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Feed Outlook

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In this report:

U.S. Feed Grain Supplies Decline on Lower Production

Total U.S. feed grain production in 2022 is forecast down 11.4 million tons in the *September World Agricultural Supply and Demand (WASDE)* report, on lower corn and sorghum yields and markedly lower corn harvested area. U.S. corn production is reduced 415 million bushels this month, on a 2.9 bushel per acre yield drop to 172.5 bushels and a 1-million acre reduction in harvested area. Corn production is forecast to total 13,944 million bushels in 2022/23. U.S. sorghum production is revised down 34 million bushels in September, on a 7.2 bushel per acre yield reduction, which more than offset a 2 percent increase in forecasted harvested area. U.S. farmers are projected to harvest 252 million bushels of sorghum for the new marketing year, the lowest level since 2012/13.

The United States drives world coarse grain production down. World foreign corn production is increased this month, with higher output in ***China*** and ***Ukraine*** but lower in the ***European Union***. Global corn trade is projected 1.5 million tons lower for the 2022/23 international trade year. A 2.0-million-ton drop in ***U.S.*** exports is partly offset by a 0.5-million-ton increase for ***Ukraine.*** Only a small part of the increase in Ukrainian corn output is expected to be exported because of the great uncertainty surrounding the developments that affect its ability to export grain. Lower U.S. corn exports assume reduced shipments to ***Canada***, while a slower shipment pace has reduced ***Vietnam's*** imports by 0.5 million tons. Global corn stocks are projected lower, while foreign stocks are increased.

Domestic Outlook

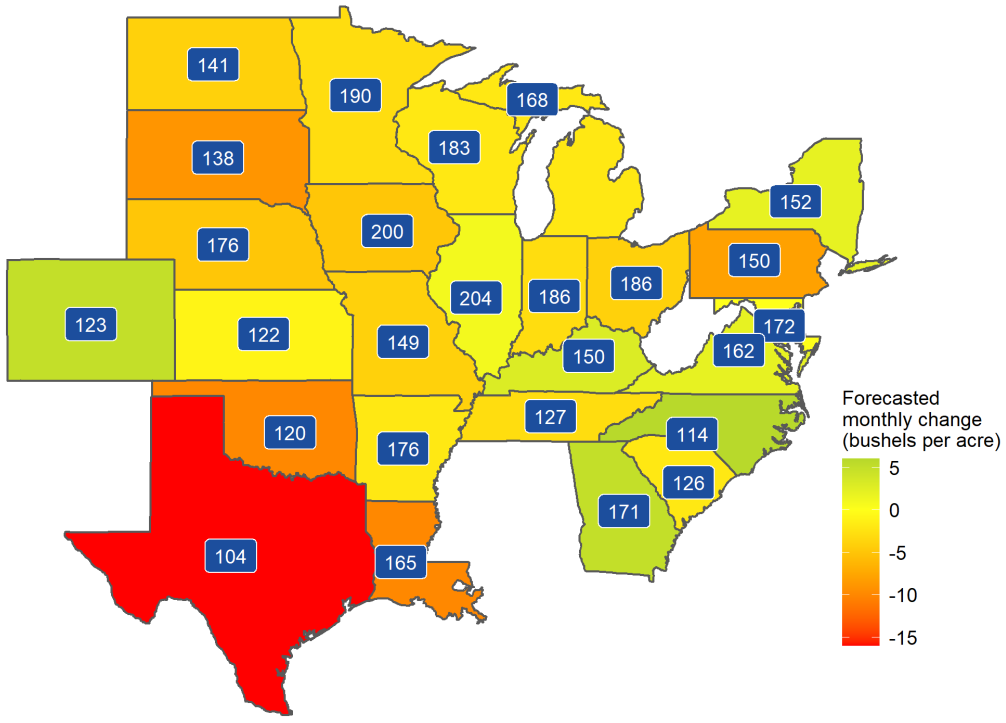
Claire Hutchins

U.S. Summer Drought Pressures the 2022/23 Corn Yield Potential

The USDA, National Agricultural Statistics Service (NASS) projects U.S. corn production in 2022/23 to be 13,944 million bushels, down 415 million bushels from the previous forecast and 1,171 million bushels lower than last year. Planted area fell to 88.6 million acres, down 1.2 million acres from the August *WASDE* report. Harvested area is revised down to 80.8 million acres, the lowest since 2015/16, reflecting the change in planted acreage. The U.S. corn yield for 2022/23 is projected at 172.5 bushels per acre, based on NASS's September forecast, which included this year's first objective yield survey. This month's projection is down 2.9 bushels from August and 4.5 bushels lower than last year, as widespread summer drought puts downward pressure on yield potential across the western corn belt.

Figure 1

U.S. corn yield by State,
September 2022 forecast and change from August, bushels per acre

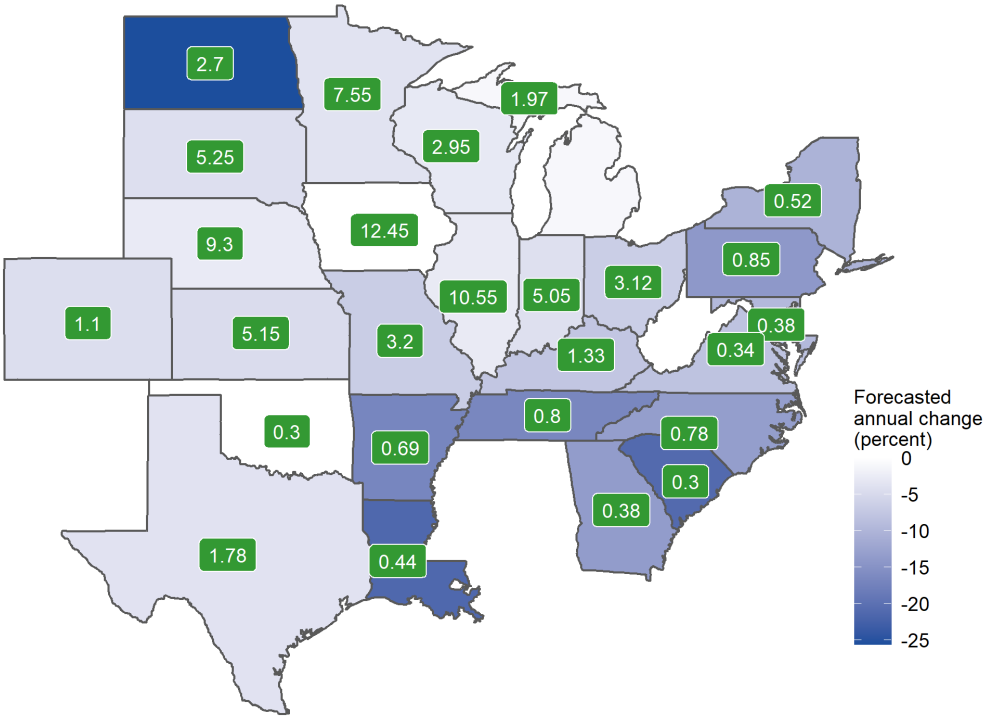


Note: Labels included only for States forecast to harvest at least 300,000 acres in 2022.
Source: National Agricultural Statistics Service, USDA.

At the regional level, the largest corn year-over-year decline in production in 2022/23 can be found in the High Plains—the largest reduction being in Nebraska, with a 217-million-bushel decline from 2021/22, due to lower harvested area and a forecasted 18-bushel yield drop from last year to 176 bushels per acre. This month's forecast reflects a 5-bushel-per-acre decline from NASS's August Nebraska projection of 181 bushels. Similarly, Kansas (with a 122-million-bushel decline in production) decreased yield by 17 bushels from last year to 122 bushels per acre, coupled with a lower harvested area.

Figure 2

U.S. corn harvested area by State,
September 2022 forecast and change from 2021, million acres



Note: Labels included only for States forecast to harvest at least 300,000 acres in 2022.
Source: National Agricultural Statistics Service, USDA.

Yields in two of the largest corn-producing States (Iowa and Indiana) were also hit with forecast reductions in September due to late-season dryness. Iowa's current corn yield forecast of 200 bushels per acre is down 5 bushels from the first NASS projection in August; paired with lower harvested area, this reduction puts the State's total production volume for 2022 at 2,490 million bushels, down 62.2 million bushels from last year. Indiana's September yield forecast fell 3 bushels per acre from last month to 186 bushels and NASS predicts the State's total production volume will fall to 939 million bushels in 2022, down 88.3 million bushels from 2021.

The largest annual increase in corn production is shown in Minnesota (with a 39-million-bushel increase) in 2022/23, as a 12-bushel-per-acre jump in yield year over year to 190 bushels, more than offset a setback in harvested area.

Total corn supplies for 2022/23 are revised down 419 million bushels from August to 15,494 million bushels on lower production and a slight downward revision to beginning stocks. Total corn use for 2022/23 is projected at 14,275 million bushels, down 250 million bushels from the August *WASDE* report and down 575 million bushels from 2021/22. Domestic corn use is lowered 150 million bushels to 12,000 million bushels—due to decreases in feed use, ethanol production, and exports. Ending stocks in 2022/23 came down 169 million bushels from August to 1,219 million bushels, the lowest level since 2012/13. The projected season-average farm price for corn is forecast at $6.75 per bushel in 2022/23—up 10 cents from last month and significantly higher than the 2021/22 season-average farm price of $5.95—on limited supplies and strong global demand.

Corn use for ethanol is lowered 20 million bushels for the 2021/22 marketing year, to 5,330 million bushels, based on the latest July monthly totals from the NASS *Grain Crushing* report and weekly data reported by the Department of Energy's Energy Information Administration. Ending stocks for the 2021/22 marketing year were adjusted down slightly by 5 million bushels to 1,525 million bushels on increased exports.

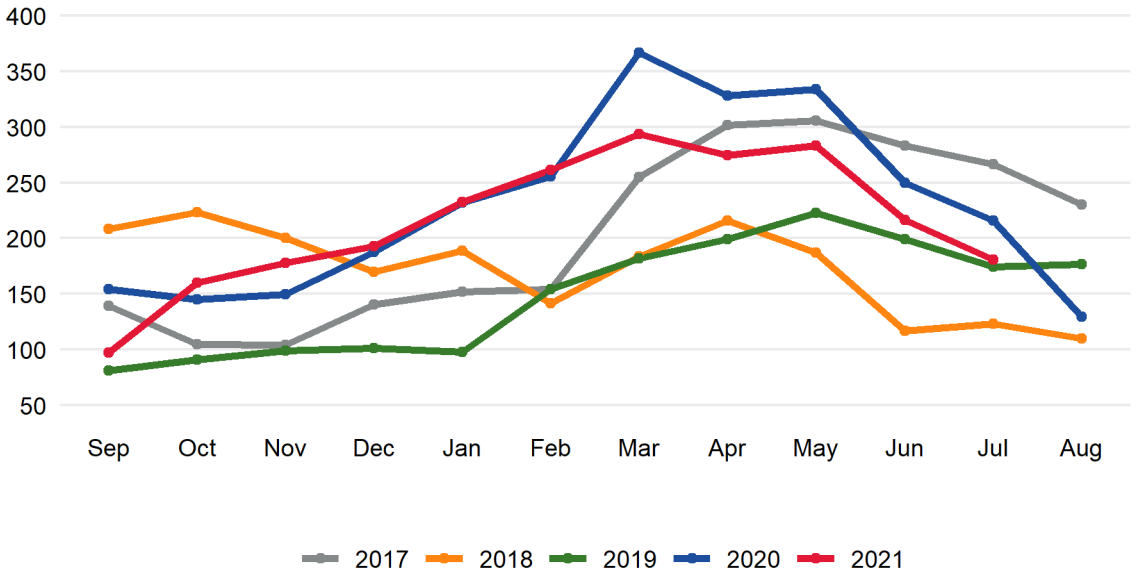
Old Crop Corn Exports Are Revised Higher on Strong July Shipments, Second-Highest Trade Volume on Record

U.S. corn exports for 2021/22 are up 25 million bushels from the August *WASDE* report, to a total of 2,475 million bushels for the marketing year. Through July, the United States has reported 2,341 million bushels of corn exported, based on data from U.S. Bureau of the Census. July 2022 corn exports of 181 million bushels are down on the year but came in stronger than expected on the second-largest export volume to China (61.1 million bushels) for July across all marketing years.

Figure 3

U.S. corn exports, total, monthly

Million bushels



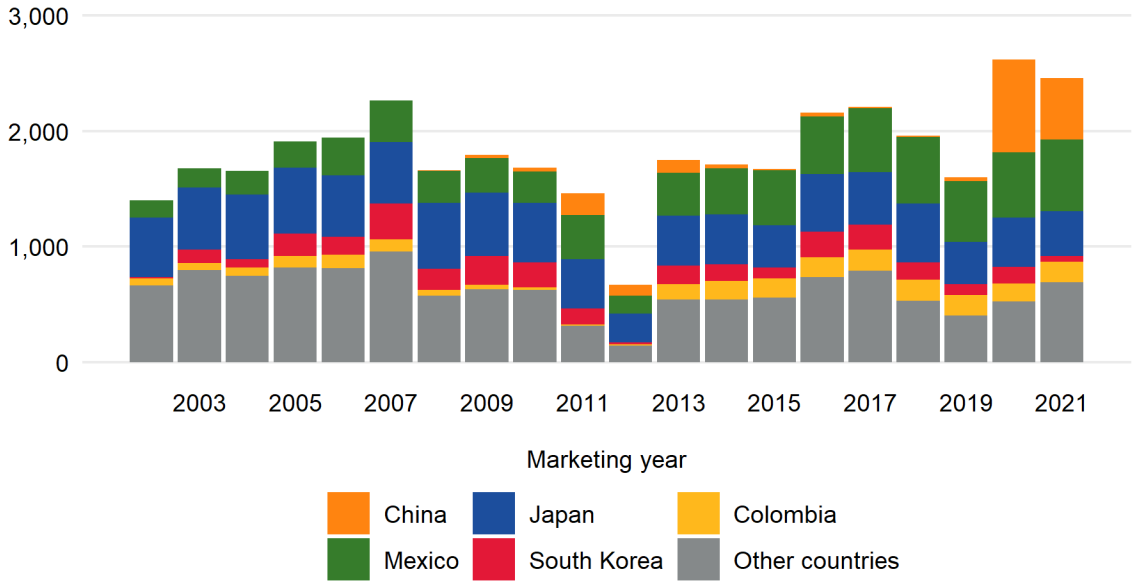
Source: U.S. Department of Commerce, Bureau of the Census.

The current export pace supports the second-highest total U.S. corn export program since 2020/21—as continued buying from Chinese importers augments traditional trade flows from the United States to countries like Mexico, Japan, and Colombia.

Figure 4

U.S. corn exports, September through July, marketing years 2000 to 2021

Million bushels



Source: U.S. Department of Commerce, Bureau of the Census.

The forecast for corn exports in 2022/23 dropped 100 million bushels from the August *WASDE* report, to 2,275 million bushels on lower availability. For further discussion on global markets, please see the international section of this report.

Grain Consuming Animal Units Are Projected Up for 2022/23

Grain consuming animal units (GCAU) for 2022/23 are projected at 99.6 units, up slightly from the August forecast of 99.2 million but lower than the 2021/22 estimate of 99.9 units. Higher cattle on feed inventories (along with increased broiler and turkey units) drive this month's increase, which is partially offset by reduced dairy cow and dairy heifer inventories. Other animal inventories remain unchanged from a month ago.

Feed and residual use for the four feed grains (corn, sorghum, barley, and oats) and wheat on a September-August marketing year basis for 2022/23 is projected at 137.6 million tons, down from the previous year (148.3 million tons) and 2020/21 (149.8 million tons). Corn feed and residual use still accounts for the largest share of the total energy feed, falling from the 142.2 million tons estimate for 2021/22 to 132.7 million tons projected for 2022/23. Oats on feed is the only category that increased this month, from an estimated 0.95 million tons in 2021/22 to 1.1 million tons in 2022/23.

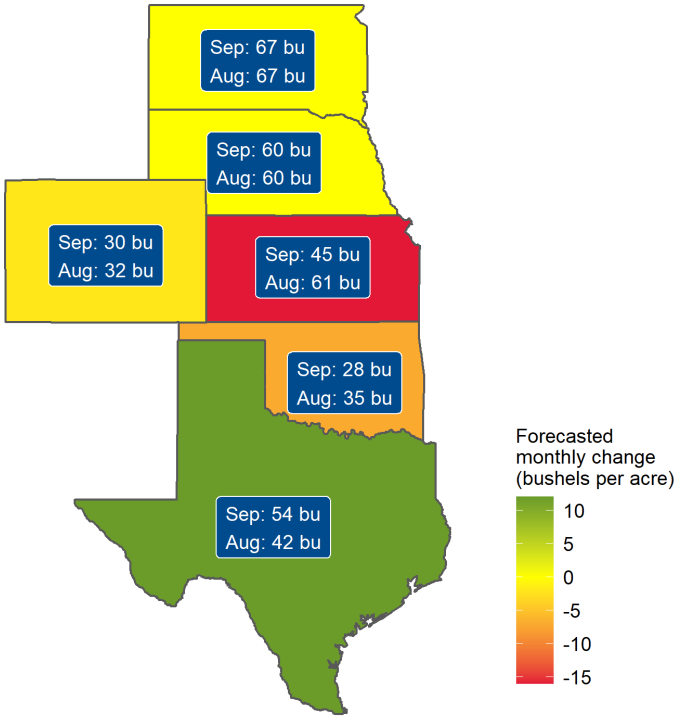
Sorghum Production Is Down Sharply on Lower Yields

Sorghum production for 2022/23 is projected down 34 million bushels from the August forecast to 252 million bushels, due to a sharp reduction in yields that substantially offset a modest increase in harvested area. Severe, ongoing drought (in Texas, Oklahoma, Kansas, and Nebraska) led to NASS's downward revision of sorghum yields to 46 bushels per acre, 7.2 bushels lower than the August forecast and the lowest national average since 1974.

A combination of lower yield and decreased harvested area are projected to sharply reduce sorghum production in Kansas and Texas, the crop's two largest-producing U.S. States. The Kansas sorghum yield forecast fell 16 percent from August to 45 bushels per acre, 33 bushels per acre lower than last year's final yield estimate. Though the Texas yield projection increased from 42 bushels per acre in August to 54 bushels in September, the yield still represents a significant decline from the 61 bushels per acre recorded in 2021. NASS forecasts total sorghum production will decline by 48 percent from last year in both Kansas and Texas, to 139 million bushels and 59.4 million bushels, respectively.

Figure 5

U.S. sorghum yield by State,
September 2022 forecast versus August forecast, bushels per acre



Note: Sep = September 2022; Aug = August 2022; bu = bushels per acre.
Source: National Agricultural Statistics Service, USDA.

New crop use is lowered 30 million bushels from last month to 285 million bushels for the marketing year on lower production. Sorghum exports came down 30 million bushels this month to 195 million bushels, as limited supplies pressure trade potential. U.S. sorghum ending stocks for the 2022/23 marketing year total 20 million bushels, down 4 million bushels from August. The projected sorghum season-average farm price is forecast at $6.65 per bushel in 2022/23, up 10 cents from last month and the highest level in at least 20 years.

This month, 2021/22 sorghum FSI use increased 5 million bushels, on higher summer ethanol production, while feed use declined 5 million bushels. Old crop ending stocks are unchanged at 53 million bushels, while the season-average farm price is estimated down 5 cents on the month at $5.90, consistent with the downward trend observed in NASS's reported monthly price received.

Barley Harvest Is Delayed, High Prices Continue in 2022/23

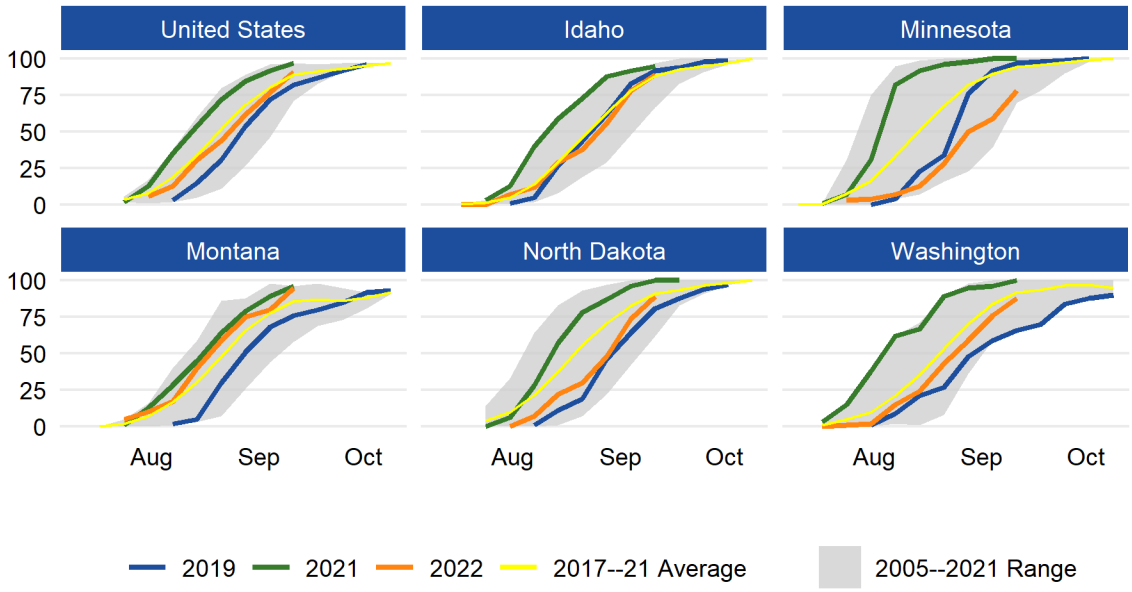
The barley production forecast for 2022/23 is unchanged in September at 158 million bushels, up 40 million bushels from 2021, as yields bounce back from last year's drought in the Northern Plains. The final barley production estimate of the season for the current crop will be reported by NASS in the *Small Grains Annual Summary* report, due out on September 30.

Following the 2021 drought that significantly pressured barley production in Idaho and North Dakota—the cool, wet spring that restored soil moisture adequacy in these States also delayed planting and thus harvest progress in both regions. As of September 4, NASS reported 77 percent of the country's new crop barley in the bins, down 14 points from last year and 9 points under the 5-year average. The September barley ending stocks forecast is unchanged at 47 million bushels, up slightly from last year but still the second-lowest level in at least 20 years. The projected season-average all barley price for 2022/23 is revised down $0.05 per bushel from August to $6.90, on lower malting prices reported by NASS early in the new marketing year. Though down slightly on the month, $6.90 per bushel for barley still represents a record season-average farm price—based on tight supplies, strong domestic demand, and higher overall prices in the domestic grains complex.

Figure 6

Barley harvest progress by State, 2005 to 2022

Percent complete



Source: USDA, National Agricultural Statistics Service.

Lower Oat Imports Reduce Supplies

Oat supply in 2022/23 is projected 5 million bushels lower this month, to 175 million bushels, on reduced imports. A slower pace of imports from Canada (through August) initiated the downward revision in total U.S. imports for the new marketing year from 95 million bushels in August to 90 million bushels in September. Further clarification on oat supply will come with the September 30 release of the *Small Grains Annual Summary* report. Both oat ending stocks and the oat season-average farm price for the current marketing year remain unchanged.

International Outlook

Olga Liefert
Angelica Williams

The United States Drives World Coarse Grain Production Down

Global coarse grain output in **2022/23** is projected 5.9 million tons lower this month, driven by a more than 11-million-ton reduction for the U.S. forecast, with its corn production prospects declining 10.5 million tons and sorghum 0.9 million tons. World corn production is projected down 7.0 million tons to 1,172.6 million, driven by a reduction for the United States. Output of sorghum, oats, and rye are also projected lower—while barley production is up. In contrast to the forecast for the United States, foreign coarse grain production is projected 5.5 million tons higher this month. Much of the increase is for ***Chinese*** and ***Ukrainian*** corn, ***Russian*** and ***Australian*** barley, and for ***Australian*** sorghum. Partly offsetting are reductions for the ***European Union*** and ***Serbian*** corn production.

For the **2021/22** projection, coarse grain output is up 1.5 million tons. This increase is mainly a result of higher revisions of corn output in ***Pakistan*** and ***India*** that are partly offset by a reduction for ***Mexico***—but also because of smaller upward revisions for ***Australian*** barley and ***Canadian*** oats.

For more information of this month's output changes for 2022/23, see tables **A1** (for the aggregate global, foreign, and the U.S. changes) and table **A2** (for specific country changes). An extension of table A2 presents information on production revisions for 2021/22, based on the recent updates of the countries' statistical information.

For a visual display of this month's country changes in corn and barley production, see maps A and B, below the tables.

Table A1 - World and U.S. coarse grain production at a glance (2022/23), September 2022					
	Region or country	Production	Change from previous month[1]	YoY change[2]	Comments
		Million tons			
Coarse grain production (total)					
↓	World	1,463.6	-5.9	-42.4	
↑	Foreign	1,098.5	+5.5	-8.8	Changes are projected for major coarse grain producers. See table A2.
↓	United States	365.1	-11.4	-33.6	Lower projected corn area and yield. See section on U.S. domestic output.
World production of coarse grains by type of grain					
CORN					
↓	World	1,172.6	-7.0	-47.2	
↑	Foreign	818.4	+3.5	-17.4	Higher corn output in China, Ukraine, Canada, and Mozambique is partly offset by reductions for European Union and Serbia. See table A2.
↓	United States	354.2	-10.5	-29.8	See section on U.S. domestic output.
BARLEY					
↑	World	147.7	+1.4	2.3	
↑	Foreign	144.3	+1.4	+1.4	Higher barley production in Australia and Russia is slightly offset by a reduction for Syria. See table A2.
	United States	3.4	No change	+0.9	See section on U.S. domestic output.
SORGHUM					
↑	World	60.3	-0.1	-1.8	
↑	Foreign	53.9	+0.8	+3.2	Higher projected output in Australia. See table A2.
↑	United States	6.4	-0.9	-5.0	See section on U.S. domestic output.
OATS					
↓	World	24.2	-0.1	+1.7	
↓	Foreign	23.4	-0.1	+1.5	Lower oats production in Canada. See table A2.
	United States	0.6	No change	+0.2	See section on U.S. domestic output.
RYE					
↓	World	12.0	-0.1	-0.5	
↓	Foreign	11.7	-0.1	-0.5	Slightly lower production projected for Canada.
	United States	0.3	No change	Small change	See section on U.S. domestic output.

[1]Change from previous month. [2] YoY: year-over-year changes. [3] Fractional or no changes are made for mixed grain, and millet.

For changes and notes by country, see table A2.

Source: USDA, Foreign Agricultural Service, *Production, Supply and Distribution* database.

Table A2 - Coarse grain production by country at a glance, September 2022 projection						
	Type of crop	Crop year	Production	Change in forecast[1]	YoY[2] change	Comments
			Million tons			
2022/23 Crop year						
CHINA						
↑	**Corn**	*Oct-Sep*	**274.0**	**+3.0**	**+1.4**	While dryness in August dominated southeastern China, the major corn areas of the country - its northeast provinces and North China Plain - enjoyed favorable rainfall and excellent soil moisture. Vegetation Health Index (VHI) model-based yield indicators support an increase in corn yields of about 1 percent relative to last month.
UKRAINE						
↑	**Corn**	*Oct-Sep*	**31.5**	**+1.5**	**-10.6**	Corn yields are projected 5 percent higher than last month reflecting favorable August rainfall, moderate temperatures and a consequently higher Vegetation Health Index (VHI).
CANADA						
↑	**Corn**	*Sep-Aug*	**14.5**	**+0.5**	**+0.5**	Corn area is projected higher, in line with Statistics Canada report.
↓	**Oats**	*Aug-Jul*	**4.6**	**-0.1**	**+1.8**	Oat yields are projected slightly lower, based on crop reports and the model-yields results from Statistics Canada.
↓	**Rye**	*Aug-Jul*	**0.5**	**-0.1**	**Fractional change**	Rye area is projected lower, in line with Statistics Canada report.
MOZAMBIQUE						
↑	**Corn**	*May-Apr*	**2.0**	**+0.2**	**-0.1**	Corn production is projected higher, based on the recent data from the Famine Early Warning Systems Network (FEWSNET) and the Global Information and Early Warning System on Food and Agriculture (GIEWS).
EUROPEAN UNION (EU)						
↓	**Corn**	*Oct-Sep*	**58.8**	**-1.2**	**-12.2**	Yields are reduced, as insufficient soil moisture in multiple European countries harmed yields. Corn harvesting is much ahead of this time this year, and the results are worse than expected. Corn production is projected lower in France, Romania, and Germany - the major producers of the region.
SERBIA						
↓	**Corn**	*Oct-Sep*	**5.9**	**-0.4**	**-0.2**	Yields are reduced, as insufficient soil moisture in the Balkans last month caused further degradation of corn crop.
RUSSIA						
↑	**Barley**	*July-June*	**21.0**	**+1.0**	**+3.5**	The increase is based on harvest reports, with all barley being harvested.
AUSTRALIA						
↑	**Barley**	*Nov-Oct*	**12.2**	**+0.7**	**-1.7**	Barley area and yields are projected higher this month. Favorable conditions encouraged higher area and boosted crop health.
↑	**Sorghum**	*Mar-Feb*	**2.6**	**+0.8**	**-0.1**	High prices (coupled with ample precipitation) encouraged additional planting for sorghum in Queensland and New South Wales. Exceptional soil moisture is expected to boost potential yield.
SYRIA						
↓	**Barley**	*July-June*	**0.7**	**-0.2**	**-0.1**	Persistent dryness reduced yields; part of the fields with very low yield are being left unharvested or rented out for grazing, thereby lowering area to be harvested.

[1]Change from previous month. Smaller changes are also made for several countries.

[2] YoY: year-over-year changes, see maps A1 and A2 for corn and barley production changes.

Source: USDA, Foreign Agricultural Service, *Production, Supply and Distribution* database.

This extension of table A2 presents this month's revisions to the coarse grain production for 2021/22.

Table A2 (continued) - Coarse grain production by country at a glance, September 2022

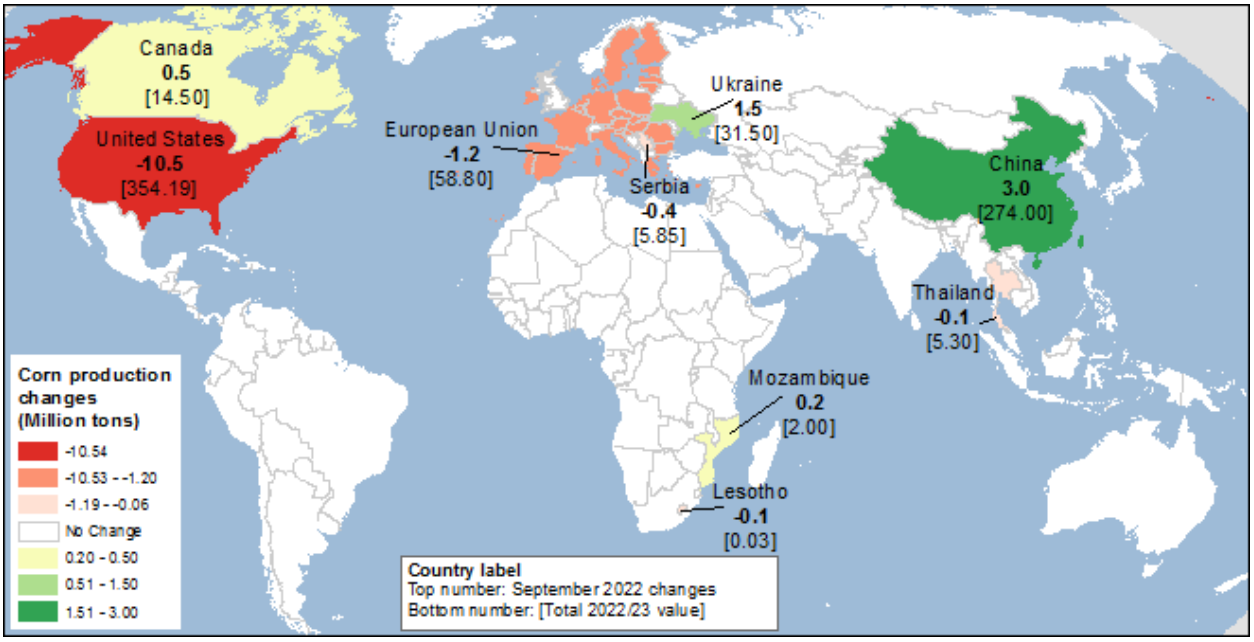
	Type of crop	Crop year	Production	Change in forecast[1]	YoY[2] change	Comments
			Million tons			
2021/22 Crop year						
PAKISTAN						
↑	**Corn**	*Jul-Jun*	**10.6**	**+1.1**	**+1.7**	Corn area is projected higher, based on the data published by the Pakistan Bureau of Statistics.
MEXICO						
↓	**Corn**	*Oct-Sep*	**26.8**	**-0.8**	**-0.6**	A revision is based on the latest data from the Government statistical office (SIAP).
↑	**Sorghum**	*Oct-Sep*	**4.8**	**+0.2**	**+0.5**	A revision is based on the latest data from the Government statistical office (SIAP).
INDIA						
↑	**Corn**	*Nov-Oct*	**33.6**	**+0.6**	**+2.0**	A revision is based on Government 4th advanced estimate.
↑	**Millet**	*Nov-Oct*	**11.7**	**+0.3**	**-1.5**	A revision is based on Government 4th advanced estimate.
↓	**Sorghum**	*Nov-Oct*	**4.3**	**-0.3**	**-0.6**	A revision is based on Government 4th advanced estimate.

[1]Change from previous month. Smaller changes are made for several countries.

[2] YoY: year-over-year changes.

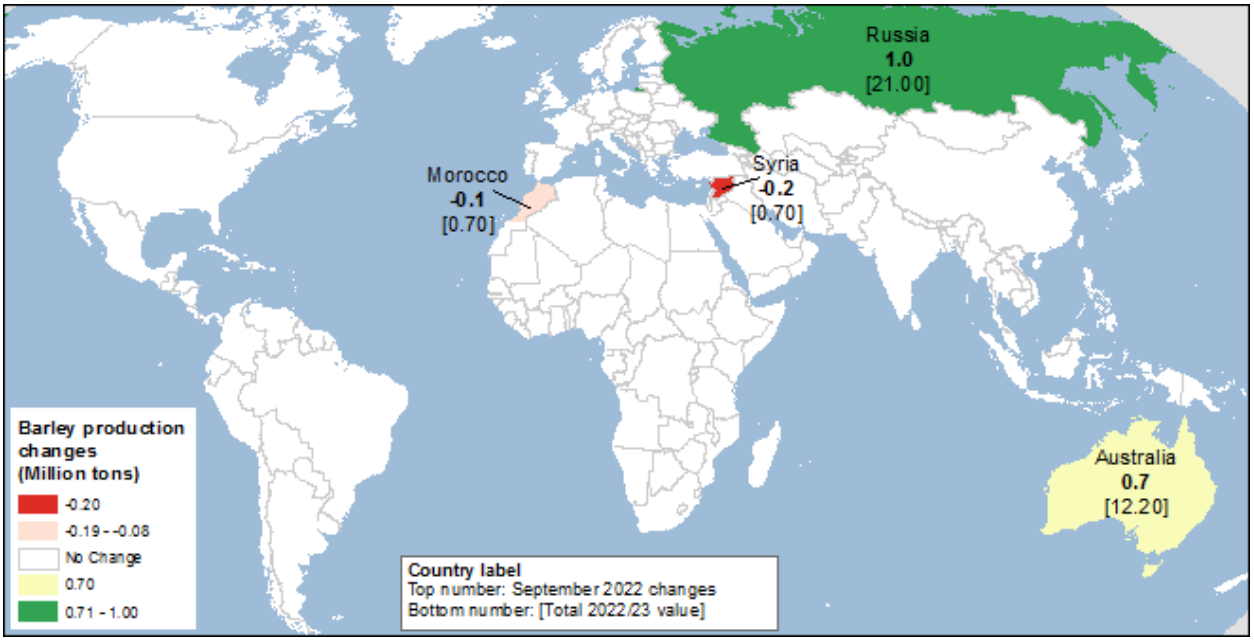
Source: USDA, Foreign Agricultural Service, *Production, Supply and Distribution* database.

Map A – Corn production changes for 2022/23, September 2022



Source: USDA, Foreign Agricultural Service, *Production, Supply, and Distribution* database.

Map B – Barley production changes for 2022/23, September 2022



Source: USDA, Foreign Agricultural Service, *Production, Supply, and Distribution* database.

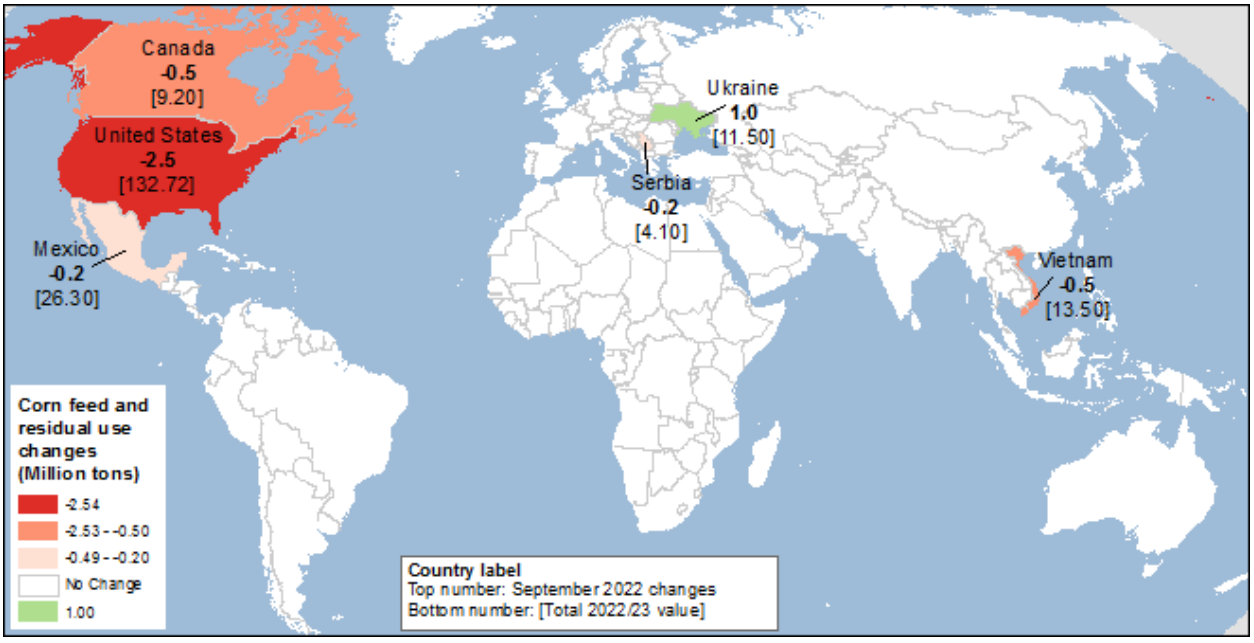
Coarse Grain Use and Stocks Are Reduced

Global coarse grain use in 2022/23 is projected down 3.5 million tons (or 0.24 percent) this month. The ***United States*** almost entirely drives the reduction—while foreign consumption is projected fractionally higher this month, with a number of offsetting changes. Foreign feed and residual for coarse grain is projected slightly higher, with increased barley and sorghum and reduced corn feeding.

The largest change to 2022/23 foreign corn use is for ***Ukraine***, up 1.0 million for feed and residual use to reach 11.5 million, which is more than double the pre-war 5-year average. The increase in grain production is only partly expected to boost the country's exports. A significant part of the Ukrainian output is not going to be exported or used at any future time as some supplies are destroyed by the war or have become unfit to use. Rather, larger output is expected to boost the already massive (for this export-oriented country with lackluster livestock development) residual part of the feed category.

Multiple, partly offsetting changes for domestic coarse grain consumption are made this month across countries and commodities. With lower projected imports, corn feed use is down for ***Canada*** and ***Vietnam***. Higher projected barley output boosts feed use in ***Russia*** and ***Australia***. Other changes for feed and residual use are smaller than 0.5 million tons. See a visual display of this month's country changes in corn feed and residual use in map C below.

Map C – Corn feed and residual changes for 2022/23, September 2022

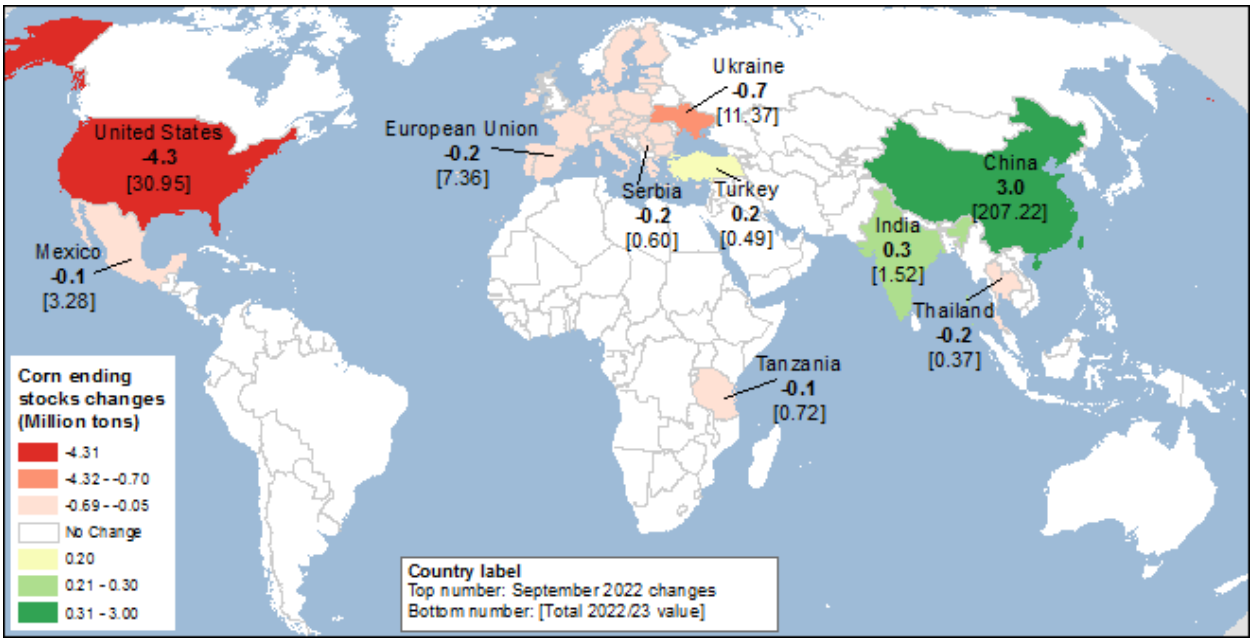


Source: USDA, Foreign Agricultural Service, *Production, Supply, and Distribution* database.

The reduction in global coarse grain production is steeper than the decrease in use, resulting in a drop in projected global ending stocks. World 2022/23 coarse grain ending stocks are forecast 2.0 million tons lower than the August projection, to reach 329.7 million.

See a visual display of this month's country changes in corn stocks in map D below.

Map D – Corn ending stocks changes for 2022/23, September 2022



Source: USDA, Foreign Agricultural Service, *Production, Supply, and Distribution* database.

While coarse grain stocks in the United States are projected 4.4 million tons lower this month, foreign stocks are up 2.5 million tons. Individual countries' changes in stocks follow production and trade revisions, the largest being for ***China*** that is expected to store the additional 3 million tons of corn production. ***Ukrainian*** corn stocks are projected 0.7 million tons lower this month at 11.4 million (more than 8 times higher than the 5-year pre-war average), reflecting higher projected exports for both 2021/22 and 2022/23.

The United States Pushes World 2022/23 Corn Trade Down

Global corn trade for the 2022/23 international trade year is projected 1.5 million tons lower this month at 184.7 million tons. The only reduction in corn exports for the 2022/23 October-September international trade year is a 2.0-million-ton drop in ***U.S.*** exports, down to 59.5 million tons. For the September-August local marketing year, U.S. corn exports are reduced 100 million bushels to reach 2,275 million (see the domestic section). Currently, the United States is the least price-competitive global corn exporter. Lower U.S. corn exports assume reduced shipments to ***Canada***, with Canadian corn imports down 1.0 million tons this month. ***Vietnam*** is also projected to import 0.5 million tons less corn, based on the current pace of shipments that are expected to continue into the 2022/23 trade year.

The reduction in U.S. corn exports is partly offset by a 0.5-million-ton increase for ***Ukraine***. Despite a 1.5-million-ton rise in the projected Ukrainian corn crop, the country's exports went up by 0.5 million tons only this month to reach 13.0 million, exactly half of the country's 2021/22 projected exports. The larger output is currently not expected to boost Ukrainian exports in the way it would have before the Russian military invasion because of the great uncertainty surrounding the developments that affect Ukraine's ability to export grain.

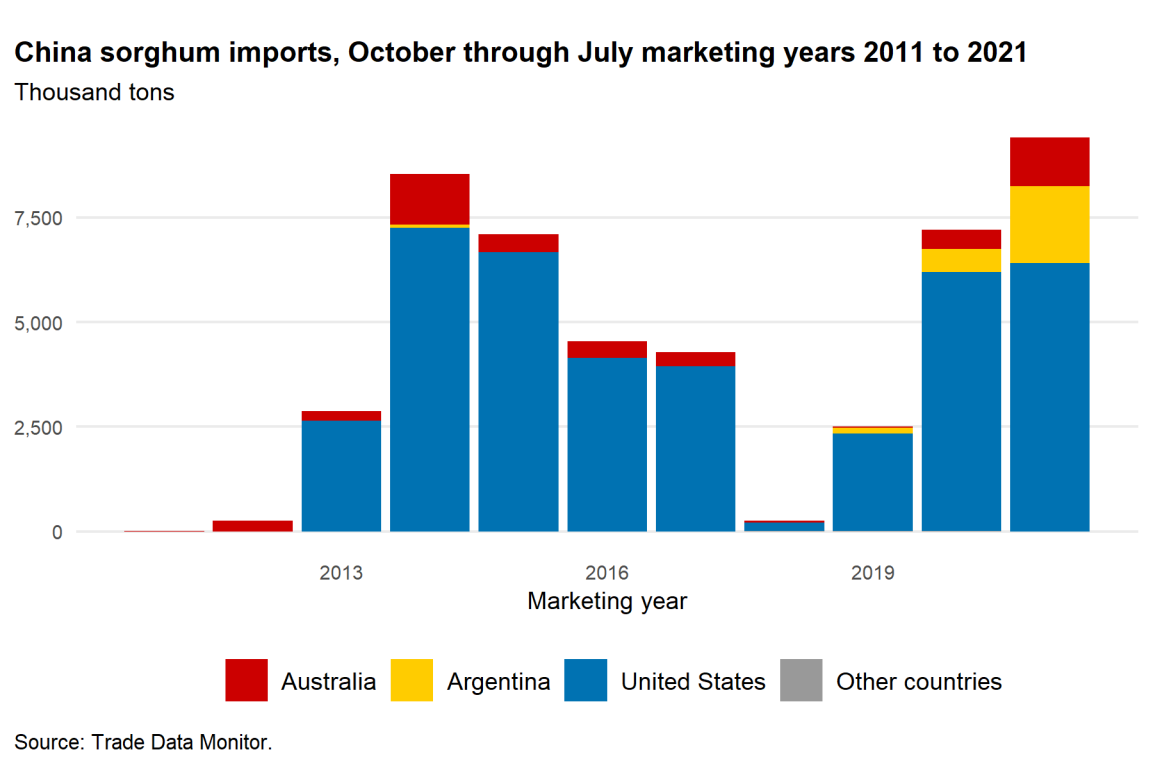
Higher Australian Sorghum Exports Offset the U.S. Decline

Because of higher projected sorghum output in ***Australia***, its 2022/23 exports are projected to rise by 0.8 million tons to 2.1 million. Sorghum—a summer crop in Australia—is primarily grown in the states of southern Queensland and northern New South Wales, where precipitation has been abundant, boosting both area under sorghum and yields. Much of the increase in Australian sorghum exports is expected to go to ***China***, the primary destination for Australian sorghum (since October 2021, China has received 85 percent of sorghum exported by Australia). This increase fully offsets a reduction in projected U.S. sorghum exports that are lowered this month following a cutback in sorghum output (see domestic section). No other changes were made to global sorghum trade for the 2022/23 trade year.

TRADE HIGHLIGHT: Emerging trends in Chinese sorghum imports

As the 2021/22 sorghum international trade year wraps up and we look forward to the 2022/23 trade year, it is important to keep an eye on emerging market trends. One such trend that began in 2020 and continued into 2021 is the emergence of Australia and Argentina as important exporters of sorghum to China.

China (whose marketing year for sorghum runs from October through September, which is the same as the international trade year) has imported 9.404 million tons of sorghum grain through July 2022, up 30 percent from the same period in 2020/21 (with the United States remaining the predominant supplier). For the 2021/22 international trade year, Argentina and Australia make up 19.5 and 12 percent of Chinese imports through July, up from 8 and 6 percent for the 2020/21 trade year. Total Chinese sorghum imports for 2021/22 (that ends in September 2022) are projected at 10.5 thousand tons. As a principal market for sorghum worldwide, China's sorghum purchases are mainly destined for animal feed and the production of Baijiu (a national spirit beverage), made by fermenting cooked sorghum or other grains.



Trade Data Boosts 2021/22 U.S. and World Corn Trade

The 2021/22 October-September trade year is in its final month, and for many countries enough data are available to fine-tune forecast trade. These revisions boost this month's forecast 2021/22 **corn trade** by 2.4 million tons to 193.8 million, a record-high, despite high global prices that persisted since April 2022.

Increased ***Ukrainian*** export activity – a result of the recently signed multi-side agreement to provide a safe passage for Ukrainian grain-loaded ships via several Black Sea ports—boosts corn exports by 1.5 million tons to reach 26 million. The rise in Ukrainian corn exports is partly offset by a reduction in ***Brazil*** corn exports, as the shipments—although record-high for August—did not reach the expected level. Corn exports are projected higher for ***Pakistan*** and ***India***, due to higher reported production.

Much of the increase in exports is expected to go to the ***European Union*** to alleviate supply issues from unfavorable growing conditions. The EU's imports are projected 2.5 million tons higher for the 2021/22 trade year, making the European Union the world's second largest importer of corn in 2021/22 at 18.5 million tons, behind China at 23.0 million tons. ***Brazil*** is also expected to have higher corn imports, up 0.7 million tons. Brazil continues to import record amounts of corn from Paraguay to its southern states that suffered from the drought earlier this year and needs additional corn to support its extensive livestock operations. ***Turkish*** corn imports are projected 0.6 million tons higher—the grain coming mainly from Russia—but also from Ukraine, Romania and other countries. With this revision, Turkey almost doubles its corn imports from a year before to a total of 3.4 million tons for 2021/22. These increases are partially offset by reductions of 0.6 million tons and 0.2 million tons in imports for ***Vietnam*** and ***Peru***, respectively, based on the pace of shipments.

U.S. 2021/22 October-September international trade year corn export prospects are raised 1.0 million tons to 63.0 million tons, based on the pace of recent shipments. Census data for October 2021 through July 2022 reached 57 million tons, and August 2022 grain inspections were 2.8 million. Census data are more complete than inspections data, so the August Census is expected to be slightly higher than inspections. A modest September shipment pace is assumed to reach the increased trade year export forecast. The 2021/22 September-August local marketing year for U.S. corn exports is essentially complete, but the Census data for August are not yet available. Based on August grain inspections, U.S. corn exports are estimated at 2,475 million bushels, up 25 million this month.

For **barley trade**, a number of small revisions were made this month for the 2021/22 international trade year, reducing the projected world barley exports by 0.2 million tons. ***Russia*** accounts for the largest portion of the reduction, down 0.2 million tons based on estimated trade data. It appears that the price-competitiveness of Russian grain has been declining for some time, the reasons being the current appreciation of the Russian currency (ruble) and the sanctions-related logistical problems Russian exporters face.

Higher barley imports are projected for ***Jordan***, ***Morocco*** and ***Brazil***—based on official trade data, up 0.1 million tons, each. Several countries saw small declines in their barley imports—with ***Thailand***, ***Vietnam***, ***Belarus***, and the ***United Kingdom*** among them.

Sorghum trade for the 2021/22 international trade year is also projected 0.2 million tons lower relative to last month—with a number of small revisions for ***Ethiopia***, ***Brazil***, and ***Iraqi*** imports—as well as ***Paraguay*** and ***Sudan*** exports. U.S sorghum exports are projected 0.2 million tons lower this month, based on the pace of shipments.

Suggested Citation

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