



# Maize Updates in Top Exporting Markets

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TRIDGE PRICE DATA

# Maize (Corn) Updates in Top Exporting Markets

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Representatives of Russia, Turkiye, Ukraine, and the UN signed a deal and extended to permit the passage of Ukrainian grain across the Black Sea.

Despite the Black Sea grain corridor, there are still concerns as the initiative has a time limit, which may affect markets dependent on Black Sea grain exports. This might affect corn exports from Ukraine across the Black Sea and strain the global corn supply. Other alternative exporters will likely fill the gap in supply in the global market.

The US, Argentina, and Brazil are among the top exporters of corn in the global market. This paper focuses on the corn market situation in top exporting countries. Tridge's price data will reveal general trends in the industry and their impact on the specific market.

# Key Takeaways

Unfavorable weather in the US and Argentina have reduced the yield of corn crops and resulted in a commodity shortage. These markets appear to be experiencing price hikes due to weather anomalies.

Buyers looked for alternate suppliers of corn due to a decrease in supplies from Ukraine, the US, and Argentina. Brazil faced a strong international demand for corn led the price to increase.

## 01 Global Corn Market Situation

**Ukraine's** grain shipments have fallen since **February 2022**, when the Russia - Ukraine war closed Ukraine's Black Sea ports, pushing up global grain and cereal prices and raising concerns about supply shortages.

## 02 Lesser Supply Caused The US Corn Price to Increase

The wholesale price of **US** corn rose to **USD 1.18/kg**, a **30% MoM** increase in **November 2022**.

## 03 The Argentine Corn Price Rose as a Result of Limited Production

The wholesale price of **Argentine** corn price increased by **5% MoM** to **ARS 37.85/kg** in **November 2022**.

## 04 High Purchasing Sales in the International Market Pushed Price of Brazilian Corn Up

The wholesale price of **Brazilian** corn increased by **3% MoM** to **BRL 2.69/kg** in **November 2022**.

**Heated external demand raises of corn prices in Brazil**

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**Milho/Cepea: Demanda externa aquecida eleva cotação no Brasil**

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Image courtesy of [noticiasagricolas.com](https://noticiasagricolas.com)

**Argentina corn planting slowest in six years due to drought, Rosario exchange says**

Image courtesy of [tridge.com](https://tridge.com)

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in Commodity News © 17/10/2022

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**External Corn Demand Raises Prices in Brazil**

There has been an increase in the demand for Brazilian cereal on the international market, which has driven up port prices and domestic prices. The rise in demand from the international market is mainly related to the concern that the conflict between Russia and Ukraine would intensify and hamper grain exports through the Black Sea. In addition, the slower-than-expected harvest in the United States.

**Argentine Corn Planting Was Damaged by Drought**

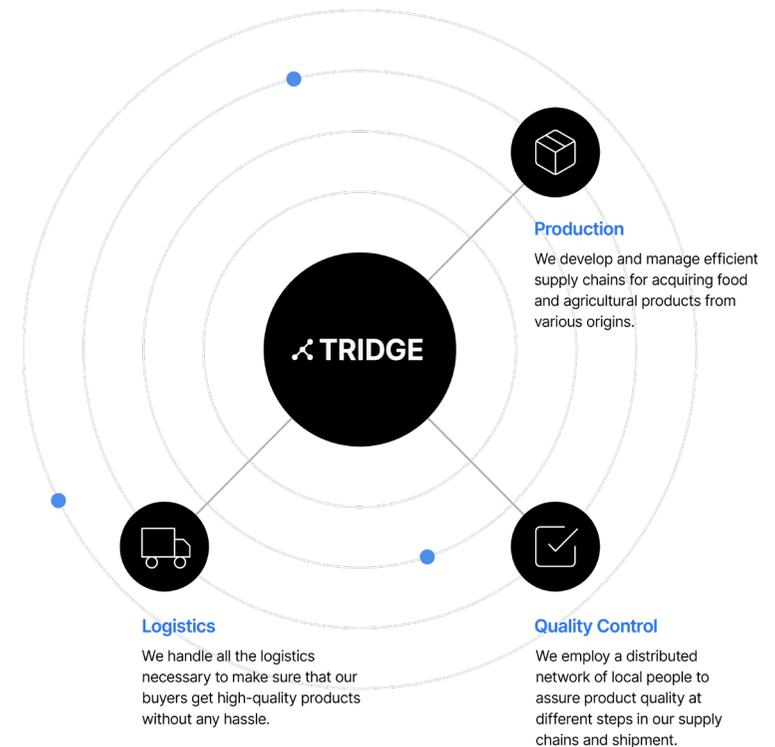
The Rosario Grain Exchange projected that 16% of the planned area had been planted with corn in Argentina, the lowest percentage in the previous six years. The prolonged drought is to blame for the poor rate of sowing.

# How Tridge Can Help You

Tridge provides accurate, independent, and transparent wholesale prices for any agricultural industry products. The prices are sourced via robust methodology, including industry expert consultation, big data processing, and robust quality assurance procedures. As a result, producers and traders of related products can use price data as objective market indicators and help them identify key trends.

In addition to understanding the market landscape with our export/import data, Tridge's domestic wholesale prices can give you up-to-date trends and implications. Seasonality data give you additional insight to get a better understanding of the specific market. Our price curations are updated daily or weekly and span multiple years. Use our price data, trade data, production data, seasonality data, and weather data as objective market indicators and identify key trends.

Tridge tracks products [price](#) and updates weekly.



# 01. Global Corn Market Situation

Ukraine is the 2nd leading exporter of corn globally, exporting about USD 4.01 billion of corn in 2021. Ukraine's grain shipments have fallen since February 2022, when the Russia - Ukraine war closed Ukraine's Black Sea ports, pushing up global grain and cereal prices and raising concerns about supply shortages.

Despite an agreement signed by officials of Russia, Turkey, Ukraine, and the UN to allow the passage of Ukrainian grain across the Black Sea, there is still concern that the conflict may intensify. This might affect corn exports from Ukraine across the Black Sea and strain the global corn supply. Other alternative exporters will likely fill the gap in supply to the importing markets. The US, Argentina, and Brazil are among the top exporters of corn in the global market.

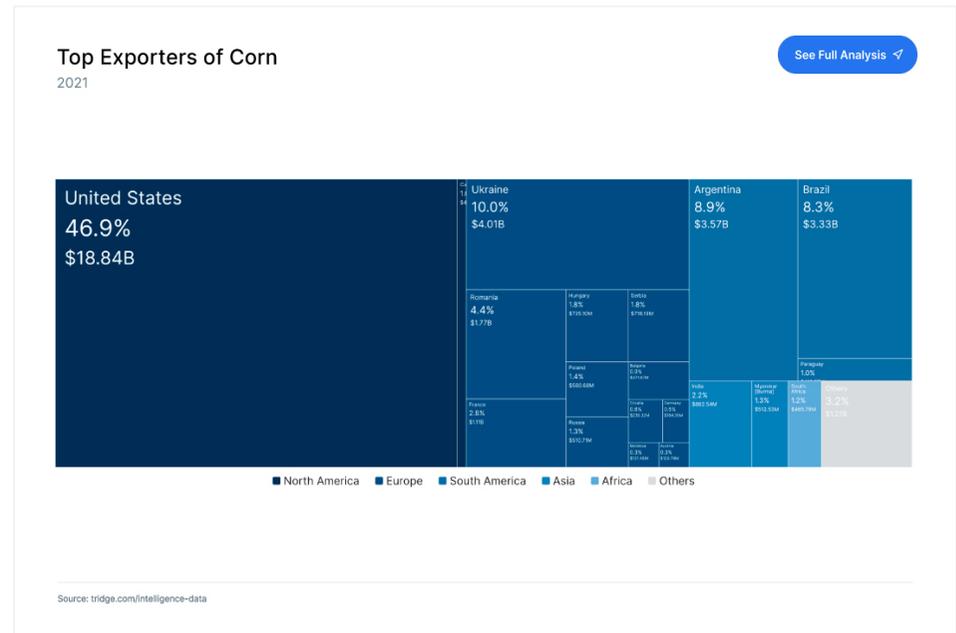


Chart 1. Top Exporters of Corn in 2021

## 02. Lesser Supply Caused The US Corn Price to Increase

The US is also a major exporter of corn, exporting about USD 18.8 billion of the grain in 2021. The US exported over 47% of the global corn market in 2021. The maize harvesting season in the US has begun. Because of the lack of rain, planting is expected to be considerably behind schedule, which will cause a production delay for the MY 2022/23 corn crop.

Persistent drought pressured yield potential across the western corn belt. The USDA revised its estimate of US corn production for MY 2022/23 down to 352.94 million mt, less 1.34 million mt from the previous season. The US government also lowered its forecast for con exports by 6% YoY to 54.61 million for MY 2022/23.

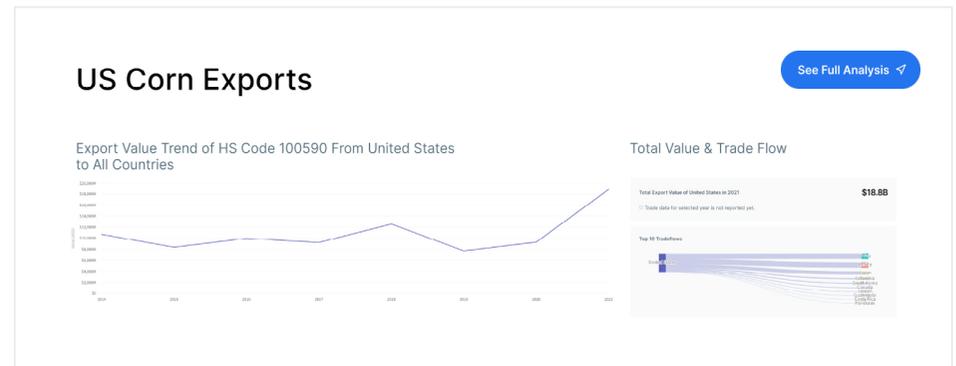


Chart 2. US Corn Exports

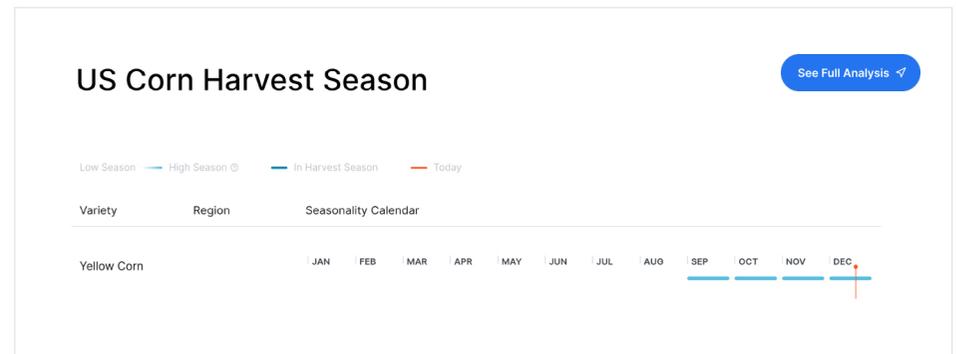


Chart 3. US Corn Harvest Season

The US corn output was hampered by a lack of precipitation which increased the wholesale price of US corn. As seen in Chart 4, the wholesale price of corn rose to USD 1.18/kg, a 30% MoM increase in November 2022. Prolong drought in the US affected the global market as the US is the main exporter of corn. Due to the expensive price, buyers seek alternative corn suppliers who offer more affordable corn prices.

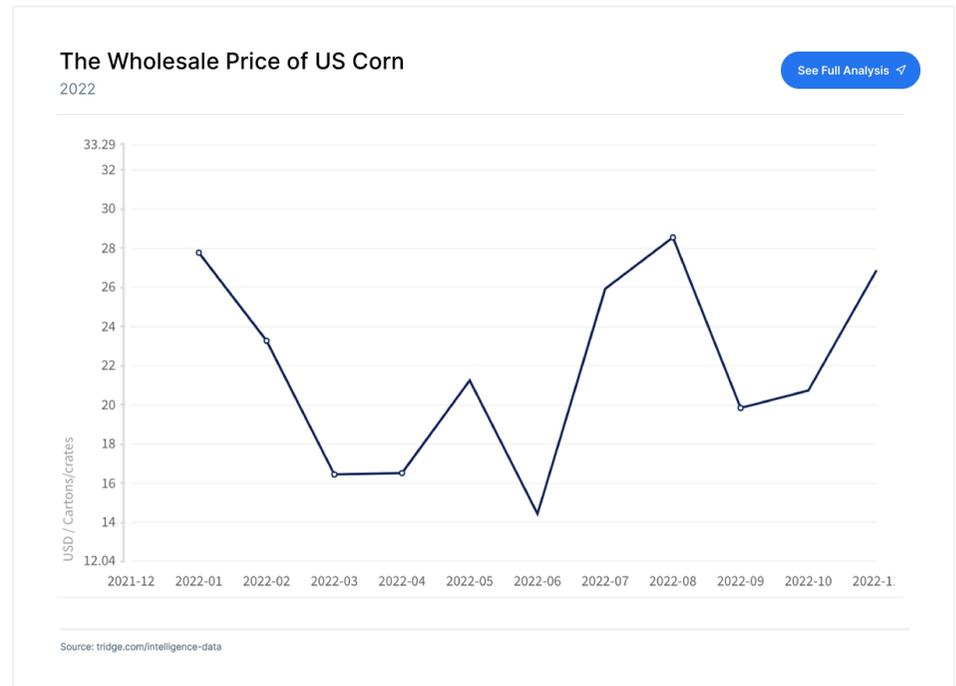


Chart 4. Top Exporters of Corn in 2021

### 03. The Argentine Corn Price Rose as a Result of Limited Production

Argentina is the 3rd largest exporter of corn in the global market, exporting about USD 3.6 billion of wheat in 2021. The main destination of Argentine corn is Chile, Malaysia, and Saudi Arabia.

Due to prolonged drought, Argentina’s maize is producing at its slowest rate ever, which will reduce the amount of planted corn that normally has a higher yield.

Argentina planted 16.4% of the anticipated 7.5 million ha of corn for the MY 2022/23 crop. Compared to the previous season, the area anticipated is 200 thousand ha smaller. Planting is 7.7 percentage points behind compared to November 2021.

The forecast for Argentine corn in MY 2022/23 is predicted to rise by 10% YoY to 56 million mt. However, it is likely to have downward changes to the forecast due to unfavorable weather.



Chart 5. Argentine Corn Exports

The wholesale price of Argentine corn reflected an upward trend since July and set its highest value in November, reaching ARS 37.85/kg in November 2022, an increase of 5% MoM. The drought hindered corn production in Argentina. Corn prices began to rise in November 2022 due to decreased production.

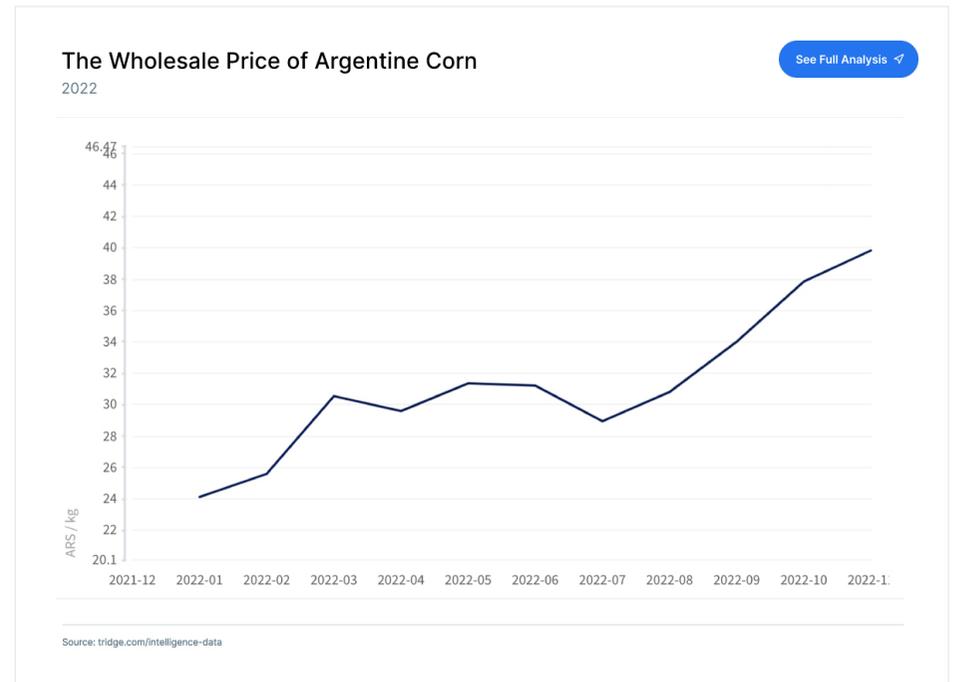


Chart 6. The Wholesale Price of Argentine Corn in 2022

## 04. High Purchasing Sales in the International Market Pushed Price of Brazilian Corn Up

Brazil is the 4th leading exporter of corn in the global market, exporting about USD 3.3 billion of corn in 2021. Brazilian corn exports have increased by 92% YoY to 24.67 million mt in the first nine months of 2022. The top 5 export destinations for corn from Brazil in the first nine months of 2022 include the EU (5.22 million mt), Iran (4.68 million mt), Egypt (2.94 million mt), Japan (2.28 million mt), and Colombia (1.51 million mt). Higher purchasing sales from the international market led the Brazilian corn price to increase.



Chart 7. Brazilian Corn Exports

Drought conditions in the US and Argentina have limited corn availability. Buyers seeking corn in alternative markets with competitive prices led the Brazilian corn price to increase. It is worth noting that the FOB price of Brazilian corn closed at USD 302/ton, in the first week of November, against USD 355/ton for the US corn and USD 313/ton for Argentine corn. Lower prices compared to US corn led importers to raise imports of Brazilian corn.

In Chart 8, the price reflected an upward trend to BRL 2.69/kg in November, an increase of 3% MoM. High global demand for Brazilian corn leads the price to increase.



Chart 8. The Wholesale Price of Brazilian Corn in 2022

# Conclusion

Ukrainian corn across the Black Sea experienced supply disruption due to the Russia-Ukraine crisis. Despite a deal signed by officials of Russia, Turkey, Ukraine, and the UN to allow the passage of Ukrainian grain over the Black Sea, there is still concern that the conflict between Russia and Ukraine may escalate.

Weather anomalies in the US and Argentina have hampered corn crop output and caused a supply deficit. This situation seems to make those markets experience price increases. Unfavorable weather conditions are one of the factors that hindered production and caused the global price of corn to an upward trend.

Lesser supply from Ukraine, the US, and Argentina caused buyers to seek alternative corn suppliers. Brazil, the 4th largest exporter of corn, experienced higher purchasing sales from the international market. Strong international demand has increased, particularly in China, as the world's largest importer has curbed the Covid-19 zero policy, and this will likely add to the market's bullishness for corn.

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- Premium data plan enables you to analyze the historical datasets and access all available market data.

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- YoY price analysis
- Price and Trade: affecting each other and understanding key drivers of the notable market change

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### ABOUT TRIDGE

Tridge is a Global Trade Ecosystem in the food and agriculture industry that combines professional network and data intelligence and makes trustworthy and sustainable cross-border trades possible. We create and provide a very unique and powerful global-scale platform for buyers and suppliers to be connected and do business with each other more confidently and seamlessly.

Our mission is to become a go-to place for the ultimate sourcing solutions by creating a safe and reliable trade community. For Buyers, Tridge consistently provides extensive market trend data around the globe, creating opportunities in both untapped and existing markets and connecting them with credible suppliers. For Suppliers, we identify and develop sales opportunities from the regions they could not reach ever before. We combine state-of-the-art technology to make this happen.

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