

**Required Report:** Required - Public Distribution

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## **Report Name:** Grain and Feed Update

**Country:** China - People's Republic of

**Post:** Beijing

**Report Category:** Grain and Feed

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### **Report Highlights:**

Information in this report was current as of September 27, 2023. Post forecasts China's MY2023/24 grain feed and residual use to increase slightly and corn production also slightly higher due to a larger planted area and improved yields. Sources report there is active interest in alternative domestic and imported grains free from tariff rate quota (TRQ) requirements as a replacement for corn in feed rations. The production impact of the summer's typhoons is limited. The forecast of milled rice production remains unchanged despite high temperatures and typhoon damage in some regions which was offset by increased precipitation in arid southern areas. For entire report, please go to "Grain and Feed Update\_Beijing\_China - People's Republic of\_CH2020-0181".

## **Background**

Information in this report was current as of September 27, 2023. For entire report, please click [Grain and Feed Update Beijing China - People's Republic of CH2020-0181](#). The aforementioned hyperlinked report template includes FAS China analysis for the MY2023/24 grain and feed market in China.

## **Executive Summary**

Post forecasts China's MY2023/24 grain feed and residual use to increase slightly from MY2022/23. Post's forecast for corn production in MY2023/24 is slightly higher to 280 million metric tons (MMT) due to a larger planted area and improved yields. Post forecasts MY2023/24 corn imports at 20 MMT as alternative domestic and imported grains free from TRQ requirements are available to replace corn in feed; substitution of domestic old stock rice and sprouted wheat as well as imported sorghum and barley for corn will be significant. Despite widespread media attention, the production impact of the summer's typhoons is limited because storms repeatedly affected the same areas, and droughts occurred in arid areas that, according to China's Ministry of Agriculture and Rural Affairs (MARA), have seen "nine droughts in ten years." The forecast of milled rice production remains unchanged at 149 MMT despite high temperatures and typhoon damage throughout the summer, offset by increased precipitation in arid southern areas that benefited from the extra rain.

## **TOTAL GRAIN FEED AND RESIDUAL DEMAND**

Post forecasts China's MY2023/24 feed and residual use to increase slightly from MY2022/23. According to MARA's official statistics, the total hog herd in June 2023 was 435.2 million head, still about 1 percent higher than last June. The January-July sow inventory still averaged 1.5 percent higher year-on-year after continuously declining month-on-month in the first seven months of 2023. Furthermore, MARA and PRC efforts to promote lower inclusion rates of soybean meal in feed is increasing the proportion of grain ingredients in feed. Despite the PRC official statistics, FAS China forecasts swine production (pig crop) in calendar year 2024 will decline by 1 percent year-on-year due to lower sow inventories in 2023. (See GAIN Report [Livestock and Products Annual | CH2023-0111](#)). Posts also forecasts chicken meat production lower for both white broiler and yellow broilers in calendar year 2024. (See GAIN Report [Poultry and Products Annual | CH2023-0112](#)).

Again, for complete FAS China analysis of the grain and feed situation as of September 27, 2023, please click [Grain and Feed Update Beijing China - People's Republic of CH2020-0181](#).

## **Attachments:**

No Attachments