



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 January 12, 2022, 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 778.6 MMT

- Production in Argentina forecast at 20.5 MMT, 500,000 MT more than USDA's December estimate
- EU wheat production is forecast at 138.9 MMT, up 20,000 MT from the December estimate
- U.S. production is unchanged from last month at 44.79 MMT, down 10% compared to 2020/21

Global consumption forecast at 787.47 MMT, nearly 2 MMT less than December

- Domestic consumption in Egypt forecast at 21 MMT, 400,000 MT more than 2020/21
- Domestic consumption in Iraq is forecast at 7.8 MMT, up 6% from the 10-year average
- U.S. domestic consumption forecast to 30.9 MMT, 680,000 MT less than December

World wheat trade adjusted down 1 MMT from last month to 204.4 MMT

- Russian exports are trimmed 1 MMT to 35 MMT, after the government set export quota
- European Union exports are projected at 37.5 MMT, up 500,000 MT from December and up 26% from 2020/21
- U.S. 2021/22 exports expected to be 22.45 MMT, down 410,000 MT from December



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

Global ending stocks projected at 279.95 MMT, up 1.77 MMT compared to USDA's December estimate

- Expected Russian ending stocks forecast at 10.63 MMT, 400,000 MT up from December
- Ukrainian ending stocks forecast at 1.61 MMT, 200,000 MT up from last month
- U.S. ending stocks are revised up 810,000 MT from last month to 17.09 MMT, still the lowest level since 2013/14

World beginning stocks estimated down 2% from 2020/21 to 288.82 MMT

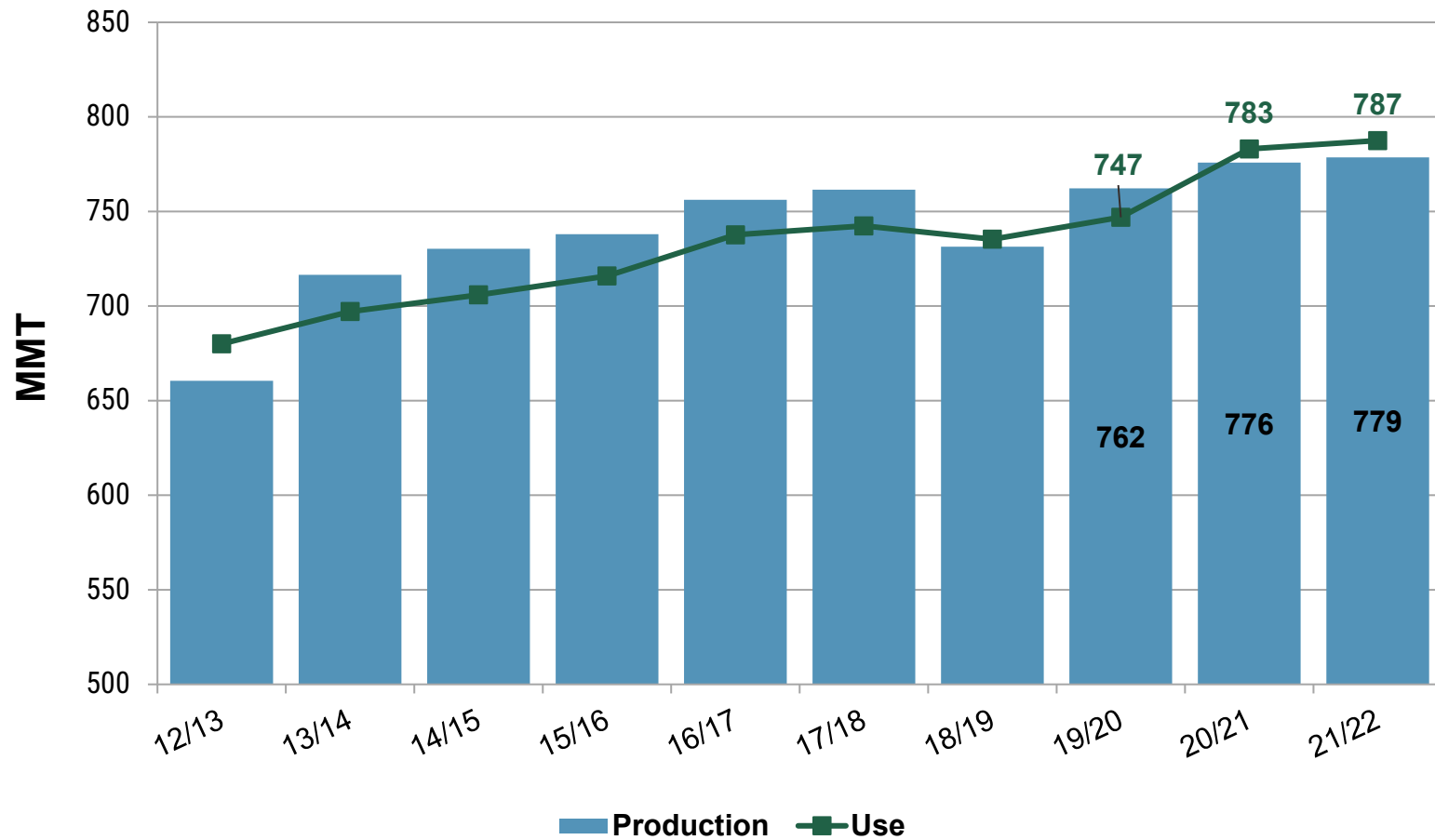
- Chinese beginning stocks estimated at 144.7 MMT, down nearly 1 MMT from December
- Indian beginning stocks estimated at 27.8 MMT, up 13% compared to 2020/21
- U.S. 2021/22 beginning stocks expected to drop 18% compared to 2020/21 to 23.0 MMT

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

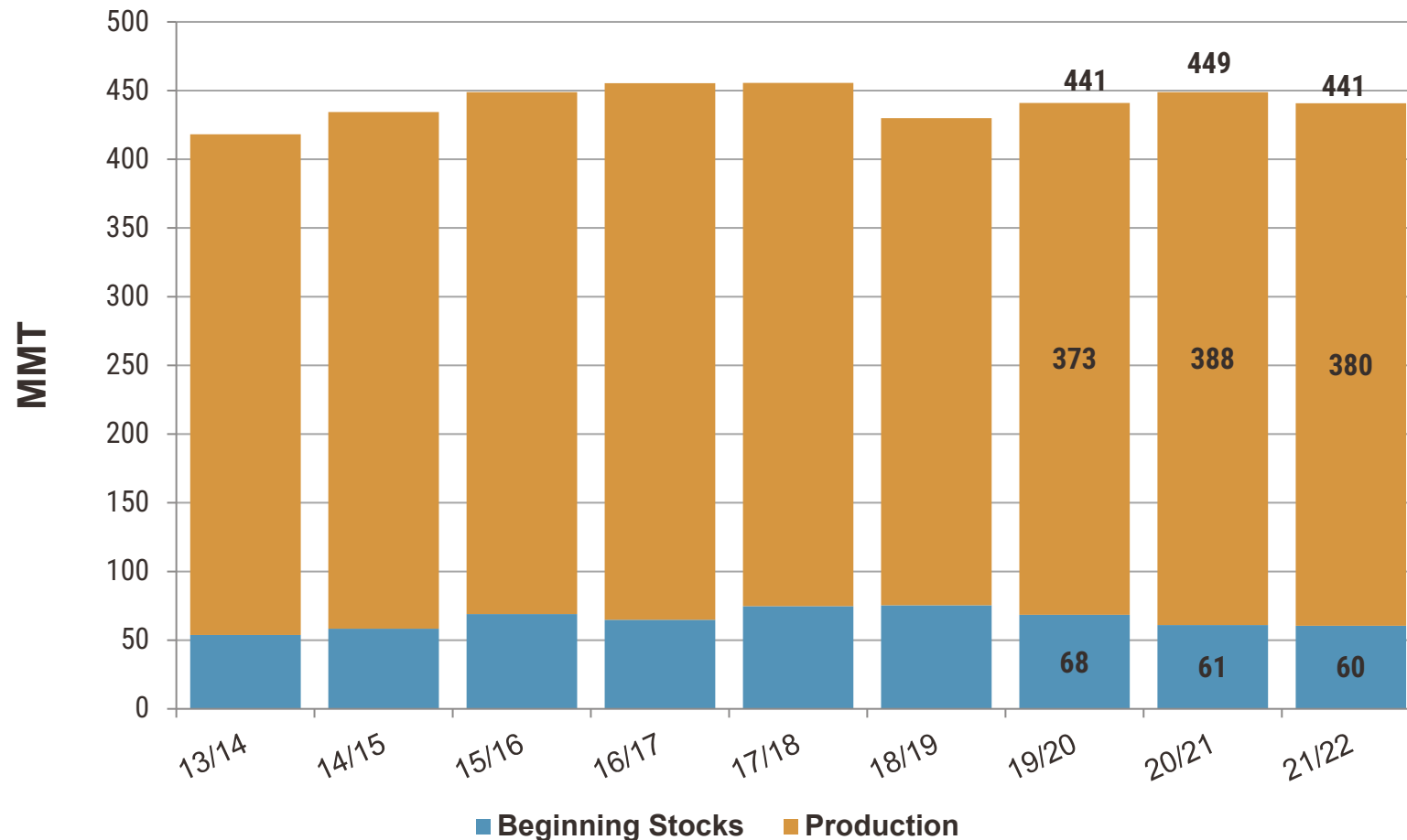
- The average farm gate price of U.S. wheat in 2021/22 is forecast to increase to \$7.15/bu (\$262.69/MT), up \$2.57 from last year's \$4.58/bu (\$168/MT), a 56% jump year-over-year



World Production and Use



Supplies in Top Exporting Countries*



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

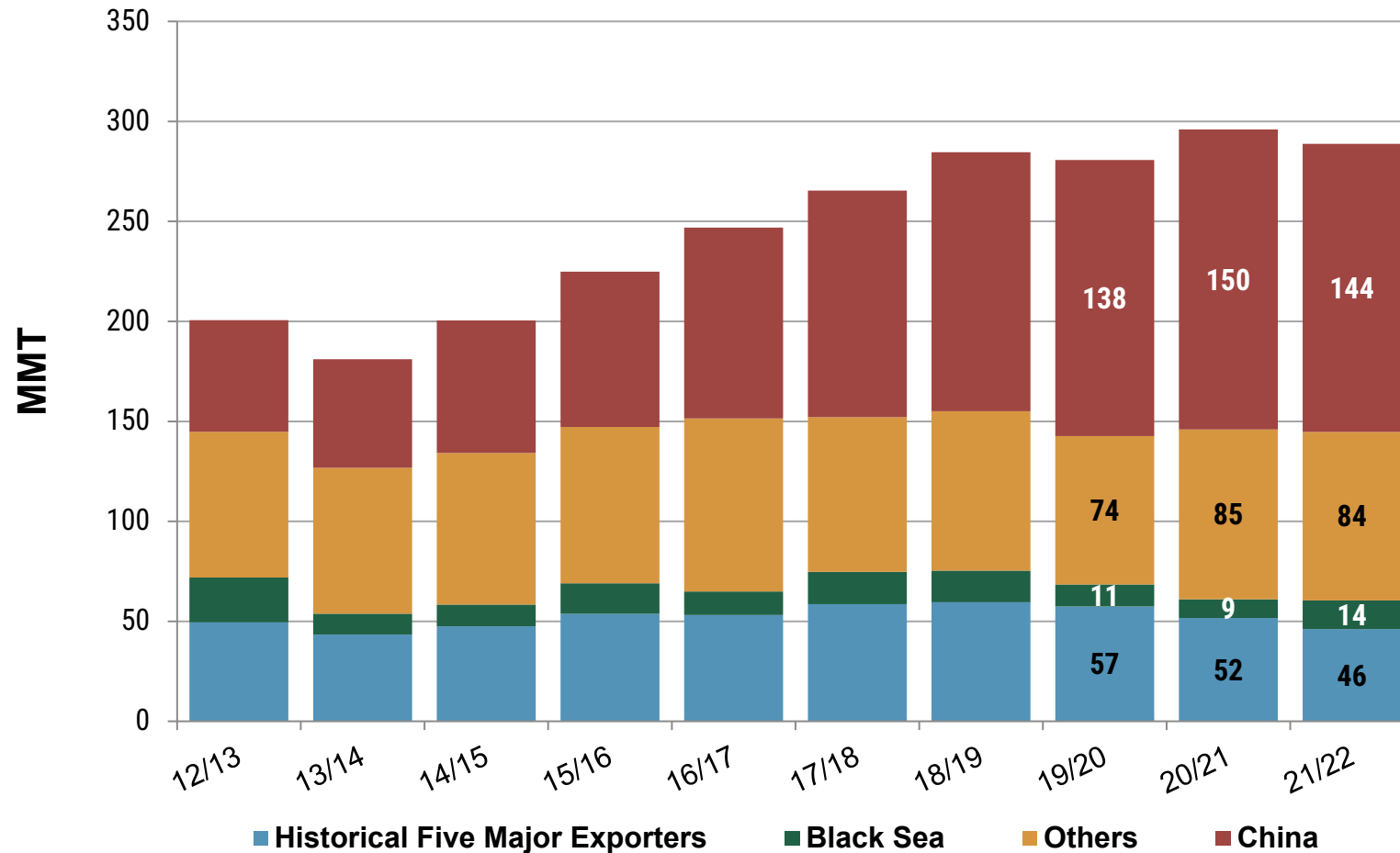


World Wheat Supply and Demand (MMT)

	<u>19/20</u>	-	<u>20/21</u>	-	<u>21/22</u>
SUPPLY:					
Beginning Stocks	281		296		289
Production	762		776		779
Supply Total	1043		1072		1067
Ending Stocks	296		289		280
TRADE:					
Exports/Imports	194		202		204
DEMAND:					
Food & Seed	608		625		628
Feed & Residual	139		158		160
Use Total	747		783		787



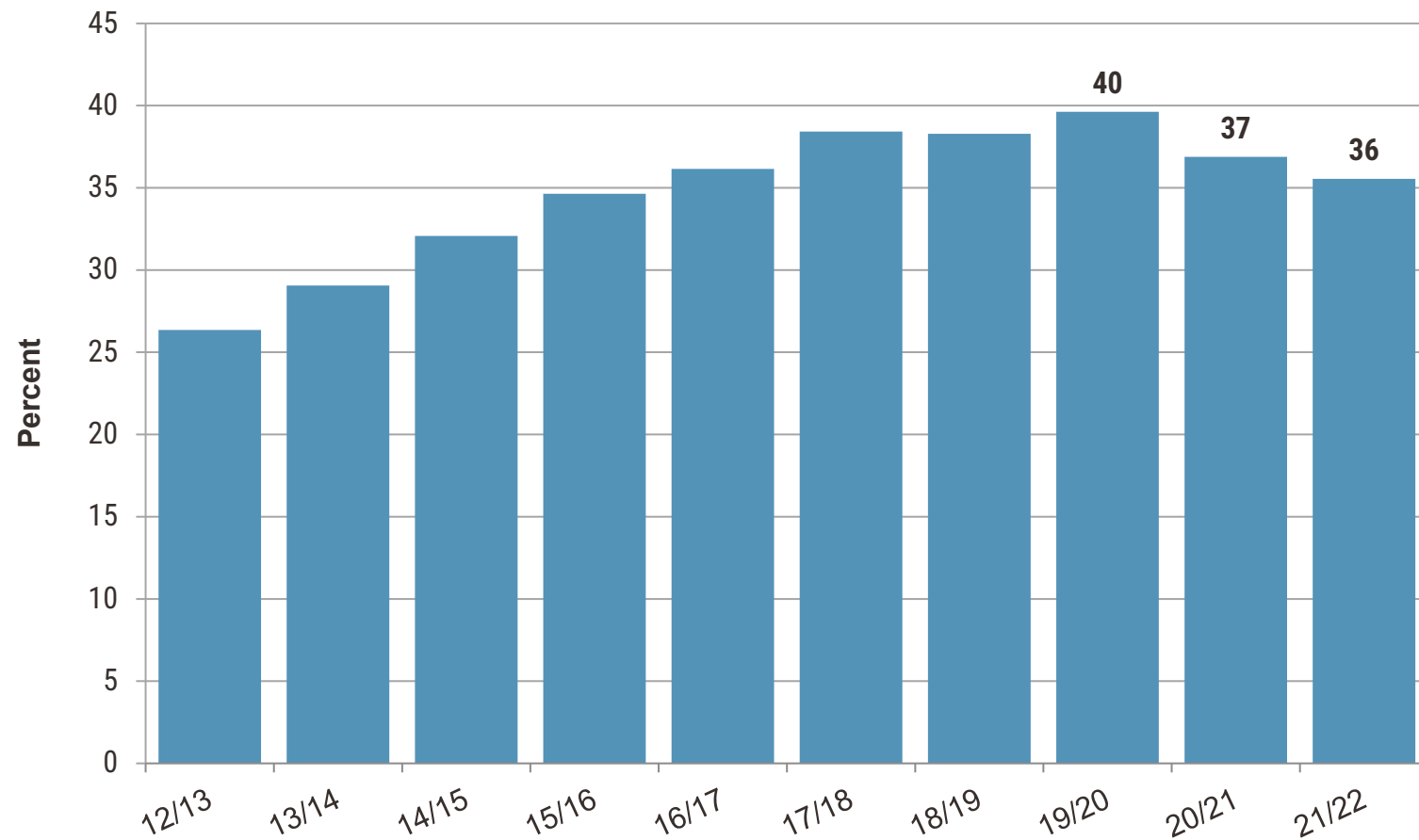
World Beginning Stocks



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

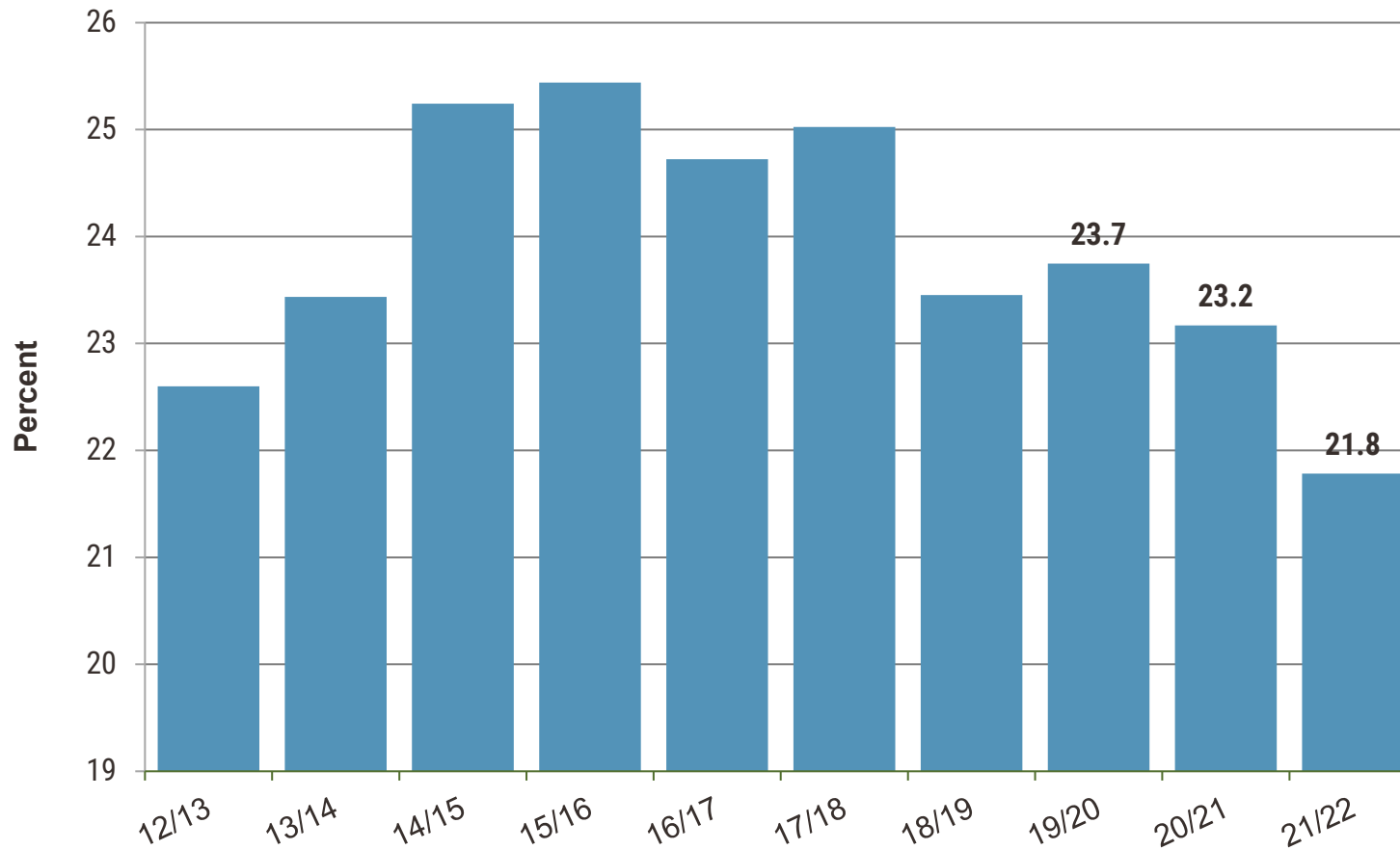


Global Stocks*-to-Use Ratio



*Ending stocks

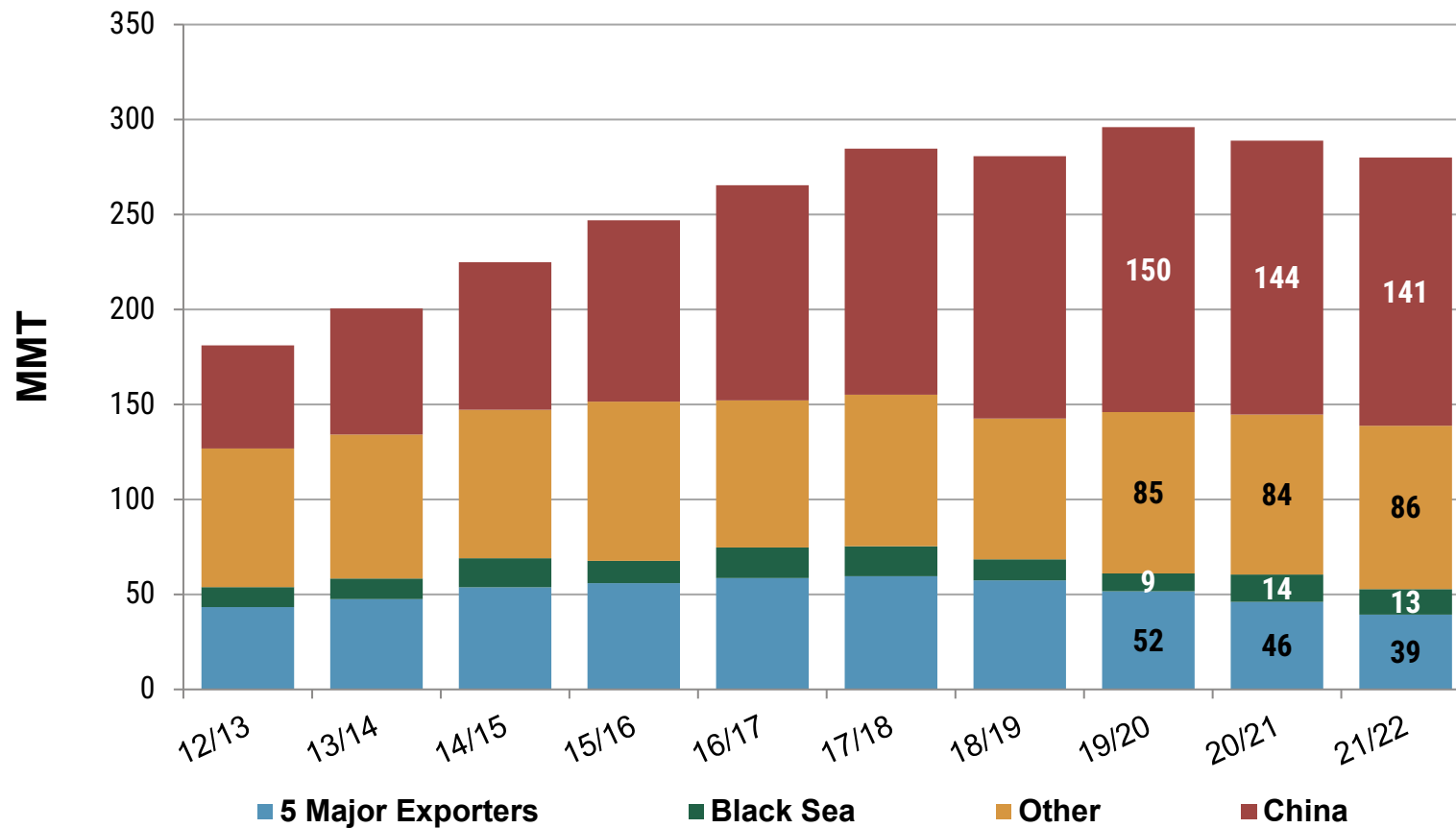
Global Stocks*-to-Use Ratio w/o China



*Ending stocks



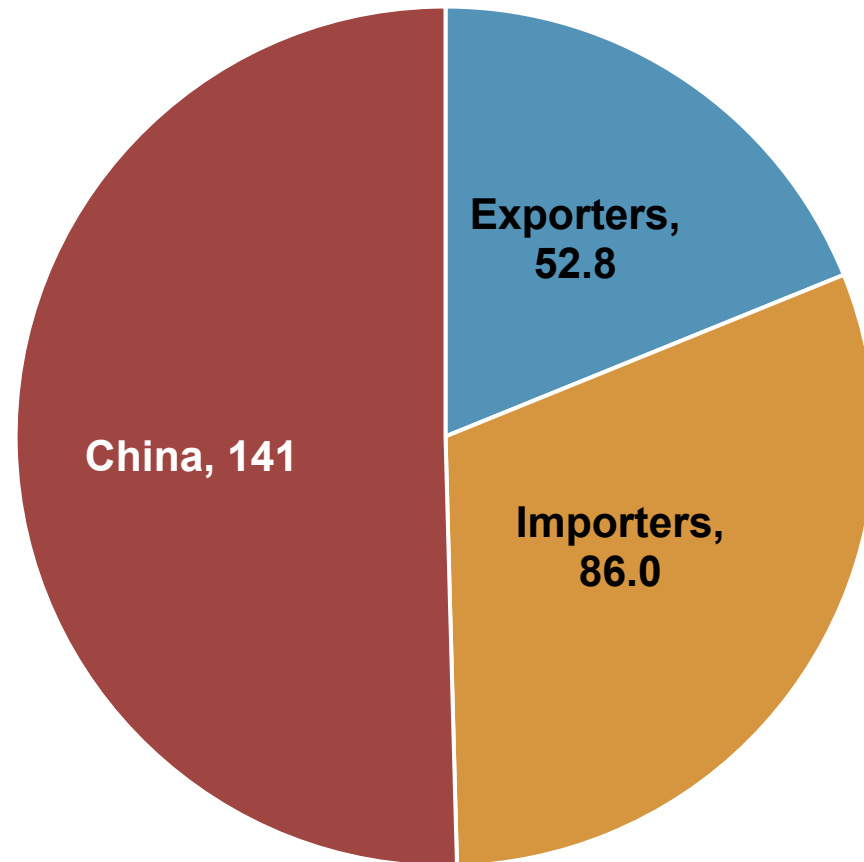
World Ending Stocks



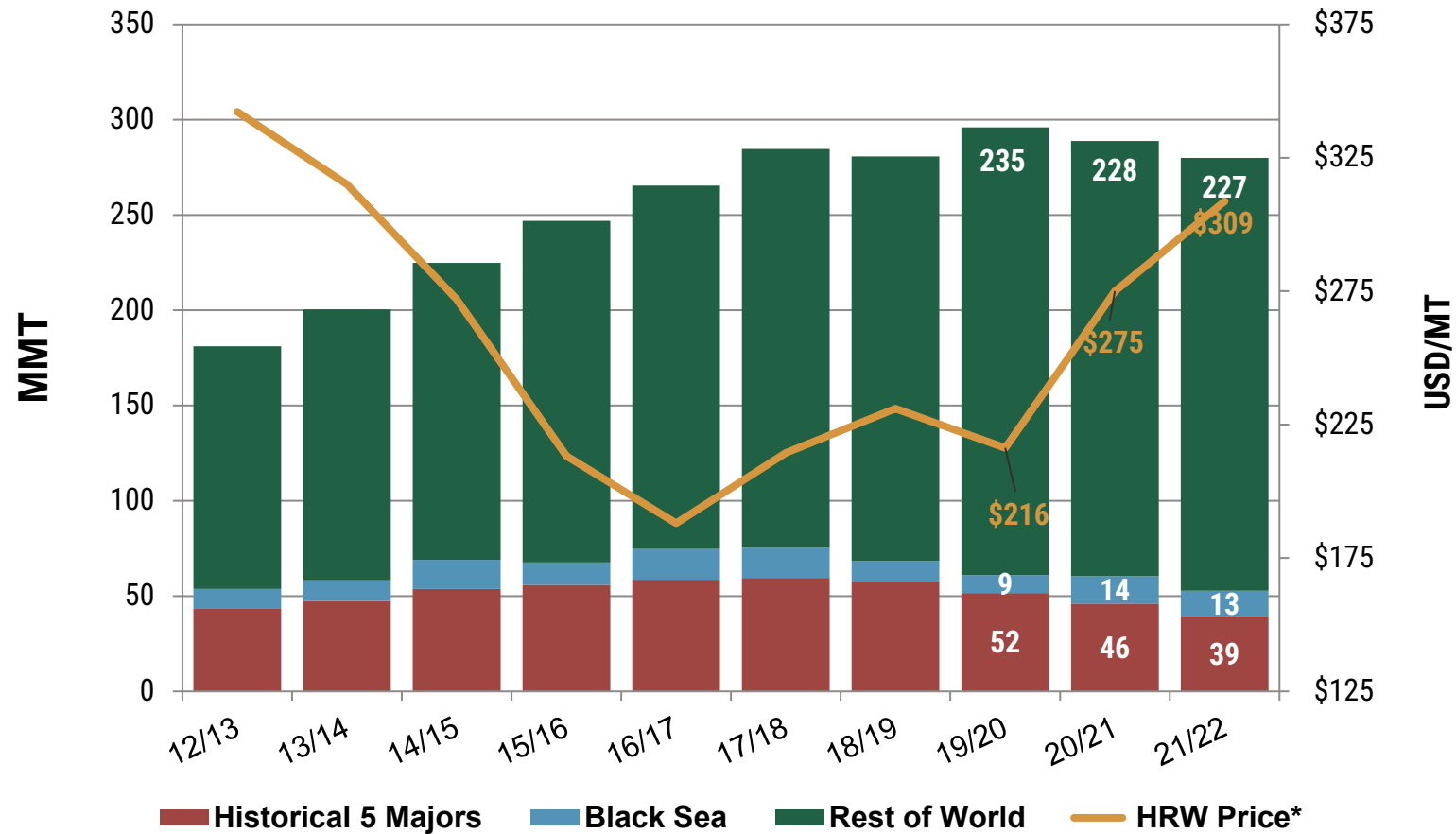
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World Ending Stocks by Position (MMT)



Global Ending Stocks and Price



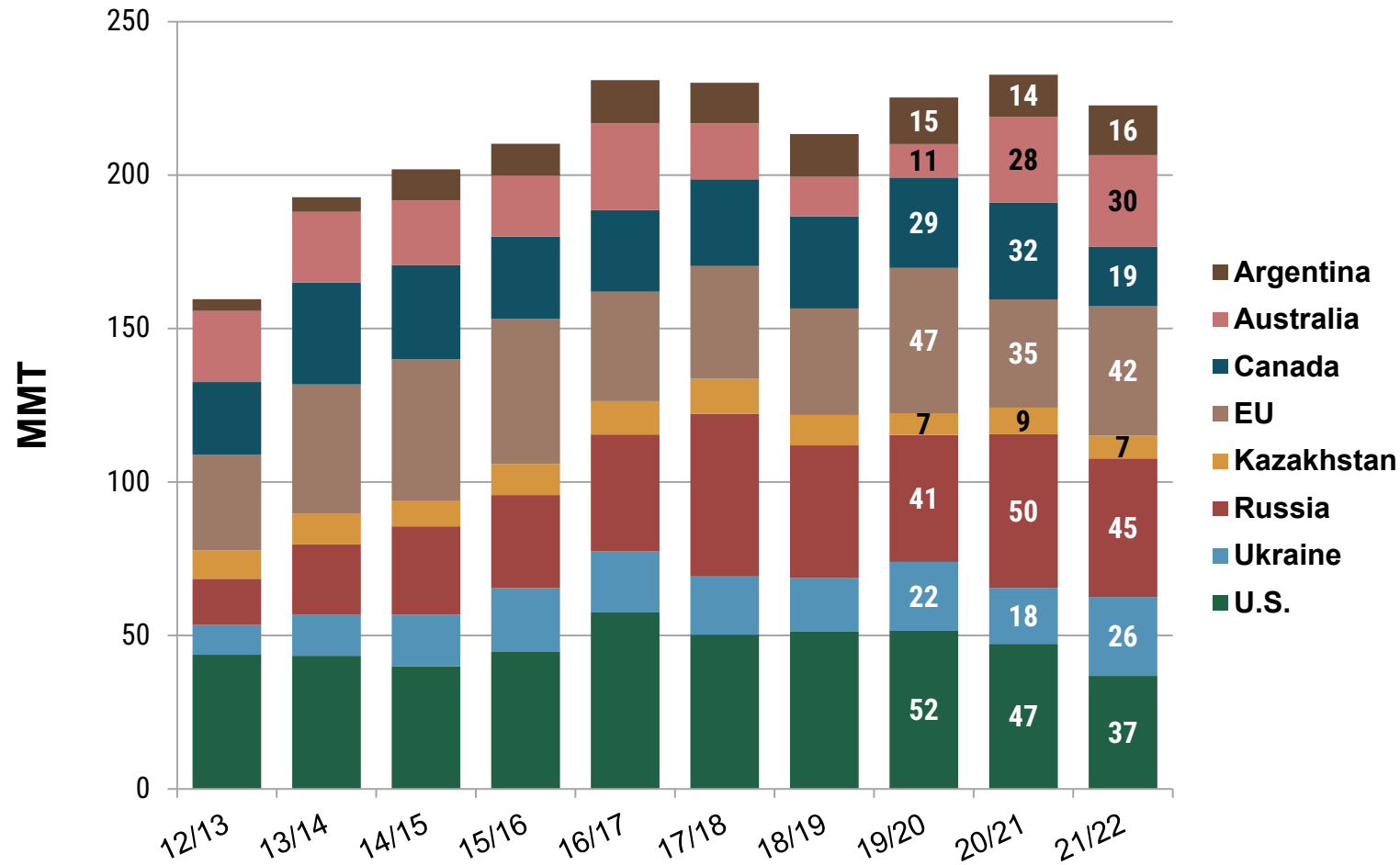
*Source: U.S. Wheat Associates Price Report, January 7, 2022.
Average HRW export prices to date in 2021/22.



01

Major Exporters

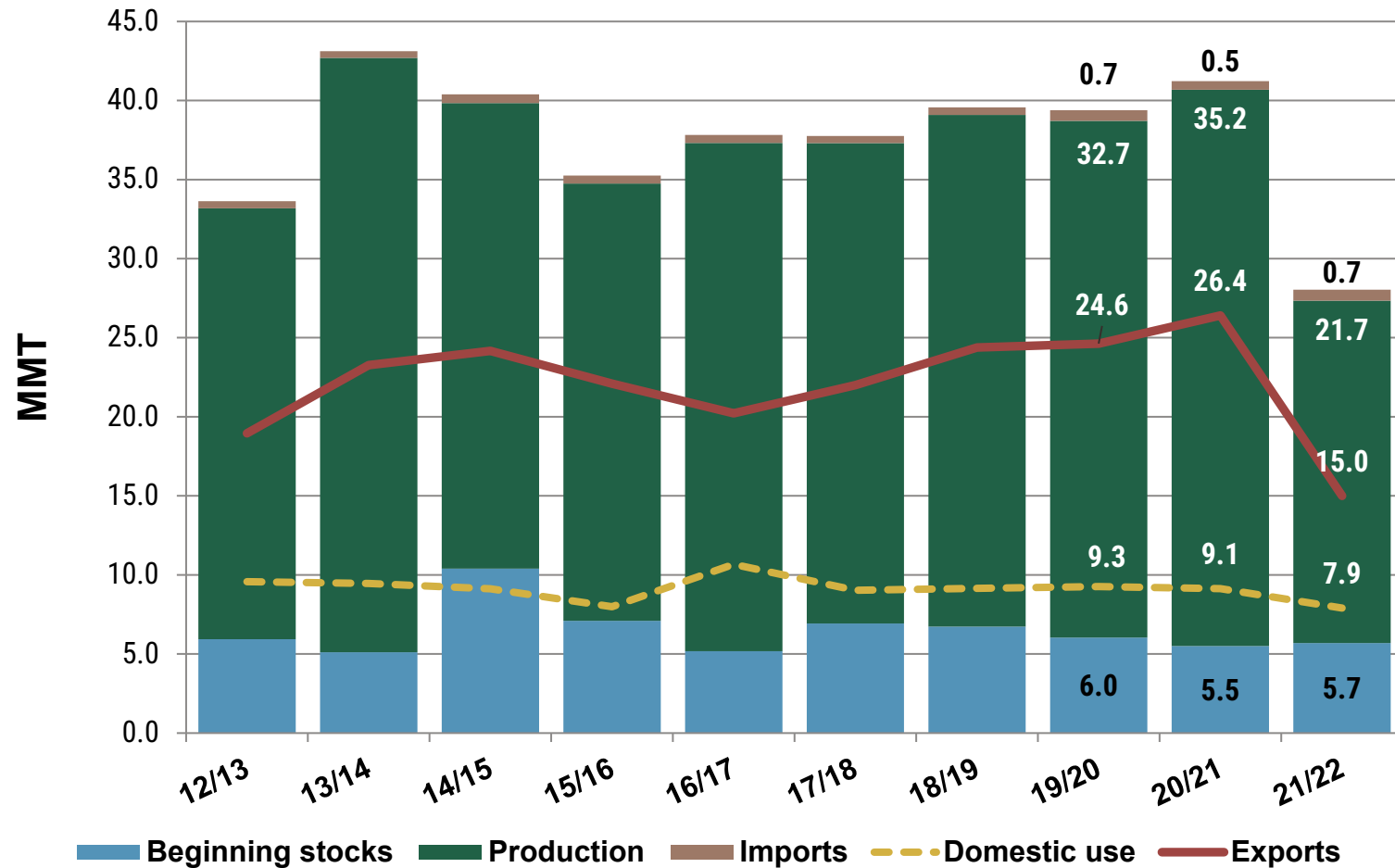
Exportable Supplies in Top Exporting Countries



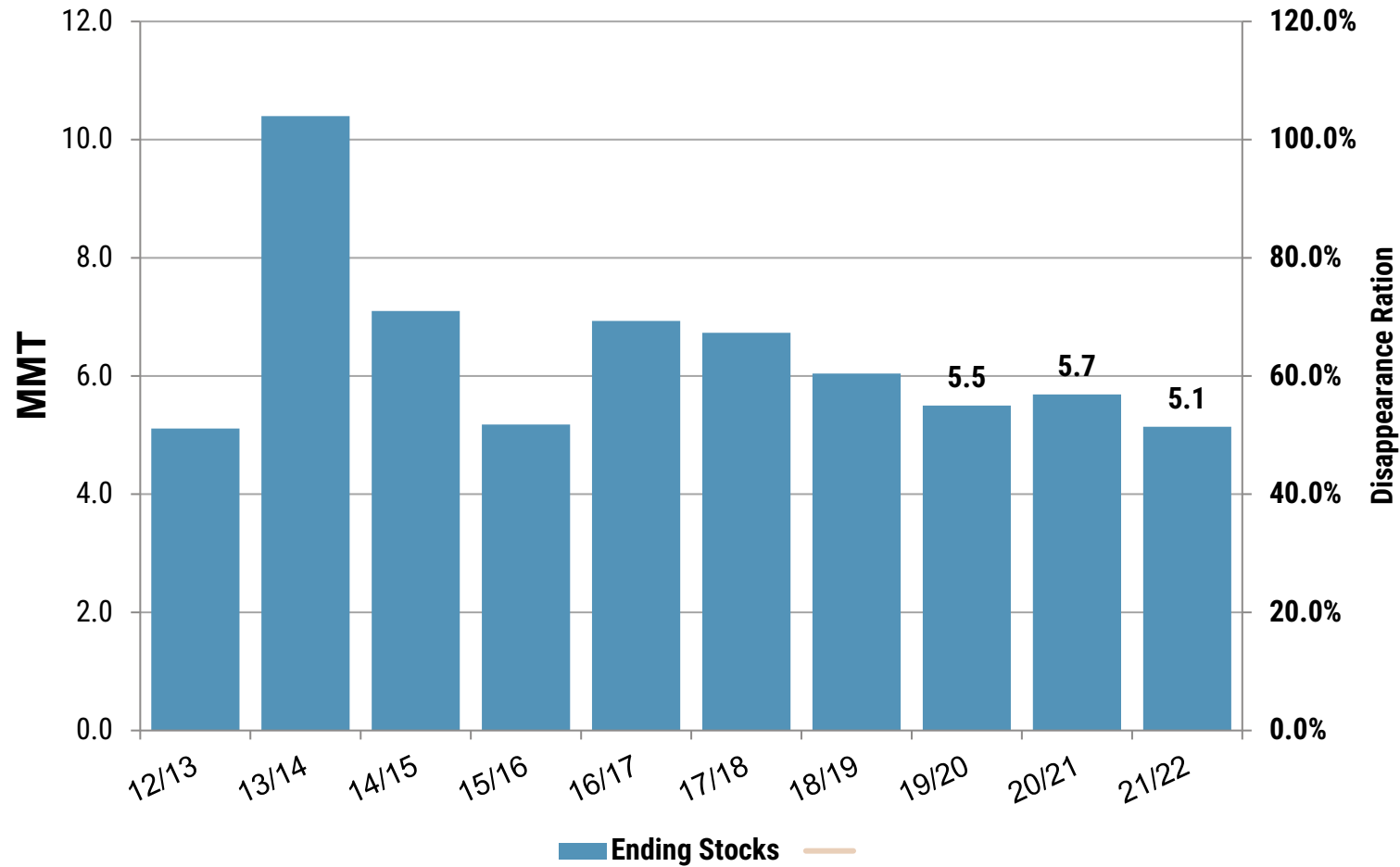
*Exportable Supplies = (Beginning Stocks + Production) – Domestic Consumption



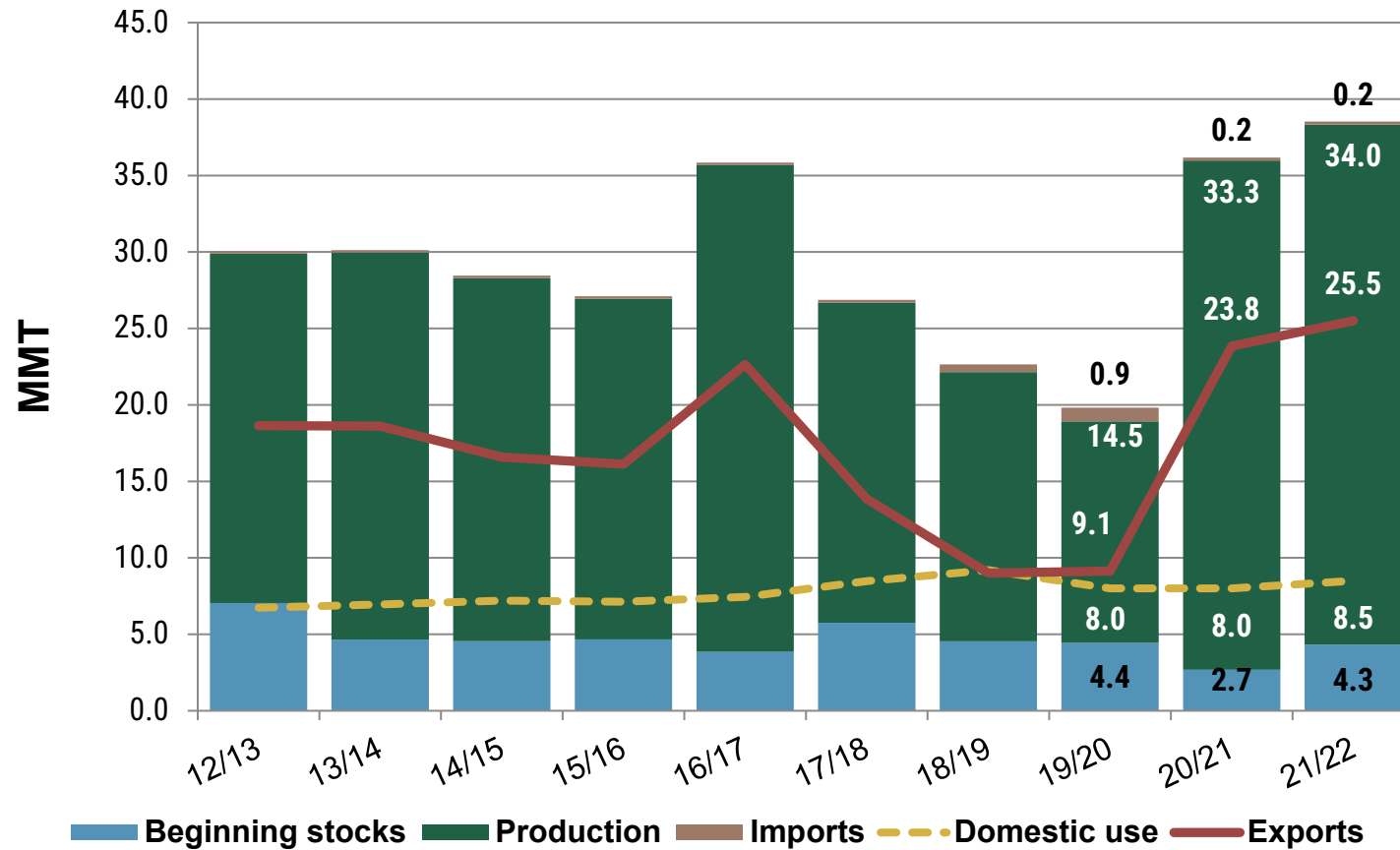
Canada Situation



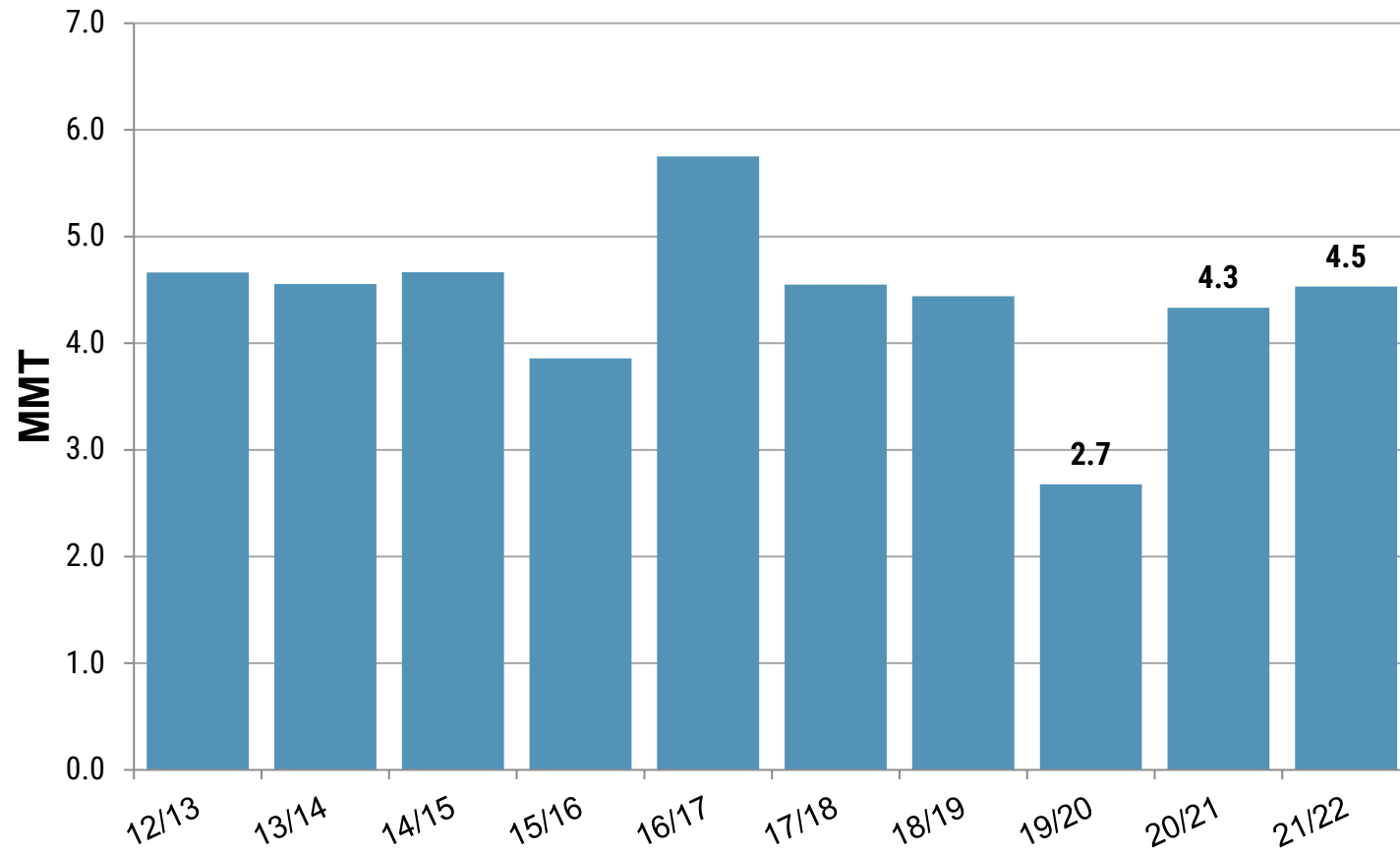
Canada Ending Stocks



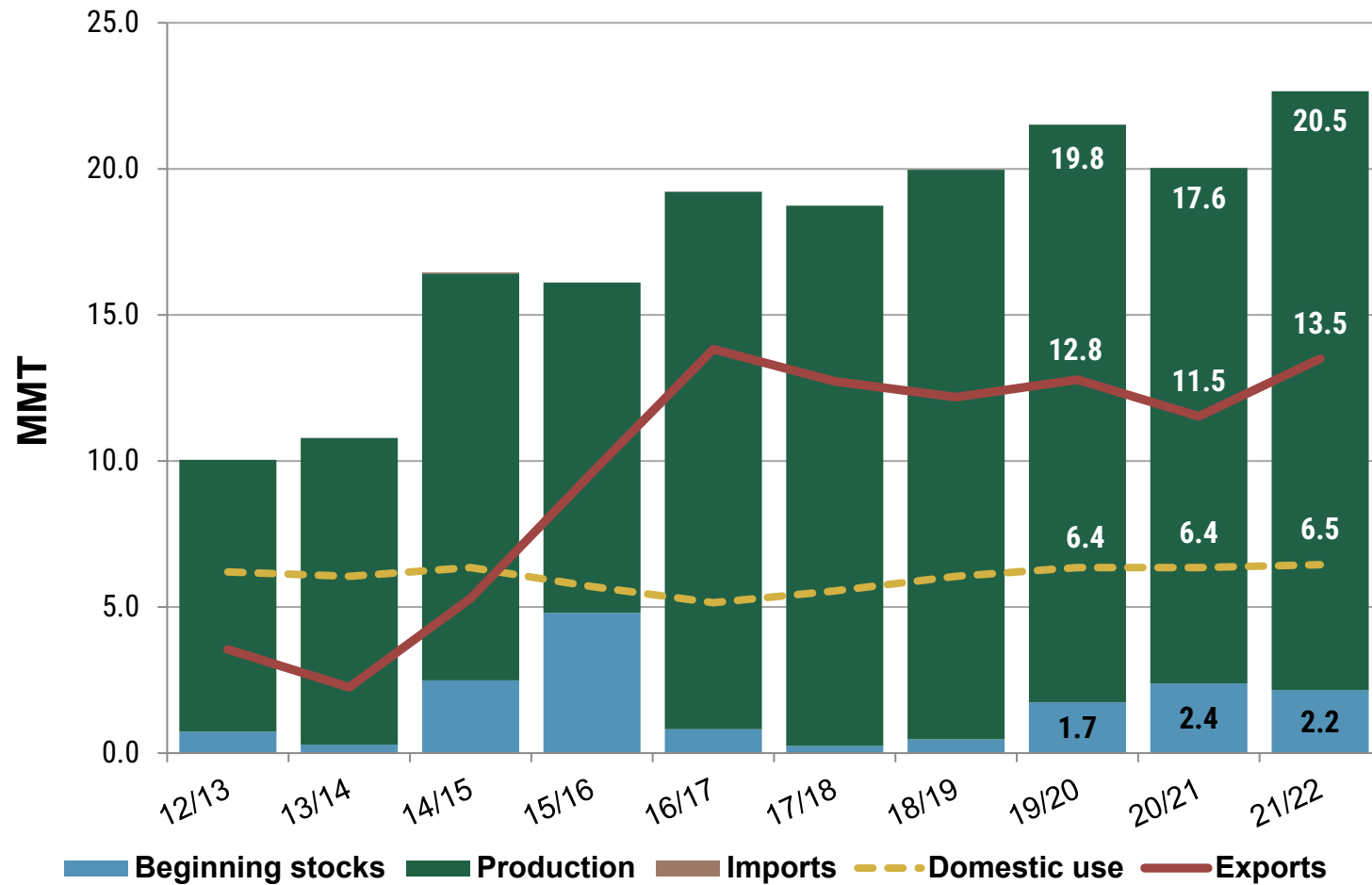
Australia Situation



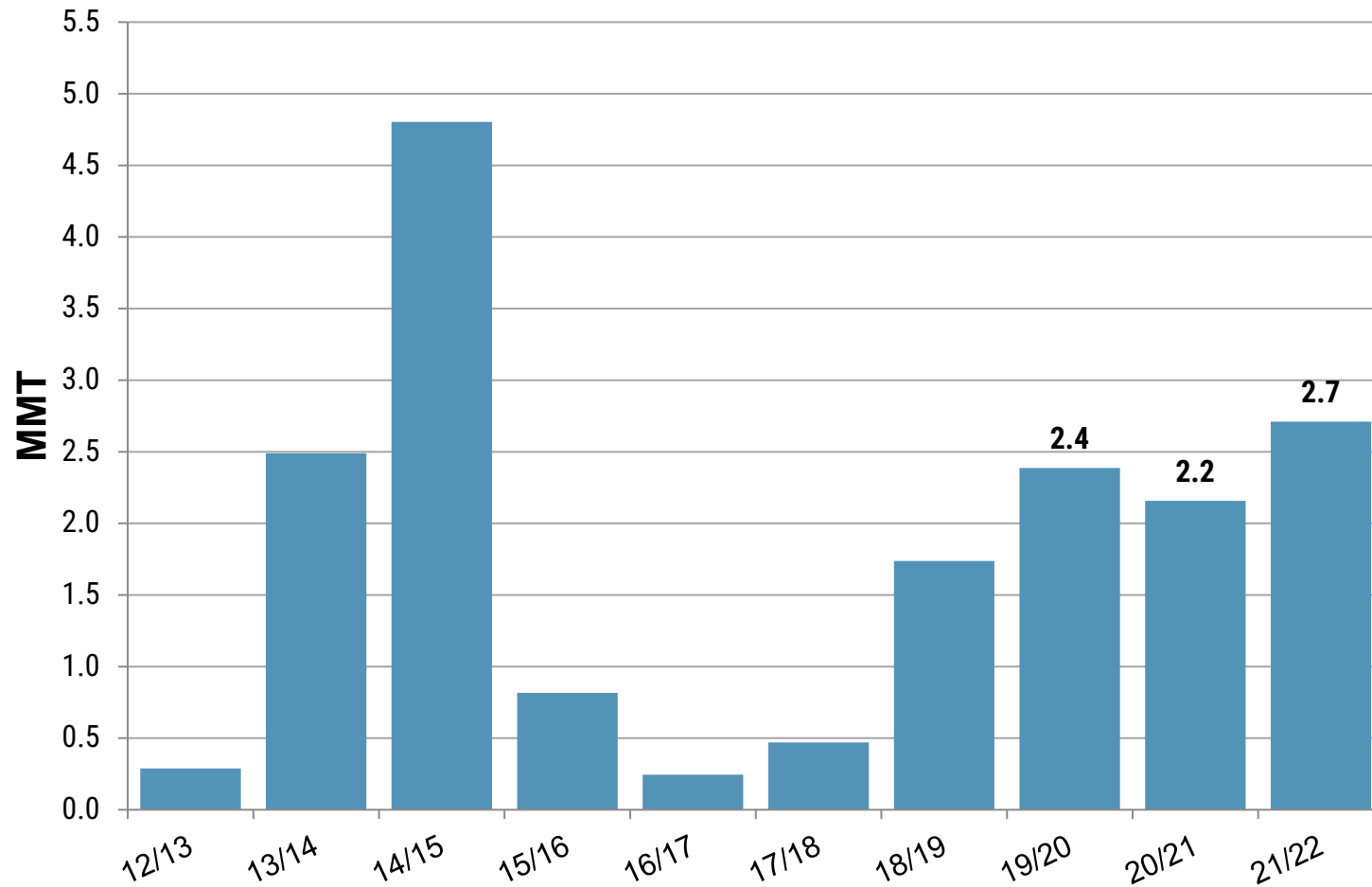
Australia Ending Stocks



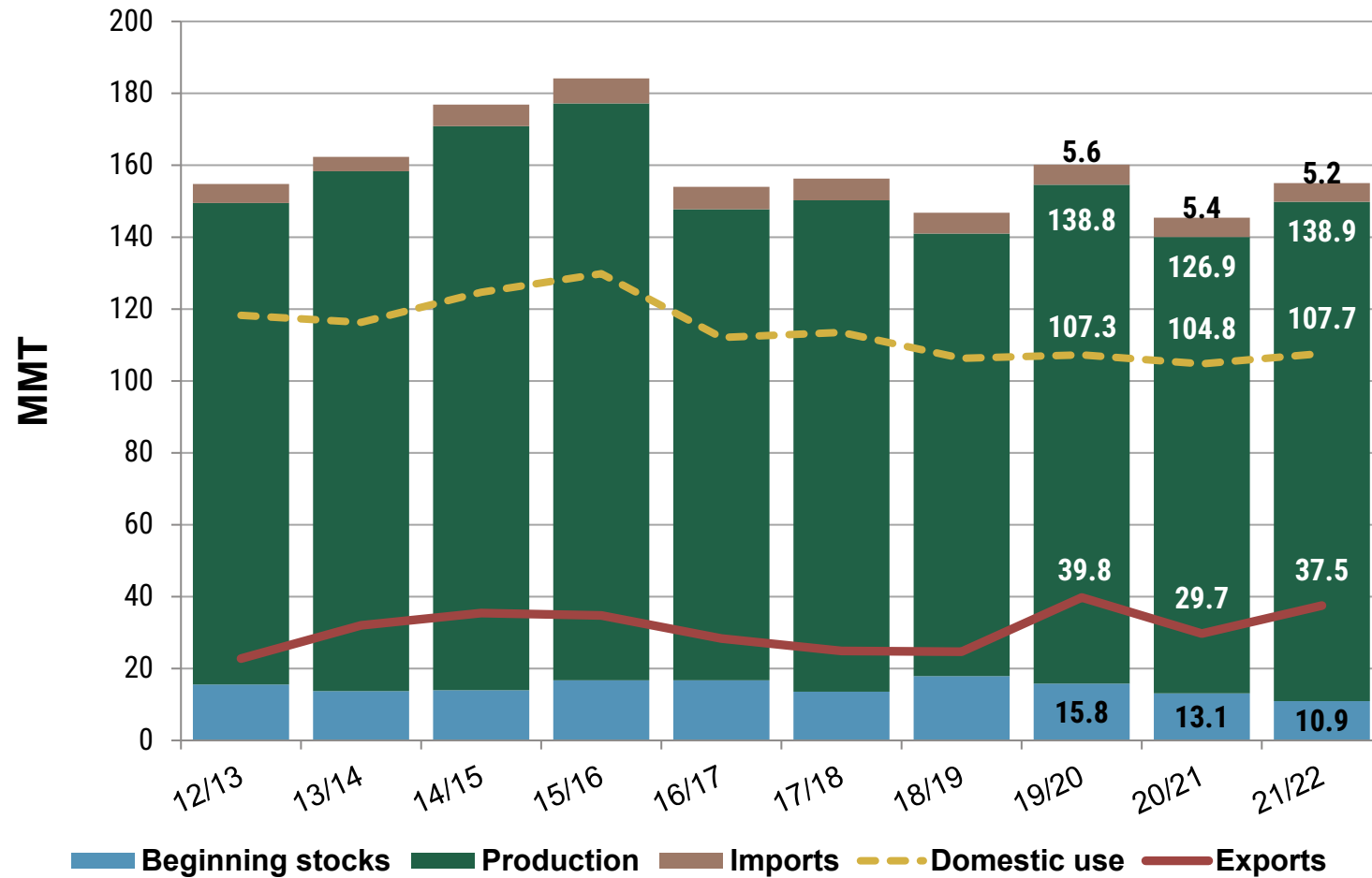
Argentina Situation



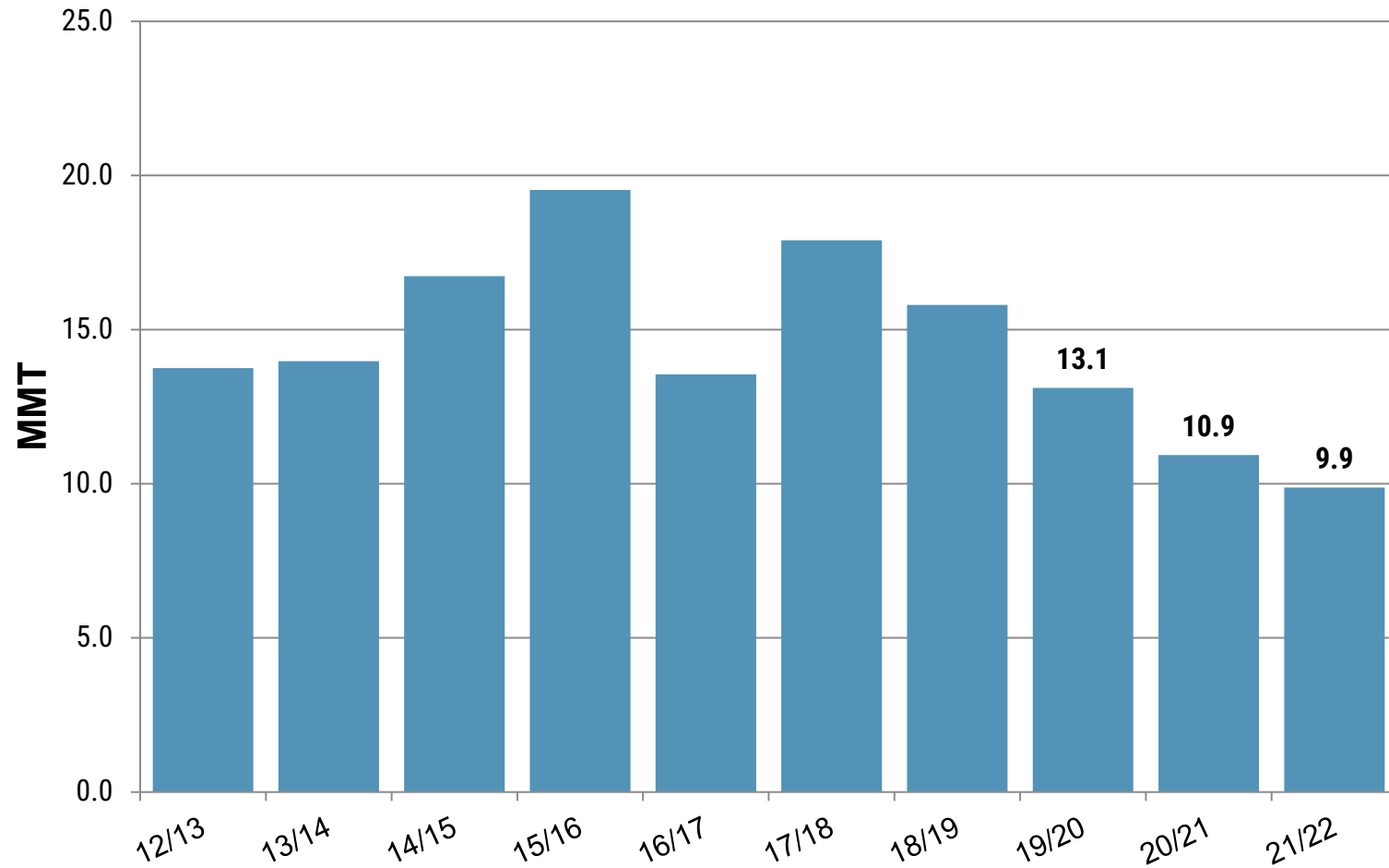
Argentina Ending Stocks



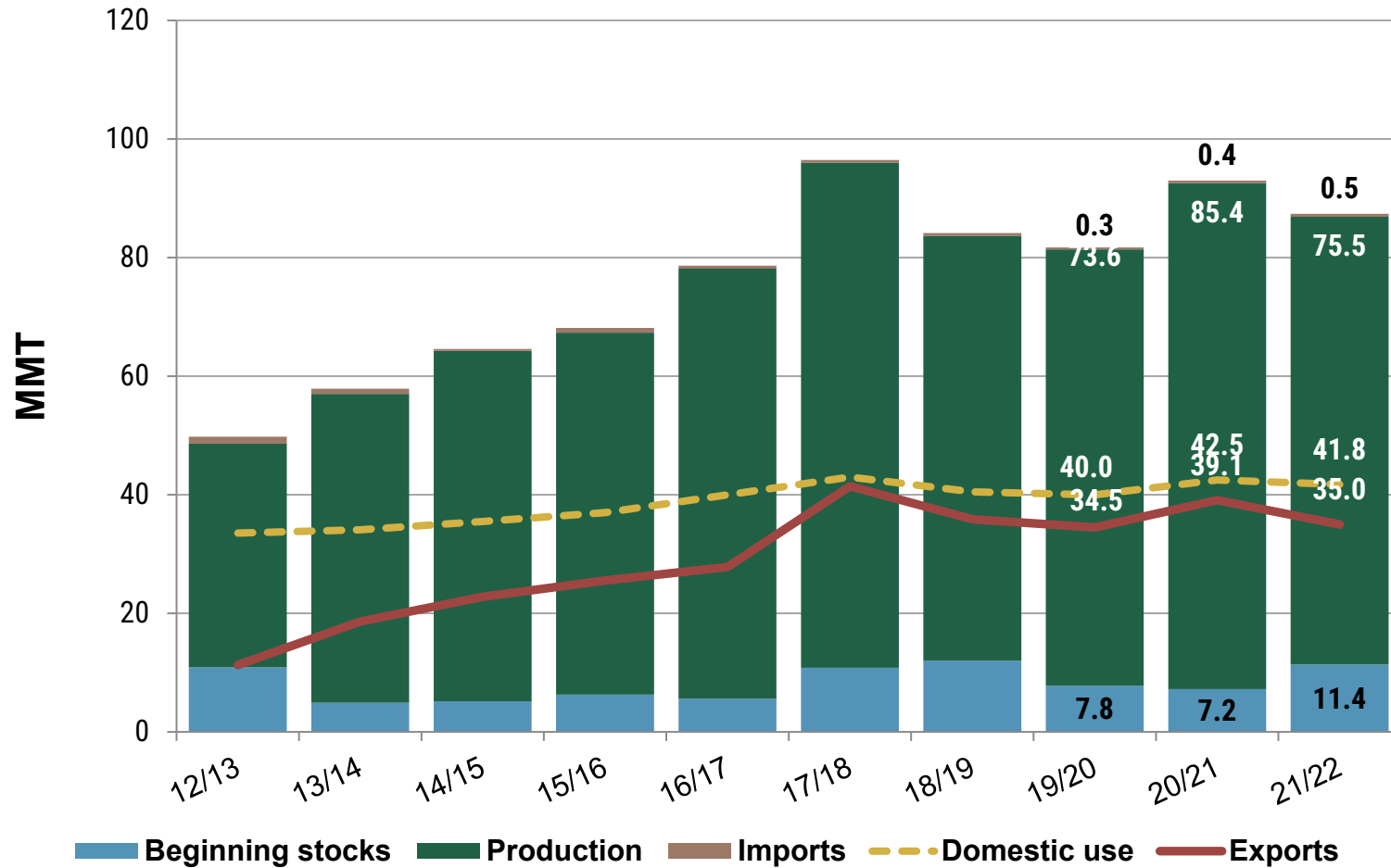
EU Situation



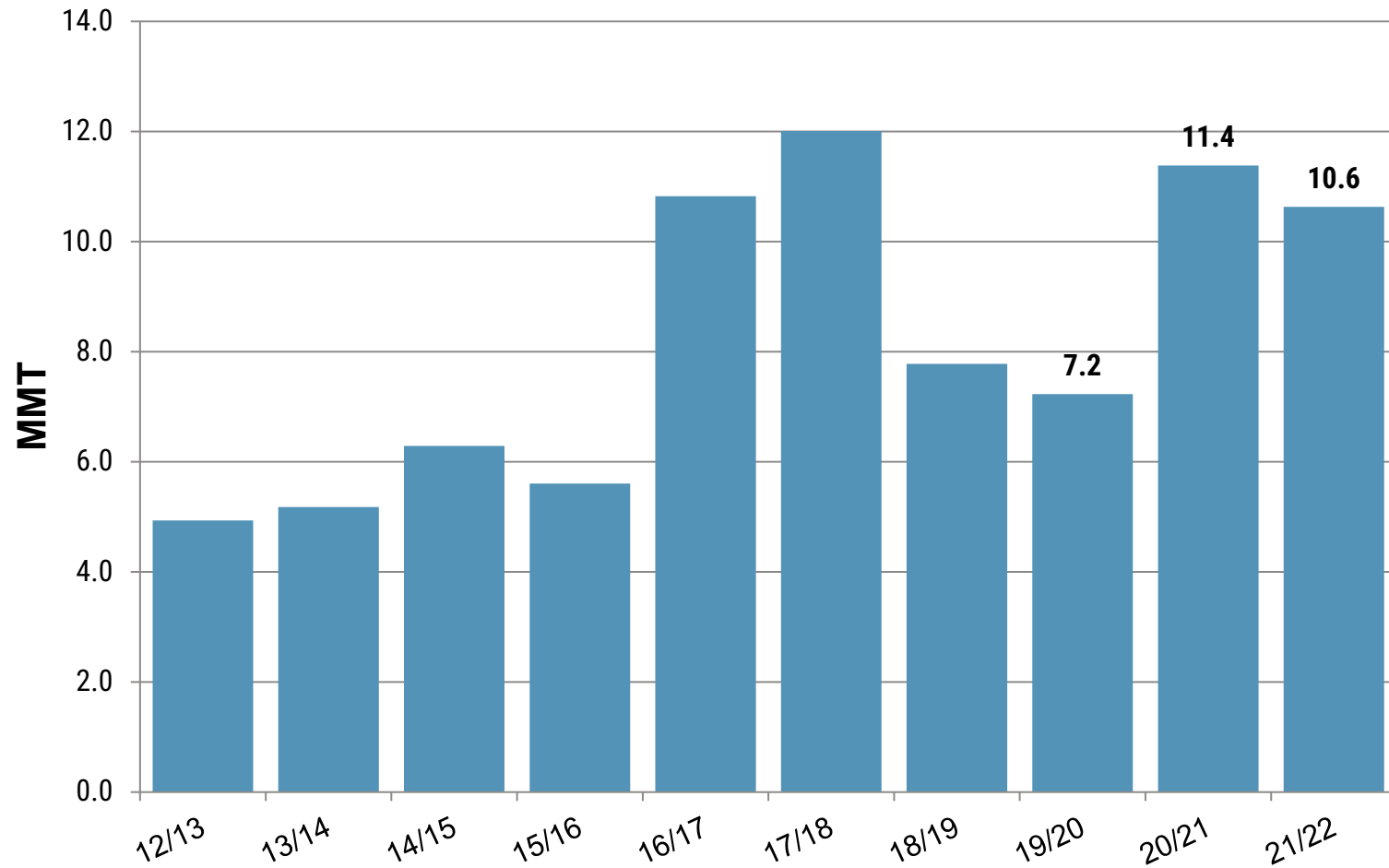
EU Ending Stocks



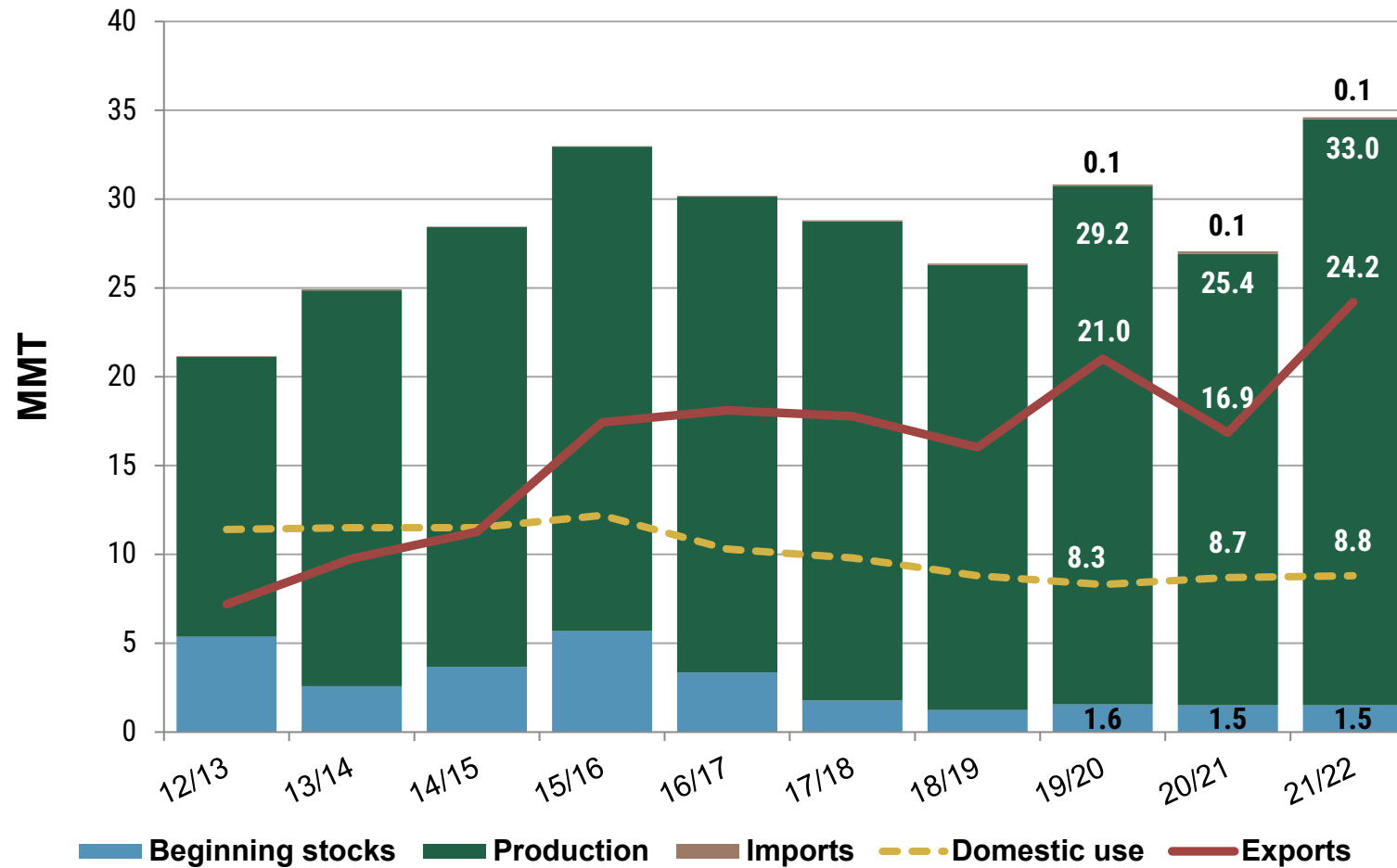
Russia Situation



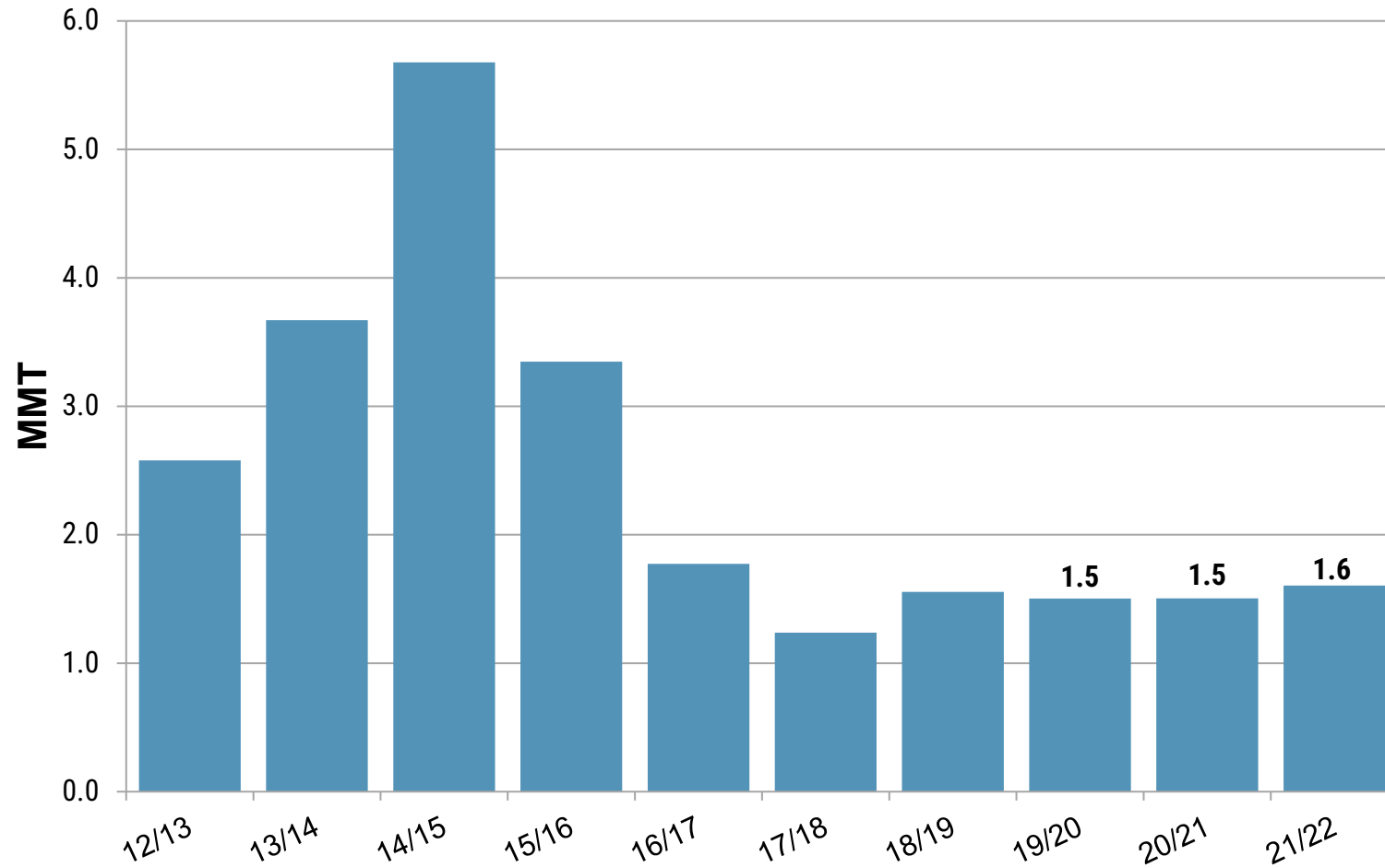
Russia Ending Stocks



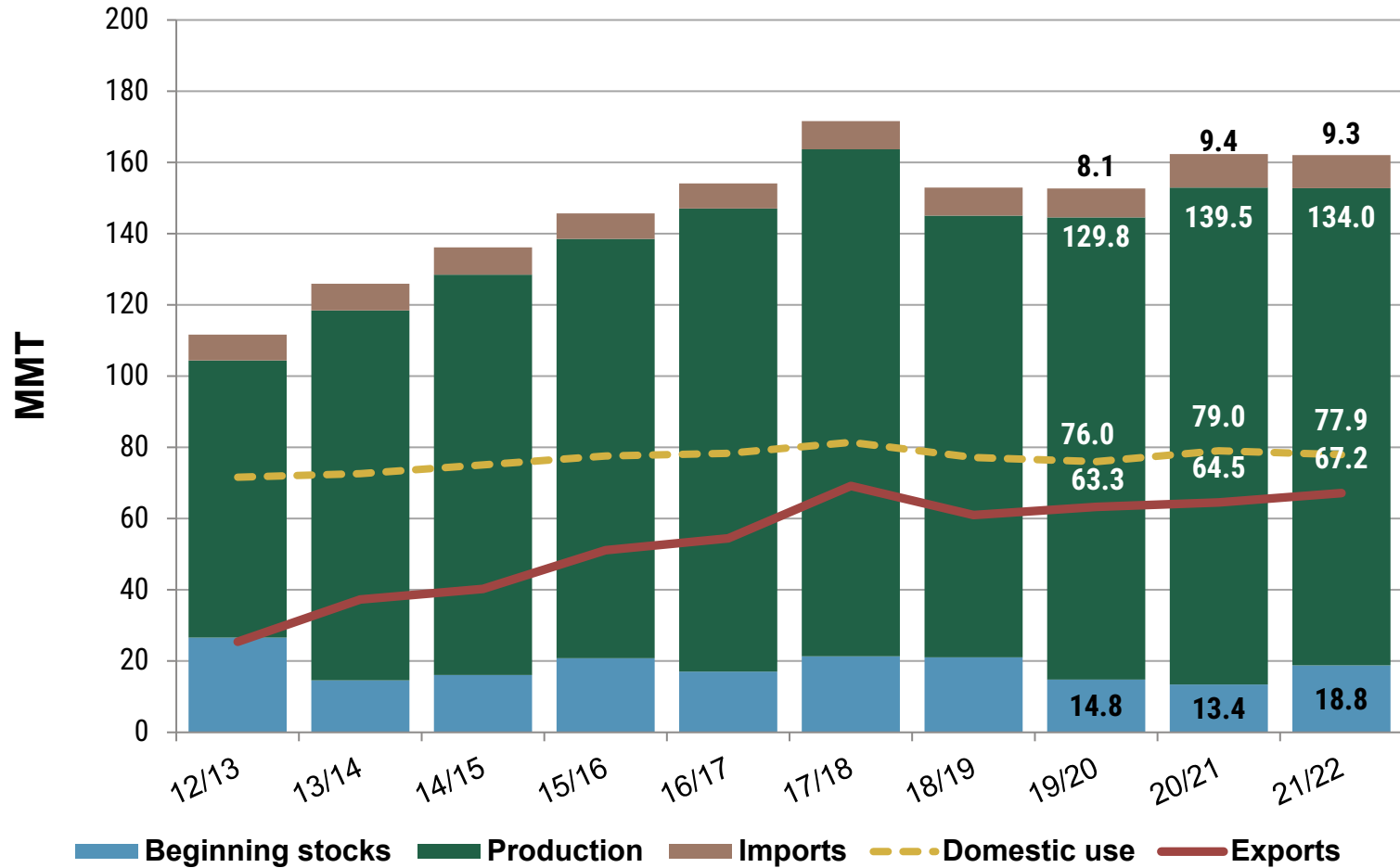
Ukraine Situation



Ukraine Ending Stocks



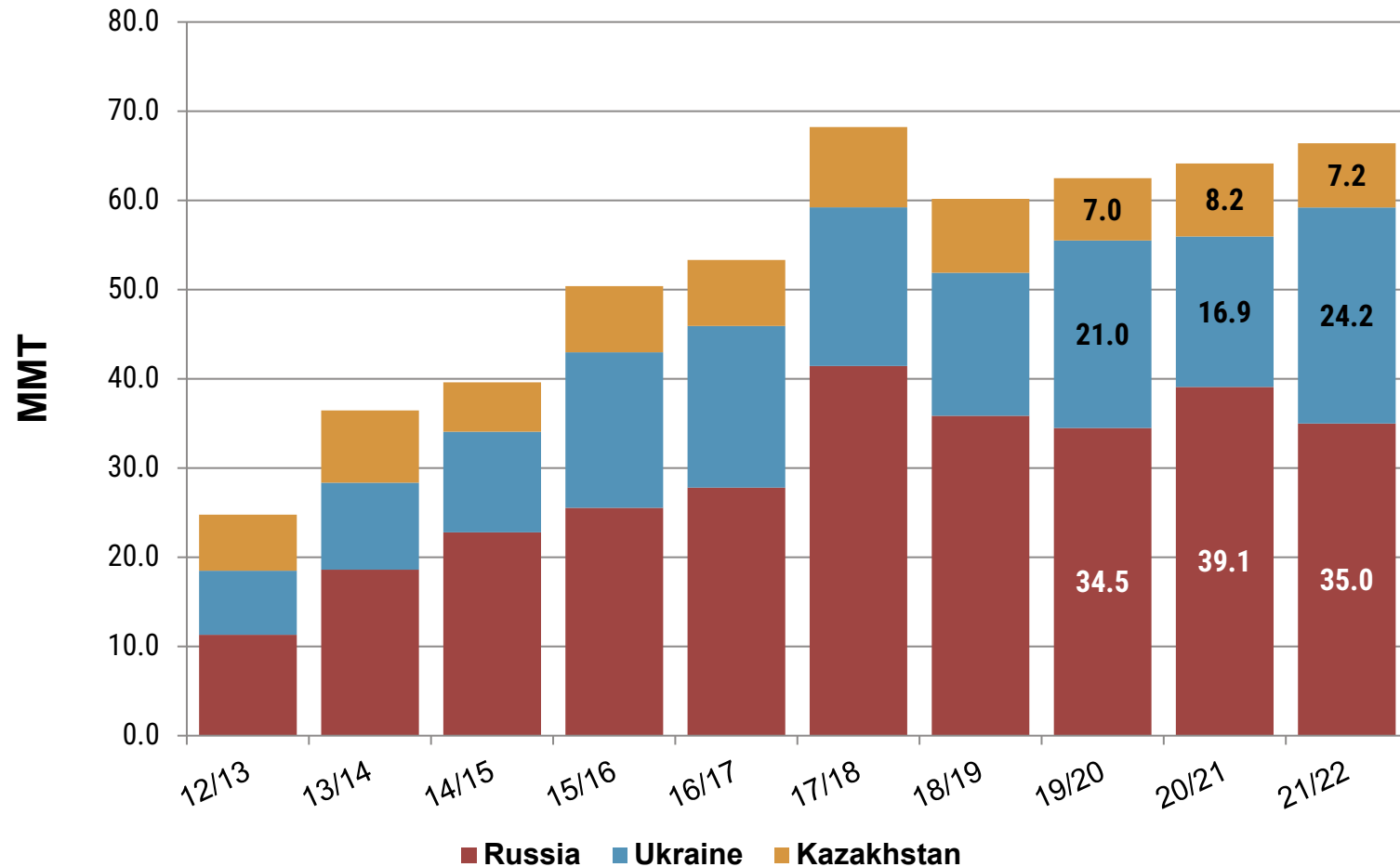
Black Sea Region Situation



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



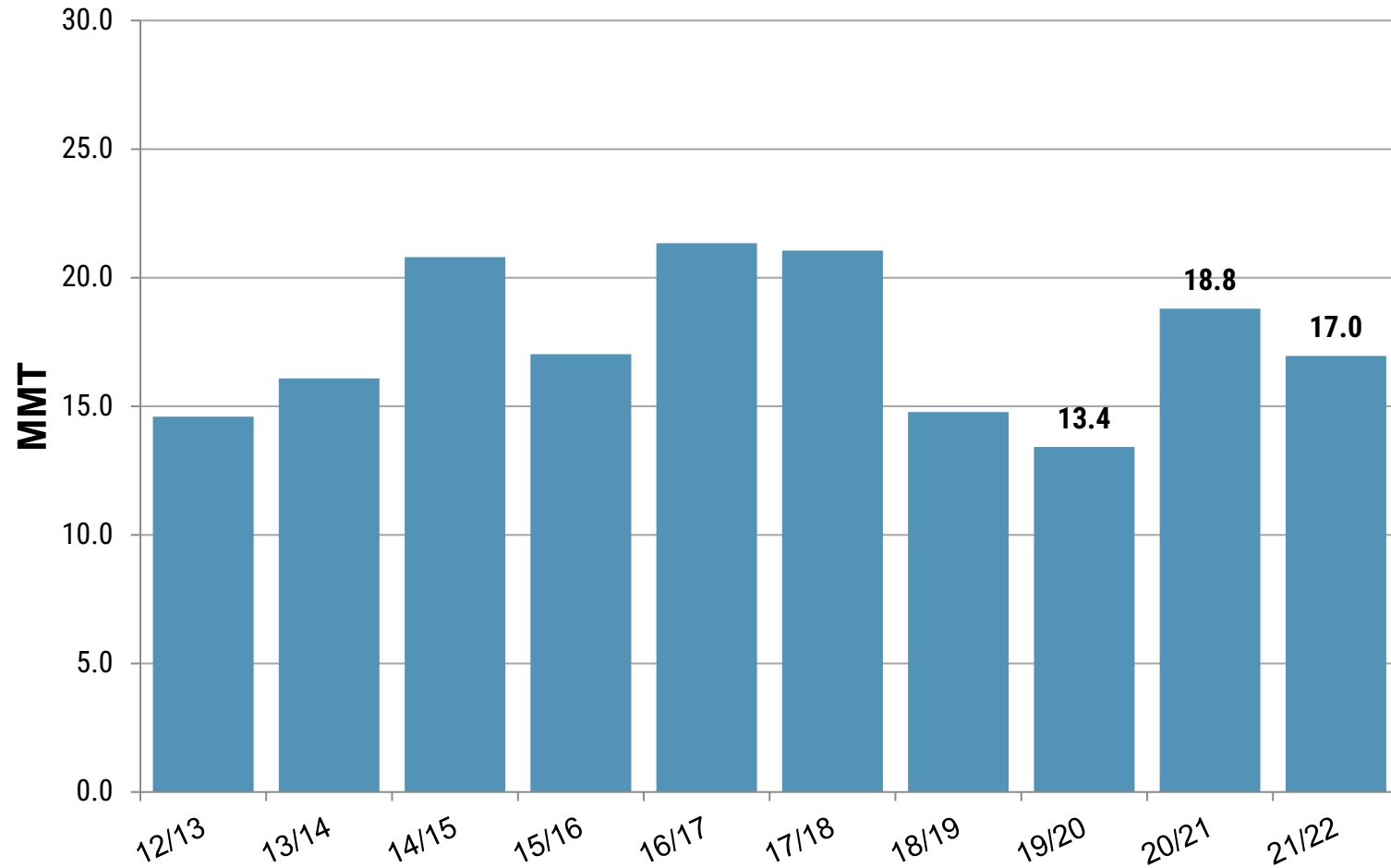
Black Sea Exports



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



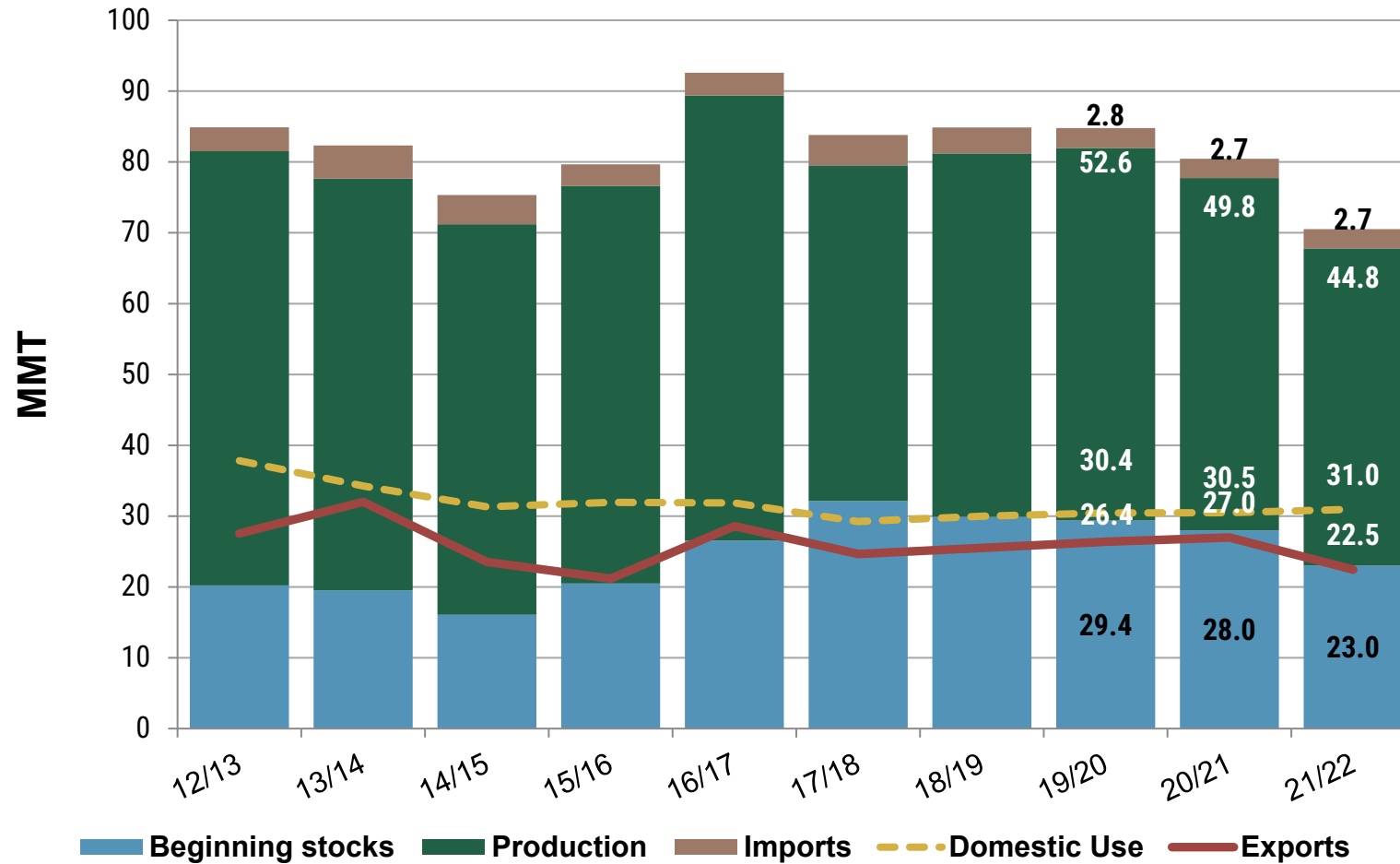
Black Sea Ending Stocks



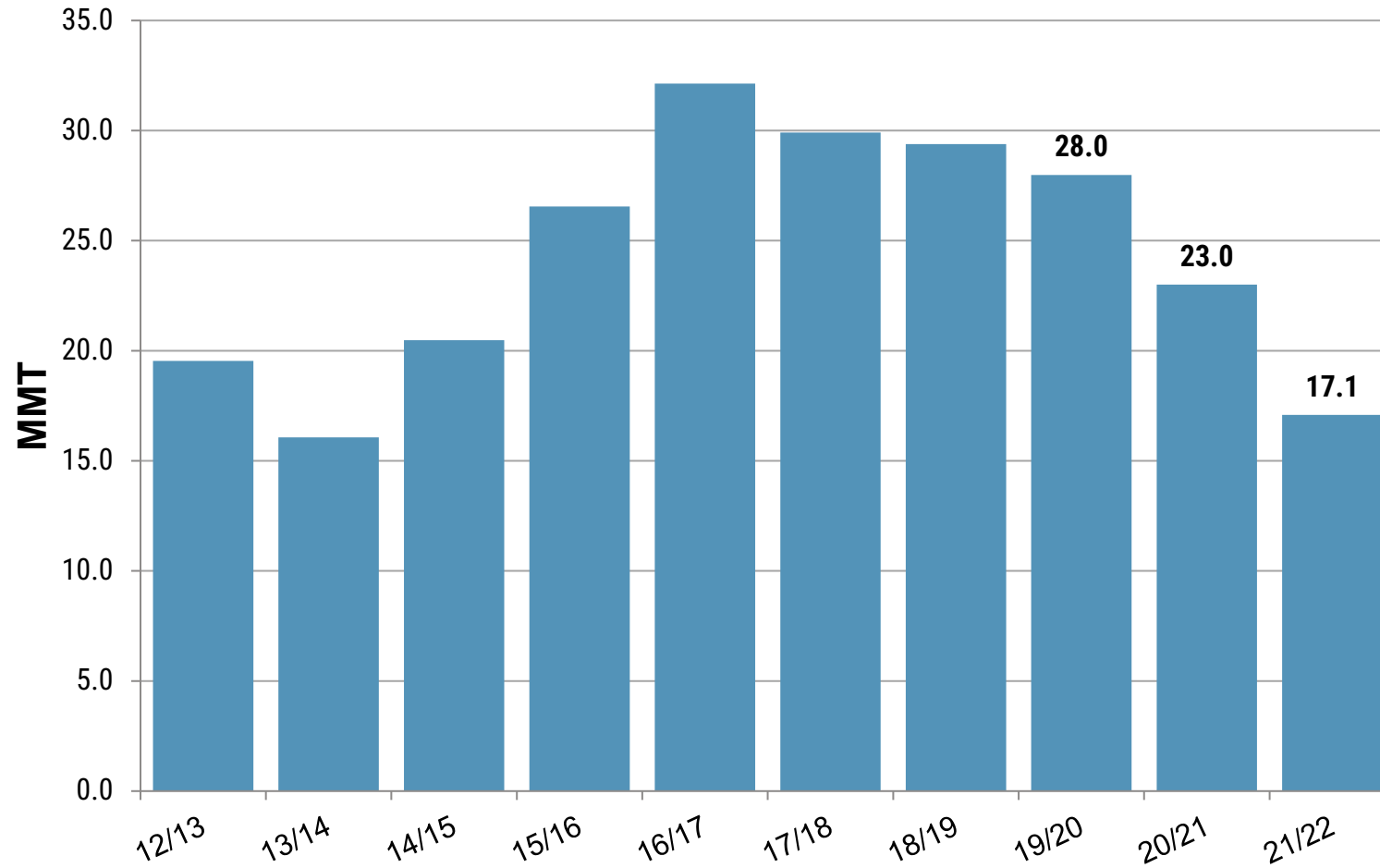
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U.S. Situation



U.S. Ending Stocks

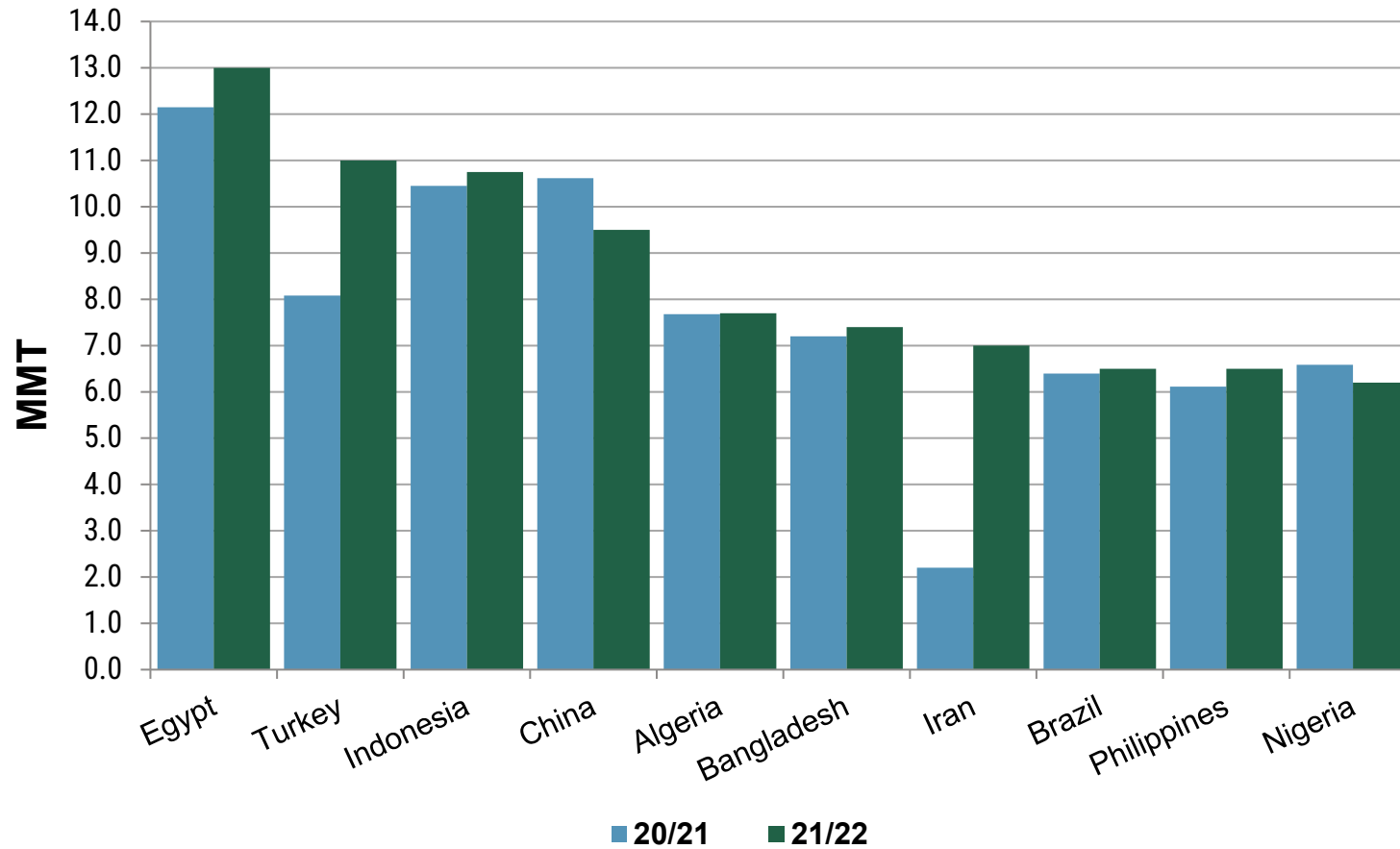




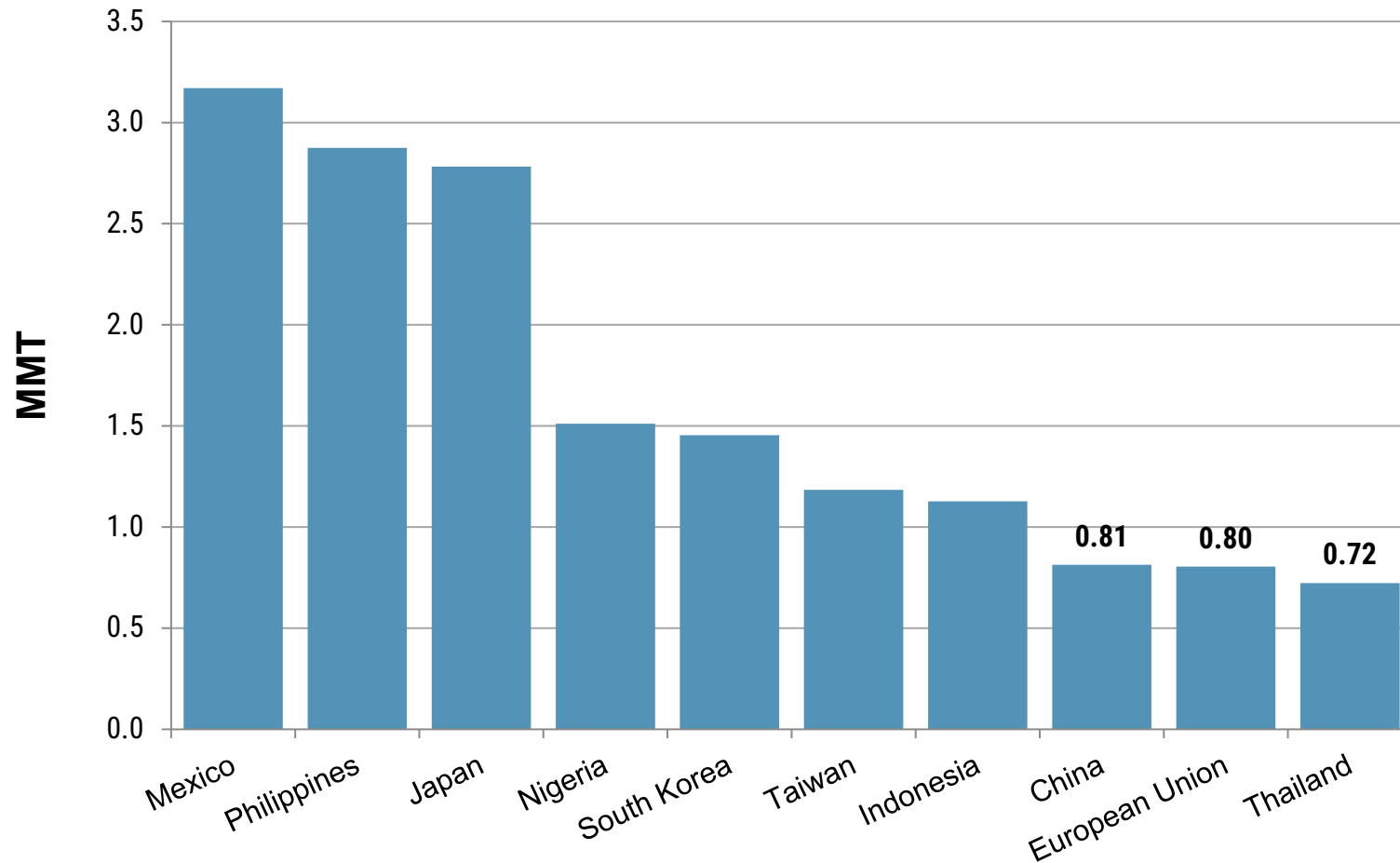
02

Import Demand

Major World Wheat Importers



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

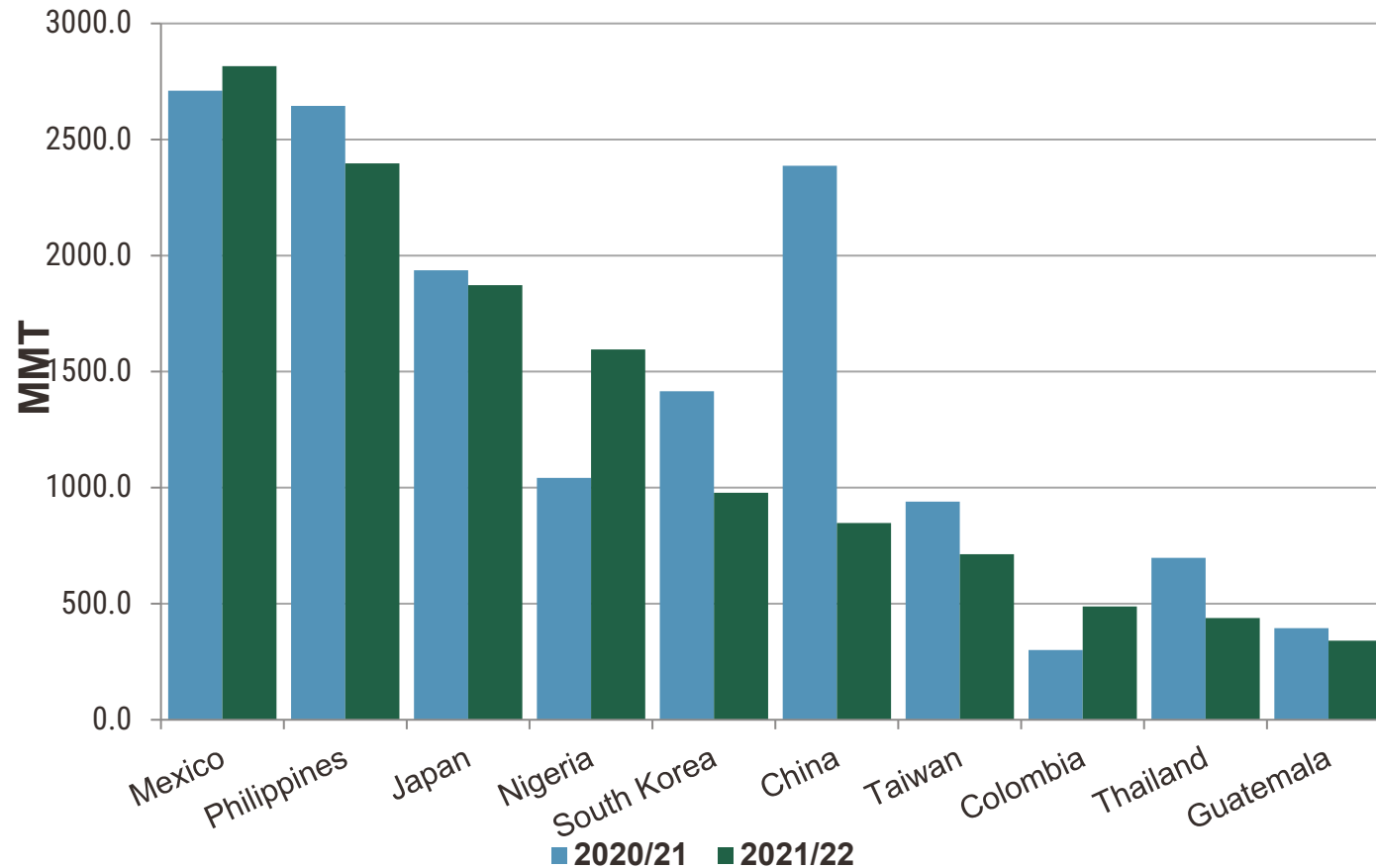


Source: USDA FAS export sales data as of May 31, 2021



Top 10 Customers for U.S. Wheat

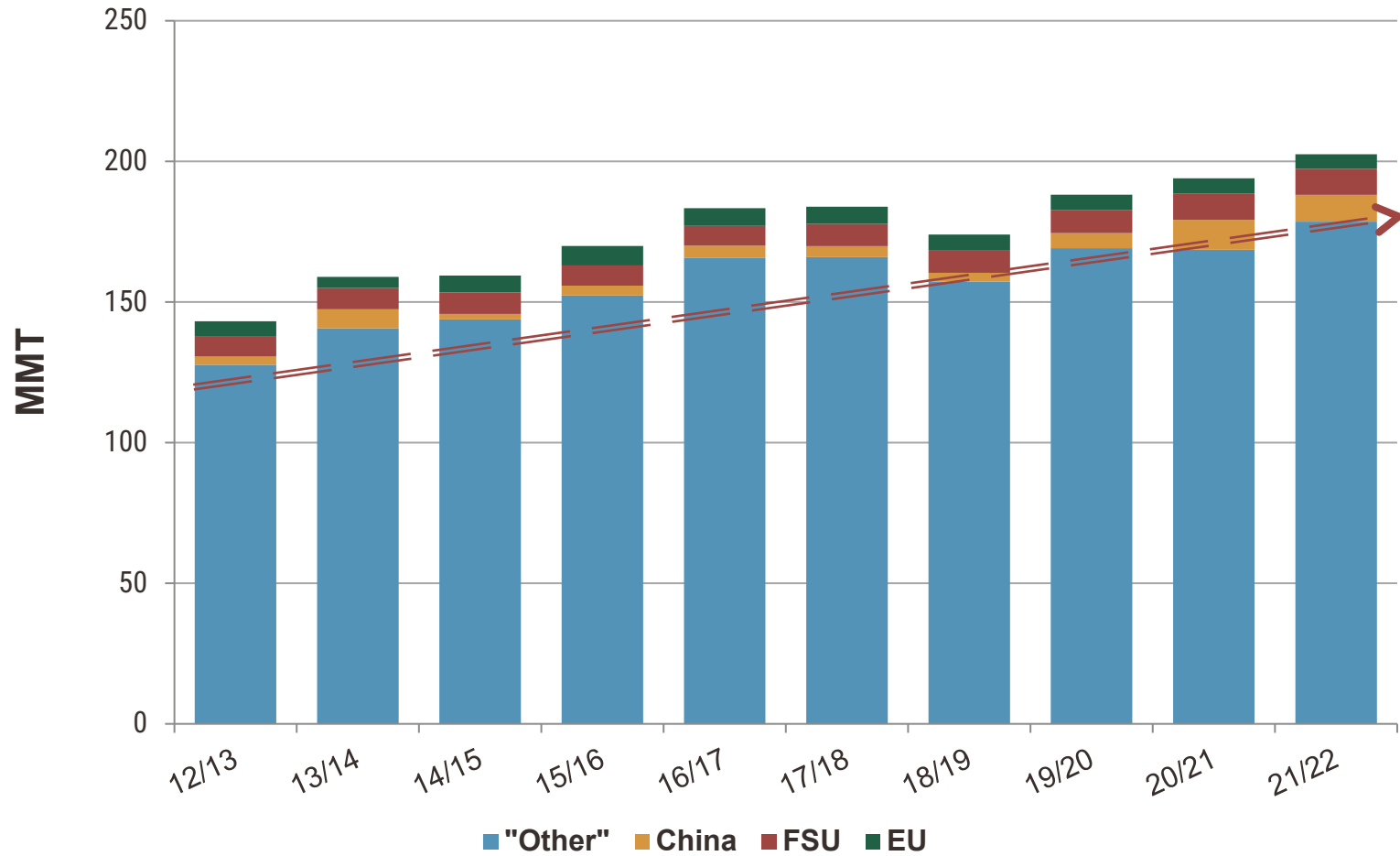
(year-to-date sales for current marketing year delivery)



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



World Wheat Imports

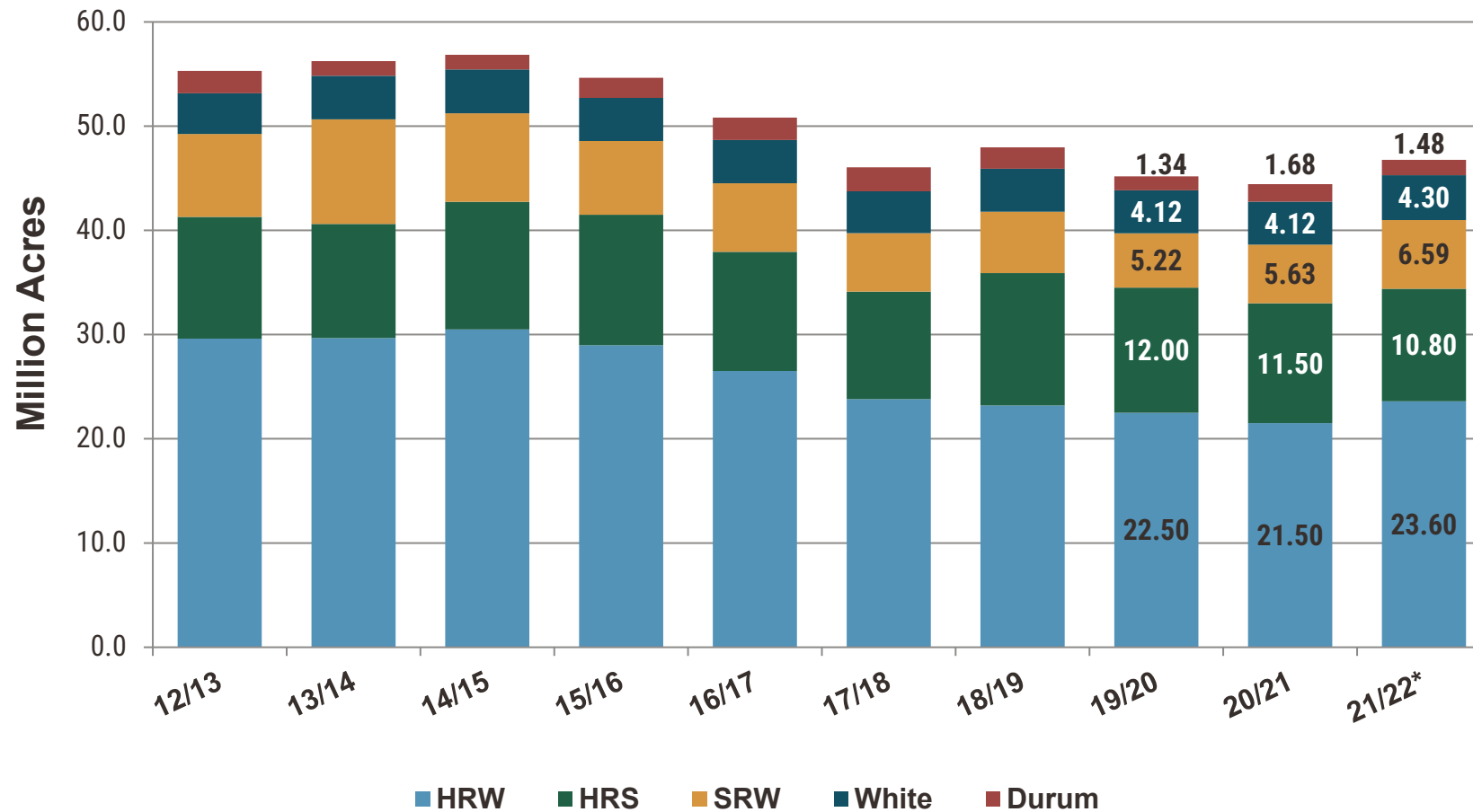




03

*U.S. Situation by
Class*

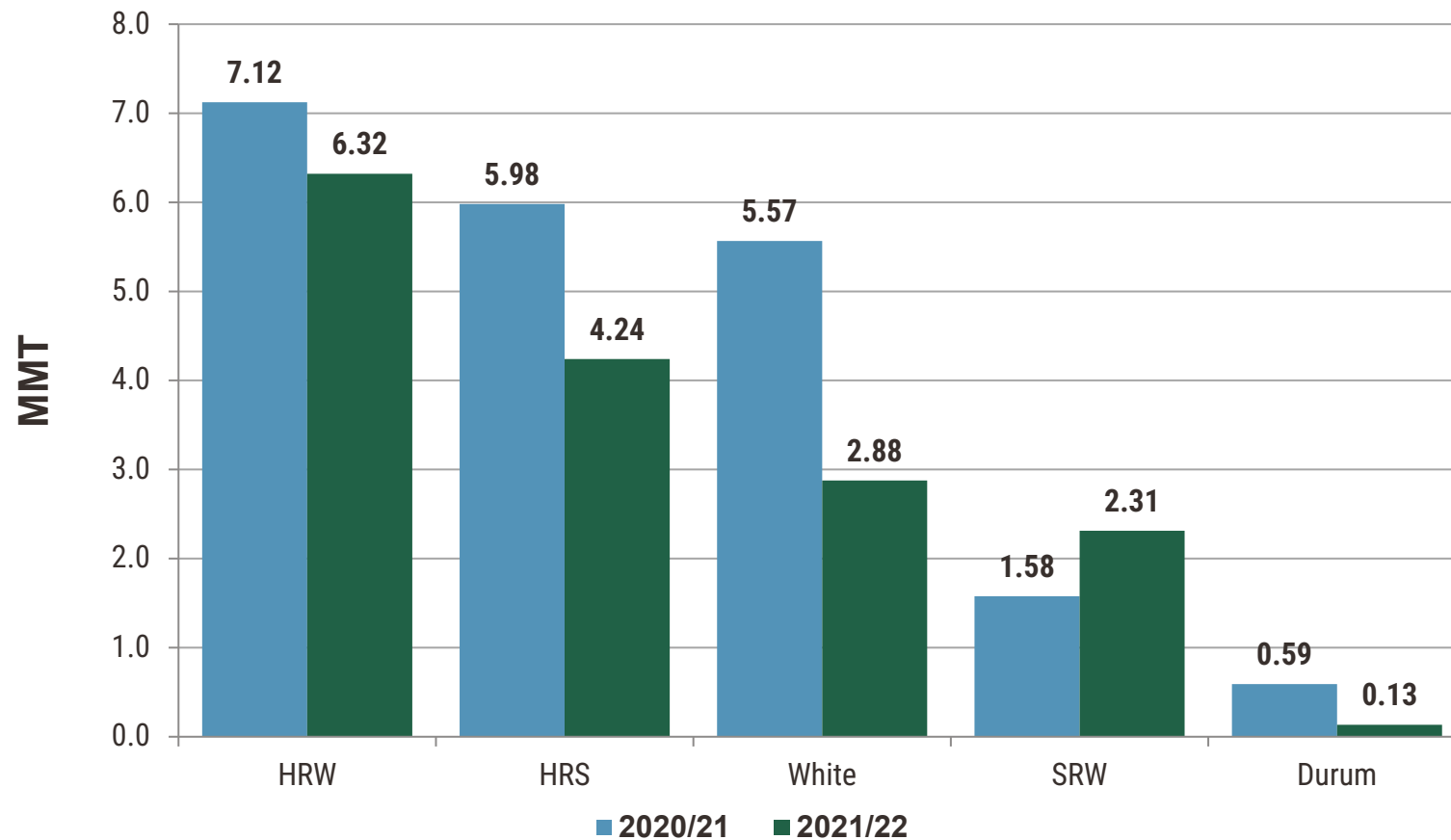
U.S. Wheat Planted Area



*Source: June 2021 USDA Acreage Report

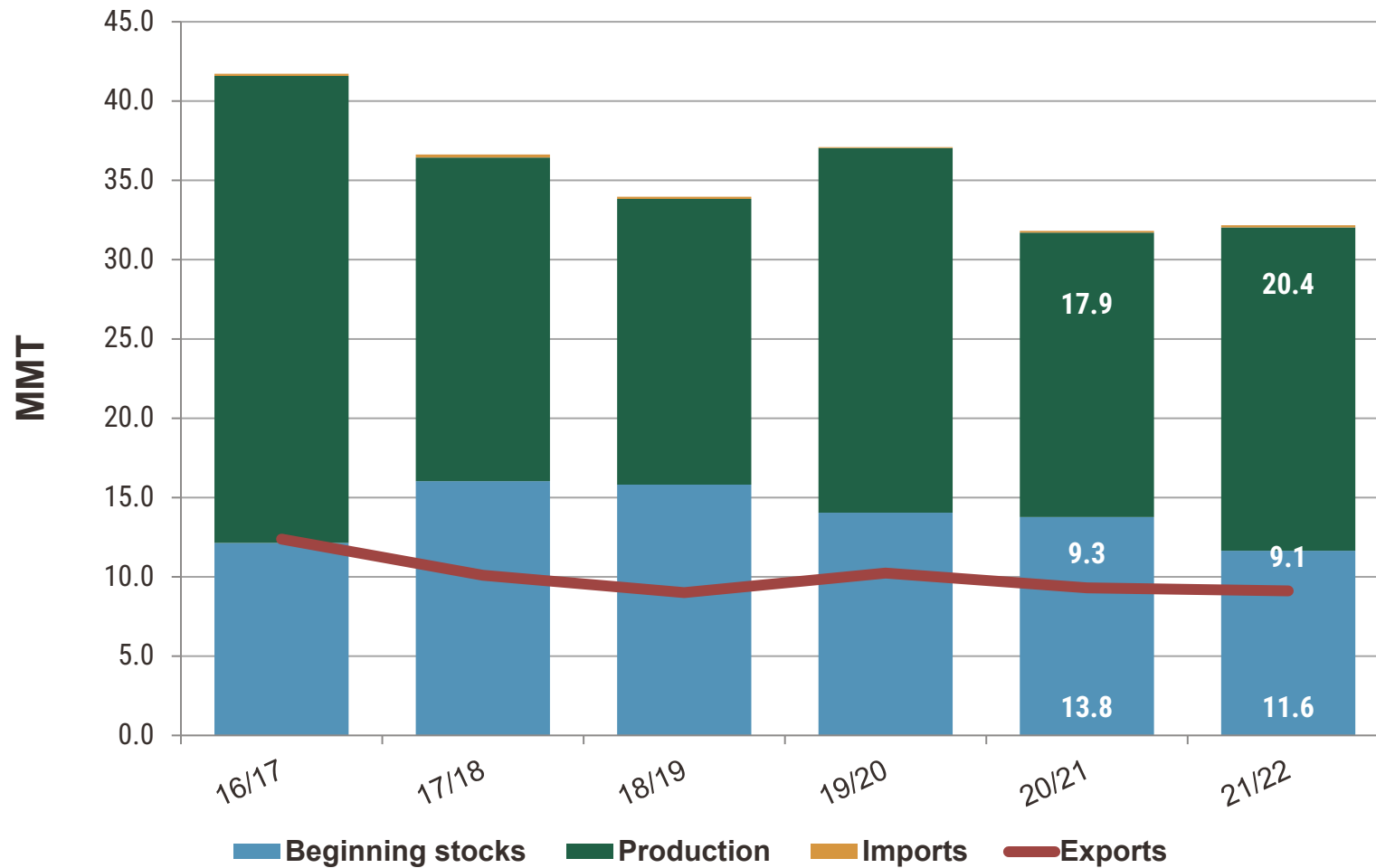
U.S. Wheat Sales by Class

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

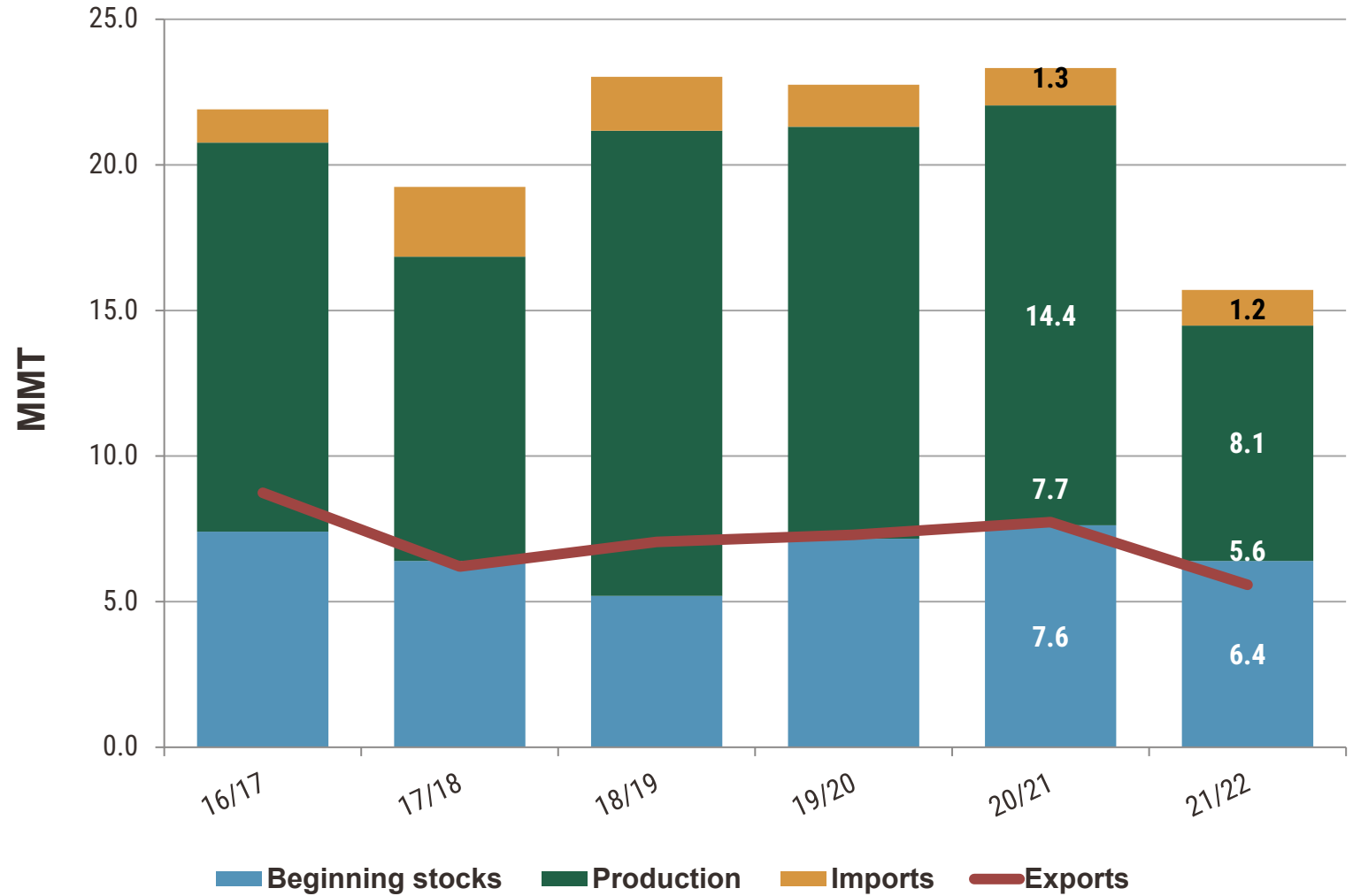


Source: USDA FAS export sales data as of December 30, 2021

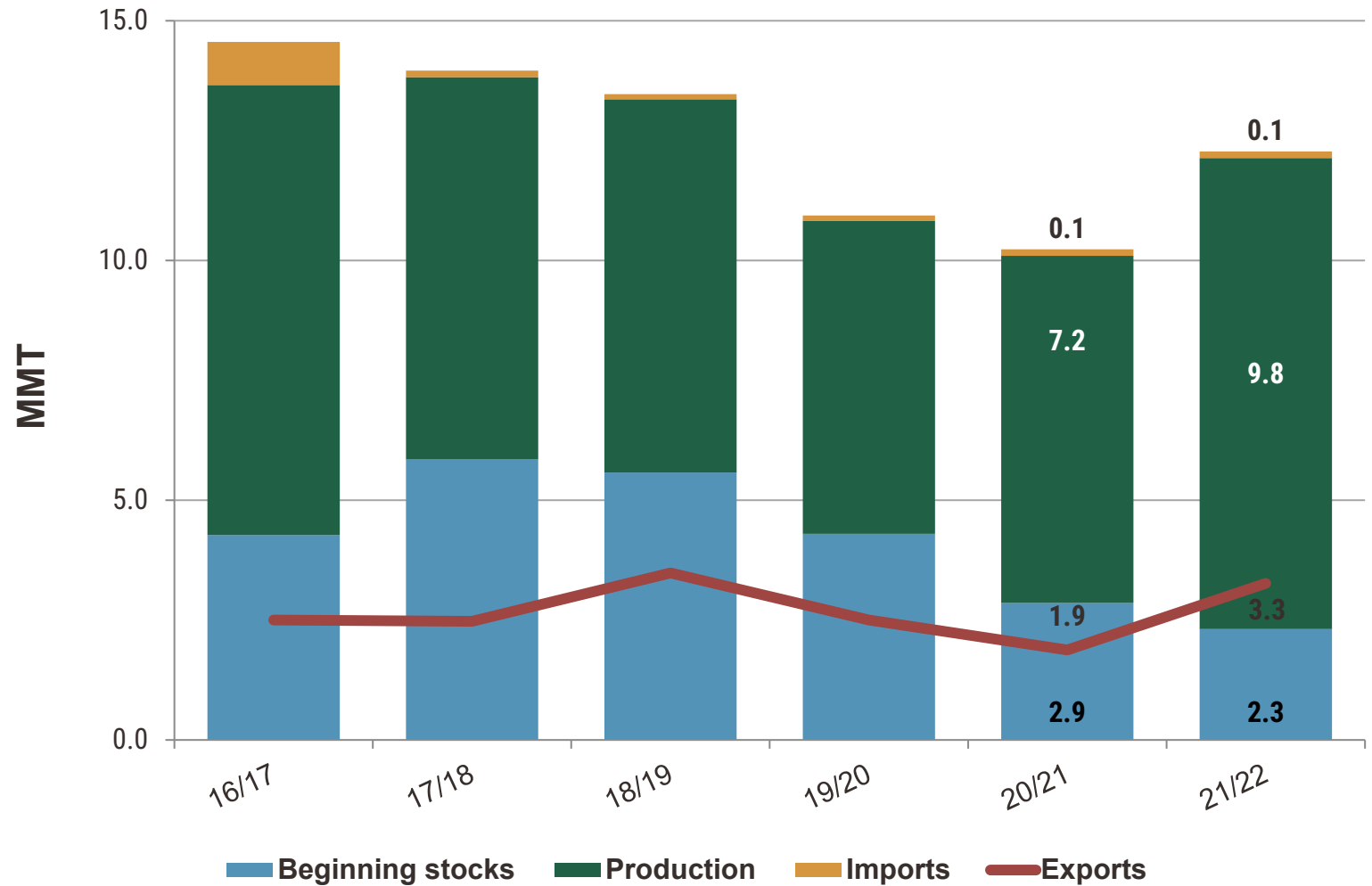
U.S. Hard Red Winter



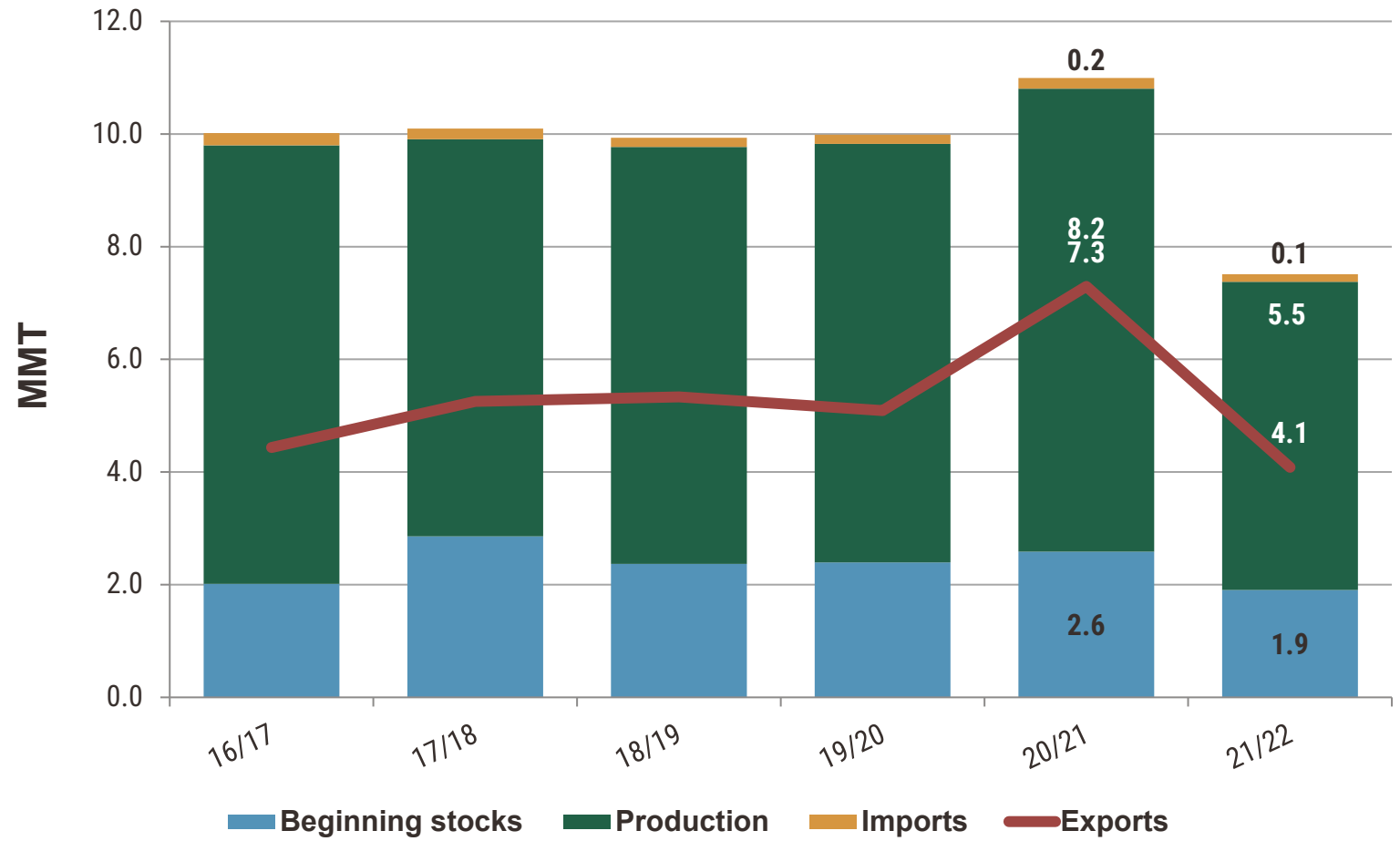
U.S. Hard Red Spring



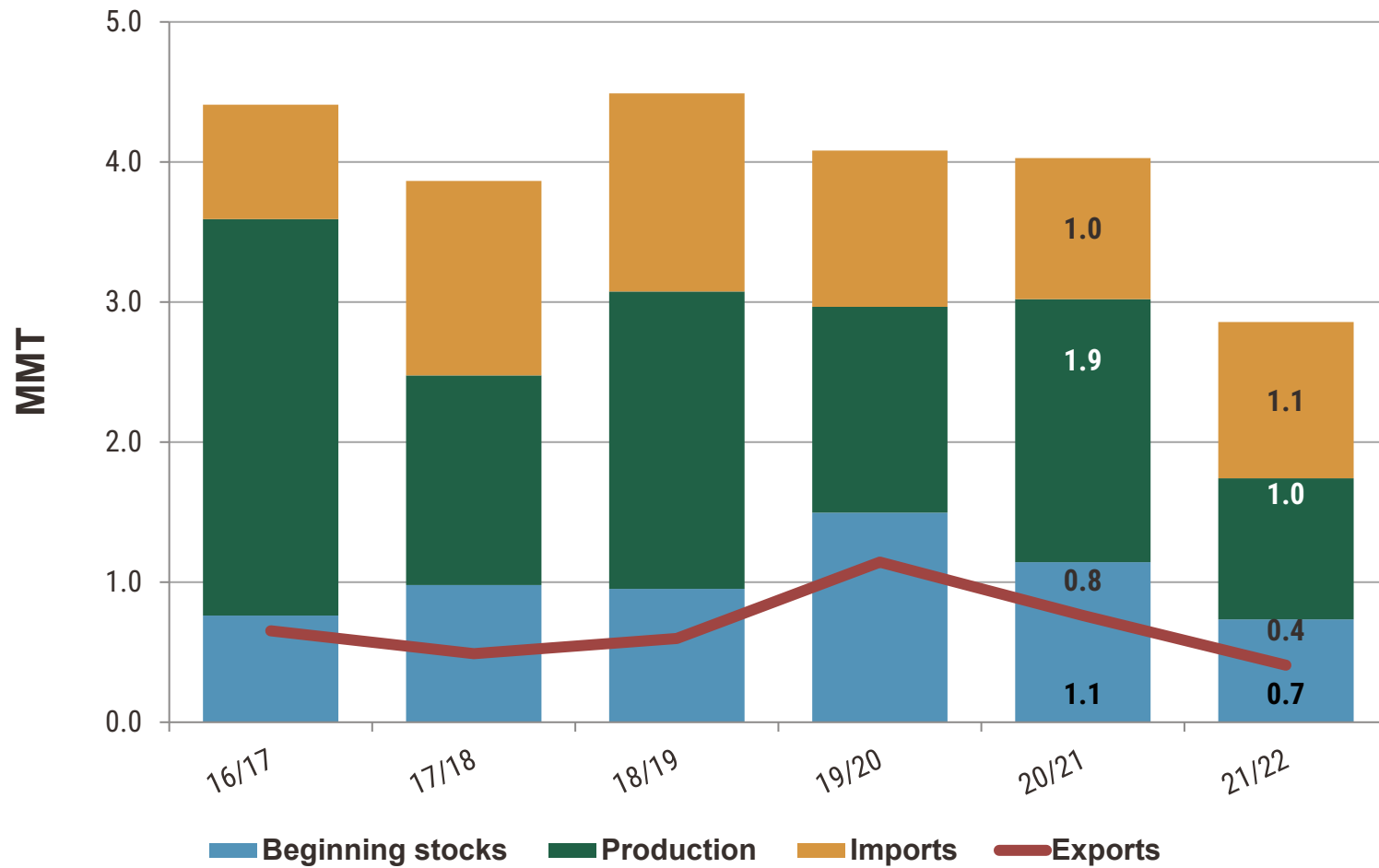
U.S. Soft Red Winter



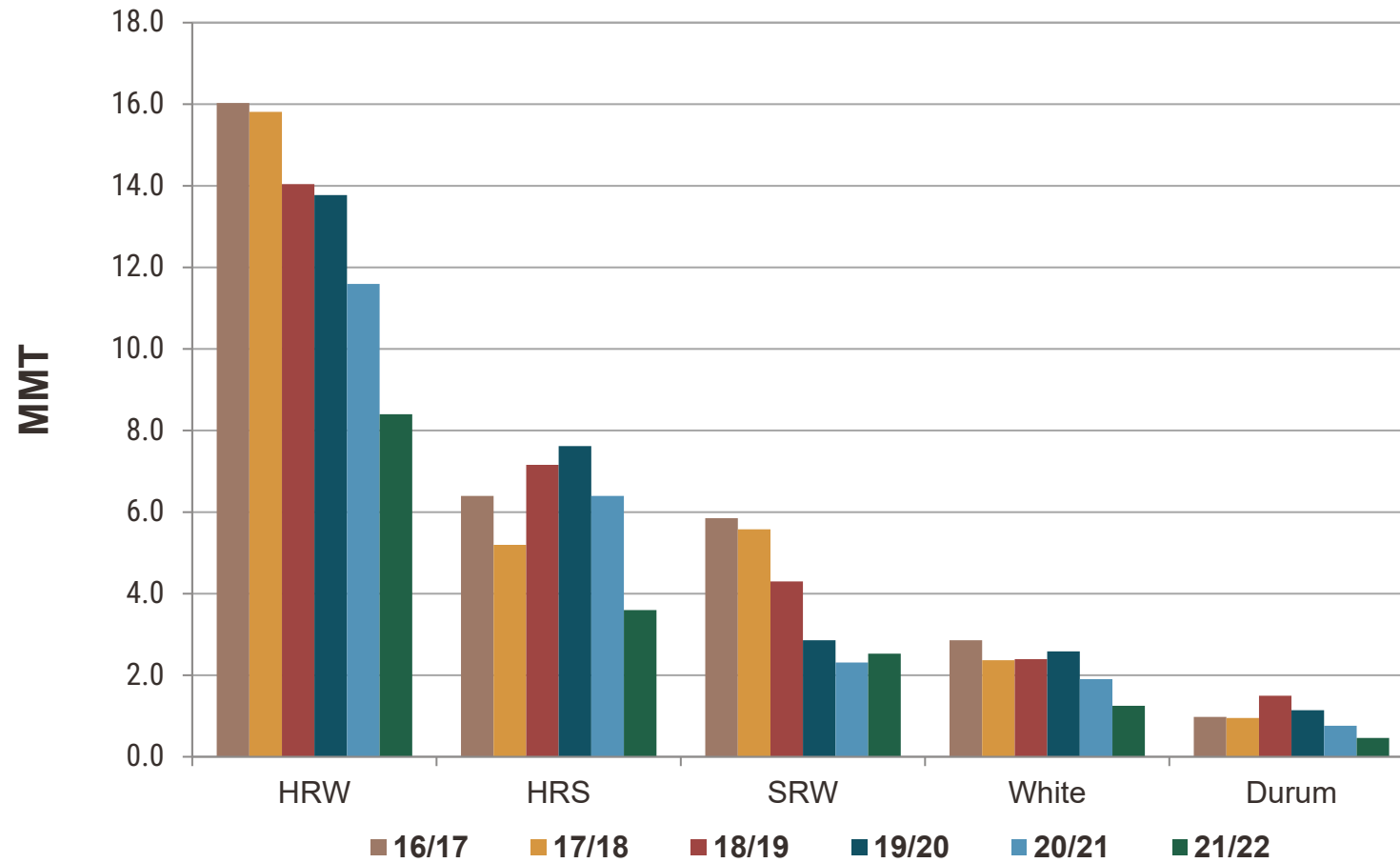
U.S. White



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>
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	15.7	10.23	12.3
Domestic Use	10.9	13.8	9.23	6.67	6.04	6.50
Exports	9.3	9.1	7.73	5.58	1.88	3.27
Use Total	20.2	22.9	17.0	12.2	7.92	9.77
Ending Stocks	11.6	9.3	6.40	3.48	2.31	2.50
Stocks-to-Use	58%	40%	38%	28%	29%	26%

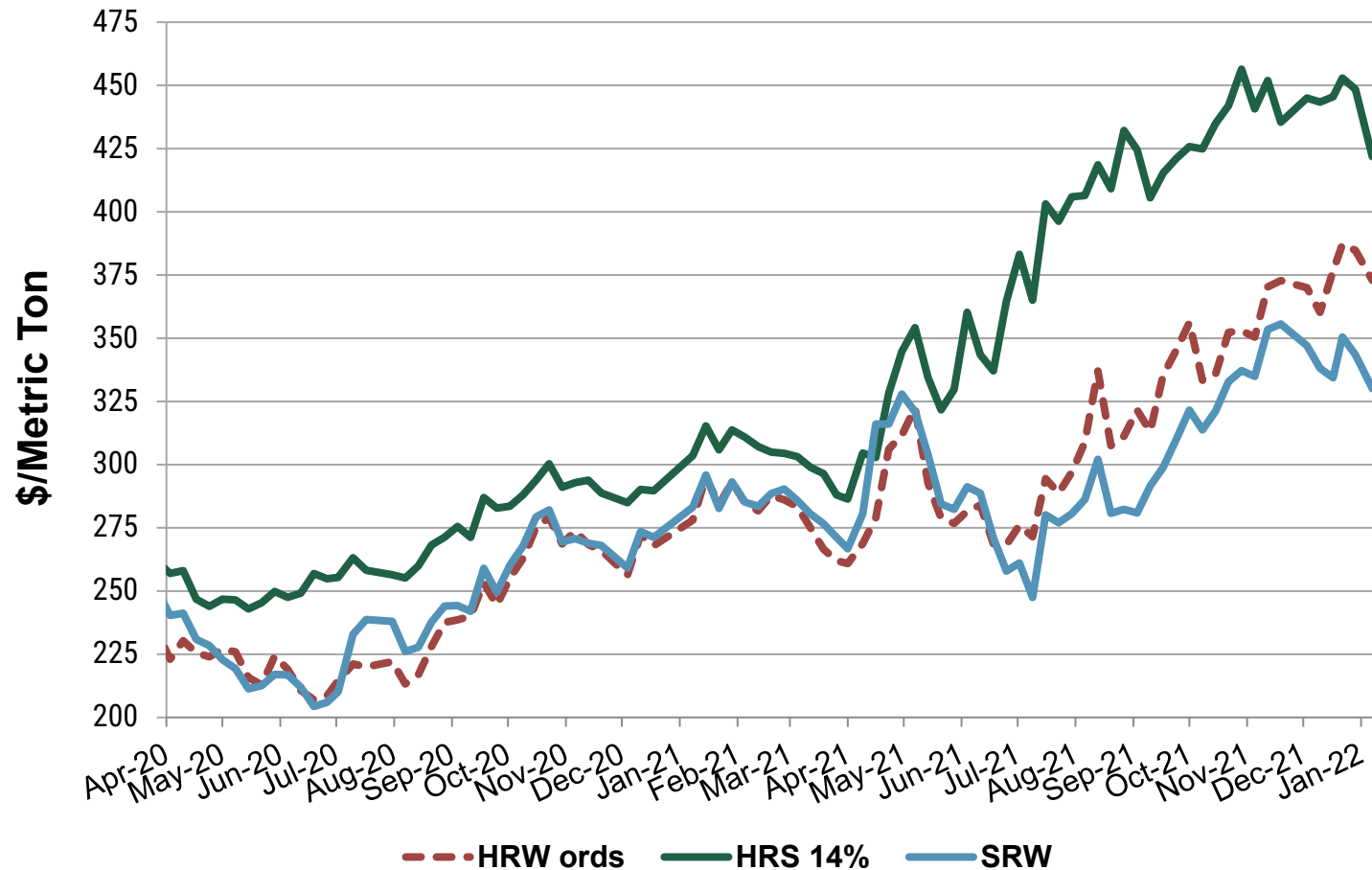


U.S. Wheat Supply and Demand (MMT)

	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	2.86	80.5	70.5
Domestic Use	1.74	2.18	2.53	1.85	30.5	31.0
Exports	7.35	4.08	0.76	0.41	27.0	22.5
Use Total	9.09	6.26	3.29	2.26	57.5	53.4
Ending Stocks	1.91	1.25	0.73	0.60	23.0	17.1
Stocks-to-Use	21%	20%	22%	27%	40%	32%



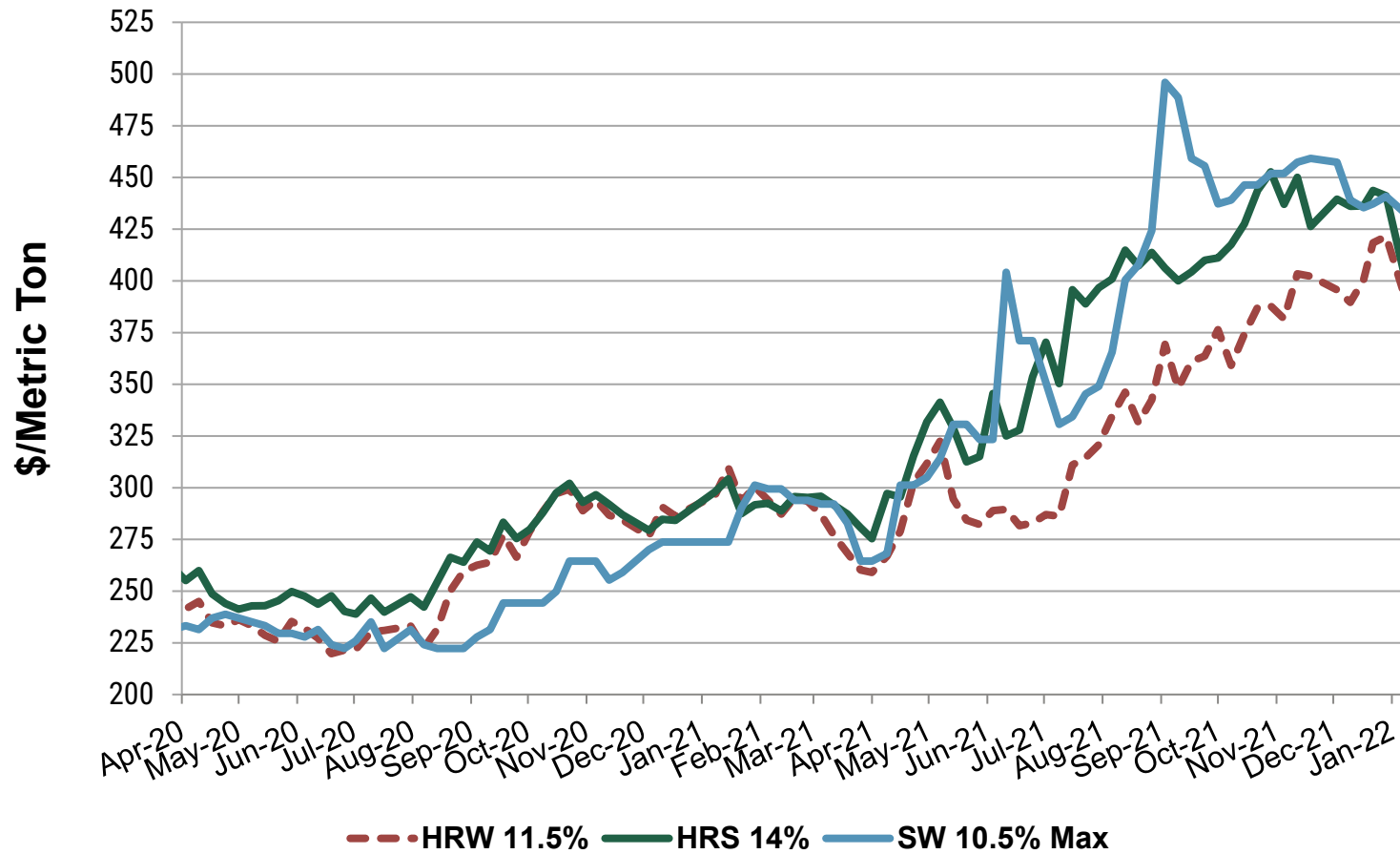
U.S. FOB Gulf Prices



Source: U.S. Wheat Associates Price Report, January 7, 2022

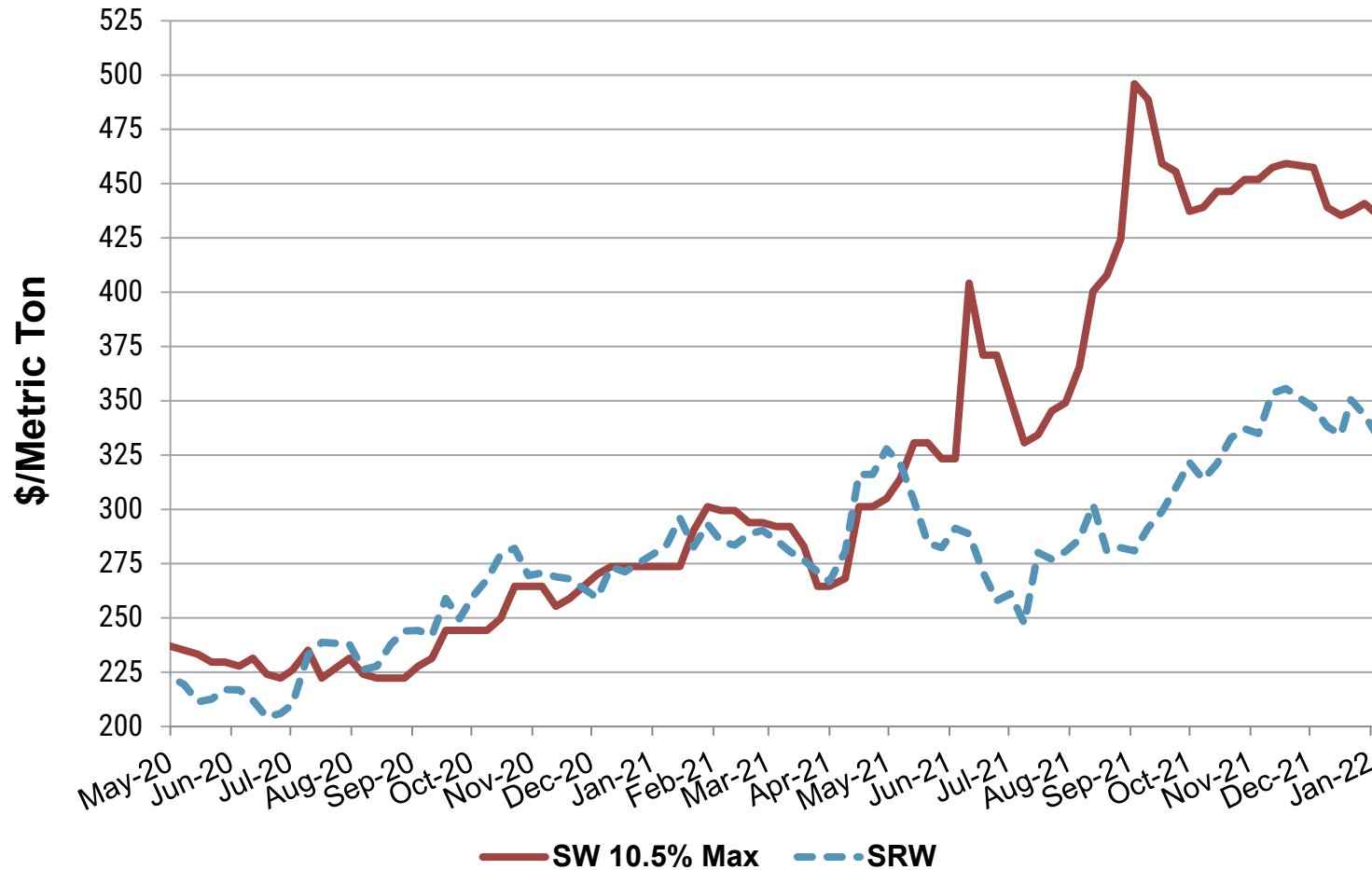


U.S. FOB PNW Prices



Source: U.S. Wheat Associates Price Report, January 7, 2022

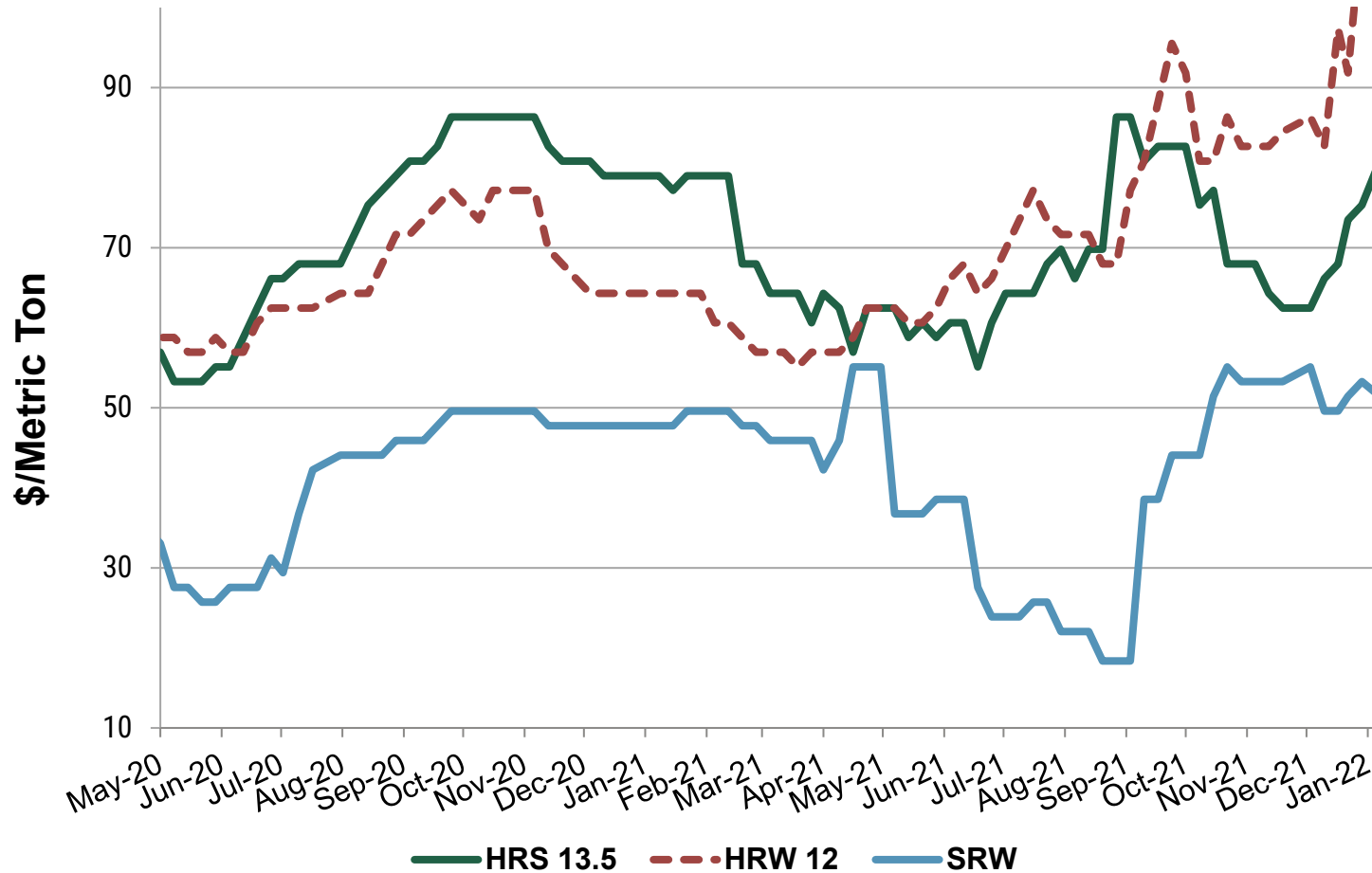
U.S. FOB Soft White and SRW Prices



Source: U.S. Wheat Associates Price Report, January 7, 2022



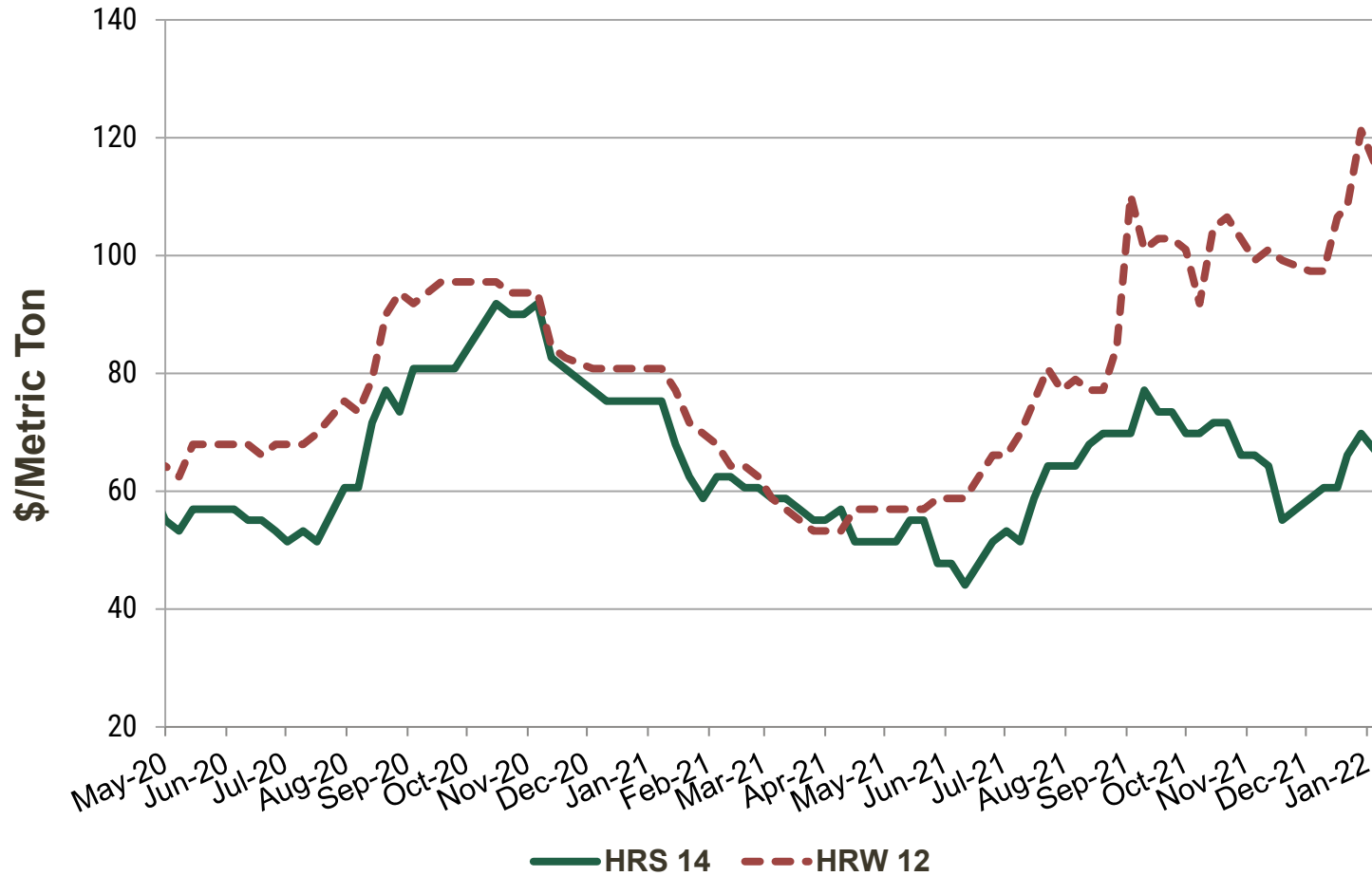
U.S. Gulf Export Basis



Source: U.S. Wheat Associates Price Report, January 7, 2022



U.S. PNW Export Basis



Source: U.S. Wheat Associates Price Report, January 7, 2022



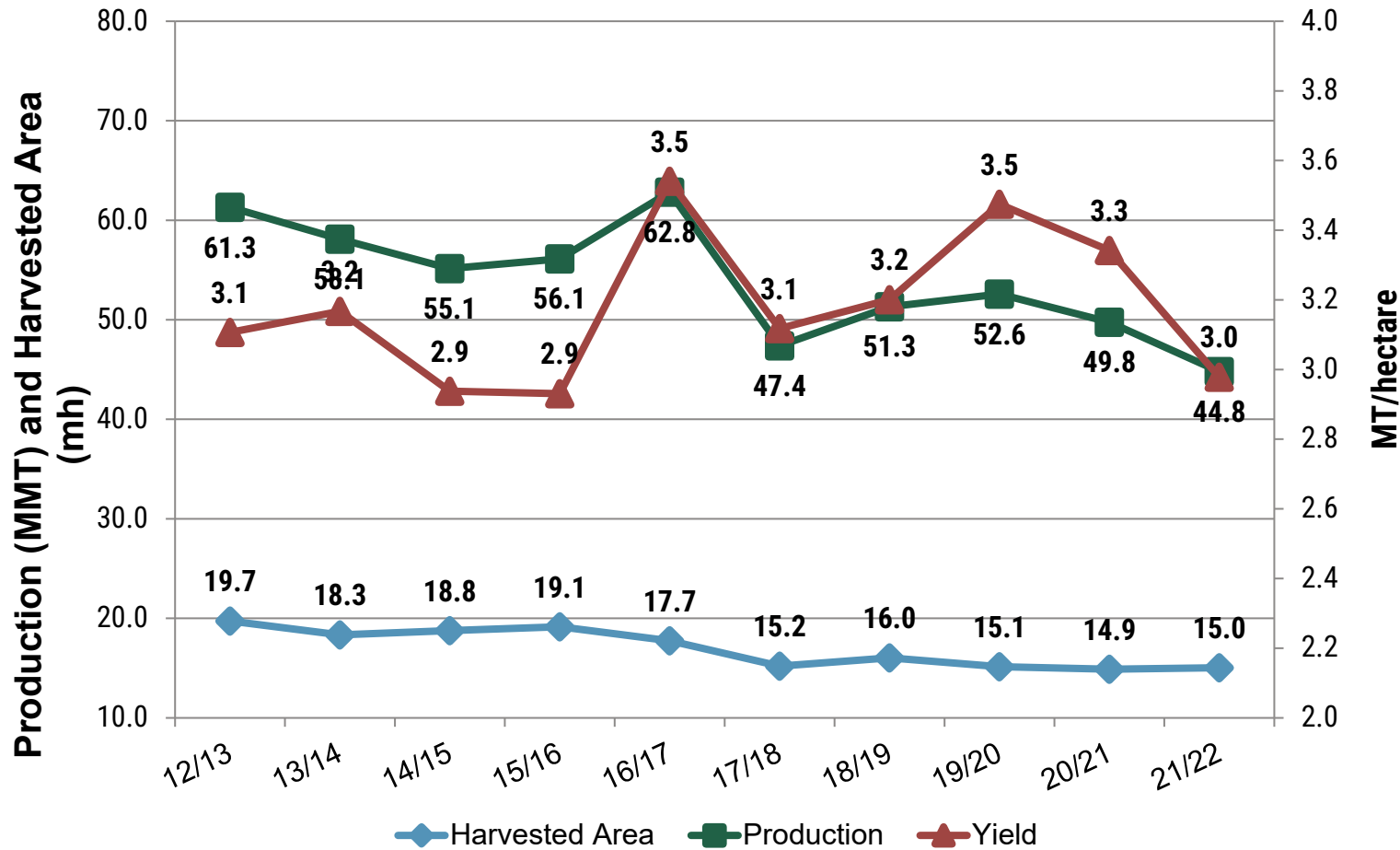


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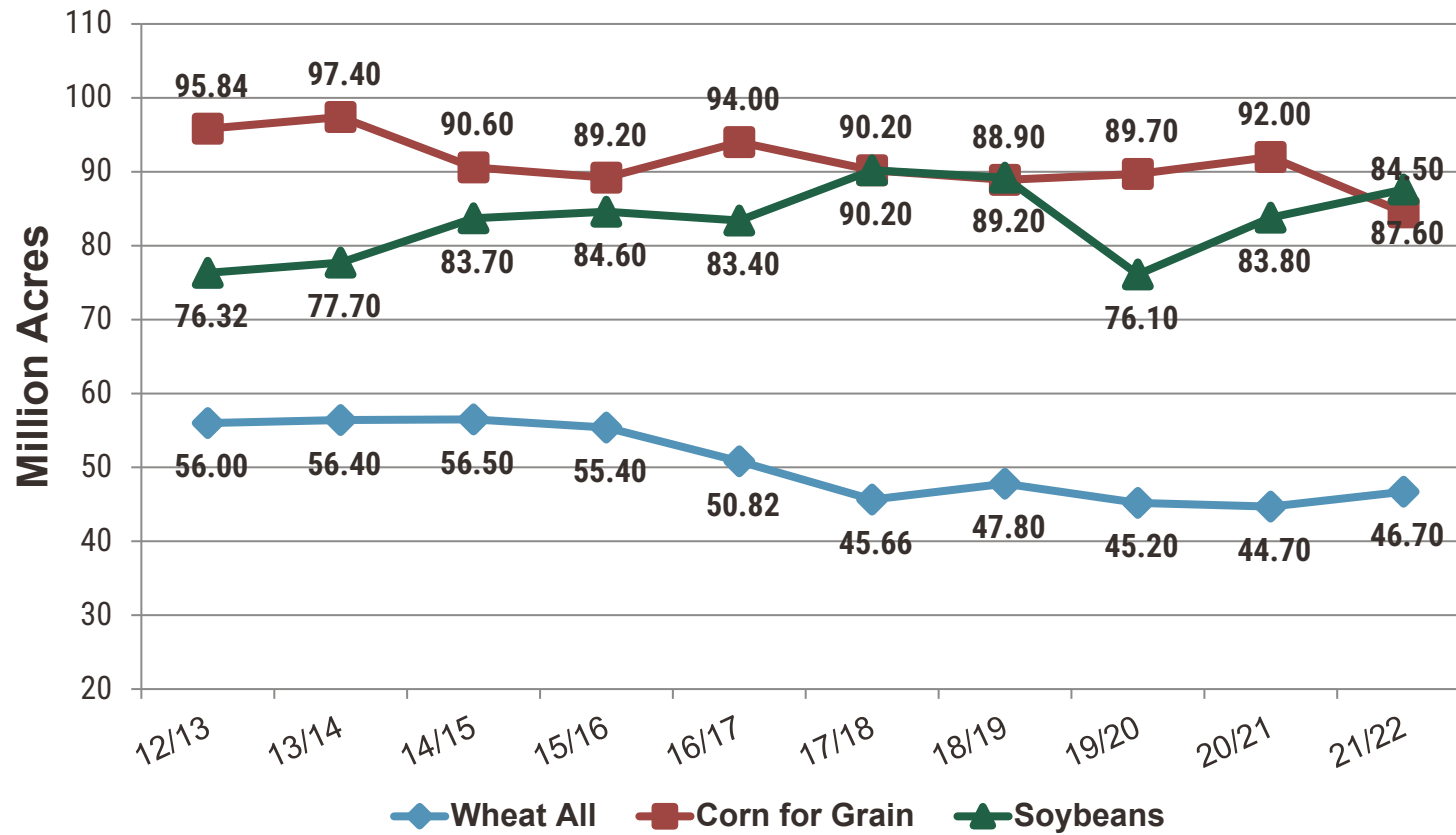
Outlook



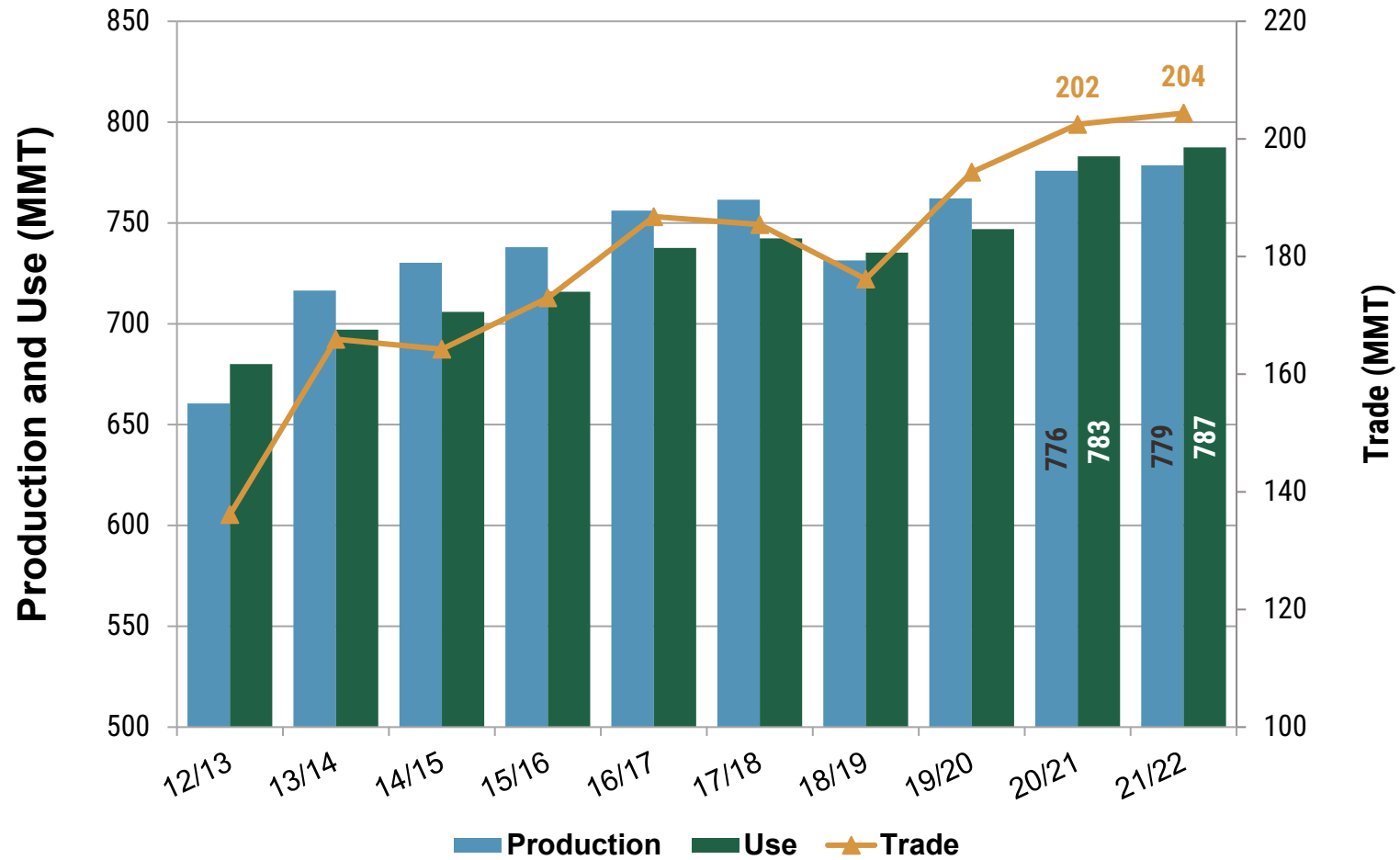
U.S. Wheat Production, Area and Yield



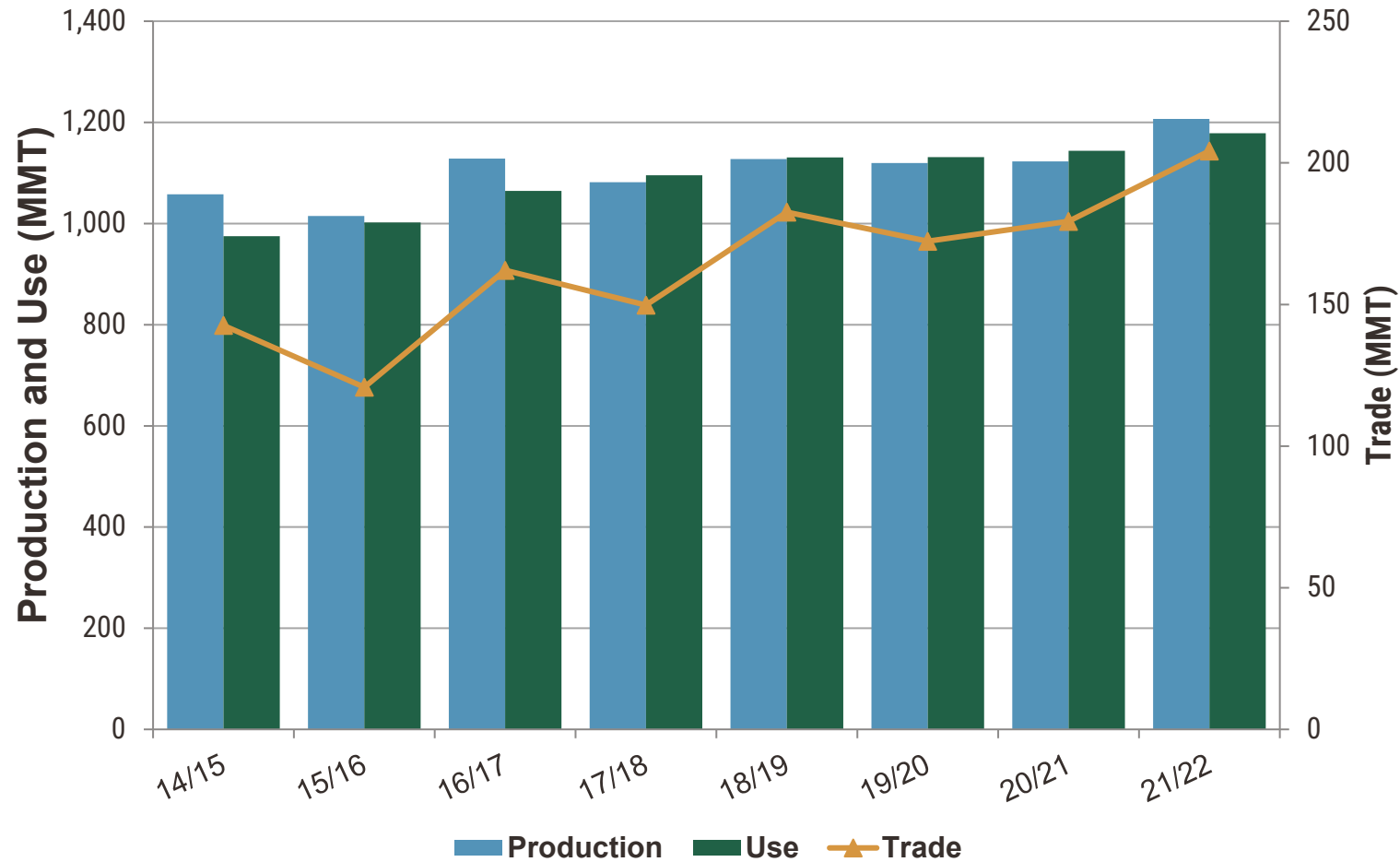
U.S. Crop Planted Area Comparison



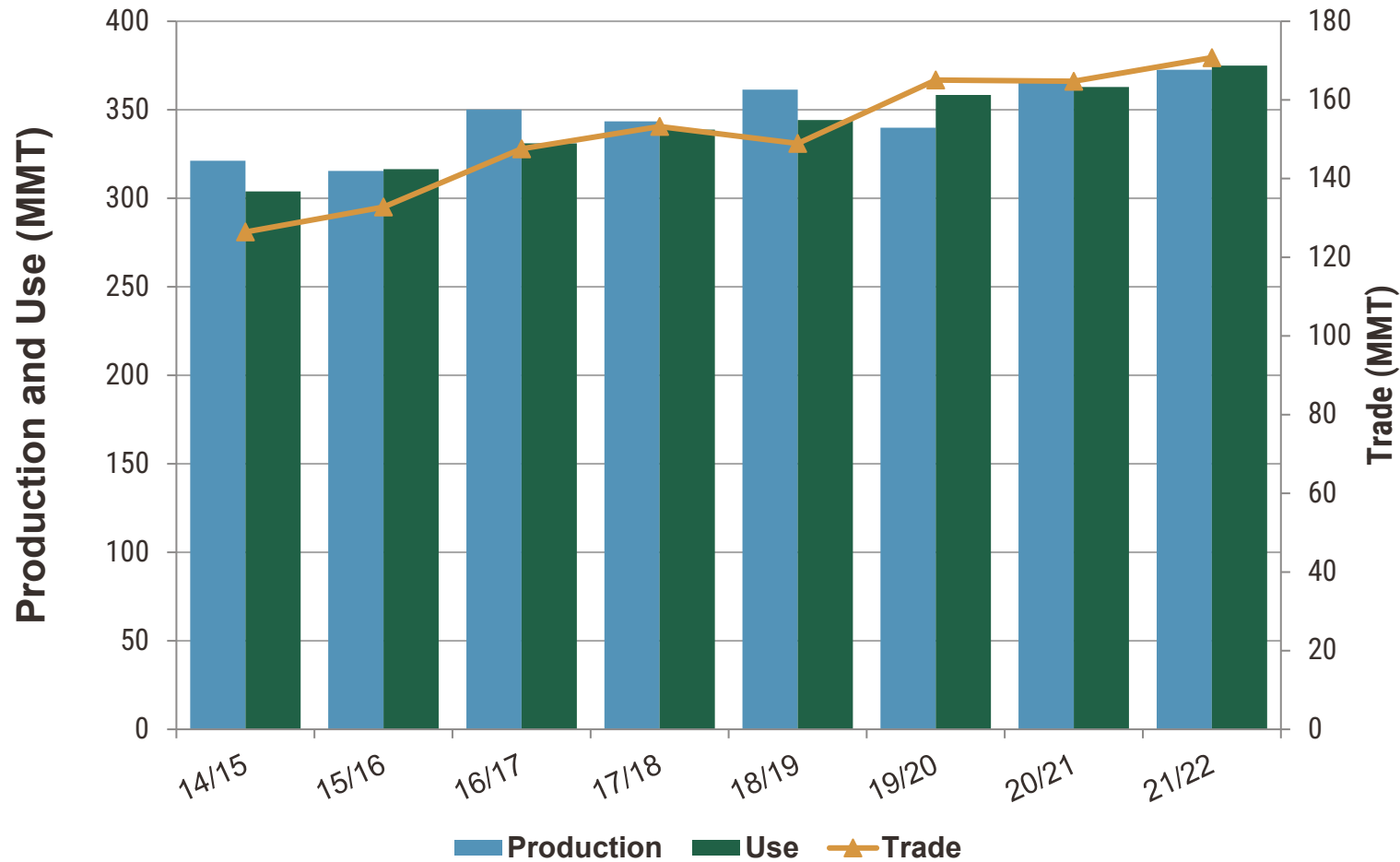
World Wheat Production, Use and Trade



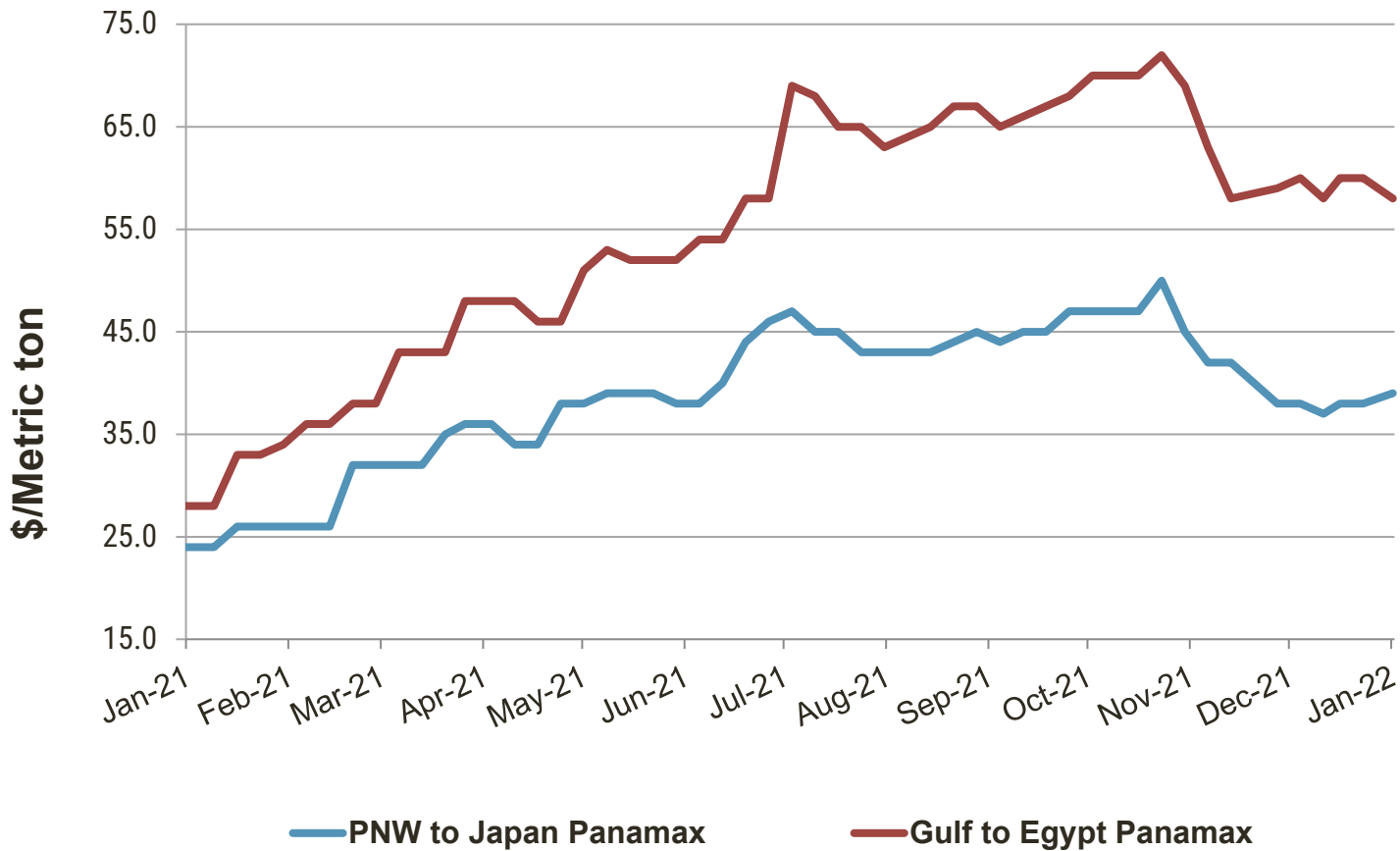
World Corn Production, Use and Trade



World Soybeans Production, Use and Trade



Ocean Freight Rates for Grains



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