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Prepared By: Kubilay Karabina

Approved By: Christine Strossman

Report Highlights:

Hot and dry weather in May and heavy rains in June caused slight yield and quality losses in wheat and barley in some regions. The MY 2020/21 wheat production forecast is 18 MMT, barley production forecast is 8 MMT and corn remains the same at 6.85 MMT. Durum wheat production is better than previous years in Turkey. The Turkish government announced procurement prices for wheat and barley in May 2020.

Production

Wheat

The MY 2020/21 total wheat production area estimate is 7.1 million hectares with production at about 18 million MT (MMT). Warm and drier than usual weather conditions in May which especially affected Central Anatolia and heavy rains in June especially in the Thrace region caused yield and quality losses, while better weather conditions prevailed in the Southeastern and Cukurova regions.

Yields and quality varied by region and by field due to irrigation and precipitation differences. Despite a better cumulative precipitation than last year throughout Turkey, warm and drier than usual weather conditions in Central Anatolia in May has affected crop quality. About 60 percent of the wheat harvest was completed as of mid-July due to some delay related to late spring rains, whereas at the same point last year it was 70 percent completed. The Southeastern region had a good year in terms of yield and quality. Sunn pest problems were more common than the previous year. Production increased for both milling and durum wheat in the Southeastern region.

The Cukurova region has 260,000 ha of wheat planted in MY 2020/21, which is the same as last year. Overall growing conditions were good until the harvest, despite a few unirrigated areas. The first harvest in the Cukurova region started in May and yields are a bit higher than the long-term average of 5 MT/ha.

Central Anatolia is the main grain production region of Turkey. Nearly half of the fields are unirrigated, and yields are directly linked to rainfall. Yields and quality were better in the West than the East due to different precipitation and average temperature conditions. Especially Kirikkale region had yield losses due to drought weather conditions during the spring in unirrigated areas, which was partly offset by irrigated areas in the region.

Plant development in the Thrace Region started off well, similar to Central Anatolia, however insufficient rains in April and heavy rains and hail in May and June adversely affected crops. There are at least 15 percent yield losses compared to last year. Late rains in Thrace are reported to have lowered protein values as well.

Total wheat production is estimated at 17.5 MMT in MY 2019/20, of which about 2.3 MMT is durum wheat. Turkey's continued rapid urbanization, the growth in alternative crops, orchard development, greenhouse development, the Government's price pressure on bread and wheat flour prices, and also the increased production of sesame seeds, onions, pulses and vegetables is slowly reducing the total wheat area in Turkey. Exceptionally this year, durum wheat planting area increased considerably while milling wheat area decreased vis-a-vis other crops as well durum wheat, due to better returns from durum wheat last year.

Barley

Post revised the barley production forecast to 8 MMT for MY 2020/21, up 100,000 MT higher than last marketing year due to an increase in planting area although there were quality issues and energy problems reported. Especially drier windy weather conditions in May adversely affected the crop in Central Anatolia.

Corn

MY 2020/21 corn planting in Turkey has been completed and the area forecast is up about 15 percent to 600,000 hectares and production increased to 6.85 MMT, assuming sufficient rain and favorable conditions, comparable to the country's long-term yield average. Second-crop corn is a common product in Southeast Anatolia, especially in the Sanliurfa and Mardin regions. Some farmers, roughly representing 40,000 hectares in the southeast, who used to plant cotton, have switched back to milling wheat as a first crop and corn as a second crop due to bad returns from cotton in previous years. In addition, some area in the Cukurova and Aegean regions also shifted to corn from other crops. New planted area benefited from late rains in spring. So far, corn germination and plant development are on track for normal yields.

Rice

The MY 2020/21 paddy rice area estimate is 97,000 ha with production forecast at 882,000 MT, down three percent compared to MY 2019/20. The lower production numbers are due to a decrease in planting area, especially in the Thrace region, after a winter drought leading to low water levels of key dams used for irrigation. Rice planting finished in May 2020. So far, paddy germination and plant development are favorable throughout Turkey.

Consumption

Turkish domestic wheat consumption is forecast at 20.2 MMT in MY 2020/21, up 300,000 MT from the 2019/20 year. The majority of wheat is utilized for human consumption as flour and pasta (some of which is exported), with the rest of the wheat used as feed. Seed and industrial consumption remains the same, so the increase in consumption is in mainly for human consumption.

MY 2020/21 barley consumption is estimated at 8 MMT tons, in line with availability of barley and demand from the feed sector with competitive prices.

In MY 2020/21, Turkey's domestic corn consumption forecast is 9.5 MMT, assuming stable demand from the feed sector while there is a decrease in industrial consumption due to poor demand from the Hotel, Restaurant and Institutional (HRI) sector due to COVID 19.

In MY 2020/21, Turkish domestic rice consumption is forecast at 815,000 MT, which is slightly higher than MY 2019/20, assuming stable demand from the household sector and Turkey's growing population.

Trade

Wheat

Turkey has imported a total of 10.7 MMT of wheat in MY 2019/20, which is a record level. The vast majority (6.8 MMT) was supplied by Russia. Ukraine (1.3 MMT) and Canada (882,700 MT) were the other main sources. Turkey imported about 1.8 MMT of durum wheat in MY 2019/20, compared to 561,000 MT in MY 2018/19. Canada and Mexico were the main suppliers with 882,700 MT and 553,000 MT, respectively.

For MY 2020/21, Turkey's wheat import forecast is 7 MMT due to a slowdown in wheat product exports and better durum wheat production in the current harvest.

Turkish wheat products exports have been stable in recent years. In MY 2019/20, wheat exports from Turkey (including flour and wheat products) were about 6.4 MMT (wheat equivalent basis), of which about 3 MMT is wheat flour and about 1.3 MMT is pasta, 300,000 MT is bulgur and 256,000 MT of cookies. Reductions in wheat flour markets were compensated by increasing pasta exports.

For MY 2020/21, total wheat exports from Turkey, including wheat products, are forecast down at 6.1 MMT, due to weaker demand from importing countries due to Covid-19.

The President of Turkey announced the 2019 grain intervention prices on May 4, 2020. For MY 2020/21, the milling wheat intervention prices increased about 22 percent (in Turkish Lira terms) compared to last year. TMO offers Anatolian Hard Red Milling Wheat (AKS) at 1650 TL/MT (\$235/MT) compared to 1350 TL/MT (\$228/MT) last year. The durum wheat price was set at 1800 TL/MT (\$245/MT). The barley procurement price increased to 1275 TL/MT from 1100 TL/MT. Note: exchange rate of \$1=7 TL as of May 2020 compared to 5.9 TL in May 2019).

<http://www.tmo.gov.tr/Main.aspx?ID=29233>

The GOT gives wheat and barley producers support for fertilizer, gasoline, certified seed usage, and soil analysis. Premiums and support together reach 230TL/MT, compared to 200 TL/MT last year.

TMO will buy red lentil at 3,500 TL/MT, green lentil at 3500 TL/MT and chickpeas 3350 TL/MT. The GOT also gives 800 TL/MT as a production premium for pulses producers. While the Turkish Grain Board (TMO) continues to be active in the market, another government affiliated company, Turkseker, the largest sugar beet factory organization in Turkey, offers better prices than TMO to farmers for winter crops.

In July 2020, the Anatolian Hard Red Wheat (AKS) price is about 1800 TL/MT, barley is 1200 TL/MT and corn is 1350 TL/MT in the domestic market. Last year, the local prices were 1360 TL/MT, 1150 TL/MT, and 1200 TL/MT, respectively.

Corn

TMO was also very active in the corn market. TMO imported about 150,000 MT of corn, with a tender issued in May 2020, to meet the domestic demand and stabilize the domestic corn price. Corn imports for the first nine months of MY 2019/20 (from September to May) reached about 2.7 MMT compared to just 1.9 MMT during the same period last year. Russia was the main supplier with 730,000 MT, followed by Ukraine and Romania with about 607,000 MT and 577,000 MT respectively.

For MY 2020/21, Turkey's corn import forecast is 2.7 MMT assuming a stable demand from the feed sector.

Rice

Rice imports for MY 2020/21 are expected to remain at the original forecast of 230,000 MT, assuming a stable demand from household and HRI sectors. Rice imports during the first nine months of MY 2019/20 (from September to May) were about 178,000 MT and for the full year

are expected to be 240,000 MT, milled equivalent. Due to another good crop expectation, traders are maintaining low stocks to prepare for the new harvest. According to the Turkish Statistical Institute, Turkey imported about 129,500 MT paddy rice (HS 100610) during the first nine months of MY 2019/20, of which 26,250 MT of paddy rice from United States. Turkey also imported 81,000 MT of milled rice (HS 100630) and 8,400 MT of brown rice (HS 100620) during the same period.

Additional Background

For information on agriculture policy and additional background on production, consumption, and trade of grain products, please see the [Turkey Grain and Feed Annual Report](#).

Production, Supply, and Distribution

Wheat Market Year Begins Turkey	2018/2019		2019/2020		2020/2021	
	Jun 2018		Jun 2019		Jun 2020	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	7615	7615	7000	7000	7250	7100
Beginning Stocks (1000 MT)	3645	3645	3861	3511	7107	5429
Production (1000 MT)	19000	19000	18500	17500	19500	18000
MY Imports (1000 MT)	6366	6366	10718	10718	7000	7000
TY Imports (1000 MT)	6491	6491	10800	10800	7000	7000
Total Supply (1000 MT)	29011	29011	33079	31729	33607	30429
MY Exports (1000 MT)	6350	6700	6072	6400	6600	6100
TY Exports (1000 MT)	6215	6700	6200	6400	6600	6100
Feed and Residual (1000 MT)	1300	1300	1800	1800	1800	1800
FSI Consumption (1000 MT)	17500	17500	18100	18100	18400	18400
Total Consumption (1000 MT)	18800	18800	19900	19900	20200	20200
Ending Stocks (1000 MT)	3861	3511	7107	5429	6807	4129
Total Distribution (1000 MT)	29011	29011	33079	31729	33607	30429
Yield (MT/HA)	2.4951	2.4951	2.6429	2.5	2.6897	2.5352

(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 2020/2021 = July 2020 - June 2021

Barley Market Year Begins Turkey	2018/2019		2019/2020		2020/2021	
	Jun 2018		Jun 2019		Jun 2020	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	3600	3600	3800	3800	3800	3900
Beginning Stocks (1000 MT)	791	791	543	543	831	831
Production (1000 MT)	7000	7000	7900	7900	8400	8000
MY Imports (1000 MT)	279	279	888	888	400	400
TY Imports (1000 MT)	322	322	850	850	400	400
Total Supply (1000 MT)	8070	8070	9331	9331	9631	9231
MY Exports (1000 MT)	27	27	0	0	30	30
TY Exports (1000 MT)	16	16	1	1	30	30
Feed and Residual (1000 MT)	6600	6600	7600	7600	7800	7600
FSI Consumption (1000 MT)	900	900	900	900	900	900
Total Consumption (1000 MT)	7500	7500	8500	8500	8700	8500
Ending Stocks (1000 MT)	543	543	831	831	901	701
Total Distribution (1000 MT)	8070	8070	9331	9331	9631	9231
Yield (MT/HA)	1.9444	1.9444	2.0789	2.0789	2.2105	2.0513

(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 2020/2021 = October 2020 - September 2021

Corn Market Year Begins Turkey	2018/2019		2019/2020		2020/2021	
	Sep 2018		Sep 2019		Sep 2020	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	530	530	520	520	600	600
Beginning Stocks (1000 MT)	765	765	902	902	952	952
Production (1000 MT)	5700	5700	6000	6000	6850	6850
MY Imports (1000 MT)	2876	2876	3300	3300	2700	2700
TY Imports (1000 MT)	2932	2932	3300	3300	2700	2700
Total Supply (1000 MT)	9341	9341	10202	10202	10502	10502
MY Exports (1000 MT)	39	39	50	50	50	50
TY Exports (1000 MT)	31	31	50	50	50	50
Feed and Residual (1000 MT)	7300	7300	8000	8000	8500	8400
FSI Consumption (1000 MT)	1100	1100	1200	1200	1200	1100
Total Consumption (1000 MT)	8400	8400	9200	9200	9700	9500
Ending Stocks (1000 MT)	902	902	952	952	752	952
Total Distribution (1000 MT)	9341	9341	10202	10202	10502	10502
Yield (MT/HA)	10.7547	10.7547	11.5385	11.5385	11.4167	11.4167

(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 2020/2021 = October 2020 - September 2021

Rice, Milled Market Year Begins Turkey	2018/2019		2019/2020		2020/2021	
	Sep 2018		Sep 2019		Sep 2020	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	100	100	100	100	97	97
Beginning Stocks (1000 MT)	93	93	87	87	102	102
Milled Production (1000 MT)	610	610	610	610	591	591
Rough Production (1000 MT)	910	910	910	910	882	882
Milling Rate (.9999) (1000 MT)	6700	6700	6700	6700	6700	6700
MY Imports (1000 MT)	200	200	240	240	230	230
TY Imports (1000 MT)	230	230	250	250	230	230
Total Supply (1000 MT)	903	903	937	937	923	923
MY Exports (1000 MT)	21	21	25	25	25	25
TY Exports (1000 MT)	21	21	25	25	25	25
Consumption and Residual (1000 MT)	795	795	810	810	815	815
Ending Stocks (1000 MT)	87	87	102	102	83	83
Total Distribution (1000 MT)	903	903	937	937	923	923
Yield (Rough) (MT/HA)	9.1	9.1	9.1	9.1	9.0928	9.0928

(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 2020/2021 = January 2021 - December 2021

Attachments:

No Attachments