



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, 2022, 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 2022/23 Wheat S&D Estimates

### 2022/23 global wheat production forecast at 780.59 MMT, down 2.1 MMT from November

- Australia's wheat production raised 2.1 MMT to 36.6 MMT, the third consecutive bumper wheat crop
- Argentina's production reduced by an additional 3.0 MMT to 12.5 MMT following prolonged dry weather
- Canadian production decreased from 35.0 MMT to 33.82 MMT, still the third largest crop on record
- U.S. production unchanged at 44.9 MMT

### Global consumption reduced by 1.6 MMT to 789.5 MMT, still outpacing global production by 8.94 MMT

- European Union Domestic consumption lowered to 108.25 MMT, down 1.0 MT compared to November
- Ukraine's domestic consumption decreased by 1.0 MMT to 9.7 MMT
- U.S. domestic consumption remained unchanged at 29.75 MMT

### World wheat trade increased by 2.2 MMT to 210.9 MMT

- Australia's exports raised 1.5 MMT to a near record 27.5 MMT
- Ukraine's export forecast increased by 1.5 MMT to 12.5 MMT on renewed Black Sea Corridor
- European Union exports increased by 1.0 MMT to 36.0 MMT
- Russian wheat exports increased by 1.0 MMT to 43.0 MMT
- Argentine wheat exports decreased to 7.5 MMT from 10.0 MMT in November, the lowest level since 2014/15
- U.S. 2022/23 exports unchanged from last month at 21.09 MMT, 690,000 MT less than 2021/22



## *Highlights of USDA's 2022/23 Wheat S&D Estimates*

### **World beginning stocks decreased slightly from last month to 276.27 MMT**

- China's beginning stocks unchanged at 141.76 MMT
- U.S. 2022/23 beginning stocks unchanged at 18.21 MMT

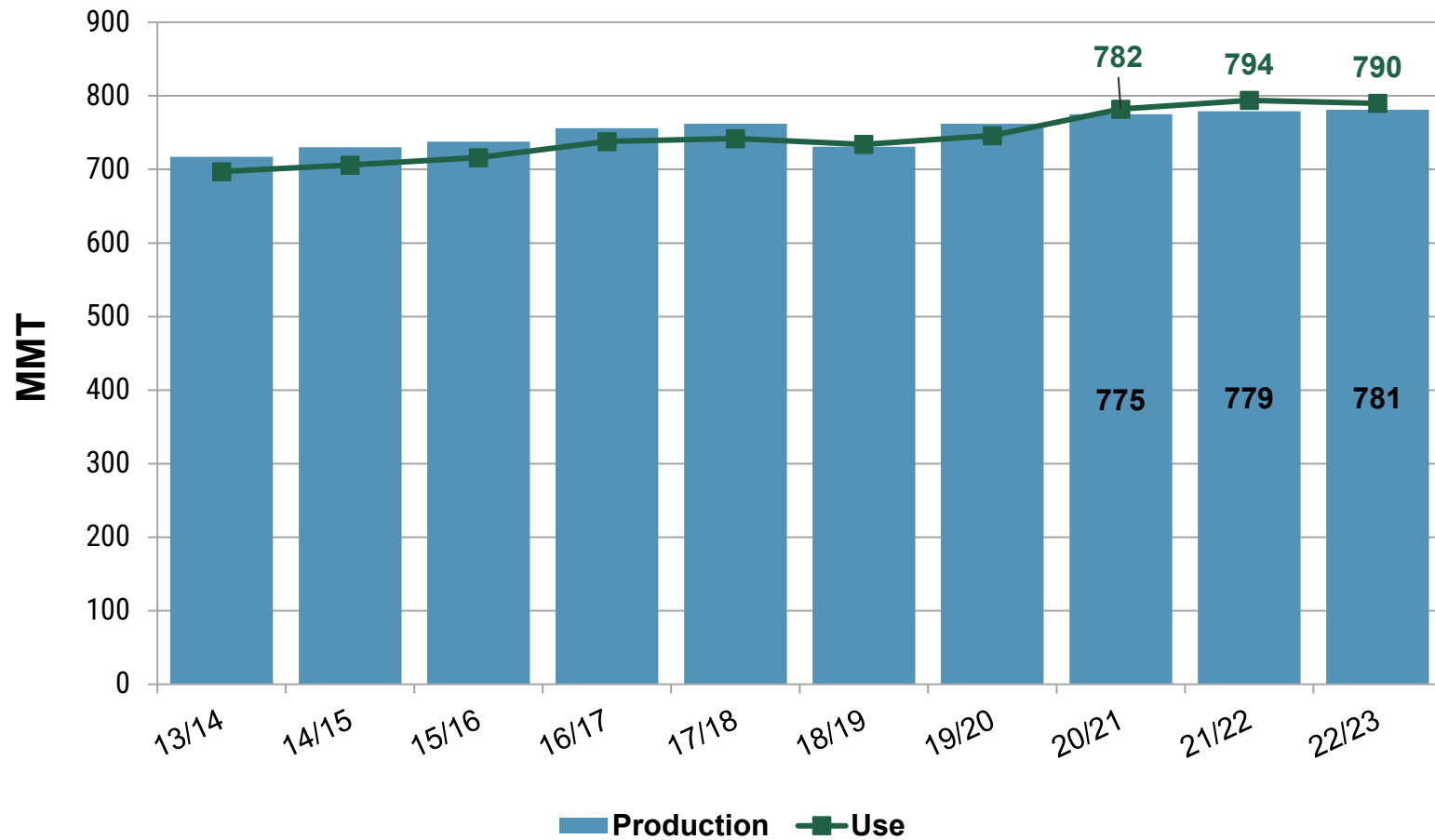
### **Global ending stocks decreased 500,000 MT from last month to 267.3 MMT**

- Australia's ending stocks raised 600,000 MT to 4.25 MMT
- The European Union's ending stocks increased 930,000 MT to 10.41 MMT
- Argentine ending stocks decreased by 500,000 MT to 930,000 MT.
- U.S. ending stocks remained unchanged at 15.54 MMT, the lowest ending stocks since 2007/08

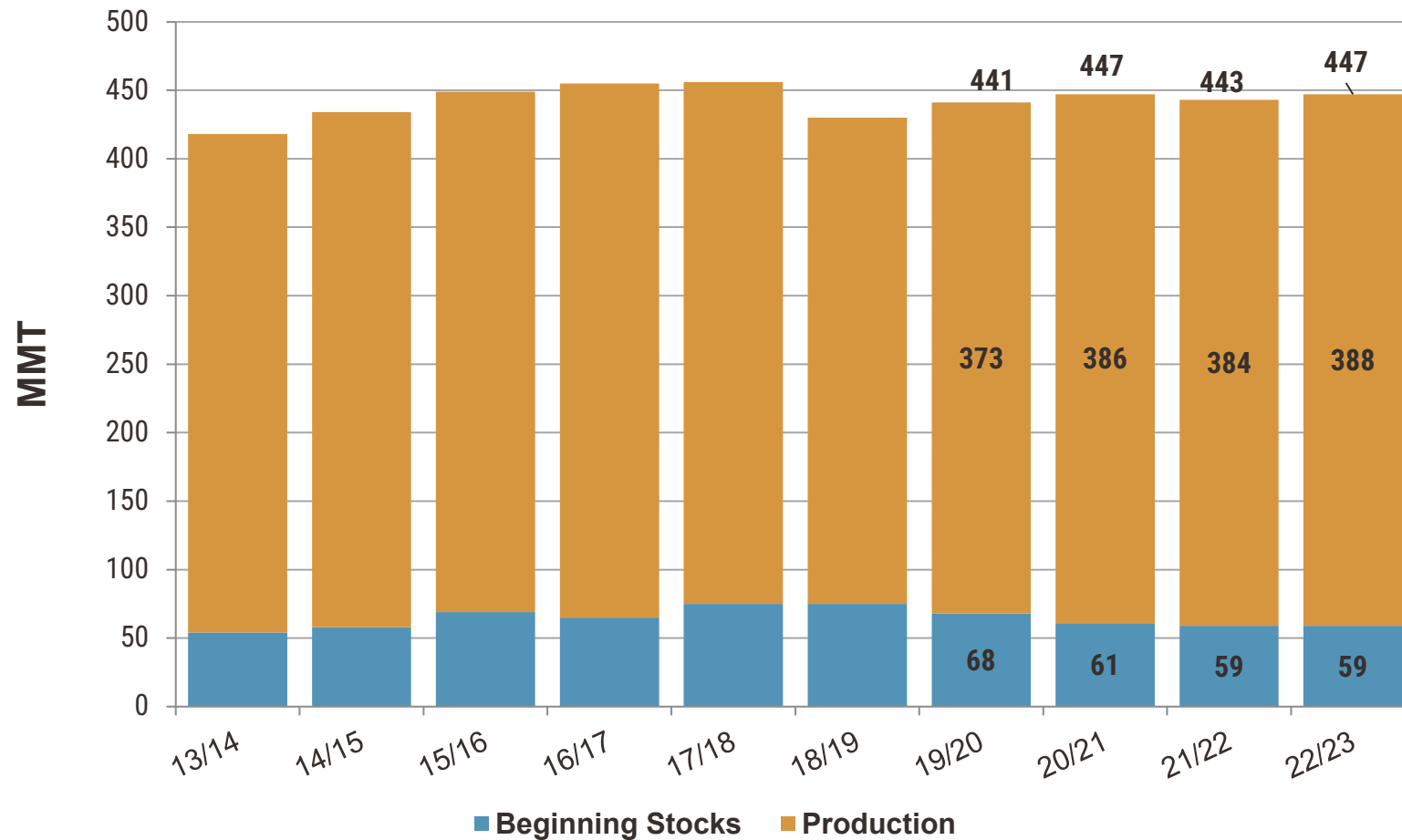
### **U.S. wheat farm gate price unchanged from last month**

- Average 2022/23 U.S. Wheat farm gate price forecast at \$9.10/bu, (\$338.00/MT), down \$0.10 from November, but 19% higher than a year ago

# World Production and Use



# Supplies in Top Exporting Countries\*



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

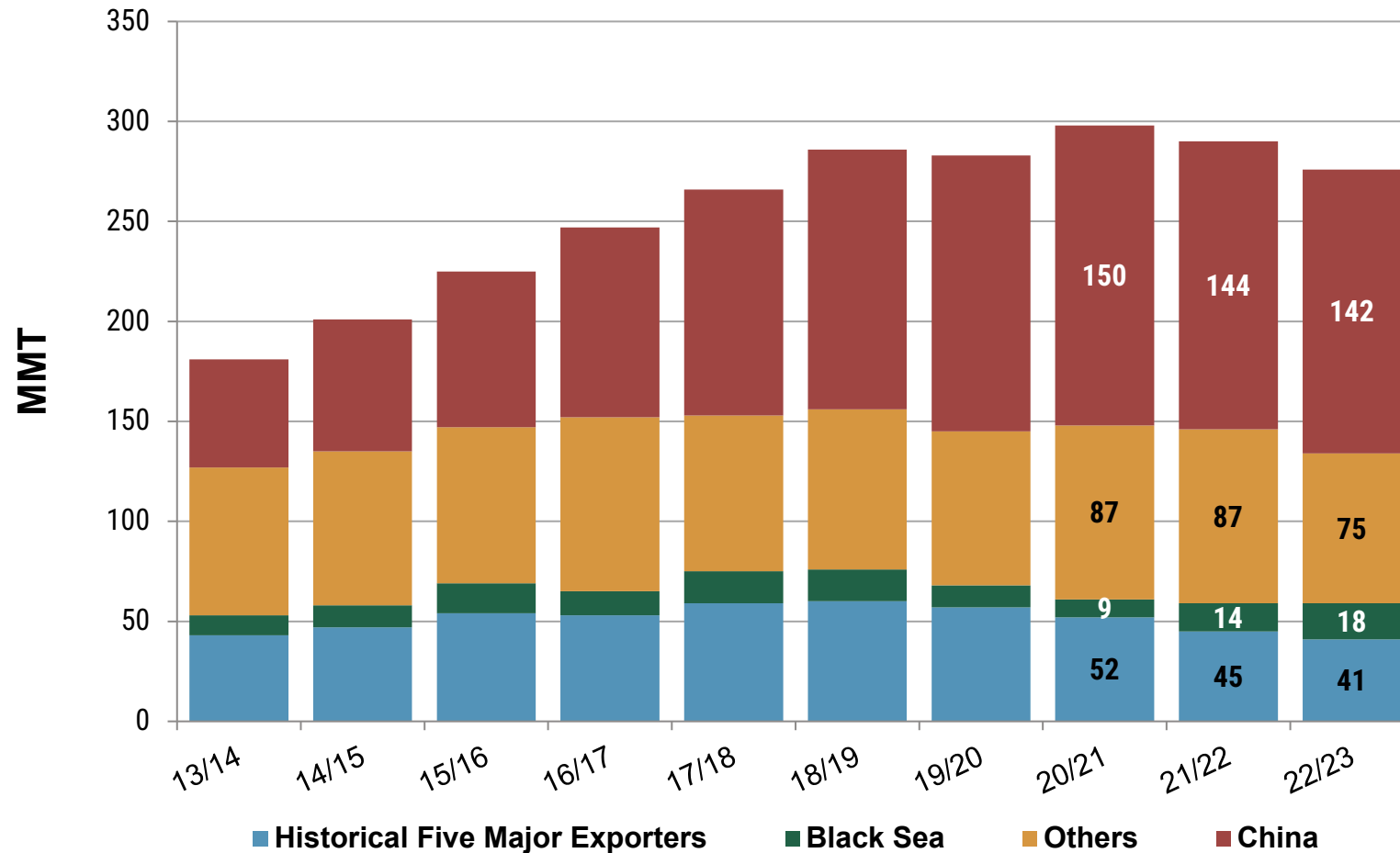


## *World Wheat Supply and Demand (MMT)*

		<u>20/21</u>	<u>21/22</u>	<u>22/23</u>
<b>SUPPLY:</b>	<b>Beginning Stocks</b>	298	290	276
	<b>Production</b>	775	779	781
	<b>Supply Total</b>	1073	1070	1057
	<b>Ending Stocks</b>	290	276	267
<b>TRADE:</b>	<b>Exports/Imports</b>	203	203	211
<b>DEMAND:</b>	<b>Food &amp; Seed</b>	625	632	635
	<b>Feed &amp; Residual</b>	158	161	155
	<b>Use Total</b>	782	793	790



# World Beginning Stocks

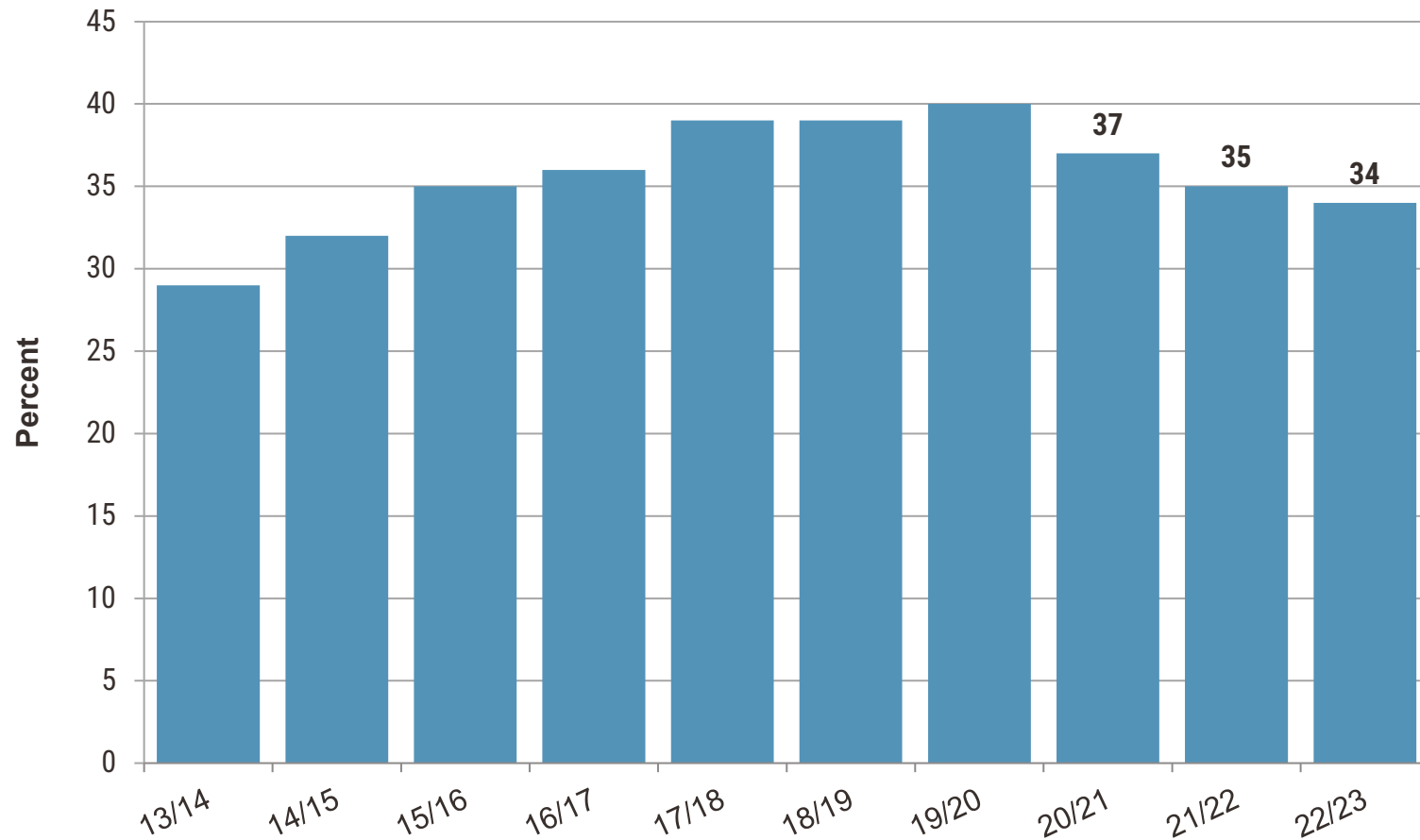


Historical Five Major Exporters include U.S., Canada, Australia, Argentina and EU. Black Sea includes Russia, Ukraine and Kazakhstan.





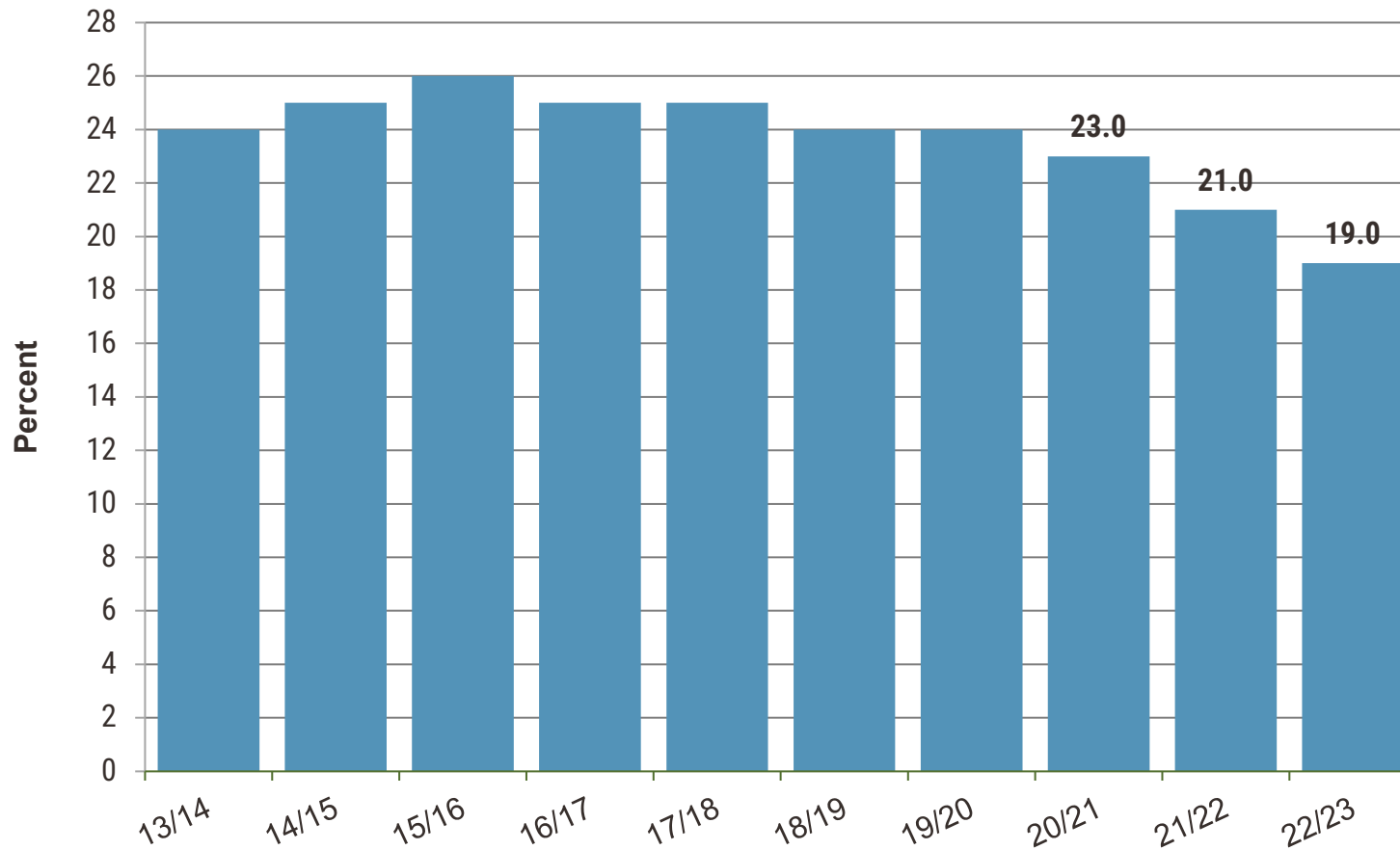
# Global Stocks\*-to-Use Ratio



\*Ending stocks



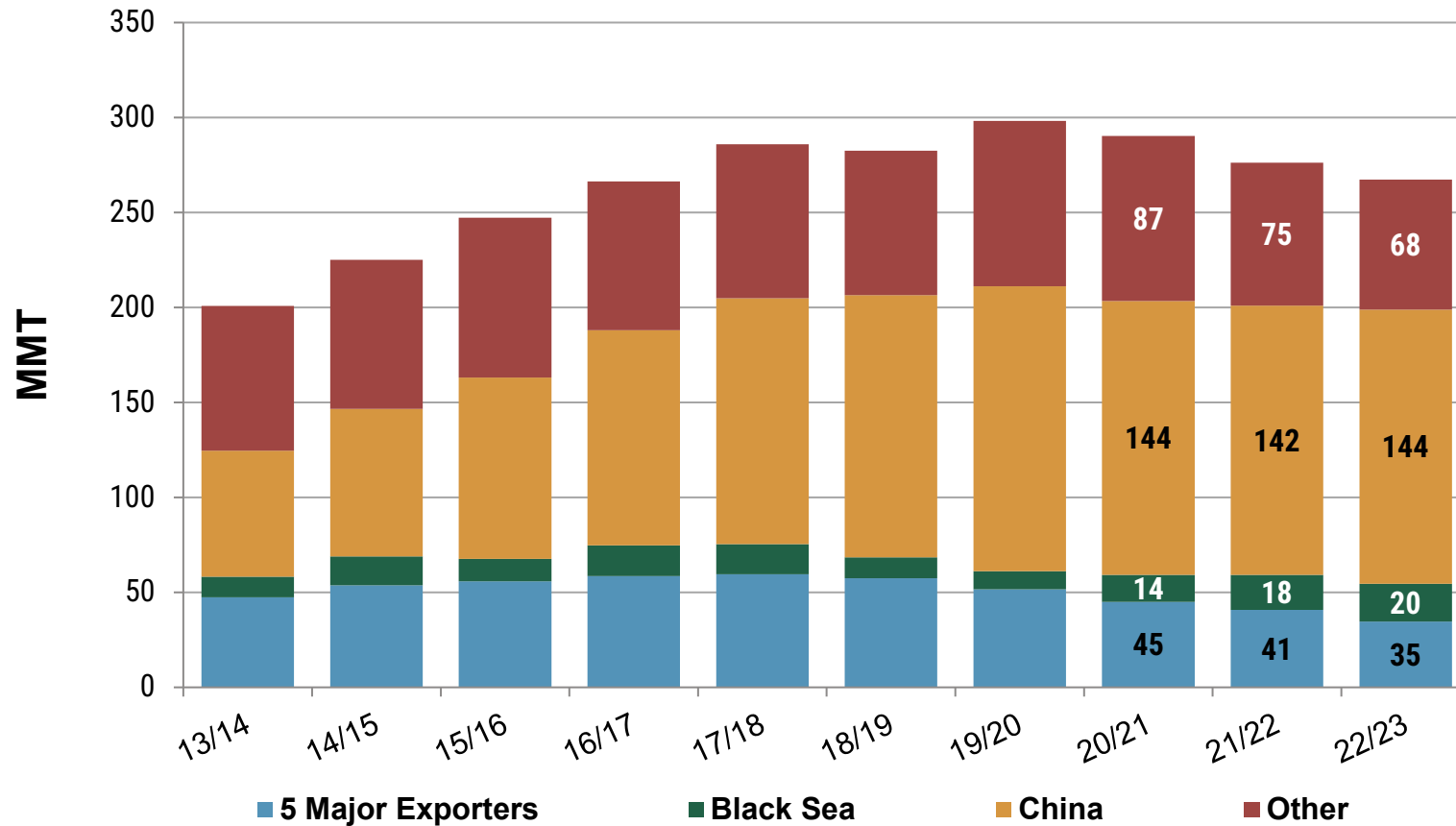
## Global Stocks\*-to-Use Ratio w/o China



\*Ending stocks



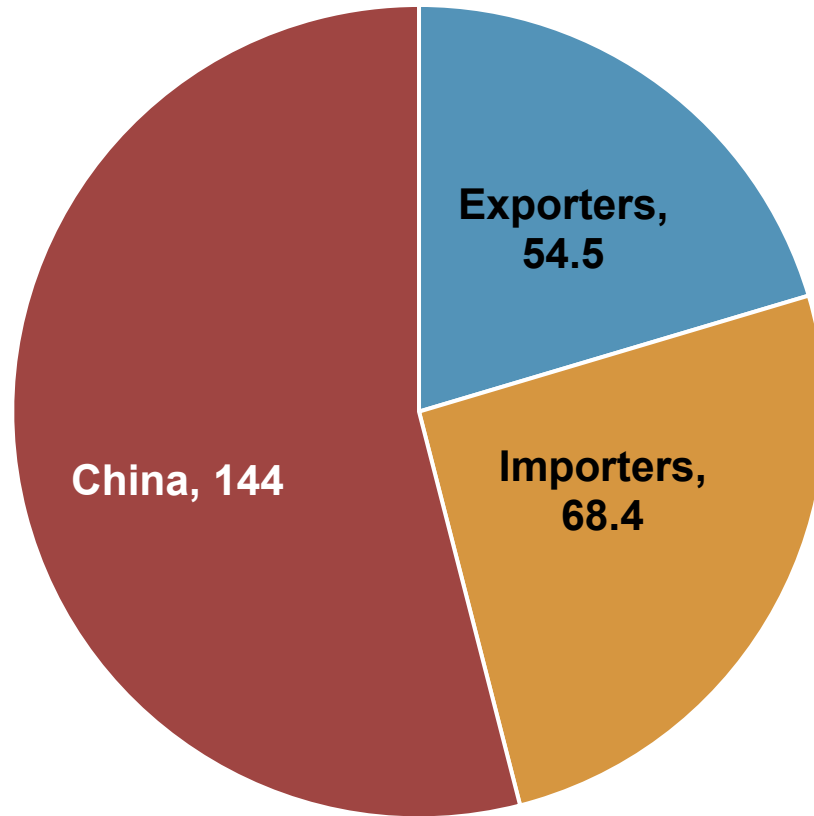
# World Ending Stocks



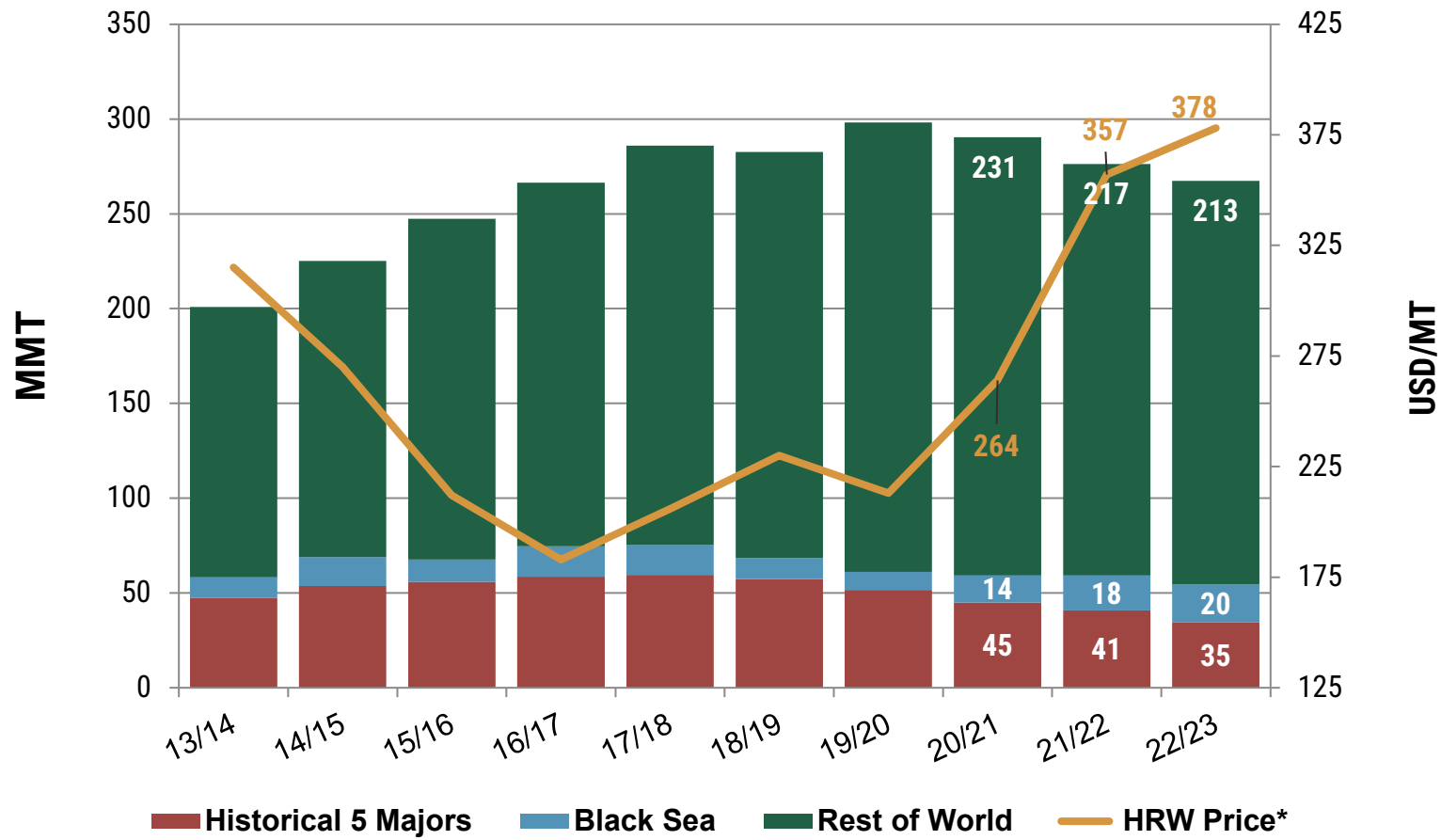
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## *World Ending Stocks by Position (MMT)*



# Global Ending Stocks and Price



\*Source: U.S. Wheat Associates Price Report, December 2, 2022

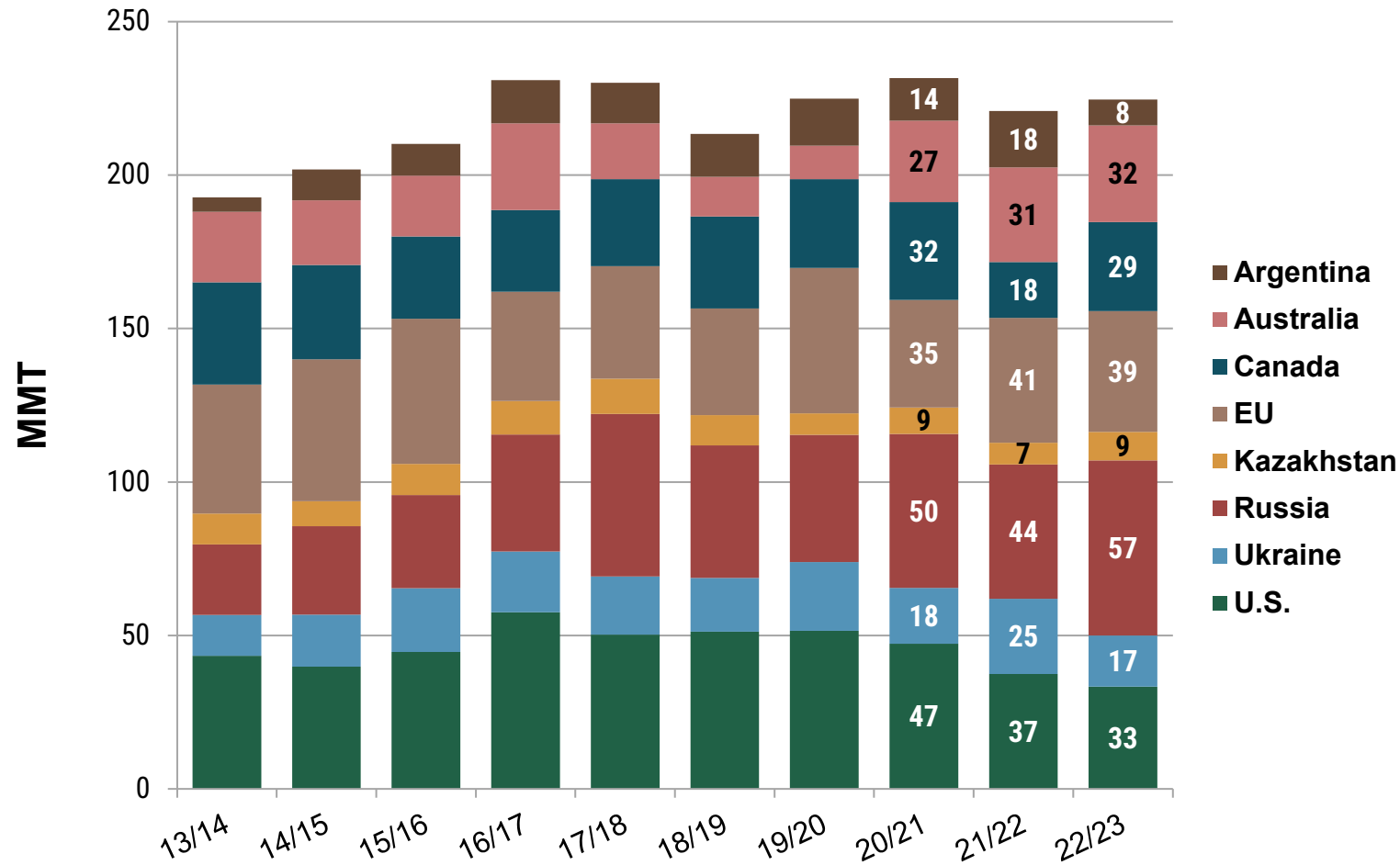




01

*Major Exporters*

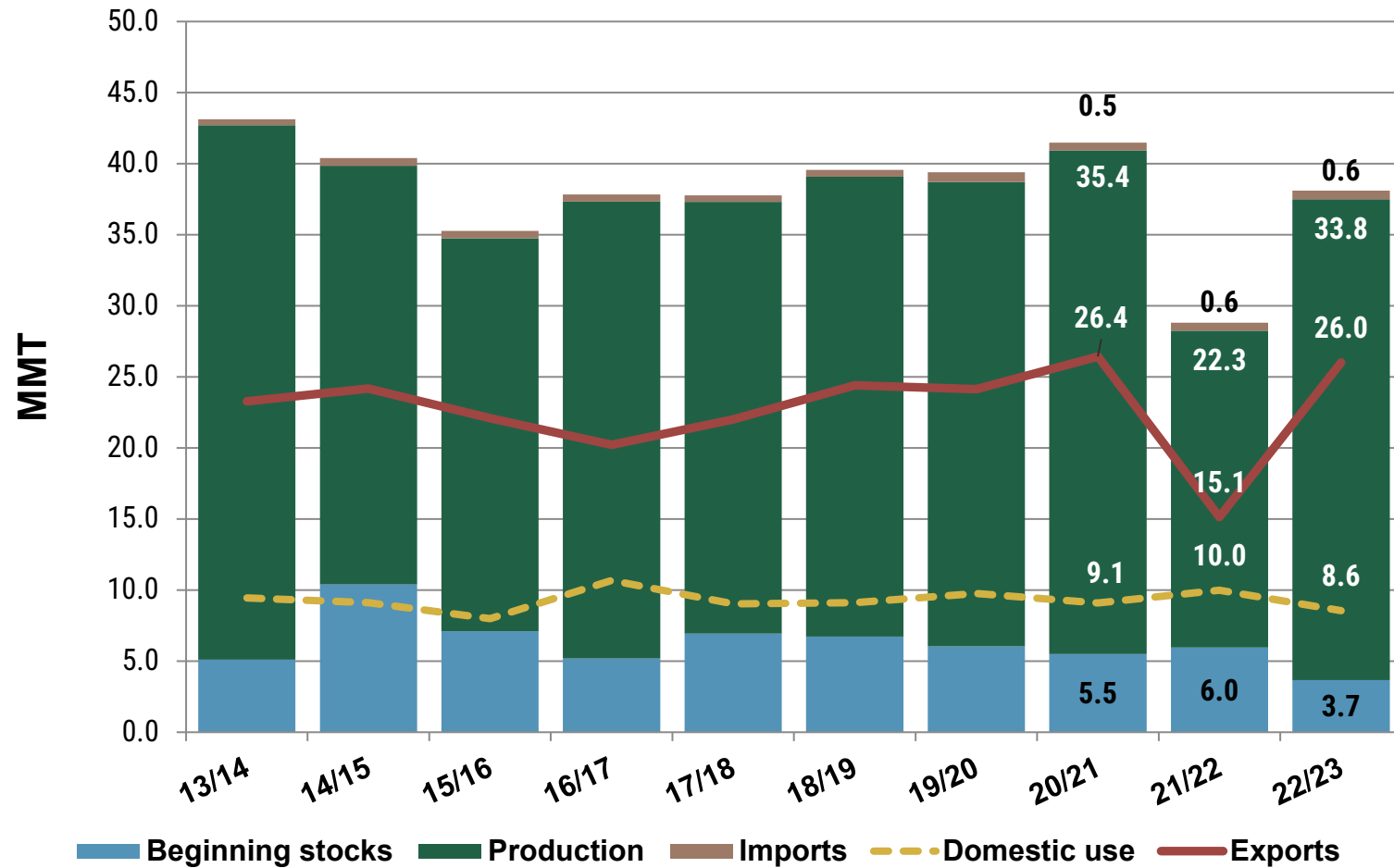
# Exportable Supplies in Top Exporting Countries



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

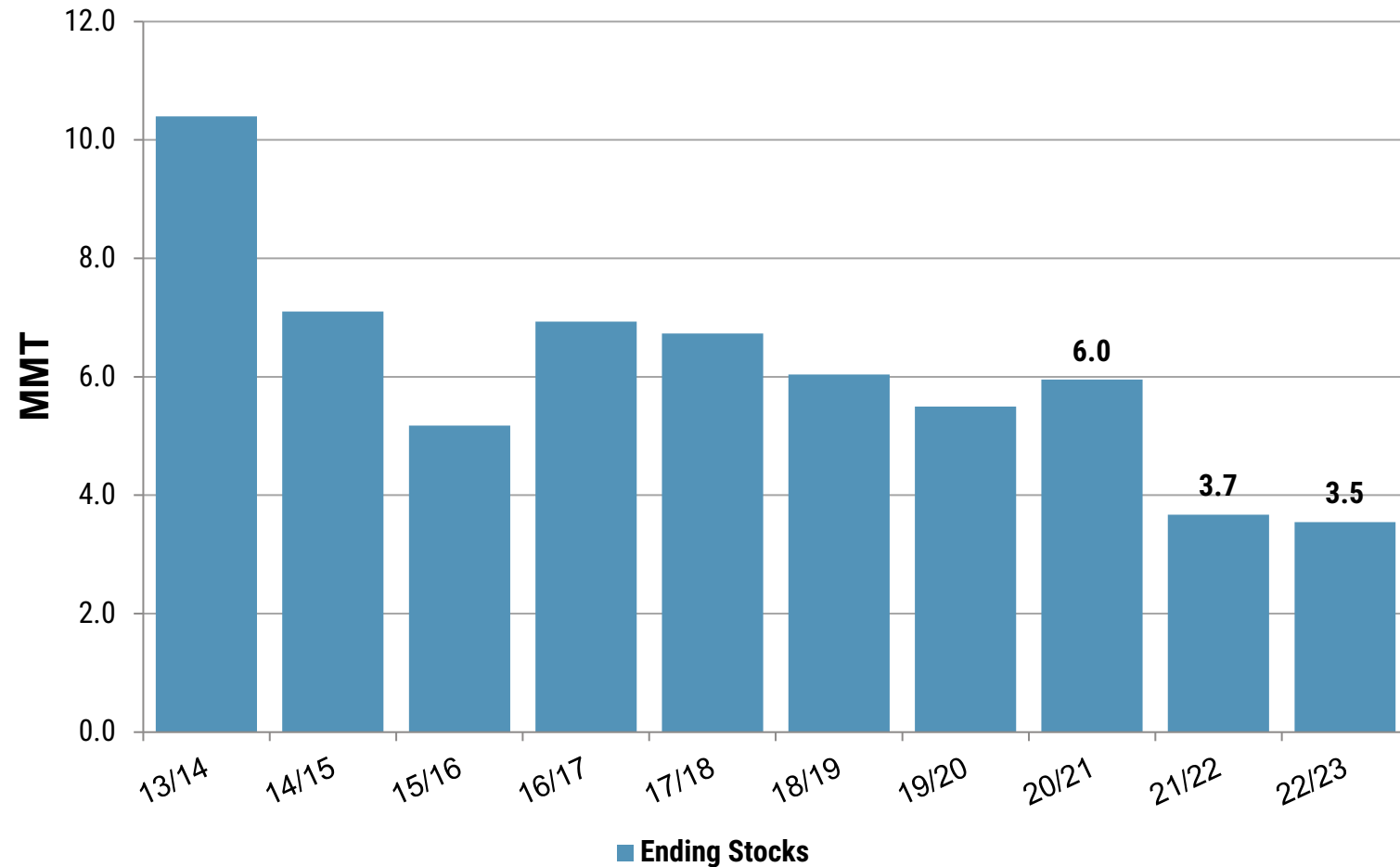


# Canada Situation

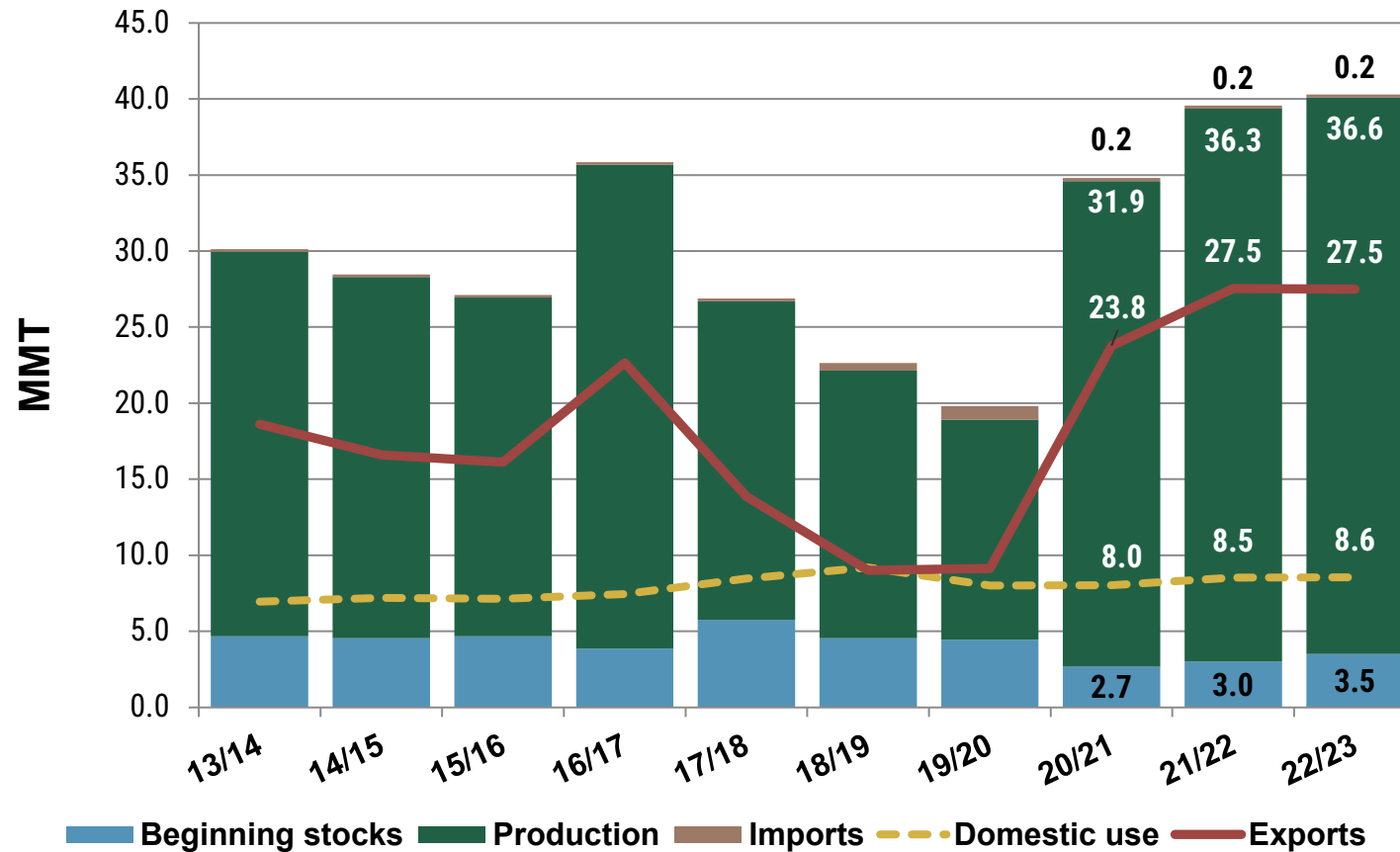




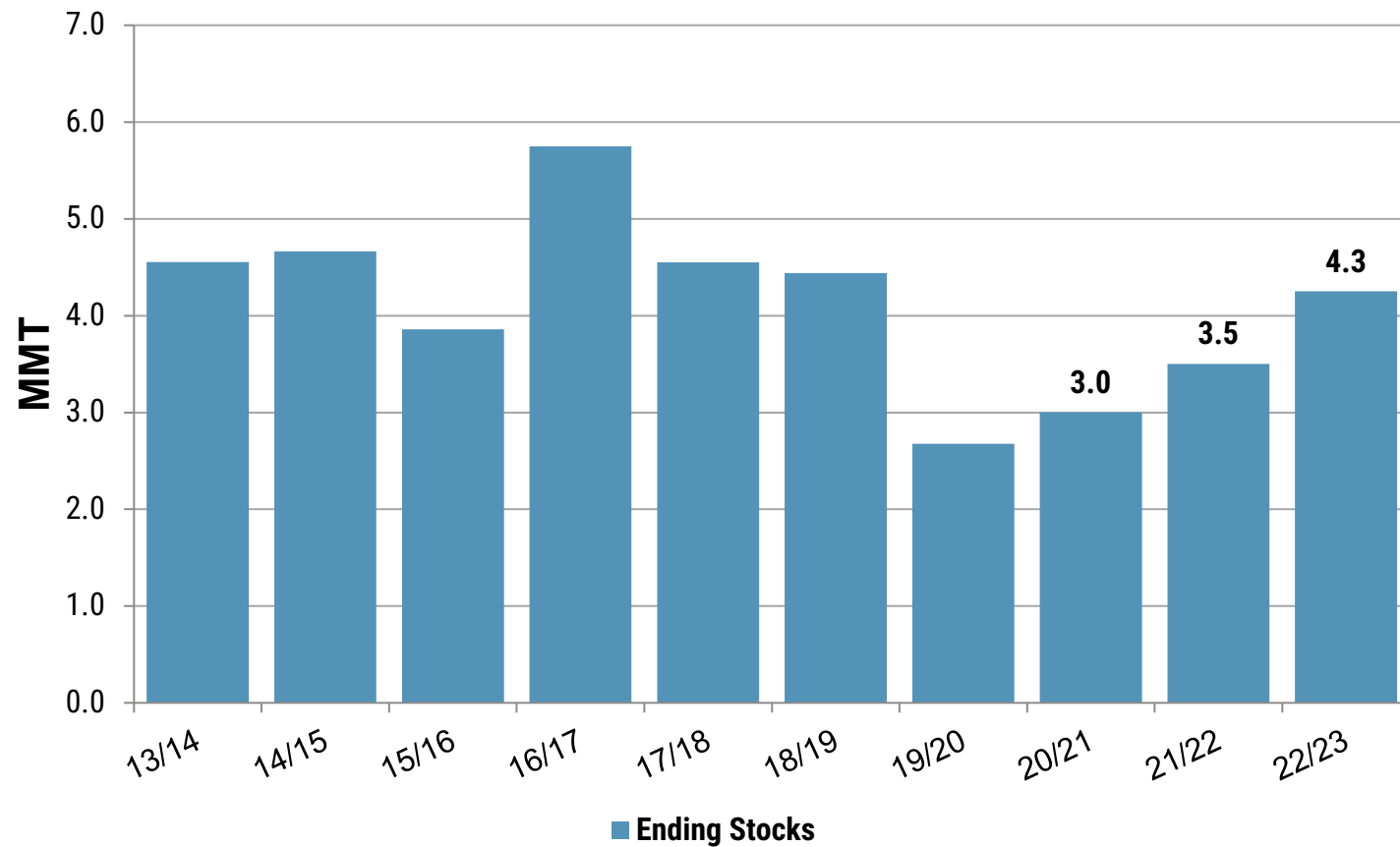
## Canada Ending Stocks



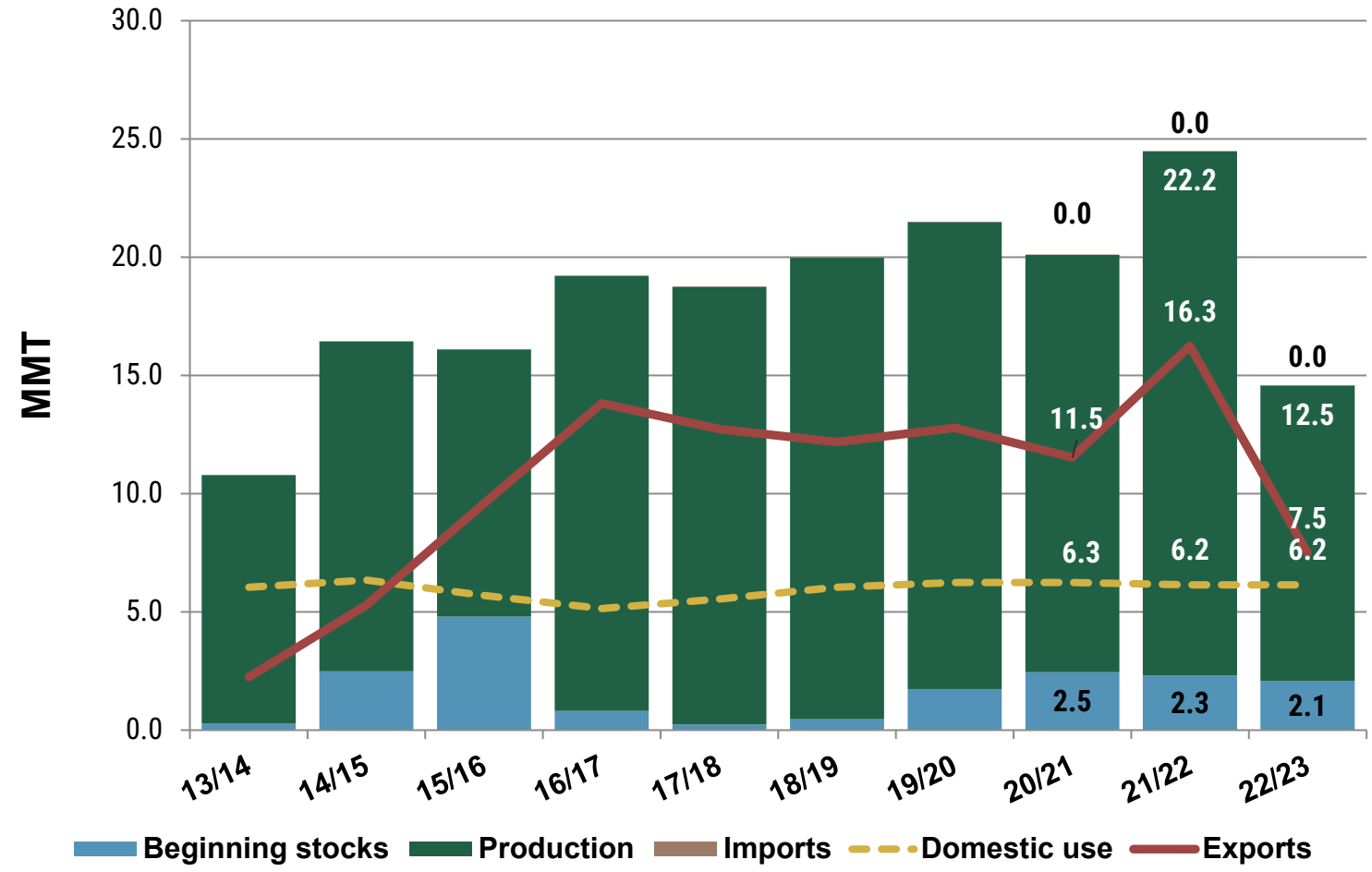
# Australia Situation



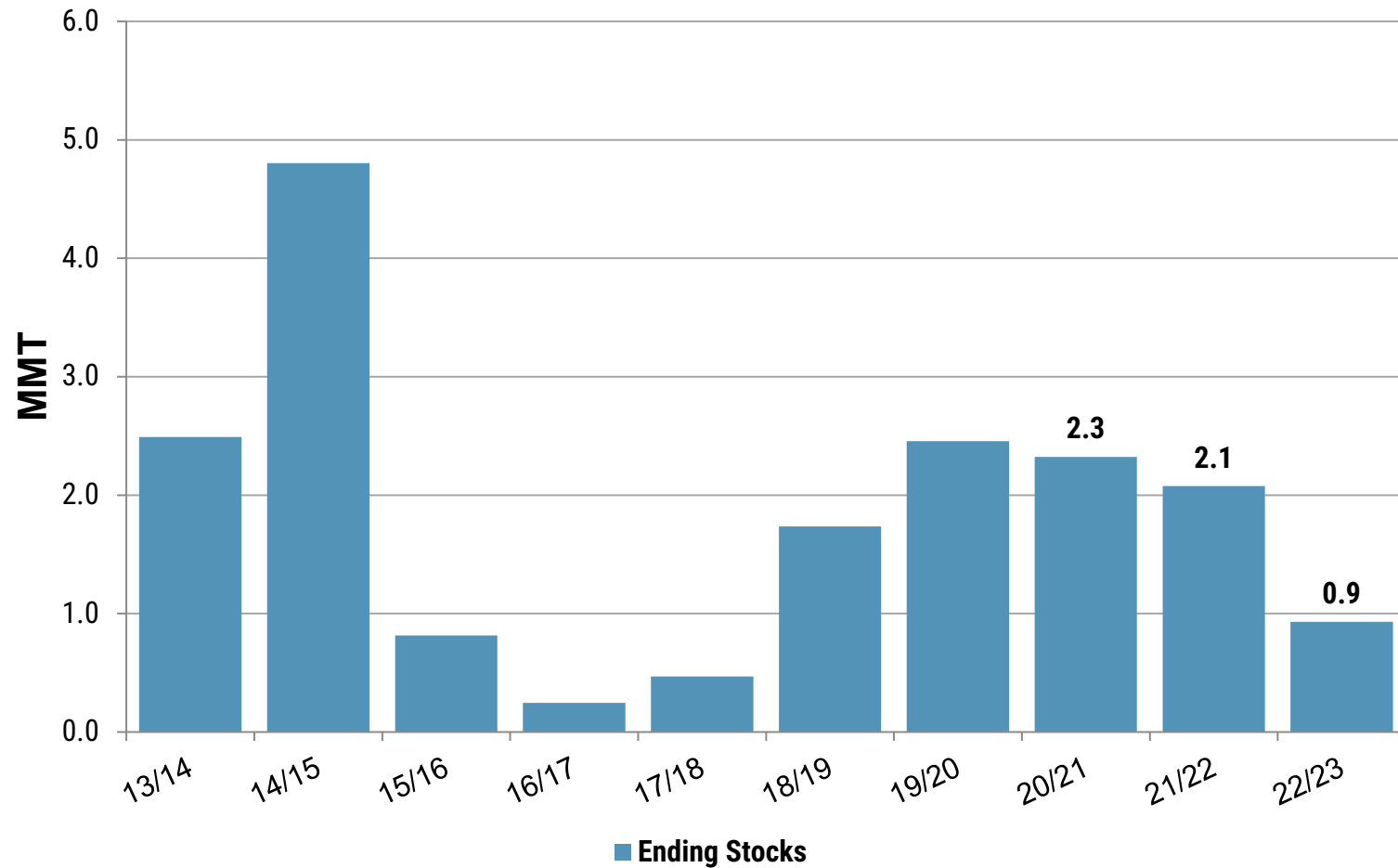
## Australia Ending Stocks



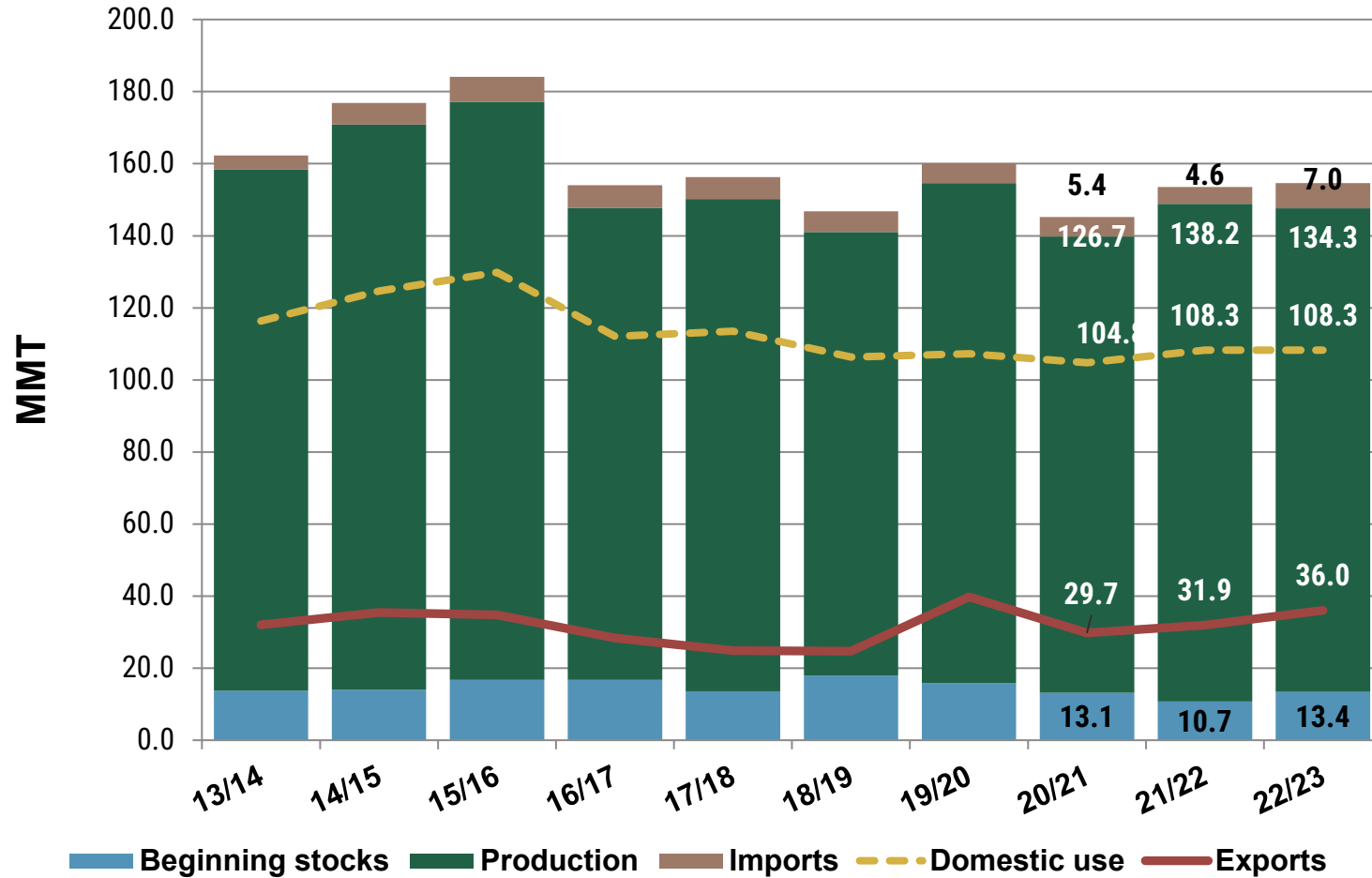
# Argentina Situation



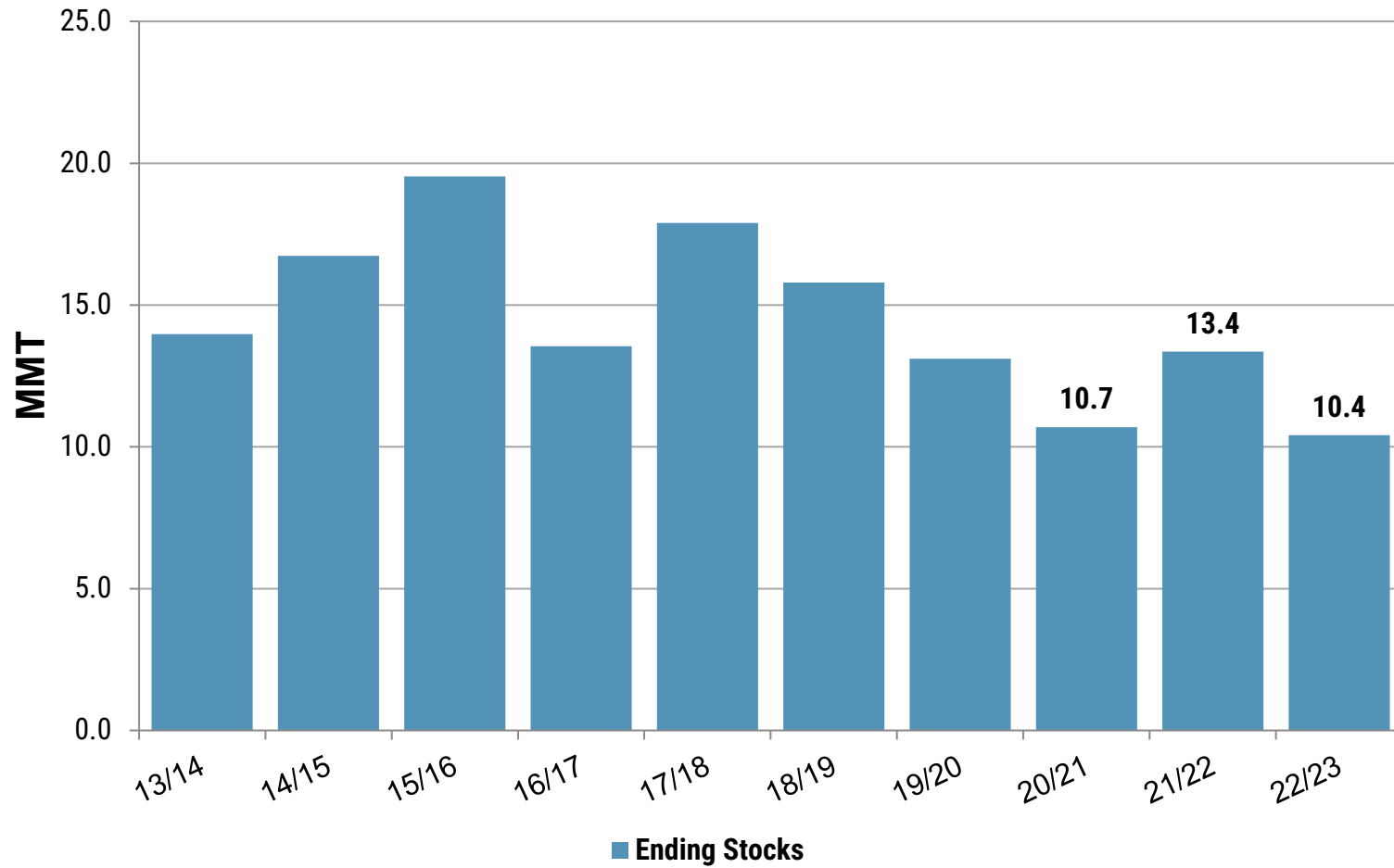
## Argentina Ending Stocks



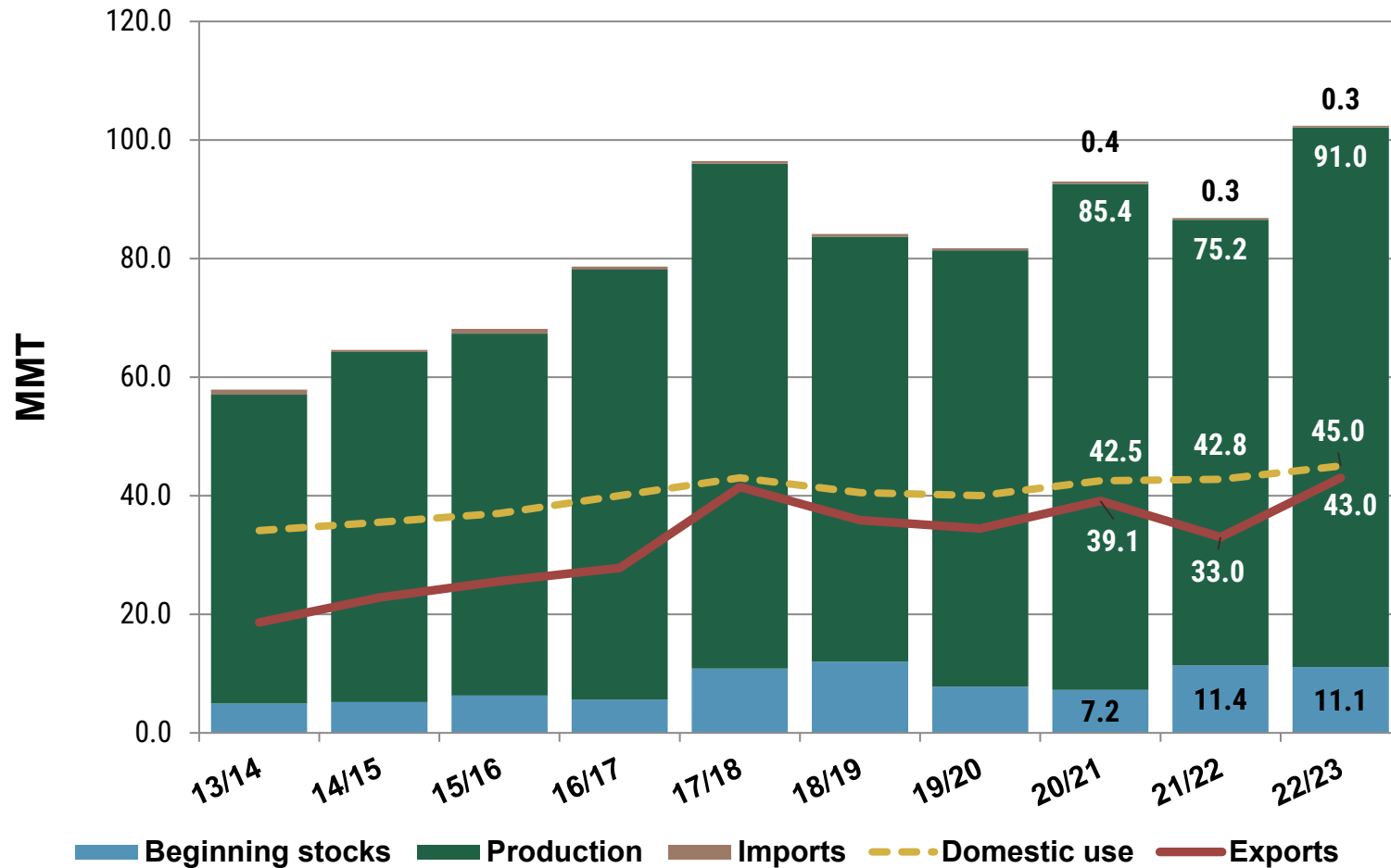
# EU Situation



## EU Ending Stocks

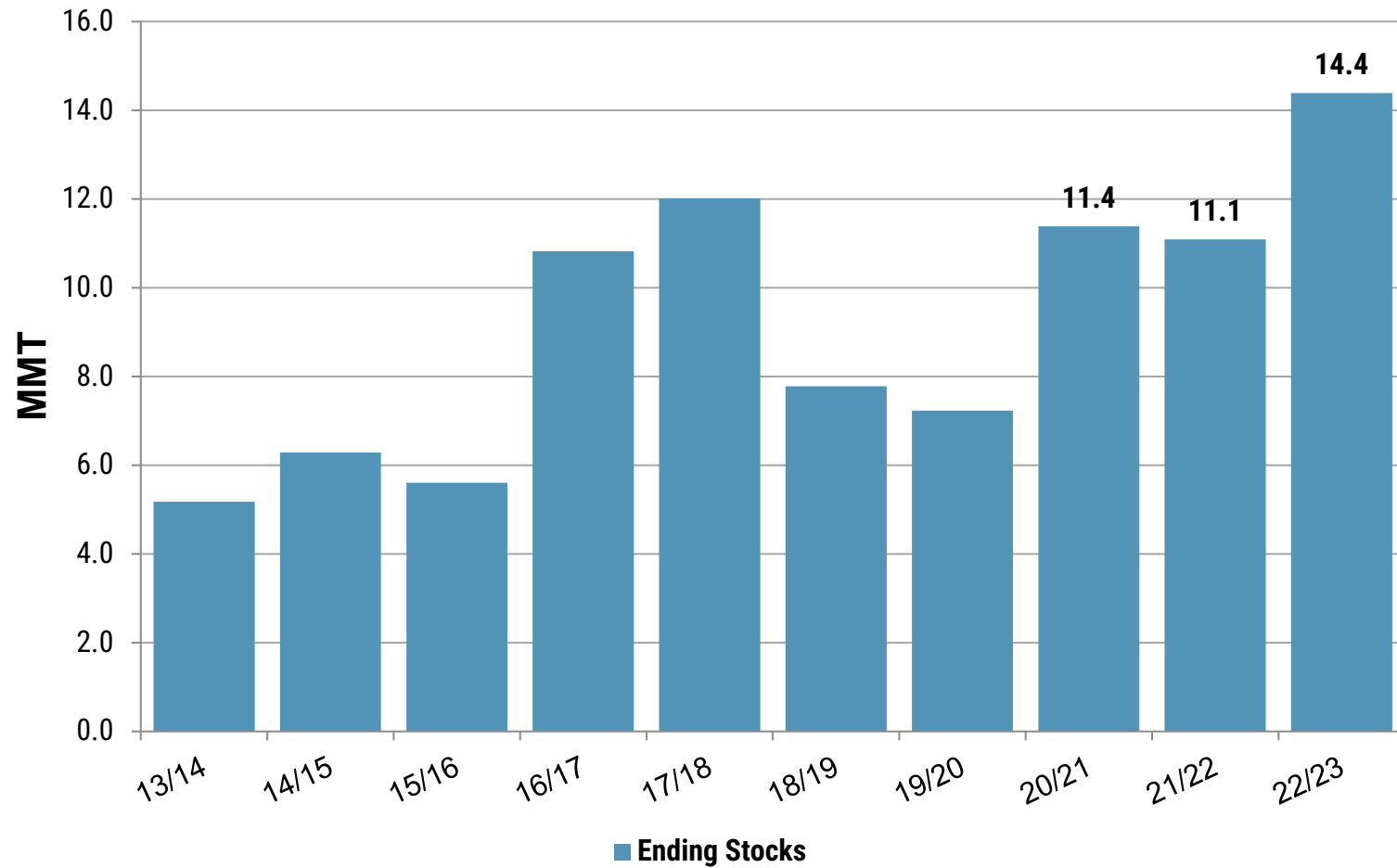


# Russia Situation

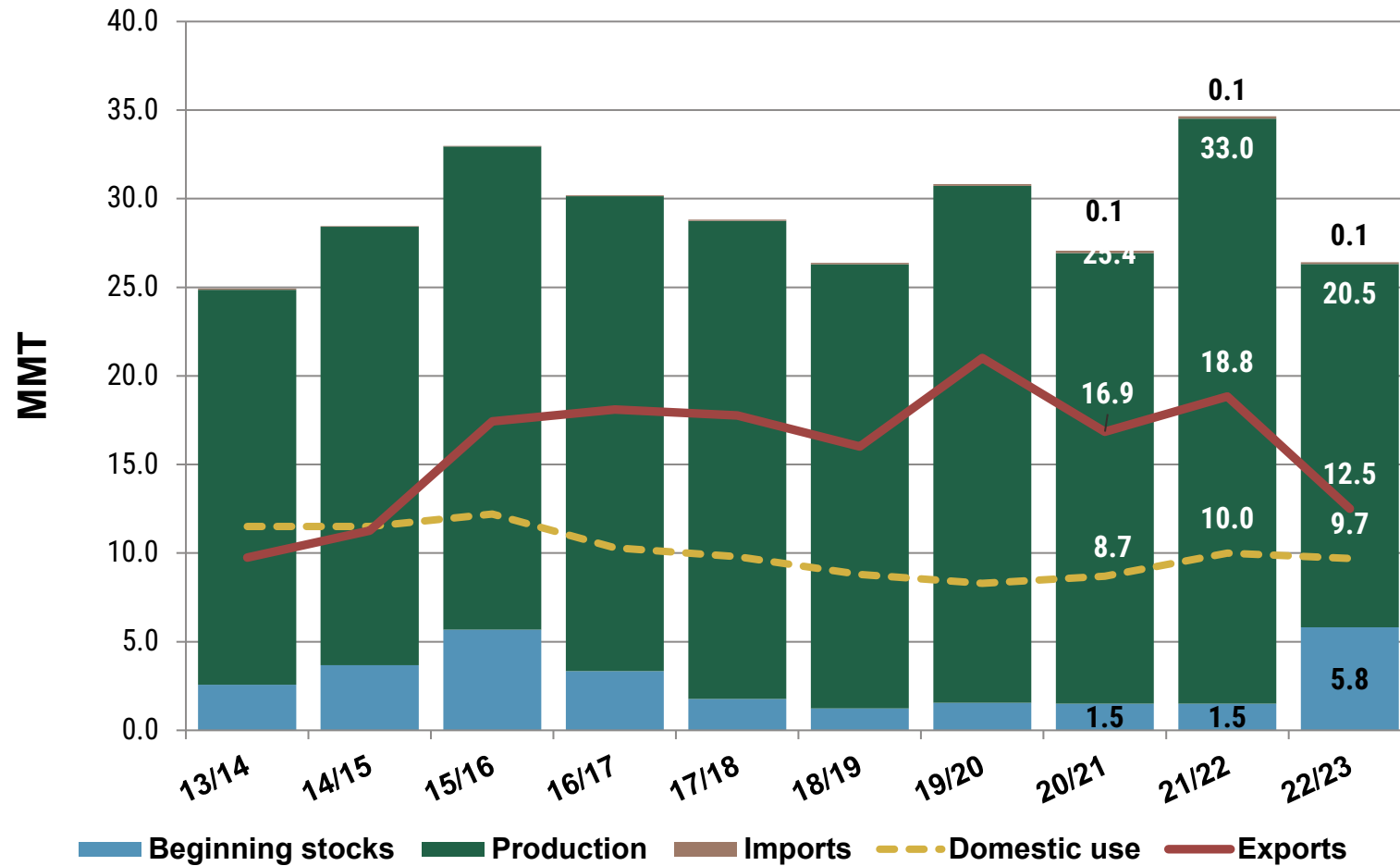




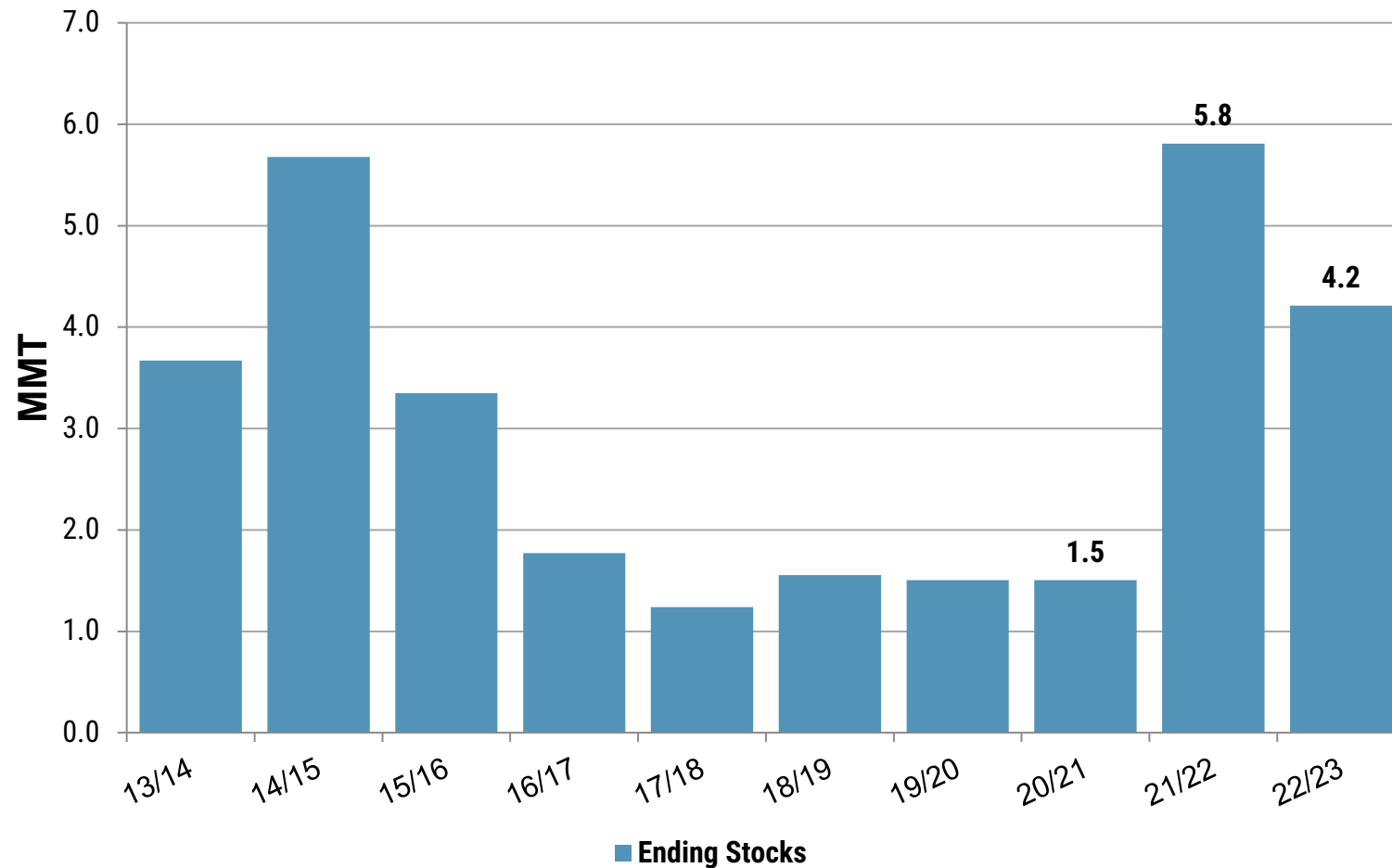
## Russia Ending Stocks



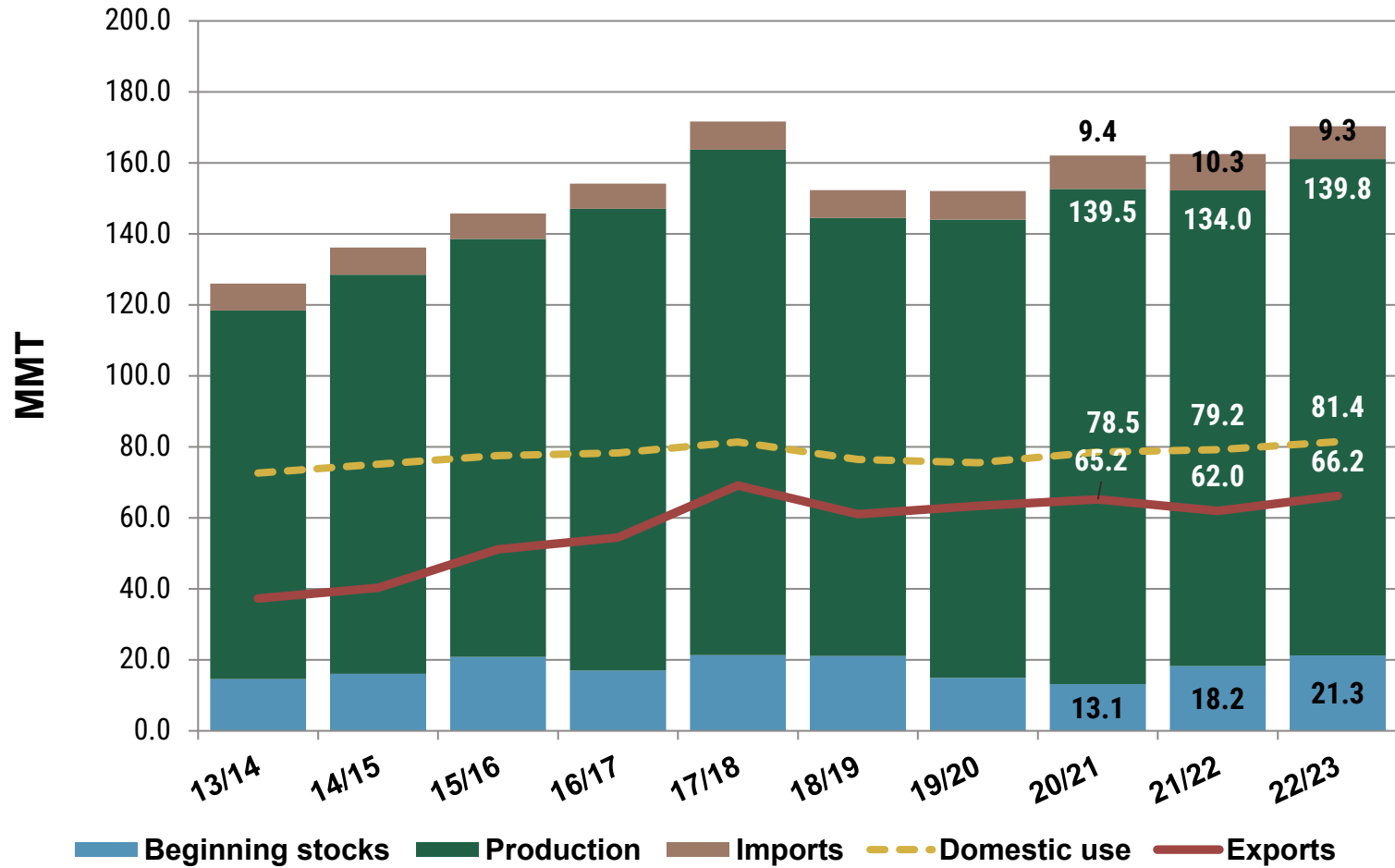
# Ukraine Situation



## Ukraine Ending Stocks



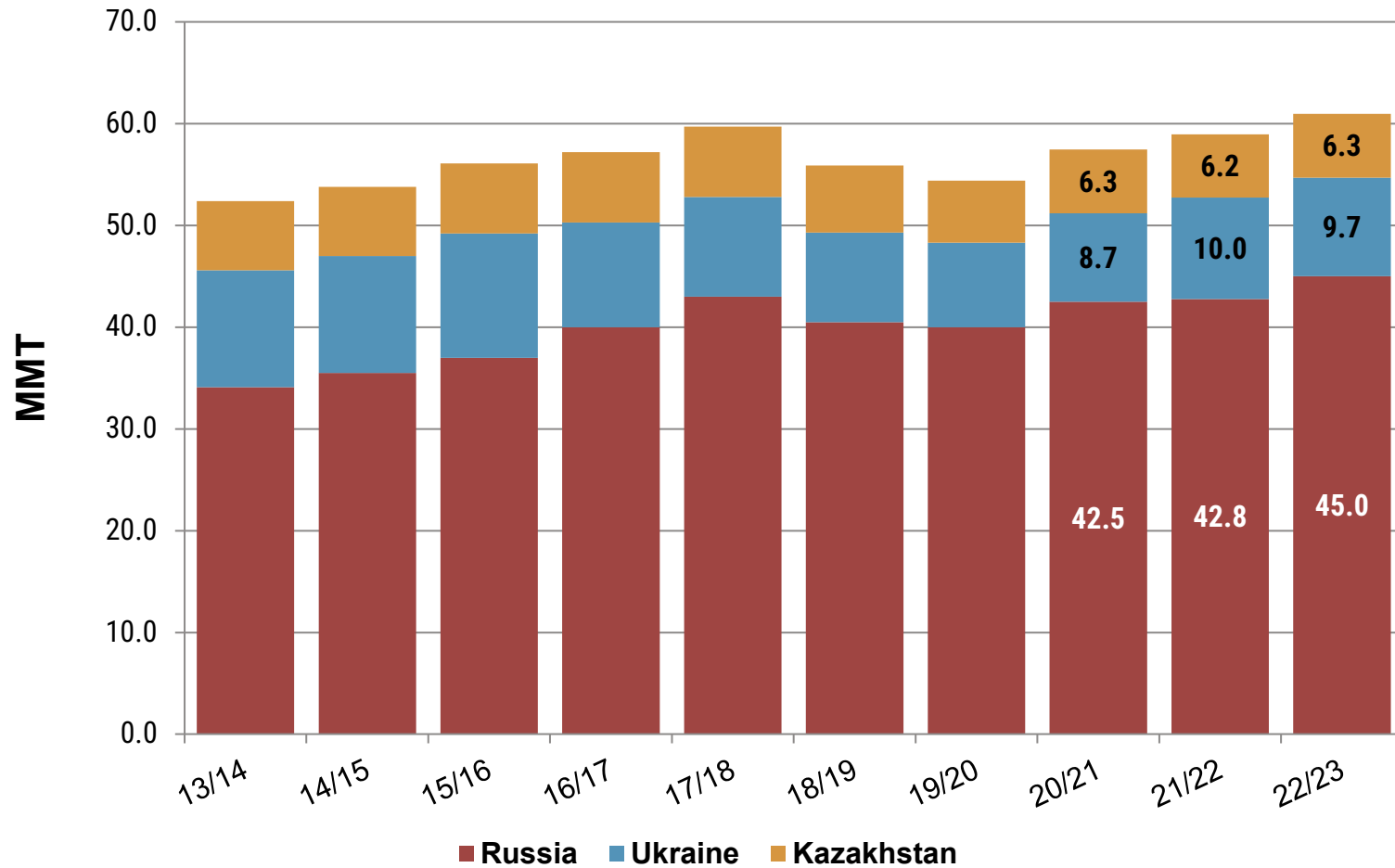
# Black Sea Region Situation



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



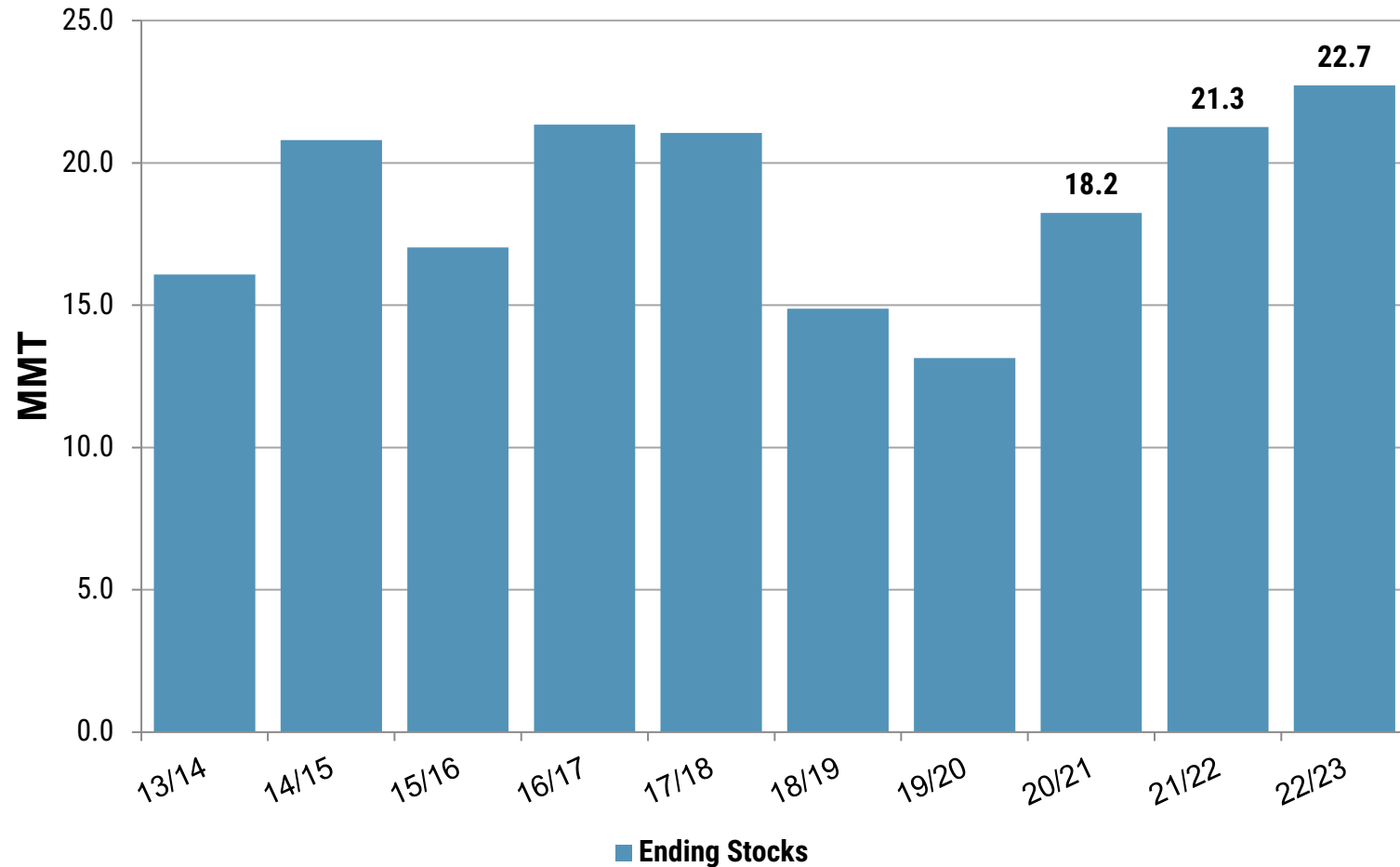
# Black Sea Exports



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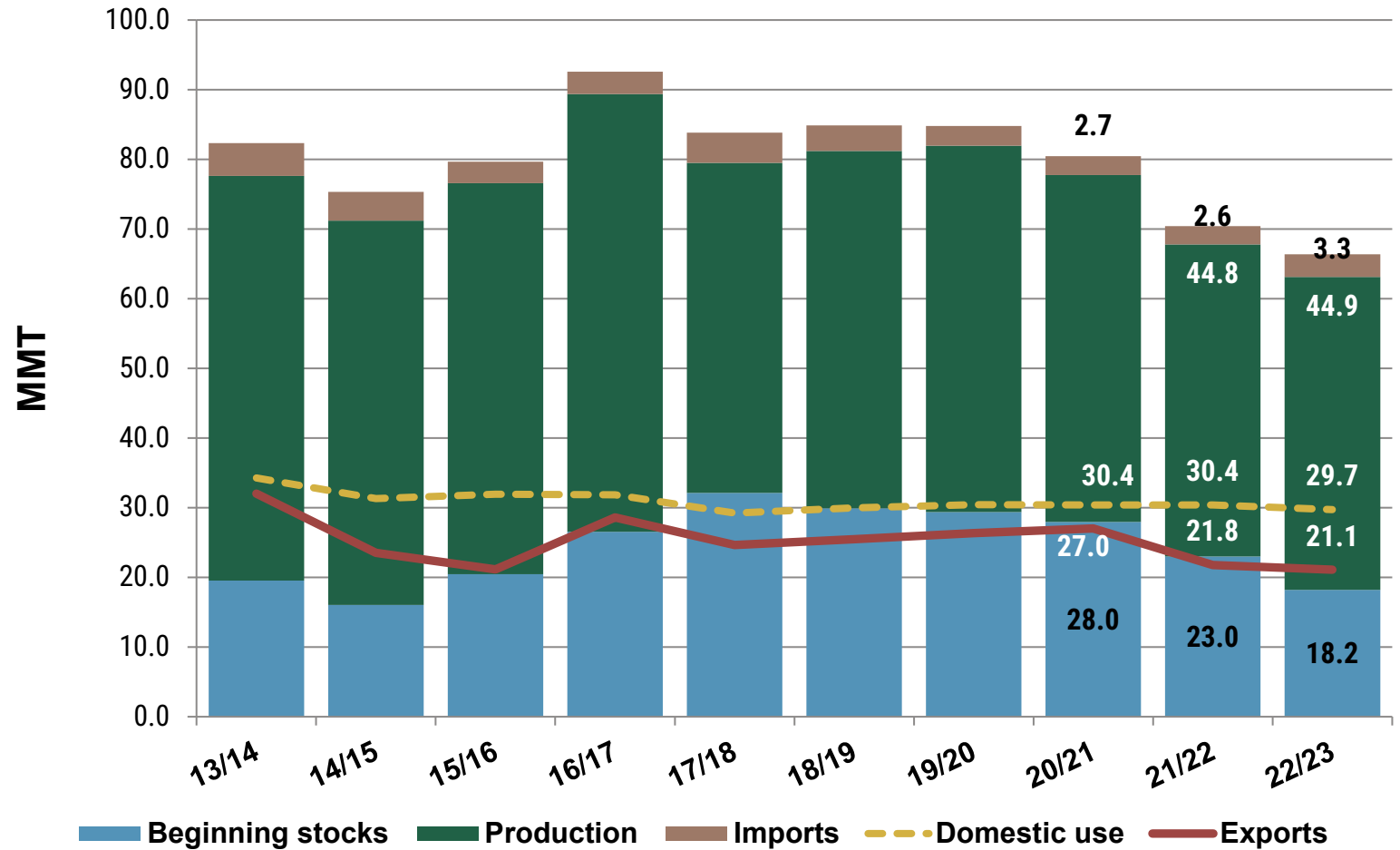
## Black Sea Ending Stocks



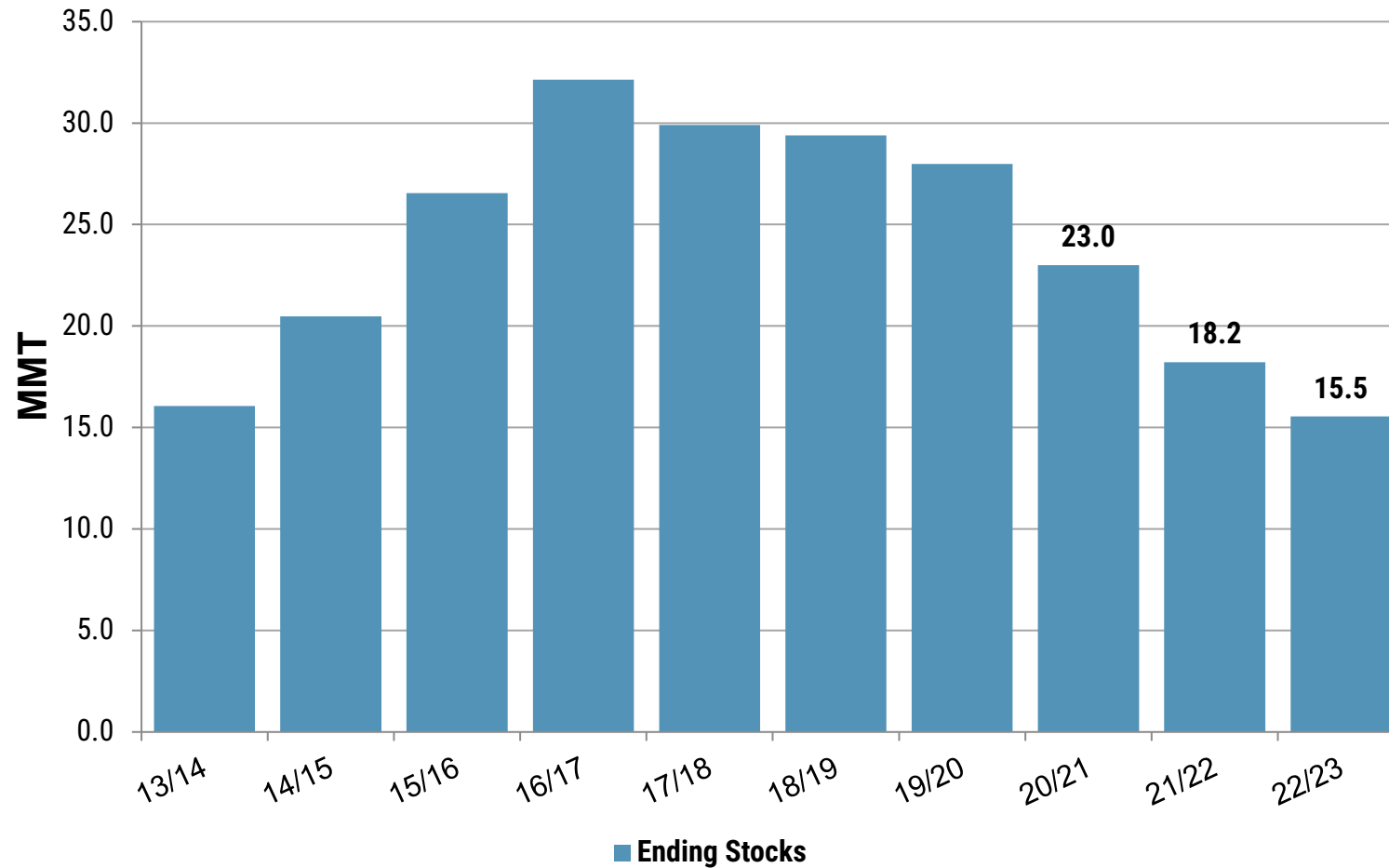
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# U.S. Situation



## U.S. Ending Stocks



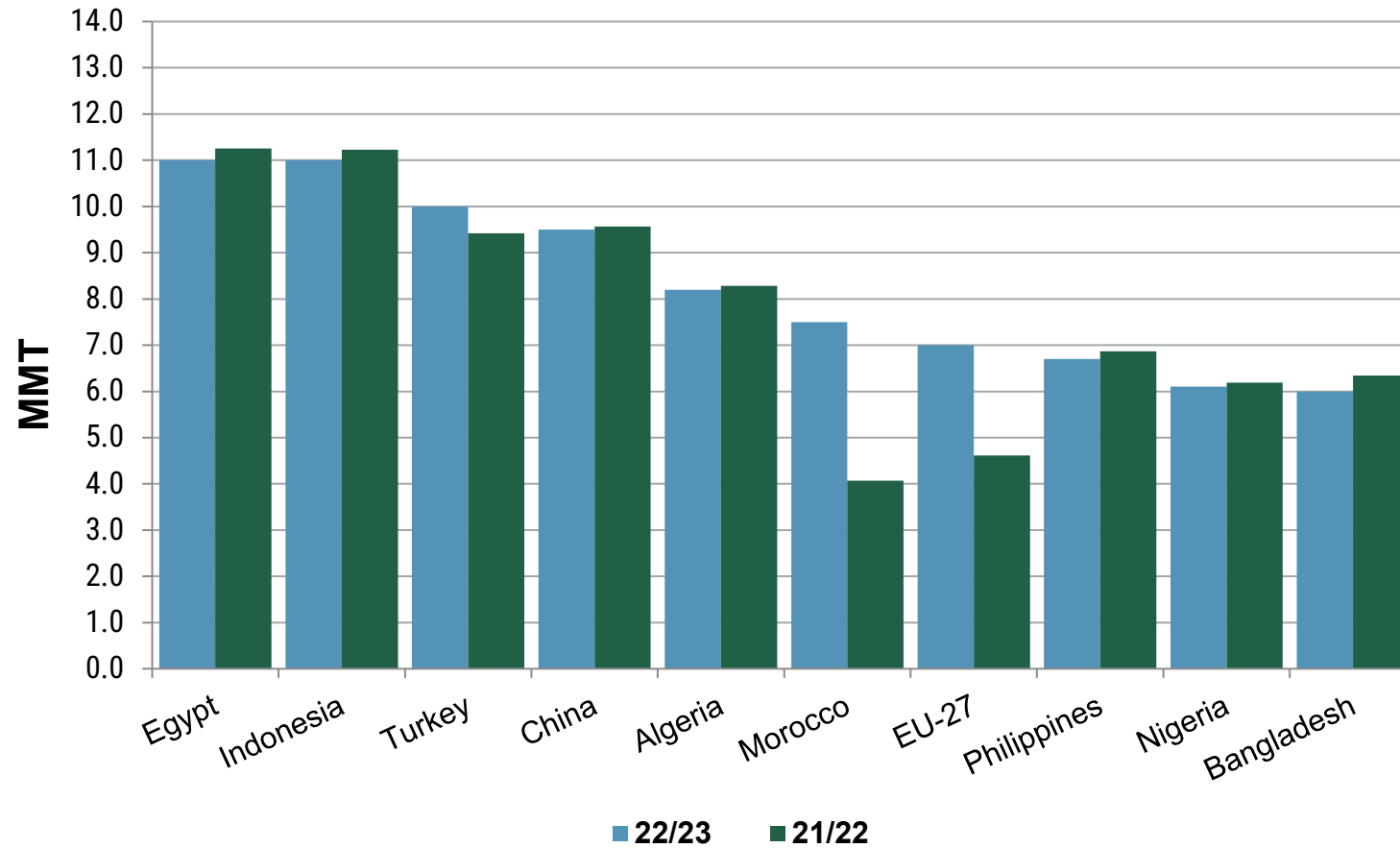




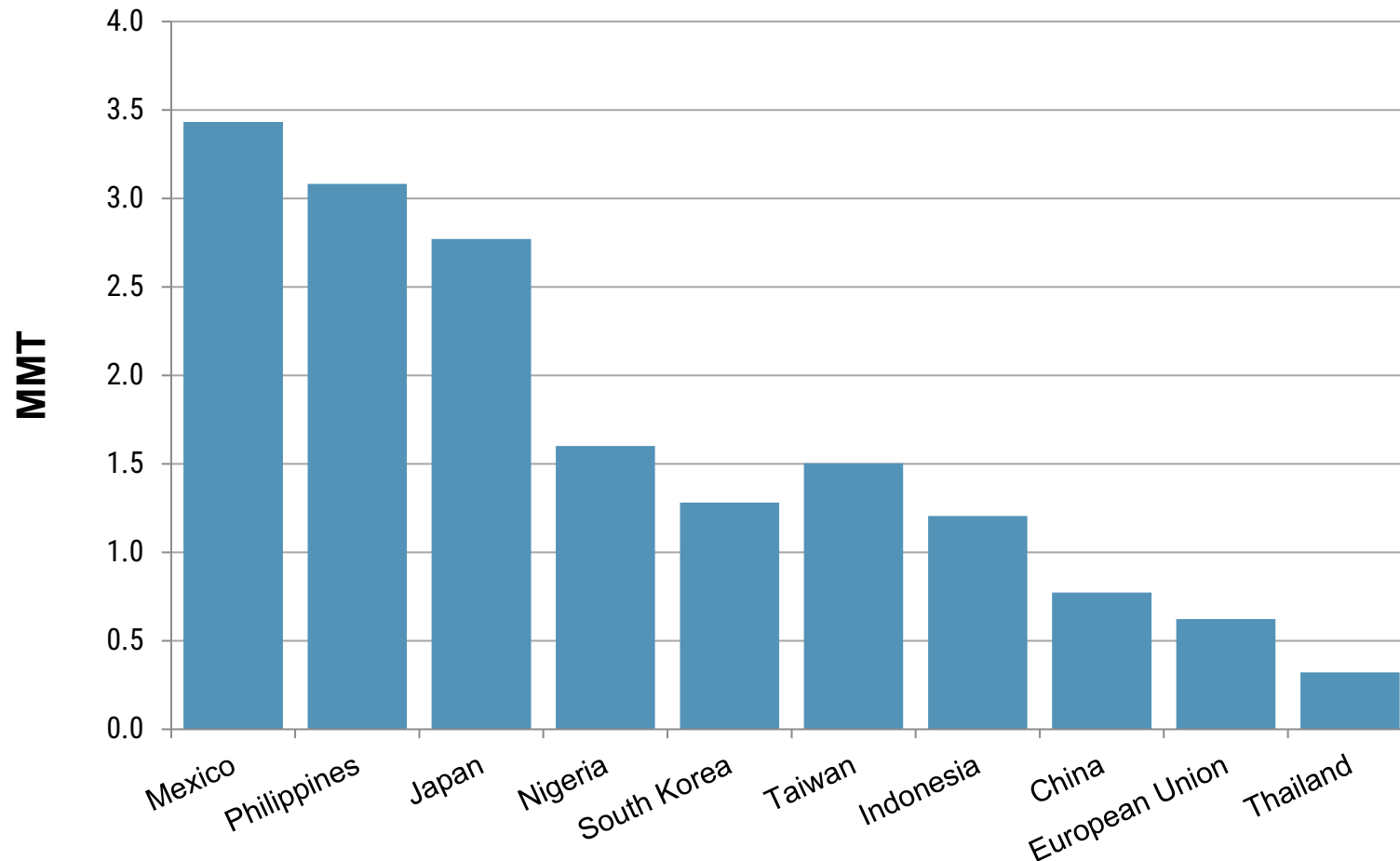
02

*Import Demand*

## Major World Wheat Importers



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

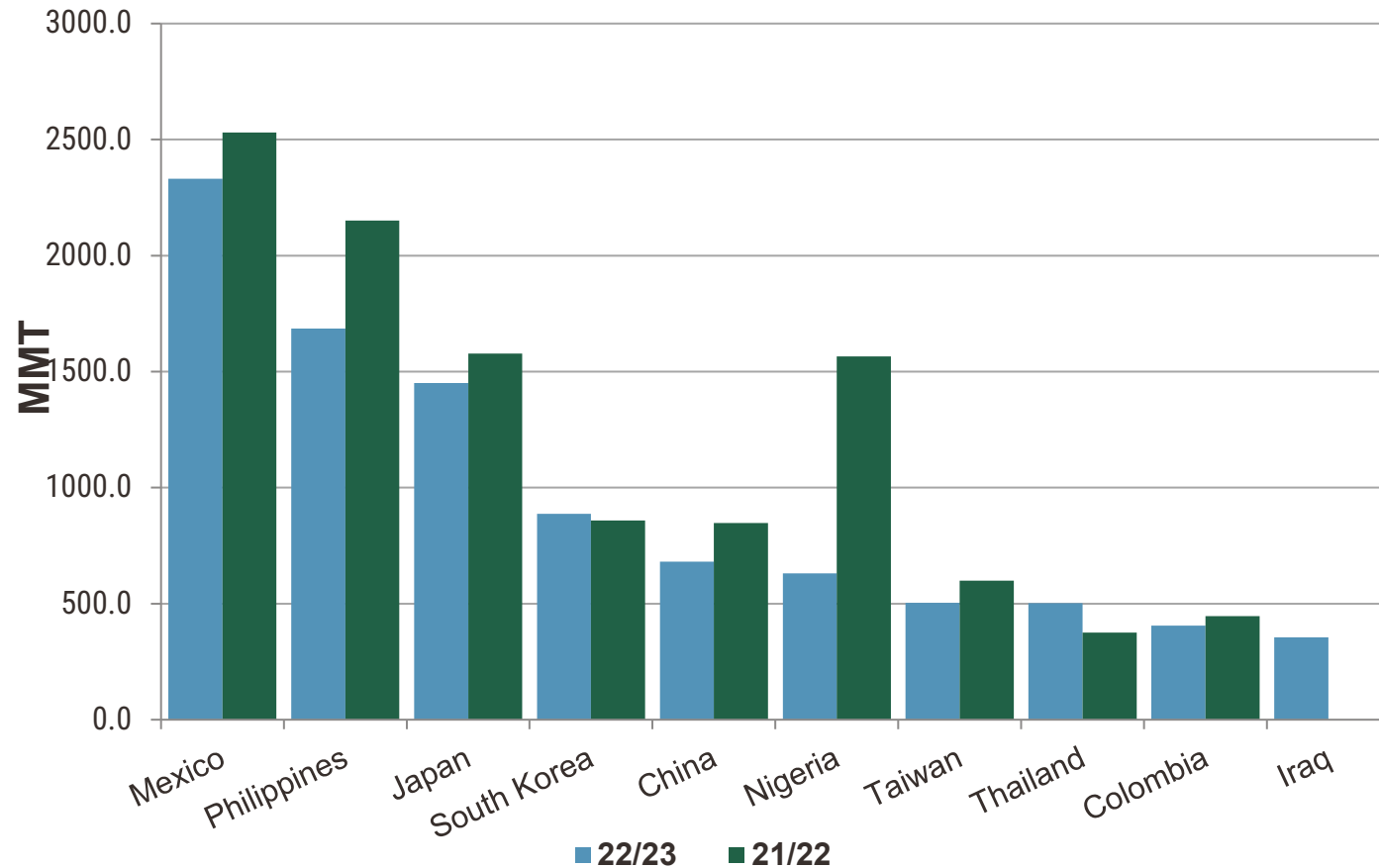


Source: USDA FAS export sales data as of December 2, 2022



# Top 10 Customers for U.S. Wheat

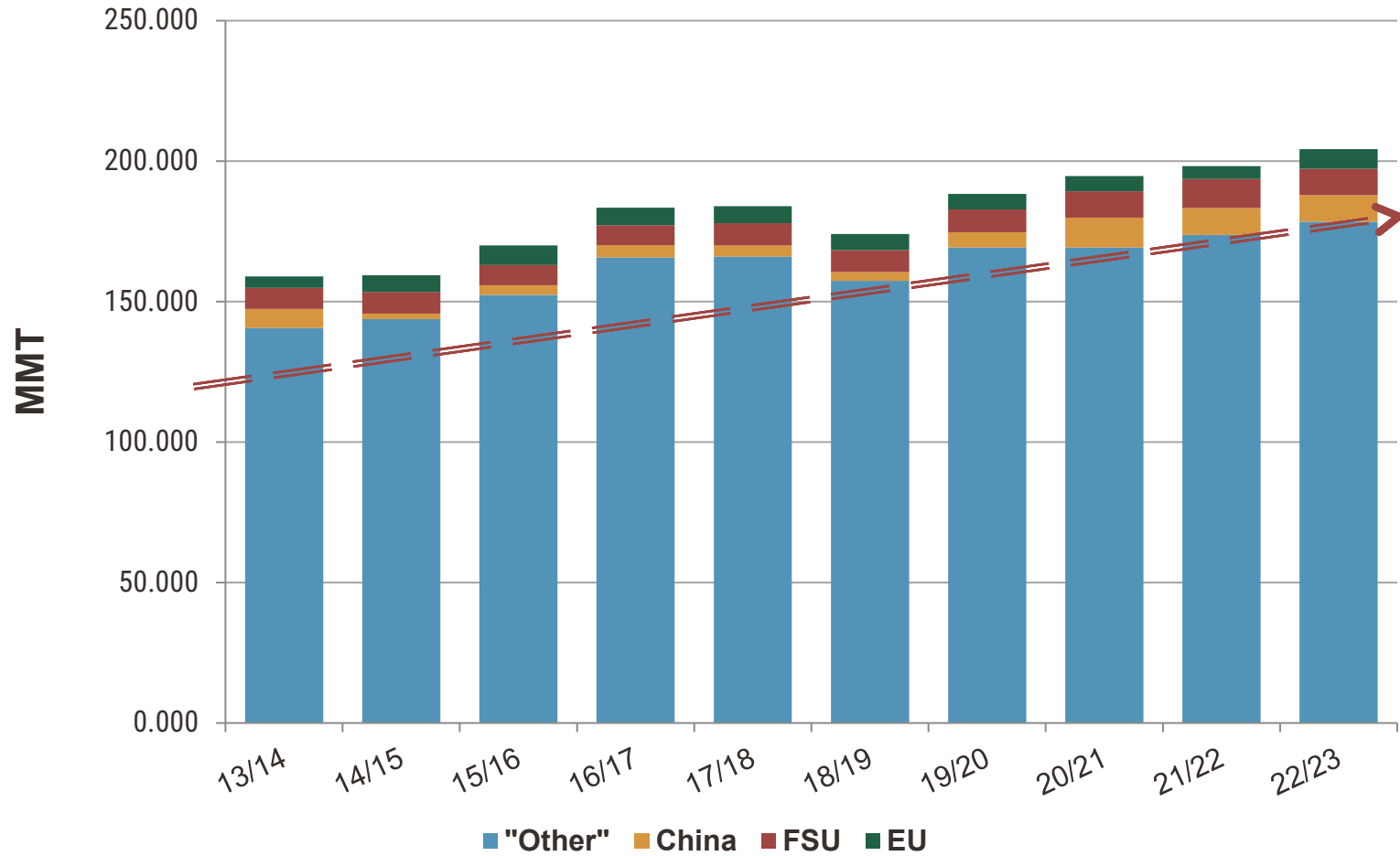
(year-to-date sales for current marketing year delivery)



Source: USDA FAS export sales data as of December 2, 2022



# World Wheat Imports

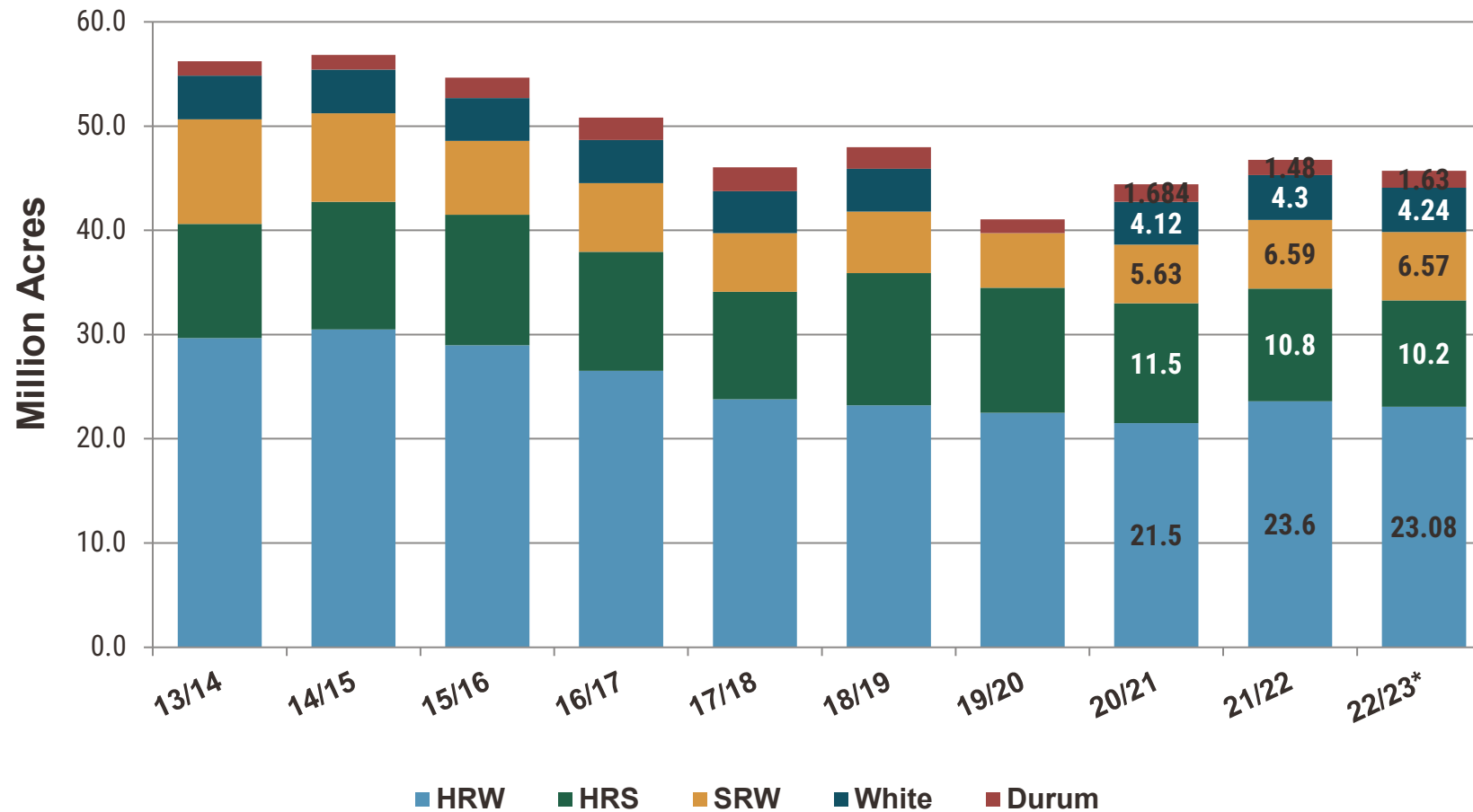




03

*U.S. Situation by  
Class*

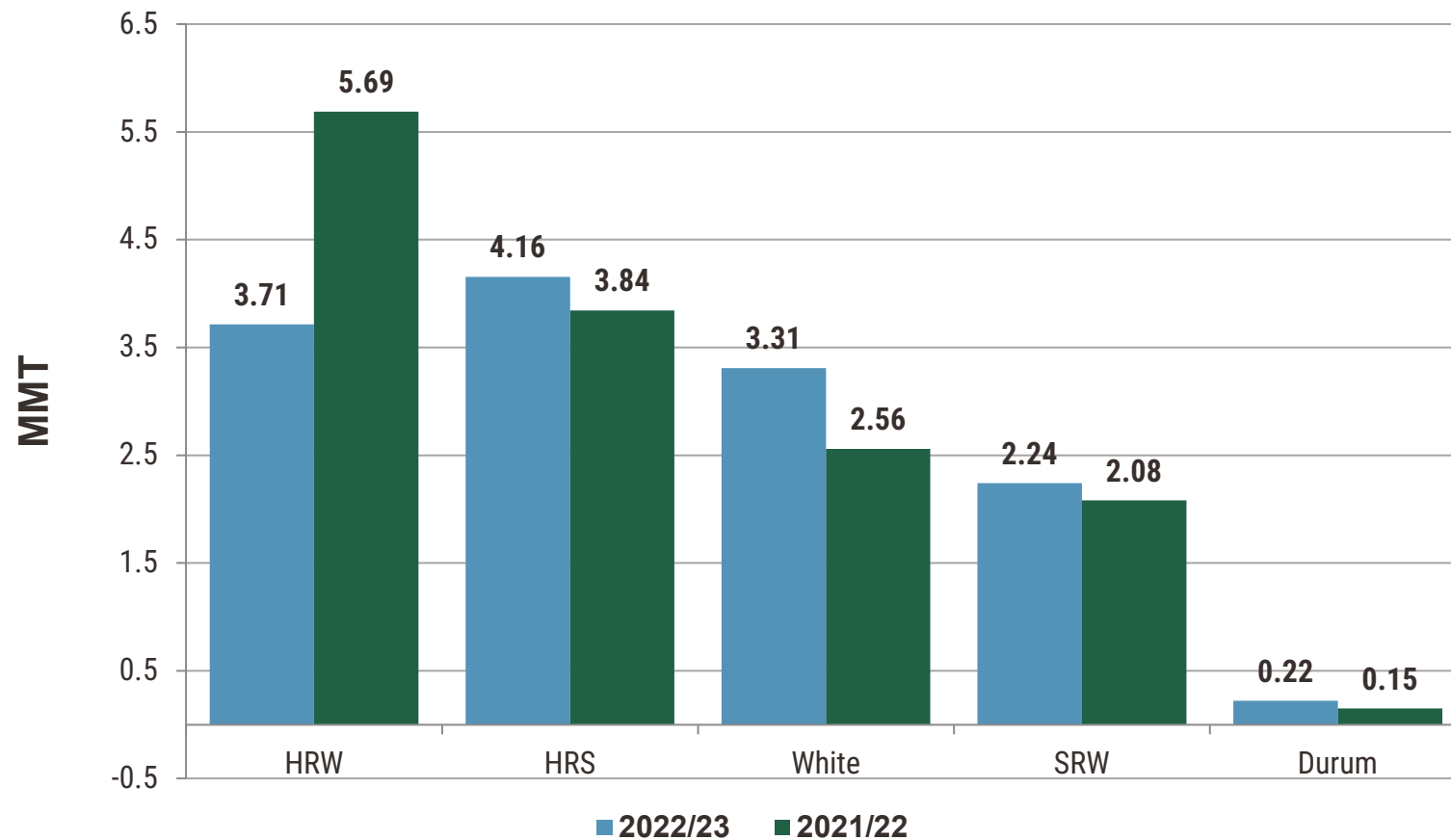
# U.S. Wheat Planted Area



\*Source: June 2022 USDA Acreage Report, Small Grains 2022 Summary, ERS Wheat Outlook

## U.S. Wheat Sales by Class

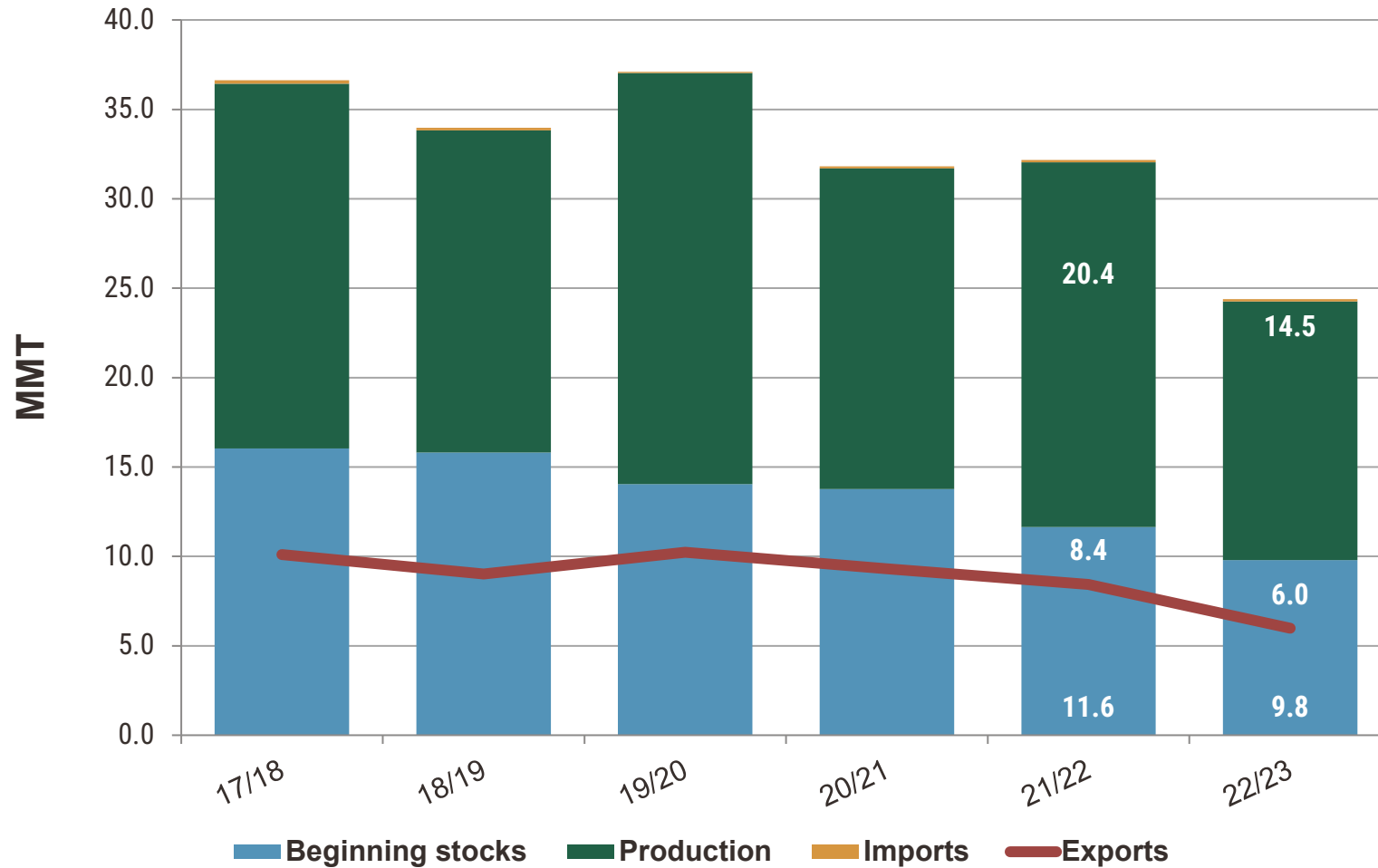
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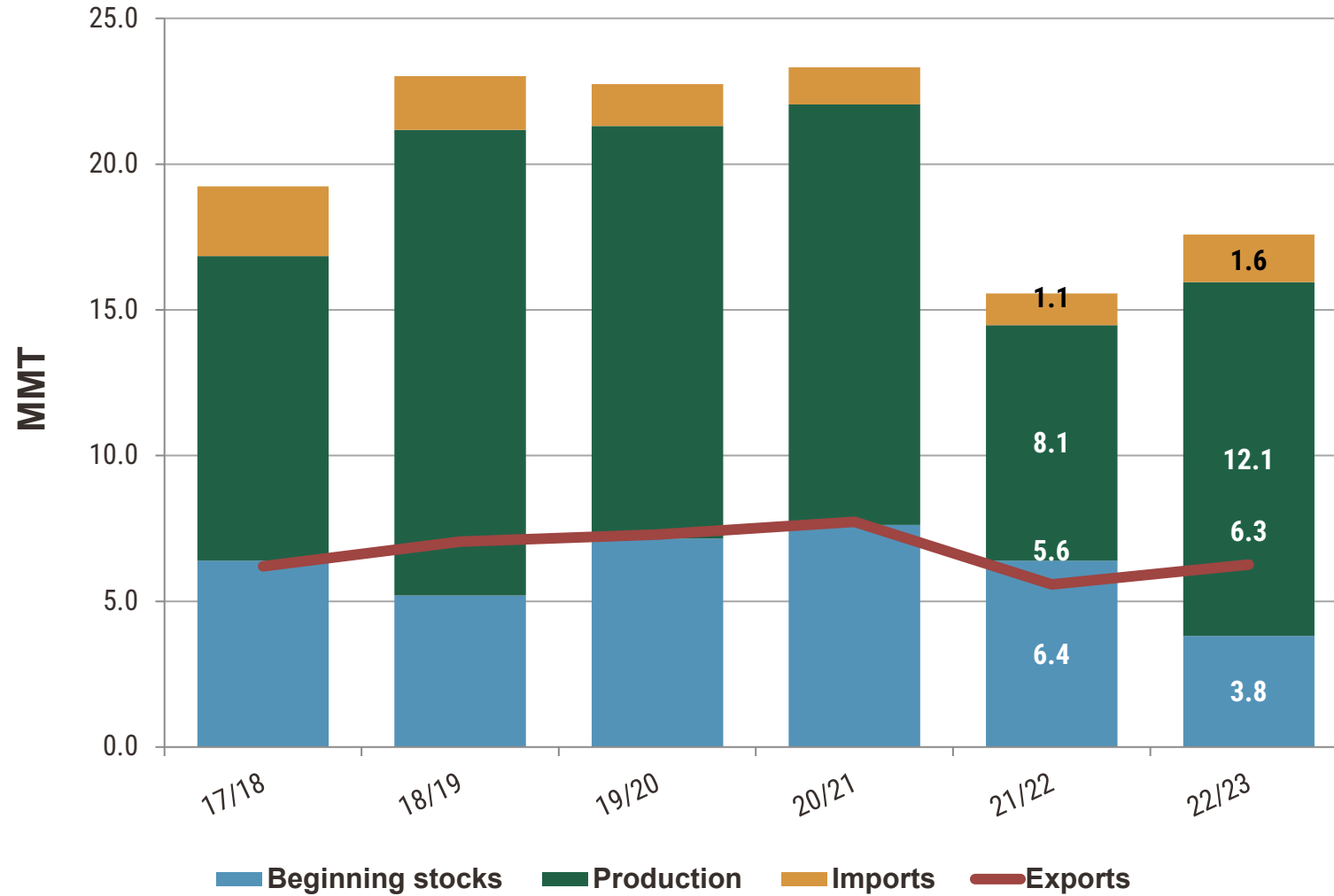
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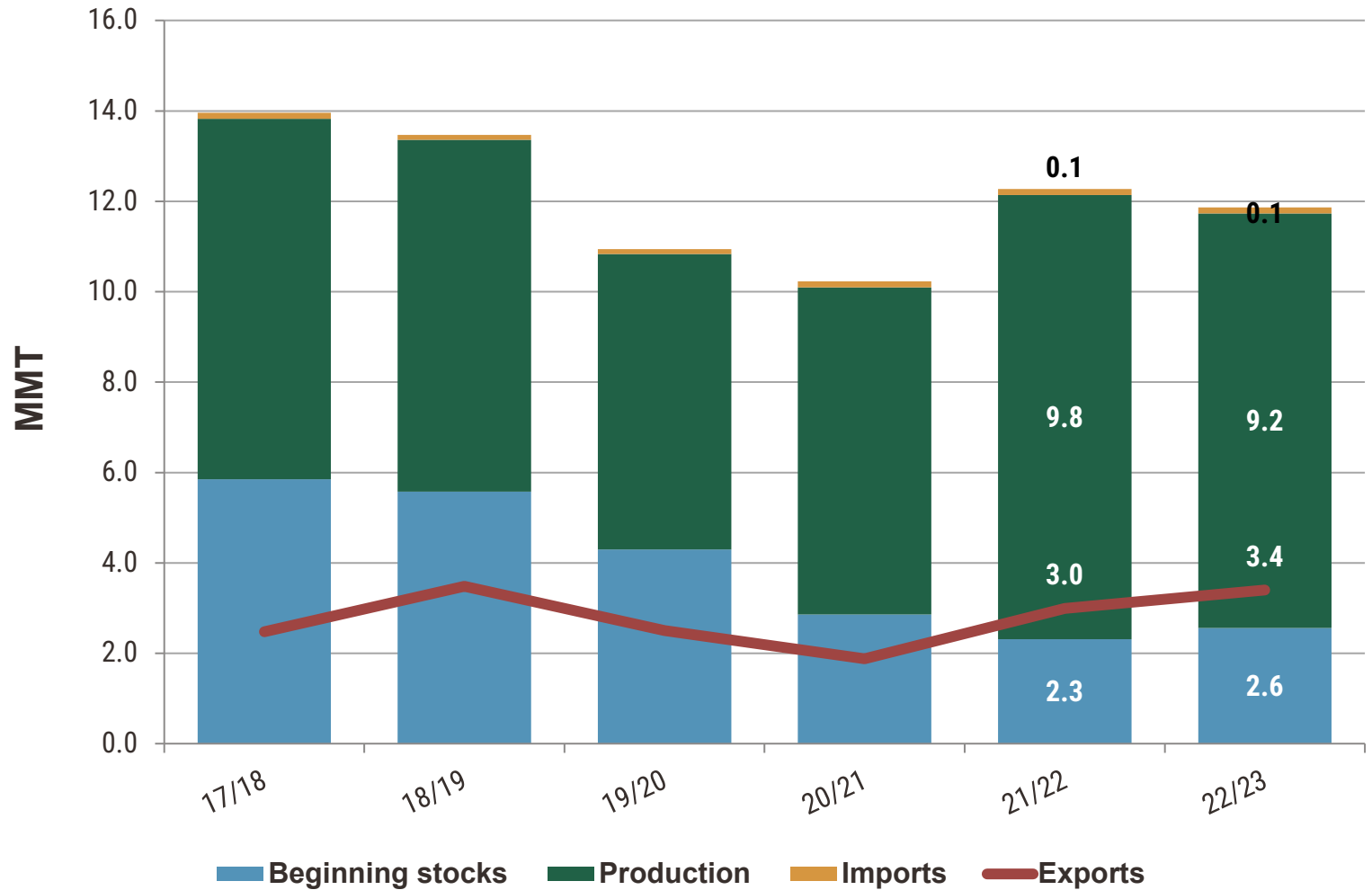
# U.S. Hard Red Winter



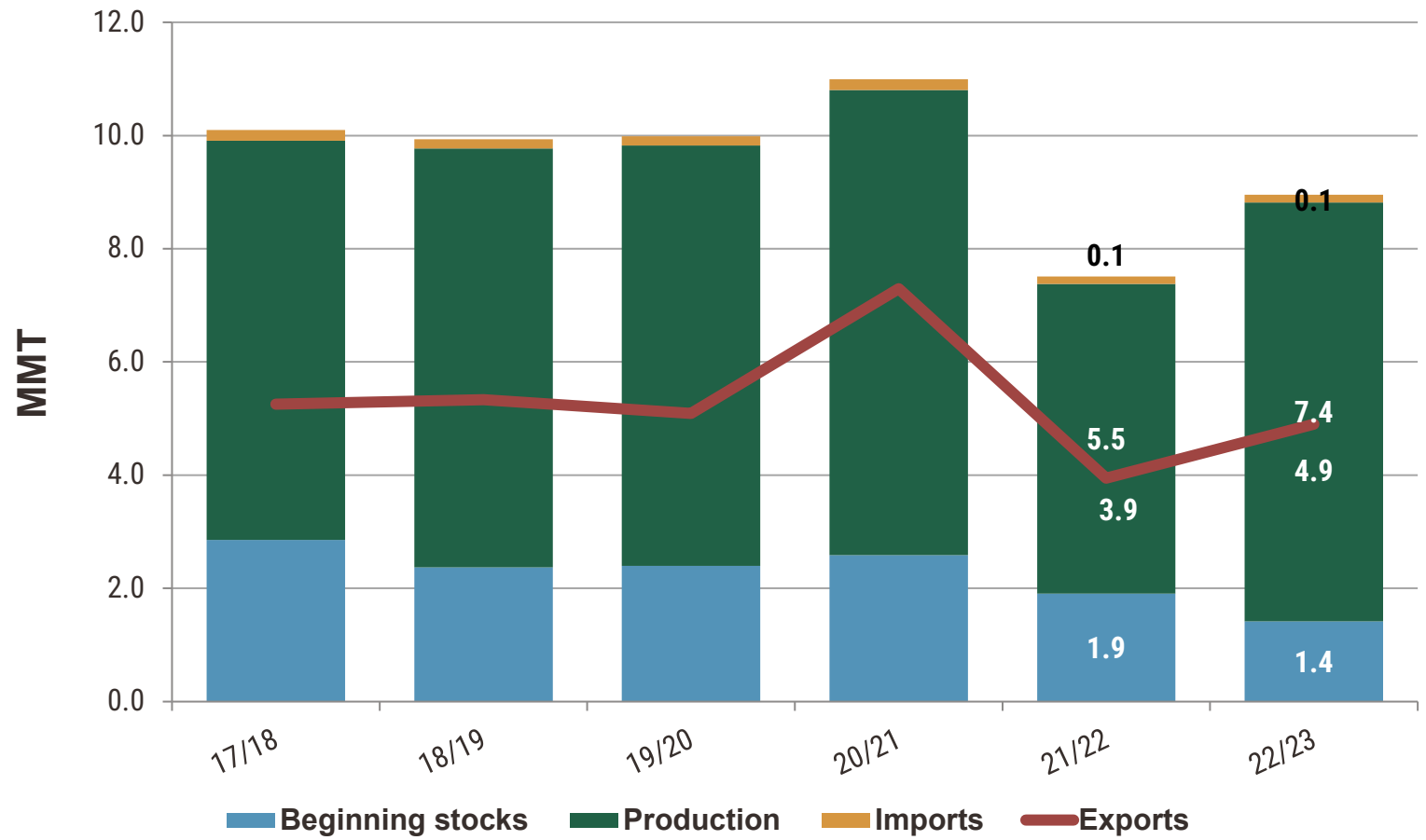
# U.S. Hard Red Spring



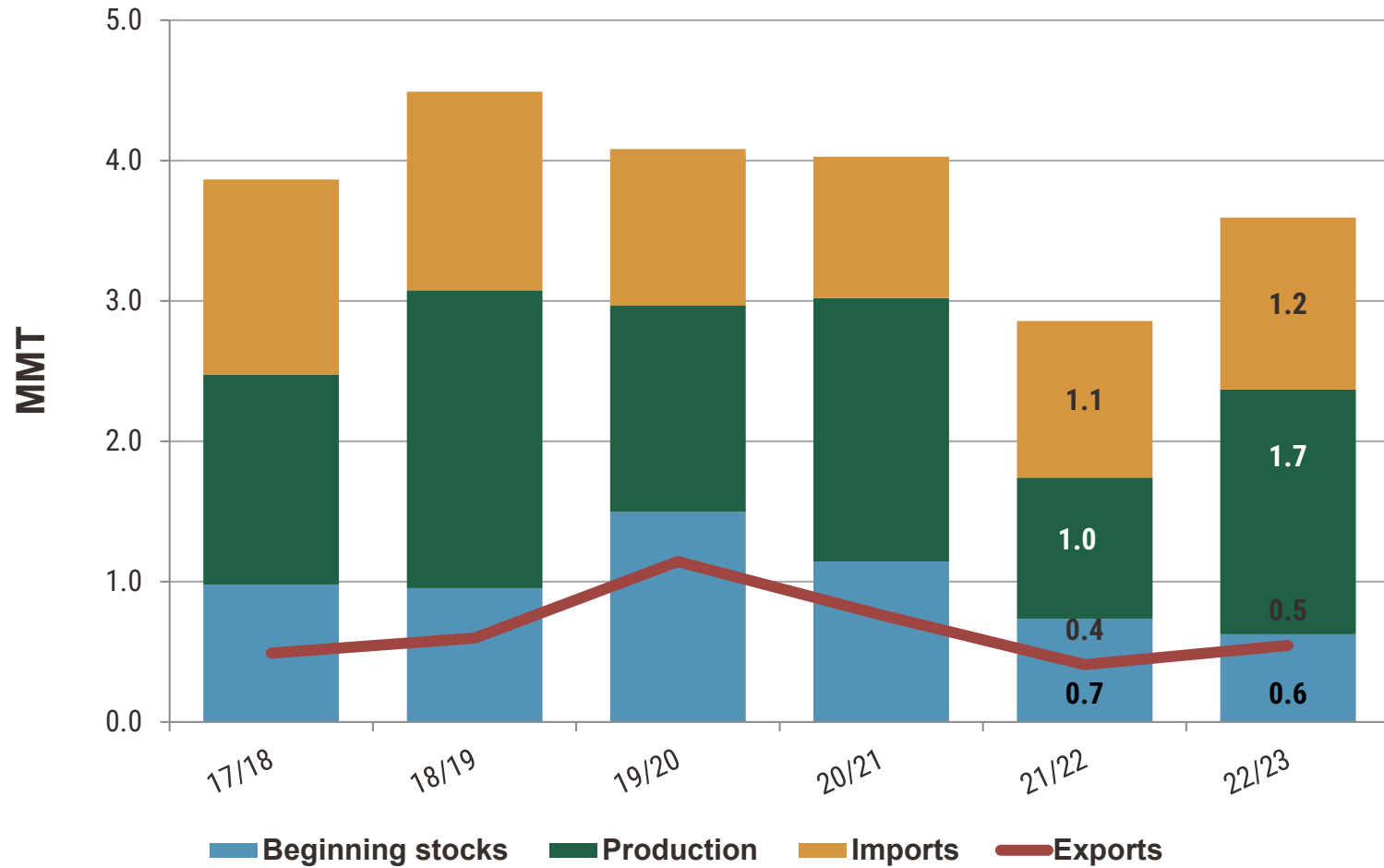
# U.S. Soft Red Winter



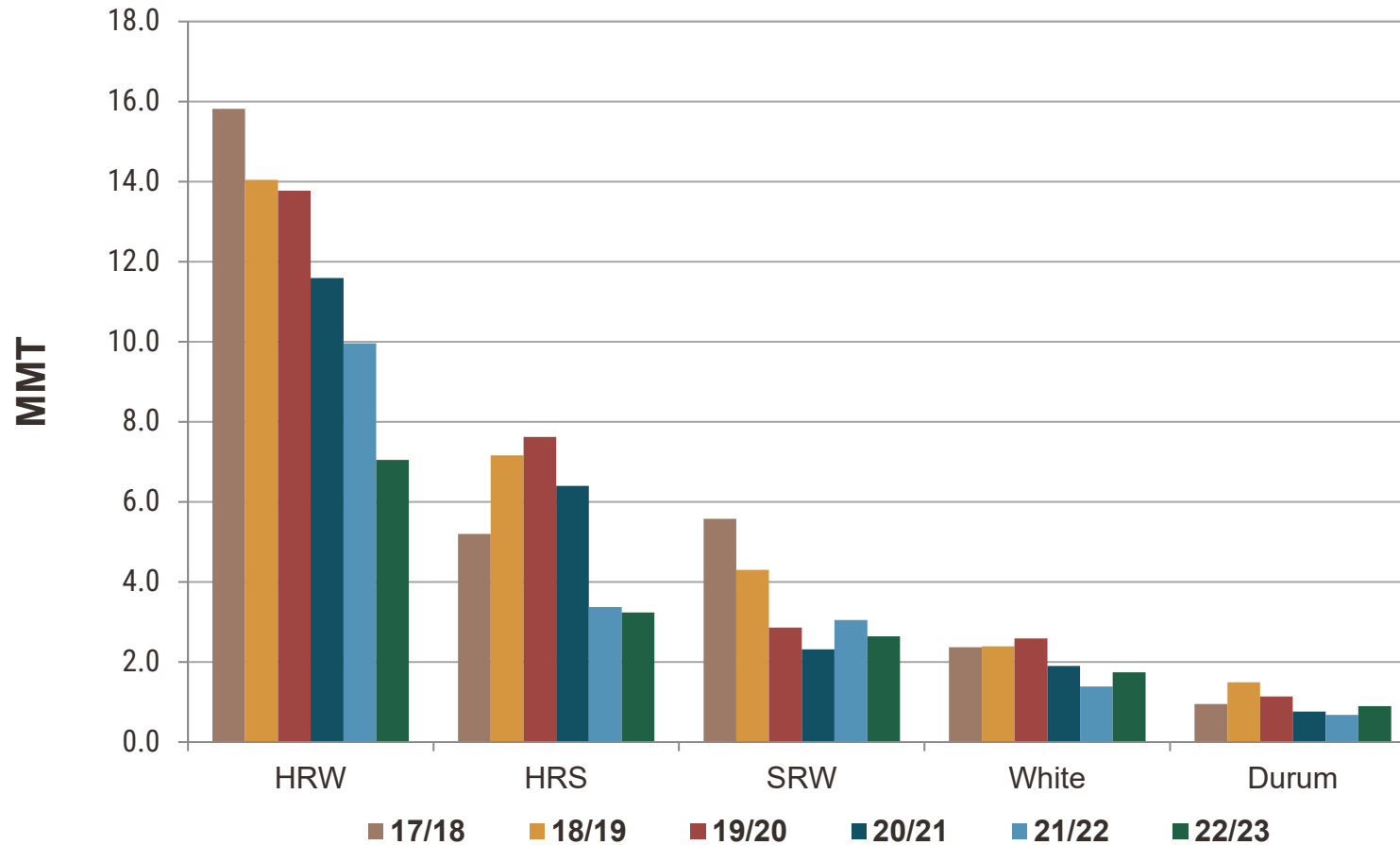
# U.S. White



# U.S. Durum



## U.S. Wheat Ending Stocks by Class



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

	HRW		HRS		SRW	
	<u>21/22</u>	<u>22/23</u>	<u>21/22</u>	<u>22/23</u>	<u>21/22</u>	<u>22/23</u>
<b>Beginning Stocks</b>	11.6	9.8	6.4	3.8	2.3	2.6
<b>Production</b>	20.4	14.5	8.1	12.1	9.8	9.2
<b>Supply Total</b>	32.2	24.4	15.6	17.6	12.3	11.9
<b>Domestic Use</b>	13.8	11.3	6.6	8.1	6.2	5.8
<b>Exports</b>	8.4	6.0	5.6	6.3	3.0	3.4
<b>Use Total</b>	22.2	17.3	12.2	14.3	9.2	9.2
<b>Ending Stocks</b>	10.0	7.0	3.4	3.2	3.0	2.6
<b>Stocks-to-Use</b>	45%	41%	28%	23%	33%	29%



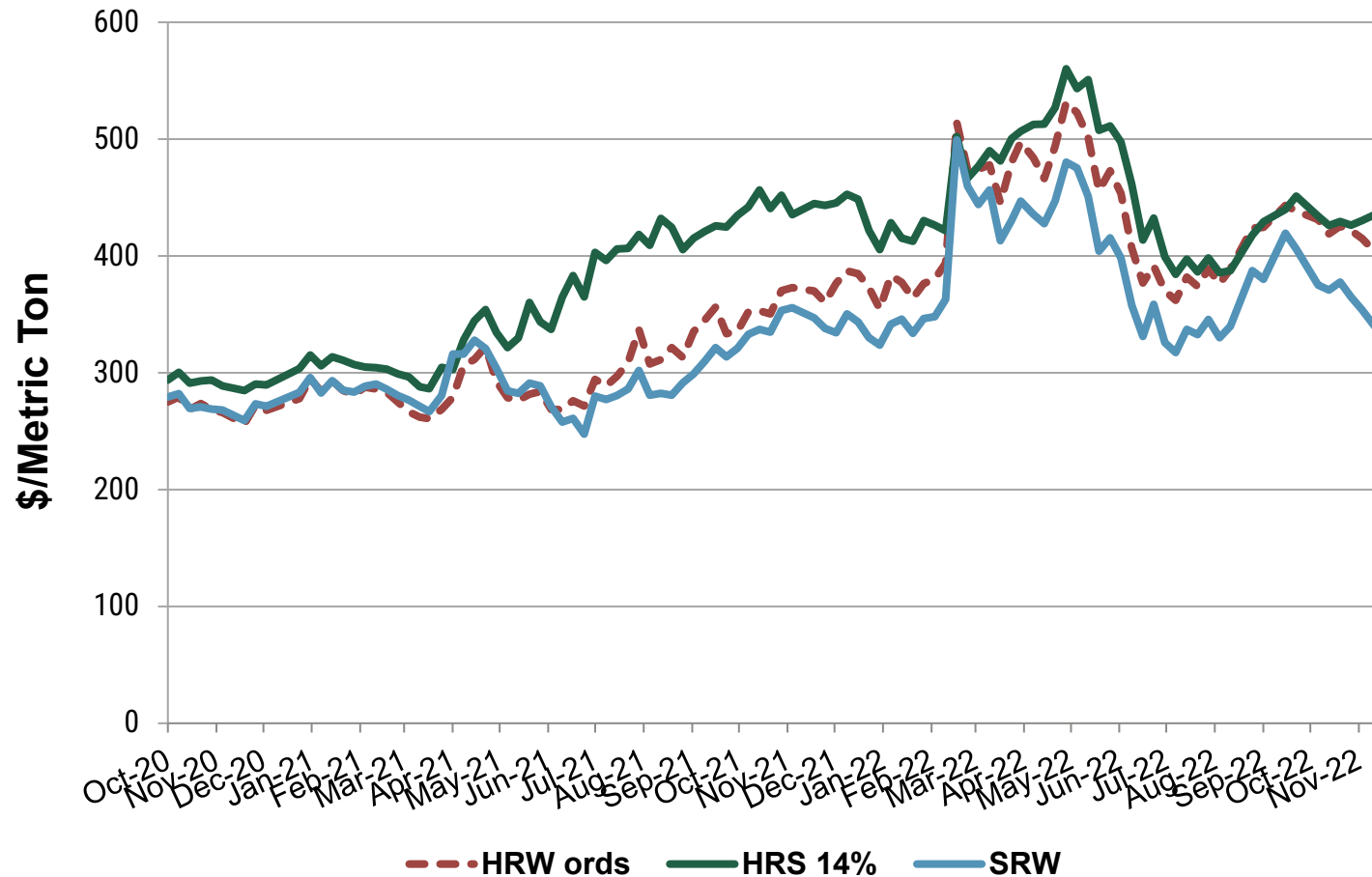
## U.S. Wheat Supply and Demand (MMT)

	White		Durum		Total	
	<u>21/22</u>	<u>22/23</u>	<u>21/22</u>	<u>22/23</u>	<u>21/22</u>	<u>22/23</u>
<b>Beginning Stocks</b>	1.9	1.4	0.7	0.6	23.0	18.2
<b>Production</b>	5.5	7.4	1.0	1.7	44.8	44.9
<b>Supply Total</b>	7.5	9.0	2.9	3.6	70.4	66.4
<b>Domestic Use</b>	2.2	2.3	1.8	2.2	30.6	29.8
<b>Exports</b>	3.9	4.9	0.4	0.5	21.4	21.1
<b>Use Total</b>	6.1	7.2	2.2	2.7	52.0	50.9
<b>Ending Stocks</b>	1.4	1.7	0.7	0.9	18.5	15.6
<b>Stocks-to-Use</b>	23%	24%	31%	33%	36%	31%





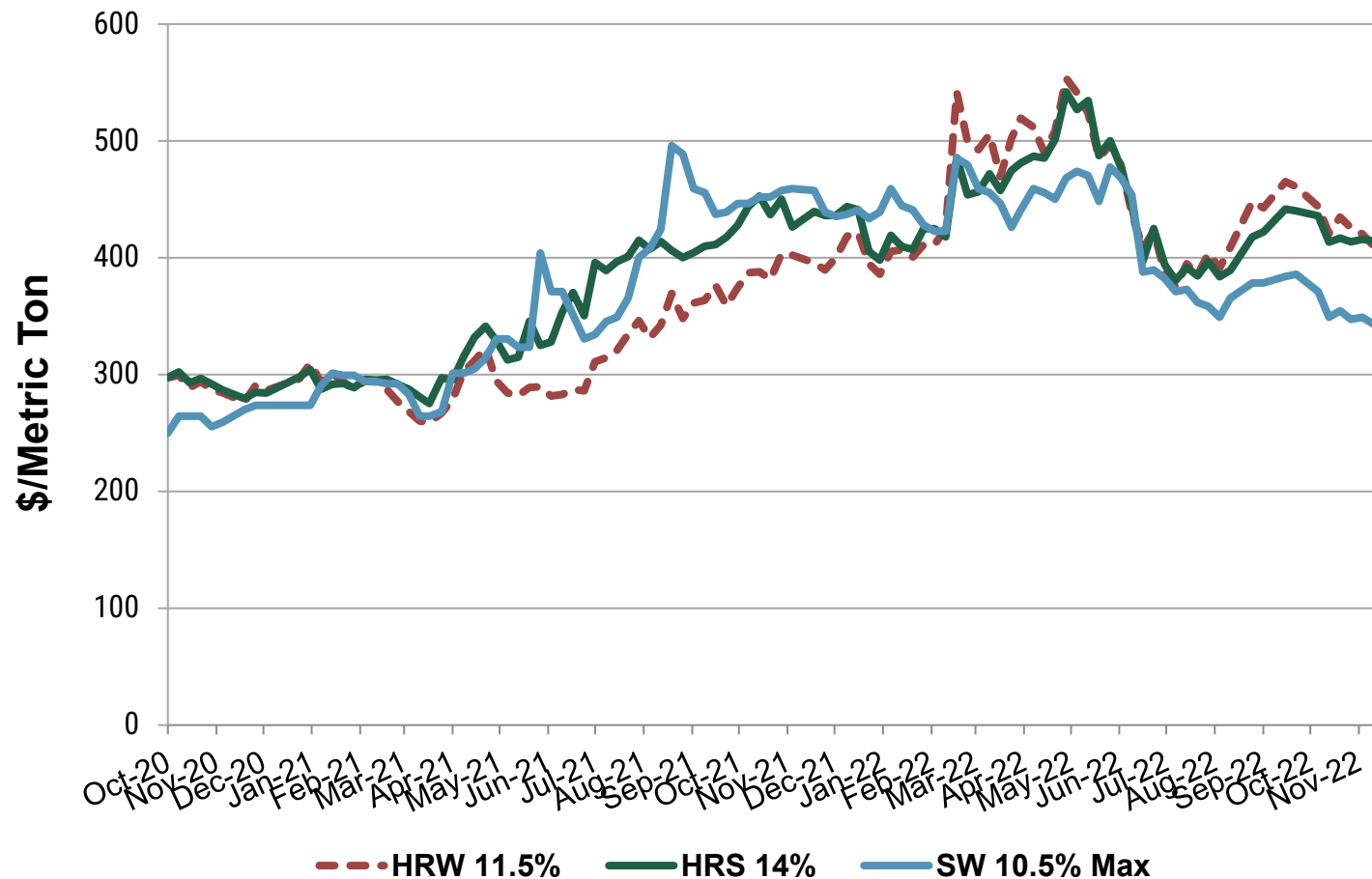
## U.S. FOB Gulf Prices



Source: U.S. Wheat Associates Price Report, December 2, 2022



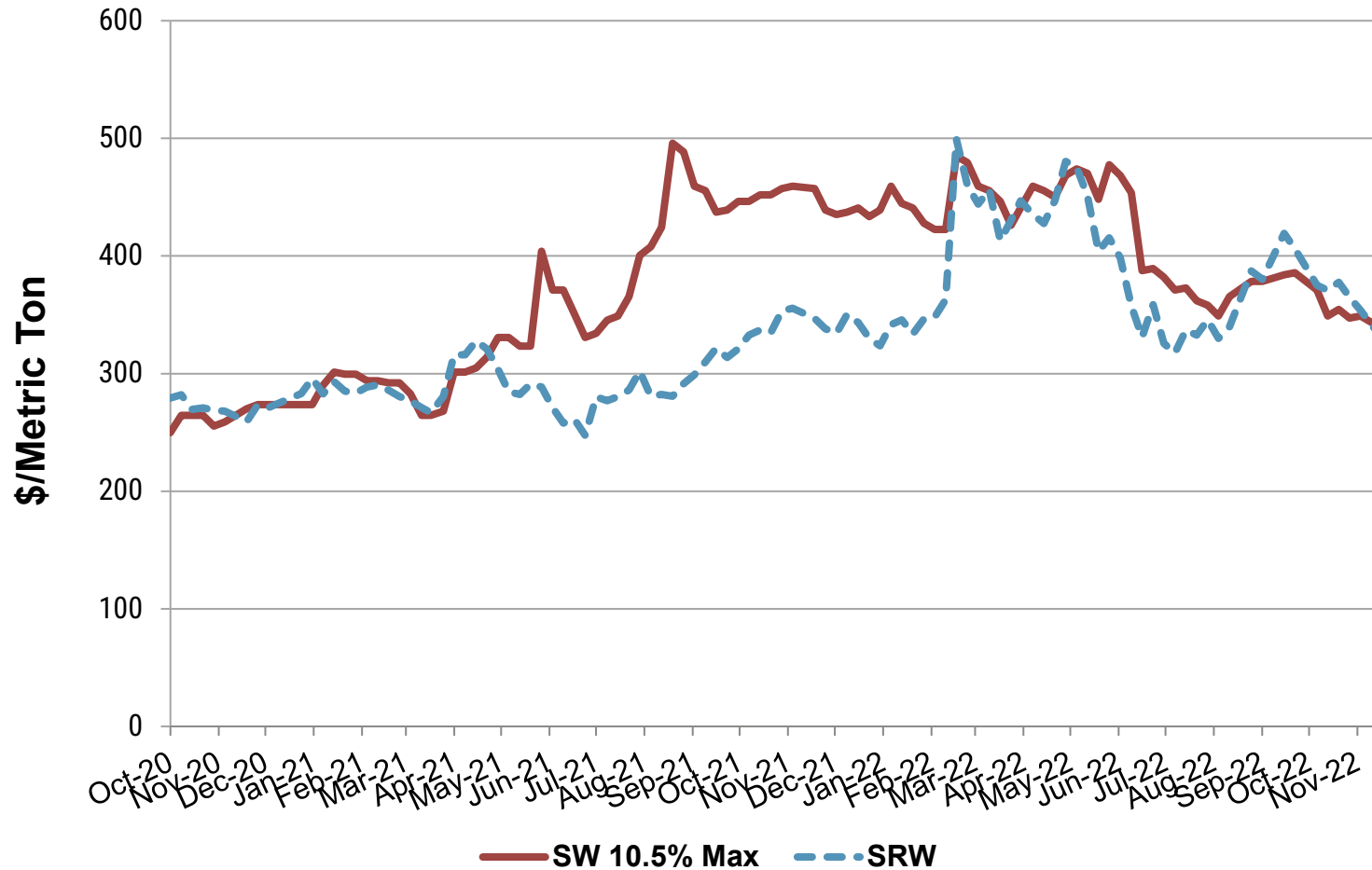
# U.S. FOB PNW Prices



Source: U.S. Wheat Associates Price Report, December 2, 2022



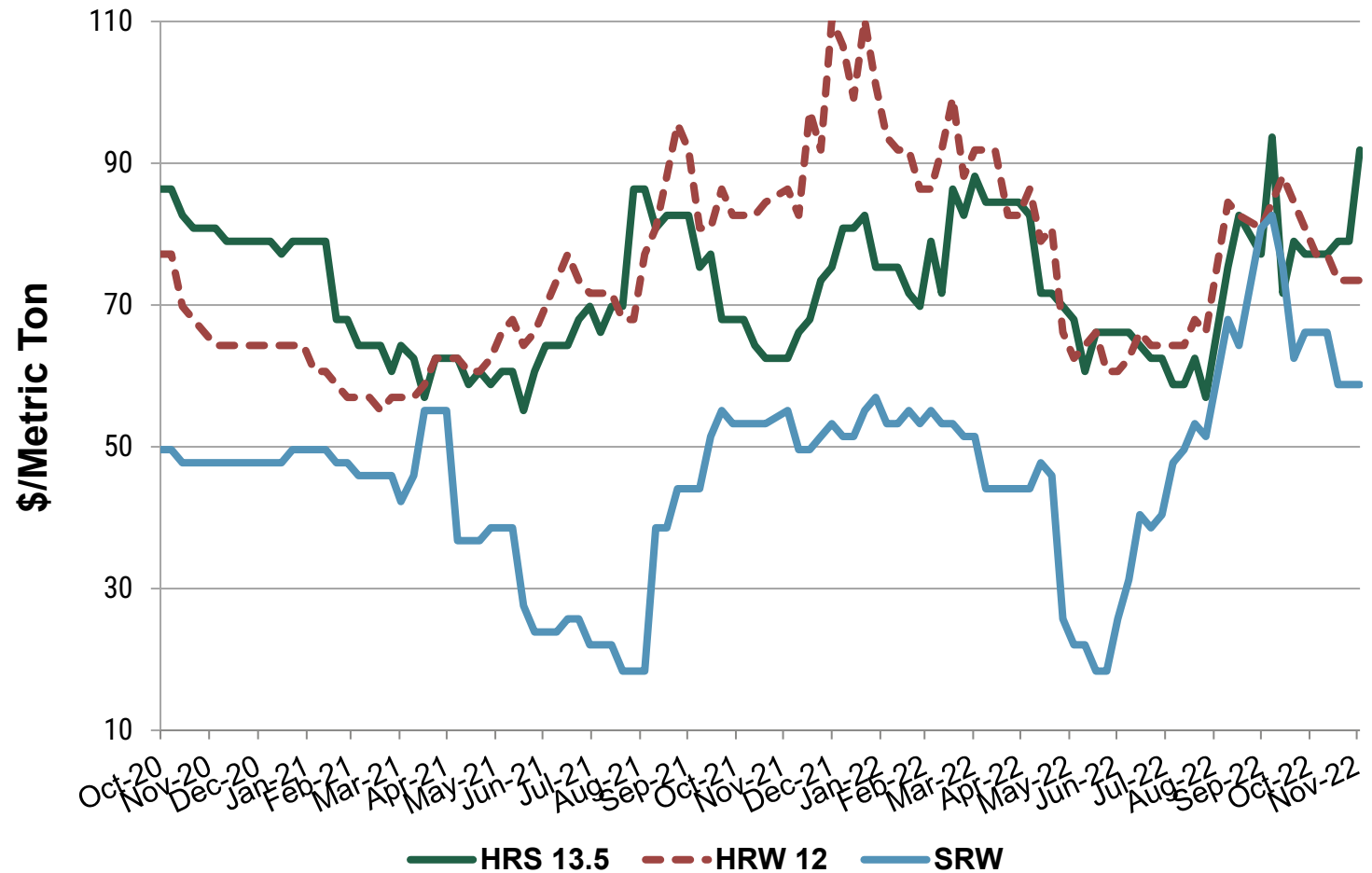
## U.S. FOB Soft White and SRW Prices



Source: U.S. Wheat Associates Price Report, December 2, 2022



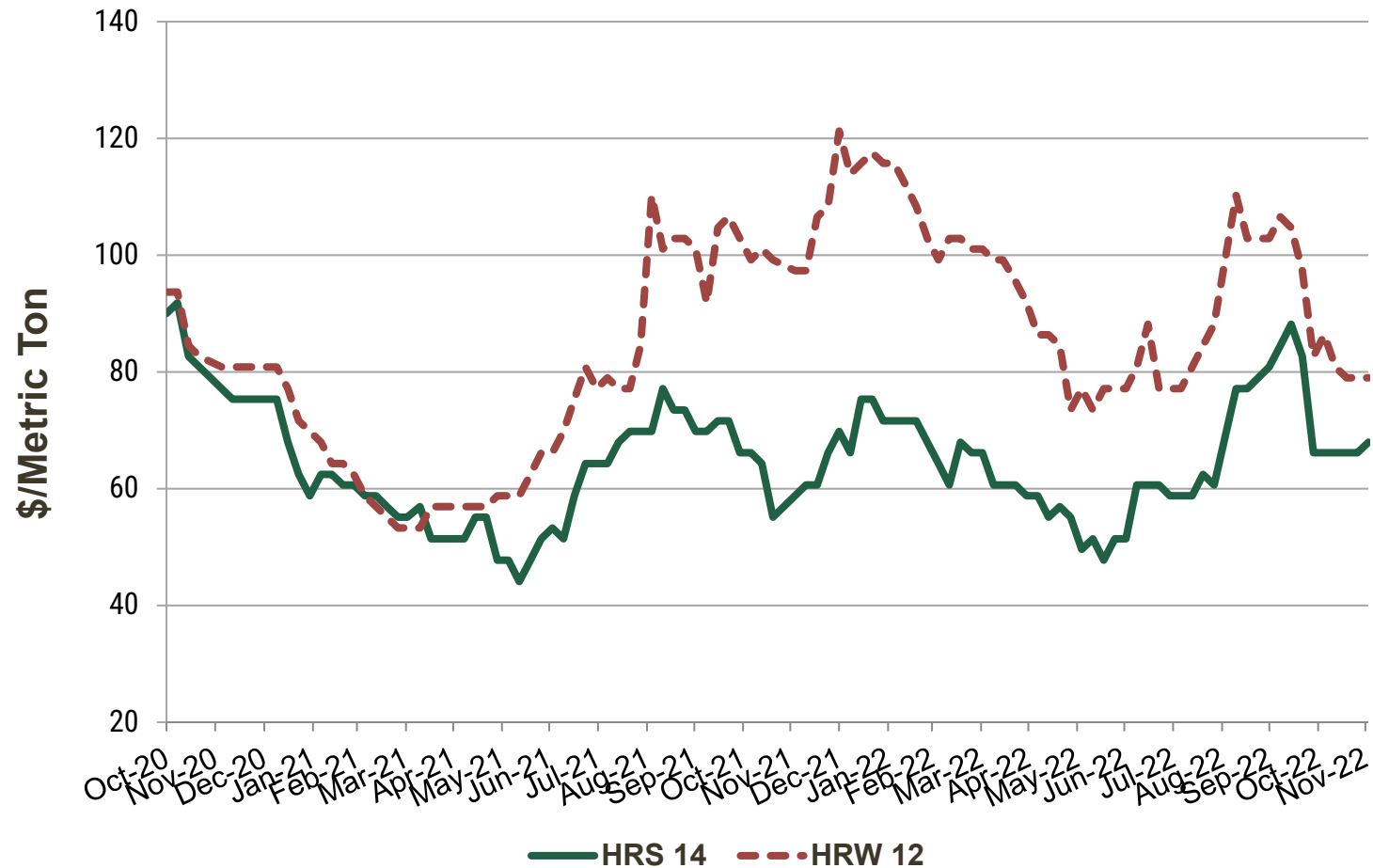
# U.S. Gulf Export Basis



Source: U.S. Wheat Associates Price Report, December 2, 2022



## U.S. PNW Export Basis



Source: U.S. Wheat Associates Price Report, December 2, 2022

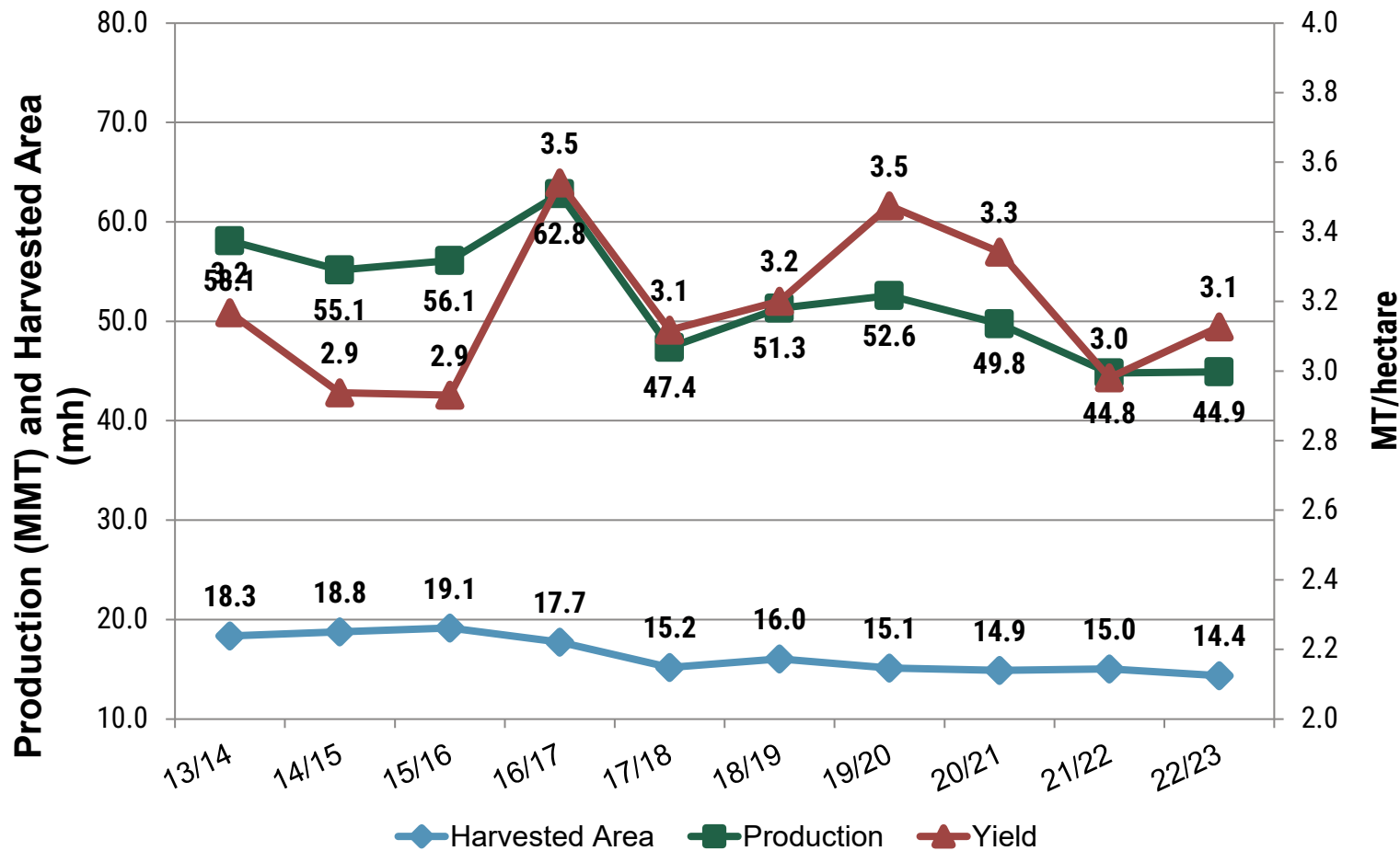


04

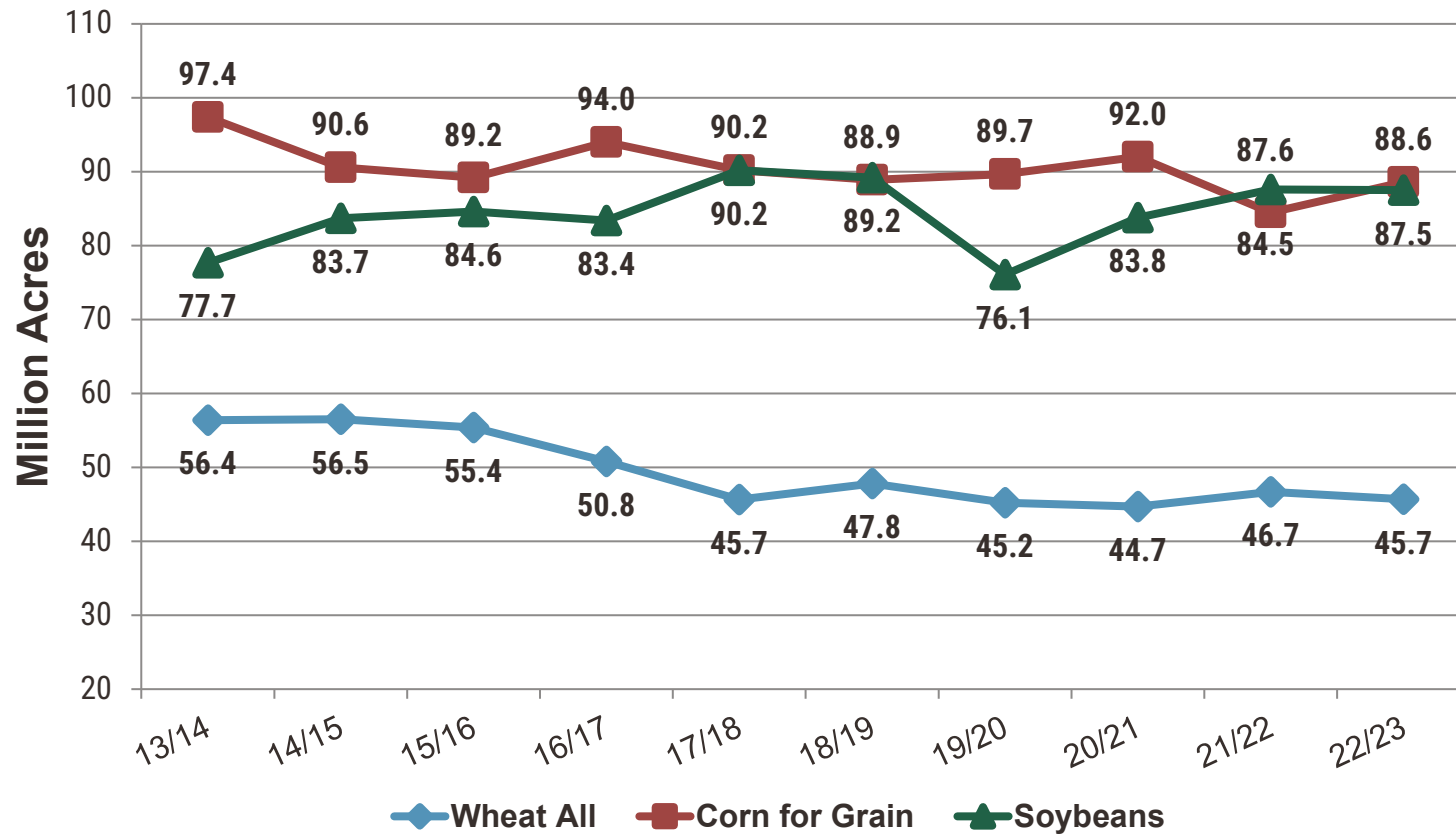
*Outlook*



# U.S. Wheat Production, Area and Yield



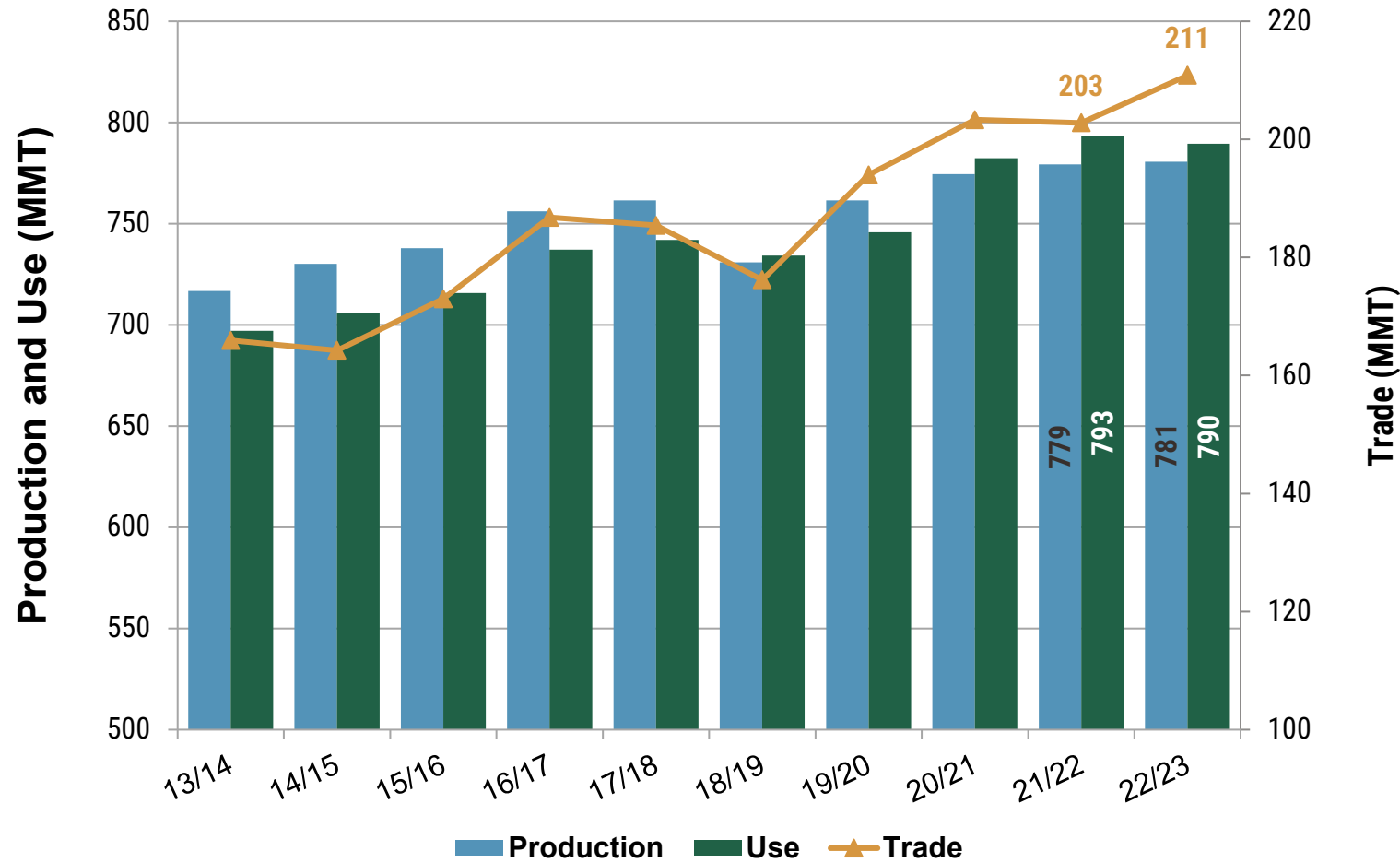
# U.S. Crop Planted Area Comparison



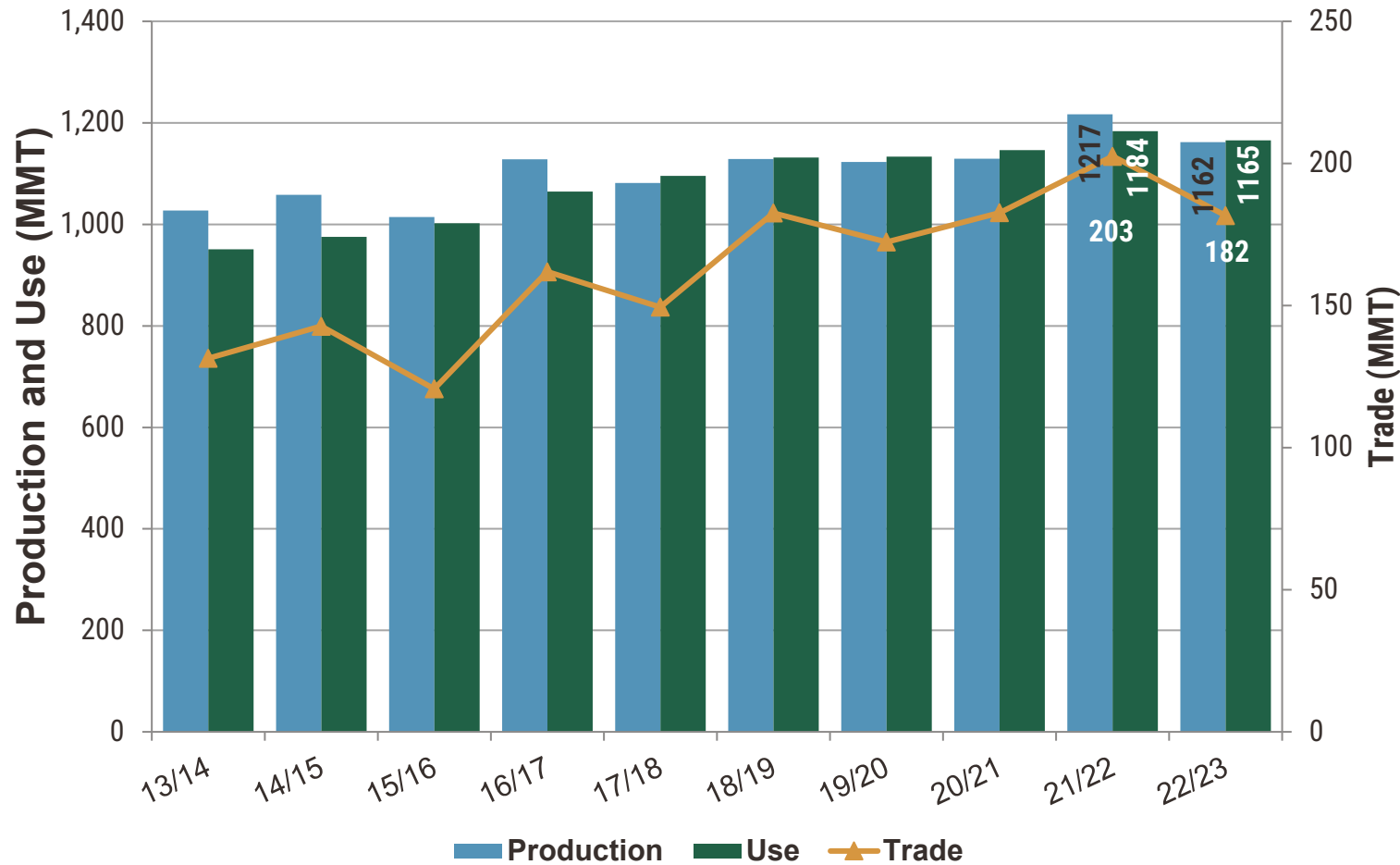
Source: USDA Economic Research Service Wheat Data, October 13, 2022; USDA National Agricultural Statistics Service



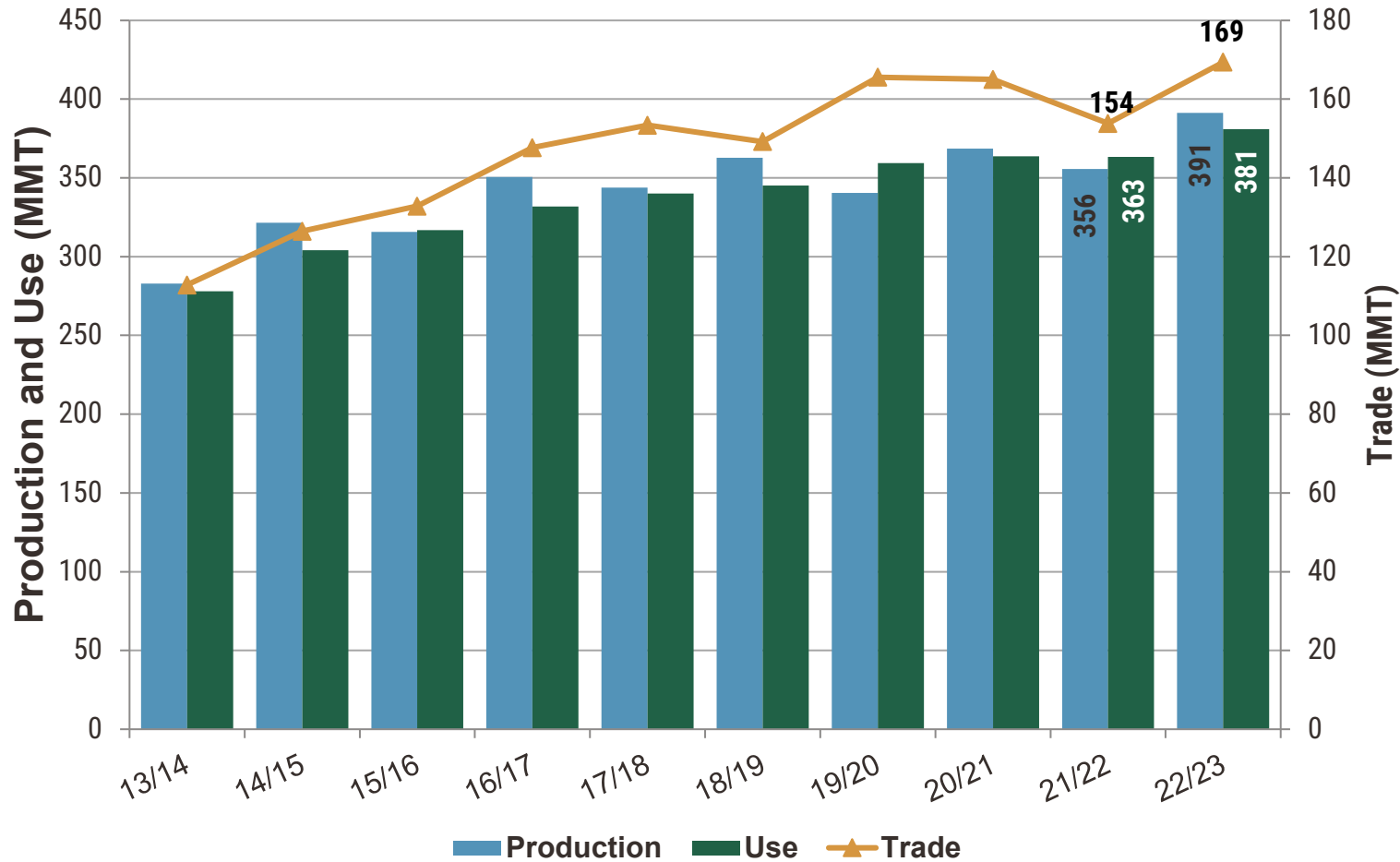
# World Wheat Production, Use and Trade



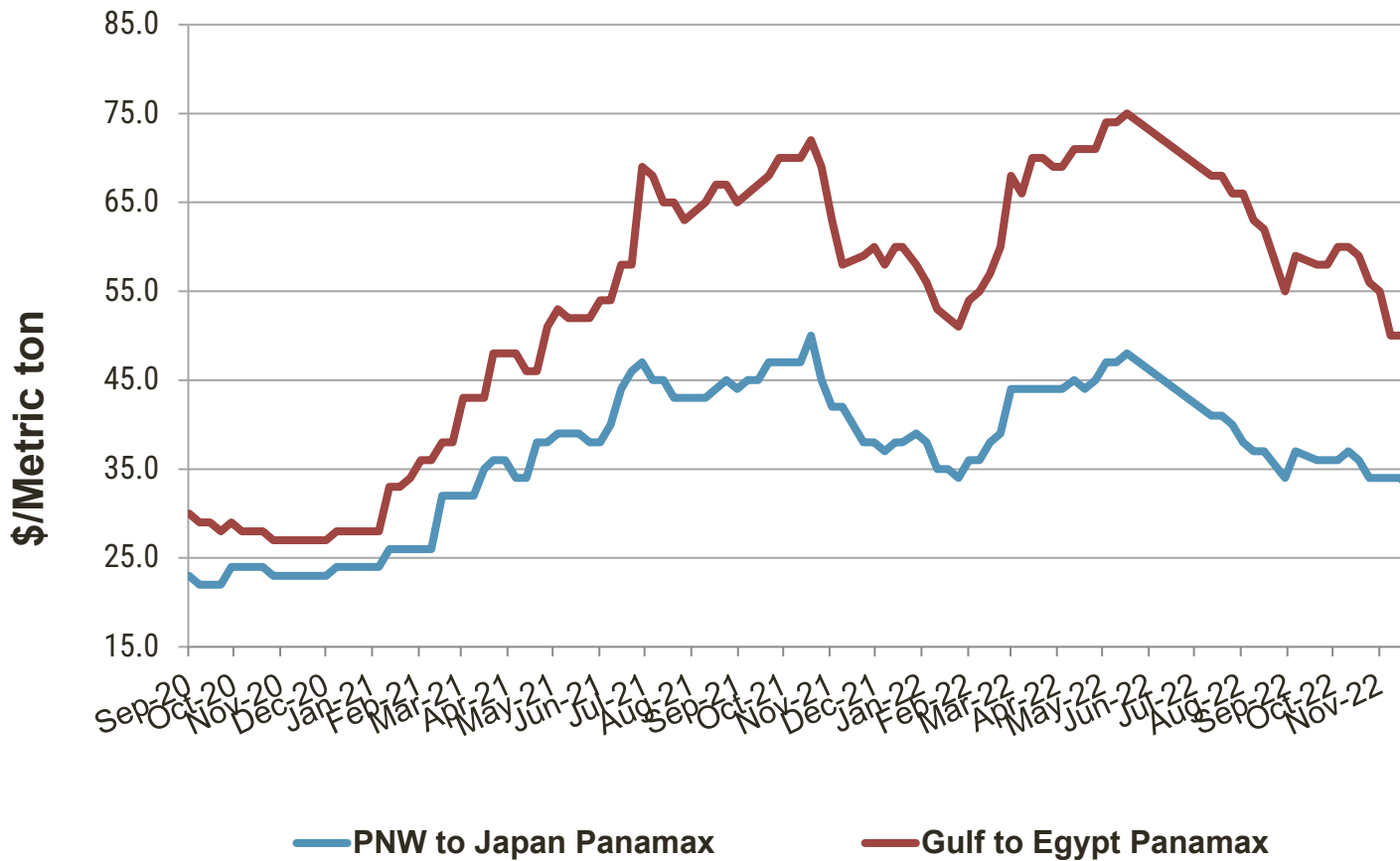
# World Corn Production, Use and Trade



# World Soybeans Production, Use and Trade



## Ocean Freight Rates for Grains



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