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Report Name: Grain and Feed Annual

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Post: Santiago

Report Category: Grain and Feed

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Report Highlights:

Chile's grain sector remains dependent on imports as harvested area continues to decline while domestic demand remains stable. In MY 2026/27, wheat production is projected decrease by 1.7 percent to 1.15 million metric tons (MMT), while imports are forecast at 1.30 MMT, down 3.7 percent, reflecting slightly lower total supply needs. Corn production is projected at 525,000 metric tons (MT), down 4.5 percent, while imports are expected to reach 2.6 MMT, down 3.7 percent, continuing to supply the majority of feed demand from the pork and poultry industries. Declining harvested area for both crops, despite modest yield improvements, will continue to constrain domestic production and reinforce Chile's reliance on imports to meet stable food and feed demand.

Commodities: Wheat

Table 1: Production, Supply and Demand Data Statistics

Wheat	2024/2025		2025/2026		2026/2027	
Market Year Begins	Dec 2024		Dec 2025		Dec 2026	
Chile	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	200	200	195	195	0	190
Beginning Stocks (1000 MT)	77	77	180	180	0	200
Production (1000 MT)	1200	1200	1170	1170	0	1150
MY Imports (1000 MT)	1258	1258	1350	1350	0	1300
TY Imports (1000 MT)	1083	1083	1350	1350	0	1200
TY Imp. from U.S. (1000 MT)	286	286	0	350	0	350
Total Supply (1000 MT)	2535	2535	2700	2700	0	2650
MY Exports (1000 MT)	5	5	0	0	0	10
TY Exports (1000 MT)	5	5	0	0	0	10
Feed and Residual (1000 MT)	150	150	200	200	0	160
FSI Consumption (1000 MT)	2200	2200	2300	2300	0	2300
Total Consumption (1000 MT)	2350	2350	2500	2500	0	2460
Ending Stocks (1000 MT)	180	180	200	200	0	180
Total Distribution (1000 MT)	2535	2535	2700	2700	0	2650
Yield (MT/HA)	6	6	6	6	0	6.0526
(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 2026/2027 = July 2026 - June 2027						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Source: Post estimates

Production:

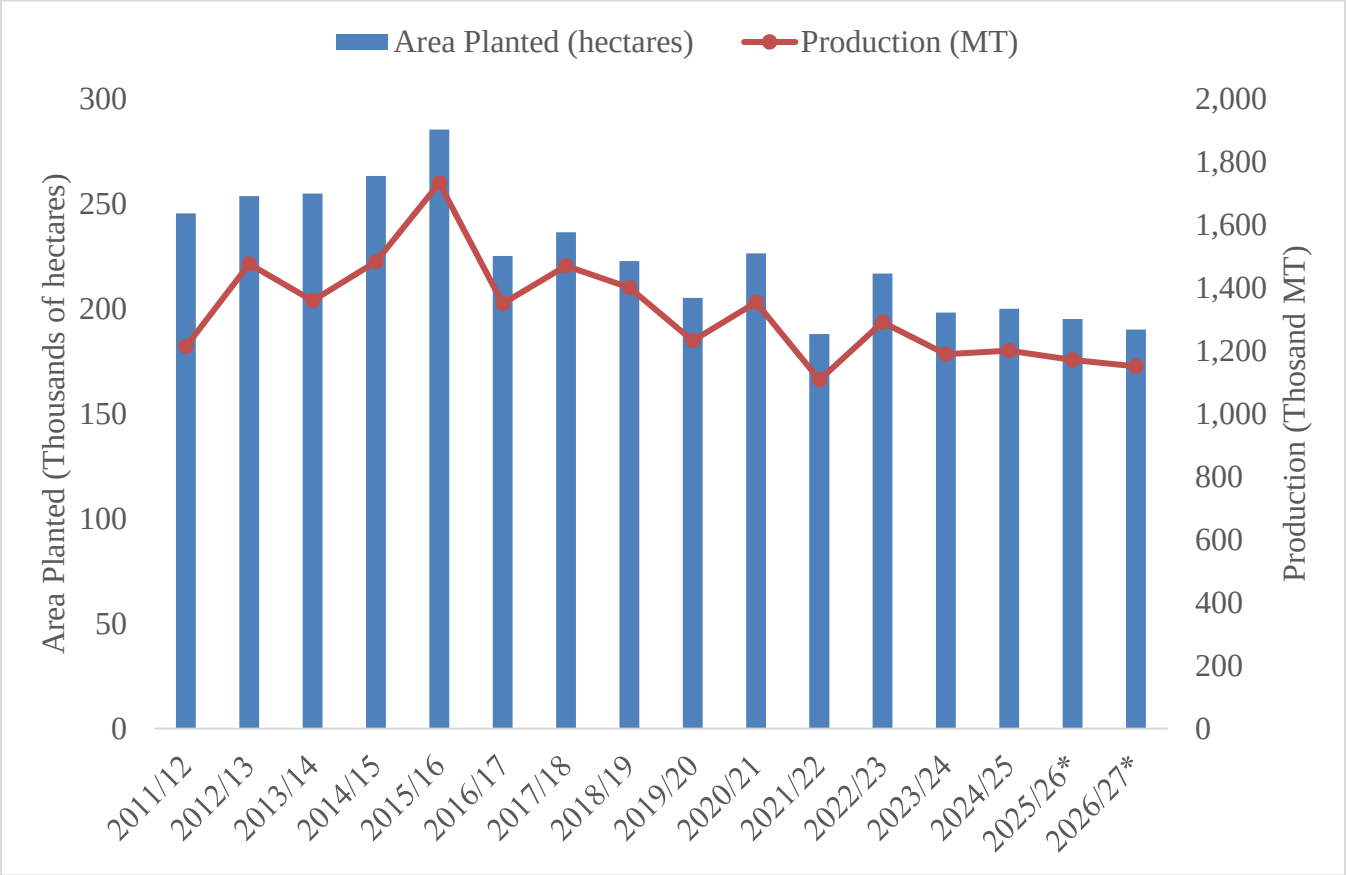
Chile's wheat production sector continues its gradual structural adjustment, characterized by declining harvested area, stable productivity, and steady reliance on imports to meet domestic demand.

In MY 2026/27, harvested area is projected to decline to 190,000 hectares, continuing a long-term downward trend driven primarily by high input costs, limited margins, and competition from alternative crops. While producers continue investing in improved management practices and irrigation efficiency, these gains are insufficient to reverse the contraction in planted area.

Average yields are expected to reach approximately 6.05 metric tons per hectare, slightly above recent averages. Yield performance reflects improved water availability following the end of prolonged drought conditions and greater adoption of agricultural technologies. These productivity gains will partially offset area planted decreased but will not generate overall supply growth.

As a result, wheat production is projected at 1.15 MMT in MY 2026/27, representing a modest decline from previous marketing years. Domestic production capacity remains structurally constrained despite improvements in efficiency.

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:

Chile remains dependent on wheat imports to meet domestic consumption. In MY 2026/27, imports are projected at 1.30 MMT, accounting for a substantial share of total supply. Chilean wheat production decline combined with steady consumption maintain strong demand for wheat imports.

Argentina remains the top supplier of wheat to Chile, though trade volumes fluctuate depending on relative price competitiveness and production conditions. The United States and Canada remain major suppliers. The United States presence in the Chilean market reflects competitive pricing, consistent quality, and strong commercial relationships. Chile’s wheat market will continue to closely track international price movements, reinforcing its integration with global grain trade.

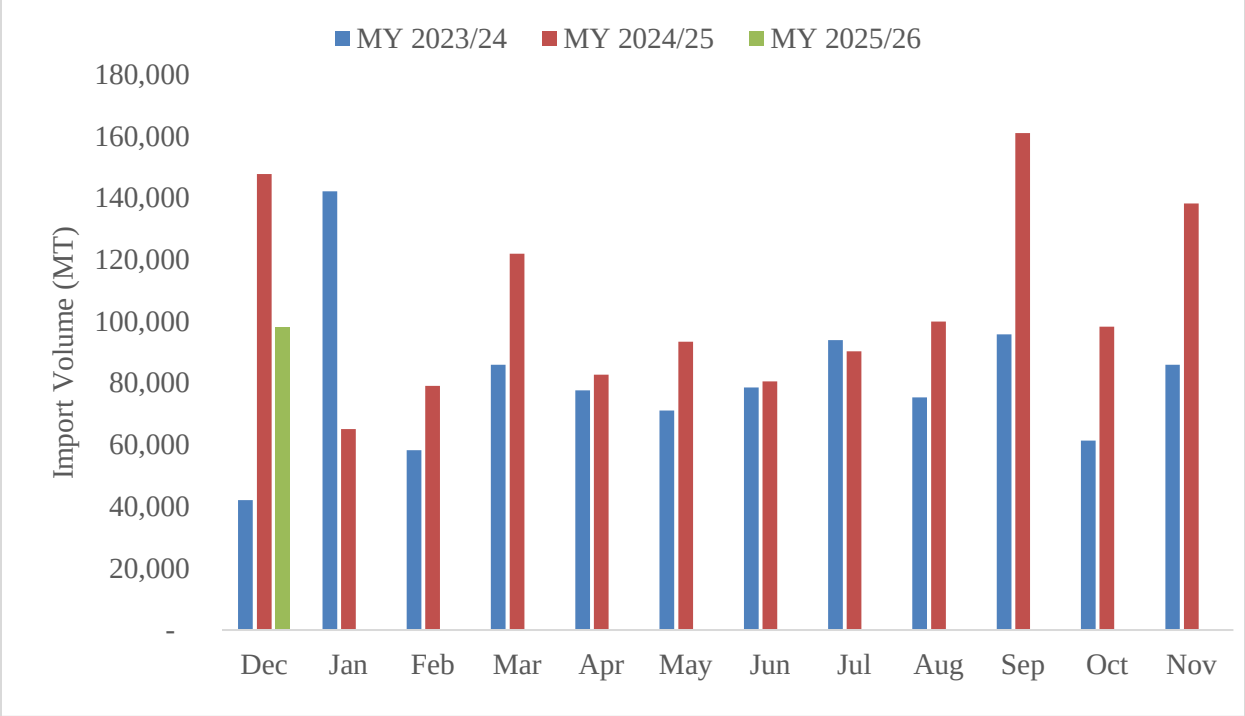
Table 2: Chile's Wheat Import Volume (MT) by Country of Origin

Partner Country	Marketing Year			Year to Date		
	2023/24 (MT)	2024/25 (MT)	Variation (%)	Dec 24 (MT)	Dec 25 (MT)	Variation (%)
The World	968,245	1,258,134	29.9%	147,699	98,183	-33.5%
Argentina	103,828	558,262	437.7%	37,496	88,174	135.2%
Canada	256,967	339,530	32.1%	56,186	8	-100.0%
United States	355,822	261,507	-26.5%	16,719	4,965	-70.3%
Uruguay	183,266	35,144	-80.8%	32,837	0	-100.0%
Others	68,362	63,691	-6.8%	4,461	5,036	12.9%

Source: Trade Data Monitor, LLC

*For details of conversion factors see appendix

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



Source: Trade Data Monitor, LLC

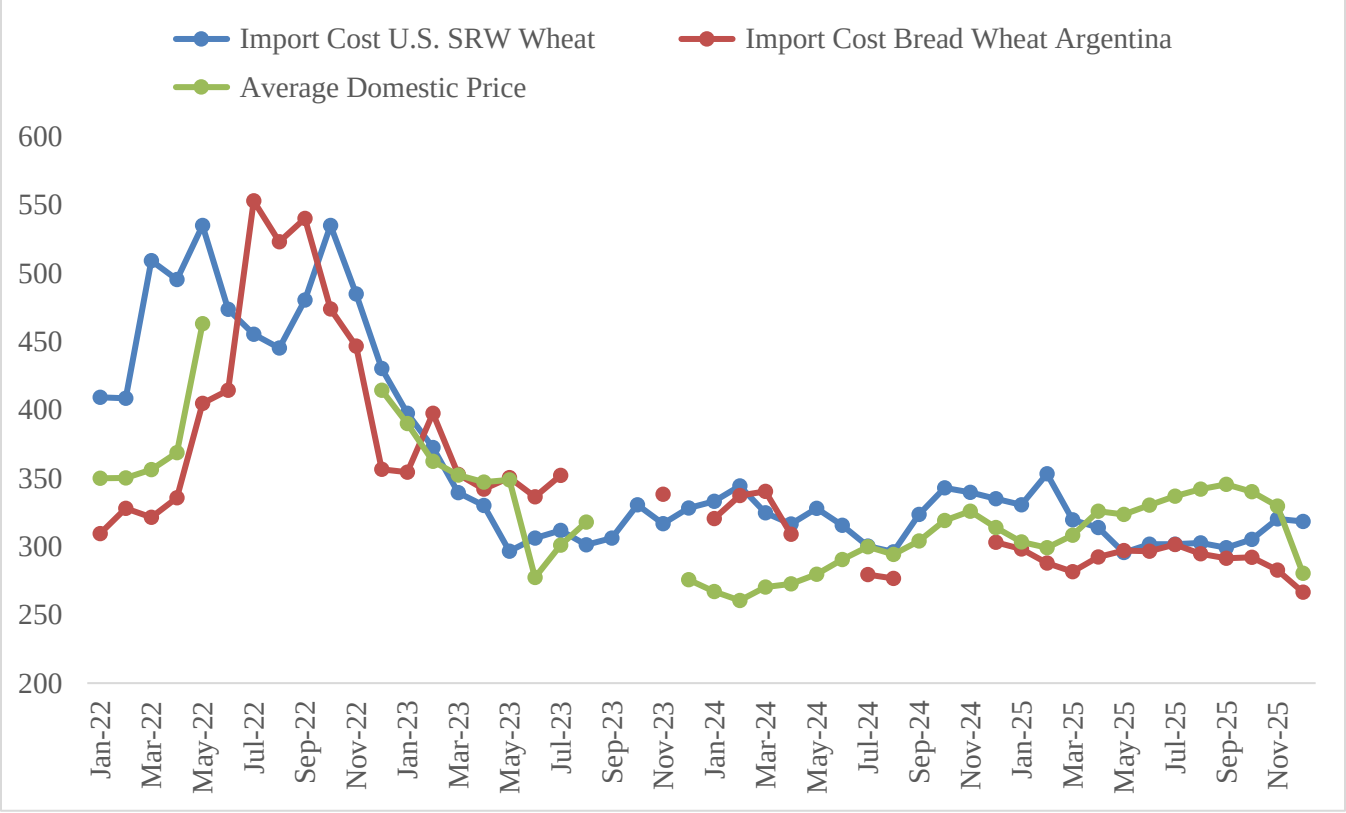
* For details of conversion factors see appendix

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.

Domestic wheat prices are expected to remain broadly aligned with international market trends, reflecting Chile's dependance on wheat imports. In MY 2024/25, import costs stabilized relative to the volatility observed in earlier marketing years, contributing to a more predictable pricing environment. Assuming no major disruptions to global supply or freight markets, wheat import prices are expected to remain relatively stable through MY 2026/27. Price transmission from international markets to domestic producers and consumers remains strong, and Chilean authorities continue to monitor import cost indicators and domestic producer prices.

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



Source: Based in data from ODEPA, 2026

*Exchange rate: 1 dollar = 865 Chilean pesos

Consumption:

Total wheat consumption in MY 2026/27 is projected at 2.46 MMT, reflecting a steady demand from wheat mills. Food, seed, and industrial consumption remains the dominant component at 2.3 MMT, driven primarily by bread production. Bread is a dietary staple in Chile, and demand remains relatively inelastic to price fluctuations.

Feed use is projected at 160,000 metric tons, representing a modest decline from recent levels. Wheat feed demand remains closely linked to the salmon farming industry, which incorporates wheat as an energy source in feed formulations.

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:

Ending stocks in MY 2026/27 are projected at 180,000 metric tons, reflecting a moderate decline from higher beginning stocks. Chile’s storage infrastructure remains limited, constraining long-term stock accumulation. Many producers continue to rely on temporary storage solutions such as silo bags, which are not ideal for extended storage.

Policy:
No policy updates since the last GAIN report.

Commodities:

Corn

Table 3: Production, Supply and Demand Data Statistics

Corn	2024/2025		2025/2026		2026/2027	
Market Year Begins	Mar 2025		Mar 2026		Mar 2027	
Chile	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	55	55	50	50	0	45
Beginning Stocks (1000 MT)	180	180	200	200	0	150
Production (1000 MT)	615	615	550	550	0	525
MY Imports (1000 MT)	2500	2500	2700	2700	0	2600
TY Imports (1000 MT)	2597	2597	2700	2700	0	2600
TY Imp. from U.S. (1000 MT)	6	6	0	5	0	5
Total Supply (1000 MT)	3295	3295	3450	3450	0	3275
MY Exports (1000 MT)	20	20	20	20	0	20
TY Exports (1000 MT)	20	20	20	20	0	20
Feed and Residual (1000 MT)	2750	2750	2950	2950	0	2800
FSI Consumption (1000 MT)	325	325	330	330	0	325
Total Consumption (1000 MT)	3075	3075	3280	3280	0	3125
Ending Stocks (1000 MT)	200	200	150	150	0	130
Total Distribution (1000 MT)	3295	3295	3450	3450	0	3275
Yield (MT/HA)	11.1818	11.1818	11	11	0	11.6667
(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 2026/2027 = October 2026 - September 2027						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

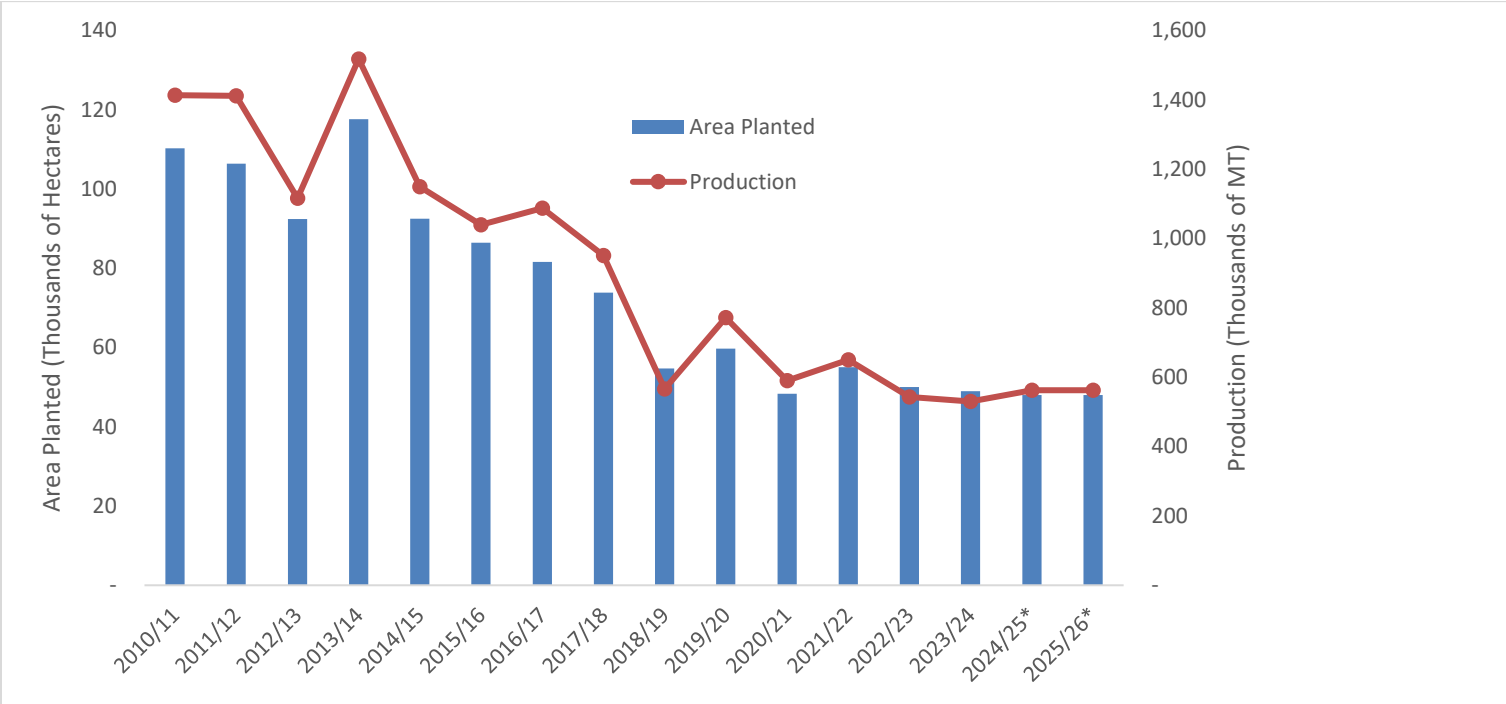
Source: Post estimates

Production:

Chile’s corn area harvested continues to experience a decline due to high input costs and strong competition from imported grain. In MY 2026/27, Post projects harvested area to decline further to 45,000 hectares, continuing a long-term contraction that reflects persistent profitability decreases. Although corn remains important for crop rotation and domestic feed supply, economic incentives for expansion remain limited.

Average yields are projected to increase to approximately 11.67 metric tons per hectare, supported by improved water availability and modern production practices. As with wheat, yield gains reflect technological adaptation rather than structural expansion. Post projects corn production is at 525,000 MT in MY 2026/27, continuing the gradual decline in domestic output capacity.

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:

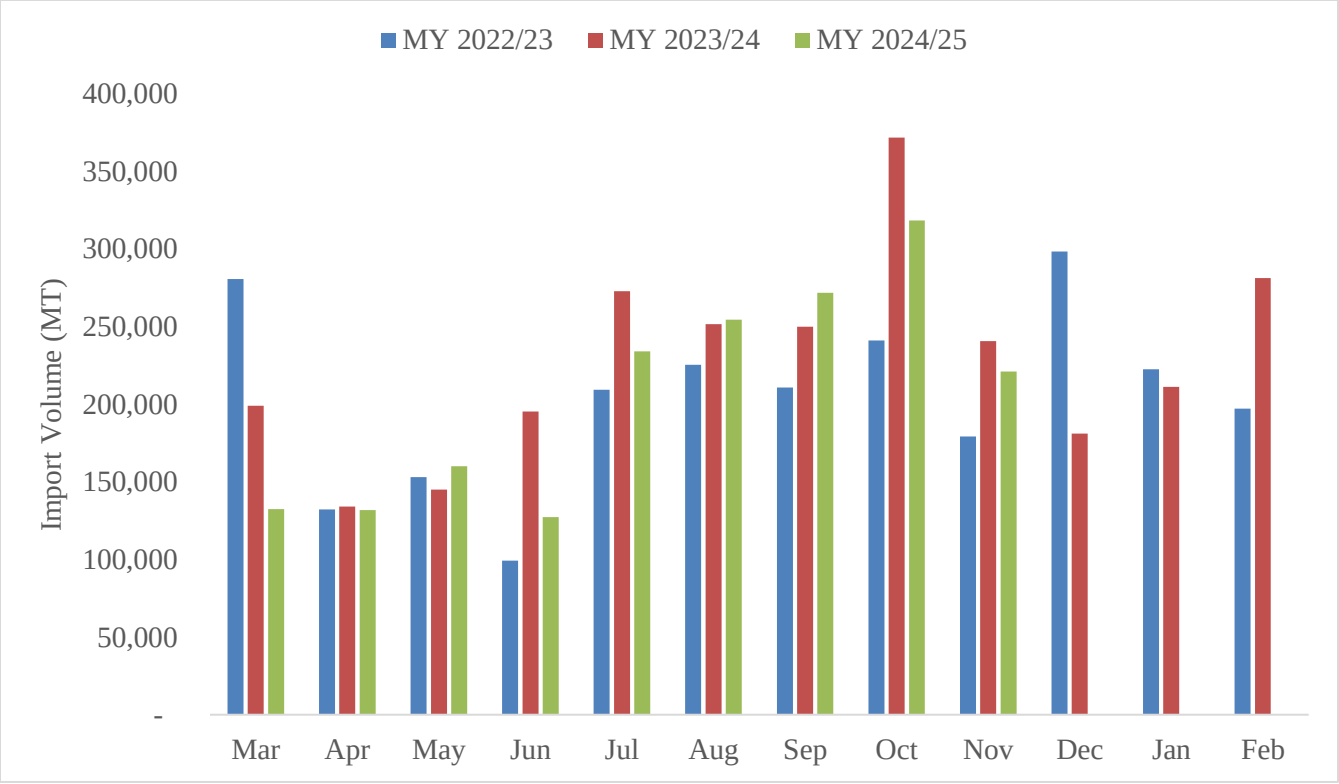
Chile will remain heavily dependent on imported corn to meet domestic feed demand. Imports in MY 2026/27 are projected at 2.6 MMT, supplying most of the domestic consumption. Argentina and Paraguay are expected to remain the principal suppliers due to geographic proximity and price competitiveness. The United States supplies corn to Chile depending on relative pricing and freight conditions. Import demand is driven primarily by pork and poultry production industries, which require consistent and large volumes of grains for feed.

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

Partner Country	Marketing Year			Year to Date		
	2022/23 (MT)	2023/24 (MT)	Variation (%)	Mar 24 - Dec 24 (MT)	Mar 25 - Dec 25 (MT)	Variation (%)
The World	2,448,707	2,733,268	11.6%	2,240,945	2,167,354	-3.3%
Argentina	1,446,384	2,579,868	78.4%	2,099,449	1,256,750	-40.1%
Uruguay	11,763	53,314	353.2%	53,314	0	-100.0%
Brazil	33,721	42,140	25.0%	42,086	86	-99.8%
Paraguay	934,395	12,524	-98.7%	8,524	908,600	10559.7%
United States	21,013	8,342	-60.3%	647	862	33.3%
Others	22,444	45,422	102.4%	37,571	1,918	-94.9%

Source: Trade Data Monitor, LLC

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

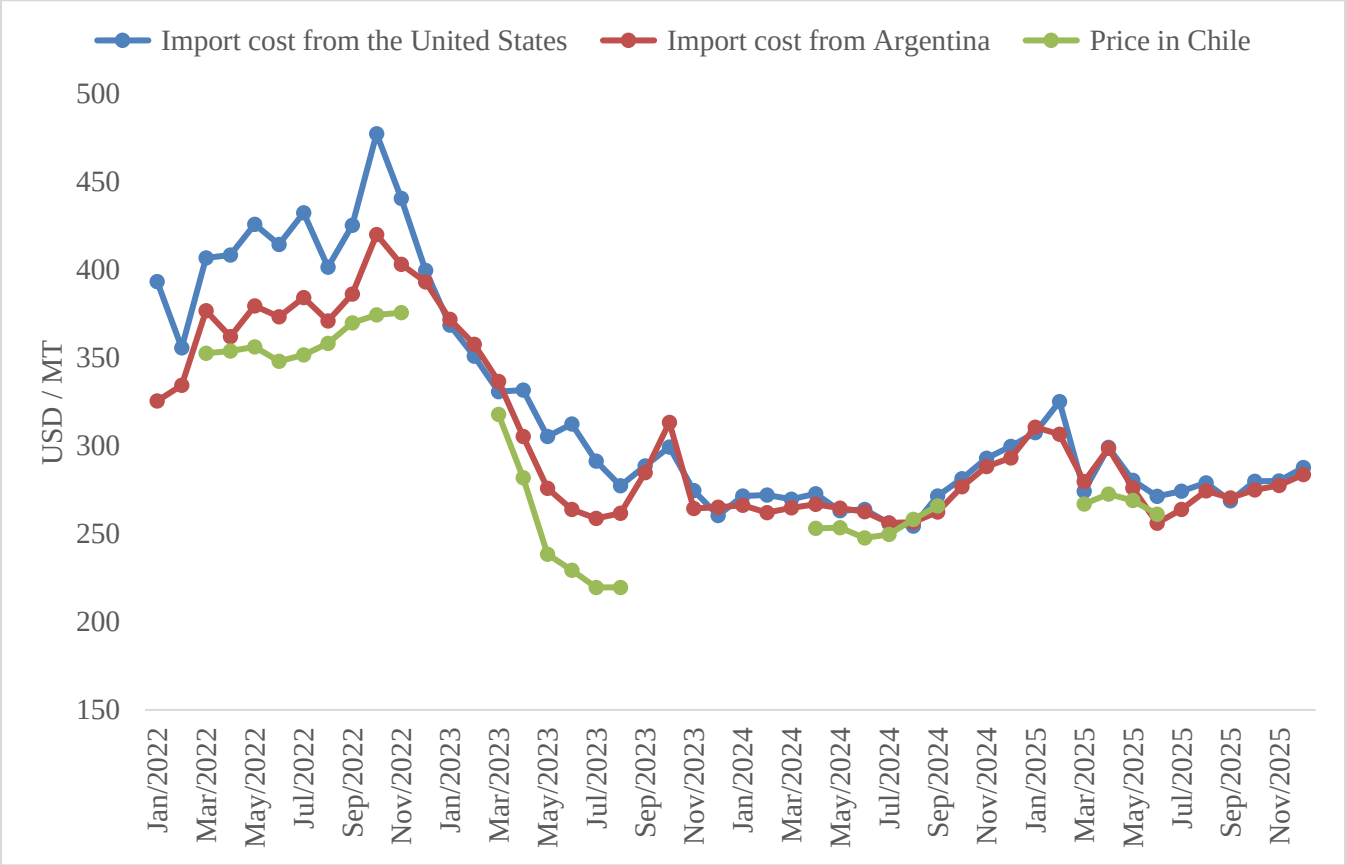


Source: Trade Data Monitor, LLC

Prices:

Figure 6 shows the average corn price in Chile and the corn import cost indicator for Argentina and the United States. Domestic corn prices closely follow international market. After the volatility experienced during MY 2022/23, prices have stabilized but remain sensitive to changes in freight rates, exchange rates, and global production conditions. Price transmission from international markets remains strong due to the high share of imported corn in total supply.

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



Source: Based in data from ODEPA, 2026

* Exchange rate: 1 dollar = 865 Chilean pesos

Consumption:

Total corn consumption in MY 2026/27 is projected at 3.125 MMT, reflecting sustained demand from the pork and poultry production sectors. Feed and residual use accounts for the majority of consumption at 2.8 MMT. 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. Animal feed represents approximately 90 percent of total corn use. Food, seed, and industrial consumption is projected to remain stable at 325,000 metric tons.

Stocks:

Ending corn stocks are projected at 130,000 metric tons, continuing a gradual decline from previous years. Strong feed demand and limited incentives to accumulate reserves contribute to relatively low stock levels.

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