

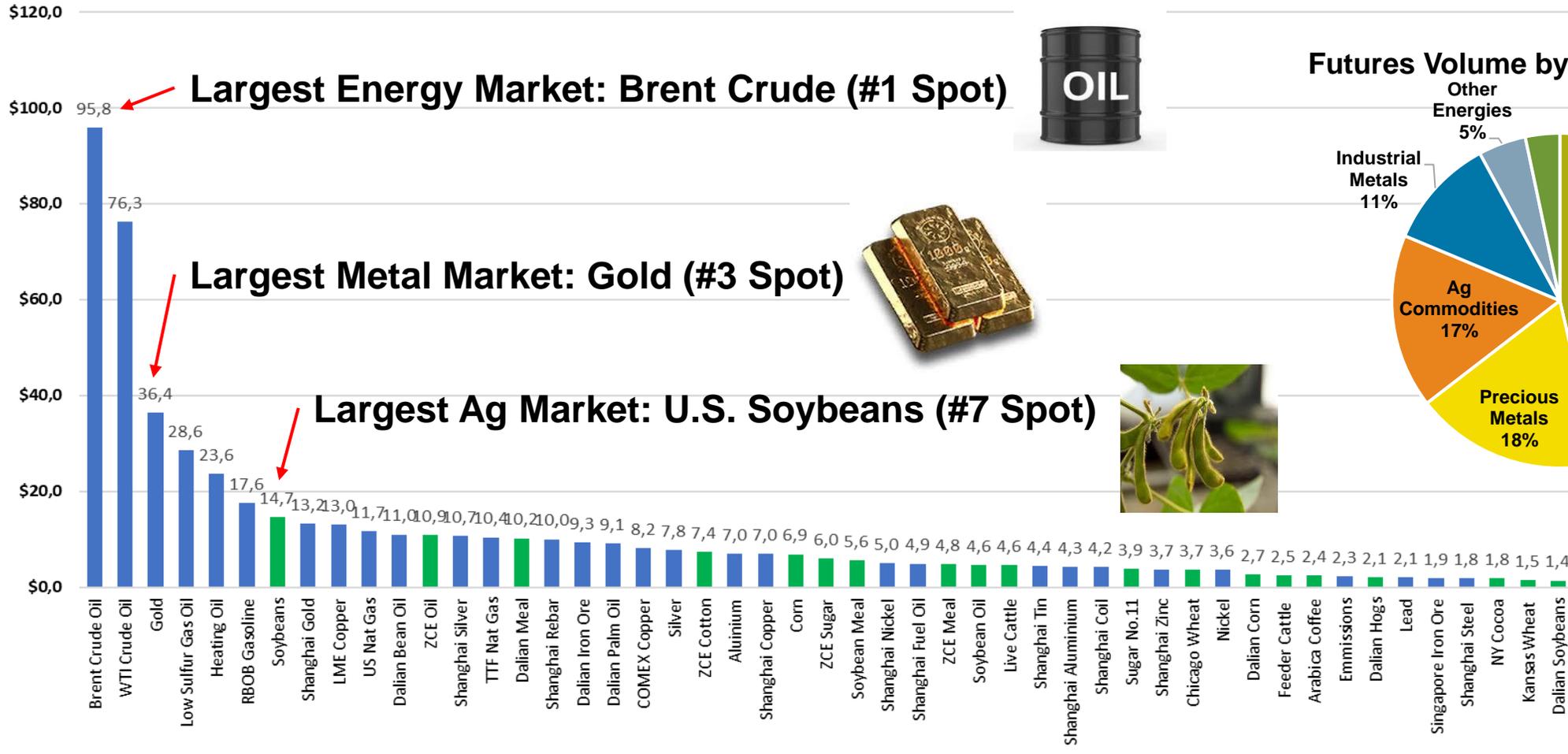
The Inter-Connectiveness of the Global Commodities World

The Inter-Connectivity of the Global Commodity Trade



50 Largest Commodity Markets: Daily Trading Volume (\$B)

Calculation: Avg 3-month trading volume across all futures contracts by market



Largest Energy Market: Brent Crude (#1 Spot)



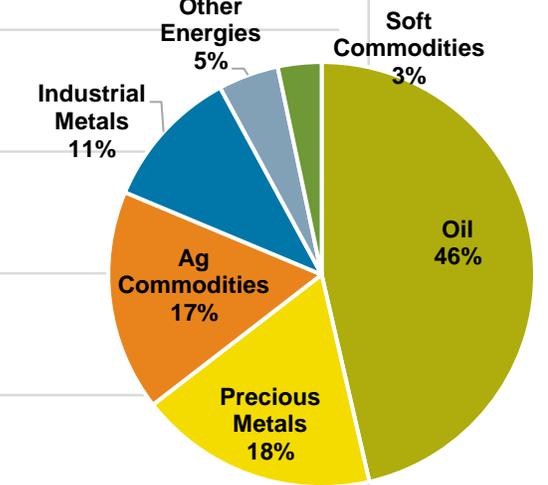
Largest Metal Market: Gold (#3 Spot)



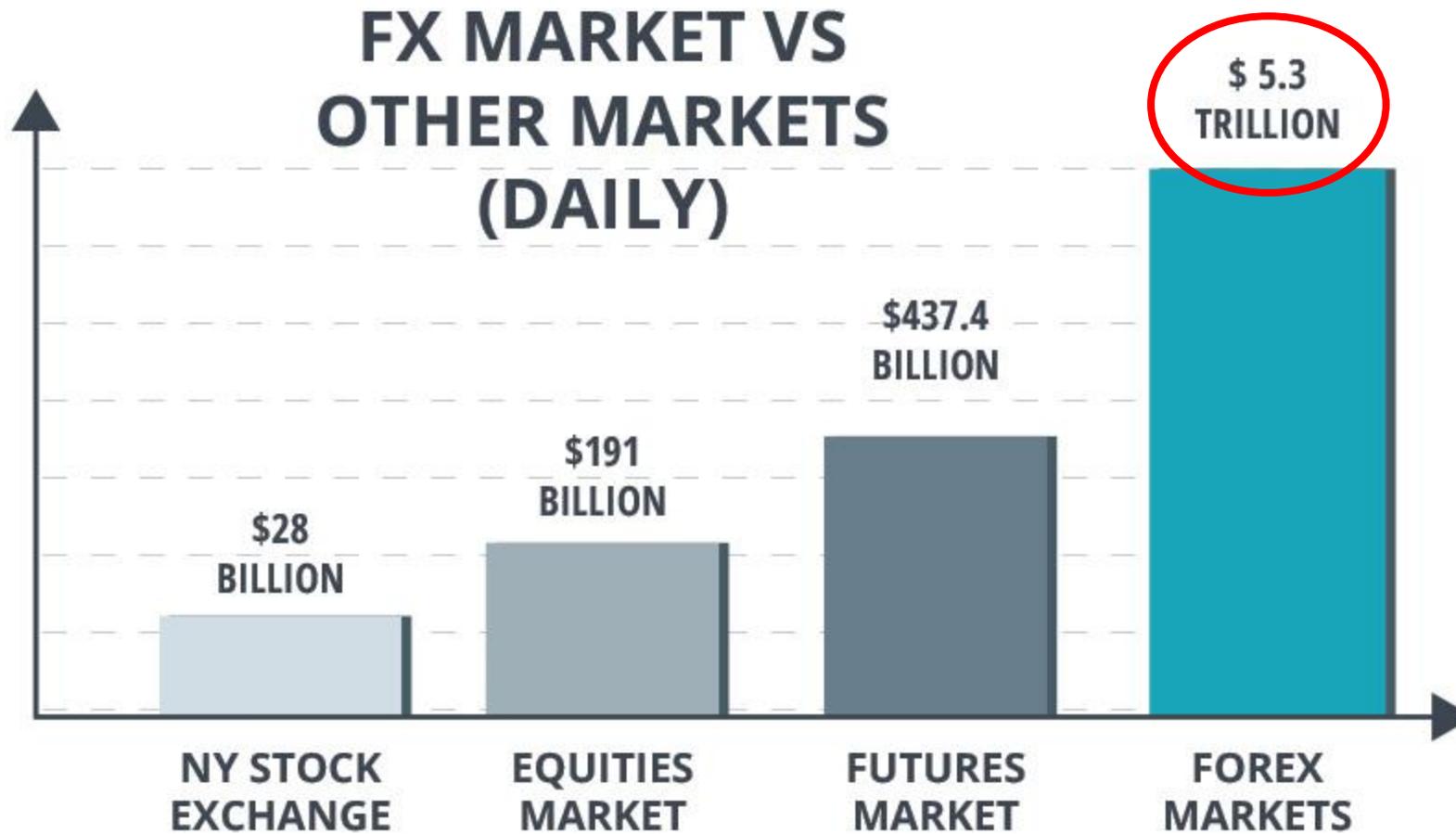
Largest Ag Market: U.S. Soybeans (#7 Spot)



Futures Volume by Market Share - %



But Commodities are Insignificant Compared to FX !!



Therefore, It Is Imperative Follow The Macro Markets...

Why?

Because they involve the collective movement of major economic sectors and the interactions between global financial markets, government policies, and international trade.

And as such,

Understanding the macro market is essential for analysing how these wide-ranging economic forces influence investment decisions, business strategies, and market outcomes across various industries and regions.



To Summarize Macro & Agriculture Futures

Ag Markets

A yellow school bus is being transported on a flatcar of a train. The bus is facing forward and has "SCHOOL BUS" written on its front. The train is moving on tracks in an open field under a clear sky.

#Macro

A yellow train engine is pulling a school bus on a train. The engine is facing forward and has an American flag on its front. The bus is being transported on a flatcar. The train is moving on tracks in an open field under a clear sky.

What Are The Major Driving Factors in Commodities



China's Import Vacuum



China is the biggest buyer for several key commodities, including:

Iron Ore

Coal

Soybeans

Veg Oils

Corn

Copper

Crude Oil

Aluminium

Crude Oil... because oil is integral to so many aspects of the global economy, its price impacts the costs and prices of a wide range of other commodities.



The Main Types of Actors

Hedge Funds

 DE Shaw & Co

 TWO SIGMA

millennium

Index Funds

 HARVARD
MANAGEMENT
COMPANY

مجلس أبوظبي للاستثمار
ABU DHABI INVESTMENT COUNCIL

 CalPERS

Commercials

 Cargill®

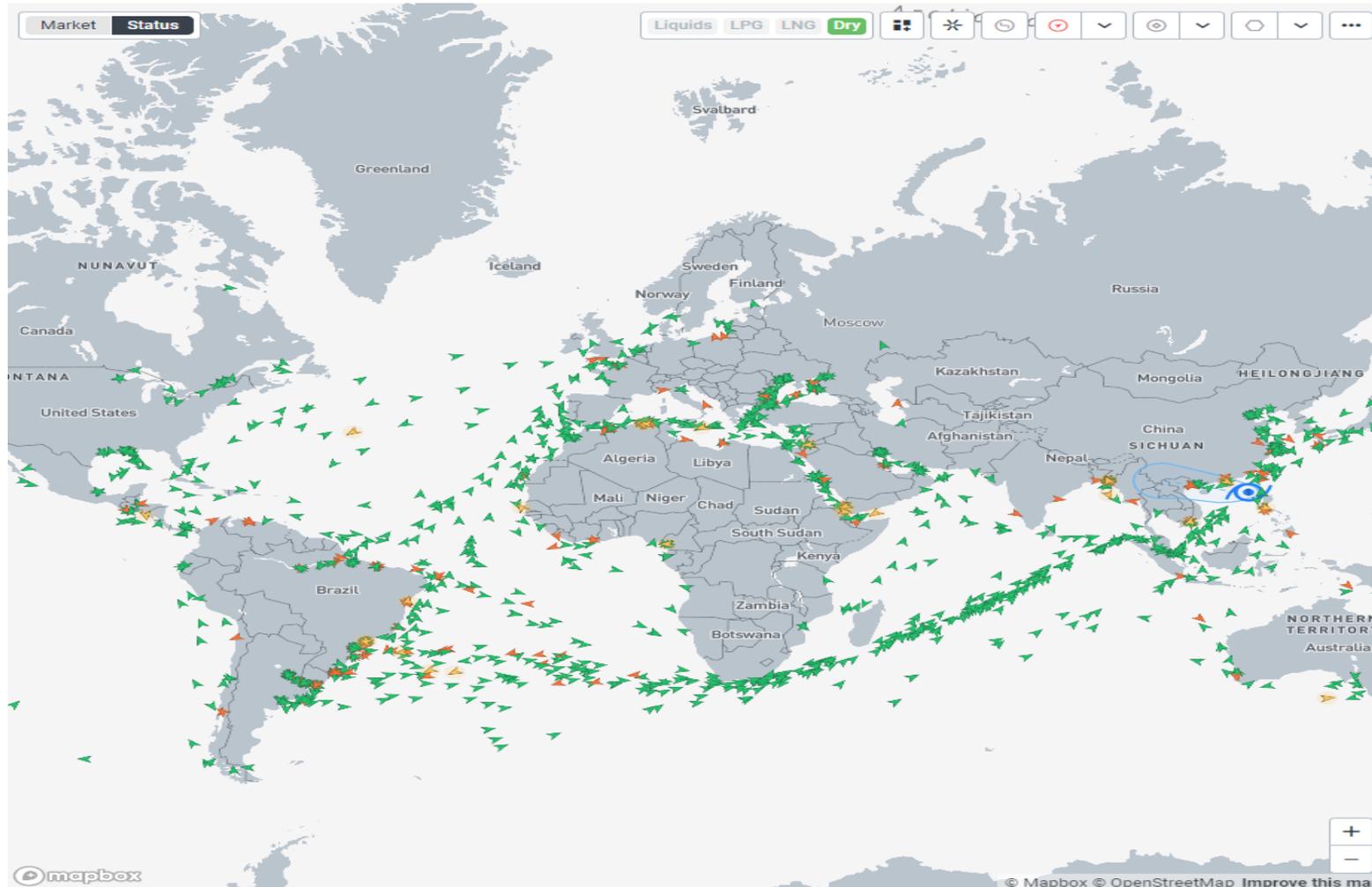
BUNGE

ADM®

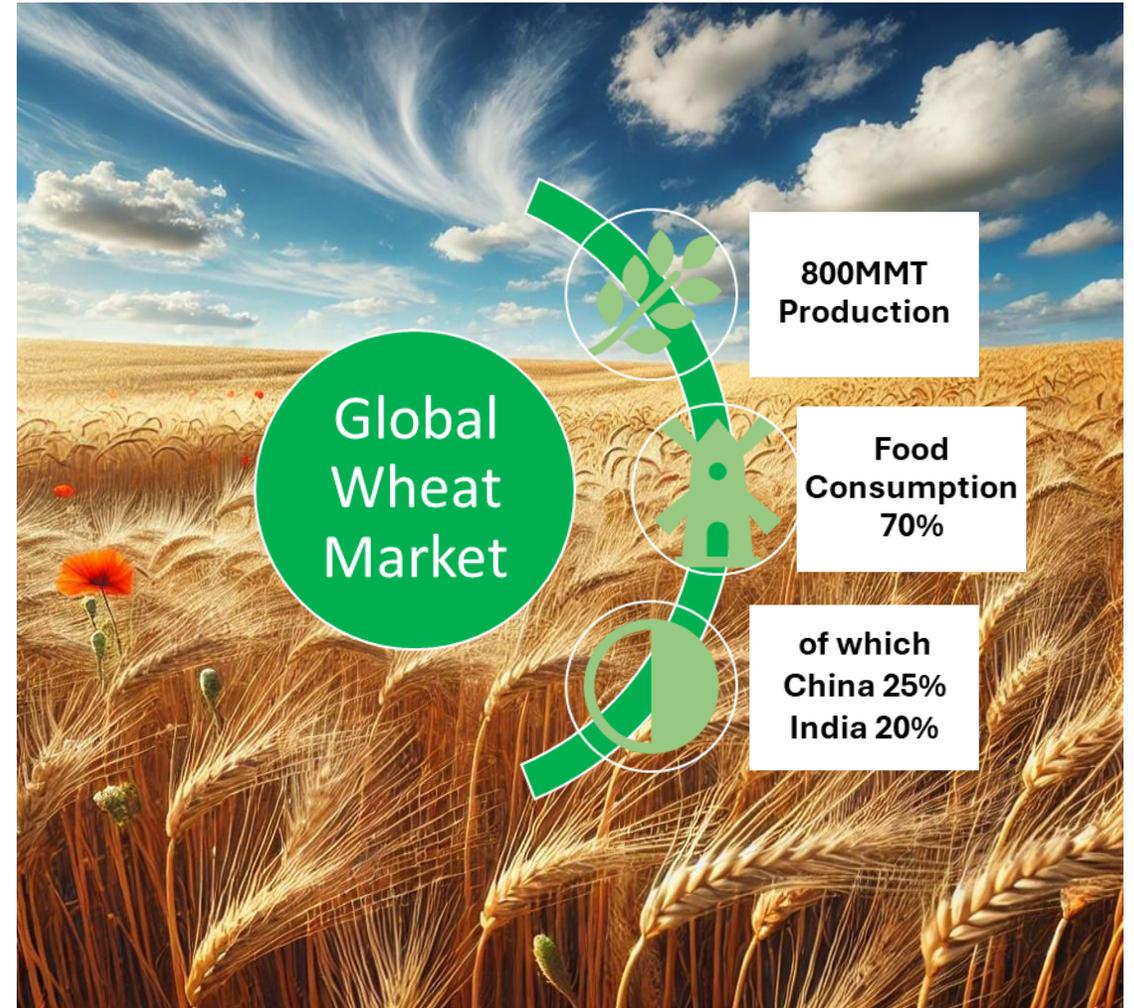
Main Agriculture Trade Flows

Today's Grain & Oilseeds Trade Flow

Min vessel size 25,000mt

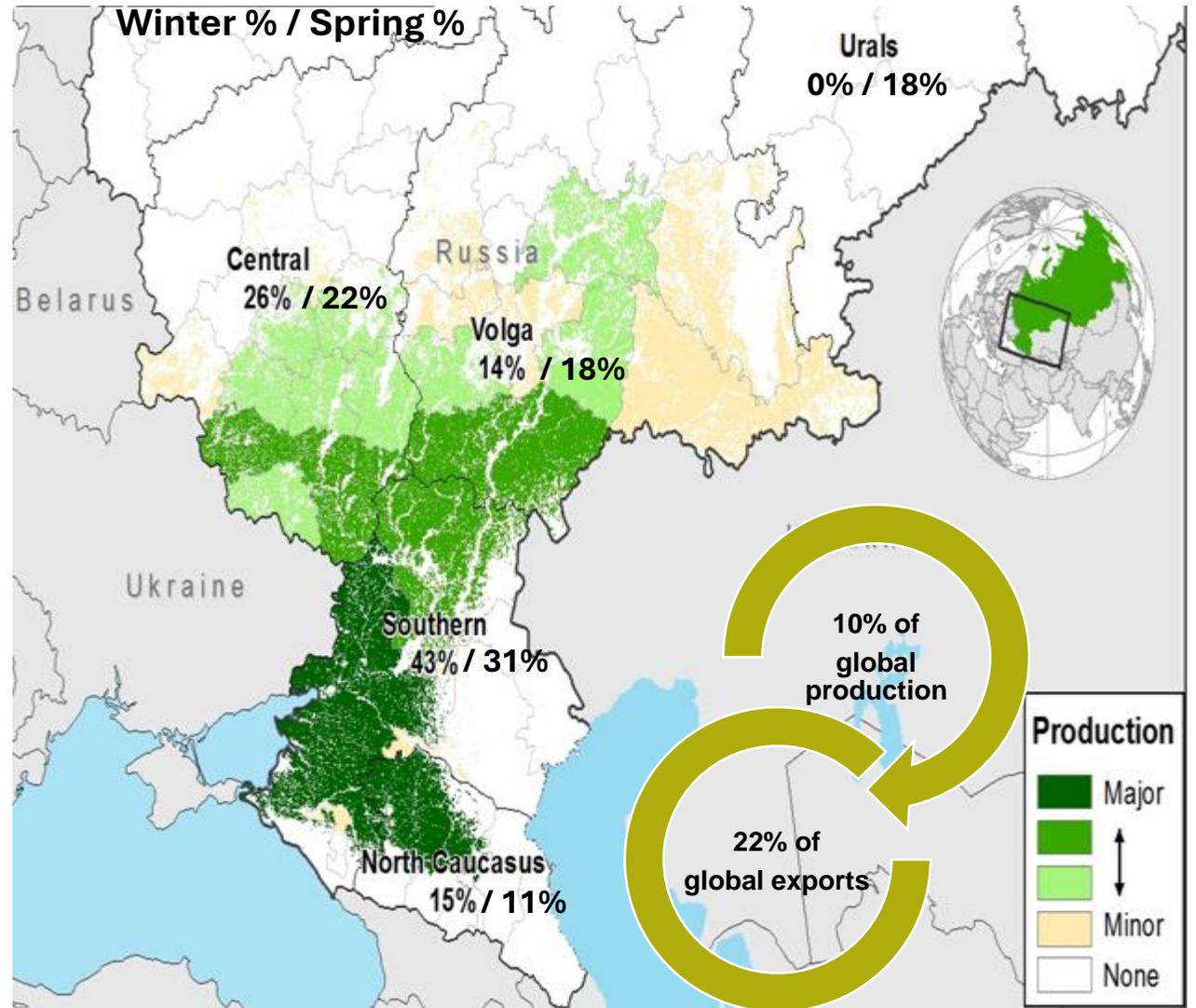
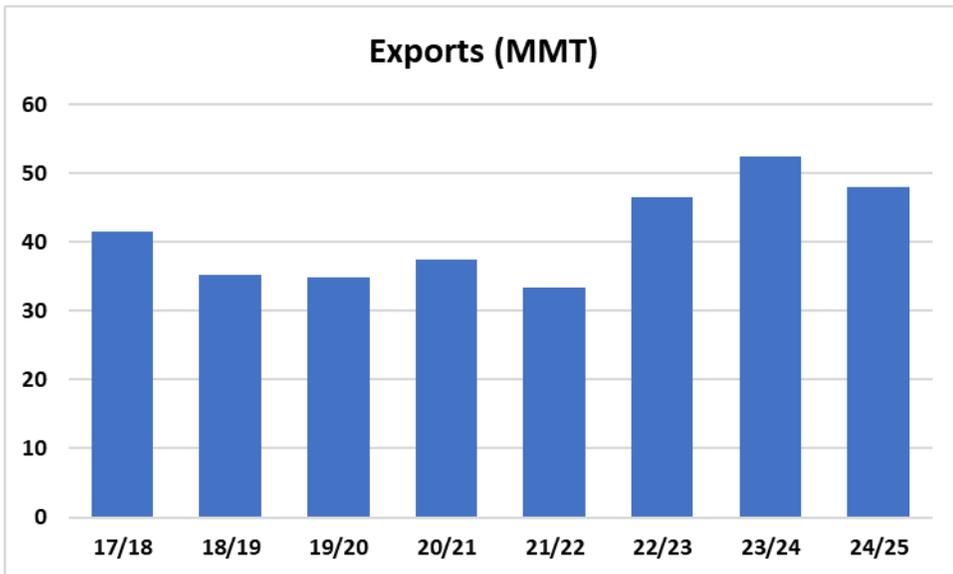
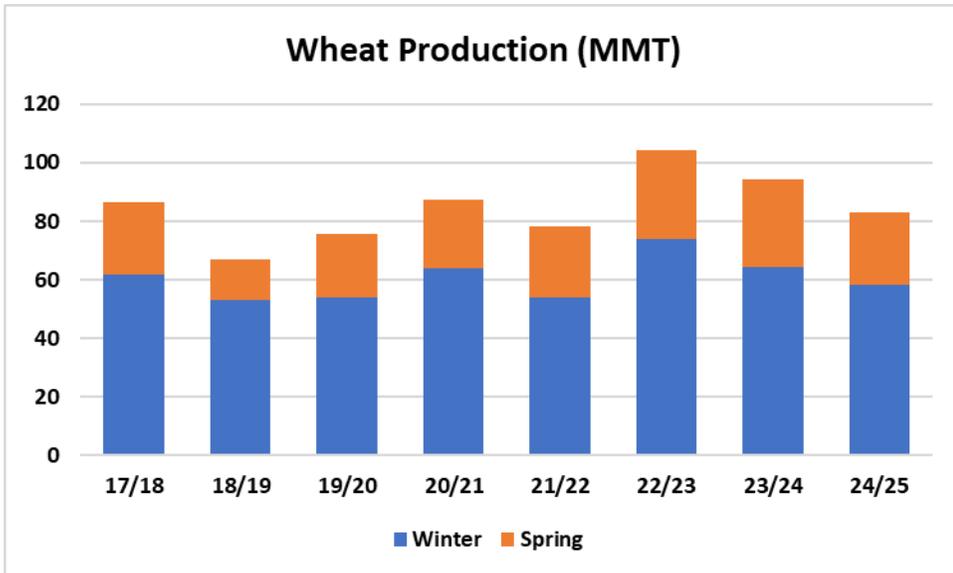


Quick Summary of Global Corn & Wheat

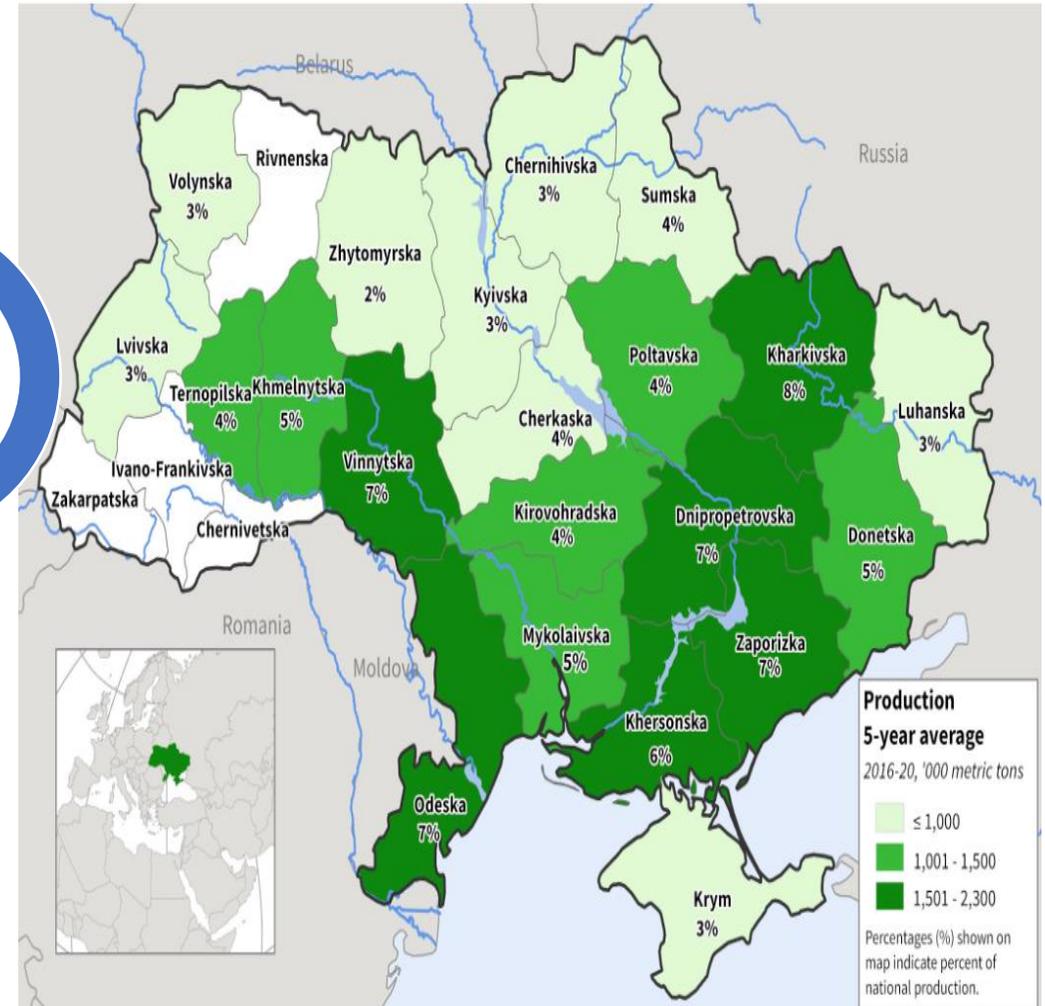
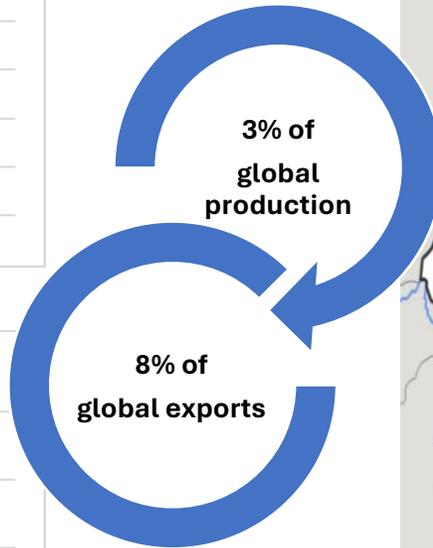
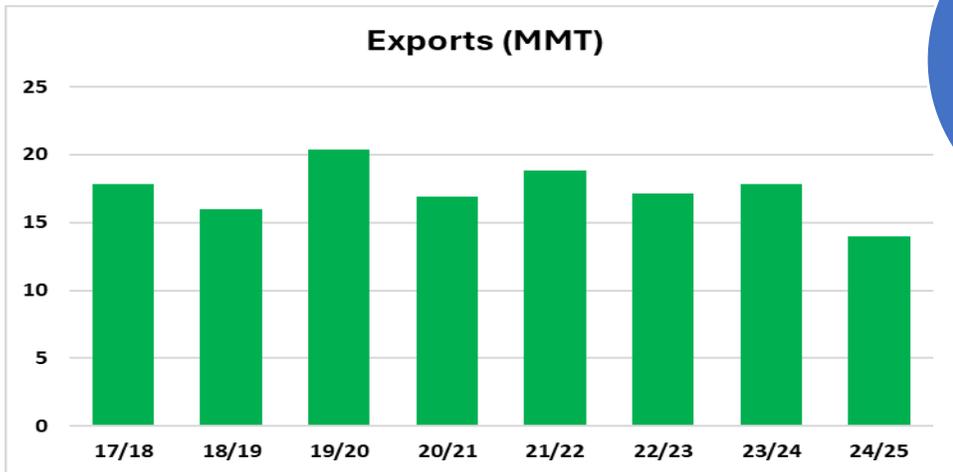
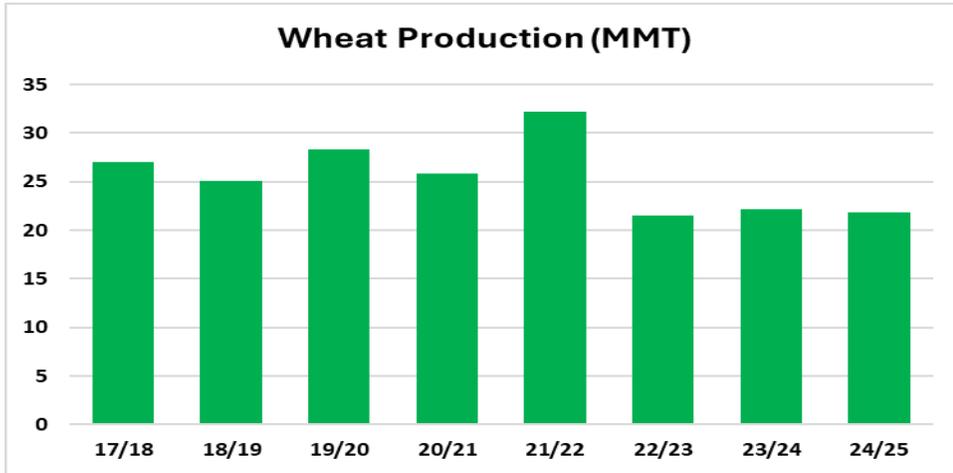


Black Sea Grain Overview

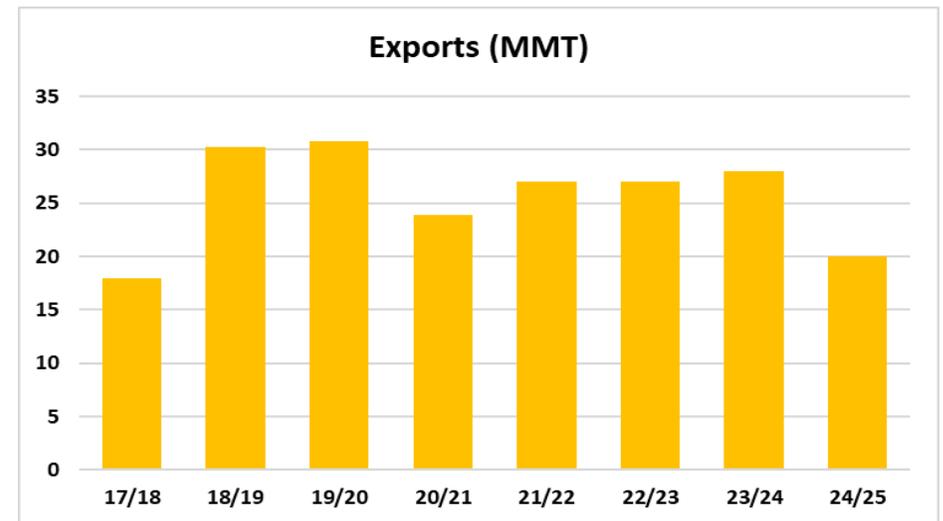
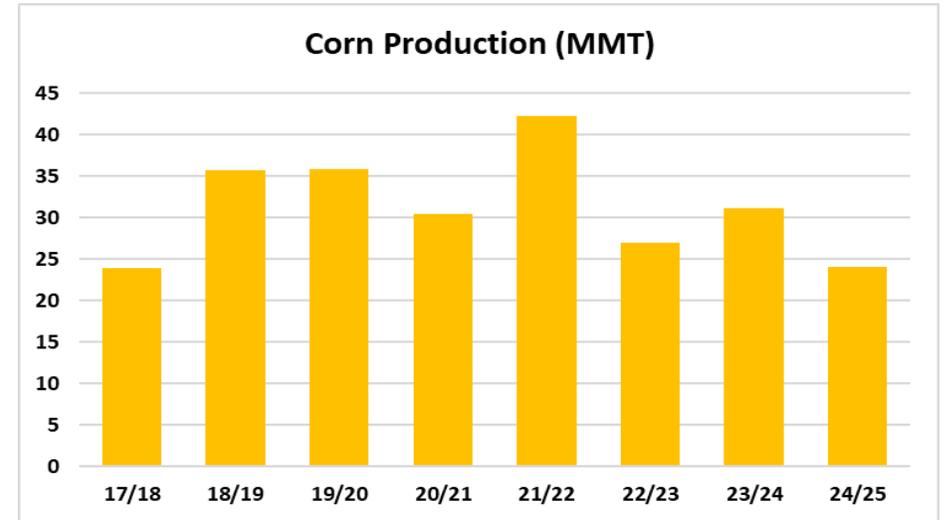
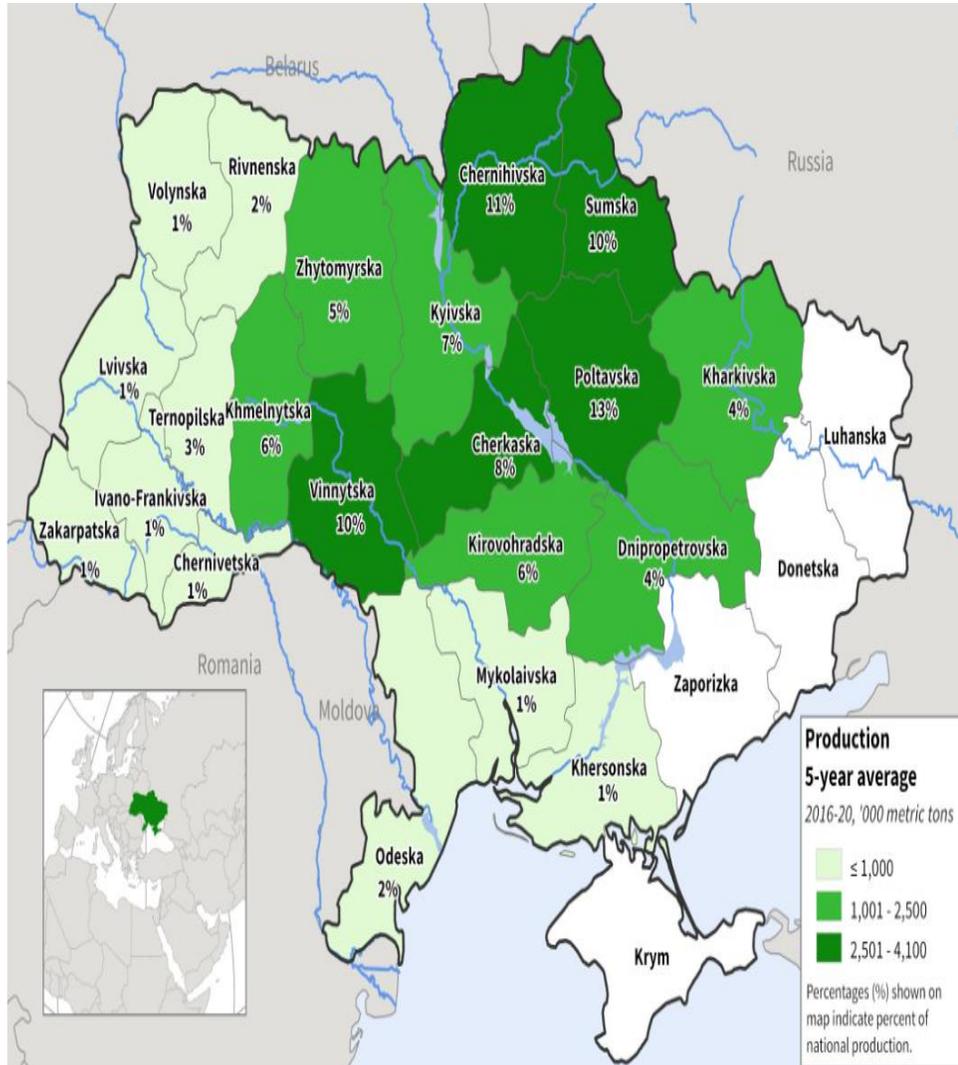
Russia Wheat Overview



Ukraine Wheat Overview

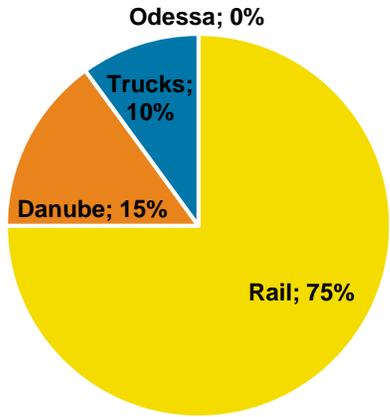


Ukraine Corn Overview

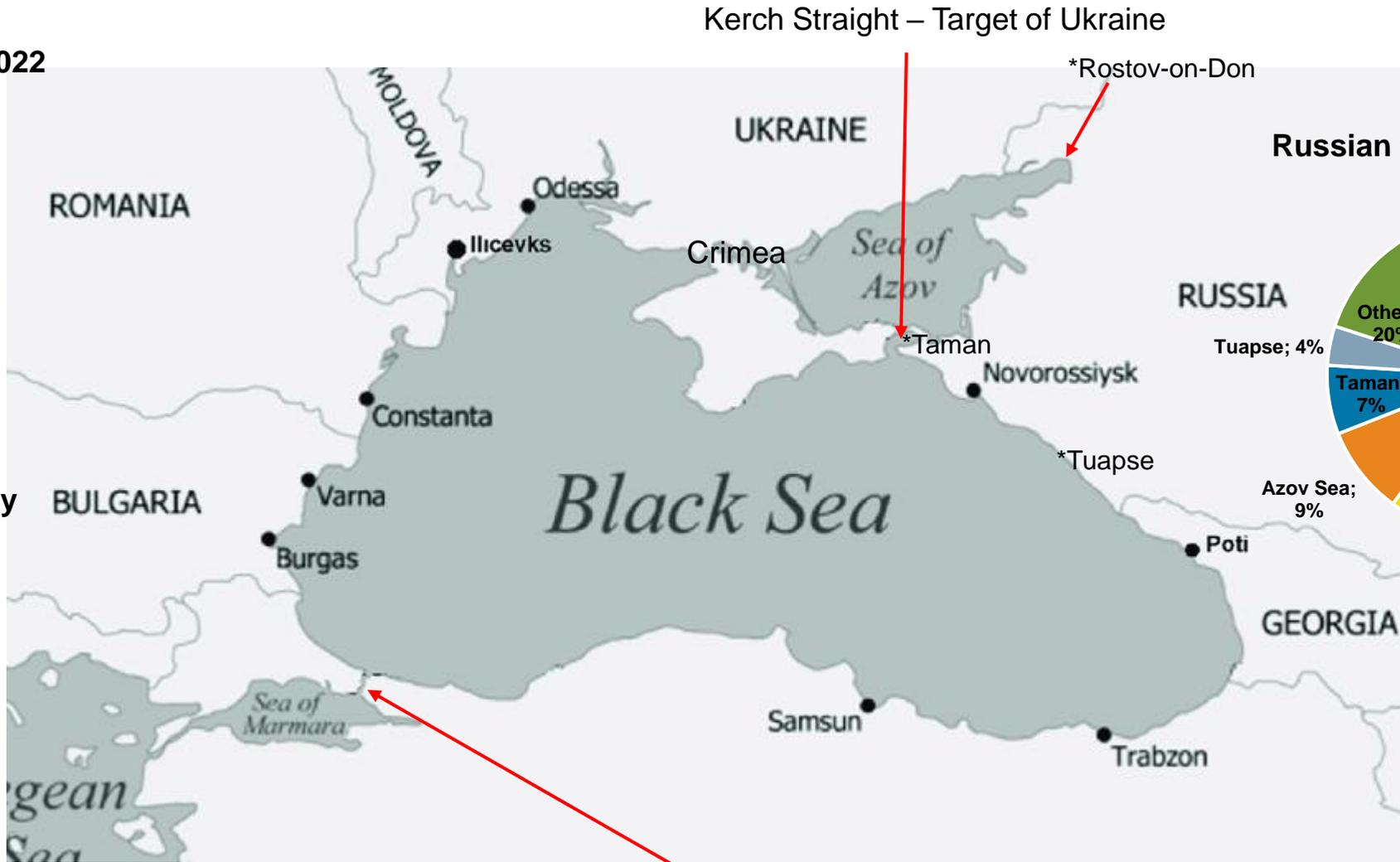
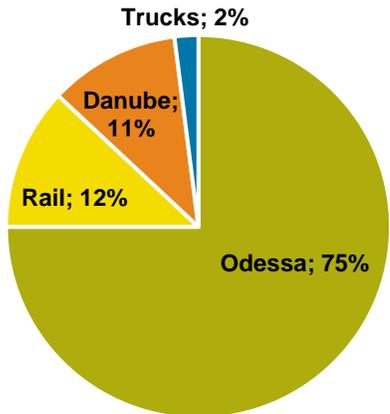


Russian & Ukraine Grain Trade Routes

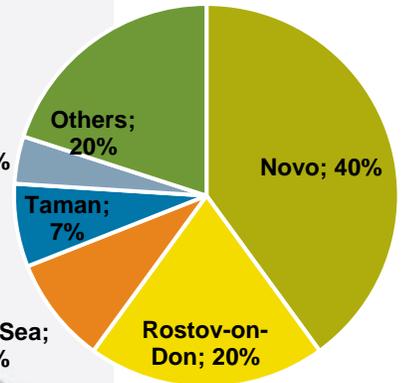
Ukraine Exports - April 2022



Ukraine Exports - Today



Russian Grain Export by Port



Bosphorus
Major Control of B.Sea Flows

In summary, Russia and Ukraine are critically important players in the global grain markets.

Their influence is derived not only from their export volumes, but from their ability to affect global food security through geopolitical decisions and conflict outcomes.

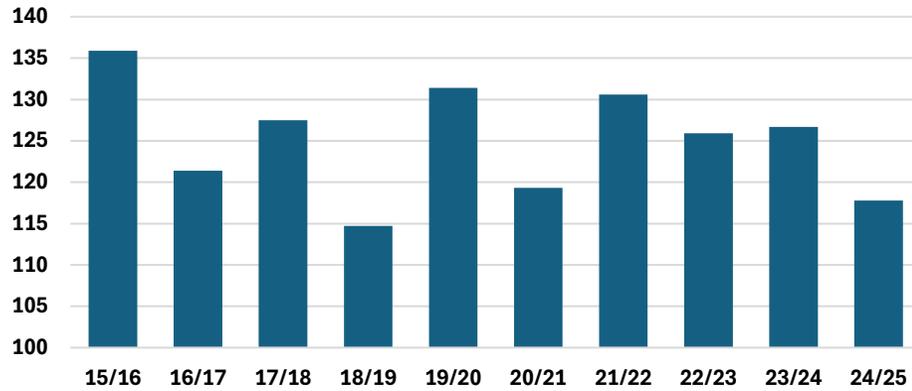
Their ongoing involvement in global grain trade will continue to be a significant factor for market stability and price dynamics.



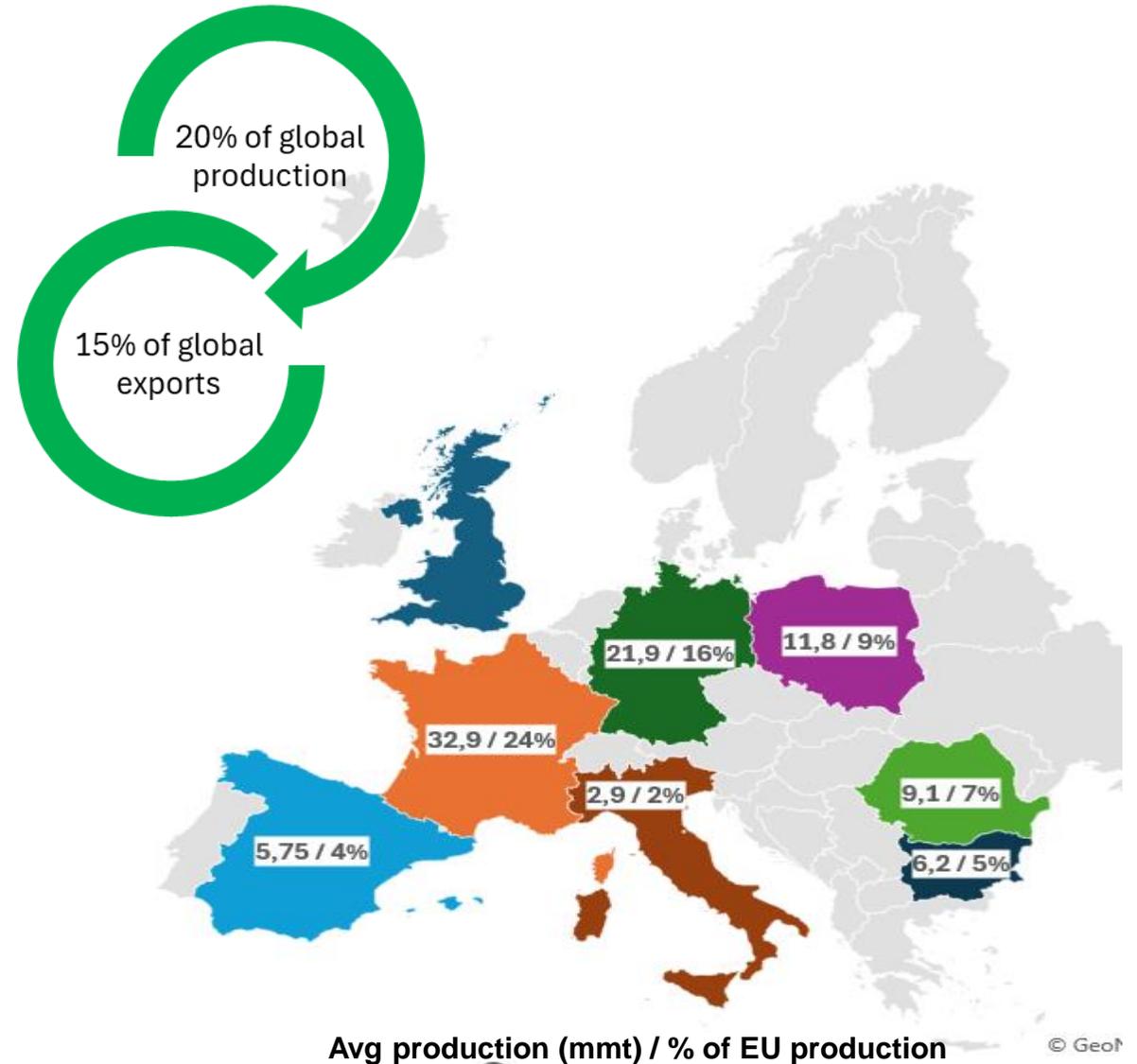
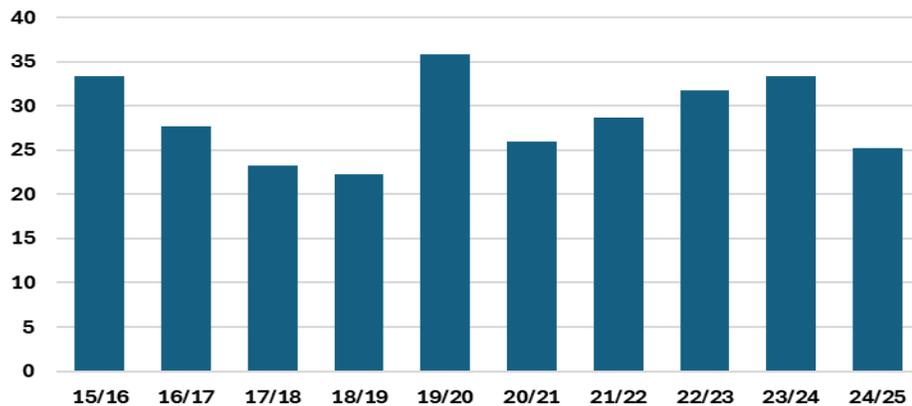
EU Grain Overview

Europe Wheat Overview

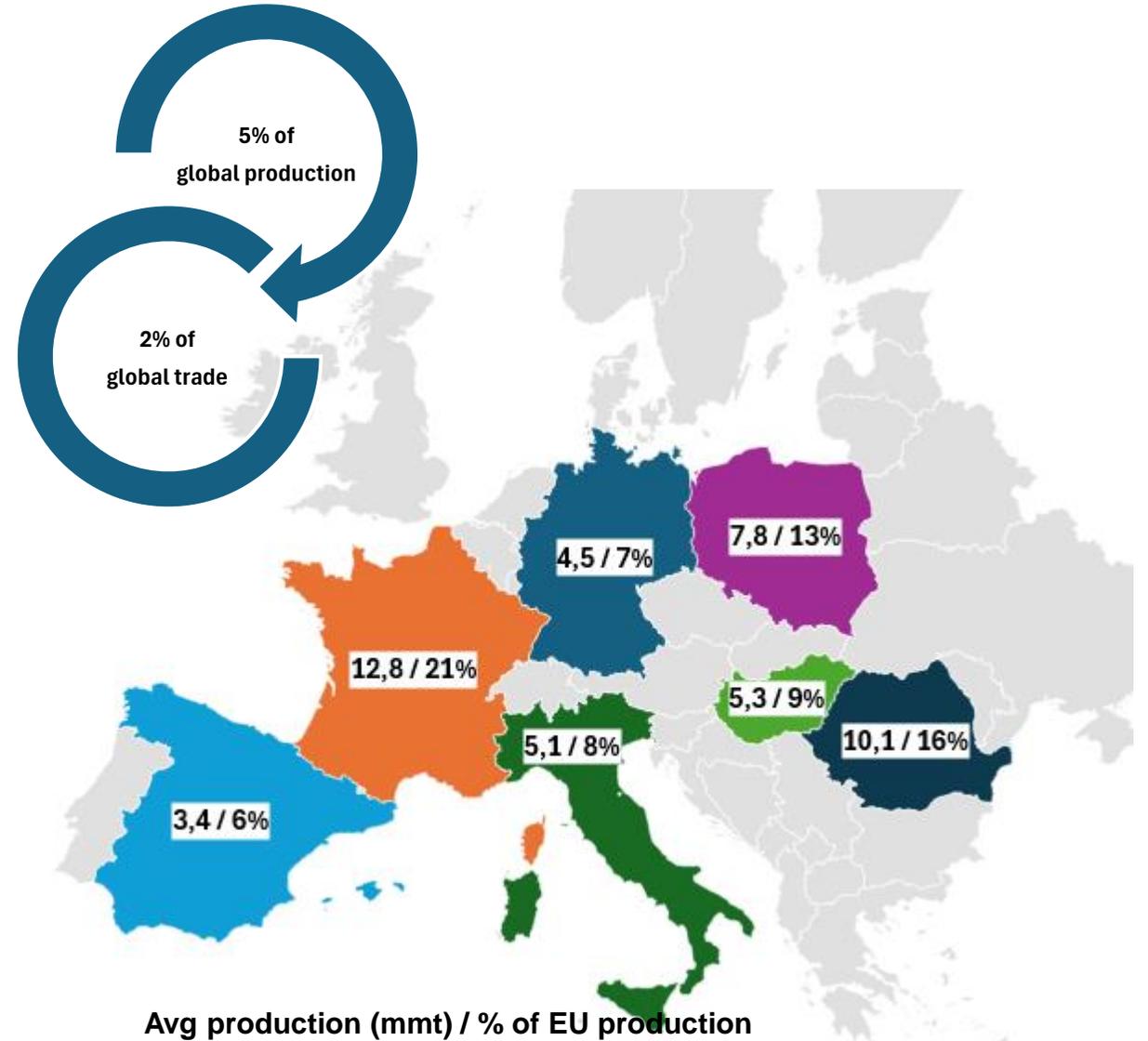
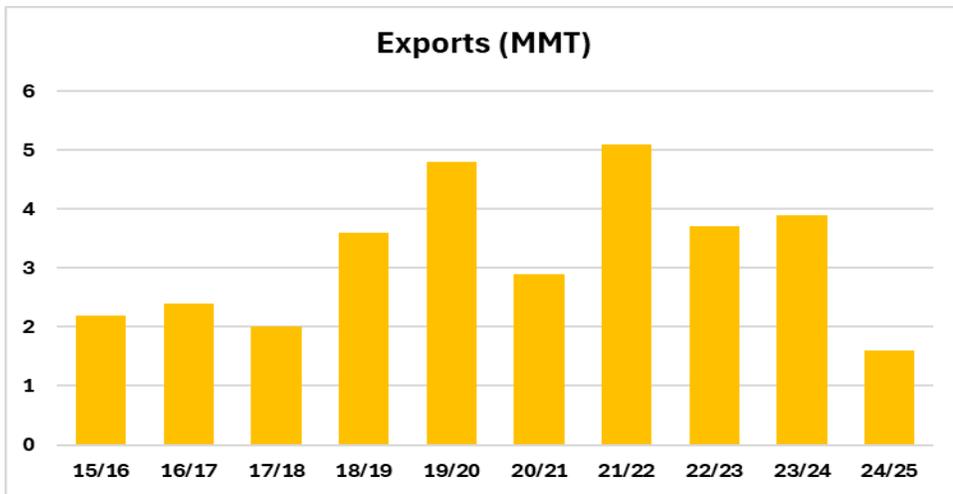
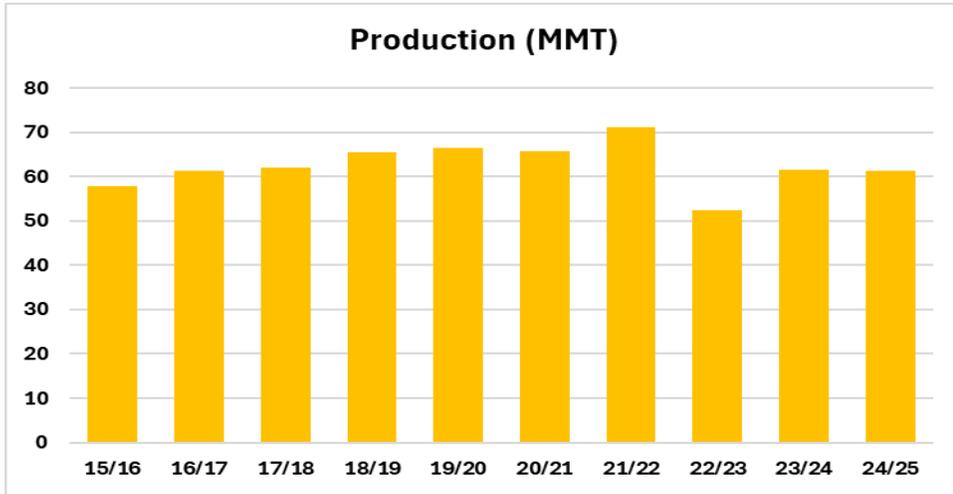
Production (MMT)



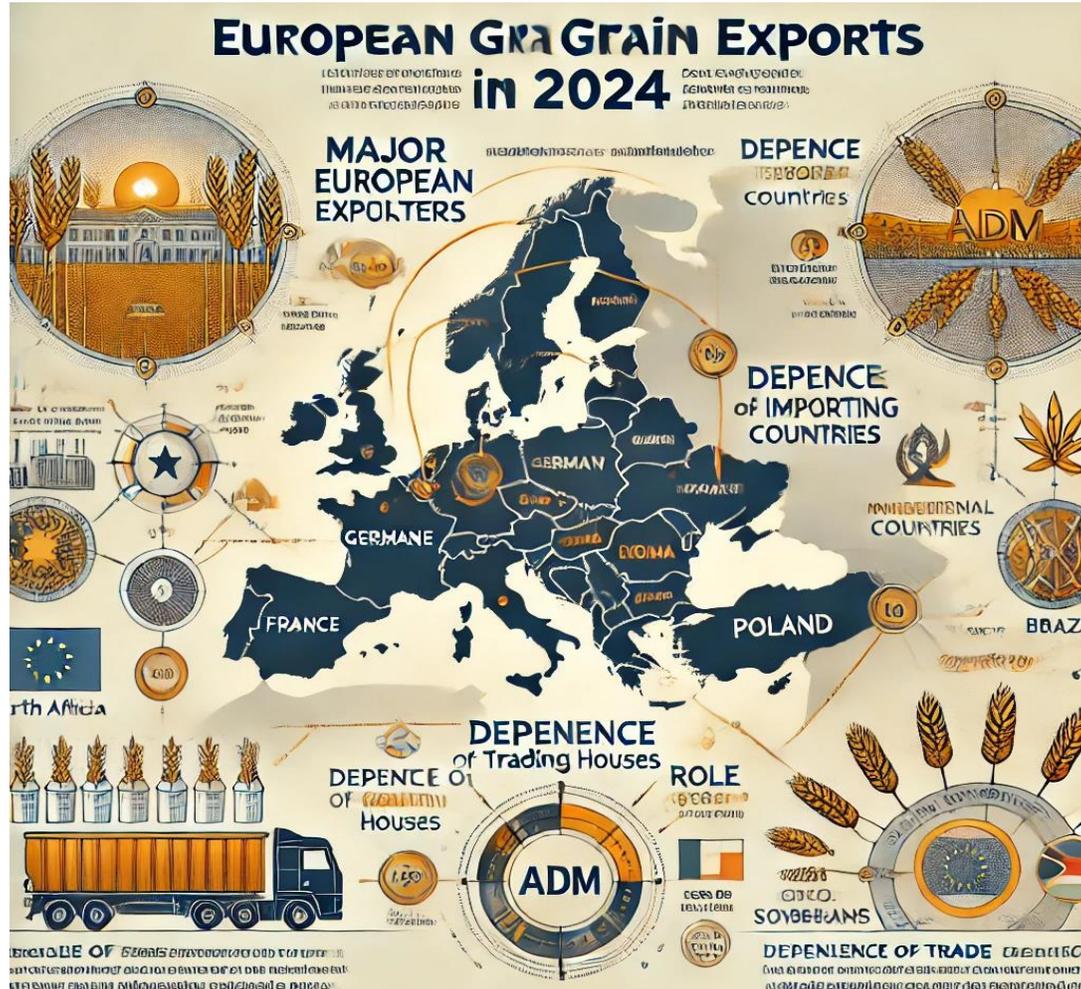
Exports



Europe Corn Overview



Summary of Major Influences on EU Grain Trade Flows



France, Germany, Romania, and Poland are pivotal in exporting grains, primarily to North Africa and the Middle East.

North African and Middle Eastern countries, like Egypt, Algeria, and Saudi Arabia, heavily rely on European grains, especially wheat, due to their limited agricultural production and large populations.

Large companies such as Cargill, ADM, and Cofco are crucial in the European grain trade, managing logistics and connecting producers with importers globally.

The U.S. and Brazil affect European grain trade flows, particularly in the supply of soybeans and corn that are essential for European animal feed.

The trade of grains in Europe is influenced by a mix of production capacity, market demand, and geopolitical factors, forming an intricate trade network.

The Future....!!!

Agri-Food Markets – The Key Issues & Drivers...



Geopolitical Tensions



Climate Resilient Farming (Sustainable Farming)



De-Globalization



AI & Data Collection



Energy Transition / Fuelling the Bio-Revolution

Conclusion – Short to Medium Term Outlook

These are going to be tough markets with surplus in most ag commodities.

Think the markets with best chance to sustain rallies are softeds / vegoil / wheat.

Corn and protein complex have big surpluses and undersold producers...but even there the market composition is so short, we could see tactical bounces at any time.

Another big question around these markets is the Chinese govt approach to inventories....do they grow Reserves or shrink them? This is a corn/bean market that eventually probably needs to go find that demand

This may be a world, **in the short term**, where wheat sentiment is been polluted by the pending surplus in corn / beans?



Thank You For Your Attention

Happy To Take Any Questions....



**GoodMills
Group**