

2017 Soybean Production and Harvest Area Forecasts: Brazil

The United States has long been the hands-down largest producer of soybeans worldwide. Brazil, in the last 20 years, has been chasing U.S. production numbers and increasing their harvested acres dramatically. (See Figure 1) 2015-2016 data shows that Brazil has achieved a greater harvest area than the United States, however, still yielding less production. The USDA's Foreign Agricultural Service, in a recent release of a World Agricultural Production report, forecasted Brazil's area harvested as reaching a record breaking 33.9 million hectares. Additionally, estimated yield per hectare is forecasted to be 3.07 tons, a 6% increase from last year and the 5-year average. Overall, the forecast for Brazil's total 2017 yield is at 3.909 billion bushels an increase of nearly 400 million bushels from last year's production. (USDA and Anulacion, 2017)

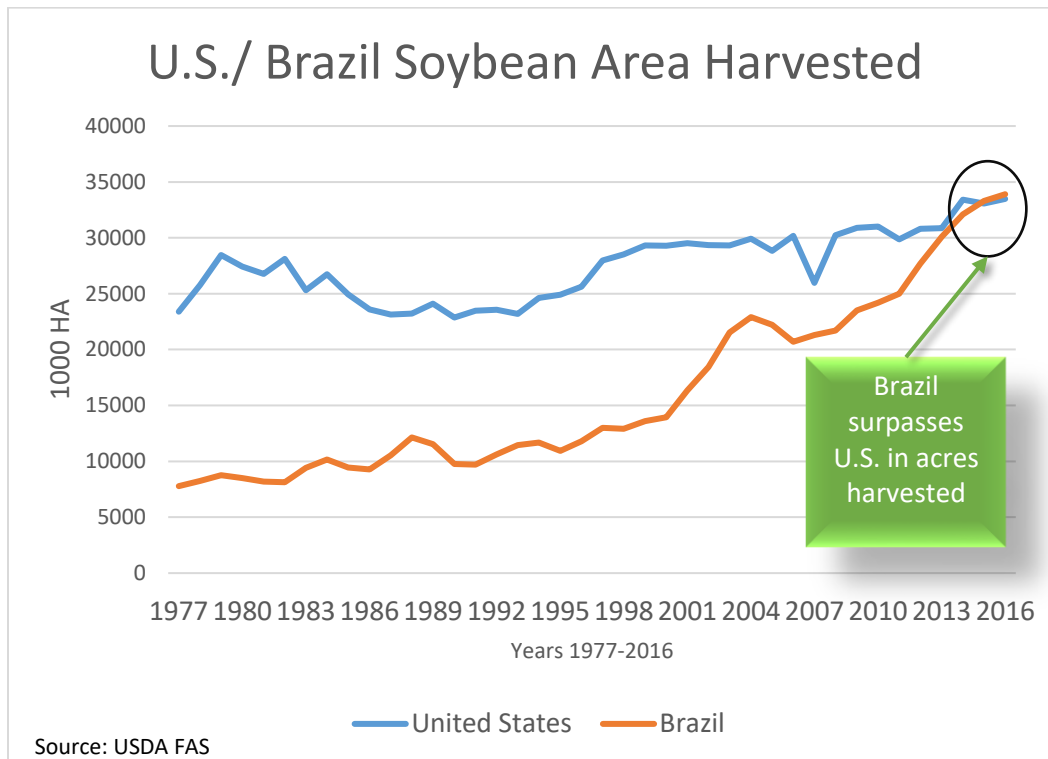


Figure 1. U.S. Brazil Soybean Area Harvested

What is important to know is that in the last 20 years Brazil has been increasing their soybean production and acreage at a rapid pace. However, production in Brazil has never surpassed the U.S., to date. (See Figure 2) Furthermore, with this in mind, Brazil is forecasted to have their largest production year in history with anywhere from 3.821 to 3.909 billion bushels in 2017. (USDA and FAS estimates)

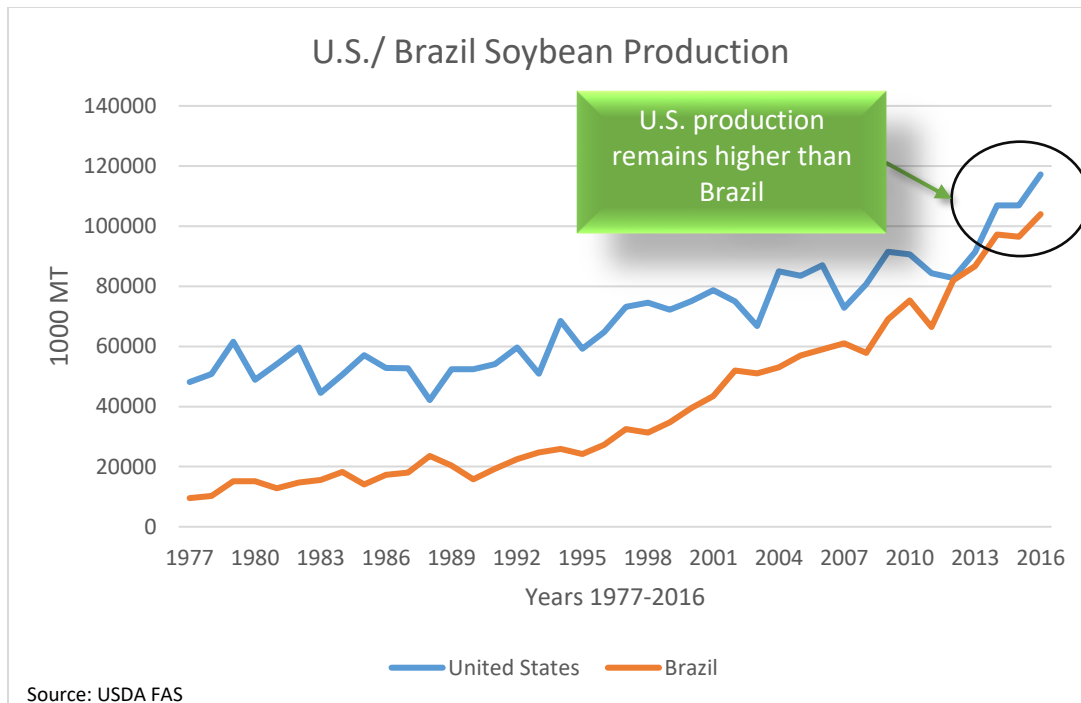


Figure 2. U.S./Brazil Soybean Production

For sources and additional insights on yield risk for Brazil's Soybean production see:

<http://farmdocdaily.illinois.edu/2017/01/assessing-brazilian-soybean-yield-risks.html>

Or

For Original USDA reports:

<https://apps.fas.usda.gov/psdonline/circulars/production.pdf>

<https://apps.fas.usda.gov/psdonline/app/index.html#/app/downloads>