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Report Name: Grain and Feed Semi-Annual

Country: Saudi Arabia

Post: Riyadh

Report Category: Grain and Feed

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Report Highlights:

Total Saudi wheat imports for 2024/25 are forecast to reach 4.25 MMT, an increase of 2 percent over marketing year (MY) 2023/24. Saudi barley imports for MY2024/25 are projected to increase by 4 percent to 2 MMT. Saudi MY2024/25 total corn imports are projected to decline by 5 percent to 4.5 MMT from a record import level of 4.74 MMT recorded in MY2023/24. U.S. rice exports to Saudi Arabia since January through August 2024 reached 66,683 MT, an increase of 22 percent compared 54,491 MT imported in the same period last year. There were no significant changes to the Saudi rice trade since Post's March 2024 report.

Wheat

Production:

Local wheat production remained at 1,187,658 MT of wheat in the in the marketing year MMT in MY2023/24 (July 2023 – June 2024). The wheat was produced by 3,206 small farmers that delivered on average 370.45 MT of wheat and were paid \$480 per MT compared to the average CIF price of \$405.11 per MT for imported wheat in the same marketing year. The General Food Security Authority (GFSA) has a mandate to purchase up to 1.5 MMT of locally produced wheat in MY 2024/25.

Consumption:

In MY2023/24 domestic wheat consumption was estimated at 4.512 MMT and projected to increase 4 percent annually.

Trade:

In MY2023/24, GFSA (monopsony wheat importer for the Kingdom) imported 4.16 MMT of wheat, a decrease of 11 percent from 4.67 MMT it imported a year earlier. Post anticipates an increase of approximately 2 percent wheat imports in MY2024/25 to 4.25 MMT. In MY2023/24, Russia was the dominant wheat supplier to Saudi Arabia with 49 percent market share, followed by EU-27 at 41 percent and Brazil was a distant third at 10 percent. Modifications to GFSA's wheat imports specifications that set bug damage to 0.5 percent, improved quality and competitive prices are the main reasons that have helped propel Russia to the dominant position among wheat exporters in the Saudi market in past two years. GFSA does not have a memorandum of understanding (MOU) in the grains trade with any country. Its purchasing decision are based on suppliers meeting its import quality specifications and at a competitive price.

Saudi Wheat Production, Supply and Demand (PSD) Table

Wheat Market Year Begins Saudi Arabia	2022/2023		2023/2024		2024/2025	
	Jul 2022		Jul 2023		Jul 2024	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	197	197	250	250	250	250
Beginning Stocks (1000 MT)	2002	2002	3504	2785	4011	3435
Production (1000 MT)	625	625	1200	1200	1500	1500
MY Imports (1000 MT)	5260	4670	3889	4162	3600	4250
TY Imports (1000 MT)	5260	4670	3889	4162	3600	4000
TY Imp. from U.S. (1000 MT)	4	4	4	0	0	0
Total Supply (1000 MT)	7887	7297	8593	8147	9111	9185
MY Exports (1000 MT)	183	183	132	200	250	200
TY Exports (1000 MT)	183	183	132	200	250	200
Feed and Residual (1000 MT)	0	0	0	0	0	0
FSI Consumption (1000 MT)	4200	4329	4450	4512	4700	4690
Total Consumption (1000 MT)	4200	4329	4450	4512	4700	4690
Ending Stocks (1000 MT)	3504	2785	4011	3435	4161	4295
Total Distribution (1000 MT)	7887	7297	8593	8147	9111	9185
Yield (MT/HA)	3.1726	3.1726	4.8	4.8	6	6

(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 2024/2025 = July 2024 - June 2025

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Barley

Production:

There is no feed barley production in the Kingdom.

Consumption:

Traditionally, farmers mix barley with alfalfa to feed their livestock, however, domestic hay prices have been going up in the recent months and making feed combination more costly than processed animal feed. Furthermore, the barley/alfalfa feed mix will get more costlier when local alfalfa production is terminated in 2027. The increasing demand for locally processed animal feed has reduced the use of grain barley by the local livestock farmers. Domestically produced feed uses corn as a main ingredient, substantially increasing its demand in the past two years. Post estimates domestic barley consumption for MY2024/25 at 2.325 MMT, an increase of 9 percent over MY2023/24 total consumption. The recent decline in barley consumption can be attributed to the following factors:

- 1) Local farmers have been educated about the cost saving benefits of processed feed. It is reported that 1 kg of processed feed replaces 1.5 kg of barley and offers higher nutritional value (weight gain) than feeding grain barley.

- 2) Increased distribution of processed feed. Even though, barley distribution is more extensive than processed animal feed, local feed processors are currently distributing to regions outside of where their factories are based. Traditionally, the demand for barley decreases when competitively priced feed alternatives are widely available to farmers.
- 3) Alfalfa– barley mix feed has been more expensive than processed feed. As part of its water conservation efforts, the Saudi government announced early this year a three-year plan to phase-out domestic green forage production by 2027. Traditional farmers mix alfalfa hay and barley to feed their livestock. The termination of domestic alfalfa hay cultivation is projected to make imported hay-barley mix feeding more expensive than domestically processed animal feed. If this plan materialized, the demand for processed feed and thus for imported corn should significantly increase beyond 2027.

Trade:

Post estimates that the total Saudi barley imports for MY2023/24 at 1.92 MMT and projects imports to increase by 30 percent 2.5 MMT in MY2024/25. The projected significant increase in barley imports in the current MY are to replenish low barley stock and increased demand by feed processors for use in their livestock feed formulations if barley prices are attractive compared to yellow corn. According to Saudi Customs data, Russia supplied 74 percent of all barley imports in MY2023/24, followed by Australia at 10 percent, EU at 9 percent and Ukraine at 7 percent. MEWA wants to see barley imported only for use as an ingredient in the domestic animal feed processing when prices are competitive instead of being fed unprocessed to cattle. It appears Ukraine is still facing difficulties to ship grain to international markets, including to Saudi Arabia, because of the continued war with Russia. As the local feed processing sector continues to expand and livestock farmers benefit from different feed options, Post anticipates barley imports to continue to decrease and may be used as an ingredient in animal feed processing if its prices are more competitive compared to other feed grains such as corn.

Saudi Barley Production, Supply and Demand (PSD) Table

Barley	2022/2023		2023/2024		2024/2025	
	Jul 2022		Jul 2023		Jul 2024	
Market Year Begins	Jul 2022		Jul 2023		Jul 2024	
Saudi Arabia	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	2	2	2	2	1	2
Beginning Stocks (1000 MT)	991	991	980	894	967	703
Production (1000 MT)	14	14	12	12	4	12
MY Imports (1000 MT)	4300	3914	1600	1922	3000	2500
TY Imports (1000 MT)	3100	3000	1700	1500	2200	2000
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	5305	4919	2592	2828	3971	3215
MY Exports (1000 MT)	0	0	0	0	0	0
TY Exports (1000 MT)	0	0	0	0	0	0
Feed and Residual (1000 MT)	4300	4000	1600	2100	3000	2300
FSI Consumption (1000 MT)	25	25	25	25	25	25
Total Consumption (1000 MT)	4325	4025	1625	2125	3025	2325
Ending Stocks (1000 MT)	980	894	967	703	946	890
Total Distribution (1000 MT)	5305	4919	2592	2828	3971	3215
Yield (MT/HA)	7	7	6	6	4	6

(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 2024/2025 = October 2024 - September 2025

Corn

Production

Approximately 110,000 MT of corn is produced annually for human consumption in the Kingdom.

Consumption:

Imported corn is primarily used for animal feed. Approximately 240,000 MT is used in the production of food processing ingredients, such as starch and sweeteners. Domestically grown corn is used as corn-on-the-cob or milled for flour by small neighborhood flourmills.

MY2023/24 total corn consumption was estimated at approximately 4.54 MMT and projected to increase 4 percent to 4.74 MMT in MY2024/25 mainly because of the continued expansions in the local poultry farming sector. Corn continues to be a very important feed grain for poultry farms and accounts for approximately 60 percent of poultry feed formulations. It is also a key feed grain used by the domestic dairy industry. Compared to other feed options, local feed processors often swap corn in and out of operations depending on the price. Local feed processors can easily replace corn with barley if its prices are less competitive and increase its use in their feed processing when prices are competitive.

Post projects corn consumption to continue to increase significantly over the next several years as Saudi Arabia strives to meet self-sufficiency in domestically produced chicken meat. Currently, the country is 80 percent self-sufficient in chicken meat.

Trade:

Post estimates MY2023/24 total Saudi corn imports reached approximately 4.74 MMT, a record high and projected to decline slightly to 4.5 MMT in MY2024/25 because of increased ending stocks last MY. The demand for corn is projected to remain strong due to expanding domestic chicken farms and feed processors. Corn from Latin America continues to dominate the Saudi market due to its competitive prices and presumed high quality. In MY2023/24, Brazil was the largest supplier of corn to Saudi Arabia and had 40 percent market share, closely followed by Argentina at 39 percent and the U.S. was a distant third at 18 percent.

Saudi Corn Production, Supply and Demand (PSD) Table

Corn Market Year Begins Saudi Arabia	2022/2023		2023/2024		2024/2025	
	Oct 2022		Oct 2023		Oct 2024	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	25	25	25	25	25	25
Beginning Stocks (1000 MT)	415	415	415	477	393	786
Production (1000 MT)	111	111	110	110	110	110
MY Imports (1000 MT)	3289	3291	4668	4739	4600	4500
TY Imports (1000 MT)	3289	3291	4668	4739	4600	4500
TY Imp. from U.S. (1000 MT)	554	556	0	871	0	0
Total Supply (1000 MT)	3815	3817	5193	5326	5103	5396
MY Exports (1000 MT)	0	0	0	0	0	0
TY Exports (1000 MT)	0	0	0	0	0	0
Feed and Residual (1000 MT)	3200	3100	4600	4300	4500	4500
FSI Consumption (1000 MT)	200	240	200	240	200	240
Total Consumption (1000 MT)	3400	3340	4800	4540	4700	4740
Ending Stocks (1000 MT)	415	477	393	786	403	656
Total Distribution (1000 MT)	3815	3817	5193	5326	5103	5396
Yield (MT/HA)	4.44	4.44	4.4	4.4	4.4	4.4
(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 2024/2025 = October 2024 - September 2025						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Rice:

Production:

No domestic rice production in Saudi Arabia.

Consumption:

No changes since our March 2024 report.

Trade:

Total Saudi rice imports for January – August 2024 declined by 5 percent to 1,024,438 MT compared to the same period last year, however, imports from India have picked up due to the recent removal of export restrictions imposed on some rice varieties in the summer of 2023. Increased imports from the U.S. and Australia are other factors that will maintain Post’s estimated forecast for the period. As such, Post will maintain previous rice imports forecast issued in March 2024 as stated in the below PSD table.

According to the U.S. Customs data, the total U.S. rice exports to Saudi Arabia for January - August 2024 reached 66,683 MT, an increase of 22 percent compared 54,491 MT imported in the same period last year. Long grain parboiled rice imports increased by 12 percent from 53,615 MT to 60,270 MT in the first eight months of this year compared to the same period last year. Medium grain rice (Calrose rice) imports increased from 866 MT to 6,313 MT over the same period due to its price competitiveness compared to the past two MYs.

Saudi Rice Production, Supply and Demand (PSD) Table

Rice, Milled Market Year Begins Saudi Arabia	2022/2023		2023/2024		2024/2025	
	Jan 2023		Jan 2024		Jan 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	0	0	0	0	0	0
Beginning Stocks (1000 MT)	364	364	451	475	501	565
Milled Production (1000 MT)	0	0	0	0	0	0
Rough Production (1000 MT)	0	0	0	0	0	0
Milling Rate (.9999) (1000 MT)	0	0	0	0	0	0
MY Imports (1000 MT)	1487	1511	1600	1560	1700	1620
TY Imports (1000 MT)	1487	1511	1600	1560	1700	1620
TY Imp. from U.S. (1000 MT)	86	0	0	0	0	0
Total Supply (1000 MT)	1851	1875	2051	2035	2201	2185
MY Exports (1000 MT)	0	0	0	0	0	0
TY Exports (1000 MT)	0	0	0	0	0	0
Consumption and Residual (1000 MT)	1400	1400	1550	1470	1650	1560
Ending Stocks (1000 MT)	451	475	501	565	551	625
Total Distribution (1000 MT)	1851	1875	2051	2035	2201	2185
Yield (Rough) (MT/HA)	0	0	0	0	0	0

(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 2024/2025 = January 2025 - December 2025

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Attachments:

No Attachments