

Monthly News Report on Grains (MNR)

End-of-Year Message from the FAO Grains/AMIS Team

December 2019

Now that 2019 is coming to an end, it could be said that it was indeed an exceptional year when food markets had to accommodate not only the adverse impact of extreme weather events and livestock diseases but exponential uncertainties arising from trade wars as well.

Grain markets experienced a good year with supplies adequate to withstand any unexpected shortfall. However, regional weather anomalies made forecasting final harvests extremely difficult, if not impossible. In the maize market, farmers in the top producer, the United States of America, were unable to sow their crops until the very last minute after persistent wet conditions prevailed in the planting window while, in South America, man and mother nature both helped boost production to record levels in Argentina and Brazil. Global wheat production in 2019 was expected to reach record levels despite severe dry conditions in Australia necessitating repeated downward revisions to harvest estimates. The demand side had its own issues. Feed demand was severely hit by the massive outbreak of African Swine Fever in China, the world's top producer and consumer of pig meat, resulting in an unprecedented number of pigs culled.

As in the past, market developments were closely watched and reported by the FAO Grains Team. The supply and demand outlook was regularly updated and published in our monthly [Cereal Supply and Demand Briefs](#), while in-depth market analysis was provided in the bi-annual [FAO Food Outlook](#) reports. Periodic recaps were published and circulated in the [Monthly News Report on Grains](#) for the fourteenth consecutive year. Price movements made headlines as always and FAO's monthly [Food Price Indices](#), prepared by the Grains Team, continued to receive wide global coverage, as did the [OECD-FAO Agricultural Outlook](#), to which the Team contributes.

Beyond its regular activities, the Team continued its work for the G20-Agricultural Market Information System (AMIS), the Secretariat of which is composed of ten International Organizations and housed in FAO. The Secretariat coordinated regular webinars involving representatives of major players in international food markets and produced the monthly [AMIS Market Monitor](#) reports. In addition, two meetings of the [Global Food Market Information Group](#) were organized as well as the annual meeting of the [Rapid Response Forum](#), which this year was held at the World Trade Organization (WTO) in Geneva.

Additionally, the Team participated in a number of international events, including the annual Mediterranean Agricultural Market Information Network (MED-Amin) meeting in Morocco, the International Grains Council (IGC) meetings in London, and a seminar in Rio de Janeiro on Latin American agriculture, jointly organised by the Brazilian Ministry of Agriculture, Livestock and Food Supply (MAPA), the Fundação Getúlio Vargas (FGV) and OECD.

Last but not least the Team workforce was boosted this year by the arrival of Erin Collier, previously the lead Economist on USAID's FEWS NET for East Africa, Southern Africa, and Central America. Another valuable addition was Simon Bordenave, working with the AMIS Secretariat on secondment from France. Harout Dekermendjian joined the Team to work on rice along with Grace Maria Karumathy.

Reflecting on this year, it is evident that food markets remain volatile and we must be prepared for the unexpected. The FAO Grains Team will continue monitoring and assessing global market developments with a view to assisting the international community in making informed decisions.

With best wishes for the New Year.