



# Meeting summary

7 October 2024

- o The twenty-fifth meeting of the Crops Market Observatory was held on-line on 7 October 2024. DG AGRI Unit E.4 chaired the meeting.
- o The International Grains Council forecasts for **2024/25** a record gains production at 2 315 million tonnes (+0.5% y/y) and consumption 2 325 million tonnes (+0.4% y/y). Global **wheat** production is forecast at 798 million tonnes (+0.4%), the second largest on record, while consumption could reach 803 million tonnes (-0.4% y/y). Despite a sharp drop, Russia will remain the leading exporter, followed by the EU and Canada.
- o **Cereals prices** fell to nearly four-year lows in August due to harvest pressure, relatively slow demand and outlook for ample supplies. Since then, prices increased due to weather concerns, escalating geopolitical tensions with logistical difficulties in North and South America adding to the upward price support.
- o Most farmers in the EU had a very challenging season in **2024/25** due to excessively wet conditions in large parts of western and northern Europe, as well as hot temperatures and severe drought in the S/E. Commission forecasts total EU cereals production at **260.9 million tonnes** (-3.3% y/y and down 7.2% from the five-year trimmed average), incl. 114.6 million tonnes of soft wheat, 50.4 million tonnes of barley and 60.1 million tonnes of maize.
- o According to members, large-scale **wheat imports from Ukraine** to the EU at the start of the season are linked to aggressive selling of Ukrainian traders trying to sell rapidly lower quality crops, as well as EU farmers withholding their harvests at current low prices. Due to quality issues, EU wheat consumption could be slightly higher, as more wheat will be needed to obtain the same quantity of wheat floor.
- o IGC forecasts global **soya bean** production at a record 419 million tonnes. Given ample supplies, soya bean **prices** are under pressure. **EU rapeseed production** is expected to decrease by 12.7% y/y to 17.2 million tonnes, on unfavourable weather conditions. Some members anticipate increased **imports** and **stock** of **soya** owing to the EU Deforestation Regulation.
- o Concerning the grain export routes from **Ukraine**, Black Sea ports regained their historical capacity despite the challenges. In 2024/25, Ukraine's cereals harvest will be 7% lower y/y and stable for oilseeds, while total exports will decline 19%. Farmers started to increase their soya production on strong EU demand. Members stressed the importance of monitoring the Ukrainian production as farmers adapts very quickly.
- o According to first results on **the quality of the 2024 EU cereals harvest**, which does not cover maize due to still on-going harvest, the overall quality is better than one could have expected after the difficult growing conditions. Excessive rains increased mycotoxin levels in some regions, however still remaining below standards. Specific weight of wheat is often lower than usual due to insufficient sunshine.
- o COCERAL presented analysis of impact of climate change on food security and trade. EU maize area is expected to expand to the North of Europe, at the same time, risks of mycotoxin contaminations are to increase. Development of fast, reliable and more representative testing methods for farmers and trade are key to address such challenges.