



TOEPFER
INTERNATIONAL

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Grain

EU-Wheat: The January contract at the Matif quotes a price of around 180 euros. Demand for milling wheat is calm and prices are moving sideways or slightly weaker. EU wheat is compared to the exports out of Argentina, Ukraine and Russia still not competitive. In comparison to milling wheat, prices for EU feed wheat are relatively high. However, at the moment no fundamental price driving factors are in sight.

EU-Maize: Due to low water levels of the rivers Rhine and Danube, technical spot business took place at a relatively high price level. Apart from that, in the next few weeks the prices should be influenced by the high supply and rather weak demand.

EU Malting Barley: Due to the tight supply of high-quality malting barley, the differences between the various origins are increasing. Farmers and originators will have to wash out certain quantities which do not meet the required quality standards for malting barley. In addition, the malting industry will have to make some compromises with regard to the quality in order to compensate for the reduced supply and to ensure that the demand in the EU is met. The premium that is paid for barley continues to be high

compared to wheat which should give a signal for spring plantings, possibly leading to an expansion of the spring barley acreage.

International Malting Barley: The import business into Ukraine and Russia is increasing at the moment. Good malting barley harvests are expected in the southern hemisphere. Australia is estimated to produce about 8.5 mln t of barley with the share of malting barley reaching approximately 40 %. In Argentina, yields are said to be considerably above the long-term average and the quality is acceptable. The same is true for Brazil and South Africa. In Canada a lower barley output of 7.8 mln t was realized, but also there the share of malting barley is quite high. The supply situation on the international malting barley market has eased due to the good harvests in the southern hemisphere.

EU Feed Barley is still not competitive on the world market despite the weaker euro. Thus EU exports to third countries have further declined. At the same time the use of feed barley in compound feed is reduced due to its less favourable price compared to other feed grains.

Oilseeds/Oilmeals

Soybeans: In the December report, the USDA left its production estimate for the USA unchanged. The US exports were reduced by 25 mln bu since China has also this month bought soybeans from Brazil for shipment in January and February. This has further narrowed down the time window for exports out of the USA. Also the estimate for soybean crush in the USA was lowered by 10 mln bu so that 2011/12 ending stocks are now revised up to 230 mln bu from 195 mln bu previously. The Chinese imports reached the high level of 5.7 mln t in November and for December additional imports of 5.4 mln t are expected. In South America, growing conditions continue to be adequate. Currently, it is a little too dry in Argentina and southern Brazil but due to sufficient water reserves in the soil there is no reason for ex-

pecting a reduced production yet. The weather in January and February will be crucial for the yields.

Sunseedmeal: Demand is still low. The price level in the origins continues to be high as domestic demand is good. Hence no price pressure is building up that would stimulate exports. Italy shows some buying interest for prompt delivery but also there a price reduction has been noted as stocks have built up due to increased arrivals.

Rapeseedmeal: Much business for nearby positions was recorded and demand continues to be high for prompt delivery. This made prices rise further and also raised the price level for deferred positions. In France, demand has increased. There are still no offers from the Black Sea region.

Other Feedstuffs

Oilcakes: After prices had declined in recent months, a firming could be noted in December for the second half of the winter season. With frequent ship arrivals, the premium for spot goods has weakened. Temporarily, the demand from New Zealand increased as more feed was needed due to dry weather conditions. In Europe, prices for palm expellers are still very attractive. Thus also some business took place for deferred positions.

Citruspulp pellets: Business is limited to nearby shipments to the Netherlands and Ireland at a stable price level. No product pressure is developing in Brazil, and Florida is starting the processing campaign at a relatively high domestic price level.

Beetpulp pellets: The campaign proceeds and large quantities are being processed but the producers have no pressure to sell so that prices remained

stable. The situation on the international market is calm and only little new business is reported.

Corn gluten feed: The exports out of the USA have come to a standstill since the GM maize event MIR162 is not approved for import into the EU and an approval is not expected before the end of 2012.

Molasses: The market is calm. In the east and south, continued demand is noted but only for smaller quantities. Prices are stable despite the high production volume as the sugar industry has made good sales and there is no pressure developing on the price.

Glycerine: After much business was recorded in recent months, the market is calming down at present and prices change accordingly. The supply is relatively small, but so is the demand.

Fertilizers

Urea: In recent weeks, prices declined sharply due to scarce buying interest worldwide. For the coming season there is still a high need for imports, which are, however, postponed for the time being, most of all in the USA and Europe, but also in some Latin

American countries. This could result in rising prices at the beginning of next year. – The prices for **phosphate** have also fallen but not as sharply as those for urea.

Germany

Despite the very dry weather in November, winter crops are in mainly good condition in most parts of **Germany** as the soils' water reserves had been sufficient. Only in some northern German areas, winter barley development is a bit delayed due to adverse seeding conditions. In many parts of Germany the rapeseed crop is outgrown and in some cases had to be treated several times with growth inhibitors. At present we expect the winter wheat acreage to be expanded slightly from the previous year's 3.25 mln ha, while the barley acreage should remain stable at not less than 1.6 mln ha. A reduction is likely in the planted acreage of winter rapeseed to 1.33 (1.45) mln ha.

In the period July to September of the 2011/12 marketing year, **compound feed production** amounted to 5.6 mln t which is in line with the quantity produced in the same period of the previous year. The total included 2.5 (2.4) mln t of pig feed, 1.6 (1.5) mln t of cattle feed and 1.5 (1.5) mln t of poultry feed. The share of grain in compound feed rose slightly to 47.4 (47.2) % with 1.4 (1.2) mln t of wheat used for the production as well as 599,000 (648,000) t of barley, 411,000 (369,000) t of maize, 162,000 (223,000) t of rye and 139,000 (176,000) t of triticale. Other ingredients were: 777,000 (772,000) t of soybean meal, 531,000 (558,000) t of rapeseed meal, 100,000 (67,000) t of corn gluten,

8,000 (10,000) t citrus pellets, 157,000 (172,000) t of beet pulp pellets and 5,000 (3,000) t of feed peas.

The „Bundesamt für Wirtschaft und Ausfuhrkontrolle“ reported that **fuel use** in Germany reached only 14.7 mln t from January to September

2011 compared to the 14.8 mln t in the same period of the previous year. The share of ethanol in total use was 902,000 (868,000) t. 24.4 (24.1) mln t of diesel were used in Germany, thereof 1.7 (2.0) mln t of biodiesel and vegetable oils.

CONCERNING AGRICULTURAL POLICY: Overview of the most important political developments in the New Year

In line with tradition at the turn of the year, we venture a look at the most important topics concerning agricultural policies for the coming year. Among other things, they concern the reform of the EU Common Agricultural Policy, the regulation of the financial markets, developments in the areas of sustainability, genetically modified crops as well as other sanitary and phytosanitary measures and, not least, the trade policy developments in Russia and Ukraine, which are of great importance to the EU.

On 12 October 2011, the European Commission published a proposal for the **Common Agricultural Policy (CAP)** after 2013. The central components of this proposal are, on the one hand, the financial framework for the years 2014 to 2020 and, on the other, the conditions linked to the receipt of direct payments. It is intended that sustainable management of natural resources be given a greater significance. The budget for agriculture should at least remain nominally unchanged. In order to receive direct payments in the future, the applicants (farmers) have to fulfil the following three conditions:

7% of the eligible area per holding (farm), less the permanent pasture areas, has to be cultivated as an ecological focus area. Examples of ecological focus areas are fallow land, terraces, landscape features, buffer strips and afforestation. Consequently this area is set aside and would no longer be available for cash crops, according to the current proposal. However, the precise structure and whether cultivation may take place on these areas and, if so, what may be cultivated, is not clear yet.

- At the same time, the agricultural holdings have to adhere to a crop diversification and at least grow three types of crop per holding, whereby no crop may be less than 5% or more than 70% of the total area.
- A ploughing ban for permanent pasture will be introduced.
- Organic farms are exempted from these three regulations.

Further important aspects of the proposal are as follows:

- Upper limit on direct payments: reduction of 20% for holdings with an annual subsidy volume of between €150,000 and €200,000, 40% at €200,000 to €250,000, 70% at €250,000 to €300,000 and a cap from €300,000.
- A farmer's premium volume must account for at least 5% of the farmer's non-agricultural earnings. Otherwise the farmer is not entitled to direct payments.
- Moreover special support for young farmers has been planned.

All proposals are currently under discussion. Following a debate in the European Parliament and the European Council, it is expected that the regulations and directives will be adopted by the end of 2013 with the objective of the entry into force of the CAP reforms on January 2014. This means that changes can still be expected.

The issue of the intended “ecological focus area” is currently being debated. If the most extreme case occurs and 7% of arable land per farm is actually removed from cultivation, this will have a significant impact on grain production. For example the EU grain acreage of 57 mln ha we estimated for the 2016/17 marketing year would be reduced by nearly 4 mln ha. Because it can be assumed that the less-productive areas will be set aside, the average yield should still increase from 5.2 to 5.3 t/ha. This means production will not fall by 7% compared to the reference scenario but by about 4 to 5%. If you use these figures as a basis, grain production in 2016/17 should be approx. 280 mln t compared to an estimated figure of around 300 mln t without the “ecological focus area” rules. This would lead to a reduction in the export volume as these quantities would no longer be available. All in all, in normal crop years the EU would still be a net exporter, though only of relatively low quantities, but it cannot be ruled out that the EU could also become a net importer in years when yields will be slightly below average.

The upper limit for direct payments tends to have an inhibitory effect on the change in structure in the large-structured regions, such as Germany and England, as holdings with an annual premium volume of €150,000, which corresponds to approximately 500 ha, will face a disadvantage. This contradicts the fact that arable farms up to an area of approximately 1,800 ha achieve positive economies of scale.

A reform of the sugar market rules is also planned. The Commission’s proposal calls for the abolishment of the EU production quotas for sugar beet and isoglucose (sugar substitute based on (grain) starch) by 30 September 2015. This could result in an increasing isoglucose production. Estimates vary between a 1.5 mln up to 3 mln t higher production. The current EU import regulations and custom duties for trade with sugar and isoglucose should initially remain, including the duty-free sugar imports from the Least Developed Countries (LDC) on the basis of the Everything But Arms (EBA) agreement and the ACP countries (Africa, Carib-

bean and the Pacific) under the Economic Partnership Agreement.

Russia has become a member of the WTO with the adoption of the so-called Working Party documents at the 8th Ministerial Conference of the World Trade Organisation in Geneva on 15 to 17 December 2011. By 15 June 2012, the agreement from the 153 member states of the WTO must be ratified. 30 days after notification of this process, Russia will then formally join the WTO, as the last of the G20 national economies to do so. This will bring an end to the longest accession negotiations (19 years) in the history of the WTO.

Within the scope of these negotiations, Russia has committed itself to a series of measures, including improved **market access**. Thus the average import custom duties should fall by 7.8% in comparison to 10% in 2011. For agricultural products, a reduction commitment of 10.8% applies in comparison to 13.2% in 2011, including grain 10.0 (15.1)%, oilseeds and vegetable oils 7.1 (9.0)% and milk products 14.9 (19.8)%. For a third of the goods, the new import duties will be introduced at the time of accession, for another quarter up to three years after joining the WTO. Pork has the longest transitional period and the new customs regulations will only start to apply in 2020. The existing tariff custom system will then be abolished and a general import duty of 25% will apply. These changes should be particularly significant for the European processing industry.

Further rather general regulations relating to market access concern **quantitative import restrictions**, such as quotas, import bans, authorisation or licensing procedures, which should be abolished and no longer be able to be reintroduced. Differentiated freight rates, which could make the use of nationally produced goods more attractive than imports, were explicitly banned in the agreement. Russia has pledged to reduce its **agricultural subsidies** from 9 bln US\$ in 2012 to 4.4 bln US\$ in 2018, measured within the framework of the WTO defined total AMS (total aggregate measurement of support). Moreover an upper limit of support has been agreed in individ-

ual areas in order to avoid a concentration on certain agricultural areas. **Export subsidies** will be completely banned by Russia. The **regulations on sanitary and phytosanitary measures (SPS) and technical barriers to trade (TBT)** are less easy to grasp but are no less important. Russia must also commit itself to develop and implement all measures within the framework of the WTO regulations by membership of and participation in the Codex Alimentarius, the World Organisation for Animal Health (OIE) and the International Plant Protection Convention.

Accession to the WTO is not only viewed as an **important step for the further integration of Russia into the world economy**, it also increases Russia's attractiveness as an investment location. However the extent to which Russia will abide by the regulations and also how far it will take advantage of the leeway within the WTO cannot be clearly evaluated at present. However, it can be expected that implementation of and compliance with the complex agreement and Russia's obligations within the country's very large bureaucracy will not be easily achieved. In addition, the arbitration process within the WTO often takes a long time and any breaches of the agreement do not necessarily lead to sanctions.

A second important trade policy development is the **EU's Deep and Comprehensive Free Trade Agreement (DCFTA) with Ukraine**. As early as 20 October 2011, the EU Commissioner responsible for trade, Karel De Gucht, announced that the EU and Ukraine had reached an agreement on all important issues related to the free trade agreement. This means that only the technical details remain to be ironed out before ratification can take place. The agreement package must now be adopted by the EU Council and EU Parliament and presented to the trade partners to be signed. Then the ratification process can take place by all EU member states. The political disgruntlement between the EU and Ukraine – triggered by the arrest and conviction of the former premier, Julia Tymoshenko – means that it is hardly possible at present to make a pronouncement regarding the fur-

ther signing process and subsequent ratification. If the free trade agreement should come into effect – hardly imaginable before 2013 – the following cornerstones of the agreement are already known. The EU will grant Ukraine an import quota for grain of 1.6 mln t in 2013, and it will successively increase over 5 years to 2 mln t including 950,000 t for wheat (1 mln t after five years), 250,000 (350,000) t for corn and 400,000 (650,000) t for barley. A zero tariff rate will apply for imports within the quota. At the same time, Ukraine has committed itself not to introduce any new export restrictions for grain and oilseeds. However sunflowers remain exempted from this agreement.

A further important EU topic in the coming year will be the reform of the **regulations of the financial markets**. The trade with agricultural products will also be affected by these regulations. The EU wants to implement agreements for more transparency and stronger controls within the framework of the negotiations with the G20 nations. Some regulations that have been in force for years will be revised and expanded so that three packages of regulations will be created which will be debated in the EU in 2012 and introduced by 2014.

1. EMIR (European Markets Infrastructure Regulation)
2. MiFID (Markets in Financial Instruments Directive) and MiFIR (Markets in Financial Instruments Regulation)
3. MAD (Market Abuse Directive) and MAR (Market Abuse Regulation)

EMIR will more strictly regulate the OTC (over-the-counter) derivatives. The G20 goal is that all standardised OTC derivatives should be traded on the markets and also by central counterparties (CCPs). The currently planned EU rules within the framework of the EMIR stipulate that all OTC derivatives must be cleared by CCPs, as soon as a certain trade volume is exceeded by a company. The height of this threshold has not yet been defined. Moreover, the transactions carried out should be reported to a central location. The EU will probably work out the exact form this will take in the first half of 2012.

MiFID and MiFIR: the trade in futures and options on the markets will be covered by this set of rules. Stakeholders who are not financial investors (among them traders and processors) are to be excluded from many of the regulations contained in this legislation. Nevertheless, the EU would like to introduce stronger controls and more transparency so that position limits will be introduced. An exact proposal regarding the level of these limits will be worked out by the exchanges in 2012 and the Commission will strive to harmonise these within the EU as well as on exchanges worldwide. Furthermore, transparency should be created by position reporting. This information should be sent from the markets to the EU authorities and then prepared as publicly accessible weekly reports in which the positions of various trade groups can be seen, e.g. financial investors, physical traders, etc. This will be relatively similar to the CFTC report in the USA.

MAD and MAR should be extended to cover the agricultural trade so that the manipulation of market prices for agricultural products, e.g. by means of insider information can be combated. What form this should take has not yet been decided.

According to an initial evaluation by agricultural associations, these regulations will have some effect on the agricultural market's physical stakeholders, namely when the volumes of derivatives traded by them exceed certain thresholds. The notification of trading positions, in particular in the case of OTCs, could also mean additional costs for market participants. This is why the associations continually stress the absolute necessity of all instruments which are used to hedge the market participants' risks and point out that access and costs to these tools should not be increased, in order to ensure market participants can continue to hedge their risk on liquid markets. The associations welcome the push for more transparency and the AMIS (Agricultural Market Information System) initiative. FAO and IGC (International Grains Council) will take on a leading role to create a data collection on global supply and demand for agricultural products, which alongside the USDA report is intended to become a

significant source of information for agricultural commodities.

The **Renewable Energy Directive (RED)** has been in place in the EU since 2009 and is intended to ensure that the agricultural raw materials used to produce the fuel are sustainably produced. This EU directive should actually already have been transposed into national law in the individual EU states for some time now. However, this has only been fully completed by a few countries, such as Germany, Austria, Sweden, Hungary and Malta. The sustainability criteria will be demanded in the Netherlands from January 2012. Other countries are working on transposition into national legislation. A regulation on this was adopted in Spain in November, however it will only require that biofuels be sustainable from 2013. A regulation was also adopted in France in November, however it appears that it does not address all issues. A corresponding law was also published in Belgium in December and is expected to be published in the United Kingdom before Christmas.

In the summer of 2011, seven non-governmental (voluntary) systems were approved in the EU. Currently 20 additional systems have applied to the EU for approval. How many of them will be approved remains to be seen. What is clear, however, is that this will not take place before 2012.

The availability of sustainable goods should have improved in comparison to the end of last year. At that time, especially in Germany, the Federal Government's ambitious schedule to transpose the EU directive had led to fears that there could be supply shortages. In the meantime, however, the necessary certification of the supply chain is further advanced. In Germany, it can be assumed that almost the entire rapeseed harvest can be classified as sustainable. The same should be true for Austria and Sweden. Once national transposition has been completed, the situation should also be similar in France and large parts of the United Kingdom. Sustainable rapeseed is also produced in other countries, such as Poland, the Czech Republic, Romania and the Netherlands where the RED has not yet

been transposed into national legislation. These raw materials are then available to countries with a shortage of sustainable goods. It is mainly Germany which has covered its rapeseed shortage with imports from these countries in recent years. Consequently, a lack of sustainable raw materials can no longer be attributed to any certification delays, but is instead due to disappointing rapeseed harvests in the last two years in Europe and therefore to a general shortage of raw materials.

In Germany, between 2.5 and 3.0 mln t of biodiesel is produced annually. Of this, 80% is estimated to be based on rapeseed oil, which is equivalent to approx. 5 to 6 mln t of rapeseed. Added to this is rapeseed oil for other uses (e.g. food), which is equivalent to 1.5 to 2.0 mln t of rapeseed, so that the total demand for rapeseed can be said to be 6.5 to 8.0 mln t. In 2011, however, the German rapeseed harvest was extremely disappointing and only achieved just under 4 mln t, following 5.7 mln t in 2010. Consequently, there is a rapeseed shortage of between 2.5 and 4.0 mln t in Germany for the 2011/12 marketing year, including 1-2 mln t of sustainable goods. The supply situation will probably only improve when the blending of biodiesel becomes unprofitable – as it was the case in January 2011 – or possibly next summer in case the rapeseed harvest turns out to be significantly above average.

There are also new developments in the area of **sanitary and phytosanitary measures**. The detection of increased dioxin values in feed fats in a company in Lower Saxony at the end of 2010 led to changes to the legislation in Germany and the EU. As a result the German food and feed code and the feed regulations were amended within the framework of a 10-point plan by the Federal Ministry for Food, Agriculture and Consumer Protection. Among other things, feed companies are now required to create a risk-based dioxin monitoring programme for feed fats and to report the results to the authorities. This reporting obligation currently only concerns dioxin and dioxin-like polychlorinated biphenyls; however plans are in place to expand this to cover all undesirable substances. Private

laboratories are now also legally required to report test results to the authorities, in case they show critical levels of undesirable substances. There will be stricter approval criteria for feed fat producers and companies are also required to increase their own controls. At the same time, the German Bundestag passed the Consumer Information Act in December. The new version requires that, when threshold levels of undesirable substances are exceeded during official controls, they are published on the Internet. At EU level, draft measures to avoid dioxin contamination in feed and foodstuffs have already been adopted by the Standing Committee. Further discussions in the European Parliament and in the Agricultural Council are still pending. The draft provides for, among other things, harmonised test protocols for vegetable oils and fats as well as their derivatives for dioxin and also stipulates a reporting obligation for private laboratories in the case where limits have been exceeded.

The EU Commission has submitted or already adopted further proposals for the adjustment of the maximum quantities of various contaminants. Consequently in addition to a maximum limit for one substance (benzo-a-pyrene) in PAHs (polycyclic aromatic hydrocarbons) in oils and fats further limits for three other substances were introduced. Therefore, increased analysis work is required in the future. Limits for cadmium residues in grain might be lowered to 50% to 75% of the previous limit. These are critical values for durum and wheat, in particular. A lowering of the limit for the storage insecticide, pirimiphos-methyl, has been discussed for a long time now. The original proposal by the EU Commission included a reduction in the value for corn, rye and rice from a current 5mg/kg to 0.05mg/kg. This could lead to significant problems, as the use of the substance in grain storage may lead to a cross-contamination of corn or rapeseed and then the proposed limits might be exceeded. Due to this fact, the Commission has now presented a new proposal, which stipulates a limit of 0.5mg/kg for corn, rye, rice and oilseeds. The Standing Committee will vote on this proposal in February 2012.

On 15 July 2011, the regulation on a **technical solu-**

tion for unapproved genetically modified organisms (GMO) in feedstuffs came into effect. It permits their presence up to 0.1%, with an additional 0.05% as tolerance for measuring inaccuracies, if they are already undergoing the approval procedure of the European Food Safety Authority (EFSA). Nine GMOs are so far permitted under the technical solution. An extension of this regulation to cover foodstuffs will be discussed by the EU Commission at the beginning of next year. Traders have been calling for this extension for a long time now as the currently applicable zero tolerance for foodstuffs poses a high risk in the case of grains and oilseeds imported from third countries. The extremely long approval process for new GM events in the EU is not consistent with the commercialisation of these events in the main producing countries and this continually hinders EU imports.

There are currently 23 corn GMOs, seven cotton GMOs, three soybean GMOs, three rapeseed GMOs and one potato and one sugar beet GMO approved for import and processing in the EU. Only

two GMOs (one corn and one potato GMO) are approved for planting in the EU. GMOs, which are not yet approved in the EU and some of which will probably not be granted approval by the harvest in spring/summer 2012, have already been planted in the USA and in South America this autumn. This will make trade with these countries difficult.

The EU Standing Committee wants the transitional periods for several rapeseed GMOs, which are no longer approved, to be extended by another five years. This should take the fact into consideration that even years after marketing has stopped, traces of these events may still occur. The limit for their presence was, however, reduced from 0.9% to 0.1%.

We hope that our market review provided our readers with an overview of the political measures being discussed at a national and EU level. We wish you:

Merry Christmas and a Happy New Year!

Alfred C. Toepfer International GmbH

Table 1: World Crop Production

	Production (mln tons)			Area (mln ha)		
	2011/12**	2010/11*	2009/10	2011/12**	2010/11*	2009/10
WORLD TOTAL GRAIN (incl. Rice)***	2,295.0	2,199.4	2,241.5	697.3	690.0	694.1
USA	383.7	397.9	416.3	56.7	57.3	57.8
Canada	47.0	45.4	49.3	13.3	12.9	14.9
Argentina	52.9	47.7	41.2	11.3	10.5	8.4
Australia	42.6	41.0	33.4	20.3	19.4	20.1
China	456.5	435.6	0.0	89.9	88.9	87.3
India	226.3	218.1	203.7	100.9	98.2	96.6
Russia	88.5	61.5	94.6	43.4	39.1	45.3
Ukraine	46.7	37.6	44.6	14.3	13.9	14.8
EU-27	288.2	276.4	294.4	56.5	56.4	58.5
WORLD WHEAT (Jul/Jun)***	689.0	651.6	685.4	222.5	223.2	227.6
USA	54.4	60.1	60.4	18.5	19.3	20.2
Canada	25.3	23.2	26.8	8.5	8.3	9.6
Argentina	14.5	16.1	12.0	5.0	4.6	4.0
Australia	28.3	27.9	21.8	14.1	13.6	13.9
China	117.9	115.2	115.1	24.2	24.3	24.3
India	85.9	80.8	80.7	29.4	28.4	27.8
FSU-12	112.4	81.4	114.1	50.6	52.0	55.0
Russia	56.5	41.5	61.7	26.9	25.0	28.6
Ukraine	20.7	16.8	20.9	6.6	6.3	6.8
Kazakhstan	19.1	9.7	17.0	13.8	12.3	13.9
EU-27	138.8	136.8	139.0	25.8	26.0	25.7
WORLD CORN (Sep/Aug)***	867.5	827.6	819.2	168.3	163.2	157.7
USA	312.7	316.2	332.5	34.0	33.0	32.2
Argentina	29.0	22.5	23.3	3.8	3.6	2.8
Brazil	61.0	57.5	56.1	14.5	13.8	12.9
China	191.8	177.2	164.0	33.4	32.5	31.2
South Africa	12.5	10.9	13.4	3.0	2.9	3.3
Ukraine	16.7	11.2	10.0	3.3	2.6	2.1
EU-27	65.6	55.1	56.7	8.9	8.1	8.4
WORLD BARLEY (Jul/Jun)***	133.3	123.5	150.9	50.3	50.5	55.8
USA	3.4	3.9	4.9	0.9	1.0	1.3
Canada	7.8	7.6	9.5	2.4	2.4	2.9
Australia	8.5	8.1	7.9	4.0	3.7	4.4
Russia	16.7	8.8	17.8	9.2	7.3	9.3
Ukraine	8.1	8.5	11.8	3.6	4.3	5.0
EU-27	51.9	53.0	62.0	12.1	12.3	13.9
WORLD RICE (Milled) (Jan/Dec)***	460.8	449.8	440.5	160.3	157.0	156.0
USA	6.0	7.6	7.1	1.1	1.5	1.3
China	140.5	137.0	136.6	29.9	29.8	29.6
India	100.0	95.3	89.1	45.0	42.7	41.9
Indonesia	37.3	35.5	36.4	12.2	12.1	12.1
WORLD TOTAL OILSEEDS***	457.6	453.5	442.7	217.9	212.4	205.5
WORLD SOYBEANS (Sep/Aug)***	259.2	264.2	260.9	103.8	102.8	102.2
USA	82.9	90.6	91.4	29.8	31.0	30.9
Argentina	52.0	49.0	54.5	19.0	18.3	18.6
Brazil	75.0	75.5	69.0	25.0	24.2	23.5
China	13.5	15.1	15.0	7.7	8.5	9.2
India	11.0	9.8	9.7	10.3	9.3	9.6
WORLD RAPESEED (Jul/Jun)***	59.8	60.4	61.0	33.5	33.3	31.4
Canada	14.2	12.8	12.9	7.5	6.5	6.1
Australia	2.5	2.4	1.9	1.7	2.1	1.7
China	9.0	9.9	11.3	6.0	6.5	6.8
India	7.1	6.2	6.4	7.3	6.5	6.5
EU-27	18.9	20.3	21.5	6.6	6.9	6.5
Ukraine	1.5	1.5	1.9	0.9	0.9	1.0
WORLD SUNSEED (Sep/Aug)***	37.2	31.4	30.4	25.1	22.3	22.1
Argentina	3.2	3.6	2.3	1.9	1.7	1.5
Russia	9.5	5.5	6.5	7.2	5.9	5.8
Ukraine	8.9	8.0	7.6	4.7	4.5	4.2
EU-27	8.6	6.8	6.9	4.2	3.7	3.9

Sources: USDA, Stats. Canada, ABARE, own Estimates

* Estimate ** Forecast *** as USDA

Table 2: WHEAT TRADE (mln t)

	2011/12	2010/11
WORLD	138.7	131.9
EXPORTERS		
USA	25.2	35.1
Canada	18.0	16.6
Argentina	8.5	9.5
Australia	21.5	18.7
Russia	19.0	4.0
Ukraine	7.0	4.3
Kazakhstan	8.5	5.5
EU-27	17.0	22.9
IMPORTERS		
Brazil	7.0	6.7
Mexico	4.0	3.5
South Korea	4.7	4.8
Japan	6.1	5.9
Philippines	3.2	3.2
Indonesia	6.7	6.6
Iraq	3.7	3.6
Egypt	10.5	10.6
Morocco	3.0	3.9
Algeria	6.1	6.4
Nigeria	4.1	4.1
EU-27	7.5	4.7

Source: USDA

Table 3: CORN TRADE (mln t)

	2011/12	2010/11
WORLD	94.7	90.5
EXPORTERS		
USA	40.6	46.6
Argentina	20.0	15.0
Brazil	8.5	9.0
China	0.2	0.1
South Africa	2.0	3.0
Ukraine	12.0	5.0
IMPORTERS		
Mexico	9.8	8.0
Colombia	3.9	3.6
Egypt	6.0	5.4
Iran	3.5	3.5
South Korea	8.0	8.1
Japan	16.1	15.7
Taiwan	4.4	4.3
EU-27	3.0	7.3

Source: USDA

Table 4: BARLEY TRADE (mln t)

	2011/12	2010/11
WORLD	16.1	15.5
EXPORTERS		
USA	0.2	0.2
Canada	0.7	1.2
Australia	3.6	4.2
Russia	2.2	0.3
Ukraine	4.1	2.8
EU-27	2.5	4.9
IMPORTERS		
Brazil	0.4	0.4
China	1.8	1.7
Japan	1.3	1.4
Jordan	0.5	0.5
Saudi Arabia	7.2	6.2
Iran	0.4	0.4
Syria	0.5	0.3
Israel	0.3	0.3
Libya	0.2	0.4
Tunesia	0.2	0.5

Source: USDA

Table 5: SOYBEAN TRADE (mln t)

	2011/12	2010/11
WORLD	97.0	92.4
EXPORTERS		
USA	35.4	40.9
Argentina	10.8	9.2
Brazil	38.5	30.0
Paraguay	5.8	6.4
IMPORTERS		
Mexico	3.5	3.5
China	56.5	52.3
Japan	3.0	2.9
South Korea	1.3	1.2
Taiwan	2.6	2.5
Thailand	2.0	2.1
Indonesia	2.0	1.9
EU-27	12.3	12.5

Source: USDA

Table 6: RAPESEED TRADE (mln t)

	2011/12	2010/11
WORLD	11.1	10.8
EXPORTERS		
Canada	7.5	7.2
Australia	1.8	1.6
EU-27	0.1	0.2
Ukraine	1.4	1.4
IMPORTERS		
USA	0.9	0.5
Mexico	1.4	1.5
China	1.2	0.9
Japan	2.3	2.3
Pakistan	0.9	0.8
UAE	0.8	0.8
EU-27	2.7	2.6

Source: USDA

Table 7: EU-27 GRAIN PRODUCTION (in 1,000 t)

	WHEAT		DURUM		BARLEY		spring Barley		CORN		RYE		OATS		TRITICALE		OTHERS**		TOTAL GRAINS	
	(excl. Durum)				(Total)															
	2011*	2010	2011*	2010	2011*	2010	2011*	2010	2011*	2010	2011*	2010	2011*	2010	2011*	2010	2011*	2010	2011*	2010
EU-27	130,677	127,711	8,132	9,059	51,885	52,979	28,431	26,397	65,587	55,126	7,330	7,581	7,964	7,248	10,322	10,216	4,299	4,452	286,195	274,372
EU-15	95,657	95,889	7,679	8,635	41,802	43,181	22,139	20,425	39,292	34,545	3,876	4,053	5,562	5,131	5,042	5,220	691	536	199,601	197,190
Germany	22,886	23,671	76	112	8,799	10,327	2,071	1,705	4,647	4,212	2,528	2,900	629	598	2,023	2,157	0	0	41,588	43,977
France	34,022	35,655	1,996	2,552	8,849	10,101	2,473	2,540	15,756	13,975	128	151	352	448	1,985	2,059	278	286	63,365	65,226
Italy	2,862	3,044	3,720	3,927	920	972	0	0	9,696	8,463	13	12	290	278	105	97	372	214	17,978	17,007
Netherlands	1,360	1,350	0	0	208	236	174	202	293	297	10	9	9	9	16	16	0	0	1,895	1,917
Belgium/Lux.	1,837	1,955	0	0	412	383	52	41	810	749	15	15	34	35	63	64	0	0	3,171	3,201
U.K.	15,363	14,794	0	0	5,641	5,249	3,399	2,808	0	0	41	39	624	684	62	65	0	0	21,730	20,830
Ireland	919	740	0	0	1,243	1,103	962	945	0	0	0	0	166	161	0	0	0	0	2,327	2,004
Denmark	4,840	5,060	0	0	3,264	2,982	2,540	2,198	0	0	294	255	227	274	136	177	0	0	8,762	8,747
Greece	324	361	850	1,008	248	264	0	0	1,326	1,254	35	33	98	97	0	0	5	5	2,885	3,022
Spain	5,955	4,890	945	953	8,329	8,157	7,151	7,124	4,090	3,294	367	276	1,078	1,019	205	142	36	31	21,004	18,761
Portugal	68	67	15	10	58	51	58	51	621	609	22	19	68	60	31	22	0	0	882	838
Austria	1,704	1,440	78	73	859	778	372	317	2,054	1,692	202	161	110	98	228	230	0	0	5,235	4,472
Sweden	2,537	2,140	0	0	1,453	1,246	1,368	1,162	0	0	145	117	775	565	189	192	0	0	5,100	4,259
Finland	981	723	0	0	1,520	1,331	1,520	1,331	0	0	78	68	1,101	806	0	0	0	0	3,680	2,928
EU-12	35,020	31,822	453	424	10,082	9,798	6,292	5,972	26,295	20,580	3,455	3,527	2,402	2,117	5,280	4,996	3,608	3,916	86,594	77,181
Poland	9,246	9,158	0	0	3,333	3,574	2,475	2,776	2,130	1,690	2,919	3,025	1,352	1,212	4,189	4,050	3,396	3,713	26,564	26,421
Czech Republic	4,795	4,228	198	178	1,871	1,678	1,364	1,172	870	834	117	117	167	138	204	171	57	56	8,279	7,400
Slovakia	1,607	1,185	86	82	537	389	475	344	1,365	1,146	43	39	39	31	35	28	30	30	3,742	2,930
Hungary	4,041	3,701	56	48	971	997	301	324	8,089	6,804	75	81	134	117	370	391	15	15	13,750	12,155
Estonia	354	321	0	0	322	252	319	250	0	0	35	25	70	53	15	9	10	8	805	668
Latvia	912	924	0	0	283	202	264	175	0	0	100	98	123	83	30	24	9	8	1,457	1,339
Lithuania	1,925	1,737	0	0	739	567	733	530	50	54	113	92	123	95	305	207	38	35	3,291	2,786
Slovenia	154	137	0	0	83	85	6	5	340	296	3	3	5	5	15	15	0	0	600	542
Cyprus	0	0	8	12	50	54	0	0	0	0	0	0	0	0	0	0	0	0	58	66
Malta	0	0	9	9	3	3	0	0	0	0	0	0	0	0	0	0	0	0	12	11
Romania	7,410	6,560	9	11	1,194	1,201	324	340	11,440	8,030	37	32	347	345	118	101	54	53	20,608	16,332
Bulgaria	4,576	3,870	87	86	698	795	32	55	2,012	1,727	13	15	42	39	0	0	0	0	7,428	6,532

Source: ACTI

* Estimates ** Sorghum, Mixed Grains

Table 8: EU-27 OILSEED PRODUCTION (in 1,000 t)

	RAPESEED		SUNSEED		SOYBEANS		TOTAL 3	
	2011*	2010	2011*	2010	2011*	2010	2011*	2010
EU-27	18,930	20,282	8,565	6,843	1,182	940	28,677	28,065
EU-15	13,277	14,049	3,559	3,015	1,029	790	17,865	17,854
Germany	3,899	5,698	60	47	0	0	3,959	5,745
France	5,356	4,815	1,934	1,641	121	140	7,411	6,597
Italy	55	51	344	318	828	578	1,227	947
Netherlands	14	13	0	0	0	0	14	13
Belgium/Lux.	42	46	0	0	0	0	42	46
U.K.	2,778	2,198	0	0	0	0	2,778	2,198
Ireland	20	17	0	0	0	0	20	17
Denmark	501	539	0	0	0	0	501	539
Greece	6	6	25	23	0	0	31	29
Spain	59	36	1,097	886	2	2	1,159	924
Portugal	0	0	22	21	0	0	22	21
Austria	161	171	78	78	78	70	318	319
Sweden	266	281	0	0	0	0	266	281
Finland	120	179	0	0	0	0	120	179
EU-12	5,654	6,233	5,006	3,828	153	150	10,812	10,211
Poland	1,865	2,106	5	5	0	0	1,870	2,111
Czech Republic	1,077	1,042	72	57	5	5	1,154	1,104
Slovakia	355	342	222	176	19	18	596	536
Hungary	536	538	1,385	1,102	73	69	1,993	1,709
Estonia	131	136	0	0	0	0	131	136
Latvia	176	226	0	0	0	0	176	226
Lithuania	352	417	0	0	0	0	352	417
Slovenia	10	10	0	0	0	0	10	10
Romania	656	986	1,758	1,088	56	59	2,469	2,132
Bulgaria	498	428	1,564	1,399	0	0	2,062	1,828

Source: ACTI

* Estimates

Table 9: EU-27 EXPORT AND IMPORT COMMITMENTS (in 1,000 t)

	EU-27 01/07/2011 - 13/12/2011		EU-27 01/07/2010 - 14/12/2010	
	Export (incl. Food Aid)	Import	Export (incl. Food Aid)	Import
Wheat	6,879	2,824	10,623	1,216
Wheat flour *	701	7	609	12
Durum wheat	725	932	490	1,222
Semolina *	0	0	0	0
Barley	2,000	98	2,752	22
Malt *	0	0	19	0
Corn	1,619	1,955	557	2,561
Rye	14	0	81	0
Rye flour *	0	0	0	0
Oats	50	0	46	0
Sorghum	0	39	0	371
Others	0	0	0	0
Total	11,987	5,855	15,176	5,405

Source: EU-Commission

* in grain equivalent