

Required Report: Required - Public Distribution

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Report Name: Grain and Feed Annual

Country: Chile

Post: Santiago

Report Category: Grain and Feed

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Report Highlights:

For marketing year (MY) 2025/26, Post estimates that the wheat area harvested will total 193,000 hectares (ha), representing a 1.0 percent decrease from MY 2024/25 due to high input costs and low prices. Wheat production is expected to reach 1.158 million metric tons (MMT). Wheat imports are projected to increase by 2.8 percent over MY 2024/25, reaching 1.30 million metric tons to cover domestic consumption needs. In MY 2025/26, Post forecasts corn production to reach 551,000 metric tons (MT), a slight decrease from MY 2024/25 due to unchanged area harvested and slightly lower yields. Corn imports are expected to increase by 2.0 percent, totaling 2.55 MMT to meet the feed demand from the pork and poultry industry.

Commodities: Wheat

Table 1: Production, Supply and Demand Data Statistics

Wheat	2023/2024		2024/2025		2025/2026	
Market Year Begins	Dec 2023		Dec 2024		Dec 2025	
Chile	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	198	198	200	195	0	193
Beginning Stocks (1000 MT)	175	175	77	77	0	142
Production (1000 MT)	1189	1189	1200	1170	0	1158
MY Imports (1000 MT)	968	968	1100	1265	0	1300
TY Imports (1000 MT)	1064	1064	1100	1250	0	1300
TY Imp. from U.S. (1000 MT)	378	378	0	350	0	350
Total Supply (1000 MT)	2332	2332	2377	2512	0	2600
MY Exports (1000 MT)	5	5	5	10	0	10
TY Exports (1000 MT)	5	5	5	10	0	10
Feed and Residual (1000 MT)	150	150	150	160	0	170
FSI Consumption (1000 MT)	2100	2100	2100	2200	0	2300
Total Consumption (1000 MT)	2250	2250	2250	2360	0	2470
Ending Stocks (1000 MT)	77	77	122	142	0	120
Total Distribution (1000 MT)	2332	2332	2377	2512	0	2600
Yield (MT/HA)	6.0051	6.0051	6	6	0	6
(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						

Source: Post estimates

Production:

Wheat area planted in Chile has been trending downward since MY 2015/16 due to high input costs, low prices, and tight margins for producers (Figure 1). For MY 2025/26, Post estimates that the wheat area harvested will total 193,000 hectares, representing a 1.0 percent decrease from MY 2024/25. Any increase in wheat prices is offset by the high cost of inputs, such as fertilizers, which limits the potential increase in harvested area.

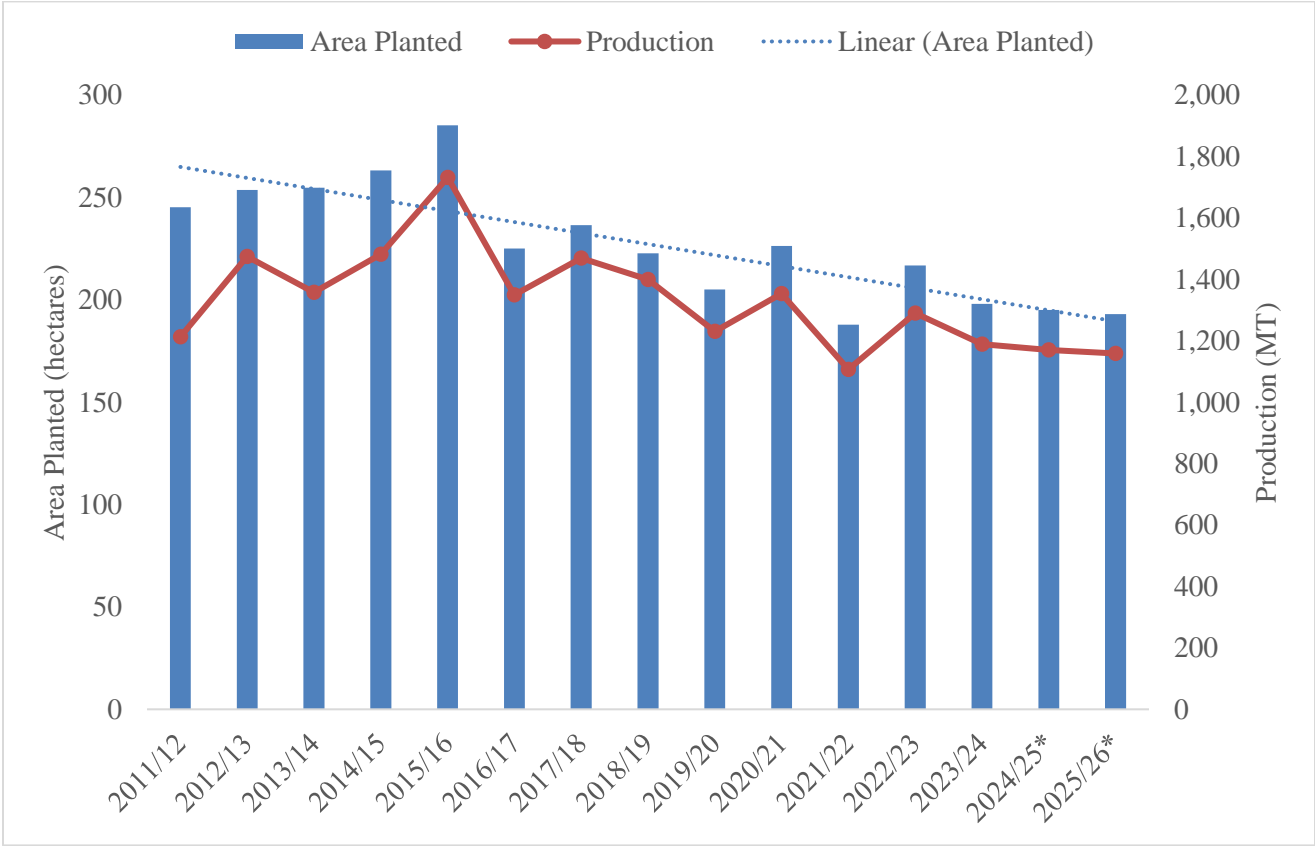
Chile faced a severe drought for over a decade. However, in 2023 the drought ended when there were high levels of rainfall in the central and southern parts of the country where wheat is grown.

Agricultural producers view the drought as a structural problem and recognize the need to adapt to lower rainfall by investing in water storage infrastructure and incorporating technology into production systems. These investments are crucial for ensuring long-term sustainability and resilience in wheat production. While the end of the drought and increased water availability offer a positive outlook for yields and production, high input costs and market pressures continue to challenge producers.

In MY 2024/25 and MY 2025/26, due to higher water availability and increased efficiency, Post estimates average wheat yields to reach 6.00 MT per hectare, slightly higher than the previous 10-year average of 5.9 MT per hectare. Consequently, in MY 2025/26, production is expected to reach 1.158

million metric tons. This increase in yield is attributed to improved water management practices and the adoption of advanced agricultural technologies.

Figure 1: Wheat Area Harvested (Thousands of Hectares) and Production (Thousands of MT)



Source: Based in data from Instituto Nacional de Estadísticas (INE) and ODEPA

* Post estimates

Trade:

Post estimates wheat imports will increase in MY 2025/26 by 2.8 percent over MY 2024/25 and reach 1.30 million metric tons. With the drop in production, Chilean industry will need additional imports to cover domestic consumption.

Overall, in MY 2025/26, Post expects imports to increase to match the consumption levels demanded by the wheat milling industry. Year-to-date data are insufficient to confirm the increase; however, monthly imports of wheat (Figure 2) in December 2024 show an important increase over the December 2023 import figure.

The United States and Canada are the main suppliers of Chilean wheat imports. Imports from Argentina decreased by 64.4 percent in MY 2023/24 making it the fourth top supplier and allowing for the United States and Uruguay to increase market share. Chilean imports of U.S. wheat increased by 10.1 percent in MY 2023/24 due to its price competitiveness against regional competitors and consistent quality. Similarly, Chilean wheat imports from Uruguay increased by 116.7 percent and totaled 183,266 MT.

In MY 2024/25 (data until January), wheat imports from Argentina saw a significant recovery, increasing by 463.9 percent to total 78,205 MT in just two months. Meanwhile, wheat imports from the United States decreased 39.5 percent in the first two months of MY 2024/25. Despite this shift, the United States remains a key player in the market, with opportunities to regain market share from Canada and Argentina through its high-quality wheat and strong trade relationships.

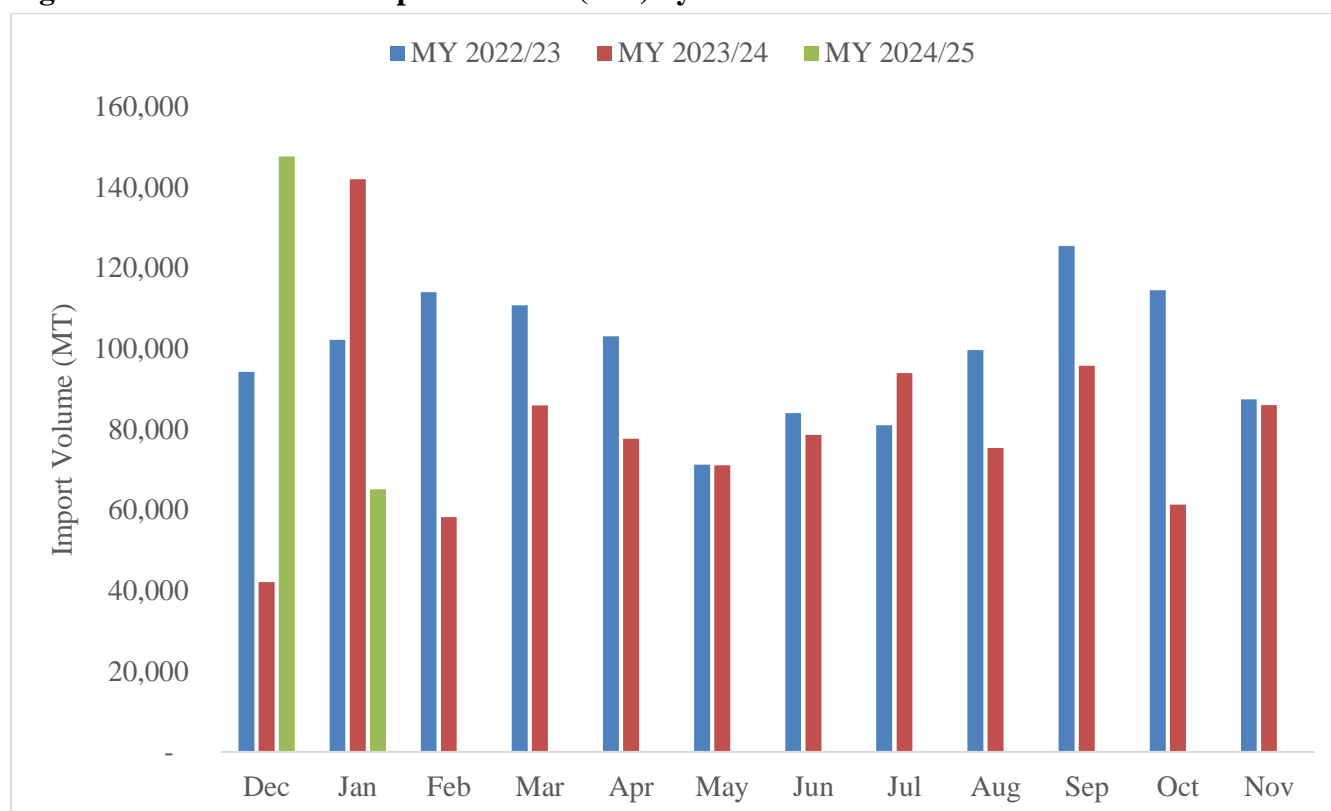
Table 2: Wheat Import Volume (MT) by Country of Origin

Partner Country	Marketing Year			Year to Date		
	2022/23 (MT)	2023/24 (MT)	Variation (%)	Dec 23 - Jan 24 (MT)	Dec 24 - Jan 25 (MT)	Variation (%)
The World	1,187,833	968,245	-18.5%	184,188	212,830	15.6%
United States	323,171	355,822	10.1%	40,020	24,213	-39.5%
Canada	426,596	256,967	-39.8%	50,419	68,350	35.6%
Uruguay	84,579	183,266	116.7%	70,038	33,281	-52.5%
Argentina	291,880	103,828	-64.4%	13,869	78,205	463.9%
Others	61,607	68,362	11.0%	9,842	8,781	-10.8%

Source: Trade Data Monitor, LLC

*For details of conversion factors see appendix

Figure 2: Chilean Wheat Import Volume (MT) by Month



Source: Trade Data Monitor, LLC

* For details of conversion factors see appendix

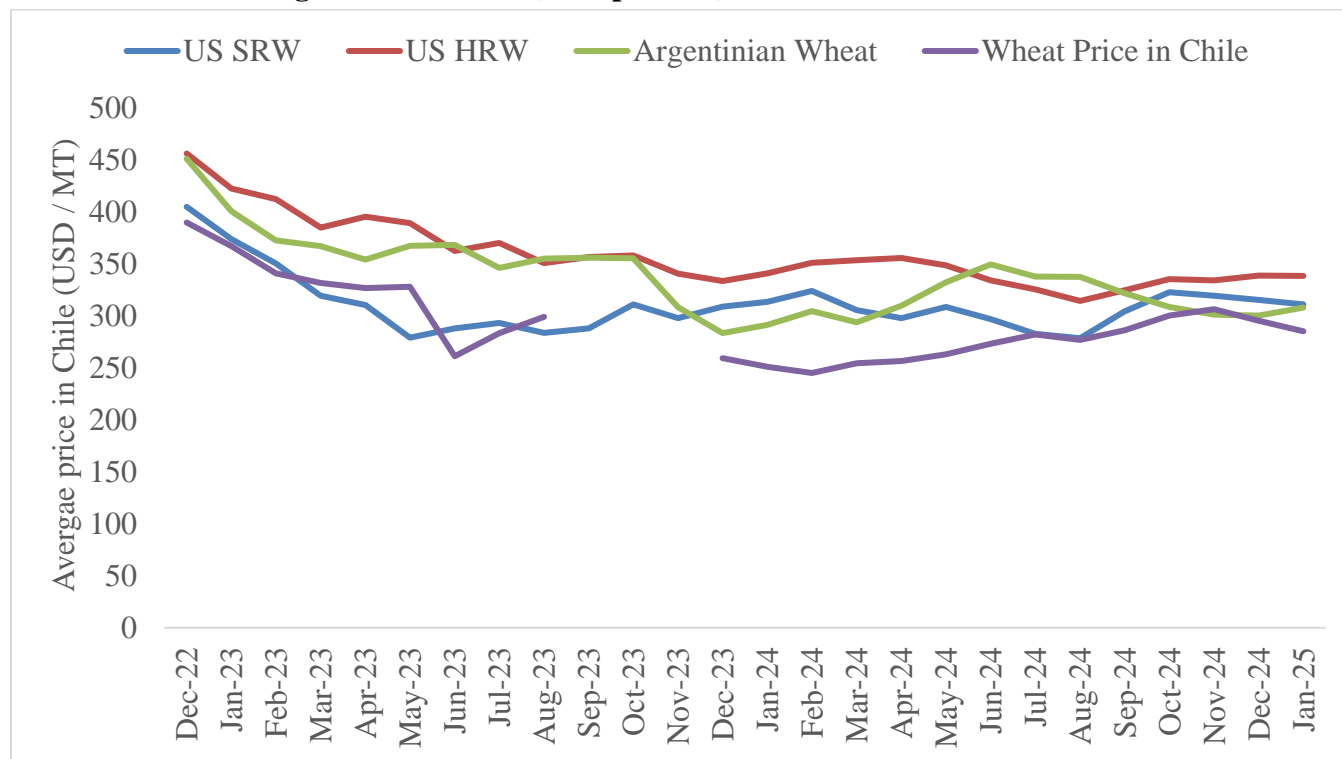
Prices:

The cost of importing wheat from the top suppliers significantly influences domestic wheat prices in Chile. Figure 3 illustrates the average wheat producer price in Chile and the cost of importing wheat from the United States and Argentina, using a steady exchange rate. The Chilean Ministry of Agriculture monitors regularly their indicators to reflect the variations in wheat import costs from the top wheat supplier and to monitor domestic wheat prices.

The Chilean wheat market generally tracks international prices. The average wheat price in Chile decreased from a high of \$390.00 per metric ton (MT) in December 2022 to \$241.00 per MT in February 2024, as global prices declined. This was the lowest price observed since June 2021. However, by January 2025, the wheat price in Chile averaged \$285.00 per MT, indicating a slight recovery.

The cost of importing wheat has remained largely steady since May 2023. This stability in import costs has helped to moderate fluctuations in domestic prices. Post expects the Chilean wheat import price to remain steady in MY 2025/26, assuming no significant shocks create instability in international prices. The steady import costs from the top wheat suppliers have contributed to a more predictable pricing environment for Chilean wheat producers and consumers.

Figure 3: Wheat Average Price in Chile by Month and Alternative Import Cost for US SRW, U.S. HRW Wheat and Argentinian Wheat (USD per MT)



Source: Based in data from ODEPA, 2025

*Exchange rate: 1 dollar = 920 Chilean pesos

Consumption:

In Marketing Year (MY) 2025/26, the food, seed, and industrial consumption of wheat in Chile is projected to reach 2.3 million metric tons (MMT), representing a 4.5 percent increase from MY 2023/24.

Wheat is primarily used for bread production, which is considered a staple food in Chile. Bread is a fundamental part of the Chilean diet, and its demand remains steady regardless of price changes. The consistent consumption of bread ensures a stable demand for wheat, which is the primary ingredient. Due to the inelastic demand for bread, Post does not anticipate significant fluctuations in domestic wheat consumption. This category accounts for 93 percent of total wheat consumption.

Feed consumption represents the remaining 7 percent of total wheat consumption, primarily destined for the salmon farming industry. In MY 2025/26, Post forecasts a 6.3 percent increase in feed consumption, totaling 170,000 metric tons. This growth is driven by developments and rising demand in the salmon industry.

The salmon feed industry in Chile utilizes a combination of fish oil, fish meal, and vegetable protein concentrates from soy, sunflower, canola, and wheat. Wheat constitutes approximately 15 percent of the salmon feed rations. The inclusion of wheat in salmon feed is essential for providing the necessary carbohydrates and energy for fish growth.

Stocks:

In MY 2025/26, Post forecasts that wheat stocks will decrease to 120,000 metric tons (MT). This reduction is anticipated as higher consumption levels draw from existing stocks. The increased demand for wheat, driven by both food and feed consumption, will lead to a decline in stock levels.

Wheat storage capacity in Chile is relatively limited due to a lack of infrastructure. Many wheat producers rely on silo bags for short-term storage, which are not ideal for long-term preservation. These temporary storage solutions are a response to the insufficient number of permanent storage facilities, such as silos and warehouses, which are necessary for maintaining stocks in the long-term.

Policy:

No policy updates since the last GAIN report.

Commodities:

Corn

Table 3: Production, Supply and Demand Data Statistics

Corn	2023/2024		2024/2025		2025/2026	
Market Year Begins	Mar 2024		Mar 2025		Mar 2026	
Chile	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	49	49	55	48	0	48
Beginning Stocks (1000 MT)	160	160	146	146	0	114
Production (1000 MT)	531	531	615	563	0	551
MY Imports (1000 MT)	2500	2500	2500	2500	0	2550
TY Imports (1000 MT)	2586	2586	2500	2200	0	2200
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	3191	3191	3261	3209	0	3215
MY Exports (1000 MT)	20	20	20	20	0	20
TY Exports (1000 MT)	17	17	20	20	0	20
Feed and Residual (1000 MT)	2700	2700	2750	2750	0	2775
FSI Consumption (1000 MT)	325	325	325	325	0	325
Total Consumption (1000 MT)	3025	3025	3075	3075	0	3100
Ending Stocks (1000 MT)	146	146	166	114	0	95
Total Distribution (1000 MT)	3191	3191	3261	3209	0	3215
Yield (MT/HA)	10.8367	10.8367	11.1818	11.7292	0	11.4792
(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						

Source: Post estimates

Production:

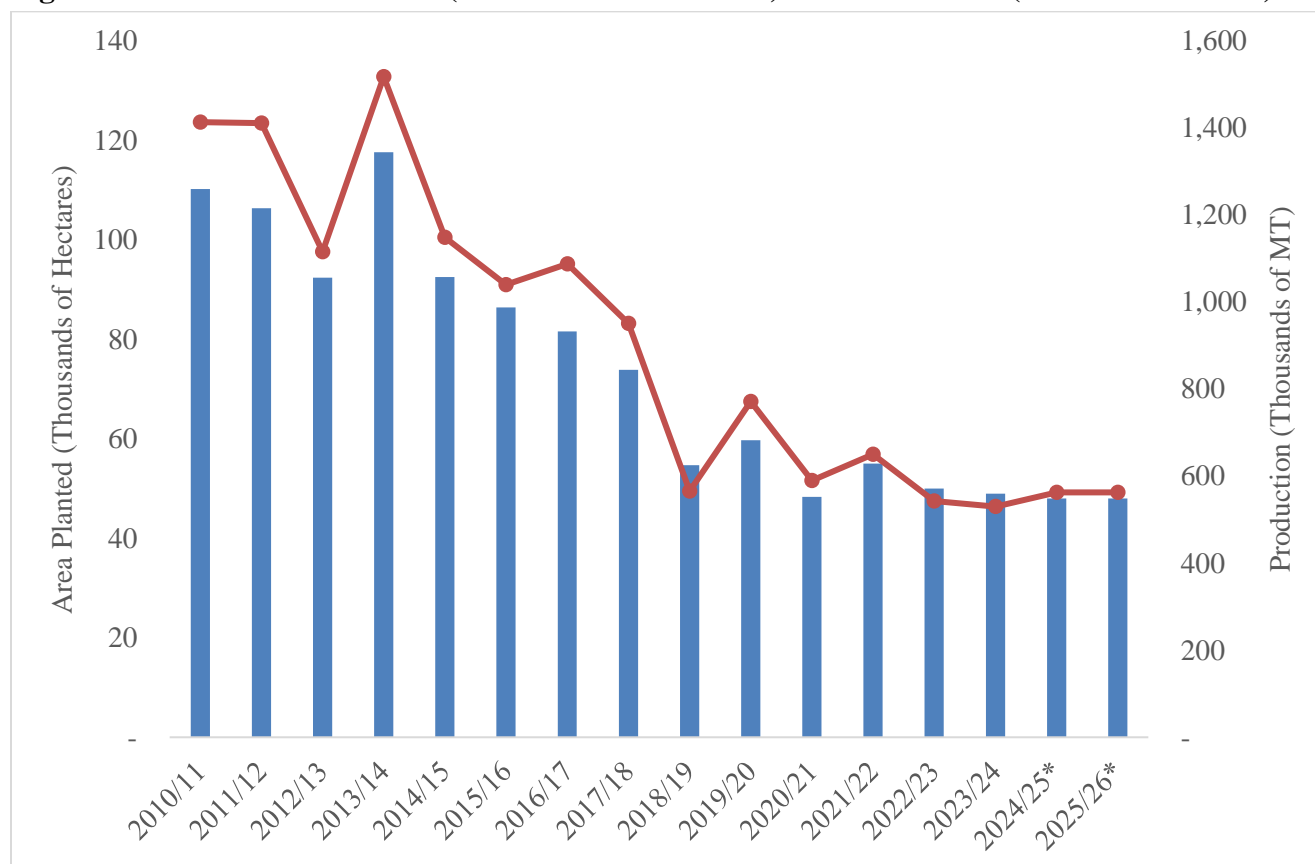
In MY 2025/26/25, Post estimates corn production to reach 551,000 MT, a 2.1 percent decrease from MY 2024/25 due to lower yields (Table 3). Chile endured a decade of drought which ended in MY 2022/23, boosting yields. However, in MY 2025/26, the area harvested is expected to remain unchanged at 48,000 hectares, due to high costs and increasing competition from imported corn.

The area harvested dropped steadily from MY 2010/11 to MY 2018/19 as low margins squeezed out producers (Figure 4). Since MY 2018/19, the area harvested has remained steady despite low prices and tight margins. The demand for feed and the use of corn for crop rotation have prevented a notable decrease in the area planted. However, growth remains limited by the high cost of inputs, such as fertilizers, which are mostly imported.

Corn area planted has not decreased significantly due to consistent demand for feed and because farmers use corn for crop rotation. Growth in area planted remains limited by the high cost of inputs, such as fertilizers, which are mostly imported.

Post estimates that yields will be 11.7292 MT per hectare in MY 2025/26. Yields will be slightly lower than the previous marketing year but will still benefit from the higher availability of water for irrigation in the corn-producing regions. The absence of drought has ensured a more stable water supply, contributing to improved yields.

Figure 4: Corn Area Harvested (Thousands of Hectares) and Production (Thousands of MT)



Source: Based in data from Instituto Nacional de Estadísticas (INE) and ODEPA

* Post estimates

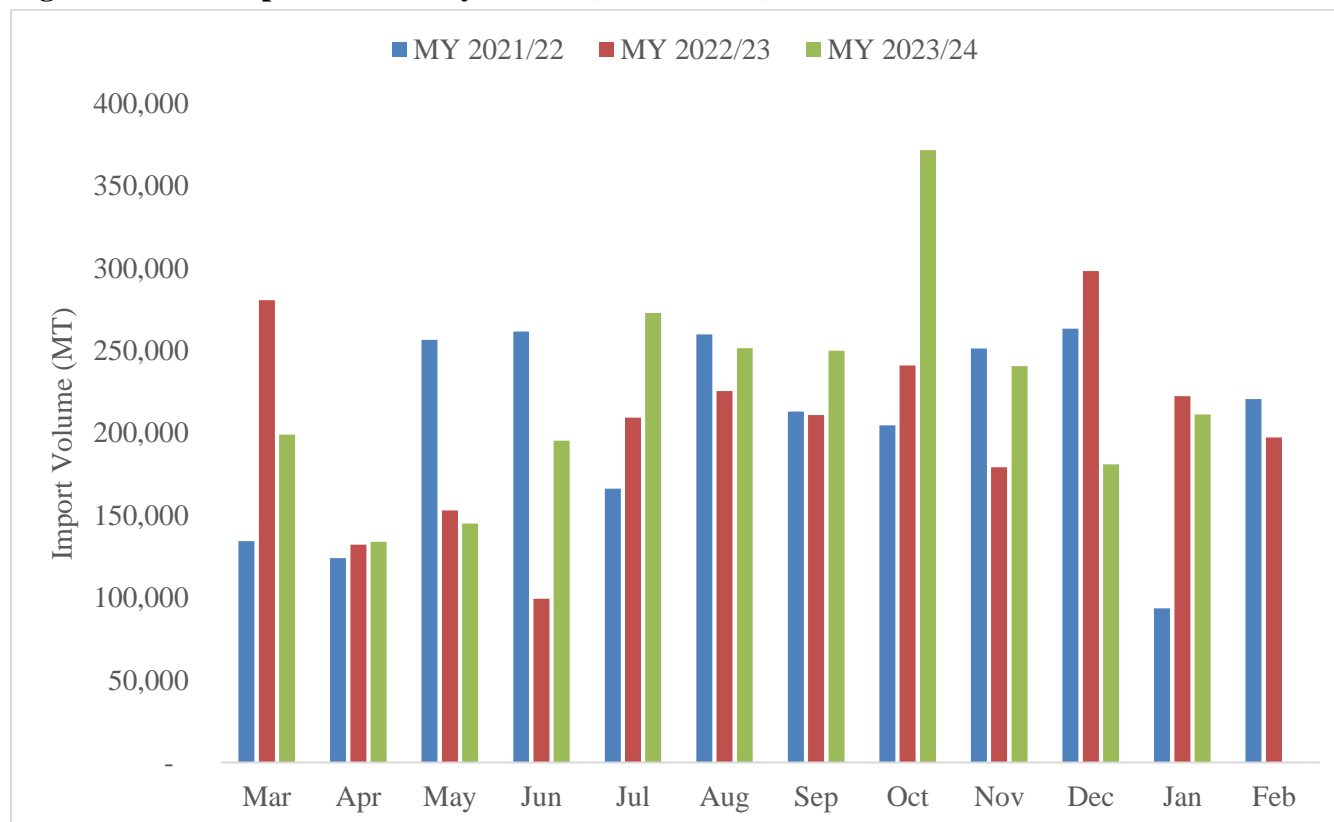
Trade:

In MY 2025/26, Post projects corn imports to increase by 2.0 percent and total 2.55 MMT to cover domestic consumption. Domestic consumption is mostly feed for the pork and poultry industries. Chile imports corn mainly from Argentina and Paraguay which are price competitive due to their proximity to the Chilean market. In MY 2022/23, the United States offered very competitive prices which led to a 622.5 percent increase in corn imports (Table 4). However, in MY 2023/24, imports from Argentina recovered, taking market share from the United States and Paraguay.

Table 4: Corn Import Volume by Country (Metric Tons)

Partner Country	Marketing Year			Year to Date		
	MY 2021/22 (MT)	MY 2022/23 (MT)	Variation (%)	Mar 23 - Jan 24 (MT)	Mar 24 - Jan 25 (MT)	Variation (%)
The World	2,484,084	2,477,800	-0.3%	2,278,526	2,478,096	8.8%
Argentina	1,437,165	1,449,569	0.9%	1,336,185	2,314,941	73.3%
Paraguay	905,046	934,457	3.2%	850,578	8,706	-99.0%
Brazil	102,677	42,488	-58.6%	41,982	48,432	15.4%
United States	3,059	22,100	622.5%	21,966	1,001	-95.4%
Uruguay	14,451	11,763	-18.6%	11,763	53,314	353.2%
Others	21,686	17,423	-19.7%	16,052	51,702	222.1%

Source: Trade Data Monitor, LLC

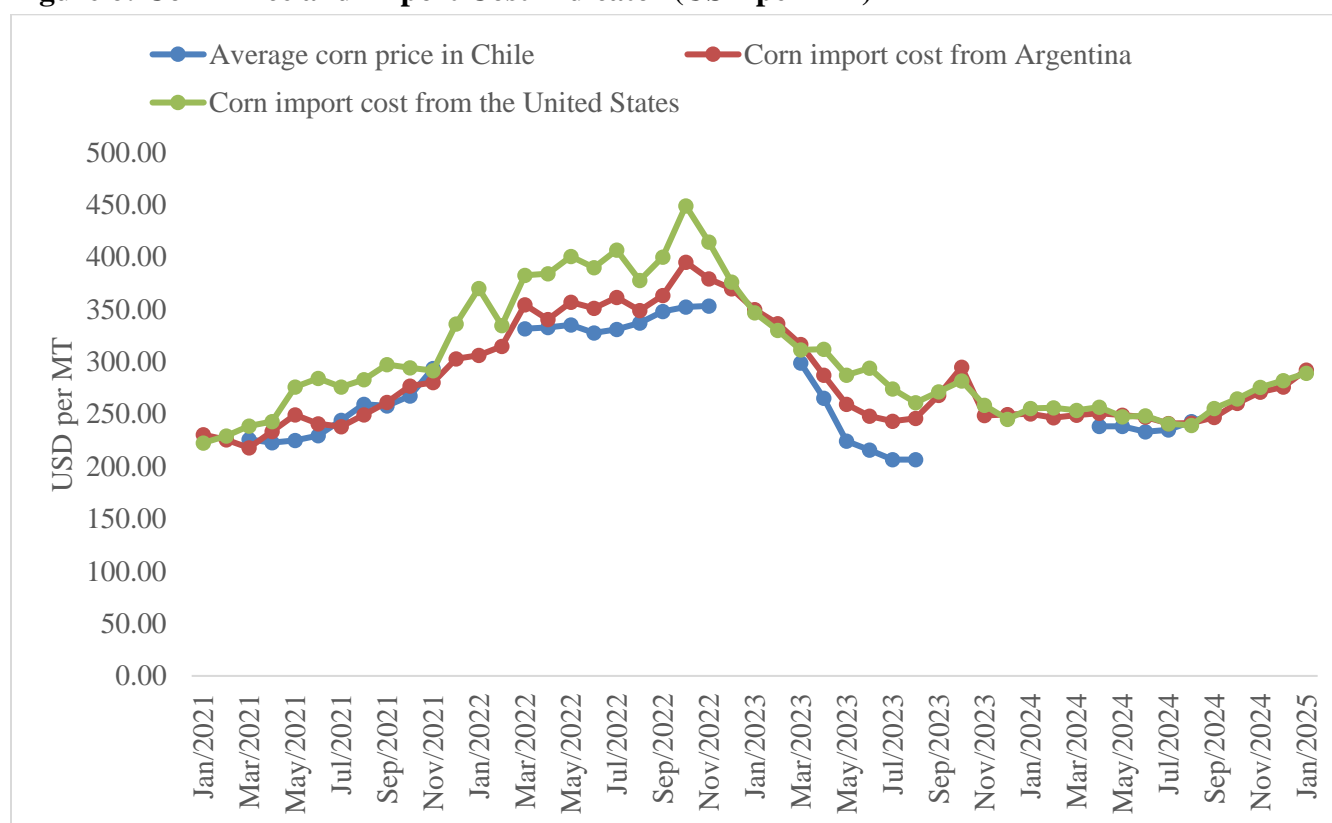
Figure 5: Corn Import Volume by Month (Metric Tons)

Source: Trade Data Monitor, LLC

Prices:

Figure 6 shows the average corn price in Chile and the corn import cost indicator for Argentina and the United States. Domestic corn price, as well as import costs, increased consistently between January 2021 and October 2022. Since then, corn price decreased rapidly, in line with international prices and decreasing in freight costs. The cost of importing corn from the United States decreased from \$449.00 per MT in October 2022 to \$245.00 per MT in December 2023. Since then, it remained relatively steady until August 2024, when it started to increase again reaching \$289.00 per MT in Jan 2025. The Chilean price of wheat has remained in line with the fluctuations of international prices.

Figure 6: Corn Price and Import Cost Indicator (USD per MT)



Source: Based in data from ODEPA, 2025

* Exchange rate: 1 dollar = 920 Chilean pesos

Consumption:

In MY 2025/26, Post forecasts that total consumption will reach 3.100 MMT, a 0.8 percent increase over MY 2024/25. Feed and residual consumption will increase by 0.9 percent over MY 2024/25 and total 2.775 MMT due to a higher demand for feed from the pork and poultry industry. Animal feed constitutes 90 percent of the corn consumption in Chile. The remaining 10 percent corresponds to food and seed production. FSI consumption will remain steady and reach 325,000 metric tons.

The pork and poultry industries in Chile are experiencing steady growth, leading to increased demand for feed. As these industries expand, their consumption of corn is expected to rise. In MY 2023/24, per capita consumption of pork and poultry in Chile increased by 3.9 and 2.8 percent, respectively. Recovering economic growth has largely driven increases in consumption. Chilean GDP growth was 2.6 percent in 2024 and is estimated at 2.5 percent for 2025 and 2026. Continued growth should push protein consumption higher, thus raising demand for animal feed.

Stocks:

In MY 2025/26, Post projects Chilean corn stocks will decrease by 16.7 percent to 95,000 metric tons. Given the strong demand from the pork and poultry sectors, the production industry will pull from stocks since there will be no need to withhold stocks.

Policy:

No policy updates since the last GAIN report.

Appendix

Table 5: Conversion factors to wheat grain equivalent

HS code	Description	Conversion factor to wheat grain equivalent
1001	Wheat and Meslin	1.000
190219	Pasta, Uncooked, Not Stuffed Etc., Nesoi	1.368
1101	Wheat or Meslin Flour	1.368
190230	Pasta, Prepared Nesoi	1.368
190240	Couscous	1.368

Source: FAS reporting instructions

Attachments:

No Attachments