

Status of the Global Grain Market Report

April 2021



Introduction

This report highlights the most up-to-date developments in the global grain markets. The objective of the report is to provide information relevant to food companies to assess and mitigate operational risks thus strengthening the countries' food security.

The report is based on a set of inputs and references from open sources, including those issued by Open Source Data, the Food and Agriculture Organization of the United Nations (FAO), and the Agricultural Market Information System (AMIS).



Outputs

1 Production of cereal crops (corn, wheat - used in the manufacture of fodder) is predicted to decrease in the European Union countries and the United States due to changes in weather including colder weather and increased droughts, as the reports indicate the following:



- A slight decline in the production of barley and wheat in France, the United Kingdom and Spain.



- The US Department of Agriculture delayed planting maize seeds in separate regions, which is estimated to contribute **(36.2%)** to the total cultivation of corn in the US.



2 East Asian countries (China, Vietnam and the Republic of South Korea) are working on replacing yellow corn with soft wheat in the manufacture of fodder, due to the huge increase in the prices of yellow corn, which reached a maximum price since 2013, an increase of **37%**. These countries have an estimated share of **26.5%** of global demand for corn.



3 For the **2021-2022** growing season, the agricultural area devoted to wheat decreased by **7%** in Canada as the focus shifts to planting canola seeds.



4 Estimates of yellow corn production in the Republic of Brazil decreased to **104 million tons** from **109 million tons** for the agricultural season **2021-2022** due to the delay in soybean cultivation and harvesting operations. Because of this, cultivation of yellow corn was delayed.



5 Government entities expect an increase in the purchase of wheat and rice commodities in India, which reduces the chances of exporting these commodities, as production operations are affected by the precautionary measures to combat the Covid -19 pandemic.



6 An increase in the Chinese demand for yellow corn commodity continues, as it is expected to increase import demand with a volume of **4 million tons**, exceeding the estimates of the beginning of the agricultural season of **28 million tons**.

