



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

**01**

***Major Exporters***

**02**

***Import Demand***

**03**

***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 775.87 MMT**

- Canadian Production is forecast at 21 MMT, 2 MMT less than USDA's September estimate
- EU production is forecast at 139.40 MMT, up 11% from 2020/21
- U.S. production is expected to decrease to 44.79 MMT, down 10% compared to 2020/21

### **Global consumption forecast at 787.1 MMT, down 1% from 2020/21**

- Domestic consumption in India forecast at 104.5 MMT, 2.2 MMT more than 2020/21
- Domestic consumption in Nigeria is forecast at 5.7 MMT, 200 TMT more than 2020/21
- U.S. domestic consumption forecast to 31.5 MMT, 1.1 MMT more than 2020/21

### **World wheat trade to reach a record 199.6 MMT, down 1 MMT from 2020/21, if realized**

- Australian exports are projected at 23.5 MMT, down 0.5 MMT from 2020/21
- Canadian exports are projected at 15 MMT, down 43.2% from 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 1% from last month to 288.36 MMT**

- Chinese beginning stocks estimated at 144.1 MMT, down 4% from last year
- Ukrainian beginning stocks estimated at 1.51 MMT, even with 2020/21
- U.S. 2021/22 beginning stocks expected to drop 18% compared to 2020/21 to 23.0 MMT

### **Global ending stocks projected at 277.1 MMT, 11 MMT less than 2020/21**

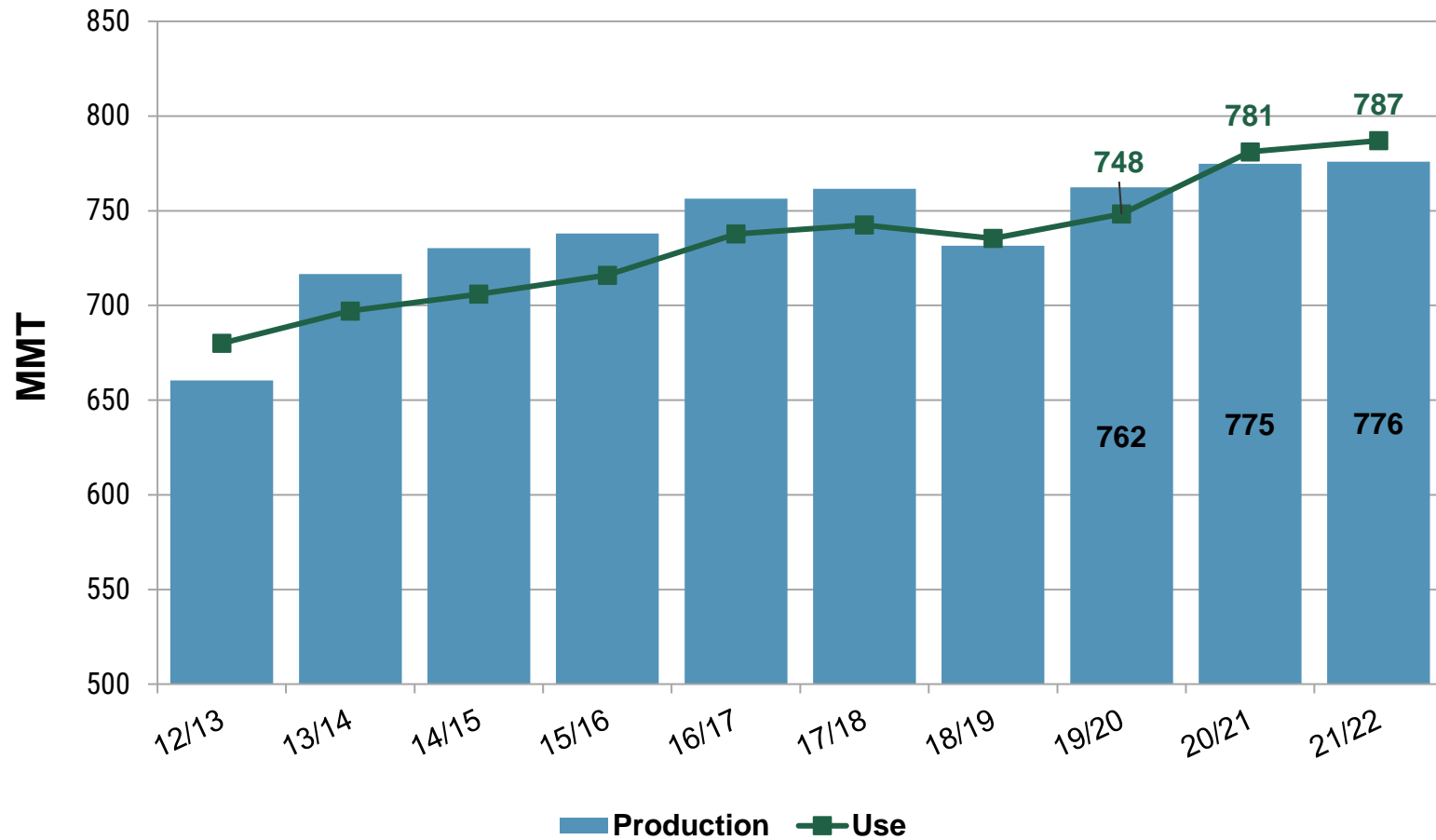
- Expected Russian ending stocks forecast at 9.48 MMT, 2.5 MMT less than 2020/21
- Chinese ending stocks forecast at 141.02 MMT, unchanged from USDA's last estimate
- U.S. ending stocks are expected to drop to 15.79 MMT, 31% less than last year

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

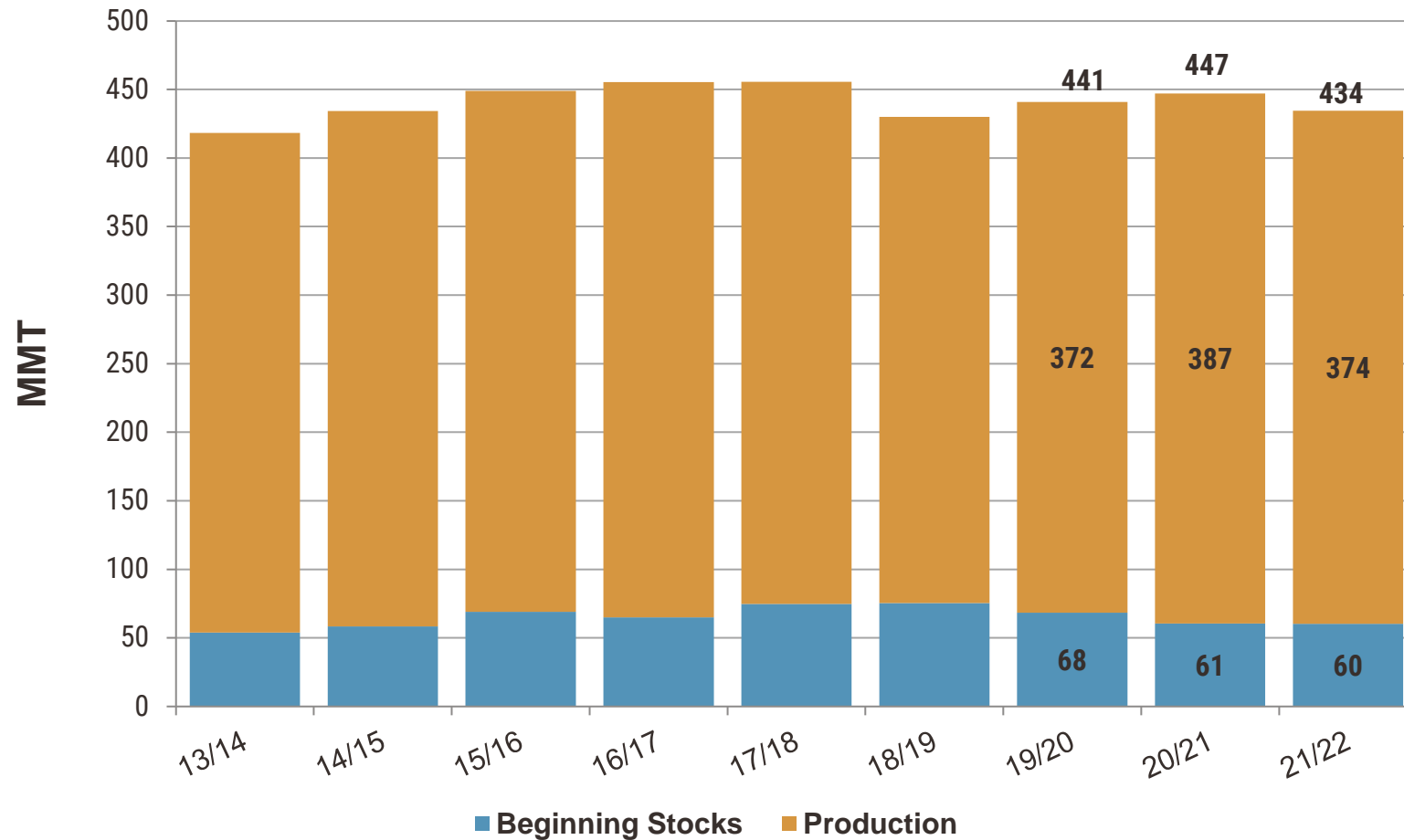
- The average farm gate price of U.S. wheat in 2021/22 is forecast to increase to \$6.70/bu (\$246/MT), up \$2.00 from last year's \$4.70/bu (\$173/MT)



# World Production and Use



# Supplies in Top Exporting Countries\*



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

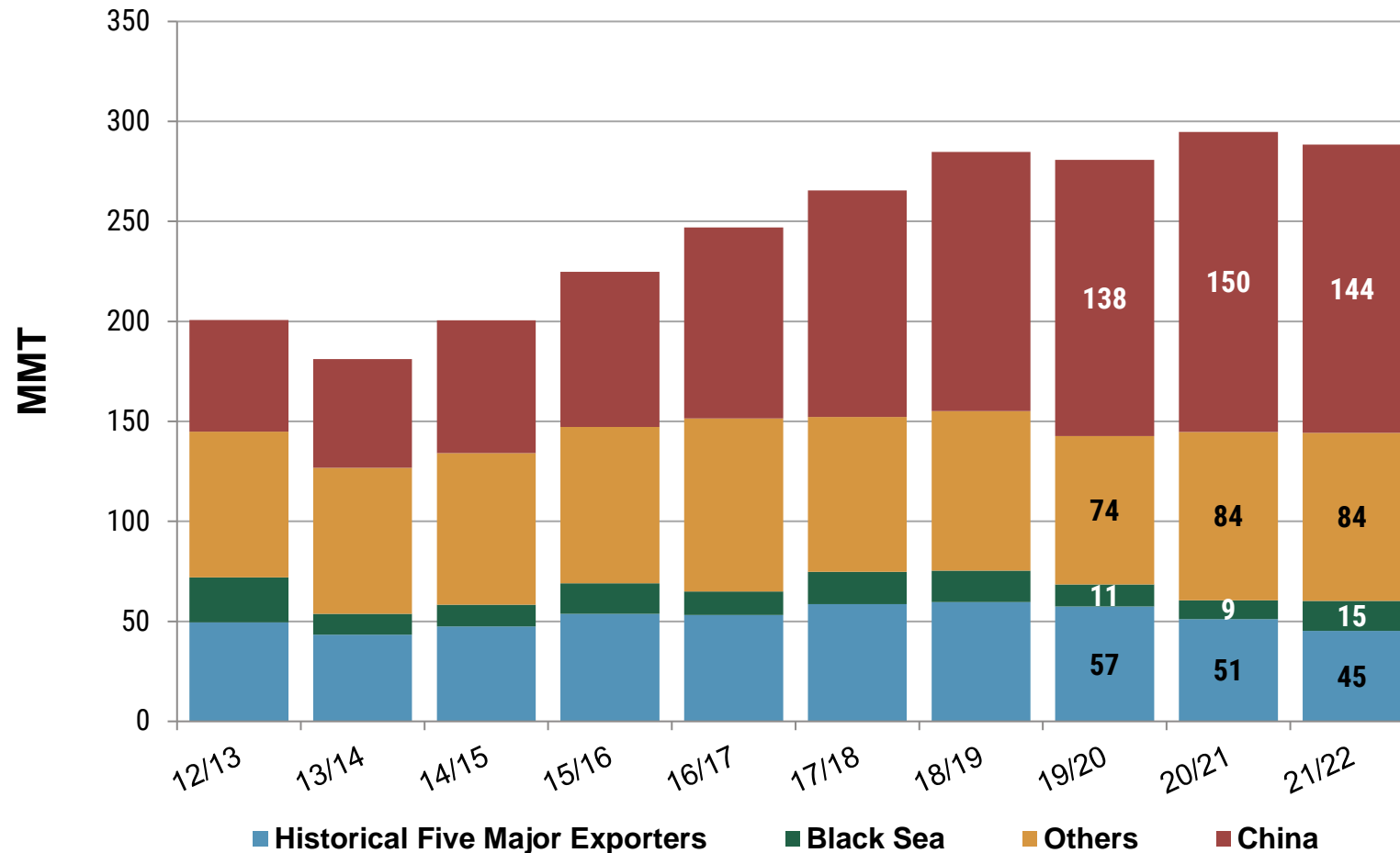


## *World Wheat Supply and Demand (MMT)*

	<u>19/20</u>	-	<u>20/21</u>	-	<u>21/22</u>
<b>SUPPLY:</b>					
Beginning Stocks	281		295		288
Production	762		775		776
Supply Total	1043		1070		1064
Ending Stocks	295		288		277
<b>TRADE:</b>					
Exports/Imports	194		201		200
<b>DEMAND:</b>					
Food & Seed	609		624		628
Feed & Residual	139		157		159
Use Total	748		781		787



# World Beginning Stocks

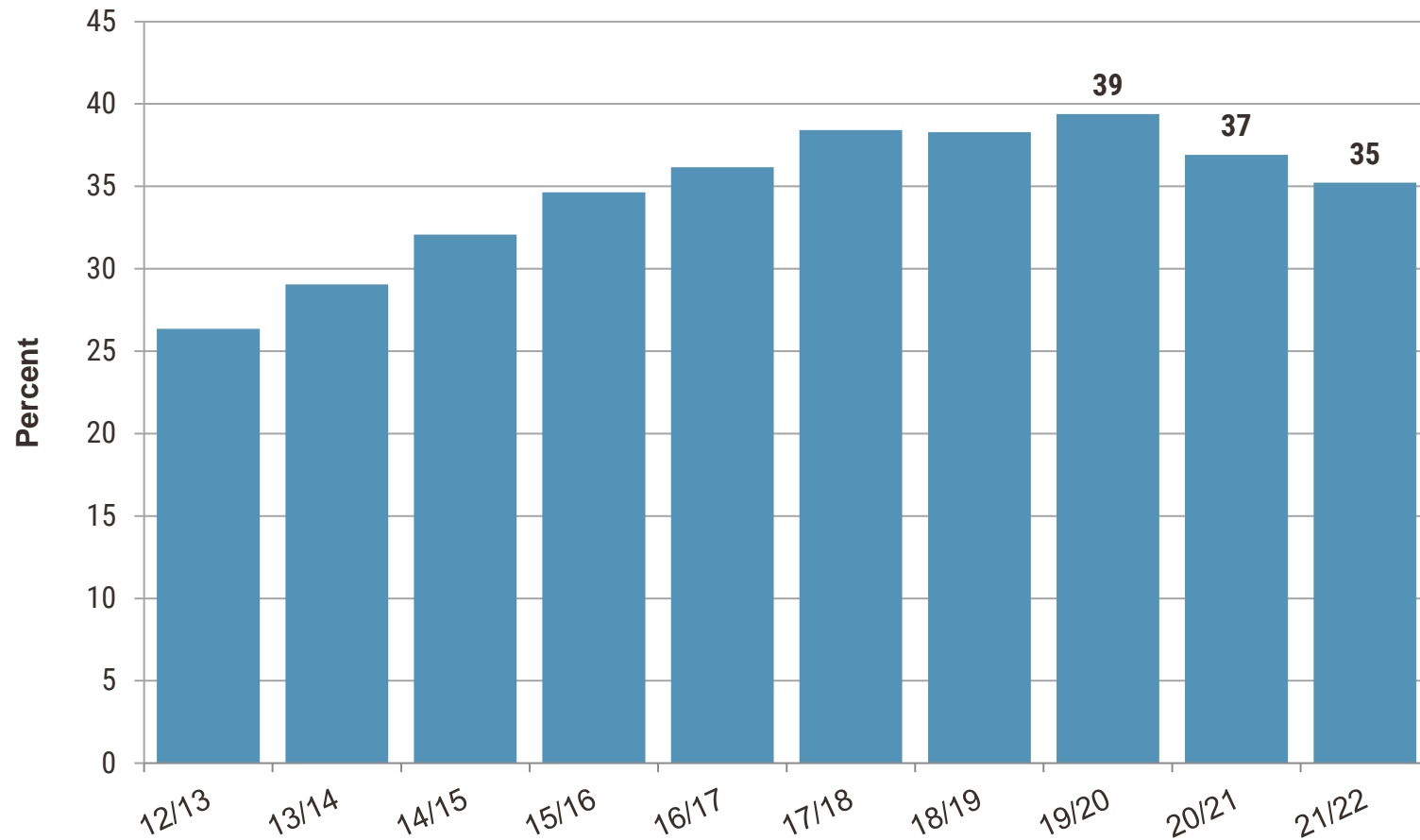


Historical Five Major Exporters include U.S., Canada, Australia, Argentina and EU. Black Sea includes Russia, Ukraine and Kazakhstan.





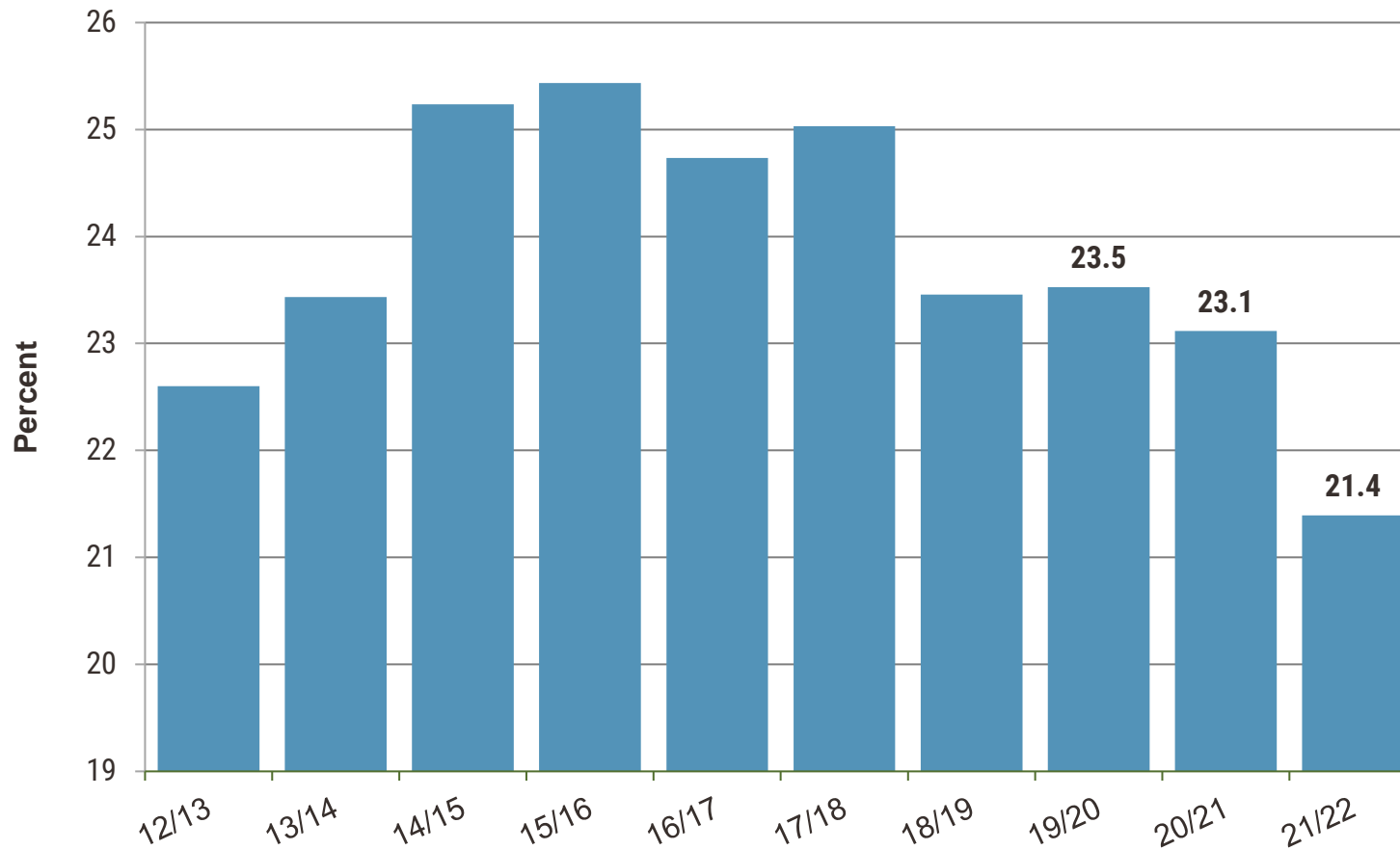
# Global Stocks\*-to-Use Ratio



\*Ending stocks



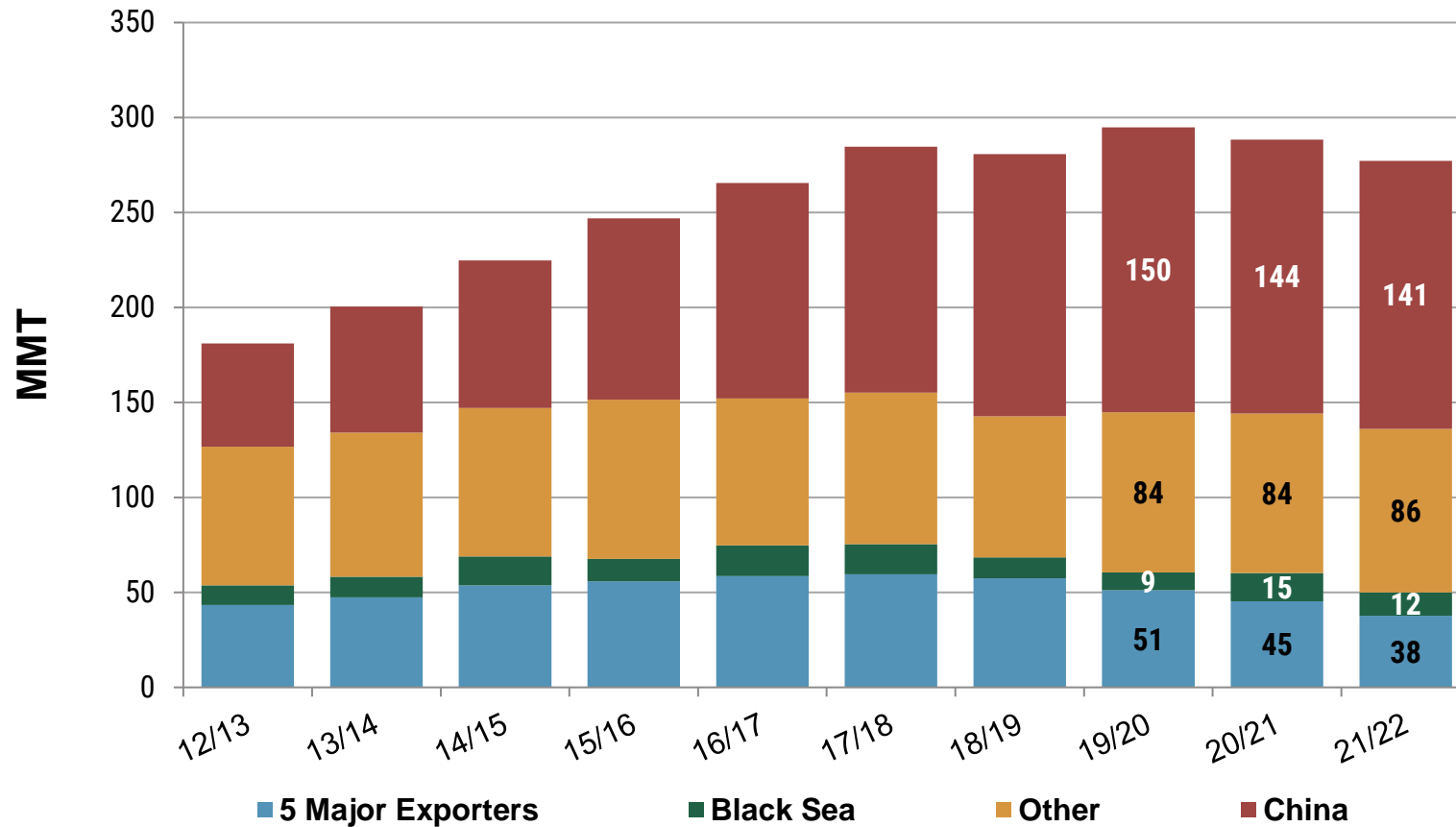
## Global Stocks\*-to-Use Ratio w/o China



\*Ending stocks



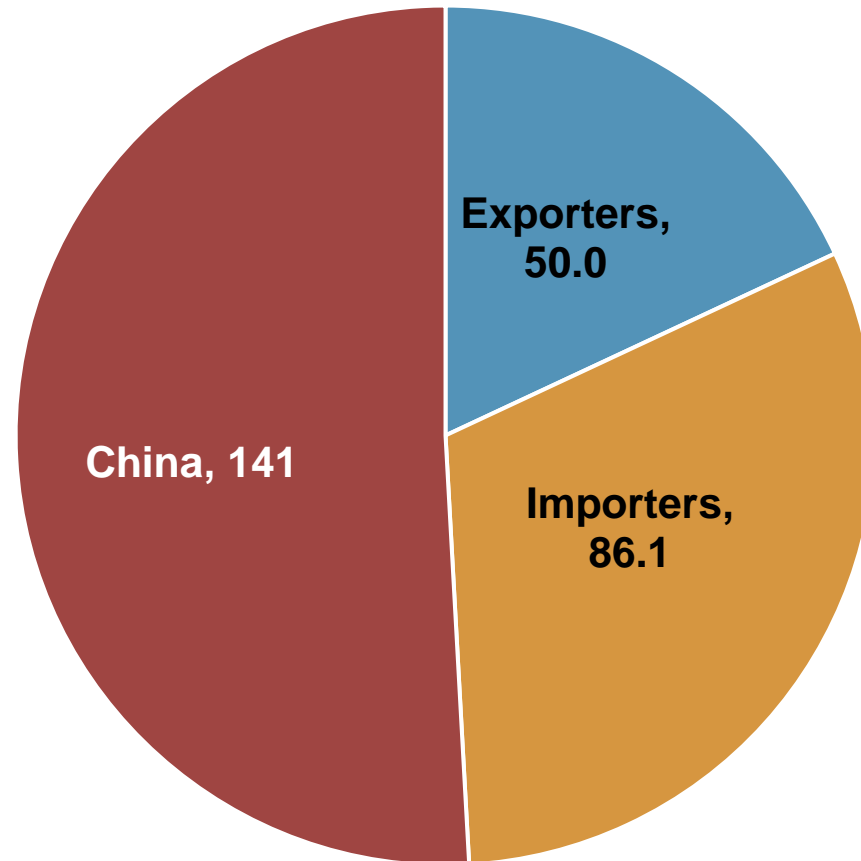
# World Ending Stocks



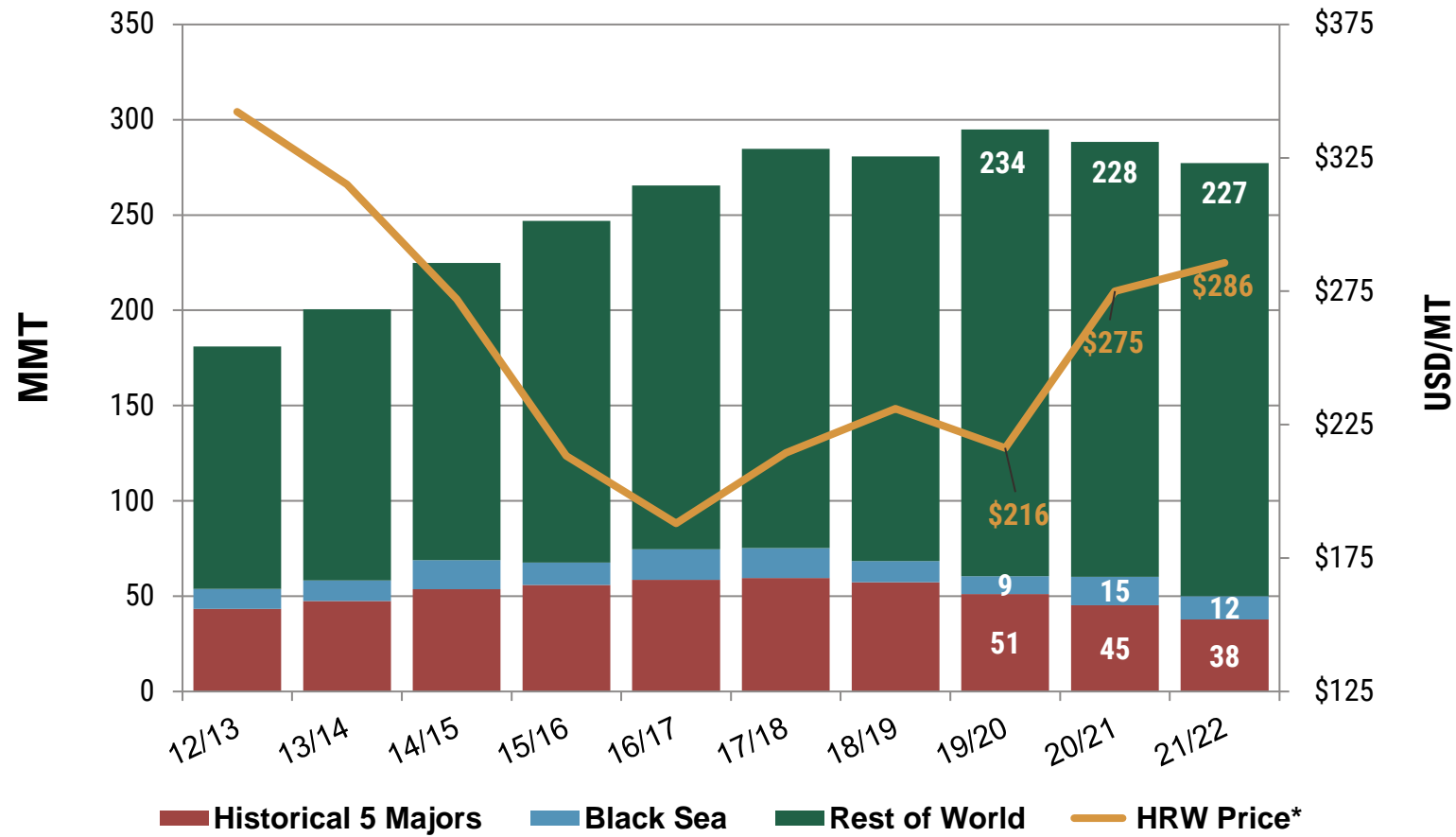
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## *World Ending Stocks by Position (MMT)*



# Global Ending Stocks and Price



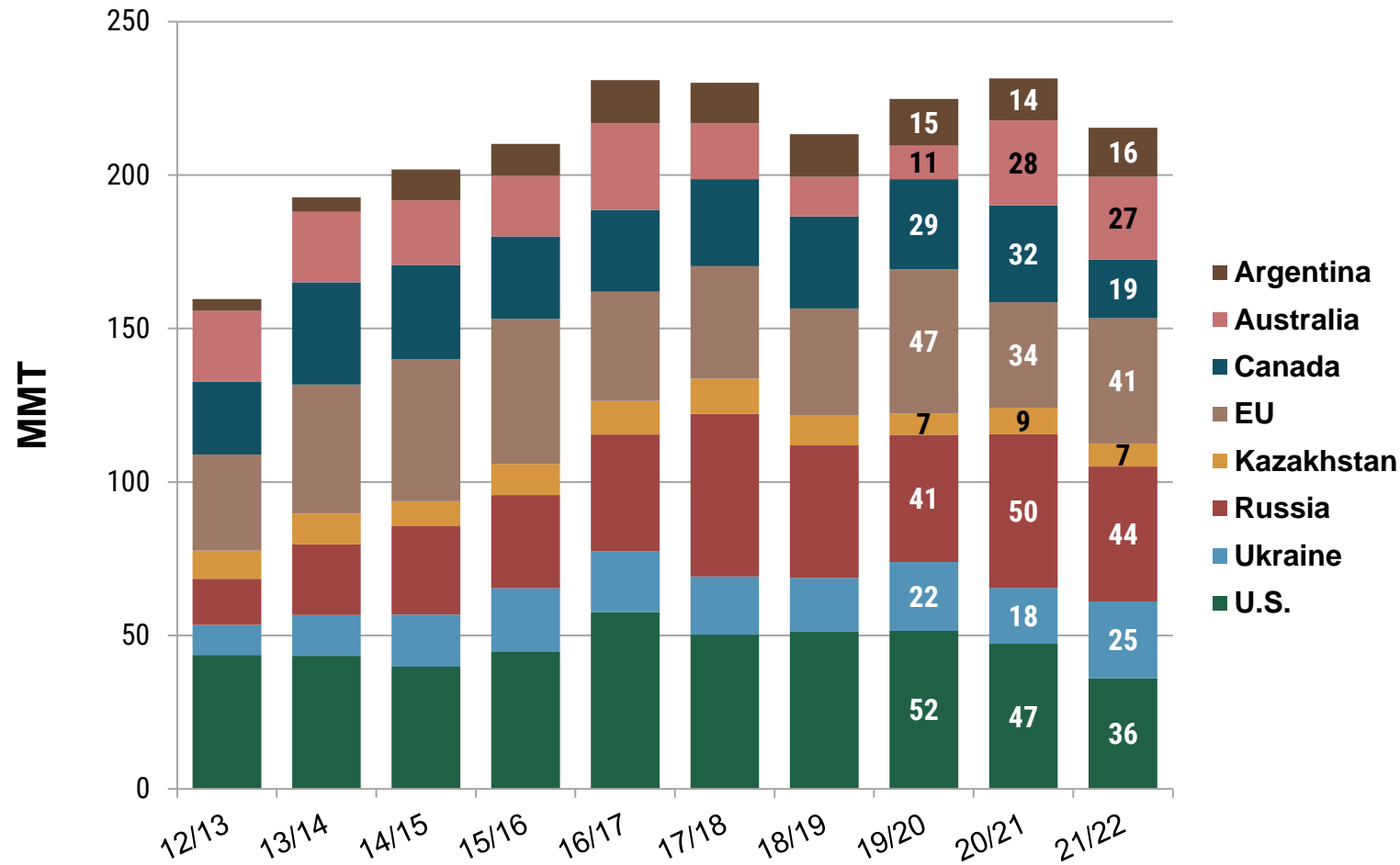
\*Source: Estimated annual average based on U.S. Wheat Associates Price Report data



01

*Major Exporters*

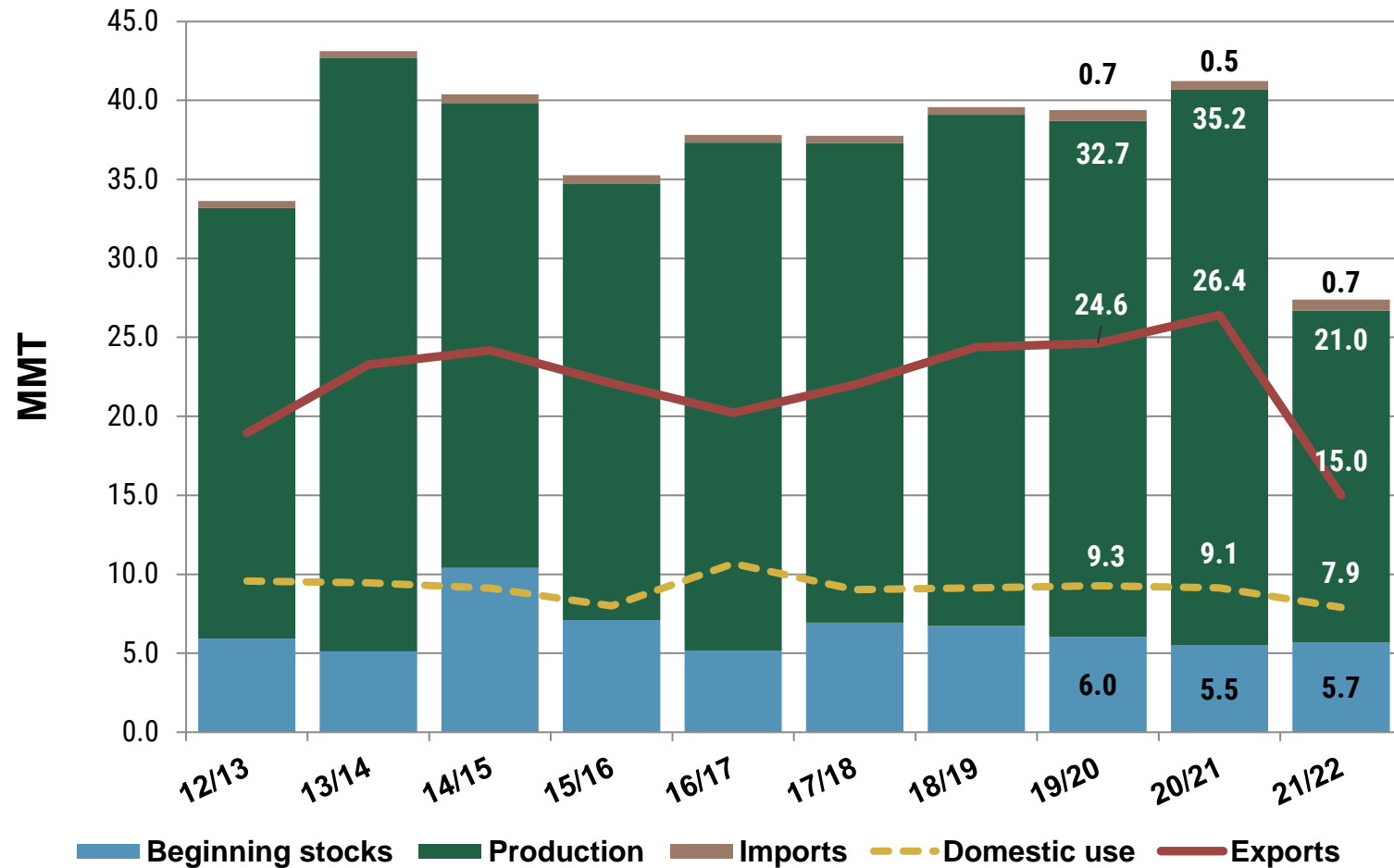
# Exportable Supplies in Top Exporting Countries



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

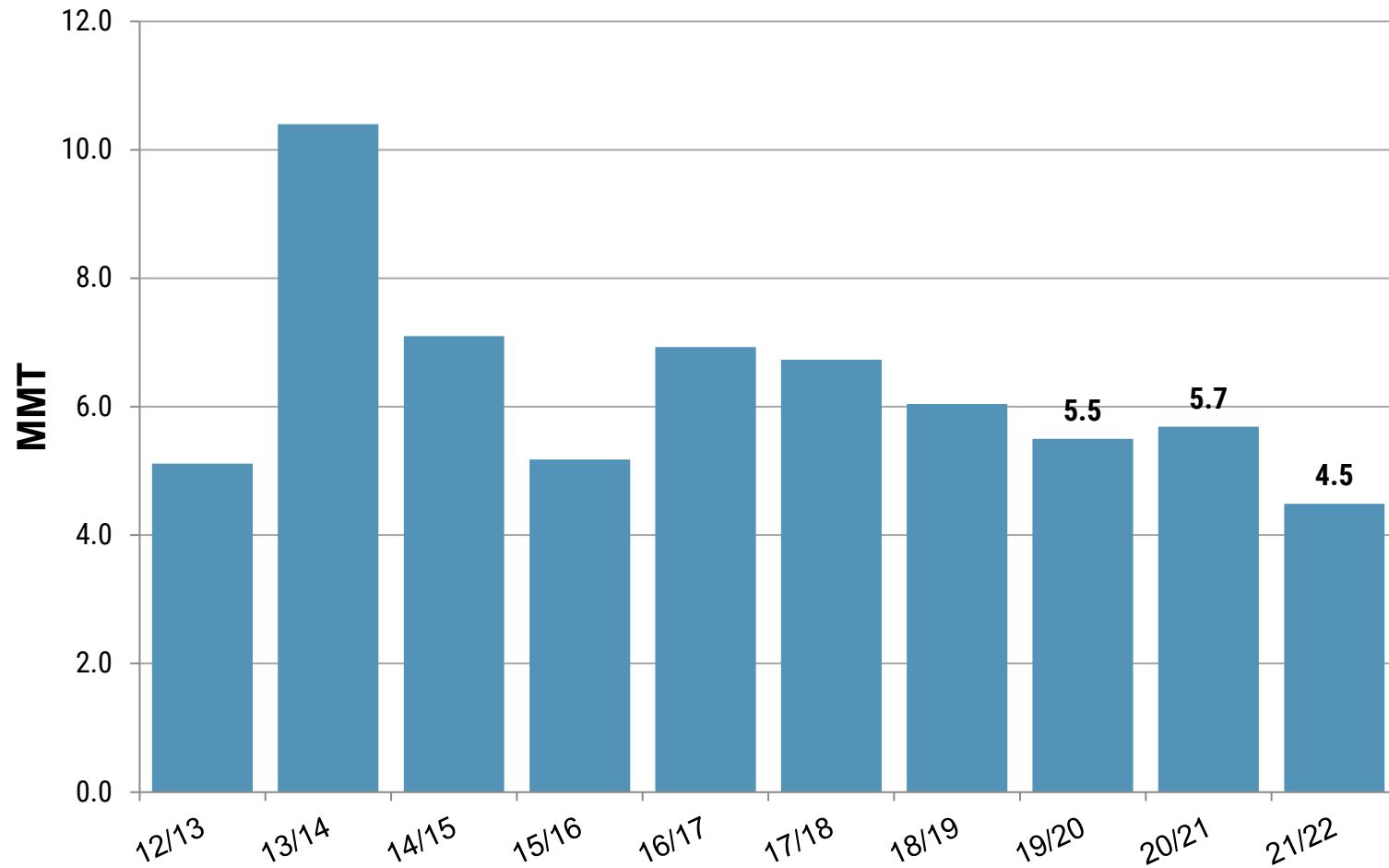


# Canada Situation

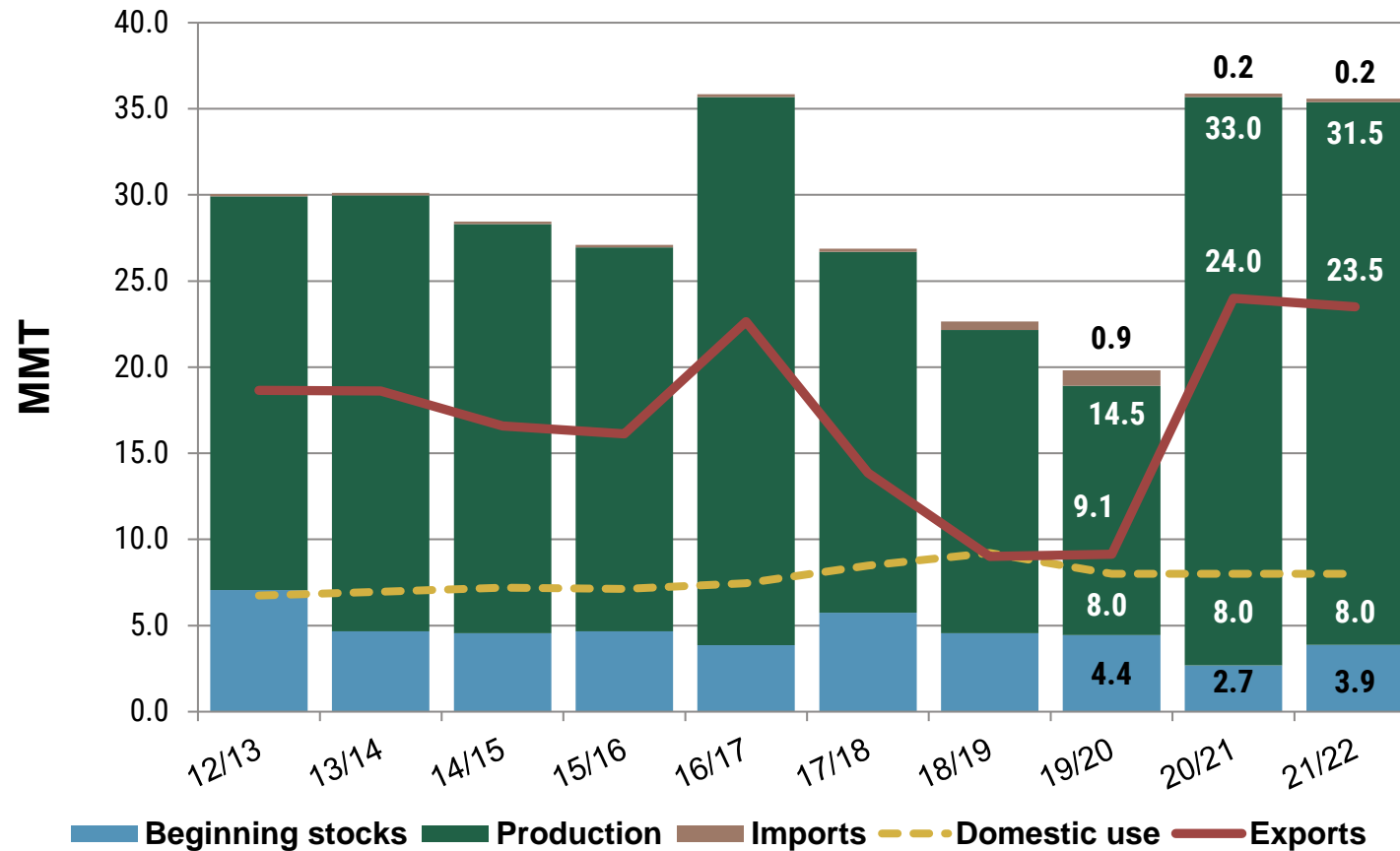




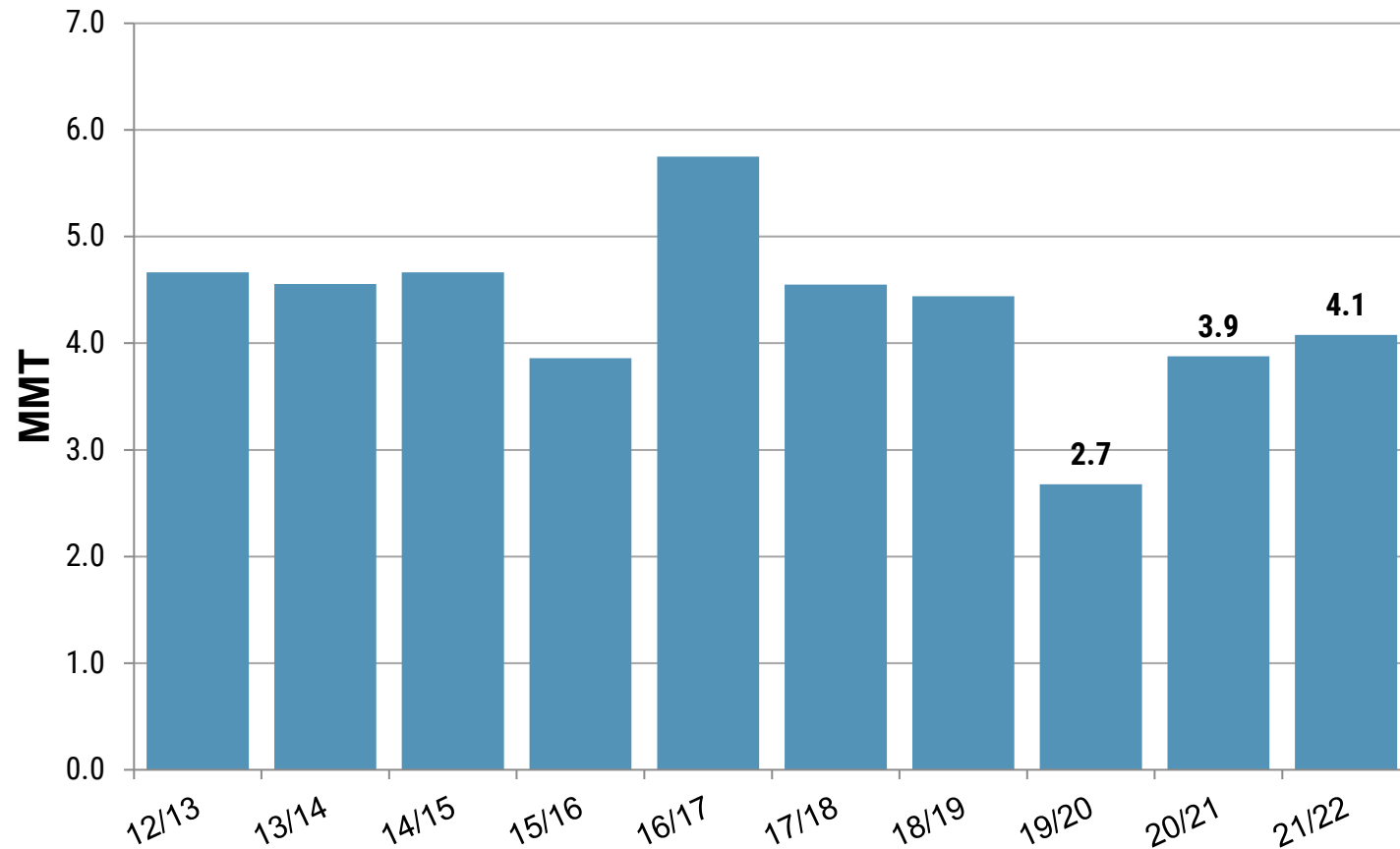
## Canada Ending Stocks



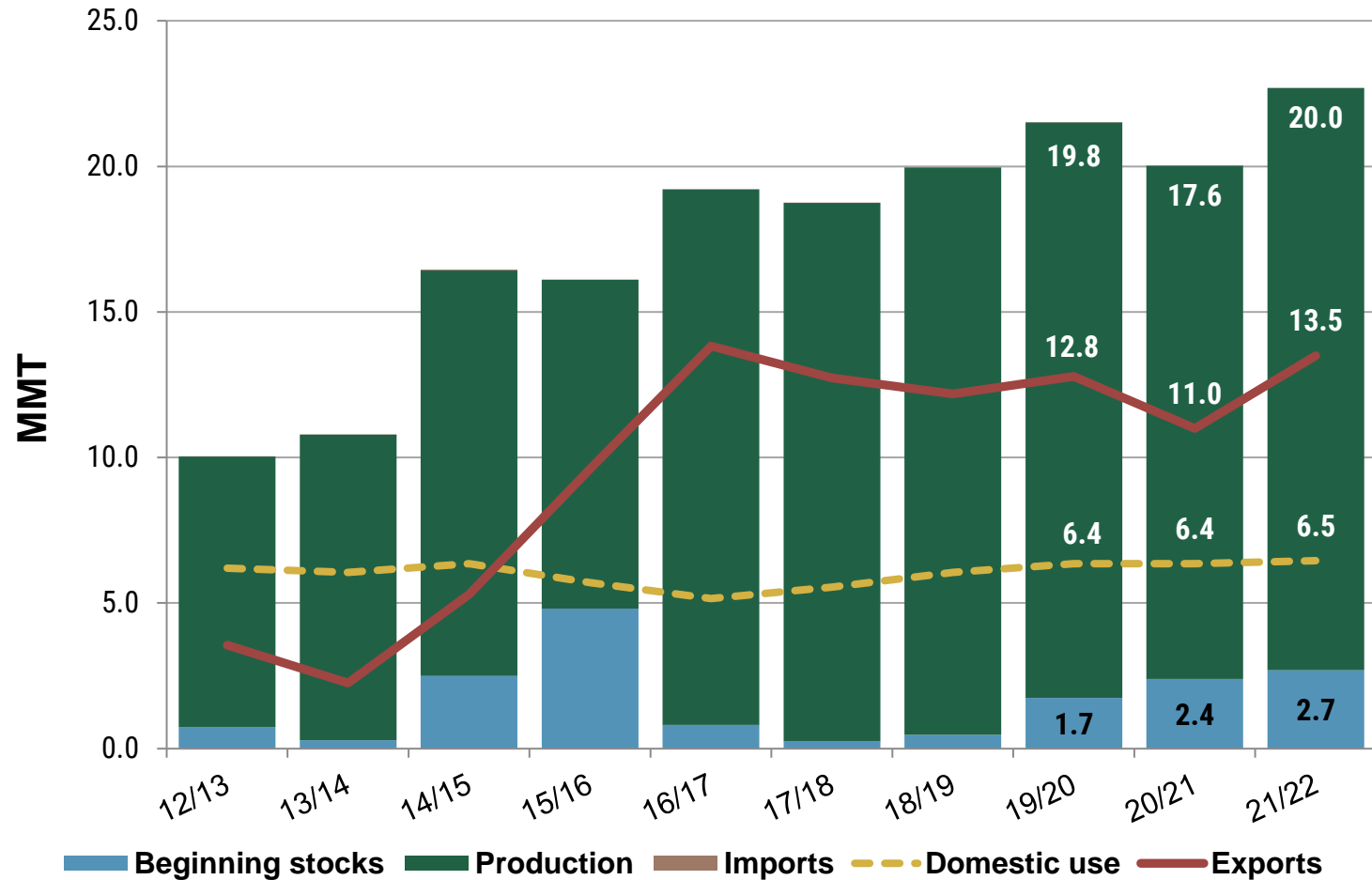
# Australia Situation



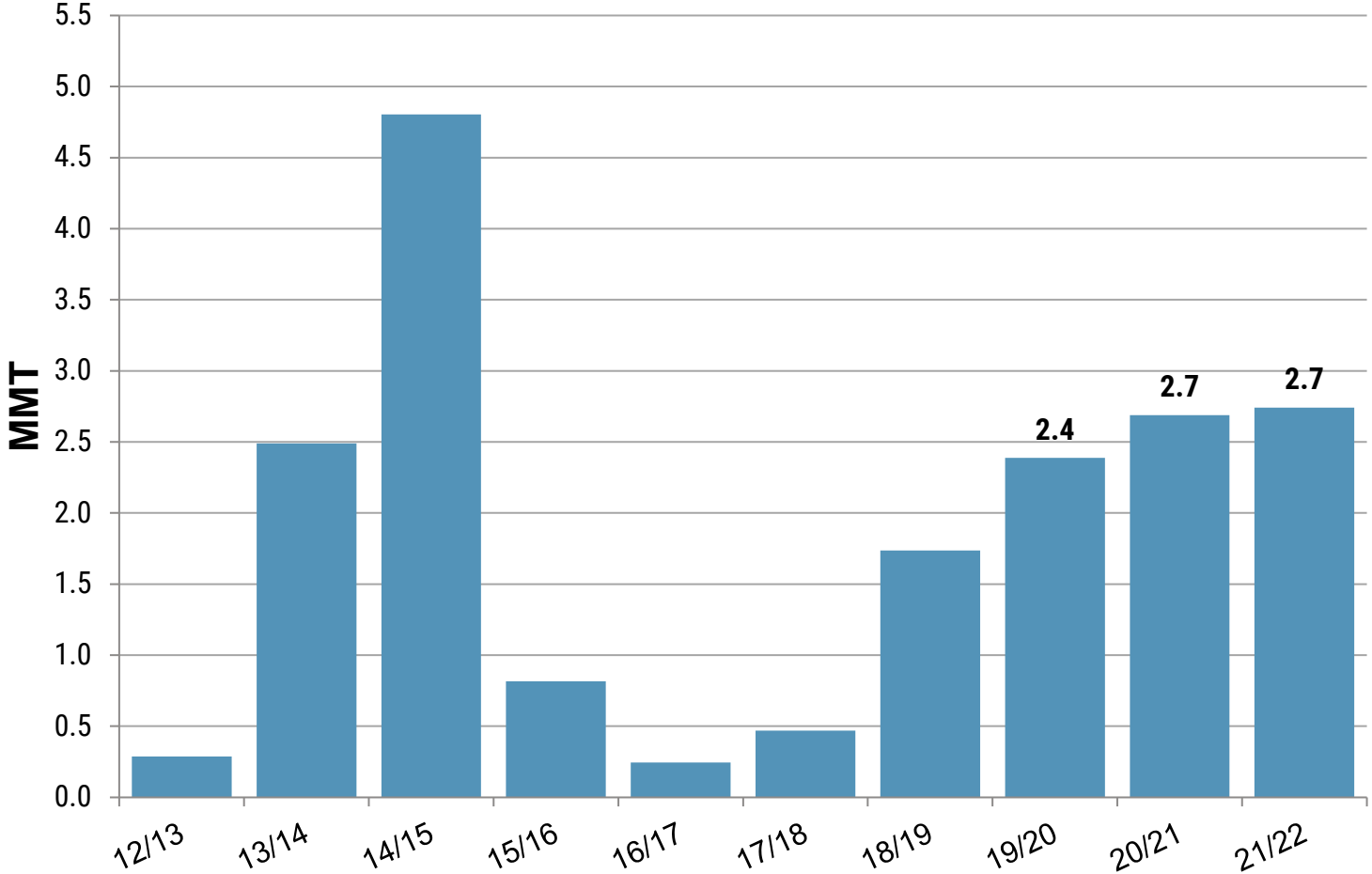
## Australia Ending Stocks



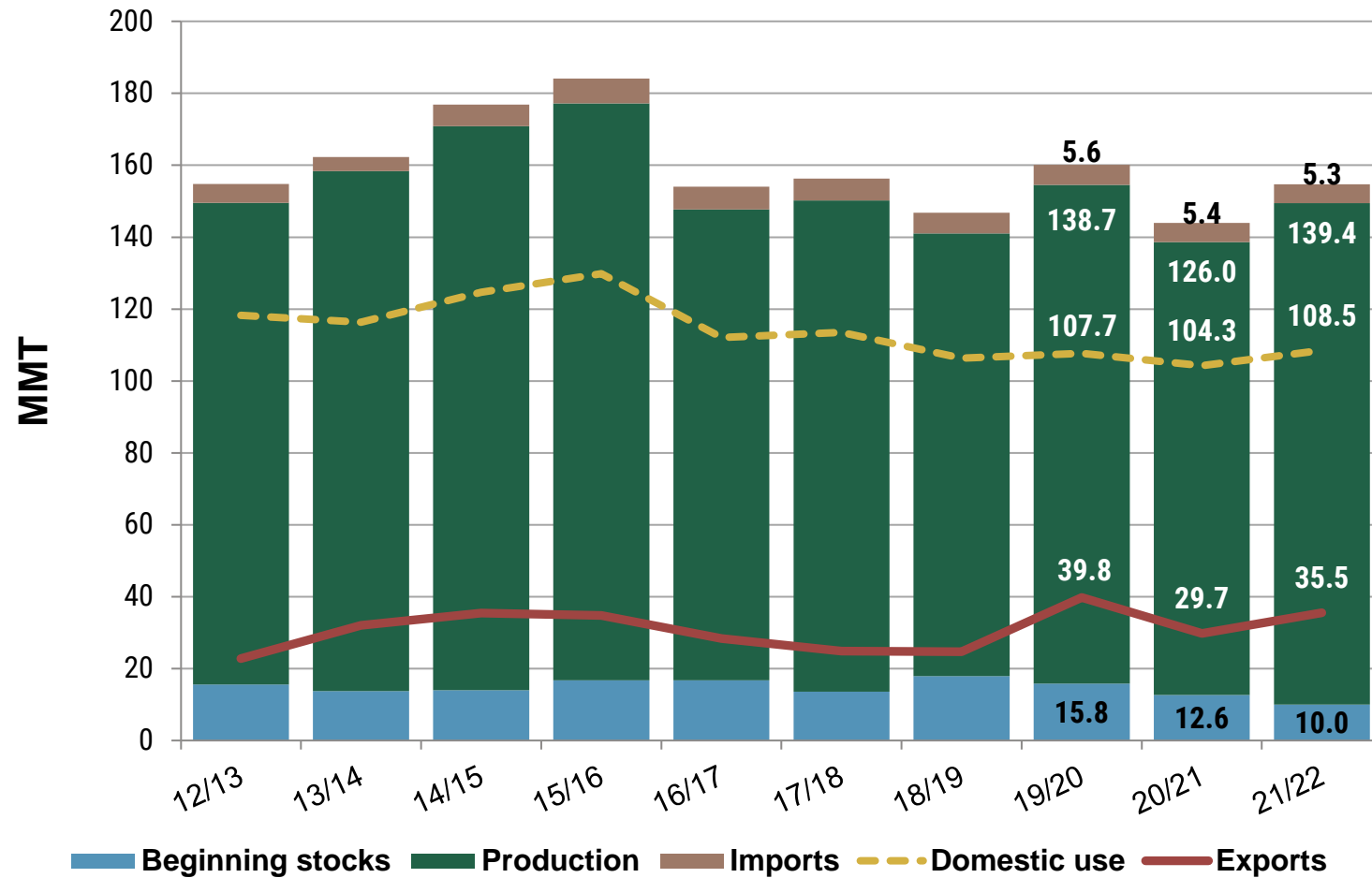
# Argentina Situation



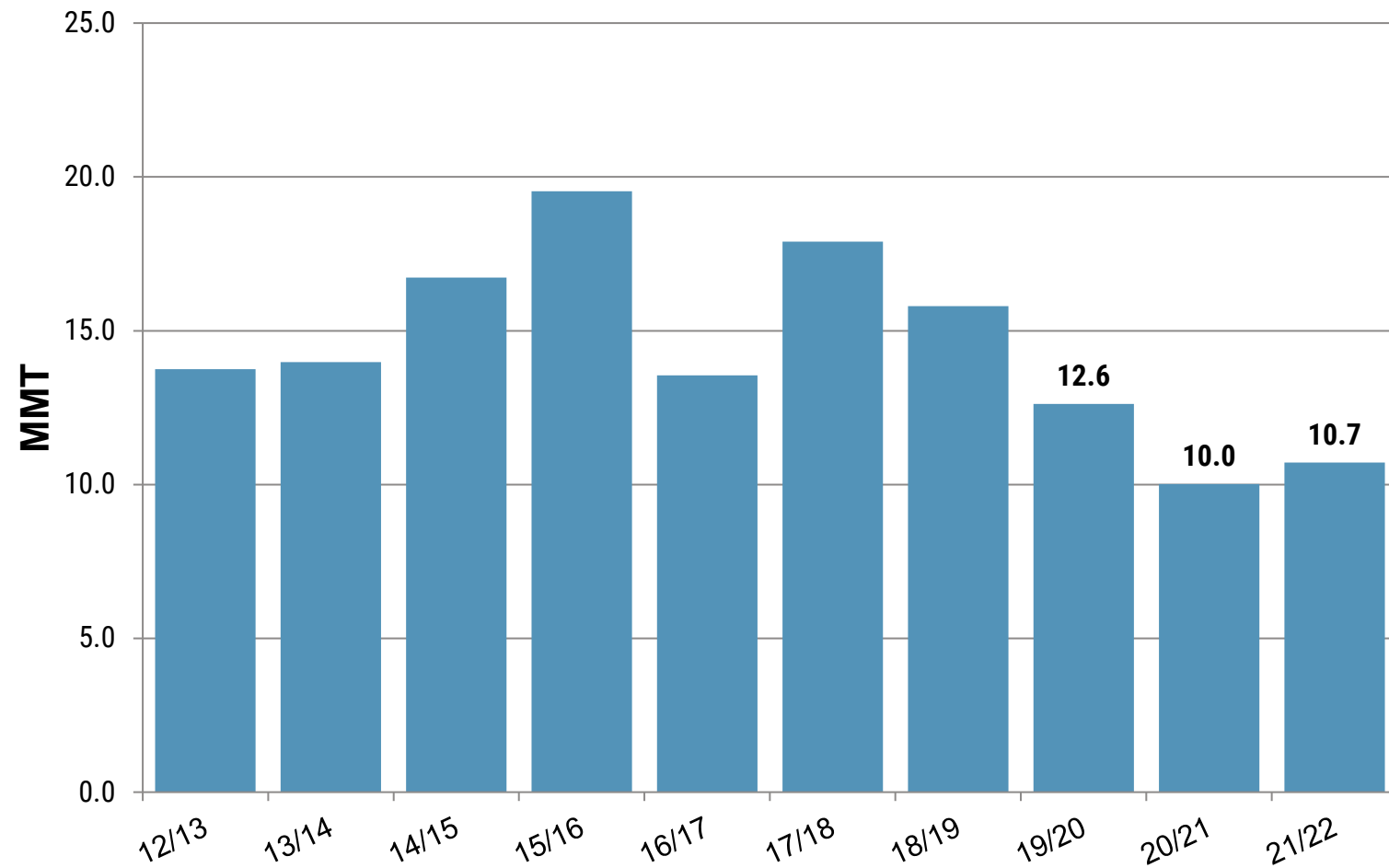
# Argentina Ending Stocks



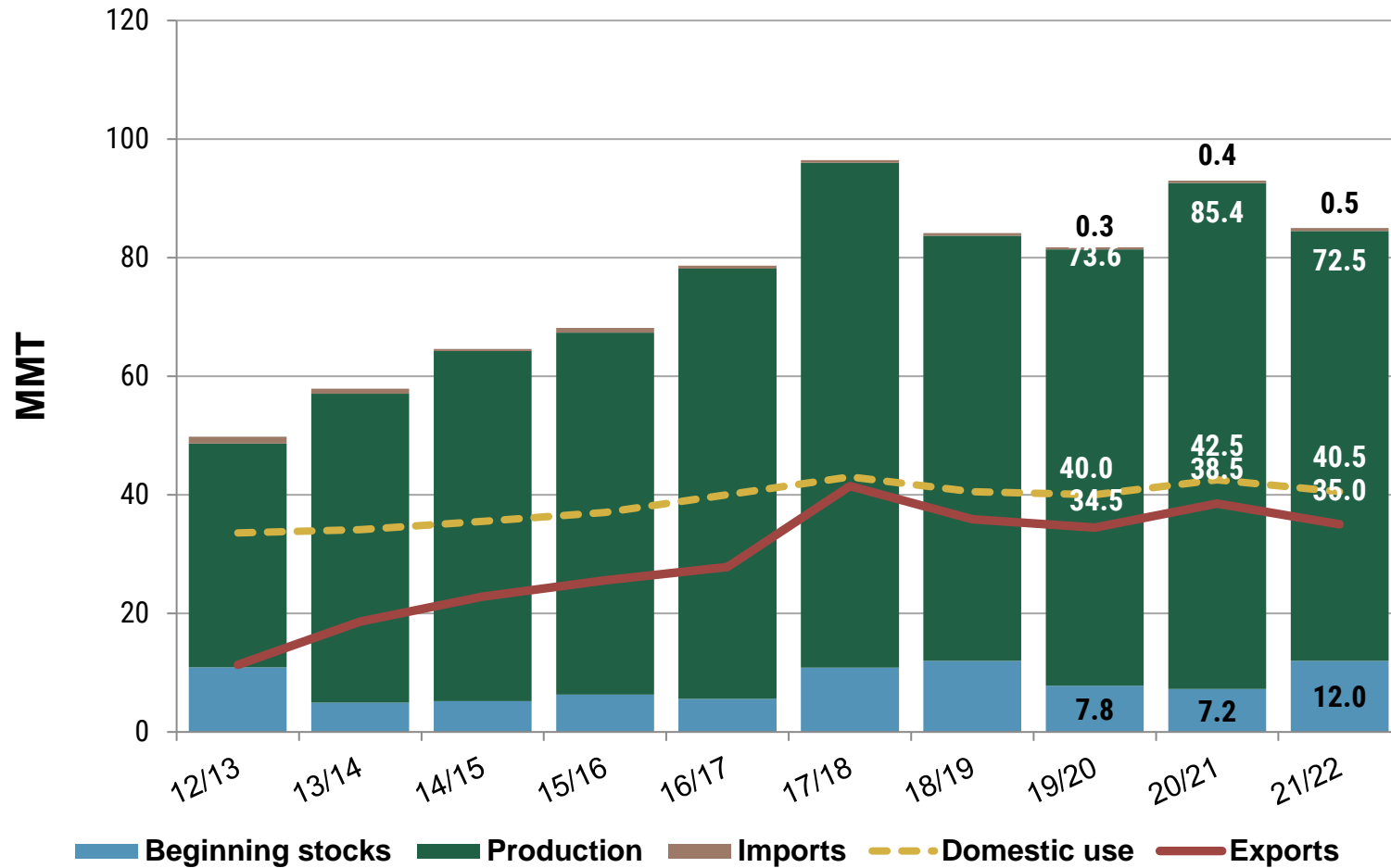
## EU Situation



## EU Ending Stocks

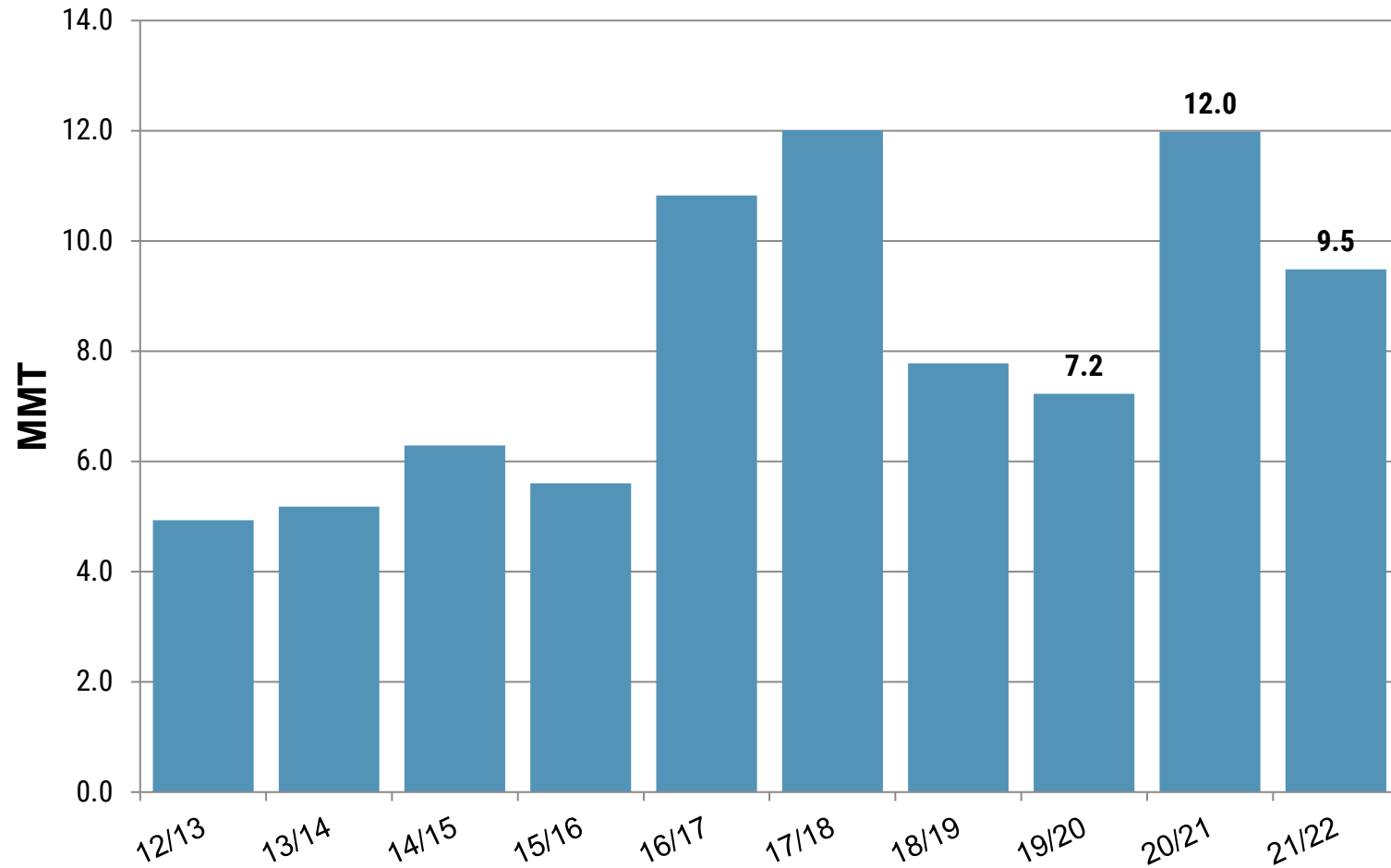


# Russia Situation

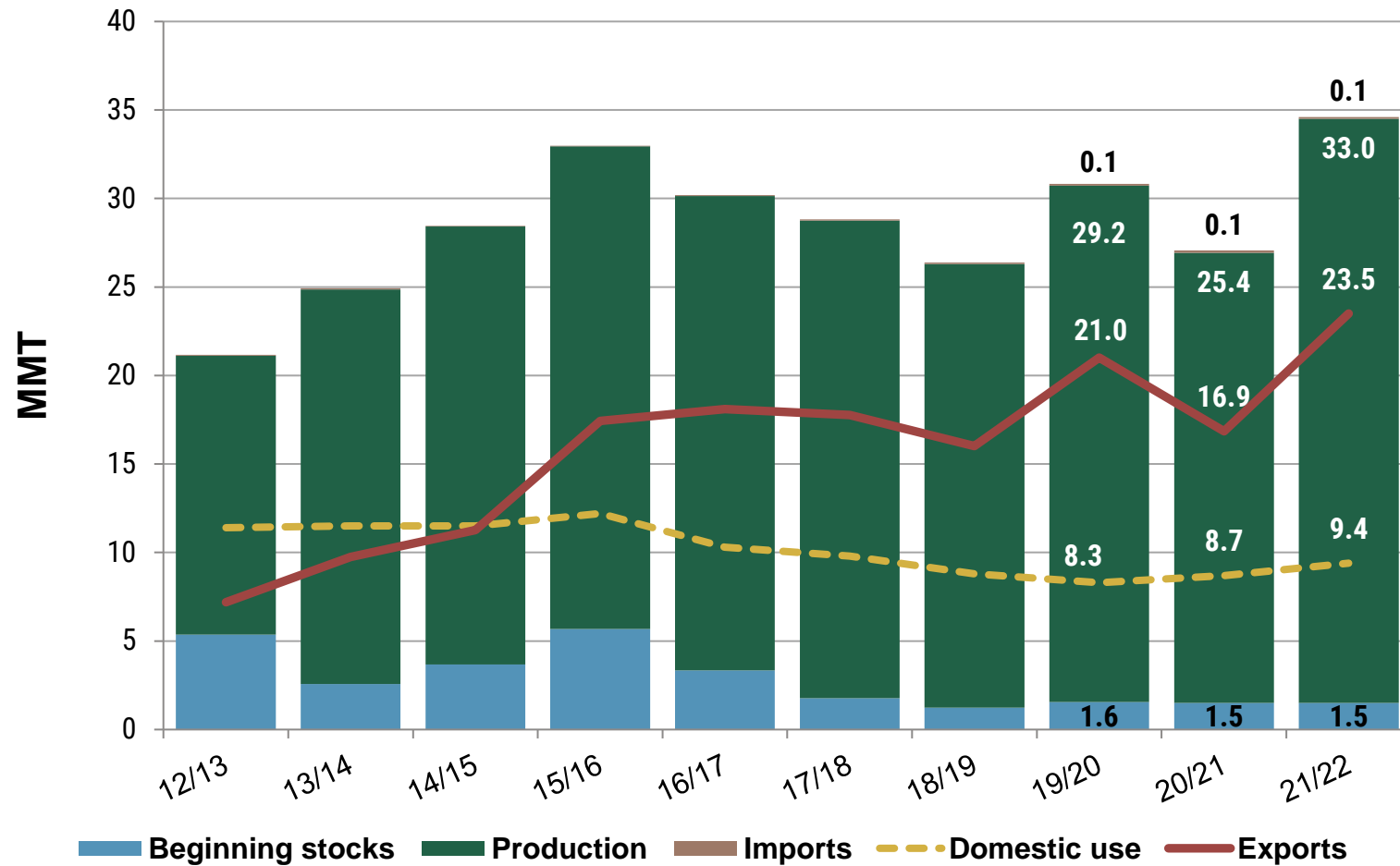




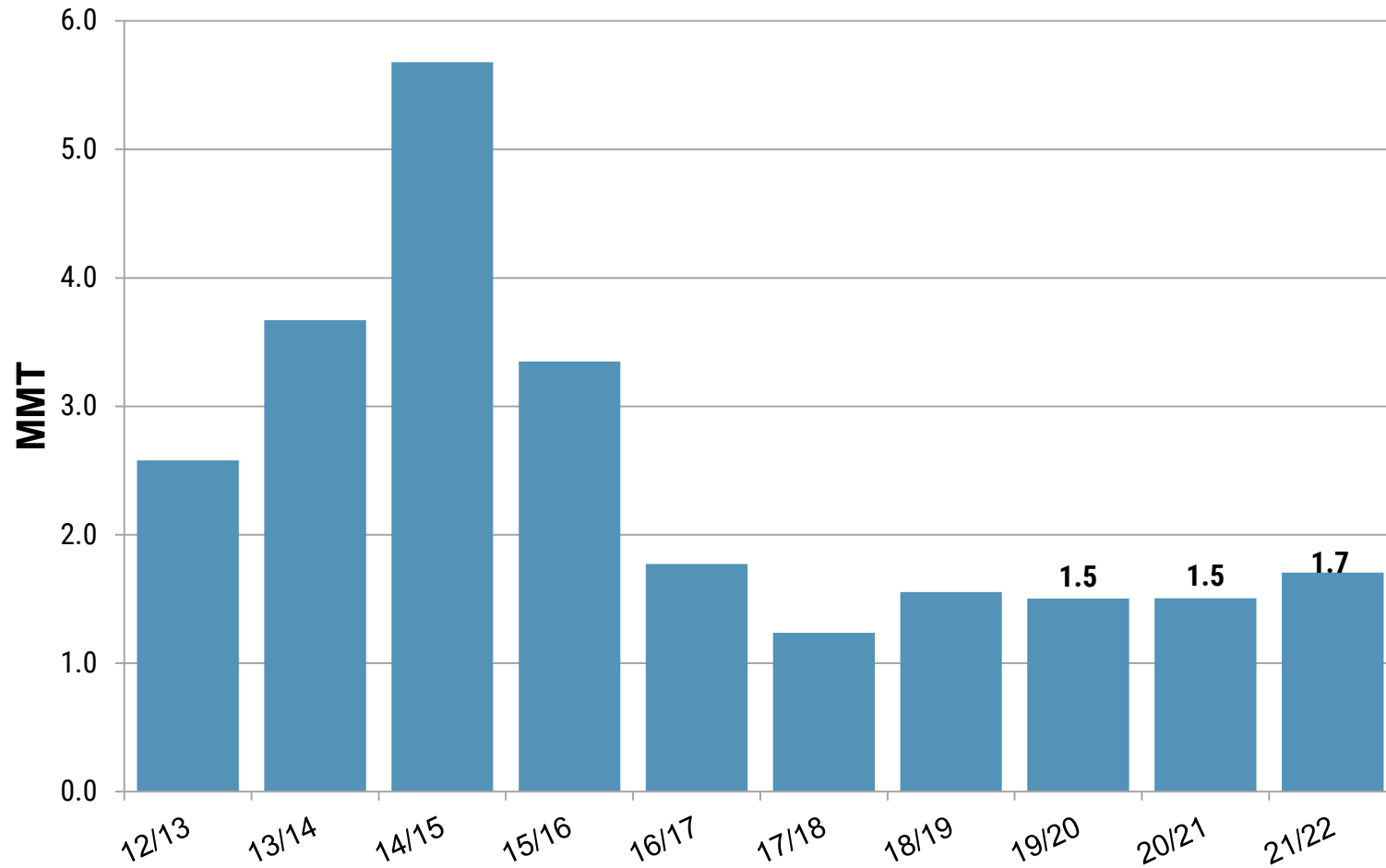
## Russia Ending Stocks



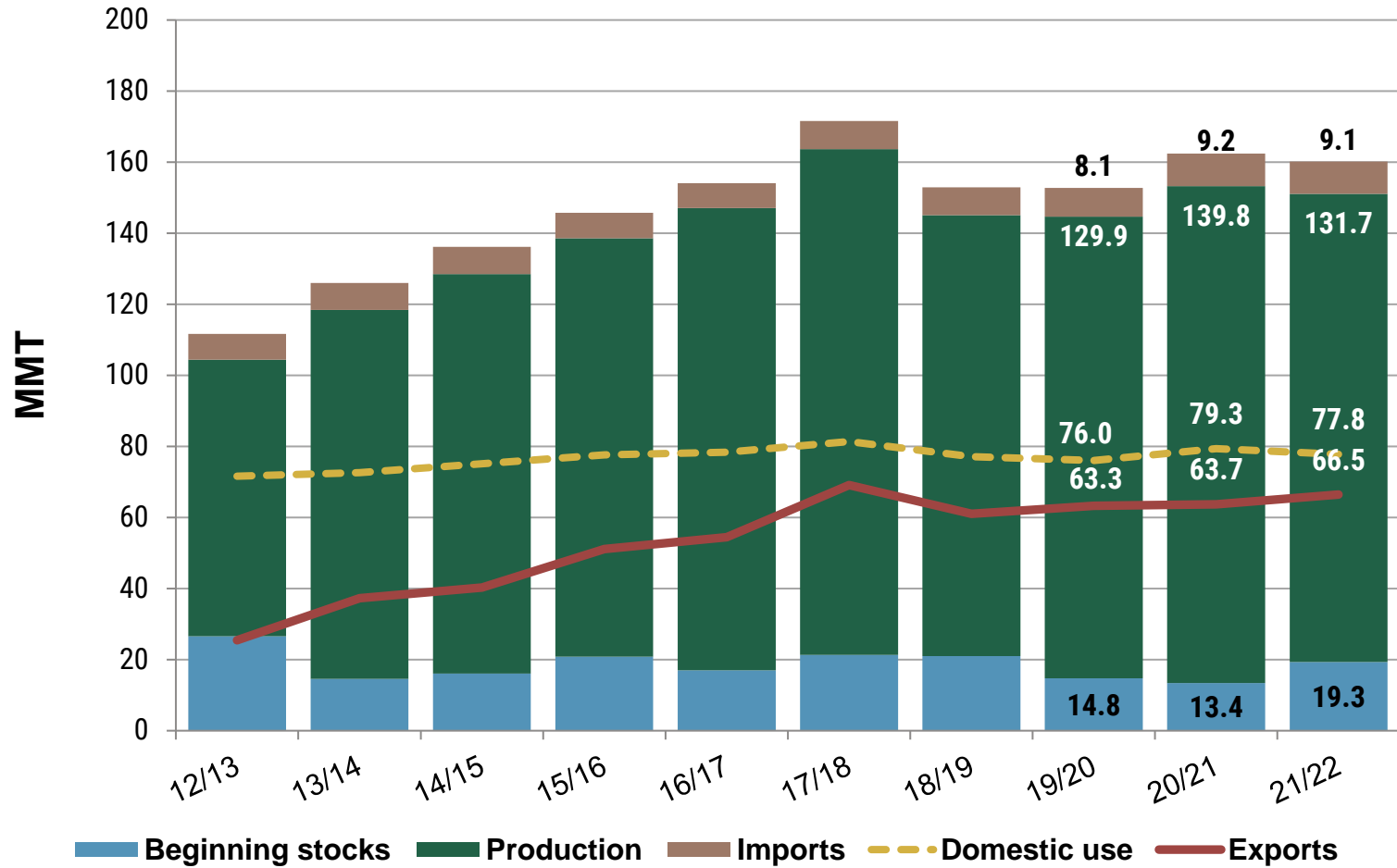
# Ukraine Situation



## Ukraine Ending Stocks



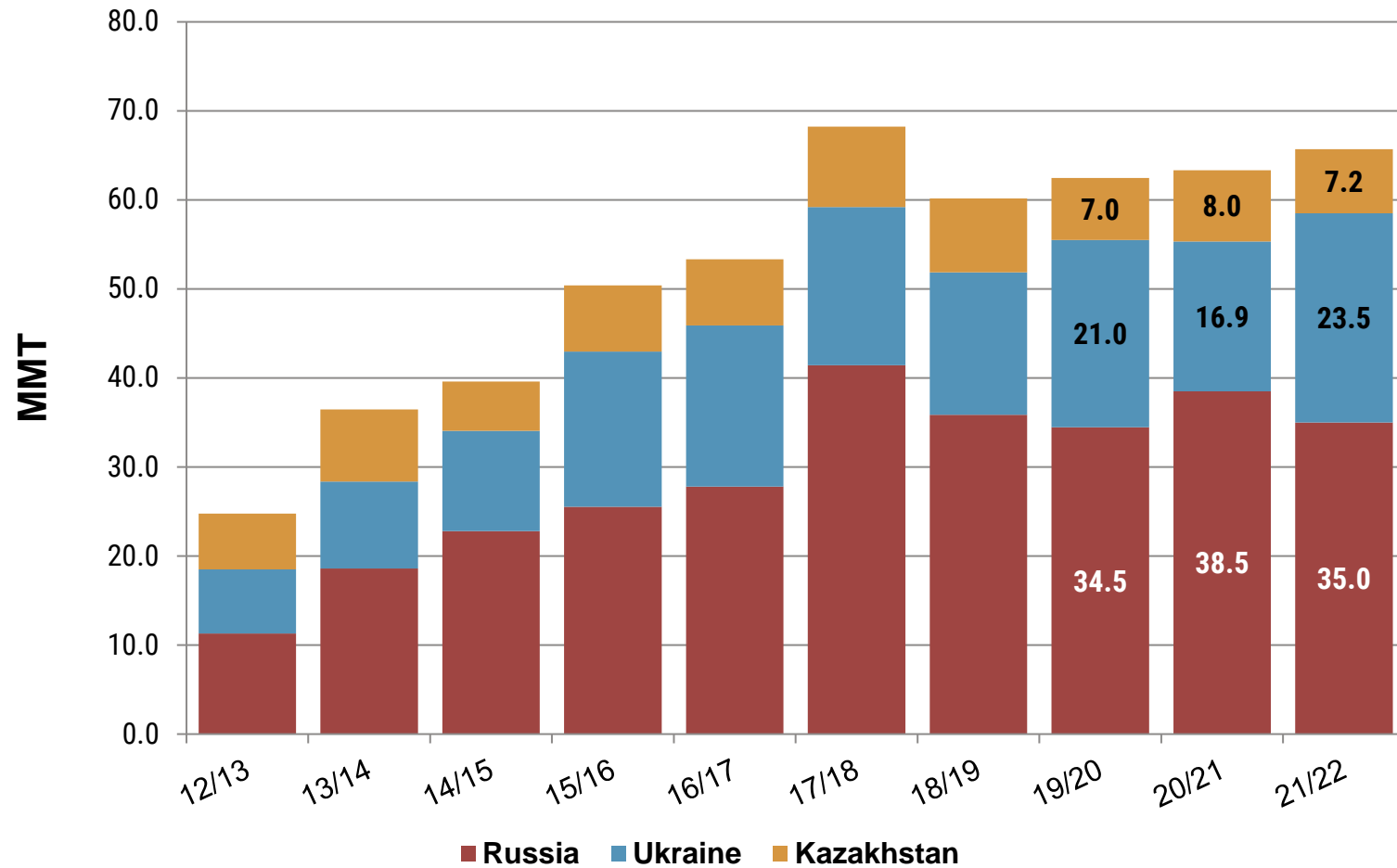
# Black Sea Region Situation



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



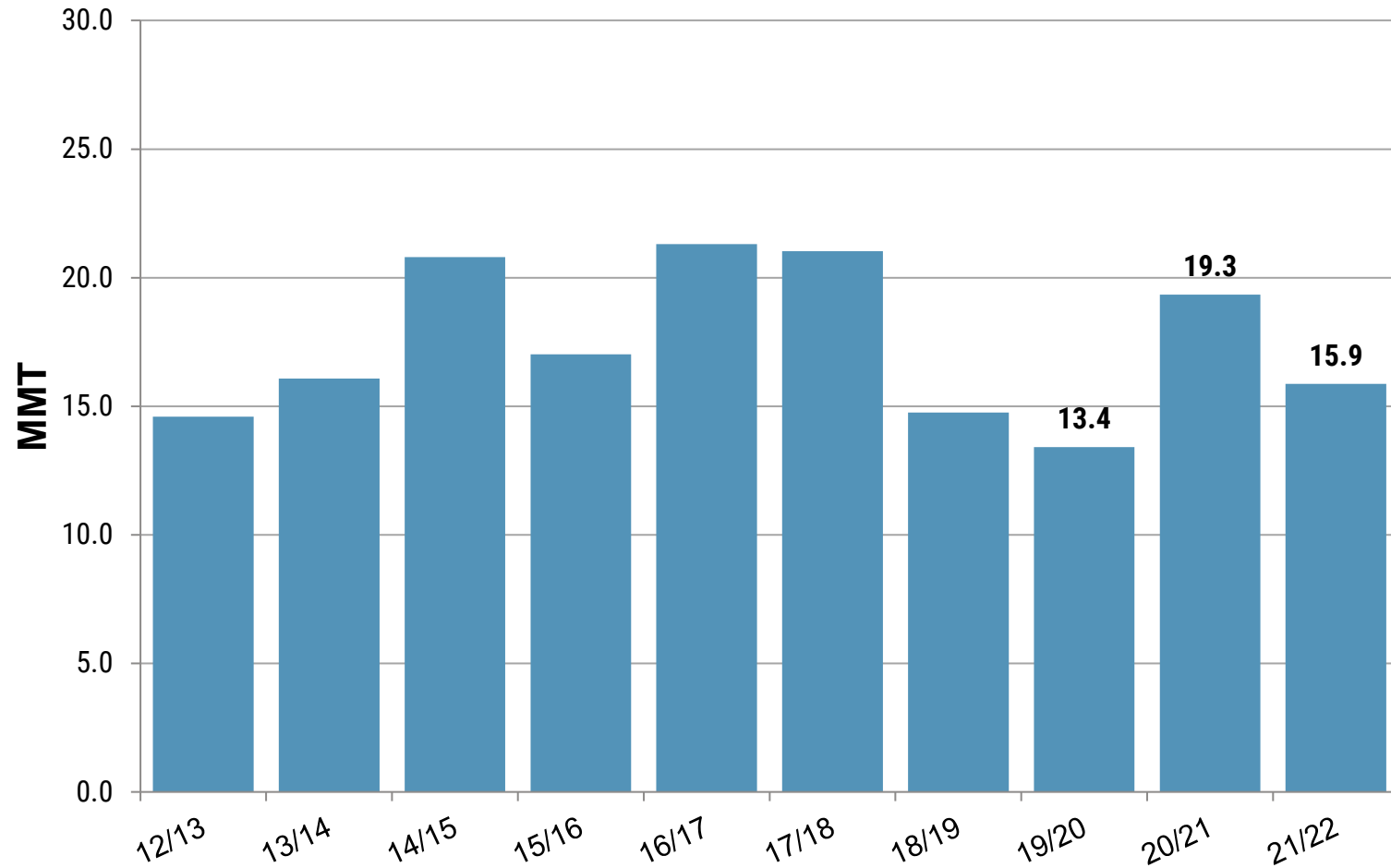
# Black Sea Exports



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



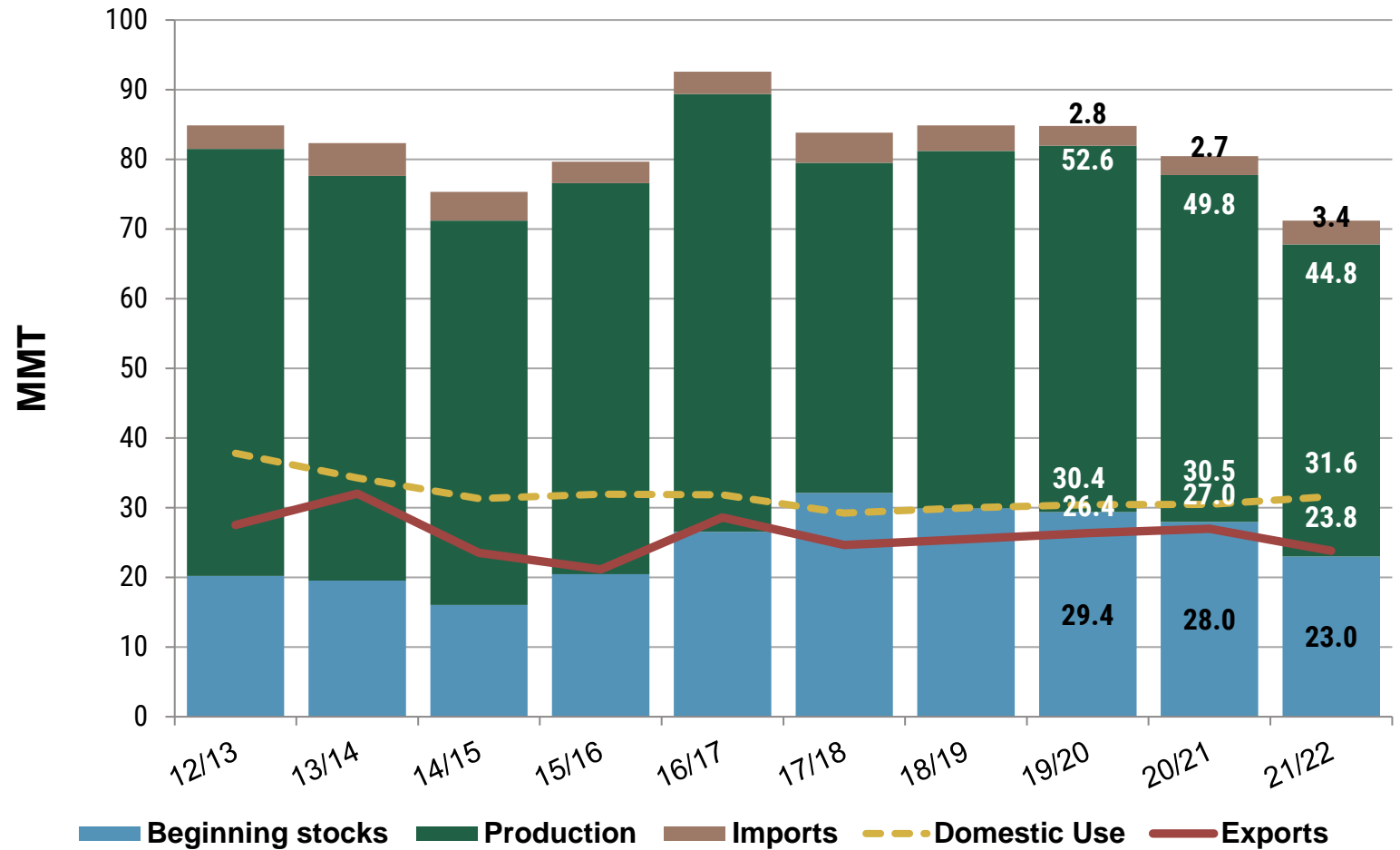
## Black Sea Ending Stocks



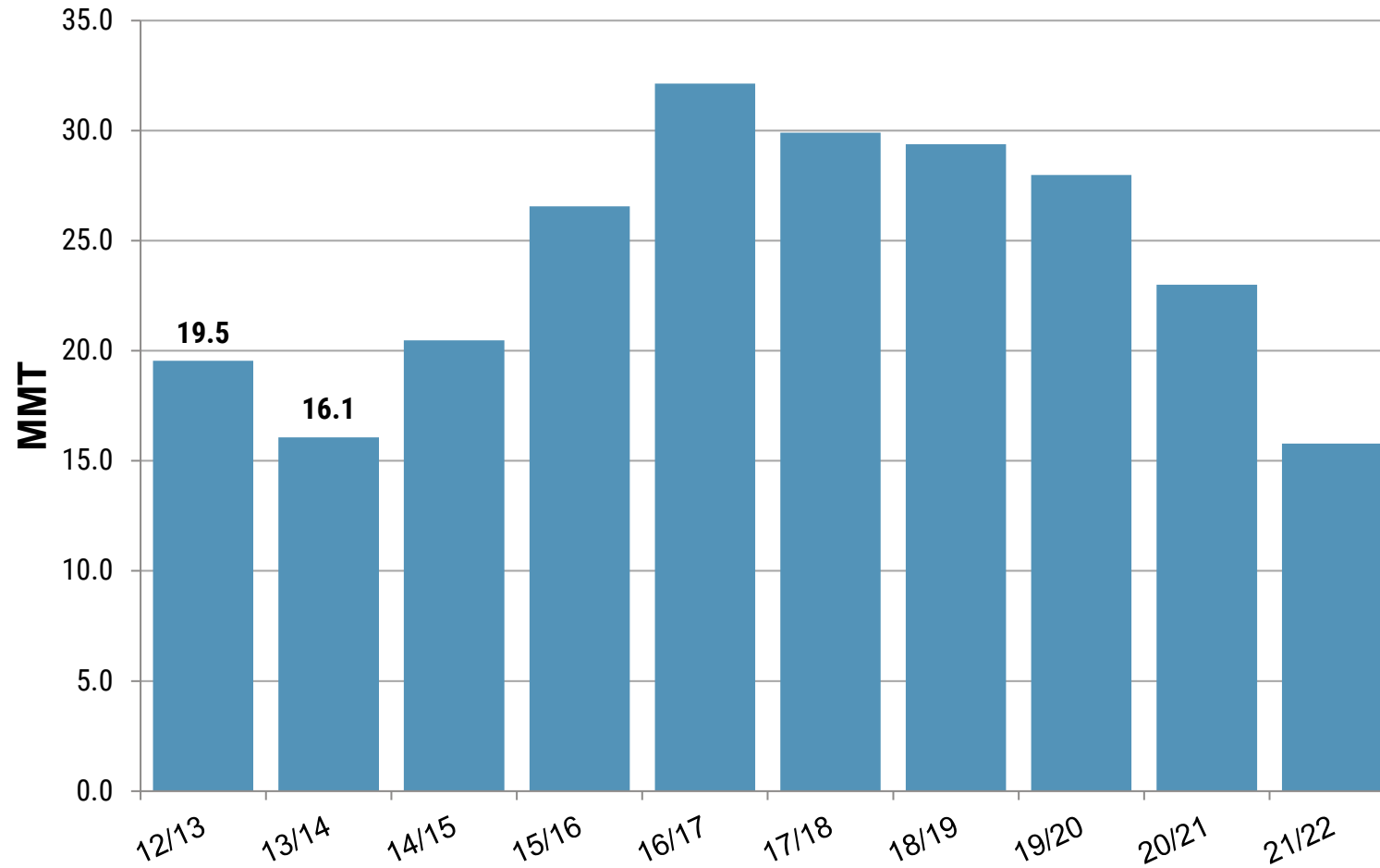
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# U.S. Situation



## U.S. Ending Stocks



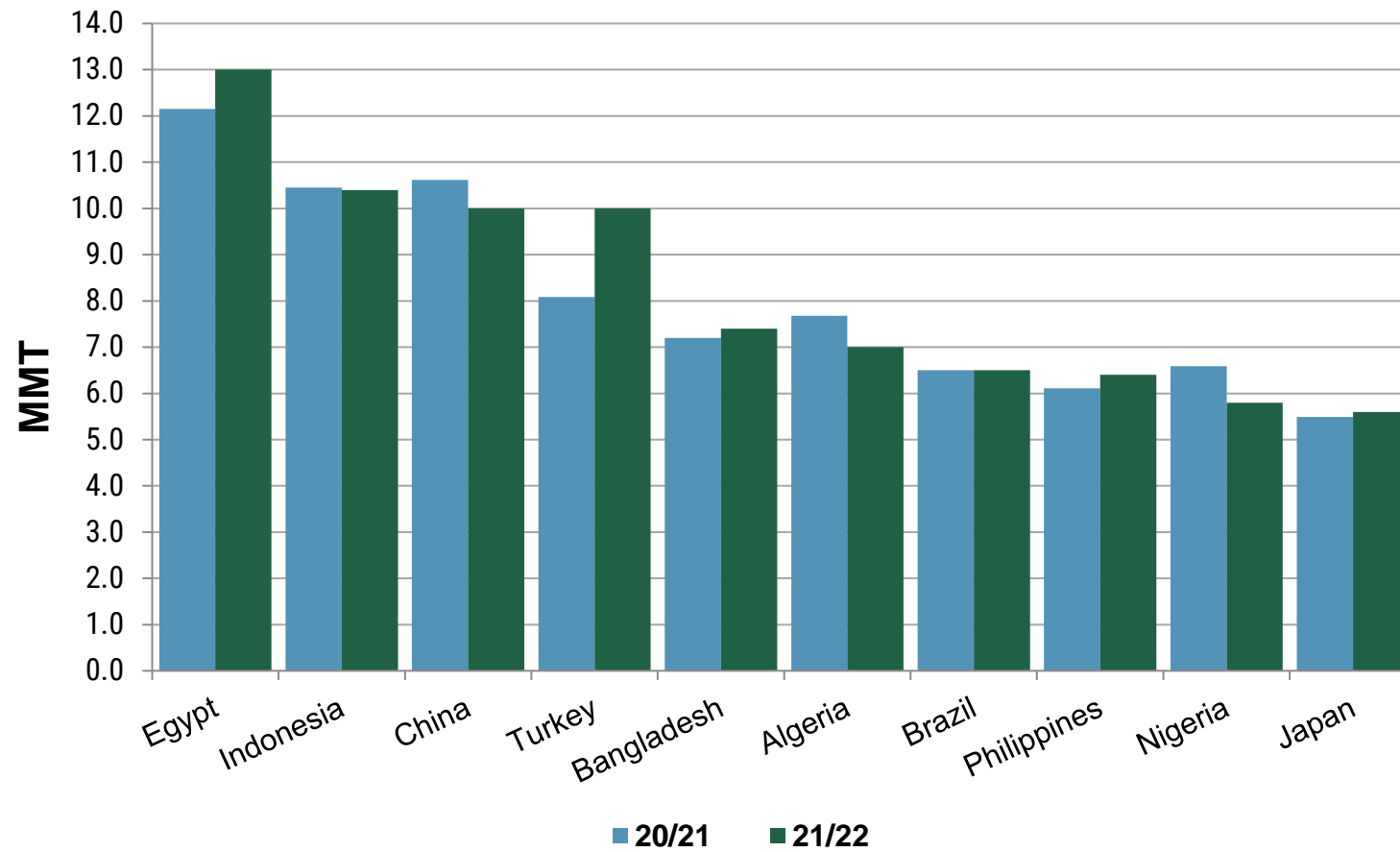




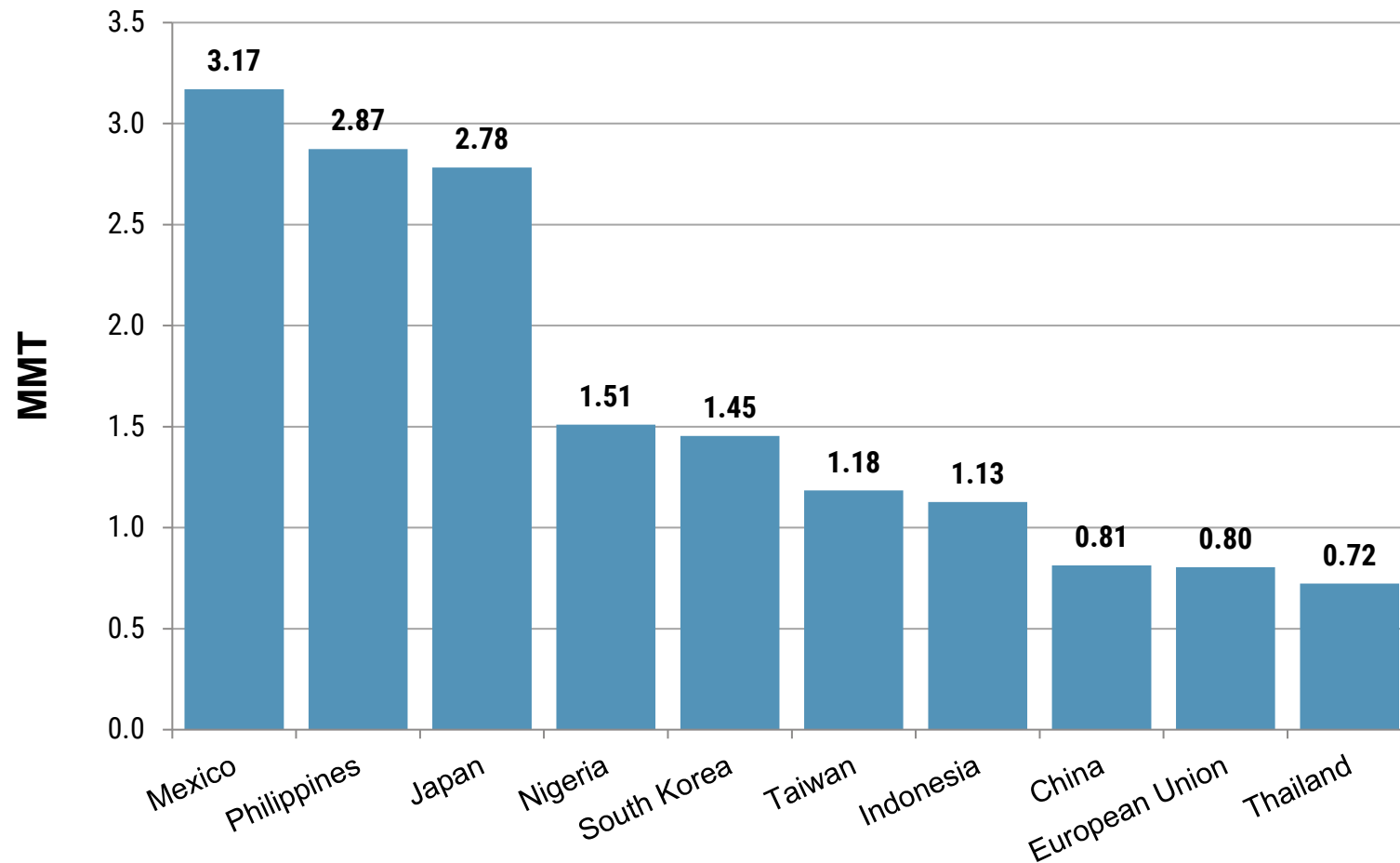
02

*Import Demand*

## Major World Wheat Importers

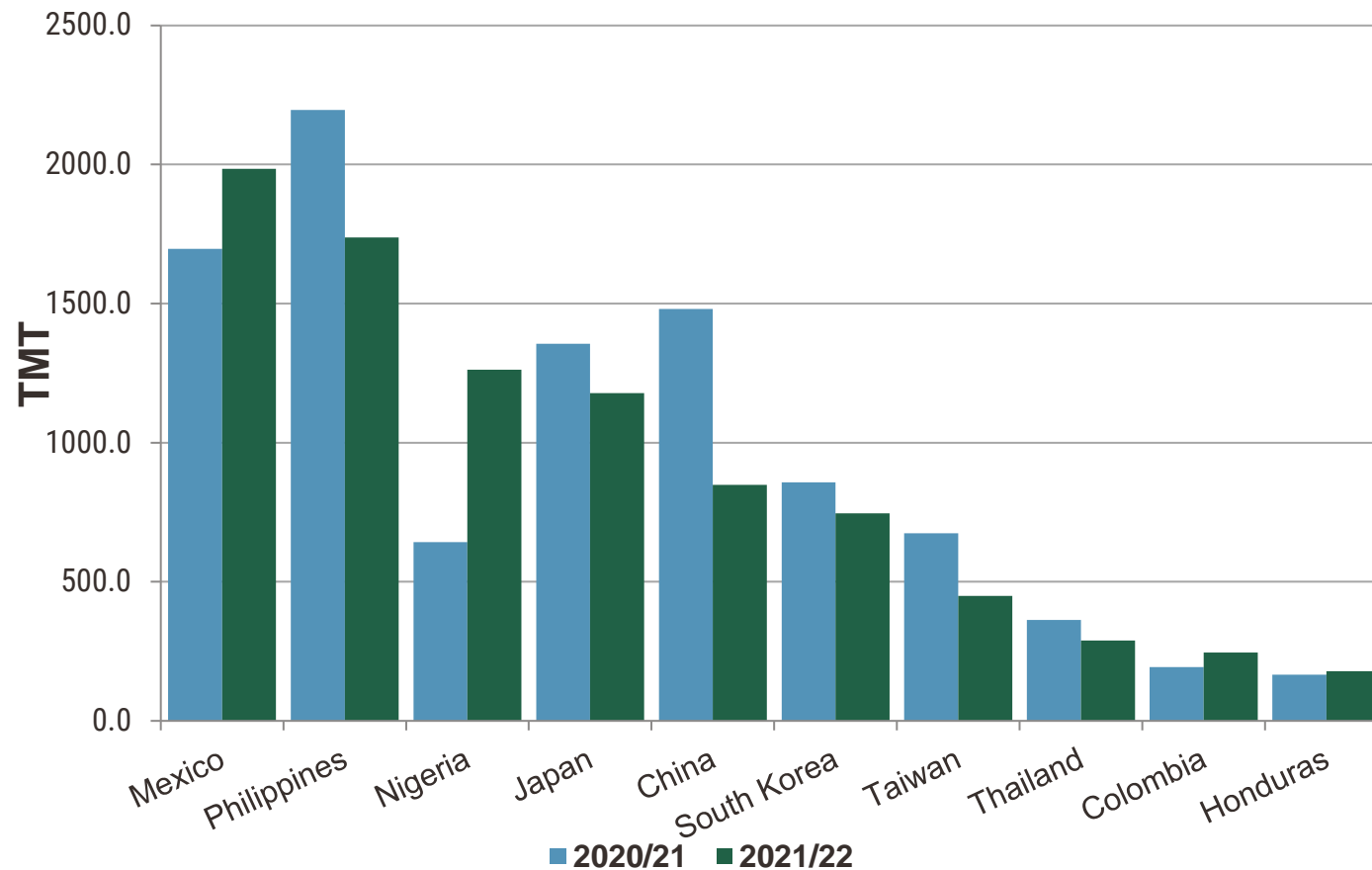


## Top 10 Customers for U.S. Wheat (5-year average)



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

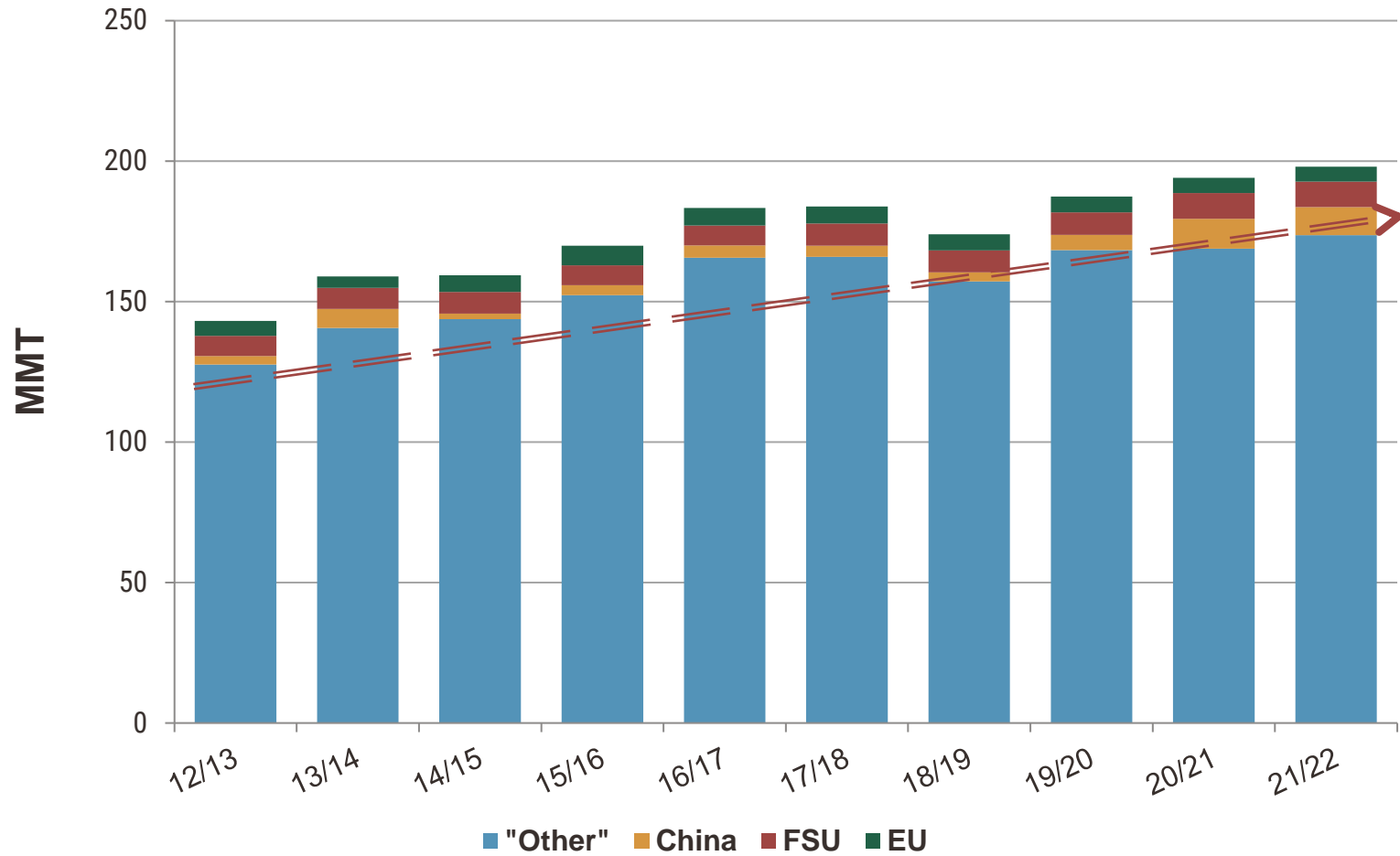
## Top 10 Customers for U.S. Wheat (year-to-date sales for current marketing year delivery)



Source: USDA FAS export sales data as of September 30, 2021



# World Wheat Imports

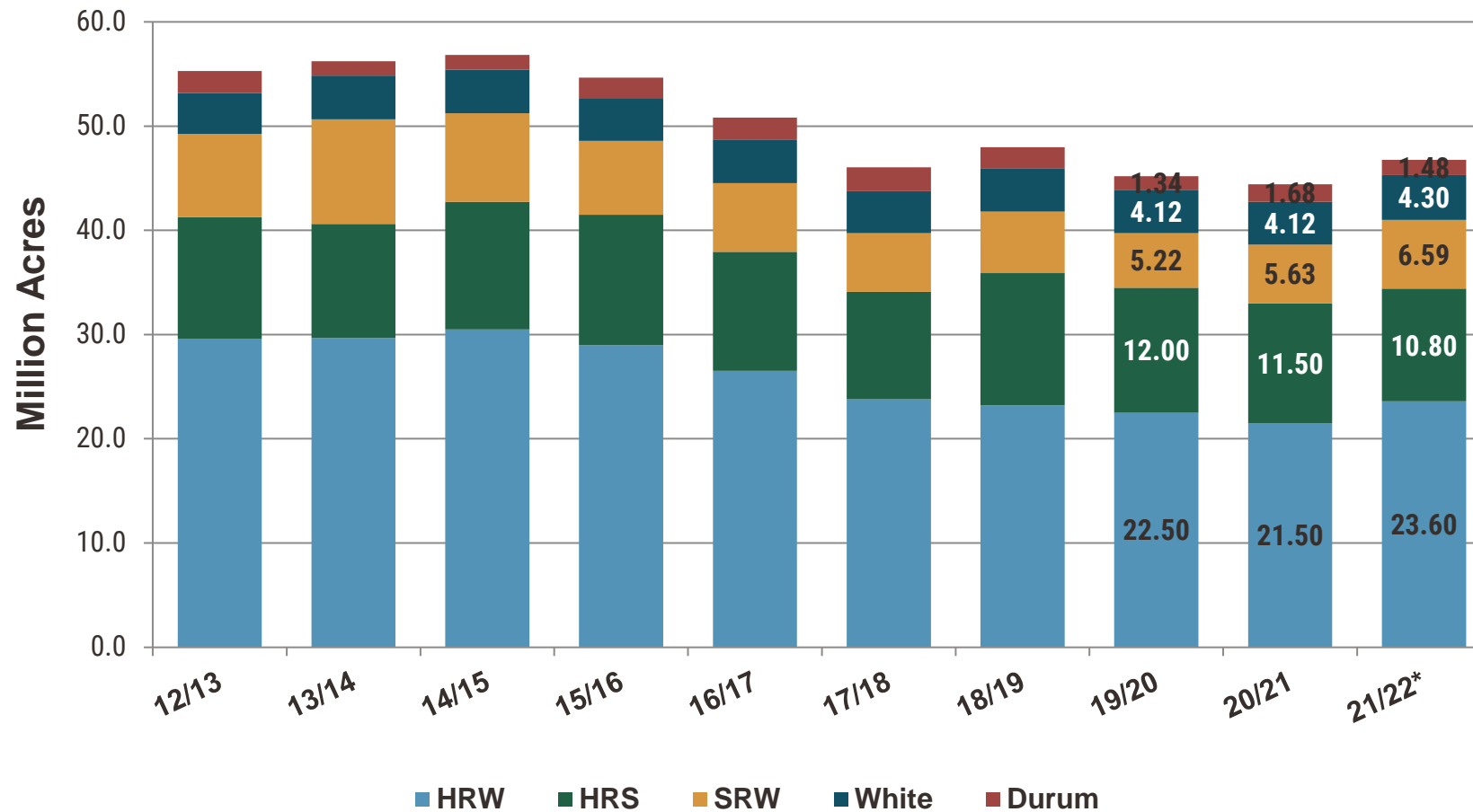




03

*U.S. Situation by  
Class*

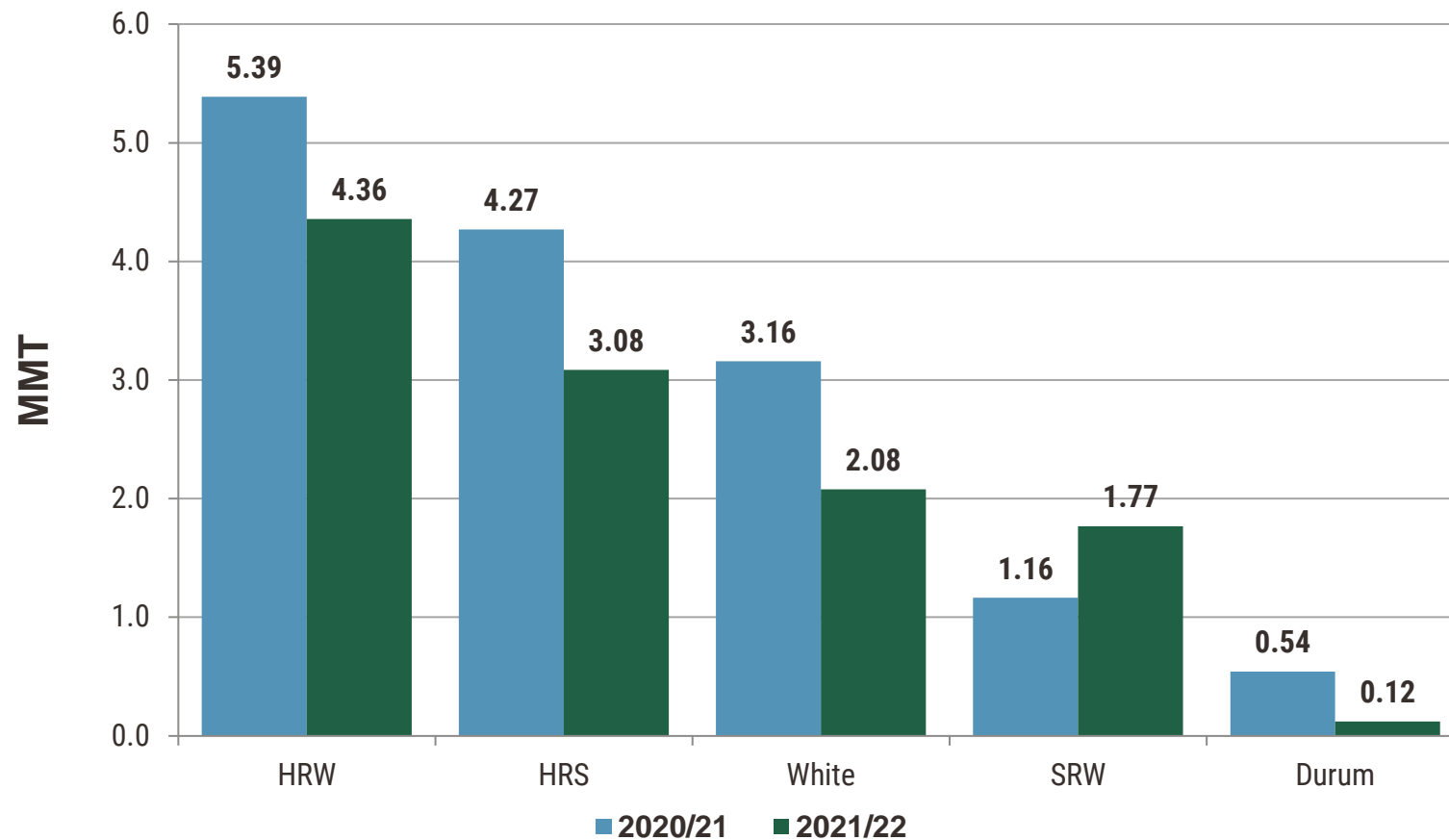
# U.S. Wheat Planted Area



\*Source: June 2021 USDA Acreage Report

## U.S. Wheat Sales by Class

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

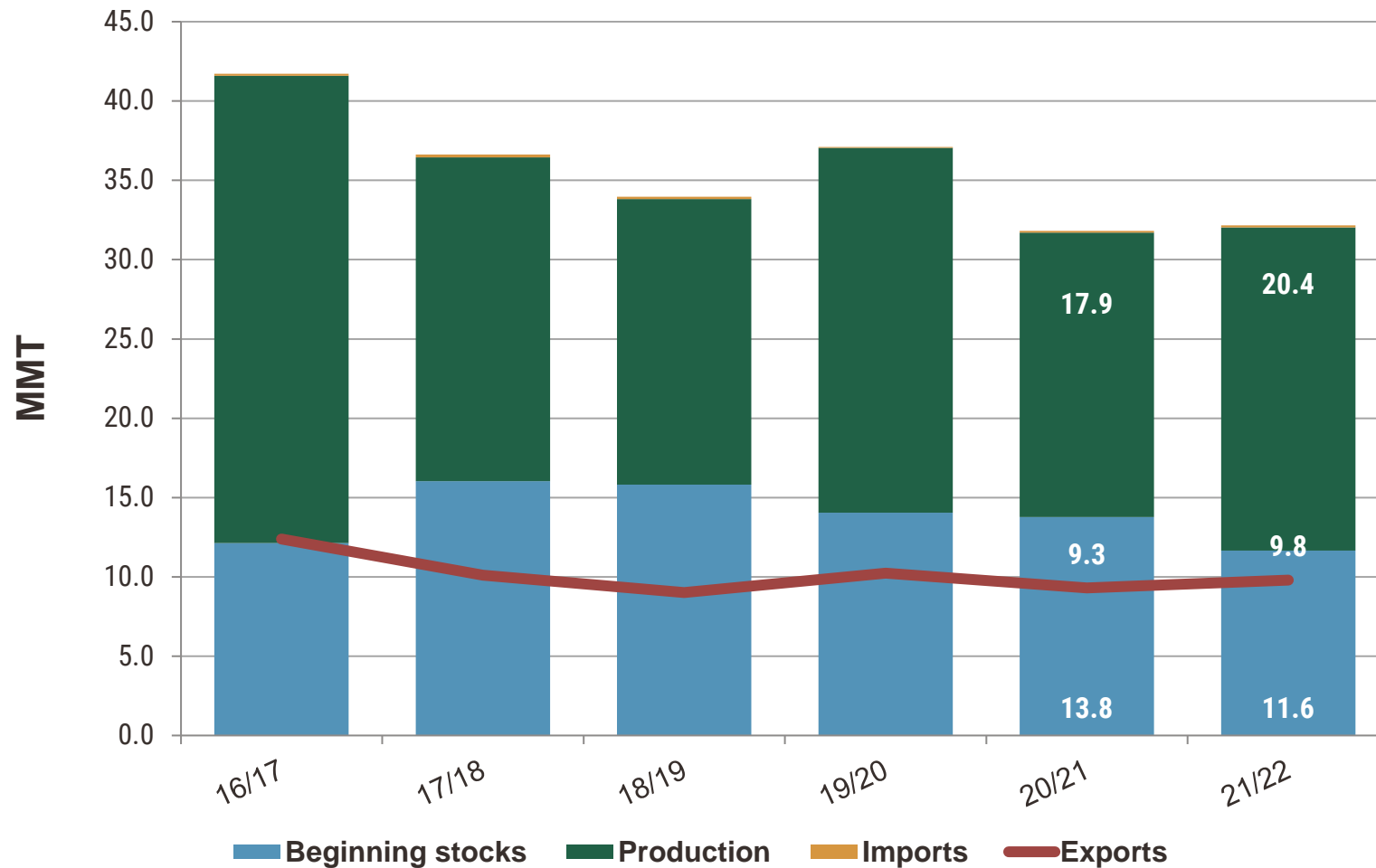


Source: USDA FAS export sales data as of September 30, 2021

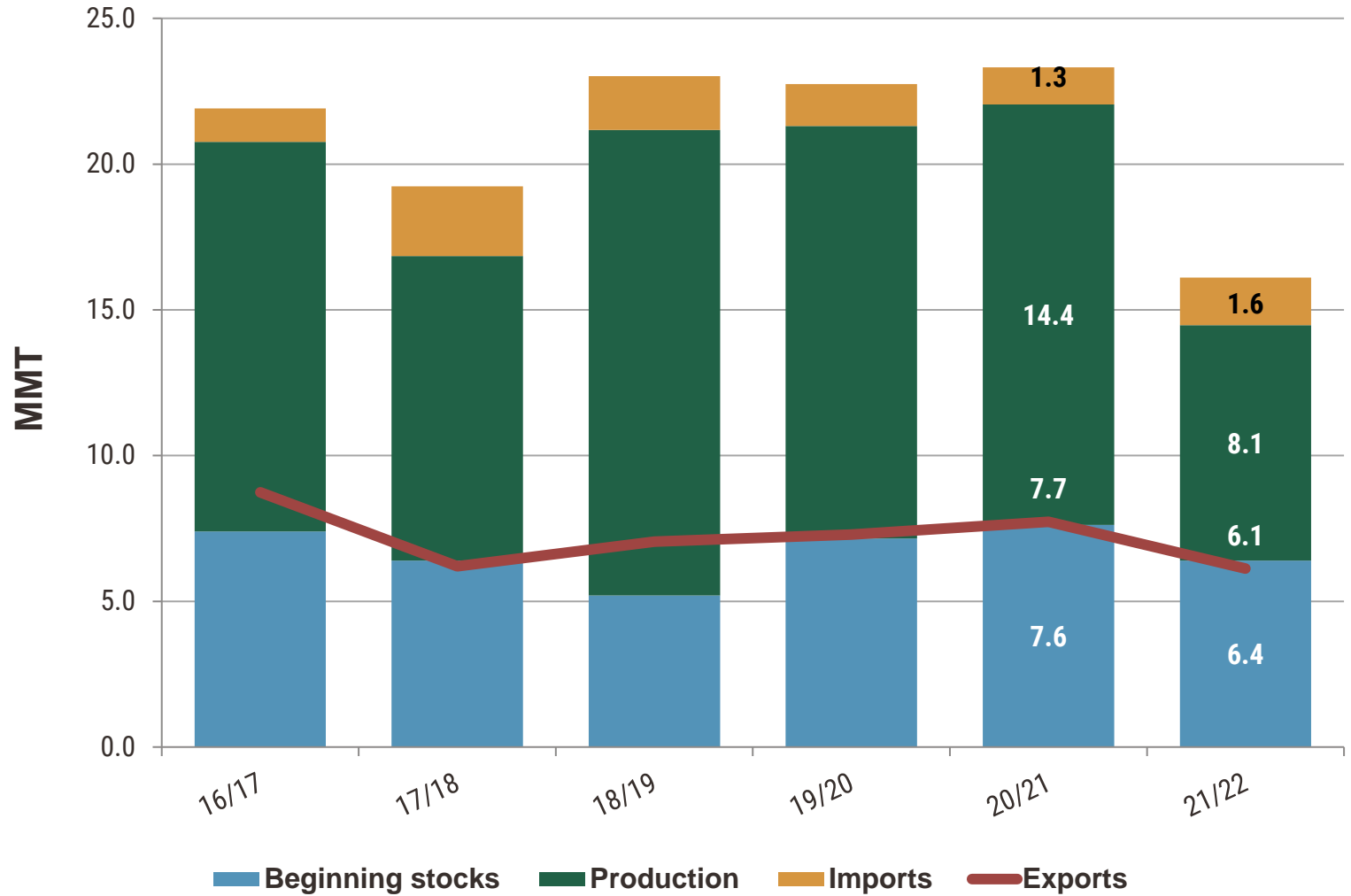




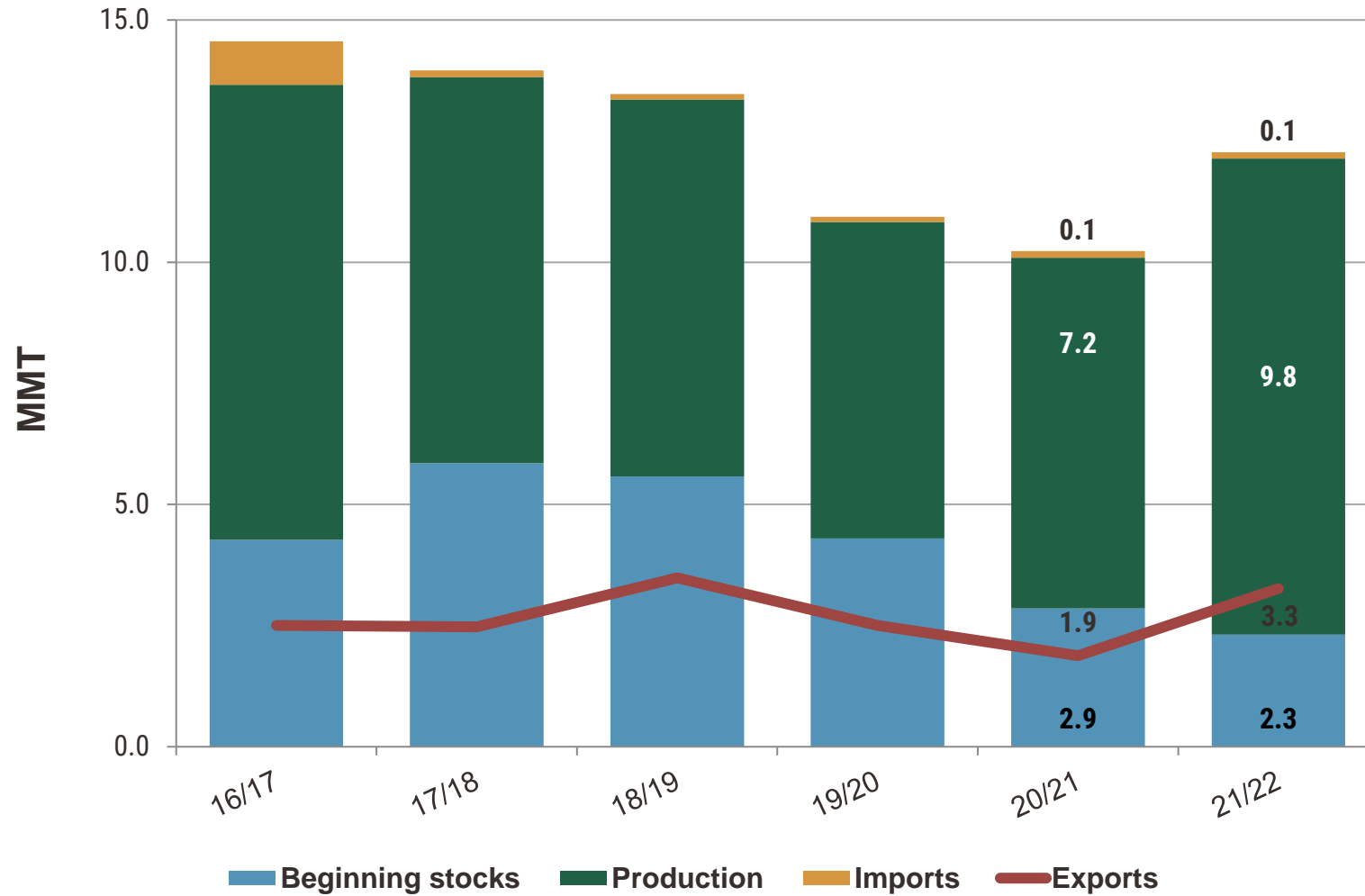
# U.S. Hard Red Winter



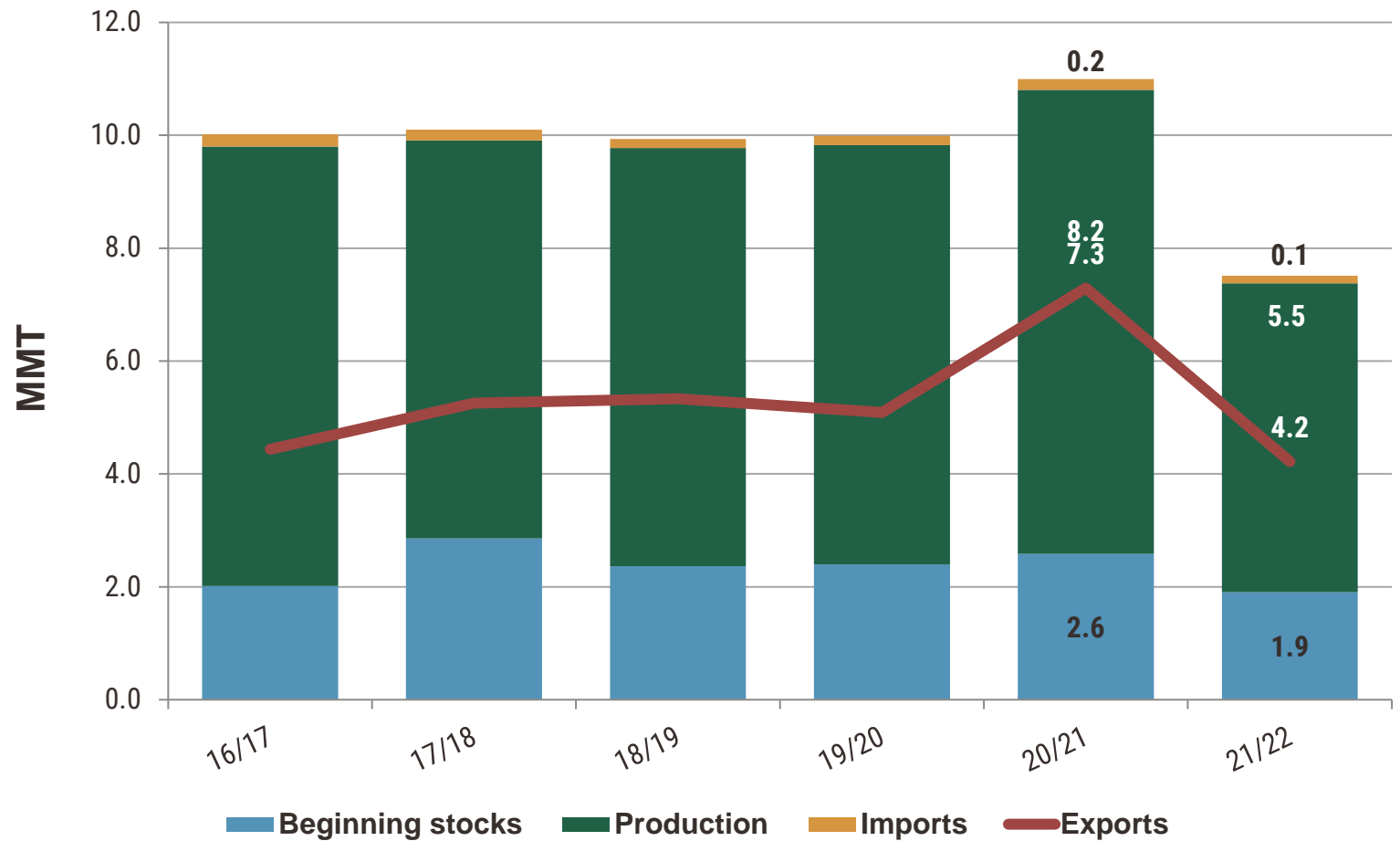
# U.S. Hard Red Spring



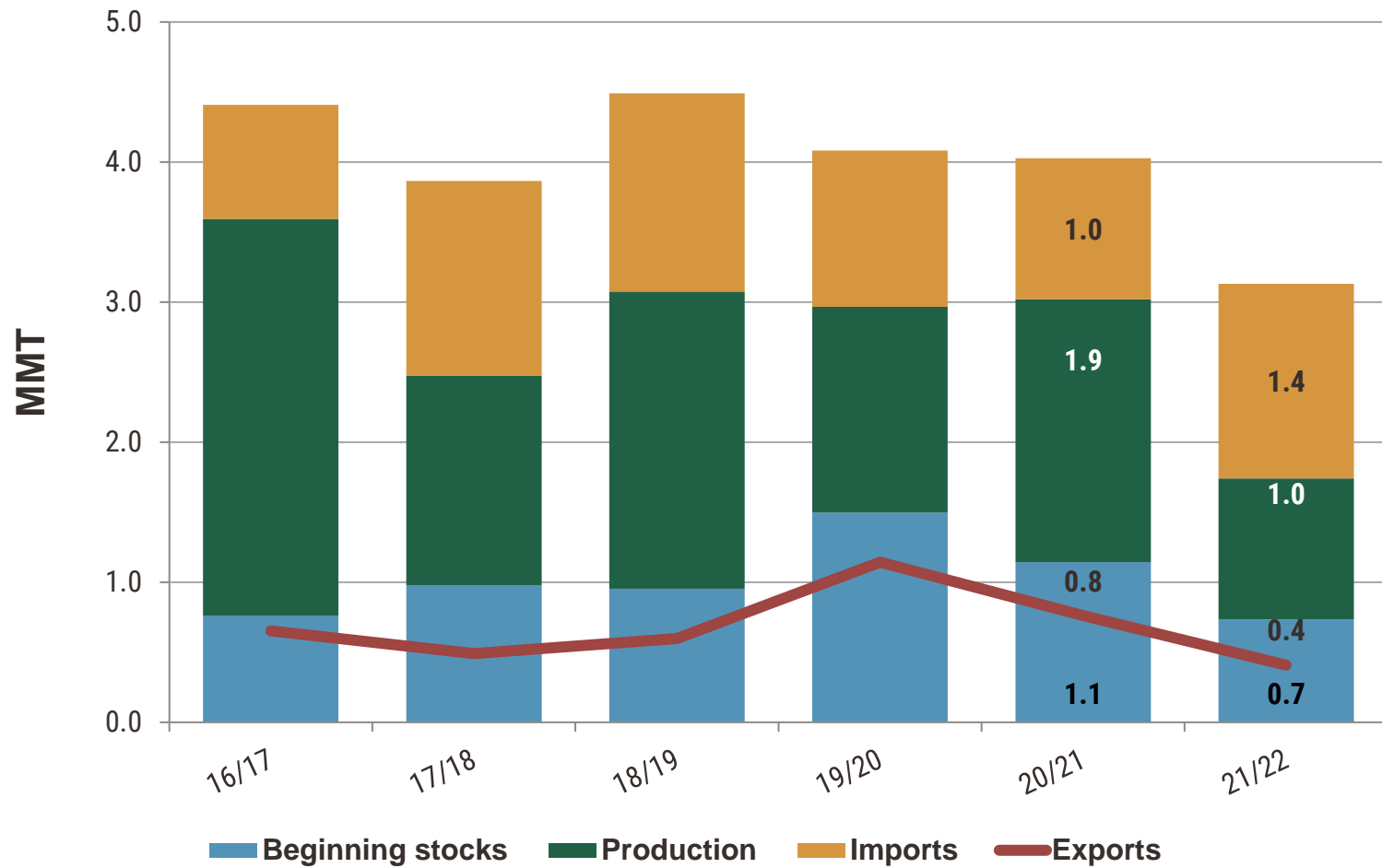
# U.S. Soft Red Winter



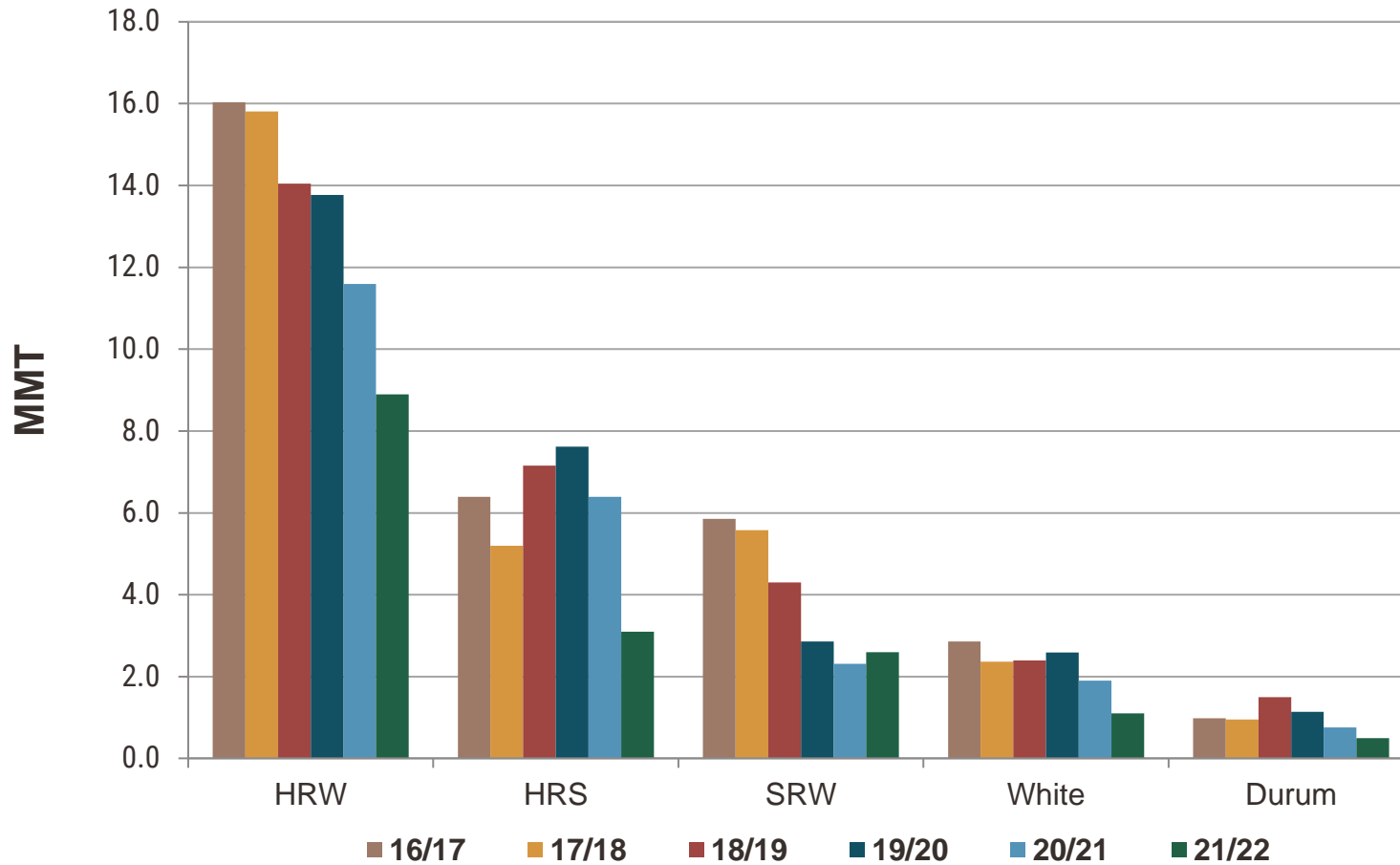
# U.S. White



# 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>
<b>Beginning Stocks</b>	<b>13.8</b>	<b>11.6</b>	<b>7.62</b>	<b>6.40</b>	<b>2.86</b>	<b>2.31</b>
<b>Production</b>	<b>17.9</b>	<b>20.4</b>	<b>14.5</b>	<b>8.1</b>	<b>7.24</b>	<b>9.83</b>
<b>Supply Total</b>	<b>31.8</b>	<b>32.2</b>	<b>23.4</b>	<b>16.1</b>	<b>10.23</b>	<b>12.3</b>
<b>Domestic Use</b>	<b>10.9</b>	<b>13.9</b>	<b>9.23</b>	<b>6.91</b>	<b>6.04</b>	<b>6.45</b>
<b>Exports</b>	<b>9.3</b>	<b>9.8</b>	<b>7.73</b>	<b>6.12</b>	<b>1.88</b>	<b>3.27</b>
<b>Use Total</b>	<b>20.2</b>	<b>23.7</b>	<b>17.0</b>	<b>13.0</b>	<b>7.92</b>	<b>9.72</b>
<b>Ending Stocks</b>	<b>11.6</b>	<b>8.5</b>	<b>6.40</b>	<b>3.08</b>	<b>2.31</b>	<b>2.56</b>
<b>Stocks-to-Use</b>	<b>58%</b>	<b>36%</b>	<b>38%</b>	<b>24%</b>	<b>29%</b>	<b>26%</b>



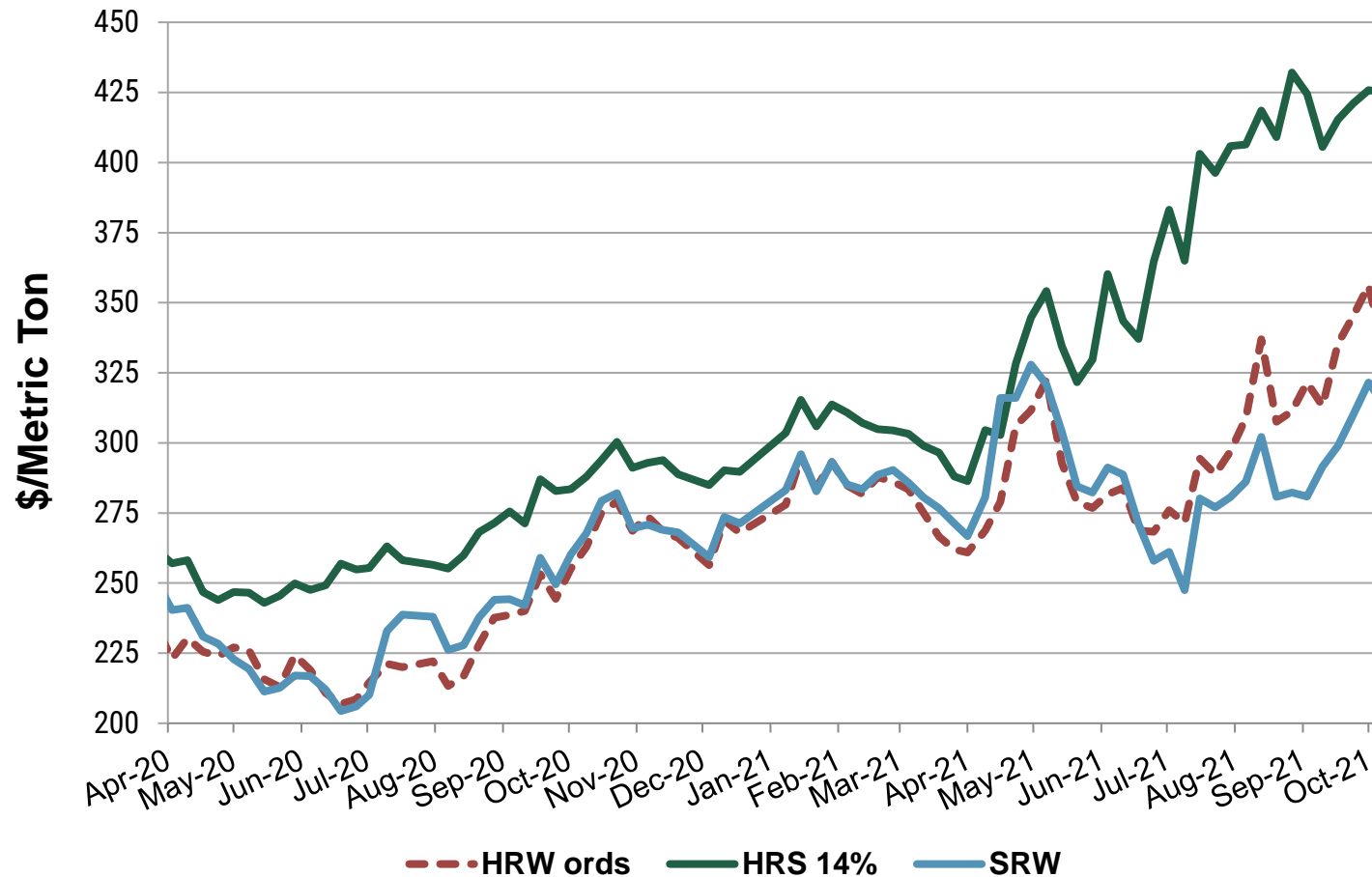
## U.S. Wheat Supply and Demand (MMT)

	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>
<b>Beginning Stocks</b>	<b>2.59</b>	<b>1.91</b>	<b>1.14</b>	<b>0.73</b>	<b>28.0</b>	<b>23.0</b>
<b>Production</b>	<b>8.25</b>	<b>5.47</b>	<b>1.88</b>	<b>1.01</b>	<b>49.8</b>	<b>44.8</b>
<b>Supply Total</b>	<b>11.0</b>	<b>7.51</b>	<b>4.03</b>	<b>3.13</b>	<b>80.5</b>	<b>71.2</b>
<b>Domestic Use</b>	<b>1.74</b>	<b>2.18</b>	<b>2.53</b>	<b>2.18</b>	<b>30.5</b>	<b>31.6</b>
<b>Exports</b>	<b>7.35</b>	<b>4.22</b>	<b>0.76</b>	<b>0.41</b>	<b>27.0</b>	<b>23.8</b>
<b>Use Total</b>	<b>9.09</b>	<b>6.40</b>	<b>3.29</b>	<b>2.59</b>	<b>57.5</b>	<b>55.4</b>
<b>Ending Stocks</b>	<b>1.91</b>	<b>1.12</b>	<b>0.73</b>	<b>0.54</b>	<b>23.0</b>	<b>15.8</b>
<b>Stocks-to-Use</b>	<b>21%</b>	<b>17%</b>	<b>22%</b>	<b>21%</b>	<b>40%</b>	<b>28%</b>





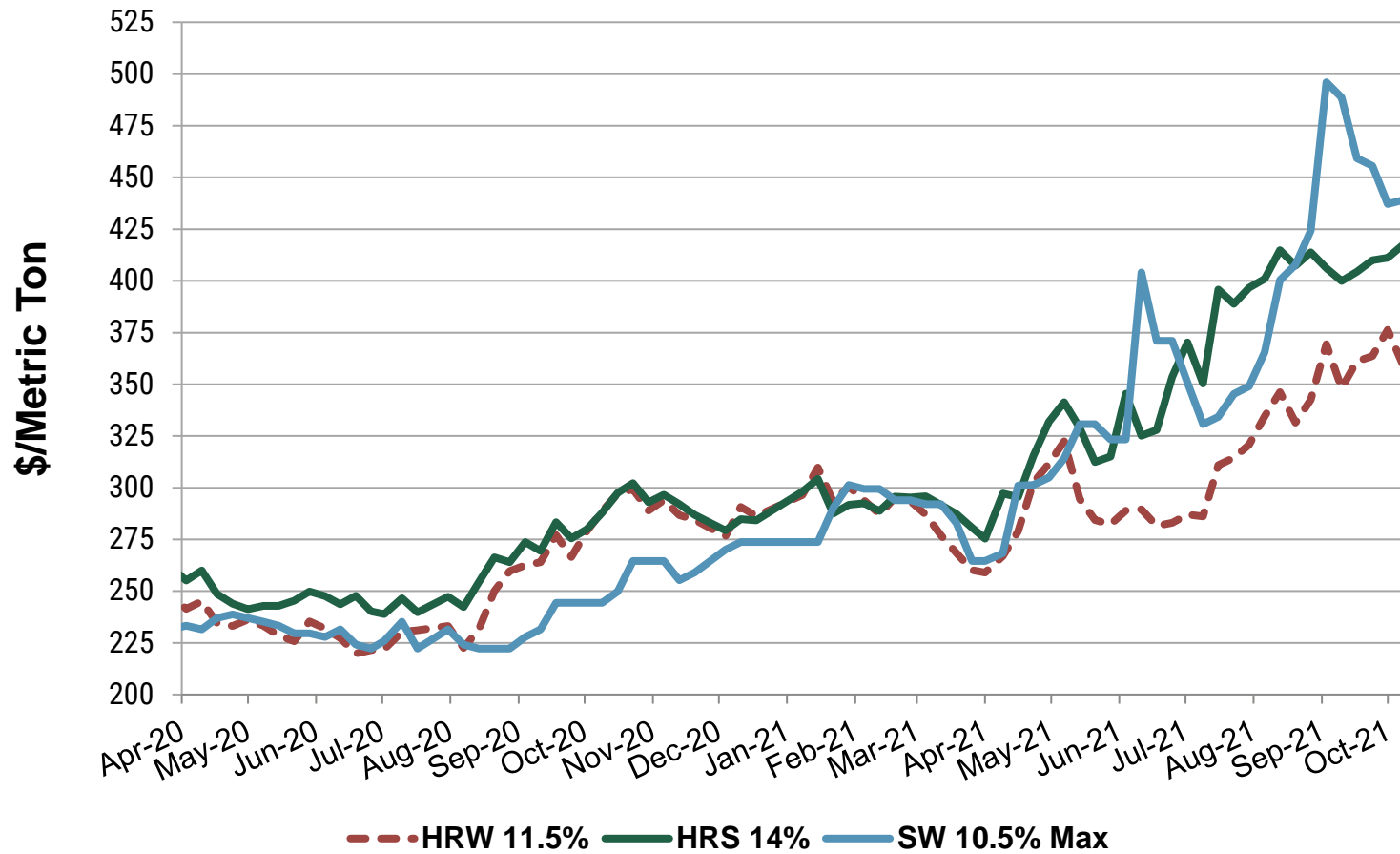
# U.S. FOB Gulf Prices



Source: U.S. Wheat Associates Price Report, October 8, 2021

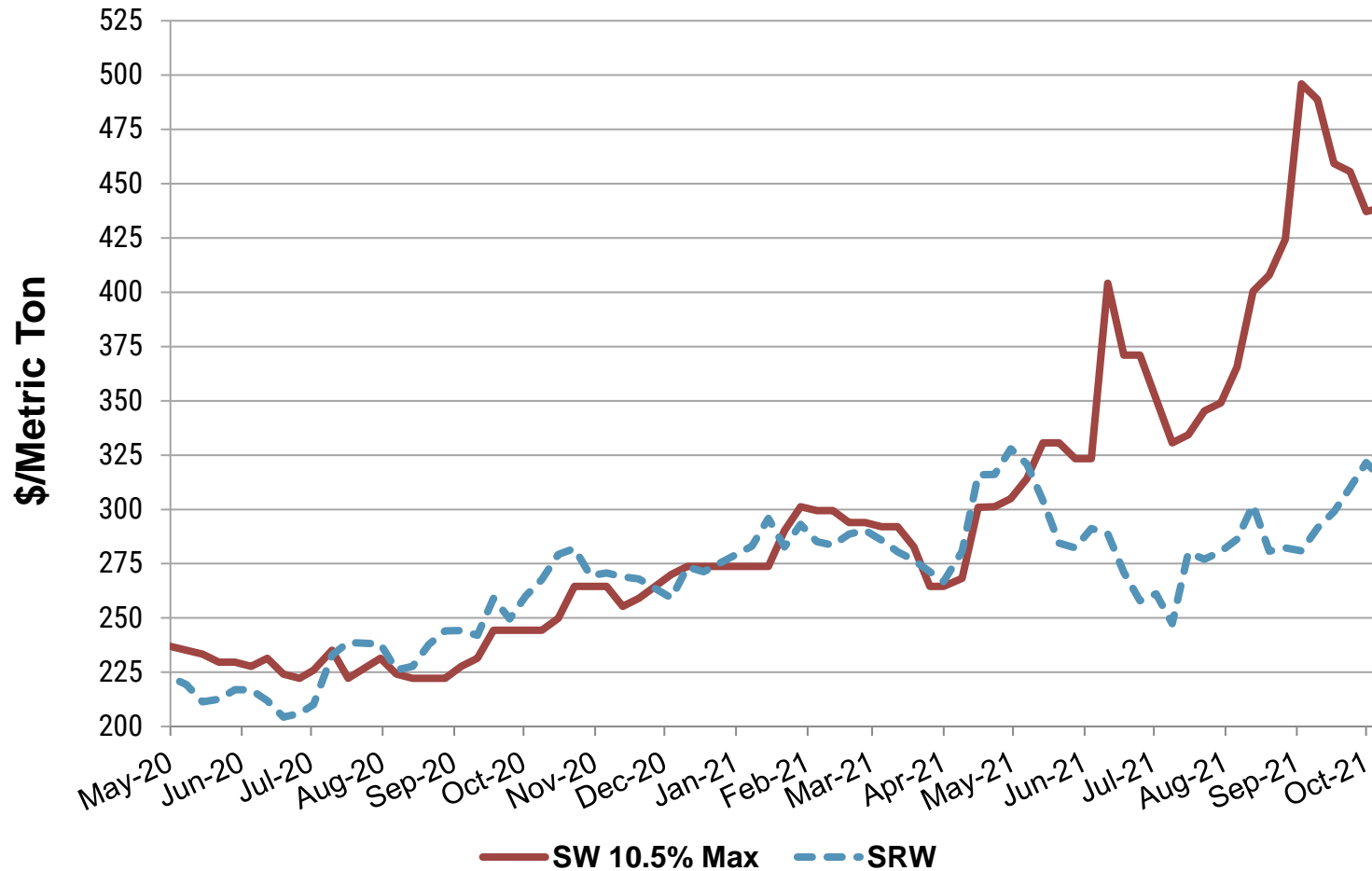


# U.S. FOB PNW Prices



Source: U.S. Wheat Associates Price Report, October 8, 2021

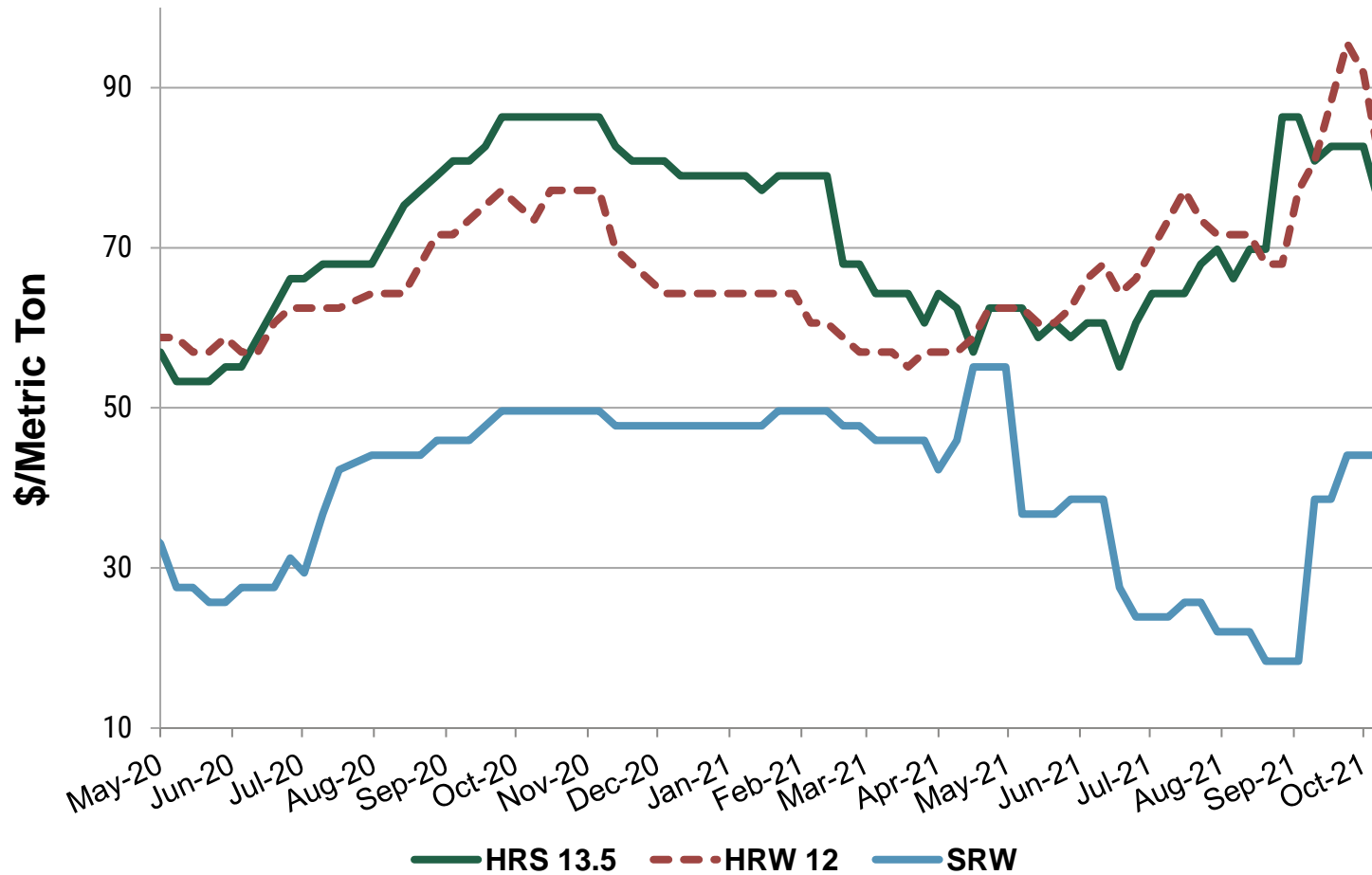
## U.S. FOB Soft White and SRW Prices



Source: U.S. Wheat Associates Price Report, October 8, 2021



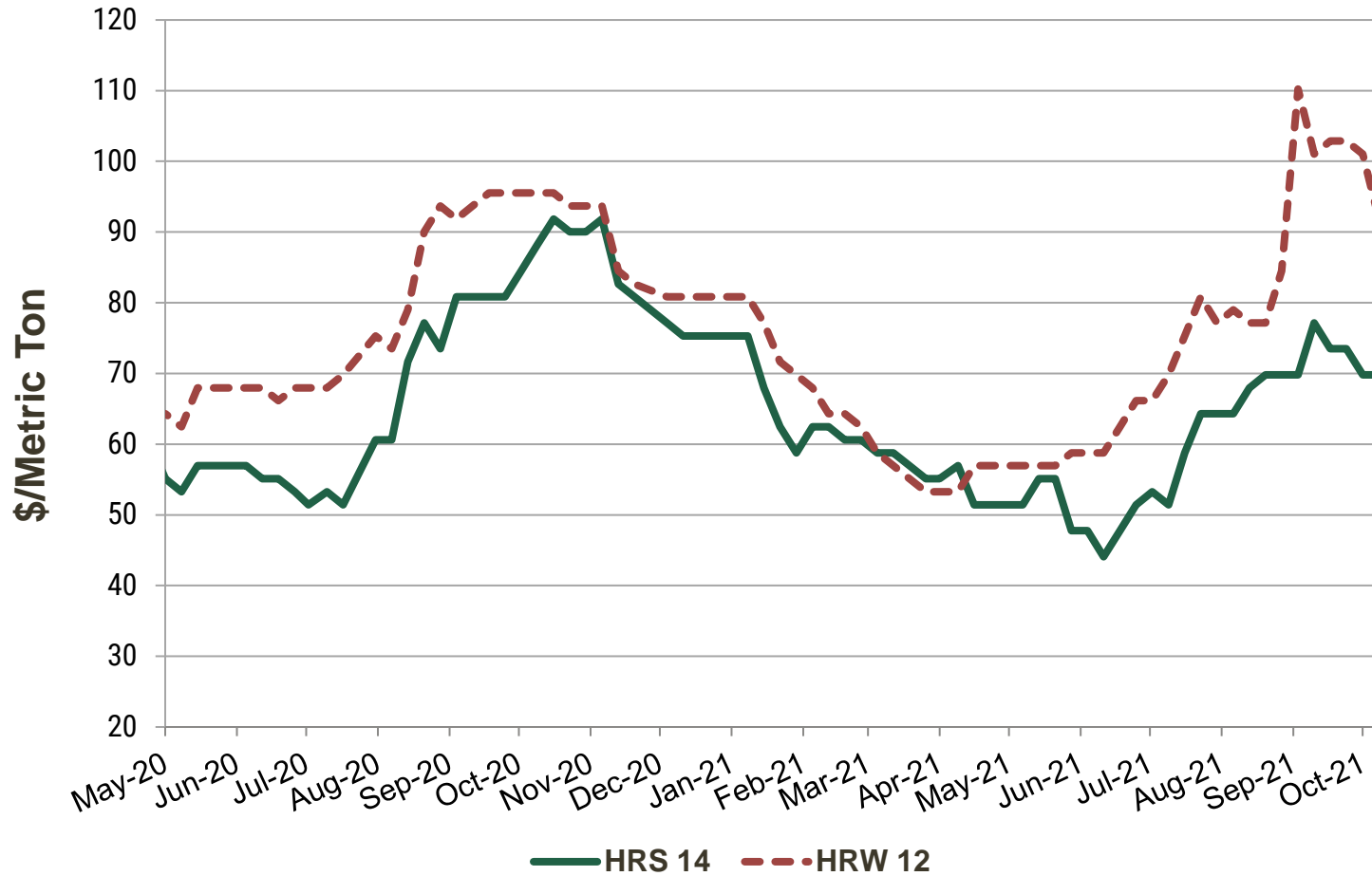
# U.S. Gulf Export Basis



Source: U.S. Wheat Associates Price Report, October 8, 2021



# U.S. PNW Export Basis



Source: U.S. Wheat Associates Price Report, October 8, 2021



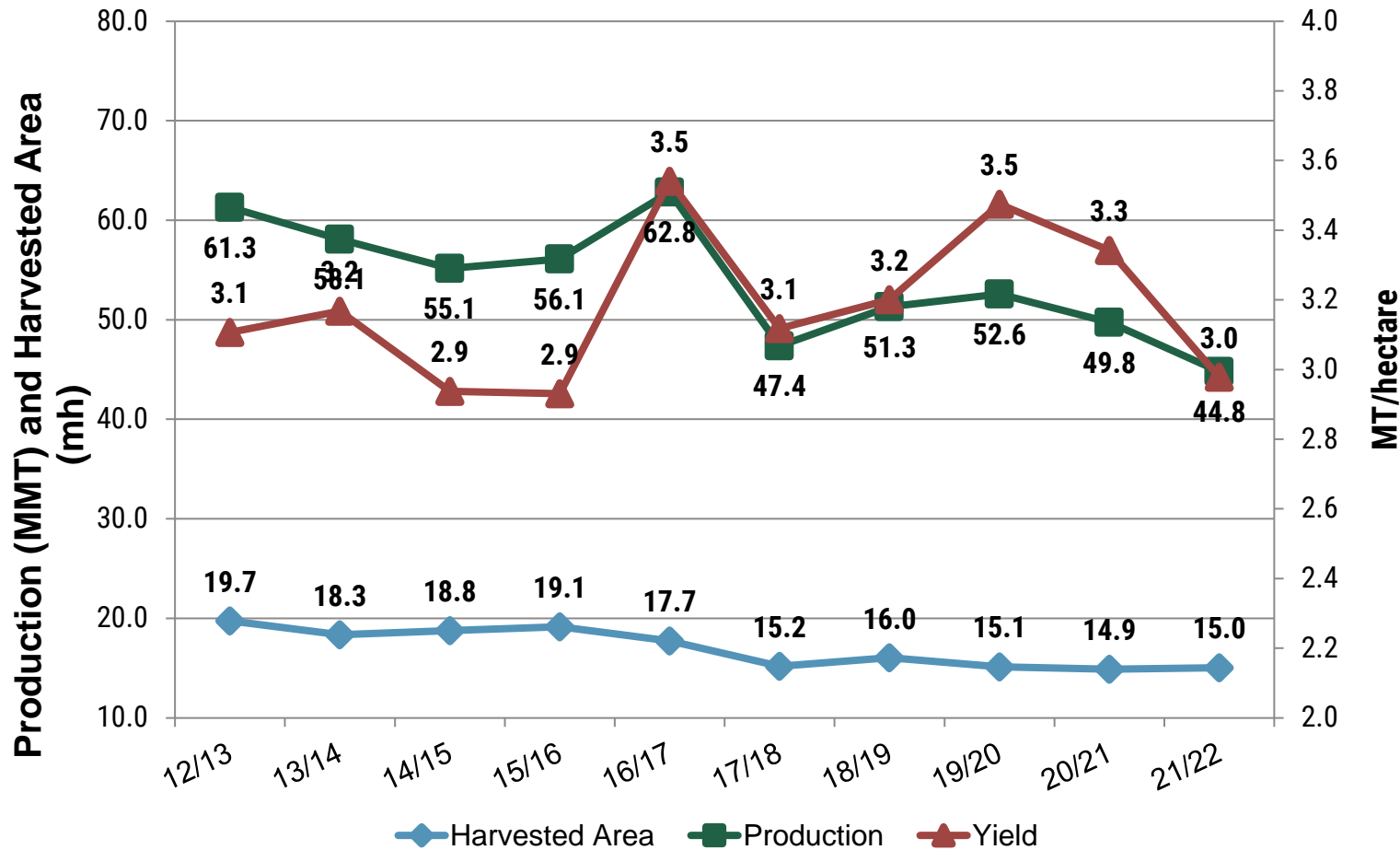


04

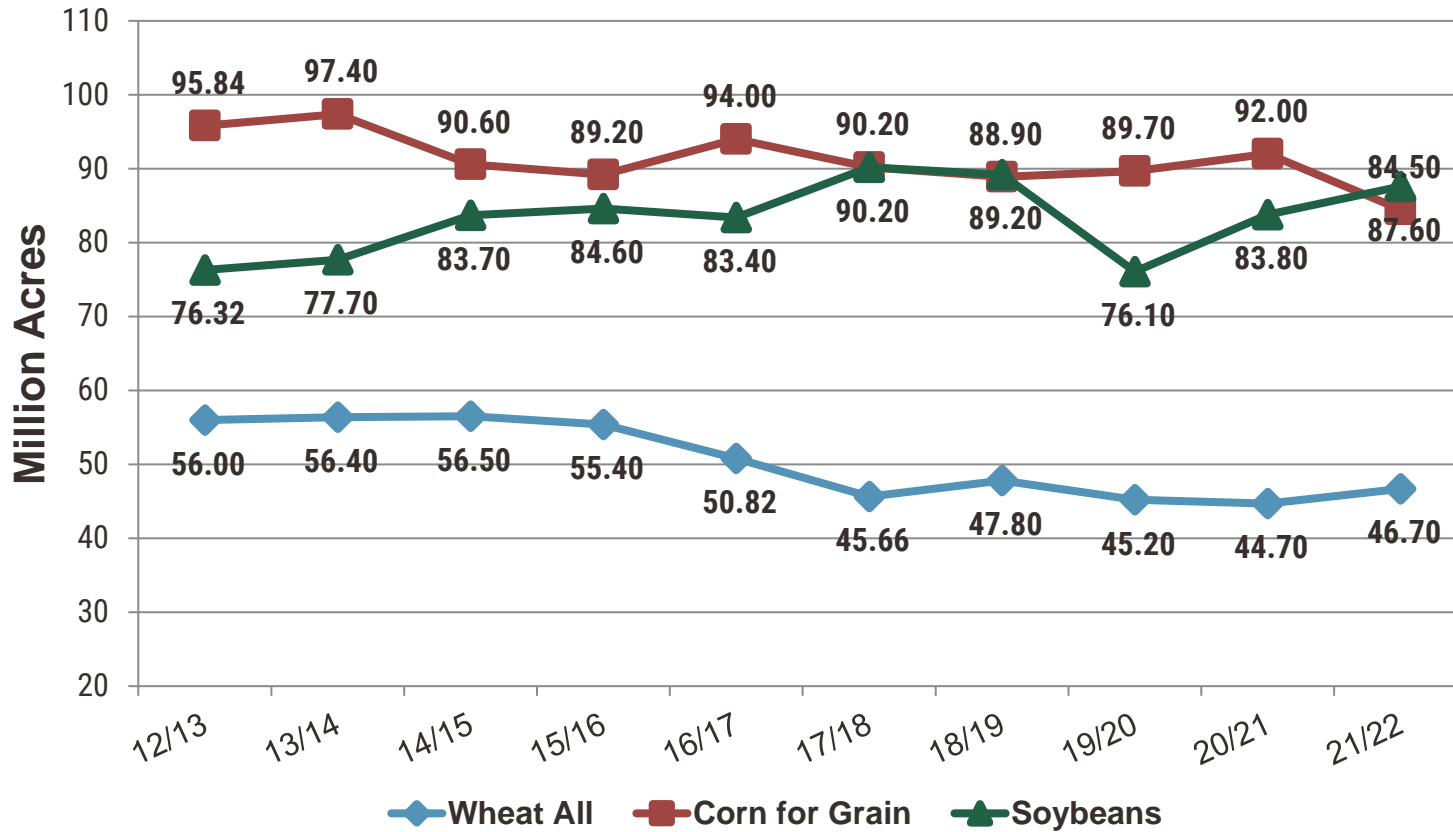
*Outlook*



# U.S. Wheat Production, Area and Yield

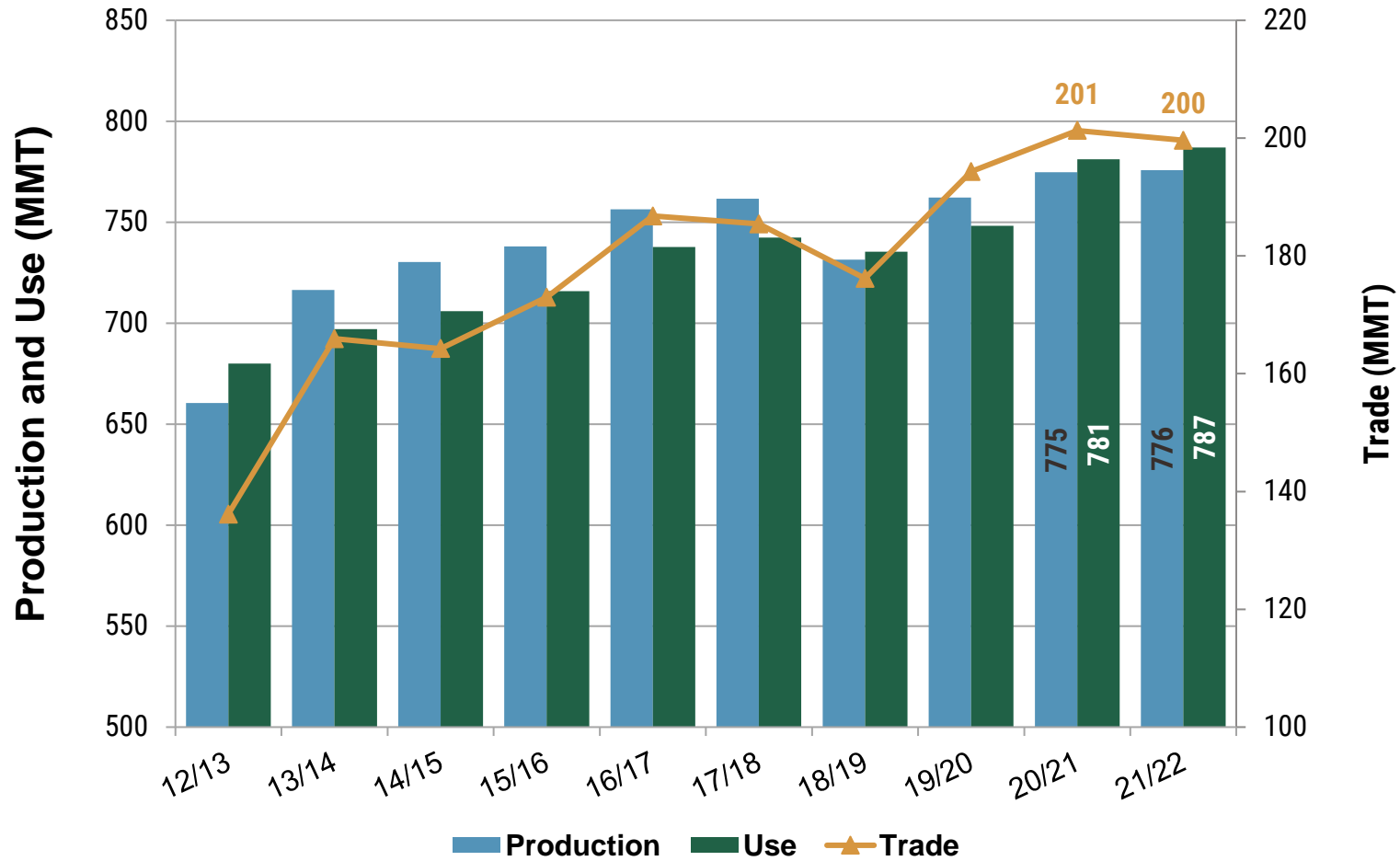


## U.S. Crop Planted Area Comparison

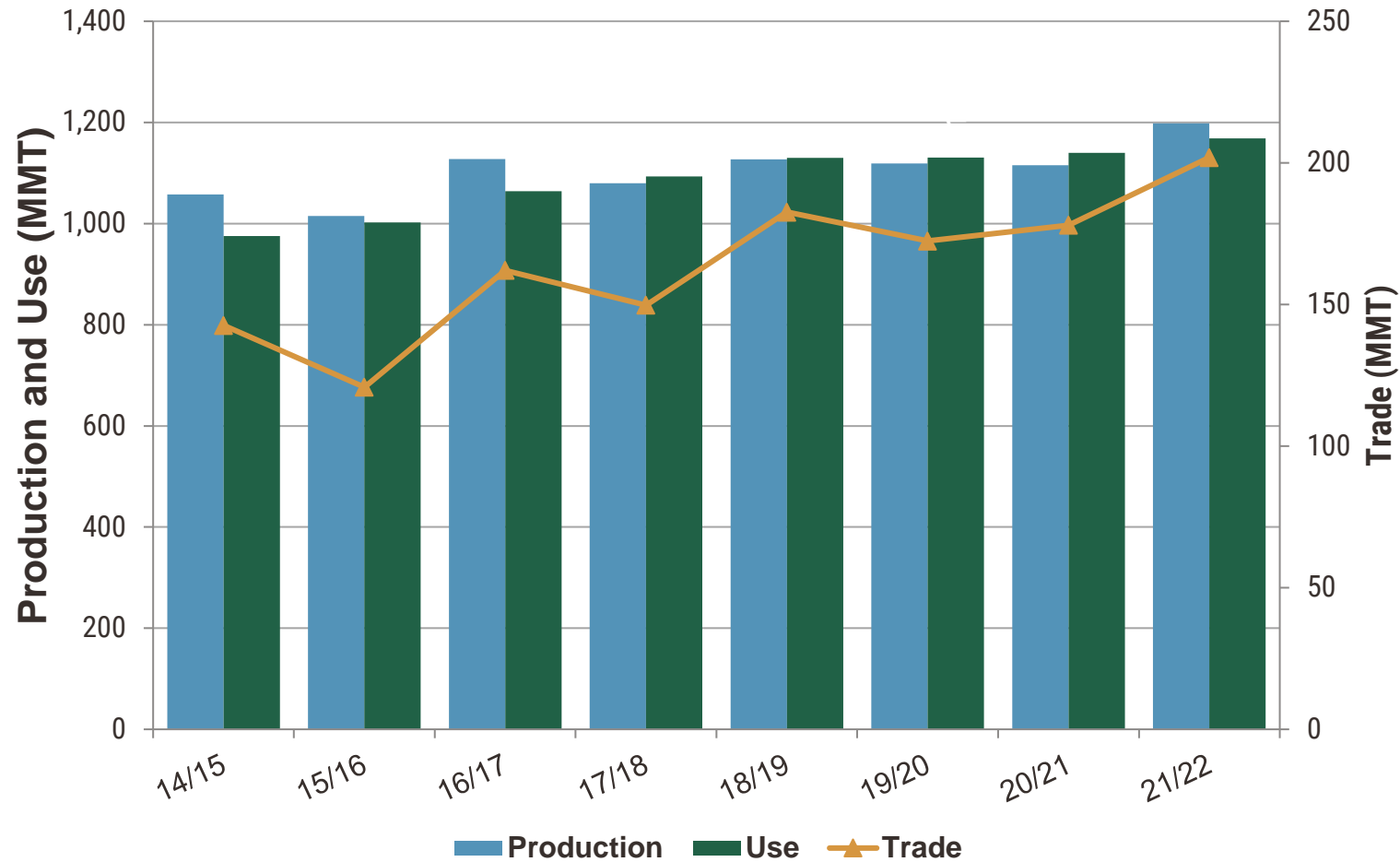




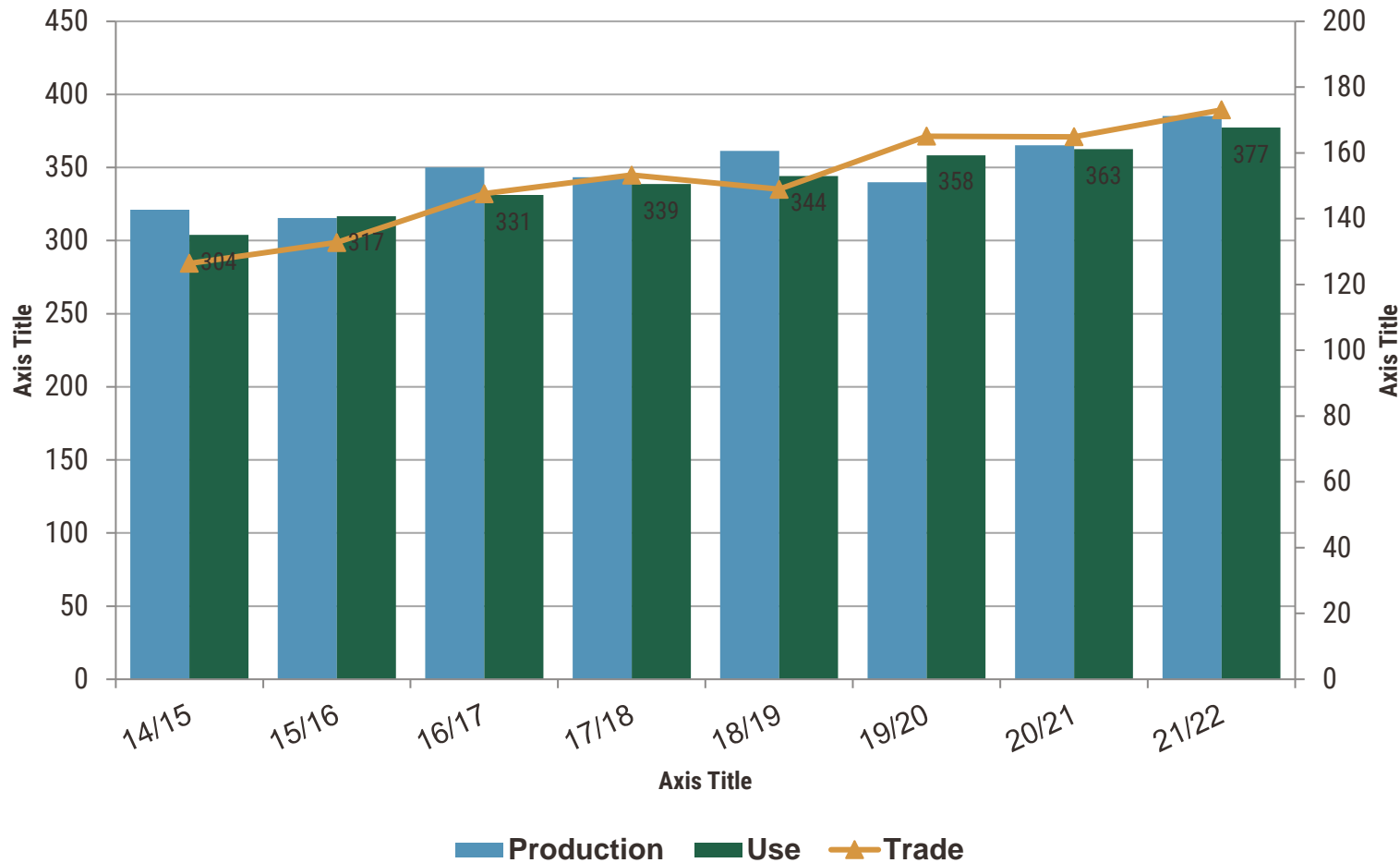
# World Wheat Production, Use and Trade



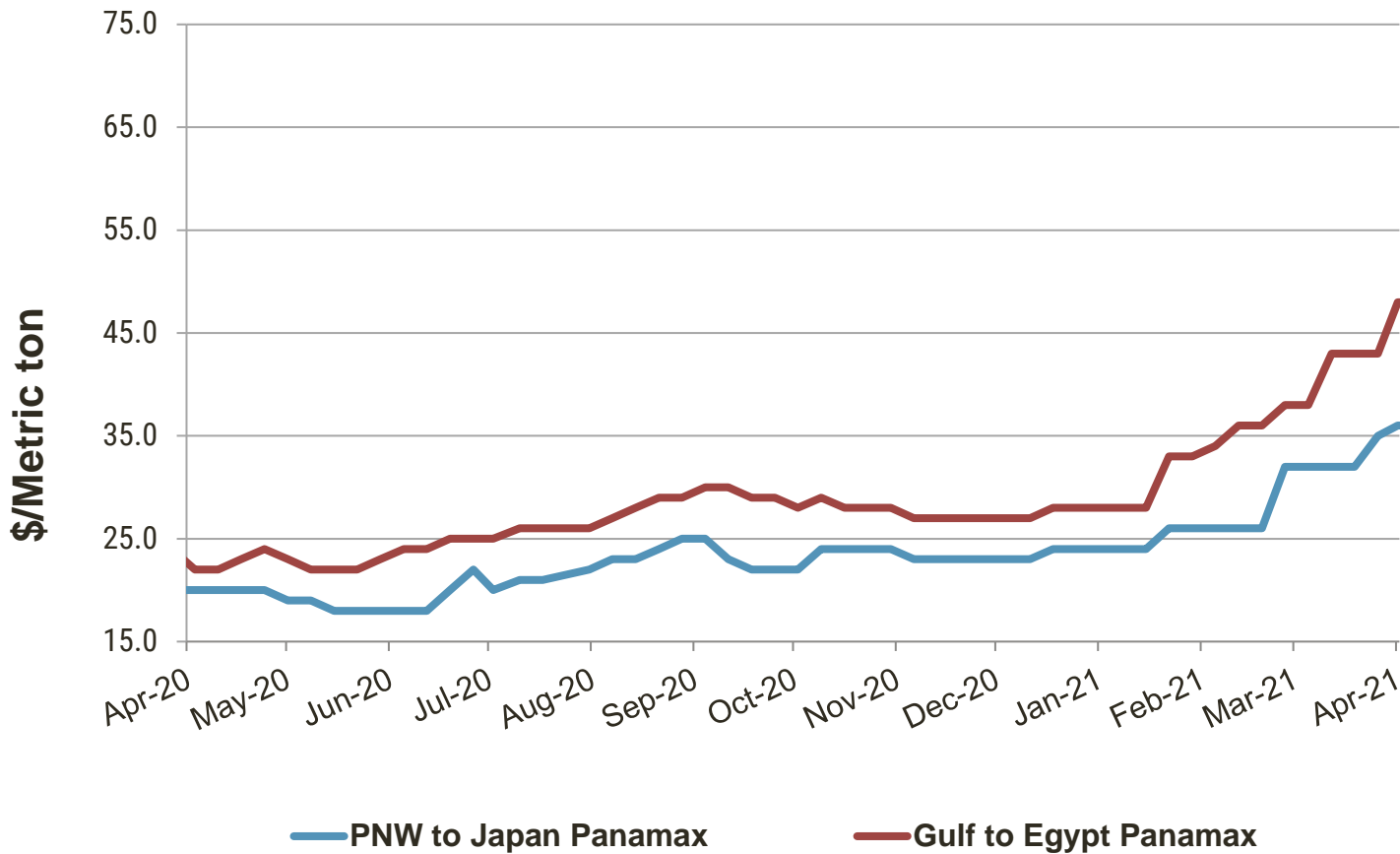
# World Corn Production, Use and Trade



# World Soybeans Production, Use and Trade



## Ocean Freight Rates for Grains



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

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- Production in the European Union is forecast at 139.40 MMT, up 11% from 2020/21
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**THANK YOU**



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