



The Future of Brazilian Grain Production

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Key Points:

- **Brazil has the land, climate, experience, research, knowhow, and production capability to become the number one food exporter in the world.**
- **Brazil has emerged as a superpower in grain and protein production, and is expected to gain market share in soybean production and soybean exports as well as meat exports.**
- **Corn production surged under the high-price environment, but is expected to flatten out. Brazil could fall from the second largest corn exporter to third position, with increasing corn production in the Former Soviet Union.**
- **Soybeans are the preferred crop of Brazilian farmers, and they have advantages not offered by any other crop in Brazil.**
- **Soybean acreage and production will continue to increase in a low-price environment, albeit at a slower pace than in the recent high-price environment.**
- **Brazil's share of world soybean exports is expected to increase with China as the principal destination.**
- **Brazil's poultry, beef, and hog production will increase, but at a slower pace than soybean production allowing for a higher percentage of the soybean production to move into the export market.**
- **Brazil's shipments of grain to the U.S. are not expected to increase due to more comfortable gains in U.S. supplies.**
- **Brazil's poultry and beef production and its share of poultry and beef exports are expected to continue increasing.**
- **Under a low price environment, the U.S. will have a competitive advantage for corn production and Brazil will have a competitive advantage for soybean production.**

Current Status of Brazilian Agriculture

In recent years, Brazil has become a true agricultural superpower in grain and protein production. It is currently the largest producer of soybeans and sugar, the second largest producer of beef, and the third largest producer of corn and poultry. Brazil is the largest exporter of sugar, soybeans, beef, and poultry and the second largest exporter of corn. Additionally, it is number one in the production of coffee, orange juice, and a major producer of pork, ethanol, fruits, tobacco, cocoa, and pulp and paper.