Short Term Outlook

for arable crop, meat and dairy markets

September 2012

HIGHLIGHTS

- Crops: the 2012 cereal harvest in the EU is expected to decline by 3.3% with respect to last year's harvest. This is due to the impact of the drought in some Central and Eastern Member States (Hungary, Romania and Bulgaria), which led EU grain maize production to decline by 16% to 58 mio t compared to 2011. The combined effect of lower EU production and limited availabilities of imports from the Black Sea region is expected to tighten the EU cereal balance, bringing its stock-to-use ratio to just 12% in 2012 (from 13.6% during the previous marketing year). In oilseeds and protein crops, the 2012 harvest is also expected to decrease at 18.6 mio t for rapeseed, at 7 mio t for sunflowerseed and 2.4 mio t for protein crops (down from 19.1, 8.8 and 2.7 mio t, respectively).

- Meats: the 2012 EU total meat production is projected to decrease marginally (-0.6%), mainly as the result of a strong decline in beef and veal net production and a significant rise in poultry. In 2013, a further decline (-1.3%) is expected due to the lagged impact of rising feed costs. Pig meat production, would also be affected by the new animal welfare rules mandatory from January 2013. Poultry meat would be the only meat with increasing production in the short term, partly offsetting the decline in other meats.

- Dairy: in 2012, EU milk production is expected to expand by 0.9% to about 153.1 mio t, and by a further 1.1% in 2013, the combined effect of the impact from the severe drought in the US and in certain EU Member States. Although this drought has led to a sharp increase in feed prices in recent months, and put EU dairy farms highly dependent on purchased feed under cost pressures, the second part of 2012 witnessed a recovery in dairy commodity prices.

This publication presents the short term outlook for the arable crop, meat and dairy markets in the EU for 2012/13. The report is based on reflections of market experts within the Directorate General for Agriculture and Rural Development of the European Commission. Information and data available until 15 September 2012 have been taken into account. Next issue will be available in February 2013.

Directorate-General for Agriculture and Rural Development - Short Term Outlook – N°4 – September 2012
http://ec.europa.eu/agriculture/analysis/markets/index_en.htm

2. MACROECONOMIC OUTLOOK

World economic outlook[1]

Total world population is expected to grow by 1.1% per annum in both 2012 and 2013, thus reaching 7.1 billion inhabitants. Population growth is expected in India (+1.4% and +1.3%), US (+0.9% and +1%) and China (+0.4% per year), whereas Russia would experience a slight decline.

Global real GDP is projected to grow very moderately by 2.6% in 2012 and 2.7% in 2013. Among the main EU trade partners, GDP growth is expected to be at 3.6% and 3.5% in Russia, 2.2% and 1.8% in the US, and at 7.4% and 7.6% in China. Global unemployment rate is forecast to stay unchanged at 8% in 2012 and in 2013. World inflation would fall from 3.1% to 2.7% over the projection horizon.

Currencies of main agricultural exporters are expected to depreciate vis-à-vis the US dollar in 2012, notably the Argentinean peso (-10%) and the Brazilian real (-5%). In 2013, these currencies would continue to show the same trend. Chinese renminbi, Japanese yen and Russian rouble would remain roughly stable in both years.

The price of a barrel of Brent crude oil is expected to average USD 108 in 2012 and to decline to USD 93 in 2013.

European Union economic outlook

EU population is projected to increase at a rate of 0.3% per year to reach 506 million inhabitants in 2013, with EU 15[2] population increasing by 0.4% and EU 12[3] declining by 0.1% per year.

The EU 27 GDP is projected to decline slightly in 2012 and remain stable in 2013 as the combined result of a decrease in EU 15 and of an increase in EU 12. Among the EU largest economies, Germany is expected to grow by 1% annually over the outlook period, while negative growth rates are expected in Italy and Spain. France's GDP would stay stable in 2012 and decline next year, while UK's economic growth would decline in 2012 and recover in 2013; in Poland, the GDP would record a growth in both years. EU overall consumer price inflation in 2012 is expected to stay close to 2% in both years.

The EU unemployment rate would increase to 10.6% of the labour force in 2012 and to the historically high level of 11% in 2013. This aggregated rate hides major differences between Member States: from around 6% in Luxembourg or 7% in Germany to more than 20% in Greece and Spain.

In July 2012, the Euro exchange rate against the US dollar fell to 1.23 $/€, its lowest level since June 2010. With recent developments indicating an appreciation to 1.31 $/€ (18th September), it is expected to stay, on average, at around 1.27 $/€ in 2012 and decline below 1.2 $/€ in 2013.

3. ARABLE CROPS

The presented estimates are based on the information available as of mid-September 2012. For 2012, production estimates for cereals, oilseeds and protein products are provisional and final harvest results can still vary considerably. All other items on the balance for 2012/13 are uncertain, moreover market conditions could result in significant changes.

Sowings of cereals for the 2012 harvest have increased by 2.6 % from the previous year, whereas those of oilseeds and protein crops have declined by 5.6 and 16.3 %, respectively. Increased winter kill in parts of Poland, Germany and France resulted in considerable re-sowings and a drought during spring affected large parts of the Iberian Peninsula.

[1] Based on various sources (as of 15 September 2012)

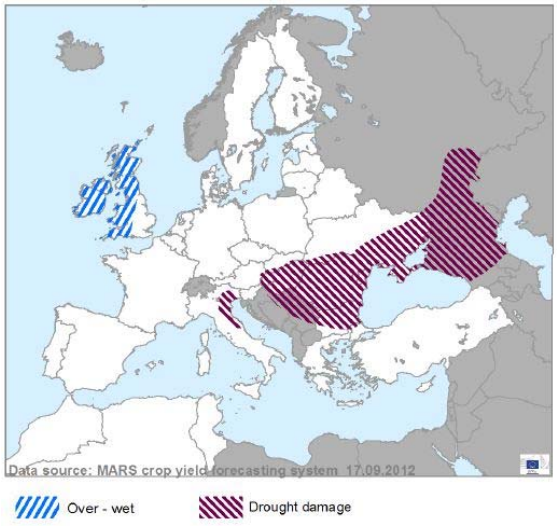
[2] The EU–15 includes so-called "old (post-2004) Member States": Belgium, Denmark, Germany, Greece, Spain, France, Ireland, Italy, Luxembourg, the Netherlands, Austria, Portugal, Finland, Sweden, the United Kingdom.

[3] The EU–12 includes so-called "new (post-2004) Member States": Bulgaria, Czech Republic, Estonia, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Romania, Slovenia and Slovakia.

A late drought from June onwards dramatically reduced yields for Romania, Hungary and Bulgaria (see map below). This has reduced expected EU yield for grain maize by more than 20% compared to last year and by about 15% with respect to the trimmed average of the last five seasons. The wet condition over the British Isles also resulted in lower yields. The map from the MARS Bulletin of 21st September illustrates the current areas of concern.

As a result, overall usable cereal production is estimated at 276.2 mio t, about three per cent below both last year and the trimmed average of the last five years.

Areas of concern



Source: Mars-Bulletin Crop Monitoring in Europe 20(9) mars.jrc.ec.europa.eu/mars/bulletins-publications

Cereals: Adequate supply in spite of drought

In 2011, the EU cereal harvest reached a usable production of 285.7 mio t, due to favourable yields, mainly in maize (+8.9%). During the marketing year 2011/2012, imports increased by 1.0 mio t from the previous season and exports declined by 6.1 mio t, mainly due to changes in common wheat use. Animal feed use slightly decreased to 167 mio t, resulting in an almost unchanged domestic use at 271.3 mio t. Consequently, cereal stocks were estimated at the low level of 36.9 mio t at the end-June 2012, roughly at the same level with the previous marketing year and equal to 13.6% of domestic use.

Intervention stocks were marginal at 0.1 mio t on 30 June 2012, and were committed to the most deprived scheme; thus public stocks should reach zero levels by the end of September 2012.

The 2012 EU cereal harvest is expected to be about three per cent lower than in 2011 with a usable production of 276.2 mio t. The sharpest drop would be in maize, with a usable production declining by 10.6 mio t (-15.5%) to 57.5 mio t, due to much lower yields caused particularly by the drought in Romania, Hungary and Bulgaria.

Also common wheat production is estimated to decline compared to the previous year by 3.1 mio t (-2.4%) to 125.6 mio t usable production, mainly due to lower yields (down 2.0%). On the other hand, barley production increased by 3.0 mio t (+ 5.8%) to 54.4 mio t of usable production. During the present marketing year, imports are expected to stay below last year, as availabilities from Black Sea origin are considerably curbed.

The restructuring of the EU pork production, combined with expected high feed prices, is seen reducing feed demand by 2.5 mio t (-1.5%) to 164.5 mio t. This would lead to a lower total domestic demand for cereals. Due to the tight market, exports are pegged at 22.6 mio t (-2.6 mio t), but some noticeable export quantities have already been committed. Overall, the combination of a slightly lower crop and stagnant demand is expected to keep the cereal balance tight, with stocks declining by 4.5 mio t (-12%) to 32.4 mio t, for a stock-to-use ratio of 12%.

Oilseeds: Lower area, drought limits supply

The 2011, EU oilseed harvest increased to 29.2 mio t (+1.7%) due to a sharp increase in sunflower production. Soybean imports, at 11.5 mio t during the July 2011-June 2012 period, were noticeably below the 13.1 mio t of the previous year. Unchanged production of oilseed meals (soybean, rapeseed and sunflower meal), combined with increasing imports of sunflower meal, increased meal use by 1% to 49.5 mio t in 2011/12, thus compensating the lower feed grain usage.

In 2012, EU oilseeds and protein crop harvest is expected to be lower for all covered crops, mainly due to reduced plantings. In the case of rapeseed, considerable winter kill occurred in the major production regions. Sunflower seed was affected even more than maize by the drought in Romania, Hungary and Bulgaria, reducing the EU yield by 19.8%.

The expected oilseed production is now estimated at 18.6 mio t for rapeseed (down from 19.1 mio t) and at 7.0 mio t for sunflowerseed (down from 8.8). Production of protein crops is expected to decline to 2.4 mio t in 2012, down from 2.7 in 2011.

4. MEATS

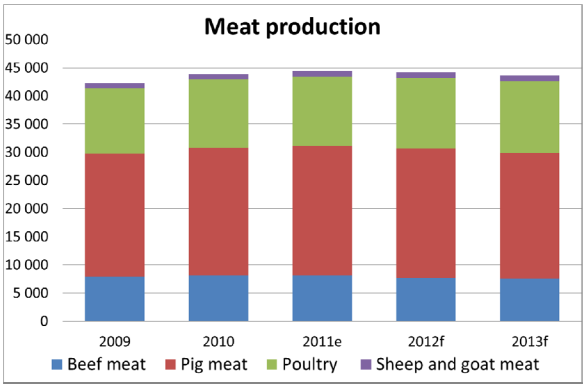
During 2012 and 2013, both the global and the EU meat markets are likely to be under tight supply conditions, with limited meat availabilities and high prices. The impact of the drought in various world regions, and notably in the US in the first half of 2012, put additional pressure on meat supply in these markets through higher feed costs. In addition, the EU market would be affected by the on-going economic downturn and historically high levels of unemployment, which tend to push EU consumers towards cheaper meat options.

Although the 2012 EU total meat production is projected to decrease marginally (-0.6%), this aggregated number masks a sharp contrast between a strong decline in beef and veal net production (-4.8%) and a significant rise in poultry (+1.9%). On the other hand, pig meat production is estimated to contract slightly (-0.4%), while sheep and goat meat would continue the declining production trend (-1.6%).

The 2013 projection for total meat production is influenced by the expected increase in feed costs as a result of US drought, and thus registers a further strong decline (-1.3%). Beef meat is expected to decrease by 0.5% and sheep meat by 1.5%. Pig meat production, on top of higher feed costs, would also be affected by the new animal welfare rules mandatory from January 2013[4], and would decline by -3.2%. Poultry meat is expected to remain again the only meat on an increasing production trend in 2013 (+1.6%), since it would partly offset the decline in the other meat types.

Limited global meat availabilities, combined with the sluggish EU demand and a weaker Euro, would translate into lower EU meat imports in 2012, with an estimated decline of 4.8% compared to the previous year. Exported volumes would also decline (-1.3%).

Due to the tightness of EU meat supply, particularly in the pork sector, 2013 is expected to record higher imports (+1.1%) and even lower exports (-8.8%), despite a weaker Euro. Total EU meat consumption is projected to decrease by 0.6% both in 2012 and 2013, the result of combined high domestic prices and economic recession.



Beef: Sharp drop in supply

In 2012, EU beef and veal production is estimated to decrease strongly (-4.8% from 2011) due to the long-lasting reduction in the cattle herd, and thus reduced slaughtering. Slaughtering figures from the first half of the year indicate lower production in Italy and France (each by -5%), Ireland (-12%) and UK (-7%). A further slight contraction is expected for 2013 (-0.5%). Due to limited supply, EU beef prices are expected to stay firm over the projection horizon.

In trade, the limited global beef supply, the weak domestic demand and the exchange rate

[4] Council Directive 2008/120/EC laying down minimum standards for the protection of pigs.

developments would lead to a decline in EU beef imports in 2012 (-6.4%), followed by a rebound in 2013 (+8.1%). On the other hand, lower internal availabilities would compress EU beef exports to 190 000 t in 2012 and 175 000 t in the following year. High beef prices and weak internal demand would also lead to a decrease in beef/veal consumption in 2012, followed by a stabilisation in 2013.

Pig meat: tight supply

Following the contraction in pig numbers, EU pig meat production is expected to decline slightly in 2012 (-0.4%) and more markedly in the following year (-3.2%). The projection for 2013 is based on the assumption that the new welfare rules would lead to a reduction in the sow herd and that expected higher feed costs would further depress production. As regards trade, the current weak Euro and the robust global demand, particularly in Russia, China and Japan, lead to a favourable outlook for EU exports in 2012, with an expected increase of 1% compared to the already very high level registered in 2011.

In contrast, the production drop leads the forecast for exports to a decline by 15% in 2013. EU pigmeat imports are always marginal and would further decline, both in 2012 and 2013, to settle at 14 000 t per year. Consumption is expected to decrease in both years (-0.5% and -1.9% respectively). Pigmeat prices are likely to stay stable throughout 2012, although at high levels.

Poultry: production meets demand

Poultry is expected to remain the only species in which production is expected to keep growing (+1.9% in 2012 and +1.6% in 2013). Figures on slaughtering up to July indicate increased poultry production in Poland, UK, Germany, Italy and decline in France. Based on trade data available for January-July, the very dynamic trend of EU poultry exports would continue in 2012, with a projected increase of 5% from 2011, already an exceptionally favourable year.

Poultry meat would continue to increase its share in total EU meat consumption over the outlook period, thus partially replacing declining availability of other meats. This trend reflects the capacity of poultry production to adjust more rapidly to changes in the meat supply and demand, as well as in production costs. In addition, poultry meat becomes more attractive under periods of economic slowdown because of its price competitiveness. In 2012, EU broiler prices followed so far the seasonal trend and are above the 2011 average.

Sheep and goat meat: further production decline

The continuous decline in sheep and goat numbers result in a 1.6% reduction of production in 2012 and this trend is expected to continue in 2013 (-1.5%). Sheep and goat production declined in the first half of the current year in most of the major producers: UK (-1.2%), Greece (-5.4%), Spain (-2.3%) and France (-1.7%). Only in Ireland, the favourable weather conditions led to an increase in production (+4.5%).

The reduced supply from New Zealand, as a consequence of a decrease in its production, together with the sluggish EU demand, would bring about a considerable drop in sheep and goat imports in 2012 (-20%). In 2013 imports might rebound (+3.9%), under the assumption of New Zealand's production recovery. Finally, exports would increase in 2012 and 2013 so to reach 22 000 t and 24 000 t, respectively. EU consumption is projected to decline by around 5.6% in 2012 and by 0.8% in 2013.

5. DAIRY

Milk: positive outlook although higher costs squeeze margins in some regions

In 2012, EU milk production is projected to expand by 0.9% to about 153.1 mio t, and by a further 1.1% in 2013. EU cow milk deliveries to dairies would follow a similar path, although at a higher growth rate than total milk production (+1.1% in 2012 and +1.2% in 2013).

The average yield per dairy cow would continue to increase in 2012 to an estimated 6,584 Kg. The positive trend in milk yields both

in EU15 and EU12 would outweigh the contraction in the dairy herd, which is estimated at –0.8% in 2012 and -0.7% in 2013.

EU milk production estimates for 2012 and 2013 take into account the impact of the severe drought in the US and in certain EU Member States, which has heavily affected coarse grain production and has led to a sharp increase in feed prices in recent months.

In regions affected by the drought farms highly dependent on purchased feed would be affected because of increased feed costs. Farms with a larger source of own feed would also face difficulties due to the impact of the drought on the growing of grass for immediate grazing, on future availability of grass silage for the winter months, as well as on home grown grains[5]. These farms are likely to have to turn to purchased grains and concentrates, increasing the share of feed in their operating costs.

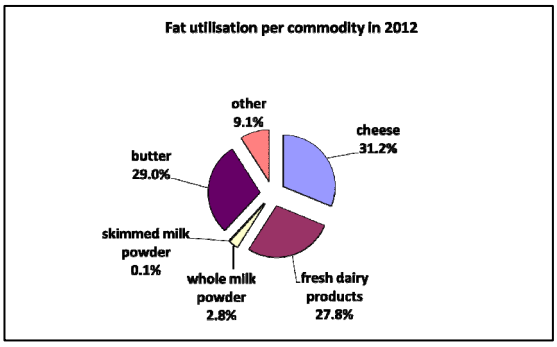
Dairy commodities: exports boost SMP

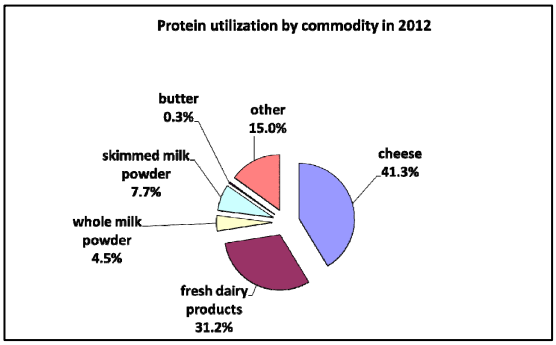
During 2011, dairy commodity prices have been at high levels, followed by a decreasing trend over the first five months of 2012 due to greater supplies, both in EU and at world level. In the second part of 2012, this trend started to revert and prices are increasing.

In 2012, growing quantities of milk are expected to be processed into cheese (its production would grow by 1% compared to 2011, and in 2013 by +0.8% compared to 2012). Most of 2012 cheese production is foreseen to be for domestic use, although exports to third countries are also likely to increase in 2012.

After a rather stable trend in 2011, and thanks to a growing production path of drinking milk and even more so for cream, total fresh dairy production is estimated to increase more significantly in 2012 (+0.7%).

Conversely, fermented milk production is expected to decrease slightly in 2012 (-0.4%), probably due to a substitution effect with drinking milk. 2013 fresh dairy products production would continue to grow, although at a lower rate.





In 2012, whole milk powder (WMP) production is projected to contract for the second year in a row (-5.7%), but should stabilise in 2013. In spite of an expected more favourable exchange rate, the EU WMP exports, which have been declining since 2009, would decrease further in 2012, due to limited domestic availabilities and lower competitiveness against supplies from Oceania.

In contrast to WMP, skimmed milk powder (SMP) production is foreseen to increase again in 2012 (+9.3). In view of the strong world demand, a further expansion could be possible in 2013 (+10.7%). Exports are projected to grow by about 19% in 2012 and 6.7 % in 2013. China has been gradually becoming an important player in world SMP imports, while exports to North African countries have also substantially increased. SMP intervention stocks built up in 2009 are expected to be completely emptied by the end of 2012 through the aid to the most deprived persons' scheme.

[5] The most affected regions are the North of Spain, North of Italy, a band from South-West to Eastern France, Eastern areas in Poland, most of Romania, Bulgaria and Hungary.

Total butter/butteroil production is estimated to continue to increase in 2012 (+ 2.7%) and again in 2013 (+0.8%). In 2012, imports are projected to increase slightly but to come back to past levels in 2013. The existing price gap between EU and world prices made EU exports less competitive in 2011 and 2012. Some recovery is expected only in 2013, but most of the additional production would be absorbed in the domestic EU market.

6. UNCERTAINTIES

The current outlook is based on the assumption of a considerable slowdown in global economic development for 2012 and 2013, not just in the developed world but also in large emerging economies, thus impacting some on the demand for EU exports. On the other hand, exports are positively affected by exchange rate developments. Economic growth in the EU is prospected to be fragile, mainly in certain Member States, which generally translates in modest consumption development for dairy and a decline for meat products.

These economic prospects remain subject to uncertainty. In particular, the possible evolution of current economic and financial difficulties in the Eurozone is likely to have an influence both on the demand of agricultural products (due to changes in disposable income and employment rates), and on the supply side (availability of credits), as well as on the trade flows (exchange rates) and prices.

Price developments for the agricultural inputs, in particular feed stuffs, energy and fertilisers, would also represent a factor of uncertainty. This is amplified by the drought experienced by several countries during the summer (in particular in the US), and notably by the magnitude of its impact on crop harvests and prices.

Lastly, the recent Russian accession to WTO could have a potential impact on EU trade, although this impact will be gradual (Russia for example, as part of its commitments, agreed to lower tariffs for a wide range of products among which dairy products, cereals, oilseeds, fats and oils, as well as to apply TRQs for beef, pig and poultry meat and for some whey products).

STATISTICAL TABLES

1. ARABLE CROPS[6]

Table 1.1: EU 27 cereal, oilseed and protein crop area

Area ('000ha)	2008	2009	2010	2011e	2012f	% vs 2011	% 5-yr.av.
Common wheat	23,424	22,819	23,190	23,169	23,079	-0.4	0.1
Durum	3,084	2,816	2,864	2,503	2,771	10.7	-1.9
Rye	2,748	2,784	2,594	2,243	2,375	5.9	-10.0
Barley	14,480	13,906	12,346	11,990	12,532	4.5	-6.0
Oats	2,996	2,900	2,683	2,665	2,688	0.9	-6.0
Maize	8,856	8,390	8,113	8,937	9,656	8.0	14.2
Triticale	2,672	2,879	2,634	2,591	2,344	-9.5	-11.0
Sorghum	96	116	118	121	104	-14.1	-6.1
Others	1,867	1,786	1,835	1,688	1,832	8.5	0.2
Cereals	**60,222**	**58,394**	**56,376**	**55,906**	**57,380**	**2.6**	**0.3**
Rapeseed	6,138	6,499	6,890	6,694	6,081	-9.2	-7.4
Sunflower	3,753	3,894	3,756	4,303	4,294	-0.2	13.0
Soja	237	301	365	391	374	-4.2	8.8
Linseed	52	74	112	91	83	-8.6	6.6
Oilseeds	**10,180**	**10,768**	**11,122**	**11,479**	**10,832**	**-5.6**	**0.9**
Field peas	399	499	698	645	502	-22.1	-11.4
Broad beans	333	425	507	394	364	-7.7	-5.6
Lupins	67	76	69	61	54	-11.2	-23.3
Protein crops	**798**	**1,000**	**1,274**	**1,100**	**921**	**-16.3**	**-10.5**
Total	**71,201**	**70,161**	**68,773**	**68,485**	**69,132**	**0.9**	**0.0**

Table 1.2: EU 27 cereal, oilseed and protein crop yields

Yield (t/ha)	2008	2009	2010	2011e	2012f	% vs 2011	% 5-yr.av.
Common wheat	6.00	5.67	5.50	5.60	5.48	-2.0	-1.9
Durum	3.26	3.10	3.15	3.37	3.08	-8.5	-2.7
Rye	3.38	3.55	3.00	3.06	3.52	14.8	11.7
Barley	4.52	4.46	4.30	4.32	4.38	1.3	0.3
Oats	2.97	2.91	2.71	2.95	2.96	0.5	1.1
Maize	7.15	6.89	7.02	7.65	5.98	-21.8	-14.8
Triticale	4.13	4.19	3.90	3.90	3.99	2.5	0.5
Sorghum	5.36	5.28	5.37	5.74	5.20	-9.4	-2.6
Others	2.56	2.83	2.64	2.68	2.67	-0.6	-0.7
Rapeseed	3.08	3.29	2.97	2.86	3.06	7.0	3.0
Sunflower	1.89	1.78	1.86	2.04	1.64	-19.6	-11.1
Soja	2.74	2.78	2.90	2.84	2.64	-7.1	-5.3
Linseed	1.36	1.72	1.38	1.59	1.65	3.3	14.0
Field peas	2.69	2.63	2.08	2.36	2.49	5.4	1.4
Broad beans	3.16	3.30	2.68	2.88	2.97	3.0	2.1
Lupins	1.30	1.40	1.17	1.30	1.28	-1.7	-1.3

[6] 5-year average refers to trimmed averages

Table 1.3: EU 27 cereal, oilseed and protein crop production

Production ('000 t)	2008	2009	2010	2011e	2012f	% vs 2011	% 5-yr.av.
Common wheat	140,544	129,475	127,581	129,690	126,565	-2.4	-1.8
Durum	10,052	8,721	9,018	8,435	8,545	1.3	-2.1
Rye	9,290	9,871	7,781	6,869	8,348	21.5	1.3
Barley	65,463	62,033	53,137	51,814	54,840	5.8	-5.0
Oats	8,896	8,425	7,273	7,852	7,960	1.4	-4.9
Maize	63,355	57,848	56,941	68,376	57,763	-15.5	-2.7
Triticale	11,027	12,054	10,269	10,097	9,362	-7.3	-10.5
Sorghum	516	610	632	695	540	-22.2	-8.2
Others	4,773	5,056	4,846	4,531	4,886	7.8	-0.1
Cereals	**313,916**	**294,092**	**277,478**	**288,358**	**278,808**	**-3.3**	**-2.7**
Rapeseed	18,926	21,395	20,483	19,147	18,608	-2.8	-4.7
Sunflower	7,099	6,946	6,991	8,785	7,046	-19.8	0.5
Soja	650	838	1,059	1,110	988	-11.0	11.5
Linseed	71	127	155	145	137	-5.6	12.6
Oilseeds	**26,746**	**29,306**	**28,688**	**29,187**	**26,779**	**-8.3**	**-5.1**
Field peas	1,073	1,312	1,450	1,524	1,251	-17.9	-8.1
Broad beans	1,054	1,402	1,356	1,137	1,081	-4.9	-8.6
Lupins	87	107	81	80	70	-12.7	-23.9
Protein crops	**2,213**	**2,820**	**2,887**	**2,740**	**2,402**	**-12.3**	**-8.2**
Total	**342,875**	**326,218**	**309,052**	**320,285**	**307,989**	**-3.8**	**-3.3**

Table 1.4: EU 27 overall cereal balance sheet, 2008/09 – 2012/13

Total grains	million tonnes					percentage change	
	2008/2009	2009/2010	2010/2011	2011/2012e	2012/2013f	% vs 11/12	% 5-yr.av.
Beginning stocks	44.7	60.2	54.4	36.6	36.9	0.9	-24.1
- Gross production	*313.9*	*294.1*	*277.5*	*288.4*	*278.8*	*-3.3*	*-2.7*
Usable production	311.0	291.4	274.8	285.7	276.2	-3.3	-2.7
Imports	12.3	8.0	13.4	14.4	13.9	-3.5	4.2
Availabilities	**368.1**	**359.5**	**342.6**	**336.7**	**327.0**	**-2.9**	**-5.6**
Total domestic uses	271.9	274.7	271.5	271.3	269.8	-0.6	-0.6
- Human	64.6	64.9	65.1	65.4	65.7	0.4	1.3
- Seed	10.2	9.9	9.6	9.7	9.7	0.0	-2.0
- Industrial	26.3	27.6	29.2	29.2	29.9	2.4	7.9
o.w. bioethanol	*6.2*	*7.8*	*9.1*	*9.1*	*9.8*	*7.7*	*27.3*
- Animal feed	170.8	172.4	167.5	167.0	164.5	-1.5	-2.3
Losses (excl on-farm)	2.2	2.2	2.2	2.2	2.2	0.0	0.0
Exports	33.8	28.1	32.3	26.2	22.6	-13.8	-21.8
Total uses	**307.9**	**305.1**	**306.0**	**299.8**	**294.6**	**-1.7**	**-3.0**
End stocks	60.2	54.4	36.6	36.9	32.4	-12.3	-28.6
- Market	58.6	48.5	36.0	36.8	32.4		
- Intervention	1.6	6.0	0.6	0.1	0.0		

Table 1.5: EU 27 cereal balance sheet, 2012/13 (forecast)

2012/2012 f	Common wheat	Barley	Durum	Maize	Rye	Sorghum	Oats	Triticale	Others	(Mio t) EUR 27
Beginning stocks (01.07.2012)	10.5	7.5	0.5	15.9	0.6	0.2	0.9	0.7	0.1	**36.9**
for information: Gross production	*126.6*	*54.8*	*8.5*	*57.8*	*8.3*	*0.5*	*8.0*	*9.4*	*4.9*	***278.8***
Usable production	125.6	54.4	8.4	57.5	8.1	0.4	7.9	9.2	4.6	**276.2**
Import (1)	4.4	0.3	2.0	6.5	0.0	0.6	0.0	0.0	0.1	**13.9**
Total availabilities	**140.5**	**62.1**	**11.0**	**79.9**	**8.8**	**1.2**	**8.8**	**9.9**	**4.9**	**327.0**
Total domestic use	115.5	50.0	9.3	64.3	8.0	1.1	7.8	9.1	4.7	**269.8**
- Human	47.6	0.4	8.5	4.8	3.0	0.2	1.1	0.1	0.0	**65.7**
- Seed	4.7	2.3	0.5	0.5	0.5	0.0	0.5	0.5	0.3	**9.7**
- Industrial	10.6	9.4	0.1	7.5	1.5	0.0	0.1	0.6	0.1	**29.9**
o.w. bioethanol/biofuel	4.6	0.9		3.0	0.8			0.5		**9.8**
- Animal feed	52.5	38.0	0.3	51.5	3.0	0.9	6.1	8.0	4.2	**164.5**
Losses (excl on-farm)	0.9	0.4	0.1	0.6	0.1	0.0	0.1	0.1	0.0	**2.2**
Export (1)	14.0	5.0	0.9	2.5	0.1	0.0	0.1	0.0	0.0	**22.6**
Total use	**130.4**	**55.4**	**10.3**	**67.4**	**8.2**	**1.1**	**8.0**	**9.2**	**4.7**	**294.6**
End stocks (30.06.2013)	10.1	6.7	0.7	12.5	0.6	0.1	0.8	0.7	0.2	**32.4**
Market	10.1	6.7	0.7	12.5	0.6	0.1	0.8	0.7	0.2	**32.4**
Intervention	0.0	0.0		0.0						**0.0**
Change in stocks	-0.4	-0.8	0.2	-3.4	0.0	-0.1	-0.1	0.0	0.1	**-4.5**
Change in public stocks	0.0	-0.1		0.0						**-0.1**

(1) Grains equivalent (grain + groats and flour). Durum wheat: semolina included. Maize: processed products and animal feed included.

estimated export quantities

Wheat incl. durum	14.9 Mio t
Coarse grains	7.7 Mio t

Table 1.6: EU 27 cereal balance sheet, 2011/12 (estimated)

2011/2012 e	Common wheat	Barley	Durum	Maize	Rye	Sorghum	Oats	Triticale	Others	(Mio t) EUR 27
Beginning stocks (01.07.2011)	10.1	9.7	0.6	13.0	0.6	0.2	1.1	1.0	0.2	**36.6**
for information: Gross production	*129.7*	*51.8*	*8.4*	*68.4*	*6.9*	*0.7*	*7.9*	*10.1*	*4.5*	***288.4***
Usable production	128.7	51.4	8.3	68.1	6.7	0.6	7.8	9.9	4.3	**285.7**
Import (1)	5.4	0.4	1.7	6.4	0.3	0.1	0.0	0.0	0.1	**14.4**
Total availabilities	**144.2**	**61.5**	**10.7**	**87.5**	**7.5**	**0.9**	**8.9**	**10.9**	**4.6**	**336.7**
Total domestic use	118.5	47.9	8.7	66.5	6.8	0.7	7.7	10.1	4.5	**271.3**
- Human	47.9	0.4	7.9	4.8	3.0	0.2	1.1	0.1	0.0	**65.4**
- Seed	4.7	2.3	0.5	0.5	0.5	0.0	0.5	0.5	0.3	**9.7**
- Industrial	10.6	9.2	0.1	7.2	1.3	0.0	0.1	0.6	0.1	**29.2**
o.w. bioethanol/biofuel	4.6	0.7		2.7	0.6			0.5		**9.1**
- Animal feed	55.2	36.1	0.2	54.0	2.0	0.5	6.0	9.0	4.0	**167.0**
Losses (excl on-farm)	0.9	0.4	0.1	0.6	0.1	0.0	0.1	0.1	0.0	**2.2**
Export (1)	14.3	5.7	1.4	4.5	0.1	0.0	0.2	0.0	0.0	**26.2**
Total use	**133.7**	**54.1**	**10.1**	**71.6**	**6.9**	**0.7**	**7.9**	**10.2**	**4.5**	**299.8**
End stocks (30.06.2012)	10.5	7.5	0.5	15.9	0.6	0.2	0.9	0.7	0.1	**36.9**
Market	10.5	7.4	0.5	15.9	0.6	0.2	0.9	0.7	0.1	**36.8**
Intervention	0.0	0.1		0.0						**0.1**
Change in stocks	0.4	-2.3	-0.1	2.9	0.0	0.0	-0.2	-0.3	-0.1	**0.3**
Change in public stocks	0.0	-0.4		0.0						**-0.5**

(1) Grains equivalent (grain + groats and flour). Durum wheat: semolina included. Maize: processed products and animal feed included.

estimated export quantities

Wheat incl. durum	15.7 Mio t
Coarse grains	10.5 Mio t

Table 1.7: EU 27 cereal balance sheet, 2010/11

2010/2011	Common wheat	Barley	Durum	Maize	Rye	Sorghum	Oats	Triticale	Others	(Mio t) EUR 27
Beginning stocks (01.07.2010)	14.9	18.4	1.2	14.7	1.3	0.4	1.5	1.4	0.5	**54.4**
for information: Gross production	127.6	53.1	9.0	56.9	7.8	0.6	7.3	10.3	4.8	***277.5***
Usable production	126.6	52.7	8.9	56.7	7.6	0.5	7.2	10.1	4.6	**274.8**
Import (1)	2.4	0.2	2.0	7.6	0.0	0.9	0.0	0.0	0.1	**13.4**
Total availabilities	**143.9**	**71.3**	**12.1**	**79.0**	**8.9**	**1.9**	**8.7**	**11.5**	**5.3**	**342.6**
Total domestic use	112.8	53.5	9.4	63.1	8.2	1.7	7.4	10.4	5.0	**271.5**
- Human	47.1	0.4	8.5	4.8	3.0	0.2	1.1	0.1	0.0	**65.1**
- Seed	4.8	2.2	0.5	0.5	0.5	0.0	0.5	0.5	0.3	**9.6**
- Industrial	10.1	9.0	0.1	7.7	1.6	0.0	0.1	0.5	0.1	**29.2**
o.w. bioethanol/biofuel	4.1	0.5		3.2	0.9			0.4		**9.1**
- Animal feed	50.8	42.0	0.3	50.2	3.1	1.5	5.7	9.3	4.6	**167.5**
Losses (excl on-farm)	0.9	0.4	0.1	0.6	0.1	0.0	0.1	0.1	0.0	**2.2**
Export (1)	20.1	7.6	2.1	2.3	0.1	0.0	0.1	0.0	0.0	**32.3**
Total use	**133.8**	**61.6**	**11.5**	**66.0**	**8.4**	**1.7**	**7.6**	**10.5**	**5.1**	**306.0**
End stocks (30.06.2011)	10.1	9.7	0.6	13.0	0.6	0.2	1.1	1.0	0.2	**36.6**
Market	10.0	9.2	0.6	13.0	0.6	0.2	1.1	1.0	0.2	**36.0**
Intervention	0.0	0.5		0.0						**0.6**
Change in stocks	-4.8	-8.7	-0.5	-1.7	-0.8	-0.2	-0.4	-0.4	-0.3	**-17.9**
Change in public stocks	0.0	0.5		0.0						**0.6**

(1) Grains equivalent (grain + groats and flour). Durum wheat: semolina included. Maize: processed products and animal feed included.

estimated export quantities

Wheat incl. durum	22.2 Mio t
Coarse grains	10.1 Mio t

Table 1.8: EU 27 oilseed balance sheets

Oilseeds (mio. t)	2008/09	2009/10	2010/11	2011/12e	2012/13f	% vs 11/12	% 5-yr.av.
Production	**26.7**	**29.2**	**28.5**	**29.0**	**26.6**	**-8.3**	**-5.1**
Rape	18.9	21.4	20.5	19.1	18.6	-2.8	-4.7
Soybean	0.7	0.8	1.1	1.1	1.0	-11.0	11.5
Sunflower	7.1	6.9	7.0	8.8	7.0	-19.8	0.5
Total domestic use	**42.3**	**43.4**	**44.4**	**43.8**	**41.0**	**-6.5**	**-5.0**
Rape	21.4	23.5	23.1	22.9	21.5	-6.1	-4.4
of which crushing	*20.4*	*23.1*	*22.4*	*22.1*	*20.7*	*-6.1*	*-4.3*
Soybean	14.0	13.1	14.4	12.7	12.5	-1.0	-9.5
of which crushing	*12.9*	*12.6*	*12.5*	*11.7*	*11.6*	*-1.0*	*-8.6*
Sunflower	6.9	6.7	6.9	8.3	7.0	-15.7	2.4
of which crushing	*5.9*	*5.9*	*6.0*	*7.3*	*6.2*	*-15.7*	*4.4*
Imports	**17.4**	**15.2**	**16.1**	**15.3**	**14.9**	**-3.0**	**-6.6**
Rape	3.4	2.1	2.6	3.6	3.0	-16.2	11.2
Soybean	13.5	12.7	13.1	11.5	11.5	0.1	-12.2
Sunflower	0.6	0.3	0.4	0.3	0.4	41.6	8.9
Exports	**0.4**	**0.9**	**0.7**	**0.7**	**0.7**	**-4.7**	**-10.1**
Rape	0.1	0.2	0.2	0.1	0.2	20.7	-5.9
Soybean	0.0	0.0	0.1	0.0	0.1	38.4	34.2
Sunflower	0.3	0.7	0.5	0.6	0.5	-12.9	-3.6
End stocks	**3.5**	**3.6**	**3.1**	**2.9**	**2.7**	**-7.0**	**-15.0**
Rape	1.6	1.5	1.3	1.0	1.0	0.0	-18.9
Soybean	1.1	1.5	1.2	1.1	1.0	-9.1	-11.8
Sunflower	0.8	0.7	0.6	0.8	0.7	-13.3	-2.5

Meals (mio. t)	2008/09	2009/10	2010/11	2011/12e	2012/13f	% vs 11/12	% 5-yr.av.
Production	**25.1**	**26.4**	**25.9**	**25.9**	**24.4**	**-5.8**	**-5.0**
Rape	11.7	13.1	12.8	12.6	11.8	-6.1	-4.3
Soybean	10.2	10.0	9.9	9.3	9.2	-1.0	-8.6
Sunflower	3.2	3.2	3.3	4.0	3.4	-15.7	4.4
Total domestic use	**48.7**	**48.2**	**49.0**	**49.5**	**48.4**	**-2.1**	**-1.3**
Rape	11.7	13.1	12.8	12.5	11.8	-6.0	-4.5
Soybean	31.6	29.7	30.9	29.7	30.4	2.3	-1.1
Sunflower	5.4	5.4	5.3	7.2	6.3	-13.4	16.4
Imports	**24.3**	**22.5**	**24.1**	**24.7**	**25.0**	**1.0**	**2.3**
Rape	0.2	0.1	0.2	0.2	0.2	-12.1	13.4
Soybean	21.9	20.1	21.7	21.1	21.8	2.9	0.8
Sunflower	2.2	2.2	2.2	3.3	3.0	-10.3	35.4
Exports	**0.7**	**0.7**	**0.9**	**1.2**	**0.9**	**-26.8**	**14.2**
Rape	0.2	0.2	0.3	0.3	0.3	-15.0	15.8
Soybean	0.4	0.5	0.6	0.8	0.5	-35.2	4.7
Sunflower	0.1	0.1	0.1	0.1	0.1	-6.5	50.8
End stocks	**0.7**	**0.6**	**0.7**	**0.6**	**0.6**	**0.0**	**-7.7**
Rape	0.1	0.1	0.1	0.1	0.1	0.0	0.0
Soybean	0.6	0.5	0.6	0.5	0.5	0.0	-10.0
Sunflower	0.1	0.1	0.1	0.1	0.1	0.0	0.0

Vegetable oils (mio. t)	2008/09	2009/10	2010/11	2011/12e	2012/13f	% vs 11/12	% 5-yr.av.
Production	**13.4**	**14.5**	**14.2**	**14.5**	**13.4**	**-7.3**	**-4.5**
Rape	8.4	9.5	9.2	9.0	8.5	-6.1	-4.3
Soybean	2.6	2.5	2.5	2.3	2.3	-1.0	-8.6
Sunflower	2.5	2.5	2.5	3.1	2.6	-15.7	4.4
Palm	0.0	0.0	0.0	0.0	0.0		
Total domestic use	**20.2**	**21.3**	**20.5**	**20.6**	**20.4**	**-0.8**	**-0.1**
Rape	8.7	9.9	9.5	9.5	8.9	-6.3	-3.6
Soybean	3.2	2.6	2.9	2.3	2.7	16.5	-8.3
Sunflower	3.3	3.5	3.1	3.7	3.4	-8.0	4.6
Palm	5.1	5.4	4.9	5.0	5.4	7.1	7.5
Imports	**7.8**	**7.4**	**7.3**	**7.2**	**8.0**	**10.3**	**8.8**
Rape	0.5	0.4	0.5	0.6	0.6	4.0	30.8
Soybean	1.0	0.5	0.9	0.6	0.8	36.3	-5.3
Sunflower	1.1	1.0	0.9	0.8	1.0	20.6	3.7
Palm	5.3	5.5	5.1	5.3	5.6	6.6	7.2
Exports	**0.7**	**0.7**	**0.9**	**1.2**	**1.0**	**-17.6**	**19.3**
Rape	0.1	0.1	0.2	0.2	0.2	11.7	75.3
Soybean	0.4	0.4	0.4	0.6	0.4	-33.5	0.7
Sunflower	0.1	0.1	0.2	0.2	0.2	-6.3	7.2
Palm	0.1	0.1	0.2	0.2	0.2	-5.7	21.1
End stocks	**1.3**	**1.2**	**1.2**	**1.2**	**1.2**	**0.0**	**-1.4**
Rape	0.5	0.4	0.5	0.4	0.4	0.0	-4.0
Soybean	0.2	0.2	0.2	0.2	0.2	0.0	0.0
Sunflower	0.4	0.2	0.3	0.3	0.3	0.0	7.1
Palm	0.3	0.4	0.3	0.3	0.3	0.0	0.0

2. MEAT

Table 2.1: EU 27 overall meat balance sheet

	000 t carcass weight					%variation			
	2009	2010	2011e	2012f	2013f	*10/09*	*11/10*	*12/11*	*13/12*
Gross Indigenous Production	**42 524**	**44 103**	**44 676**	**44 419**	**43 815**	*3.7*	*1.3*	*-0.6*	*-1.4*
Live Imports	**2**	**1**	**1**	**2**	**2**	*-47.7*	*33.9*	*18.8*	*32.3*
Live Exports	**191**	**213**	**256**	**251**	**230**	*11.6*	*20.1*	*-1.9*	*-8.6*
Net Production	**42 335**	**43 890**	**44 422**	**44 170**	**43 588**	*3.7*	*1.2*	*-0.6*	*-1.3*
of which EU-15	35 611	36 924	37 370	36 986	36 431	*3.7*	*1.2*	*-1.0*	*-1.5*
of which EU-12	6 724	6 967	7 052	7 184	7 157	*3.6*	*1.2*	*1.9*	*-0.4*
Meat Imports	**1 514**	**1 364**	**1 343**	**1 279**	**1 294**	*-9.9*	*-1.6*	*-4.8*	*1.1*
Meat Exports	**2 568**	**3 257**	**3 808**	**3 759**	**3 432**	*26.8*	*16.9*	*-1.3*	*-8.7*
Stock changes	**0**	**0**	**0**	**0**	**0**				
Consumption	**41 280**	**41 998**	**41 957**	**41 690**	**41 449**	*1.7*	*-0.1*	*-0.6*	*-0.6*
Population (mio)	**500**	**502**	**503**	**504**	**506**	*0.3*	*0.3*	*0.3*	*0.3*
Per Capita Consumption (kg)	**82.5**	**83.7**	**83.4**	**82.7**	**82.0**	*1.5*	*-0.3*	*-0.9*	*-0.8*
Ending stocks	**0**	**0**	**0**	**0**	**0**				

Table 2.2: EU 27 beef and veal balance sheet

	000 t carcass weight					%variation			
	2009	2010	2011e	2012f	2013f	*10/09*	*11/10*	*12/11*	*13/12*
Gross Indigenous Production	**7 982**	**8 239**	**8 206**	**7 831**	**7 756**	*3.2*	*-0.4*	*-4.6*	*-1.0*
Live Imports	**1**	**0**	**0**	**0**	**0**	*-88.1*	*-14.8*	*-53.6*	*50.7*
Live Exports	**61**	**116**	**156**	**170**	**130**	*90.4*	*34.5*	*9.2*	*-23.5*
Net Production	**7 923**	**8 124**	**8 050**	**7 661**	**7 626**	*2.5*	*-0.9*	*-4.8*	*-0.5*
of which EU-15	7 098	7 306	7 246	6 905	6 856	*2.9*	*-0.8*	*-4.7*	*-0.7*
of which EU-12	824	818	804	756	771	*-0.8*	*-1.7*	*-6.0*	*2.0*
Meat Imports	**359**	**320**	**287**	**268**	**290**	*-11.0*	*-10.3*	*-6.4*	*8.1*
Meat Exports	**91**	**255**	**331**	**190**	**175**	*179.0*	*29.6*	*-42.6*	*-7.7*
Stock changes (public)	**0**	**0**	**0**	**0**	**0**				
Consumption	**8 190**	**8 188**	**8 006**	**7 740**	**7 741**	*0.0*	*-2.2*	*-3.3*	*0.0*
Population (mio)	**500**	**502**	**503**	**504**	**506**	*0.3*	*0.3*	*0.3*	*0.3*
Per Capita Consumption (kg)	**16.4**	**16.3**	**15.9**	**15.3**	**15.3**	*-0.3*	*-2.5*	*-3.6*	*-0.2*
Ending stocks (public)	**0**	**0**	**0**	**0**	**0**				

Table 2.3: EU 27 pigmeat meat balance sheet

	000 t carcass weight					% variation			
	2009	2010	2011e	2012f	2013f	10/09	11/10	12/11	13/12
Gross Indigenous Production	**21 921**	**22 741**	**23 111**	**23 000**	**22 297**	*3.7*	*1.6*	*-0.5*	*-3.1*
Live Imports	**0**	**0**	**0**	**0**	**0**	*-10.8*	*-69.0*	*34.5*	*18.3*
Live Exports	**120**	**78**	**71**	**49**	**75**	*-34.7*	*-9.3*	*-31.1*	*53.5*
Net Production	**21 801**	**22 663**	**23 040**	**22 951**	**22 222**	*4.0*	*1.7*	*-0.4*	*-3.2*
of which EU-15	18 481	19 168	19 500	19 464	18 829	*3.7*	*1.7*	*-0.2*	*-3.3*
of which EU-12	3 321	3 495	3 540	3 488	3 393	*5.2*	*1.3*	*-1.5*	*-2.7*
Meat Imports	**34**	**22**	**15**	**14**	**14**	*-35.4*	*-30.6*	*-8.3*	*1.8*
Meat Exports	**1 540**	**1 839**	**2 174**	**2 196**	**1 865**	*19.4*	*18.2*	*1.0*	*-15.0*
Stock changes (private storage	**0**	**0**	**0**	**0**	**0**				
Consumption	**20 295**	**20 845**	**20 881**	**20 770**	**20 371**	*2.7*	*0.2*	*-0.5*	*-1.9*
Population (mio)	**500**	**502**	**503**	**504**	**506**	*0.3*	*0.3*	*0.3*	*0.3*
Per Capita Consumption (kg)	**40.6**	**41.5**	**41.5**	**41.2**	**40.3**	*2.4*	*-0.1*	*-0.8*	*-2.2*
Ending stocks (private storage)	**0**	**0**	**0**	**0**	**0**				

Table 2.4: EU 27 poultry meat balance sheet

	000 t carcass weight					% variation			
	2009	2010	2011e	2012f	2013f	10/09	11/10	12/11	13/12
Gross Indigenous Production	**11 630**	**12 147**	**12 369**	**12 610**	**12 805**	*4.4*	*1.8*	*1.9*	*1.5*
Live Imports	**0**	**1**	**1**	**2**	**2**	*91.2*	*57.6*	*45.2*	*32.5*
Live Exports	**7**	**8**	**8**	**8**	**7**	*26.2*	*-6.7*	*4.5*	*-13.4*
Net Production	**11 624**	**12 140**	**12 362**	**12 603**	**12 800**	*4.4*	*1.8*	*1.9*	*1.6*
of which EU-15	9 148	9 590	9 756	9 762	9 901	*4.8*	*1.7*	*0.1*	*1.4*
of which EU-12	2 476	2 550	2 606	2 841	2 898	*3.0*	*2.2*	*9.0*	*2.0*
Meat Imports	**849**	**784**	**820**	**820**	**805**	*-7.7*	*4.6*	*0.0*	*-1.8*
Meat Exports	**929**	**1 149**	**1 287**	**1 352**	**1 368**	*23.7*	*12.0*	*5.0*	*1.2*
Consumption	**11 544**	**11 774**	**11 895**	**12 072**	**12 237**	*2.0*	*1.0*	*1.5*	*1.4*
Population (mio)	**500**	**502**	**503**	**504**	**506**	*0.3*	*0.3*	*0.3*	*0.3*
Per Capita Consumption (kg)	**23.1**	**23.5**	**23.6**	**23.9**	**24.2**	*1.7*	*0.8*	*1.2*	*1.1*

Table 2.5: EU 27 sheep and goat meat balance sheet

	000 t carcass weight					% variation			
	2009	2010	2011e	2012f	2013f	10/09	11/10	12/11	13/12
Gross Indigenous Production	**991**	**976**	**991**	**979**	**957**	*-1.5*	*1.6*	*-1.3*	*-2.2*
Live Imports	**0**	**0**	**0**	**0**	**0**	*-23.6*	*876.1*	*-97.8*	*-40.9*
Live Exports	**4**	**11**	**22**	**24**	**18**	*190.9*	*98.5*	*11.5*	*-27.9*
Net Production	**987**	**965**	**970**	**954**	**940**	*-2.3*	*0.5*	*-1.6*	*-1.5*
of which EU-15	884	861	868	855	845	*-2.7*	*0.9*	*-1.6*	*-1.2*
of which EU-12	103	104	101	100	95	*1.2*	*-2.7*	*-1.7*	*-4.5*
Meat Imports	**271**	**239**	**221**	**177**	**184**	*-11.9*	*-7.5*	*-20.0*	*3.9*
Meat Exports	**8**	**13**	**16**	**22**	**24**	*70.8*	*19.6*	*40.3*	*7.4*
Consumption	**1 251**	**1 191**	**1 175**	**1 109**	**1 100**	*-4.8*	*-1.3*	*-5.6*	*-0.8*
Population (mio)	**500**	**502**	**503**	**504**	**506**	*0.3*	*0.3*	*0.3*	*0.3*
Per Capita Consumption (kg)	**2.5**	**2.4**	**2.3**	**2.2**	**2.2**	*-5.1*	*-1.6*	*-5.9*	*-1.1*

3. MILK AND DAIRY PRODUCTS

Table 3.1: EU 27 milk supply and utilisation, 2009-2013

	million tons					*% variation*			
	2009e	**2010e**	**2011e**	**2012f**	**2013f**	***10/09***	***11/10***	***12/11***	***13/12***
Dairy cows (mio heads)[1]	**23.6**	**23.1**	**22.9**	**22.7**	**22.5**	***-2.3***	***-0.8***	***-0.8***	***-0.7***
of which EU-15	17.7	17.5	17.5	17.5	17.5	*-1.1*	*-0.1*	*-0.1*	*-0.1*
of which EU-12	5.9	5.5	5.4	5.2	5.1	*-5.8*	*-3.0*	*-3.1*	*-2.8*
Milk yield (kg/dairy cow)[2]	**6,101**	**6,312**	**6,472**	**6,584**	**6,647**	***3.5***	***2.5***	***1.7***	***1.0***
of which EU-15	6,747	6,940	7,076	7,138	7,166	*2.9*	*2.0*	*0.9*	*0.4*
of which EU-12	4,152	4,322	4,504	4,719	4,854	*4.1*	*4.2*	*4.8*	*2.9*
Milk production	**147.6**	**149.1**	**151.7**	**153.1**	**154.8**	***1.0***	***1.7***	***0.9***	***1.1***
of which EU-15	119.8	121.9	124.2	125.1	126.5	*1.7*	*1.9*	*0.8*	*1.0*
of which EU-12	27.8	27.2	27.5	27.9	28.3	*-2.0*	*1.1*	*1.5*	*1.3*
Feed use	3.7	3.6	3.5	3.5	3.5	*-2.6*	*-1.6*	*-1.1*	*-0.5*
On farm use and direct sales	9.9	9.7	9.5	9.5	9.4	*-2.3*	*-1.6*	*-0.8*	*-0.2*
Delivered to dairies	**134.0**	**135.9**	**138.6**	**140.1**	**141.9**	***1.4***	***2.0***	***1.1***	***1.2***
of which EU-15	115.5	117.7	120.1	121.2	122.5	*1.9*	*2.0*	*0.9*	*1.1*
of which EU-12	18.5	18.1	18.5	19.0	19.4	*-2.1*	*2.2*	*2.5*	*2.1*
Delivery ratio (in %)[3]	**90.8**	**91.1**	**91.4**	**91.5**	**91.7**	***0.3***	***0.3***	***0.2***	***0.1***
of which EU-15	96.4	96.6	96.7	96.8	96.8	*0.2*	*0.2*	*0.1*	*0.0*
of which EU-12	66.7	66.6	67.3	68.0	68.5	*-0.2*	*1.1*	*0.9*	*0.8*
Fat content of milk (in %)	4.01	4.06	4.05	4.05	4.05	*1.3*	*-0.3*	*0.0*	*0.0*
Protein content of milk (in %)	3.34	3.39	3.38	3.38	3.38	*1.5*	*-0.3*	*0.0*	*0.0*

[1] Dairy cow numbers refer to the end of the year (historical figures from the December cattle survey)
[2] Milk yield is dairy cow production per dairy cows (dairy cows represent around 99.7% of EU-25 total production)
[3] Delivery ratio is milk delivered to dairies per total production

Table 3.2: EU 27 cheese balance sheet, 2009-2013

	000 tons					% variation			
	2009e	2010e	2011e	2012f	2013f	10/09	11/10	12/11	13/12
Production (in dairies)	8,738	8,956	8,976	9,061	9,132	**2.5**	**0.2**	**1.0**	**0.8**
of which from pure cow's milk	8,069	8,287	8,304	8,390	8,461	2.7	0.2	1.0	0.8
of which from other milk[1]	670	669	672	672	671	0.0	0.3	0.0	0.0
EU-15 (in dairies)	7,550	7,743	7,752	7,823	7,887	2.6	0.1	0.9	0.8
EU-12 (in dairies)	1,188	1,213	1,223	1,239	1,245	2.1	0.9	1.3	0.5
Processed cheese impact[2]	241	240	238	237	236	-0.6	-0.6	-0.6	-0.6
Total production	**8,979**	**9,196**	**9,214**	**9,298**	**9,368**	**2.4**	**0.2**	**0.9**	**0.7**
Imports (extra EU-27)[3]	**84**	**82**	**74**	**79**	**74**	**-1.8**	**-10.5**	**7.9**	**-7.1**
Exports (extra EU-27)	**578**	**676**	**683**	**756**	**786**	**17.0**	**1.0**	**10.7**	**4.0**
Total domestic use[4]	**8,485**	**8,602**	**8,604**	**8,622**	**8,655**	**1.4**	**0.0**	**0.2**	**0.4**
Processing use	222	225	225	225	227	1.2	0.2	0.2	0.6
Human consumption	8,263	8,377	8,379	8,396	8,428	1.4	0.0	0.2	0.4
p.c. consumption (kg)	16.6	16.8	16.7	16.7	16.7	1.0	-0.3	-0.1	0.0

[1] Other milk includes goat, ewe and buffalo milk
[2] Processed cheese impact includes production and net exports of processed cheese
[3] Imports and Exports include Processed Cheese
[4] Total domestic use includes stock changes

Table 3.3: EU 27 fresh dairy products balance sheet, 2009-2013

	000 tons					% variation			
	2009e	2010e	2011e	2012f	2013f	10/09	11/10	12/11	13/12
Production	**45,947**	**46,524**	**46,670**	**47,008**	**47,102**	**1.3**	**0.3**	**0.7**	**0.2**
of which Drinking Milk	31,392	31,435	31,530	31,863	31,904	0.1	0.3	1.1	0.1
of which Cream	2,391	2,403	2,432	2,464	2,486	0.5	1.2	1.3	0.9
of which Acidified Milk	7,940	8,112	8,129	8,096	8,095	2.2	0.2	-0.4	0.0
of which Other Fresh Products[2]	4,223	4,574	4,580	4,585	4,617	8.3	0.1	0.1	0.7
of which EU-15	40,159	40,577	40,902	41,188	41,270	1.0	0.8	0.7	0.2
of which EU-12	5,788	5,947	5,768	5,820	5,832	2.7	-3.0	0.9	0.2
Imports (extra EU-27)	**24**	**13**	**15**	**16**	**13**	**-48.6**	**23.1**	**2.0**	**-17.2**
Exports (extra EU-27)	**254**	**319**	**405**	**510**	**571**	**25.8**	**26.8**	**26.1**	**12.0**
Domestic use[1]	**45,717**	**46,217**	**46,281**	**46,514**	**46,544**	**1.1**	**0.1**	**0.5**	**0.1**
p.c. consumption (kg)	92.7	93.6	93.6	94.0	93.9	0.9	0.0	0.4	0.0

[1] Domestic use includes stock changes
[2] Includes buttermilk, drinks with milk base and other fresh commodities
Note: The figures on imports and exports are referring to total trade, i.e. including inward processing.

Table 3.4: EU 27 whole milk powder balance sheet, 2009-2013

	000 tons					% variation			
	2009e	2010e	2011e	2012f	2013f	10/09	11/10	12/11	13/12
Production	**735**	**741**	**719**	**678**	**680**	**0.9**	**-3.0**	**-5.7**	**0.3**
of which EU-15	672	684	662	624	626	1.8	-3.2	-5.7	0.3
of which EU-12	63	57	56	53	54	-9.0	-1.0	-5.7	0.9
Imports (extra EU-27)	**1**	**2**	**2**	**2**	**2**	**135.1**	**-10.6**	**13.4**	**2.2**
Exports (extra EU-27)	**460**	**447**	**390**	**360**	**359**	**-2.7**	**-12.9**	**-7.6**	**-0.4**
Domestic Use[1]	**276**	**296**	**331**	**320**	**324**	**7.4**	**11.8**	**-3.3**	**1.2**

[1] Domestic use includes stock changes

Table 3.5: EU 27 skimmed milk powder balance sheet, 2009-2013

	000 tons					% variation			
	2009e	2010e	2011e	2012f	2013f	10/09	11/10	12/11	13/12
Production	**1,015**	**927**	**1,065**	**1,164**	**1,289**	***-8.7***	***14.9***	***9.3***	***10.7***
Imports (extra EU-27)	**6**	**4**	**0**	**1**	**1**	***-36.8***	***-89.8***	***79.3***	***20.0***
Exports (extra EU-27)	**231**	**379**	**518**	**618**	**660**	***64.1***	***36.7***	***19.3***	***6.7***
Domestic use	**685**	**621**	**644**	**630**	**625**	***-9.4***	***3.6***	***-2.1***	***-0.8***
Ending stocks	**278**	**209**	**113**	**30**	**35**				
Private (industry)	20	20	60	30	35				
Public (intervention)	258	189	53	0	0				
release	0	69	136	53	0				
under the 'most deprived' scheme	0	62	94	53	0				
buying-in	258	0	0	0	0				
Stock changes	105	-69	-96	-83	5				

Table 3.6: EU 27 butter balance sheet, 2009-2013

	000 tons (butter eq.)					% variation			
	2009e	2010e	2011f	2012f	2013	10/09	11/10	12/11	13/12
Production	**2,140**	**2,147**	**2,190**	**2,248**	**2,266**	***0.3***	***2.0***	***2.7***	***0.8***
of which EU-15	1,886	1,900	1,940	1,994	2,007	*0.7*	*2.1*	*2.8*	*0.7*
of which EU-12	253	247	249	254	259	*-2.5*	*1.0*	*2.0*	*2.0*
Imports (extra EU-27)	**56**	**34**	**34**	**35**	**34**	***-39.7***	***0.4***	***2.1***	***-2.6***
Exports (extra EU-27)	**152**	**157**	**124**	**124**	**140**	***3.3***	***-21.5***	***0.1***	***12.9***
Domestic use	**2,049**	**2,098**	**2,109**	**2,120**	**2,136**	***2.4***	***0.5***	***0.5***	***0.7***
p.c. consumption (kg)	4.1	4.2	4.2	4.2	4.2	*2.0*	*0.1*	*0.2*	*0.4*
Ending stocks	115	40	31	70	95				
Private	38	38	31	70	95				
Public (intervention)	77	2	0	0	0				
release	*0*	*75*	*2*	*0*	*0*				
o.w. most deprived scheme	*0*	*75*	*2*	*0*	*0*				
buying-in	*77*	*0*	*0*	*0*	*0*				
Stock changes	-5	-75	-9	39	25				

Note: Data interest butter and butter oil expressed in butter equivalent.
Figures on imports and exports do not include inward processing.

METHODOLOGY

This outlook takes into account the most recent macroeconomic information and the domestic and international market developments and expectations. Data is subject to retrospective review.

The balance sheets refer to five calendar years for meat and dairy and five marketing years for crops (July/June). Crop marketing years start with the harvest. Thus, area, yield and production figures of crops refer to the year of harvest.

SOURCES

- EUROSTAT
  - Agricultural production yearly for historical data and monthly data for previous and current year for meat and dairy production.
  - Farm livestock survey,
  - Gross Indigenous Production (GIP) forecast for meat,
  - Early estimates for crop products.
- COMEXT database (extra-EU trade statistics).

Production projections for current and next year are based, depending on the sector, on EUROSTAT monthly data, official estimates of ministries or national statistical institutes, and on the Crop Monitoring and Yield Forecasting projections (AGRI4CAST[7]), in the case of cereals; on expert forecasts for Gross Indigenous Production (in heads) sent by Member States (MS) to Eurostat in the case of meat; on monthly milk deliveries for dairy.

The projected external trade figures are derived from the latest monthly data available by applying trends and annual profiles as well as from trade licences and import quotas, when applicable.

Arable crops

Crop areas: For MS in which data is not available, a percentage variation is estimated on the basis of those MS which communicated data, or area is estimated through the trimmed average of the last five marketing years.

Yields: MS estimates or AGRI4CAST projections are used if available. If these data are not available, preferably the yield trend from 2000 to the present is retained, otherwise the trimmed average of the last five marketing years is used.

Balance sheets are based on a marketing year (July-June**)** starting with the harvest.

Cereals: Human consumption, seed use and other industrial use is based on historic relations regarding population and planted area in the relevant marketing year. Feed use is based on calculations with FeedMod, an in-house model for feed ration optimisation. Cereal use as feedstock for ethanol production for previous marketing years is based on the use of the ethyl-alcohol balance sheets produced by MS. Projections are based on information about the ethanol production development. Stocks are closing the balance for cereals[8]. Intervention stocks equal official DG AGRI figures for the past and estimates based on past experience for the current marketing year, if applicable.

Oilseeds: The balance sheets include rape, soybean and sunflower seed, meal and oil, plus palm oil. Stock data represent own estimates based on expert judgement and market information. Thus, the balances close on the domestic use. A coefficient is used to determine the share of oilseeds used in the crushing industry. These coefficients are 96% for rapeseed, 93% for soybeans and 89% for sunflower seed. The balance sheets are interlinked, as oilseeds are crushed into meals and oils on the basis of processing coefficients, used to determine the percentage of meals and oils obtained from oilseeds in the crushing process. These processing coefficients equal 57% for rape meal, 79% for soybean meal and 55% for

[7] http://mars.jrc.ec.europa.eu/mars/About-us/AGRI4CAST/Crop-Monitoring-and-Yield-Forecasting

[8] For all crops this refers to a situation as of end-June, which may differ from other balances, e.g. IGC for maize, USDA for corn.

sunflower meal and 41% for rape oil, 20% for soybean oil and 42% for sunflower oil.

Meat

The meat balance sheets cover the beef, pig, poultry, sheep and goat meat categories. Trade data is divided into live animals and meat products (aggregate of "fresh and chilled", "frozen", "salted" and "prepared"). The offal and fat categories are excluded (with the exception of pork lard). All data is expressed in carcass weight equivalent.

Production projections for the year 2012 are based on the most recent monthly data on slaughtering, livestock numbers and expert Gross Indigenous Production (GIP) forecast data. Projections for the year 2013 are based on the Member States experts forecast, on the trends stemming from the medium term projections, on the expectations as regards implementation of new welfare rules in the pig sector, on the trends in livestock numbers and meat consumption patterns, as well as on the possible impact of US drought on EU meat market.

Net production refers to data on slaughtering taking place inside and outside slaughterhouses. To estimate the slaughtering in other premises than slaughterhouses, the 2009 data was taken as reference (complete data) and used it in absolute terms for the 4 following years; as complete data will become available, the estimates will be replaced with the new figures. GIP is calculated as net production plus live exports minus live imports. Consumption is calculated as a residual, i.e. sum of production plus imports less exports plus stock change. The per capita consumption is the consumption divided by the population.

Milk and dairy products

The commodity balance sheets cover production of dairy products taking place in dairy processing plants and so far do not include on-farm production[9].

Production of EU27 total dairy products and in particular for SMP, WMP, concentrated milk and casein are estimated, where necessary, using DG AGRI projections, since the concentration in the dairy processing industry has resulted in an increasing number of Member States not publishing their milk (monthly) production statistics due to confidentiality.

The milk production forecast for year 2012 is based on most recent monthly milk deliveries, milk price patterns and expectation on farm gate milk price. Assumptions are made on the dairy herd and cow milk yield, milk demand for direct sales, feed and on-farm use, and milk fat and protein content developments. The year 2013 projections are calculated in a similar way as well as applying trends and annual profiles to 2012 forecast data.

Milk uses for dairy products are balanced with availabilities of total milk fat and proteins through a "residual approach". Market forecasts are first made for milk deliveries and the production of dairy. The forecasted production figures are then converted into protein and fat equivalents, and subtracted from the available dairy fat and protein of the milk delivered.

In the dairy products balances, consumption is calculated as a residual, i.e. sum of production plus imports less exports plus stock change.

When evaluating the possible future developments for dairy commodities, also expectations on the level of milk deliveries and/or changes in production of other dairy products have to be taken into account.

Knowledge of private (commercial) stocks and consumption levels is incomplete or lacking for most dairy products. The developments in domestic use may hide considerable changes in private (industry/trade) stocks.

[9] Milk statistics for the EU-12 on-farm production of butter, cheese and other products has only recently become complete and has yet to be validated.

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