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South American Crop Outlook 2026/27: What Procurement Should Watch

SOUTH AMERICAN CROP OUTLOOK

Presented by  **Helios AI**

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South American crop outlook 2026/27: what procurement should watch

The US harvest is in, and its number is still a range. The next six months of grain and oilseed risk move south, to a Brazilian season that a record El Niño splits in two, and to an Argentine season it favours

20 October 2026 | Data to 19 October 2026 | Conab first survey of 15 October, USDA estimates of 9 October | Helios AI readings of 15 to 19 October 2026 | Next edition: late November, after NOAA's 12 November update and Conab's second survey

THE VIEW

What a procurement lead should take from this season

The US crop is known and the market has stopped trading it. Estimates of the 2026 US corn yield still span about a billion bushels of production, from the crop tour's 172 bu/ac to the Helios AI model's 183.1, and history says USDA's October number is more likely to hold or rise than to fall. December corn has given back most of its summer rally and funds have cut their length. Whatever the November and January reports do to the US number, the direction of the next six months is set in the southern hemisphere.

In South America the risk is regional, not national. A record El Niño splits Brazil in two. The south is wet and favoured, with flood and harvest-quality risk at the end. The centre-north faces heat and dry spells in the pod-fill window from November to January. Conab's first survey already carries the shape: Rio Grande do Sul is the only yield upgrade in the table, and every centre-west and Matopiba state is cut.

The second corn crop is where El Niño reaches the world balance, and the calendar decides it. A late soybean planting pushes the harvest, the harvest pushes the corn sowing, and the corn meets the dry season at grain fill. Two dates settle the question: Mato Grosso's planted share on 31 October and its harvest pace on 20 February. The first is on course to be met.

Costs squeezed before the weather did. Margins explain why Brazilian soybean area grows by the smallest rise in twenty years, and more than half of the second crop's nitrogen is still unbought as urea turns up again.

Argentina is the favoured origin, so far on setup. Every Helios AI region there reads neutral, corn sowing is ahead of last year, and the three El Niño corn harvests on record each beat the year before.

The one-paragraph read. The swing that remains in world grain supply sits in Brazil and Argentina, and it does not sit where most readers look. Rio Grande do Sul will very likely have a large year; that is a basis story inside Brazil. Mato Grosso's soybeans and the second corn crop that follows them are the world story, and their outcome is decided by planting dates in October and February and by rain in November to January and April. Those are dates, and they are on the watchlist on the last page.

PART 1 · THE US HARVEST

A number with a wide range

The US crop sets the floor under world supply, and the floor is still being measured. USDA cut its corn yield in September on the first field counts of the season, then raised it in October to 181.2 bu/ac, above every analyst estimate. The increase came entirely from implied ear weight, which would be the second-highest on record, while ear counts fell and the August crop tour's ear measurements pointed to a yield near 172. October's survey also rested on an unusually small share of harvested fields, so the 10 November report carries more new information than a typical November.

AT A GLANCE

>83%

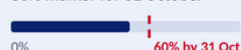
chance of a strong to very strong El Niño through January to March 2027

1.4%

growth in Brazil's soybean area, the smallest rise since 2006/07

51.9%

of Mato Grosso soybeans planted by 16 October, against a 60% marker for 31 October



-35%

change in Mato Grosso's projected operating margin, as total costs rise 16.7%

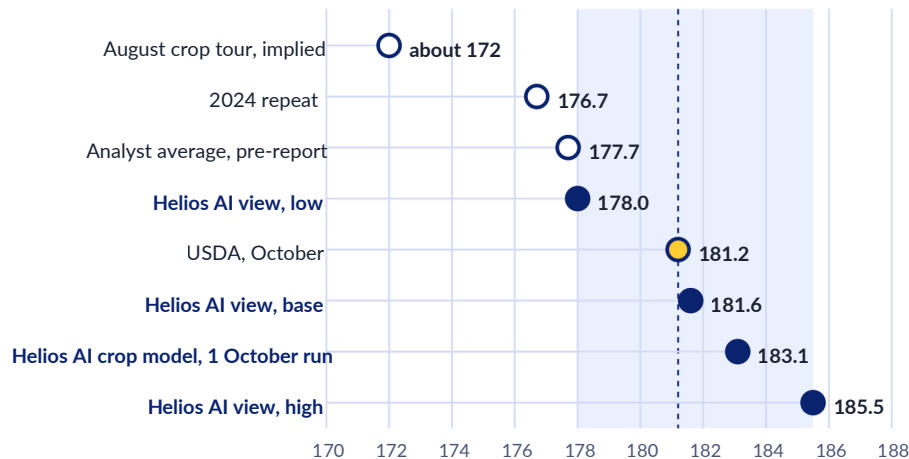
80%

of Brazil's corn is the second crop, the crop the world imports

Chart C1. The season in five numbers. Sources: NOAA Climate Prediction Center, 8 October 2026; Conab first survey, 15 October 2026; Imea cost study for Mato Grosso 2026/27; Mato Grosso planting progress to 16 October 2026.

The US number is a range, and history leans to the top half of it

Estimates of the 2026 US corn yield, bu/ac. Shaded band: Helios AI view, 178.0 to 185.5. Dotted line: USDA October.



Close to 1 bn bu of production separates the lowest and highest readings.

Final above October in 13 of the 19 years since 1990 with an October raise.

Sources: USDA 9 October 2026; Pro Farmer; Zaner and Bloomberg surveys; Helios AI view of 20 October and crop model run of 1 October 2026.

Chart C0. Eight estimates of the 2026 US corn yield on one axis, 170 to 188 bu/ac. The shaded band is the Helios AI view (low 178.0, base 181.6, high 185.5); the dotted line is USDA's October figure, 181.2. Sources: USDA Crop Production, 9 October 2026; Pro Farmer; Zaner and Bloomberg analyst surveys; Helios AI crop model, run of 1 October 2026.

History leans one way. Since 1990 the October report has raised the corn yield over September in 19 years, and in 13 of them the final estimate finished higher still; it fell more than a bushel below October in only two, 2014 and 2024. That record is why our view sits at 181.6, a little above USDA, with a low of 178.0 and a high of 185.5. The Helios AI crop model's run of 1 October, at 183.1, is a second estimate and sits inside that range. At our base the US ends 2026/27 with stocks near 11.6% of use; across the range the outcome runs from tight to comfortable, and the export line, with commitments a third below last year, can move that figure by more than a yield revision does.

Soybeans are a demand story. The crop is a record, but stocks are under 7% of use, and the Chinese buying of mid-October was reserve building by state firms, with private crushers absent. Direction there waits on Brazil.

The market has already made the move. December corn settled on 19 October 79 cents below its 1 September high, and managed money cut its net long sharply in the week to 13 October. The US number will be revised twice more; the season that decides the next six months is being planted now, under the strongest El Niño in the instrumental record.

PART 2 • THE DRIVER

A record El Niño, peaking now

NOAA's 8 October discussion can be read in three lines. Strength: the event is likely the strongest since 1950, with a greater than 83% chance of a strong-to-very-strong El Niño through January to March 2027. Timing: it peaks in October to December and fades from April. Confidence: NOAA's own caveat is that a record event lowers forecast confidence, because the analog set is thin. The 2015/16 event, the closest precedent, peaked lower than this one is forecast to.

What El Niño has meant for yields is consistent in sign and modest in size. Across the moderate and stronger El Niño harvests since 1961, Argentine soybeans and corn finished above trend, Brazilian corn below it, and Brazilian soybeans near flat, because a south that gains and a centre that loses cancel in the national figure. We read those as directions and ten-year averages. We do not scale them by the strength of this event, and nothing in this report multiplies an index by an elasticity.

PART 3 • WHERE PLANTING STANDS

A flat crop on more area

Conab's first survey of 15 October describes a Brazilian soybean crop of 181.6 Mt, up less than 1% on area up 1.4%, the smallest rise since 2006/07, with yield slightly down. Conab's own explanation is margins. Corn area grows faster, and the growth is in the summer crop, on corn-ethanol demand. Area is still growing; what has changed is that the growth has moved from soybeans to first-crop corn. The Helios AI crop model's run of 1 October carries Brazil within 1% of the official figure.

Planting has recovered from a slow September. National soybean planting is level with its five-year average, and Mato Grosso went from a quarter planted to more than half, 51.9%, in the week to 16 October, twelve points ahead of last year's drought-slowed pace. Paraná is level with last year but under rain that stopped machines in September and caused stand failures. The marker to watch is 60% in Mato Grosso by 31 October, which was missed in the two late years of the past decade, 2015/16 and 2020/21. From 51.9% the marker needs about four points a week, a quarter of last week's pace.

Argentina is intentions and setup. The exchanges carry soybean area slightly up and corn intentions revised higher since August. Corn sowing was 34.8% complete on 15 October, five points ahead of last year; soybean sowing begins in the second half of October, and the first progress figure arrives on 22 October.

PART 4 • THE ASYMMETRY INSIDE BRAZIL

One El Niño, two seasons

El Niño's signature in South America is a wetter, warmer south and a drier, hotter centre-north, with Argentina on the favourable side. The central states grow about 60% of Brazil's soybeans and 70% of its corn, so the national total is an average of two seasons that move in opposite directions.

One El Niño, two seasons

Left: what the teleconnection does and what the analog years did. Right: Helios AI climate risk index for soybeans, 15 October 2026, share of growing-area days under each stress, observed days only.

South

Paraná, Santa Catarina, Rio Grande do Sul

Teleconnection

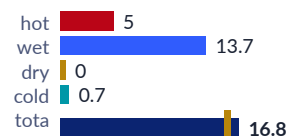
Frequent fronts, above-average rain and cloud; flooding and harvest delay when fronts linger.

Analog years

2015/16: Rio Grande do Sul record soybean crop.
2023/24: Rio Grande do Sul first projected +68%, then lost about 15% to the May floods.

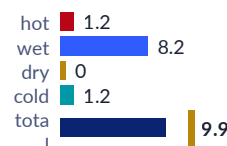
Paraná

avg 15.8



Rio Grande do Sul

avg 12.4



Centre-north

Mato Grosso, Goiás, Matopiba

Teleconnection

Dry spells and heat from November to January; above 40 °C possible; early rains can give a false start.

Analog years

2015/16: Mato Grosso -2% after a -6% cut between surveys; Bahia grains -18.9%. 2023/24: Mato Grosso -15.7% on late, scarce rain and heat.

Mato Grosso

avg 24.1



Argentina

Córdoba, Santa Fe, Buenos Aires

Teleconnection

Favourable setup; dry risk most likely in January; early frost in La Pampa and Buenos Aires can delay planting.

Analog years

El Niño corn harvests of 2010, 2016 and 2024 each finished above the year before.

Every region neutral. Córdoba and Santa Fe with zero planting stress; corn in Buenos Aires rated good. Most similar year in the index: 2025.



Sources: DTN South America preview, 1 September 2026; Conab records; Helios AI climate-risk index, soybeans, pulled 15 October 2026. Stress components overlap, so they do not sum to the total; a zero is drawn as a baseline mark.

Chart C2. One El Niño, two seasons. For each zone: the teleconnection, what the 2015/16 and 2023/24 analog years did, and the Helios AI climate-risk index for soybeans on 15 October 2026 by stress type, observed days only, with the historical average for the date as a tick. Stress components overlap and do not sum to the total. A zero component is drawn as a baseline mark. Sources: DTN South America preview, 1 September 2026; Conab; Helios AI, pulled 15 October 2026.

The record in the south is as clean as crop analogs get. On Conab's state series since 1976/77, Rio Grande do Sul's soybean yield finished above trend in every one of the seven El Niño harvests, and its first-crop corn in all six. The state's usual limit is drought in the reproductive phase, and El Niño removes it. Paraná and Santa Catarina do not share the benefit: their summer corn leans negative in strong events, on excess rain and cloud at planting and pollination, disease and harvest delays. Conab's first survey sits on the right side of that history.

Rio Grande do Sul soybeans are the only yield upgrade in the table; Paraná and Santa Catarina summer corn are cut from record bases; Mato Grosso, Bahia and Piauí soybeans are cut, with Conab's text naming El Niño dry spells for Mato Grosso.

The south's gain has two edges. In both analog seasons the centre-north lost and the south gained on the growing season, and in 2024 the south's gain was taken away by too much water at harvest. The yield Conab has set for Rio Grande do Sul is a recovery from a poor 2025/26, below the 2024 El Niño crop. The risk runs through grain moisture, disease and quality at a harvest under persistent fronts, and Paraná has already recorded stand failures and hail. In Rio Grande do Sul's own corn record, dryness drives yield and wetness does not, and the one very wet El Niño season, 2024, was the weakest in the series. A high wet reading this summer is not a sign of a larger crop.

The Helios AI climate-risk index can show one half of this asymmetry today. The south half is already visible at planting: Paraná's wet component has held for a month at a level with no analog in the nine seasons on record, and Conab's text on waterlogged soils and stand failures matches it. The centre half cannot be visible yet, because its window has not opened; Mato Grosso has read hot since mid September, and its dry component is the only one rising. The forecast segment of the index decays with horizon, and the November-to-January window lies outside the model's reliable range, so the absence of a forecast dry signal is not evidence against the El Niño scenario, and a falling forecast line is not easing risk. We chart observed days only. Argentina is the favoured origin, and this month that is a statement about setup. Every Helios AI soybean region reads neutral, Córdoba and Santa Fe carry zero planting stress, corn in Buenos Aires is rated good, and the most similar year in the index is 2025. The three El Niño corn harvests in USDA's record, 2010, 2016 and 2024, each finished above the year before. The dry risk, when it comes, is most likely in January, and the reproductive window runs from December to February; October readings are a starting position.

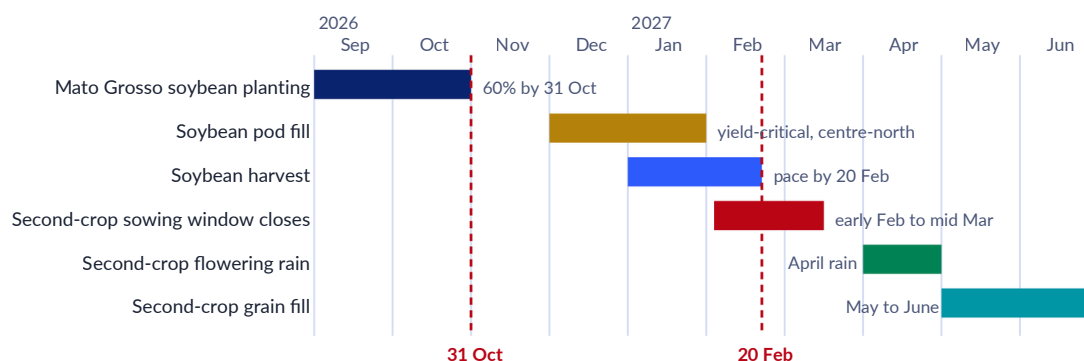
PART 5 • THE SECOND CORN CROP

The calendar decides

About 80% of Brazil's corn is the second crop, sown after the soybean harvest, and it is the crop the world imports. Conab's first estimate is flat on the year, with yield cuts in Mato Grosso and Mato Grosso do Sul: a normal season with a small El Niño discount and no planting-window failure priced in. The mechanism is timing, not rainfall totals. Soybeans are harvested in January and February. The second crop has to be sown by early February in Mato Grosso and by mid March further south to finish grain fill before the rains stop. A late or interrupted soybean planting in October pushes the harvest, the harvest pushes the corn sowing, and the corn then meets the dry season at grain fill. This is why Mato Grosso's planted share on 31 October and its harvest pace on 20 February are the dates that matter, and why the second crop's El Niño record is split: 1998 finished well above trend and 2024 near it, while 2016, when almost half the crop was sown after the window, finished 28% below trend nationally and 33% below in Mato Grosso.

The calendar decides the second crop

Timeline from September 2026 to June 2027. A late soybean planting pushes the harvest; the harvest pushes the corn sowing, and the corn meets the dry season at grain fill.



Share of the second crop planted after the window, and yield against trend

Season	ENSO state	Planted after the window	Yield vs trend
2015/16	very strong El Niño	almost half	-29%
2020/21	La Niña	about 55%	-13%
2018/19	weak El Niño	18%	at or above trend
2023/24	strong El Niño	23%	at or above trend
other nine seasons since 2005/06		about 30%	near trend

2023/24 lost 16% of Mato Grosso's soybean yield and still sowed the corn on time; what carries over is the date, not the yield. Sources: Conab; published analysis of Conab and agro-climatic zoning data, 14 October 2026; trend 2005/06 to 2024/25.

Chart C3. The calendar decides the second crop. Top: the windows from September 2026 to June 2027 with the two dates that decide the second crop: 31 October (Mato Grosso 60% planted) and 20 February (soybean harvest pace). Bottom: the share of the second crop planted after the low-risk window and the yield against trend, by season. 2023/24 lost 16% of Mato Grosso's soybean yield and still sowed the corn on time; what carries over is the date, not the yield. Sources: Conab; published analysis, 14 October 2026.

2023/24 is the season that proves the point from the other side. Mato Grosso lost 16% of its soybean yield to heat and late rain, and the second crop was still sown on time and finished at trend. What carries over from the soybean season to the corn is the planting date, not the yield. In the handful of seasons on record where Mato Grosso's soybean planting window was dry, the second-crop planting window was dry too; the record is too short to be a statistic, so we present it as a mechanism and a table. The index reading that matters for the second crop is the too-wet channel in February and March, the sowing window, and nothing the index says in October speaks to it.

Where the clock stands: on course. From 51.9% on 16 October the 60% marker needs about four points a week, and we expect it to be met. Paraná's window closes later and its El Niño record is positive, so its risk is quality and replanting.

Our view on the second crop sits about 6% below Conab, with a range calibrated on the crop's own historical dispersion and the 2016 outcome named as a tail beyond it. That view takes world corn ending stocks for 2026/27 a few million tonnes below USDA's October figure, with the Brazilian side of the range wider than the US side and skewed lower. Two cautions belong with that number. The low US case and the low Brazil case come from unrelated causes, a January revision and a planting calendar, so the corner of the grid is not a scenario. And USDA's own attaché already carries Brazil well above the October official line, so if USDA converges to Conab, the world figure rises before our cut lands.

Why Brazil's tonnes count for more than their size: a Brazilian shortfall lands on exports rather than on domestic use. In 2015/16, the last very strong El Niño, Brazil's corn exports fell by more than half and the country imported corn; in 2023/24 exports fell by about as much as production did. Brazil normally supplies a fifth of world corn trade in the second half of the year, and the United States, with comfortable stocks, is the residual supplier if that programme is light. Argentina offsets part of any shortfall.

PART 6 • COST OF PRODUCTION

Costs squeeze before weather does

Margins were thin before a drop of rain fell. Imea's cost study for Mato Grosso 2026/27 puts total cost up 16.7% and the projected operating margin down 35% on the year and more than half below the five-season average, with the institute's own wording that projected gross revenue does not cover the total cost of the activity. Conab's first survey draws the consequence: slower soybean expansion, and a smaller technology package expected in Mato Grosso. The spring supply shock has passed through nitrogen and stuck in phosphate. World urea round-tripped, from a peak in April back below where it started the year by August. Phosphate did not come back, and the Brazilian exchange ratio for MAP is far worse than it was in February. Potash is the relief, down 10% in Brazil after nine weeks of declines.

The split by crop is the point. Phosphate is the soybean problem, on a crop whose domestic price fell in the month to early October. Urea is the second crop's problem, and it is rising again in Brazil, while less than half of the second crop's fertilizer had been contracted by late September. More than half of the second crop's nitrogen is still unbought as the price turns, on a crop whose planting date is the thing that decides its yield.

PART 7 • THE BOTTOM LINE

The season will be decided where the headline numbers do not look

Brazil's national soybean figure will very likely come in close to Conab's first estimate, and it will be the least informative number of the season. A flat total is what a south that gains and a centre that loses produce together, and both halves matter to a buyer in different ways. Rio Grande do Sul's large crop is a basis story inside Brazil: more beans at the southern ports in a harvest that may be wet, with quality to watch. Mato Grosso's soybeans and the second corn crop that follows them are the world story, and nothing published in October can settle them, because their window has not opened.

What can be known in October is the calendar, and the calendar is on course. A record El Niño converts into a world supply event through one mechanism, a late soybean planting that pushes the second crop into the dry season, and that mechanism has a date on it. If Mato Grosso passes 60% planted by 31 October, the second-crop risk stays where it belongs, in the February sowing window and the April rain. If it does not, the risk moves forward to now and our cut below Conab widens. Either way the US revisions of November and January are a smaller swing than this one, and the market has already priced them as such.

Costs sharpen the reading rather than change it. Farmers who are planting on the thinnest margins in two decades, with half of the second crop's nitrogen unbought as urea turns, have less room to absorb a late season than the weather alone would suggest. A thinner technology package in Mato Grosso is Conab's own expectation before any rain has fallen.

So the position for a procurement lead at the end of October is a conditional one, held on purpose. The view in this report changes on three prints and no others: Imea's Mato Grosso figure on 31 October, Conab's second survey on 13 November, and the harvest pace against 2024 on 20 February. Between those dates the centre-north's verdict is being written by December and January rain, and the honest thing to say about it in October is that it has not been written yet.

Dated watchlist through April 2027

The climate signal gives no hedge ratio, and we do not offer one. What it gives is a sequence of dated events on which decisions can be timed.

Date	Item	Why it matters
Weekly, Monday and Tuesday	AgRural and Conab planting progress; Imea on Mato Grosso; Deral on Paraná	pace into the 31 October marker; Paraná stand failures and replanting
From late October, Thursdays	Buenos Aires exchange weekly report: Argentine soybean sowing begins	first progress read on the favoured origin
31 October	Mato Grosso soybeans planted, against the 60% line	below 60% in 2015/16 and 2020/21, the two late years
10 November	USDA Crop Production and supply and demand estimates	the first US report with substantial harvested-field data; after an October raise November has continued the direction in 14 of 19 years
12 November	NOAA ENSO update	peak-strength call for October to December
13 November	Conab second survey	first revision of area and yield after planting
November to January	centre-north dry-spell window; soybean pod fill December to January	the yield-critical phase for Mato Grosso, Goiás and Matopiba
Early December	USDA estimates; NOAA update	first USDA revision of South America
January	Argentina's dry-risk month; Conab fourth survey (14 January) with first second-crop planting intentions	
Mid January	USDA annual summary and grain stocks	the final US corn yield; 2024 is the downside analog
20 February	Mato Grosso soybean harvest pace against 2024	second gate on the second-crop window
Early February to mid March	low-risk second-crop sowing window closes by region	share sown after the window, against the 30% norm
April	second-crop flowering rain; Helios AI too-dry channel in Mato Grosso, Mato Grosso do Sul and Paraná	grain fill
April and May	Conab fourth and fifth surveys of the second crop	

Chart C6. Dated watchlist through April 2027: the prints that decide the season and why each one matters. Sources: USDA, NOAA, Conab, Imea, Deral, AgRural, Bolsa de Cereales de Buenos Aires, Helios AI.

SOURCES AND METHOD

Where the numbers come from

Sources. USDA Crop Production, supply and demand estimates, Crop Progress and historical track records; Pro Farmer; Zaner and Bloomberg analyst surveys; CFTC. NOAA Climate Prediction Center, 8 October 2026. Conab, Imea, Deral, AgRural, Bolsa de Cereales de Buenos Aires and Bolsa de Comercio de Rosario; published analysis of the second-crop planting window, 14 October 2026; World Bank commodity price data, September 2026 release; Brazilian fertilizer market reports of October 2026. Helios AI climate-risk index and crop model, run of 1 October 2026 and readings pulled 15 to 19 October 2026.

Method. Published numbers carry their source and date; forecasts and estimates are labelled as such; Helios AI figures carry the date of the run or pull. A harvest year is paired with that year's December-to-February ENSO reading. Yields are compared with each state's own trend; analog groups of fewer than five years are described rather than averaged; scenario ranges are calibrated on the market's own historical dispersion, never on a stack of worst cases. The Helios AI index measures the share of growing-area days under each stress type; its forecast segment decays with horizon, so observed days are charted and forecasts are treated as direction only.

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