



Animal Feed Market Situation

Civil Dialogue Group on Animal Products Poultry Meat Sector

26 November 2019

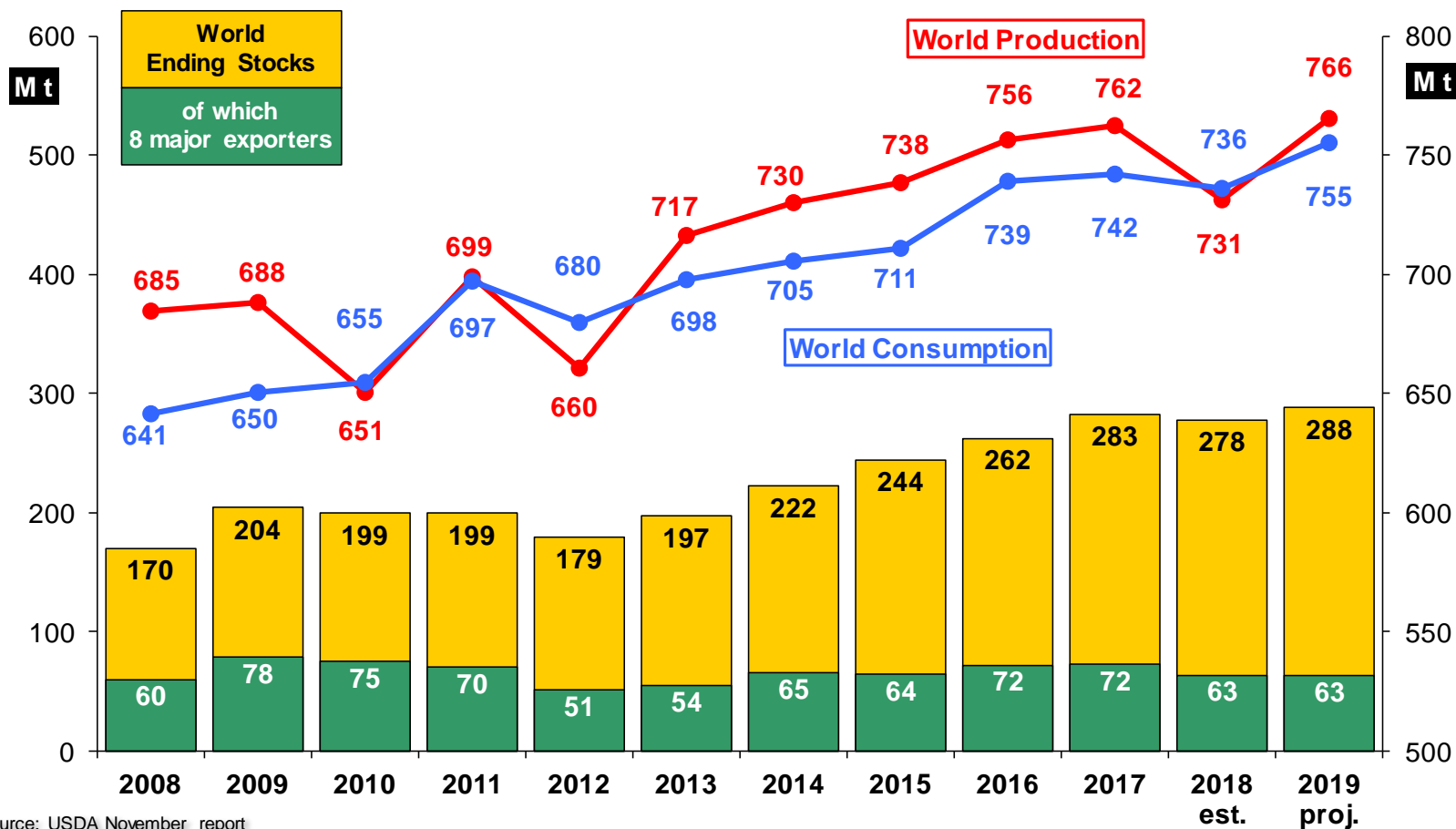
DG AGRI G.4.

World Cereals Forecasts and Prices



European
Commission

World wheat: USDA



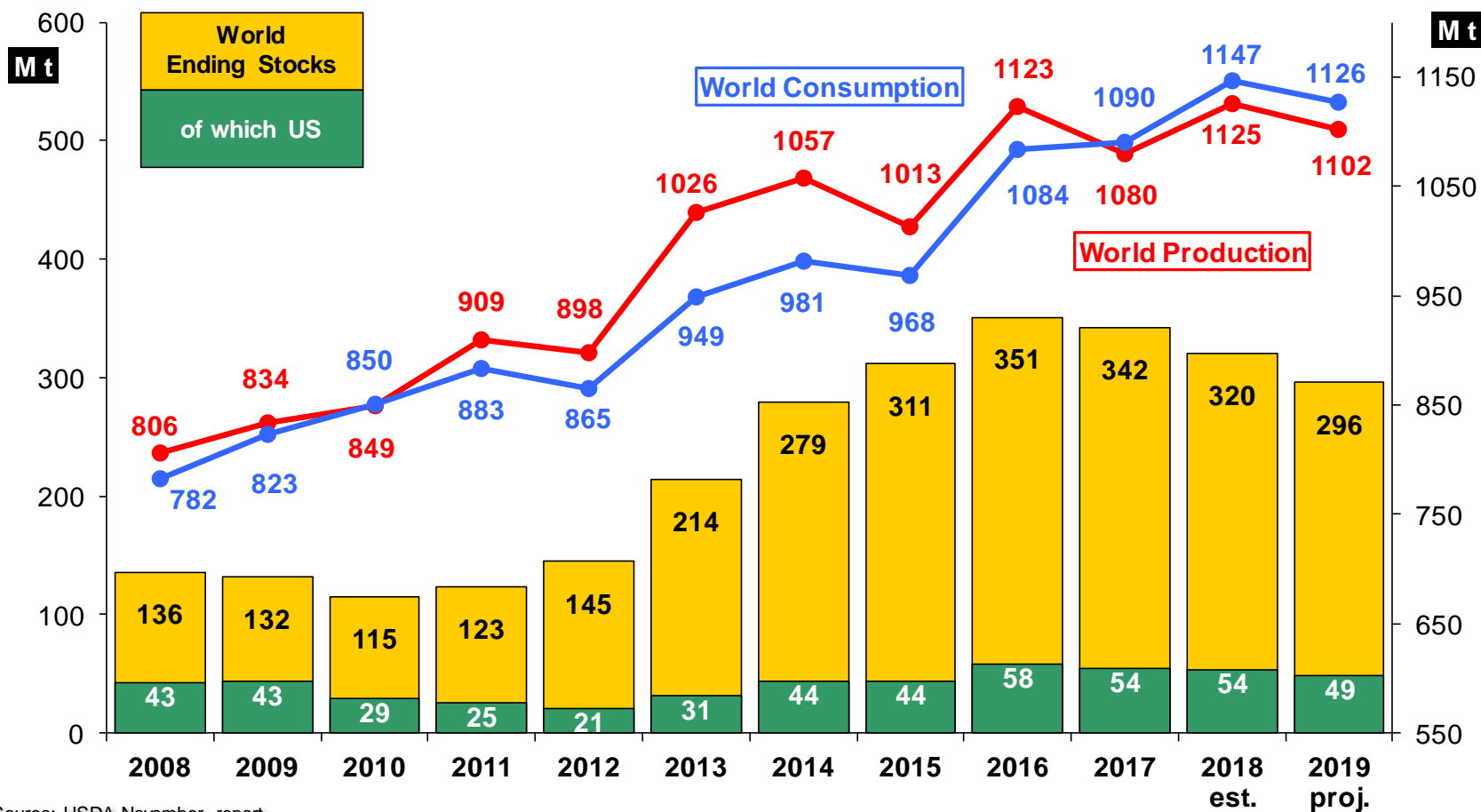
Source: USDA November report

USDA 2019/20 Supply and Demand Estimates (WASDE – 594 of 8 November 2019)

Wheat production forecasts in selected countries (*all wheat; million tonnes*)

	2019/20	Share of total	2018/19	y/y change (%)
EU-28	153.0	20.0%	136.9	+11.8%
USA	52.3	6.8%	51.3	+1.9%
Canada	33.0	4.3%	32.2	+2.5%
Russia	74.0	9.7%	71.7	+3.2%
Ukraine	29.0	3.8%	25.1	+15.7%
Australia	17.2	2.2%	17.3	-0.6%
Argentina	20.0	2.6%	19.5	+2.6%
China	132.0	17.2%	131.4	+0.4%
India	102.2	13.3%	99.9	+2.3%
World	765.6	100.0%	731.3	+4.7%

World maize: USDA



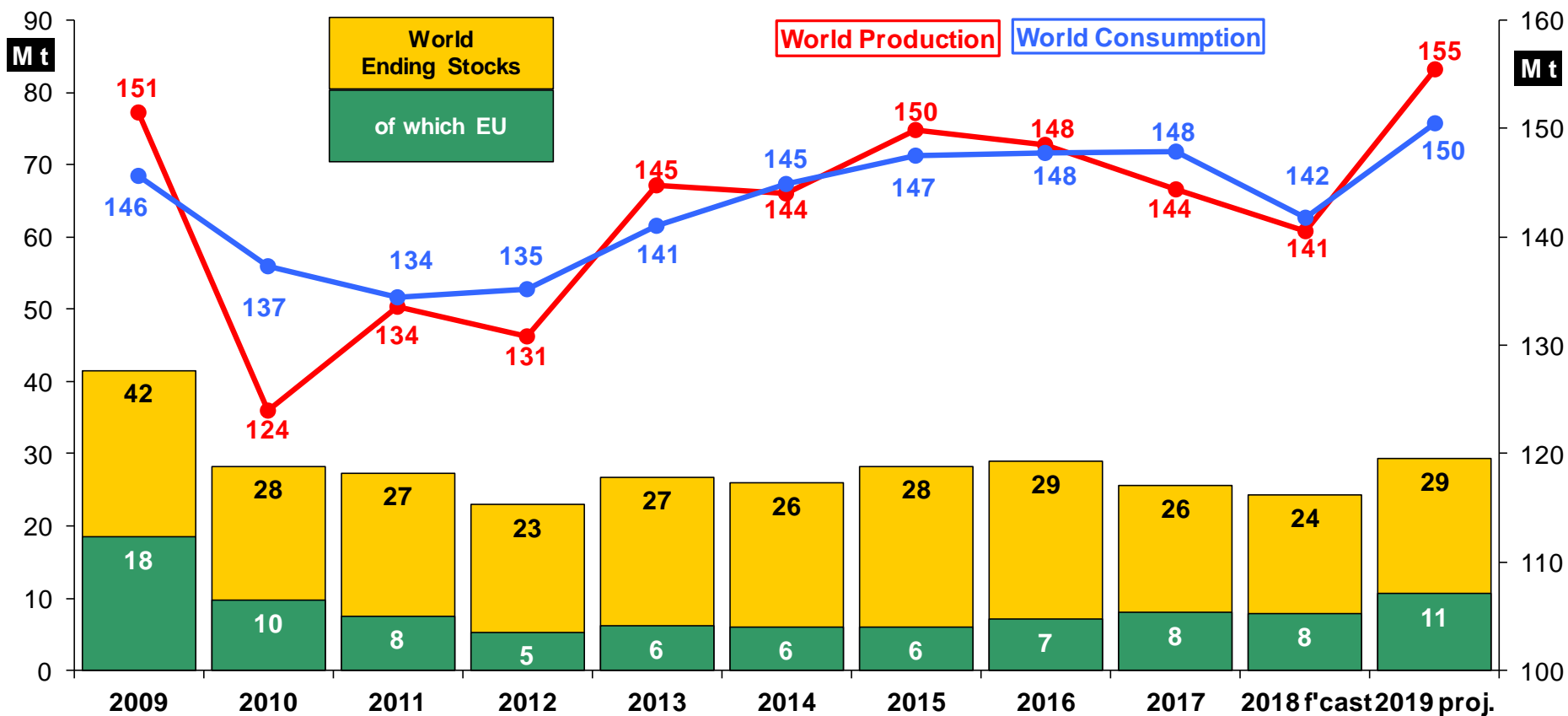
Source: USDA November report

USDA 2019/20 Supply and Demand Estimates (WASDE – 594 of 8 November 2019)

Maize production forecasts in selected countries (*million tonnes*)

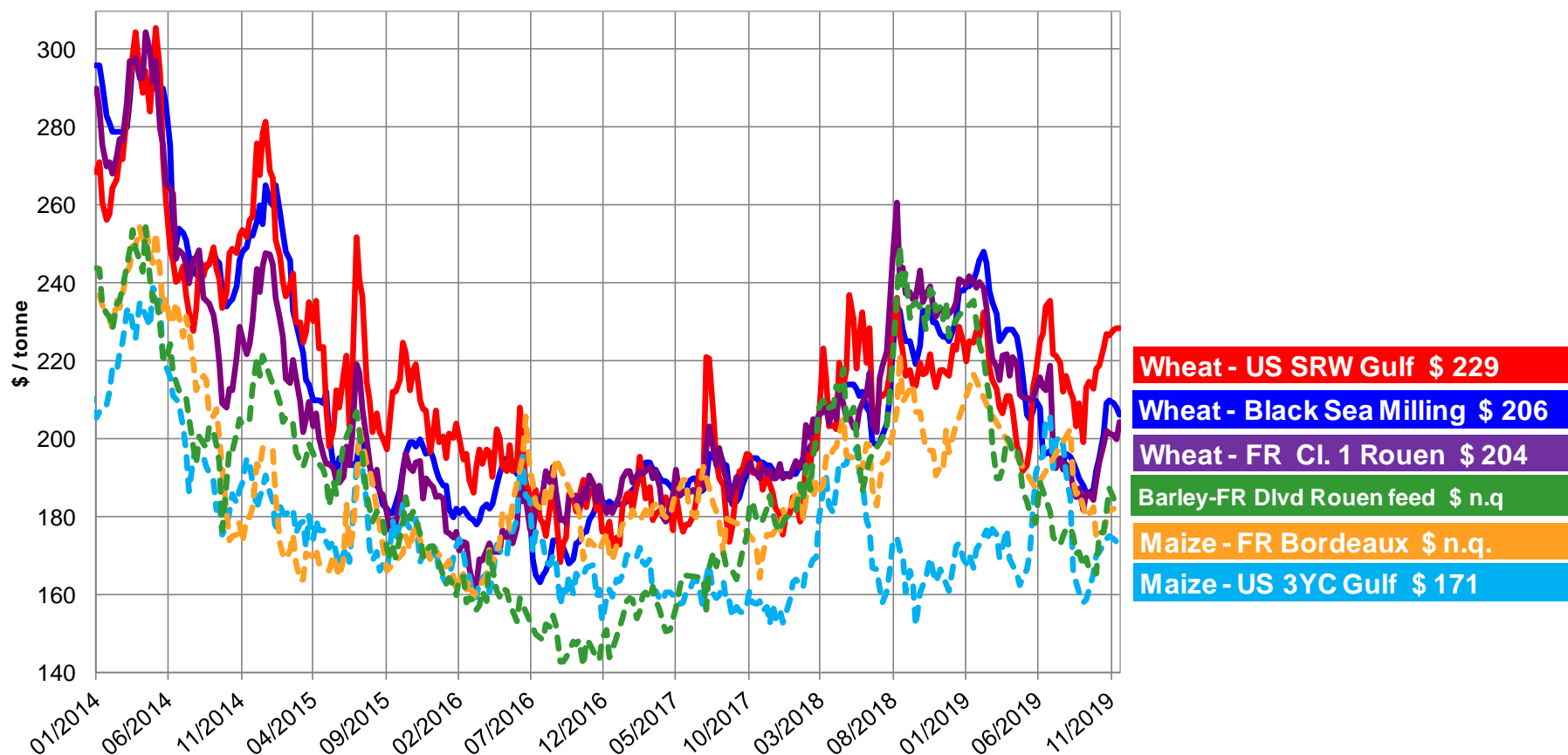
	2019/20	Share of total	2018/19	y/y change (%)
EU-28	64.6	5.9%	64.2	+0.5%
USA	347.0	31.5%	366.3	-5.3%
Ukraine	35.5	3.2%	35.8	-0.9%
Russia	14.0	1.3%	11.4	+22.6%
Brazil	101.0	9.2%	101.0	+0.0%
Argentina	50.0	4.5%	51.0	-2.0%
China	254.0	23.0%	257.3	-1.3%
South Africa	14.0	1.3%	11.8	+19.1%
World	1,102.2	100%	1,125.0	-2.0%

World barley: IGC

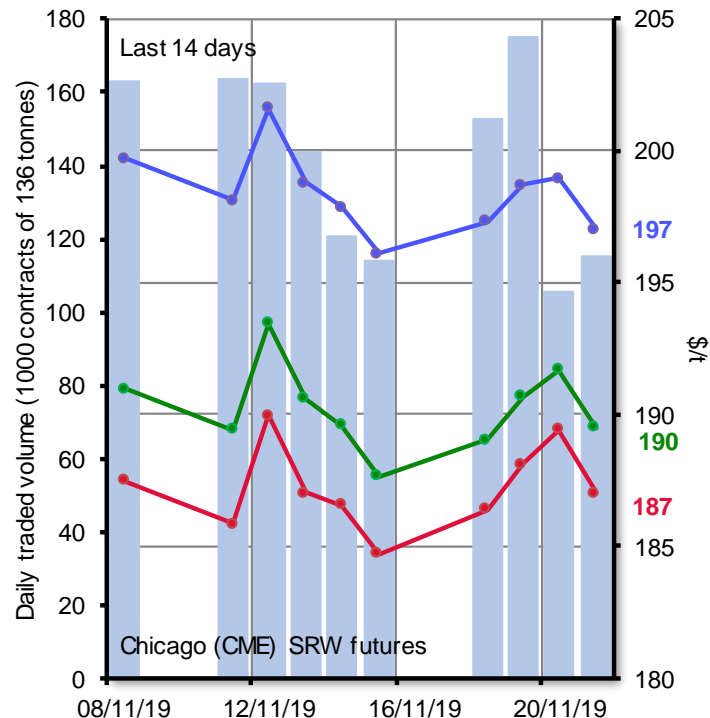
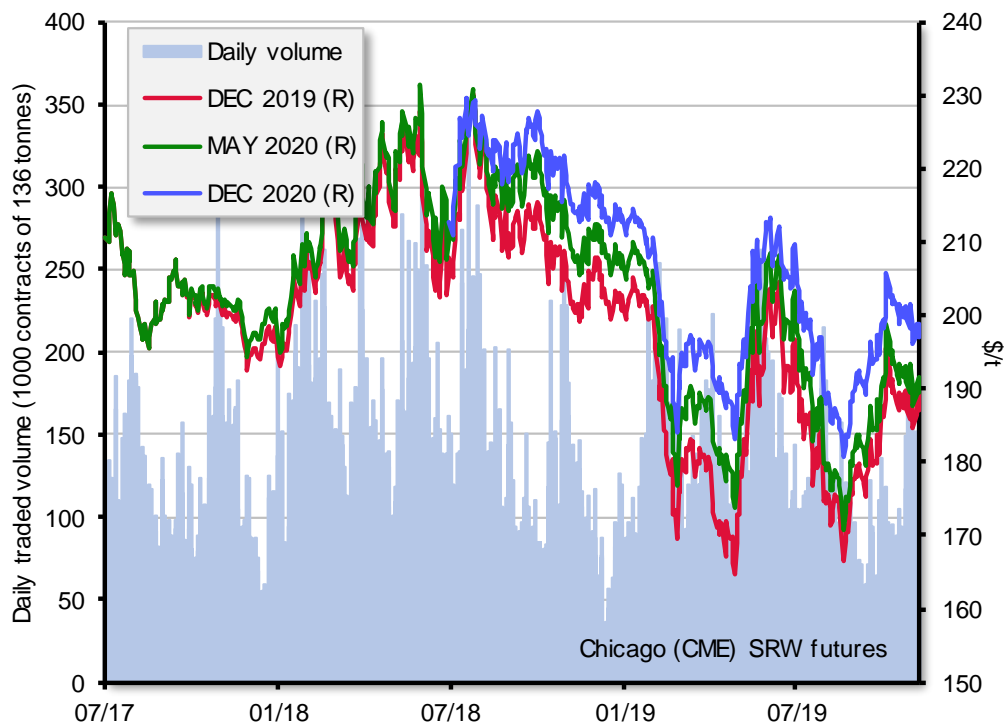


Source: IGC November report

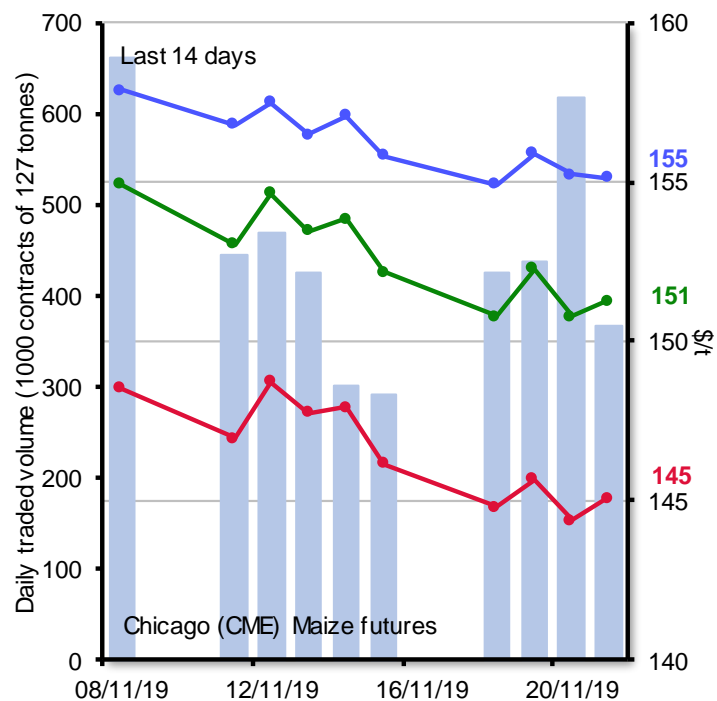
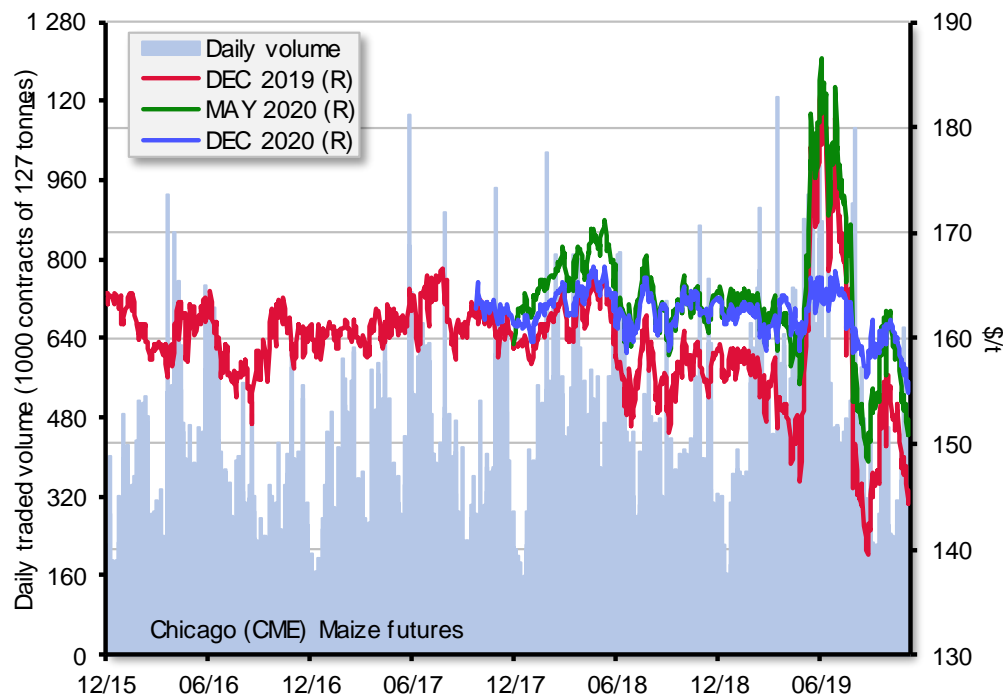
World cereal prices (\$/t)



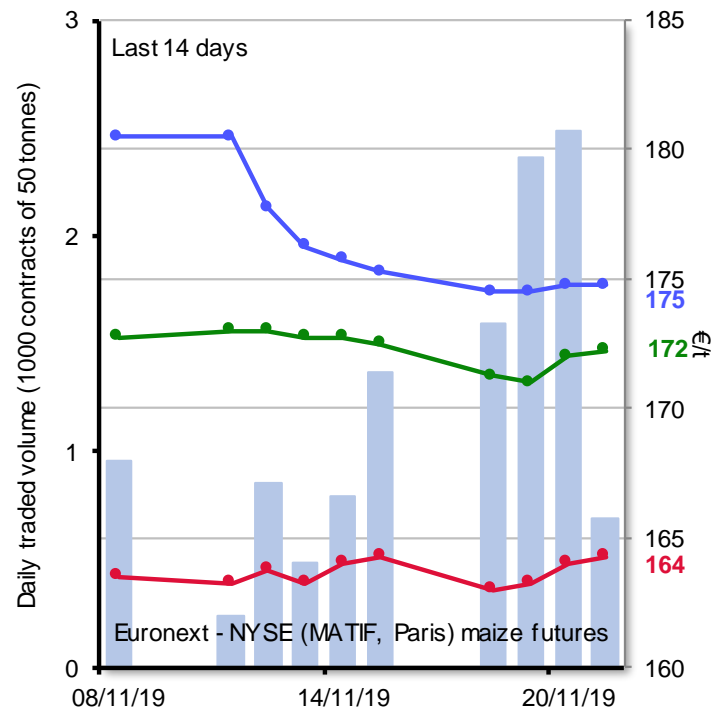
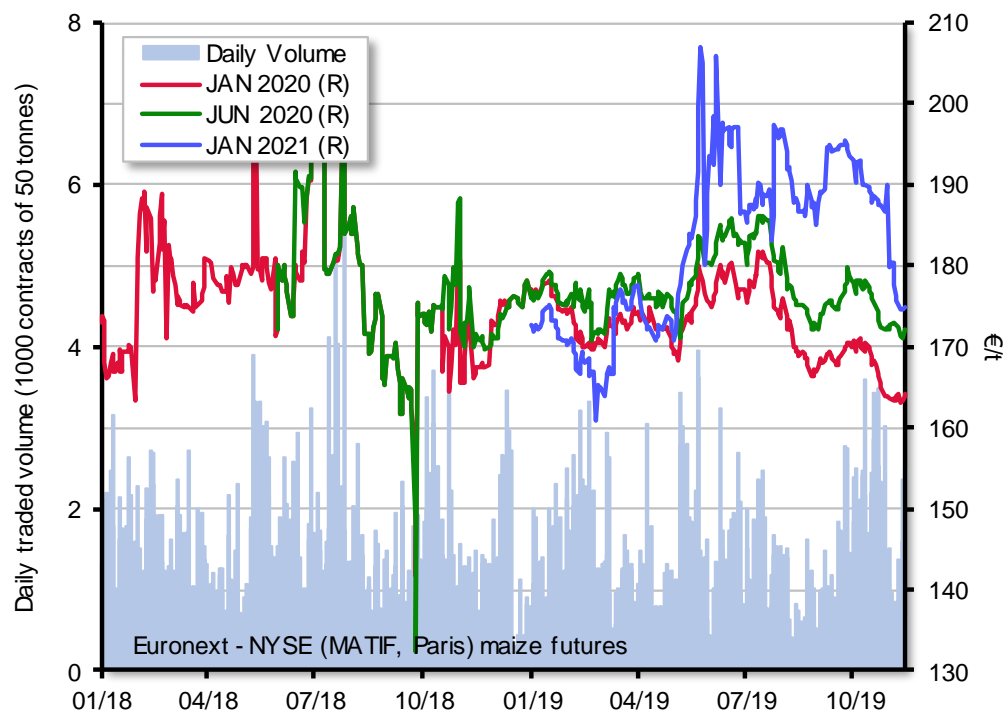
US CME SRW wheat futures



CME maize futures



EU maize futures





EU Cereals Balance Sheet and Forecasts

Marketing year 2018/19

EU 28 Cereals Balance Sheet

Thousand metric tonnes

LAST UPDATED: 31/10/2019	2018/19 (estimate)									
	Common wheat	Barley	Durum wheat	Maize	Rye	Sorghum	Oats	Triticale	Others	TOTAL CEREALS
Beginning stocks	17.574	4.039	2.659	19.888	355	372	363	1.352	974	47.575
Usable production	128.520	56.003	8.675	69.076	6.131	797	7.669	9.636	3.666	290.174
<i>Area (thousand ha)</i>	<i>23.019</i>	<i>12.281</i>	<i>2.481</i>	<i>8.300</i>	<i>1.940</i>	<i>151</i>	<i>2.758</i>	<i>2.613</i>	<i>1.539</i>	<i>55.081</i>
<i>Yield (tonnes/ha)</i>	<i>5,6</i>	<i>4,6</i>	<i>3,5</i>	<i>8,3</i>	<i>3,2</i>	<i>5,3</i>	<i>2,8</i>	<i>3,7</i>	<i>2,4</i>	<i>5,3</i>
Imports (from third countries)	4.083	140	1.345	24.229	298	758	14	4	127	30.997
Total supply	150.177	60.182	12.678	113.193	6.784	1.927	8.046	10.991	4.767	368.745
Total domestic use	116.862	46.971	9.456	84.682	6.373	1.274	7.720	9.887	4.613	287.837
Human consumption	48.011	362	8.048	4.879	3.000	155	1.149	52	23	65.679
Seed	4.787	2.131	473	402	403	29	450	500	100	9.274
Industrial uses	11.165	9.078	95	12.400	1.300		102	445	200	34.784
<i>of which bioethanol/biofuel</i>	<i>4.665</i>	<i>437</i>		<i>6.500</i>	<i>700</i>			<i>344</i>	<i>14</i>	<i>12.659</i>
Animal feed	52.000	35.000	800	66.400	1.600	1.090	5.950	8.800	4.250	175.890
Losses	900	400	40	600	70		70	90	40	2.210
Exports (to third countries)	21.433	7.981	925	3.491	207	7	106	1	10	34.162
Total use	138.295	54.952	10.380	88.173	6.580	1.281	7.826	9.888	4.623	321.999
Ending stocks**	11.882	5.230	2.298	25.020	204	646	220	1.103	144	46.746
Change in stocks**	-5.692	1.191	-360	5.132	-151	274	-143	-249	-830	-829

* Marketing year: from July to June

** At the end of the marketing year



EU BALANCE SHEET 2018/19

- Production forecast: below average (290.2 million t; -5% y/y)
 - + Floods and drought impact
 - + Soft wheat and barley: respectively - 9% and -4% y/y
 - + Maize: +7% y/y
- Total imports reached a new record, mostly due to maize
- Slight increase of the total exports y/y

EU Cereals Balance Sheet, Forecasts & Prices

Marketing year 2019/20

EU 28- 2019 Production Forecasts

EVOLUTION OF THE EU CEREALS USABLE PRODUCTION

Million tonnes	2017/2018	2018/2019	2019/2020 Sept fcst	2019/2020 Oct fcst	% change 2018/2019
TOTAL	305,3	290,2	312,3	315,6	8,8
Soft wheat	142,0	128,5	145,0	147,0	14,4
Durum wheat	8,7	8,7	7,8	7,8	-10,3
Barley	58,3	56,0	61,4	62,4	11,4
Maize	64,8	69,1	66,5	66,6	-3,6
Rye	7,2	6,1	8,2	8,3	36,1
Oats	8,1	7,7	7,7	7,7	0,0

Sources : DG AGRI - G4

EU 28 Cereals Balance Sheet

Thousand metric tonnes

LAST UPDATED: 31/10/2019	2019/20 (forecast)									
	Common wheat	Barley	Durum wheat	Maize	Rye	Sorghum	Oats	Triticale	Others	TOTAL CEREALS
Beginning stocks	11.882	5.230	2.298	25.020	204	646	220	1.103	144	46.746
Usable production	147.010	62.416	7.775	66.580	8.338	941	7.720	10.866	3.914	315.560
<i>Area (thousand ha)</i>	23.896	12.237	2.315	8.853	2.215	190	2.657	2.742	1.374	56.479
<i>Yield (tonnes/ha)</i>	6,2	5,1	3,4	7,5	3,8	4,9	2,9	4,0	2,8	5,6
Imports (from third countries)	3.379	600	2.000	17.000	80	259	4		154	23.476
Total supply	162.271	68.245	12.073	108.600	8.622	1.845	7.944	11.969	4.212	385.782
Total domestic use	118.138	50.285	9.436	83.418	6.905	746	7.470	9.931	3.658	289.987
Human consumption	48.147	363	8.071	4.881	3.069	156	1.152	52	23	65.913
Seed	4.891	2.165	430	430	456	40	445	539	293	9.691
Industrial uses	11.600	9.156	95	12.507	1.311		103	449	202	35.423
<i>of which bioethanol/biofuel</i>	5.000	437		6.800	700			344	14	13.295
Animal feed	52.600	38.200	800	65.000	2.000	550	5.700	8.800	3.100	176.750
Losses	900	400	40	600	70		70	90	40	2.210
Exports (to third countries)	26.000	9.000	900	3.500	154	4	187	2	8	39.755
Total use	144.138	59.285	10.336	86.918	7.060	750	7.656	9.932	3.666	329.743
Ending stocks**	18.133	8.960	1.737	21.682	1.562	1.095	288	2.037	546	56.039
Change in stocks**	6.251	3.730	-562	-3.338	1.358	449	68	934	402	9.293

* Marketing year: from July to June

** At the end of the marketing year



EU BALANCE SHEET 2019/20

- Production forecast: above average (315.6m t; + 8.8% y/y)
 - Increase of total EU cereals area (56.6m ha; +2.8% y/y)
 - Recovery of soft wheat and barley production
 - Good quality milling wheat at EU level
- Decrease of total imports, in particular for maize
- Recovery of total exports, in particular for soft wheat
- Increase of total ending stocks

EU cereals trade 2019/20, situation at 10 Nov 2019

(updated on 22/11/2019)

- **Imports:** 9.39 million tonnes (8.6 million tonnes last year; 7.5 million tonnes two years ago)

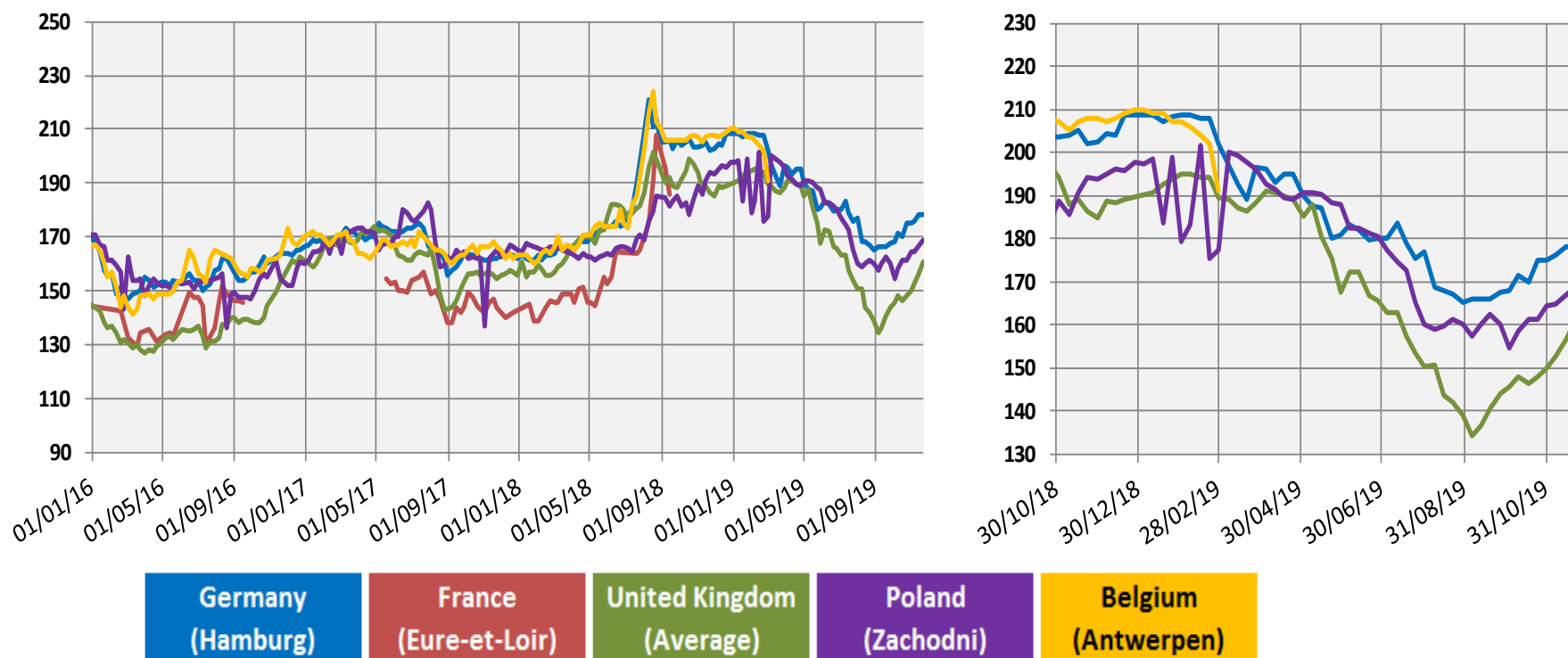
➤ 1018 thousand tonnes	soft wheat	↓	-44% y/y
➤ 588 thousand tonnes	durum wheat	↑	+97% y/y
➤ 7.3 million tonnes	maize	↑	+19% y/y
➤ 489 thousand tonnes	barley	↑	+488% y/y

- **Exports:** 16 million tonnes (10.3 million tonnes last year; 11.3 million tonnes two years ago)

➤ 10.2 million tonnes	soft wheat	↑	+59% y/y
➤ 3 million tonnes	barley	↑	+51% y/y
➤ 287 thousand tonnes	durum wheat	↑	+30% y/y
➤ 1372 thousand tonnes	maize	↑	+117% y/y

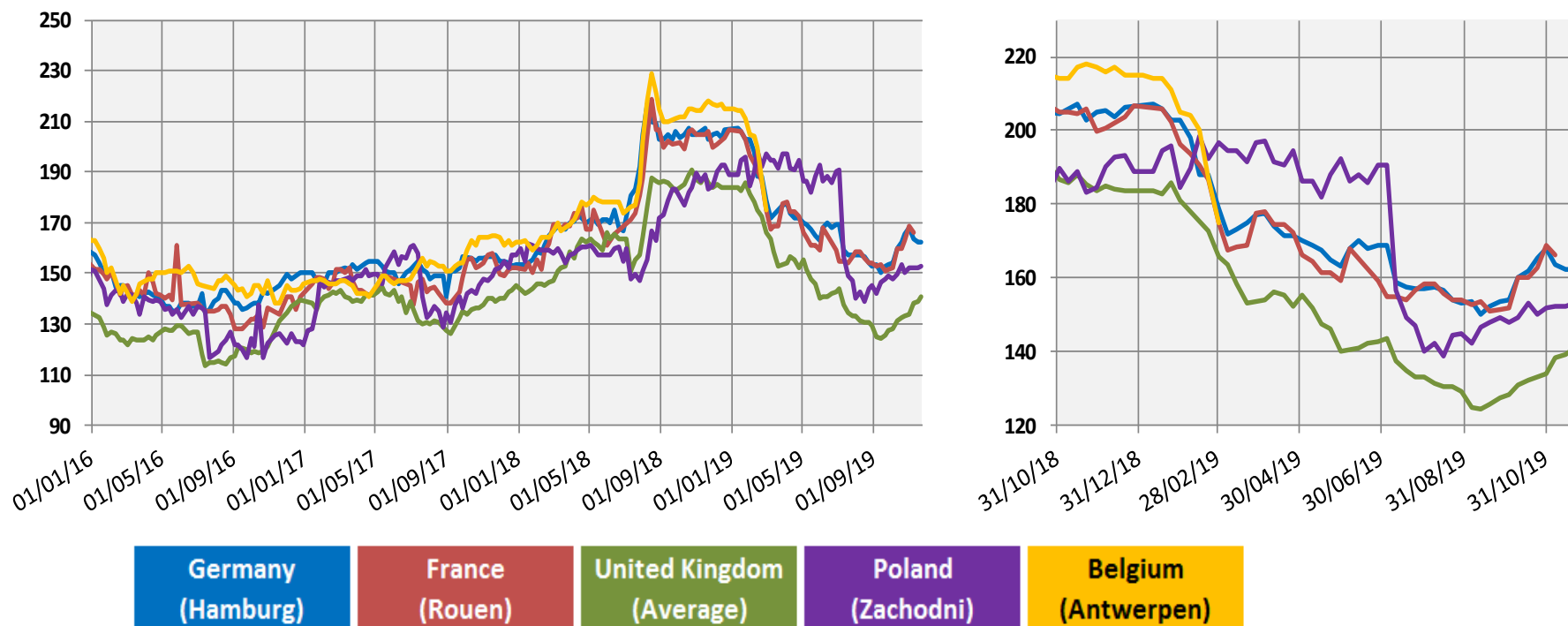
- So far, the EU is a net cereal exporter of 6.6 million tonnes. Last year at this stage, EU was a net exporter of 1.7 million tonnes against 3.8 million tonnes two years ago.

EU Market prices for feed wheat (€/tonne)



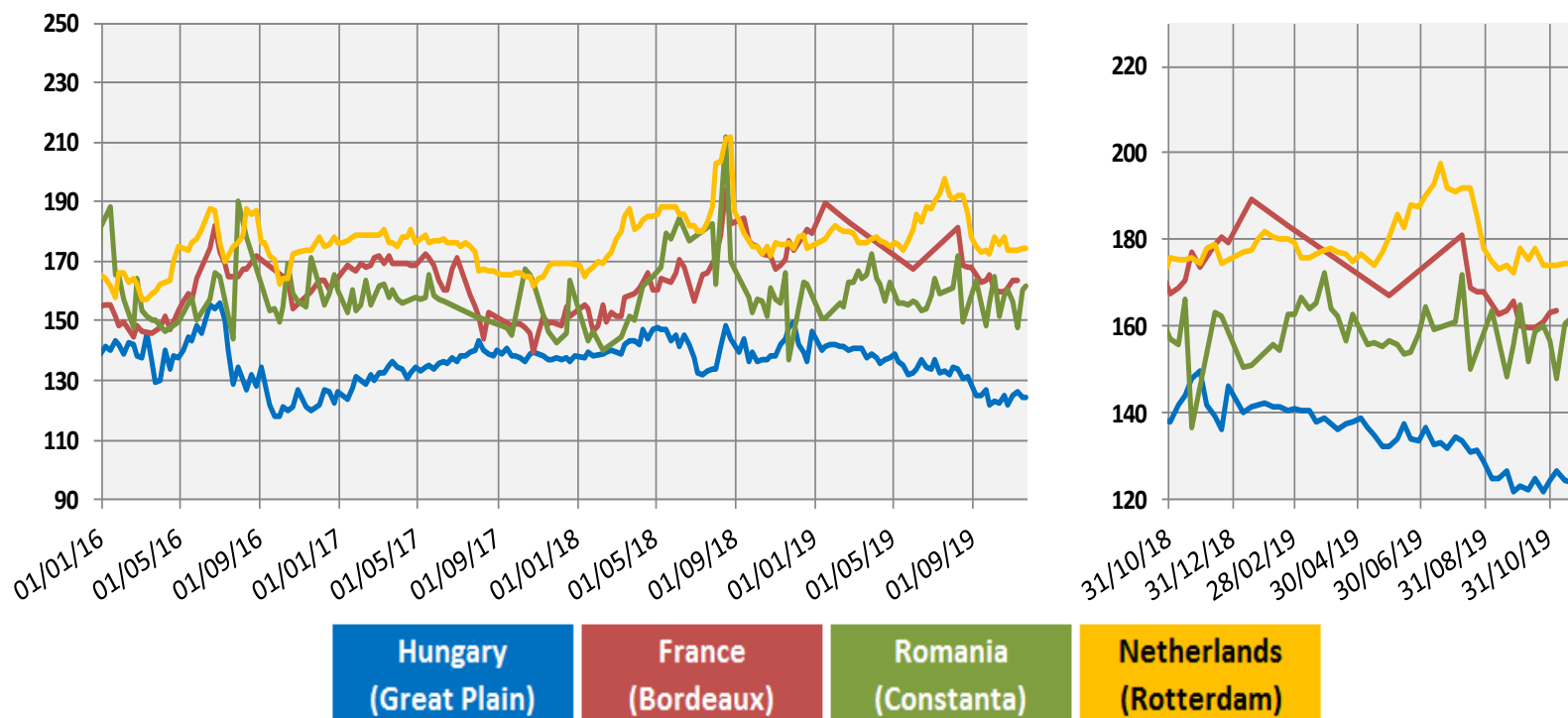
Source: Member States notification - Commission Implementing Regulation (EU) 2017/1185 Art.11, Annex I Point 1

EU Market prices for feed barley (€/tonne)



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

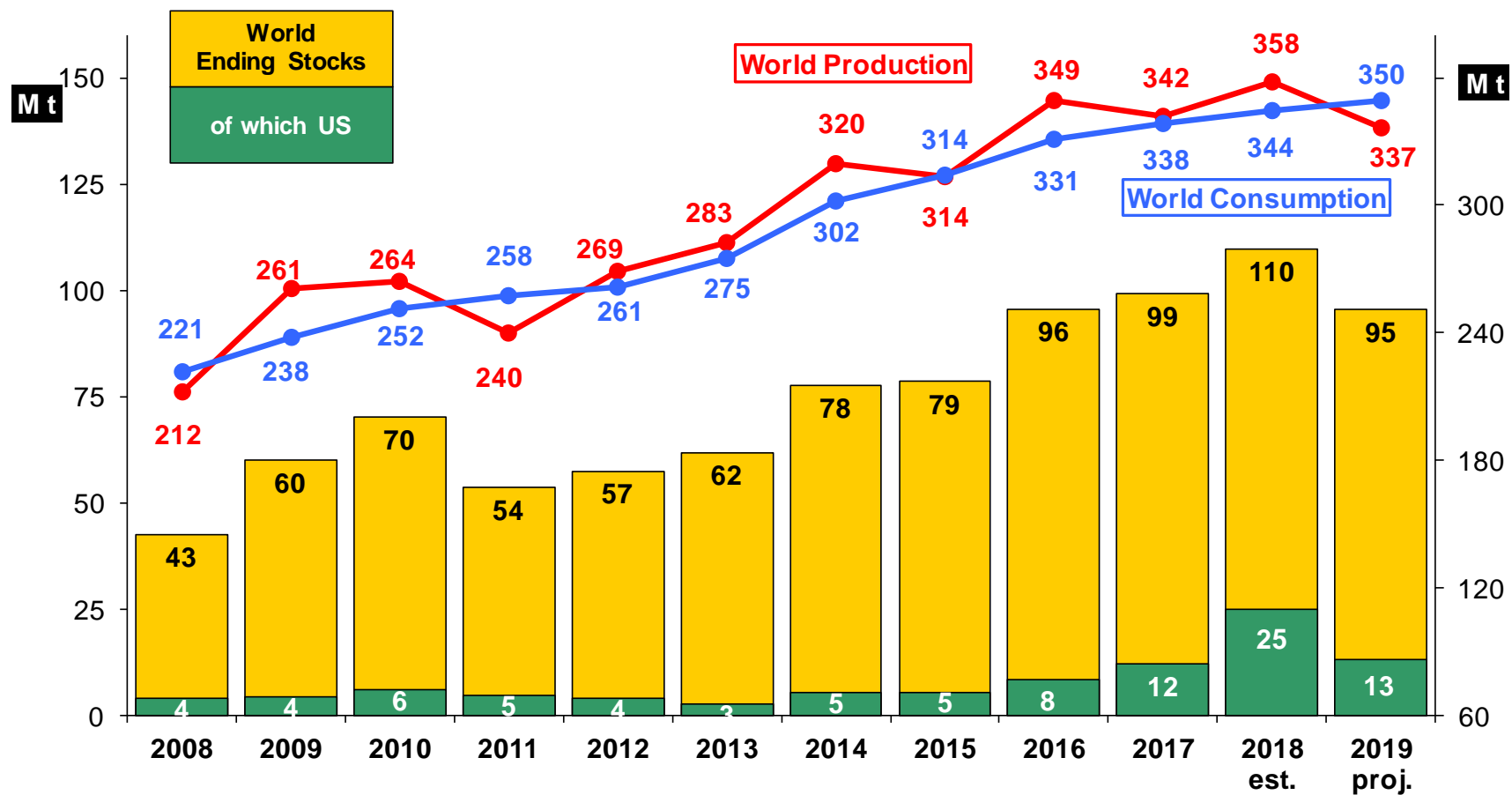
EU Market prices for maize (€/tonne)



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

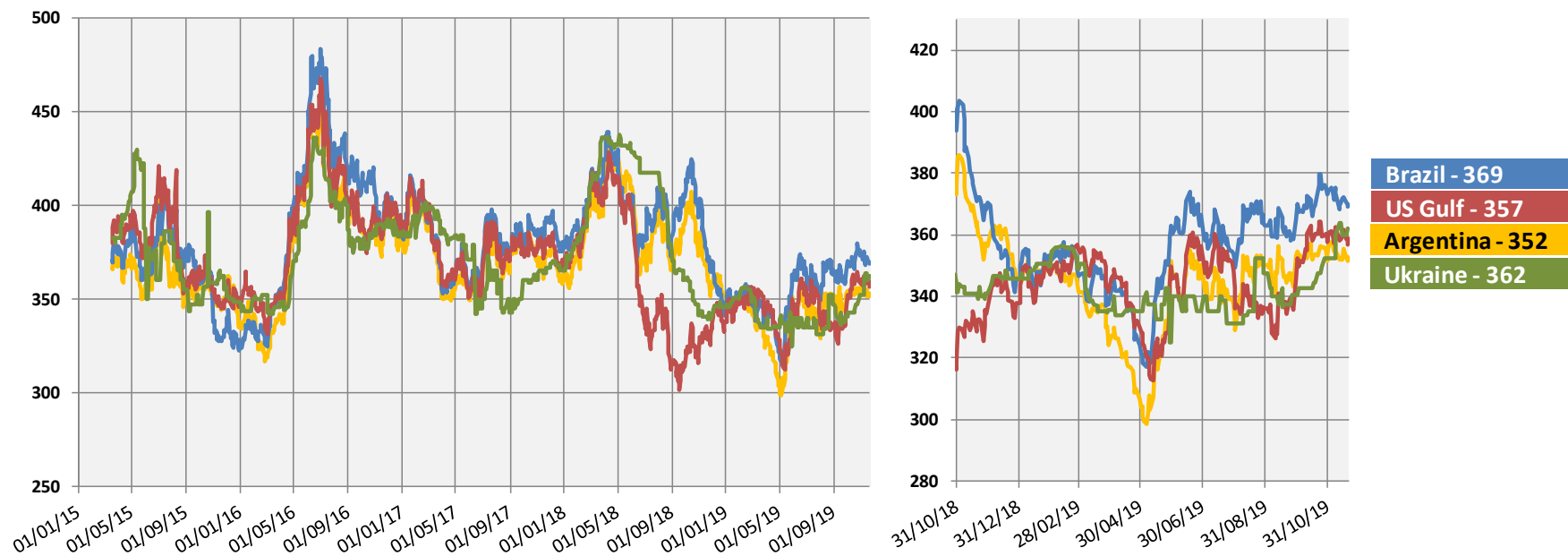
World Oilseeds Forecasts and Prices

World soya: USDA



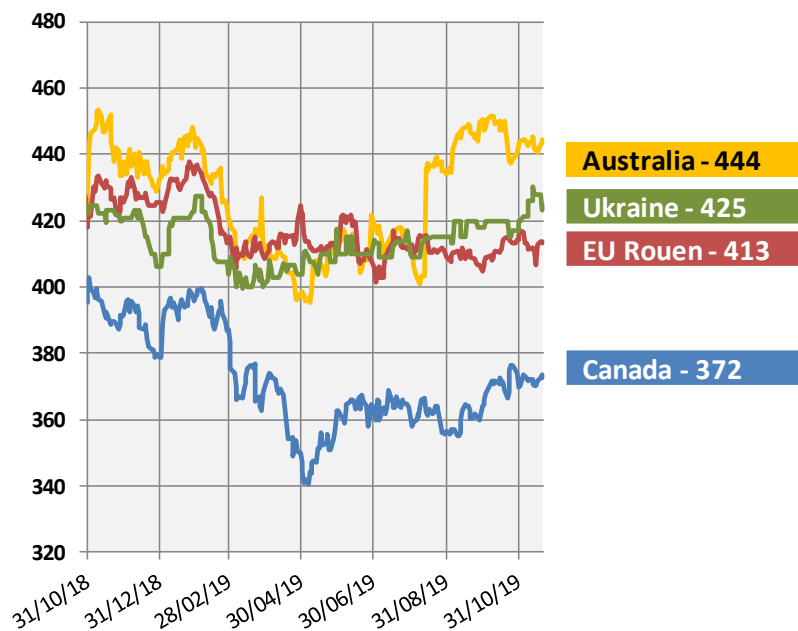
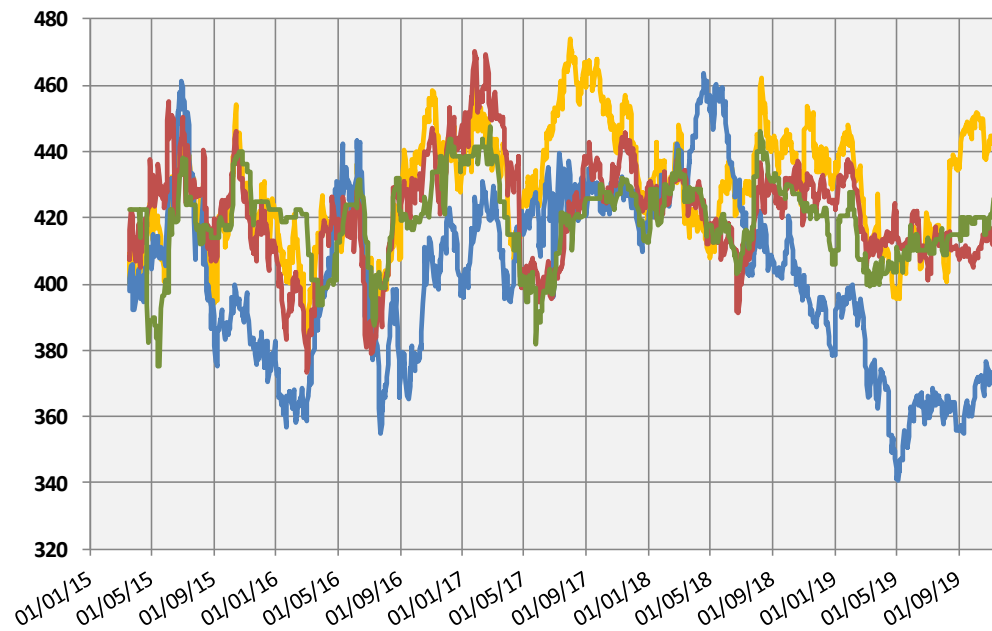
Source: USDA November report

World export prices for soya beans - (\$/tonne)



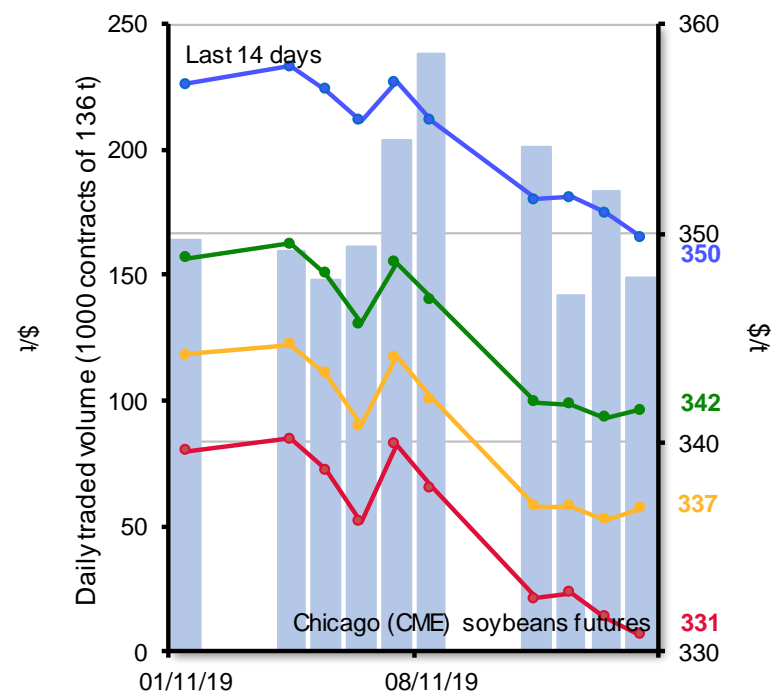
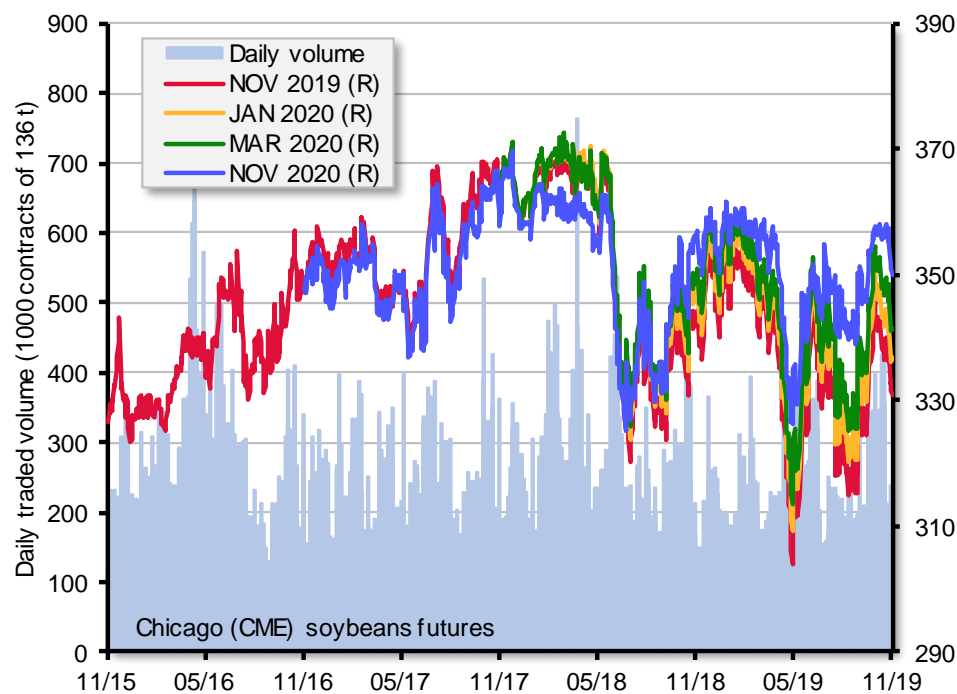
Source: International Grains Council

World export prices for rapeseed - (\$/tonne)

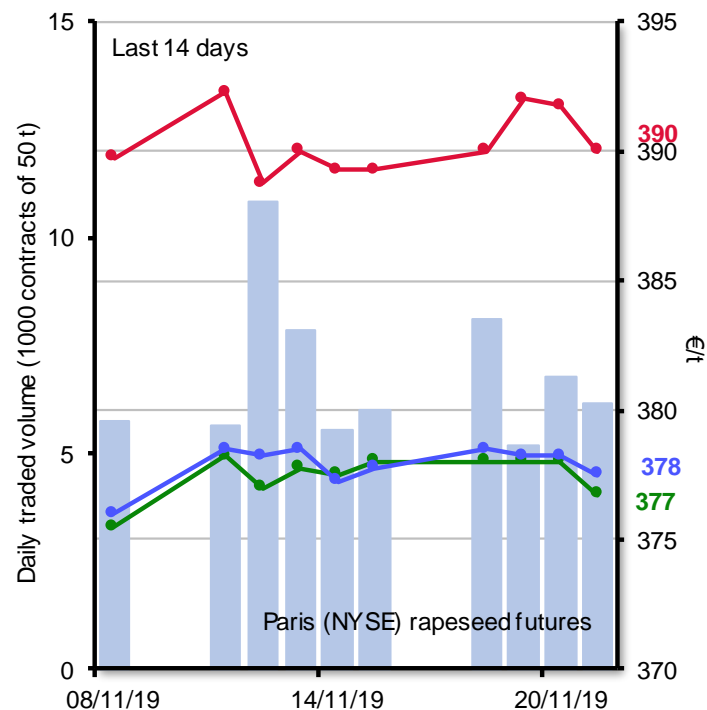
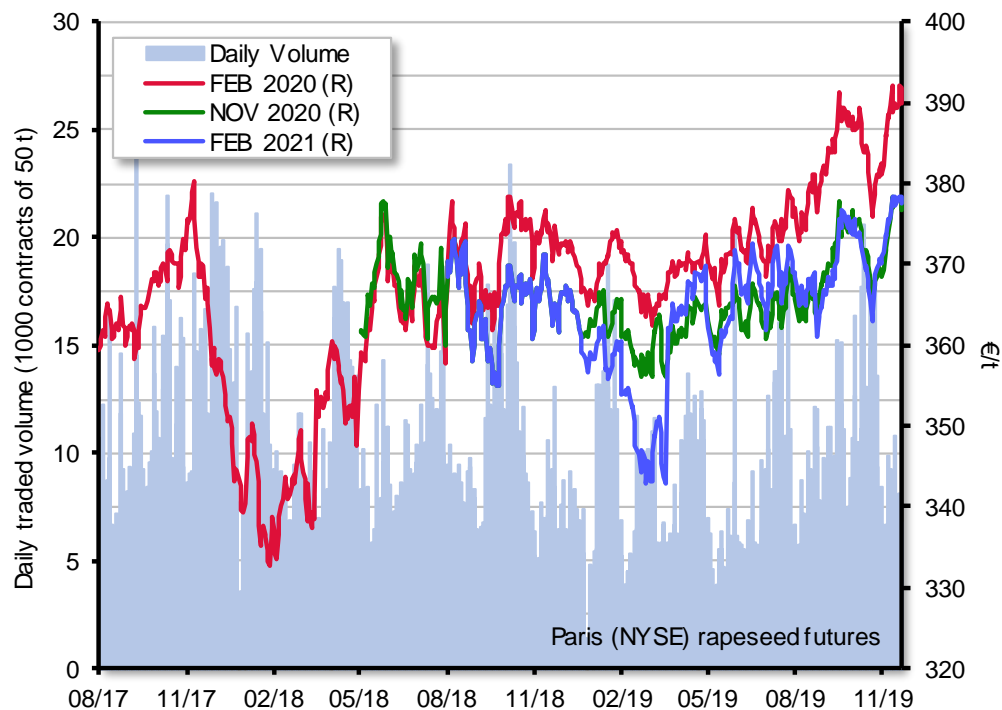


Source: International Grains Council

CME soya futures



NYSE Euronext rapeseed futures



EU Oilseeds Balance Sheet and Forecasts

Marketing year 2019/20

EU Oilseeds

EU OILSEEDS AREA

Million ha	AVG 5 yrs trimmed	2018/19	2019/20 September	2019/20 October	change year on year	change on 5yrs AVG
Rapeseed	6,67	6,90	5,61	5,64	-18,3%	-15,4%
Sunflower	4,20	4,03	4,35	4,35	8,1%	3,6%
Soya Beans	0,89	0,96	1,00	0,99	4,1%	11,3%
TOTAL	11,76	11,88	10,96	10,99	-8%	-7%

Sources : EC - DG AGRI

EU OILSEEDS PRODUCTION

Million tonnes	AVG 5 yrs trimmed	2018/19	2019/20 September	2019/20 October	change 2018/19	change AVG 5yrs
Rapeseed	21,31	20,01	16,93	16,77	-16,2%	-21,3%
Sunflower	9,33	9,97	9,95	9,84	-1,3%	5,5%
Soya Beans	2,51	2,83	2,86	2,94	3,7%	17,2%
TOTAL	32,88	32,82	29,73	29,55	-10,0%	-10,9%

Sources : EC - DG AGRI

EU rapeseed (MS)

Rapeseed

Production Million tonnes	AVG 5 yrs trimmed	2018/19	2019/20 September	2019/20 October	change year on year	%change 5yrs trimmed
TOTAL EU	21,31	20,04	16,93	16,77	-16,3%	-21,3%
France	5,21	4,95	3,54	3,54	-29%	-32%
Germany	4,62	3,68	2,87	2,85	-23%	-39%
Poland	2,54	2,18	2,39	2,29	5%	-10%
UK	2,23	2,07	1,71	1,77	-15%	-21%
Czech Republic	1,34	1,41	1,19	1,16	-18%	-14%
Romania	1,32	1,61	0,69	0,69	-57%	-48%
Others	4,04	4,14	4,54	4,48	8%	11%

Sources : DG AGRI G.4

EU oilseeds balance sheet

Thousand metric tonnes

OILSEED	2018/19 est				2019/20 fc			
LAST UPDATED: 31/10/2019	Rapeseed	Soybean	Sunflower	TOTAL	Rapeseed	Soybean	Sunflower	TOTAL
Beginning stocks	2.287	2.296	937	5.520	1.520	2.140	891	4.551
Usable production	20.015	2.833	9.973	32.820	16.769	2.938	9.842	29.549
<i>Area (thousand ha)</i>	<i>6.901</i>	<i>956</i>	<i>4.026</i>	<i>11.882</i>	<i>5.641</i>	<i>995</i>	<i>4.350</i>	<i>10.986</i>
<i>Yield (tonnes/ha)</i>	<i>2,9</i>	<i>3,0</i>	<i>2,5</i>	<i>2,8</i>	<i>3,0</i>	<i>3,0</i>	<i>2,3</i>	<i>2,7</i>
Imports (from third countries)	4.232	15.076	521	19.830	6.000	15.100	513	21.613
Total supply	26.534	20.205	11.431	58.170	24.289	20.178	11.246	55.713
Domestic use	24.924	17.907	10.014	52.846	23.189	18.911	9.918	52.018
<i>of which crushing</i>	<i>24.030</i>	<i>15.843</i>	<i>8.907</i>	<i>48.780</i>	<i>22.348</i>	<i>16.599</i>	<i>8.855</i>	<i>47.803</i>
Exports (to third countries)	89	158	526	772	100	167	503	770
Total use	25.014	18.065	10.540	53.619	23.289	19.078	10.421	52.788
Ending stocks	1.520	2.140	891	4.551	1.000	1.100	825	2.925
Change in stocks	-767	-156	-46	-969	-520	-1.040	-66	-1.626



Thank you for your attention!

**Presentations & Balance sheets
available at:**

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

EU Crops Market Observatory

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