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Report Highlights:

Uruguayan wheat production in marketing year (MY) 2024/2025 is forecast at 1.3 million tons, 260,000 tons lower than the previous crop season which saw record high yields. Wheat exports are projected down at 800,000 tons, 29 percent lower than the previous year. Corn production in MY 2024/2025 is forecast at 1 million tons, down 35 percent from the previous year as planted area and yields are both expected to drop. Corn trade is expected to be marginal. Sorghum production in MY 2024/2025 is projected to increase to 100,000 tons due to somewhat higher planted area. Rice production in MY 2024/2025 is 1.43 million tons rough base and 1 million tons milled rice. Rice exports will rebound from last year at 920,000 tons milled base, a volume similar to two years ago.

Wheat

Uruguayan wheat production in marketing year (MY) 2024/2025 is projected at 1.3 million tons, with an area marginally higher than in the previous season. There is great uncertainty of what the farmers' final decision will be, but most contacts forecast a relatively similar area than in the previous crop season. Planting normally goes from mid-May to June 20 and farmers normally take the decision at the last minute, based on prices and returns, and weather conditions at the time. Autumn has so far been quite wet as the El Nino is showing its influence in the region. Most producers normally have seed saved from the previous harvest and have the equipment and machinery to plant.

Wheat production in the past two crop seasons was very good, with record yields and fair returns, significantly higher than those of alternative crops. Barley yields were not as high as those of wheat due to diseases and canola was impacted by lower world prices. Most contacts believe that farmers will plant having in mind the results of the past crop season. In addition, planting wheat allows many producers comply with the official requirement of crop rotation and use of soil plans and helps them to avoid a cover crop in winter which would demand additional costs.

Local wheat future prices (December 2024) are somewhat lower than what farmers finally got in the past crop, but the costs of production are expected to remain similar or drop slightly. Wheat in Uruguay is an expensive crop, with a total cost (not including land rental) of over \$700 per hectare. For the coming crop, breakeven yields are high, with roughly 5 tons per hectare on rented land and 4 tons per hectare on owned land.

Production in MY 2023/2024 is estimated at 1.56 million tons, one of the top 3 largest volumes in history because of extraordinary record high yields. The crop technology used by farmers and excellent weather combined to produce a great harvest. Official numbers on area and production are significantly lower than what the private sector reports. Agricultural input distributors, exporters and brokers all coincide in that production was roughly between 1.5-1.6 million tons and the harvested area ranged between 320-330,000 hectares.

Uruguay's total winter crop acreage in MY 2024/2025 is forecast to remain relatively unchanged, with canola and barley dividing the area with wheat. Barley production in MY 2024/2025 is forecast at 960,000 tons on 240,000 hectares, 5,000 hectares more than MY 2023/2024 which ended with a total production of 1.1 million tons.

Wheat exports in MY 2024/2025 are forecast at 800,000 tons, significantly smaller than in MY 2023/2024 but still a significant volume. The main destinations are forecast to be North African countries, Chile and Brazil. The latter is expected to continue to lose importance as their domestic wheat production most likely will continue to grow and replace imports in the future.

Exports in MY 2023/2024 are forecast at 1.13 million tons the highest in the past decade. Local brokers confirm that roughly 1 million tons are already committed, with a diverse list of destinations. Based on Trade data Monitor, exports from December 2023/February 2024 totaled 557,000 tons. Shipments in March and April would total an additional 300,000 tons.

Wheat domestic consumption in MY 2024/2025 is forecast flat at 470,000 tons. The consumption of wheat in Uruguay is quite inelastic.

Corn

Production in MY 2024/2025 is projected at 1 million tons, a drop of 35 percent from MY 2023/2024 which resulted in the highest production ever and the first time to break the 1 million-ton mark. The comeback of El Nino weather pattern in summer 2023/24 encouraged a record high area as more abundant rainfall tends to improve productivity. Corn area in MY 2024/2025 is forecast to drop roughly 35,000 hectares because corn prices declined about 40-50 percent in a year, negatively affecting profitability. In addition, weather forecasts are predicting a comeback of La Nina dry conditions in spring and summer. A new negative factor on corn production is the appearance of corn stunt disease in the current crop, affecting especially the second/late corn crops in northern-central areas. Depending on the level of infestation, the disease can cut corn yields between 20-70 percent. This is expected to reduce corn area as some farmers will shift to soybeans and at lower scale sorghum.

Corn production has been growing in the recent past, with area tripling in five years, at 205,000 hectares in MY 2023/2024. Most of the area gained in recent years was at the expense of sorghum, which area dropped to minimum levels. Farmers like to rotate with corn, especially second corn crop which fits well in the production scheme after a winter crop. In general Uruguay has a supply deficit of corn, which is mainly produced for own consumption (most farms in Uruguay are mixed operations with cattle and grain production) or it is easily sold for consumption within the country.

Corn production in MY 2023/2024 is expected at 1.55 million tons, almost double the previous record of MY 2021/2022. Contacts in the private sector estimate a production range between 1.5-1.65 million tons. Based on seed bags marketed, there were approximately 230,000 hectares sown in this season, of which 25,000 hectares were/will be harvested for silage for feed use in dairy and beef cattle operations. Roughly 45 percent of the corn crop was planted early, and it is being currently harvested, while the balance is second corn crop (typically planted immediately after barley and/or wheat are harvested) which will be harvested mostly in June/July. Early corn is expected to yield 8.5 tons per hectare, when the normal, average yield is 7 tons per hectare and the second corn crop is expected to yield 6.8 tons per hectare, almost 30 percent higher than in a normal year. It is still to see the negative impact of the corn stunt disease which is reported to be quite significant in northern areas, where corn fields are quite scarce. Symptoms of the disease were found in the central area and the final impact will be known once the combines get into the fields, but the damage is not expected to be of significance. The below photos were taken in early April in the Departamento de Soriano. The one to the left are two second corn fields in very good conditions. The one to the right is a corn plant with typical symptoms of stunt disease:

Photo #1



Source: FAS Buenos Aires

Corn exports in MY 2024/2025 are forecast at 100,000 tons, significantly lower than the previous year because of a projected drop in production. Imports could resume at 200,000 tons at given times of the year when it is price convenient. Corn exports in MY 2023/2024 are expected at 300,000 tons as a result of the record crop which is far larger than what consumed domestically. Exporters report that approximately 150-200,000 tons are being shipped in March/May 2024 and the balance could be shipped later in the year, once the bulk of the soybeans were loaded. South Korea and Chile are expected to be the main destinations.

Corn domestic consumption in MY2024/2025 is forecast flat at 1.17 million tons. The dairy sector continues a process of concentration in larger operations with an increase in overall production and feed intensification. The feedlot business is currently going through economic difficulties as cattle prices for the export market are weak, while feeder cattle prices are high because of the demand to make use of inexpensive abundant pastures. However, analysts believe this situation could change in the months to come. The government is pushing a greater use of bioethanol (locally made from sugarcane, sorghum and corn) to comply with global climate change reduction commitments. Gasoline is currently mixed at almost 10 percent bioethanol and could potentially increase at 12 percent.

Sorghum

Production of grain sorghum in MY 2024/2025 is projected at 100,000 tons, with an increase in area of about 7,000 hectares, for a total of 25,000 hectares. The fact that La Nina is forecast for the coming summer and the presence in northern areas of a significant infestation of corn stunt disease in the current crop will encourage some farmers to plant less corn and more sorghum. However, it is doubtful that the area will expand significantly, as there are questions about the availability of sorghum seed.

Sorghum has been losing area to corn since the past five years, especially when the national oil and alcohol company started to cut its bioethanol production and thus reducing the program of grower contracts to plant and produce grain sorghum. Also, sorghum hybrids have not improved in the same way as corn, which currently provides good yield stability and better insect and weeds controls. Corn

seed technology and management has helped farmers to incorporate in the rotation scheme late corn coming from a winter crop avoiding the need of having to plant an expensive cover crop in winter and go directly to plant early soybeans. Local farmers report that sorghum is yielding low, has problems with sugarcane aphids and suffers the attack of parrots and pigeons which are a serious problem affecting yields. The following photos is of a sorghum field in the Colonia area taken in April 2024. Yields were expected at 7 tons, but after a severe bird attack it yielded half:

Photo #2



Source: Ing. N. Leguizamo

There is newly gained interest in grain sorghum with the government reported to be incentivizing the use of bioethanol through a higher minimum mandate of 10-12 percent mix in gasoline plus the recent authorization to export sorghum to China.

Sorghum exports are projected in MY 2024/2025 at 8,000 tons, with China expected to be the exclusive destination. The first shipment of sorghum to China was 500 tons in containers in October last year followed by a second small load of 1,000 tons in December. Brokers believe that this program will slowly grow. Exports in MY 2023/2024 are estimated at 5,000 tons. Uruguay imports small volumes of sorghum from Paraguay when it is price-convenient.

Domestic consumption in MY 2024/2025 is projected up at 100,000 tons as a result of larger output and somewhat less corn availability. Dairies and feedlots are the main sectors which consume sorghum.

Rice

Production in MY 2024/2025 is forecast to rebound at 1.43 million tons, rough base and 1.0 million tons milled base. The acreage is forecast up at 163,000 hectares, the highest since MY 2017/2018. High prices and high returns in MY 2023/2024, plus the fact that most water reservoirs for irrigation are full in the northern area and at 60 percent in the east will encourage farmers to expand planted area. Low profitability in cattle production and soybeans could make farmers expand area even further.

The costs of production remain quite high, at around \$2000 per hectare. Many costs are tied to the price of rice and with high prices, the costs remain high. Uruguayan rice industry suffers of a strong local peso which turns costs at the farm and industry levels very high, having difficulties to be competitive vis-a-vis other origins.

Production in MY 2023/024 is expected at 1.24 million tons, and 868,000 tons milled base. The expected harvested area is 148,000 hectares, 10,000 hectares lower than the original planting intention which could not be reached because dry conditions limited the level of water reservoirs, especially in the Southeastern Departamentos of Lavalleja and Rocha. The harvest usually begins in March 1, and it is currently running slow, being close to 50 percent complete. In late March there was a strong storm with hail, winds and heavy and abundant rainfall which cut expected country rice yields by 3.5 percent. The following photos show some of the damage that occurred in the rice fields:

Photo #3



Source: R.Uraga

Returns in MY 2023/2024 are estimated to result in approximately \$600 per hectare, very good and considered one of the top best three in history. The world rice situation, plus low regional rice production combined to make local rice prices very attractive.

Exports in MY 2024/2025 are forecast at 920,000 tons, milled base higher than the previous season and the same volume as two years ago. The main destinations are expected to be Brazil, accounting for approximately 20-25 percent of the total, taking primarily milled rice and smaller volumes of brown rice. The EU (Belgium, Spain, the Netherlands) together with the UK are projected to account for a similar amount, importing in its majority parboiled brown rice. Exports to Central America (primarily Panama, Costa Rica) and Venezuela could also add one fourth of total exports, buying primarily rough rice. Other important markets are expected to be Mexico and Peru, with primarily milled rice. Exports of broken rice to African countries are also expected to be of significance.

Rice exports for MY 2023/2024 are expected at 810,000 tons, milled base, significantly lower than USDA and from the original projection because production is expected to drop by 130,000 tons, milled base, almost the exact amount exports are expected to drop.

Rice domestic consumption for MY 2024/2025 is forecast at flat at 60,000 tons, of which approximately 15-17,000 tons is seed.

Ending stock for MY 2024/2025 are forecast at 64,000 tons, milled base, somewhat higher than in the past couple of seasons which the export demand was very strong. Rice stocks at the end of MY 2022/2023 (March 2024) are estimated to have been very small. Rice mills are basically the holders of this stock.

Statistical Tables

Wheat Market Year Begins Uruguay	2022/2023		2023/2024		2024/2025	
	Dec 2022		Dec 2023		Dec 2024	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	302	290	300	320	0	330
Beginning Stocks (1000 MT)	38	38	115	88	0	58
Production (1000 MT)	1283	1250	1050	1560	0	1300
MY Imports (1000 MT)	10	14	10	10	0	10
TY Imports (1000 MT)	11	11	10	10	0	10
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	1331	1302	1175	1658	0	1368
MY Exports (1000 MT)	766	754	650	1130	0	800
TY Exports (1000 MT)	533	533	700	1130	0	800
Feed and Residual (1000 MT)	50	50	10	40	0	40
FSI Consumption (1000 MT)	400	410	400	430	0	430
Total Consumption (1000 MT)	450	460	410	470	0	470
Ending Stocks (1000 MT)	115	88	115	58	0	98
Total Distribution (1000 MT)	1331	1302	1175	1658	0	1368
Yield (MT/HA)	4.2483	4.3103	3.5	4.875	0	3.9394

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Wheat begins in July for all countries. TY 2024/2025 = July 2024 - June 2025

Corn Market Year Begins Uruguay	2022/2023		2023/2024		2024/2025	
	Apr 2023		Apr 2024		Apr 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	100	90	170	205	0	170
Beginning Stocks (1000 MT)	125	125	41	100	0	190
Production (1000 MT)	266	300	1000	1550	0	1000
MY Imports (1000 MT)	650	700	250	0	0	200
TY Imports (1000 MT)	546	546	350	0	0	200
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	1041	1125	1291	1650	0	1390
MY Exports (1000 MT)	0	0	0	300	0	100
TY Exports (1000 MT)	0	0	0	300	0	100
Feed and Residual (1000 MT)	850	875	1000	1000	0	1000
FSI Consumption (1000 MT)	150	150	180	160	0	170
Total Consumption (1000 MT)	1000	1025	1180	1160	0	1170
Ending Stocks (1000 MT)	41	100	111	190	0	120
Total Distribution (1000 MT)	1041	1125	1291	1650	0	1390
Yield (MT/HA)	2.66	3.3333	5.8824	7.561	0	5.8824

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Corn begins in October for all countries. TY 2024/2025 = October 2024 - September 2025

Sorghum Market Year Begins Uruguay	2022/2023		2023/2024		2024/2025	
	Apr 2023		Apr 2024		Apr 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	14	14	20	18	0	25
Beginning Stocks (1000 MT)	9	9	7	6	0	11
Production (1000 MT)	24	24	90	80	0	100
MY Imports (1000 MT)	20	20	5	5	0	10
TY Imports (1000 MT)	20	20	5	5	0	10
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	53	53	102	91	0	121
MY Exports (1000 MT)	1	2	1	5	0	8
TY Exports (1000 MT)	0	0	1	5	0	8
Feed and Residual (1000 MT)	25	25	70	60	0	80
FSI Consumption (1000 MT)	20	20	20	15	0	20
Total Consumption (1000 MT)	45	45	90	75	0	100
Ending Stocks (1000 MT)	7	6	11	11	0	13
Total Distribution (1000 MT)	53	53	102	91	0	121
Yield (MT/HA)	1.7143	1.7143	4.5	4.4444	0	4

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Sorghum begins in October for all countries. TY 2024/2025 = October 2024 - September 2025

Rice, Milled Market Year Begins Uruguay	2022/2023		2023/2024		2024/2025	
	Apr 2023		Apr 2024		Apr 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	145	152	158	148	0	163
Beginning Stocks (1000 MT)	71	71	81	45	0	43
Milled Production (1000 MT)	965	959	1000	868	0	1001
Rough Production (1000 MT)	1379	1370	1429	1240	0	1430
Milling Rate (.9999) (1000 MT)	7000	7000	7000	7000	0	7000
MY Imports (1000 MT)	0	0	0	0	0	0
TY Imports (1000 MT)	0	0	0	0	0	0
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	1036	1030	1081	913	0	1044
MY Exports (1000 MT)	925	925	950	810	0	920
TY Exports (1000 MT)	991	991	950	810	0	920
Consumption and Residual (1000 MT)	30	60	40	60	0	60
Ending Stocks (1000 MT)	81	45	91	43	0	64
Total Distribution (1000 MT)	1036	1030	1081	913	0	1044
Yield (Rough) (MT/HA)	9.5103	9.0132	9.0443	8.3784	0	8.773

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Rice, Milled begins in January for all countries. TY 2024/2025 = January 2025 - December 2025

Attachments:

No Attachments