HGCA

Supply & Demand

22 September 2014

Summary of Revisions

The tables below provide the Defra estimates of UK cereals supply and demand in the 2013/14 (July-June) season. Official trade and usage data for the full 2013/14 season is now available and is included in the tables below.

The Market Intelligence Consultative Committee (the body that oversees the publication of UK supply and demand estimates) does not meet to agree the final balance sheet and hence there is no formal commentary surrounding it.

The main revisions from May's estimates and comparisons with the 2012/13 season are summarised below.

Final 2013/14 Defra UK Cereals Supply and Demand

Wheat

- **Trade** – HMR&C reported full season wheat imports at 2.208Mt (2.956Mt in 2012/13), 14% higher than the estimates made in May. Exports totalled 431Kt (737Kt in 2012/13), 19Kt lower than the estimates made in May.

- **Availability** – Total availability is set at 16.316Mt, 279Kt higher than May's forecast due to higher imports. Compared with 2012/13, total supplies are 8% lower.

- **Usage** – At 13.926Mt, total usage is 102Kt higher than May's estimate, driven by the upward revision for animal feed demand. Year-on-year, total consumption is 6% lower, with a 2% decline seen for human and industrial demand and a 10% reduction in animal feed demand.

- **Closing Stocks** – Stocks at the end of June 2014 are set at 1.959Mt, 196Kt higher than May's forecast but 10% lower, year-on-year. The Defra Stocks Survey revealed a decline in stocks held on-farm (England and Wales) and stocks held by UK ports, co-ops and merchants as at end June.

Barley

- **Trade** – HMR&C reported full season barley imports at 100Kt, 12Kt higher than May's estimates, but 135Kt lower than the amount imported in 2012/13. Exports were 1.158Mt, 90Kt lower than May's estimates, but almost three times higher, year-on-year.

- **Availability** – Due to the change in imports, total supplies are just 12Kt higher at 8.189Mt compared with the estimates made in May. However, in comparison with 2012/13, availability is 22% higher.

- **Usage** – Total demand is set at 5.640Mt, only 59Kt lower than May's estimate but 6% higher, year-on-year. Growth in human and industrial demand (6%) and animal feed (7%) was the main driver behind higher overall consumption this season.

- **Closing Stocks** – End-season stocks are set at 1.391Mt, 161Kt above May's estimate and 40% more than 2012/13. The Defra stocks survey showed that larger stocks were held on-farm in England and Wales and by UK ports, co-ops and merchants at the end of June 2014, compared with a year earlier.

Oats

- Minimal changes were made to May's forecast; total availability is 1Kt higher, total consumption is reduced by 39Kt and end-season stocks are increased by 41Kt. Compared with 2012/13, total supplies are 35% higher, total demand is 22% higher and closing stocks are 141% higher. The Defra stocks survey revealed that, as at end June, higher stocks were held on- farm in England and Wales and by UK ports, co-ops and merchants, compared with June 2013.

Maize

- HMR&C reported full season maize imports at 2.394Mt, 214Kt higher compared with May's estimates. Subsequently, total availability is increased by the same amount and is 42% higher compared with 2012/13. Human and industrial demand is 74Kt higher than estimates made in May, and 34% higher than in 2012/13. Whilst animal feed consumption is only 28Kt lower than May's forecast, it is 22% higher, year-on-year. Total domestic consumption is 24% higher than in 2012/13. The Defra stocks survey showed that stocks held by UK ports, co-ops and merchants, at the end of June 2014, were more than double the amount held a year earlier. Closing stocks have been revised up by 183Kt compared with May's forecast to 477Kt, representing a year-on-year increase of 121%.

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Appendix I

ANNUAL UK CEREAL SUPPLY AND DEMAND ESTIMATES (a)

(JULY - JUNE YEARS)

Estimates made in September

000 tonnes

Links connect to relevant Defra/AHDB/HGCA data pages

		WHEAT							BARLEY						
		2008/09 2012/13 average	2011/12 estimate	2012/13 estimate	2013/14 May-14	2013/14 Sep-14	Absolute change May-14	% change on 12/13	2008/09 2012/13 average	2011/12 estimate	2012/13 estimate	2013/14 May-14	2013/14 Sep-14	Absolute change May-14	% change on 12/13
(1)	Opening Stocks	1,907	1,537	1,495	2,186	2,186	0	46%	1,075	870	940	997	997	0	6%
(2)	Production	14,940	15,257	13,261	11,921	11,921	0	-10%	5,816	5,494	5,522	7,092	7,092	0	28%
(3)	Imports	1,482	908	2,956	1,930	2,209	279	-25%	149	156	235	88	100	12	-57%
(4)	**Total Availability**	**18,329**	**17,702**	**17,712**	**16,037**	**16,316**	**279**	**-8%**	**7,040**	**6,520**	**6,697**	**8,177**	**8,189**	**12**	**22%**
(5)	Human and Industrial Consumption	7,060	6,816	7,572	7,429	7,423	-6	-2%	1,752	1,820	1,844	1,933	1,960	27	6%
(5a)	(of which home grown)	5,943	6,135	5,723	5,892	5,858	-34	2%	n/a	n/a	n/a	n/a	n/a	*	*
(6)	Usage as Animal Feed (f)	6,515	6,471	6,847	6,040	6,148	108	-10%	3,214	2,779	3,263	3,581	3,495	-86	7%
(6a)	(of which home grown)	6,194	6,255	6,064	5,470	5,448	-22	-10%	n/a	n/a	n/a	n/a	n/a	*	*
(6b)	(of which Compounders)	3,433	3,598	3,592	3,289	3,348	59	-7%	910	754	1,020	1,203	1,169	-34	15%
(6c)	(of which Integrated Poultry Units)	1,553	1,606	1,505	1,382	1,381	-1	-8%	74	57	70	86	86	0	23%
(7)	Seed	302	299	304	295	295	0	-3%	162	150	182	150	150	0	-18%
(8)	Other	74	76	66	60	60	0	-9%	29	27	28	35	35	0	25%
(9)	**Total Domestic Consumption**	**13,951**	**13,662**	**14,789**	**13,824**	**13,926**	**102**	**-6%**	**5,157**	**4,776**	**5,317**	**5,699**	**5,640**	**-59**	**6%**
(10)	**Balance (4) - (9)**	**4,378**	**4,040**	**2,923**	**2,213**	**2,390**	**177**	**-18%**	**1,883**	**1,744**	**1,380**	**2,478**	**2,549**	**71**	**85%**
(11)	Exports (b)	2,377	2,545	737	450	431	-19	-42%	761	804	384	1,248	1,158	-90	202%
(12)	Intervention Stocks (b)	-	-	-	-	-	*	*	31	-	-	-	-	*	*
(13)	**Commercial End-Season Stocks (b)**	**2,000**	**1,495**	**2,186**	**1,763**	**1,959**	**196**	**-10%**	**1,091**	**940**	**997**	**1,230**	**1,391**	**161**	**40%**
(14)	(of which Estimated Operating stock requirement) (c)	n/a	1,397	1,450	1,450	1,450	0	0%	n/a	712	713	713	713	0	0%
(15)	(of which free stock) (d)	n/a	98	736	313	509	196	-31%	n/a	228	284	517	678	161	139%
(16)	Surplus available for either export or free stock (10)-(14)	n/a	2,643	1,473	763	940	177	-36%	n/a	1,032	667	1,765	1,836	71	175%

		MAIZE							OATS						
		2008/09 2012/13 average	2011/12 estimate	2012/13 estimate	2013/14 May-14	2013/14 Sep-14	Absolute change May-14	% change on 12/13	2008/09 2012/13 average	2011/12 estimate	2012/13 estimate	2013/14 May-14	2013/14 Sep-14	Absolute change May-14	% change on 12/13
(1)	Opening Stocks	104	111	149	216	216	0	45%	78	65	63	69	69	0	10%
(2)	Production	-	-	-	-	-	*	*	691	613	627	964	964	0	54%
(3)	Imports	1,118	992	1,693	2,180	2,394	214	41%	44	57	109	45	46	1	-58%
(4)	**Total Availability**	**1,222**	**1,102**	**1,842**	**2,396**	**2,610**	**214**	**42%**	**813**	**735**	**799**	**1,078**	**1,079**	**1**	**35%**
(5)	Human and Industrial Consumption	319	278	412	480	554	74	34%	455	474	491	515	508	-7	3%
(5a)	(of which home grown)	-	-	-	-	-	*	*	412	427	375	470	465	-5	24%
(6)	Usage as Animal Feed	629	531	1,036	1,290	1,262	-28	22%	213	164	198	378	346	-32	75%
(6a)	(of which home grown)	-	-	-	-	-	-	*	213	164	198	378	346	-32	75%
(7)	Seed	-	-	-	-	-	-	*	19	15	25	18	18	0	-28%
(8)	Other	114	114	114	114	114	0	0%	3	3	3	5	5	0	67%
(9)	**Total Domestic Consumption**	**1,062**	**923**	**1,562**	**1,884**	**1,930**	**46**	**24%**	**690**	**656**	**717**	**916**	**877**	**-39**	**22%**
(10)	**Balance (4) - (9)**	**160**	**179**	**280**	**512**	**680**	**168**	**143%**	**123**	**79**	**82**	**162**	**202**	**40**	**146%**
(11)	Exportable surplus	31	30	64	218	203	-15	217%	44	16	13	37	36	-1	177%
(12)	**Commercial End-Season Stocks**	**128**	**149**	**216**	**294**	**477**	**183**	**121%**	**79**	**63**	**69**	**125**	**166**	**41**	**141%**

		OTHER CEREALS *(e)*						
		2008/09 2012/13 average	2011/12 estimate	2012/13 estimate	2013/14 May-14	2013/14 Sep-14	Absolute change May-14	% change on 12/13
(1)	Opening Stocks	5	5	5	5	5	0	0%
(2)	Production	123	120	105	107	107	0	2%
(3)	Imports	4	1	7	7	3	-4	-57%
(4)	**Total Availability**	**132**	**126**	**117**	**119**	**115**	**-4**	**-2%**
(5+6)	H&I and Animal Feed	122	111	109	109	107	-2	-2%
(5a+6a	(of which home grown)	119	110	102	104	104	0	2%
(7)	Seed	3	3	3	3	3	0	0%
(8)	Other	-	-	-	-	-	*	*
(9)	**Total Domestic Consumption**	**125**	**114**	**112**	**112**	**110**	**-2**	**-2%**
(10)	**Balance (4) - (9)**	**7**	**12**	**5**	**7**	**5**	**-2**	**0%**
(11)	Exportable surplus	1	7	0	0	0	0	0%
(12)	Intervention Stocks	0	0	0	0	0	0	0%
(13)	**Commercial End-Season Stocks**	**5**	**5**	**5**	**5**	**5**	**0**	**0%**

		TOTAL CEREALS						
		2008/09 2012/13 average	2011/12 estimate	2012/13 estimate	2013/14 May-14	2013/14 Sep-14	Absolute change May-14	% change on 12/13
(1)	Opening Stocks	3,168	2,587	2,652	3,473	3,473	0	31%
(2)	Production	21,570	21,484	19,515	20,084	20,084	0	3%
(3)	Imports	2,797	2,114	5,000	4,250	4,752	502	-5%
(4)	**Total Availability**	**27,535**	**26,185**	**27,167**	**27,807**	**28,309**	**502**	**4%**
(5)	H&I (wheat, barley, maize, oats)	9,586	9,388	10,319	10,357	10,445	88	1%
(6)	Animal Feed (wheat, barley, maize, oats)	10,569	9,945	11,344	11,289	11,251	-38	-1%
(5+6)	Other cereals (H&I and Animal feed)	122	111	109	109	107	-2	-2%
(7)	Seed	486	467	514	466	466	0	-9%
(8)	Other	221	220	211	214	214	0	1%
(9)	**Total Domestic Consumption**	**20,983**	**20,132**	**22,497**	**22,435**	**22,483**	**48**	**0%**
(10)	**Balance (4) - (9)**	**6,552**	**6,054**	**4,670**	**5,372**	**5,826**	**454**	**25%**
(11)	Exports	3,215	3,402	1,198	1,953	1,828	-125	53%
(12)	Intervention Stocks	31	-	-	-	-	*	*
(13)	**Commercial End-Season Stocks**	**3,303**	**2,652**	**3,473**	**3,417**	**3,998**	**581**	**15%**
(14)	Estimated Operating stock requirement (wheat & barley only)	n/a	2,109	2,163	2,163	2,163	0	0%
(15)	Free stock for wheat and barley	n/a	326	1,020	830	1,187	357	16%
(16)	Surplus available for either export or free stock (all)	n/a	3,728	2,217	2,783	3,015	232	36%

Source: DEFRA

(a) These are revised during the year. Figures rounded to the nearest 1000 tonnes
(b) Split of exports, intervention and total commercial end-season stocks only published for historical seasons
(c) 2011/12 new format: Estimated Operating Stocks Requirement is a calculated estimate of the minimum tonnage that users of grain require to get through to a point at which new crop can be utilised
(d) 2011/12 new format: Free stock is the stock available after both exports and estimated operating stock requirements have been fulfilled.
(e) Includes mainly rye, triticale, mixed grain and sorghum.
(f) 2012/13 new format: Animal feed usage has been split by sector. Note, other users are only included in the total.
(g) 2013/14 new format: For total cereals, H&I and animal feed usage for wheat, barley, maize and oats is split out
** Percentage change not meaningful*

APPENDIX II

CUMULATIVE MONTHLY STATISTICS
Usage of Cereals by Processors, Grain Fed on Farm, External Trade and Stocks

Situation as at end of June 2014 — **Thousand tonnes**

	2008/09 to 2012/13 Average	2008/09 52 weeks	2009/10 52 weeks	2010/11 52 weeks	2011/12 52 weeks	2012/13 52 weeks	2013/14 52 weeks	% Change 2013/14 on 2012/13	Actual Change 2013/14 on 2012/13
WHEAT									
(1) Usage Human and -Flour Millers -imported	1101	1202	1055	767	688	1794	1470	-18%	-325
(2) Industrial -home-grown	5154	4894	5135	5685	5267	4787	4934	3%	147
(3) Processors -Total	6255	6096	6190	6451	5955	6581	6403	-3%	-178
(4) -Distillers	624	580	527	531	662	818	837	2%	18
(5) -Others	161	156	159	159	157	174	181	4%	7
(6) Animal Feed Processors (a)	2908	2841	2797	2739	3079	3085	2870	-7%	-216
(7) Poultry Integrated Units	1552	1496	1540	1614	1606	1505	1381	-8%	-124
(8) Imports From July (b)	1481	1304	1240	1000	907	2956	2208	-25%	-748
(9) Exports From July (b)	2377	3524	2427	2654	2545	734	431	-41%	-303
(14) Intervention -Actual	0	0	0	0	0	0	0	0%	0
(15) -Projected	0	0	0	0	0	0	0	0%	0
BARLEY									
(1) Usage Maltsters/Distillers -imported	-	-	-	-	-	-	-	-	-
(2) -home-grown	-	-	-	-	-	-	-	-	-
(3) -Total	1743	1743	1592	1730	1818	1832	1902	4%	70
(4) Animal Feed Processors (a)	788	692	863	854	650	880	1047	19%	167
(5) Poultry Integrated Units	74	80	94	69	57	70	86	23%	16
(6) Imports From July (b)	149	142	86	125	156	237	100	-58%	-138
(7) Exports From July (b)	763	812	1034	772	804	395	1158	193%	763
(11) Intervention -Actual	35	0	62	106	5	0	0	0%	0
(12) -Projected	37	0	140	40	5	0	0	0%	0
MAIZE									
(1) Usage Human and Industrial	298	305	304	295	278	308	351	14%	44
(2) Animal Feed Processors (a)	138	119	114	109	108	238	358	50%	119
(3) Imports From July (b)	1113	952	898	1041	985	1687	2394	42%	708
(4) Exports From July (b)	31	14	15	34	30	60	203	235%	142
OATS									
(1) Usage Human and Industrial Processors	455	419	429	460	474	492	508	3%	16
(2) Animal Feed Processors (a)	76	61	89	91	59	78	120	55%	43
(3) Exports From July (b)	43	86	50	53	16	13	36	179%	23

n/a - Not Available/Applicable (a) Great Britain only. (b) HM Customs/Intrastat

* Percentage changes not meaningful.

There were 53 weeks in the Statistical year 2010. In order to incorporate the change January 2010 was increased to a 5 week period compared to 4 weeks in 2009.
Note: This Appendix reflects the position as at 17 September 2014. The figures above may differ slightly from the most recent published data.

Survey data for GB Compounders and Cereals Usage by Millers, Brewers and Maltsters can be found using the following link:
https://www.gov.uk/government/organisations/department-for-environment-food-rural-affairs/about/statistics