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Report Highlights:

Owing to improved weather conditions, grain production in Turkey in marketing year (MY) 2022/23 is projected to increase year-over-year to 17.3 million metric tons (MMT). Wheat, barley, corn, and rice production are individually projected higher from last year which was hit by intense dry weather. Turkey will continue importing large volumes of grain in MY 2022/23, a sizeable portion of which will either be transshipped or re-exported as a processed product, like flour or pasta. In order to stabilize domestic market conditions and reduce rising food inflation, the Turkish Grain Board (TMO) is purchasing domestic wheat and barley and later re-selling the grain at a discount. At the same time, TMO recently published separate tenders to procure about 500,000 MT of imported barley and 500,000 MT of imported milling wheat.

Production

Wheat

The MY 2022/23 forecast for wheat production and area harvested remains unchanged at 17.25 million metric tons (MMT) and 6.8 million hectares (ha), respectively. Wheat production is up year-over-year primarily due to improved weather conditions compared to the previous year which was affected by drought. This year's wheat harvest concluded in August.

The Turkish Grain Board (TMO), a government-affiliated body, procures domestic and imported grains to stabilize local market conditions. Since June of this year, after announcing its [procurement price](#) for domestic wheat, TMO has bought more than 4 MMT of the current marketing years' wheat crop.

Barley

The MY 2022/23 forecast for barley production and area harvested remains unchanged at 7.4 MMT and 3.8 million ha, respectively. Production is up year-over-year due to improved weather conditions and an expansion in the area harvested. The barley harvest concluded in July.

Since announcing its [procurement price](#) for domestic barley in June, TMO has purchased about 1 MMT of the current marketing year's barley crop.

Corn

The MY 2022/23 corn production forecast is revised upward to 6.8 MMT, while the projected area harvested is left unchanged at 525,000 ha. The revision to the corn production forecast is largely based on higher than expected yields in Central Anatolia due to favorable weather conditions.

The first-crop corn harvest, which accounts for most of total production, has finished in the Cukurova and Southeastern regions but continues in Central Anatolia. The second-crop harvest, which will start in the Southeastern part of Turkey around Mardin and Sanliurfa in November, is predicted to be a little smaller than prior years since some farmers have shifted from corn to cotton. See our [Annual Grain and Feed Report](#) for discussion about this trend.

In August of this year, TMO announced the MY 2022/23 corn [procurement price](#) at 5,700 TL/MT (\$316/MT). TMO did not publish a procurement price last year because of strong private sector demand.

Rice

The MY 2022/23 forecast for rice production and area harvested remains unchanged at 600,000 MT (milled) and 99,000 ha, respectively. Production is up slightly year-over-year. This current marketing year's rice harvest started in Gonen and Bandirma on the west side of Turkey in September and is expected to continue until November. Yields are projected to be higher than last year due to better growing conditions.

In October of this year, TMO announced the MY 2022/23 paddy rice [procurement price](#) between 13,500 TL/MT and 16,000 TL/MT (\$730/MT and \$865/MT). Last year's procurement price was between 4,500 TL/MT and 5,500 TL/MT (\$542/MT and \$662/MT).

Consumption

Wheat

The MY 2022/23 wheat consumption forecast is unchanged from the USDA official figure of 20.7 MMT, but up year-over-year by 500,000 MT. Most of the year-over-year increase is coming from food, seed, and industrial (FSI) consumption. About 90 percent of wheat is consumed in Turkey as FSI and the remaining 10 percent as feed.

Barley

Barley consumption in MY 2022/23 is forecast at 8.1 MMT, higher than the USDA official number and up year-over-year. This revision assumes that TMO will continue to import barley to support the domestic feed sector. In contrast to wheat, most barley is used for feed production in Turkey.

Corn

The corn consumption forecast for MY 2022/23 is revised slightly higher from the USDA official projection to 9.4 MMT. However, consumption is down a little year-over-year because of a slowdown in livestock feed demand. Meantime, the starch industry's demand for corn remains stable.

Rice

Rice consumption in MY 2022/23 is forecast unchanged at 760,000 MT, assuming stable household and restaurant demand.

Trade

Wheat Imports

The MY 2022/23 wheat import forecast is pulled back slightly from the USDA official number to 10.0 MMT. This revision is based on a yearly increase in domestic wheat production and a slower-than-expected pace of imports during the first three months (Jun-Aug) of the marketing year compared to the same time last year.

The slowdown in imports is in part linked to the disruption in Ukrainian wheat shipments, a delay in TMO issuing wheat import tenders, a weakened Turkish Lira, and a local credit crunch causing some importers to hold back on purchases. Imports from June-August reached 1.8 MMT, down about 8 percent from the same time a year ago. The leading sources for imported wheat during this period were Russia (1.4 MMT) and Ukraine (323,000 MT). Imports of Ukrainian wheat arriving through the maritime corridor from the beginning of August to mid-October totaled nearly 448,000 MT.

Turkey is considered one of the largest consumers of bread in the world on a per capita basis. Given its importance in the Turkish diet, the government subsidizes a portion of the country's bread production using imported and domestic wheat. TMO purchases imported and domestic wheat and sells it to local millers at a significant discount that is below domestic and international prices. The millers sell the cheap flour to private bakeries that produce and sell bread at a set price; this set price varies from region-to-region and is fixed by the local government.

In October 2022, TMO announced its first milling wheat and barley tenders for the MY 2022/23 season. The milling wheat tender was for about 500,000 MT. TMO also [announced](#) that millers can buy

imported/domestic milling wheat around 4,500 TL/MT (\$243/MT), which about 30 percent lower than the domestic market price. According to the “Flour & Feed Regulation Action” from 2021, TMO sometimes sells imported wheat and other commodities on the domestic market below the actual procurement cost in order to stabilize domestic market conditions and reduce inflation.

Wheat Exports

The wheat export forecast for MY 2022/23 is revised slightly downward to 6.5 MMT, based on weaker-than-expected export performance for flour and pasta during the first quarter (Jun-Aug) of the marketing year.

Turkey’s wheat flour exports from June-August totaled 716,000 MT, down about 15 percent compared to the same time last year. Leading destinations were Iraq (318,000 MT), Yemen (77,000 MT), Venezuela (58,000) and Syria (56,000 MT). Flour exports to Iraq have been trending downward in recent years as Iraq invests in expanding its milling capacity.

Turkey’s pasta exports during this same three-month period reached 338,000 MT, down about 5 percent from the same time last year. The main destinations for Turkish pasta were Venezuela (57,000 MT), Benin (27,000 MT), and Ghana (21,000 MT).

Barley Imports

The barley import forecast for MY 2022/23 is revised higher to 1.1 MMT, assuming that TMO continues to import feed barley to support the livestock industry. In October of this year, TMO made its first barley tender during the MY 2022/23 season for 500,000 MT. Imports of Ukrainian barley arriving through the maritime corridor from the beginning of August to mid-October totaled about 49,000 MT.

In October of this year, the Ministry of Agriculture and Forestry [announced](#) that TMO will continue selling imported/domestic barley at around 5,250 TL/MT (\$283/MT), which about 20 percent lower than the domestic market price. The discounted barley is sold to livestock producers to help stabilize local market conditions and minimize food inflation.

Barley Exports

The MY 2022/23 barley export figure remains the same at 200,000 MT, assuming stable export demand.

Corn Imports

The corn import forecast for MY 2022/23 remains unchanged at 3.0 MMT, assuming stable demand from the domestic starch and feed industries and continued demand for transshipments. Imports of Ukrainian corn arriving through the maritime corridor from the beginning of August to mid-October totaled nearly 406,000 MT.

Corn imports in MY 2021/22 were about 3.5 MMT. Ukraine (1.4 MMT), Russia (1.2 MMT), Romania (403,000 MT) and Moldova (350,000 MT) were the leading suppliers.

Corn Exports

For MY 2022/23, corn exports are forecast at 500,000 MT, assuming continued demand from neighboring countries for transshipments.

In MY 2021/22, corn exports totaled 492,000 MT, of which 82,000 MT was domestic corn and the remainder was transshipments. The main destinations for corn exports during this period were Iraq (345,000 MT), Syria (40,000 MT), and Italy (33,000 MT).

Rice Imports

The MY 2022/23 rice export forecast remains unchanged from the USDA official number at 370,000 MT, assuming steady domestic demand as well as demand for transshipments.

For MY 2021/22, rice imports are estimated at 302,000 MT (milled equivalent), which is made up of 287,000 MT of milled rice, 9,700 MT of paddy rice, and 4,800 MT of brown rice. The leading suppliers of milled rice were China (155,000 MT), Uruguay (45,000 MT), and India (39,000 MT). Meantime, the top sources for paddy rice were Russia (7,700 MT) and Bulgaria (2,000 MT).

Rice Exports

For MY 2022/23, rice exports are forecast marginally higher at 245,000 MT (milled equivalent), assuming continued demand for transshipments. In MY 2021/22, rice exports are estimated slightly lower at 257,000 MT, based on the latest trade statistics. The main destinations were Syria (72,000 MT), Iraq (49,000 MT), and Libya (30,000 MT).

Stocks

There is no significant development to report on grain stocks, which are forecast to remain relatively stable in MY 2022/23. There are 164 licensed warehouses spread across most of Turkey. The combined capacity of these warehouses, which are owned by TMO, commodity exchanges, and the private sector, is about 8.4 MMT.

Production, Supply and Distribution

Wheat Market Year Begins Turkey	2020/2021		2021/2022		2022/2023	
	Jun 2020		Jun 2021		Jun 2022	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	7100	7100	7050	7050	6800	6800
Beginning Stocks (1000 MT)	4468	4468	3730	3730	2237	2237
Production (1000 MT)	18250	18250	16000	16000	17250	17250
MY Imports (1000 MT)	8081	8081	9421	9421	10250	10000
TY Imports (1000 MT)	8051	8051	9555	6500	10250	10000
Total Supply (1000 MT)	30799	30799	29151	29151	29737	29487
MY Exports (1000 MT)	6469	6469	6714	6714	6750	6500
TY Exports (1000 MT)	6571	6571	6646	6500	6750	6500
Feed and Residual (1000 MT)	2000	2000	1400	1400	1500	1500
FSI Consumption (1000 MT)	18600	18600	18800	18800	19200	19200
Total Consumption (1000 MT)	20600	20600	20200	20200	20700	20700
Ending Stocks (1000 MT)	3730	3730	2237	2237	2287	2287
Total Distribution (1000 MT)	30799	30799	29151	29151	29737	29487
Yield (MT/HA)	2.5704	2.5704	2.2695	2.2695	2.5368	2.5368

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Wheat begins in July for all countries. TY 2022/2023 = July 2022 - June 2023

Barley Market Year Begins Turkey	2020/2021		2021/2022		2022/2023	
	Jun 2020		Jun 2021		Jun 2022	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	3800	3800	3700	3700	3800	3800
Beginning Stocks (1000 MT)	766	766	522	522	316	316
Production (1000 MT)	8100	8100	4500	4500	7400	7400
MY Imports (1000 MT)	706	706	2867	2867	500	1100
TY Imports (1000 MT)	1634	1634	2100	2100	800	1100
Total Supply (1000 MT)	9572	9572	7889	7889	8216	8816
MY Exports (1000 MT)	60	60	173	173	200	200
TY Exports (1000 MT)	122	122	200	135	100	200
Feed and Residual (1000 MT)	8100	8100	6500	6500	6600	7200
FSI Consumption (1000 MT)	890	890	900	900	900	900
Total Consumption (1000 MT)	8990	8990	7400	7400	7500	8100
Ending Stocks (1000 MT)	522	522	316	316	516	516
Total Distribution (1000 MT)	9572	9572	7889	7889	8216	8816
Yield (MT/HA)	2.1316	2.1316	1.2162	1.2162	1.9474	1.9474

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Barley begins in October for all countries. TY 2022/2023 = October 2022 - September 2023

Corn Market Year Begins Turkey	2020/2021		2021/2022		2022/2023	
	Sep 2020		Sep 2021		Sep 2022	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	620	620	540	540	525	525
Beginning Stocks (1000 MT)	825	825	889	889	712	812
Production (1000 MT)	7100	7100	6500	6500	6200	6800
MY Imports (1000 MT)	1781	1781	3515	3515	3000	3000
TY Imports (1000 MT)	1794	1794	3550	3550	3000	3000
Total Supply (1000 MT)	9706	9706	10904	10904	9912	10612
MY Exports (1000 MT)	317	317	492	492	200	500
TY Exports (1000 MT)	309	310	500	500	200	500
Feed and Residual (1000 MT)	7400	7400	8500	8300	8100	8100
FSI Consumption (1000 MT)	1100	1100	1200	1300	1100	1300
Total Consumption (1000 MT)	8500	8500	9700	9600	9200	9400
Ending Stocks (1000 MT)	889	889	712	812	512	712
Total Distribution (1000 MT)	9706	9706	10904	10904	9912	10612
Yield (MT/HA)	11.4516	11.4516	12.037	12.037	11.8095	12.9524

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Corn begins in October for all countries. TY 2022/2023 = October 2022 - September 2023

Rice, Milled Market Year Begins Turkey	2020/2021		2021/2022		2022/2023	
	Sep 2020		Sep 2021		Sep 2022	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	97	97	97	97	99	99
Beginning Stocks (1000 MT)	253	253	282	282	93	108
Milled Production (1000 MT)	591	591	541	541	600	600
Rough Production (1000 MT)	882	882	807	807	896	896
Milling Rate (.9999) (1000 MT)	6700	6700	6700	6700	6700	6700
MY Imports (1000 MT)	411	411	300	302	370	370
TY Imports (1000 MT)	331	331	350	350	370	370
Total Supply (1000 MT)	1255	1255	1123	1125	1063	1078
MY Exports (1000 MT)	213	213	270	257	230	245
TY Exports (1000 MT)	241	241	270	270	230	245
Consumption and Residual (1000 MT)	760	760	760	760	760	760
Ending Stocks (1000 MT)	282	282	93	108	73	73
Total Distribution (1000 MT)	1255	1255	1123	1125	1063	1078
Yield (Rough) (MT/HA)	9.0928	9.0928	8.3196	8.3196	9.0505	9.0505

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Rice, Milled begins in January for all countries. TY 2022/2023 = January 2023 - December 2023

Attachments:

No Attachments