



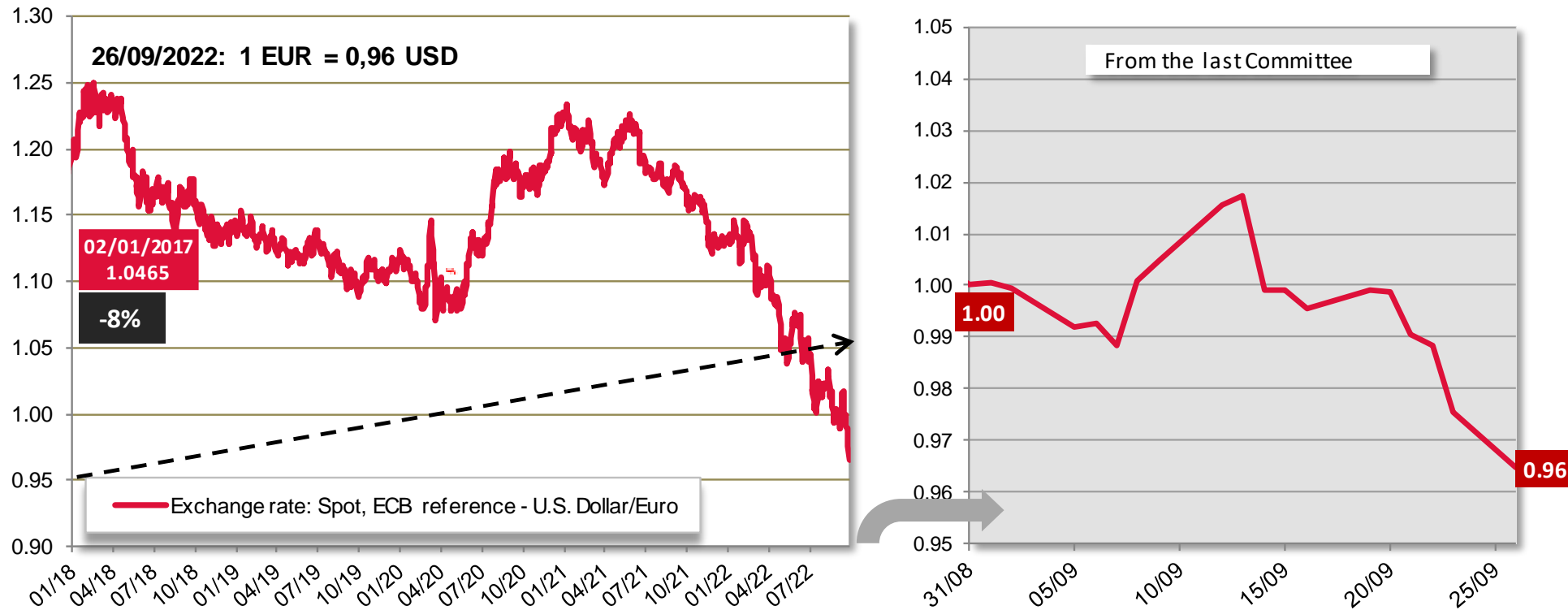
Cereals market situation

Committee for the Common Organisation of Agricultural
Markets

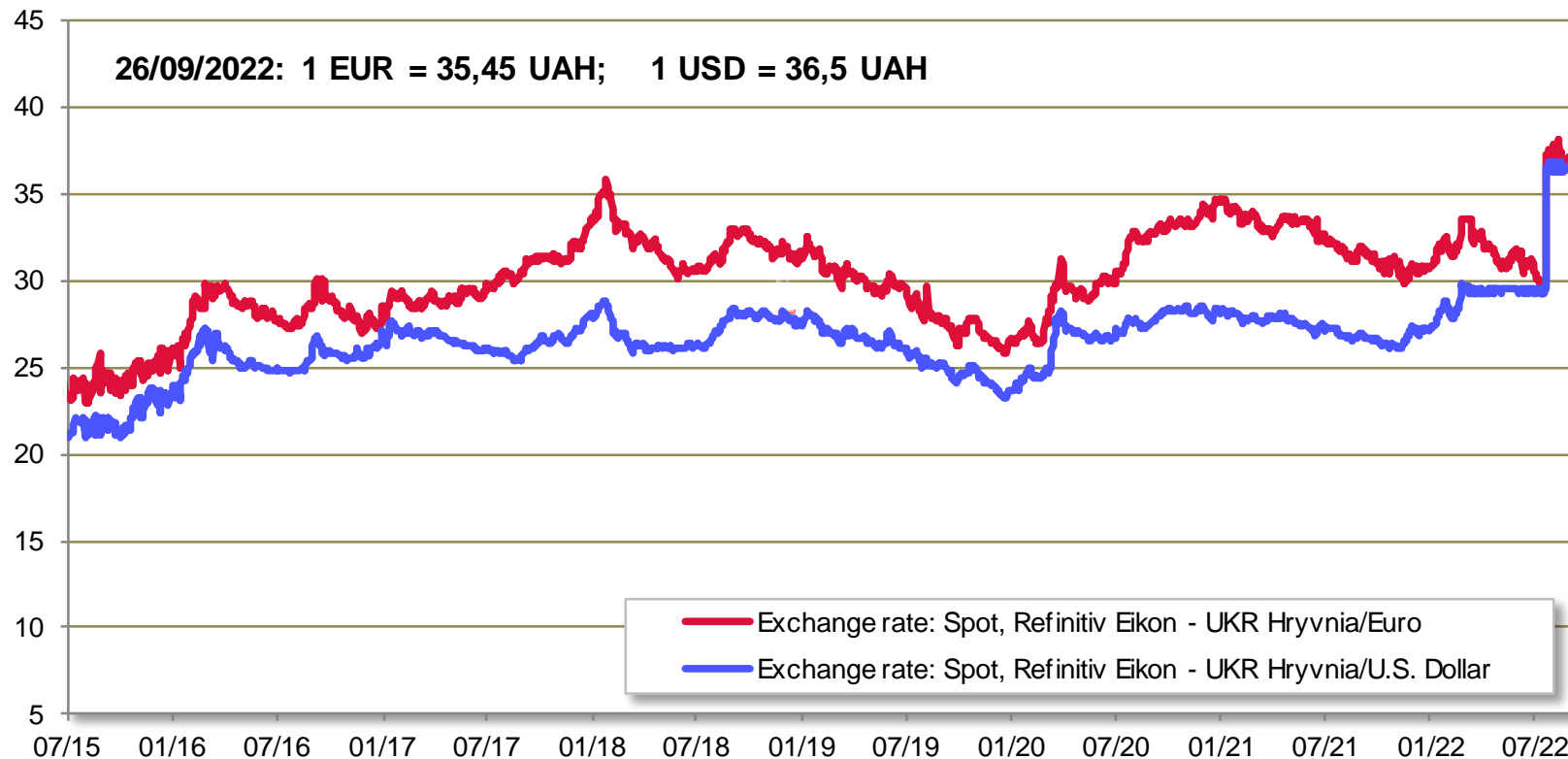
30 September 2022

Exchange rates

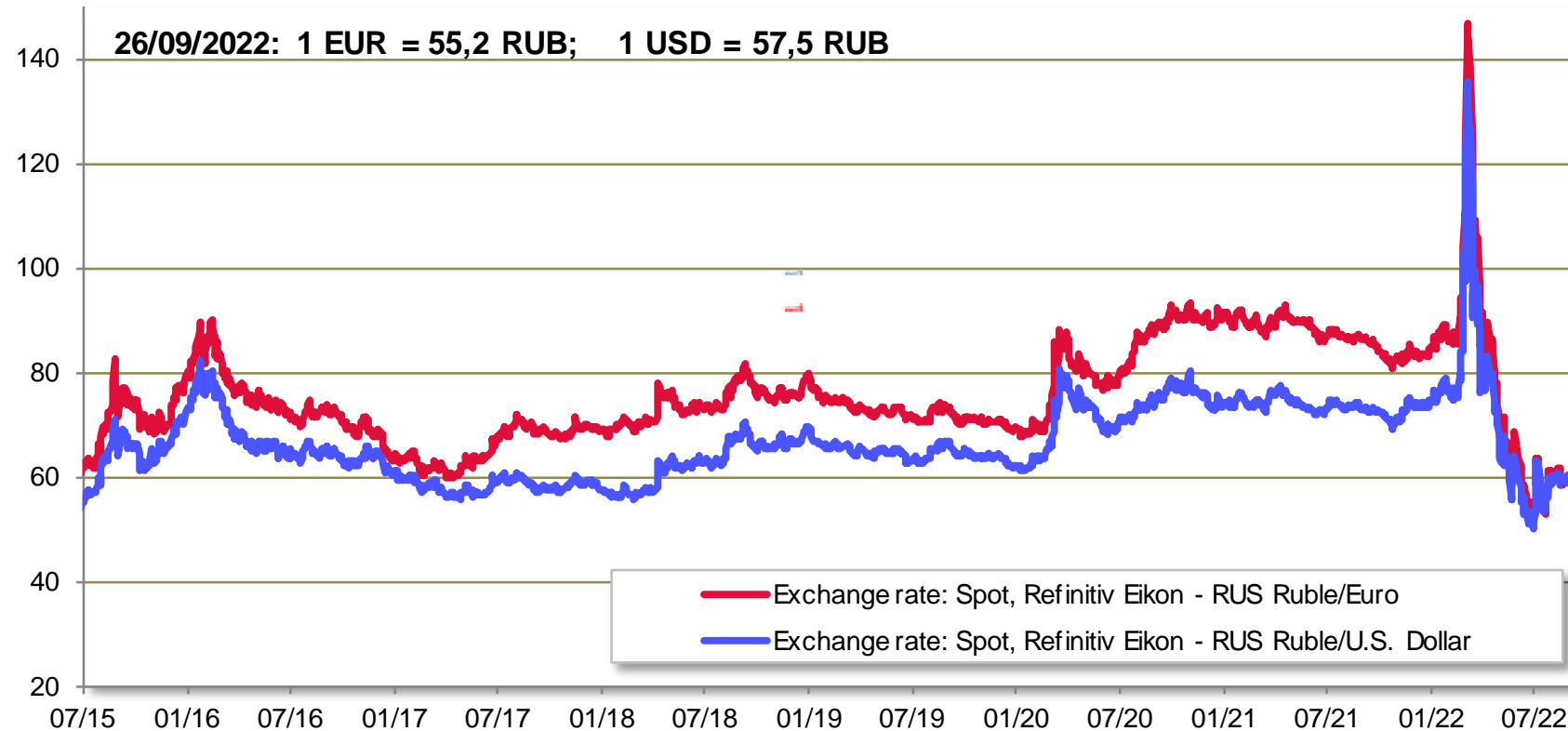
Euro – US Dollar exchange rate



Euro and US Dollar - Ukraine Hryvnia exchange rate



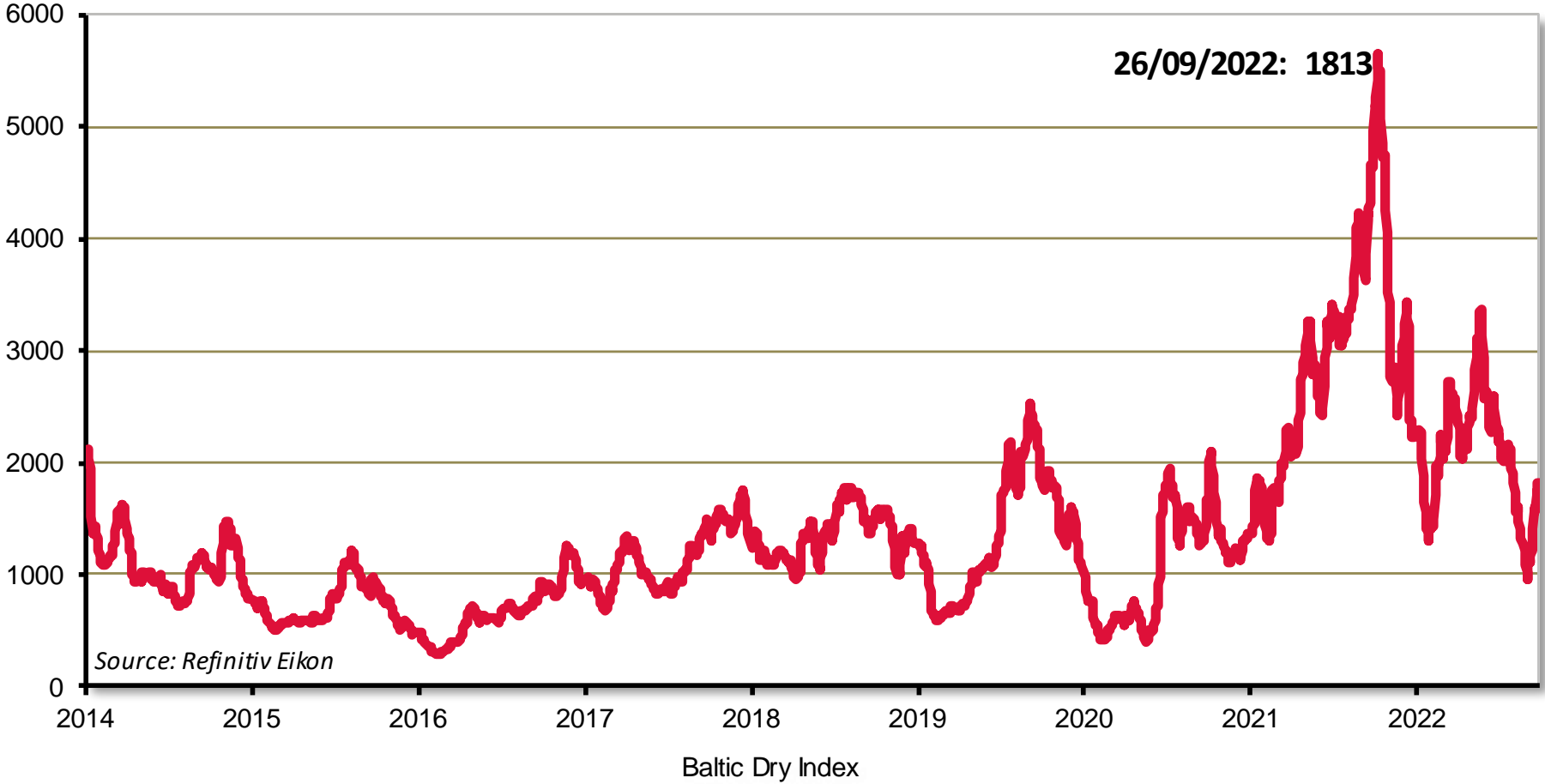
Euro and US Dollar – Russian Rouble exchange rate



Crude oil price (USD/barrel)



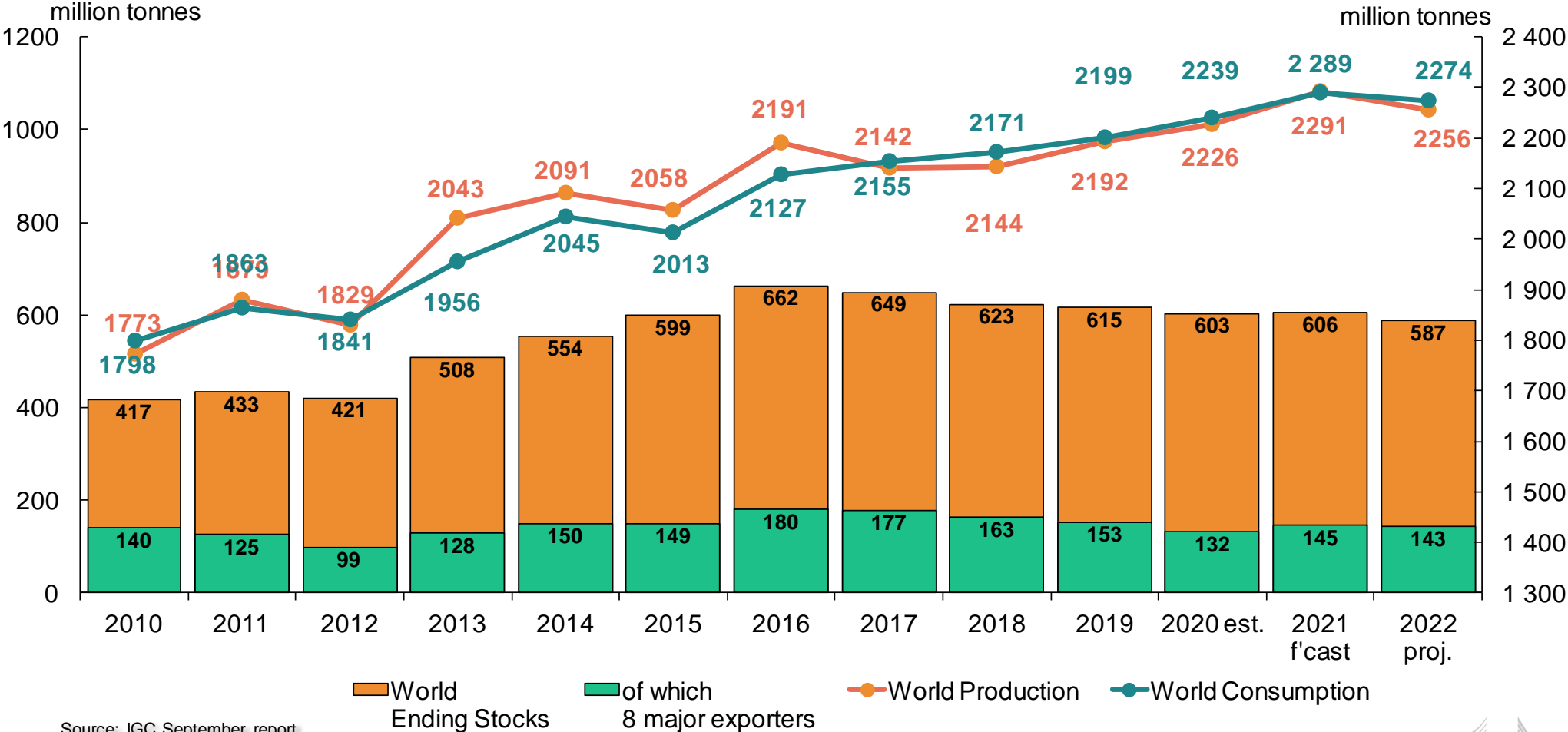
Baltic Dry Index



World Cereals Forecasts

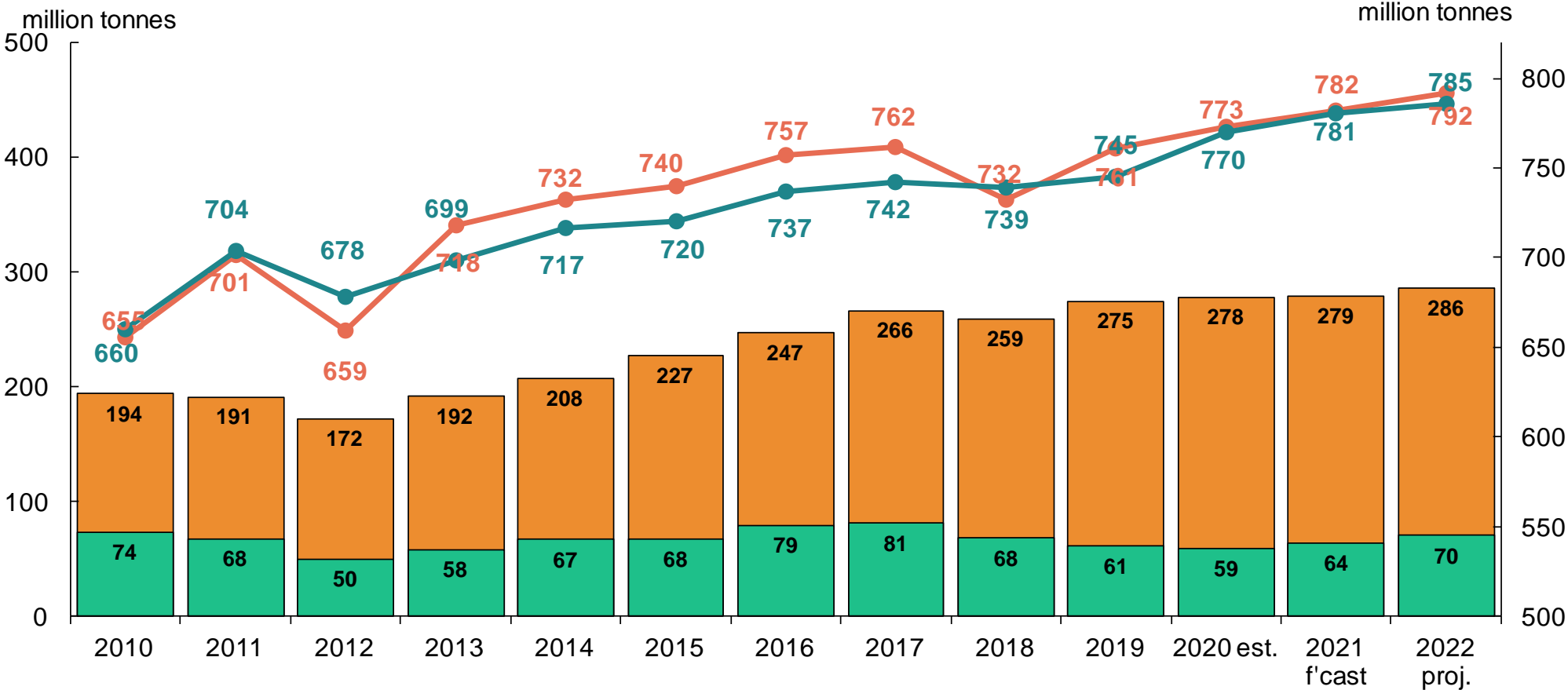
International Grains Council

World cereals: IGC



Source: IGC September report

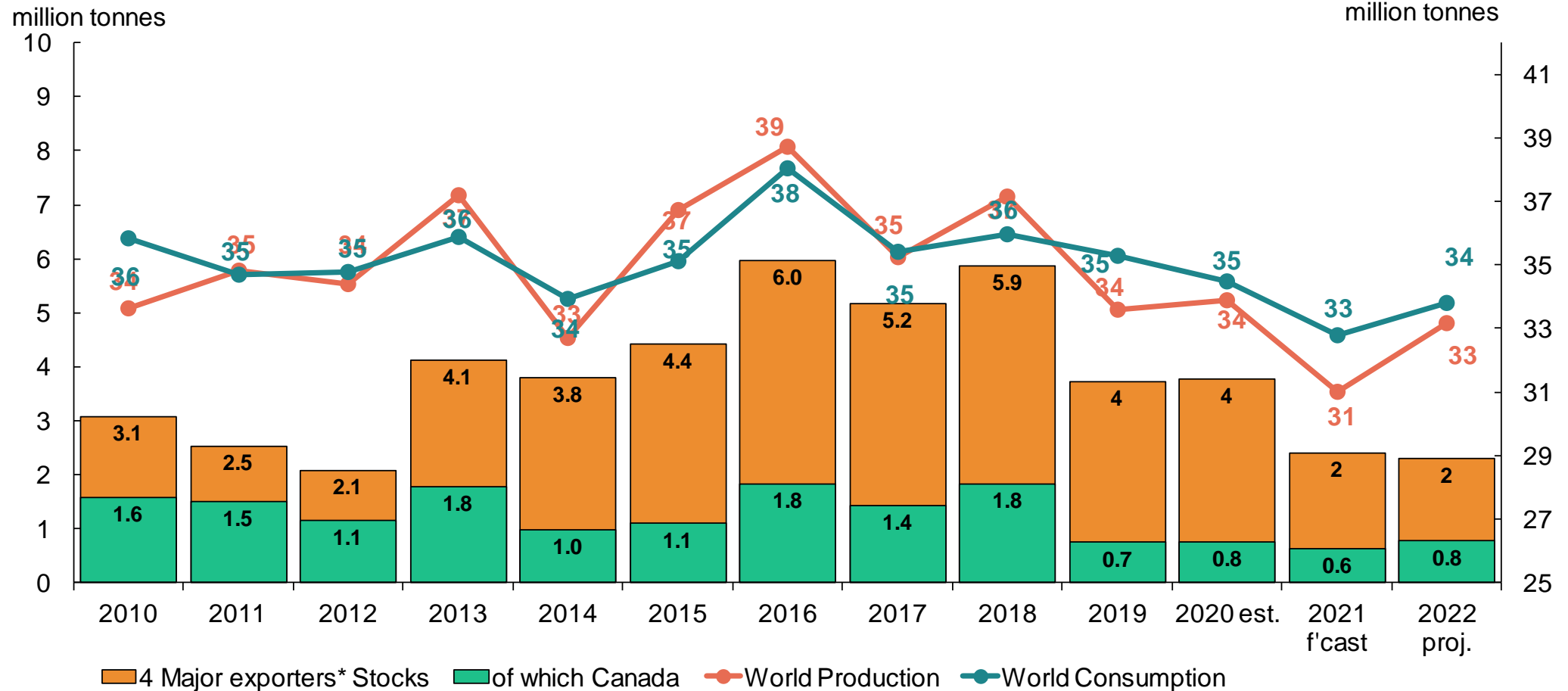
World wheat: IGC



Source: IGC September report

■ World Ending Stocks
 ■ of which 8 major exporters
 —●— World Production
 —●— World Consumption

World durum wheat: IGC



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

Source: IGC September report

Summary of the IGC Grain Market Report

(GMR 536 of 22/09/2022)

Outlook for 2022/23

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

	2019/20	2020/21	2021/22 (estimate)	2022/23 (forecast)	m/m change (m t)	y/y change
EU-27 (from 2020/21) <i>EU-27 + UK to 2019/20</i>	155.0	125.7	138.3	133.3	+1.3	-3.6%
USA	52.6	49.8	44.8	48.5	-	+8.3%
Canada	32.7	35.4	22.3	34.7	+1.7	+55.6%
Russia	73.6	85.4	75.0	93.4	+5.8	+24.5%
Ukraine	29.2	25.4	33.0	21.5	+2.0	-35.0%
Australia	14.5	31.9	36.3	32.2	+1.2	-11.3%
China	133.6	134.3	136.9	138.0	-	+0.8%
India	103.6	107.9	109.6	106.8	+1.8	-2.5%
World	760.7	773.2	781.6	791.9	+13.8	+1.3%

Summary of the IGC Grain Market Report

(GMR 536 of 22/09/2022)

Outlook for 2022/23

IGC raised its forecast for **total world grains production** to 2,256.0m t (+7.8m m/m; -35.4m or -1.5% y/y) in 2022/23 following increases for wheat and barley, partly offset by a smaller US maize harvest. **Consumption** was little changed at 2,274.3m t (+0.5m m/m; -14.2m or -0.6% y/y), incl. 756.1m of food use (+0.6% y/y), 1,017.9m for feeding (-2.0%) and 368.3m for industrial use (+0.1% y/y). Potentially, this could be the first decrease of global demand since 2015/16, mostly reflecting smaller feed demand, as well as limited growth for food and especially industrial use. **Ending stocks** increased by 10.1m m/m to 587.5m t (-3.0% y/y).

Wheat: following numerous increases, in particular for RUS and UKR, world **production** forecast was raised by 13.8m to a new record of 791.9m t (+10.2m t or +1.3% y/y). Harvest is almost complete in **RUS** where ample rainfall boosted yields throughout the country and the crop is now estimated at a new peak of 93.4m t (+5.8m m/m; +24.5% y/y). However, overall quality is expected to be lower than average. **UKR** forecast increased by 2.1m m/m to 21.5m t (-35%) following an upward area revision. There remains lot of uncertainty as for harvested area and yields in some of the eastern regions though. Sufficient moisture levels during summer ensured above average yields in **CAN** with the harvest estimated 1.7m higher m/m at 34.7m t (+55.6%). Crop prospects continued worsening in **ARG** due to dryness and the forecast was cut by 0.5m to 18.0m t (-18.7%). In contrast, the outlook remains favourable in **AUS** with the next crop now seen at 32.2m t (+1.2m m/m; -11.3%).

Driven by record supply, world **consumption** is expected to reach a new peak of 785.5m t (+0.6% y/y), incl. 547.3 million tonnes of food use (+0.4%) and 148.7 million tonnes for feeding (+0.6%). However, the growth rate would be below the recent five-year average.

Summary of the IGC Grain Market Report

(GMR 536 of 22/09/2022)

Outlook for 2022/23

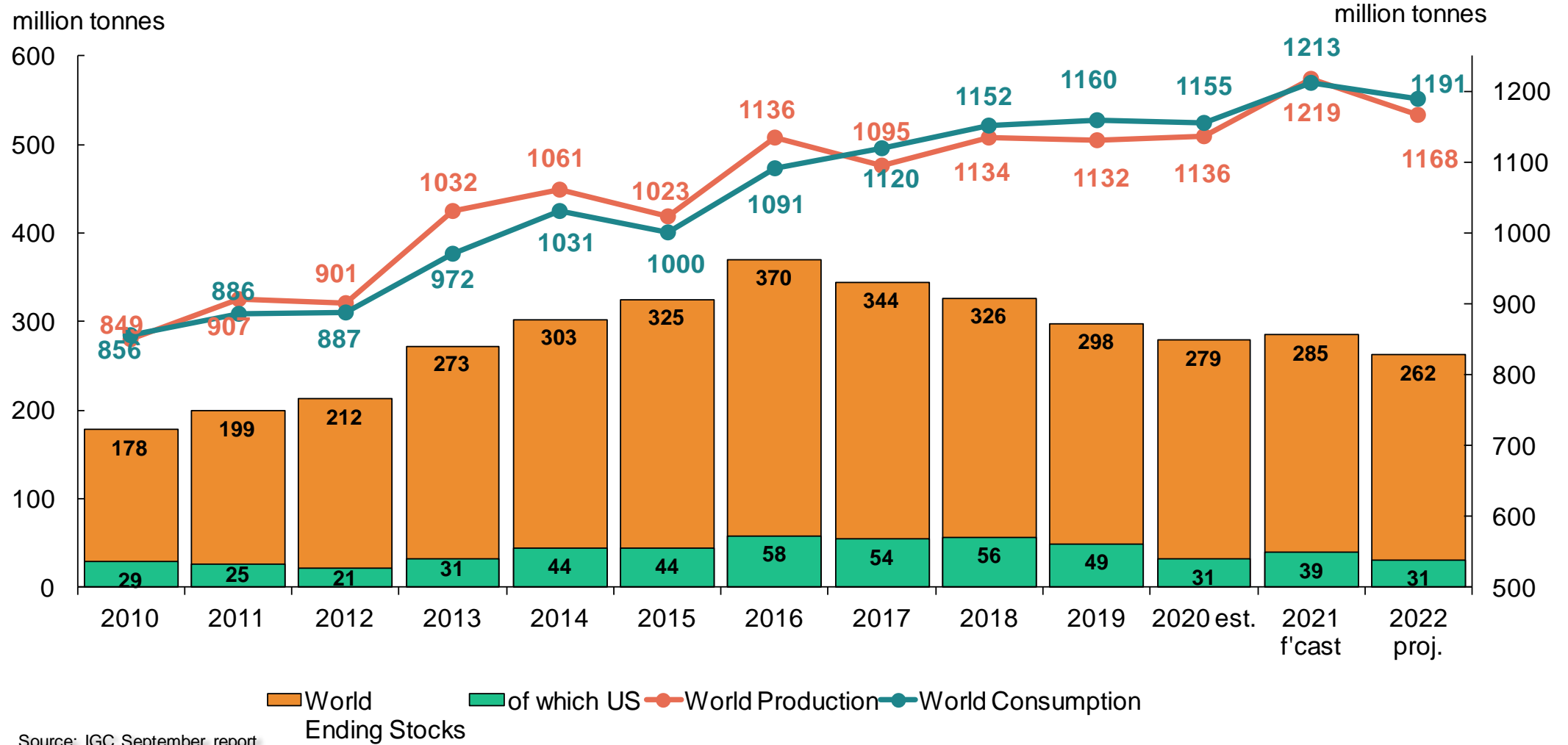
In line with larger output, ending stocks increased by 10.7m m/m to 285.6m t (+2.3% y/y), of which 48.1% is attributed to China. Mostly reflecting record large stocks in **RUS** (22.5m t; +98.5%), major exporters' stocks are now seen at an above-average level of 70.3m t (+10.4% y/y).

World trade is forecast at 192.8m t (-3.9m or -2.0% y/y) in 2022/23 (Jul/Jun). High prices and improved domestic supplies at some buyers are expected to reduce import demand. **RUS** is forecast to remain the main exporter with 36.5m t (+10.6% y/y). RUS exports accelerated lately, however remain below the country's potential due to persistent trade-related difficulties. **EU** shipments were lowered by 1.0m m/m to 34.5m t (+13.7%), 2nd largest on record, as traders face increased competition and domestic demand is also strong. **UKR** forecast steady m/m at 13.0m t (-31.2% y/y).

Wheat planting prospects for 2023/24: Sowing of winter wheat has started in the northern hemisphere. IGC expects global wheat area to remain high given elevated market prices. Lot will however depend on agronomic and profitability considerations, in particular the availability and prices of fertiliser. Recent rains brought some relief in Europe, but more precipitation is still needed. RUS plantings started slowly, with area target steady y/y. Wheat acreage is officially expected to decline in UKR due to financial difficulties and the war. US made good progress with seeding under dry conditions. Plantings should start in October in Pakistan, where recent devastating floods created difficult conditions for fieldwork.

Durum wheat: world production forecast increased slightly m/m to 33.2m t (+0.2m m/m; +2.2m t or +6.9% y/y), still about 3% below the five-year average. Both **CAN** (6.1m t; +101.3%) and **US** (2.0m t; +97.4%) crops are expected to double from last season's very poor harvests, while outturns in **MEX** are placed at 1.9m t (+7.7%). **EU** production is forecast at 7.1m t (-7.9% y/y). Following the strong rebound of supplies, consumption is expected to increase by 3.1% to 33.8m t, incl. 31.3m (+2.5%) of food use. Global stocks are projected to remain very tight, about one-third below average, and reach 5.8m t (-9.7% y/y), incl. 2.3m t (-4.4%) in the 4 major exporters.

World maize: IGC



Source: IGC September report

Summary of the IGC Grain Market Report

(GMR 536 of 22/09/2022)

Outlook for 2022/23

Maize production in selected countries (million tonnes)

	2019/20	2020/21	2021/22 (estimate)	2022/23 (forecast)	m/m change (m t)	y/y change
EU-27 (from 2020/21) <i>EU-27 + UK to 2019/20</i>	68.1	68.0	70.3	56.8	-2.8	-19.2%
USA	346.0	358.4	383.9	354.2	-10.5	-7.7%
Ukraine	35.9	30.3	42.1	29.2	+1.5	-30.7%
Russia	14.3	13.9	14.6	15.0	+0.4	+2.7%
Brazil	102.5	87.1	113.3	123.1	-	+8.7%
Argentina	58.4	60.5	57.0	60.6	-	+6.4%
China	260.8	260.7	272.6	273.0	-	+0.2%
World	1,131.5	1,136.0	1,218.8	1,167.9	-10.7	-4.2%

Summary of the IGC Grain Market Report

(GMR 536 of 22/09/2022)

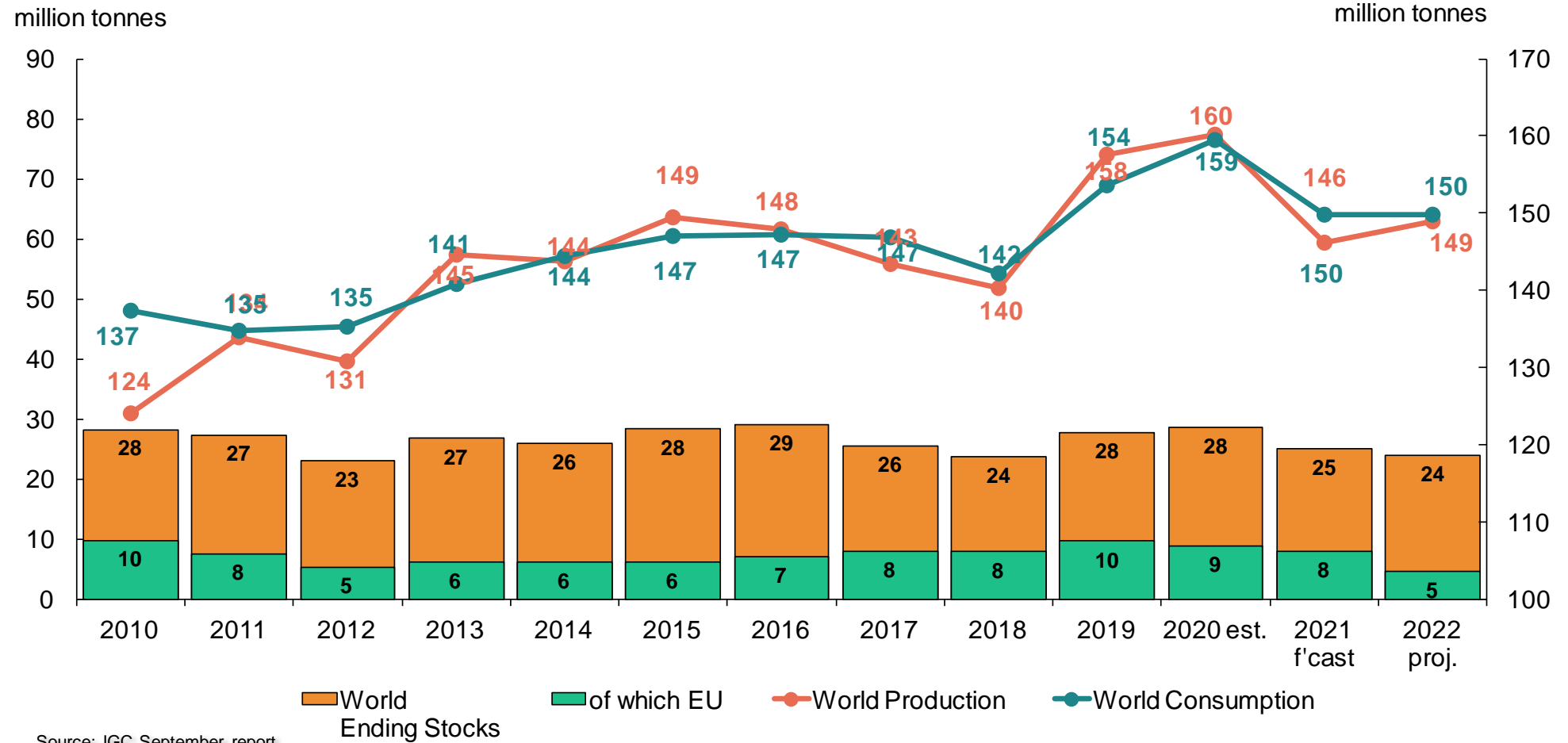
Outlook for 2022/23

Maize: incorporating additional reduction for the EU and a large cut for the US, world production forecast was lowered by 10.7m m/m to 1,167.9m t (-50.9m or -4.2% y/y), the 2nd largest on record. Mainly linked to reduced feed use, consumption is seen 1.8% lower y/y at 1,190.5m t (-6.2m m/m; -22.2m y/y), incl. 699.9 m for feeding (-5.1m m/m; -2.8% y/y) and 309.2m for industrial use (+0.2%). Amid tighter supplies, **EU** maize demand was lowered by 2.0m m/m to 74.1m t (-10.7% y/y), incl. 54.5m of feed use (-12.0% y/y). Ending stocks decreased by 2.6m m/m to 262.1m t (-8.0% y/y), with 175m t attributed to **China** (-7.0% y/y; 66.8% of world total). The monthly reduction reflects smaller US inventories and the global stocks are now seen at their lowest level since 2012/13.

Extreme hot and dry conditions severely reduced yield prospects in the **EU** and production is forecast at a 15-year low of 56.8m t (-2.8m m/m; -19% y/y). Linked to smaller area and especially worsening yield potential, the **US** crop forecast was cut by 10.5m /m to 354.2m t (-7.7%), 3% below the five-year average. Weather conditions improved in western and central **UKR** boosting yield prospects. Production outlook was raised by 1.5m m/m to 29.2m t (-30.7%). Reflecting mostly favourable conditions, forecasts increased for both **CAN** (+0.5m to 14.9m t; +6.3%) and **RUS** (+0.4m t 15.0m t; +2.7%).

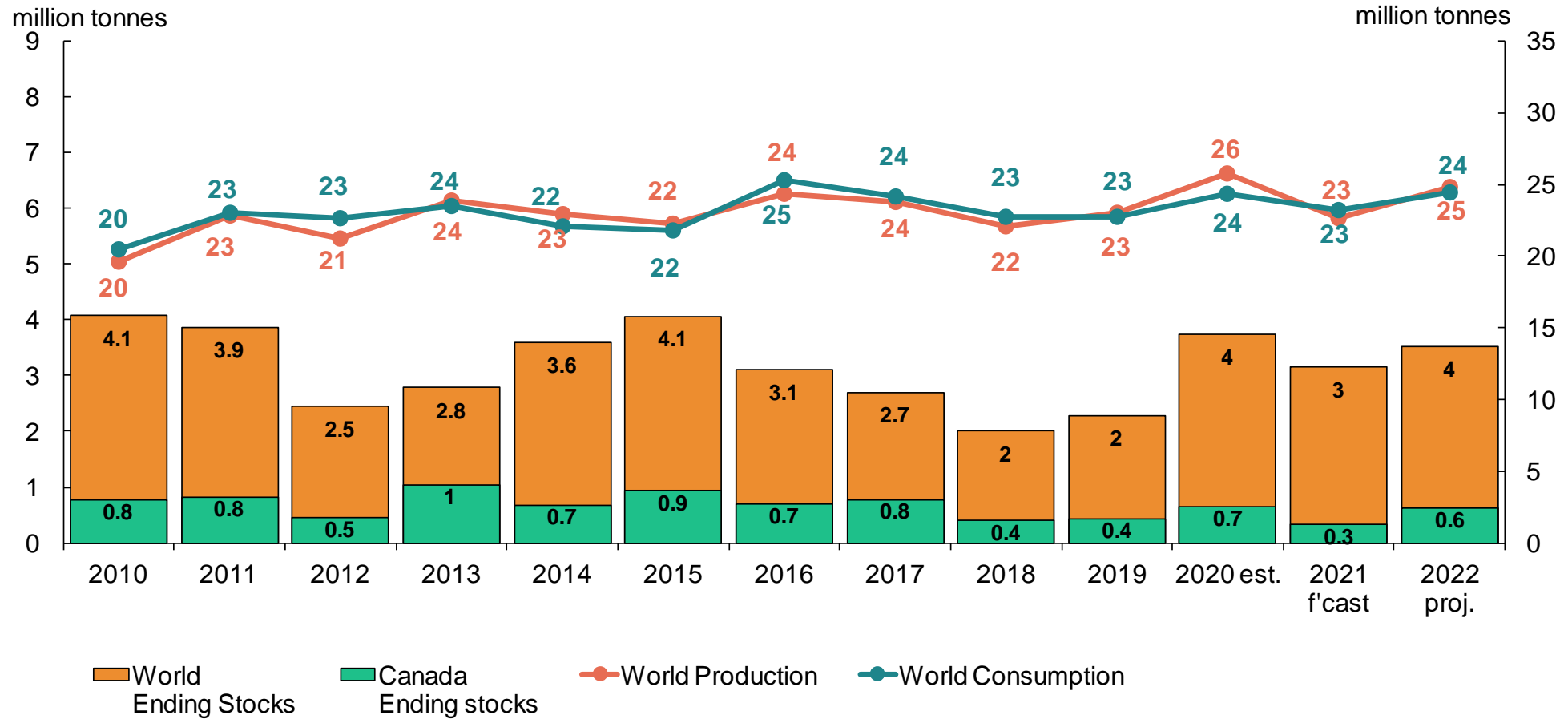
World trade is forecast to decline by 3.9% y/y to 172.3m t in 2022/23 (Jul/Jun). **UKR** exports were lifted by 1.5m m/m to 17.0m t (-28.3%) on larger crop and continued strong pace of shipments. The realization is subject to the extension of the Black Sea Grain Initiative beyond the end of November. In contrast, US exports were lowered to 57.9m t (-2.5m m/m; -10.5%) due to smaller availabilities. **EU** imports are estimated at 20.5m t (+1.5m m/m; +14.9% y/y), making the EU the largest buyer, followed by **China** with 19.0m t (-15.6%).

World barley: IGC



Source: IGC September report

World oats: IGC



Source: IGC September report

Summary of the IGC Grain Market Report

(GMR 536 of 22/09/2022)

Outlook for 2022/23

Barley production in selected countries (million tonnes)

	2019/20	2020/21	2021/22 (estimate)	2022/23 (forecast)	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	51.3	-0.1	-1.7%
United Kingdom	8.2	8.1	7.0	7.0	-	+0.6%
Russia	19.9	20.6	17.6	21.4	+1.5	+21.6%
Ukraine	9.5	7.9	10.0	6.5	+1.2	-34.7%
Australia	10.1	14.6	13.9	12.3	+1.2	-11.9%
Canada	10.4	10.7	7.0	9.4	+0.3	+35.5%
Turkey	7.6	8.3	5.8	7.4	-	+28.7%
World	157.6	160.2	146.1	148.8	+3.6	+1.9%

Summary of the IGC Grain Market Report

(GMR 536 of 22/09/2022)

Outlook for 2022/23

Barley: including increases for AUS, RUS and UKR in particular, world production is forecast at 148.8m t (+3.6m m/m; +2.7m or +1.9% y/y), close to the five-year average. Aided by ample rains, yields were very strong in **RUS** with the crop forecast at a 14-year peak of 21.4m t (+1.5m m/m; +21.6% y/y). The production forecast was lifted for **UKR** as well, by 1.2m to 6.5m t (-37.7%), however it remains a mostly preliminary figure given significant uncertainty about harvest results in the conflict areas. With the harvest about 80% complete, **CAN** production is placed at 9.4m t, slightly higher m/m, with timely precipitation boosting yield prospects. The outlook remains favourable in **AUS**, although too much rainfall is a concern in some eastern areas. IGC lifted its forecast for the AUS barley crop by 1.2m to 12.3m t (-11.9%). Consumption is forecast to reach 149.9m t (+3.0m m/m; +0.1% y/y), incl. feed use at 104.5m t (+0.9%). The monthly increase is primarily due to heightened estimate for the **EU** (+1.8m m/m to 45.6m t, incl. 35.7m for feed) amid tight maize supplies. Stocks are forecast at a below-average 23.9m t (-4.1% y/y).

World trade (July/June) of barley is placed at 30.8m t (+1.2m m/m; -4.5% y/y). **EU exports** were lowered by 0.5m to 7.0m t (-3.5%) following slow shipments at the start of the season. **AUS** is expected to remain the largest exporter with 7.2m t (+0.8m m/m; -8.3% y/y), while **RUS** exports are seen reaching 6.0m t (+71.4%). **UKR** shipments are projected at 1.8m t only (-69.6%). Imports by **Saudi Arabia** are seen at 4.2m t (+7.7% y/y) and for **China** at 9.5m t (-0.3m m/m; -2.1%).

Oats: mainly driven by a strong recovery in CAN, world production is forecast at 24.8m t (+0.6m m/m; +2.2m or +9.5% y/y). The **CAN** crop was raised by 0.4m m/m to 4.7m t (+65.7% y/y), a 15-year peak, while the harvest is expected to yield 7.6m t (+2.0%) in the **EU** and 4.0m (+6.0%) in **RUS**. Linked to larger supplies global consumption was lifted by 0.4m to 24.4m t (+5.2% y/y), incl. increases both for feed (16.1m t; +6.1%) and food (5.7m t; +1.5%) uses. Solid **US** import demand (1.6m t; +14%) is expected to boost trade by 13% to 2.7m t.

Cereals Market News and Prices

Market News 1. (30-9-2022)

Ukraine

- **UKR** (*AgMin*): as of 28 Sept, 2022/23 grain exports amounted to 8.0m t (-41% y/y), incl. 2.8m of **wheat** (-67%), 0.7m of **barley** (-81%) and 4.5m of **maize** (+222%).
- **UKR** (*APK-Inform*): Grain production in 2022/23 is forecast at 54.1-55.7m t (86.0m last year), incl. wheat at 19.0m t, barley at 5.5m and maize at 20.0m.
- **UKR** (*UkrAgroConsult*): taking into account official harvest reports, the consultancy raised its forecast for **wheat** production in 2022/23 by 0.4m to 18.9m t, while reduced for **barley** by 0.6m to 5.4m t. **Maize** outlook was lifted by 0.5m to 27.0m t reflecting the positive impacts on yield prospects of the favorable August weather. Export estimates were also adjusted; wheat: 14.7m t, barley: 1.95m t and maize: 30.0m t (due to high stocks).
- **UKR** (*AgMin*): winter **wheat** area is projected to decline by 20% y/y leading to a reduced production of 16.0-18.0m t in 2023/24.
- **UKR** (*UkrAgroConsult*): as of 26/09, winter grain progressed to 15% complete, with total area projected at 4.75m ha, incl. 3.99m ha of wheat (16% done), 0.68m ha of barley (10%) and 0.96m ha of rapeseed (100%).

Market News 2. (30-9-2022)

Russia / KZH

- **RUS**: (IGC referring to IKAR consultancy): **wheat** production forecast for 2022/23 lifted by 4.0m to a record 99.0m t (+23m t y/y), while export potential is estimated at 47.5m t.
- **RUS**: (IGC referring to SovEcon): reported spring wheat yields exceeded earlier expectations, hence the forecast for 2022/23 **wheat** production increased by 5.3m from before to 100.0m t (+24m y/y). The consultancy also raised its forecast for **barley** (+3.1m to 23.7m t; +5.7m t y/y) and **maize** (+0.4m to 15.5m t; +0.3m y/y).
- **RUS** (JRC-MARS): exceptionally high grain production is forecast as favourable weather conditions throughout the season resulted in high yields. Total **wheat** production is forecast at 95.0m t (+25% y/y and 19% above the 5-Y ave), incl. 70.2m winter (+31%; +22%) and 24.8m spring wheat (+10%; +12%). **Barley** harvest is expected to reach 21.7m t (+18%; +9%), while **maize** is placed at 16.4m t (+6%; +17%).
- **KZH** (AgMin): export quotas for **wheat** (550,000 t) and wheat flour (370,000 t) were lifted as from 14 September 2022.
- **KZH** (AgMin): 2022/23 **wheat** production is forecast at 13.7-14.0m t (11.8m t last season), while exports, incl. flour in grain equivalent, are projected at 9.5m t (9.1m t in 2021/22).

Market News 3. (30-9-2022)

Russia: export tax on wheat, barley and maize

<i>In RUB per tonne</i>	31 Aug – 6 Sep	7 – 13 Sep	14 – 20 Sept	21 - 27 Sept	28 Sept – 4 Oct
Wheat exp tax	4 054 (≈ USD 67)	3 369 (≈ USD 57)	2 963 (≈ USD 49)	2 668 (≈ USD 45)	2 477 (≈ USD 42)
Barley	2 729 (≈ USD 45)	2 699 (≈ USD 46)	2 718 (≈ USD 45)	2 354 (≈ USD 40)	2 153 (≈ USD 37)
Maize	3 570 (≈ USD 59)	3 664 (≈ USD 62)	3 784 (≈ USD 63)	3 697 (≈ USD 62)	3 660 (≈ USD 61)

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. (30-9-2022)

USA: Grains export inspections *w/e 22 September 2022*

Commodity	MY 2022/23	MY 2021/22	Change
Maize	1 606 639	1 327 329	+ 21.0 %
Sorghum	76 632	151 808	- 49.5 %
Soya beans	1 171 257	989 999	+ 18.3 %
Wheat	7 778 572	8 134 820	- 4.4 %

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. (30-9-2022)

USA

- **USDA Crop Progress** report w/e 25 September 2022:

Crop conditions

- **Maize:** 52% good/excellent (59% last year; 62% 5-Y average)
- **Soya beans:** 55% good/excellent (58% last year; 61% 5-Y average)

Harvest progress

- **Spring wheat:** 96% complete (100% last year; 97% 5-Y ave)
- **Maize:** 12% complete (17% last year; 14% 5-Y ave)
- **Soya beans:** 8% complete (15% last year; 13% 5-Y ave)

Maize conditions continued to worsen

Market News 6. (30-09-2022)

Canada: Preliminary crop production estimates, August 2022

Statistics Canada: Model-based production estimates (14 09 2022)

<i>26-04-2022</i>	2020	2021	2022	y/y
Total wheat (million tonnes)	35.437	22.296	34.703	+55.6%
<i>Durum wheat</i>	6.571	3.038	6.117	+101.3%
<i>Spring wheat</i>	26.092	16.250	26.053	+60.3%
<i>Winter wheat</i>	2.774	3.007	2.532	-15.8%
Barley	10.741	6.959	9.428	+35.5%
Maize	13.563	13.984	14.861	+6.3%
Canola (<i>rapeseed</i>)	19.485	13.757	19.099	+38.8%
Oats	4.576	2.808	4.654	+65.7%
Soya beans	6.358	6.272	6.505	+3.7%

Market News 7. (30-9-2022)

Canada: Outlook for Principle Field Crops in 2022/23

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

23-09-2022	2020/21	2021/22 f'	2022/23 f'	m/m	y/y
Durum prod' (m t)	6.57	3.04	6.12	-0.15	+101.3%
exports (m t)	5.77	2.72	5.00	-	+84.1%
All wheat prod'(m t)	35.44	22.30	34.70	+0.20	+55.6%
exports (m t)	26.30	15.13	23.20	+0.20	+53.4%
Barley prod' (m t)	10.74	6.96	9.43	+0.03	+35.5%
exports (m t)	4.28	2.60	3.45	-	+32.5%
Oats prod' (m t)	4.58	2.81	4.65	+0.06	+65.7%
exports (m t)	2.97	2.30	2.85	-	+23.8%
Canola/rapeseed prod' (m t)	19.49	13.76	19.10	+0.70	+38.8%
Exports (m t)	10.59	5.27	9.30	+0.10	+76.5%

Market News 8. (30-9-2022)

China

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

13 September		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	80.0	-	80.0	+0%
	Imports	18.0	-	20.0	-10%
Soya beans	Production	19.5	-	16.4	+19%
	Consumption	112.9	-	107.9	+5%
	Imports	95.2	-	91.0	+5%

Market News 9. (30-9-2022)

Brazil

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

- **Maize:** linked to slightly lower yield estimate for the second (*safrinha*) crop, total production was lowered by 1.4m m/m to 113.3m t. Maize area is unchanged m/m at 21.6m ha (+8.2% y/y), incl. 16.4m ha (+9.2%) for the *safrinha* crop. Average yield is now forecast at 5.25 t/ha (+20.2% y/y), incl. 5.26 t/ha (+29.8%) for the *safrinha* crop. Domestic demand was slightly lowered to 76.5m t (-0.6m m/m; +5.9% y/y), while exports trimmed by 0.5m to 37.0m t (+77.9% y/y).
- **Soya beans:** following an upward area revision (+0.5m ha to 41.5m ha; +4.9% y/y), the production estimate was raised by 1.5m to 125.6m t. Exports were lifted by 2.0m m/m to 77.2m t (-10.3% y/y), while consumption increased to 51.5m t (+4.0% y/y).
- **Wheat:** production forecast raised by 0.2m m/m to 9.4m t due to larger area (3.03m ha; +10.6%), while yield is placed at 3.09 t/ha (+10.3%). Domestic demand is expected to increase by 1.9% y/y to 12.3m t, while imports are seen at 6.3m t (+3.6%).

8 September 2022	Forecast	+/- previous f'cast	Previous year	+/- y/y
Wheat prod (m t) – 2022/23	9.4	+0.2	7.7	+22.0%
Soya beans prod (m t)	125.6	+1.5	139.4	-9.9%
Maize prod (m t)	113.3	-1.4	87.1	+30.1%
<i>Maize 1st crop</i>	25.0	-	24.7	+1.0%
<i>Maize 2nd crop</i>	86.1	-1.3	60.7	+41.8%
<i>Maize 3rd crop</i>	2.2	-0.1	1.6	+33.4%
<i>Maize exports</i>	37.0	-0.5	20.8	+77.9%

Market news 10. (30-9-2022)

Australia – outlook for 2022/23

(source: ABARES – September 2022)

	2020/21	2021/22 (f)	2022/23 (e)	Sept vs. June	y/y
Wheat area (m ha)	12.6	13.0	13.1	-0.1m h	+0.2%
<i>production (m t)</i>	31.9	36.3	32.2	+1.9m t	-11.3%
<i>exports (m t) (Oct/Sep)</i>	23.7	27.8	24.5	+1.0m t	-11.8%
Barley area (m ha)	5.5	4.4	4.2	+0.1m ha	-5.1%
<i>production (m t)</i>	14.6	13.9	12.3	+1.4m t	-11.9%
<i>exports (m t) (Nov/Oct)</i>	8.3	8.0	7.6	+0.5m t	-5.3%
Canola area (m ha)	2.6	3.2	3.6	+0.2m ha	+12.4%
<i>production (m t)</i>	4.8	6.8	6.6	+1.0m t	-1.8%
<i>exports (m t) (Nov/Oct)</i>	3.5	5.6	5.5	+0.9m t	-0.4%
Oats area (m ha)	1.1	0.9	0.7	-	-12.3%
<i>production (m t)</i>	1.9	1.6	1.3	+0.1m t	-18.1%

Market News 11. (30-9-2022)

Australia – 2022/23 outlook www.agriculture.gov.au/abares

- The area planted to **winter crops** is forecast at 23.5m ha in **2022/23**, 2nd highest on record, slightly below last season's peak levels. Winter crop prospects are very favourable at the start of spring and yields are expected to be above average in all states. Winter crop production is estimated at 55.5m t, the 4th largest ever. Parts of Queensland and New South Wales received excessive rainfall leading to difficulties with waterlogging.
- **Wheat** production is now estimated at 32.2mt in **2022/23**, potentially the 2nd largest on record, and 30% above the 10-year average. While the forecast for continued wet conditions in spring will boost yield prospects, it could also negatively impact grain quality leading to below-average share of milling wheat.
- **Barley** production is forecast at 12.3m t, the 4th largest on record, while **canola** (rapeseed) harvest is seen at 6.6m t (-2% y/y) and the 2nd largest on record.
- The area planted with **summer crops** is expected to increase by 2% reaching 1.6m ha. The increase is partly due to ample soil moisture levels, outlook for favourable growing conditions during spring, as well as including areas that were left fallow during winter in some areas. Production of summer crops is forecast at 5.2m t, 6% below last season's record.

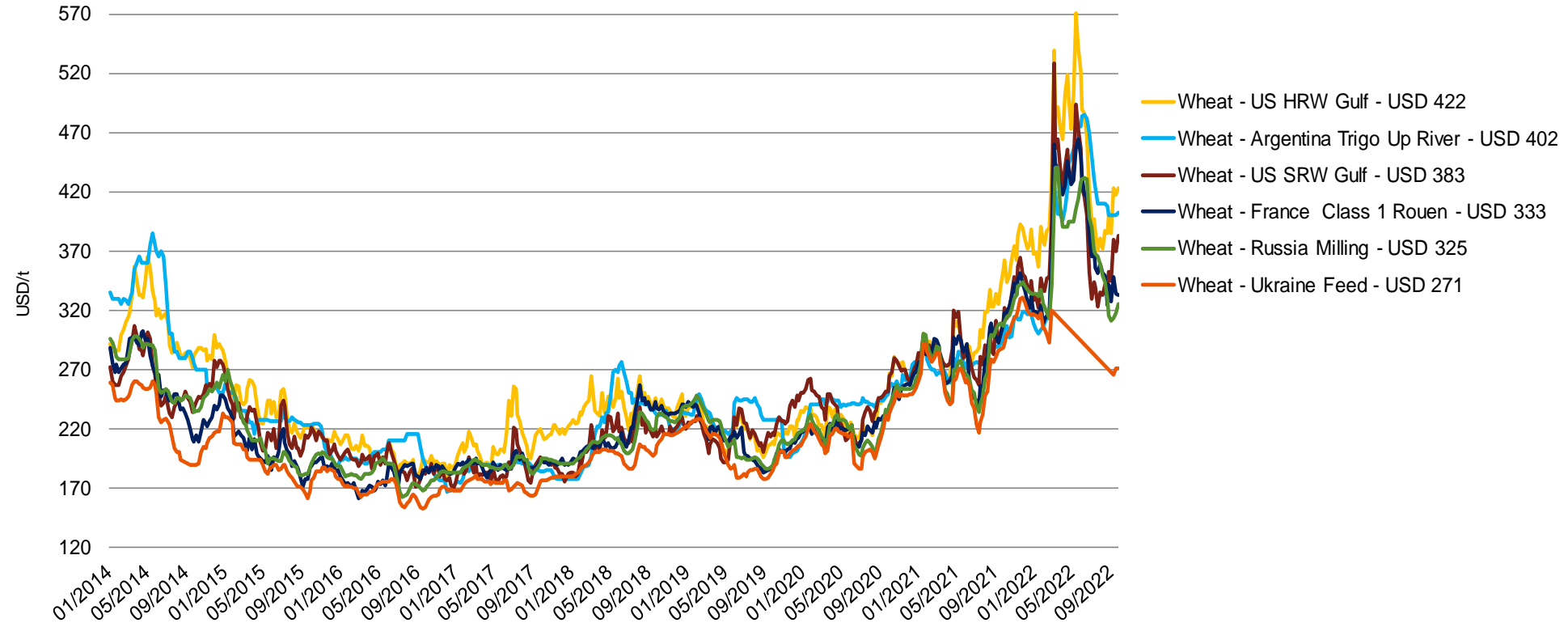
Market News 12. (30-9-2022)

- **FAO**: the FAO Food Price Index (FFPI) continued decreasing in **August 2022** for the 5th month in a row. It reached an average of 138.0 points (-2.7 points or -1.9% m/m), yet being still higher by 10.1 points or 7.9% than a year ago. All the five sub-indices eased moderately and the FAO Cereal Price Index averaged 145.2 points in August (-2.0 points or -1.4% m/m), still 7.9% above Aug 2021).
- **ARG** (*BAGE - 28/9/2022*): **Maize** planting for the 2022/23 harvest is 6% complete with area estimated at 7.5m ha (-0.2m ha y/y) and production projected at 50m t (-5.0m t y/y). **Wheat** conditions continued to deteriorate due to lack of sufficient moisture and only 55% of the crop is rated fair to excellent (76% last season). Wheat production is forecast to decline to 17.5m t (-4.9m t). Dry conditions also impact developing **barley** plants in some regions and the production estimate was lowered to 5.0m t (-0.2m t).
- **ARG** (*Rosario Grains Exchange*): **wheat** production forecast was lowered by 1.2m to 16.5m t (-25% y/y) in 2022/23 due to drought conditions, potentially the lowest in seven years.
- **BRA** (*Ministry of Trade*): as of 25/09, **maize** exports reached 19.7m t in MY 2022/23 (Mar/Feb; +130% y/y).
- **BRA** (*CONAB*): as of 24 September, harvesting of the second (*safrinha*) **maize** crop ended, while plantings of the first (*full-season*) crop for the 2022/23 harvest progressed to 19% complete (16% a year ago). **Wheat** harvest terminated on 19% of the planned area with yields below earlier expectations in some areas.
- **BRA** (*IGC referring to Safras & Mercado*): linked to improved yield prospects, 2022/23 **wheat** production forecast was raised by 0.4m to a record 10.9m t (+3.2m t y/y).

Market News 13. (30-9-2022)

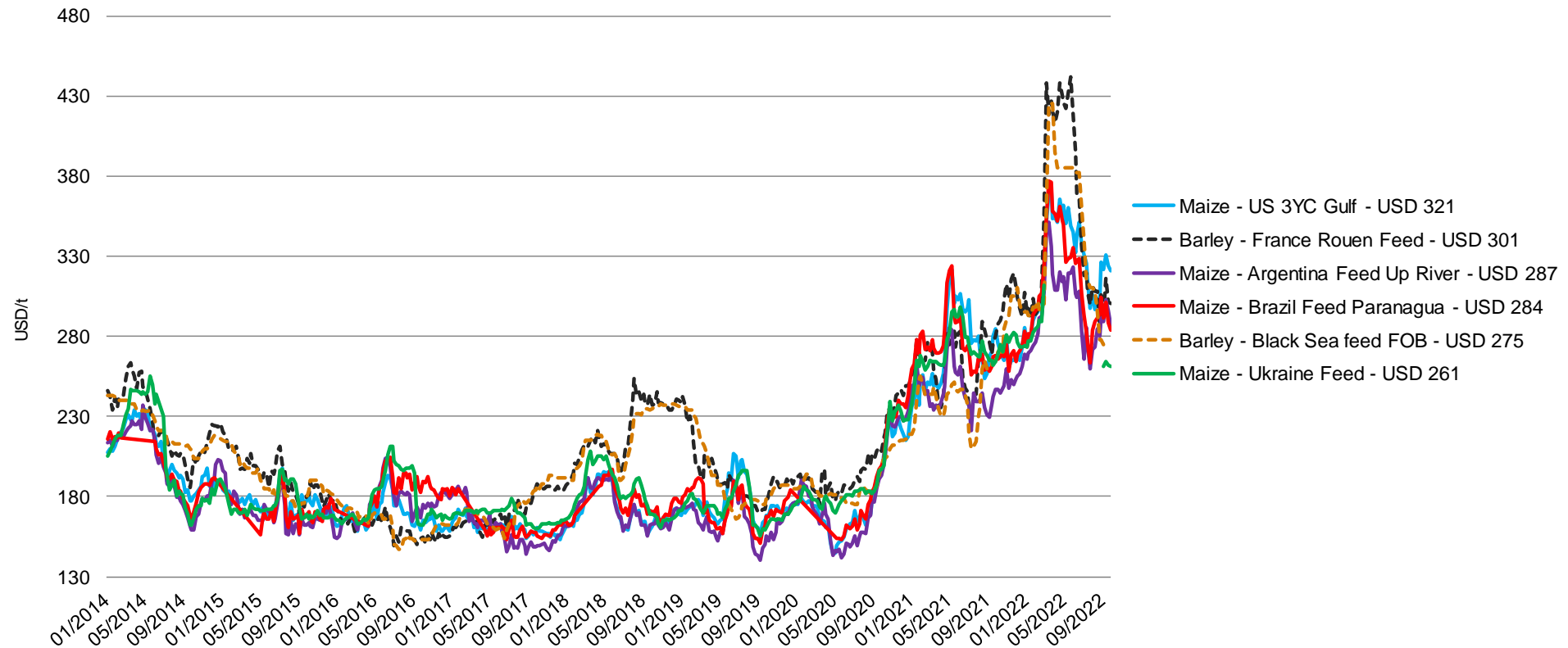
- **Turkey** (*JRC-MARS*): mild season is expected to lead to average yields. Summer conditions were favourable for summer crops with no heat stress. Total **wheat** production is forecast at 19.2m t (+9.0% y/y; -2.5% from 5-Y ave), incl. soft wheat at 15.7m t (+8.5%; -2.9%) and durum wheat at 3.5m t (+11%; -0.9%). Barley harvest is placed at 7.5m t (+37%; +12%).
- **China** (*Customs*): cumulative Jan-Aug 2022 imports reached 16.9m t (-21% y/y) for **maize**, 6.3m (-10%) for **wheat**, 4.1m (-43%) for **barley** and 8.0m (+19%) for **sorghum**.
- **Egypt** (*government*): buying-in of domestic **wheat** terminated with a total of 4.2m t.
- **Egypt** (*government*): domestic **wheat** procurement price was raised by 13.6% for the 2023/24 harvest to EGP 1,000 per 150kg (≈ 342 USD per tonne).

World common wheat prices (USD/t)



Source: IGC
Latest prices referring to (if not stated otherwise): 26/09/2022

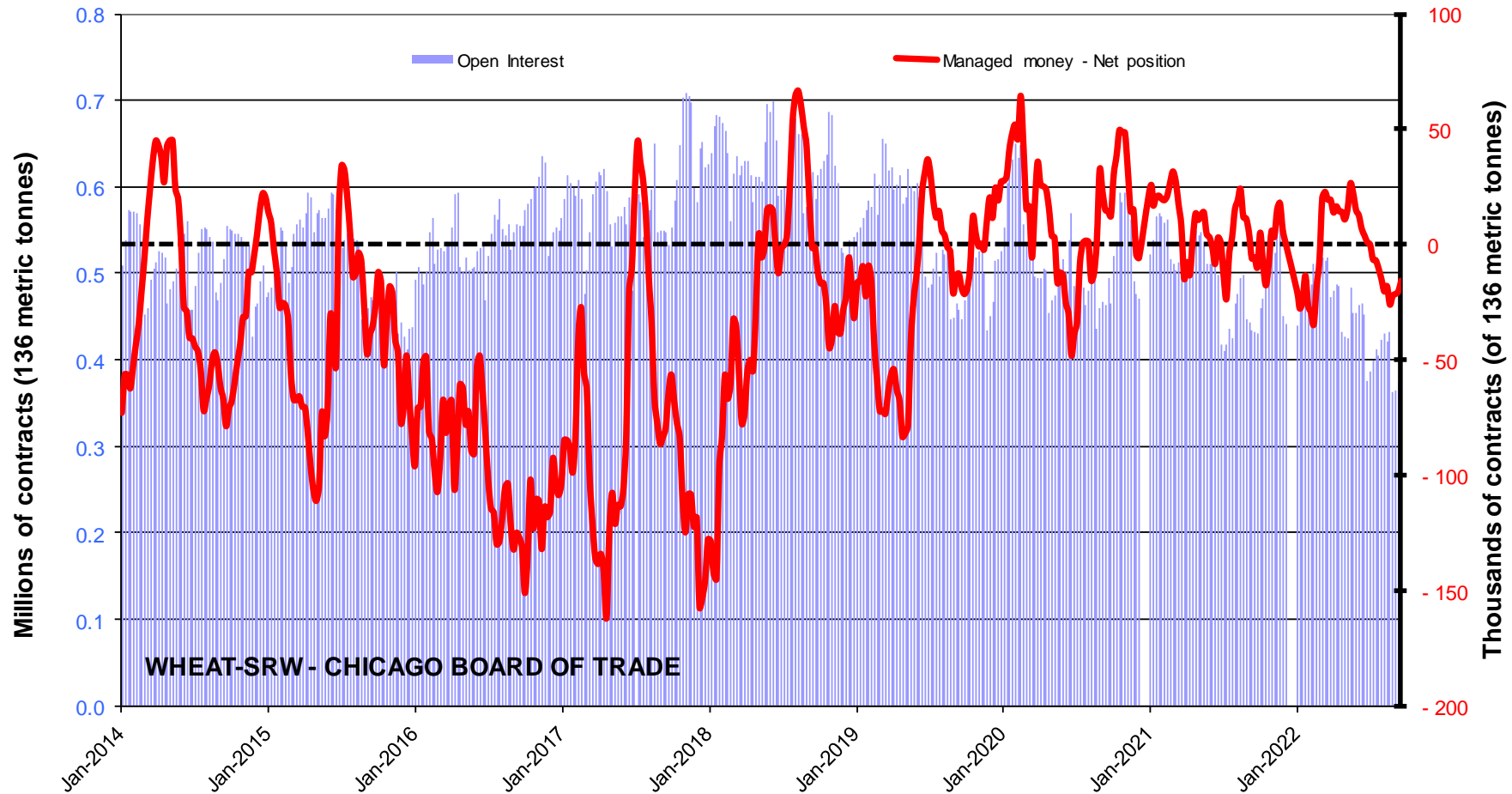
World maize and barley prices (USD/t)



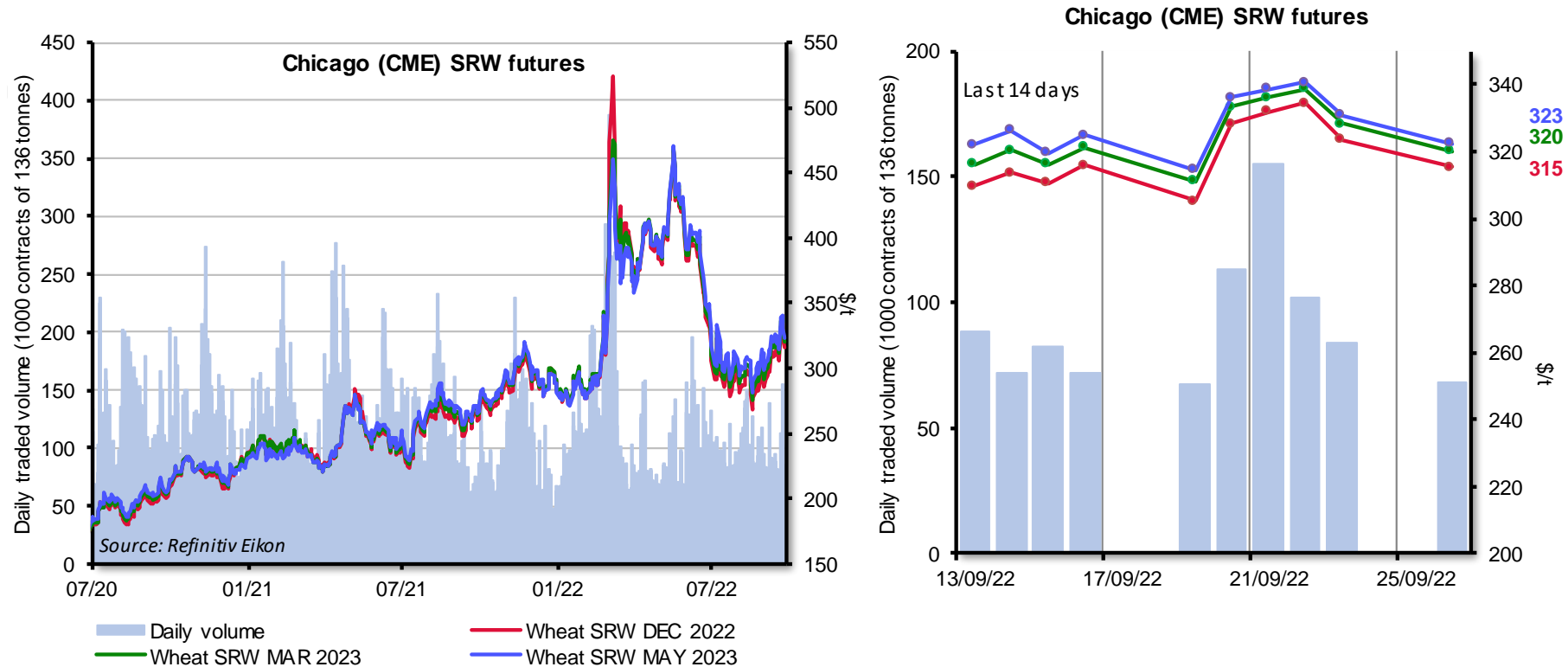
Source: IGC
Latest prices referring to (if not stated otherwise): 26/09/2022

CME wheat: open interest and net position of traders

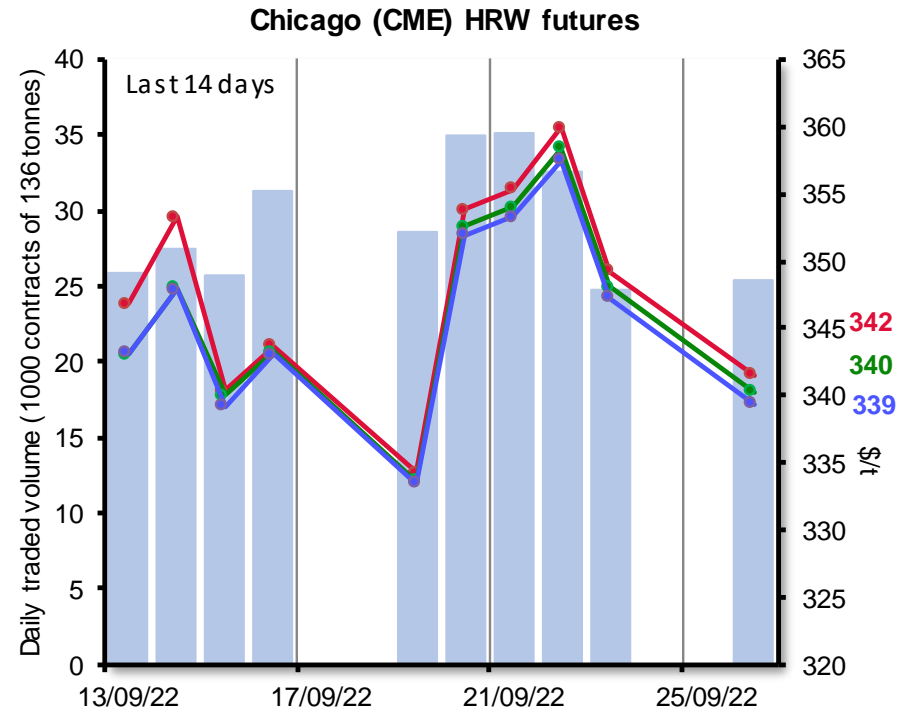
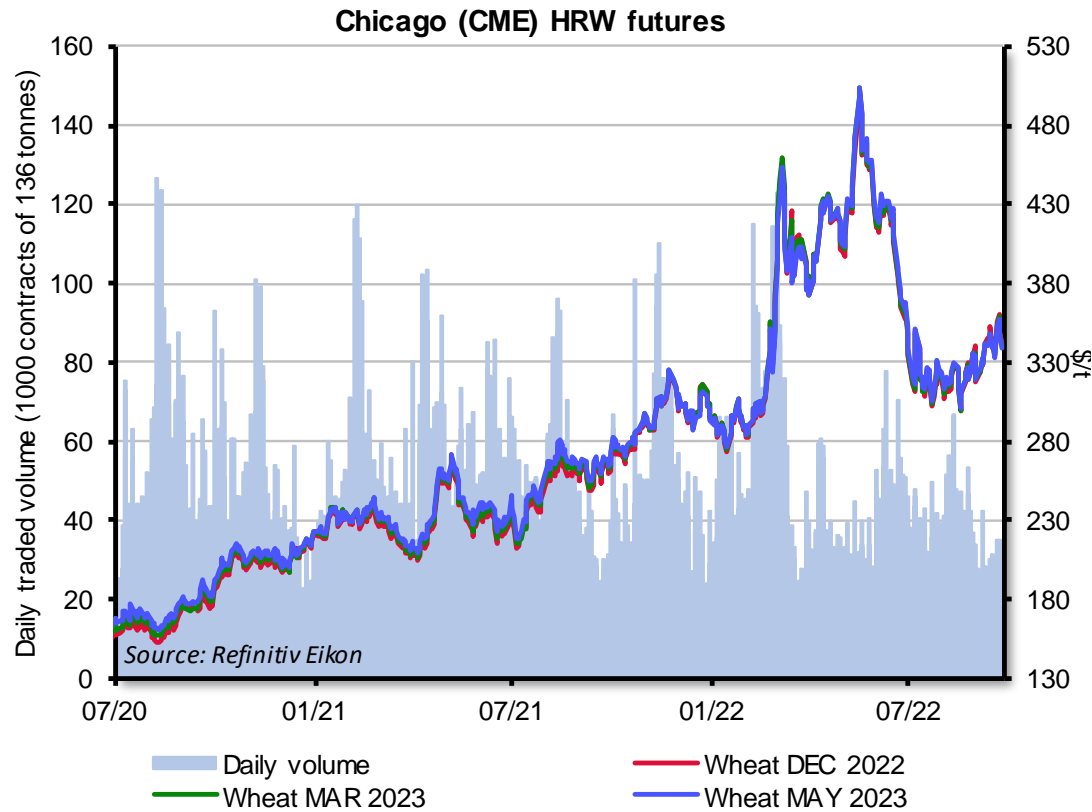
Last value from: 2022-09-20



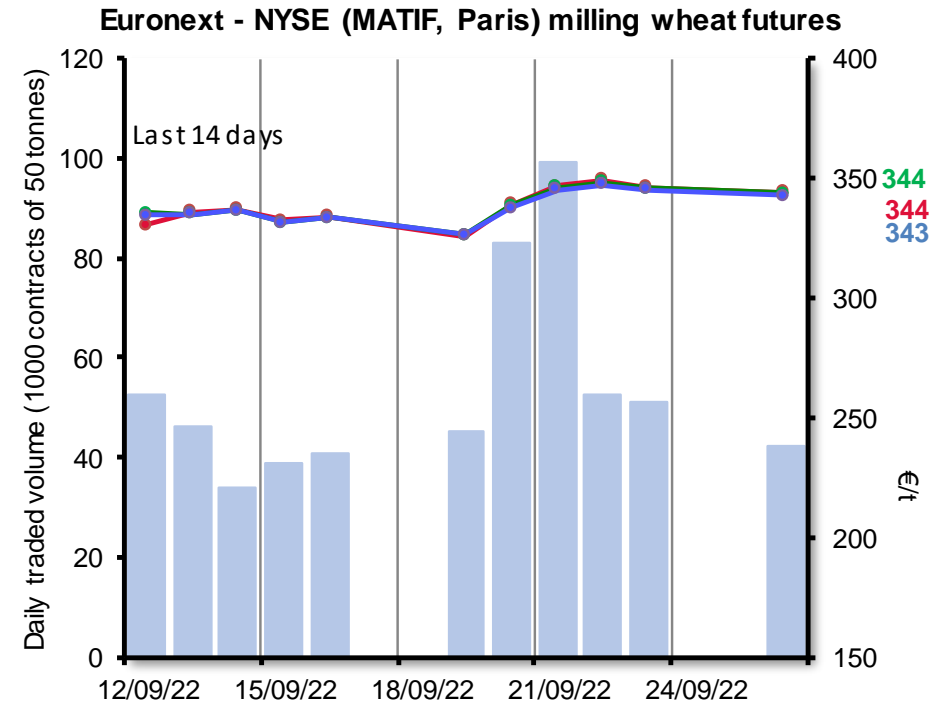
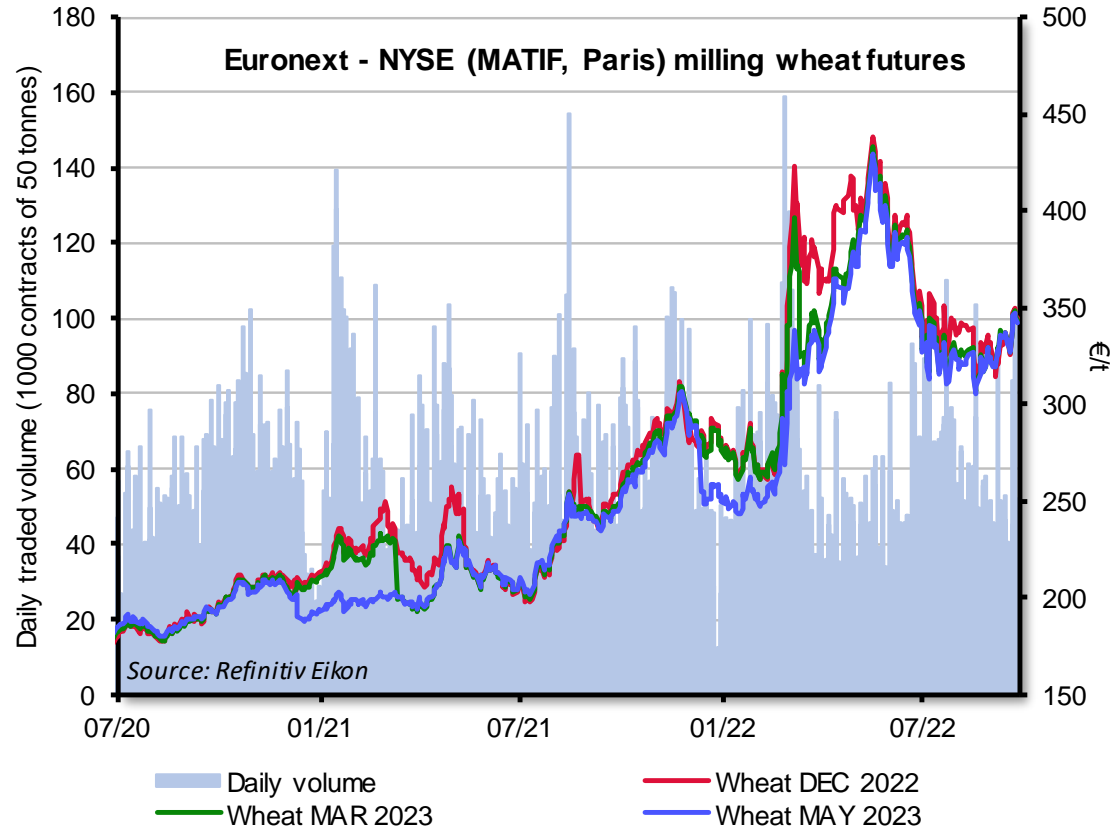
US CME SRW wheat futures



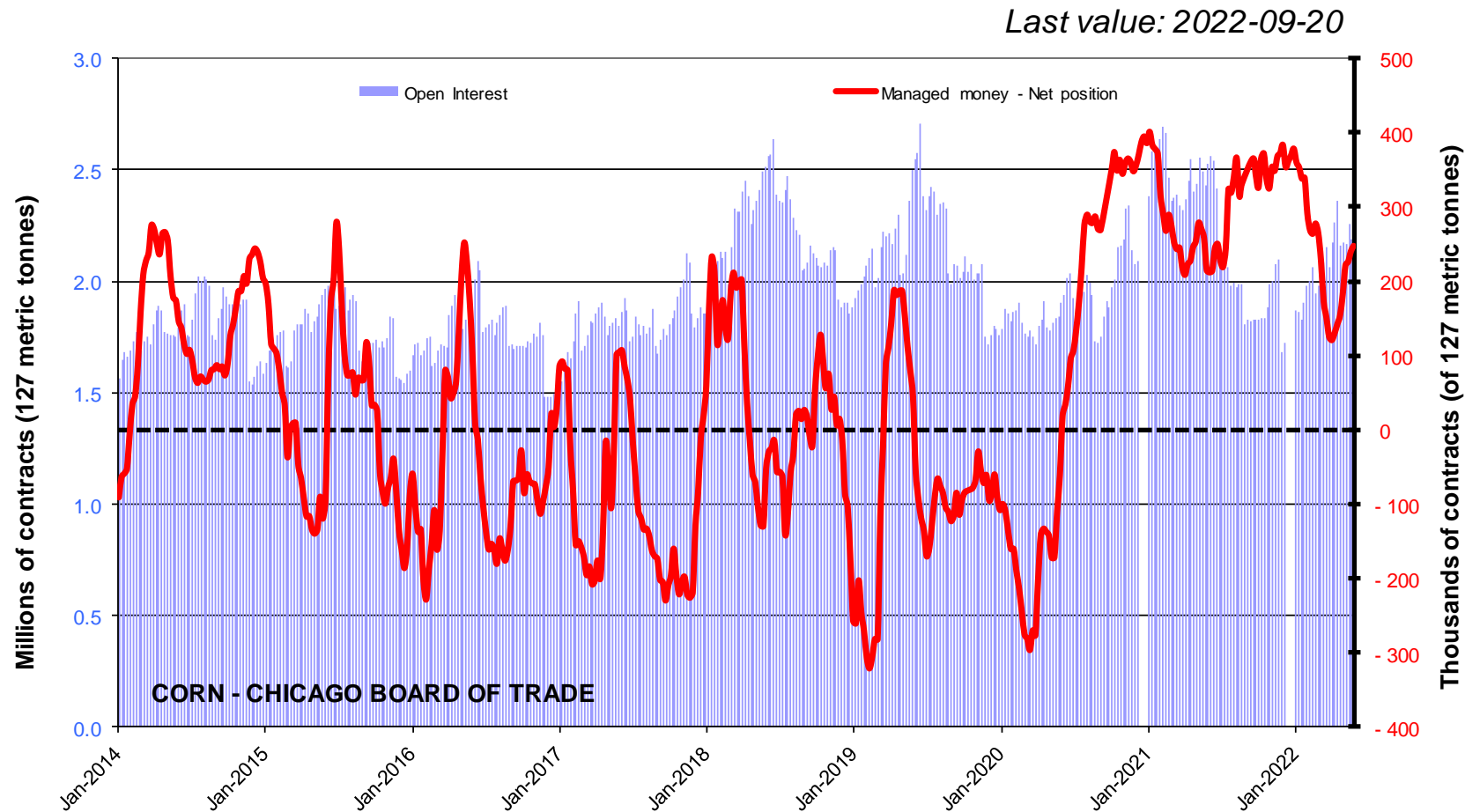
US CME HRW wheat futures



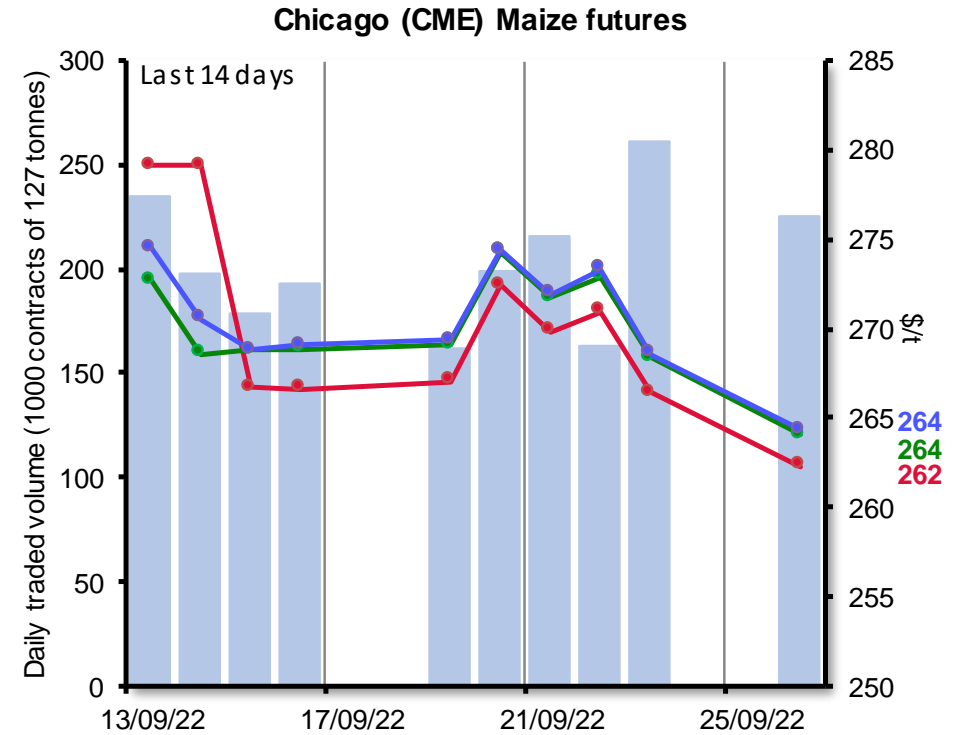
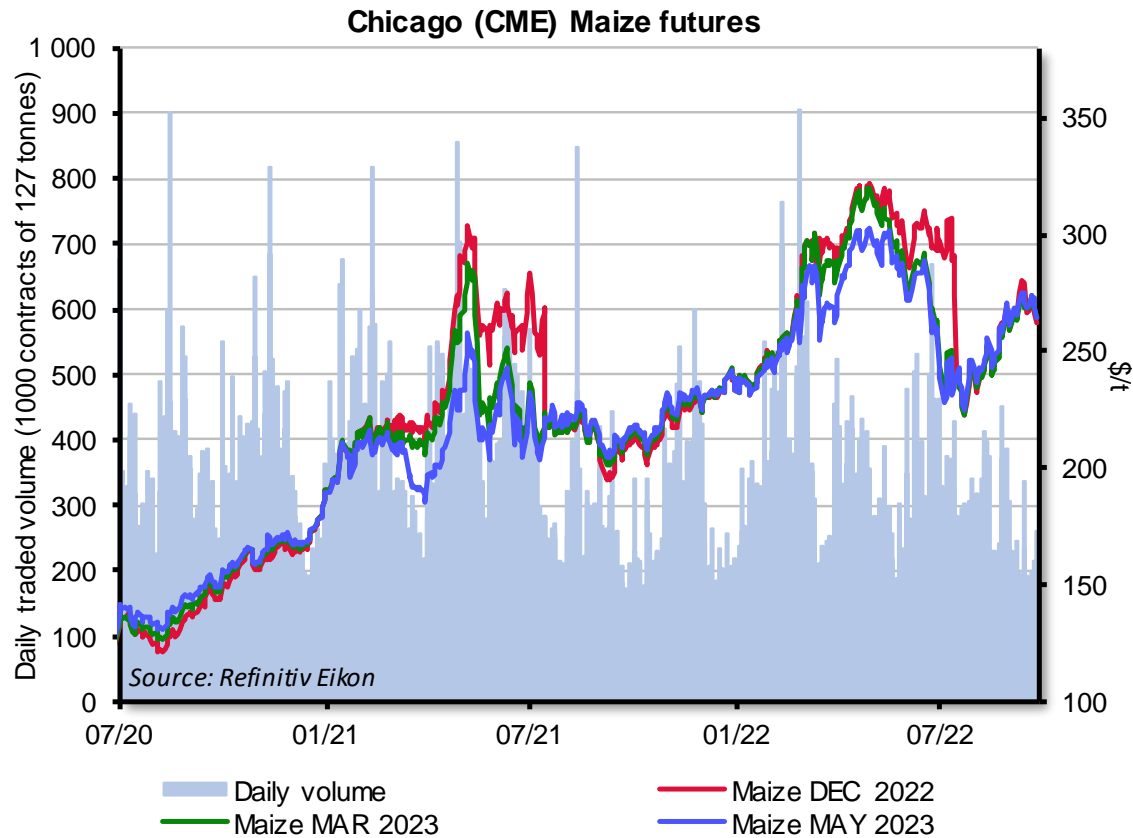
EU Milling Wheat Futures



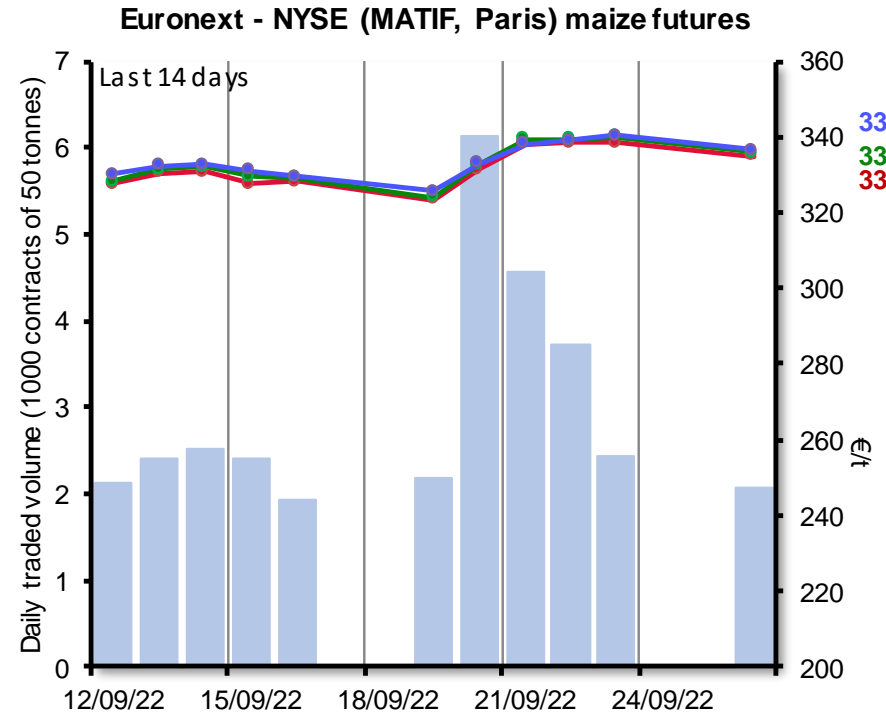
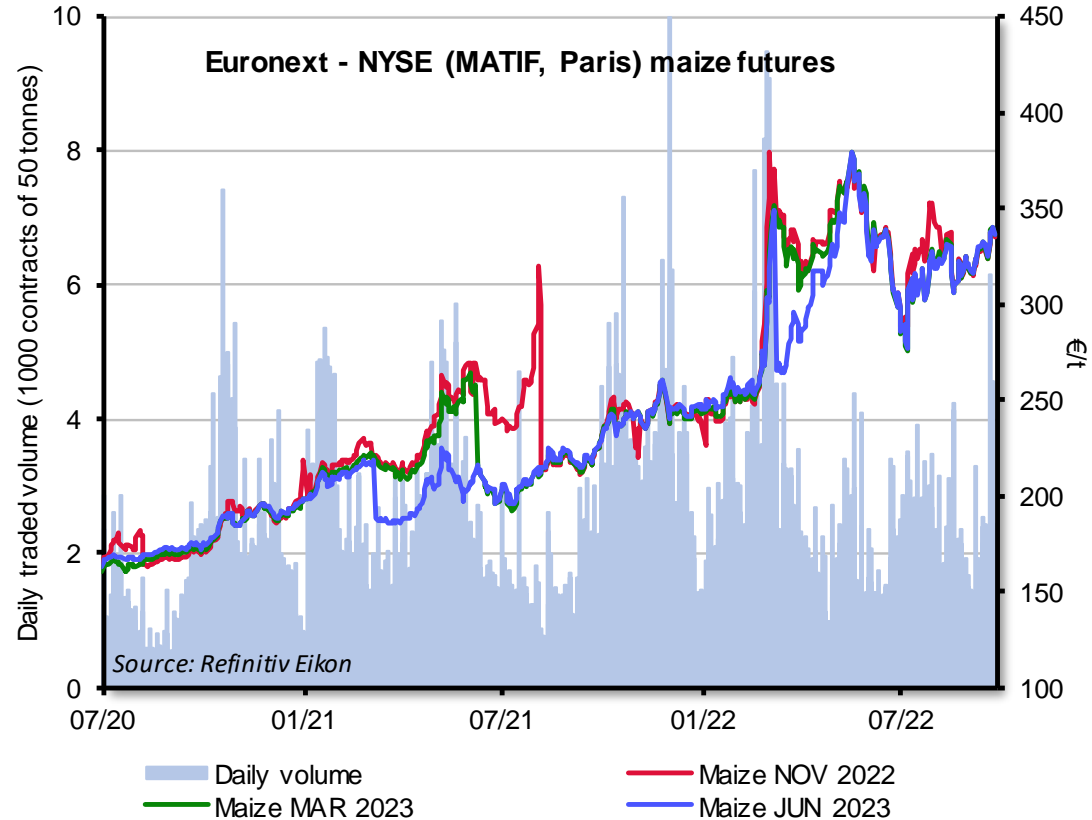
CME maize: open interest and positions of traders



CME maize futures



EU maize futures



Selected cereals trade for the past 5 weeks

Country	Crop	Quantity (t)	Price (\$/t)	Origins	Delivery
<i>Algeria</i>	wheat	105 000	≈ 364 (c&f)	optional (RUS)	Sep/Oct
<i>Egypt</i>	wheat	120 000	≈ 340 (c&f)	RUS	Nov
<i>Jordan</i>	barley	60 000	316 (c&f)	optional	Apr
<i>Saudi Arabia</i>	wheat	556 000	ave 371.6 (c&f)	optional	Nov/Feb

EU cereals trade 2022/23, situation at 04 Sep 2022

(updated on 27/09/2022)

- **Imports:** 5.7 million tonnes (4 million tonnes last year; 4.4 million tonnes two years ago)

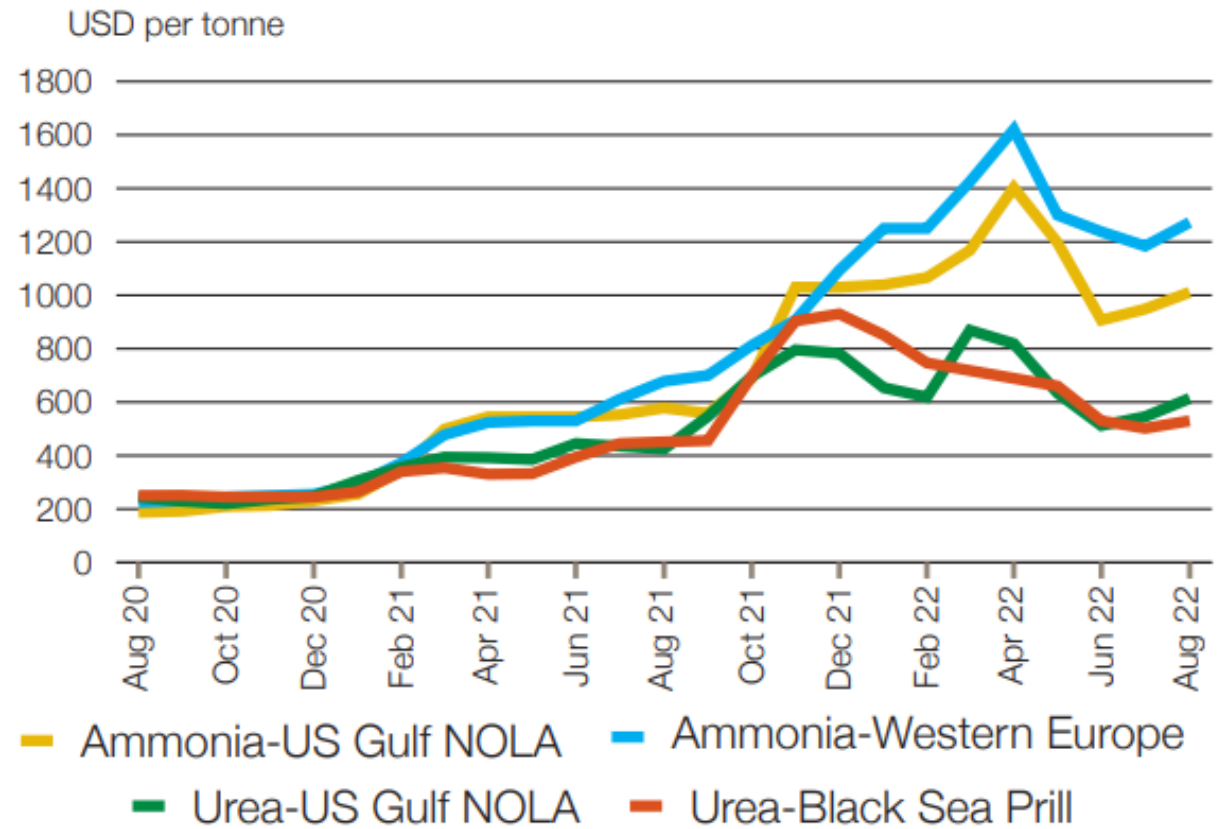
- | | | |
|-----------------------|-------------|---|
| ➤ 0.74 million tonnes | soft wheat | ↑ |
| ➤ 0.03 million tonnes | durum wheat | ↓ |
| ➤ 4.55 million tonnes | maize | ↑ |
| ➤ 359 thousand tonnes | barley | ↑ |

- **Exports:** 10.3 million tonnes (9.9 million tonnes last year; 6.1 million tonnes two years ago)

- | | | |
|-----------------------|-------------|---|
| ➤ 7.38 million tonnes | soft wheat | ↑ |
| ➤ 1.91 million tonnes | barley | ↓ |
| ➤ 140 thousand tonnes | durum wheat | ↓ |
| ➤ 0.23 million tonnes | maize | ↓ |

* 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

- **IGC** forecasts record wheat production in 2022/23 but reduced outlook for maize
- **Cereals** prices followed mixed trends with Black Sea news remaining main driver
- **US** maize harvest forecast lowered on poorer yield prospects
- **RUS** wheat crop could reach a record 100m t in 2022
- **BRA** maize harvest completed for 2021/22 with a new peak level
- On *fob* basis UKR **wheat** is the most competitive
- On *fob* basis UKR remains the cheapest origin for **maize**

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>

The United Kingdom is no longer a Member State of the European Union, however, where it is deemed relevant (e.g. for comparison purposes), an EU+UK aggregate is still displayed.



© European Union 2020

Unless otherwise noted the reuse of this presentation is authorised under the [CC BY 4.0](https://creativecommons.org/licenses/by/4.0/) license. For any use or reproduction of elements that are not owned by the EU, permission may need to be sought directly from the respective right holders.



Keep in touch



ec.europa.eu/



europa.eu/



[@EU_Commission](https://twitter.com/EU_Commission)



[@EuropeanCommission](https://www.facebook.com/EuropeanCommission)



[European Commission](https://www.linkedin.com/company/european-commission)



[europeancommission](https://www.instagram.com/europeancommission)



[@EuropeanCommission](https://www.medium.com/@EuropeanCommission)



[EUTube](https://www.youtube.com/EUTube)



[EU Spotify](https://www.spotify.com/eu)