European Commission

EU COP balance sheets 2015/2016 and forecast 2016/17

AGRI C 4
Civil Dialogue Group Arable Crops
9 September 2016

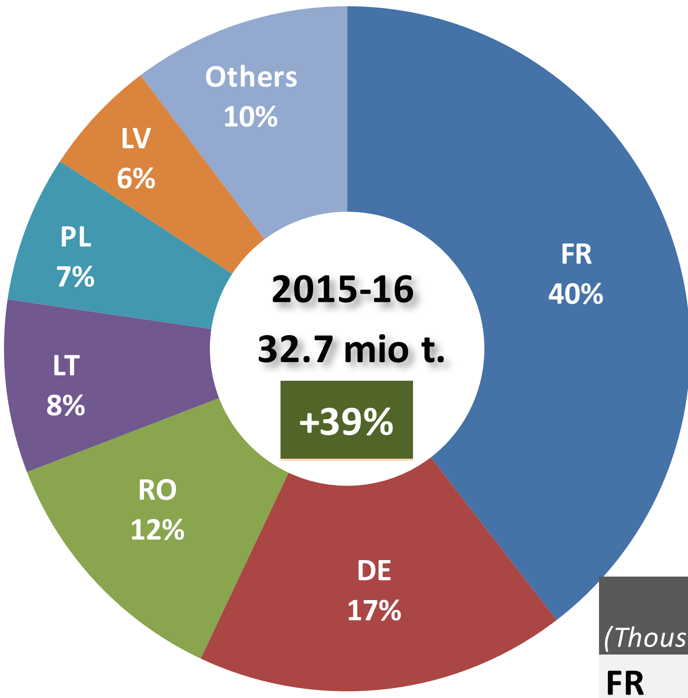
Agriculture and Rural Development

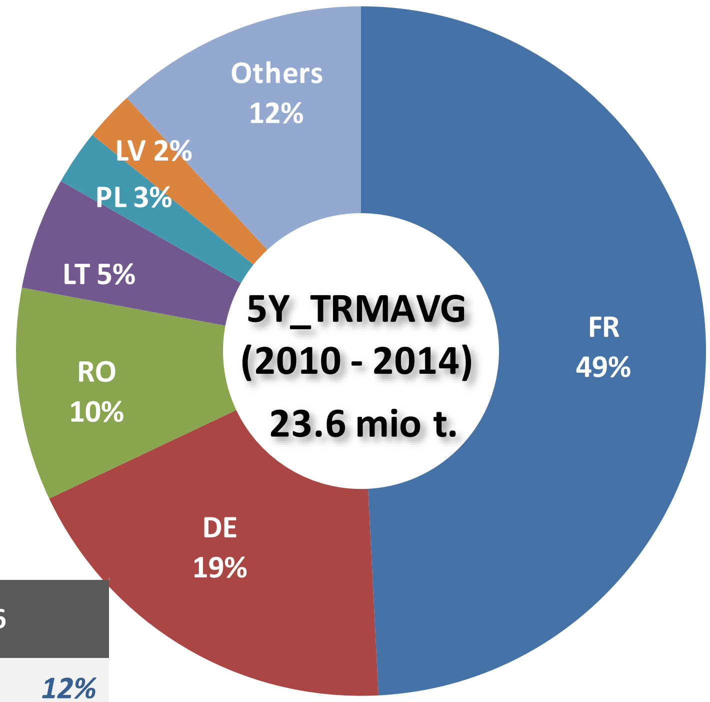
Contents

2015/16 Marketing Year

Cereals

EU MS exporting common wheat (incl. flour and groats)

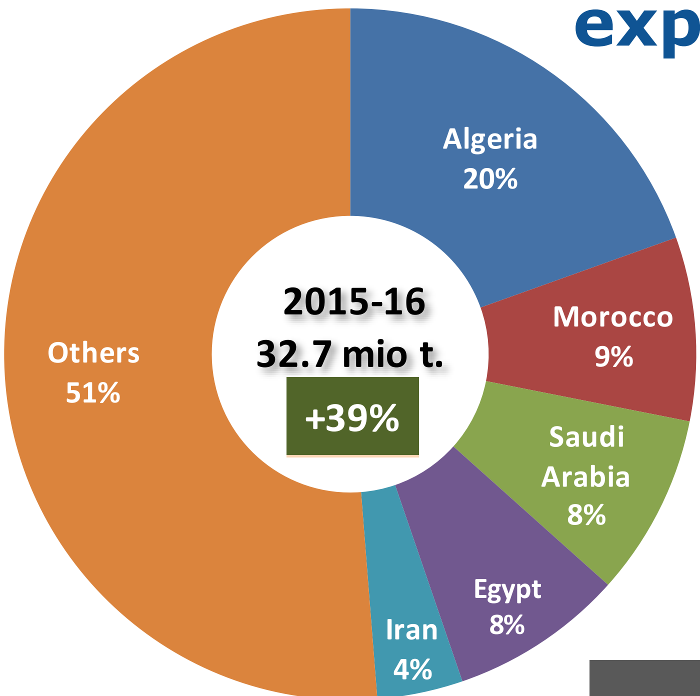


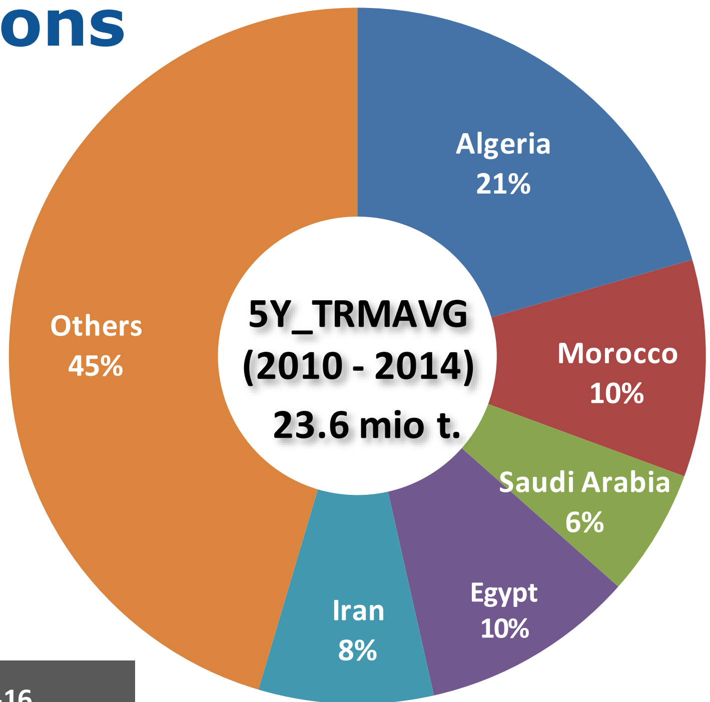


(Thousand tons)	5Y_TRMAVG (2010 - 2014)	2015-16	
FR	11 599	12 933	*12%*
DE	4 427	5 713	*29%*
RO	2 354	3 965	*68%*
LT	1 240	2 669	*115%*
PL	608	2 262	*272%*
LV	551	1 799	*226%*
Others	2 800	3 362	*20%*

Source: EUROSTAT (COMEXT)

EU common wheat (incl. flour and groats) export destinations

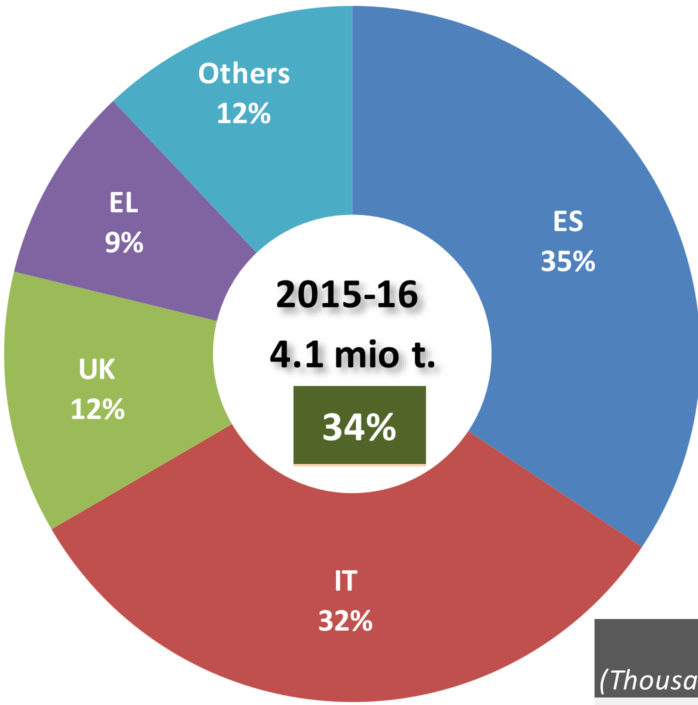


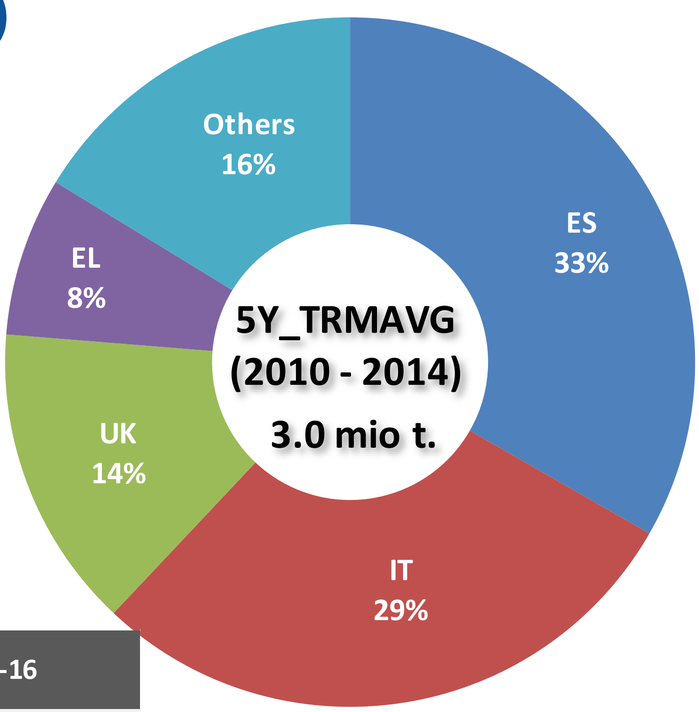


(Thousand tons)	5Y_TRMAVG (2010 - 2014)	2015-16	
Algeria	4 844	6 386	*32%*
Morocco	2 376	2 808	*18%*
Saudi Arabia	1 394	2 781	*100%*
Egypt	2 344	2 658	*13%*
Iran	1 911	1 310	*-31%*
Others	10 709	16 760	*56%*

Source: EUROSTAT (COMEXT)

EU MS importing common wheat (incl. flour and groats)

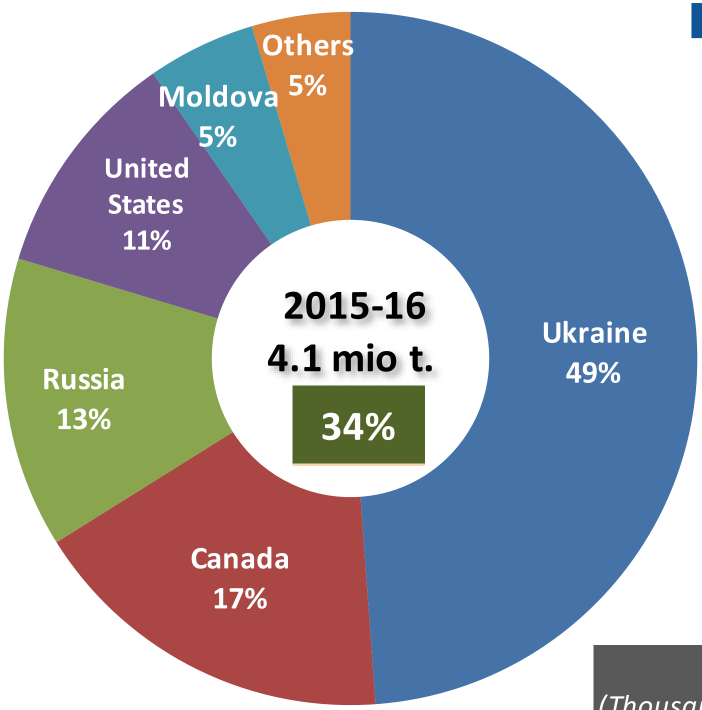


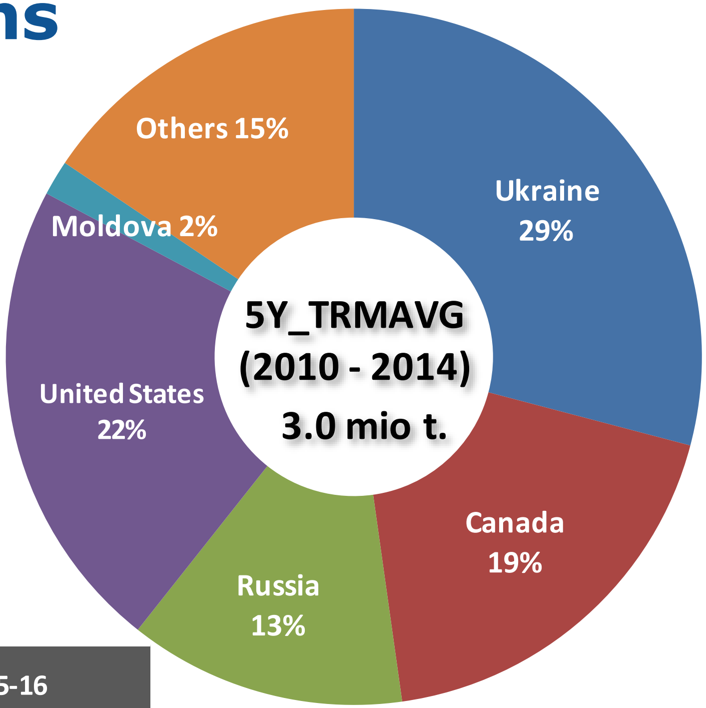


(Thousand tons)	5Y_TRMAVG (2010 - 2014)	2015-16	
ES	1 011	1 403	*39%*
IT	873	1 316	*51%*
UK	433	498	*15%*
EL	226	374	*65%*
Others	494	492	*0%*

Source: EUROSTAT (COMEXT)

EU common wheat (incl. flour and groats) import origins

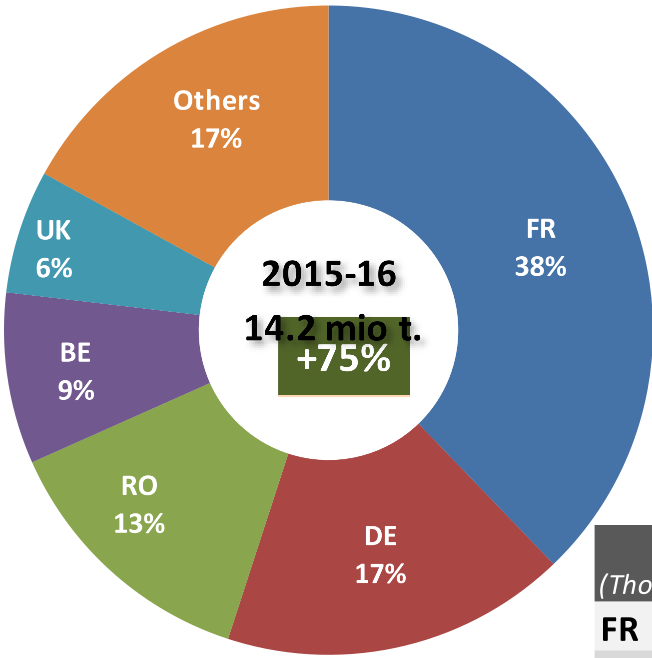


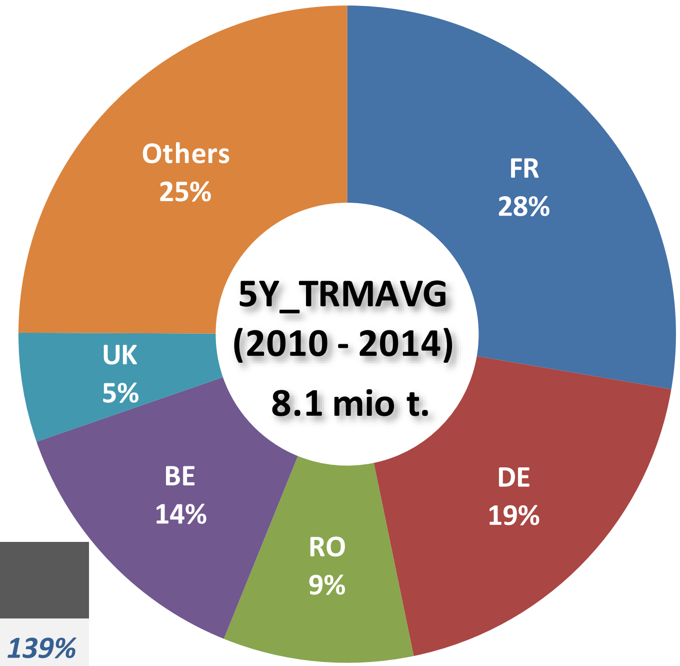


(Thousand tons)	5Y_TRMAVG (2010 - 2014)	2015-16	
Ukraine	**884**	**1 995** ↑	*126%*
Canada	**567**	**704** ↑	*24%*
Russia	**391**	**553** ↑	*42%*
United State:	**672**	**437** ↓	*-35%*
Moldova	**50**	**206** ↑	*316%*
Others	**473**	**188** ↓	*-60%*

Source: EUROSTAT (COMEXT)

EU MS exporting barley (incl. malt)

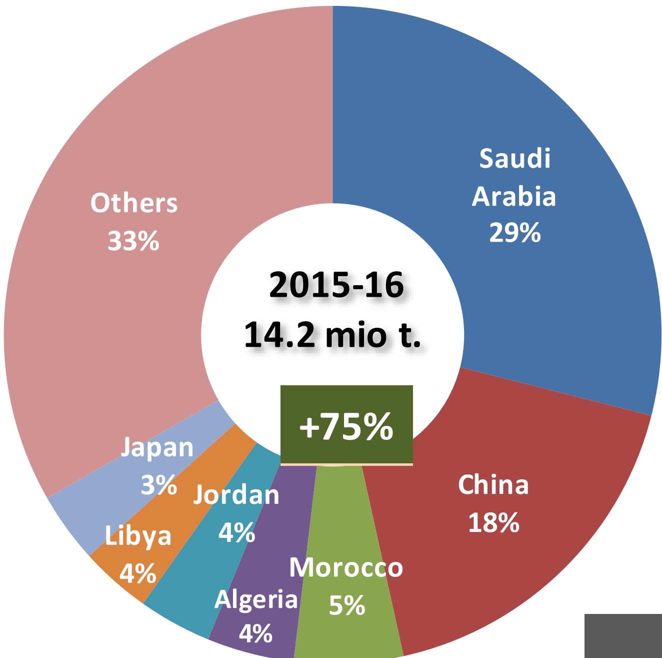


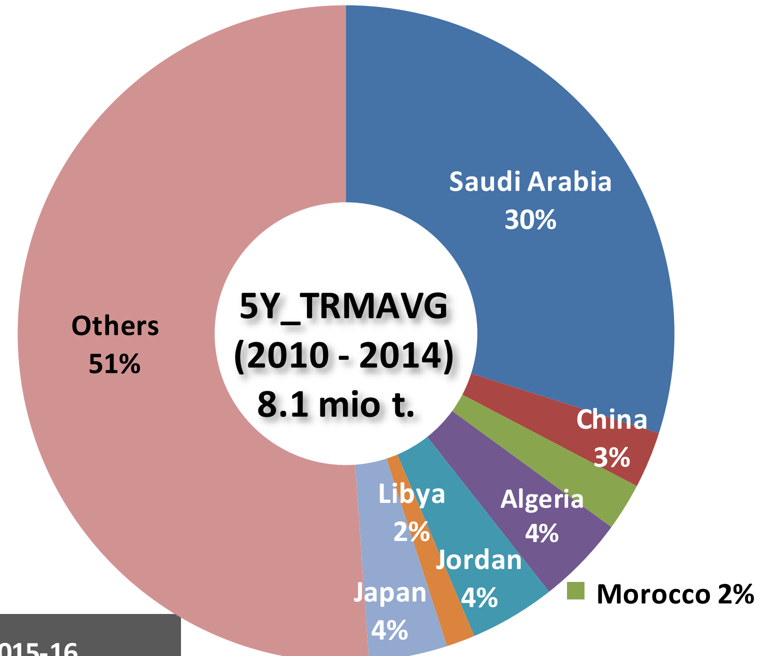


(Thousand tons)	5Y_TRMAVG (2010 - 2014)	2015-16	
FR	2 238	5 350 ↑	*139%*
DE	1 543	2 434 ↑	*58%*
RO	757	1 886 ↑	*149%*
BE	1 098	1 207 ↑	*10%*
UK	435	871 ↑	*100%*
Others	2 016	2 404 ↑	*19%*

Source: EUROSTAT (COMEXT)

EU barley (incl. malt) export destinations

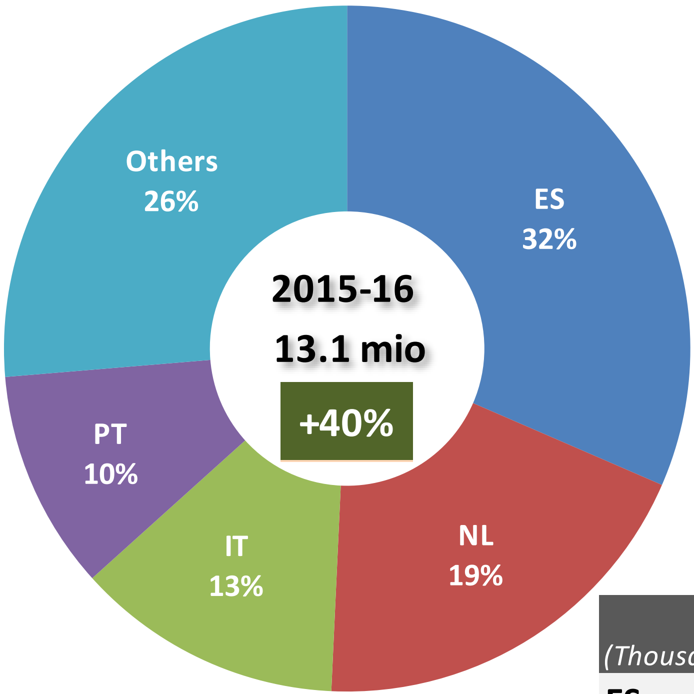


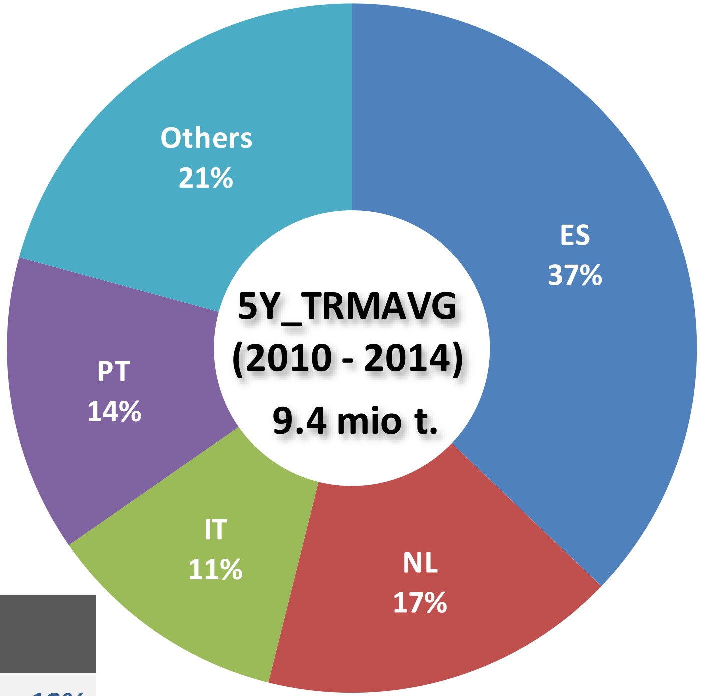


(Thousand tons)	5Y_TRMAVG (2010 - 2014)	2015-16	
Saudi Arabia	2 418	4 097	*69%*
China	225	2 489	*1007%*
Morocco	189	759	*301%*
Algeria	353	606	*72%*
Jordan	342	510	*49%*
Libya	114	493	*332%*
Japan	312	491	*57%*
Others	4 134	4 707	*14%*

Source: EUROSTAT (COMEXT)

EU MS importing maize (incl. Processed products)

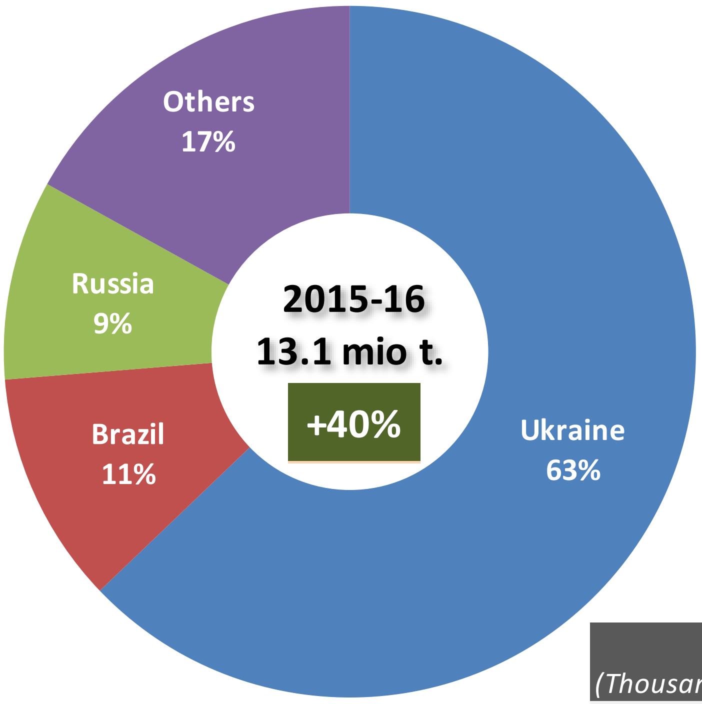


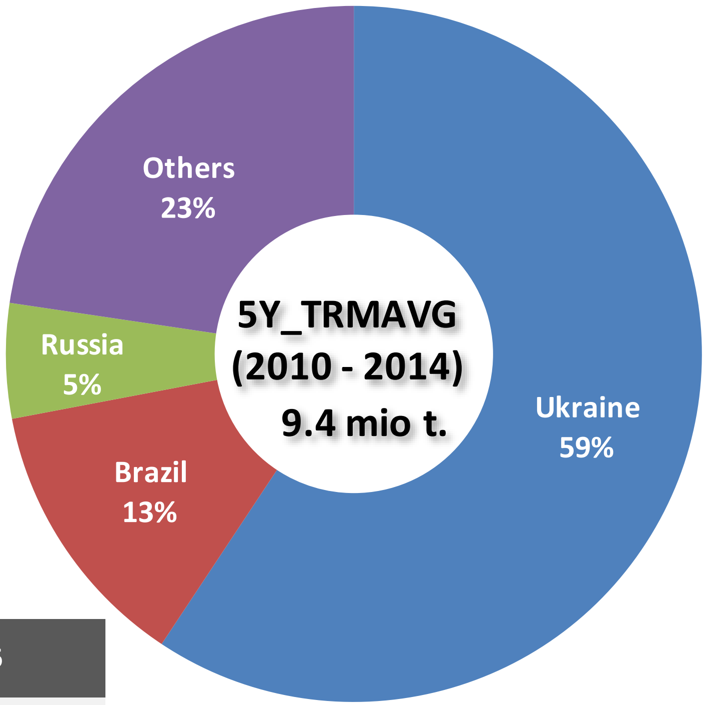


(Thousand tons)	5Y_TRMAVG (2010 - 2014)	2015-16	
ES	3 478	4 141 ⇧	*19%*
NL	1 570	2 527 ⇧	*61%*
IT	1 070	1 655 ⇧	*55%*
PT	1 305	1 361 ⇧	*4%*
Others	1 944	3 459 ⇧	*78%*

Source: EUROSTAT (COMEXT)

EU maize (incl. Processed products) import origins

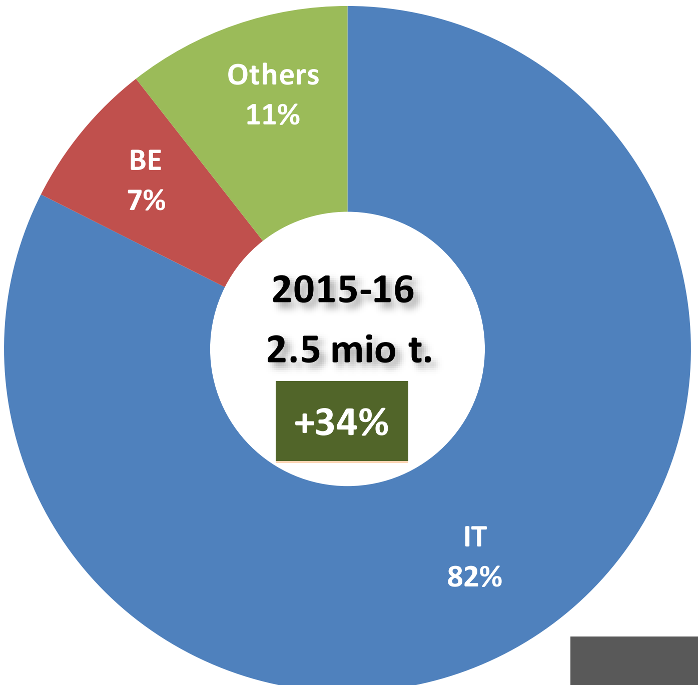


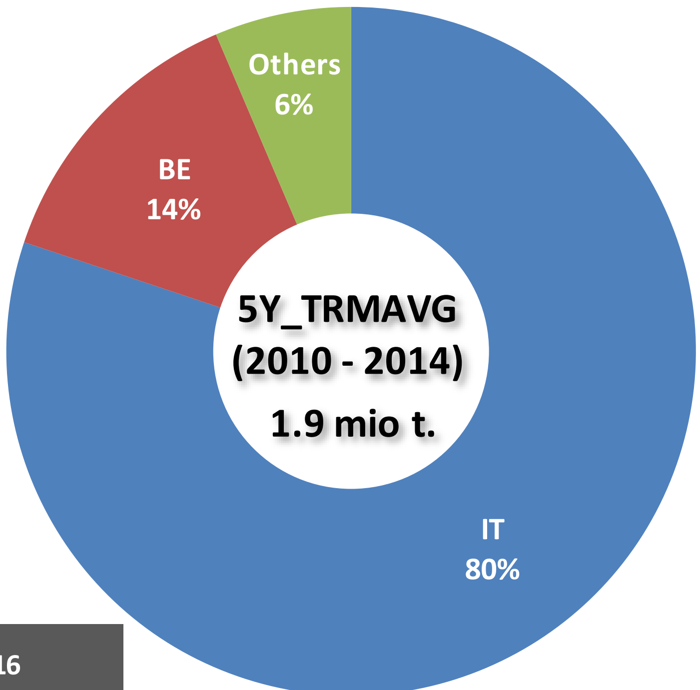


(Thousand tons)	5Y_TRMAVG (2010 - 2014)	2015-16	
Ukraine	5 556	8 260 ⇧	*49%*
Brazil	1 189	1 427 ⇧	*20%*
Russia	500	1 228 ⇧	*146%*
Others	2 122	2 227 ⇧	*5%*

Source: EUROSTAT (COMEXT)

EU MS importing durum wheat (incl. flour)





(Thousand tons)	5Y_TRMAVG (2010 - 2014)	2015-16	
IT	1 517	2 083	*37%*
BE	255	177	*-31%*
Others	121	267	*120%*

Source: EUROSTAT (COMEXT)

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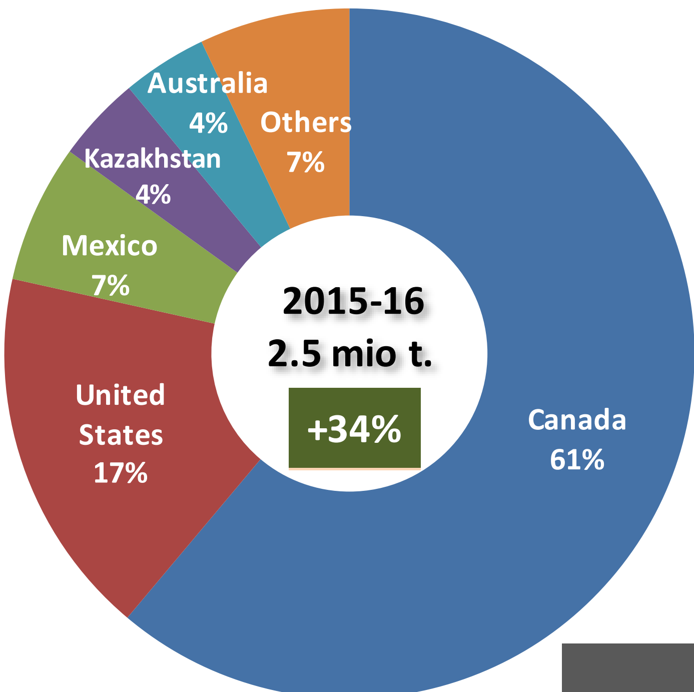
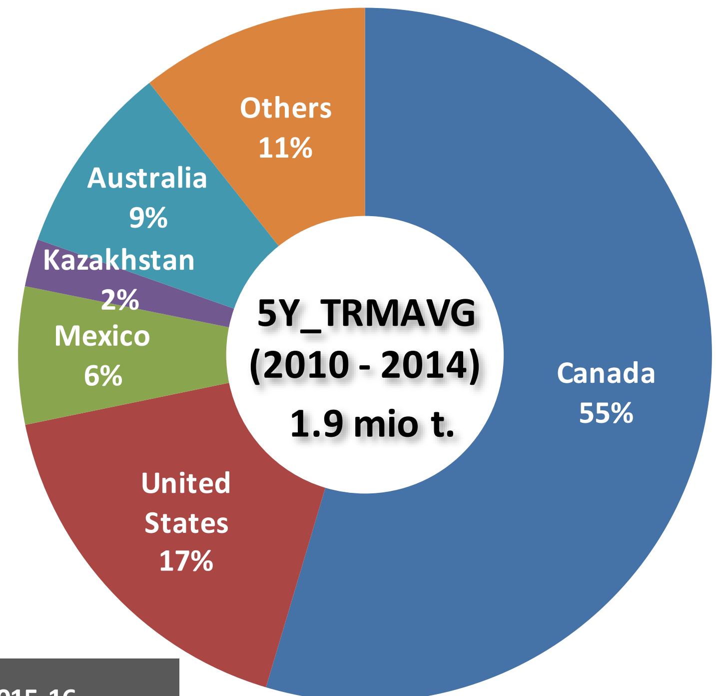
EU durum wheat (incl. flour) import origins





(Thousand tons)	5Y_TRMAVG (2010 - 2014)	2015-16	
Canada	1 034	1 545 ↑	*49%*
United States	325	438 ↑	*35%*
Mexico	121	164 ↑	*35%*
Kazakhstan	42	102 ↑	*141%*
Australia	169	101 ↓	*-41%*

Source: EUROSTAT (COMEXT)

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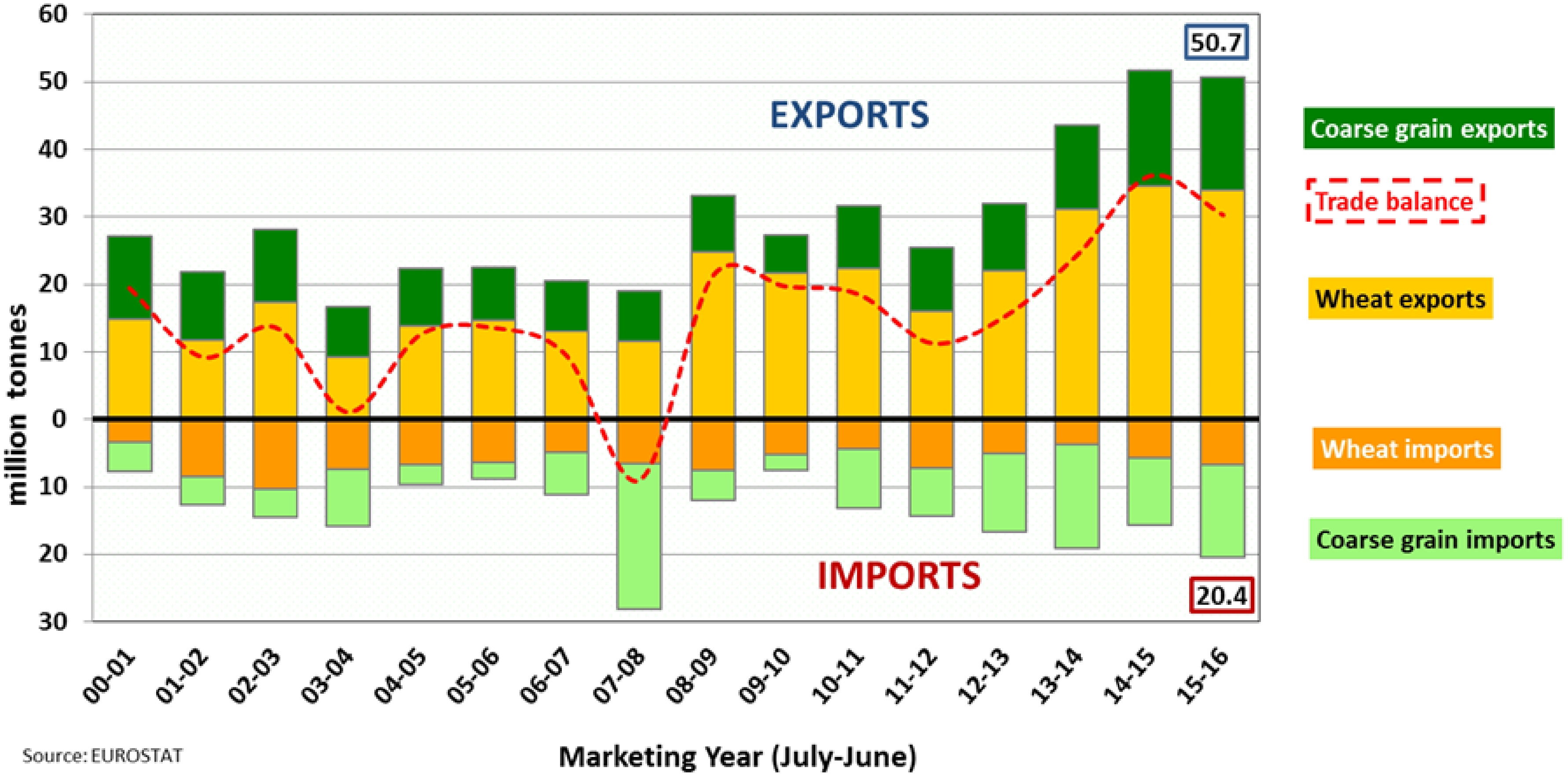
Aug-16	Common wheat	Barley	Durum	Maize	Rye	Sorghum	Oats	Triticale	Others	Million tonnes EUR 28
Cereals balance sheet:Marketing year: 2015/2016										
Beginning stocks (01.07.2015)	**11,0**	**6,3**	**0,9**	**22,4**	**1,5**	**0,3**	**1,4**	**1,3**	**2,3**	**47,3**
Usable production	**151,6**	**60,7**	**8,5**	**58,0**	**7,6**	**0,7**	**7,5**	**12,7**	**3,2**	**310,5**
Import	**4,1**	**0,3**	**2,5**	**13,1**	**0,0**	**0,1**	**0,0**	**0,0**	**0,2**	**20,4**
TOTAL AVAILABILITIES	**166,6**	**67,2**	**11,9**	**93,6**	**9,2**	**1,1**	**8,9**	**14,0**	**5,7**	**378,2**
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	55,5	37,0	0,1	59,0	3,0	0,7	4,8	11,2	3,2	**174,5**
TOTAL USE	**118,8**	**48,9**	**8,7**	**74,5**	**8,0**	**0,9**	**6,5**	**12,3**	**3,6**	**282,2**
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	**47,0**	**17,9**	**3,2**	**18,6**	**1,1**	**0,2**	**2,3**	**1,6**	**2,0**	**93,8**
Export	**32,7**	**14,2**	**1,2**	**2,2**	**0,2**	**0,0**	**0,2**	**0,0**	**0,0**	**50,8**
Ending stocks (30.06.2016)	**14,3**	**3,8**	**2,0**	**16,3**	**0,9**	**0,2**	**2,1**	**1,6**	**2,0**	**43,1**

EU BALANCE SHEET 2015/2016

- Good level of harvest:
  - New record for wheat
  - High percentage of milling wheat
  - Lower feed grain
- High level of exports for total cereals including:
  - Record for barley (1st on world market)
  - Second highest level for wheat (1st on world market)
- Second highest level of import (after 2007/08 record)
- Decrease of total ending stocks (but increase for soft and durum wheat)

EU 28 - Cereals exports and imports

including flour and other processed products in grain equivalent



Source: EUROSTAT

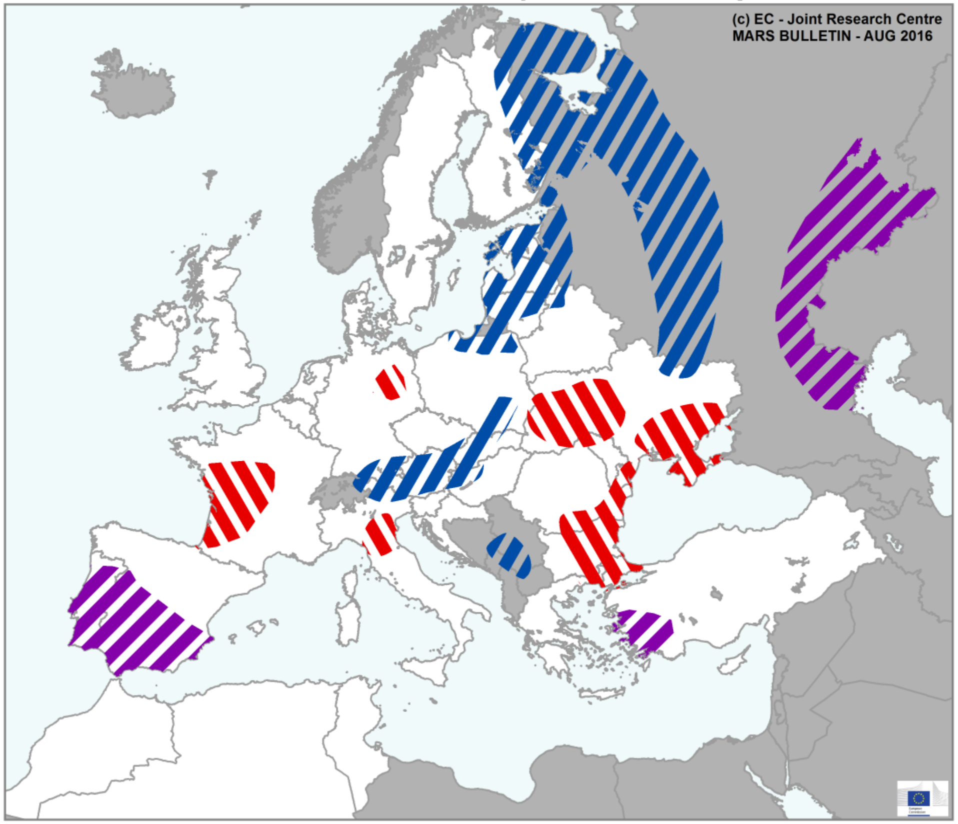
2016/17 Marketing Year

Cereals

European Commission

AREAS OF CONCERN - EXTREME WEATHER EVENTS

Based on weather data from 20 July 2016 until 20 August 2016



Rain surplus | Rain deficit | Heat wave

European Commission

EU 28- 2016 Area Forecast

EU EVOL CEREALS AREA					
Million ha	2014	2015	2016 July fcst	2016 Aug fcst	% change 2015/2016
TOTAL	**58,1**	**57,3**	**57,0**	**57,1**	-0,4
Soft wheat	24,4	24,3	23,9	24,1	-1,0
Durum wheat	2,3	2,5	2,6	2,7	8,1
Barley	12,4	12,2	12,5	12,4	1,8
Maize	9,6	9,2	8,8	8,8	-4,9
Rye	2,1	2,0	2,2	2,1	8,3
Oats	2,5	2,5	2,6	2,5	0,7
Sources : DG AGRI - C4					

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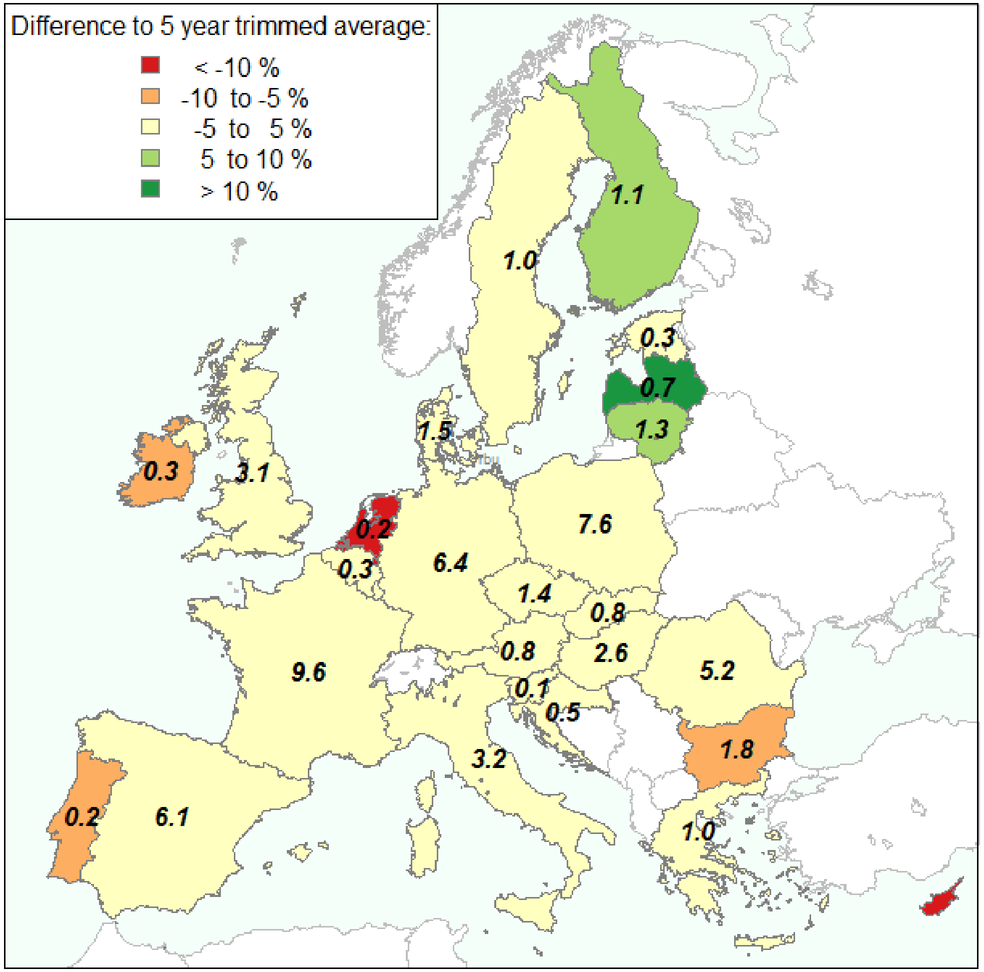
All cereals area 2016 (mio ha) (est.)



Calculations and cartography: European Commission DG AGRI C4 2016-08-23 © EuroGeographics for the administrative boundaries

EU28 area : 57.1 (mio ha)   Difference to 5 year trimmed average: -1 %

EU 28- 2016 Production Forecasts

EU EVOL CEREALS USABLE PRODUCTIONS					
Million tonnes	2014/2015	2015/2016	2016/2017 July fcst	2016/2017 Aug fcst	%change 2015/2016
TOTAL	**329,2**	**310,5**	**312,9**	**294,7**	-5,1
Soft wheat	148,7	151,6	144,5	133,3	-12,1
Durum wheat	7,6	8,5	9,0	8,7	2,4
Barley	60,2	60,7	62,1	59,0	-2,8
Maize	77,9	58,0	65,5	62,5	7,8
Rye	8,7	7,6	8,0	7,7	1,3
Oats	7,7	7,5	7,7	7,6	1,3

Sources : DG AGRI -C4

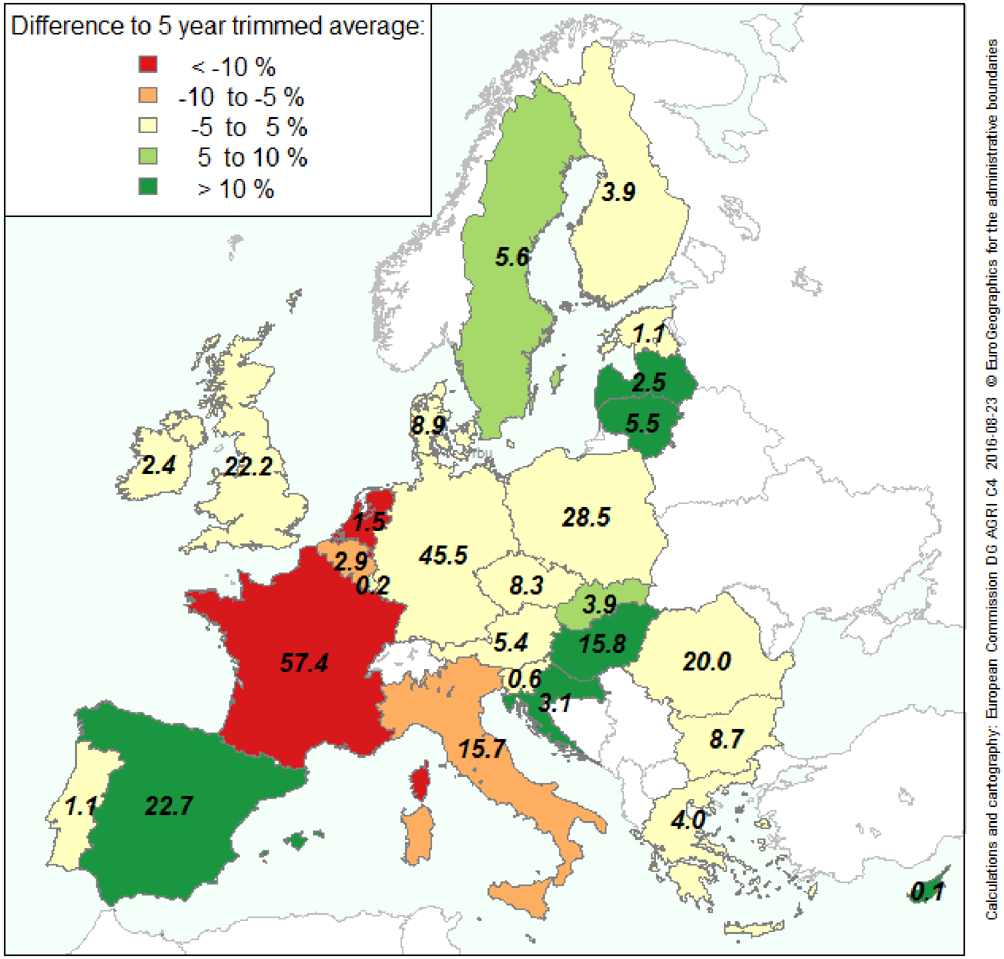
EU 28 - 2016 Production Forecast

Most important producers		
(80% of EU production)		
total cereals prod changes 2015/2016		
FR	-20,4%	
DE	-6,9%	
PL	1,9%	
IT	-2,8%	
UK	-10,5%	
ES	21,7%	
HU	12,7%	
RO	7,6%	

EU 28- 2016 Production Forecast

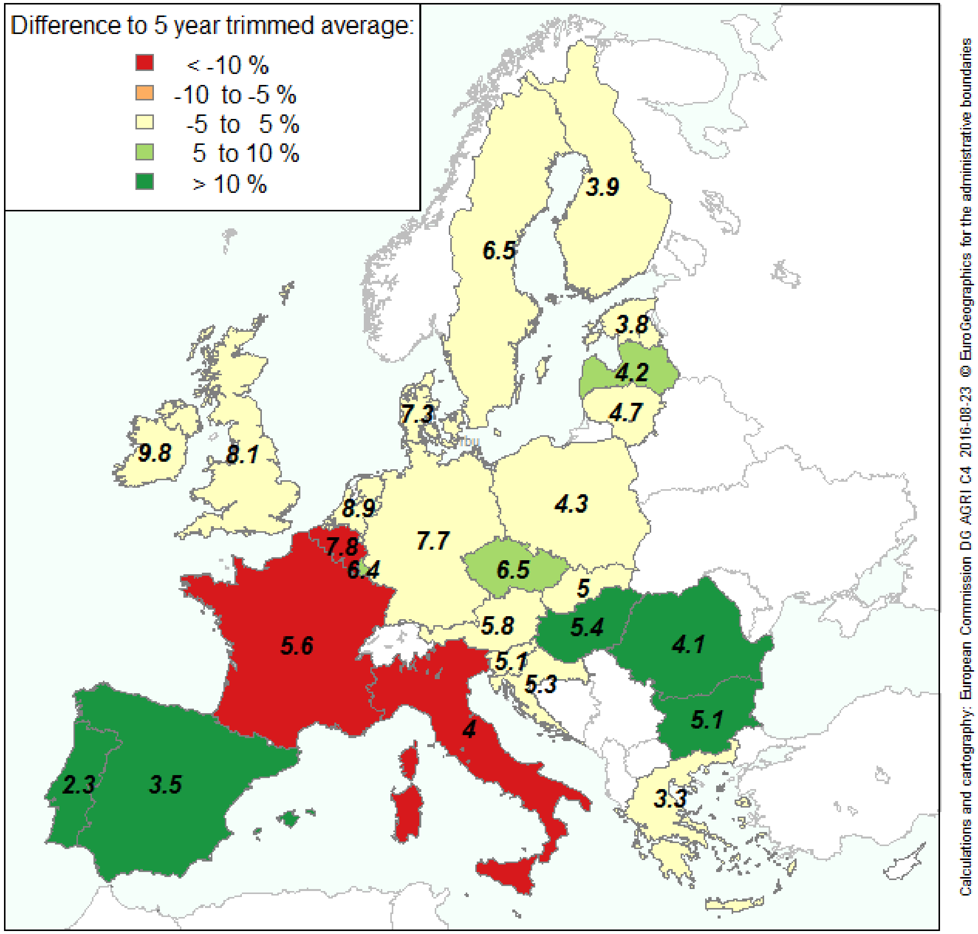
2016/2017 Marketing Year				
	usable prod			
Million tonnes	EC DG AGRI Aug	Stratégie Grain Aug	CCR Aug	ADM Europe Aug
Cereals	294,7	299,7	305,5	295,7
Soft Wheat	133,3	137,9	139,9	135,6
Durum Wheat	8,7	9,0	9,0	8,2
Barley	59,0	60,6	60,6	58,8
Maize	62,5	60,6	63,8	61,9
Rye	7,7	8,4	8,0	7,9

All cereals production 2016 (mio t) (est.)



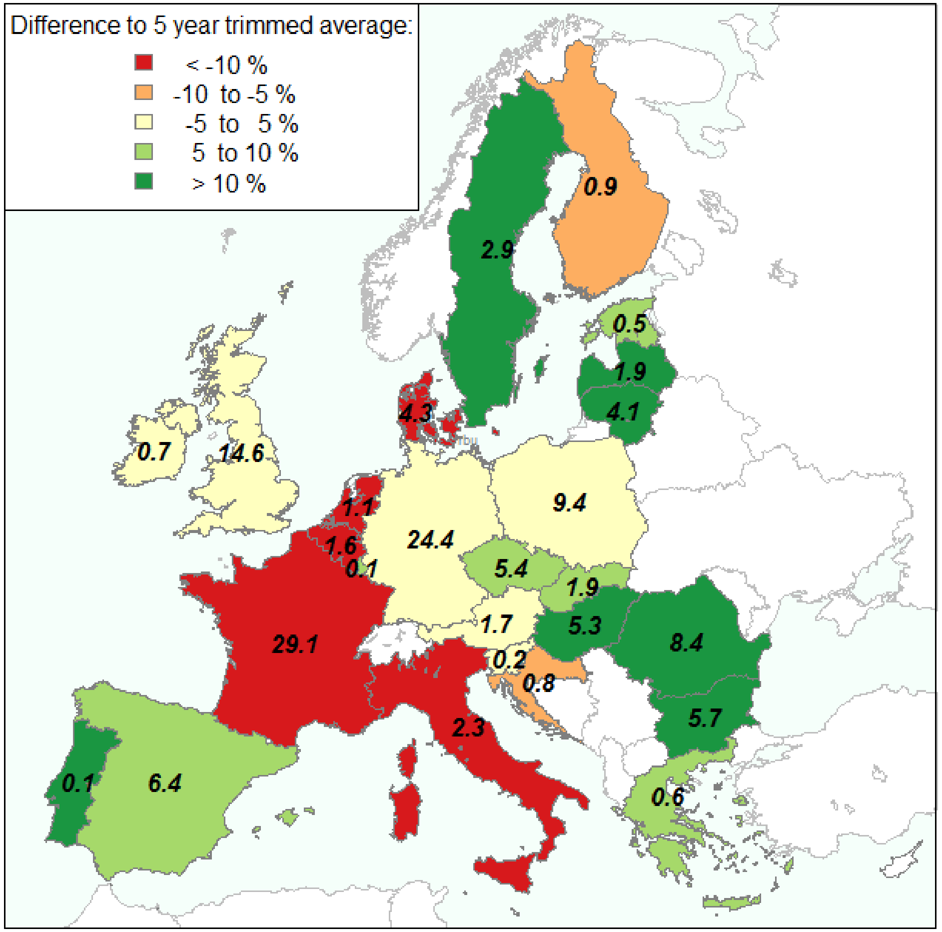
EU28 production : 294.7 (mio t) Difference to 5 year trimmed average: -2 %

Soft wheat yield 2016 (t /ha) (est.)



EU28 yield : 5.6 (t /ha) Difference to 5 year trimmed average: -4 %

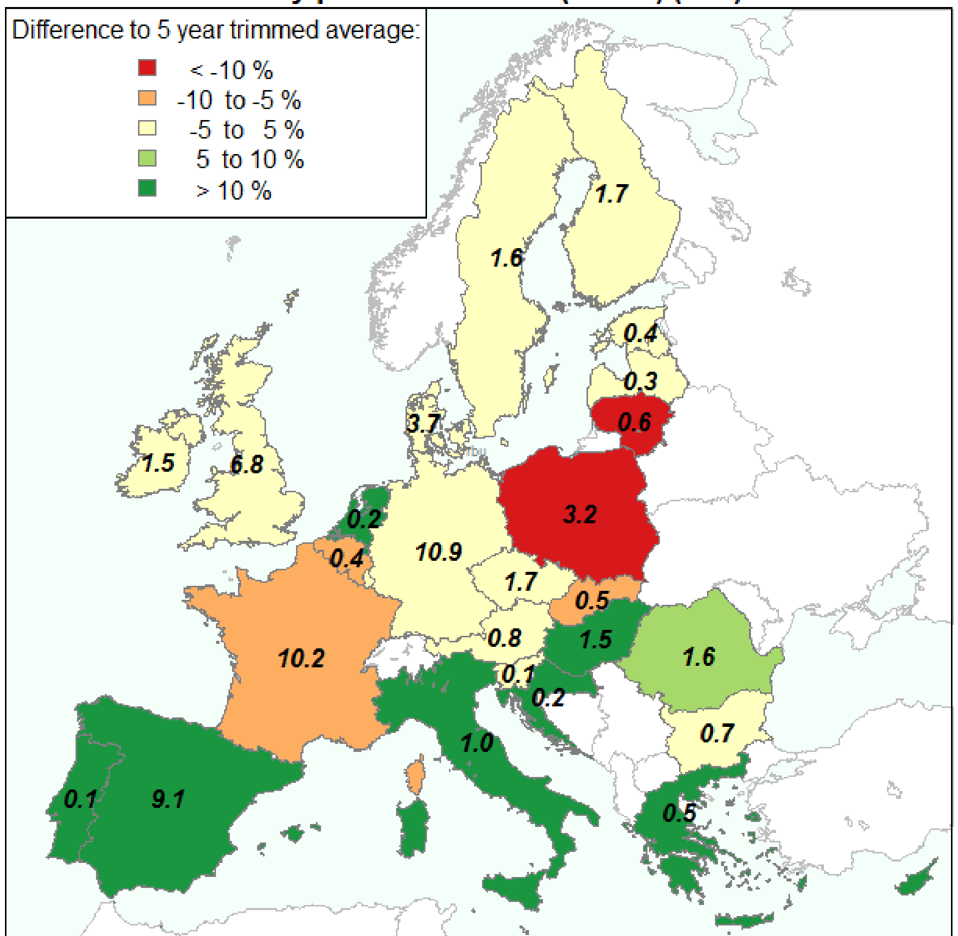
Soft wheat production 2016 (mio t) (est.)



Calculations and cartography: European Commission DG AGRI C4 2016-08-23 © EuroGeographics for the administrative boundaries

EU28 production : 133.3 (mio t) Difference to 5 year trimmed average: -3 %

Barley production 2016 (mio t) (est.)

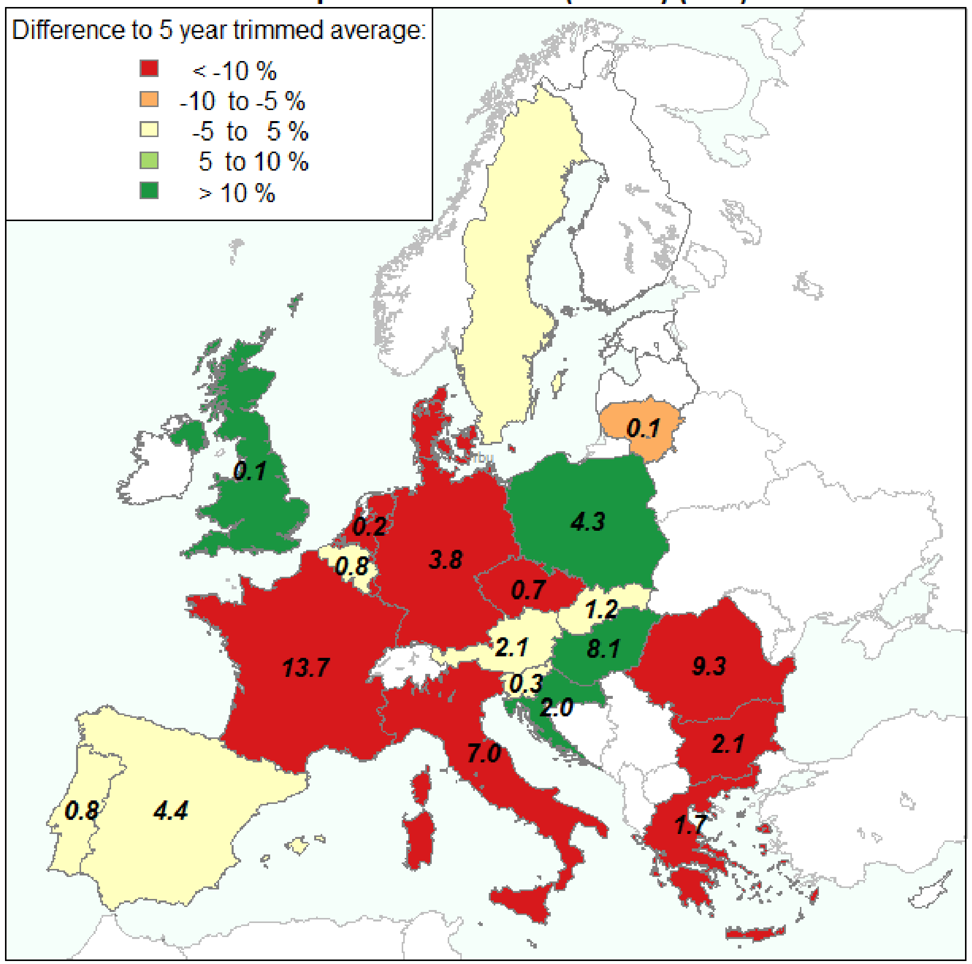


Calculations and cartography: European Commission DG AGRI C4 2016-08-23 © EuroGeographics for the administrative boundaries

EU28 production : 59.0 (mio t) Difference to 5 year trimmed average: 1 %

European Commission

Maize production 2016 (mio t) (est.)



Calculations and cartography: European Commission DG AGRI C4 2016-08-23 © EuroGeographics for the administrative boundaries

EU28 production : 62.5 (mio t) Difference to 5 year trimmed average: -5 %

TRADE MEASURES

- **Russia:** Government agreed to reduce to zero the wheat export tax from mid-September 2016 until 1/07/2018.
- **Egypt:** reinstated its zero-tolerance ergot policy

European Commission

Cereals balance sheet:Marketing year: 2016/2017

Aug-16	Common wheat	Barley	Durum	Maize	Rye	Sorghum	Oats	Triticale	Others	Million tonnes EUR 28
Beginning stocks (01.07.2016)	14,3	3,8	2,0	16,3	0,9	0,2	2,1	1,6	2,0	43,1
Usable production	133,3	59,0	8,7	62,5	7,7	0,6	7,6	11,2	4,1	294,7
Import	3,6	0,2	2,1	13,0	0,1	0,1	0,0	0,0	0,1	19,2
TOTAL AVAILABILITIES	151,1	62,9	12,8	91,8	8,7	0,9	9,7	12,8	6,2	357,0
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	53,5	37,5	0,1	61,7	3,0	0,6	5,0	10,1	3,5	175,0
TOTAL USE	117,2	49,3	8,7	77,3	7,9	0,8	6,7	11,2	3,9	283,1
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	33,0	13,2	4,1	13,9	0,8	0,1	2,9	1,4	2,3	71,7
Export	25,0	8,0	1,3	3,0	0,2	0,0	0,2	0,0	0,0	37,6
Ending stocks (31.07.2016)	73,4	29,4	5,7	19,8	4,3	0,4	5,2	6,0	1,8	146,0
Ending stocks (30.06.2017)	8,0	5,2	2,8	11,0	0,6	0,1	2,7	1,4	2,3	34,1

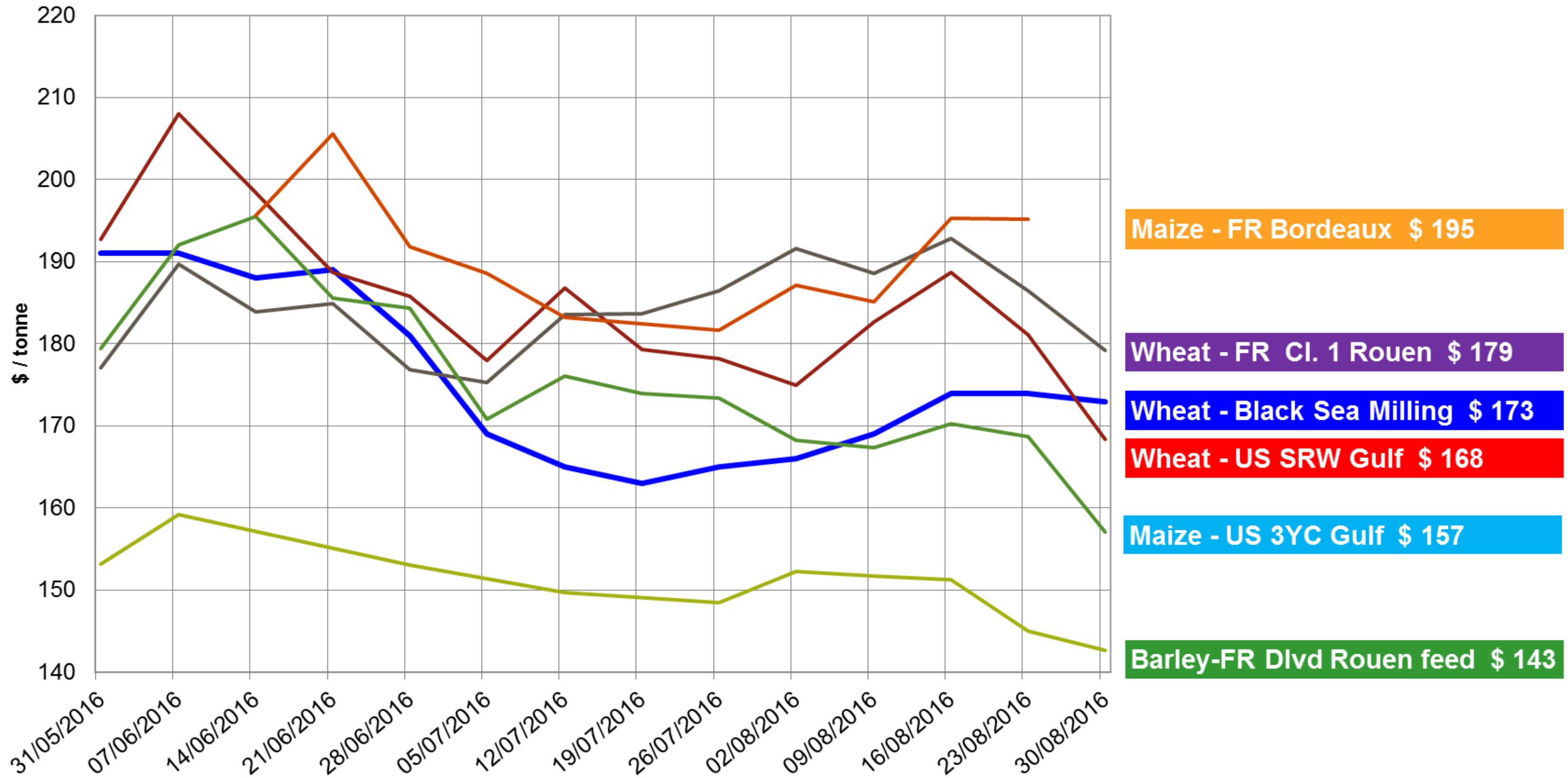
EU BALANCE SHEET 2016/17

- Harvest below average:
  - Disappointing soft wheat yields in Western Europe
  - Partially offset by increases in Southern and Eastern Europe
  - Mixed quality results for soft wheat (low specific weight and Hagberg index but high protein)
  - Maize prospect remain positive (ES, HU); concerns in FR, BG and RO (drought)
- Decrease of total exports
  - Steep fall in soft wheat and barley exports
- Steep decrease of total ending stocks

Cereals Prices

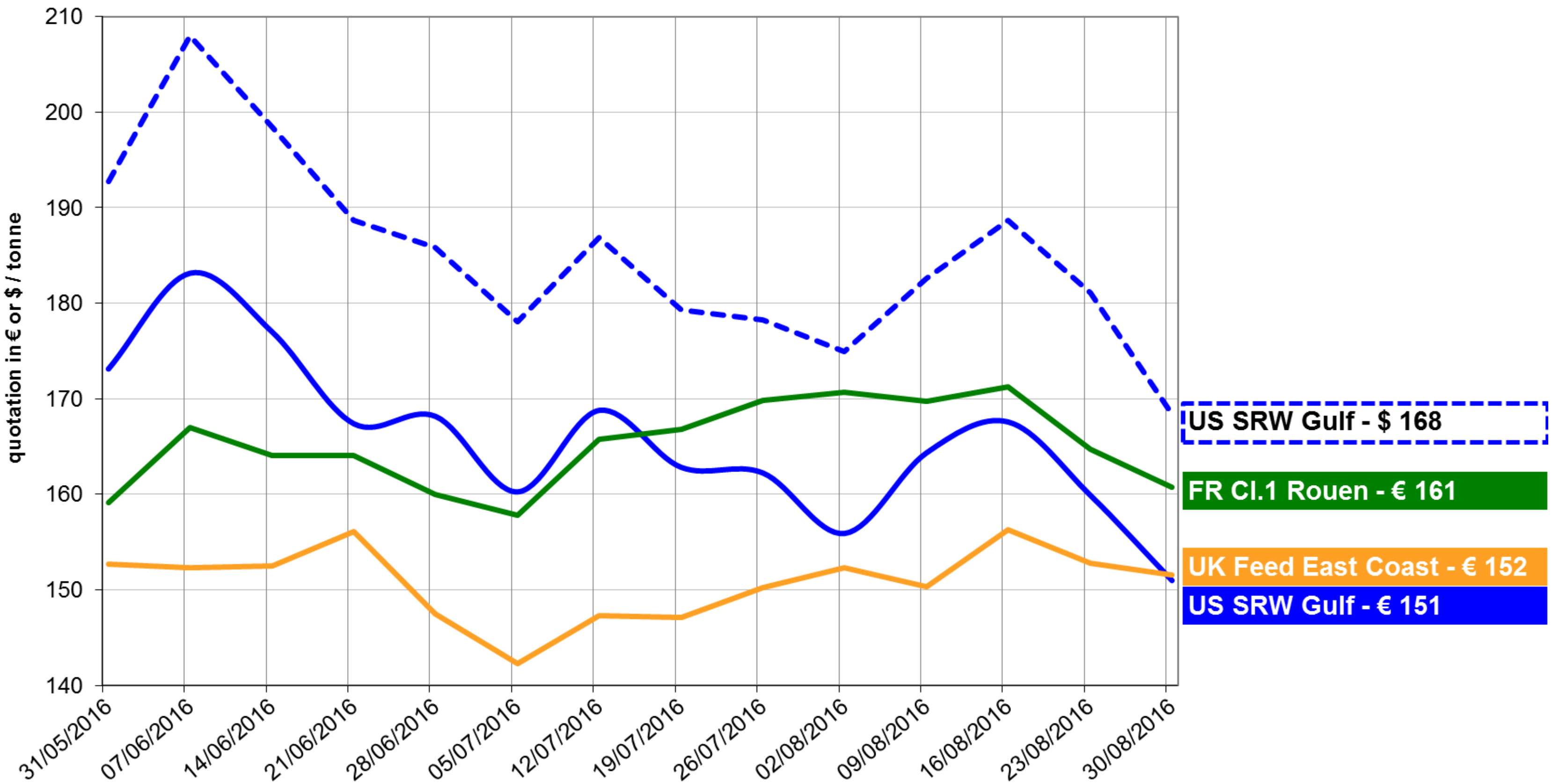
European Commission

World cereal prices ($/t)

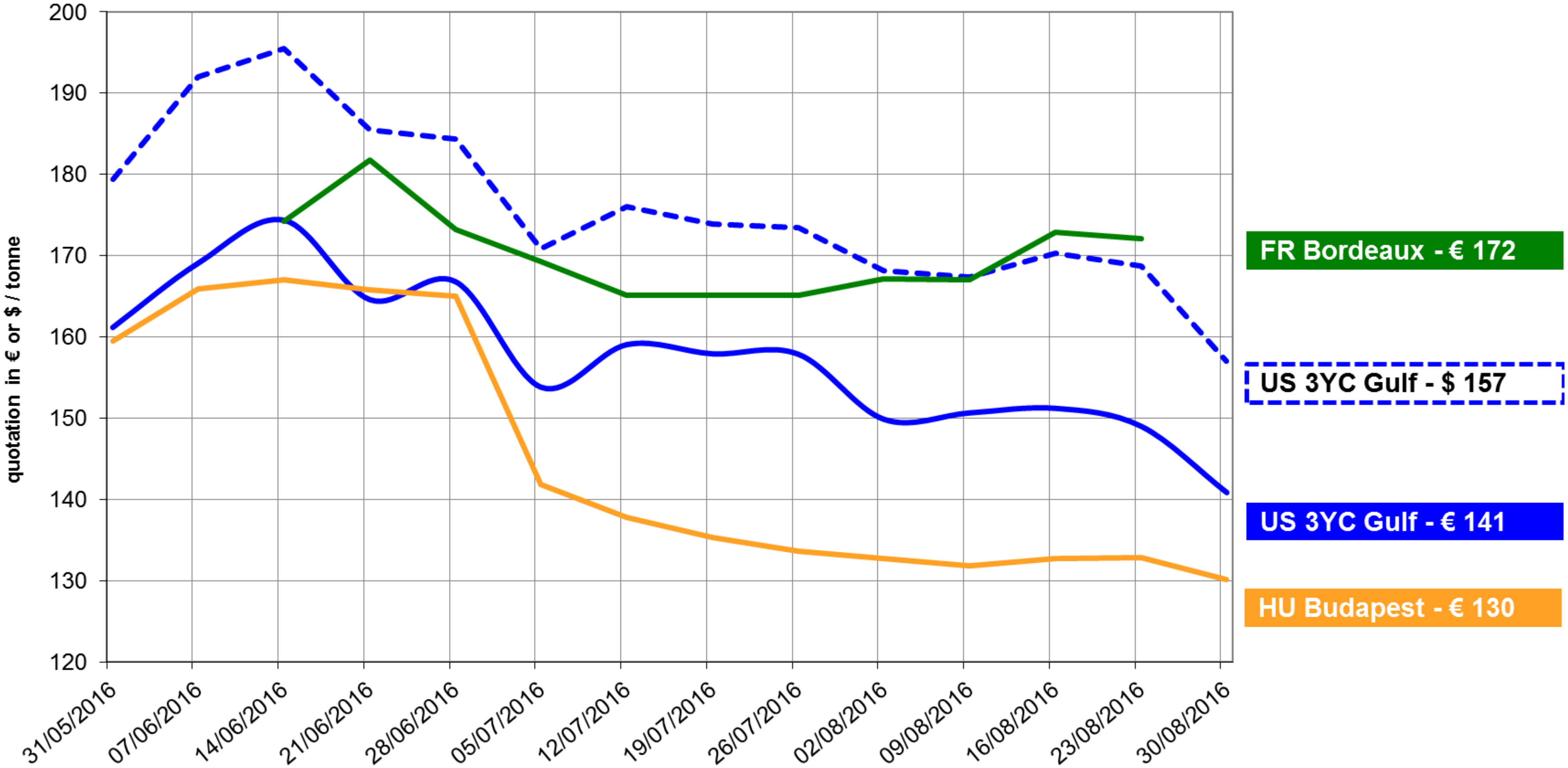


Agriculture and Rural Development

US vs. EU wheat export prices



US vs. EU maize prices



2016/17 Marketing Year

Oilseeds and Proteins

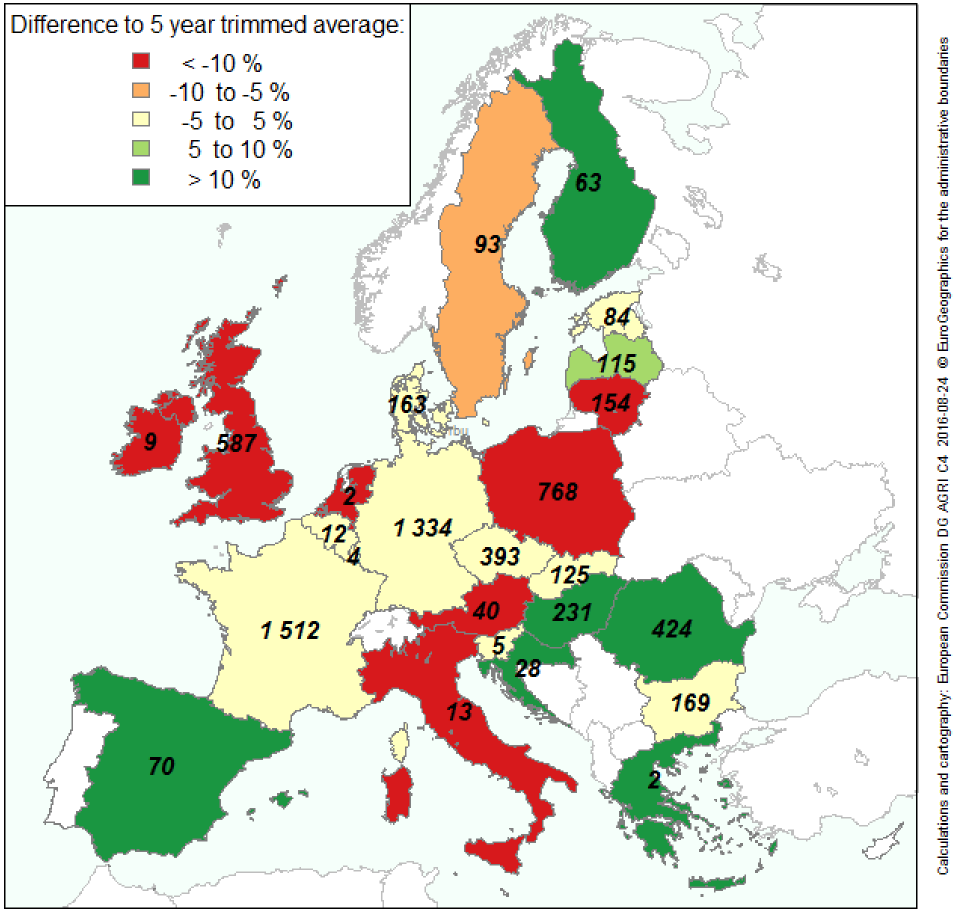
European Commission

EU OILSEEDS & PROTEIN CROPS (Area)

Mio ha	AVG 5 yrs trimmed	2015/16	2016/17 July 2016	2016/17 Aug 2016	%change 2015/16	%change 5yrs trimmed
Rapeseed	6,63	6,47	6,40	6,40	-1,0	-3,5
Sunflower	4,33	4,18	4,08	4,11	-1,6	-5,0
Soja	0,49	0,86	0,83	0,79	-8,5	59,3
Linseed	0,07	0,07	0,06	0,07	-5,1	-9,7
TOTAL	11,52	11,57	11,38	11,36	-1,8	-1,4
Field peas	0,56	0,72	0,83	0,82	13,8	47,8
Broad beans	0,38	0,62	0,64	0,63	2,0	65,2
Sweet lupins	0,10	0,26	0,26	0,26	0,4	151,9
TOTAL	1,04	1,60	1,72	1,71	7,1	64,4

Sources : DG AGRI/C/4

Rapeseed area 2016 (1000 ha) (est.)



EU28 area : 6 401 (1000 ha) Difference to 5 year trimmed average: -3 %

Agriculture and Rural Development

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EU OILSEEDS & PROTEIN CROPS PRODUCTION

Mio t	AVG 5 yrs trimmed	2015/16	2016/17 July 2016	2016/17 Aug 2016	%change 2015/16	%change 5yrs trimmed
Rapeseed	20,6	21,6	20,5	19,4	-10,1	-5,8
Sunflower	8,6	7,8	8,5	8,4	7,6	-1,9
Soja	1,4	2,3	2,3	2,1	-8,6	45,7
Linseed	0,1	0,1	0,1	0,1	-1,4	-11,9
TOTAL	30,7	31,8	31,4	30,0	-5,6	-2,3
Field peas	1,4	2,0	2,1	1,9	-4,0	39,9
Broad beans	1,1	1,9	1,8	1,8	-8,7	56,7
Sweet lupins	0,2	0,4	0,4	0,4	10,2	143,0
TOTAL	2,7	4,3	4,3	4,1	-4,9	53,4

Sources : DG AGRI/C/4

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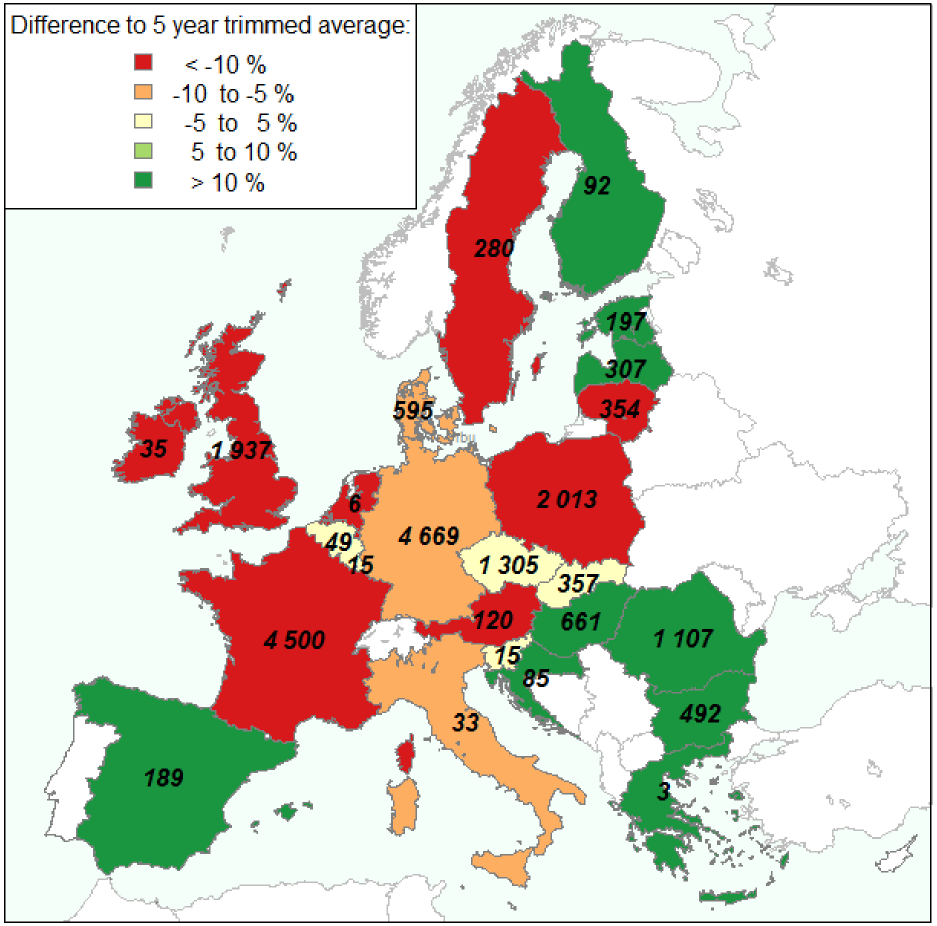
Rapeseed production 2016 (1000 t) (est.)



EU28 production : 19 418 (1000 t) Difference to 5 year trimmed average: -6 %

Conclusions

- **EU Cereals Harvest 2016 below average**
  - Further potential reduction
  - No major impact on EU cereals prices
  - Intense competition on export market

- **EU Oilseeds Harvest 2016 below average**

- **EU Protein Harvest 2016 far above average**

European Commission

Thank you for your attention!

Market presentations & Balance sheets available at:

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