Cereals, Oilseeds and Protein Crops

Market Situation

CROPS Market Observatory
12th April 2018

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EU market situation

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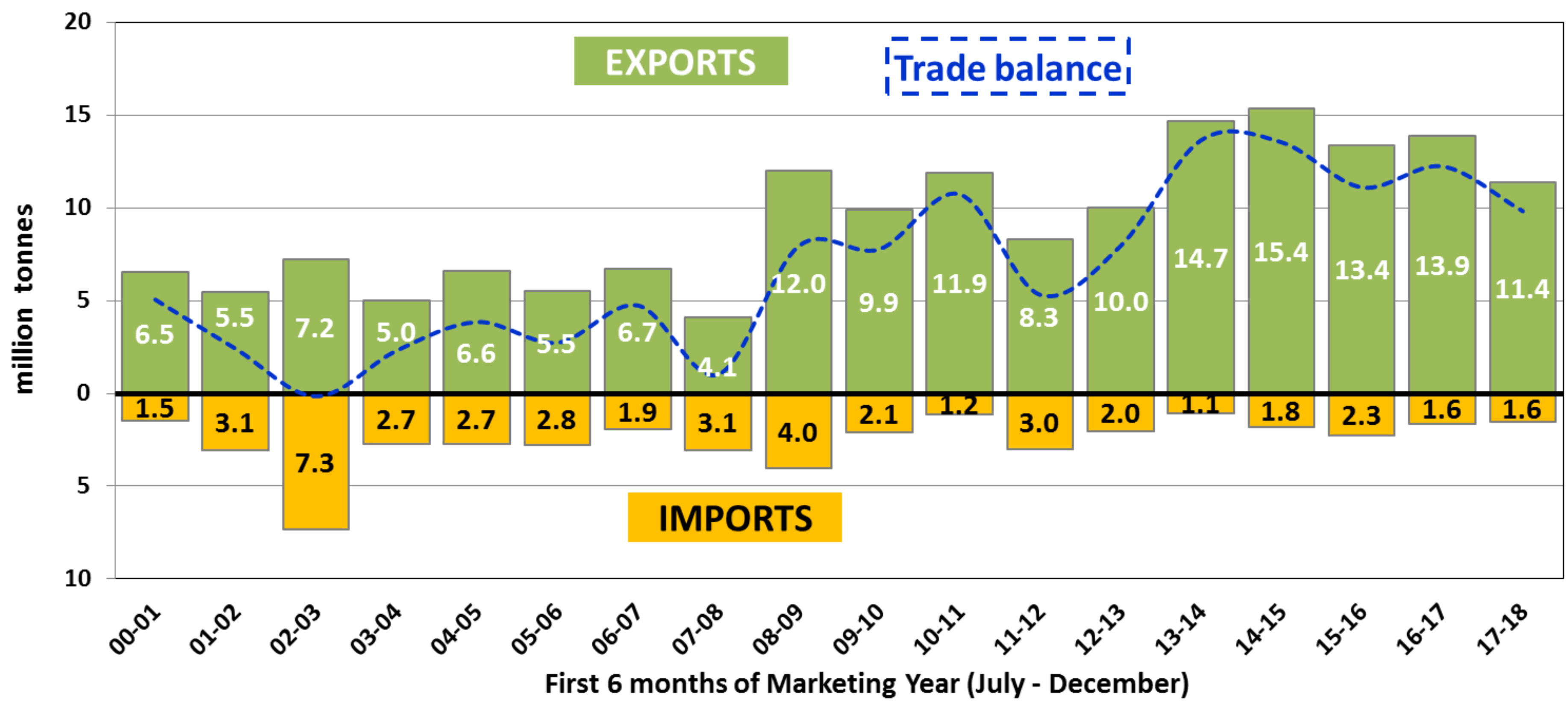
- Protein crops

Cereals

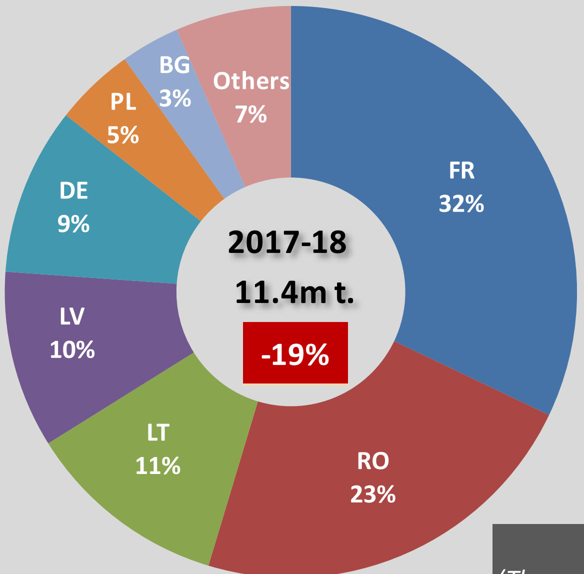
EU Soft Wheat Exports and Imports (July-December)

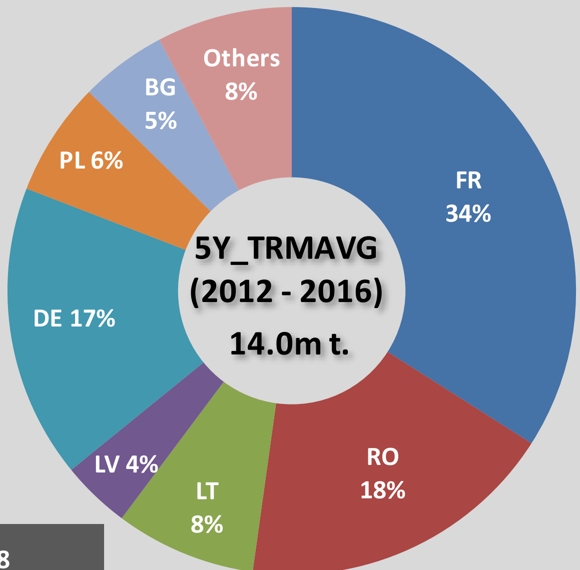
including flour in grain equivalent



Source: EUROSTAT, Comext extraction at 22/02/2018

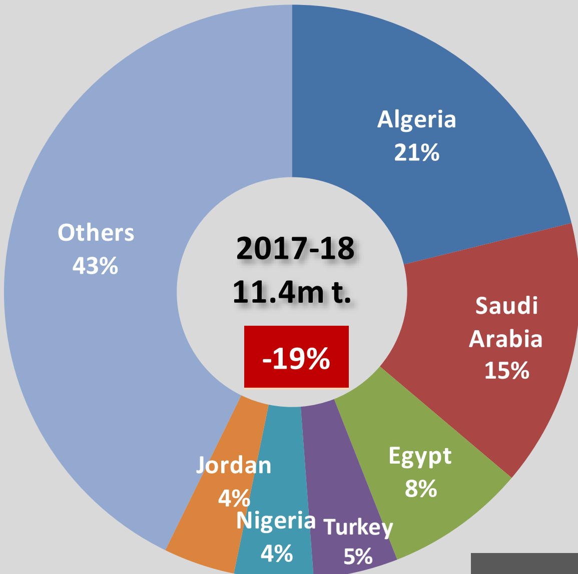
EU Soft Wheat Export Origins (July – December)

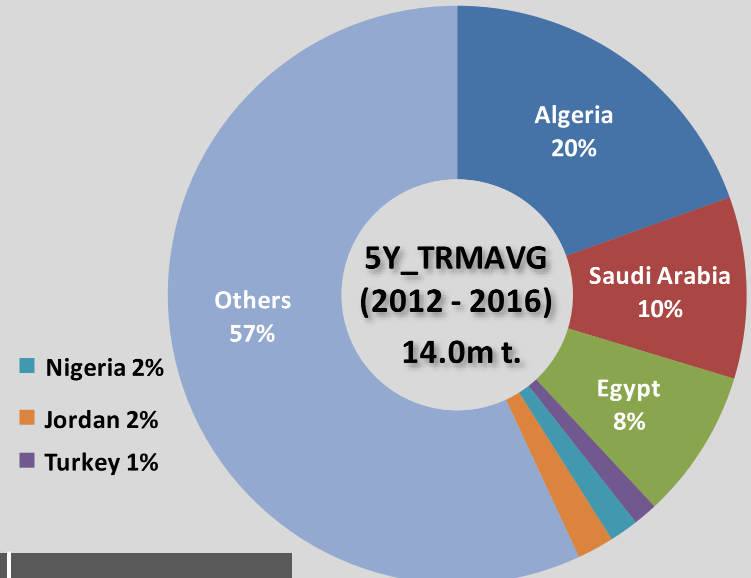




(Thousand tons)	5Y_TRMAVG (2012 - 2016)	2017-18	
FR	4 756	3 650 ↓	*-23%*
RO	2 539	2 567 ↑	*1%*
LT	1 119	1 304 ↑	*16%*
LV	549	1 139 ↑	*108%*
DE	2 339	1 078 ↓	*-54%*
PL	907	515 ↓	*-43%*
BG	689	380 ↓	*-45%*
Others	1 078	742 ↓	*-31%*

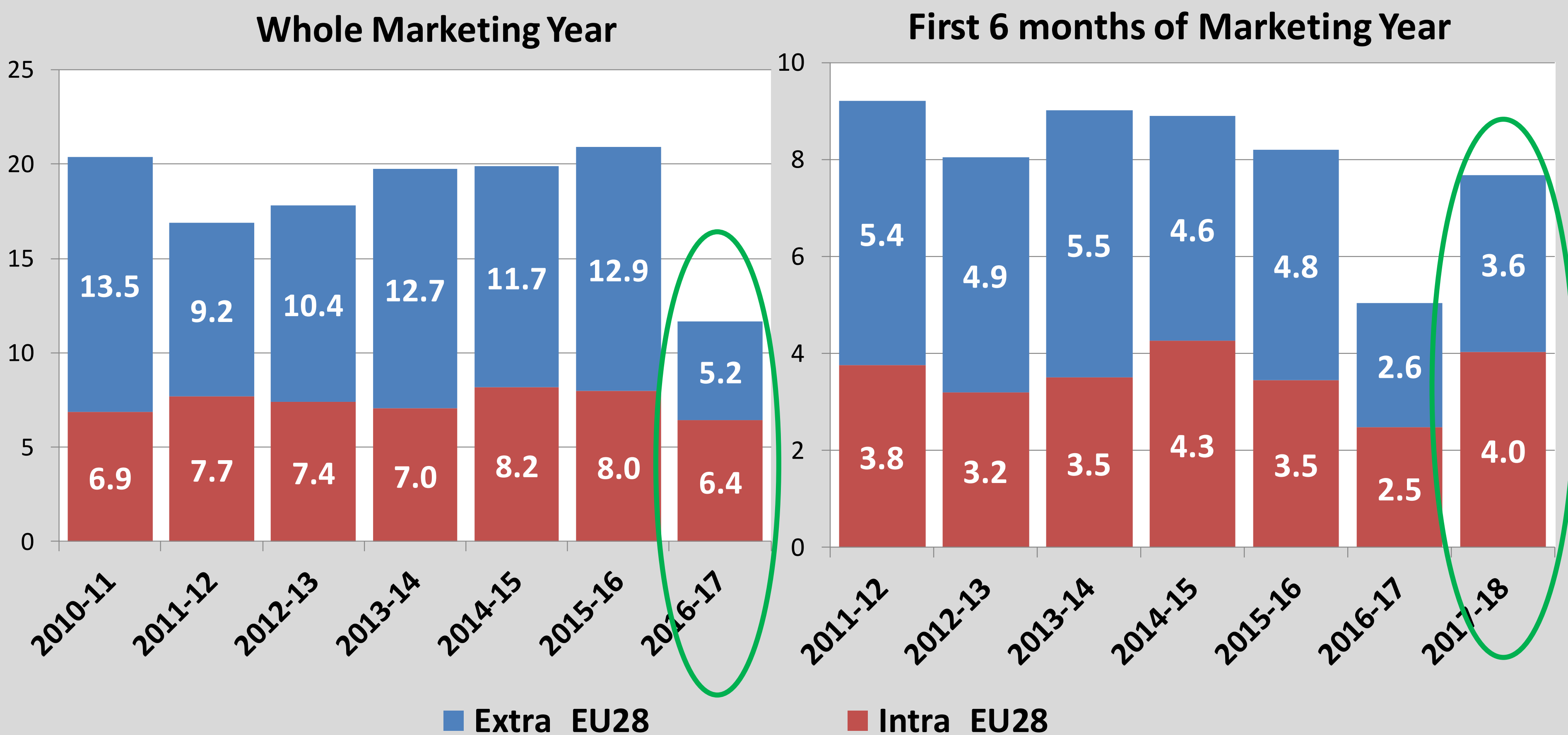
EU Soft Wheat Export Destinations (July – December)





(Thousand tons)	5Y_TRMAVG (2012 - 2016)	2017-18	
Algeria	2 729	2 405 ⇩	*-12%*
Saudi Arabia	1 420	1 712 ⇧	*21%*
Egypt	1 172	894 ⇩	*-24%*
Turkey	189	540 ⇧	*186%*
Nigeria	226	505 ⇧	*123%*
Jordan	286	457 ⇧	*60%*
Others	7 955	4 863 ⇩	*-39%*

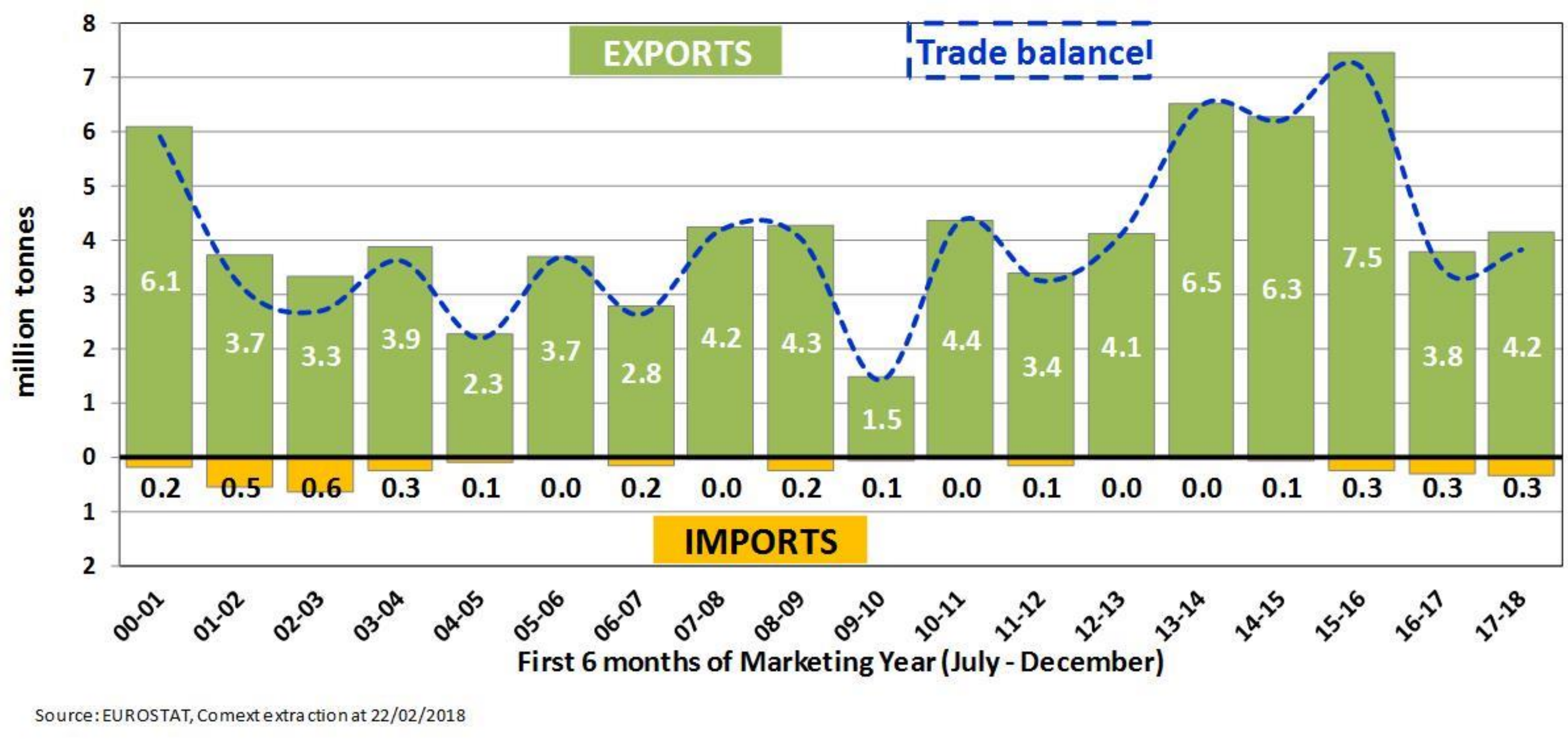
France – Soft Wheat Exports
Intra-Eu vs Extra-Eu



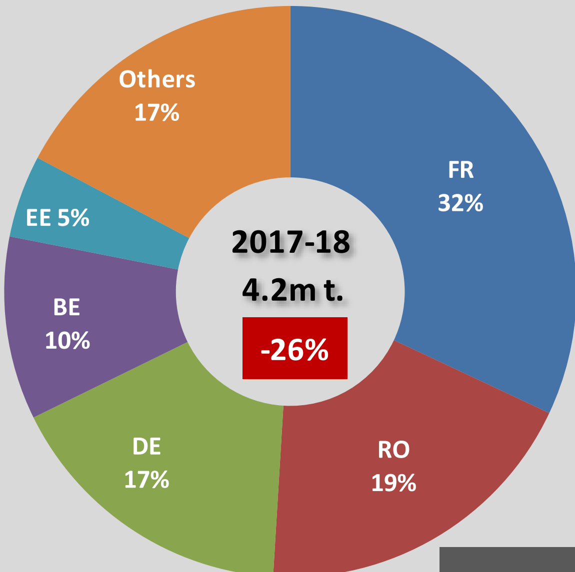
Source: COMEXT

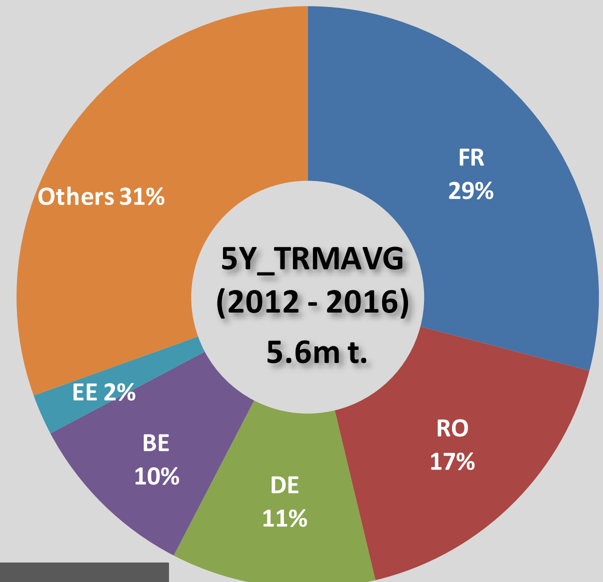
EU Barley Exports and Imports (July-December)

including malt in grain equivalent



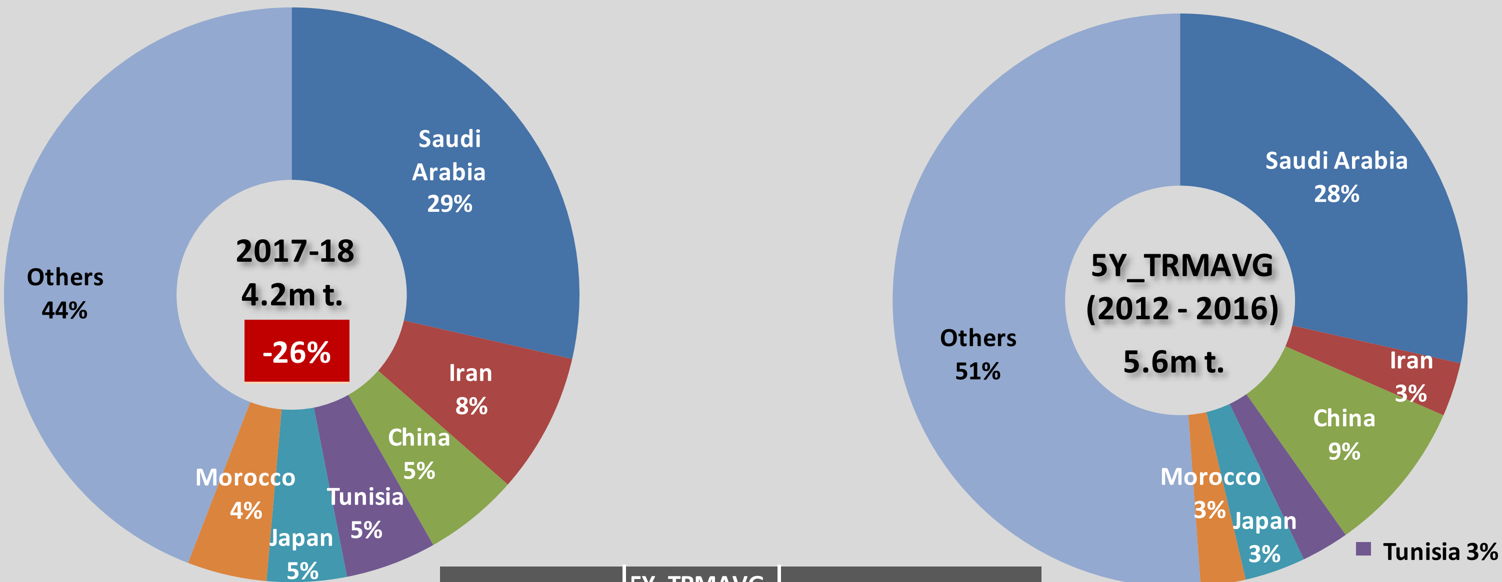
EU Barley Export Origins (July – December)





(Thousand tons)	5Y_TRMAVG (2012 - 2016)	2017-18	
FR	1 639	1 331	*-19%*
RO	970	789	*-19%*
DE	640	698	*9%*
BE	543	431	*-21%*
EE	128	194	*52%*
Others	1 719	717	*-58%*

EU Barley Export Destinations (July – December)



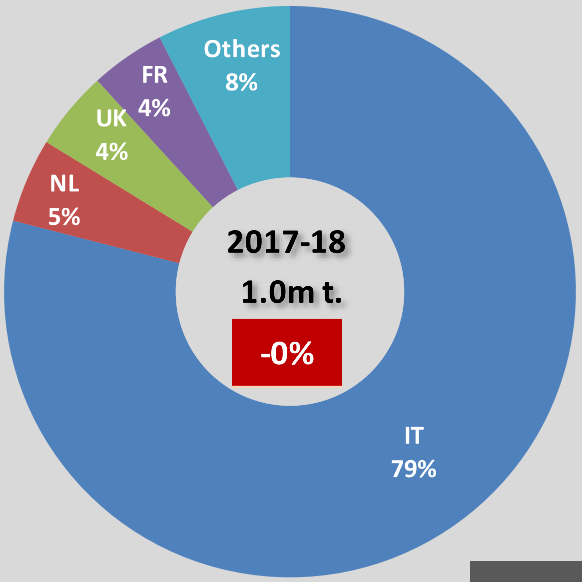
(Thousand tons)	5Y_TRMAVG (2012 - 2016)	2017-18	
Saudi Arabia	1 608	1 189 ↓	*-26%*
Iran	171	328 ↑	*91%*
China	489	222 ↓	*-55%*
Tunisia	152	213 ↑	*40%*
Japan	193	186 ↓	*-3%*
Morocco	142	186 ↑	*31%*
Others	2 884	1 836 ↓	*-36%*

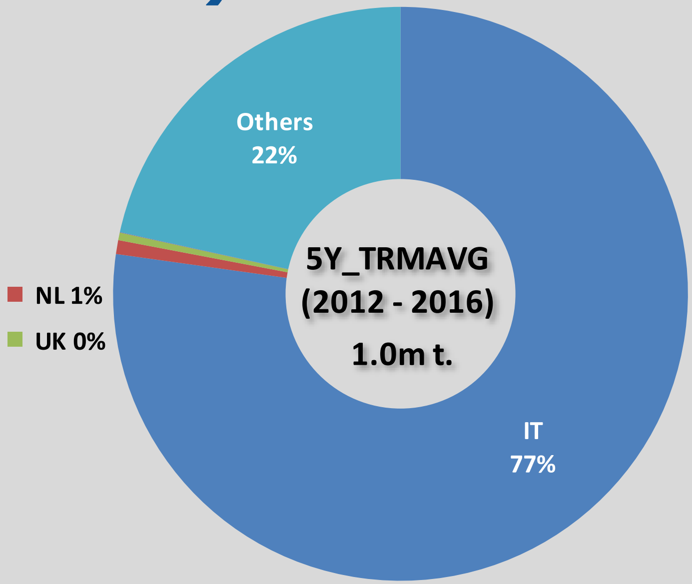
EU Durum Wheat Exports and Imports (July-December)

including flour in grain equivalent

Source: EUROSTAT, Comext extraction at 22/02/2018

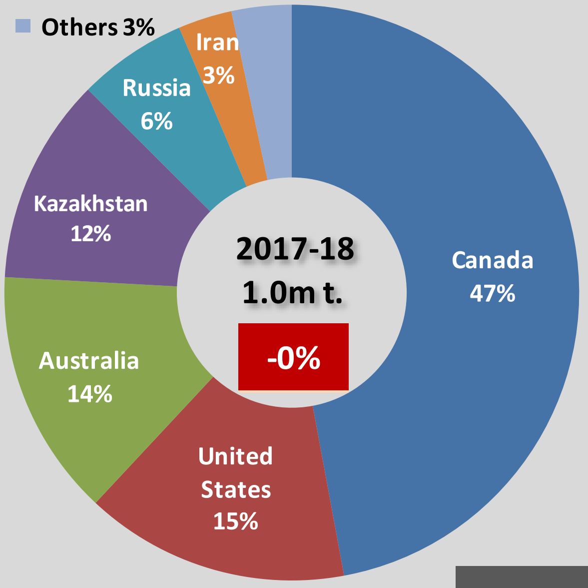
EU Durum Wheat Import Destinations (July – December)

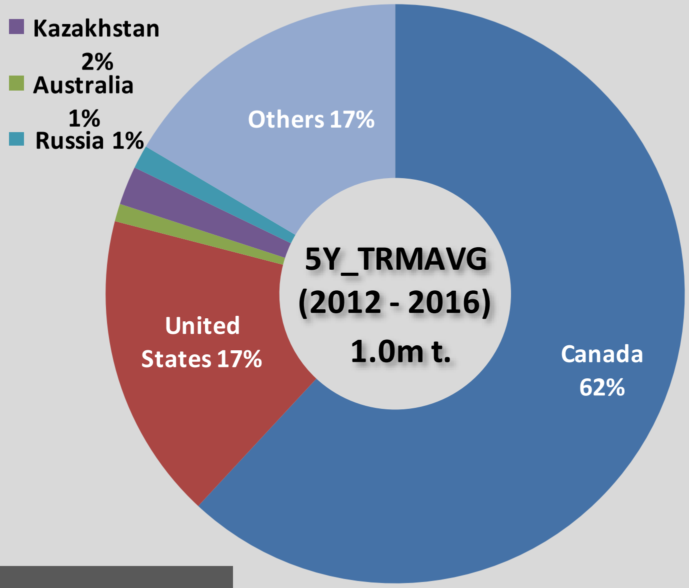




(Thousand tons)	5Y_TRMAVG (2012 - 2016)	2017-18	
IT	735	751 ↑	*2%*
NL	7	45 ↑	*510%*
UK	4	42 ↑	*945%*
FR	0	40 ↑	*17590%*
Others	205	72 ↓	*-65%*

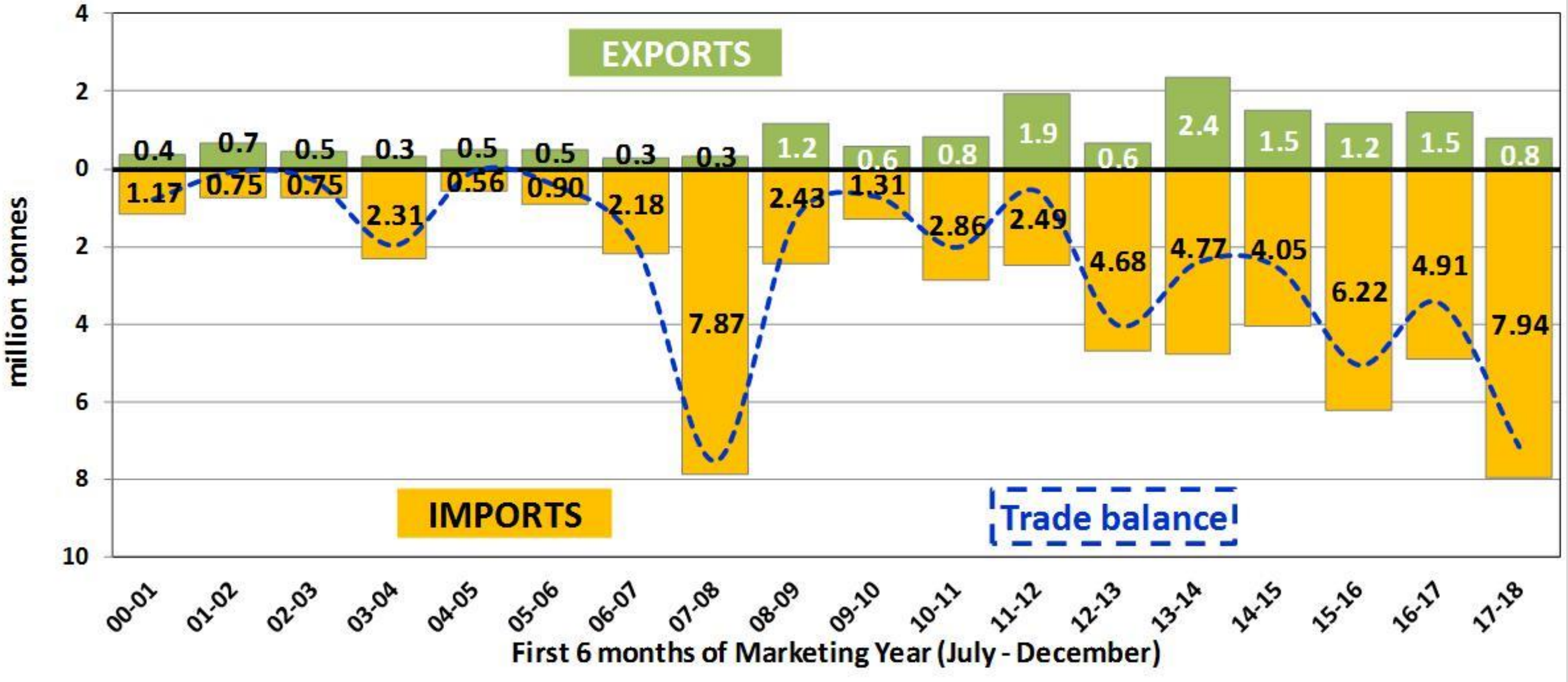
EU Durum Wheat Import Origins (July – December)





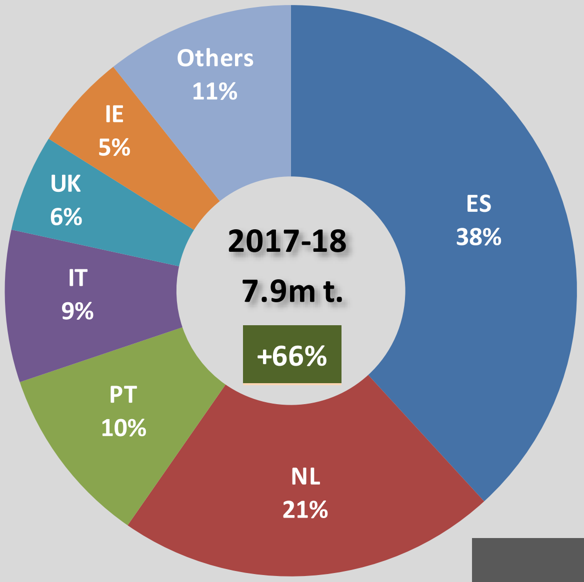
(Thousand tons)	5Y_TRMAVG (2012 - 2016)	2017-18	
Canada	589	448	*-24%*
United State:	163	141	*-13%*
Australia	9	132	*1303%*
Kazakhstan	21	110	*437%*
Russia	12	58	*368%*
Iran	0	29	
Others	157	32	*-80%*

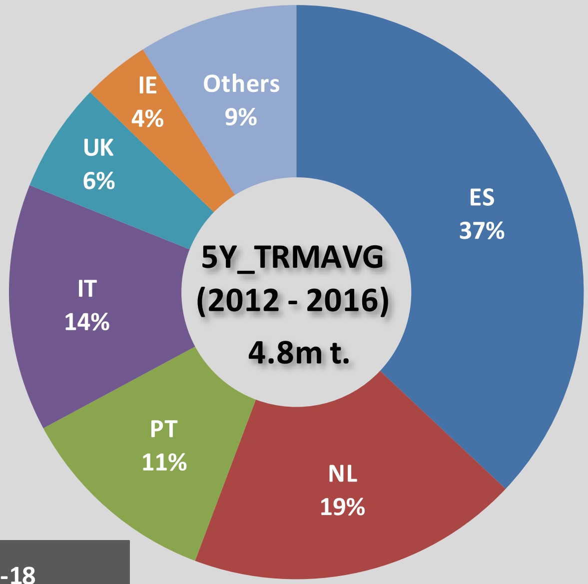
EU Maize Exports and Imports (July-December)



Source: EUROSTAT, Comext extraction at 22/02/2018

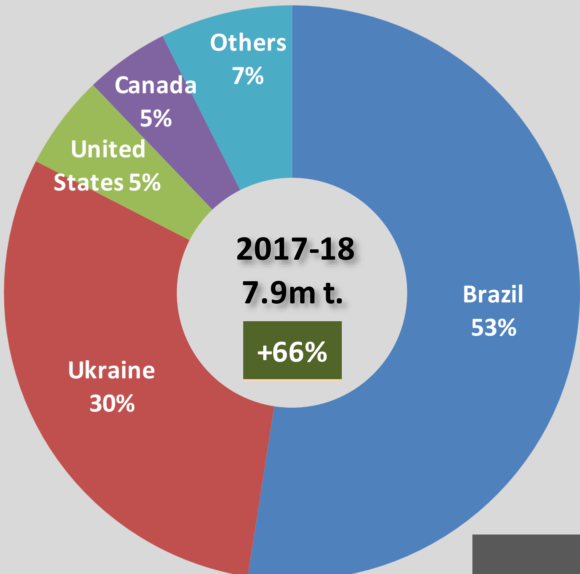
EU Maize Import Destinations (July – December)

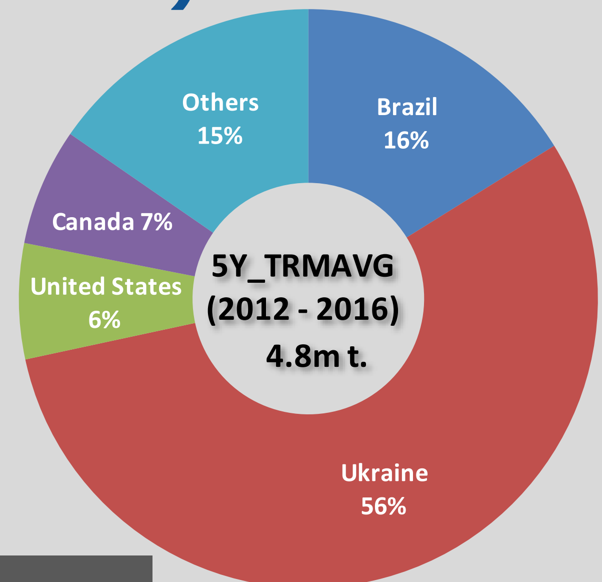




(Thousand tons)	5Y_TRMAVG (2012 - 2016)	2017-18	
ES	1 773	3 034	*71%*
NL	897	1 706	*90%*
PT	546	807	*48%*
IT	668	684	*3%*
UK	296	437	*47%*
IE	181	430	*138%*
Others	430	847	*97%*

EU Maize Import Origins (July – December)





(Thousand tons)	5Y_TRMAVG (2012 - 2016)	2017-18	
Brazil	774	4 168 ⇧	*439%*
Ukraine	2 658	2 392 ⇩	*-10%*
United States	309	421 ⇧	*36%*
Canada	314	375 ⇧	*20%*
Others	736	589 ⇩	*-20%*

EU Cereals Trade

Exports: "lower than expected" EU wheat exports

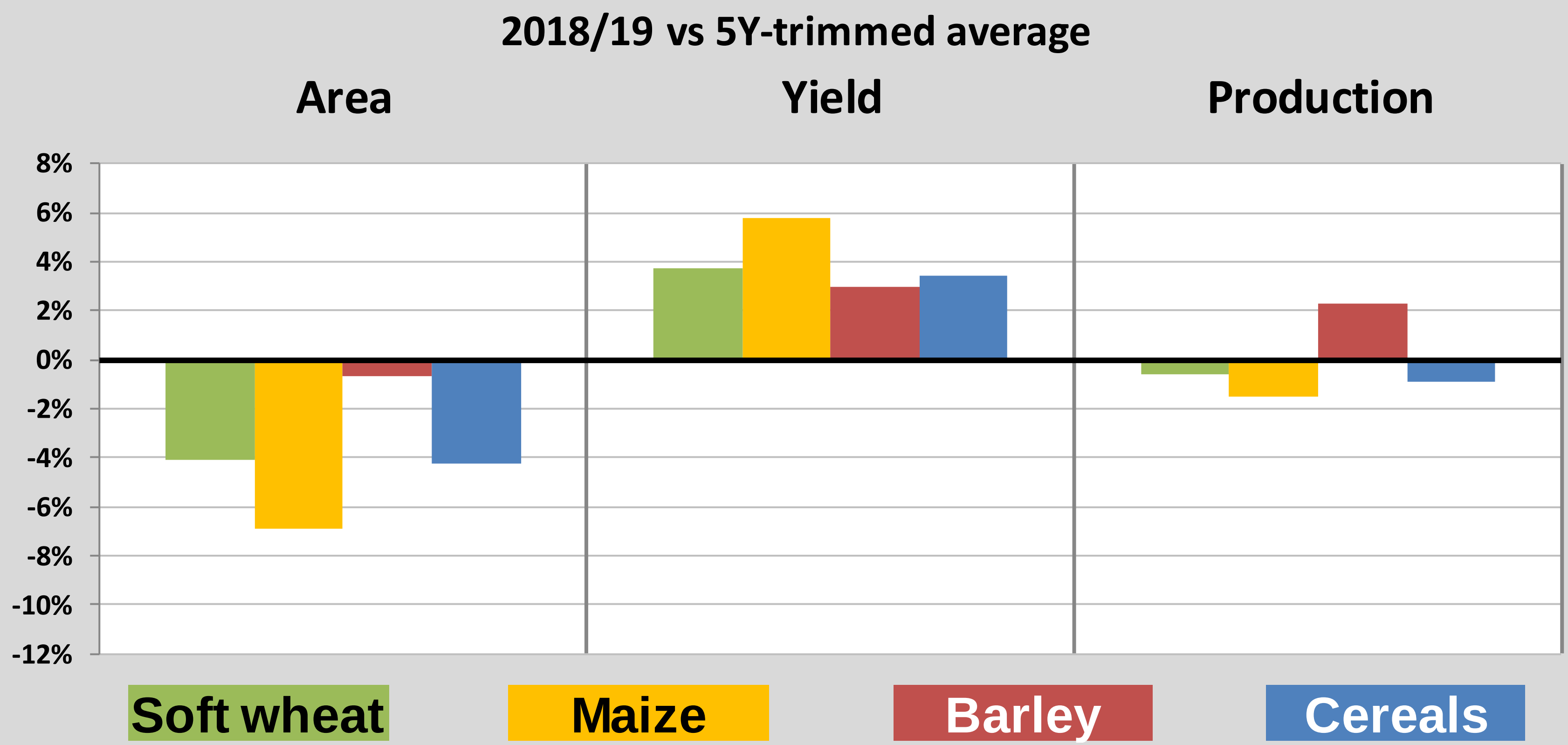
What about competitiveness of EU wheat on the global market? (versus Black Sea, Argentina and other origins)

Is quality of EU wheat still a driver on global market?

Imports: "higher than expected" EU maize imports

What about competitiveness of EU maize vs imported maize? (to supply domestic EU demand versus Black Sea, Brazil and other origins)

EU cereals production
2018/19 forecast: 305 million tonnes
lower area, higher yields, ≈ stable production

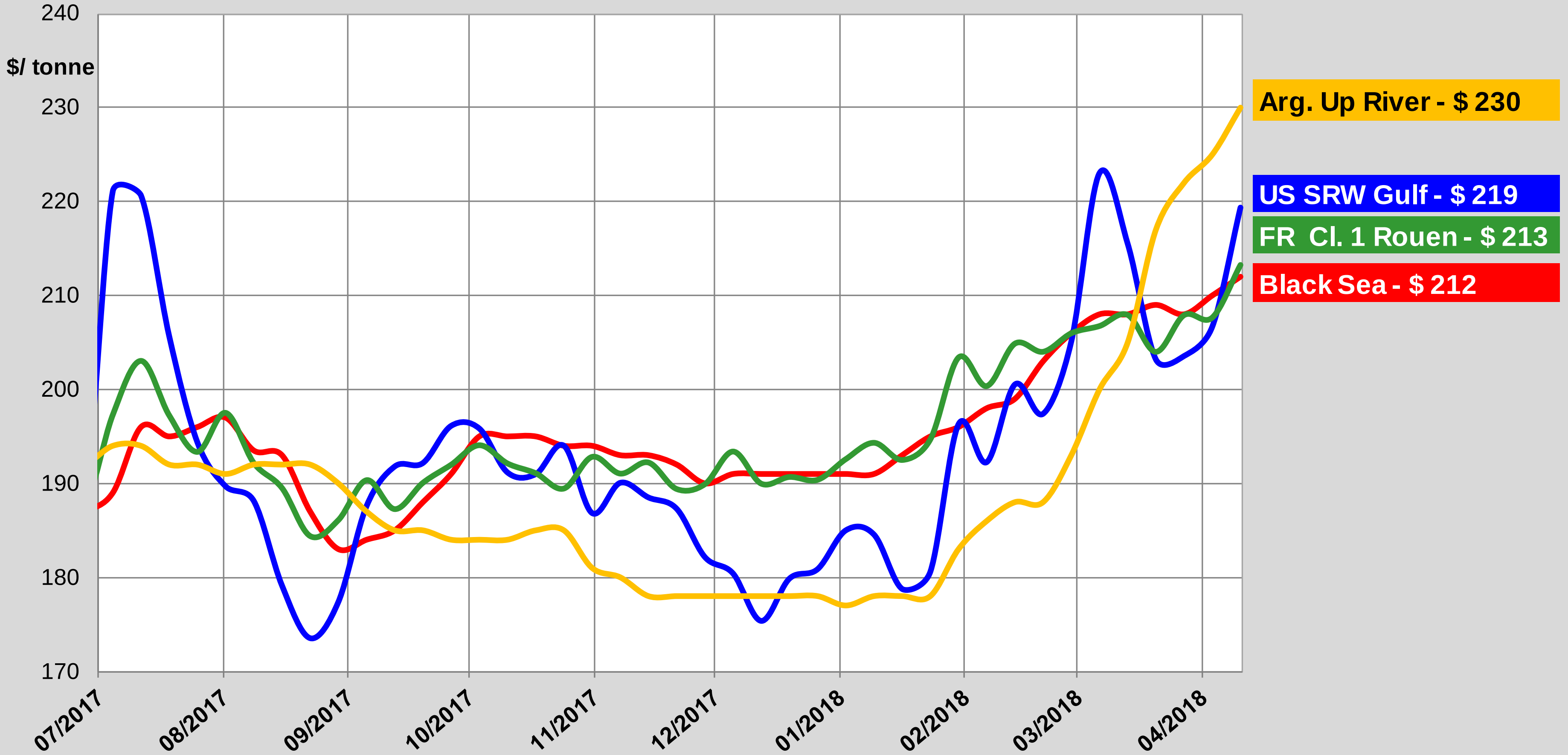


EU Cereals Production: 2018/19 forecast

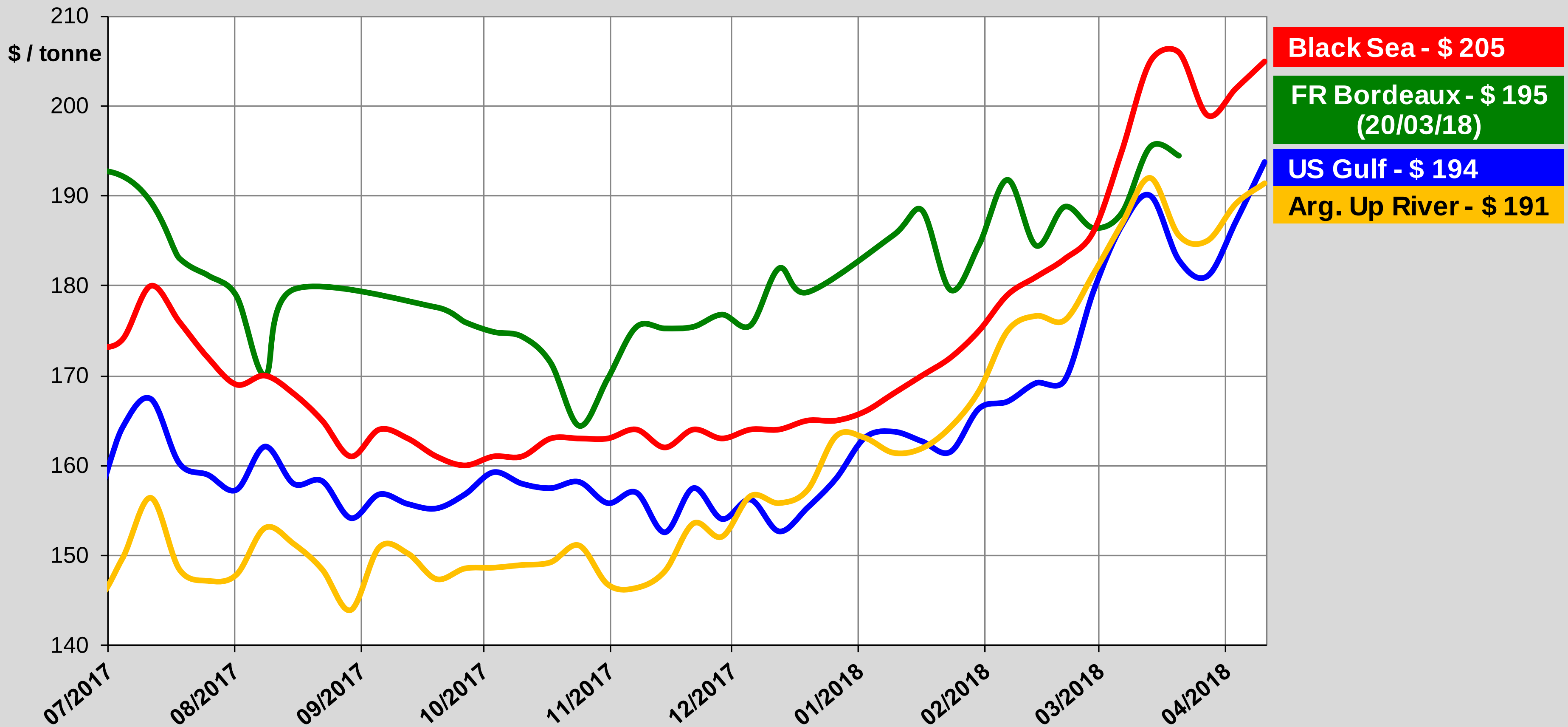
EU EVOL CEREALS USABLE PRODUCTION					
Million tonnes	2016/2017	2017/2018	2018/2019 Feb fcst	2018/2019 March fcst	% change 2017/2018
TOTAL	**296.7**	**306.6**	**304.0**	**305.0**	-0.5
Soft wheat	133.9	141.6	140.0	141.0	-0.4
Durum wheat	9.6	9.3	8.7	8.7	-6.5
Barley	59.4	58.7	60.9	61.4	4.6
Maize	62.8	65.2	63.9	63.9	-2.0
Rye	7.2	7.3	7.8	7.3	0.0
Oats	8.0	8.1	7.8	7.8	-3.7

Sources : EC - DG AGRI

Milling Soft wheat FOB export prices



Maize FOB export prices



EU Cereals Market

Production:

Area declining (and room for yield increase limited)

Can production reach again 310 million tonnes or will 300 million tonnes be the new "standard"?

Prices:

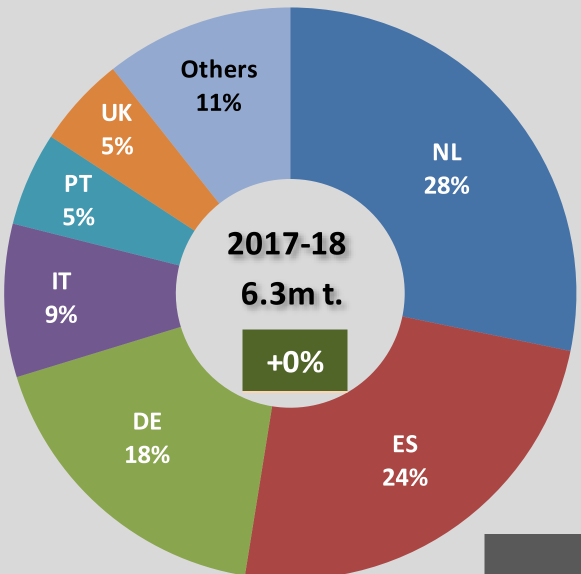
Will the **(slight) recovery recently observed** (both on global and EU market) be **sustainable** (and make cereals "attractive again" to EU producers)?

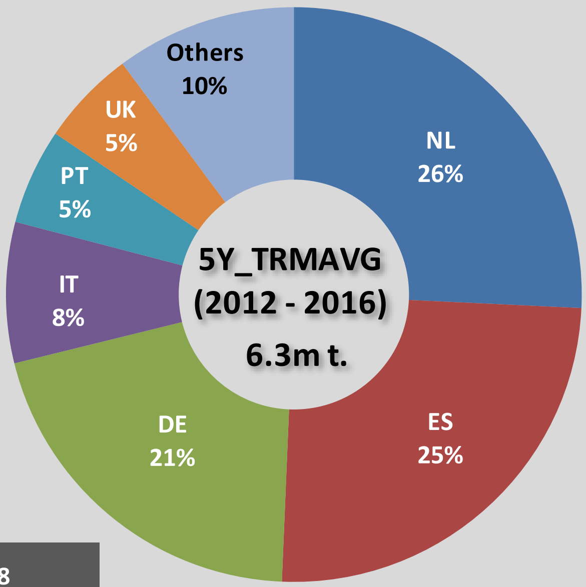
EU Cereals Balance Sheet

LAST UPDATED: 23/03/2018	EU 28 total cereals balance sheet (thousand tonnes)				
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
Beginning stocks	**37 639**	**48 224**	**46 222**	**40 526**	**49 089**
Usable production	328 082	311 698	296 668	306 623	304 992
Imports (from third countries)	15 593	20 616	19 357	20 697	19 090
Total supply	**381 315**	**380 538**	**362 247**	**367 846**	**373 170**
Total domestic use	281 428	283 465	283 504	284 997	285 999
Human consumption	64 957	65 144	65 415	66 247	66 430
Seed	9 640	9 573	9 566	9 310	9 310
Industrial uses	32 641	33 138	33 433	33 998	33 998
of which bioethanol/biofue	*11 553*	*11 989*	*12 197*	*12 613*	*12 613*
Animal feed	171 980	173 400	172 880	173 231	174 051
Losses	2 210	2 210	2 210	2 210	2 210
Exports (to third countries)	51 663	50 851	38 218	33 761	40 027
Total use	**333 091**	**334 316**	**321 722**	**318 758**	**326 025**
Ending stocks	**48 224**	**46 222**	**40 526**	**49 089**	**47 144**
Change in stocks	10 585	-2 002	-5 696	8 563	-1 944

Oilseeds

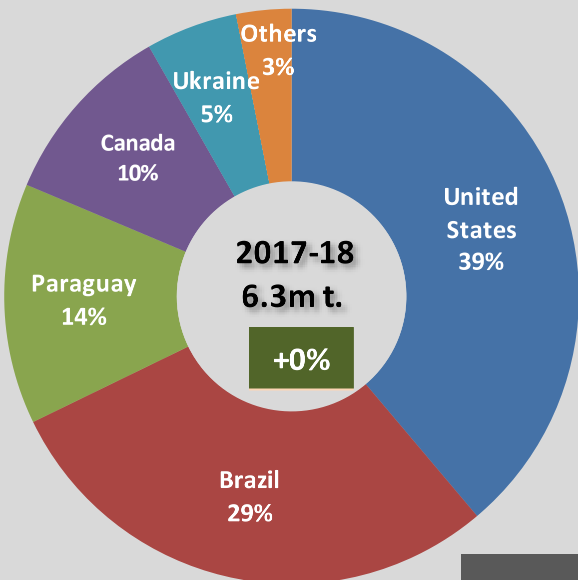
EU Soyabeans Import Destinations (July – December)

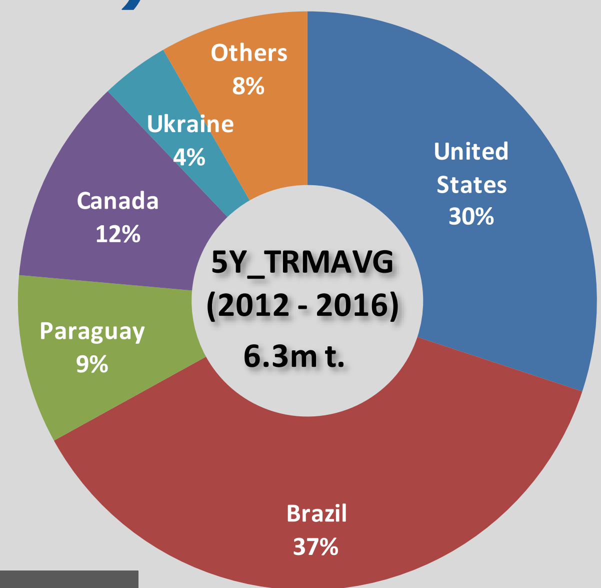




(Thousand tons)	5Y_TRMAVG (2012 - 2016)	2017-18	
NL	1 617	1 780 ↑	*10%*
ES	1 564	1 532 ↓	*-2%*
DE	1 286	1 118 ↓	*-13%*
IT	498	546 ↑	*10%*
PT	339	335 ↓	*-1%*
UK	338	323 ↓	*-4%*
Others	637	671 ↑	*5%*

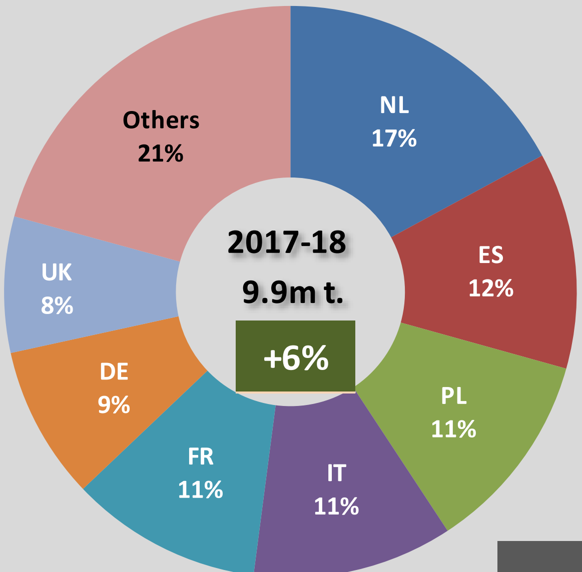
EU Soyabeans Import Origins (July – December)

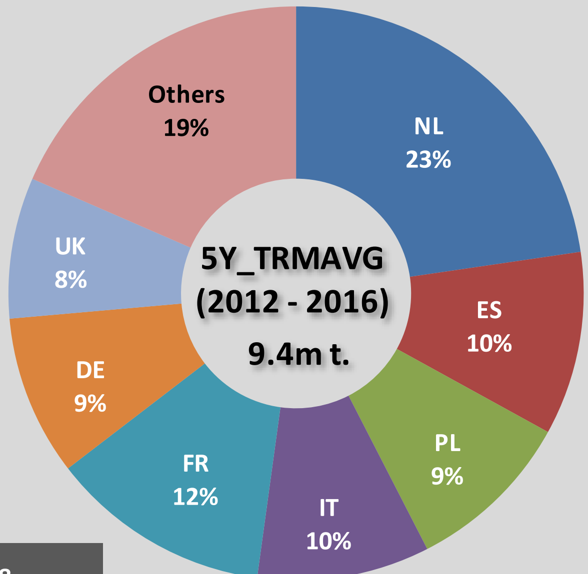




(Thousand tons)	5Y_TRMAVG (2012 - 2016)	2017-18	
United States	1 888	2 447 ⇧	*30%*
Brazil	2 317	1 826 ⇩	*-21%*
Paraguay	593	853 ⇧	*44%*
Canada	721	656 ⇩	*-9%*
Ukraine	239	325 ⇧	*36%*
Others	521	196 ⇩	*-62%*

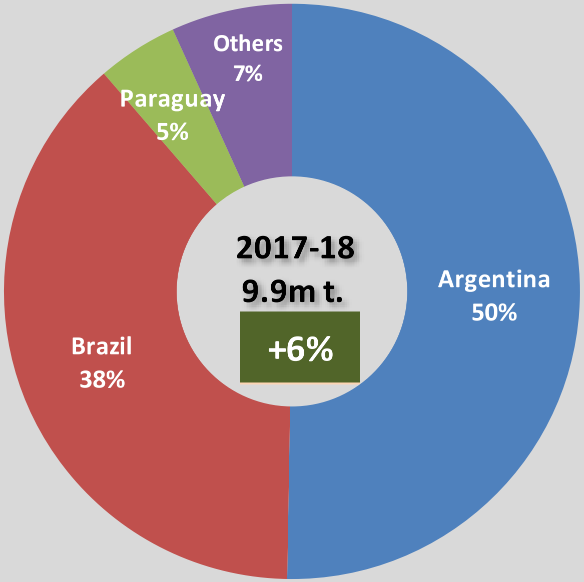
EU Soyameal Import Destinations (July – December)

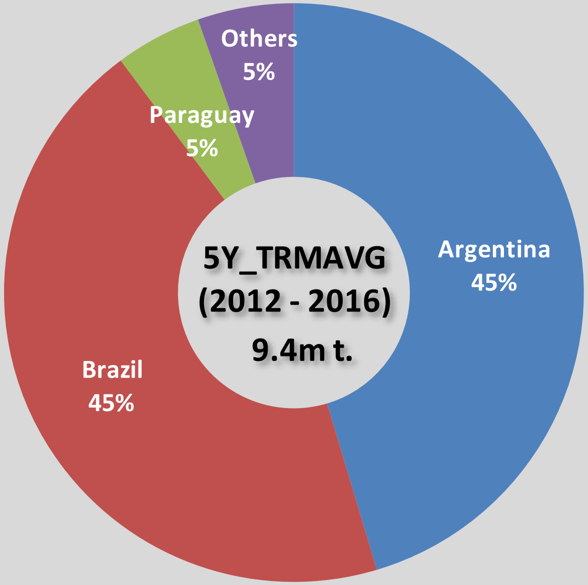




(Thousand tons)	5Y_TRMAVG (2012 - 2016)	2017-18	
NL	2 129	1 696	*-20%*
ES	970	1 215	*25%*
PL	887	1 133	*28%*
IT	911	1 122	*23%*
FR	1 165	1 075	*-8%*
DE	848	861	*2%*
UK	745	763	*2%*
Others	1 733	2 059	*19%*

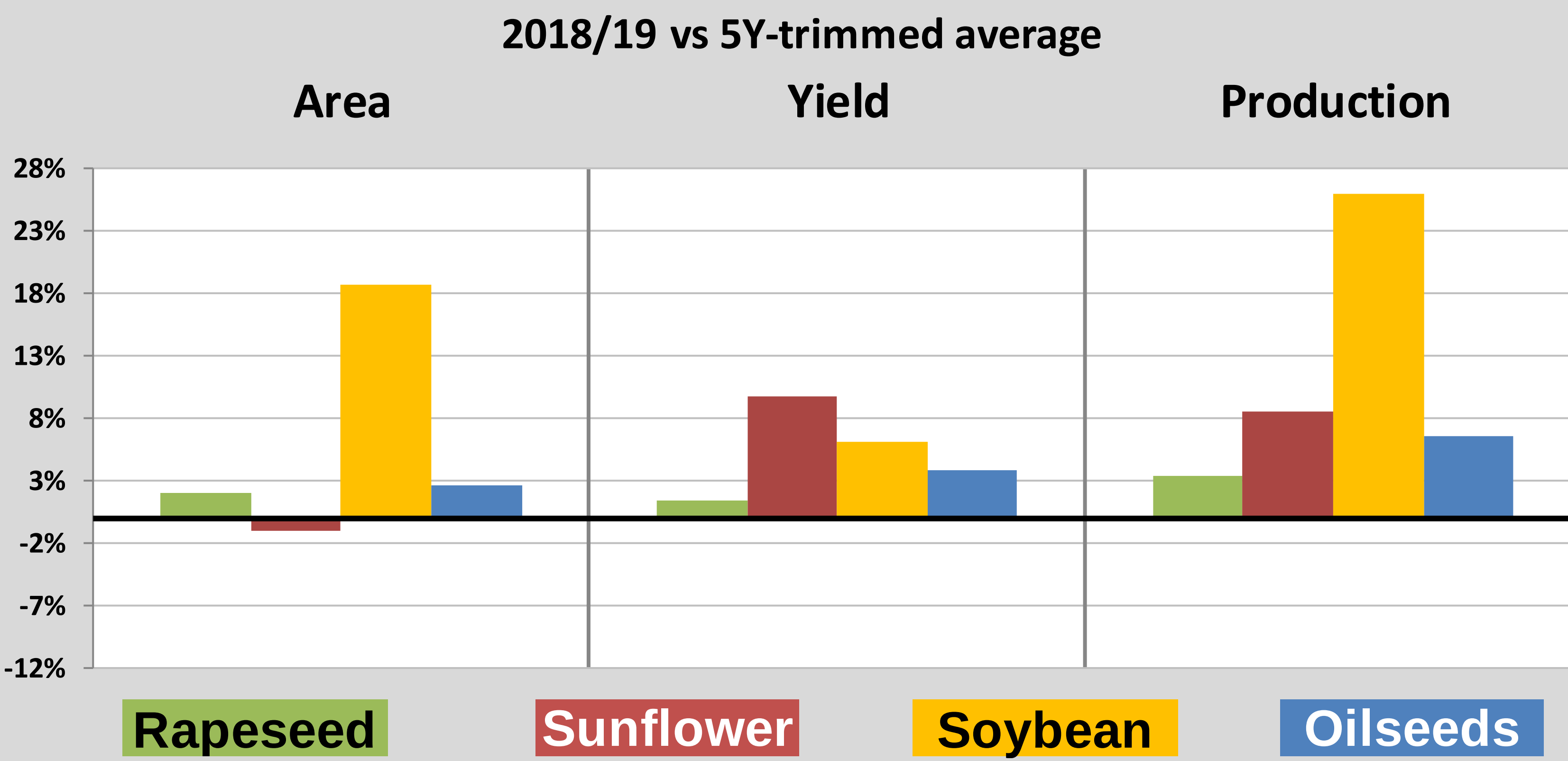
EU Soyameal Import Origins (July – December)





(Thousand tons)	5Y_TRMAVG (2012 - 2016)	2017-18	
Argentina	4 260	4 989	*17%*
Brazil	4 171	3 813	*-9%*
Paraguay	453	451	*0%*
Others	504	674	*34%*

EU oilseeds production
2018/19 forecast: 35 million tonnes
higher area and yields, +6.5% production increase



EU Oilseeds Production: 2018/19 forecast

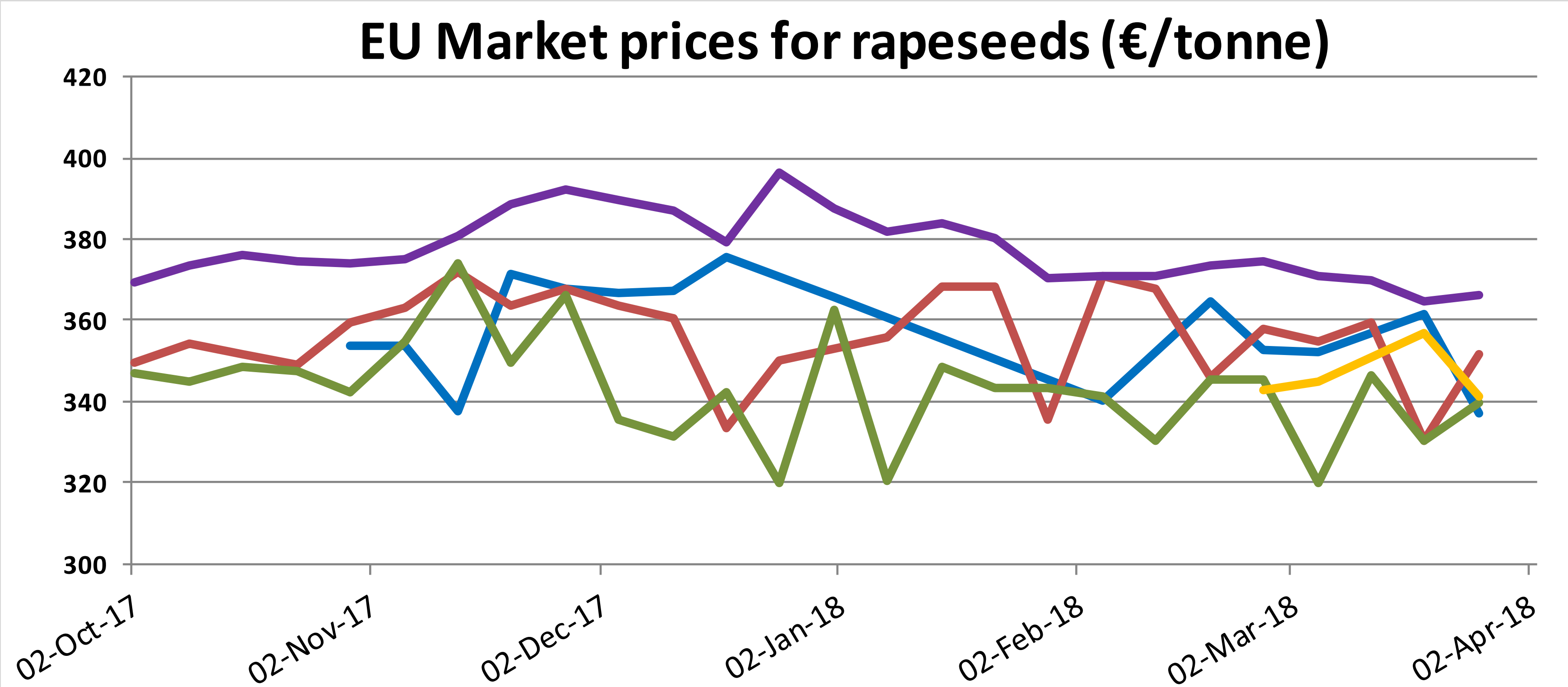
EU OILSEEDS PRODUCTION

Million tonnes	AVG 5 yrs trimmed	2017/18	2018/19 February 2018	2018/19 March 2018	%change 2017/18	%change 5yrs trimmed
Rapeseed	22.0	21.8	22.3	22.3	2.1	1.4
Sunflower	9.3	10.3	9.9	9.9	-4.4	6.2
Soja	2.5	2.8	2.8	2.8	0.6	10.2
TOTAL	33.8	34.9	35.0	35.0	0.1	3.4

Sources : EC - DG AGRI

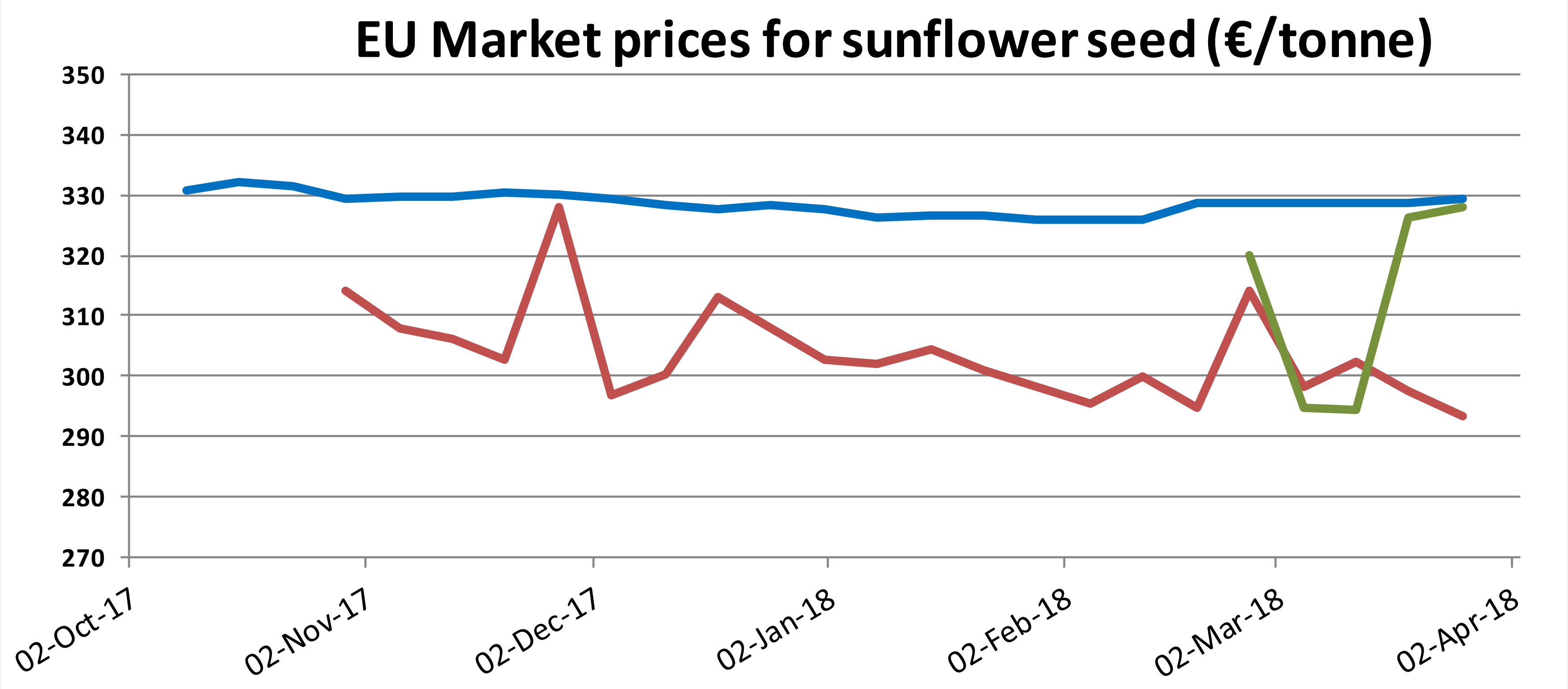
EU rapeseed prices

Rapeseed HU (FARM GATE)	Rapeseed LT (FARM GATE)	Rapeseed LV (proc. plant gate)	Rapeseed PL (del.first cust.)	Rapeseed SK (FARM GATE)



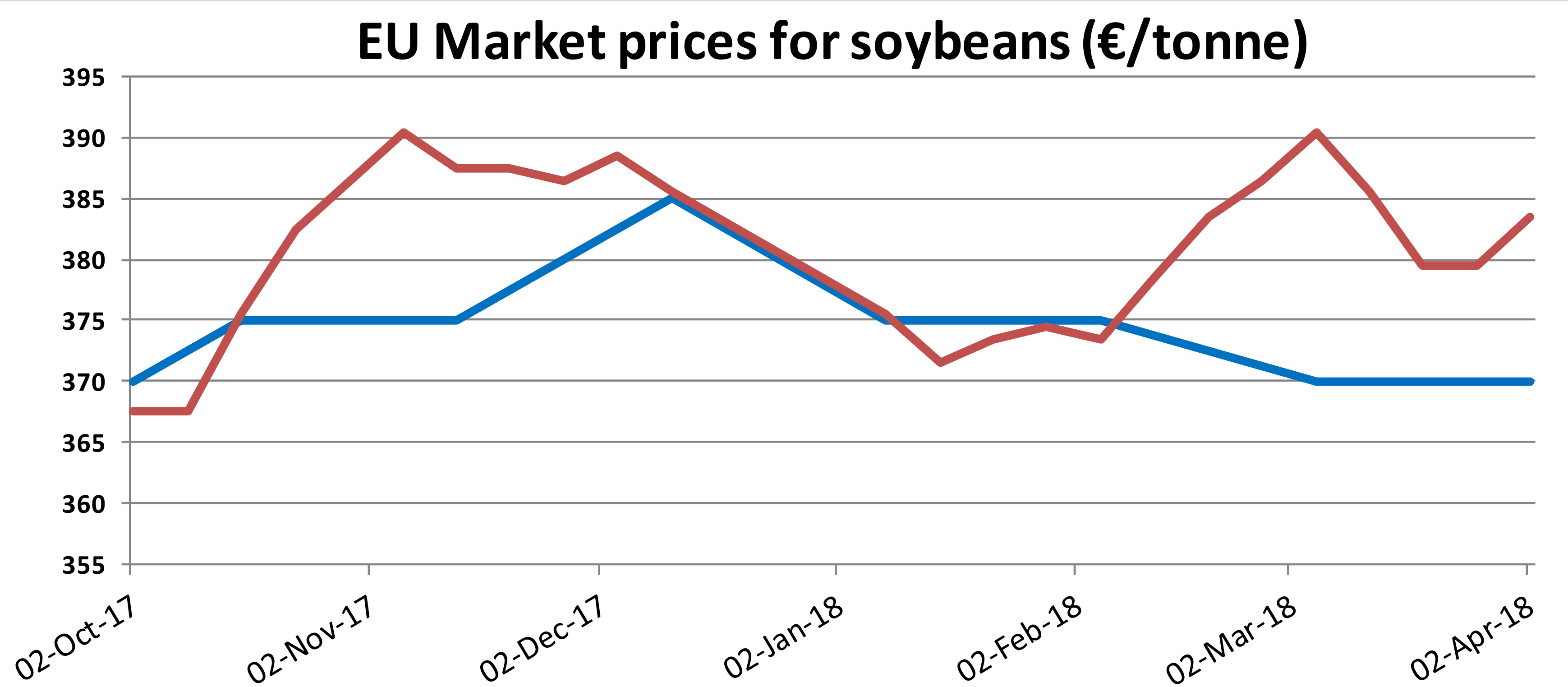
EU sunflower seed prices

Sunflower seed ES (Average)	Sunflower seed HU (FARM GATE)	Sunflower seed SK (FARM GATE)	*Select price from here (drop-down list)*	*Select price from here (drop-down list)*



EU soybeans prices

Soybeans AT (exw upper Austria)	Soybeans IT (FARM GATE)	*Select price from here (drop-down list)*	*Select price from here (drop-down list)*	*Select price from here (drop-down list)*



EU Oilseeds Market

Imports: EU imports of soya and soya meals stable and still high (despite satisfactory EU oilseeds production), **any room for substitution with EU oilseeds** in the near future?

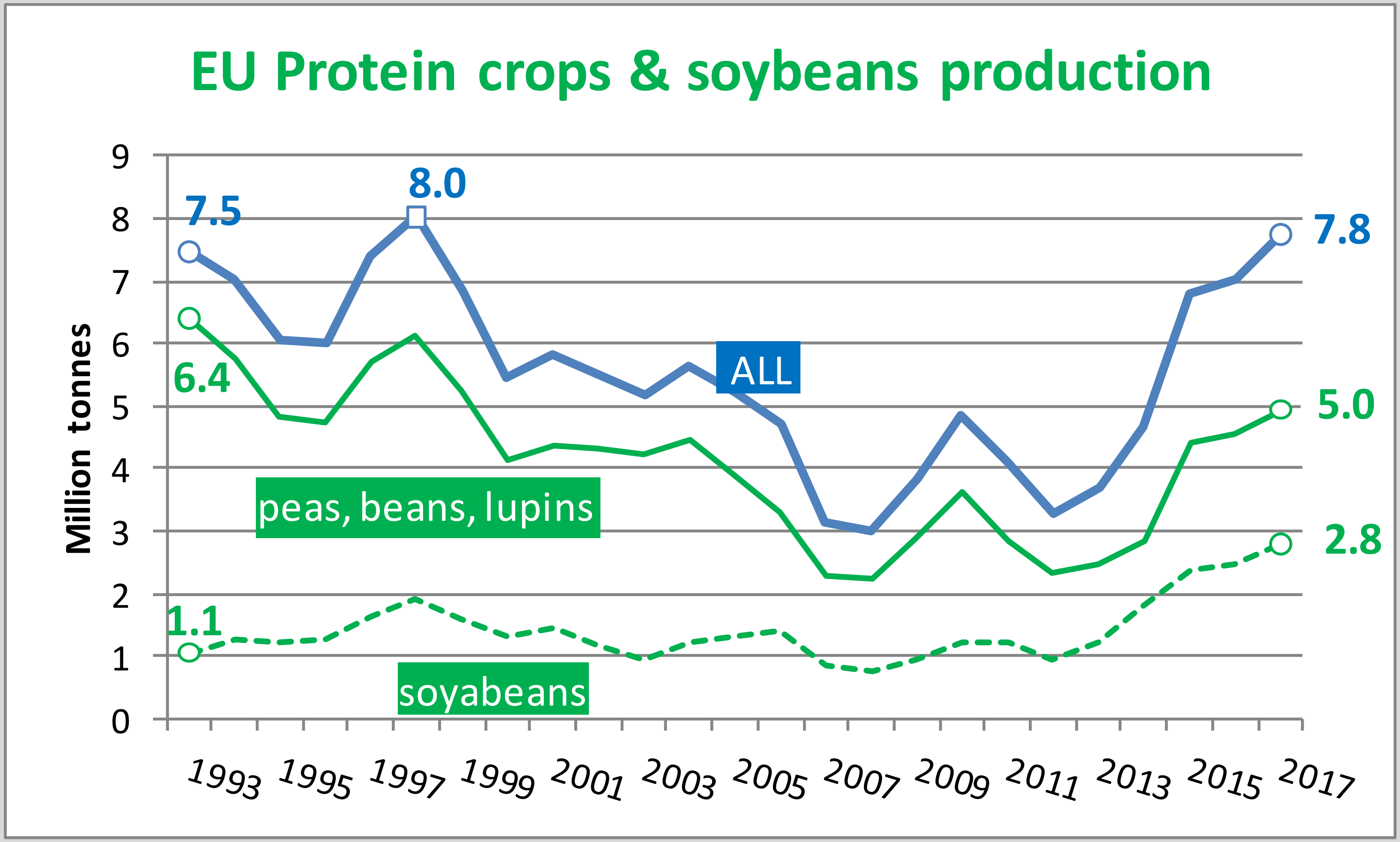
Production: will the **recovery in EU oilseeds production be sustainable?** (market demand for EU oilseeds and profitability vs other crops?)

EU Oilseeds Balance Sheet

	2014/2015	2015/2016	2016/2017e	2017/2018f	2018/2019f
Usable production	**35 377**	**32 067**	**31 317**	**34 931**	**34 951**
Rapeseed	24 267	21 814	20 097	21 812	22 273
Soybean	1 835	2 371	2 480	2 789	2 807
Sunflower	9 274	7 882	8 740	10 329	9 870
Domestic use	**49 260**	**50 038**	**49 579**	**52 308**	**51 856**
Rapeseed	25 896	24 918	24 070	25 784	25 474
Soybean	14 410	17 061	16 464	16 084	16 531
Sunflower	8 955	8 058	9 045	10 440	9 851
Imports	**15 760**	**18 742**	**19 054**	**18 400**	**17 880**
Rapeseed	2 317	3 493	4 225	4 200	3 552
Soybean	13 190	14 784	14 051	13 700	13 860
Sunflower	254	465	777	500	468
Exports	**1 277**	**872**	**925**	**900**	**1 012**
Rapeseed	588	339	319	200	347
Soybean	116	144	200	300	163
Sunflower	573	389	406	400	502

Protein crops

Protein Crops: production on the rise since 2013



EU Protein Crops 2018/19 forecast

Production:

No Member States notifications yet

But open questions about area and yields related to new policy framework (EFAs)

After successive increases in area and production since 2013, **is EU production going to stabilise, or even (slightly) decrease?**

First Draft - EU Protein balance sheet 2017/18
(thousand tonnes)

LAST UPDATED: 06/04/2018	Grain legumes: Peas	Broad beans	Lentils	Sweet lupins	Chickpeas	Beans and Other dry pulses	EUR 28	Fodder legumes: Lucerne	Vetch	Green leguminous mainly Clover	EUR 28
Beginning stocks	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Usable production	2 695	1 930	55	296	66	700	5 742	1 019	142	31 848	33 010
Imports (from third countries)	151	11	244	234	160	478	1 278	2		11	14
Dried	149	10	242	234	158	476		2		11	
Flour & meals	2	2	2		2	2					
Total supply	**2 846**	**1 941**	**299**	**530**	**225**	**1 178**	**7 020**	**1 021**	**142**	**31 860**	**33 023**
Total domestic use	2 155	1 517	293	530	185	1 109	5 789	787	142	31 856	32 785
Food (dried)	618	236	293	5	185	517	1 854				
Animal feed	1 537	1 281		525		592	3 936	787	142	31 856	
Non-food industrial use											
Exports (to third countries)	691	424	5		40	69	1 231	235		3	238
Dried	689	423	4		39	67		235		3	
Flour & meals	2	2	2		2	2					
Total use	**2 846**	**1 941**	**299**	**530**	**225**	**1 178**	**7 020**	**1 021**	**142**	**31 860**	**33 023**
Ending stocks	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

(first draft) EU Protein Crops Balance Sheet

Any comments welcome, including on some methodological challenges/open questions:

- **Scope:** which crops to include (or not)?
- **Stocks** (opening and ending): which data?
- **Consumption** (food and feed uses): which data?

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