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Report Highlights:

Uruguay's corn production is forecast to reach a record 1.8 million tons, as favorable margins and low pest impact encourage a return to planting. Wheat exports are projected down to 750,000 tons due to reduced area and competition from more profitable crops. Sorghum area and output are expected to fall, with most production absorbed domestically. Rice production is forecast to decline 5 percent on weaker returns, though exports are anticipated to remain flat as mills manage stocks amid ample Mercosur supply.

Wheat

Uruguayan wheat production in marketing year (MY) 2025/26 is forecast at 1.2 million tons, a significant drop from the past two crop seasons because farmers are expected to reduce planting area. While the total acreage of winter crops is projected to remain relatively stable, most players see canola area could rebound strongly, forcing a reduction in wheat and barley area.

Last year's corn and soybean harvest was delayed due to abundant rains in April, affecting the planting of winter crops. Some farmers desisted of planting canola and planted more wheat instead which seemed to be a safer alternative at that time. The final returns for winter crops of MY 2024/25 show that wheat and barley came out practically breakeven, while canola was the only profitable crop as farmers achieved good yields at high prices. Projections for the coming crop season (planting begins in May 2025) under current market conditions indicate that canola returns would be 70-80 percent higher than those in wheat and 50-60 percent higher than in barley. In addition, farmers planting canola can normally plant earlier soybeans with the expectation of high yields. The combination of these factors is expected to make many farmers want to expand canola area, which is projected to increase 80-100,000 hectares from the previous year. Barley is forecast to drop marginally, especially the small area devoted to the production of feed barley for the export market. The two local malting plants are expected to demand their usual volumes in order to operate at full capacity. Wheat is expected to be the main loser of the three crops with a forecast area for MY 2025/26 at 300,000 hectares harvested, almost a 17 percent drop from last year. Many farmers will still plant wheat due to the need of rotating crops and having a cover crop during winter.

Uruguay wheat production has improved in the past few years as a result of a seed improvement program adapted to the country's production environment, higher technology and improved farmers' crop management. Uruguay's wheat production is lately achieving higher yields and improved quality, opening the opportunity to reach a greater number of export markets.

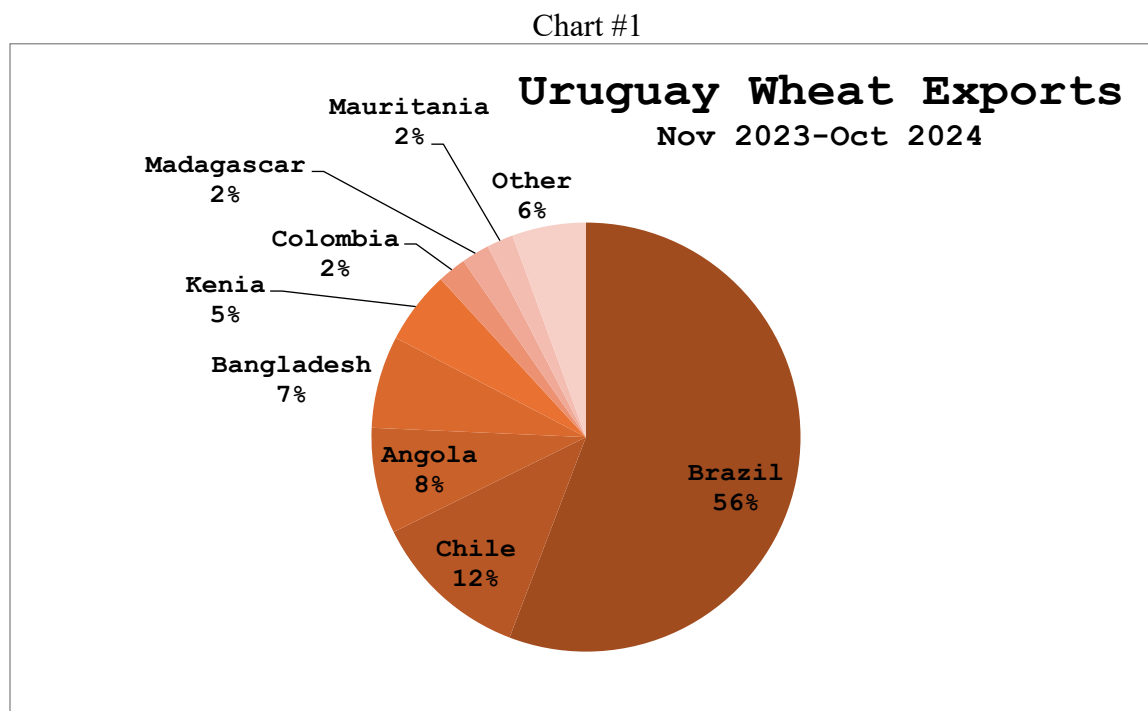
Wheat production in MY 2024/25 is estimated at 1.5 million tons. Estimations of most contacts in the market range between 1.4-1.6 million tons. Despite having some difficulties at planting because soils were too wet, the crop benefited from good conditions in practically all the season. However, in late October and early November, there were days with high temperatures and in some areas it combined with excessive rains which negatively affected yields and the quality of the wheat harvested late. Average yields are still estimated to be high at 4.1 ton per hectare, but significantly lower than the record average yield of MY 2023/24. This level of yields, together with weaker world wheat prices last year (in some cases even lower prices if part of the production resulted in poor, feed quality), resulted in breakeven for farmers planting on their own land and in losses if rental costs were deducted.

Wheat domestic consumption for MY 2025/26 is projected at 500,000 tons, in line with the past few years but lower than in MY 2024/25 which is expected to have a larger consumption of feed wheat because low quality of some late harvested wheat. The use of wheat for local milling and seed use is normally stable at about 450,000 tons a year.

Wheat exports in MY 2025/26 are forecast at 750,000 tons, lower than in the past two marketing years because an expected smaller output. The wheat harvest begins in November and the strongest window of exports goes from November through April, time to free export logistics for the soybean harvest, one of

the country's top three export commodities. Exports in the rest of the months drop quite considerably. Uruguayan wheat is reaching more and newer markets, moving away from being totally Brazil-dependent. Exports in MY 2024/25 are expected at 1.05 million tons, with Brazil taking the largest share and Chile as runner up. To date 800,000 tons of wheat exports have been listed for the first tranche in 2025 and some 250,000 tons more are expected to be shipped after July/August. The government of Uruguay is in negotiations with the governments of China and Mexico to be able to export wheat to them.

Uruguayan official trade data shows many exports as going to Uruguay, as this happens when products are unloaded in duty free zone areas at the port prior to the cargo to the final destinations. As a way of showing the real final destination Post uses data produced by Agrosud, a local grain broker which puts together trade data utilizing customs, Urunet and private information. The reported period is November 2023-October 2024, in which the total was 1.5 million tons, the highest in the past 12 years:



Source: Post with Agrosud data

Five trading companies (two local and three international) accounted for almost 90 percent of exports during November 2023-October 2024. Wheat flour exports during this same period totaled 15,900 tons, with practically all destined to Brazil.

Imports of wheat products are mostly pasta and flour which come from Argentina, Brazil and Italy

Wheat ending stocks in MY 2024/25 and MY 2023/24 are projected to range between 100-150,000 tons, of which roughly half are normally in the hands of milling plants and the balance in the hands of producers and/or country elevators. The below photo shows an elevator in the Uruguayan western productive area with a large number of silo bags on the ground surrounding the operation, most probably full with wheat.

Photo #1: Grain Stocks in Silo Bags March 2025



Source: FAS Buenos Aires

Corn

Uruguayan corn production in MY 2025/26 is forecast at a record 1.8 million tons. At current market conditions, corn planted area is projected up at 270,000 hectares primarily due to projected better returns than soybeans and a recovery in area after a strong attack of corn stunt disease (*Spiroplasma*) in MY 2023/24 which made many producers in the northwestern area avoid planting corn in MY 2024/25. Early weather forecasts indicate that the dry conditions of La Nina of the past three growing seasons would probably not be present, benefitting corn production.

Planted area of early corn in MY 2025/26 is forecast to remain unchanged, at a high area compared to past seasons. However, the second corn crop area, planted after the harvest of a winter crop, remains uncertain. On the west of the country, north of the Rio Negro River, where corn stunt made more damage two seasons back, planting will depend on how cold next winter is and the number of leafhoppers found in traps as this could give an indication of how big of an infestation of the disease could be in the following summer. Farmers indicate that yet there are practically no hybrids nor technology available to be free of *Spiroplasma*, and that eventually, spraying 7-9 times in the season would destroy farmers' potential profit. Second corn crop south of the Rio Negro River could expand at the expense of second soybean area.

Corn production in MY 2024/25 is estimated at 1.6 million tons, the highest to date. There are great discrepancies between the official planted area (at 262,000 hectares) and many in the private sector (at roughly 180,000 hectares). The crop season began with good rainfall in spring, allowing a good seeding. However, in mid-December it stopped raining until mid-January. North of Paysandu, rains reinitiated even later in early February. Most contacts estimate yields of early corn at 6.5-7.0 tons per hectare, lower than normal as the dry conditions in January affected grain filling. Yields of the second corn crop are estimated at 7.0-7.5 tons per hectare, higher than normal thanks to very good conditions with unexpected abundant rains in February and March. It will be important to have good, dry weather during

the harvest as losses could affect final production. Photo 2 below shows a farm with early corn to the left ready to be harvested and second corn to the right that will be harvested in June/July:

Photo #2: Corn Near Young, Early March 2025



Source: Post, Young early March 2025

Photo #3: Early Corn Near Mercedes in Early March 2025



Source: Ing. N. Leguisamo, early March 2025

It is estimated that in MY 2025/26 Uruguay will have 110-115,000 hectares under irrigation (not including rice production) mostly with center pivots, an area which is growing at a rate of approximately 6,000 hectares per year. In the past few crop seasons roughly 25 percent was used for corn production and the balance for soybeans. There are some estimates which indicate that Uruguay could have a total

of 500-600,000 hectares under irrigation. Average yields in early corn under irrigation range between 11-12 tons per hectare. Photo 4 shows an early corn planted on a field with irrigation near Mercedes:

Photo #4: Early Corn Near Mercedes



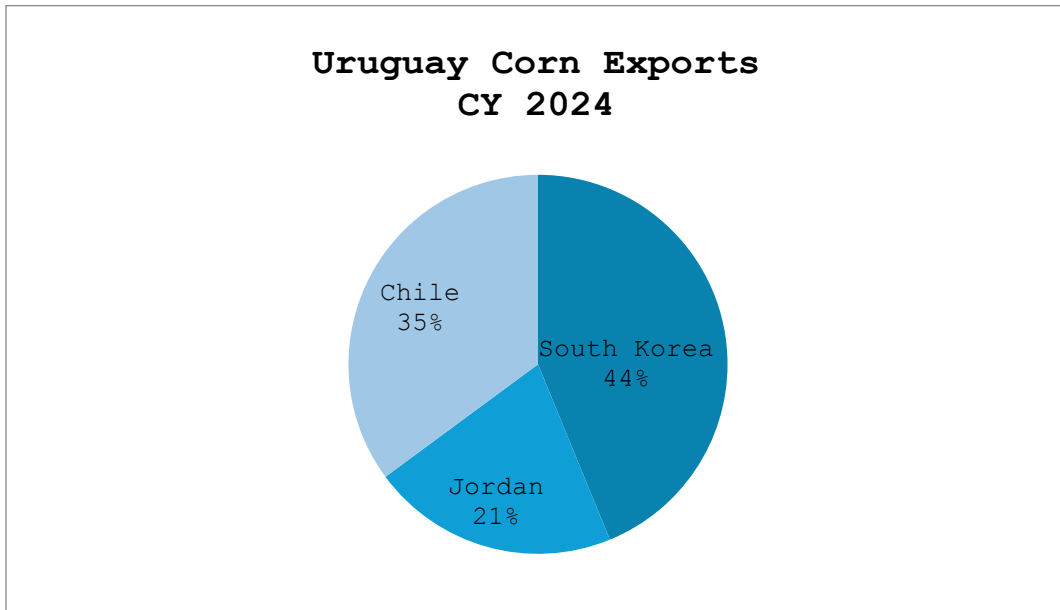
Source: FAS Buenos Aires

Corn domestic consumption in MY 2025/26 is forecast at 1.55 million tons, the highest ever. The use of corn has been growing in the past years as a result of a strong livestock business which is consuming more corn for finishing beef cattle (primarily for the export market) and to feed a growing number of calves that are exported alive. The local dairy sector is expected to rebound after a few years of lower production because of weaker world milk powder prices and the low production of pastures due to dry conditions. Corn consumption for the local poultry industry has also been growing accompanying a significant growth in slaughter and broiler production. The balanced feed industry has also been expanding in recent years, reflecting a generalized larger use of corn in the different livestock industries.

Uruguayan corn exports in MY 2025/26 are projected at 200,000 tons, similar to the past season and one of the highest ever. Expanded area and greater production, larger than what is needed in the domestic market, will encourage the shipment of a potential surplus in order to keep a balanced corn domestic market. The main destinations would most likely be Chile and some South East Asian and Middle East countries. Shipments normally happen during harvest time. Imports of corn are forecast at 50,000 tons, significantly lower than recent years as local output expands.

Uruguayan official trade data shows some exports as going to Uruguay, as this happens when products are unloaded in duty free zone areas at the port prior to the export. As a way of showing the real destinations for Uruguayan corn, Post uses information produced by Agrosud, a local grain broker which puts together trade data utilizing customs, Urunet and other private sources of information. The below charts shows Uruguayan corn exports in calendar year (CY) 2024, with a total of 152,000 tons:

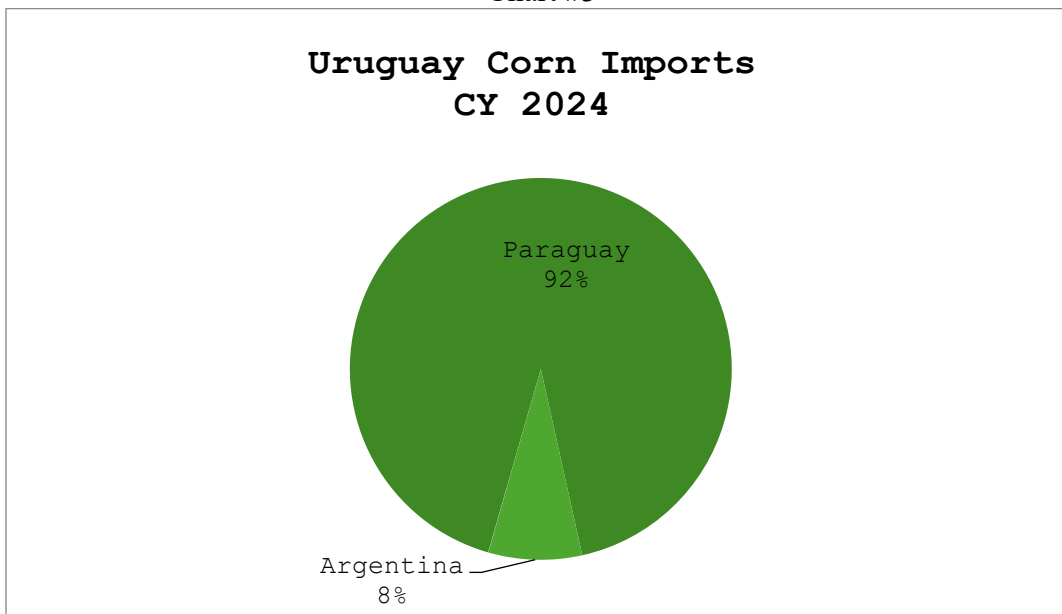
Chart #2



Source: Post with Agrosud data

Chart 3 below shows Uruguay's corn imports in CY 2024, for a total of 160,000 tons:

Chart #3



Source: Trade Data Monitor

Ending stocks in MY 2025/26 are projected to increase at 239,000 tons, primarily due to a large local production and a growing domestic use of corn which makes the different industries increase their stocks from one year to the next.

Sorghum

Uruguayan sorghum production in MY 2025/26 is forecast down at 100,000 tons. Planted area is projected to drop to 30,000 hectare because of a larger corn area, a summer which weather forecasts predict back to normal weather and lower farmer returns than in corn.

Sorghum planted area in MY 2024/25 increased from previous years as the strong infestation of corn stunt north of the Rio Negro River in MY 2023/24, made many farmers plant alternative crops to corn, such as sorghum and soybeans, to minimize risks. Winter 2024 was colder than usual and the number of leafhoppers found in traps was small, indicating a potential low risk of corn stunt in summer 2024/25, which to date is turning to be true. With this in mind, many farmers are expected to return to corn production and reduce the planting of sorghum in MY 2025/26. Sorghum is a crop that has been losing interest in the past several years as its technology has not improved as it has in corn and soybeans which see increases in yields and greater possibilities of using a wider selection of crop protection inputs. Sorghum is also impacted by a yellow mite, a recently landed insect in the region that attacks plants producing a significant drop in yields or even its death. The photo below shows a sorghum field which is in good condition but got a mild infestation of yellow mite:

Photo #5 Sorghum Near Young in Early March 2025



Source: FAS Buenos Aires

The national oil and alcohol company has a small ethanol program which uses several feedstocks including small volumes of sorghum. For this purpose, at planting season it normally presents farmers a program to incentivize the planting of low tannin sorghum close to their plant in Paysandu.

Normal weather is forecast for summer 2025/26 expecting more rain than in the past 3-4 December/January, the key period for the development of most summer crops. In dry years some farmers are inclined to plant sorghum as it is more tolerant than corn or soybeans in such an environment.

Exports of local sorghum to China are authorized for human and feed use since 2023, year in which there were a few container loads shipped successfully. Exports in 2024 were practically insignificant. Exporters indicate that the quality of Uruguayan sorghum meets China's standards, but the problem to date are the low prices in the market and the small volumes available in Uruguay that make the loading of large shipments very difficult.

Imports of sorghum for MY2025/26 are forecast at 5,000 tons, a negligible volume, which could be even lower given that corn production is projected to grow significantly. In the past few years, Uruguay has been a net importer of feed grains from Paraguay and or Argentina for some end users in the livestock sector but it seems it is changing.

Domestic consumption for MY2025/26 is forecast at 100,000 tons, quite similar to the previous year. Consumption is directly tied to what the local production is as imports/exports are negligible. Practically all livestock sectors consuming grain feed are expected to show some growth during next marketing season. The use of sorghum for ethanol is projected to remain small, closely tied to the policies the national oil company implements.

Rice

Uruguayan rice production in MY 2025/26 is forecast at 1.49 million tons, rough basis. This is a 3 percent drop from last year as the planted area is forecast to diminish 10,000 hectares as projected farmer returns are expected to weaken significantly because of lower global rice prices. Large rice stocks in the Mercosur region in MY 2024/25 are also expected to put downward pressure on rice production in the future crop.

With total production costs at approximately \$2,000 per hectare, the strong drop in rice prices of about 30 percent from last year's high values, primarily because India lifted its ban on rice exports, would result in farmer returns in MY 2025/26 to be very tight. Private sources also estimate that by May 2025, Mercosur countries will have more than 3 million tons of rice (rough base) to be sold to the export market. Photo 6 below shows the beginning of the rice harvest in late February 2025 in Departamento de Treinta y Tres, with an estimated yield of this field of more than 10 tons of dry rice.

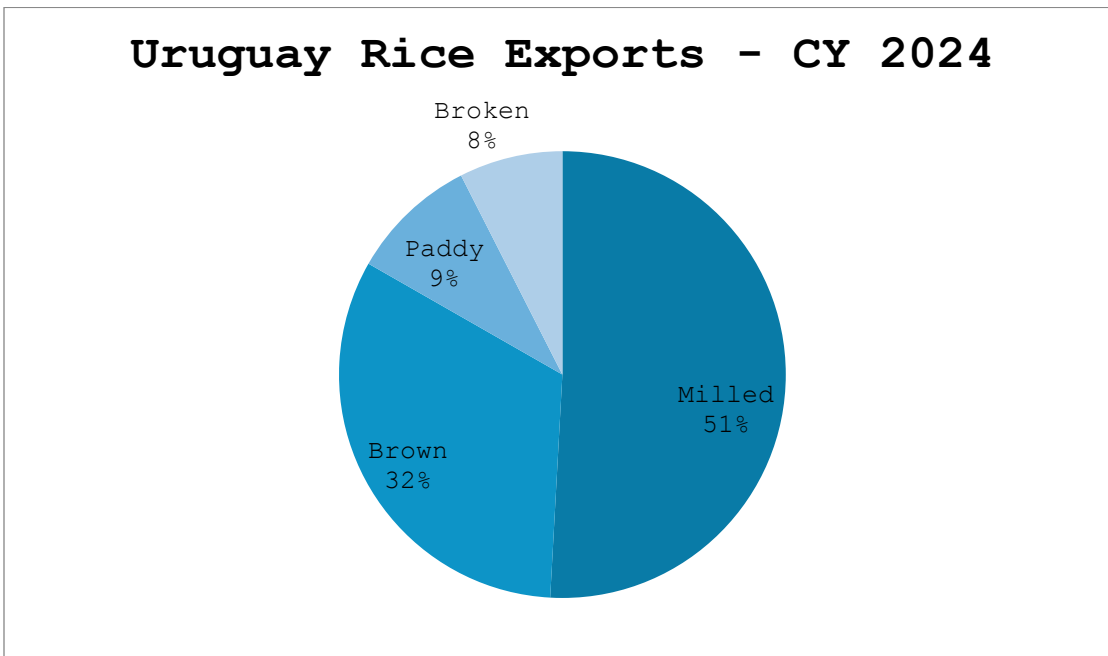
Photo #6



Uruguay is projected to plant in MY 2025/26 170,000 hectares, lower than the past year, but still higher than the planted area of the period MY 2018/19 through MY 2023/24 that ranged between 140-150,000 hectares. These fluctuations were primarily because of profitability and/or weather conditions. There are approximately 400 rice producers in the country concentrated in the northern and eastern regions. Plantations are fully irrigated with water taken from reservoirs, deep-well pumps and/or rivers.

Rice exports in MY 2025/26 are forecast at 985,000 tons practically unchanged from the previous year as mills will need to ship the largest volumes possible. Exports are expected to account for 94 percent of the total local rice production. The following chart shows calendar year (CY) 2024 exports by type of rice for a total of 747,000 tons milled base:

Chart #4



Source: Post with Trade Data Monitor

The main destinations of Uruguayan rice exports in MY 2024/25 and MY 2025/26 are forecast to be the EU (Spain, Portugal, Belgium, Netherlands, France) plus the UK, with parboil and brown rice; Central America (Costa Rica, Cuba, Panama) with milled and paddy rice; Mexico with milled and paddy rice; Peru with milled rice; Africa (Senegal, Sierra Leone) with broken rice and Turkey with milled rice. Exports to Brazil are forecast to drop significantly because of large rice production and stocks in the Mercosur Region. Brazil normally imports large volumes of rice from the region while also exports large volumes of its own-produced rice.

Domestic rice consumption in MY 2025/26 is projected at 60,000 tons milled base, unchanged from the previous couple of years as its consumption is quite inelastic. Uruguayans are not known to be big consumers of rice, with a per capita consumption of about 15 kilos. Seed use is estimated at about 17,000 tons (milled base).

Statistical Tables

(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 2025/2026 = July 2025 - June 2026

OFFICIAL DATA CAN BE ACCESSED AT: [PSD Online Advanced Query](#)

(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 2025/2026 = October 2025 - September 2026

OFFICIAL DATA CAN BE ACCESSED AT: [PSD Online Advanced Query](#)

| Sorghum Market Year Begins Uruguay | 2023/2024 | | 2024/2025 | | 2025/2026 | |
|--|---------------|----------|---------------|----------|---------------|----------|
| | Apr 2024 | | Apr 2025 | | Apr 2026 | |
| | USDA Official | New Post | USDA Official | New Post | USDA Official | New Post |
| Area Harvested (1000 HA) | 17 | 17 | 25 | 38 | 0 | 30 |
| Beginning Stocks (1000 MT) | 7 | 7 | 12 | 12 | 0 | 22 |
| Production (1000 MT) | 52 | 52 | 100 | 135 | 0 | 100 |
| MY Imports (1000 MT) | 5 | 5 | 10 | 5 | 0 | 5 |
| TY Imports (1000 MT) | 9 | 9 | 10 | 5 | 0 | 0 |
| TY Imp. from U.S. (1000 MT) | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Supply (1000 MT) | 64 | 64 | 122 | 152 | 0 | 127 |
| MY Exports (1000 MT) | 5 | 1 | 10 | 10 | 0 | 10 |
| TY Exports (1000 MT) | 5 | 1 | 10 | 10 | 0 | 10 |
| Feed and Residual (1000 MT) | 32 | 35 | 80 | 100 | 0 | 80 |
| FSI Consumption (1000 MT) | 15 | 16 | 20 | 20 | 0 | 20 |
| Total Consumption (1000 MT) | 47 | 51 | 100 | 120 | 0 | 100 |
| Ending Stocks (1000 MT) | 12 | 12 | 12 | 22 | 0 | 17 |
| Total Distribution (1000 MT) | 64 | 64 | 122 | 152 | 0 | 127 |
| Yield (MT/HA) | 3.0588 | 3.0588 | 4 | 3.5526 | 0 | 3.3333 |
| | | | | | | |
| (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 2025/2026 = October 2025 - September 2026 | | | | | | |
| OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query | | | | | | |

Attachments:

No Attachments