Arable Crops market situation

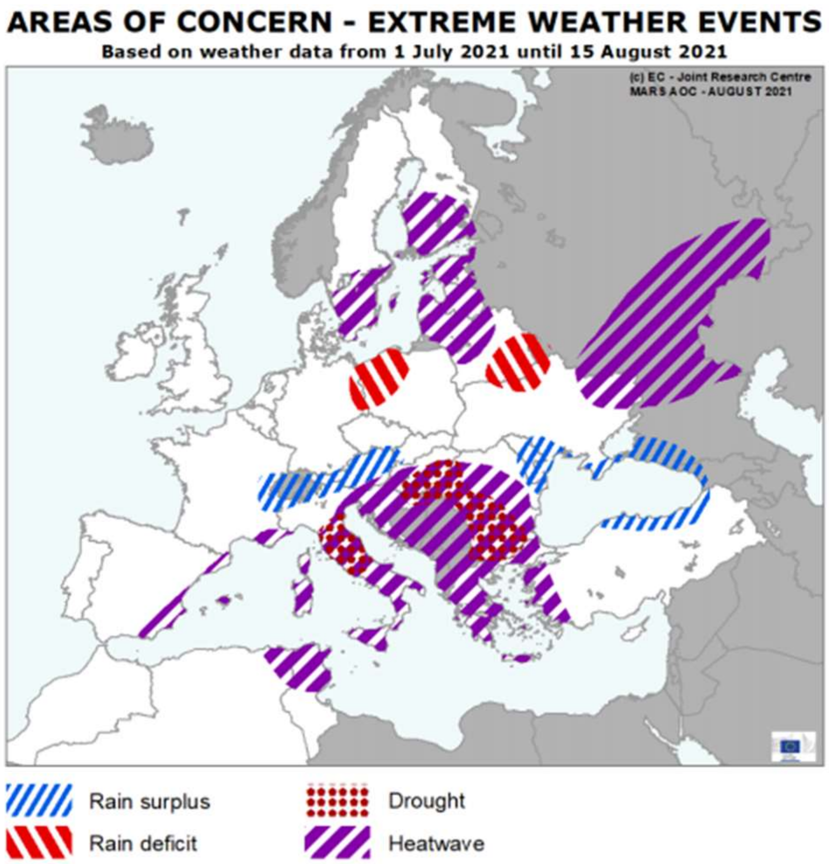
Civil Dialogue Group – Cereals, Oilseeds and Protein Crops

7 September 2021

Agrometeorological conditions

European Commission

Extreme weather events



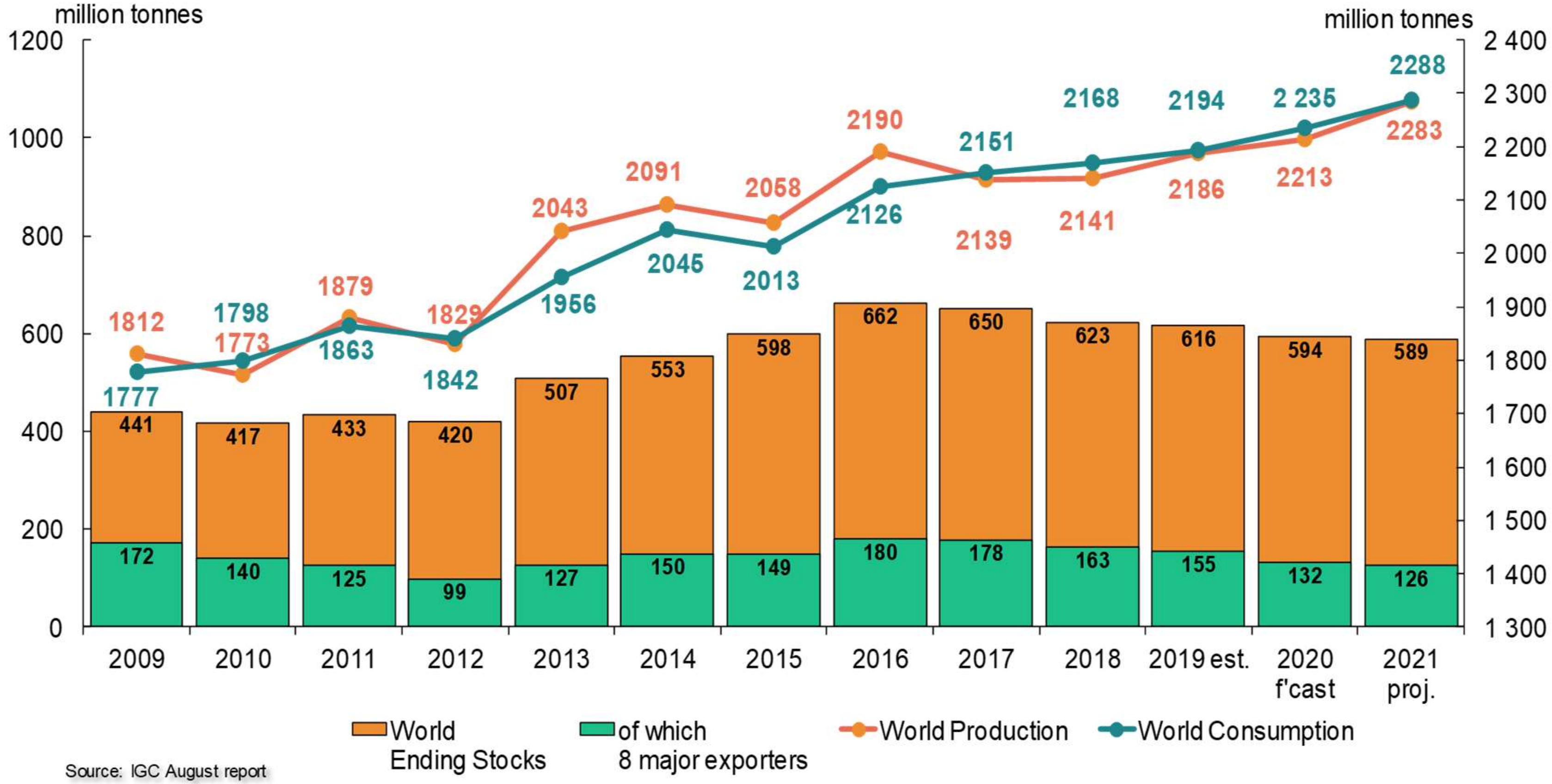
- **Heatwaves** in southern, eastern and northern EU (IT, SI, HR, HU, RO, BG, EL)
  - Beginning of July: hot and lack of adequate soil moisture in **SE**, **Baltics**, **FI**
  - End of July and beginning of August: exceptionaly hot in **IT**, **SI**, **HR**, **HU**, **RO**, **BG**, **EL** (max T above 40).
- Regional **droughts** in central **IT**, southern **HU**, western **RO**, western **BG**
- Rainfall deficit in western **PL**
- Abundant rainfall in **AT**

World Cereals Forecasts

International Grains Council

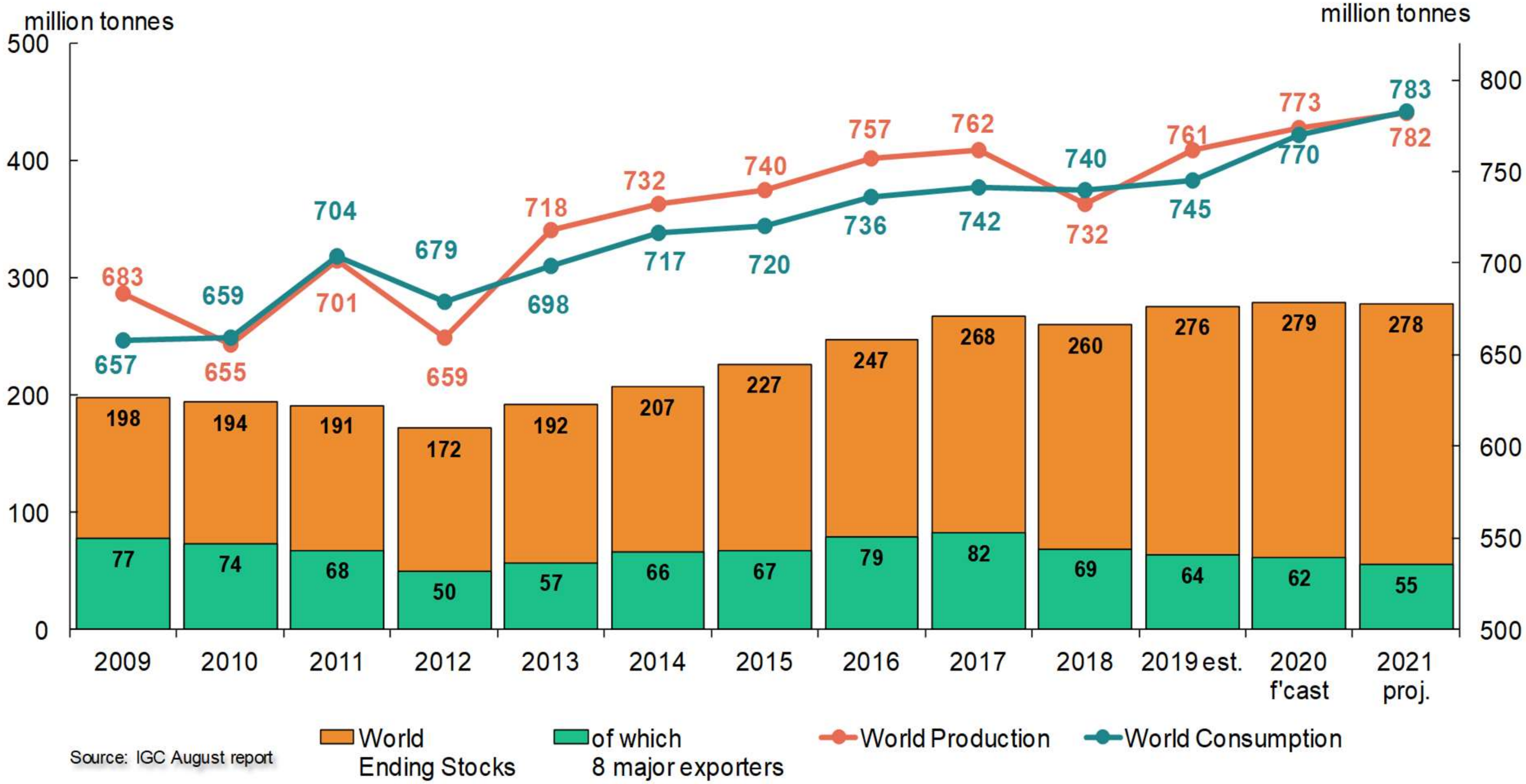
European Commission

World cereals: IGC



Source: IGC August report

World wheat: IGC



Summary of the IGC Grain Market Report

(GMR 524 of 26/8/2021)

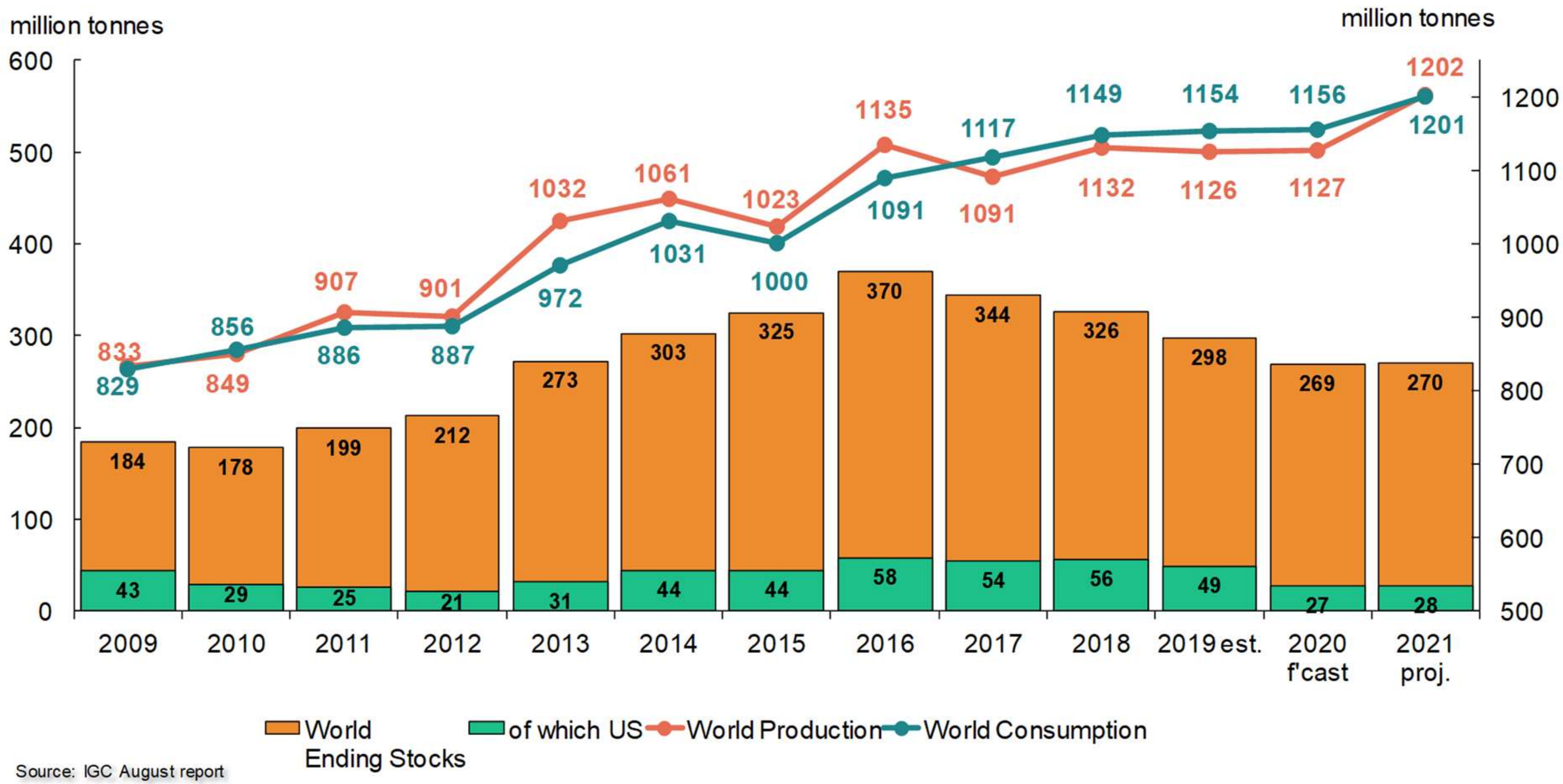
Outlook for 2021/22

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

	2018/19	2019/20	2020/21 *(estimate)*	2021/22 *(forecast)*	*m/m change (m t)*	y/y change
EU-27 (2020/21) *EU-27 + UK to 2019/20*	137.7	155.0	124.5	**137.6**	*-0.2*	+10.5%
USA	51.3	52.6	49.7	**46.2**	*-1.3*	-7.1%
Canada	32.4	32.7	35.2	**24.5**	*-4.0*	-30.4%
Russia	71.7	73.6	85.4	**75.0**	*-6.0*	-12.1%
Ukraine	25.1	29.2	25.4	**32.0**	*+2.5*	+25.9%
Australia	17.6	14.5	33.3	**30.1**	*+1.2*	-9.8%
China	131.4	133.6	134.3	**136.0**	-	+1.3%
India	99.7	103.6	107.9	**109.5**	*+0.8*	+1.5%
World	**732.2**	**761.3**	**773.4**	**781.7**	***-6.4***	**+1.1%**

European Commission

World maize: IGC



Source: IGC August report

European Commission

Summary of the IGC Grain Market Report

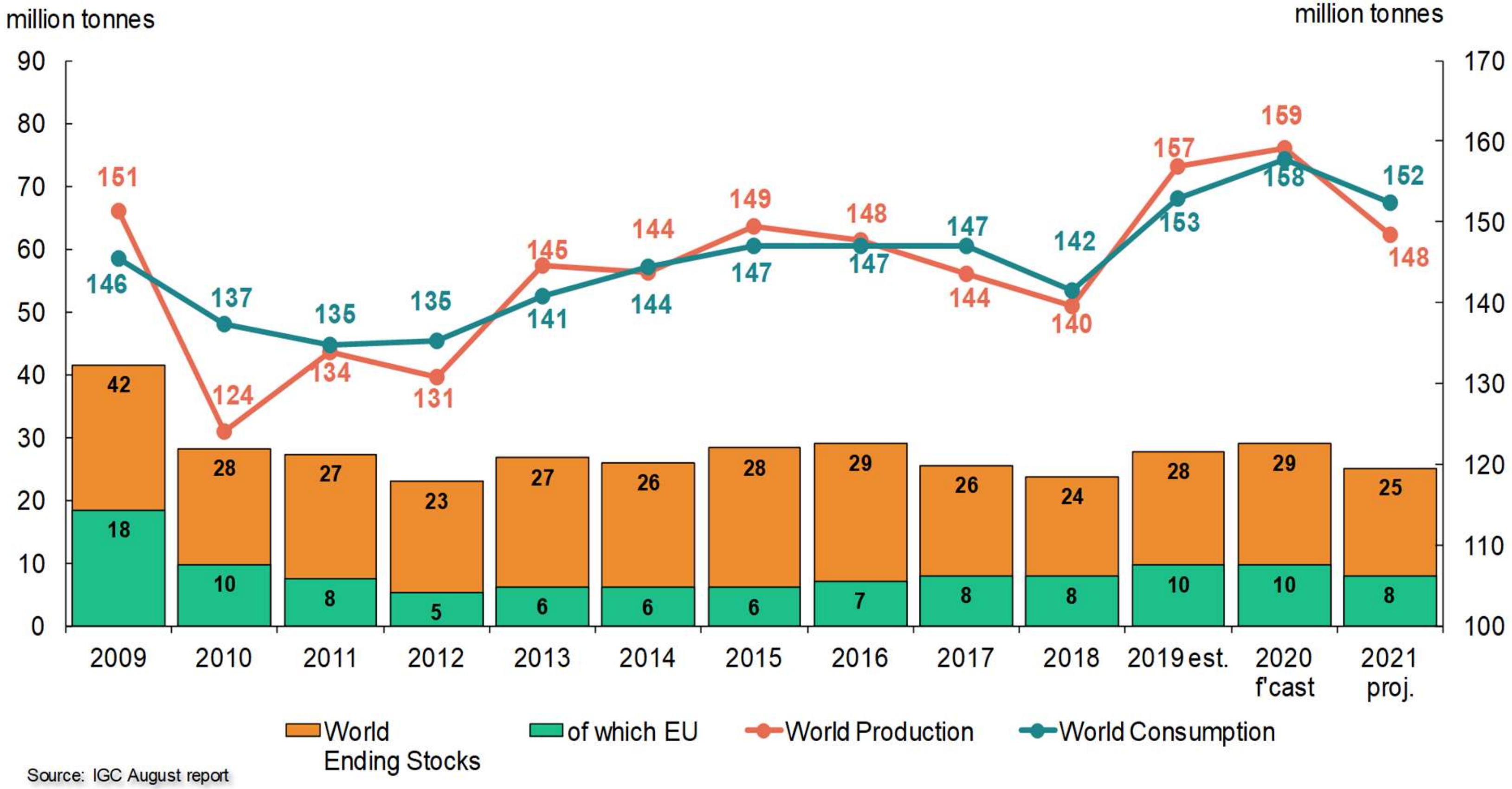
(GMR 524 of 26/8/2021)

Outlook for 2021/22

Maize production in selected countries (million tonnes)

	2018/19	2019/20	2020/21 *(estimate)*	2021/22 *(forecast)*	*m/m change (m t)*	y/y change
EU-27 (2020/21) *EU-27 + UK to 2019/20*	67.0	68.1	64.9	**69.2**	*+0.9*	+6.6%
USA	364.3	346.0	360.3	**374.7**	*-3.2*	+4.0%
Ukraine	35.8	35.9	30.0	**37.3**	-	+24.5%
Russia	11.4	14.3	13.9	**15.2**	-	+9.6%
Brazil	100.0	102.5	**86.7** ***(-2.3m m/m)***	**117.4**	-	+35.5%
Argentina	56.9	58.5	60.5	**63.3**	*+1.5*	+4.7%
China	257.3	260.8	260.7	**272.8**	-	+4.6%
World	**1,131.7**	**1,125.6**	**1,126.9** ***(-0.9m)***	**1,202.1**	***+0.1***	**+6.7%**

World barley: IGC



Summary of the IGC Grain Market Report
(GMR 524 of 26/8/2021)
Outlook for 2021/22

<u>Barley</u> production in selected countries (million tonnes)

	2018/19	2019/20	2020/21 *(estimate)*	2021/22 *(forecast)*	*m/m change (m t)*	y/y change
EU-27 (2020/21) *EU-27 + UK to 2019/20*	56.3	63.4	54.8	**53.4**	*-1.1*	-2.7%
United Kingdom	6.6	8.2	8.1	**7.1**	-	-12.5%
Russia	16.7	19.9	20.6	**19.1**	*-0.4*	-7.4%
Ukraine	7.6	9.5	7.9	**10.2**	*+1.0*	+28.4%
Australia	8.8	10.1	13.1	**11.3**	*+0.5*	-13.7%
Canada	8.4	10.4	10.7	**8.0**	*-2.3*	-25.5%
Turkey	7.0	7.6	8.3	**5.5**	*-1.3*	-33.7%
World	**139.6**	**156.9**	**159.1**	**148.4**	***-4.7***	**-6.7%**

International market news and cereals prices

European Commission

Russia: export tax on wheat, barley and maize

In USD per tonne	pre - 2 June	4-10 August	11-17 August	18-24 August	25-31 August	1-7 September
Wheat exp tax	50 EUR / t (≈ USD 60)	**31.40**	**31.00**	**30.40**	**31.70**	**39.40**
*7-d ave **wheat** price*	*n/a*	*244.90*	*244.40*	*243.50*	*245.30*	*256.40*
Barley	10 EUR / t (≈ USD 12)	**38.50**	**27.00**	**26.10**	**26.60**	**27.00**
*7-d ave **barley** price*	*n/a*	*240.00*	*223.70*	*222.40*	*223.10*	*223.70*
Maize	25 EUR / t (≈ USD 30)	**49.60**	**49.60**	**49.60**	**49.60**	**51.60**
*7-d ave **maize** price*	*n/a*	*255.90*	*255.90*	*255.90*	*255.90*	*258.80*

Floating export tax was introduced withouth an end date. It is announced on a weekly basis. Calculation is based on the prices registered by Moscow Exchange (wheat = www.moex.com/ru/index/CRFOB barley = www.moex.com/ru/index/BRFOB maize = www.moex.com/ru/index/CRFOB)

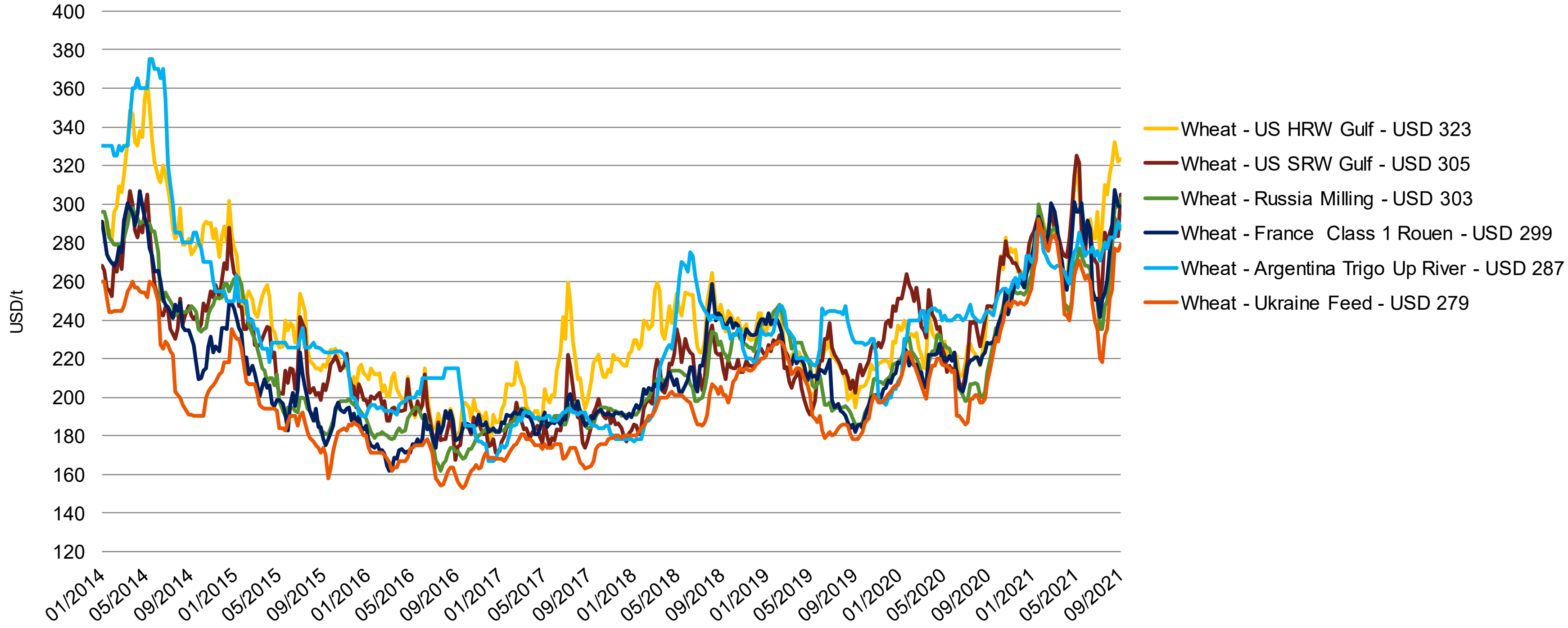
Wheat = 70% of the difference between weekly benchmark export price and USD 200 /t; **Barley** and **maize** = USD 185 applied (instead of USD 200)

Canada: Outlook for Principle Field Crops in 2021/22

(source: **AAFC**; crop year = Aug/July)

26-08-2021	2019/20	2020/21 f'	2021/22 f'	m/m	y/y
Durum prod' (m t)	4.98	6.57	**3.83**	***-2.00***	-41.7%
exports (m t)	5.27	6.10	**3.10**	***-1.60***	-49.2%
All wheat prod'(m t)	32.35	35.19	**20.18**	***-11.3***	-42.8%
exports (m t)	24.35	27.10	**14.10**	***-8.30***	-48.0%
Barley prod' (m t)	10.38	10.74	**7.45**	***-3.44***	-30.6%
exports (m t)	3.05	4.30	**2.05**	***-1.70***	-52.3%
Oats prod' (m t)	4.23	4.58	**2.68**	***-1.11***	-41.4%
exports (m t)	2.62	2.95	**1.60**	***-1.00***	-45.8%
Canola prod' (m t)	19.61	18.72	**15.00**	***-4.89***	-19.9%
Exports (m t)	10.04	10.90	**7.00**	***-2.90***	-35.8%

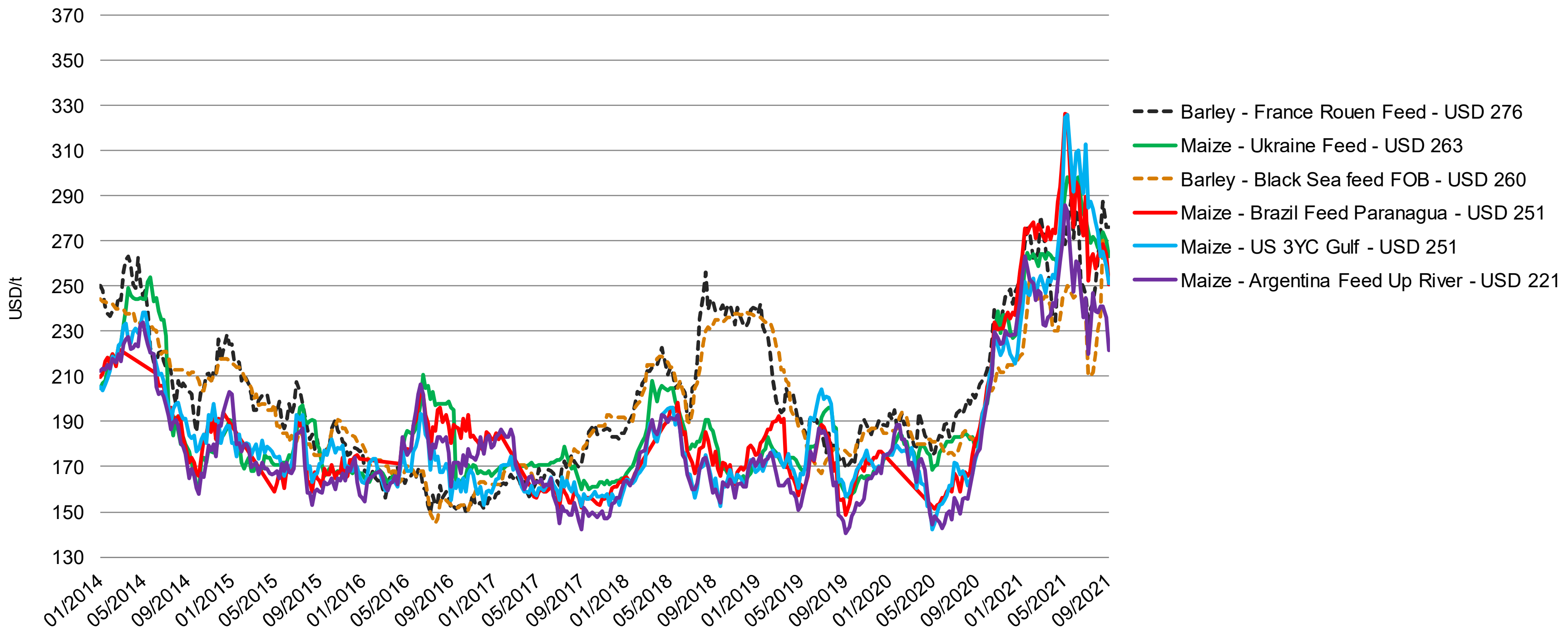
World common wheat prices (USD/tonne)



Source: IGC
Latest prices referring to (if not stated otherwise):01/09/2021

European Commission

World maize and barley prices (USD/tonne)



Source: IGC
Latest prices referring to (if not stated otherwise): 01/09/2021

EU cereals market

EU27 2021/2022 Production (projections)

	2019/20	2020/2021	2021/2022	
			August Projections	vs. 2020/2021 (%)
Soft wheat	131,1	117,2	127,2	8,5
Durum wheat	7,4	7,2	7,9	10,7
Barley	55,0	54,6	52,9	-3,1
Maize	70,1	65,2	71,0	8,9
Rye	8,3	8,9	8,2	-7,4
Oats	6,9	8,2	7,8	-5,2
Total	**294,4**	**278,1**	290,5	4,5

Source: DG AGRI -G4

EU 2021/2022 Usable Production: comparison with other forecasters

(million tonnes)

	EC DG AGRI 26-August	Stratégie Grains 20-August	COCERAL 11-May	COPA COGECA 30-June
Soft Wheat	*127,2*	*131,5*	*130,9*	*130,3*
Durum Wheat	*7,9*	*7,4*	*8,0*	*7,4*
Barley	*52,9*	*53,0*	*55,4*	*52,4*
Maize	*71,0*	*64,7*	*64,7*	*68,9*
Rye	*8,2*	*8,4*	*8,0*	*8,8*
Total Cereals	**290,5**	**293,7**	**291,2**	**292,5**

EU 2021/2022 Cereals Balance Sheet

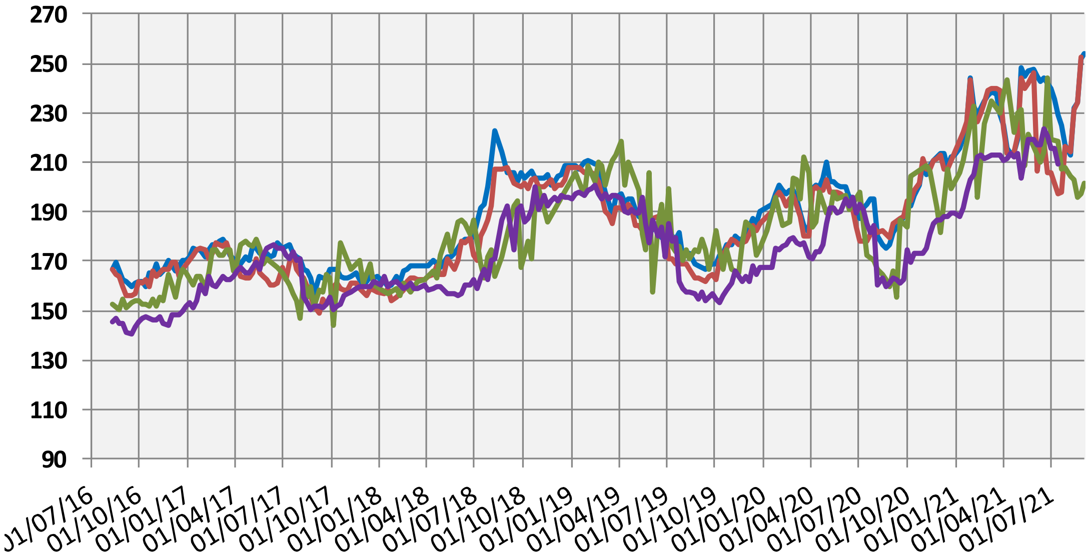
(thousand metric tonnes)

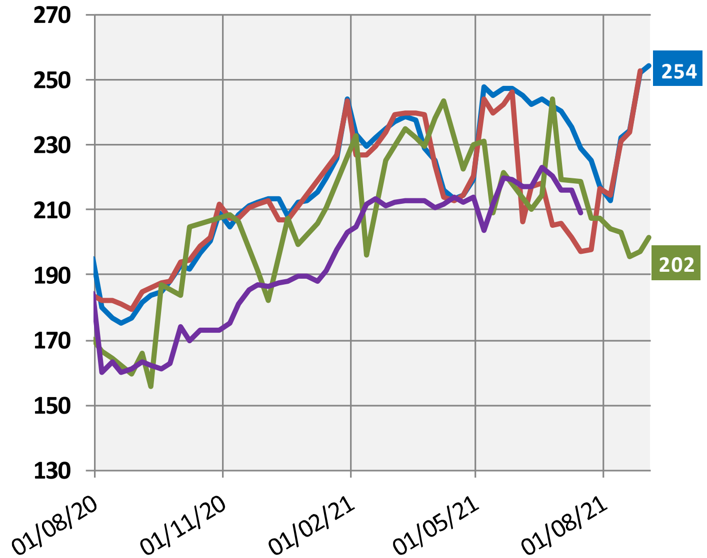
LAST UPDATED: 26/08/2021	2021/22 proj.									
	Common wheat	**Barley**	**Durum wheat**	**Maize**	**Rye**	**Sorghum**	**Oats**	**Triticale**	**Others**	**TOTAL CEREALS**
Beginning stocks	**7.821**	**5.146**	**1.963**	**17.602**	**1.000**	**1.318**	**1.207**	**1.522**	**1.007**	**38.588**
Usable production	127.177	52.926	7.921	70.997	8.211	1.011	7.819	11.218	3.228	290.508
Area (thousand ha)	*21.381*	*10.559*	*2.208*	*9.144*	*2.033*	*194*	*2.588*	*2.716*	*1.214*	*52.038*
Yield (tonnes/ha)	*6*	*5*	*4*	*8*	*4*	*5*	*3*	*4*	*3*	*6*
Imports (from third countries)	1.500	1.328	1.955	14.500	56	100	46	1	161	19.647
Total supply	**136.499**	**59.400**	**11.839**	**103.098**	**9.268**	**2.429**	**9.073**	**12.740**	**4.396**	**348.743**
Total domestic use	97.217	44.411	9.132	81.437	7.412	1.090	7.299	10.864	4.082	262.944
Human consumption	41.153	363	8.090	4.709	2.963	155	1.101	52	23	58.609
Seed	4.600	2.131	400	402	300	29	350	500	270	8.981
Industrial uses	9.400	6.700	95	11.900	1.500		101	445	170	30.310
of which bioethanol/biofuel	*3.400*	*437*		*6.800*	*900*			*344*	*14*	*11.895*
Animal feed	41.300	34.900	500	64.000	2.600	900	5.700	9.800	3.600	163.300
Losses	763	318	48	426	49	6	47	67	19	1.743
Exports (to third countries)	30.000	9.500	1.201	3.719	166	15	173	4	19	44.798
Total use	**127.217**	**53.911**	**10.333**	**85.155**	**7.578**	**1.106**	**7.473**	**10.868**	**4.101**	**307.742**
Ending stocks**	**9.282**	**5.489**	**1.506**	**17.943**	**1.690**	**1.323**	**1.600**	**1.872**	**295**	**41.001**
Change in stocks**	1.461	343	-458	341	689	5	393	350	-712	2.413

* Marketing year: from July to June

** At the end of the marketing year

EU market prices for milling wheat – (EUR/tonne)



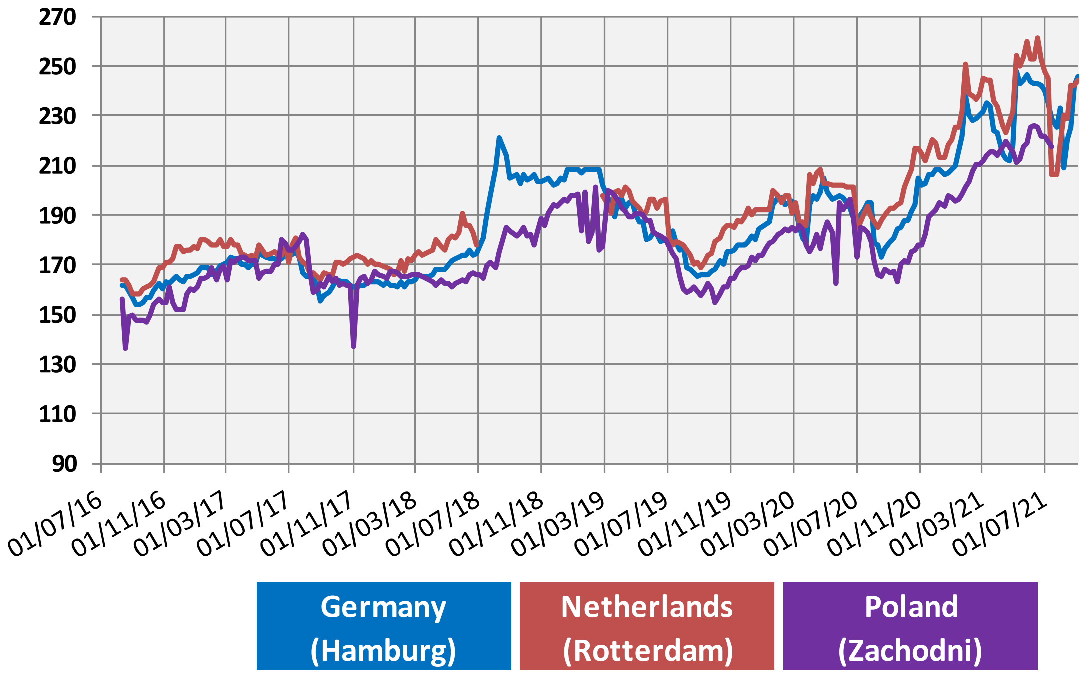


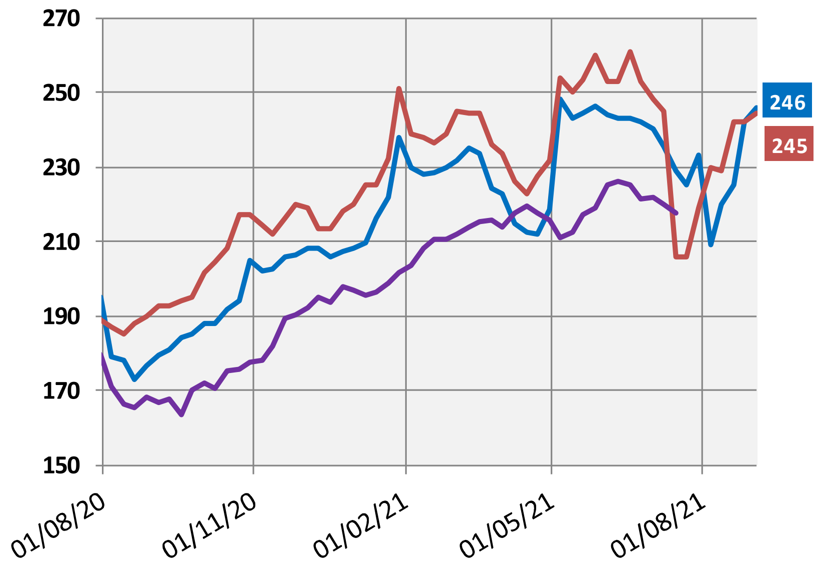
Germany (Hamburg)	France (Rouen)	Romania (Constanta)	Poland (Zachodni)

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

European Commission

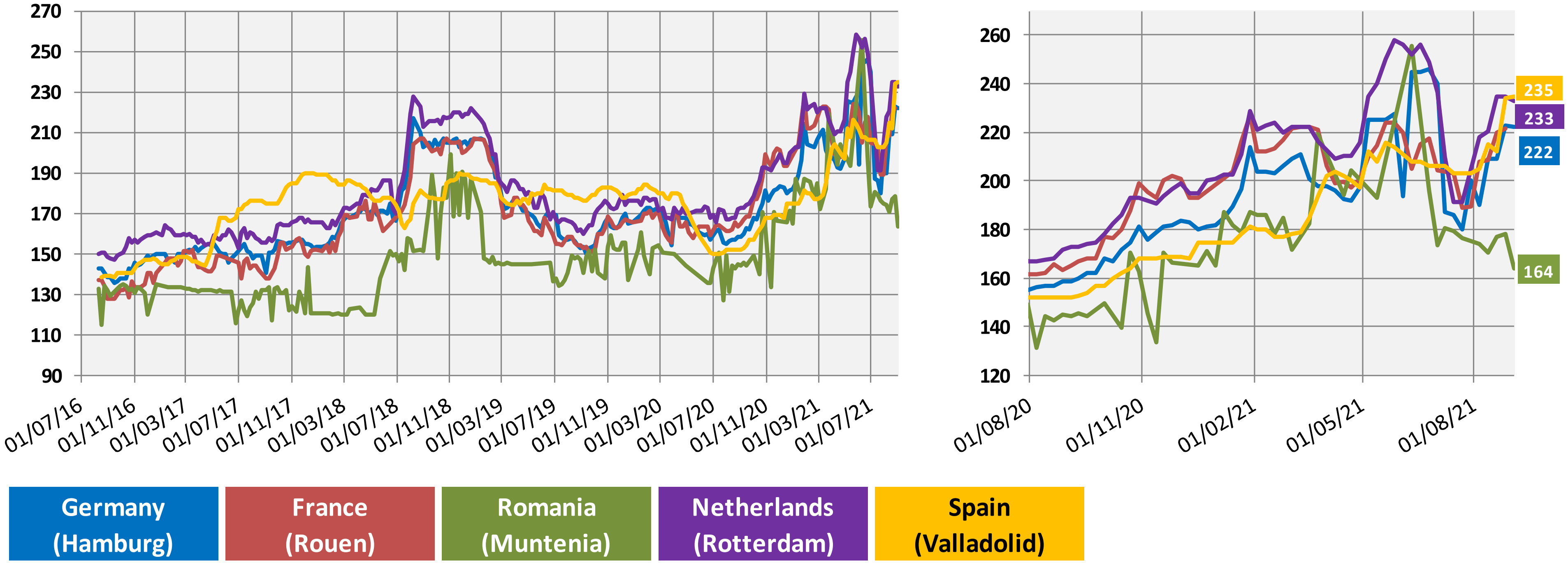
EU market prices for feed wheat – (EUR/tonne)





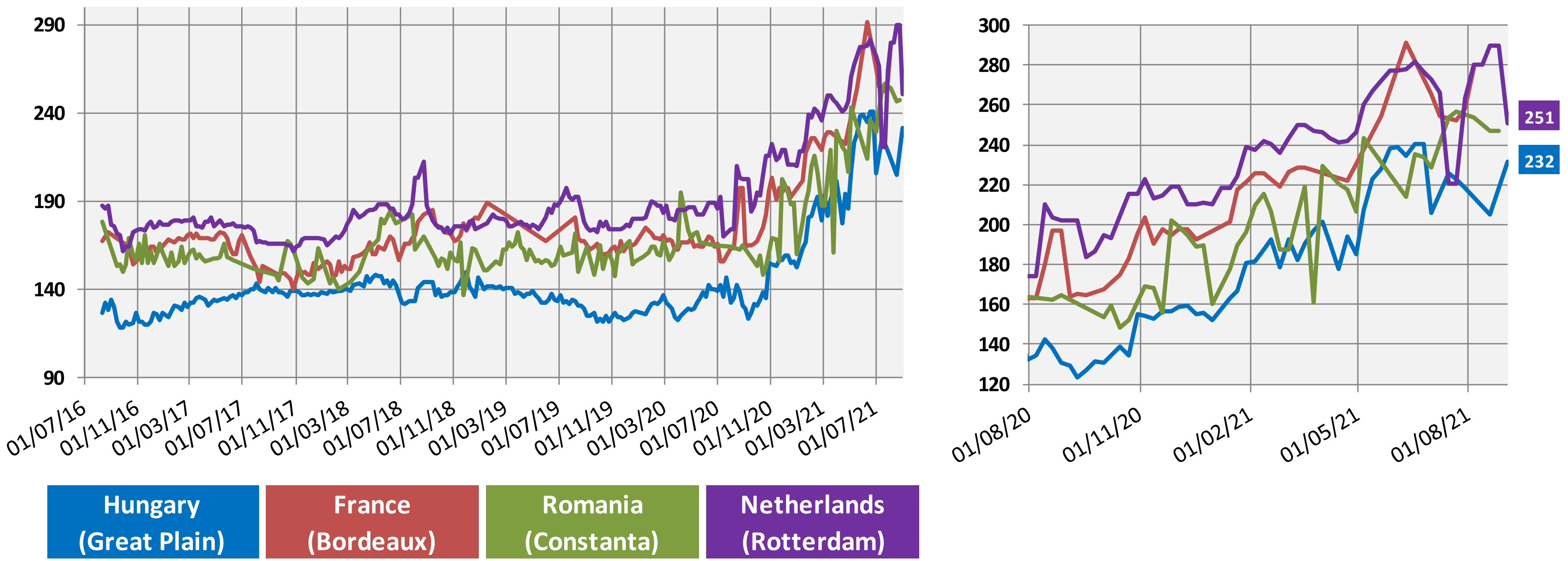
Source: Member States notification - Commission Implementing Regulation (EU) 2017/1185 Art.11, Annex I Point 1

EU market prices for feed barley – (EUR/tonne)



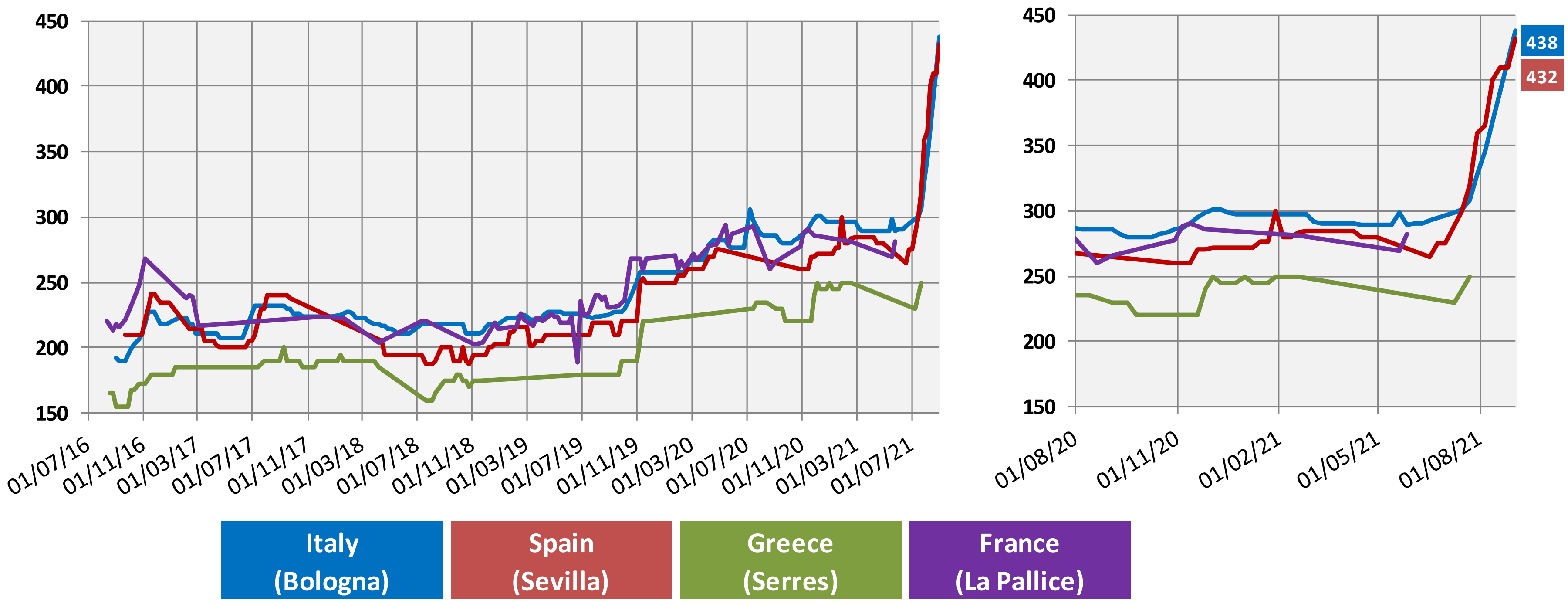
Source: Member States notification - Commission Implementing Regulation (EU) 2017/1185 Art.11, Annex I Point 1

EU market prices for maize – (EUR/tonne)



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

EU market prices for durum wheat – (EUR/tonne)



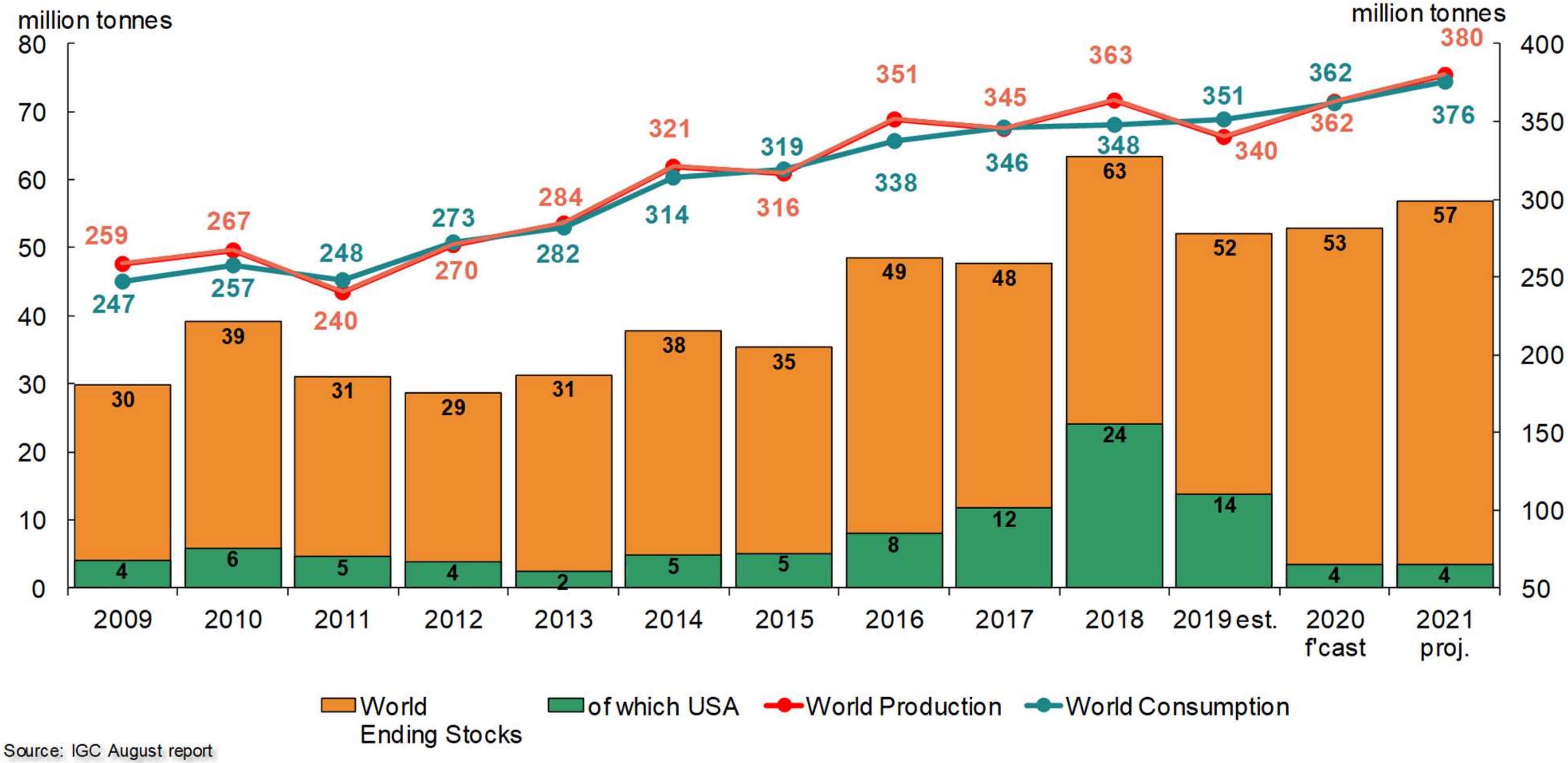
Source: Member States notification - Commission Implementing Regulation (EU) 2017/1185 Art.11, Annex I Point 1

European Commission

Oilseeds market

European Commission

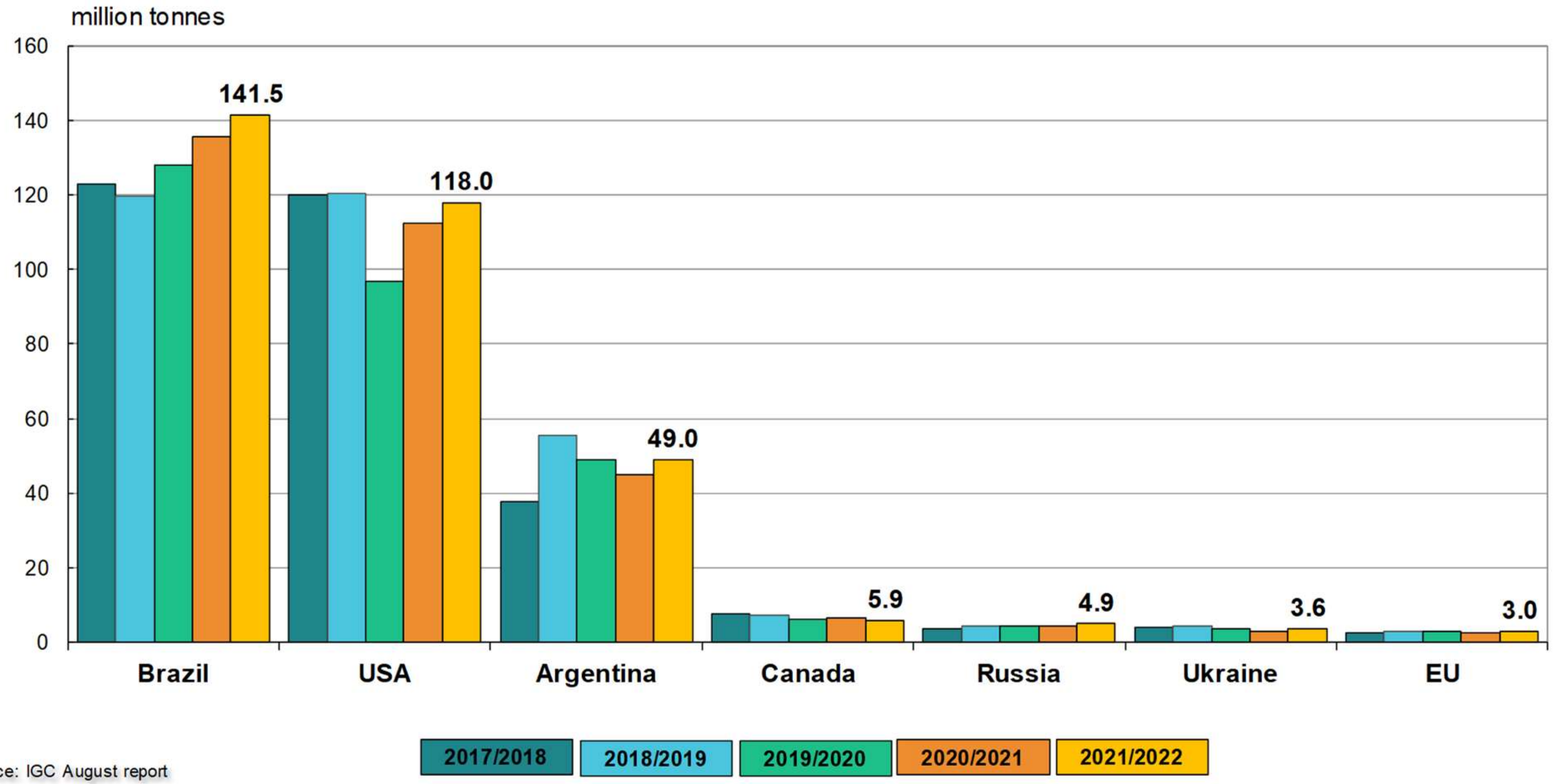
World soya: IGC



Source: IGC August report

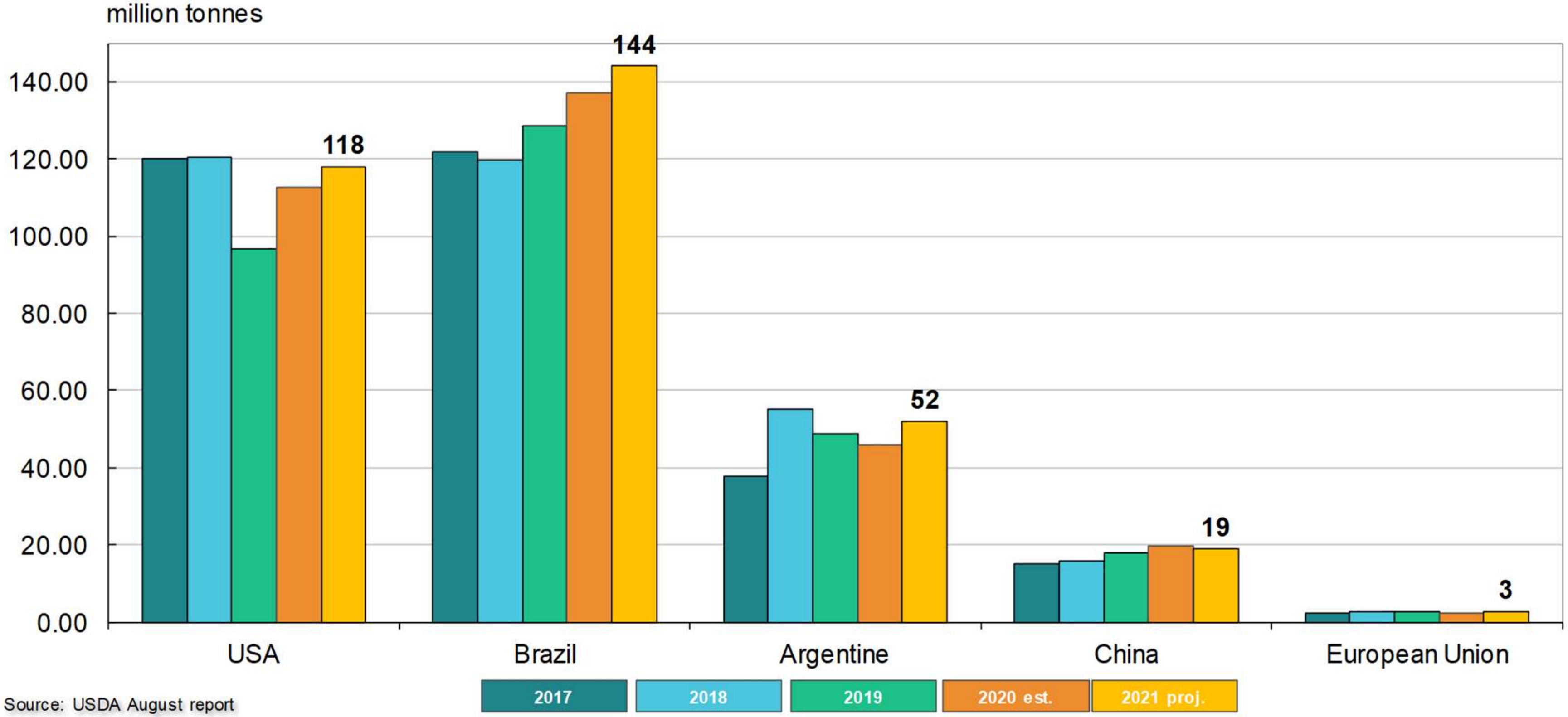
European Commission

IGC: soya beans production forecast



Source: IGC August report

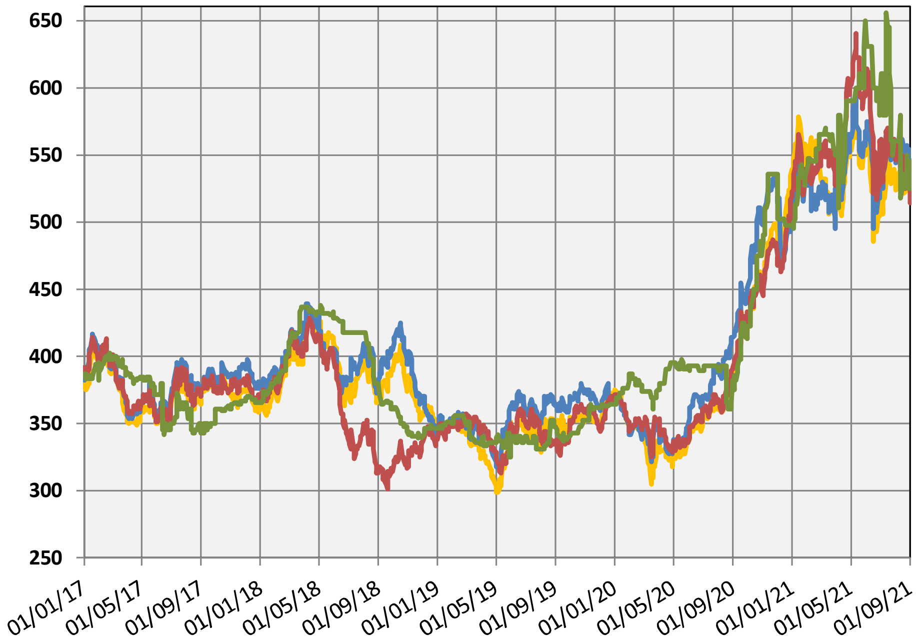
USDA: soya beans production forecast



Source: USDA August report

European Commission

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

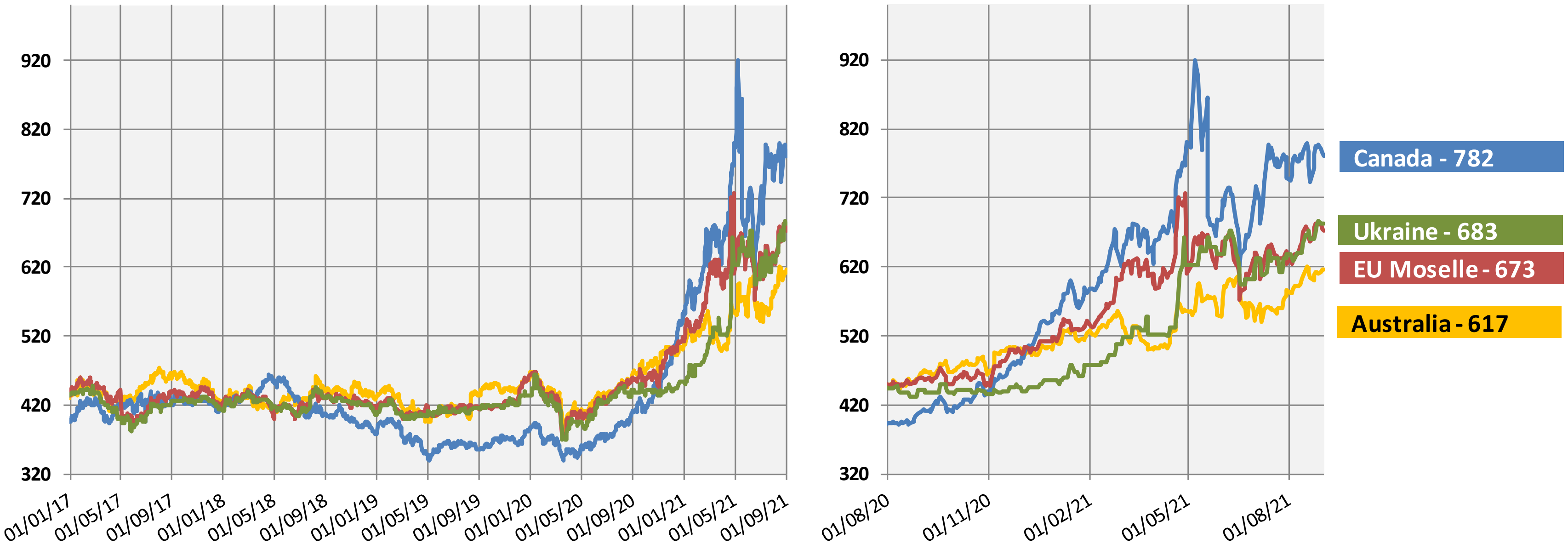


Source: International Grains Council

Latest prices referring to: 01/09/2021

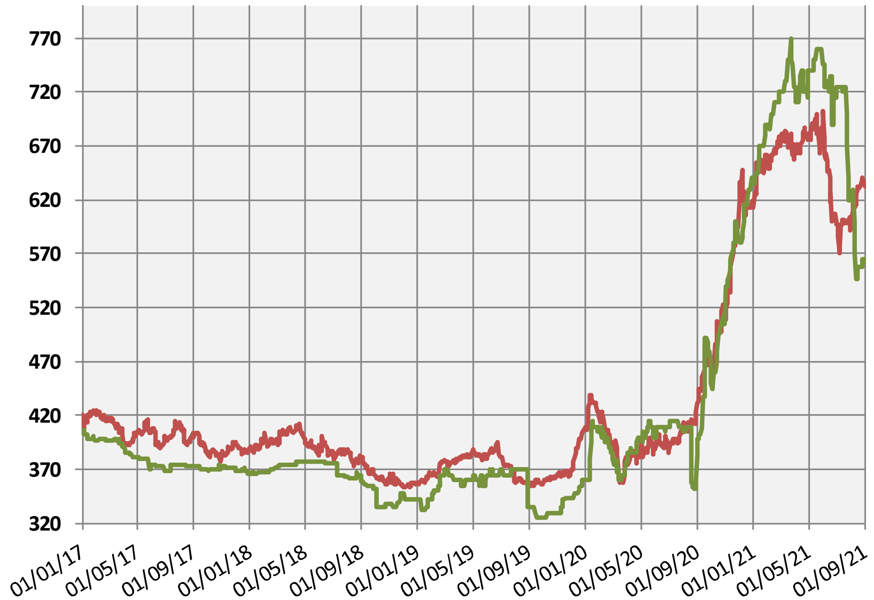
European Commission

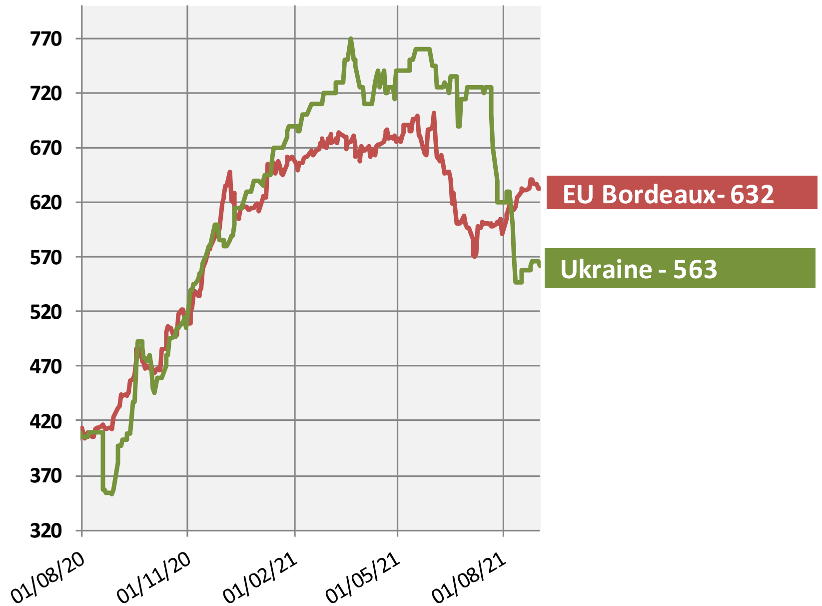
World export prices for rapeseed – (USD/tonne)



Source: International Grains Council
Latest prices referring to: 01/09/2021

World export prices for sunflower – (USD/tonne)





Source: International Grains Council
Latest prices referring to: 01/09/2021

EU oilseeds 2021/22 forecast

EU OILSEEDS AREA *(million hectares)*

	5-year trimmed average	2020/21	2021/22 August	2021/22 vs. 2020/21 (%)	2021/22 vs. 5-y AVG (%)
Rapeseed	*5.77*	*5.17*	*5.28*	*2.0*	*-8.6*
Sunflower	*4.26*	*4.45*	*4.46*	*0.3*	*4.8*
Soya Beans	*0.93*	*0.94*	*0.97*	*3.4*	*4.0*
TOTAL	**10.97**	**10.56**	**10.71**	**1.4**	**-2.3**

EU OILSEEDS PRODUCTION *(million tonnes)*

	5-year trimmed average	2020/21	2021/22 August	2021/22 vs. 2020/21 (%)	2021/22 vs. 5-y AVG (%)
Rapeseed	*17.51*	*16.21*	*16.95*	*4.6*	*-3.2*
Sunflower	*9.69*	*8.86*	*10.67*	*20.4*	*10.1*
Soya Beans	*2.67*	*2.61*	*2.84*	*8.8*	*6.1*
TOTAL	**29.57**	**27.68**	**30.45**	**10.0**	**1.9**

Sources : EC - DG AGRI.

EU protein crops 2021/22 forecast

EU PROTEIN CROPS AREA

(million hectares)

	5-year trimmed average	2020/21	2021/22 August	2021/22 vs. 2020/21 (%)	2021/22 vs. 5-y AVG (%)
Field peas	*0.84*	*0.83*	*0.90*	*8.0*	*6.6*
Broad beans	*0.47*	*0.45*	*0.45*	*-1.0*	*-4.2*
Sweet lupins	*0.16*	*0.14*	*0.24*	*75.7*	*48.3*
TOTAL	**1.47**	**1.42**	**1.58**	**11.6**	**7.7**

EU PROTEIN CROPS PRODUCTION

(million tonnes)

	5-year trimmed average	2020/21	2021/22 August	2021/22 vs. 2020/21 (%)	2021/22 vs. 5-y AVG (%)
Field peas	*2.06*	*2.04*	*2.43*	*19.2*	*18.1*
Broad beans	*1.20*	*1.30*	*1.22*	*-6.0*	*1.7*
Sweet lupins	*0.23*	*0.20*	*0.33*	*62.2*	*44.7*
TOTAL	**3.50**	**3.54**	**3.98**	**12.4**	**13.8**

Sources : EC - DG AGRI.

Oilseeds balance sheet (EU)

OILSEEDS SUPPLY & DEMAND *(thousand metric tonnes)*

last updated: 26/08/2021	2020/21 fc				2021/22 proj.			
	Rapeseed	Soya beans	Sunflower	TOTAL	Rapeseed	Soya beans	Sunflower	TOTAL
Beginning stocks	**1 500**	**1 500**	**1 000**	**4 000**	**500**	**1 100**	**700**	**2 300**
Usable production	16 208	2 607	8 863	27 678	16 946	2 836	10 669	30 451
Area (thousand ha)	5 172	940	4 451	10 562	5 276	971	4 464	10 711
Yield (tonnes/ha)	3.13	2.77	1.99	2.62	3.21	2.92	2.39	2.84
Imports (from third countries)	5 848	14 957	816	21 620	5 700	14 707	800	21 207
Total supply	**23 556**	**19 064**	**10 679**	**53 299**	**23 146**	**18 643**	**12 169**	**53 958**
Domestic use	22 883	17 768	9 315	49 966	22 546	17 212	10 659	50 417
of which crushing	*(22 089)*	*(15 682)*	*(8 232)*	*(46 003)*	*(21 761)*	*(15 180)*	*(9 431)*	*(46 372)*
Exports (to third countries)	173	196	663	1 033	100	231	608	938
Total use	**23 056**	**17 964**	**9 979**	**50 999**	**22 646**	**17 443**	**11 266**	**51 356**
Ending stocks	**500**	**1 100**	**700**	**2 300**	**500**	**1 200**	**903**	**2 603**
Change in stocks	-1 000	-400	-300	-1 700	-	100	203	303

Sources : EC – DG AGRI

European Commission

Oilmeals balance sheet (EU)

OILSEED MEALS SUPPLY & DEMAND *(thousand metric tonnes)*

last updated: 26/08/2021	2020/21 fc				2021/22 proj.			
	Rapeseed	Soya beans	Sunflower	TOTAL	Rapeseed	Soya beans	Sunflower	TOTAL
Beginning stocks	50	340	100	490	50	342	100	492
Usable production	12 591	12 389	4 528	29 507	12 404	11 992	5 187	29 583
Imports (from third countries)	463	16 613	2 689	19 764	433	16 300	2 700	19 433
Total supply	13 103	29 342	7 316	49 762	12 887	28 635	7 987	49 508
Domestic use	12 303	28 251	6 613	47 167	12 249	27 571	7 329	47 149
Exports (to third countries)	751	748	603	2 102	588	722	557	1 867
Total use	13 053	28 999	7 216	49 269	12 837	28 293	7 887	49 017
Ending stocks	50	342	100	492	50	342	100	492
Change in stocks	-	2	-	2	-	-1	-	-1

Sources : EC – DG AGRI

European Commission

Vegetable oils balance sheet (EU)

VEGETABLE OILS SUPPLY & DEMAND *(thousand metric tonnes)*

	2020/21 fc					2021/22 proj.				
last updated: 26/08/2021	Rapeseed	Soya beans	Sunflower	Palm	TOTAL	Rapeseed	Soya beans	Sunflower	Palm	TOTAL
Beginning stocks	594	175	273	485	1 527	591	175	270	489	1 525
Usable production	9 056	3 136	3 458	0	15 650	8 922	3 036	3 961	0	15 919
Imports (from third countries)	308	480	1 691	6 351	8 830	424	446	1 914	6 400	9 183
Total supply	9 958	3 792	5 422	6 836	26 007	9 937	3 657	6 145	6 889	26 627
Domestic use	8 646	2 644	4 426	6 211	21 926	8 992	2 481	5 141	6 173	22 787
Exports (to third countries)	721	973	725	137	2 556	353	1 001	733	228	2 315
Total use	9 367	3 617	5 151	6 347	24 482	9 345	3 482	5 874	6 401	25 101
Ending stocks	591	175	270	489	1 525	592	175	271	488	1 526
Change in stocks	-2	-	-3	3	-2	1	-	1	-1	1

Sources : EC – DG AGRI

European Commission

Thank you

The United Kingdom is no longer a Member State of the European Union, however where it is deemed relevant (e.g. for comparison purposes) an EU+UK aggregate are still displayed

European Commission