European Commission

Market situation
Cereals – Oilseeds – Protein crops

DG AGRI C 4
Civil Dialogue Group on Animal Products
Pig Meat
13 April 2016

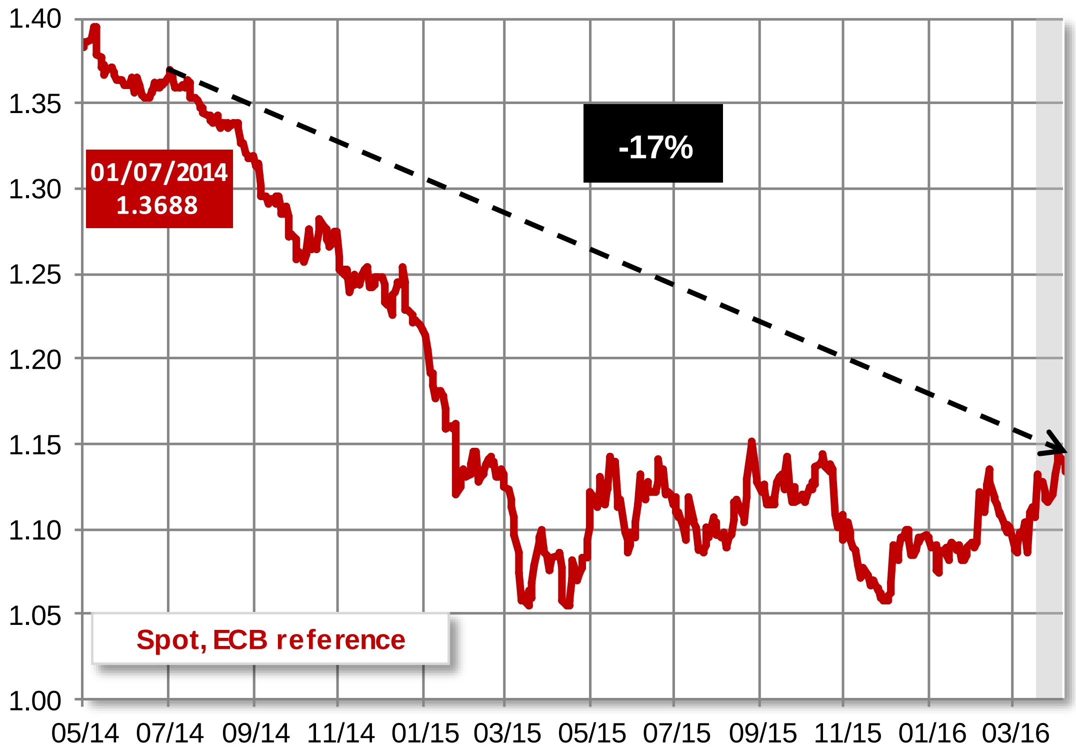
Agriculture and Rural Development

European Commission

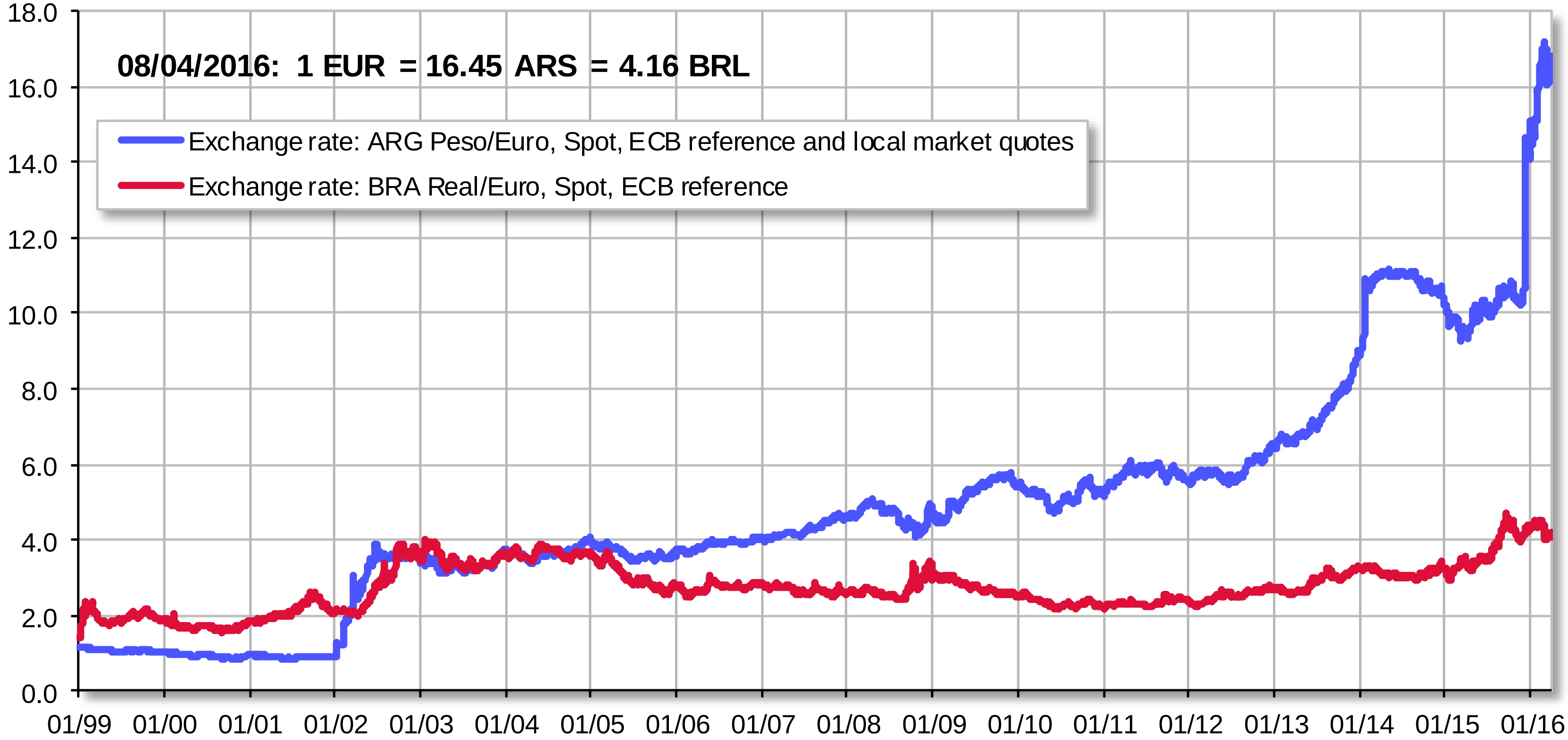
Exchange rates & crude oil

Agriculture and Rural Development

Euro – US Dollar exchange rate



Euro – Argentine Peso and Brazilian Real exchange rate

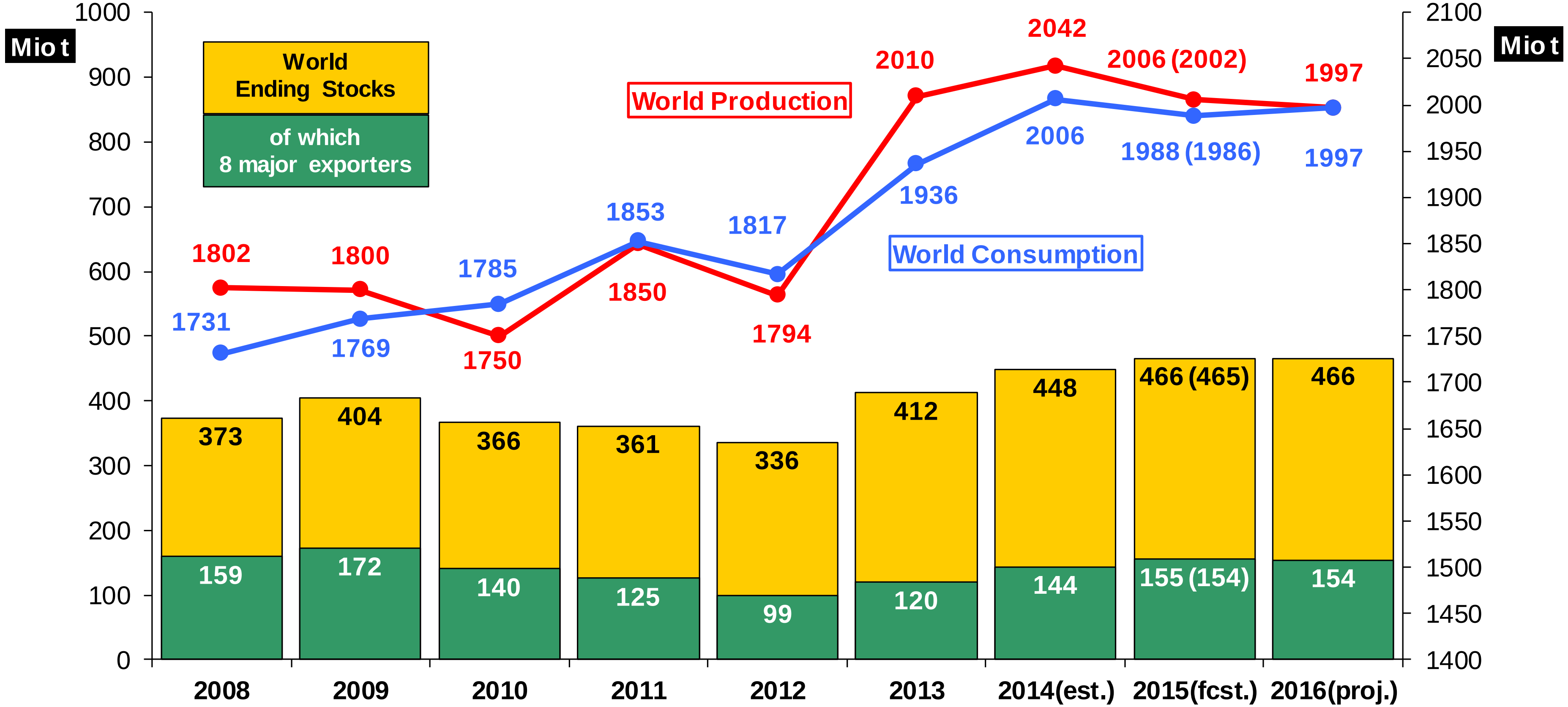


Crude oil price ($/barrel)

World Forecasts

European Commission

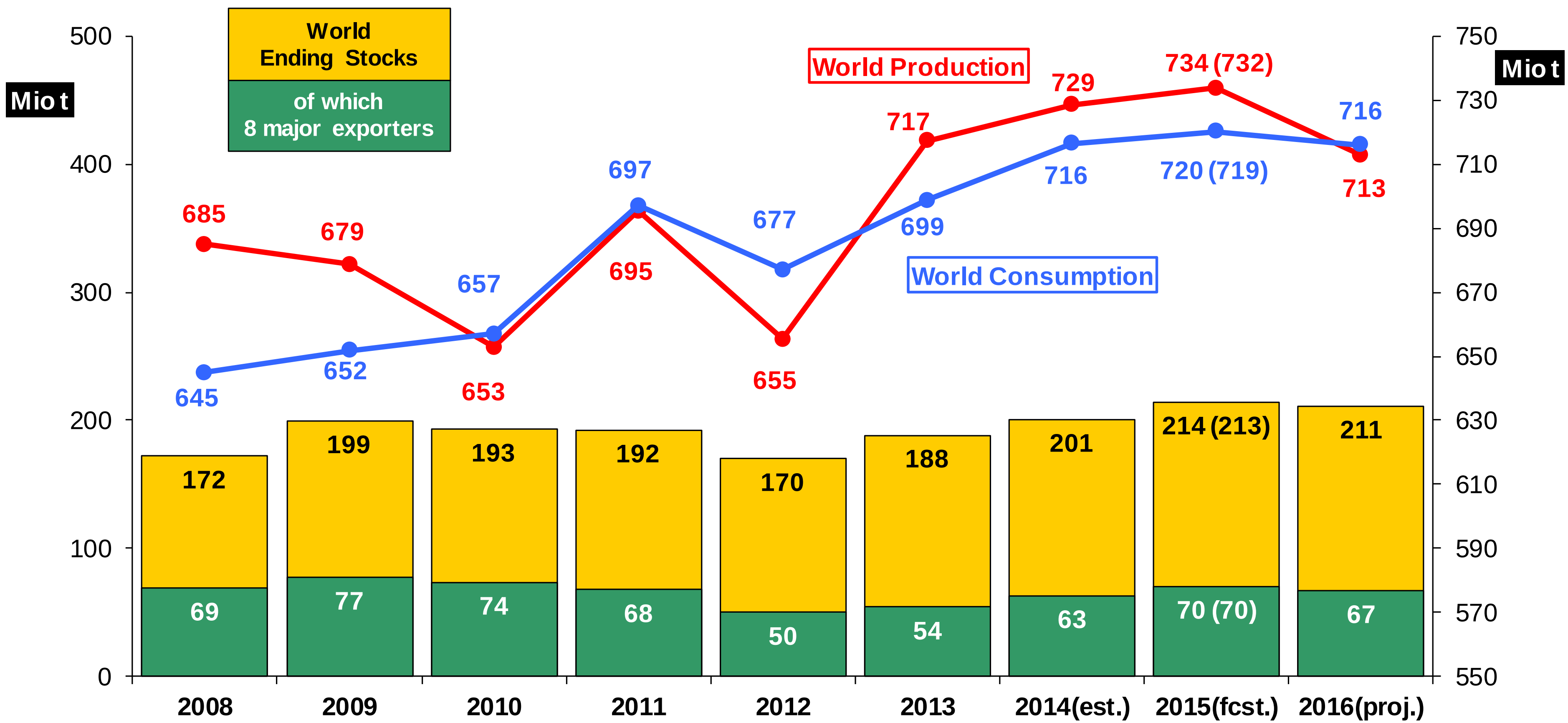
World cereals: IGC



Source: IGC March report

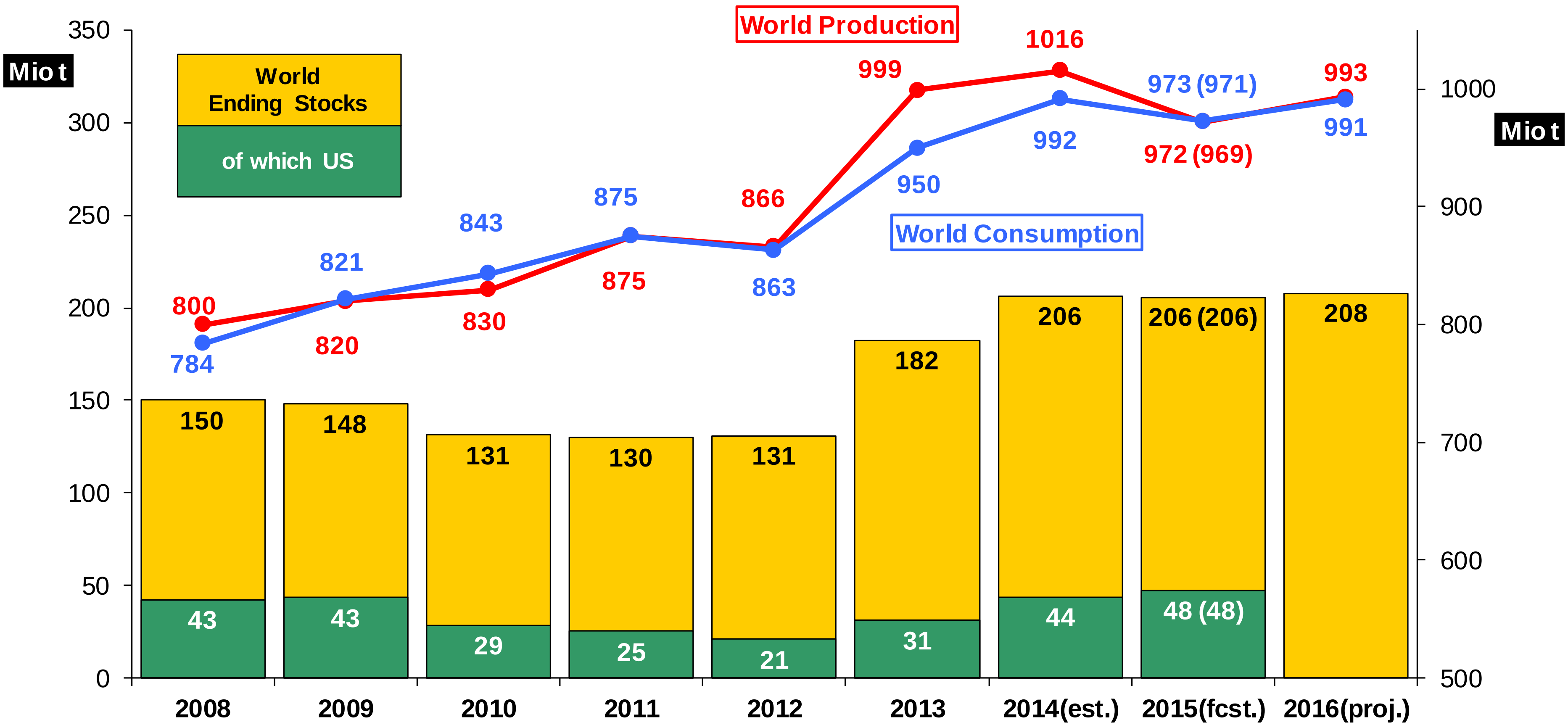
Agriculture and Rural Development

World wheat: IGC



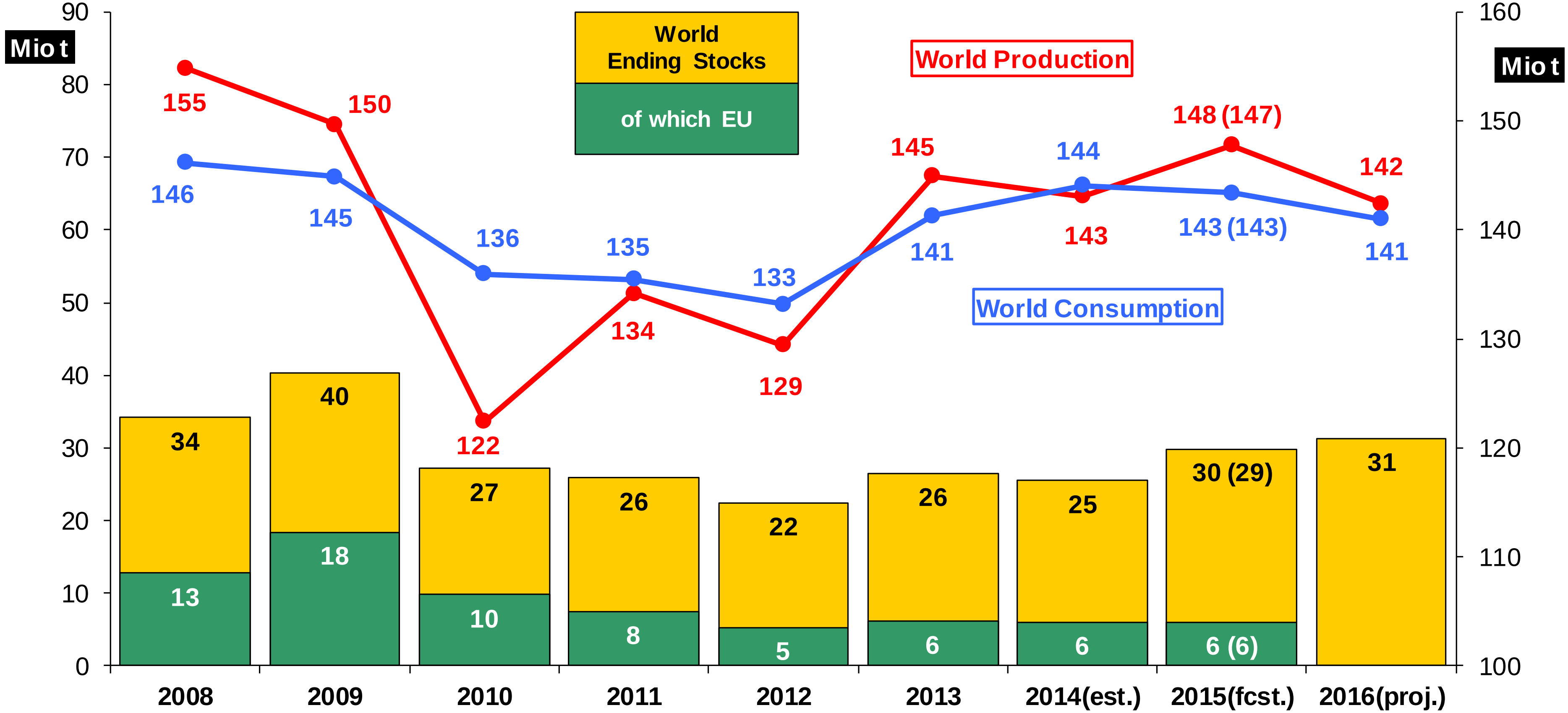
Source: IGC March report

World maize: IGC



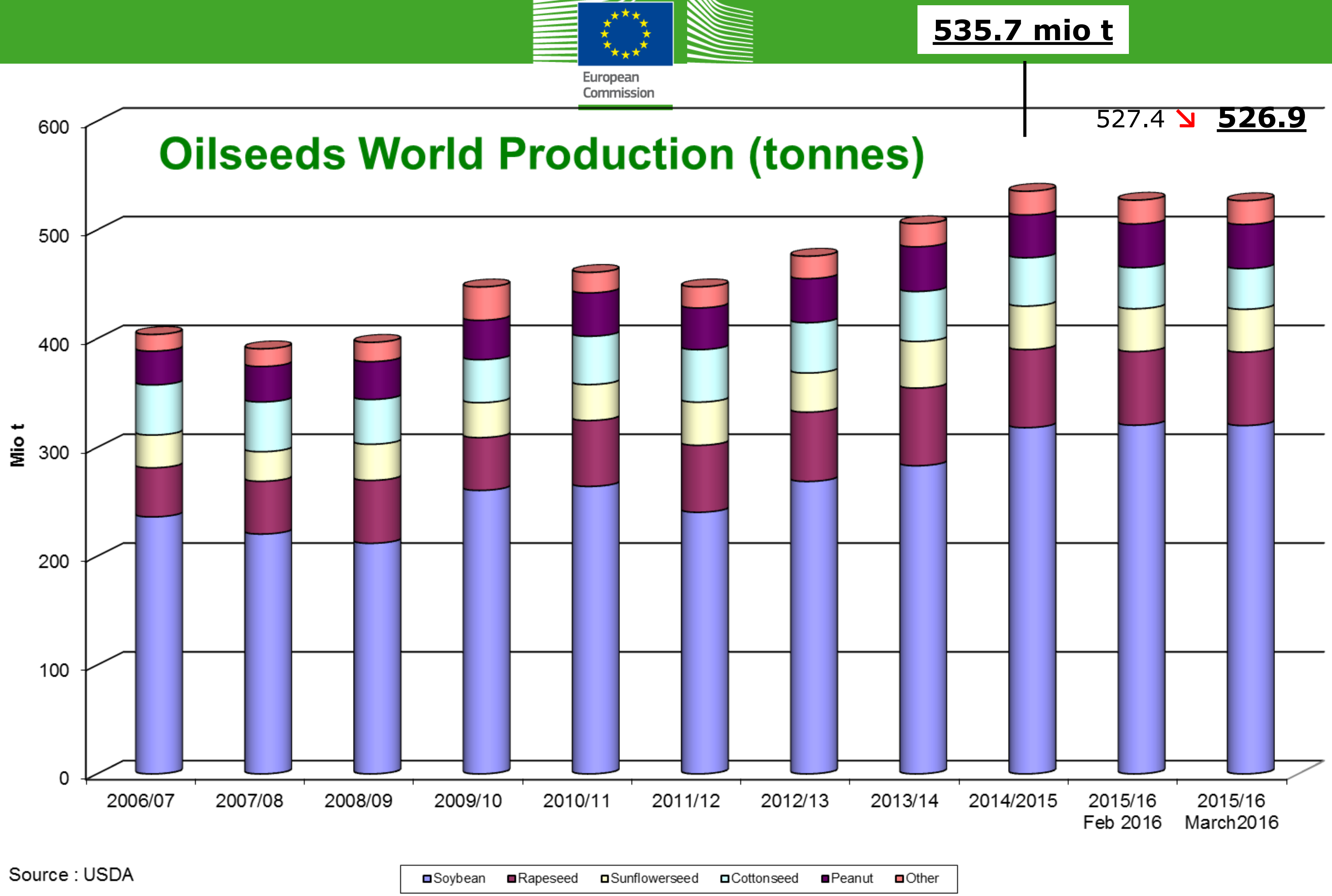
Source: IGC March report

World barley: IGC

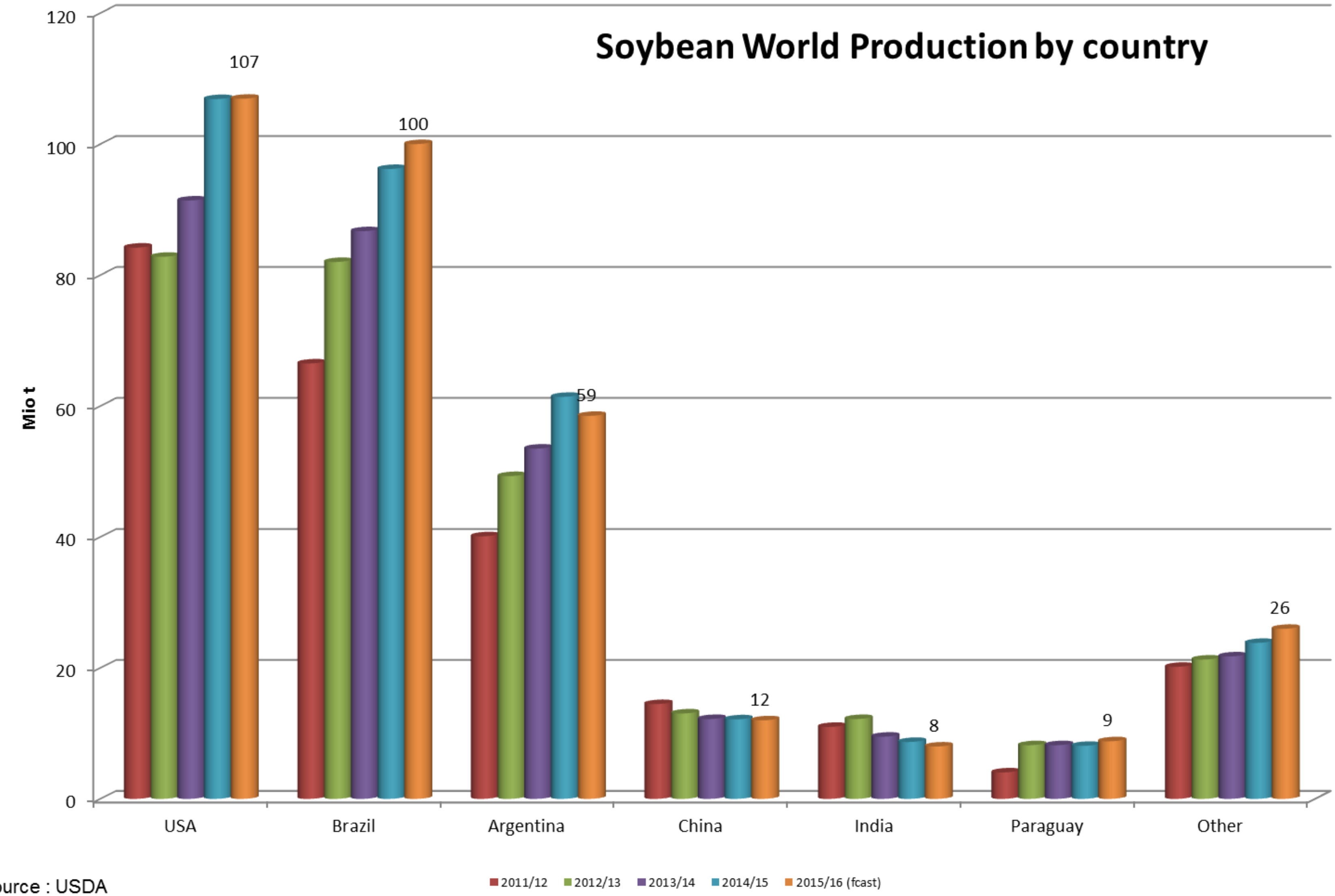


Source: IGC March report

Oilseeds World Production (tonnes)



Source : USDA

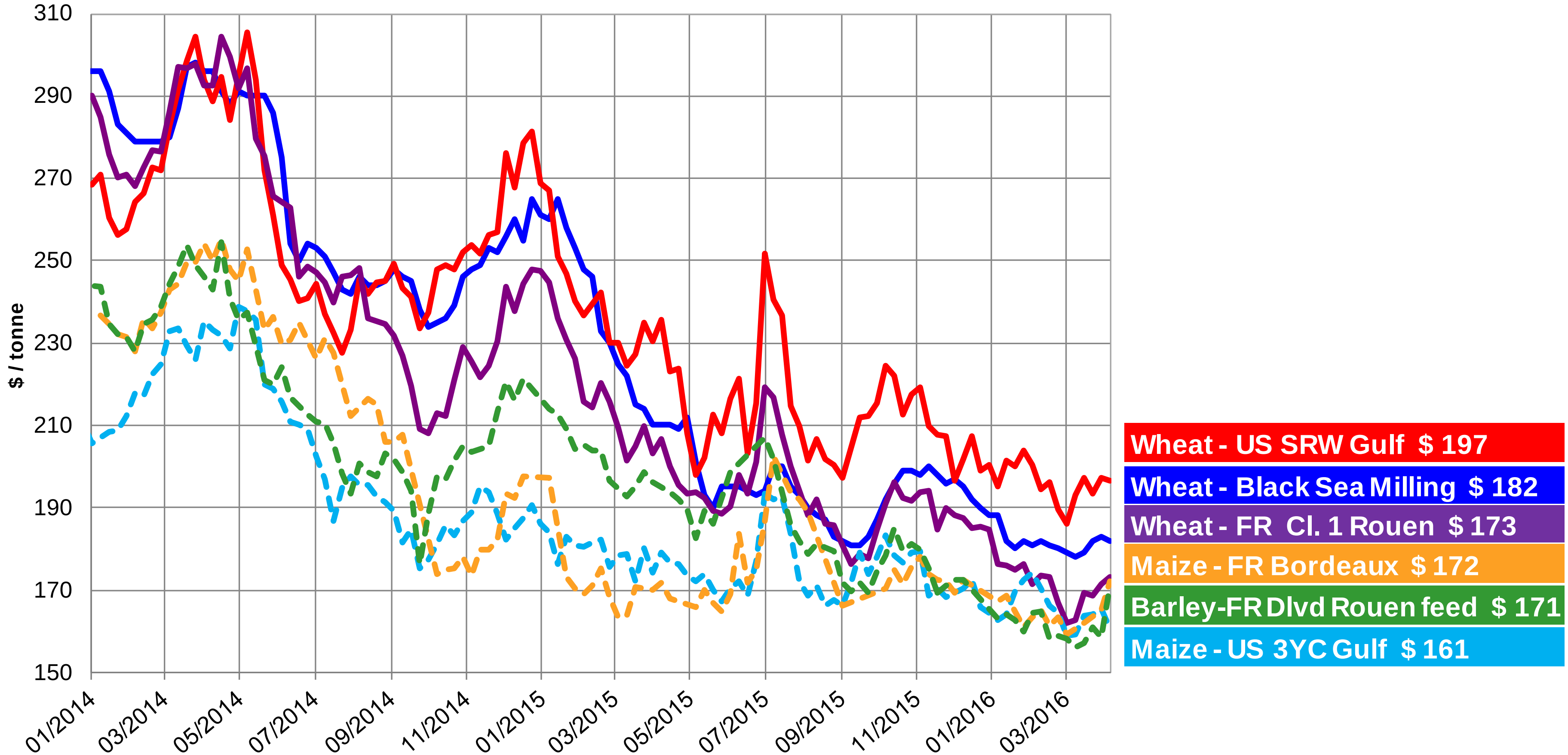

Soybean World Production by country
Mio t
120
100
80
60
40
20
0
107
100
59
12
8
9
26
USA
Brazil
Argentina
China
India
Paraguay
Other
2011/12
2012/13
2013/14
2014/15
2015/16 (fcast)
Source : USDA

European Commission

Prices

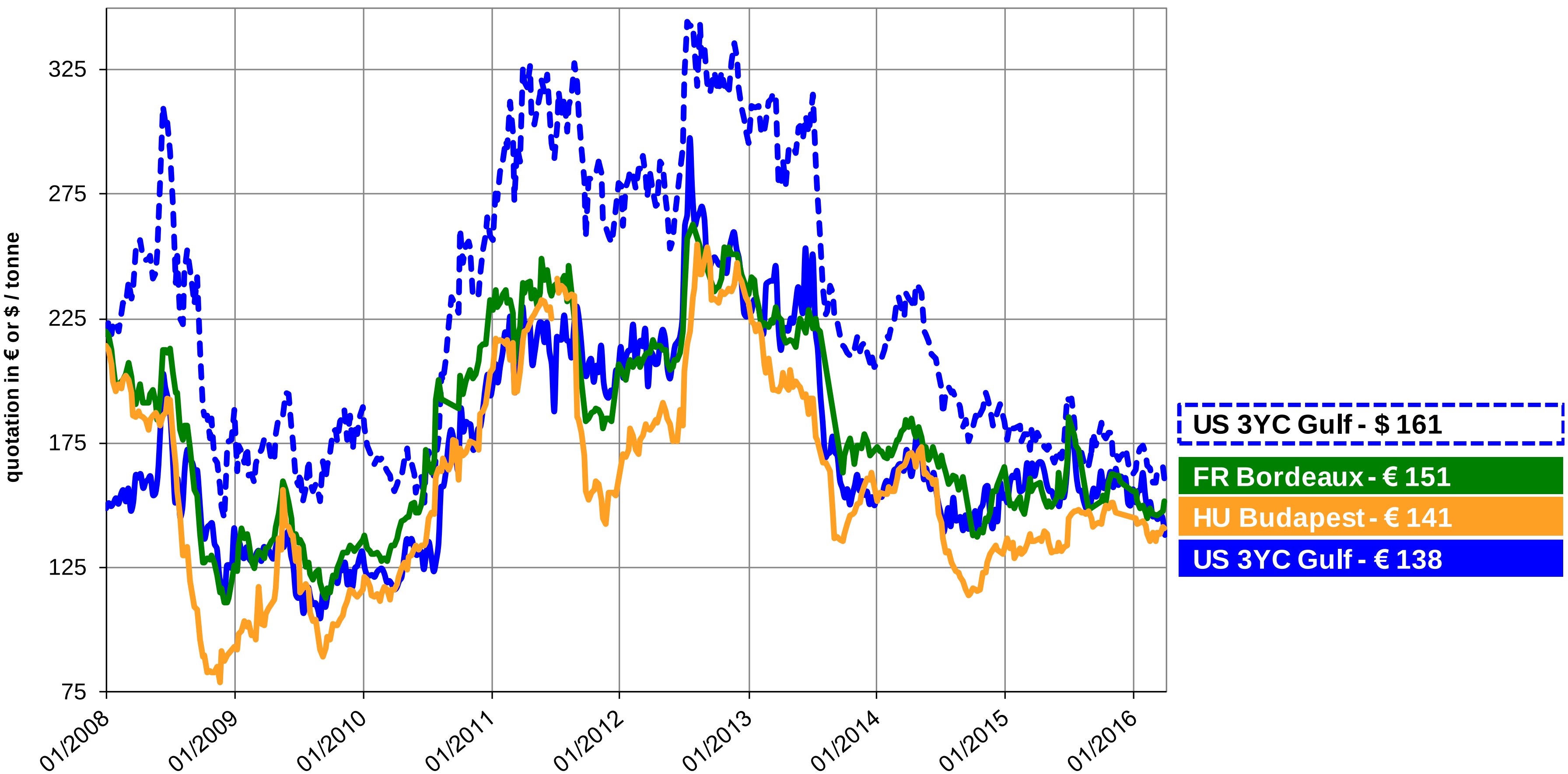
European Commission

World cereal prices ($/t)

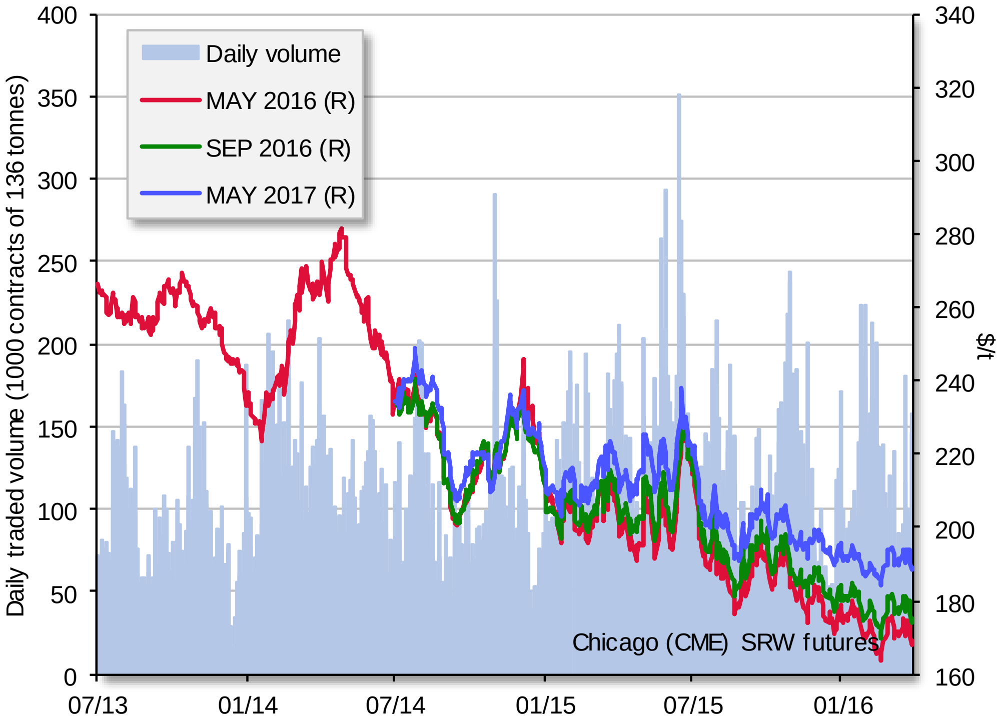


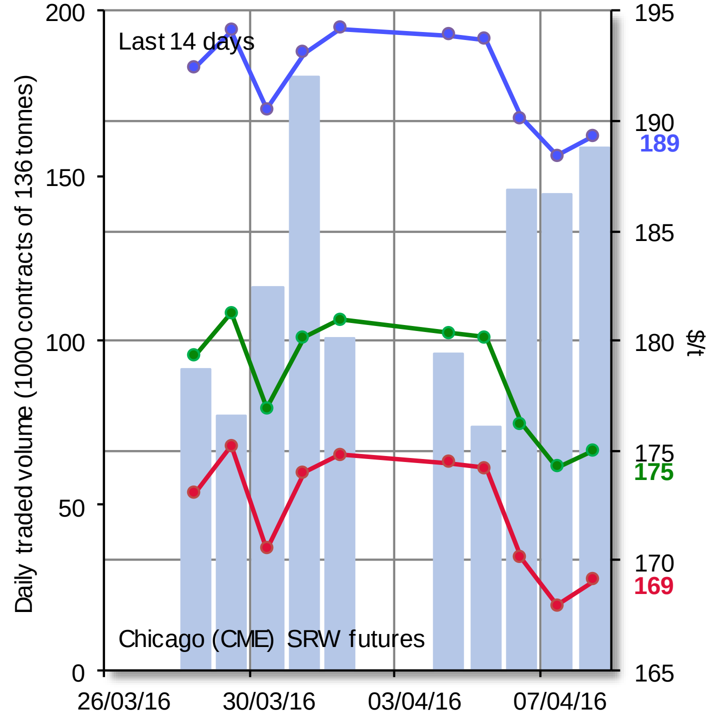
Agriculture and Rural Development

US vs. EU maize prices

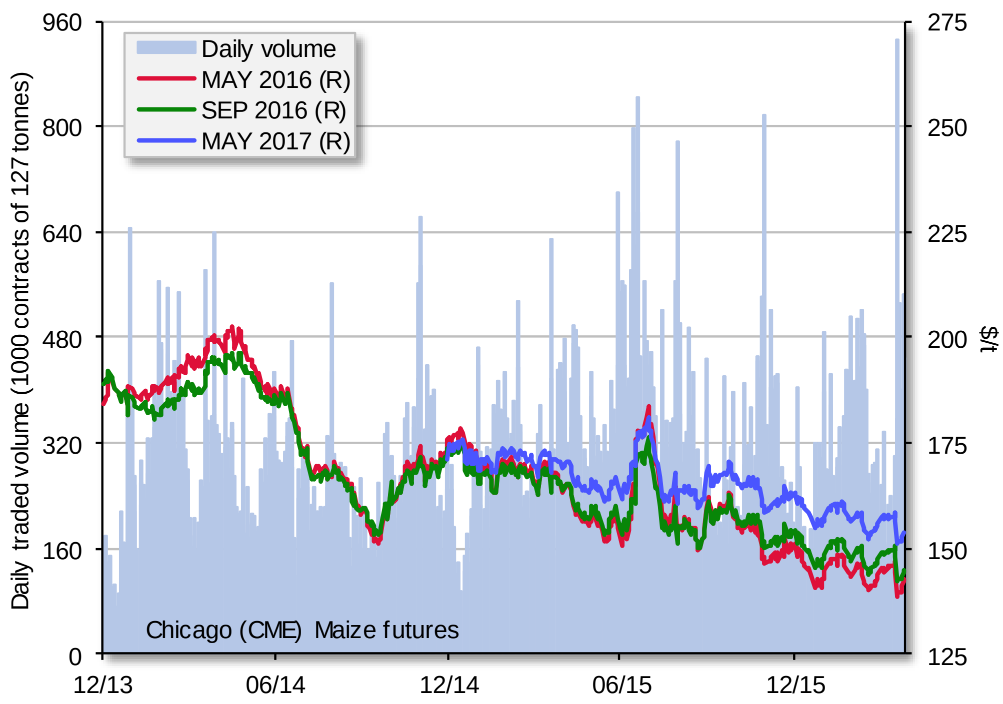


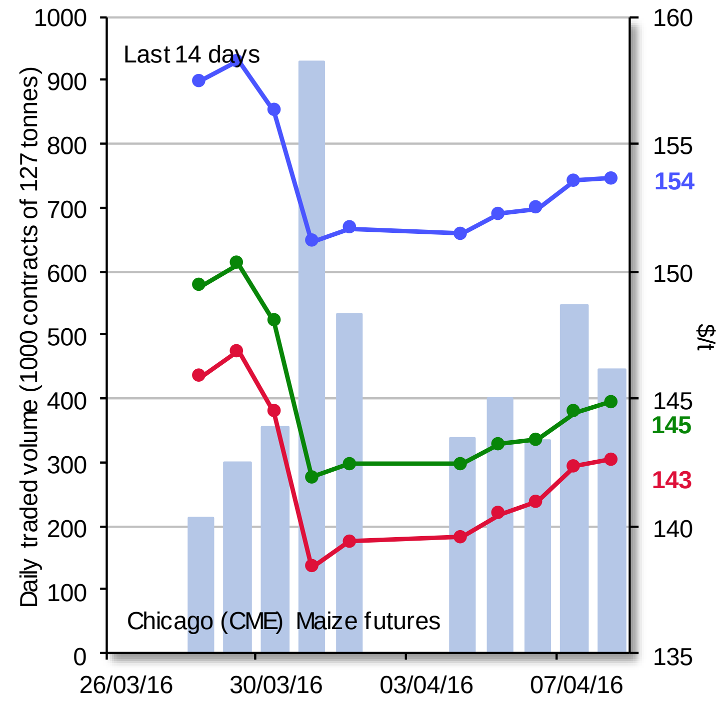
US CME SRW wheat futures





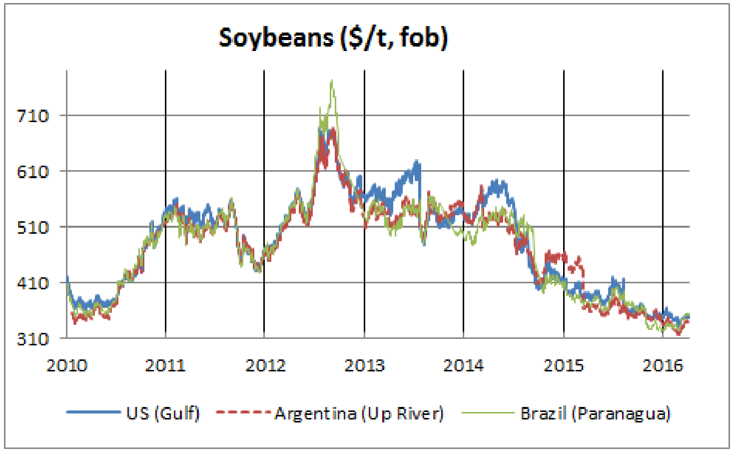
CME maize futures

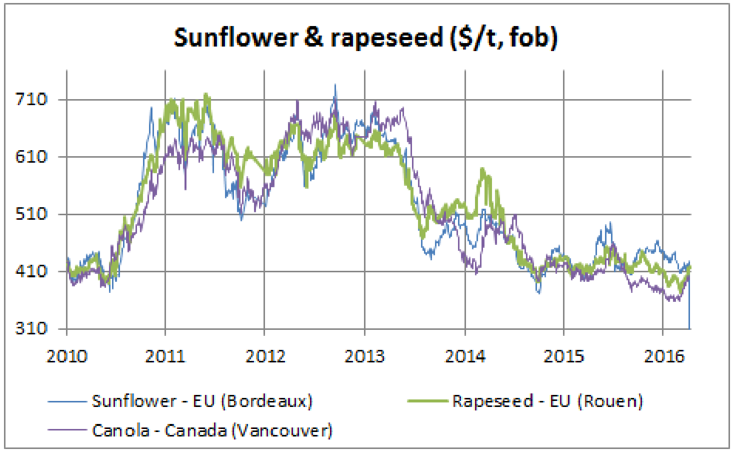




oilseeds export prices $/ton (fob)

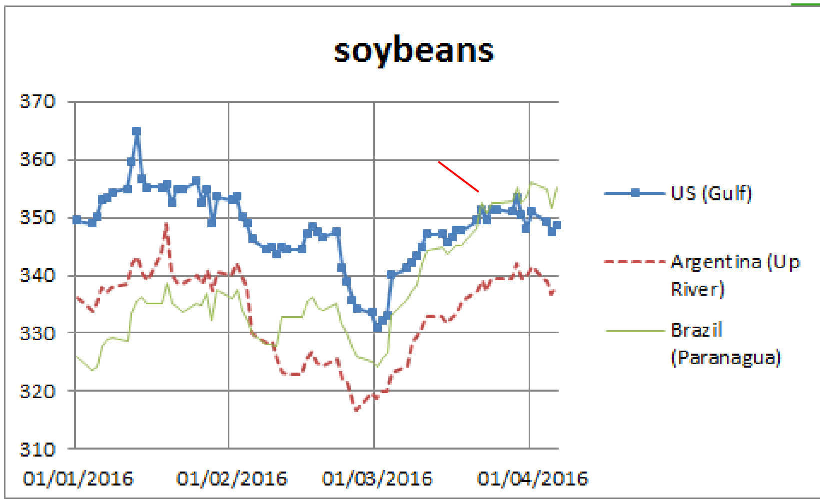
European Commission

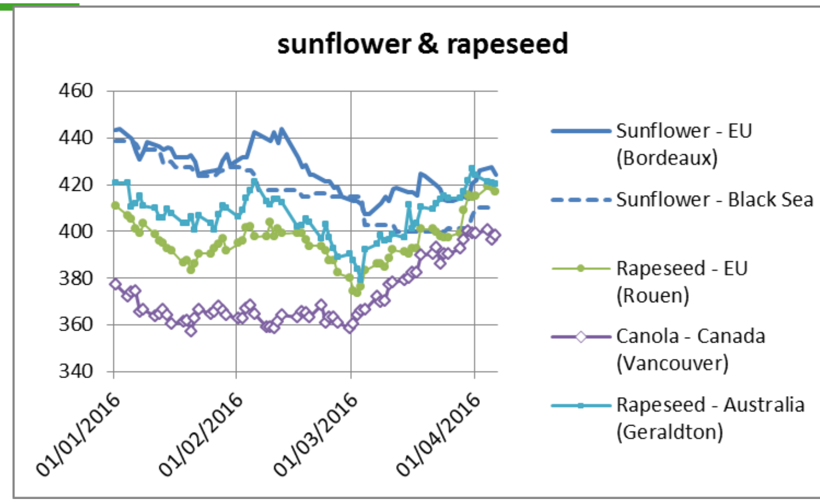




Oilseeds FOB Export Prices ($/t)
as of 4/4/2016

European Commission

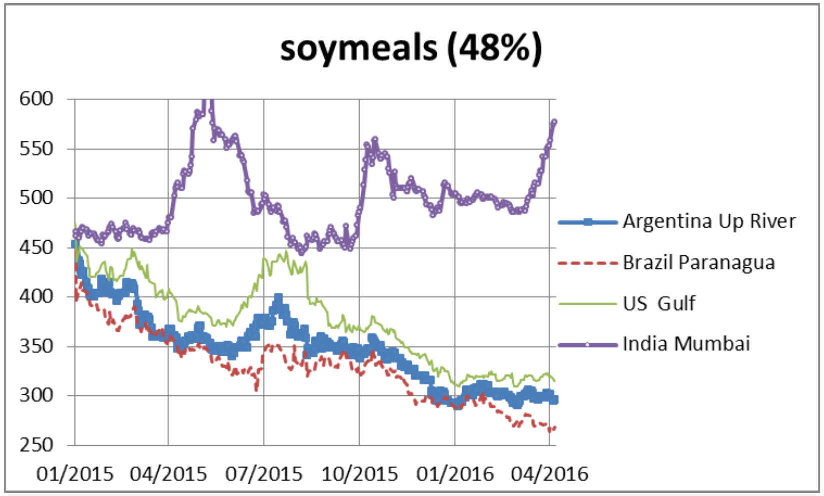


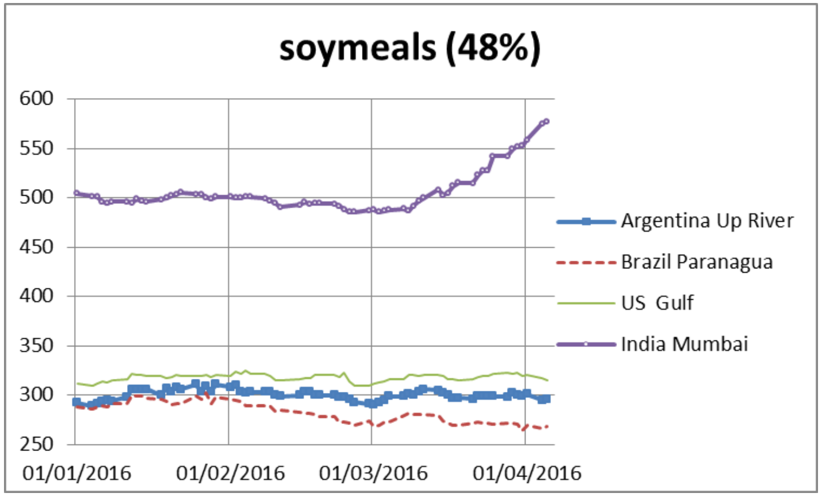


$/ton		05/04/2016	04/03/2016	01/07/2015	06/04/2015	vs 01 July	y/y
soybeans	*US - Gulf*	348	340	417	390	-17%	-11%
	Argentina - Up River	337	323	397	372	-15%	-9%
	Brazil - Paranagua	352	333	395	376	-11%	-6%
rapeseed/canola	*EU - Rouen*	419	383	450	418	-7%	0%
	Canada	396	367	459	404	-14%	-2%
	Australia	421	392	445	400	-6%	5%
sunflower	*EU - Bordeaux*	424	407	459	422	-8%	1%
	Black Sea	410	403	410	413	0%	-1%

Source: IGC

Soymeals (48%) FOB Export Prices ($/t) as of 4/4/2016



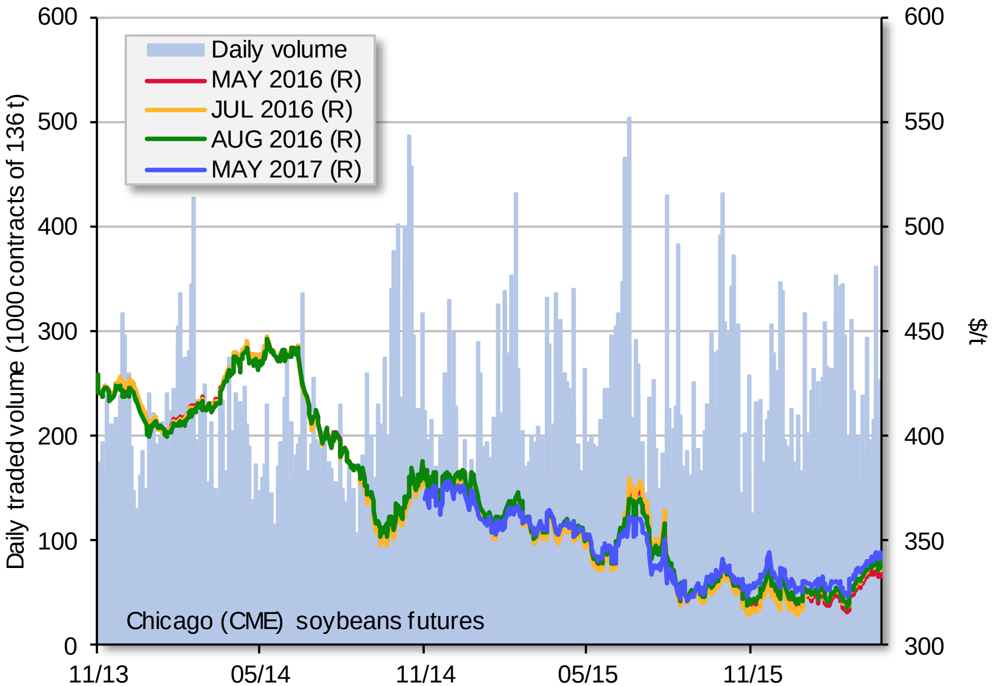


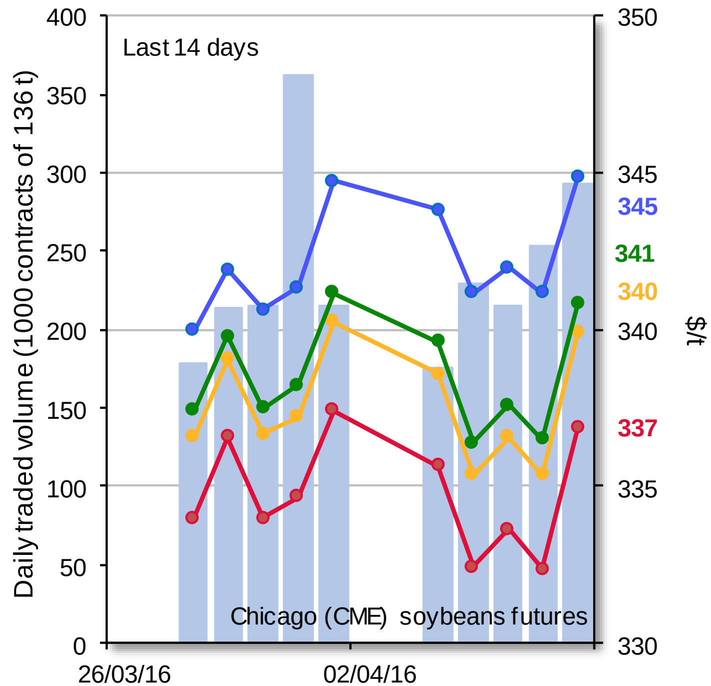
$/t	05/04/2016	07/03/2016	01/07/2015	06/04/2015	vs 01 July	y/y
Argentina - Up River	296	299	378	361	-22%	-18%
Brazil - Paranagua	269	279	344	352	-22%	-24%
US Gulf	315	316	439	399	-28%	-21%
India Mumbai	577	489	503	502	15%	15%

Source: IGC

Agriculture and Rural Development

CME soya futures





EU Balance Sheets and Forecasts

European Commission

EU-28	Cereals balance sheet:Marketing year: 2015/2016									
Mar-16	Common									(Mio t)
	wheat	Barley	Durum	Maize	Rye	Sorghum	Oats	Triticale	Others	EUR 28
Beginning stocks (01.07.2015)	**10,9**	**6,4**	**0,8**	**22,5**	**1,7**	**0,3**	**1,3**	**1,1**	**0,5**	**45,5**
Usable production	**151,2**	**60,7**	**8,5**	**57,7**	**7,7**	**0,7**	**7,5**	**12,7**	**3,1**	**309,8**
Import	**3,2**	**0,3**	**2,0**	**12,0**	**0,1**	**0,1**	**0,0**	**0,0**	**0,2**	**17,8**
TOTAL AVAILABILITIES	**165,4**	**67,4**	**11,2**	**92,2**	**9,5**	**1,1**	**8,8**	**13,8**	**3,8**	**373,1**
USE										
- Human	48,0	0,4	8,1	5,0	3,0	0,2	1,2	0,1	0,0	**65,8**
- Seed	4,7	2,3	0,4	0,5	0,5	0,0	0,5	0,5	0,3	**9,6**
- Industrial	10,6	9,3	0,1	10,0	1,5	0,0	0,1	0,6	0,1	**32,3**
of which alcohol										**12,8**
o.w. bioethanol/biofuel	4,5	0,7		4,7	0,8			0,5		**11,2**
- Animal feed	54,5	37,0	0,1	58,5	3,0	0,7	4,8	11,2	3,2	**173,0**
TOTAL USE	**117,8**	**48,9**	**8,7**	**74,0**	**8,0**	**0,9**	**6,5**	**12,3**	**3,6**	**280,7**
Losses (excl on-farm)	0,9	0,4	0,1	0,6	0,1	0,0	0,1	0,1	0,0	**2,2**
Solde disponible	**46,7**	**18,1**	**2,5**	**17,7**	**1,4**	**0,2**	**2,2**	**1,4**	**0,1**	**90,2**
Export	**29,0**	**12,0**	**1,3**	**2,0**	**0,1**	**0,0**	**0,3**	**0,0**	**0,0**	**44,7**
Ending stocks (29.02.2016)	**66,1**	**24,7**	**4,0**	**37,7**	**3,1**	**0,5**	**4,3**	**5,4**	**2,0**	**147,8**
Ending stocks (30.06.2016)	**17,7**	**6,1**	**1,2**	**15,7**	**1,3**	**0,2**	**1,9**	**1,4**	**0,1**	**45,5**

EU 28- 2016 Production Forecasts

EU EVOL CEREALS USABLE PRODUCTIONS

Mio t	2014/2015	2015/2016	2016/2017 Feb fcst	2016/2017 March fcst	%change 2015/2016
TOTAL	**329,2**	**309,8**	**310,6**	**307,6**	-0,7
Soft wheat	148,7	151,2	142,4	142,4	-5,8
Durum wheat	7,6	8,5	8,7	8,9	4,7
Barley	60,2	60,7	61,0	60,6	-0,2
Maize	77,9	57,7	67,0	64,7	12,1
Rye	8,7	7,7	7,8	8,0	3,9
Oats	7,7	7,5	7,8	7,5	0,0

Sources : DG AGRI -C4

European Commission

EU-28	Cereals balance sheet:Marketing year: 2016/2017									
Mar-16	Common									(Mio t)
	wheat	Barley	Durum	Maize	Rye	Sorghum	Oats	Triticale	Others	EUR 28
Beginning stocks (01.07.2016)	**17,7**	**6,1**	**1,2**	**15,7**	**1,3**	**0,2**	**1,9**	**1,4**	**0,1**	**45,5**
Usable production	**142,4**	**60,6**	**8,9**	**64,7**	**8,0**	**0,6**	**7,5**	**10,9**	**3,9**	**307,6**
Import	**3,3**	**0,3**	**1,9**	**11,0**	**0,1**	**0,1**	**0,0**	**0,0**	**0,1**	**16,8**
TOTAL AVAILABILITIES	**163,4**	**67,0**	**12,0**	**91,4**	**9,4**	**0,9**	**9,4**	**12,3**	**4,1**	**370,0**
USE										
- Human	48,0	0,4	8,1	5,0	3,0	0,2	1,2	0,1	0,0	**65,9**
- Seed	4,7	2,3	0,4	0,5	0,5	0,0	0,5	0,5	0,3	**9,6**
- Industrial	11,0	9,2	0,1	10,1	1,4	0,0	0,1	0,6	0,1	**32,6**
of which alcohol										**13,1**
o.w. bioethanol/biofuel	4,9	0,6		4,8	0,7			0,5		**11,5**
- Animal feed	53,9	37,6	0,1	60,0	3,0	0,7	4,8	10,1	3,2	**173,4**
TOTAL USE	**117,6**	**49,4**	**8,7**	**75,6**	**7,9**	**0,9**	**6,5**	**11,2**	**3,6**	**281,5**
Losses (excl on-farm)	0,9	0,4	0,1	0,6	0,1	0,0	0,1	0,1	0,0	**2,2**
Solde disponible	**44,9**	**17,2**	**3,2**	**15,2**	**1,4**	**0,1**	**2,8**	**1,0**	**0,4**	**86,3**
Export	**27,0**	**10,0**	**1,3**	**2,0**	**0,1**	**0,0**	**0,2**	**0,0**	**0,0**	**40,7**
Ending stocks (30.06.2017)	**17,9**	**7,2**	**1,9**	**13,2**	**1,3**	**0,0**	**2,6**	**1,0**	**0,4**	**45,6**

European Commission

EU OILSEEDS & PROTEIN CROPS (Area)

Mio ha	AVG 5 yrs trimmed	2015/16	2016/17 Feb 2016	2016/17 March 2016	%change 2015/16	%change 5yrs trimmed
Rapeseed	6.60	6.37	6.73	6.65	4.4	0.8
Sunflower	4.25	4.15	4.19	4.19	1.0	-1.4
Soja	0.49	0.80	0.77	0.77	-3.6	55.3
Linseed	0.07	0.06	0.08	0.08	19.7	1.8
TOTAL	11.42	11.38	11.76	11.68	2.7	2.3
Field peas	0.56	0.72	0.71	0.72	0.0	28.5
Broad beans	0.38	0.60	0.58	0.60	0.0	57.0
Sweet lupins	0.09	0.13	0.13	0.13	0.0	52.3
TOTAL	1.03	1.45	1.42	1.45	0.0	41.1

Sources : DG AGRI/C/4

EU OILSEEDS & PROTEIN CROPS PRODUCTION

Mio t	AVG 5 yrs trimmed	2015/16	2016/17 Feb 2016	2016/17 March 2016	%change 2015/16	%change 5yrs trimmed
Rapeseed	20.6	21.4	21.3	21.8	1.9	6.3
Sunflower	8.3	7.2	8.1	8.0	11.1	-3.2
Soja	1.4	2.2	2.1	2.1	-5.8	43.8
Linseed	0.1	0.1	0.1	0.1	-8.3	-7.8
TOTAL	30.4	31.0	31.5	32.1	3.4	5.4
Field peas	1.4	1.9	1.9	1.9	-3.5	36.4
Broad beans	1.2	1.9	1.7	1.7	-7.2	48.9
Sweet lupins	0.1	0.2	0.2	0.2	1.0	61.9
TOTAL	2.7	4.0	3.7	3.8	-5.0	43.1

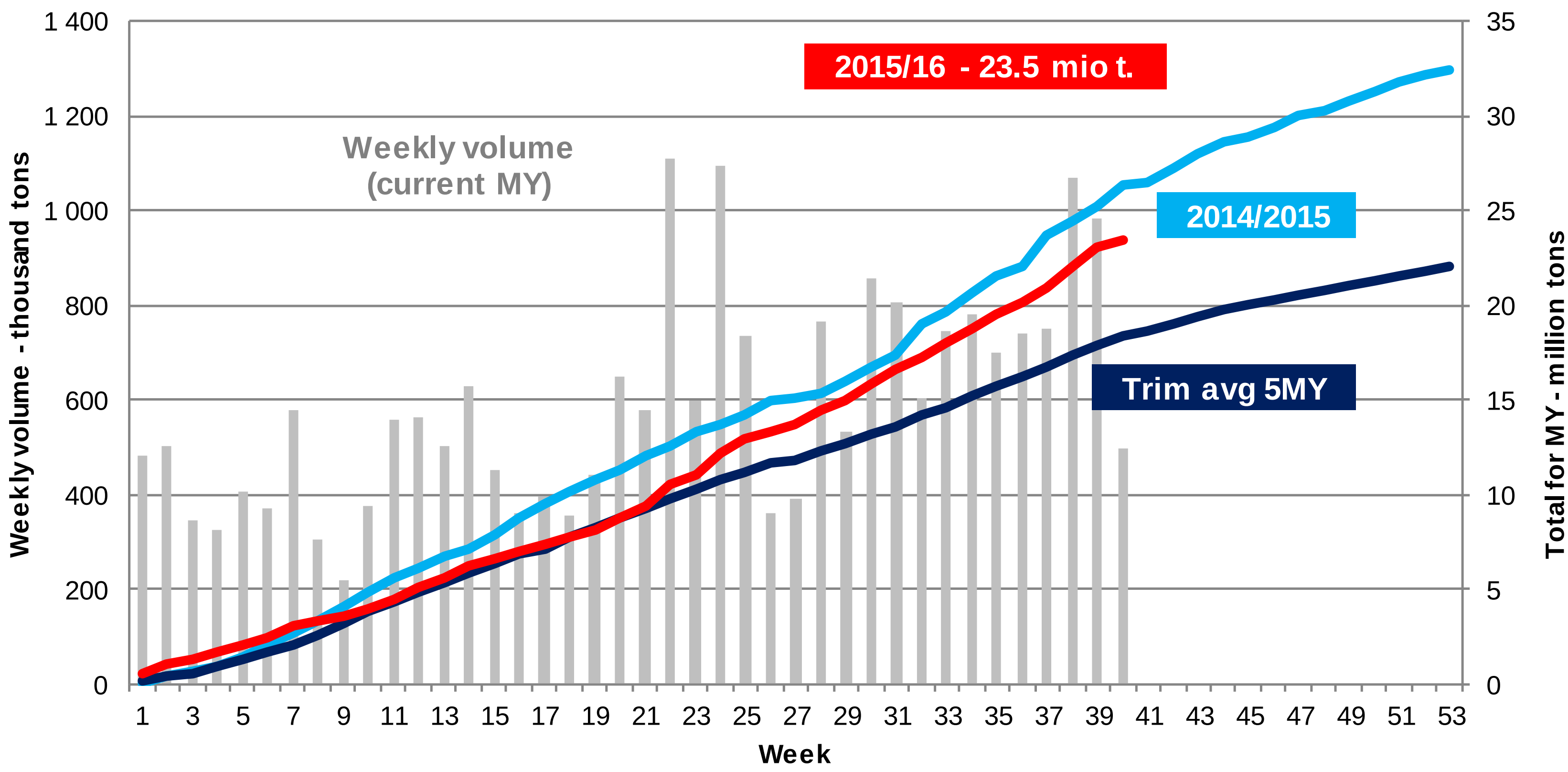
Sources : DG AGRI/C/4

European Commission

EU commitments

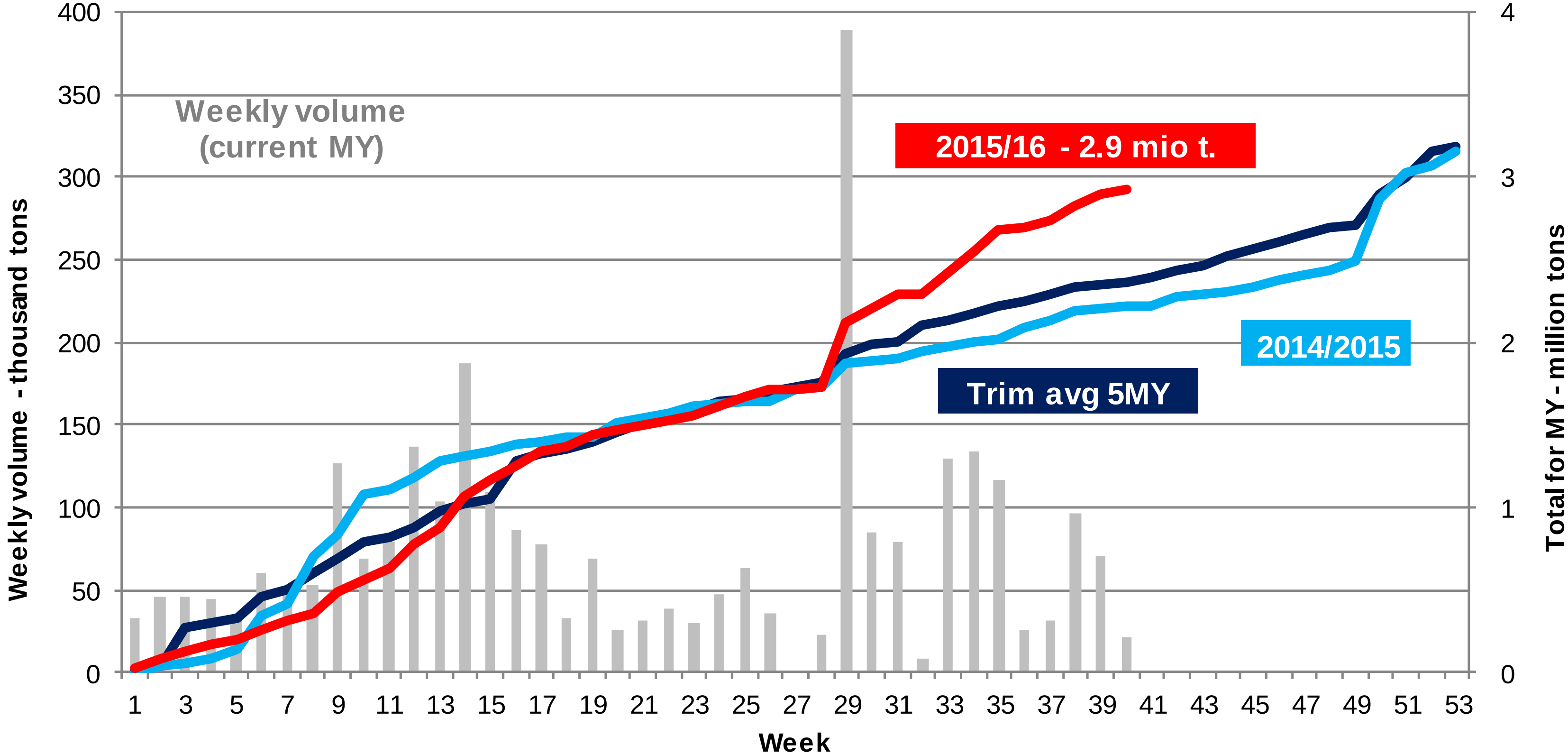
European Commission

EU wheat and flour export commitments 2015/16

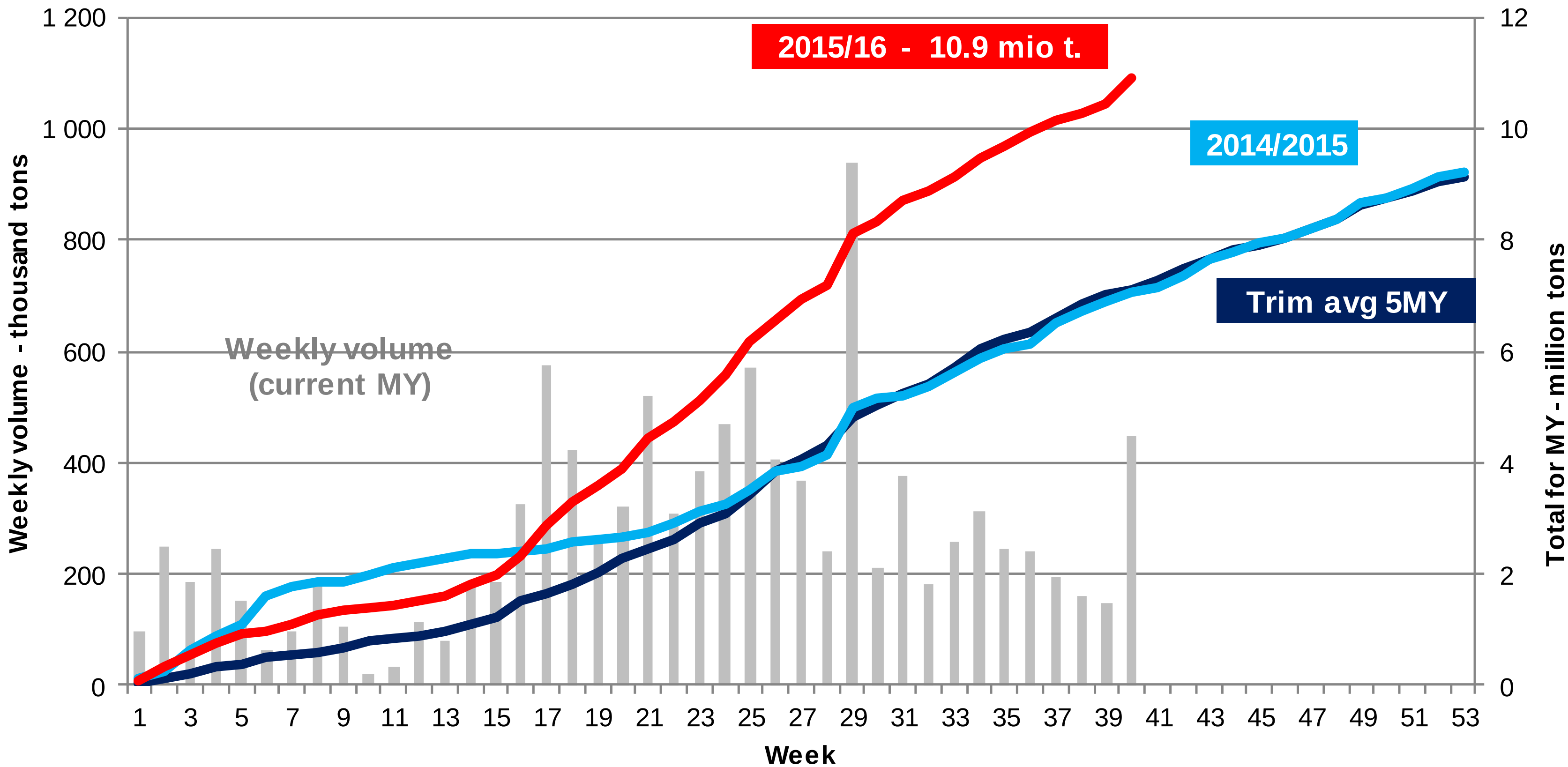


Agriculture and Rural Development

EU wheat import commitments 2015/16



EU Maize import commitments 2015/16



Conclusions

- 2015/16 crop year:

- 3rd consecutive record world wheat crop
- Soybeans also record
- Smaller maize crop, however ample supply due to large stocks
- EU: record wheat crop but poor maize harvest

- 2016/17 crop year:

- Slight fall in production expected but supplies to remain abundant
- Wheat crop to decline by3%, maize to recover by 2%
- Changes to Chinese maize policy could reduce import demand
- Argentina to increase grain exports after reforms

European Commission

Thank you for your attention!

Balance sheet updates & market presentation available:

http://ec.europa.eu/agriculture/cereals/balance-sheets/index_en.htm

Cereals dashboard available:

http://ec.europa.eu/agriculture/dashboards/index_en.htm