



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 December 9, 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 a record 777.89 MMT

- Australian Production is forecast at 34.0 MMT, 2.5 MMT more than USDA's November estimate
- Canadian wheat production is forecast at 21.65 MMT, down 38% from last year but up 0.65 TMT from USDA's November estimate
- U.S. supplies were lowered 4% from last month on reduced imports, production was unchanged from November at 44.79 MMT

Global consumption forecast at 789.35 MMT, nearly 2 MMT more than November

- Domestic consumption in Indonesia forecast at 10.4 MMT, 3% more than 2020/21
- Domestic consumption in El Salvador is forecast at 280 TMT, up 10 TMT from 2020/21 and 2% higher than the 5-year average of 275 TMT
- U.S. domestic consumption forecast is 31.6 MMT, 1.1 MMT more than 2020/21

World wheat trade to reach a record 205.4 MMT, up 2.3 MMT from November and 2% higher than 2020/21, if realized

- Australian exports are projected at 25.5 MMT, up 2 MMT from USDA's November estimate
- European Union exports are projected at 37 MMT, up 1.5 MMT from November and 24% from 2020/21
- U.S. 2021/22 exports expected to be 22.86 MMT, down 0.5 MMT from November



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

World beginning stocks estimated down 2% from 2020/21 to 289.64 MMT

- Chinese beginning stocks estimated at 144.12 MMT, down 4% from last year
- Russian beginning stocks estimated at 11.98 MMT, up 66% compared to 2020/21
- U.S. 2021/22 beginning stocks expected to drop 18% compared to 2020/21 to 23.0 MMT

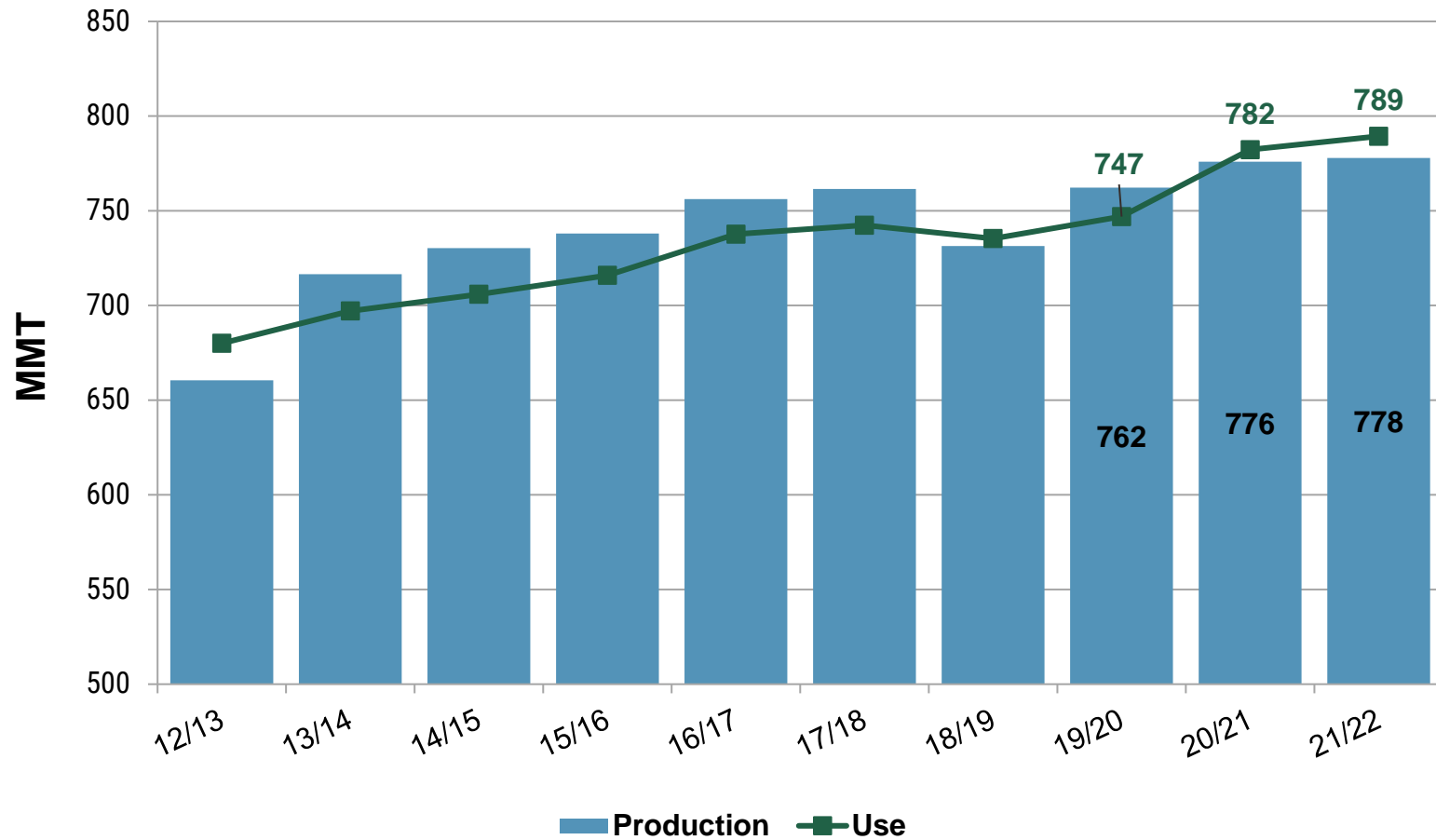
Global ending stocks projected at 278.18 MMT, up 2.38 MMT compared to USDA's November estimate

- Expected Russian ending stocks forecast at 10.23 MMT, 15% less than 2020/21
- Ukrainian ending stocks forecast at 1.41 MMT, 7% lower than 2020/21
- U.S. ending stocks are revised up 6% from last month to 16.28 MMT

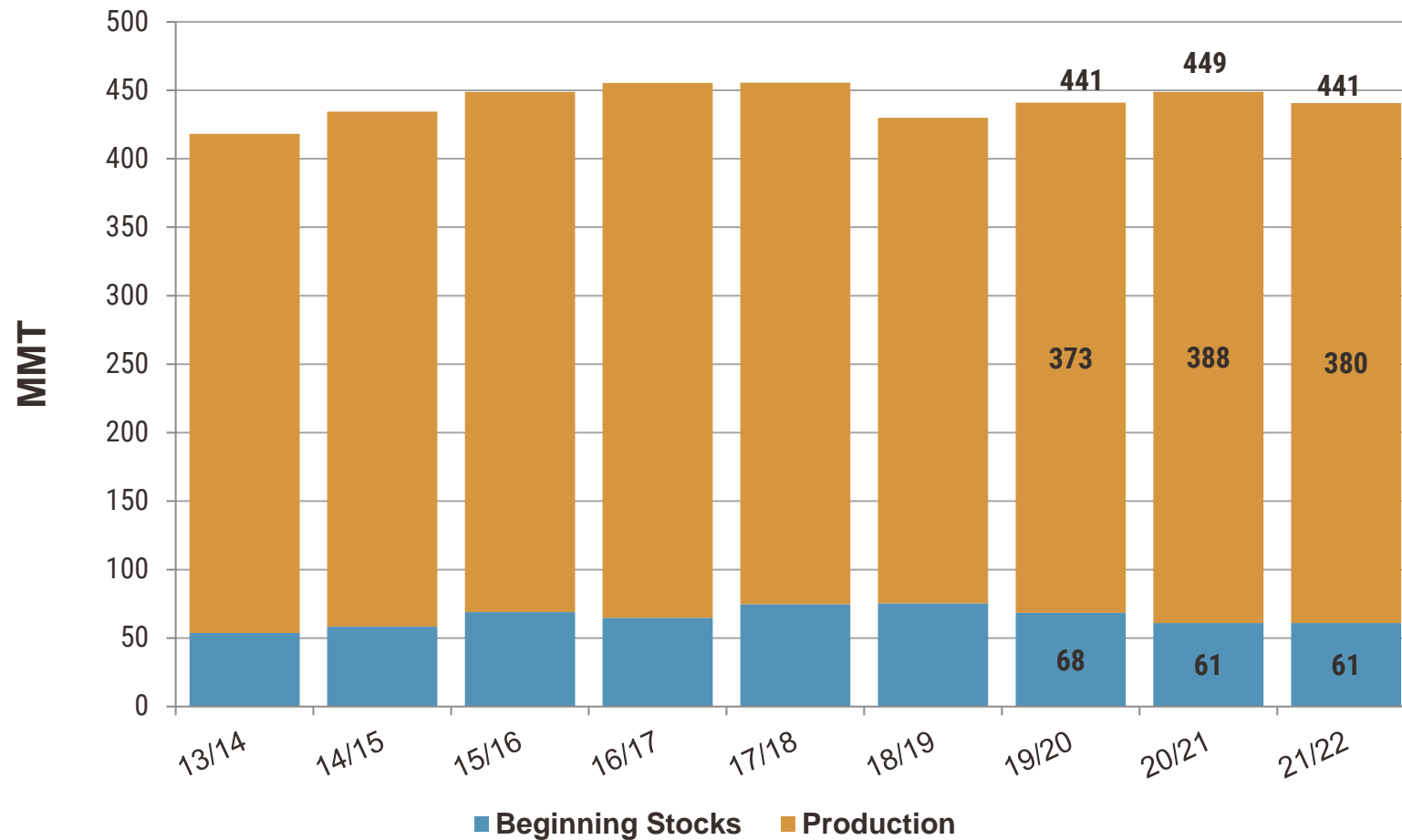
U.S. wheat farm gate price to increase from last year

- The average farm gate price of U.S. wheat in 2021/22 is forecast to increase to \$7.05/bu (\$259.01/MT), up \$2.47 from last year's \$4.58/bu (\$168/MT) a 54% jump year-over-year

World Production and Use



Supplies in Top Exporting Countries*



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

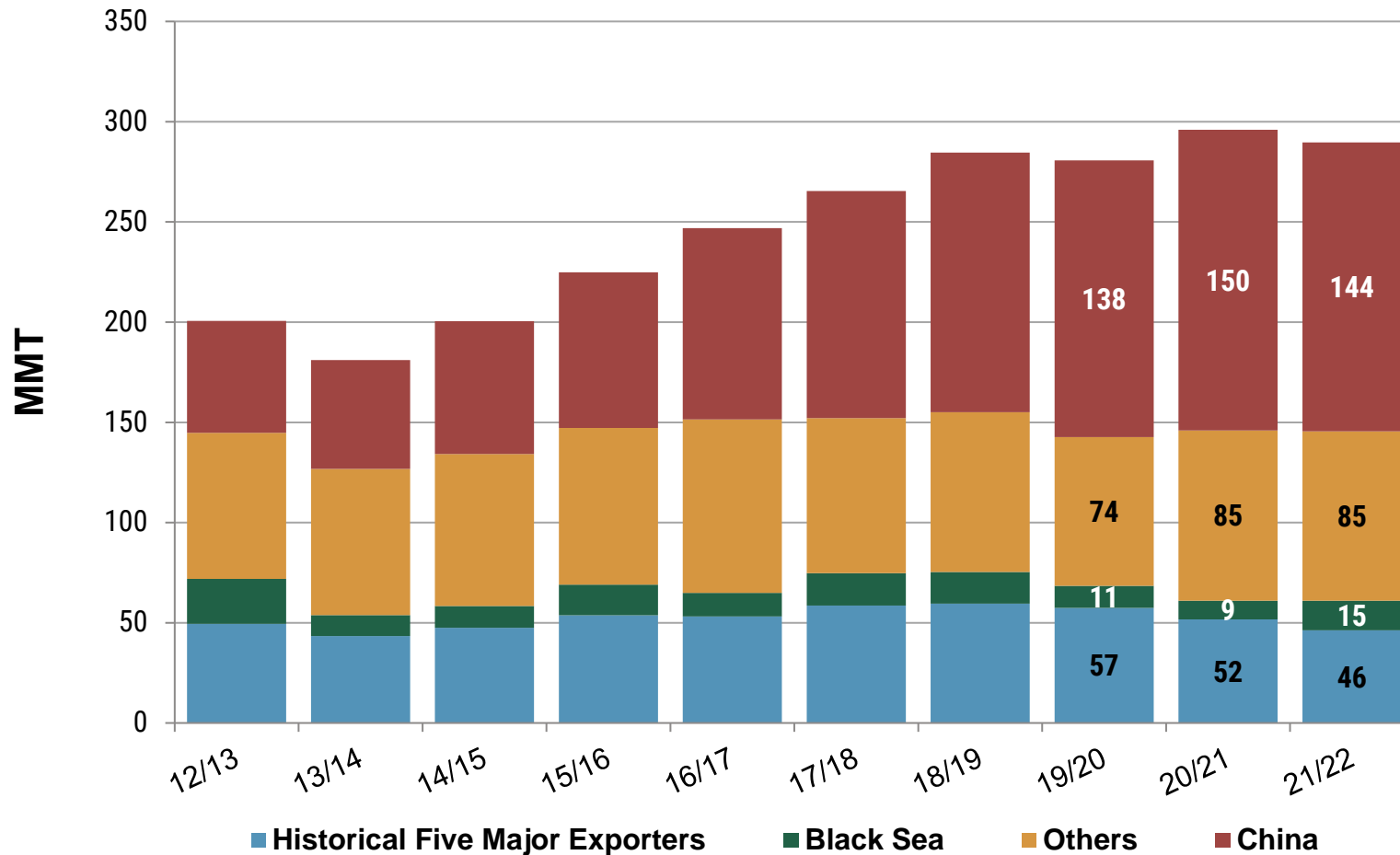


World Wheat Supply and Demand (MMT)

	<u>19/20</u>	-	<u>20/21</u>	-	<u>21/22</u>
SUPPLY:					
Beginning Stocks	281		296		290
Production	762		776		778
Supply Total	1043		1072		1068
Ending Stocks	296		290		278
TRADE:					
Exports/Imports	194		202		205
DEMAND:					
Food & Seed	608		625		629
Feed & Residual	139		158		161
Use Total	747		782		789



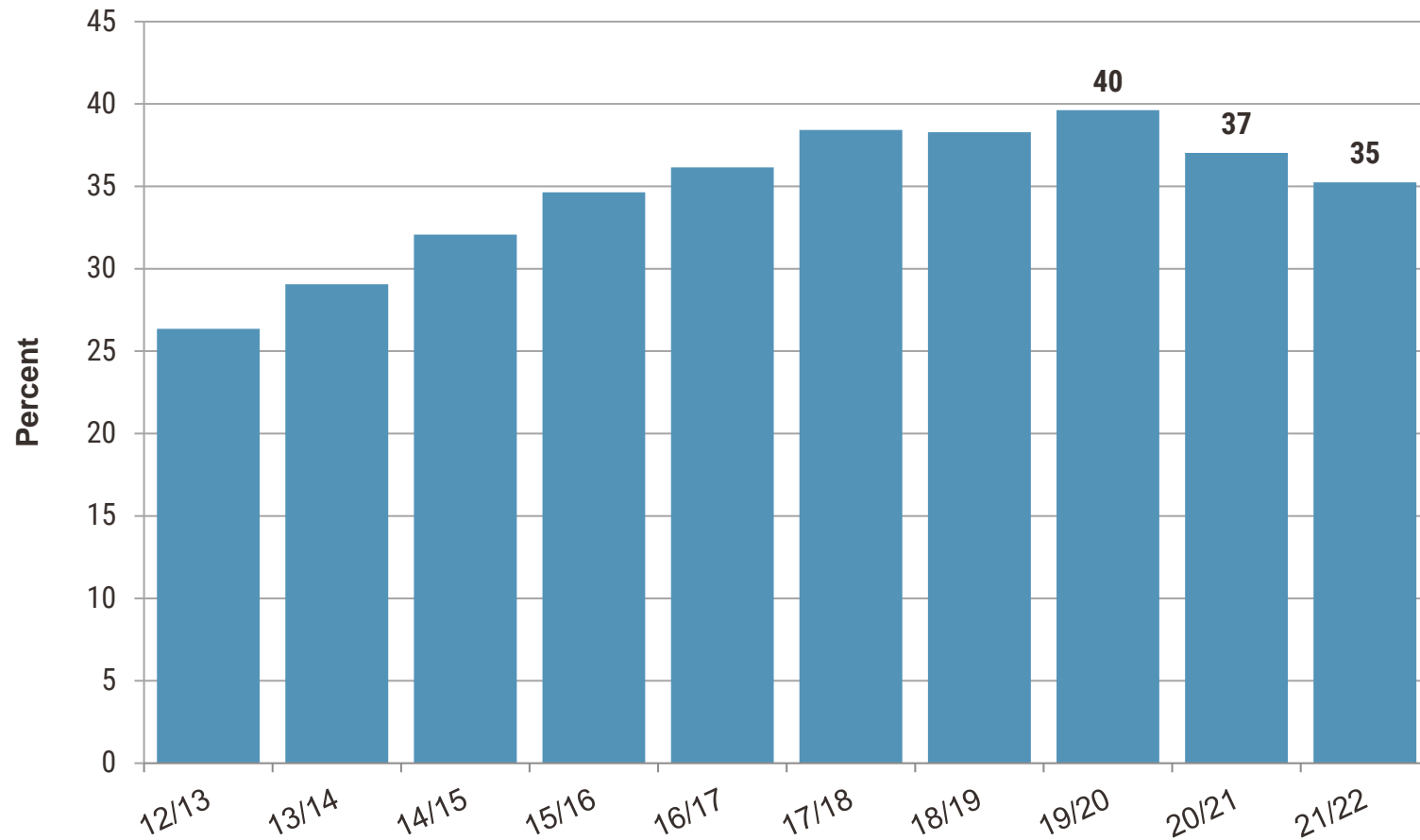
World Beginning Stocks



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



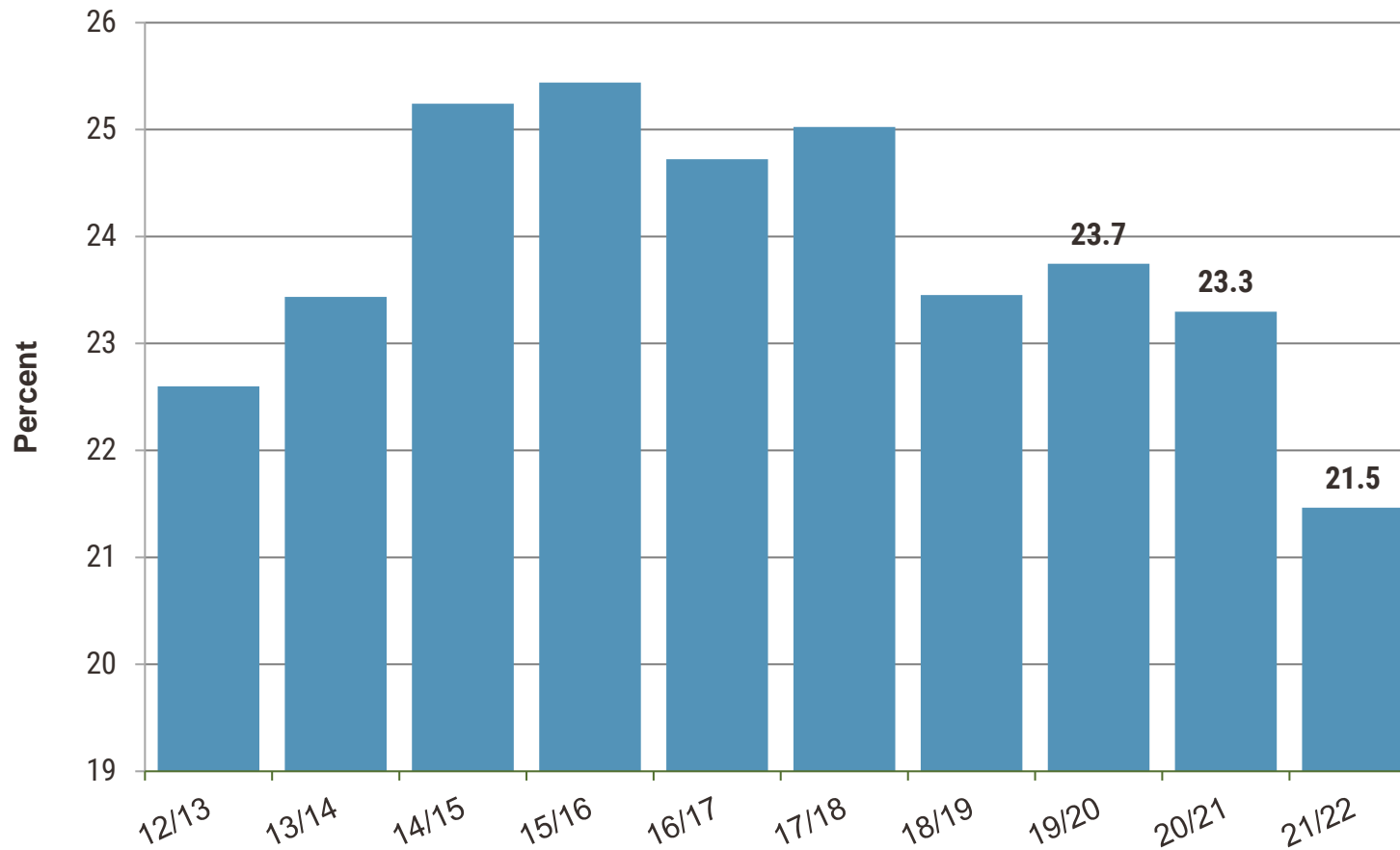
Global Stocks*-to-Use Ratio



*Ending stocks



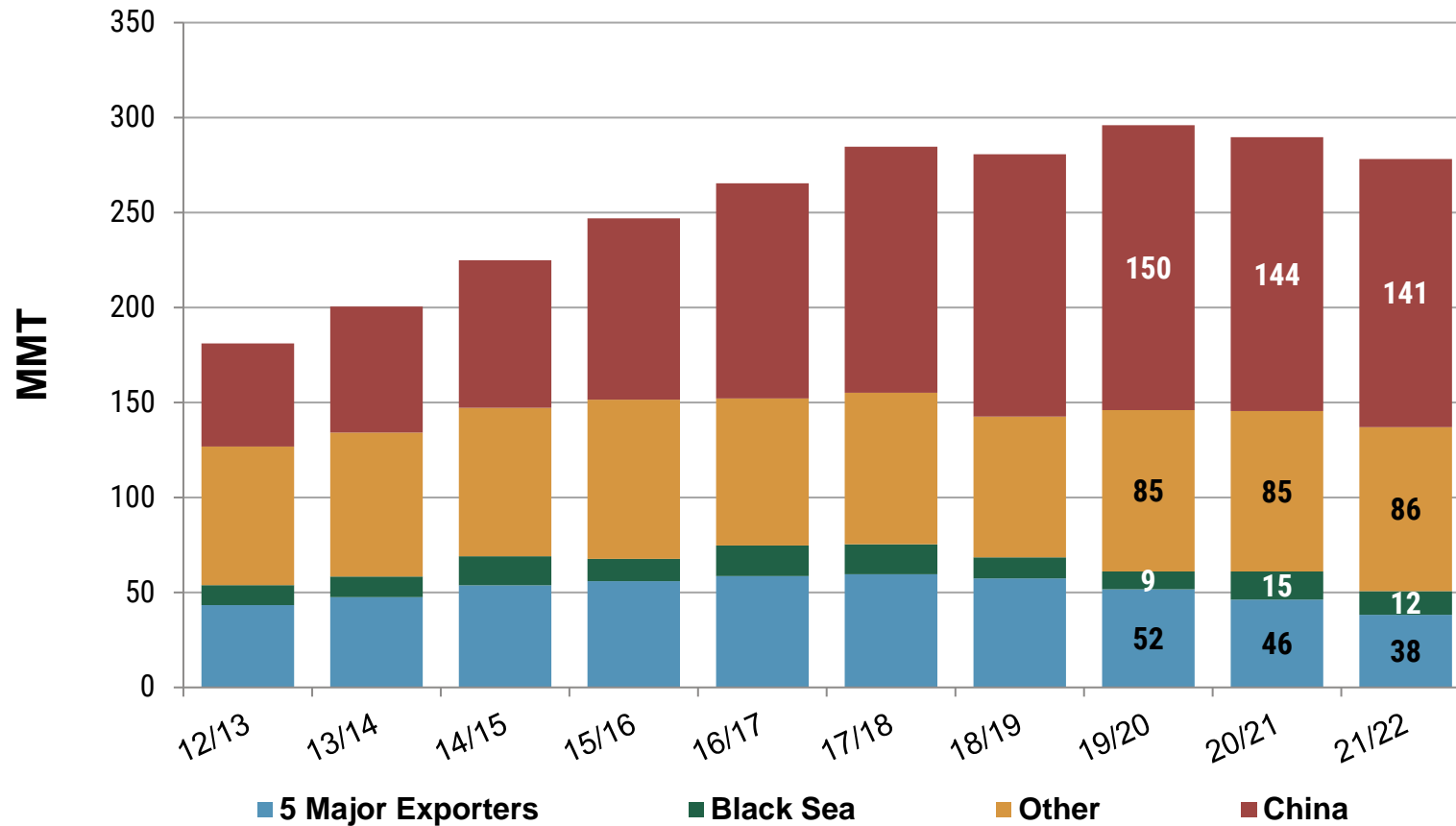
Global Stocks*-to-Use Ratio w/o China



*Ending stocks



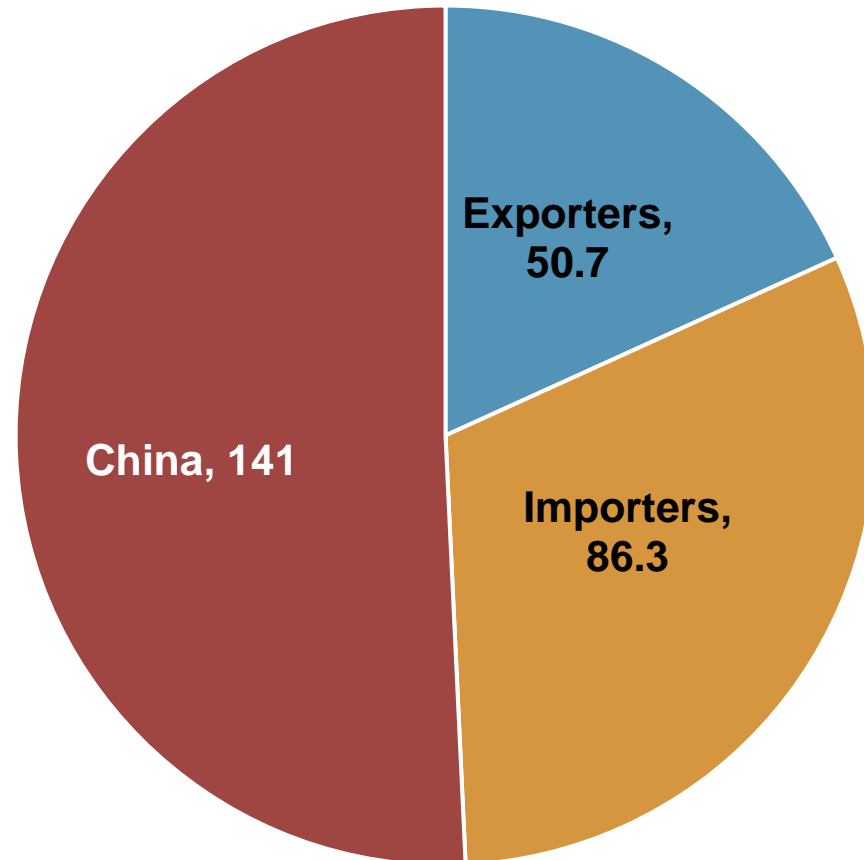
World Ending Stocks



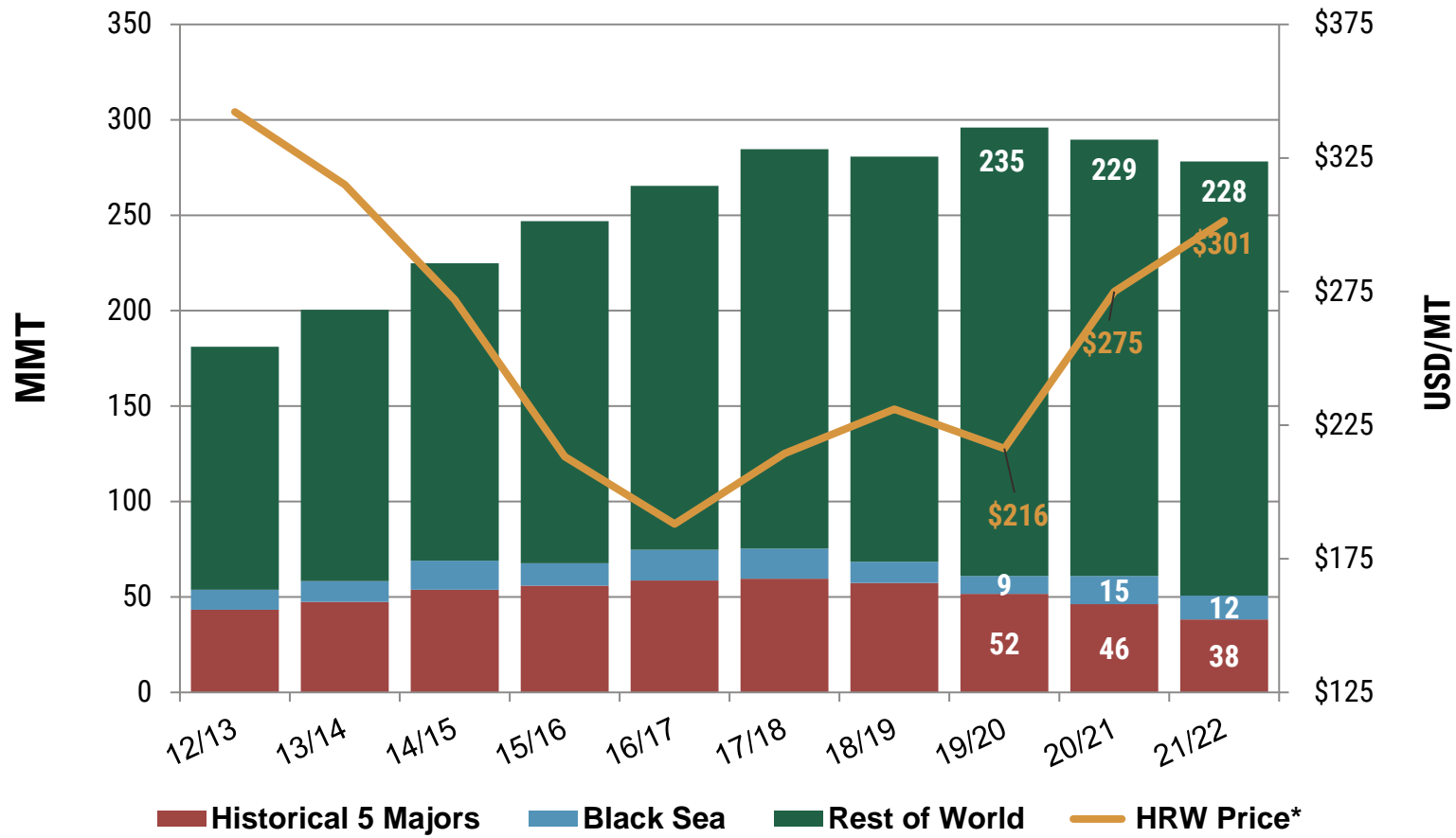
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World Ending Stocks by Position (MMT)



Global Ending Stocks and Price



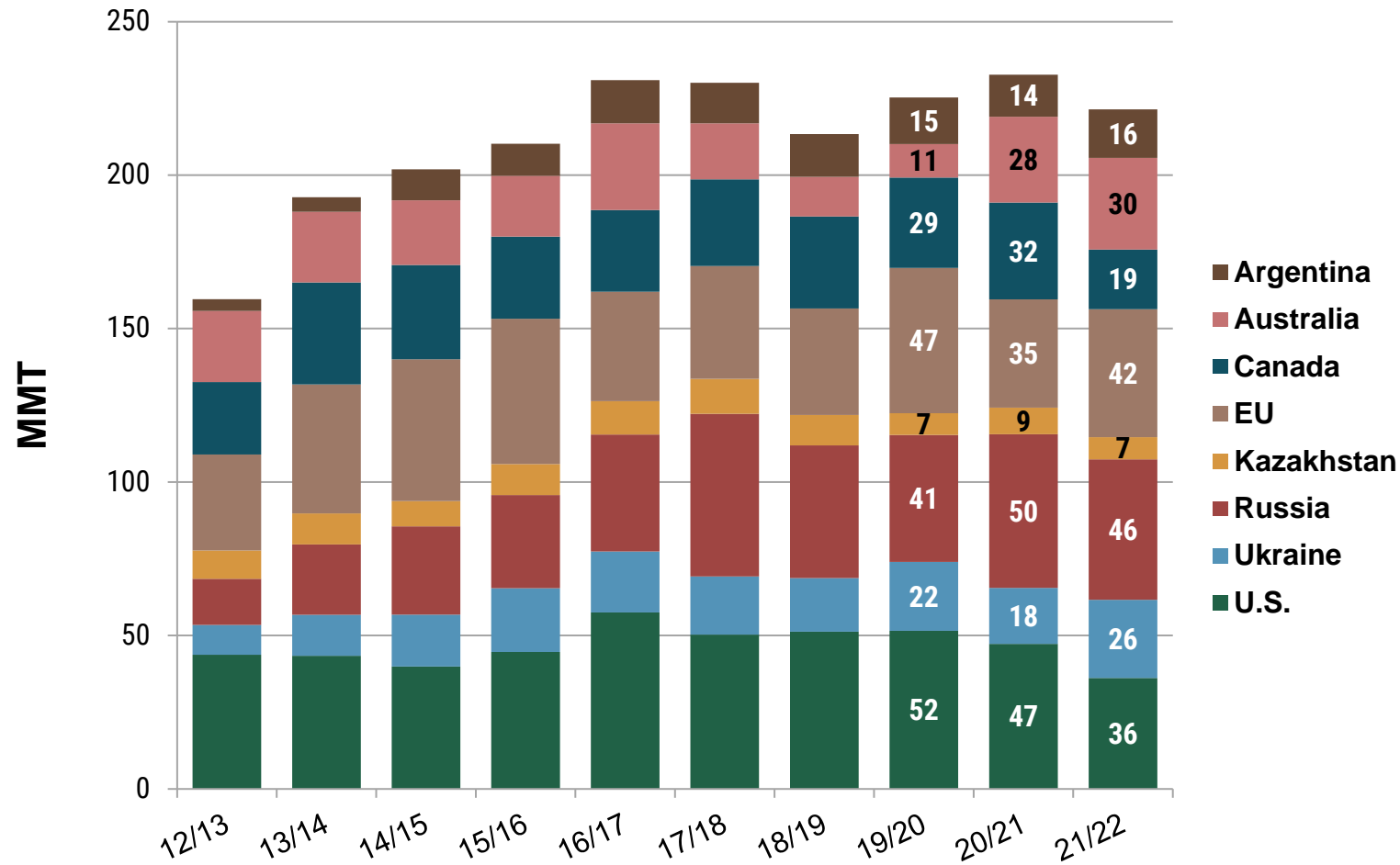
*Source: U.S. Wheat Associates Price Report, December 3, 2021



01

Major Exporters

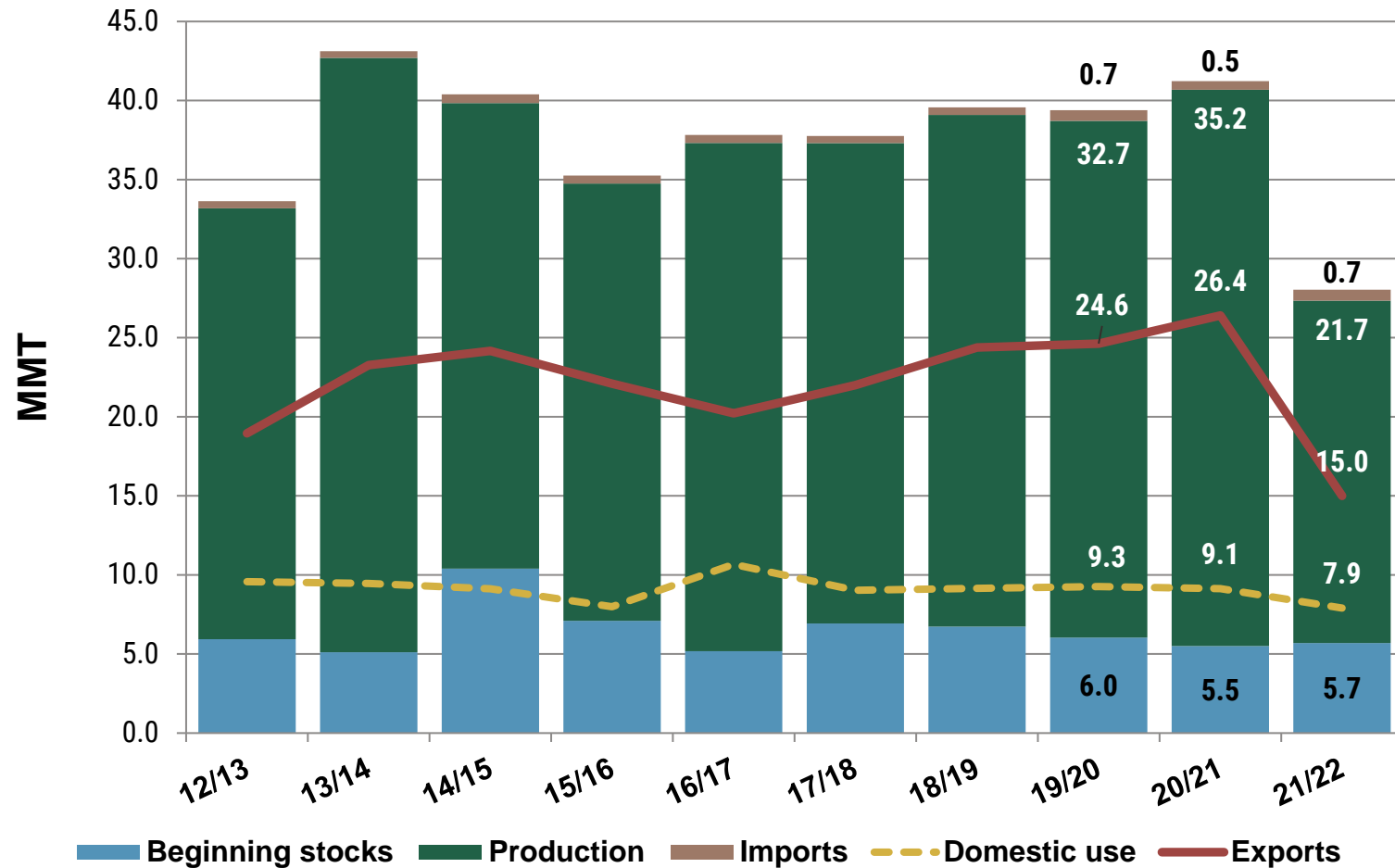
Exportable Supplies in Top Exporting Countries



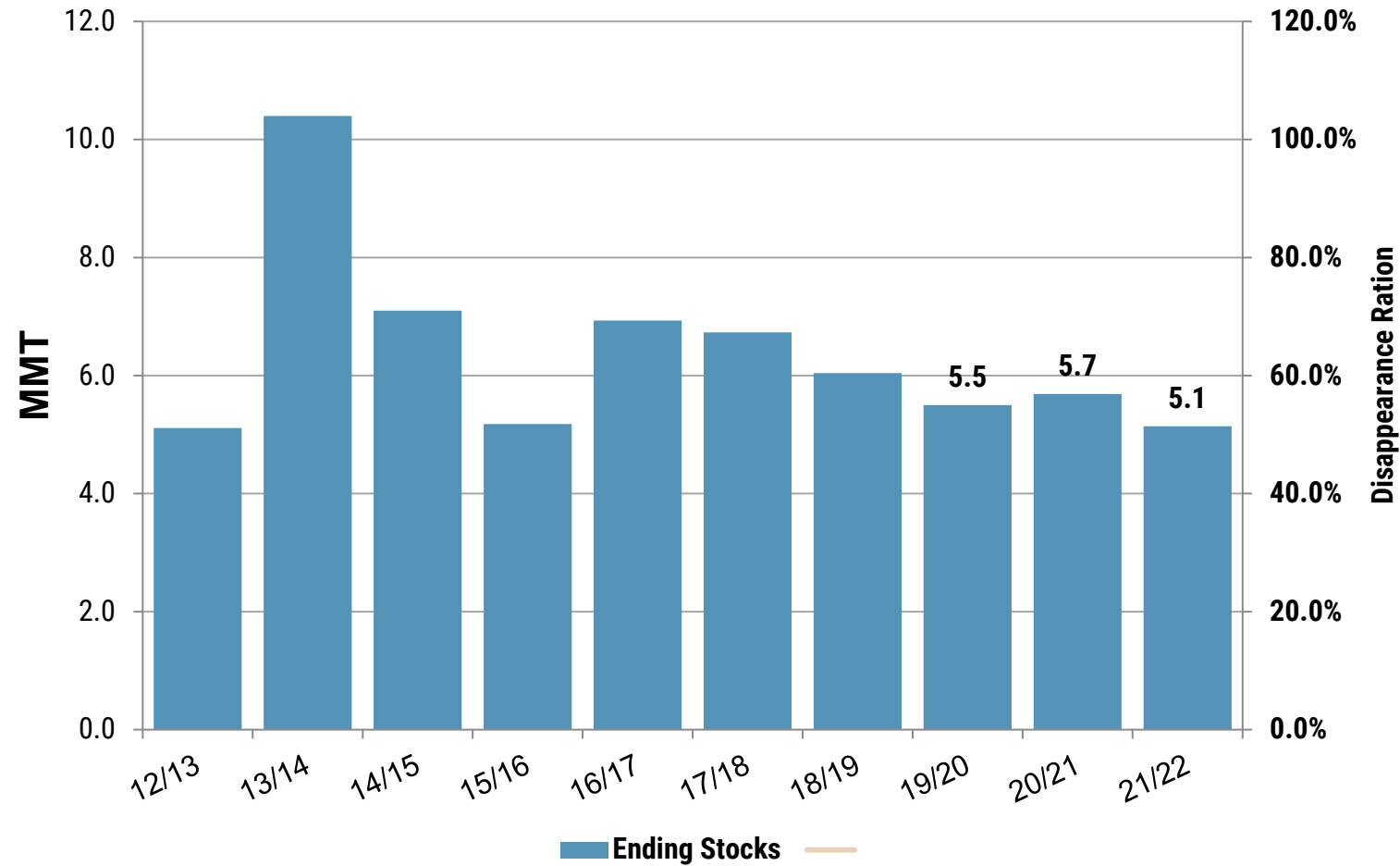
*Exportable Supplies = (Beginning Stocks + Production) – Domestic Consumption



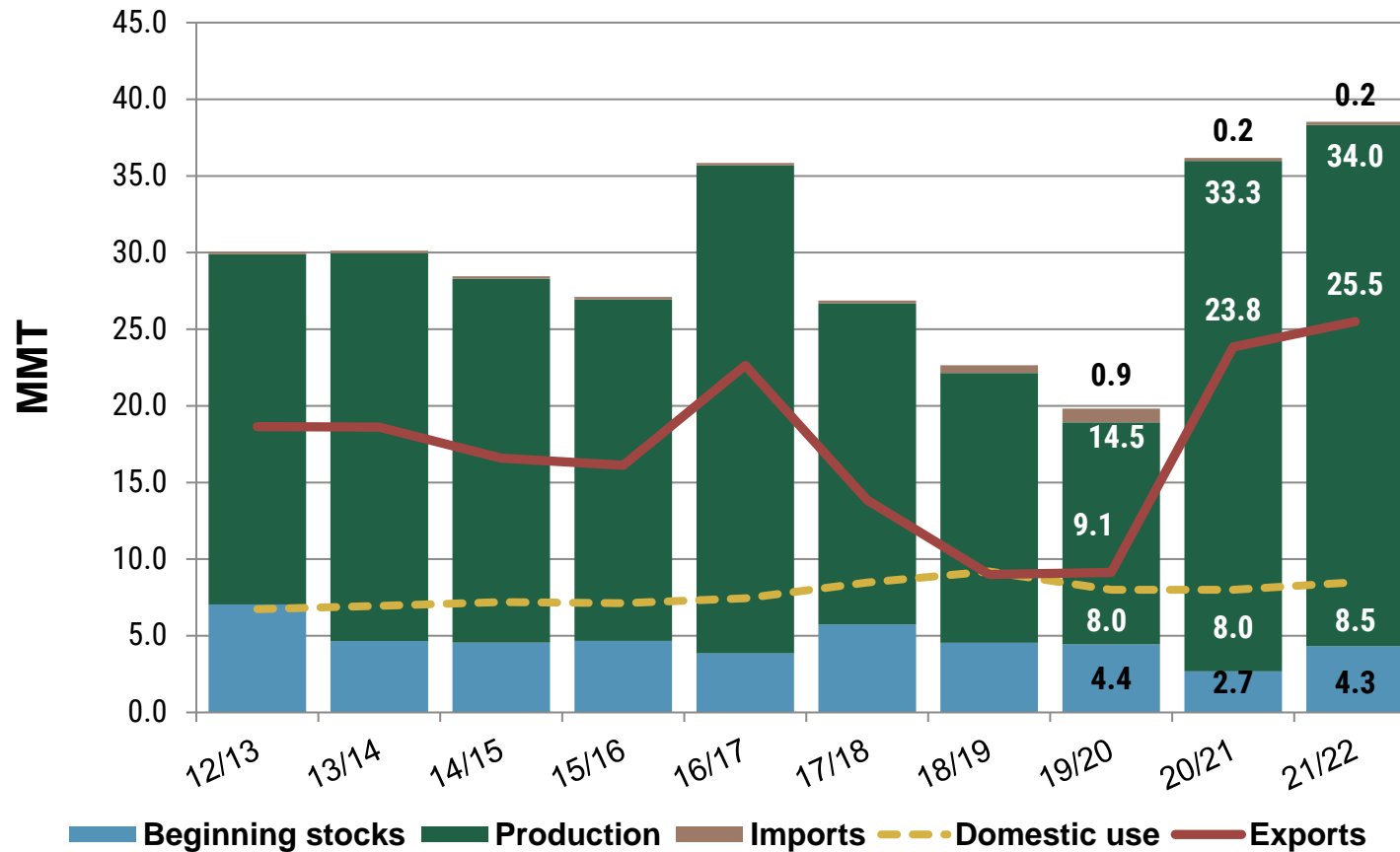
Canada Situation



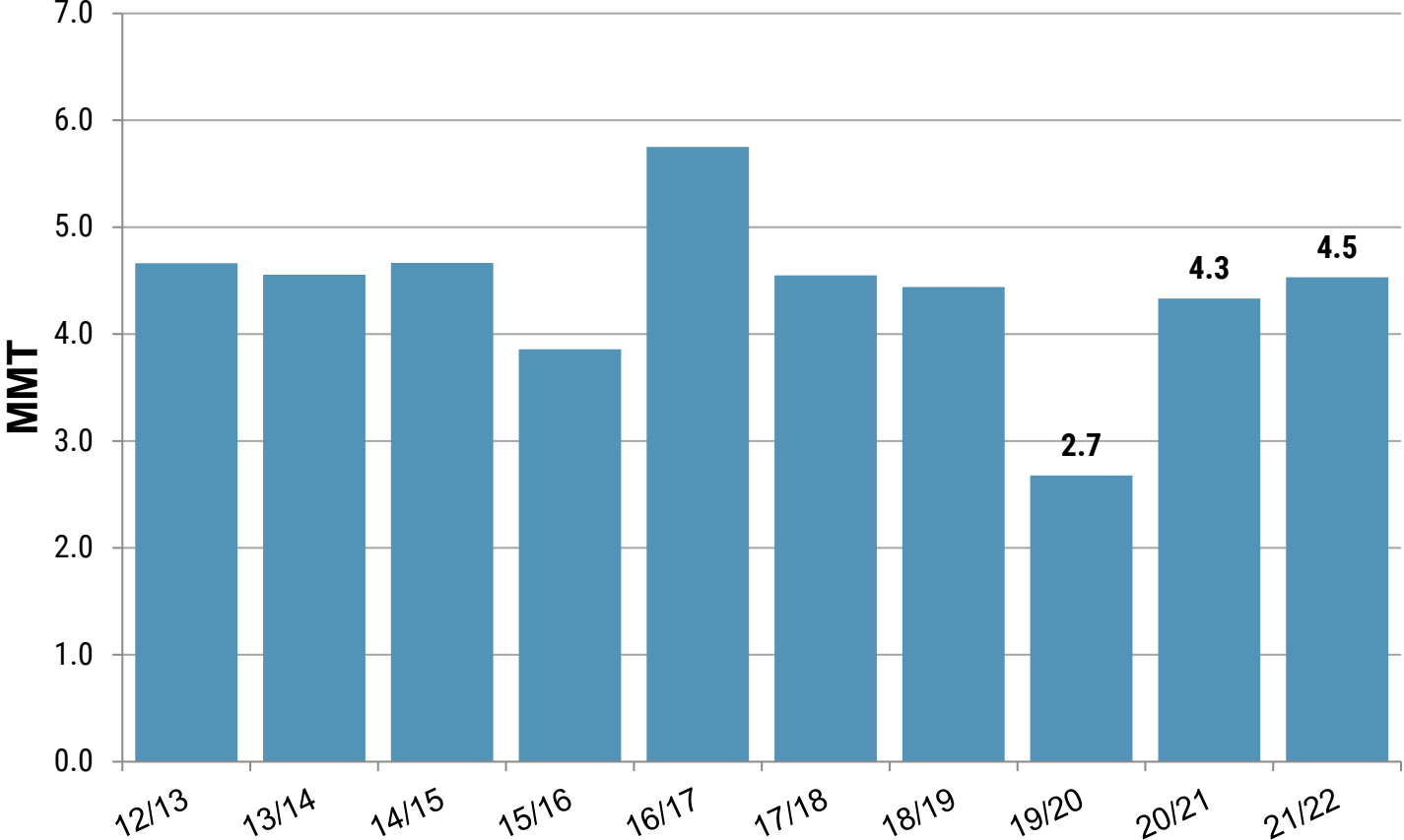
Canada Ending Stocks



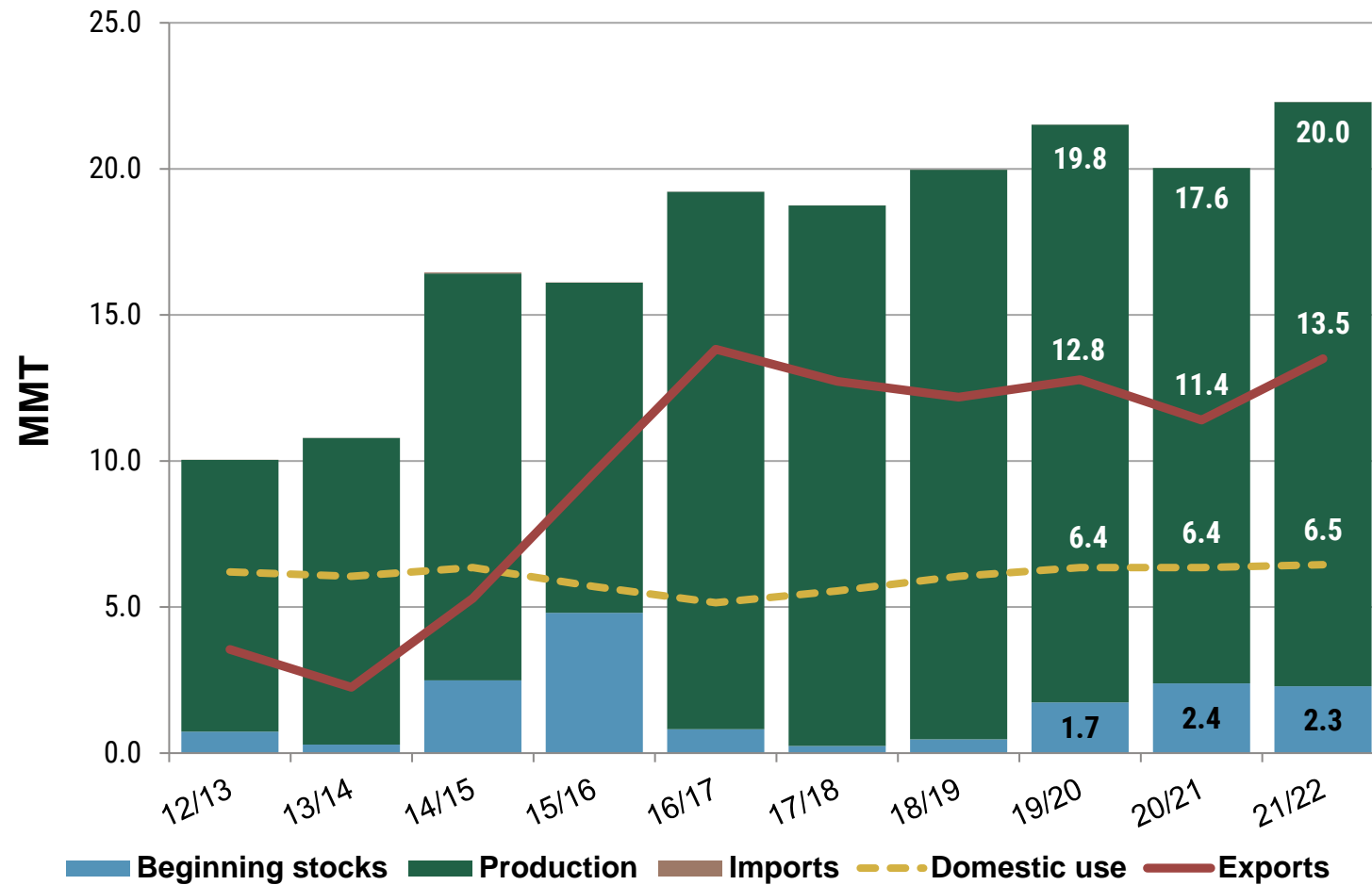
Australia Situation



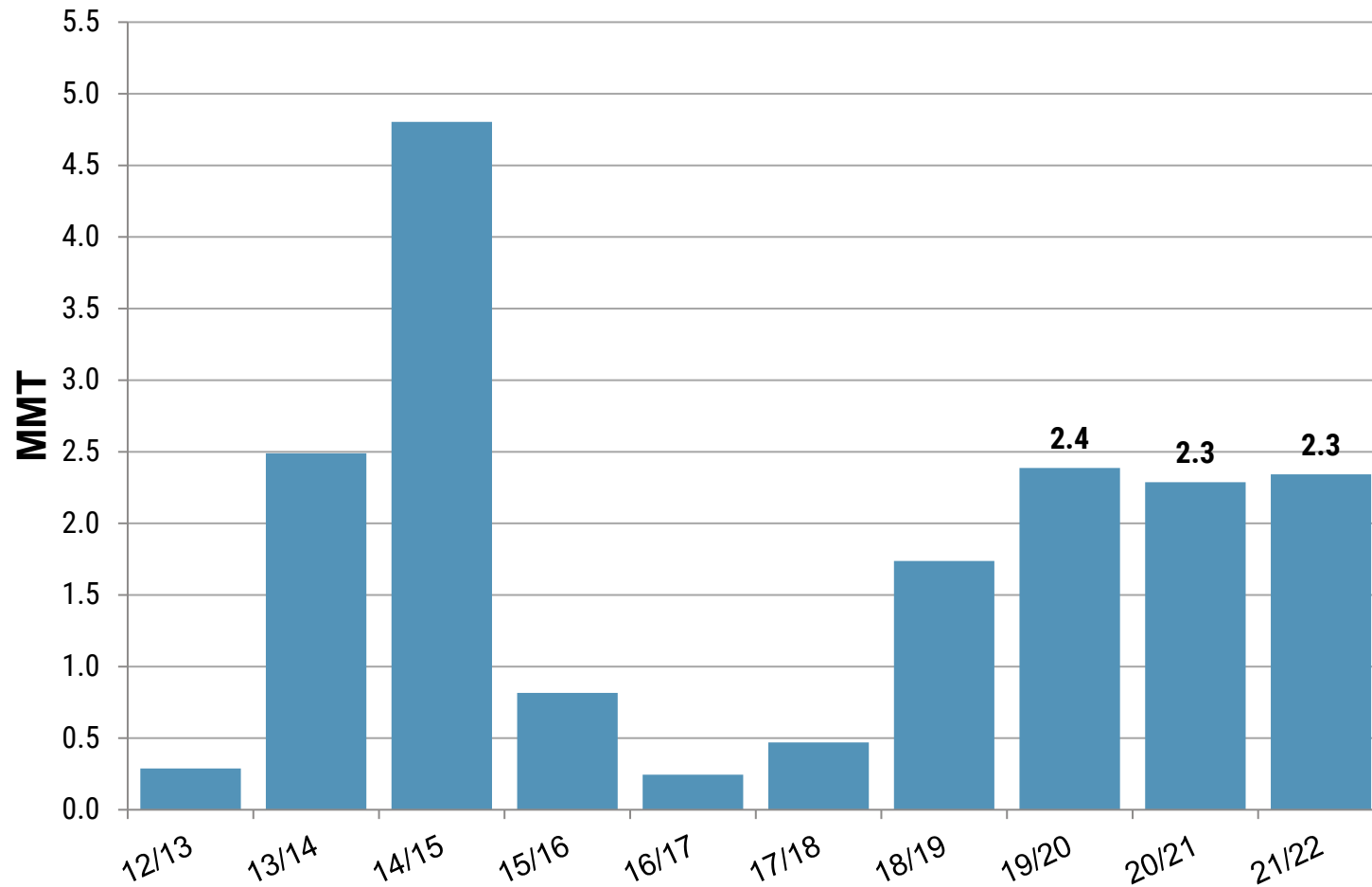
Australia Ending Stocks



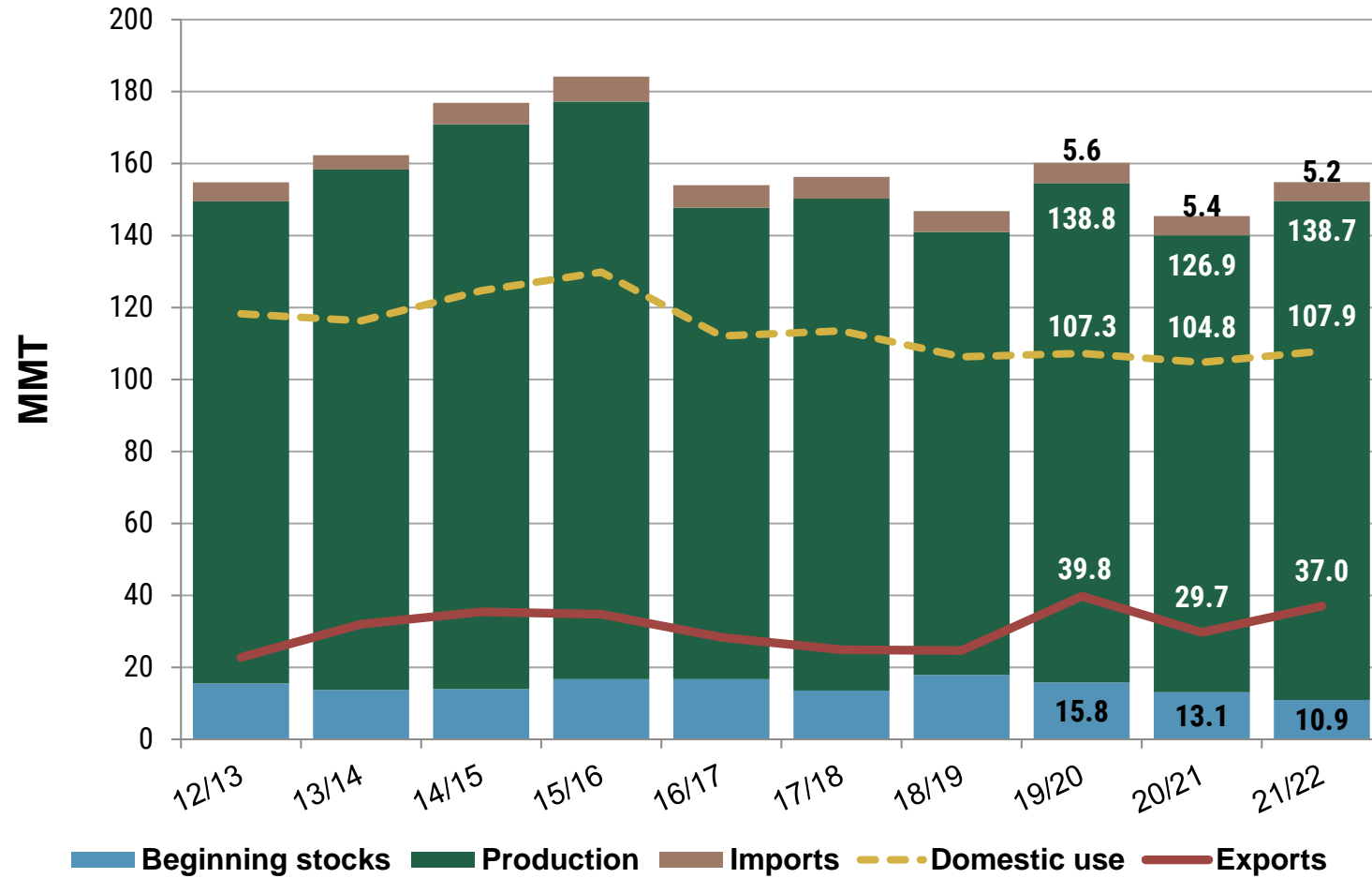
Argentina Situation



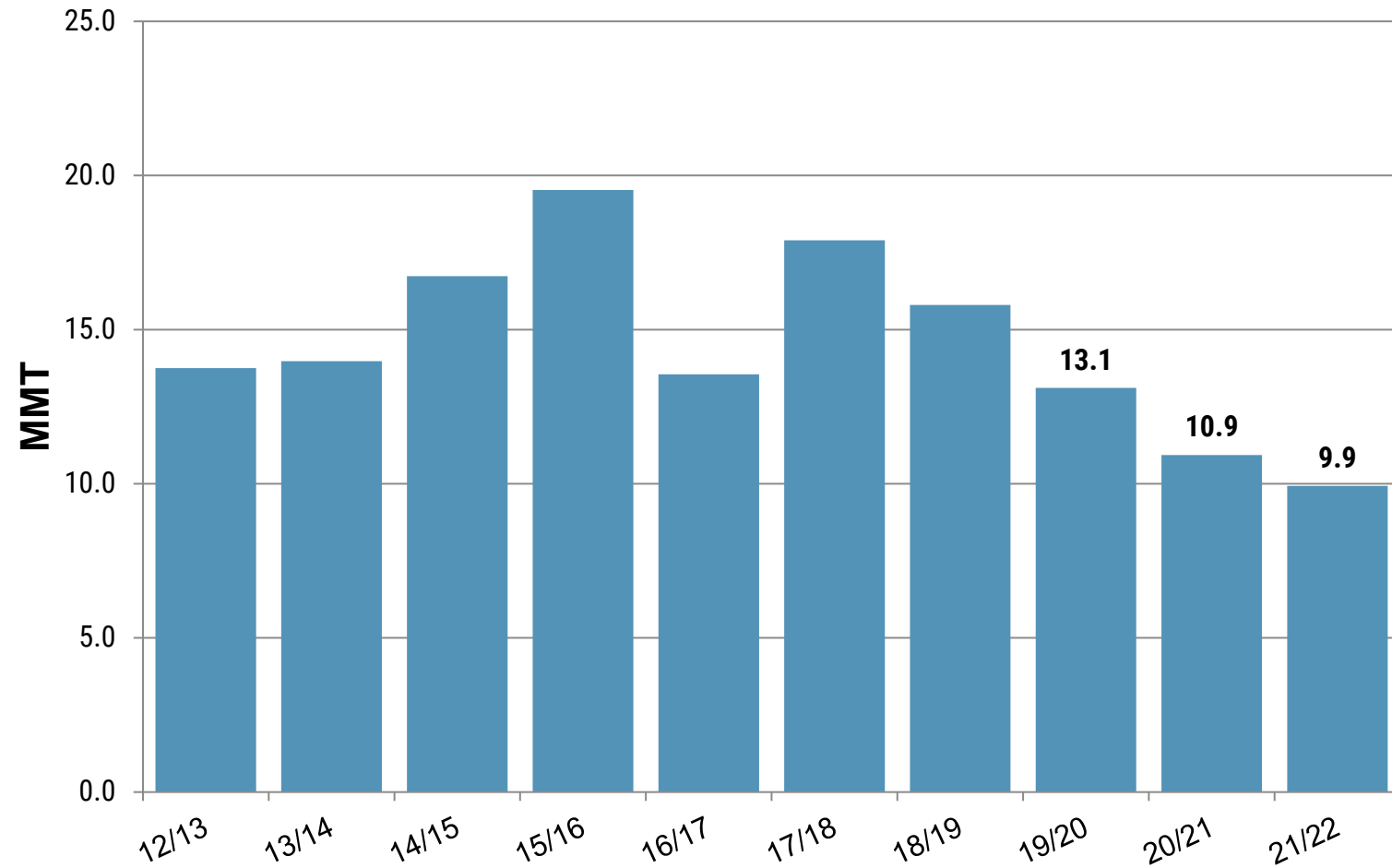
Argentina Ending Stocks



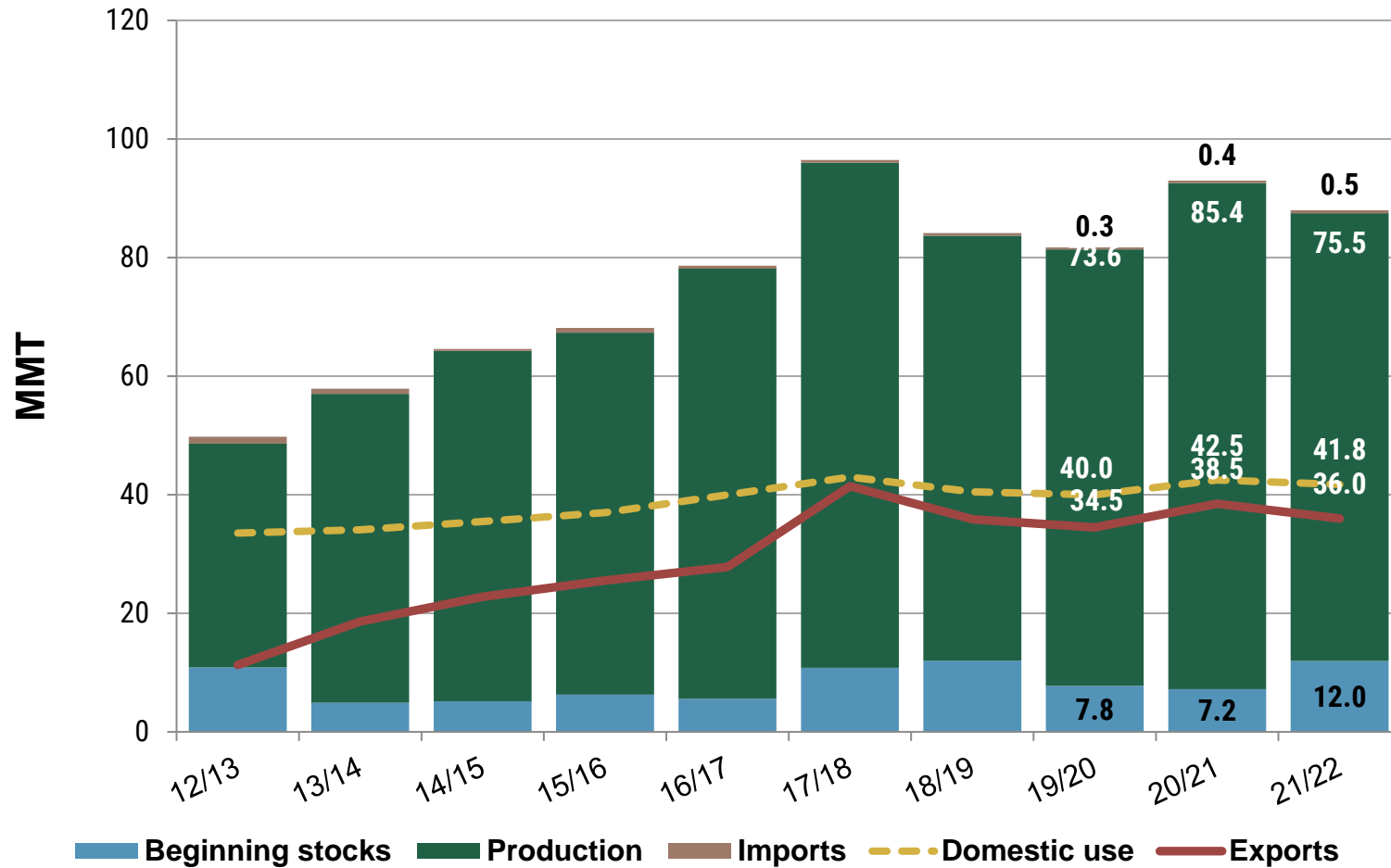
EU Situation



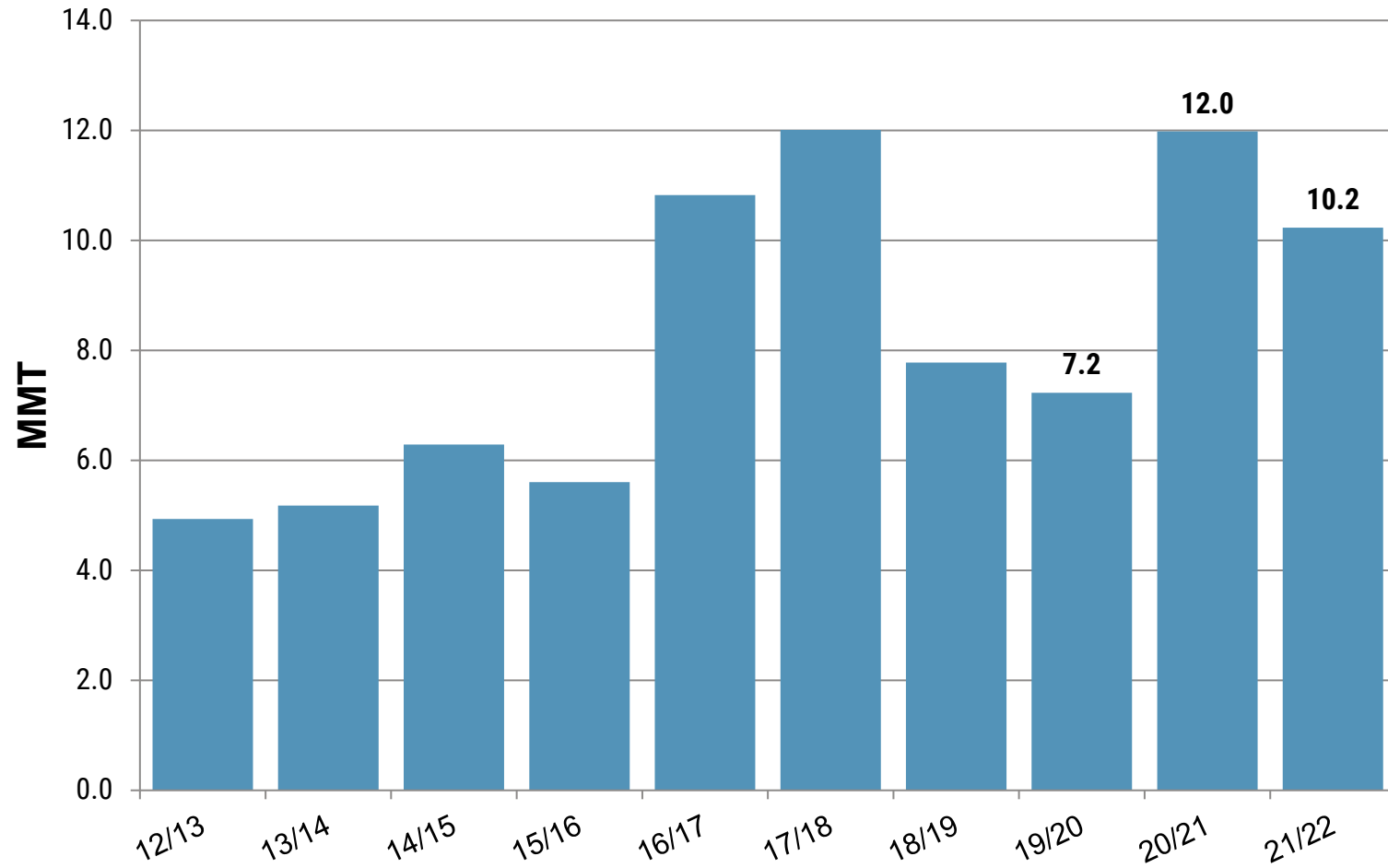
EU Ending Stocks



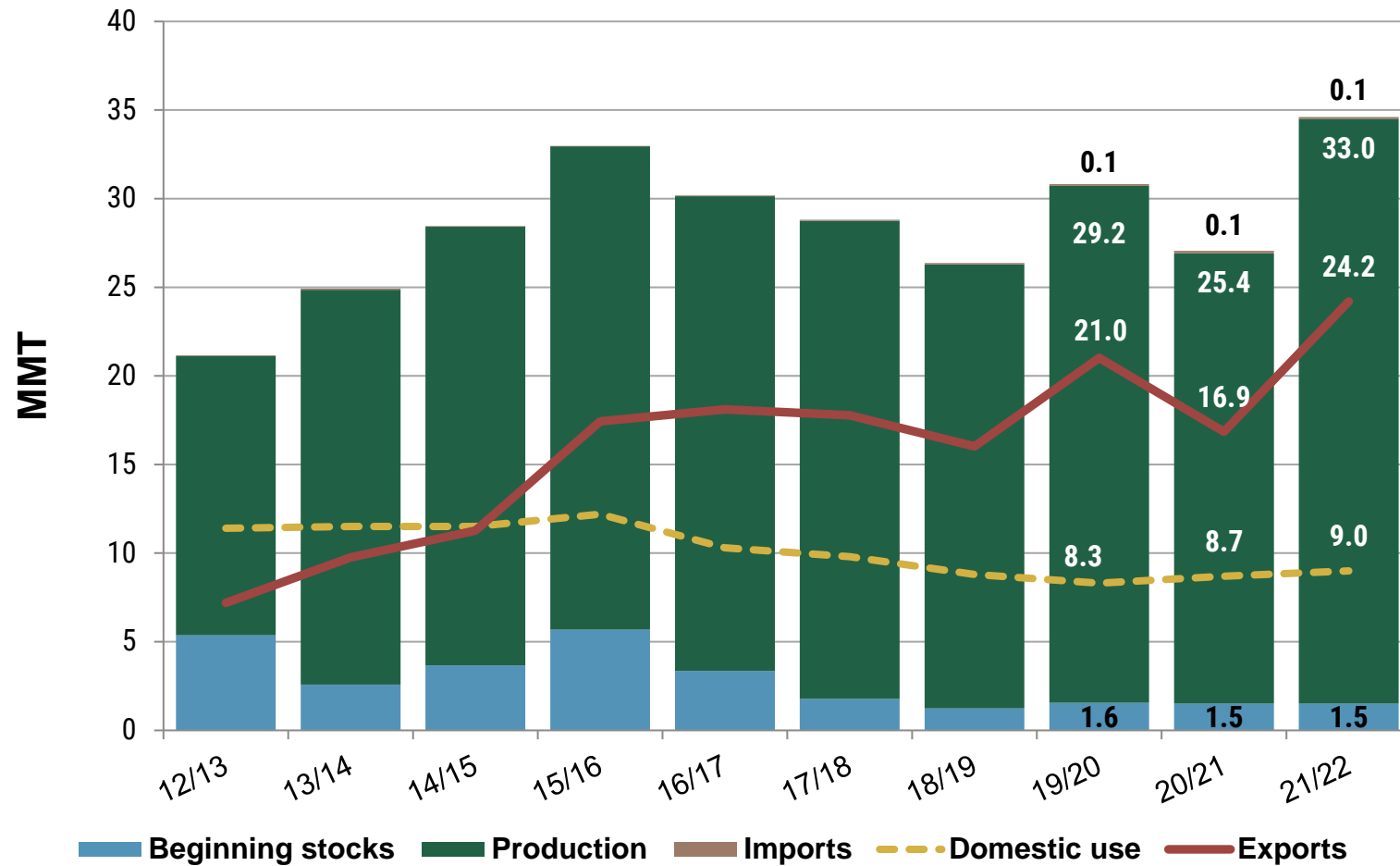
Russia Situation



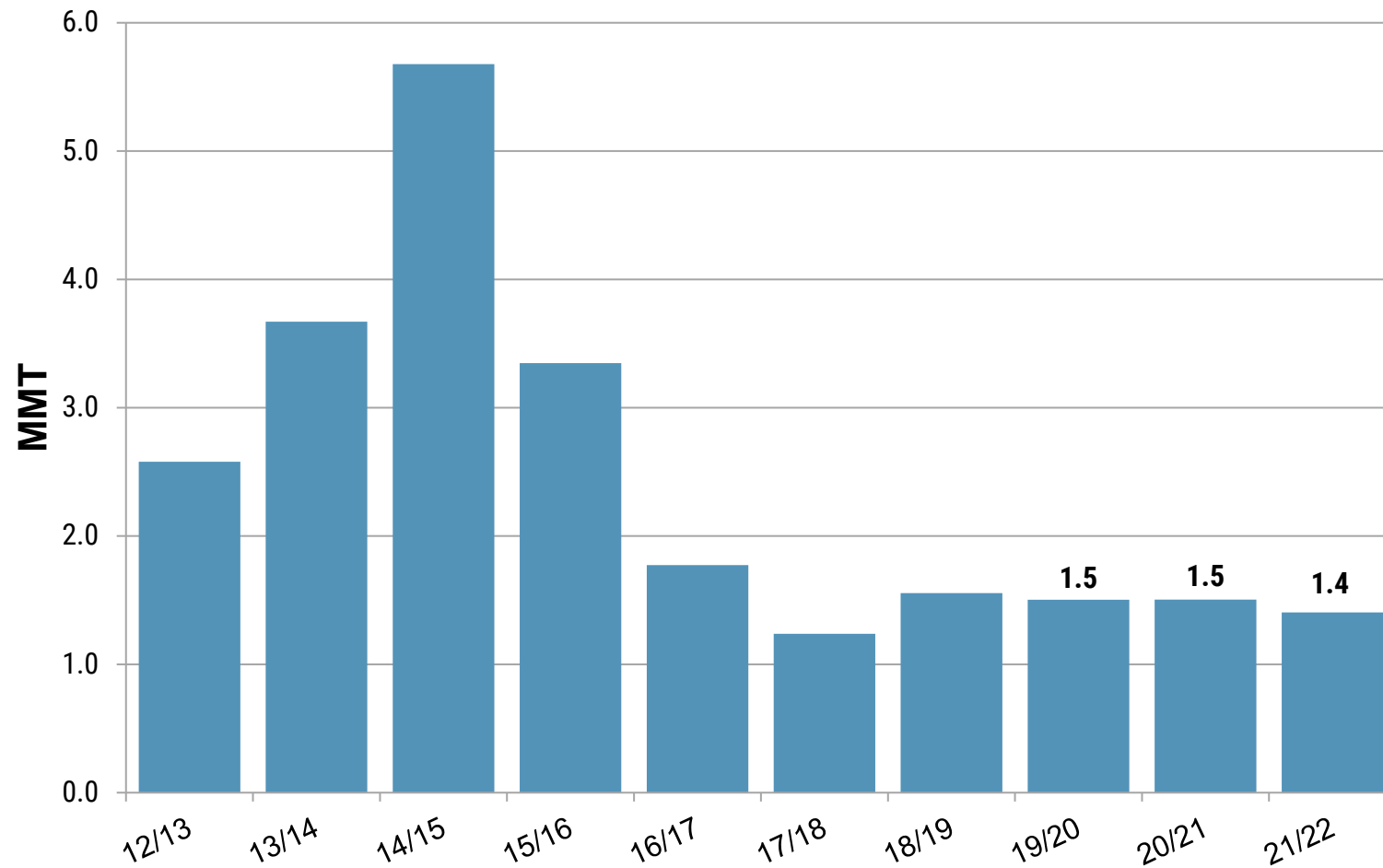
Russia Ending Stocks



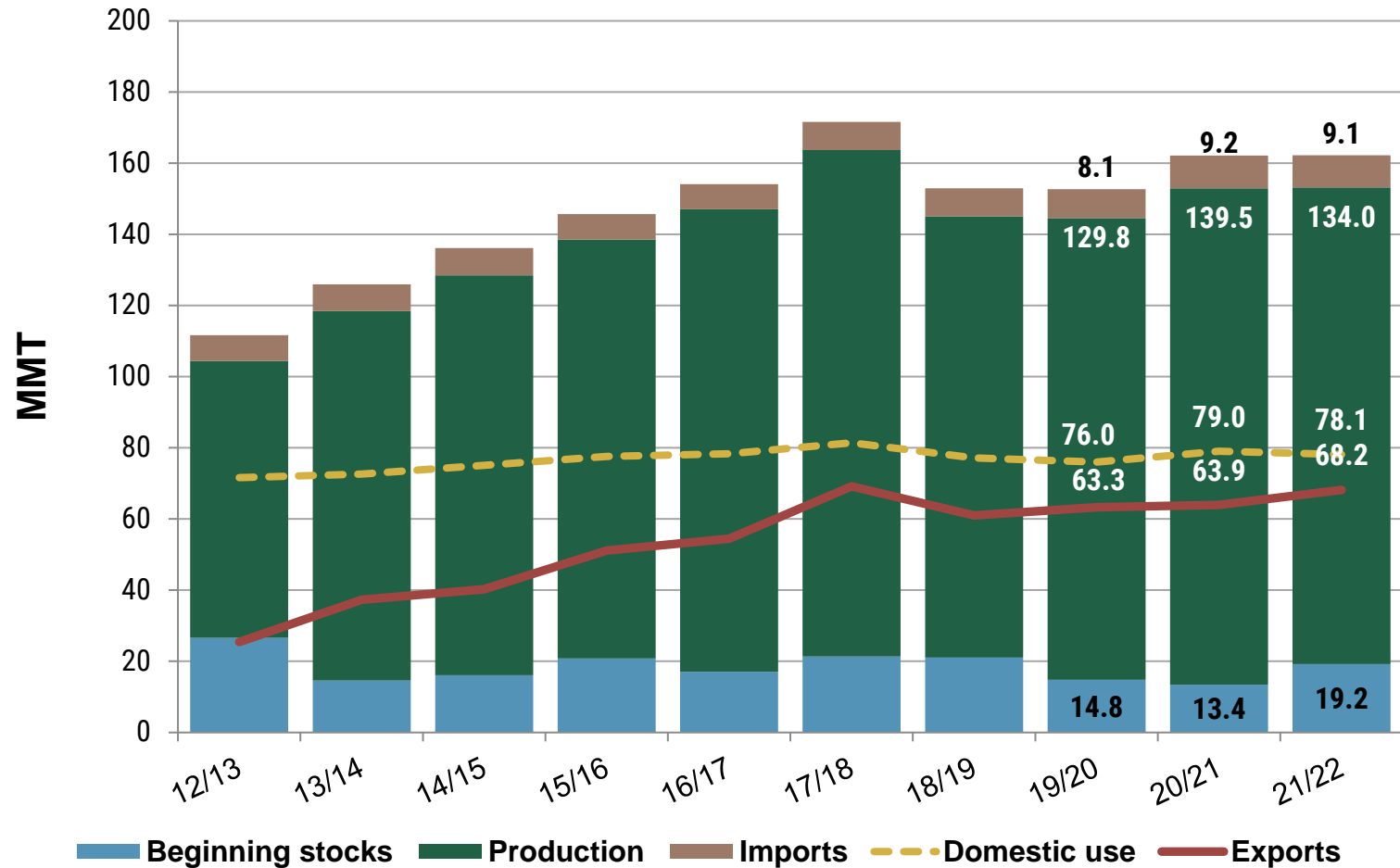
Ukraine Situation



Ukraine Ending Stocks

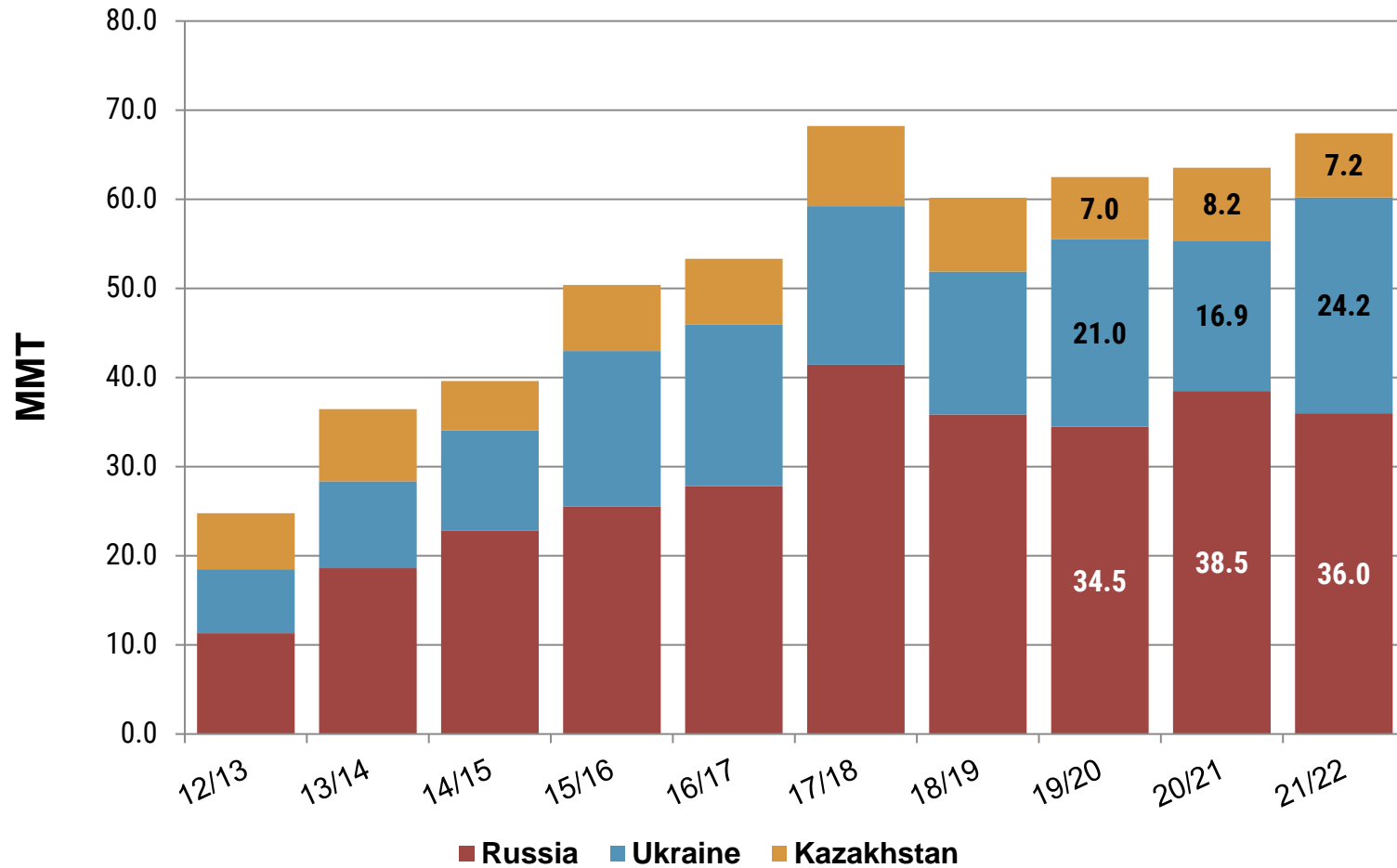


Black Sea Region Situation



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

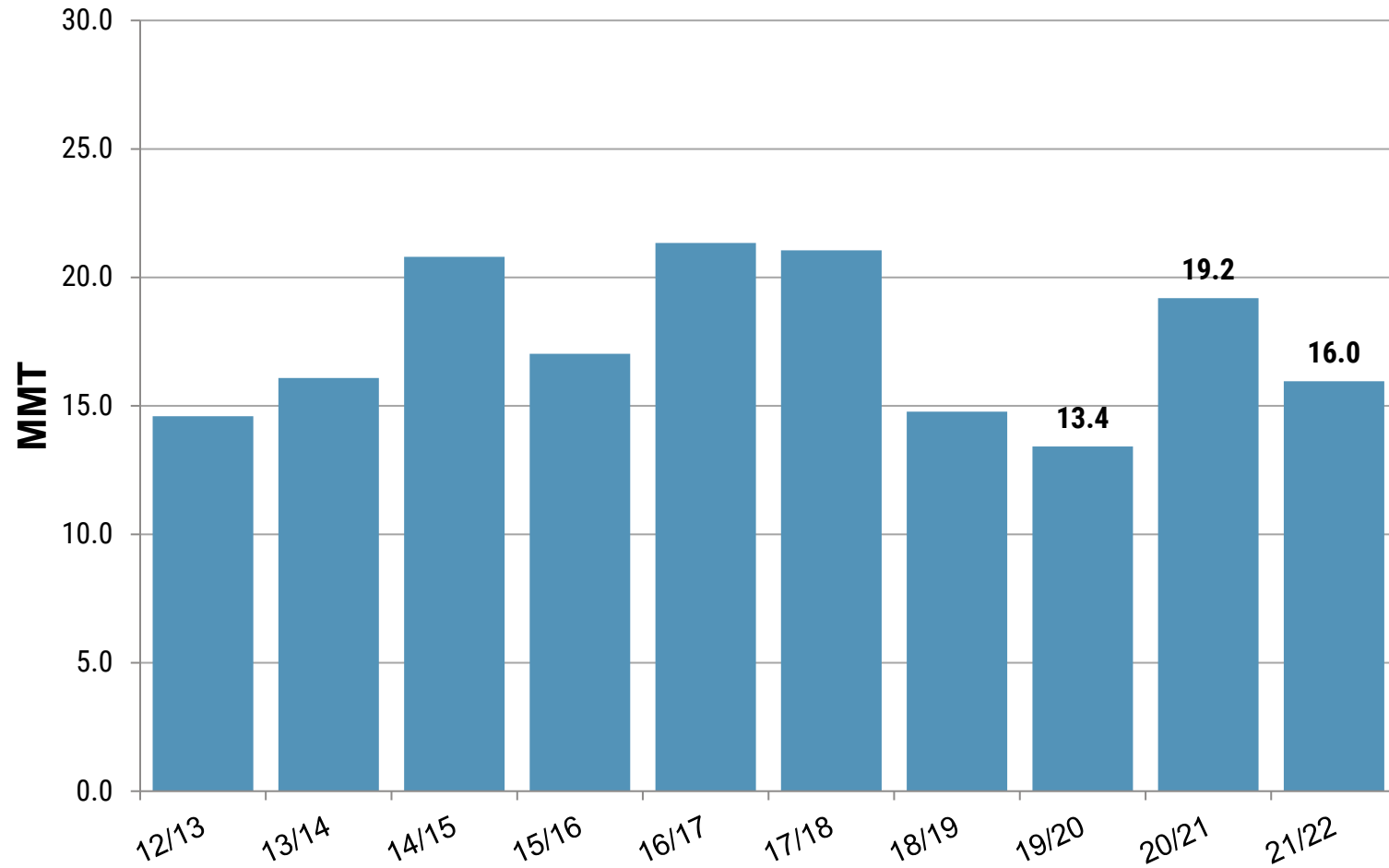
Black Sea Exports



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



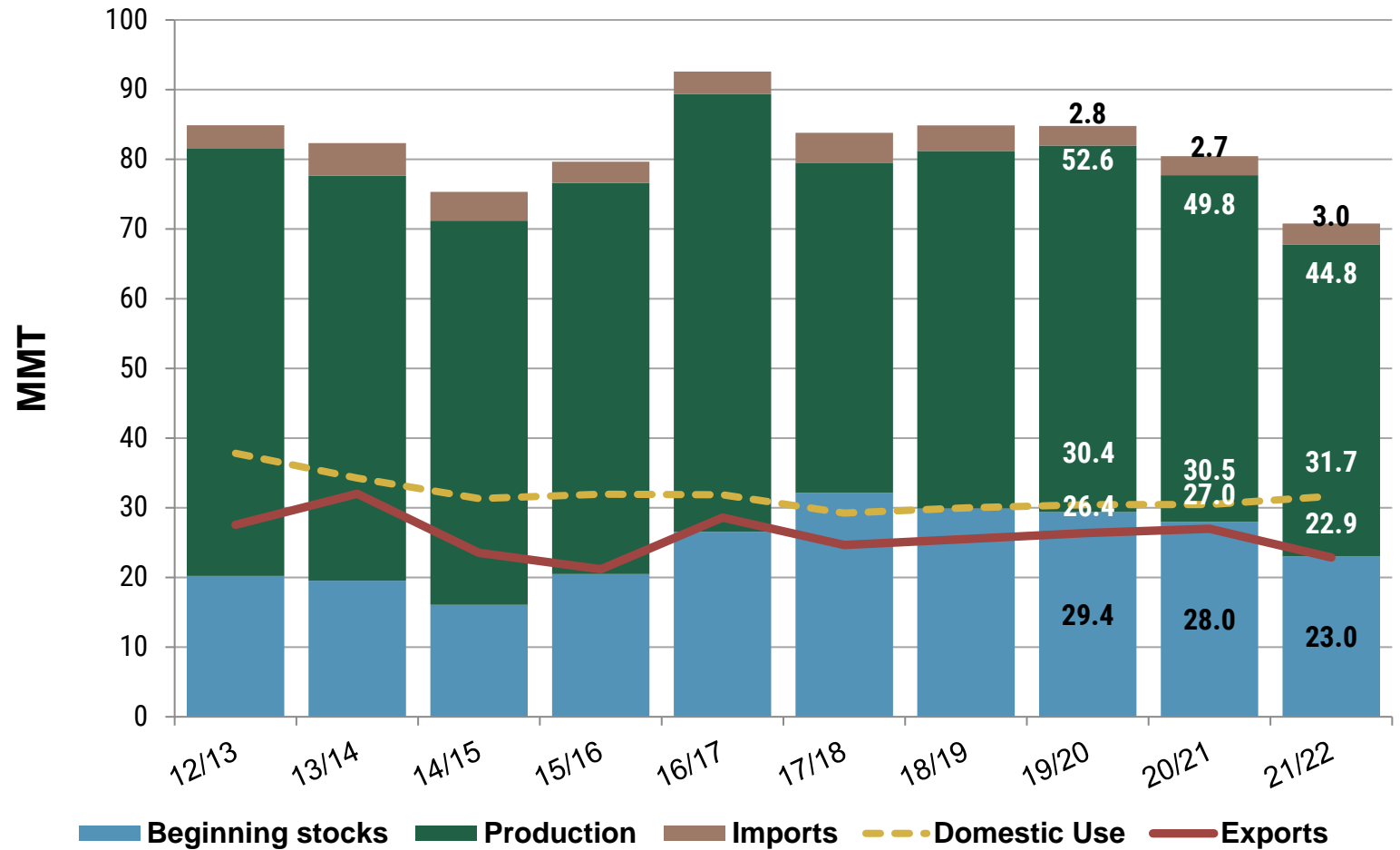
Black Sea Ending Stocks



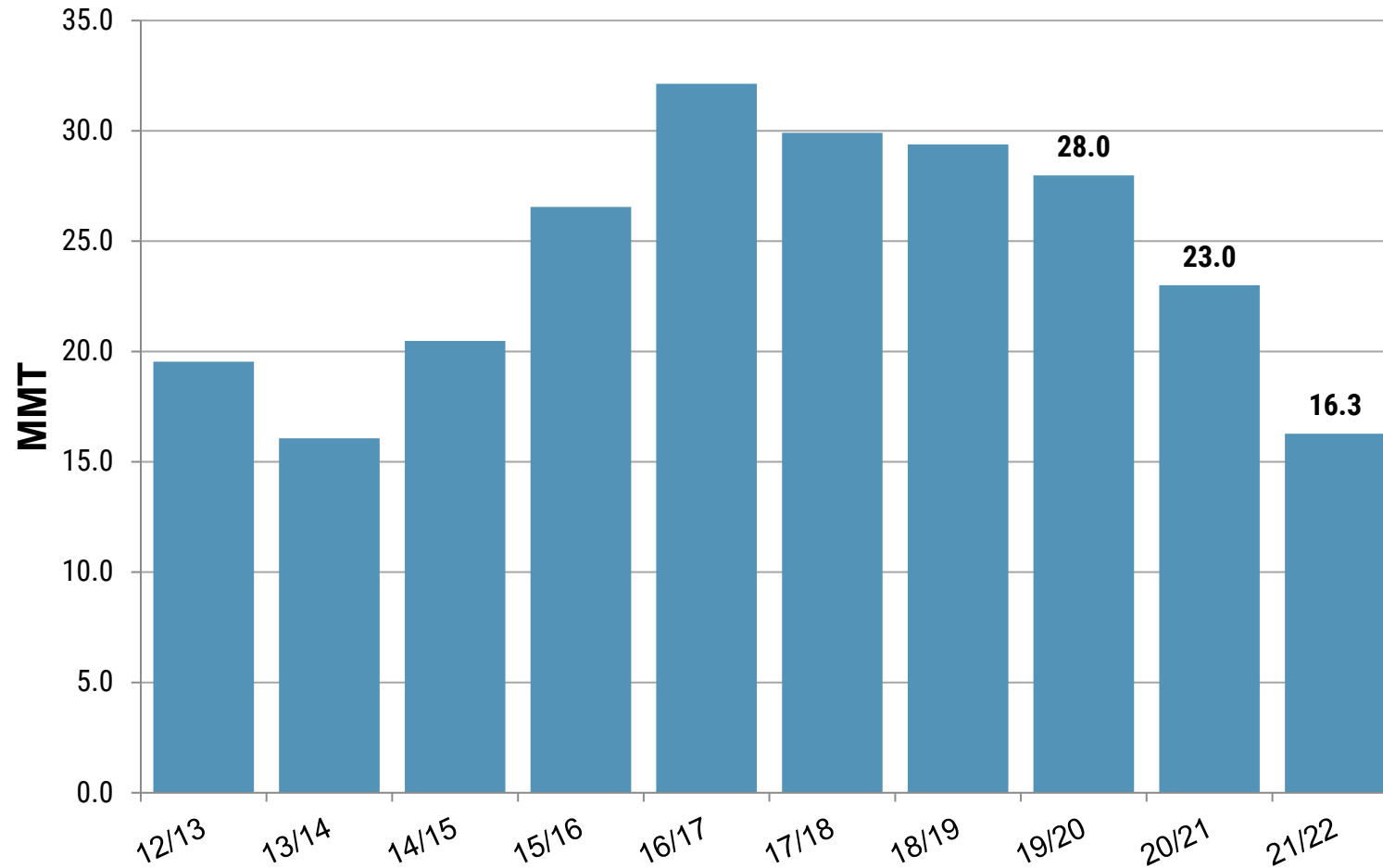
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U.S. Situation



U.S. Ending Stocks

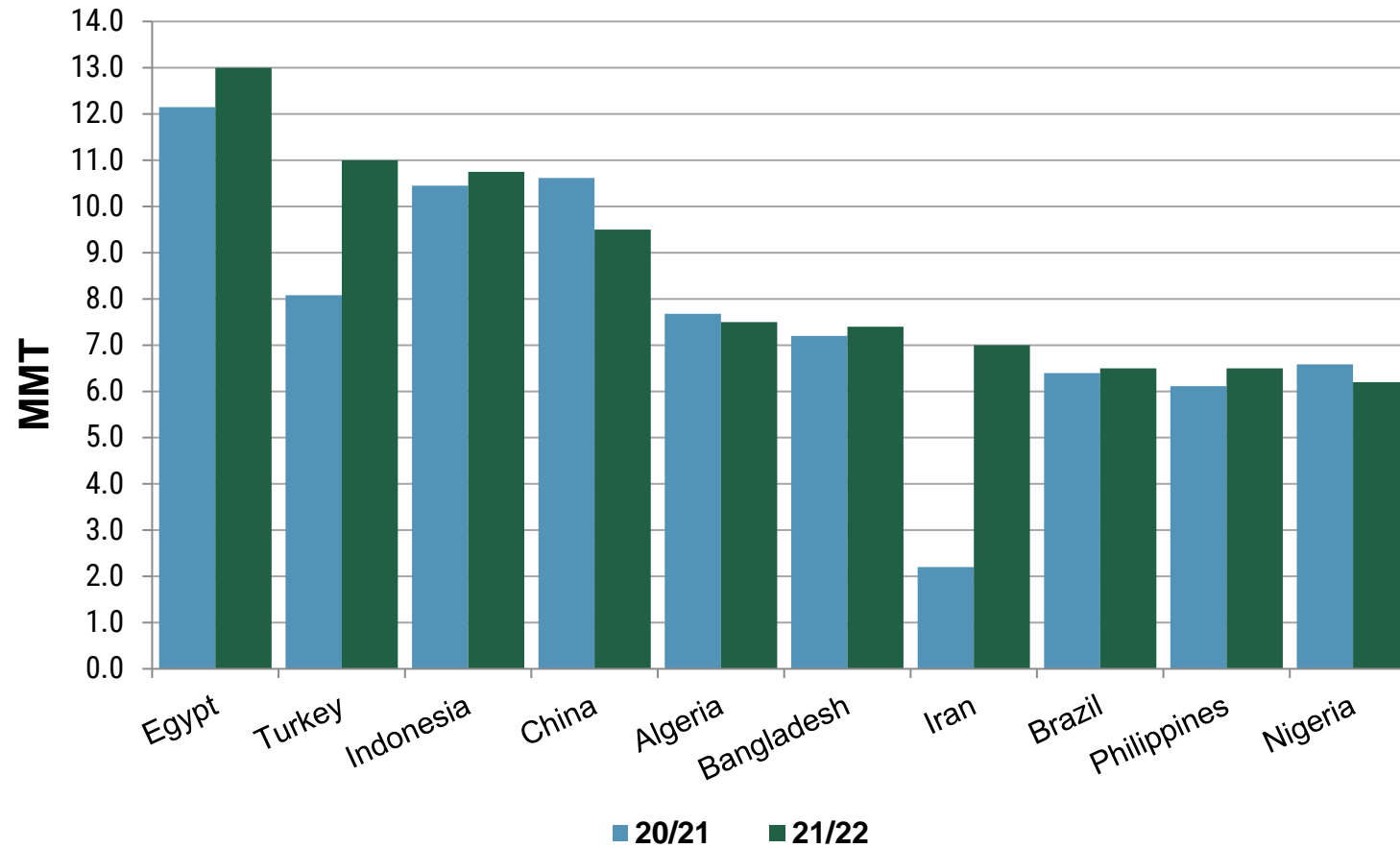




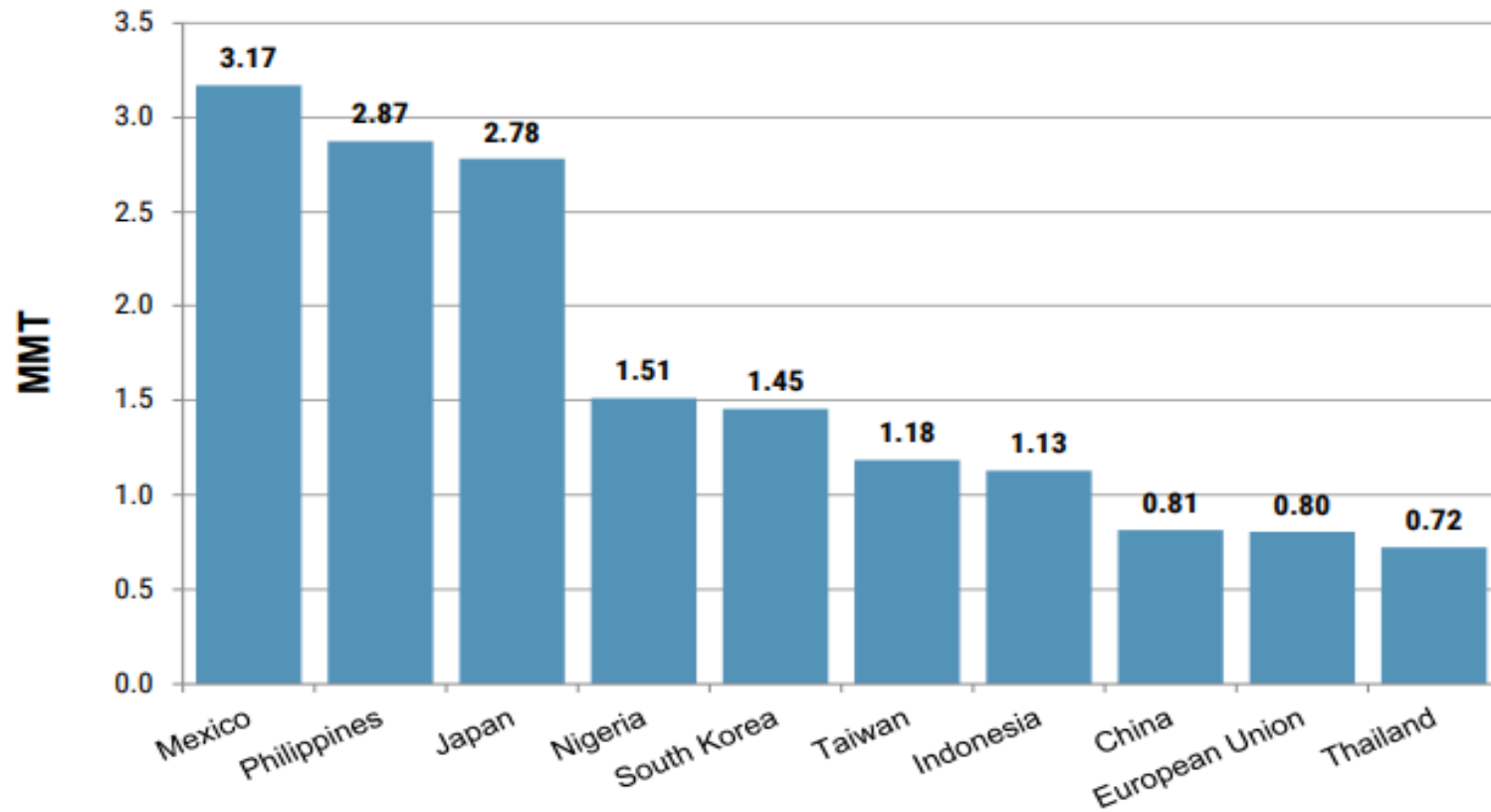
02

Import Demand

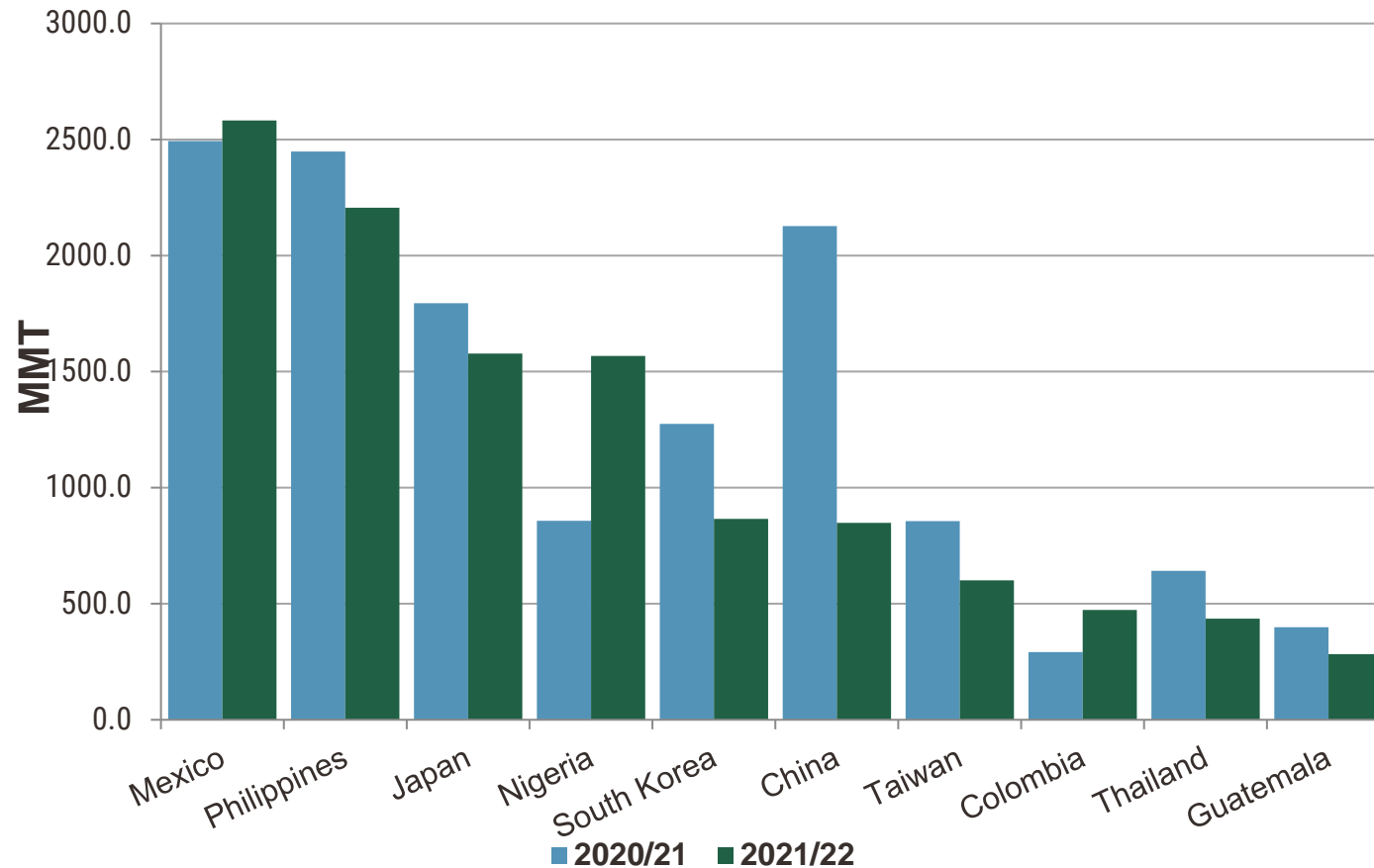
Major World Wheat Importers



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



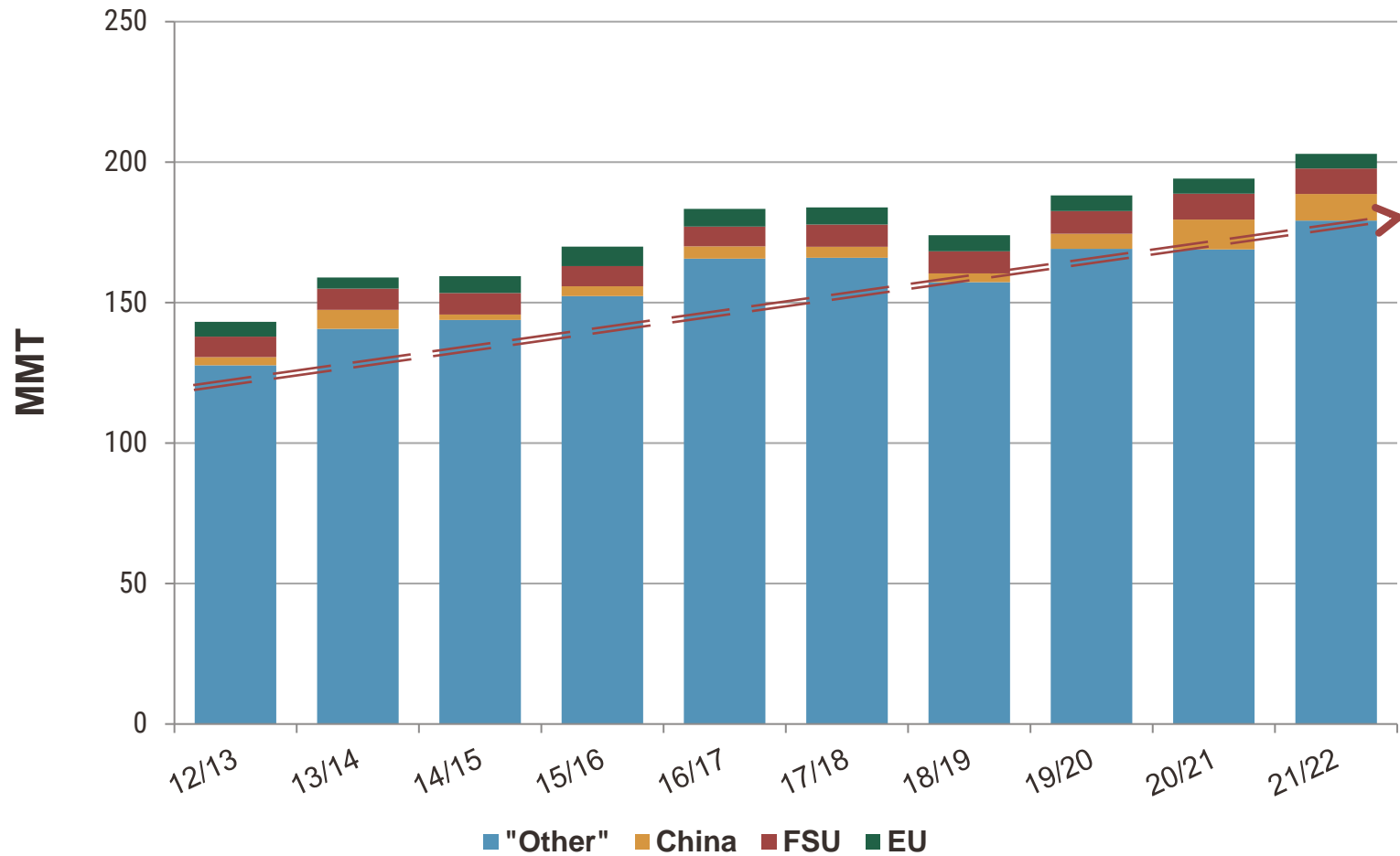
Top 10 Customers for U.S. Wheat (year-to-date sales for current marketing year delivery)



Source: USDA FAS export sales data as of December 9, 2021



World Wheat Imports

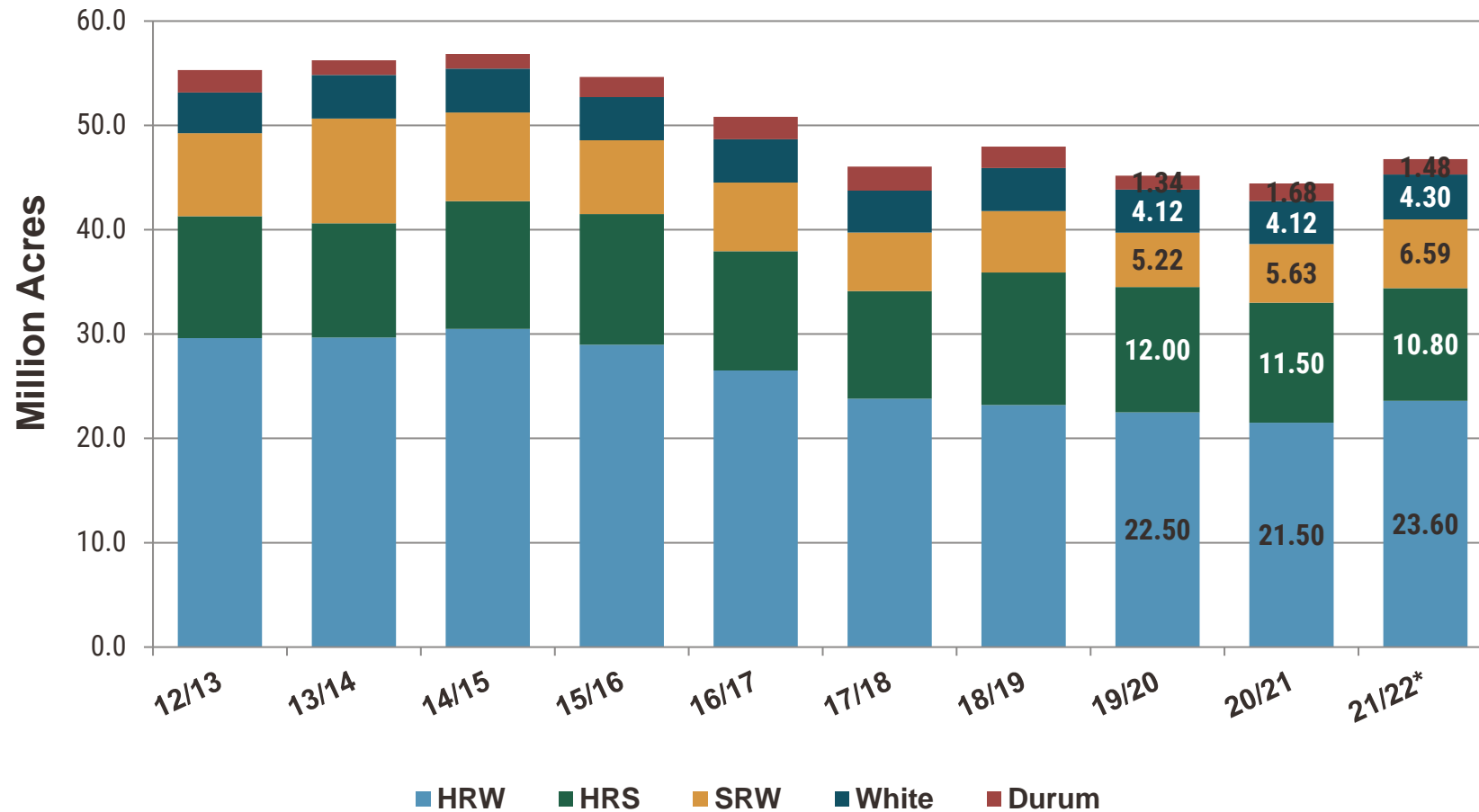




03

*U.S. Situation by
Class*

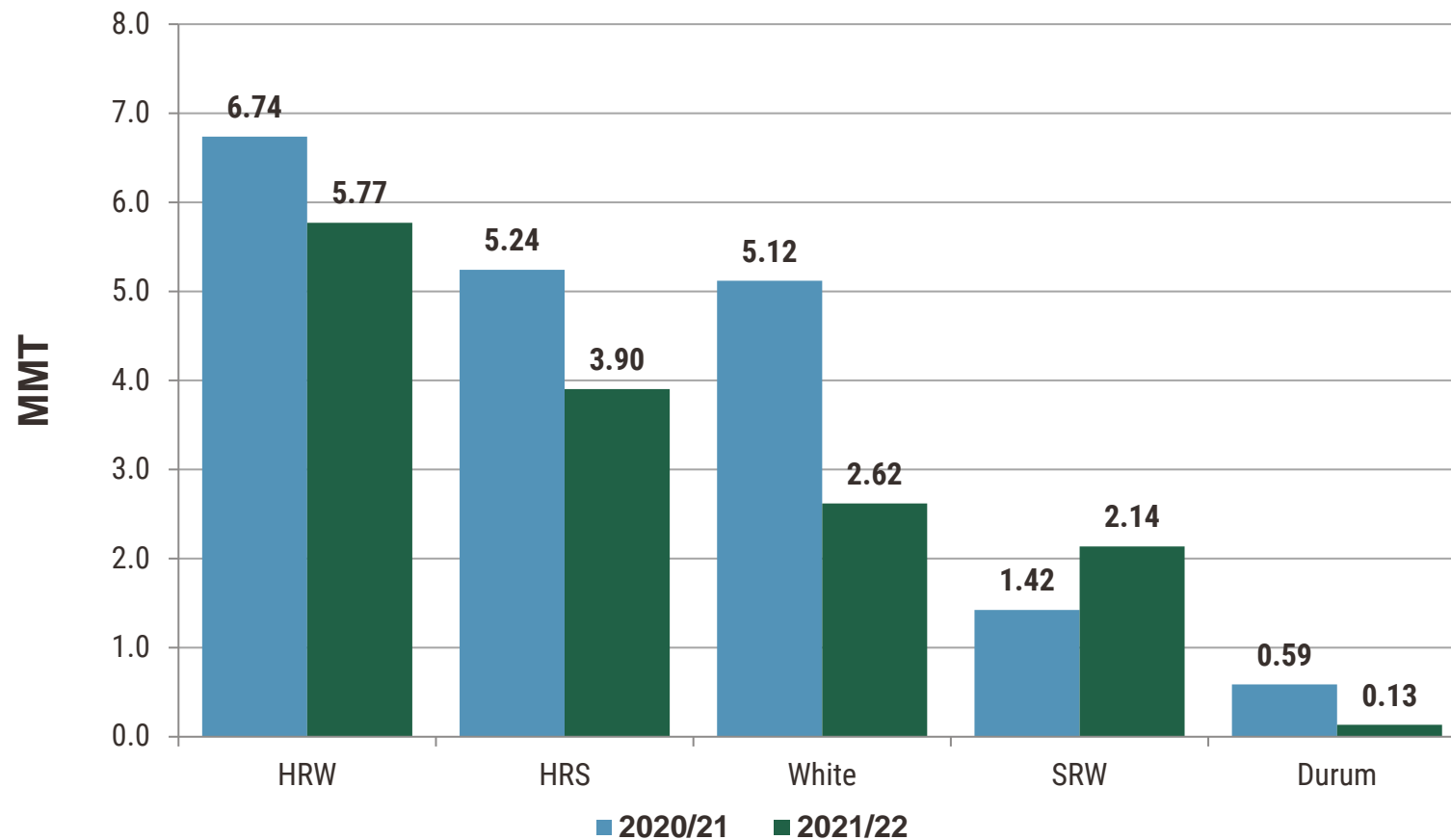
U.S. Wheat Planted Area



*Source: June 2020 USDA Acreage Report

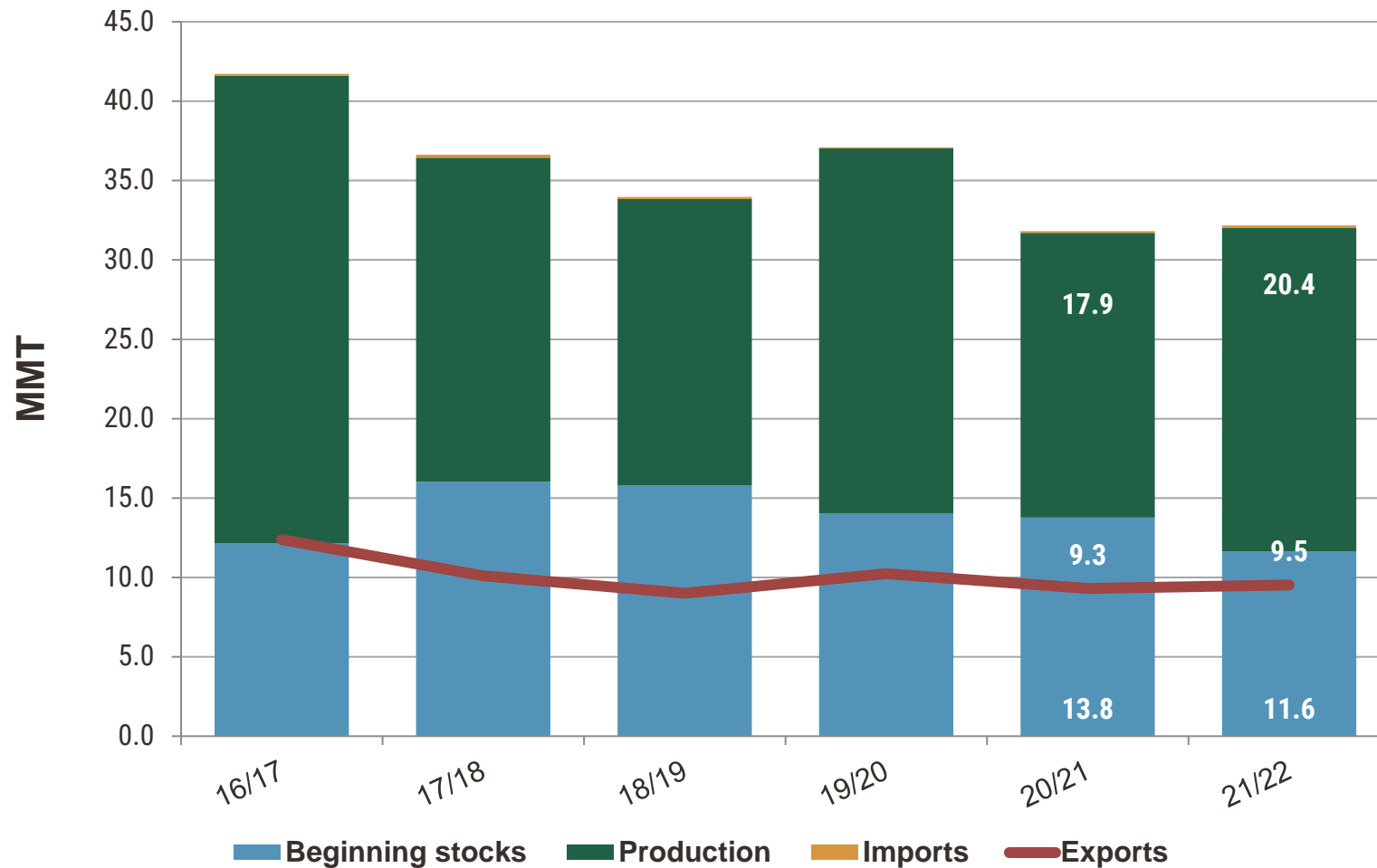
U.S. Wheat Sales by Class

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

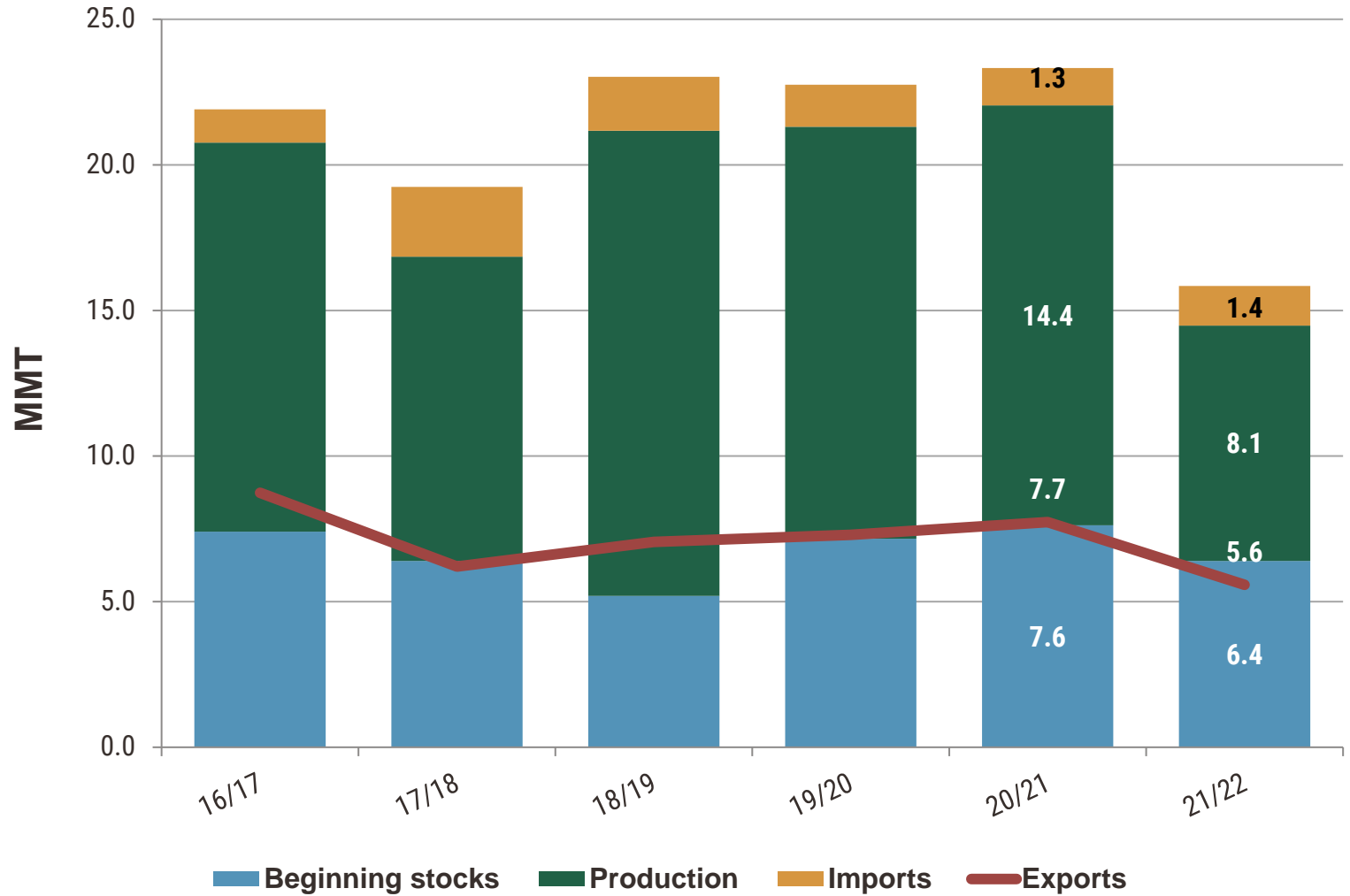


Source: USDA FAS export sales data as of December 12, 2021

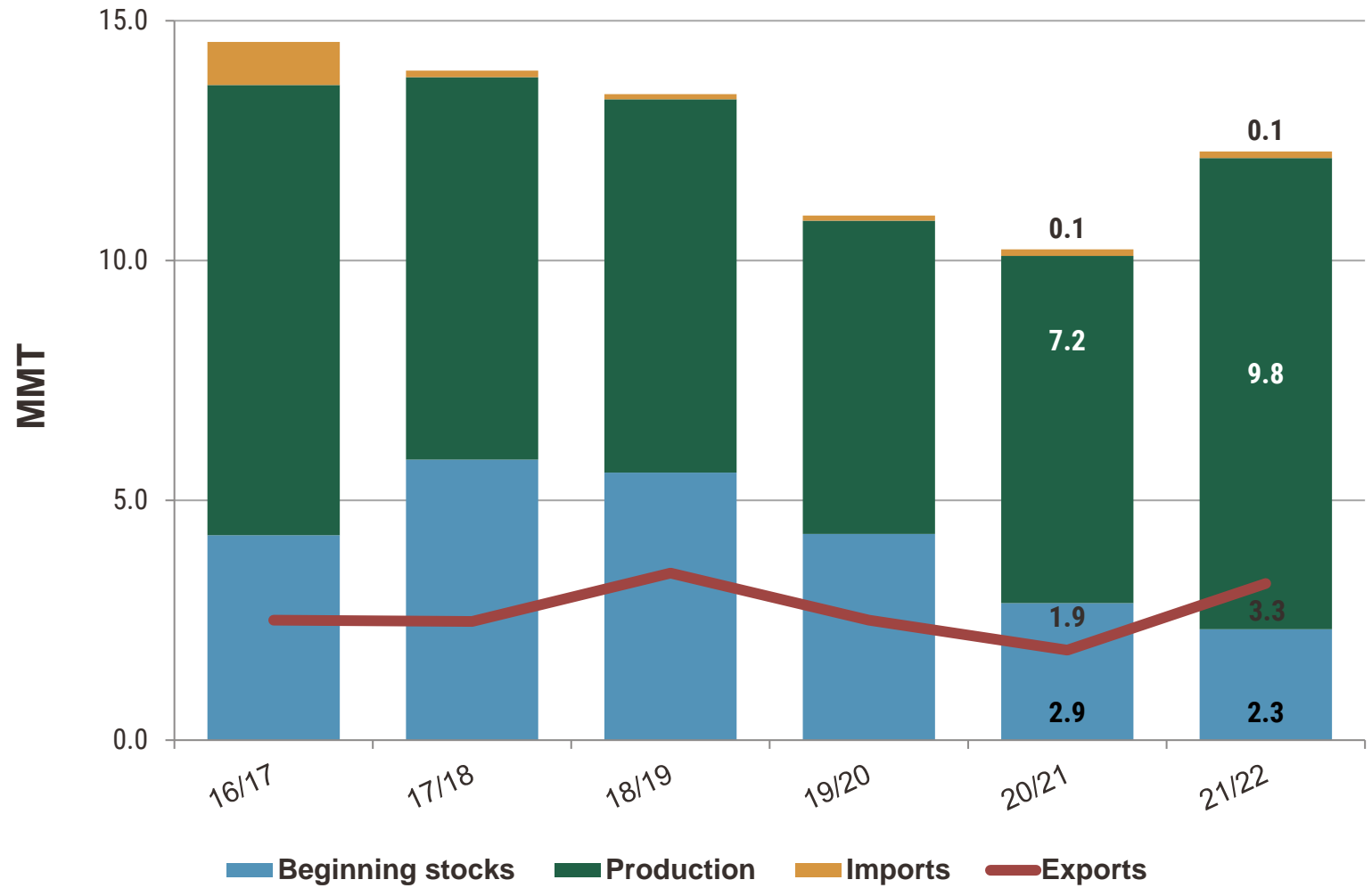
U.S. Hard Red Winter



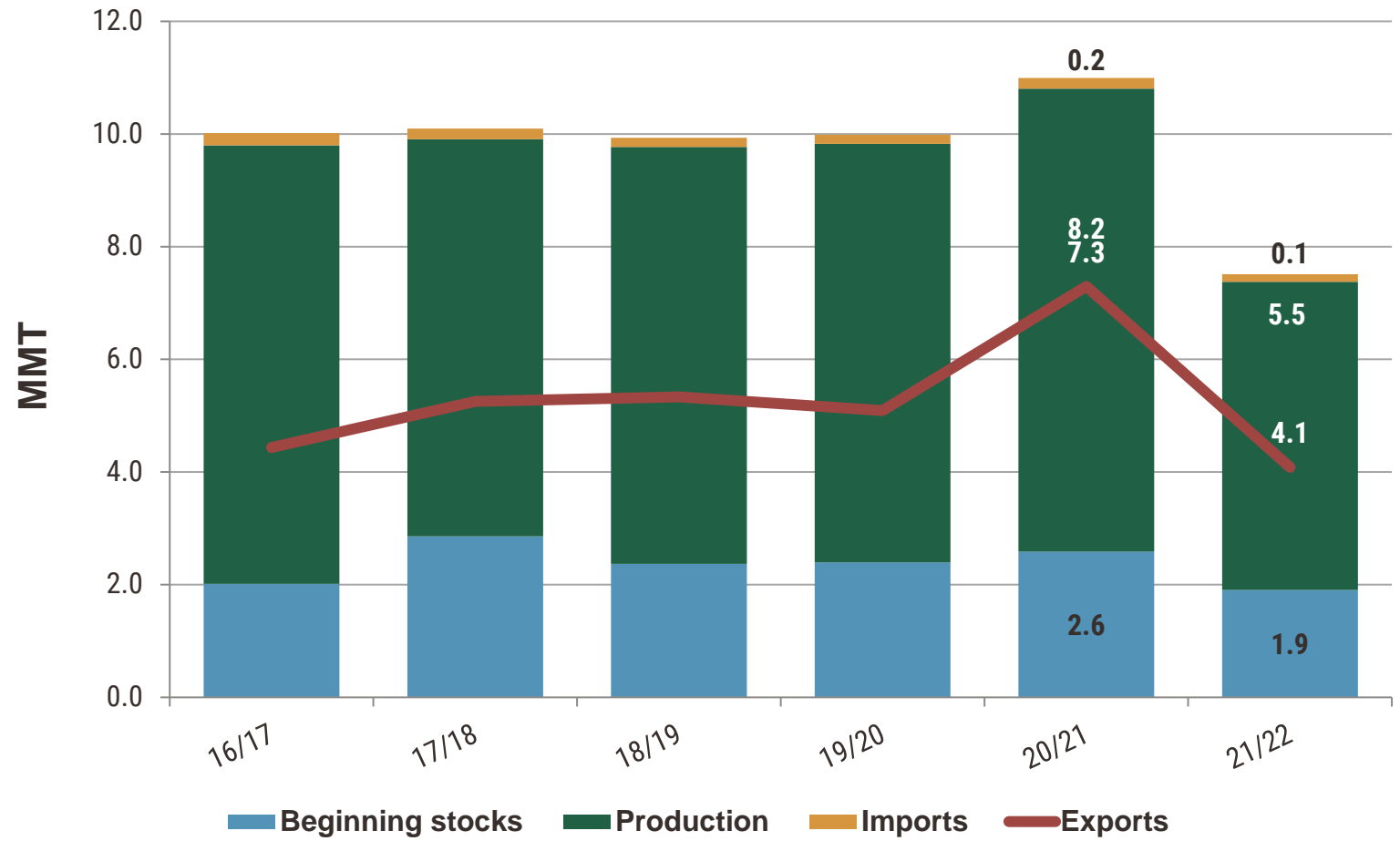
U.S. Hard Red Spring



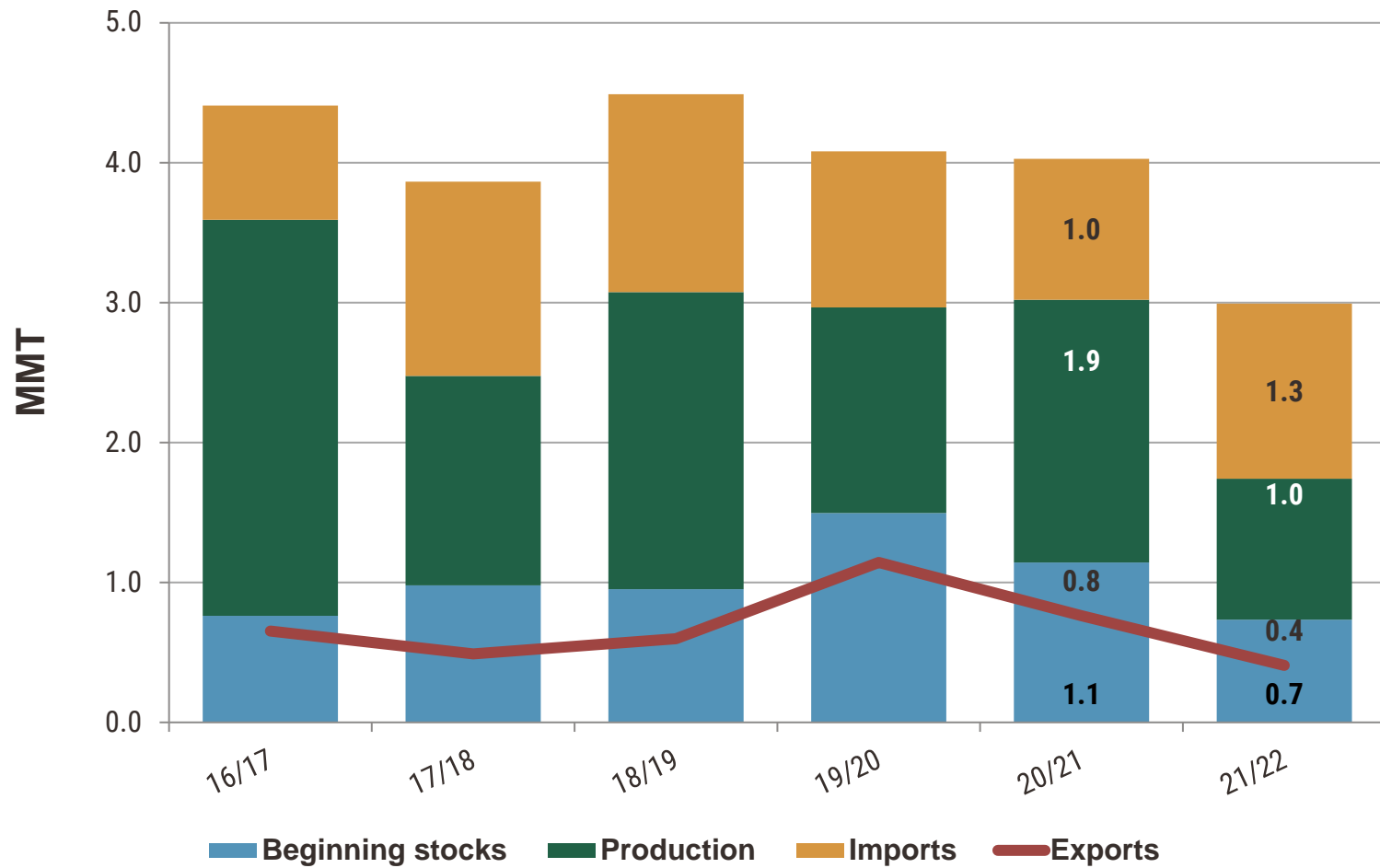
U.S. Soft Red Winter



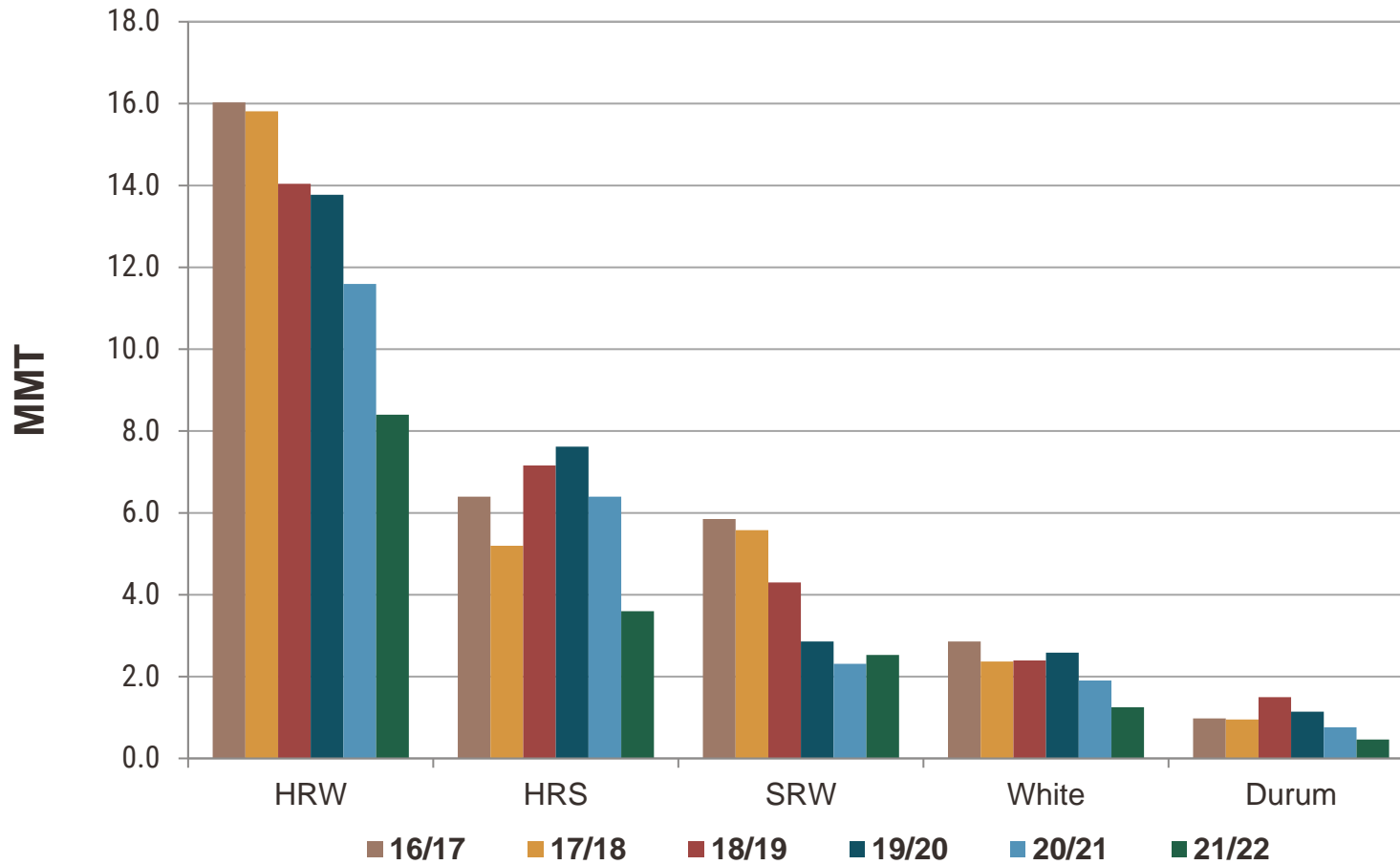
U.S. White



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	20.4	14.5	8.1	7.24	9.83
Supply Total	31.8	32.2	23.4	15.8	10.23	12.3
Domestic Use	10.9	14.2	9.23	6.67	6.04	6.48
Exports	9.3	9.5	7.73	5.58	1.88	3.27
Use Total	20.2	23.8	17.0	12.2	7.92	9.74
Ending Stocks	11.6	8.4	6.40	3.59	2.31	2.53
Stocks-to-Use	58%	35%	38%	29%	29%	26%

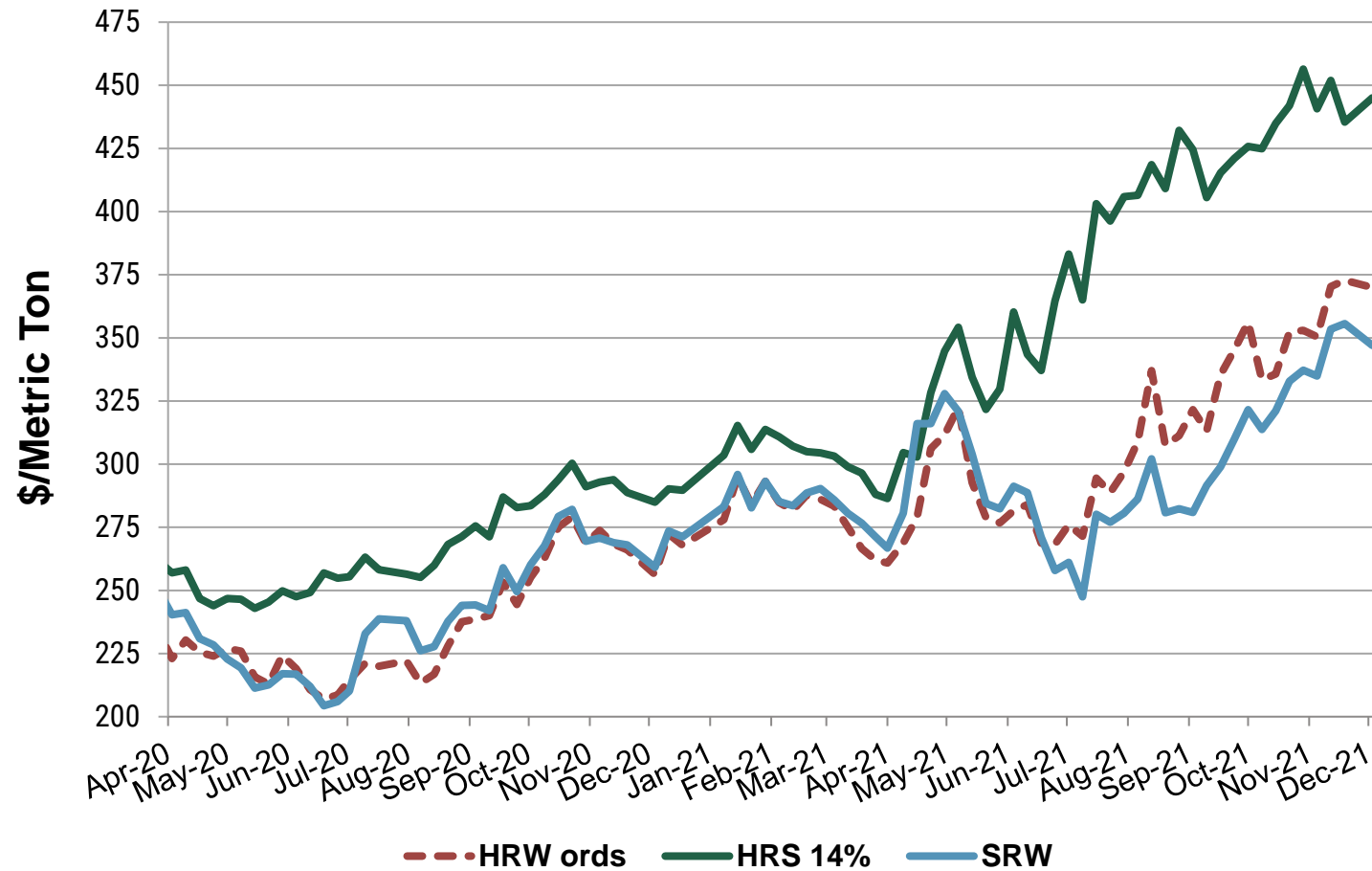


U.S. Wheat Supply and Demand (MMT)

	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	0.73	28.0	23.0
Production	8.25	5.47	1.88	1.01	49.8	44.8
Supply Total	11.0	7.51	4.03	2.99	80.5	70.8
Domestic Use	1.74	2.18	2.53	2.12	30.5	31.7
Exports	7.35	4.08	0.76	0.41	27.0	22.9
Use Total	9.09	6.26	3.29	2.53	57.5	54.5
Ending Stocks	1.91	1.25	0.73	0.46	23.0	16.3
Stocks-to-Use	21%	20%	22%	18%	40%	30%



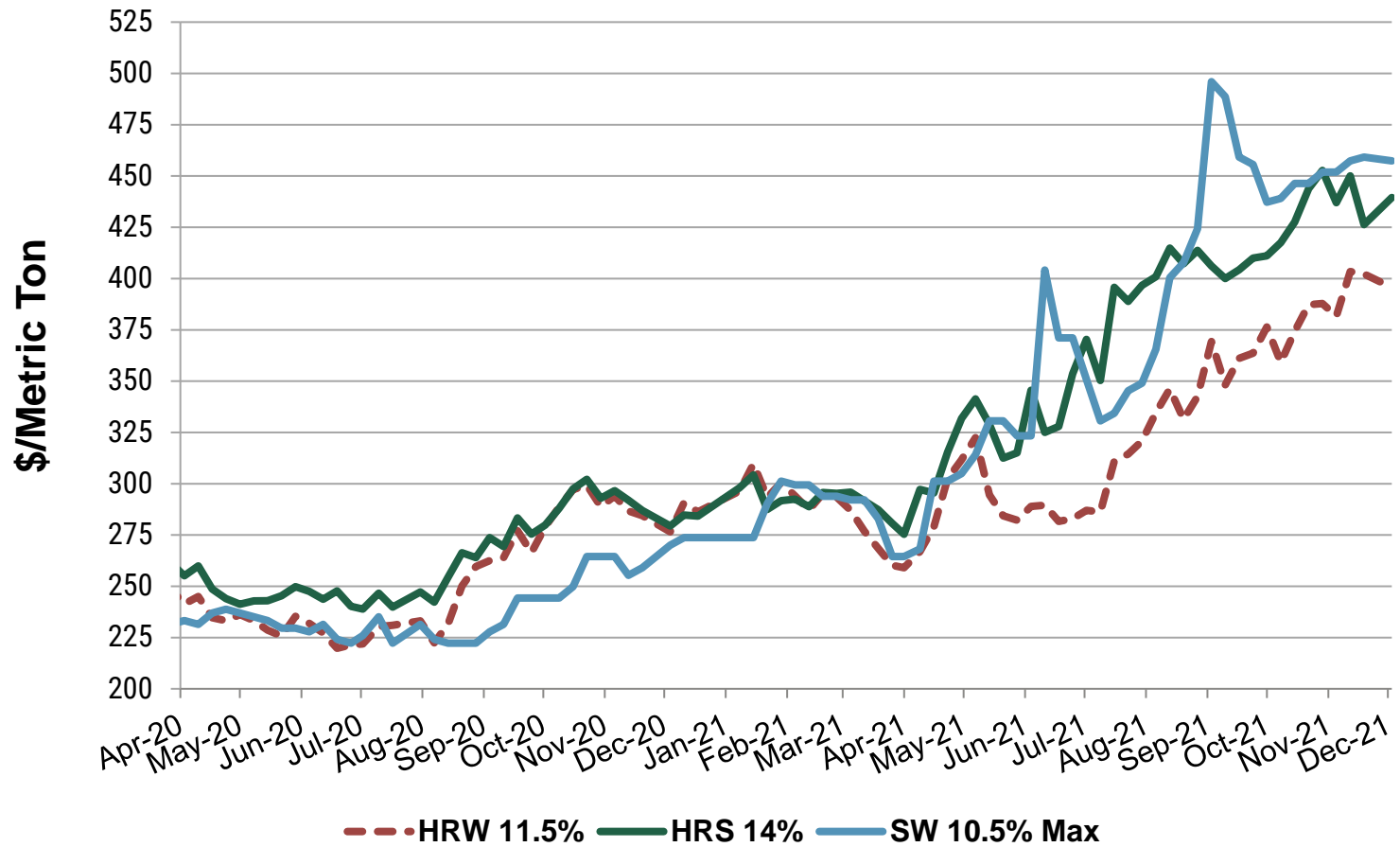
U.S. FOB Gulf Prices



Source: U.S. Wheat Associates Price Report, December 3, 2021

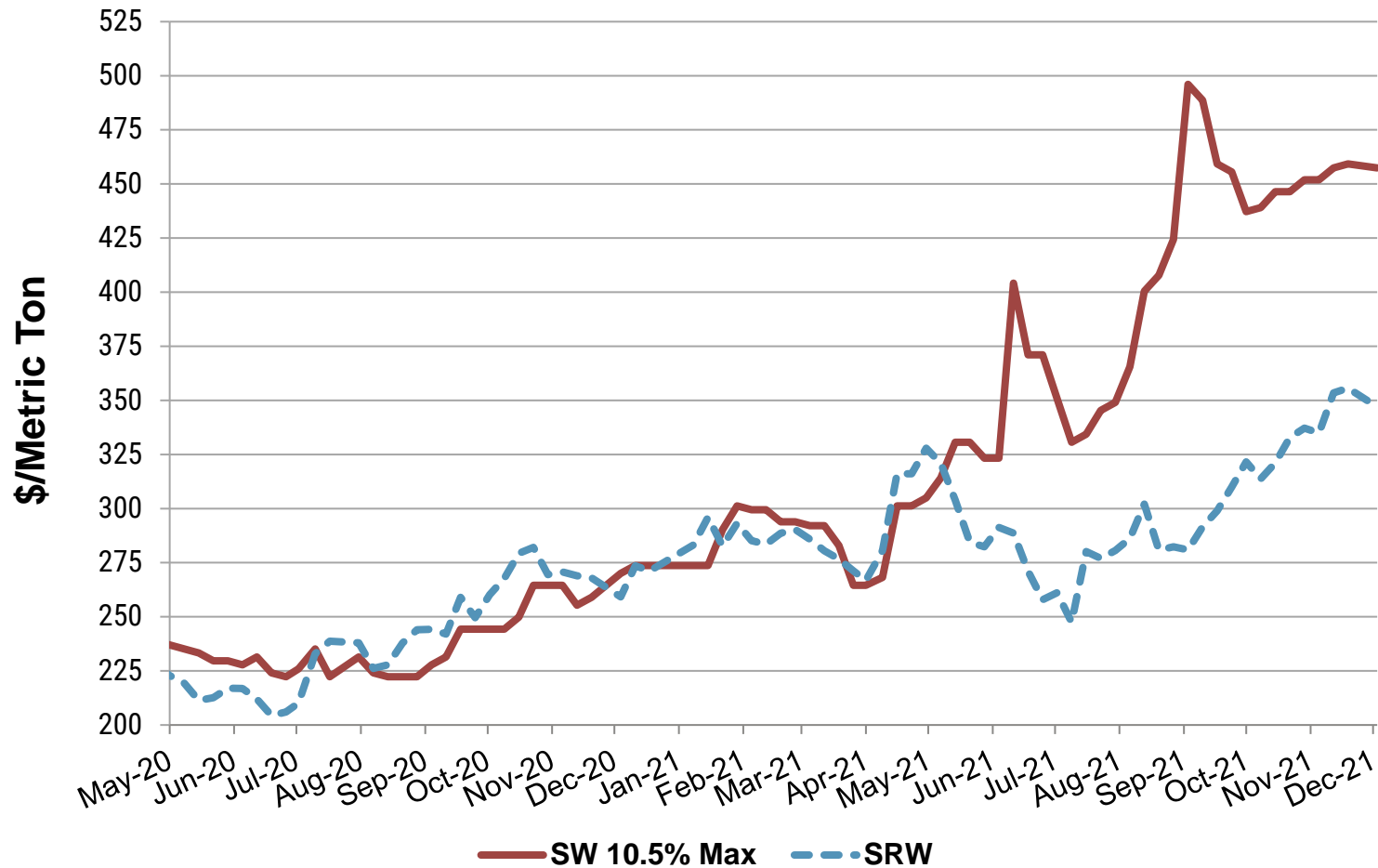


U.S. FOB PNW Prices



Source: U.S. Wheat Associates Price Report, December 3, 2021

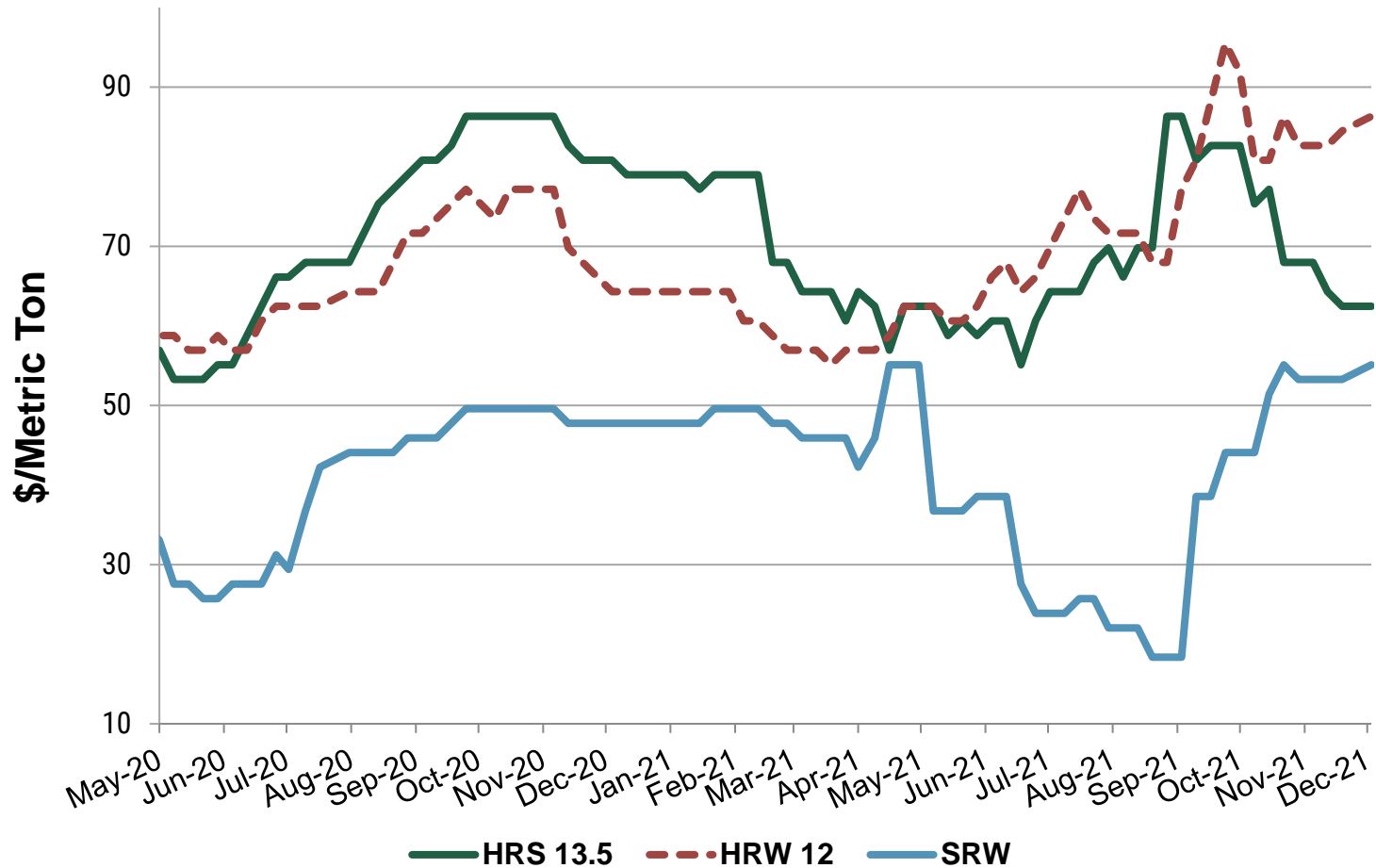
U.S. FOB Soft White and SRW Prices



Source: U.S. Wheat Associates Price Report, December 3, 2021



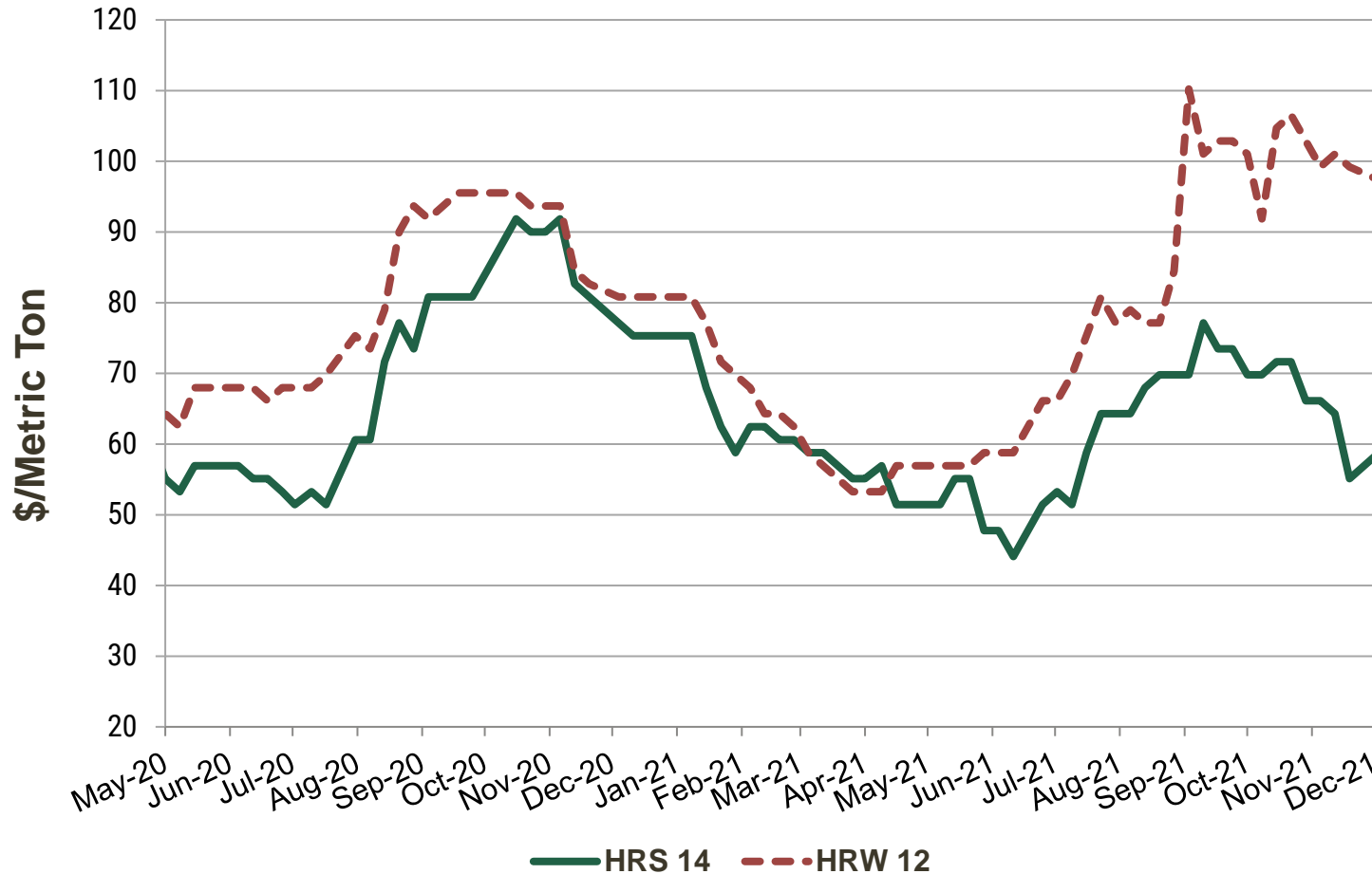
U.S. Gulf Export Basis



Source: U.S. Wheat Associates Price Report, December 3, 2021



U.S. PNW Export Basis



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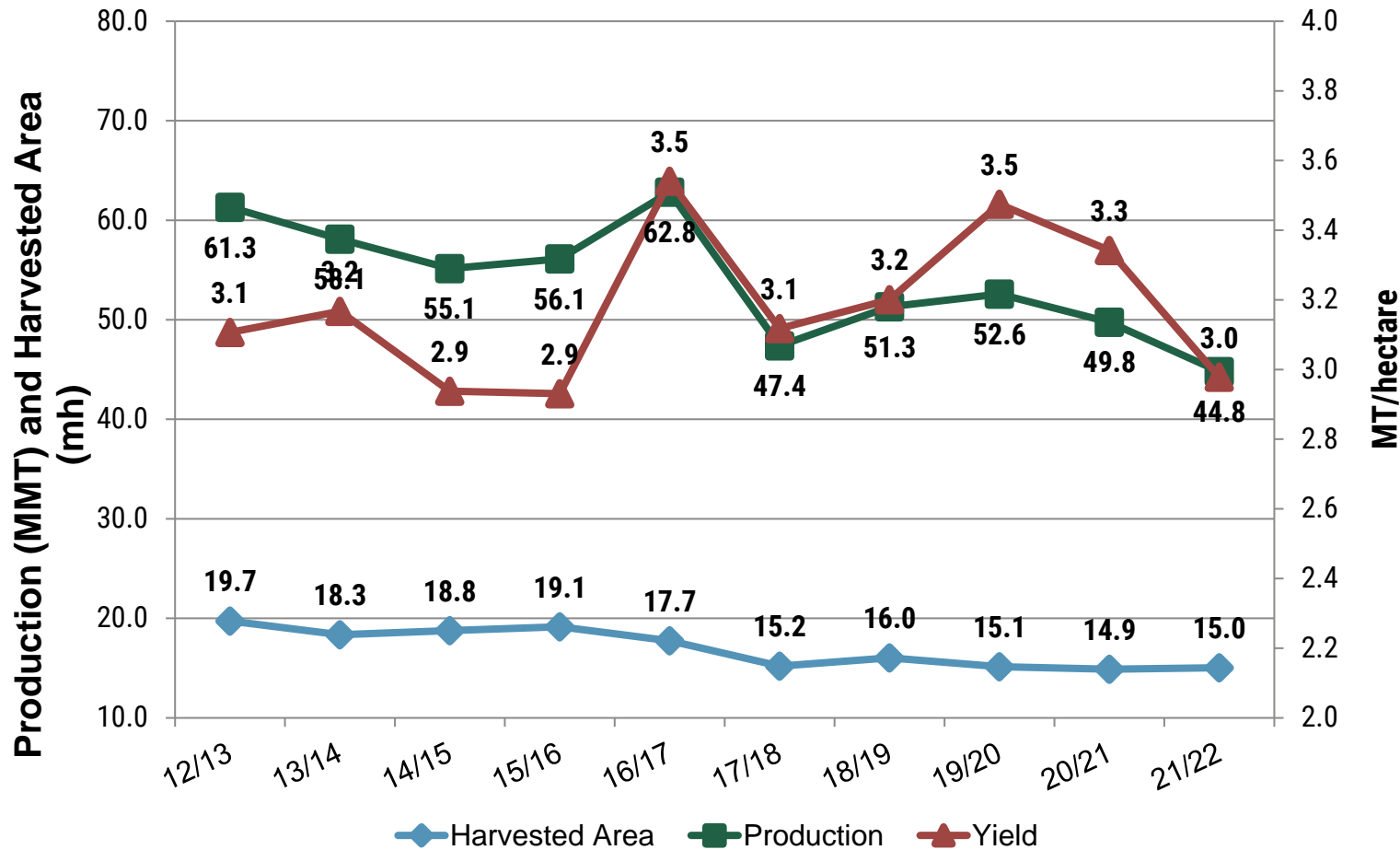


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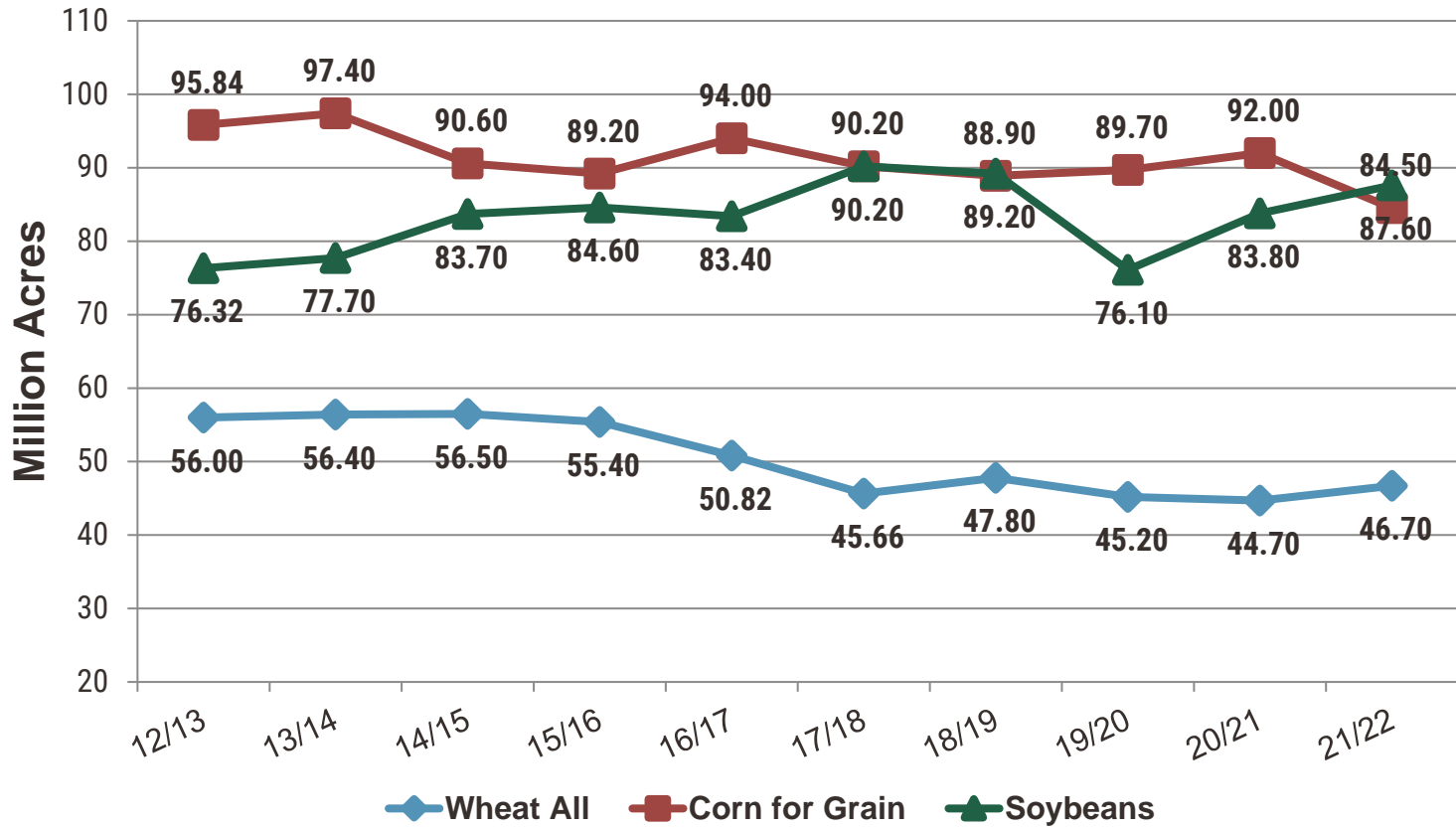
Outlook



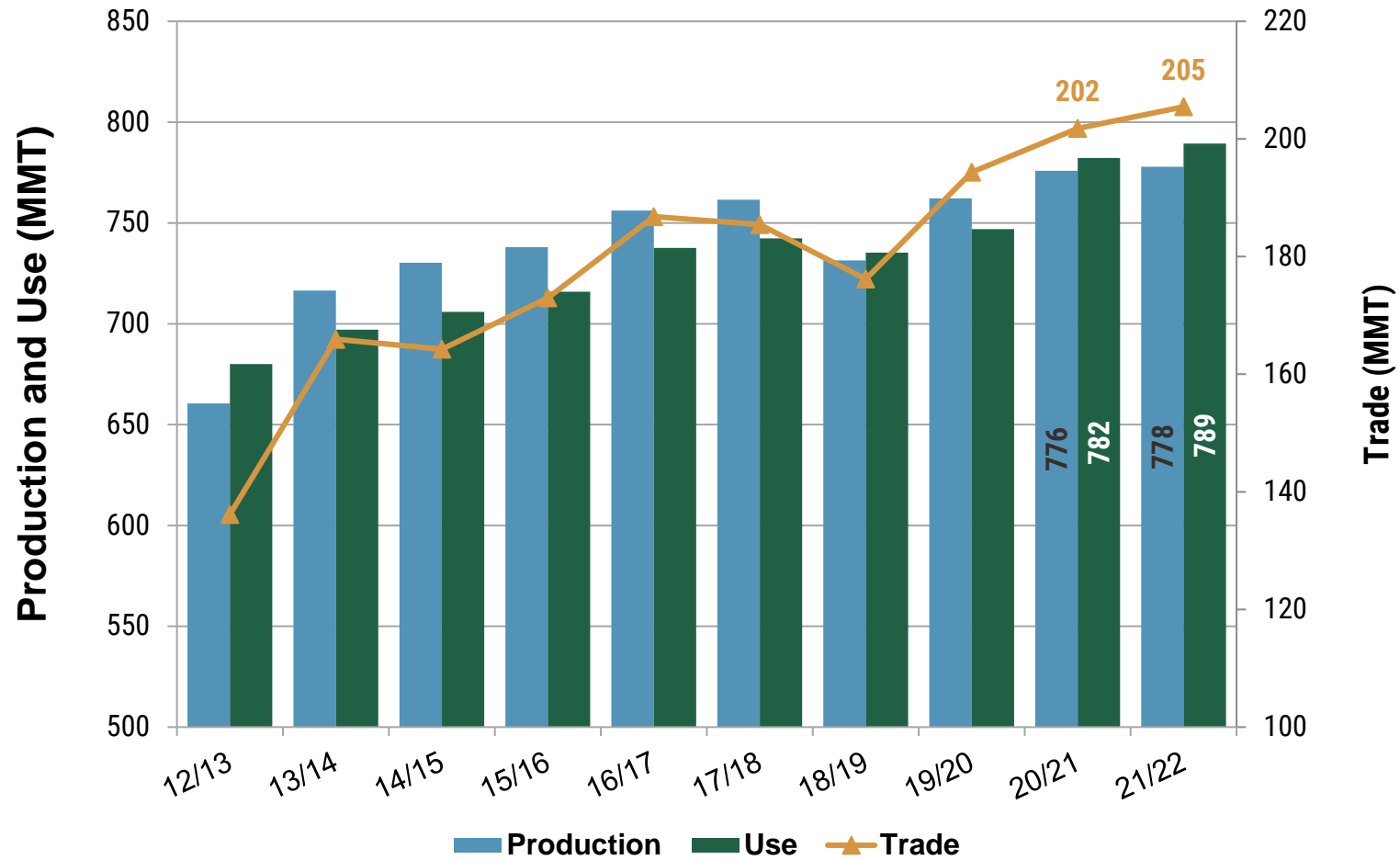
U.S. Wheat Production, Area and Yield



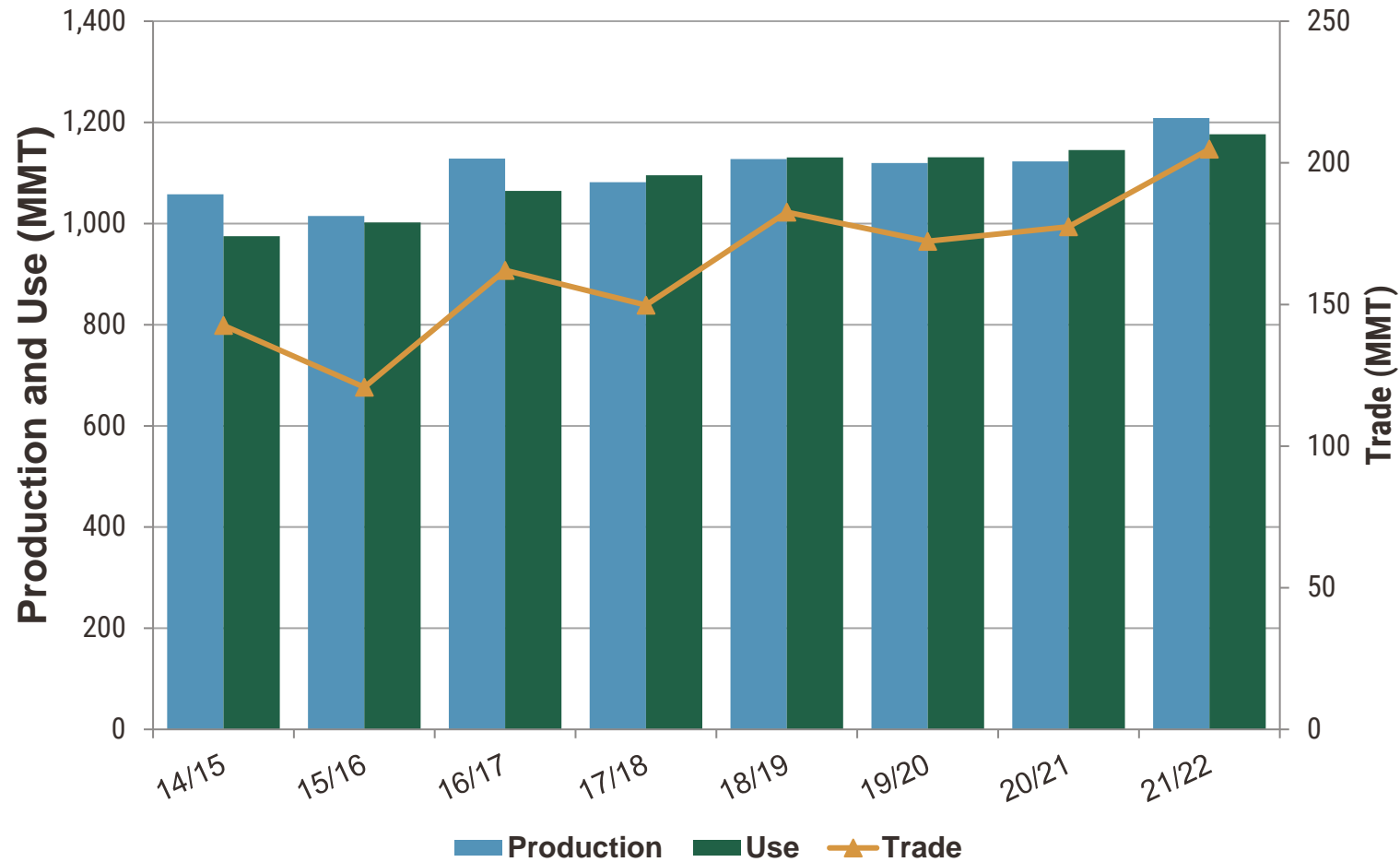
U.S. Crop Planted Area Comparison



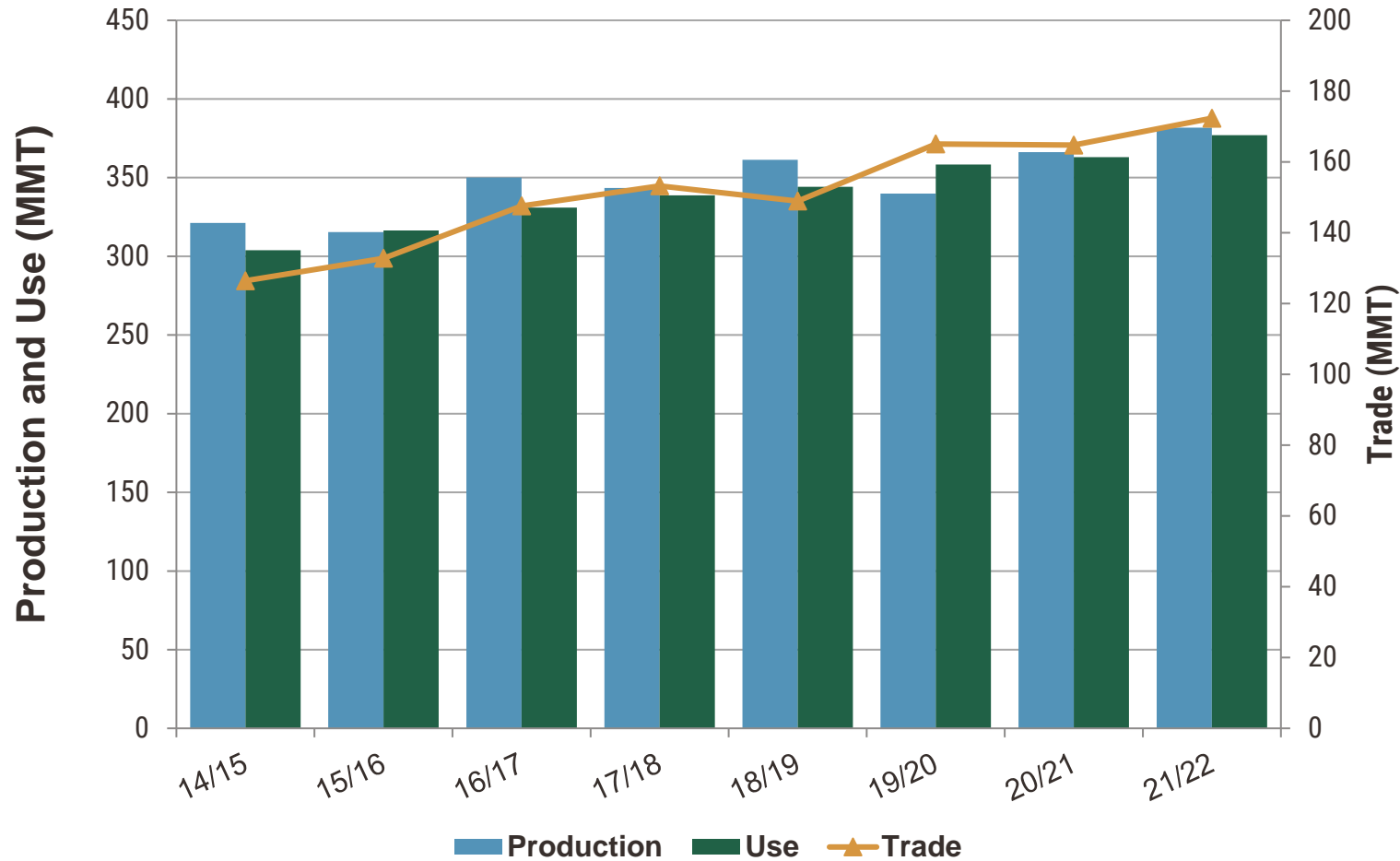
World Wheat Production, Use and Trade



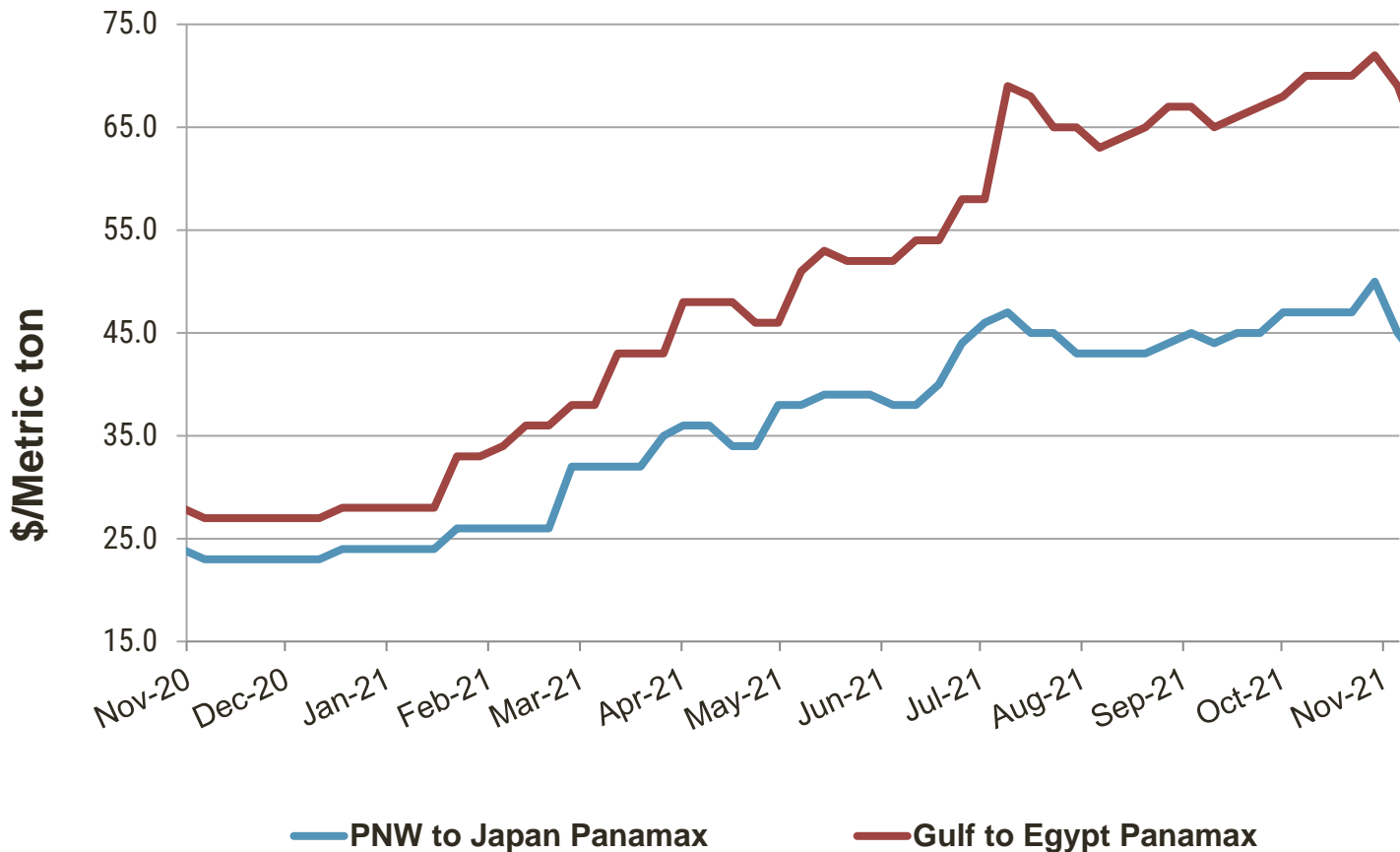
World Corn Production, Use and Trade



World Soybeans Production, Use and Trade



Ocean Freight Rates for Grains



Source: U.S. Wheat Associates Price Report, December 3, 2021



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