

WHEAT

Following a season of record-high world production, stocks and trade in 2022/23, global wheat markets are expected to tighten slightly in 2023/24 but should remain adequately supplied. Total wheat output in 2023 is pegged at 777 million tonnes, representing a 3.0 percent fall from the all-time high reached in 2022. The bulk of the foreseen decline is expected to occur in the Russian Federation and Australia, following record-high outputs in both countries in 2022, while smaller declines are anticipated in several other leading producers, including Ukraine and Kazakhstan.

Global total wheat utilization in 2023/24 is predicted to remain nearly stable at 780 million tonnes, up just 0.1 percent from 2022/23 and marginally below the 10-year trend. A 0.7 percent rise in the food consumption of wheat is foreseen, balancing expected reductions of 1.3 percent in feed utilization and 1.4 percent in other uses of wheat.

Based on preliminary forecasts for 2023 production and 2023/24 utilization, world wheat stocks are set to fall by 0.7 percent from their record opening levels to 308 million tonnes by the close of the seasons in 2024. Most of the expected drawdown will be concentrated in the Russian Federation, with smaller drops foreseen in the United States of America (United States) and Kazakhstan. By contrast, stocks in China and India are expected to increase, partly offsetting the declines.

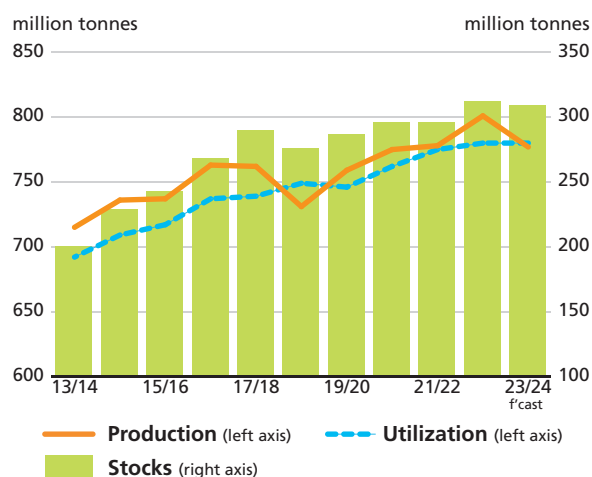
World trade in wheat (including wheat flour in wheat equivalent) in 2023/24 (July/June) will likely fall by 3.0 percent to 194 million tonnes. This anticipated decline is underpinned by smaller wheat purchases by China and the European Union, where imports are boosted to high levels in 2022/23 due to large flows from Ukraine. On the export side, expected declines in sales by Australia and Ukraine are foreseen to outweigh anticipated increases in shipments from Argentina and the European Union.

International wheat export prices have generally faced downward pressure since mid-2022, as supply prospects improved, uncertainty regarding Ukraine's exports eased with the implementation of the Black Sea Grain Initiative, and importers diversified their sources. Heading into 2023/24 with ample anticipated global supplies, world wheat prices will start the 2023/24 season at lower levels, with prices in May down 35 percent from May 2022 but 4 percent above their five-year average value for the same month.

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WHEAT PRODUCTION, UTILIZATION AND STOCKS



WORLD WHEAT MARKET AT A GLANCE

	2021/22	2022/23 <i>estim.</i>	2023/24 <i>f'cast</i>	Change: 2023/24 over 2022/23
	<i>million tonnes</i>			<i>%</i>
WORLD BALANCE				
Production	777.7	800.9	776.7	-3.0
Trade¹	195.9	199.6	193.7	-3.0
Total utilization	774.6	779.7	780.3	0.1
Food	524.0	530.7	535.0	0.8
Feed	147.7	151.2	153.0	1.2
Other uses	89.9	92.7	91.7	-1.1
Ending stocks²	295.1	310.7	308.5	-0.7
SUPPLY AND DEMAND INDICATORS				
Per caput food consumption:				
World (kg/yr)	67.1	67.1	67.0	-0.1
LIFDC (kg/yr)	39.2	38.8	38.7	-0.3
World stocks-to-use ratio (%)	37.8	39.8	38.9	
Major exporters stocks-to-disappearance ratio ³ (%)	16.0	19.1	17.7	
FAO WHEAT PRICE INDEX⁴ (2014-2016=100)	2021	2022	2023 <i>Jan-May</i>	Change: Jan-May 2023 over Jan-May 2022 %
	132	165	138	-32%

¹ Trade refers to exports based on a common July/June marketing season.

² May not equal the difference between supply (defined as production plus carryover stocks) and total utilization due to differences in individual country marketing years.

³ Major exporters include Argentina, Australia, Canada, the European Union, Kazakhstan, the Russian Federation, Ukraine and the United States of America.

⁴ Derived from the International Grains Council (IGC) wheat index.