

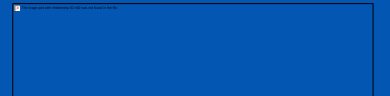


Cereals market situation

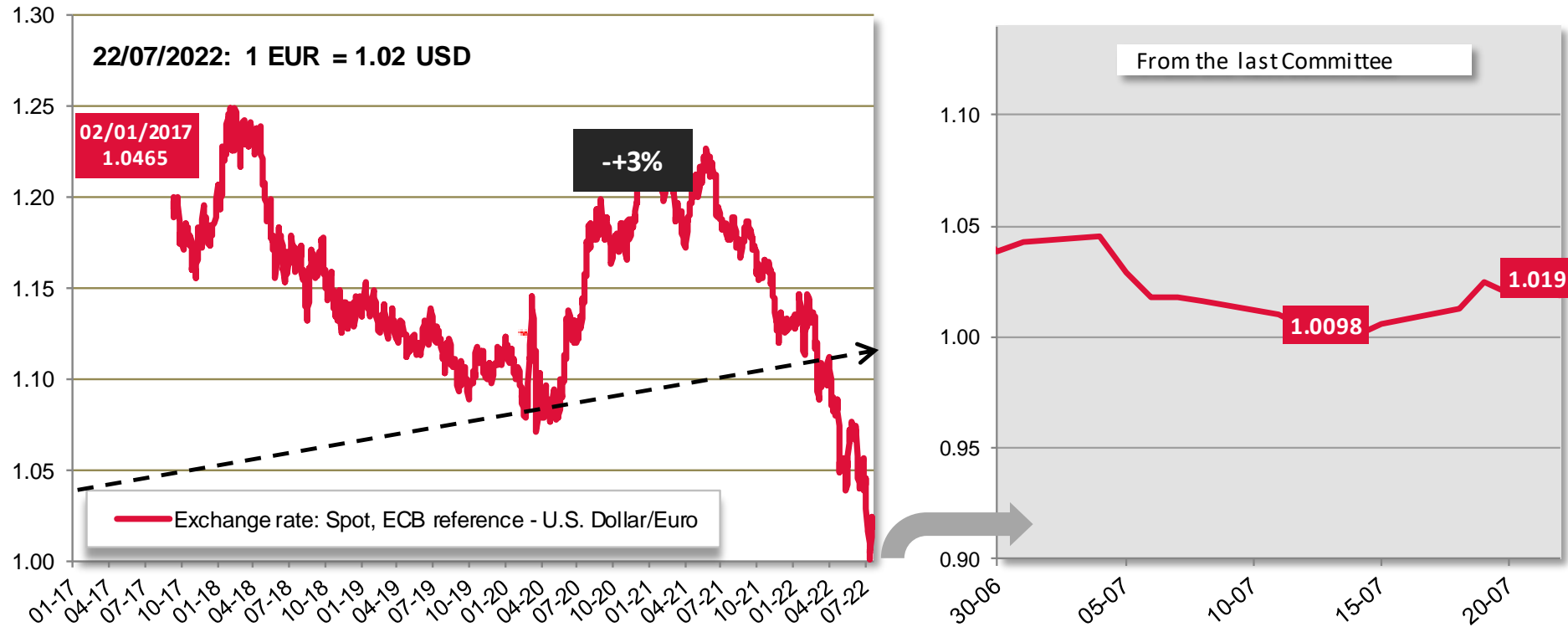
Committee for the Common Organisation of Agricultural
Markets

30 June 2022

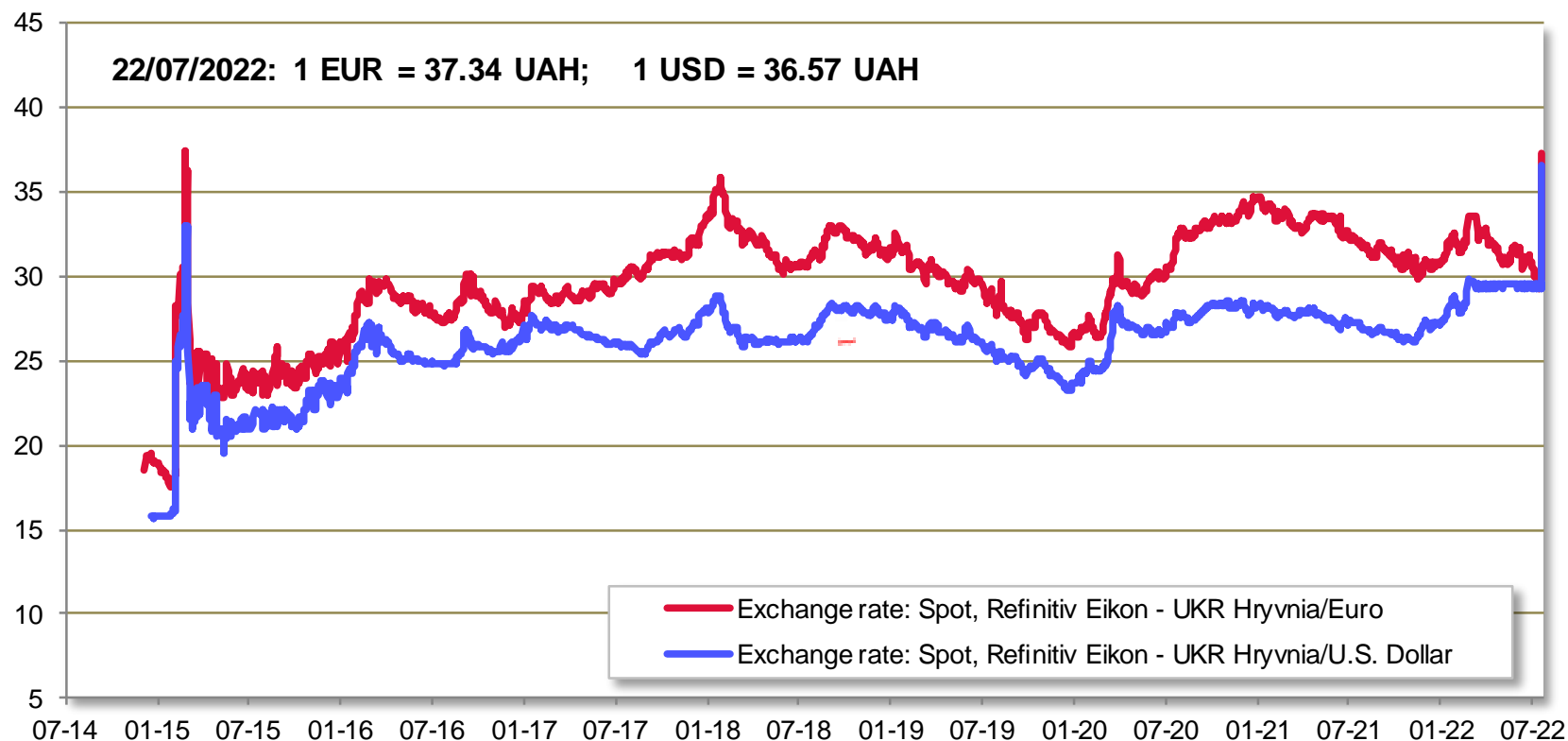
Exchange Rates



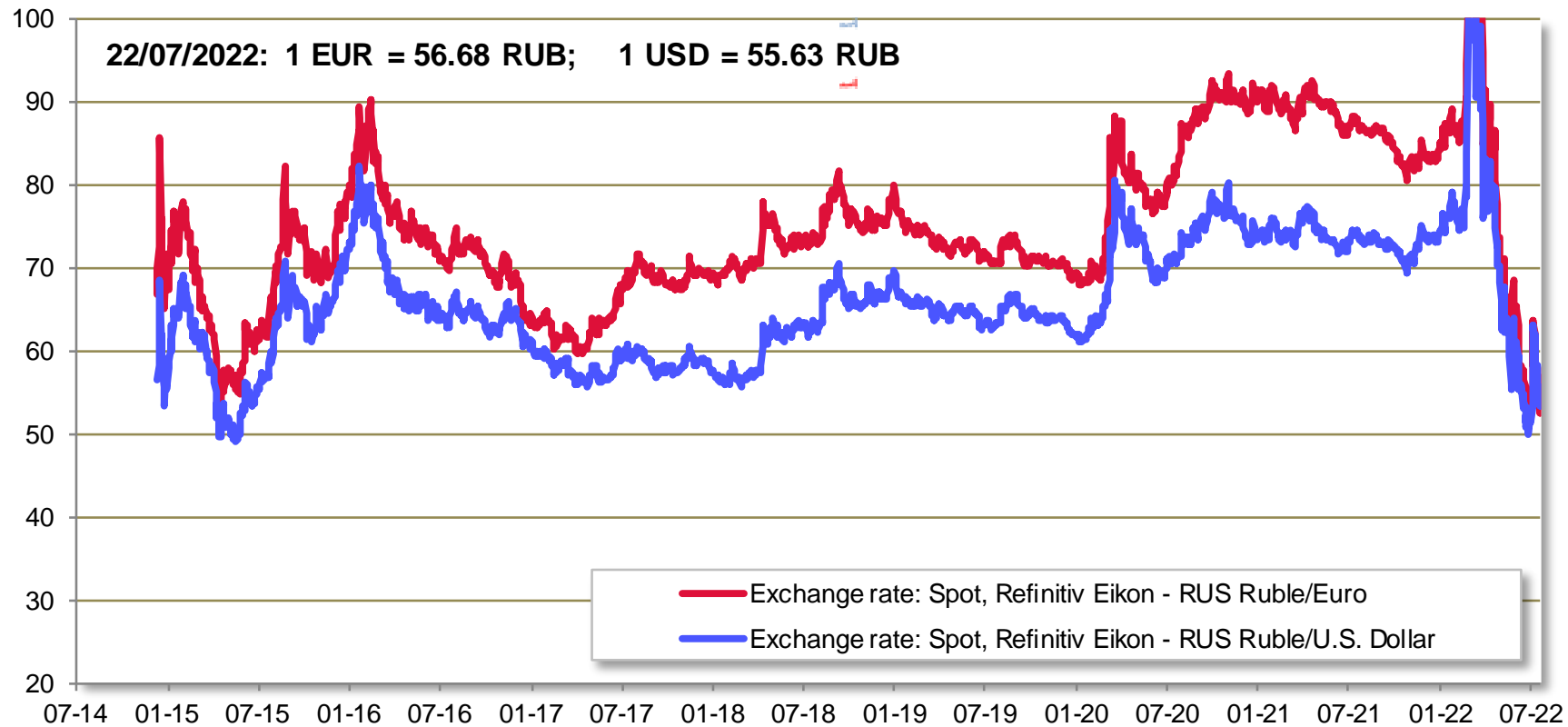
Euro – US Dollar exchange rate



Euro and US Dollar - Ukraine Hryvnia exchange rate



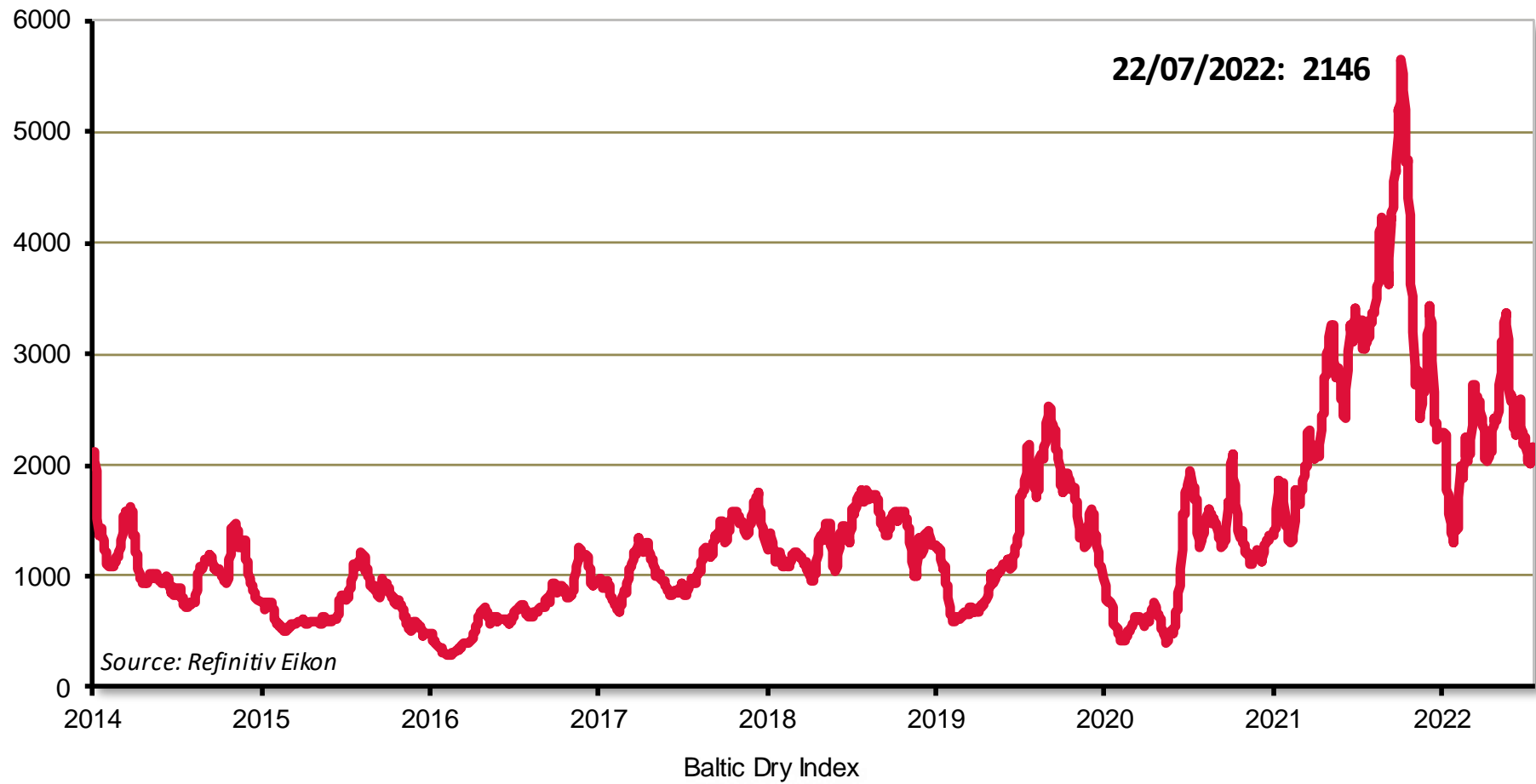
Euro and US Dollar – Russian Rouble exchange rate



Crude oil price (USD/barrel)

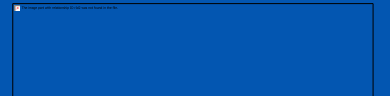


Baltic Dry Index

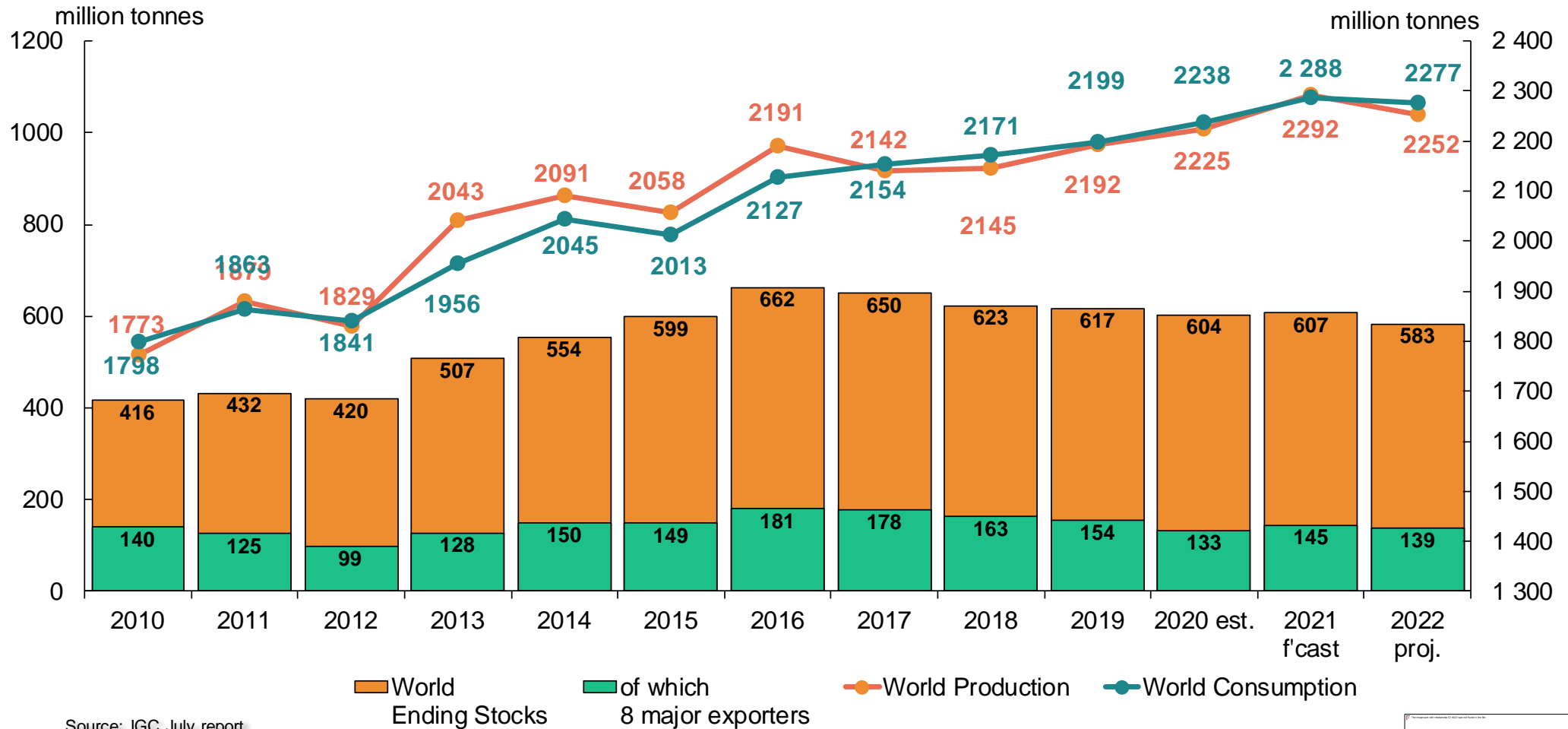


World Cereals Forecasts

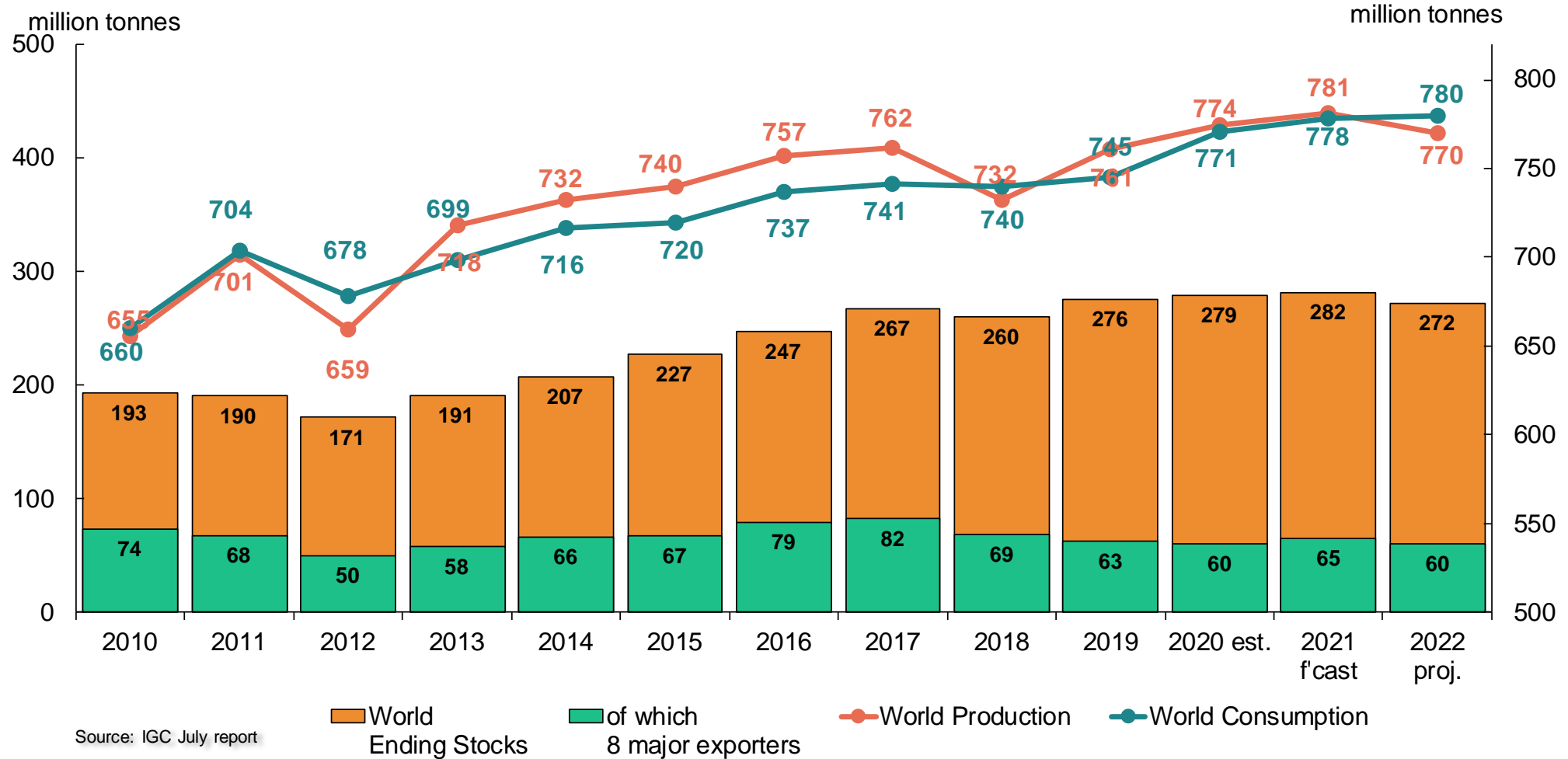
International Grains Council



World cereals: IGC



World wheat: IGC



Summary of the IGC Grain Market Report

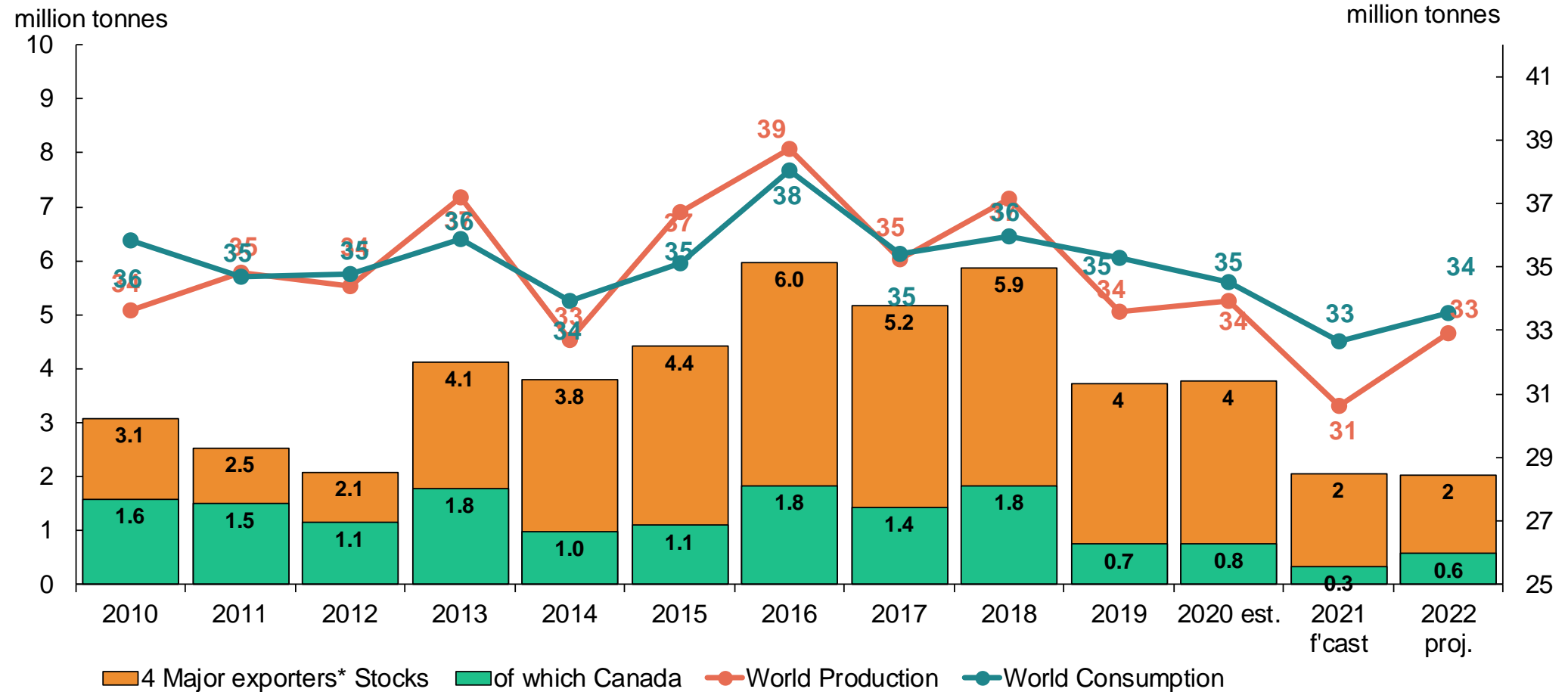
(GMR 534 of 21/07/2022)

Outlook for 2022/23

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

	2019/20	2020/21 (estimate)	2021/22 (forecast)	2022/23 (projection)	m/m change (m t)	y/y change
EU-27 (2020/21) <i>EU-27 + UK to 2019/20</i>	155.0	125.7	138.3	132.3	-2.3	-4.3%
USA	52.6	49.8	44.8	48.0	+1.2	+7.1%
Canada	32.7	35.2	21.7	32.4	+0.8	+49.7%
Russia	73.6	85.4	75.0	85.2	+0.5	+13.6%
Ukraine	29.2	25.4	33.0	19.4	-	-41.2%
Australia	14.5	33.3	36.3	30.6	-	-15.8%
China	133.6	134.3	137.1	135.0	-	-1.5%
India	103.6	107.9	109.6	105.0	-	-4.2%
World	760.7	774.3	780.9	770.2	+0.9	-1.4%

World durum wheat: IGC



*4 major exporters: Canada, EU, Mexico and USA

Source: IGC July report

Summary of the IGC Grain Market Report

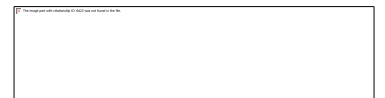
(GMR 534 of 21/07/2022)

Outlook for 2022/23

Total world grains production is projected at 2,252.3m t (-3.1m m/m; -39.5m or -1.7% y/y) in 2022/23, with the monthly reduction mainly due to lower EU forecasts linked to severe drought. Consumption was reduced by 3.2m m/m to 2,276.7m t (-0.5% or -11.3m y/y), incl. 754.8m of food use (+0.7% y/y), 1,022.4m for feeding (-1.7%) and 369.4m for industrial use (+0.3% y/y). Ending stocks are forecast at 583.1m t (+0.2m m/m; -4.0% or -24.4m).

Wheat: world production is to drop for the first time in four seasons to 770.2m t (-10.7m t or -1.4% y/y), slightly higher m/m (+0.9m t), mainly reflecting increases for North America.

Initial harvest results were mixed in the EU, however confirming yield damages caused by hot and dry conditions. Including reductions for DE, FR and HU, the **EU** outlook was cut by 2.3m to 132.3m t. Overall conditions remained mostly favourable in **RUS** and the forecast was raised by 0.5m to 85.2m t. While recent dry weather allowed for good harvest progress in the southern regions, rains in the Central and Volga districts increased risks for quality downgrades. After a difficult start conditions moderately improved in CAN, although crop development is slower than normal. On larger area the IGC increased the **CAN** production forecast by 0.8m to 32.4m t. In the **US**, spring wheat conditions are well above average, while winter wheat harvest advanced well, reaching 70% complete by mid-July. Production is now forecast 1.2m higher, at 48.0m t. Dryness and sometimes frosty conditions have probably reduced plantings in **ARG** to a five-year low, with the crop forecast cut by 1.1m to 18.5m t (-16.4% y/y). Crop conditions are broadly favourable in **AUS**, with the harvest expected to yield 30.6m t, unchanged m/m but down 16% from last season's massive record output.



Summary of the IGC Grain Market Report

(GMR 534 of 21/07/2022)

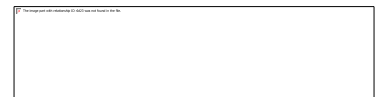
Outlook for 2022/23

Driven by a new peak for food use (546.9m t; +0.7% y/y) world consumption is forecast at a new record of 779.8m t (+1.0m m/m; +0.2% or +1.6m y/y). In contrast, feed consumption is expected to decrease by 2.9% to 143.5m t, incl. 38.2m t (-5.2%) for the EU.

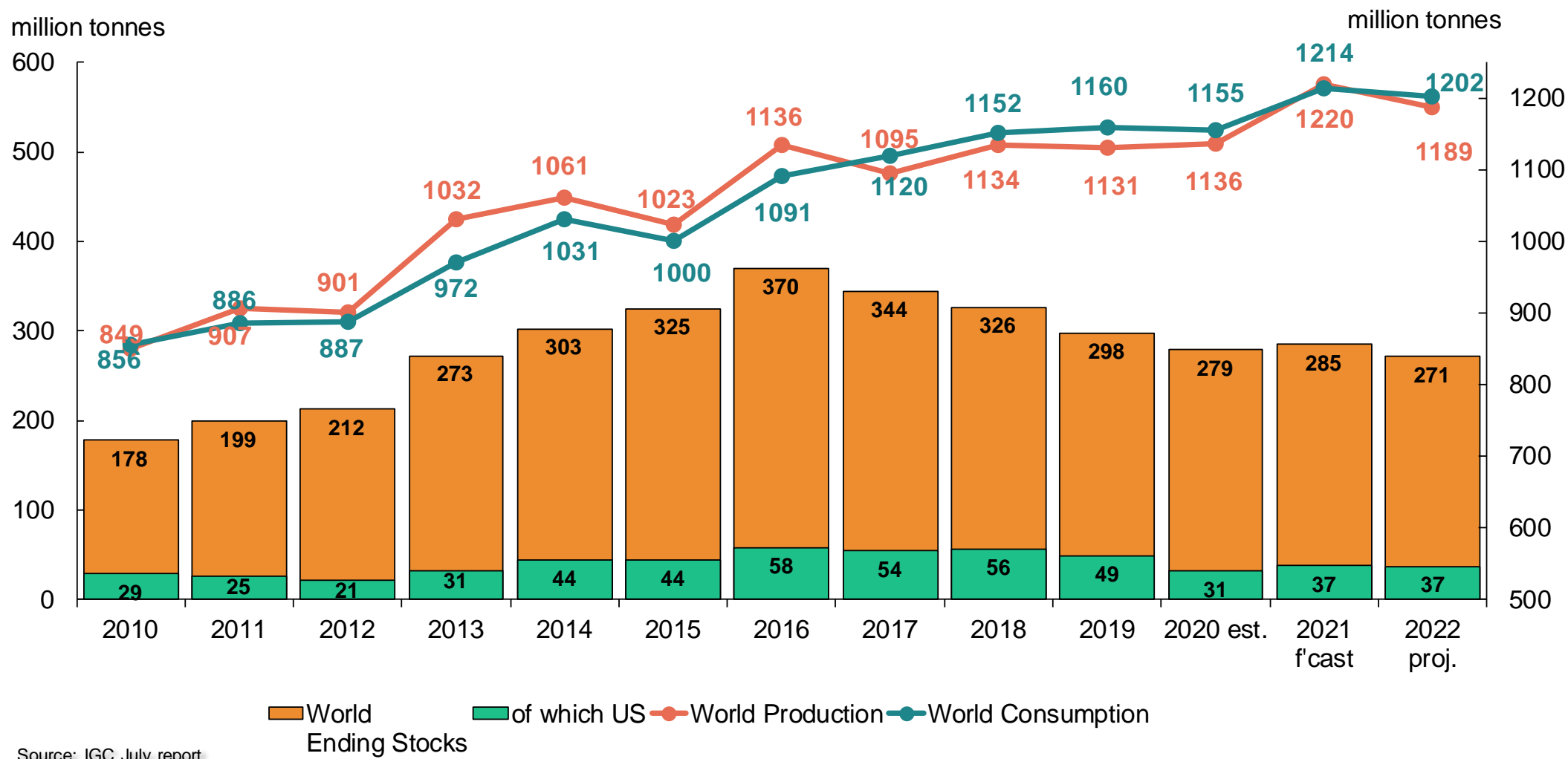
Ending stocks are forecast at 272.2m t (-0.7m m/m; -3.4% y/y), similar to recent average, with inventories attributed to **China** (135.5m t) representing 49.8% of the total. Stocks in the main exporters are however placed at a 9-year low of 60.2 m t (-7.4% y/y).

IGC expects world trade in 2022/23 (Jul/Jun) to decrease by 1.3% from last season's peak to 193.9m t (+0.4m m/m; -2.5m t y/y). Both **EU** (-0.5m m/m; +21.0% y/y) and **RUS** (+0.5m m/m; +13.6% y/y) exports are projected at 37.5m t. On improved competitiveness, **US** shipments could reach 21.7m t (+0.3m m/m; +1.2% y/y). Similarly to the EU, the export forecast was also lowered for **ARG** (13.3m t; -0.7m m/m, -27.3% y/y) due to worsening production prospects. **Turkish import** forecast increased by 0.2m to 9.8m t (-0.5%) and **ALG** purchases raised by 0.4m to 7.8m t (-1.3%).

Durum wheat: world production is projected at 32.9m t (-0.5m m/m; +7.4% y/y), still 4% lower than the five-year average. Harvest prospects continued worsening in the **EU** with the forecast reduced by 0.4m to 7.0m t (-9.2%) due to dryness. Production estimate was also lowered in **ALG**, down by 0.5m to 2.2m t (+17.6%). The **CAN** crop is placed at 6.1m t (+129.8%), while the **US** forecast raised by 0.5m to 2.1m t (+107.2%) on good crop conditions and larger area. With larger availabilities consumption is expected to increase for the first time in 4 years reaching 33.6m t (+2.8%), incl. 31.1m (+2.7%) of food use. Stocks are forecast at a 15-year low of 5.5m t (-10.7% y/y), incl. 2.0m t (-1.3%) in the 4 major exporters (CAN, EU, MEX, US).



World maize: IGC



Source: IGC July report

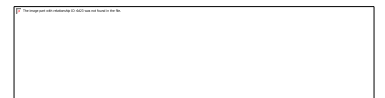
Summary of the IGC Grain Market Report

(GMR 534 of 21/07/2022)

Outlook for 2022/23

Maize production in selected countries (million tonnes)

	2019/20	2020/21 (estimate)	2021/22 (forecast)	2022/23 (projection)	m/m change (m t)	y/y change
EU-27 (2020/21) <i>EU-27 + UK to 2019/20</i>	68.1	68.0	70.3	68.3	-1.7	-2.8%
USA	346.0	358.4	383.9	368.4	+1.1	-4.0%
Ukraine	35.9	30.3	42.1	25.1	-	-40.4%
Russia	14.3	13.9	14.6	14.6	-	+0.1%
Brazil	102.5	87.1	115.7	123.1	-	+6.5%
Argentina	58.4	60.5	57.0	60.6	-	+6.4%
China	260.8	260.7	272.6	273.0	-	+0.1%
World	1,131.4	1,136.0	1,220.3	1,188.6	-1.2	-2.6%



Summary of the IGC Grain Market Report

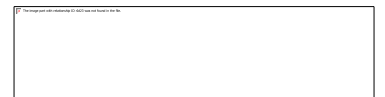
(GMR 534 of 21/07/2022)

Outlook for 2022/23

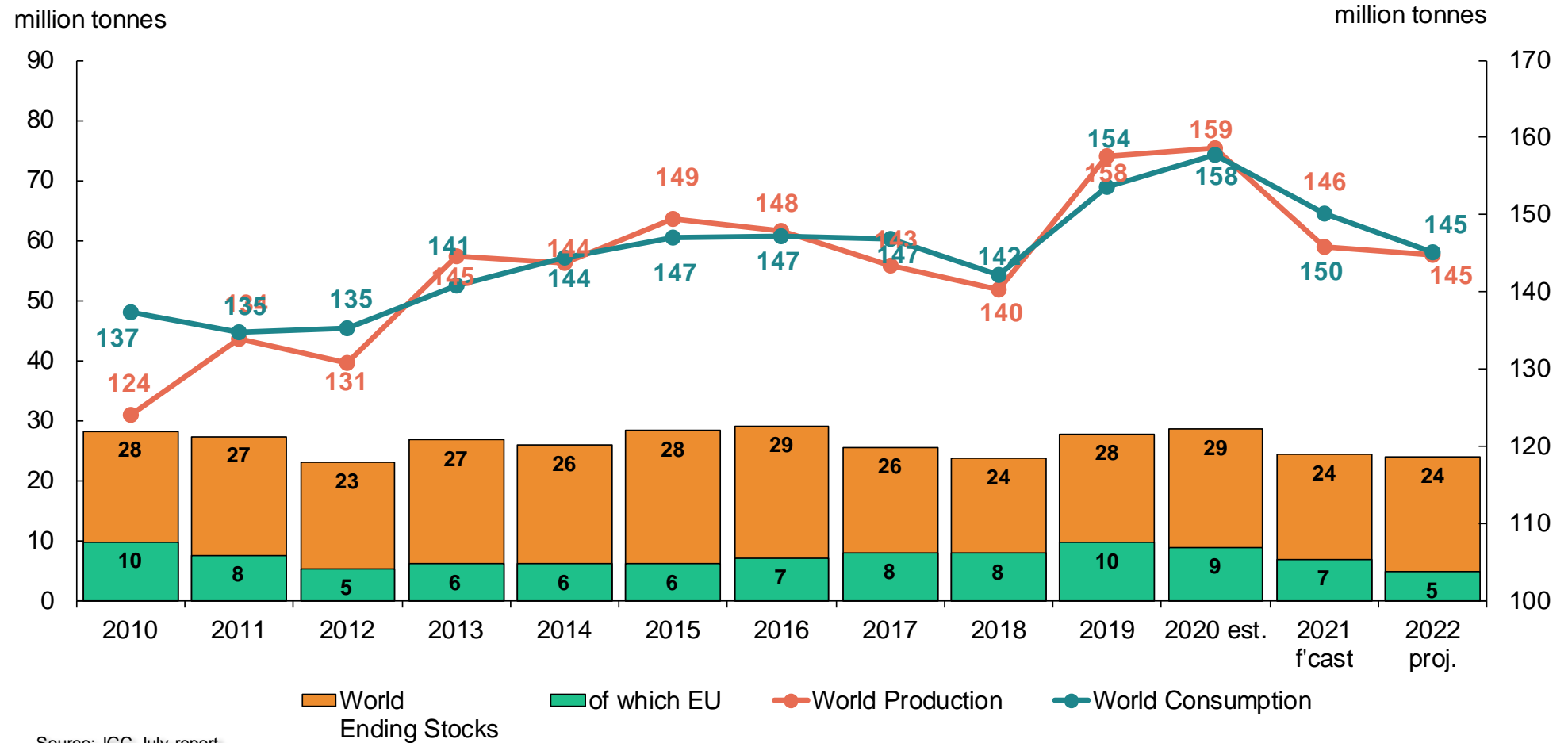
Maize: including reduced forecast for the EU, estimated world production was lowered by 1.2m m/m to 1,188.6m t (-31.7m or -2.6% y/y). Consumption is expected to decline by 1.0% from last season's record to 1,202.0m t (-1.6m m/m; -12.3m y/y), incl. 712.0m for feeding (-1.1%) and 309.5m for industrial use (+0.3%). Ending stocks are forecast at 271.3m t (-13.3m or -4.7% y/y), with 175m t attributed to **China** (-7.0% y/y; 64.5% of world total). Estimated **UKR** stocks (9.3m t, vs. 6.9m in 2021/22 and 2.0m in 2020/21) are unusually large and highly notional.

Reflecting moisture deficits and concerns about drought stress, the **EU** production was lowered again, down by 1.7m to 68.3m t. Linked to a small increase of area, the **US** crop is estimated at 368.4m t (+1.1m m/m; -4.0% y/y). US crop conditions deteriorated slightly lately, however remain close to average. The outlook is unchanged m/m at 25.1m t for **UKR** (-40.4% y/y).

Mainly due to disrupted supplies from Ukraine, world trade is forecast to decrease to 169.3m t (+1.0m m/m; -4.7% y/y) in 2022/23 (Jul/Jun). **EU imports** increased by 1.0m m/m to 14.4m t (-17.7% y/y) in view of smaller local harvest. With ports remaining closed, **UKR** exports are forecast at 12.0m t only (-49.4% y/y). Partly linked to difficulties to source maize from UKR, **Chinese** imports are expected to decrease to 19.0m t (-15.6% y/y). Although the phytosanitary agreement between China and BRA was finalised, sizeable quantities are not expected to be shipped until about summer 2023, when the 2022/23 *safrinha* crop arrives on the markets.



World barley: IGC



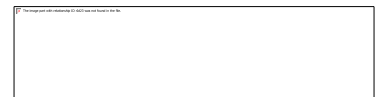
Summary of the IGC Grain Market Report

(GMR 534 of 21/07/2022)

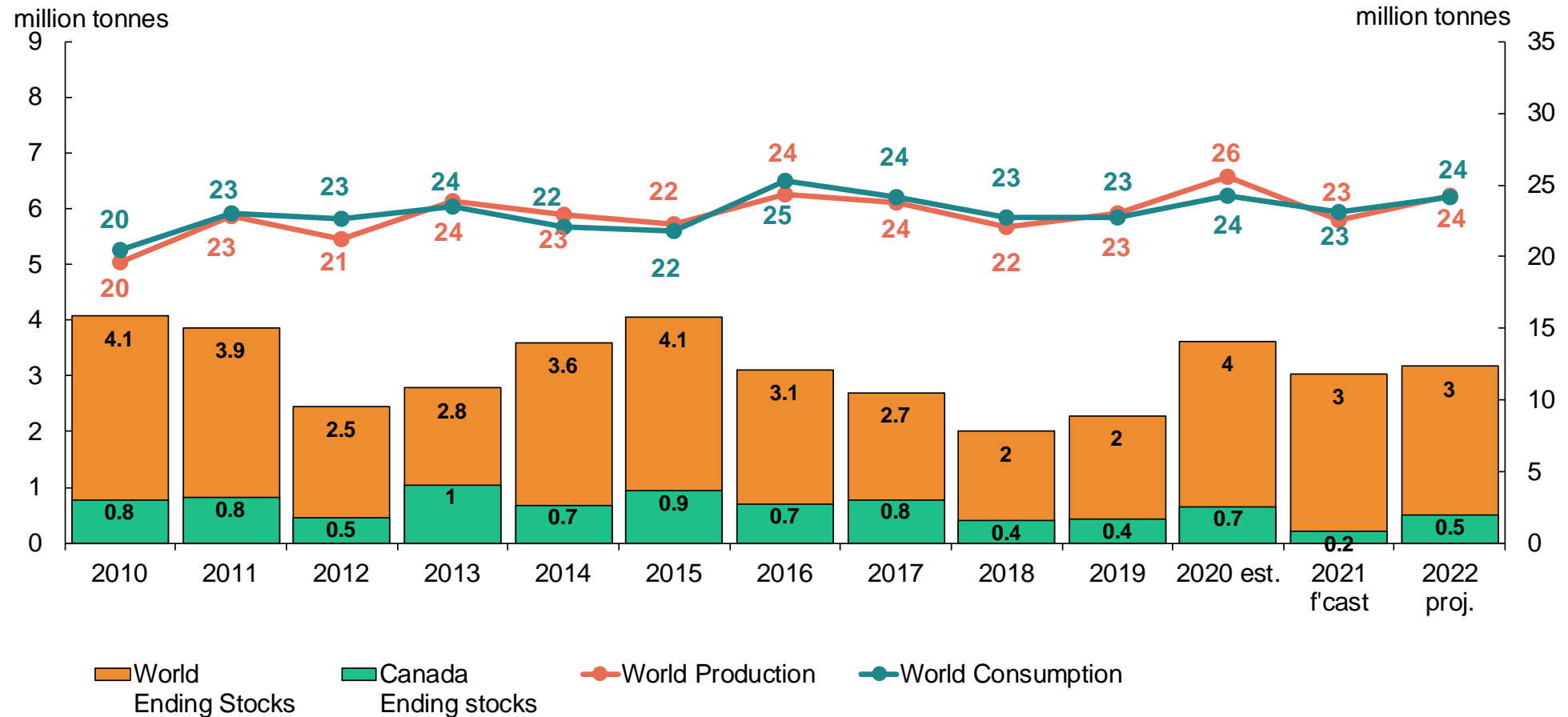
Outlook for 2022/23

Barley production in selected countries (million tonnes)

	2019/20	2020/21 (estimate)	2021/22 (forecast)	2022/23 (projection)	m/m change (m t)	y/y change
EU-27 (2020/21) <i>EU-27 + UK to 2019/20</i>	63.4	54.0	52.2	51.5	-0.7	-1.3%
United Kingdom	8.2	8.1	7.0	7.4	-	+5.8%
Russia	19.9	20.6	17.6	19.0	-	+8.0%
Ukraine	9.5	7.9	10.0	5.3	-	-46.7%
Australia	10.1	13.1	13.7	10.9	-	-20.7%
Canada	10.4	10.7	6.9	9.1	-0.7	+31.0%
Turkey	7.6	8.3	5.8	7.2	-	+25.2%
World	157.6	158.6	145.9	144.8	-1.8	-0.7%



World oats: IGC



Source: IGC July report

Summary of the IGC Grain Market Report

(GMR 534 of 21/07/2022)

Outlook for 2022/23

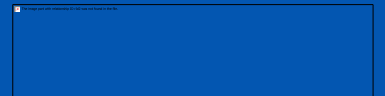
Barley: global production prospects worsened further and the forecast was lowered by 1.8m to 144.8m t (-1.1m t or -0.7% y/y). Linked to dry conditions reducing yield potential, the **EU** crop was reduced by 0.7m to 51.5m t. A recent survey indicated smaller planted area in **CAN**, where harvested area is seen at a four-year low of 2.6m ha and production forecast cut by 0.7m to 9.1m t. On expectations for good financial returns, area could increase to the largest in 10 seasons in **ARG** with production predicted at 5.5m t (+5.8%). However, unfavourable conditions have delayed plantings and could reduce overall area.

Amid tight supplies and elevated prices, consumption is expected to decrease to a 4-season low of 145.2m t (-2.1m m/m; -4.9m or -3.3% y/y), incl. feed use at 100.1m t (-2.0m m/m; -3.9%) and industrial use at 28.0m (-0.3%). IGC reduced again its forecast for **EU** feed use, which is now placed at 33.1m t (-1.0m t both m/m and y/y). Stocks are forecast at a below-average 23.9m t (-1.4% y/y). Following further reduction to imports by **Saudi Arabia** (-0.3m m/m to 4.2m t), world trade decreased by 0.3m m/m to 28.4m t (Jul/Jun; -13.0% y/y). **Chinese** imports are placed at 9.8m t (-11%), while purchases by North Africa are seen at 2.1m t (-40%). Linked to smaller production estimate, **CAN** exports were lowered by 0.3m to 2.7m t (+22.7%), while **EU** exports are forecast at 8.0m t (-3.0% y/y).

Oats: world production is forecast to increase by 7.9% to 24.3m t (-0.3m m/m) assuming a strong recovery of yields in North America. **CAN** output is expected to reach 4.3m t (-0.2m m/m; +65.0% y/y), with the monthly reduction reflecting delayed plantings and slow crop development in some areas. The **EU** crop is seen at 7.5m t (-0.2%), while **RUS** at 4.0m t (+6.0%). Total demand is expected to increase to 24.1m t (+4.5%), incl. 15.9m t (+5.1%) of feed use and 5.7m t (+1.7%) of food use. Ending stocks are placed at 3.2m t (+4.7%).



Cereals Market News and Prices



Market News 1. (28-7-2022)

Ukraine

- **UKR** (*AgMin*): **wheat** production is forecast at 18-19m t in 2022/23 with harvest progressing normally so far. Total **grain** output is seen at 52-53m t.
- **UKR** (*AgMin*): by 27/07 the country exported 1.2m t of grain in MY 2022/23, incl. 0.26m t of wheat and 0.85m t of maize.
- **UKR** (*AgMin*): by 21/07, grain harvest reached 6.5m t from 2.1m ha, incl. wheat at 3.8m t and barley at 2.5m t.
- **UKR** (*APK*): grain exports amounted to 1.4m t in June 2022, up 22% from 1.1m t shipped in May. The total included 1.2m t of maize and 0.14m t of wheat.
- **UKR** (*government*): export license requirement for **wheat** was lifted. Ban on **oats, rye and mineral fertilizers** exports lifted, however shipments subject to export licensing.
- **UKR** (*Agritel consultancy*): 2022/23 **wheat** production is forecast at 21.8m t (32.2m last year) incl. 18.1m in the territory under Ukraine's control and up to 3.7m t in occupied southern and eastern areas.
- **UKR** (*UkrAgroConsult*): UN, UKR, Turkey and RUS signed an agreement to facilitate UKR grain exports leaving from 3 sea ports (Odessa, Pivdenny and Chornomorsk). The agreement is for 120 days, can be extended though. The capacity of these ports are estimated at around 42m t per year or 3.5m t per month. RUS attacks on the ports put in risk however the agreement.

Market News 2. (28-7-2022)

Russia/KZH/Serbia

- **RUS** (*IGC referring to SovEcon*): early harvest reports indicated higher than expected yields for wheat. The production forecast was raised by 1.7m to a record 90.9m t (+19.6%) in 2022/23. Export shipments have been rather slow so far at the start of the new MY.
- **RUS** (*IKAR consultancy*): 2022/23 **wheat** production forecast was raised to 90.5m t (+14.5m t y/y), with exportable surplus seen at 44.0m t.
- **RUS** (*gov'*): calculation of the grain export tax to be based on RUB instead of USD. Basic or benchmark price for the calculation is fixed at RUB 15,000 per tonne for wheat (was USD 200; now ≈ USD 237) and RUB 13,387 per tonne for barley and maize (was USD 185; now ≈ USD 212).
- **RUS** (*IGC*): AgMin. intends to purchase about one million tonne of **wheat** and **rye** to the grain reserve.
- **Serbia** (*gov'*): export ban on **wheat** and **maize** was lifted until early autumn.
- **KZH** (*AgMin*): 2022/23 **wheat** production is forecast at 13.0-13.5m t (+15-20%), with local demand placed at 6.0m t.

Market News 3. (28-7-2022)

Russia: export tax on wheat, barley and maize

<i>In <u>RUB</u> per tonne</i>	pre - 2 June 2021	25 June-5 July	6-12 July	13-19 July	20-26 July	27 July-2 Aug
Wheat exp tax	50 EUR / t (≈ USD 60)	146.10 USD / t	4 600 (≈ 85.8 \$)	5 559 (≈ 90.9 \$)	5 985 (≈103.0 \$)	4 952 (≈84.3 \$)
Barley	10 EUR / t (≈ USD 12)	117.50 USD / t	3 307 (≈ 61.7 \$)	3 776 (≈ 61.8 \$)	4 414 (≈75.9 \$)	3 003 (≈51.1 \$)
Maize	25 EUR / t (≈ USD 30)	88.70 USD / t	2 169 (≈ 40.5 \$)	3 075 (≈ 50.3 \$)	3 145 (≈ 54.1 \$)	2 923 (≈ 49.8 \$)

Floating export tax was introduced without an end date. It is announced on a weekly basis. Calculation is based on the prices registered by Moscow Exchange (wheat = www.moex.com/ru/index/CRFOB barley = www.moex.com/ru/index/BRFOB maize = www.moex.com/ru/index/CRFOB)

Wheat = 70% of the difference between weekly benchmark export price and RUB 15,000 per tonne; **Barley** and **maize** = RUB 13,387 per tonne applied (instead of RUB 15,000/t)



Market News 4. (28-7-2022)

USA: Grains export inspections w/e 21 July 2022

Commodity	MY 2021/22	MY 2020/21	Change
Maize	51 027 464	61 625 283	- 17.2 %
Sorghum	7 141 474	6 711 724	+ 6.4 %
Soya beans	53 000 942	58 171 844	- 8.9 %
<i>Wheat 22/23 vs 21/22 MY</i>	2 589 529	3 385 892	- 23.5 %

Marketing Year = June/May for wheat and September/August for maize, sorghum and soybeans;
www.ams.usda.gov/mnreports/wa_gr101.txt



Market News 5. (28-7-2022)

USA

- **USDA Crop Progress** report w/e 24 July 2022:

Crop conditions

- **Spring wheat:** 68% good/excellent (9% last year; 52% 5-Y average)
- **Maize:** 61% good/excellent (64% last year; 66% 5-Y average)

Harvest progress

- **Winter wheat:** 77% complete (82% last year; 80% 5-Y average)

Spring wheat conditions remained mostly favourable, while maize remains moderately below recent average.

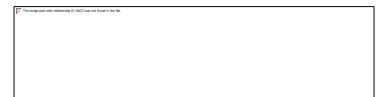


USA: USDA Acreage Report

Outlook for 2022 US planted and harvested areas (30 June 2022)

(Based on a survey conducted during first half of June 2022 incl. 64,200 farm operators.)

30-06-2022	2021 planted	2022 planted	y/y	2021 harvested	2022 harvested	y/y
All wheat (m ha)	18.90	19.06	+0.8%	15.04	15.22	+1.2%
<i>Winter wheat (m ha)</i>	13.62	13.76	+1.1%	10.30	10.12	-1.8%
<i>Durum wheat (m ha)</i>	0.66	0.80	+20.9%	0.62	0.77	+24.8%
<i>Other spring wheat (m ha)</i>	4.62	4.49	-2.8%	4.11	4.33	+5.3%
Maize (m ha)	37.78	36.39	-3.7%	34.56	33.16	-4.0%
Soya beans (m ha)	35.29	35.74	+1.3%	34.94	35.41	+1.4%
Barley (m ha)	1.08	1.23	+14.5%	0.79	0.97	+22.9%
Oats (m ha)	1.03	0.97	-6.2%	0.26	0.32	+22.5%



Market News 7. (28-7-2022)

USA: US Wheat Supply and Use by Classes for 2021/22 and 2022/23

2021/22 million tonnes	HRW	Share (%)	HRS	Share (%)	SRW	Share (%)	White	Share (%)	Durum	Share (%)	TOTAL
Beginning stocks	11,65	50,7%	6,40	27,8%	2,31	10,1%	1,91	8,3%	0,73	3,2%	23,00
PRODUCTION	20,38	45,5%	8,08	18,0%	9,82	21,9%	5,47	12,2%	1,01	2,2%	44,80
Total supply (incl imp)	32,14	45,7%	15,65	22,2%	12,22	17,4%	7,51	10,7%	2,83	4,0%	70,38
Domestic use	13,85	45,4%	6,12	20,1%	6,61	21,7%	2,07	6,8%	1,88	6,1%	30,54
Exports	8,68	39,7%	5,72	26,1%	3,05	13,9%	4,06	18,5%	0,38	1,7%	21,88
Use total	22,56	43,0%	11,84	22,6%	9,66	18,4%	6,10	11,6%	2,26	4,3%	52,42
Ending stocks	9,61	53,5%	3,81	21,2%	2,56	14,2%	1,42	7,9%	0,57	3,2%	17,96
Source: USDA - WASDE No 626											

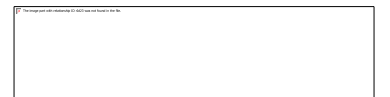
2022/23 million tonnes	HRW	Share (%)	HRS	Share (%)	SRW	Share (%)	White	Share (%)	Durum	Share (%)	TOTAL
Beginning stocks	9,61	53,5%	3,81	21,2%	2,56	14,2%	1,42	7,9%	0,57	3,2%	17,96
PRODUCTION	15,92	32,8%	12,44	25,7%	10,23	21,1%	7,78	16,1%	2,10	4,3%	48,47
Total supply (incl imp)	25,66	37,0%	17,61	25,4%	12,93	18,6%	9,34	13,4%	3,89	5,6%	69,43
Domestic use	11,78	38,9%	7,92	26,2%	5,82	19,2%	2,48	8,2%	2,26	7,5%	30,26
Exports	6,67	30,6%	6,26	28,8%	3,40	15,6%	4,63	21,3%	0,82	3,8%	21,77
Use total	18,45	35,5%	14,18	27,2%	9,23	17,7%	7,10	13,7%	3,08	5,9%	52,04
Ending stocks	7,21	41,5%	3,43	19,7%	3,70	21,3%	2,23	12,8%	0,82	4,7%	17,39
Source: USDA - WASDE No 626											

Market News 8. (28-07-2022)

Canada: Principal field crop areas, 2022

Source: **Statistics Canada** (Based on the June 2022 Field Crop Survey conducted 13/05-12/06 2022 incl. 25,000 farms.)

5-07-2022	2020	2021	2022	y/y
Total wheat (m ha)	10.110	9.453	10.277	+8.7%
<i>Durum wheat (m ha)</i>	2.302	2.238	2.431	+8.6%
<i>Spring wheat (m ha)</i>	7.254	6.670	7.370	+10.5%
<i>Winter wheat (m ha)</i>	554	546	476	-12.7%
Barley (m ha)	3.036	3.357	2.851	-15.1%
Maize (m ha)	1.440	1.413	1.470	+4.0%
Canola (m ha)	8.411	9.097	8.667	-4.7%
Oats (m ha)	1.554	1.385	1.607	+16.0%
Soya beans (m ha)	2.052	2.153	2.134	-0.9%

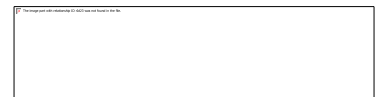


Market News 9. (28-7-2022)

Canada: Outlook for Principle Field Crops in 2022/23

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

21-07-2022	2020/21	2021/22 f'	2022/23 f'	m/m	y/y
Durum prod' (m t)	6.57	2.65	5.48	+0.2	+106.4%
exports (m t)	5.77	2.40	4.40	-	+83.3%
All wheat prod' (m t)	35.18	21.65	33.72	+0.63	+55.7%
exports (m t)	26.30	14.80	22.40	+0.20	+51.4%
Barley prod' (m t)	10.74	6.95	9.06	-0.24	+30.3%
exports (m t)	4.28	2.59	3.05	-	+17.8%
Oats prod' (m t)	4.58	2.61	4.33	-0.02	+66.0%
exports (m t)	2.97	2.07	2.65	-	+28.0%
Canola/rapeseed prod' (m t)	19.49	12.60	18.40	+0.45	+46.1%
Exports (m t)	10.59	5.15	9.00	+0.20	+74.8%



Market News 10. (28-7-2022)

China

China Agricultural Supply and Demand Forecasts for 2022/23 (IGC)

12 July		Forecast (Mt)	+/- prev' f'cast (Mt)	2021/22 (Mt)	+/- y/y
Maize	Production	272.6	-	272.6	+0%
	Consumption	290.5	-	287.7	+1%
	Feed use	188.0	-	186.0	+1%
	Industrial	81.0	-	80.0	+1%
	Imports	18.0	-	20.0	-10%
Soya beans	Production	19.5	-	16.4	+19%
	Consumption	112.9	-	109.3	+3%
	Imports	95.2	-	93.0	+2%



Market News 11. (28-7-2022)

Brazil

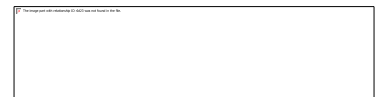
CONAB July report: S&D Outlook for 2021/22 (www.conab.gov.br)

- **Maize:** linked to improved yield prospects for the second (*safrinha*) crop, total production forecast was raised by 0.4m to 115.7m t. Total area is forecast at 21.7m ha (+8.6% y/y), incl. 16.5m ha (+9.7%) for the second (*safrinha*) crop. Average yield is seen at 5.34 t/ha (+22.2%), incl. 5.38 t/ha (+32.7%) for the *safrinha* crop. Domestic demand is expected to reach 77.2m t (+0.1m m/m; +6.8% y/y), while exports to rebound sharply to 37.5m t (+0.5m m/m; +80.3% y/y).
- **Soya beans:** including minor decreases for area (40.95m ha; +4.5% y/y) and yield (3.03 t/ha; -14%), the production outlook was trimmed by 0.2m m/m to 124.0m t. Exports are forecast at 75.2m t (-12.7% y/y), while domestic demand is placed at 51.2m t (+0.6% y/y).
- **Wheat:** following increases both for area (2.9m ha; +6.6% y/y) and yield (3.09 t/ha; +10.3%), wheat production is projected at an all-time high of 9.0m t in 2022/23. Domestic demand was lowered by 0.5m to 12.3m t (+1.8%), while imports unchanged at 6.5m t (-0.5m y/y). Exports increased by 1m m/m to 2.5m t (-0.7m y/y) on larger domestic crop.

7 July 2022	Forecast	+/- previous f'cast	Previous year	+/- y/y
Wheat prod (m t) – 2022/23	9.0	+0.7	7.7	+17.6%
Soya beans prod (m t)	124.0	-0.2	138.2	-10.2%
Maize prod (m t)	115.7	+0.4	87.1	+32.8%
<i>Maize 1st crop</i>	24.8	-	24.7	+0.3%
<i>Maize 2nd crop</i>	88.4	+0.4	60.7	+45.6%
<i>Maize 3rd crop</i>	2.4	-	1.6	+48.0%
<i>Maize exports</i>	37.5	+0.5	20.8	+80.3%

Market News 12. (28-7-2022)

- **FAO**: the FAO Food Price Index (FFPI) continued its downward trend in June 2022 reaching an average of 154.2 points (-3.7 points or -2.3% m/m; still +29.0 points or +23.1% y/y). Prices of vegetable oils, cereals and sugar decreased, which was partly offset by increases for meat and dairy. The FAO Cereal Price Index reached an average of 166.3 points in June (-4.1% m/m but +27.6% y/y), including declines for wheat and coarse grains prices.
- **ARG** (*BAGE - 21/7/2022*): **Maize** harvest was 67% complete of the harvestable area estimated at 7.08m ha with yields averaging 7.0 t/ha so far. Production forecast is unchanged at 49.0m t (-3.5m t y/y). **Sorghum** cutting is 75% done and the production outlook is 3.5m t (+0.1m t y/y). 2022/23 wheat plantings were finished on 97% of the estimated sowing area of 6.1m ha (-0.2m ha m/m; -0.6m y/y).
- **ARG** (*AgMin*): the **maize** export quota was lifted from 30m to 36m t in respect of the 2021/22 harvest.
- **ARG** (*IGC referring to Rosario Grains Exchange*): 2022/23 **wheat** production forecast was reduced further, by 0.8m to 17.7m t (-4.4m y/y) as drought conditions are expected to limit planted area at 5.9m ha (-0.3m ha from before; -1.0m ha y/y).

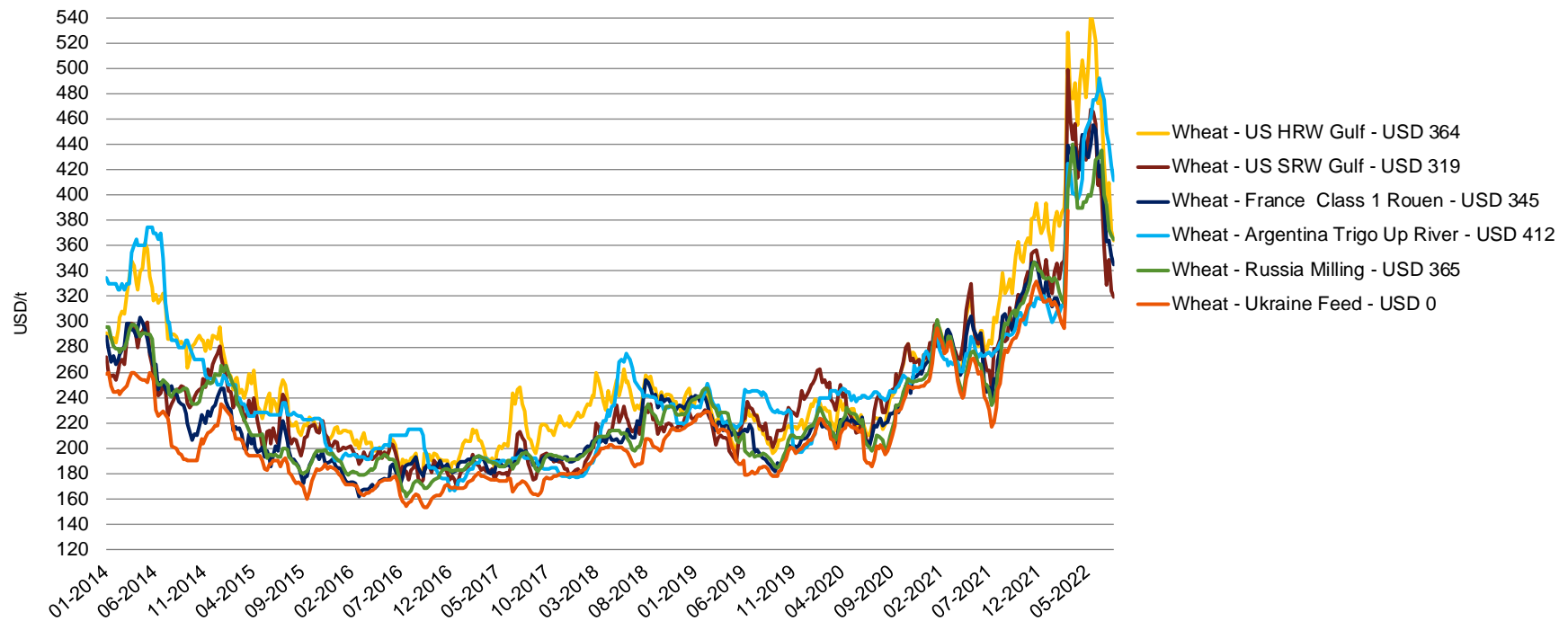


Market News 13. (28-7-2022)

- **BRA** (*CONAB*): as of 23 July, harvesting of the first (full-season) **maize** crop was 99% done (99% last season), while cutting of the second (*safrinha*) crop was 60% (41%) finished. **Wheat** plantings for the 2022/23 harvest advanced to 97% complete (99%).
- **BRA** (*ANEC*): maize exports are forecast at 6.1m t in July, with the cumulative Jan-July 2022 shipment seen at 12.5m t.
- **China** (*Customs*): cumulative Jan-June 2022 imports reached 13.6m t (-11% y/y) for **maize**, 4.9m (-8%) for **wheat**, 3.8m (-33%) for **barley** and 6.0m (+26%) for **sorghum**.
- **China** (*National Bureau of Statistics*): 2022/23 **wheat** production is forecast at 135.8m t (+1% y/y) from 23.0m ha (+0.2%), with yield seen at 5.9 t/ha.

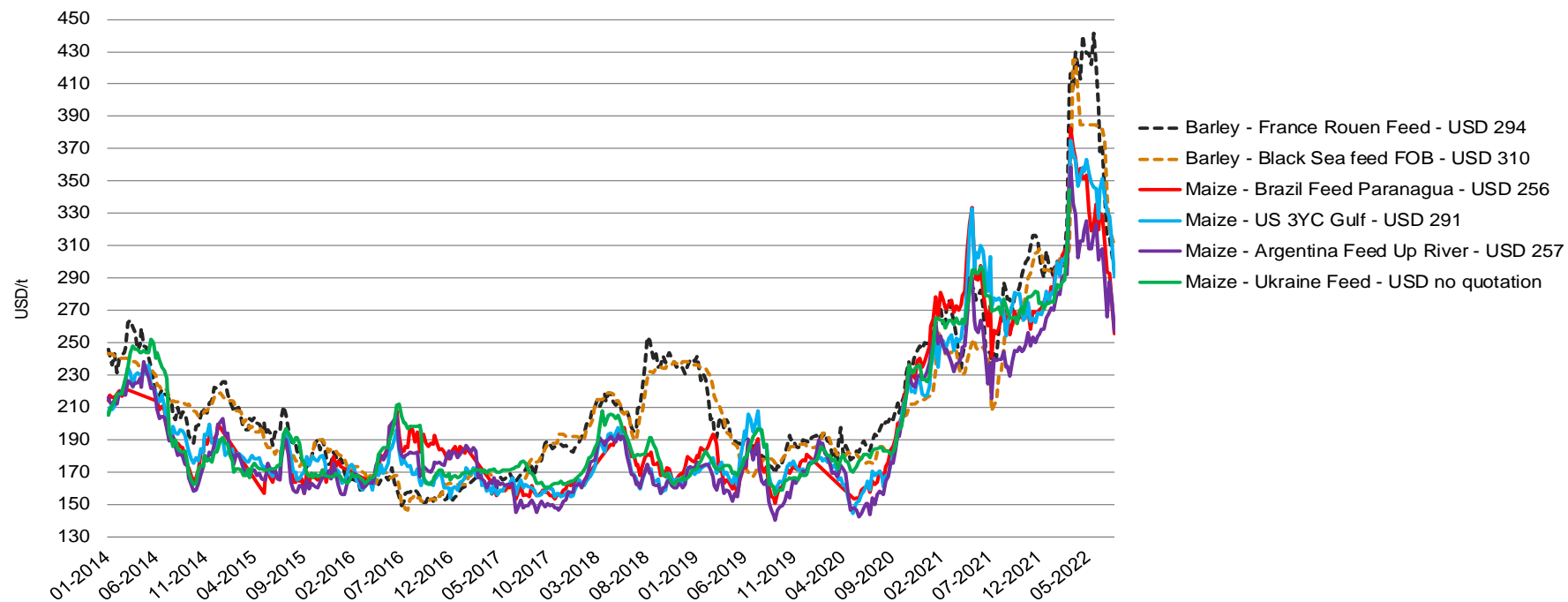


World common wheat prices (USD/t)



Source: IGC
Latest prices referring to (if not stated otherwise): 22-07-2022

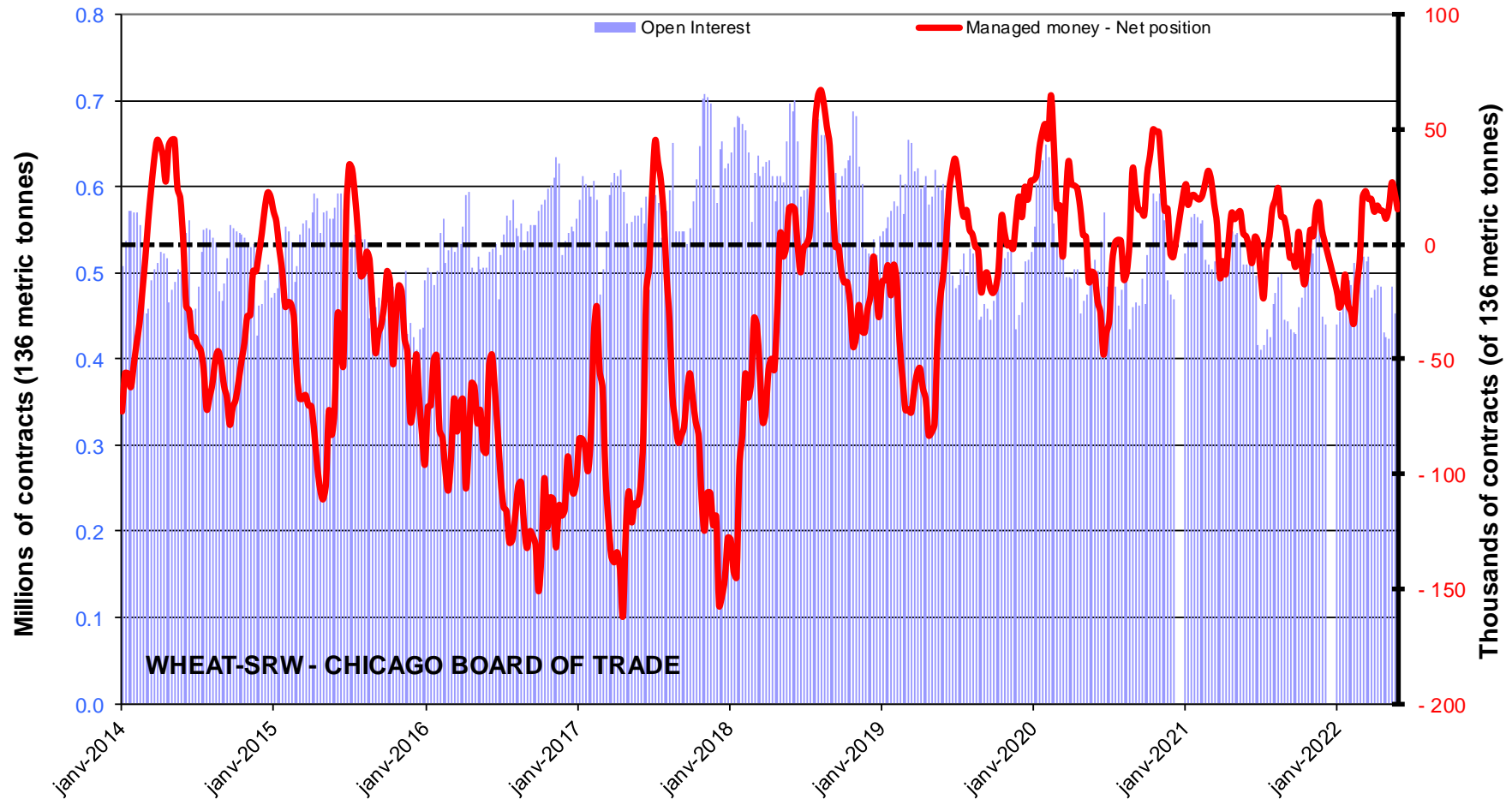
World maize and barley prices (USD/t)



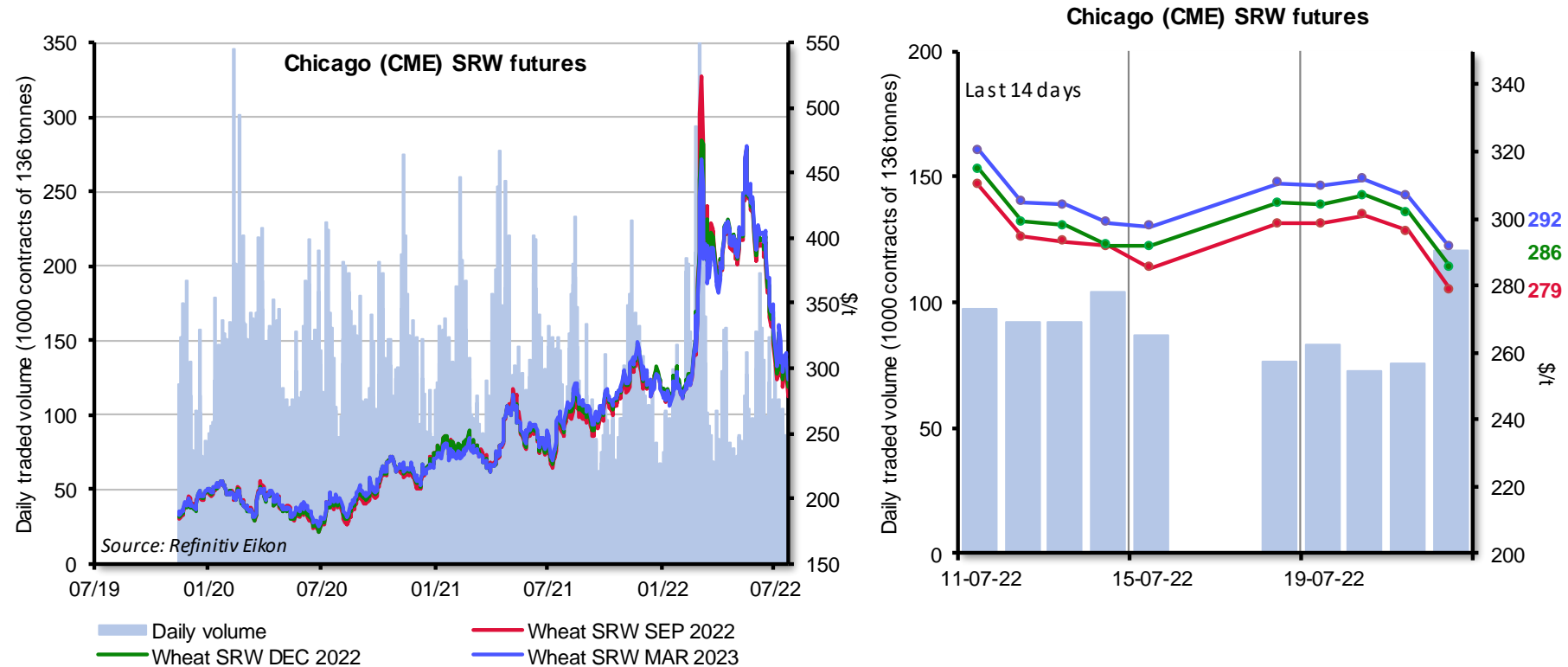
Source: IGC
Latest prices referring to (if not stated otherwise): 22-07-2022

CME wheat: open interest and net position of traders

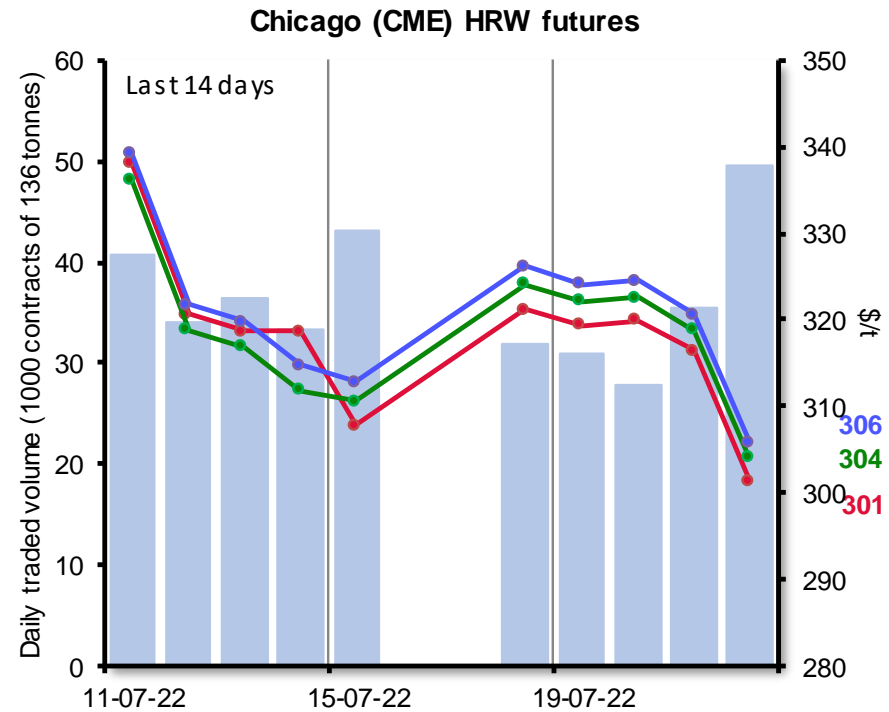
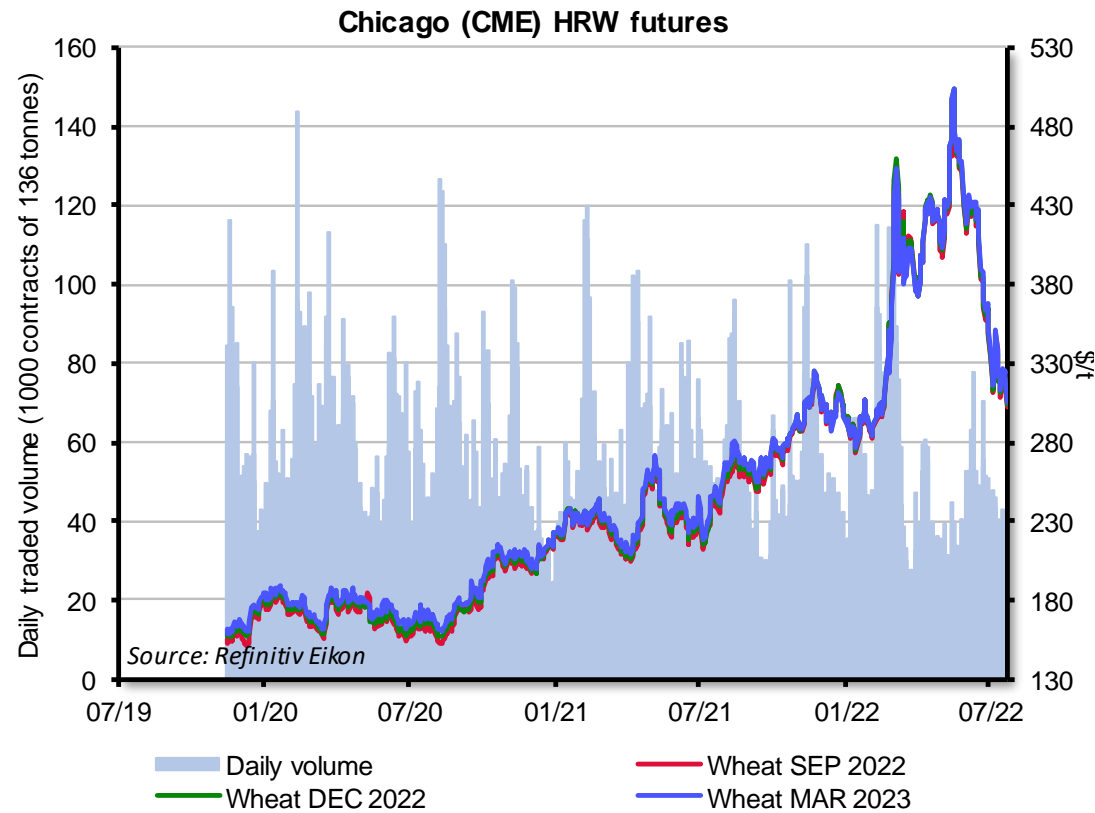
Last value from: 2022-07-12



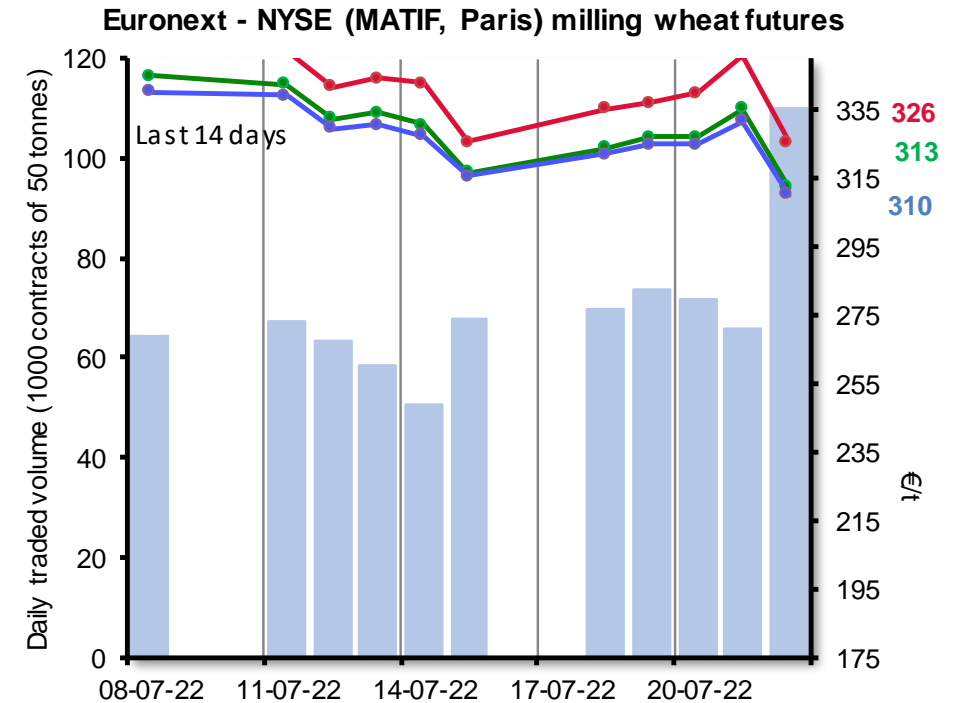
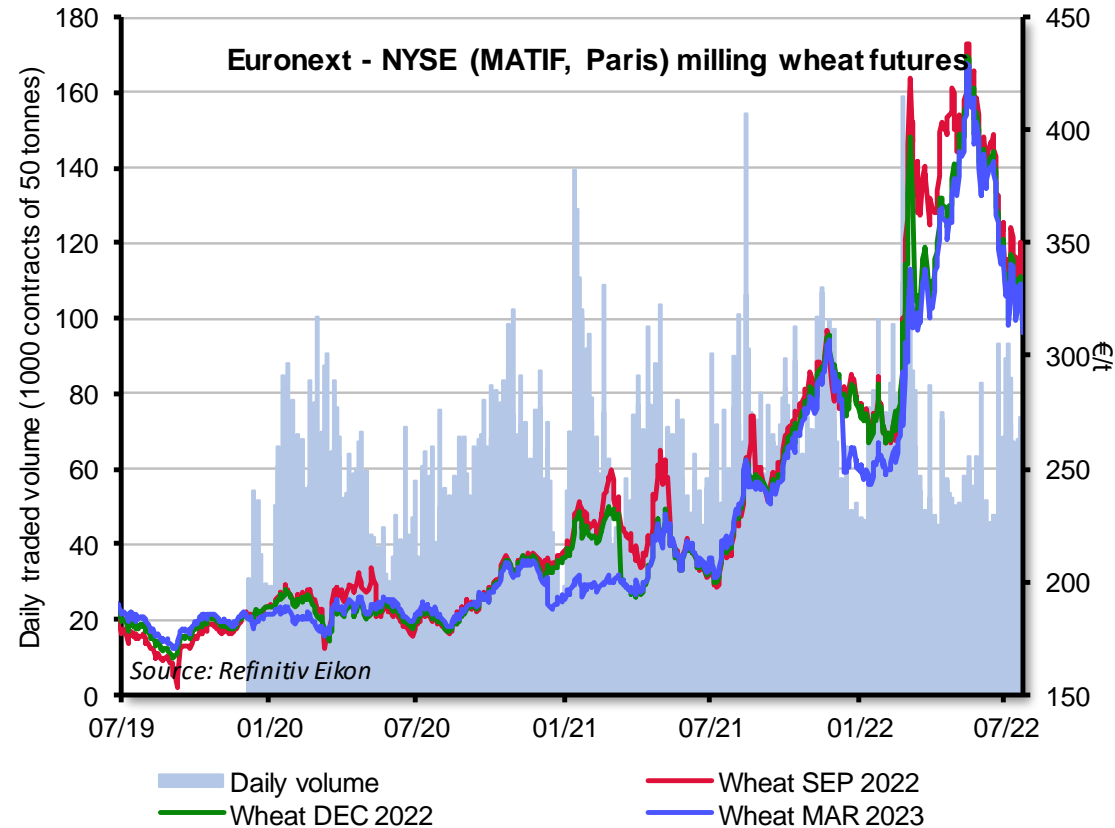
US CME SRW wheat futures



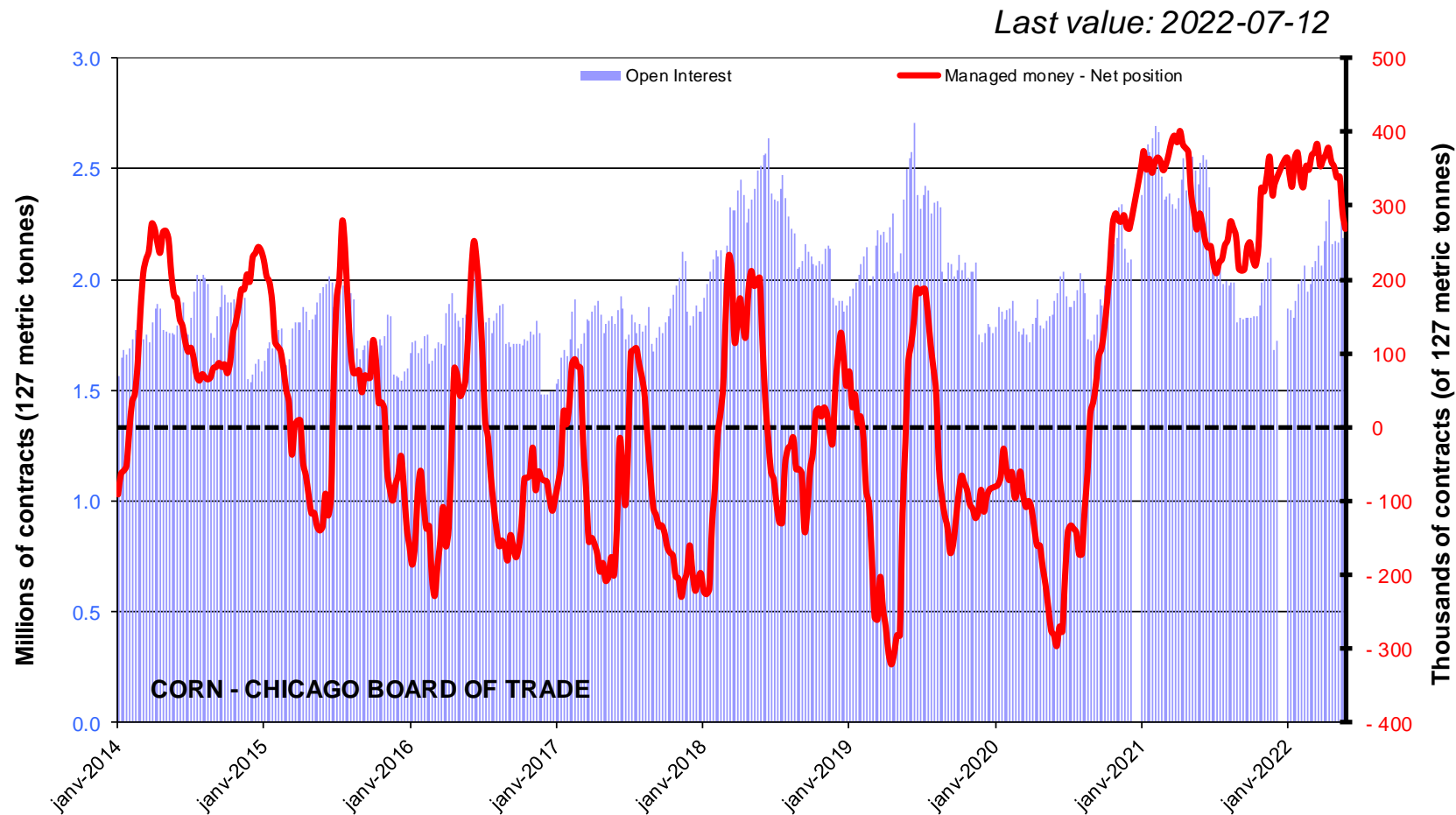
US CME HRW wheat futures



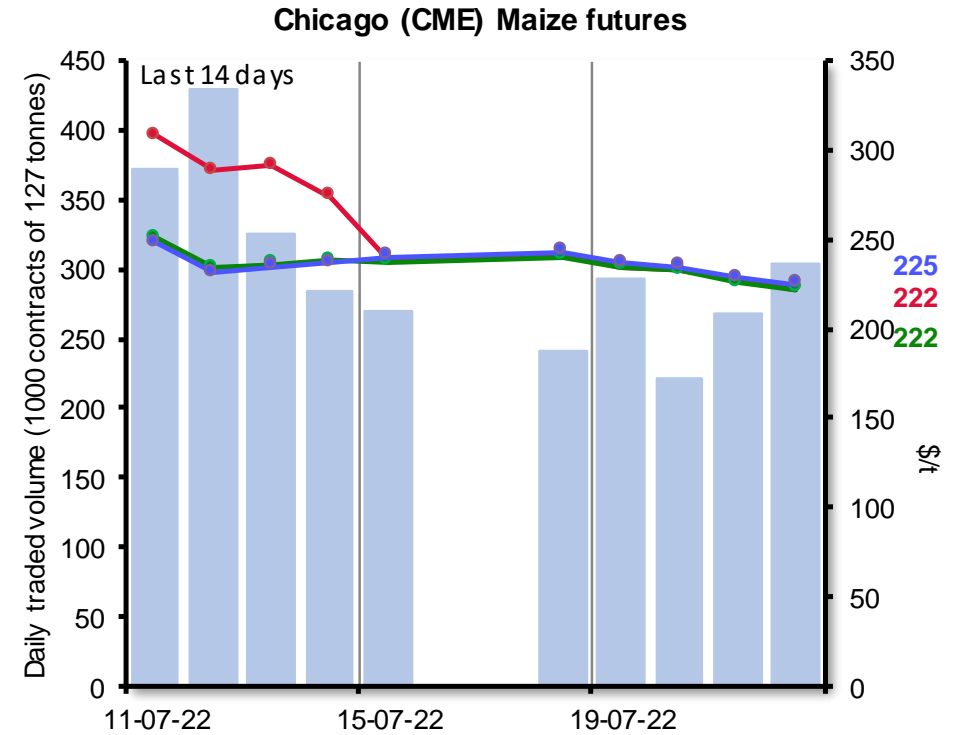
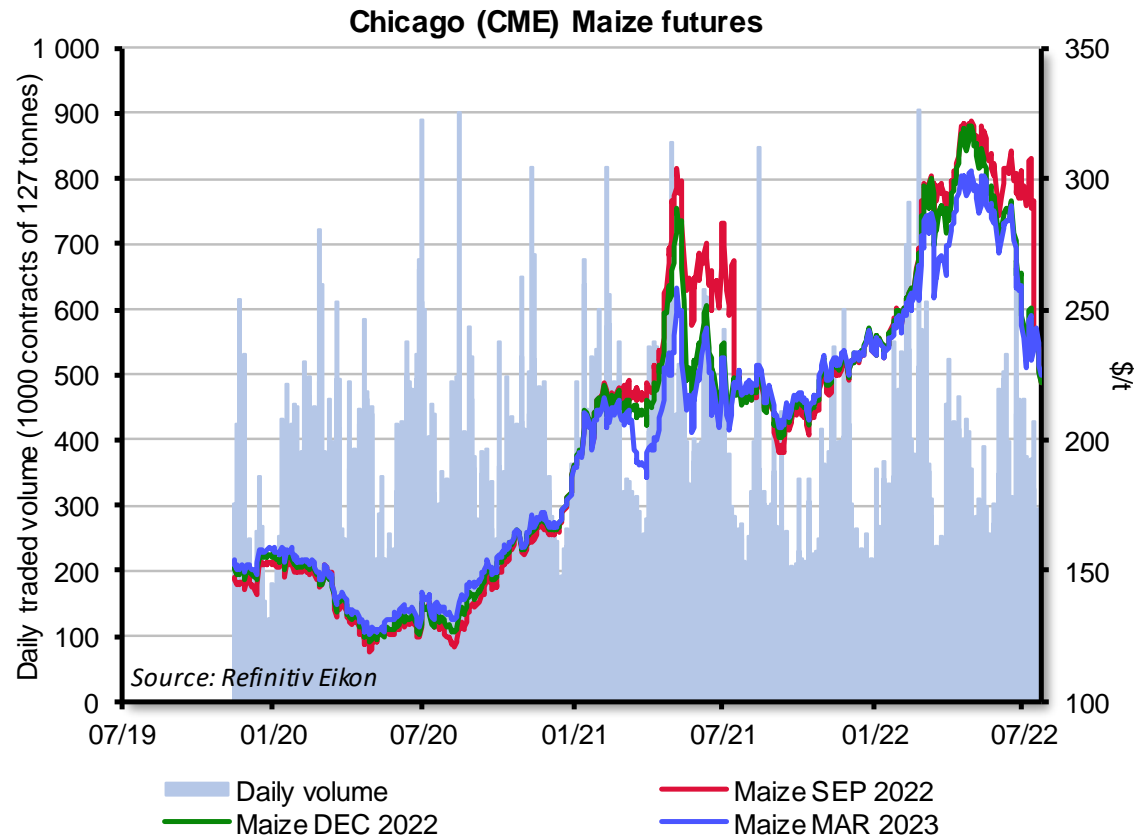
EU Milling Wheat Futures



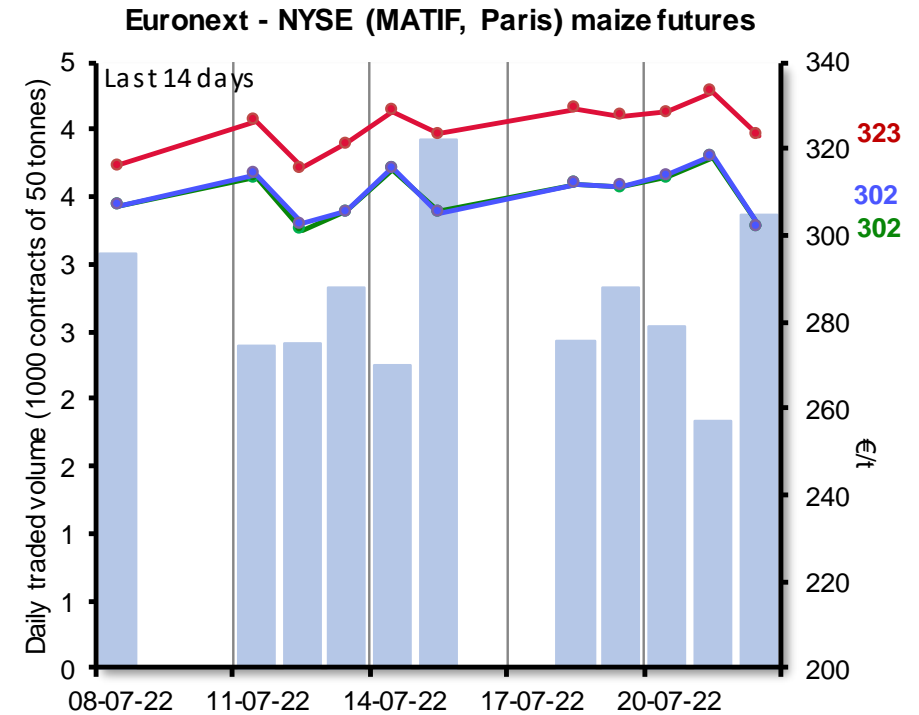
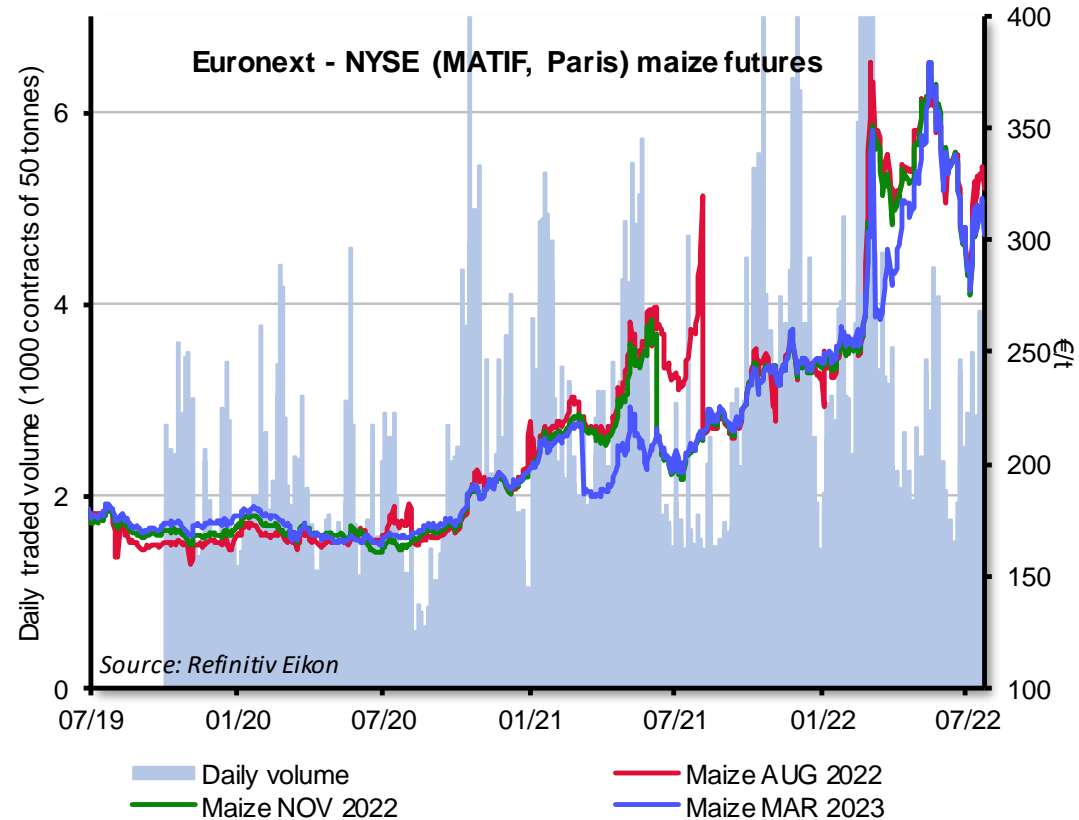
CME maize: open interest and positions of traders



CME maize futures



EU maize futures



Selected cereals trade for the past 4 weeks

Country	Crop	Quantity (t)	Price (\$/t)	Origins	Delivery
<i>Egypt</i>	wheat	120 000 <i>outside tender</i>	402-402.5 (c&f)	EU (FR) and RUS	Aug/Nov
<i>Egypt</i>	wheat	640 000 <i>outside tender</i>	403-405 (c&f)	EU (DE, FR and LT) RUS	Aug/Nov
<i>Egypt</i>	wheat	63 000 <i>outside tender</i>	420 (c&f)	EU (DE)	N/A
<i>Egypt</i>	wheat	440 000 <i>outside tender</i>	USD 416 (c&f)	EU (FR): 170 000 EU (RO): 60 000 RUS: 214 000	Sep-Oct
<i>Jordan</i>	wheat	120 000	427.5 (c&f)	optional	Oct/Nov
<i>Pakistan</i>	wheat	300 000	404.9 (c&f)	Optional	-



EU cereals trade 2022/23, situation at 10 Jul 2022

(updated on 26/07/2022)

- **Imports:** 0.4 million tonnes (0.5 million tonnes last year; 0.5 million tonnes two years ago)

➤ 0.07 million tonnes	soft wheat	↓	-5% y/y
➤ 0 million tonnes	durum wheat	↓	-100% y/y
➤ 0.35 million tonnes	maize	↑	+9% y/y
➤ 16 thousand tonnes	barley	↑	+98% y/y

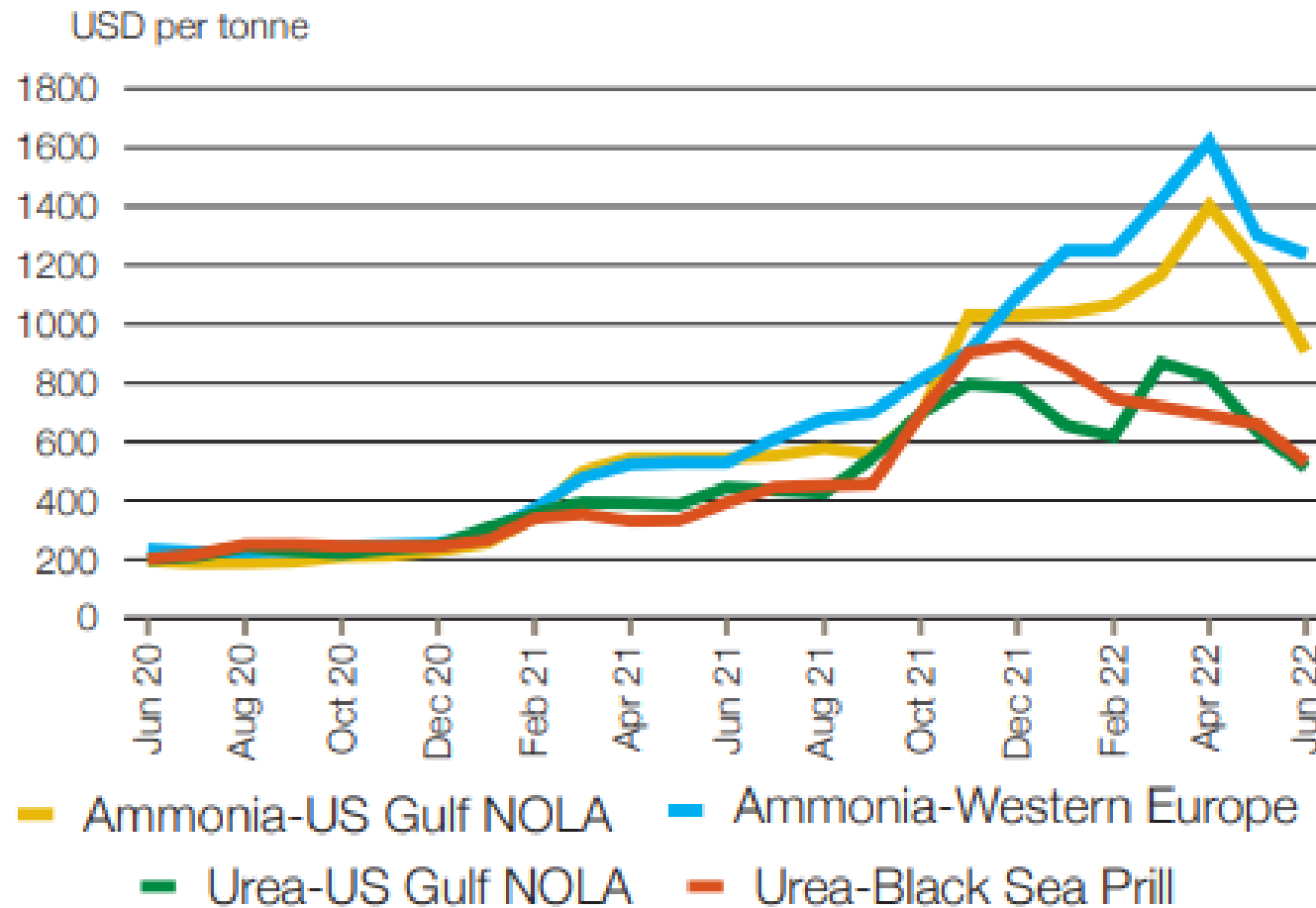
- **Exports:** 0.8 million tonnes (0.8 million tonnes last year; 1.1 million tonnes two years ago)

➤ 0.52 million tonnes	soft wheat	↑	+71% y/y
➤ 0.2 million tonnes	barley	↓	-48% y/y
➤ 16 thousand tonnes	durum wheat	↑	+48% y/y
➤ 0.04 million tonnes	maize	—	+1% y/y

- So far, the EU is a net cereal exporter of 0.4 million tonnes. Last year at this stage, EU was a net exporter of 0.3 million tonnes against 0.53 million tonnes two years ago.

* The United Kingdom is no longer a Member State of the European Union, however until the end of the transition period it was still a part of the EU Customs Union. Due to the absence of intra-trade data in the surveillance system, the totals of the EU trade data therefore also include the UK data until 31/12/2020. The data as of 1/1/2021 is therefore not comparable with the data until 31/12/2020.

Ammonia and urea (spot prices)



Source: AMIS - Market Monitor

Conclusions

- Amid volatile movements, cereals prices continued falling in July
- Agreement on UKR Black Sea grain corridor signed but viability uncertain
- IGC lifted 2022/23 **wheat** production forecast but lowered for **maize** and **barley**
- RUS grain export tax lowered after switch to RUB based fixing
- Outlook worsened for 2022/23 ARG **wheat** production
- On *fob* basis US SRW **wheat** remains the most competitive
- On *fob* basis ARG and BRA **maize** are the cheapest origins



Thank you

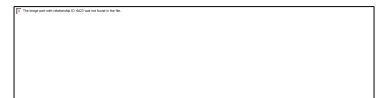
Market data the for cereals, oilseeds and protein crops are available at the EU Crops Market Observatory

<https://ec.europa.eu/agriculture/market-observatory/crops>



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