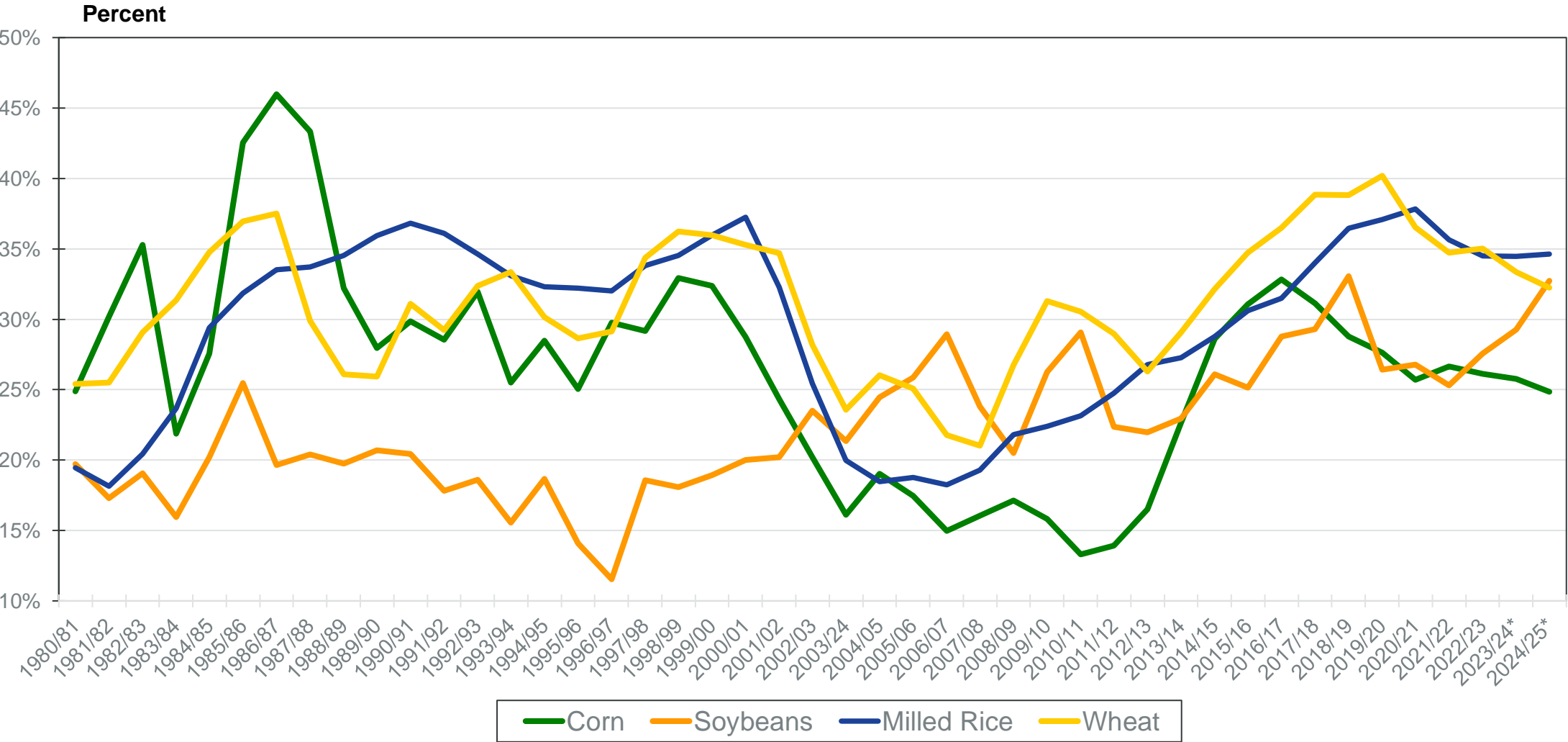


China Stocks at Record Levels



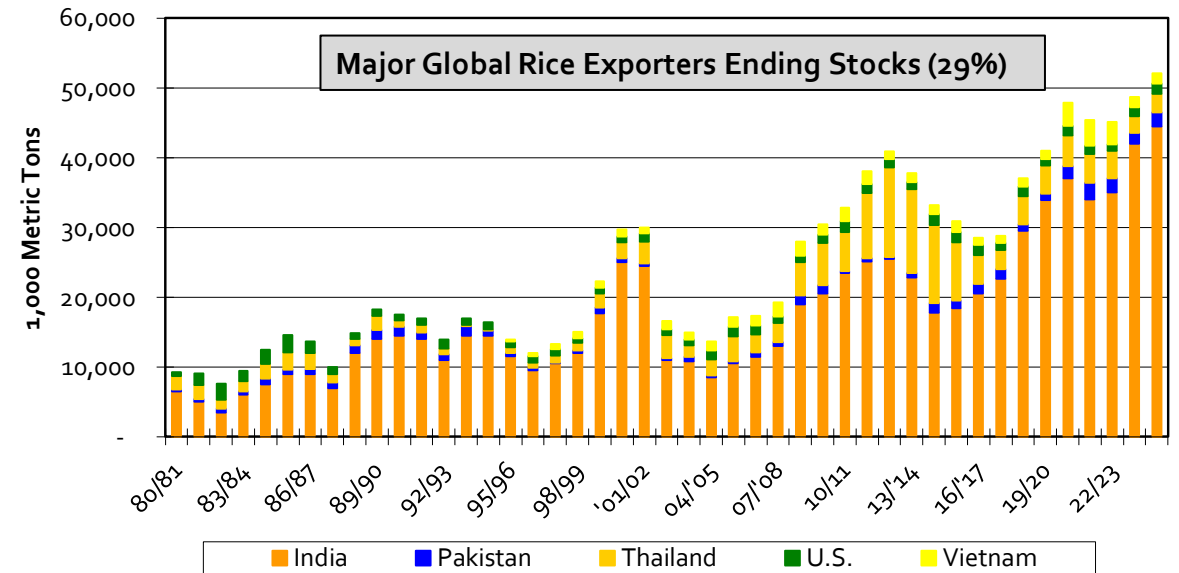
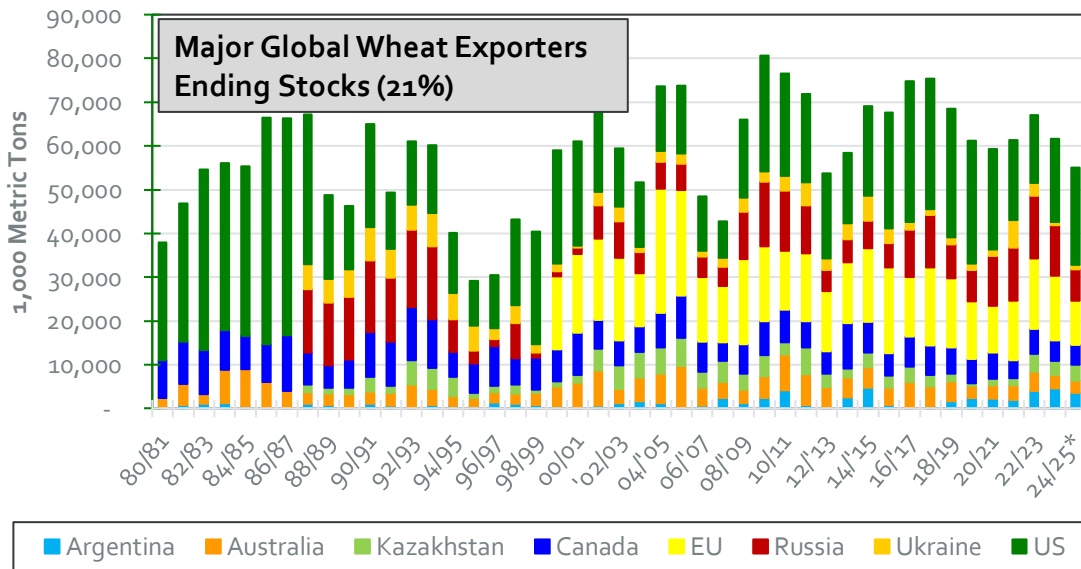
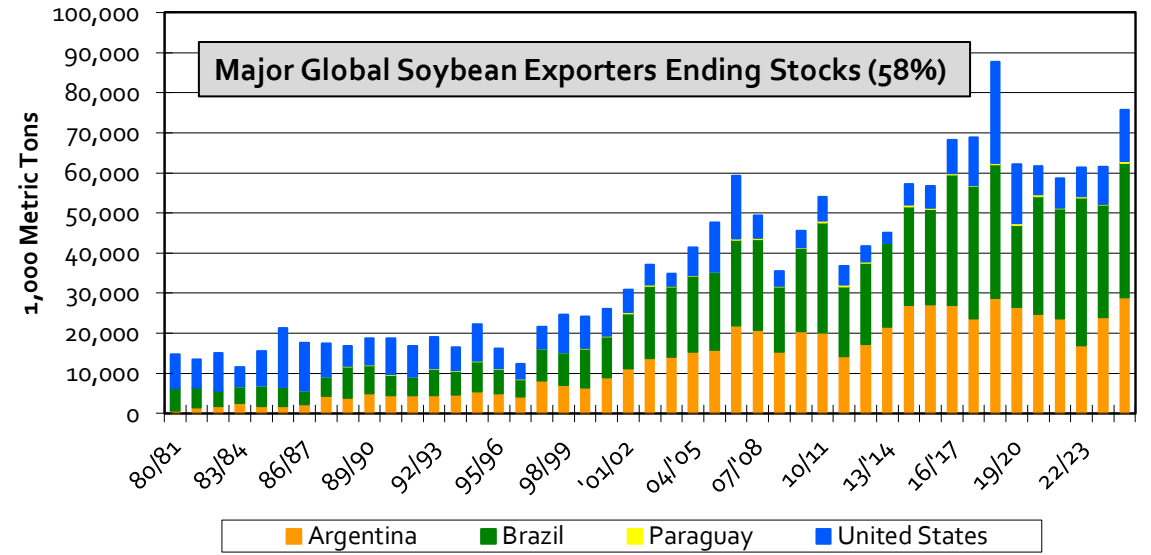
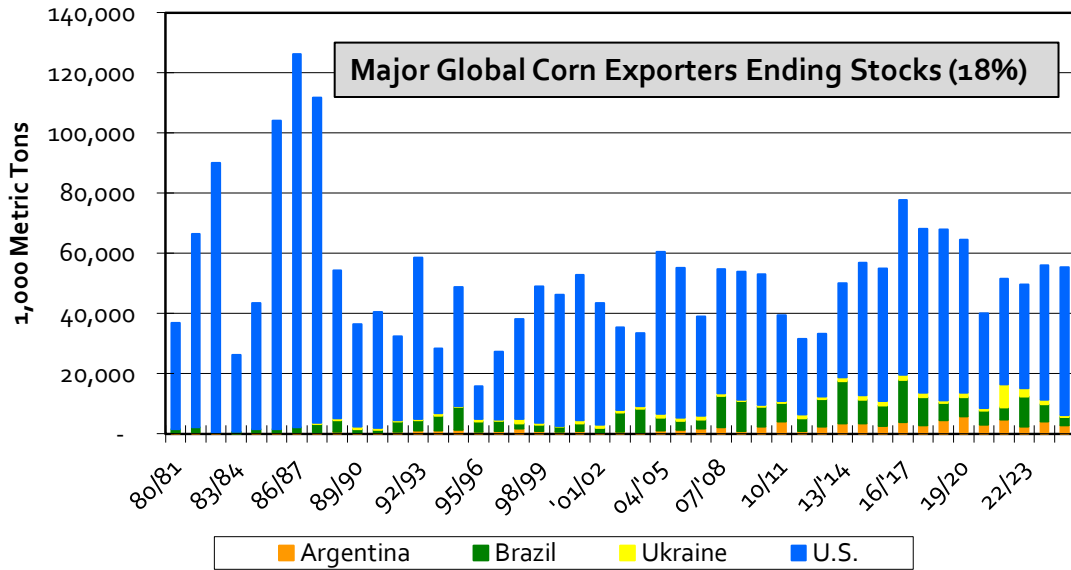
Source: Canadian Grain Commission, Rabobank 2025

Global Stocks-to-Use Ratios are at Comfortable Levels, but...



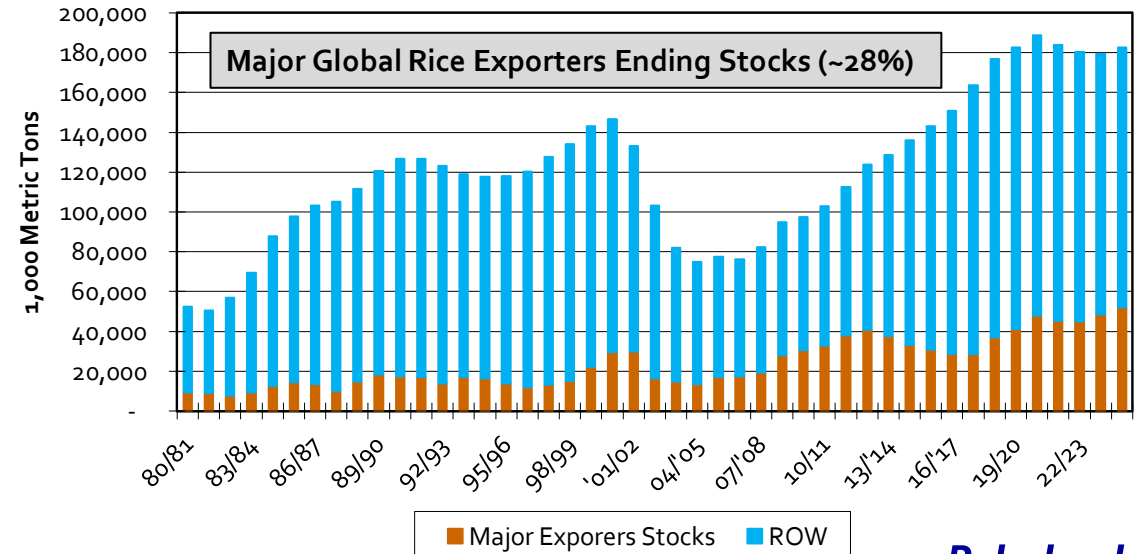
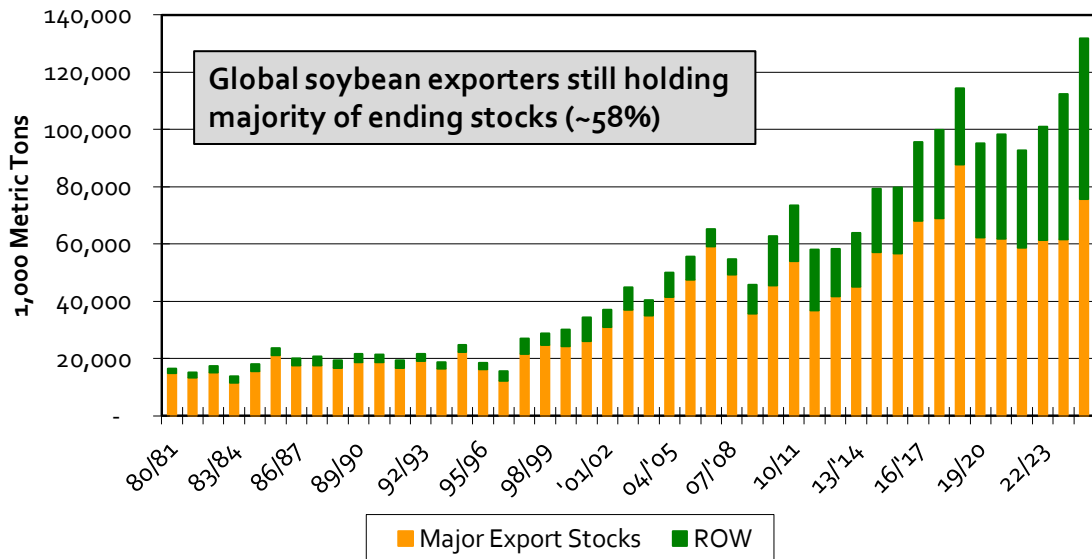
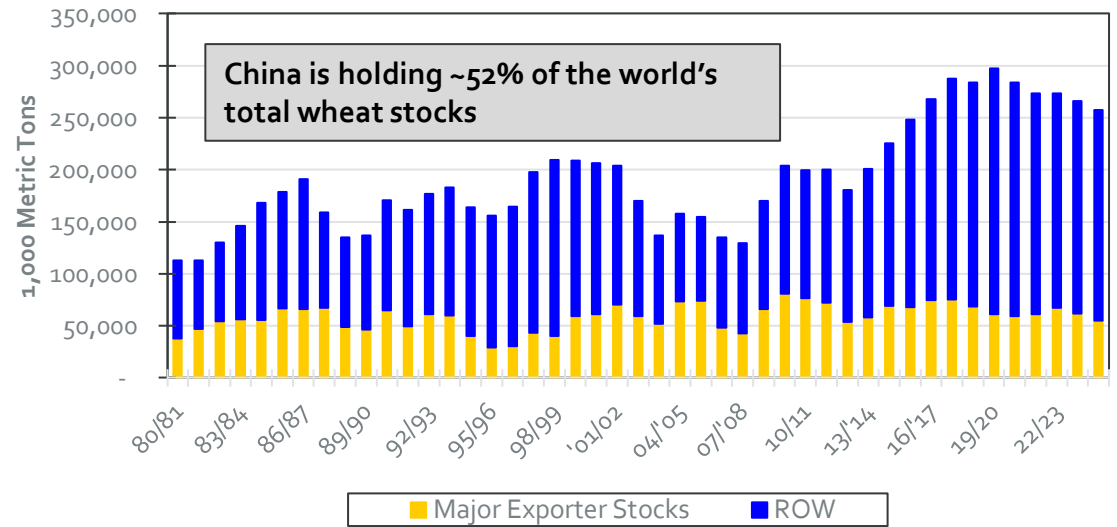
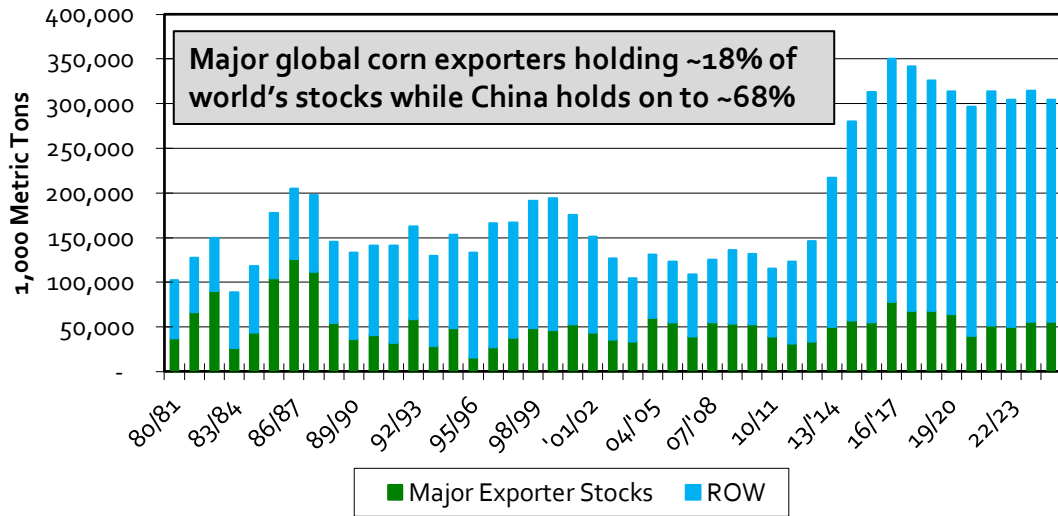
Source: USDA-FAS/PSD, Rabobank 2025

Major Global Exporters Stocks By Commodity



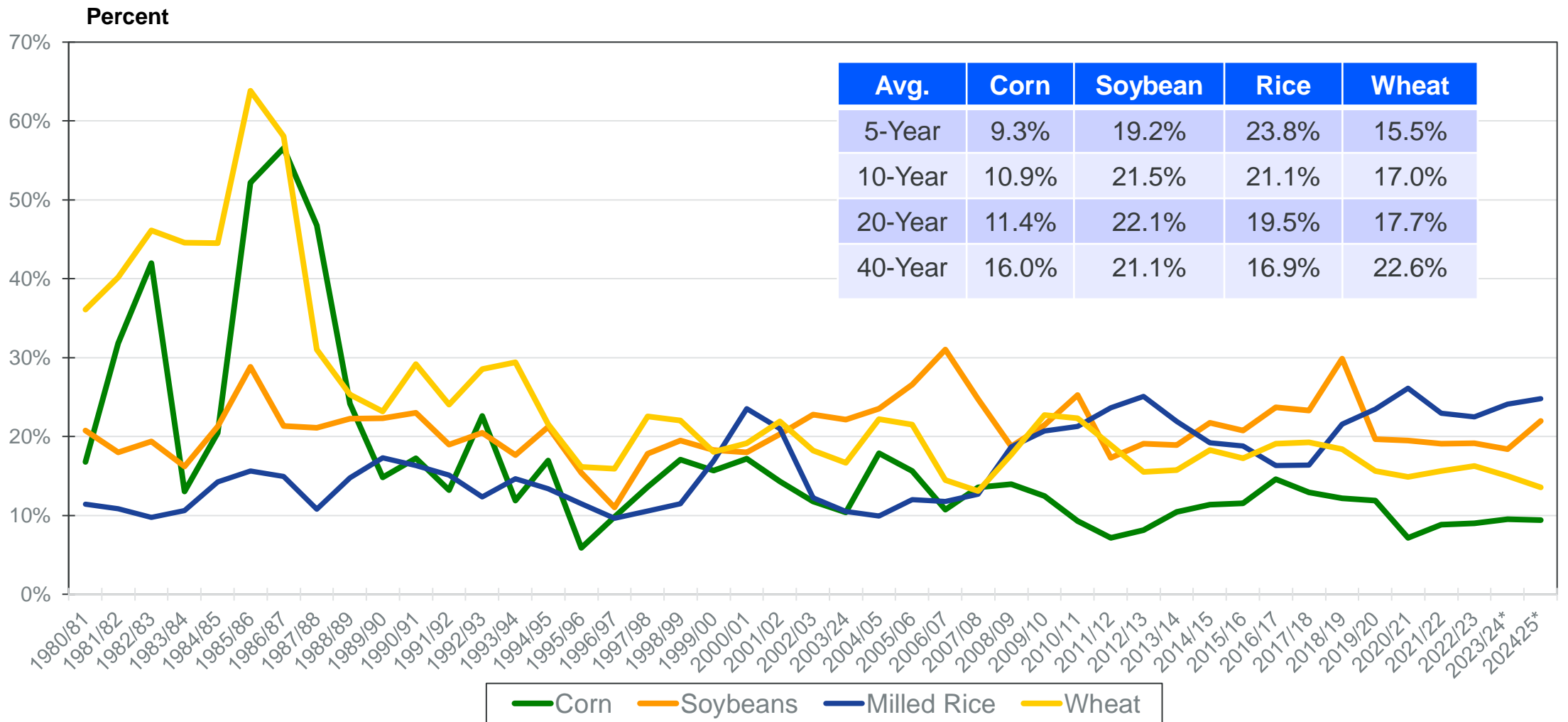
Major Exporter Stocks vs Rest-of-World Stocks

While volume of stocks has increased, there are less “free stocks” available.



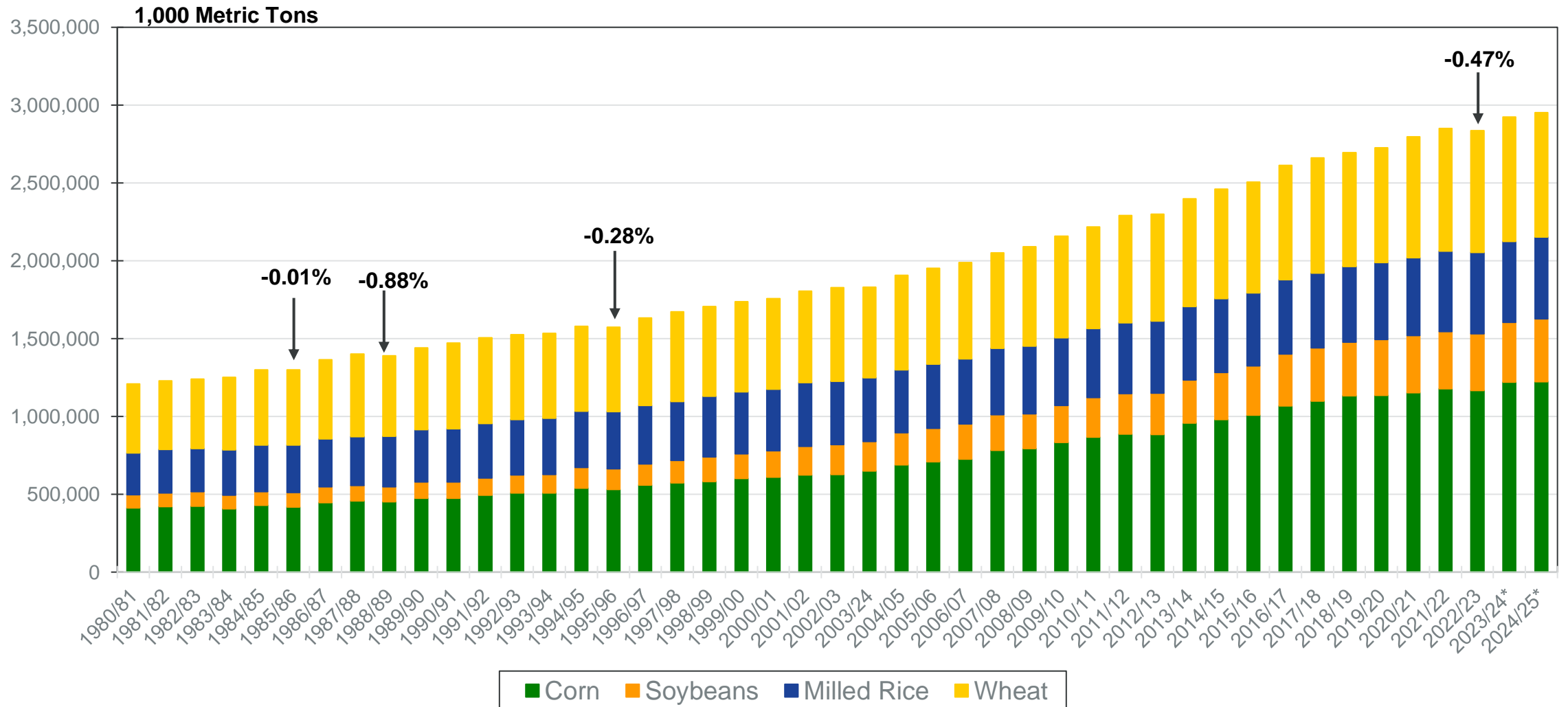
Exporter Stocks-to-use Ratio—Different Story

Corn, soybean and wheat stock-to-use ratios have been coming down.



Major Global Grains & Oilseed Domestic Consumption—Strong Foundation

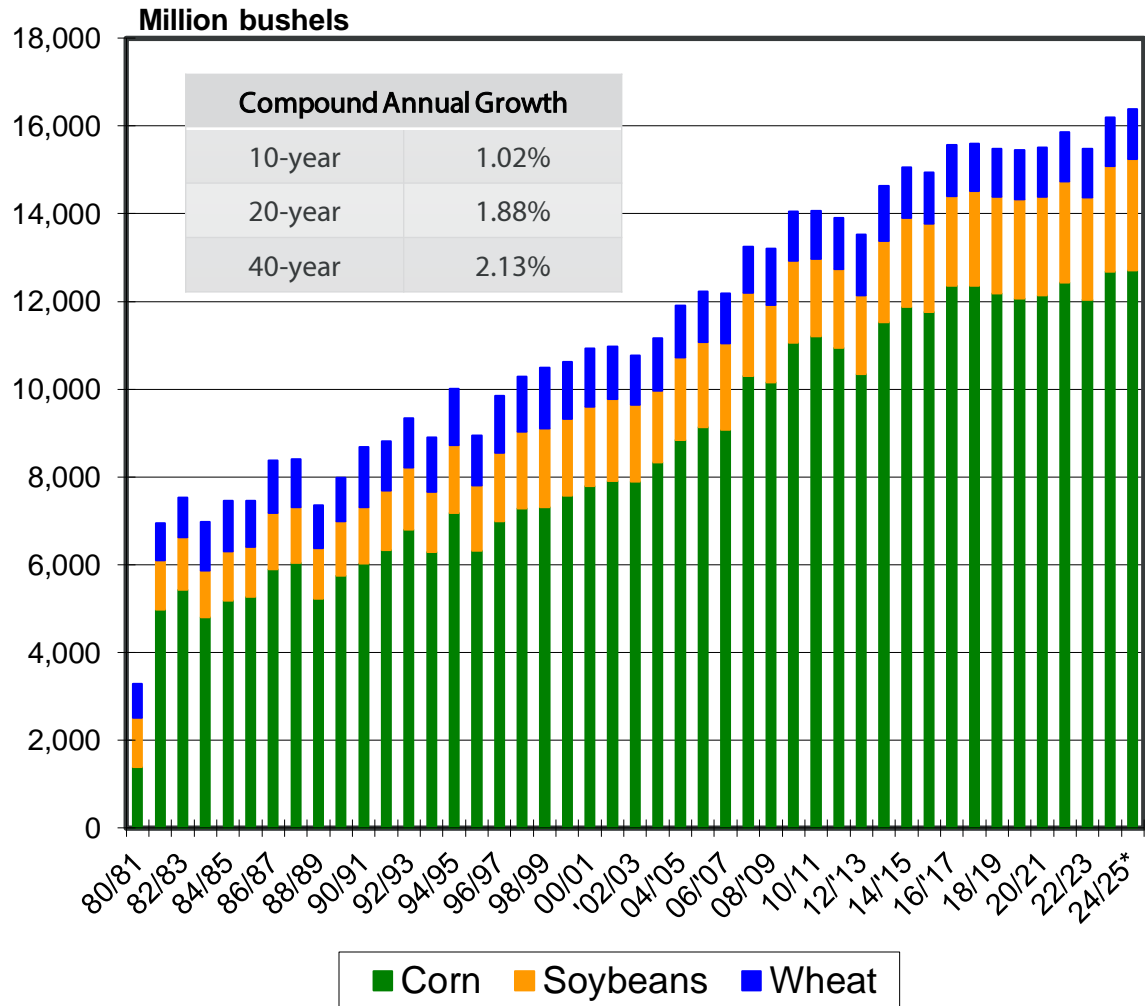
There has only five times since 1960/61 has domestic demand in the sector been negative which have been related to supply-side shocks and resulting higher prices.



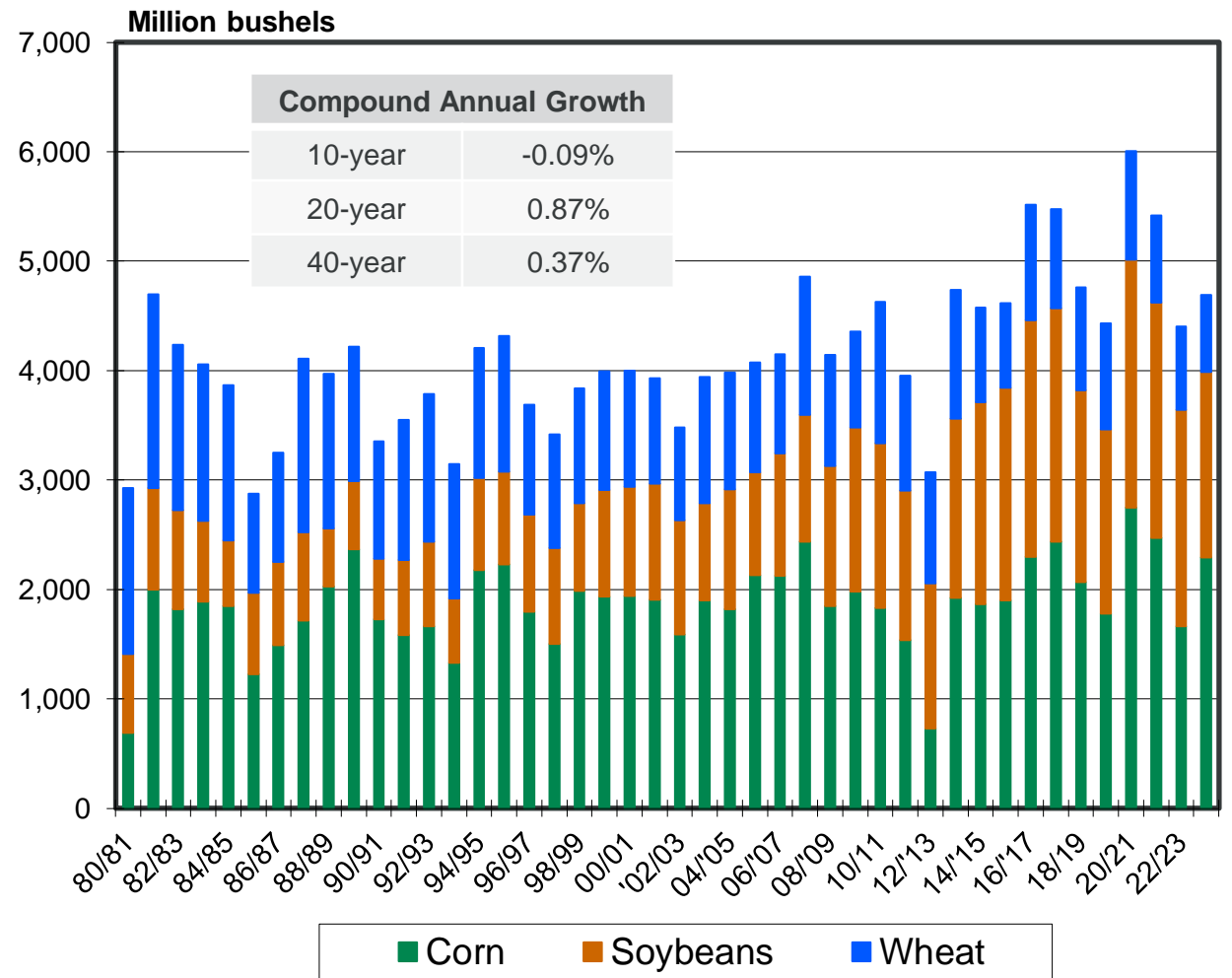
Source: USDA-FAS/PSD, Rabobank 2025

U.S. Grains and Oilseeds Demand Growth

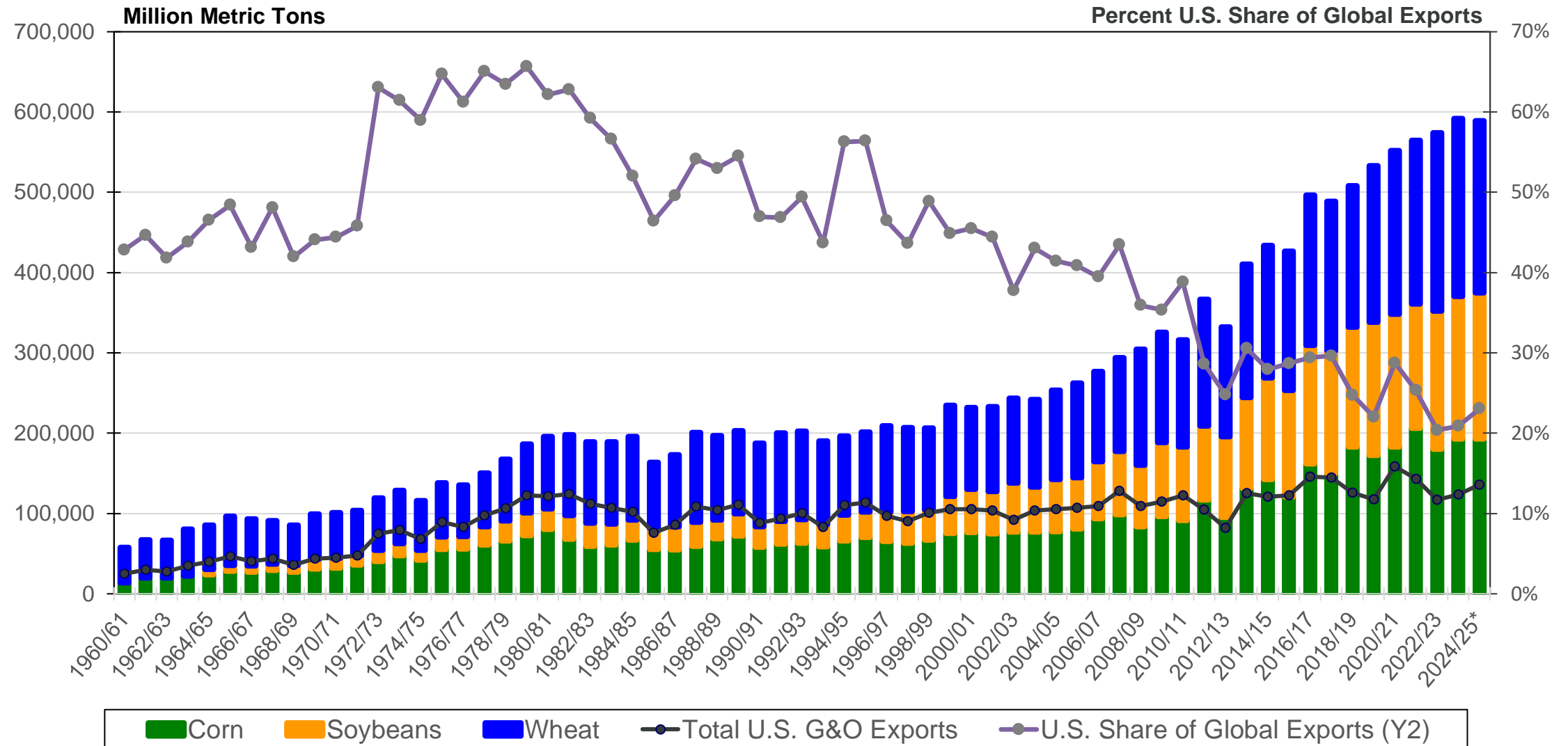
Slowing growth in Domestic consumption



Have exports reached a ceiling?

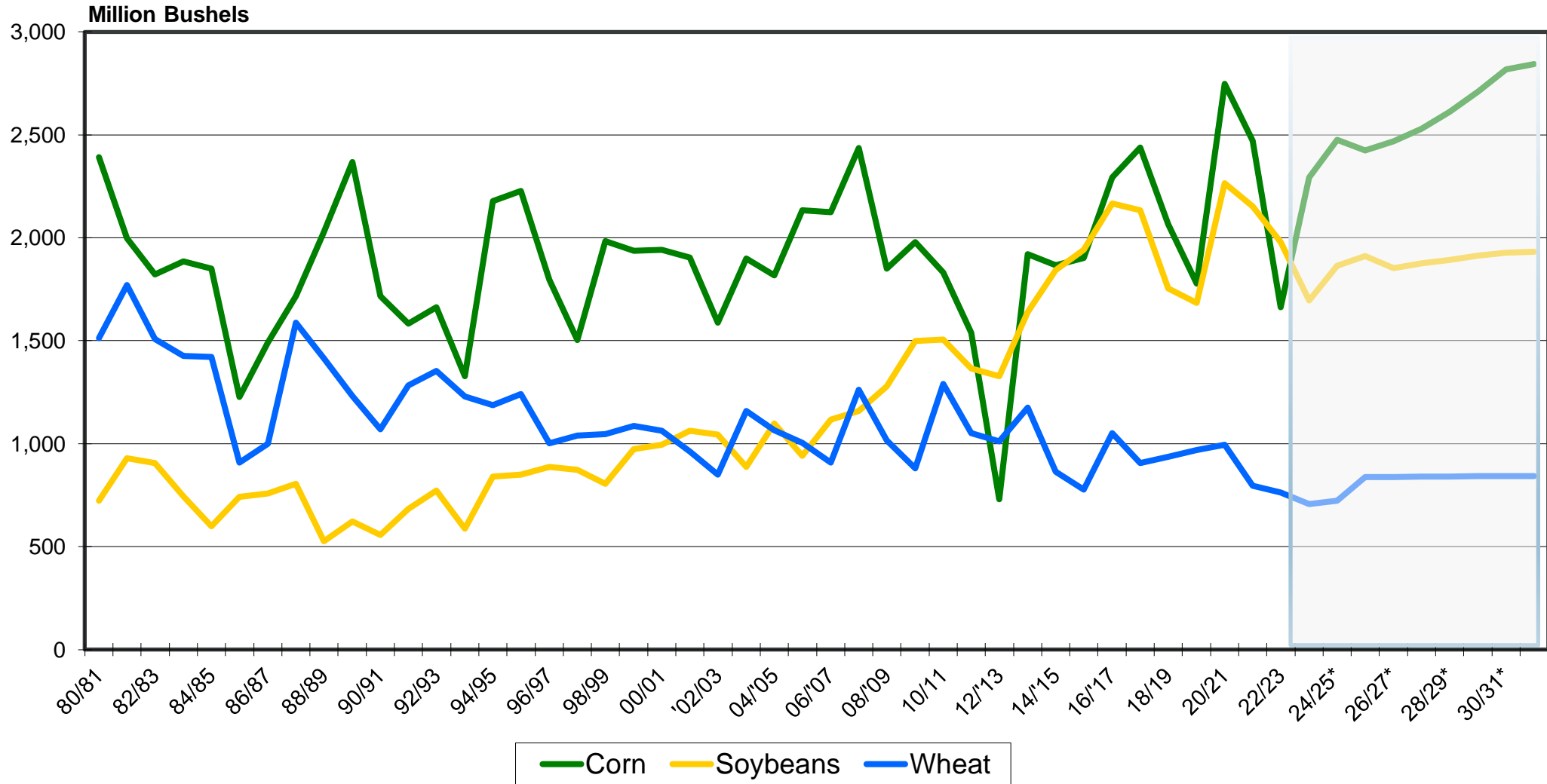


U.S. Continues to Use Lose Share of Global Corn, Wheat and Soybean Export Market



Source: USDA/FAS-PSD, Rabobank 2025

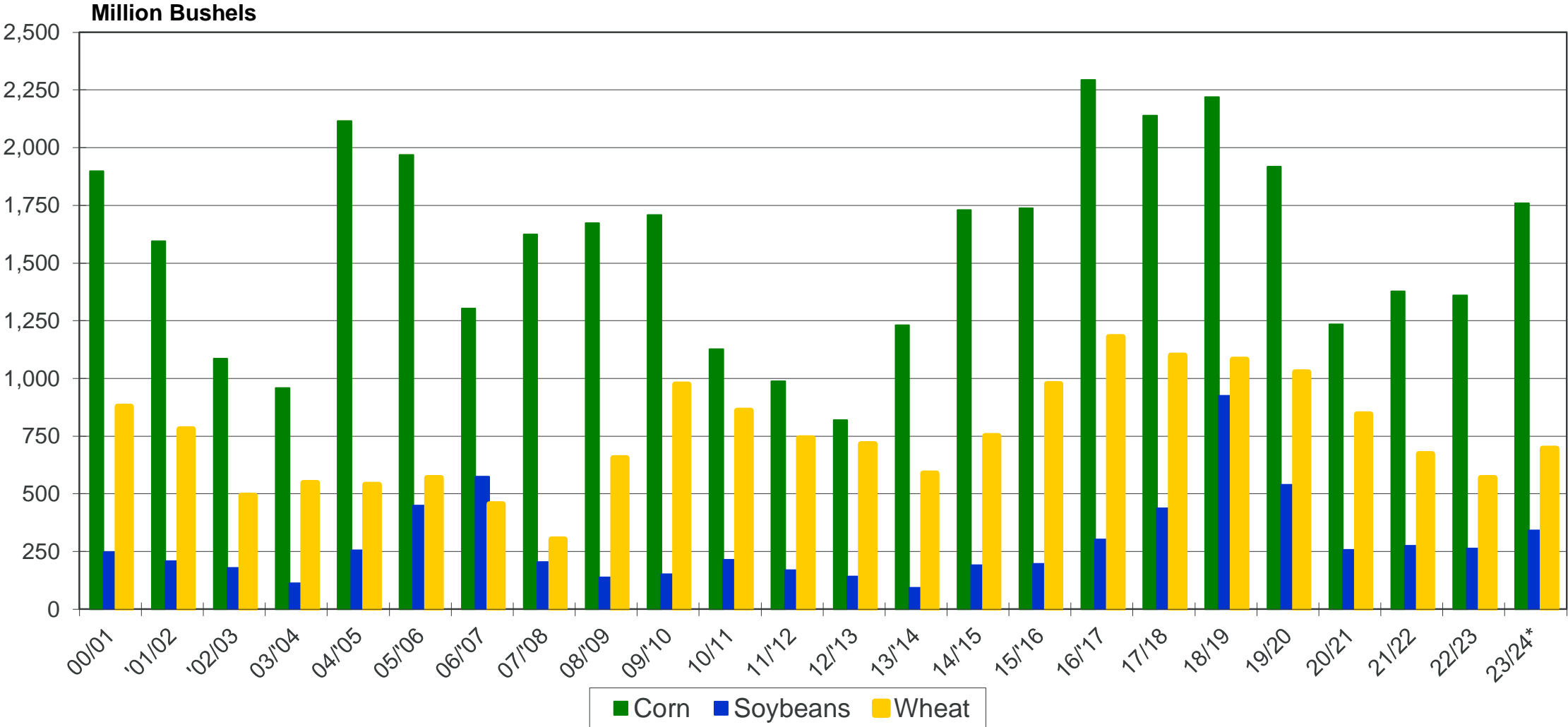
U.S. Corn, Soybean and Wheat Export Projections (Nov. 2024)



Source: Preliminary estimates from Rabobank 10-year baseline model, Rabobank 2025

Stocks of Major U.S. Grains

Over the last several months USDA has increasing demand and decreasing stocks projections



Source: USDA-WASDE, Rabobank, 2023

Banking & Securities Disclosure

This document has been prepared exclusively for your benefit and does not carry any right of publication or disclosure other than to Coöperatieve Rabobank U.A. ("Rabobank"), registered in Amsterdam. Neither this document nor any of its contents may be distributed, reproduced or used for any other purpose without the prior written consent of Rabobank. The information in this document reflects prevailing market conditions and our judgement as of this date, all of which may be subject to change. This document is based on public information. The information and opinions contained in this document have been compiled or derived from sources believed to be reliable, without independent verification. The information and opinions contained in this document are indicative and for discussion purposes only. No rights may be derived from any potential offers, transactions, commercial ideas et cetera contained in this document. This document does not constitute an offer or invitation. This document shall not form the basis of or cannot be relied upon in connection with any contract or commitment whatsoever. The information in this document is not intended and may not be understood as an advice (including without limitation an advice within the meaning of article 1:1 and article 4:23 of the Dutch Financial Supervision Act). This document is governed by Dutch law. The competent court in Amsterdam, The Netherlands has exclusive jurisdiction to settle any dispute which may arise out of or in connection with this document and/or any discussions or negotiations based on it. This report has been published in line with Rabobank's long-term commitment to international food and agribusiness. It is one of a series of publications undertaken by the global department of Food & Agribusiness Research and Advisory.

©2016 - All Rights Reserved.

Contact Information:

Stephen P. Nicholson

Rabobank

EVP /Global Sector Strategist-Grains and Oilseeds

RaboResearch Food & Agribusiness

Stephen.Nicholson@rabobank.com

+1 314-317-8278 (office)

+1 314-452-2479 (mobile)

Appendix



Wheat

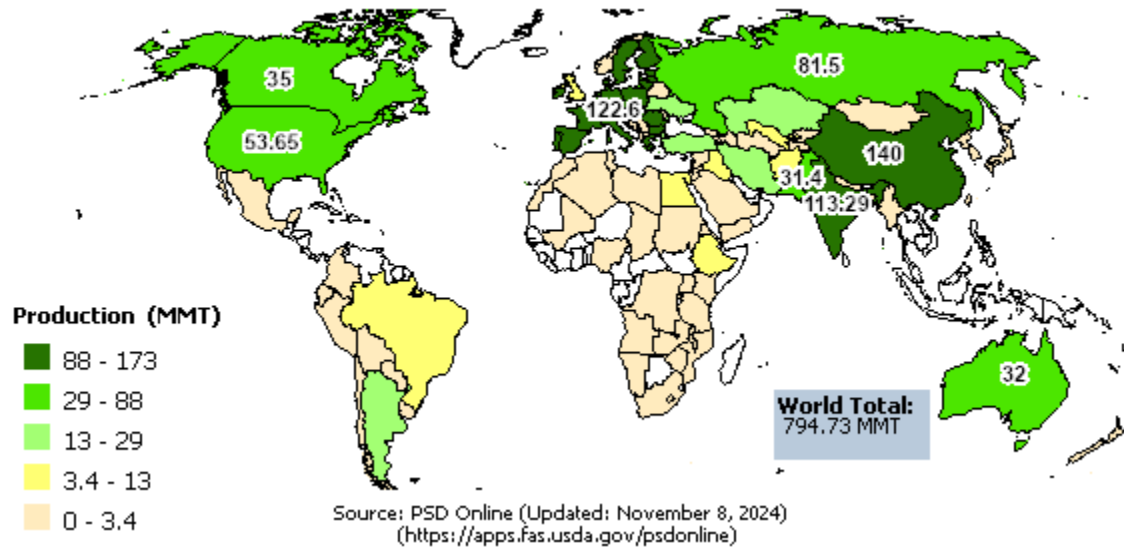


Rabobank

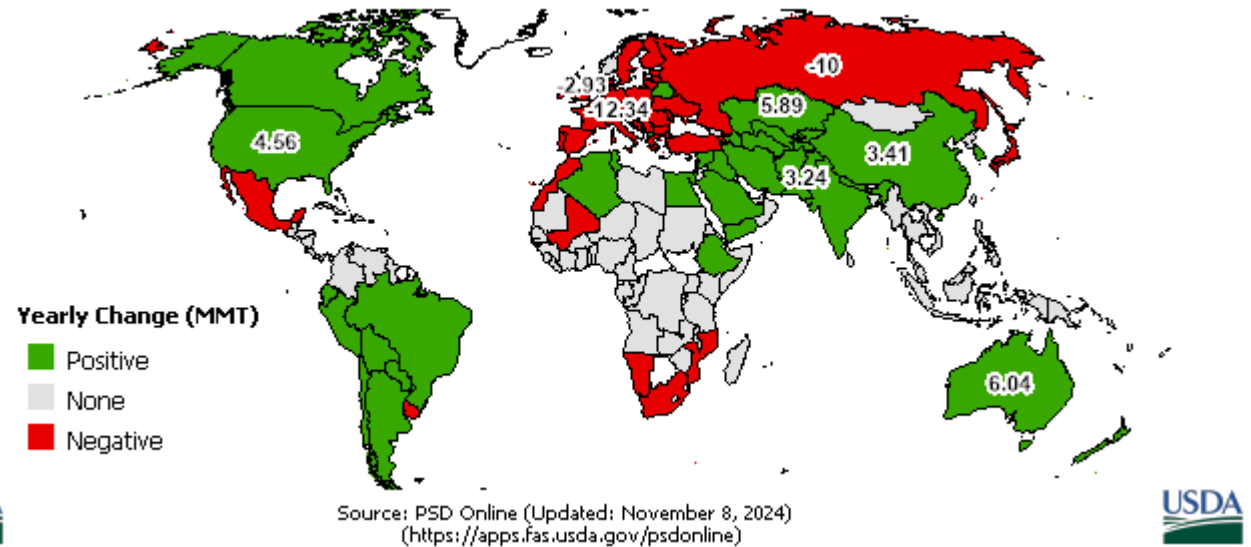
A Global Look at Wheat Production

Nearly 20.0 mmt less wheat production in EU and Russia in 2024/25 crop year.

2024/2025 Wheat Production



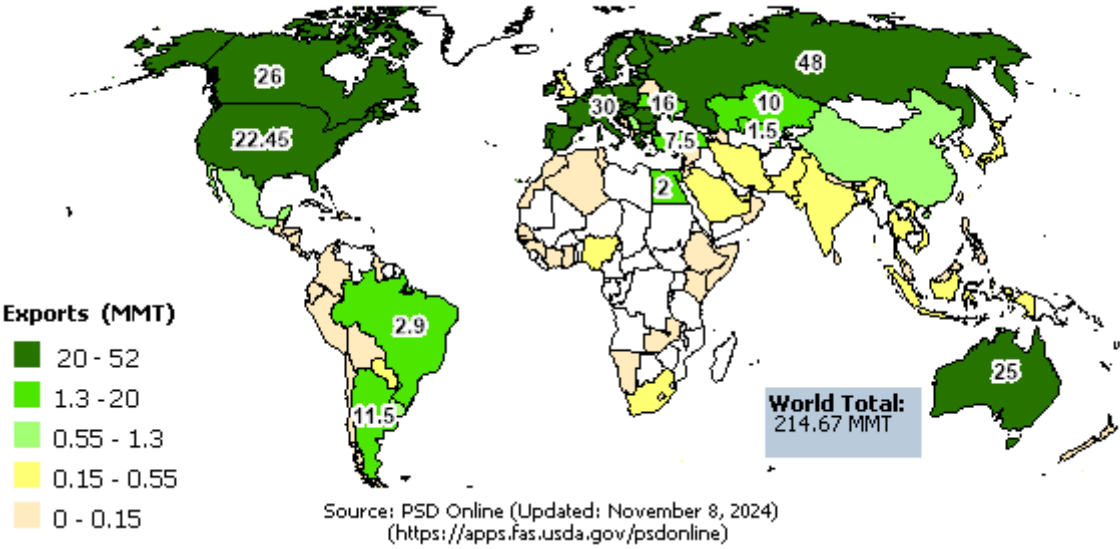
2024/2025 Wheat Production (Change from Previous Year)



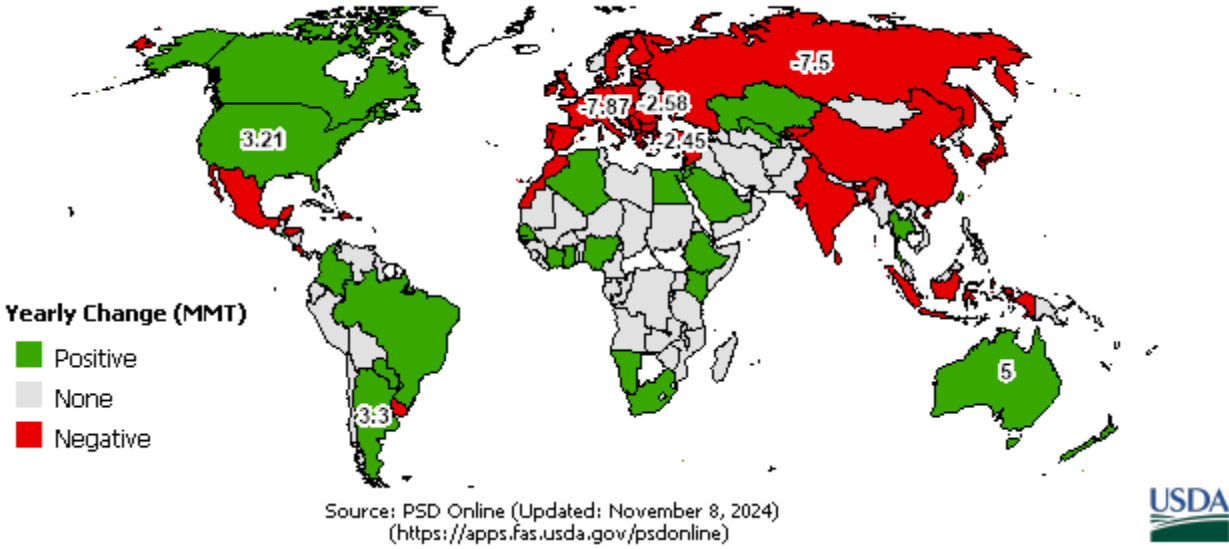
A Global Look at Wheat Exports

Nearly 18 mmt less wheat export volume from in EU and Russia in 2024/25 crop year---export opportunity for Canada, U.S., Argentina, Australia & Kazakhstan.

2024/2025 Wheat Exports

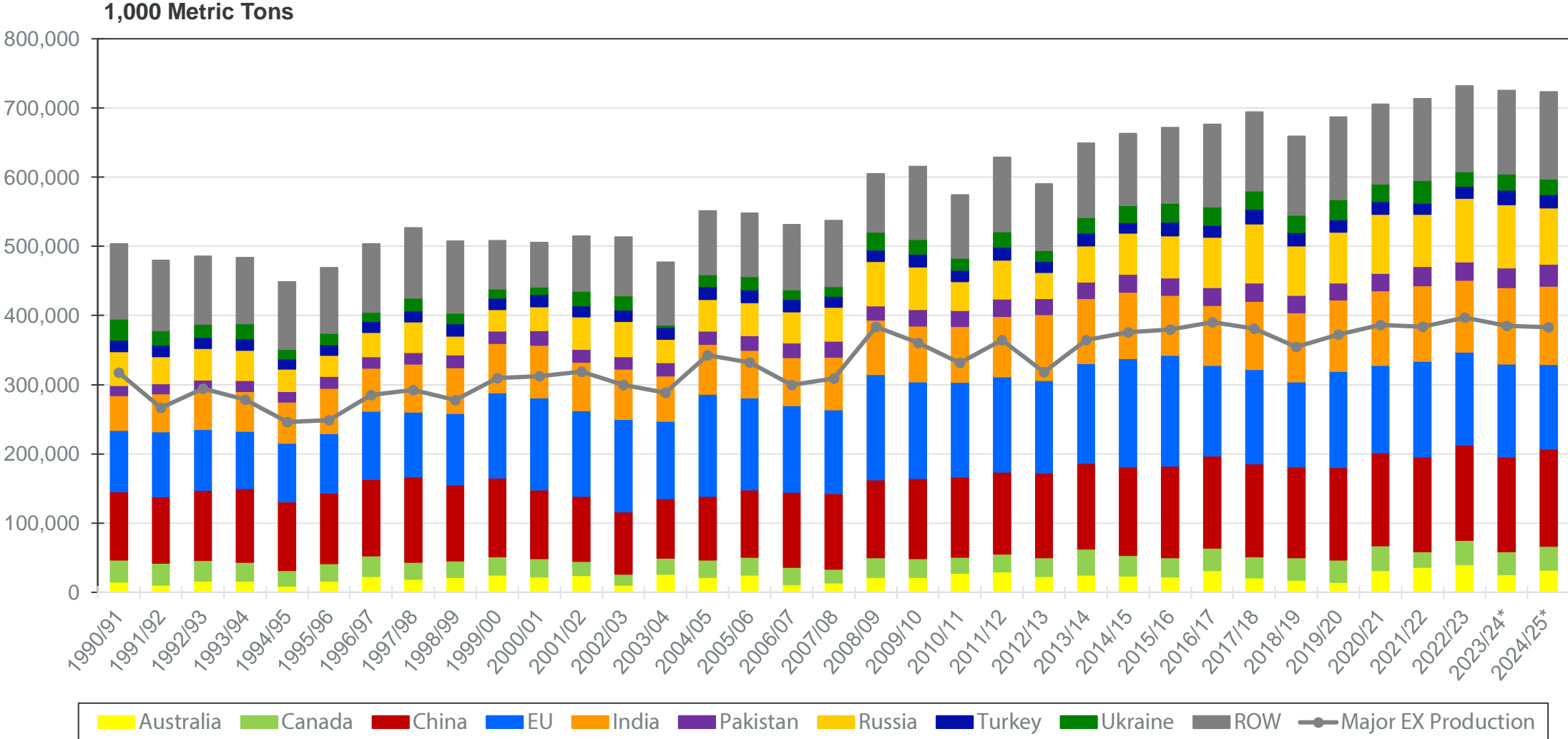


2024/2025 Wheat Exports (Change from Previous Year)



Global Wheat Production

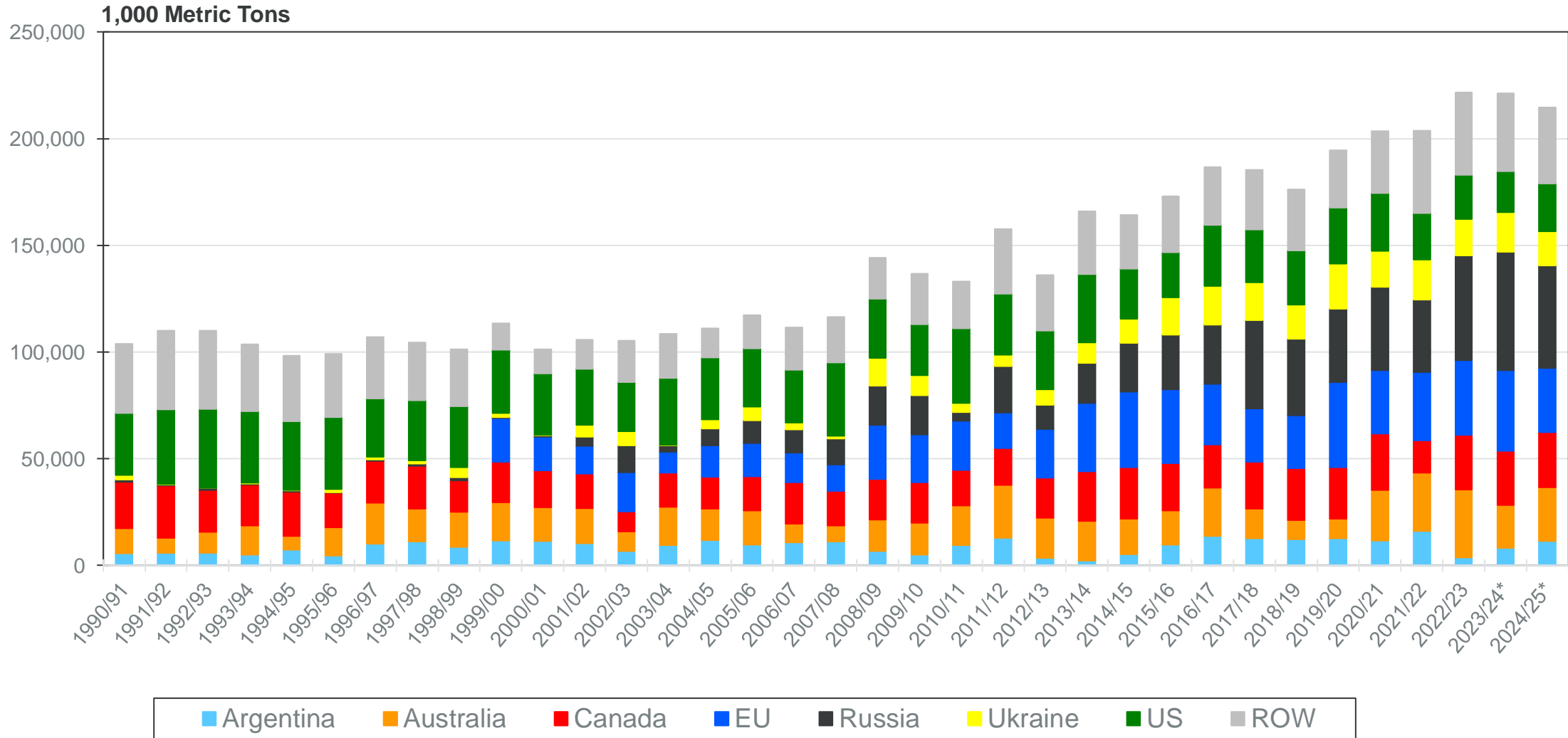
Major wheat exporters' production is at best flat



Source: USDA-PSD, Rabobank 2025

Global Wheat Exports

Russian wheat exports have changed the wheat price dynamics in the world

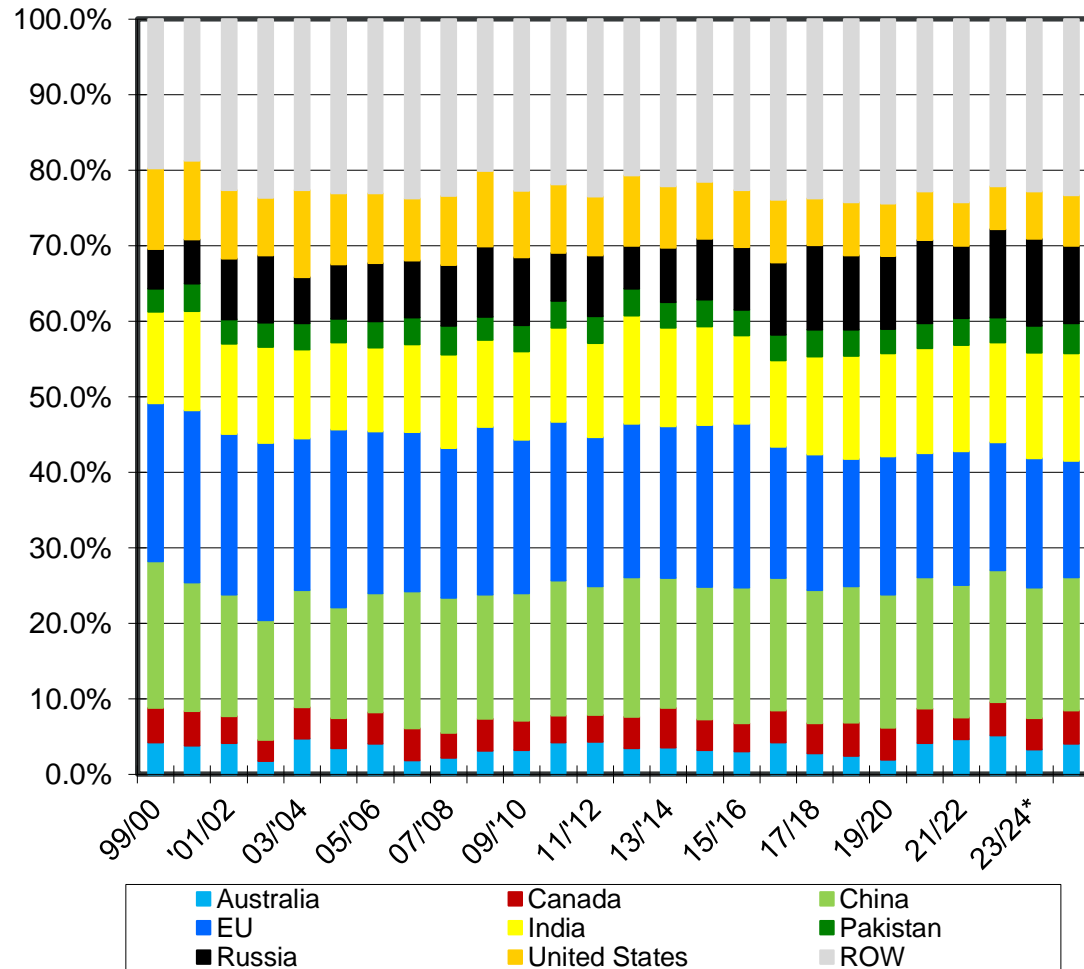


Source: USDA-PSD, Rabobank 2025

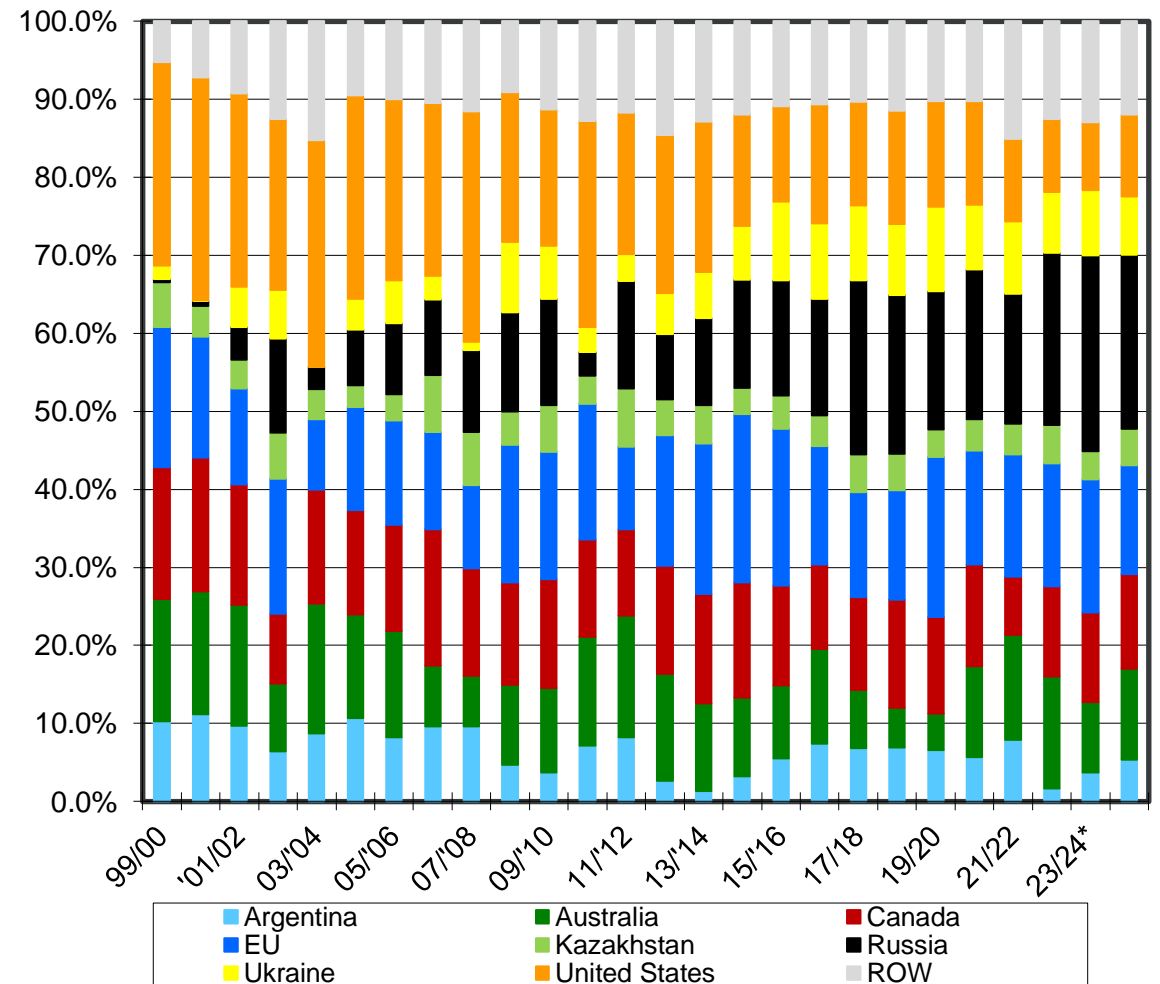
Share of Global Wheat Production and Exports

While fragmented, any production hiccups create opportunities for others

Eight Countries Account of nearly 80% of Global Wheat Production



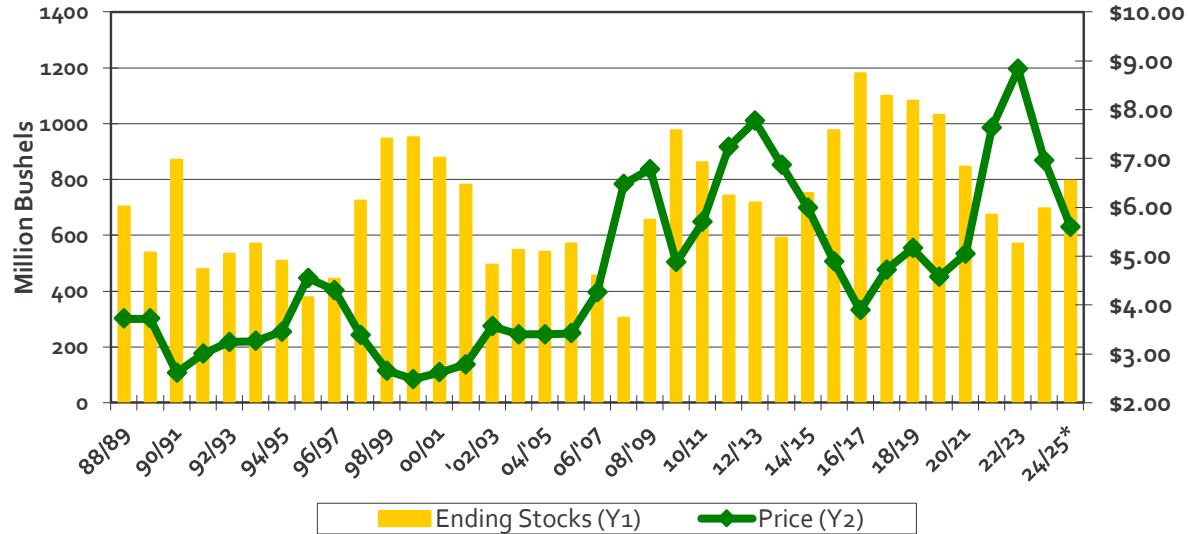
Eight Countries Control nearly 90% of Global Wheat Exports



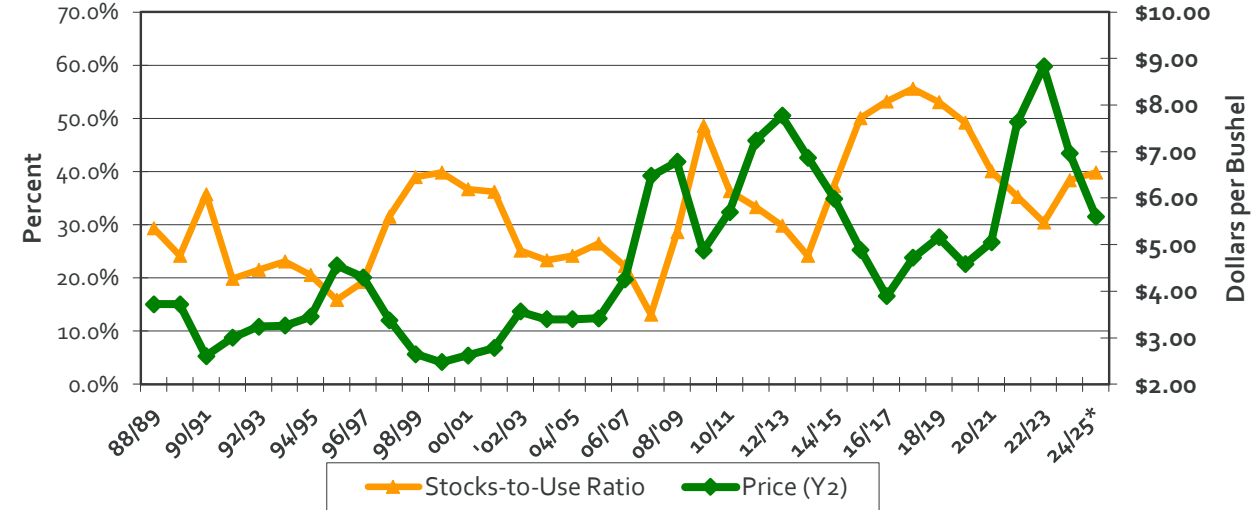
Source: USDA-FAS/PSD, Rabobank 2025

U.S. All-Wheat Fundamentals Are Still Supportive of Prices

U.S. Wheat Stocks Building

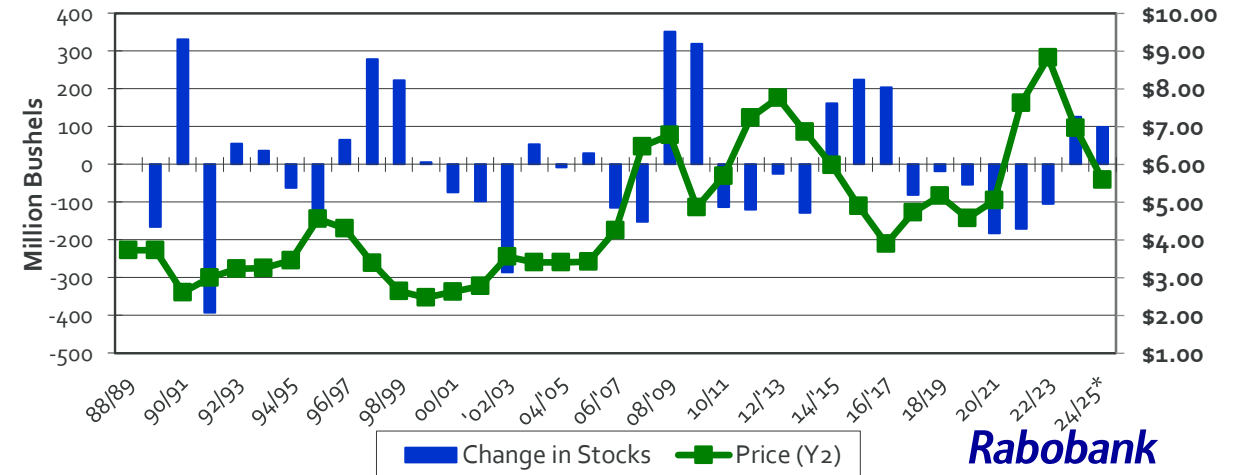


U.S. All-Wheat Stock-to-Use vs U.S. Average Farmgate Prices

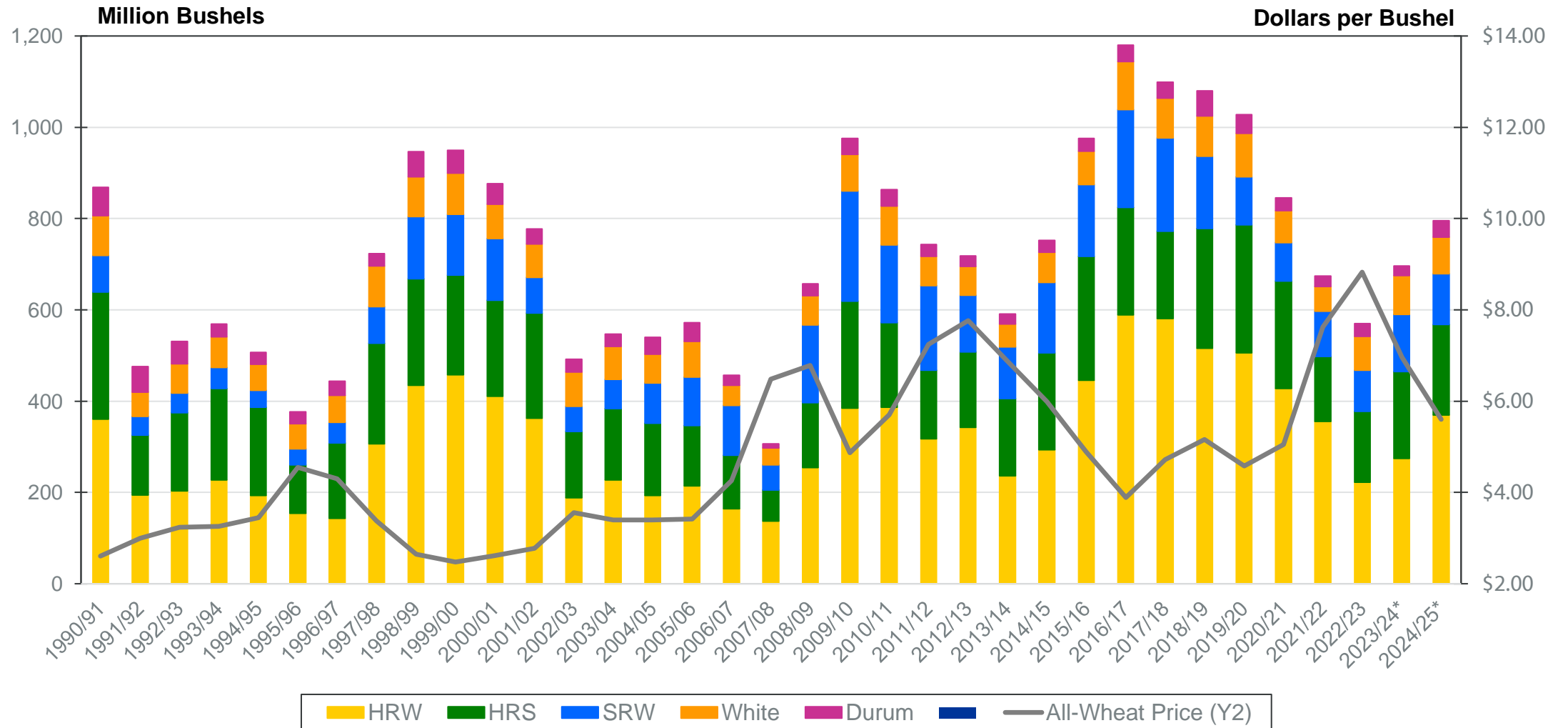


- While fundamentals of the wheat market remain supportive to prices: declining stocks & stocks-to-use ratio, stronger than expected U.S. wheat exports, Russian/Ukrainian war continues, Russian crop concerns, and Russian import quota expected, but weak corn prices, improved winter wheat conditions and strong Russian exports will keep wheat prices on the defensive.
- The global picture continues to show lower supplies, consumption, exports, but contracting stocks. Low prices are encouraging more consumption and trade.
- Global exporter stocks continue to tighten, but China continues to hold the majority of the world's wheat stocks (52%).
- 2025 U.S. winter wheat conditions are the best since 2019. January 10, USDA will have first projection of winter wheat acres.

Change in All-Wheat Stocks vs U.S. Average Farmgate Prices



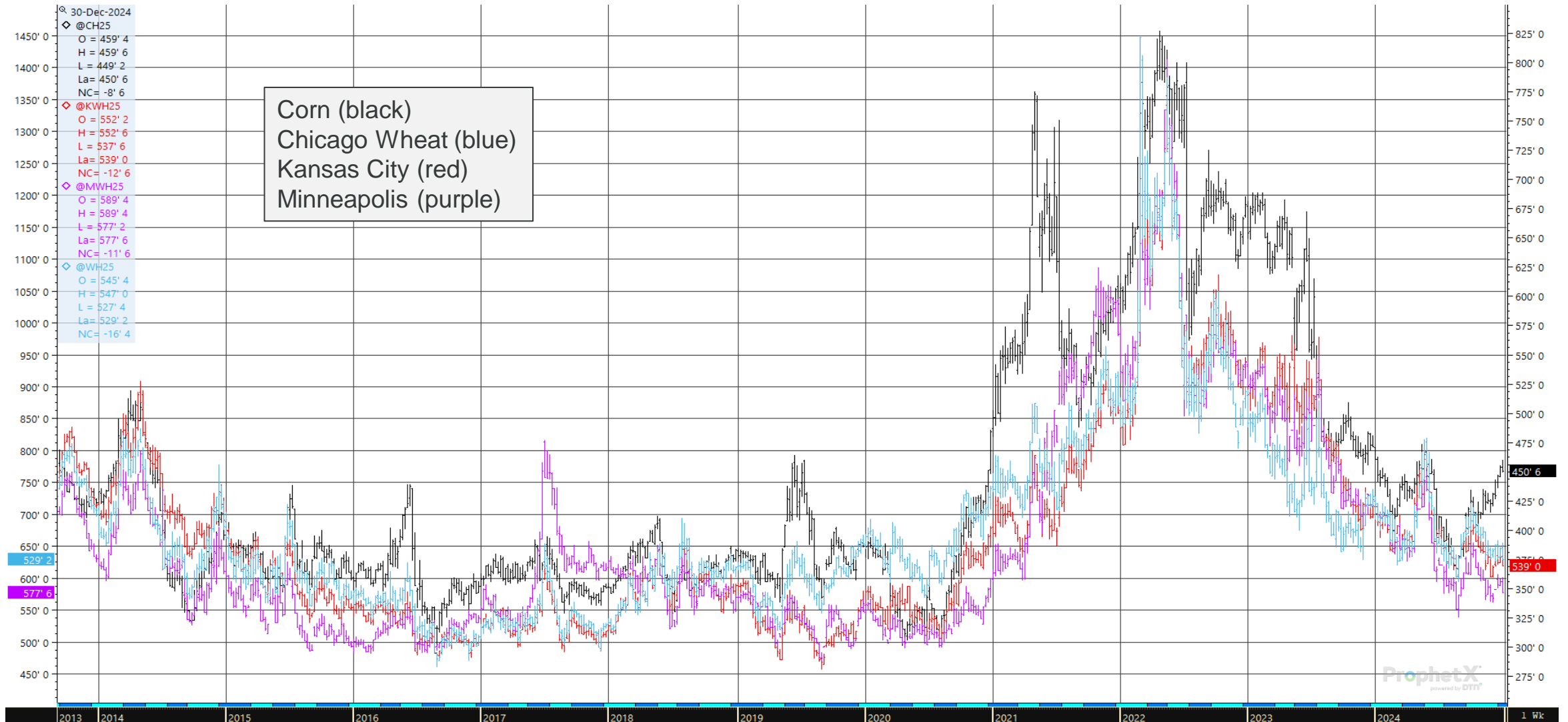
U.S. Wheat Ending Stocks by Class



* Projections

Source: USDA, Economic Research Service, Rabobank 2025

Despite Bullish Wheat Fundamentals, Wheat Futures Prices Have Followed Corn Futures Lower (weekly futures)

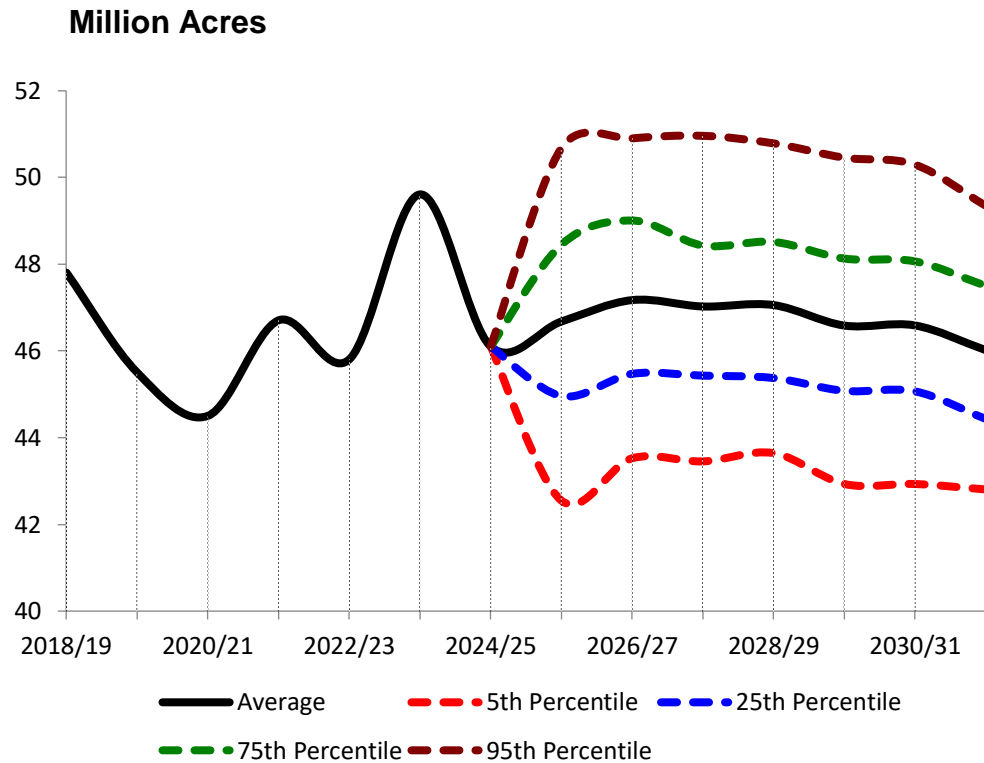


Rabobank U.S. Ten-Year Baseline Model Wheat Outlook*

(November 2024)

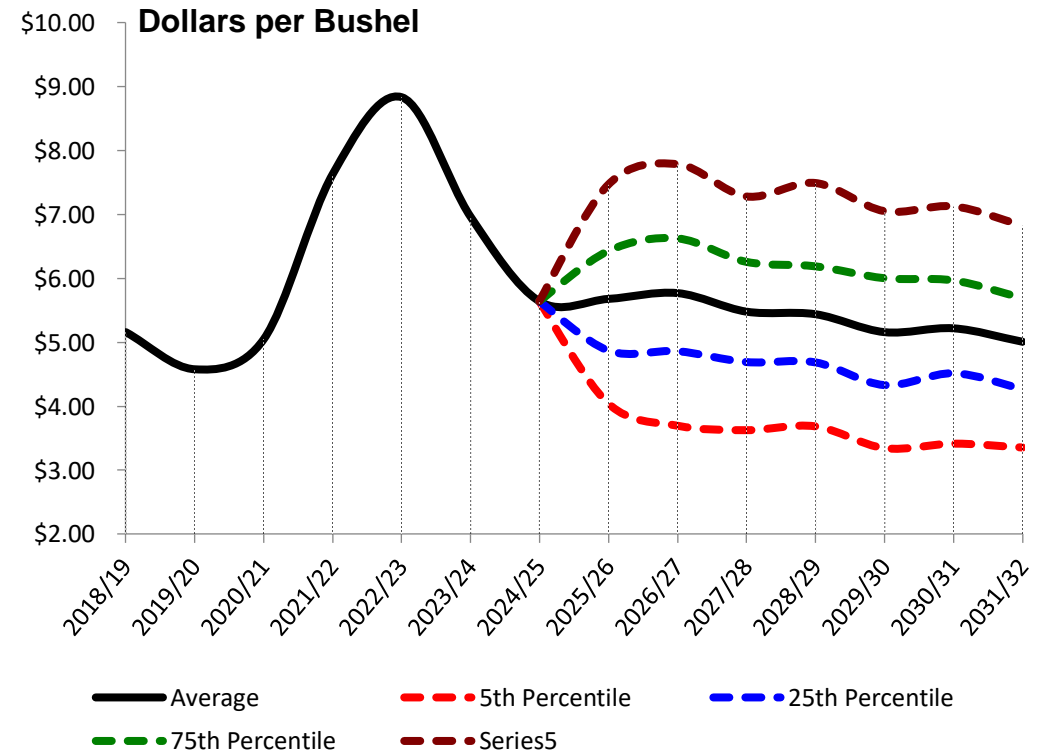
U.S. Planted Wheat Acres Outlook

75% probability planted wheat acres will be under 49.0 mln acres



U.S. Farmgate Wheat Price Outlook

75% probability wheat prices will be under \$6.50 per bushel or lower

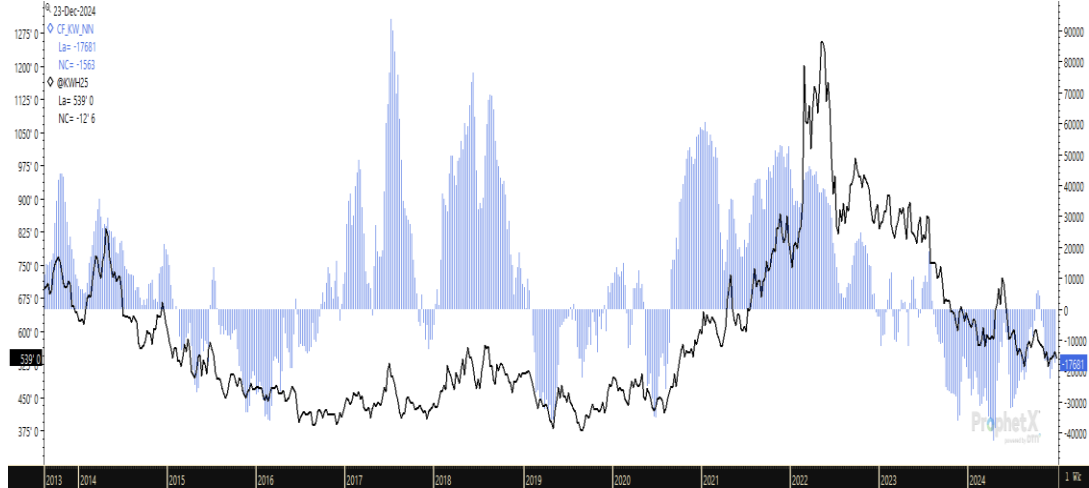


Source: USDA, Rabobank Baseline (Nov 2024)

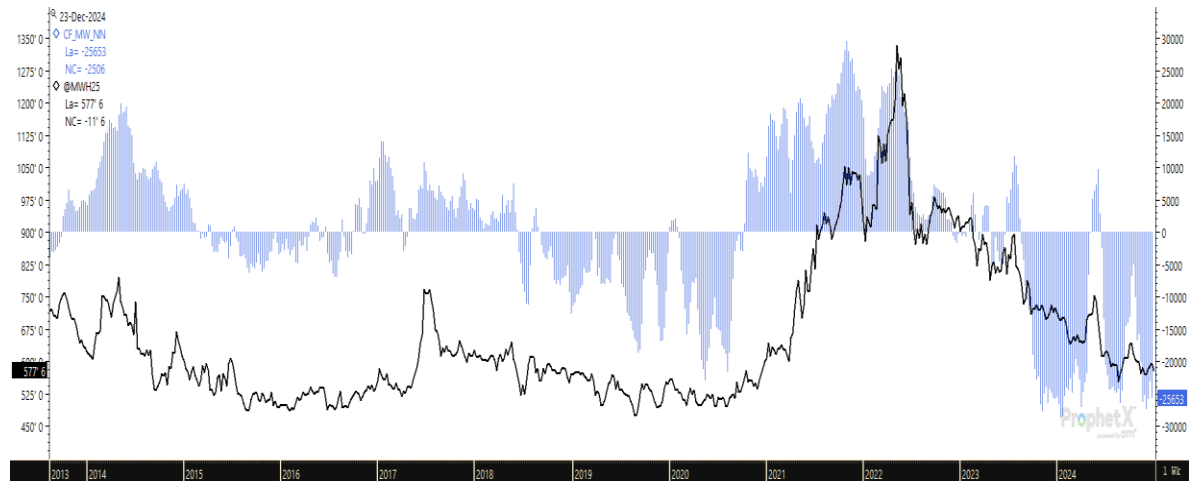
*Assuming "normal" conditions, including weather

Non-Commercial (Funds) Net Positions—Holding Net Short

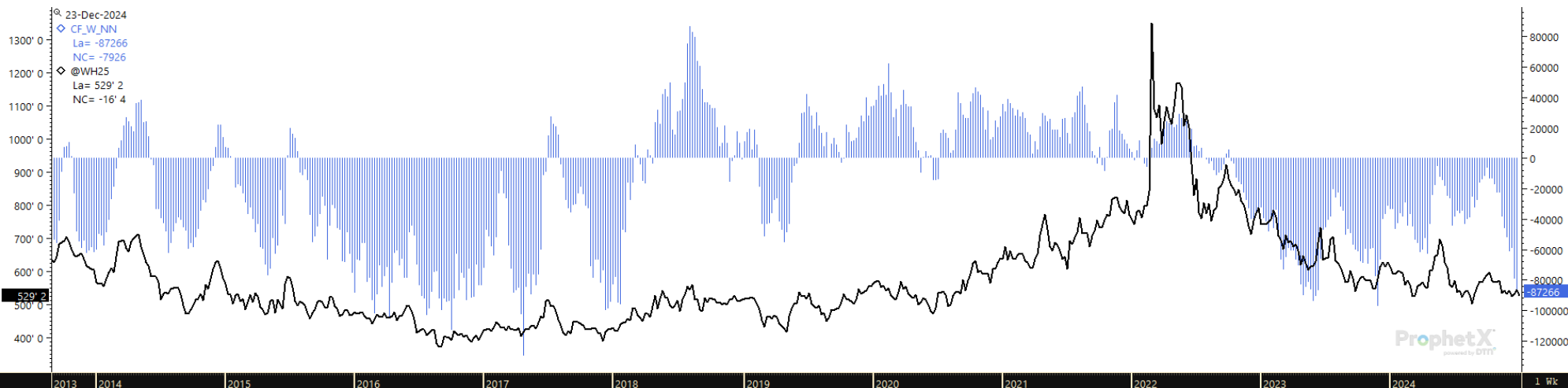
Kansas City (HRW) Wheat



Minneapolis (HRS) Wheat

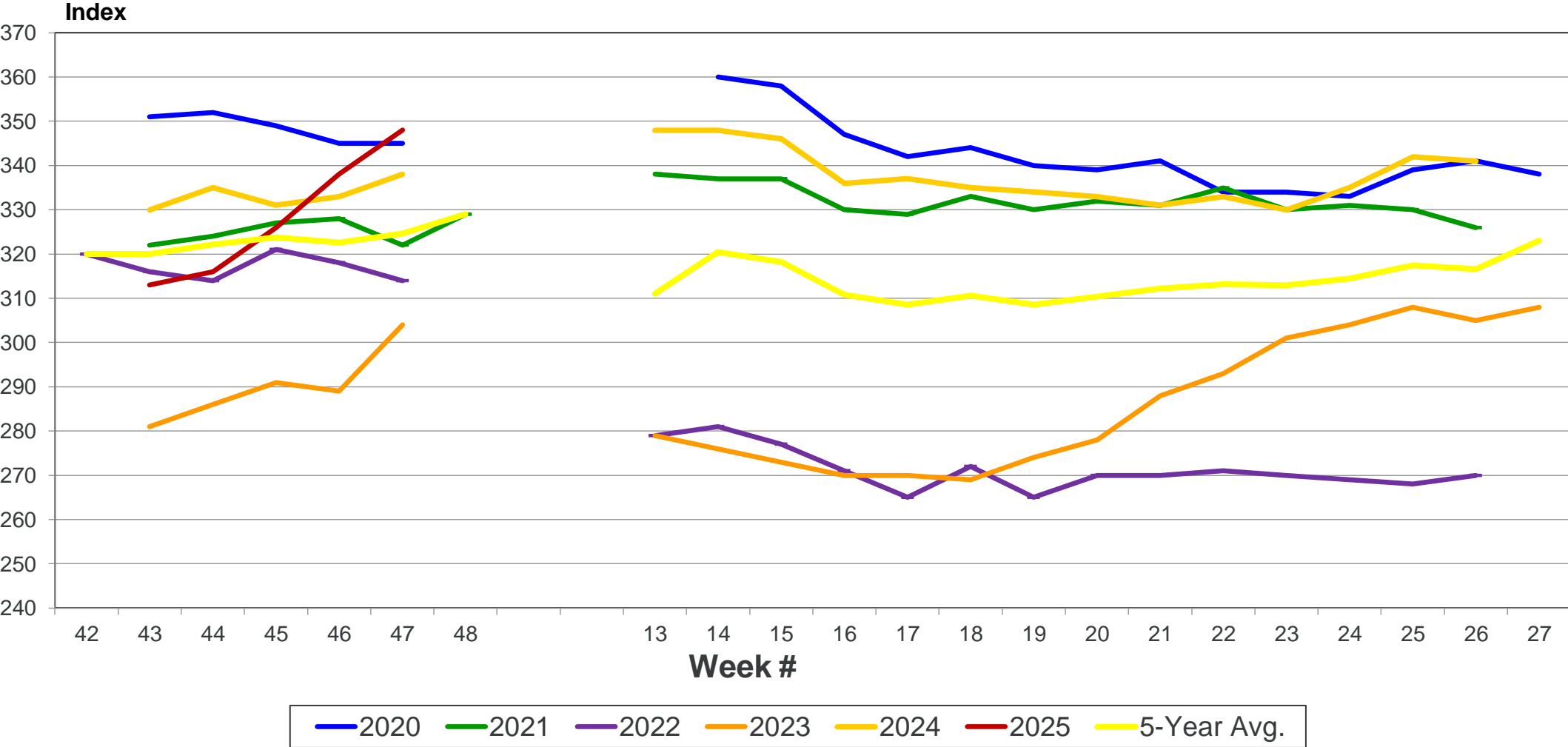


CBOT (SRW) Wheat



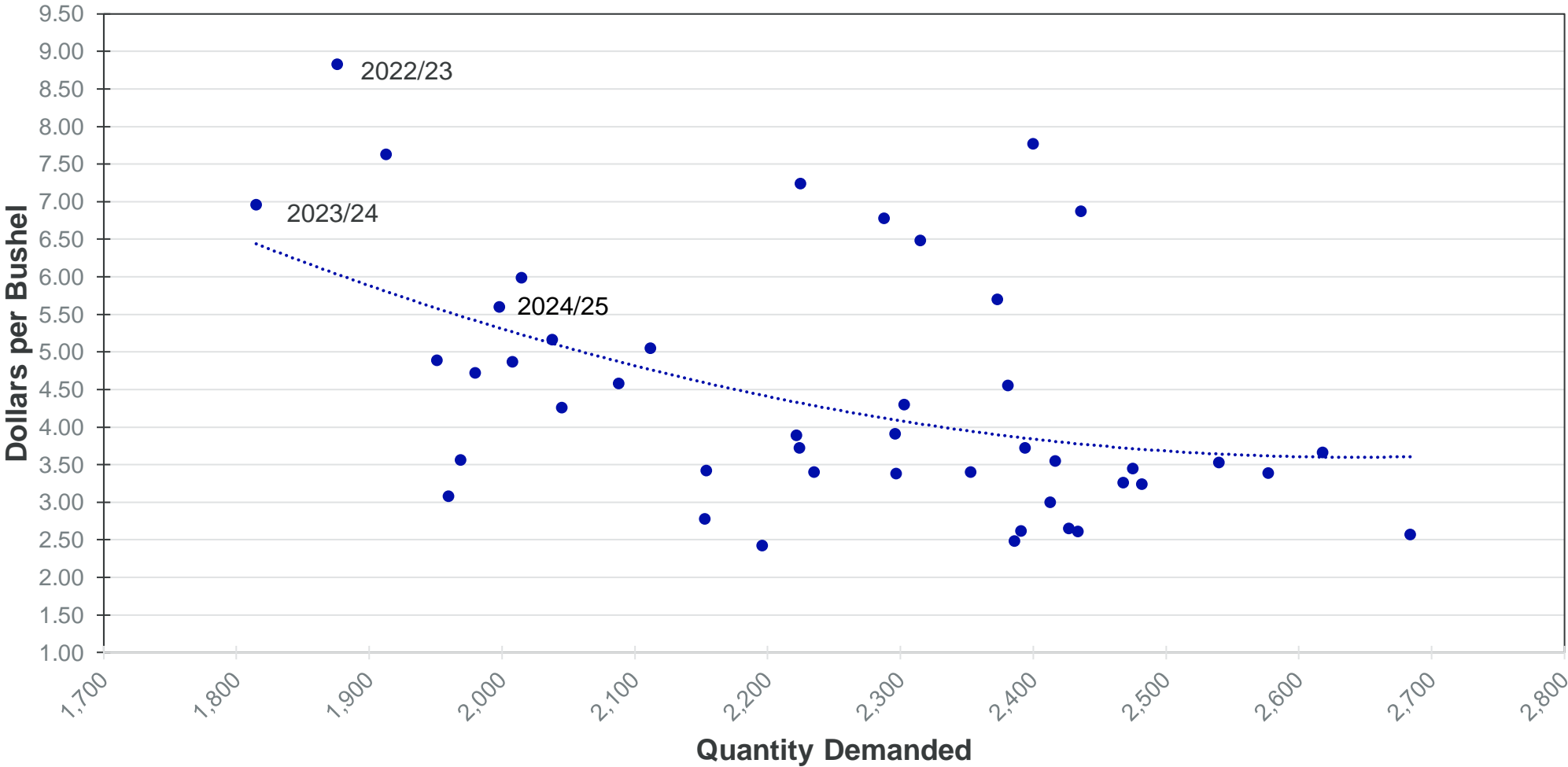
Source: CFTC, DTN ProphetX, Rabobank 2025

Winter Wheat Crop Condition Ratings Index



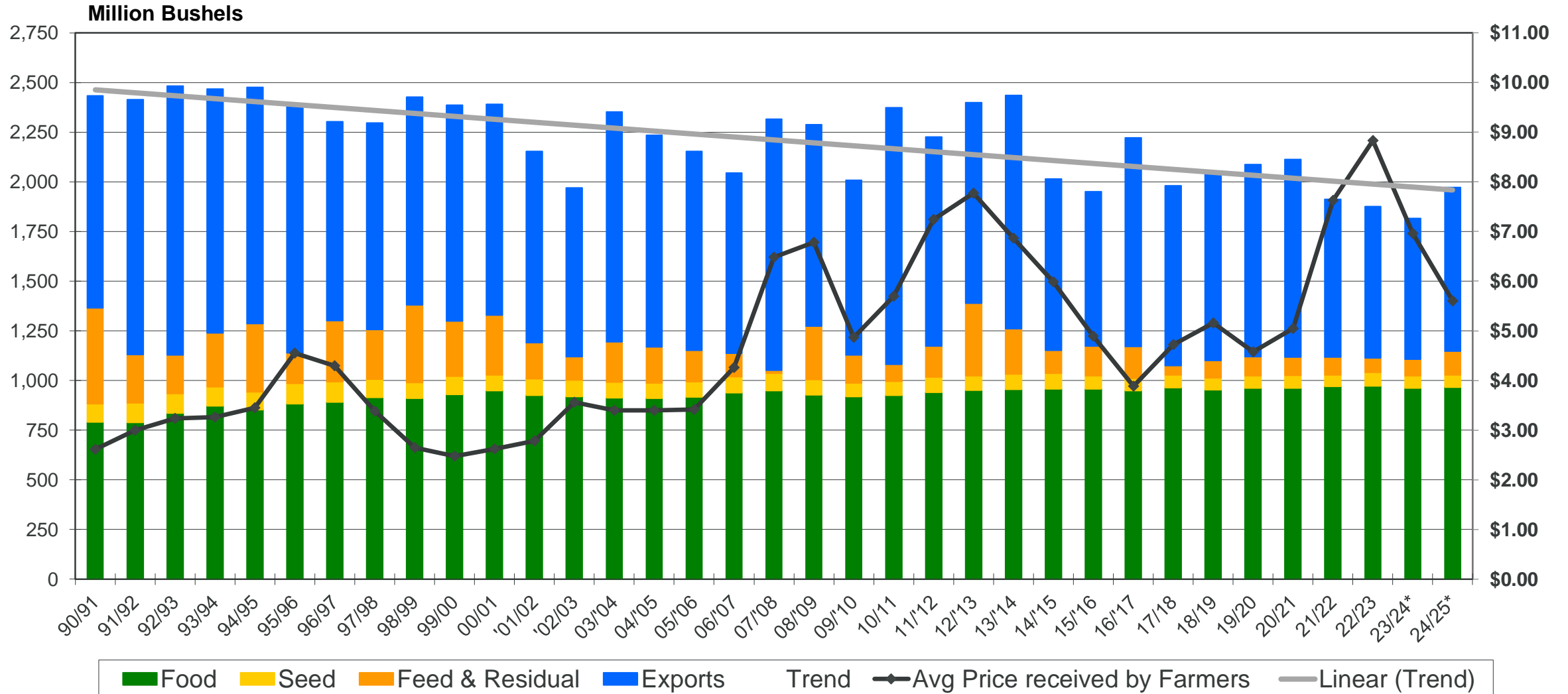
Source: USDA-NASS, Rabobank 2025

CBOT Wheat Price to Quantity Demanded



Source: CFTC, DTN ProphetX, Rabobank 2025

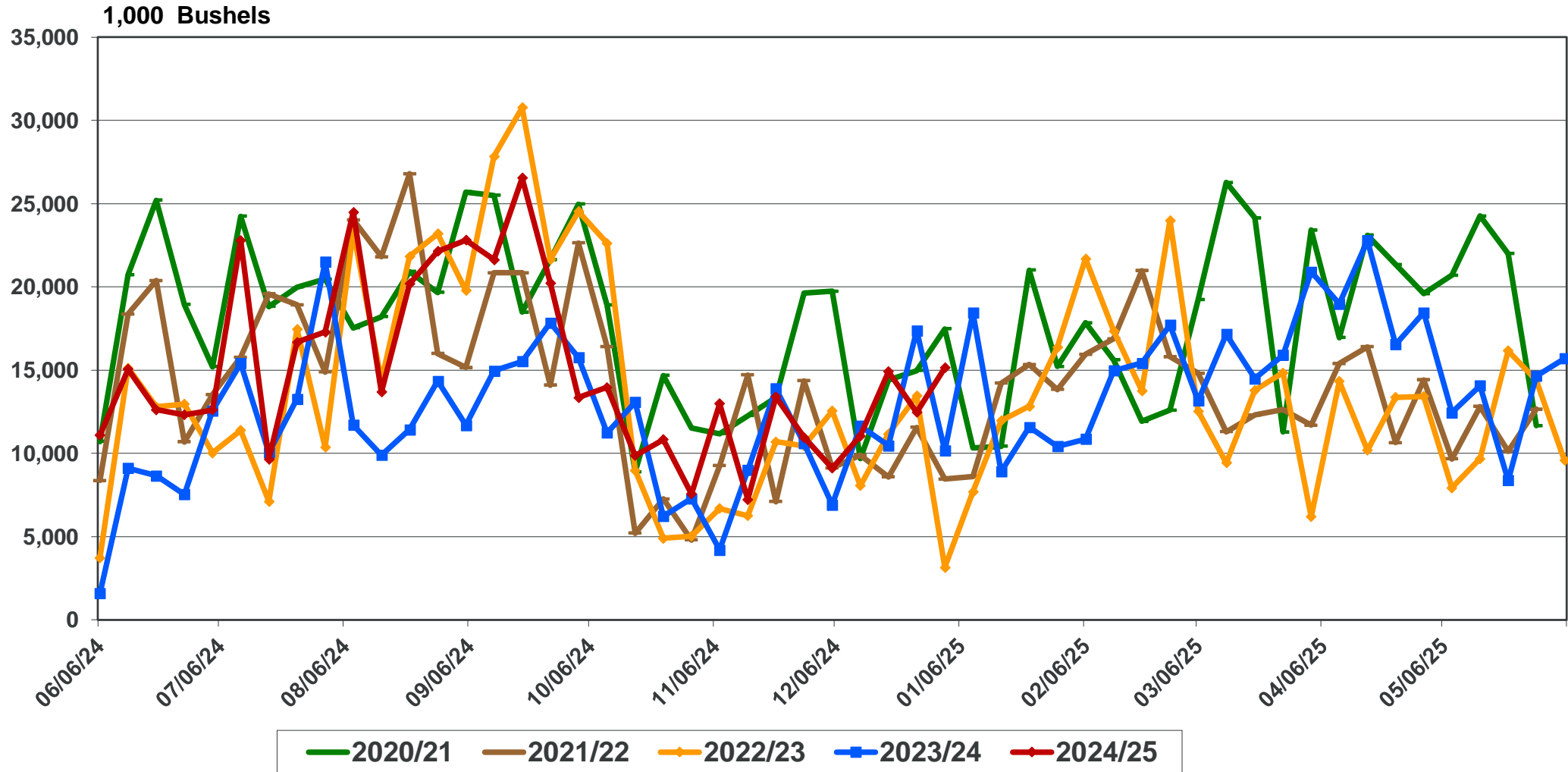
U.S. Wheat Demand Components—Long-Term Downward Trend



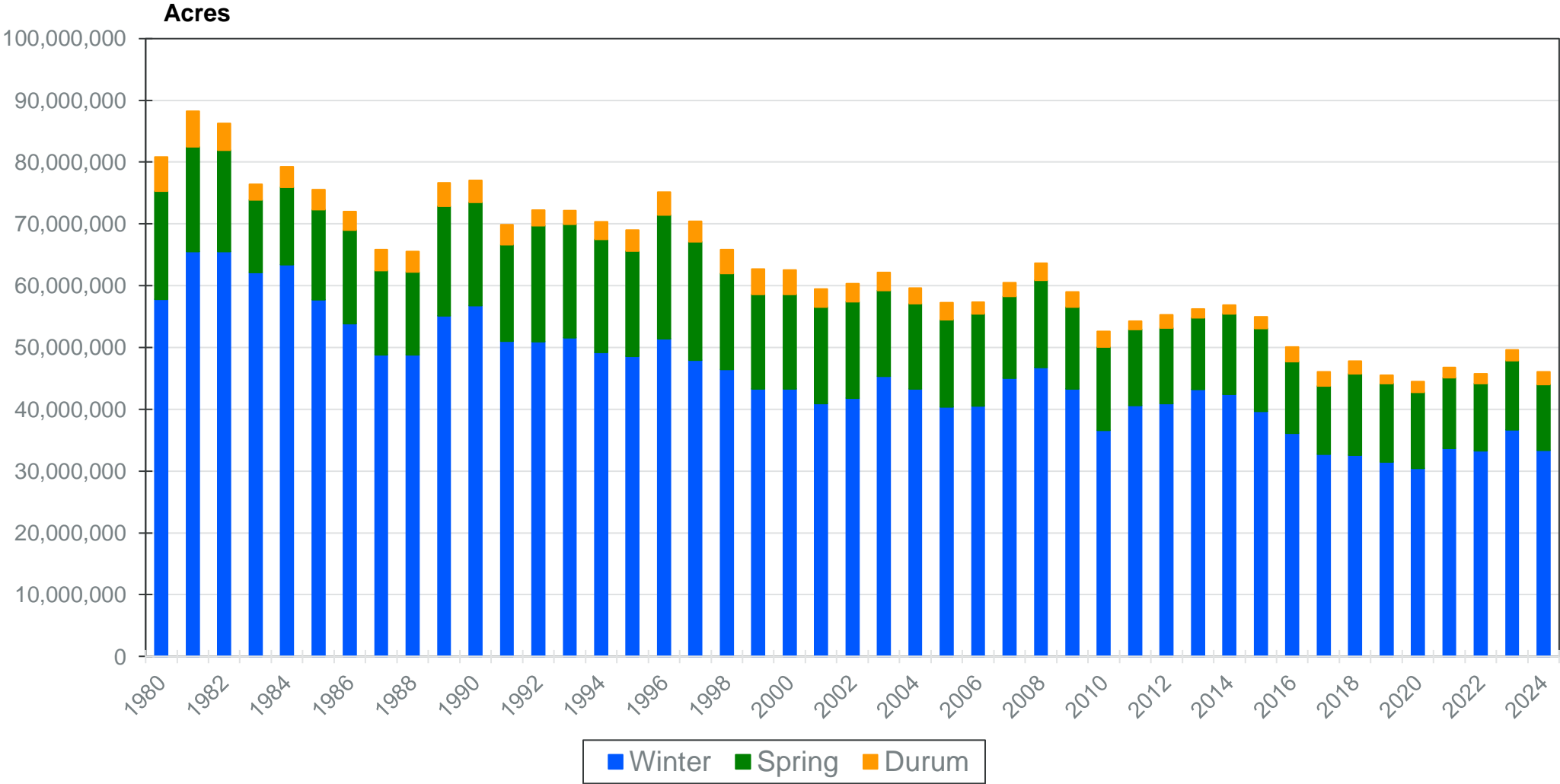
Source: USDA-WASDE, Rabobank, 2025

U.S. Wheat Export Inspections

2023/24 export pace is +25.1% ahead of last year's pace.



U.S. Wheat Planted Acres---Long-Term Downtrend



Source: CFTC, DTN ProphetX, Rabobank 2025

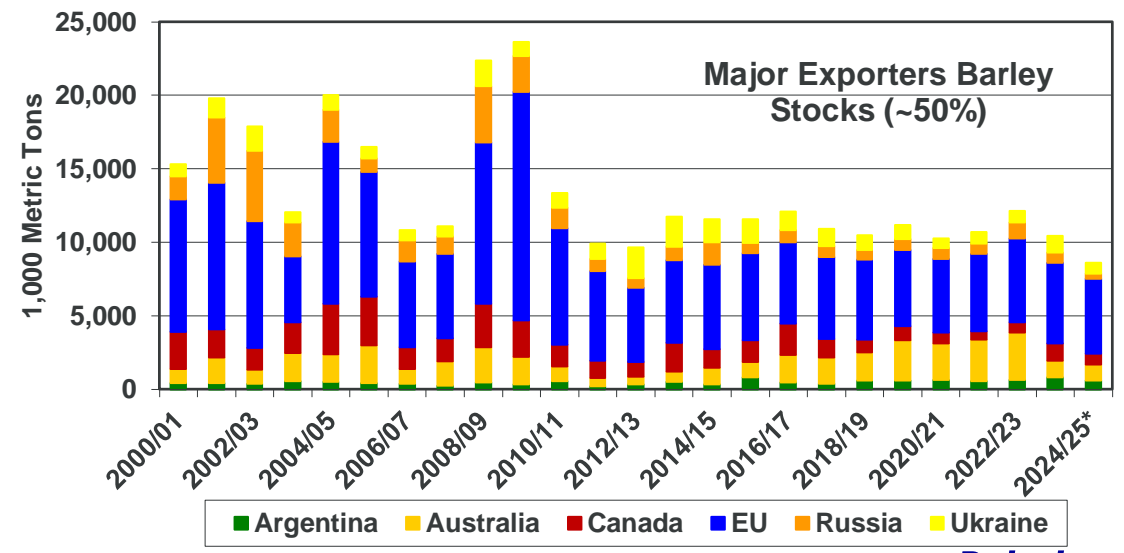
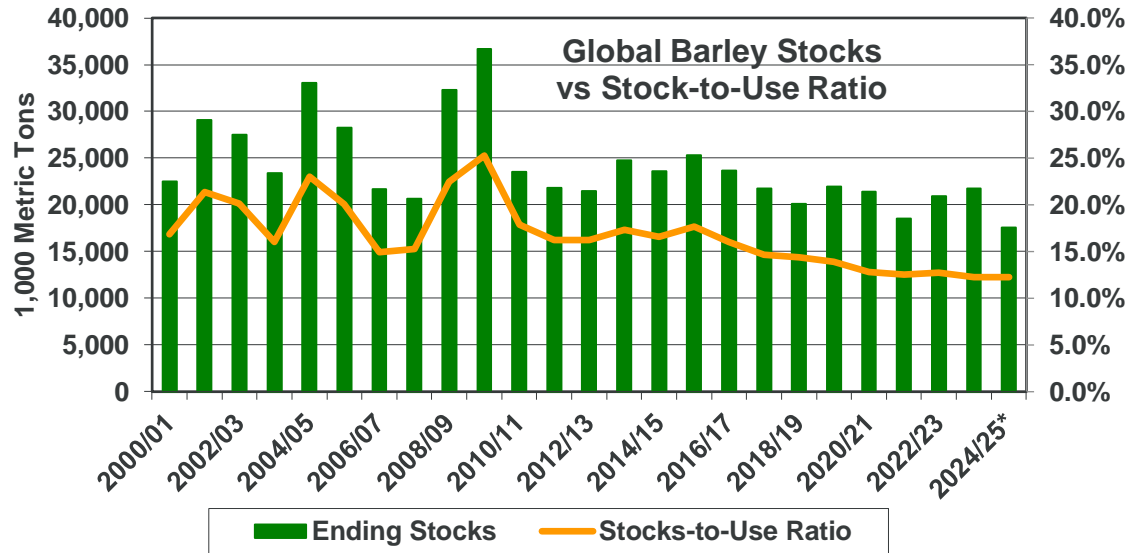
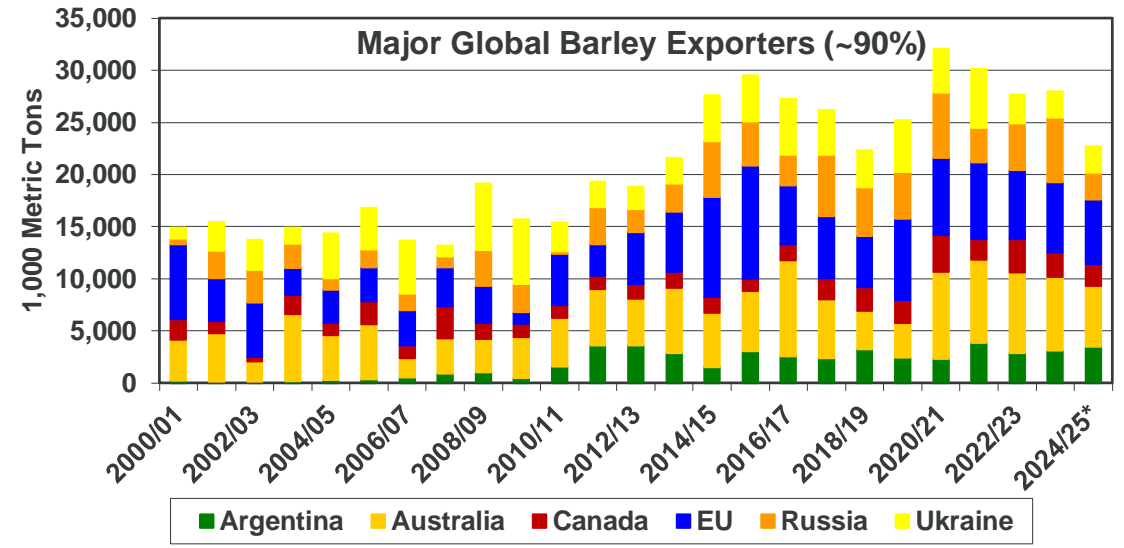
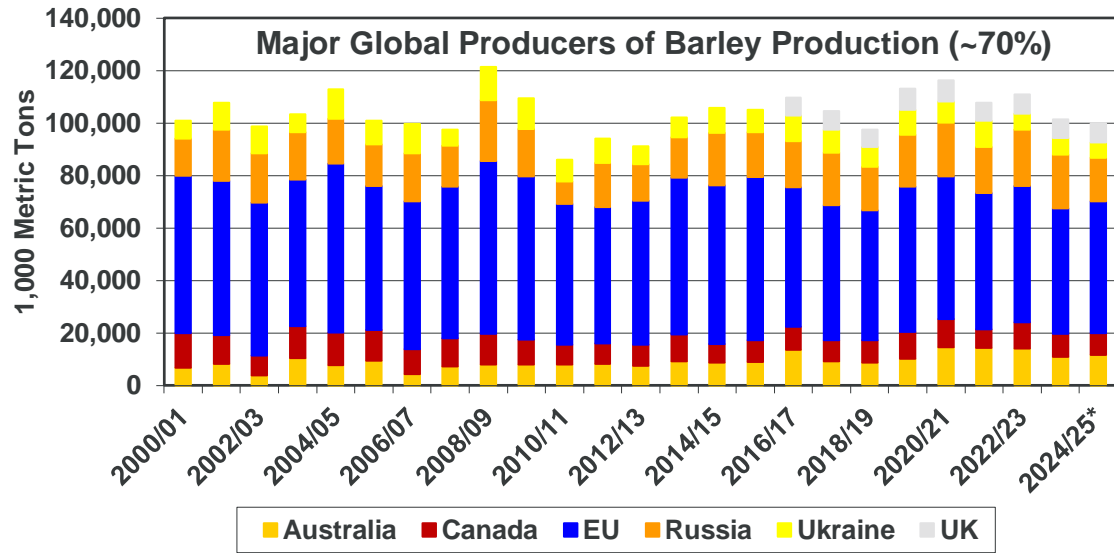


III. Barley



Rabobank

Global Barley Dashboard

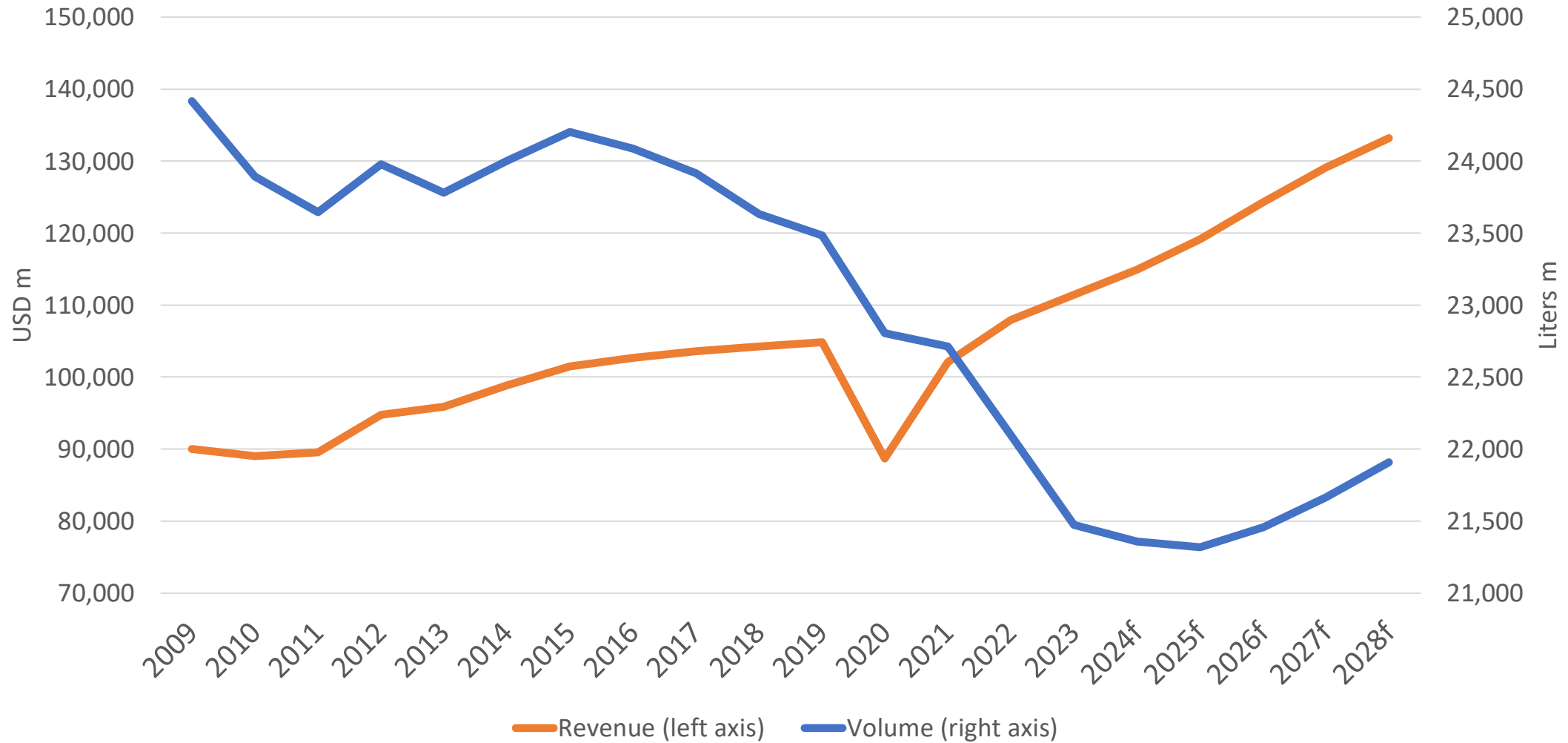


U.S. Barley Balance Sheet (Jun-May Crop Year)

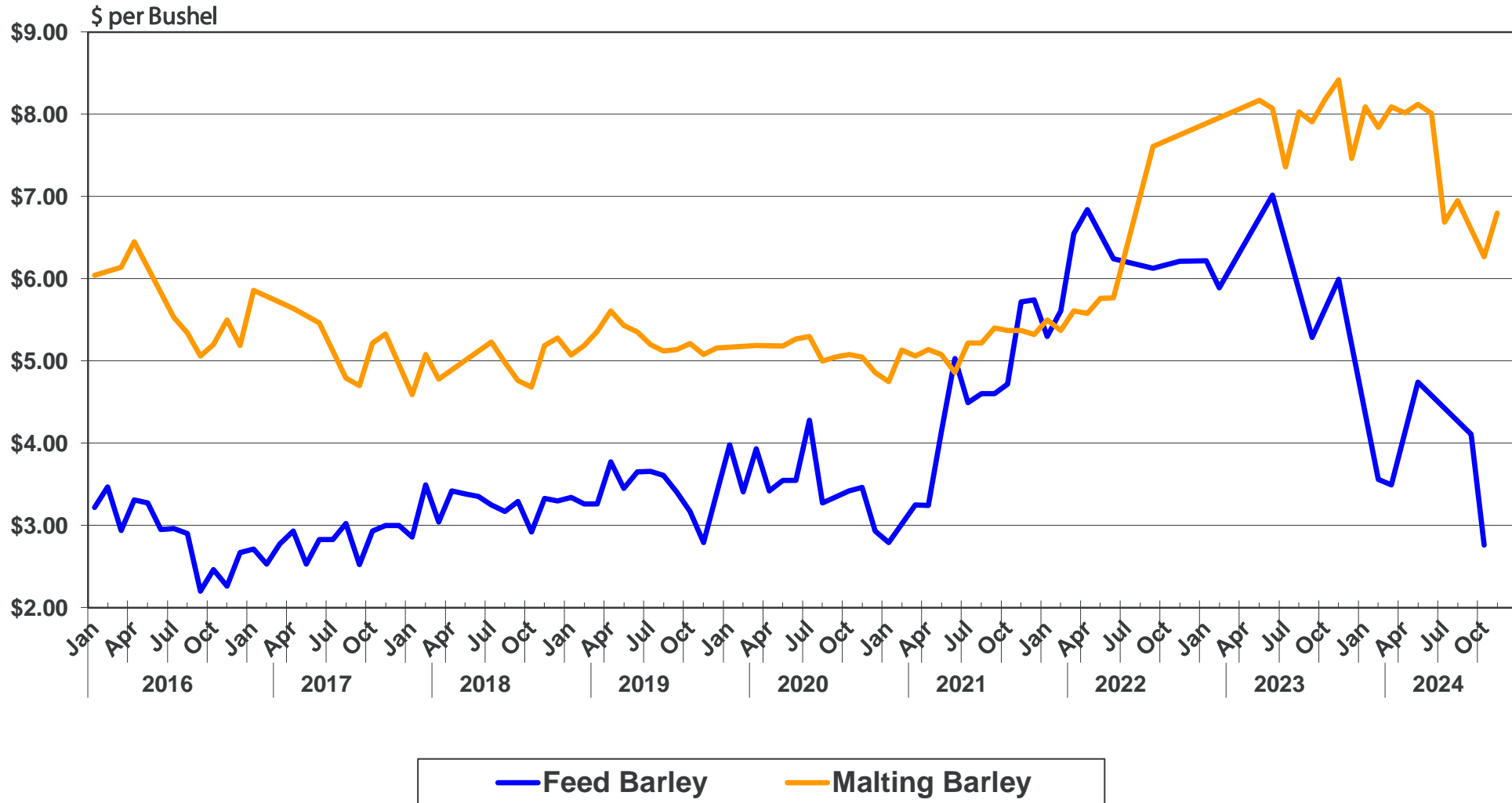
(million bushels, unless otherwise noted)

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	USDA 2024/25
Planted Acres (mln)	3.03	3.58	3.06	2.49	2.55	2.77	2.73	2.71	2.93	3.11	2.37
Harvested Acres (mln)	2.50	3.16	2.57	1.96	1.98	2.22	2.21	1.99	2.43	2.57	1.88
Yield (bu./acre)	72.7	69.1	77.9	73.0	77.5	77.7	77.1	60.5	71.7	72.3	76.7
Supply											
Beginning Stocks (9/1)	82	79	103	107	96	88	82	73	38	66	79
Production	182	218	200	143	154	172	171	121	174	186	144
Imports	24	19	10	9	6	7	7	15	23	13	12
Total Supply	288	316	313	259	256	268	259	208	236	266	235
Disappearance											
<i>Food, Alcohol & Industrial</i>	154	153	152	147	144	137	142	135	127	121	116
<i>Seed Use</i>	6	5	4	4	5	5	5	5	5	4	4
<i>Feed & Residual</i>	34	44	45	7	14	38	26	23	35	57	40
<i>Exports</i>	14	11	4	5	5	6	14	7	2	5	5
Total Disappearance	208	213	2063	163	168	185	186	170	169	187	165
Ending Stocks	79	103	107	96	88	82	73	38	66	79	70
Stocks-to-Use Ratio (%)	38.2%	48.4%	52.1%	58.8%	52.5%	44.4%	39.3%	22.4%	39.3%	42.4%	42.4%
Average Farm Price (\$/bu.)	\$5.30	\$5.52	\$4.96	\$4.47	\$4.62	\$4.69	\$4.75	\$5.31	\$7.40	\$7.39	\$6.60

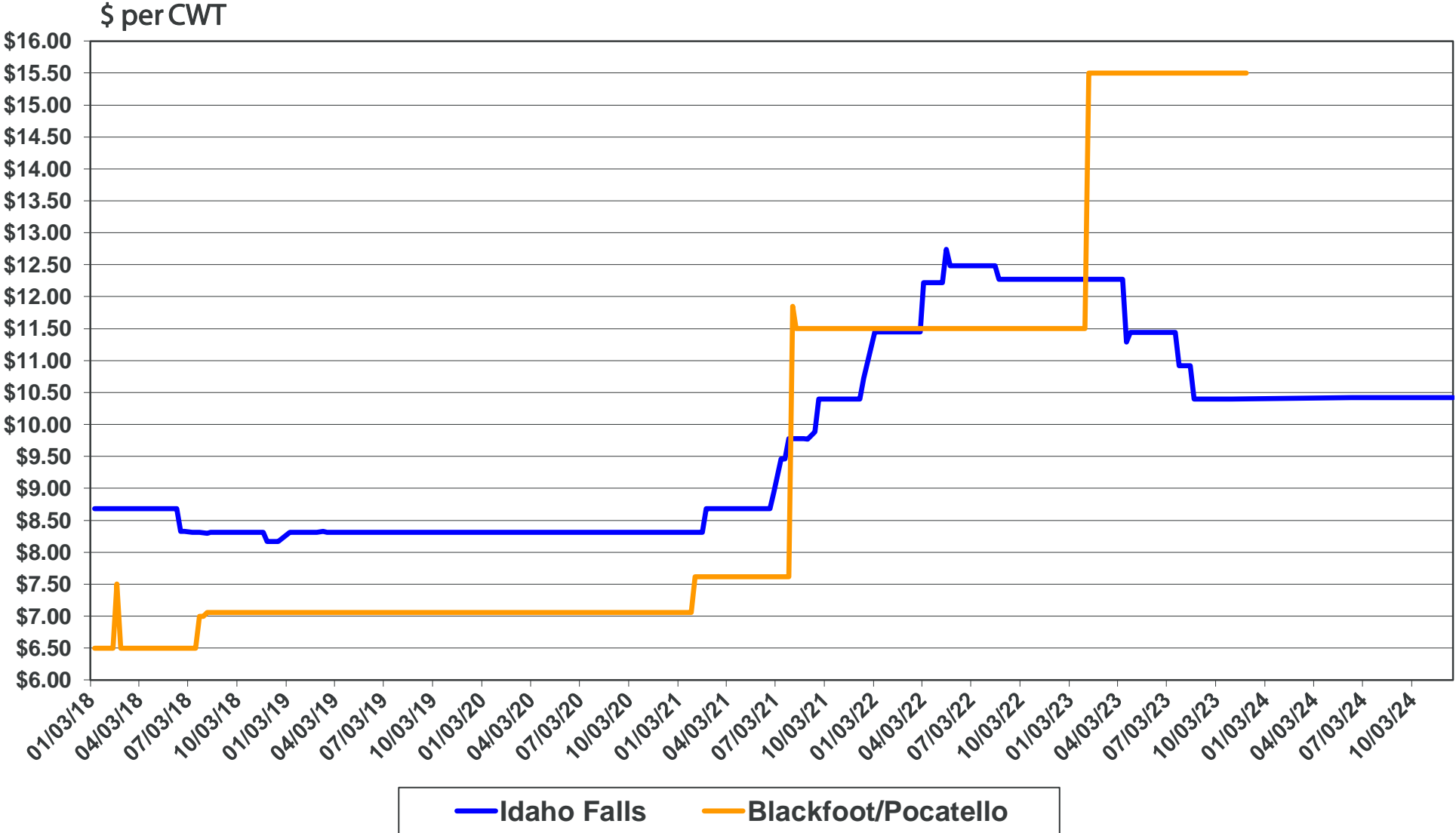
US beer industry is growing through pricing



Monthly Average Idaho Barley Prices



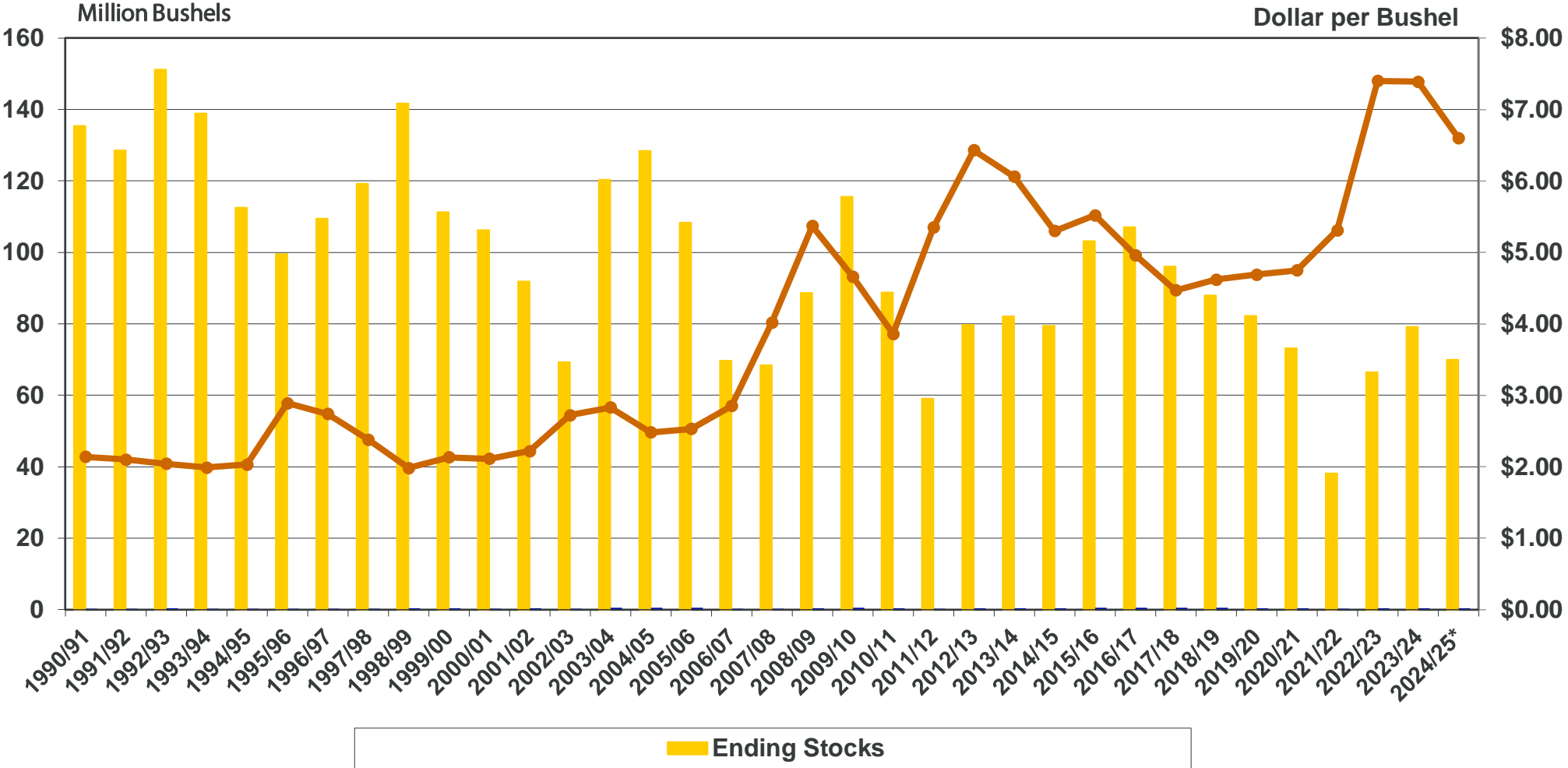
Idaho Malting Barley Prices



Source: Idaho Grain Market News, Rabobank 2025

Projected U.S. Barley Stocks

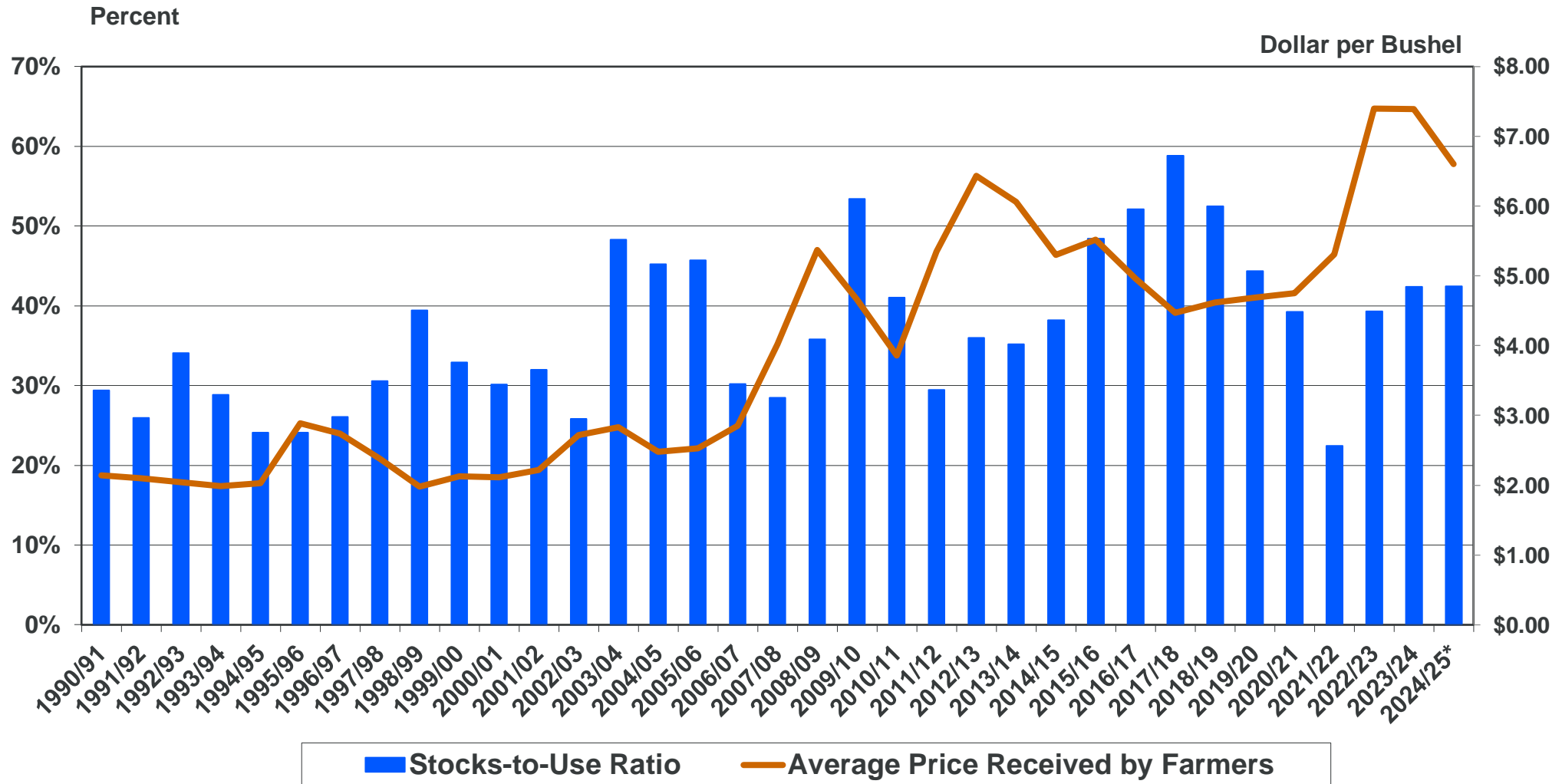
Despite building stocks, national average farmgate price stays high on solid demand



Source: USDA/ERS, Rabobank 2025

U.S. Barley Stocks-to-Use Ratio versus Avg. Farmgate Price

Largest crop since 2016/17, lowest demand in non-drought year (2018/19)—demand adjustments on horizon



Source: USDA/ERS, Rabobank 2025



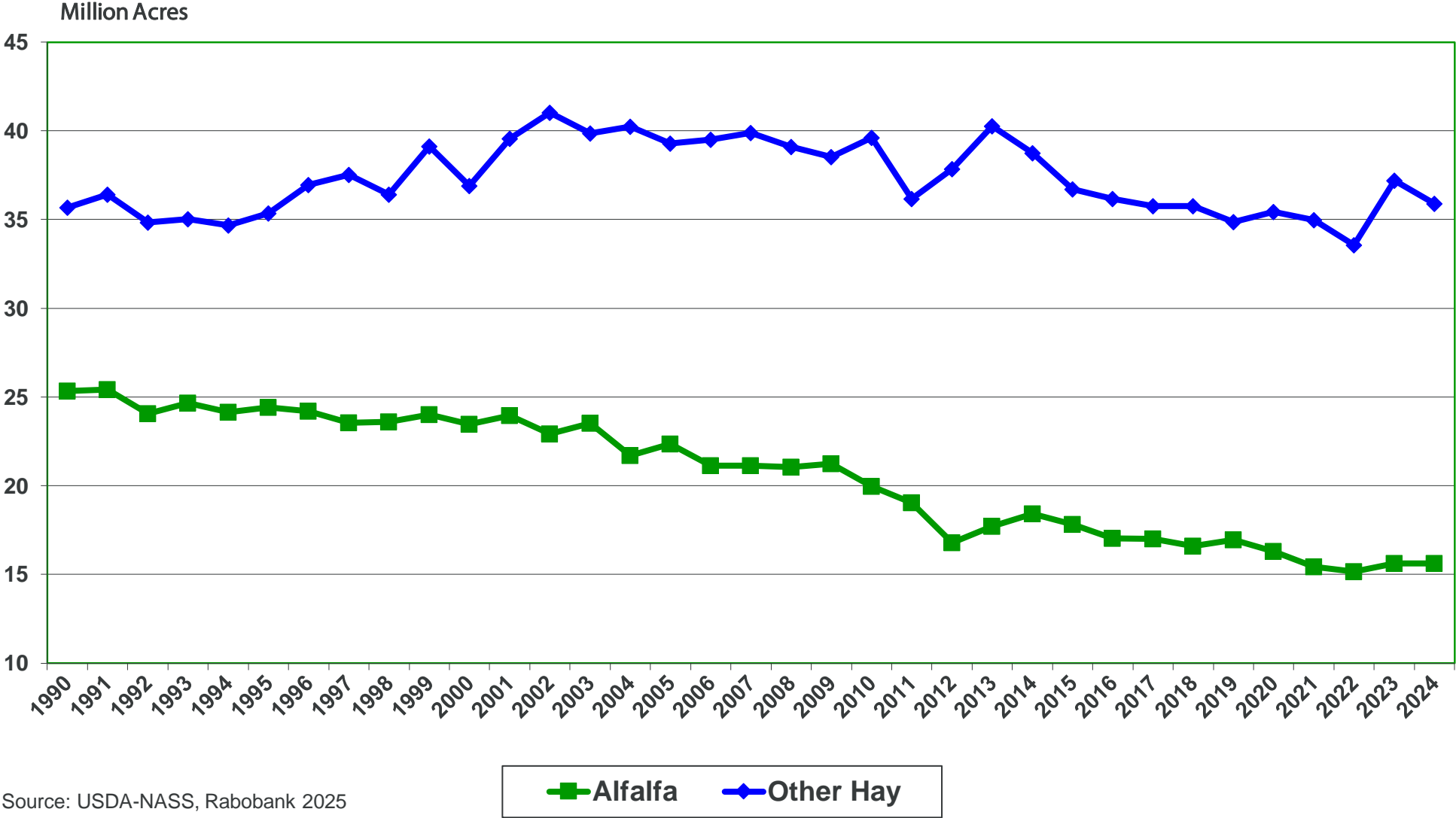
IV. Hay



Rabobank

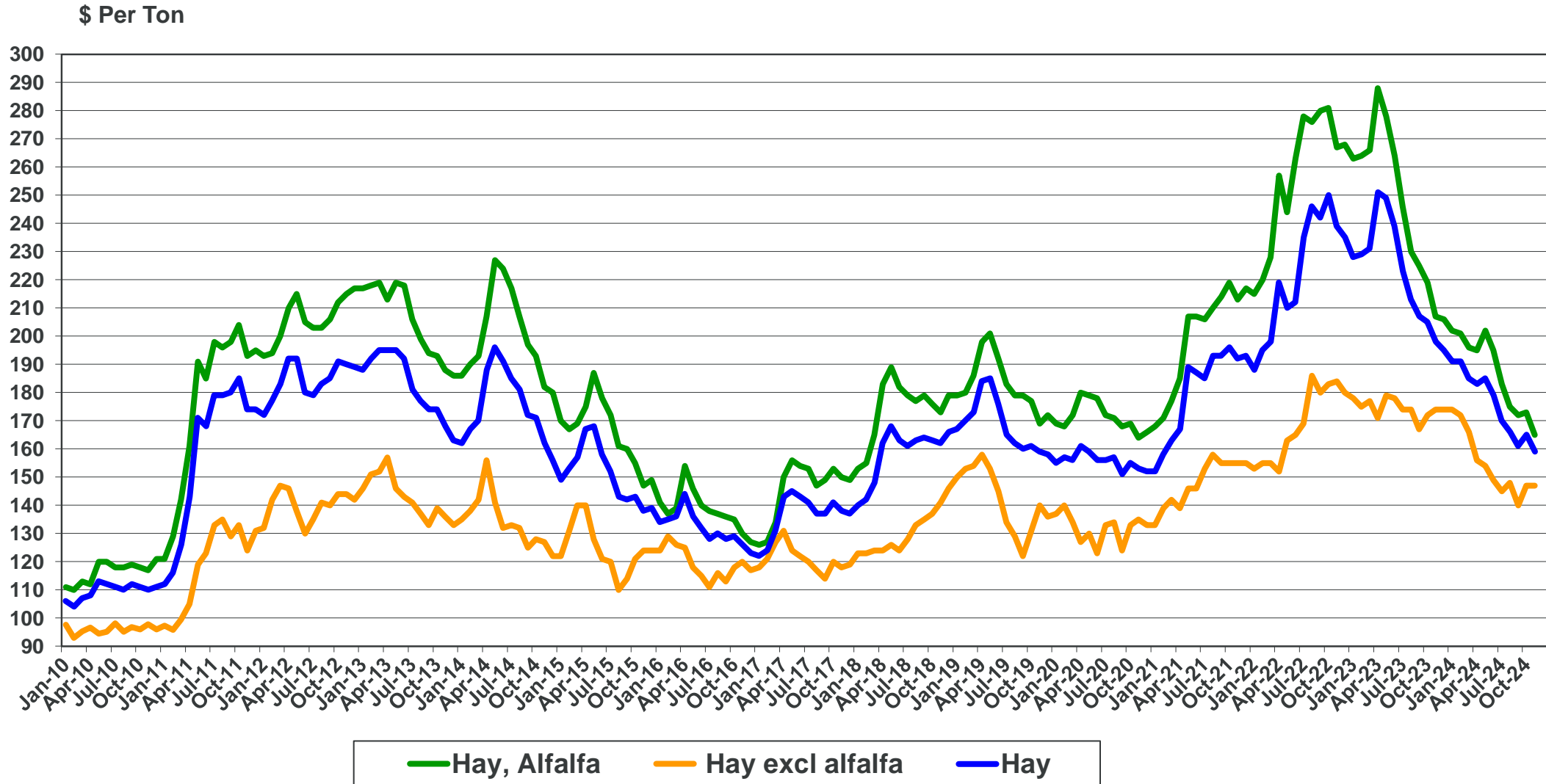
U.S. Harvested Hay Acres

Long-term decline in U.S. hay acres



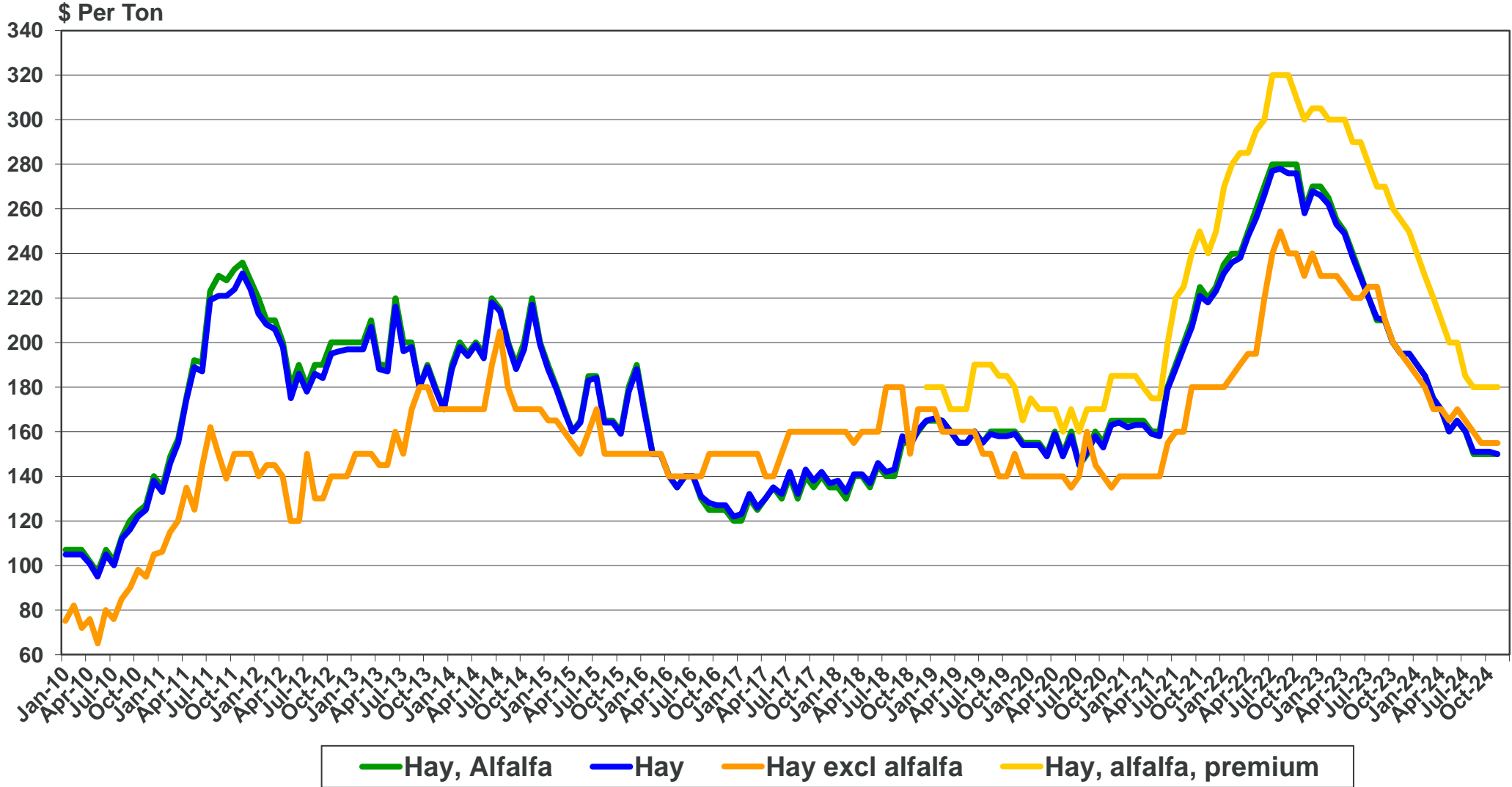
Source: USDA-NASS, Rabobank 2025

U.S. Monthly Hay Prices—Following Commodity Down



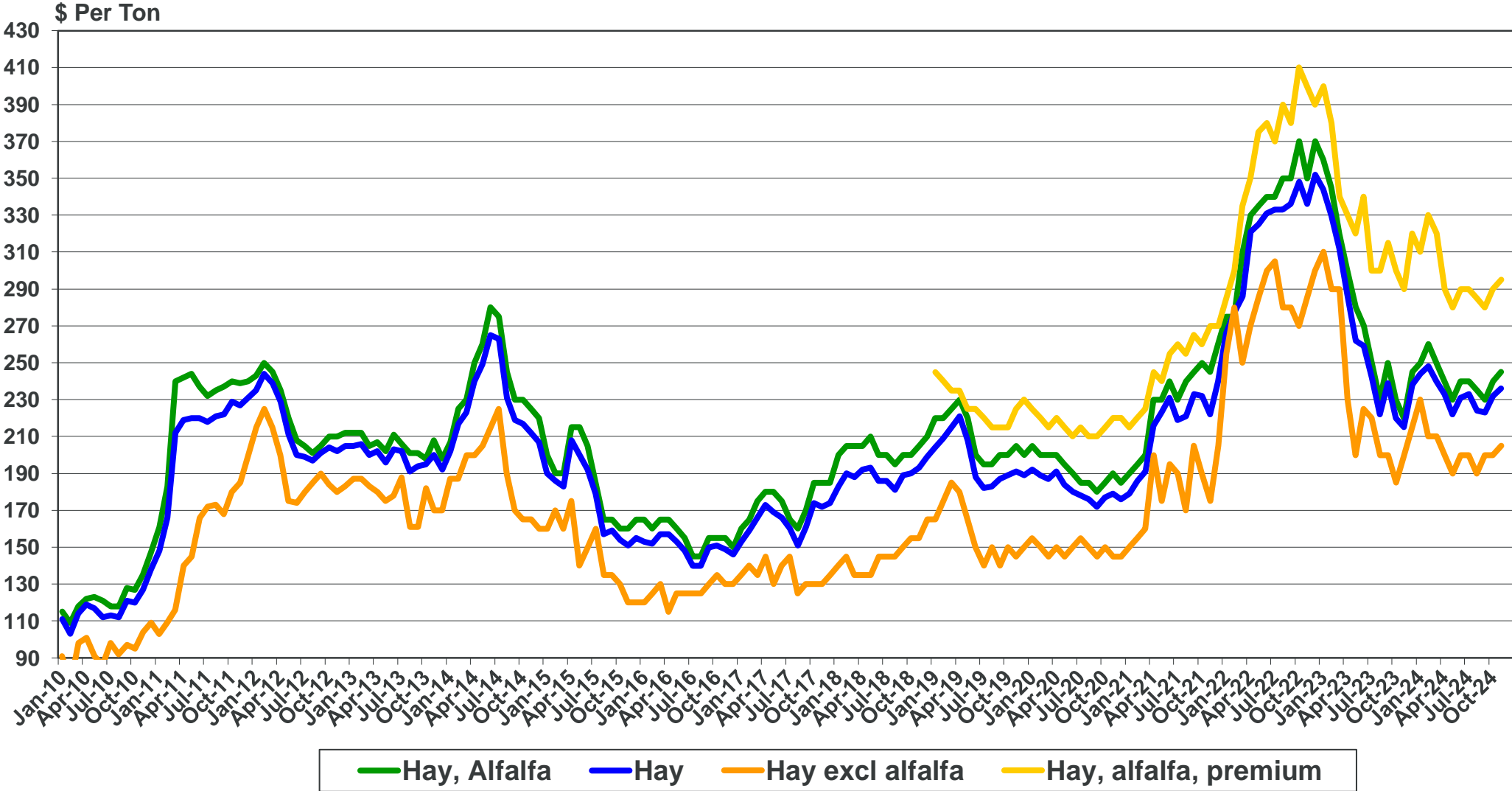
Source: USDA/NASS Rabobank 2025

Idaho Monthly Hay Prices



Source: USDA/NASS Rabobank 2024

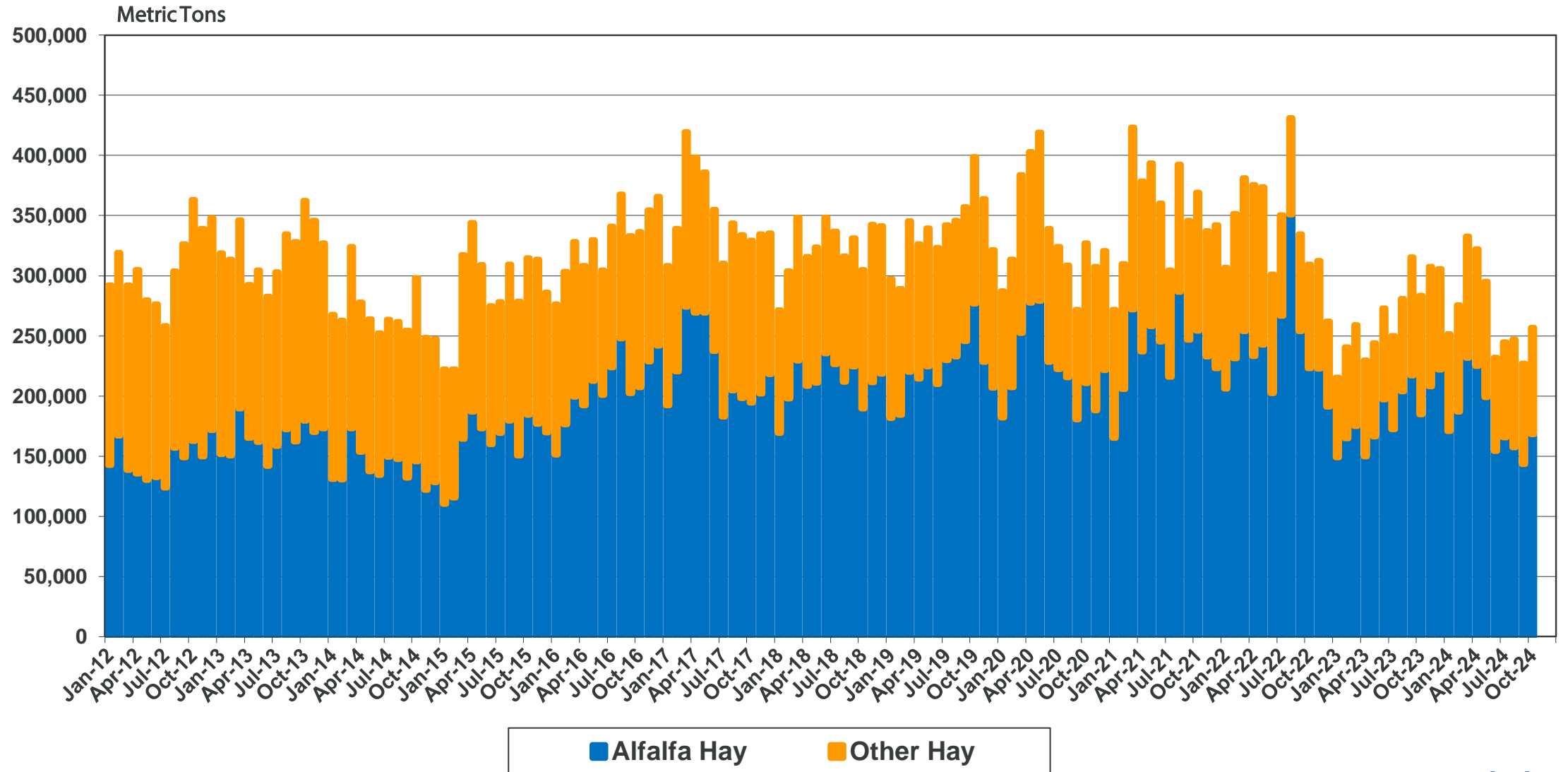
California Monthly Hay Prices



Source: USDA/NASS Rabobank 2025

High Prices have Hurt U.S. Hay Exports

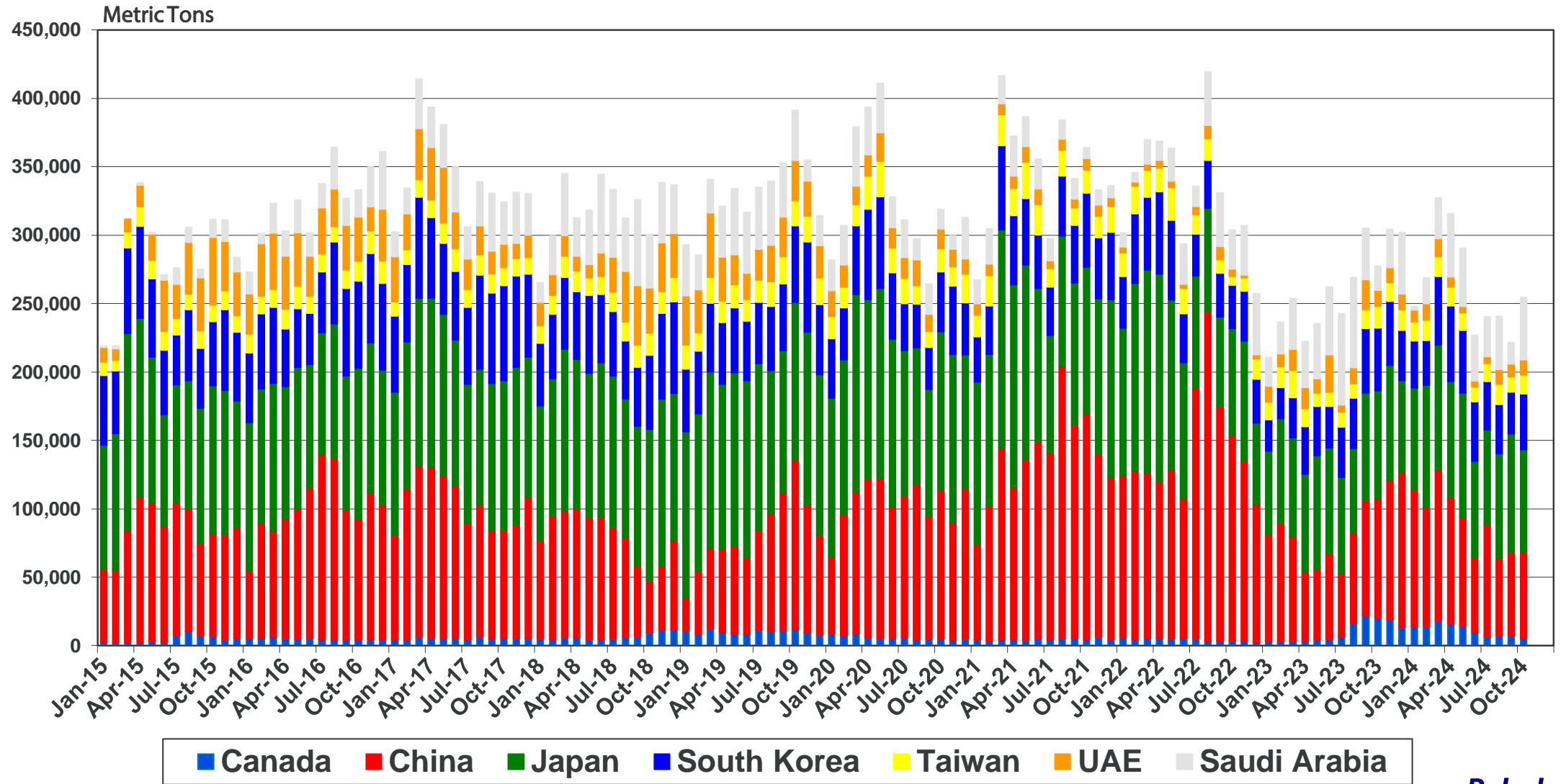
Lower prices have not translated into a rebound in hay exports.



Source: USDA/FAS, Rabobank 2025

U.S. Hay Exports—Asia is Our Largest Customer

These six countries account for approximately 96%-98% of U.S. exports.





Corn



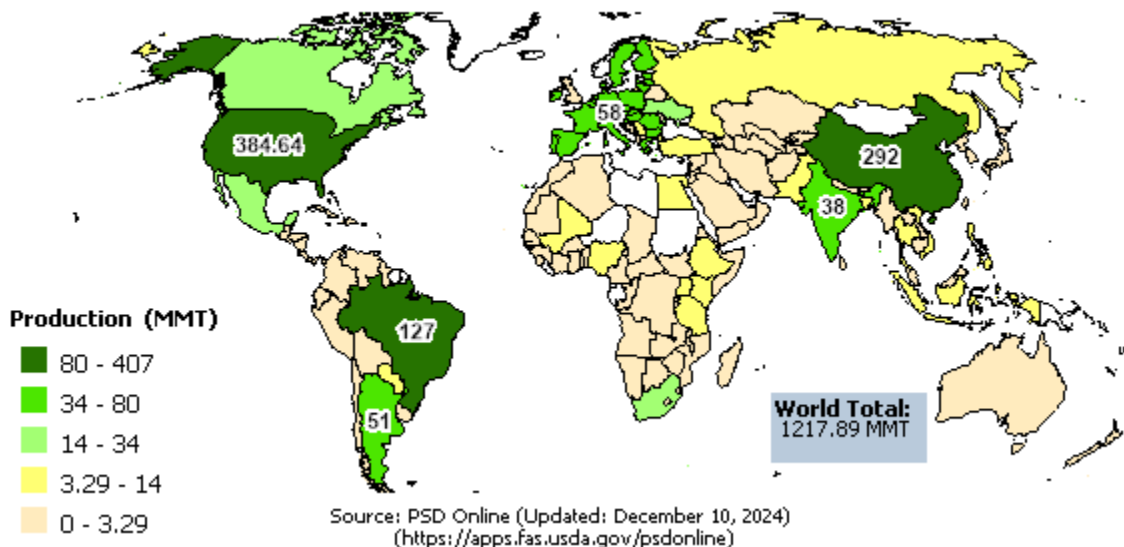
Rabobank

Highlights of the Corn Market

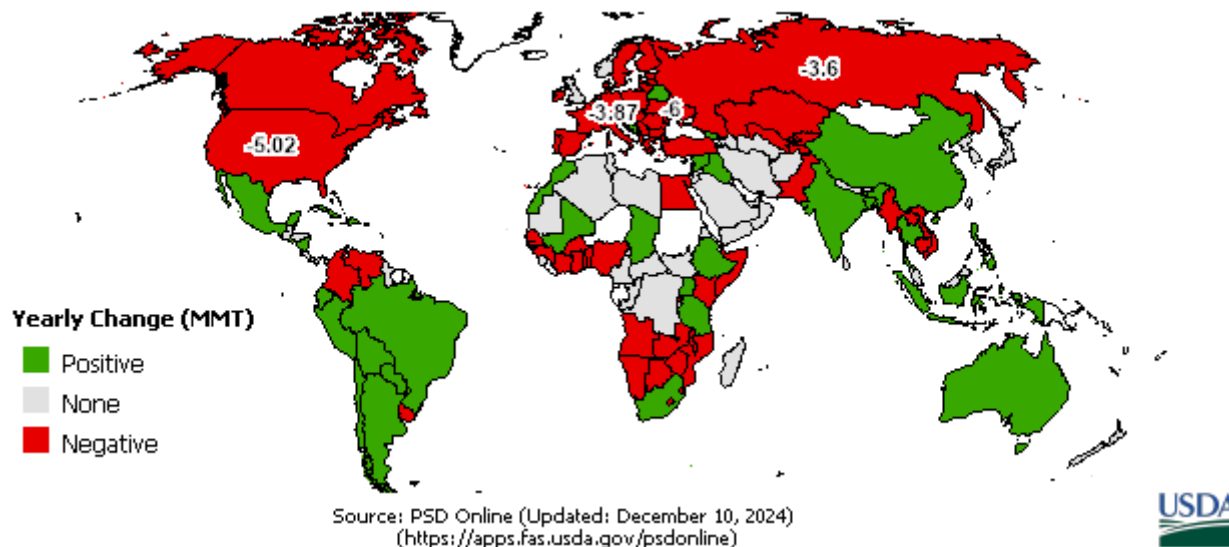
- Of the major markets (corn, wheat, soybeans), the corn futures market has the most potential upside---the low is in.
- However, USDA has continued to increase demand side (record) of the 2024/25 balance sheet and lower ending stocks.
- Global stocks and stocks-to-use are in a multi-year decline.
- Brazil stocks are at their lowest levels since 2001/02 crop year
- Harvested corn area in major corn growing regions will likely be down in 2025.
- Margins for corn farmers are negative as we look into 2025—not an incentive to plant more acres.

A Global Look at Corn Production and Exports

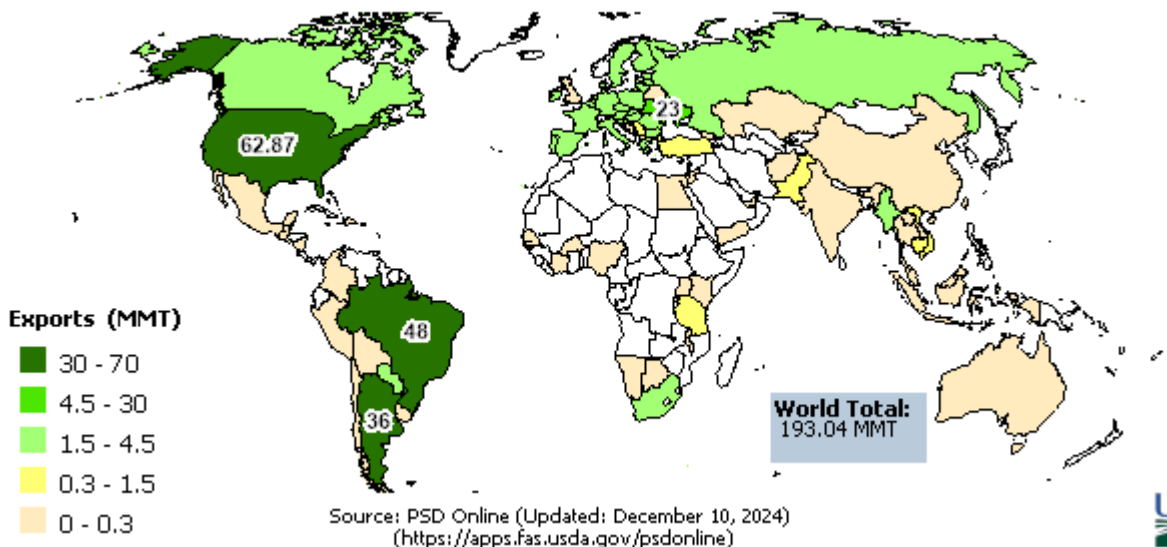
2024/2025 Corn Production



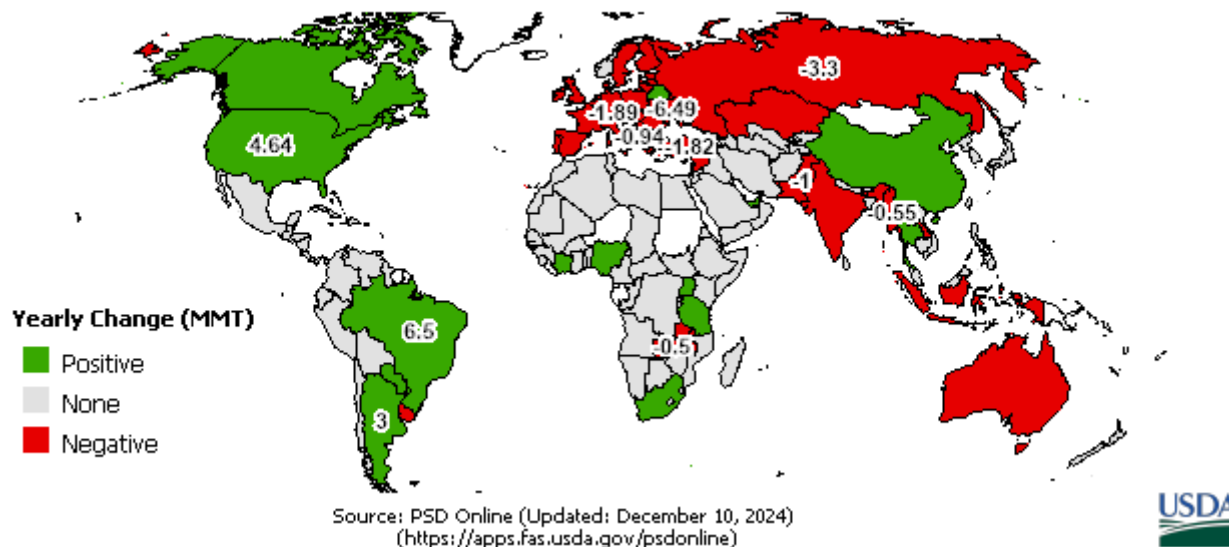
2024/2025 Corn Production (Change from Previous Year)



2024/2025 Corn Exports

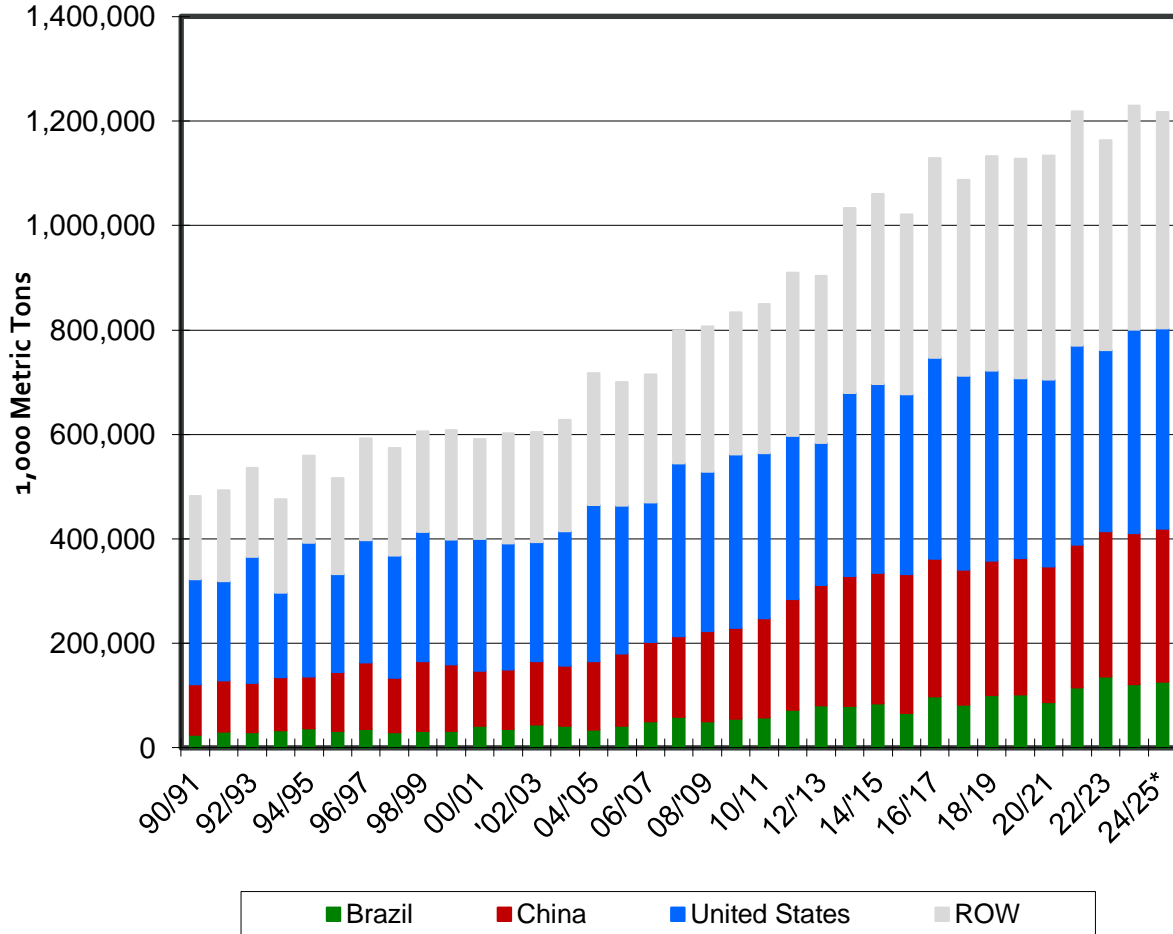


2024/2025 Corn Exports (Change from Previous Year)

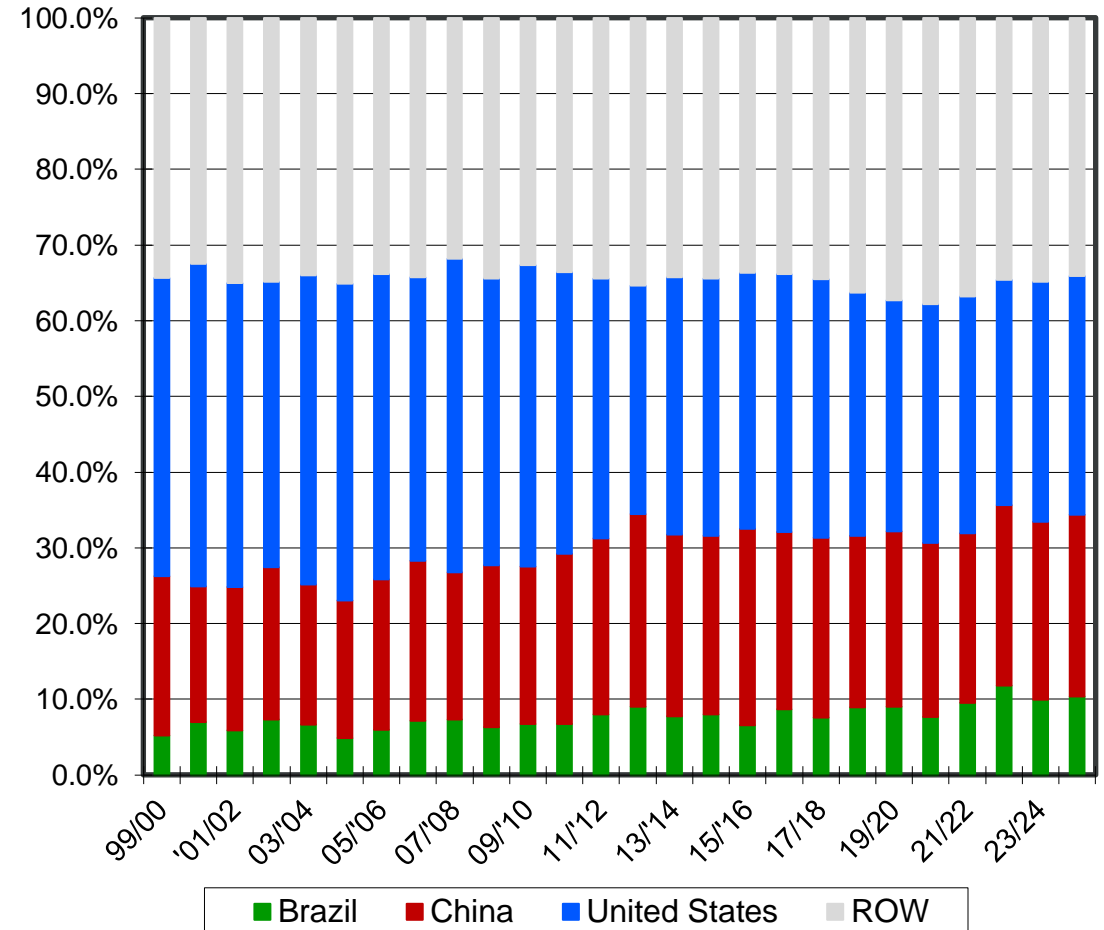


Global Corn Production is Dominated by Three Countries

Brazil, China and U.S. are the only countries that have corn production over 100+ MMT

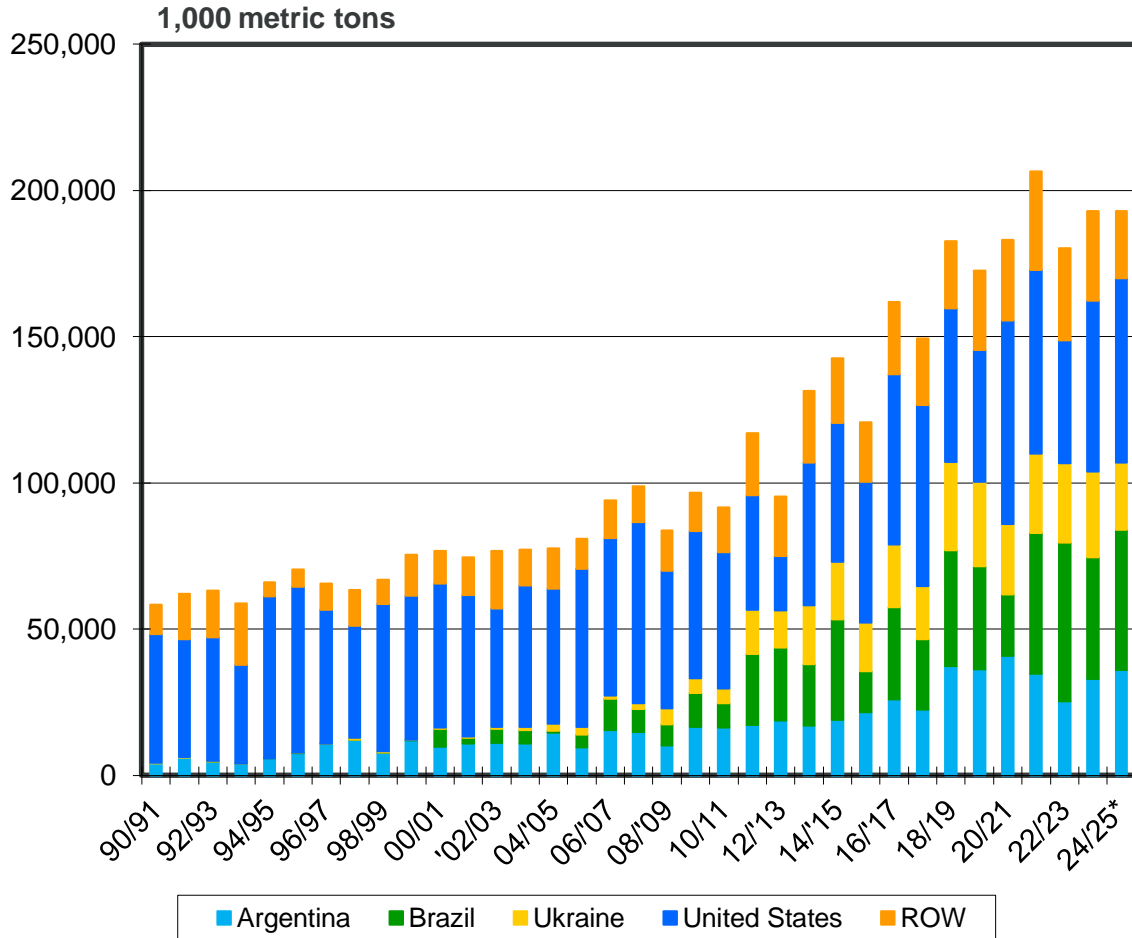


Also, three Countries Account of over ~65% of Global Corn Production

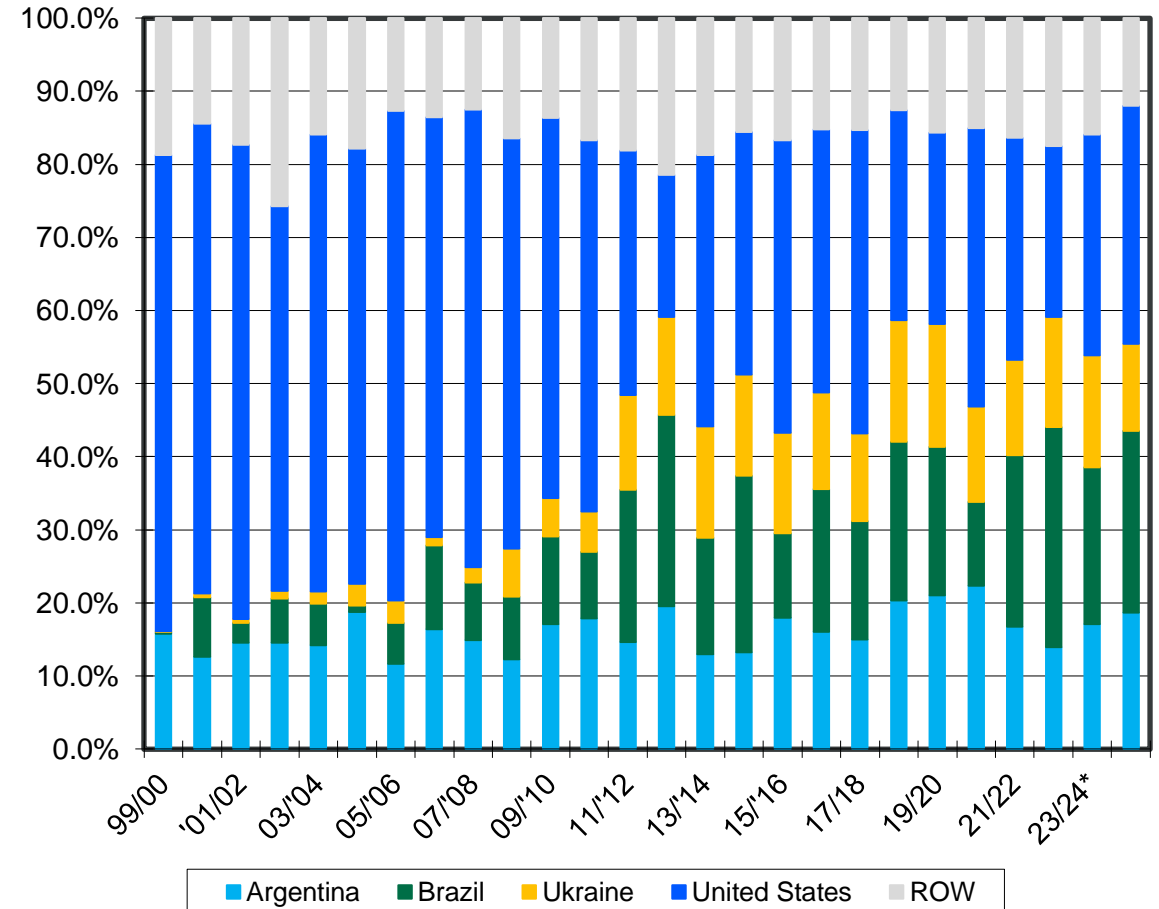


Global Corn Exporters—Volume and Share

The number of global corn exporters has changed significantly in the past decade



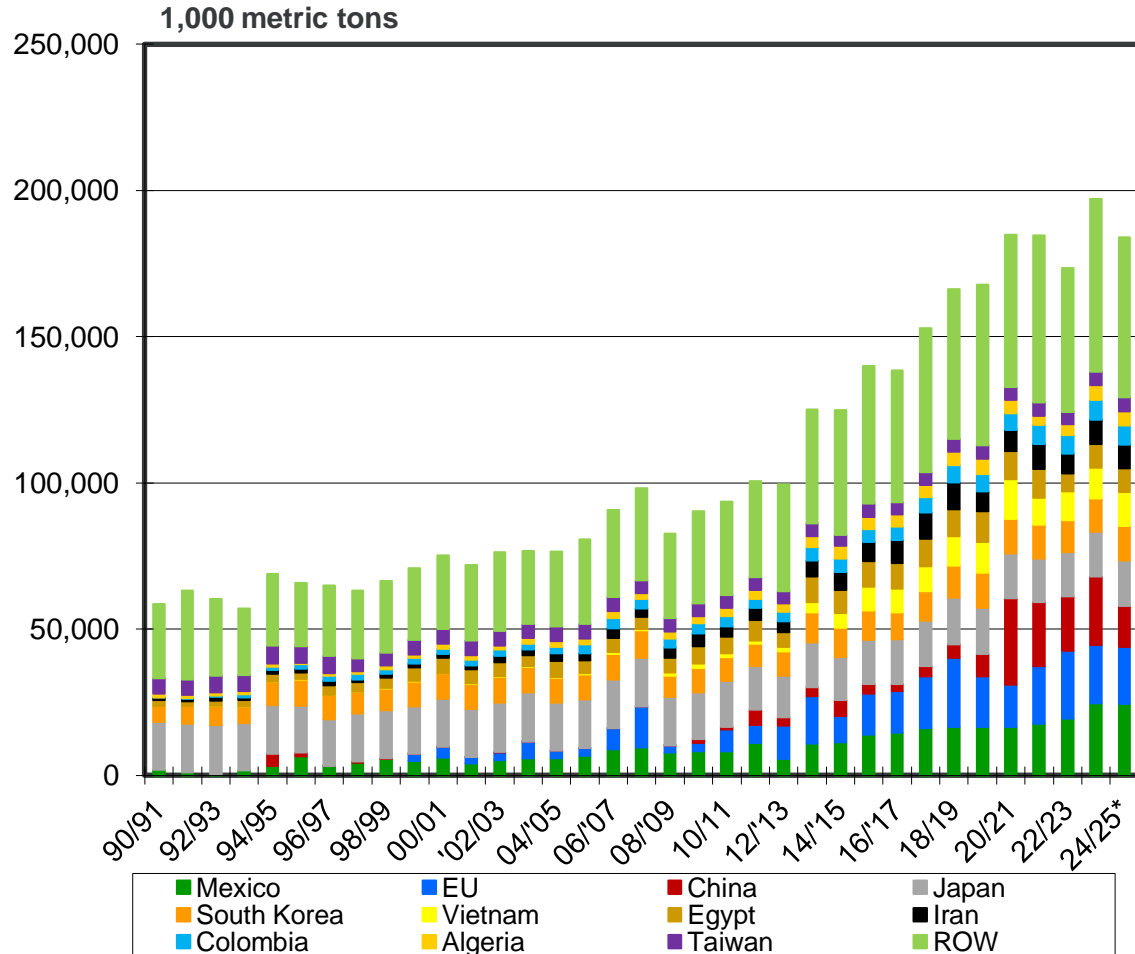
Four countries represent over 85% of global corn exports



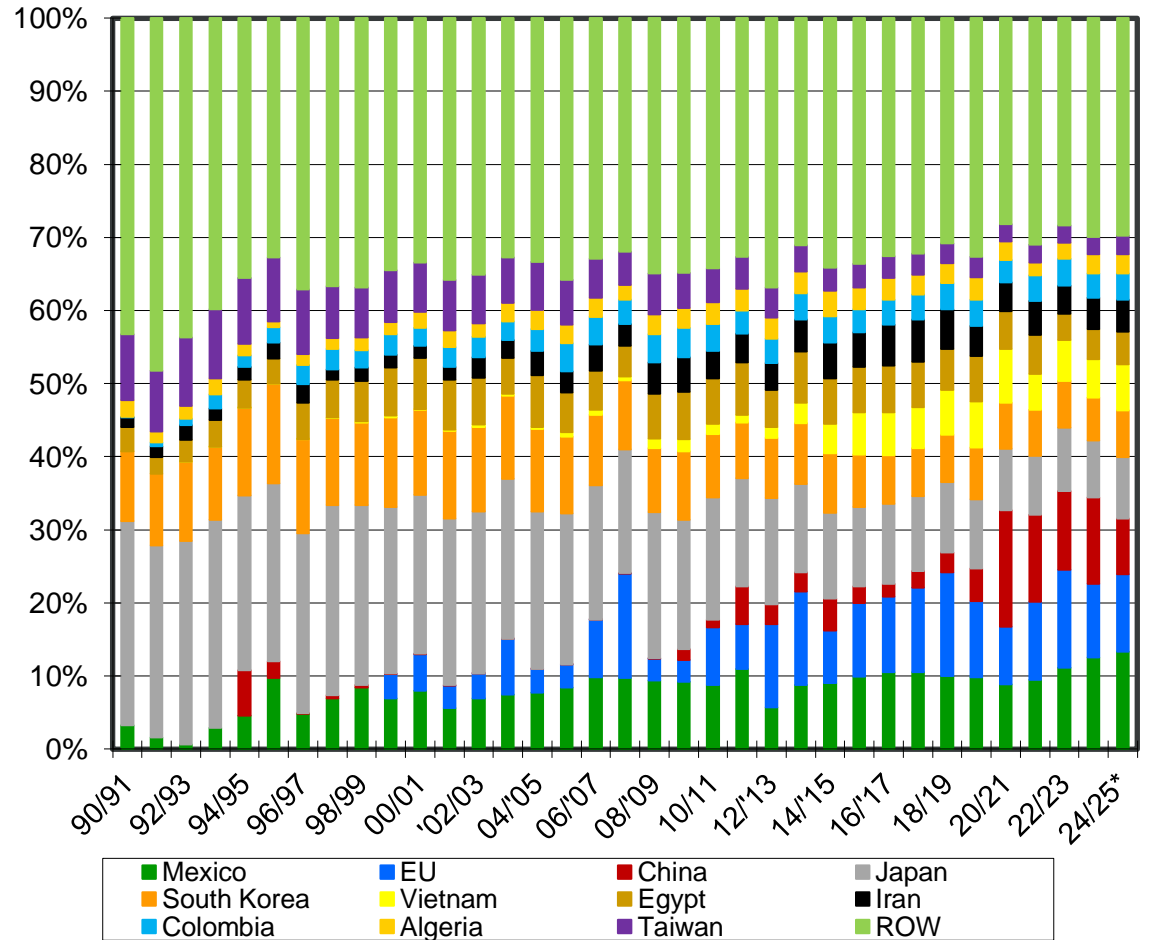
Source: USDA-FAS/PSD, Rabobank 2025

Global Corn Importers—Mexico, EU, China and Vietnam has Grown

Mexico, China, EU and Vietnam have grown as new buyers of corn in the past decade.



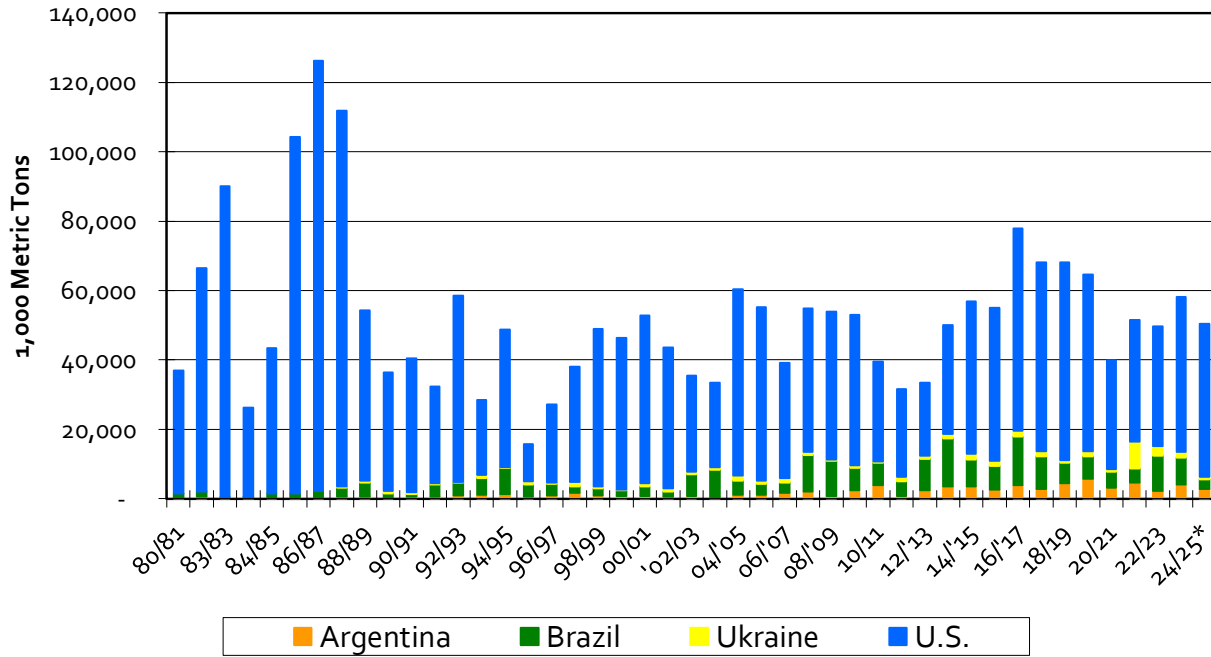
These 10 countries represent ~70% of total corn imports



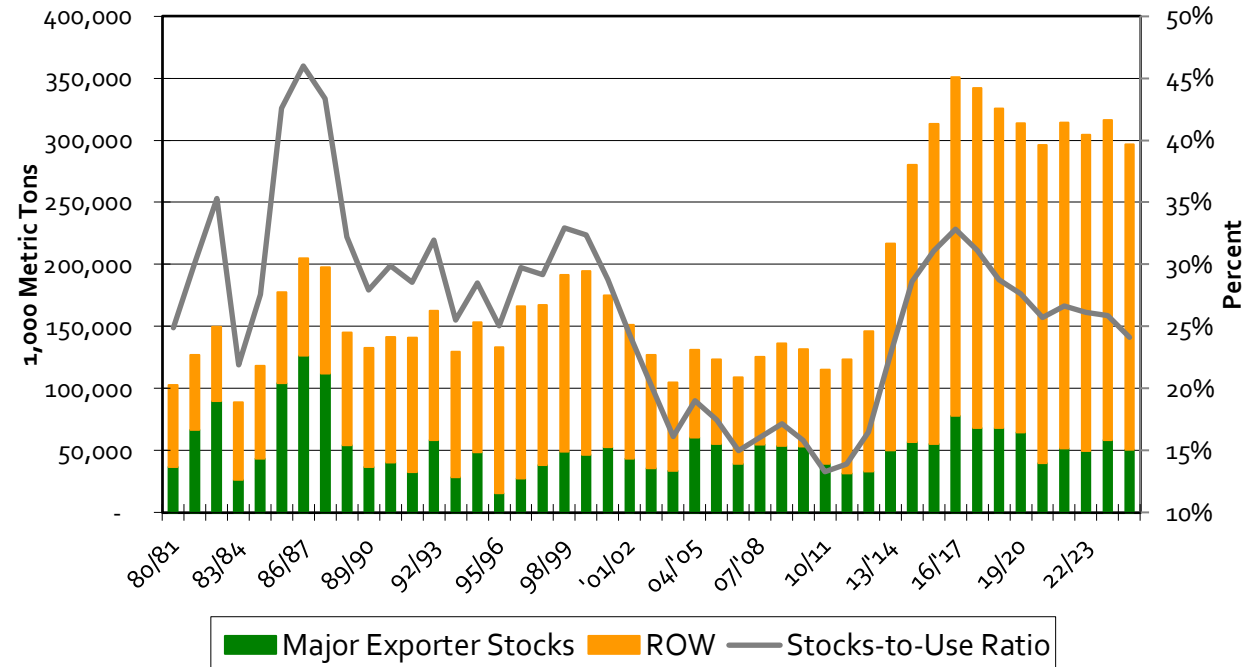
Global Corn Stocks

Stocks not increasing despite increasing production.

Major Global Corn Exporters Ending Stocks 17% of Total Global Stocks

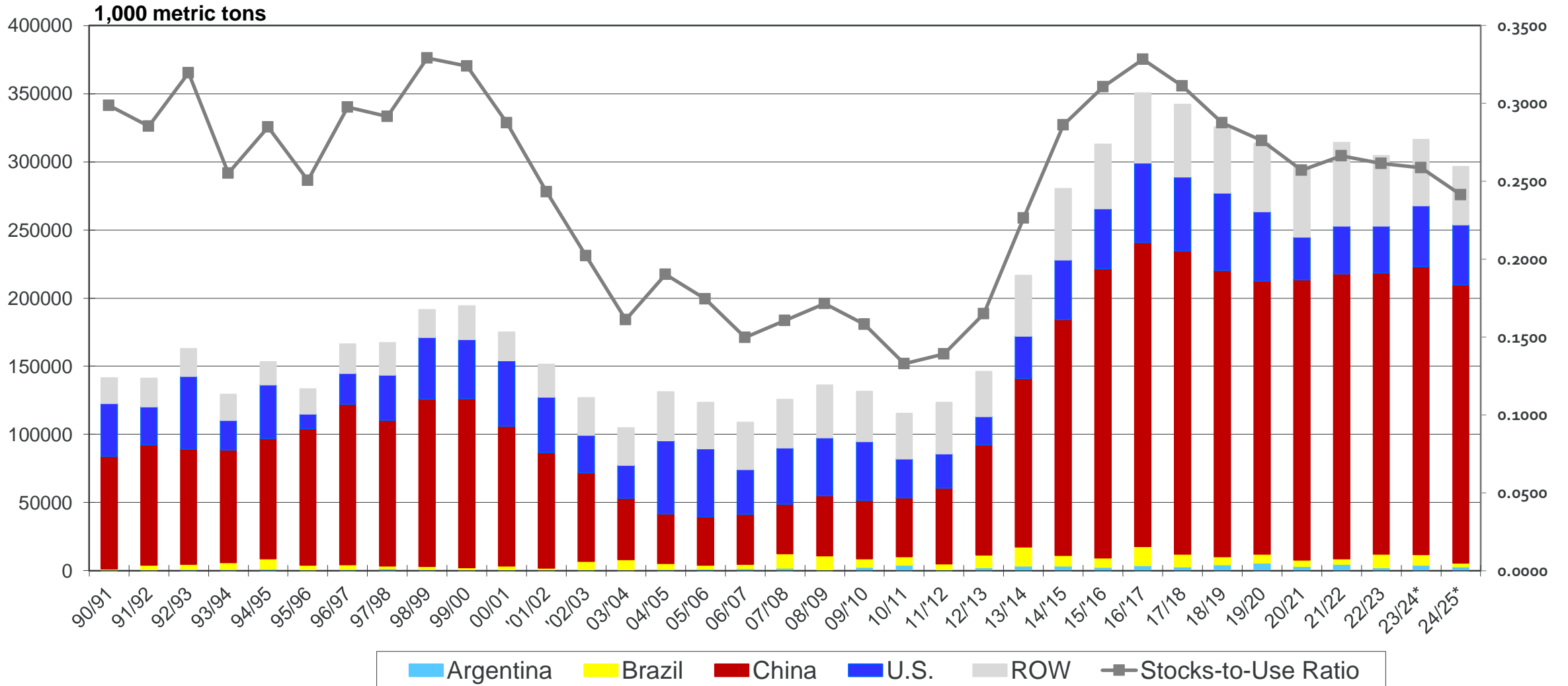


Total Global Corn Stock
Supply not keeping up with demand



Global Corn Stocks

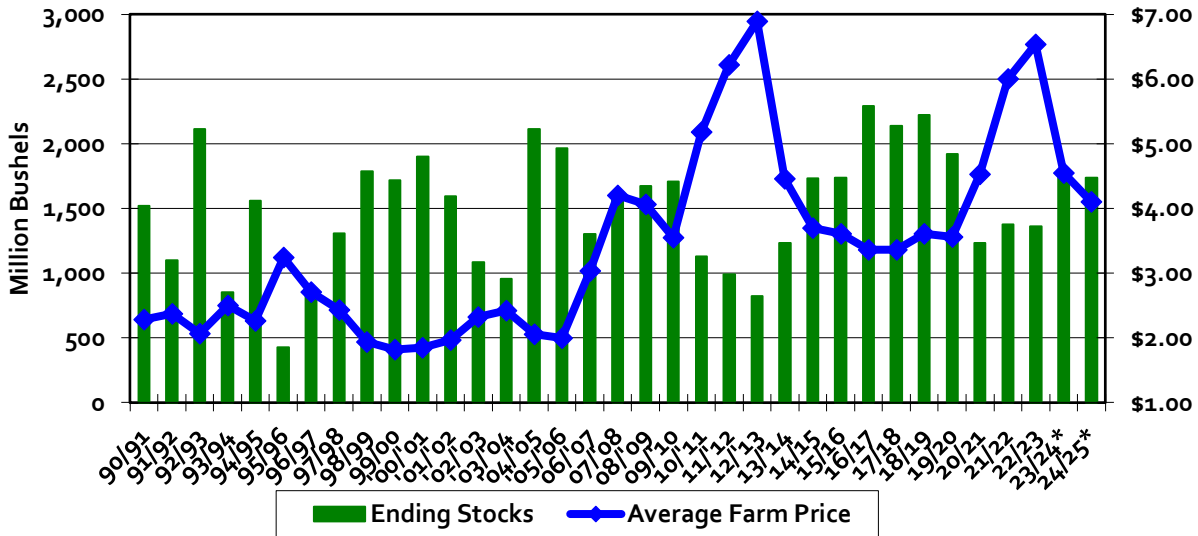
Brazil is holding the smallest stocks since the 2001/02 crop year, plus STU ratio is in a multi-year decline.



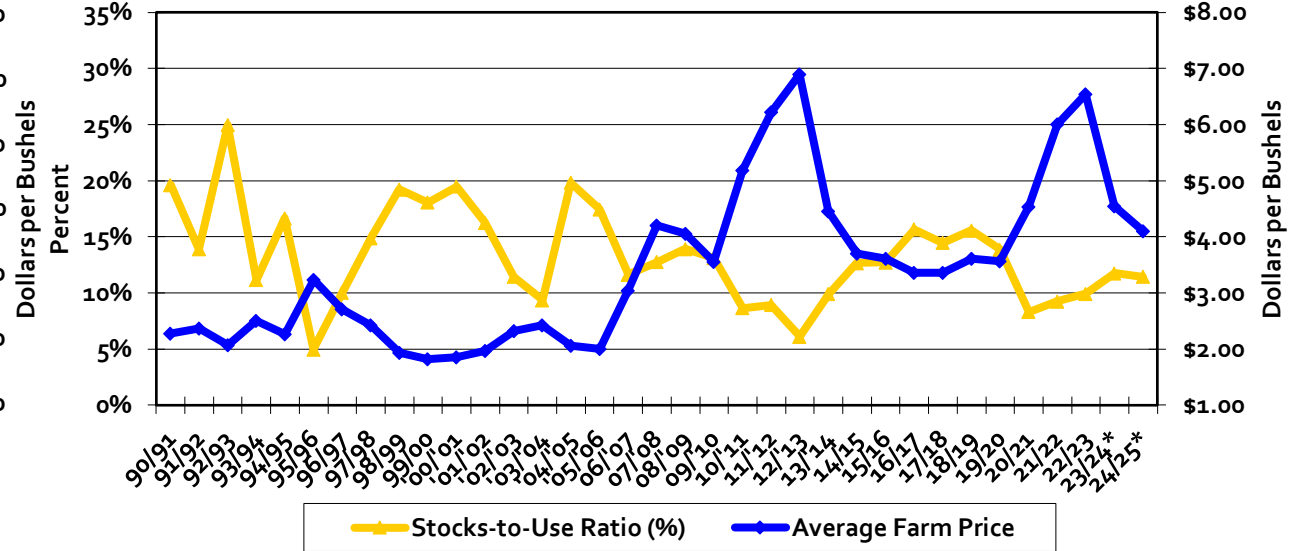
Source: USDA-WASDE, Rabobank, 2025

U.S. Corn Fundamentals Not Supportive to Prices, but...

U.S. Corn Ending Stocks vs Average Farmgate Corn Price

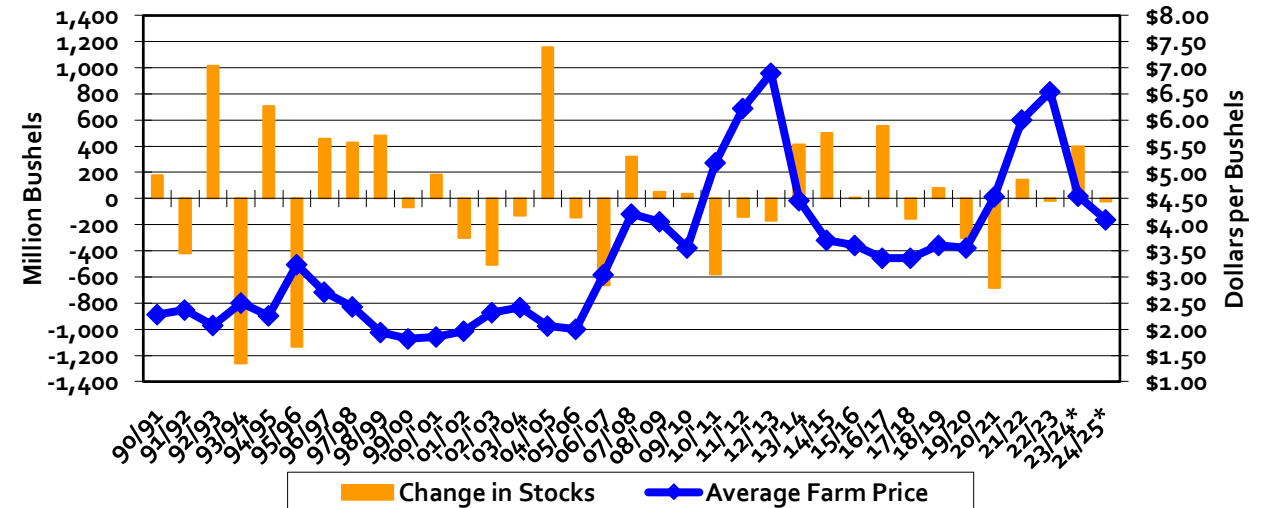


U.S. Corn Stock-to-Use Ratio vs Average Farmgate Corn Price



- The setback in inputs costs has not been as great as the drop in corn prices. Or in other words, significant decline in corn prices has more than offset the decline in input prices. Cash margins for U.S. corn production are expected to again to be negative in 2025.
- Rabobank's U.S. baseline model is indicating 2025 U.S. corn acres will decline for the second consecutive year, closer to 90 mln acres.
- On the global front, corn stocks are expected to decline primarily due to a very tight Brazilian stocks. Brazilian corn stocks are at their lowest levels since 2001/02 crop year.
- With the delayed planting of the Brazilian soybean crop and squeezed margins, Brazil's 2025 corn production is likely to be lower than the last several year. Expect a reduction in Brazilian corn area in 2025.
- The long-term question remains, where does new corn demand come from?

Change in U.S. Corn Stocks vs Average Farmgate Corn Price



U.S. Corn Balance Sheet

(million bushels, unless otherwise noted)

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	USDA 2023/24*	USDA 2024/25*
Planted Acres (mln)	97.3	95.4	90.6	88.0	94.0	90.2	88.9	89.4	90.4	92.9	88.2	94.6	90.7
Harvested Acres (mln)	87.4	87.5	83.1	80.8	86.7	82.7	81.2	81.0	82.2	85.0	78.7	86.5	82.7
Yield (bu./acre)	123.1	158.1	171.0	168.4	174.6	176.6	176.4	167.5	171.4	176.7	173.4	177.3	183.1
Supply													
Beginning Stocks (9/1)	990	822	1,234	1,733	1,738	2,294	2,141	2,238	2,005	1,236	1,378	1,361	1,762
Production	10,755	13,831	14,217	13,602	15,148	14,609	14,322	13,568	14,087	15,018	13,651	15,341	15,143
Imports	160	36	32	68	57	36	28	42	24	24	39	28	25
Total Supply	11,905	14,690	15,483	15,403	16,943	16,940	16,491	15,848	16,116	16,278	15,067	16,730	16,929
Disappearance													
Feed	4,309	5,004	5,287	5,118	5,468	5,305	5,392	5,778	5,667	5,671	5,486	5,807	5,825
Food, Seed & Industrial	6,044	6,531	6,595	6,647	6,885	7,057	6,793	6,286	6,466	6,757	6,558	6,869	6,890
<i>Food & Seed</i>	1,403	1,407	1,395	1,424	1,453	1,452	1,414	1,429	1,439	1,437	1,382	1,391	1,390
<i>Ethanol of Fuel</i>	4,641	5,124	5,200	5,224	5,432	5,605	5,378	4,857	5,028	5,320	5,176	5,478	5,500
Exports	730	1,921	1,867	1,899	2,296	2,437	2,066	1,778	2,747	2,472	1,662	2,292	2,475
Total Disappearance	11,083	13,456	13,750	13,664	14,649	14,798	14,253	13,843	14,881	14,900	13,706	14,968	15,190
Ending Stocks	822	1,234	1,733	1,738	2,294	2,141	2,238	2,005	1,236	1,378	1,361	1,762	1,739
Stocks-to-Use Ratio (%)	7.4%	9.2%	12.6%	12.7%	15.7%	14.5%	15.7%	14.5%	8.3%	9.2%	9.9%	11.8%	11.5
Average Farm Price (\$/bu.)	\$6.89	\$4.46	\$3.70	\$3.61	\$3.36	\$3.36	\$3.61	\$3.56	\$4.53	\$6.00	\$6.54	\$4.55	\$4.10

* Projections

Weekly Corn Futures

Market carving out a wider trading range, be prepared for more volatility

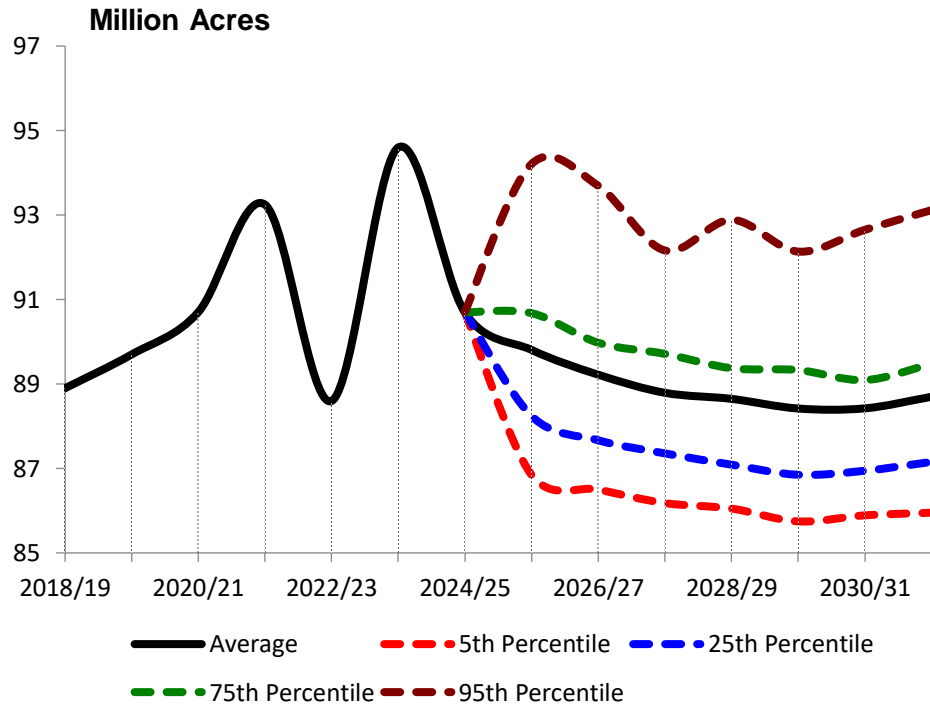


Rabobank U.S. Ten-Year Baseline Model Corn Outlook*

(November 2024)

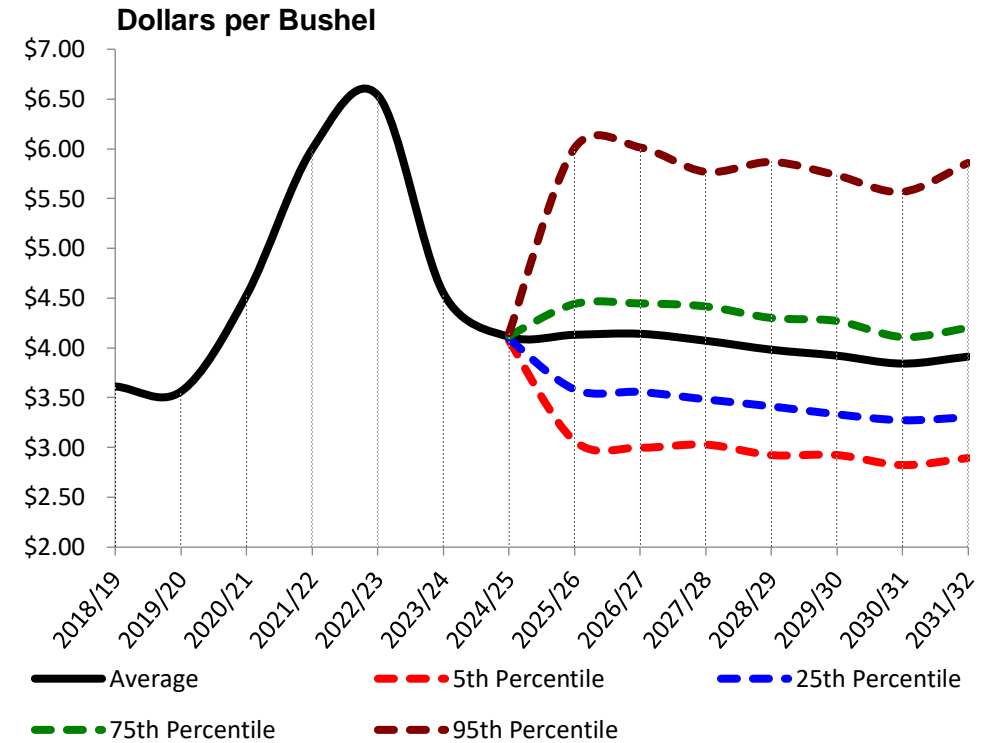
U.S. Planted Corn Acres Outlook

75% probability planted corn acres will be under 91.0 mln acres



U.S. Farmgate Corn Price Outlook

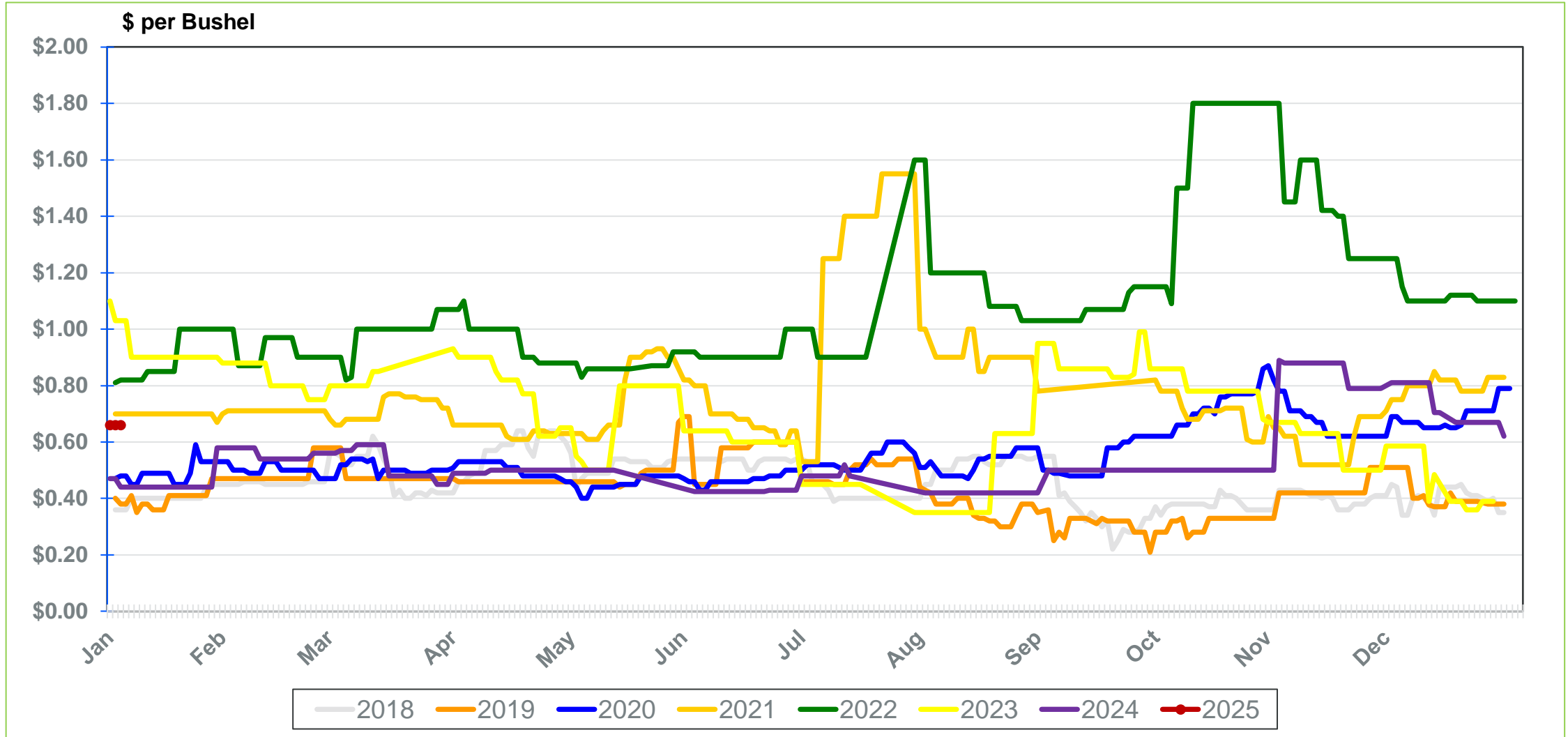
75% probability corn prices will be under \$4.40 per bushel or lower



- Source: USDA, Rabobank Baseline (Nov 2024)
- *Assuming "normal" conditions, including weather

Gulf CIF Corn Basis

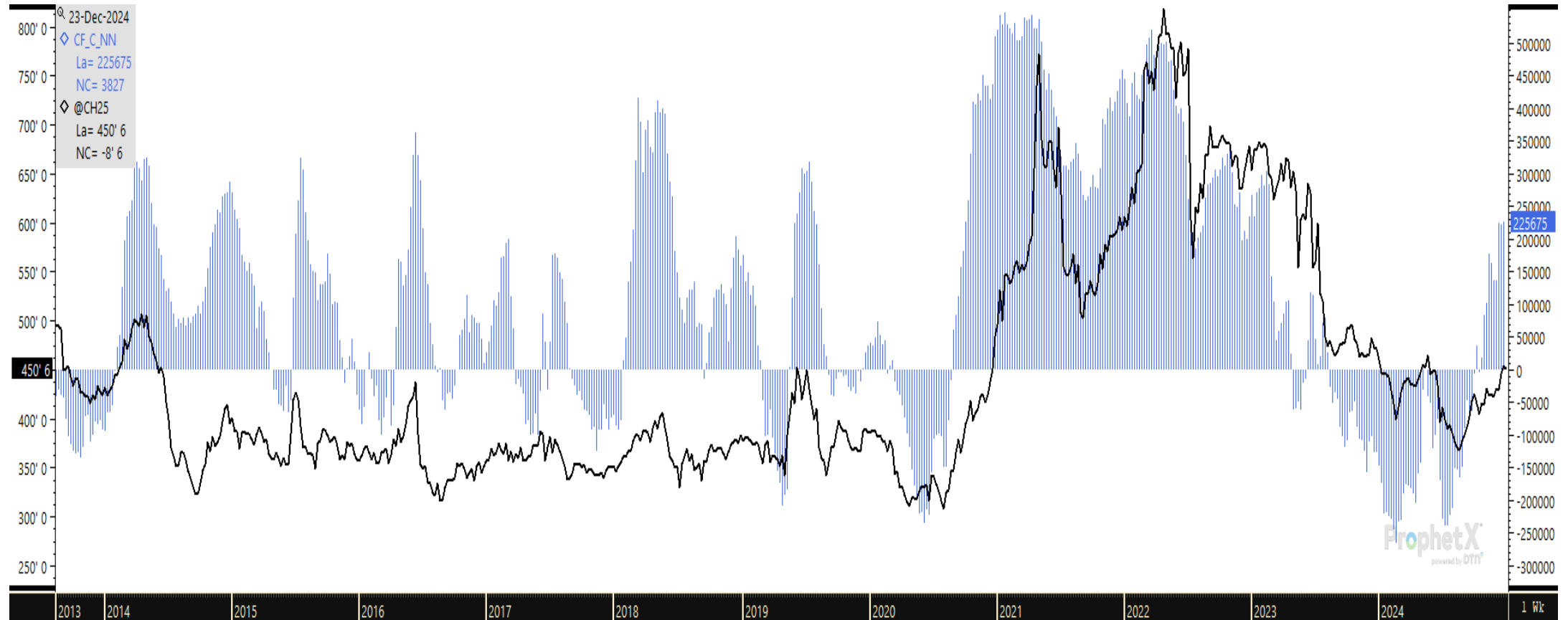
Strong exports are pushing Gulf CIF values since 2022



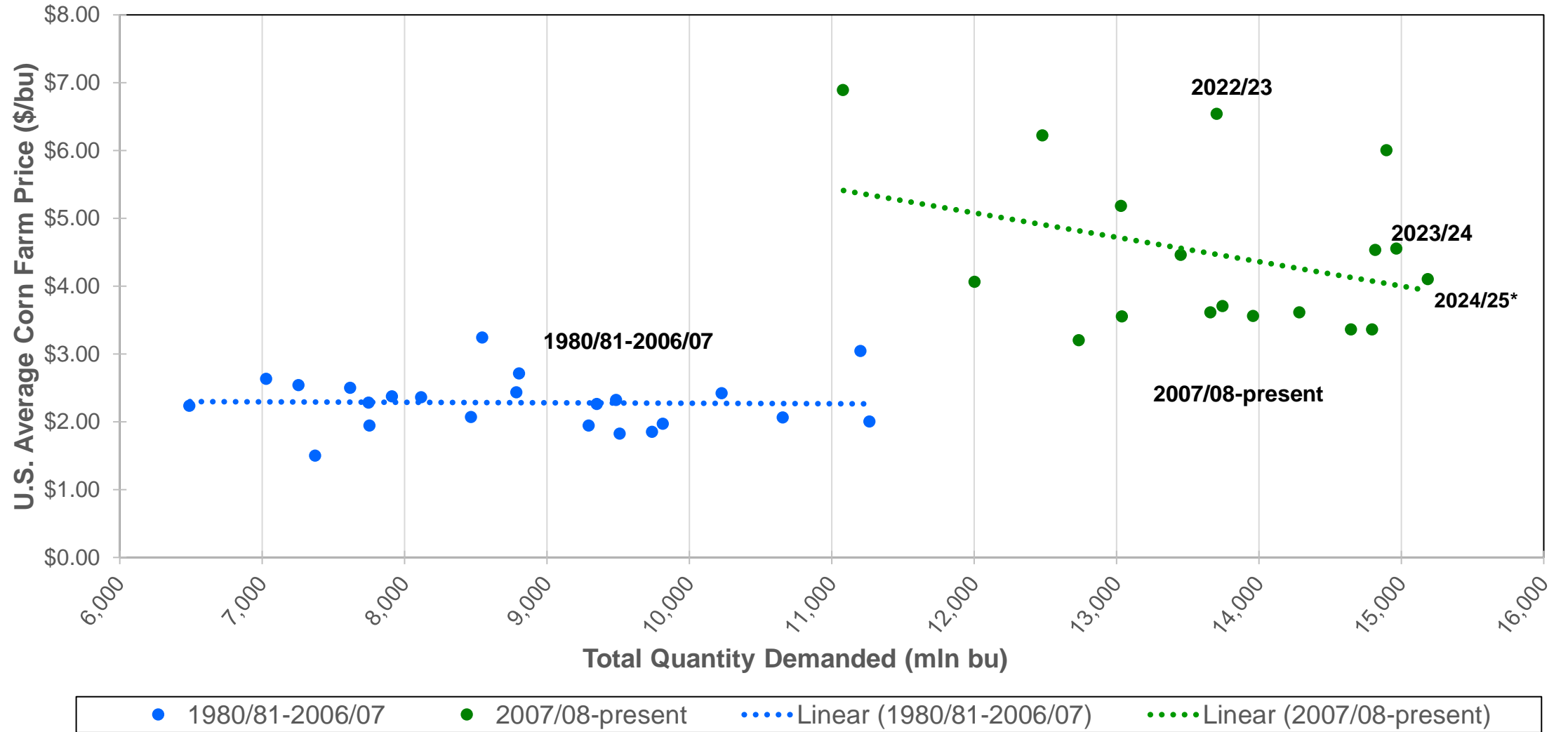
Source: Dow Jones, DTN, Rabobank 2025

CBOT Corn CFTC Non-commercial Net Position

Funds maintaining their net long position.

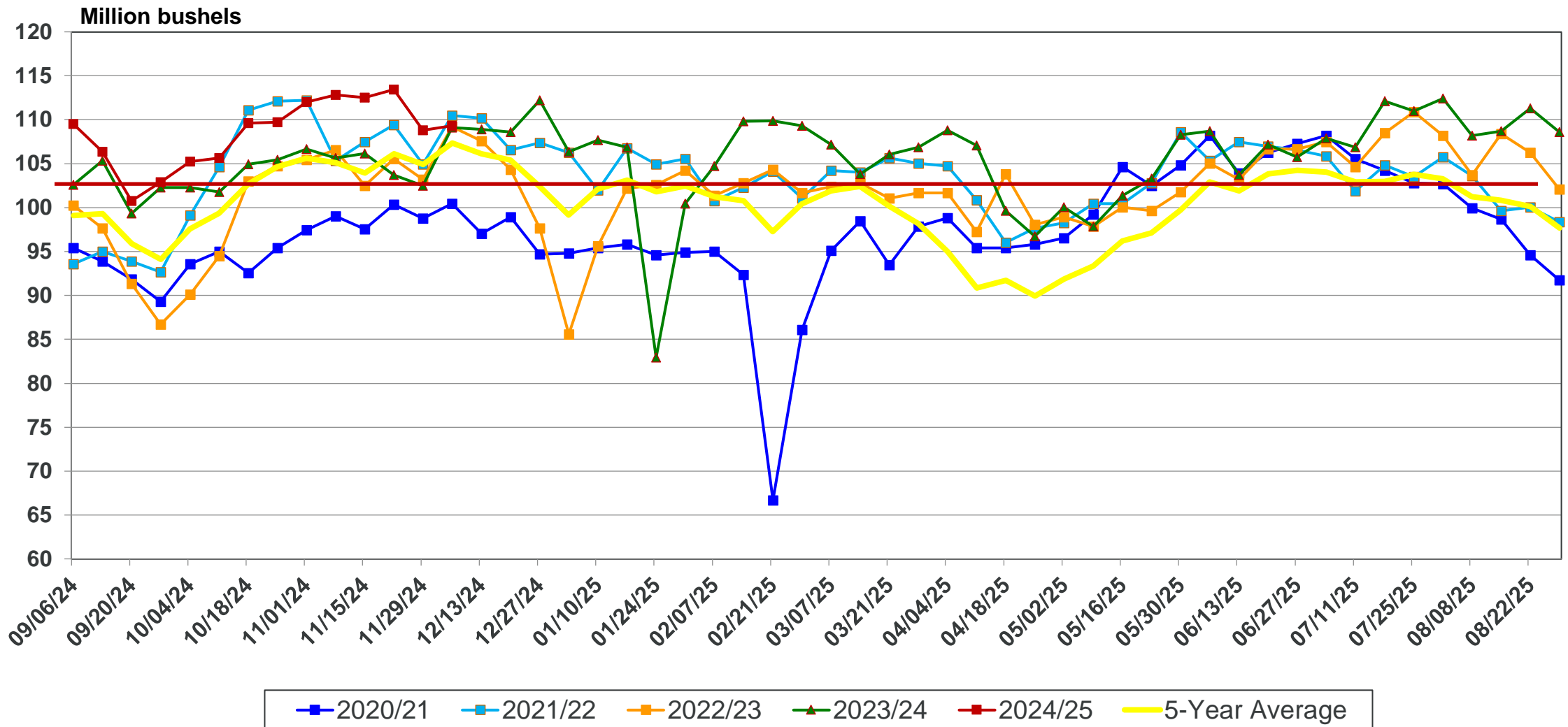


U.S. Corn Demand Curve Becoming More Elastic



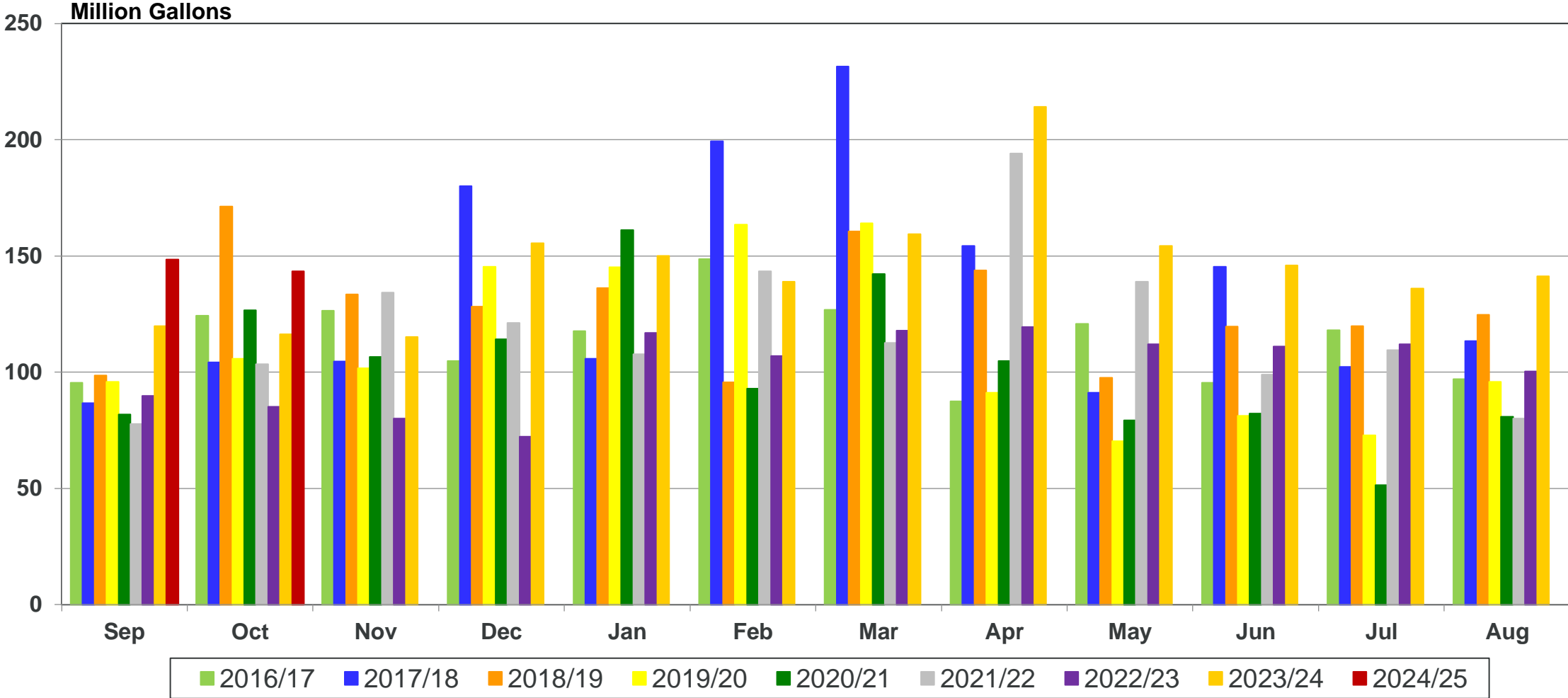
Weekly Corn Usage for Ethanol Production

For 2024/25 crop year, corn processed for ethanol production +3.79% versus 2023/24
At the same time, finished gasoline supplied to market is +1.29%



U.S. Monthly Ethanol Exports

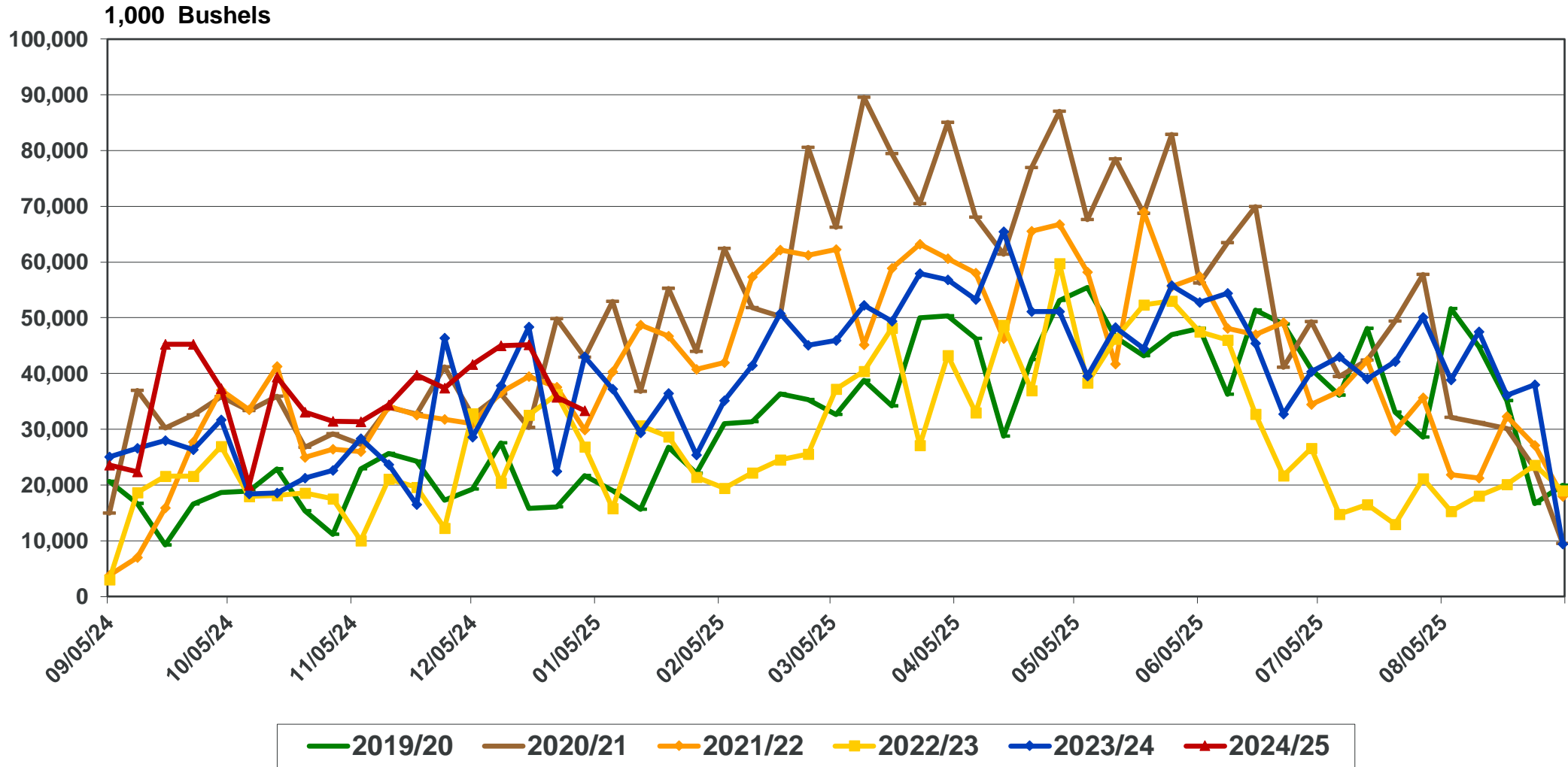
For 2024/25 crop year, through Oct, exports are up 24%



Source: Energy Information Agency, Rabobank 2025

U.S. Corn Export Inspections

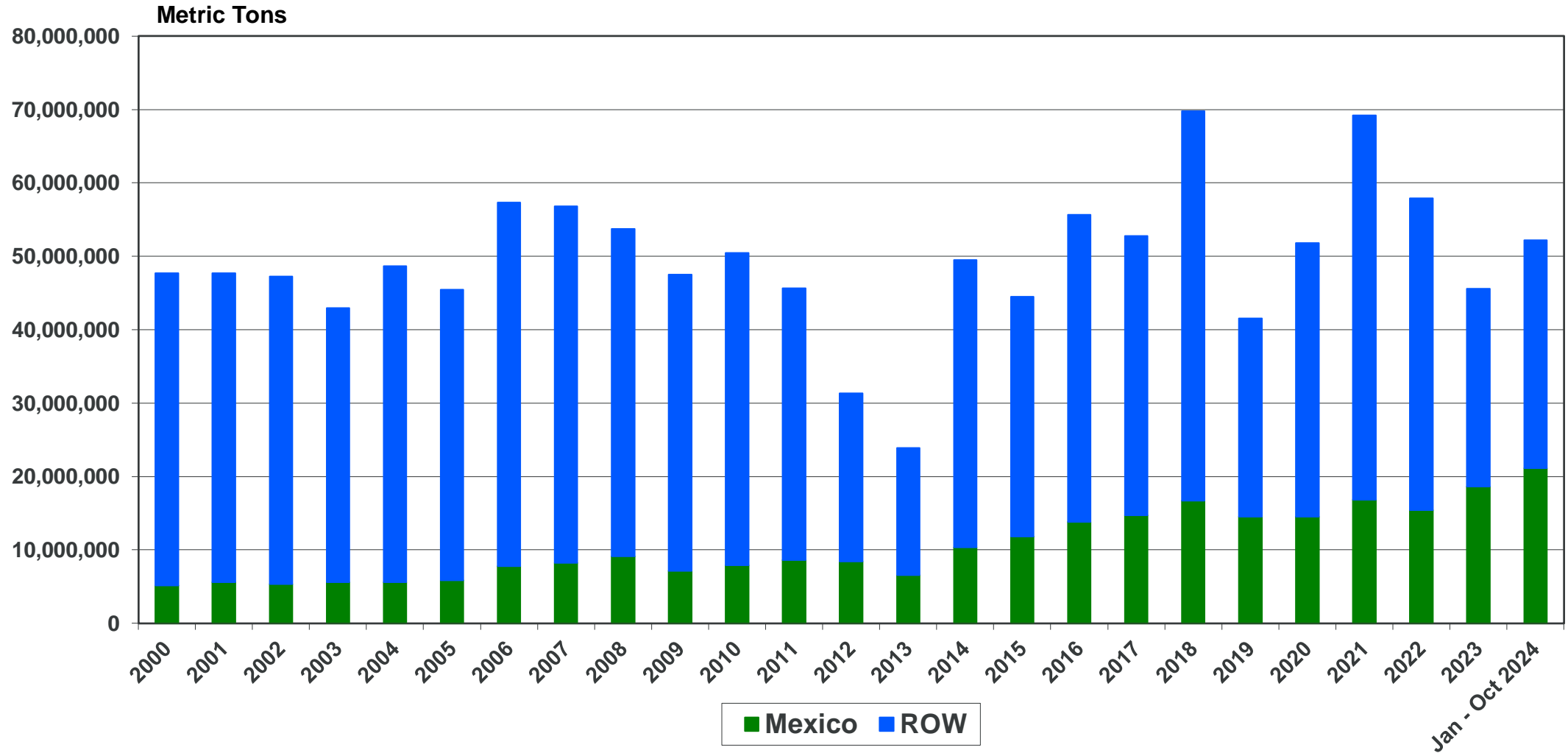
2023/24 export pace is +24.5% ahead last year's pace.



Source: USDA/AMS, Rabobank 2025

U.S. Corn Exports

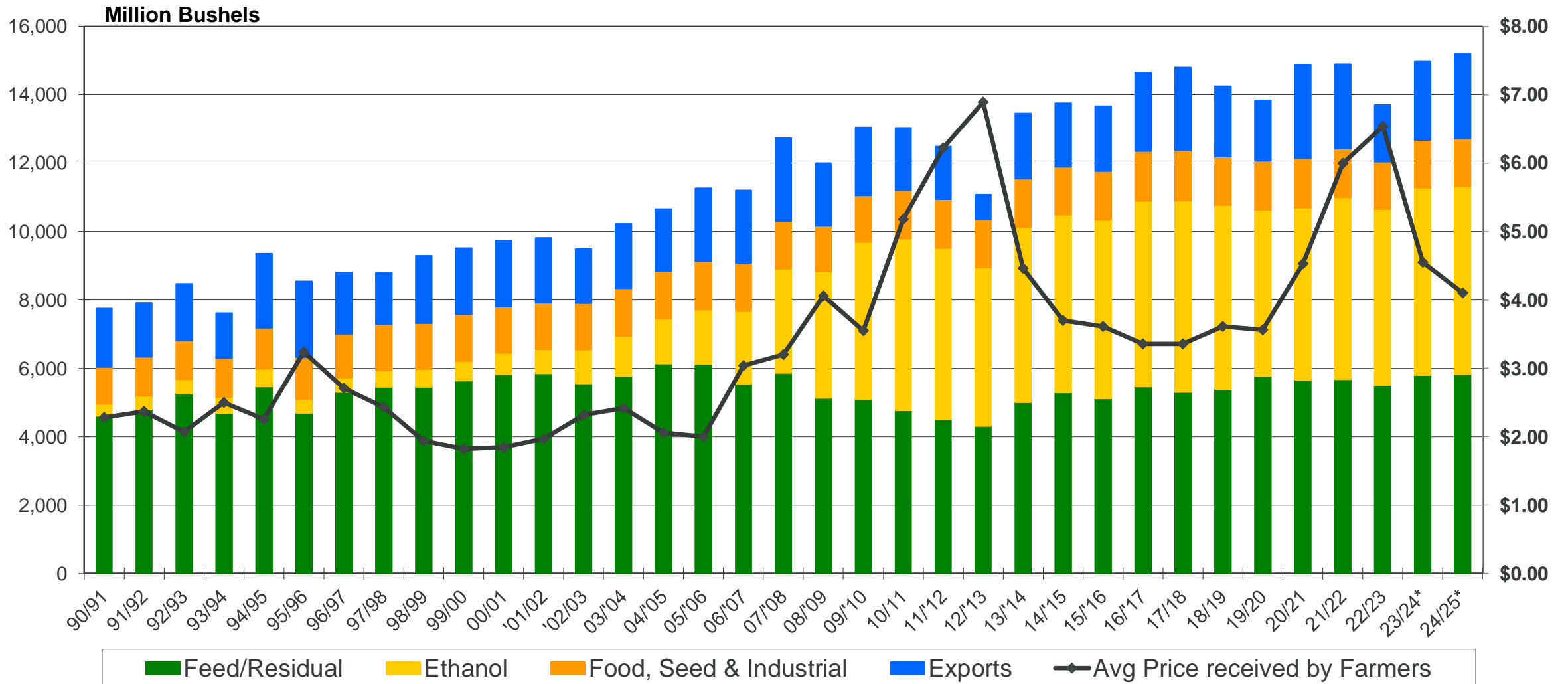
Mexico now represents nearly 40% of U.S. corn exports



Source: USDA/AMS, Rabobank 2025

U.S. Corn Demand Components—Record Demand

Long-term--where does the new corn demand come?



Source: USDA-WASDE, Rabobank, 2025



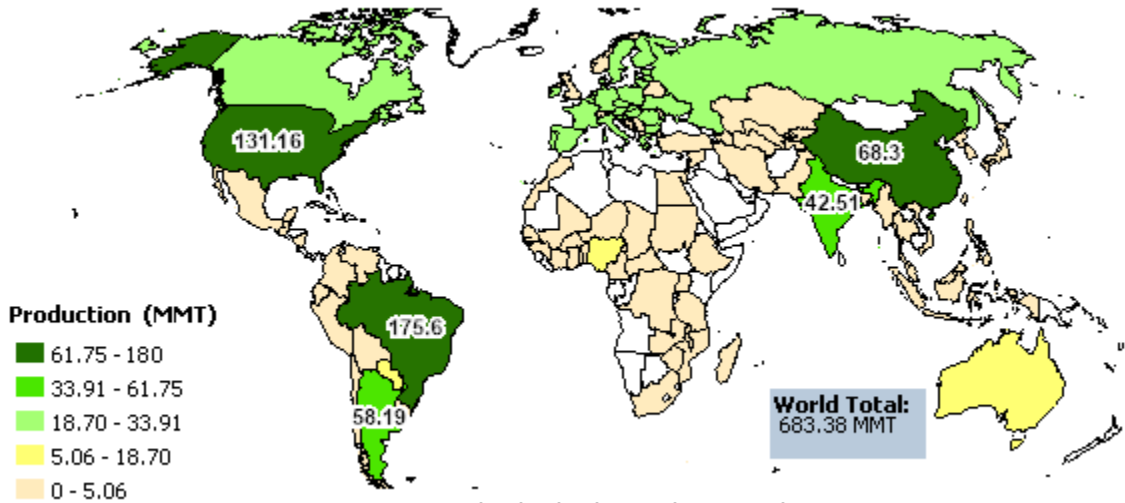
Soybean



Rabobank

A Global Look at Oilseed Production and Exports

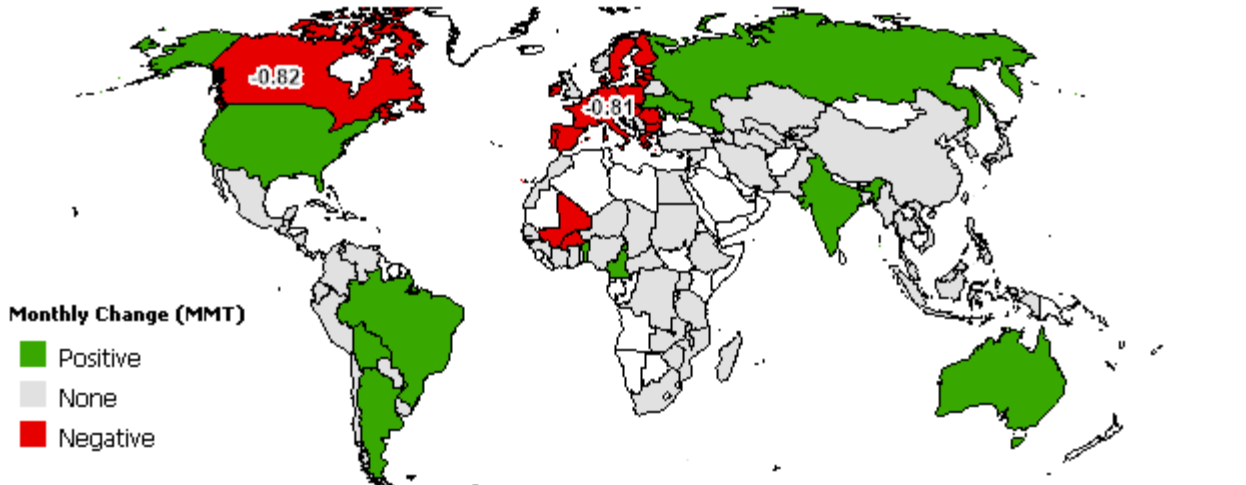
2024/2025 Total Oilseed Production



Source: PSD Online (Updated: December 10, 2024)
(<https://apps.fas.usda.gov/psdonline>)



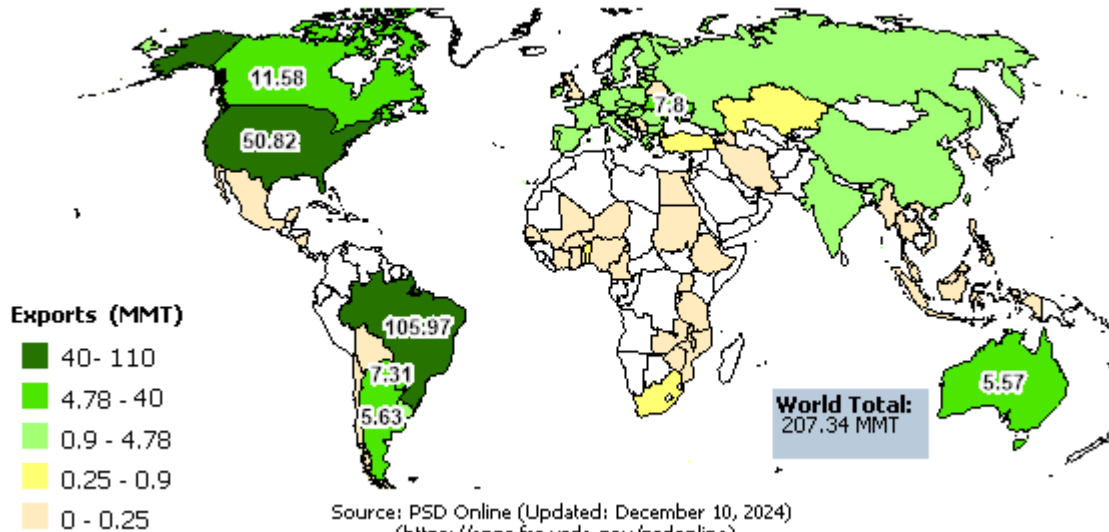
2024/2025 Total Oilseed Production (Change from Previous Month)



Source: PSD Online (Updated: December 10, 2024)
(<https://apps.fas.usda.gov/psdonline>)



2024/2025 Total Oilseed Exports

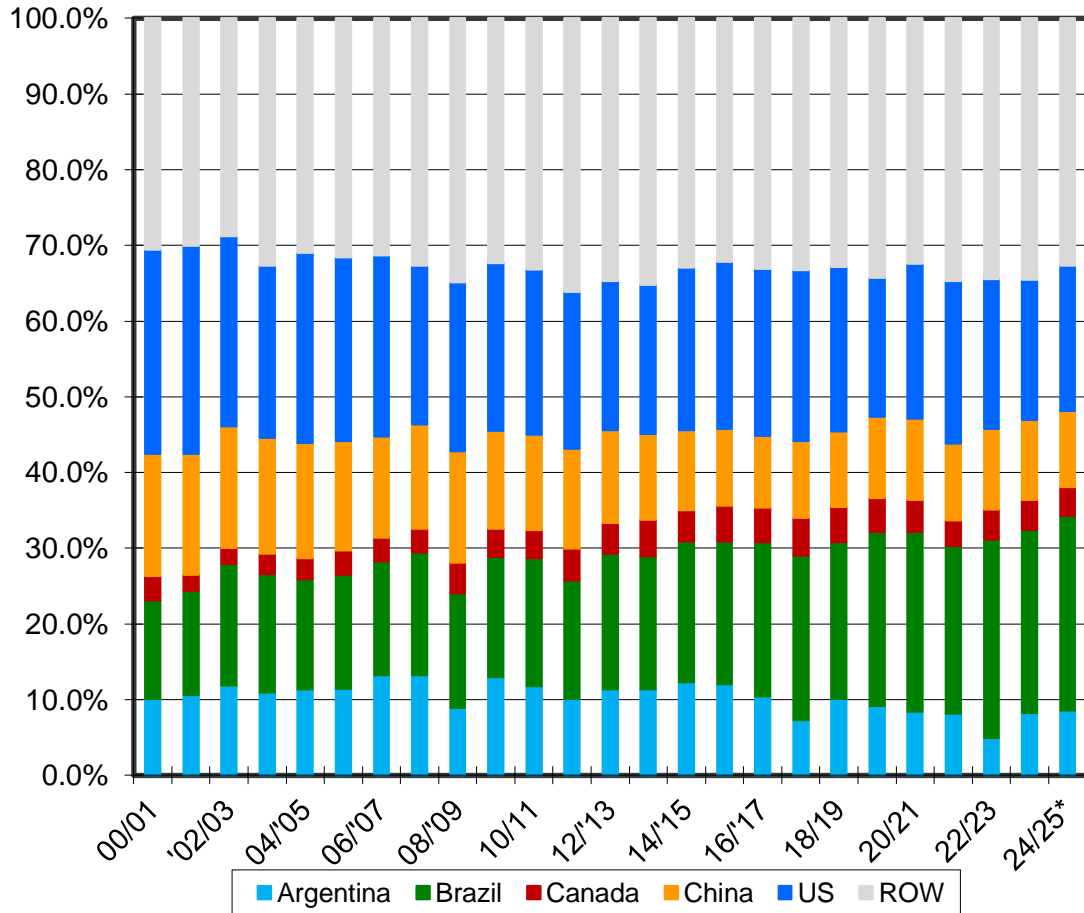


Source: PSD Online (Updated: December 10, 2024)
(<https://apps.fas.usda.gov/psdonline>)

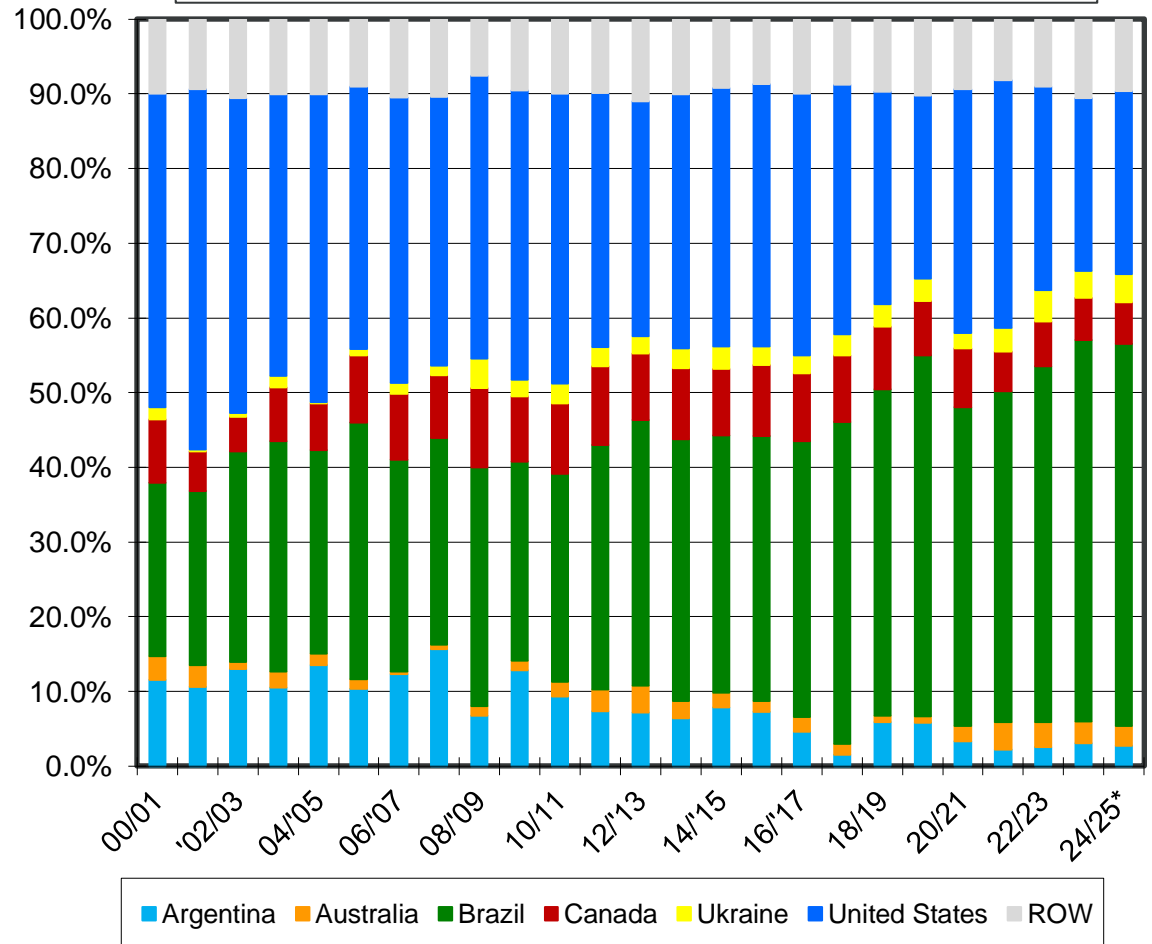


Global Oilseed Production and Exports are Controlled by Three Countries

Argentina, Brazil, Canada & US account for ~ 57% of global oilseed production



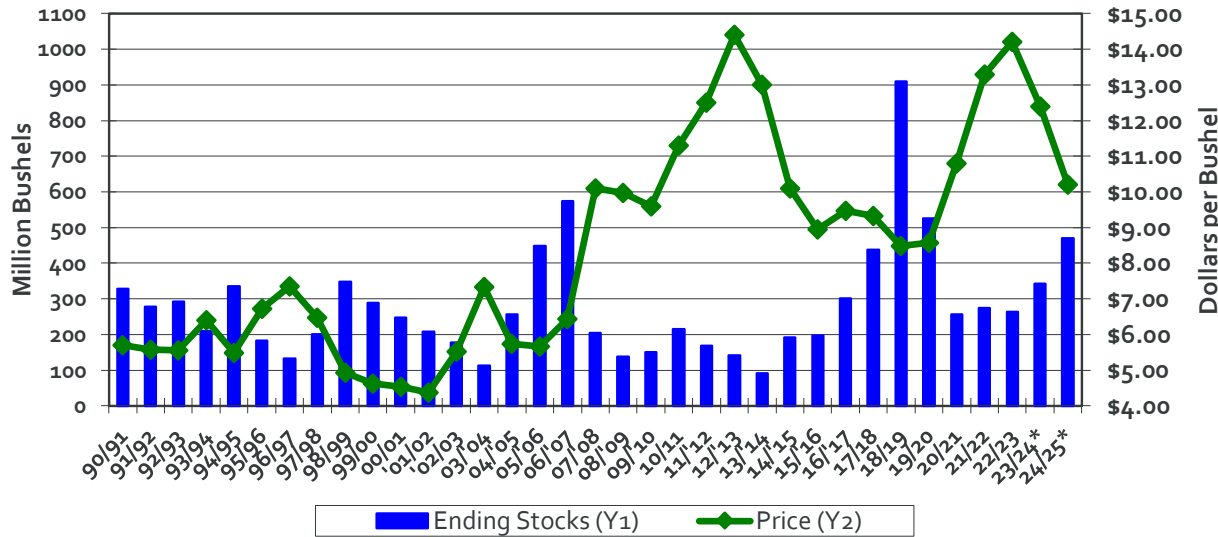
Brazil and U.S. control ~75% of global oilseed exports



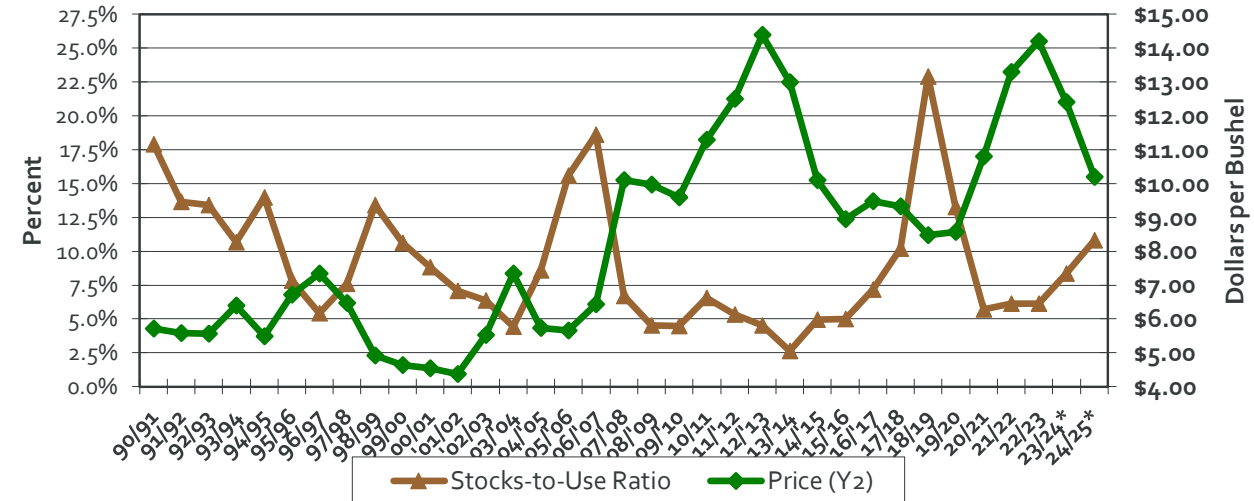
Notes: oilseeds included are Copra, Cottonseed, Palm Kernel, Peanut, Rapeseed, Soybean, Sunflower
 Source: USDA-FAS/PSD, Rabobank 2024

U.S. (and Global) Soybean Fundamentals—Stocks are Burdensome

U.S. Soybean Stocks vs. U.S. Average Farmgate Price

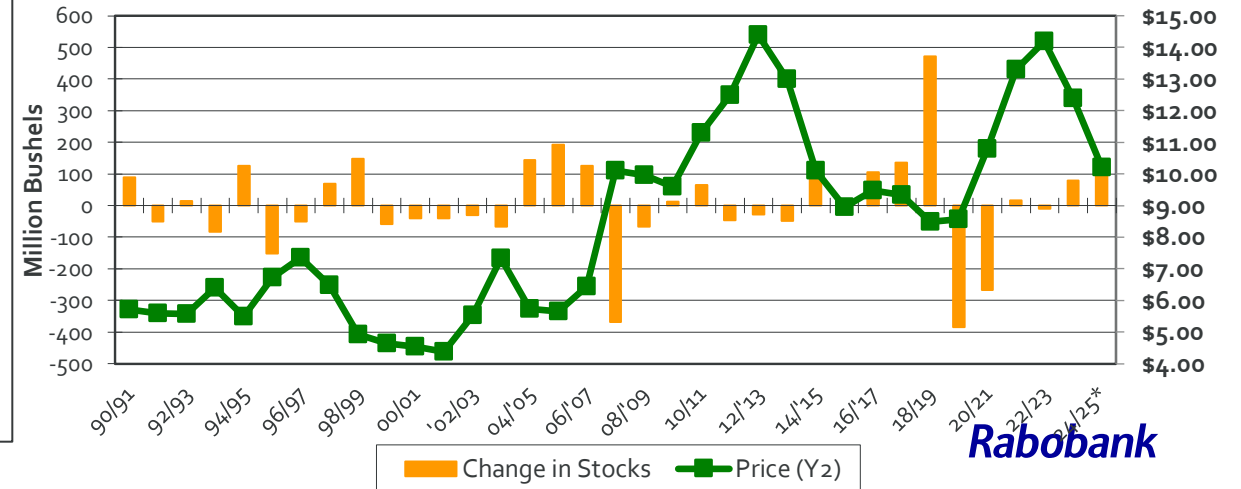


U.S. Soybean Stock-to-Use vs U.S. Average Farmgate Prices



- Global soybean stocks are increasing. Good soybean production in Argentina, Brazil and the U.S. are adding to burdensome stocks—globally and domestically.
- As result, it is hard to be optimistic about soybean prices any time soon. Although cheaper U.S. soybeans have seen a slight rebound U.S. soybean exports.
- The bright spot has been U.S. soybean crush. Crush data continues to confirm the rise in U.S. soybean crushing capacity. Average 2024/25 crush (Sept.-Nov) is 204.1 mln bu versus 192.1 mln bu versus last year.
- Despite all the negative publicity at biomass diesel—low RIN and carbon credit values, a RWD plant closing, soybean oil usage for bio-based biodiesel remains high. Since May 2023 only two months have not exceeded 1.0 bln pounds of usage.
- Expectations are Brazil will expand the 2024/25 soybean crop area upwards of 1.0-1.5% adding to already burdensome stocks situation. Early growing seasons conditions have been favorable. Rabobank is projecting a 167 mmt.

Change in Soybean Stocks vs U.S. Average Farmgate Prices



Weekly Soybean Futures

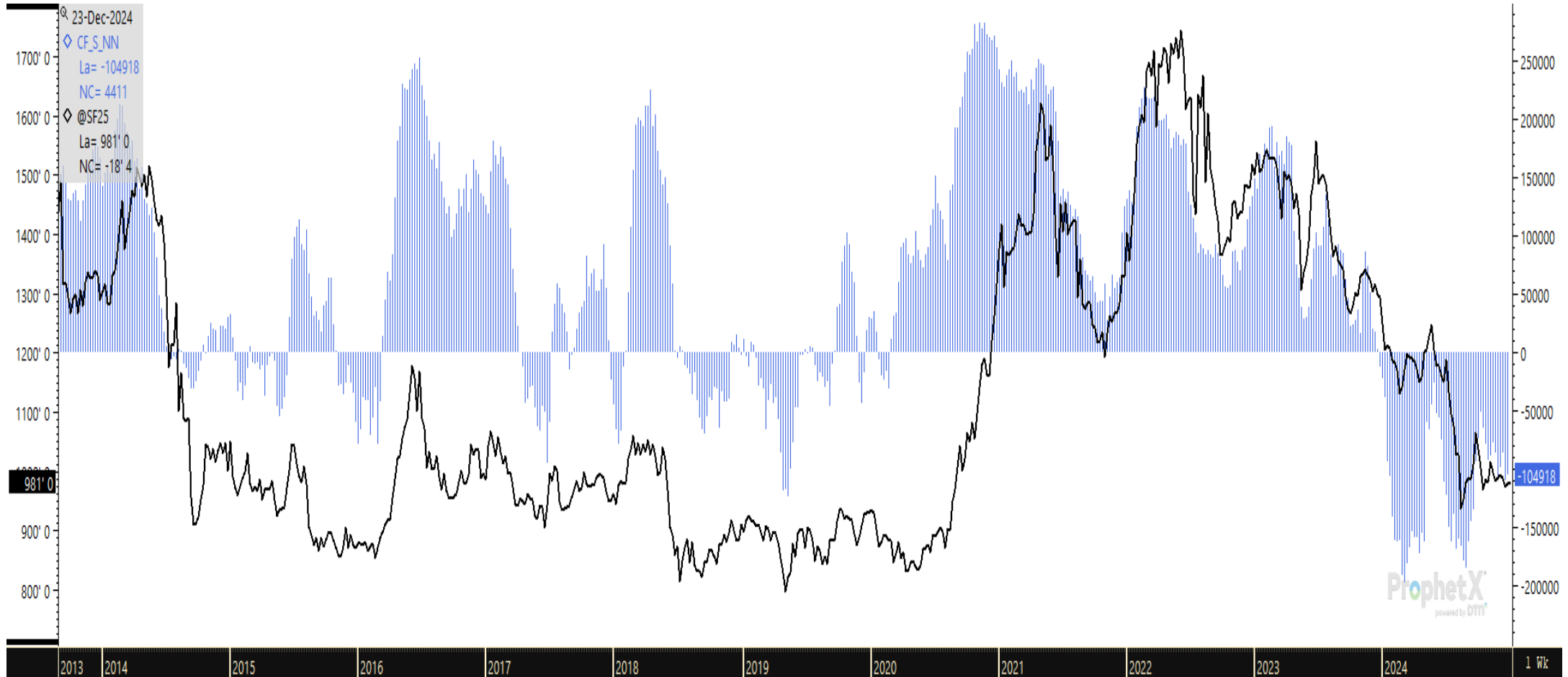
Market trading in a trading range between \$9.50-\$10.70—widening that range out.



Source: DTA ProphetX, Rabobank 2025

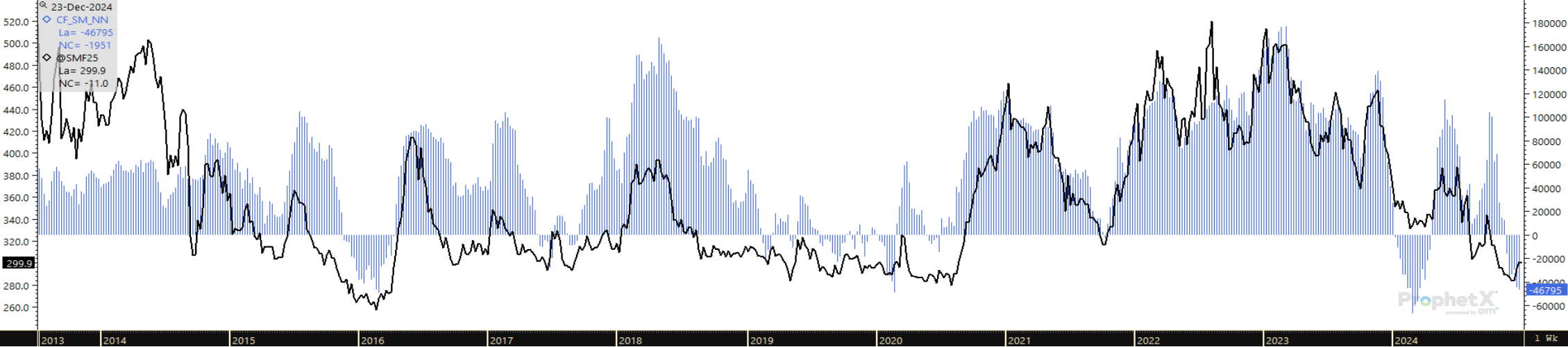


CBOT Soybean CFTC Non-commercial Net Position—Selling Off

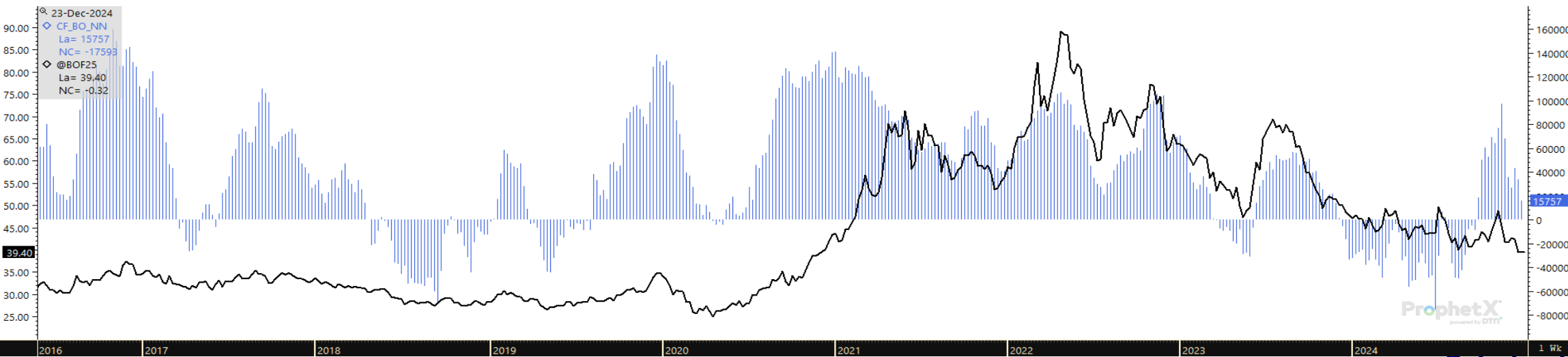


Non-commercial (Funds) Selling Off their Positions

CBOT Soybean Meal Net Commercial Position



CBOT Soybean Oil Net Commercial Position



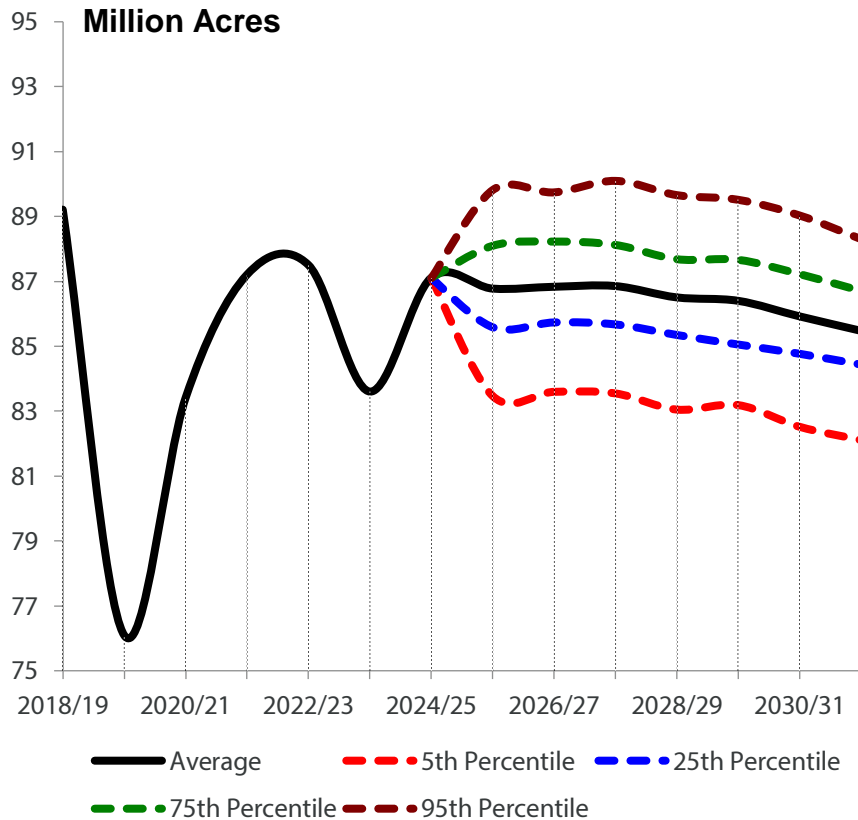
Source: CFTC, DTN ProphetX, Rabobank 2025

Rabobank U.S. Ten-Year Baseline Model Soybean Outlook*

(November 2024)

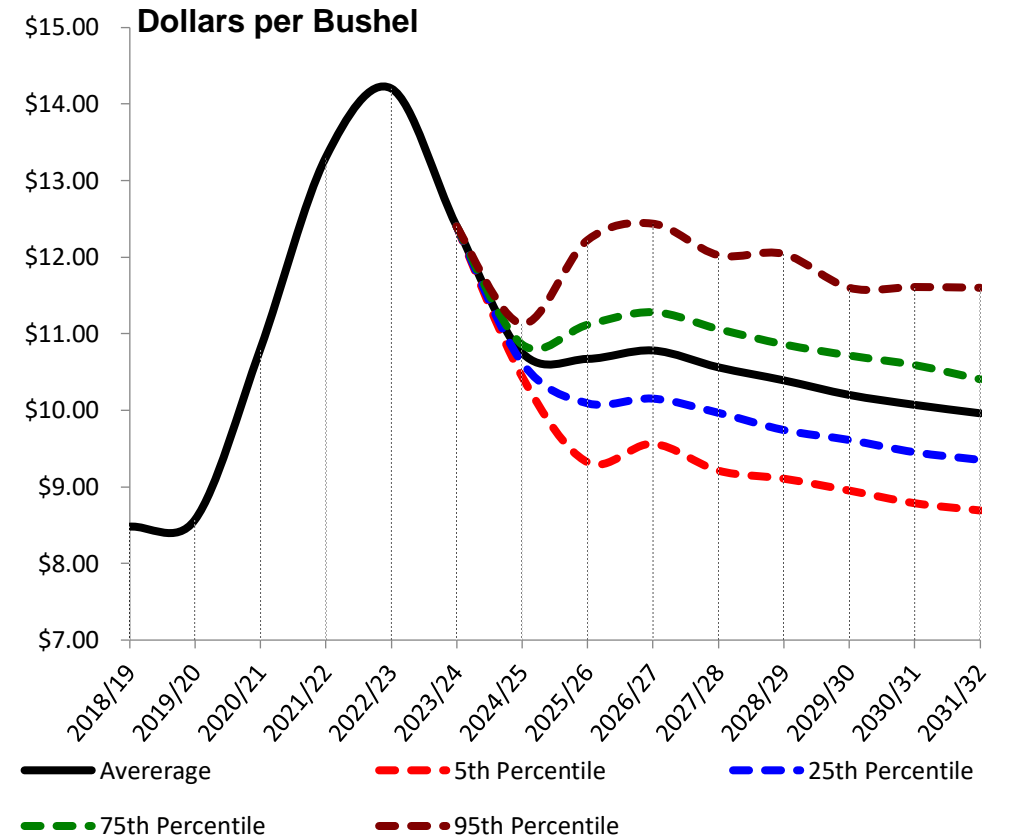
U.S. Planted Soybean Acres Outlook

75% probability planted soybean acres will be under 88.0 mln acres



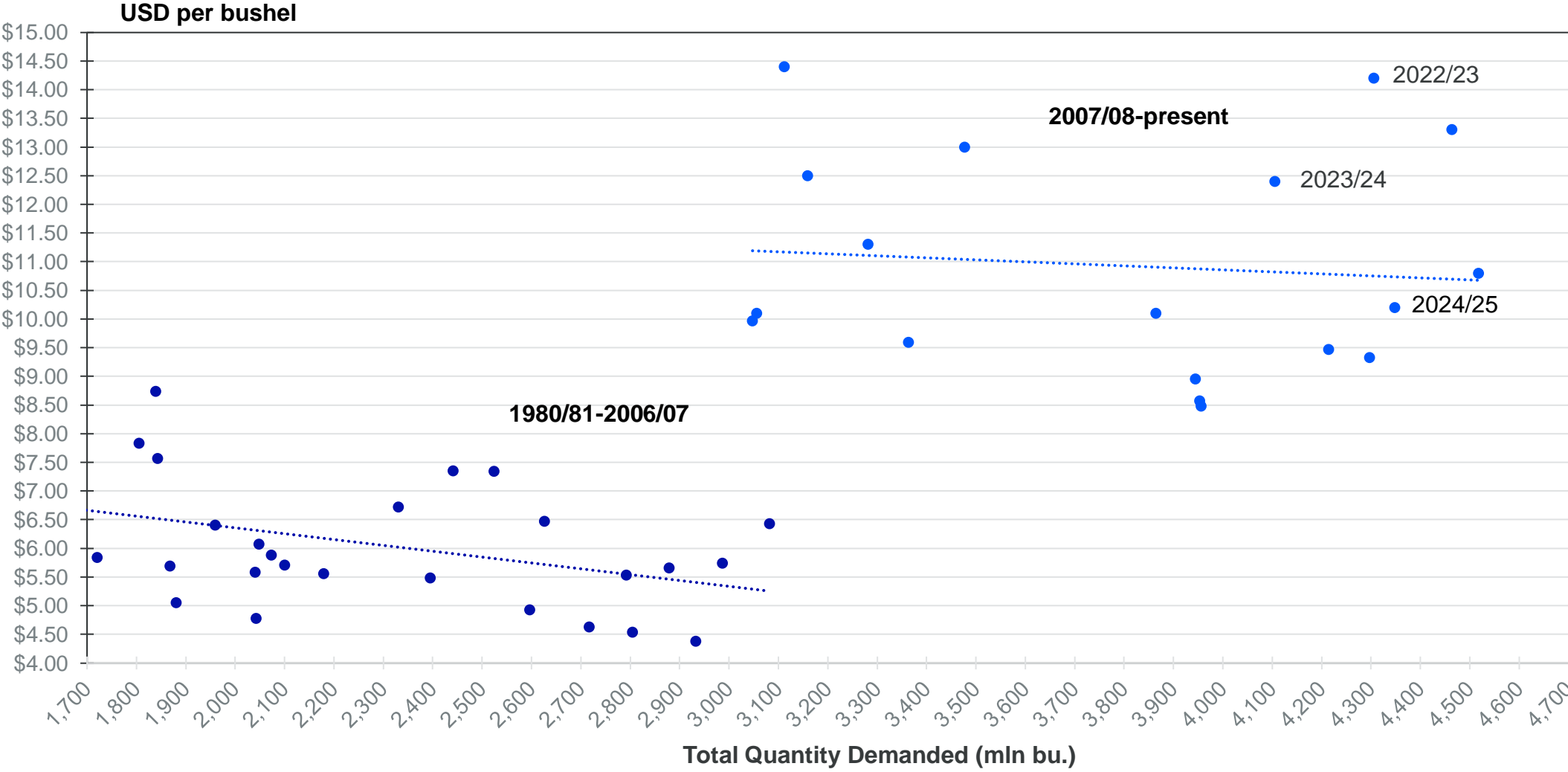
U.S. Farmgate Soybean Price Outlook

75% probability soybean prices will be under \$11.00 per bushel or lower



Source: USDA, Rabobank Baseline (Aug 2024)
 *Assuming "normal" conditions, including weather

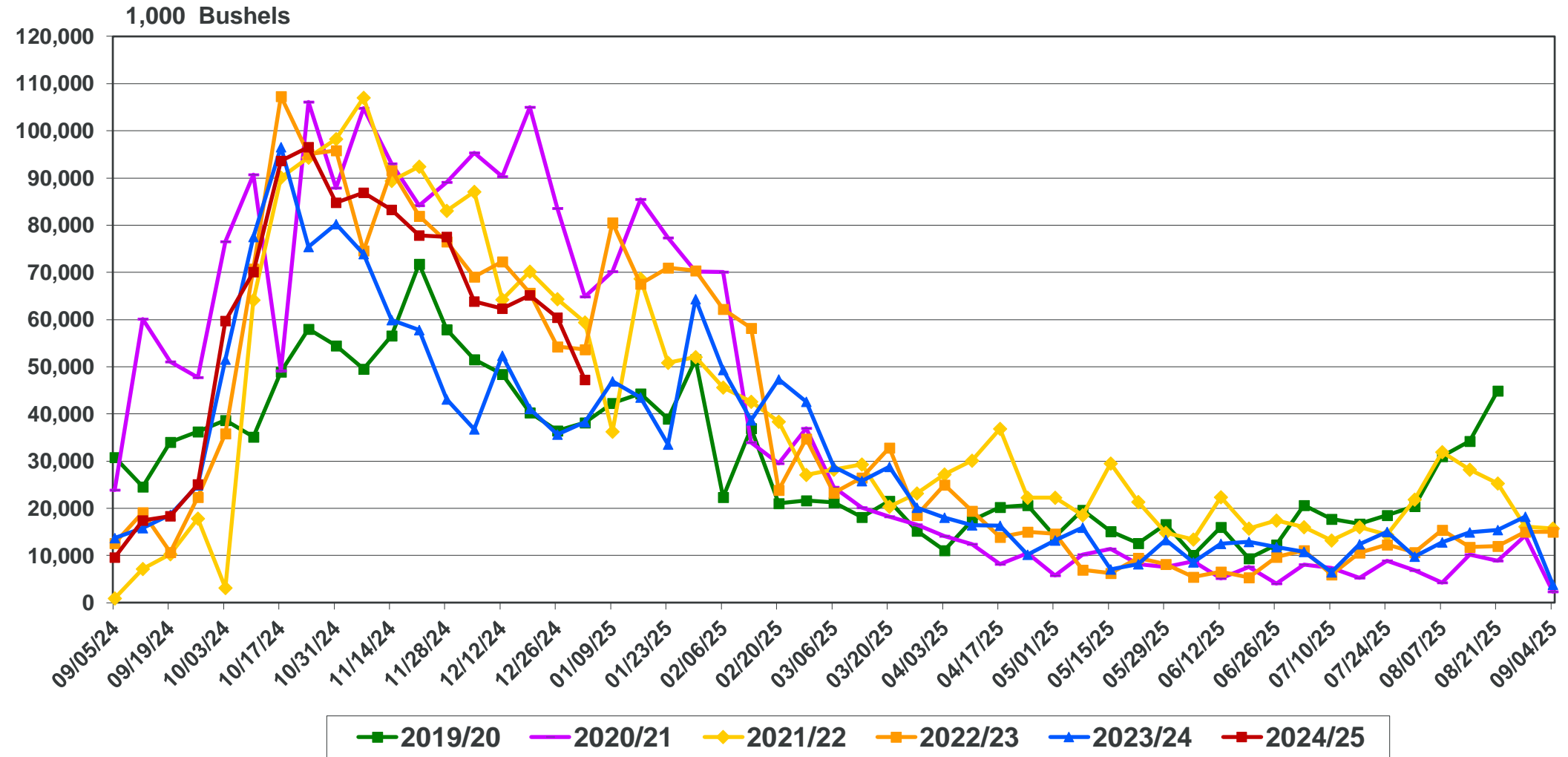
U.S. Soybean Demand Curve—Becoming more Inelastic



Source: USDA, Rabobank 2025

Pace of U.S. Soybean Export Inspections

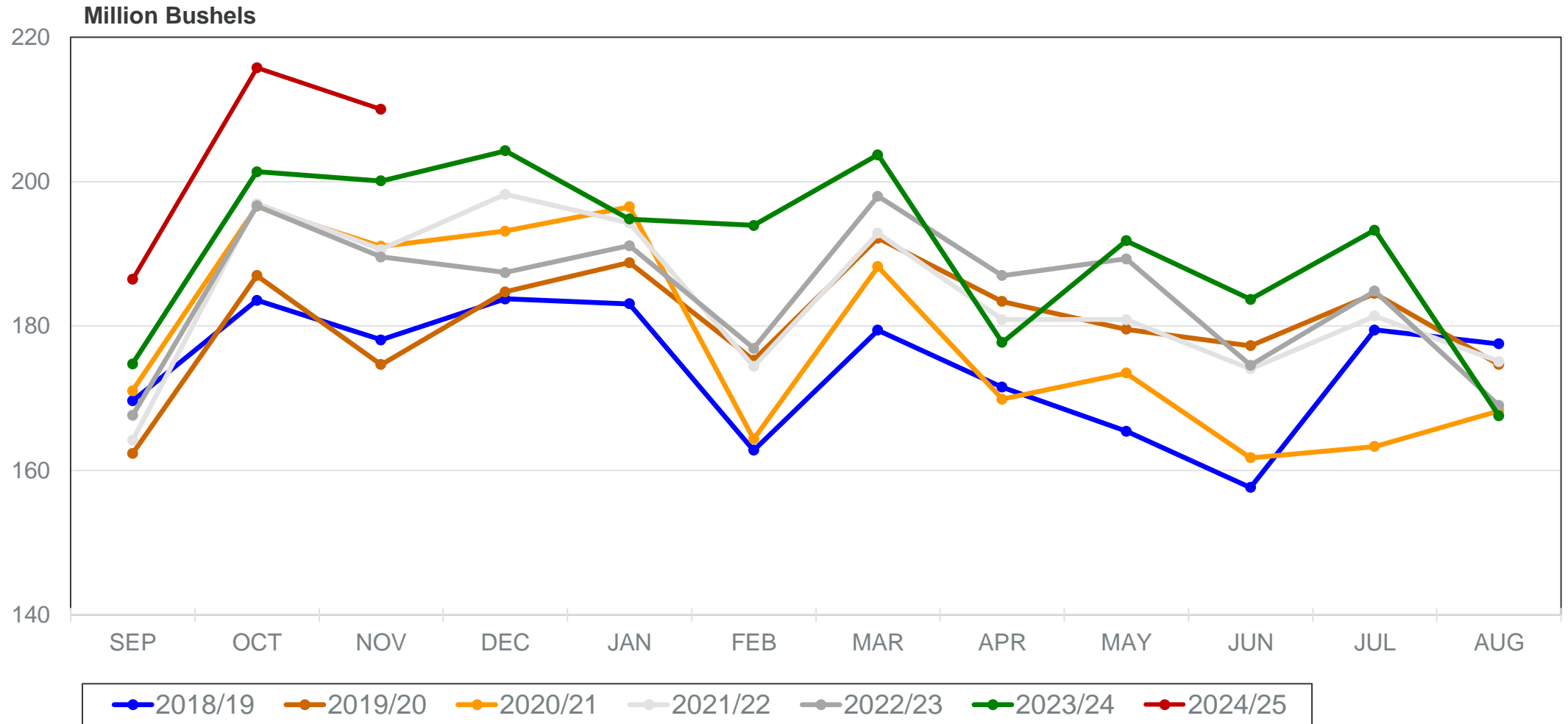
Ahead of last year's pace, +23.2%



Source: USDA/AMS, Rabobank 2025

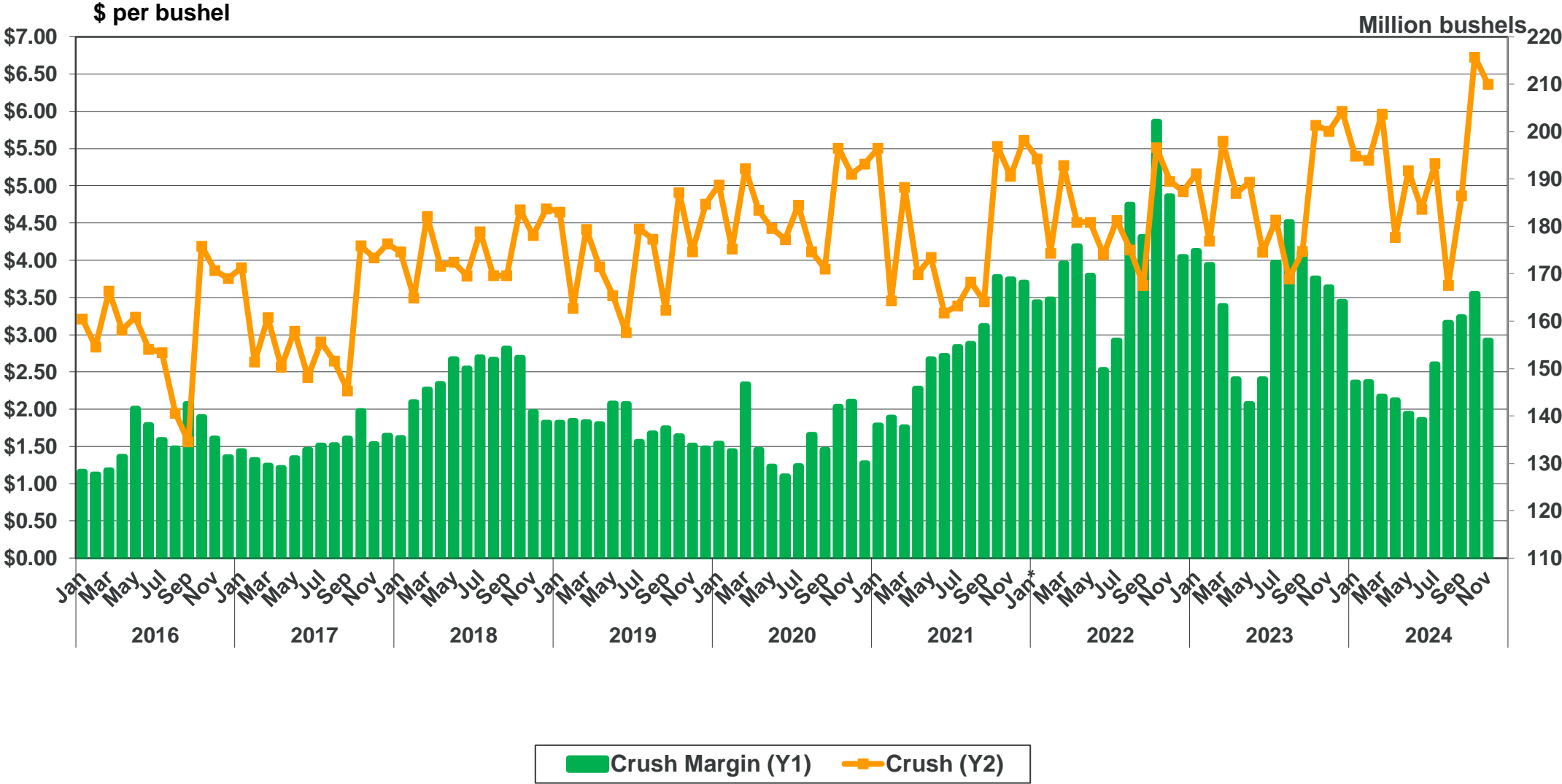
Monthly Soybean Crush

2024/25 crop year crush +6.3% above 2023/24, plus averaging 200+ mln bu. per month crush



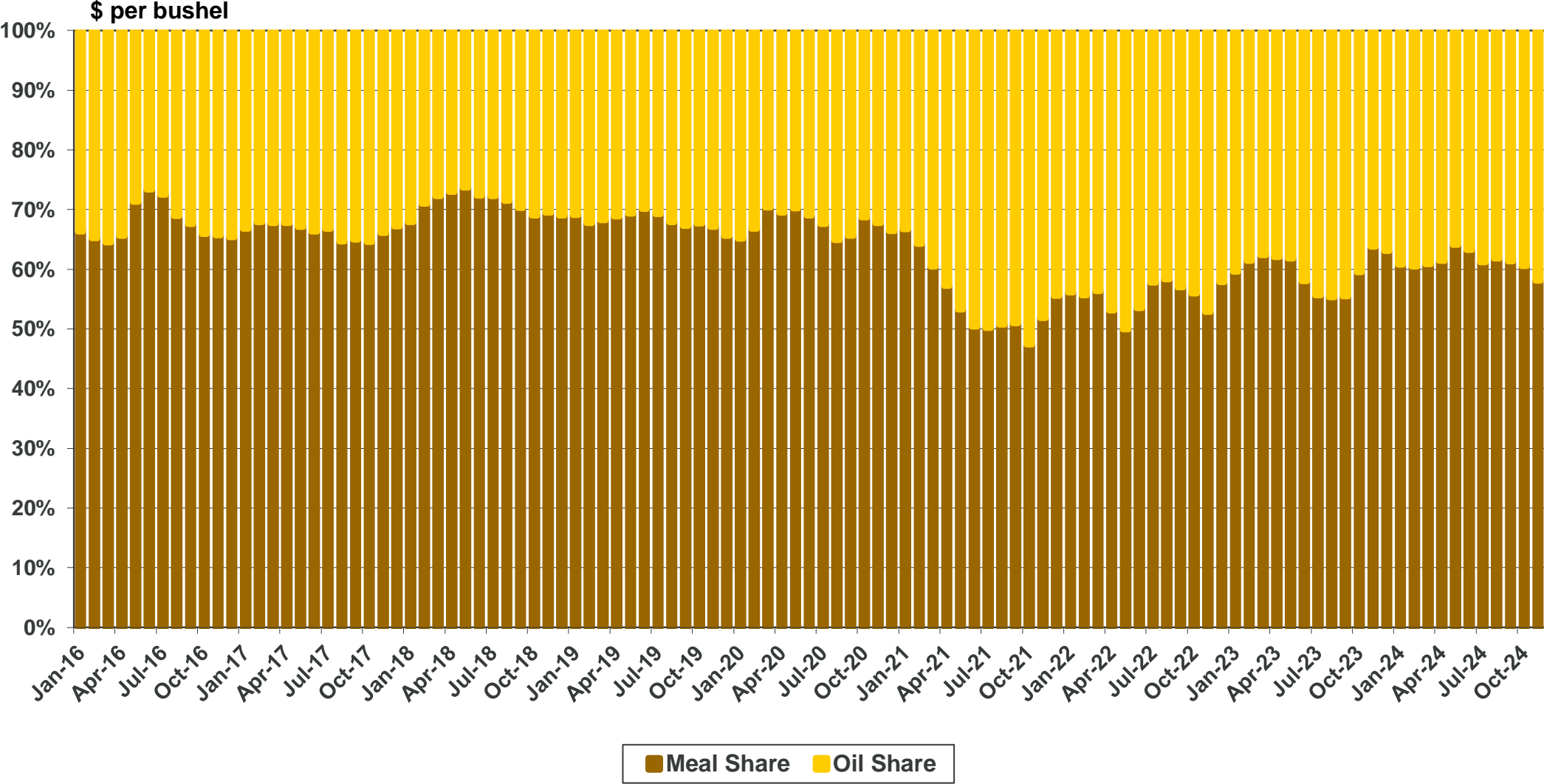
Source: USDA-NASS, Rabobank 2025

U.S. Crush Margins



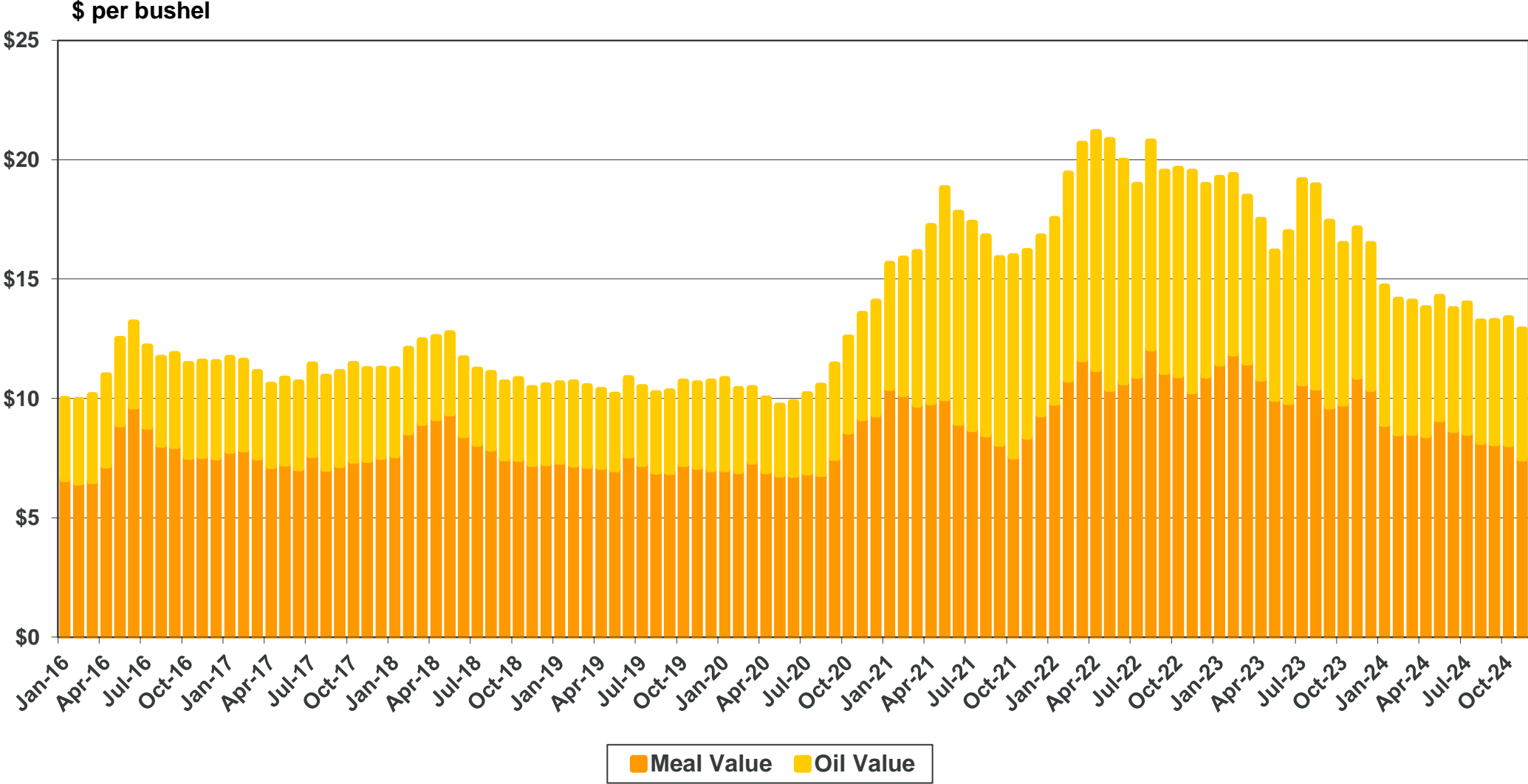
Source: USDA-AMD, USDA-NASS, Rabobank 2025

U.S. Crush Share Appears to have Permanently Changed



Source: USDA-AMS, USDA-NASS, Rabobank 2025

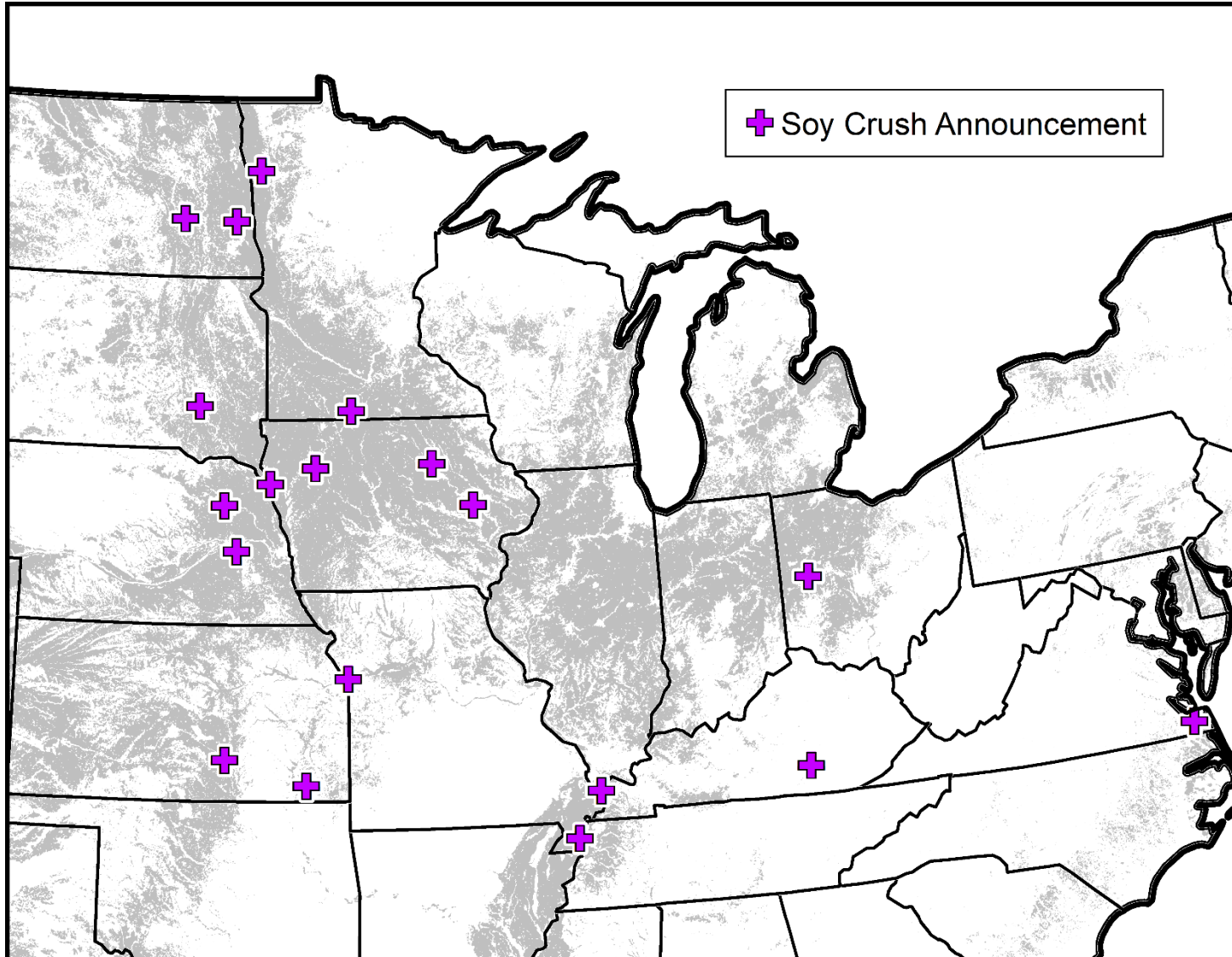
Value of Soybean Has Been Enhanced by Oil not Meal



Source: USDA-AMS, USDA-NASS, Rabobank 2025

Record Investment in U.S. Crushing Assets-over \$4.6 bln

Estimated annual increase in crush over 725 mln bushels



Record Investment in U.S. Crushing Assets-over \$4.6 bln

Estimated annual increase in crush over 725 mln bushels

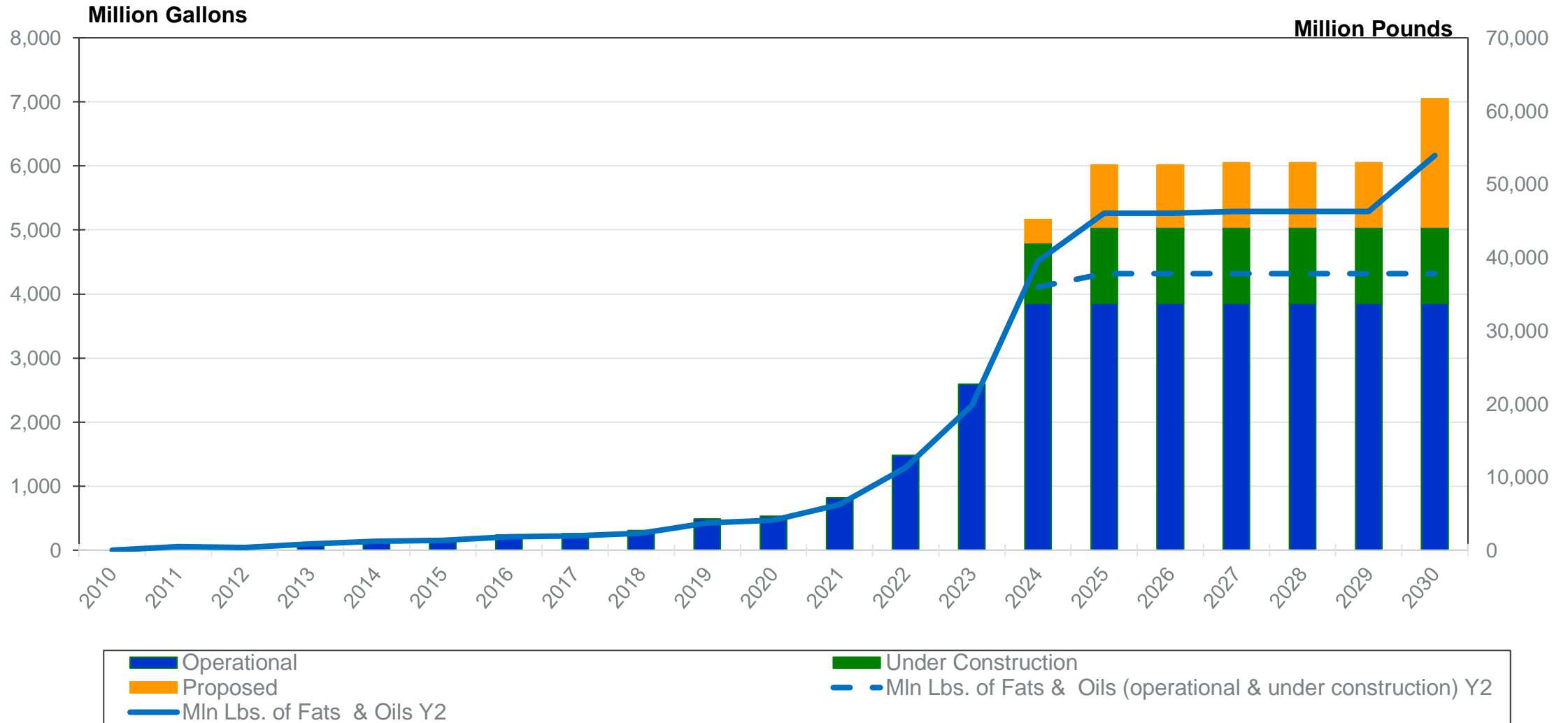
Date Announced	Company	Location	Investment	Added Crush Capacity	Operational
Sept 2019	CHS ²	Fairmont, MN	\$100 mln	5,500 bu/day	Fall 2021
Oct 2020	Mid-Iowa Coop dba Shell Rock Soy Processing ¹	Shell Rock, IA	\$270 mln	110,000 bu/day	Mid 2022
Apr 2021	Cargill ²	various locations ³	\$475 mln	~285,000 bu/day (est)	n/a
May 2021	ADM/Marathon ¹	Spiritwood, ND	\$350 mln	150,000 bu/day	Early 2023
Aug 2021	Mid-Iowa Coop dba Platinum Crush LLC ¹	Alta, IA	\$350 mln	110,000 bu/day	Winter 2024
Sept 2021	Bunge/Chevron ²	Destrehan, LA & Cario, IL	\$600 mln	~233,000 bu/day (est)	2024
Sept 2021	JV between CGB Enterprises and Minnesota Soybean Processors ¹	Casselton, ND	\$400 mln	136,000 bu/day	2024
Oct 2021	The Barlett Company ¹	Cherryvale, KS	\$325 mln	110,000 bu/day	2024
Jan 2022	Continental Refining Co. ¹	Somerset, KY	\$26.8 mln	8,500 bu/day	Early 2022
Jan 2022	AGP ¹	David City, NE	n/a	143,000 bu/day	2025
Feb 2022	N Bowdish Company LLC, dba Norfolk Crush ¹	Norfolk, NE	\$375 mln	110,000 bu/day	2024
Feb 2022	South Dakota Soybean Processors, LLC ¹	Mitchell, SD	\$500 mln	100,000 bu/day	2025
Mar 2022	Perdue AgriBusiness ²	Chesapeake, VA	\$59.1 mln	n/a	n/a
May 2022	Cargill ¹	Pemiscot Co., MO	n/a	180,000 bu/day	2026 (on hold)
Jan 2019/Dec 2022	Epitome Energy ¹	Grand Forks, ND	\$400 mln	120,000 bu/day	2025
Aug 2023	CHS ¹	Evansville, WI	n/a	200,000 bu/day	n/a (on hold)
Oct 2023	LDC ¹	Upper Sandusky, OH	~\$541 mln	~-175,000 bu/day	n/a

1. New crushing facility

2. Expansion of existing crushing facility

3. Investments made across seven states with the largest projects at Sidney, OH; Cedar Rapids, IA; Wichita, KS; and Kansas City, MO

Rapid Growth in U.S. Renewable Diesel Production Capacity

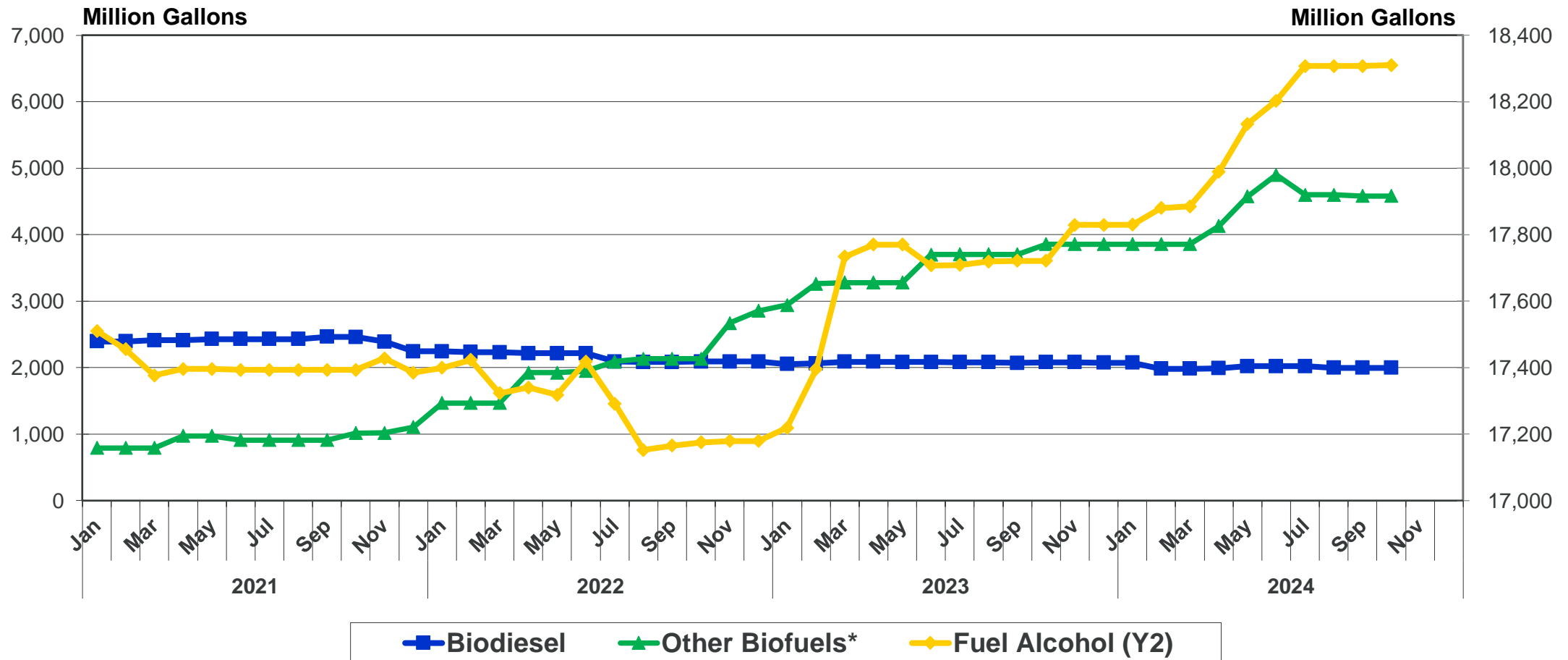


Note: 2010-2022 is actual renewable diesel production. 2024 & beyond is production capacity.
 Source: EIA, Biodiesel Magazine, Rabobank 2024

U.S. Biofuel Production Capacity

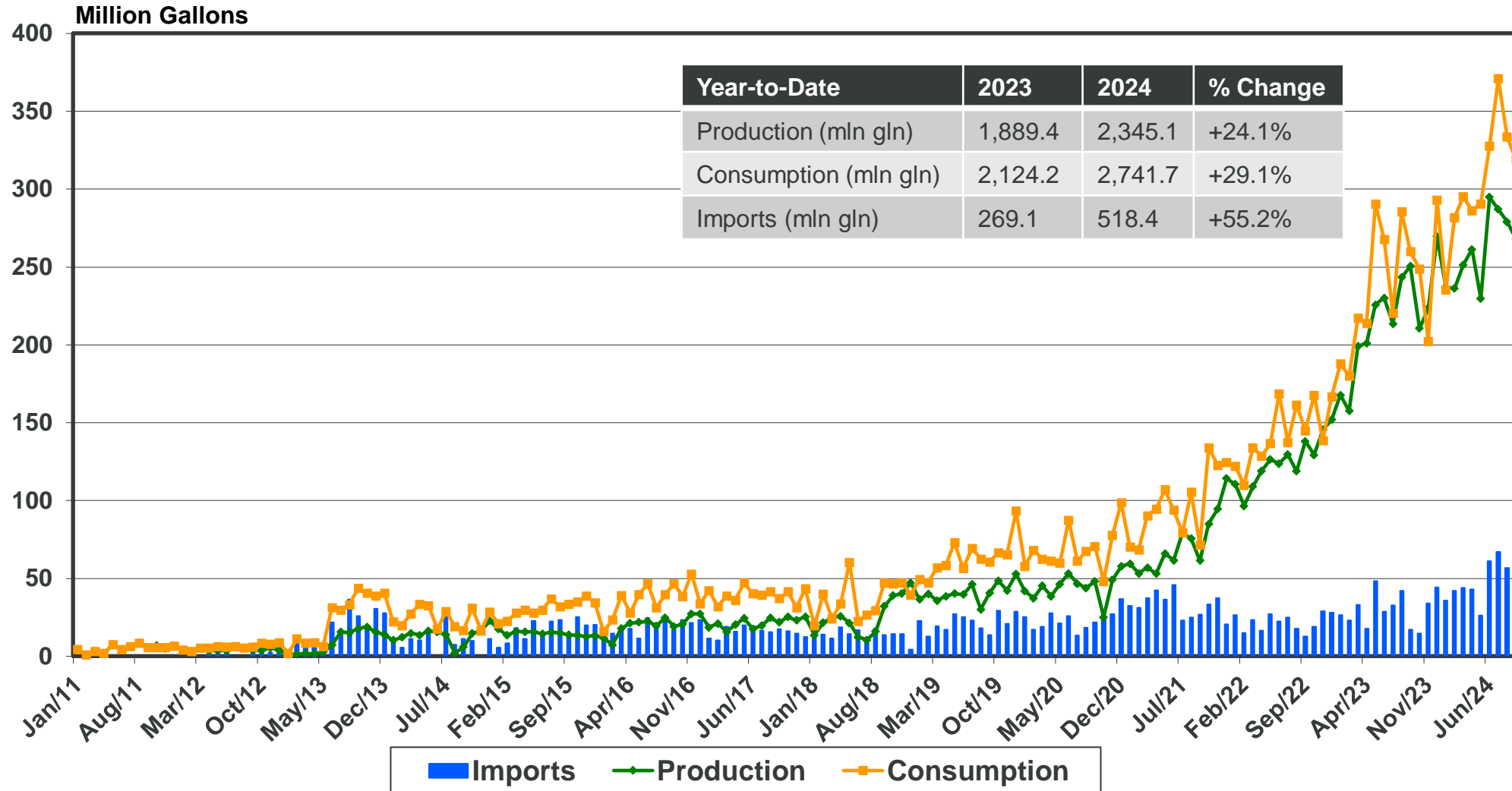
(million gallons of production on annual basis)

Renewable diesel production capacity is increasing rapidly



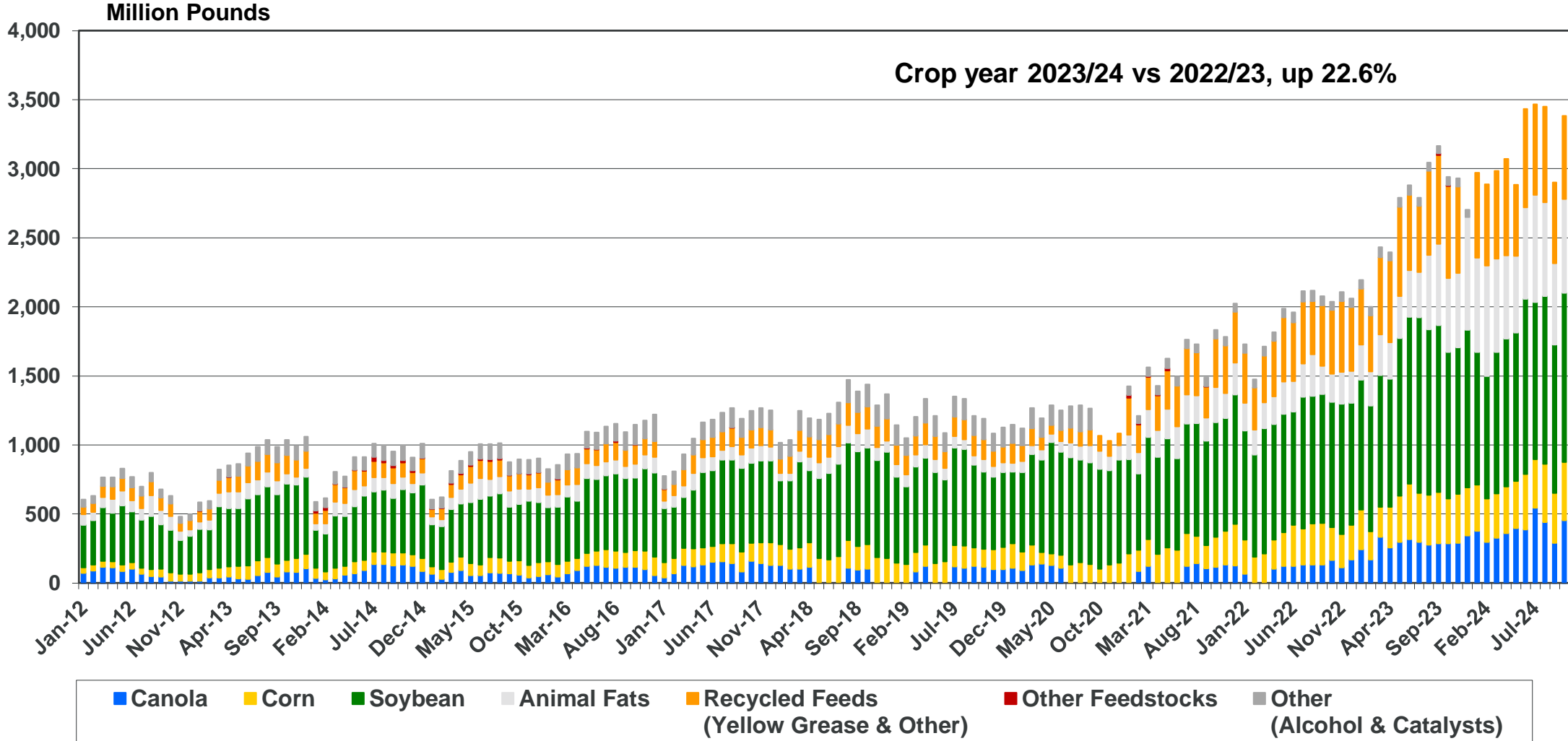
*Other biofuels includes renewable diesel fuel, renewable heating oil, renewable naphita, renewable gasoline and other renewable fuels
 Source: EIA. Rabobank 2025

Renewable Diesel Consumption Versus Production



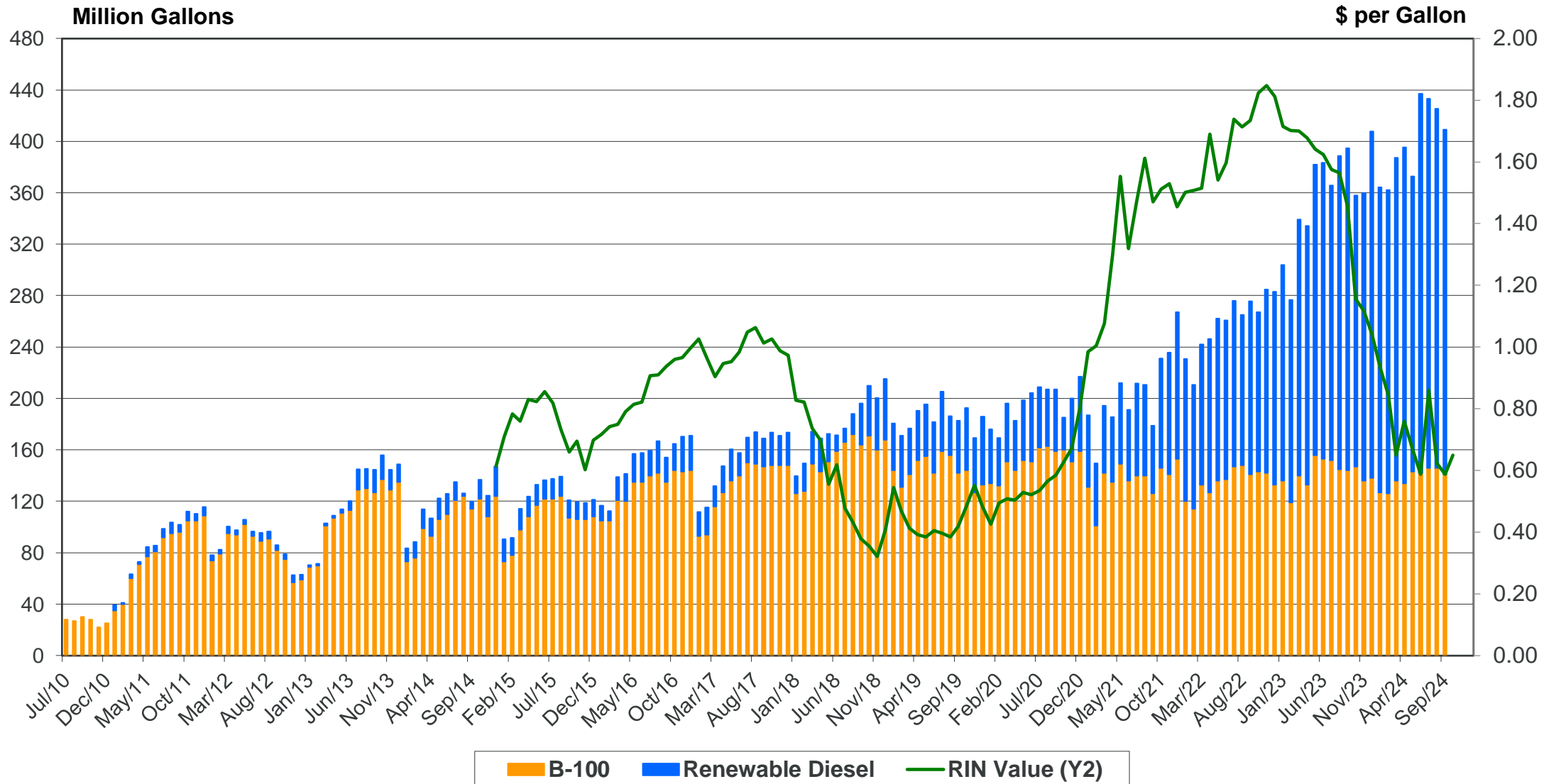
Monthly Feedstocks Consumed for Production of Biomass-Diesel

Fats and oils consumption for biodiesel, primarily for renewable diesel has moved demand to a new level



Source: U.S. Energy Information Administration, Rabobank 2025

Comparison of D-4 (Q-RIN) RIN Values versus Bio-Based Diesel Production



Banking & Securities Disclosure

This document has been prepared exclusively for your benefit and does not carry any right of publication or disclosure other than to Coöperatieve Rabobank U.A. ("Rabobank"), registered in Amsterdam. Neither this document nor any of its contents may be distributed, reproduced or used for any other purpose without the prior written consent of Rabobank. The information in this document reflects prevailing market conditions and our judgement as of this date, all of which may be subject to change. This document is based on public information. The information and opinions contained in this document have been compiled or derived from sources believed to be reliable, without independent verification. The information and opinions contained in this document are indicative and for discussion purposes only. No rights may be derived from any potential offers, transactions, commercial ideas et cetera contained in this document. This document does not constitute an offer or invitation. This document shall not form the basis of or cannot be relied upon in connection with any contract or commitment whatsoever. The information in this document is not intended and may not be understood as an advice (including without limitation an advice within the meaning of article 1:1 and article 4:23 of the Dutch Financial Supervision Act). This document is governed by Dutch law. The competent court in Amsterdam, The Netherlands has exclusive jurisdiction to settle any dispute which may arise out of or in connection with this document and/or any discussions or negotiations based on it. This report has been published in line with Rabobank's long-term commitment to international food and agribusiness. It is one of a series of publications undertaken by the global department of Food & Agribusiness Research and Advisory.

©2016 - All Rights Reserved.

Contact Information:

Stephen P. Nicholson

Rabobank

EVP /Global Sector Strategist-Grains and Oilseeds

RaboResearch Food & Agribusiness

Stephen.Nicholson@rabobank.com

+1 314-317-8278 (office)

+1 314-452-2479 (mobile)