Market situation
Cereals – Oilseeds – Protein crops

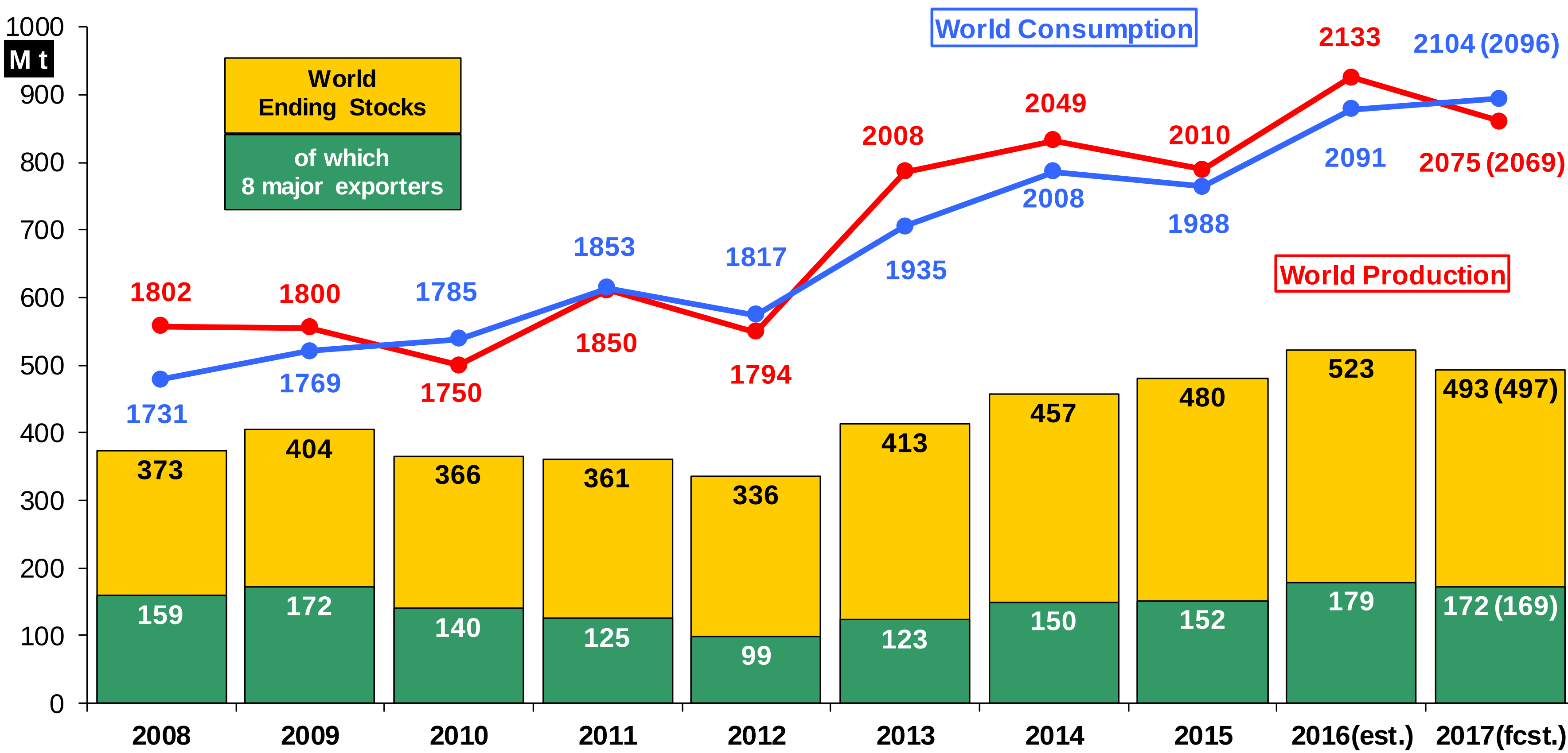
DG AGRI G 4
Civil Dialogue Group on Animal Products
Pig Meat

7 November 2017

European Commission

World Cereals Forecasts

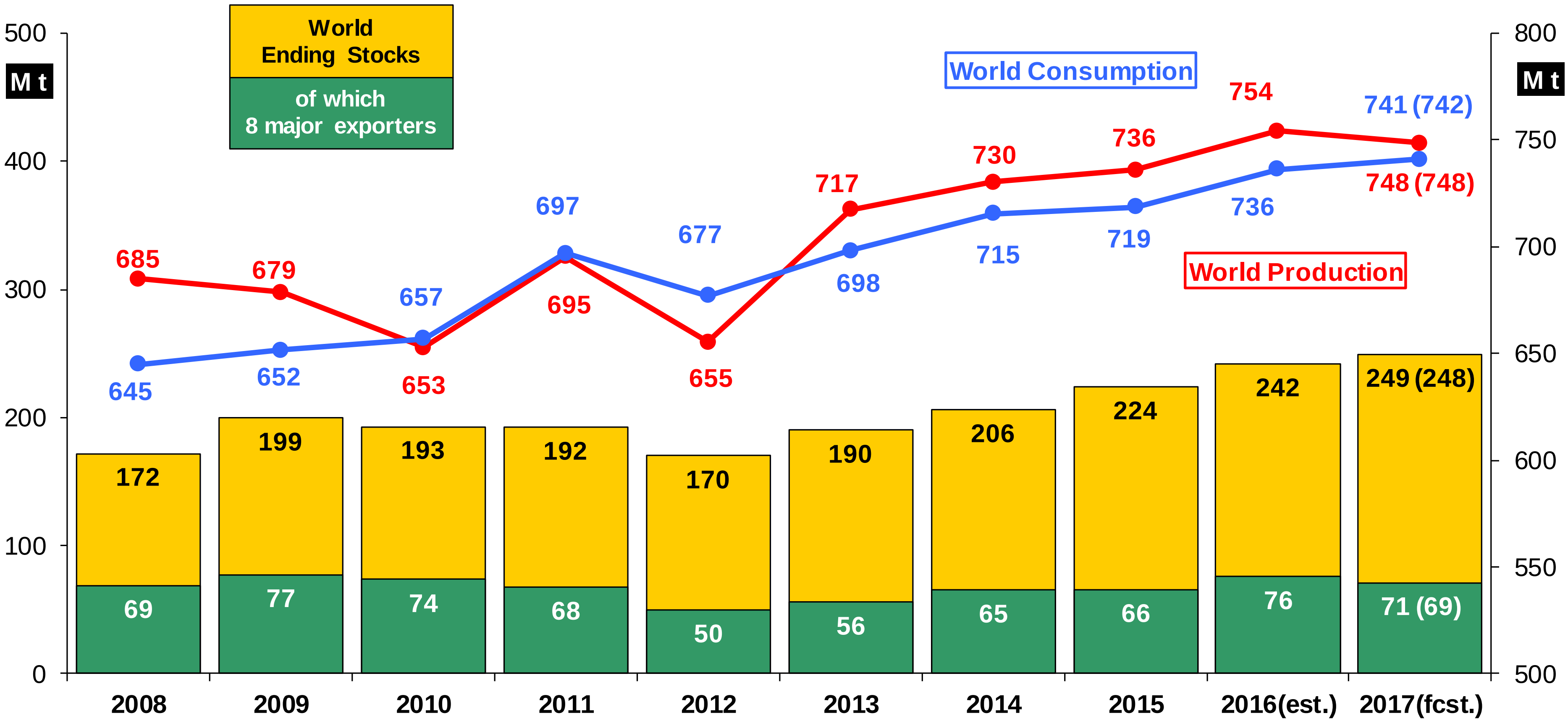
World cereals: IGC



Source: IGC October report

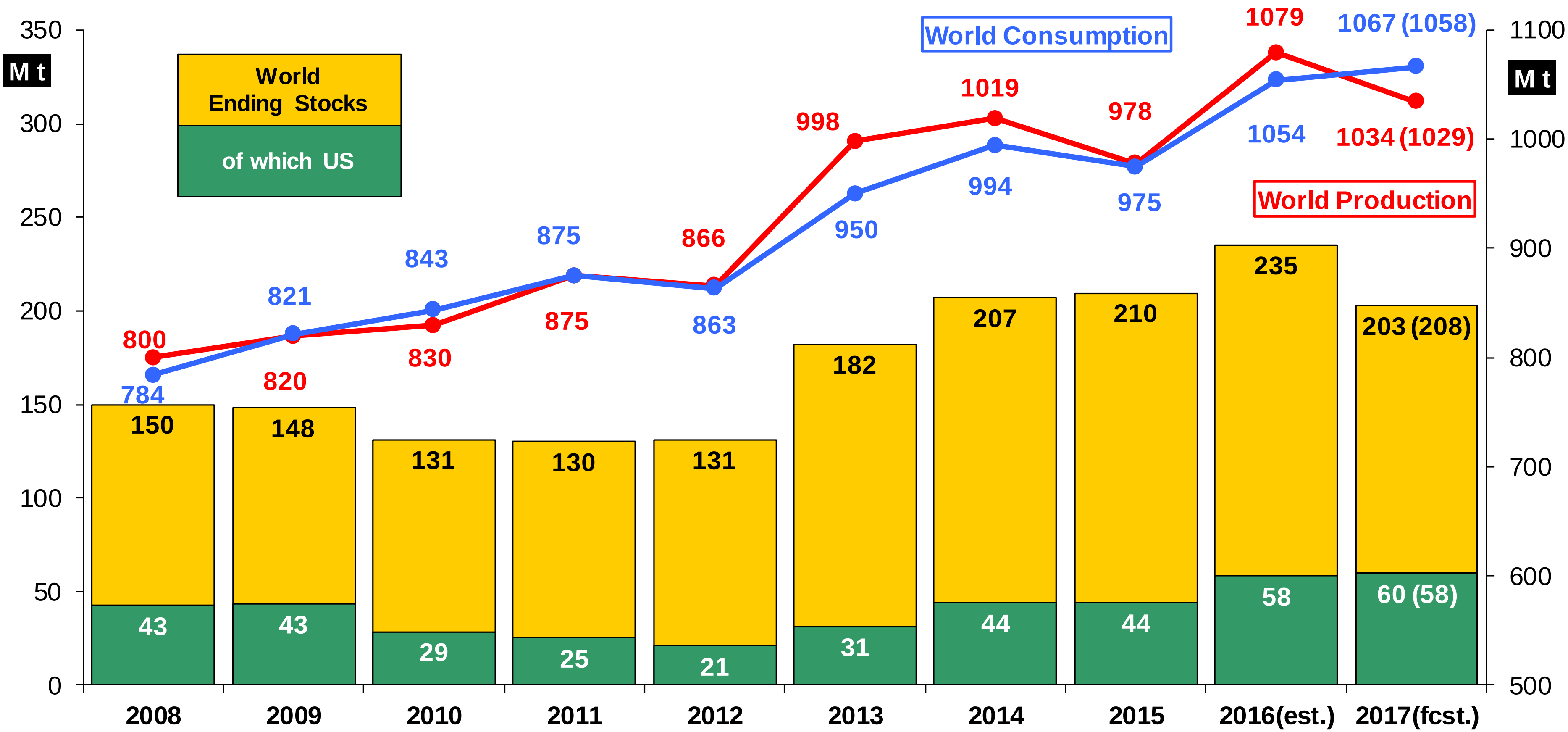
Agriculture and Rural Development

World wheat: IGC



Source: IGC October report

World maize: IGC



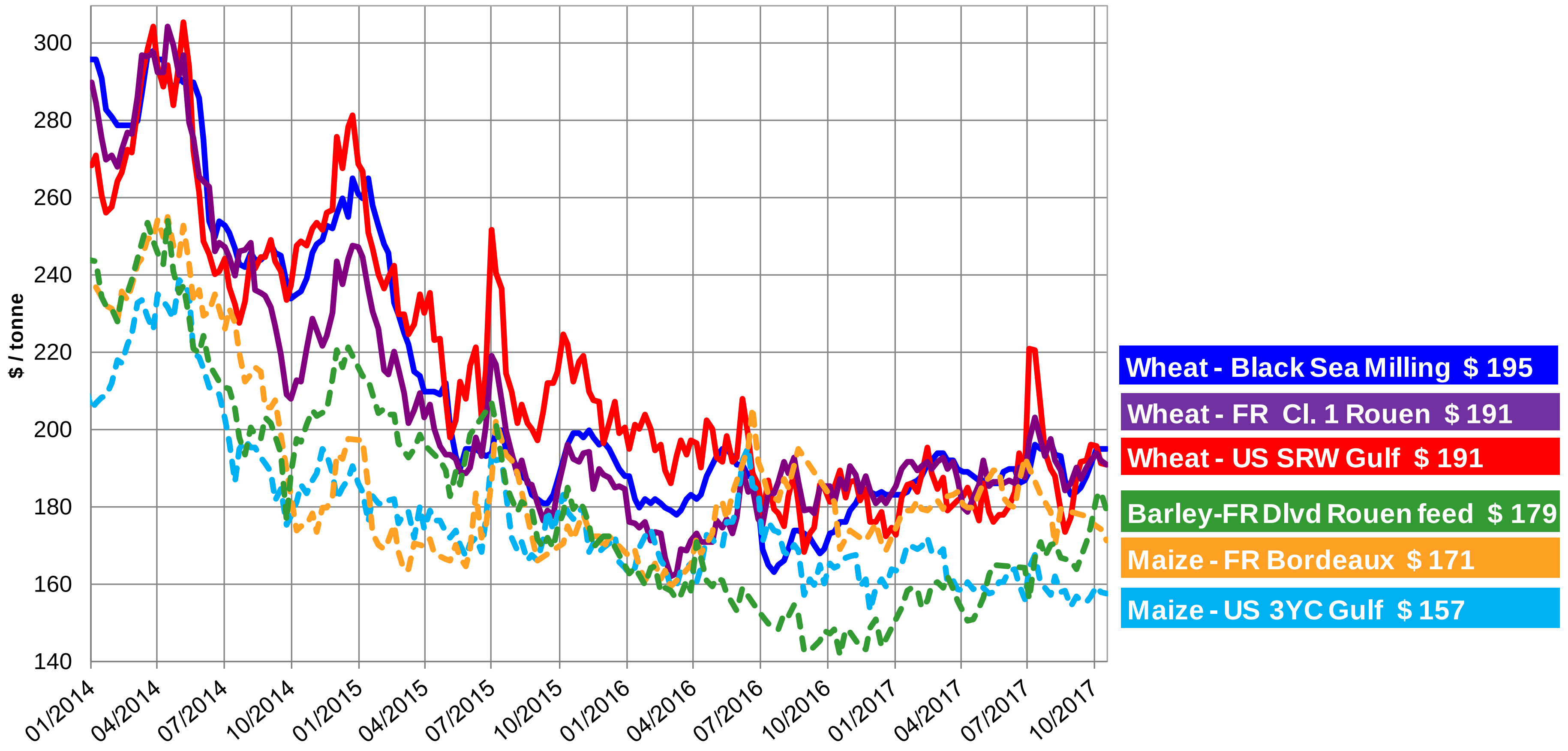
Source: IGC October report

European Commission

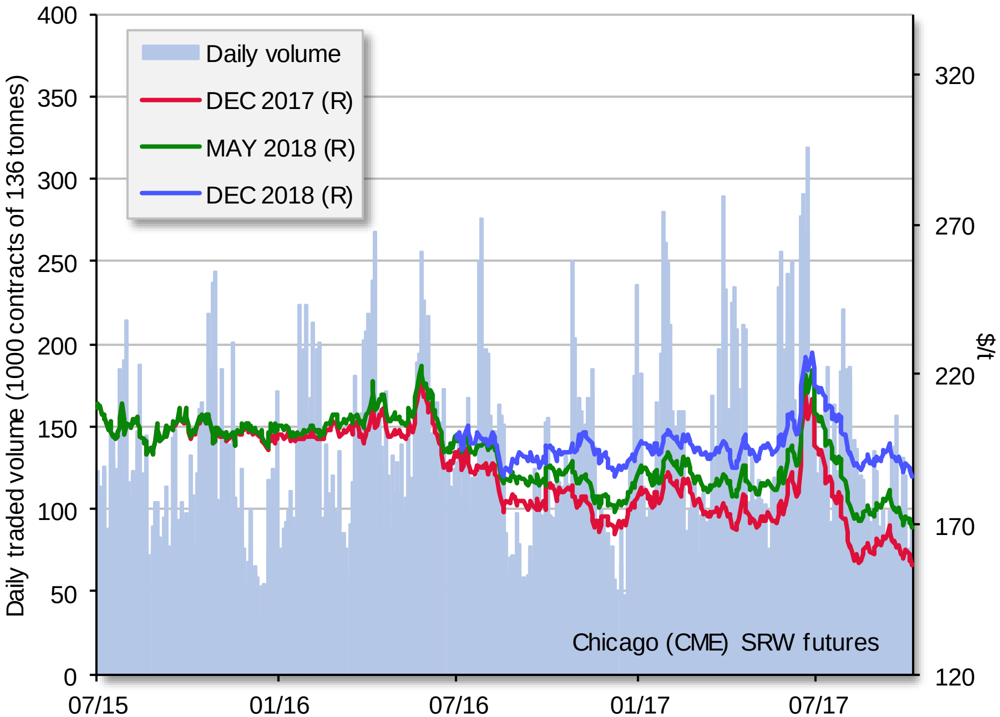
Cereals prices

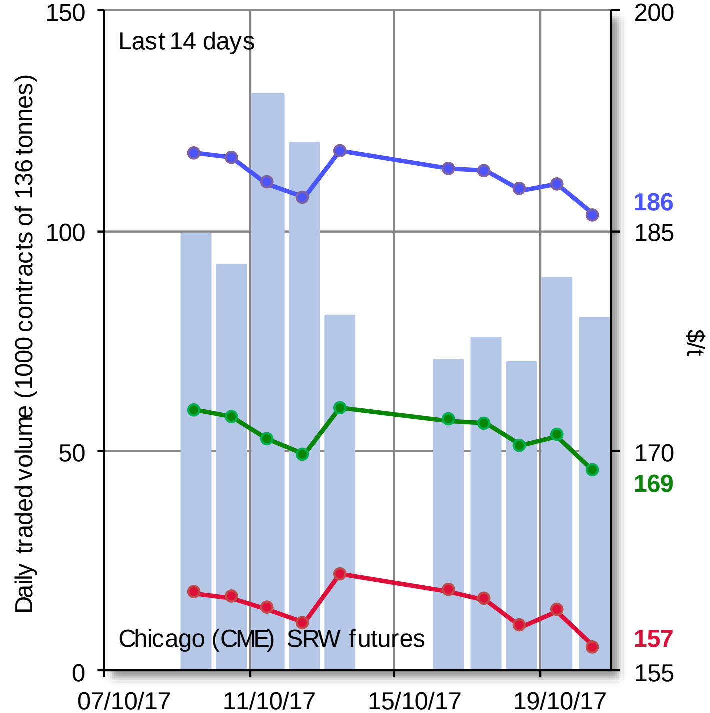
European Commission

World cereal prices ($/t)

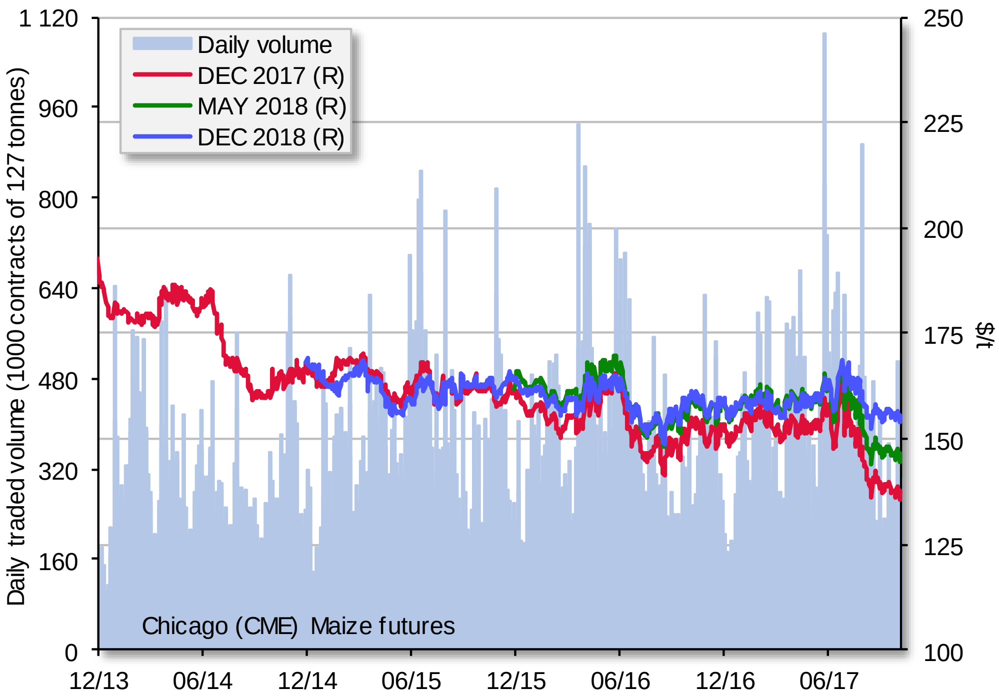


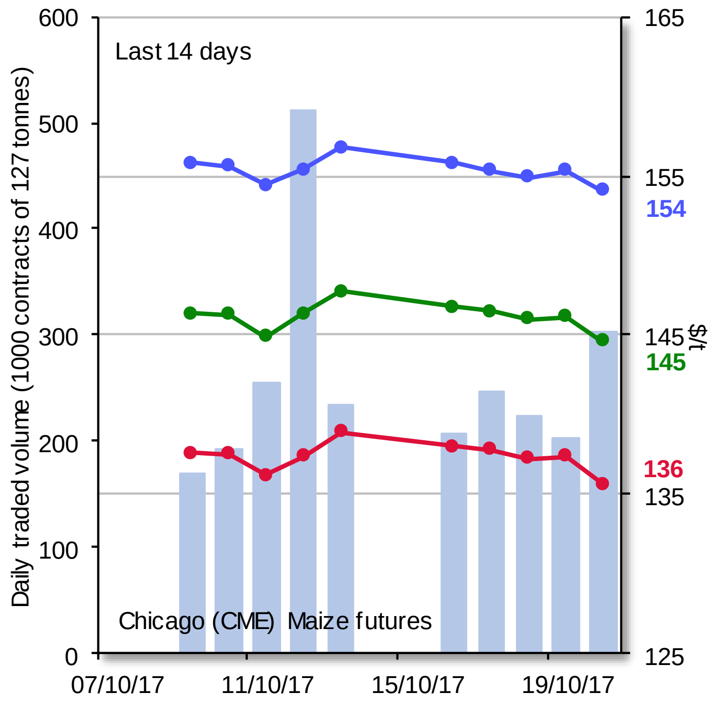
US CME SRW wheat futures





CME maize futures

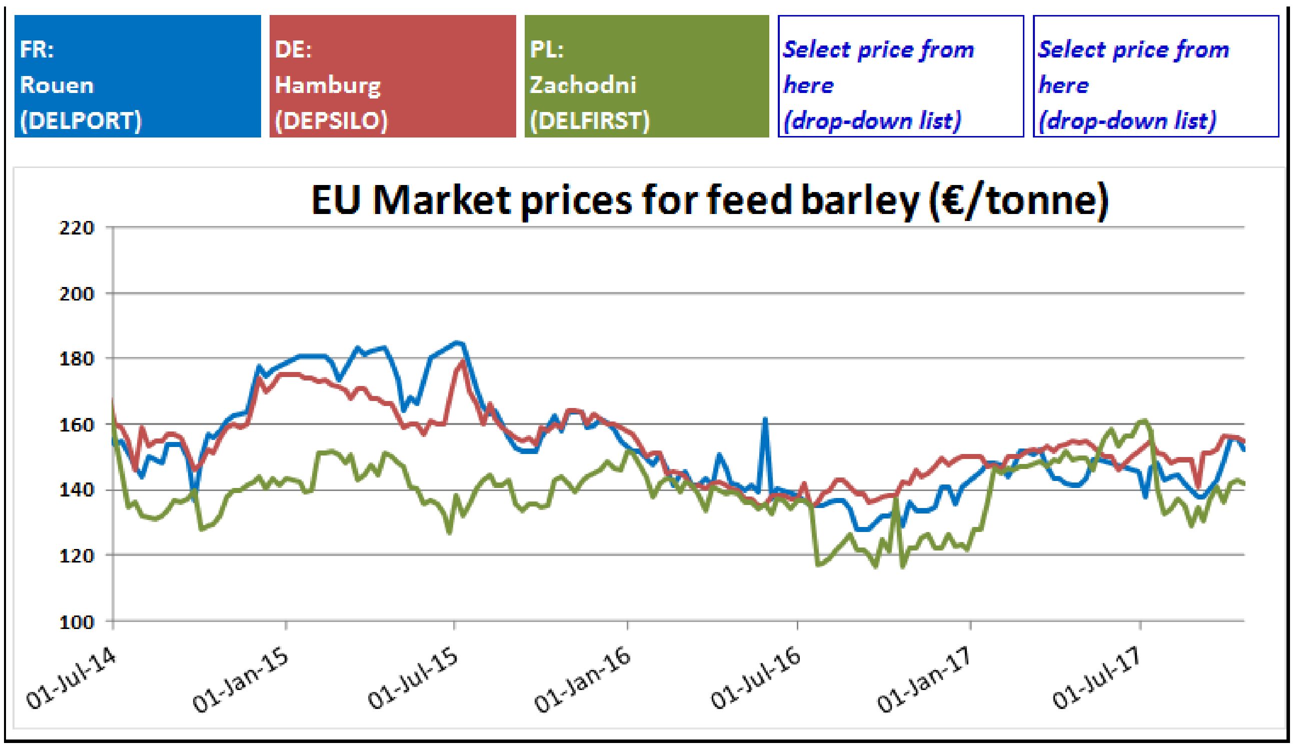




European Commission

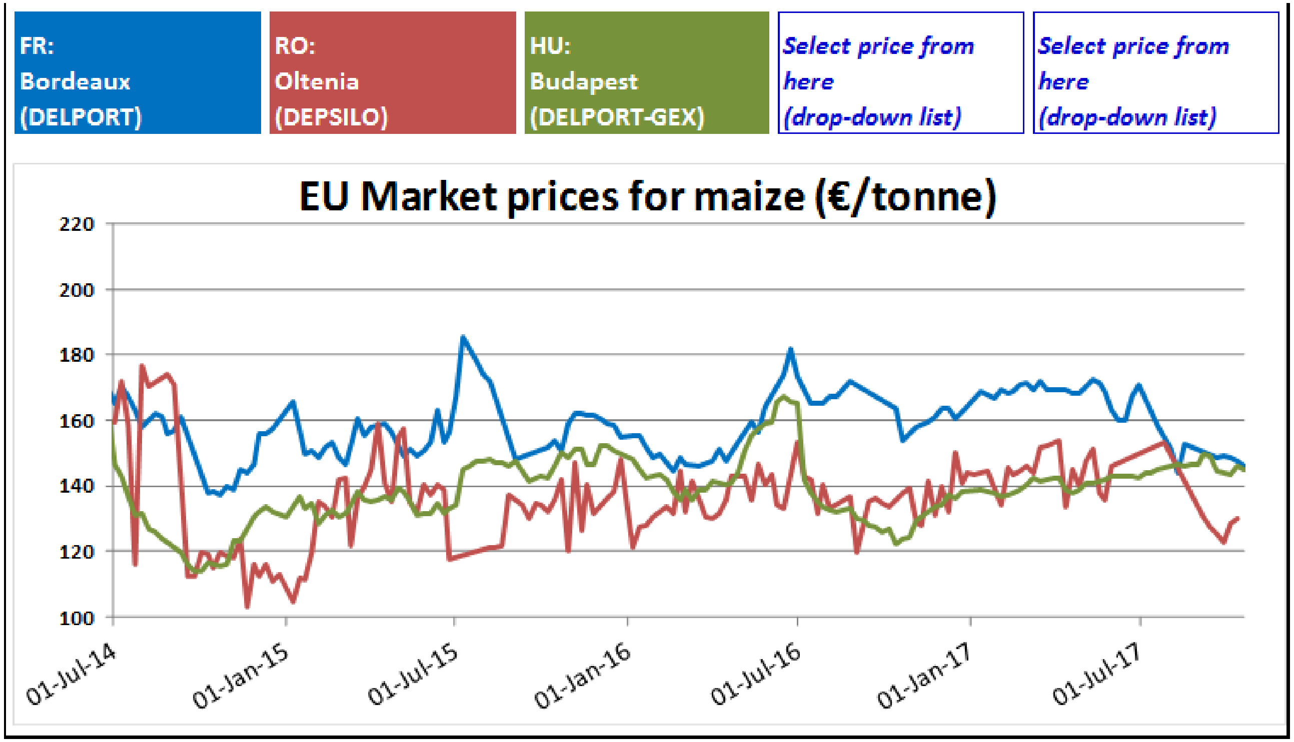
EU feed barley prices

(source: EU Crops Market Observatory)



EU maize prices

(source: EU Crops Market Observatory)



European Commission

EU Cereals Balance Sheets and Forecasts

2016/17 Marketing Year

Cereals

European Commission

2016/17 Balance Sheet: no change (production below average)

Sep-17	**Cereals balance sheet:Marketing year: 2016/2017**									**Million tonnes**
	Common wheat	Barley	Durum	Maize	Rye	Sorghum	Oats	Triticale	Others	**EUR 28**
Beginning stocks (01.07.2016)	**14,7**	**7,6**	**2,5**	**13,9**	**1,0**	**0,2**	**1,6**	**2,3**	**2,7**	**46,5**
Usable production	**133,7**	**59,6**	**9,2**	**60,8**	**7,3**	**0,7**	**7,9**	**11,5**	**3,4**	**294,2**
Import	**3,3**	**0,4**	**1,7**	**13,6**	**0,0**	**0,2**	**0,0**	**0,0**	**0,2**	**19,3**
TOTAL AVAILABILITIES	**151,7**	**67,7**	**13,4**	**88,3**	**8,3**	**1,0**	**9,5**	**13,8**	**6,3**	**360,1**
USE										
- Human	47,8	0,4	8,0	4,8	3,0	0,2	1,1	0,1	0,0	**65,4**
- Seed	5,0	2,2	0,5	0,4	0,4	0,0	0,4	0,6	0,1	**9,6**
- Industrial	10,5	9,0	0,1	11,5	1,6	0,0	0,1	0,4	0,1	**33,4**
of which alcohol										**13,8**
o.w. bioethanol/biofuel	4,5	0,4		6,0	0,9			0,3		**12,2**
- Animal feed	52,4	41,2	0,8	52,8	2,3	0,7	7,3	11,0	4,5	**172,9**
TOTAL USE	**115,7**	**52,8**	**9,4**	**69,5**	**7,4**	**0,9**	**9,0**	**12,1**	**4,7**	**281,3**
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	**35,1**	**14,5**	**3,9**	**18,2**	**0,8**	**0,2**	**0,5**	**1,7**	**1,6**	**76,6**
Export	**25,1**	**8,8**	**1,4**	**2,6**	**0,1**	**0,0**	**0,2**	**0,0**	**0,0**	**38,1**
Ending stocks (30.06.2017)	**10,1**	**5,8**	**2,5**	**15,6**	**0,7**	**0,2**	**0,3**	**1,7**	**1,6**	**38,5**

EU BALANCE SHEET 2016/17

- **Production below average (less than 295 million tonnes):**
  - Disappointing soft wheat yields in Western Europe
  - Partially offset by increases in Southern and Eastern Europe
  - Mixed quality results for soft wheat (specific weight and grain size)

- **Decrease of total exports** (incl. steep fall in soft wheat and barley exports)

- **Second decrease** in a row **of ending stocks**

2017/18 Marketing Year

Cereals

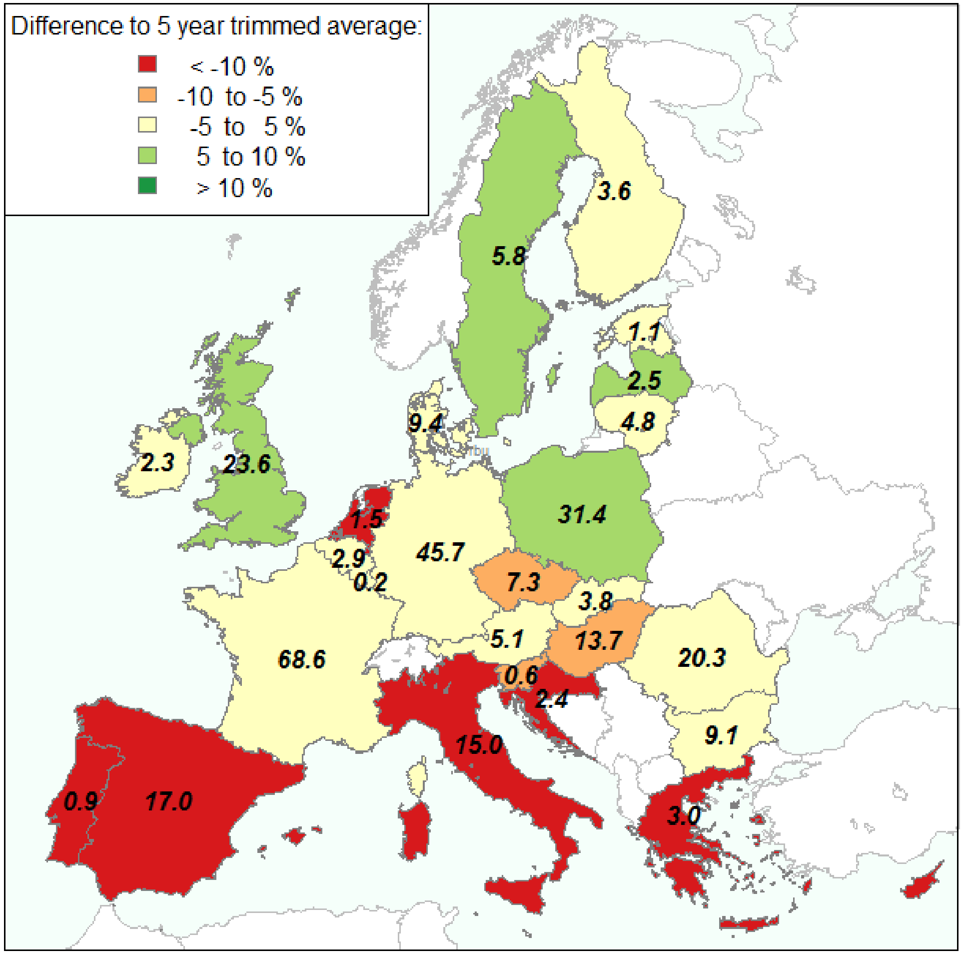
(forecasts)

EU 28- 2017 Production Forecasts

EU EVOL CEREALS USABLE PRODUCTION					
Million tonnes	2015/2016	2016/2017	2017/2018 Sept fcst	2017/2018 Oct fcst	%change 2016/2017
TOTAL	**311,5**	**294,2**	**298,6**	**299,0**	1,6
Soft wheat	151,3	133,7	140,4	141,5	5,8
Durum wheat	8,3	9,2	9,2	9,0	-2,2
Barley	61,4	59,6	58,1	58,0	-2,7
Maize	59,0	60,8	59,1	58,5	-3,8
Rye	7,6	7,3	7,3	7,3	0,0
Oats	7,5	7,9	8,2	8,5	7,6

Sources : DG AGRI -G4

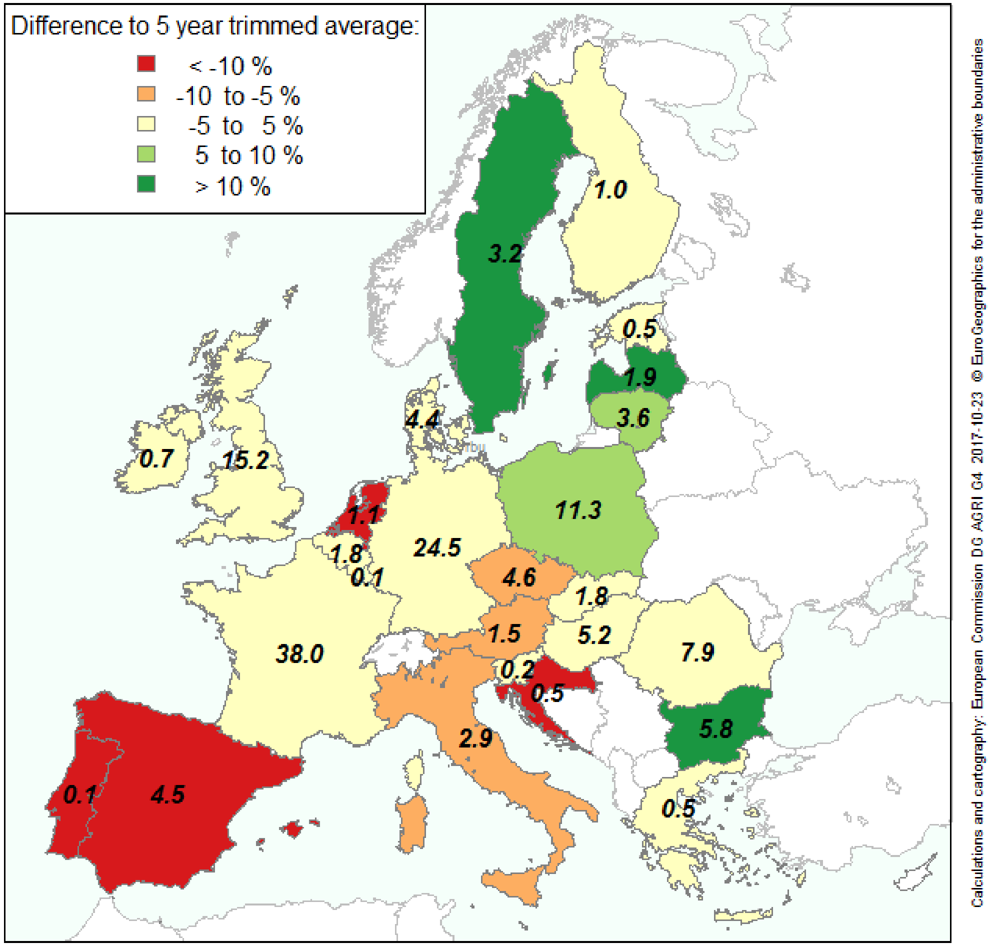
All cereals production 2017 (million t) (f'cast.)



Calculations and cartography: European Commission DG AGRI G4 2017-10-23 © EuroGeographics for the administrative boundaries

EU28 production : 299.0 (million t) Difference to 5 year trimmed average: -1 %

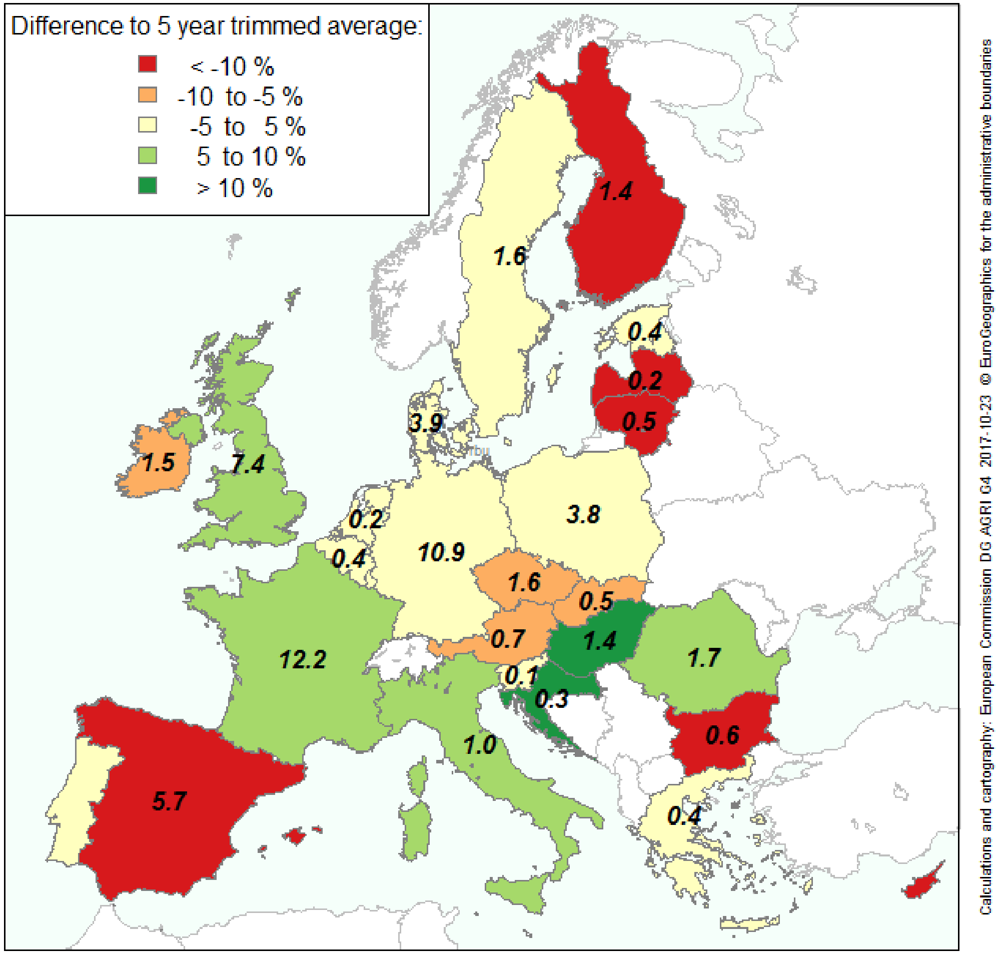
Soft wheat production 2017 (million t) (f'cast.)



EU28 production : 141.5 (million t) Difference to 5 year trimmed average: 2 %

European Commission

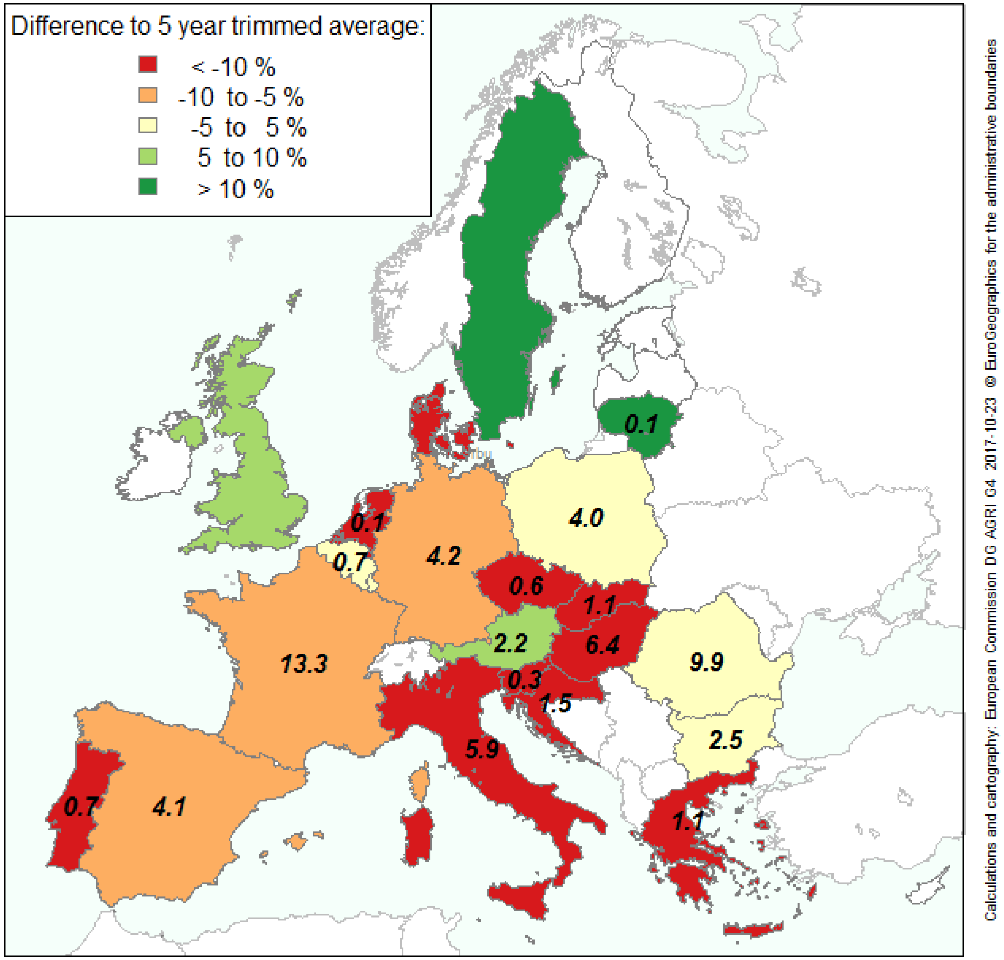
Barley production 2017 (million t) (f'cast.)



EU28 production : 58.0 (million t) Difference to 5 year trimmed average: -3 %

European Commission

Maize production 2017 (million t) (f'cast.)



EU28 production : 58.5 (million t) Difference to 5 year trimmed average: -6 %

2017/18 Balance Sheet:
Total EU production (slightly) upgraded

Oct-17	Cereals balance sheet:Marketing year: 2017/2018									Million tonnes EUR 28
	Common wheat	Barley	Durum	Maize	Rye	Sorghum	Oats	Triticale	Others	
Beginning stocks (01.07.2017)	**10,1**	**5,8**	**2,5**	**15,6**	**0,7**	**0,2**	**0,3**	**1,7**	**1,6**	38,5
Usable production	**141,5**	**58,0**	**9,0**	**58,5**	**7,3**	**0,7**	**8,5**	**11,3**	**4,2**	299,0
Import	**3,3**	**0,6**	**1,5**	**15,0**	**0,1**	**0,2**	**0,0**	**0,0**	**0,2**	20,8
TOTAL AVAILABILITIES	**154,9**	**64,4**	**13,1**	**89,0**	**8,1**	**1,0**	**8,9**	**13,0**	**6,0**	358,3
USE										
- Human	48,0	0,4	8,0	4,9	3,1	0,2	1,1	0,1	0,0	65,7
- Seed	4,9	2,2	0,5	0,4	0,4	0,0	0,4	0,5	0,1	9,4
- Industrial	10,8	9,1	0,1	11,7	1,7	0,0	0,1	0,4	0,1	33,9
of which alcohol										14,2
o.w. bioethanol/biofuel	4,7	0,4		6,2	1,0			0,3		12,6
- Animal feed	51,8	39,2	0,8	55,3	2,6	0,7	6,2	10,9	4,5	172,0
TOTAL USE	**115,4**	**50,8**	**9,4**	**72,2**	**7,7**	**0,9**	**7,9**	**11,9**	**4,7**	281,0
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	**38,6**	**13,2**	**3,6**	**16,2**	**0,2**	**0,1**	**0,9**	**1,0**	**1,2**	75,1
Export	**27,0**	**7,0**	**1,4**	**2,0**	**0,2**	**0,0**	**0,2**	**0,0**	**0,0**	37,8
Ending stocks (30.06.2018)	**11,6**	**6,2**	**2,2**	**14,2**	**0,1**	**0,1**	**0,7**	**1,0**	**1,2**	37,3

EU BALANCE SHEET 2017/18

- **Production higher than in 2016/17** (around 299 million tonnes) **but still below average** based on:
  - Decrease of areas (incl. soft wheat) vs 2016/17
  - Good yields for soft wheat in most EU
  - Yields of winter crops affected mainly in ES (drought)
  - Good grain quality for soft wheat (FR) and concerns (DE, PL)
  - Bad harvest conditions in Baltic States and South of Finland

- Slight **recovery of wheat exports expected** vs 2016/17

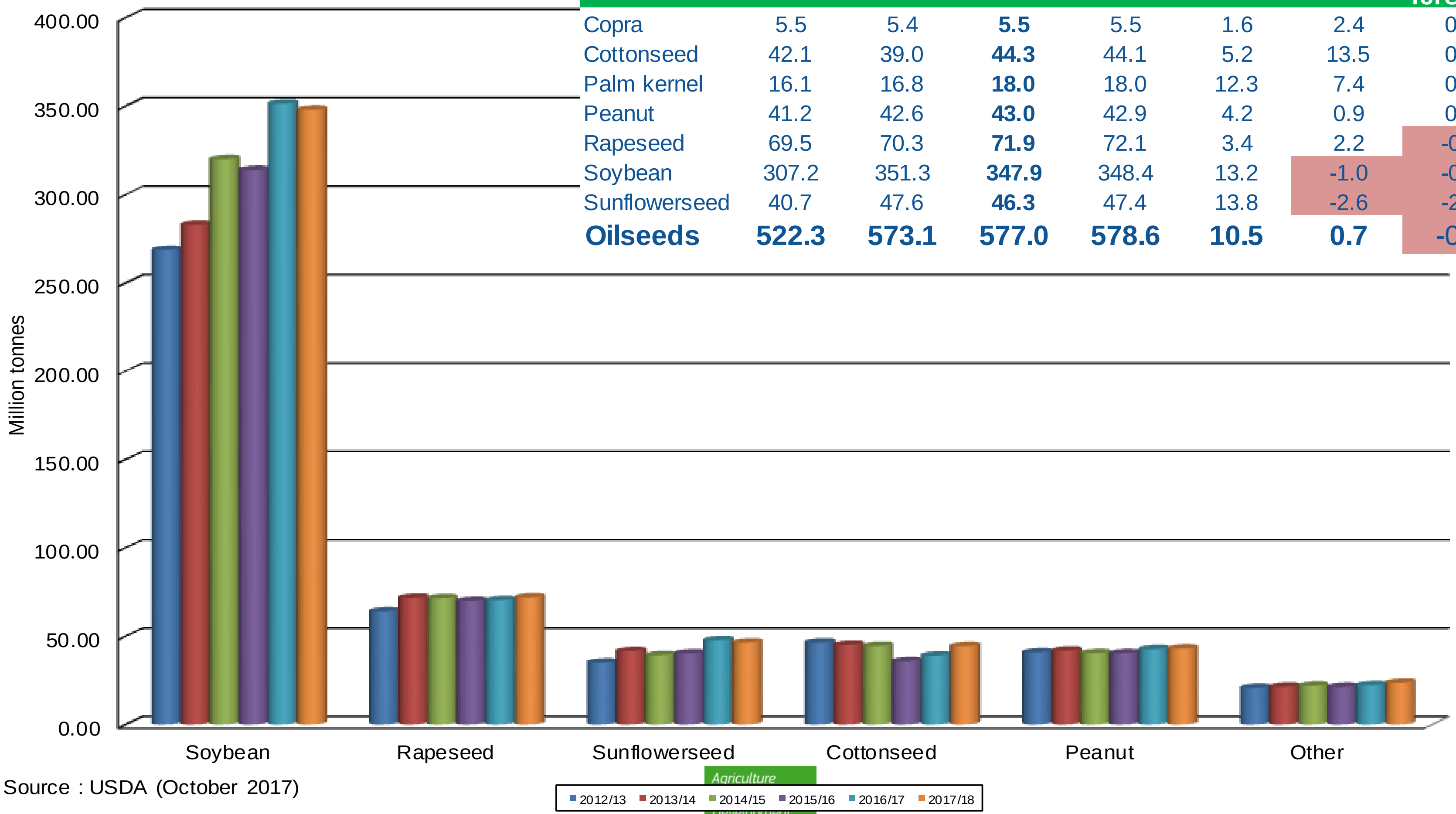
- **Third decrease** in a row **of ending stocks**

European Commission

World Oilseeds Forecasts

Oilseeds world production

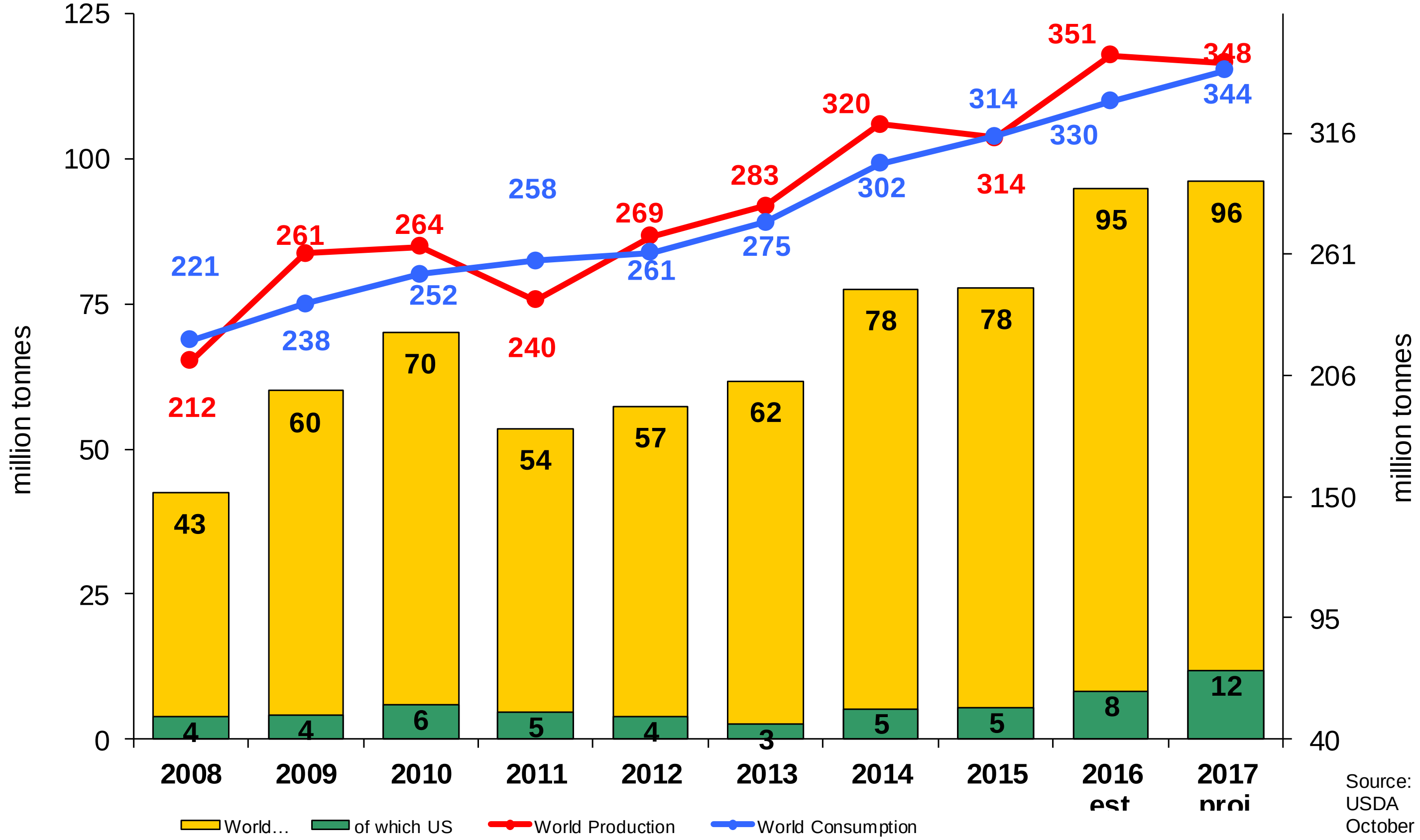
million tonnes	5 years average	last MY	current forecast	previous forecast	% vs average	% vs last MY	% vs last forecast
Copra	5.5	5.4	**5.5**	5.5	1.6	2.4	0.0
Cottonseed	42.1	39.0	**44.3**	44.1	5.2	13.5	0.4
Palm kernel	16.1	16.8	**18.0**	18.0	12.3	7.4	0.0
Peanut	41.2	42.6	**43.0**	42.9	4.2	0.9	0.2
Rapeseed	69.5	70.3	**71.9**	72.1	3.4	2.2	-0.4
Soybean	307.2	351.3	**347.9**	348.4	13.2	-1.0	-0.2
Sunflowerseed	40.7	47.6	**46.3**	47.4	13.8	-2.6	-2.2
Oilseeds	**522.3**	**573.1**	**577.0**	**578.6**	**10.5**	**0.7**	**-0.3**



Source : USDA (October 2017)

Agriculture
Development

Soybeans world production, consumption and stocks

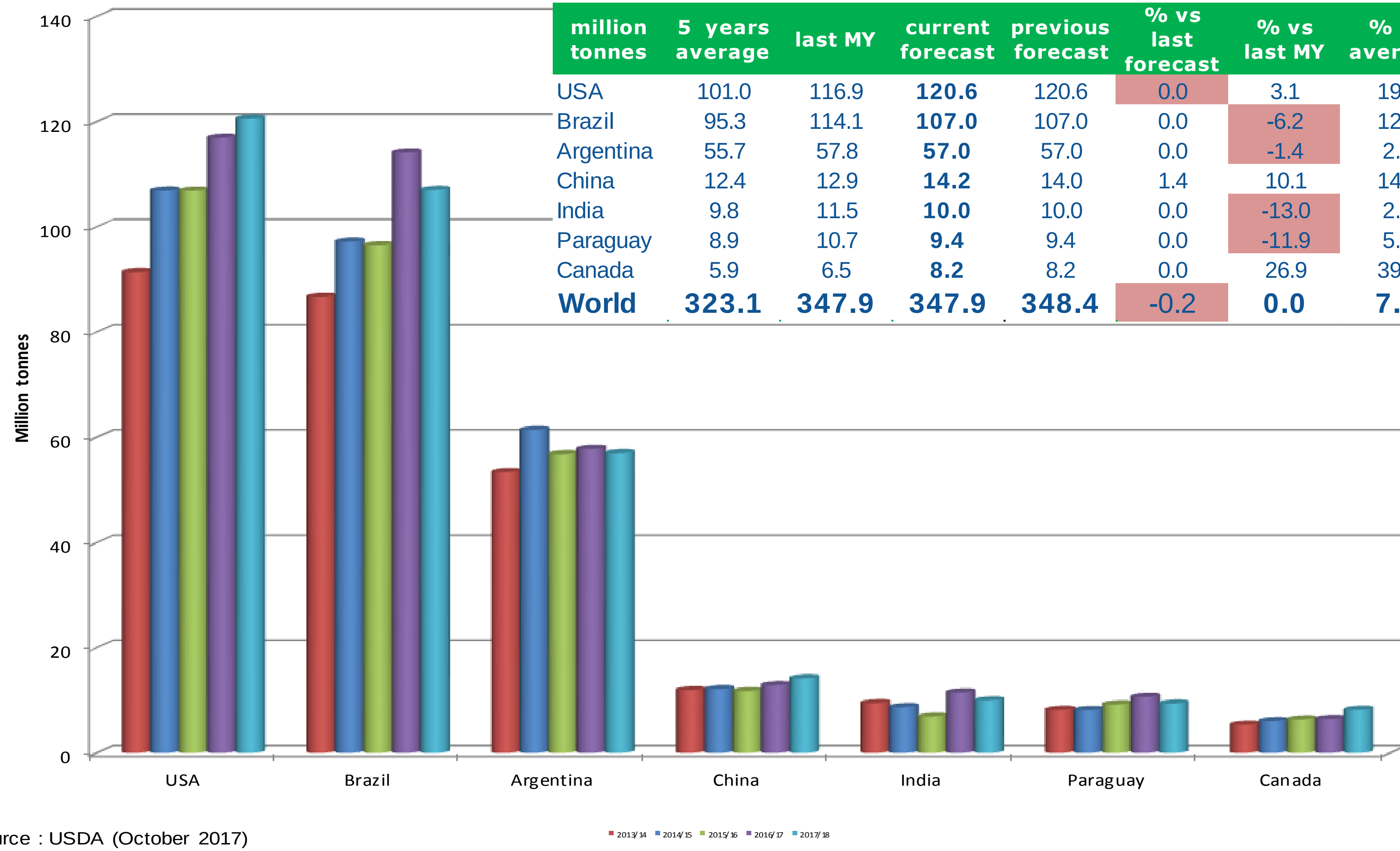


Source: USDA October

European Commission

Soybeans world production by country

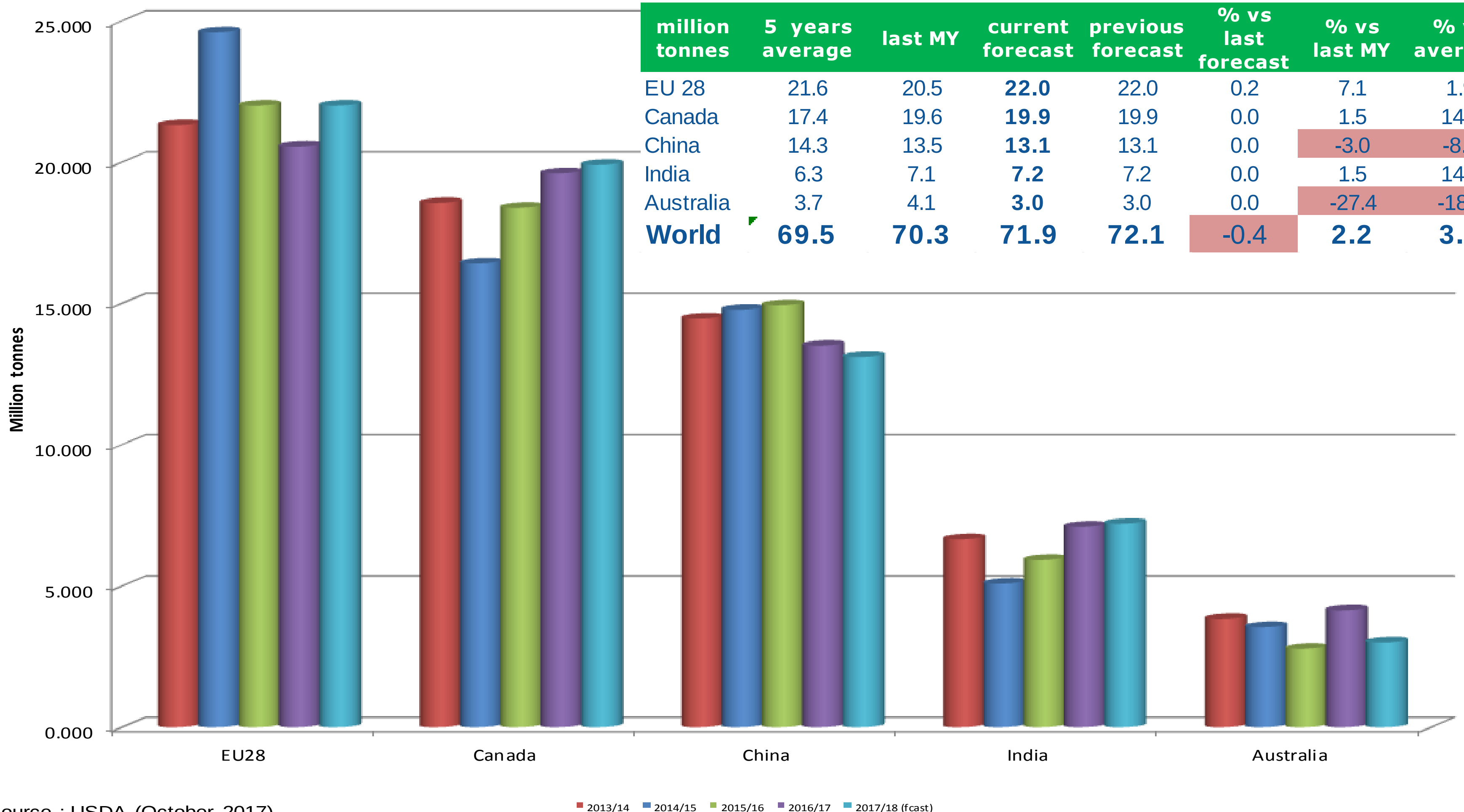
million tonnes	5 years average	last MY	current forecast	previous forecast	% vs last forecast	% vs last MY	% vs average
USA	101.0	116.9	**120.6**	120.6	0.0	3.1	19.4
Brazil	95.3	114.1	**107.0**	107.0	0.0	-6.2	12.3
Argentina	55.7	57.8	**57.0**	57.0	0.0	-1.4	2.3
China	12.4	12.9	**14.2**	14.0	1.4	10.1	14.9
India	9.8	11.5	**10.0**	10.0	0.0	-13.0	2.5
Paraguay	8.9	10.7	**9.4**	9.4	0.0	-11.9	5.8
Canada	5.9	6.5	**8.2**	8.2	0.0	26.9	39.8
World	**323.1**	**347.9**	**347.9**	**348.4**	**-0.2**	**0.0**	**7.7**



Source : USDA (October 2017)

Rapeseed world production by country

million tonnes	5 years average	last MY	current forecast	previous forecast	% vs last forecast	% vs last MY	% vs average
EU 28	21.6	20.5	**22.0**	22.0	0.2	7.1	1.9
Canada	17.4	19.6	**19.9**	19.9	0.0	1.5	14.6
China	14.3	13.5	**13.1**	13.1	0.0	-3.0	-8.6
India	6.3	7.1	**7.2**	7.2	0.0	1.5	14.0
Australia	3.7	4.1	**3.0**	3.0	0.0	-27.4	-18.6
World	**69.5**	**70.3**	**71.9**	**72.1**	-0.4	**2.2**	**3.5**



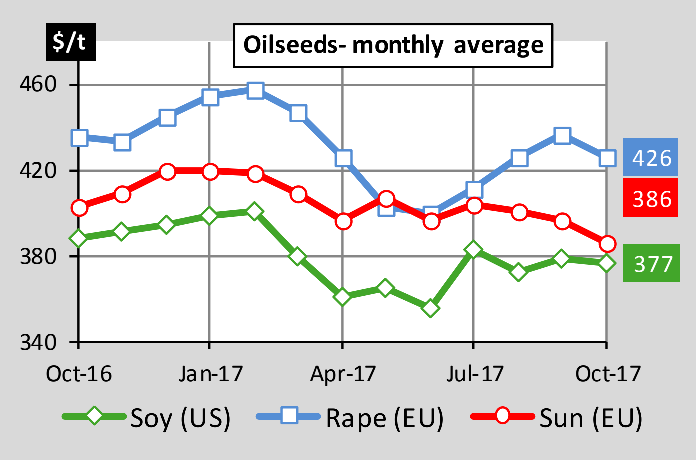
Source : USDA (October 2017)

European Commission

Oilseeds Prices

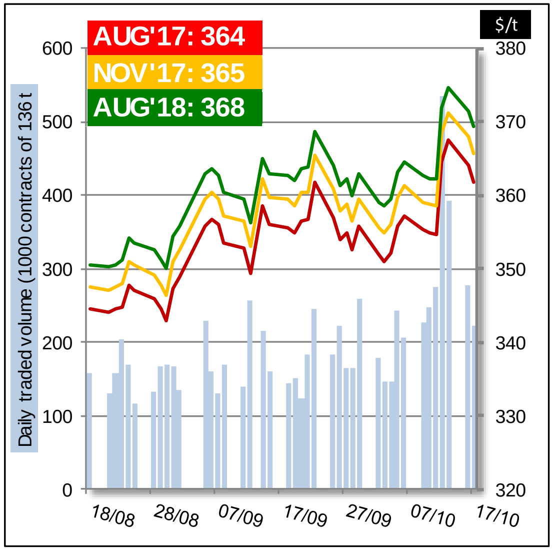
World oilseeds – export prices (fob)

Export prices FOB		17 Oct 2017 €/t	17 Oct 2017 $/t	m/m variation €/t	m/m variation $/t	y/y variation €/t	y/y variation $/t
soybeans	**Argentina - Up River**	323	380	2%	1%	-8%	-2%
	Brazil - Paranagua	331	389	3%	1%	-13%	-7%
	US Gulf	323	380	2%	0%	-8%	-2%
	Ukraine	305	359	4%	3%	-12%	-6%
rapeseed	**Australia**	382	449	-2%	-3%	-6%	0%
	Canada	358	421	0%	-2%	-2%	5%
	EU (Rouen)	361	425	-1%	-3%	-10%	-3%
	Ukraine	364	428	2%	0%	3%	1%
sunflower	**EU (Bordeaux)**	328	385	0%	-2%	-11%	-4%
	Ukraine	315	370	2%	0%	-12%	-5%

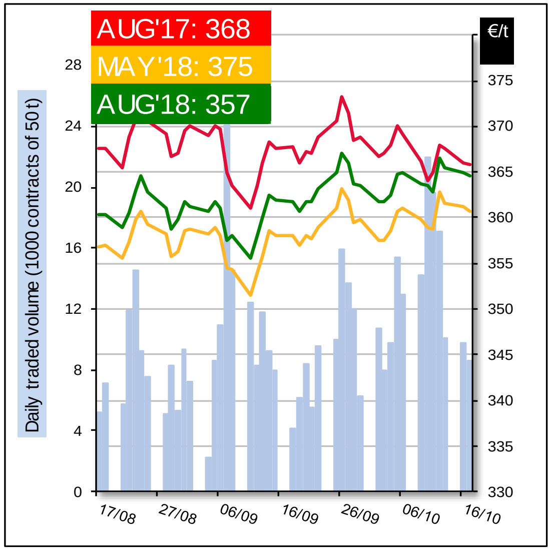


Futures prices

Soybeans CME (60 days - $/t)



Rapeseed MATIF (60 days - EUR/t)



IGC

EU Oilseeds and Balance Sheets and Forecasts

European Commission

EU Oilseeds

EU OILSEEDS AREA

Million ha	AVG 5 yrs trimmed	2016/17	2017/18 September 2017	2017/18 October 2017	%change 2016/17	%change 5yrs trimmed
Rapeseed	6.6	6.5	6.81	6.78	3.6	3.2
Sunflower	4.3	4.2	4.35	4.30	3.7	1.1
Soja	0.6	0.8	0.93	0.92	11.2	48.5
Linseed	0.1	0.1	0.07	0.07	-19.9	4.2
TOTAL	11.5	11.6	12.16	12.07	4.0	4.8

Sources : DG AGRI G.4

EU OILSEEDS PRODUCTION

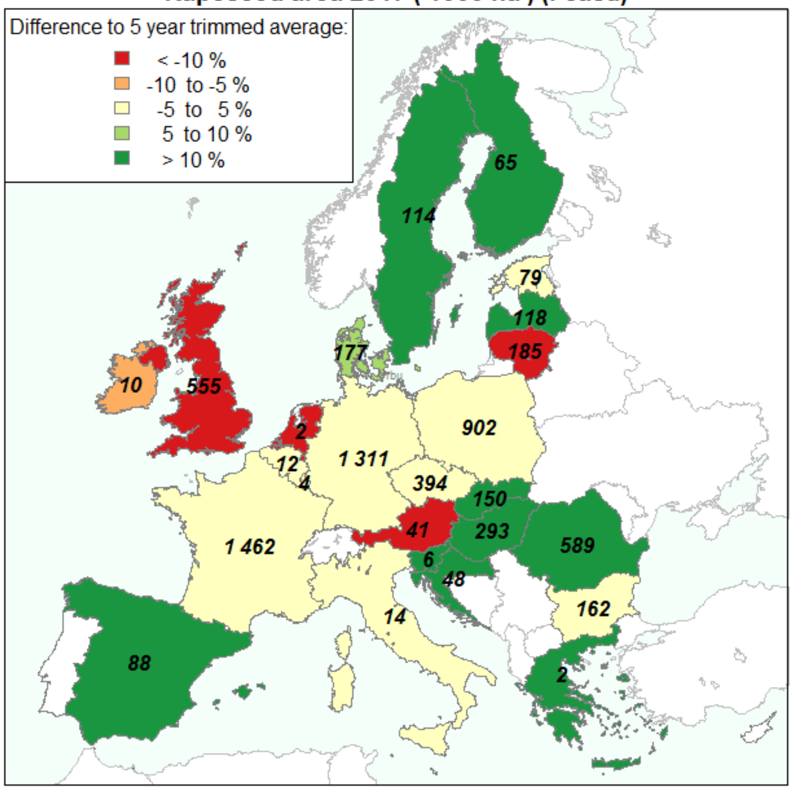
Million tonnes	AVG 5 yrs trimmed	2016/17	2017/18 September 2017	2017/18 October 2017	%change 2016/17	%change 5yrs trimmed
Rapeseed	21.0	20.1	22.3	22.3	10.9	6.3
Sunflower	8.5	8.5	9.2	9.0	6.4	5.5
Soja	1.8	2.5	2.7	2.7	7.9	48.6
Linseed	0.1	0.1	0.1	0.1	1.8	7.4
TOTAL	31.4	31.2	34.3	34.1	9.4	8.5

Sources : DG AGRI G.4

European
Commission

EU Rapeseed

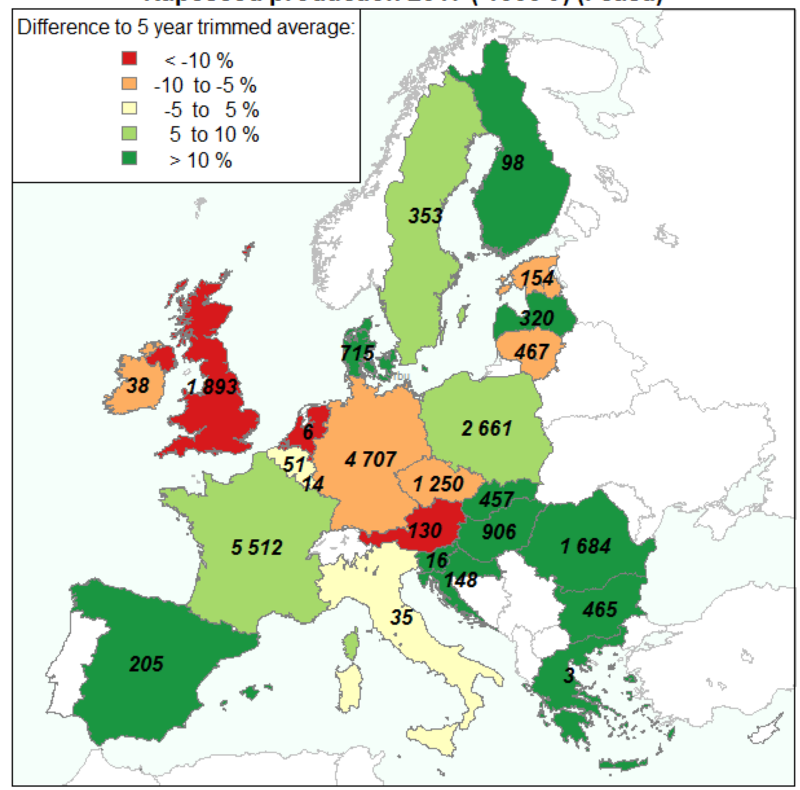
Rapeseed area 2017 (1000 ha) (f'cast.)



Calculations and cartography: European Commission DG AGRI G4 2017-10-23 © EuroGeographics for the administrative boundaries

EU28 area : 6 782 (1000 ha) Difference to 5 year trimmed average: 3 %

Rapeseed production 2017 (1000 t) (f'cast.)



Calculations and cartography: European Commission DG AGRI G4 2017-10-23 © EuroGeographics for the administrative boundaries

EU28 production : 22 289 (1000 t) Difference to 5 year trimmed average: 6 %

EU Rapeseed

Rapeseed						
Production Million tonnes	AVG 5 yrs trimmed	2016/17	2017/18 September 2017	2017/18 October 2017	%change 2016/17	%change 5yrs trimmed
TOTAL EU	20.96	20.10	22.29	22.29	10.9	6.3
France	5.18	4.74	5.48	5.51	16.3	6.5
Germany	5.21	4.58	4.71	4.71	2.8	-9.6
Poland	2.53	2.22	2.66	2.66	19.9	5.1
UK	2.38	1.78	1.89	1.89	6.6	-20.4
Czech Republic	1.35	1.36	1.25	1.25	-8.0	-7.6
Romania	0.88	1.34	1.58	1.68	26.1	91.0
Others	3.44	4.09	4.71	4.58	12.1	33.4
Sources : DG AGRI G.4						

EU Protein crops

EU PROTEIN CROPS AREA

Million ha	AVG 5 yrs trimmed	2016/17	2017/18 September 2017	2017/18 October 2017	%change 2016/17	%change 5yrs trimmed
Field peas	0.6	0.9	1.0	1.0	10.1	68.6
Broad beans	0.5	0.7	0.7	0.7	2.3	46.1
Sweet lupins	0.1	0.2	0.2	0.2	1.2	38.3
TOTAL	1.2	1.8	1.9	1.9	6.2	56.6

Sources : DG AGRI G.4

EU PROTEIN CROPS PRODUCTION

Million tonnes	AVG 5 yrs trimmed	2016/17	2017/18 September 2017	2017/18 October 2017	%change 2016/17	%change 5yrs trimmed
Field peas	1.6	2.3	2.8	2.9	27.2	81.8
Broad beans	1.4	1.9	2.1	2.1	10.6	51.1
Sweet lupins	0.2	0.3	0.3	0.3	1.5	35.3
TOTAL	3.2	4.4	5.2	5.3	18.5	65.3

Sources : DG AGRI G.4

European Commission

Thank you for your attention!

Presentations & Balance sheets available at:

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

EU Crops Market Observatory

https://ec.europa.eu/agriculture/market-observatory/crops_en

Agriculture and Rural Development