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Report Highlights:

Wheat exports in marketing year (MY) 2026/27 are forecast to decline to 800,000 tons, driven by an anticipated reduction in planted area and production due to tight profit margins. Corn production in MY 2026/27 is projected to total 1.9 million tons with a record area expansion spurred by robust demand from the beef cattle sector. However, the MY 2025/26 corn crop, now being harvested, was severely impacted by drought, which will necessitate the importation of significant corn volumes. Rice production for MY 2026/27 is forecast to fall 9 percent, because of a reduced planted area due to higher expected production costs, slim returns, and low water levels in many reservoirs. Exports are projected to decrease 11 percent, reaching 870,000 tons on a milled basis.

Wheat

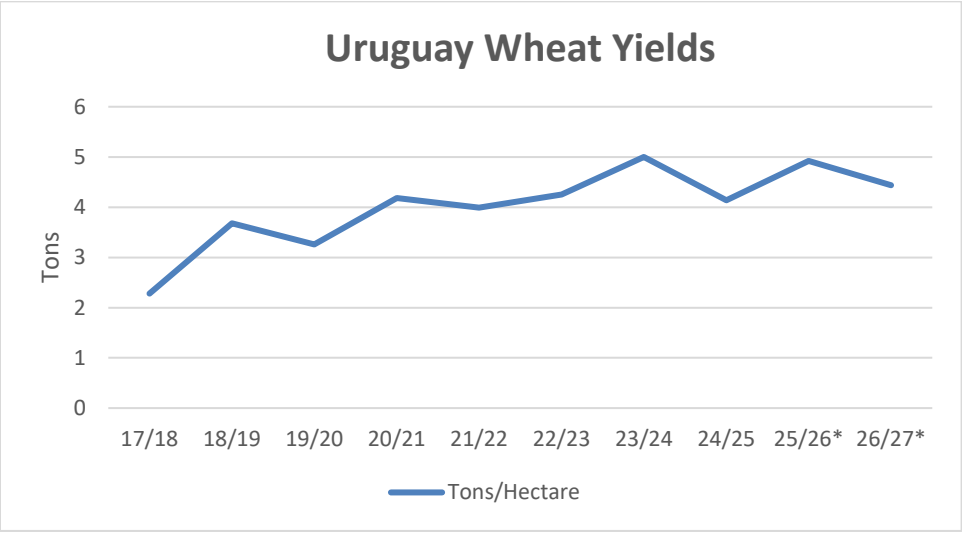
Uruguayan wheat production in marketing year (MY) 2026/27 is forecast at 1.2 million tons, down 22 percent from the previous year. The decline reflects a projected reduction in planted area and a return to more normal yields, following the exceptionally high yields recorded last season. The new wheat season will be planted in May and June.

Local farmers are disappointed with the outcome of the 2025/26 wheat crop. Although wet autumn and winter conditions supported strong yields, grain quality was poor due to low protein levels. This further reduced producer's returns at a time when farmgate prices were already under pressure from abundant global wheat supplies. In addition, stronger expected returns for canola are likely to shift some areas away from wheat. Canola also offers the agronomic advantage of freeing up land some 20 days earlier than wheat, allowing for earlier planting of summer crops.

Total winter crop area, including wheat, barley, canola, Brassica carinata, and camelina, is expected to remain flat or increase only marginally, as producers will need to plant crops following a relatively weak 2025 winter season and a poor 2026 summer crop season, which is currently developing under very dry conditions. Local seed distributors report that wheat seed sales for MY 2026/27 are currently below year-ago levels, while barley seed sales remain virtually unchanged. In some cases, producers may opt to plant pastures or winter cover crops instead, reflecting the strong profitability currently seen in the beef cattle sector.

Uruguay continues to post solid wheat yields, ranging from 4 to 5 tons per hectare over the past five seasons, above those of neighboring countries. The country has made steady progress in wheat seed genetics and crop management, taking advantage of its favorable production environment.

Chart #1



Source: Post with FAS data
* Post Estimate/Projection

Uruguayan wheat prices are generally very dependent of developments across the Mercosur region. Argentina and Paraguay are also wheat exporters, while Brazil remains a major importer and a key

source of demand for all three countries. In MY 2025/26, Paraguay harvested a good crop while Argentina produced an exceptionally large crop due to unusually heavy winter rainfall. However, Argentine wheat quality was poor, contributing to weaker regional wheat prices.

Estimated total wheat production costs in Uruguay in 2025 were around $650 per hectare, excluding land rental. Since roughly 65–70 percent of production takes place on rented land, an additional $150 per hectare must be added, bringing total costs to roughly $800 per hectare. Breakeven yield was slightly above 5 tons per hectare, compared to a national average yield of 4.9 tons per hectare. At present, geopolitical uncertainty (which affects both prices and logistics of oil and fertilizers) is making commodity and input prices more difficult to project.

Wheat exports in MY 2026/27 are projected at 800,000 tons, the lowest in four years, reflecting reduced exportable supplies. Brazil is expected to remain the primary destination, followed by Saudi Arabia, Chile, and Southeast Asian countries.

Total wheat exports in MY 2025/26 are expected to reach 1 million tons. Shipments from December 2025 through March 2026 are estimated at 850,000 tons. Uruguay's wheat export pattern typically features heavy shipments immediately after harvest, from December through April, followed by smaller monthly volumes, mostly destined for Brazil. In MY 2024/25, Uruguay had 11 wheat exporters: the top two accounted for 60 percent of total exports, while the top four accounted for 83 percent. Uruguay also normally exports 8,000 to 15,000 tons of wheat flour, primarily to Brazil.

The local milling industry consumes 350,000 to 400,000 tons of wheat annually, with the remainder used primarily as seed. Uruguay's wheat flour market is small but relatively stable. Domestic consumption in MY 2026/27 is projected at 420,000 tons, significantly below Post's estimate for MY 2025/26. The forecast assumes more normal weather conditions and, therefore, better grain quality, which would allow a larger share of the crop to be exported. This contrasts sharply with MY 2025/26, when poor quality limited export opportunities and depressed farm prices. Although still difficult to estimate precisely, Post believes that, in MY 2025/26, roughly 200,000 additional tons could be added to domestic consumption in the form of cattle feed, particularly in feedlots, as wheat has recently been more economical than corn.

Ending stocks in MY 2026/27 are projected at 91,000 tons, below the more typical 100,000 tons to 150,000 tons, as demand for feed-quality wheat is expected to remain firm due to strong returns in cattle feeding and a reduced corn crop. Country elevators are expected to hold the largest share of these stocks, followed by the milling industry.

Corn

Corn production in MY 2026/27 is forecast to recover to 1.9 million tons, similar to MY 2024/25 and above the weather reduced MY 2025/26 crop. The area planted for commercial corn is projected at 300,000 hectares, which would be a record. Uruguay's corn sector continues to expand structurally as feed demand from the livestock sector grows steadily. In addition, several weather forecasts indicate that El Niño, which typically brings favorable rainfall to Uruguay, may be present during next spring/summer, likely encouraging additional planting.

Very strong returns in the cattle sector, supported by robust foreign demand for beef, high FOB prices, and relatively affordable feed costs, are pushing producers across the supply chain toward more intensive feeding systems, in which corn plays a central role. This firm demand, combined with improved production technology, continues to support corn area expansion as national average corn yields are trending higher as seed technology and crop management improve.

Uruguay's cattle production model continues to shift away from pasture-based finishing, where steers were traditionally finished on natural and improved pastures at older ages, toward a much more intensive system involving younger steers and heifers. In calendar year (CY) 2025, roughly 18 percent of national slaughter came from cattle finished in officially inspected feedlots, a 20 percent increase over 2024. Private estimates suggest that another 400,000 head were finished on grain in smaller, unregistered feedyards, bringing the total share of grain-finished cattle to roughly 35–40 percent of all slaughter. This share is expected to continue increasing with the result of heavier cattle and faster turnaround. Grain feeding also helps reduce weather-related risk and results in more consistent, higher-quality beef.

Because Uruguay's agricultural landscape is broken and rolling, many farms combine crop and cattle production. These mixed systems increasingly use on-farm corn to capture value and reduce its marketing costs, while capitalizing strong livestock returns. Corn is also currently widely used in most backgrounding systems.

At the same time, irrigated crop areas continue to expand across the country, and roughly half of that area is used for corn. In MY 2024/25, irrigated corn area totaled 27,000 hectares, concentrated mainly in early planted corn, where yields can be roughly double those of non-irrigated fields. Official studies estimate that by 2030, Uruguay could increase irrigated crop area for corn and soybeans fivefold, to roughly 300,000 hectares, primarily incentivized by official policies. In addition, some rice-producing areas in the east and north are beginning to incorporate soybeans and corn into their rotations. The corn area in these zones is estimated at about 30,000 hectares, especially at a time when low rice prices are limiting profitability.

Total corn production costs in MY 2025/26 were close to $900 per hectare, with land rental for early corn generally adding about $300 per hectare. Production costs for MY 2026/27 remain difficult to estimate, as broader global instability is driving up fuel and fertilizer prices. Even so, profitability is expected to remain positive, and wetter weather conditions could support above-average yields.

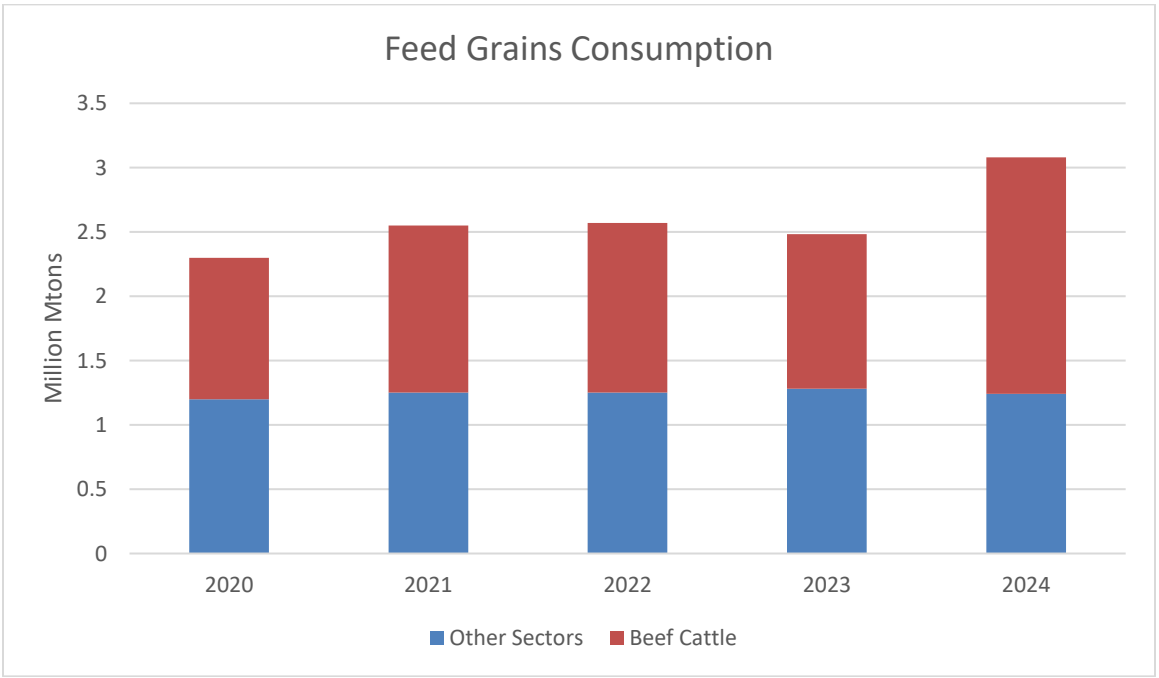
Corn production in MY 2025/26 is estimated at 900,000 tons, with roughly 250,000 hectares harvested. The crop was hit by a very dry summer, with little to no rainfall from late December through mid-March in the central-southern region, where most corn is produced. Northern areas received more rain and corn conditions there are generally better. Based on official data, the area planted for commercial grain corn (excluding silage) was expected to reach 290,000 hectares, 11 percent above the previous year. However, a significant share of the current crop is unlikely to reach grain harvest, as poor yield expectations have led some producers to harvest fields for silage or open them to cattle grazing. As a result, harvested areas remain difficult to estimate, particularly because second-crop corn is still developing. At the start of the season, production was expected to reach roughly 2 million tons, but current output is now projected at less than half that volume. The following photos were taken in Post's crop tour in late February in South and Southwestern Uruguay:

Photo #1

Source: Post

Domestic corn consumption continues to grow, driven by the strength of the cattle sector, which contacts believe could remain favorable for at least a few more years due to the global imbalance between beef supply and demand. Corn use in MY 2026/27 is projected at 2.2 million tons, the highest level on record. The chart below illustrates feed grain consumption by the beef cattle sector compared with all other users combined, including dairy, poultry, swine, and ethanol, which have remained relatively stable. In 2024, total consumption of grains such as corn, sorghum, barley, wheat, and oats reached 2.32 million metric tons, with corn accounting for the vast majority.

Chart #2



Source: Post with OPYPA data

Domestic corn consumption in MY 2025/26 is forecast at 1.8 million tons, down from earlier expectations, as lower domestic production will require the livestock sector to import corn and/or DDGS or increase use of alternative feed grains. The MY 2025/26 wheat crop included a significant volume of low-quality wheat, which, at very competitive prices relative to corn, is expected to replace corn in feed rations to a limited extent. Contacts estimate that 150,000 to 200,000 tons of wheat could be diverted to feed use.

Uruguay rarely exports corn, as domestic production typically falls short of meeting internal demand and must be supplemented with imports. No corn exports are forecast for either MY 2026/27 or MY 2025/26.

Corn imports in MY 2026/27 are projected at 250,000 tons, significantly below the volume expected in the previous year, as domestic production is forecast to recover. Most imports are expected from Paraguay, followed by Argentina. Corn imports in MY 2025/26 are forecast at 850,000 tons due to the short domestic crop caused by the drought. End users, especially feedlots, are already consulting exporters about import conditions from Paraguay.

Sorghum

Sorghum production in MY 2026/27 is forecast at 50,000 tons, nearly unchanged from the previous year and among the lowest levels of the past 20 years. Sorghum remains a minor crop in Uruguay, as producers increasingly prefer corn due to continued improvements in seed technology, crop management, and its broader, more efficient use in animal feed. Area is forecast to be 10,000 hectares, unchanged from the previous season.

Yield is expected to improve somewhat if the forecast El Niño pattern materializes, following the very dry summer of 2026. The national oil company maintains a small program to encourage sorghum production for bioethanol and animal feed at its plant in Paysandú, but this program has been gradually shrinking year after year.

Sorghum is typically planted from October through December in various parts of the country. Production costs in MY 2025/26 were estimated at around $800 per hectare, roughly $200 per hectare less than corn. However, breakeven yield is still estimated to be above what many producers are likely to produce. Although Uruguay is eligible to export sorghum to China, only very small shipments were recorded in mid-2025. Total exports remain negligible and are likely to stay that way in the near term.

Domestic consumption in MY 2026/27 is forecast at 50,000 tons, with part of the crop going to the national oil company for ethanol production and the balance used primarily by feedlots and dairies.

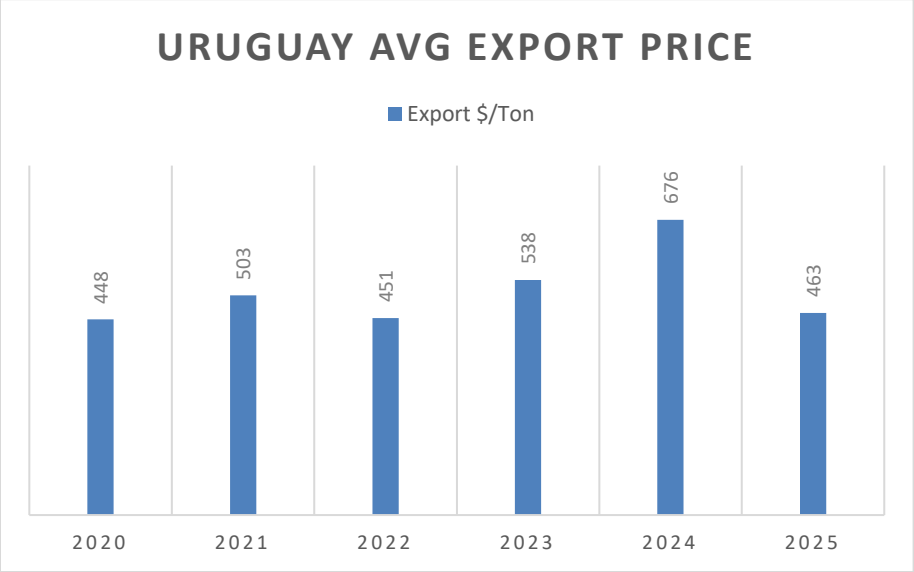
Rice

Rice production in MY 2026/27 is forecast at 1.275 million tons, on a rough basis, as area is expected to decline by 10 percent to 150,000 hectares. Low rice prices, rising production costs, and large regional stocks continue to weigh on the sector. In addition, reservoirs in the eastern region, the country’s main rice-producing area, are poorly replenished, while reservoirs in the central-northern region are in better

shape. The summer of 2026 was very dry, and producers will need substantial rainfall in the coming months to restore water to adequate levels. Weather forecasts suggest improved precipitation due to the likely effects of El Niño as of winter. The planting of rice for MY 2026/27 is expected to begin in September.

After strong rice prices in 2023 and 2024, profitability in MY 2024/25 and MY 2025/26 (currently being harvested) declined sharply because of slightly higher production costs and weaker export prices. Much of this price volatility was linked to India's export restrictions in 2023–2024. Local producers remain cautiously optimistic that rice prices could begin to recover gradually, supported by somewhat stronger global demand and lower (though still historically high) regional stocks. The chart below shows Uruguay's yearly average FOB rice prices which mainly explain the drop in farmer returns:

Chart #3



Source: Post with TDM data

Rice production in MY 2025/26 is estimated at 1.4 million tons, rough basis, with average yield at 8.4 tons per hectare, below recent seasons. January was unusually cold, the coldest of the past 20 years, which affected yields in early planted fields during flowering. As of mid-March, harvest progress was estimated at 20 percent, delayed by heavy rainfall during planting, particularly in northern areas. Breakeven yield in MY 2025/26 is estimated at around 9.25 tons per hectare, while production costs reported by the rice growers' association ranged from $2,100 to $2,200 per hectare. Profitability is therefore expected to be negative in many cases.

Rice area has been declining, but not as sharply as underlying economics might suggest, because many producers rent both land and water and need to remain in business to cover input costs, keep machinery moving, and utilize existing infrastructure. Although soybean planting, and to a lesser extent corn planting, are gradually expanding in rice-producing areas, productivity remains limited and logistics continue to be very costly, especially transportation to ports.

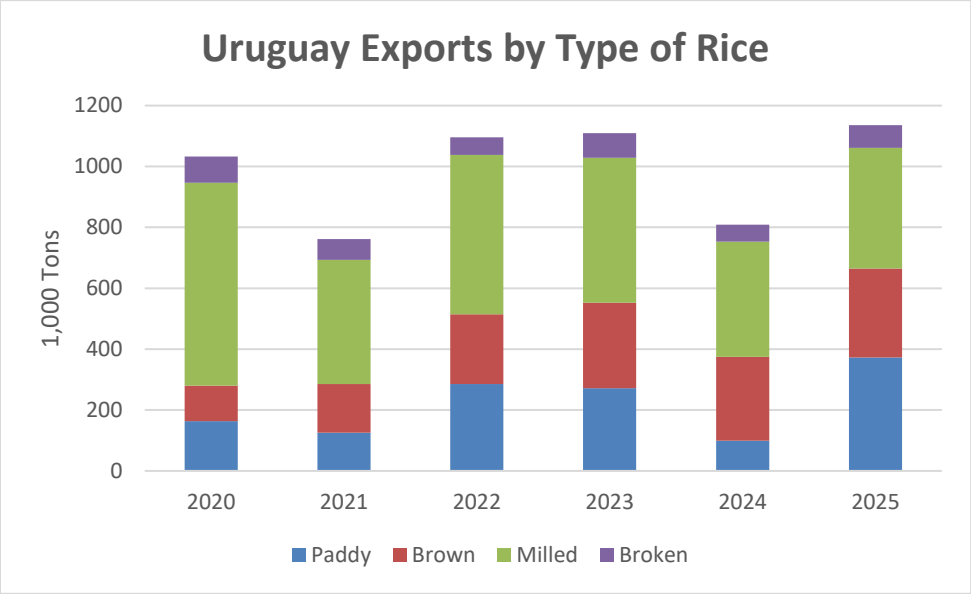
Domestic rice consumption in MY 2026/27 is forecast at 60,000 tons, on a milled basis, unchanged from the previous season. Human consumption is expected to remain stable, while use in animal feed is

projected to be similar to last year. The beef cattle sector remains highly profitable due to very strong foreign demand and unusually high FOB beef prices. As a result, cattle producers are intensifying production and using any available grain, including rice, whose price remains relatively depressed. Although difficult to quantify, contacts estimate that roughly 5,000 tons of rice could be used in animal feed through mixed rice-cattle operations or sales to nearby feedyards. Interest in this use appears to be growing somewhat.

Rice exports in MY 2026/27 are forecast at 870,000 tons, on a milled basis, down from the previous season and representing the second-lowest export volume of the past six seasons, due to reduced production.

Historically, Uruguay exported a large proportion of milled and broken rice, taking advantage of its good industrial capacity and the quality of its rice. However, given ample domestic supplies and weaker world prices, in the past 12 months Uruguay exported a larger share as paddy to move product more efficiently and keep carryover stocks relatively low from one season to the next. The chart below shows the significant increase in paddy/rough rice exports in 2025:

Chart #4



Source: Post with TDM data

The main markets in MY 2026/27 are expected to be Mexico for both paddy and milled rice, the European Union for brown rice, and Peru for a broad range of rice products. Brazil is expected to remain only a minor market because of its ample domestic supplies. Export prospects to Middle Eastern markets remain uncertain.

Exports in MY 2025/26 are expected to be 980,000 tons, on a milled basis, below the previous season due to significantly lower production. These shipments are expected to take place from April 2026 through March 2027. Local exporters report that some volumes have already been committed for shipment to Mexico and the European Union.

Statistical Tables

Wheat	2024/2025		2025/2026		2026/2027	
Market Year Begins	Dec 2024		Dec 2025		Dec 2026	
Uruguay	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	354	354	300	315	0	270
Beginning Stocks (1000 MT)	317	317	291	201	0	131
Production (1000 MT)	1464	1464	1300	1550	0	1200
MY Imports (1000 MT)	15	15	10	10	0	10
TY Imports (1000 MT)	13	13	10	10	0	10
Total Supply (1000 MT)	1796	1796	1601	1761	0	1341
MY Exports (1000 MT)	1135	1135	1000	1000	0	800
TY Exports (1000 MT)	1291	1291	1000	1000	0	800
Feed and Residual (1000 MT)	20	30	20	200	0	30
FSI Consumption (1000 MT)	350	430	350	430	0	420
Total Consumption (1000 MT)	370	460	370	630	0	450
Ending Stocks (1000 MT)	291	201	231	131	0	91
Total Distribution (1000 MT)	1796	1796	1601	1761	0	1341
Yield (MT/HA)	4.1356	4.1356	4.3333	4.9206	0	4.4444
(1000 HA) ,(1000 MT) ,(MT/HA) MY = Marketing Year, begins with the month listed at the top of each column TY = Trade Year, which for Wheat begins in July for all countries. TY 2026/2027 = July 2026 - June 2027						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Corn	2024/2025		2025/2026		2026/2027	
Market Year Begins	Apr 2025		Apr 2026		Apr 2027	
Uruguay	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	257	257	270	250	0	300
Beginning Stocks (1000 MT)	167	167	199	254	0	204
Production (1000 MT)	1937	1937	1800	900	0	1900
MY Imports (1000 MT)	150	200	200	850	0	250
TY Imports (1000 MT)	159	159	250	850	0	250
Total Supply (1000 MT)	2254	2304	2199	2004	0	2354
MY Exports (1000 MT)	5	0	300	0	0	0
TY Exports (1000 MT)	0	0	300	0	0	0
Feed and Residual (1000 MT)	1850	1850	1550	1600	0	1950
FSI Consumption (1000 MT)	200	200	200	200	0	250
Total Consumption (1000 MT)	2050	2050	1750	1800	0	2200
Ending Stocks (1000 MT)	199	254	149	204	0	154
Total Distribution (1000 MT)	2254	2304	2199	2004	0	2354
Yield (MT/HA)	7.537	7.537	6.6667	3.6	0	6.3333
(1000 HA) ,(1000 MT) ,(MT/HA) MY = Marketing Year, begins with the month listed at the top of each column TY = Trade Year, which for Corn begins in October for all countries. TY 2026/2027 = October 2026 - September 2027						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Sorghum	2024/2025		2025/2026		2026/2027	
Market Year Begins	Apr 2025		Apr 2026		Apr 2027	
Uruguay	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	26	26	30	10	0	10
Beginning Stocks (1000 MT)	12	12	7	7	0	4
Production (1000 MT)	145	145	100	45	0	50
MY Imports (1000 MT)	5	2	5	2	0	2
TY Imports (1000 MT)	2	2	5	2	0	2
Total Supply (1000 MT)	162	159	112	54	0	56
MY Exports (1000 MT)	5	4	10	0	0	0
TY Exports (1000 MT)	5	4	10	0	0	0
Feed and Residual (1000 MT)	130	128	80	34	0	34
FSI Consumption (1000 MT)	20	20	20	16	0	16
Total Consumption (1000 MT)	150	148	100	50	0	50
Ending Stocks (1000 MT)	7	7	2	4	0	6
Total Distribution (1000 MT)	162	159	112	54	0	56
Yield (MT/HA)	5.5769	5.5769	3.3333	4.5	0	5

(1000 HA) ,(1000 MT) ,(MT/HA)
MY = Marketing Year, begins with the month listed at the top of each column
TY = Trade Year, which for Sorghum begins in October for all countries. TY 2026/2027 = October 2026 - September 2027

OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query

Rice, Milled	2024/2025		2025/2026		2026/2027	
Market Year Begins	Apr 2025		Apr 2026		Apr 2027	
Uruguay	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	180	180	170	167	0	150
Beginning Stocks (1000 MT)	130	130	153	162	0	99
Milled Production (1000 MT)	1078	1190	1040	980	0	893
Rough Production (1000 MT)	1540	1700	1486	1400	0	1276
Milling Rate (.9999) (1000 MT)	7000	7000	7000	7000	0	7000
MY Imports (1000 MT)	0	2	0	2	0	2
TY Imports (1000 MT)	0	2	0	2	0	2
Total Supply (1000 MT)	1208	1322	1193	1144	0	994
MY Exports (1000 MT)	1000	1100	1000	985	0	870
TY Exports (1000 MT)	990	990	1000	985	0	870
Consumption and Residual (1000 MT)	55	60	55	60	0	60
Ending Stocks (1000 MT)	153	162	138	99	0	64
Total Distribution (1000 MT)	1208	1322	1193	1144	0	994
Yield (Rough) (MT/HA)	8.5556	9.4444	8.7412	8.3832	0	8.5067

(1000 HA) ,(1000 MT) ,(MT/HA)
MY = Marketing Year, begins with the month listed at the top of each column
TY = Trade Year, which for Rice, Milled begins in January for all countries. TY 2026/2027 = January 2027 - December 2027

OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query

Attachments:

No Attachments