

# Grain Market Report

## Summary

### HIGHLIGHTS

The forecast for total grains (wheat and coarse grains) production in 2023/24 is placed slightly lower m/m (month-on-month), at 2,294m t, including another cut for barley, as well as for oats. Among the main growers, estimates for Canada, the EU and China are reduced, partly offset by an upgrade for Ukraine, where yield prospects have improved. Global use is placed 1m t higher m/m, on modest increases for feed and industrial uptake. With supplies boosted by a larger carry-in, the projection for closing stocks (aggregate of respective local marketing years) is up by 3m t, to 584m, still a nine-season low. Primarily because of an increase for maize, world trade is forecast 3m t higher than before.

Reflecting a lower figure for total use, combined **soyabean** ending stocks in 2022/23 are seen 2m t higher, at around 54m. Marginally reduced outlooks for the US and Canada lower the 2023/24 world production projection by 2m t m/m. With consumption seen unchanged from before, inventories are set to accumulate markedly. With an increased figure for China's arrivals more than offsetting reductions elsewhere, trade is predicted 1m t higher m/m, at a record of 171m (+2%).

Reflecting the imposition of a ban on Indian white **rice** exports, the forecast for trade in 2023 (Jan/Dec) is trimmed by 2m t from previously. Chiefly tied to a reduced outlook for production in India, the Council's 2023/24 global rice output projection is cut by 4m t m/m, feeding through to reduced numbers for consumption and stocks. With India's export restrictions set to continue for the foreseeable future, trade in 2024 is predicted about 4m t lower than in July.

Pulled lower by losses across grains and oilseeds, the IGC **Grains and Oilseeds Index** (GOI) fell by 4%, but with the downside slightly pared by solid gains in rice.

(see chart)

(see chart)

World total grains (wheat and coarse grains)

## 1. World Estimates

	20/21	21/22	22/23 est.	23/24 f cast	
				20.07	17.08
million tons					
<b>TOTAL GRAINS <sup>a)</sup></b>					
Production	2227	2295	2263	2297	2294
Trade	427	426	428	408	411
Consumption	2242	2297	2266	2306	2307
Carryover stocks	602	600	597	581	584
year/year change	-15	-2	-3		-13
Major exporters <sup>b)</sup>	132	144	145	147	149
<b>WHEAT</b>					
Production	774	780	803	784	784
Trade	191	198	207	197	197
Consumption	773	784	795	804	805
Carryover stocks	277	274	282	263	261
year/year change	1	-4	8		-21
Major exporters <sup>b)</sup>	59	61	66	52	52
<b>MAIZE (CORN)</b>					
Production	1136	1224	1160	1220	1221
Trade	188	180	180	169	172
Consumption	1155	1217	1172	1205	1207
Carryover stocks	279	286	274	282	288
year/year change	-19	7	-12		14
Major exporters <sup>c)</sup>	43	53	52	77	78
	20/21	21/22 est.	22/23 f cast	23/24 proj.	
				20.07	17.08
<b>SOYABEANS</b>					
Production	370	357	368	400	398
Trade	159	156	168	170	171
Consumption	370	366	359	388	388
Carryover stocks	55	46	54	63	64
year/year change	1	-10	8		10
Major exporters <sup>d)</sup>	17	11	14	21	18
million tons (milled basis)					
<b>RICE</b>					
Production	509	515	514	527	523
Trade	51	55	52	55	51
Consumption	510	520	521	525	523
Carryover stocks	182	176	169	172	170
year/year change	0	-6	-7		1
Major exporters <sup>e)</sup>	49	44	41	43	43

Figures may not add due to rounding. All calculations are based on unrounded figures.

a) Wheat and coarse grains

b) Argentina, Australia, Canada, EU\*, Kazakhstan, Russia, Ukraine, USA

c) Argentina, Brazil, Ukraine, USA

d) Argentina, Brazil, USA

e) India, Pakistan, Thailand, USA, Vietnam

production is forecast to be the second largest on record, seen 1% higher y/y (year-on-year), at 2,294m t, with solid gains in maize and sorghum more than compensating for smaller wheat, barley, oats and rye harvests. After declining in the season before, consumption is set to rebound by 2%, led by feed, but with gains across all demand components. At 584m t, the grains carryover is placed at its lowest since 2014/15, registering a seventh consecutive y/y decline. Of note is an expected sharp tightening in wheat stocks and a 28-season low in barley inventories. In contrast, maize carryovers will expand, led by an accumulation in the US. Amid predicted smaller flows into Europe, the Americas and Near East Asia, global trade could recede by 4%, to 411m t.

(see chart)

Owing to expanded production in the face of a second consecutive decline in total uptake, global **soyabean** inventories are predicted to expand by around one-fifth y/y in 2022/23. Stemming from heavy buying by China and Argentina, trade is envisaged to rise by 8% y/y. Near-entirely hinging on increased South American output, the 2023/24 world outturn is predicted some 30m t larger y/y at a peak, with consumption and stocks also advancing solidly. At 171m t, global import demand is projected to increase by 2% y/y.

(see chart)

With supplies tightening as consumption edges up, global **rice** inventories are predicted to contract by 7m t y/y in 2022/23. Mainly stemming from improved harvests in Asia, world output in 2023/24 is projected to expand by 2% y/y to a fresh peak. While uptake is seen a touch higher y/y, the potential for a rebound in reserves will be limited by smaller carry-ins. Trade is projected to decline for a second consecutive year in 2024 (-2%) on softer demand from buyers in Africa and Asia, linked to an extended ban on Indian white rice shipments.

(see chart)

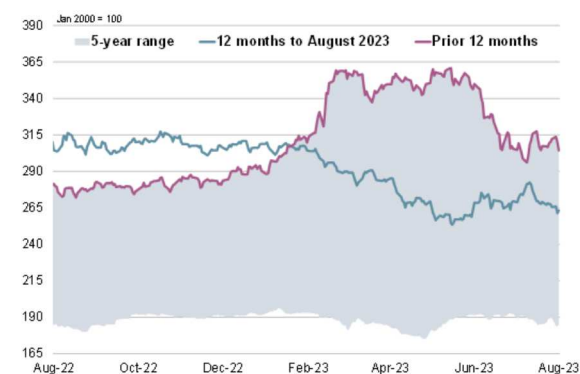
After the prior year's sizeable increase, world **lentils** production is predicted to contract by 6% y/y in 2023/24, including smaller crops in Canada and Australia. With consumption also likely to decline, inventories are projected to hold steady, at 1.5m t. Global trade in 2024 is seen retreating by 12% y/y on softer Asian demand, with shipments by Australia and Canada set to drop accordingly.

(see chart)

## MARKET SUMMARY

The IGC GOI slumped to a two-month low. While

## 2. IGC Grains & Oilseeds Index (GOI)



## 3. Total grains: Supply and demand summary

m t	20/21	21/22	22/23 (est.)	23/24 (fcast)	y/y change
Opening stocks	617	602	600	597	- 0.6%
Production	2,227	2,295	2,263	2,294	+ 1.4%
<b>Total supply</b>	<b>2,844</b>	<b>2,897</b>	<b>2,863</b>	<b>2,891</b>	<b>+ 1.0%</b>
<b>Total use</b>	<b>2,242</b>	<b>2,297</b>	<b>2,266</b>	<b>2,307</b>	<b>+ 1.8%</b>
of which: Food	745	753	756	763	+ 1.0%
Feed	1,007	1,042	1,017	1,041	+ 2.3%
Industrial	360	369	365	370	+ 1.2%
<b>Closing stocks</b>	<b>602</b>	<b>600</b>	<b>597</b>	<b>584</b>	<b>- 2.2%</b>
Major exporters <sup>a)</sup>	132	144	145	149	+ 2.4%
<b>Trade (Jul/Jun)</b>	<b>427</b>	<b>426</b>	<b>428</b>	<b>411</b>	<b>- 3.9%</b>

<sup>a)</sup> Argentina, Australia, Canada, EU, Kazakhstan, Russia, Ukraine, USA

## 4. Soyabeans: Supply and demand summary

m t	20/21	21/22 (est.)	22/23 (fcast)	23/24 (proj.)	y/y change
Opening stocks	55	55	46	54	+ 18.0%
Production	370	357	368	398	+ 8.2%
<b>Total supply</b>	<b>425</b>	<b>412</b>	<b>413</b>	<b>452</b>	<b>+ 9.3%</b>
<b>Total use</b>	<b>370</b>	<b>366</b>	<b>359</b>	<b>388</b>	<b>+ 7.9%</b>
of which: Crush	326	326	321	345	+ 7.4%
<b>Closing stocks</b>	<b>55</b>	<b>46</b>	<b>54</b>	<b>64</b>	<b>+ 18.7%</b>
Major exporters <sup>a)</sup>	17	11	14	18	+ 25.3%
<b>Trade (Oct/Sep)</b>	<b>159</b>	<b>156</b>	<b>168</b>	<b>171</b>	<b>+ 1.8%</b>

<sup>a)</sup> Argentina, Brazil, USA

## 5. Rice: Supply and demand summary

m t (milled basis)	20/21	21/22 (est.)	22/23 (fcast)	23/24 (proj.)	y/y change
Opening stocks	182	182	176	169	- 3.8%
Production	509	515	514	523	+ 1.7%
<b>Total supply</b>	<b>692</b>	<b>697</b>	<b>691</b>	<b>693</b>	<b>+ 0.3%</b>
<b>Total use</b>	<b>510</b>	<b>520</b>	<b>521</b>	<b>523</b>	<b>+ 0.3%</b>
<b>Closing stocks</b>	<b>182</b>	<b>176</b>	<b>169</b>	<b>170</b>	<b>+ 0.4%</b>
Major exporters <sup>a)</sup>	49	44	41	43	+ 3.5%
<b>Trade (Jan/Dec)</b>	<b>51</b>	<b>55</b>	<b>52</b>	<b>51</b>	<b>?</b>

<sup>a)</sup> India, Pakistan, Thailand, USA, Vietnam

average grains and oilseed export prices mostly declined, seen well below year ago levels, rice continued to strengthen, rising for a sixth consecutive month.

(see chart)

(see chart)

The IGC GOI **wheat** sub-Index eased by 6% m/m, as weakness in North America and Europe outweighed firmer Black Sea (Russian) values. Trading was occasionally volatile, at times heavily influenced by events in the Black Sea region.

(see chart)

Amid seasonal pressure in South America and improved US cropping conditions, the IGC GOI **maize** sub-Index dropped by 5% m/m.

(see chart)

The IGC GOI **rice** sub-Index surged by 13% over the month as India's export ban on non-basmati white varieties underpinned sentiment.

(see chart)

Weighed mainly by softer US quotations, mostly tied to more favourable Midwest weather, the IGC GOI **soybeans** sub-Index fell by a net 5%.

## 6. Pulses: Lentils supply and demand summary

m t	20/21	21/22 (est.)	22/23 (f'cast)	23/24 (proj.)	y/y change
Opening stocks	1.4	1.7	1.6	1.5	- 3.1%
Production	6.9	5.9	7.2	6.8	- 6.3%
<b>Total supply</b>	<b>8.4</b>	<b>7.6</b>	<b>8.8</b>	<b>8.3</b>	<b>- 5.7%</b>
<b>Total use</b>	<b>6.6</b>	<b>6.0</b>	<b>7.3</b>	<b>6.8</b>	<b>- 7.1%</b>
<b>Closing stocks</b>	<b>1.7</b>	<b>1.6</b>	<b>1.5</b>	<b>1.5</b>	<b>+ 1.0%</b>
Major exporters <sup>a)</sup>	0.5	0.3	0.2	0.2	+ 0.4%
<b>Trade (Jan/Dec)</b>	<b>3.7</b>	<b>4.0</b>	<b>4.8</b>	<b>4.2</b>	<b>- 11.7%</b>

a) Australia, Canada, USA

## 7. IGC Grains & Oilseeds Prices Index (GOI)

Jan 2000 = 100	GMR 546	m/m change*	y/y change
<b>IGC GOI</b>	<b>263</b>	<b>- 3.9%</b>	<b>- 13.5%</b>
Wheat sub-Index	235	- 6.3%	- 20.2%
Maize sub-Index	225	- 5.2%	- 25.4%
Barley sub-Index	230	- 2.0%	- 28.3%
Rice sub-Index	245	+ 12.8%	+ 40.2%
Soyabeans sub-Index	266	- 5.3%	- 12.4%

\*Change vs. GMR 545

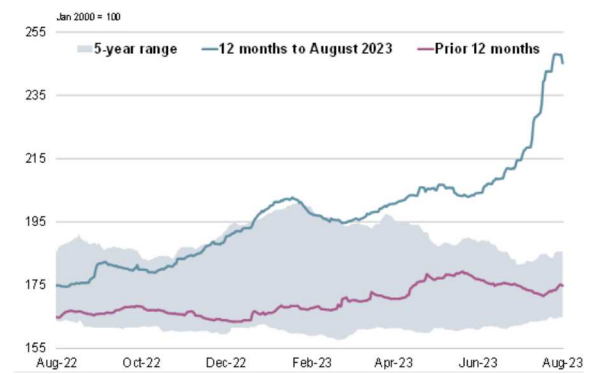
## 8. Wheat: GOI sub-Index



## 9. Maize: GOI sub-Index



## 10. Rice: GOI sub-Index



## 11. Soyabeans: GOI sub-Index



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