



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 February 9, 2022, unless otherwise indicated. Projections will change over the course of the year depending on weather and other developments.

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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 at 776.4 MMT, 2.2 MMT less than January's forecast

- Production in Brazil is reduced 100,000 MT from January to 7.7 MMT
- Production in Kazakhstan was reduced 190,000 MT from January to 11.81, 17% less than 2020/21
- U.S. production is unchanged from last month at 44.79 MMT, down 10% compared to 2020/21

Global consumption forecast at 788.08 MMT, 610,000 MT more than January

- Domestic consumption in Canada jumped 1.7 MMT from January to 9.6 MMT
- Domestic consumption in North Africa is forecast at 48.02 MMT, up 3% compared to 2020/21
- U.S. domestic consumption forecast slightly lower this month to 30.84 MMT, 130,000 MT less than January

World wheat trade adjusted up 2.29 MMT from last month to 206.69 MMT

- Exports from Argentina are increased 500,000 MT to 14 MMT, 11% above the 5-year average
- Ukraine's exports were reduced 200,000 MT compared to January to 24 MMT, 42% more than 2020/21
- U.S. 2021/22 exports expected to fall 400,000 MT from last month to 22.05 MMT

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

World beginning stocks estimated up 1 MMT from January to 289.87 MMT, down 2% from 2020/21

- Argentina's beginning stocks estimated at 2.12 MMT, 40,000 MT less than January
- World beginning stocks without China are estimated at 145.75 MMT, up 1 MMT from last month
- U.S. 2021/22 beginning stocks expected to drop 18% compared to 2020/21 to 23.0 MMT

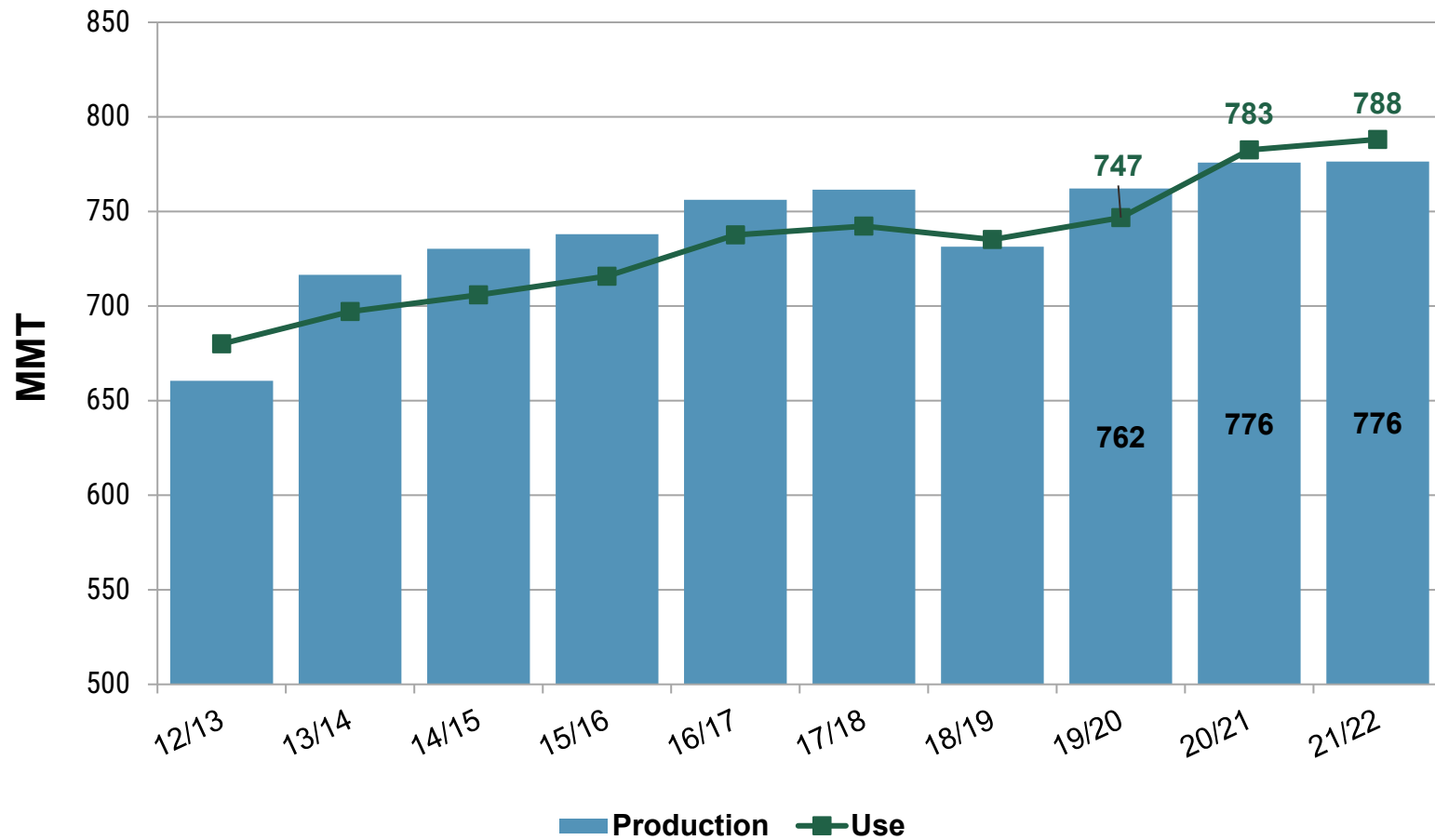
Global ending stocks projected at 278.21 MMT, down 1.74 MMT compared to USDA's January estimate and 4% from a year ago

- Canada's ending stocks forecast to fall 2 MMT from January to 3.14 MMT, the lowest on record
- Ukrainian ending stocks forecast at 2.01 MMT, 400,000 MT up from last month
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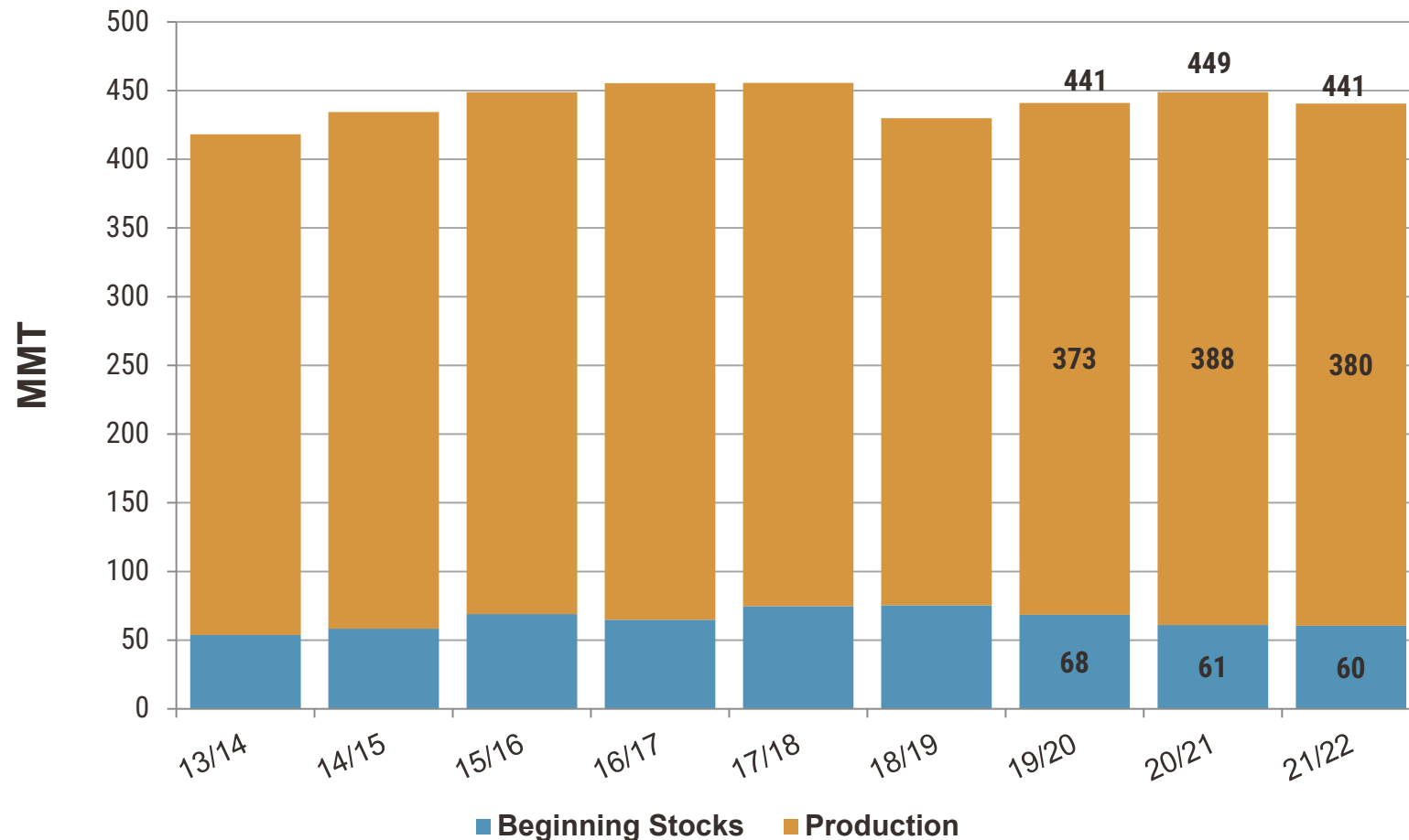
U.S. wheat farm gate price to increase from last year

- Global wheat prices for nearly all major exporters were up, quotes for Canadian wheat were the largest at \$22/MT
- The average farm gate price of U.S. wheat in 2021/22 is forecast to increase \$0.15 per bushel to \$7.30/bu (\$268.20/MT)

World Production and Use



Supplies in Top Exporting Countries*



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

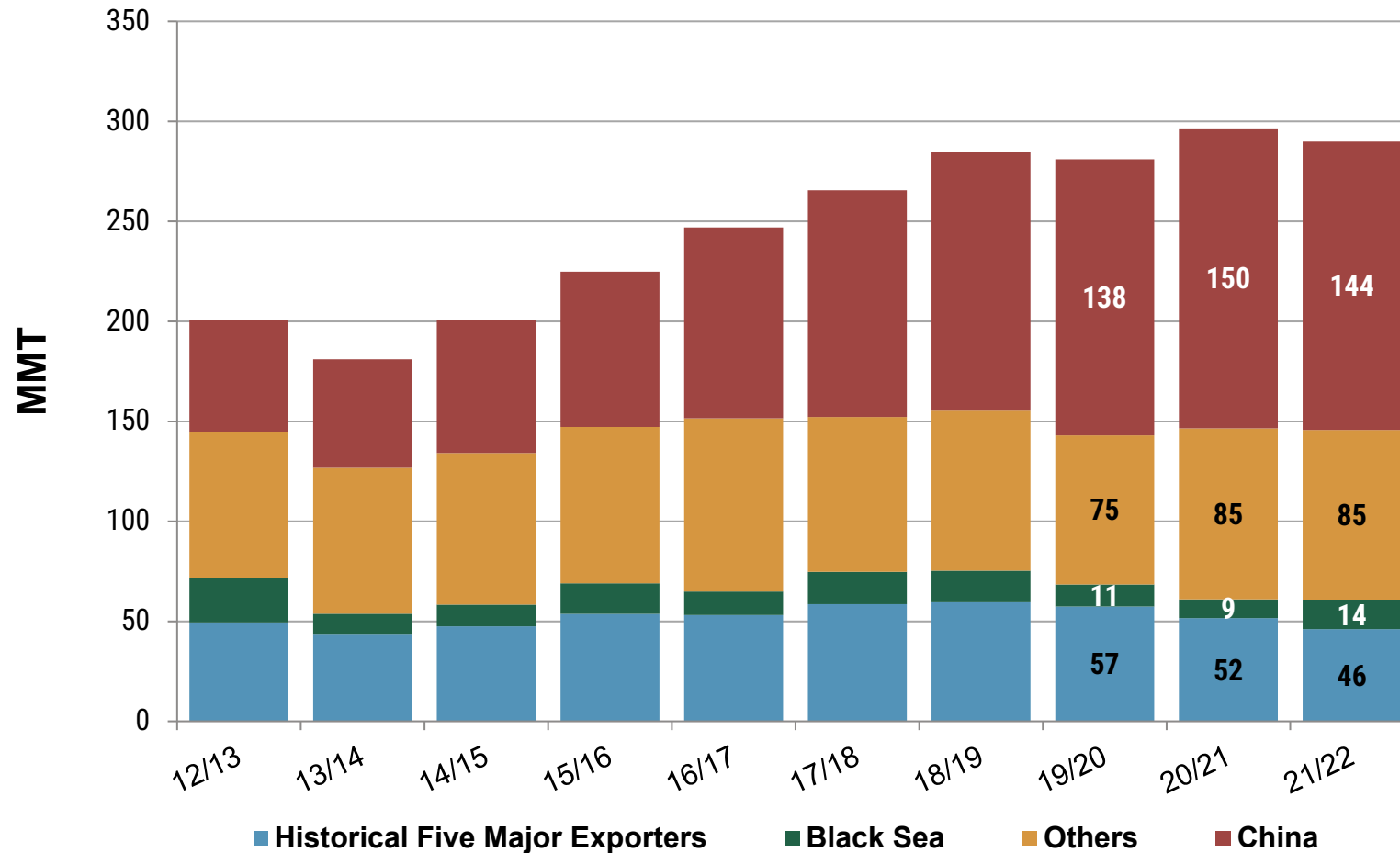


World Wheat Supply and Demand (MMT)

	<u>19/20</u>	-	<u>20/21</u>	-	<u>21/22</u>
SUPPLY:					
Beginning Stocks	281		297		290
Production	762		776		776
Supply Total	1043		1072		1066
Ending Stocks	297		290		278
TRADE:					
Exports/Imports	194		203		207
DEMAND:					
Food & Seed	607		625		627
Feed & Residual	140		158		161
Use Total	747		783		788



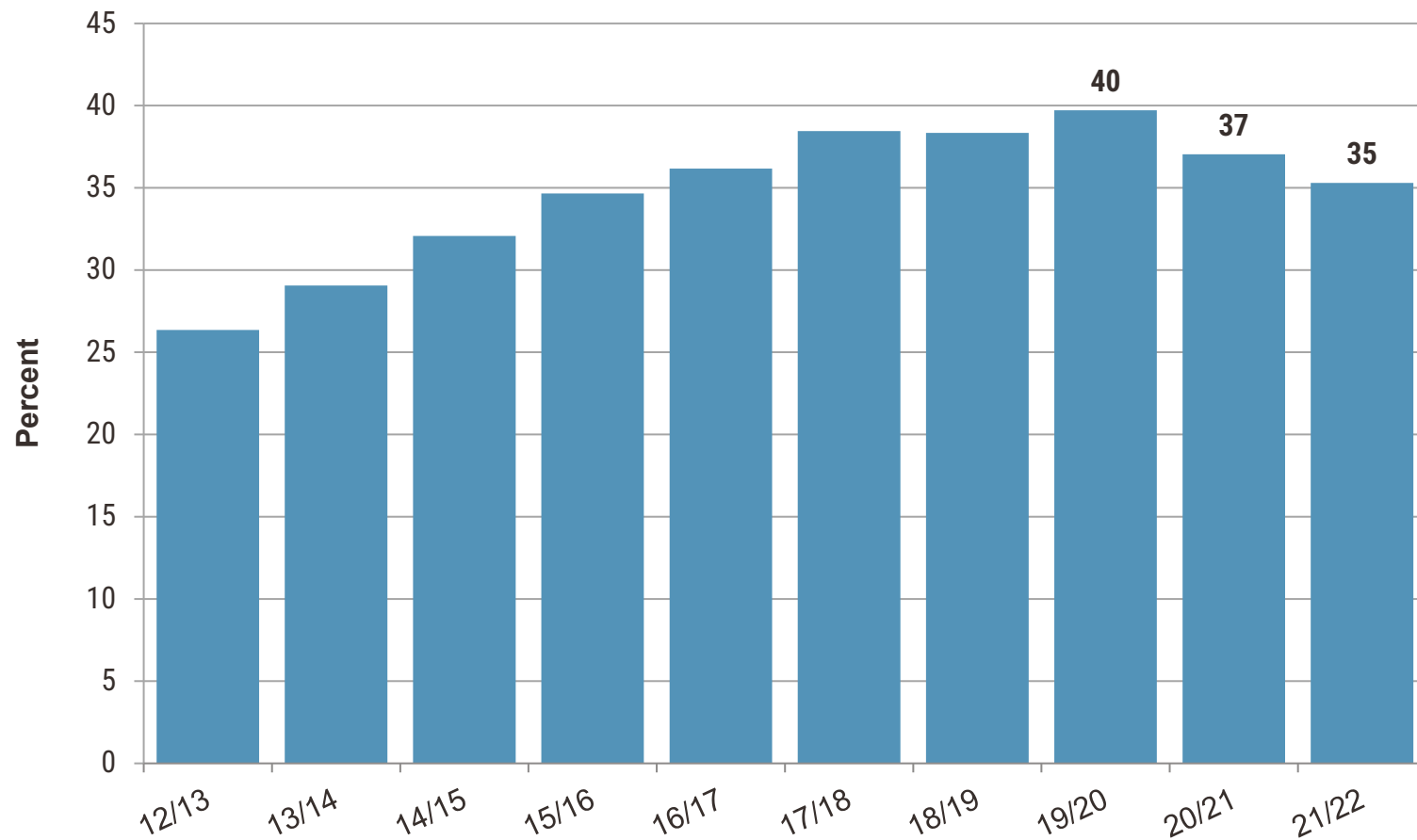
World Beginning Stocks



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



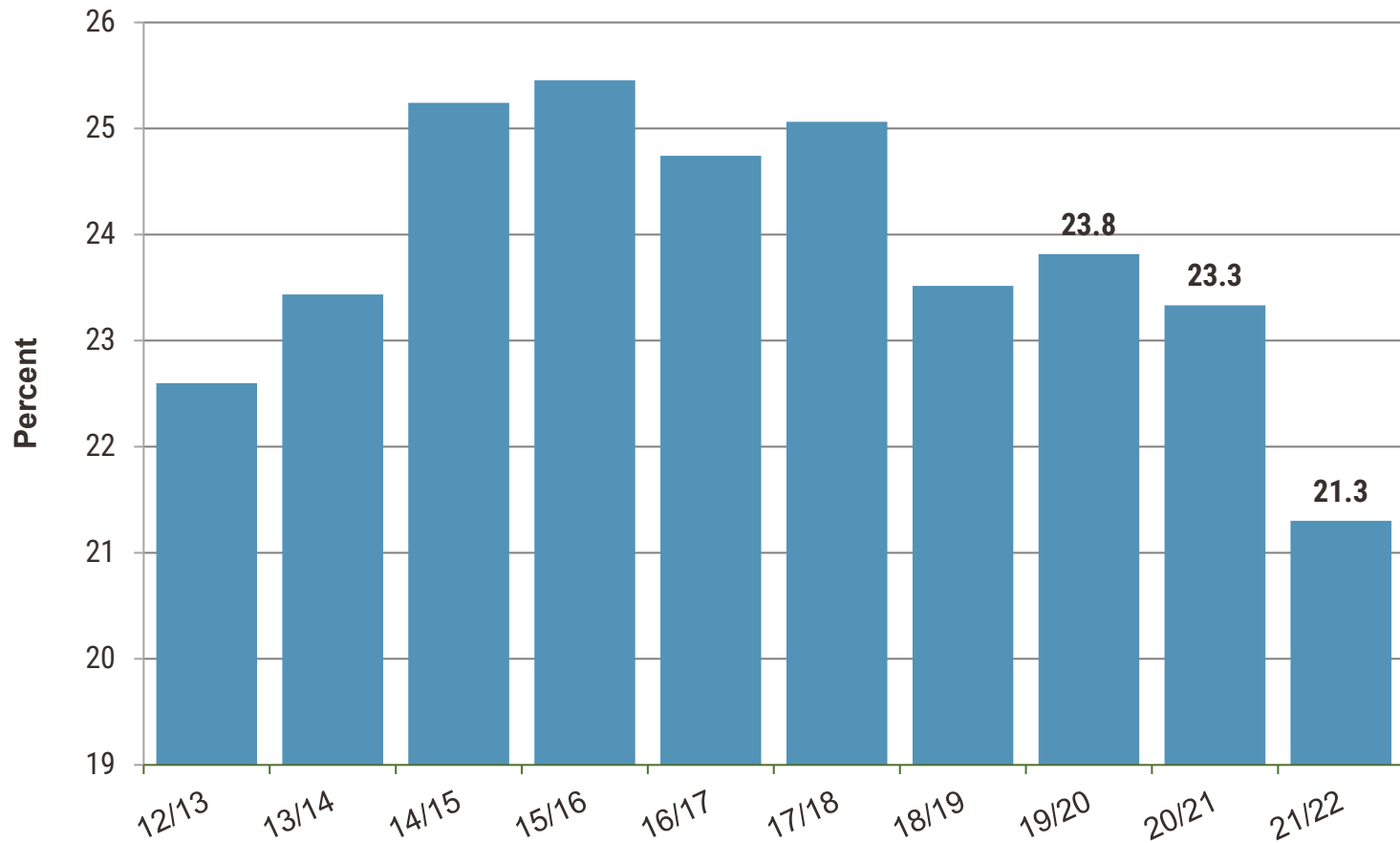
Global Stocks*-to-Use Ratio



*Ending stocks



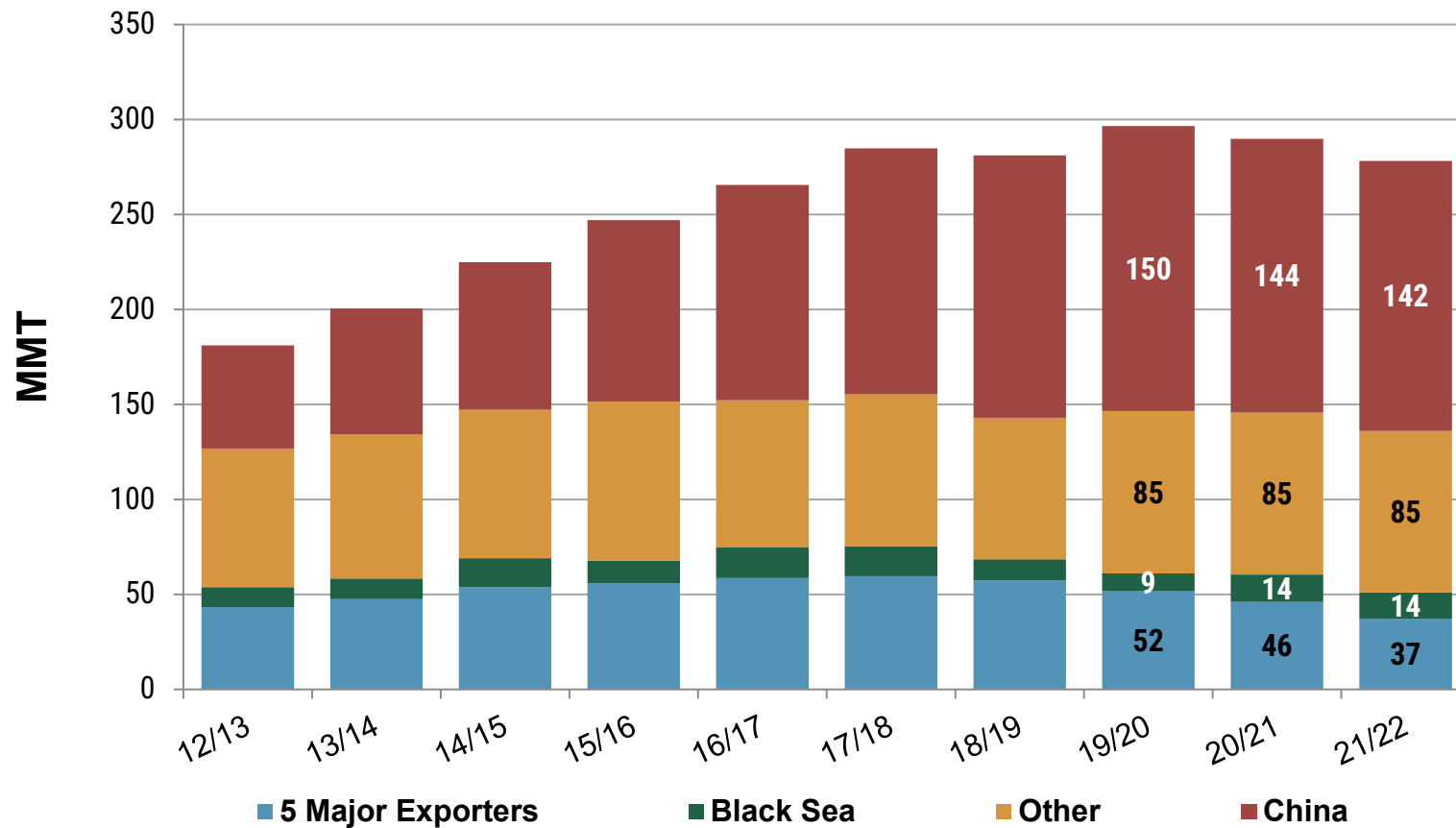
Global Stocks*-to-Use Ratio w/o China



*Ending stocks

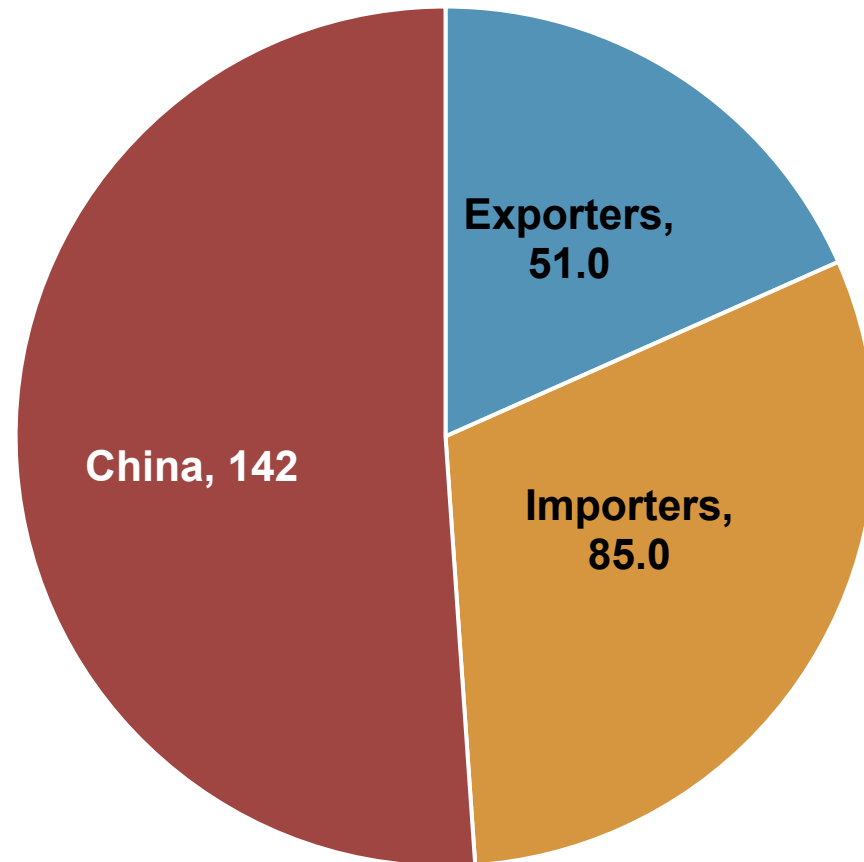


World Ending Stocks

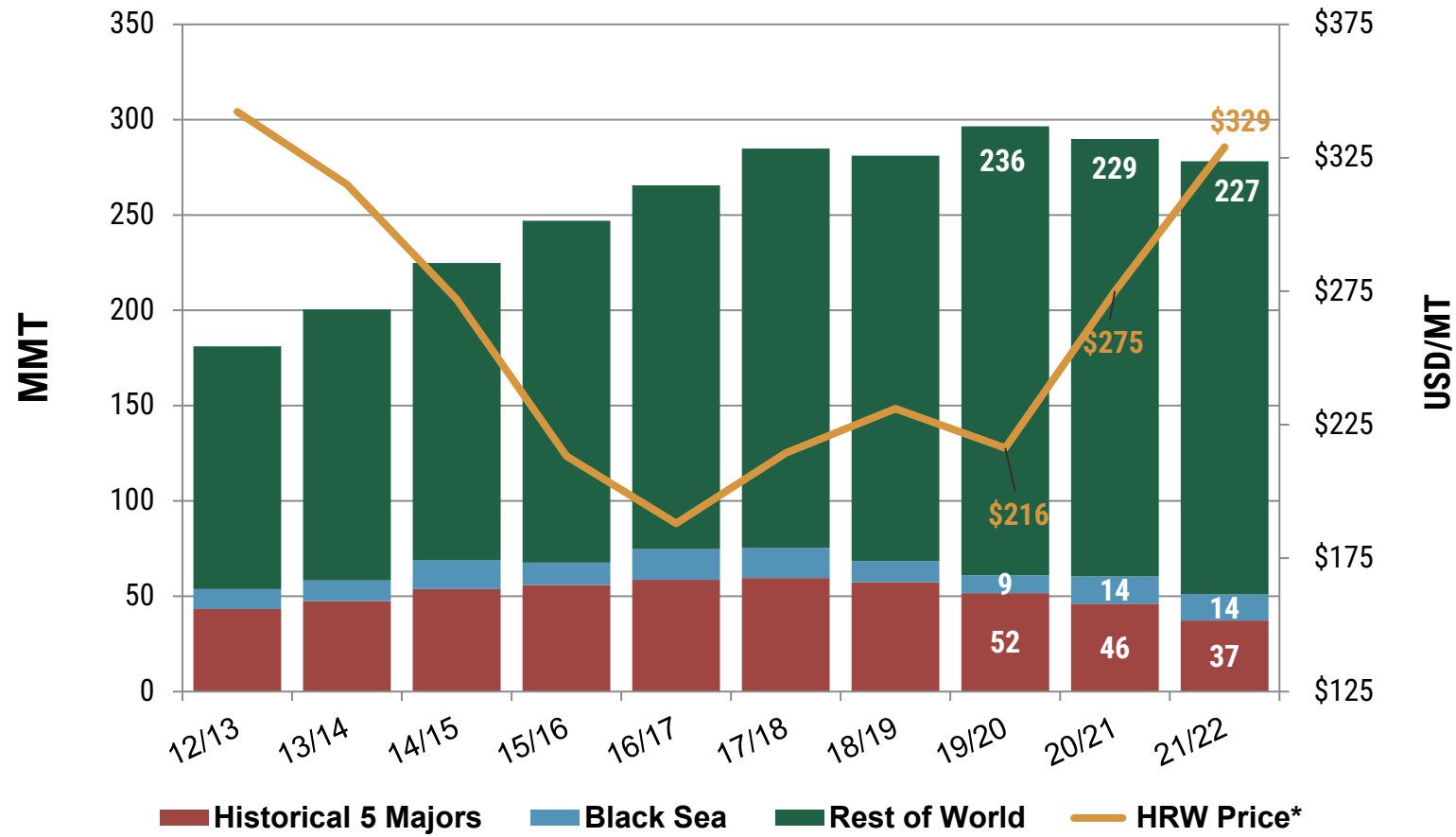


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World Ending Stocks by Position (MMT)



Global Ending Stocks and Price



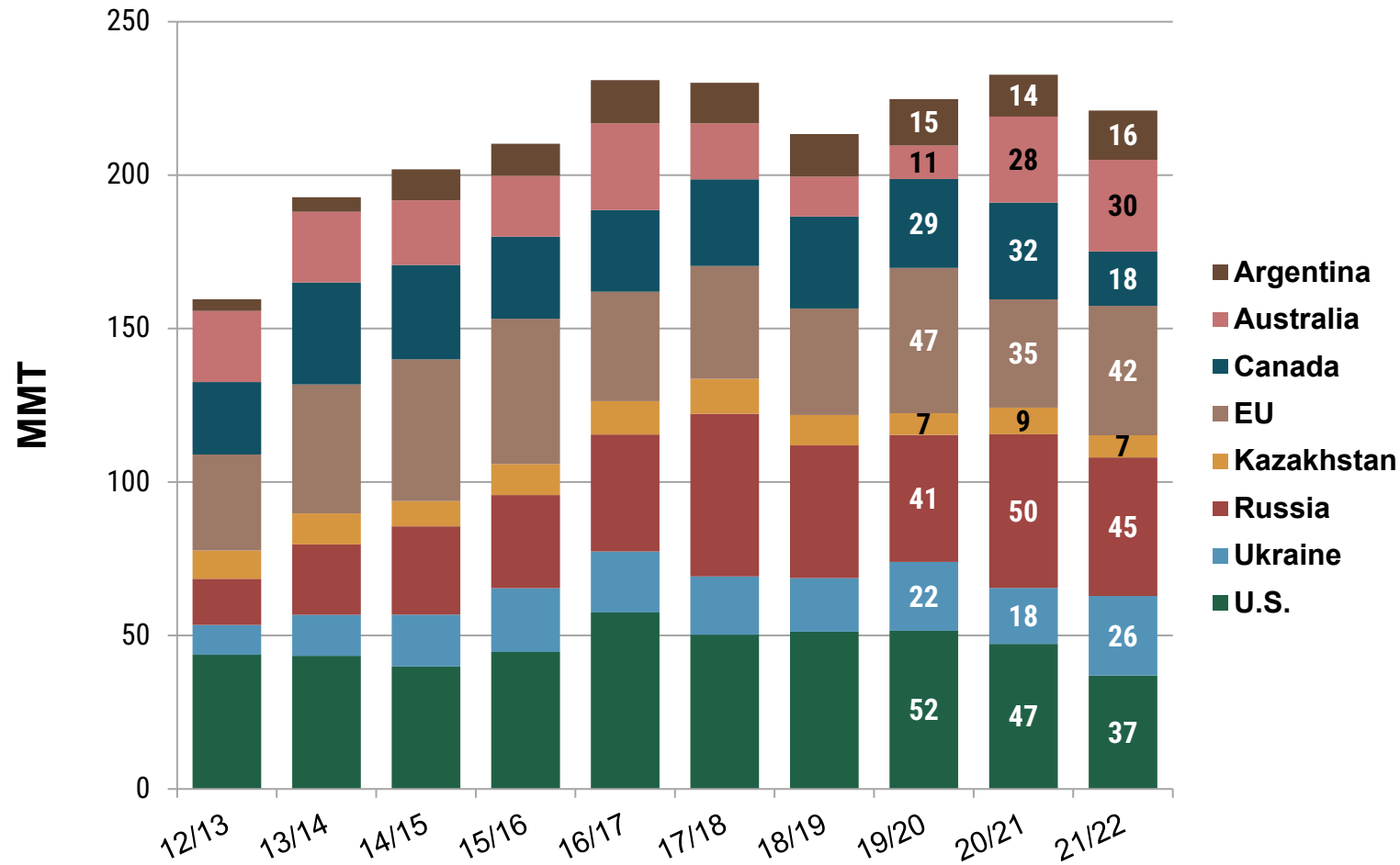
*Source: U.S. Wheat Associates Price Report, February 4, 2022



01

Major Exporters

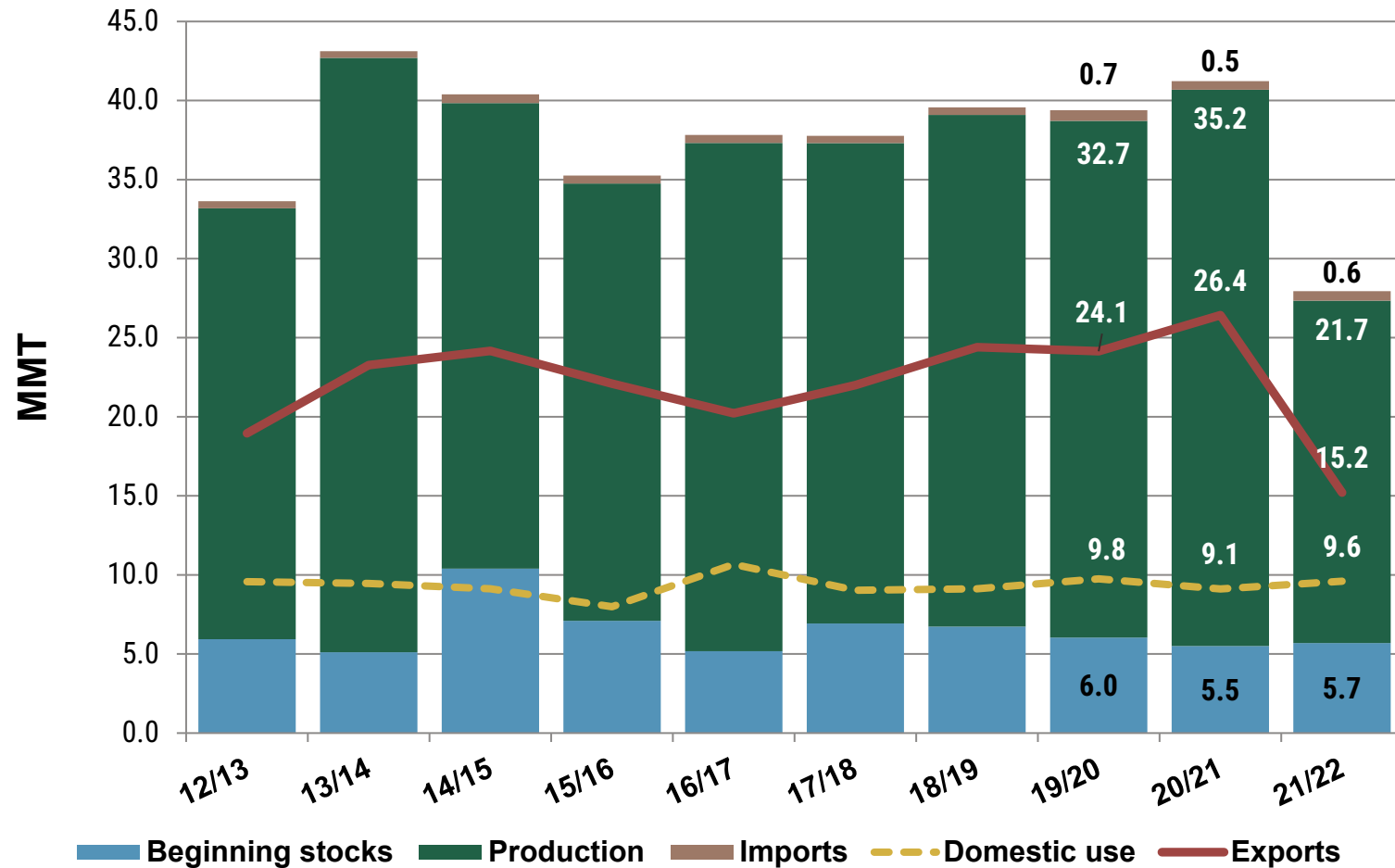
Exportable Supplies in Top Exporting Countries



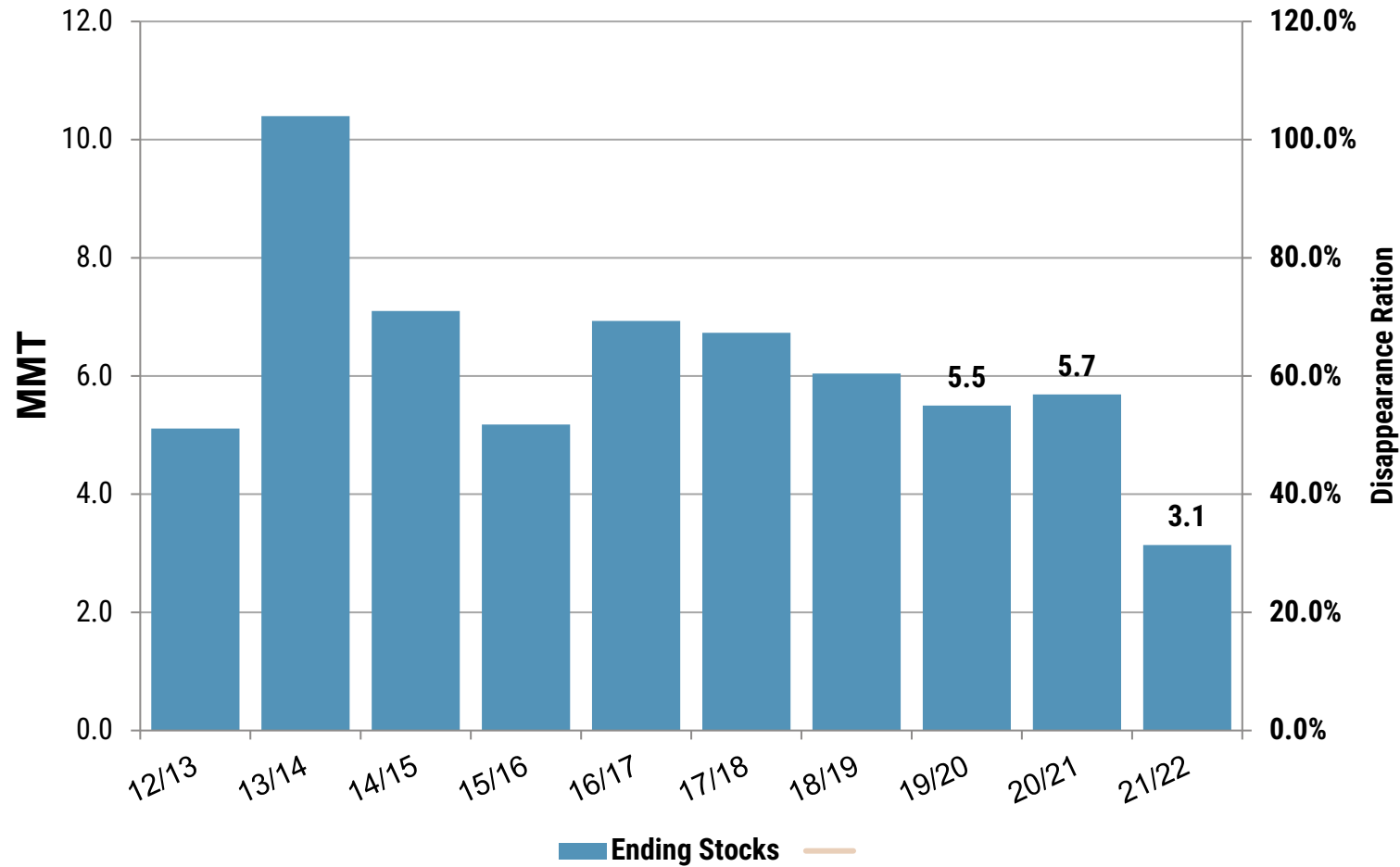
*Exportable Supplies = (Beginning Stocks + Production) – Domestic Consumption



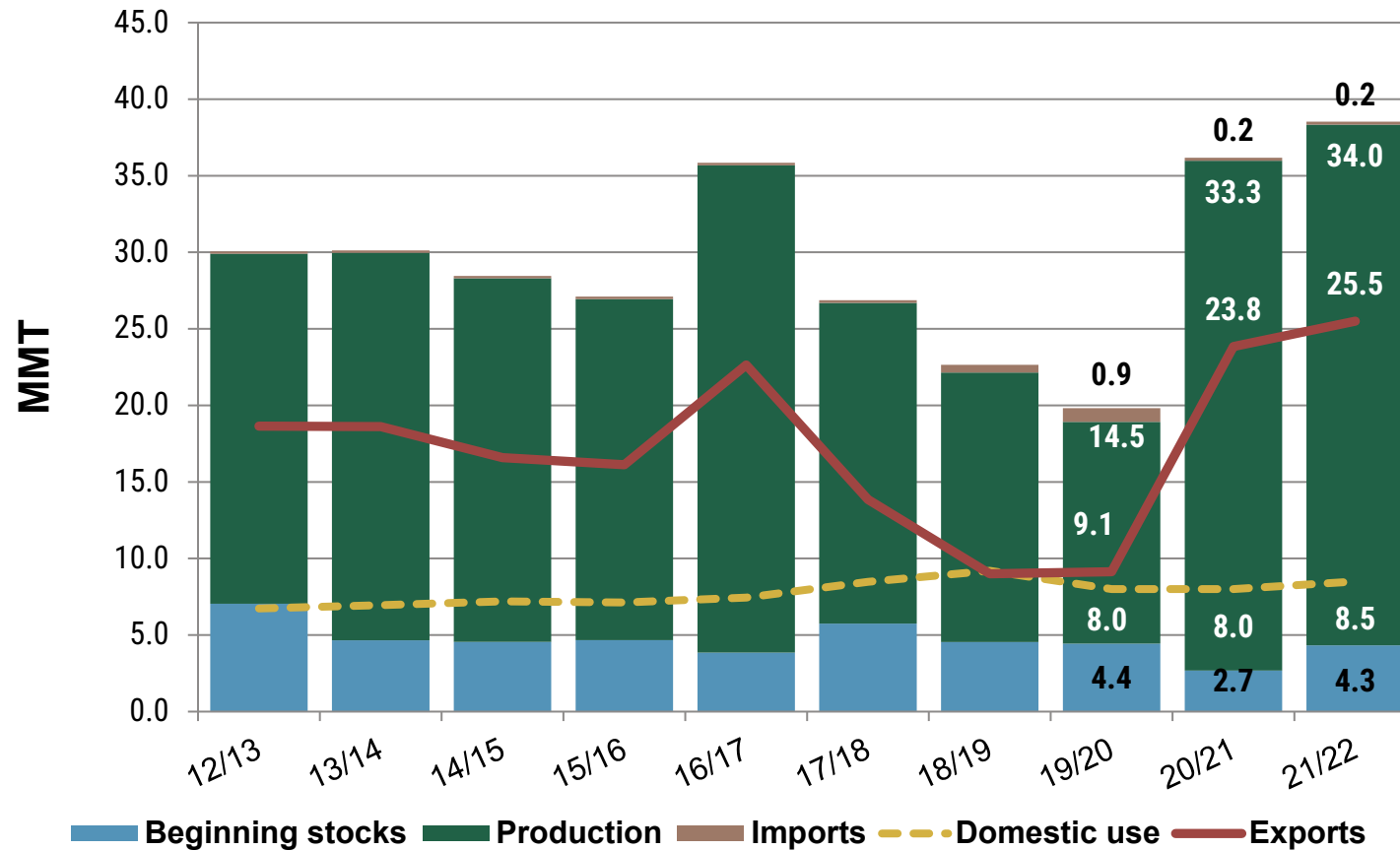
Canada Situation



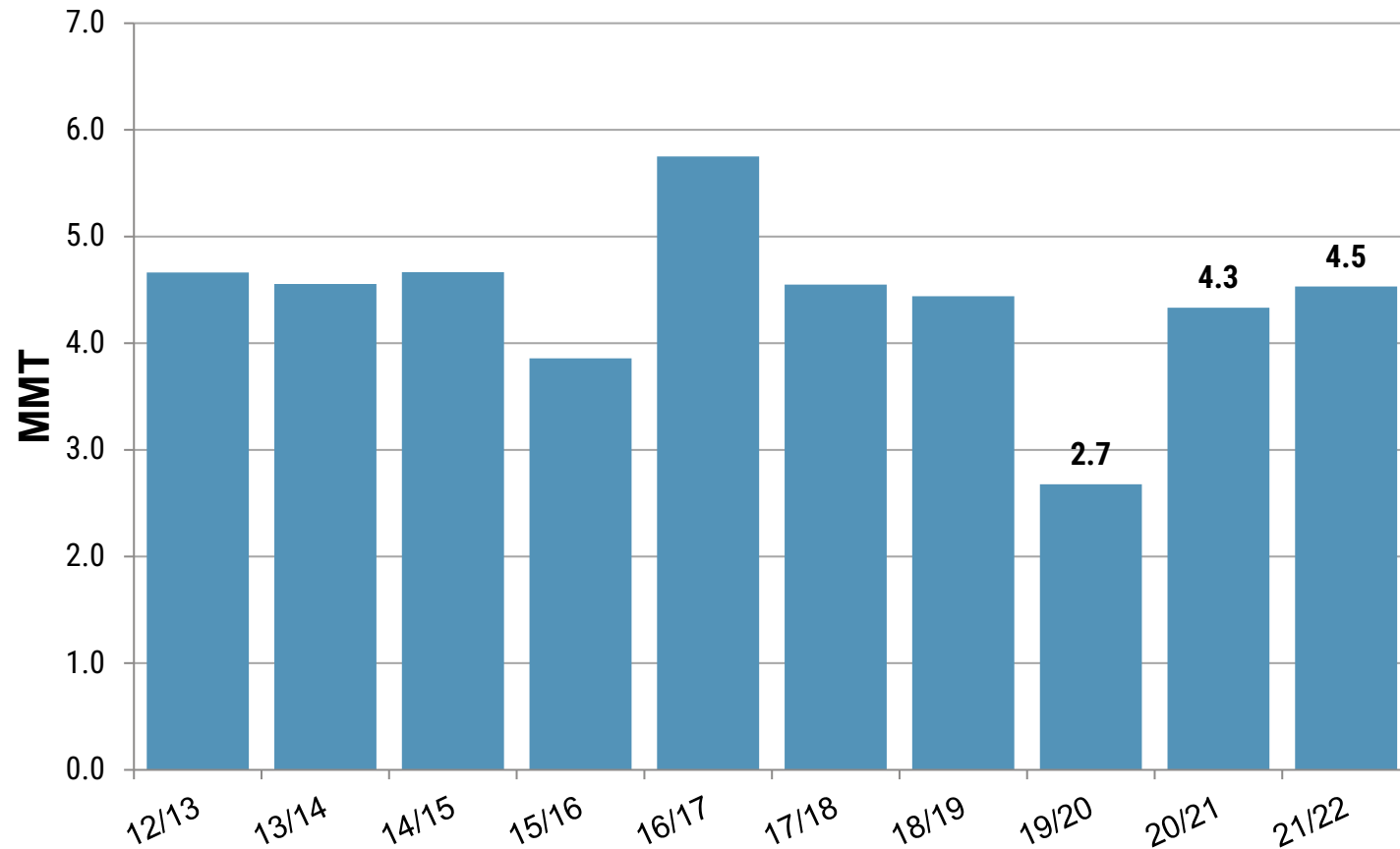
Canada Ending Stocks



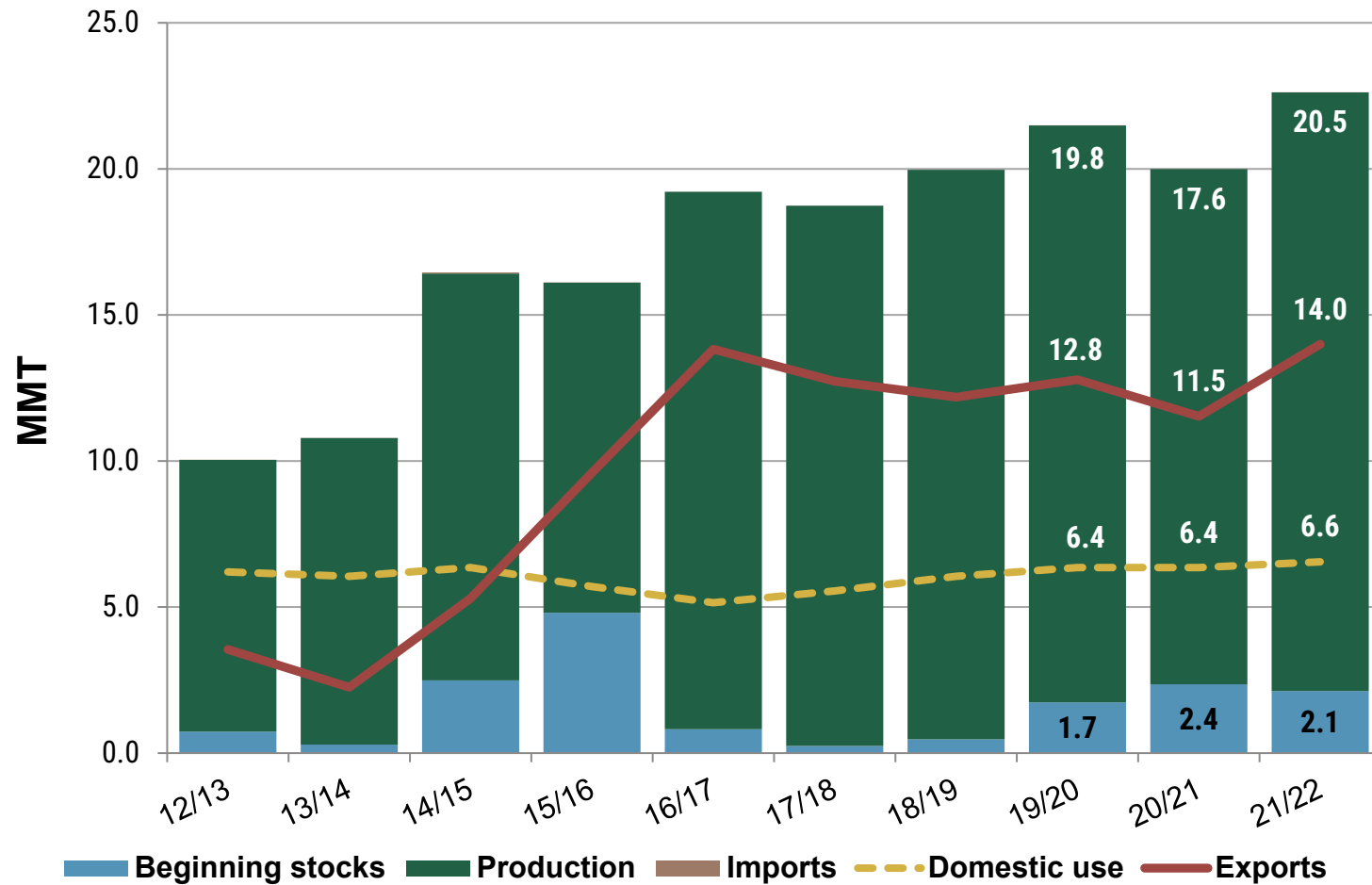
Australia Situation



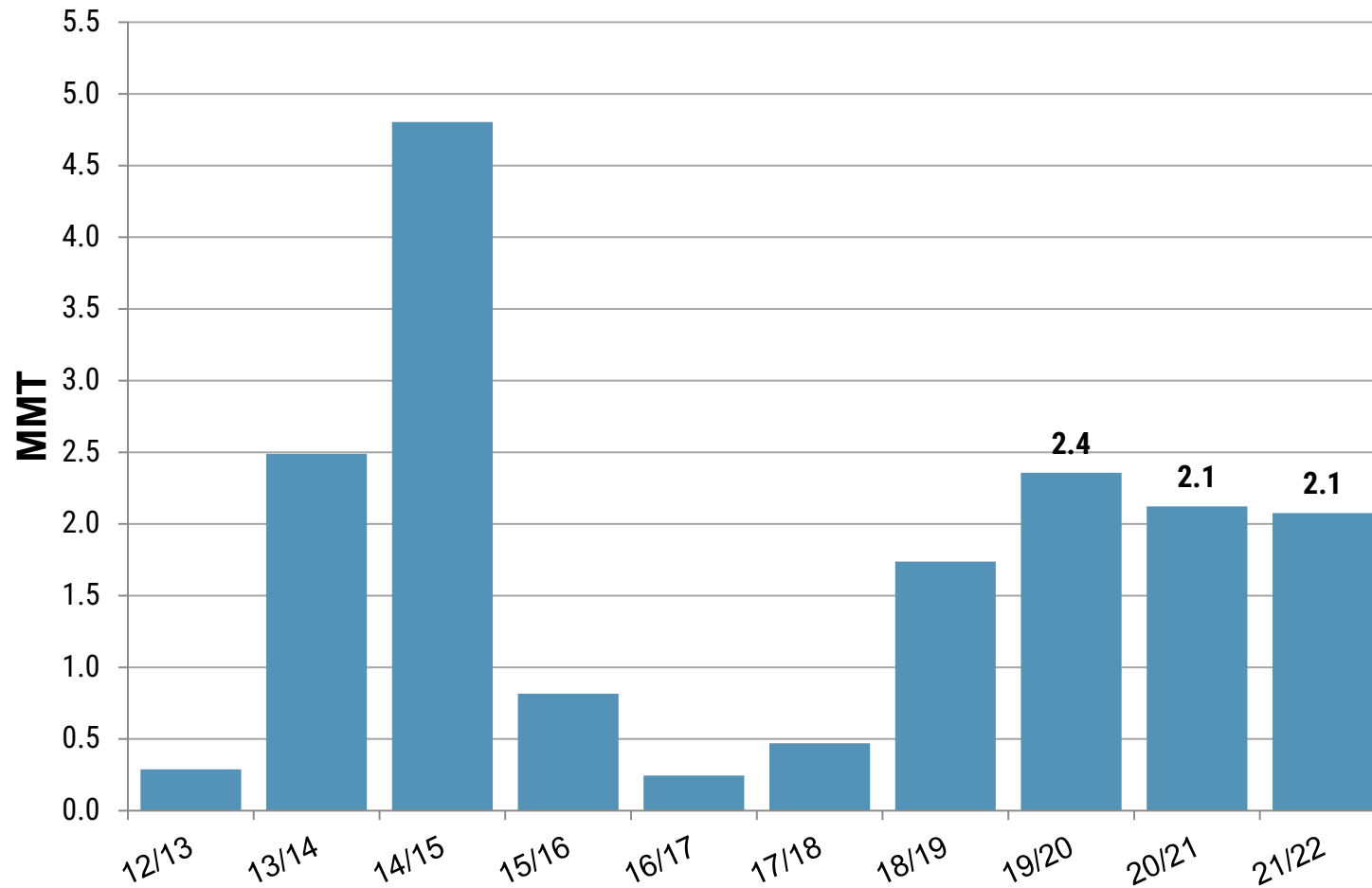
Australia Ending Stocks



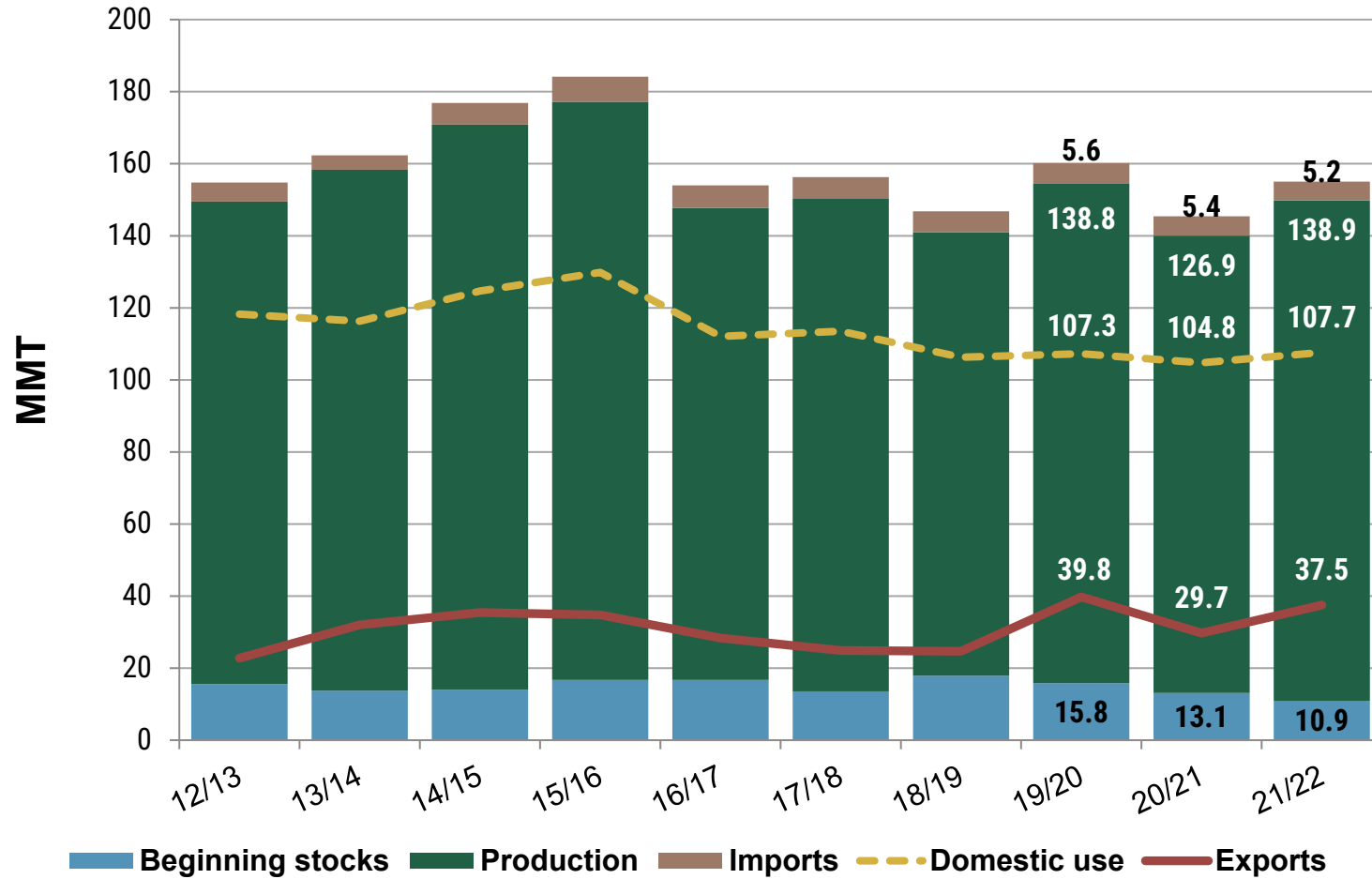
Argentina Situation



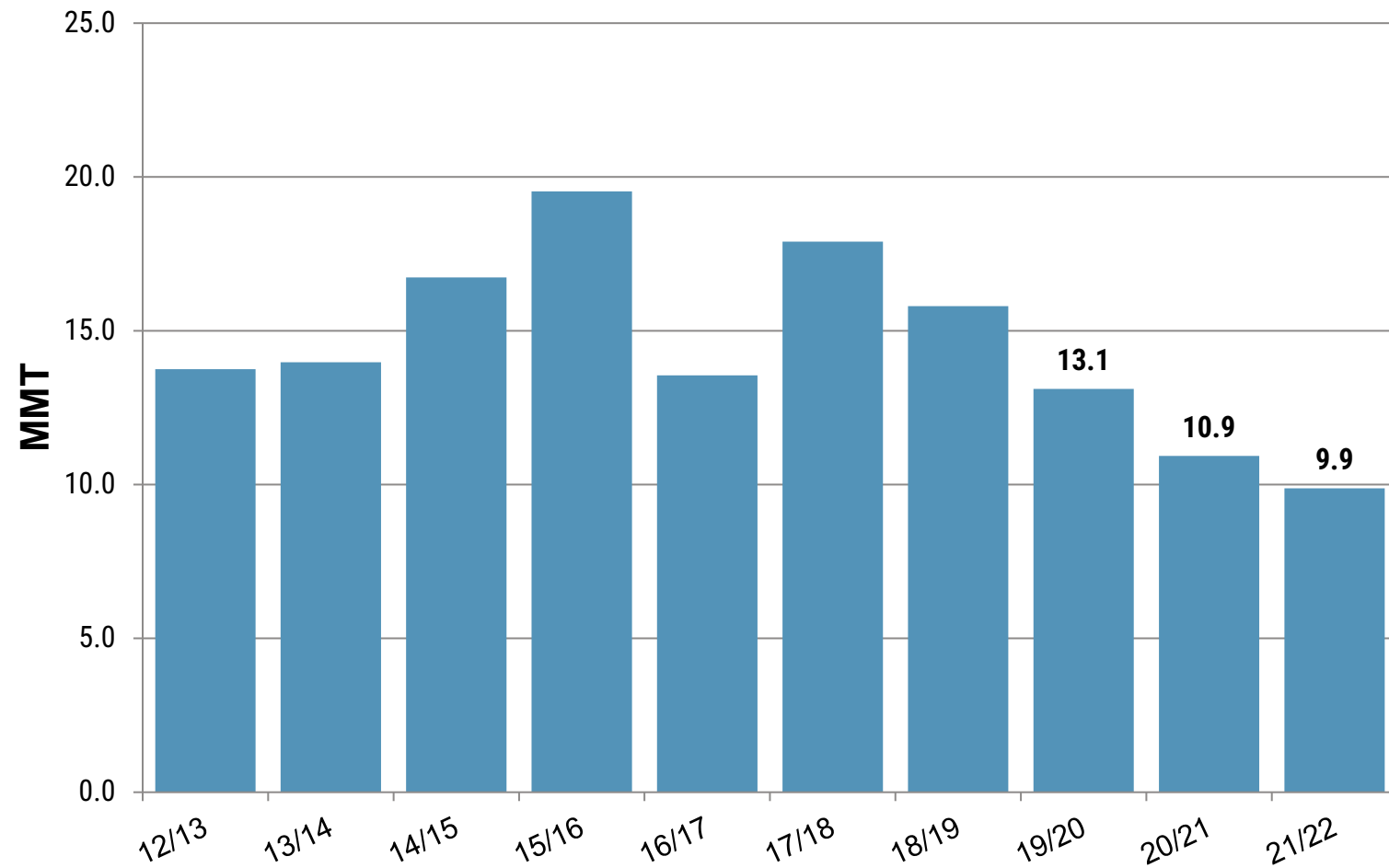
Argentina Ending Stocks



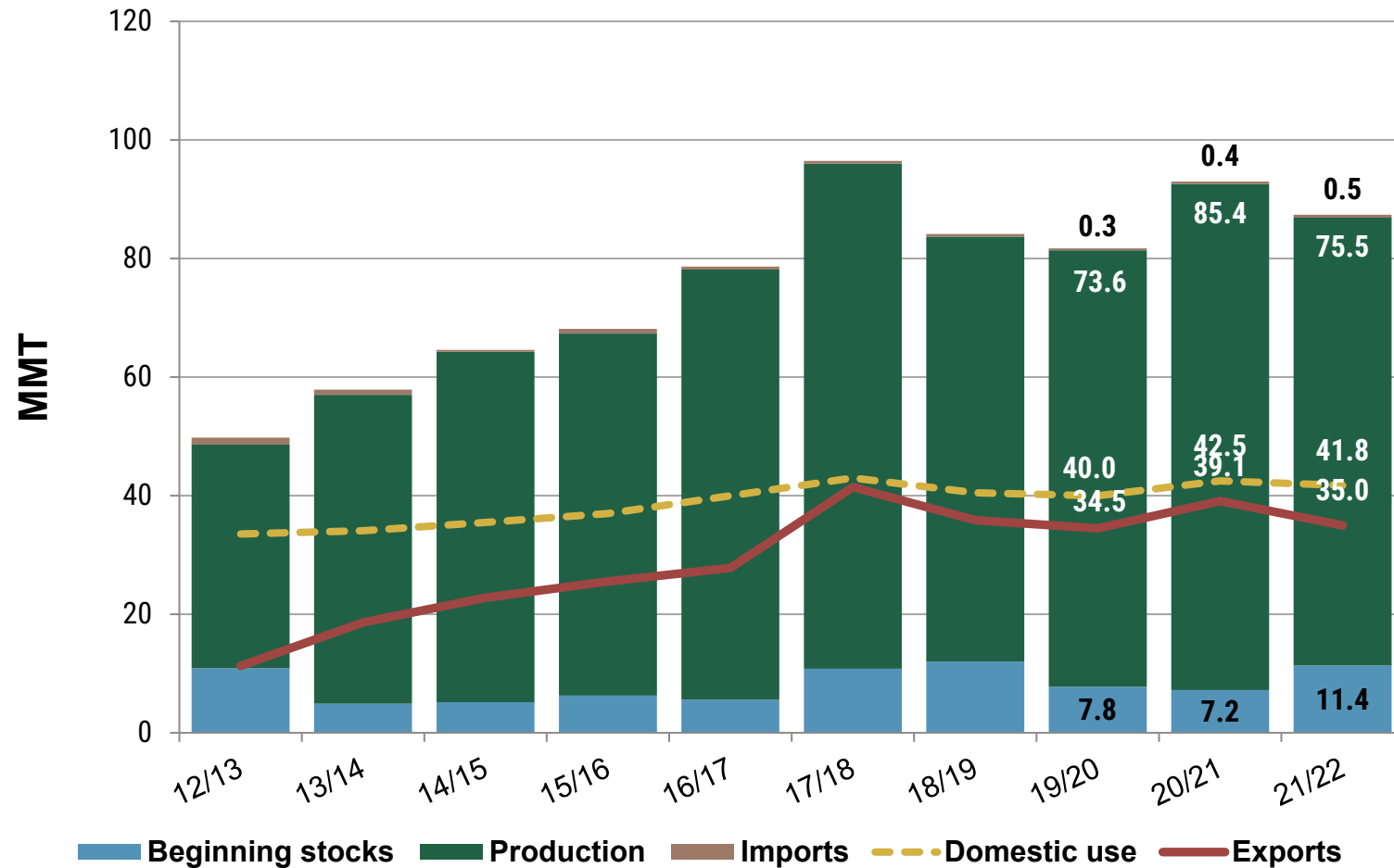
EU Situation



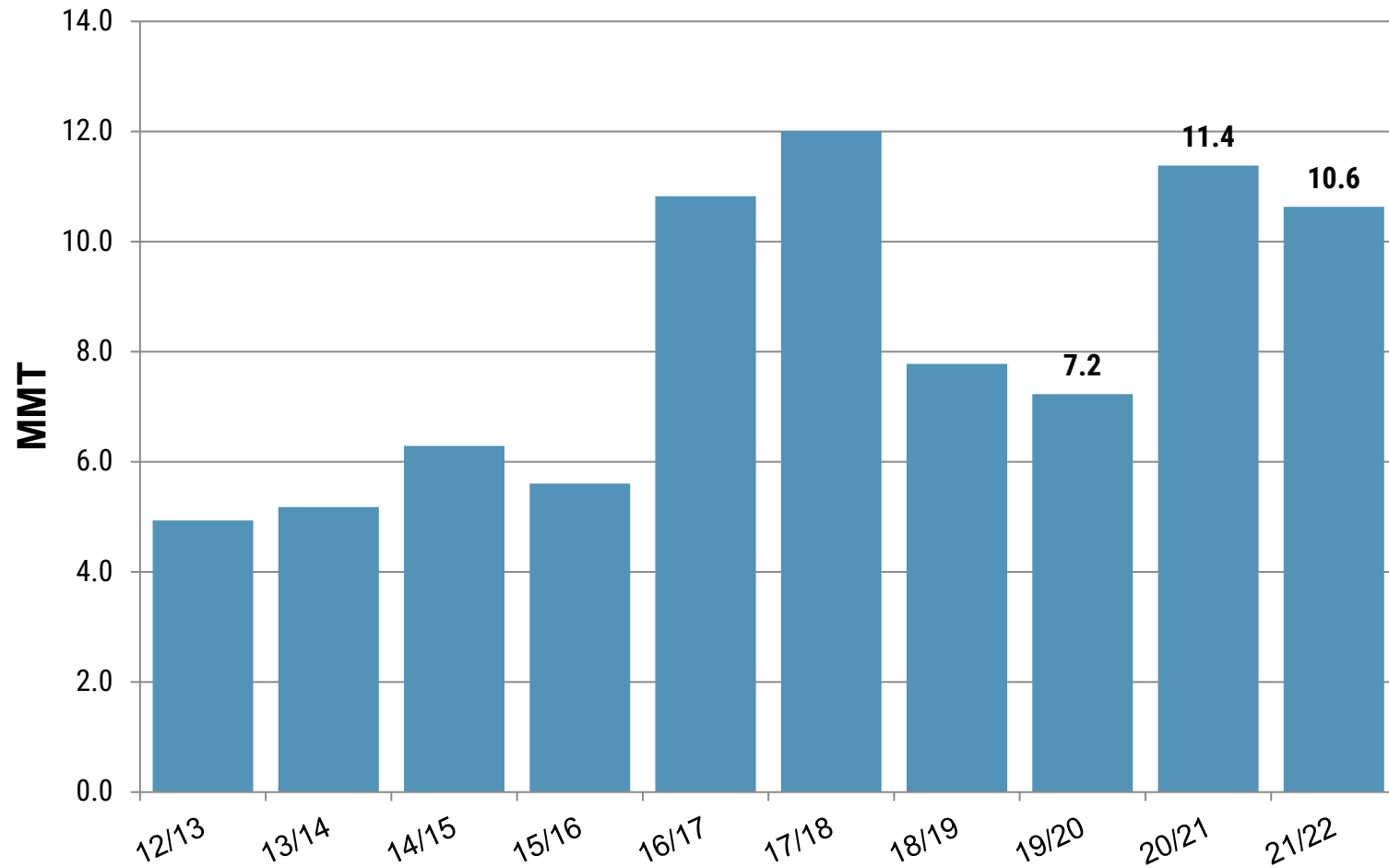
EU Ending Stocks



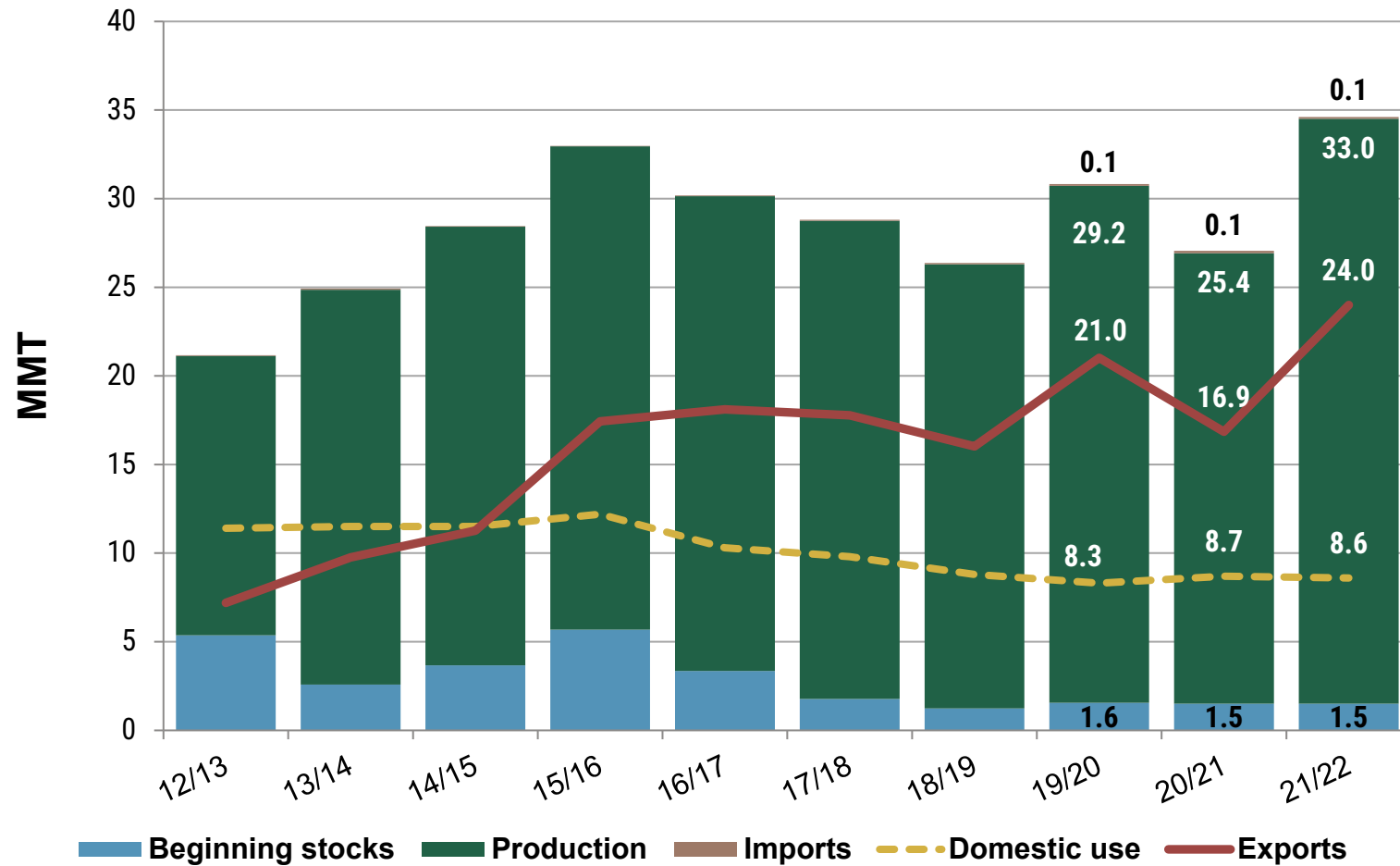
Russia Situation



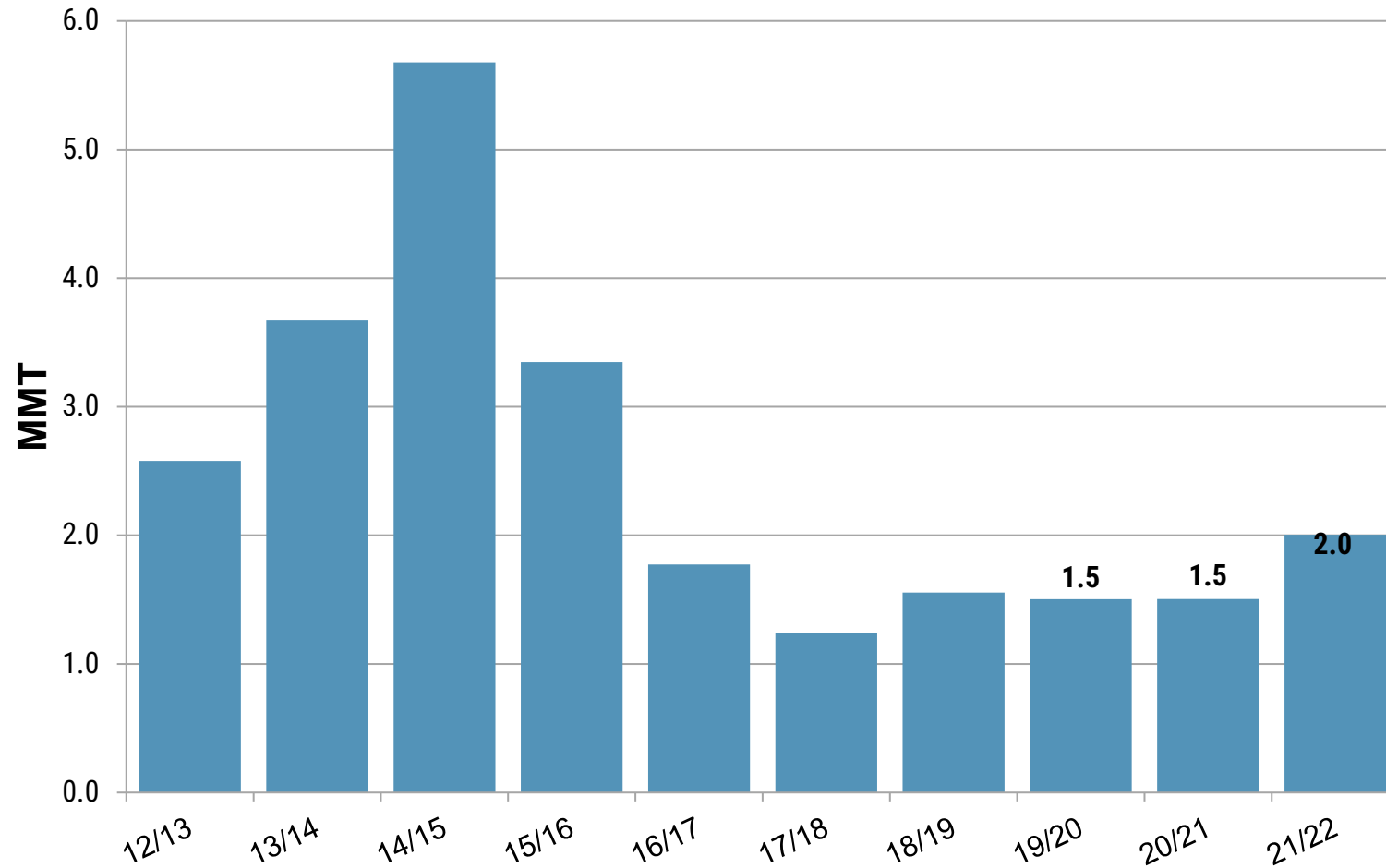
Russia Ending Stocks



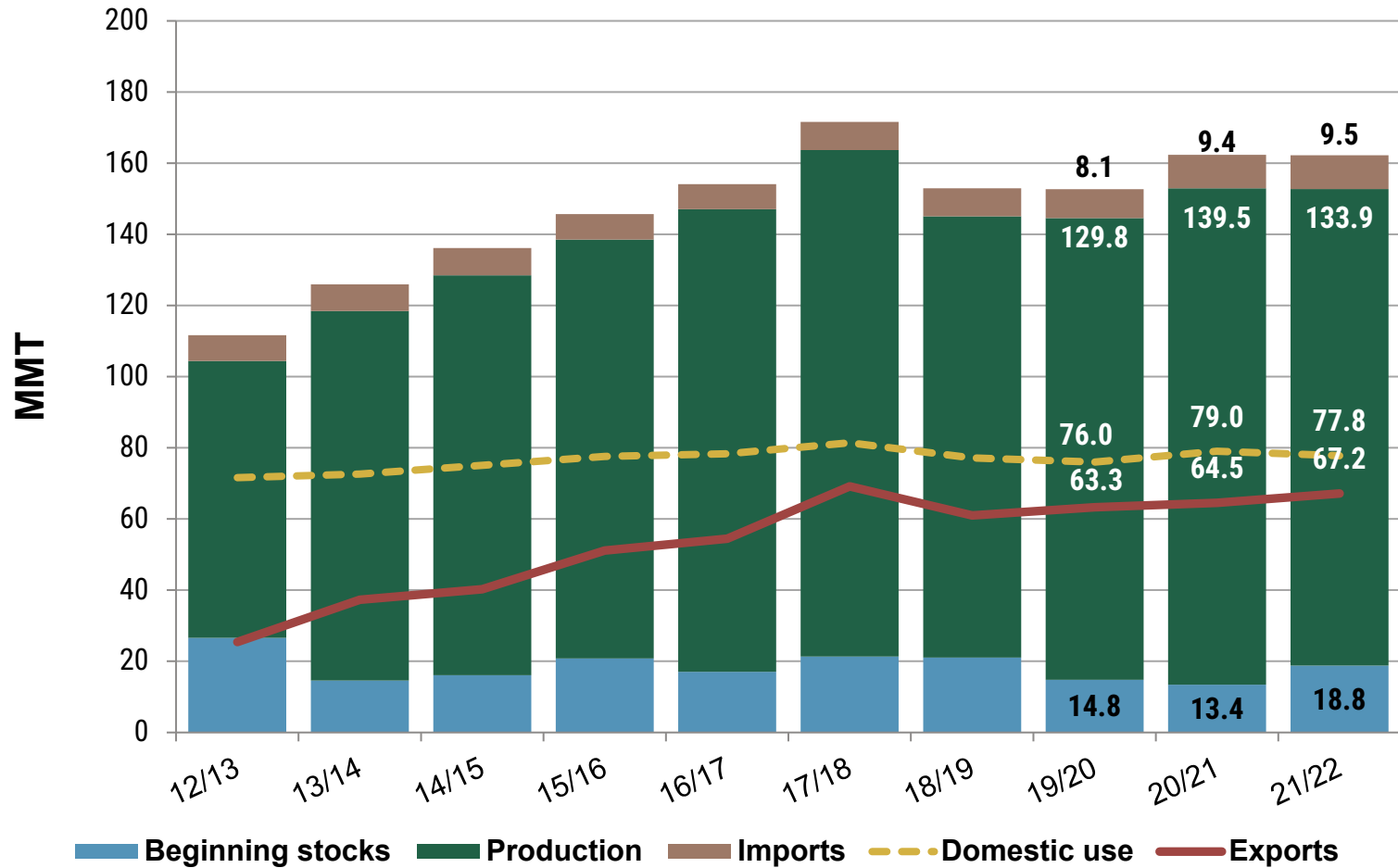
Ukraine Situation



Ukraine Ending Stocks



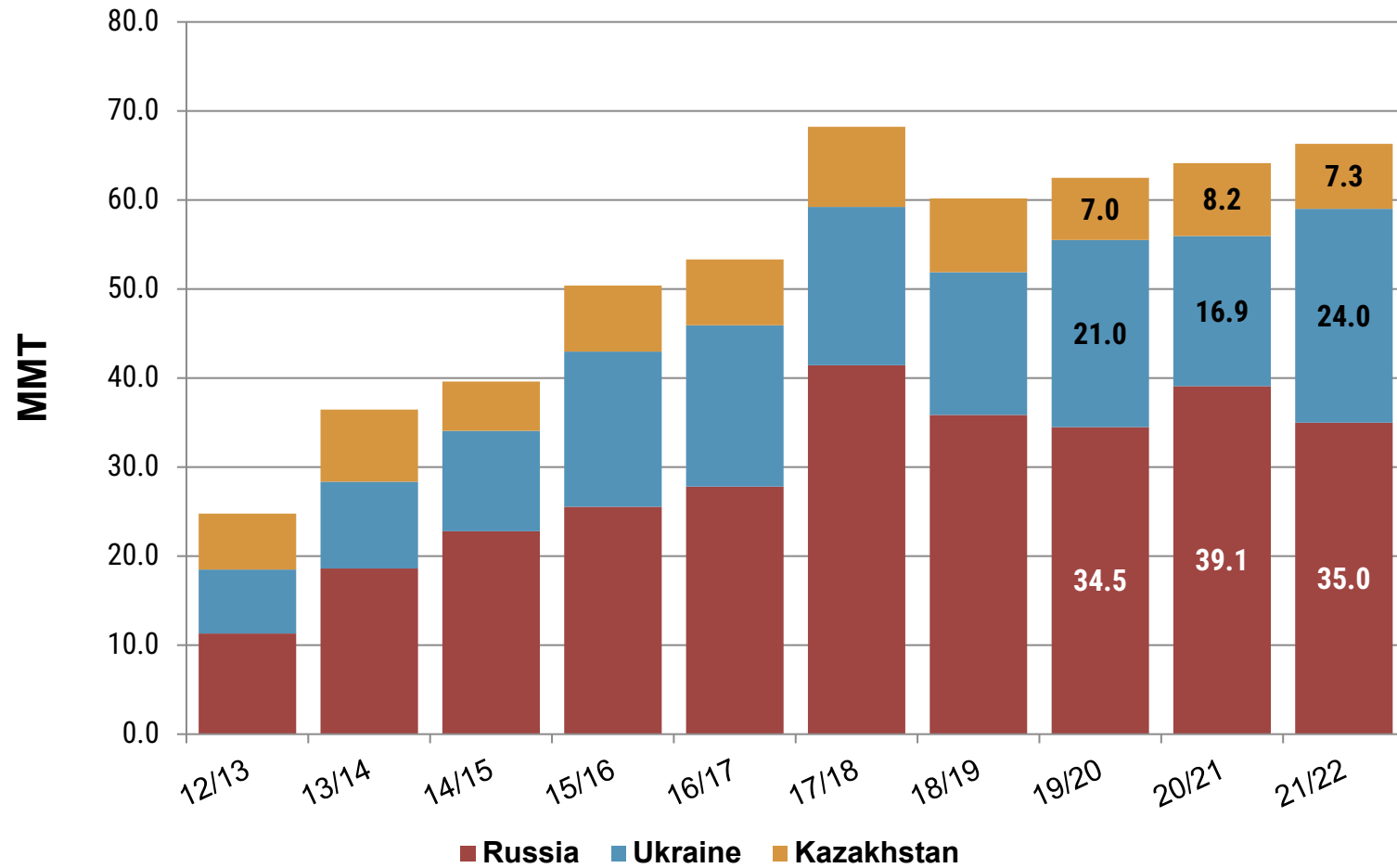
Black Sea Region Situation



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



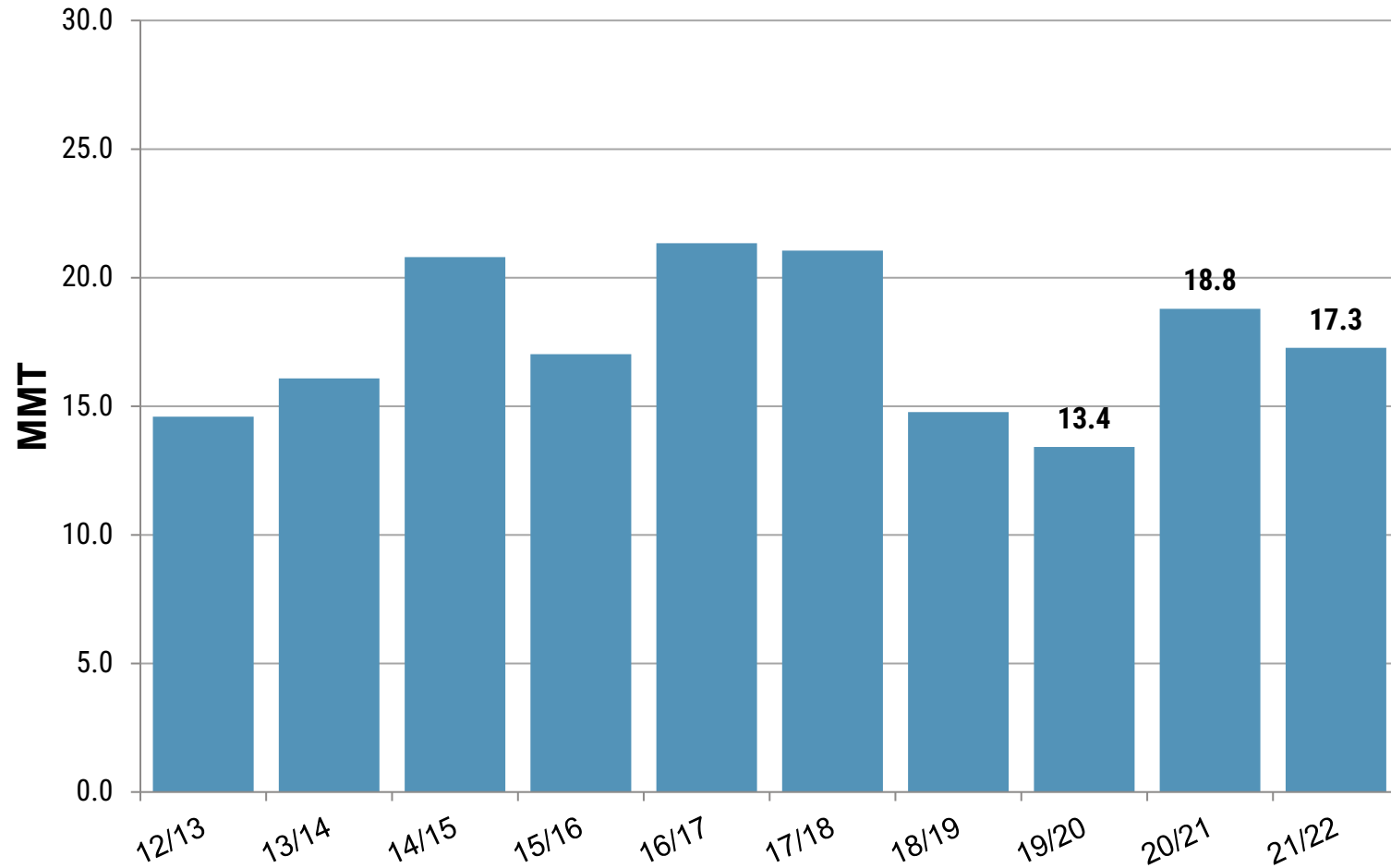
Black Sea Exports



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



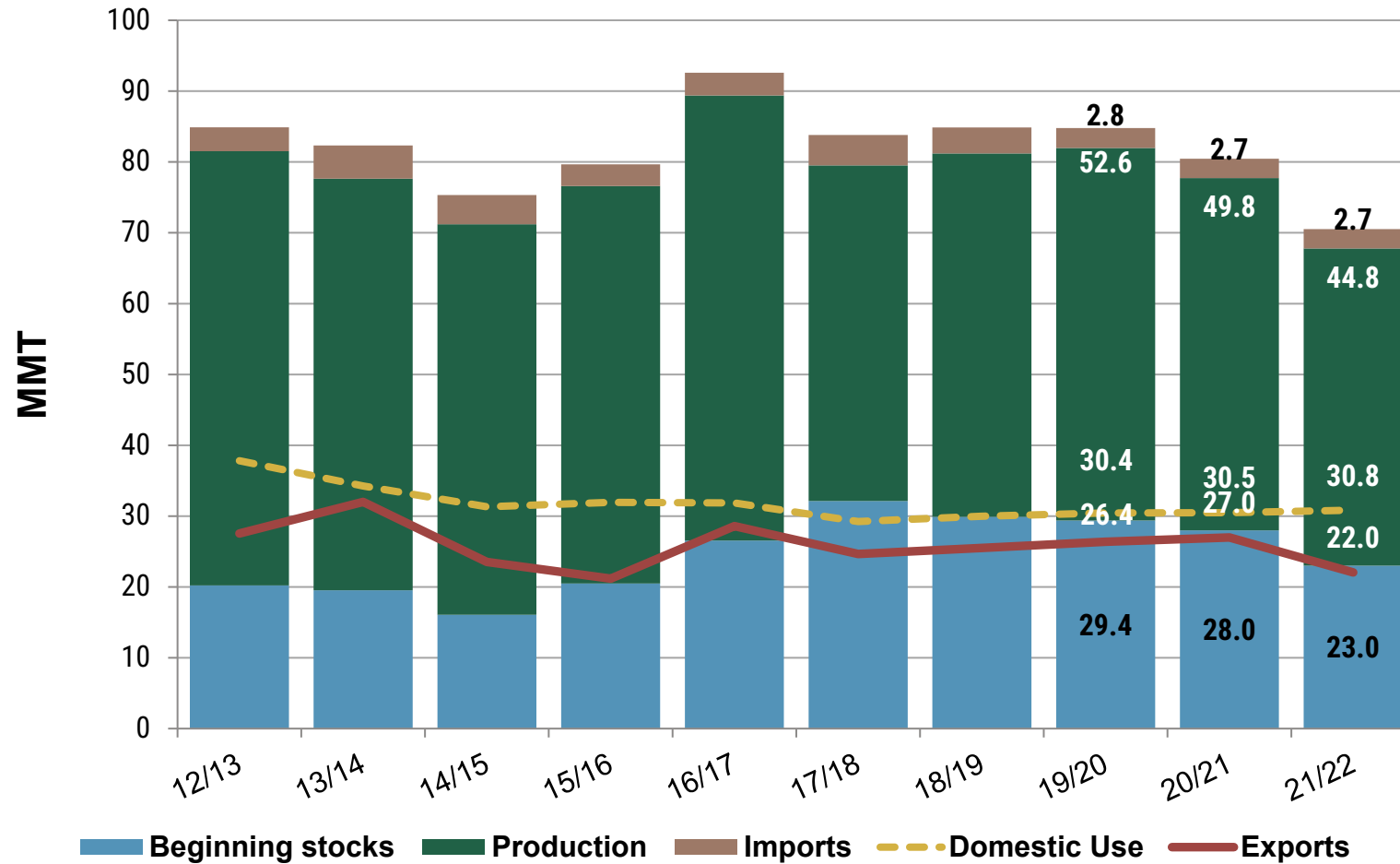
Black Sea Ending Stocks



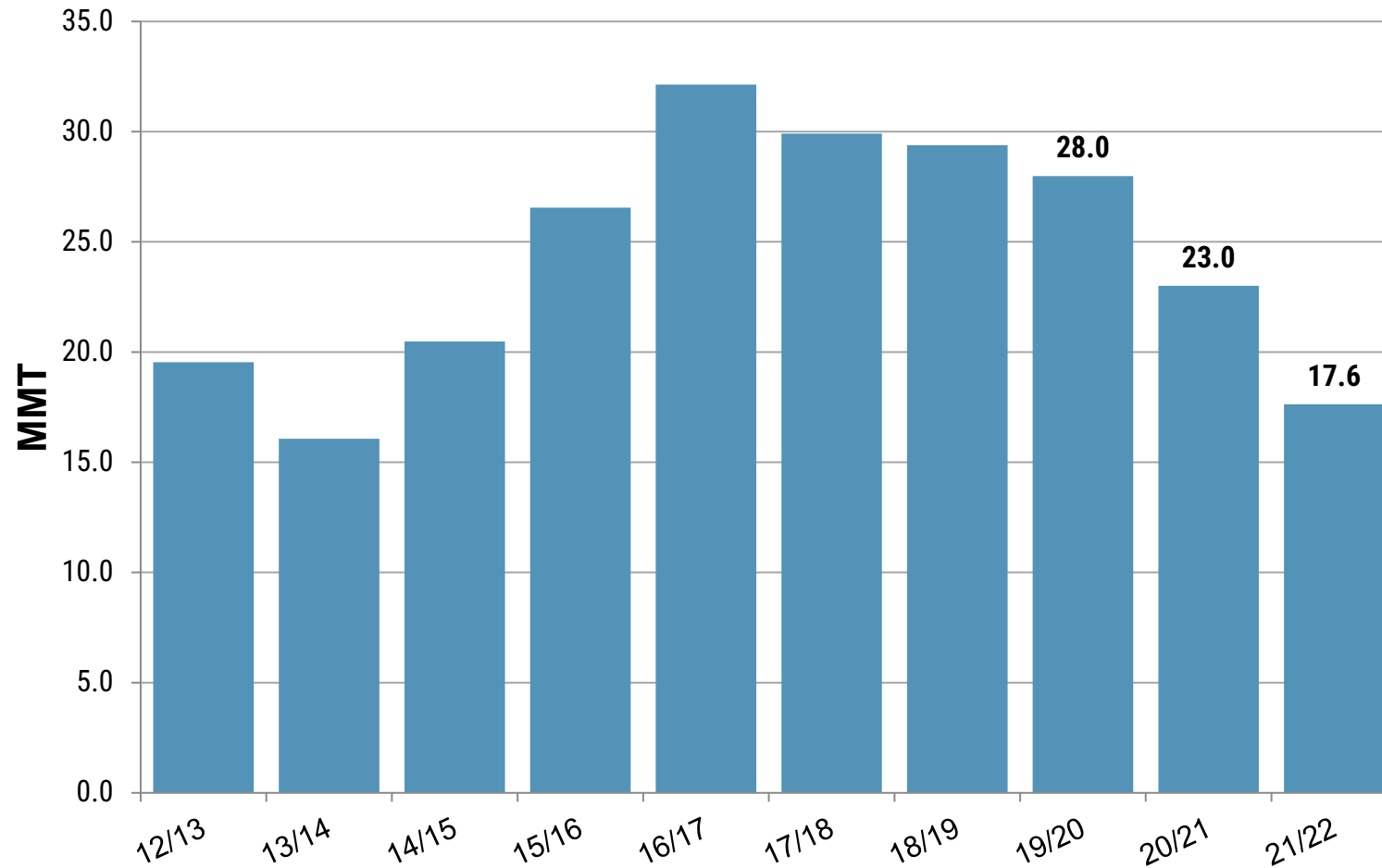
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U.S. Situation



U.S. Ending Stocks

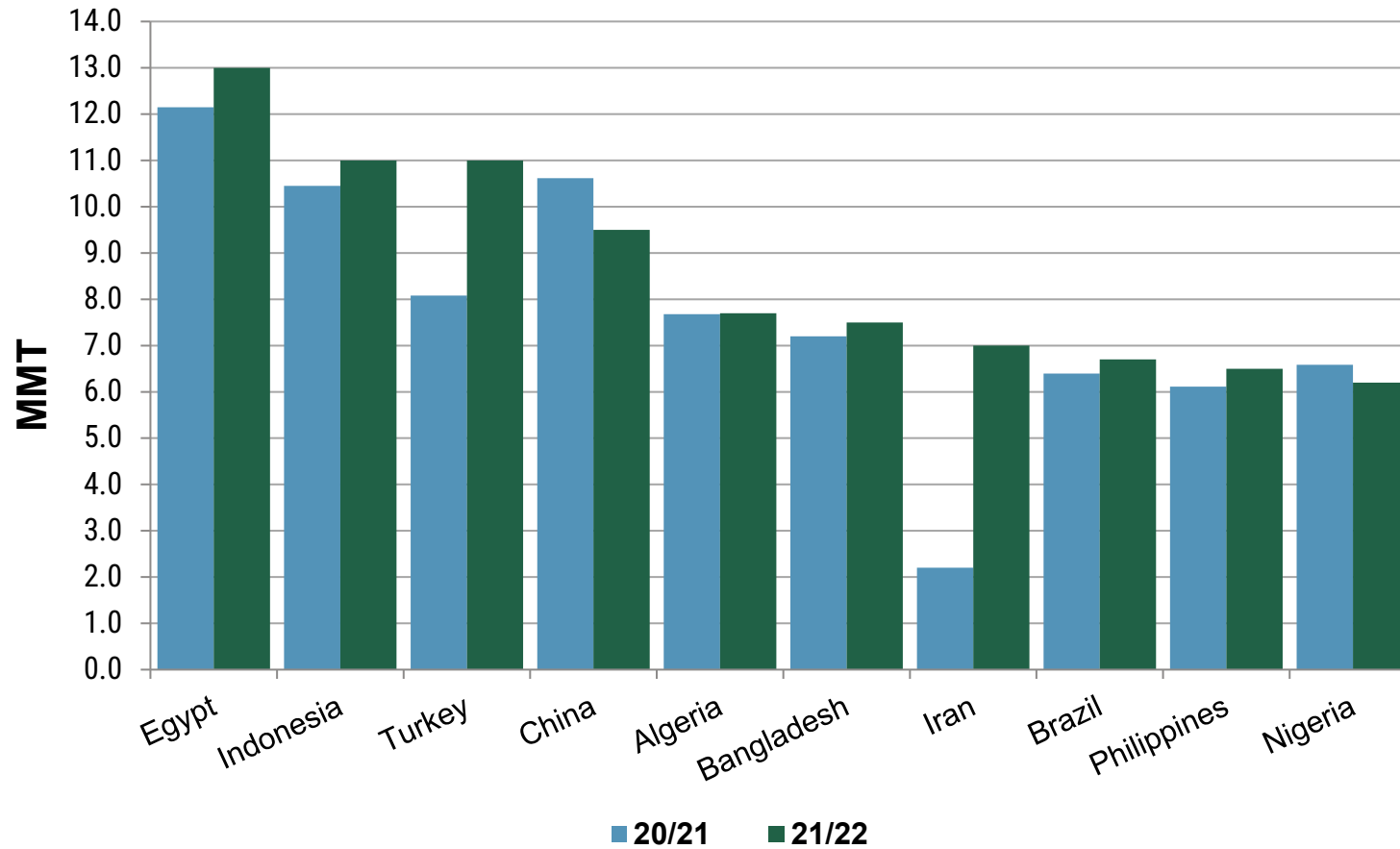




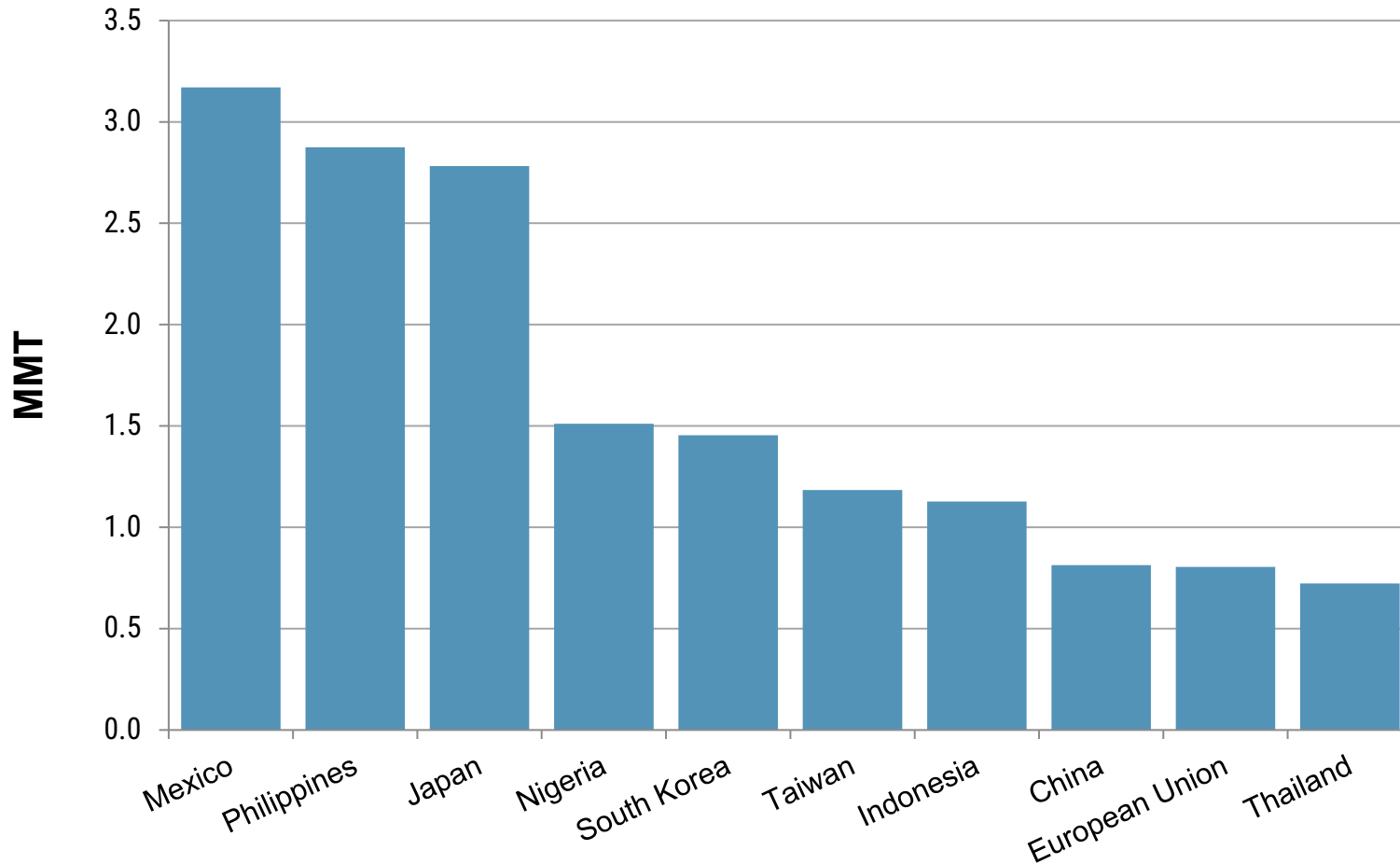
02

Import Demand

Major World Wheat Importers



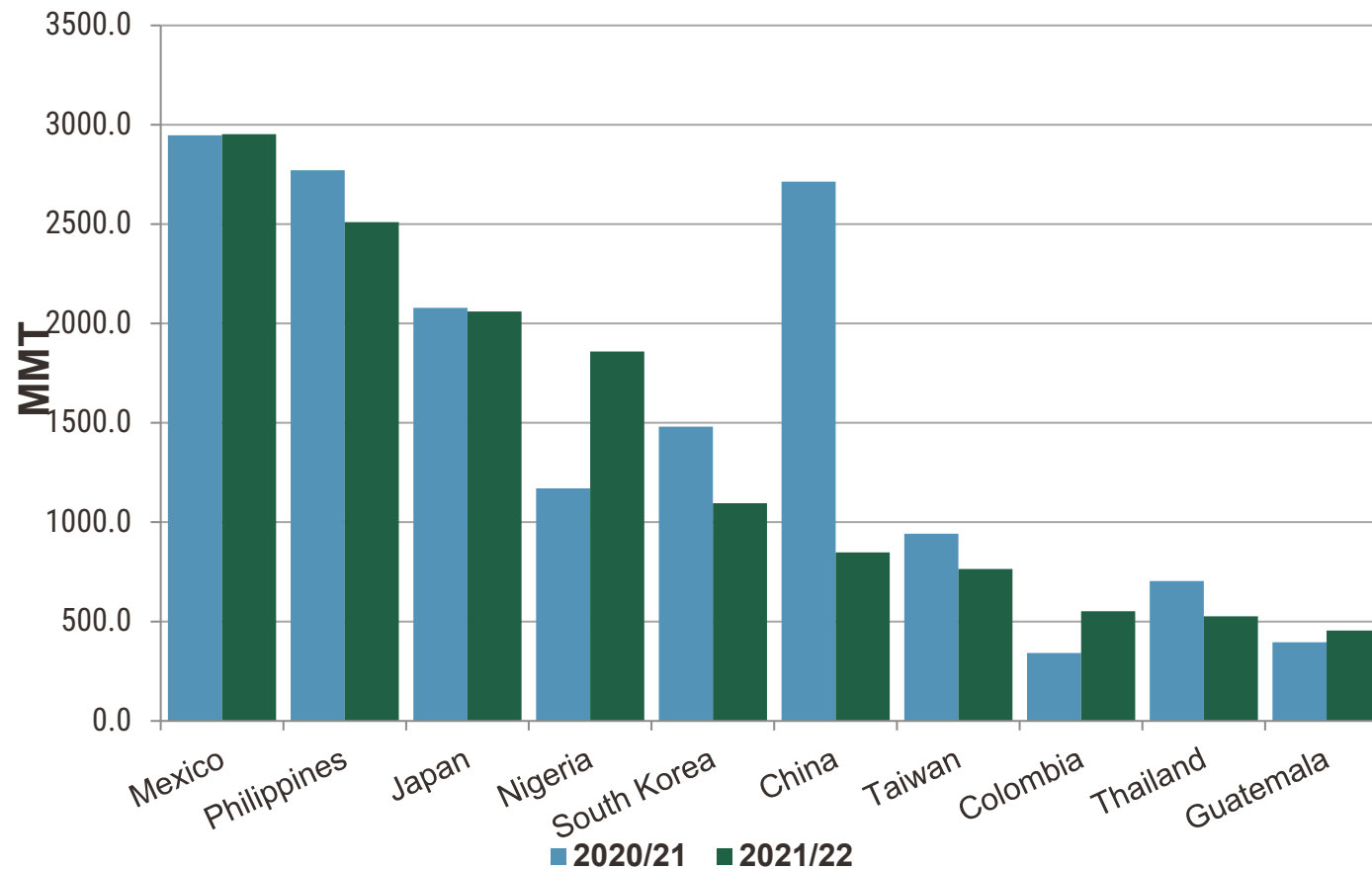
Top 10 Customers for U.S. Wheat (5-year average)



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



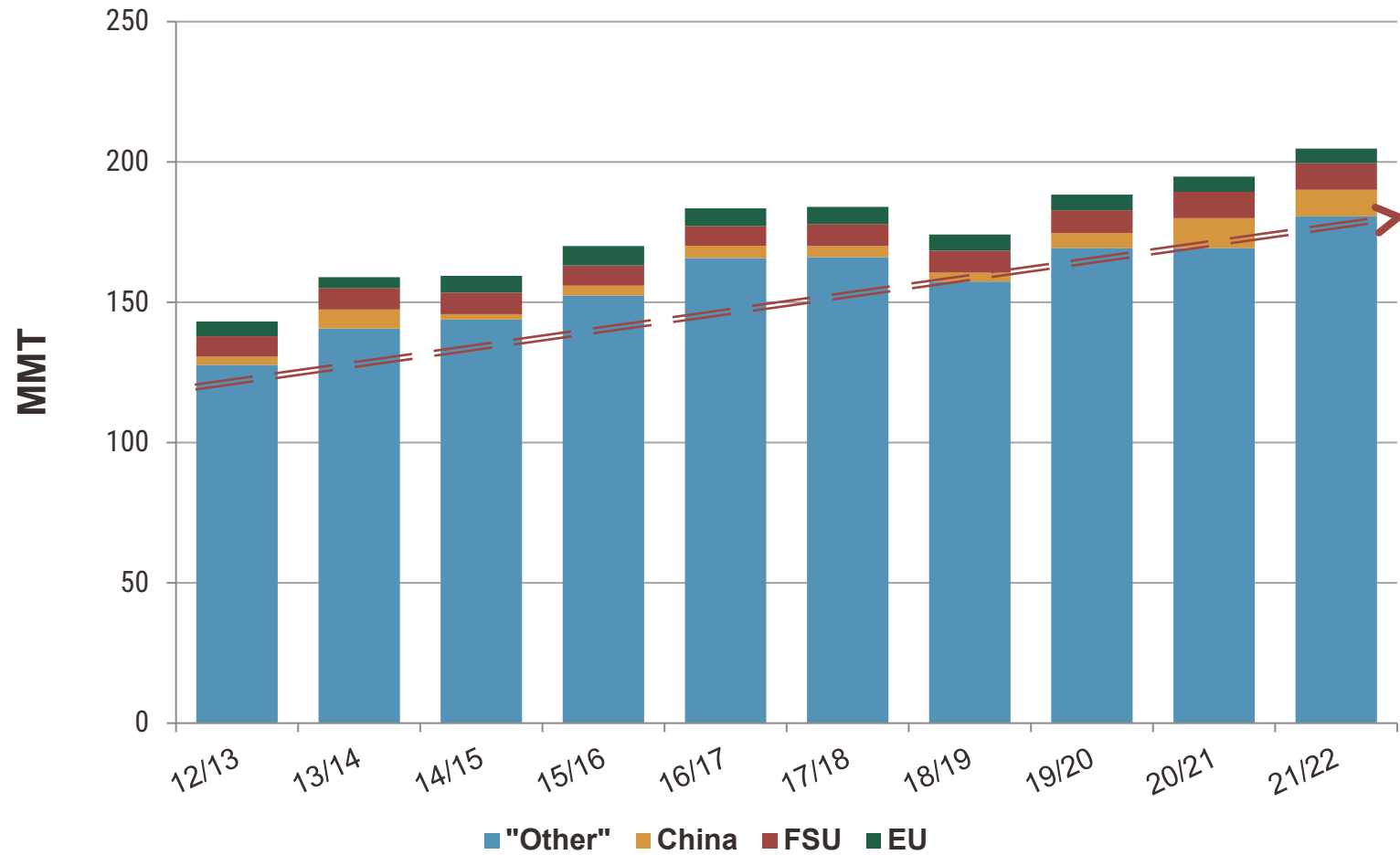
Top 10 Customers for U.S. Wheat (year-to-date sales for current marketing year delivery)



Source: USDA FAS export sales data as of January 27, 2022



World Wheat Imports

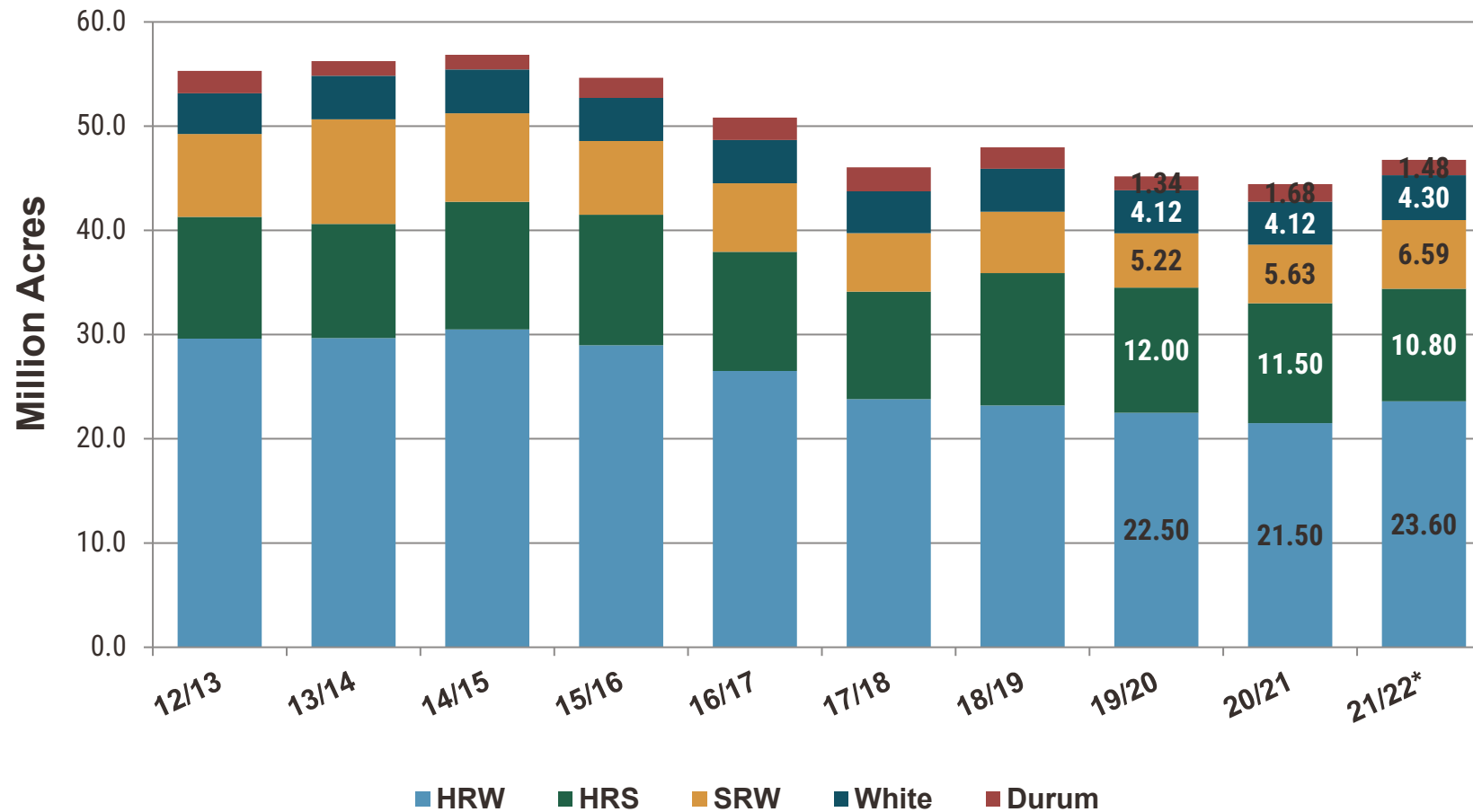




03

*U.S. Situation by
Class*

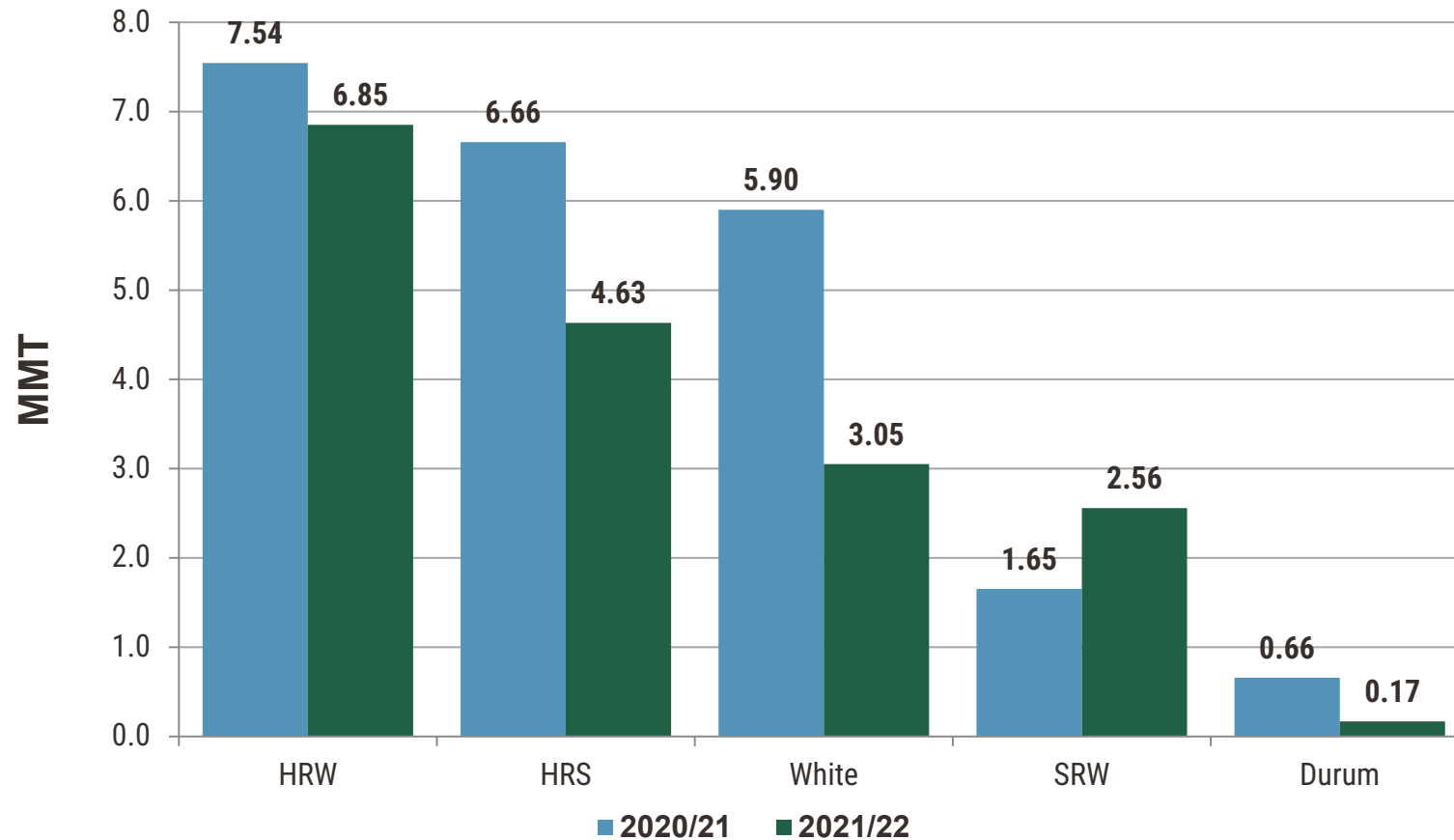
U.S. Wheat Planted Area



*Source: June 2021 USDA Acreage Report

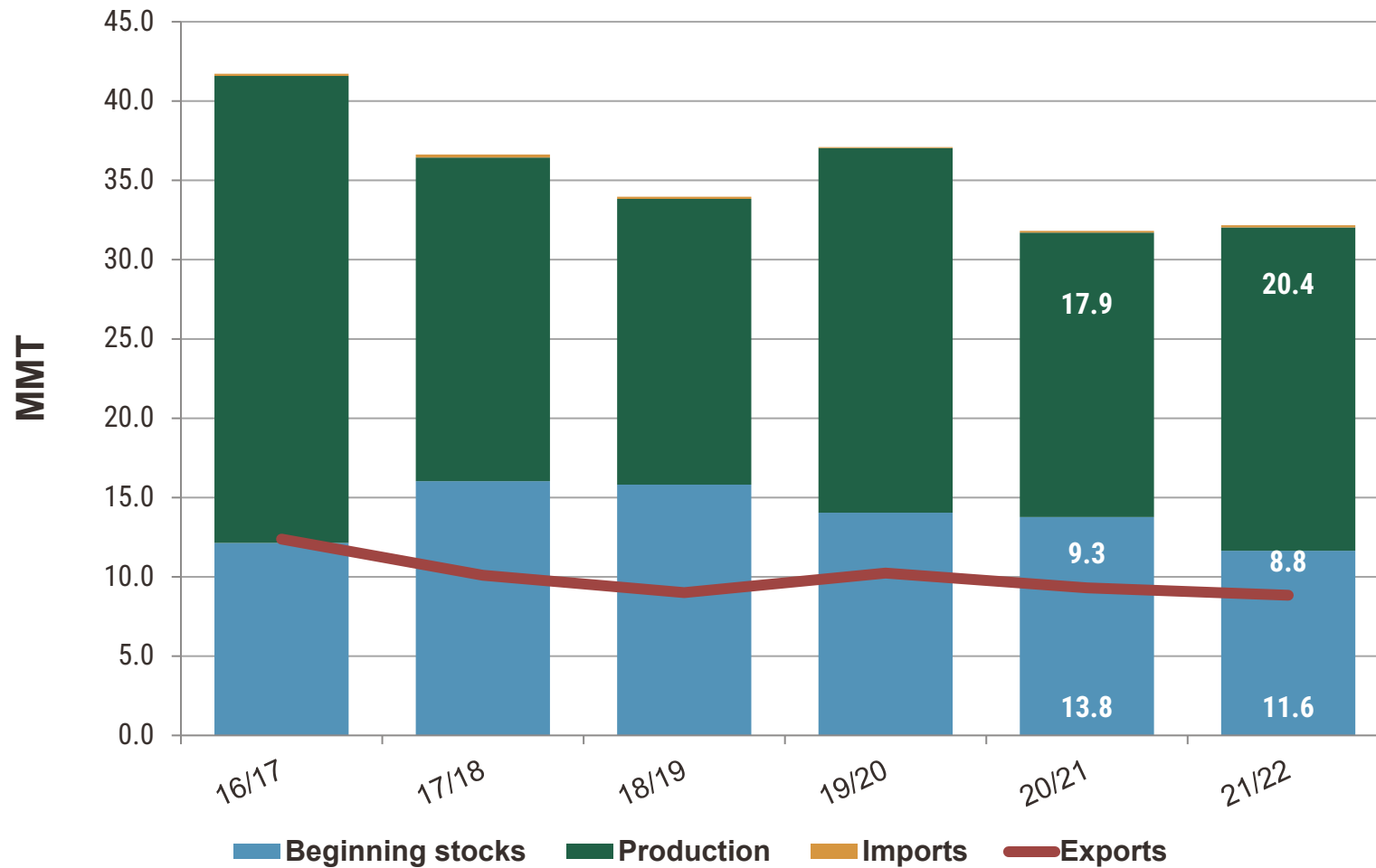
U.S. Wheat Sales by Class

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

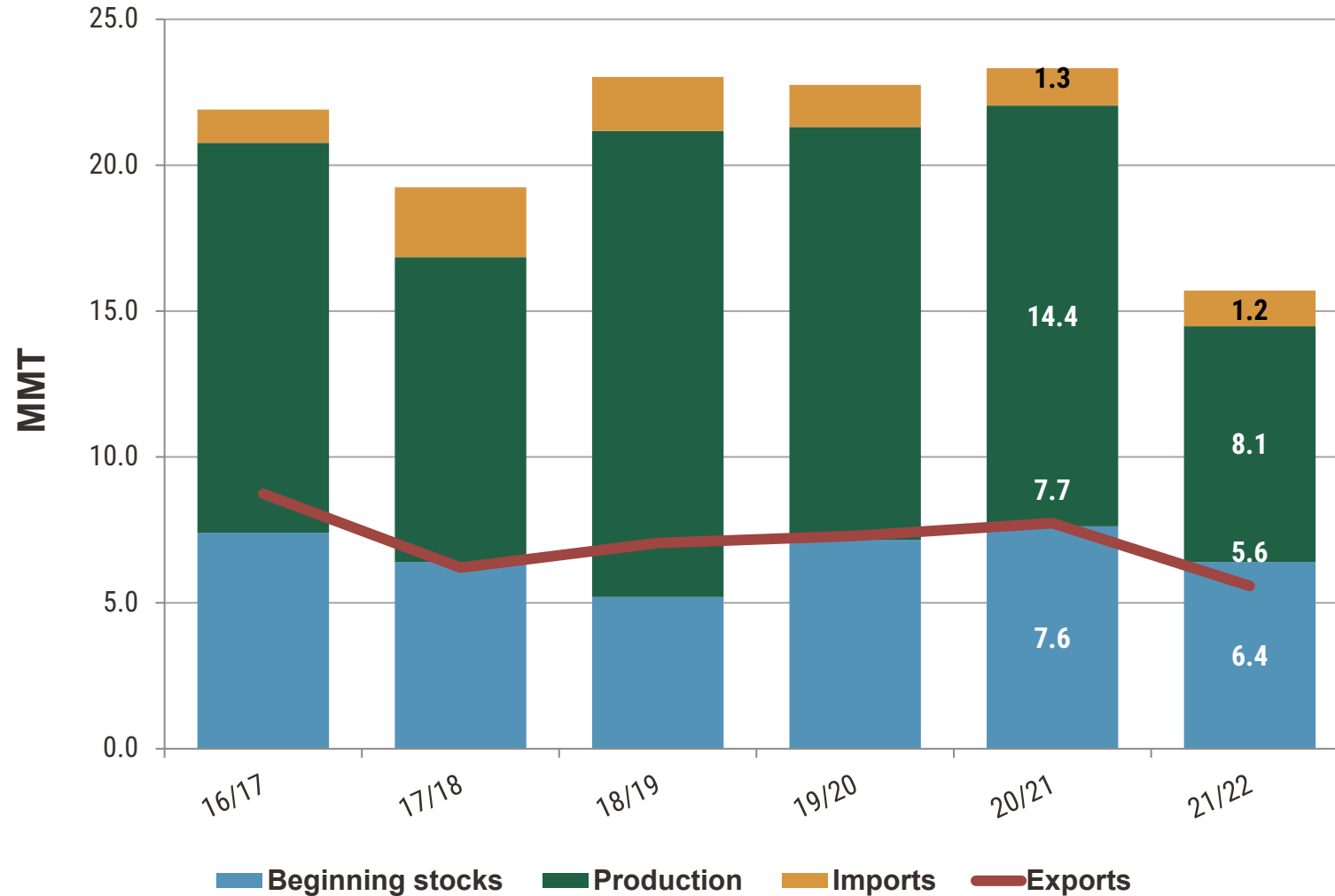


Source: USDA FAS export sales data as of January 27, 2022

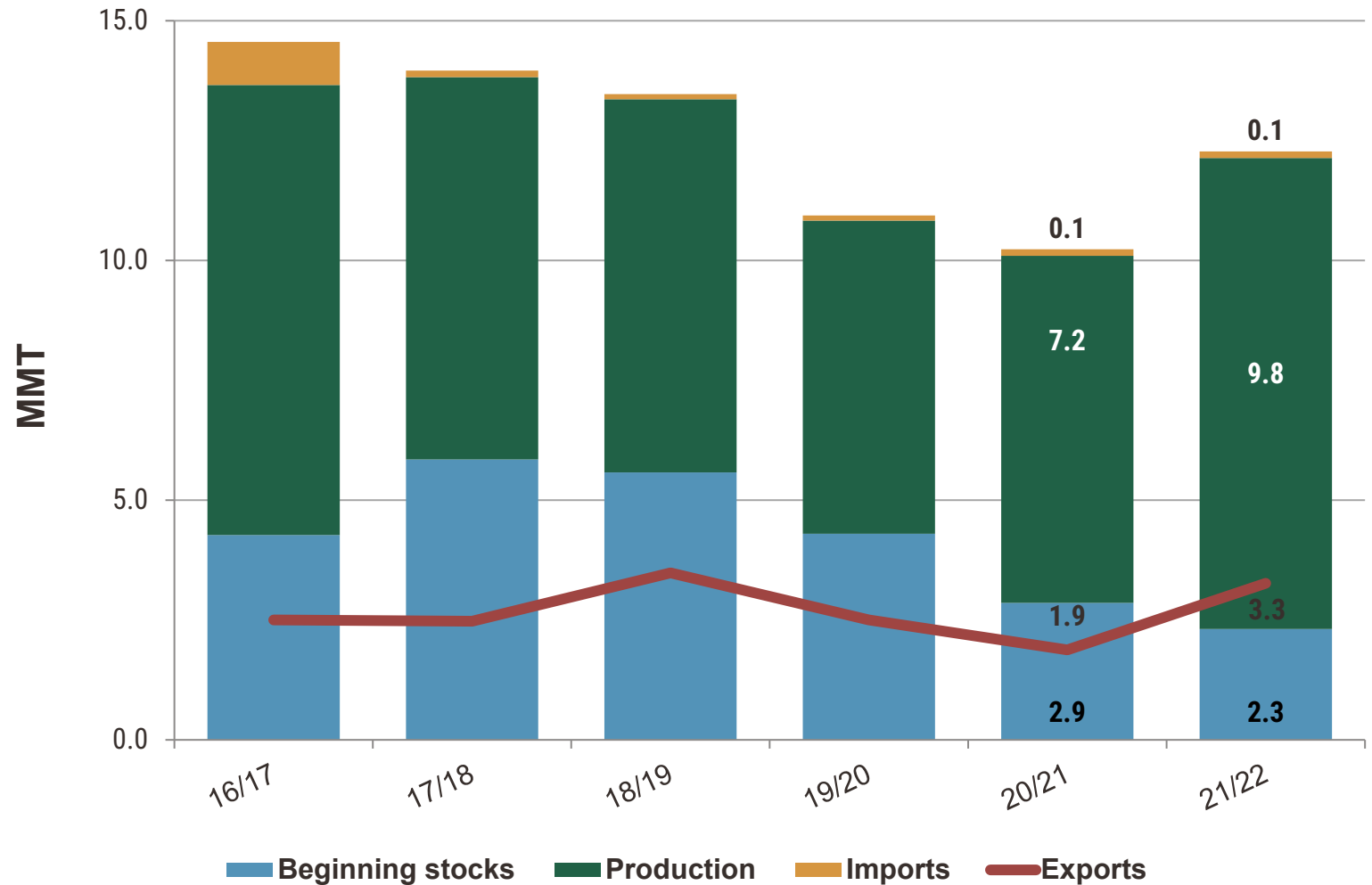
U.S. Hard Red Winter



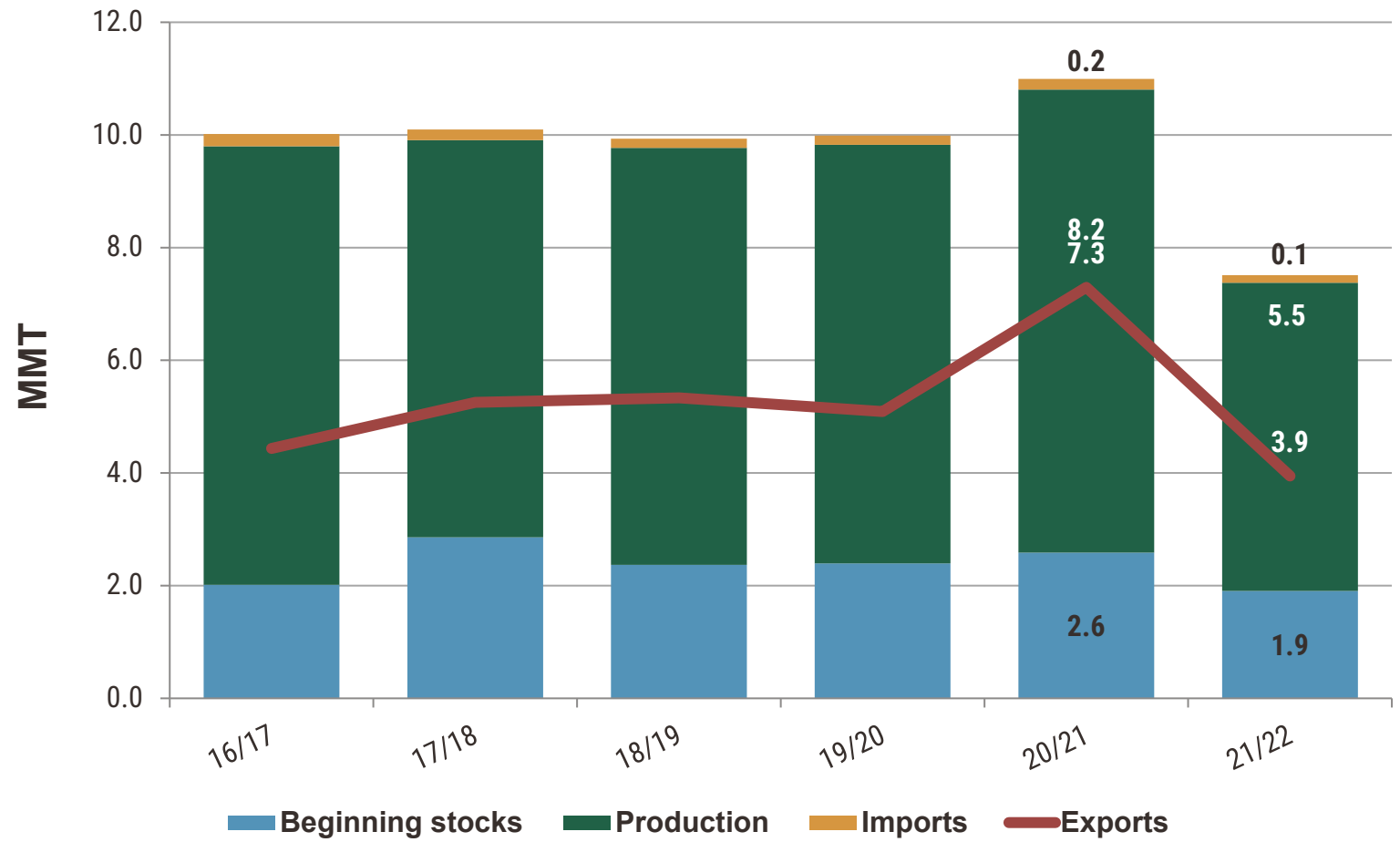
U.S. Hard Red Spring



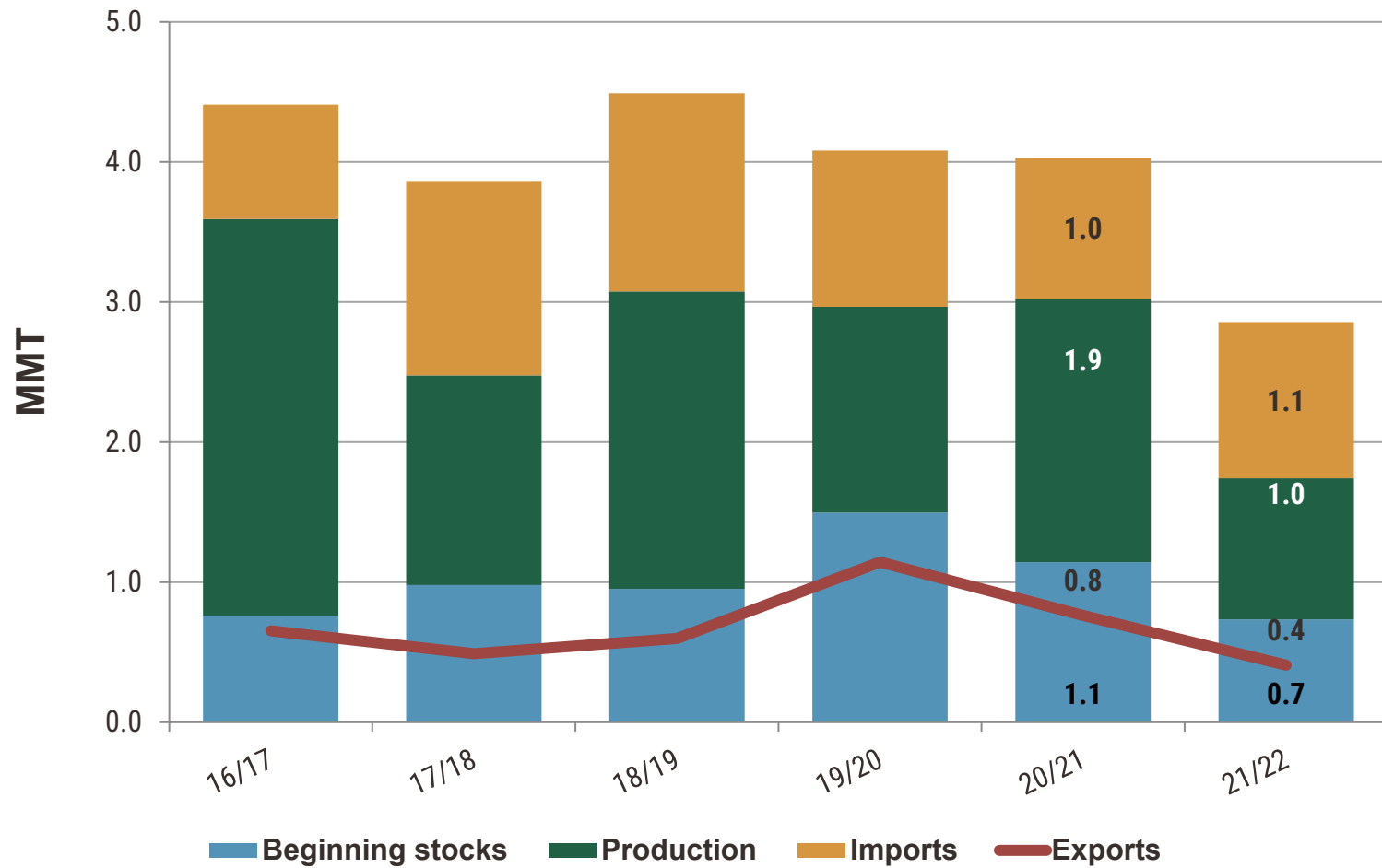
U.S. Soft Red Winter



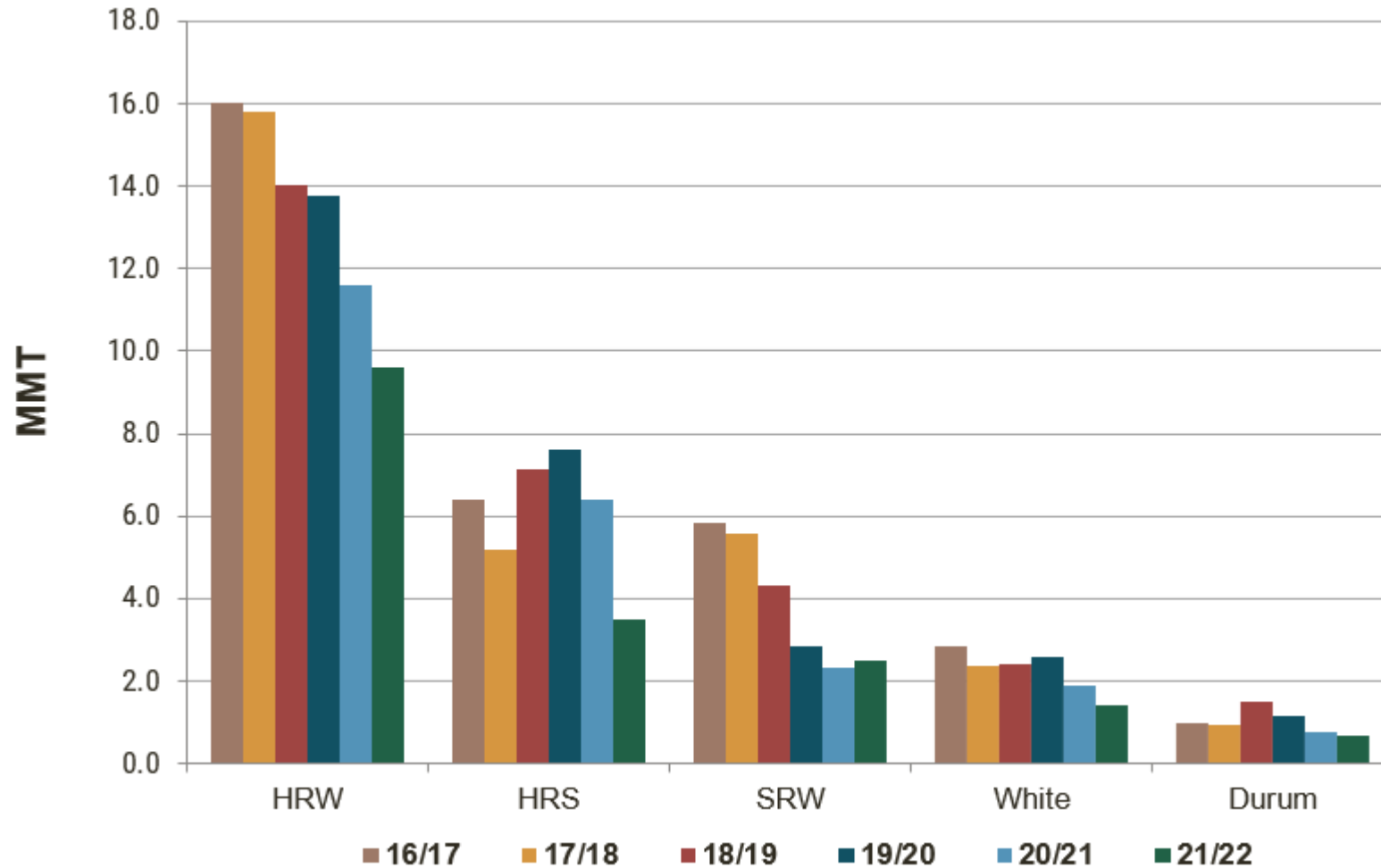
U.S. White



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	6.64	6.04	6.50
Exports	9.3	8.8	7.73	5.58	1.88	3.27
Use Total	20.2	22.6	17.0	12.2	7.92	9.77
Ending Stocks	11.6	9.6	6.40	3.51	2.31	2.50
Stocks-to-Use	58%	42%	38%	29%	29%	26%

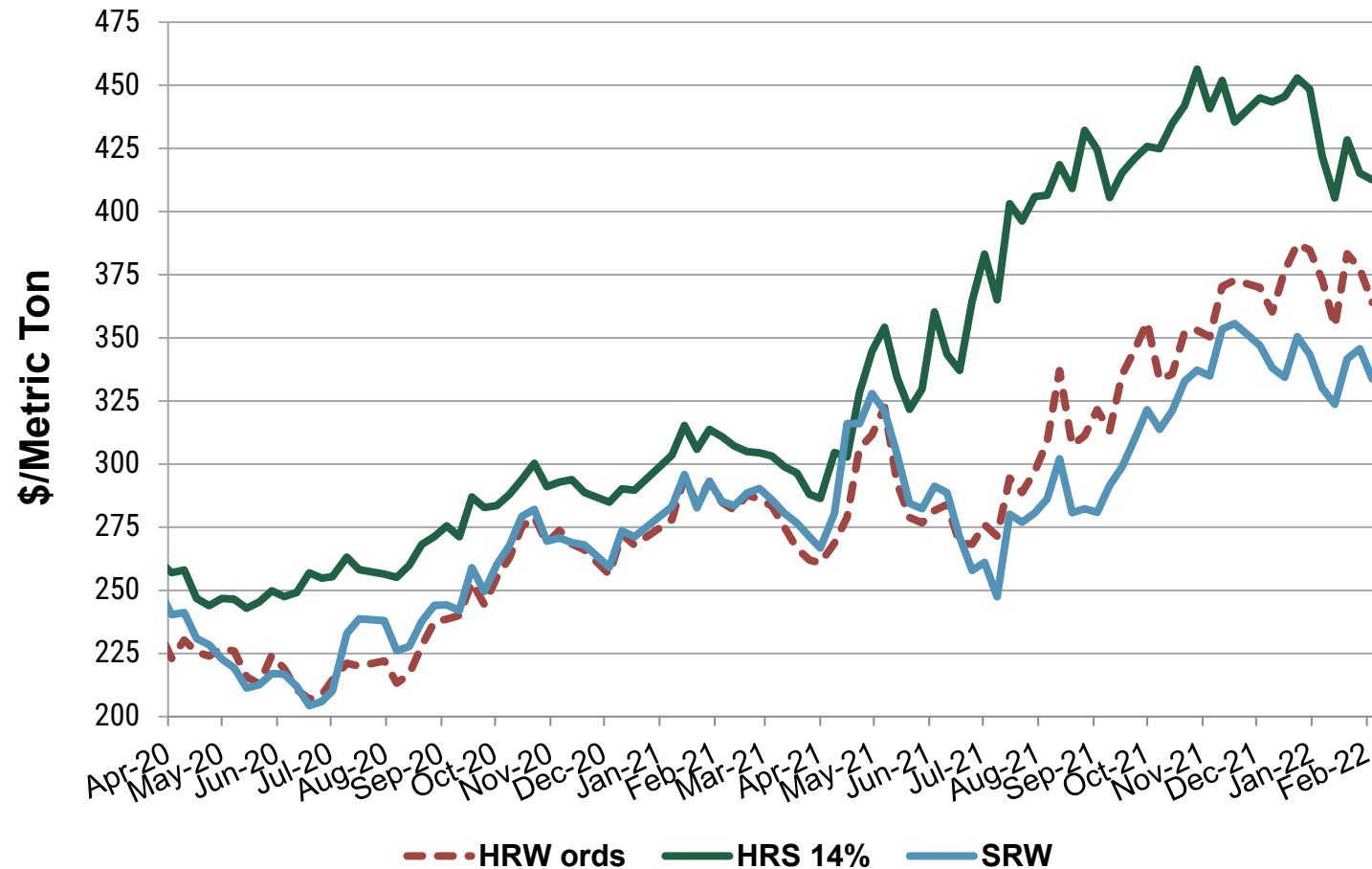


U.S. Wheat Supply and Demand (MMT)

	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	2.86	80.5	70.5
Domestic Use	1.74	2.18	2.53	1.77	30.5	30.8
Exports	7.35	3.95	0.76	0.41	27.0	22.0
Use Total	9.09	6.12	3.29	2.18	57.5	52.9
Ending Stocks	1.91	1.39	0.73	0.68	23.0	17.6
Stocks-to-Use	21%	23%	22%	31%	40%	33%



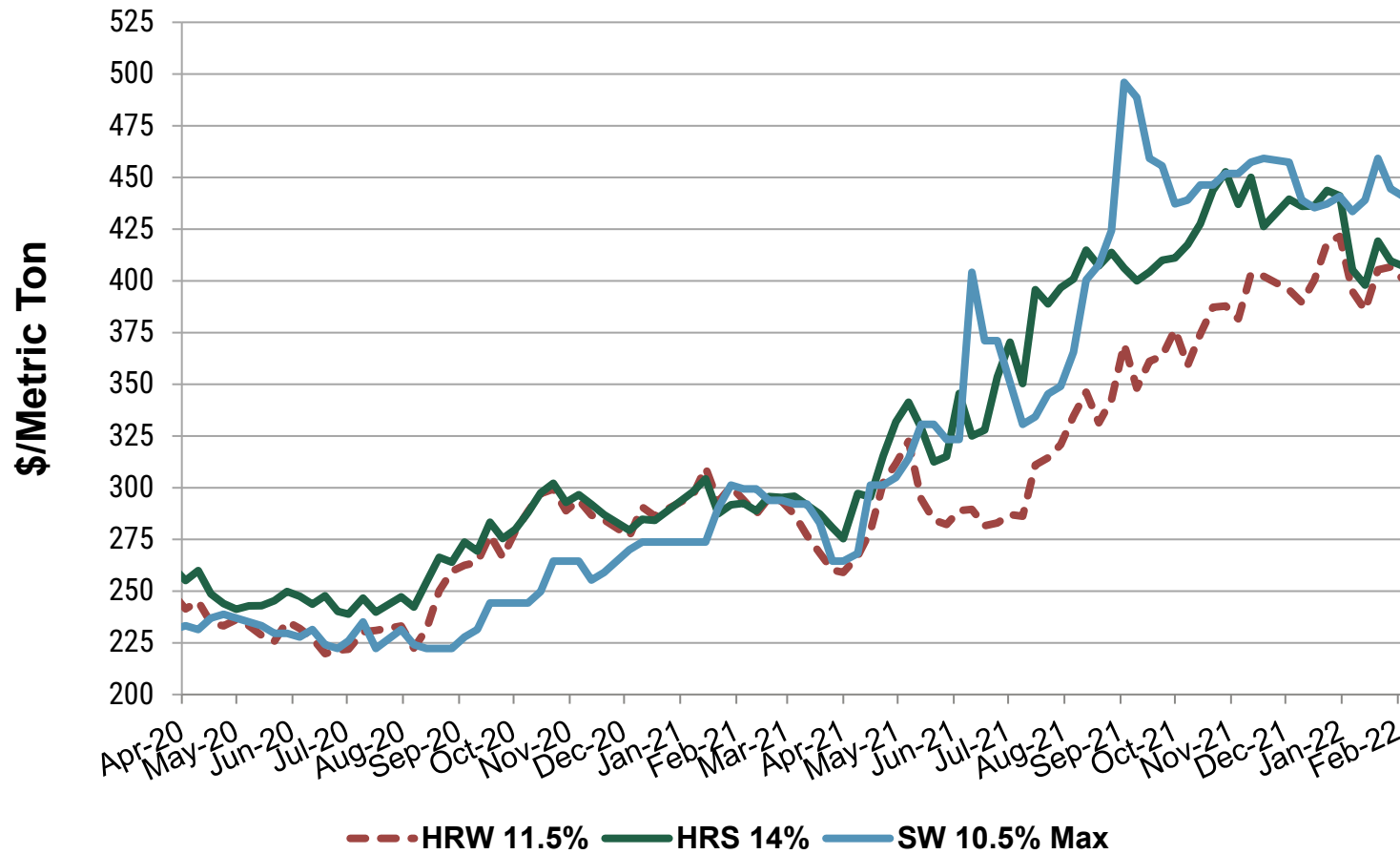
U.S. FOB Gulf Prices



Source: U.S. Wheat Associates Price Report, February 4, 2022



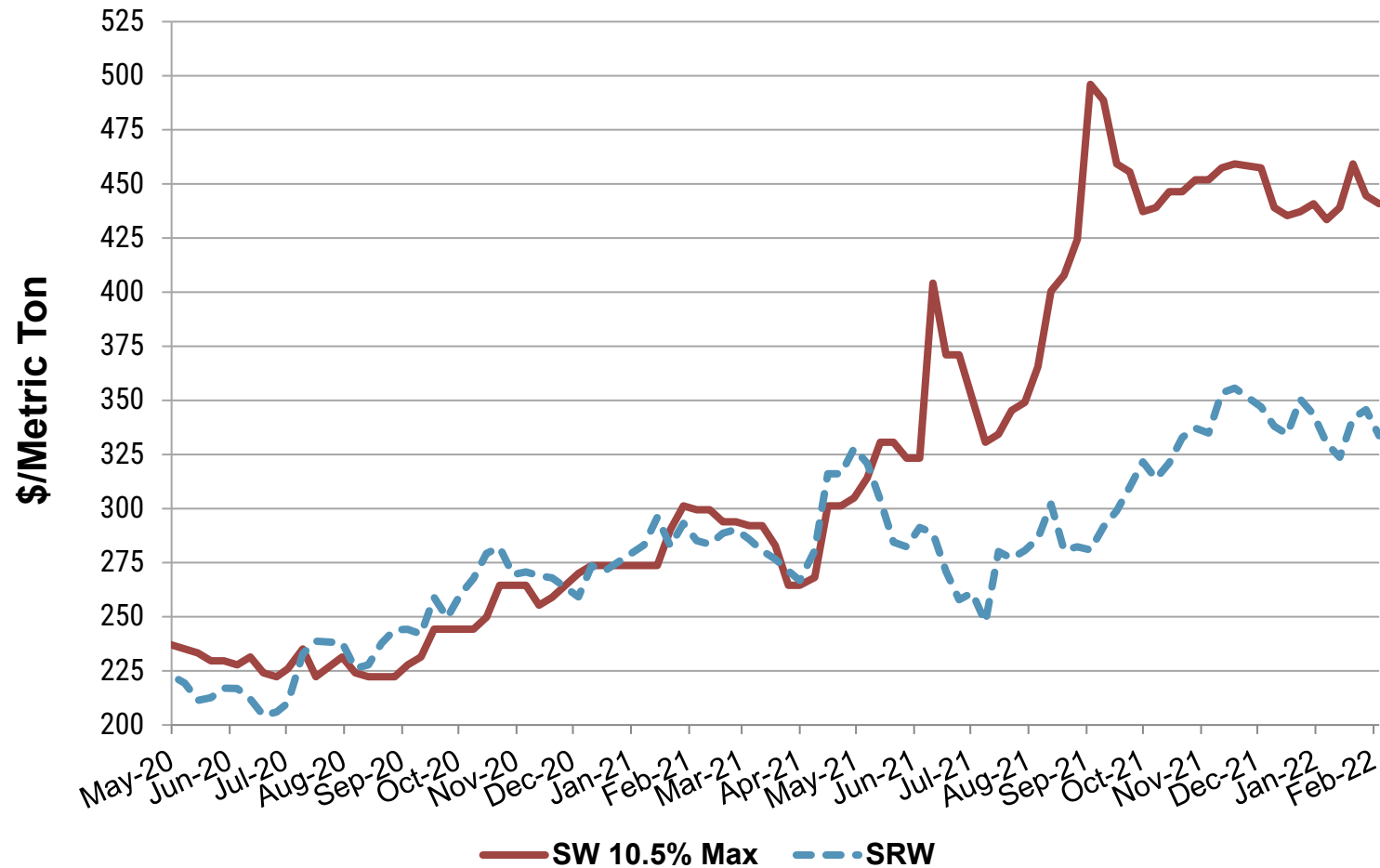
U.S. FOB PNW Prices



Source: U.S. Wheat Associates Price Report, February 4, 2022



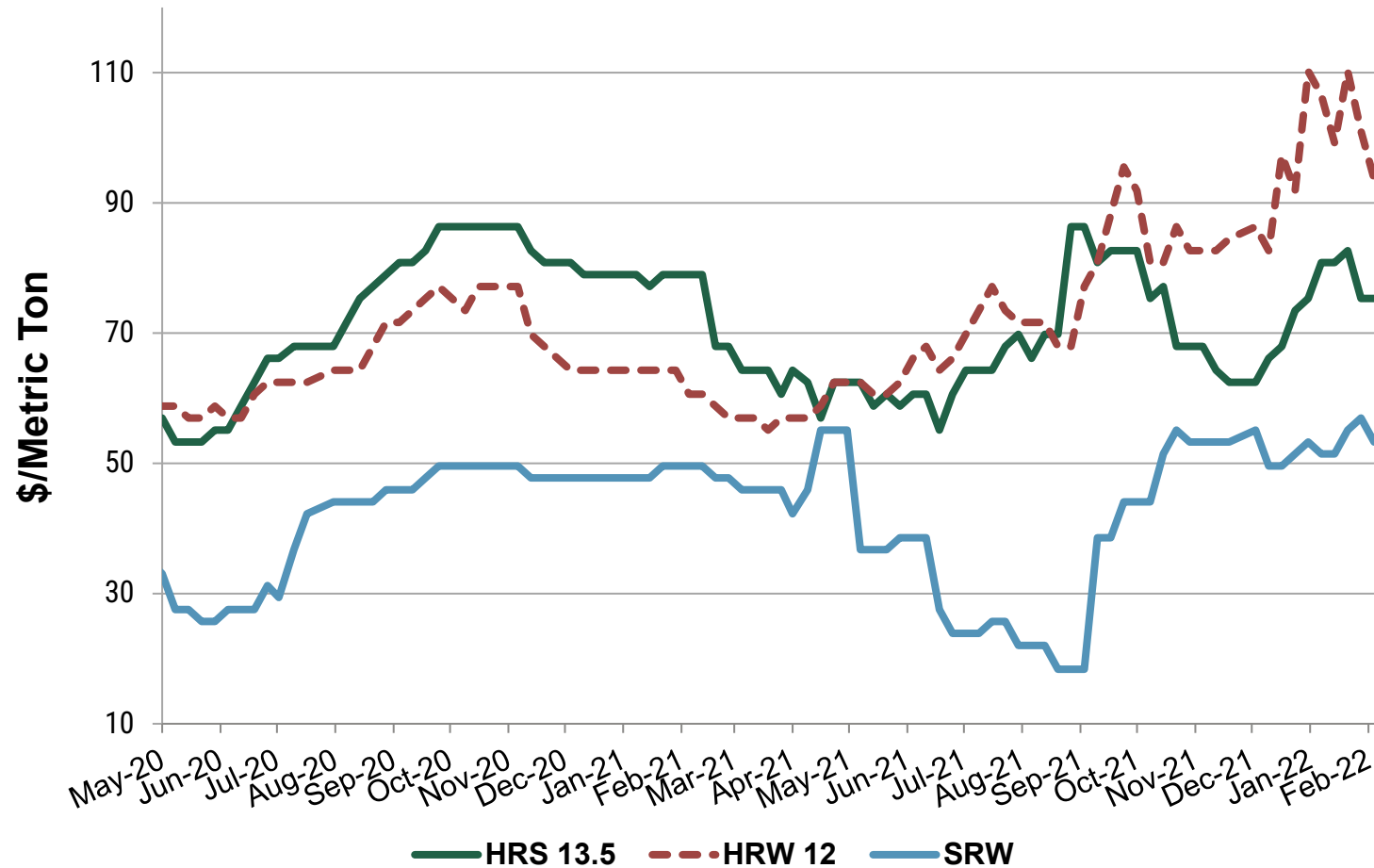
U.S. FOB Soft White and SRW Prices



Source: U.S. Wheat Associates Price Report, February 4, 2022



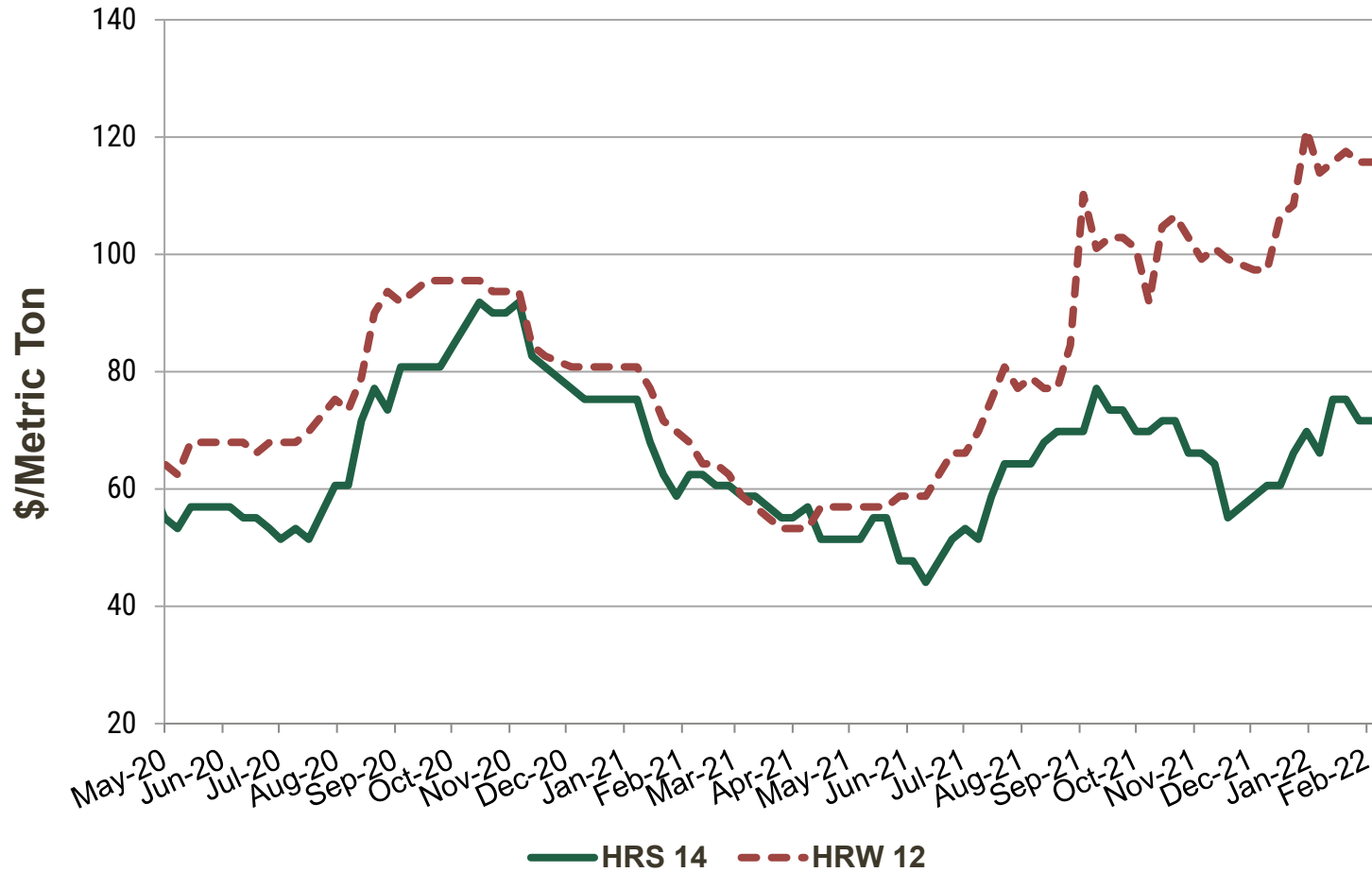
U.S. Gulf Export Basis



Source: U.S. Wheat Associates Price Report, February 4, 2022



U.S. PNW Export Basis



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



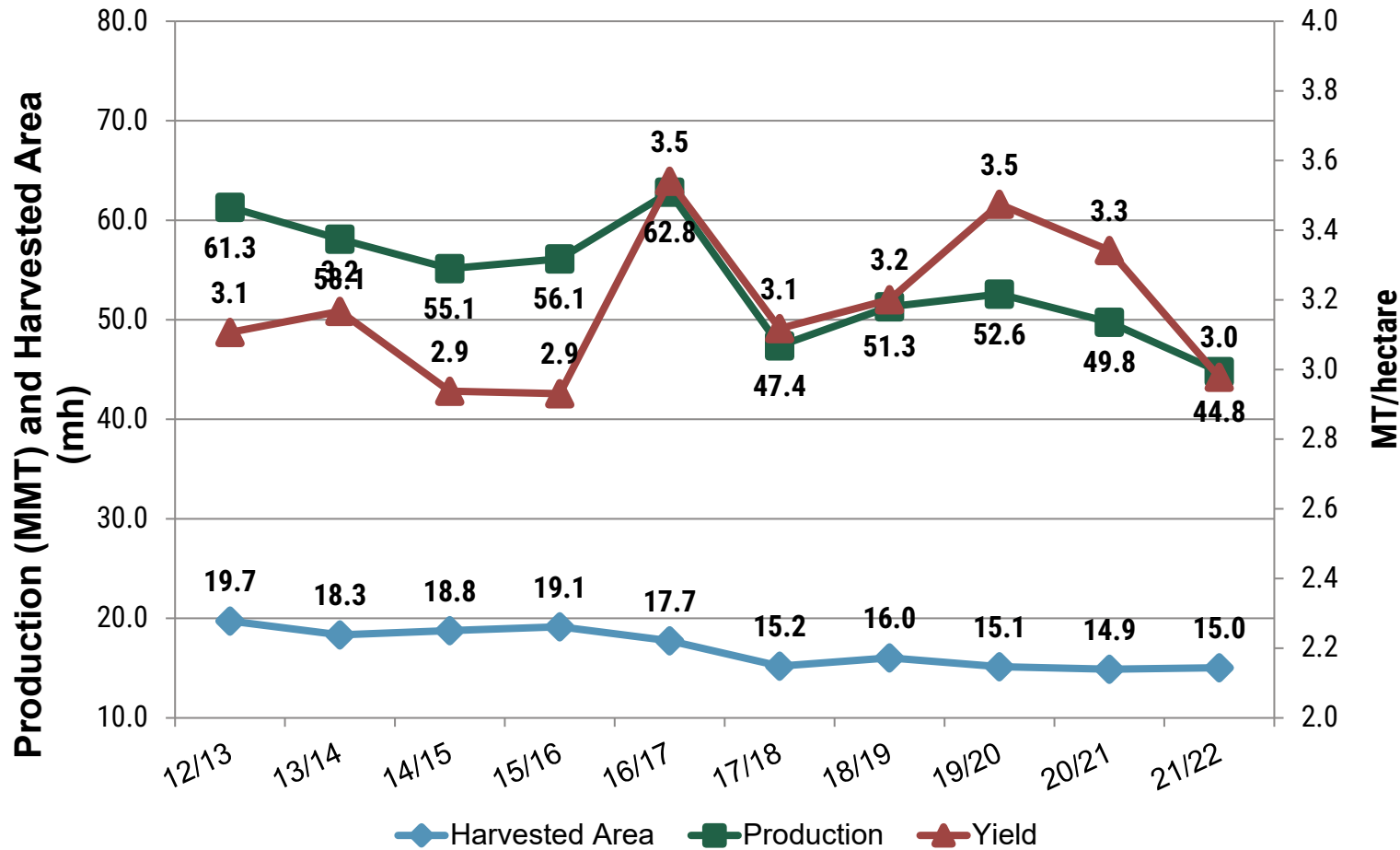


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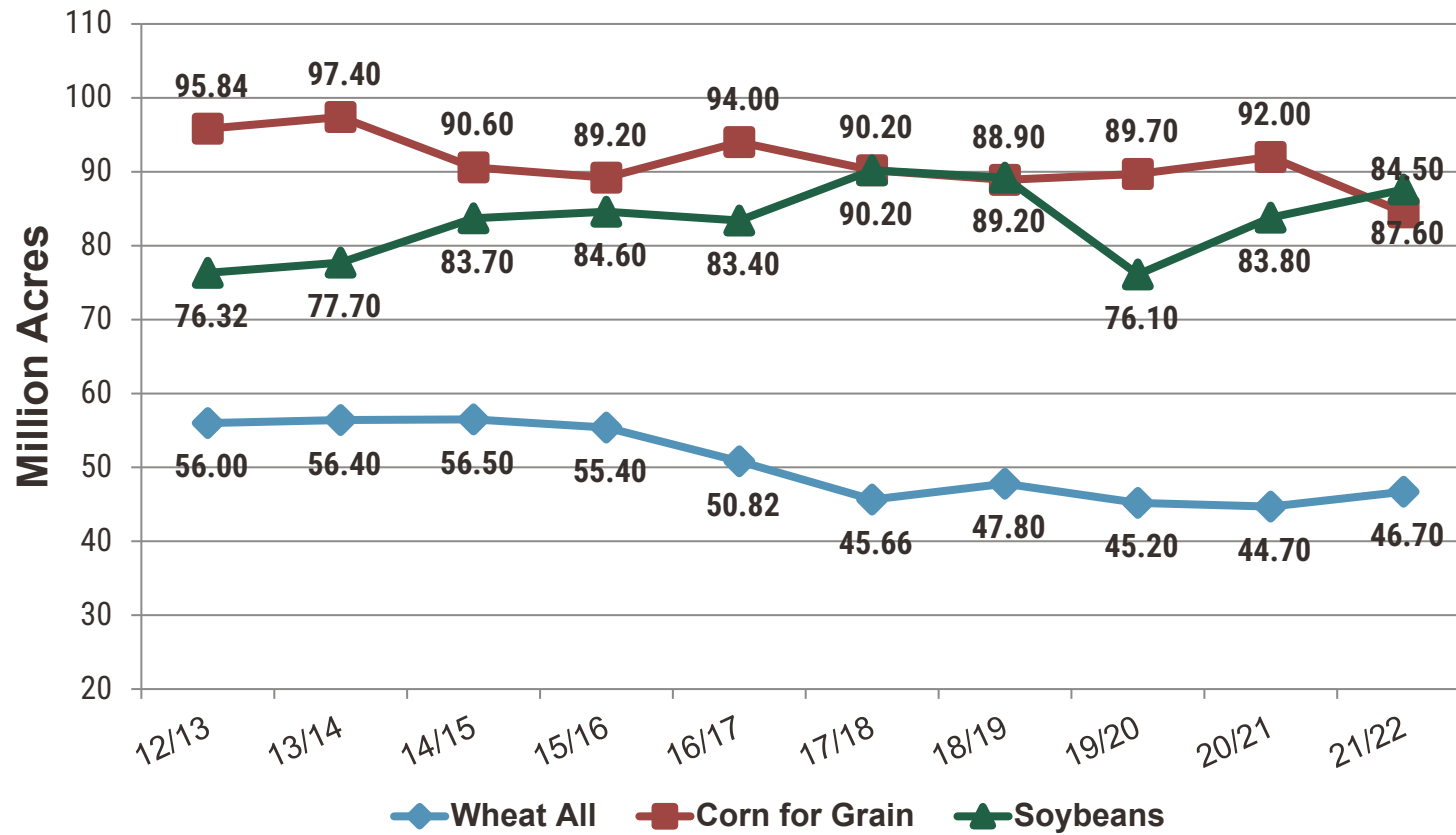
Outlook



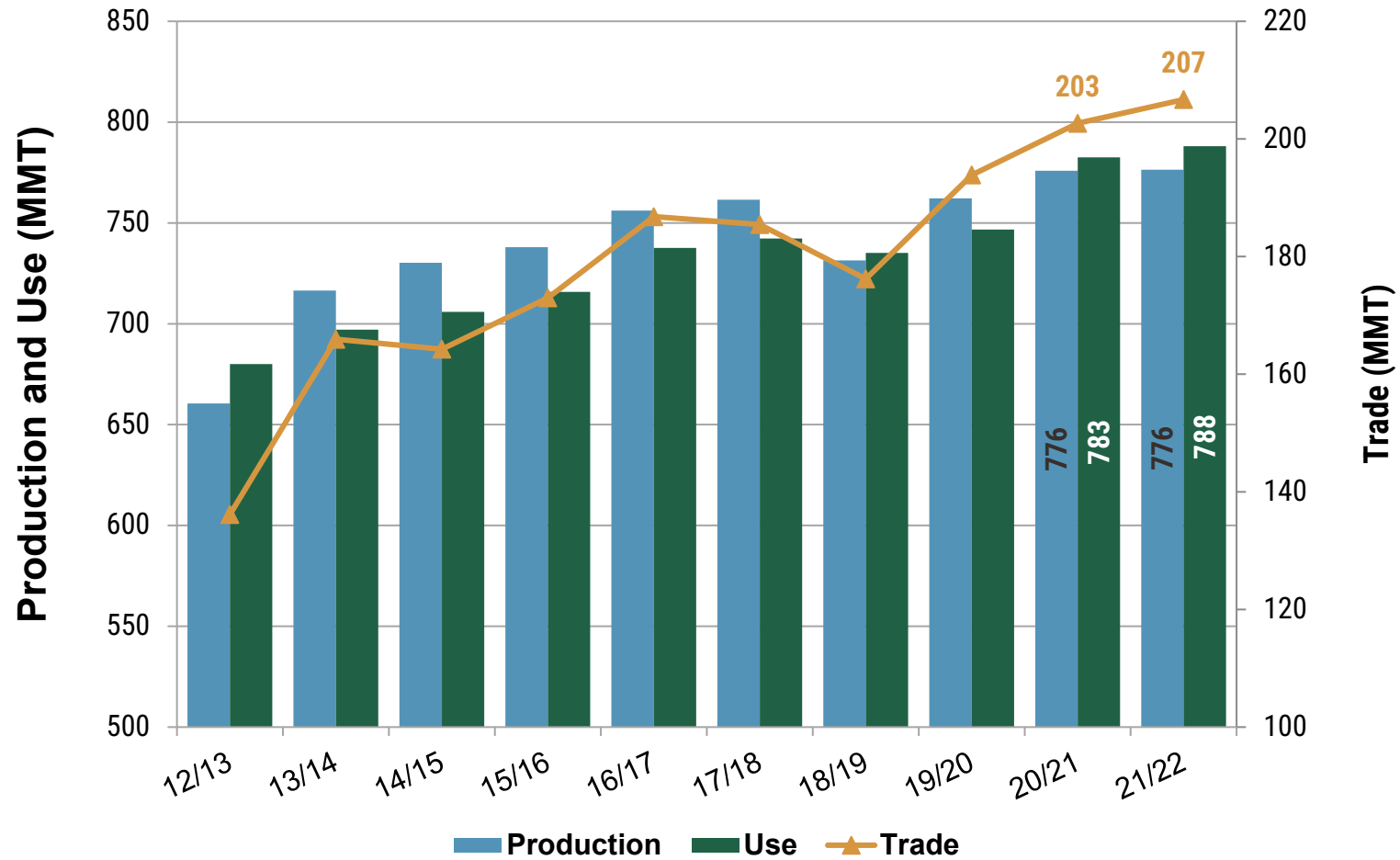
U.S. Wheat Production, Area and Yield



U.S. Crop Planted Area Comparison



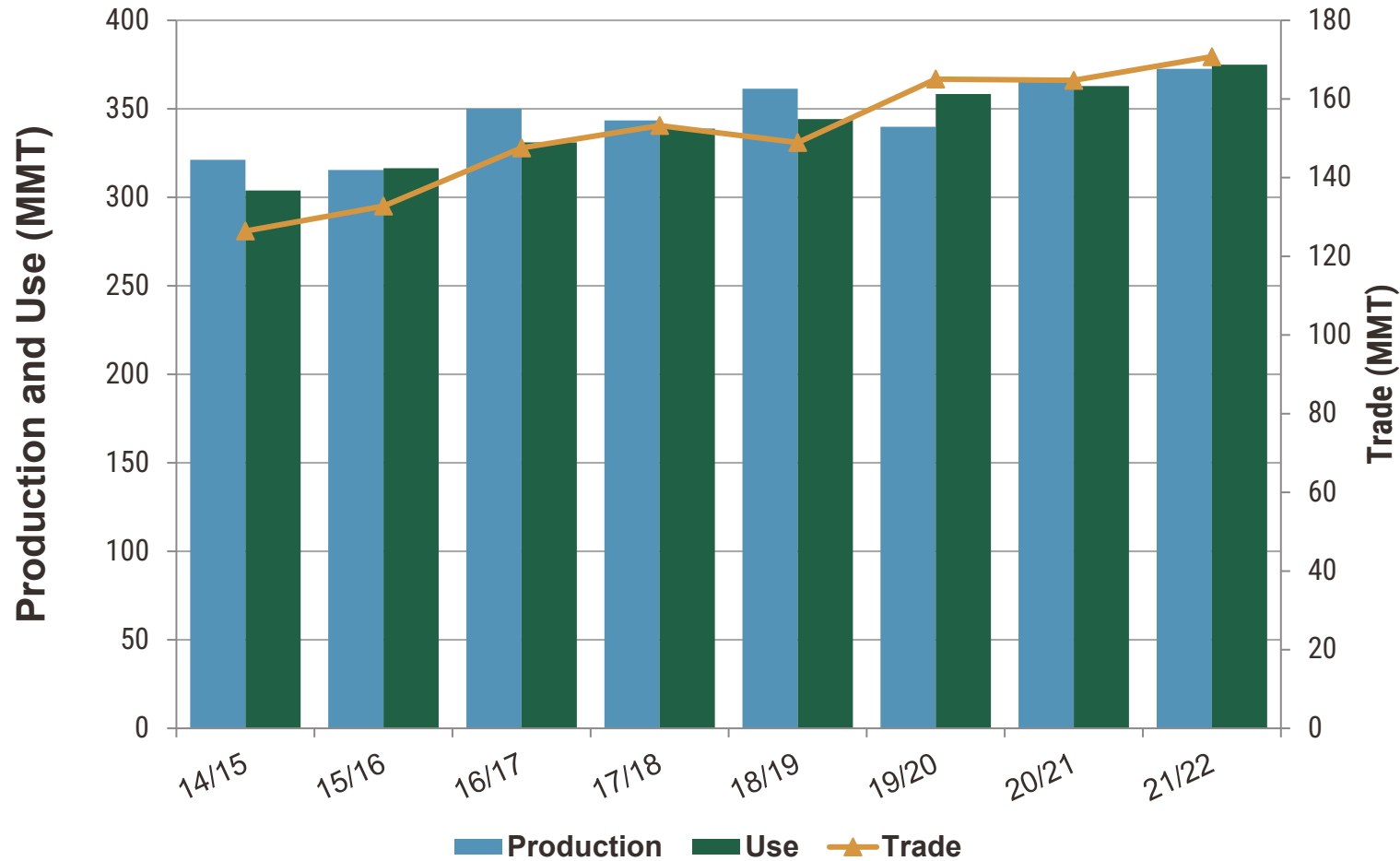
World Wheat Production, Use and Trade



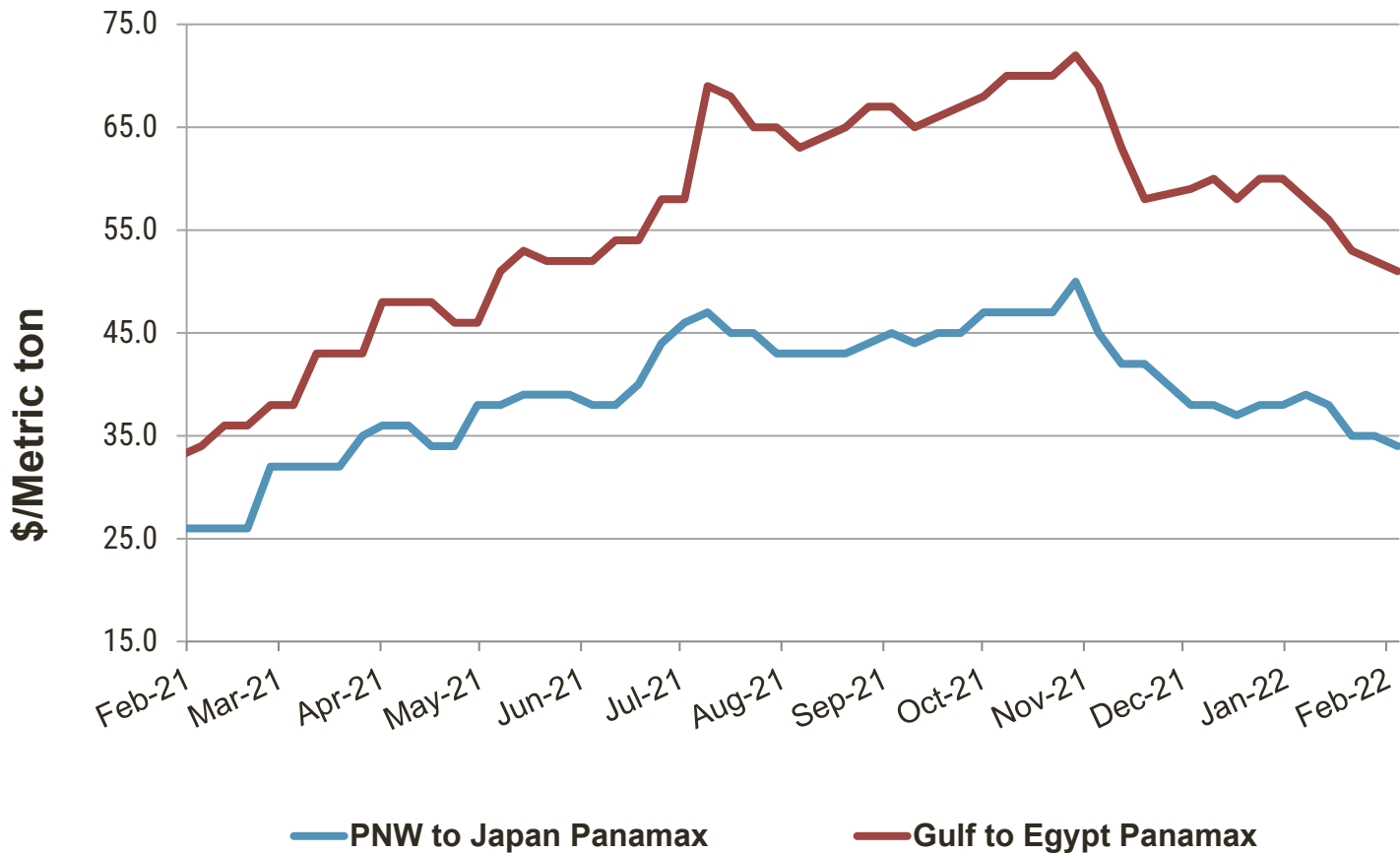
World Corn Production, Use and Trade



World Soybeans Production, Use and Trade



Ocean Freight Rates for Grains



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