Supply & Demand

27 September 2018

CEREALS & OILSEEDS

Summary of Revisions

The tables below provide estimates of UK cereals supply and demand in the 2017/18 (July-June) season. For the 2016/17 and 2017/18 wheat and barley end of season balance sheets, residuals have been identified after the full season official statistics were taken into account, stated in Appendix 1.

Please note that full season trade data for 2016/17 and 2017/18 does not include the below trade threshold allocation (BTTA) to improve the quality of the data published in the Balance Sheets. For more information on BTTA, please click here.

The **main revisions** from May's forecasts and comparisons with the 2016/17 season are summarised below.

End of Season 2017/18 UK Cereals Supply and Demand

Wheat

- **Trade** – Full season wheat imports totalled 1.793Mt, 193Kt higher than that forecast in May, but 3% lower than levels recorded in 2016/17. Exports totalled 448Kt, marginally lower (2Kt) than May's forecast and 69% down year on year.

- **Availability** – Total available supplies are estimated at 18.386Mt, 195Kt higher than May's forecast. However, compared with 2016/17 total available supplies are 639Kt (3%) lower.

- **Usage** – Total domestic consumption in 2017/18 is 67Kt higher than that forecast in May, but remains relatively unchanged (-19Kt) on the year at 15.682Mt. While human and industrial (H&I) consumption declined on year earlier levels, usage of wheat as animal feed is estimated to have increased.

- **Closing stocks** – At 1.718Mt, commercial end-season stocks are 17Kt lower than May's forecast and 37Kt less than 2016/17. UK 2017/18 closing stocks of wheat (and thus 2018/19 opening stocks) are the lowest since 2013/14.

Barley

- **Trade** – Full season barley imports remained relatively unchanged from May's forecast, but was 1% lower year on year at 105Kt. Exports of barley are estimated at 1.101Mt in 2017/18, 13Kt less than previous forecasts, but 7% (75Kt) higher than 2016/17.

- **Availability** – At 8.379Mt, total availability of barley in 2017/18 is relatively unchanged from May's forecast. However, compared with 2016/17, barley availability is estimated to be 251Kt higher, driven by an annual increase in production.

- **Usage** – In 2017/18 total domestic consumption of barley was marginally higher (5Kt) than that forecast in May and 7% (422Kt) up year on year at 6.153Mt. While H&I usage recorded a small increase on the year, the overall growth was predominantly driven by the rise in barley usage in animal feed.

- **Closing stocks** – Commercial end-season stocks are estimated at 1.076Mt, 41Kt lower than May's forecast and 29Kt down compared with levels recorded in 2016/17.

Oats

- **Trade** – At 19Kt, full season oat imports are 6Kt lower than that forecast in May and 13Kt down on the year. Exports were 28Kt, 2Kt more than the previous forecast and 8Kt higher than levels recorded in 2016/17.

- **Availability** – Total availability of oats is estimated at 1.004Mt, 6Kt less than May's forecast, 63Kt higher than in 2016/17.

- **Usage** – Compared to May's forecast, total domestic consumption of oats in 2017/18 is 45Kt lower, but 27Kt higher than 2016/17 at 837Kt. H&I and animal feed usage of oats increased by 3% year on year.

- **Closing Stocks** – In 2017/18 commercial end-season closing stocks were 138Kt, 37Kt higher than that forecast in May and 28Kt more than at the end of 2016/17.

Maize

- **Trade** – Full season maize imports were 2.024Mt in 2017/18, 87Kt less than the previous forecast. However, compared with 2016/17, UK imports of maize are 17Kt higher.

- **Availability** – At 2.295Mt, total availability of maize is estimated to be 87Kt lower than May's forecast, but 140Kt higher than levels recorded in 2016/17, driven predominately by an 83% increase in opening stocks.

- **Usage** – Total domestic consumption of maize in 2017/18 is estimated to be 85Kt lower than that forecast in May, but 10% (168Kt) higher year on year at 1.877Mt. H&I usage of maize increased by 13% on the year, while animal feed demand is estimated to have risen by 8%.

- **Closing Stocks** – Commercial end-season stocks are estimated at 247Kt, 9Kt higher than that forecast in May, but is 24Kt lower than levels recorded in 2016/17.

For further information please contact:
Millie Askew, Senior Analyst, AHDB Balance Sheet Team
E: millie.askew@ahdb.org.uk t: 024 7647 8968

AHDB
Stoneleigh Park
Kenilworth
CV8 2TL
UK

T +44 (0) 247 647 8760
F +44 (0) 247 647 8904
cereals.info@ahdb.org.uk
www.cereals.ahdb.org.uk

Appendix I

UK CEREAL SUPPLY AND DEMAND ESTIMATES (a)

Estimates made in September

000 tonnes

Full season trade data for 2016/17 and 2017/18 does not include the below trade threshold allocation (BTTA) to improve the quality of the data published in the Balance Sheets. For more information on BTTA, please click here

(JULY - JUNE YEARS)

Links connect to relevant Defra/AHDB data pages

		WHEAT							BARLEY						
		2012/13 2016/17 average	**2015/16 estimate****	**2016/17 estimate**	**2017/18 May-18**	**2017/18 Sep-18**	**Absolute change May-18**	**% change on 16/17**	**2012/13 2016/17 average**	**2015/16 estimate**	**2016/17 estimate**	**2017/18 May-18**	**2017/18 Sep-18**	**Absolute change May-18**	**% change on 16/17**
(1)	Opening Stocks	2,092	2,434	2,787	1,754	1,755	1	-37%	1,236	1,497	1,367	1,106	1,105	-1	-19%
(2)	Production	14,464	16,506	14,383	14,837	14,837	-	3%	6,710	7,370	6,655	7,169	7,169	-	8%
(3)	Imports	2,036	1,509	1,855	1,600	1,793	193	-3%	148	159	106	105	105	-0	-1%
(4)	**Total Availability**	**18,592**	**20,449**	**19,025**	**18,191**	**18,386**	195	-3%	**8,094**	**9,026**	**8,128**	**8,380**	**8,379**	-1	3%
(5)	Human and Industrial Consumption (b)	7,667	7,360	8,110	7,817	7,816	-1	-4%	1,890	1,833	1,863	1,901	1,881	-20	1%
(5a)	(of which home grown)	6,372	6,416	7,169	6,857	6,787	-70	-5%	n/a	n/a	n/a	n/a	n/a	*	*
(6)	Usage as Animal Feed (c)	6,908	7,094	7,236	7,446	7,515	68	4%	3,460	3,613	3,655	4,022	4,047	25	11%
(6a)	(of which home grown)	6,212	6,444	6,523	6,824	6,794	-31	4%	n/a	n/a	n/a	n/a	n/a	*	*
(6b)	(of which Compounders)	3,697	3,845	4,034	4,180	4,232	53	5%	1,102	1,108	1,132	1,267	1,279	12	13%
(6c)	(of which Integrated Poultry Units)	1,349	1,210	1,211	1,241	1,241	-	2%	61	49	53	62	59	-	12%
(7)	Seed (d)	290	281	283	278	278	-	-2%	177	182	181	189	189	-	4%
(8)	Other	74	79	72	74	74	-	3%	34	37	33	36	36	-	9%
(9)	**Total Domestic Consumption**	**14,939**	**14,814**	**15,701**	**15,615**	**15,682**	67	0%	**5,561**	**5,665**	**5,732**	**6,148**	**6,153**	5	7%
(10)	**Balance (4) - (9)**	**3,653**	**5,635**	**3,324**	**2,576**	**2,704**	128	-19%	**2,533**	**3,361**	**2,396**	**2,232**	**2,225**	-6	-7%
(11)	Exports (e)	1,483	2,848	1,438	450	448	-2	-69%	1,211	1,994	1,026	1,114	1,101	-13	7%
(12)	Intervention Stocks (e)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(13)	Commercial End-Season Stocks (e)	**2,144**	**2,787**	**1,755**	**1,735**	**1,718**	-17	-2%	**1,269**	**1,367**	**1,105**	**1,117**	**1,076**	-41	-3%
(14)	(of which Estimated Operating stock requirement) (f)	1,492	1,500	1,560	1,600	1,600	-	3%	739	760	760	770	770	-	1%
(15)	(of which free stock) (g)	652	1,287	195	135	118	-17	-40%	530	607	345	347	306	-41	-11%
(16)	Surplus available for either export or free stock (10)-(12)-(14)-(17)	**2,135**	**4,135**	**1,633**	**585**	**567**	-18	-65%	**1,741**	**2,601**	**1,371**	**1,462**	**1,408**	-54	3%
(17)	Residual (10)-(11)-(13)			***131***	***391***	***537***					***265***	***-***	***47***		

		MAIZE							OATS						
		2012/13 2016/17 average	**2015/16 estimate****	**2016/17 estimate**	**2017/18 May-18**	**2017/18 Sep-18**	**Absolute change May-18**	**% change on 16/17**	**2012/13 2016/17 average**	**2015/16 estimate**	**2016/17 estimate**	**2017/18 May-18**	**2017/18 Sep-18**	**Absolute change May-18**	**% change on 16/17**
(1)	Opening Stocks	216	309	148	271	271	-	83%	100	107	93	110	110	-	18%
(2)	Production	-	-	-	-	-	-	-	805	799	816	875	875	-	7%
(3)	Imports	1,926	1,742	2,007	2,111	2,024	-87	1%	53	39	32	25	19	-6	-41%
(4)	**Total Availability**	**2,143**	**2,051**	**2,155**	**2,382**	**2,295**	-87	6%	**958**	**945**	**941**	**1,010**	**1,004**	-6	7%
(5)	Human and Industrial Consumption	560	465	570	653	643	-10	13%	507	525	521	537	537	-0	3%
(5a)	(of which home grown)	-	-	-	-	-	-	-	453	499	476	515	519	4	9%
(6)	Usage as Animal Feed	1,205	1,310	1,135	1,306	1,230	-75	8%	275	239	266	315	274	-41	3%
(6a)	(of which home grown)	-	-	-	-	-	-	-	275	239	266	315	274	-41	3%
(7)	Seed	-	-	-	-	-	-	-	20	19	20	26	23	-3	15%
(8)	Other (h)	5	9	4	4	4	-	0%	4	4	4	4	4	-	0%
(9)	**Total Domestic Consumption**	**1,770**	**1,784**	**1,709**	**1,962**	**1,877**	-85	10%	**806**	**787**	**811**	**882**	**837**	-45	3%
(10)	**Balance (4) - (9)**	**373**	**267**	**446**	**420**	**418**	-2	-6%	**151**	**158**	**130**	**128**	**166**	39	28%
(11)	Exportable surplus	132	120	175	182	171	-11	-3%	42	65	21	27	28	2	38%
(12)	Commercial End-Season Stocks	**241**	**148**	**271**	**238**	**247**	9	-9%	**109**	**93**	**110**	**101**	**138**	37	25%

(a) These are revised during the year. Figures rounded to the nearest 1000 tonnes. Due to rounding, totals may not agree with the sum of the individual items.

(b) Defra updated the registry for the UK flour millers survey in spring 2016, the wheat H&I usage has been adjusted to take account of this change.

(c) Animal feed usage has been split by sector. Note, other users are only included in the total.

(d) Seed numbers have been updated based on a number of assumptions, calculated for the purposes of the balance sheet only

(e) Split of exports, intervention and total commercial end-season stocks only published for historical seasons

(f) 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

(g) Free stock is the stock available after both exports and estimated operating stock requirements have been fulfilled

(h) 2014/15 new format: Maize demand in "Other food use" has been added to the H&I total for maize. This was previously included in the "Other" category

** Percentage change not meaningful*

*** These balance sheets have been adjusted as per Defra's reliability allocation method*

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		OTHER CEREALS *(i)*						
		2012/13 2016/17 average	**2015/16 estimate**	**2016/17 estimate**	**2017/18 May-18**	**2017/18 Sep-18**	**Absolute change May-18**	**% change on 16/17**
(1)	Opening Stocks	5	5	5	5	5	-	0%
(2)	Production	115	121	110	119	119	-	8%
(3)	Imports	3	3	3	4	4	-	48%
(4)	**Total Availability**	**123**	**129**	**118**	**127**	**129**	1	9%
(5+6)	H&I and Animal Feed	115	121	110	119	121	1	10%
(5a+6a)	(of which home grown)	112	118	107	116	116	-	8%
(7)	Seed	3	3	3	3	3	-	0%
(8)	Other	-	-	-	-	-	-	-
(9)	**Total Domestic Consumption**	**118**	**124**	**113**	**122**	**124**	1	9%
(10)	**Balance (4) - (9)**	**5**	**5**	**5**	**5**	**5**	0	0%
(11)	Exportable surplus	-	-	-	-	-	-	-
(12)	Intervention Stocks	-	-	-	-	-	-	-
(13)	**Commercial End-Season Stocks**	**5**	**5**	**5**	**5**	**5**	-	0%

		TOTAL CEREALS						
		2012/13 2016/17 average	**2015/16 estimate****	**2016/17 estimate**	**2017/18 May-18**	**2017/18 Sep-18**	**Absolute change May-18**	**% change on 16/17**
(1)	Opening Stocks	3,649	4,352	4,400	3,246	3,247	-0	-26%
(2)	Production	22,094	24,796	21,964	22,999	22,999	-	5%
(3)	Imports	4,166	3,452	4,003	3,844	3,945	102	-1%
(4)	**Total Availability**	**29,910**	**32,600**	**30,366**	**30,089**	**30,192**	102	-1%
(5)	H&I (wheat, barley, maize, oats) (h)	10,624	10,183	11,064	10,907	10,876	-31	-2%
(6)	Animal Feed (wheat, barley, maize oats) (h)	11,848	12,256	12,291	13,089	13,067	-23	6%
(5a +6a)	Other cereals (H&I and Animal Feed)	115	121	110	119	121	1	10%
(7)	Seed	490	485	487	496	493	-3	1%
(8)	Other	117	129	113	118	118	-	4%
(9)	**Total Domestic Consumption**	**23,195**	**23,174**	**24,065**	**24,730**	**24,674**	-55	3%
(10)	**Balance (4) - (9)**	**6,715**	**9,426**	**6,301**	**5,360**	**5,518**	157	-12%
(11)	Exports	2,868	5,027	2,660	1,773	1,749	-24	-34%
(12)	Intervention Stocks	-	-	-	-	-	-	-
(13)	**Commercial End-Season Stocks**	**3,768**	**4,400**	**3,247**	**3,196**	**3,184**	-12	-2%
(14)	Estimated Operating stock requirement (wheat & barley only)	2,231	2,260	2,320	2,370	2,370	-	2%
(15)	Free stock for wheat and barley	1,182	1,894	541	482	424	-58	-21%
(16)	Surplus available for either export or free stock (all)	**4,050**	**7,167**	**3,201**	**2,598**	**2,173**	-425	-32%
(17)	Residual (10)-(11)-(13)			***395***	***392***	***585***		

(i) Includes mainly rye, triticale and mixed grain

Source: AHDB; Defra

*** These balance sheets have been adjusted as per Defra's reliability allocation method*

APPENDIX II

CUMULATIVE MONTHLY STATISTICS
Usage of Cereals by Processors,
External Trade and Stocks

Situation as at end of June 2018 — **Thousand tonnes**

				2012/13 to 2016/17 Average	2009/10 52 weeks	2010/11 52 weeks	2011/12 52 weeks	2012/13 52 weeks	2013/14 52 weeks	2014/15 52 weeks	2015/16 52 weeks	2016/17 52 weeks	2017/18 52 weeks	% Change 2017/18 on 2016/17	Actual Change 2017/18 on 2016/17
WHEAT															
Usage	Human and	-Flour Millers	*-imported*	*1256*	*1055*	*767*	*688*	*1794*	*1439*	*1168*	*935*	*941*	*1029*	*9%*	*88*
	Industrial		*-home-grown*	*5468*	*5135*	*5685*	*5267*	*4787*	*4957*	*5675*	*5616*	*6308*	*5835*	*-7%*	*-473*
	Processors		-Total	*6724*	*6190*	*6451*	*5955*	*6581*	*6396*	*6843*	*6551*	*7249*	*6864*	*-5%*	*-385*
		-Distillers		*750*	*527*	*531*	*662*	*818*	*815*	*772*	*649*	*696*	*801*	*15%*	*106*
	Animal Feed Processors (a)			*3180*	*2797*	*2739*	*3079*	*3085*	*2875*	*3099*	*3353*	*3487*	*3656*	*5%*	*169*
	Poultry Integrated Units			*1346*	*1540*	*1614*	*1606*	*1505*	*1381*	*1420*	*1215*	*1211*	*1241*	*2%*	*30*
Imports	From July (b)			*2040*	*1240*	*1000*	*907*	*2956*	*2210*	*1677*	*1504*	*1855*	*1793*	*-3%*	*-62*
Exports	From July (b)			*1482*	*2427*	*2654*	*2545*	*734*	*431*	*1948*	*2857*	*1438*	*448*	*-69%*	*-990*
	Intervention	-Actual		*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	-	*0*
		-Projected		*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	-	*0*
BARLEY															
Usage	Maltsters/Distillers		*-imported*	-	-	-	-	-	-	-	-	-	-	-	*
			-home-grown	-	-	-	-	-	-	-	-	-	-	-	*
			-Total	*1860*	*1592*	*1730*	*1818*	*1832*	*1902*	*1893*	*1821*	*1851*	*1869*	*1%*	*18*
	Animal Feed Processors (a)			*972*	*863*	*854*	*650*	*880*	*1047*	*953*	*986*	*993*	*1118*	*13%*	*124*
	Poultry Integrated Units			*61*	*94*	*69*	*57*	*70*	*86*	*47*	*49*	*53*	*59*	*12%*	*6*
Imports	From July (b)			*148*	*86*	*125*	*156*	*237*	*100*	*139*	*159*	*106*	*105*	*-1%*	*-1*
Exports	From July (b)			*1214*	*1034*	*772*	*804*	*395*	*1158*	*1495*	*1994*	*1026*	*1101*	*7%*	*75*
	Intervention	-Actual		*0*	*62*	*106*	*5*	*0*	*0*	*0*	*0*	*0*	*0*	-	*0*
		-Projected		*0*	*140*	*40*	*5*	*0*	*0*	*0*	*0*	*0*	*0*	-	*0*
MAIZE															
Usage	Human and Industrial			*369*	*252*	*295*	*278*	*308*	*375*	*447*	*322*	*396*	*528*	*33%*	*132*
	Animal Feed Processors (a)			*284*	*114*	*109*	*108*	*238*	*360*	*281*	*276*	*265*	*309*	*16%*	*44*
Imports	From July (b)			*1971*	*898*	*1041*	*985*	*1687*	*2394*	*1954*	*1814*	*2007*	*2024*	*1%*	*17*
OATS															
Usage	Human and Industrial Processors			*508*	*429*	*460*	*474*	*492*	*508*	*492*	*525*	*521*	*537*	*3%*	*15*
	Animal Feed Processors (a)			*76*	*89*	*91*	*59*	*78*	*118*	*95*	*52*	*40*	*60*	*51%*	*20*
Exports	From July (b)			*42*	*50*	*53*	*16*	*13*	*36*	*77*	*65*	*21*	*28*	*38%*	*8*

(a) Great Britain only, (b) HMRC

* Percentage changes not meaningful.

Source: AHDB, Defra, HMRC

Please note that full season trade data for 2016/17 and 2017/18 does not include the below trade threshold allocation (BTTA) to improve the quality of the data published in the Balance Sheets. For more information on BTTA, please click here.

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.

There were 53 weeks in the Statistical year 2016. In order to incorporate the change April 2016 was increased to a 5 week period compared to 4 weeks in 2015.

Note: This Appendix reflects the position as at 27 September 2018. The figures above may differ slightly from the most recent published data.