Animal Feed Market Overview

Civil Dialogue Group on Animal Products

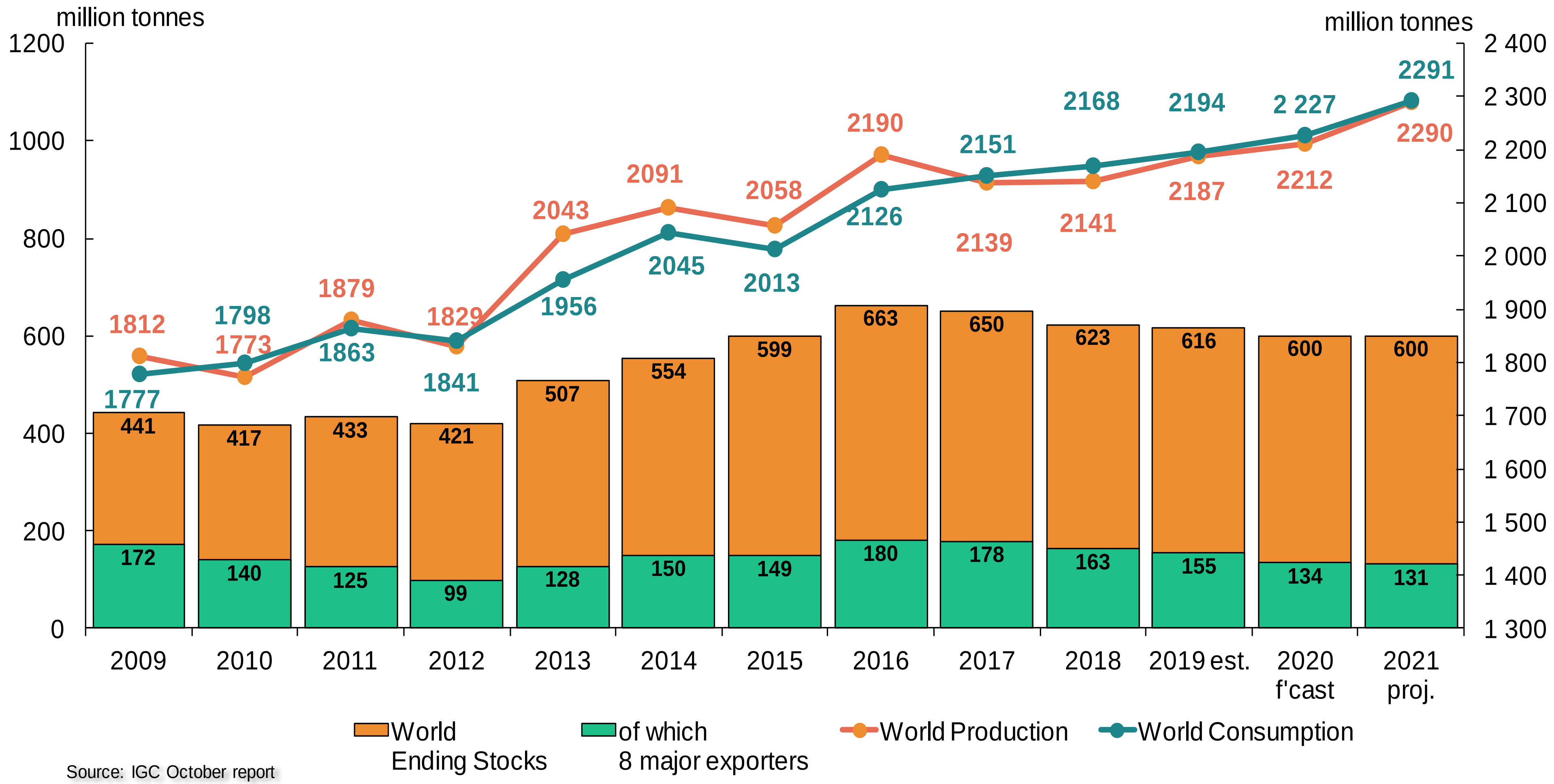
Sector Pig Meat

DG AGRI G.4.

5 November 2020

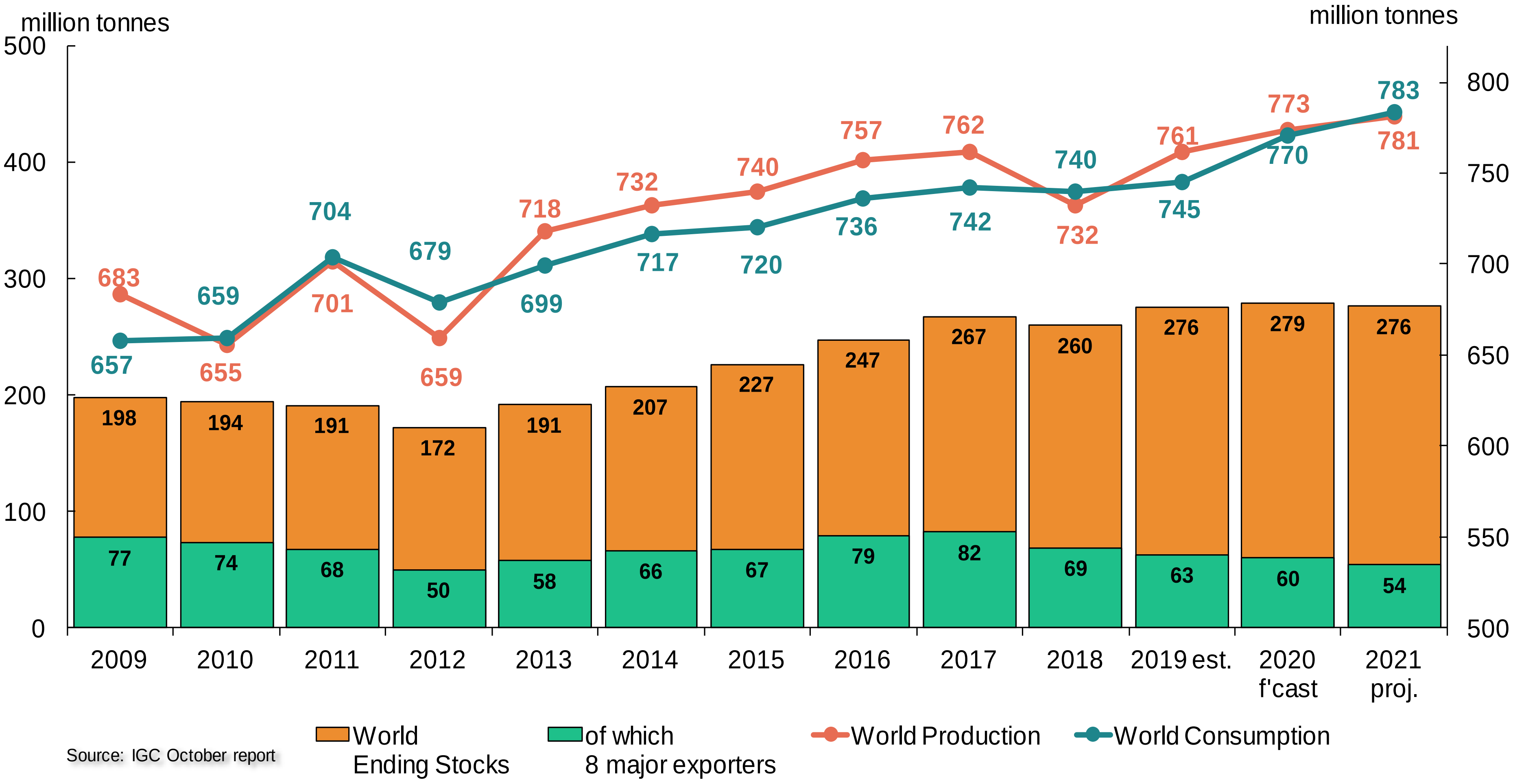
World Cereals Forecasts and Prices

World cereals: IGC



Source: IGC October report

World wheat: IGC



Source: IGC October report

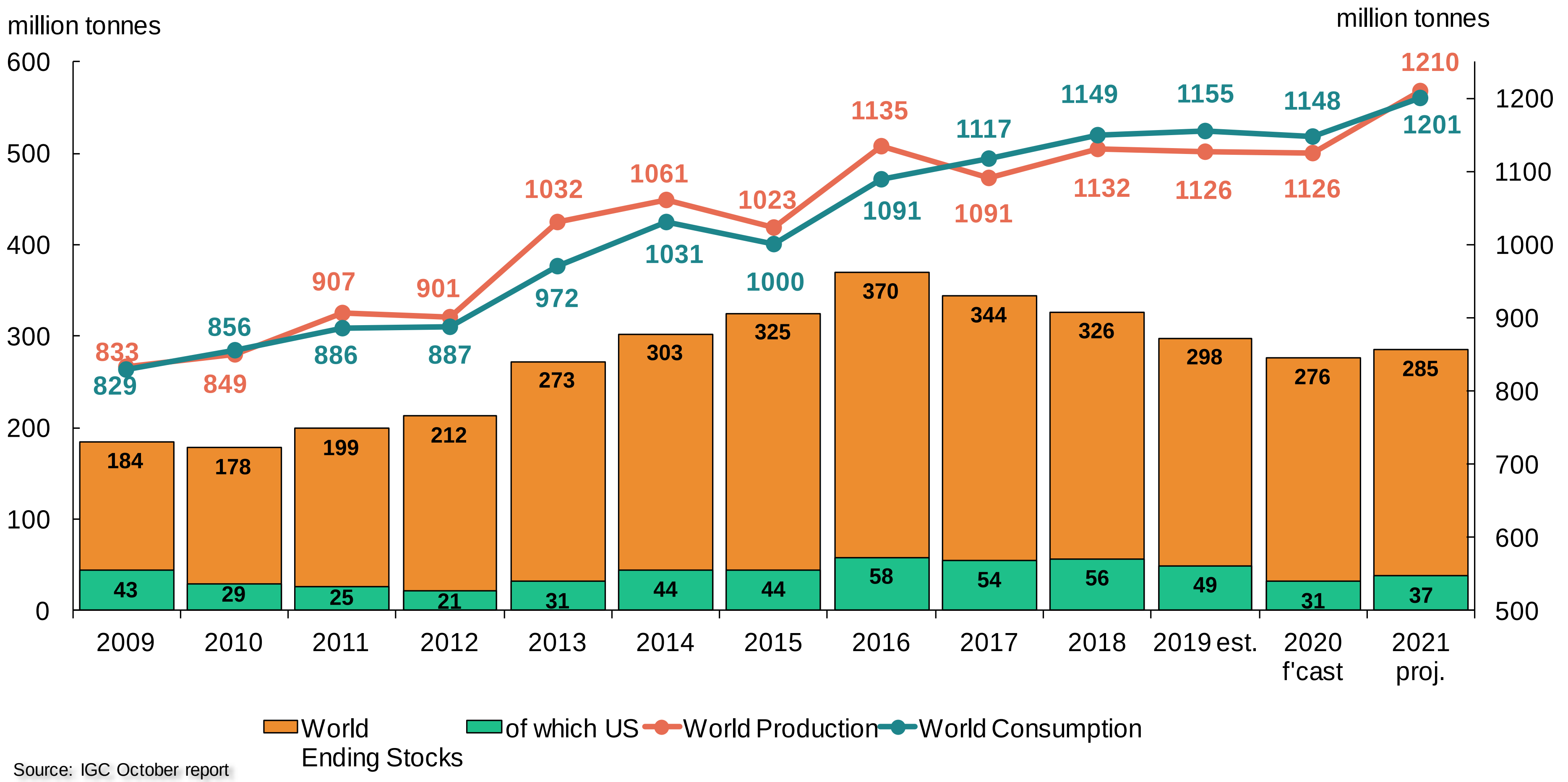
Summary of the IGC Grain Market Report
(GMR 526 of 21/10/2021)
Outlook for 2021/22

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

	2018/19	2019/20	2020/21 *(estimate)*	2021/22 *(forecast)*	*m/m change (m t)*	y/y change
EU-27 **(2020/21)** ***EU-27 + UK to 2019/20***	137.7	155.0	124.5	**138.5**	*+1.8*	+11.2%
USA	51.3	52.6	49.8	**44.8**	*-1.4*	-10.0%
Canada	32.4	32.7	35.2	**21.7**	-	-38.3%
Russia	71.7	73.6	85.4	**75.0**	-	-12.1%
Ukraine	25.1	29.2	25.4	**33.0**	-	+29.8%
Australia	17.6	14.5	33.3	**32.0**	-	-4.0%
China	131.4	133.6	134.3	**137.1**	-	+2.1%
India	99.7	103.6	107.9	**109.5**	-	+1.5%
World	**732.2**	**761.3**	**773.4**	**780.8**	***+0.3***	**+1.0%**

European Commission

World maize: IGC



Source: IGC October report

European Commission

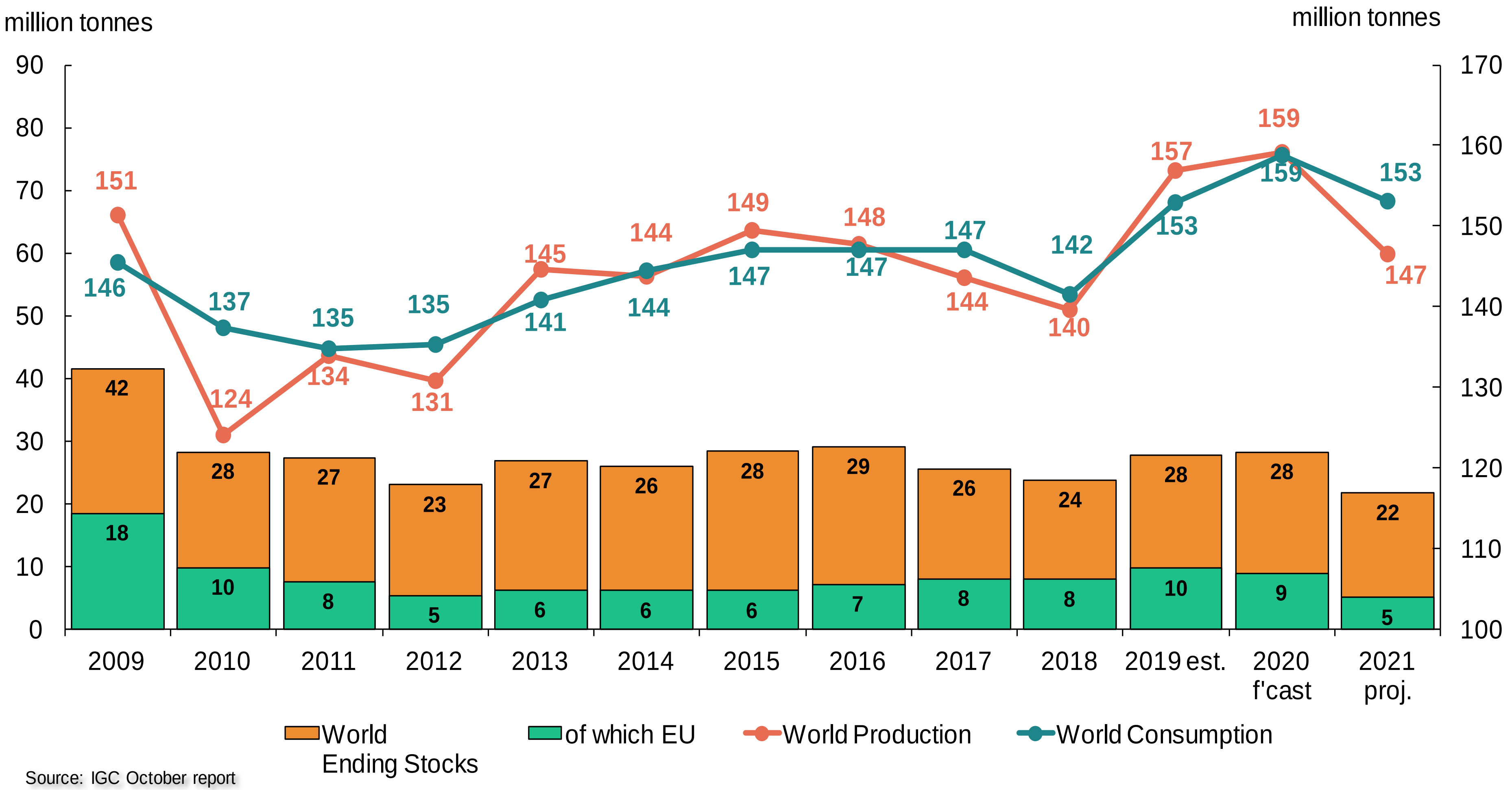
Summary of the IGC Grain Market Report
(GMR 526 of 21/10/2021)
Outlook for 2021/22

<u>Maize</u> production in selected countries (million tonnes)

	2018/19	2019/20	2020/21 *(estimate)*	2021/22 *(forecast)*	*m/m change (m t)*	y/y change
EU-27 **(2020/21)** *EU-27 + UK to 2019/20*	67.0	68.1	64.9	**68.2**	*-0.1*	+5.1%
USA	364.3	346.0	358.4	**381.5**	*+1.2*	+6.4%
Ukraine	35.8	35.9	30.0	**38.5**	-	+28.3%
Russia	11.4	14.3	13.9	**15.0**	*-0.2*	+8.1%
Brazil	100.0	102.5	87.0	**117.4**	-	+35.0%
Argentina	56.9	58.5	60.5	**63.3**	-	+4.7%
China	257.3	260.8	260.7	**272.8**	-	+4.6%
World	**1,131.8**	**1,126.5**	**1,125.9**	**1,210.1**	***+1.0***	**+7.5%**

European Commission

World barley: IGC



Source: IGC October report

Summary of the IGC Grain Market Report

(GMR 526 of 21/10/2021)

Outlook for 2021/22

<u>Barley</u> production in selected countries (million tonnes)

	2018/19	2019/20	2020/21 *(estimate)*	2021/22 *(forecast)*	*m/m change (m t)*	y/y change
EU-27 **(2020/21)** ***EU-27 + UK to 2019/20***	56.3	63.4	54.8	**52.3**	*-0.7*	-4.6%
United Kingdom	6.6	8.2	8.1	**7.1**	-	-12.4%
Russia	16.7	19.9	20.6	**18.1**	-	-12.3%
Ukraine	7.6	9.5	7.9	**10.2**	-	+28.4%
Australia	8.8	10.1	13.1	**12.3**	-	-6.1%
Canada	8.4	10.4	10.7	**7.1**	-	-33.5%
Turkey	7.0	7.6	8.3	**5.5**	-	-33.7%
World	**139.6**	**156.9**	**159.2**	**146.6**	***-0.5***	**-7.9%**

European Commission

Canada: Outlook for Principle Field Crops in 2021/22

(source: **AAFC**; crop year = Aug/July)

20-10-2021	2019/20	2020/21	2021/22 f'	m/m	y/y
Durum prod' (m t)	5.02	6.57	**3.55**	-	-46.1%
exports (m t)	5.27	5.77	**3.10**	-	-46.3%
All wheat prod'(m t)	32.67	35.18	**21.72**	-	-38.3%
exports (m t)	24.35	26.41	**16.10**	***+0.50***	-39.0%
Barley prod' (m t)	10.38	10.74	**7.14**	-	-33.5%
exports (m t)	3.05	4.57	**2.05**	-	-55.2%
Oats prod' (m t)	4.23	4.58	**2.58**	-	-43.6%
exports (m t)	2.62	2.93	**1.80**	-	-38.5%
Canola prod' (m t)	19.91	19.49	**12.78**	-	-34.4%
Exports (m t)	10.04	10.53	**6.50**	-	-38.3%

European Commission

Brazil

CONAB October report: First S&D Outlook for **2021/22** (www.conab.gov.br)

- **Maize**: production is expected to rebound sharply due to larger area and assuming average growing conditions. Total maize area is forecast at 20.9m ha (+4.7% y/y), incl. 4.4m ha for the first crop (+1.6%) and 15.9m ha for the second (*safrinha*) crop (+5.8%). Average yield for the entire harvest is projected at 5.57 t/ha (+27.7%), incl. 6.42 t/ha for the first crop (+12.7%) and 5.44 t/ha for the second crop (+34.4%). In 2020/21 the *safrinha* crop was severely damaged by late planting, drought and frost events. Domestic consumption is expected to remain strong and increase by 3.8% to 73.7m t. In view of the anticipated recovery of production, exports are estimated at 39.0m t (+17.0m t y/y).

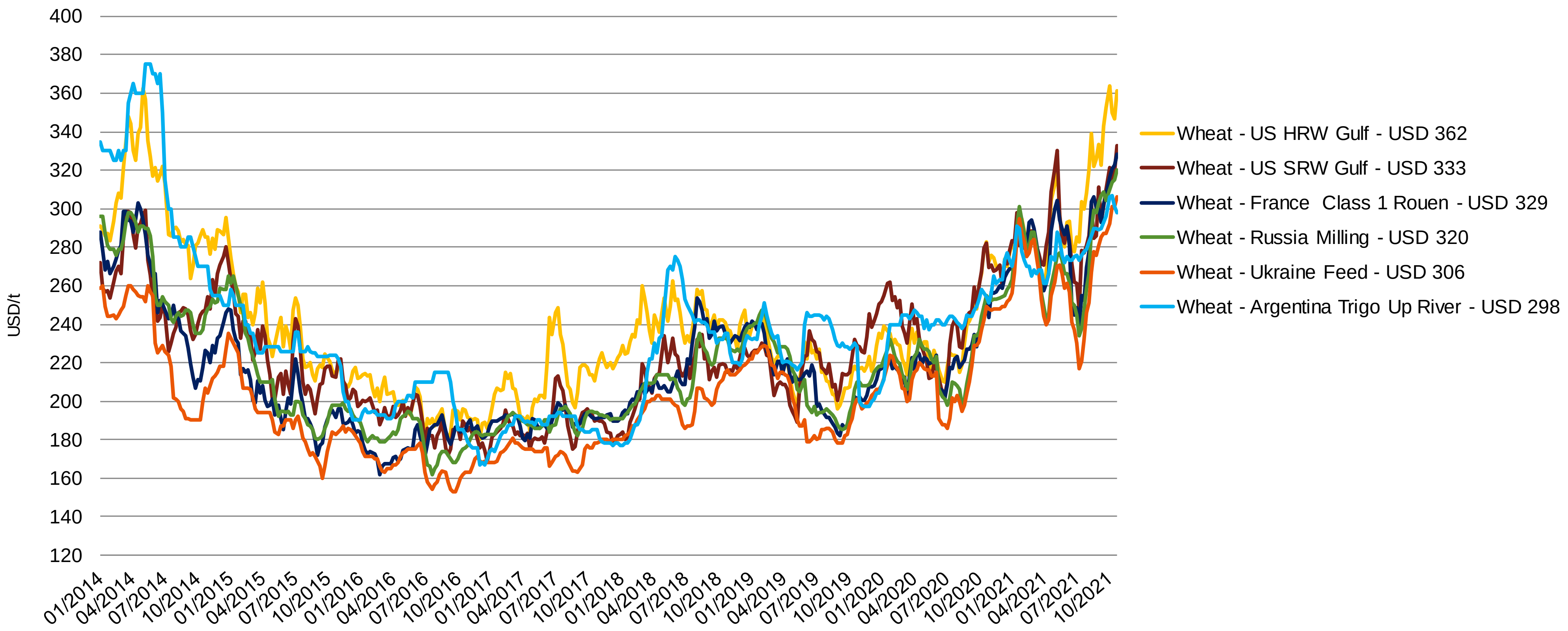
- **Soya beans**: linked to larger area placed at 39.9m ha (+2.5% y/y), production is projected at a new peak of 140.7m t with average yield seen steady y/y at 3.53 t/ha. Exports are forecast at 87.4m t.

- **Wheat:** production estimate is unchanged m/m at 8.2m t, with area seen at 2.7m ha (+15.6% y/y) and average yield at 3.03 t/ha (+13.7%). Domestic demand is expected to increase in 2021/22 to 12.3m t (+3.7% y/y), with imports seen steady y/y at 6.0m t.

7-10-2021	Forecast	+/- previous f'cast	Previous year	+/- y/y
Wheat prod *(m t)*	8.2	-	6.2	+31.4%
Soya beans prod (m t)	140.7	n/a	137.3	+2.5%
Maize prod (m t)	116.3	n/a	87.0	+33.7%
Maize 1st crop	*28.3*	*n/a*	*24.7*	*+14.5%*
Maize 2nd crop	*86.3*	*n/a*	*60.7*	*+42.2%*
Maize 3rd crop	*1.7*	*n/a*	*1.5*	*+8.6%*
Maize exports	*39.0*	*n/a*	*22.0*	*+77.3%*

European Commission

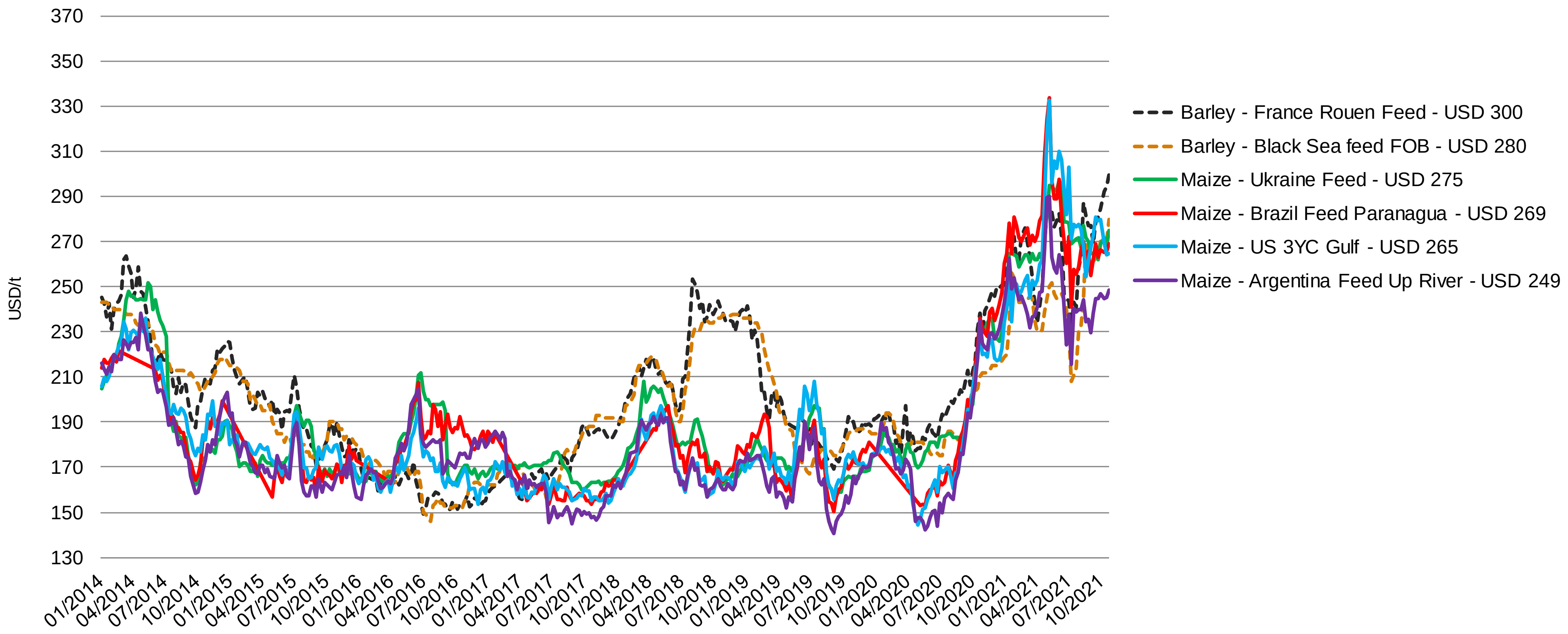
World common wheat prices (USD/t)



Source: IGC

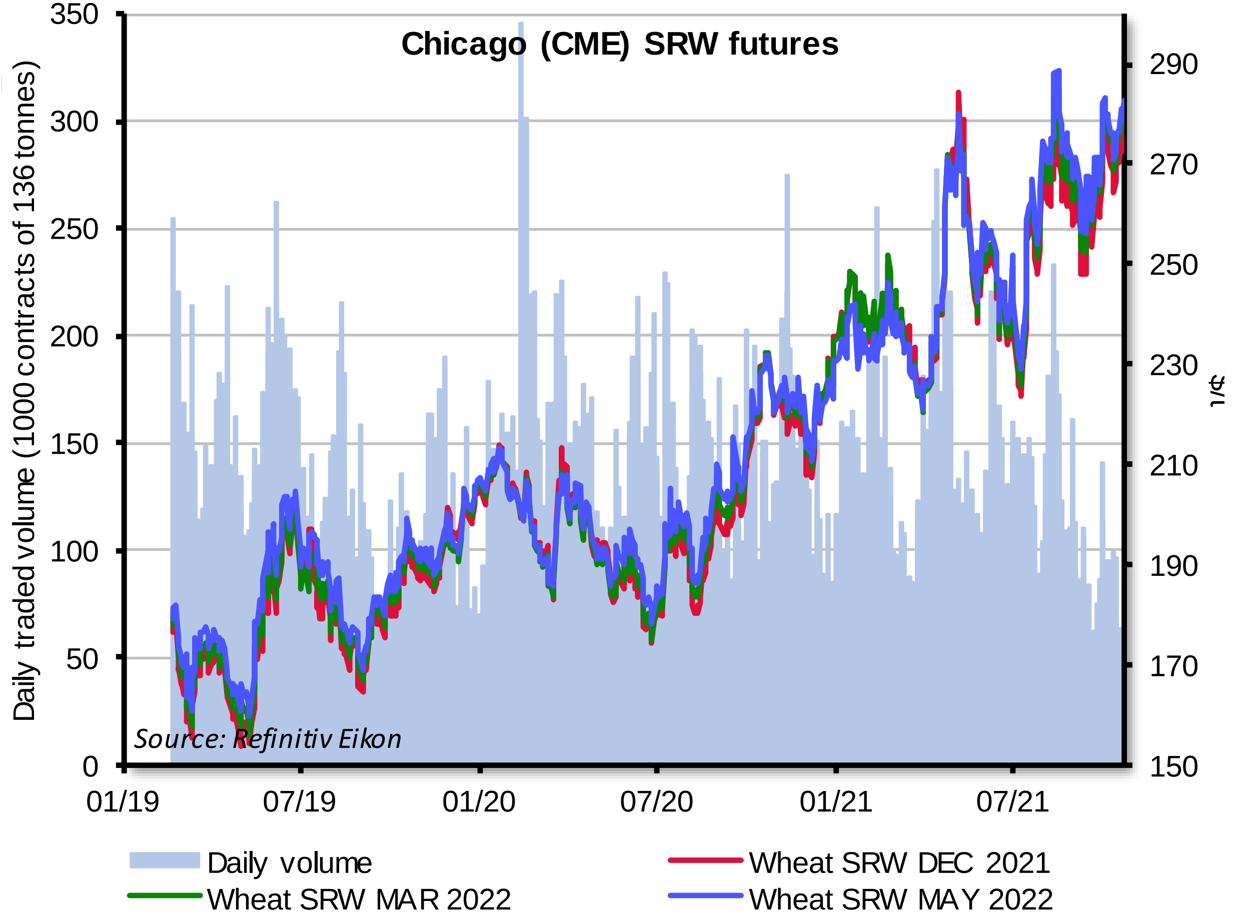
Latest prices referring to (if not stated otherwise): 22/10/2021

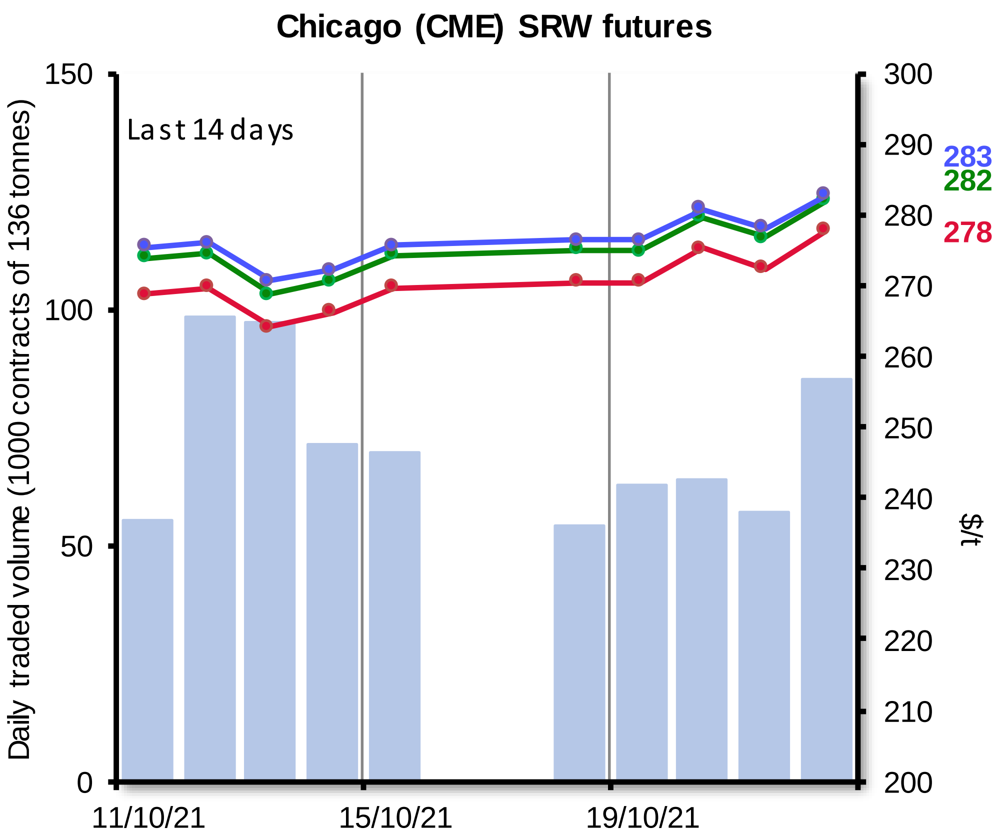
World maize and barley prices (USD/t)



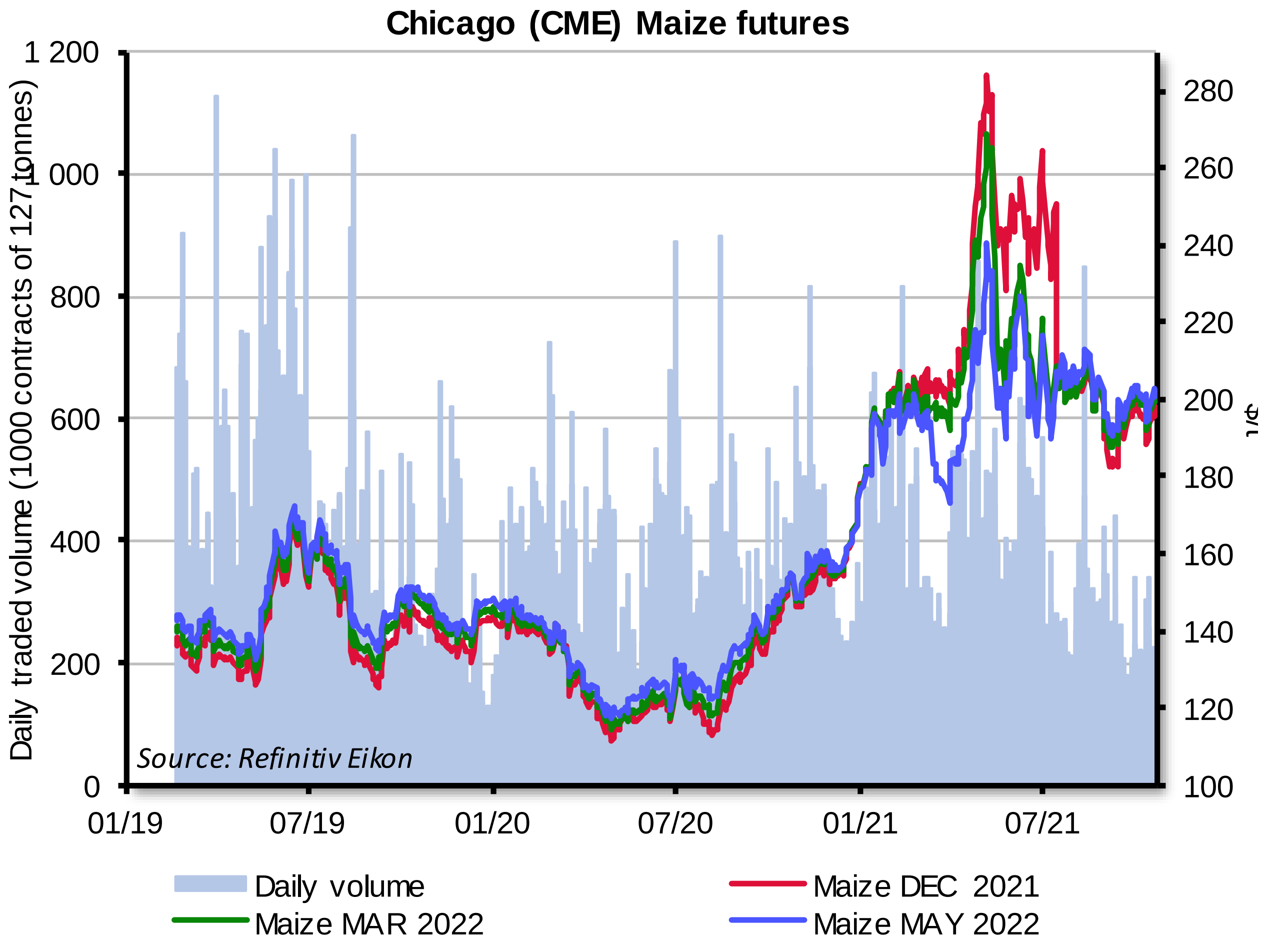
Source: IGC
Latest prices referring to (if not stated otherwise): 22/10/2021

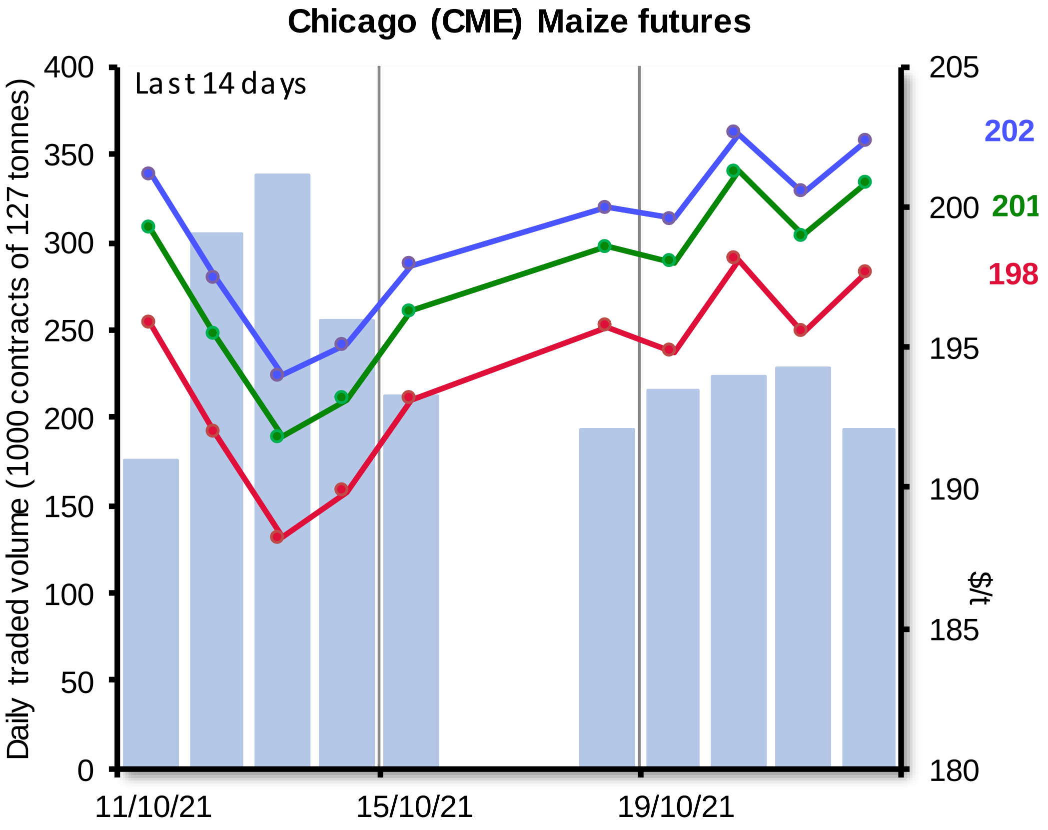
US CME SRW wheat futures





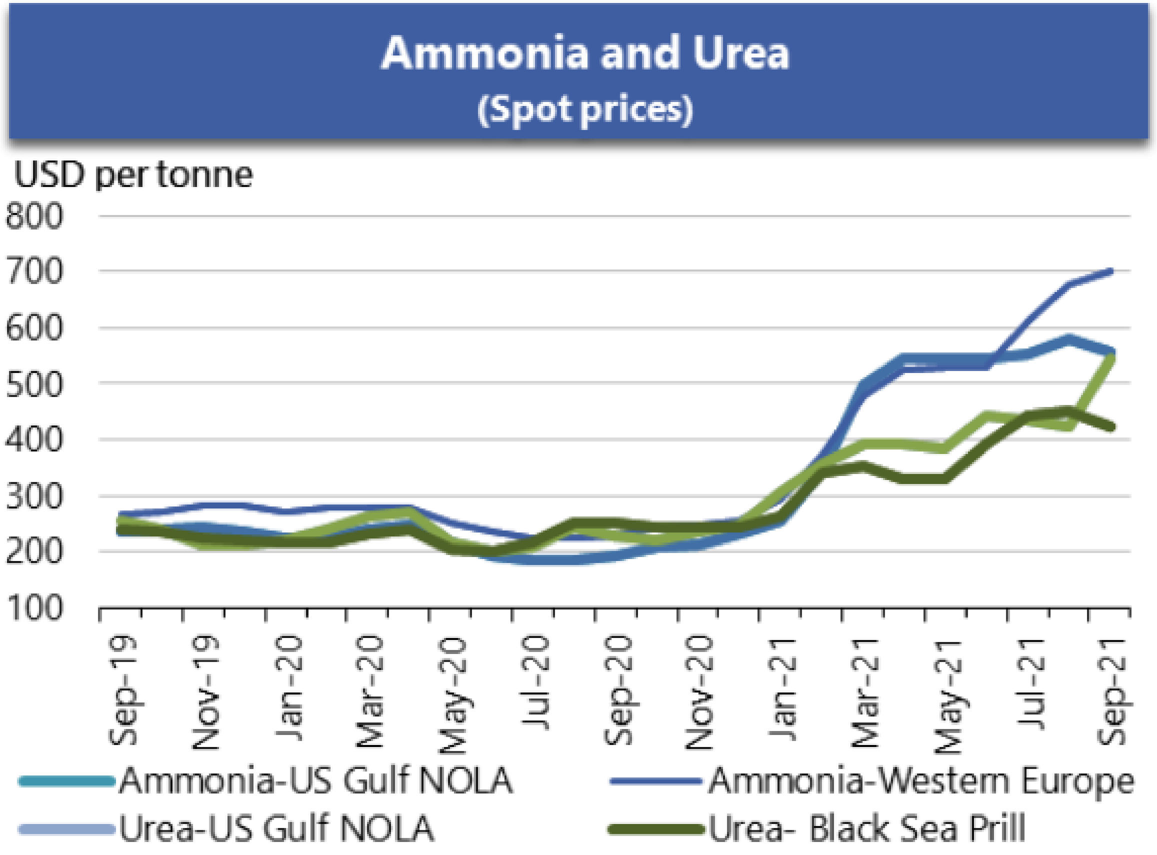
CME maize futures





European Commission

Fertilizer outlook



Source: AMIS - Market Monitor

European Commission

Baltic Dry Index

European Commission

EU Cereals Forecasts and Prices

European Commission

EU27 2021/2022 Production

(million tonnes)

	2019/20	2020/2021	2021/2022		
			Sept. Forecast	Oct. Forecast	vs. 2020/2021 (%)
Soft wheat	*131.1*	*117.6*	*131.0*	*130.3*	*10.8*
Durum wheat	*7.4*	*7.3*	*8.0*	*7.4*	*0.5*
Barley	*55.0*	*54.8*	*52.4*	*51.9*	*-5.2*
Maize	*70.1*	*65.4*	*68.8*	*67.8*	*3.7*
Rye	*8.3*	*8.8*	*7.9*	*7.8*	*-12.2*
Oats	*6.9*	*8.3*	*7.9*	*7.8*	*-6.6*
Total	**294.5**	**279.1**	**292.2**	**289.0**	**3.6**

Source: DG AGRI -G4

European Commission

EU 2021/2022 Cereals Balance Sheet

(thousand metric tonnes)

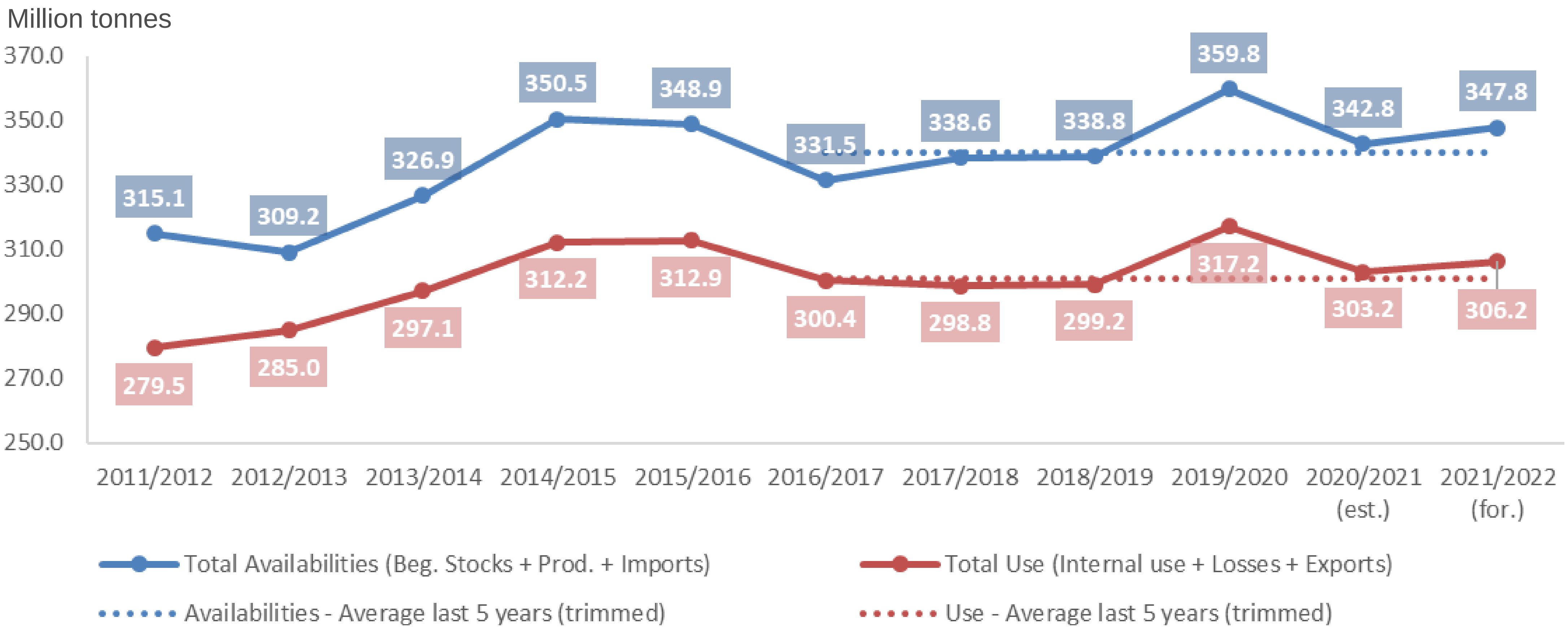
LAST UPDATED: 29/10/2021

	2021/22 fc									
	Common wheat	Barley	Durum wheat	Maize	Rye	Sorghum	Oats	Triticale	Others	TOTAL CEREALS
Beginning stocks	**8 240**	**5 348**	**2 158**	**17 800**	**971**	**1 256**	**1 272**	**1 505**	**1 047**	**39 598**
Usable production	130 304	51 944	7 380	67 833	7 765	977	7 760	11 600	3 484	289 048
Area (thousand ha)	*21 715*	*10 380*	*2 157*	*9 183*	*1 921*	*182*	*2 592*	*2 670*	*1 203*	*52 002*
Yield (tonnes/ha)	*6*	*5*	*3*	*7*	*4*	*5*	*3*	*4*	*3*	*6*
Imports (from third countries)	1 500	1 332	1 500	14 500	56	100	47	1	161	19 197
Total supply	**140 044**	**58 624**	**11 038**	**100 133**	**8 793**	**2 333**	**9 079**	**13 106**	**4 693**	**347 842**
Total domestic use	96 135	43 905	9 129	81 518	7 410	1 090	7 299	11 566	3 784	261 835
Human consumption	41 153	363	8 090	4 709	2 963	155	1 101	52	23	58 609
Seed	4 600	2 131	400	402	300	29	350	500	270	8 981
Industrial uses	9 400	6 700	95	11 900	1 500		101	445	170	30 310
of which bioethanol/biofuel	*3 400*	*437*		*6 800*	*900*			*344*	*14*	*11 895*
Animal feed	40 200	34 400	500	64 100	2 600	900	5 700	10 500	3 300	162 200
Losses	782	312	44	407	47	6	47	70	21	1 734
Exports (to third countries)	30 000	9 500	800	3 728	166	15	173	4	19	44 406
Total use	**126 135**	**53 405**	**9 929**	**85 246**	**7 576**	**1 105**	**7 472**	**11 570**	**3 803**	**306 241**
Ending stocks**	**13 909**	**5 219**	**1 110**	**14 887**	**1 217**	**1 227**	**1 606**	**1 536**	**890**	**41 601**
Change in stocks**	5 668	-129	-1 049	-2 912	246	-29	334	30	-157	2 003

* Marketing year: from July to June

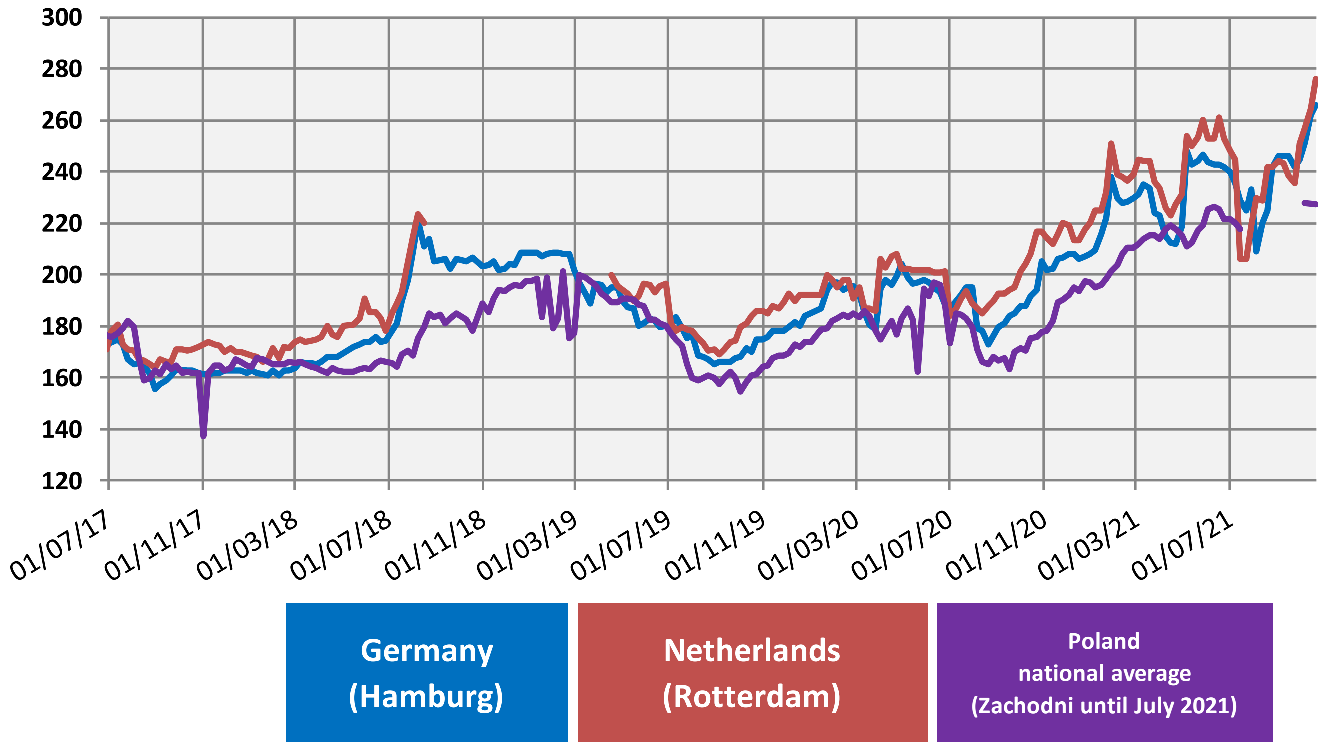
** At the end of the marketing year

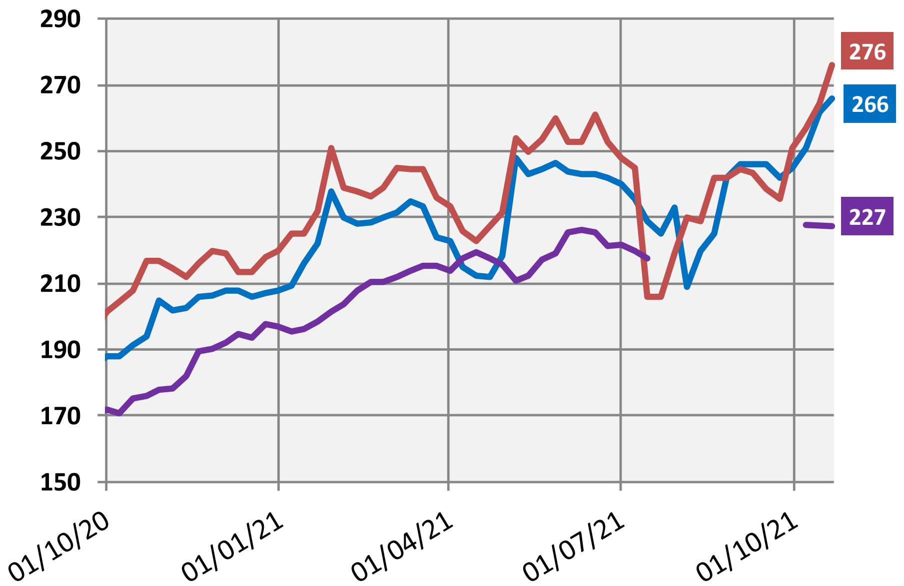
Estimated EU availabilities and uses



European Commission

EU market prices for feed wheat – (EUR per tonne)





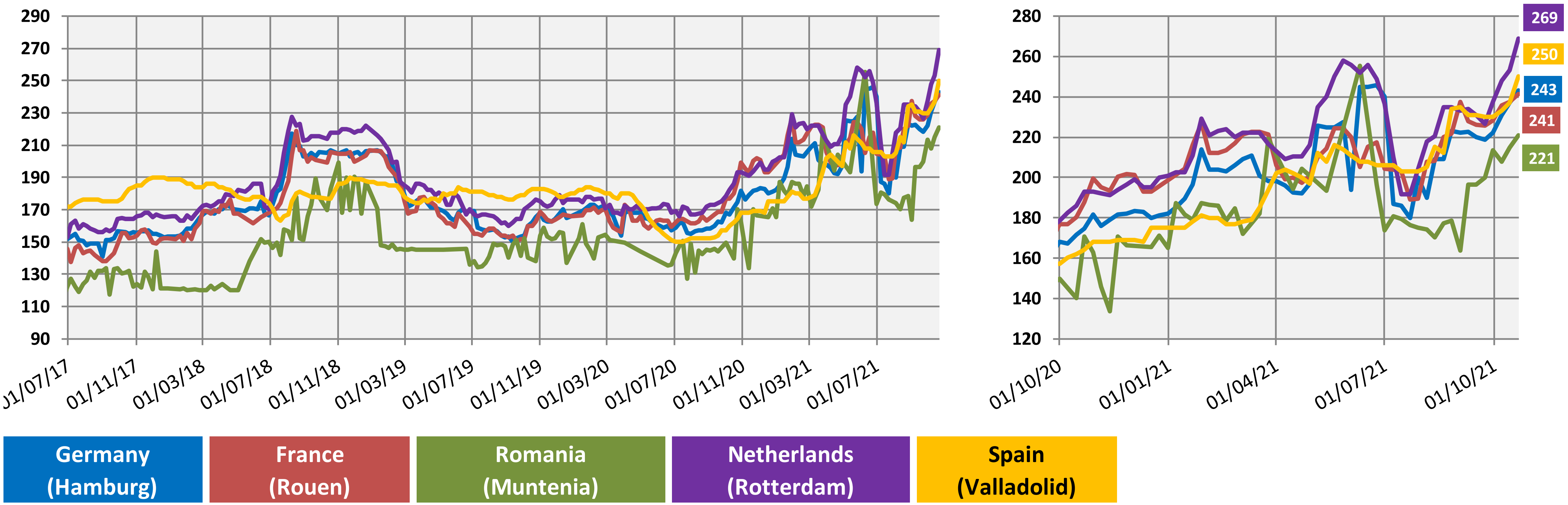
Source: Member States notification - Commission Implementing Regulation (EU) 2017/1185 Art.11, Annex I Point 1

Netherlands (CIF Rotterdam)

- EUR 276 per tonne; +16.9% month-on-month; +27.2% year-on-year

European Commission

EU market prices for feed barley – (EUR per tonne)



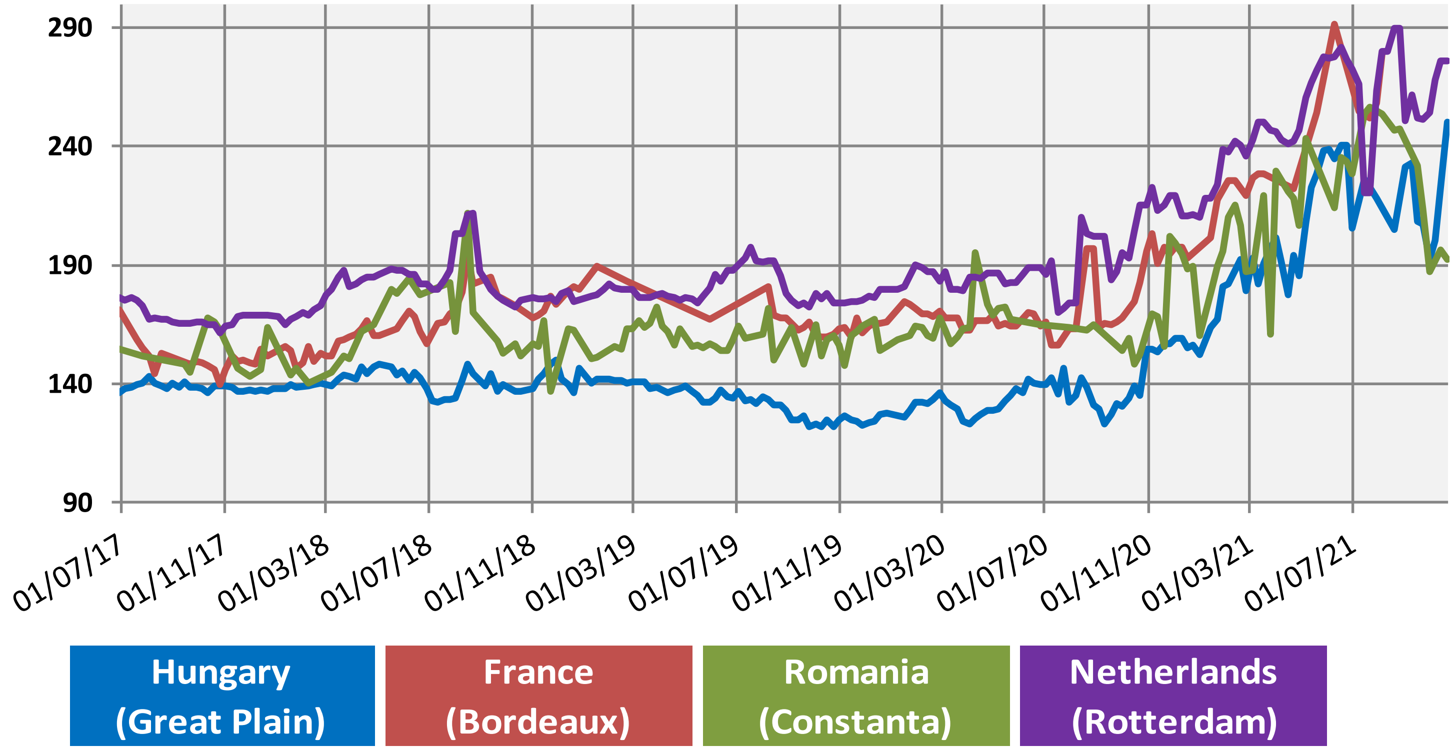
Source: Member States notification - Commission Implementing Regulation (EU) 2017/1185 Art.11, Annex I Point 1

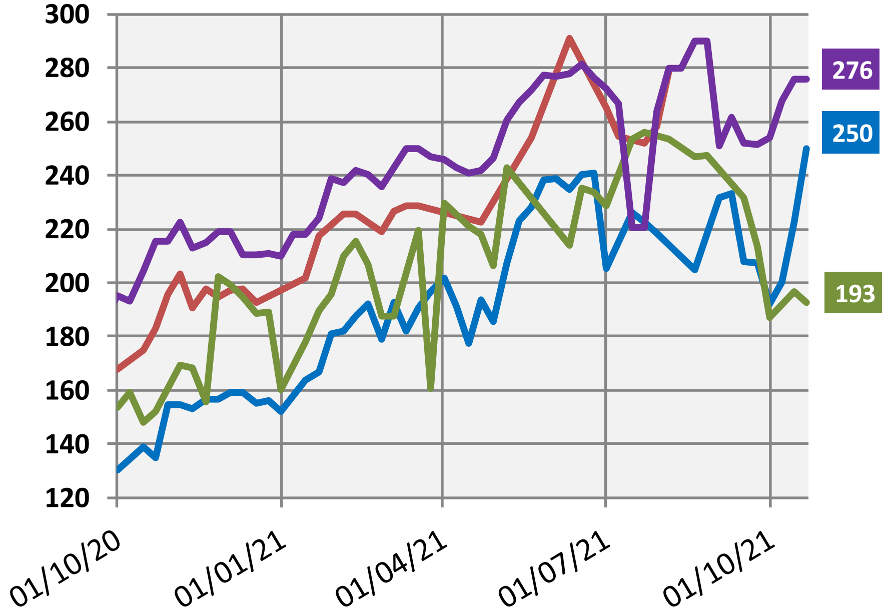
France
(DELPORT Rouen)

- EUR 241 per tonne; +6.6% month-on-month; +28.2% year-on-year

European Commission

EU market prices for maize – (EUR per tonne)





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

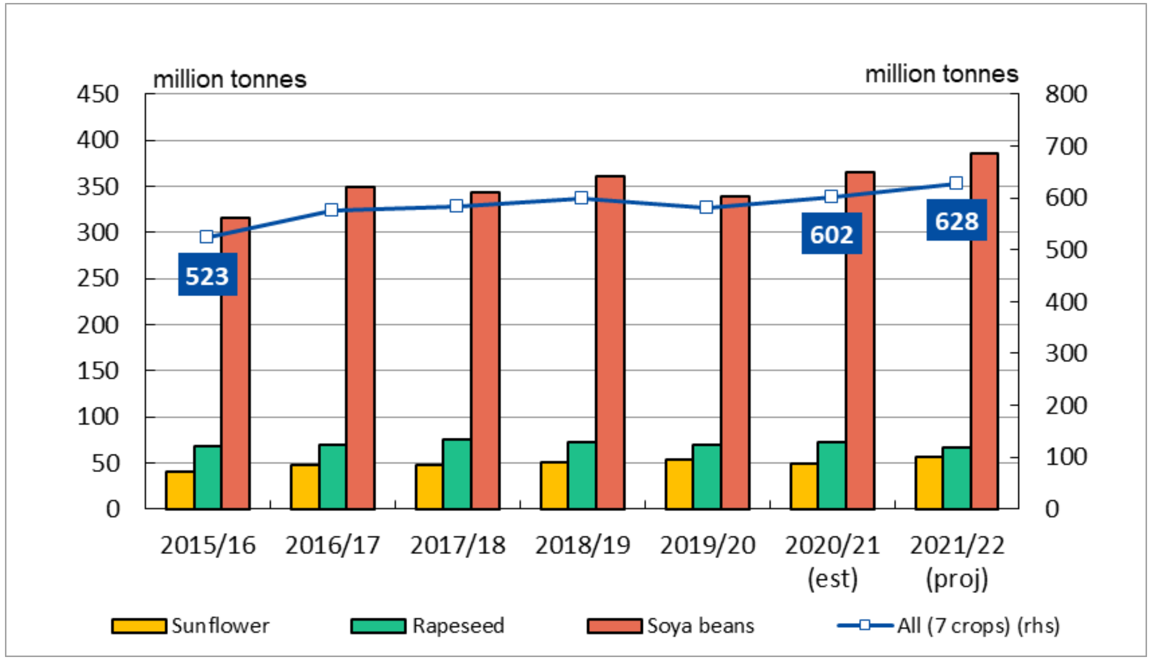
Hungary (FGATE Great Plain)

- EUR 250 per tonne; +20.8% month-on-month; +85.2% year-on-year

World and EU Oilseeds Forecasts and Prices

European Commission

2021/22 World Oilseeds (USDA)

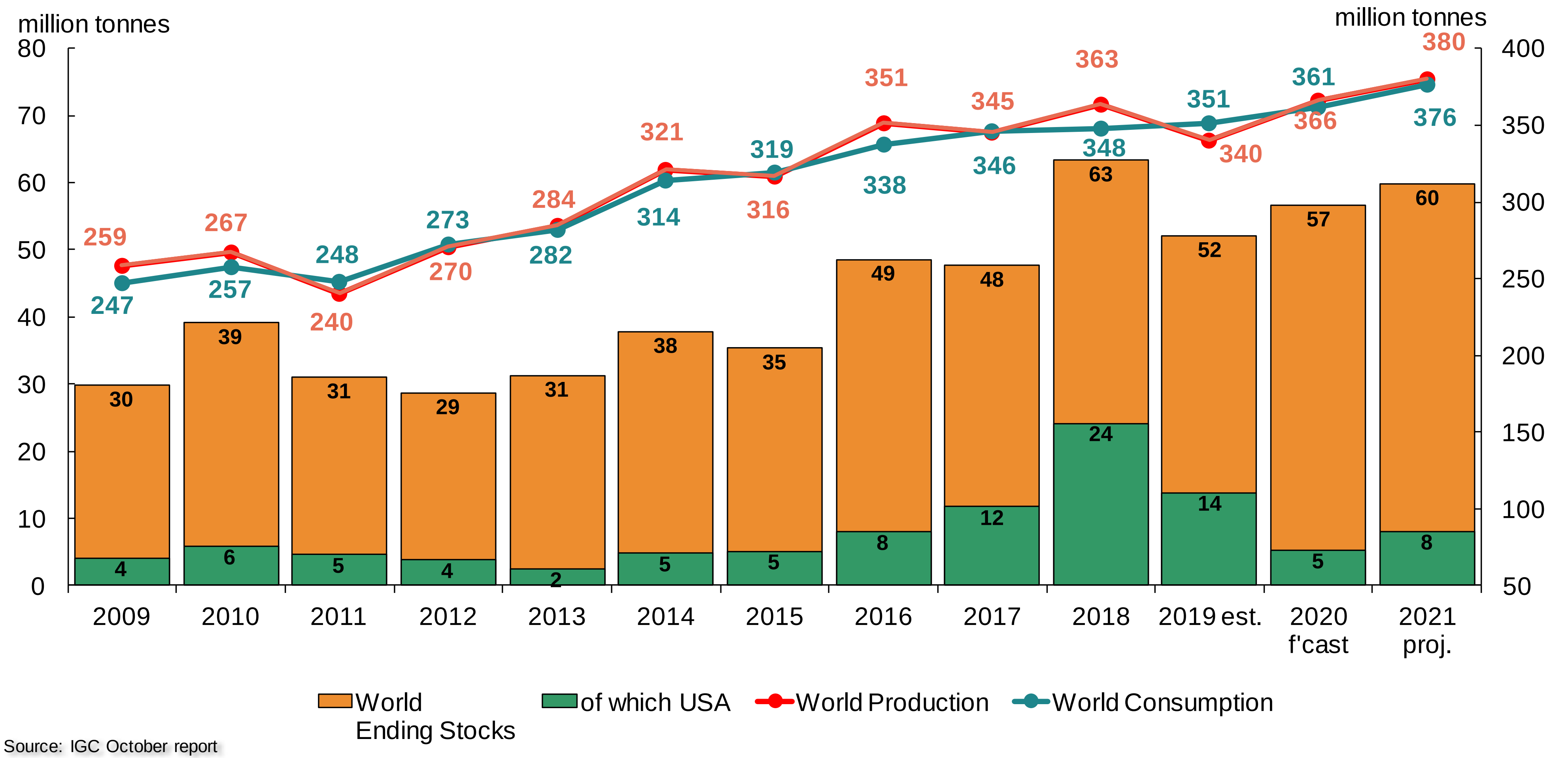


21/22 outlook (changes y/y):

Total Oilseeds: **628 mt** (+26)

- Soya beans: 385 mt
- Rapeseed: 67 mt
- Sunflower: 56 mt

World soya: IGC



Source: IGC October report

IGC: soya beans production forecast in selected countries

mt	18/19	19/20	20/21 (est.)	21/22 (f'cast)	*y/y change*
Major exporters					
USA	120.5	96.7	114.7	121.1	*+ 5.5%*
Brazil	119.5	128.0	137.3	142.0	*+ 3.4%*
Argentina	55.3	49.0	45.0	47.0	*+ 4.4%*
Selected others					
China	16.0	18.1	19.6	18.7	*- 4.8%*
India	13.3	11.2	12.9	12.2	*- 5.1%*
Paraguay	8.8	10.0	9.8	10.4	*+ 6.4%*
Canada	7.4	6.1	6.4	5.9	*- 7.1%*
Russia	4.3	4.4	4.3	4.6	*+ 8.0%*
Ukraine	4.5	3.7	2.8	3.2	*+ 15.2%*
Uruguay	2.8	2.0	1.7	2.6	*+ 52.2%*
World total	**363.2**	**340.1**	**366.0**	**379.5**	*+ 3.7%*

World Oilseeds: key messages

October - USDA WASDE Report projections 2021/22 marketing year:

- Global **oilseeds production** is projected at 628 million tonnes, up 26 million tonnes from the previous marketing year on sharp increase for soya beans.

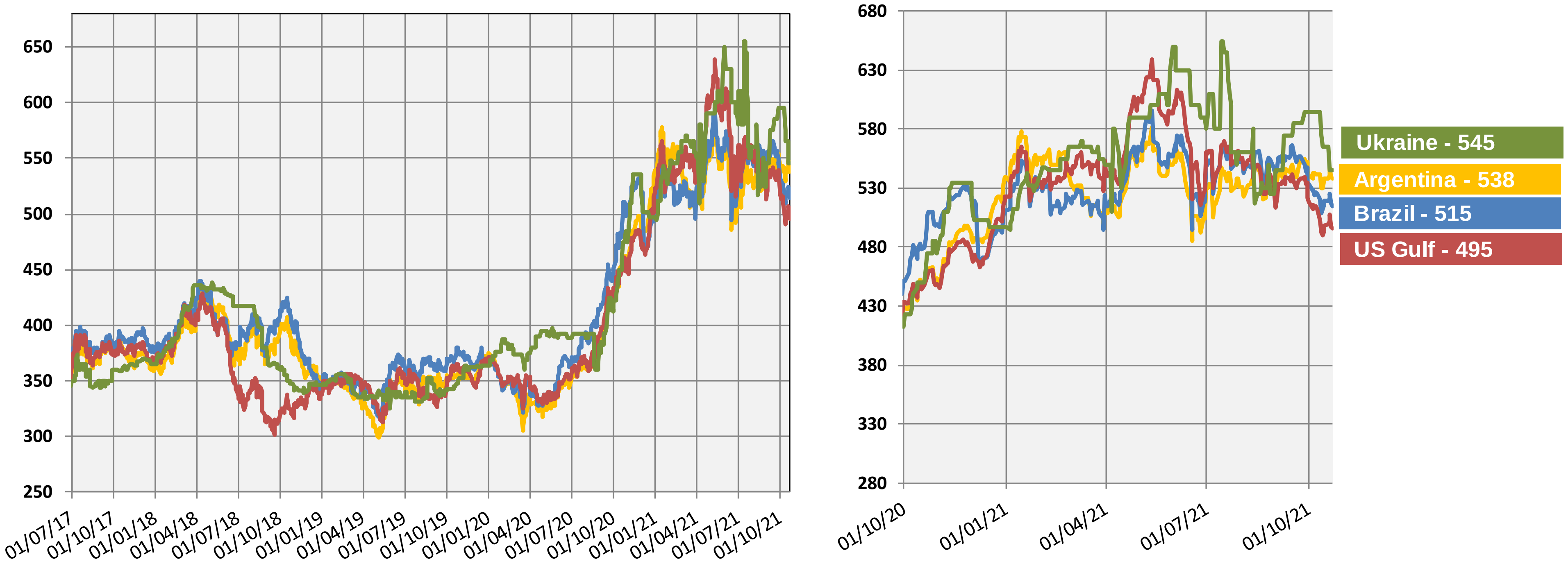
- Global **soya bean production** is forecast at record levels of 385 million tonnes, slightly up from previous month (0.7mt) mainly on higher production for U.S.

October – IGC Report projections 2021/22 marketing year:

- Global **soya beans** production for 2021/22 is unchanged compared to last month, at 380 million tonnes (+4% compared to previous season), with outlooks for expanded acreage and improved yields. Consumption is seen rising by 4% to 376 million tonnes on higher use in Asia and the Americas.

- Global **rapeseed** production is estimated to sharply decrease to 68 million tonnes (7% down compared to previous season) due to a steep contraction in Canada.

World export prices for soya beans – (USD/tonne)

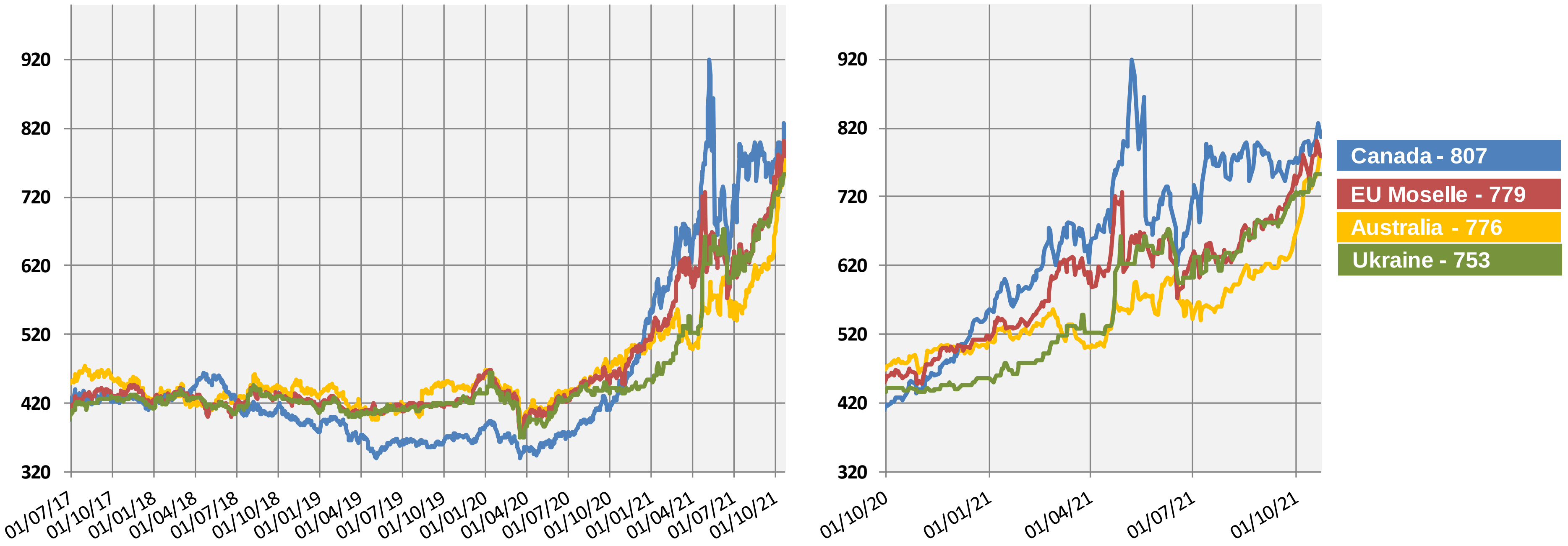


Source: International Grains Council

Latest prices referring to: 22/10/2021

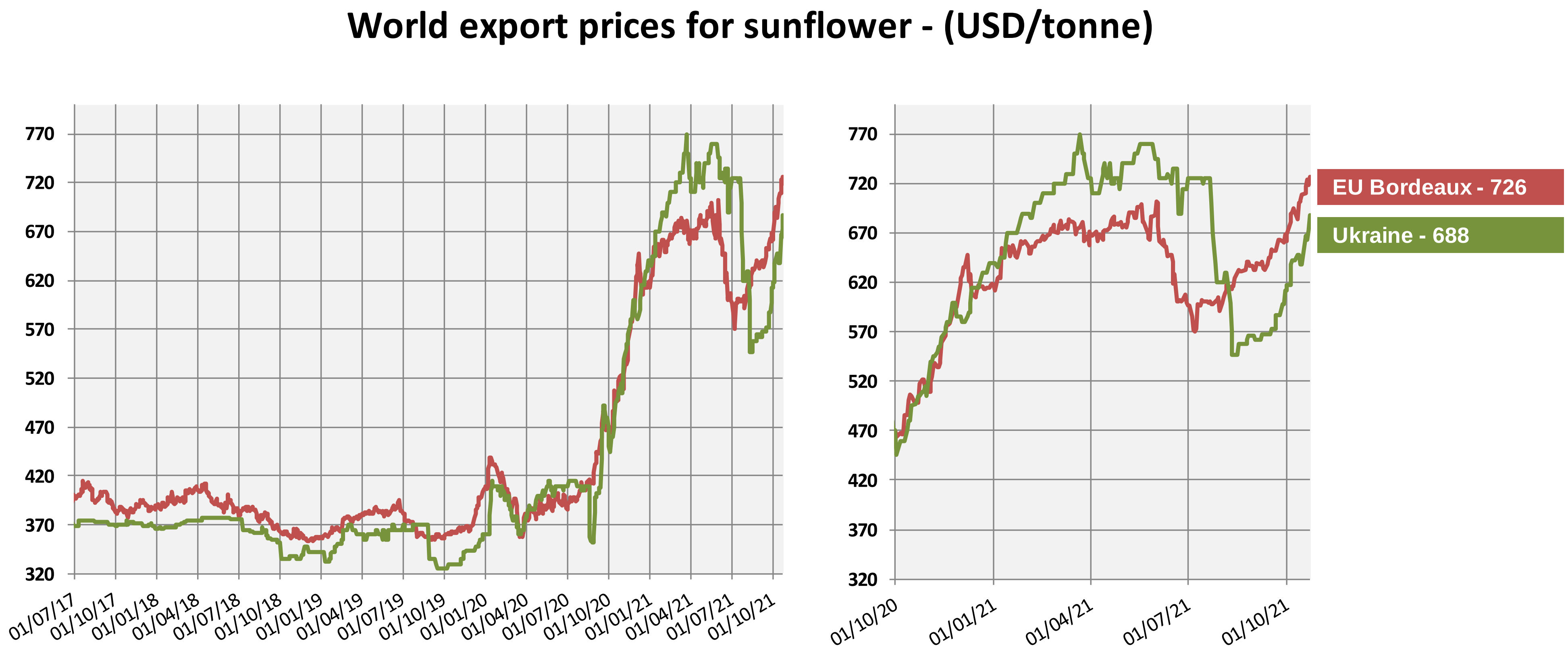
European Commission

World export prices for rapeseed – (USD/tonne)



Source: International Grains Council
Latest prices referring to: 22/10/2021

World export prices for sunflower – (USD/tonne)



Source: International Grains Council
Latest prices referring to: 22/10/2021

EU oilseeds 2021/22 forecast

EU OILSEEDS AREA *(million hectares)*

	5-year trimmed average	2020/21	2021/22 October	2021/22 vs. 2020/21 (%)	2021/22 vs. 5-y AVG (%)
Rapeseed	*5.78*	*5.20*	*5.33*	*2.6*	*-7.7*
Sunflower	*4.26*	*4.44*	*4.49*	*0.9*	*5.3*
Soya Beans	*0.94*	*0.95*	*0.93*	*-1.6*	*-0.4*
TOTAL	**10.98**	**10.59**	**10.75**	**1.5**	**-2.1**

EU OILSEEDS PRODUCTION *(million tonnes)*

	5-year trimmed average	2020/21	2021/22 October	2021/22 vs. 2020/21 (%)	2021/22 vs. 5-y AVG (%)
Rapeseed	*17.54*	*16.28*	*17.03*	*4.6*	*-2.9*
Sunflower	*9.76*	*9.07*	*10.35*	*14.1*	*6.0*
Soya Beans	*2.68*	*2.63*	*2.81*	*6.9*	*4.9*
TOTAL	**29.57**	**27.98**	**30.19**	**7.9**	**0.7**

Sources : EC - DG AGRI.

European Commission

Oilseeds balance sheet (EU)

OILSEEDS SUPPLY & DEMAND *(thousand metric tonnes)*

last updated: 29/10/2021	2020/21 est.				2021/22 fc			
	Rapeseed	Soya beans	Sunflower	TOTAL	Rapeseed	Soya beans	Sunflower	TOTAL
Beginning stocks	**1 500**	**1 500**	**1 000**	**4 000**	**500**	**1 100**	**700**	**2 300**
Usable production	16 278	2 630	9 068	27 975	17 033	2 811	10 345	30 189
Area (thousand ha)	5 196	948	4 445	10 589	5 333	933	4 485	10 752
Yield (tonnes/ha)	3.13	2.77	2.04	2.64	3.19	3.01	2.31	2.81
Imports (from third countries)	5 853	14 957	818	21 628	5 700	14 707	700	21 107
Total supply	**23 632**	**19 086**	**10 885**	**53 604**	**23 233**	**18 618**	**11 745**	**53 596**
Domestic use	22 959	17 789	9 514	50 262	22 633	17 187	10 232	50 053
of which crushing	*(22 162)*	*(15 701)*	*(8 408)*	*(46 271)*	*(21 845)*	*(15 158)*	*(9 053)*	*(46 056)*
Exports (to third countries)	173	197	672	1 042	100	231	610	941
Total use	**23 132**	**17 986**	**10 185**	**51 304**	**22 733**	**17 418**	**10 843**	**50 994**
Ending stocks	**500**	**1 100**	**700**	**2 300**	**500**	**1 200**	**903**	**2 603**
Change in stocks	-1 000	-400	-300	-1 700	-	100	203	303

Sources : EC – DG AGRI

Oilmeals balance sheet (EU)

OILSEED MEALS SUPPLY & DEMAND *(thousand metric tonnes)*

last updated: 29/10/2021	2020/21 est.				2021/22 fc			
	Rapeseed	Soya beans	Sunflower	TOTAL	Rapeseed	Soya beans	Sunflower	TOTAL
Beginning stocks	**50**	**340**	**100**	**490**	**50**	**342**	**100**	**492**
Usable production	12 632	12 404	4 624	29 660	12 451	11 975	4 979	29 406
Imports (from third countries)	466	16 595	2 684	19 745	434	16 300	2 700	19 434
Total supply	**13 149**	**29 339**	**7 408**	**49 896**	**12 936**	**28 617**	**7 779**	**49 332**
Domestic use	12 348	28 222	6 698	47 269	12 298	27 545	7 122	46 965
Exports (to third countries)	750	774	610	2 135	588	731	557	1 876
Total use	**13 099**	**28 997**	**7 308**	**49 404**	**12 886**	**28 276**	**7 679**	**48 841**
Ending stocks	**50**	**342**	**100**	**492**	**50**	**342**	**100**	**492**
Change in stocks	-	2	-	2	-	-1	-	-1

Sources : EC – DG AGRI

European Commission

Thank you

Market data the for cereals, oilseeds and protein crops are available at the EU Crops Market Observatory https://ec.europa.eu/agriculture/market-observatory/crops

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