



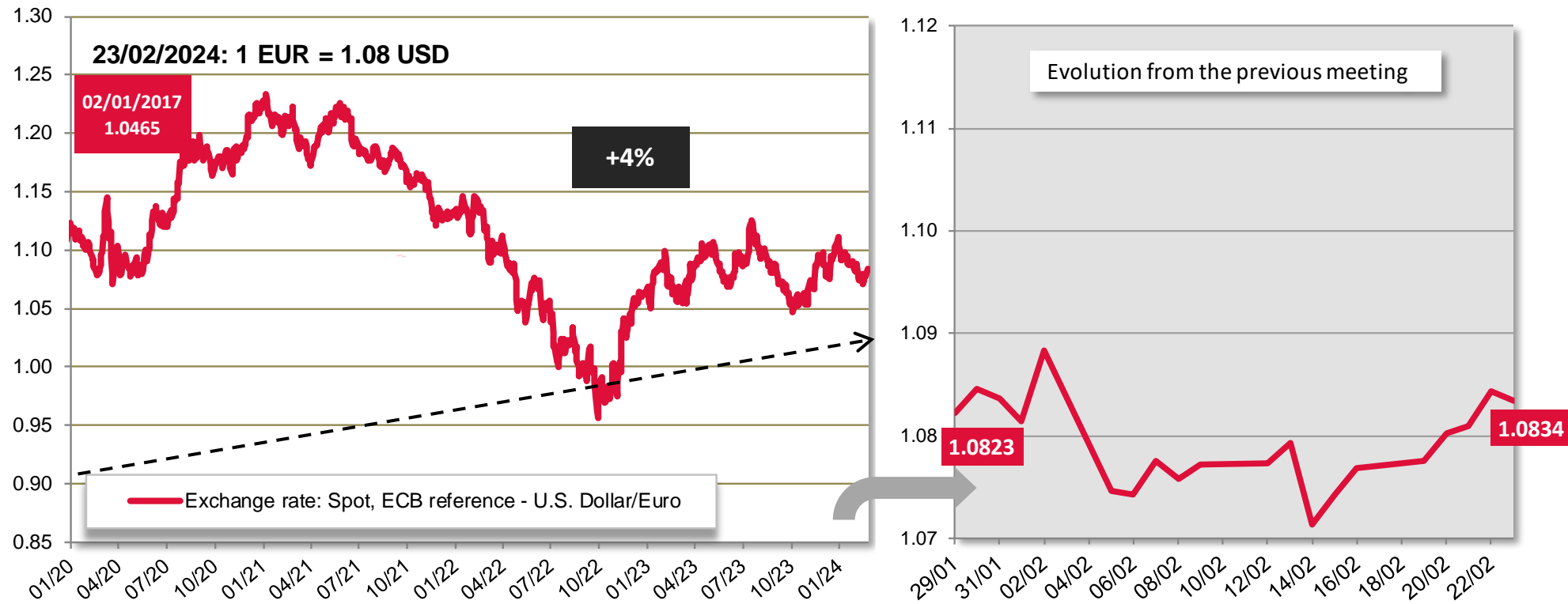
# Cereals market situation

Meeting of the Expert Group for the Common Organisation of the Agricultural Markets – Arable Crops & Olive Oil

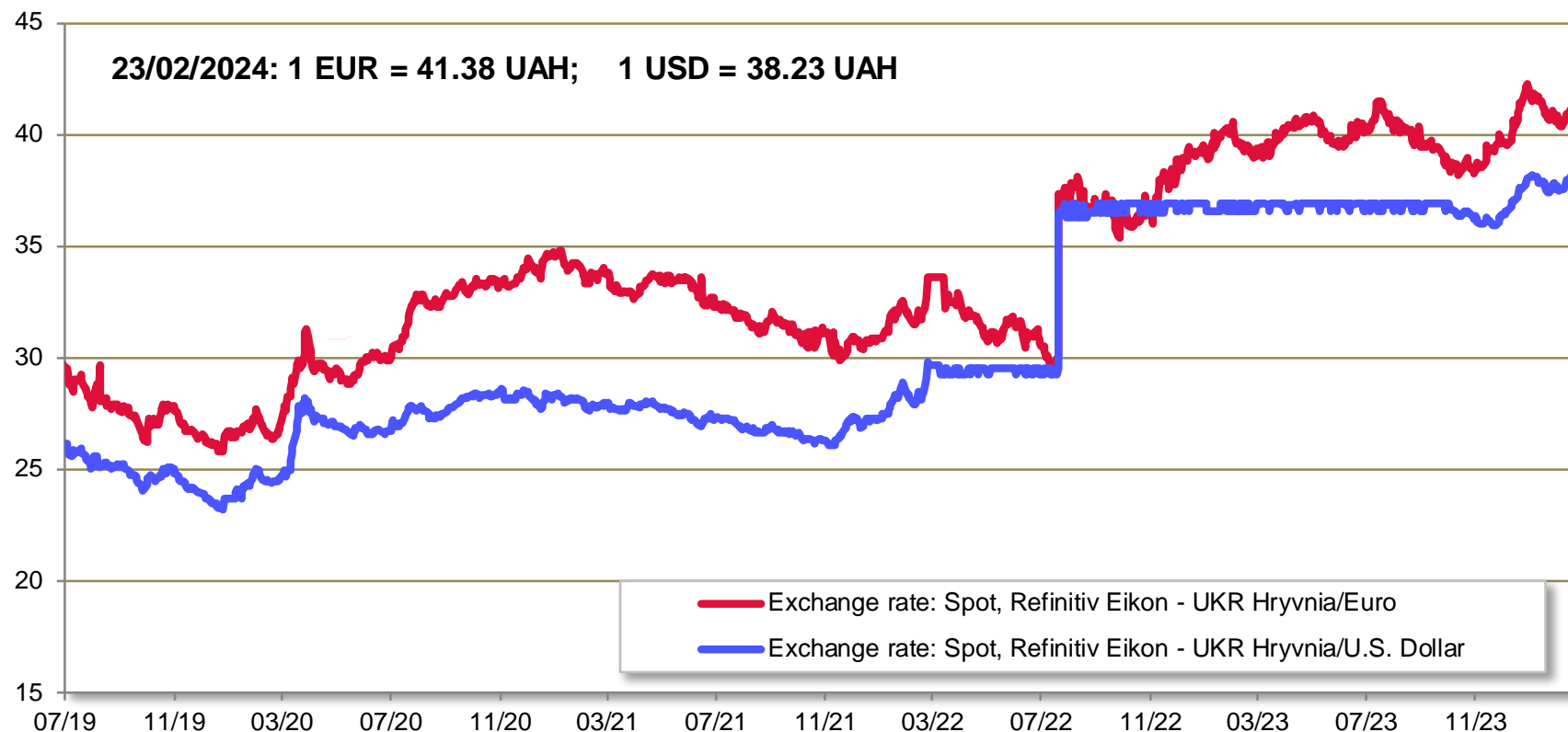
*29 February 2024*

# Exchange rates

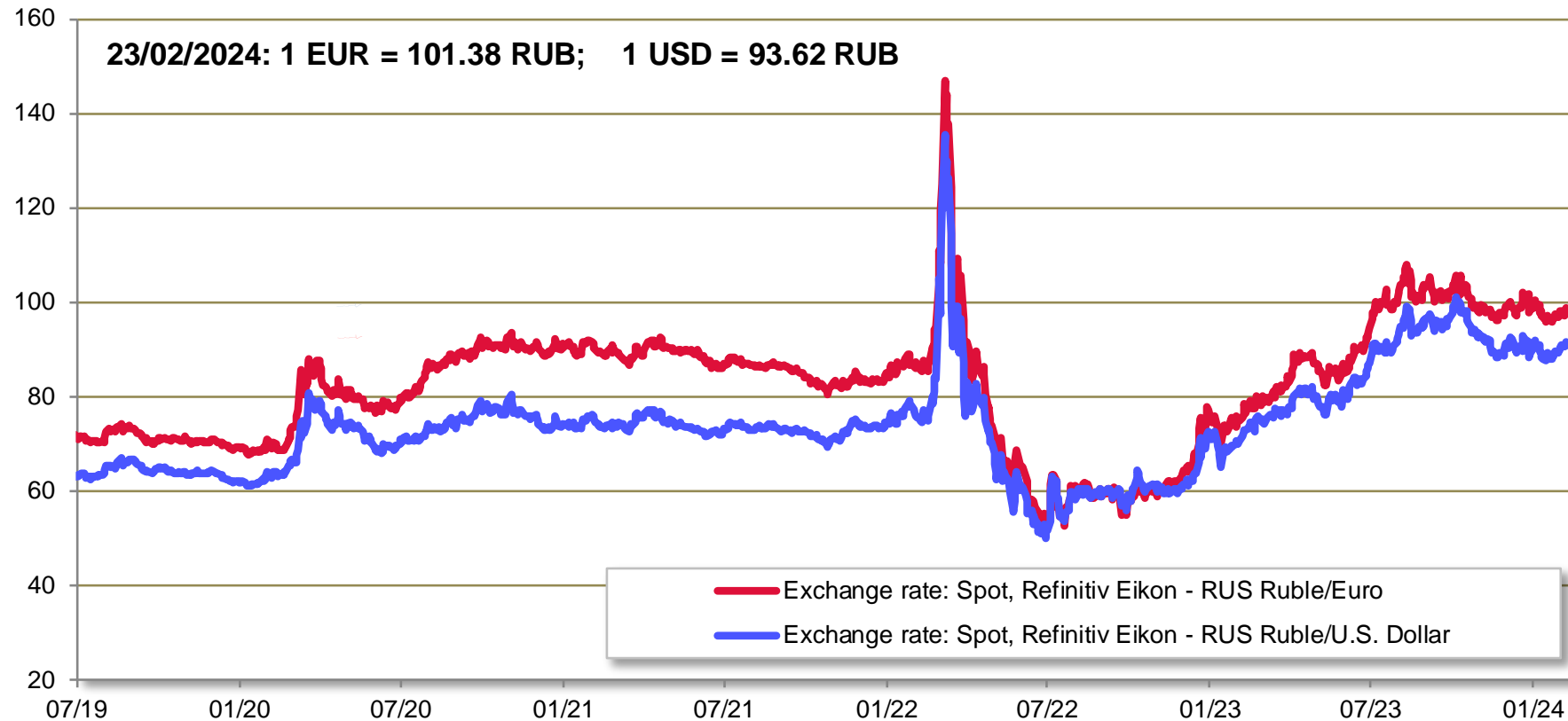
# Euro – US Dollar exchange rate



# Euro and US Dollar - Ukraine Hryvnia exchange rate



# Euro and US Dollar – Russian Rouble exchange rate

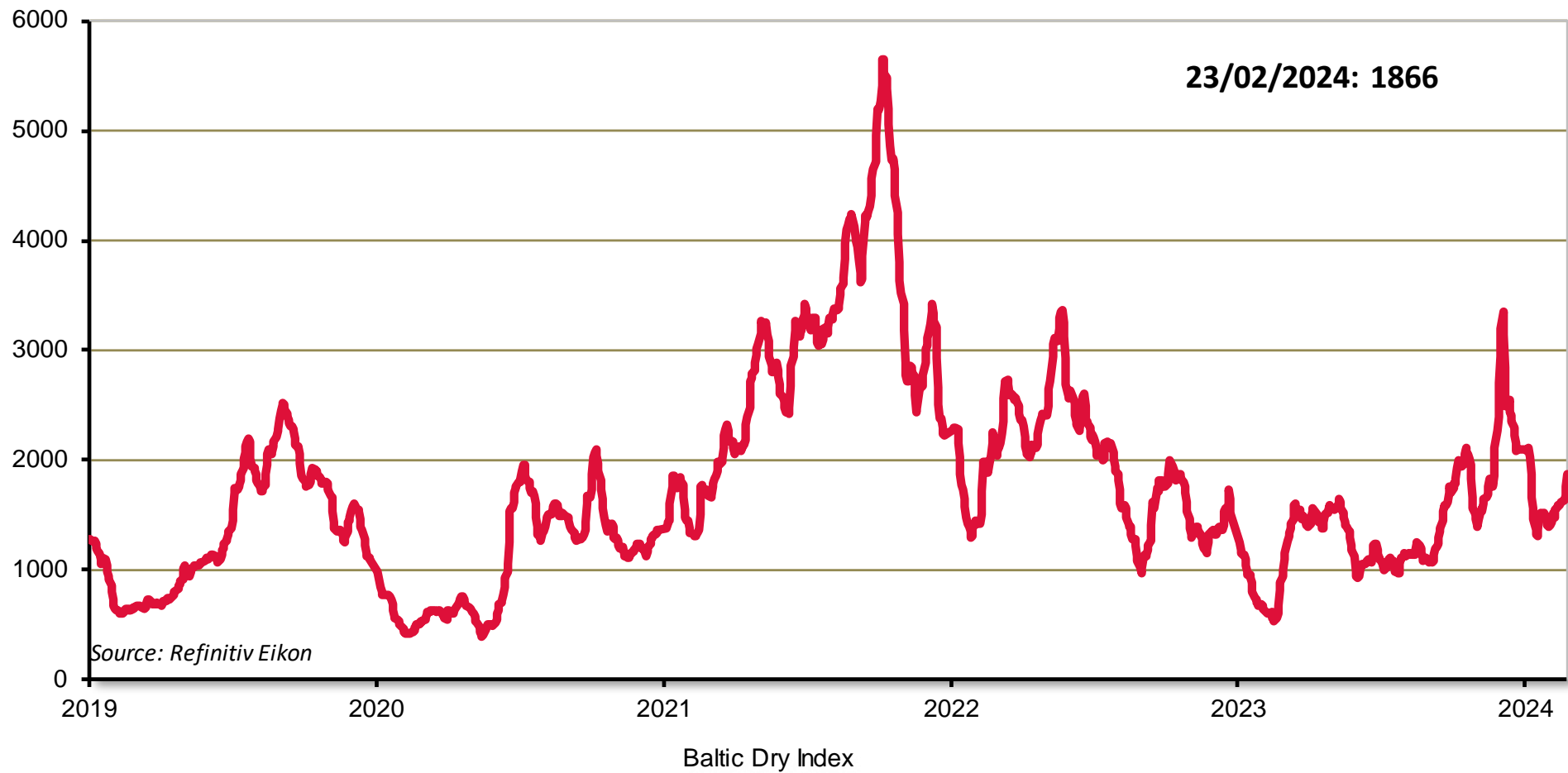


# Crude oil price (USD/barrel)



— Crude oil futures price (\$ per barrel), 1 month forward (FOB) Brent blend (North sea) - UK

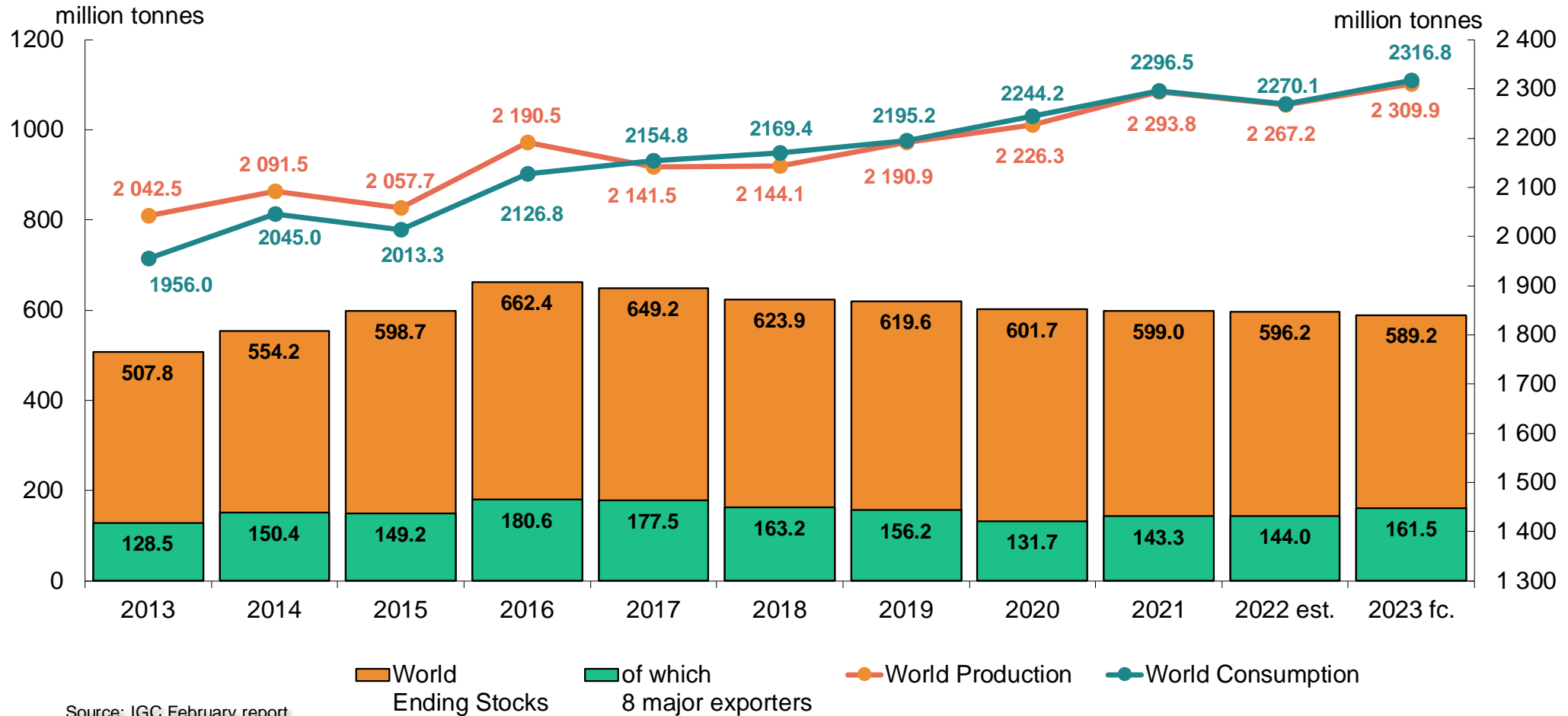
# Baltic Dry Index



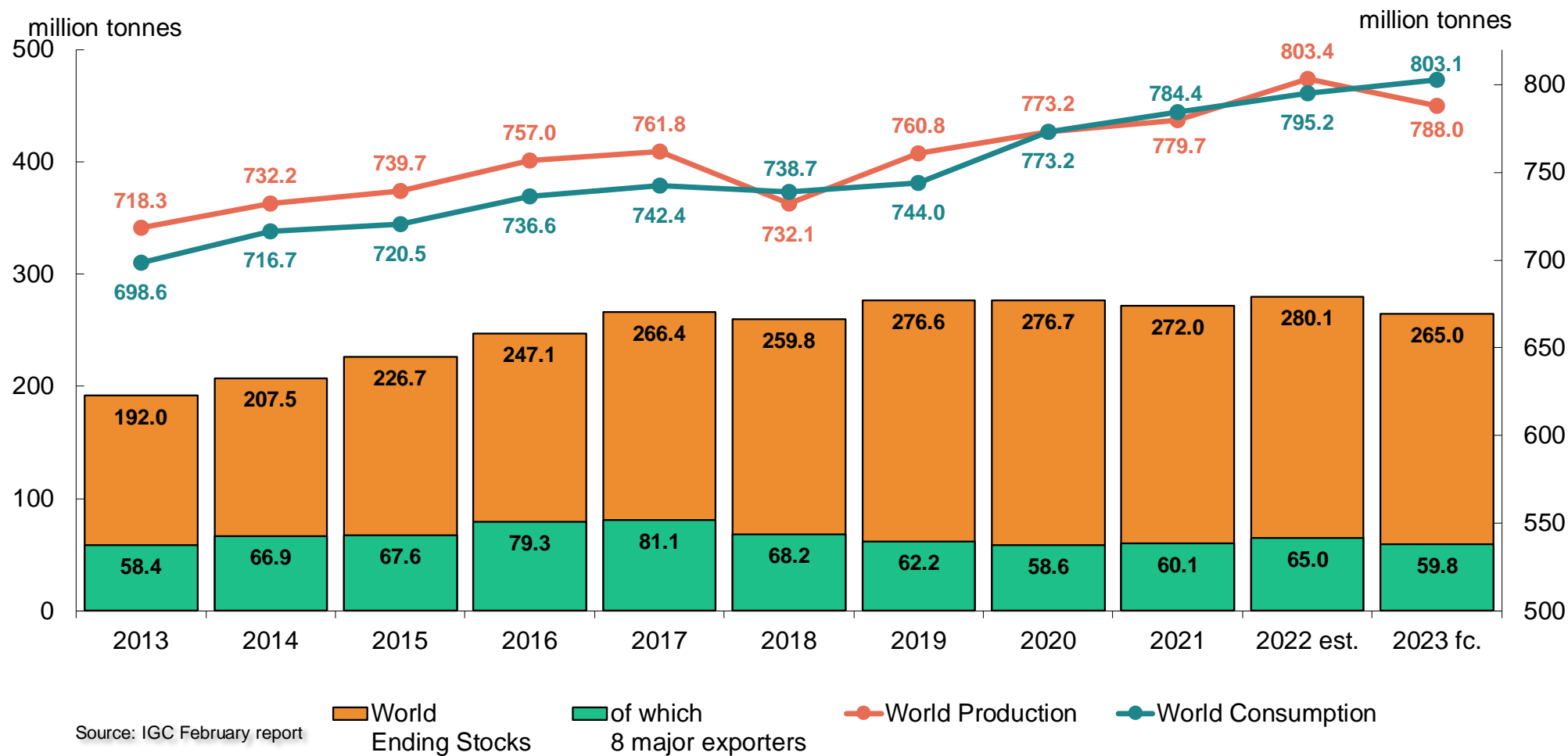
# World Cereals Forecasts

## International Grains Council

# World cereals: IGC



# World wheat: IGC



# Summary of the IGC Grain Market Report

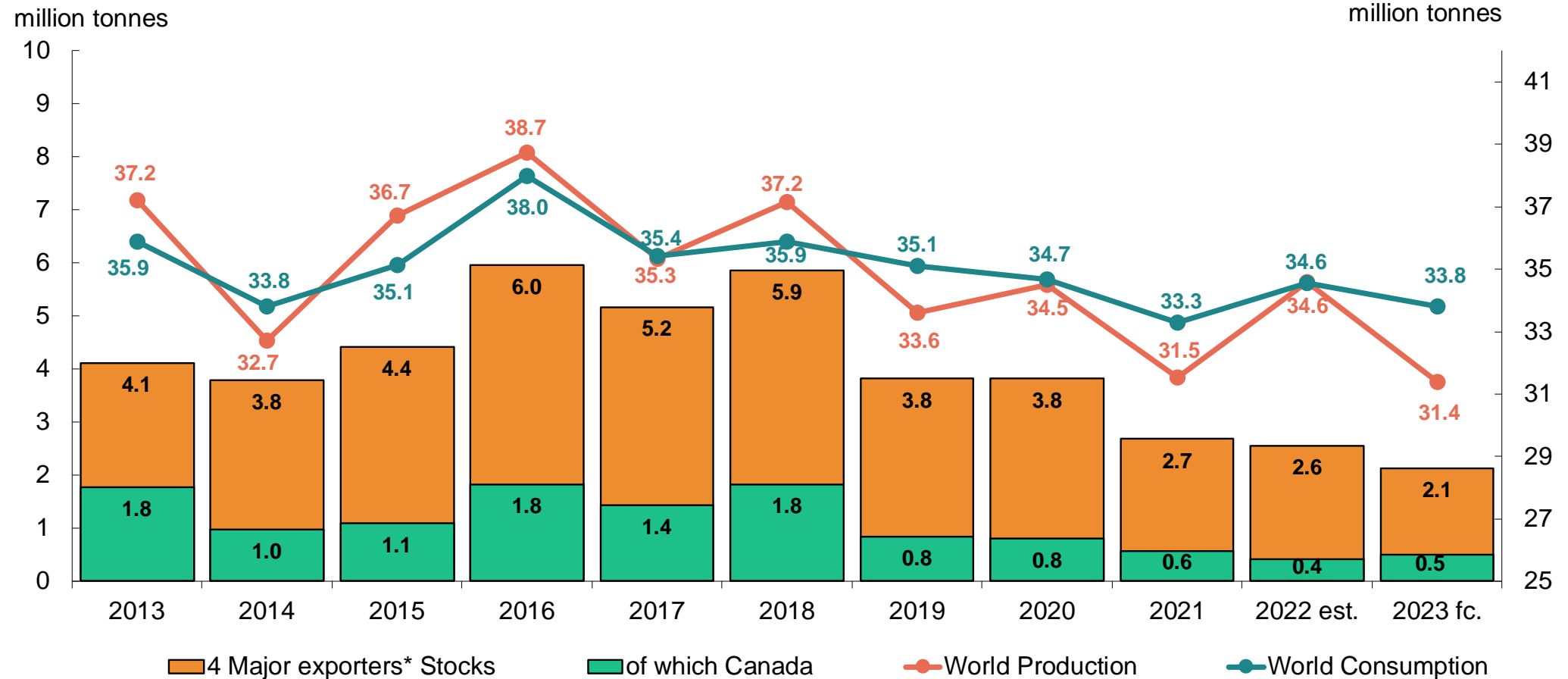
(GMR 551 of 15/FEBR/2024)

## Outlook for 2023/24

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

	2020/21	2021/22	2022/23 (estimate)	2023/24 (forecast)	m/m change (m t)	y/y change
<b>EU-27</b> (from 2020/21) <i>EU-27 + UK to 2019/20</i>	125.7	137.5	133.3	<b>133.1</b>	-	-0.1%
USA	49.5	44.8	44.9	<b>49.3</b>	-	+9.8%
Canada	35.4	22.4	34.3	<b>32.0</b>	-	-6.9%
Russia	85.4	75.0	95.4	<b>91.0</b>	+1.0	-4.6%
Ukraine	25.4	33.0	26.8	<b>28.7</b>	-	+7.0%
Australia	31.9	36.2	40.5	<b>25.5</b>	-	-37.2%
Argentina	17.6	22.1	12.6	<b>15.0</b>	-	+19.5%
China	134.3	136.9	137.7	<b>136.6</b>	-	-0.8%
India	107.9	109.6	107.7	<b>108.0</b>	-	+0.2%
<b>World</b>	<b>773.2</b>	<b>779.7</b>	<b>803.4</b>	<b>788.0</b>	<b>-0.3</b>	<b>-1.9%</b>

# World durum wheat: IGC



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

Source: IGC February report

# Summary of the IGC Grain Market Report

(GMR 551 of 15/FEBR/2024)

## Outlook for 2023/24

Following an upward revision for maize, IGC raised its production forecast for **total world grains** to 2,309.9m t (+42.7m or +1.9% y/y), a new peak. Including higher feed and industrial use of maize, demand outlook also increased m/m reaching a record 2,316.8m t (+2.5m m/m; +46.8m or +2.1% y/y), incl. 761.3m of food use (+0.7% y/y), 1,050.2m for feeding (+3.2%) and 373.2m for industrial use (+2.7% y/y). Ending stocks are expected to tighten further, for the seventh consecutive year, contracting to 589.2m t (-1.0m m/m; -1.2% y/y).

**Wheat:** harvest is now finished for the global 2023/24 crop year with the output estimated at 788.0m t (-0.3m m/m; -15.4m t or -1.9% y/y), the 2<sup>nd</sup> largest on record, moderately below last season's all-time high. **RUS** harvest reached 91.0m t (+1.0m m/m; -4.6% y/y). **Saudi Arabia** harvested 1.2m t (+0.6m m/m; +50% y/y).

Despite a minor monthly reduction, wheat consumption is forecast at a new peak of 803.1m t (-1.3m m/m; +7.9m t or +1.0% y/y), incl. 553.3m t (+0.9%) of food use and 155.0m t (+3.4% y/y) for feeding. In the case of food use the annual increase is supported by population growth, while for feeding by the larger share of lower grades during last harvest in some of the major producers. Closing stocks are placed at a five-year low of 264.9m t (-0.7m m/m; -5.4% y/y), incl. a below-average 59.8m t (-8.0% y/y) in the eight major exporters.

# Summary of the IGC Grain Market Report

(GMR 551 of 15/FEBR/2024)

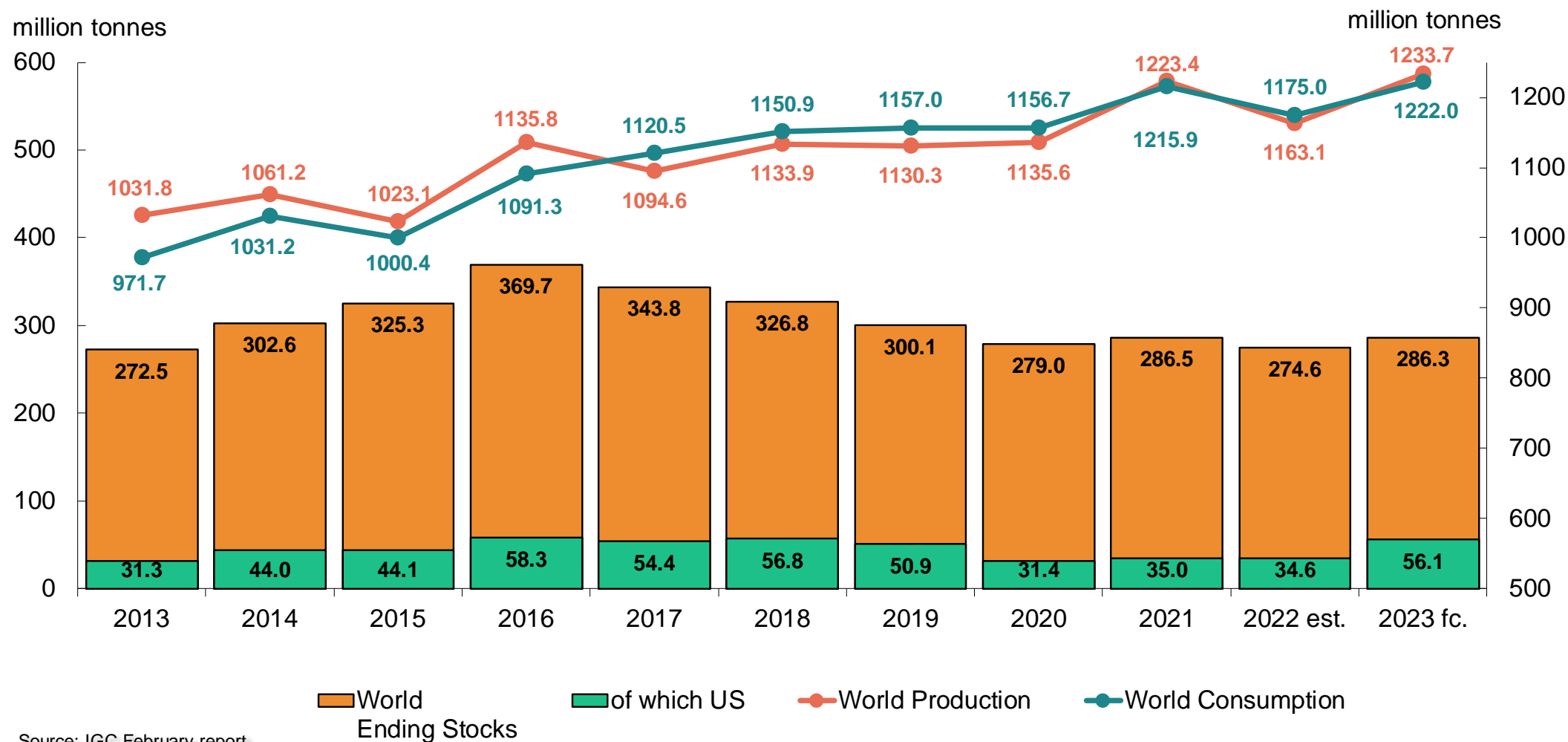
## Outlook for 2023/24

IGC lifted its forecast for world trade in 2023/24 (July/June) by 1.7m m/m to 199.6m t (-7.9m or -3.8% from last season's record). **RUS exports** were raised by 0.3m m/m to a record 50.3m t (+4.6% y/y) and **UKR** shipments are now placed at 15.5m t (+1.5m m/m; -9.4% y/y). **AUS** feed wheat demand was revised downwards reflecting improved pasture conditions, which increased export availabilities and the forecast was lifted by 0.5m to 18.9m t (-41.5% y/y). **EU** outlook steady m/m at 32.5m t (-1.8% y/y). **EU import** forecast increased further to 10.0m t (+1.5m m/m; -19.3% y/y) in view of sustained demand for competitively-priced UKR supplies. Based on strong arrivals from RUS, imports by **Iran** were raised by 0.5m m/m to 4.0m t (+14.3% y/y), while reduced by 0.4m to 2.6m t (-29.7% y/y) for **Iraq** due to ample strategic reserves.

**Outlook for 2024/25:** partly due to lower prices, world harvested area is projected to decrease by 0.7% y/y to 221.6m ha, incl. **EU** area at 23.3m ha (-2.6%), **UKR** at 6.0m ha (-5.0%), **RUS** at 28.2m ha (-2.7%) and **US** at 15.6m ha (+3.5%). Production is tentatively projected to increase by 1% to 799m t, while consumption to reach a new peak at 804m t. Driven by population growth, especially in Africa and Asia, food use is placed at a new peak of 559m t (+1%), while feed demand is expected to decline by 4% to 149m t assuming normal crop quality in China and some other key users. Stocks are projected at an eight-year low of 260m t.

**Durum wheat:** world production dropped sharply to 31.4m t (-3.2m t or -9.3% y/y), the smallest crop since 2001/02. Global durum production trended lower during past decade, mostly linked to poorer yields. Output reached 4.0m t in **CAN** (-30.1% y/y), 7.0m t in the **EU** (-6.1%) and a record 4.3m t in **Turkey** (+14.7%). Due to tight availabilities, consumption is forecast at a below average level of 33.8m t (-2.1% y/y), incl. 31.4m t (-2.2%) of food use. Closing stocks are placed at a more than three-decade low of 5.1m t (-32.4%). World trade is forecast at 9.0m t (-0.3% y/y). **Turkish** exports are forecast at a record 1.7m t (+1.5m y/y), with sales amounting to 1.5m t so far this season. Despite the export ban imposed in December, **RUS** exports are also seen at a record of 0.9m t (+0.2m y/y).

# World maize: IGC



Source: IGC February report

# Summary of the IGC Grain Market Report

(GMR 551 of 15/FEBR/2024)

## Outlook for 2023/24

### Maize production in selected countries (million tonnes)

	2020/21	2021/22	2022/23 (estimate)	2023/24 (forecast)	m/m change (m t)	y/y change
<b>EU-27</b> (from 2020/21) <i>EU-27 + UK to 2019/20</i>	68.0	71.2	53.1	<b>61.2</b>	-	+15.2%
USA	357.8	381.5	346.7	<b>389.7</b>	+2.7	+12.4%
Ukraine	30.3	42.1	27.7	<b>30.0</b>	-	+8.4%
Russia	13.9	15.2	15.8	<b>17.0</b>	-	+7.4%
Brazil	87.1	112.8	132.0	<b>119.7</b>	-	-9.3%
Argentina	60.5	59.0	41.4	<b>61.0</b>	-	+47.3%
China	260.7	272.6	277.2	<b>288.8</b>	-	+4.2%
<b>World</b>	<b>1,135.6</b>	<b>1,223.4</b>	<b>1,163.1</b>	<b>1,233.7</b>	<b>+3.5</b>	<b>+6.1%</b>

# Summary of the IGC Grain Market Report

(GMR 551 of 15/FEBR/2024)

## Outlook for 2023/24

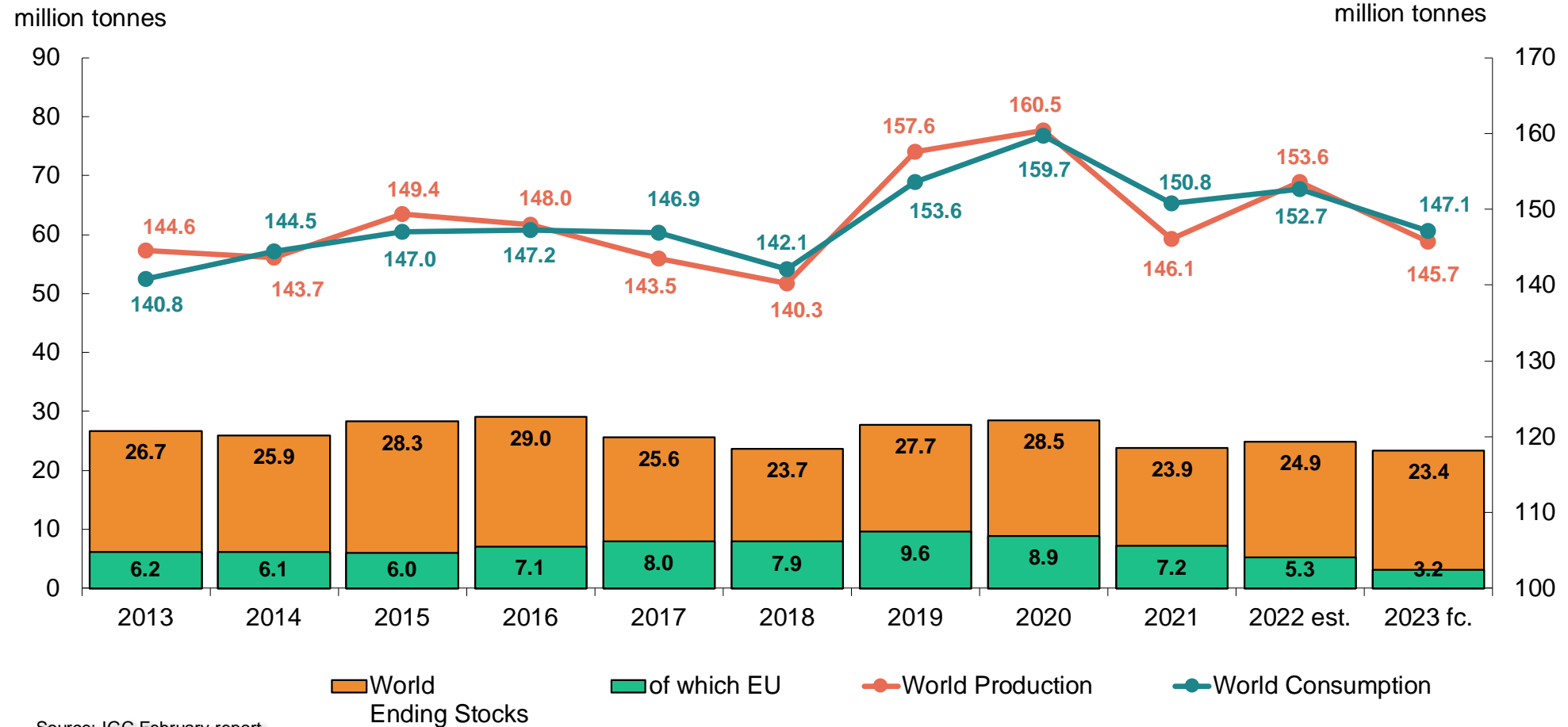
**Maize:** led by record harvests in China and the US, world production is forecast at a new peak of 1,233.7m t (+70.6m t or +6.1% y/y). Ample supplies at affordable prices will boost consumption to an all-time high of 1,222.0m t (+4.0m m/m; +4.0% y/y), incl. 732.3m t of feed use (+4.7% y/y) and 311.6m t of industrial use (2.8%). Driven by a strong accumulation in the **US** (56.1m t; +62.4% y/y), global ending stocks are expected to increase to 286.3m t (+4.3%), with combined CHN and US stocks (229.9m t) representing 80% of world total.

Based on final USDA estimates, the **US** crop was lifted by 2.7m to a record 389.7m t (+12.4% y/y) with the yield (11.13 t/ha) also seen at a new peak. Forecasts are unchanged m/m for **ARG** (61.0m t; +47.3%) and **BRA** (119.7m t; -9.3%), while the harvest could yield 16.4m t in **South Africa** (+0.3m m/m; -4.0% y/y).

World trade (July/June) is forecast to decline for the 3<sup>rd</sup> consecutive year reaching 177.3m t (+1.3m m/m; -2.4m t or -1.4% y/y). Now **US** is expected to be the main exporter (52.4m t; +0.6m m/m, +15.8% y/y), followed by **BRA** (48.0m t; -1.2% y/y), while **UKR** shipments are placed at 19.5m t (-33.5% y/y). The **EU** will remain the leading importer (21.7m t; -26.4% y/y).

Preliminary prospects for 2024/25: world harvested area is projected fractionally larger y/y at 205.8m ha (+0.4%), incl. EU at 8.8m ha (+4.2%), UKR at 4.0m ha (-1.4%), US at 34.0m ha (-2.8%), China at 44.5m ha (+0.7%) ARG at 8.4m ha (+2.4%) and BRA at 21.6m ha (+2.1%). The potential decrease in the US reflects more favourable price patterns for soya bean over maize. Assuming normal weather and trend yields, production could potentially increase by 1% to a new peak, while consumption is also expected to rise next season on expectation of large supplies and attractive pricing for key origins.

# World barley: IGC



Source: IGC February report

# Summary of the IGC Grain Market Report

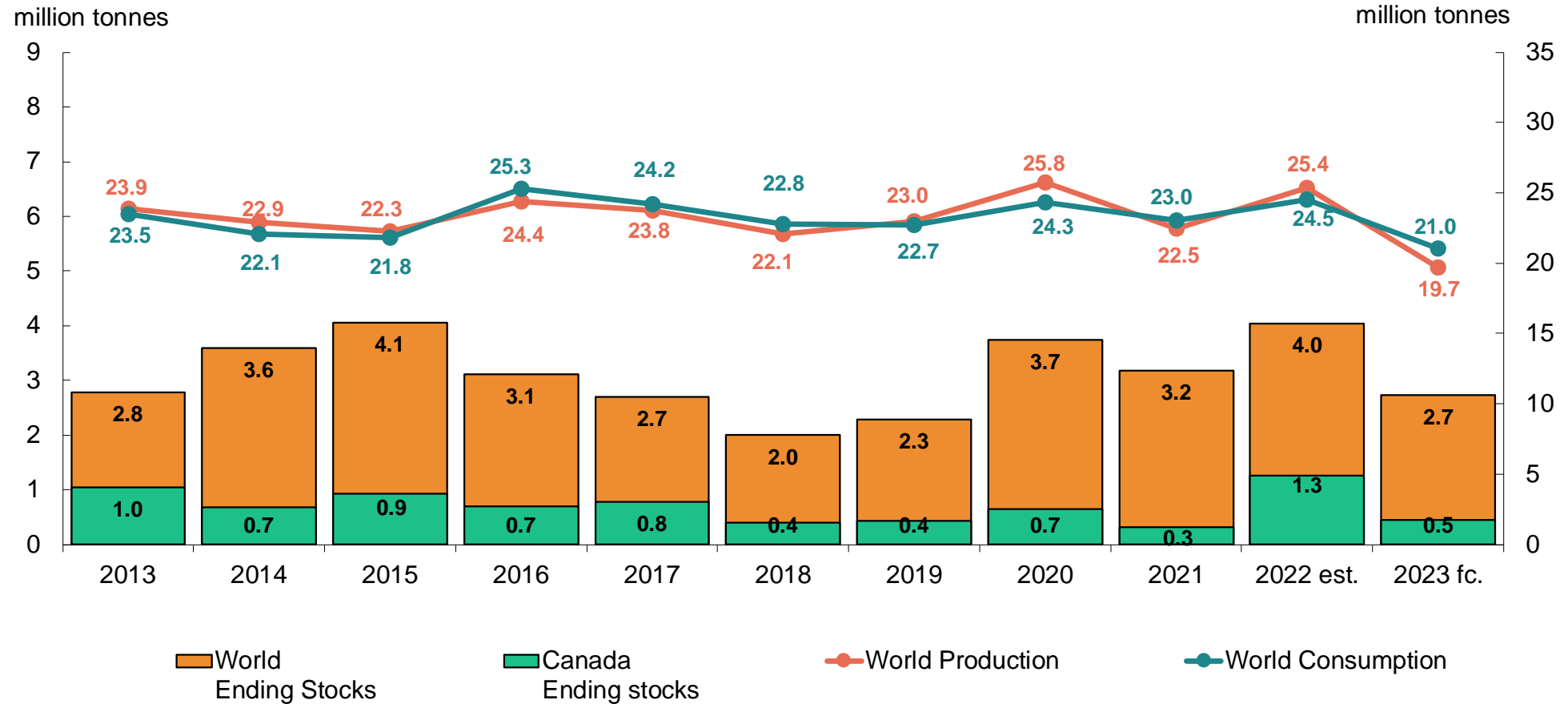
(GMR 551 of 15/FEBR/2024)

## Outlook for 2023/24

### Barley production in selected countries (million tonnes)

	2020/21	2021/22	2022/23 (estimate)	2023/24 (forecast)	m/m change (m t)	y/y change
<b>EU-27</b> (2020/21) <i>EU-27 + UK to 2019/20</i>	54.0	51.6	51.5	<b>47.6</b>	-	-7.6%
United Kingdom	8.1	7.0	7.4	<b>7.0</b>	-	-5.2%
Russia	20.6	17.6	22.1	<b>20.5</b>	-	-7.2%
Ukraine	7.9	10.0	6.6	<b>6.7</b>	-	+1.1%
Australia	14.6	14.4	14.1	<b>10.8</b>	-	-23.8%
Argentina	4.0	5.2	4.5	<b>5.1</b>	-	+13.7%
Canada	10.7	7.0	10.0	<b>8.9</b>	-	-10.9%
Turkey	8.3	5.8	8.5	<b>9.2</b>	-	+8.2%
<b>World</b>	<b>160.5</b>	<b>146.1</b>	<b>153.6</b>	<b>145.7</b>	<b>-0.1</b>	<b>-5.2%</b>

# World oats: IGC



Source: IGC February report

# Summary of the IGC Grain Market Report

(GMR 551 of 15/FEBR/2024)

## Outlook for 2023/24

**Barley:** world output fell to a 5-year low of 145.7m t (-0.1m t m/m; -7.9m or -5.2% y/y) on poorer yields, especially in AUS, CAN, EU and KZH. Linked to reduced use for feeding (101.1m t; -3.5% y/y), consumption is forecast to drop by 3.6% to 147.1m t (-3.6% y/y), incl. 28.3m t of industrial use (+1.5%). EU demand is placed at 41.7m t (-9.7%), incl. 31.8m t of feed use (-12.4%). Led by a sharp contraction in the major exporters, stocks are expected to be unusually tight at the end of the season reaching 23.4m t (-5.8% y/y).

World trade (excl. malt) is predicted to decline by 4.4% y/y to a below-average level of 29.3m t (July/June). Imports to decrease by **Saudi Arabia** (4.0m t; -9.1%) but increase by **China** (8.8m t; +15.1%) and **Iran** (3.4m t; +54.5%). **AUS** will remain the leading exporter with 7.9m t (+2.5% y/y and equal to the record of 20021/22), followed by the **EU** (6.3m t; -0.9%) and **RUS** (5.4m t; +8.1%).

**Barley planting prospects 2024/25:** in view of low prices and overall poor demand, harvested area is projected at below average level of 46.8m ha ( $\approx$  y/y), incl. EU at 10.6m ha (+2.9%), UKR at 1.9m ha (-3.7%) and RUS at 7.6m ha (-1.0%).

**Oats:** with all major producers harvesting smaller crops, world production fell below 20.0m t for the first time since 2010/11 reaching 19.7m t (-0.4m t m/m; -5.7m t or -22.3% y/y). **EU** production reached 5.9m t (-20.2%), **CAN** 2.6m t (-49.6%) and **RUS** 3.3m t (-0.2 m m/m; -26.7% y/y). Given much reduced availabilities, especially in CAN and the EU, consumption is expected to fall sharply to 21.0m t (-0.4m m/m; -14.2% y/y), incl. a record low of 13.3m t (-18.4%) for feeding, with food placed at 5.6m t (+1.1%). Closing stocks are forecast to shrink by 32.5% to 2.7m t.

# Summary of the IGC Grain Market Report

(GMR 551 of 15/FEBR/2024)

## Outlook for 2023/24

### Production and Export Forecasts for Ukraine (million tonnes)

Production (m t)	2020/21	2021/22	2022/23 est'	2023/24 f'cast	y/y %	23/24 vs 21/22 (%)
Wheat	25,4	33,0	26,8	<b>28,7</b>	7,0	-13,0
Maize	30,3	42,1	27,7	<b>30,0</b>	8,4	-28,8
Barley	7,9	10,0	6,6	<b>6,7</b>	1,1	-33,1
<b>Exports (m t; Jul/Jun)</b>						
Wheat	16,8	18,9	17,1	<b>15,5</b>	-9,4	-17,9
Maize	23,1	23,6	29,3	<b>19,5</b>	-33,5	-17,4
Barley	4,2	5,7	2,7	<b>1,8</b>	-33,5	-68,7
<b>Production (m t)</b>						
Rapeseed	2,6	2,9	3,7	<b>6,1</b>	64,9	108,3
Soya beans	2,8	3,4	3,9	<b>4,7</b>	20,4	39,1
SFS	13,1	16,4	15,8	<b>16,5</b>	4,8	0,7
<b>Exports (m t; Oct/Sep)</b>						
Rapeseed	2,5	2,7	3,4	<b>3,4</b>	-0,8	26,0
Soya beans	1,4	1,6	3,0	<b>2,9</b>	-3,2	79,5
SFS	0,2	1,8	1,7	<b>0,6</b>	-63,0	-65,5
IGC GMR 551; 15/FEBR/2024						

# Cereals Market News and Prices

# Market News 1. (29-2-2024)

## Ukraine/KZH/Turkey

- **UKR** (*AgMin*): as of 26/02, cumulative 2023/24 **grain** exports reached 28.6m t (-10% y/y), incl. **wheat** at 11.3m t (+1%), **maize** at 15.4m t (-15%) and **barley** at 1.6m t (-20%).
- **UKR** (*AgMin*): **maize** harvest continued at a very slow pace, with 28.8m t collected by 15/02. Average yield is 7.79 t/ha so far and the harvest was completed on 3.69m ha (≈ 91% of the planned area).
- **UKR** (*IGC referring to SovEcon*): total grain production estimated at 57.1m t in 2023/24, incl. 20.7m t of wheat and 30.2m t of maize. 2024/25 **wheat** output is projected at 19.8m t (-0.9m t y/y).
- **UKR** (*IGC referring to Refinitiv*): 2024/25 **wheat** production forecast raised by 0.2m t from before to 21.9m t.
- **KZH** (*APK consultancy*): 2023/24 **durum** output is estimated at 0.53m t (-35% y/y) and **maize** at 1.2m t (+8.3% y/y). As for 2024/25, the *AgMin* forecasts total crop area at 23.9m ha (-1% y/y), incl. small area shifts from wheat and barley to oilseeds.
- **Turkey**: the Turkish Grain Board sold 150,000 t of durum wheat for exports at an average price of USD 375.5 / t.

# Market News 2. (29-2-2024)

## Russia

- **RUS** (*Interfax*): AgMin proposed to increase the grain export quota introduced for 15 Febr – 30 June 2024 by 4.0m t to 28.0m t.
- **RUS** (*IGC*): the unofficial export threshold fob price was reported to be lowered to USD 235 per tonne.
- **RUS** (*AgriCensus*): cumulative **wheat** exports are estimated at 32.6m t (+15% y/y) so far in MY 2023/24.
- **RUS** (*IGC referring to IKAR consultancy*): **2024/25 grain** production is projected at 146.0m t (+3.4m t y/y), inc. 93.0m t (+0.2m y/y) of **wheat**. Total grain exports are expected to ease moderately to 67.0m t next season from 70.0m t currently forecast for 2023/24, of which 52.0m t of wheat.
- **RUS** (*IGC referring to SovEcon*): **wheat** exports are forecast to increase to 3.8m t (+0.8m t y/y and +1.2m t above average) in February. SovEcon estimates total grain exports in 2023/24 at 62.7m t, incl. 48.6m t of wheat, 5.9m t of barley and 4.8m t of maize.

# Market News 3. (29-2-2024)

## Russia: export tax on wheat, barley and maize

<i>In <u>RUB</u> per tonne</i>	<i>7 – 13 Febr</i>	<i>14 – 20 Febr</i>	<i>21 – 27 Febr</i>	<i>28 Febr – 5 Mar</i>
<b>Wheat exp tax</b>	<b>3 805</b> (≈ USD 42)	<b>4 059</b> (≈ USD 44)	<b>3 953</b> (≈ USD 43)	<b>3 801</b> (≈ USD 41)
<b>Barley</b>	<b>827</b> (≈ USD 9)	<b>220</b> (≈ USD 2)	<b>190</b> (≈ USD 2)	<b>571</b> (≈ USD 6)
<b>Maize</b>	<b>1 340</b> (≈ USD 15)	<b>2 279</b> (≈ USD 25)	<b>1 084</b> (≈ USD 11)	<b>829</b> (≈ USD 9)

**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](http://www.moex.com/ru/index/CRFOB) barley = [www.moex.com/ru/index/BRFOB](http://www.moex.com/ru/index/BRFOB) maize = [www.moex.com/ru/index/CRFOB](http://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. (29-2-2024)

## USA: Grains export inspections *w/e 22 February 2024*

Commodity	MY 2023/24	MY 2022/23	Change (y/y)
Maize	19 494 397	14 385 981	+35.5%
Sorghum	3 434 133	675 154	+408.6%
Soya beans	33 049 879	42 158 764	-21.6%
Wheat	12 612 337	15 313 796	-17.6%

Marketing Year = June/May for wheat and September/August for maize, sorghum and soybeans;  
[www.ams.usda.gov/mnreports/wa\\_gr101.txt](http://www.ams.usda.gov/mnreports/wa_gr101.txt)

# Market News 5. (29-2-2024)

## USA: USDA Grains and Oilseeds Outlook, 15 February 2024

WHEAT	2021/22	2022/23	2023/24	2024/25	2024/25 vs 23/24	24/25 vs 22/23
Area planted	18,90	18,5	20,1	19,0	94,76%	102,62%
Area harvested	15,01	14,4	15,1	15,5	102,95%	108,17%
Yield (t/ha)	2,98	3,1	3,3	3,3	101,85%	106,45%
Production (m tonnes)	44,80	44,9	49,3	51,7	104,86%	115,15%
Exports	21,66	20,7	19,7	21,1	106,90%	102,11%

Maize	2021/22	2022/23	2023/24	2024/25	2024/25 vs 23/24	2024/25 vs 22/23
Area planted	37,60	35,69	38,28	36,83	96,19%	103,17%
Area harvested	34,40	31,85	35,01	33,63	96,07%	105,59%
Yield (t/ha)	11,09	10,88	11,13	11,36	102,09%	104,38%
Production (m tonnes)	381,46	346,74	389,69	382,02	98,03%	110,18%
Exports	62,79	42,19	53,34	54,61	102,38%	129,44%

# Market News 6. (29-2-2024)

## Canada: Outlook for Principle Field Crops in 2024/25

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

<b>16-02-2024</b>	<b>2022/23</b>	<b>2023/24 f'</b>	<b>2024/25 f'</b>	<b>Change m/m</b>	<b>y/y</b>
<b>Durum prod'</b> (m t)	5.79	4.05	<b>5.44</b>	-	+34.4%
exports (m t)	5.05	3.20	<b>4.35</b>	-	+35.9%
<b>All wheat prod'</b> (m t)	34.34	31.95	<b>33.93</b>	+0.63	+6.2%
exports (m t)	25.67	23.45	<b>24.35</b>	-	+3.8%
<b>Barley prod'</b> (m t)	9.99	8.90	<b>9.28</b>	-	+4.3%
exports (m t)	3.89	2.78	<b>2.75</b>	-	-1.1%
<b>Oats prod'</b> (m t)	5.23	2.64	<b>3.71</b>	-	+40.6%
exports (m t)	2.67	2.45	<b>2.55</b>	-	+4.1%
<b>Canola/rapeseed prod'</b> (m t)	18.70	18.33	<b>18.37</b>	-	+0.2%
Exports (m t)	7.95	7.00	<b>7.70</b>	-	+10.0%

# Market News 7. (29-2-2024)

## China

China Agricultural Supply and Demand Estimates for 2023/24 (Oct/Sept; IGC)

7 February		Forecast (Mt)	+/- prev' f'cast (Mt)	2022/23 (Mt)	+/- y/y
Maize	Production	288.8	-	277.2	+4.2%
	Consumption	295.0	-	290.5	+1.5%
	Feed use	191.0	-	188.0	+1.6%
	Imports	17.5	-	18.7	-6.4%
Soya beans	Production	20.8	-	20.3	+2.7%
	Consumption	117.0	-	114.1	+2.5%
	Imports	97.3	-	98.0	-0.7%

# Market News 8. (29-2-2024)

## Brazil

CONAB February report: Outlook for 2023/24 ([www.conab.gov.br](http://www.conab.gov.br))

- **Maize:** mostly linked to worsening yield prospects for the first (6.00 t/ha; -2.5% y/y) and smaller area for the second crop (15.9m ha; -7.6%), total production forecast was lowered by 3.9m to 113.7m t. Total maize area is now seen at 20.4m ha (-8.2% y/y), while average yield is projected at 5.56 t/ha (-6.1%). Domestic consumption was trimmed by 0.3m to 84.1m t (+5.7% y/y) with exports reduced by an additional 3.0m m/m to 32.0m t (-23.5m t or -42.3% y/y). In contrast, imports were raised by 0.4m to 2.5m t (+1.0m t y/y).
- **Soya beans:** due to lower yield outlook (3.31 t/ha; -5.5% y/y), the crop was lowered sharply to 149.4m t (-5.9m t m/m; -5.2m t y/y) with area trimmed to 45.1m ha (+2.3% y/y). While demand was cut slightly to 56.7m t (-0.2m m/m; +2.2% y/y), the export forecast decreased significantly to 94.2m t (-4.3m m/m; 98.5m t (-3.1m m/m; -7.6% y/y).
- **Wheat:** according to the first outlook for 2024/25, wheat production is projected to rebound by 26.0% to 10.2m t assuming improved yields (2.93 t/ha; +25.9% y/y), while area is seen unchanged y/y at 3.48m ha (+0.1%).

8 February 2024	Forecast	+/- previous f'cast	Previous year	+/- y/y
<b>Wheat prod (m t) 2024/25</b>	10.2	n/a	8.1	+26.0%
<b>Soya beans prod (m t)</b>	149.4	-5.9	154.6	-3.4%
<b>Maize prod (m t)</b>	113.7	-3.9	131.9	-13.8%
Maize 1st crop	23.6	-0.8	27.4	-13.8%
Maize 2 <sup>nd</sup> crop	88.1	-3.1	102.4	-13.9%
Maize 3 <sup>rd</sup> crop	2.0	-	2.2	-7.6%
Maize exports	32.0	-3.0	55.5	-42.3%

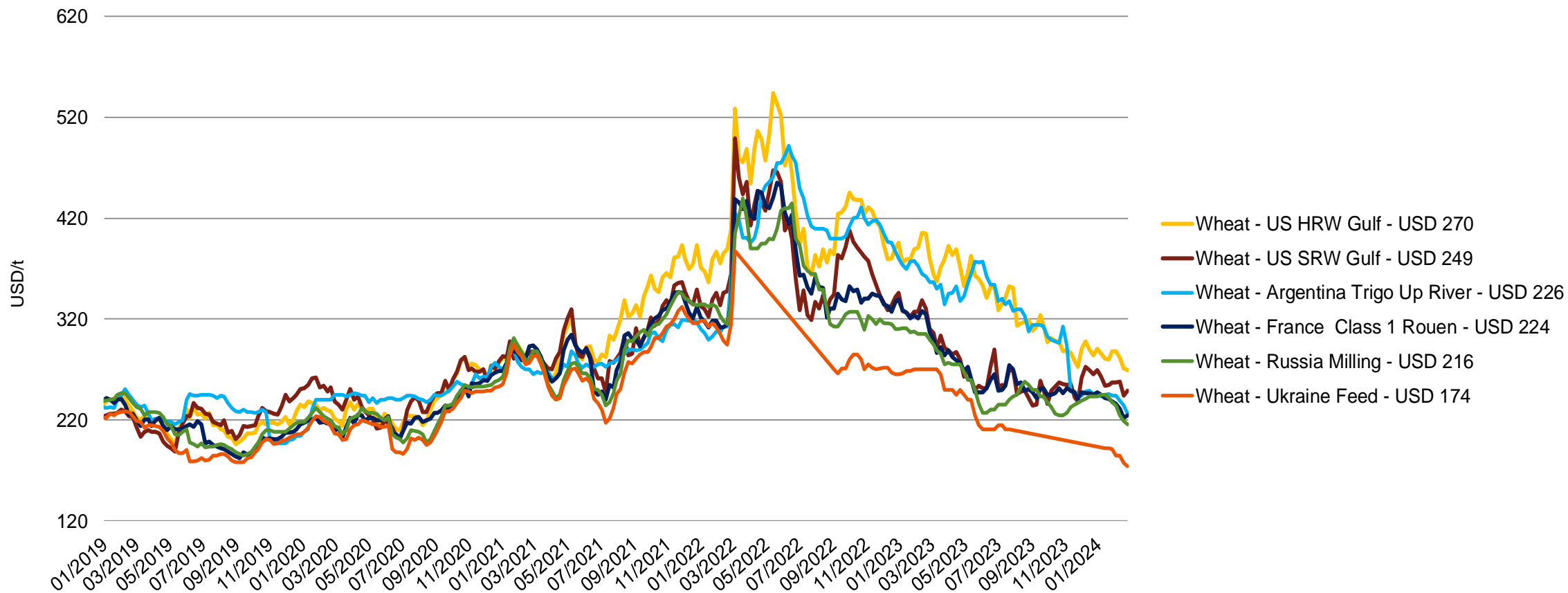
## Market News 9. (29-2-2024)

- **FAO**: the FAO Food Price Index (FFPI) eased slightly to 118.0 points (-1.2 points or -1.0% m/m) in January 2024 with lower cereals and meat prices only partly offset by gains for sugar. The index was 13.7 points or 10.4% lower than a year ago. The Cereal Price Index decreased to 120.1 points in January (-2.7 points or -2.2% m/m), representing an annual drop of 27.4 points (-18.6% y/y). Strong competition drove wheat prices further down, while large US supplies and improved outlook in ARG weighed on maize prices.
- **ARG** (*BAGE – 21/02/2024*): **maize** sowings were completed for the 2023/24 harvest with area estimated at 7.2m ha (+0.1m ha y/y). Conditions are rated 85% fair/excellent (only 49% last year) and the production forecast is unchanged at 56.5m t (+22.5m t y/y). **Sorghum** plantings are also finished with the crop projected at 3.5m t (+1.0m t y/y).
- **ARG** (*Rosario Grains Exchange*): with more rainfall needed in near future to maintain yield potential, 2023/24 **maize** output forecast was lowered by 2.0m to 57.0m t (+21m t y/y).
- **ARG**: companies were approved for the first time in China's General Administration of Customs' list of authorised firms to ship wheat to China.
- **BRA** (*CONAB*): as of 24 Feb, planting of the first (full-season) **maize** crop was 100% done (100% last season), while harvesting progressed to 25% (17%) complete. Sowing of the second (*safrinha*) crop is 59% finished (49%).
- **BRA** (*Ministry of Trade*): as of 25 Feb, **maize** exports reached 54.2m t (+9% y/y) in MY 2023/24 (Mar/Feb). ANEC (*grain exporters*) forecasts maize shipments in February to reach only 0.7m t (vs. 1.9m t in Feb 2023).

# Market News 10. (29-2-2024)

- **CAN** (IGC referring to Canadian Grain Commission): as of w/e 18 Febr 2024, cumulative **all-wheat** exports amounted to 13.6m t (-3% y/y) in MY 2023/24 (Aug/July), incl. **durum** wheat at 1.8m t (-40%). **Barley** exports reached 1.0m t (-48%), **oats** 0.8m t (+5%) and **canola** 3.3m t (-33%).
- **India** (IGC referring to Refinitiv): based on larger area and improved yield expectations, wheat production is forecast at 111.6m t in 2024/25, +6.6m t more than beforehand.
- **JRC MARS Outlook on North Africa**: persistent drought negatively impacts crops again in western and central areas of the Maghreb. After an initial dry period in last autumn, ample rainfall during winter months replenished soil moisture in **Tunisia** and yields for winter cereals are forecast to be at around the 5-Y ave. Reflecting average growing conditions, yields are expected to be also close to recent averages in **Libya**. Thanks to favourable weather conditions and mostly irrigated arable land, yields are expected to be better than average in **Egypt** (6.83 t/ha for wheat and 3.92 t/ha for barley). In contrast, due to unusually warm and very dry conditions, yields in **MOR** are forecast to be 16% below the 5-Y ave for wheat (1.32 t/ha) and 19% less (0.83 t/ha) for barley. Similarly to MOR, persistent dryness delayed sowings in **ALG**, reducing yield prospects as well (wheat: 1.40 t/ha, -15% from recent ave; barley: 1.04 t/ha, -8.0%).
- **MOR**: government will grant a subsidy to stockholders of imported wheat ( $\approx$  USD 2.50 per tonne) every two weeks, for a total of up to 1.0m t of common wheat, covering imports between 1 February and 30 April 2024, with reserves to be held for at least three months.

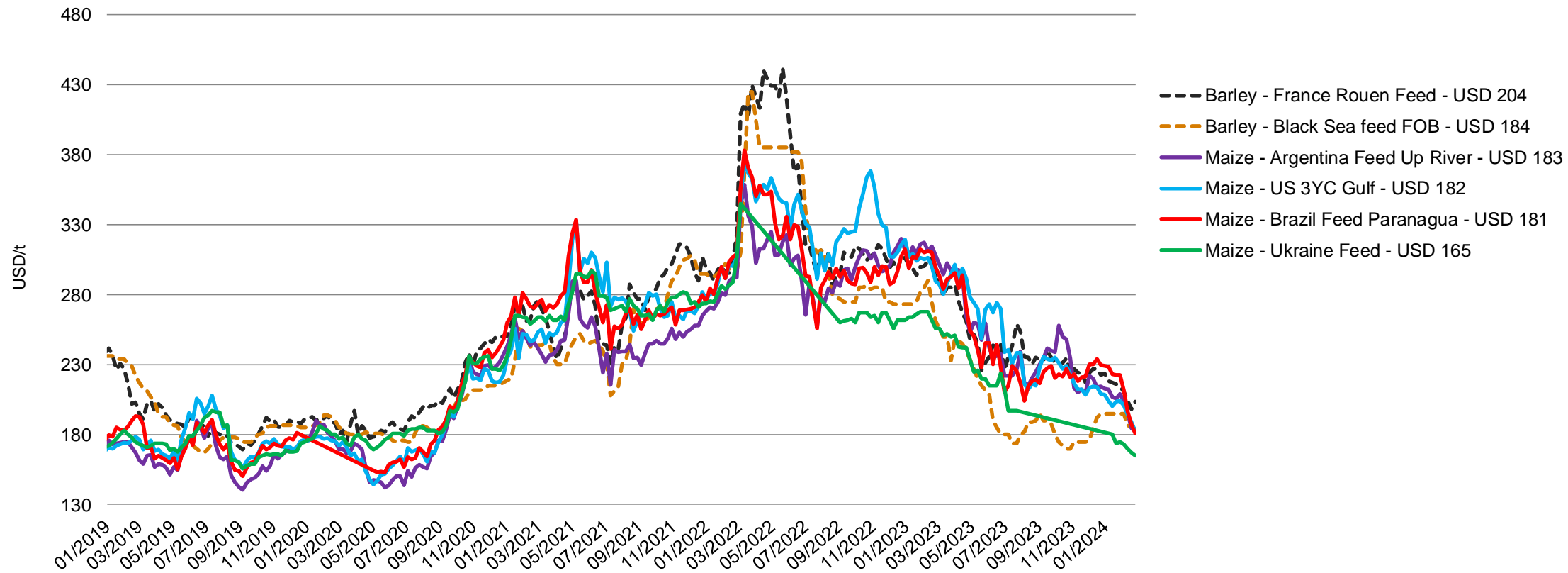
# World common wheat prices (USD/t)



Source: IGC

Latest prices referring to (if not stated otherwise): 23/02/2024

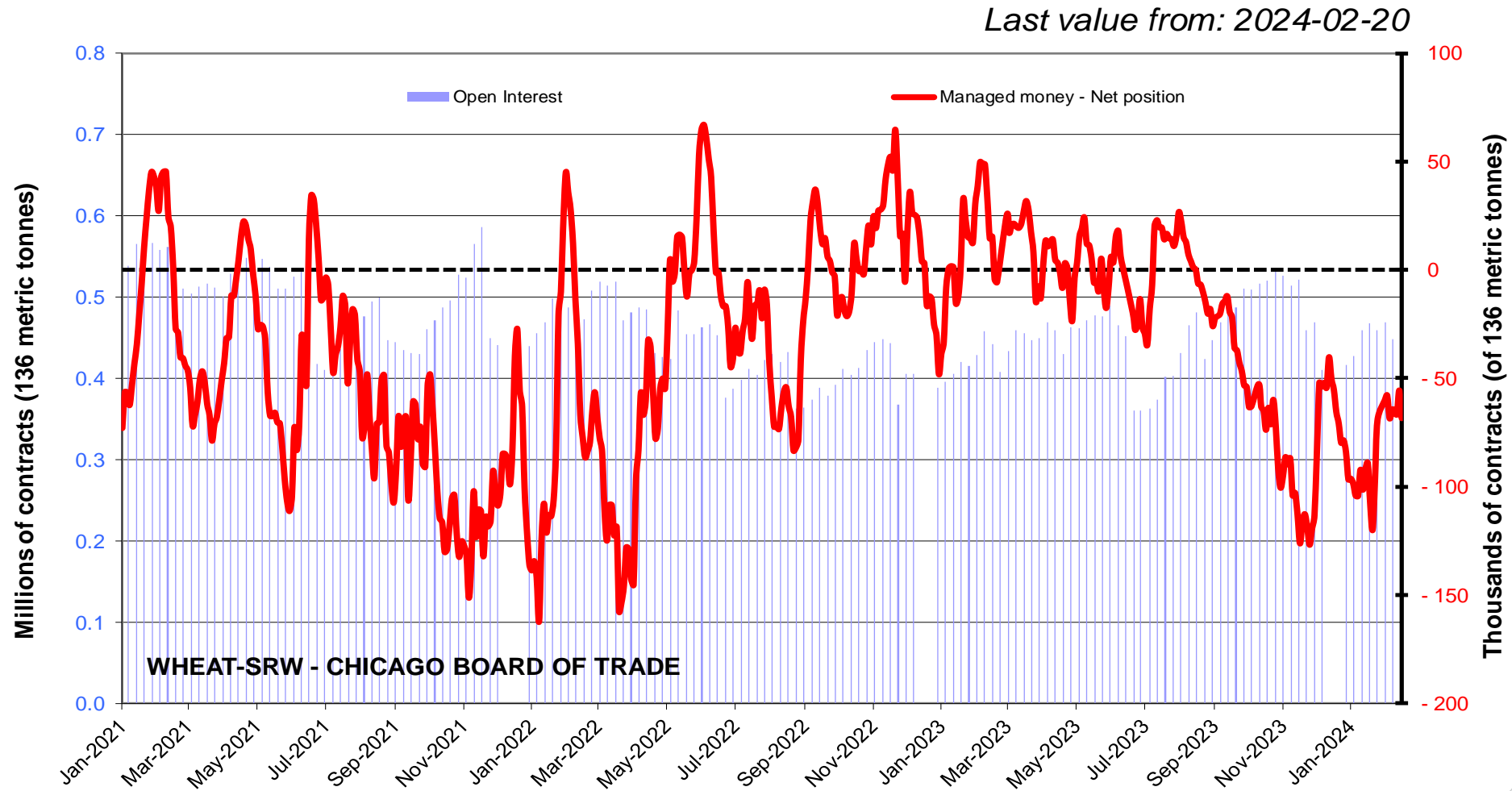
# World maize and barley prices (USD/t)



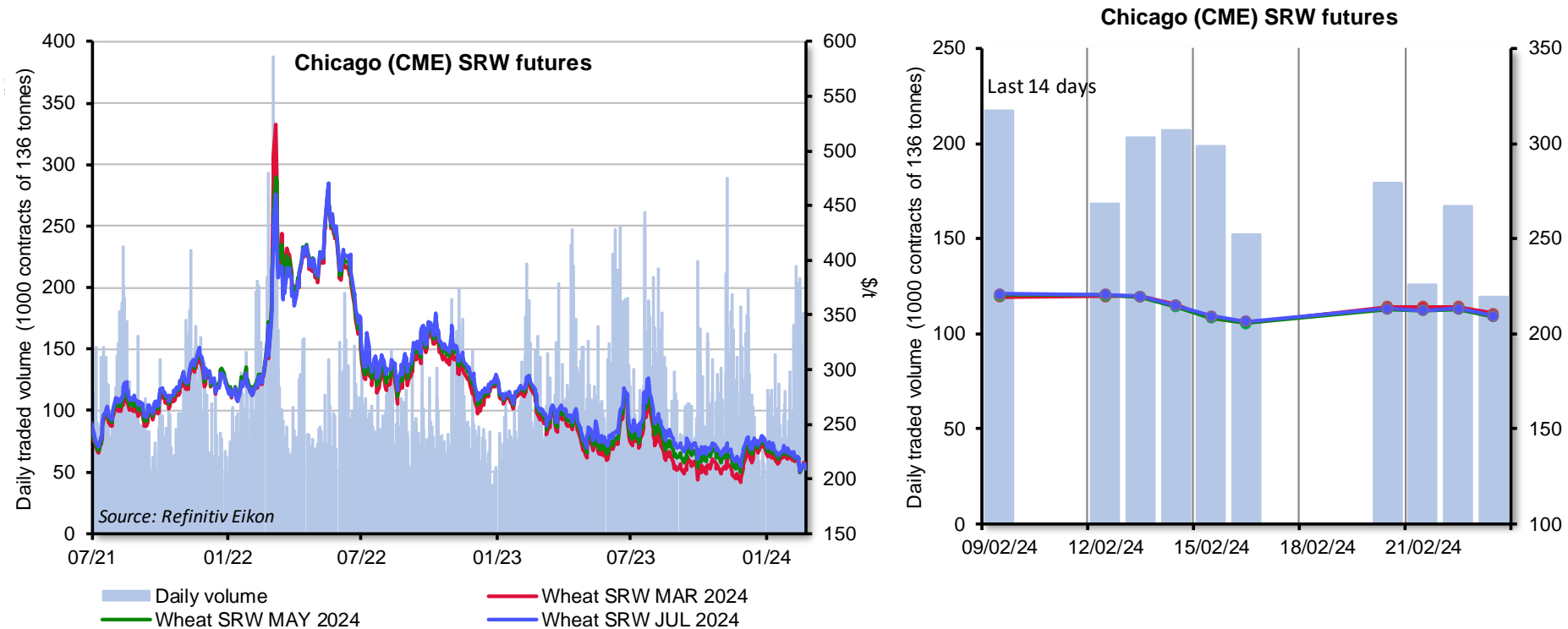
Source: IGC

Latest prices referring to (if not stated otherwise): 23/02/2024

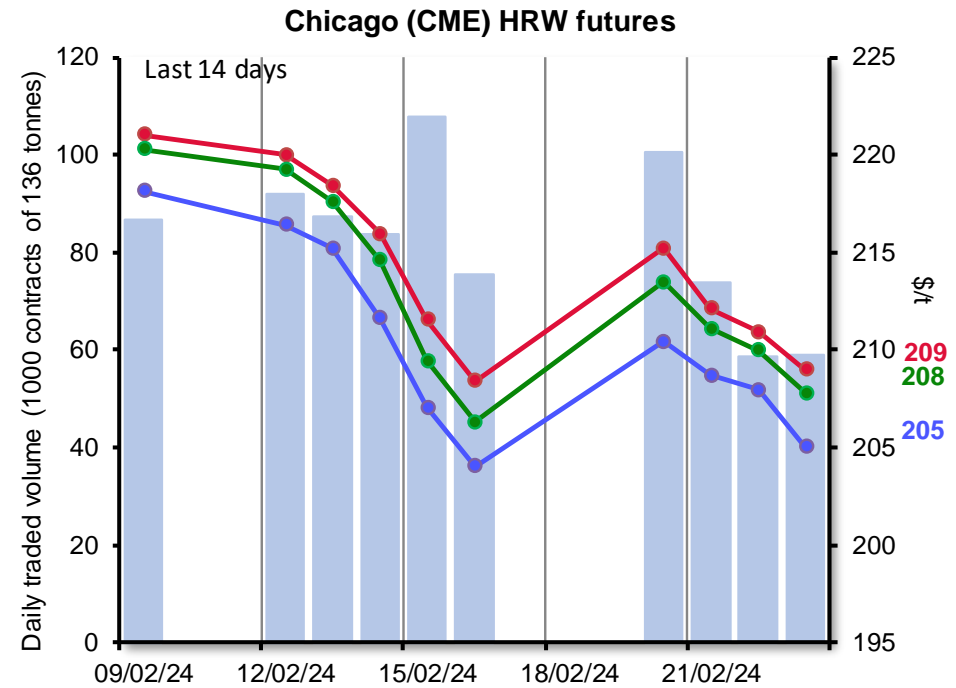
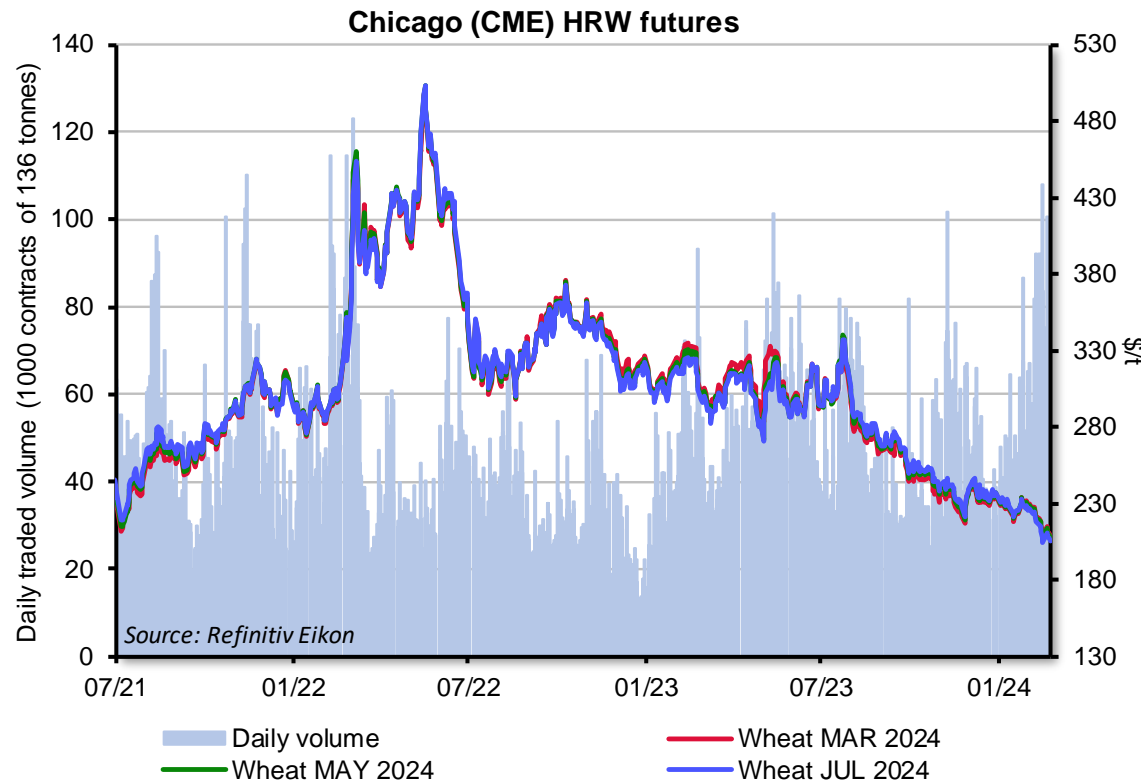
# CME wheat: open interest and net position of traders



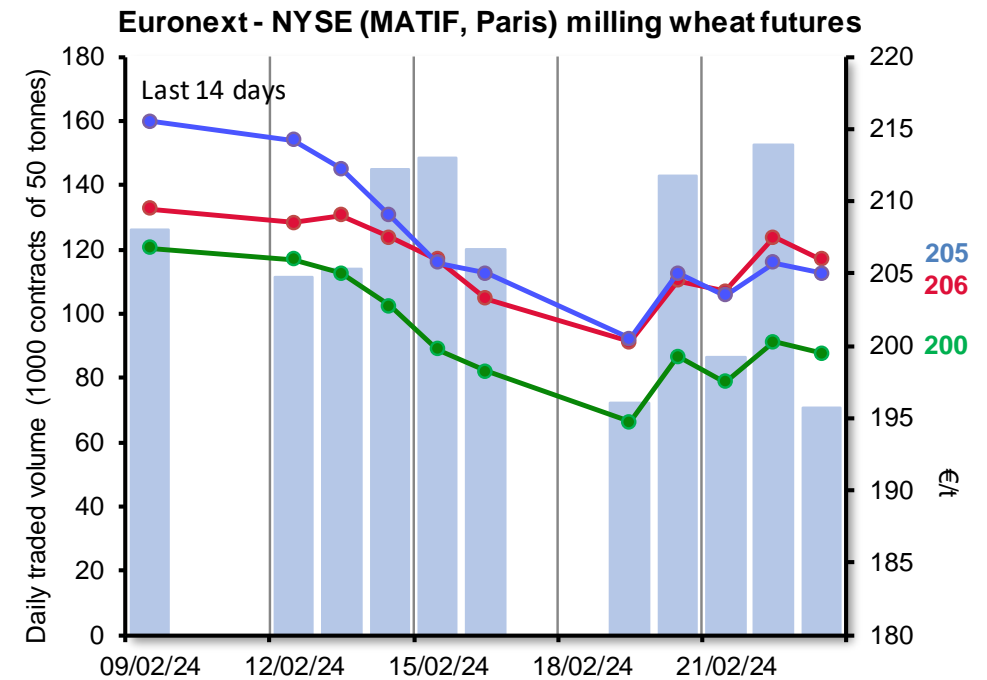
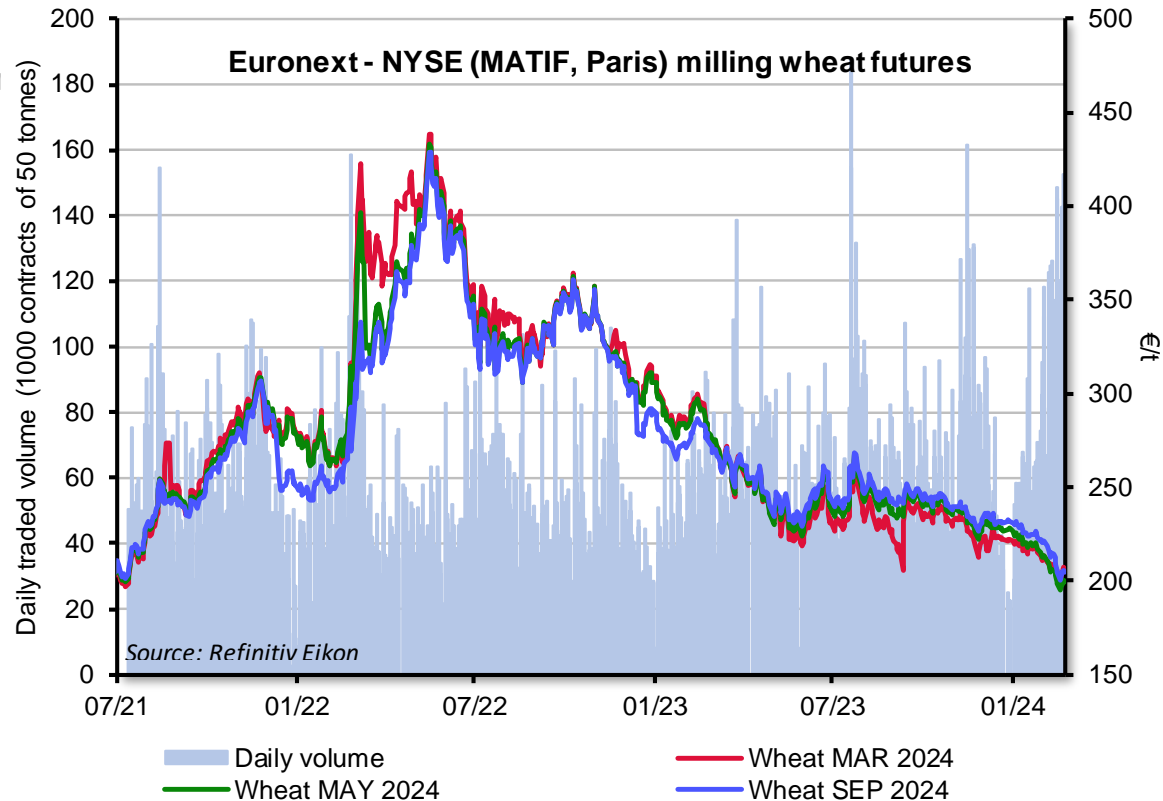
# US CME SRW wheat futures



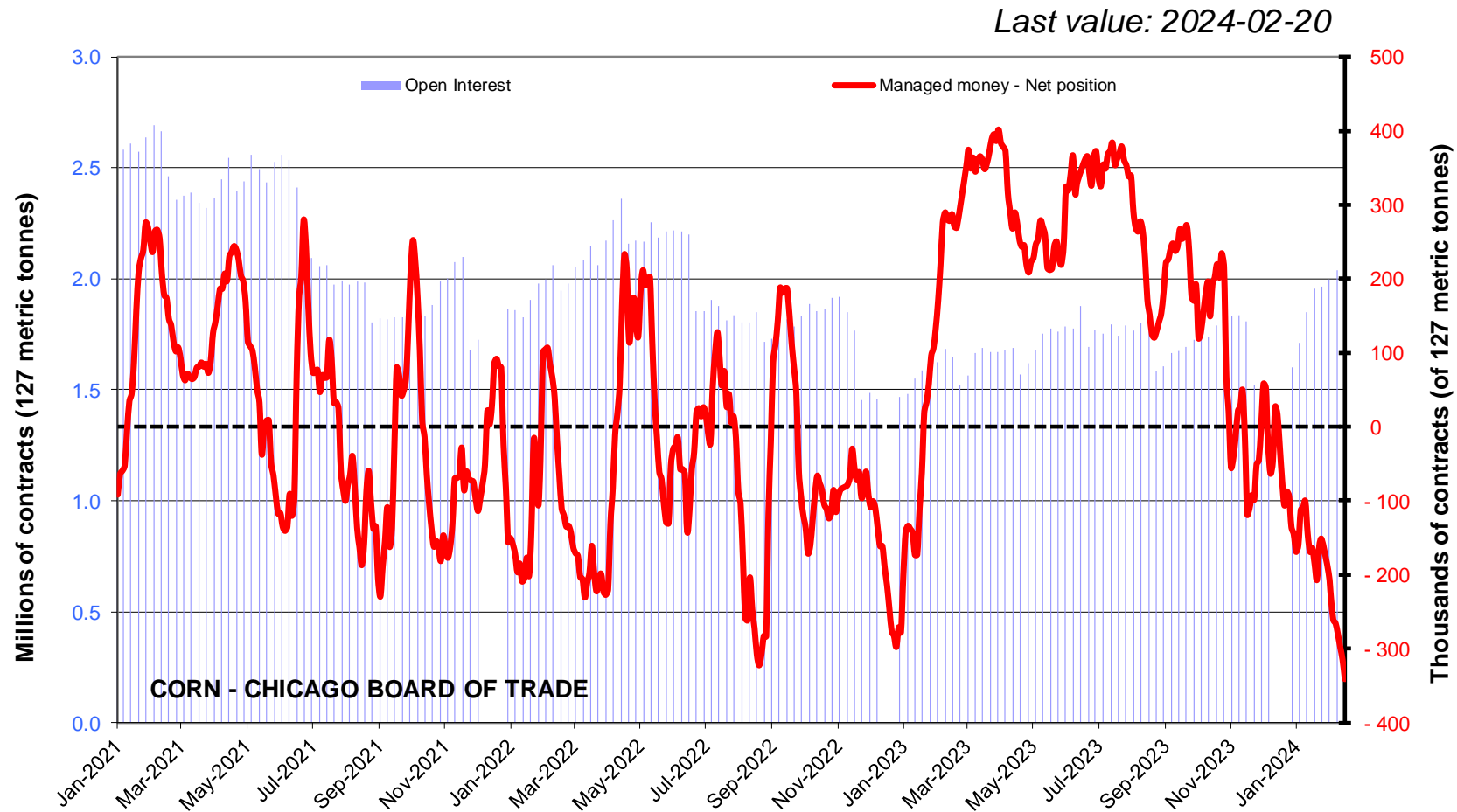
# US CME HRW wheat futures



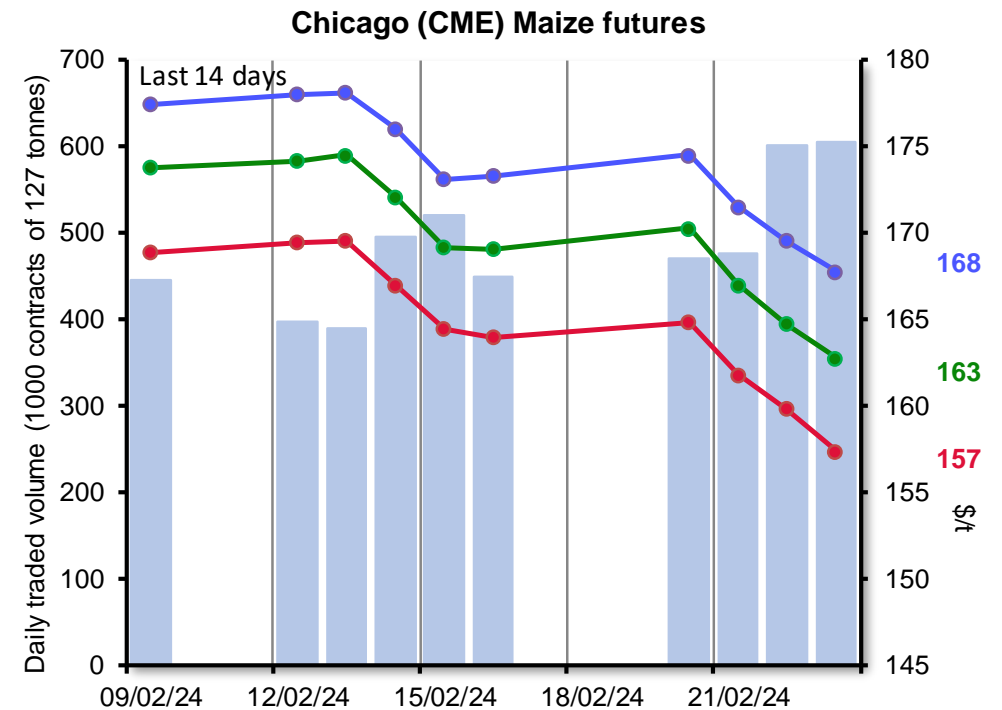
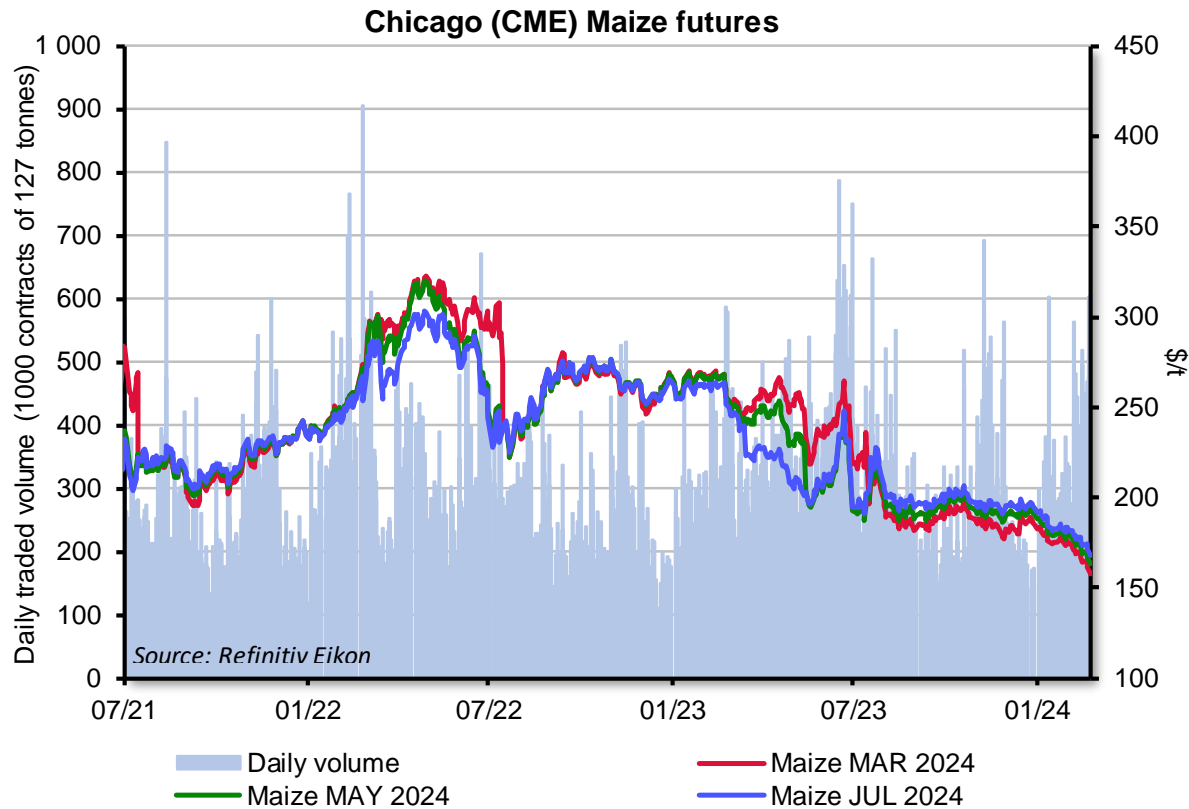
# EU Milling Wheat Futures



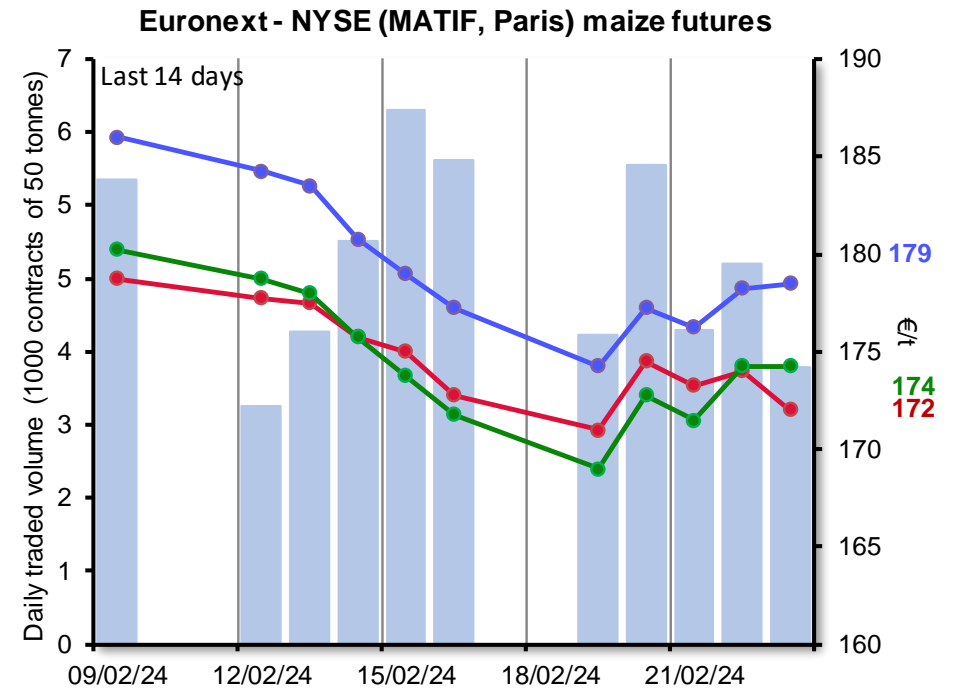
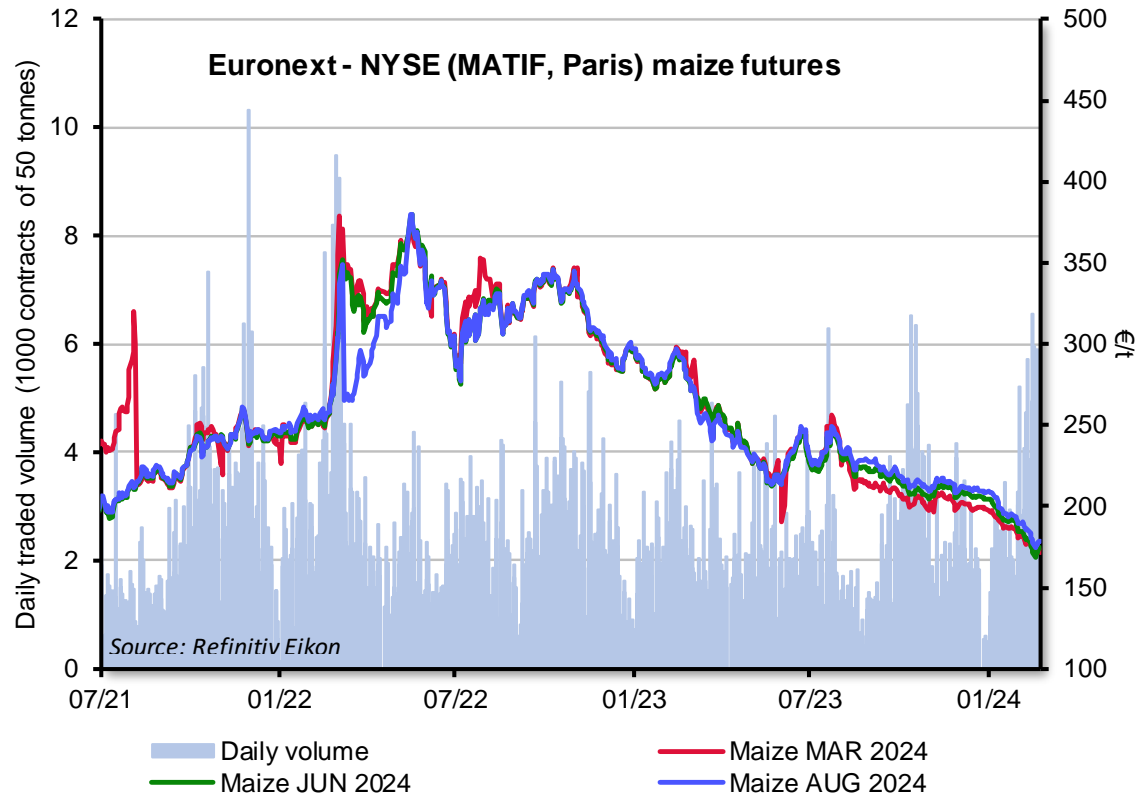
# CME maize: open interest and positions of traders



# CME maize futures



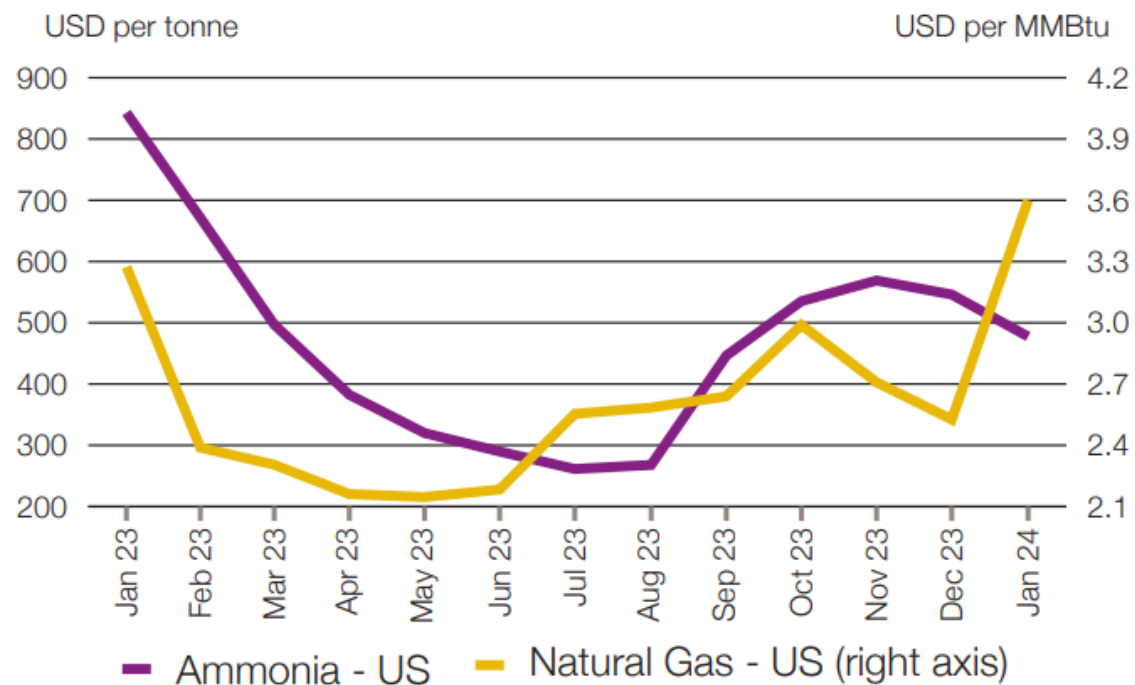
# EU maize futures



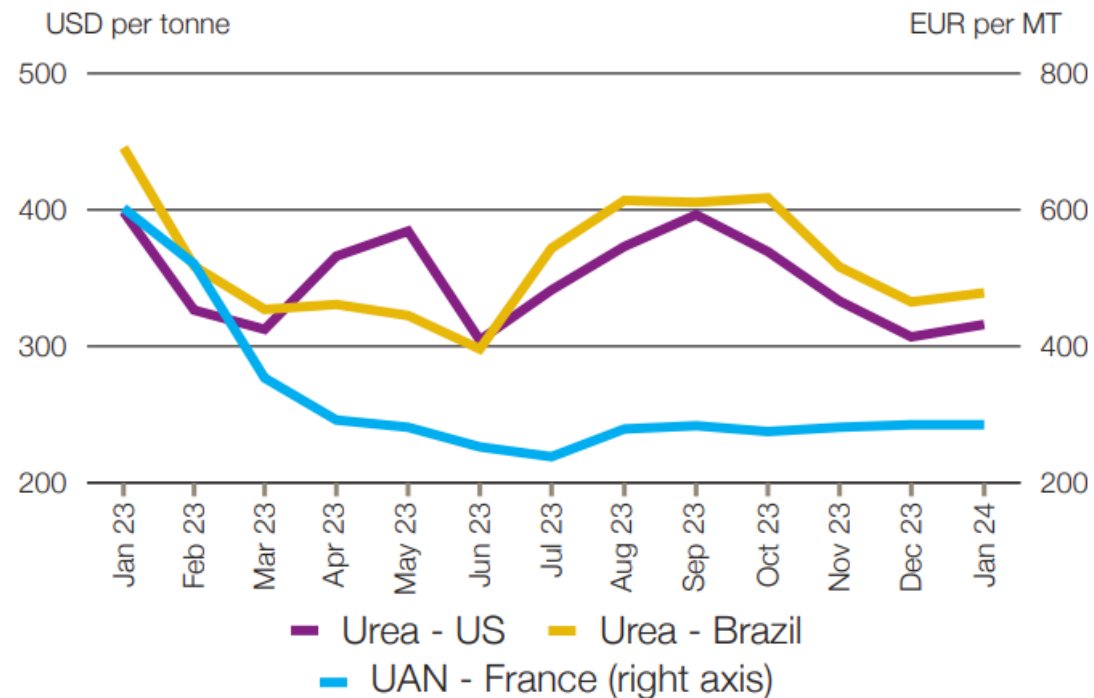
## Selected cereals trade for the past 4 weeks

<b><i>Country</i></b>	<b><i>Crop</i></b>	<b><i>Quantity (t)</i></b>	<b><i>Price (\$/t)</i></b>	<b><i>Origins</i></b>	<b><i>Delivery</i></b>
<i>Egypt</i>	wheat	180 000	<i>218 fob+37 freight UKR 237.4 + 17.6 RO</i>	120 000 UKR 60 000 EU (RO)	Apr
<i>Egypt</i>	maize	120 000	220.3 (c&f)	UKR	Mar/Apr
<i>Jordan</i>	wheat	60 000	253 (c&f)	optional	May
<i>Tunisia</i>	durum	100 000	414.7-417.4 (c&f)	optional	Mar/Apr

## Input prices



## Nitrogen prices



Source: AMIS - Market Monitor

# Conclusions

- Cereals prices declined further to multi-year lows due to ample supplies
- **IGC** projects larger wheat and maize production in 2024/25
- **RUS** considers increasing the grain export quota
- **USDA** projects larger US wheat but smaller maize crops in 2024/25
- **BRA** maize harvest reduced again for 2023/24, while wheat output to rebound in 24/25
- On *fob* basis RUS **wheat** and UKR **maize** remained 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>

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.



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