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Germany

Grain and Feed

First Official Grain Crop Estimate

2005

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Report Highlights:

The German Ministry of Agriculture estimates this year's grain crop at 45.8 million metric tons, which is 5.3 million tons less than in 2004. Since the harvest stretched over an unusually long period, often interrupted by rainfall, crop quality is below average.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Berlin [GM1]
[GM]

The German Federal Ministry of Agriculture (BMVEL) released its first official crop estimate for grain production in 2005. The total German grain crop is estimated at 45.85 million metric tons, which is 10.3 percent less the record crop of 2004. The reduction compared to 2004 is mainly due to lower yields. In particular, crop development suffered from extreme heat in the second half of June.

Harvest work was often interrupted due to frequent rainfall, which stretched the harvest over an unusually long period. By the end of August, about ten to twenty percent of the **wheat** was still in the fields. A larger than normal portion of this year's wheat and rye crops will not meet baking quality requirements. Falling numbers are relatively low, indicating sprout damage. Reports indicate that about two thirds of the **rye** crop may not be fit for milling purposes, compared to a more normal level of about 80 percent as of last year. Some mills are already requesting for the release of intervention rye into the domestic market since the new rye crop quality in the particular region is inferior and only fit for feed. However, we should keep in mind that only one third of this year's rye crop is needed for bread.

The quality of the later harvested **wheat** is also said to be badly sprout damaged. However, this does not indicate a shortage of baking wheat in Germany since only about 30 percent of the harvested wheat will be needed for flour milling. Reliable data on how much of the wheat crop will not meet baking requirements are not yet available. Due to the varying weather conditions, rain followed by extremely hot days, kernel development is often below average. However, market experts are confident that German high quality wheat will be intensively traded on EU markets. Intervention releases of wheat into the domestic market are at the moment not foreseen.

The market is showing price increases for **brewing barley**. The spring barley crop is about 500,000 tons lower than in 2004. It is likely that only about 50 percent of this barley will meet the tough quality standards for malting. In addition to the spring malting barley, about 300,000 tons of winter barley is used for malting. This implies that a net import demand of 500 to 600,000 tons of malting barley for Germany for MY 2005/06 will need to be supplied by neighboring EU countries.

The oats crop also suffered under the slow vegetation start of 2005 and the June heat. Harvested quality is mixed.

Not much can be said about the outlook for corn production since growth status often differs significantly from field to field. The forecast yield number of 8.6 tons per hectare might seem to be a little at the lower end. Since roughage production has been average or above, farmers might be inclined to harvest as much corn as possible in the form of grain corn or CCM. The current sunny weather supports corn development.

Grain Production 2005

	2004			2005		
	Area 1000 ha	Yield MT/ha	Production 1,000 MT	Area 1000 ha	Yield MT/ha	Production 1,000 MT
Winter Wheat	3,057	8.21	25,088	3,123	7.43	23,212
Spring Wheat	46	6.25	289	55	5.66	309
Durums	8	6.11	50	10	5.36	56
All Wheat	3,112	8.17	25,427	3,188	7.40	23,577
Rye	625	6.13	3,830	555	5.07	2,812
Winter Barley	1,365	7.06	9,636	1,359	6.59	8,948
Spring Barley	614	5.47	3,357	605	4.69	2,841
All Barley	1,979	6.56	12,993	1,964	6.00	11,788
Oats	228	5.21	1,186	211	4.51	951
Spring Mixed	24	4.65	113	27	4.21	113
Winter Mixed	10	6.08	58	10	5.26	51
Triticale	507	6.49	3,290	482	5.69	2,741
All	541	6.39	3,461	519	5.60	2,905
Corn	462	9.13	4,200	443	8.60	3,812
Grand Total	6,947	7.36	51,097	6,880	6.66	45,846

Source: BMVEL