



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 August 12, 2021, unless otherwise indicated. Projections will change over the course of the year depending on weather and other developments.

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Major Exporters

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Import Demand

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U.S. Situation by Class

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Outlook



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

2021/22 global wheat production forecast to reach 777 MMT, 1 MMT more than 2020/21

- Production in Russia is forecast at 72.5 MMT, 12.5 MMT less than USDA's July estimate
- Canada's wheat production is forecast at 24.0 MMT, down 32% compared to 2020/21
- Production in the European Union and UK is forecast at 153.2 MMT, up 13% from 2020/21
- U.S. production is expected to decrease to 46.2 MMT, down 7% compared to 2020/21

Global consumption forecast at 787 MMT, 2 MMT more than 2020/21

- Domestic consumption in Vietnam is forecast at 3.5 MMT, 100 TMT less than 2020/21
- Domestic consumption in Brazil is forecast at 12.6 MMT, 5% more than 2020/21
- U.S. domestic consumption forecast to 3.2 MMT, 6% more than 2020/21

World wheat trade pegged at 198 MMT, down 2% from 2020/21

- Australian exports are projected at 22.0 MMT, up 1.5 MMT from last month
- Canadian exports are projected at 17.5 MMT, 10.0 MMT below 2020/21
- U.S. 2021/22 exports expected to be 23.8 MMT, down 12% from 2020/21



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

World beginning stocks estimated down 3% from 2020/21 to 289 MMT

- Chinese beginning stocks estimated at 144.6 MMT, down 4% from last year
- Ukrainian beginning stocks estimated at 1.6 MMT, up 6% from 2020/21

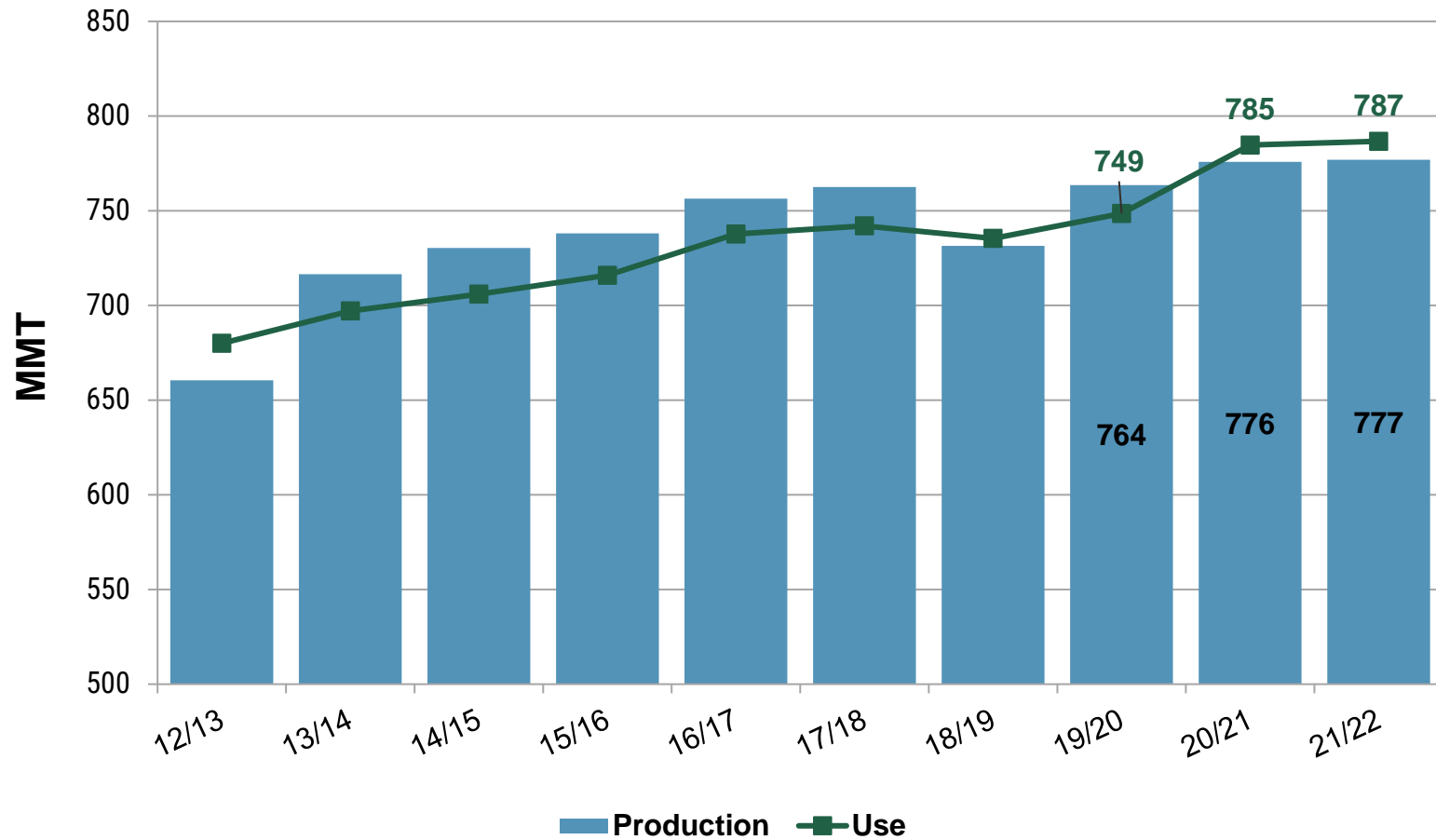
Global ending stocks projected at 279 MMT, 6% less than last month's forecast

- Expected Russian ending stocks forecast at 10.0 MMT, 2 MMT less than 2020/21
- Chinese ending stocks forecast at 141.6 MMT, 3.0 MMT less than 2020/21
- U.S. ending stocks are expected to drop 5.9 MMT to 17.0 MMT, 26% less than last year

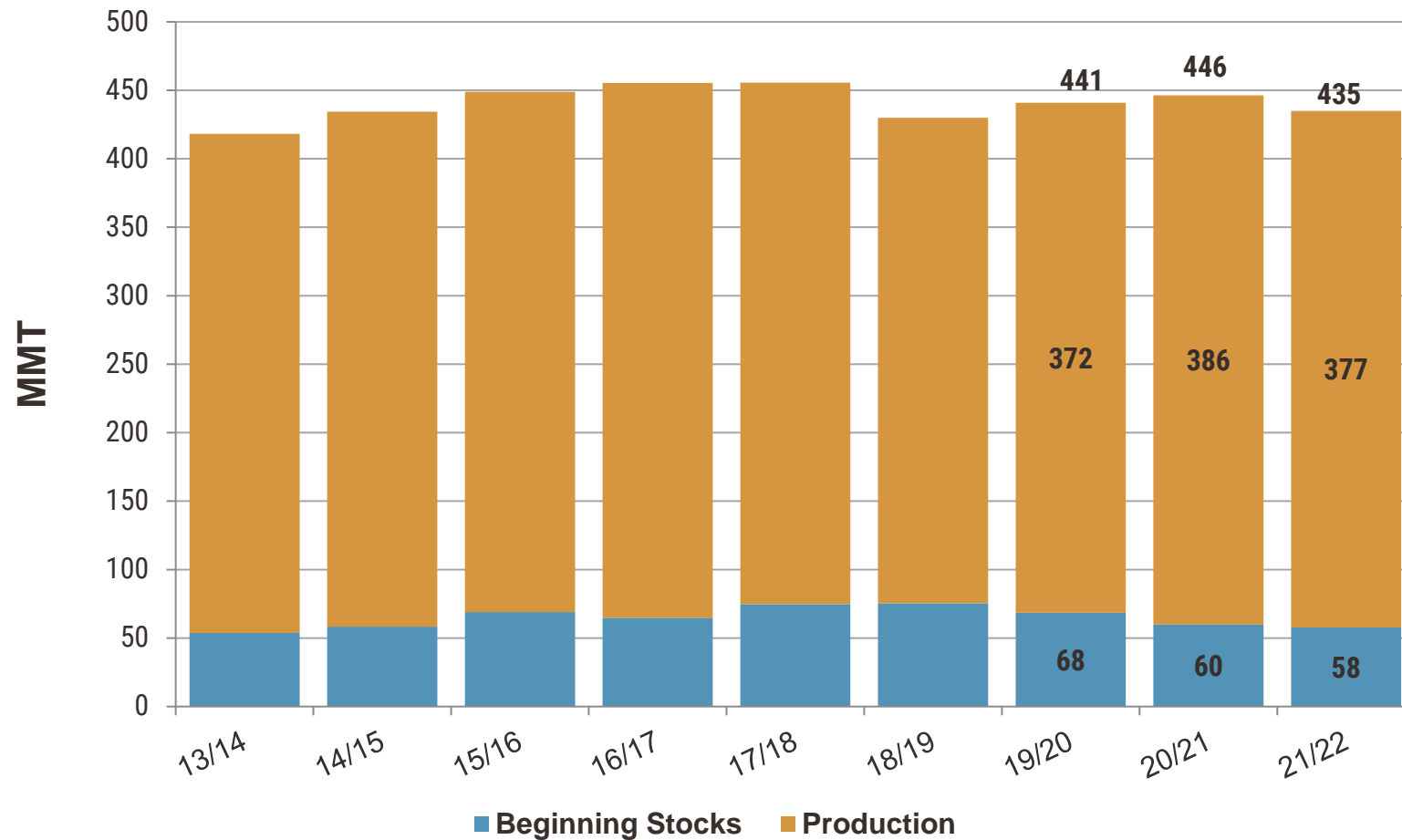
U.S. wheat farm gate price to increase from last year

- The average farm gate price of U.S. wheat in 2021/22 is forecast to increase to \$6.70/bu (\$246.15/MT), up \$0.10 per bushel from last month's \$6.60 (\$242.48/MT)

World Production and Use



Supplies in Top Exporting Countries*



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

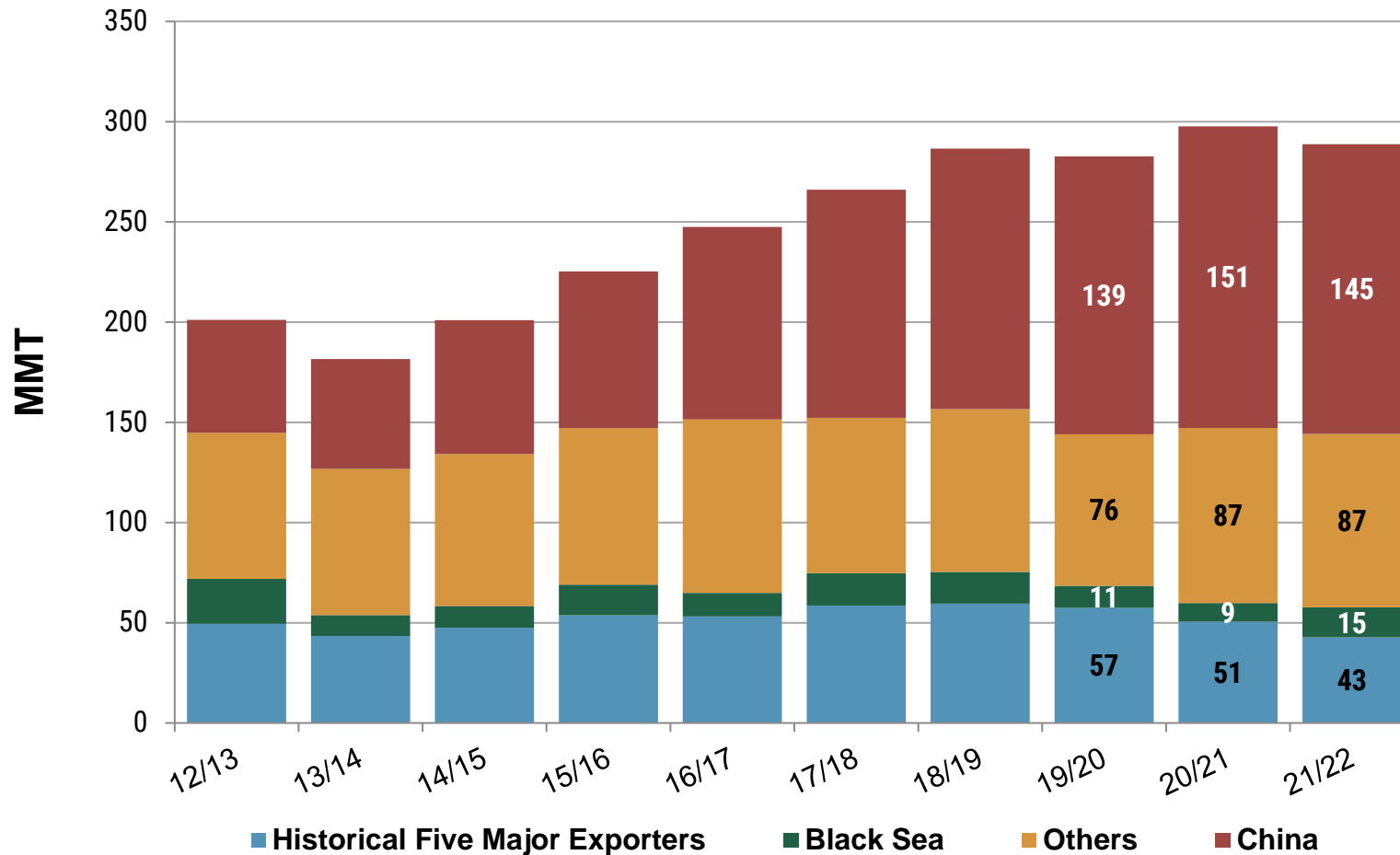


World Wheat Supply and Demand (MMT)

	<u>19/20</u>	-	<u>20/21</u>	-	<u>21/22</u>
SUPPLY:					
Beginning Stocks	283		298		289
Production	764		776		777
Supply Total	1046		1074		1066
Ending Stocks	298		289		279
TRADE:					
Exports/Imports	195		202		198
DEMAND:					
Food & Seed	610		627		629
Feed & Residual	139		158		157
Use Total	749		785		787



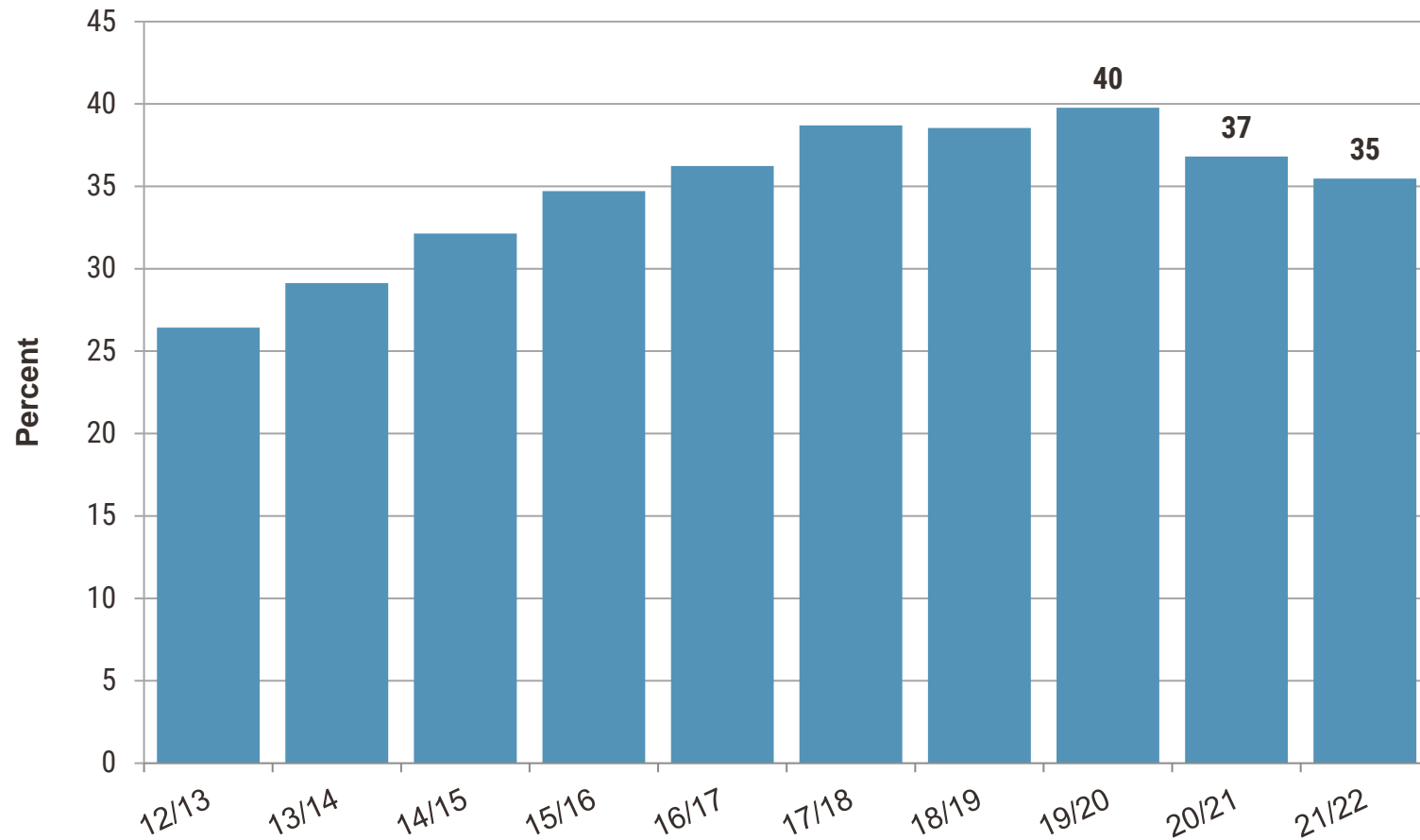
World Beginning Stocks



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



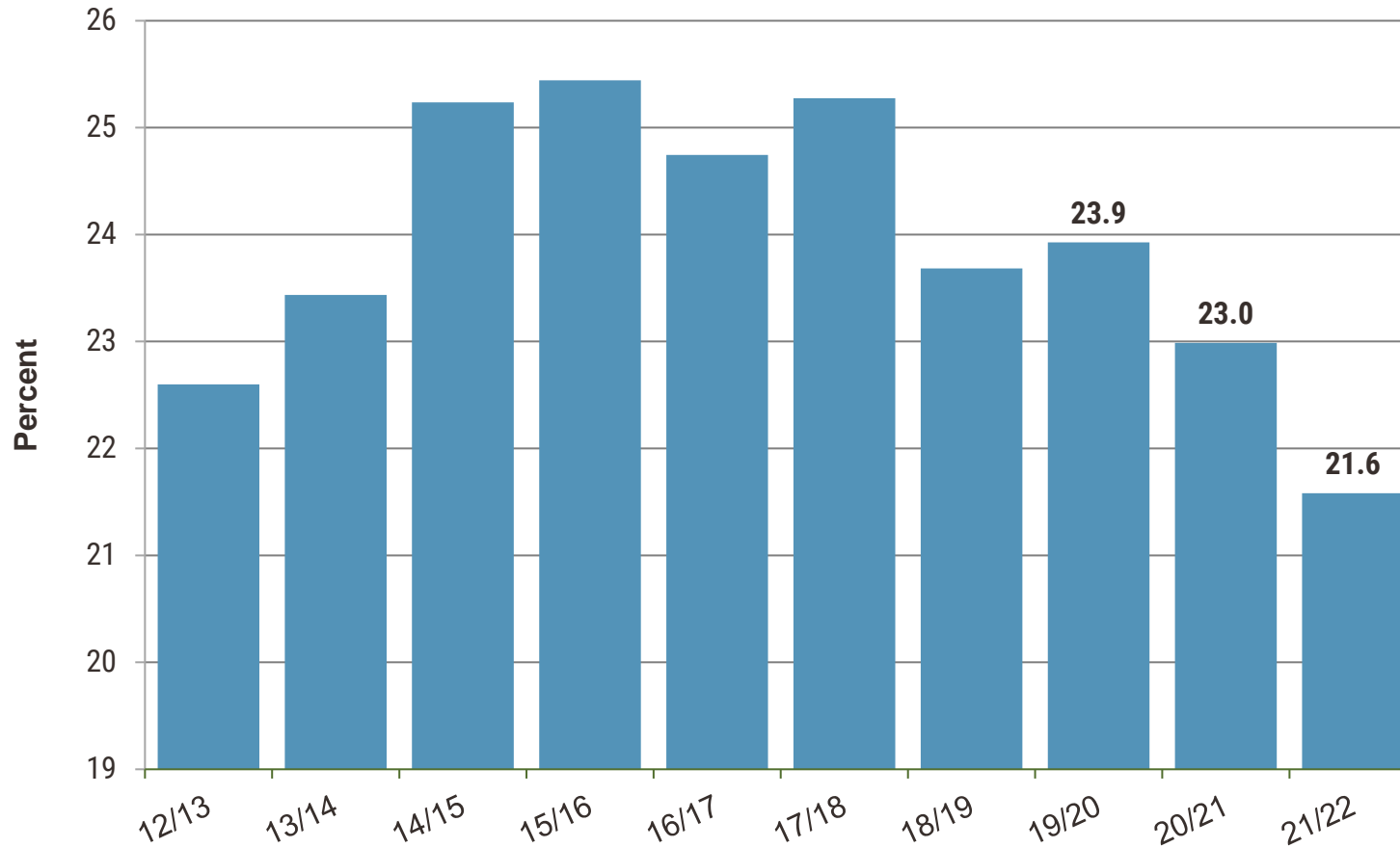
Global Stocks*-to-Use Ratio



*Ending stocks



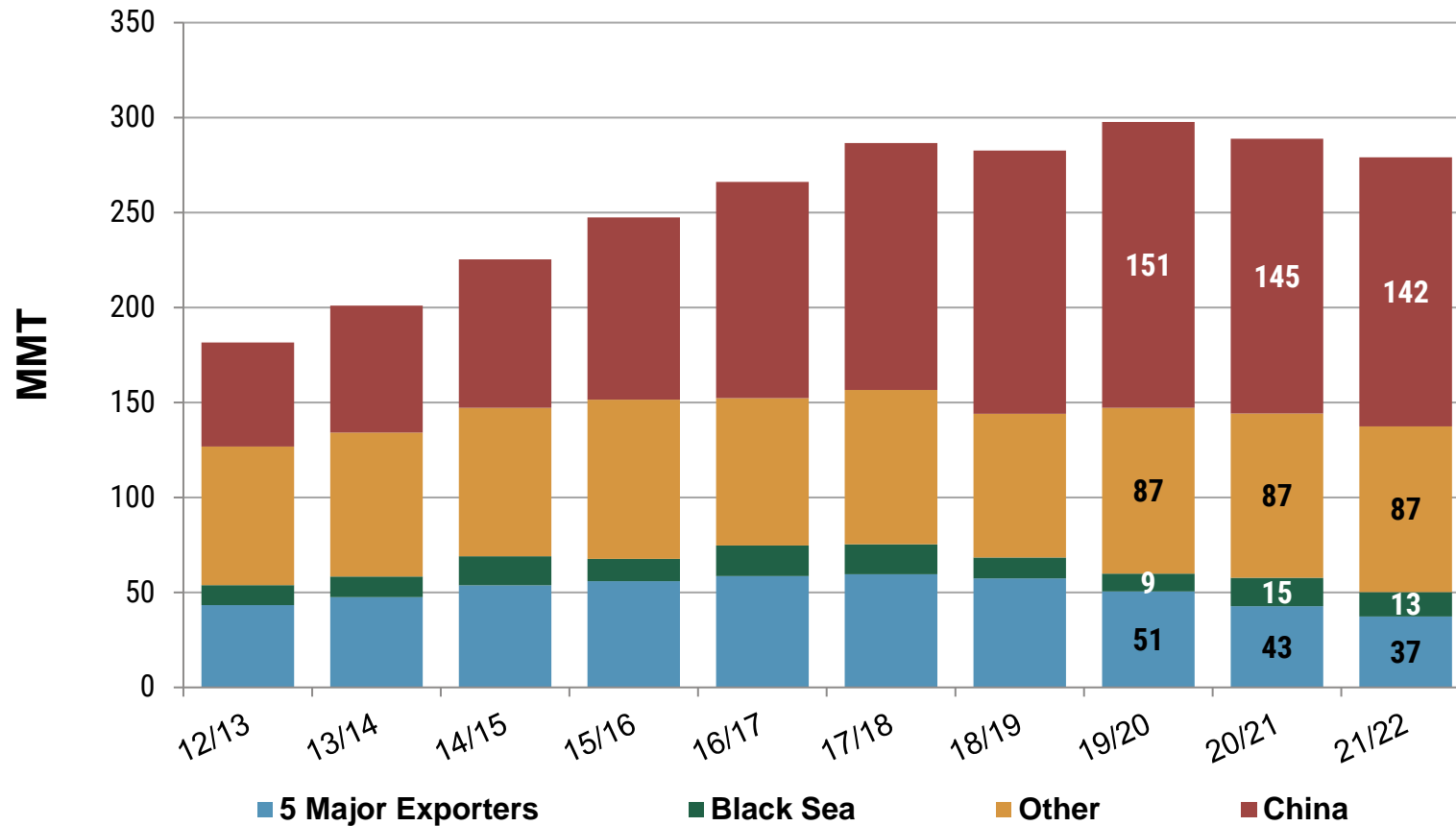
Global Stocks*-to-Use Ratio w/o China



*Ending stocks



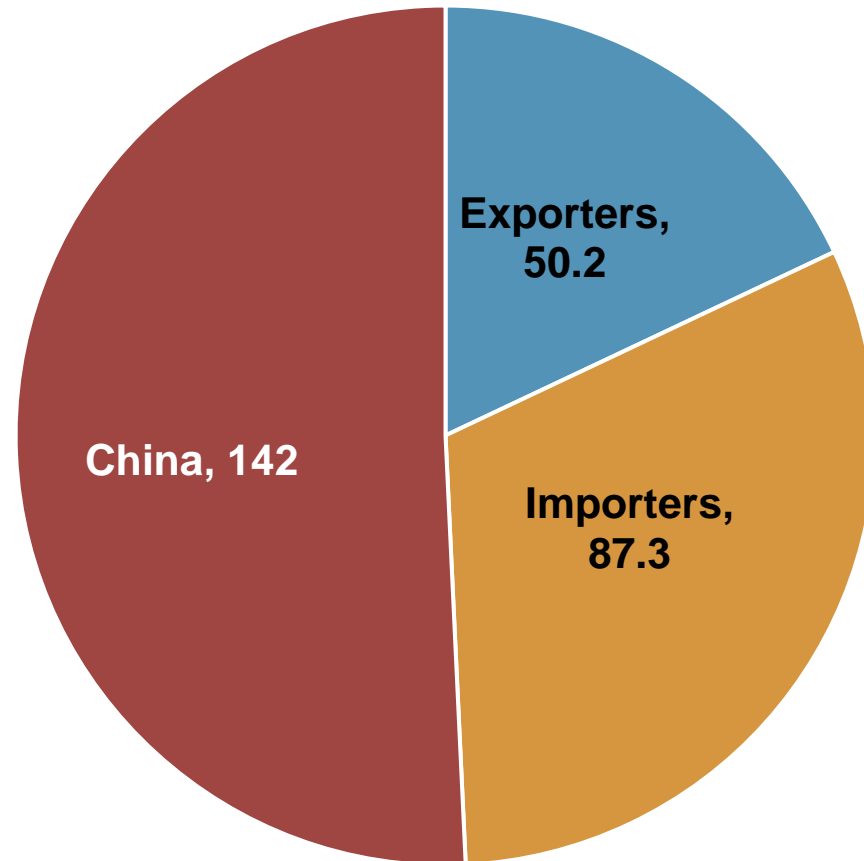
World Ending Stocks



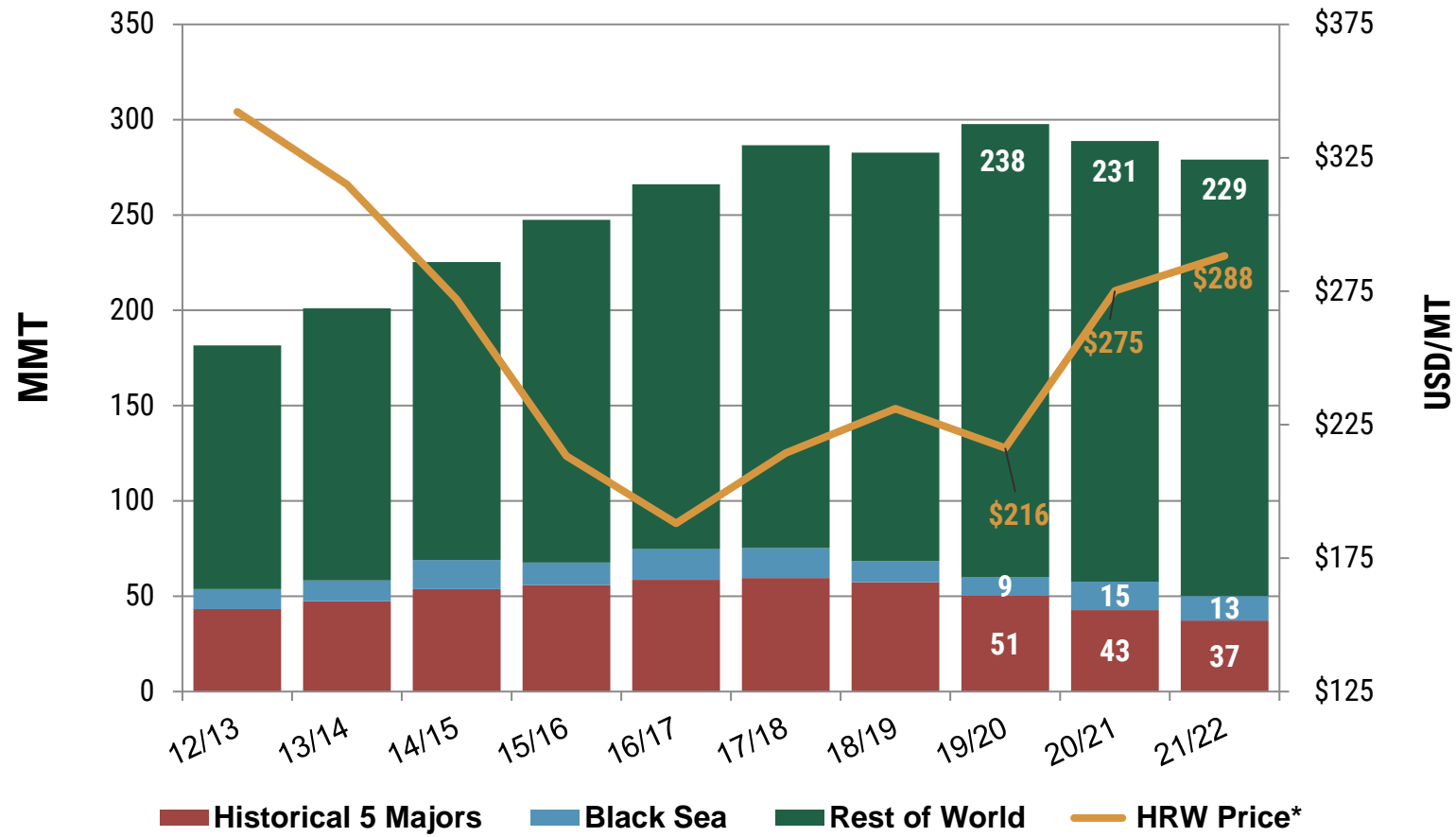
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World Ending Stocks by Position (MMT)



Global Ending Stocks and Price



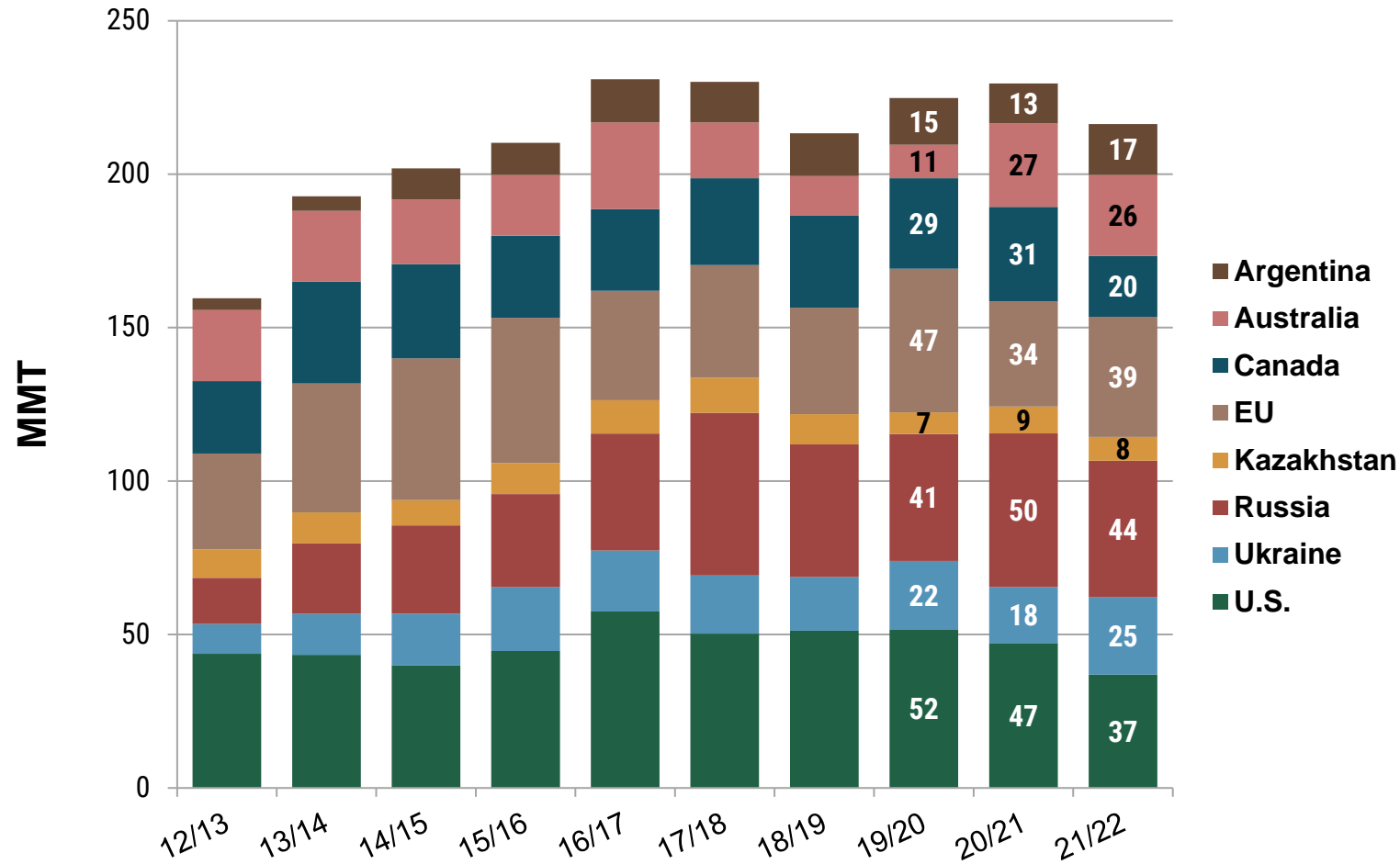
*Source: U.S. Wheat Associates Price Report, August 6, 2021



01

Major Exporters

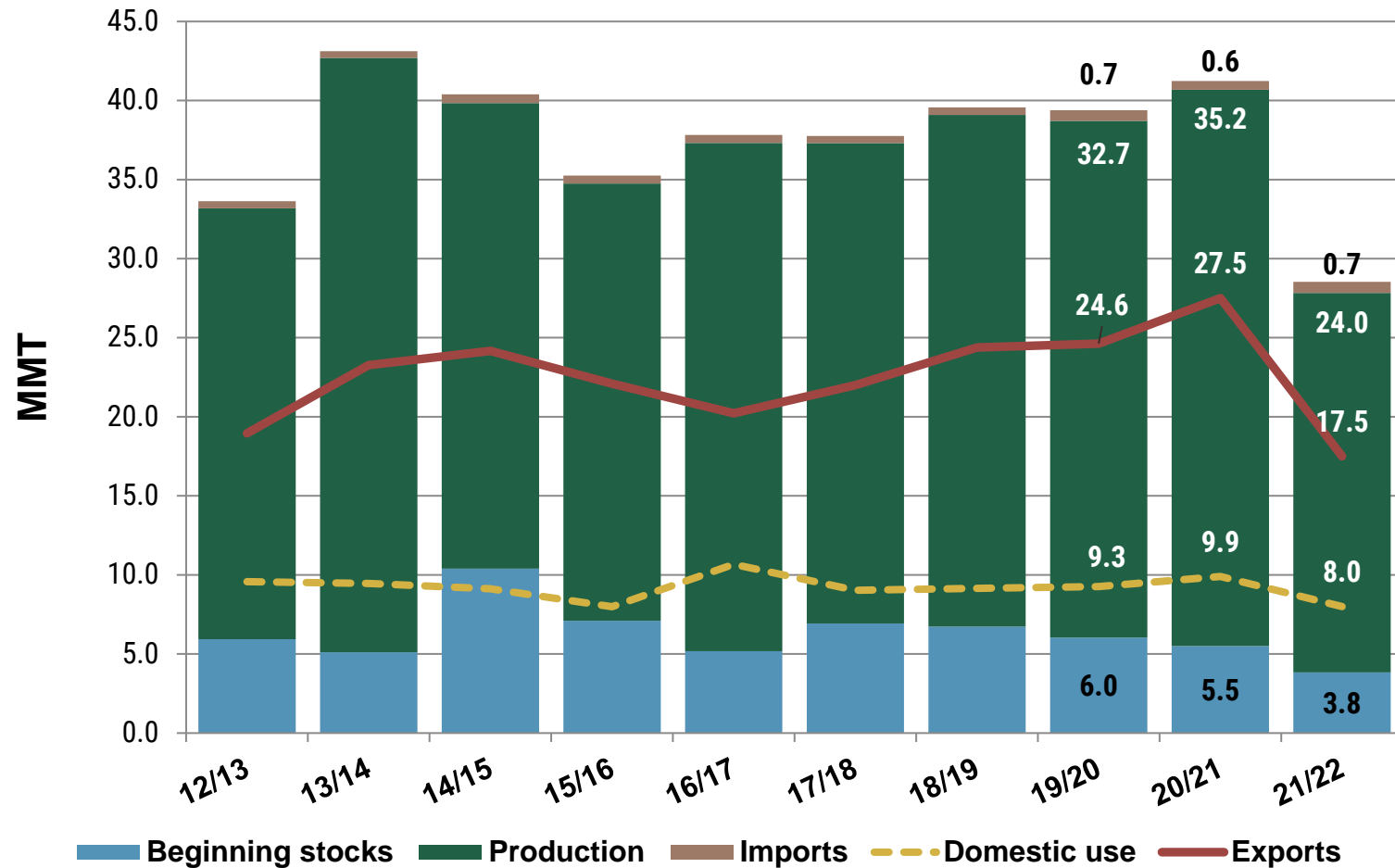
Exportable Supplies in Top Exporting Countries



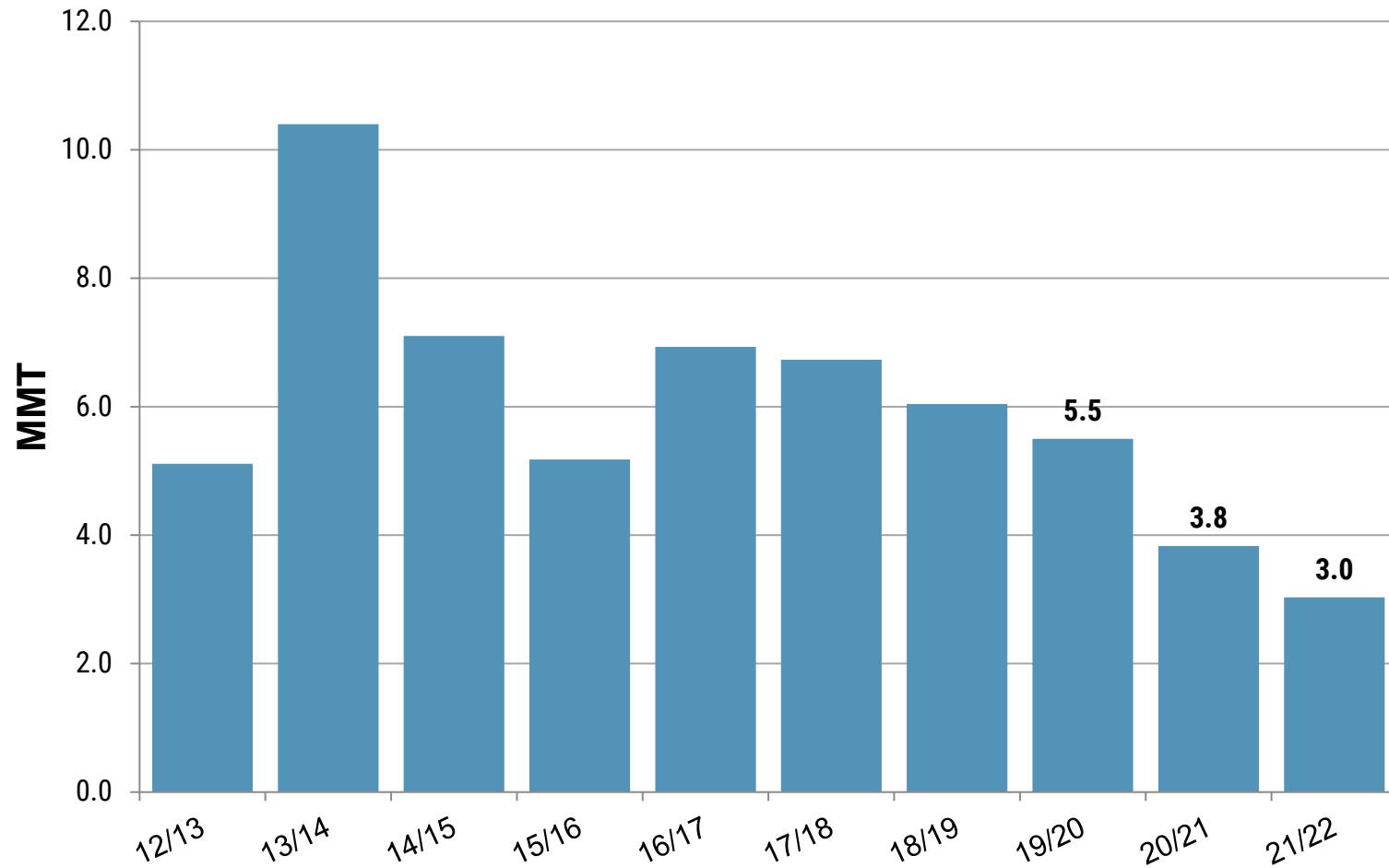
*Exportable Supplies = (Beginning Stocks + Production) – Domestic Consumption



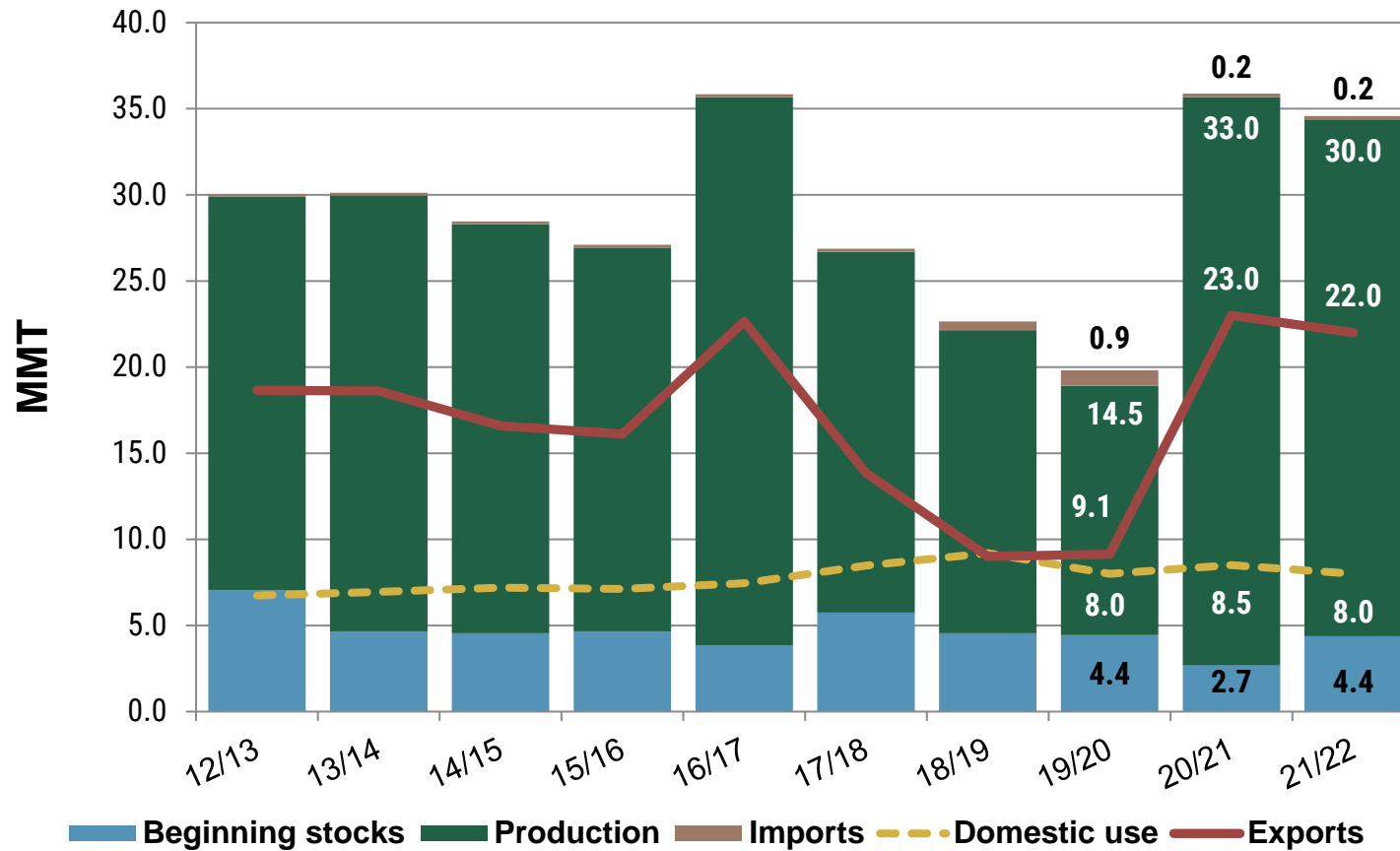
Canada Situation



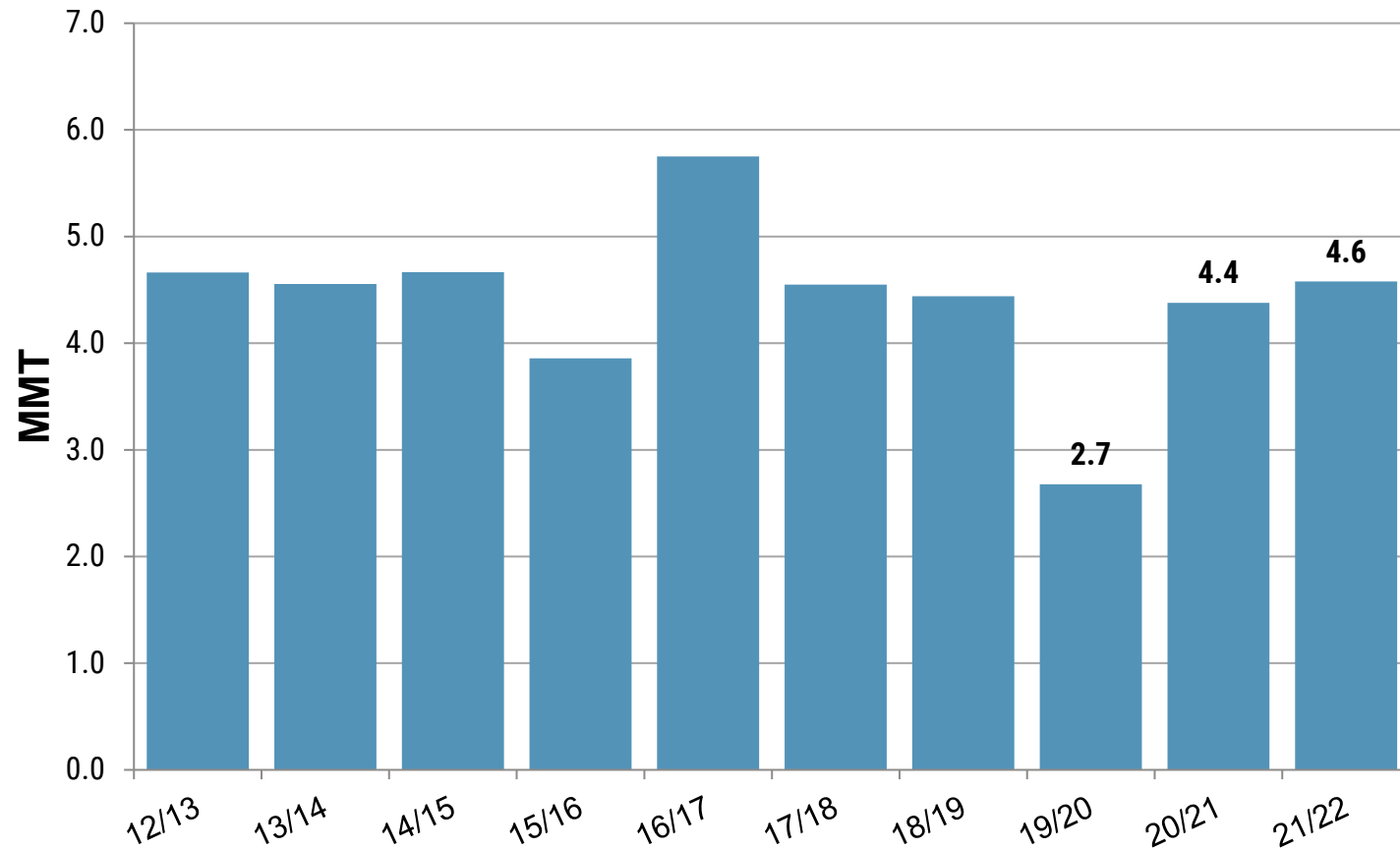
Canada Ending Stocks



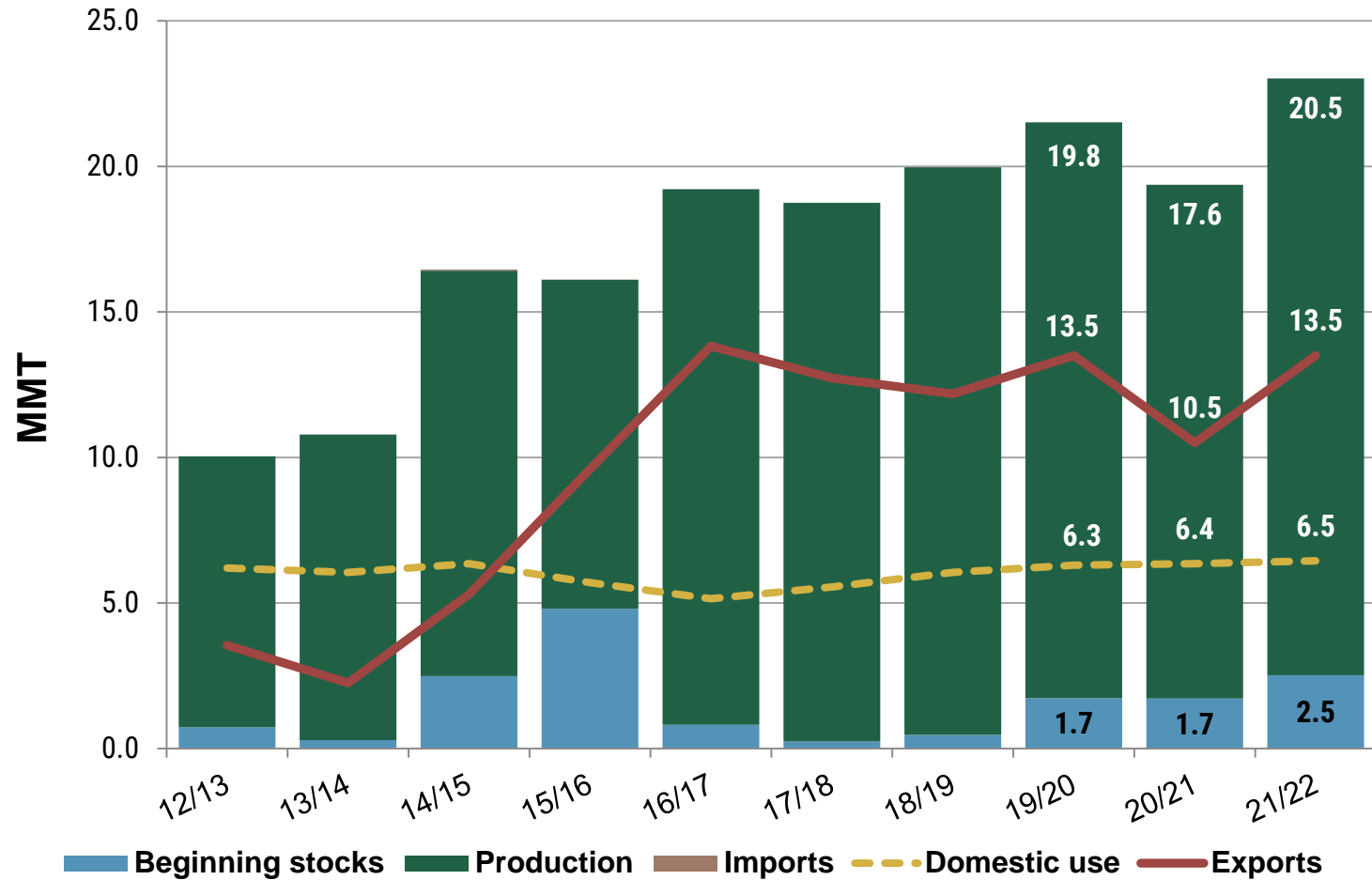
Australia Situation



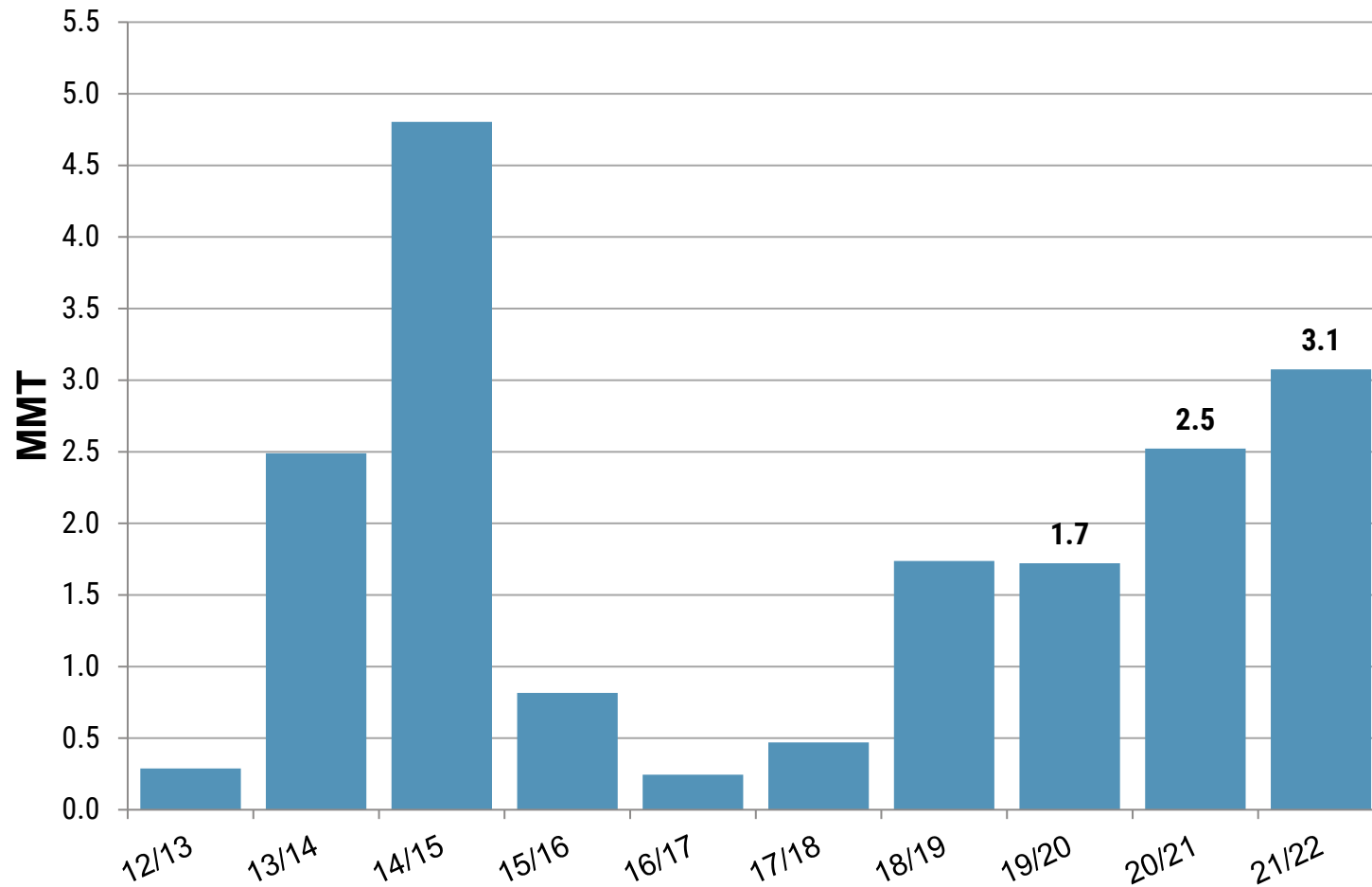
Australia Ending Stocks



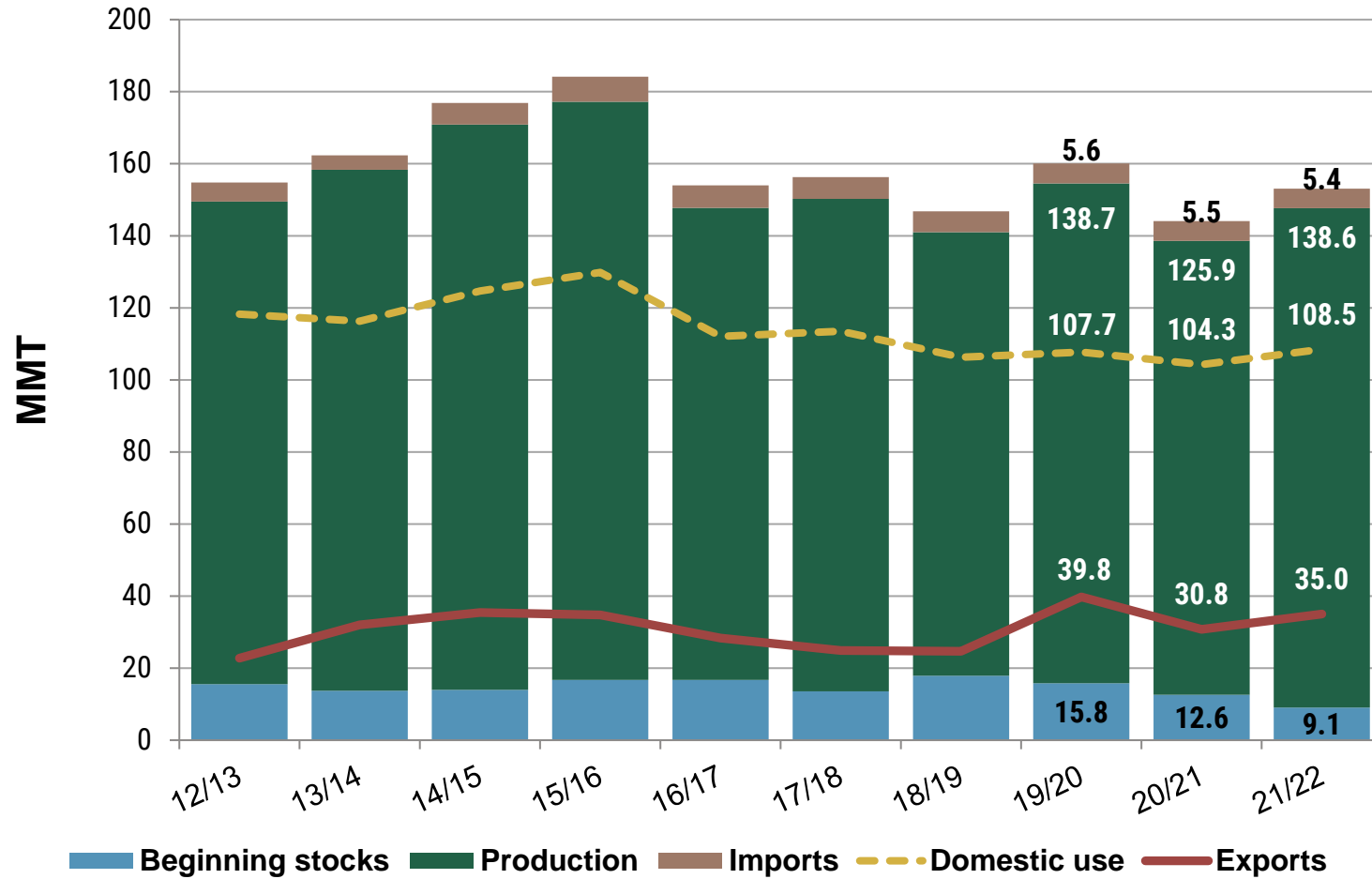
Argentina Situation



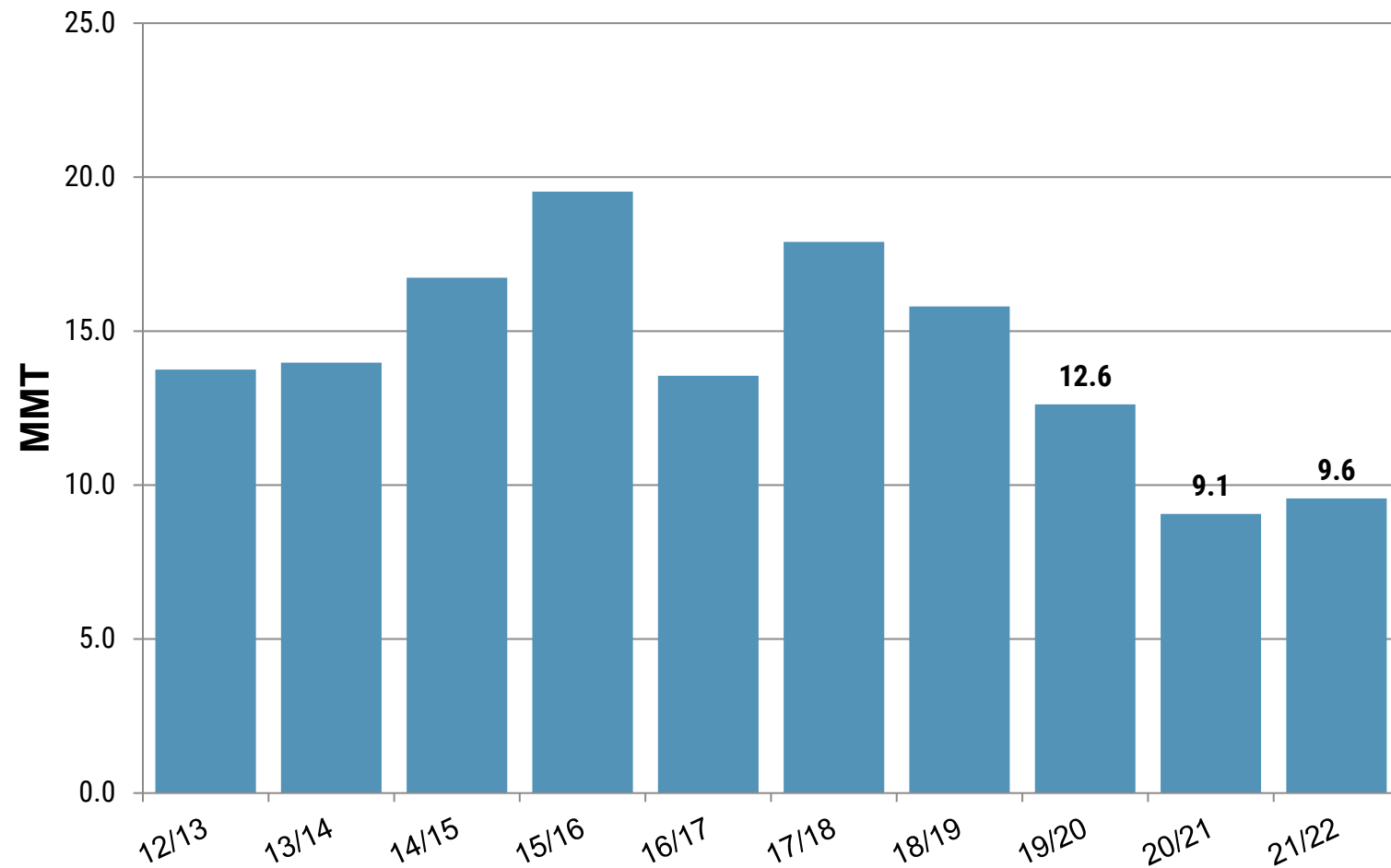
Argentina Ending Stocks



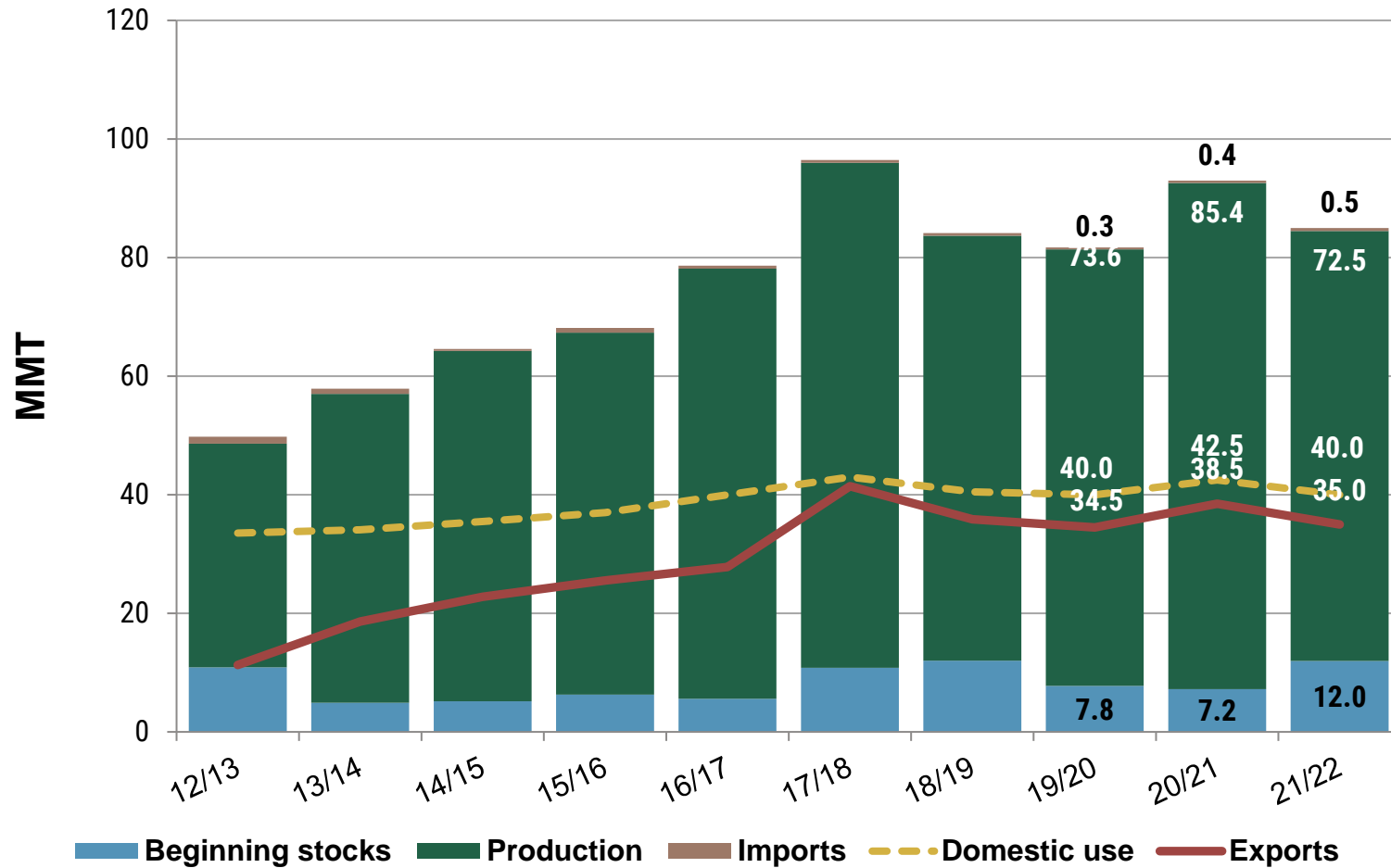
EU Situation



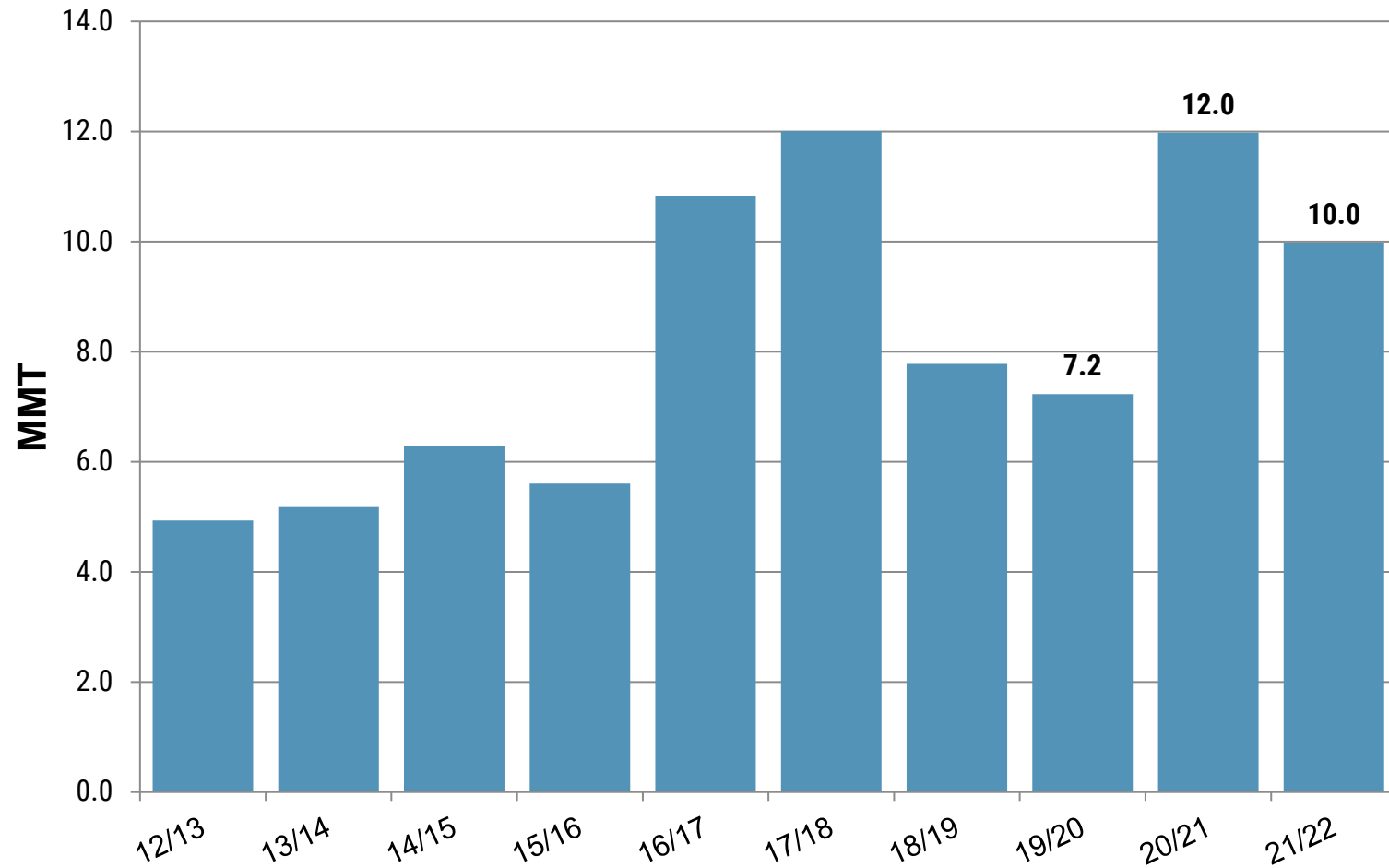
EU Ending Stocks



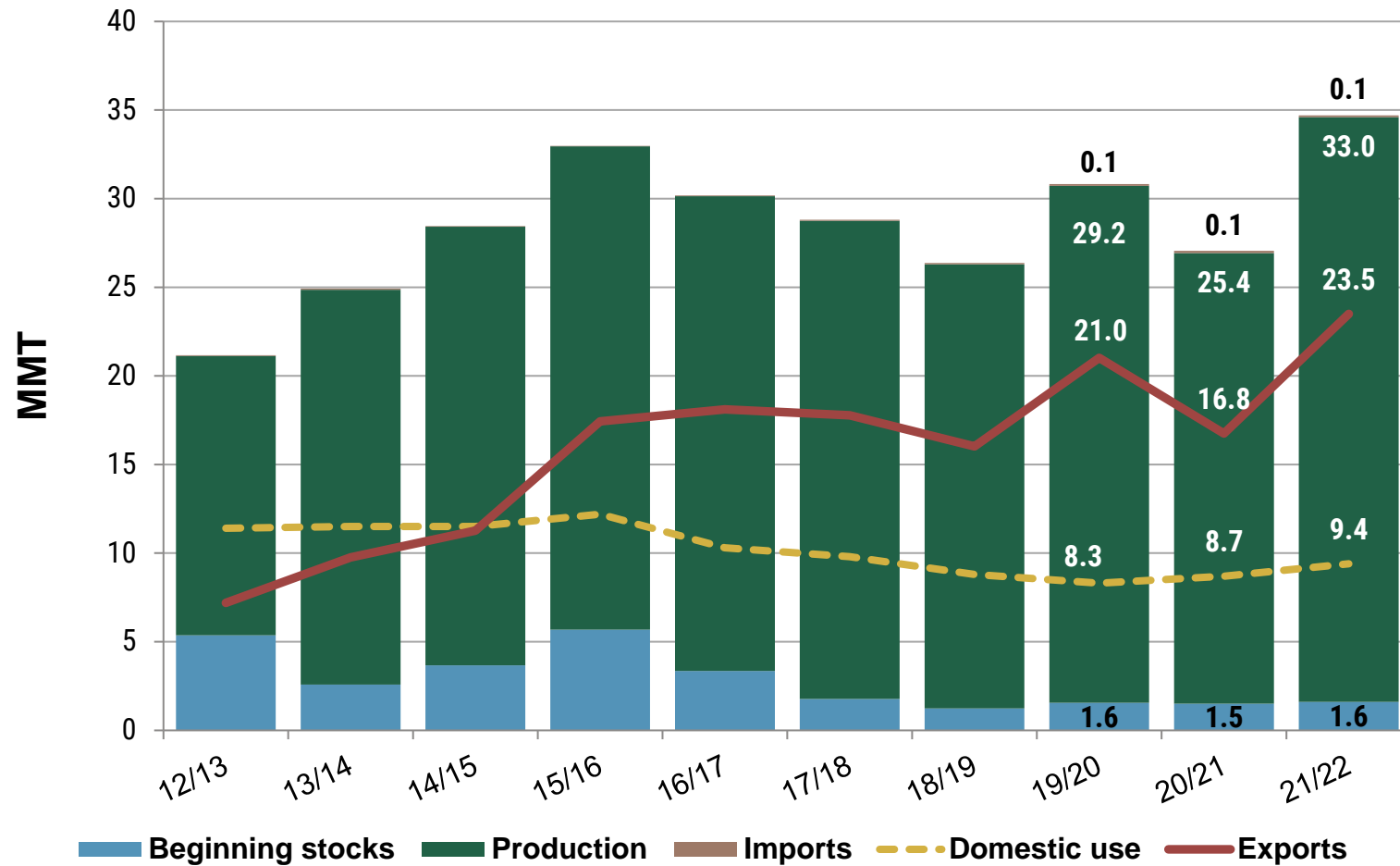
Russia Situation



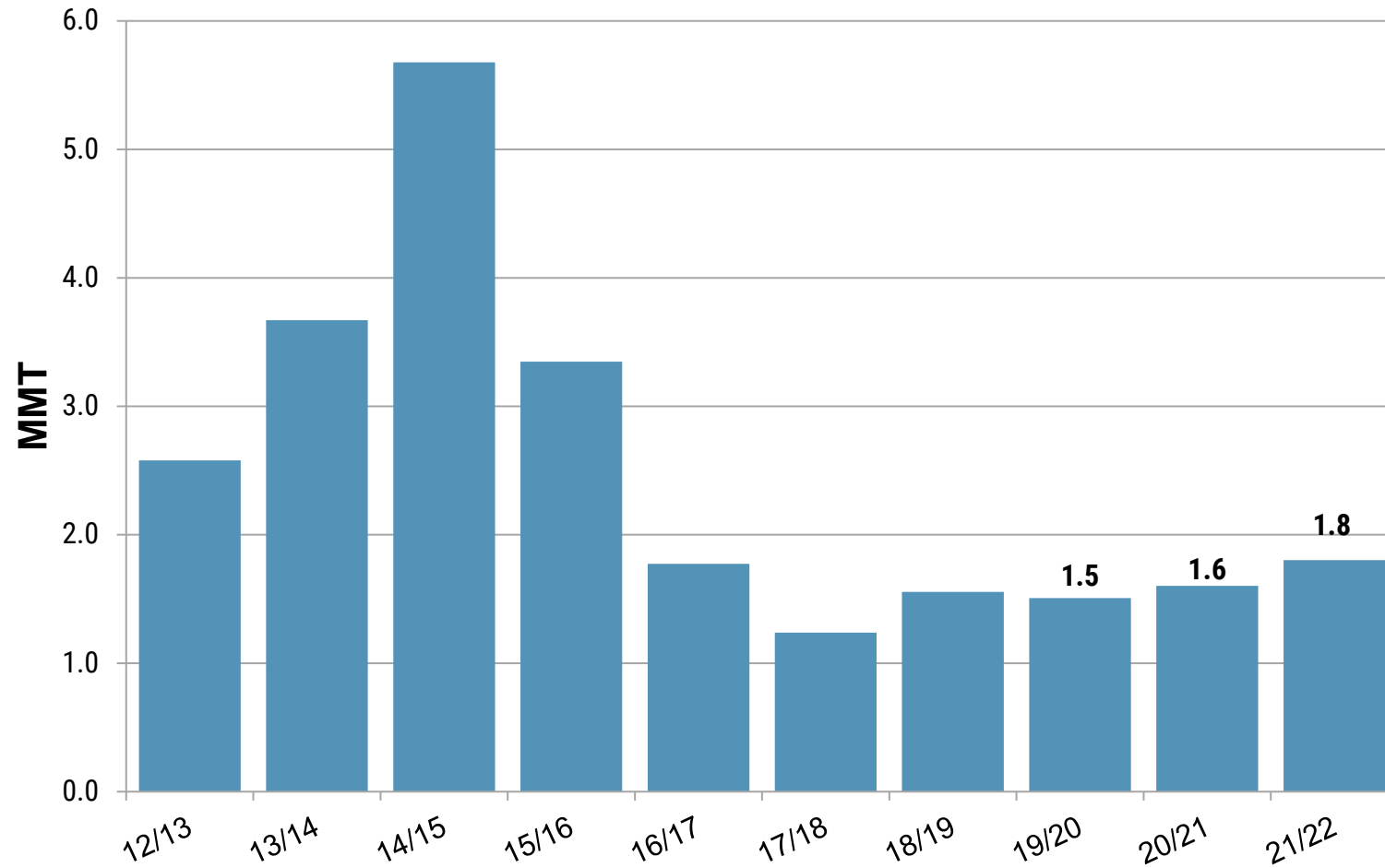
Russia Ending Stocks



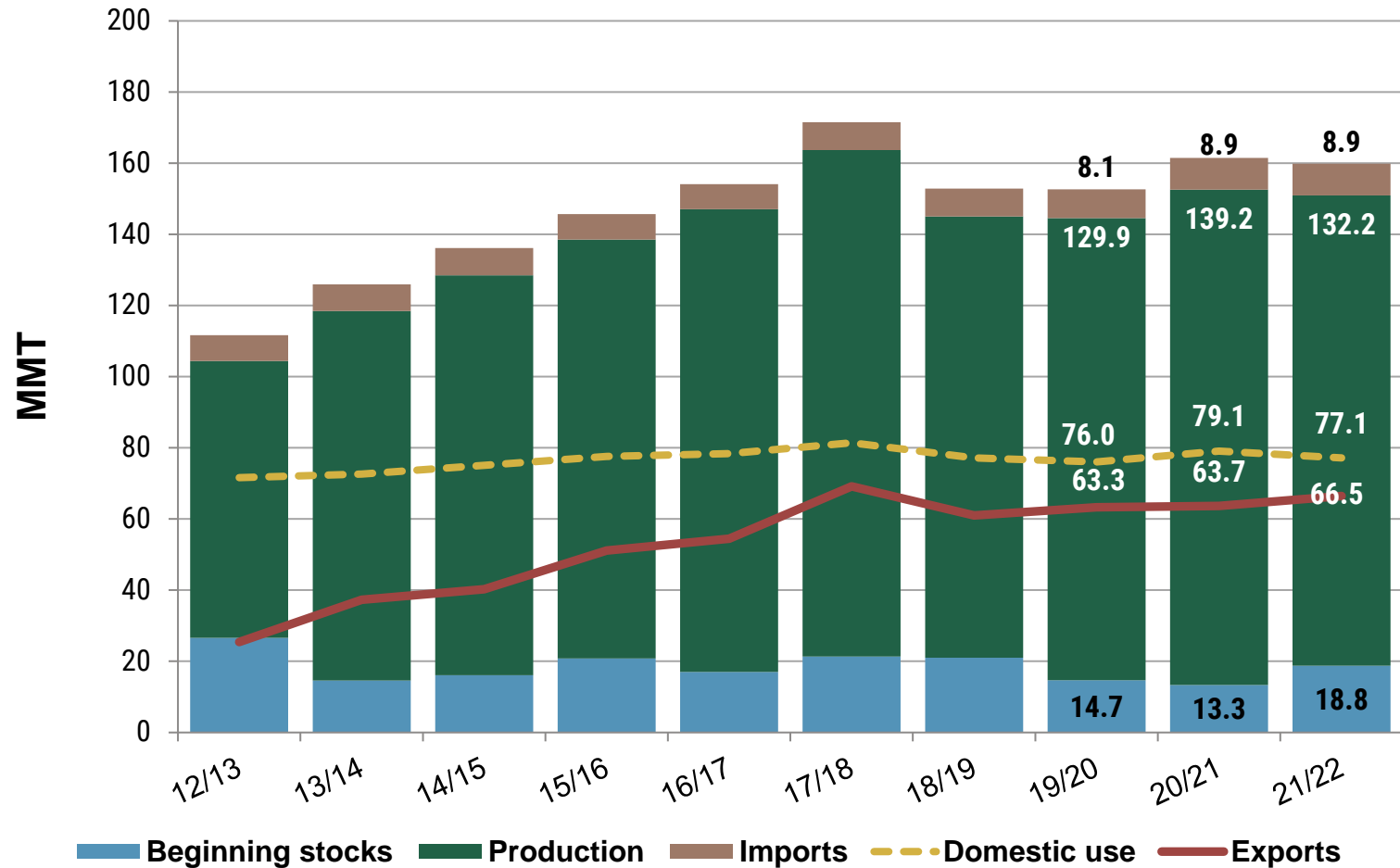
Ukraine Situation



Ukraine Ending Stocks

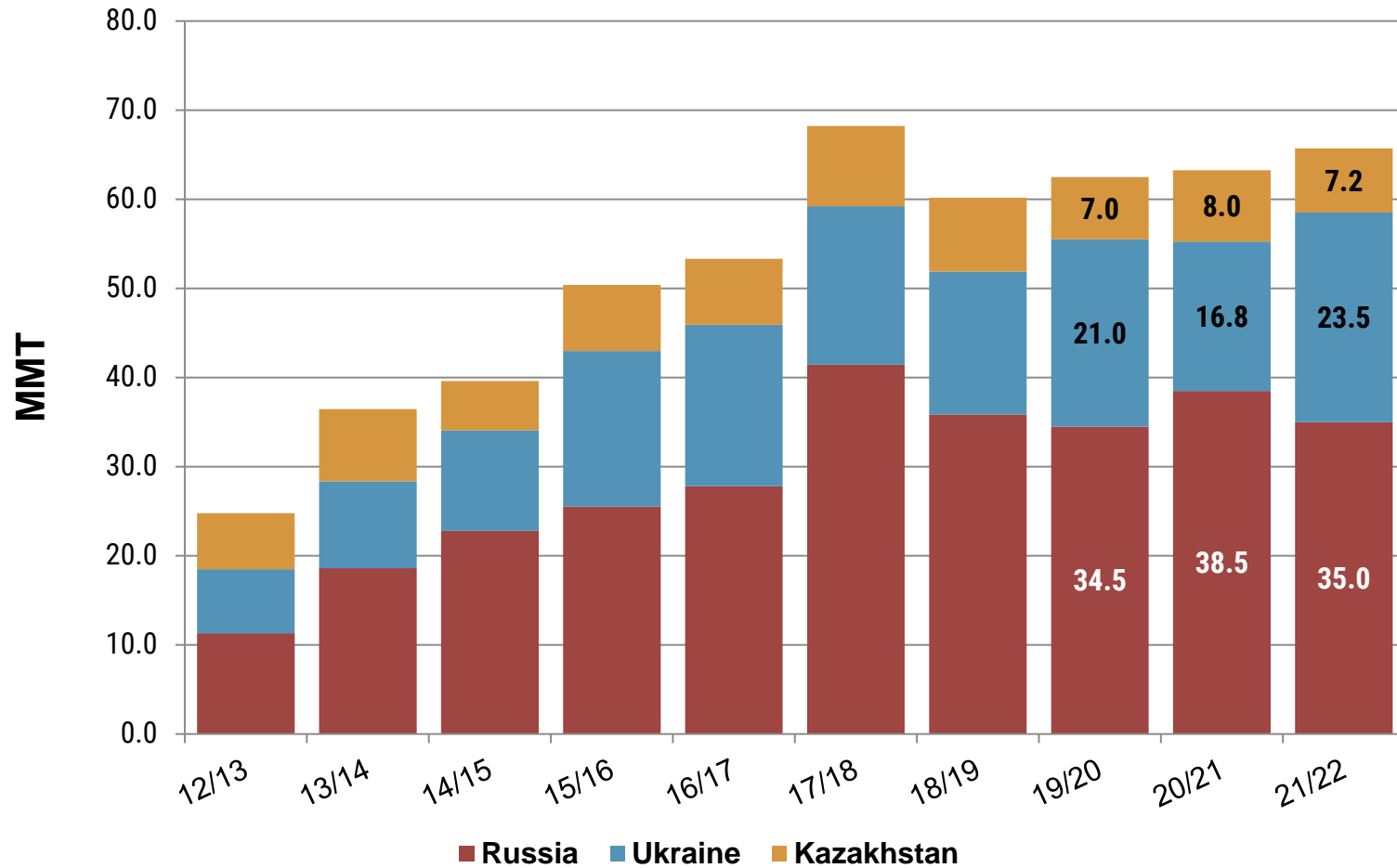


Black Sea Region Situation



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

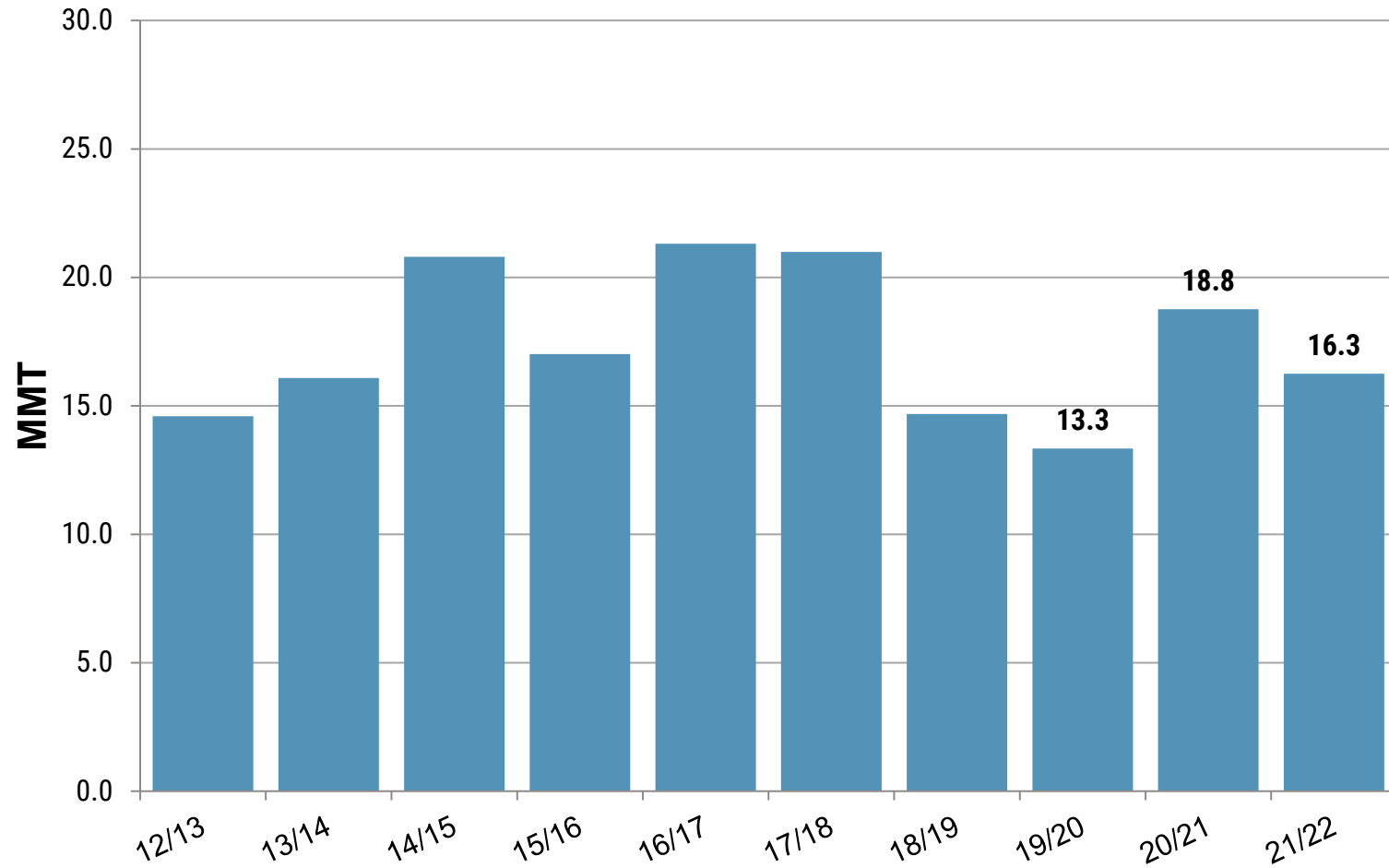
Black Sea Exports



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



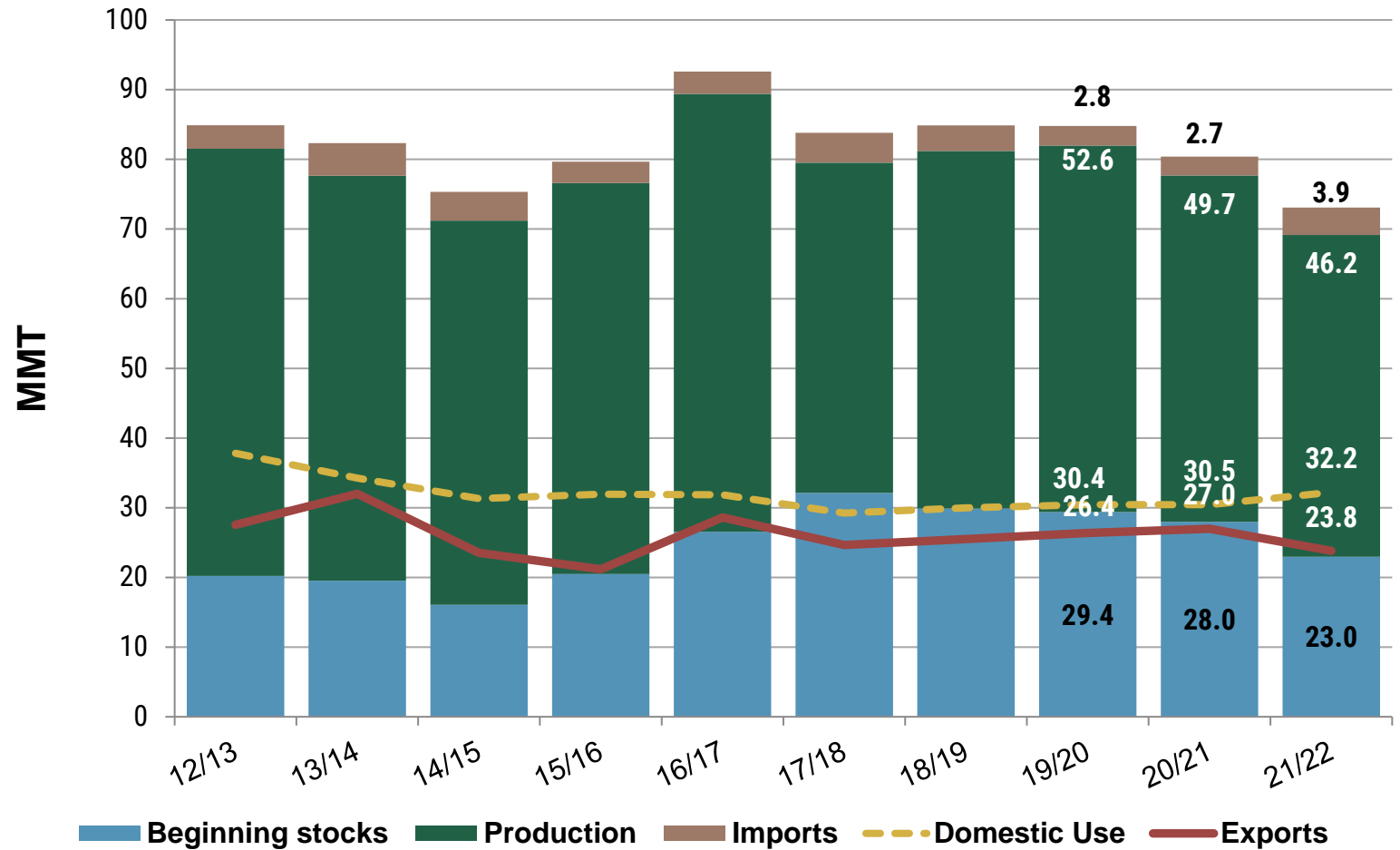
Black Sea Ending Stocks



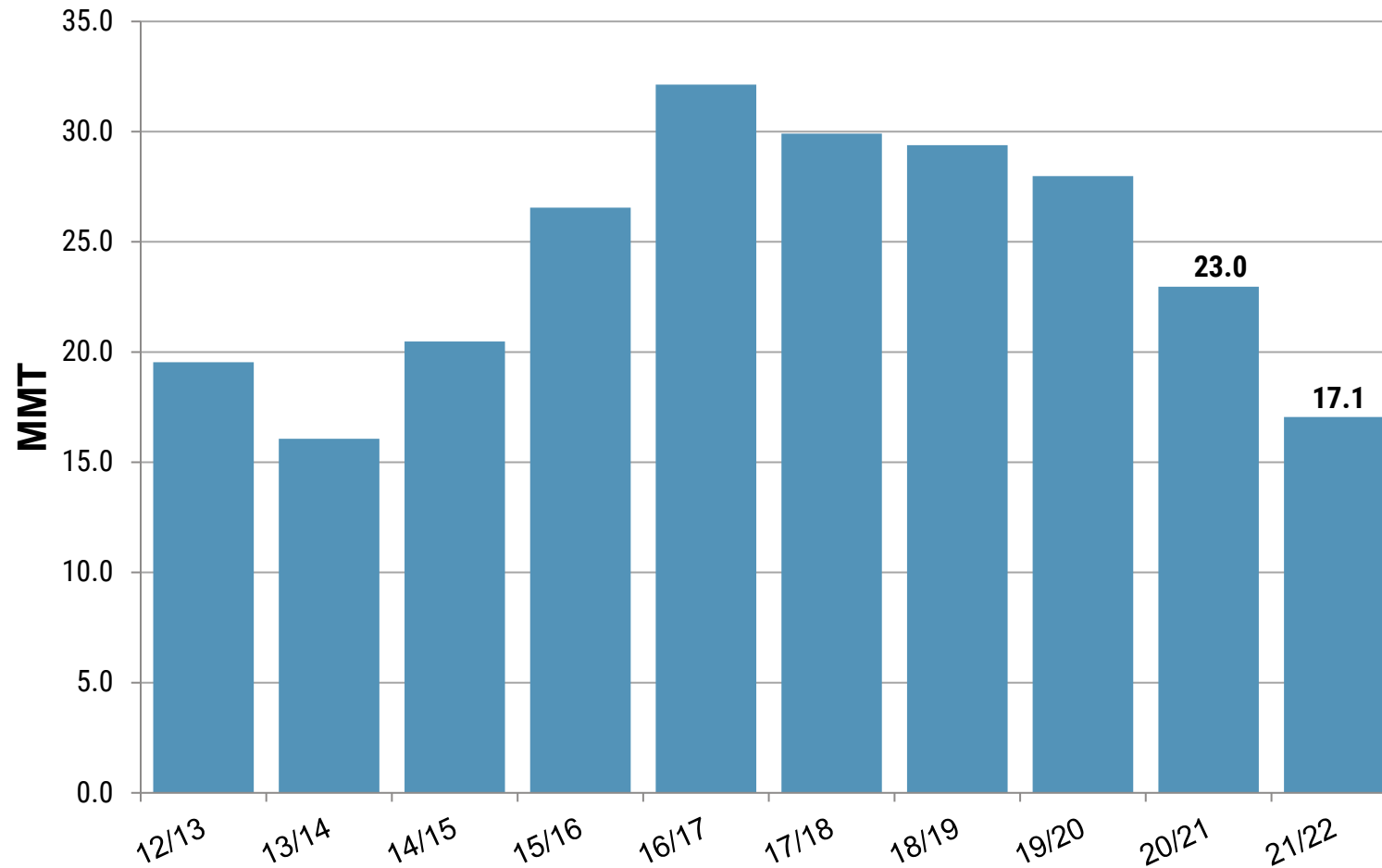
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U.S. Situation



U.S. Ending Stocks

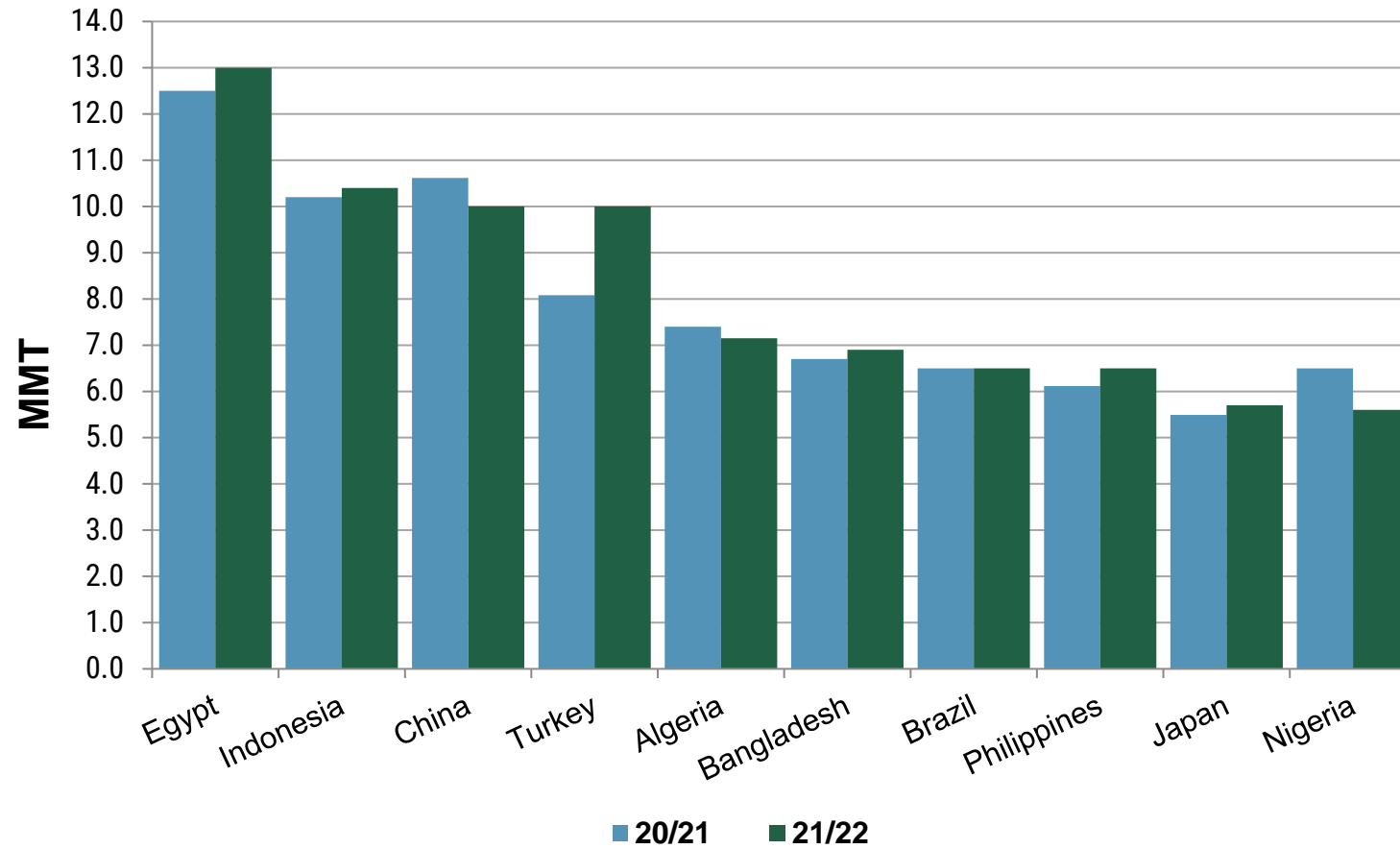




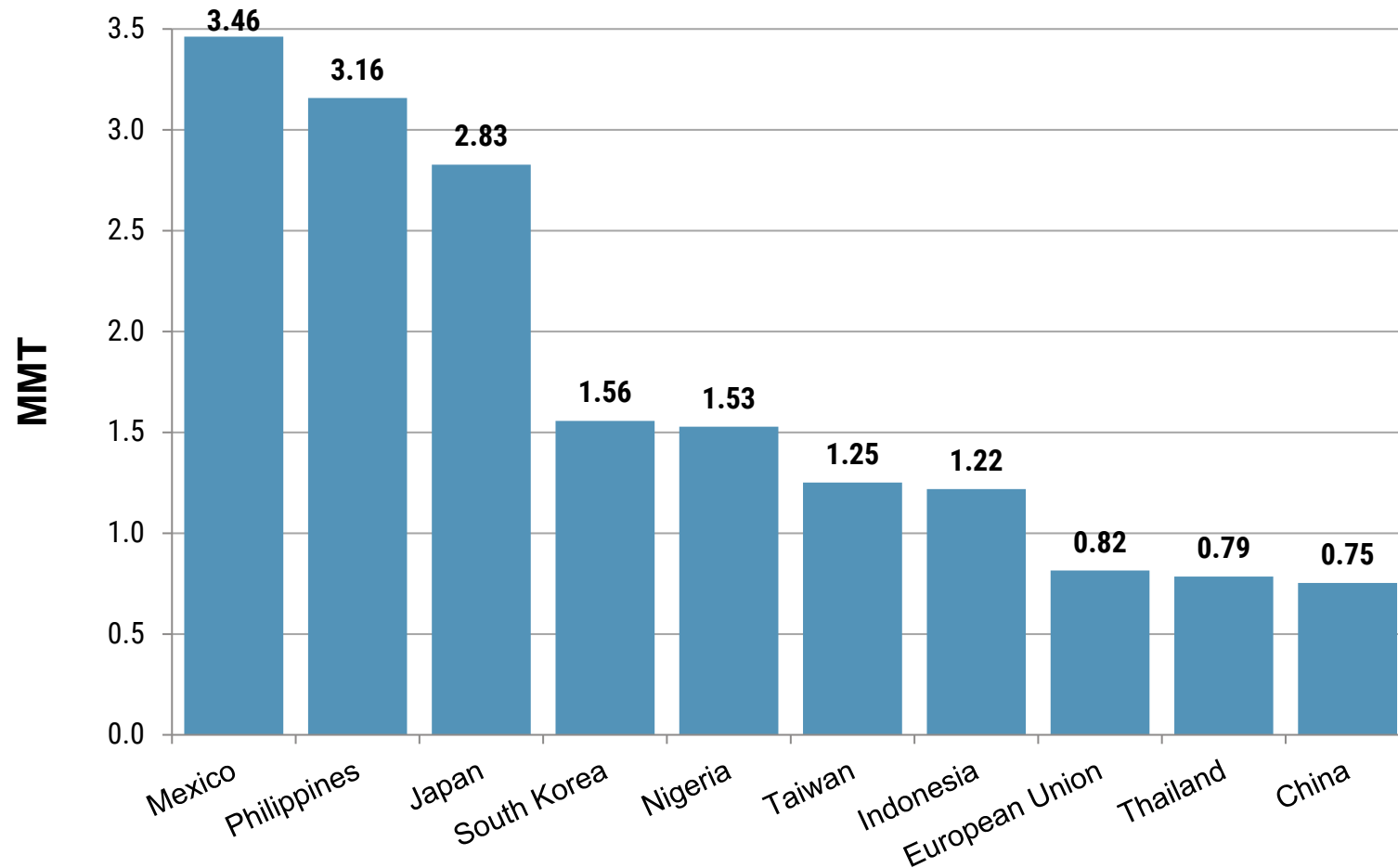
02

Import Demand

Major World Wheat Importers

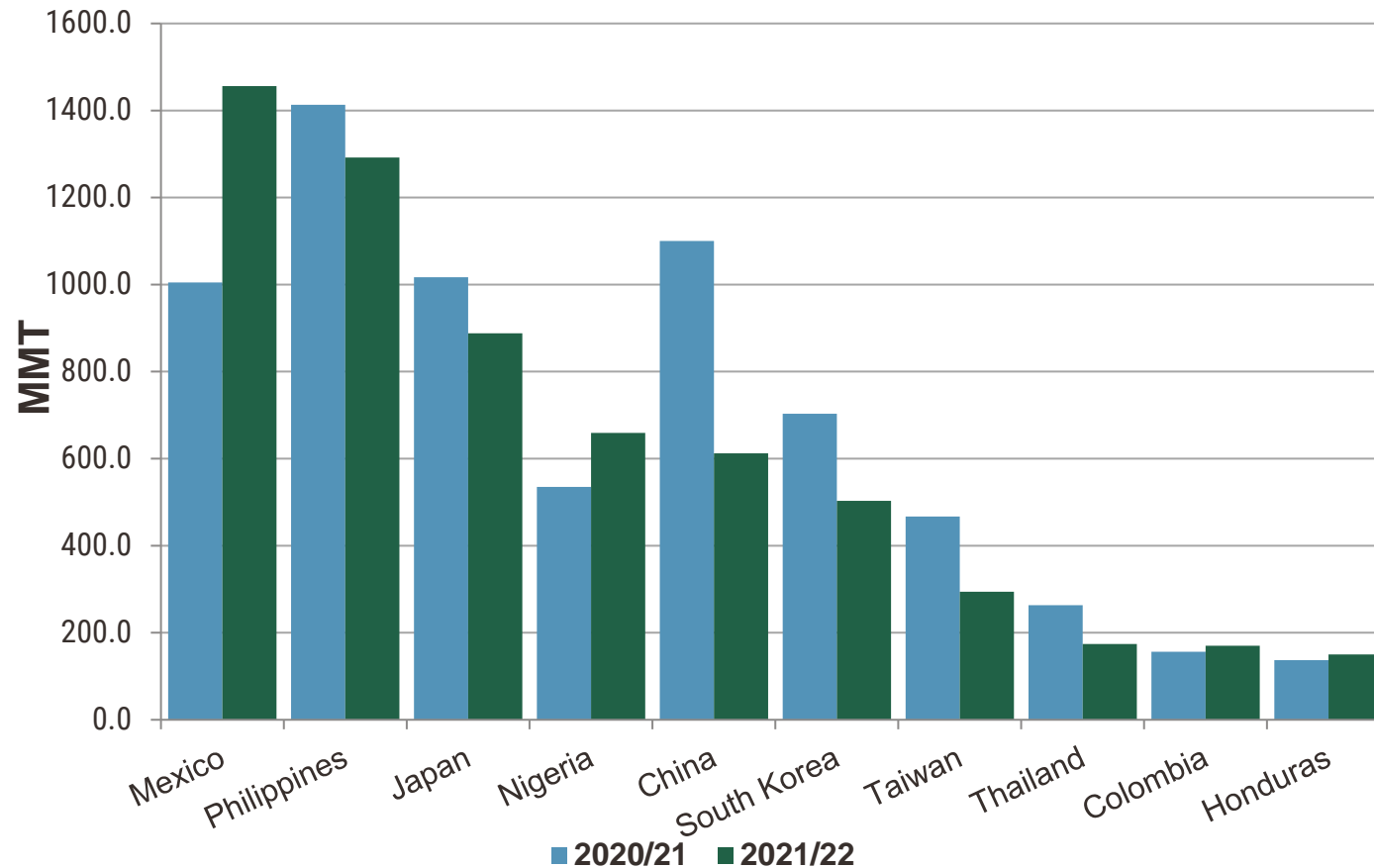


Top 10 Customers for U.S. Wheat (5-year average)



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

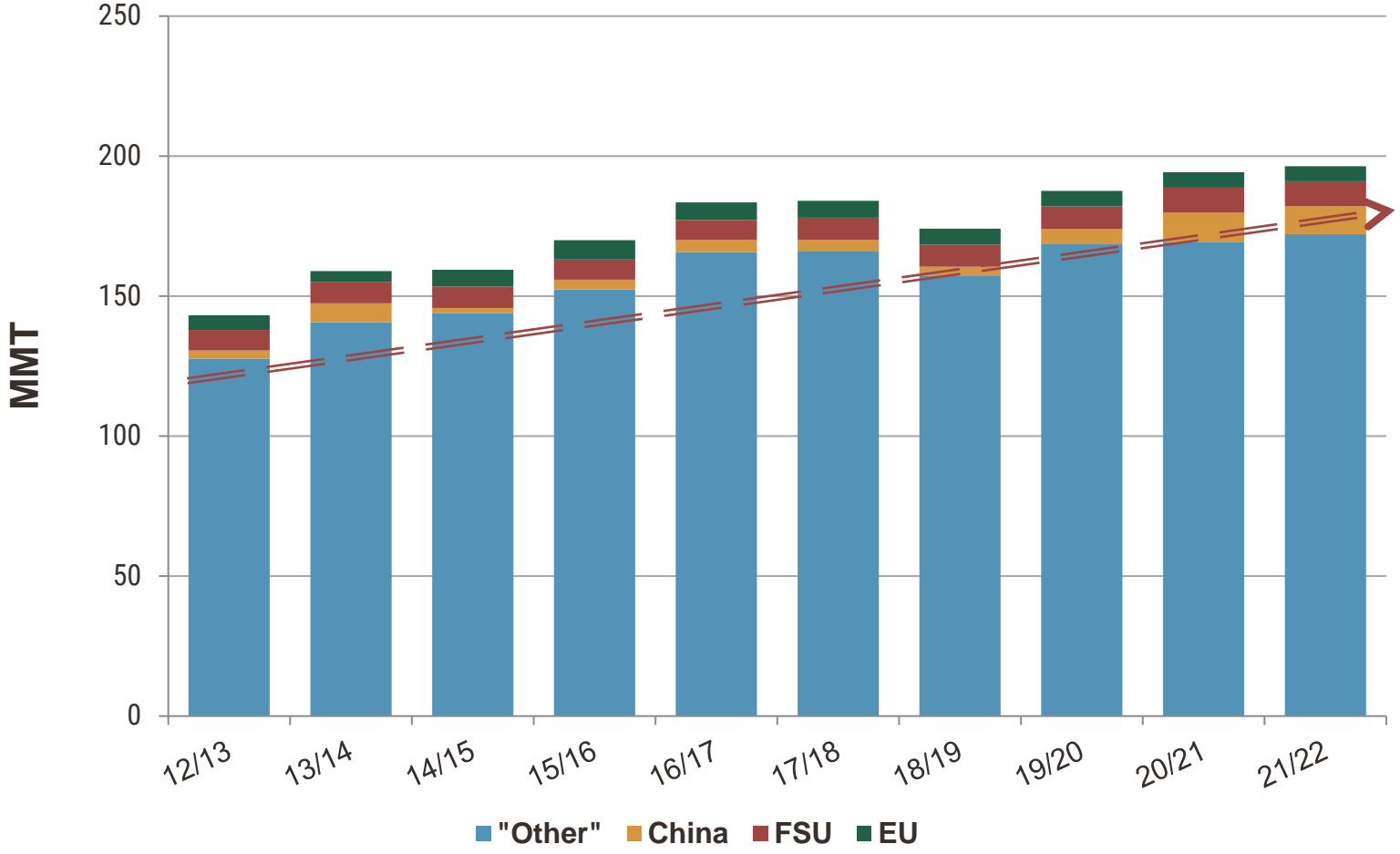
Top 10 Customers for U.S. Wheat (year-to-date sales for current marketing year delivery)



Source: USDA FAS export sales data as of August 12, 2021



World Wheat Imports

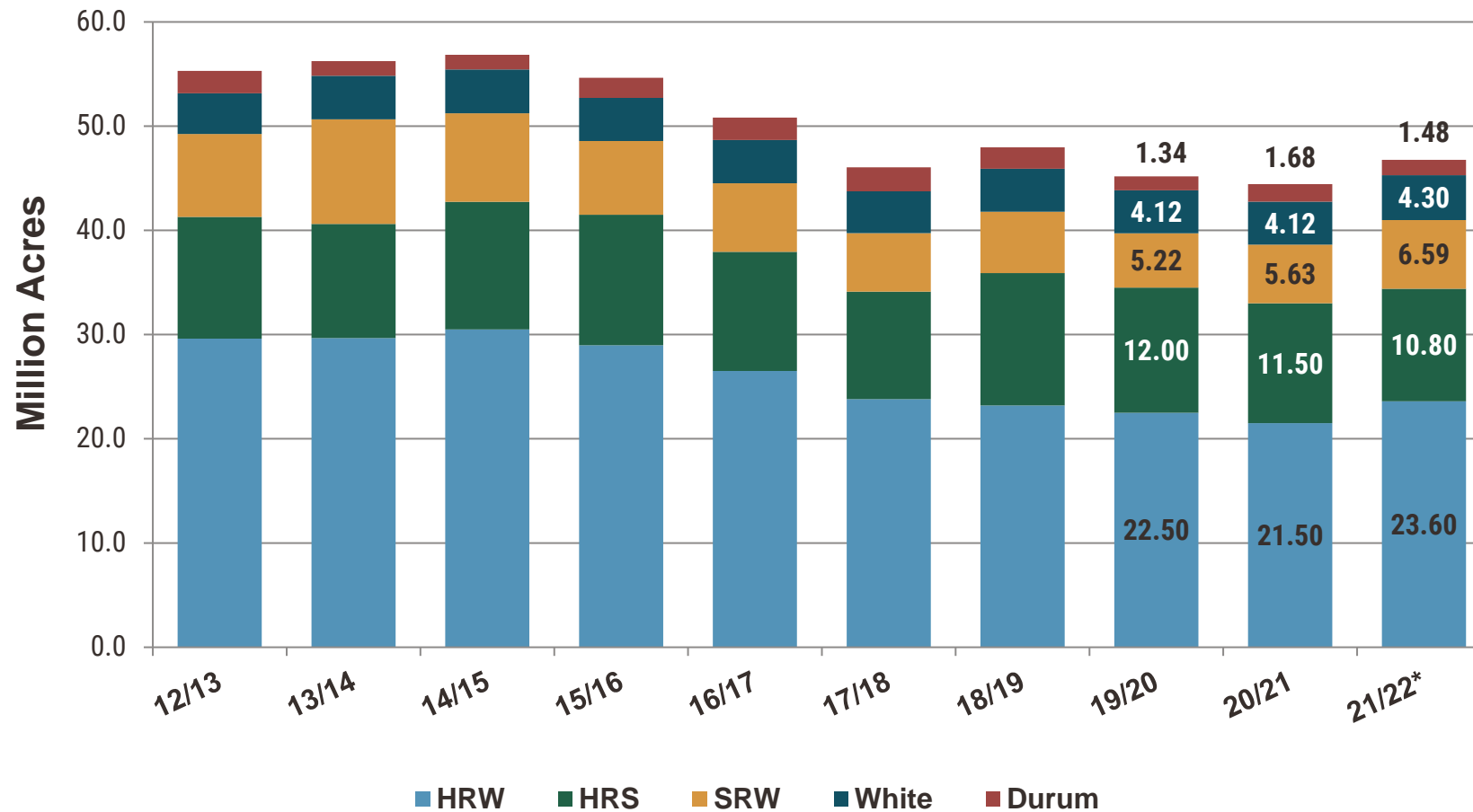




03

*U.S. Situation by
Class*

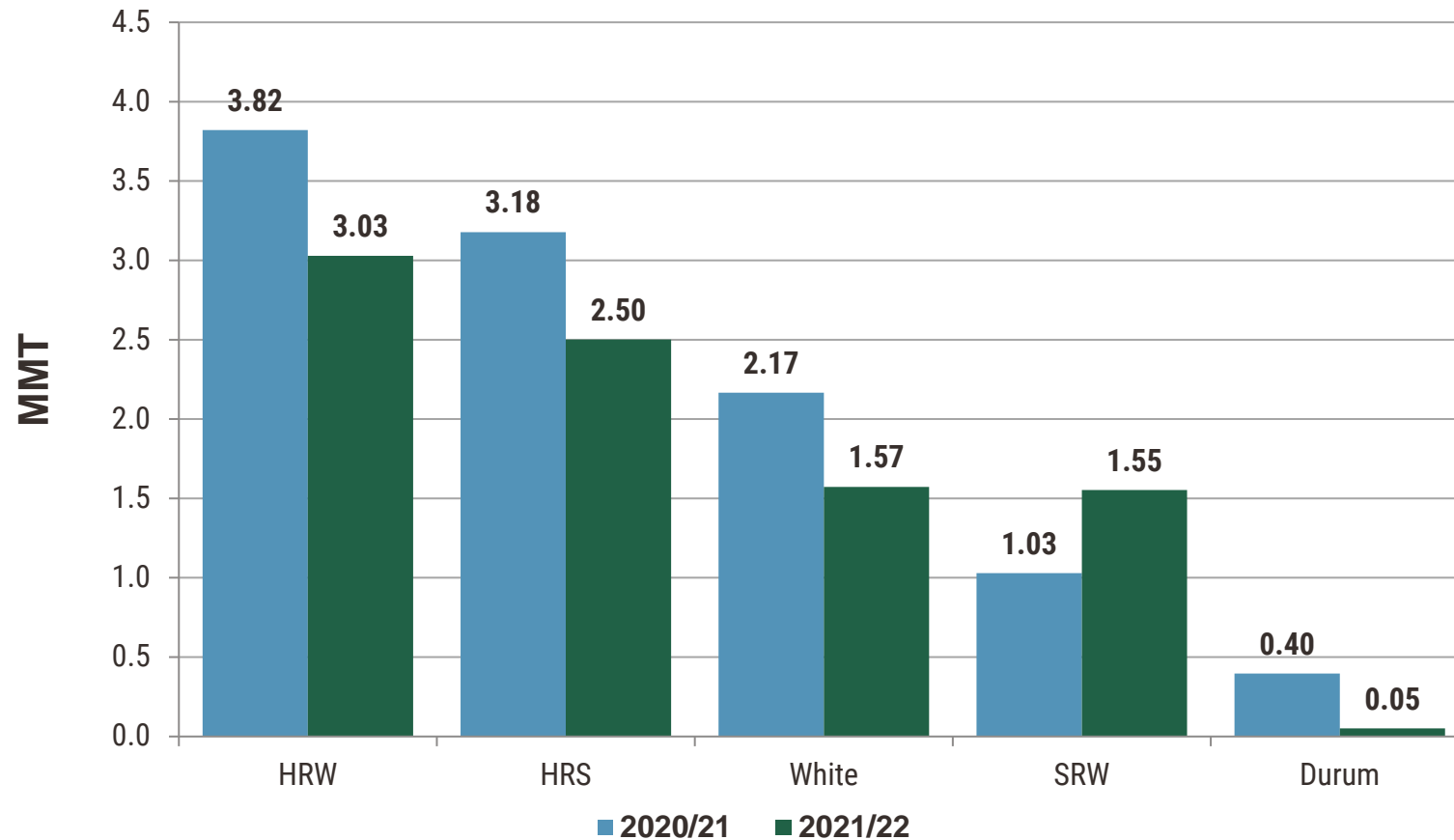
U.S. Wheat Planted Area



*Source: June 2021 USDA Acreage Report

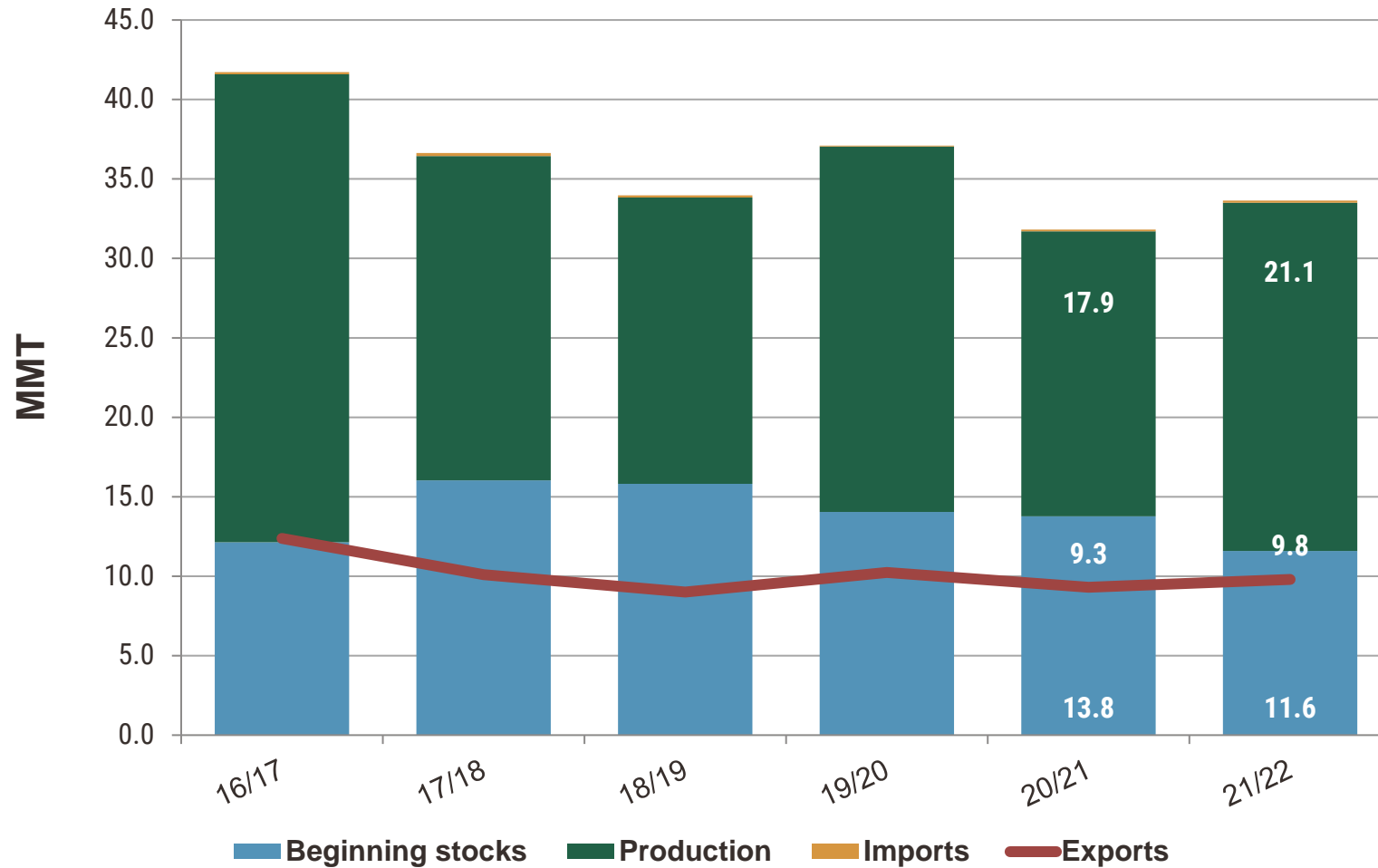
U.S. Wheat Sales by Class

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

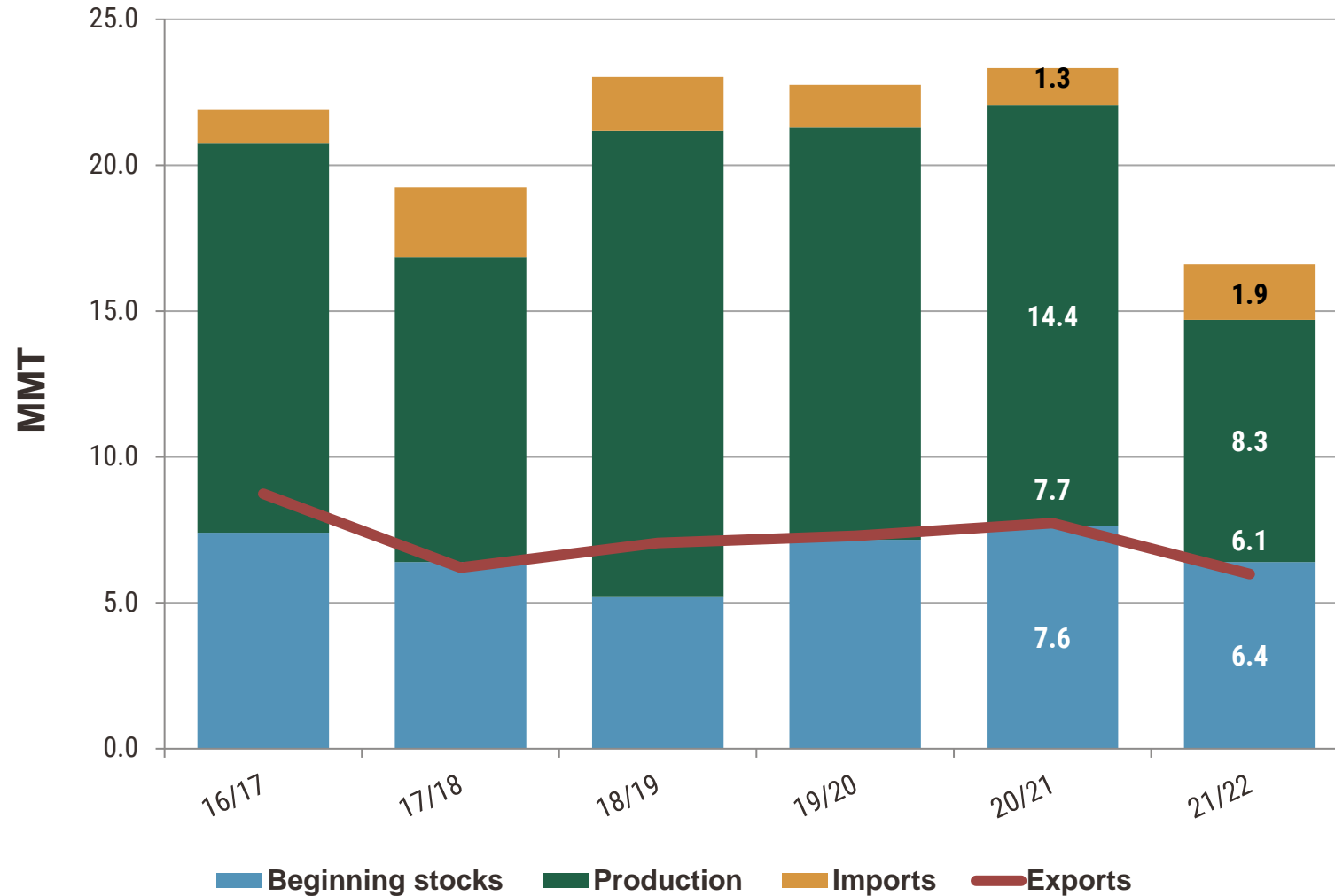


Source: USDA FAS export sales data as of August 12, 2021

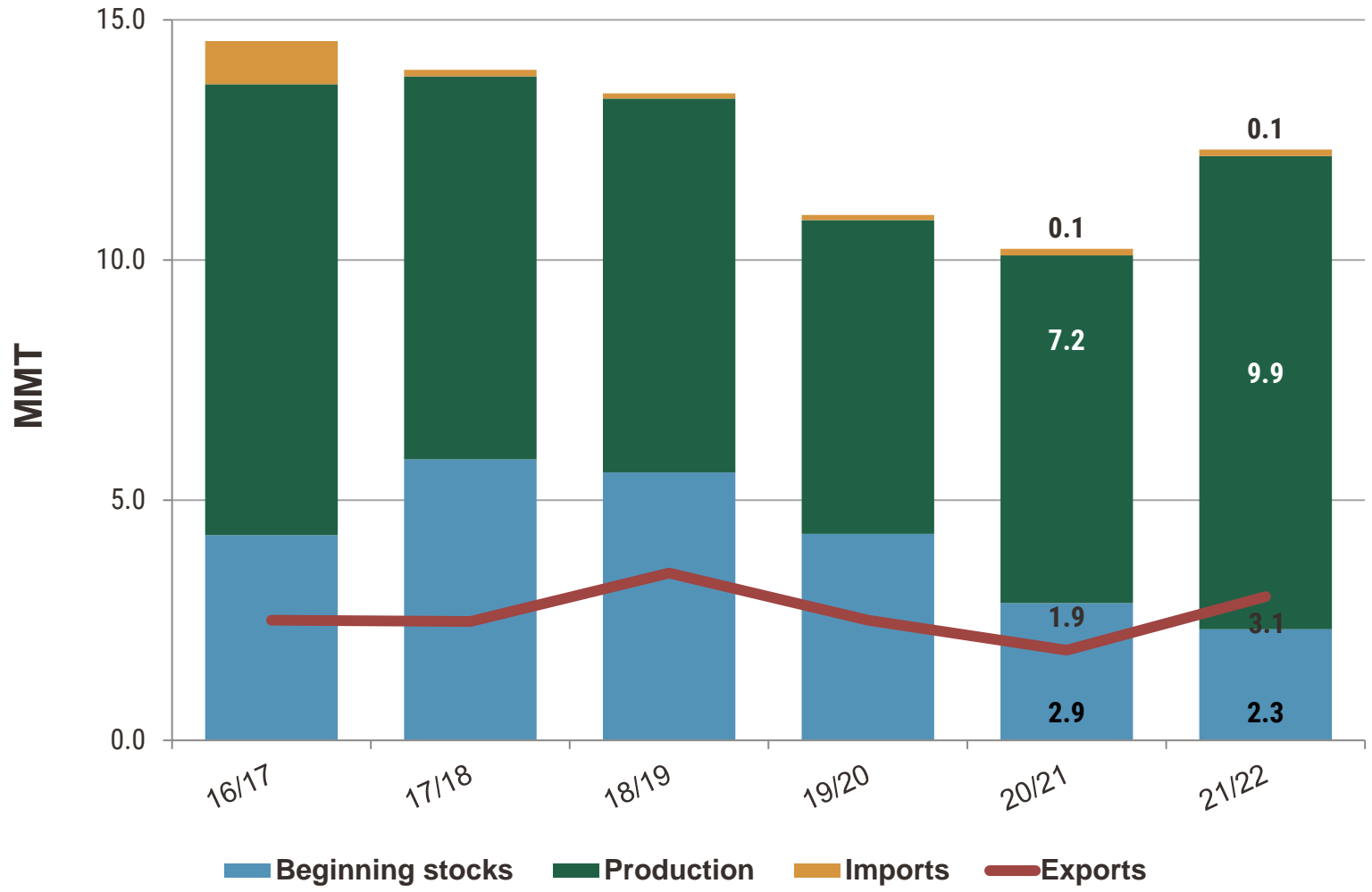
U.S. Hard Red Winter



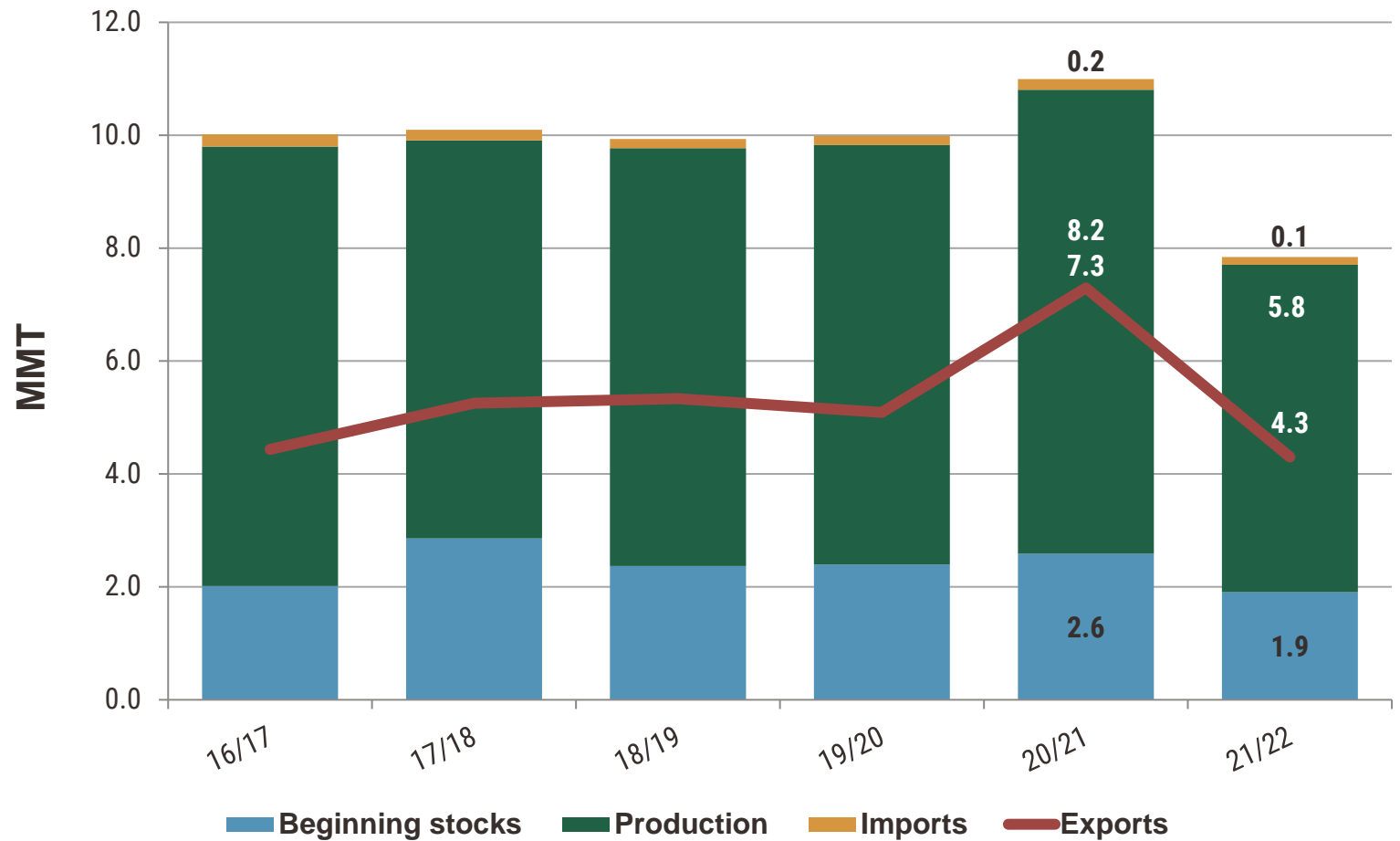
U.S. Hard Red Spring



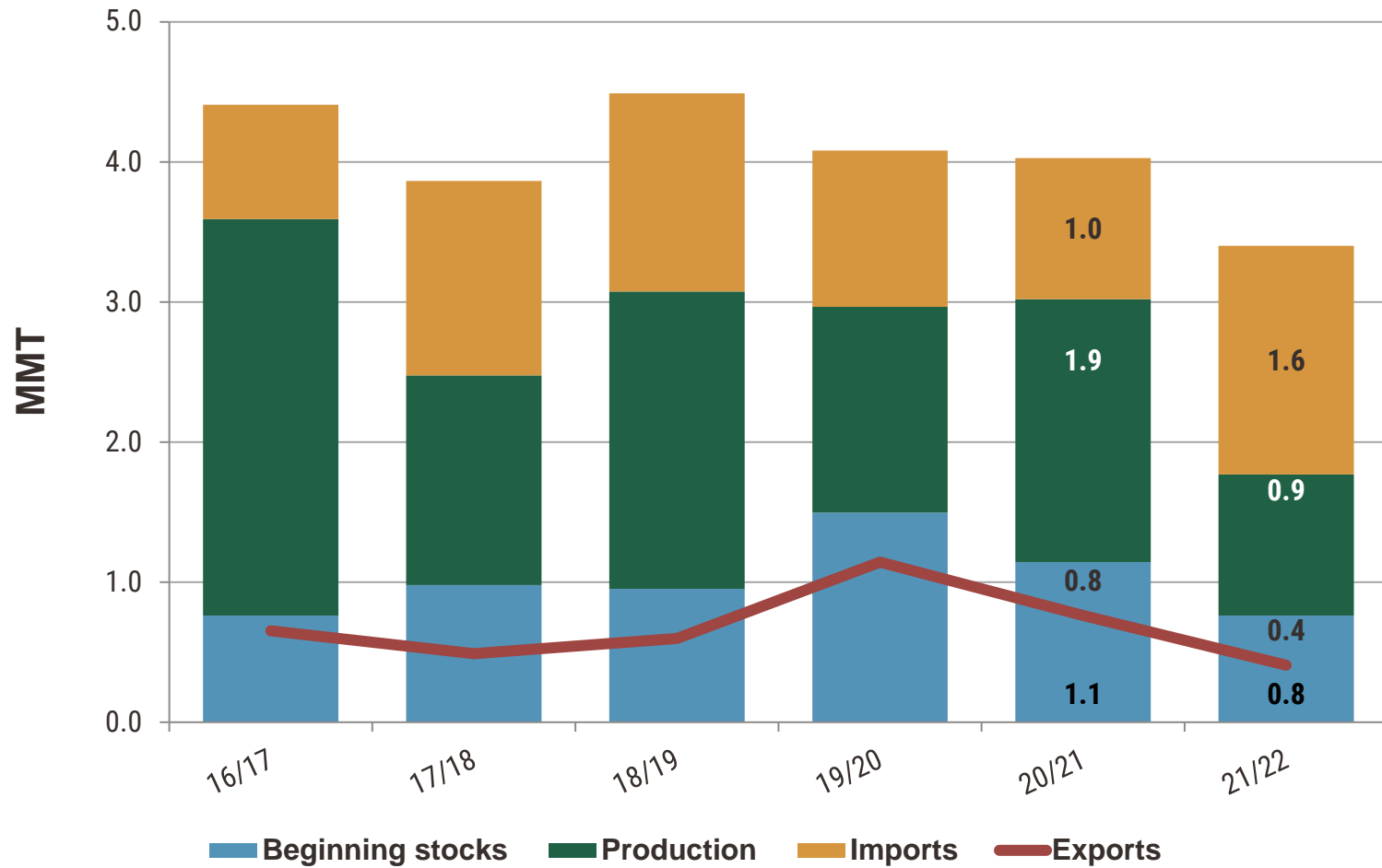
U.S. Soft Red Winter



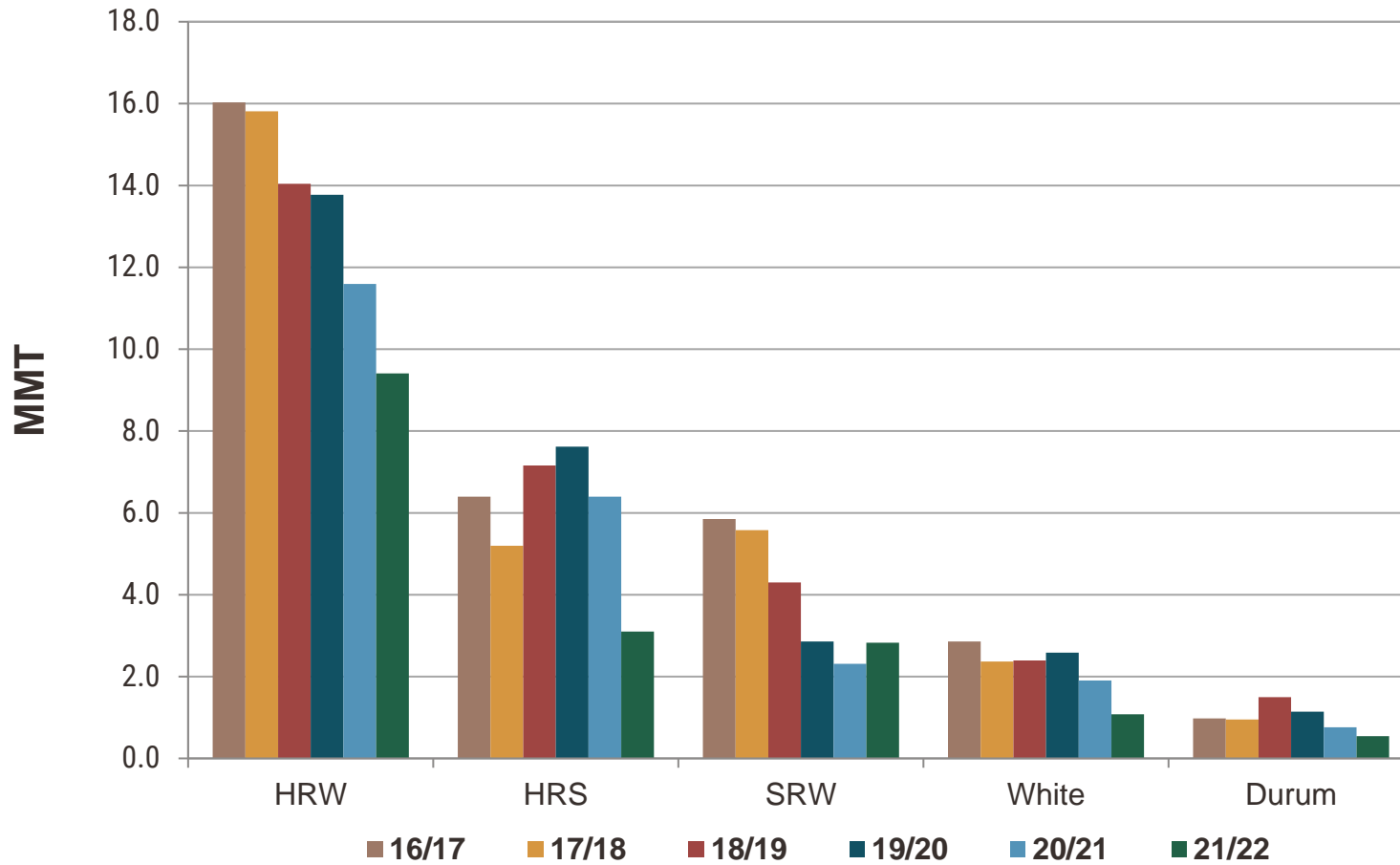
U.S. White



U.S. Durum



U.S. Wheat Ending Stocks by Class



U.S. Wheat Supply and Demand (MMT)

	HRW		HRS		SRW	
	<u>20/21</u>	<u>21/22</u>	<u>20/21</u>	<u>21/22</u>	<u>20/21</u>	<u>21/22</u>
Beginning Stocks	13.8	11.6	7.62	6.40	2.86	2.31
Production	17.9	21.1	14.4	8.3	7.24	9.96
Supply Total	31.8	32.9	23.3	16.6	10.23	12.4
Domestic Use	11.0	13.7	9.20	7.32	6.04	6.45
Exports	9.3	9.8	7.73	6.12	1.88	3.13
Use Total	20.2	23.5	16.9	13.4	7.92	9.58
Ending Stocks	11.6	9.4	6.40	3.16	2.31	2.83
Stocks-to-Use	57%	40%	38%	23%	29%	30%

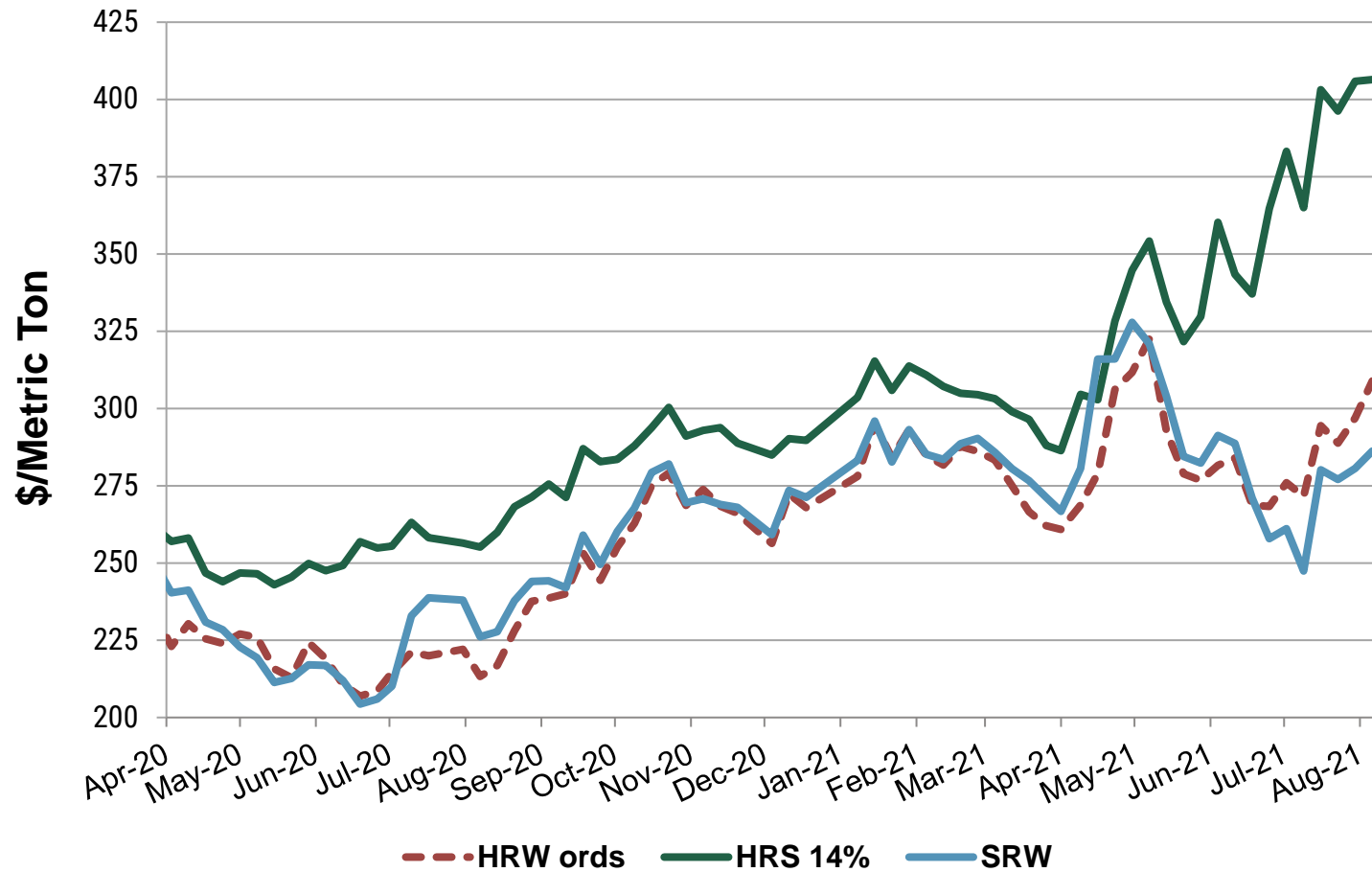


U.S. Wheat Supply and Demand (MMT)

	White		Durum		Total	
	<u>20/21</u>	<u>21/22</u>	<u>20/21</u>	<u>21/22</u>	<u>20/21</u>	<u>21/22</u>
Beginning Stocks	2.59	1.91	1.14	0.76	28.0	23.0
Production	8.22	5.82	1.88	0.95	49.7	46.2
Supply Total	11.0	7.87	4.03	3.32	80.4	73.1
Domestic Use	1.74	2.45	2.50	2.37	30.5	32.2
Exports	7.35	4.35	0.76	0.41	27.0	23.8
Use Total	9.09	6.80	3.29	2.78	57.4	56.0
Ending Stocks	1.91	1.09	0.76	0.57	23.0	17.1
Stocks-to-Use	21%	16%	23%	21%	40%	30%



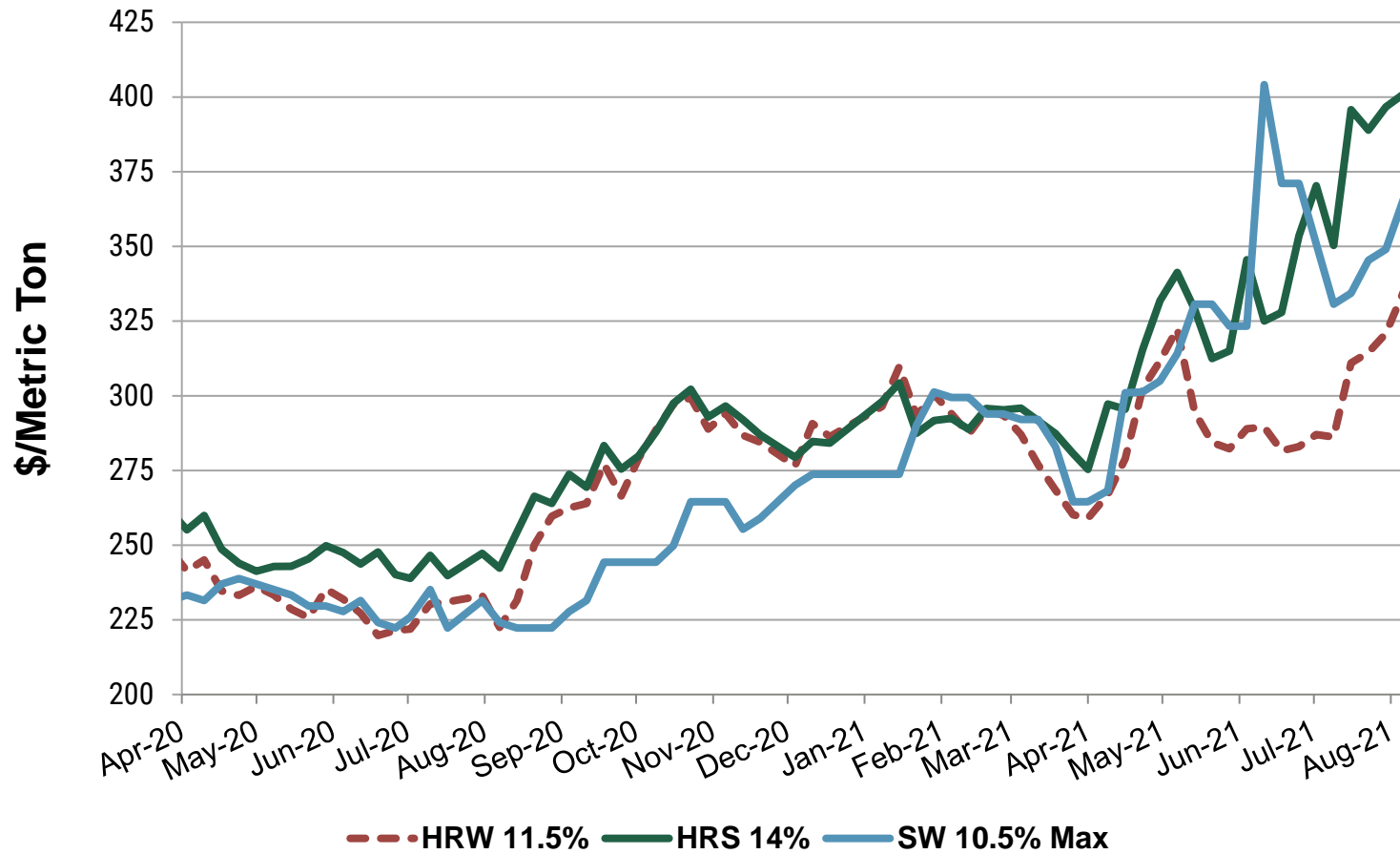
U.S. FOB Gulf Prices



Source: U.S. Wheat Associates Price Report, August 6, 2021



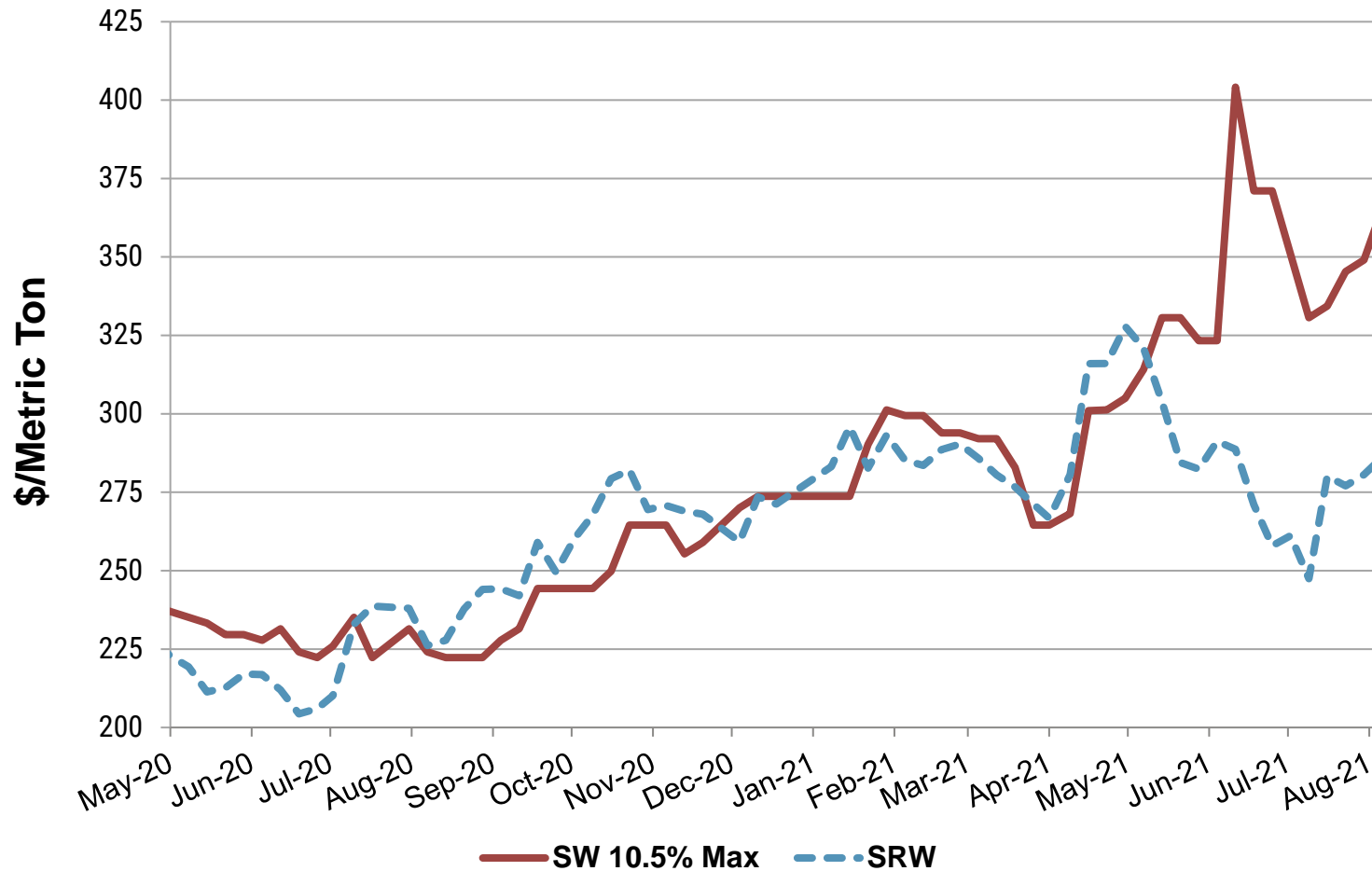
U.S. FOB PNW Prices



Source: U.S. Wheat Associates Price Report, August 6, 2021



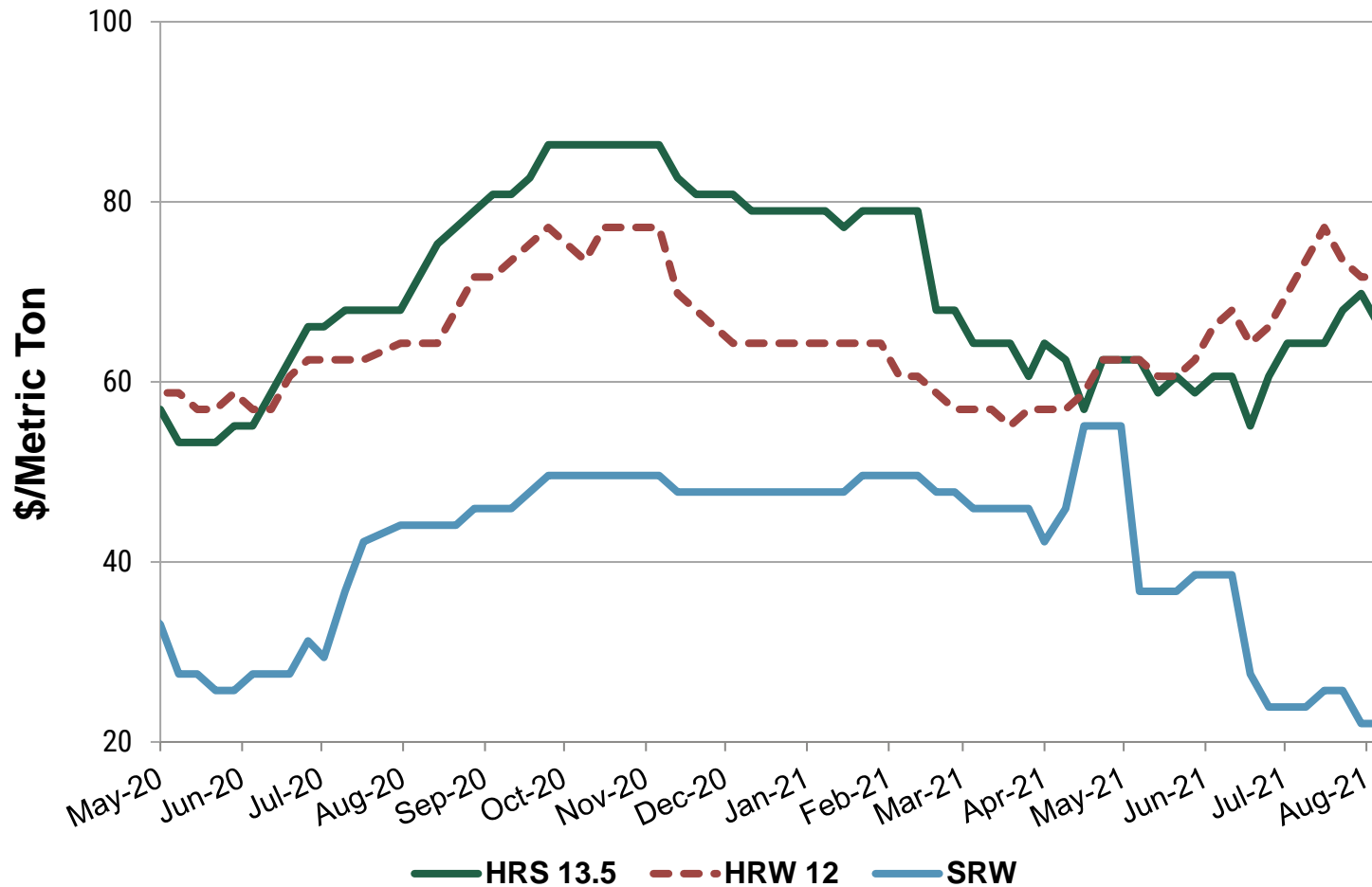
U.S. FOB Soft White and SRW Prices



Source: U.S. Wheat Associates Price Report, August 6, 2021



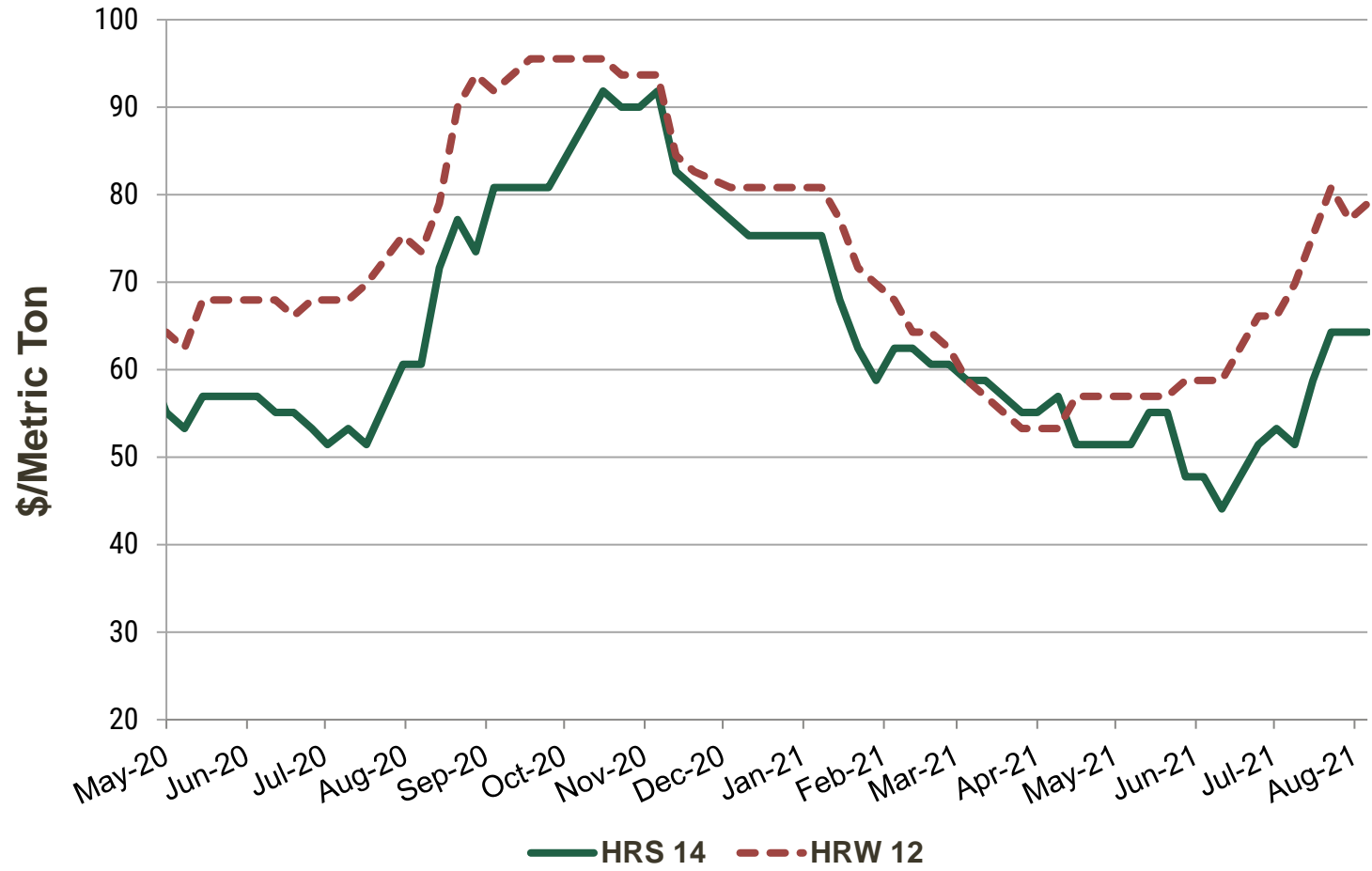
U.S. Gulf Export Basis



Source: U.S. Wheat Associates Price Report, August 6, 2021



U.S. PNW Export Basis



Source: U.S. Wheat Associates Price Report, August 6, 2021



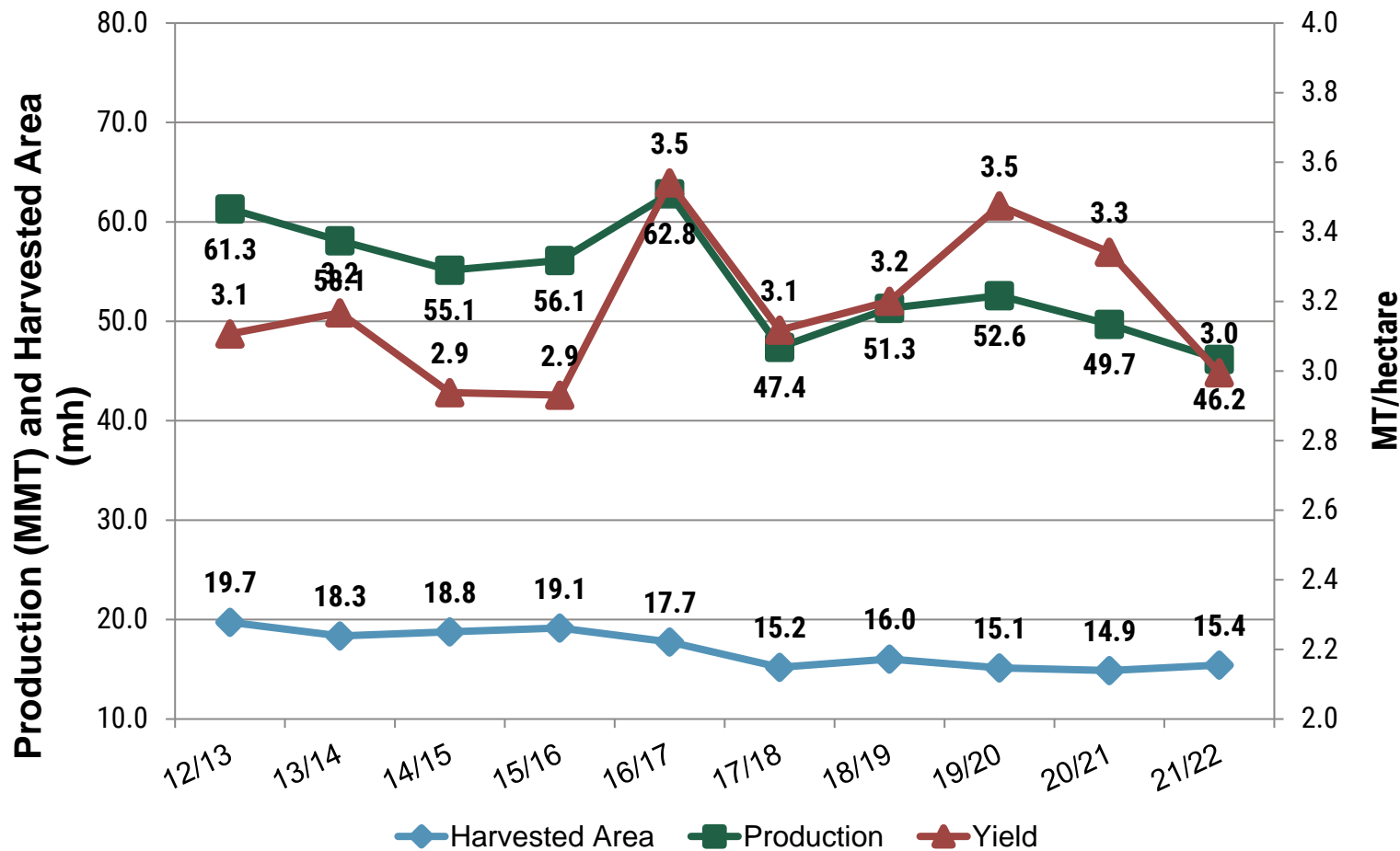


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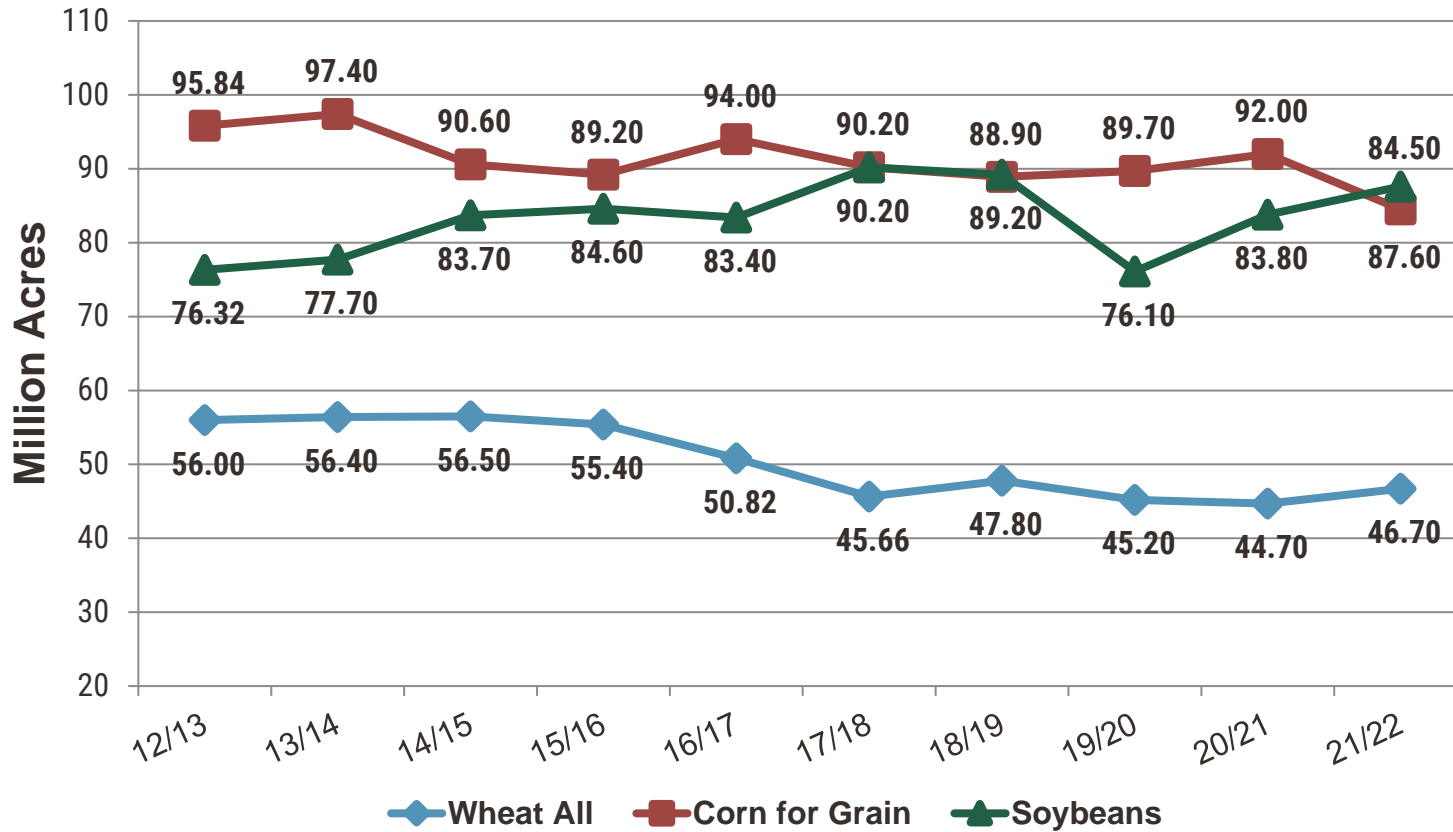
Outlook



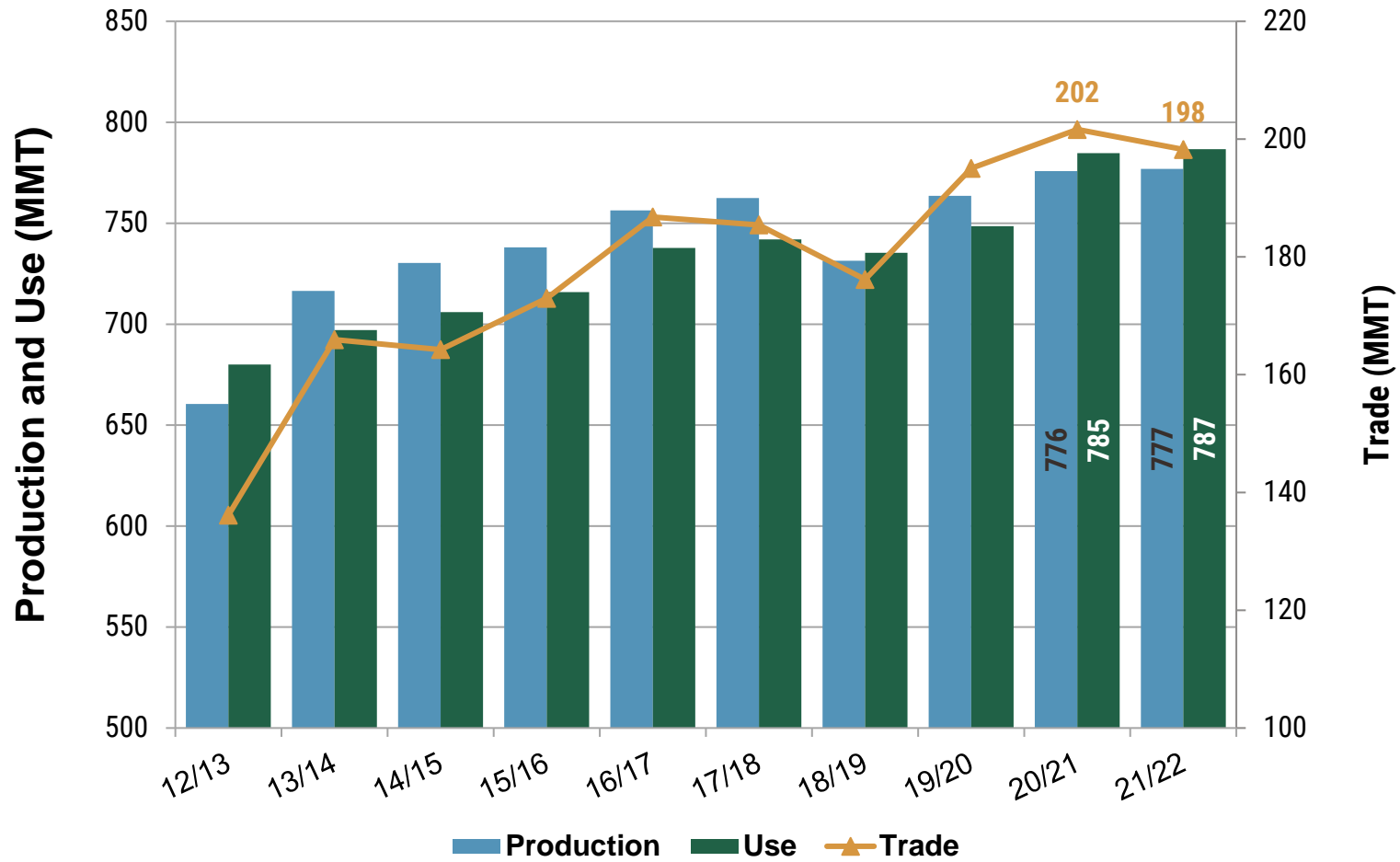
U.S. Wheat Production, Area and Yield



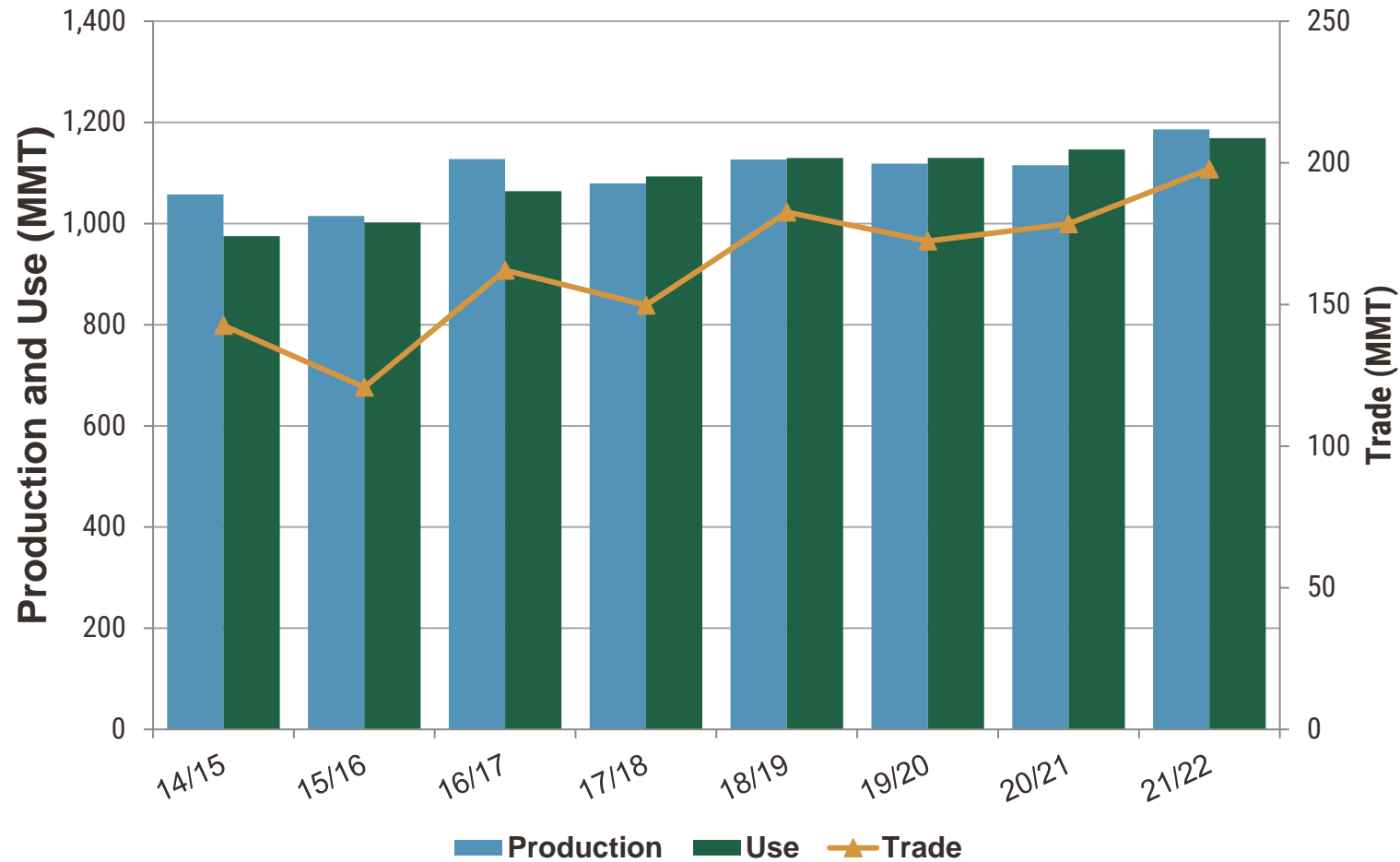
U.S. Crop Planted Area Comparison



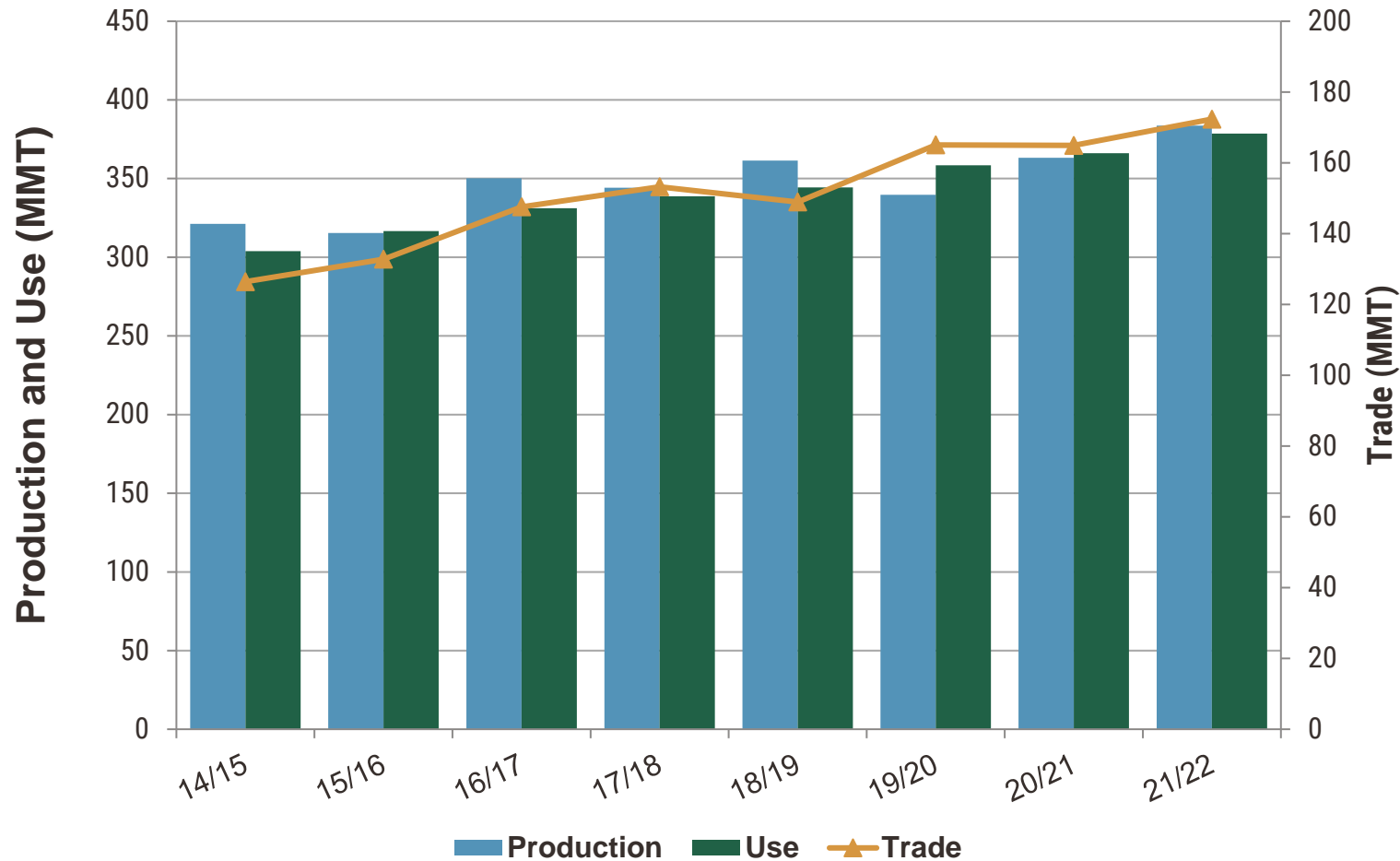
World Wheat Production, Use and Trade



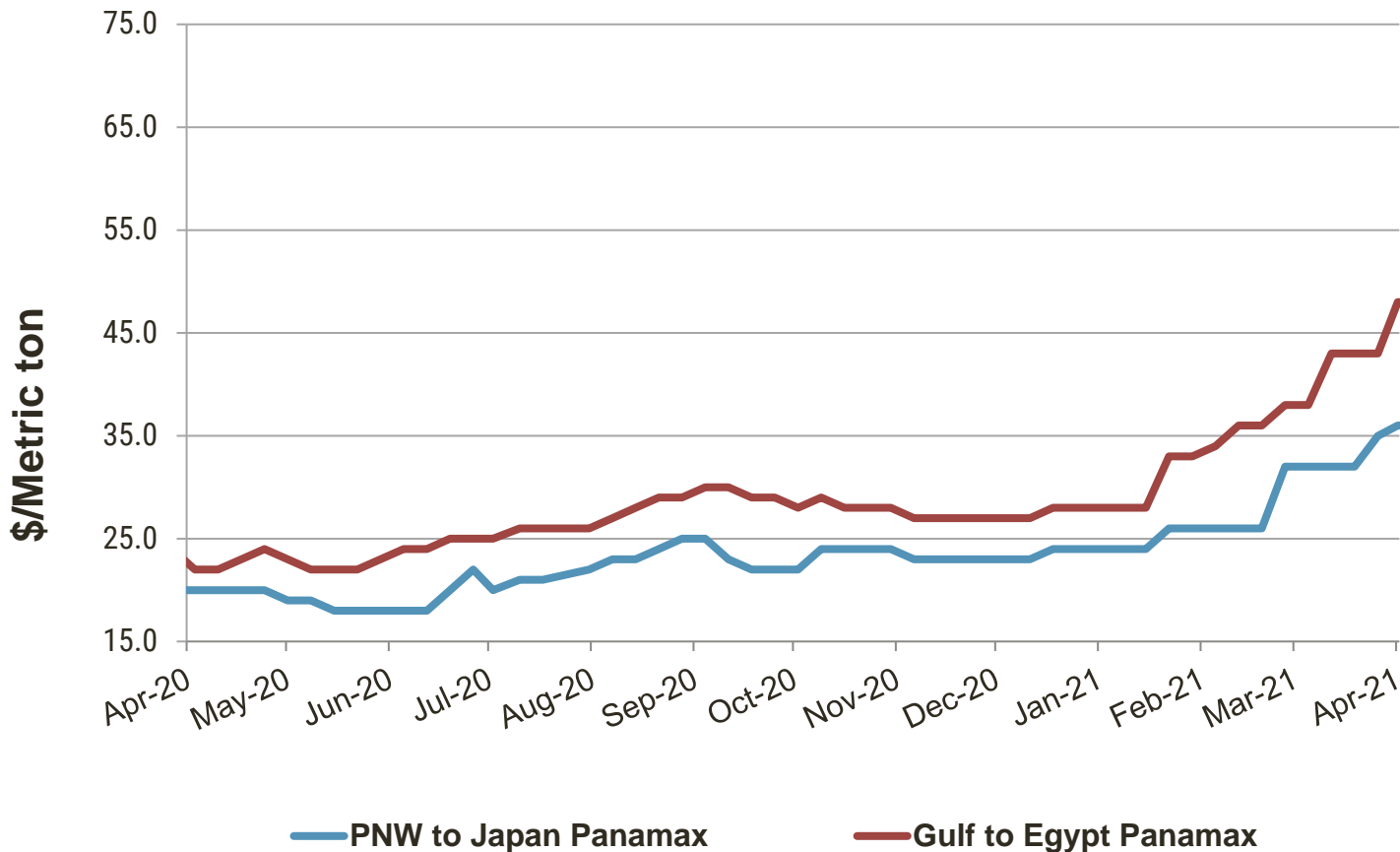
World Corn Production, Use and Trade



World Soybeans Production, Use and Trade



Ocean Freight Rates for Grains



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