

## Monthly News Report on Grains (MNR)

### End-of-Year Message from the FAO Grains Team

December 2017

Dear MNR subscribers,

As is now customary at this time of year, we take a moment to reflect on some of the main activities of the FAO Grains Team in 2017, another year of relatively calm markets as world cereal production hit a new record, pushing up supplies to an all-time high. The past twelve months marked a good year for consumers but producers were not too disappointed either as international prices of major cereals still hovered above their historical values. Volatility was mostly absent too and daily price swings were not even remotely similar to those that have come to define the market for Bitcoin and other cryptocurrencies, much to the envy of many speculators!

Bountiful supplies and more stable prices do not always make for featureless seasons however, as agricultural markets never fail to surprise with emerging themes or drivers to interest even those least concerned with the market. One emerging theme this year was just how the bountiful grain harvests will be stored and distributed. Focus was drawn to the infrastructure and transport capacity in the large producers as traditional transport methods felt the weight of successive bumper crops.

In keeping up with its long-standing commitment to closely monitor food market developments, the FAO Grains Team maintained its regular product releases in 2017. FAO's [Cereal Supply and Demand Briefs](#) and [Food Price Indices](#) continued to receive extensive global press coverage while the major bi-annual publication [FAO Food Outlook](#) was released in June and November. Regular updates on global grain markets were also circulated via the [Monthly News Report on Grains](#).

The work of the Team was not confined to its base in Rome with representatives from the Team actively taking part in several events throughout the year: namely speaking at a seminar held by [Club Demeter](#), a leading agricultural think-tank, in Paris; participating at the Agricultural Outlook Conference held in Beijing by the [Chinese Academy of Agricultural Sciences](#); taking part as a moderator in a panel discussion at [Agrimoney Live 2017](#); and celebrating 25 years of the European Commission's [Monitoring Agricultural Resources Unit \(MARS\)](#) by making a presentation at its anniversary conference.

In its role within the Secretariat of the [Agricultural Market Information System \(AMIS\)](#), the Grains Team hosted a meeting of the AMIS [Global Food Market Information Group](#) and organized another meeting held at the headquarters of the WTO in Geneva. The latter was held back-to-back with the [Global Grain Geneva](#) conference at which several members of the Team participated as speakers. The role of market information in global grain markets and the relevance of the work of AMIS were further emphasized in a widely-read report [Chokepoints and Vulnerabilities in Global Food Trade](#) published by the UK's Chatham House in June. The

Team also continued to coordinate the monthly publication of the [AMIS Market Monitor](#) reports in 2017.

March of this year saw the retirement from FAO's Trade and Markets Division of Claudio Cerquiglioni, the longest standing member of the Team. We would like to place on record our thanks to Claudio, especially for his work in the preparation of FAO's world cereal supply and demand forecasts. On the subject of arrivals, we are pleased to welcome Stanislaw Czaplicki Cabezas who has become one of the most active members of the Team since his arrival at the beginning of the year.

Experience has shown that in agricultural commodity markets, especially food markets, unforeseen developments can manifest themselves at any moment. It is for this reason that being kept informed about the changing market conditions can be so important. We hope to be able to serve this purpose also in 2018.

With best wishes for the New Year.