Major data source: USDA World Agricultural Supply and Demand Estimates released May 12, 2020, unless otherwise indicated. Projections will change over the course of the year depending on weather and other developments.
Highlights of USDA’s 2020/21 Supply and Demand Estimates

• **2020/21 global wheat production to jump to record of 768 MMT**
  - Wheat production in Russia to jump 5% from 2019/20 to 77.0 MMT
  - European Union (EU) wheat production to fall 7% from last year to 143 MMT on overly wet weather during fall 2019 planting and overly dry weather during spring 2020
  - U.S. wheat production to decrease 3% from last year to 50.8 MMT as lower yields are expected to offset increased harvested area

• **Global consumption forecast at 753 MMT, the highest on record**
  - Egyptian domestic consumption to reach a record 20.8 MMT, up 5% from the 5-year average
  - Domestic consumption in China to reach a record 130 MMT, up 7% from the 5-year average
  - U.S. domestic consumption to decrease to 30.6 MMT, down 3% from last year

• **World wheat trade to jump to record 188 MMT, up 3% year-over-year**
  - Exports from Russia to rebound 5% from last year to 33.0 MMT
  - Australian wheat exports to jump 83% from 2019/20 to 15.0 MMT as beneficial rains are expected to boost production following last year’s drought
  - U.S. 2020/21 exports to fall to 25.6 MMT, 2% below the 2019/20 estimate of 26.4 MMT
Highlights of USDA’s 2020/21 Supply and Demand Estimates

• **World beginning stocks to jump 6% from 2019/20 to 295 MMT, 14% greater than the 5-year average**
  - Expected Chinese beginning stocks of 150 MMT are 34% higher than the 5-year average and make up 51% of the global total
  - Indian beginning stocks to jump to a record 24.0 MMT, 67% greater than the 5-year average
  - U.S. 2020/21 beginning stocks to drop 9% year-over-year to 26.6 MMT, but are still forecast to make up 43% of all major exporter beginning stocks

• **Global ending stocks projected at record 310 MMT, 5% higher than last year and 14% greater than the 5-year average**
  - Projected Russian ending stocks to jump 24% from last year to 10.3 MMT
  - Expected Chinese ending stocks to reach a record 160 MMT, 7% greater than last year and 27% more than the 5-year average
  - U.S. ending stocks are expected to decrease 7% from last year to 24.7 MMT, the lowest in 6 years

• **U.S. wheat farm gate price to remain stable year-over-year***
  - The average farm gate price of wheat in 2020/21 is forecast to hold steady at $4.60/bu ($169/MT)

*Average U.S. farm gate price, marketing year weighted average*
Supplies in Top Exporting Countries*

*Includes U.S., Canada, Australia, Argentina, EU, Russia, Ukraine and Kazakhstan
## World Wheat Supply and Demand (MMT)

<table>
<thead>
<tr>
<th></th>
<th>18/19</th>
<th>19/20</th>
<th>20/21</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SUPPLY:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beginning Stocks</td>
<td>284</td>
<td>279</td>
<td>295</td>
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<tr>
<td>Production</td>
<td>731</td>
<td>764</td>
<td>768</td>
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<tr>
<td>Supply Total</td>
<td>1015</td>
<td>1044</td>
<td>1064</td>
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<tr>
<td>Ending Stocks</td>
<td>279</td>
<td>295</td>
<td>310</td>
</tr>
<tr>
<td><strong>TRADE:</strong></td>
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<td></td>
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<tr>
<td>Exports/Imports</td>
<td>174</td>
<td>183</td>
<td>188</td>
</tr>
<tr>
<td><strong>DEMAND:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Food &amp; Seed</td>
<td>596</td>
<td>605</td>
<td>616</td>
</tr>
<tr>
<td>Feed &amp; Residual</td>
<td>140</td>
<td>143</td>
<td>137</td>
</tr>
<tr>
<td>Use Total</td>
<td>735</td>
<td>749</td>
<td>753</td>
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</tbody>
</table>
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

Supply and Demand
Global Stocks*-to-Use Ratio w/o China

*Ending stocks

Supply and Demand
Historical Five Major Exporters include U.S., Canada, Australia, Argentina and EU. Black Sea includes Russia, Ukraine and Kazakhstan.
World Ending Stocks by Position (MMT)

- China, 160
- Exporters, 63.7
- Importers, 86.1
Supply and Demand

Global Ending Stocks and Price


*Historical 5 Majors  Black Sea  Rest of World  HRW Price*

0  50  100  150  200  250  300  350

0  125  175  225  275  325  375

$US/MT

MMT

10/11  11/12  12/13  13/14  14/15  15/16  16/17  17/18  18/19  19/20  20/21

$231 $216 $225 $225 $234 $214 $175 $125 $275 $375

51  51  54  11  11  13  214  234  246
Major Exporters
Import Demand
U.S. Situation by Class
Outlook
Exportable Supplies in Top Exporting Countries

\[ \text{Exportable Supplies} = (\text{Beginning Stocks} + \text{Production}) - \text{Domestic Consumption} \]
Australia Situation

MMT

Beginning stocks | Production | Imports | Exports | Domestic use

10/11 | 11/12 | 12/13 | 13/14 | 14/15 | 15/16 | 16/17 | 17/18 | 18/19 | 19/20 | 20/21

Beginning stocks: 5.5, 5.0, 3.7, 17.3, 15.2, 24.0, 0.4, 0.5, 0.2, 9.0, 8.2
Production: 10.0, 15.0, 20.0, 25.0, 30.0, 35.0, 40.0, 45.0
Imports: 0.0
Exports: 0.0
Domestic use: 5.0, 10.0, 15.0, 20.0, 25.0, 30.0, 35.0, 40.0
Australia Ending Stocks

<table>
<thead>
<tr>
<th>Year</th>
<th>MMT</th>
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<tbody>
<tr>
<td>10/11</td>
<td>8.0</td>
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<tr>
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<td>12/13</td>
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<td>4.0</td>
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<tr>
<td>15/16</td>
<td>4.0</td>
</tr>
<tr>
<td>16/17</td>
<td>5.4</td>
</tr>
<tr>
<td>17/18</td>
<td>5.0</td>
</tr>
<tr>
<td>18/19</td>
<td>3.7</td>
</tr>
<tr>
<td>19/20</td>
<td></td>
</tr>
<tr>
<td>20/21</td>
<td>5.4</td>
</tr>
</tbody>
</table>
Argentina Ending Stocks

MMT

10/11 11/12 12/13 13/14 14/15 15/16 16/17 17/18 18/19 19/20 20/21
0.0 0.5 1.0 1.5 2.0 2.5 3.0 3.5 4.0 4.5 5.0 5.5

1.7 1.4 1.8
Ukraine Ending Stocks

- 10/11: 3.3
- 11/12: 5.4
- 12/13: 2.7
- 13/14: 3.4
- 14/15: 5.7
- 15/16: 5.5
- 16/17: 3.3
- 17/18: 1.6
- 18/19: 1.2
- 19/20: 1.6
- 20/21: 1.5

(MMT)
Russia, Ukraine and Kazakhstan are the most important wheat producers in the Black Sea Region.
Russia, Ukraine and Kazakhstan are the most important wheat producers in the Black Sea Region.
Russia, Ukraine and Kazakhstan are the most important wheat producers in the Black Sea Region.
Major Exporters
Import Demand
U.S. Situation by Class
Outlook
Top 10 Customers for U.S. Wheat
5-year average

Source: USDA FAS export sales data as of May 31, 2019
Top 10 Customers for U.S. Wheat
(year-to-date sales for current marketing year delivery)

Source: USDA FAS export sales data as of April 30, 2020
Top 10 Customers for U.S. Wheat
(year-to-date sales for new marketing year delivery)

Source: USDA FAS export sales data as of April 30, 2020
Trend in “other” importers denoted (→)
U.S. Wheat Planted Area

*Source: March 2020 USDA Prospective Plantings Report*
U.S. Wheat Sales by Class
(year-to-date sales for current marketing year delivery)

Source: USDA FAS export sales data as of April 30, 2020
U.S. Wheat Sales by Class
(year-to-date sales for new marketing year delivery)

Source: USDA FAS export sales data as of April 30, 2020
Class information for 2020/21 will be published in the July 2020 USDA WASDE report.
U.S. Hard Red Spring

Class information for 2020/21 will be published in the July 2020 USDA WASDE report.
Class information for 2020/21 will be published in the July 2020 USDA WASDE report.
Class information for 2020/21 will be published in the July 2020 USDA WASDE report.
U.S. Durum

Class information for 2020/21 will be published in the July 2020 USDA WASDE report.
Class information for 2020/21 will be published in the July 2020 USDA WASDE report
U.S. Wheat
Supply and Demand (MMT)

<table>
<thead>
<tr>
<th></th>
<th>HRW 18/19</th>
<th>HRW 19/20</th>
<th>HRS 18/19</th>
<th>HRS 19/20</th>
<th>SRW 18/19</th>
<th>SRW 19/20</th>
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<tr>
<td>Beginning Stocks</td>
<td>15.8</td>
<td>14.0</td>
<td>5.20</td>
<td>7.16</td>
<td>5.58</td>
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<tr>
<td>Production</td>
<td>18.0</td>
<td>22.7</td>
<td>16.0</td>
<td>14.2</td>
<td>7.78</td>
<td>6.50</td>
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<tr>
<td>Supply Total</td>
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<td>36.8</td>
<td>23.0</td>
<td>22.8</td>
<td>13.47</td>
<td>10.9</td>
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<tr>
<td>Domestic Use</td>
<td>10.9</td>
<td>12.8</td>
<td>8.82</td>
<td>8.65</td>
<td>5.69</td>
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<td>Exports</td>
<td>9.0</td>
<td>10.1</td>
<td>7.05</td>
<td>7.48</td>
<td>3.48</td>
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<td>19.9</td>
<td>22.9</td>
<td>15.9</td>
<td>16.1</td>
<td>9.17</td>
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<tr>
<td>Ending Stocks</td>
<td>14.0</td>
<td>13.9</td>
<td>7.16</td>
<td>6.61</td>
<td>4.30</td>
<td>3.21</td>
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<td>Stocks-to-Use</td>
<td>70%</td>
<td>61%</td>
<td>45%</td>
<td>41%</td>
<td>47%</td>
<td>42%</td>
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Class information for 2020/21 will be published in the July 2020 USDA WASDE report
<table>
<thead>
<tr>
<th></th>
<th>White</th>
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<th>Durum</th>
<th></th>
<th>Total</th>
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<tbody>
<tr>
<td></td>
<td>18/19</td>
<td>19/20</td>
<td>18/19</td>
<td>19/20</td>
<td>18/19</td>
<td>19/20</td>
</tr>
<tr>
<td>Beginning Stocks</td>
<td>2.37</td>
<td>2.40</td>
<td>0.95</td>
<td>1.50</td>
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<td>29.4</td>
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<tr>
<td>Production</td>
<td>7.40</td>
<td>7.40</td>
<td>2.12</td>
<td>1.47</td>
<td>51.3</td>
<td>52.3</td>
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<td>Supply Total</td>
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<td>4.06</td>
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<td>84.5</td>
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<tr>
<td>Domestic Use</td>
<td>2.20</td>
<td>2.45</td>
<td>2.40</td>
<td>2.40</td>
<td>30.0</td>
<td>31.5</td>
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<tr>
<td>Exports</td>
<td>5.33</td>
<td>5.17</td>
<td>0.60</td>
<td>1.09</td>
<td>25.5</td>
<td>26.4</td>
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<tr>
<td>Use Total</td>
<td>7.54</td>
<td>7.62</td>
<td>2.99</td>
<td>3.48</td>
<td>55.5</td>
<td>57.9</td>
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<td>2.40</td>
<td>2.34</td>
<td>1.50</td>
<td>0.57</td>
<td>29.4</td>
<td>26.6</td>
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<tr>
<td>Stocks-to-Use</td>
<td>32%</td>
<td>31%</td>
<td>50%</td>
<td>16%</td>
<td>53%</td>
<td>46%</td>
</tr>
</tbody>
</table>

Class information for 2020/21 will be published in the July 2020 USDA WASDE report
U.S. FOB Gulf Prices

Soft White and SRW Prices

U.S. Gulf Basis Prices

Major Exporters
Import Demand
U.S. Situation by Class
Outlook
Ocean Freight Rates for Grains

Summary

- **Global wheat production in 2020/21 to reach a record 768 MMT**
  - Wheat production in Russia to jump 5% from 2019/20 to 77.0 MMT
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  - U.S. ending stocks are expected to decrease 7% from last year to 24.7 MMT, the lowest in 6 years

- **World consumption and trade both forecast to reach record levels**
  - Total global wheat consumption to reach an all-time high of 753 MMT
  - Total global trade to reach a record 188 MMT, 3% greater than last year
  - U.S. 2020/21 domestic consumption to decrease to 30.6 MMT, down 3% from last year