Cereals, Oilseeds and Protein Crops

Market Situation

CROPS Market Observatory
3 December 2018

Agriculture and Rural Development

CONTENTS

EU market situation

- Cereals
- Oilseeds
- Protein crops

Cereals

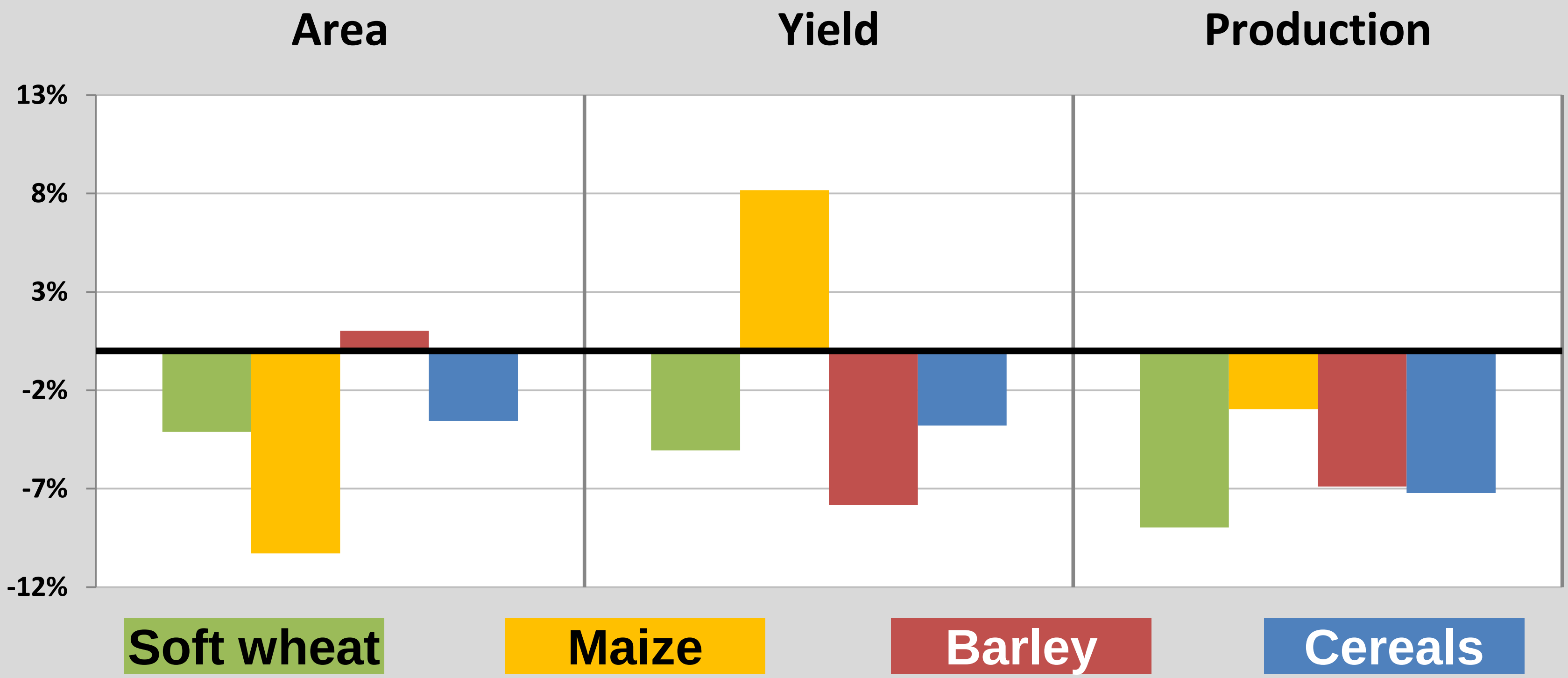
EU Cereals Production: 2018/19 forecast

EVOLUTION OF THE EU CEREALS USABLE PRODUCTION					
Million tonnes	2016/2017	2017/2018	2018/2019 Oct fcst	2018/2019 Nov fcst	% change 2017/2018
TOTAL	**296,7**	**305,3**	**282,7**	**285,1**	-6,6
Soft wheat	133,9	142,0	127,4	129,2	-9,0
Durum wheat	9,6	8,7	8,8	8,9	2,3
Barley	59,4	58,3	56,8	55,9	-4,1
Maize	62,8	64,8	62,3	62,9	-2,9
Rye	7,2	7,2	6,2	6,3	-12,5
Oats	8,0	8,1	7,9	7,7	-4,9

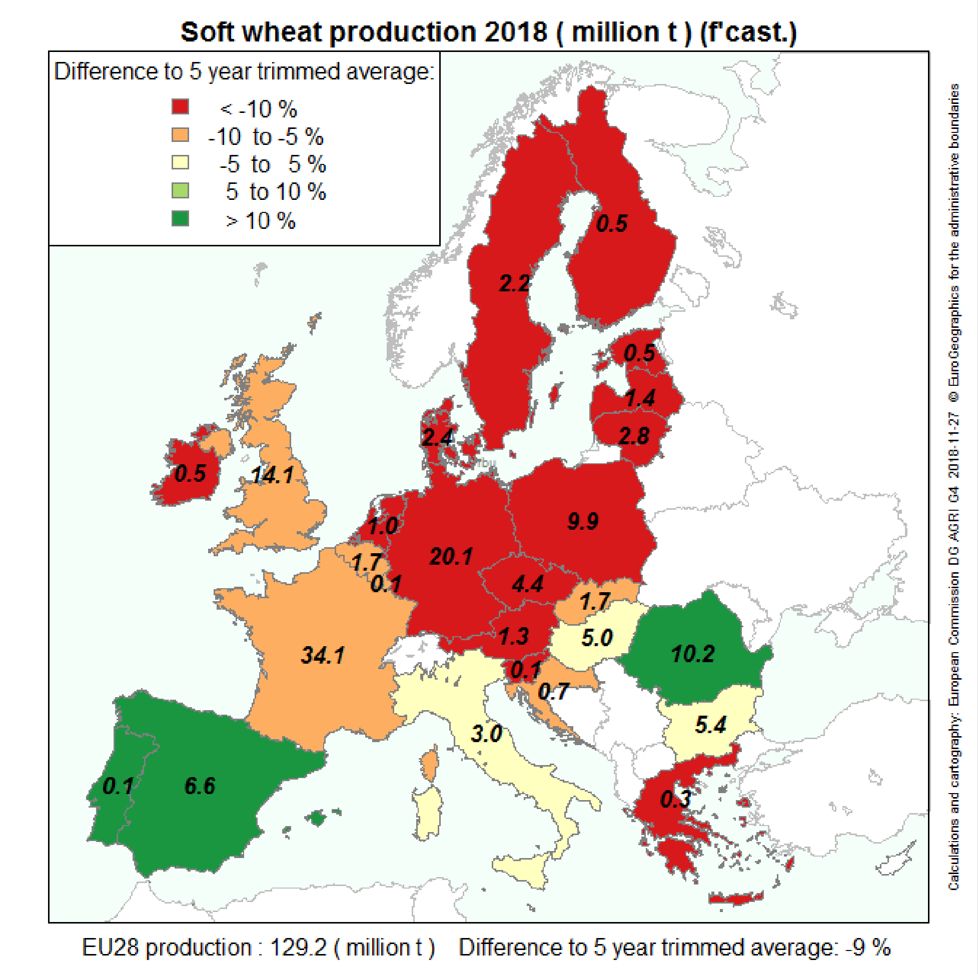
Sources : DG AGRI - G4

EU cereals production
2018/19 forecast: 285.1 million tonnes
lower area (excl. Barley), lower yields (excl. Maize), lower production

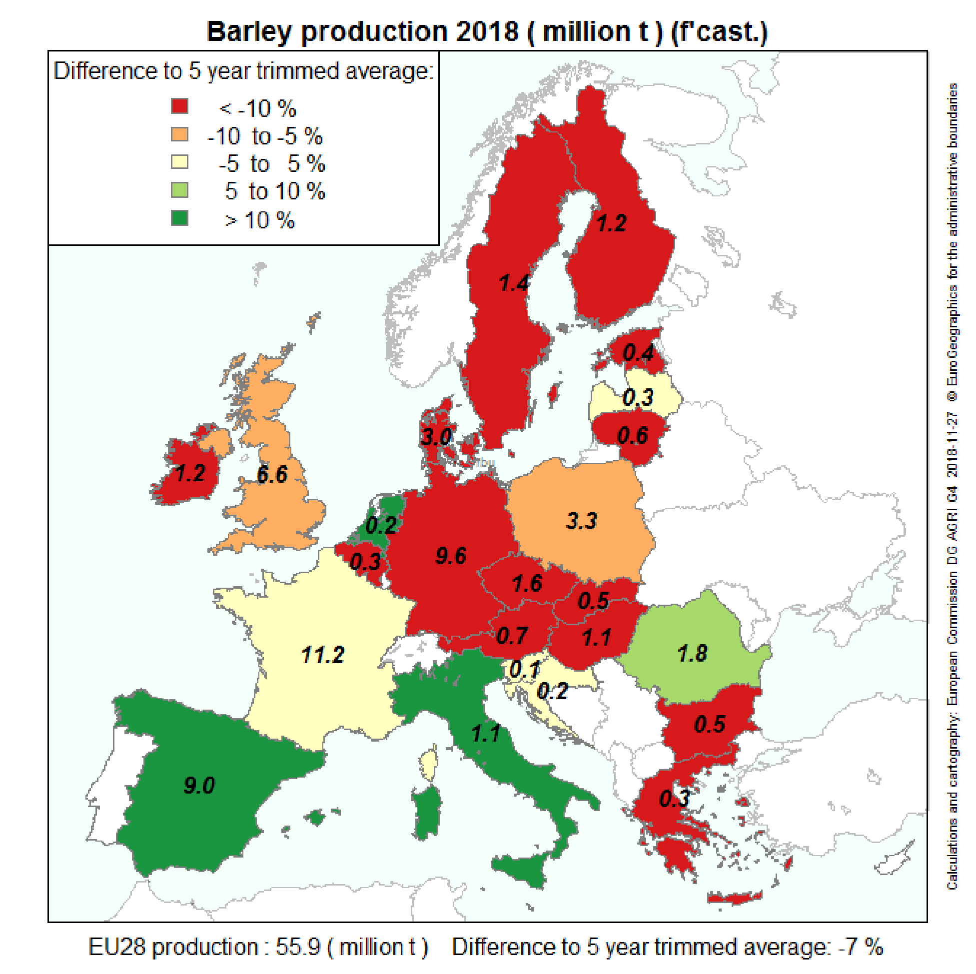
2018/19 vs 5Y-trimmed average



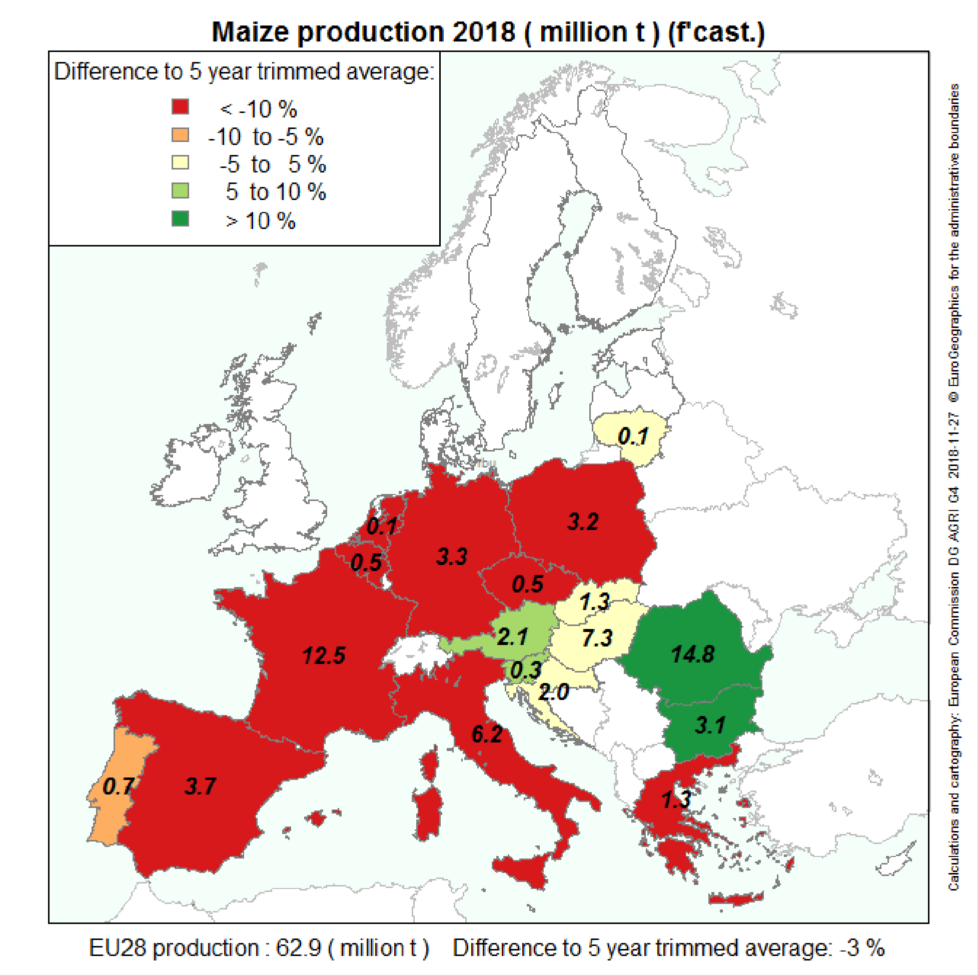
2018-19 MY vs 5Y average



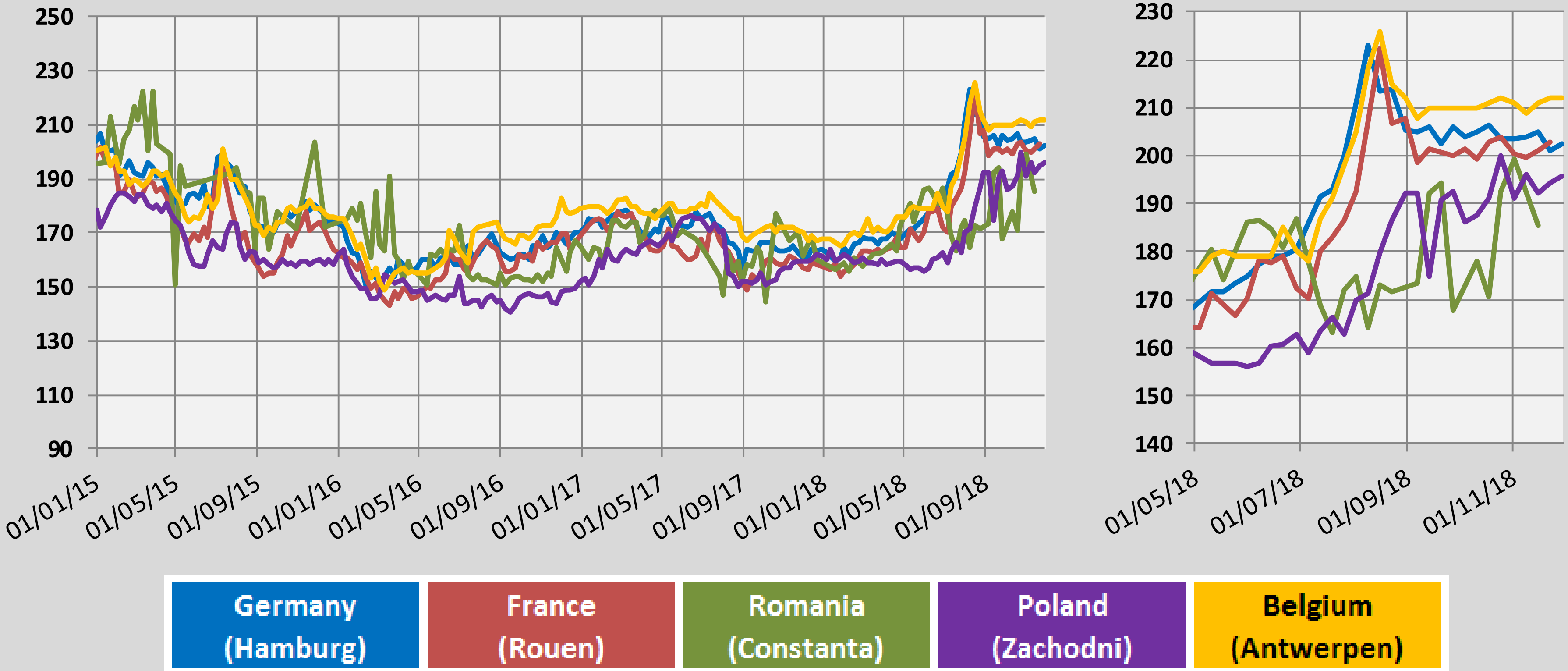
2018-19 MY vs 5Y average



2018-19 MY vs 5Y average

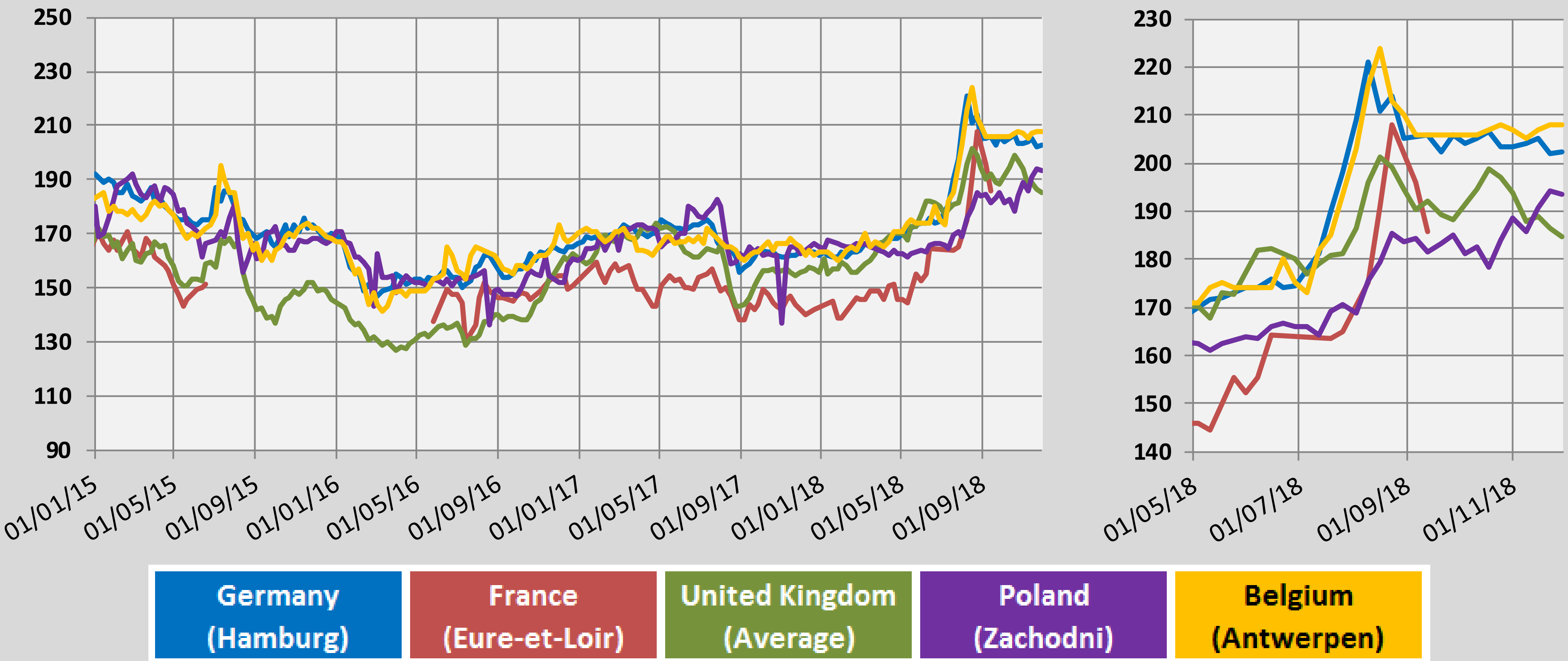


EU Market prices for milling wheat (€/tonne)



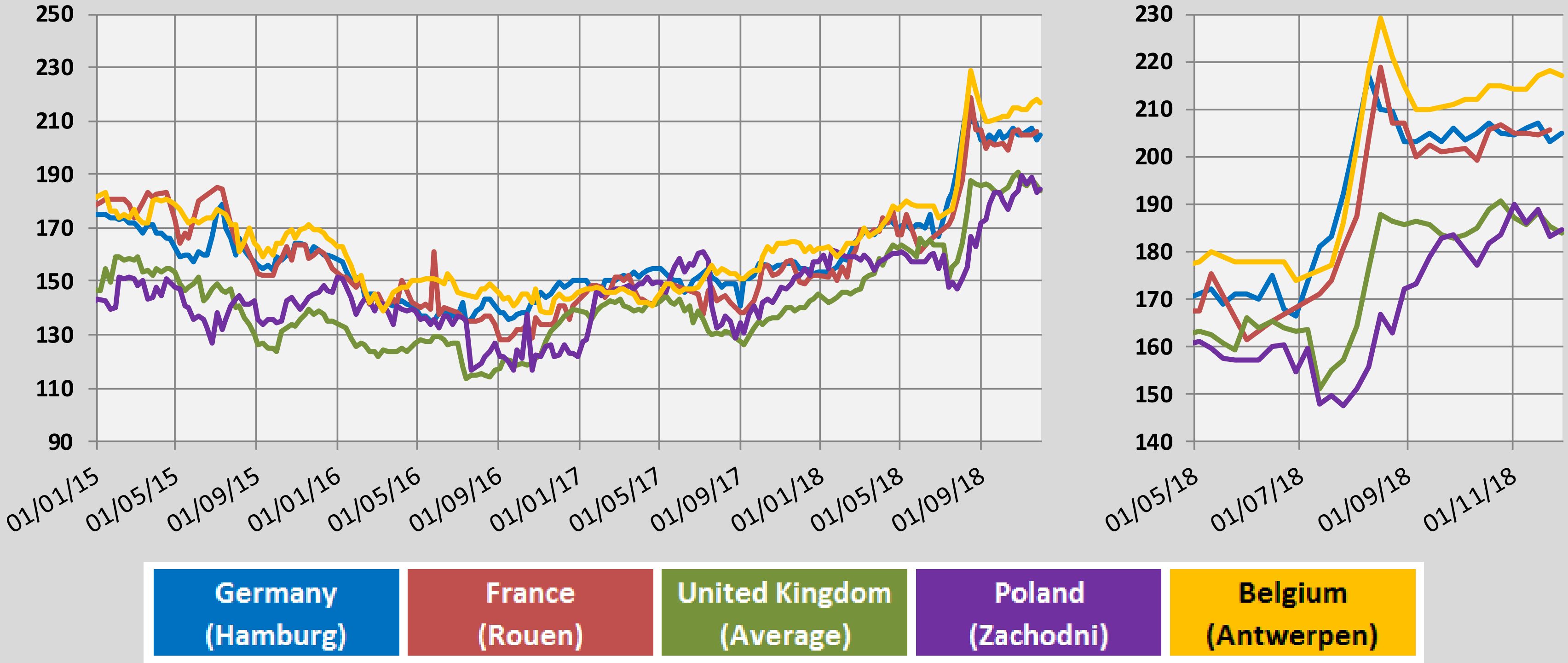
Source: Member States notification - Commission Implementing Regulation (EU) 2017/1185 Art.11, Annex I Point 1

EU Market prices for feed wheat (€/tonne)



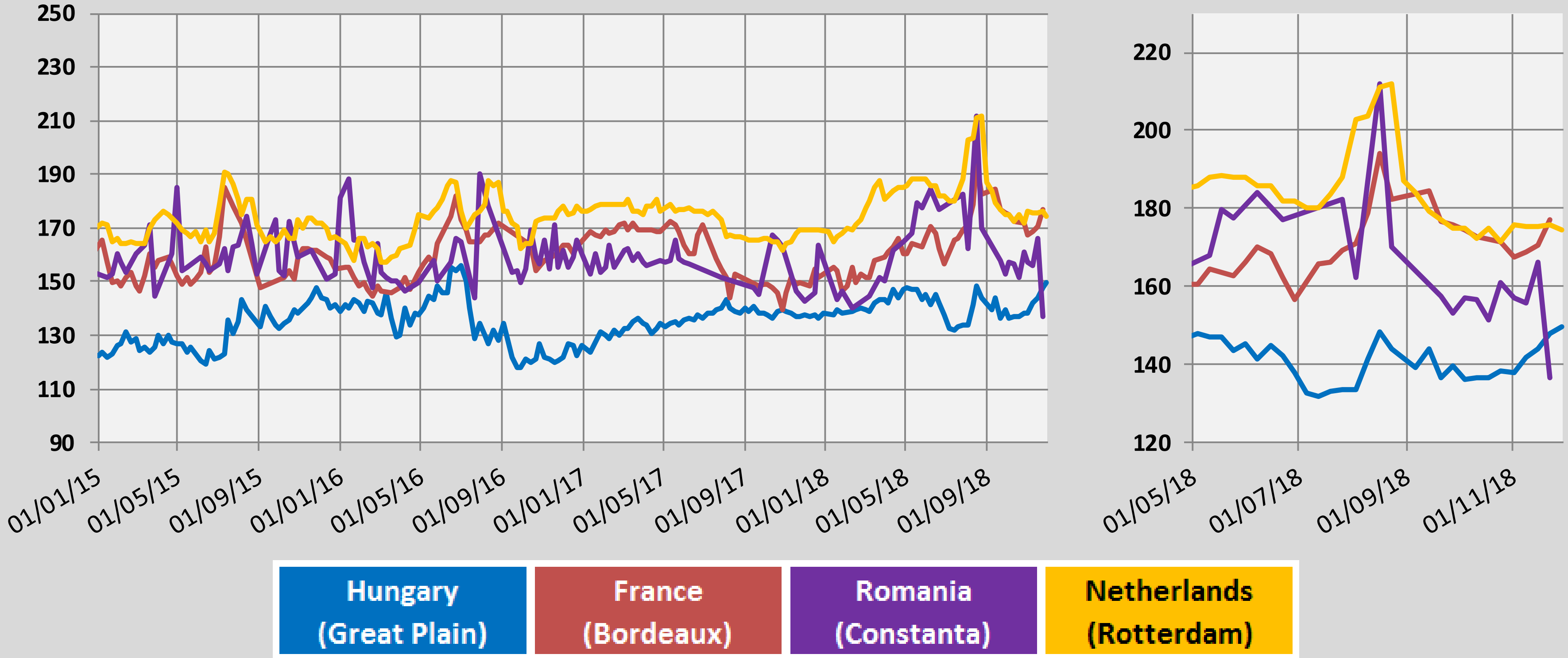
Source: Member States notification - Commission Implementing Regulation (EU) 2017/1185 Art.11, Annex I Point 1

EU Market prices for feed barley (€/tonne)



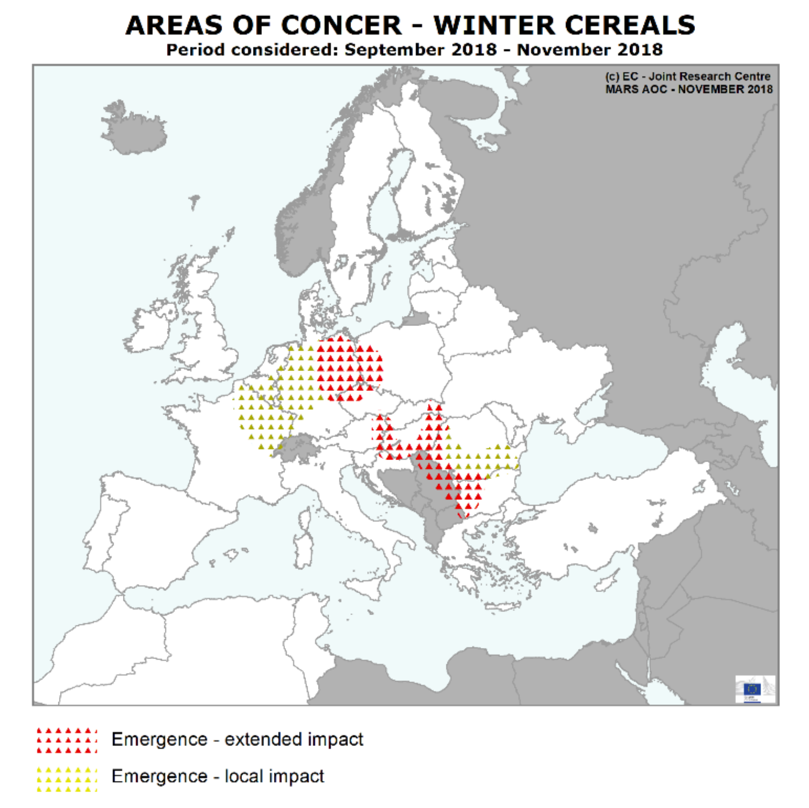
Source: Member States notification - Commission Implementing Regulation (EU) 2017/1185 Art.11, Annex I Point 1

EU Market prices for maize (€/tonne)



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

Autumn sowings



- **Winter cereals**
  - Completed on time in almost all of western, northern, central and eastern Europe
  - Difficulties in DE, RO, HU, BU, SI, HR, CZ, AT, and SK
  - **Areas of Concern:** South-eastern Europe, DE, eastern PL, parts of Benelux, and eastern FR
  - Well-advanced development in some areas: risk of being more vulnerable to frost

EU Cereals Market

Relatively high feed wheat and barley **prices,** any impacts on the feed compositions?

Sowing area for various cereals, any impacts following the dry conditions in Autumn?

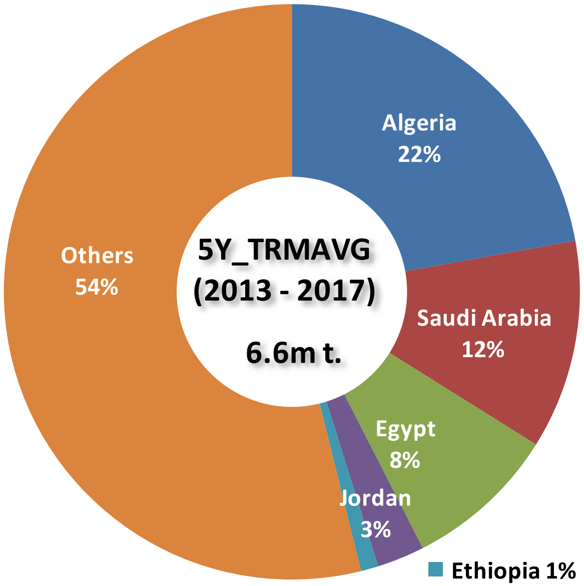
New **intra-EU trade** flows due to the summer drought - comments?

EU28 – Common wheat exports and imports – July - September including flour and groats in grain equivalent

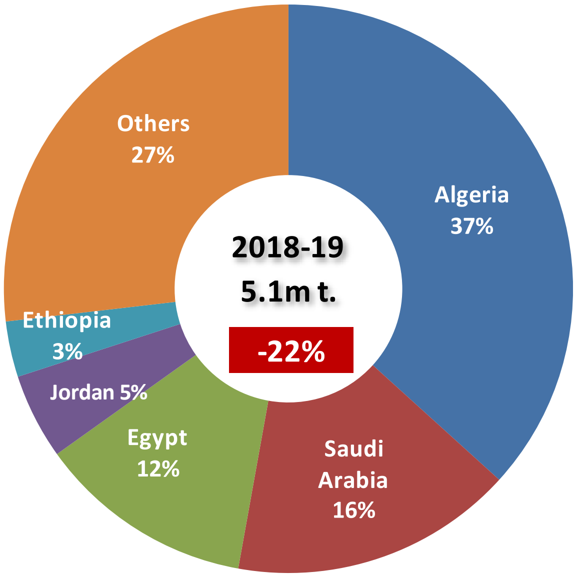
Source: EUROSTAT, Comext extraction at 20/11/2018

EU common wheat export destinations

(July - September)



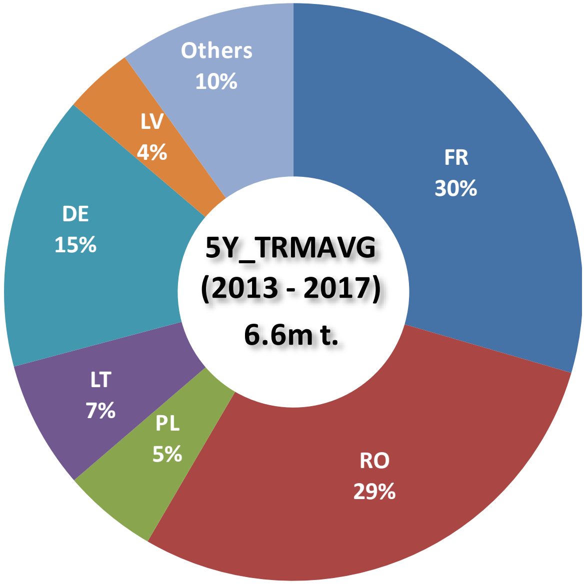
(Thousand tons)	5Y_TRMAVG (2013 - 2017)	2018-19	
Algeria	1 460	1 882 ↑	*29%*
Saudi Arabia	775	825 ↑	*7%*
Egypt	566	630 ↑	*11%*
Jordan	176	250 ↑	*42%*
Ethiopia	64	162 ↑	*152%*
Others	3 551	1 376 ↓	*-61%*



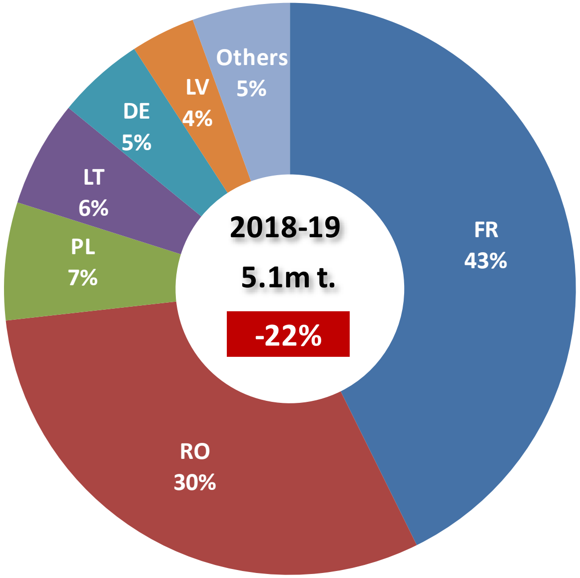
Source: Eurostat- Comext @ 13 Nov 2018

EU MS exporting common wheat

(July - September)

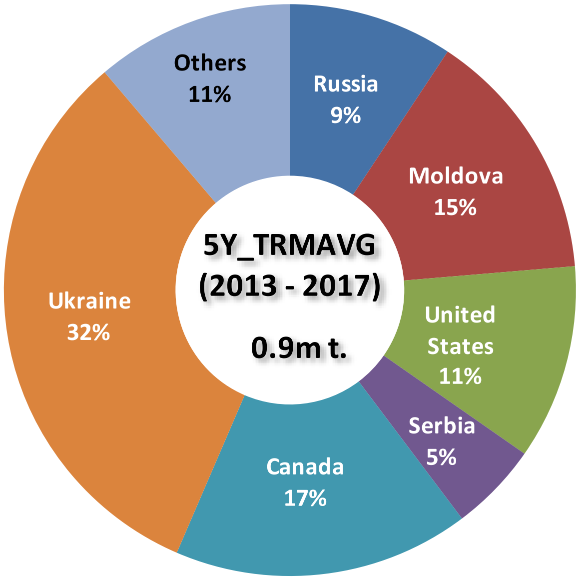


(Thousand tons)	5Y_TRMAVG (2013 - 2017)	2018-19	
FR	1 946	2 188 ↑	*12%*
RO	1 904	1 566 ↓	*-18%*
PL	349	341 ↓	*-2%*
LT	471	308 ↓	*-35%*
DE	1 015	253 ↓	*-75%*
LV	254	187 ↓	*-27%*
Others	653	283 ↓	*-57%*

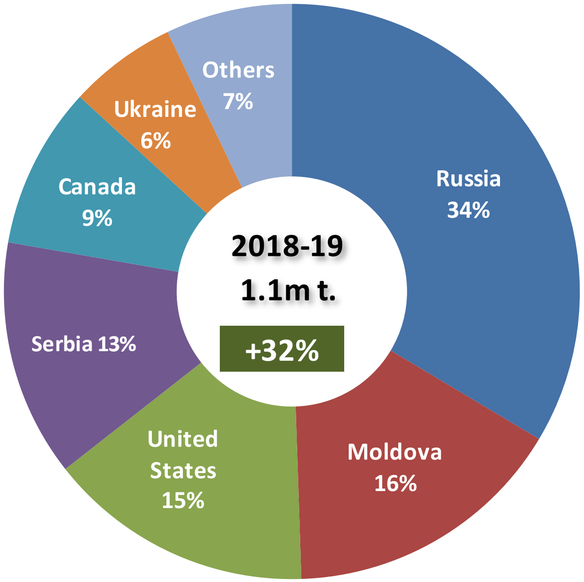


Source: Eurostat- Comext @ 13 Nov 2018

EU common wheat import origins
(July - September)



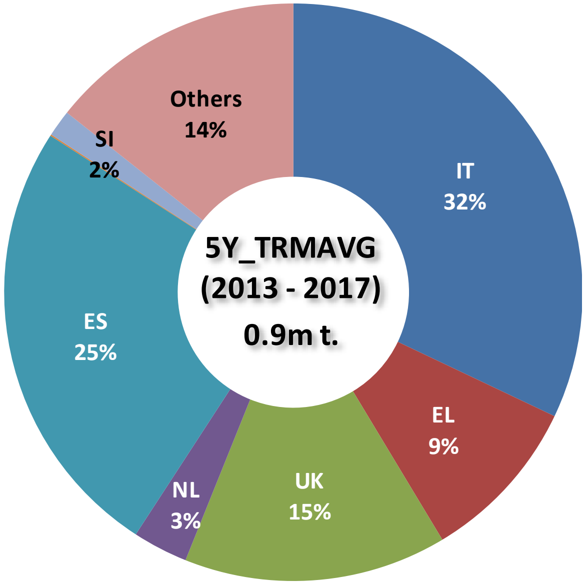
(Thousand tons)	5Y_TRMAVG (2013 - 2017)	2018-19		
Russia	81	384	↑	377%
Moldova	125	182	↑	46%
United States	96	171	↑	79%
Serbia	44	153	↑	250%
Canada	145	104	↓	-28%
Ukraine	280	69	↓	-75%
Others	97	81	↓	-16%



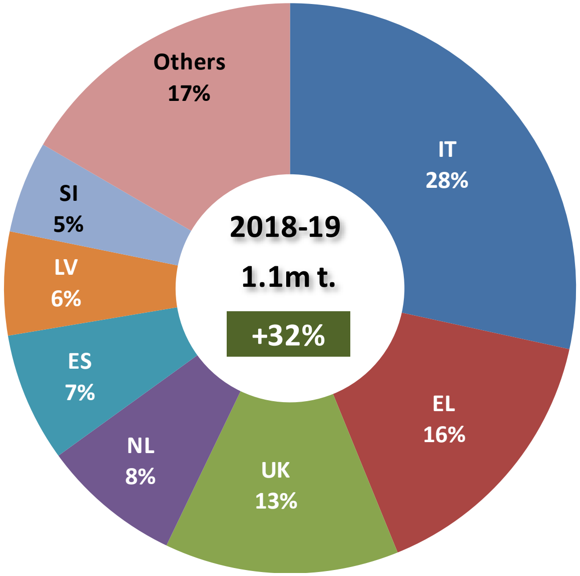
Source: Eurostat- Comext @ 13 Nov 2018

EU MS importing common wheat

(July - September)

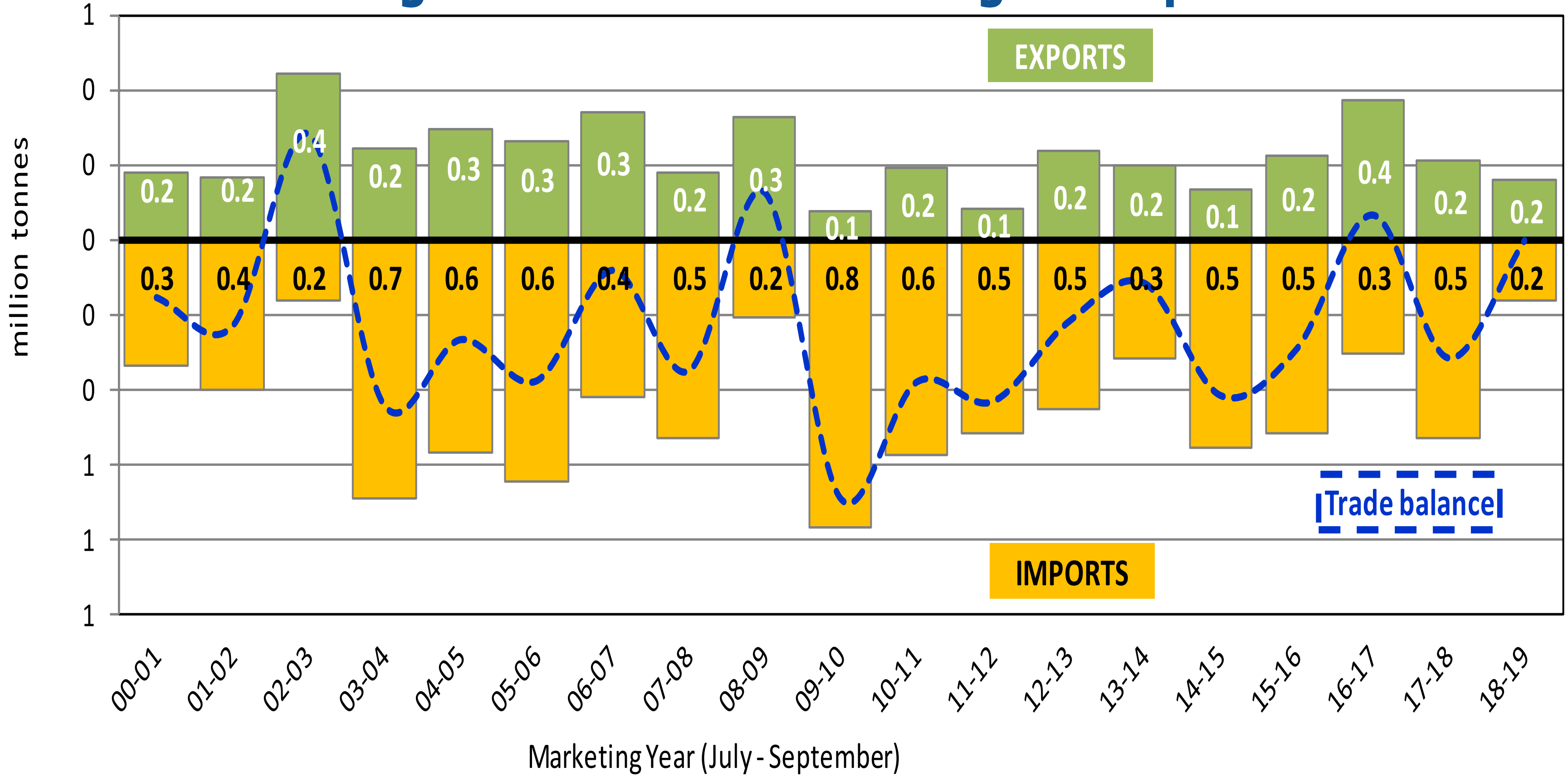


(Thousand tons)	5Y_TRMAVG (2013 - 2017)	2018-19	
IT	278	325 ↑	17%
EL	81	177 ↑	119%
UK	127	152 ↑	19%
NL	27	90 ↑	238%
ES	216	84 ↓	-61%
LV	1	67 ↑	10458%
SI	13	60 ↑	361%
Others	124	190 ↑	53%



Source: Eurostat- Comext @ 13 Nov 2018

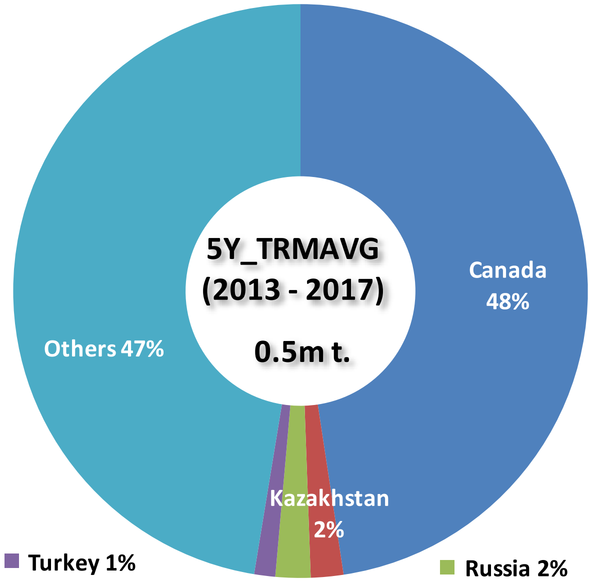
EU28 – Durum wheat exports and imports – July - September including flour and semolina in grain equivalent



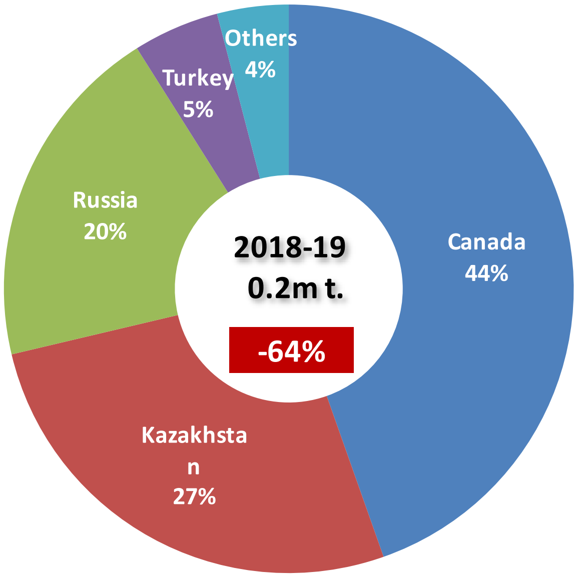
Source: EUROSTAT, Comext extraction at 20/11/2018

EU durum wheat import origins

(July - September)



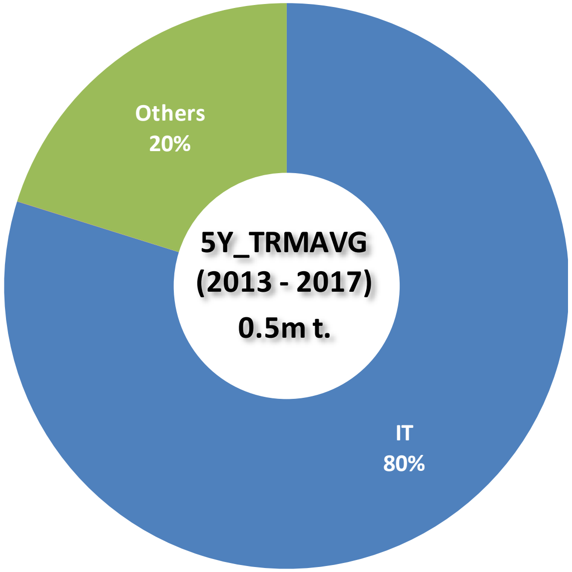
(Thousand tons)	5Y_TRMAVG (2013 - 2017)	2018-19	
Canada	215	72	-66%
Kazakhstan	8	43	421%
Russia	9	32	259%
Turkey	5	8	48%
Others	214	7	-97%



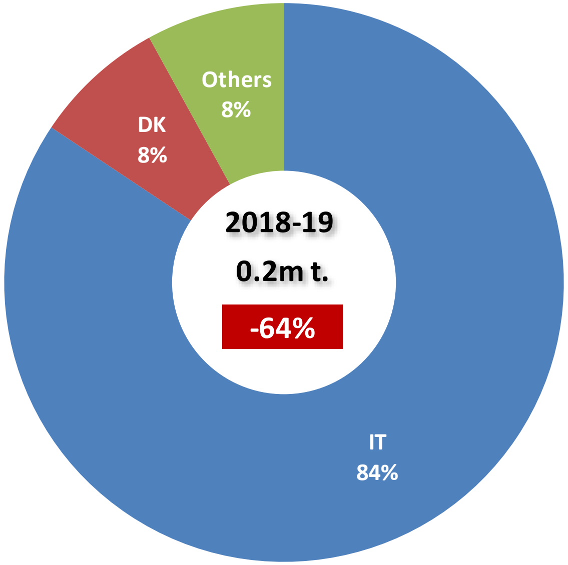
Source: Eurostat- Comext @ 13 Nov 2018

EU MS importing durum wheat

(July - September)

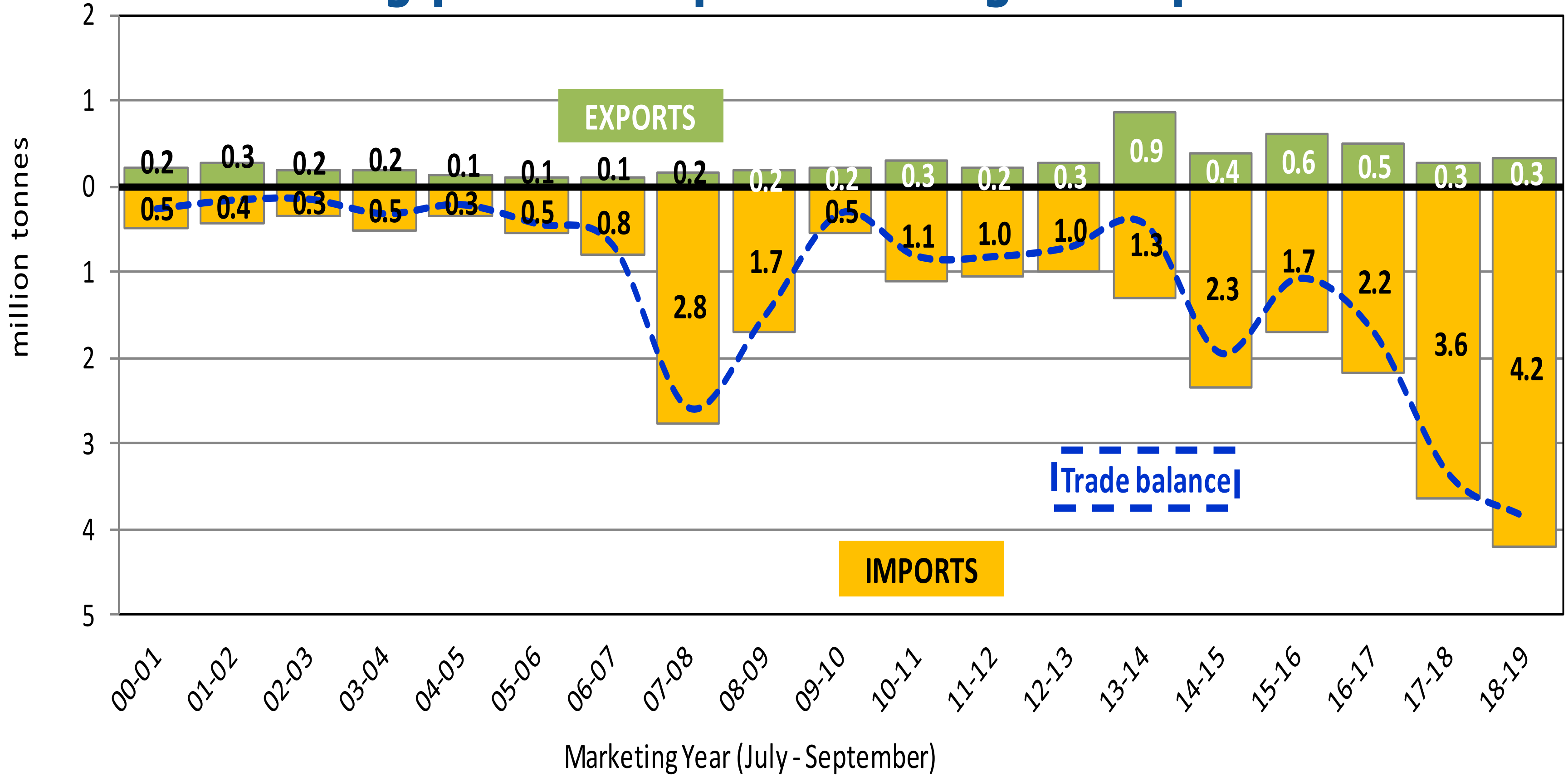


(Thousand tons)	5Y_TRMAVG (2013 - 2017)	2018-19	
IT	361	136	-62%
DK	0	12	20358%
Others	91	13	-86%



Source: Eurostat- Comext @ 13 Nov 2018

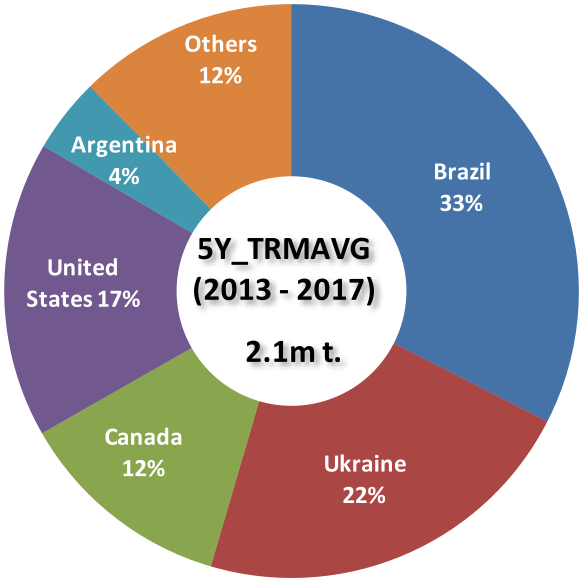
EU28 – Maize exports and imports – July - September including processed products in grain equivalent



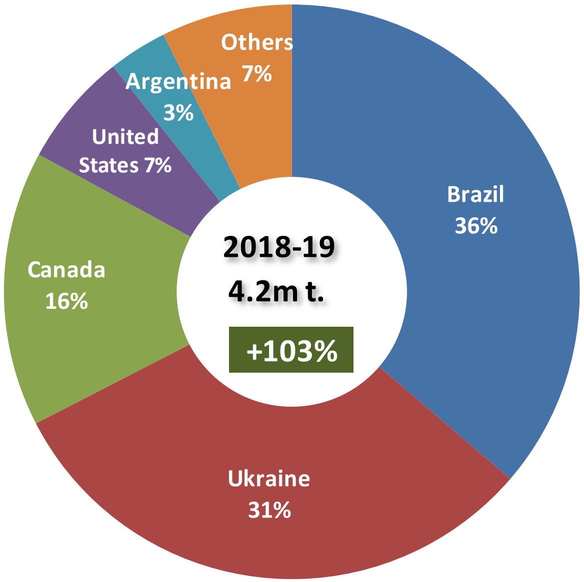
Source: EUROSTAT, Comext extraction at 20/11/2018

EU maize import origins

(July - September)



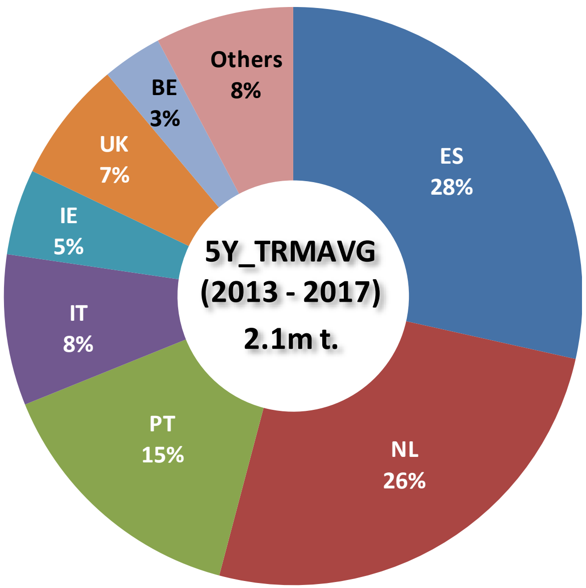
(Thousand tons)	5Y_TRMAVG (2013 - 2017)	2018-19	
Brazil	673	1 522 ↑	*126%*
Ukraine	455	1 306 ↑	*187%*
Canada	253	650 ↑	*157%*
United States	345	269 ↓	*-22%*
Argentina	87	139 ↑	*59%*
Others	256	309 ↑	*21%*



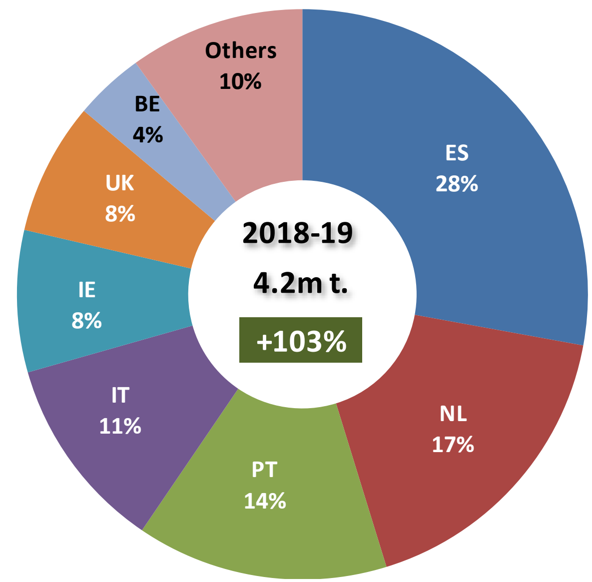
Source: Eurostat- Comext @ 13 Nov 2018

EU MS importing maize

(July - September)



(Thousand tons)	5Y_TRMAVG (2013 - 2017)	2018-19	
ES	589	1 169 ↑	*98%*
NL	530	729 ↑	*38%*
PT	305	598 ↑	*96%*
IT	175	465 ↑	*167%*
IE	99	337 ↑	*240%*
UK	140	314 ↑	*124%*
BE	69	166 ↑	*139%*
Others	160	416 ↑	*160%*



Source: Eurostat- Comext @ 13 Nov 2018

EU Cereals Balance Sheet

Thousand metric tonnes

LAST UPDATED: 28/06/2018	EU 28 total cereals balance sheet (thousand tonnes)				
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
Beginning stocks	**36 396**	**46 217**	**43 601**	**37 116**	**47 321**
Usable production	328 083	311 699	296 699	305 303	285 114
Imports (from third countries)	15 593	20 832	19 311	24 493	25 480
Total supply	**380 072**	**378 747**	**359 611**	**366 912**	**357 914**
Total domestic use	282 193	284 300	284 286	286 046	286 485
Human consumption	64 957	65 144	65 415	65 686	65 815
Seed	9 640	9 575	9 569	9 287	9 244
Industrial uses	33 406	33 971	34 212	34 751	34 686
of which bioethanol/biofue	*11 553*	*11 989*	*12 197*	*12 613*	*12 659*
Animal feed	171 980	173 400	172 880	174 111	174 530
Losses	2 210	2 210	2 210	2 210	2 210
Exports (to third countries)	51 663	50 846	38 209	33 546	31 736
Total use	**333 855**	**335 146**	**322 495**	**319 591**	**318 221**
Ending stocks	**46 217**	**43 601**	**37 116**	**47 321**	**39 693**
Change in stocks	9 821	-2 615	-6 485	10 205	-7 628

EU Cereals Trade

How **the EU wheat can compete on the global market given a strong competition from** Black Sea, US and other origins?

Will EU **maize imports** break the record again?

Durum wheat imports the lowest since years. Why?

Oilseeds

EU Oilseeds

EU OILSEEDS AREA

Million ha	AVG 5 yrs trimmed	2017/18	2018/19 October	**2018/19 November**	%change 2017/18	%change 5yrs trimmed
Rapeseed	6.7	6.7	6.85	**6.97**	3.3	4.7
Sunflower	4.3	4.3	4.21	**4.15**	-3.7	-2.5
Soja	0.8	1.0	0.94	**0.97**	1.3	27.5
TOTAL	**11.7**	**12.0**	**12.00**	**12.09**	**0.6**	**3.6**

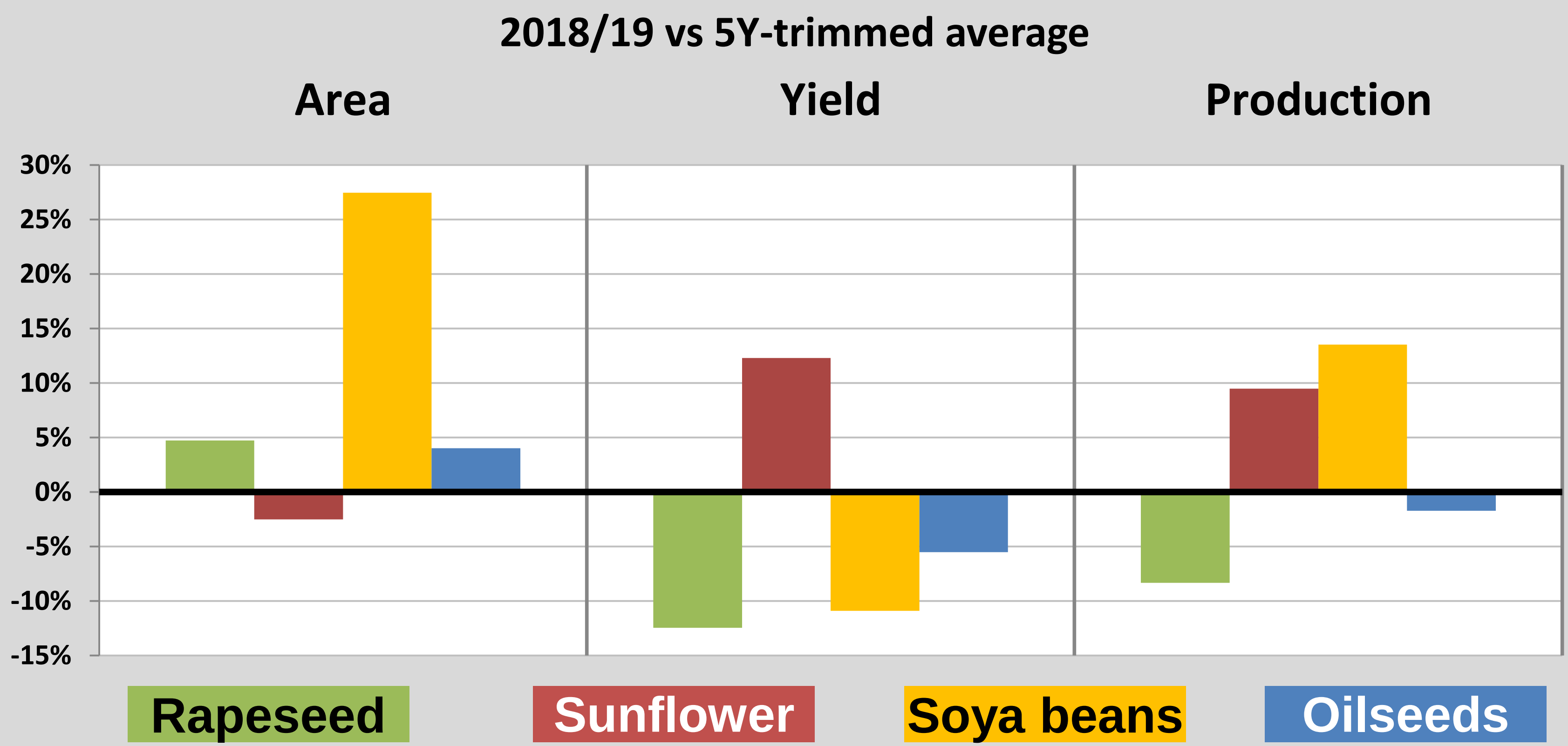
Sources : EC - DG AGRI

EU OILSEEDS PRODUCTION

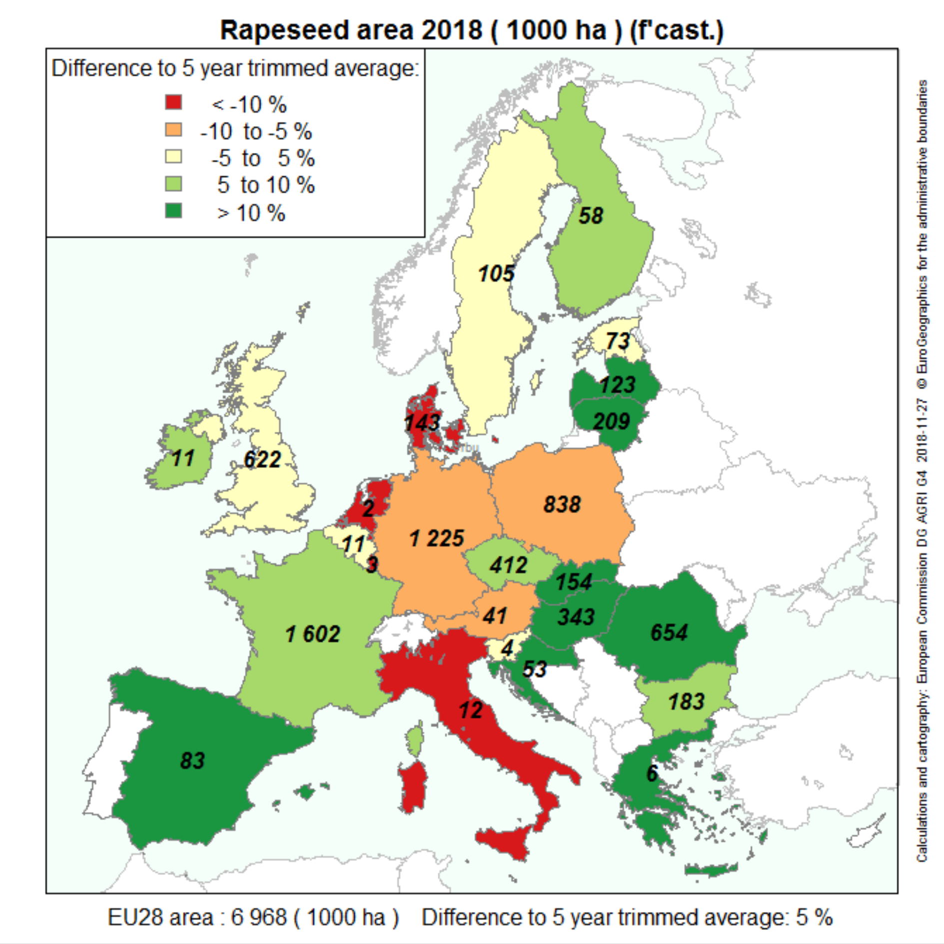
Million tonnes	**AVG 5 yrs trimmed**	**2017/18**	2018/19 October	**2018/19 November**	**%change 2017/18**	**%change 5yrs trimm.**
Rapeseed	21.6	22.0	19.8	**19.8**	-10.1	-8.3
Sunflower	9.1	10.4	9.6	**10.0**	-4.3	9.5
Soja	2.2	2.7	2.6	**2.5**	-5.3	13.5
TOTAL	**32.9**	**35.1**	32.0	**32.3**	**-8.0**	**-1.9**

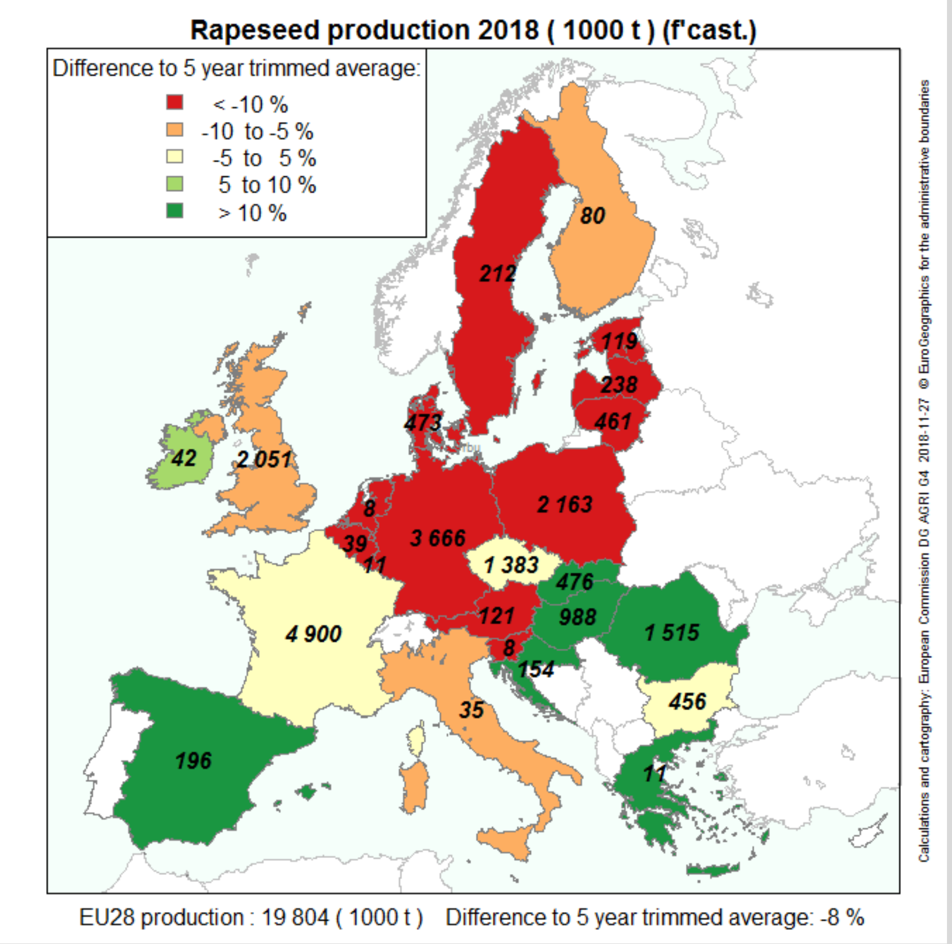
Sources : EC - DG AGRI

EU oilseeds production
2018/19 forecast: 32.3 million tonnes
higher area (except sunflower) and yields (except rapeseed), higher production(except rapeseed)



EU Rapeseed


Rapeseed area 2018 (1000 ha) (f'cast.)
Difference to 5 year trimmed average:
< -10 %
-10 to -5 %
-5 to 5 %
5 to 10 %
> 10 %
58
105
73
123
209
143
11
622
2
838
1 225
11
3
412
154
1 602
41
343
654
4
53
183
12
83
6
Calculations and cartography: European Commission DG AGRI G4 2018-11-27 © EuroGeographics for the administrative boundaries
EU28 area : 6 968 (1000 ha) Difference to 5 year trimmed average: 5 %


Rapeseed production 2018 (1000 t) (f'cast.)
Difference to 5 year trimmed average:
< -10 %
-10 to -5 %
-5 to 5 %
5 to 10 %
> 10 %
80
212
119
238
461
473
42
2 051
8
2 163
39
3 666
11
1 383
476
4 900
121
988
1 515
8
154
35
456
196
11
Calculations and cartography: European Commission DG AGRI G4 2018-11-27 © EuroGeographics for the administrative boundaries
EU28 production : 19 804 (1000 t) Difference to 5 year trimmed average: -8 %

EU Rapeseed : MS

Rapeseed Production Million tonnes	AVG 5 yrs trimmed	2017/18	2018/19 October	**2018/19** **November**	%change 2017/18	%change 5yrs trimmed
TOTAL EU	**21.61**	**22.02**	**19.80**	**19.80**	**-10.1**	**-8.3**
France	5.14	5.38	4.88	**4.90**	-8.9	-4.7
Germany	5.13	4.28	3.67	**3.67**	-14.2	-28.5
Poland	2.69	2.70	2.16	**2.16**	-19.8	-19.6
UK	2.25	2.17	2.08	**2.05**	-5.4	-8.9
Czech Republic	1.35	1.15	1.38	**1.38**	20.7	2.3
Romania	1.09	1.67	1.52	**1.51**	-9.5	38.9
Others	3.95	4.68	4.12	**4.13**	-11.9	4.4

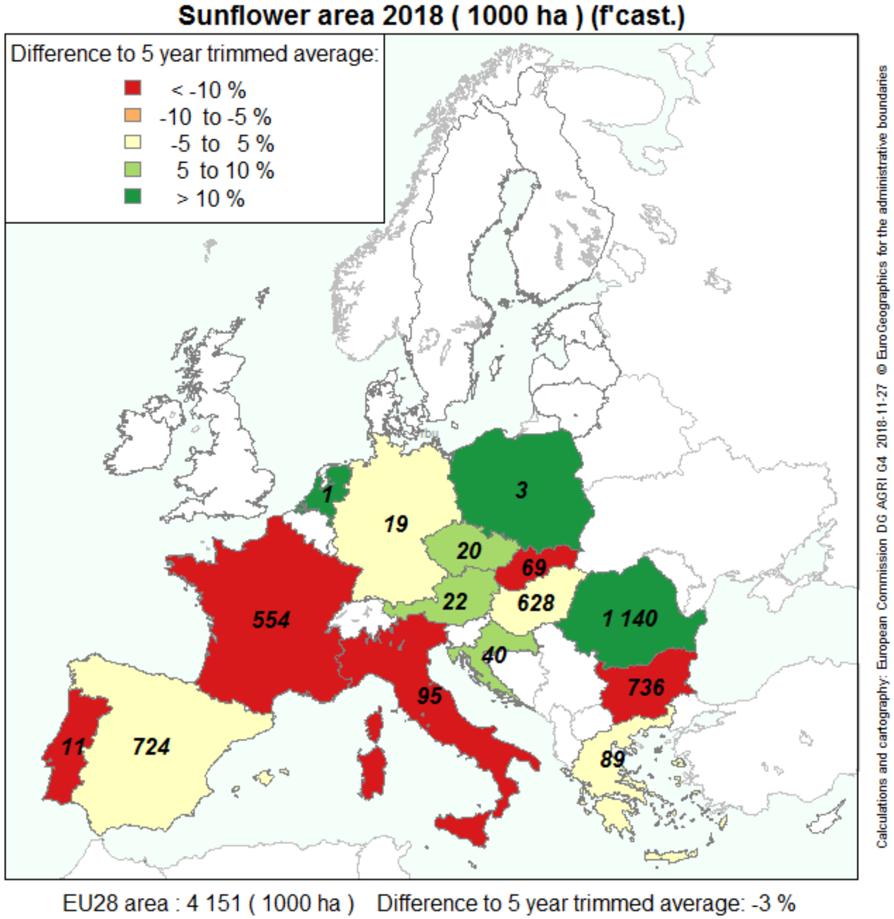
Autumn sowings Rapeseed

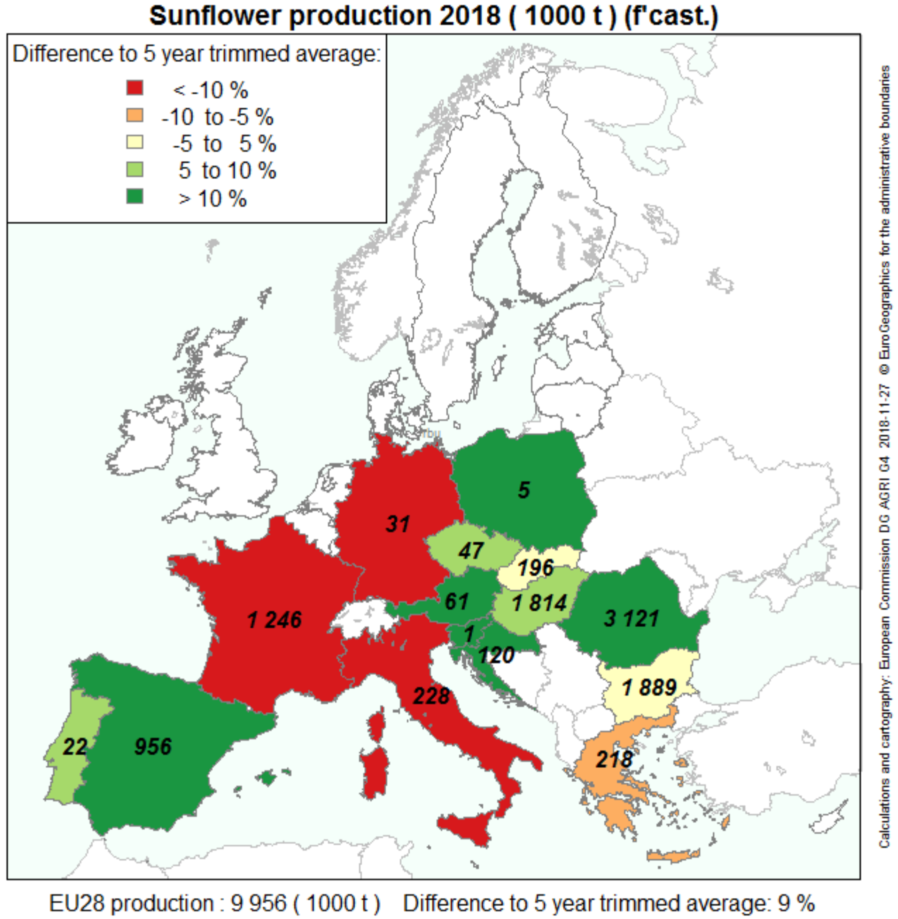
Significant **area declines** expected in several Member States (FR, DE, PL, CZ…)- other Member States also concerned?

Some uncertainty for already **sown rapeseed** to be more vulnerable to winter killing– updates?

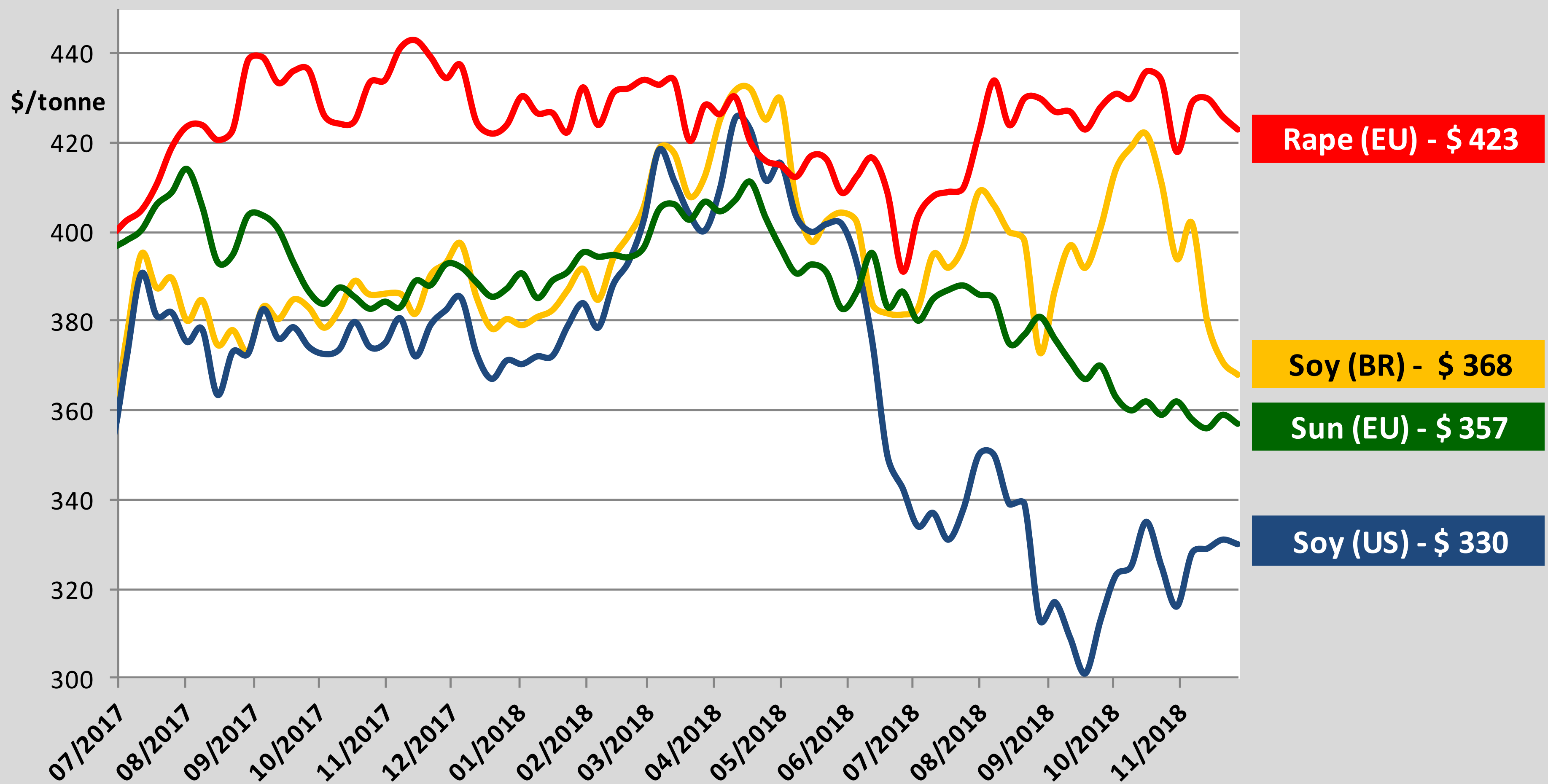
Additional **pest and disease pressure** due to particularly mild autumn weather in central, northern and eastern Europe – impacts?

EU Sunflower

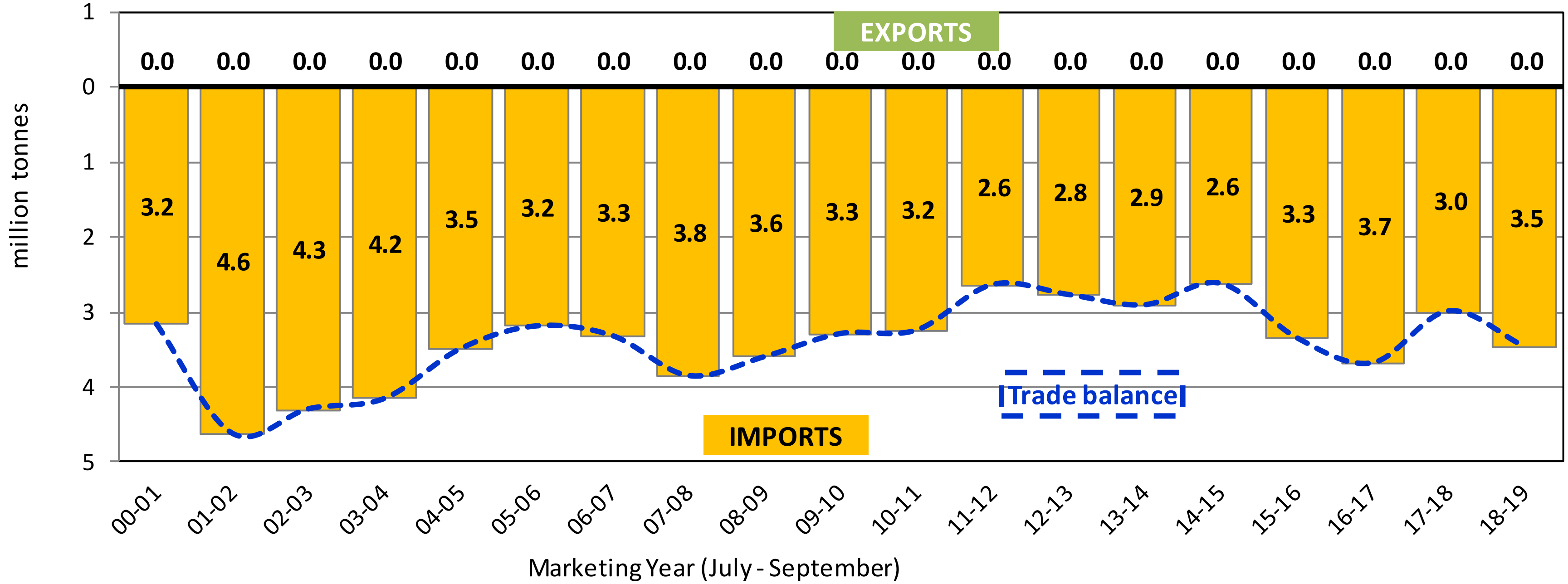




Oilseeds export prices



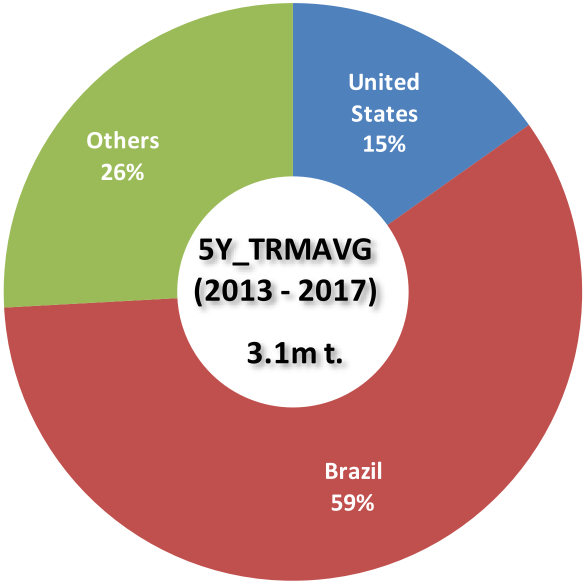
EU28 – Soya bean exports and imports (July - September)



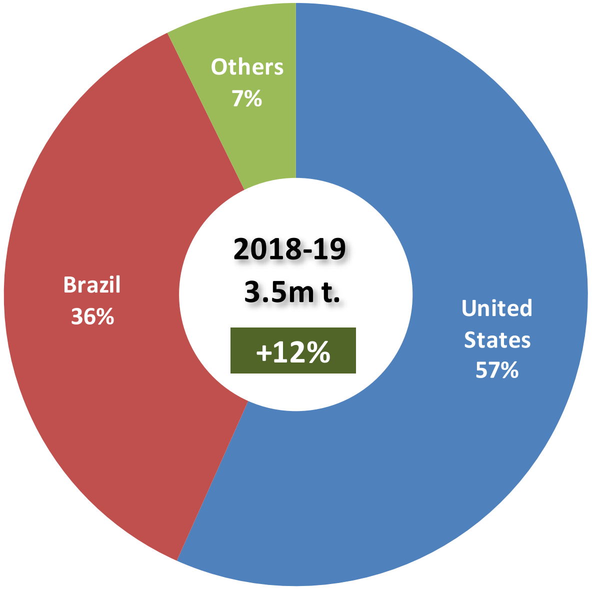
Source: EUROSTAT, Comext extraction at 20/11/2018

EU soya beans import origins

(July - September)



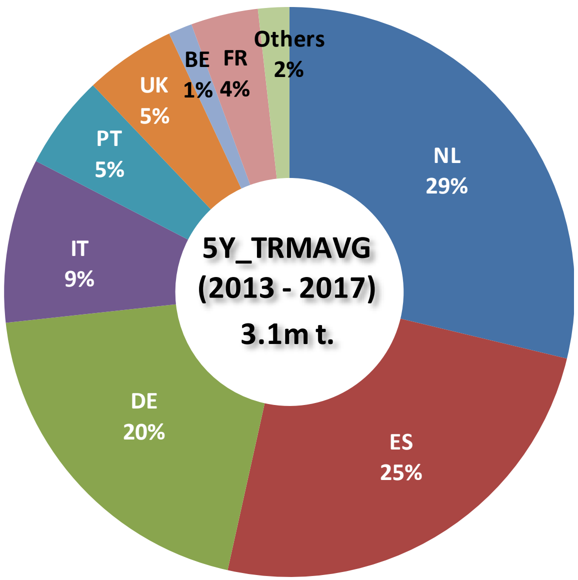
(Thousand tons)	5Y_TRMAVG (2013 - 2017)	2018-19	
United States	469	1 965	*319%*
Brazil	1 819	1 250	*-31%*
Others	798	252	*-68%*



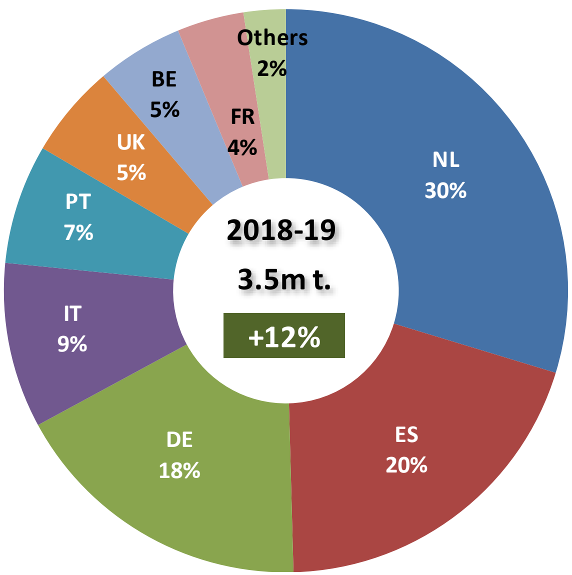
Source: Eurostat- Comext @ 13 Nov 2018

EU MS importing soya beans

(July - September)

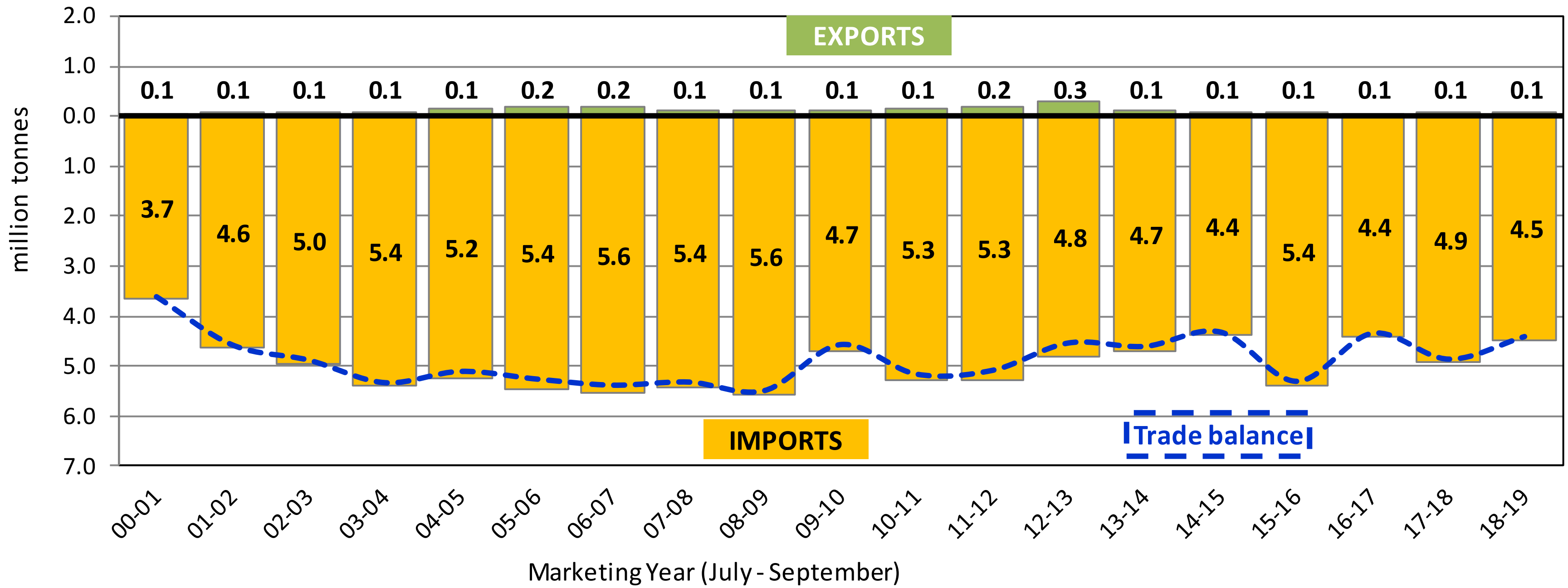


(Thousand tons)	5Y_TRMAVG (2013 - 2017)	2018-19	
NL	888	1 030	*16%*
ES	763	689	*-10%*
DE	611	607	*-1%*
IT	288	329	*14%*
PT	164	238	*45%*
UK	159	185	*16%*
BE	42	172	*313%*
FR	118	133	*13%*
Others	55	84	*53%*



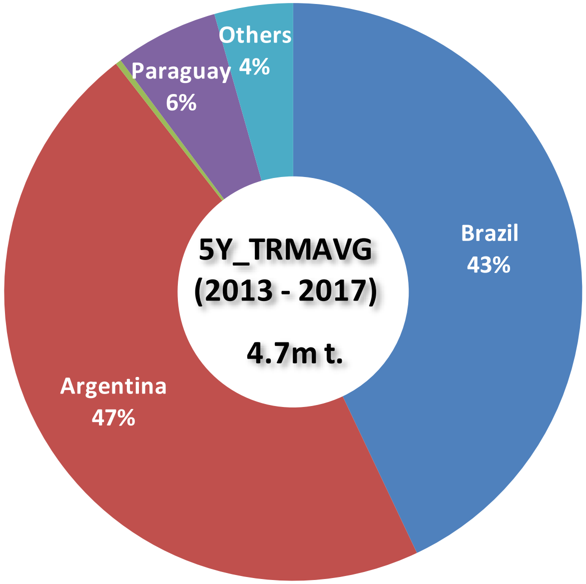
Source: Eurostat- Comext @ 13 Nov 2018

EU28 – Soya meal exports and imports (July - September)

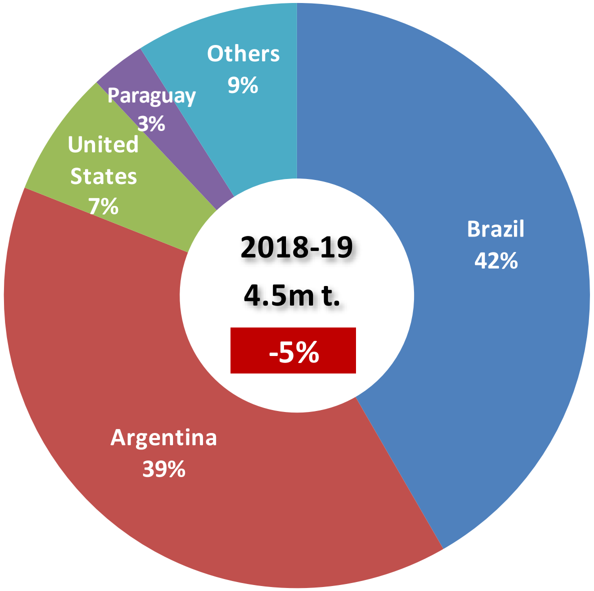


Source: EUROSTAT, Comext extraction at 20/11/2018

EU soya meal import origins
(July - September)



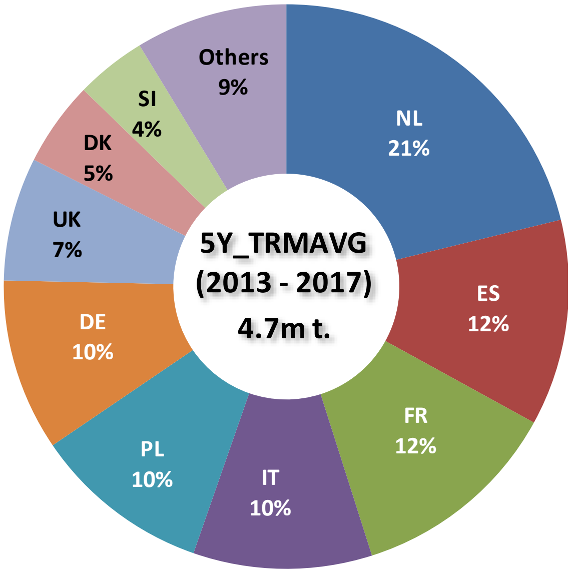
(Thousand tons)	5Y_TRMAVG (2013 - 2017)	2018-19	
Brazil	2 013	1 863	-7%
Argentina	2 180	1 759	-19%
United States	15	312	1978%
Paraguay	271	135	-50%
Others	206	401	95%



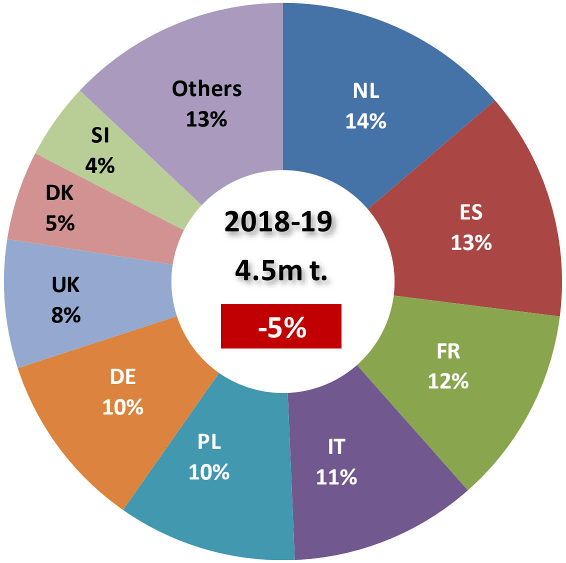
Source: Eurostat- Comext @ 13 Nov 2018

EU MS importing soya meal

(July - September)



(Thousand tons)	5Y_TRMAVG (2013 - 2017)	2018-19	
NL	993	614	-38%
ES	553	593	7%
FR	567	513	-9%
IT	479	485	1%
PL	476	464	-2%
DE	461	459	-1%
UK	331	333	1%
DK	227	232	2%
SI	189	197	4%
Others	407	580	42%



Source: Eurostat- Comext @ 13 Nov 2018

EU Oilseeds Balance Sheet

(thousand tonnes)

	2014/2015	2015/2016	2016/2017	2017/2018e	2018/2019f
Usable production	**35 377**	**32 067**	**31 320**	**35 092**	**32 291**
Rapeseed	24 267	21 814	20 102	22 020	19 804
Soybean	1 835	2 371	2 480	2 672	2 530
Sunflower	9 274	7 882	8 739	10 401	9 956
Domestic use	**49 260**	**50 038**	**49 582**	**52 535**	**51 469**
Rapeseed	25 896	24 918	24 074	25 857	23 685
Soybean	14 410	17 061	16 464	16 366	17 903
Sunflower	8 955	8 058	9 044	10 312	9 881
Imports	**15 760**	**18 742**	**19 054**	**18 600**	**20 136**
Rapeseed	2 317	3 493	4 225	4 000	4 200
Soybean	13 190	14 784	14 051	14 100	15 500
Sunflower	254	465	777	500	436
Exports	**1 277**	**872**	**925**	**1 035**	**996**
Rapeseed	588	339	319	135	316
Soybean	116	144	200	300	153
Sunflower	573	389	406	600	526

EU Oilseeds trade

EU **imports of soya and soya meals** shouldn't be even higher given the relative feed cereals shortage in the EU and the level of prices?

Is the **US soya market** the only one available to supply the EU market?

EU demand for **non-GM soya** can still be covered?

Protein crops

EU Protein Crops

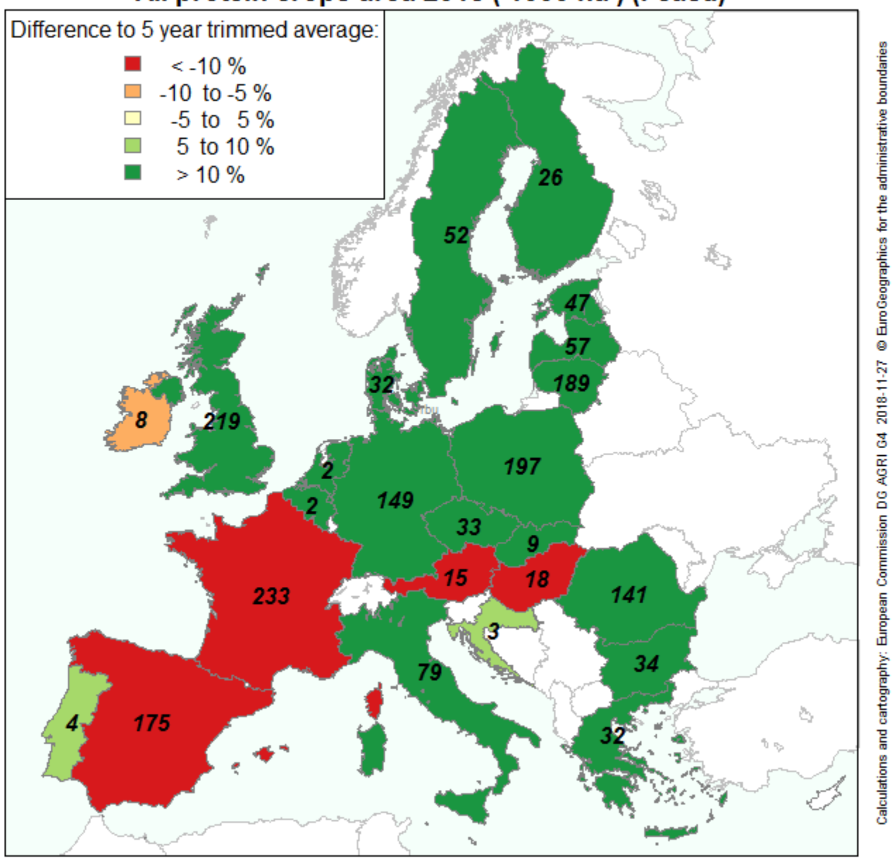
EU PROTEIN CROPS AREA						
Million ha	AVG 5 yrs trimmed	2017/18	2018/19 October	**2018/19 November**	%change 2017/18	%change 5yrs trimmed
Field peas	0.7	1.0	0.93	**0.89**	-13.4	22.4
Broad beans	0.6	0.7	0.68	**0.67**	-4.3	19.6
Sweet lupins	0.2	0.2	0.20	**0.20**	19.1	27.2
TOTAL	**1.5**	**1.9**	**1.80**	**1.76**	**-7.2**	**19.3**

Sources : EC - DG AGRI

EU PROTEIN CROPS PRODUCTION						
Million tonnes	**AVG 5 yrs trimmed**	**2017/18**	2018/19 October	**2018/19 November**	**%change 2017/18**	**%change 5yrs trimmed**
Field peas	1.9	2.8	2.2	**2.1**	-23.2	10.1
Broad beans	1.7	2.2	2.1	**1.8**	-18.3	3.8
Sweet lupins	0.3	0.3	0.3	**0.3**	17.0	20.0
TOTAL	**3.9**	**5.2**	4.7	**4.2**	**-19.1**	**7.1**

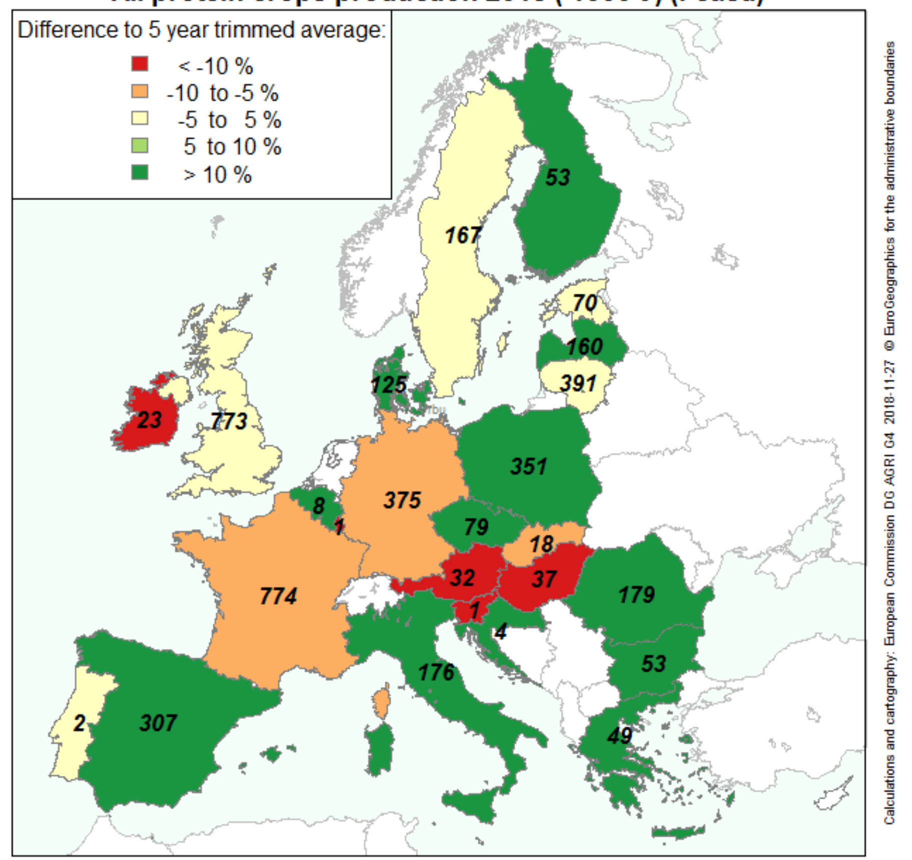
EU Protein Crops

All protein crops area 2018 (1000 ha) (f'cast.)



EU28 area : 1 758 (1000 ha) Difference to 5 year trimmed average: 19 %

All protein crops production 2018 (1000 t) (f'cast.)



EU28 production : 4 207 (1000 t) Difference to 5 year trimmed average: 7 %

European Commission

Thank you for your attention!

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

Agriculture and Rural Development