



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 July 12, 2023, 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 2023/24 Wheat S&D Estimates*

### **World wheat production forecast at 796.6 MMT, down 3.5 MMT from the June estimates**

- Decreases in major exporters were forecast at 6.5 MMT including Argentina (-2.0 MMT), Canada (-2.0 MMT), and the European Union (-2.5 MMT)
- Meanwhile, U.S. production increased 2.0 MMT

### **Global consumption raised 3.3 MMT to 799.45 MMT, outpacing production by 2.8 MMT.**

- Wheat consumption in China increased 5.0 MMT to 153.0 MMT on increased feed usage
- U.S. consumption is up 550,000 MT to 30.8 MMT

### **World wheat trade decreased 1.0 MMT to 211.6 MMT**

- Decreased exports were reported for Argentina (-1.5 MMT) and Canada (-1.0 MMT), though exports are forecast to increase in Australia (+500,000 MT) and Russia (+1.0 MMT)
- U.S. 2022/23 exports unchanged from last month at 19.7 MMT



## *Highlights of USDA's 2023/24 Wheat S&D Estimates*

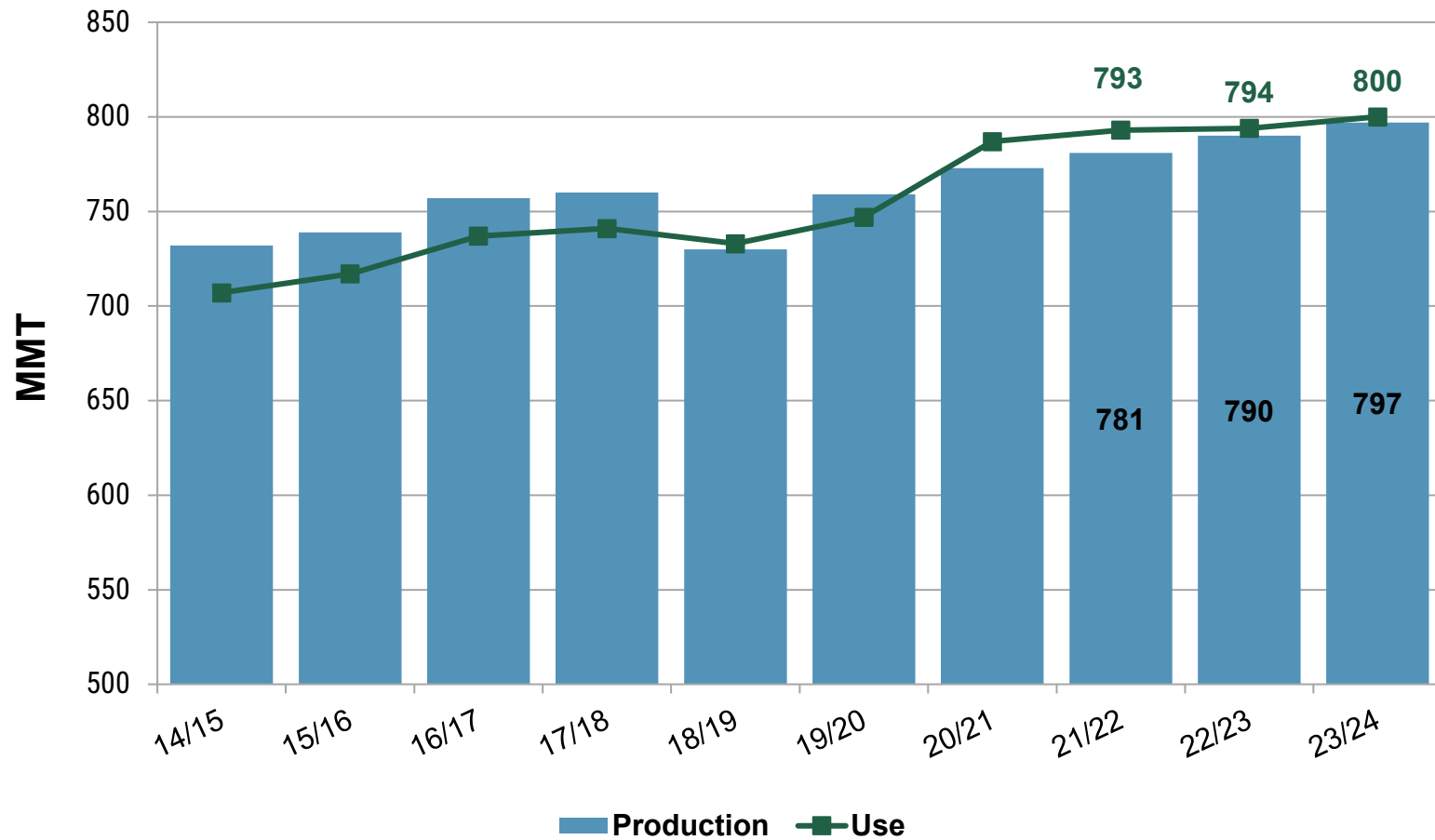
### **Global ending stocks lowered by 4.2 MMT, to 266.5 MMT, the fourth consecutive year of diminished stocks**

- Stocks decreased for most major exporters including Argentina (-500,000 MT), Australia (-510,000 MT), Canada (-500,000 MT), the European Union (-1.5 MMT), Russia (-2.0 MMT), and Ukraine (-100,000 MT)
- U.S. ending stocks were raised 840,000 MT to 16.1 MMT

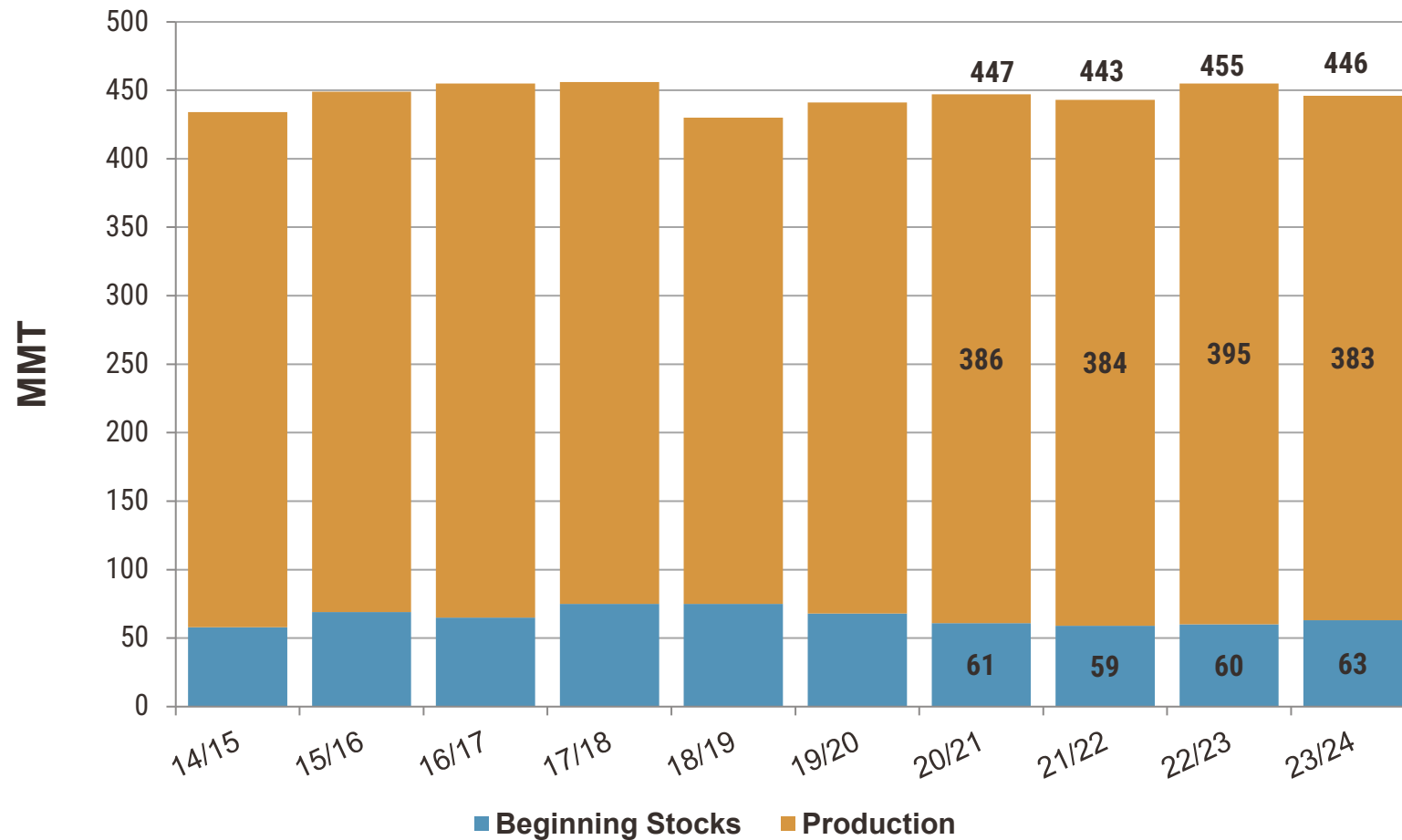
### **U.S. wheat domestic balance sheet shows increased production, consumption, and ending stocks, while exports remain unchanged**

- U.S. production increased 2.4 MMT to 47.3 MMT (HRW +1.25 MMT, HRS -136,000 MT, SRW +2.3 MMT, SW -734,000 MT, DUR -272,000 MT)
- Consumption increased 544,000 MT to 30.8 MMT
- Ending stocks were forecast up 330,000 MT at 16.1 MMT (HRW -136,000 MT, HRS -81,000 MT, SRW +1.1 MMT, SW -300,000 MT, DUR -218,000 MT)
- Due to two years of drought, HRW ending stocks decreased to the lowest level since 2008

# World Production and Use



# Supplies in Top Exporting Countries\*



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

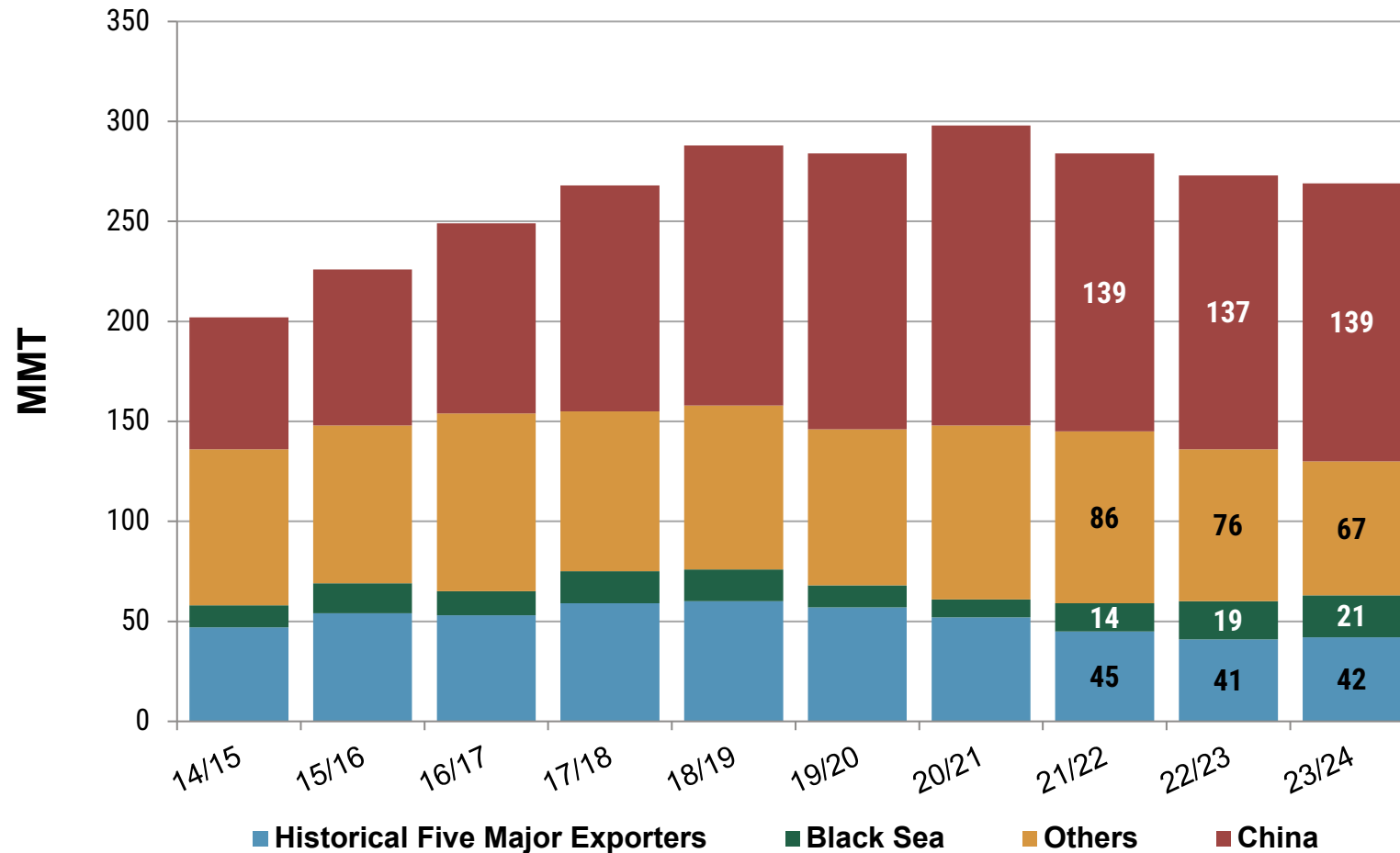


## *World Wheat Supply and Demand (MMT)*

		<u>21/22</u>	<u>22/23</u>	<u>23/24</u>
<b>SUPPLY:</b>	<b>Beginning Stocks</b>	284	273	269
	<b>Production</b>	781	790	797
	<b>Supply Total</b>	1065	1063	1066
	<b>Ending Stocks</b>	273	269	267
<b>TRADE:</b>	<b>Exports/Imports</b>	203	217	212
<b>DEMAND:</b>	<b>Food &amp; Seed</b>	631	637	642
	<b>Feed &amp; Residual</b>	161	156	157
	<b>Use Total</b>	793	793	799



# World Beginning Stocks

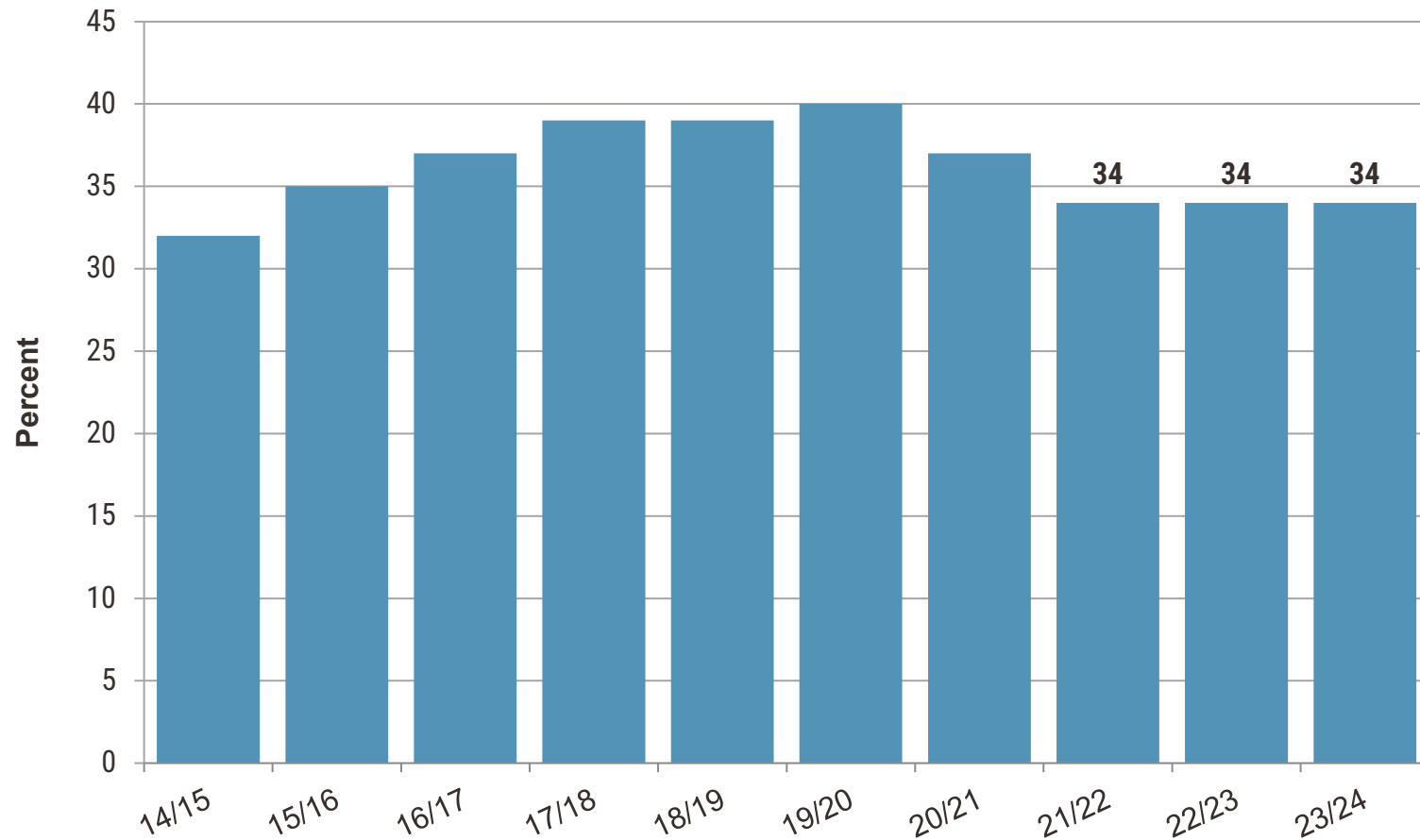


Historical Five Major Exporters include U.S., Canada, Australia, Argentina and EU. Black Sea includes Russia, Ukraine and Kazakhstan.





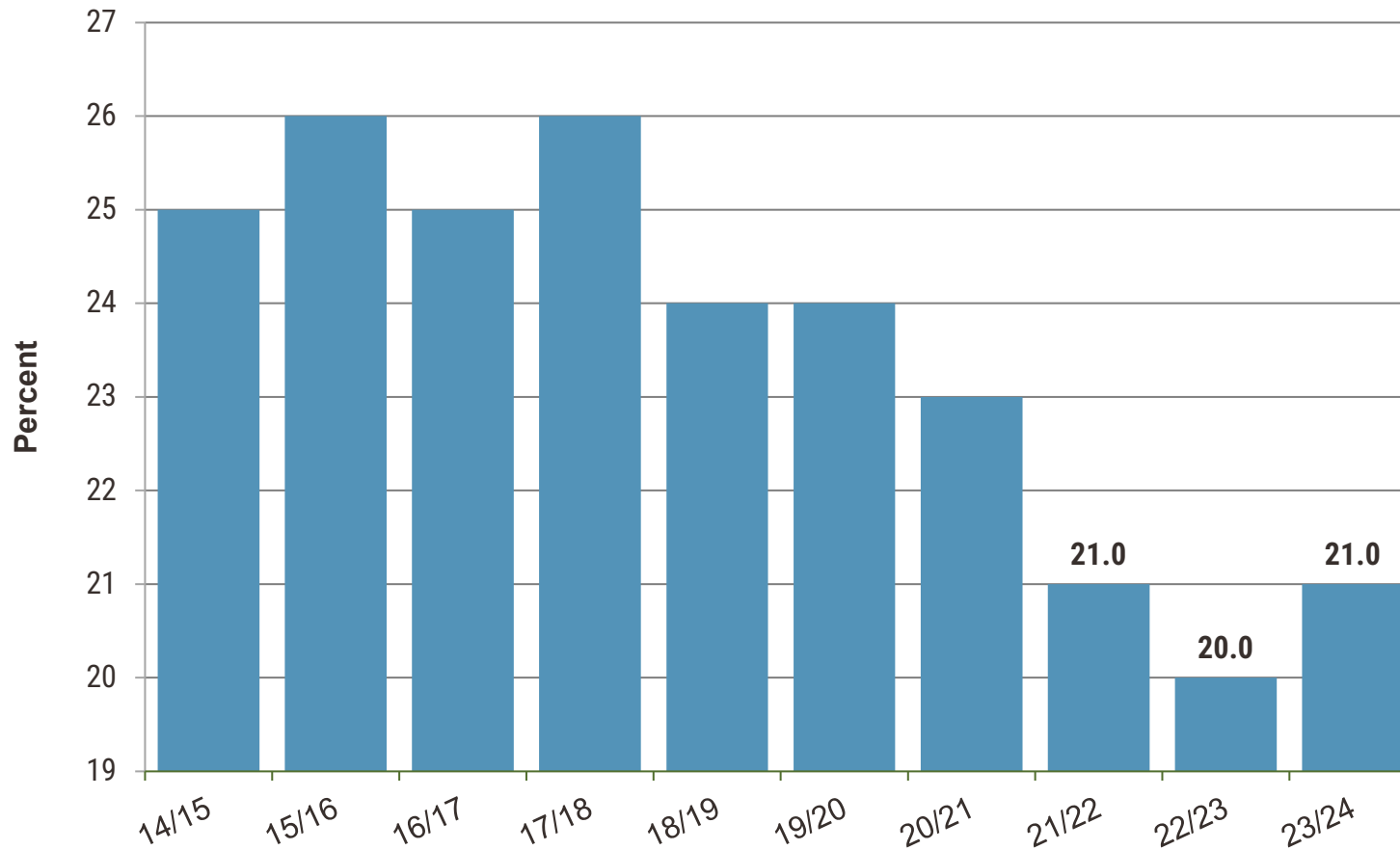
# Global Stocks\*-to-Use Ratio



\*Ending stocks



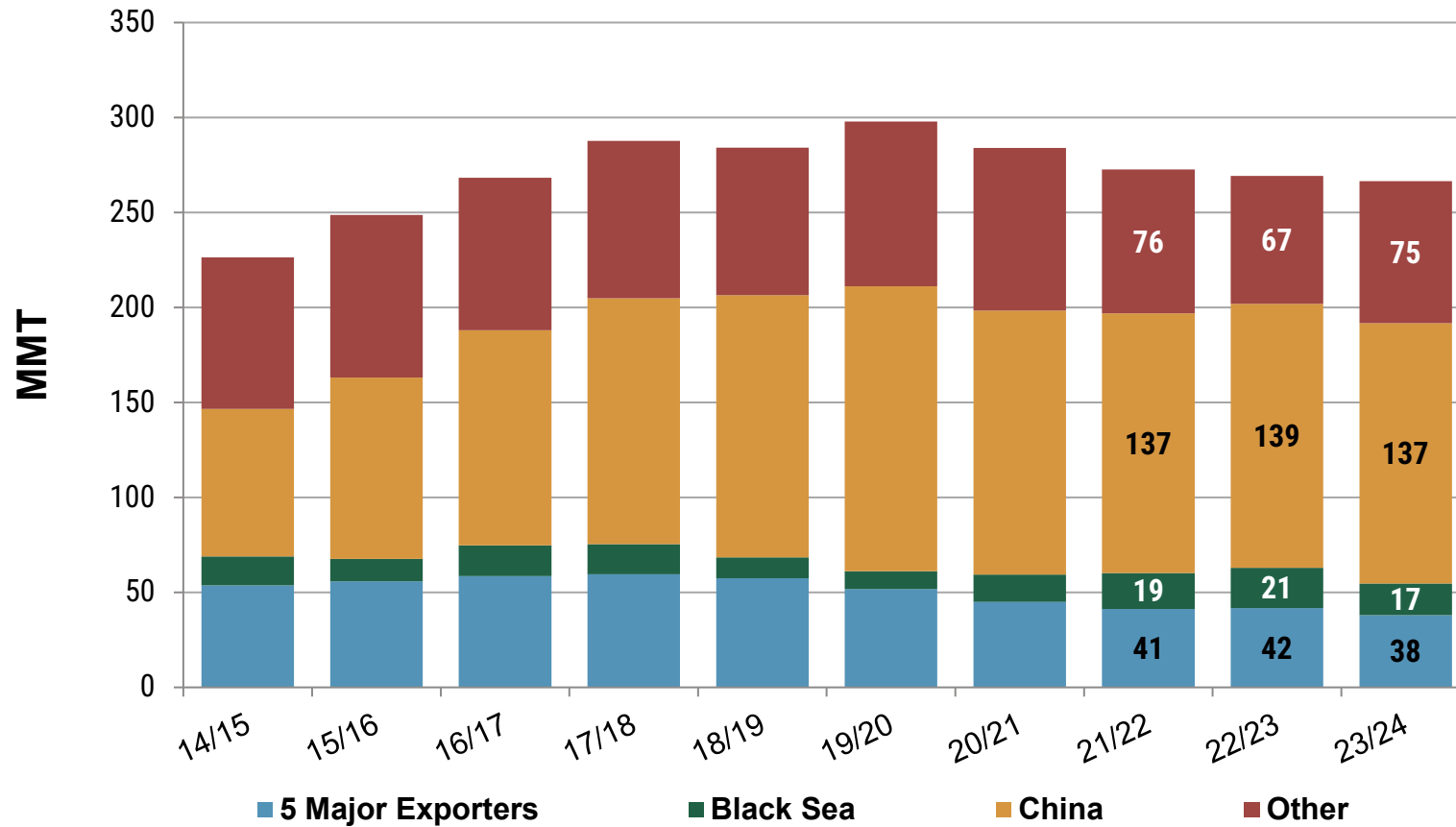
## Global Stocks\*-to-Use Ratio w/o China



\*Ending stocks



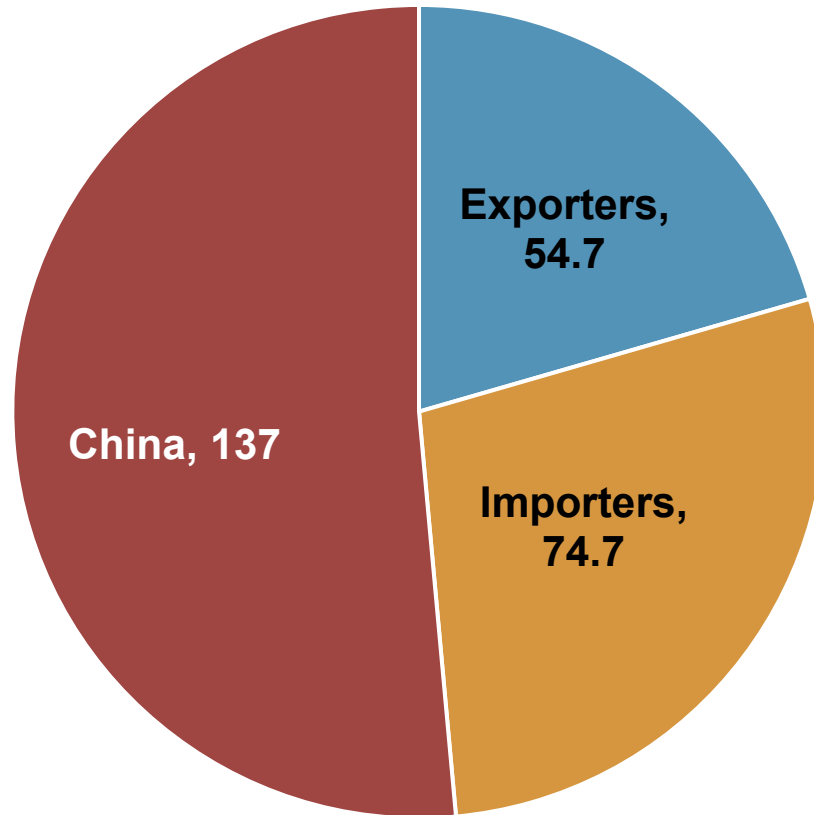
# World Ending Stocks



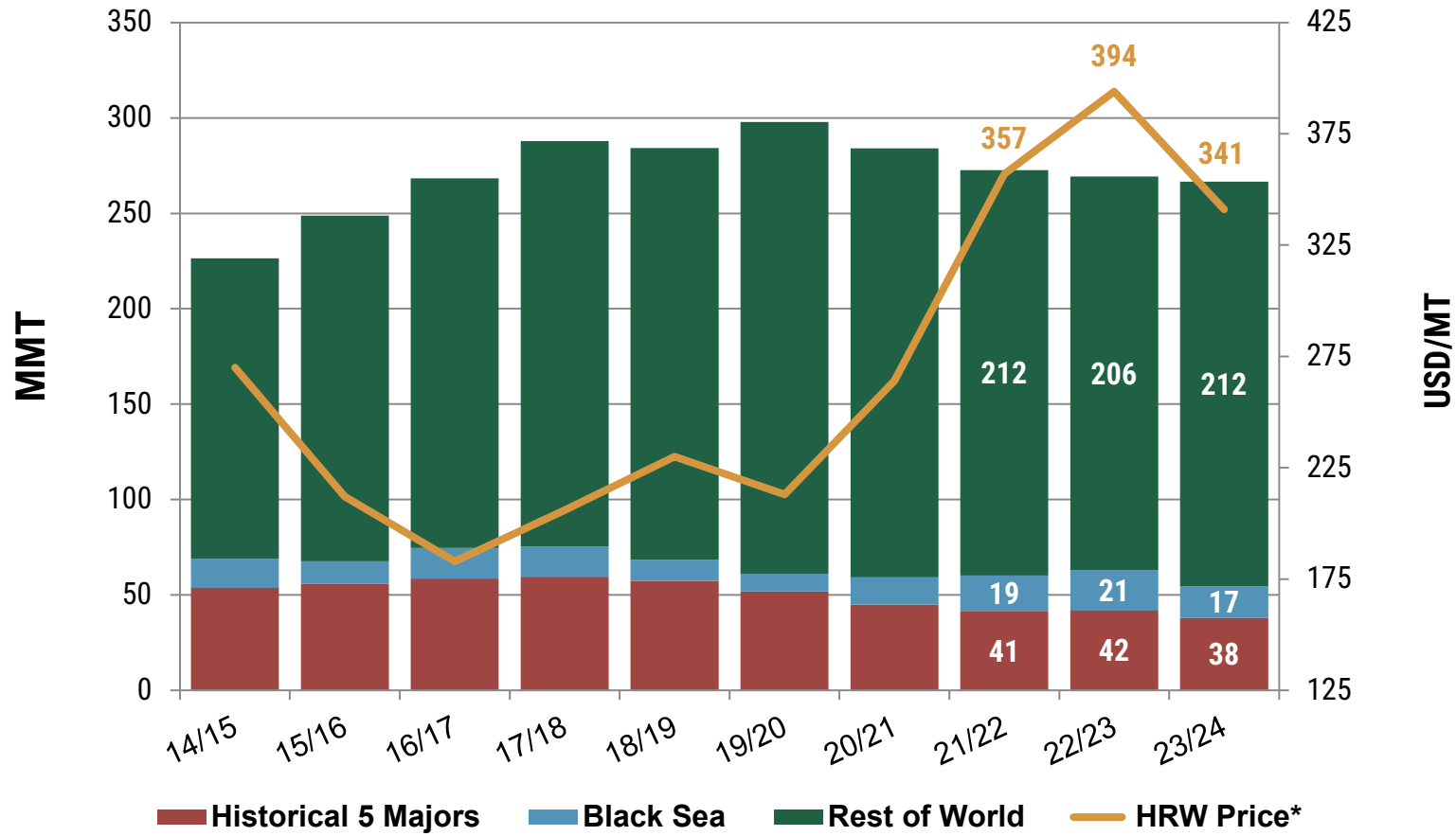
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## *World Ending Stocks by Position (MMT)*



# Global Ending Stocks and Price



\*Source: U.S. Wheat Associates Price Report, July 6, 2023

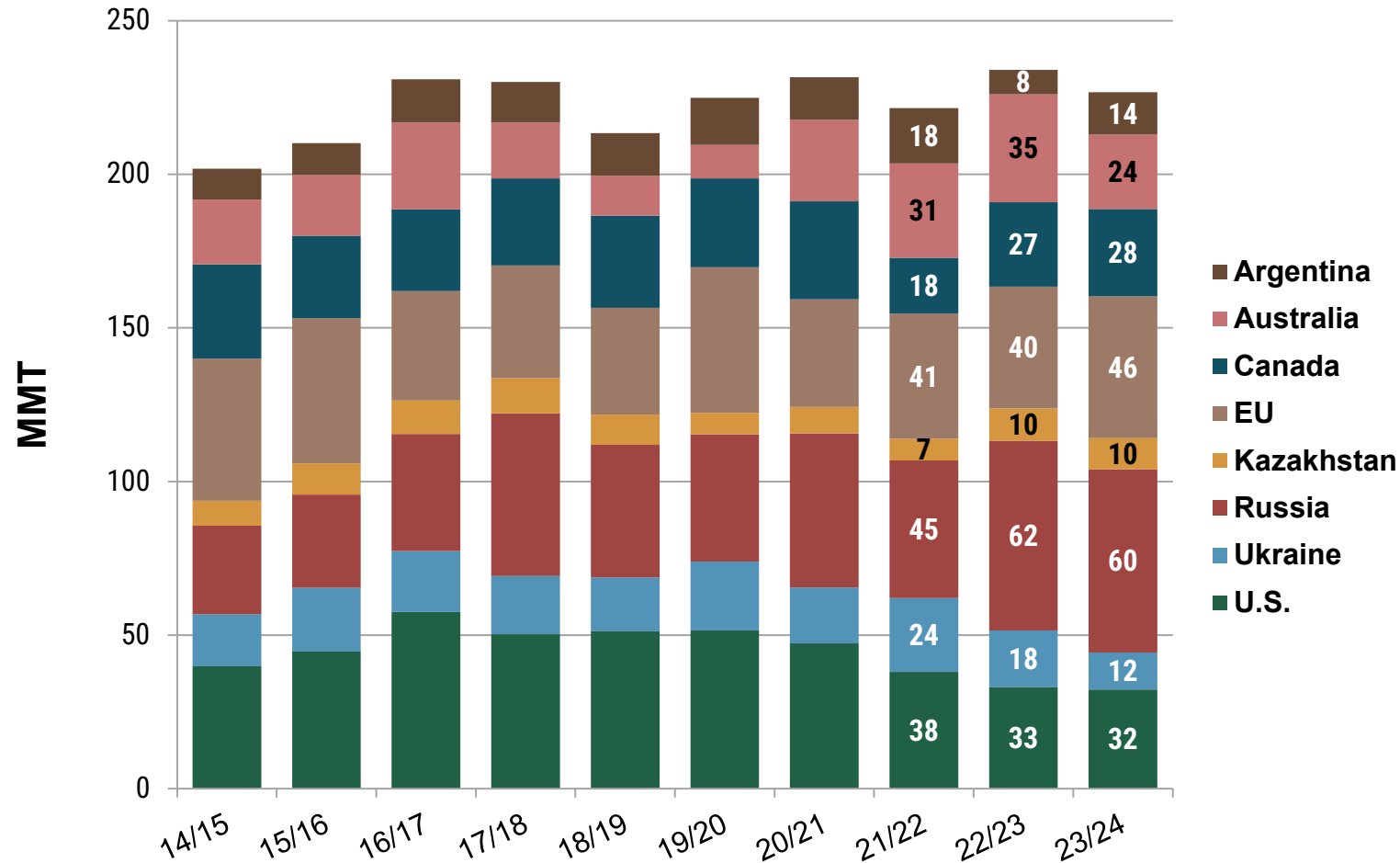




01

*Major Exporters*

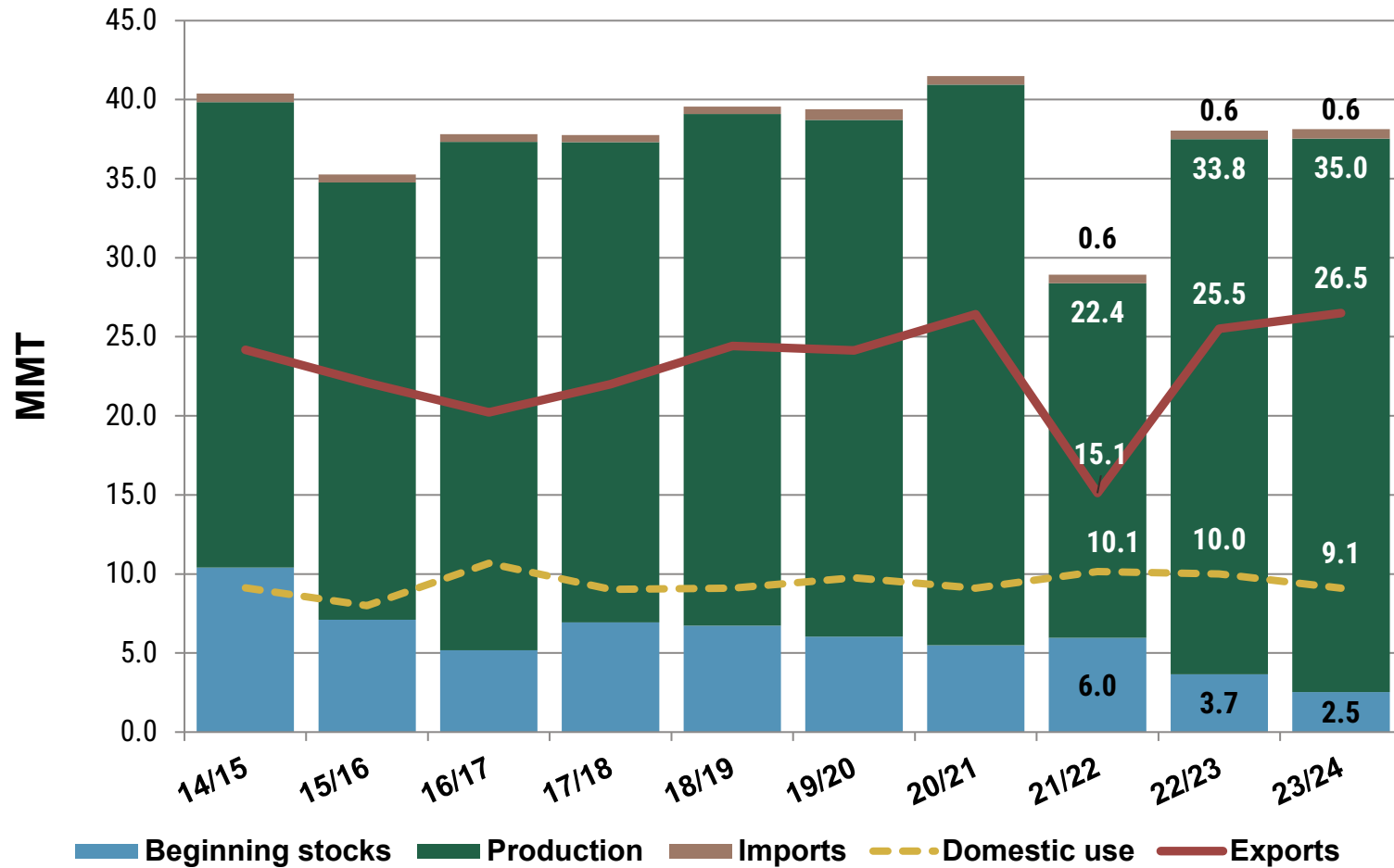
# Exportable Supplies in Top Exporting Countries



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

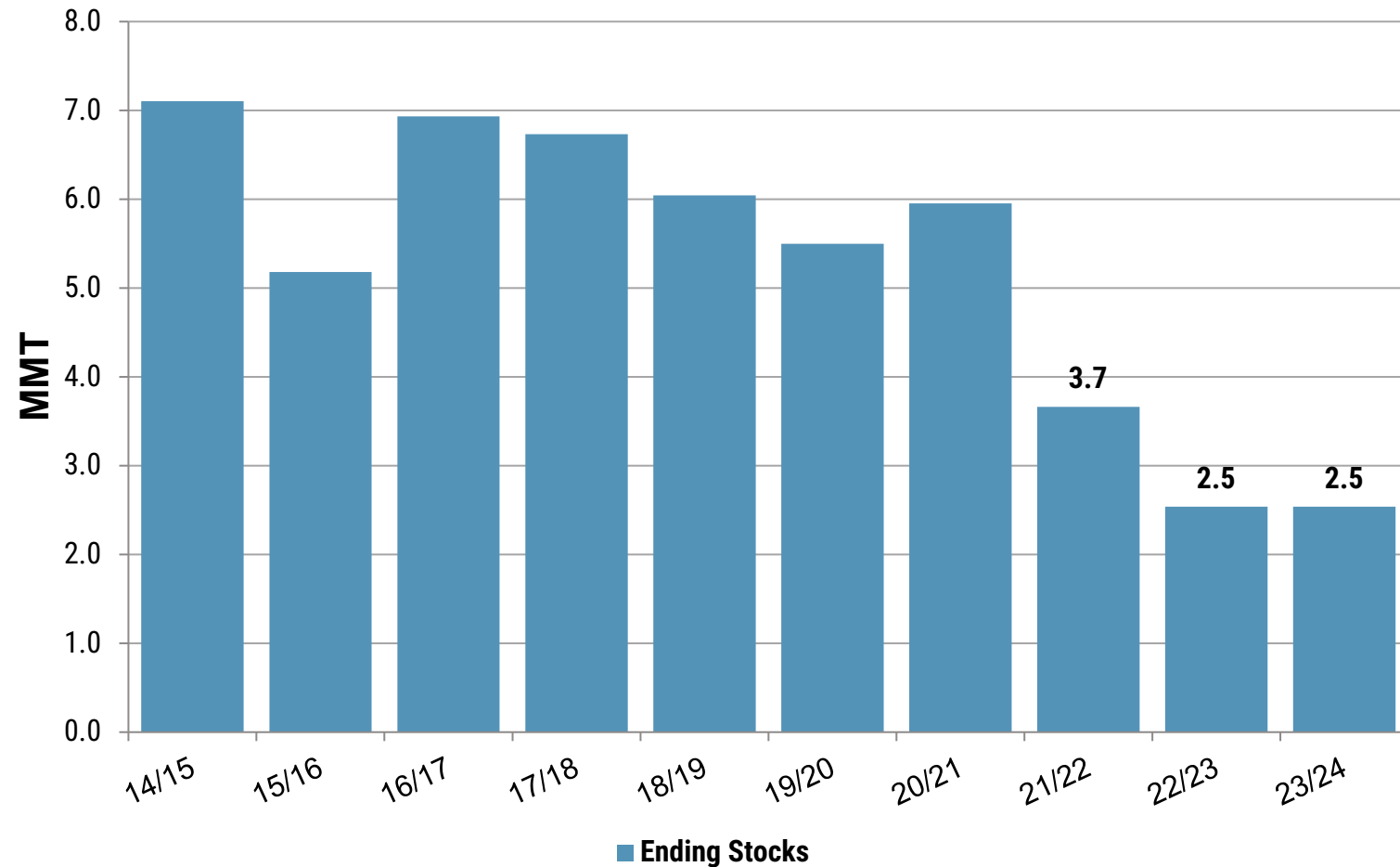


# Canada Situation

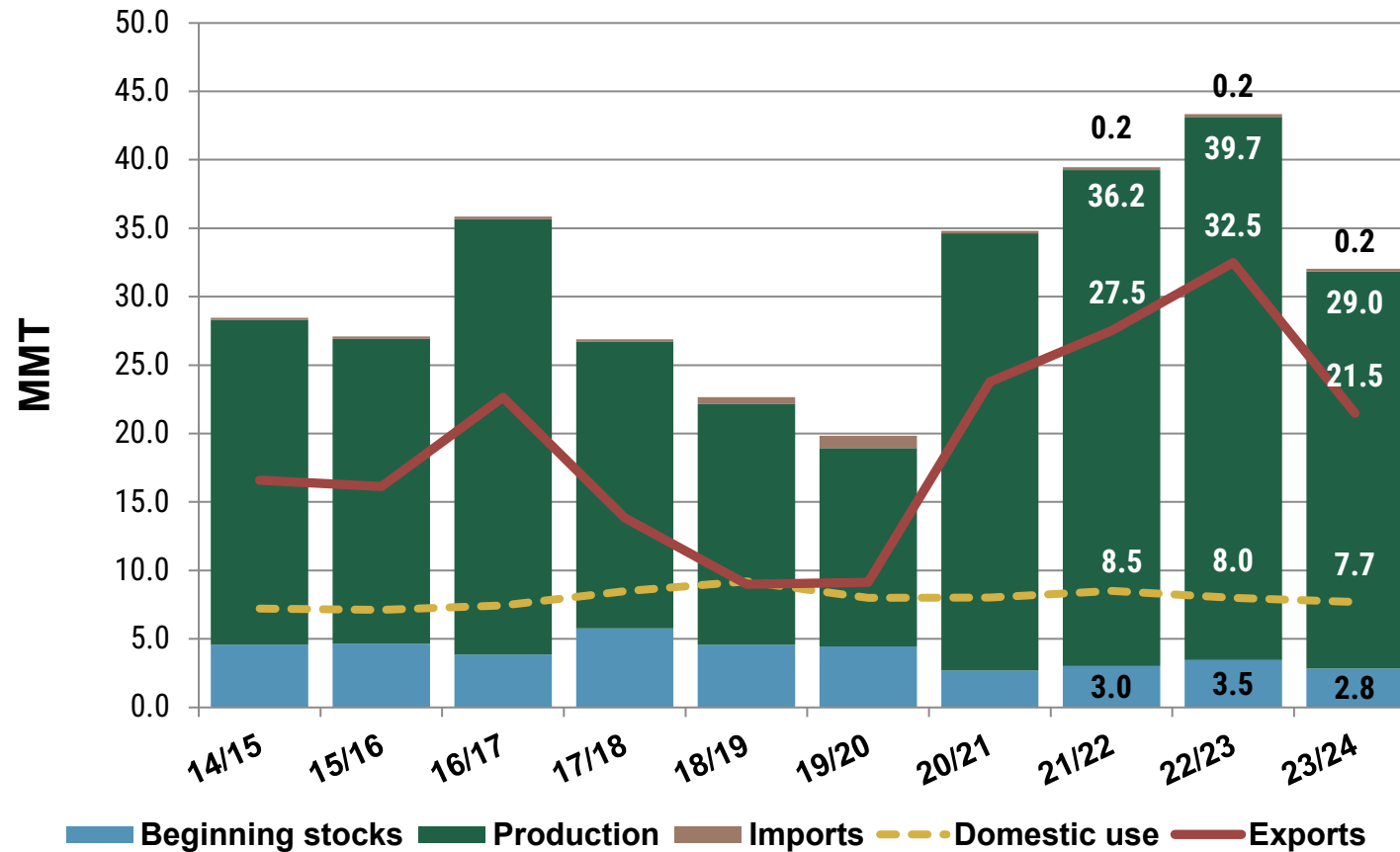




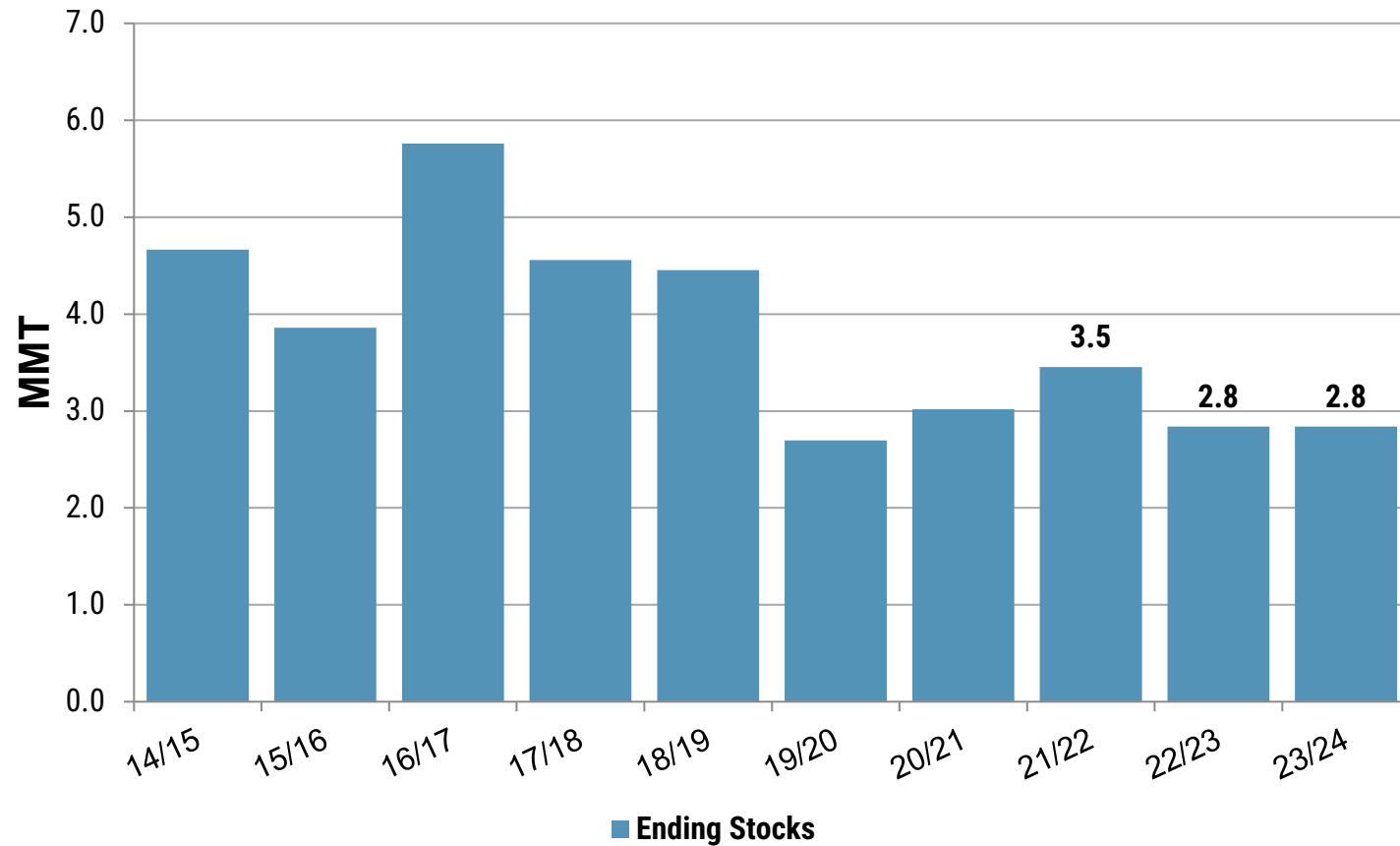
## Canada Ending Stocks



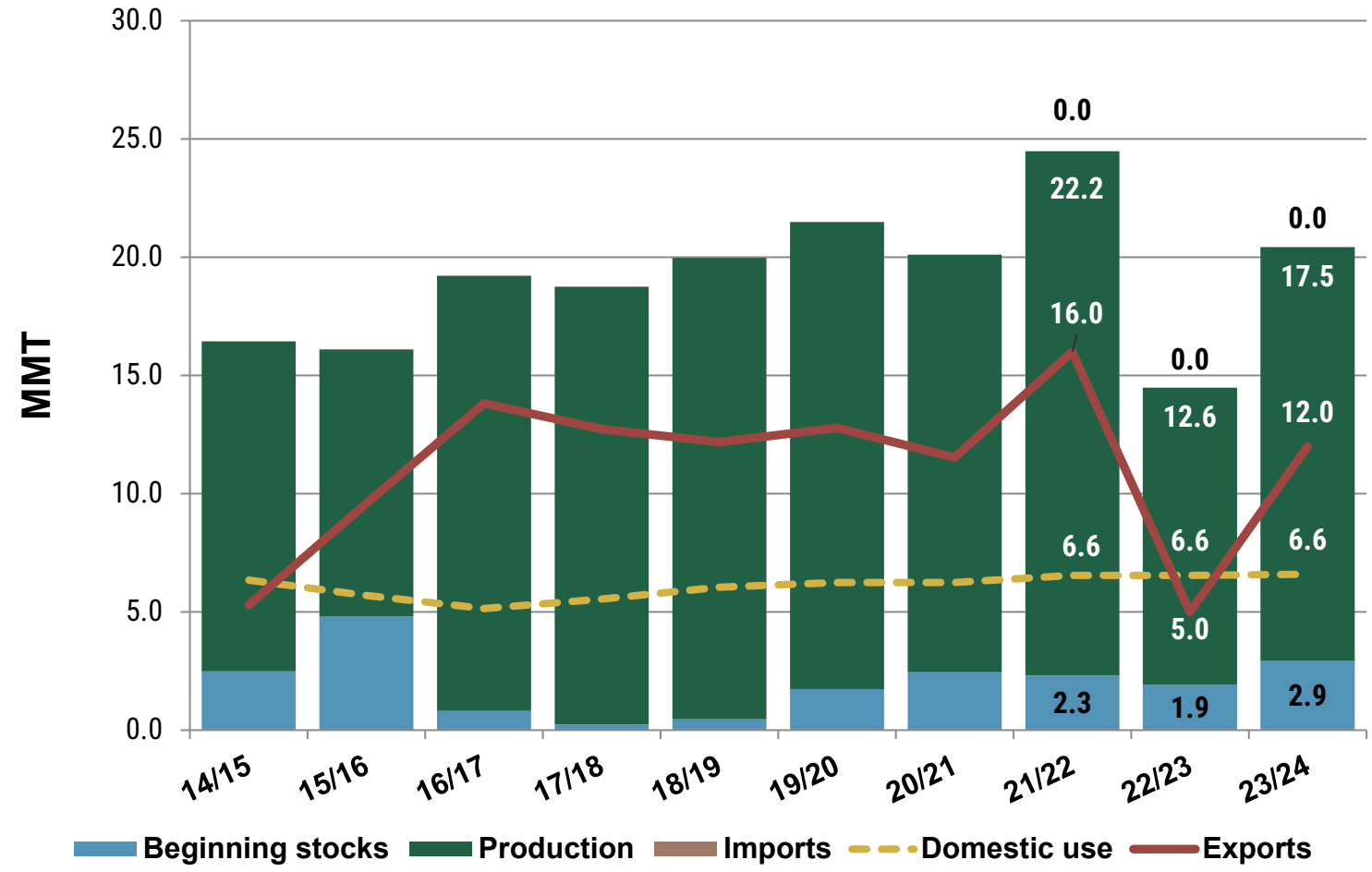
## Australia Situation



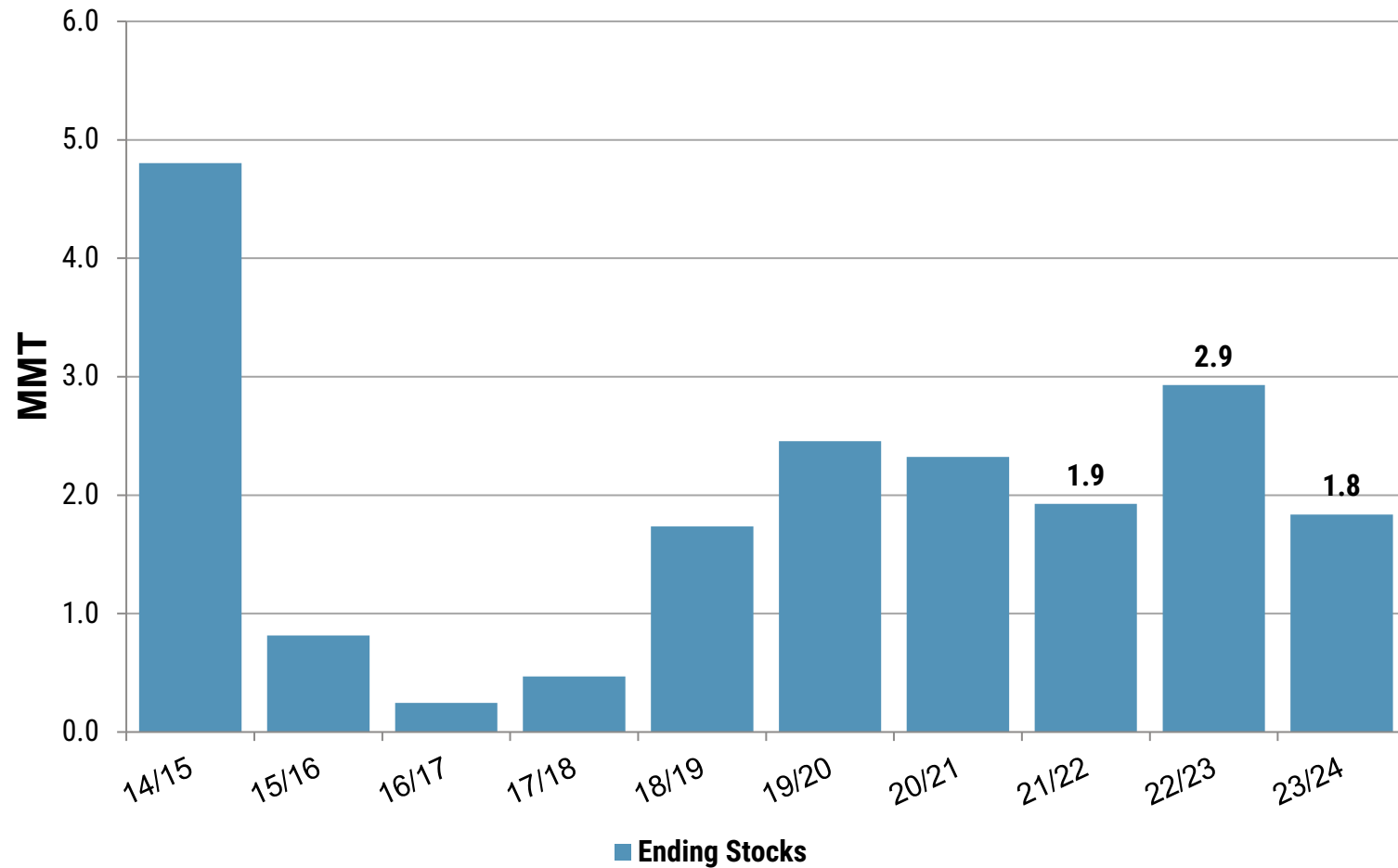
## Australia Ending Stocks



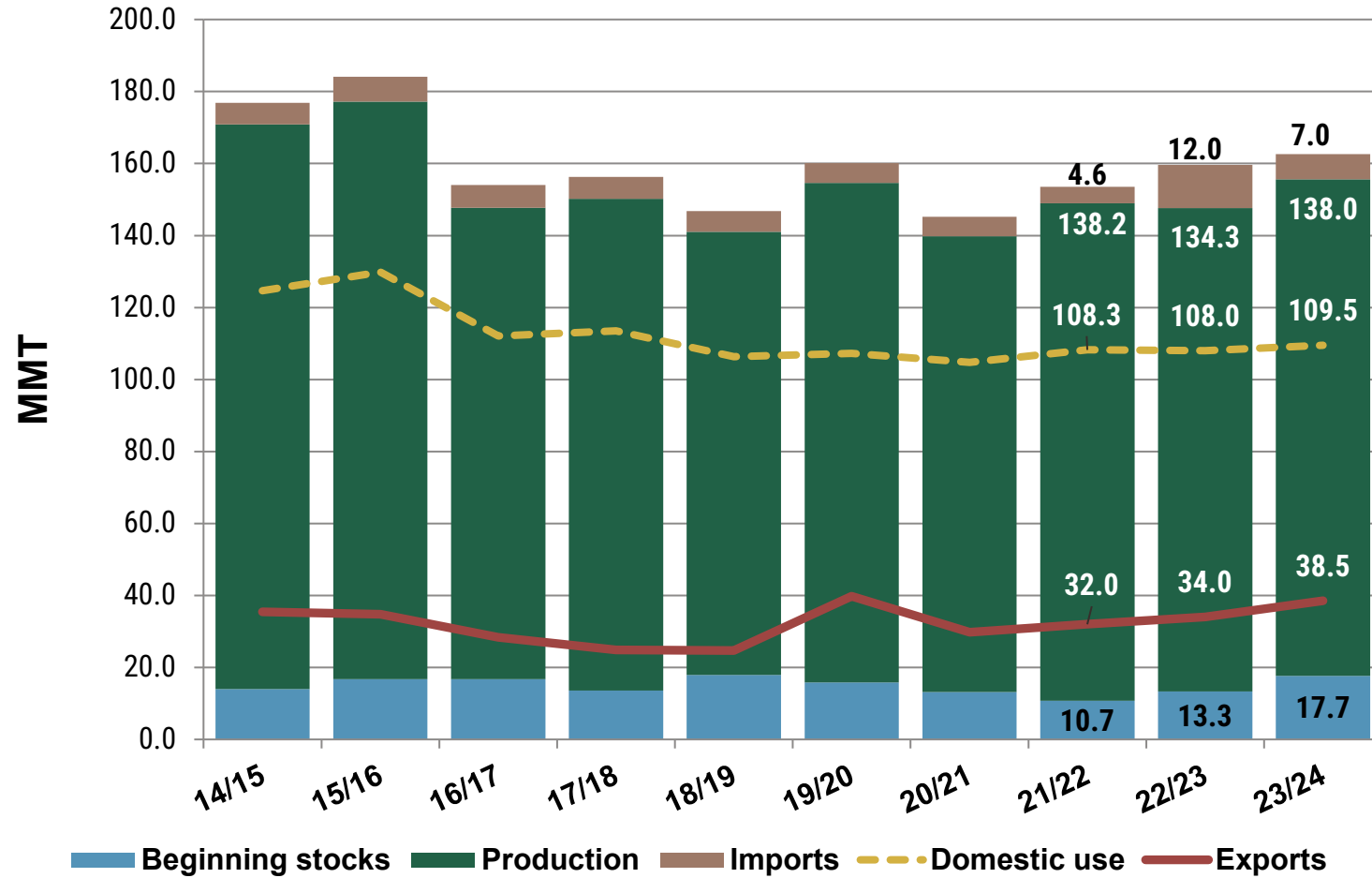
# Argentina Situation



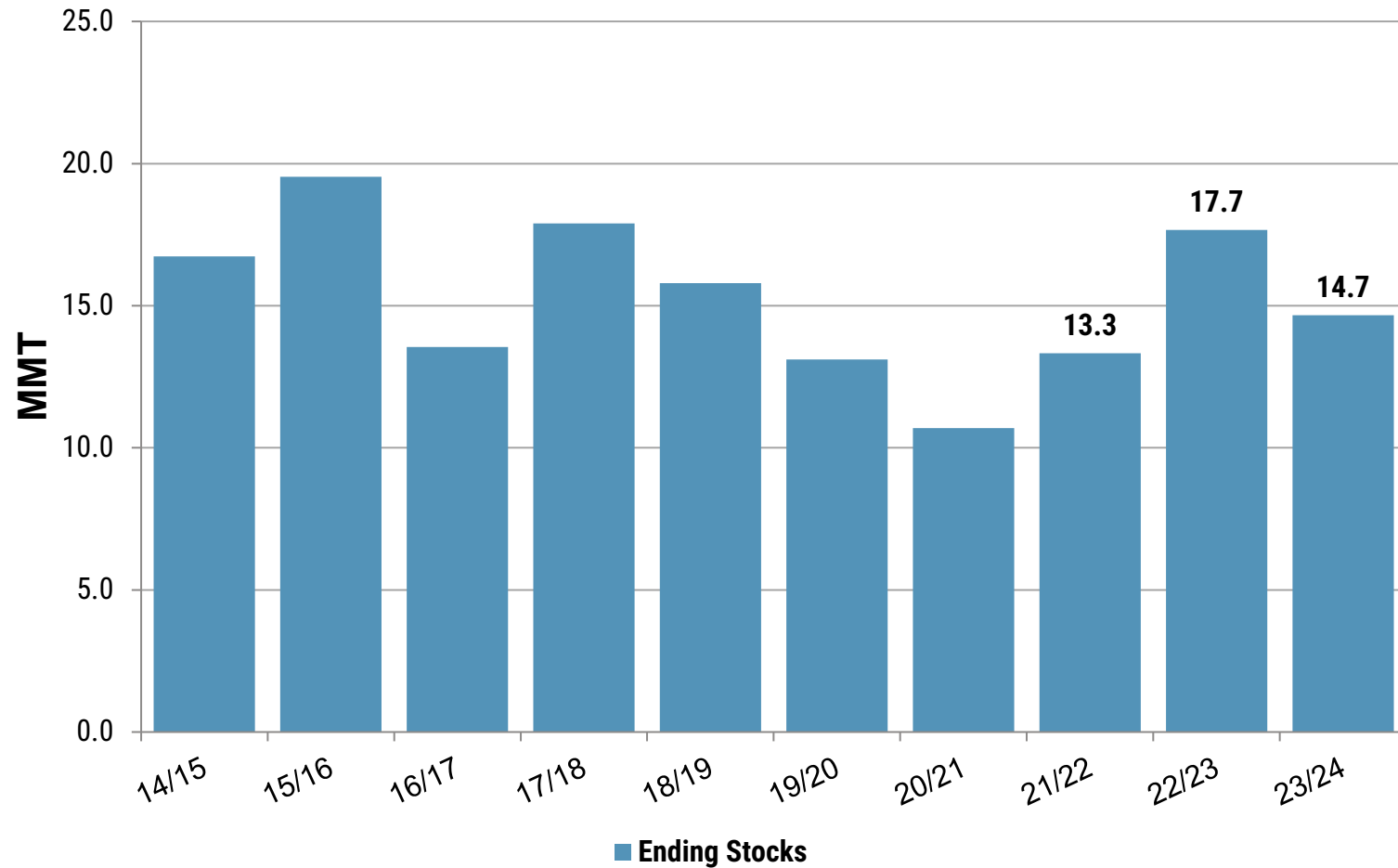
## Argentina Ending Stocks



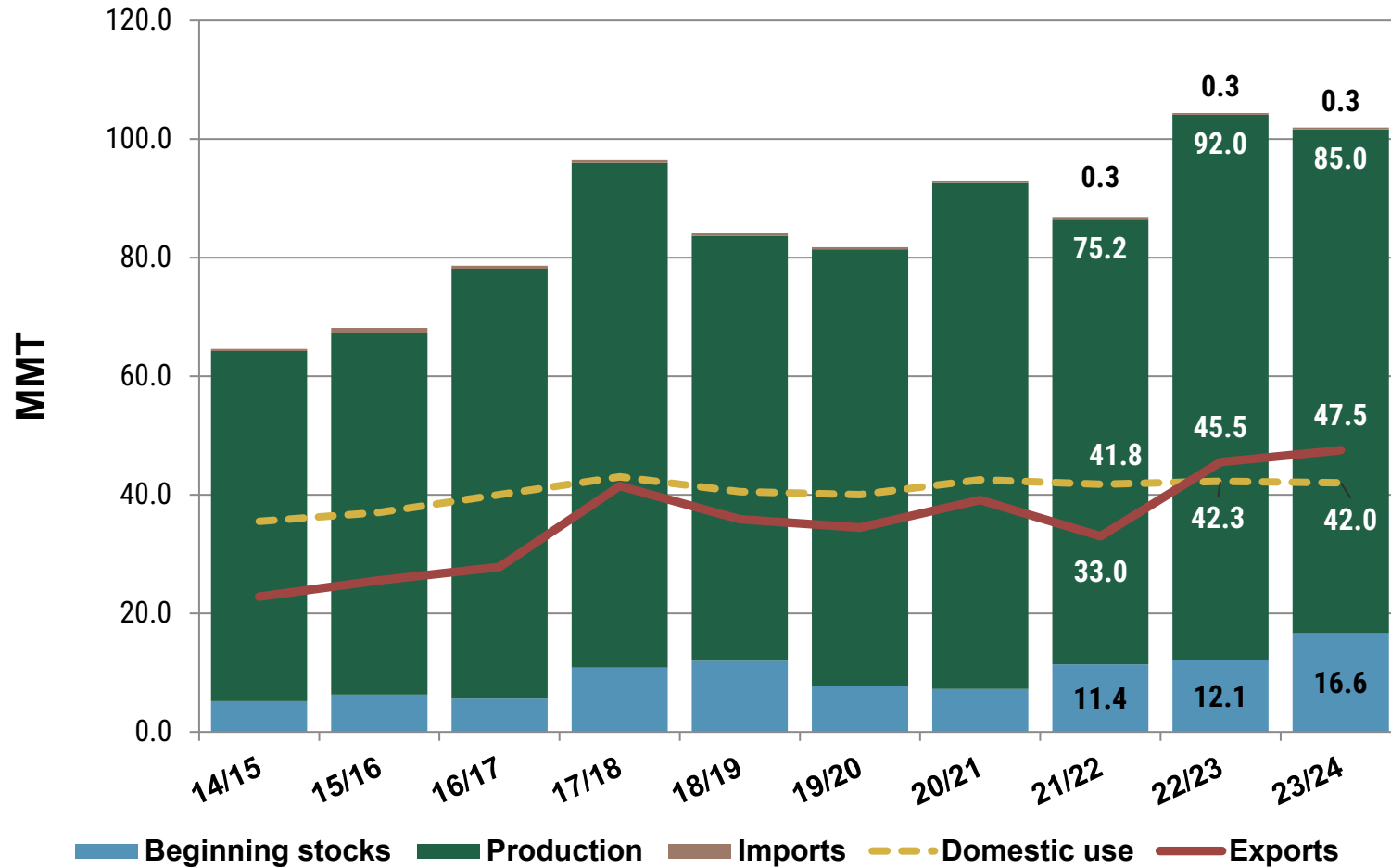
# EU Situation



## EU Ending Stocks

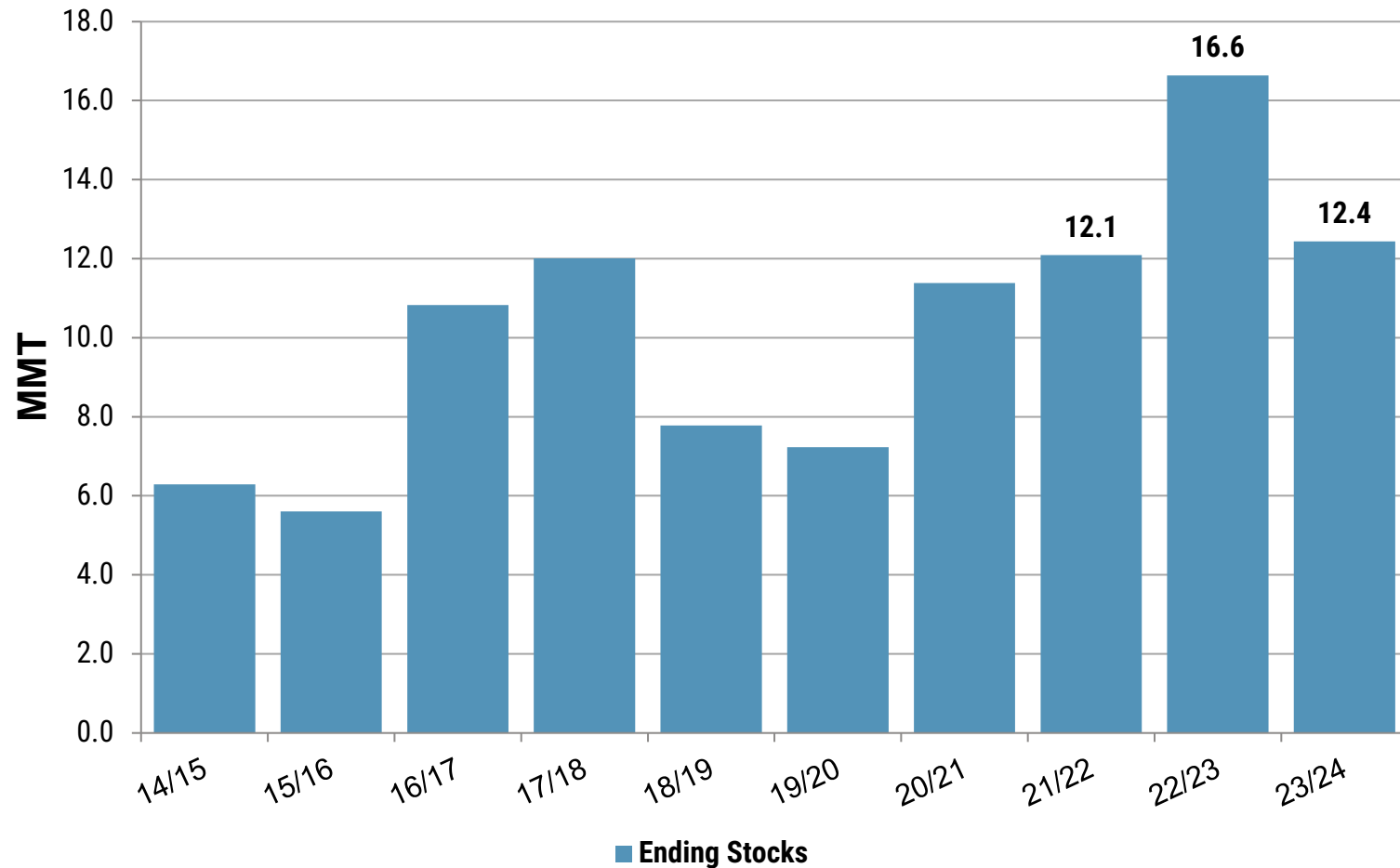


# Russia Situation

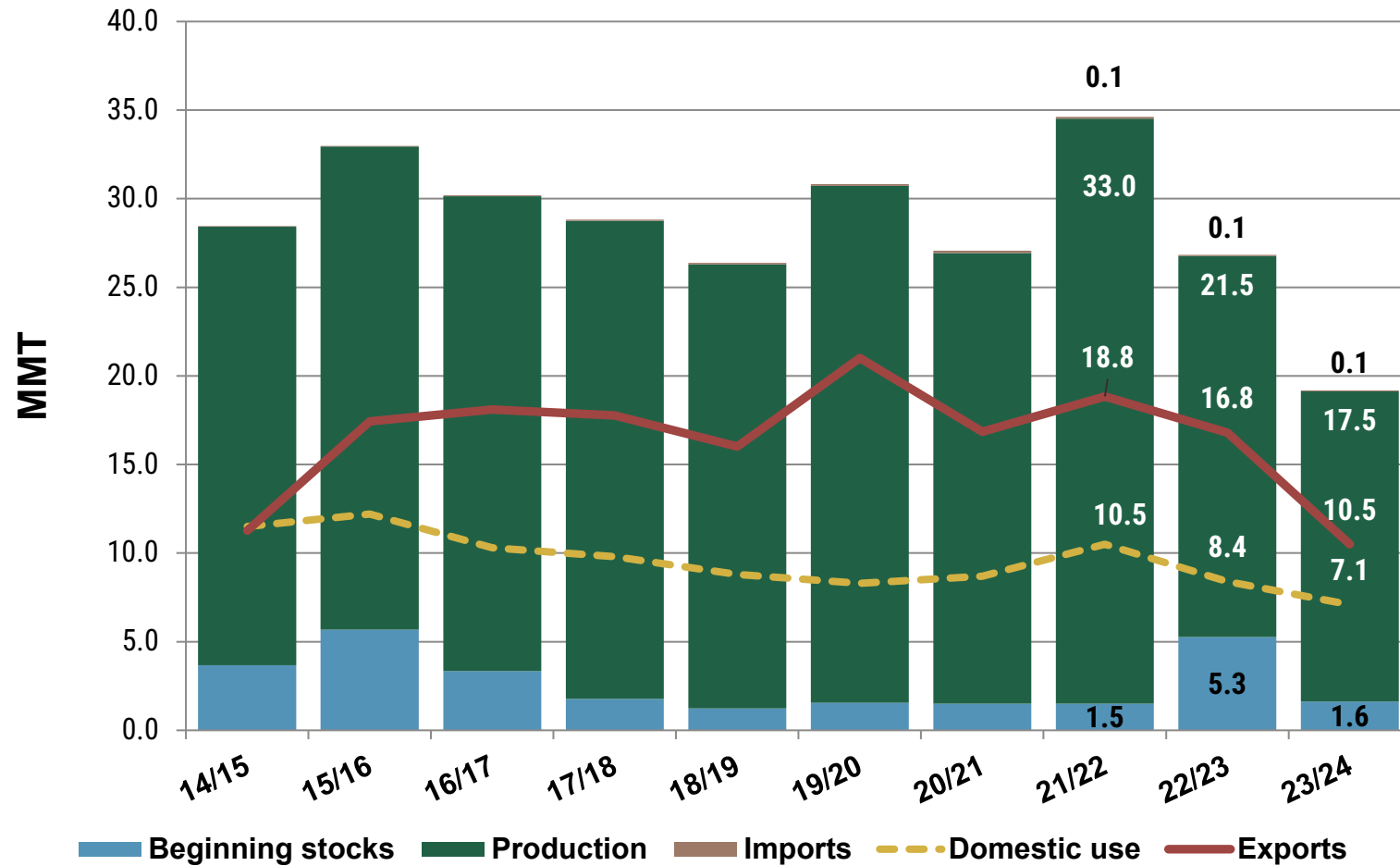




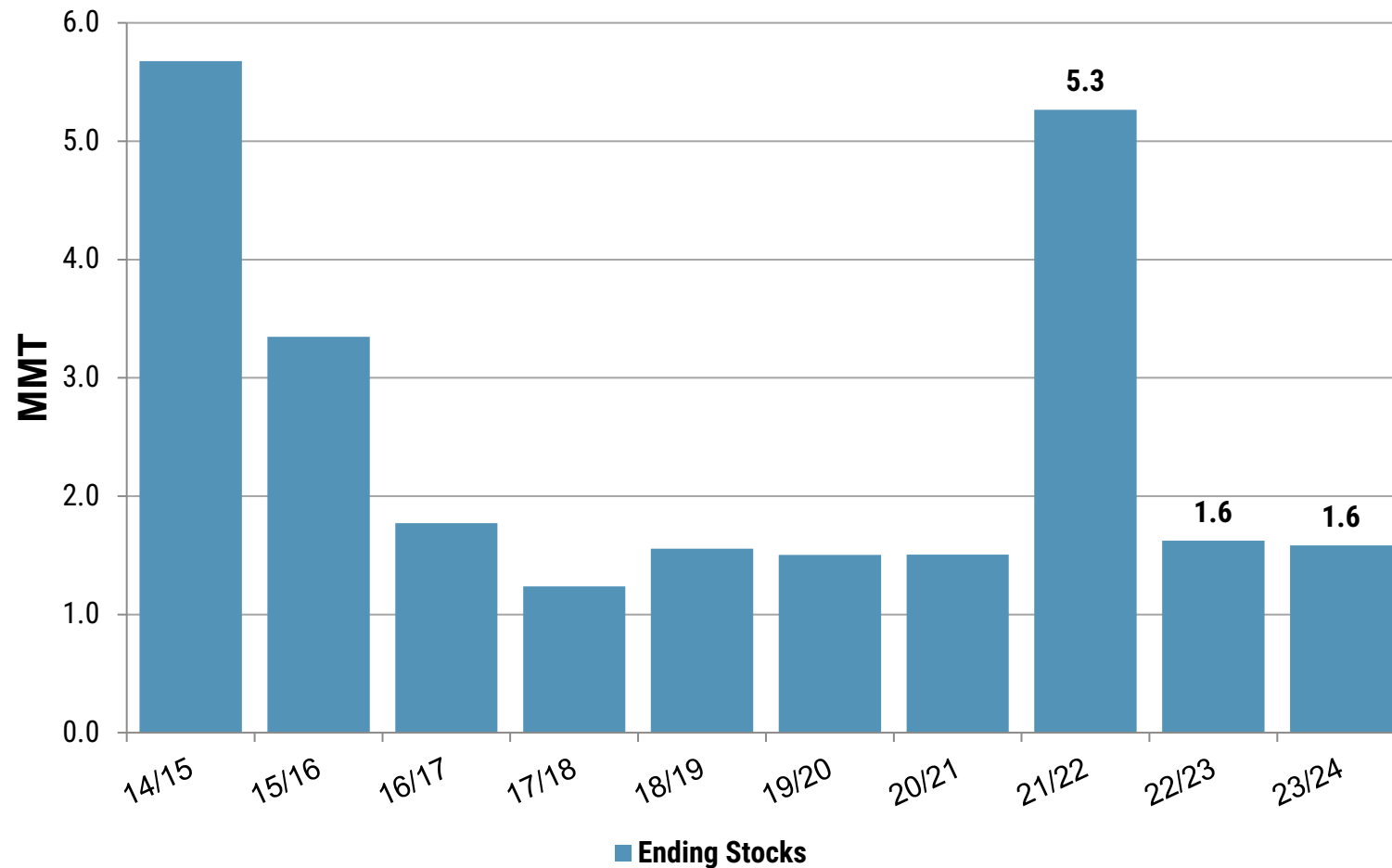
## Russia Ending Stocks



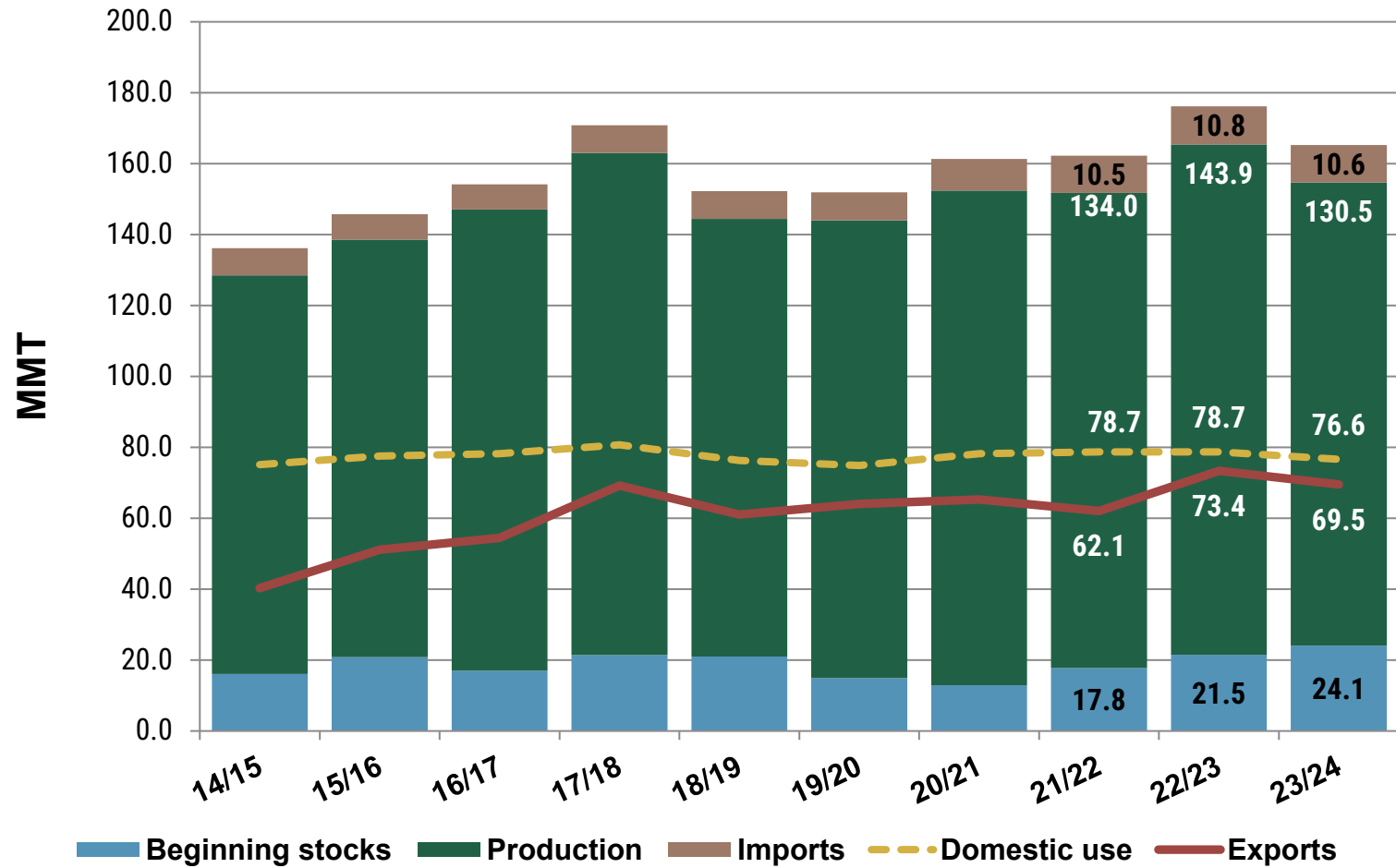
# Ukraine Situation



## Ukraine Ending Stocks

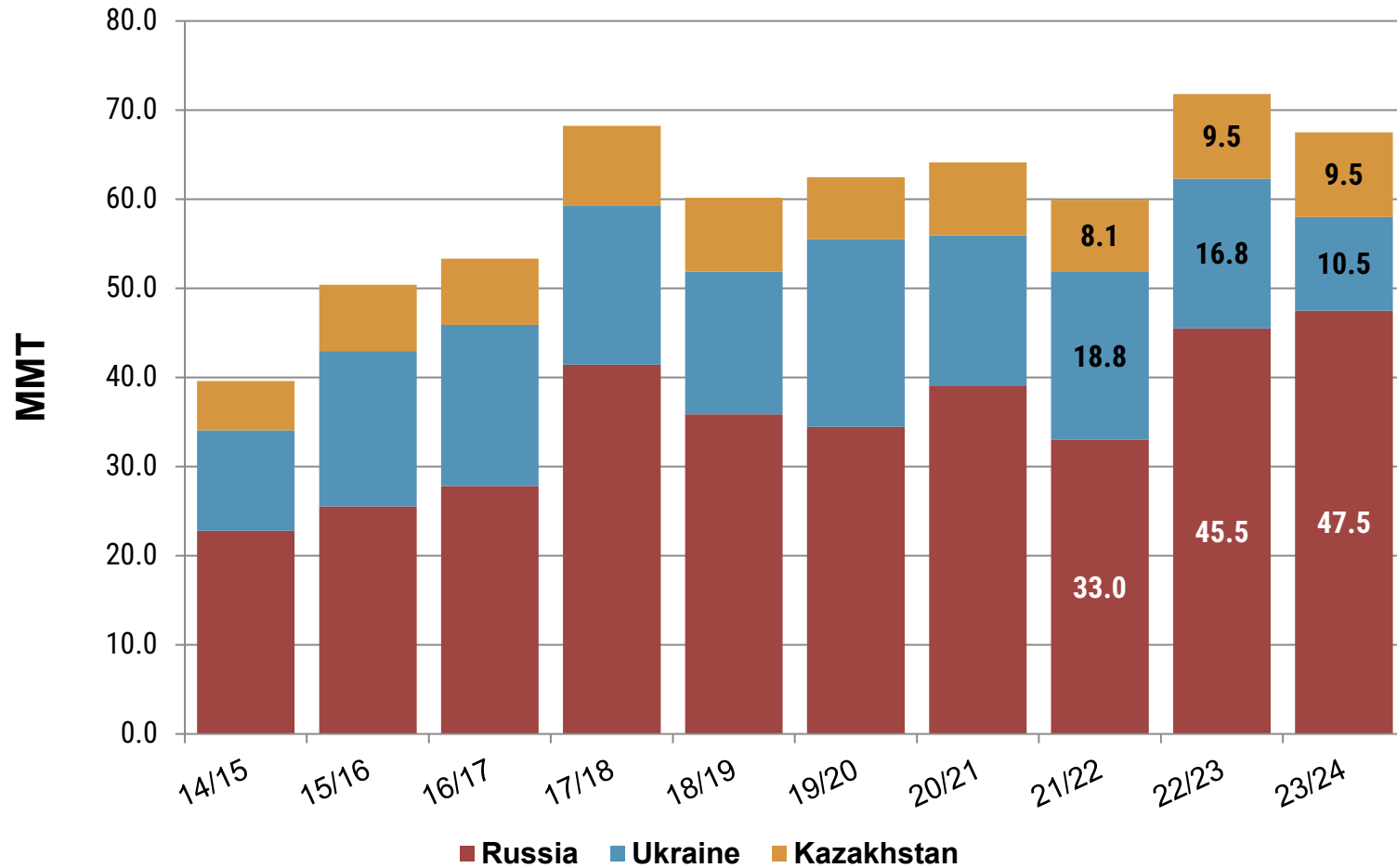


# Black Sea Region Situation



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

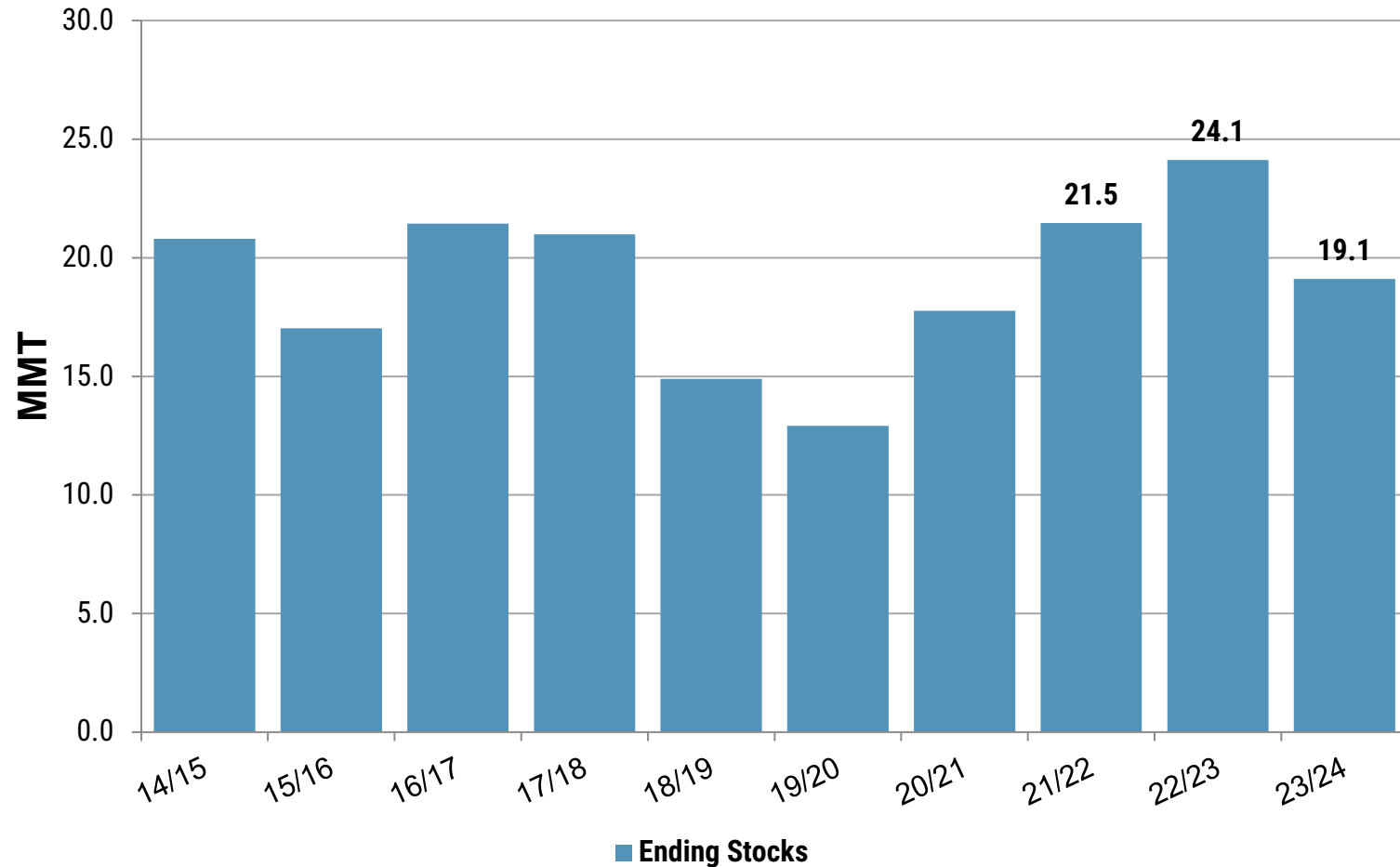
# Black Sea Exports



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



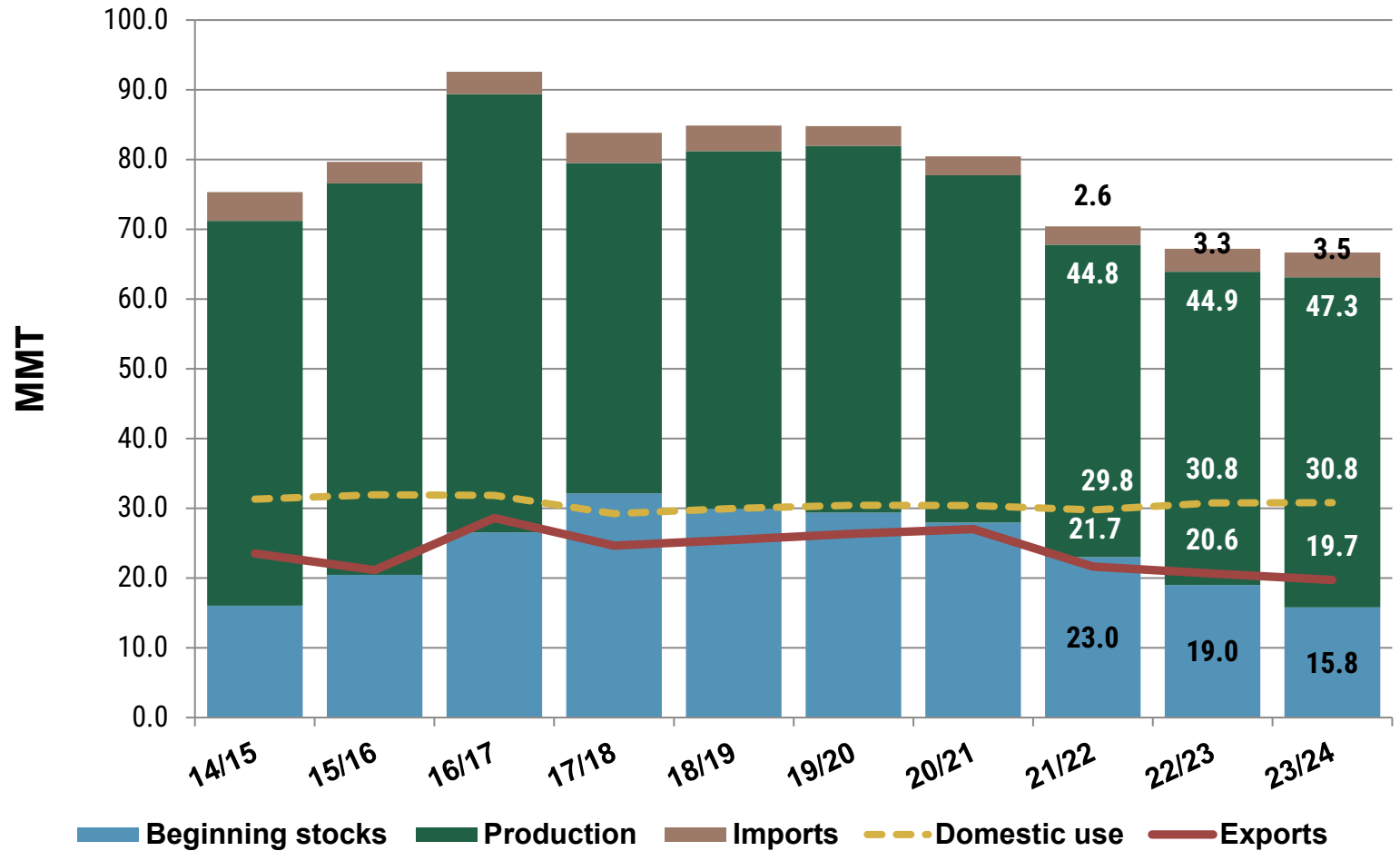
## Black Sea Ending Stocks



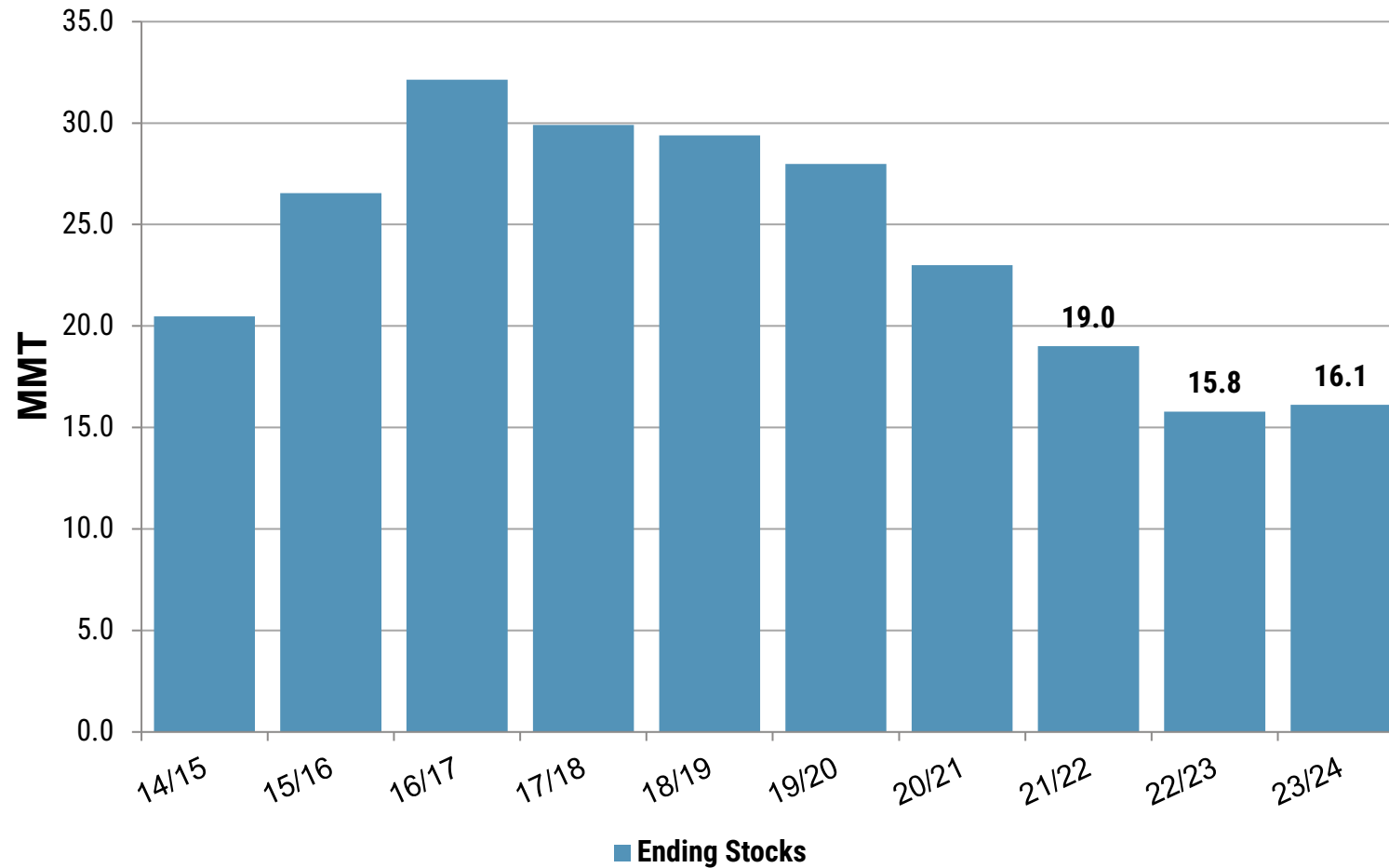
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# U.S. Situation



## U.S. Ending Stocks



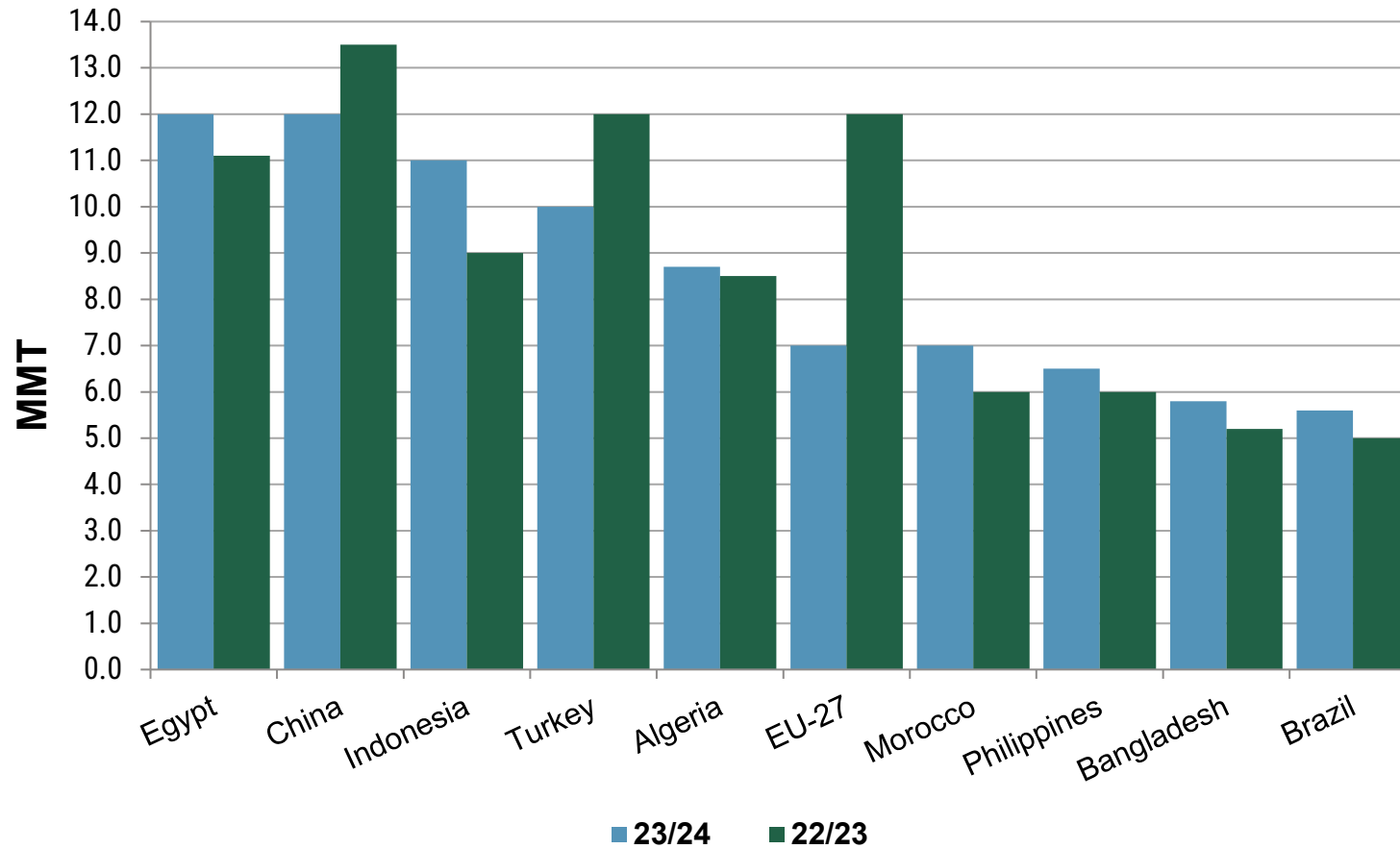




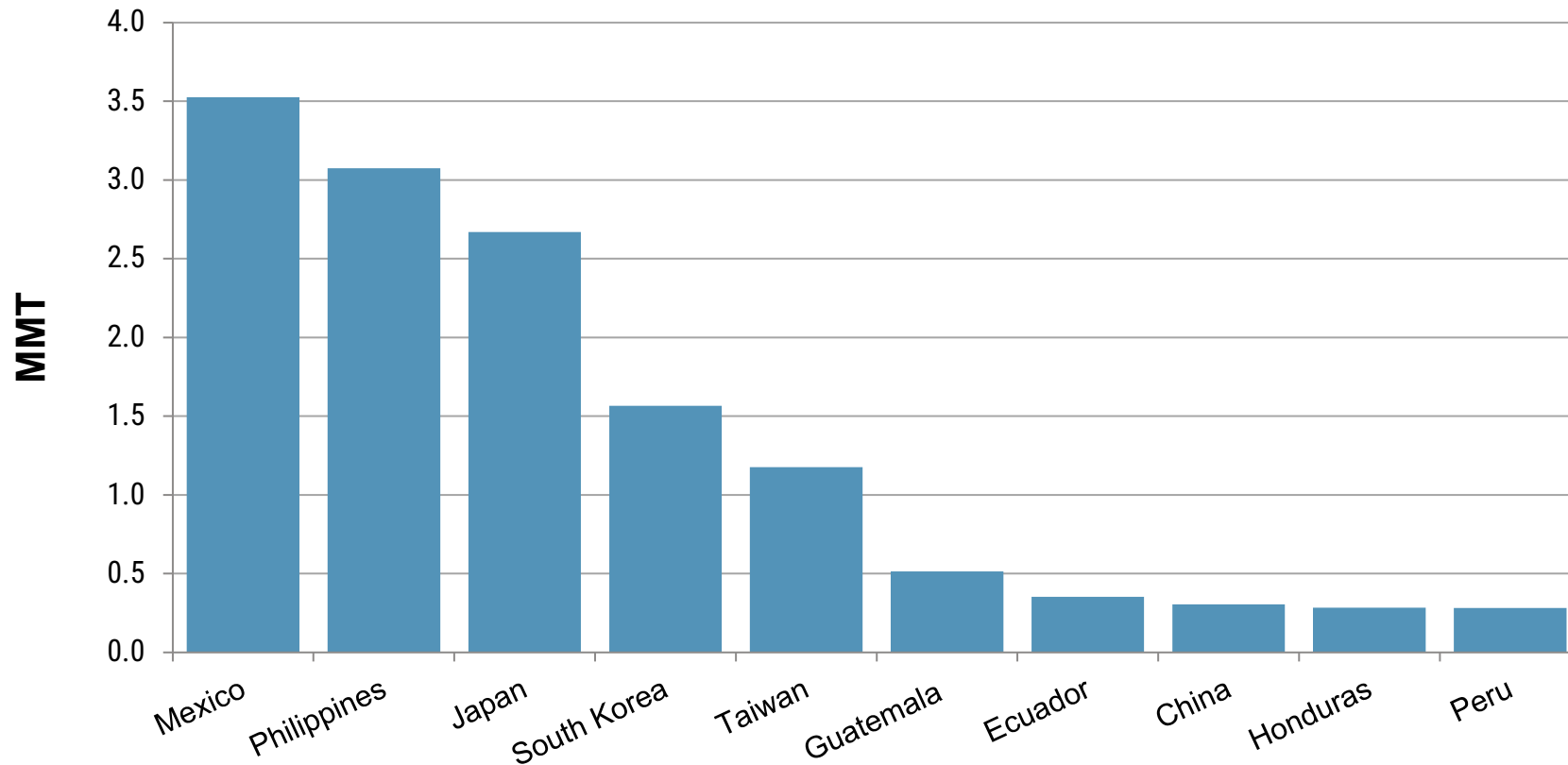
02

*Import Demand*

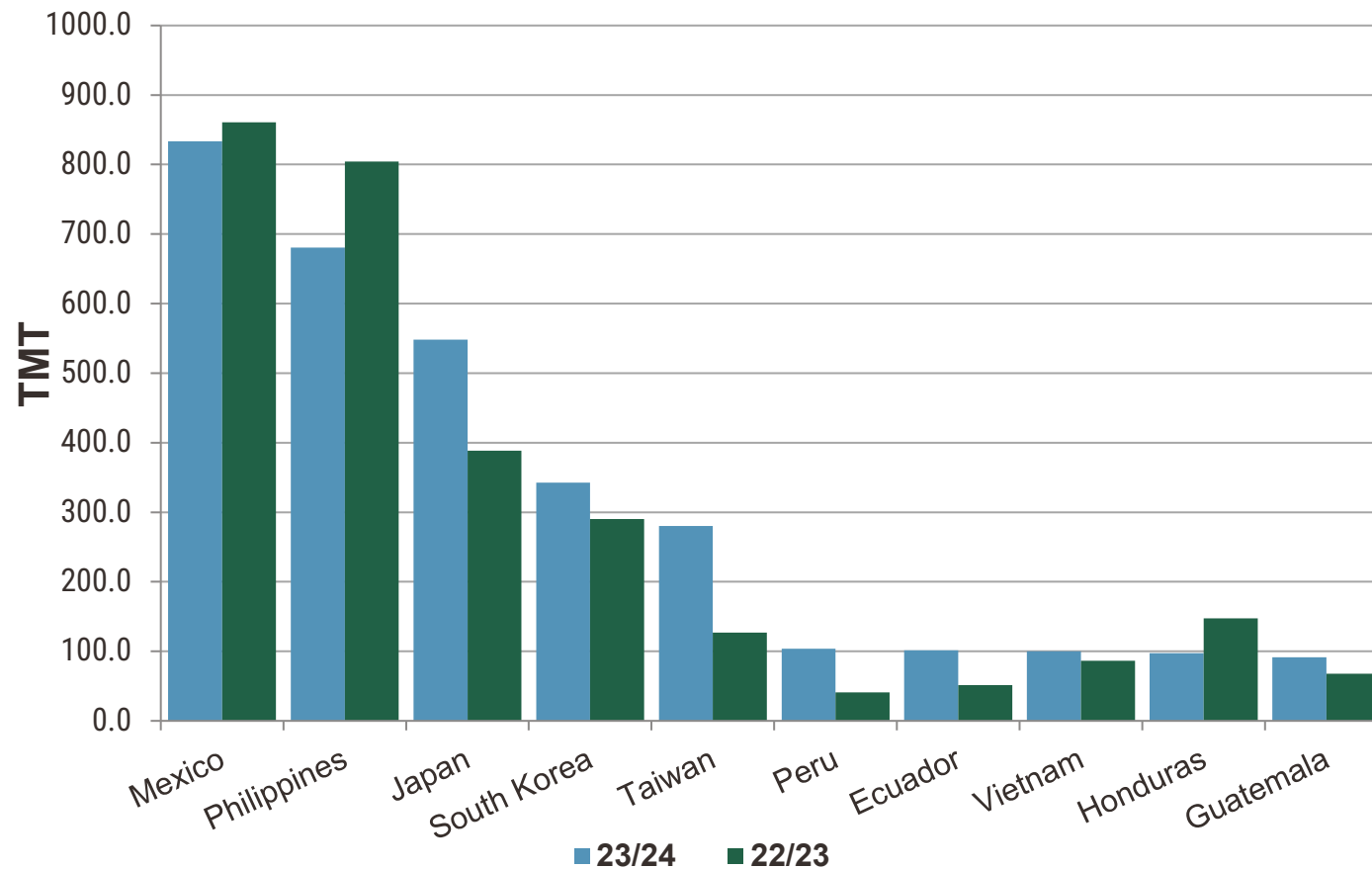
## Major World Wheat Importers



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



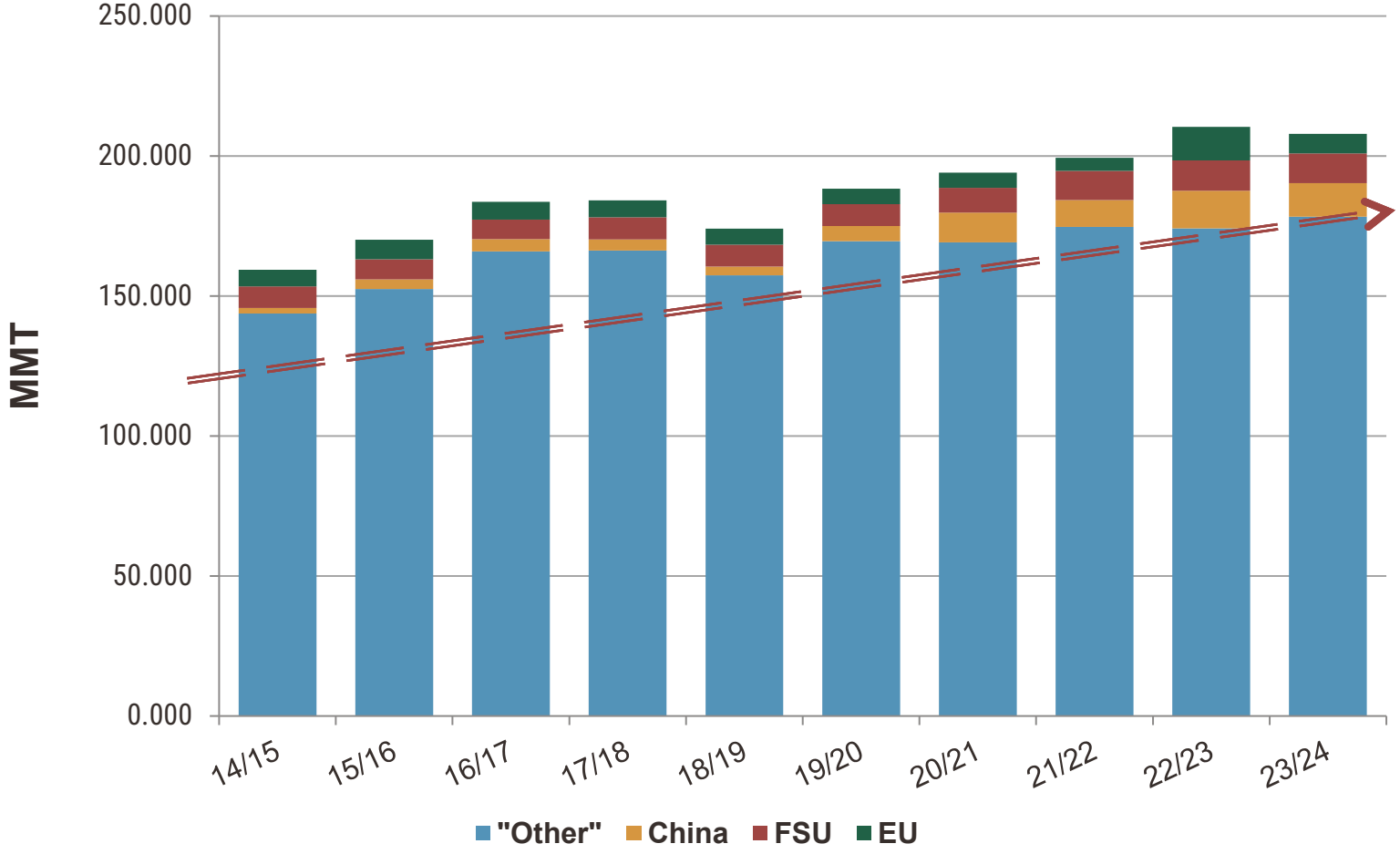
## Top 10 Customers for U.S. Wheat (year-to-date sales for current marketing year delivery)



Source: USDA FAS export sales data as of June 29, 2023



# World Wheat Imports

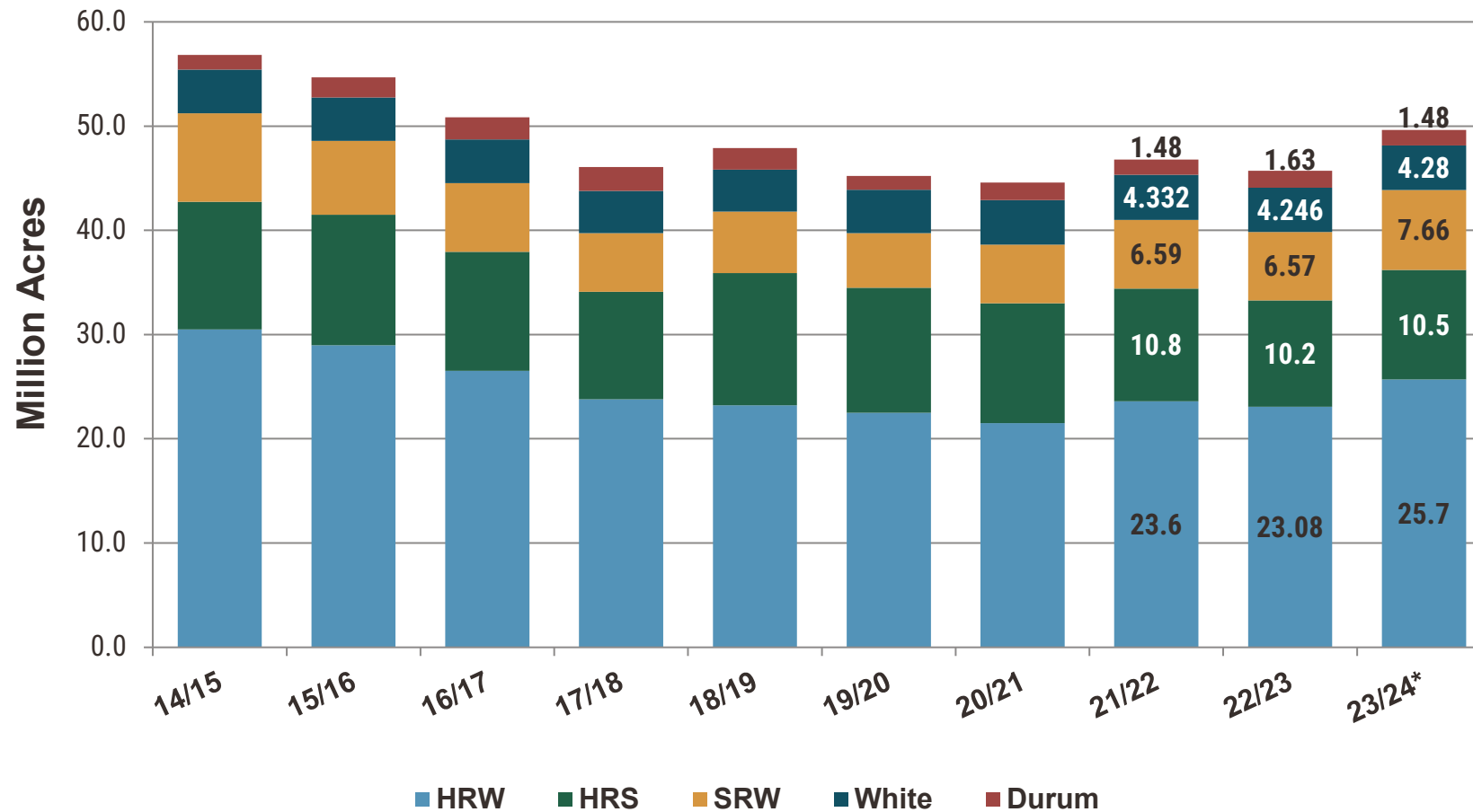




03

*U.S. Situation by  
Class*

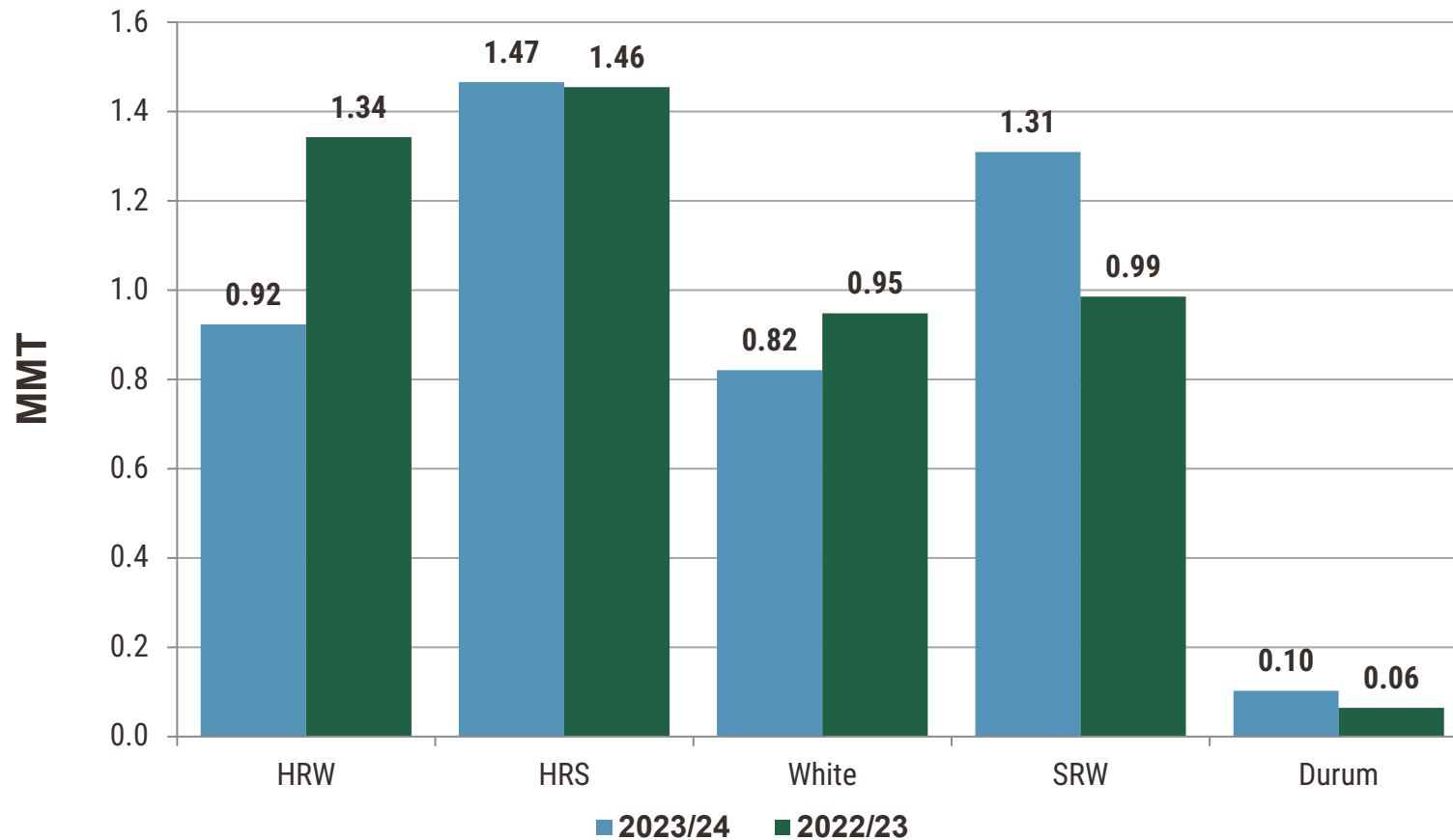
# U.S. Wheat Planted Area



\*Source: USDA June Acreage Report

## U.S. Wheat Sales by Class

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

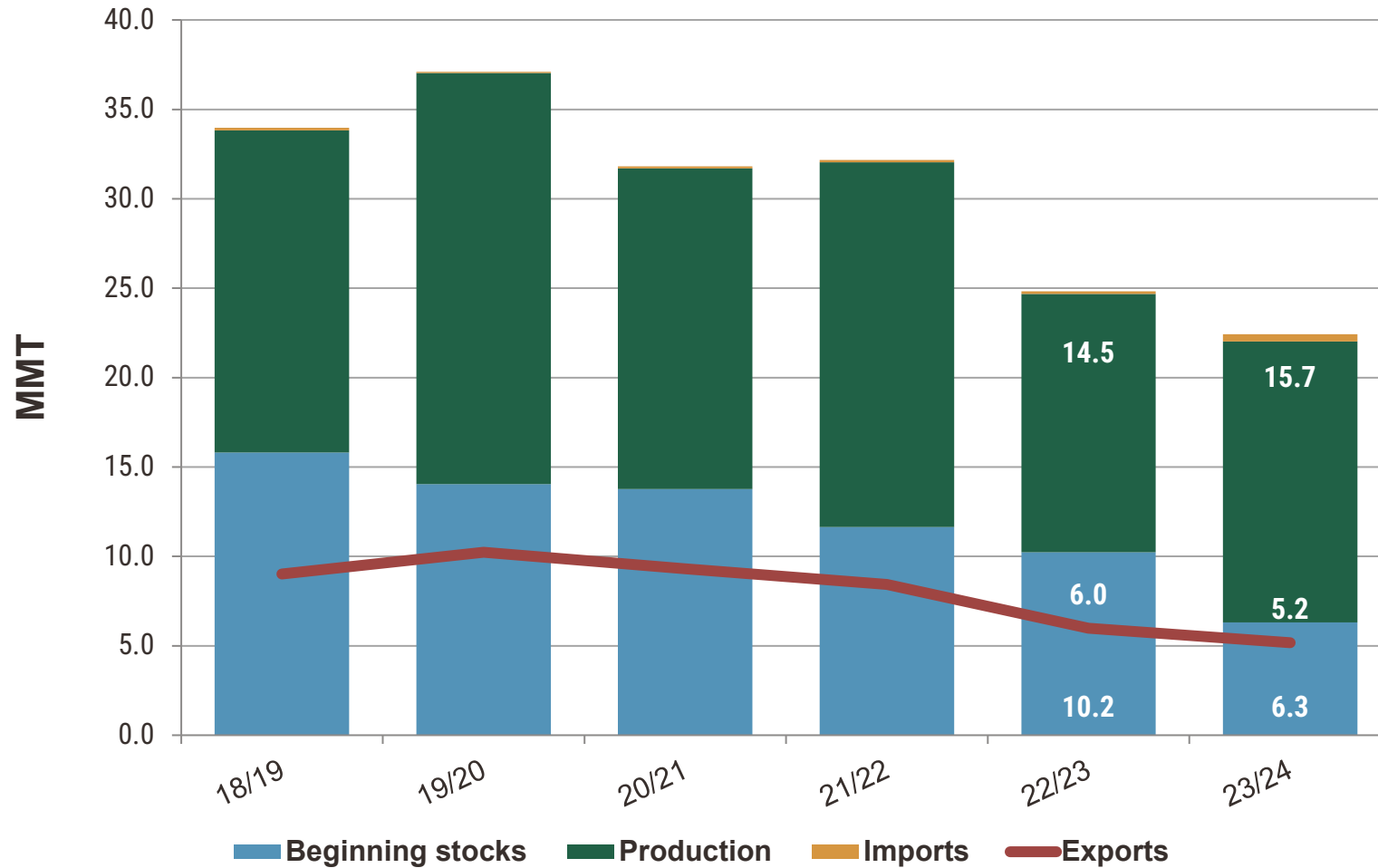


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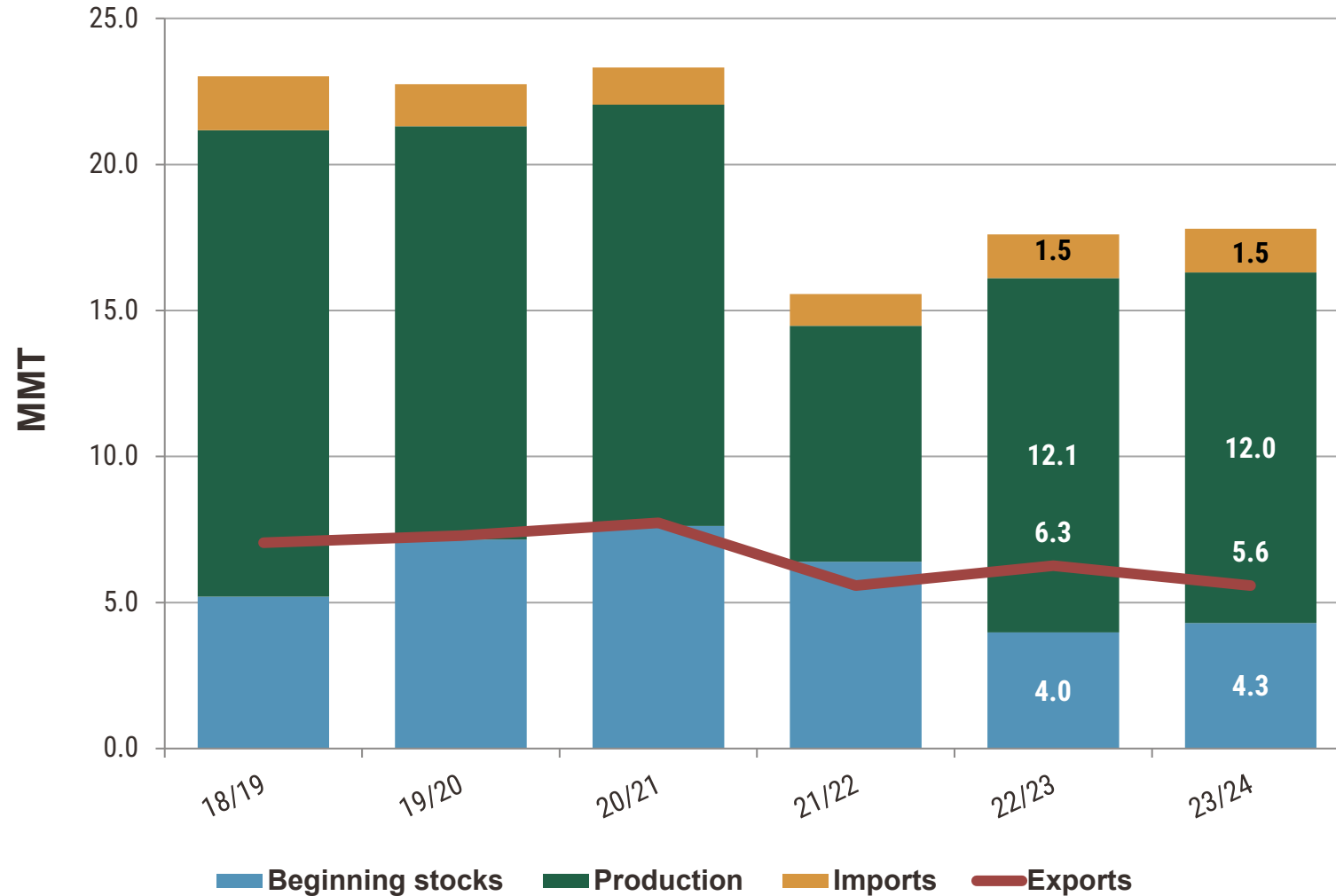




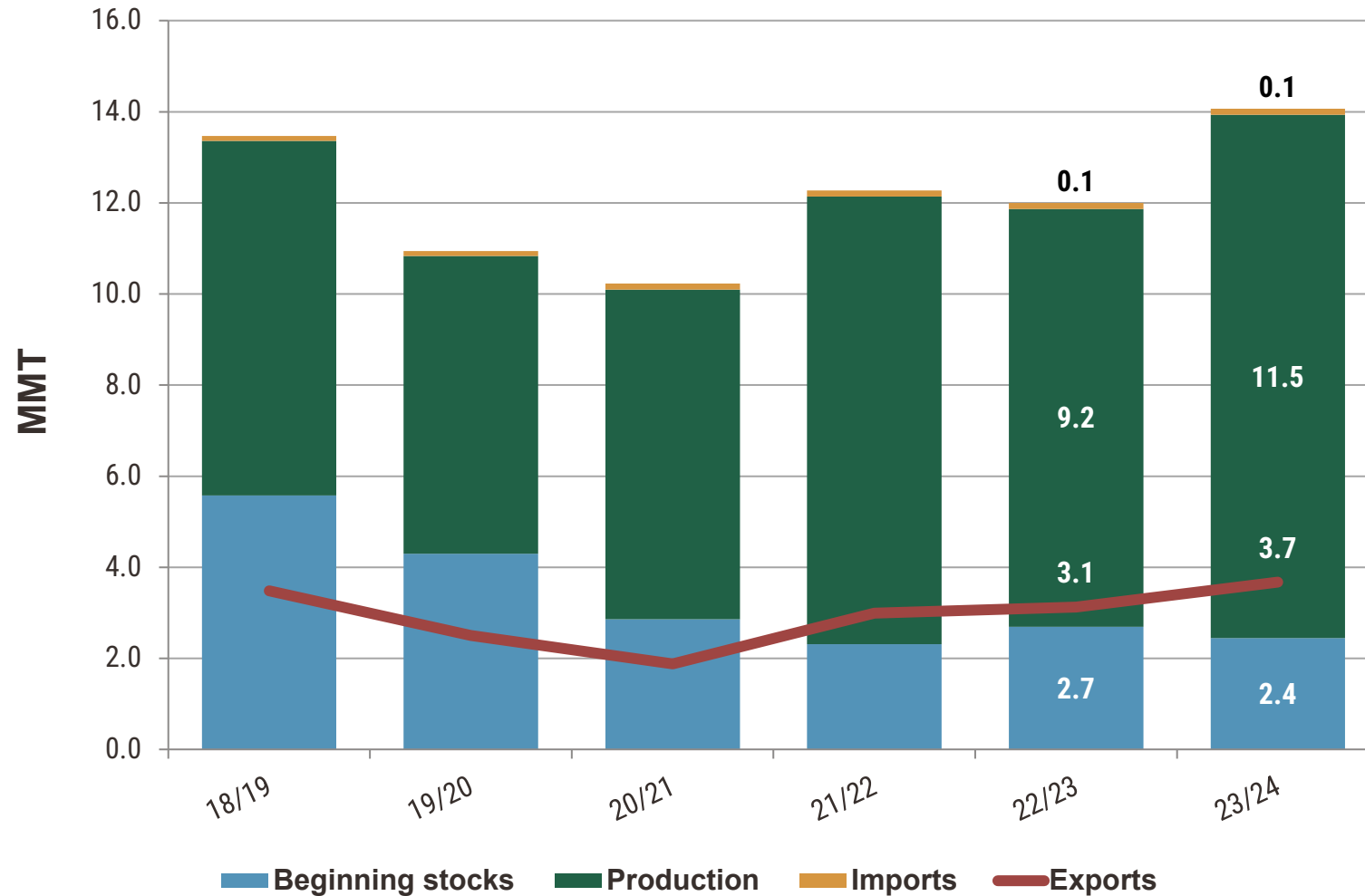
# U.S. Hard Red Winter



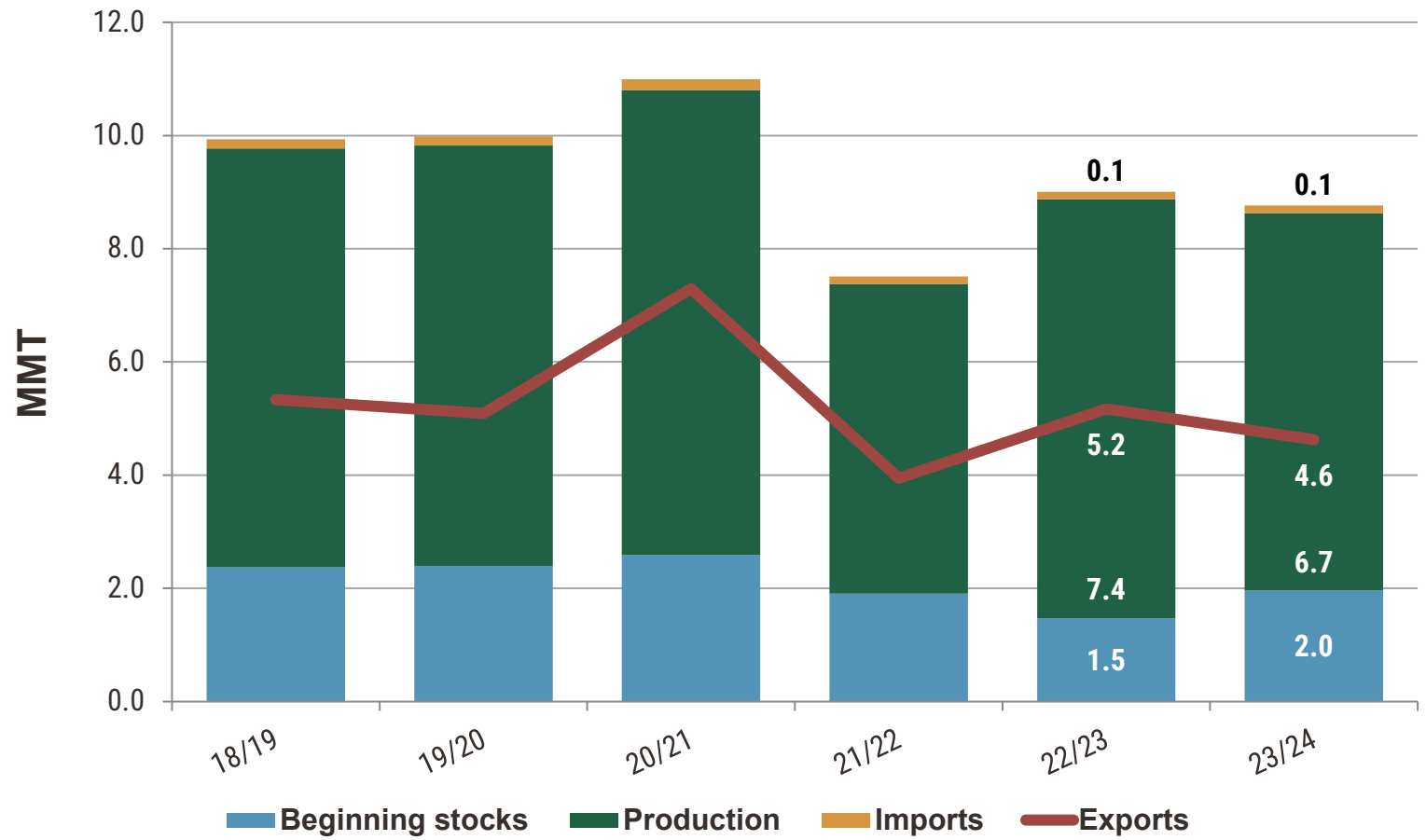
# U.S. Hard Red Spring



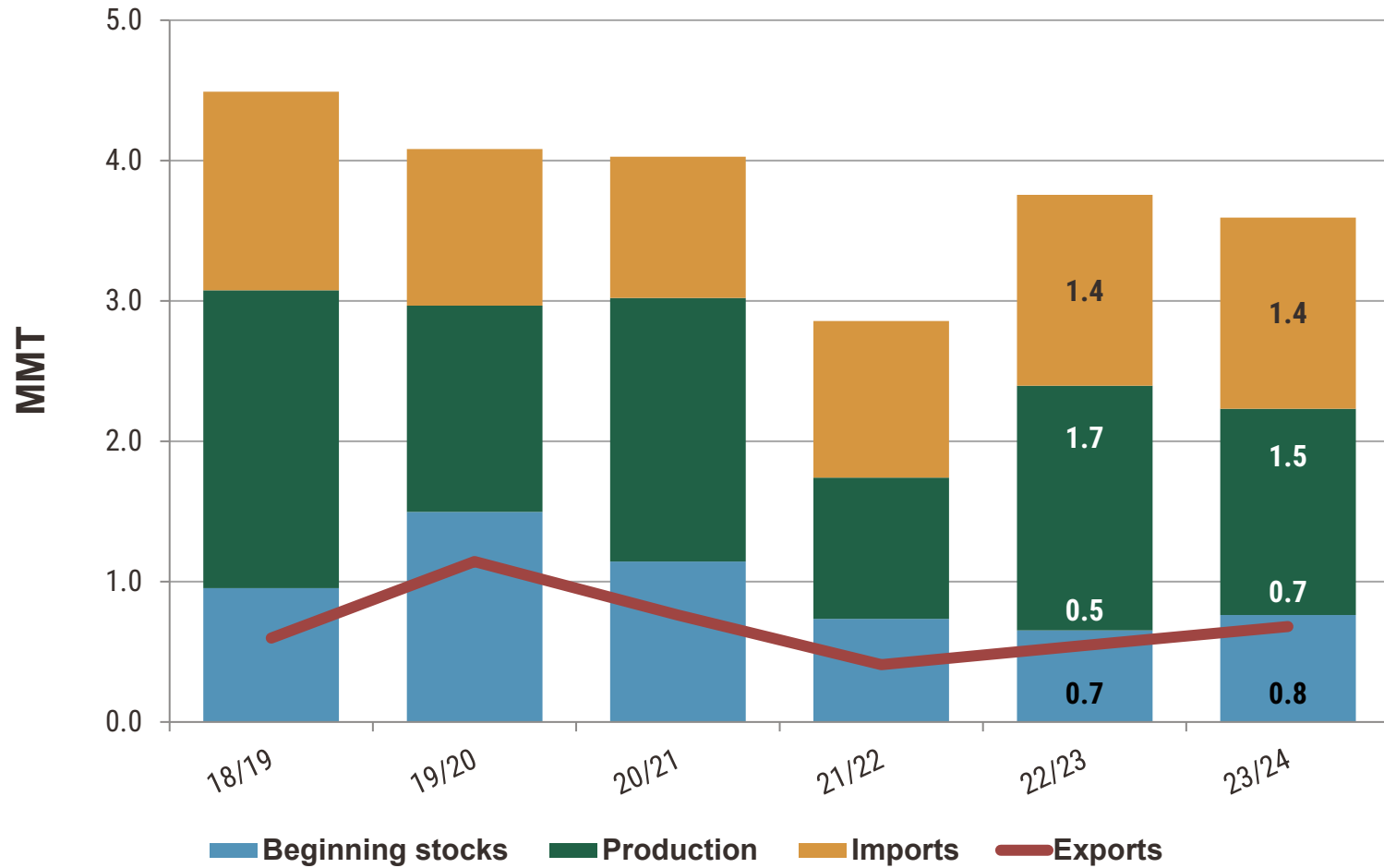
# U.S. Soft Red Winter



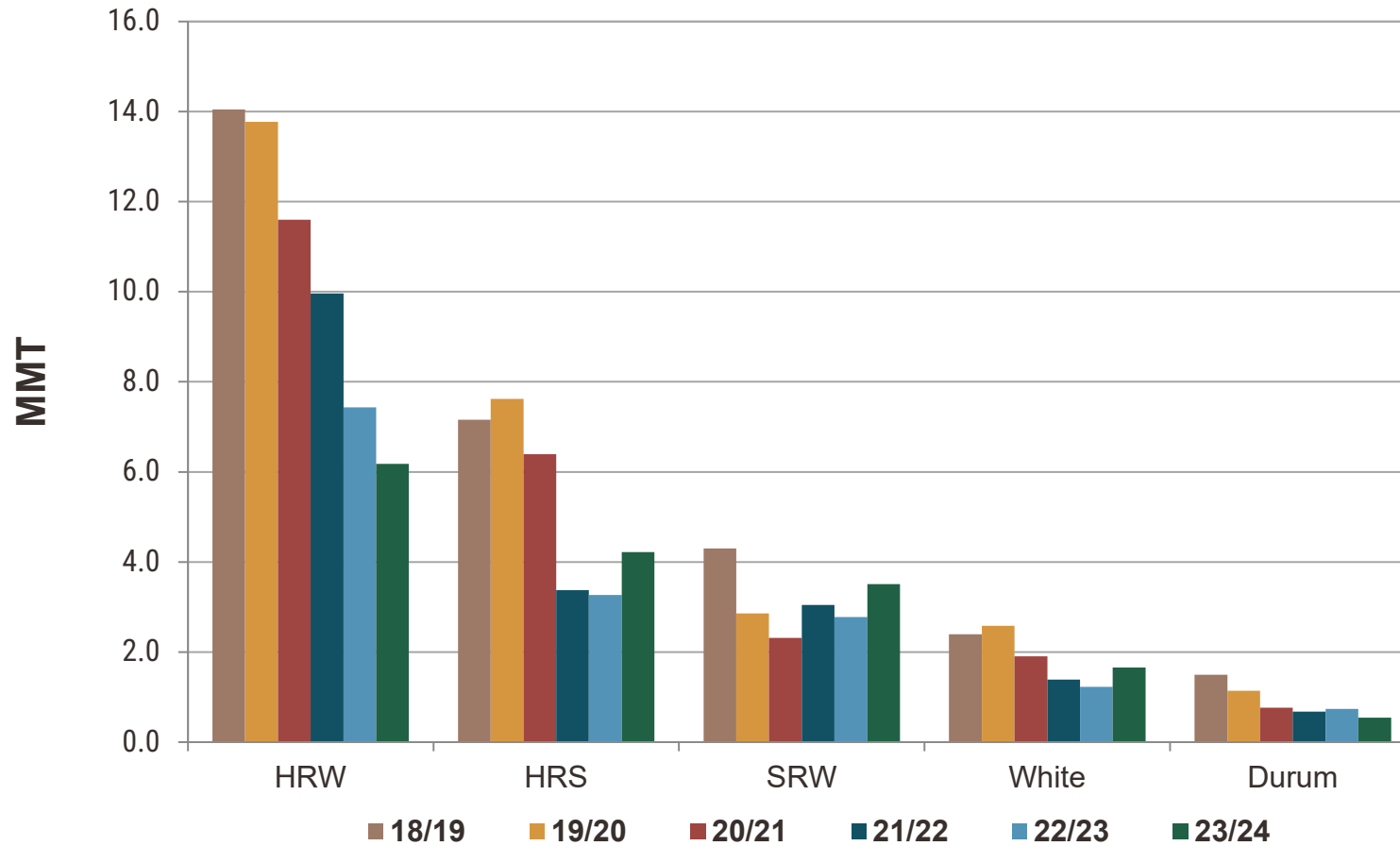
# U.S. White



# U.S. Durum



## U.S. Wheat Ending Stocks by Class



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

	HRW		HRS		SRW	
	<u>22/23</u>	<u>23/24</u>	<u>22/23</u>	<u>23/24</u>	<u>22/23</u>	<u>23/24</u>
<b>Beginning Stocks</b>	10.2	6.3	4.0	4.3	2.7	2.4
<b>Production</b>	14.5	15.7	12.1	12.0	9.2	11.5
<b>Supply Total</b>	24.8	22.4	17.6	17.8	12.0	14.1
<b>Domestic Use</b>	11.4	11.1	8.1	8.0	6.1	6.9
<b>Exports</b>	6.0	5.2	6.3	5.6	3.1	3.7
<b>Use Total</b>	17.4	16.2	14.3	13.6	9.2	10.6
<b>Ending Stocks</b>	7.4	6.2	3.3	4.2	2.8	3.5
<b>Stocks-to-Use</b>	43%	38%	23%	31%	30%	33%



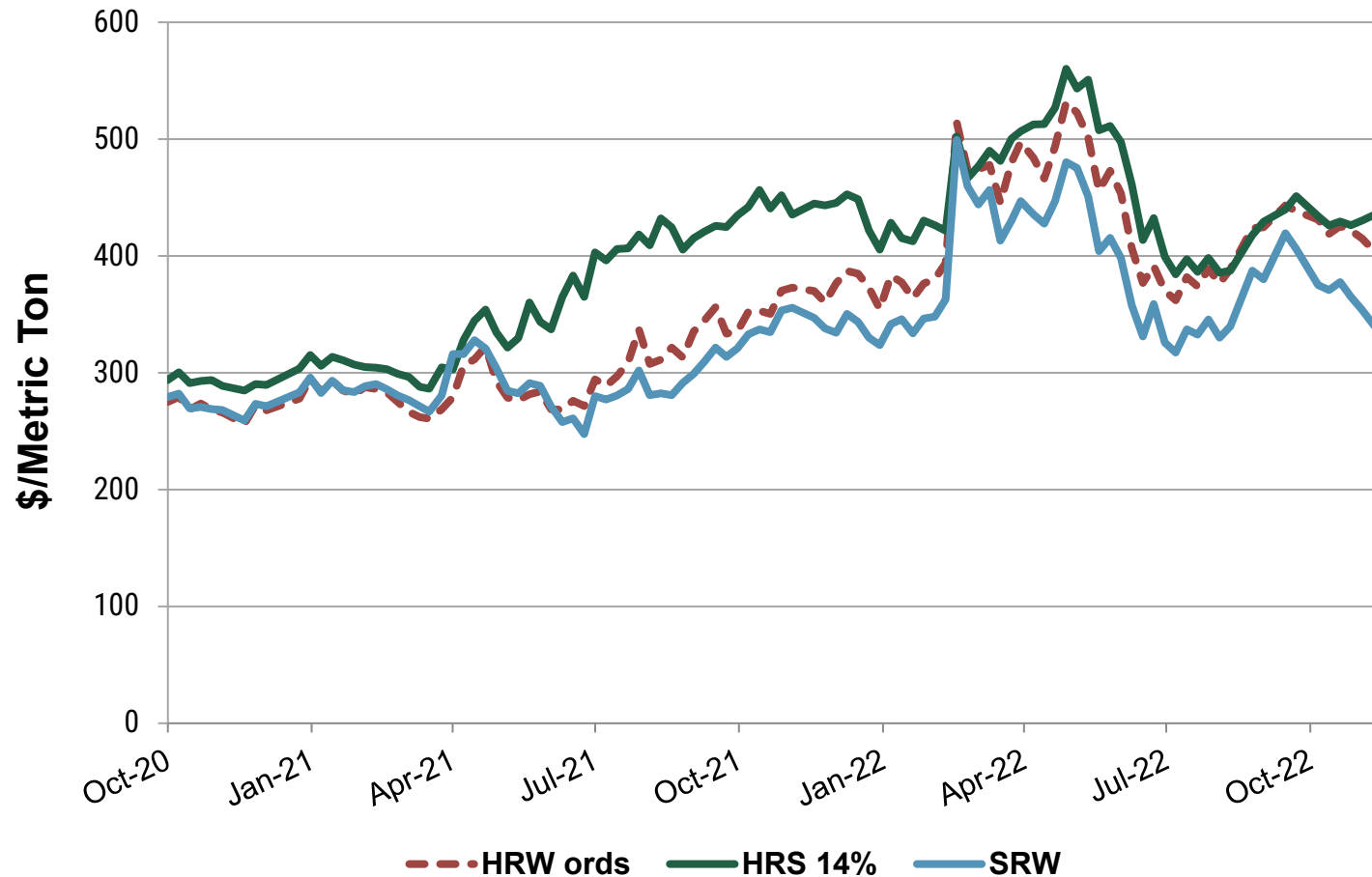
## U.S. Wheat Supply and Demand (MMT)

	White		Durum		Total	
	<u>22/23</u>	<u>23/24</u>	<u>22/23</u>	<u>23/24</u>	<u>22/23</u>	<u>23/24</u>
<b>Beginning Stocks</b>	1.5	2.0	0.7	0.8	19.0	15.8
<b>Production</b>	7.4	6.7	1.7	1.5	44.9	47.3
<b>Supply Total</b>	9.0	8.8	3.8	3.6	67.2	66.7
<b>Domestic Use</b>	2.6	2.5	2.5	2.4	30.6	30.8
<b>Exports</b>	5.2	4.6	0.5	0.7	21.1	19.7
<b>Use Total</b>	7.8	7.1	3.0	3.0	51.7	50.5
<b>Ending Stocks</b>	1.2	1.7	0.7	0.5	15.4	16.1
<b>Stocks-to-Use</b>	16%	23%	24%	18%	30%	32%





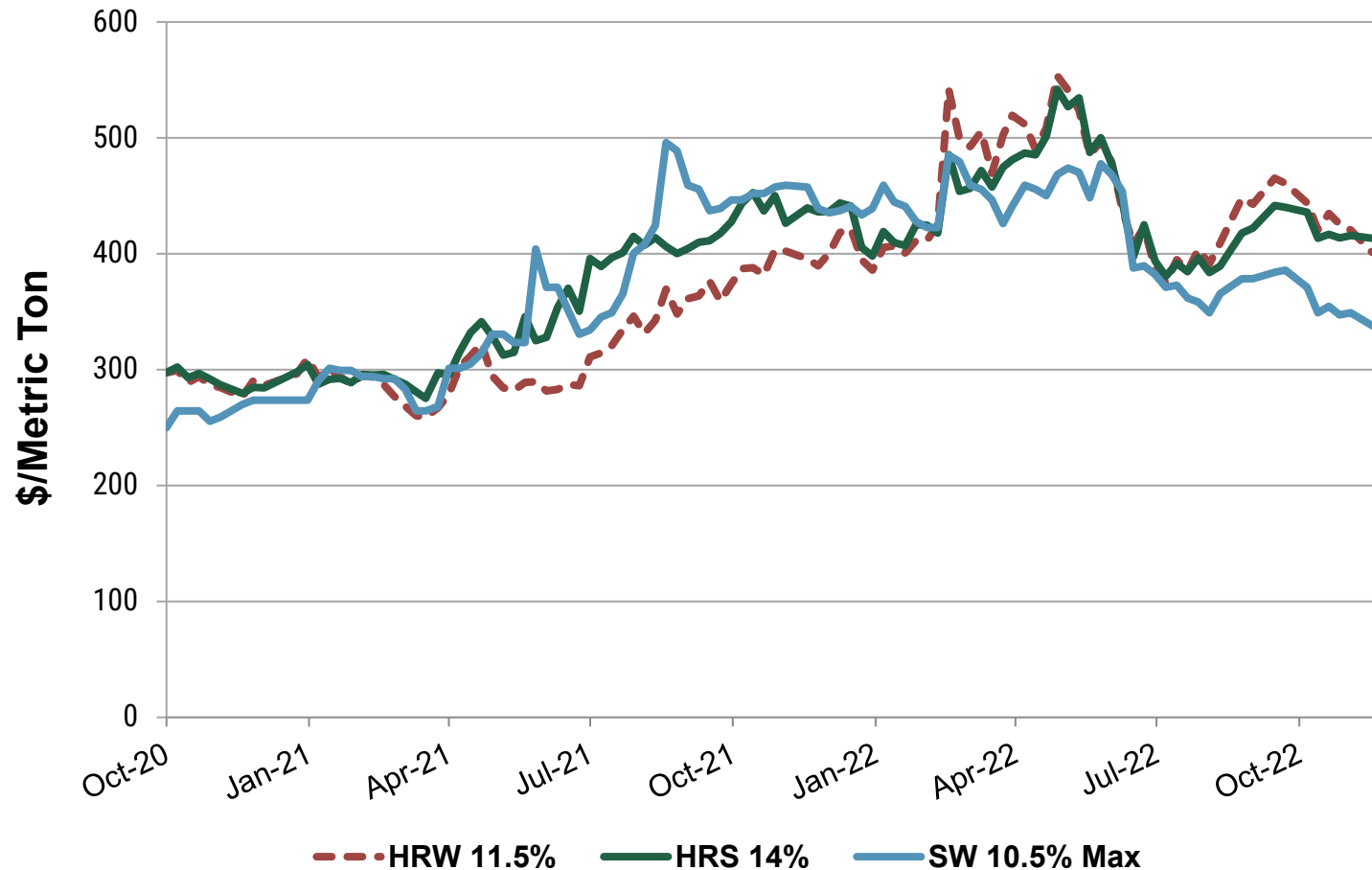
## U.S. FOB Gulf Prices



Source: U.S. Wheat Associates Price Report, July 6, 2023



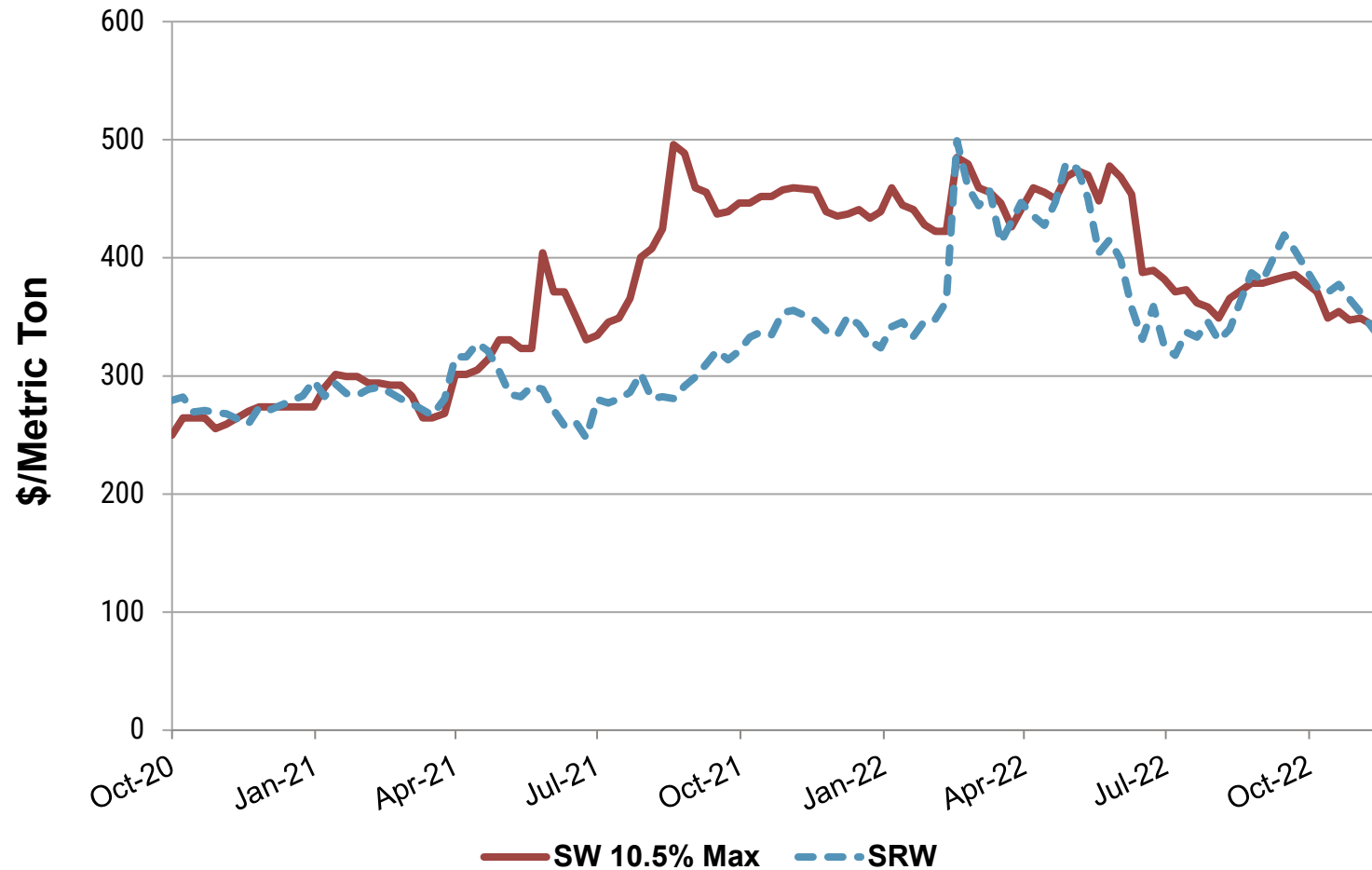
# U.S. FOB PNW Prices



Source: U.S. Wheat Associates Price Report, July 6, 2023



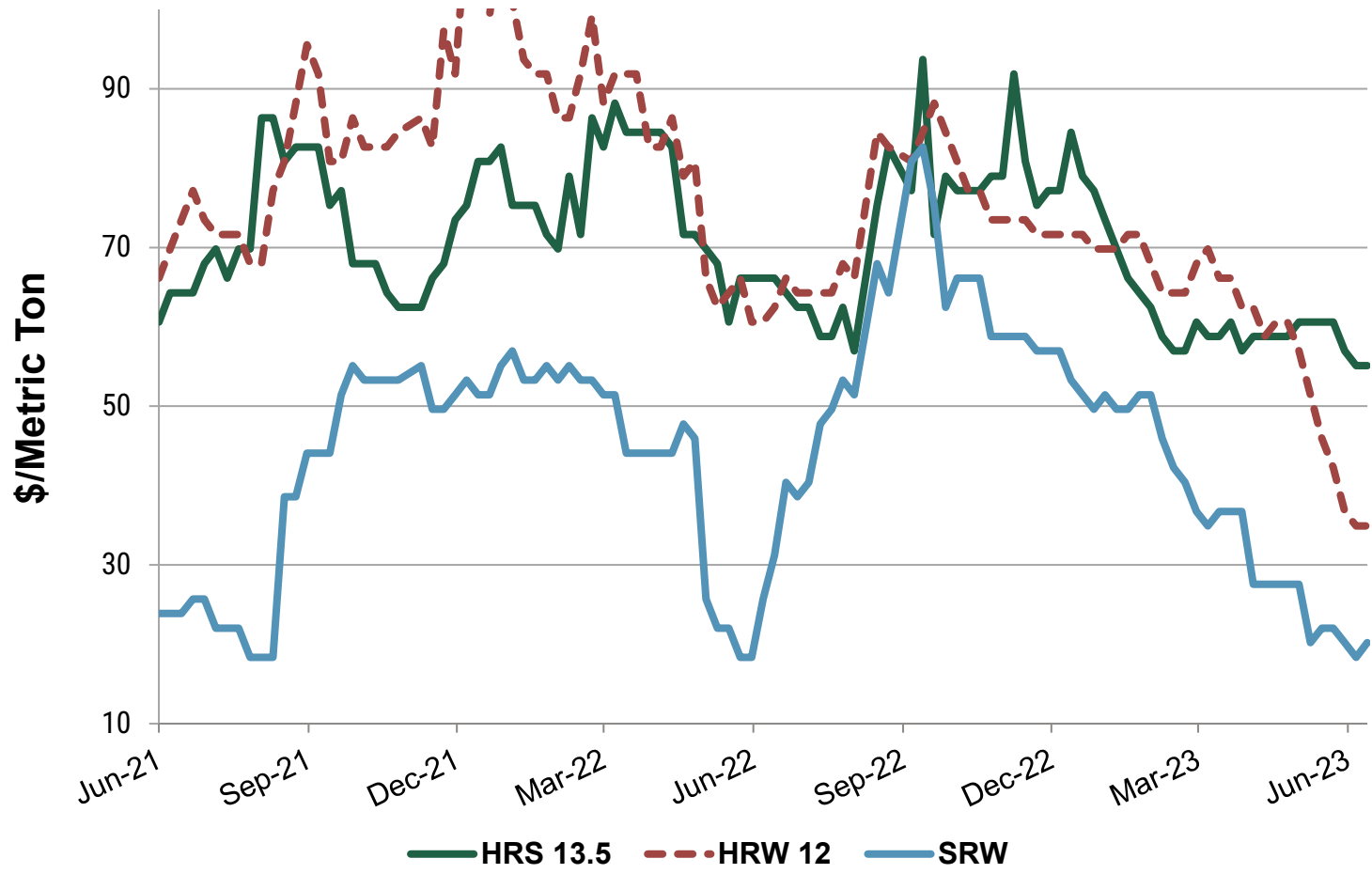
## U.S. FOB Soft White and SRW Prices



Source: U.S. Wheat Associates Price Report, July 6, 2023



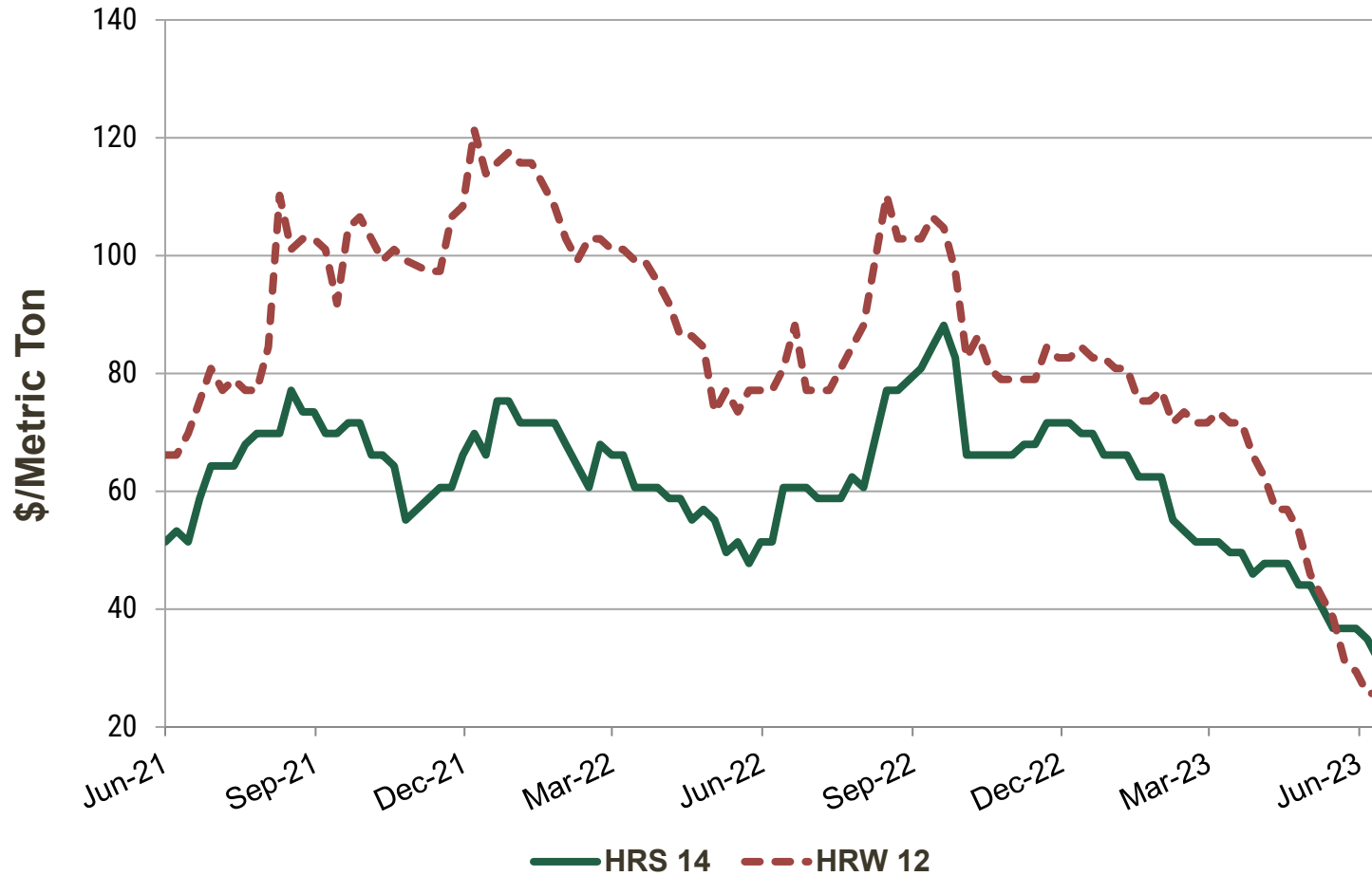
# U.S. Gulf Export Basis



Source: U.S. Wheat Associates Price Report, July 6, 2023



## U.S. PNW Export Basis



Source: U.S. Wheat Associates Price Report, July 6, 2023



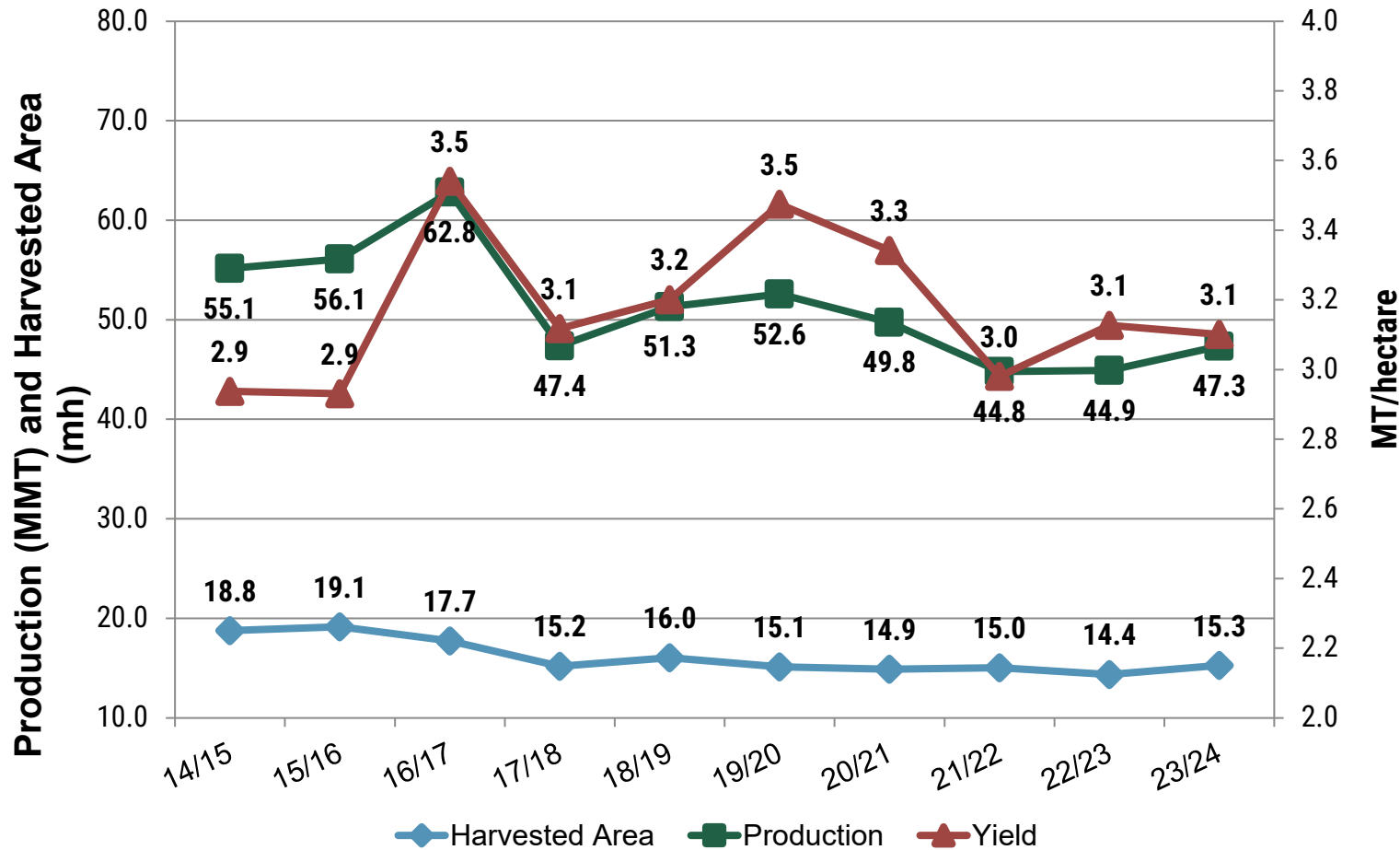


04

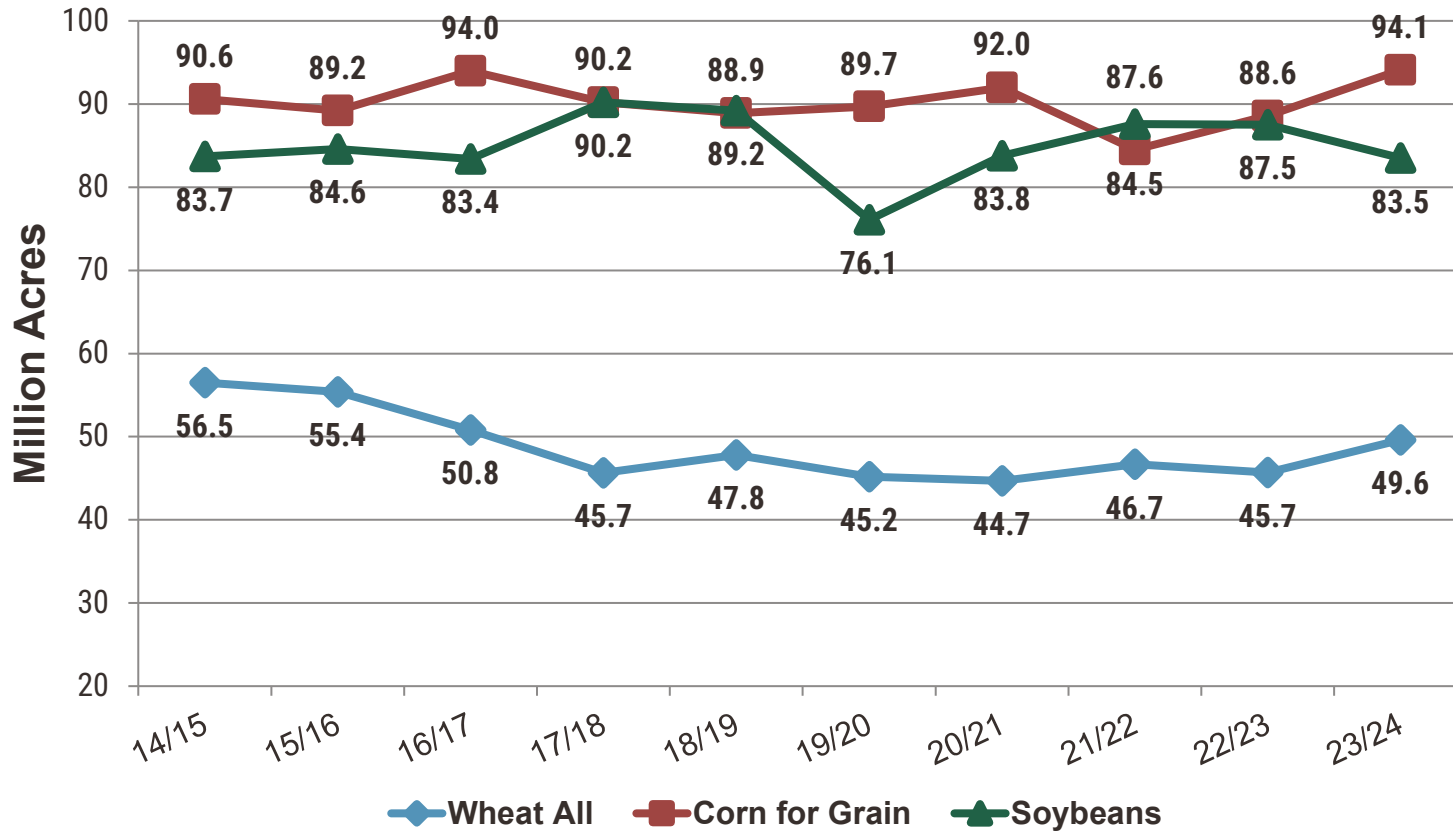
*Outlook*



# U.S. Wheat Production, Area and Yield



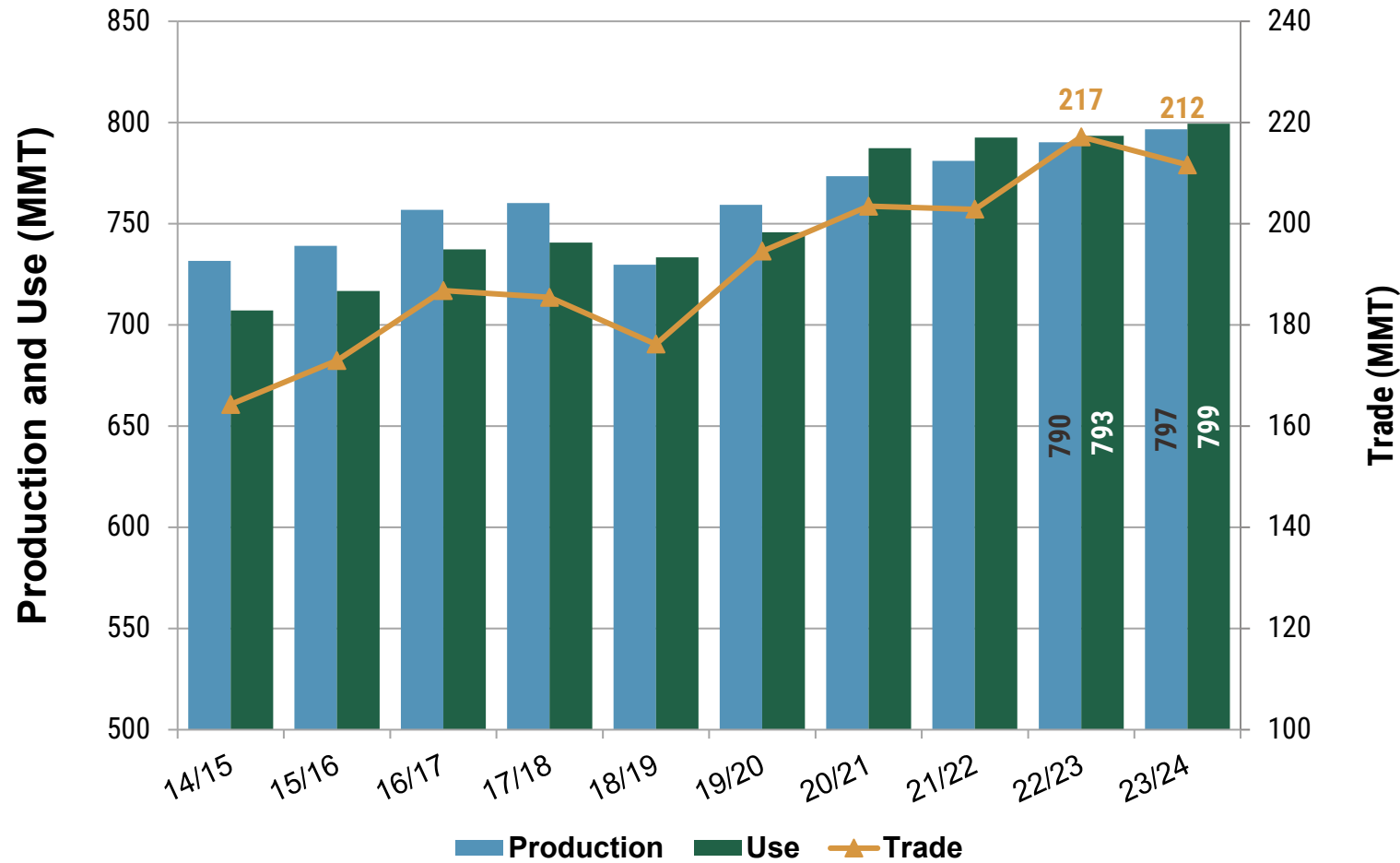
# U.S. Crop Planted Area Comparison



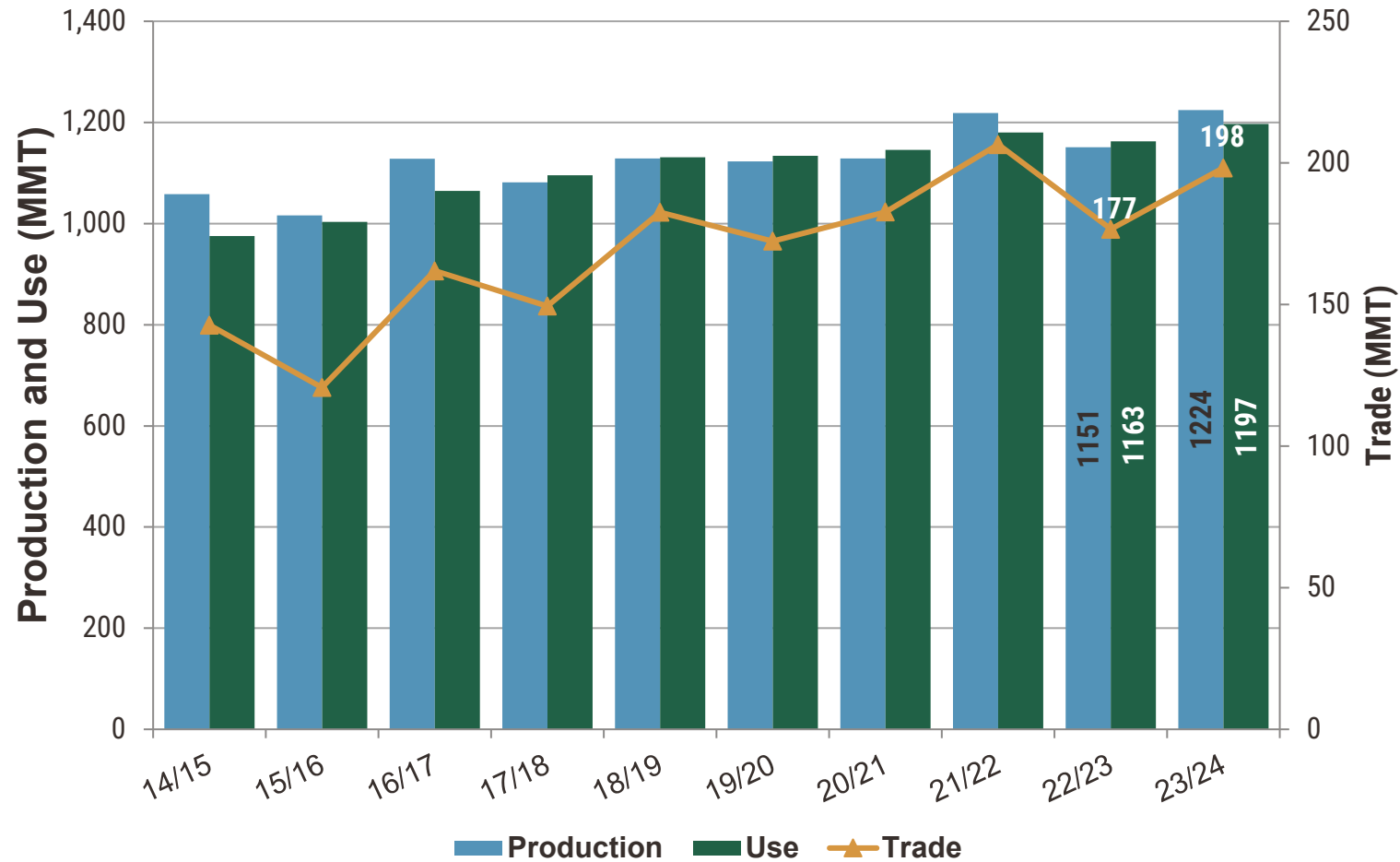
Source: USDA Economic Research Service Wheat Data, October 13, 2022; USDA National Agricultural Statistics Service



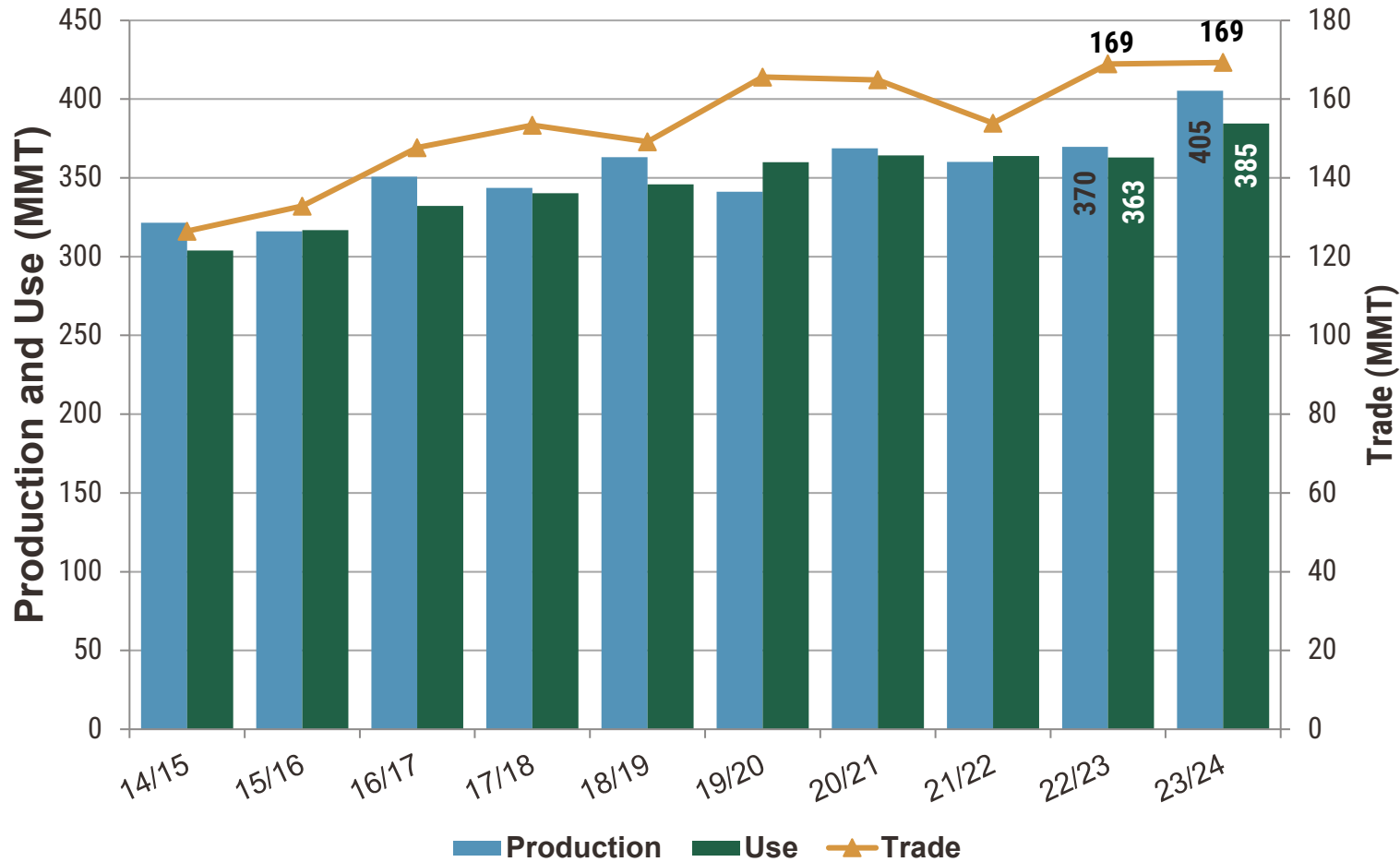
# World Wheat Production, Use and Trade



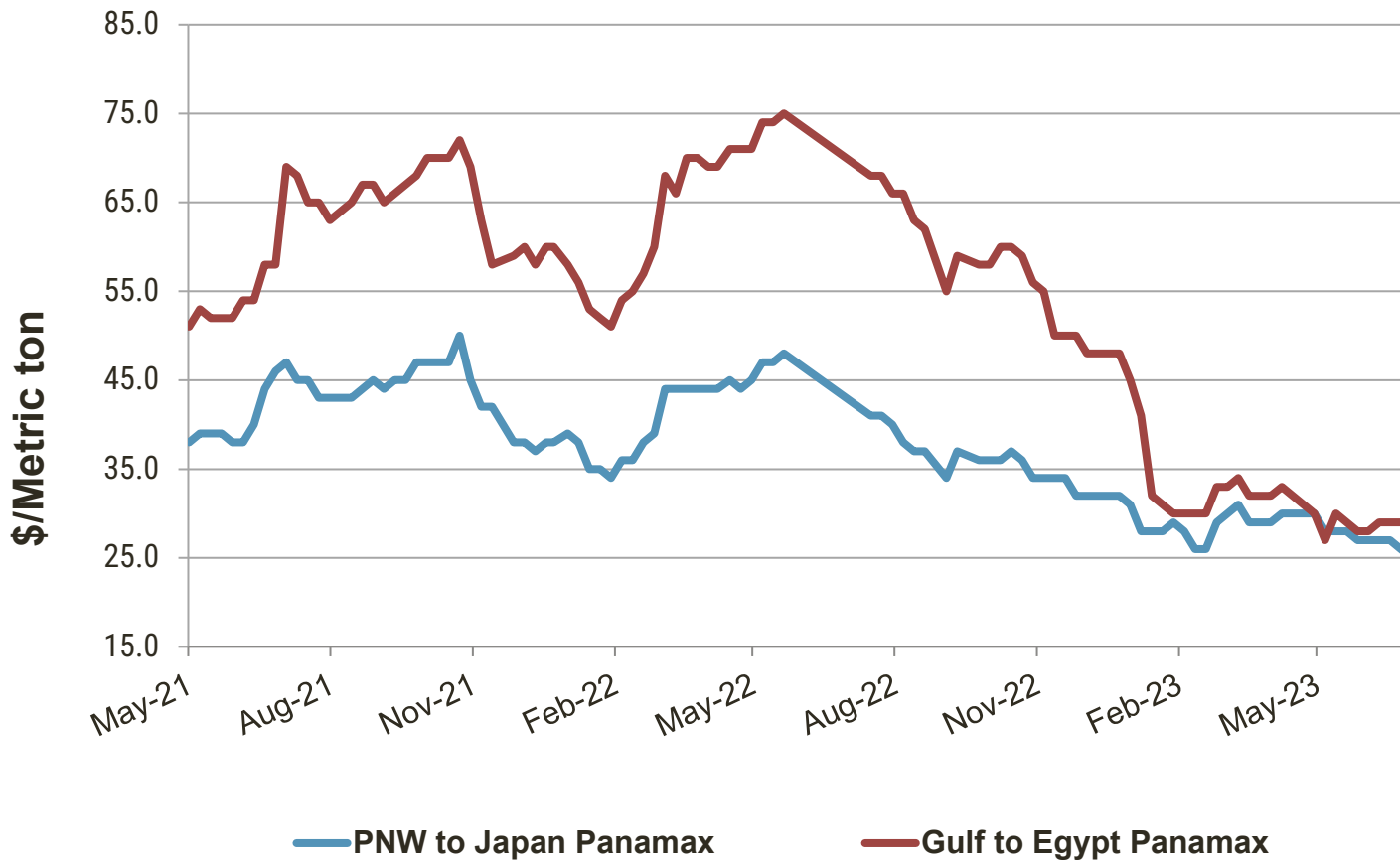
# World Corn Production, Use and Trade



# World Soybeans Production, Use and Trade



## Ocean Freight Rates for Grains



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