

CONSENSUS
FORECAST
AGRICULTURAL

2

COCOA

2

CORN

4

SOYBEANS

6

SUGAR

8

WHEAT

10

COFFEE

12

COTTON

13

PALM OIL

14

RICE

15

WOOL

16

NOTES

17

Commodities • May 2021

Contributors

PUBLICATION DATE

18 May 2021

FORECASTS COLLECTED

11 May - 16 May 2021

INFORMATION AVAILABLE

Up to and including 16 May 2021

NEXT EDITION

15 June 2021

ALMANAS STANAPEDIS

Commodities Senior Economist

HELEN MYERS

Editor

JOSÉ DANIEL MARÍN

Data Scientist

MASSIMO BASSETTI

Senior Economist

OLIVER REYNOLDS

Senior Economist

FREDERICO T. ABREU

Economist

HANNA ANDERSSON

Economist

STEVEN BURKE

Economist

MARTA CASANOVAS

Economist

JAN LAMMERSEN

Economist

JONUEL PEREZ

FOCUS ECONOMICS

Cocoa

FocusEconomics Consensus Forecast

| 2

May 2021

Cocoa

Cocoa prices increased over the past month, likely due to unfavorable weather conditions in West Africa, which raised concerns over supply. On 14 May, the spot price was USD 2,474 per metric ton, which was 5.4% higher than on the same day last month. Meanwhile, the price was up 2.5% on a year-to-date basis but was 6.7% higher than on the same day last year.

The rise in cocoa prices since the start of May was predominately due to below average rainfall amid high temperatures in most of Cote d'Ivoire's key cocoa-growing regions, which has the potential to hamper the size of the April–September mid-crop. Irregular rainfall and drier conditions will likely result in smaller, more acidic beans if they persist, therefore lowering supply levels, which should have benefited prices.

Prices are seen staying close to their current level this year, supported by healthier demand as the global economy continues to recover, while volatile weather conditions in West Africa remain a key upside risk. Our panelists forecast prices to average USD 2,451 per metric ton in Q4 2021 and USD 2,506 per metric ton in Q4 2022.

Annual average

Individual Forecasts

Q2 21

Q3 21

Q4 21

Q1 22

Q2 22

Q3 22

Q4 22

Q1 23

2021

2022

ABN AMRO Bank

2,445

2,475

2,595

2,640

2,660

2,680

2,690

-

2,500

2,670

Capital Economics

2,375

2,475

2,625

2,715

2,740

2,765

2,790

2,800

2,500

2,750

Citigroup Global Mkts

2,500

2,500

2,400

-

-

FOCUS ECONOMICS

Cocoa

FocusEconomics Consensus Forecast

| 3

May 2021

Fact Sheet

Fact Sheet

3,800,000

4,000,000

4,200,000

4,400,000

4,600,000

4,800,000

2013/14

2014/15

2015/16

2016/17

2017/18

Production

Consumption

Production | %-share in World Consumption | %-share in World

Côte

d'Ivoire

13.1%

Netherlands

12.9%

Indonesia

10.5%

Germany

9.4%

United

States

8.6%

Other

45.5%

Global production and consumption | Metric tons

2011/12

2012/13

2013/14

2014/15

2015/16

2016/17

2017/18

Production | Metric tons

Global

4,095,400

3,945,200

4,370,100

4,157,700

3,997,000

4,744,000

4,587,000

Côte d'Ivoire

1,485,900

1,449,000

1,746,200

1,750,000

1,581,000

2,020,000

2,000,000

Ghana

879,300

835,500

896,900

695,700

778,000

970,000

FOCUS ECONOMICS

Corn

FocusEconomics Consensus Forecast

| 4

May 2021

Corn

Corn prices increased over the last month, despite pulling back somewhat in recent days. Corn traded at USD 644 cents per bushel on 14 May, which was 8.4% higher than on the same day a month earlier. In addition, the price was up 33.0% on a year-to-date basis and was 102.8% higher than on the same day last year.

Demand has likely remained solid in recent weeks amid strong Chinese purchases, as the Asian giant aims to rebuild the world's largest hog herd and amid growing demand from its refining industry, which uses the commodity as input. In addition, in Brazil—the third largest global supplier—delays to the soybean harvest, coupled with challenging climate conditions, boded ill for supply. That said, May's USDA report struck a bearish note, forecasting higher production in the U.S. in the next growing season, coupled with bigger ending stocks and lower exports, which likely caused corn prices to give up some of their gains in mid-May.

Corn prices are seen dipping from their current level later this year, as they have likely run ahead of fundamentals in recent months. Moreover, Chinese purchases could tail off as demand from the hog industry normalizes. FocusEconomics analysts see prices averaging USD 582 cents per bushel in Q4 2021 and USD 508 cents per bushel in Q4 2022.

Annual average

Individual Forecasts

Q2 21

Q3 21

Q4 21

Q1 22

Q2 22

Q3 22

Q4 22

Q1 23

2021

2022

ABN AMRO Bank

635

655

640

635

625

610

600

-

615

620

Capital Economics

580

590

565

540

515

490

465

450

565

500

Citigroup Global Mkts

575

575

500

FOCUS ECONOMICS

Corn

FocusEconomics Consensus Forecast

| 5

May 2021

950,000

1,000,000

1,050,000

1,100,000

1,150,000

2014/15

2015/16

2016/17

2017/18

2018/19

Production

Consumption

Global production and consumption | Thousand metric tons

2008/2009

Total 147,289

thousand tons

United

States

28.9%

China

36.1%

European

Union

4.1%

Brazil

8.2%

Mexico

2.4%

Other

20.3%

2018/2019

Total 309,778

thousand tons

United States

14.2%

China

67.1%

European

Union

2.2%

Brazil

2.6%

Mexico

1.1%

Other

12.8%

Distribution of ending stocks in 2008/09 and 2018/19

Fact Sheet

Production | %-share in World Consumption | %-share in World

Major producers and consumers in 2018

United

States

33.3%

China

23.4%

Brazil

8.6%

European

Union

5.5%

Argentina

4.2%

FOCUS ECONOMICS

Soybeans

FocusEconomics Consensus Forecast

| 6

May 2021

Soybeans

The price of soybeans jumped over the past month, likely due to supply concerns in the U.S. and Argentina. Soybeans traded at USD 1,586 cents per bushel on 14 May, which was 12.5% higher than on the same day last month. Moreover, the price was up 20.6% on a year-to-date basis and was 89.5% higher than on the same day last year.

Prices received a notable boost in recent weeks due to poor growing conditions across the Northern Plains in the U.S., which should have weighed heavily on the domestic supply outlook. Moreover, dry conditions in major producer Argentina likely also raised international output concerns and provided further support to prices. However, softer U.S. export data and solid sowing progress in the U.S. as a whole should have somewhat tempered the overall rise in prices.

Soybean prices will likely taper from their recent highs later this year, but they should remain upbeat nonetheless due to firm demand and tighter supply conditions. Panelists see the price of soybeans averaging USD 1,314 cents per bushel in Q4 2021 and USD 1,156 cents per bushel in Q4 2022.

Annual average

Individual Forecasts

Q2 21

Q3 21

Q4 21

Q1 22

Q2 22

Q3 22

Q4 22

Q1 23

2021

2022

ABN AMRO Bank

1,495

1,395

1,420

1,425

1,415

1,390

1,360

-

1,425

1,400

ANZ

1,340

1,230

1,270

1,030

970

960

1,040

-

-

-

BBVA Research

1,412

1,306

1,202

1,217

1,186

1,155

1,126

FOCUS ECONOMICS

Soybeans

FocusEconomics Consensus Forecast

| 7

May 2021

2014/15

2015/16

2016/17

2017/18

2018/19

Production | Thousand metric tons

Global

320,718

316,565

349,309

339,993

360,993

United States

106,905

106,869

116,931

120,065

123,664

Brazil

97,200

96,500

114,600

120,800

117,000

Argentina

61,450

58,800

55,000

37,800

55,000

China

12,690

12,360

13,644

15,200

15,900

Paraguay

8,154

9,217

10,336

9,810

9,500

Consumption | Thousand metric tons

Global

264,754

275,130

287,423

295,257

304,798

United States

50,975

51,335

51,742

55,926

56,880

Argentina

40,235

43,267

43,309

36,933

43,200

European Union

FOCUS ECONOMICS

Sugar

FocusEconomics Consensus Forecast

| 8

May 2021

Sugar

Prices for sugar continued to increase in recent weeks, hitting an over four-year high on 27 April. Sugar traded at USD 17.2 cents per pound on 14 May, which was 8.3% higher than on the same day last month. Moreover, the price was up 16.2% on a year-to-date basis and was 59.7% higher than on the same day last year.

The increase in prices came amid a drop in production in Brazil—the world's top sugar producer—in April due to unfavorable weather conditions, while output in Thailand was also lower. Moreover, poor weather for crop growth in Europe—the world's third largest producer—also pushed up prices recently.

Sugar prices are projected to drop from their current high levels later this year, on an expected recovery in Thai production, while India and Europe are also seen yielding higher output. However, concerns over lower output in Brazil remain, with producers tempted to process more sugar cane into ethanol—potentially more profitable for them—than sweetener, which could temper the fall in prices. Our panelists see prices averaging USD 15.8 cents per pound in Q4 2021 and USD 14.9 cents per pound in Q4 2022.

Annual average

Individual Forecasts

Q2 21

Q3 21

Q4 21

Q1 22

Q2 22

Q3 22

Q4 22

Q1 23

2021

2022

ABN AMRO Bank

16.6

17.5

17.6

16.9

16.6

16.3

16.2

-

16.9

16.5

Capital Economics

15.4

15.5

14.8

14.4

14.3

14.2

14.1

13.9

15.2

14.3

Citigroup Global Mkts

16.2

15.5

15.1

-

-

FOCUS ECONOMICS

Sugar

FocusEconomics Consensus Forecast

| 9

May 2021

160,000

170,000

180,000

190,000

200,000

2014/15

2015/16

2016/17

2017/18

2018/19

Production

Consumption

Production | %-share in World Consumption | %-share in World

Fact Sheet Sugar

Others

59.1%

India

15.5%

European

Union

10.6%

China

8.8%

Brazil

6.0%

Global production and consumption | Thousand Metric tons

2014/15

2015/16

2016/17

2017/18

2018/19

Production | Thousand metric tons

Global

177,582

164,888

173,980

191,813

188,251

Brazil

35,950

34,650

39,150

38,870

34,200

India

30,460

27,385

22,200

32,445

33,830

European Union

18,449

14,283

18,313

21,150

20,300

Thailand

10,793

9,743

10,033

13,730

14,100

FOCUS ECONOMICS

Wheat

FocusEconomics Consensus Forecast

| 10

May 2021

Wheat

Prices for wheat surged over the past month, likely due to supply concerns amid still-elevated geopolitical tensions in the Black Sea region. On 14 May, wheat traded at USD 707 cents per bushel, which was 9.1% higher than on the same day in the previous month. Moreover, the price was 40.8% higher than on the same day last year and it was up 10.4% on a year-to-date basis.

The stark rise in wheat prices in recent weeks was predominately driven by dry conditions across both the Northern and Southern Plains in the U.S. and the Canadian Prairies. Conditions were particularly unfavorable across the Southern Plains, likely curbing production prospects and consequently sending prices higher. Meanwhile, geopolitical tensions between Russia and Ukraine continue to keep investors on edge with regard to wheat output in the Black Sea region, which should have also benefited prices over the past month.

Prices should ease from their current levels later this year as more favorable weather conditions prevail. That said, geopolitical tensions are upside risks to the outlook. Our panelists see prices averaging USD 645 cents per bushel in Q4 2021 and USD 599 cents per bushel in Q4 2022.

Annual average

Individual Forecasts

Q2 21

Q3 21

Q4 21

Q1 22

Q2 22

Q3 22

Q4 22

Q1 23

2021

2022

ABN AMRO Bank

690

695

700

680

675

660

650

-

685

665

BMO Economics

-

-

-

-

-

-

-

-

680

640

Capital Economics

609

575

538

520

FOCUS ECONOMICS

Wheat

FocusEconomics Consensus Forecast

| 11

May 2021

700,000

725,000

750,000

775,000

2014/15

2015/16

2016/17

2017/18

2018/19

Production

Consumption

2008/2009

Total 166,185

thousand tons

European

Union

11.4%

China

27.5%

India

8.1%

Canada

3.9%

United

States

10.8%

Other

38.3%

2018/2019

Total 267,534

thousand tons

European

Union

4.2%

China

52.3%

India

5.5%

Canada

1.9%

United

States

10.3%

Other

25.8%

Fact Sheet

Production | %-share in World Consumption | %-share in World

Major producers and consumers in 2018/19

European

Union

18.7%

China

17.9%

India

13.6%

Russia

9.7%

United

States

7.0%

Other

33.1%

FOCUS ECONOMICS

Coffee

FocusEconomics Consensus Forecast

| 12

May 2021

Coffee

Coffee Arabica (prices in USD cents/lb, aop)

1m ago

31-Dec-20

1y ago

124

120

98

+10.7%

+14.6%

+40.9%

Forecasts and change from spot

Forecast

Forecast

Forecast (last 6 months)

Period

Δ Spot

133

-3.3%

141

+2.6%

147

+7.1%

Q4 22

Spot

138

14-May-21

Q2 21

Q4 21

80

100

120

140

160

May-20

Nov-20

May-21

Nov-21

May-22

Coffee prices and futures prices

Annual data

2014

2015

2016

2017

2018

2019

2020

2021

2022

2023

2024

2025

USD cents per lb (aop)

171

132

138

132

114

98

107

134

FOCUS ECONOMICS

Cotton

FocusEconomics Consensus Forecast

| 13

May 2021

Cotton

Cotton ICE (prices in USD cents/lb, aop)

1m ago

31-Dec-20

1y ago

84.2

78.1

57.9

-2.1%

+5.5%

+42.5%

Forecasts and change from spot

Forecast

Forecast

Forecast (last 6 months)

Period

Δ Spot

85.0

+3.1%

84.3

+2.3%

80.8

-2.0%

Spot

82.4

14-May-21

Q2 21

Q4 21

Q4 22

Cotton prices and futures prices

Annual data

2014

2015

2016

2017

2018

2019

2020

2021

2022

2023

2024

2025

USD cents per lb (aop)

76.2

63.3

65.6

73.3

82.0

67.4

64.3

84.7

82.5

81.5

80.9

80.3

Quarterly data

Q2 20

Q3 20

Q4 20

Q1 21

Q2 21

FOCUS ECONOMICS

Palm Oil

FocusEconomics Consensus Forecast

| 14

May 2021

Palm Oil

Palm Oil (prices in USD/mt, aop)

1m ago

31-Dec-20

1y ago

1,180

1,045

498

+10.2%

+24.4%

+161.3%

Forecasts and change from spot

Forecast

Forecast

Forecast (last 6 months)

Period

Δ Spot

1,024

-21.3%

950

-26.9%

894

-31.3%

Q2 21

Q4 21

Q4 22

Spot

1,300

14-May-21

Palmoil prices and futures prices

Annual data

2014

2015

2016

2017

2018

2019

2020

2021

2022

2023

2024

2025

USD per mt (aop)

816

615

705

720

596

566

712

990

903

895

898

901

Quarterly data

Q2 20

Q3 20

Q4 20

Q1 21

Q2 21

FOCUS ECONOMICS

Rice

FocusEconomics Consensus Forecast

| 15

May 2021

Rice

Rice (prices in USD/mt, aop)

1m ago

31-Dec-20

1y ago

504

529

498

-1.6%

-6.2%

-0.4%

Forecasts and change from spot

Forecast

Forecast

Forecast (last 6 months)

Period

Δ Spot

528

+6.6%

523

+5.4%

467

-5.8%

Q2 21

Q4 21

Q4 22

Spot

496

14-May-21

460

500

540

580

May-20

Nov-20

May-21

Nov-21

May-22

Rice prices and futures prices

Annual data

2014

2015

2016

2017

2018

2019

2020

2021

2022

2023

2024

2025

USD per mt (aop)

422

387

395

397

420

417

497

523

467

FOCUS ECONOMICS

Wool

FocusEconomics Consensus Forecast

| 16

May 2021

Wool

Wool AWEX EMI (prices in AUD cents/kg, aop)

1m ago

31-Dec-20

1y ago

1,285

1,171

1,179

+1.6%

+11.5%

+10.8%

Forecasts and change from spot

Forecast

Forecast

Forecast (last 6 months)

Period

Δ Spot

1,311

+0.3%

1,261

-3.5%

#N/A

#N/A

Q4 21

Spot

1,306

14-May-21

Q2 21

Q4 22

Wool prices and futures prices

Annual data

2014

2015

2016

2017

2018

2019

2020

2021

2022

2023

2024

2025

AUD cents per kg (aop)

1,047

1,198

1,294

1,539

1,906

1,747

1,229

1,279

1,174

1,141

1,123

-

Quarterly data

Q2 20

Q3 20

Q4 20

Q1 21

Q2 21

FOCUS ECONOMICS

FocusEconomics Consensus Forecast

| 17

May 2021

Notes and Statements

DISCLOSURE STATEMENT

The FocusEconomics Consensus Forecast ("Forecast") is based on information obtained from sources believed to be reliable.

FocusEconomics and the participating panelists ("Information Providers") do not guarantee that the information supplied in the Forecast

is accurate, complete or timely. The Information Providers do not make any warranties with regard to the results obtained from the

Forecast. The Information Providers are not responsible for any errors or omissions, or for any injuries or damages resulting from the use

of this information, including incidental and consequential damages. Recipients should not regard the Forecast as a substitute for the

exercise of their own judgement. The recommendations made in the Forecast may be unsuitable for investors depending on their specific

investment objectives and financial position. The Forecast has been prepared solely for informational purposes and is not a solicitation

of any transaction or an offer to enter into any transaction. Any opinions expressed in this report are subject to change without notice and

the Information Providers are under no obligation to update the information contained herein.

PUBLICATION NOTE

Consensus Forecasts are mean averages of projections of economic forecasters surveyed by FocusEconomics for our monthly publication. Quarterly averages may not correspond to the annual figures due to different forecast panels. Monthly forecasts are interpolated values based on quarterly averages.

The production-weighted averages for the FocusEconomics Global Commodity Index and Energy, Base Metals, Precious Metals and Agricultural Indices refer to commodities surveyed by FocusEconomics on a monthly basis, and include the following commodities:

Energy (8 commodities):

Brent Crude Oil and WTI Crude Oil, Coking Coal, Gasoil, Gasoline, Natural Gas, Thermal Coal and Uranium U308.

Base Metals (12 commodities):

Aluminium, Alumina, Cobalt, Copper, Iron Ore, Lead, Molybdenum, Nickel, Steel (USA), Steel (Europe), Tin and Zinc.

Precious Metals (4 commodities):

Gold, Palladium, Platinum and Silver.

Agricultural (10 commodities):

Cocoa, Coffee, Corn, Cotton, Palm Oil, Rice, Soybeans, Sugar, Wheat and Wool.

Weights are based on global production volumes and reflect the latest forecasts on production and market prices.

COPYRIGHT NOTE

© Copyright 2021 FocusEconomics S.L.U. Duplication, reproduction, transmission, publication or redistribution in any form or by any means electronic, mechanical, or otherwise without prior written consent of FocusEconomics S.L.U. is strictly prohibited. Please cite source when quoting. All rights reserved under International Copyright Conventions.

The FocusEconomics Consensus Forecast Commodities is a monthly publication of FocusEconomics. Communications to the Editor or FocusEconomics in general should be addressed as follows:

FocusEconomics S.L.U.

Gran Via 657, E-08010 Barcelona, Spain

E-mail: info@focus-economics.com

Notes

FocusEconomics

reports are designed to give you fast access to the data and insight you need so that you can make the right decisions for your business. Our reports provide hundreds of economic and commodities price forecasts from our network of more than 900 of the most reputable economic analysts in the world.

MAJOR ECONOMIES & SWITZERLAND

G7 countries (United States, Canada, Japan, United Kingdom, Euro Area, France, Germany & Italy), Switzerland and overview of the BRIC countries

EURO AREA

Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Portugal, Slovakia, Slovenia and Spain

NORDIC ECONOMIES

Denmark, Finland, Iceland, Norway and Sweden

CENTRAL & EASTERN EUROPE

Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia

CIS PLUS COUNTRIES

Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan

SOUTH-EASTERN EUROPE

Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Greece, Kosovo, Montenegro, North Macedonia, Romania, Serbia and Turkey

EAST & SOUTH ASIA

Bangladesh, China, Hong Kong, India, Korea, Mongolia, Pakistan, Sri Lanka, Taiwan, Australia and New Zealand

ASEAN ECONOMIES

Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, Vietnam, Australia and New Zealand

LATIN AMERICA

Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Mexico, Paraguay, Peru, Uruguay and Venezuela

CENTRAL AMERICA & THE CARIBBEAN

Belize, Costa Rica, Cuba Dominican Republic, El Salvador, Guatemala, Haiti, Honduras, Jamaica, Nicaragua, Panama, Puerto Rico and Trinidad and Tobago

MIDDLE EAST & NORTH AFRICA

Algeria, Bahrain, Egypt, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Morocco, Oman, Qatar, Saudi Arabia, Tunisia, United Arab Emirates and Yemen

SUB-SAHARAN AFRICA

Angola, Botswana, Cameroon, Côte d'Ivoire, DR Congo, Ethiopia, Ghana, Kenya, Mozambique, Nigeria, Rwanda, Senegal, South Africa, Tanzania, Uganda, Zambia and Zimbabwe

ECONOMIC FORECASTS FOR KEY INDICATORS IN 132 COUNTRIES IN 12 REGIONS

REAL SECTOR

GDP per capita, Economic Growth, Consumption, Investment, Industrial Production, Unemployment Rate, Fiscal Balance and Public Debt

MONETARY & FINANCIAL SECTOR

Money, Inflation Rate, Policy Interest Rate and Exchange Rate

EXTERNAL SECTOR

Current Account, Trade Balance, Exports, Imports, International Reserves and External Debt

ENERGY

Brent Crude Oil, WTI Crude Oil, Coking Coal, Gasoil (European market), Gasoline (U.S. benchmark), Natural Gas,

Thermal Coal and Uranium

BASE METALS

Alumina, Aluminium, Cobalt, Copper, Iron Ore, Lead, Molybdenum, Nickel, Steel (European and U.S. markets), Tin and Zinc

PRECIOUS METALS

Gold, Silver, Palladium and Platinum

AGRICULTURAL

Cocoa, Coffee, Corn, Cotton, Palm Oil, Soybeans, Rice, Sugar, Wheat and Wool

PRICE FORECASTS FOR 34 COMMODITIES IN 4 MAIN GROUPS

SUBSCRIPTION & PRICING INFORMATION

For information on how to subscribe or to purchase individual reports, contact us at:

info@focus-economics.com

+34 932 651 040

www.focus-economics.com