

## **Global Coarse Grain Export Prospects Remain Terrific**

Global grain trade prospects remain encouraging and at present are still one of the most bullish segments for the dry bulk market. While global iron ore trade prospects remain very likely to contract on a year-on-year basis this year and it remains to be seen if coal trade will find any growth, collectively grain trade prospects are encouraging and it remains coarse grain export prospects that are most encouraging. The United States Department of Agriculture (USDA) is forecasting that global coarse grain exports will rise this year by 15.8 million tons. Wheat exports are expected to fall by 2.7 million tons. Soybean exports are expected to increase by 1.3 million tons. Soymeal exports are expected to increase by 3 million tons.

Overall, it remains coarse grain trade that is poised to be the stalwart for the global grain market this year. The USDA is expecting that Brazil's and Argentina's coarse grain harvests this year will collectively total 154 million tons. This would mark a year-on-year rise of 29.6 million tons (24%). In total, Brazil's and Argentina's coarse grain exports are expected to come in at approximately 64.9 million tons. This would mark a year-on-year rise of 16.2 million tons (33%). An 8.2 million ton increase in exports is also expected from the Former Soviet Union. Together, these large increases will far exceed the current 6.6 million ton year-on-year decline in exports that is expected from the United States.

Jeffrey Landsberg | Managing Director  
[Commodore Research & Consultancy](#)

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