ITALMOPA

Roma, 4 aprile 2024

CIRCOLARE n. 19

ALLE AZIENDE A FRUMENTO DURO ASSOCIATE
Loro Sedi

Note de marché Semouliers marzo 2024

Trasmettiamo, in allegato, la consueta "Note de marché", relativa al mese di marzo elaborata dalla Segreteria dell'Unione dei Semolieri concernente la situazione dei mercati internazionali e comunitari del frumento duro.

Con i migliori saluti.

Piero Luigi Pianu

All.

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Durum Wheat : EU Production

According to the latest data of the **European Commission's DG Agri** (update : 27 march 2024), the usable **durum wheat production 2023** is estimated, in the EU 27, at **6.991 million tons** (7.464 million tons concerning the 2022/2023 marketing campaign and 8.079 million tons concerning the 2021/2022 marketing campaign), that is a reduction of 8.5 % compared to the average - 7.647 million tons - of the last 5 years. **If these forecasts will bw confirmed, EU production would be the lowest since 1995** when the production was about 6.846 million tons.

The **total supply** (beginning stocks + usable production + imports), in the EU 27, is calculated in **10.641 million tons** (10.821 million tons concerning the campaign 2022/2023) of which (in brackets the 2022 estimates) :

- Beginning stocks : 0.850 million tons (1.316 million tons)
- Usable production : 6.991 million tons (7.464 million tons)
- Imports : 2.800 million tons (2.041 million tons)

EU-27: gross production by selected crops (in million tons)

	2018	2019	2020	2021	2022	2023
Soft wheat	114.848	131.126	118.099	129.009	125.815	125.621
Durum wheat	8.675	7.397	7.345	8.079	7.464	6.991
Grain maize	69.018	70.120	67.433	73.193	53.116	62.279
Barley	49.506	55.042	53.937	51.443	51.420	47.532
Triticale	9.575	10.979	12.100	11.442	11.139	11.009
Oat	6.811	6.869	8.401	7.399	7.360	5.871
Rye	6.038	8.269	8.740	7.773	7.285	7.444
Sorghum	0.791	0.965	0.978	0.774	0.504	0.810
Other cereals	3.834	3.865	3.481	3.655	2.610	2.212

Source DG Agri EC Commission – March 2024

EU Cereals production and balance sheet 2024/2025

Total EU cereals production for 2024/25 marketing year is projected at 278,8 million tons. This is a first projection based on available notifications on area from Eurostat and yields forecast from JRC mars bulletin. The EU durum wheat production is projected at 6.654 Mt (Italy : 3.470 Mt – France : 1.107 Mt – Spain : 0.713 Mt – Greece : 0.514 mt – Slovakia : 0.243 Mt - Germany : 0.200 Mt – Hungary : 0.162 Mt). EU imports are projected at 2.415 Mt.

EU-27: durum wheat production in the main areas 2016/2023 (in million tons)

	2016	2017	2018	2019	2020	2021	2022	2023
Greece	1.111	0.713	0.766	0.677	0.785	0.872	0.931	0.529
Spain	1.047	1.051	1.269	0.697	0.779	0.762	0.657	0.427
France	1.678	2.097	1.777	1.550	1.312	1.576	1.332	1.268
Italy	4.996	4.169	4.101	3.809	3.844	4.022	3.651	3.649

Source DG Agri EC Commission – March 2024

International durum wheat production in 2023 (IGC)

Pulled lower by mainly by declines in the major exporters, including in Canada (-30%) and the EU (-6%), global **production** slumped by 9% y/y, to 31.4 million tons. Overall losses were pared by a strong performance in Turkey, where output rose to a record 4.3 million tons (+15%).

The forecast for **consumption** is down by 2% y/y, at a below-average 34.0 million tons. Including drawdowns in the main exporters, as well as Turkey and Russia, global **stocks** are seen at the lowest level in more than three decades, at 4.9 million tons (7.5 million tons). **Trade** is forecast to edge higher y/y, to 9.1 million tons (9.0 million tons), with increased import needs in the EU outweighing smaller deliveries elsewhere. Amid reduced exports by Canada – the world's largest supplier – Mexico, Russia and Turkey have boosted their market presence.

Concerning the main production areas, a contraction is calculated for the following countries :

- EU : 7.000 million tons (7.500 million tons in 2022)
- Kazakhstan: 0.500 million tons (0.800 million tons)
- Canada : 4.000 million tons (5.800 million tons)
- Mexico : 2.000 million tons (2.100 million tons)
- USA : 1.600 million tons (1.700 million tons)
- Algeria : 1.900 million tons (2.200 million tons)
- Tunisia : 0.500 million tons (1.100 million tons)
- Australia : 0.400 million tons (0.500 million tons)

An increase of the production is calculated in :

- Morocco : 1.200 million tons (0.800 million tons)
- Turkey : 4.300 million tons (3.800 million tons)

Production volume is expected to be stable in :

- India : 1.600 million tons (1.600 million tons)

Production of durum wheat in the main production areas (in million tons)

	2017	2018	2019	2020	2021	2022	2023
France	2.100	1.800	1.500	1.300	1.600	1.300	1.300
Greece	0.700	0.700	0.800	0.800	0.800	0.900	0.500
Italy	4.200	4.100	3.800	3.800	4.000	3.700	3.600
Spain	1.100	1.300	0.700	0.800	0.800	0.700	0.400
Kazakhstan	0.800	0.900	0.600	0.500	0.600	0.800	0.500
Canada	5.000	5.800	5.000	6.600	3.000	5.800	4.000
Usa	1.500	2.100	1.500	1.900	1.000	1.700	1.600
Mexico	2.100	1.600	1.700	1.200	1.800	2.100	2.000
Syria	0.900	0.600	0.800	0.800	0.800	0.700	0.700
Turkey	3.800	3.500	3.200	4.000	3.200	3.800	4.300
India	1.100	1.200	1.500	1.500	1.500	1.600	1.600
Algeria	2.000	3.200	3.200	2.500	1.900	2.200	1.900
Morocco	2.200	2.400	1.300	0.800	2.500	0.800	1.200
Tunisia	0.900	1.000	1.300	1.000	1.100	1.100	0.500
Australia	0.600	0.300	0.200	0.500	0.500	0.500	0.400

Source IGC – March 2024

Major exporters supply and demand durum wheat 2022/2023 and 2023/24 (in million tons)

	Canada		EU 27		Mexico		USA	
	22-23	23-24	22-23	23-24	22-23	23-24	22-23	23-24
Opening Stocks	0.600	0.400	1.000	0.800	0.400	0.600	0.700	0.800
Production	5.800	4.000	7.500	7.000	2.100	2.000	1.700	1.600
Imports	0.400	0.400	2.700	3.400	0	0	1.600	1.400
Total supply	6.800	4.900	11.200	11.200	2.500	2.700	4.000	3.800
Total use	1.100	1.000	7.700	8.000	1.100	1.200	2.500	2.400
Exports	5.300	3.400	2.800	2.500	0.800	1.100	0.700	1.000
Closing stocks	0.400	0.500	0.800	0.700	0.600	0.400	0.800	0.500

Source IGC – March 2024

Ending stocks in the main production areas (in million tons)

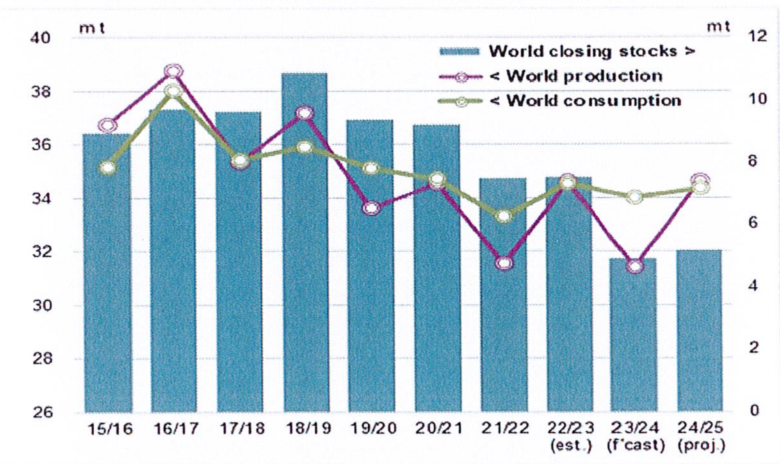
	17/18	18/19	19/20	20/21	21/22	22/23	23/24
Canada	1.400	1.800	0.700	0.800	0.600	0.400	0.500
Usa	1.000	1.500	1.100	0.700	0.700	0.800	0.500
Mexico	0.200	0.300	0.100	0.100	0.400	0.600	0.400
European Union	2.400	2.200	1.700	2.200	1.000	0.800	0.700
Total	5.000	5.800	3.700	3.800	2.700	2.600	2.000

Source IGC – March 2024

Trade durum wheat in the most significant countries (in million tons)

Imports	20/21	21/22	22/23	23/24
EU	2.892	1.096	2.293	3.000
USA	0.413	0.572	0.726	0.630
Turkey	0.389	0.109	0.400	0.150
Japan	0.255	0.185	0.214	0.200
Algeria	1.387	1.240	1.383	1.500
Morocco	1.069	0.642	1.000	0.900
Tunisia	0.495	0.464	0.677	0.700
World total	8.976	6.041	8.984	9.070
Exports	**20/21**	**21/22**	**22/23**	**23/24**
EU	0.795	1.142	0.843	0.700
Turkey	0.190	0.272	0.170	1.700
Kazakhstan	0.216	0.205	0.509	0.450
Canada	5.977	2.818	5.181	3.300
USA	0.598	0.204	0.464	0.700
Mexico	0.579	0.594	0.660	1.000
Australia	0.309	0.263	0.253	0.200

Source IGC – March 2024



The overall estimate for the global availability of durum wheat (production + stocks):

2009/2010 marketing campaign	:	48.000	million tons
2010/2011 marketing campaign	:	45.000	(-6.2 % compared to previous campaign)
2011/2012 marketing campaign	:	44.000	(- 2.2 %)
2012/2013 marketing campaign	:	42.500	(- 3.4 %)
2013/2014 marketing campaign	:	45.300	(+ 6.6 %)
2014/2015 marketing campaign	:	41.700	(- 7.9 %)
2015/2016 marketing campaign	:	46.300	(+ 11.0 %)
2016/2017 marketing campaign	:	49.600	(+ 7.1 %)
2017/2018 marketing campaign	:	45.000	(- 9.3 %)
2018/2019 marketing campaign	:	46.100	(+ 2.2 %)
2019/2020 marketing campaign	:	43.800	(- 5.0 %)
2020/2021 marketing campaign	:	42.800	(- 2.3 %)
2021/2022 marketing campaign	:	40.700	(- 4.9%)
2022/2023 marketing campaign	:	42.100	(+ 3.5 %)
2023/2024 marketing campaign	:	38.900	(-7,6 %)

IGC Outlook for 2024/2025

Based on tentative expectations for gains in area and an overall improvement in yields, world production is forecast to recover to 34.6 million tons (+10%) in 2024/25. Assuming normal weather, output in Canada could rise by 36%, to 5.5 million tons. Despite a smaller area in France, the EU crop is projected to increase to 7.6 million tons (+8%). After earlier dryness, recent rains were useful in Italy. Among other growers, larger harvests are predicted in Turkey and Russia.

With potentially larger output partly offset by tight opening stocks, only modest increases in global supplies and consumption are anticipated in 2024/25, with the latter pegged 1% higher y/y, at 34.3 million tons. While larger uptake is envisaged in some major producers, including in North Africa, overall gains may be contained by smaller feed use in the EU amid reduced inferior quality supplies. With some rebuilding foreseen in the key exporters, world stocks are placed 5% higher y/y, at 5.2 million tons. Although improved domestic production could see EU arrivals retreat form this season's elevated level, larger import needs in North Africa are set to support global **trade** at the previous year's level of 9.1 million tons.

EU figures for durum wheat – Balance sheet 19/20 to 23/24 (in million tons)

	20/21	21/22	22/23	23/24	24/25
Beginning stocks	**1.738**	**2.169**	**1.316**	**0.850**	**1.164**
Usable production	7.345	8.079	7.464	6.991	6.654
Imports	2.932	1.365	2.131	2.800	2.415
Total supply	**12.015**	**11.613**	**10.911**	**10.641**	**10.234**
Total Use in EU market	**9.009**	**9.137**	**9.195**	**8.977**	**8.992**
- Food	8.015	8.101	8.155	8.140	8.157
- Feed	0.500	0.500	0.500	0.300	0.300
- Seeds	0.400	0.400	0.400	0.400	0.400
- Industrial use	0.095	0.095	0.095	0.095	0.095
- Losses	0.048	0.041	0.045	0.042	0.040
Total exports	**0.837**	**1.160**	**0.866**	**0.500**	**0.949**
Ending stocks	**2.169**	**1.316**	**850.0**	**1.164**	**0.293**

Report Agriculture and Agri-Food Canada (March 2024)

For 2023-24, production of durum is estimated at 4.0 million tonnes (Mt) by Statistics Canada (STC), 30% less than the previous year due to a reduction in yields caused by drought across the Prairies.

Total supply is forecast at 4.5 Mt, down 30% year-on-year.

On the demand side, total exports of durum as of the end of week 31 (March 3, 2024) continue to lag last year's shipments by 41%, according to the Canadian Grain Commission (CGC). Exports for 2023-24 remain projected at 3.2 Mt.

Domestic use is expected to be down 8% year-over-year on lower feed use; carry-out stocks are forecast at 0.45 Mt, 10% more than the previous year, but 48% below average.

For 2024-25, the area seeded to durum is forecast at 2.6 million hectares (Mha), according to STC's release of farmers' seeding intentions on March 11.

This estimate reflects a 5% increase year-over-year with increased area in the major durum producing provinces, Saskatchewan (+5% y/y) and Alberta (+4% y/y). Assuming a return-to-normal yields and weather conditions, production is forecast to rise to 5.7 million tons, bringing total supplies 37% ahead of last year at 6.1 million tons.

Canadian exports of durum are forecast at 4.5 million tons, relatively in line with the average export program of the last five years, driven by increased import demand for high quality durum from North Africa and Europe. Total domestic use is projected up slightly year-over-year at 0.88 million tons while carry-out stocks are expected to rebound sharply to 0.75 million tons.

Canada: durum wheat supply and disposition (in million tons)

	Production	Total supply	Exports	Dom.use	Carry out stocks
2020-2021	6.571	7.321	5.766	0.742	0.813
2021-2022	3.033	3.853	2.716	0.569	0.569
2022-2023	5.790	6.360	5.053	0.898	0.409
2023-2024f	4.045	4.479	3.200	0.829	0.450
2024-2025f	5.655	6.130	4.500	0.880	0.750

EU Exports and Imports (July/January in tons)

	2023/2024		2022/2023		2021/2022	
	Export	Import	Export	Import	Export	Import
Durum wheat	295,668	1,701,817	476,409	1,033,067	424,468	933,706
Durum wheat meal (*)	114,136	1,865	95,924	2,116	140,115	1,535

(*) grain equivalent

EU Imports/Exports from 01 july 2023 to 1 april 2024

	Durum Wheat Imports (tons)	Durum Wheat Exports (tons)	Semolina Exports (tons)
Austria		1,867	6,978
Belgium	61,073	4,582	1,746
Bulgaria		23	1
Cech Rep	46		
Croatia	1	1,292	47
Denmark	961	10,076	52
Estonia		37,157	
Finland			
France	184	79,430	51,722
Germany	4,486	108	432
Greece	49.733	5,760	2,695
Hungary			2,955
Ireland	1		
Italy	1,623,481	74,572	50,240
Latvia	29,521		2
Lithuania		52,401	
Luxemburg			2
Malta	34,850		
Netherland	120	17	252
Poland	1,919		146
Portugal	39,092	2	
Romania	1,426	67,220	116
Slovenia	8		29
Slovakia		8,927	1
Spain	232,252	79,974	19,538
Sweden	54		
North Ireland	2,416		
Total	**2,081,623**	**423,408**	**136,953**

Source : Taxud

Durum wheat - Top 5 Import origins (in tonnes - updated of 01 april 2024)

	2023/2024		2022/2023	
	Tonnes	Share	Tonnes	Share
Turkiye	695,222	33.4 %	24	0 %
Russia	437,085	21.0 %	80,527	5.6 %
Canada	433,750	20.8 %	993,168	68.6 %
Kazakhstan	377,877	18.2 %	92,494	6.4 %
USA	101,119	4.9 %	93,096	6.4 %

Durum Wheat meal - Top 5 Export destinations (in tonnes - updated of 30 january 2024)

	2023/2024		2022/2023	
	Tonnes	Share	Tonnes	Share
Saudi Arabia	30,839	22.5 %	33,923	26.4 %
Ivory Coast	29,594	21.6 %	27,319	21.2 %
United Kingdom	13,944	10.2 %	16,311	12.7 %
Mali	12,243	8.9 %	12,607	9.8 %
Switzerland	7,472	5.5 %	5,895	4.6 %