



U.S. WHEAT
ASSOCIATES

Dependable People. Reliable Wheat.

World Wheat Supply and Demand Situation

Major data source: USDA World Agricultural Supply and Demand
Estimates released June 10, 2021, unless otherwise indicated.
Projections will change over the course of the year depending on
weather and other developments.

01

Major Exporters

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Import Demand

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U.S. Situation by Class

04

Outlook



Highlights of USDA's 2021/22 Wheat S&D Estimates

2021/22 global wheat production forecast to reach a record 794.4 MMT

- Production in Russia is forecast at 86.0 MMT, 1 MMT more than USDA's May estimate
- Production in the European Union is forecast at 137.5 MMT, up 9% from 2020/21
- U.S. production is expected to increase to 51.7 MMT, up 4% compared to 2020/21

Global consumption forecast at 791.1 MMT, nearly 10 MMT more than 2020/21

- Domestic consumption in India forecast at 105.0 MMT, 2 MMT more than 2020/21
- Domestic consumption in Nigeria is forecast at 4.9 MMT, even with 2020/21
- U.S. domestic consumption forecast to 4.9 MMT, even with 2020/21

World wheat trade to reach a record 203 MMT, up 2% from 2020/21, if realized

- Australian exports are projected at 20.0 MMT, down 9% from 2020/21
- Canadian exports are projected at 23.5 MMT, down 14% from 2020/21
- U.S. 2021/22 exports expected to reach 24.5 MMT, down 9% from



Highlights of USDA's 2021/22 Wheat S&D Estimates

World beginning stocks estimated down 2% from 2020/21 to 293.5 MMT

- Chinese beginning stocks estimated at 145.6 MMT, down 4% from last year
- Ukrainian beginning stocks estimated at 1.54 MMT, down 4% from 2020/21
- U.S. 2021/22 beginning stocks expected to drop 17% compared to 2020/21 to 23.2 MMT

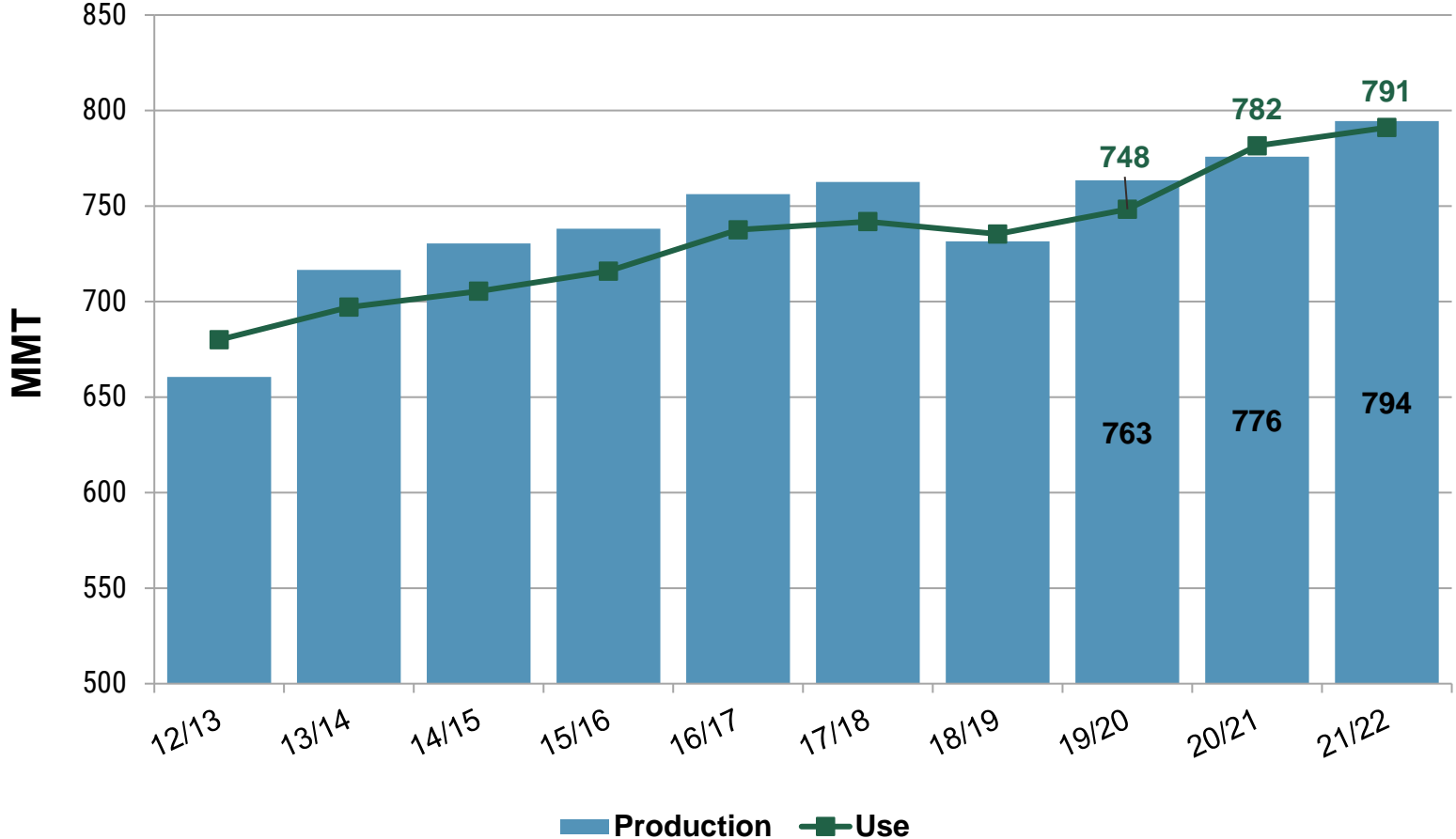
Global ending stocks projected at 296.8 MMT, 3 MMT less than 2020/21

- Expected Russian ending stocks forecast at 15.5 MMT, 3 MMT more than 2020/21
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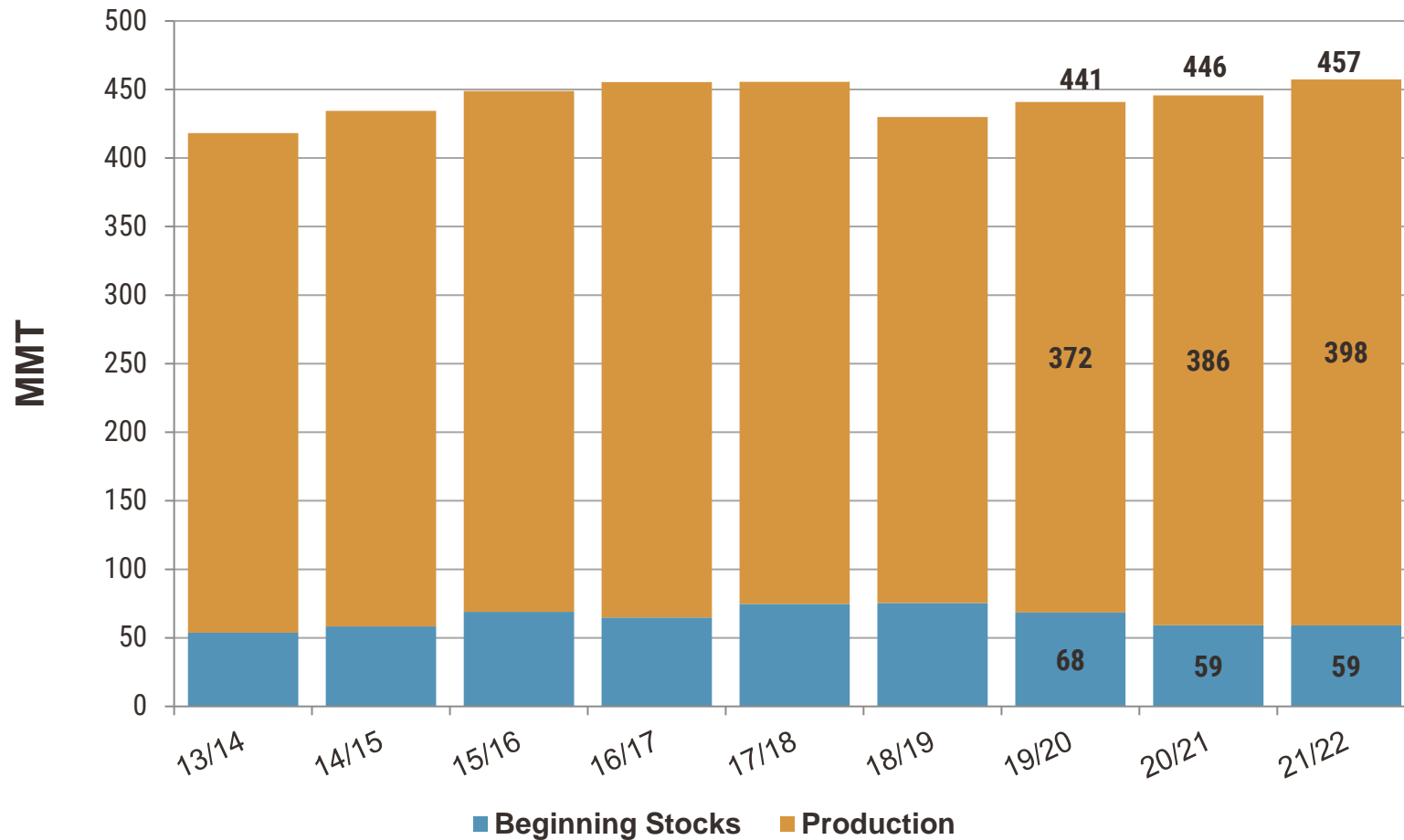
U.S. wheat farm gate price to increase from last year

- The average farm gate price of U.S. wheat in 2021/22 is forecast to increase to \$6.50/bu (\$239/MT), up 29% from last year's \$5.05/bu (\$186/MT)

World Production and Use



Supplies in Top Exporting Countries*



*Includes U.S., Canada, Australia, Argentina, EU, Russia, Ukraine and Kazakhstan

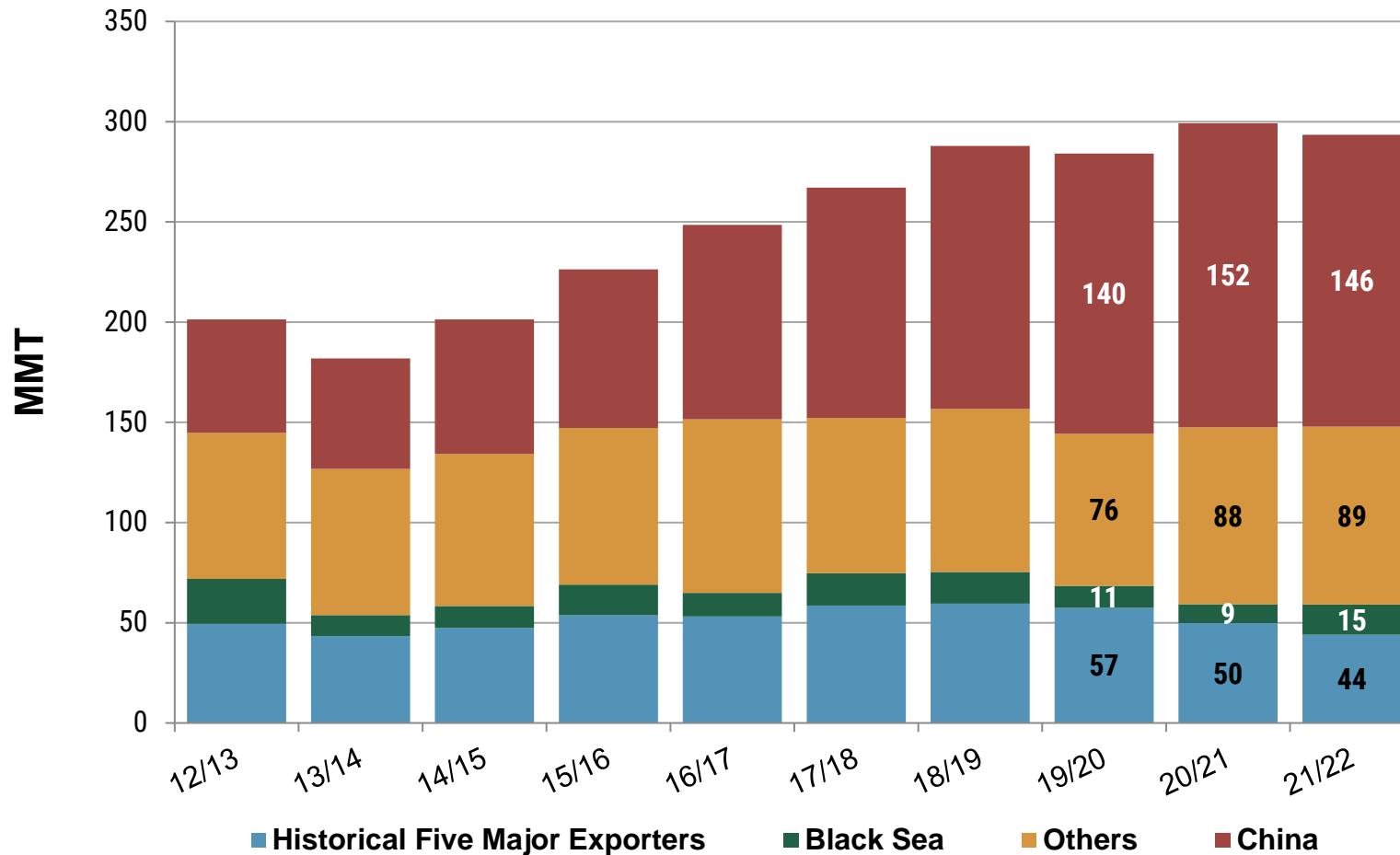


World Wheat Supply and Demand (MMT)

	<u>19/20</u>	-	<u>20/21</u>	-	<u>21/22</u>
SUPPLY:					
Beginning Stocks	284		299		293
Production	763		776		794
Supply Total	1048		1075		1088
Ending Stocks	299		293		297
TRADE:					
Exports/Imports	195		199		203
DEMAND:					
Food & Seed	609		623		630
Feed & Residual	139		158		161
Use Total	748		782		791



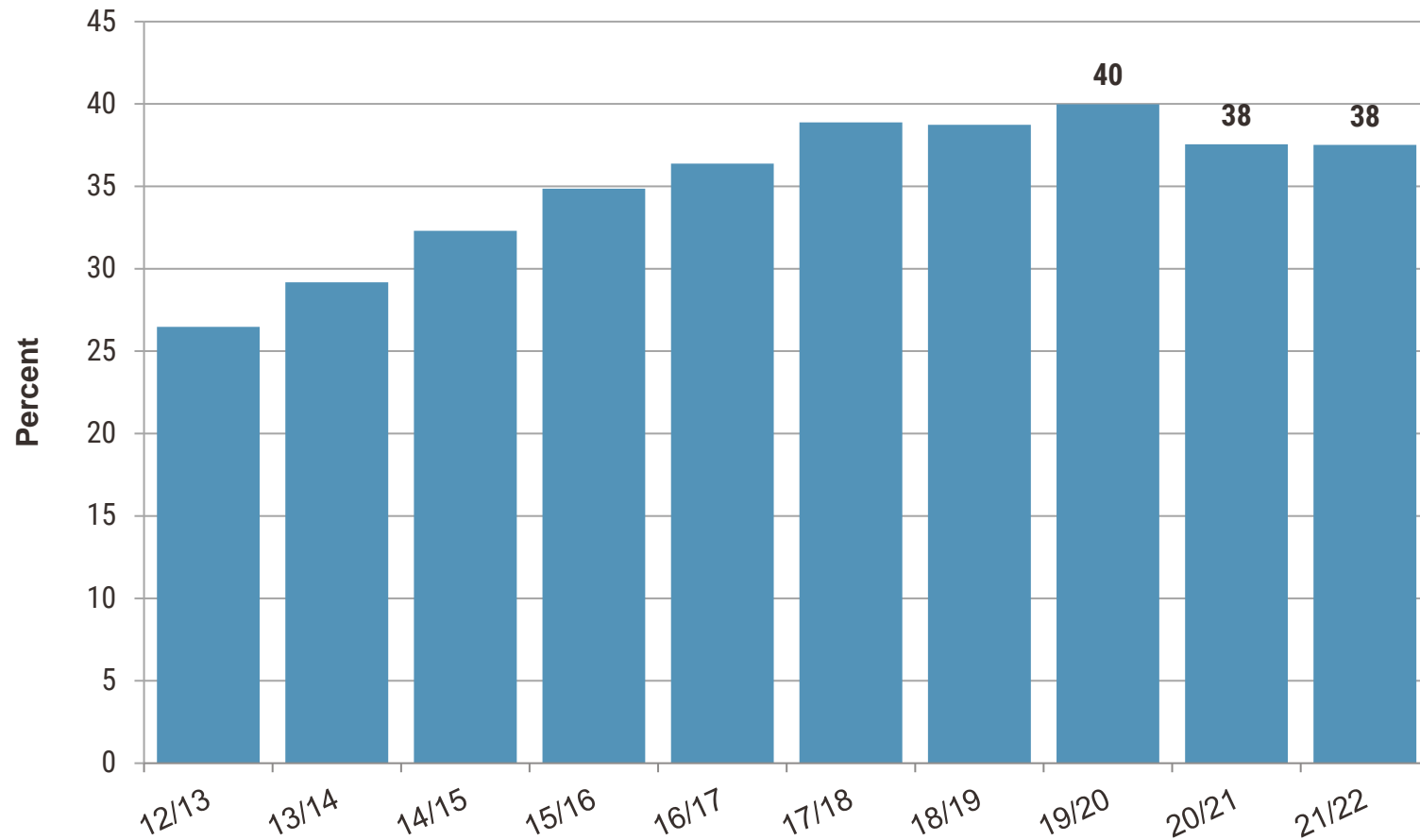
World Beginning Stocks



Historical Five Major Exporters include U.S., Canada, Australia, Argentina and EU. Black Sea includes Russia, Ukraine and Kazakhstan.



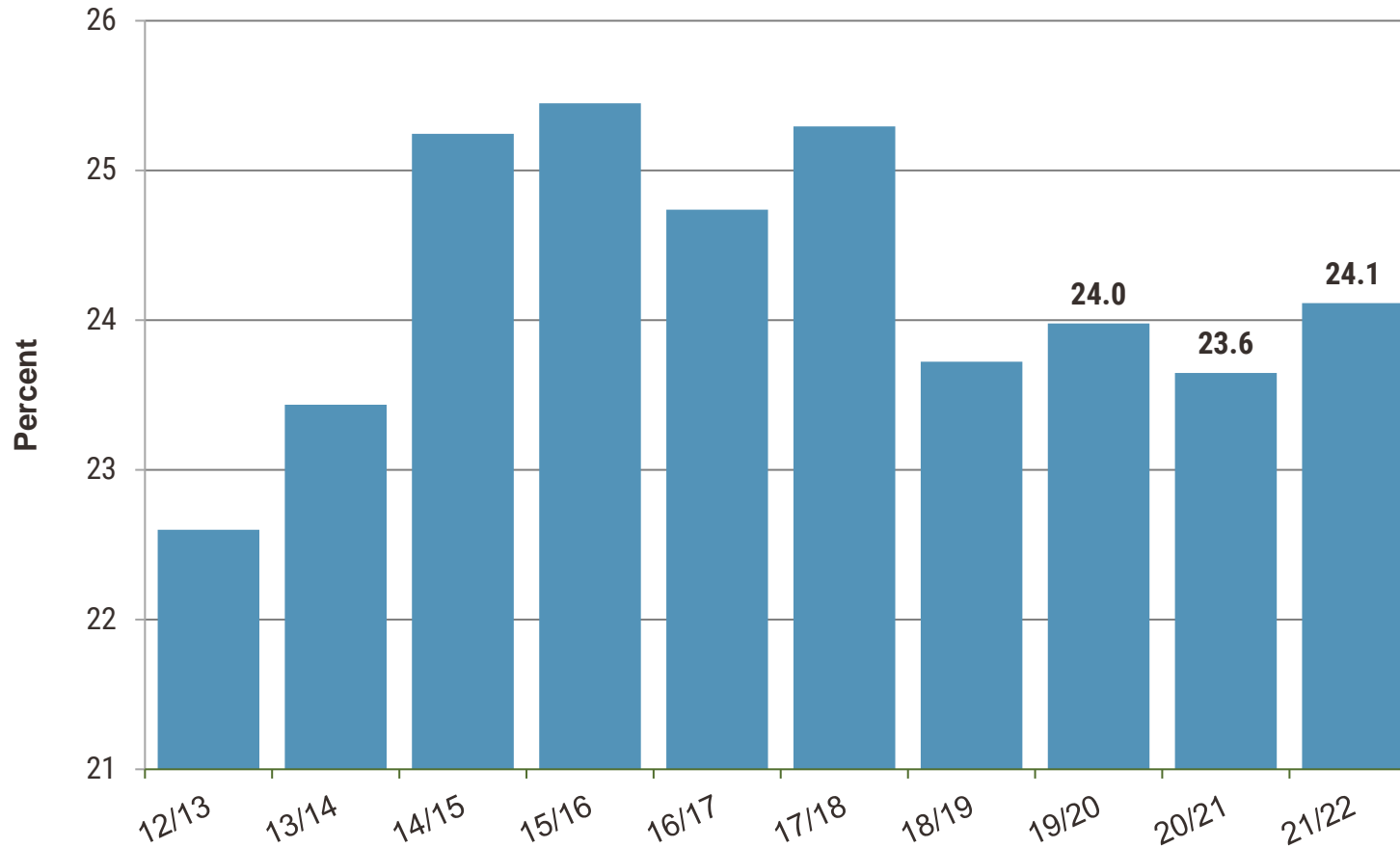
Global Stocks*-to-Use Ratio



*Ending stocks



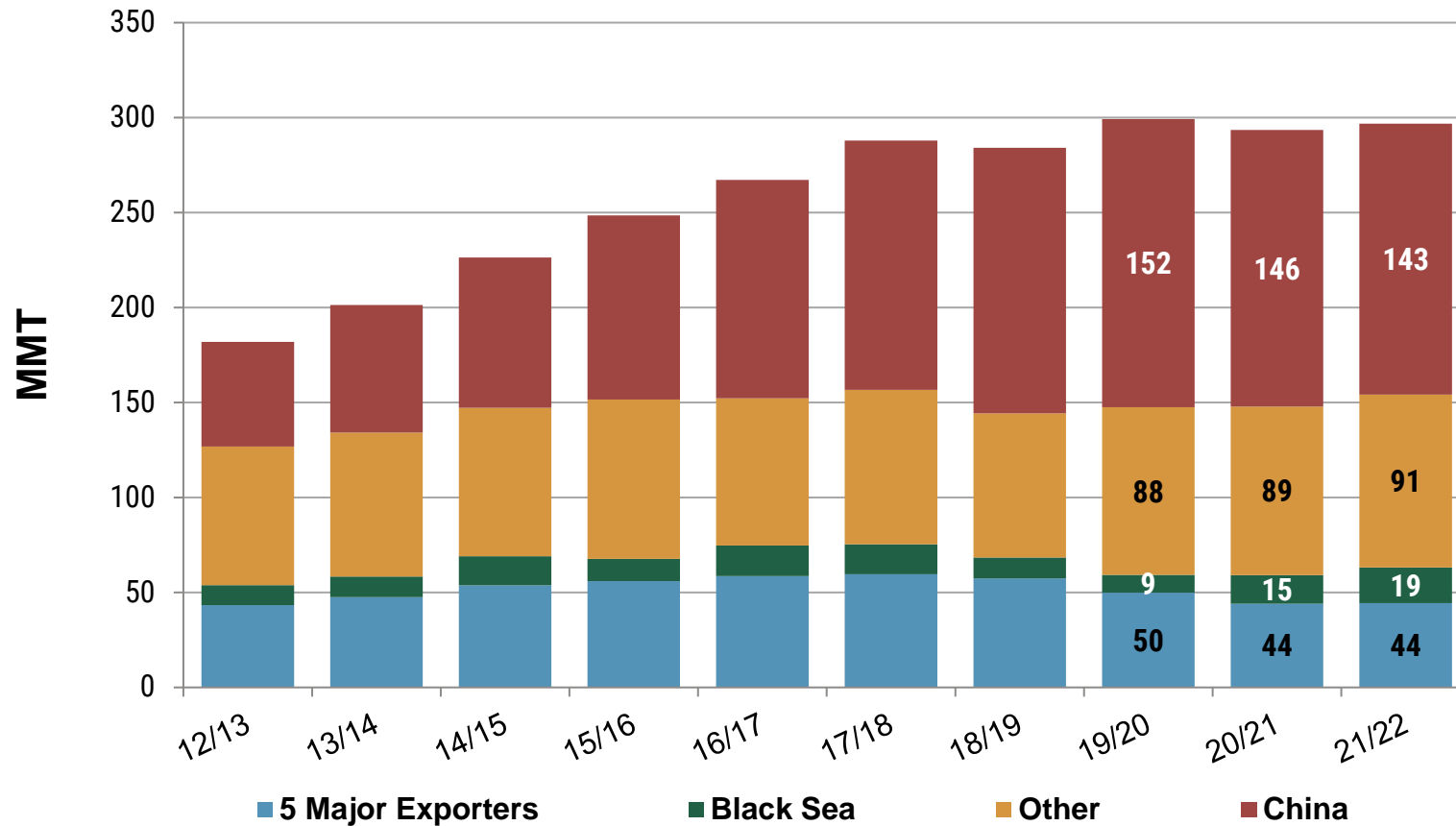
Global Stocks*-to-Use Ratio w/o China



*Ending stocks



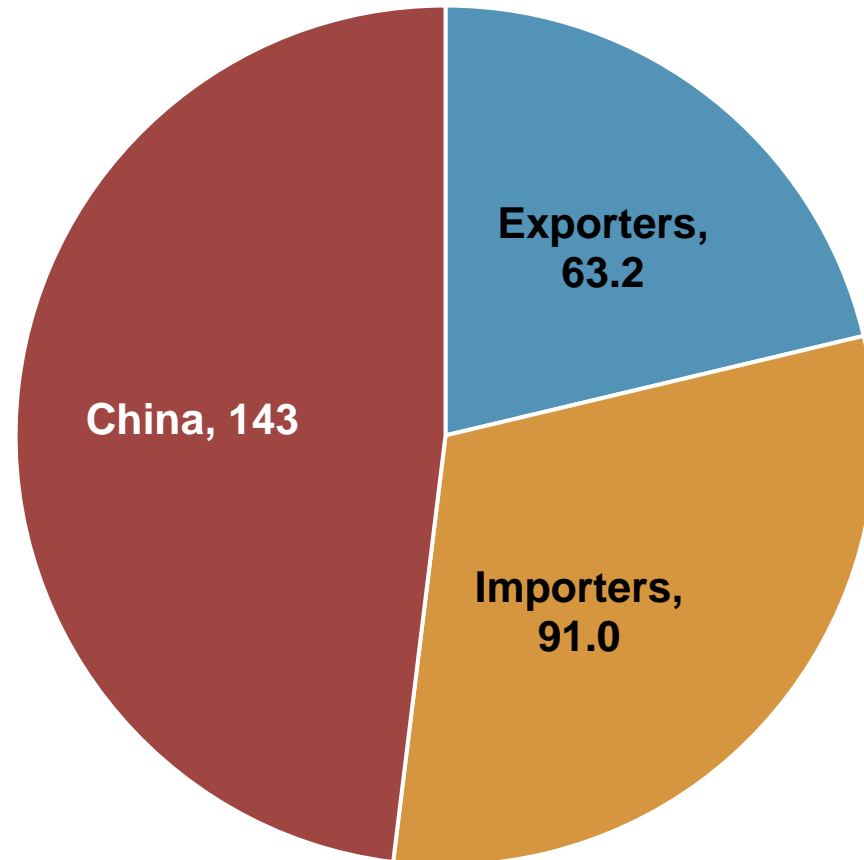
World Ending Stocks



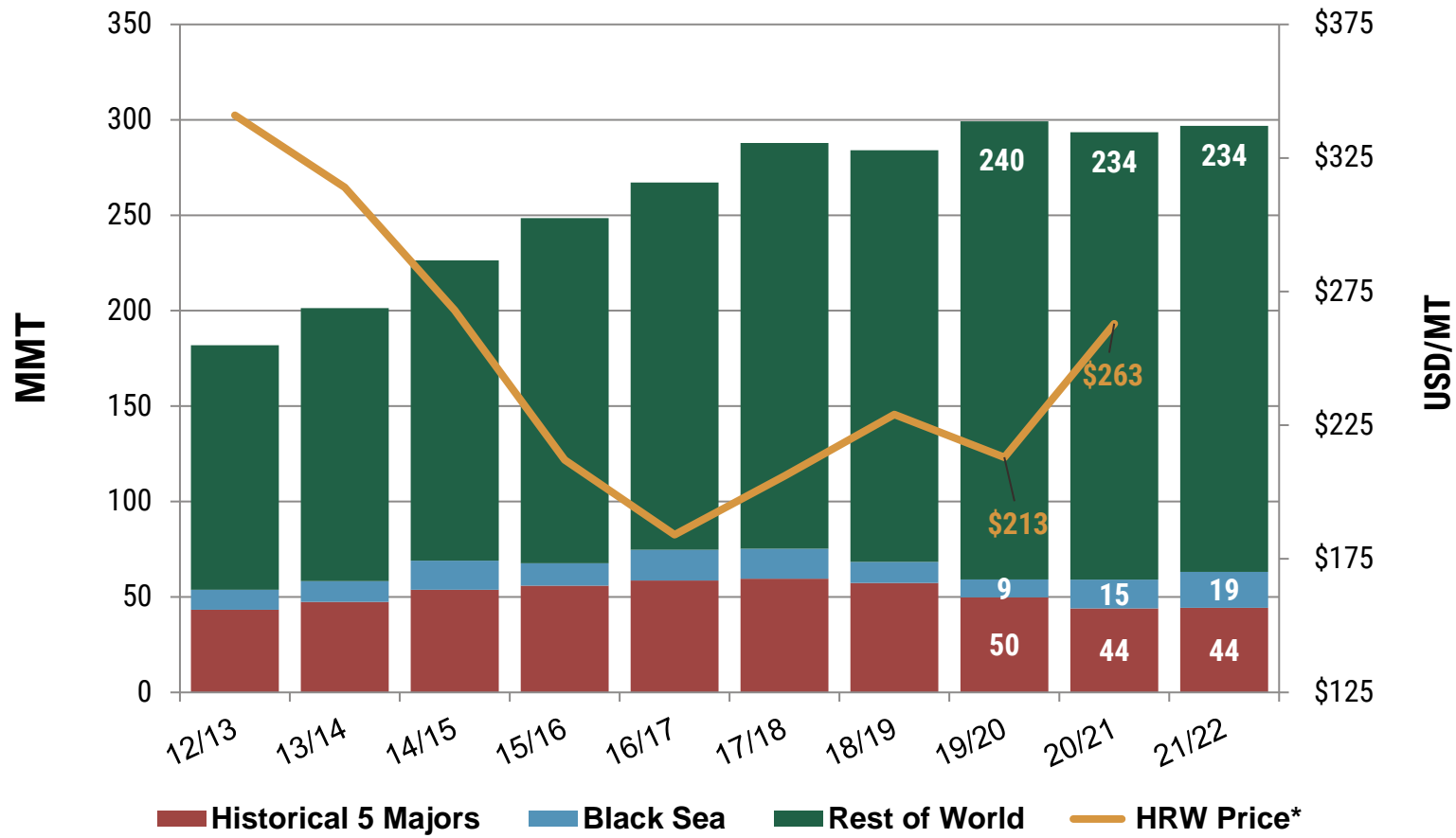
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World Ending Stocks by Position (MMT)



Global Ending Stocks and Price



*Source: U.S. Wheat Associates Price Report, June 4, 2021

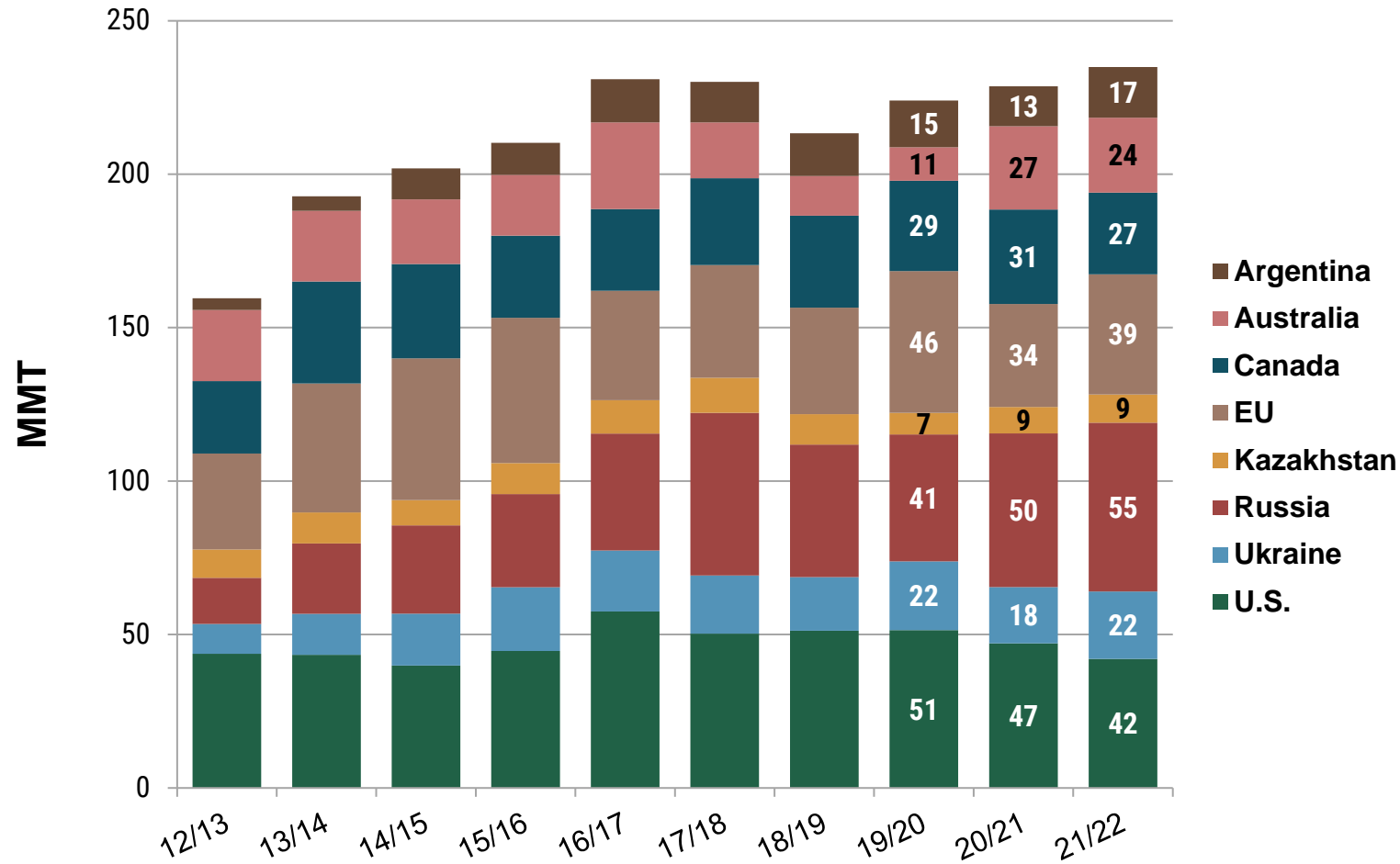




01

Major Exporters

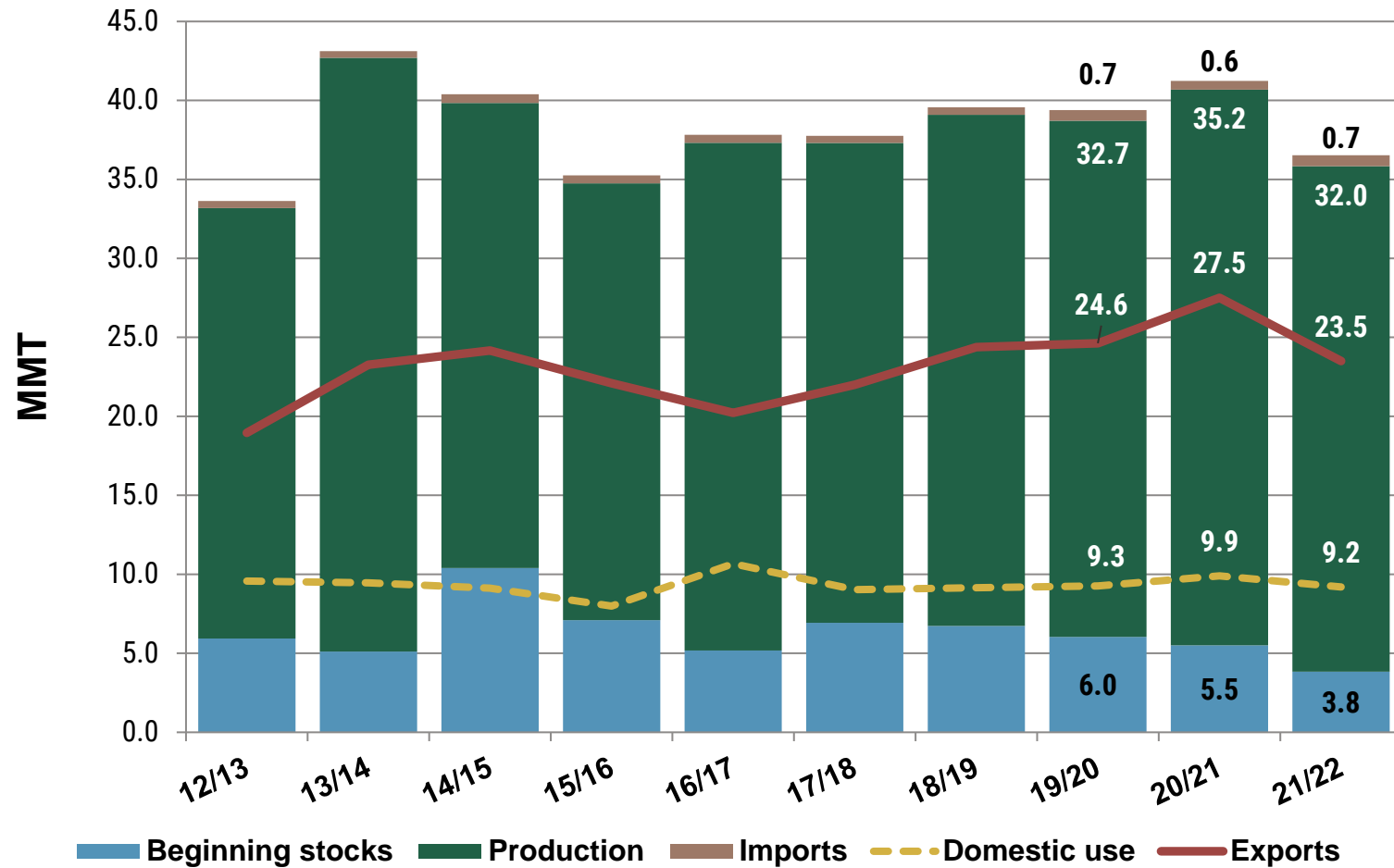
Exportable Supplies in Top Exporting Countries



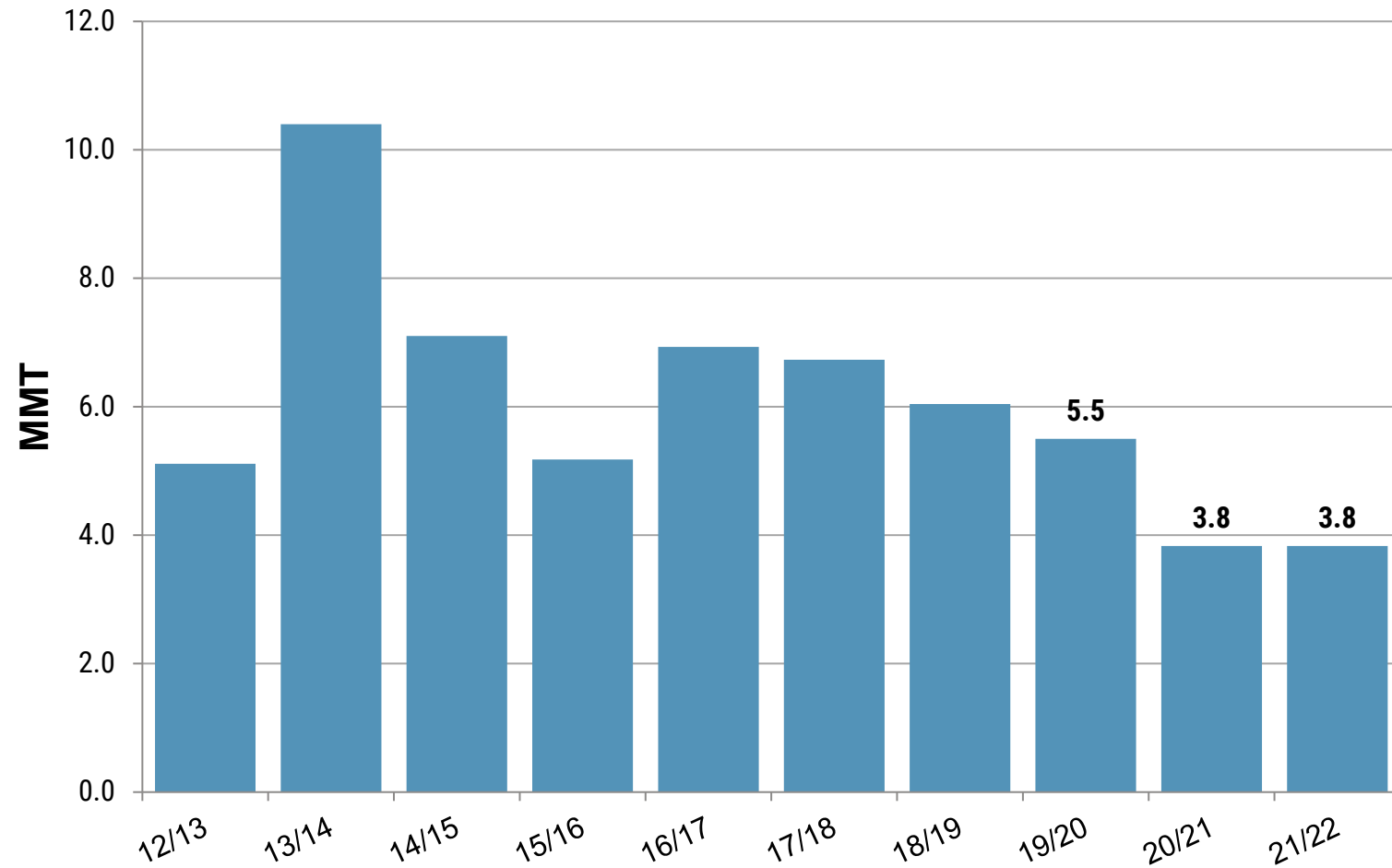
*Exportable Supplies = (Beginning Stocks + Production) – Domestic Consumption



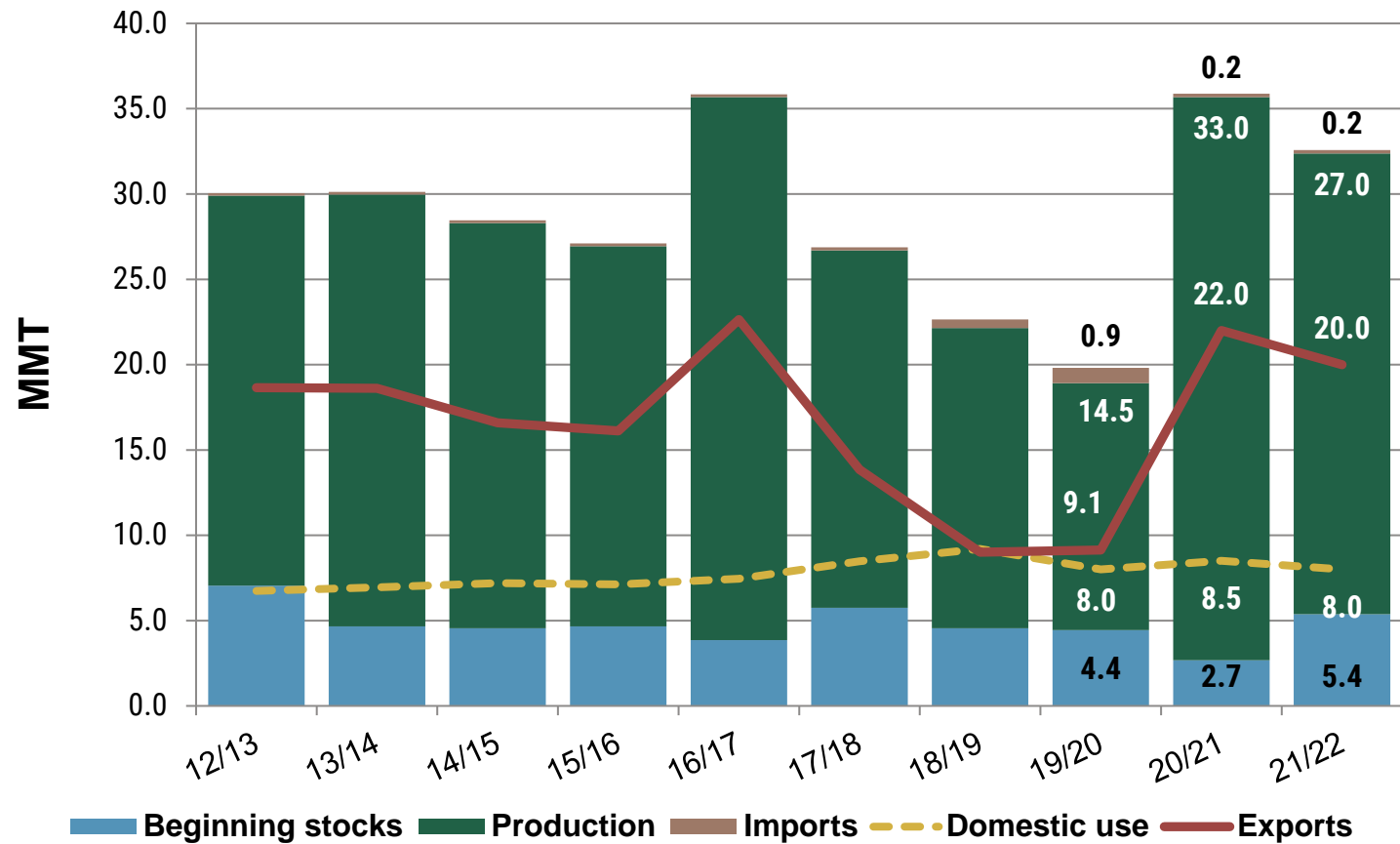
Canada Situation



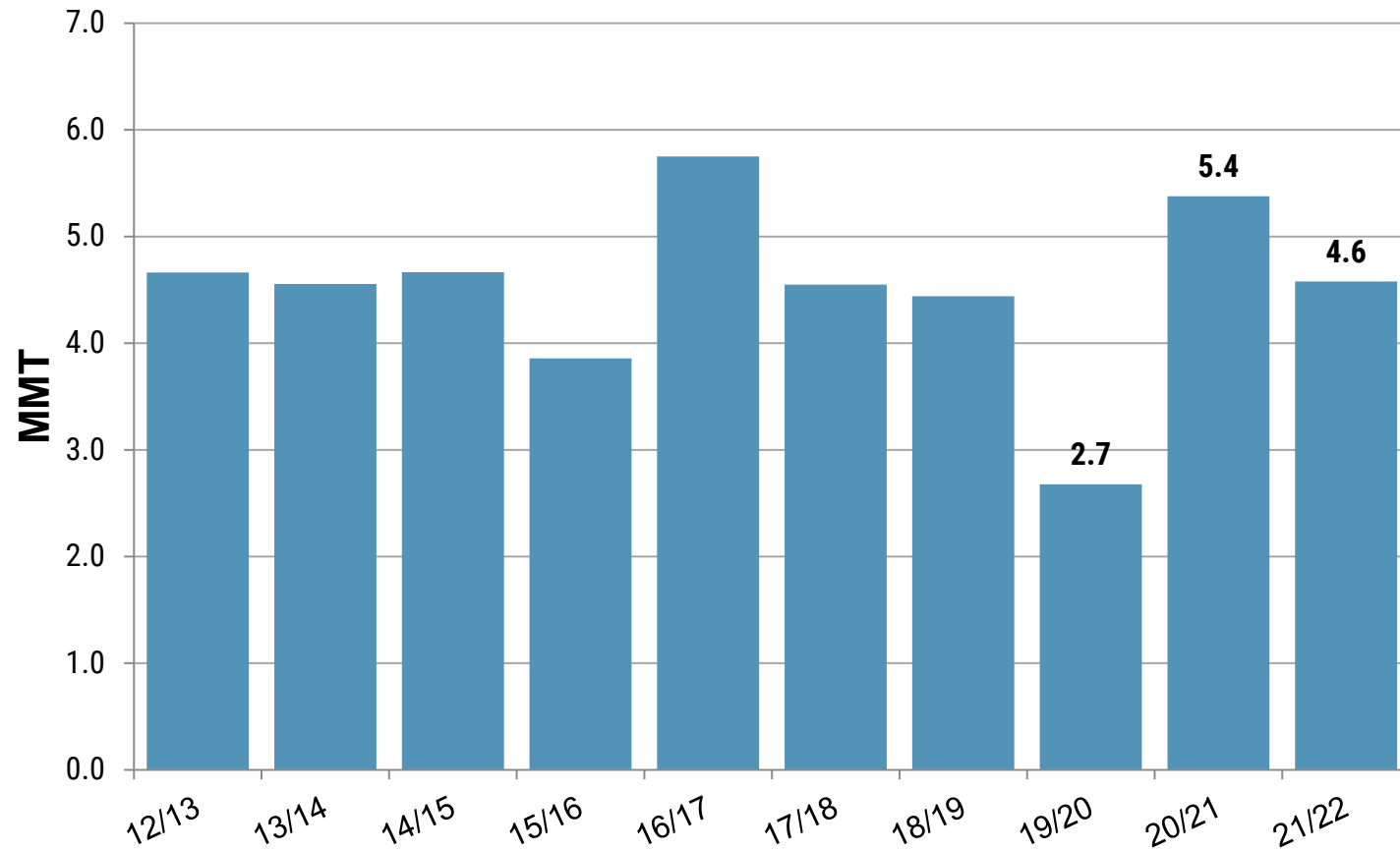
Canada Ending Stocks



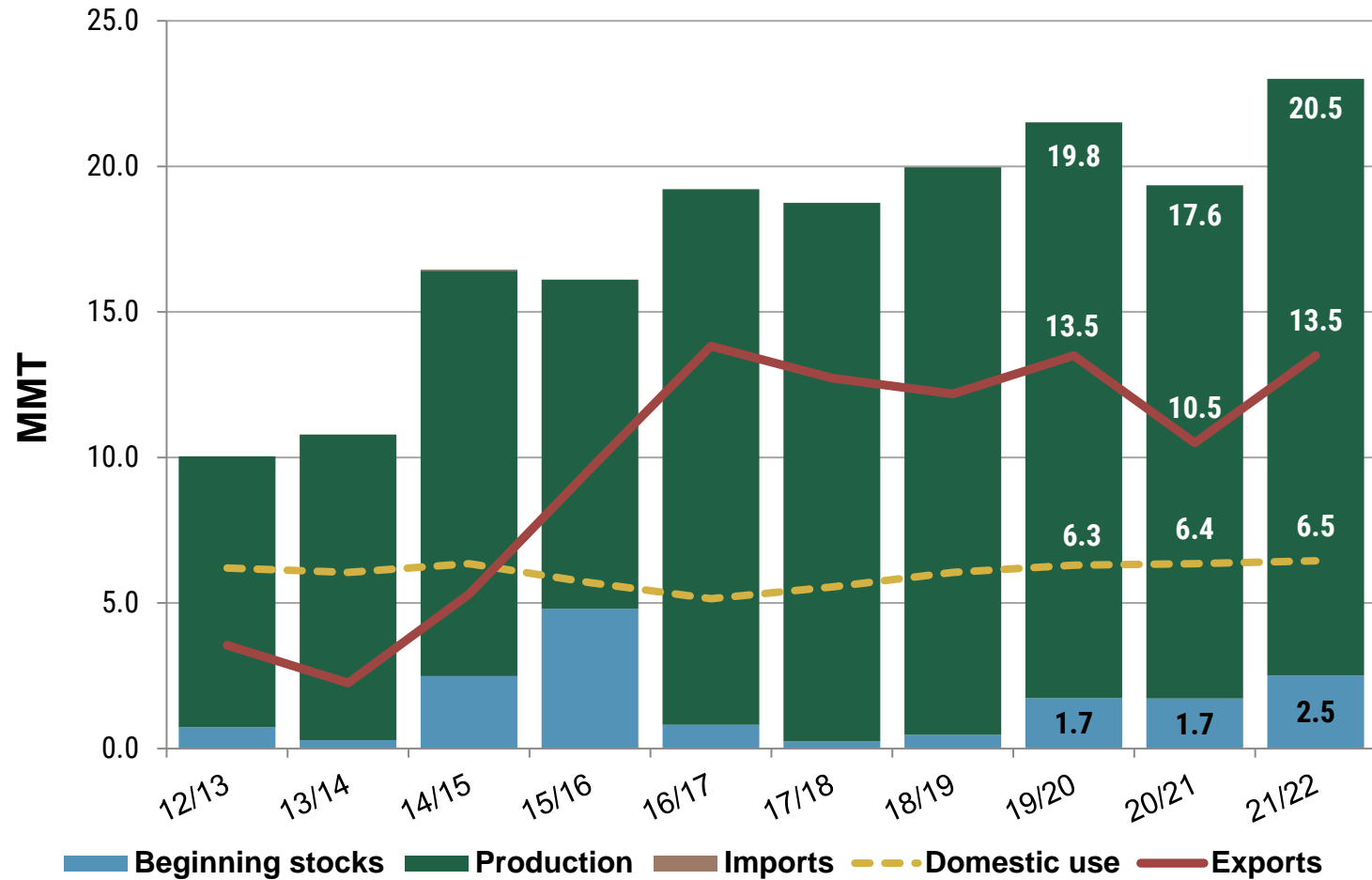
Australia Situation



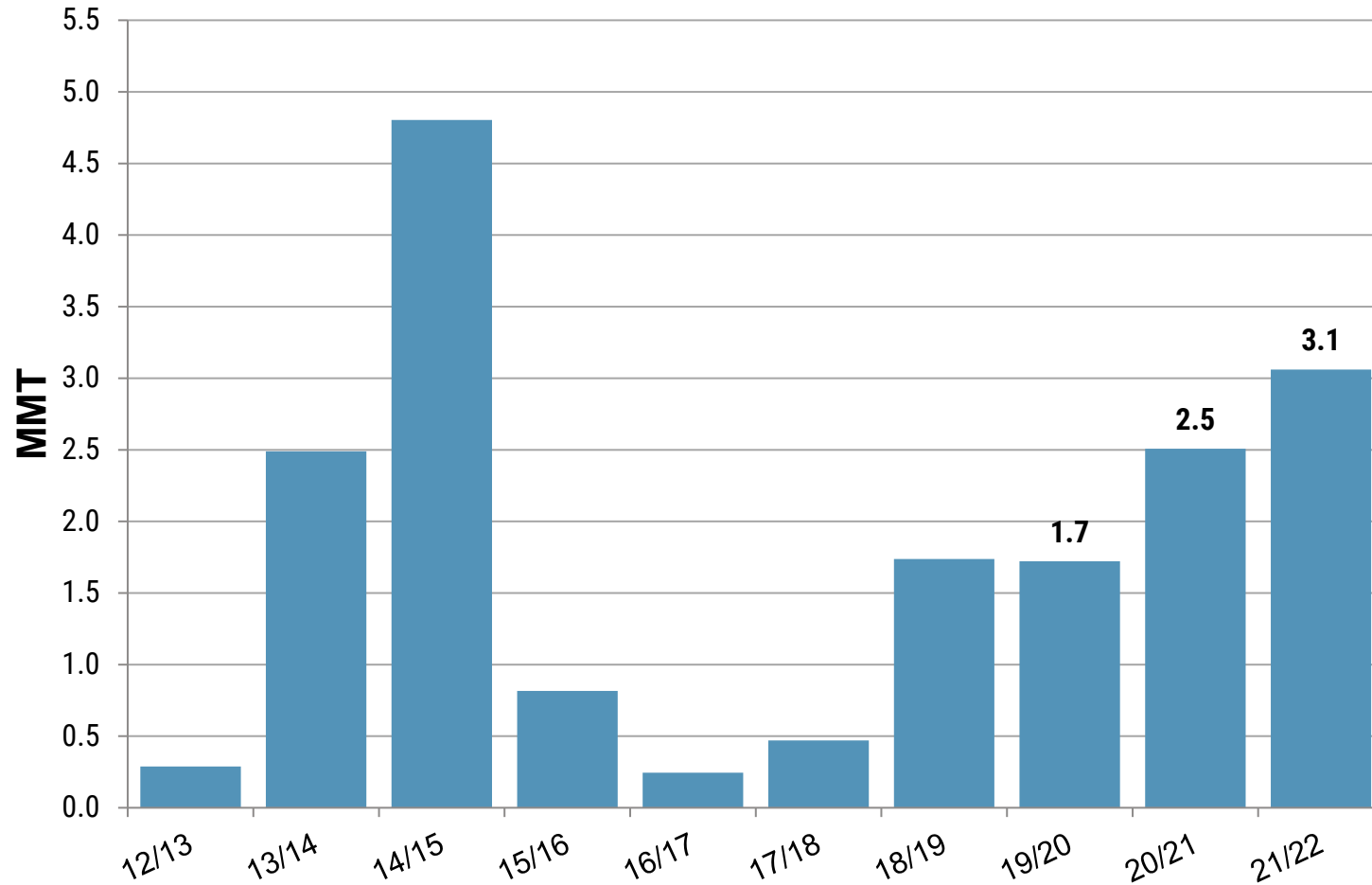
Australia Ending Stocks



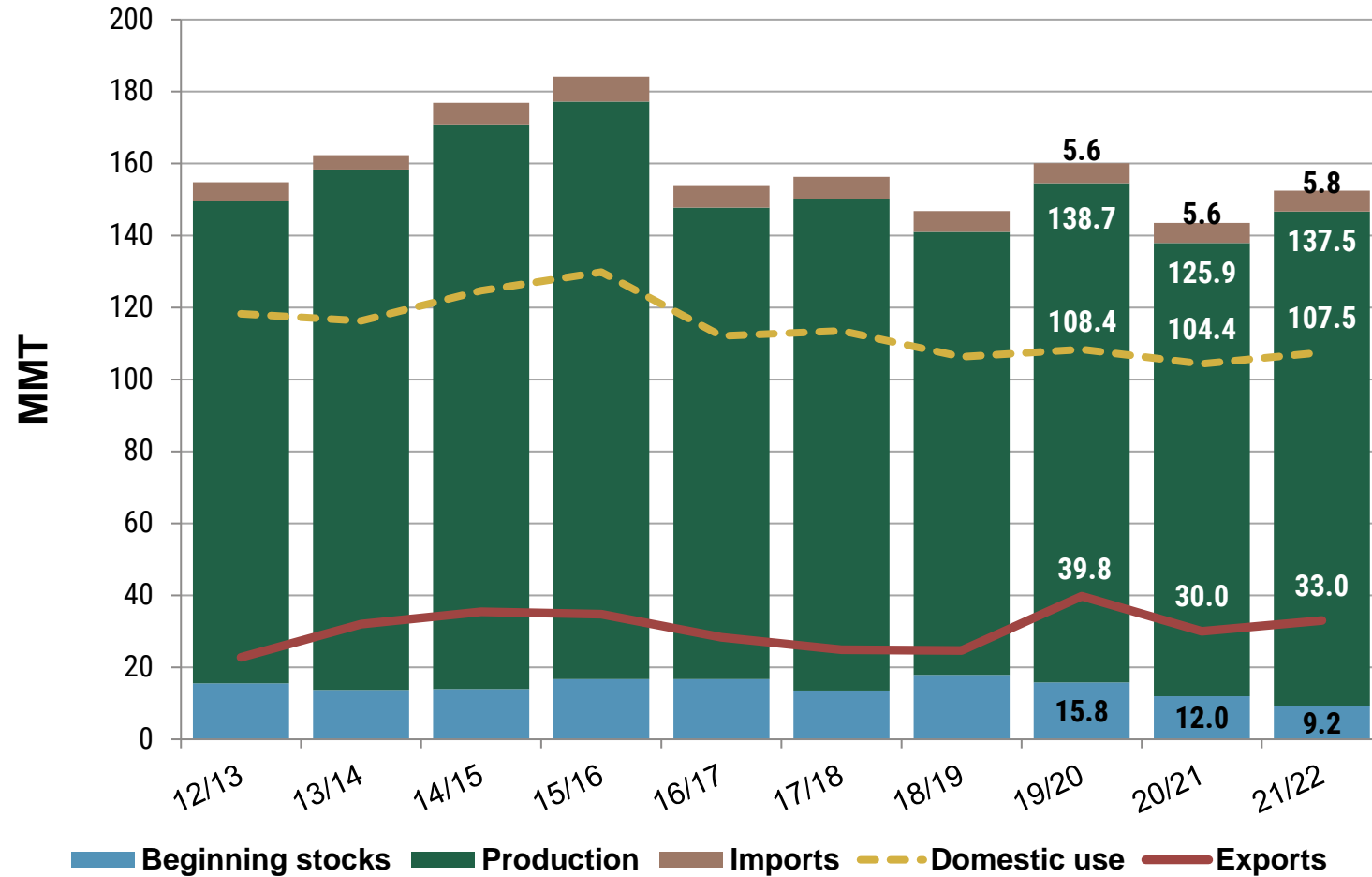
Argentina Situation



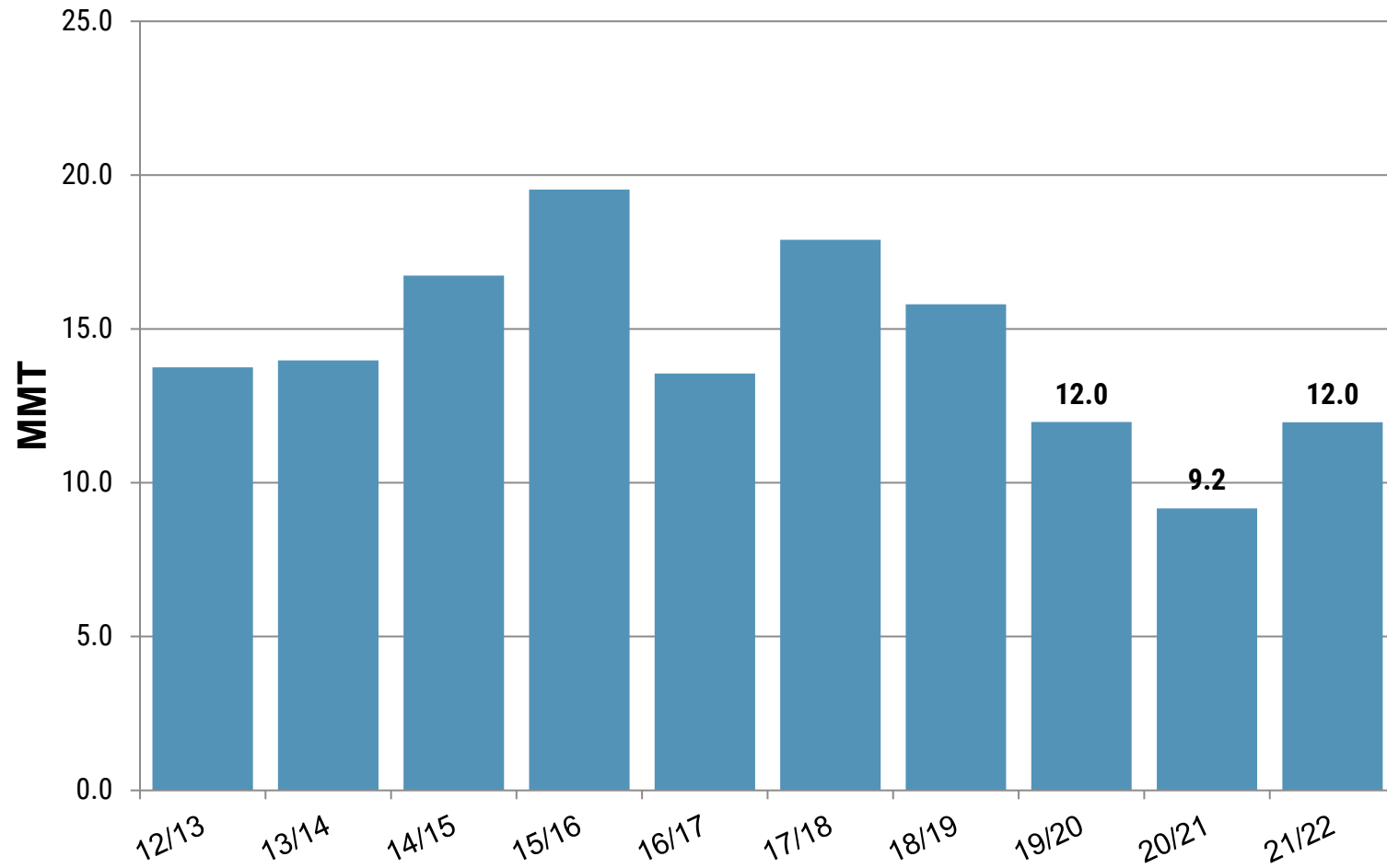
Argentina Ending Stocks



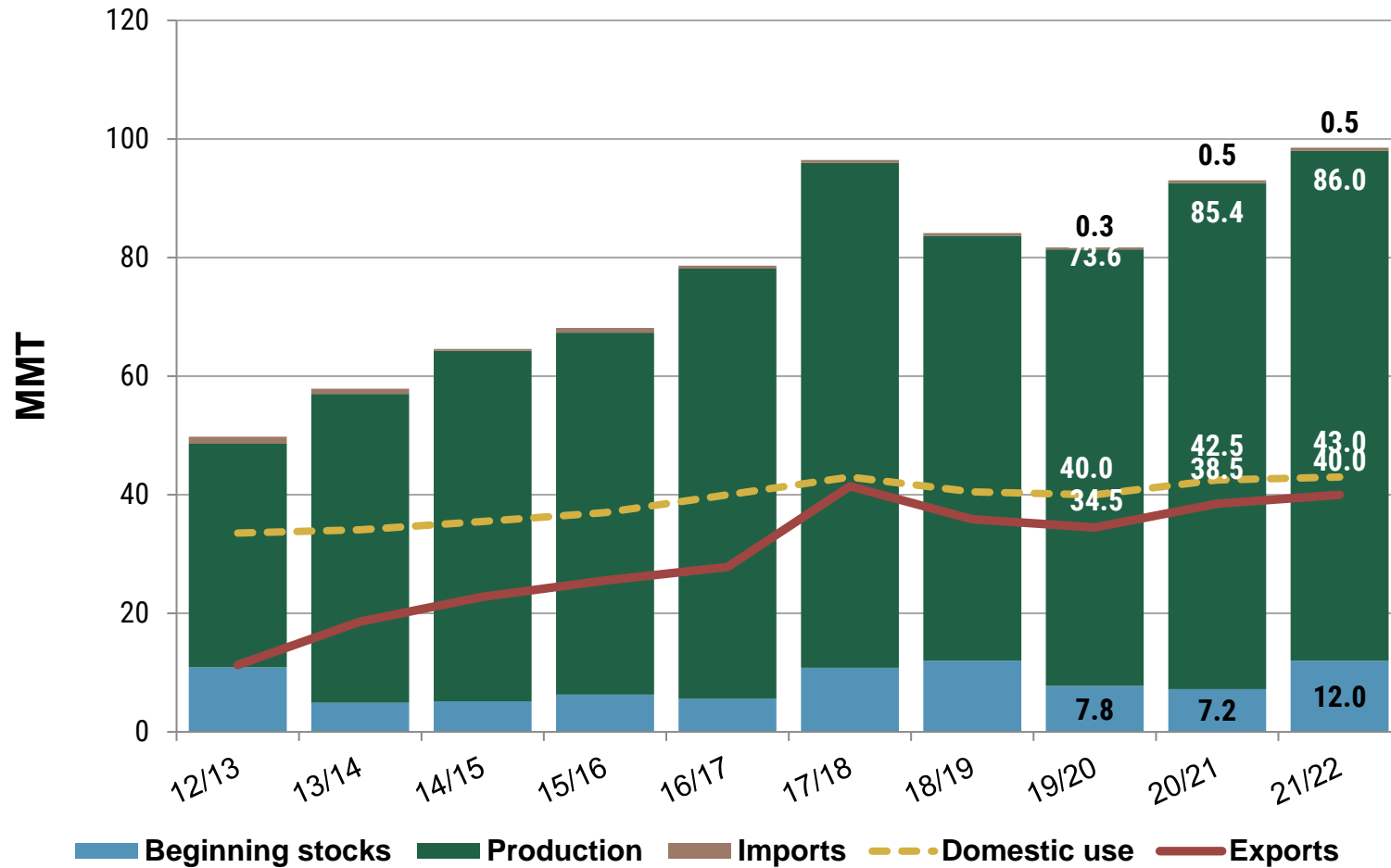
EU + UK Situation



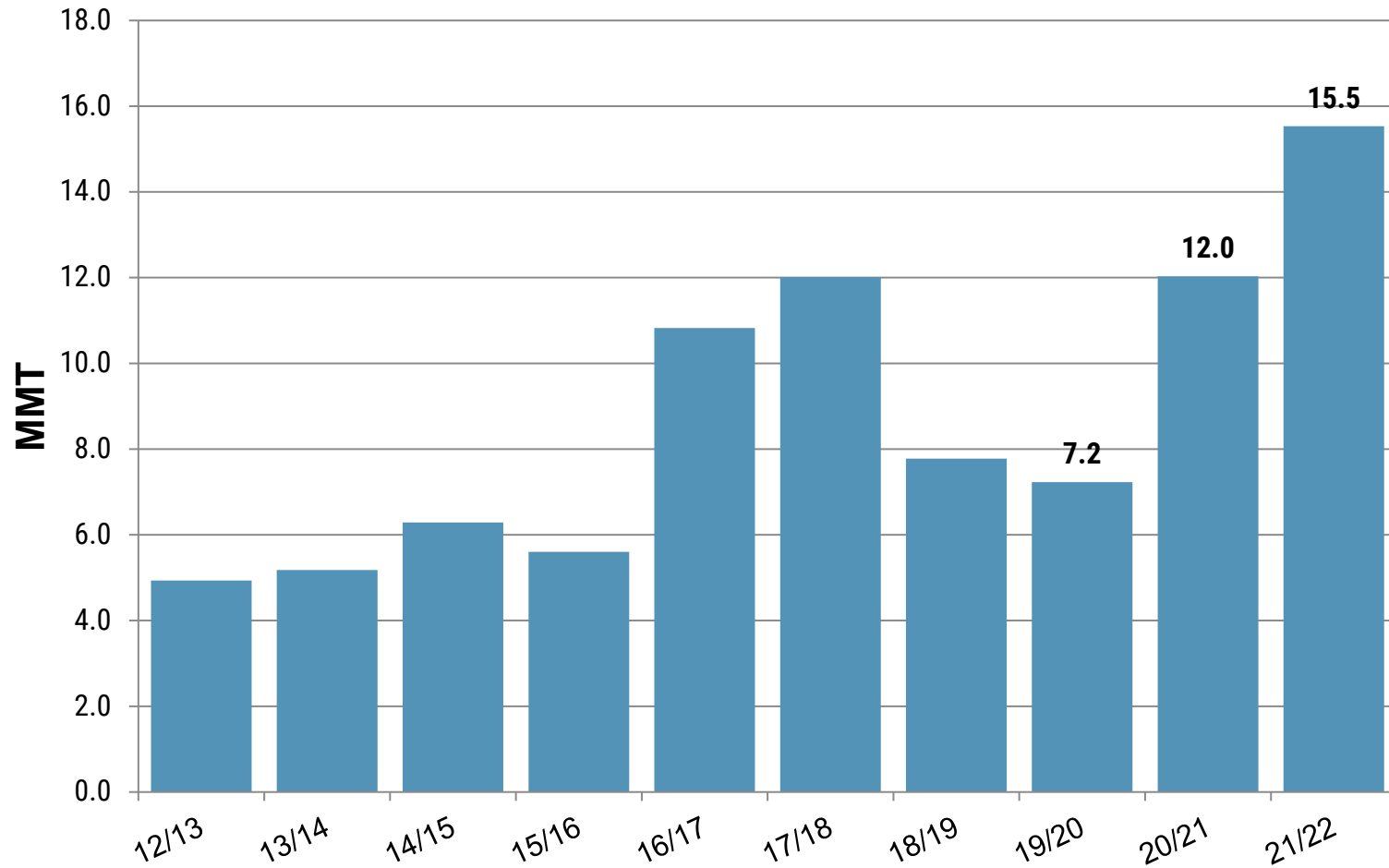
EU Ending Stocks



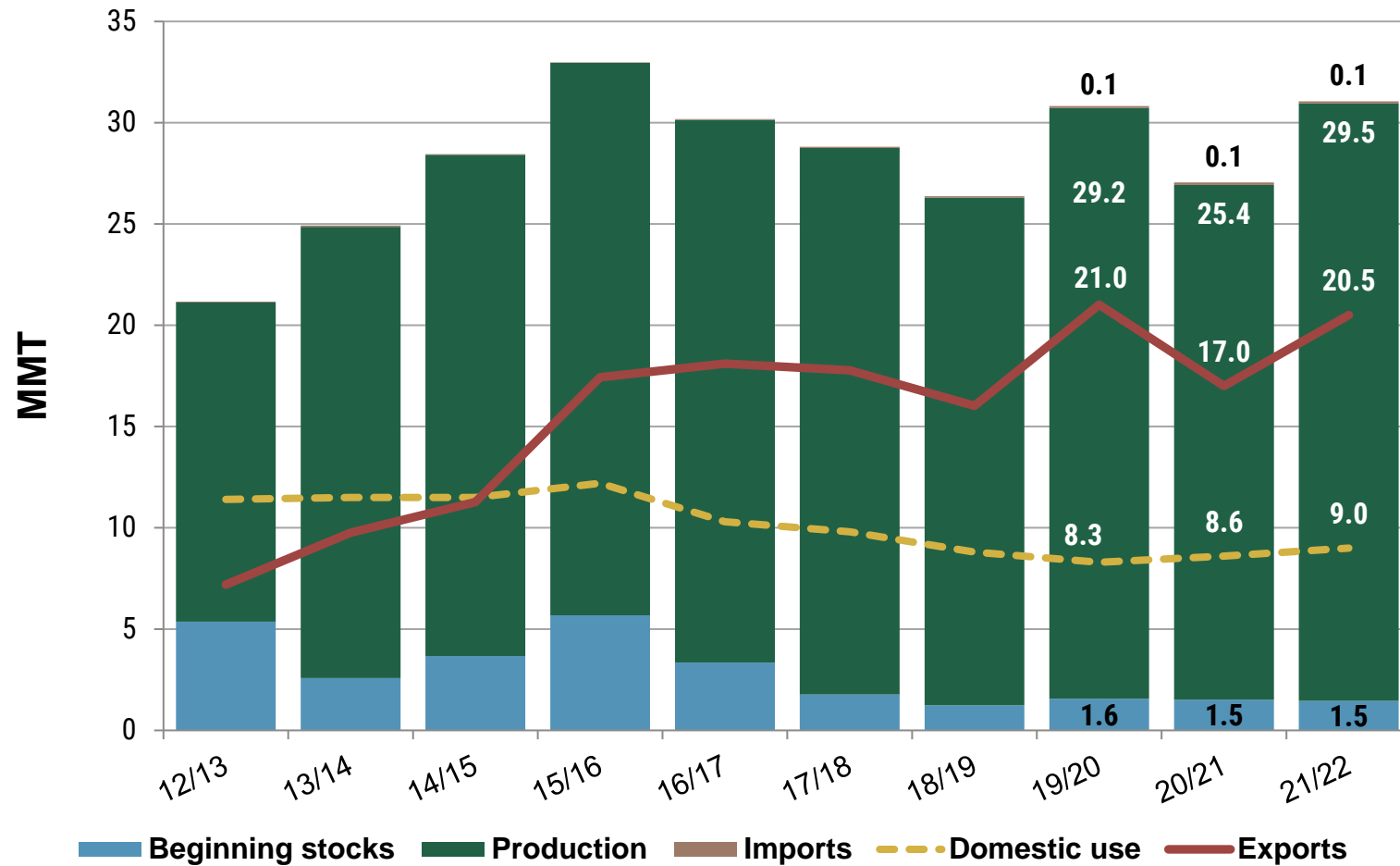
Russia Situation



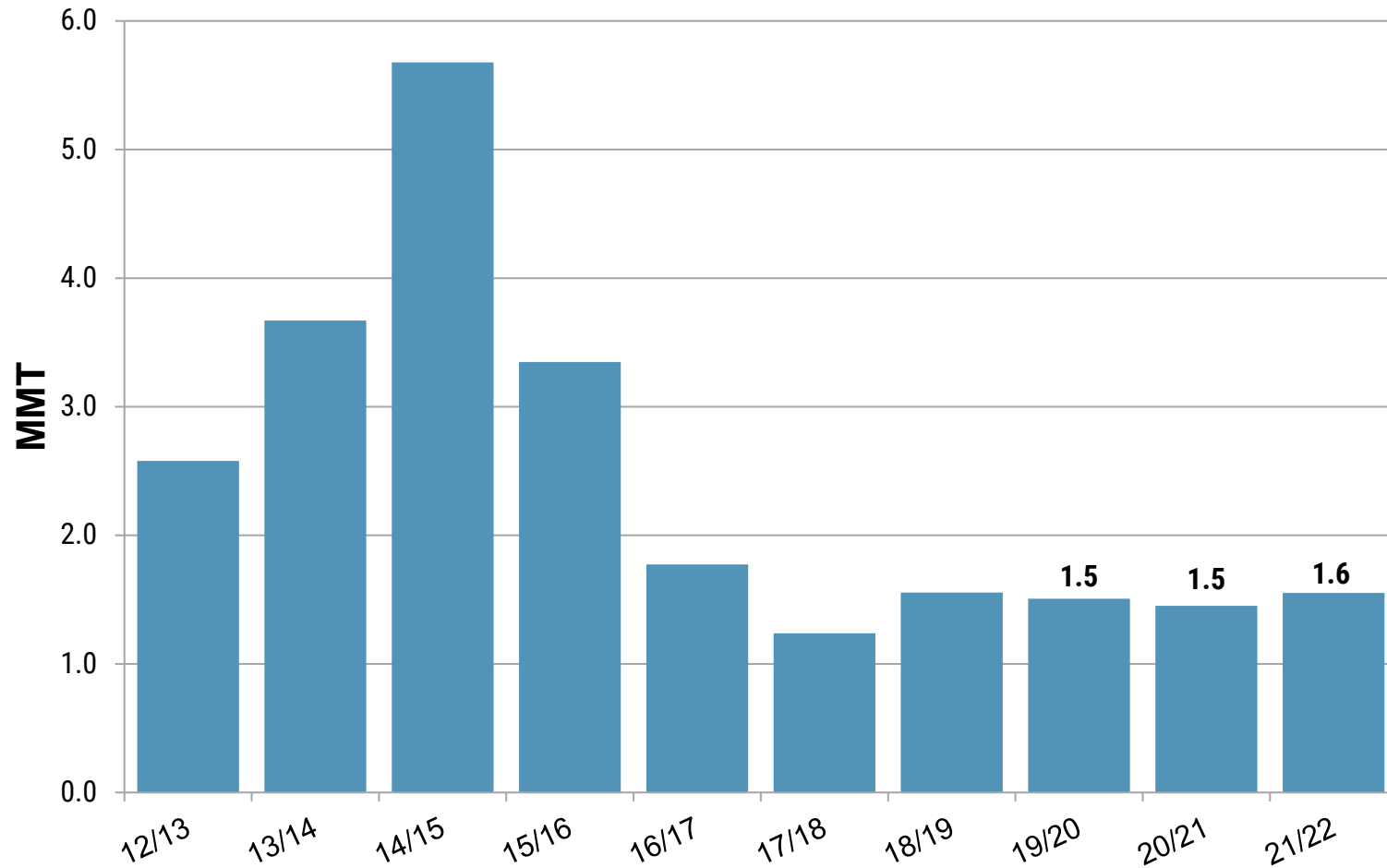
Russia Ending Stocks



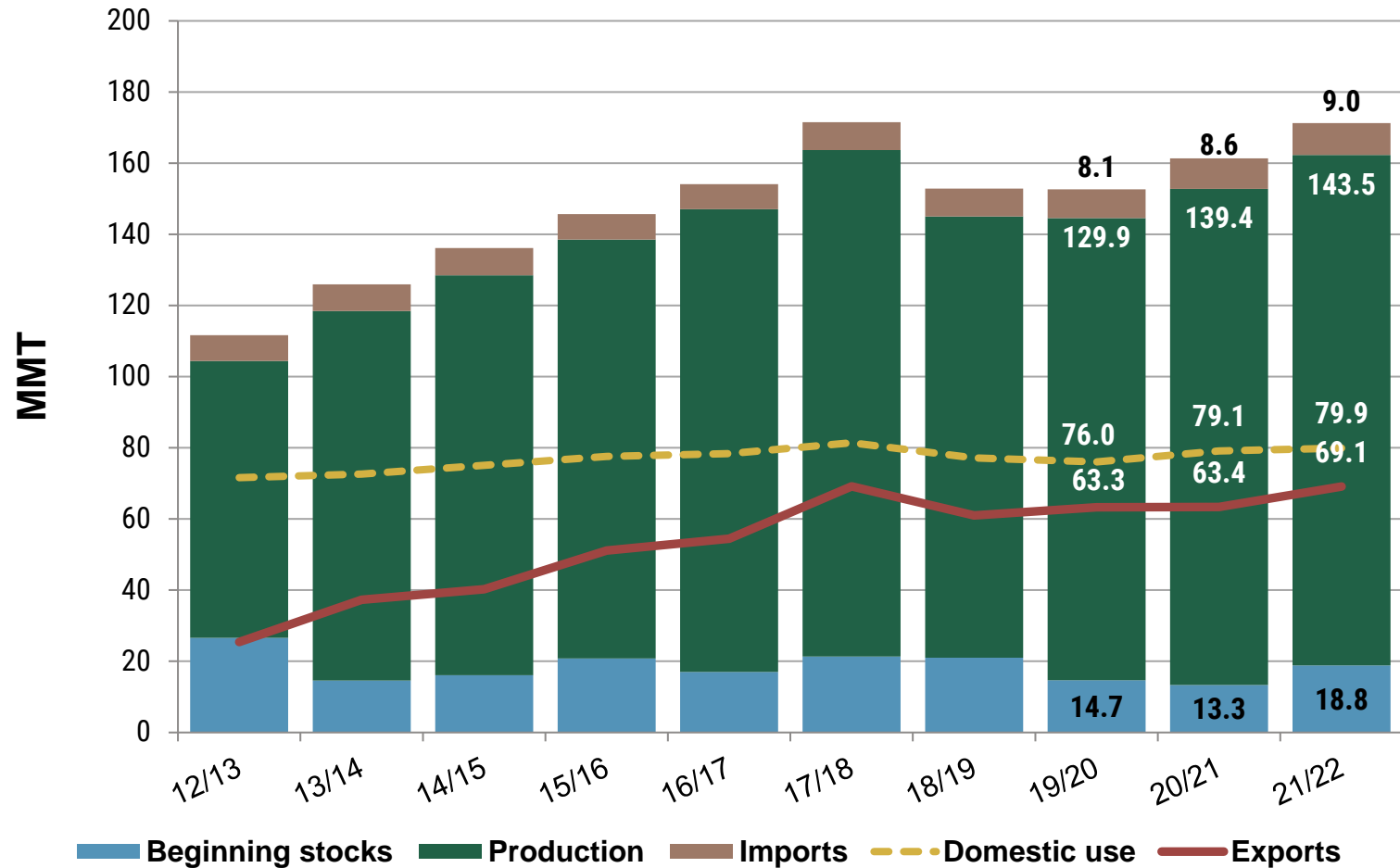
Ukraine Situation



Ukraine Ending Stocks

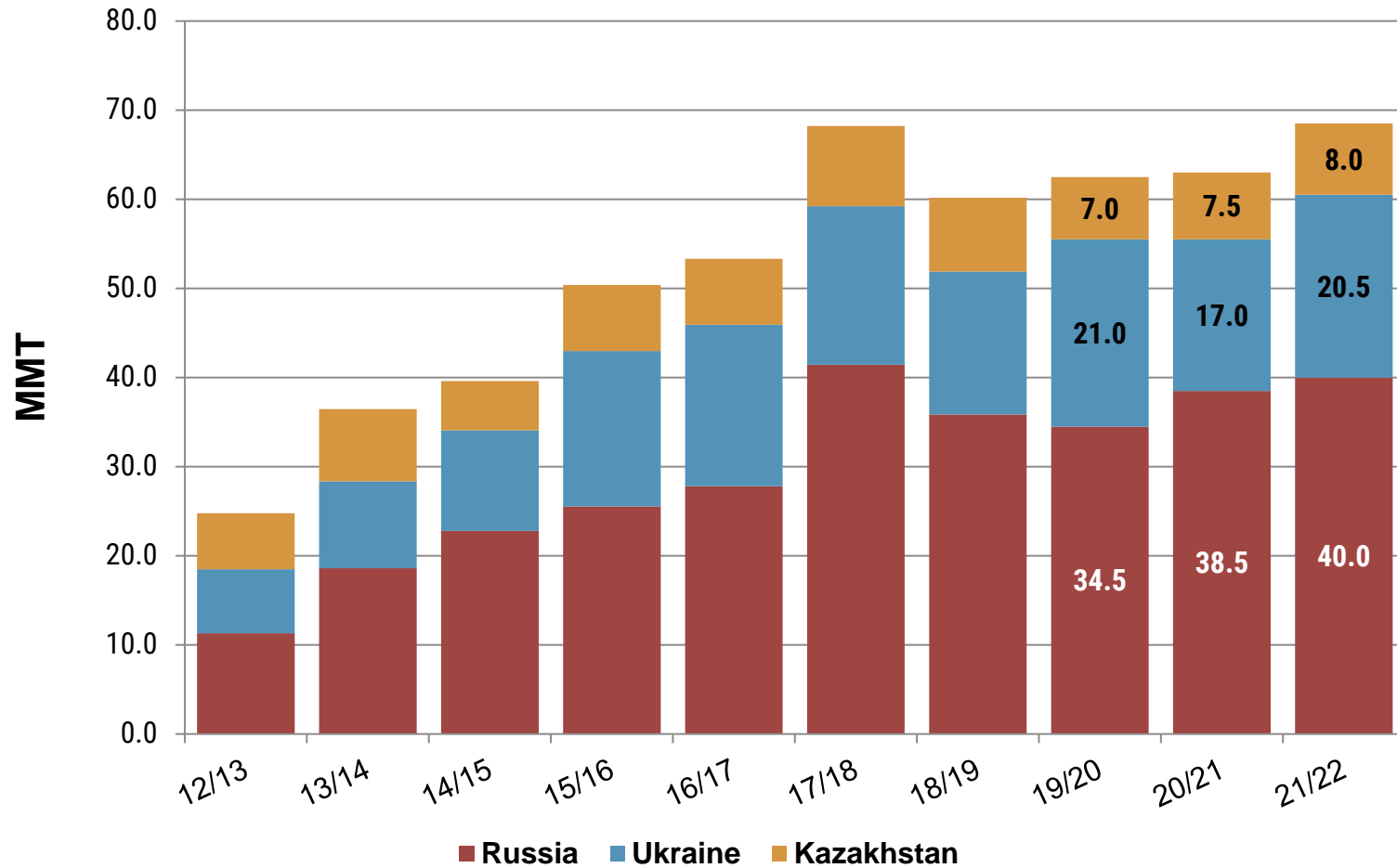


Black Sea Region Situation



Russia, Ukraine and Kazakhstan are the most important wheat producers in the Black Sea Region.

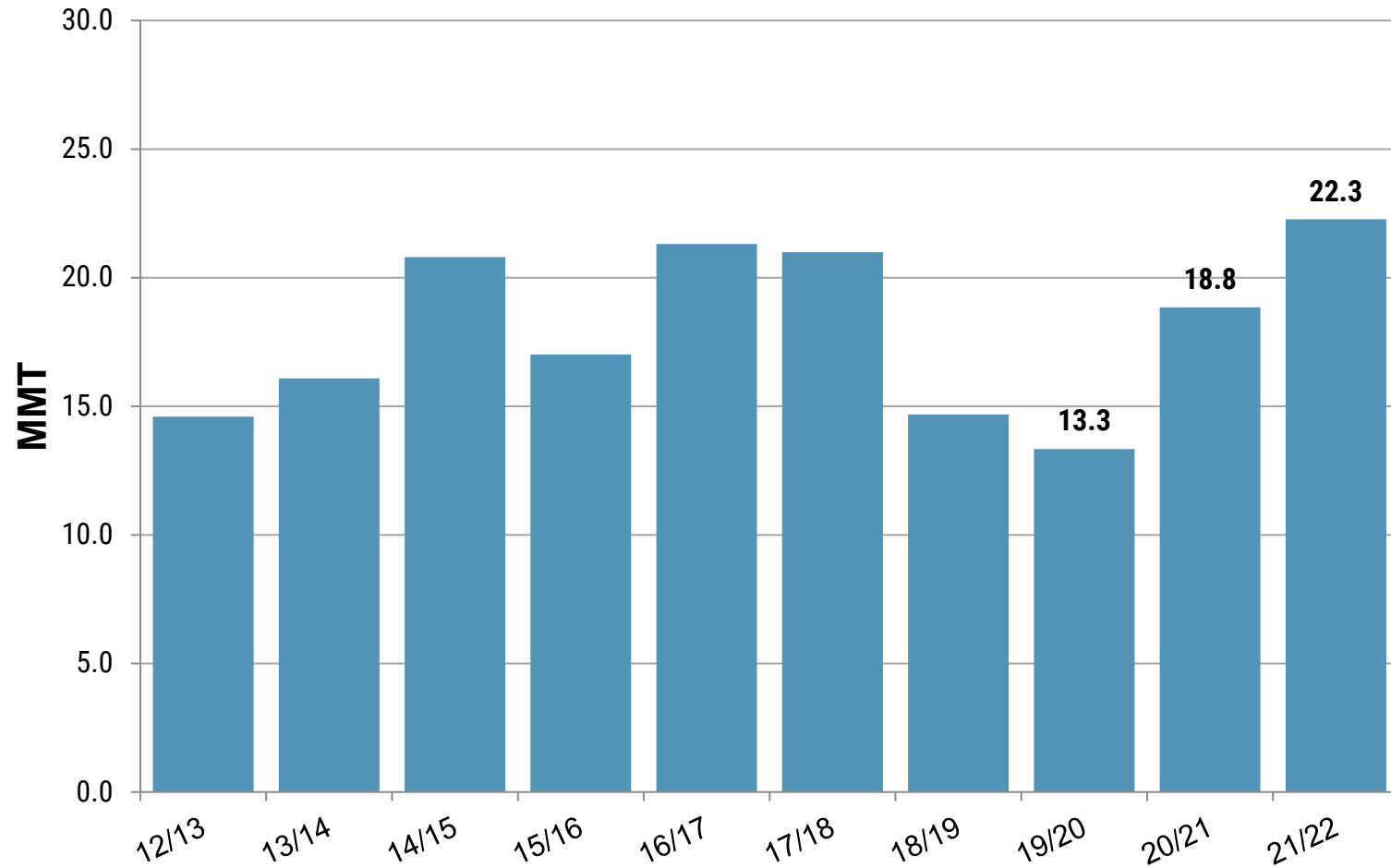
Black Sea Exports



Russia, Ukraine and Kazakhstan are the most important wheat producers in the Black Sea Region.



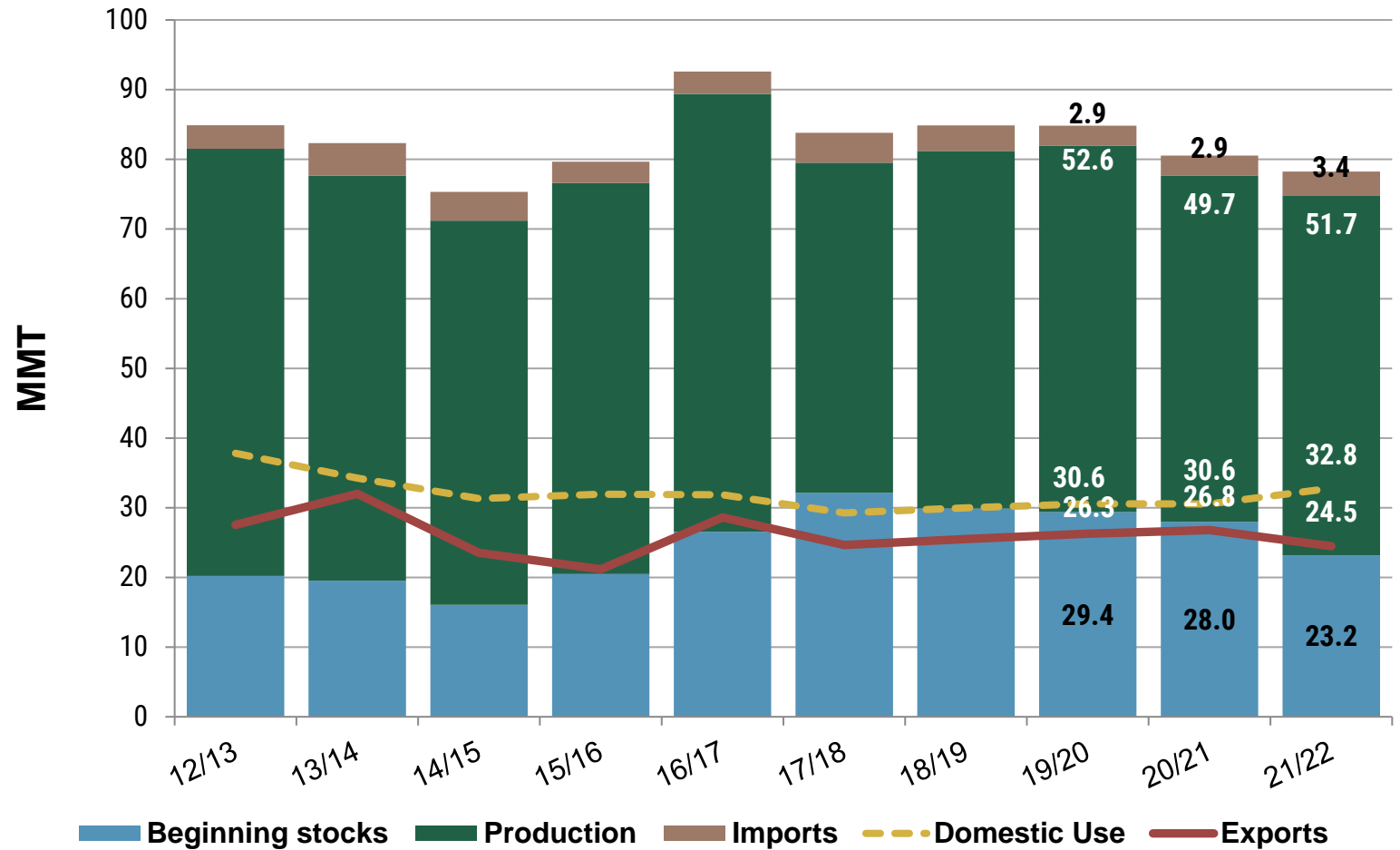
Black Sea Ending Stocks



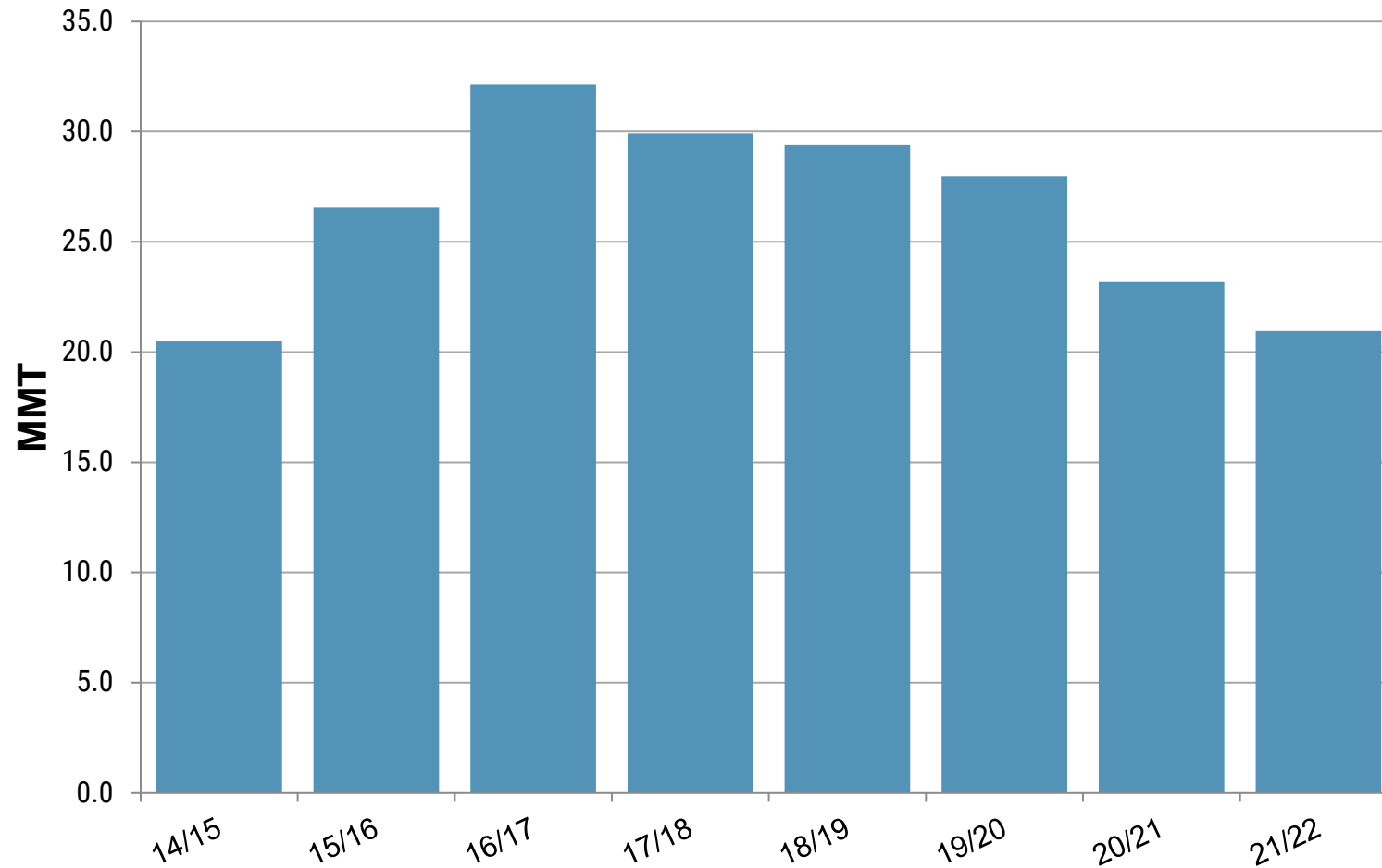
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U.S. Situation



U.S. Ending Stocks

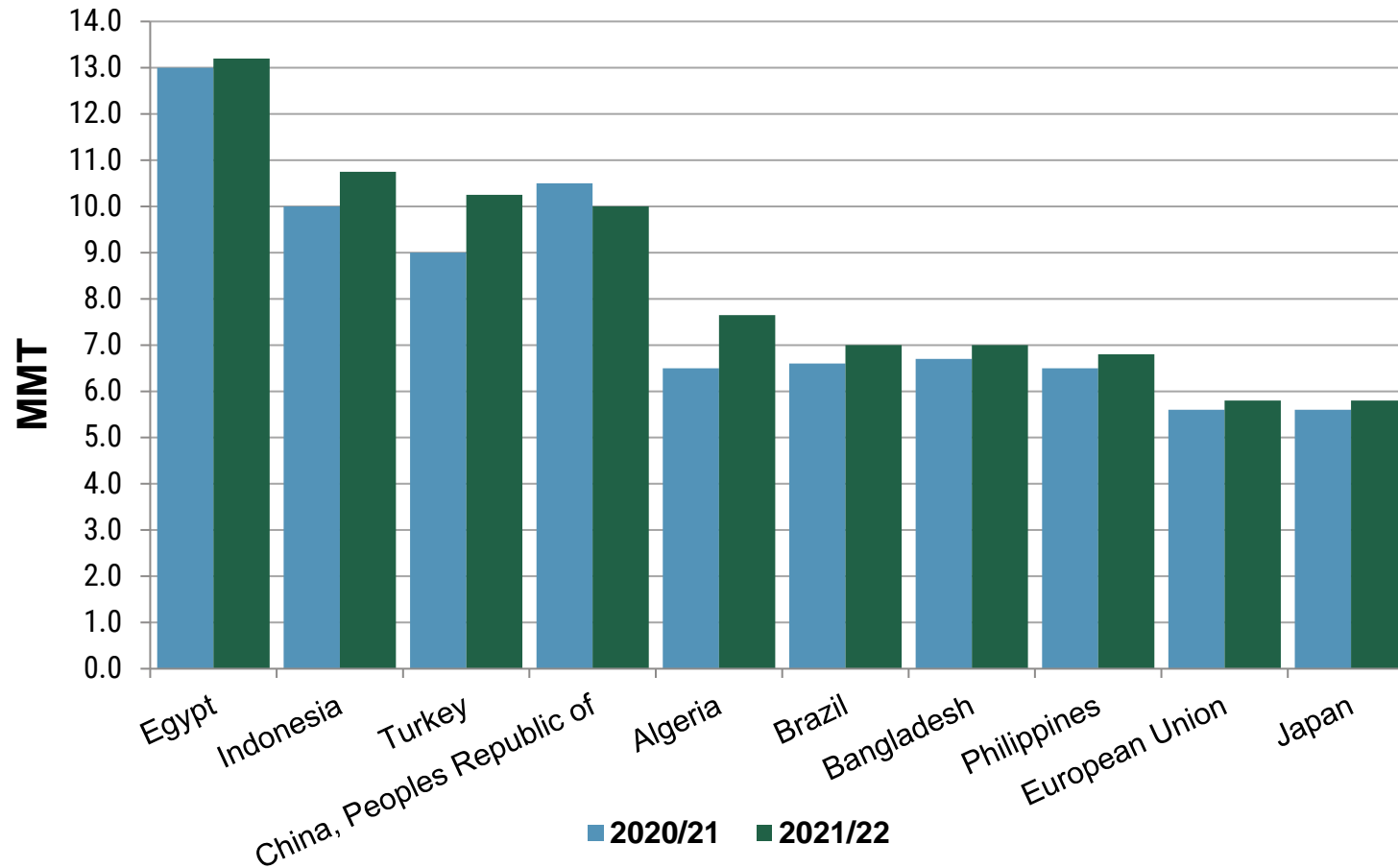




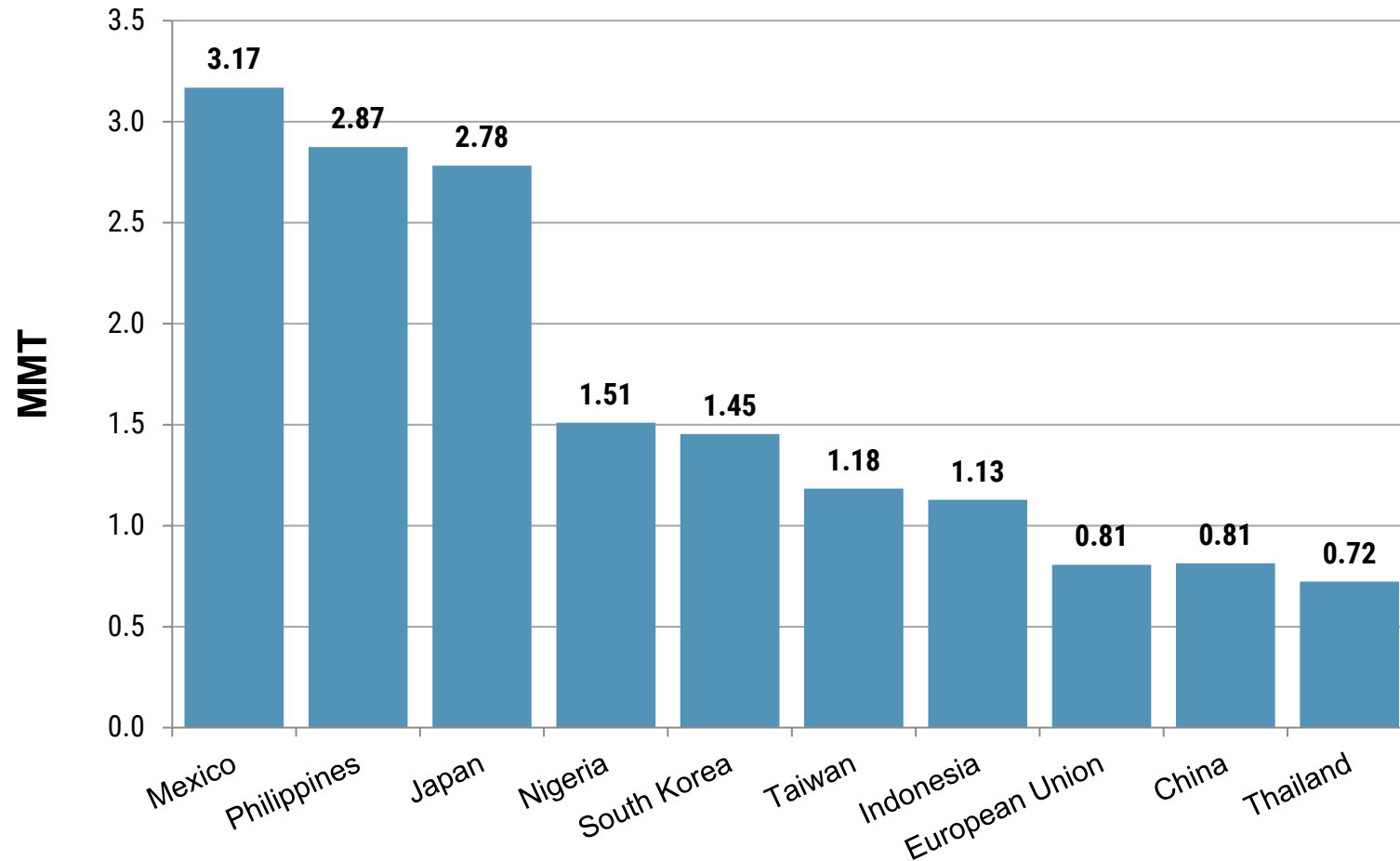
02

Import Demand

Major World Wheat Importers

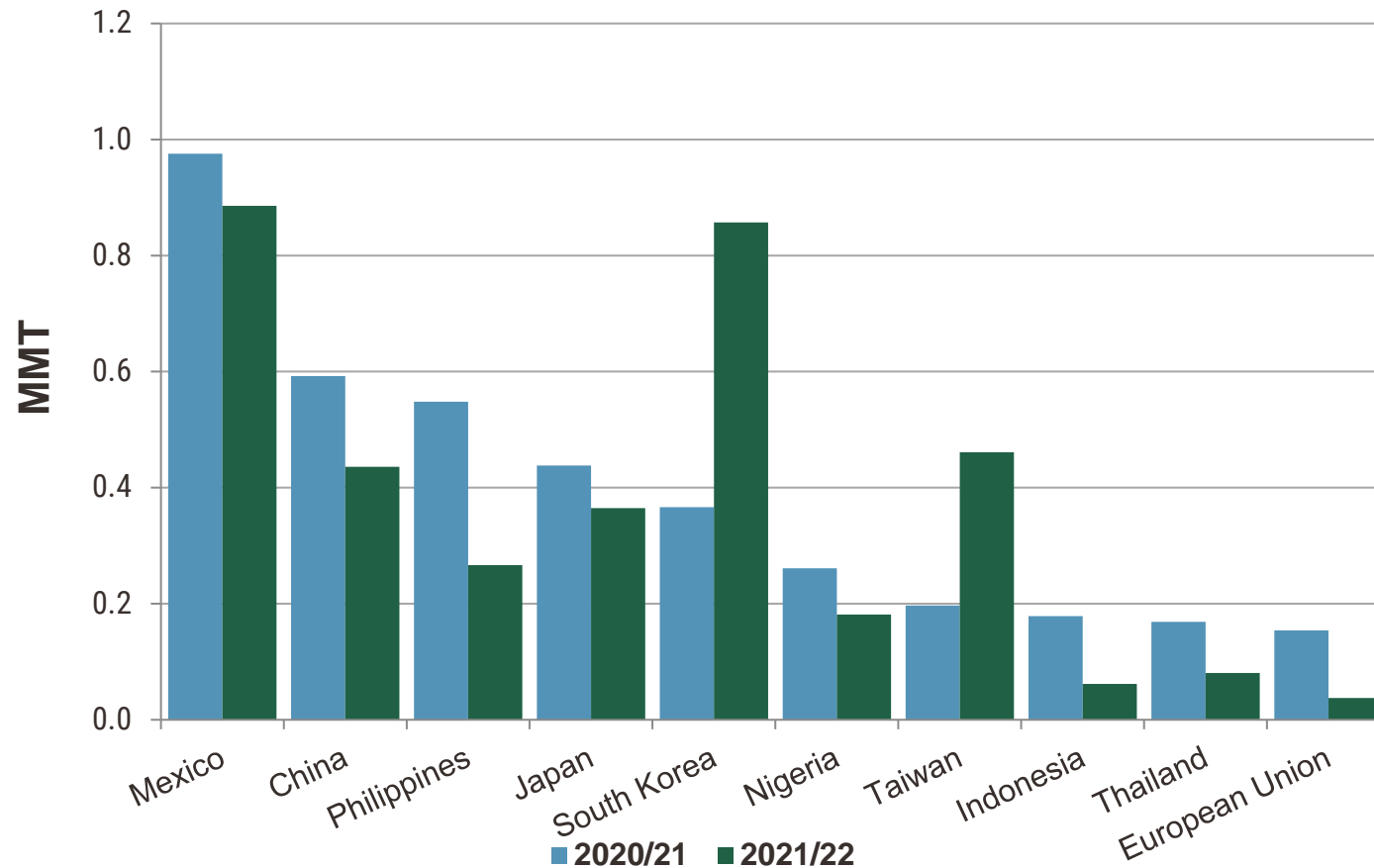


Top 10 Customers for U.S. Wheat (5-year average)



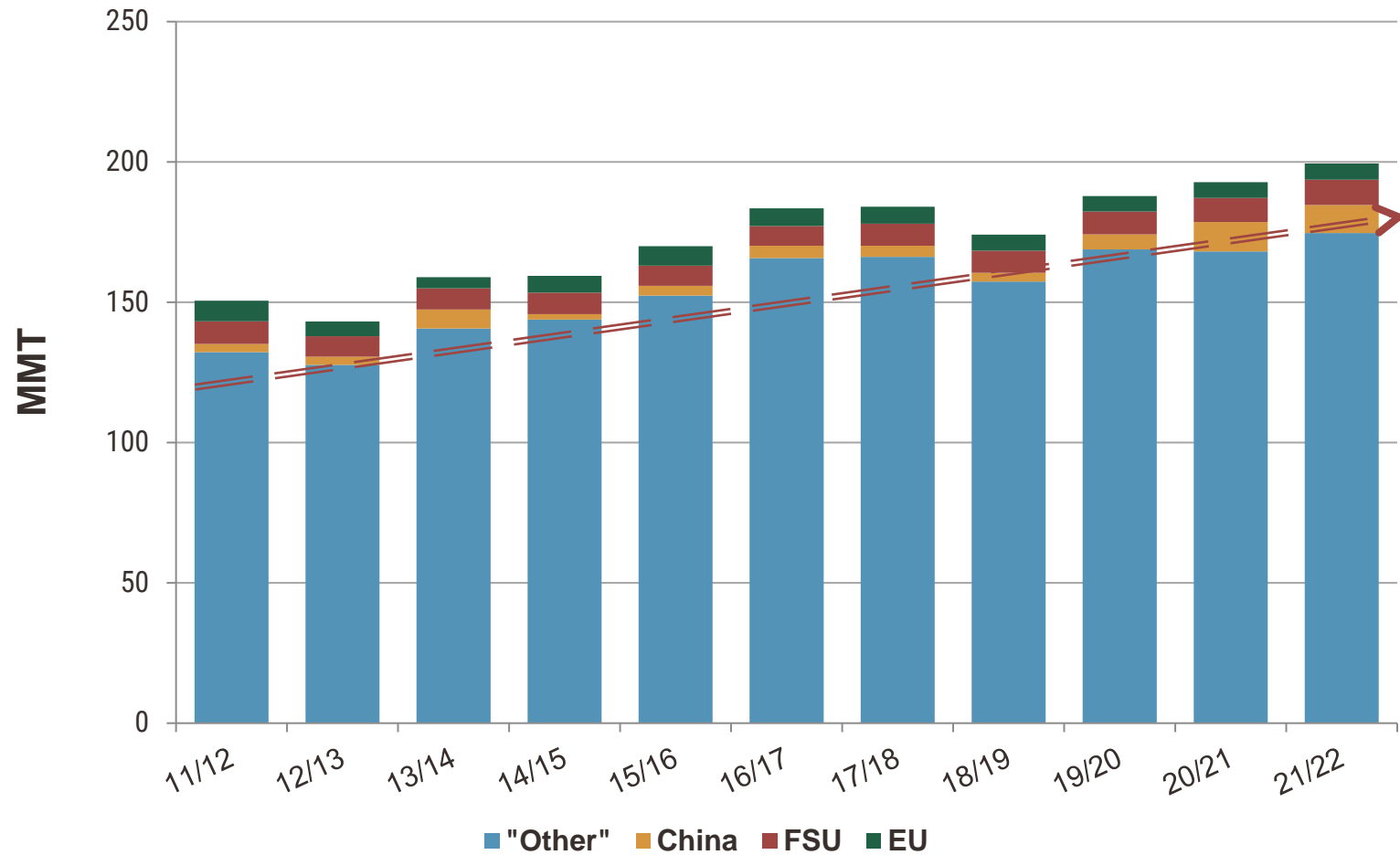
Source: USDA FAS export sales data as of May 31, 2021

Top 10 Customers for U.S. Wheat (year-to-date sales for current marketing year delivery)



Source: USDA FAS export sales data as of June 3, 2021

World Wheat Imports

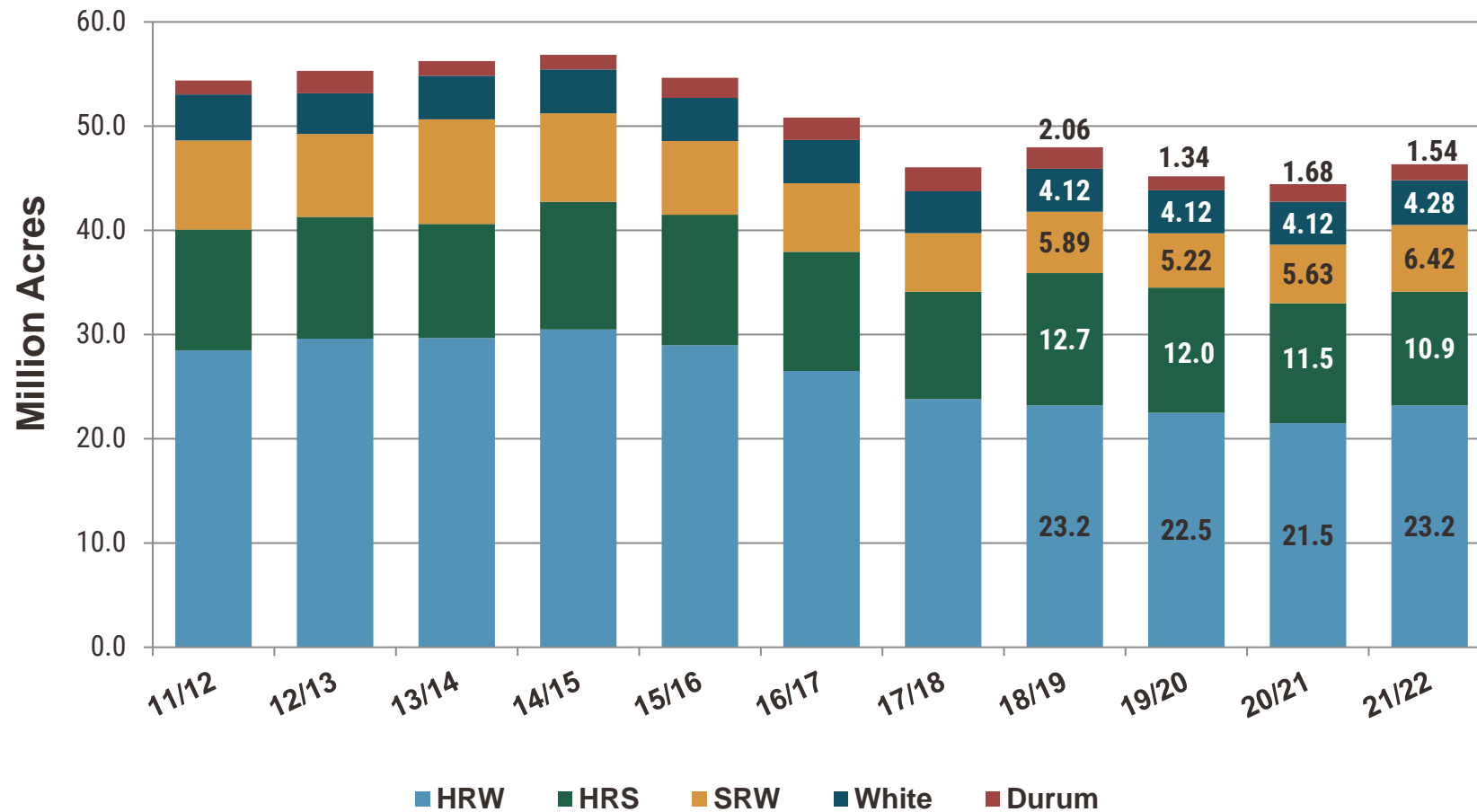




03

*U.S. Situation by
Class*

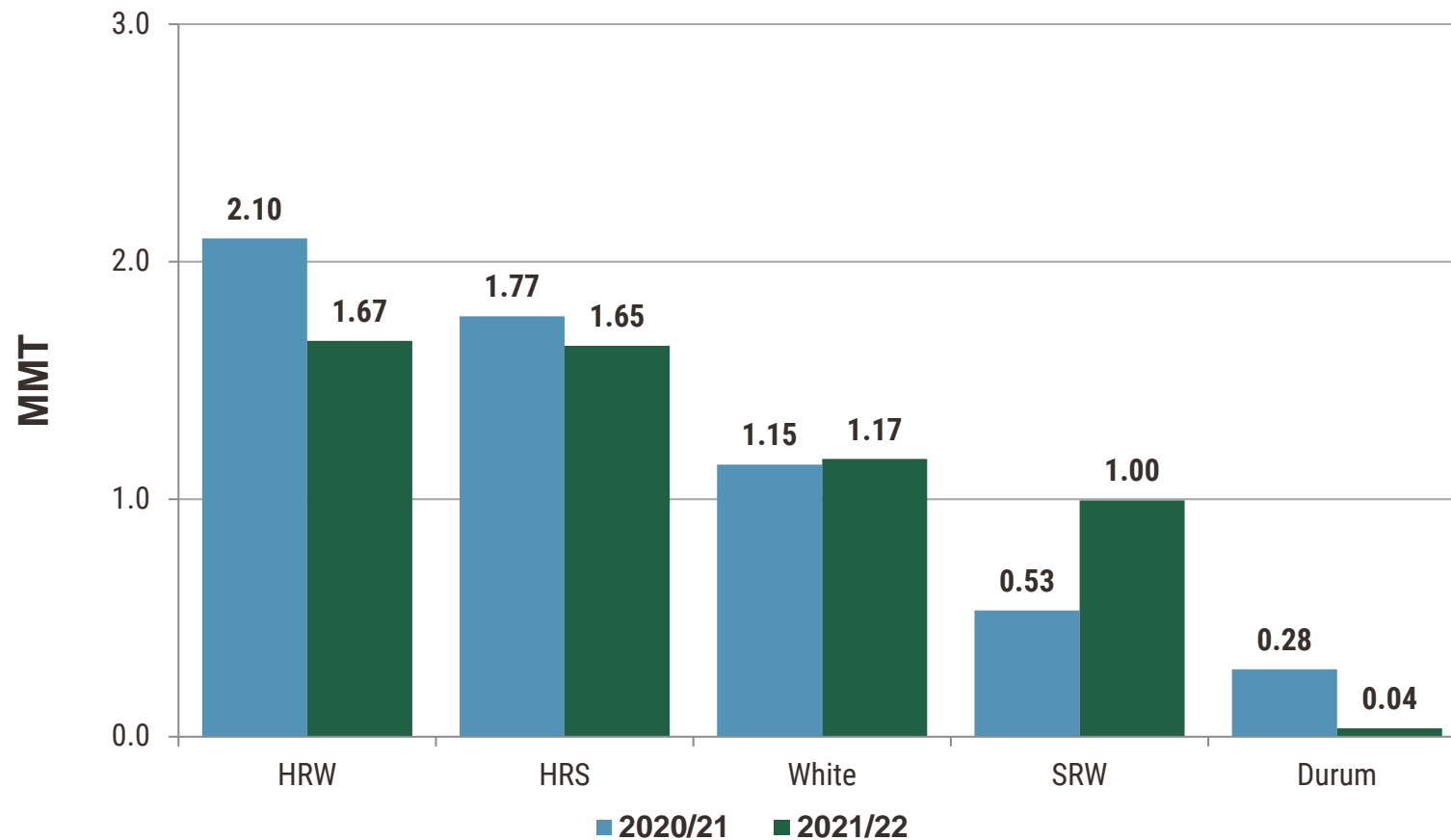
U.S. Wheat Planted Area



*Source: June 2020 USDA Acreage Report

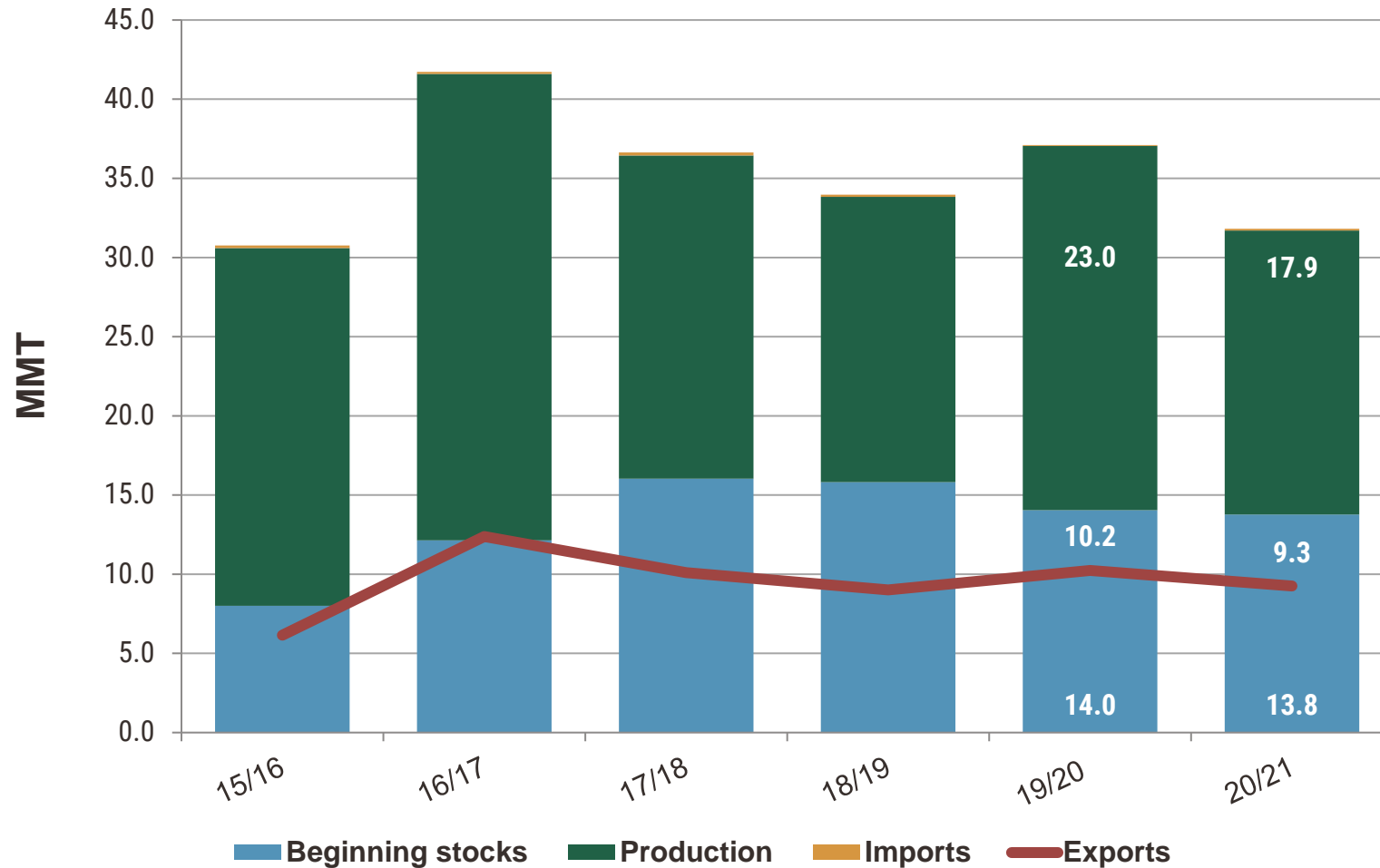
U.S. Wheat Sales by Class

(year-to-date sales for current marketing year delivery)

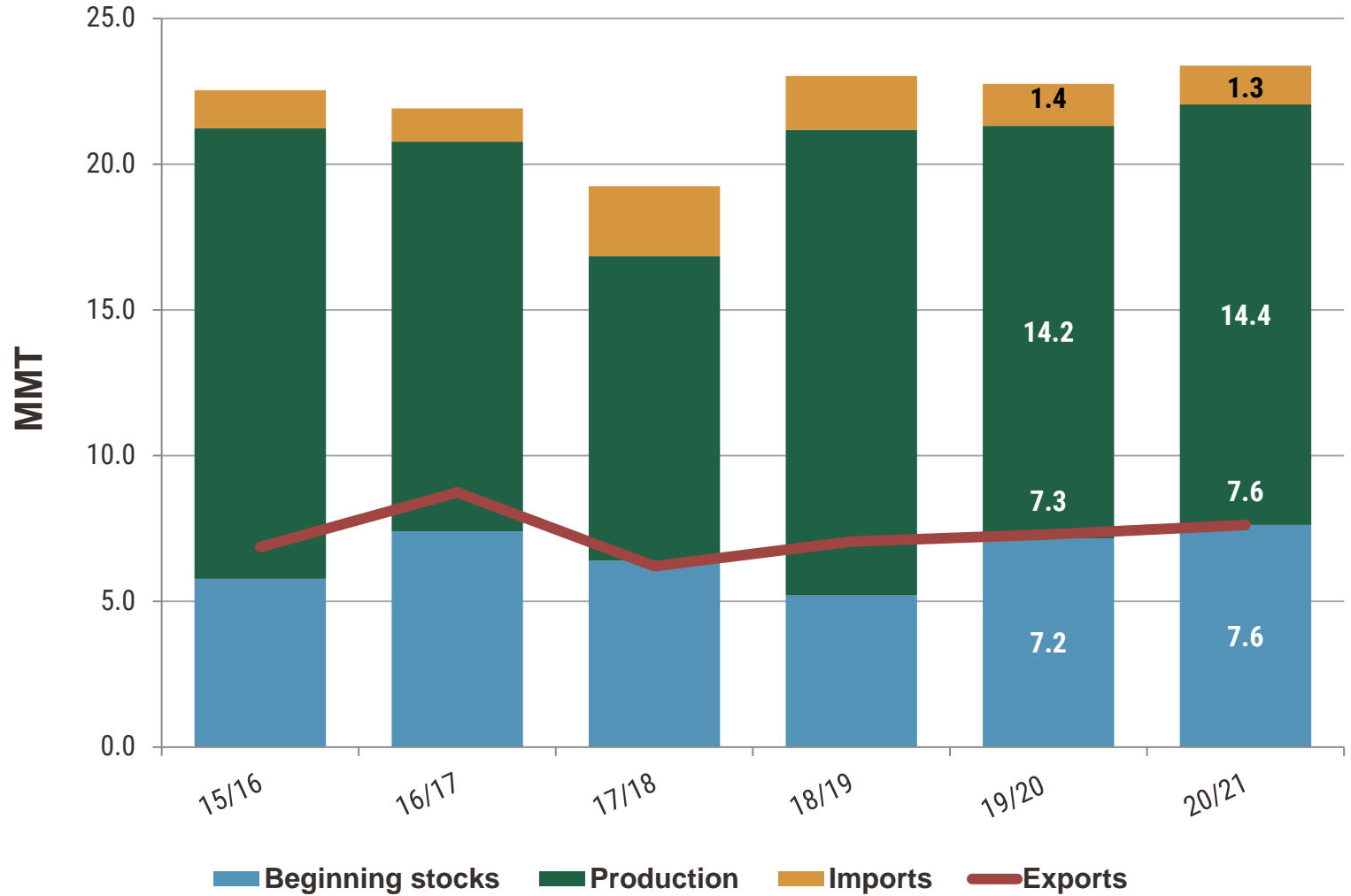


Source: USDA FAS export sales data as of June 3, 2021

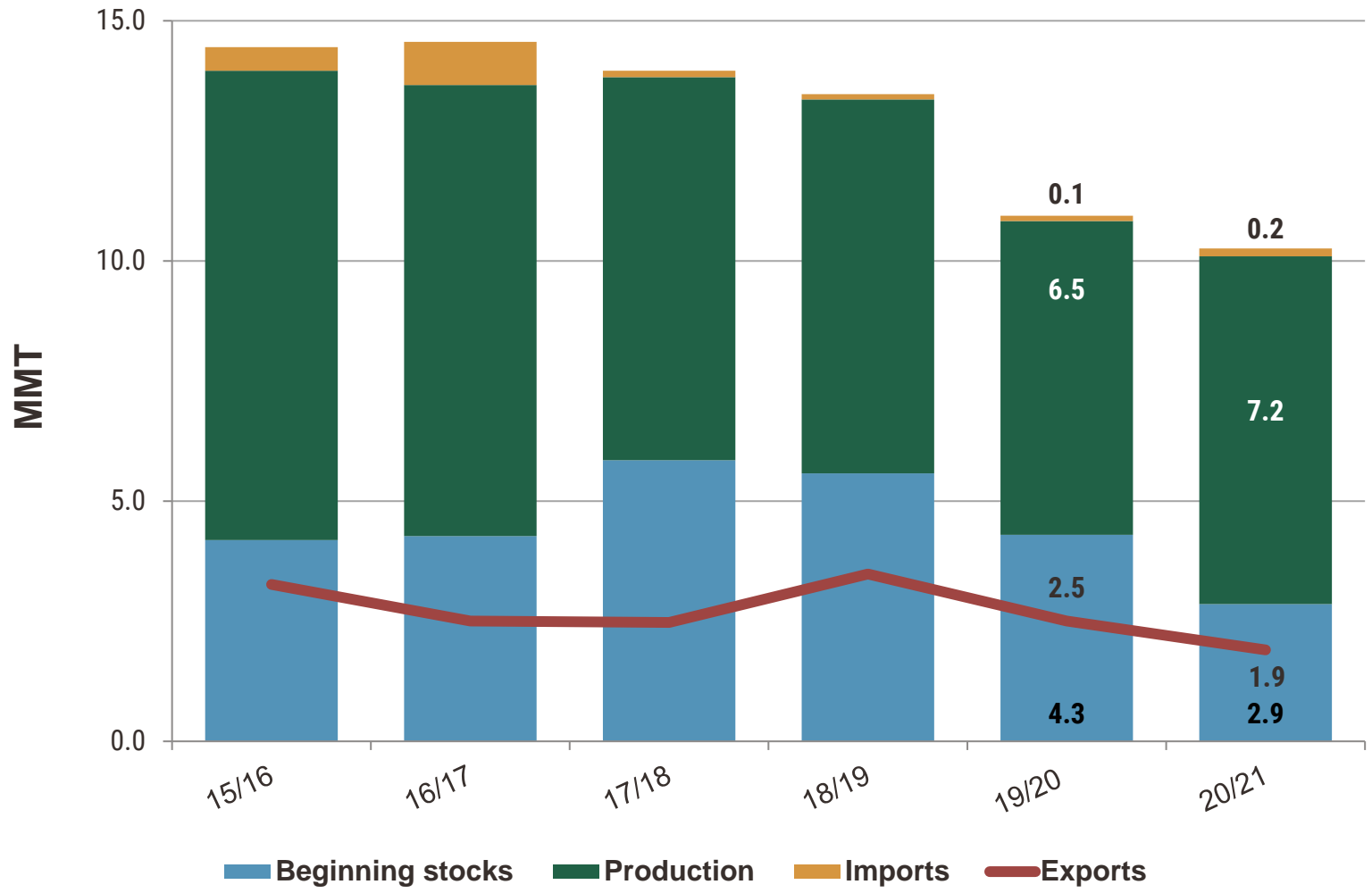
U.S. Hard Red Winter



U.S. Hard Red Spring

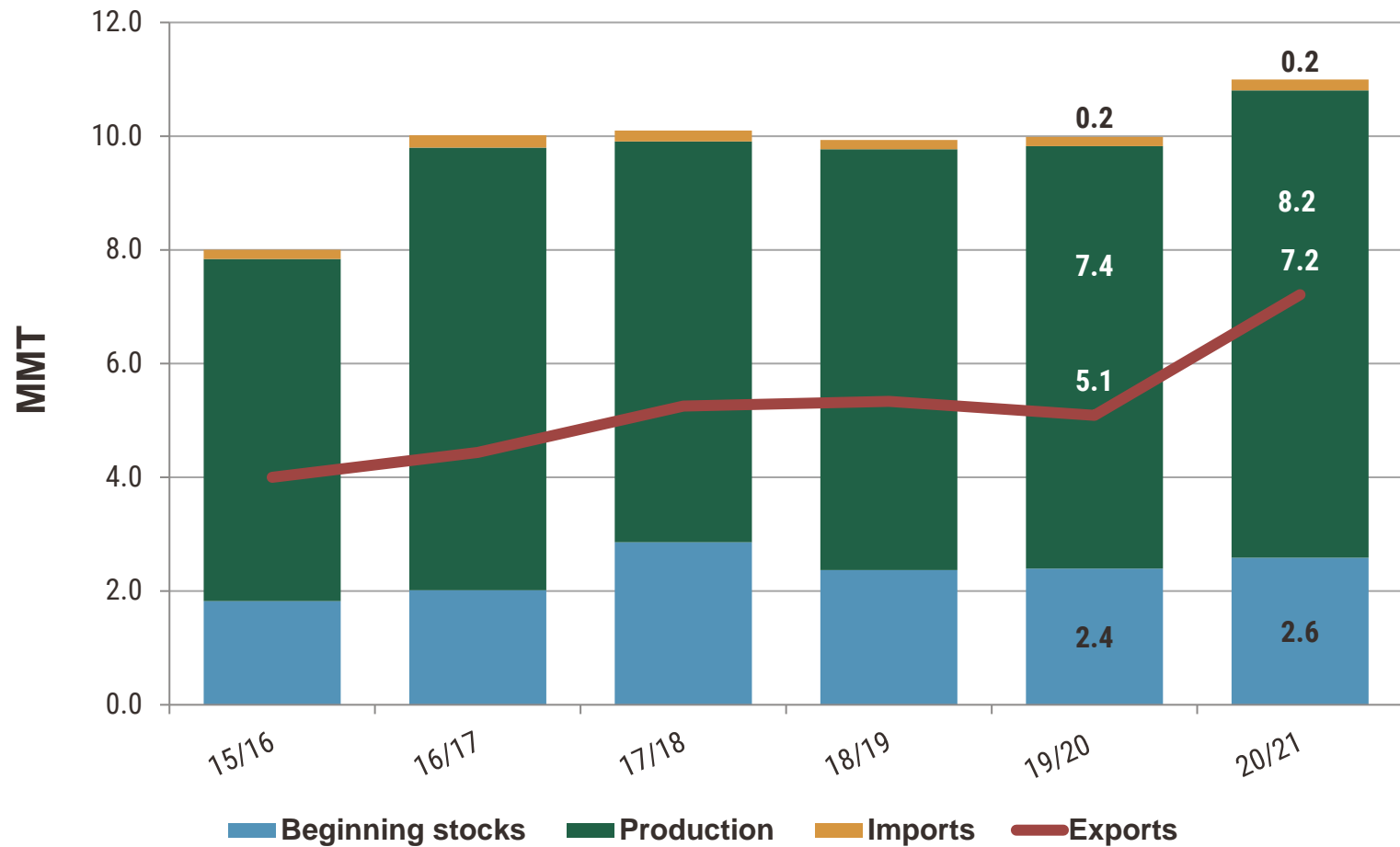


U.S. Soft Red Winter

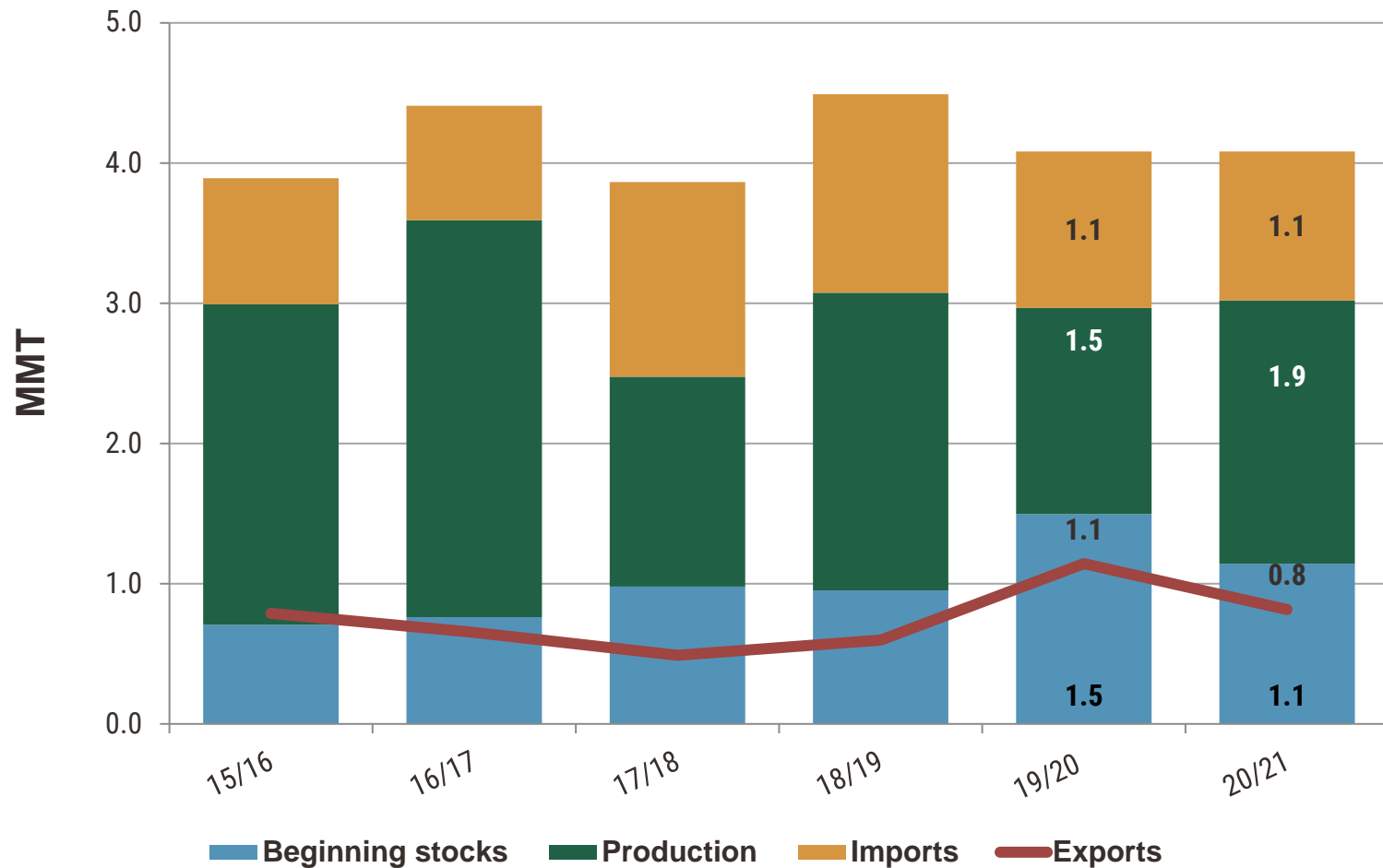


Class information for 2021/22 will be published in the July 2021 USDA WASDE report

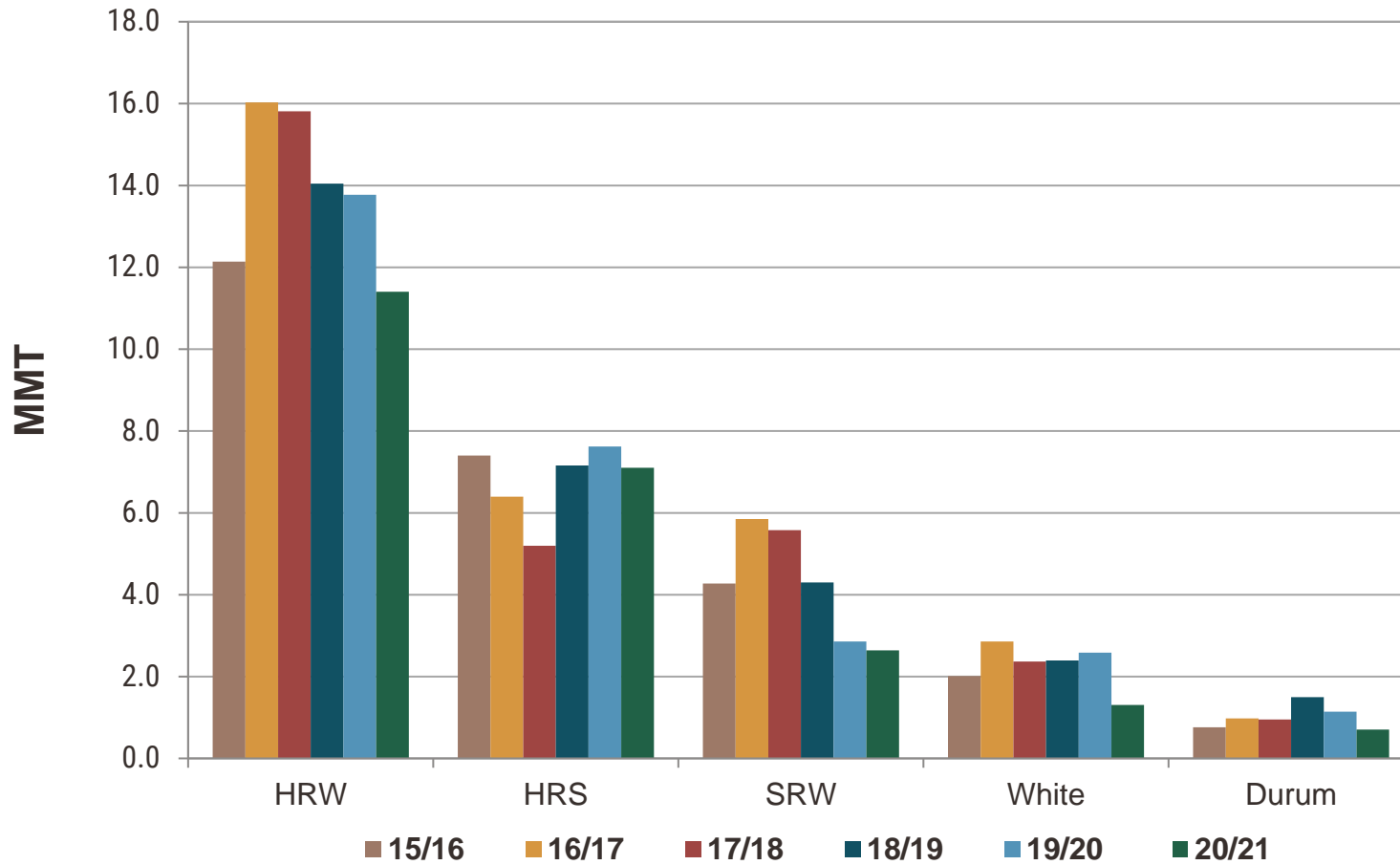
U.S. White



U.S. Durum



U.S. Wheat Ending Stocks by Class



U.S. Wheat Supply and Demand (MMT)

	HRW		HRS		SRW	
	<u>19/20</u>	<u>20/21</u>	<u>19/20</u>	<u>20/21</u>	<u>19/20</u>	<u>20/21</u>
Beginning Stocks	14.0	13.8	7.16	7.62	4.30	2.86
Production	23.0	17.9	14.2	14.4	6.53	7.24
Supply Total	37.1	31.8	22.8	23.4	10.94	10.3
Domestic Use	13.1	11.2	7.84	8.68	5.55	5.74
Exports	10.2	9.3	7.29	7.62	2.50	1.91
Use Total	23.3	20.4	15.1	16.3	8.08	7.65
Ending Stocks	13.8	11.4	7.62	7.10	2.86	2.64
Stocks-to-Use	59%	56%	50%	44%	35%	35%

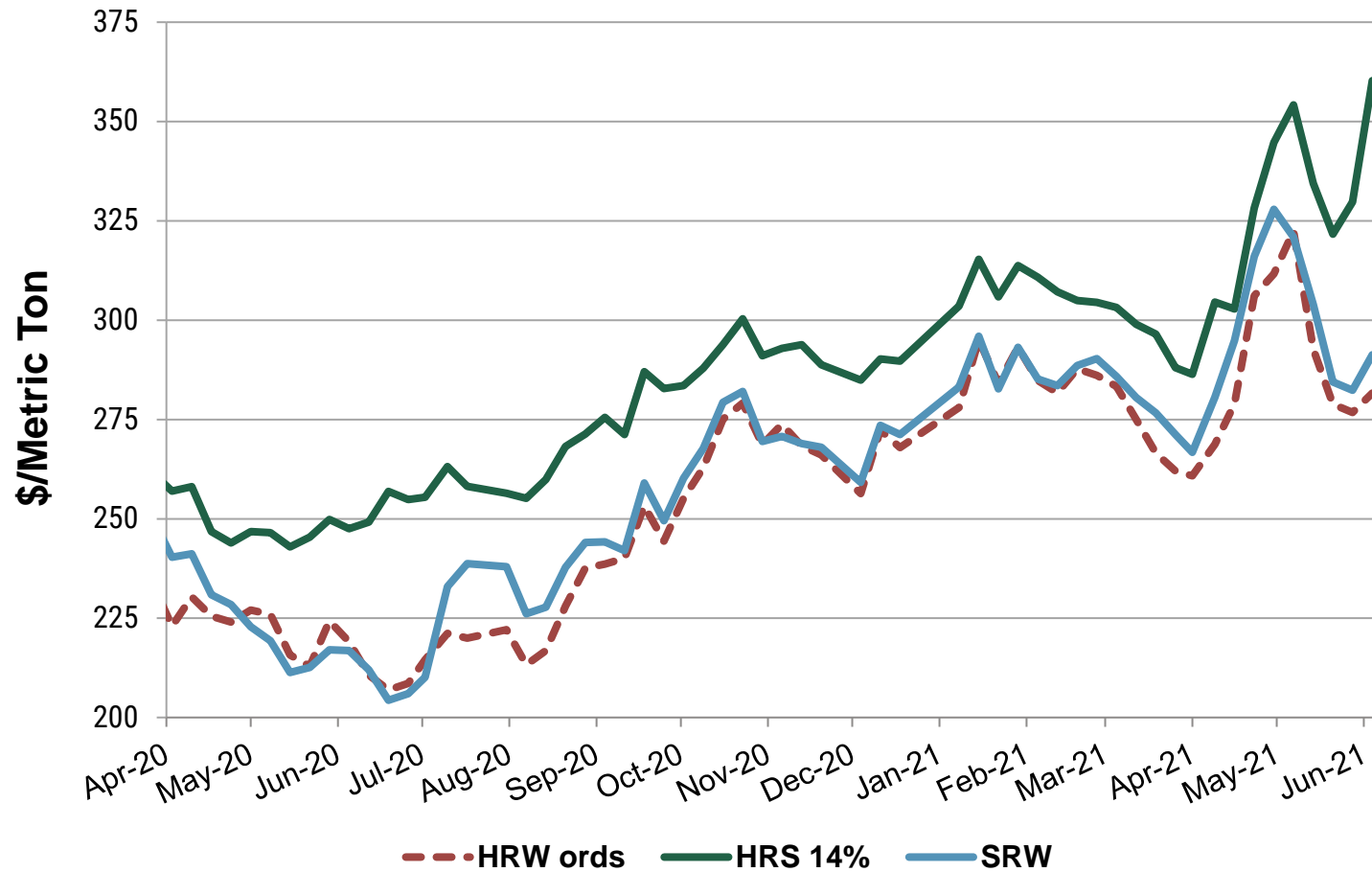


U.S. Wheat Supply and Demand (MMT)

	White		Durum		Total	
	<u>19/20</u>	<u>20/21</u>	<u>19/20</u>	<u>20/21</u>	<u>19/20</u>	<u>20/21</u>
Beginning Stocks	2.40	2.59	1.50	1.14	29.4	28.0
Production	7.43	8.22	1.47	1.88	52.6	49.7
Supply Total	10.0	11.00	4.08	4.08	84.8	80.5
Domestic Use	2.31	2.48	1.80	2.56	30.6	30.6
Exports	5.09	7.21	1.14	0.82	26.3	26.8
Use Total	7.40	9.69	2.94	3.37	56.9	57.4
Ending Stocks	2.59	1.31	1.14	0.71	28.0	23.2
Stocks-to-Use	35%	13%	39%	21%	49%	40%



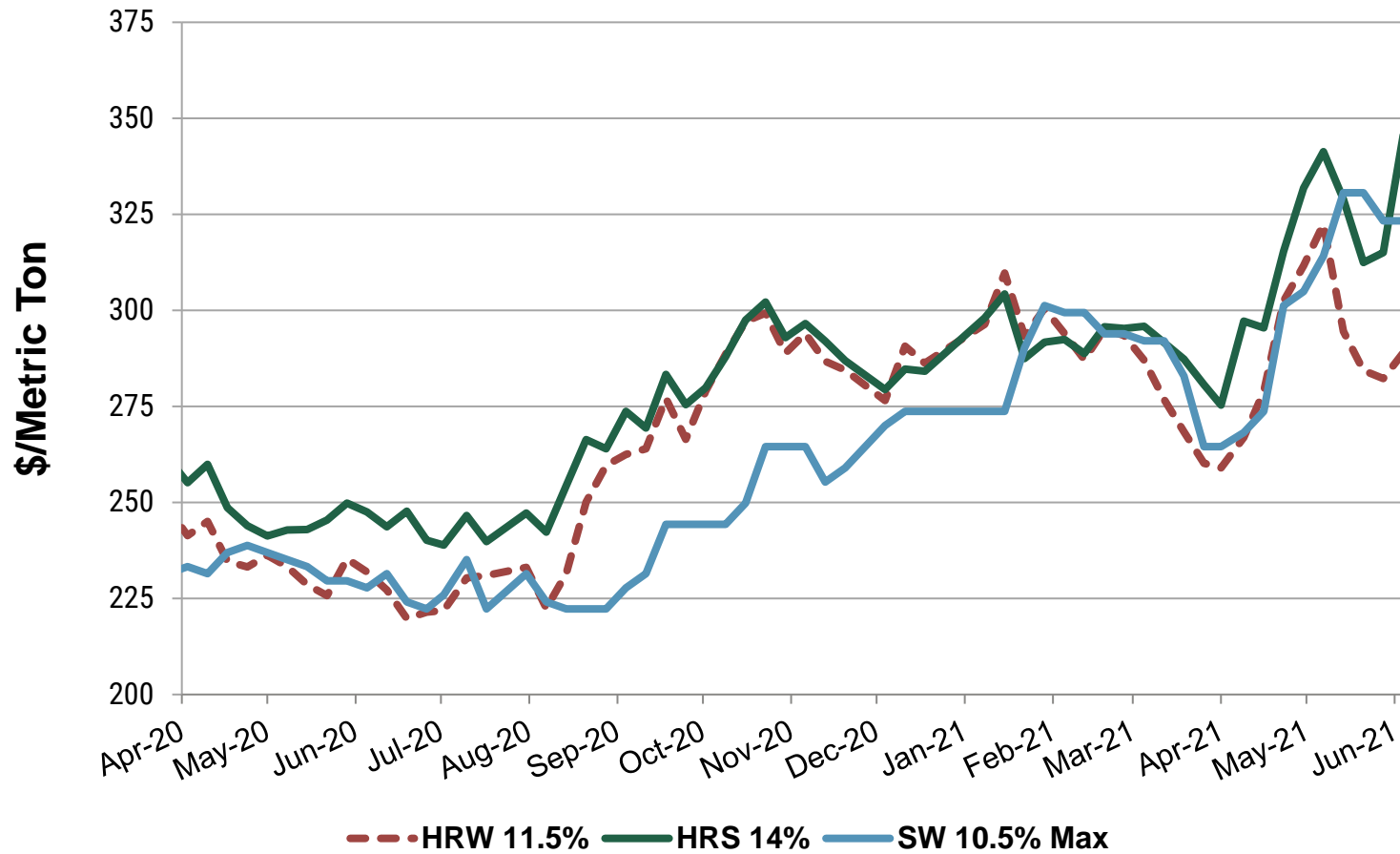
U.S. FOB Gulf Prices



Source: U.S. Wheat Associates Price Report, June 4, 2021



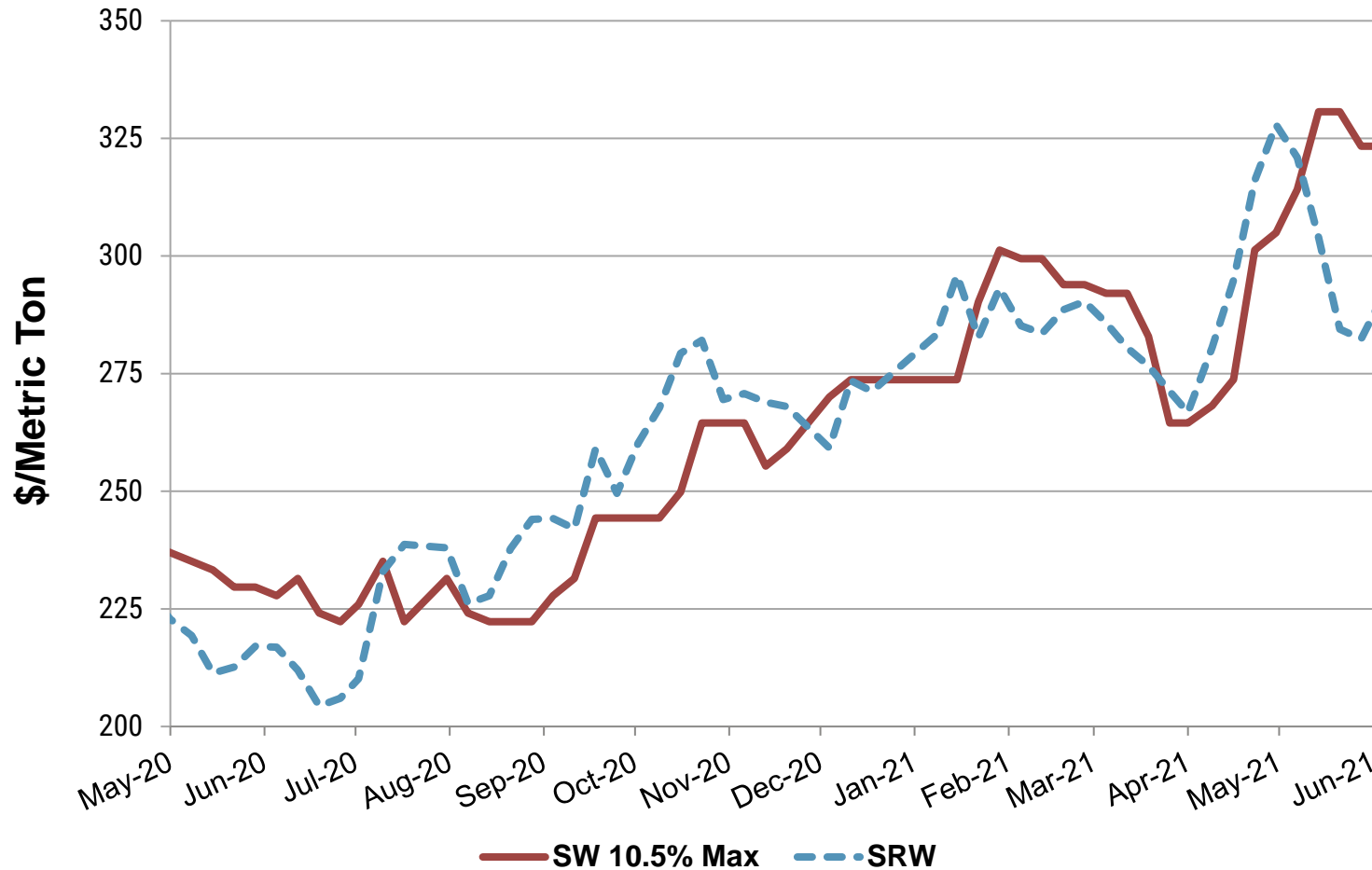
U.S. FOB PNW Prices



Source: U.S. Wheat Associates Price Report, June 4, 2021



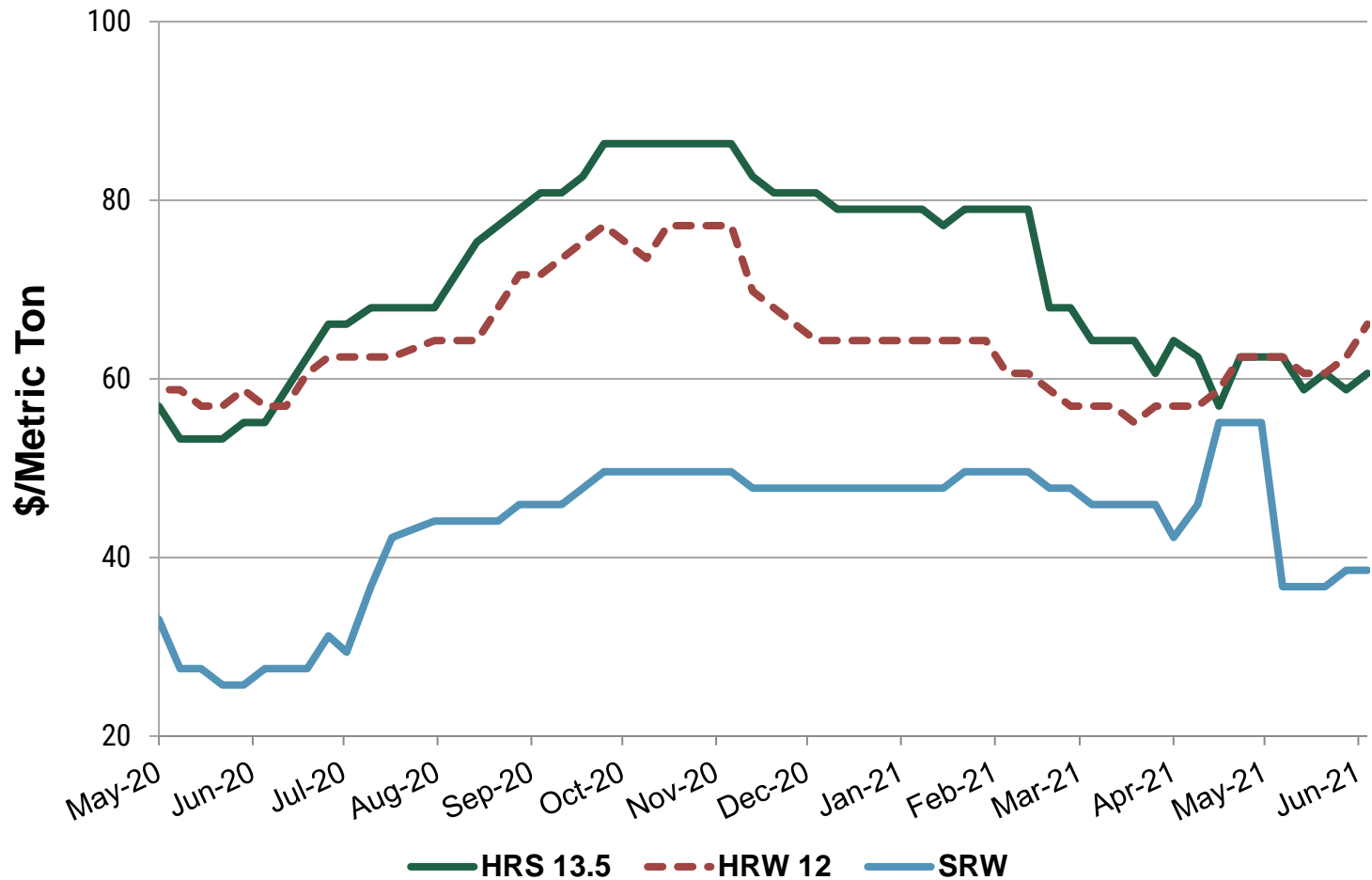
U.S. FOB Soft White and SRW Prices



Source: U.S. Wheat Associates Price Report, June 4, 2021



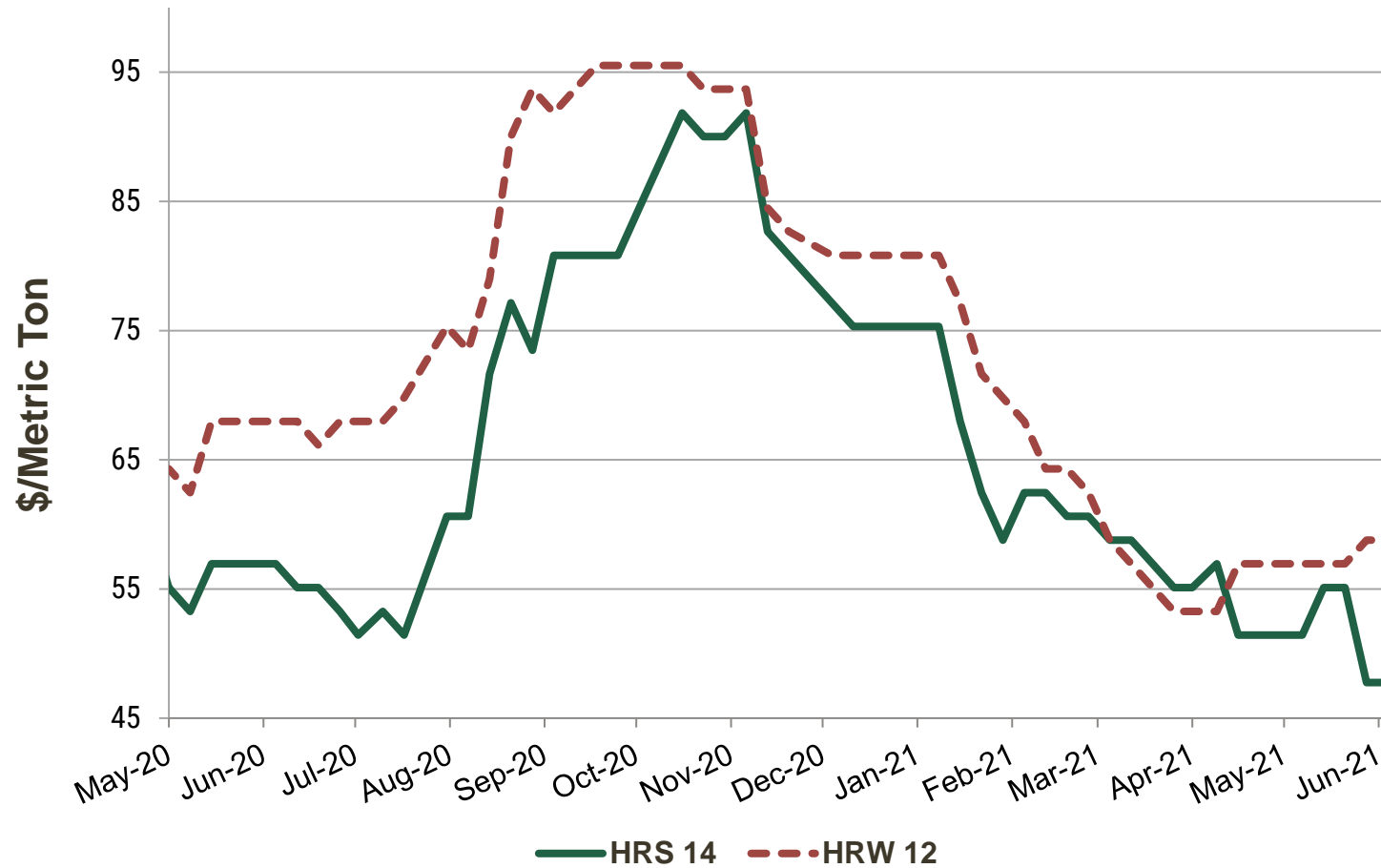
U.S. Gulf Export Basis



Source: U.S. Wheat Associates Price Report, June 4, 2021



U.S. PNW Export Basis



Source: U.S. Wheat Associates Price Report, June 4, 2021



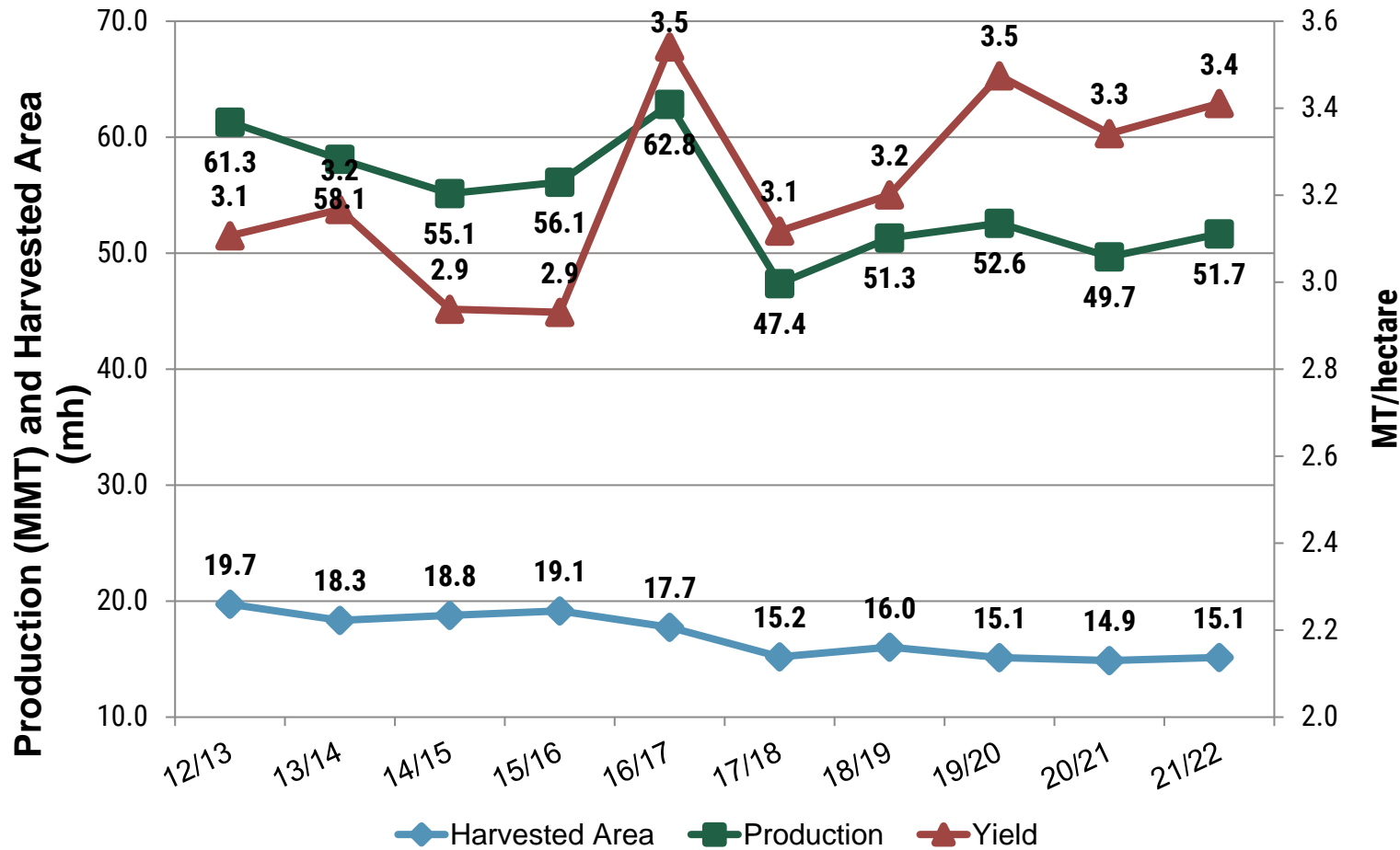


04

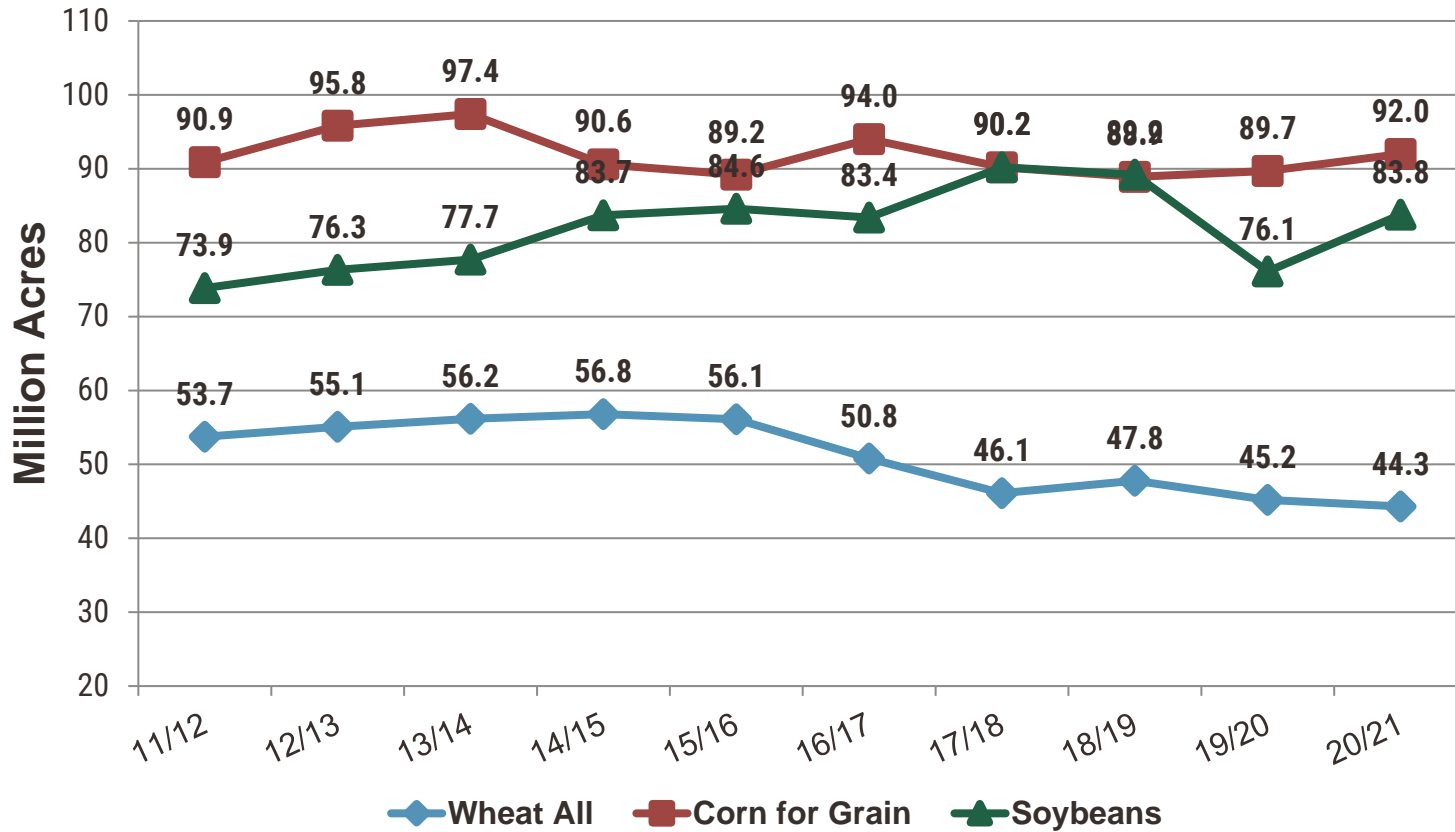
Outlook



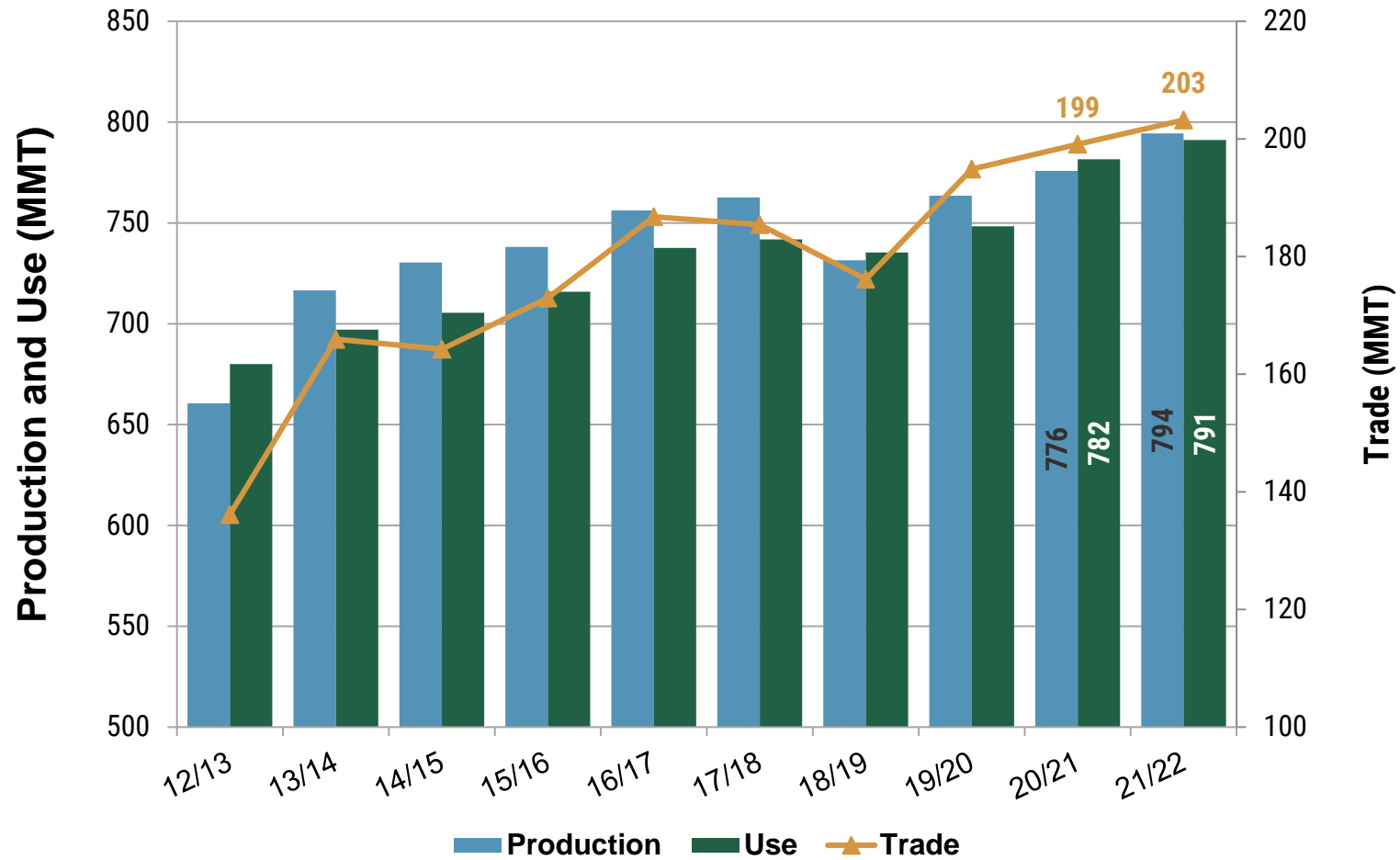
U.S. Wheat Production, Area and Yield



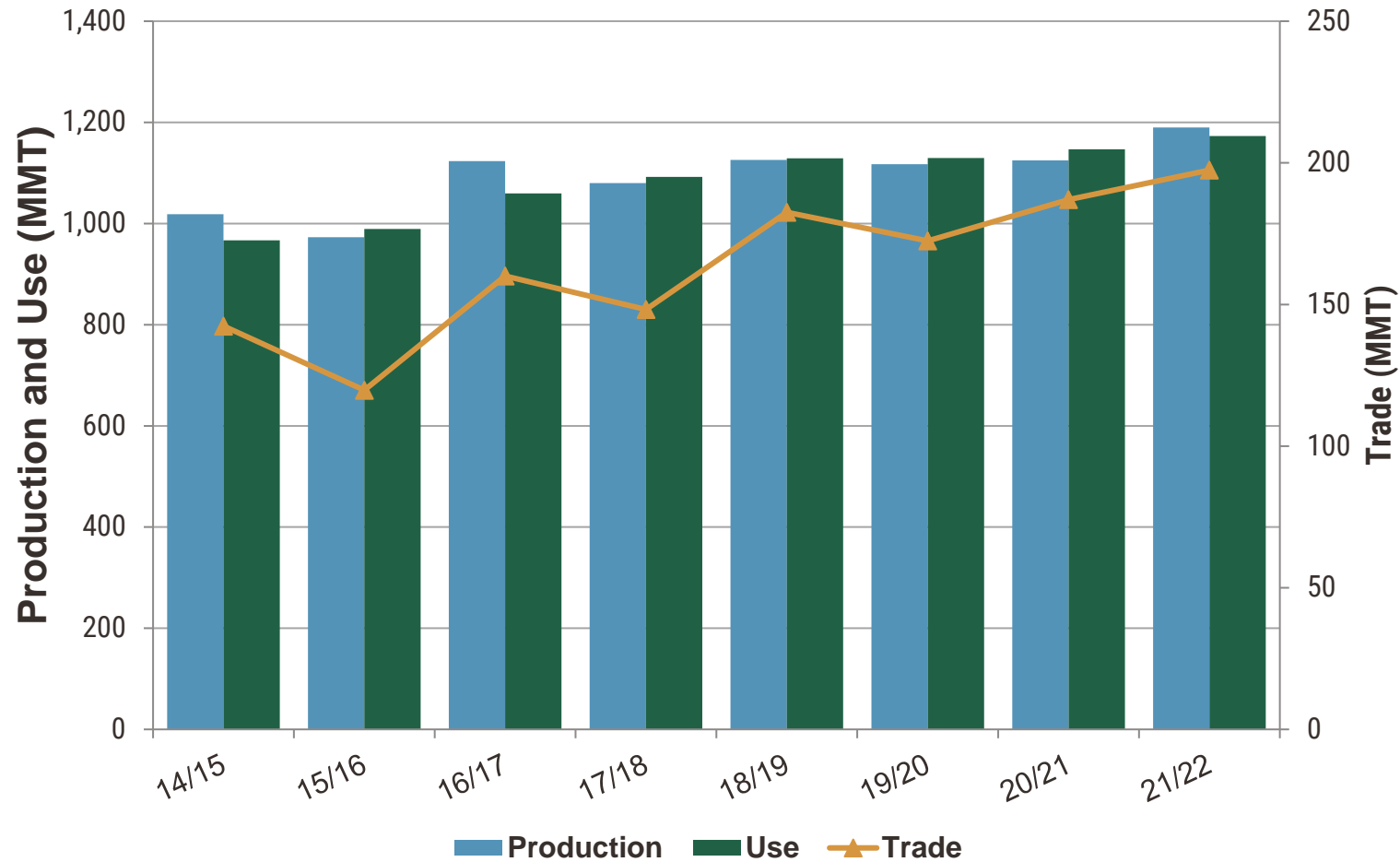
U.S. Crop Planted Area Comparison



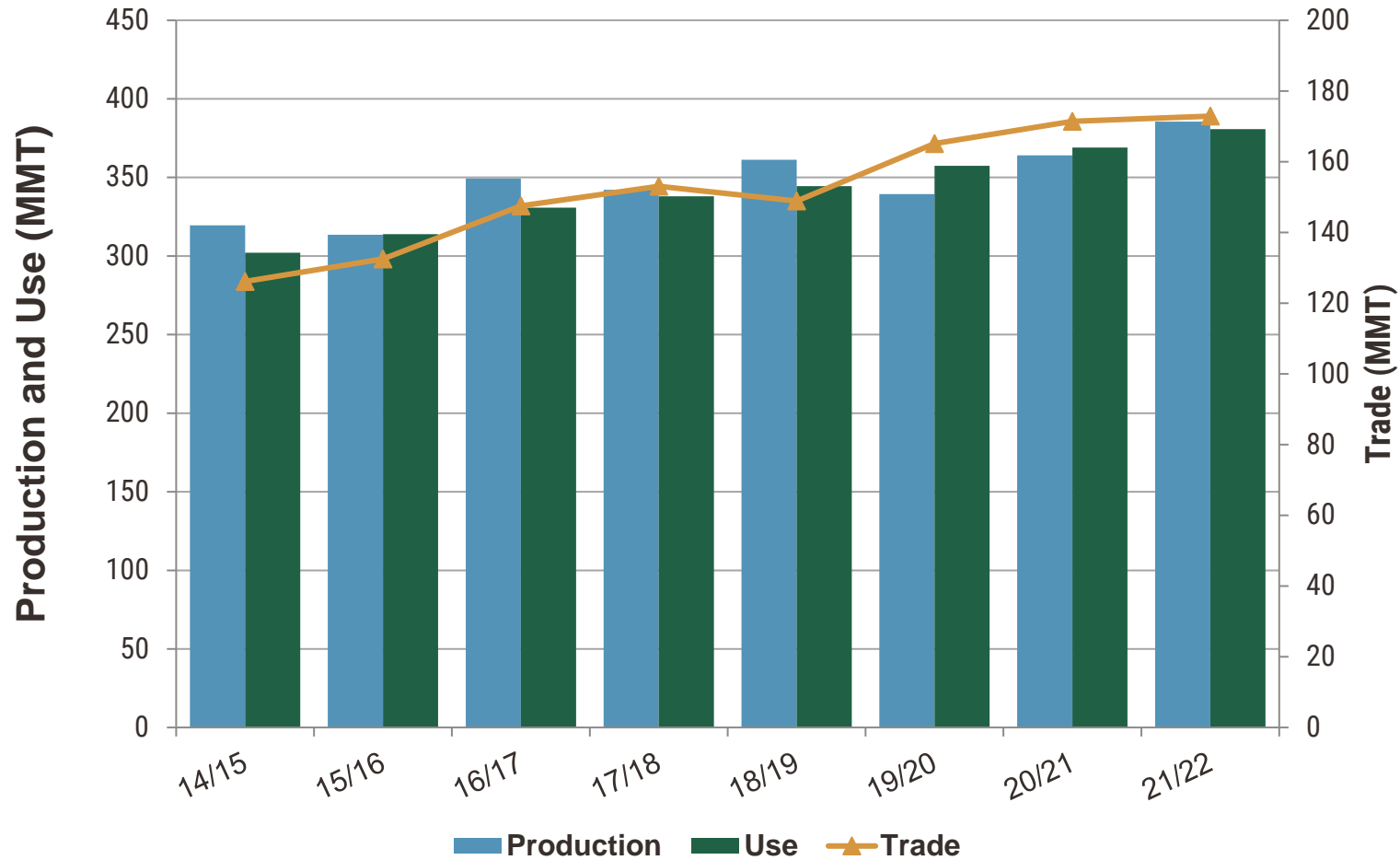
World Wheat Production, Use and Trade



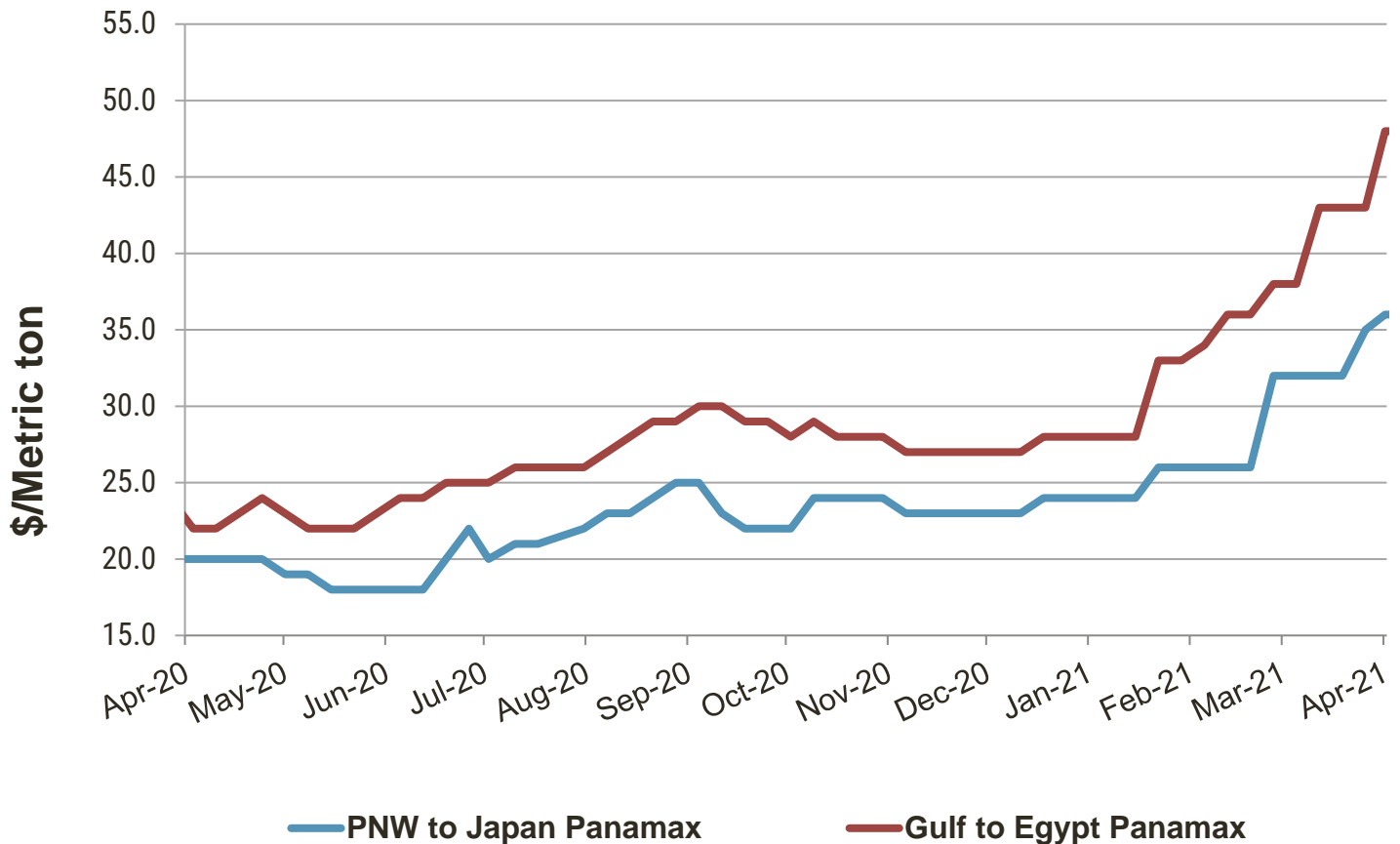
World Corn Production, Use and Trade



World Soybeans Production, Use and Trade



Ocean Freight Rates for Grains



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