



# Animal feed market

CDG – pig meat

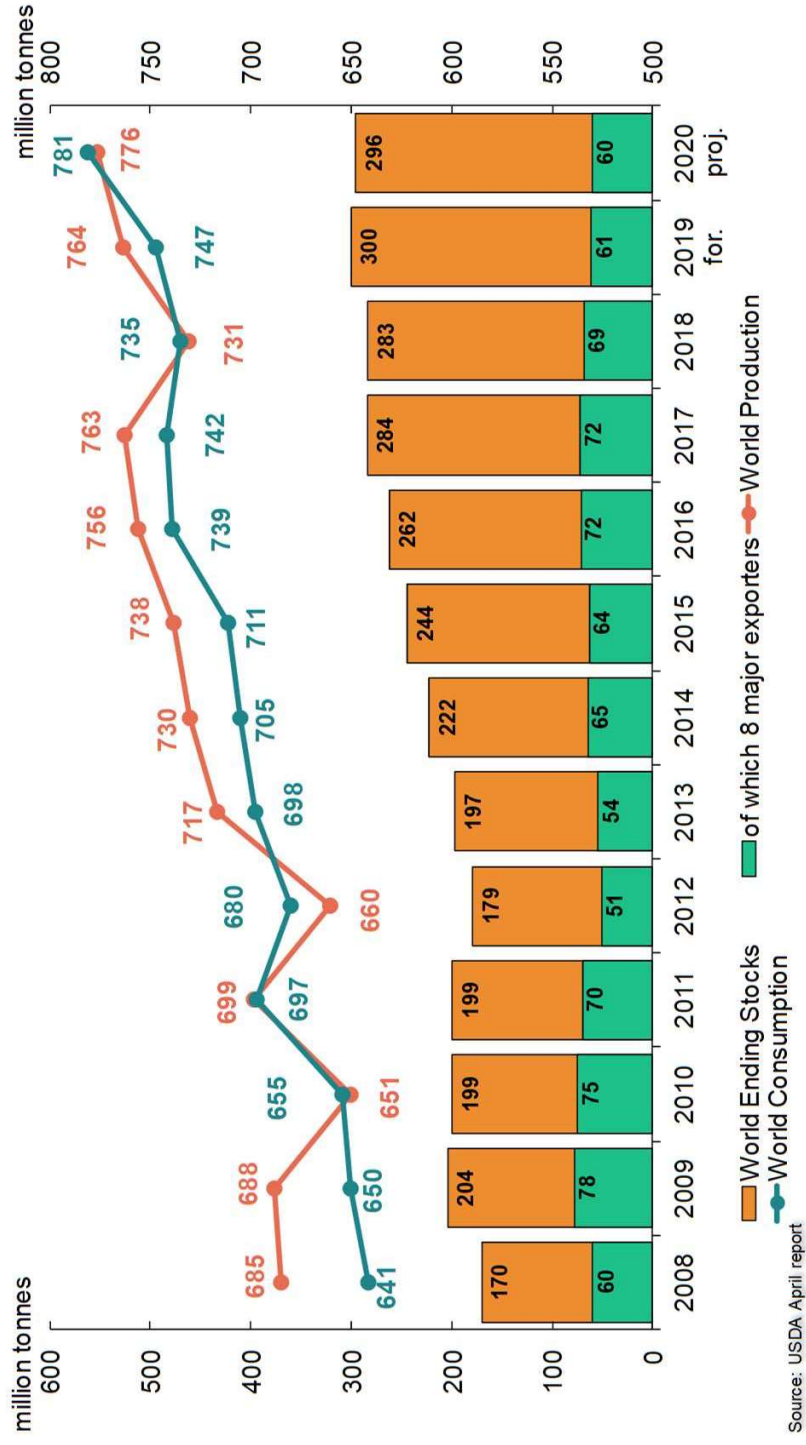
30 April 2021

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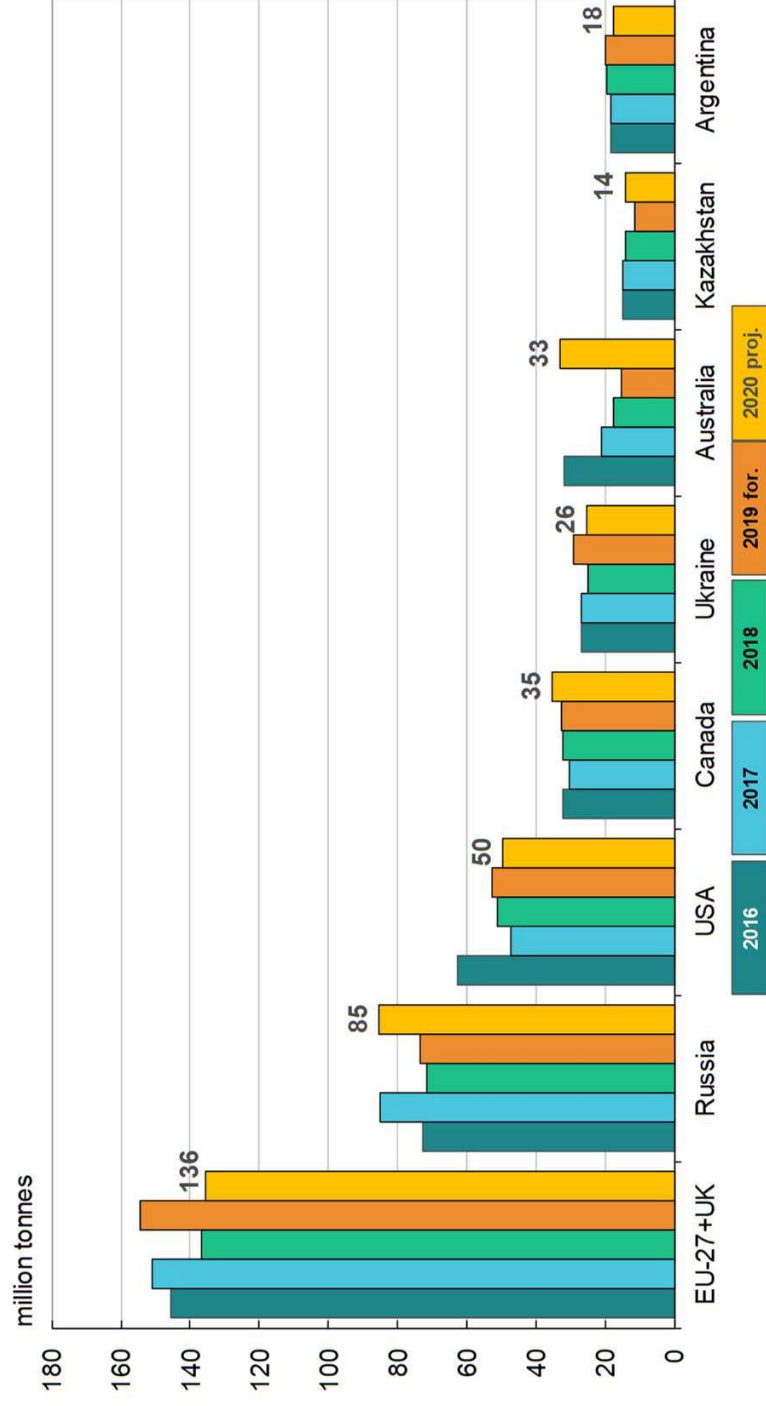
# World Forecasts

## USDA and IGC

# World wheat: USDA



# USDA: Wheat production forecast



Source: USDA April report

# USDA 2020/21 Supply and Demand Estimates

(WASDE – 611 of 9 April 2021)

Wheat production forecasts in selected countries (all wheat; million tonnes)

	2020/21	Share of total	2019/20	y/y change (%)
EU-27 + UK	135.6	17.5%	154.3	-12.1%
USA	49.7	6.4%	52.6	-5.5%
Canada	35.2	4.5%	32.7	+7.7%
Russia	85.4	11.0%	73.6	+15.9%
Ukraine	25.5	3.3%	29.2	-12.6%
Australia	33.0	4.2%	15.2	+117.1%
Argentina	17.6	2.3%	19.8	-10.9%
China	134.3	17.3%	133.6	+0.5%
India	107.9	13.9%	103.6	+4.1%
World	776.5	100.0%	763.9	+1.7%

# USDA 2020/21 Supply and Demand Estimates

(WASDE – 611 of 9 April 2021)

**Wheat:** following minor adjustments, world production slightly decreased to 776.5m t (+12.6m or +1.7% y/y). World consumption increased by 5.1m to 781.0m t (+33.8m or +4.5% y/y), again, mainly linked to higher feed use in China. **Chinese** feed demand was raised by 5m to a record 40m t (+110% y/y) as large amount of wheat continued to be sold at the weekly state auctions and domestic maize price remained at a premium over wheat. World total feed use is estimated at 156.7m t (+3.7m m/m; +12.5% y/y), incl. EU feed demand lowered by 1m to 48.0m t (-4.5m y/y). On higher usage, **Chinese** stocks were cut by 5m to 145.4m t (-4.1% y/y), the first decrease of Chinese stocks in 8 years. World stocks are now forecast at 295.5m t (-5.7m m/m; -1.5%), with China and India holding 58.4% of world total.

Reflecting small increases for area (6.39m ha; -5% y/y) and yield (2.76 t/ha) **ARG** production was raised by 0.4m m/m to 17.6m t (-10.9% y/y). On smaller yield (2.76 t/ha), the **Ethiopian** crop was lowered by 0.2m to 5.1m t (+3.6% y/y).

World exports increased by 1.2m m/m to 198.9m t (+3.9% y/y) with **RUS** being the largest exporter (39.5m t; +0.5m m/m on more competitive pricing lately), followed by the **EU-27+UK** (27.5m; +0.5m m/m on larger shipments) and **CAN** (27.0m).

# Summary of the IGC Grain Market Report

(GMR 519 of 25/3/2021)

Outlook for 2021/22

Wheat production in selected countries (all wheat; million tonnes)

	2018/19	2019/20 (estimate)	2020/21 (forecast)	2021/22 (projection)	y/y change (m t)	y/y change
<b>EU-27</b> (2020/21) <i>EU-27 + UK to 2019/20</i>	137.7	155.0	124.4	<b>136.8</b>	+12.4	+9.9%
USA	51.3	52.6	49.7	<b>51.1</b>	+1.4	+2.8%
Canada	32.4	32.7	35.2	<b>34.1</b>	-1.1	-3.1%
Russia	71.7	73.6	85.4	<b>76.9</b>	-8.5	-9.9%
Ukraine	25.1	29.2	25.5	<b>27.2</b>	+1.7	+6.8%
Australia	17.6	15.2	33.3	<b>25.0</b>	-8.3	-25.0%
China	131.4	133.6	134.3	<b>136.0</b>	+1.7	+1.3%
India	99.7	103.6	107.9	<b>110.7</b>	+2.9	+2.7%
<b>World</b>	<b>732.2</b>	<b>762.0</b>	<b>774.2</b>	<b>789.6</b>	<b>+15.4</b>	<b>+2.0%</b>



# Summary of the IGC Grain Market Report

(GMR 519 of 25/3/2021)

## Outlook for 2021/22

The IGC has published its first complete supply and demand projections for the **2021/22 crop year**. Driven by expected record wheat and maize harvests, **total grains production** is placed at an all-time high of 2,287m t (+2.8% y/y or +62m y/y). Total world grains consumption is placed at 2,286m t (+2.4% or +54m y/y), incl. 745m of food use (+1.2%), 1,047m of feed (+3.1%) and 368m of industrial use (+2.9% y/y). As higher consumption would fully absorb increased production, ending stocks are forecast unchanged y/y at 609m t (+0.1% y/y).

**Wheat:** world production has reached an all-time high of 774.2m t (+1.6% y/y) in **2020/21** incl. record harvests in AUS, India and RUS. Consumption is forecast at 760.3m (+4m m/m; +2.3% y/y), incl. 531m of food use (+1.6%) and 144m of feed use (+6.2%). Stocks were lowered by 2m m/m to 292.3m t (+5.0%), of which 56.6% is held by China and India.

In respect of **2021/22** global production is projected to increase by 2.0% to 789.6m t, the largest ever, reflecting gains in both harvested area and yields. Crop conditions are viewed broadly favourable in the **EU-27** and production is expected to recover by 10% y/y to 136.8m t. While winter grains conditions improved in **RUS**, it remains worse than last season and still more precipitation is needed. Assuming above average winterkill and reduced spring plantings, both area and yields are predicted lower with the crop projected at 76.9m (-9.9%).



# Summary of the IGC Grain Market Report

(GMR 519 of 25/3/2021)

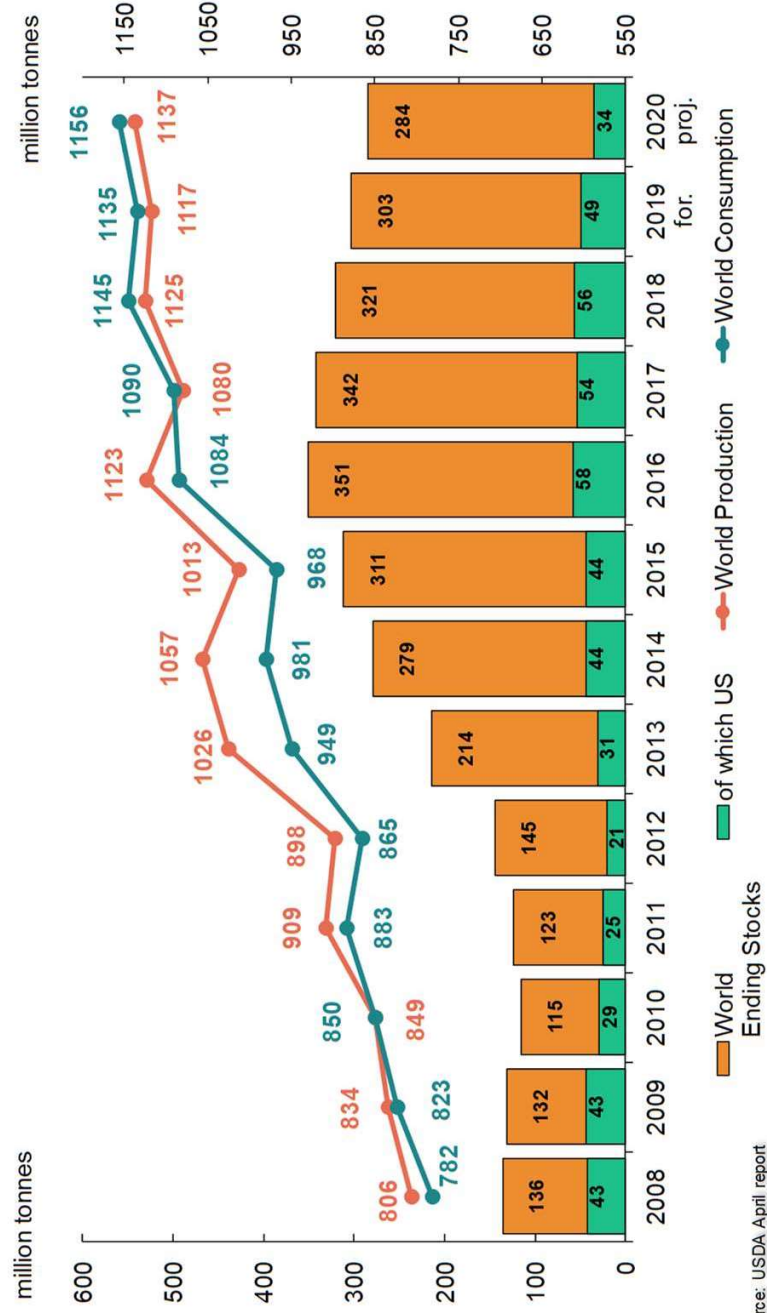
## Outlook for 2021/22

In **UKR** winter plantings expanded by 5% and winterkill is expected to be limited. Production is placed at 27.2m t (+6.8%). Conditions of winter crops improved modestly in the **US** but are still worse than last season. Ahead the start of sowings, nearly 80% of the spring wheat area was suffering from overly dry conditions. Based on larger all-wheat area the US harvest is expected to yield 51.1m t (+2.8%). After two years of severe drought, beneficial rains improved prospects in **MOR** with output to reach 5.6m t (+117%).

Driven by sustained growth for both food and feed uses, consumption is projected reaching a new peak of 777.6m t (+2.3%) in 2021/22, incl. 539.1m (+1.6%) of food use and 152.5m t (+5.9%) of feed use. On larger supply **EU-27** feed use is expected to recover to 45.0m t (+5.0m y/y), while **Chinese** feed use to edge up by 1m to 26m t. Mostly as a result of further accumulation in **China** (141.6m; +2.5%) and **India** (30.7m; +12.5%), global stocks are projected at a new peak of 304.3m t (+4.1%).

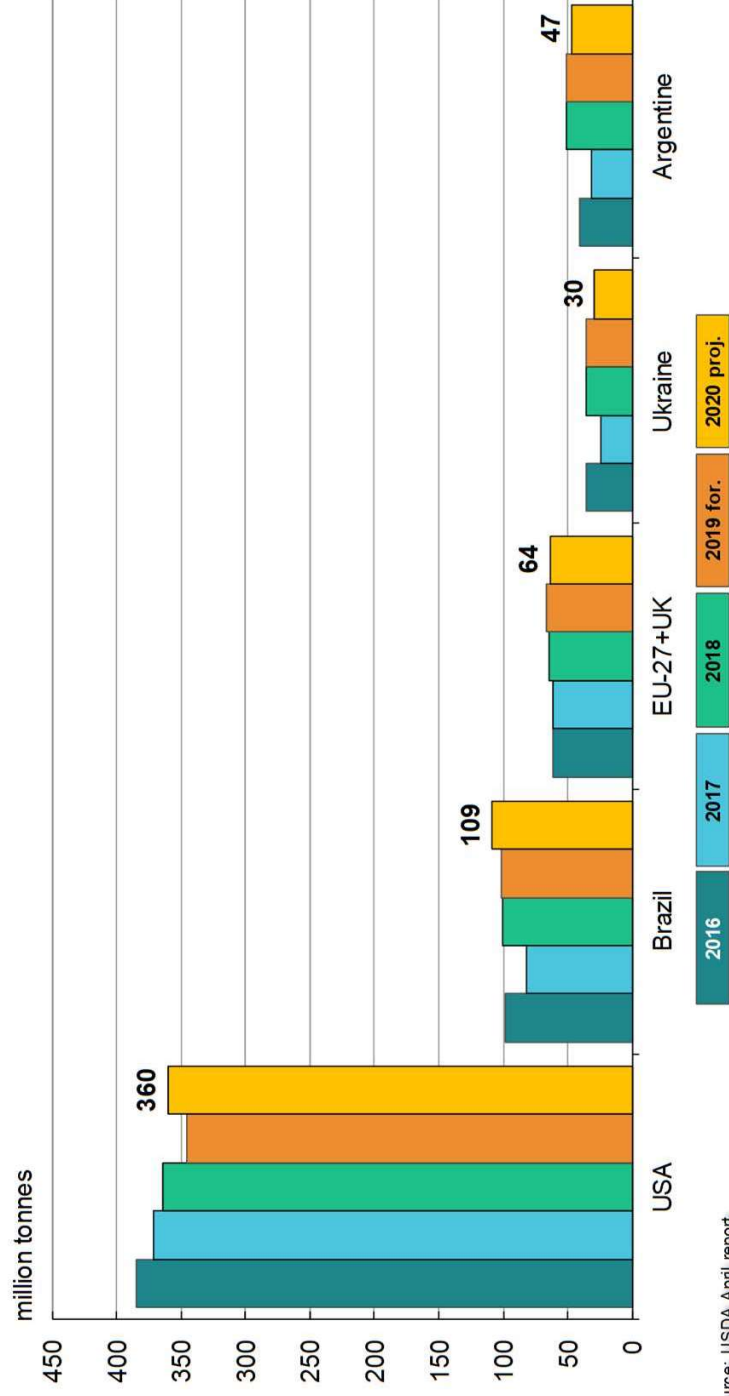
World trade is projected reaching 183.8m t, nearly 6m below the record forecast for 2020/21, as purchases by **China** (-3.5m) and **Pakistan** (-2.0m) are expected to decrease considerably. **RUS** (34m t) to remain the largest exporter, followed by the **EU-27** (28.5m).

# World maize: USDA



Source: USDA April report

# USDA: maize production forecast



Source: USDA April report

# USDA 2020/21 Supply and Demand Estimates

(WASDE – 611 of 9 April 2021)

Maize production forecasts in selected countries (million tonnes)

	2020/21	Share of total	2019/20	y/y change (%)
EU-27 + UK	64.0	5.6%	66.8	-4.1%
USA	360.3	31.7%	346.0	+4.1%
Ukraine	29.5	2.6%	35.9	-17.8%
Russia	13.9	1.2%	14.3	-2.8%
Brazil	109.0	9.6%	102.0	+6.9%
Argentina	47.0	4.1%	51.0	-7.8%
China	260.7	22.9%	260.8	-0.0%
South Africa	17.0	1.5%	15.8	+7.3%
World	1,137.1	100%	1,116.5	+1.8%

# USDA 2020/21 Supply and Demand Estimates

(WASDE – 611 of 9 April 2021)

**Maize:** small increases for the EU and Pakistan offset reductions for Argentina and Indonesia, with world production estimate raised by 0.7m t to 1,137.1m t (+1.8% or +20.5m t y/y). Consumption increased by 4.4m t to 1,156.2m t (+1.9% or +21.6m y/y), incl. feed use at 731.3m (+3.0m m/m; +2.4% y/y). **US** demand was raised by 1.9m to 307.4m t (-0.7% y/y) on larger feed usage (144.8m t), with use for ethanol production now placed at 126.4m t (+2.4% y/y). Reflecting increased demand and exports, **US** stocks were cut by 3.8m to 34.3m t (-29.6% y/y), resulting in smaller global stocks (283.9m t; -6.3% or -19.1m y/y), of which 196.2m is attributed to **China** (-2.2% y/y; 69.1% of world total).

Dry weather conditions are expected to reduce yield prospects in **ARG**, where recent rains have delayed harvest progress and arrived too late to improve yield potential of the early-planted maize fields. Area is estimated at 6.1m ha (-0.2m ha y/y), while yield is now seen at 7.70 t/ha (8.10 t/ha in 2019/20).

World maize exports are forecast at 187.3m t (+9.1% y/y), incl. **US** exports at a record 68m t (+2m m/m; +50.4% y/y) boosted by strong Chinese demand in particular. The monthly increase reflects exceptionally large US maize shipments in March. **UKR** exports lowered by 1m to 23m (-20.5% y/y) on slower trade recently. **EU27+UK** imports unchanged m/m at 15.5m t (-16.7% y/y) and **Chinese** imports at 24.0m t (+216% y/y).

# Summary of the IGC Grain Market Report

(GMR 519 of 25/3/2021)

## Outlook for 2021/22

### Maize production in selected countries (million tonnes)

	2018/19	2019/20 (estimate)	2020/21 (forecast)	2021/22 (projection)	y/y change (m t)	y/y change
<b>EU-27</b> (2020/21) <i>EU-27 + UK to 2019/20</i>	67.0	68.1	64.8	<b>65.1</b>	+0.3	+0.5%
USA	364.3	346.0	360.3	<b>384.0</b>	+23.7	+6.6%
Ukraine	35.8	35.9	30.0	<b>37.3</b>	+7.3	+24.5%
Russia	11.4	14.3	13.9	<b>15.2</b>	+1.3	+9.6%
Brazil	100.0	102.5	105.8	<b>117.4</b>	+11.6	+11.0%
Argentina	56.9	58.5	52.0	<b>56.3</b>	+4.3	+8.3%
China	257.3	260.8	260.7	<b>267.3</b>	+6.6	+2.5%
<b>World</b>	<b>1,131.2</b>	<b>1,125.4</b>	<b>1,138.6</b>	<b>1,192.6</b>	<b>+54.1</b>	<b>+4.7%</b>



European  
Commission



# Summary of the IGC Grain Market Report

(GMR 519 of 25/3/2021)

## Outlook for 2021/22

**Maize:** in respect of **2020/21** the IGC has raised its production forecast by 5m to a record 1,138.6m t (+1.2% y/y) following upward revisions for the EU-27, India, RUS and South Africa. Consumption forecast for **2020/21** increased as well, up 4m to 1,167m t (+1.0%) on higher feed use, which is now placed at 699.5m (+0.9%). Both total and feed uses are seen at new peaks driven by strong growth of feed demand in **China** (193m; +7.8%). At 268m t, global stocks are estimated at an 8-year low linked to important reductions in the **US** (35m; -28%) and **China** (182m; -5.3%). Both **Chinese imports** (25.0m t) and **US exports** (67.8m t) are forecast reaching all-time highs.

As for **2021/22**, world production is projected at a new peak of 1,192.6m t (+54m t or +4.7% y/y) reflecting a record harvested area of 199.1m ha and improved yields. Area expansion is expected to be slower in **UKR** despite good profitability due to large area sown to winter crops and strong competition from oilseeds. **US** harvested area would increase by 2% to a 5-year peak with production tentatively placed at 384m t (+6.6%). Boosted by strong demand for meat, consumption growth is expected to accelerate to 3.1% with total demand forecast at a record 1,203m t (+36m y/y), incl. feed use at 721m (+3.1%) and industrial use at 307m (+3.3%).

World ending stocks are forecast decreasing to a 9-year low of 258.0m t (-3.8% or -10.3m y/y), incl. 169.4m attributed to **China** (-6.7% y/y; 65.7% of total). Excluding China, the stocks-to-use ratio is seen lower y/y at 9.8%. **Chinese imports** are expected to be lower y/y, however China would still remain the largest importer with 21.5m t. **EU-27 imports** are placed at 17.2m (+2.7m y/y).



# Summary of the IGC Grain Market Report

(GMR 519 of 25/3/2021)

## Outlook for 2021/22

### Barley production in selected countries (million tonnes)

	2018/19	2019/20 (estimate)	2020/21 (forecast)	2021/22 (projection)	y/y change (m t)	y/y change
<b>EU-27</b> (2020/21) <i>EU-27 + UK to 2019/20</i>	56.3	63.4	54.8	<b>53.6</b>	-1.2	-2.2%
United Kingdom	6.6	8.2	8.1	<b>7.0</b>	-1.1	-13.8%
Russia	16.7	19.9	20.6	<b>19.9</b>	-0.7	-3.4%
Ukraine	7.6	9.5	8.0	<b>8.1</b>	+0.1	+1.3%
Australia	8.8	9.0	13.1	<b>10.0</b>	-3.1	-23.8%
Canada	8.4	10.4	10.7	<b>10.7</b>	-0.0	-0.4%
Turkey	7.0	7.6	8.3	<b>8.0</b>	-0.3	-3.6%
<b>World</b>	<b>139.6</b>	<b>155.7</b>	158.5	<b>153.6</b>	<b>-4.8</b>	<b>-3.0%</b>

# Summary of the IGC Grain Market Report

(GMR 519 of 25/3/2021)

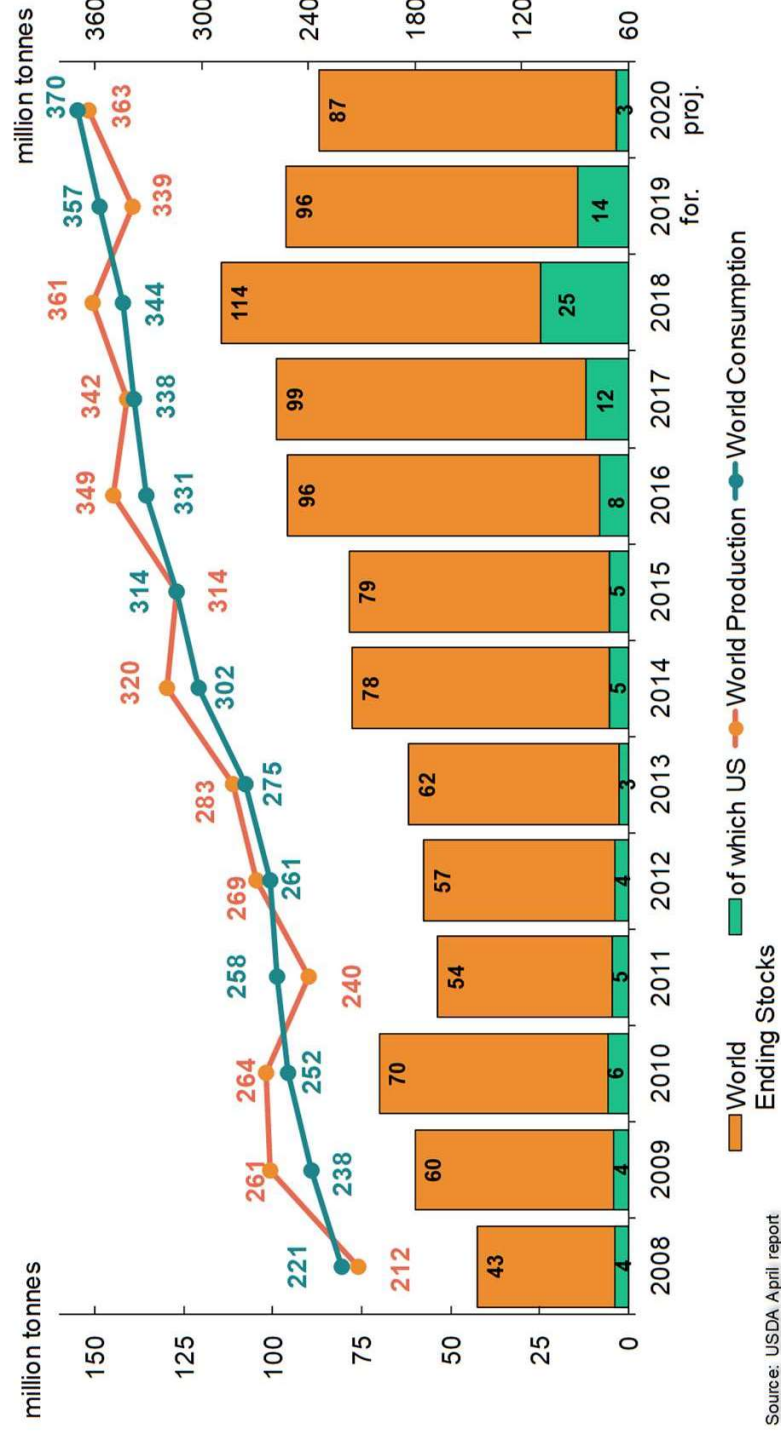
## Outlook for 2021/22

**Barley:** both harvested area (49.7m ha; -2% y/y) and yield are projected to decline modestly in 2021/22, with production projected at 153.6m t (-3.0% from the record of the previous season). While winter barley conditions are viewed generally favourable in the **EU-27**, due to an expected drop in spring sowings, production is expected to decrease to 53.6m t. Partly linked to the introduction of an export tax, spring plantings could also decrease in **RUS**, with output placed at 20m t.

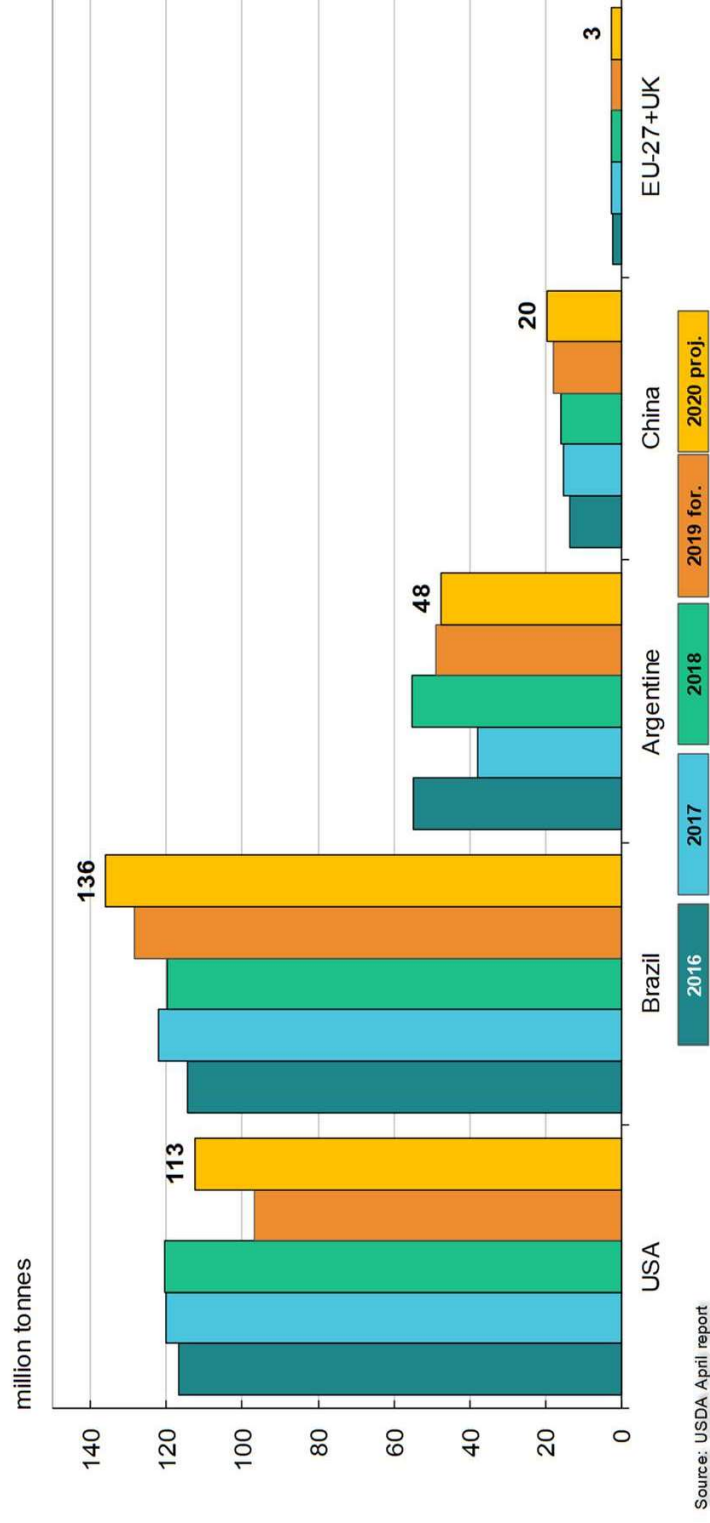
World barley consumption is forecast broadly unchanged at 154.5m t (-0.2m y/y), incl. 105.7m (-0.3%) of feed use and 30.6m (+0.5%) of industrial use. World trade is expected to contract to 27.5m t from the record of 2020/21 (28.8m), with **Chinese** imports remaining strong (6.9m t; -0.6m y/y) and imports by **Saudi Arabia** placed at 6.7m t (-0.2m y/y). **EU-27** exports to decrease to 6.7m t (-0.3m y/y), followed by **RUS** (4.5m) and **UKR** (4.3m).

**Oats:** partly linked to strong competition for planting area, world harvested area is projected to decrease by 3% to 9.6m ha, 1% below the 5-year average. Assuming trend yields, slightly below last season's record, world production is expected to reach 24.6m t (-4.1% or -1.1m y/y), incl. **CAN** at 4.3m (-6.0%) and the **EU-27** at 7.5m (-8.2%). Consumption is seen fractionally higher y/y, reaching 24.6m t (+0.4%), incl. feed use 16.6m (+0.6%) and food use at 5.5m (+2.0%). Stocks are placed at 3.3m t, unchanged y/y.

# World soya: USDA

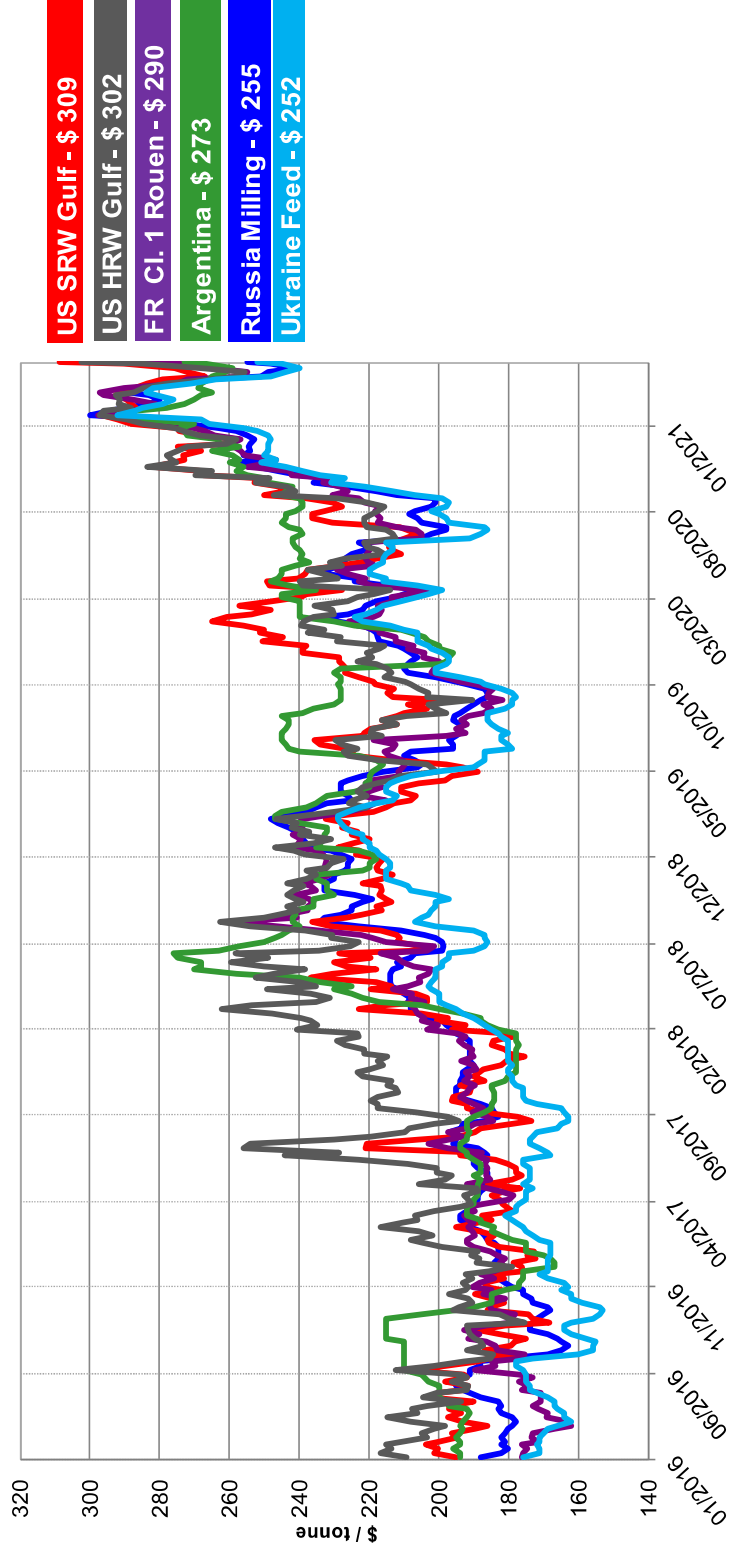


# USDA: soya beans production forecast



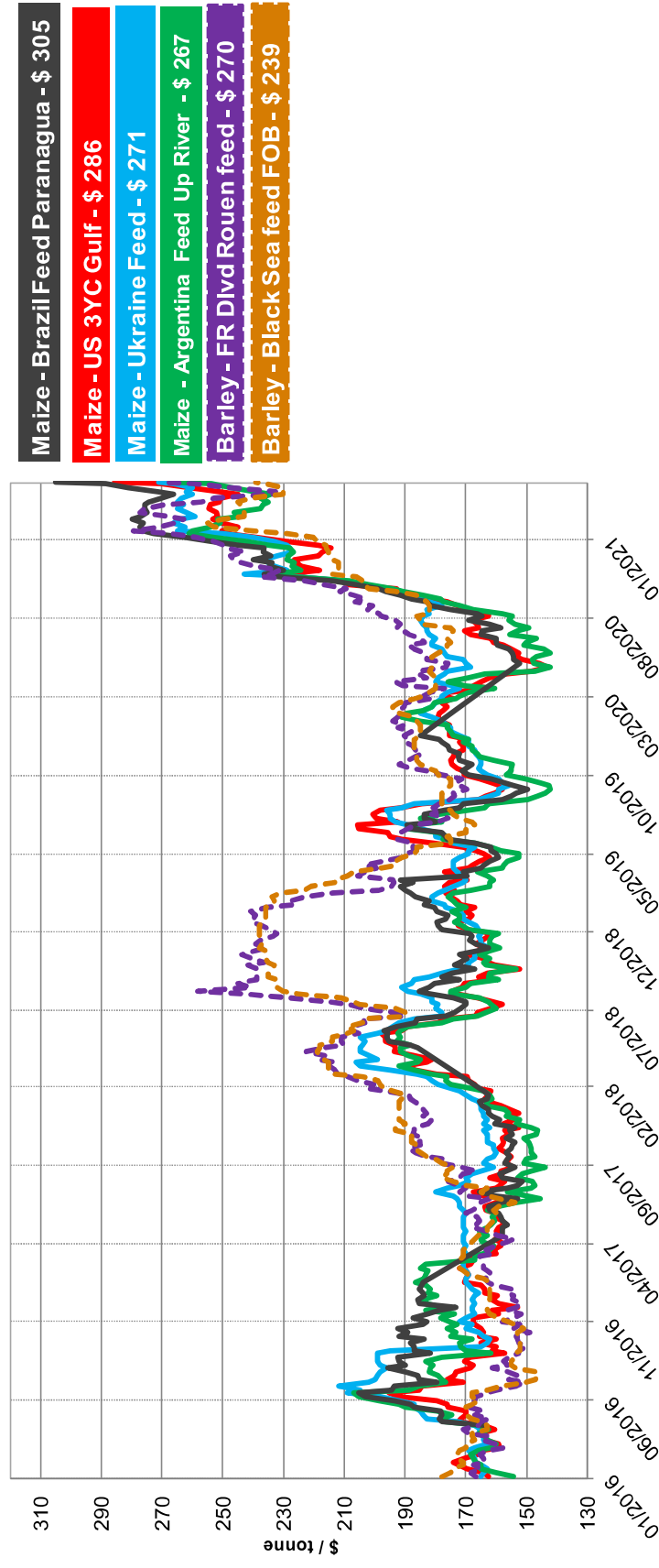
# Prices

# World common wheat prices (USD/tonne)



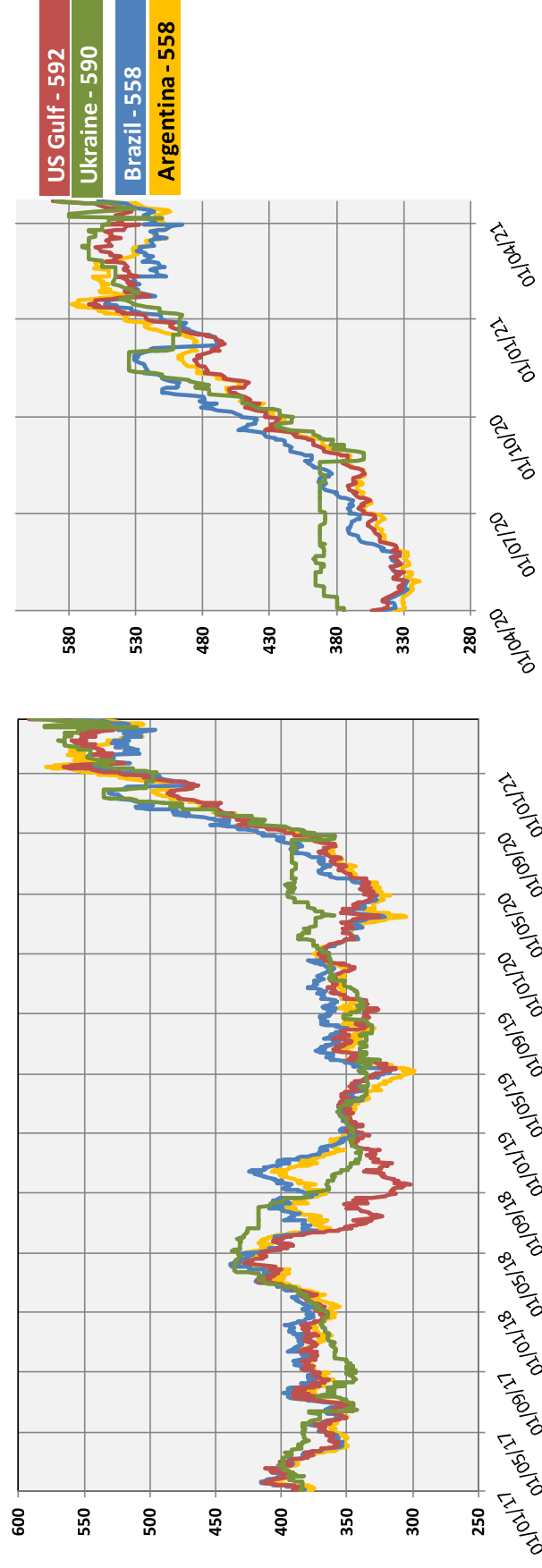


# World maize and barley prices (USD/tonne)



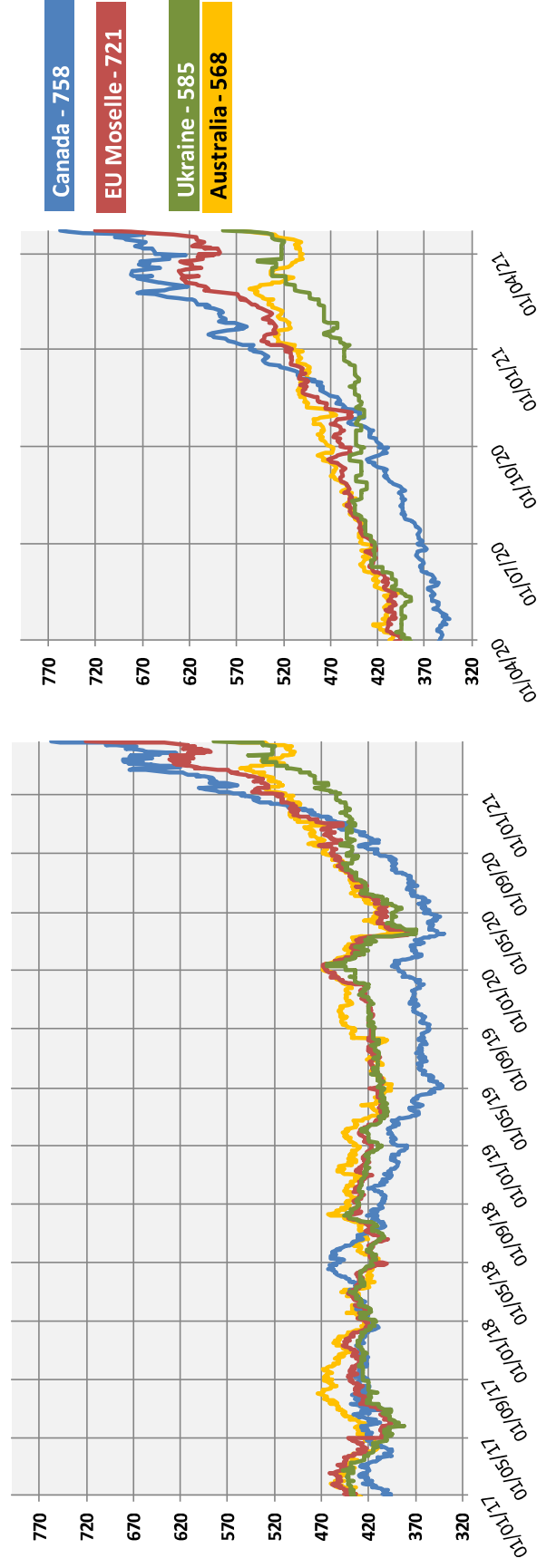


# World export prices for soya beans – (USD/tonne)



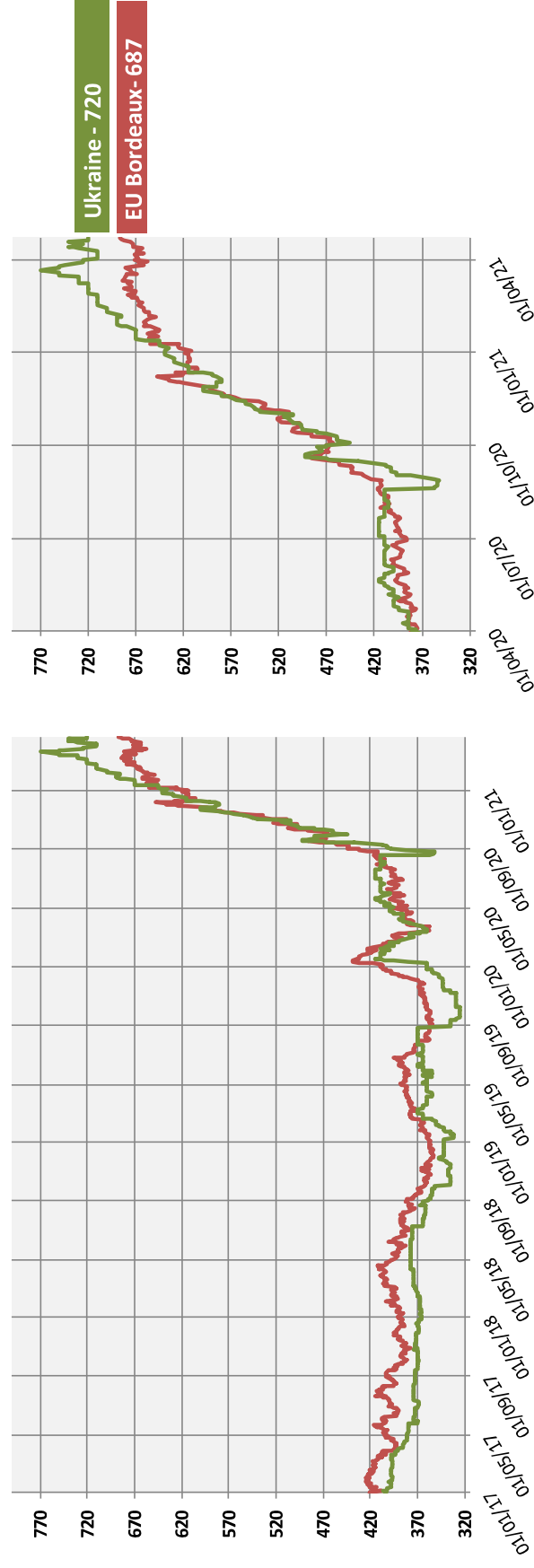
Source: International Grains Council

# World export prices for rapeseed – (USD/tonne)



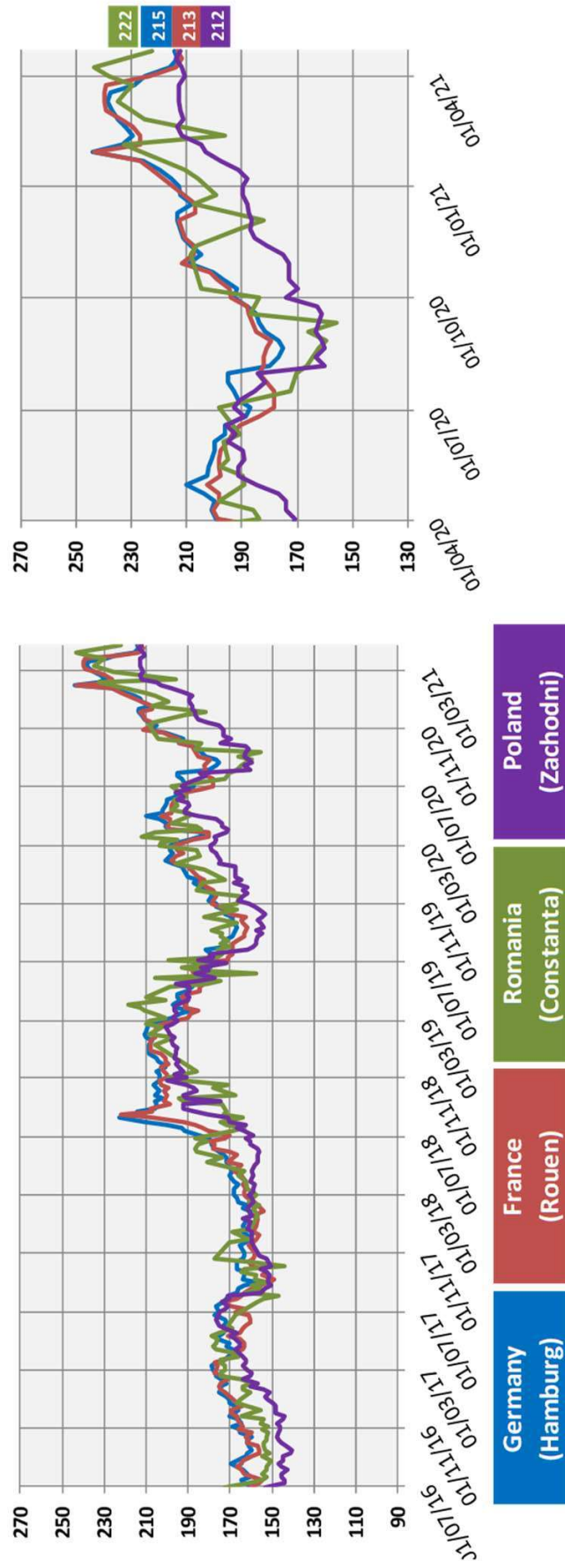
Source: International Grains Council

# World export prices for sunflower – (USD/tonne)



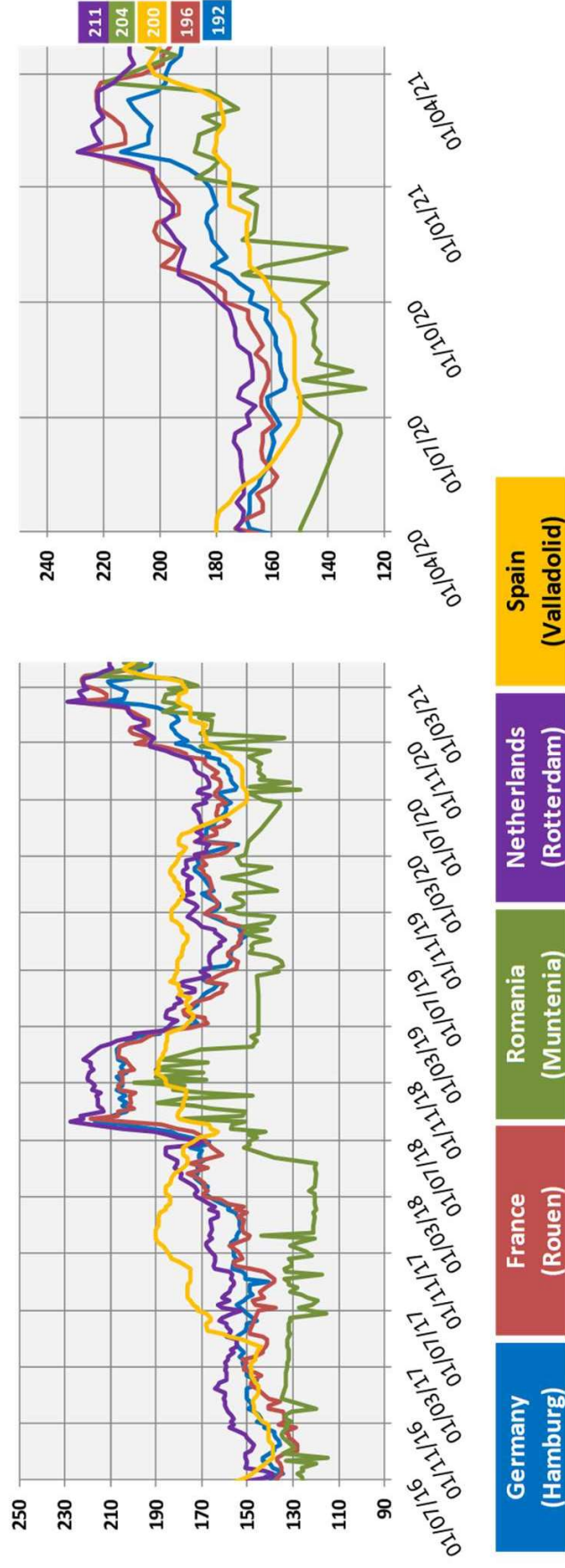
Source: International Grains Council

# EU Market prices for milling wheat (EUR per tonne)



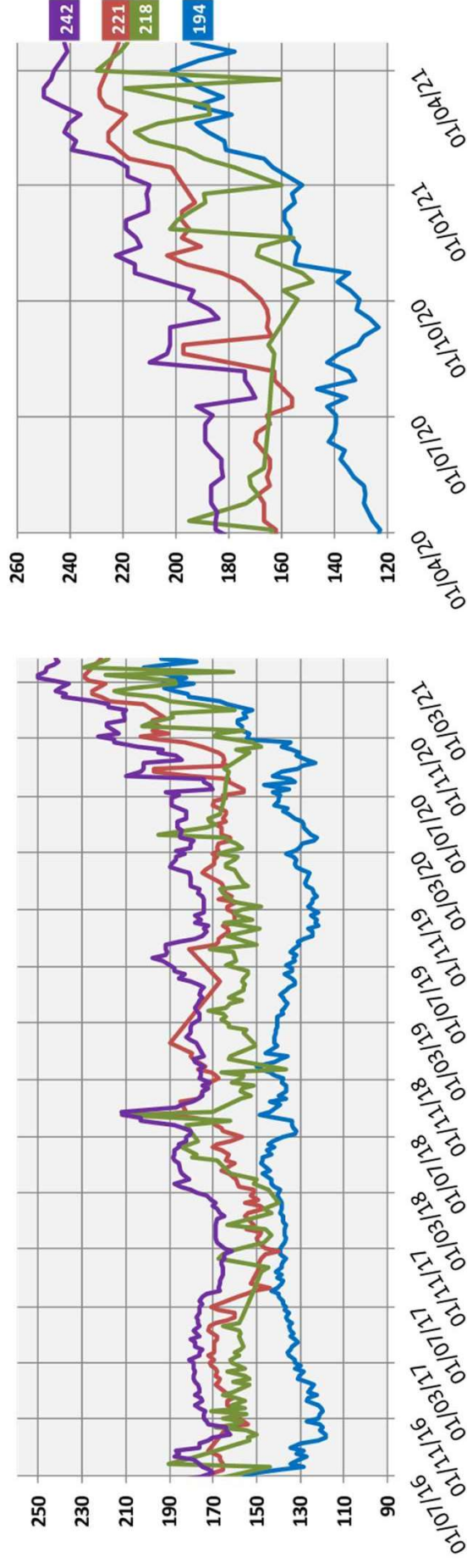
Source: Member States notification - Commission Implementing Regulation (EU) 2017/1185 Art.11, Annex | Point 1

# EU market prices for feed barley (EUR per tonne)



Source: Member States notification - Commission Implementing Regulation (EU) 2017/1185 Art.11, Annex I Point 1

# EU market prices for maize (EUR per tonne)



Source: Member States notification - Commission Implementing Regulation (EU) 2017/1185 Art.11, Annex I Point 1

# EU market



# EU 2020/2021 Cereals Balance Sheet

## EU CEREALS SUPPLY & DEMAND

EU  
(thousand metric tonnes)

2020/21 (forecast)										
	Common wheat	Barley	Durum wheat	Maize	Rye	Sorghum	Oats	Triticale	Others	TOTAL CEREALS
<i>last updated: 29/04/2021</i>										
Beginning stocks	9 769	4 342	1 731	22 041	832	1 777	354	1 809	339	42 993
Usable production	117 245	54 751	7 147	64 984	8 867	1 132	8 232	11 088	4 607	278 053
Area (thousand ha)	20 711	11 328	2 093	8 942	2 175	227	2 579	2 632	1 614	52 300
Yield (tonnes/ha)	6	5	3	7	4	5	3	4	3	5
Imports (from third countries)	2 700	1 000	3 000	16 000	45	100	55	1	161	23 061
Total supply	129 714	60 092	11 878	103 025	9 744	3 009	8 641	12 898	5 108	344 108
Total domestic use	92 803	44 421	9 017	81 795	8 612	1 591	7 300	11 363	4 090	260 994
Human consumption	41 200	362	8 079	4 703	2 959	155	1 100	52	23	58 633
Seed	4 600	2 131	400	402	300	29	350	500	270	8 981
Industrial uses	9 100	6 000	95	11 300	1 500	0	101	445	170	28 711
of which bioethanol/biofuel	(3 100)	(437)	(0)	(6 200)	(900)	(0)	(0)	(344)	(14)	(10 995)
Animal feed	37 200	35 600	400	65 000	3 800	1 400	5 700	10 300	3 600	163 000
Losses	703	329	43	390	53	7	49	67	28	1 668
Exports (to third countries)	27 000	10 500	600	3 000	169	14	200	3	18	41 503
Total use	119 803	54 921	9 617	84 795	8 781	1 604	7 500	11 366	4 108	302 497
Ending stocks**	9 910	5 171	2 260	18 230	962	1 404	1 140	1 532	1 000	41 611
Change in stocks**	142	829	530	-3 811	130	-373	787	-277	661	-1 383

\* Marketing year: from July to June

\*\* At the end of the marketing year

# EU : Production Projections

## EVOLUTION OF THE EU 27 CEREALS USABLE PRODUCTION

(million tonnes)

	2019/2020	2020/2021 (fc)	2021/2022 (proj.)	vs. 2020/2021 (%)
Soft wheat	131.1	117.2	124.8	6.4
Durum wheat	7.4	7.1	7.4	3.0
Barley	55.0	54.8	56.0	2.3
Maize	70.1	65.0	71.3	9.7
Rye	8.3	8.9	7.9	-10.8
Oats	6.9	8.2	7.5	-9.1
<b>Total</b>	<b>294.4</b>	<b>278.1</b>	<b>290.1</b>	<b>4.3</b>

# 2021/2022 Projections

## Evolution of production

Production forecast, most important producers\*

	year/year variation	vs. 5-year average
France	13.9%	4.0%
Germany	1.4%	-1.1%
Poland	-6.4%	3.6%
Romania	44.0%	3.3%
Spain	-12.8%	1.4%
Hungary	3.8%	4.4%
Italy	-1.0%	1.0%

\*: 75% of the EU production

Source: DG AGRI -G4

# EU 2021/2022 Cereals Balance Sheet

## EU CEREALS SUPPLY & DEMAND

EU  
(thousand metric tonnes)

last updated: 29/04/2021	2021/22 (projection)									
	Common wheat	Barley	Durum wheat	Maize	Rye	Sorghum	Oats	Triticale	Others	TOTAL CEREALS
Beginning stocks	9 910	5 171	2 260	18 230	962	1 404	1 140	1 532	1 000	41 611
Usable production	124 764	56 015	7 358	71 274	7 910	963	7 482	10 473	3 854	290 092
Area (thousand ha)	21 445	11 446	2 155	8 974	2 047	188	2 517	2 533	1 473	52 777
Yield (tonnes/ha)	6	5	3	8	4	5	3	4	3	5
Imports (from third countries)	2 500	1 249	1 955	16 000	42	100	48	1	160	22 055
Total supply	137 174	62 435	11 573	105 504	8 915	2 467	8 671	12 006	5 014	353 758
Total domestic use	95 802	44 761	9 129	81 838	7 410	1 090	7 297	10 860	4 533	262 720
Human consumption	41 354	363	8 090	4 709	2 963	155	1 101	52	23	58 810
Seed	4 600	2 131	400	402	300	29	350	500	270	8 981
Industrial uses	9 100	6 700	95	11 300	1 500	0	101	445	170	29 411
of which bioethanol/biofuel	(3 100)	(437)	(0)	(6 200)	(900)	(0)	(0)	(344)	(14)	(10 995)
Animal feed	40 000	35 231	500	65 000	2 600	900	5 700	9 800	4 047	163 778
Losses	749	336	44	428	47	6	45	63	23	1 741
Exports (to third countries)	30 000	9 320	1 201	3 508	165	14	193	3	18	44 423
Total use	125 802	54 081	10 330	85 347	7 575	1 104	7 491	10 862	4 551	307 143
Ending stocks**	11 372	8 354	1 243	20 157	1 339	1 363	1 180	1 143	463	46 615
Change in stocks**	1 462	3 183	-1 017	1 927	377	-41	40	-389	-537	5 005

\* Marketing year: from July to June

\*\* At the end of the marketing year

# Thank you



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Market data the for cereals, oilseeds and protein crops are available at the EU Crops Market Observatory

<https://ec.europa.eu/agriculture/market-observatory/crops>

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