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Report Highlights:

The outlook for Mexican grain production in marketing year (MY) 2024/2025 is lower for corn, wheat, and sorghum. Prolonged drought conditions, low prices, and limited support policies are expected to drive down production. Rice production is forecast higher due to above average precipitation in rice producing areas in the Gulf states. Mexico's corn, wheat, and rice imports are estimated higher due to estimated lower-than-average production. Meanwhile, sorghum imports are forecast lower due to increased preference for corn use in the animal feed industry. Production and trade forecasts were revised based on updated planting, harvest, and trade data.

EXECUTIVE SUMMARY

Post forecasts corn production for marketing year (MY) 2024/2025 at 23.3 million metric tons (MMT), a one percent decrease compared to MY 2023/2024. This forecast is based on prolonged drought conditions and low reservoir levels in Sinaloa and an expected 13 percent decrease in planted area in the fall/winter cycle. Spring/summer cycle corn is estimated to increase by six percent, however the decline in fall/winter corn is expected to drive down total production. In MY 2023/2024, production is estimated to reach 23.5 MMT, a 16 percent yearly decline based on prolonged drought conditions nationwide. Although corn prices are increasing, they are still relatively low compared to previous years and discourage production.

The forecast for MY 2024/2025 corn imports is 25.0 MMT, a one percent increase year-on-year due to forecast lower domestic production. In MY 2023/2024, corn imports reached 24.8 MMT, a 28 percent increase compared to the previous year. The increase in imports is driven by strong demand from the corn processing and animal feed sectors and lower-than-average domestic production.

The forecast for wheat production in MY 2024/2025 is 2.6 MMT, a 24 percent decrease compared to the previous year based on prolonged drought conditions in the main producing regions, notably Sonora. Like corn, wheat prices are also relatively weak which discourage production. Imports are projected to reach 5.8 MMT, an eight percent increase due to estimated lower-than-average production. Exports are estimated downward at 100,000 metric tons (MT), an 88 percent decrease based on a sharp decline in durum wheat production.

Mexico's MY 2024/2025 milled rice production forecast is 160,000 MT, a five percent increase compared to the previous year, based on higher-than-average precipitation and moisture levels in Campeche and Tamaulipas. Milled rice imports are forecast at 860,000 MT, a one percent increase due to higher estimated rice consumption.

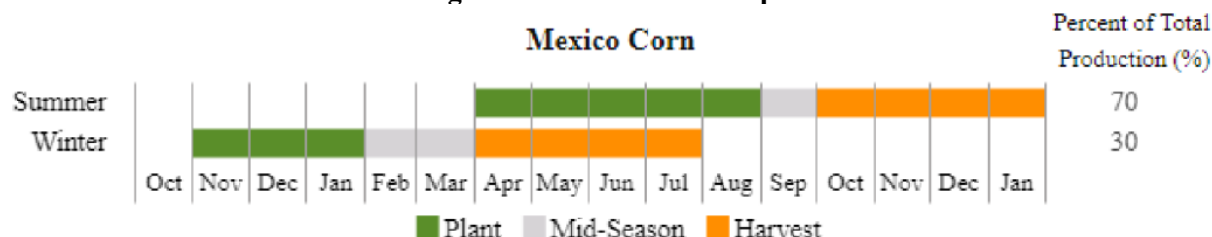
The MY 2024/2025 forecast for sorghum production is 3.8 MMT, a decrease of 16 percent compared to the previous year due to less farmer financing and lower profitability rates. Imports are forecast at 40,000 MT, a 33 percent decrease compared to the previous year due to imported sorghum's higher relative price compared to corn, the preferred product in the animal feed industry.

CORN

Table 1: Mexico, Corn Production, Supply, and Distribution

Corn Market Year Begins Mexico	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)	6891	6891	6100	6100	6100	6250
Beginning Stocks (1000 MT)	3175	3175	4594	4594	4723	4730
Production (1000 MT)	28077	28077	23500	23500	23700	23300
MY Imports (1000 MT)	19392	19392	24759	24759	24500	25000
TY Imports (1000 MT)	19392	19392	24759	24759	24500	25000
Total Supply (1000 MT)	50644	50644	52853	52853	52923	53030
MY Exports (1000 MT)	50	50	30	23	30	20
TY Exports (1000 MT)	50	50	30	23	30	20
Feed and Residual (1000 MT)	27500	27500	29500	29500	29800	30300
FSI Consumption (1000 MT)	18500	18500	18600	18600	18700	18700
Total Consumption (1000 MT)	46000	46000	48100	48100	48500	49000
Ending Stocks (1000 MT)	4594	4594	4723	4730	4393	4010
Total Distribution (1000 MT)	50644	50644	52853	52853	52923	53030
Yield (MT/HA)	4.0744	4.0744	3.8525	3.8525	3.8852	3.728
(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						

Figure 1. Mexico Corn Crop Calendar



MY 2024/2025

Post forecasts corn production for MY 2024/2025 (October – September) at 23.3 MMT, a one percent decrease compared to the previous year. The forecast production is the lowest in the last decade due to the prolonged drought conditions and challenging macroeconomic conditions. The forecast reflects the official harvest progress for the spring/summer cycle and fall/winter planting crops.

Spring/Summer Corn

Spring/summer area harvested is estimated at 5.6 million hectares (HA), seven percent higher than the previous year due to higher overall precipitation and moisture levels. As of December 31, the spring/summer corn harvest is complete in Chihuahua, and largely finished in the Bajío region (Jalisco, Guanajuato, and Michoacán), Estado de México, Guerrero, Puebla, and Chiapas.

Chihuahua

According to state-level authorities, roughly 210,000 HA of corn was harvested in Chihuahua and production in the state reached 1.6 MMT, stable compared to the previous year. Nearly 1.5 MMT of the

harvest was irrigated yellow corn. The grain quality was reported as good and average yields reached 6.2 MT/HA.

Bajío Region

In Jalisco, the harvest is nearly 90 percent complete with the high-altitude acreage harvest expected to be complete in January 2025. According to the Agricultural and Fisheries Information Service (SIAP), the spring/summer cycle planted area was 470,000 HA, a 15 percent decrease compared to the previous year due to more limited financing, relatively low corn prices, and lower moisture levels. Estimated production is 2.9 MMT, a 17 percent decrease compared to the previous year. Roughly 92 percent of corn in the state is rainfed. While rains were welcomed by farmers after drought conditions in the last cycle, excessive summer rains in areas such as La Barca provoked floods in plots which resulted in damaged crops, such as incomplete grain filling. Excess moisture also required additional pest management activities.

Image 1. Corn Damage from Excess Rainfall in La Barca, Jalisco



Source: FAS Mexico

In Michoacán, the harvest is roughly 90 percent complete and expected to end in February 2025. Estimated production is 2.1 MMT, a 13 percent yearly increase based on improved precipitation levels. The harvested area is estimated at 445,000 HA, a 13 percent yearly increase. In 2024, state-level precipitation was 46 percent higher compared to 2023. In Ciénega de Chapala, yields for rainfed corn reached an average of 11.0 MT/HA, higher than the average for irrigated corn at 9.0 MT/HA. In Guanajuato, estimated production is 1.8 MMT, two percent higher than the previous year, with higher estimated average yields of 5.8 MT/HA.

State of Mexico

In the state of Mexico, the harvest is 95 percent complete and expected to end in February 2025. Production is forecast at 1.7 MMT, a six percent decrease. After nearly two seasons of crop loss and less

access to credit farmers planted less corn. To support smallholder farmers, the state of Mexico announced a subsidy of 1,000 pesos (USD 50) per MT of corn in addition to the guarantee purchase price provided by SEGALMEX (the Mexican Food Security Agency). The state government aims to offset a drop in the price provided to farmers by the federal government.

Other states

In Chiapas, the forecast for harvested area and production is stable at 570,000 HA and 1.1 MMT. Estimated average yields are expected to be 1.9 MT/HA. In Oaxaca, the planted area remained stable from the previous year at 446,000 HA. However, production is 610,000 MT, a 16 percent increase compared to the previous year due to increased precipitation. Corn farmers in both Oaxaca and Chiapas are mostly smallholder farmers and plant rainfed local corn varieties. These producers largely rely on government support programs, remittances, and additional income from non-agricultural activities and production is mostly used for household consumption.

Local white corn prices increased from October through December 2024 due to lower stocks nationwide and a weaker currency. Since local white corn prices are set in U.S. dollars, a higher exchange rate results in a higher price for white corn. In the Bajío region, the price per ton increased from 5,200 Mexican Pesos (MXN) (USD 257) to 5,500 MXN (USD 270), ten percent higher than the previous year. The exchange rate increased from 16.65 MXN per USD in May 2024 to 20.15 MXN per USD at the end of December 2024. Despite higher local corn prices, medium and large-sized farmers indicate that higher input and transportation costs and high interest rates limited corn production's profitability.

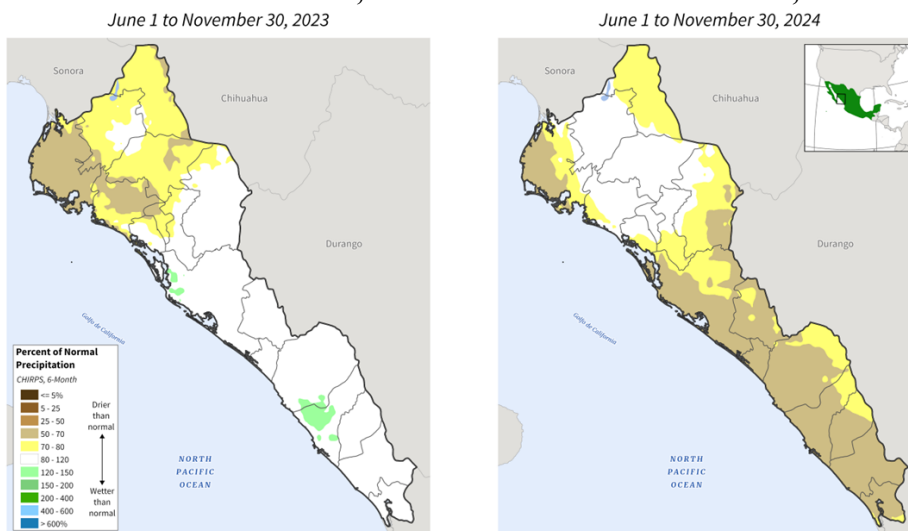
The Secretariat of Agriculture (SADER) priority programs have a limited impact on nationwide corn production growth due to a focus on smallholder and subsistence farming. [The Production for Wellbeing \(Produccion para el Bienestar\) Program](#) targets farmers who plant rainfed (up to 20.0 HA) and irrigated (up to 5.0 HA) corn and provides them with a one-time cash incentive and technical assistance for agroecology practices. In addition [the Price Guarantee Program for Basic Food Products \(Precios de Garantia\)](#) updated on October 30, 2024 delivers support directly to small producers (planted area of up to 5.0 HA) through purchases of corn at a set purchase price. Through this program, Food Security Mexico (SEGALMEX) purchases up to 35.0 MT of corn per producer at a guaranteed price higher than the commercial price. In addition, the agency pays for crop insurance for farmers up to 50.0 HA. For the MY 2024/2025 spring/summer cycle, the government offers a guaranteed price of 5,840 pesos per ton (USD 290.0), seven percent higher than the average price paid to commercial producers in the Bajío region in December 2024. SEGALMEX also provides additional support of 160 pesos (USD 8) for grain transportation from the field to the warehouse. However, local sources indicate that most commercial producers cannot sell their corn directly to SEGALMEX since their planted area is usually larger than the program's limit for planted area. In addition, SEGALMEX generally delivers payments with several months of delay. [The Fertilizer Program](#) supports small-scale producers of up to 3.0 HA through access to no-cost fertilizer to increase production. However, sources indicate that some beneficiaries are not farmers, and that the distribution of urea is generally delayed after the corn planting stage.

Fall/Winter Corn

According to the State Plant Health Committee of the State of Sinaloa (CESAVESIN), as of January 13, authorized white corn planted area was 160,304 HA, a 26 percent yearly decrease. Some farmers planted dry beans, chickpeas, and sorghum in areas previous planted with corn due to lower water requirements. The acreage registered with authorities receives official water allocations and government support programs. However, the actual planted area is generally higher because some farmers irrigate corn with local aquifers and small volumes provided by local irrigation authorities. Sources indicate that a transition to La Niña in the first months of 2025 could further restrict irrigation relief.

As of January 8, Sinaloa dam levels in the state were at 25 percent capacity, nine percent lower than the previous year. The three largest state reservoirs which concentrate 50 percent of water storage are at between 16 and 28 percent of their holding capacity. According to the National Water Commission (CONAGUA), precipitation in the state during the 2024 rainy season (June – November) was 25 percent lower than the previous year at 536 milliliters (ml). In addition, the state average maximum temperature in 2024 was 34.6°C, two percent higher than the previous year. Lower precipitation and higher average maximum temperatures contributed to continued drought conditions and record-low reservoir levels. In addition, water extraction for human and industrial consumption increased significantly from the previous year, which limited water for irrigation in the state.

**Figure 2. Sinaloa's Percent of Normal Precipitation
June 1 – November 3-, 2023 vs. June 1 – November 30, 2024**



Source: USDA International Production Assessment Division

In Veracruz, as of November 30, 2024, farmers planted 56,973 HA of corn, nearly ten percent of total expected production. Veracruz planted area is expected to increase slightly during this cycle due to expected higher prices for white corn in southern regional markets. Between 2019 and 2023, the state produced on average 491,727 MT of corn in the fall/winter cycle, or an average of six percent of production. Roughly 98 percent of winter corn in Veracruz is rainfed and depends largely on small and medium-scale farmers.

MY 2023/2024

According to SIAP, production for MY 2023/2024 is estimated at 23.5 MMT, a 16 percent decrease year-on-year. The final production data for the spring/summer cycle was 18.6 MMT, a three percent yearly decrease due to severe drought conditions and lower precipitation. Roughly 500,000 HA of planted corn was lost due to lower-than-average rainfall. Preliminary production data for the fall/winter cycle is 4.9 MMT, a 45 percent decrease due to lower water availability in Sinaloa's reservoirs.

Spring/Summer Corn

According to SIAP data, the final spring/summer cycle harvested area reached 5.2 million HA, nine percent lower than the previous year and the lowest level since 2011. The severe drought in 2023 affected all corn producing regions and was the third consecutive year with consistently dry conditions during the rainy season. Estimated production is 18.6 MMT, two percent lower than the five-year average. Mexico produced 15.6 MMT of white corn, 2.9 MMT of yellow corn, and 100,000 MT of other corn varieties. Despite drought conditions, yields reached 3.56 MT/HA, eight percent higher than the five-year average from 2019-2023. Rainfed corn yields increased by ten percent to 2.75 MT/HA, while irrigated corn yields went up by four percent to 8 MT/HA. Yellow corn reached 10.3 MT/HA, a 33 percent increase. The increase in yields in the Bajío region are attributed to more improved hybrid varieties and, after several years of drought, more efficient planting and management decisions.

Fall/Winter Corn

According to SIAP, the fall/winter cycle harvested area was 875,696 HA, a 28 percent yearly decrease, and the lowest level since 1999, due to persistent drought conditions and record-low reservoir levels in Sinaloa. Total estimated production reached 4.9 MMT, the lowest level since 2011, when frost damaged most of the corn planted in the northwest. Sinaloa's production reached 3.15 MMT, a 51 percent yearly decrease based on lower water availability for irrigated corn.

Trade

FAS Mexico forecasts corn imports for MY 2024/2025 at 25.0 MMT, a one percent yearly increase. Despite a weakened peso against the U.S. dollar in recent months, continued lower-than-average domestic corn production, higher demand from the animal feed sector, along with a noticeable decline in domestic sorghum production are likely to drive up corn imports.

In MY 2023/24, Mexico's corn imports are estimated to reach 24.8 MMT, a 28 percent yearly increase and the highest on record, based on lower-than-average domestic production and increased demand from the corn processing and animal feed sectors. Nearly 99 percent of imports are U.S. corn. Despite railway embargoes at the U.S. – Mexico border and delays along Mexico's railway infrastructure, U.S. yellow corn importers increased their shipments. Roughly 58 percent of imports of U.S. yellow corn arrive via railway through shuttle trains that deliver the grain to importers' terminals in Mexico. United States origin corn imports recorded a 49 percent yearly increase due to competitive prices.

Despite increased yellow corn imports, SIAP data shows Mexico's white corn imports in the same period declined by 51 percent year-on-year to 207,000 MT, virtually all from the United States. The

February 2023 Presidential Corn Decree (see policy section) continues to restrict the use of genetically engineered (GE) corn in the *masa* (dough) and tortilla industry. Under the current policy, the restriction on GE corn use is expected to continue to weigh down white corn imports into Mexico.

Post forecasts Mexico's corn exports at 20,000 MT for MY 2024/2025, a 13 percent yearly decline based on forecast lower white corn production. Roughly 60 percent of Mexico's corn exports are shipped to United States, mostly for the restaurant industry. Export levels are significantly lower than the ten-year average. Exports for MY 2023/2024 were 22,646 MT, a 55 percent yearly decrease. Lower-than-average white corn production, lower ending stocks, and the ban on GE corn use for the tortilla and *masa* sectors maintain a strong demand for domestic white corn and reduce exportable supplies.

Consumption

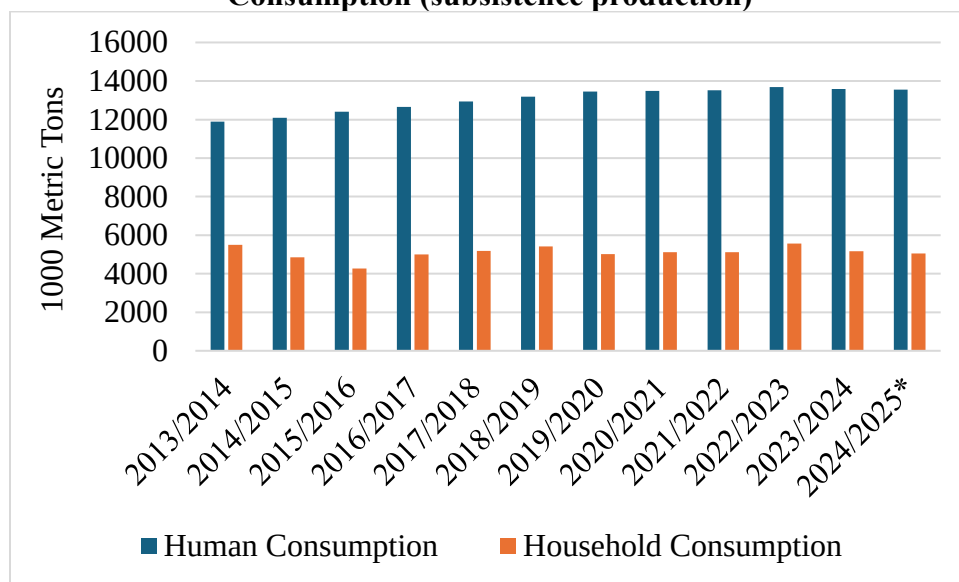
Post forecasts corn consumption at 49.0 MMT in MY 2024/2025, a two percent increase from the previous marketing year due to higher demand from the corn processing and animal feed sectors. Roughly 60 percent of corn consumption is used for the corn starch and animal feed industries, while the remainder is processed for direct human consumption.

According to the National Poultry Farmers Association (UNA), the poultry industry consumed roughly 10.0 MMT of yellow corn in 2024, which accounts for 43 percent of livestock industry consumption. These volumes are likely to increase as UNA estimates domestic egg production growth yearly at 2.5 percent and poultry meat production at 2.3 percent in 2025. In 2024, per capita egg consumption in Mexico was 23 kilograms (kg) (51 pounds (lbs.)), the highest worldwide, while per capita poultry meat consumption reached 35.6 kg (78 lbs.), a six percent increase from 2019 through 2024.

Based on 2024 figures published by the National Feed Manufacturers Association (ANFACA), the pork industry consumed roughly 5.0 MMT of yellow corn, which amounts to 22 percent of livestock industry consumption. The Organization of Mexican Pork Producers (OPORMEX) estimates pork production yearly growth at roughly two percent in 2025. Per capita consumption reached 21.5 kg (47.4 lbs.) in 2024, a 16 percent increase since 2019. Increased livestock production is expected to continue to drive upward corn consumption in Mexico.

SIAP estimates white corn for human consumption at 13.6 MMT in MY 2024/2025, stable from the previous marketing year. This figure includes nearly 4.5 MMT of white corn used by industry for corn flour and around 9.1 MMT used for *nixtamal* (soaking corn in an alkaline solution to soften) grinding. Human consumption (excluding subsistence use) increased by 12 percent from 2013 through 2023, but in the last five years oscillated between 13.4 and 13.6 MMT. According to a national survey, roughly 90 percent of the population consumes a corn tortilla every day and 62 percent of tortilla consumers purchase them at a local *tortilleria* (local tortilla bakeries). White corn grown for household consumption (subsistence production) for both human consumption and animal feed fluctuated between 4.8 MMT and 5.5 MMT in the last decade based on shifting production by subsistence farmers.

Figure 3. White Corn for Human Consumption (excl. subsistence production) vs. Household Consumption (subsistence production)

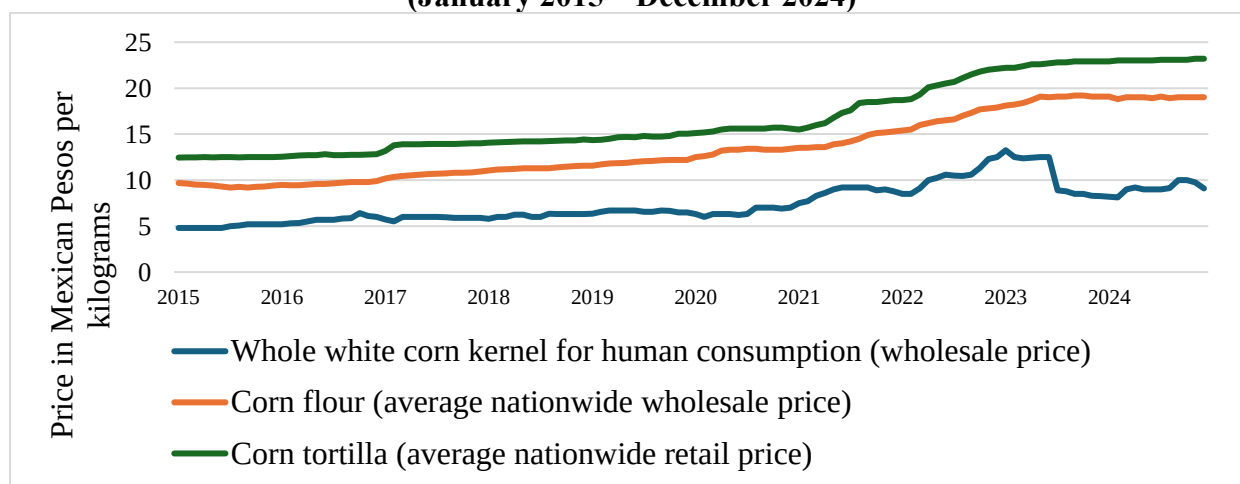


*Estimated consumption

Source: Agricultural and Fisheries Information Service

In 2024, corn tortilla prices in tortilla shops increased by one percent annually, lower than the yearly headline inflation of 4.2 percent, due to a stable supply of corn flour. The wholesale price of corn flour remained stable throughout the year, while the wholesale price of corn kernel from Sinaloa for human consumption in Mexico City increased by 11 percent from the previous year due to lower domestic production. The National Tortilla Council asserts that prices are likely to rise further in calendar year (CY) 2025 due to increased production costs, including fuel, electricity, labor, and insecurity.

Figure 4. Price of Corn Tortilla, Corn Flour, and Corn Kernel (January 2015 – December 2024)



Source: National System of Market Information and Integration of Mexico (SNIIM)

Stocks

Post forecast MY 2024/2025 corn ending stocks at 4.0 MMT, a 15 percent yearly decrease based on decreased forecast domestic production, lower-than-average production in MY 2023/2024, and the consumption of the carryover of MY 2022/2023 white corn.

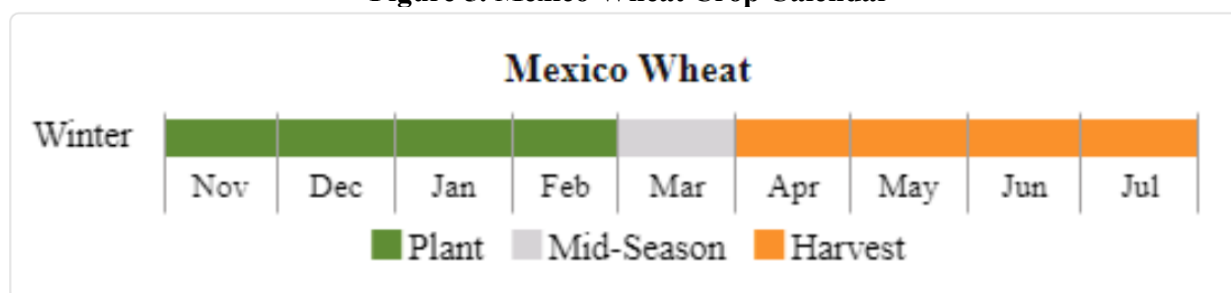
According to Post sources, as of December 2024, Sinaloa stored roughly 300,000 MT of corn from MY 2022/2023 in warehouses and farms across the state. In addition, state warehouses currently store roughly 3.0 MMT of mostly white corn harvested between June and July, which they already sold and plan to distribute in CY 2025.

WHEAT

Table 2. Mexico, Wheat Production, Supply, and Distribution

Wheat Market Year Begins Mexico	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)	596	596	560	560	460	465
Beginning Stocks (1000 MT)	514	514	757	803	773	911
Production (1000 MT)	3611	3611	3476	3476	2600	2640
MY Imports (1000 MT)	5232	5238	5290	5370	5800	5800
TY Imports (1000 MT)	5232	5238	5290	5370	5800	5800
TY Imp. from U.S. (1000 MT)	3621	3610	3491	3450	0	0
Total Supply (1000 MT)	9357	9363	9523	9649	9173	9351
MY Exports (1000 MT)	800	660	850	838	700	100
TY Exports (1000 MT)	800	660	850	838	700	100
Feed and Residual (1000 MT)	300	300	200	200	200	200
FSI Consumption (1000 MT)	7500	7600	7700	7700	7600	7800
Total Consumption (1000 MT)	7800	7900	7900	7900	7800	8000
Ending Stocks (1000 MT)	757	803	773	911	673	1251
Total Distribution (1000 MT)	9357	9363	9523	9649	9173	9351
Yield (MT/HA)	6.0587	6.0587	6.2071	6.2071	5.6522	5.6774
(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						

Figure 5. Mexico Wheat Crop Calendar



Production

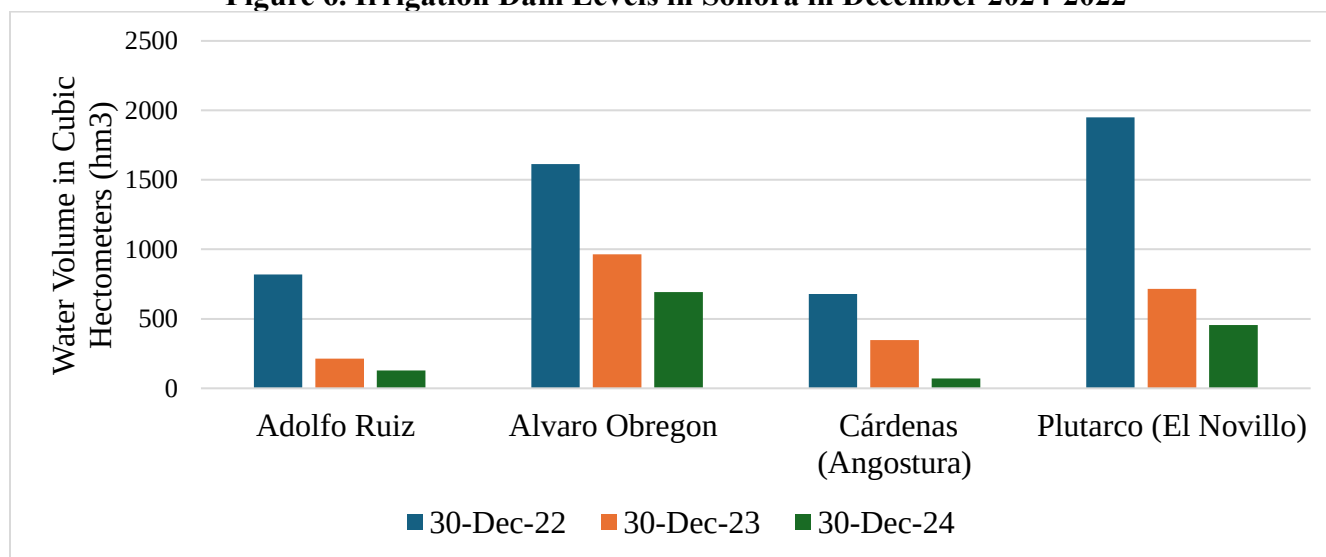
MY 2024/2025

Post estimates Mexico's MY 2024/2025 (July – June) wheat production at 2.6 MMT, a 24 percent yearly decline. The estimate includes the fall/winter wheat fully harvested in August 2024 and the summer wheat to be fully harvested in January 2025. According to SIAP, the fall/winter cycle production was 2.54 MMT, a 25 percent yearly decrease due to prolonged drought conditions and record-low water levels in reservoirs of Sonora and Sinaloa, which resulted in lower planted area and yields. The estimated summer wheat production is 99,000 MT, a three percent yearly increase due to higher precipitation in producing states. However, spring/summer wheat production only accounts for three percent of total wheat production.

Fall/Winter Wheat

According to SIAP, the harvested area for the fall/winter cycle was 414,419 HA, an 18 percent yearly decrease based on severe and extreme drought conditions and lower water availability in Sonora and Sinaloa, the main producing states. In addition, other states, such as Jalisco, significantly reduced their planted area due to lower water resources impacted by drought. The harvested area in Sonora, the state that makes up on average 70 percent of fall/winter wheat production, reached 248,122 HA, a seven percent decrease from the previous year. Lower-than-average precipitation in 2023 limited reservoirs levels and reduced water permits and water allocation for irrigated wheat. In 2023, CONAGUA reported that the total precipitation in the state was 261.5 mm, 42 percent lower than the state's average precipitation. In December 2023, during the wheat planting stage, Sonora dams for irrigation were at nearly 29 percent capacity and 47 percent lower than the five-year average. In the main producing regions, Valle del Mayo and Valle del Yaqui, irrigation volumes were reduced. Sonora's production was 1.57 MMT, a 21 percent yearly decline and 11 percent lower than the five-year average.

Figure 6. Irrigation Dam Levels in Sonora in December 2024-2022



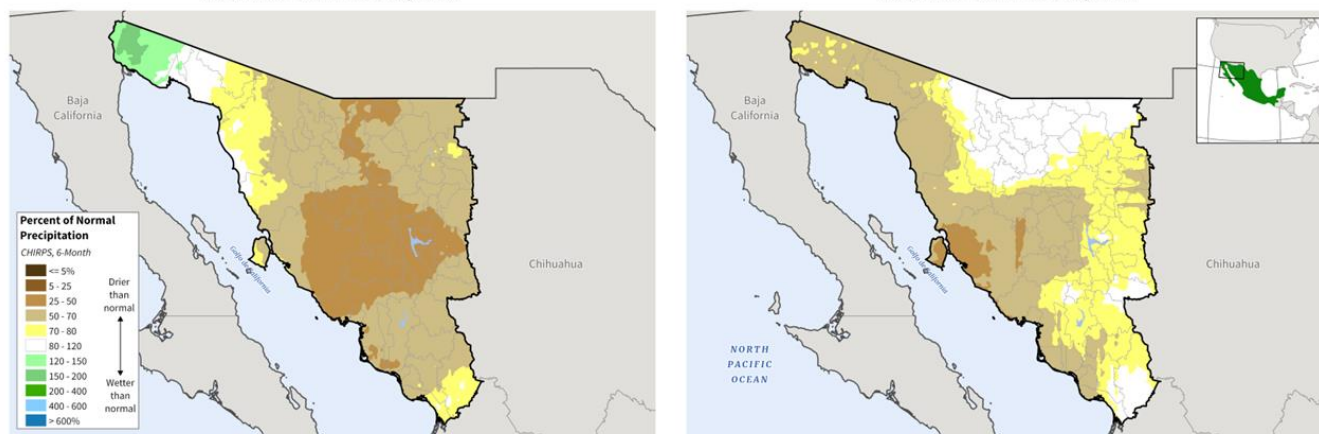
Source: Service of Agricultural Information (SIAP)

In Sinaloa, harvested area reached 31,134 HA, a 31 percent yearly decline and 24 percent lower than the five-year average due to lower water availability in irrigation dams. However, average yields for bread wheat (92 percent of Sinaloa's wheat production) were nearly 7.0 MT/HA, higher than last year, due to the use of improved seeds. After this year's experience with reduced planted area, some farmers in El Valle del Carrizo plan to implement soil improvement and water conservation technologies such as drip irrigation to improve their growing conditions for future cycles. In Guanajuato, the final harvested area reached 28,029 HA and production reached 189,153 MT/HA, 23 percent lower than the previous year based on severe drought conditions.

**Figure 7. Sonora's Percent of Normal Precipitation
June 1 – November 3, 2023, vs. June 1 – November 30, 2024**

June 1 to November 30, 2023

June 1 to November 30, 2024



Source: USDA International Production Assessment Division

According to contacts, government support programs have been insufficient to assist wheat farmers amid prolonged drought conditions and lower prices. Even though [the Price Guarantee Program for Basic Products](#) set a purchase price for bread wheat at 7,050 pesos (USD 345) per ton for bread wheat producers (up to 50 HA or 300 MT), farmers indicate that the government agency SEGALMEX requires burdensome paperwork and takes several months to provide the support to the farmers. The support provided to wheat farmers is calculated as the guaranteed price minus the average market price paid to the producer. In the MY 2022/2023 fall/winter cycle, SEGALMEX took on average nine months to deliver government support to wheat producers, which also delayed required income for farmers to plan their production ahead of the MY 2023/2024 fall/winter cycle.

Spring/Summer Wheat

Based on SIAP preliminary data, as of November 31, the harvest for the spring/summer cycle was 41 percent complete. The spring/summer wheat planted area reached 51,873 HA, a four percent decrease from the previous year. As of December 31, farmers in Tlaxcala harvested 19,191 HA of rainfed wheat out of 20,213 planted HA with average yields of 2.66 MT/HA, two percent lower than the previous year. The lower yields were due to excess moisture and frosts that affected wheat growth, especially in northern regions.

MY 2025/2026

According to Sonora state authorities, wheat planted area in the MY 2025/2026 fall/winter cycle is likely to decline to 40,000 HA, an 84 percent yearly decrease based on record-low dam levels in the state. As of November 30, the state-level reservoirs for irrigated agriculture were at 18 percent of capacity, 12 percent lower than the previous year. Due to low dam levels and based on the prioritization of water for human consumption, state-level authorities only authorized irrigation with aquifers. In previous months, federal and state-level authorities recommended that farmers switch crops, in view of the prolonged drought conditions, from wheat to crops with lower water requirements such as barley and safflower. However, wheat remains the main crop in Sonora with a high economic impact in the region, and

farmers are resistant to switching their cropland without a comprehensive government support program. There is expected to be around 200,000 HA of landholdings that will have no crops planted and the Governor of Sonora pledged to provide resources to farmers for weed management on unused land.

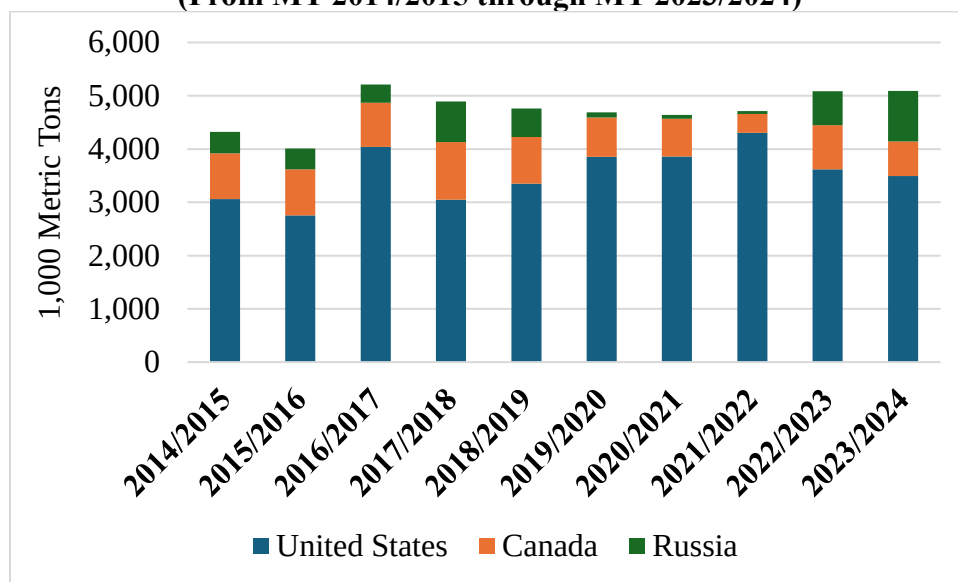
In Sinaloa, as of January 13, authorized planted area for wheat was 29,639 HA, three percent lower than the previous year. Bread wheat accounts for roughly 90 percent of planted area in Sinaloa. Sources indicate that the final planted area is likely to remain stable from the previous year at around 31,000 HA. In Guanajuato, the main wheat farmer association stated that planted area is likely to reach 50,000 HA, mostly durum wheat, a 78 percent yearly increase based on higher water availability in state-level reservoirs due to higher summer precipitation. In other states, such as Michoacán and Baja California, farmer associations reported a lower supply of certified seeds for the fall/winter cycle which could decrease the planted area in these states.

Trade

Post estimates wheat imports for MY 2024/2025 at 5.8 MMT, eight percent higher than the previous year based on lower-than-average production. According to the National Chamber of the Wheat Milling Industry (CANIMOLT), from July through October 2024 Mexico imported roughly 2.0 MMT of wheat, nine percent higher than the previous year. Around 69 percent of these imports correspond to U.S. wheat (Hard Red Winter, Hard Red Spring and Soft Red Spring), a 14 percent increase from the previous year. In the same period, Russian wheat made up 19 percent, Canadian wheat 11 percent, and other countries one percent of imports. Sources indicate that U.S. wheat prices remain competitive, but logistical bottlenecks due to limited amount of shuttle trains and lower protein levels limit the growth in U.S. wheat imports. In addition, [the Presidential Anti-Inflation Decree renewed on December 31, 2024](#), reintroduced bread wheat (all wheat varieties except for durum wheat) to the list of duty free imports (see policy section). The price competitiveness of wheat from third countries with no free trade agreement (FTA) with Mexico (i.e. Russia and Argentina) could increase.

Wheat imports for MY 2023/2024 (July – June) are estimated at 5.4 MMT, a three percent increase compared to the previous year based on final figures from CANIMOLT. U.S. wheat imports made up 65 percent of total imports, five percent lower than the 10-year average. Wheat importers value the price competitiveness and quality of primarily U.S. Hard Red Winter and Hard Red Spring wheat varieties and their suitability for preferred flour blends, which maintains U.S. wheat as the largest source of imports. However, in the last two years, railway congestions at the border and within the country slowed down the delivery of shuttle trains with U.S. wheat to Mexican wheat mills. Approximately 75 percent of U.S. wheat is transported by freight train. Some wheat mills have shuttle facilities which enable direct shipments of U.S. wheat into their facilities for inspection by National Service of Health, Food Safety, and Food Quality (SENASICA) onsite to avoid border delays and these types of arrangements are expected to increase. In the same marketing year, the share of Russian wheat (soft wheat with an average of 11 – 11.5 protein level) imported to Mexico was 18 percent, 13 percent higher than the 10-year average. There were increased shipments of Russian wheat to mills in central Mexico through the Port of Veracruz, the main port of entry for this type of wheat. In MY 2023/2024, wheat imports from United States, Russia, and Canada made up 96 percent of total wheat imports followed by France and Argentina.

**Figure 8. Mexico's Wheat and Wheat Flour Imports from the United States, Canada, and Russia
(From MY 2014/2015 through MY 2023/2024)**



Source: Trade Data Monitor and Customs Data

Consumption

FAS Mexico forecasts total wheat consumption for MY 2024/2025 at 8.0 MMT, a one percent increase year-on-year based on population growth. According to CANIMOLT, as of October 31, 6.4 MMT of wheat was processed by 90 wheat mills. In CY 2024, per capita consumption of bread remained stable at 44 kilograms (97 pounds), and per capita consumption of pasta decreased to 3.9 kilograms (8.5 pounds), an 18 percent yearly decline. Domestic installed wheat milling capacity stands at 10.7 MMT with 59 percent of capacity used. Total consumption of wheat flour is estimated at 5.5 MMT, among which 97 percent is milled domestically, and three percent is imported.

Stocks

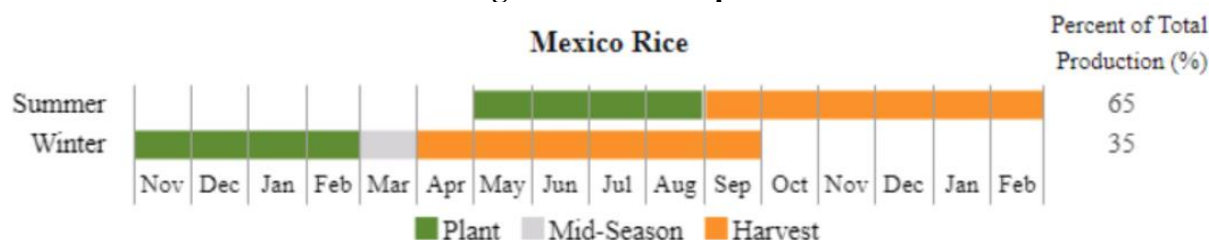
Post forecasts stocks at 1.3 MMT in MY 2024/2025, a 37 percent yearly increase based on forecast increased imports and significantly lower wheat exports.

RICE

Table 3: Mexico, Rice Production, Supply, and Distribution

Rice, Milled Market Year Begins Mexico	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)	31	31	33	31	33	33
Beginning Stocks (1000 MT)	143	143	88	88	95	84
Milled Production (1000 MT)	143	143	150	152	160	160
Rough Production (1000 MT)	208	208	218	221	233	233
Milling Rate (.9999) (1000 MT)	6870	6870	6870	6870	6870	6870
MY Imports (1000 MT)	781	781	852	852	860	860
TY Imports (1000 MT)	734	734	870	870	860	860
Total Supply (1000 MT)	1067	1067	1090	1092	1115	1104
MY Exports (1000 MT)	4	4	5	18	5	10
TY Exports (1000 MT)	5	5	5	18	5	10
Consumption and Residual (1000 MT)	975	975	990	990	1005	1005
Ending Stocks (1000 MT)	88	88	95	84	105	89
Total Distribution (1000 MT)	1067	1067	1090	1092	1115	1104
Yield (Rough) (MT/HA)	6.7097	6.7097	6.6061	7.129	7.0606	7.0606
(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						

Figure 9. Rice Crop Calendar



Production

MY 2024/2025

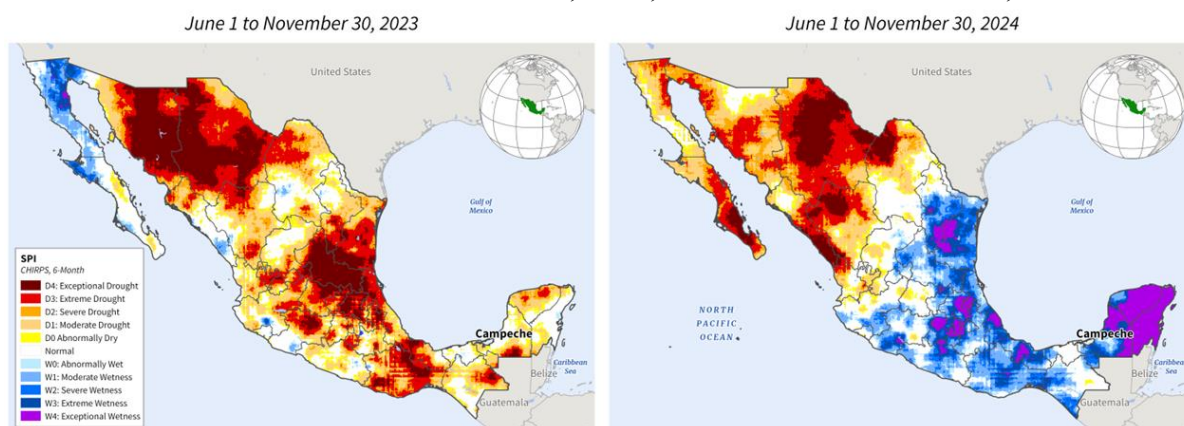
FAS Mexico forecasts total rice production for MY 2024/2025 (October – September) at 160,000 MT of milled rice, five percent higher compared to the previous year. The harvested area is forecast at 33,000 HA, six percent higher than the previous year. Farmers in Campeche have started to harvest spring/summer rice and higher-than-average precipitation supported non-irrigated rice production. Although limited, Tamaulipas is expected to slightly increase planted area in the fall/winter due to increased water availability for irrigation.

Spring/Summer Rice

According to SIAP, as of November 31, the harvested area for the spring/summer cycle reached 13,581 HA. Irrigated rice areas experienced a 23 percent yearly decline in planted area due to lower water availability in aquifers and lower farmer financial resources, while rainfed rice area increased by 48 percent from the previous year due to higher precipitation levels. In Campeche, the planted area

increased by 25 percent to 3,120 HA based on good water availability for flooding fields. Due to irregular rainfall during the rainy season, farmers reported delays in harvesting. The spring/summer harvest is expected to be completed by January 2025.

**Figure 10. Mexico's Standardized Precipitation Index
June 1 – November 30, 2023, vs June 1 – November 30, 2024**



Source: USDA International Production Assessment Division

The federal government seeks to increase rice production in Mexico through a series of support programs. In October 19, 2024, the President of Mexico announced [the Plan Campeche](#), which promotes the growth of rice planted area in the state of Campeche to 60,000 HA (in MY 2023/2024, harvested area was 4,210 HA) due to generally more wet conditions compared to other regions and area farmers' knowledge to produce rice. On June 16, 2024, the SADER delivered 116 MT of rice seeds (*Milagro Filipino*) to farmers. However, farmers report that the main obstacle to increasing rice production is limited federal programs and policies to help farmers deal with adverse conditions such as low prices and poor growing conditions. Most farmers in the state lack the resources to properly apply water and soil management techniques such as controlled flood irrigation systems and the use of rice varieties with low water requirements. As of January 8, 2025, the government has not announced a guaranteed price for spring/summer cycle rice.

Fall/Winter Rice

SIAP reports that as of November 30, 2024, planted area for the fall/winter rice cycle reached 1,503 HA, mostly from Campeche. Planted area in Campeche is nearly complete. Planted area in Nayarit is expected to be around 5,400 HA, stable from the previous year. In Tamaulipas, farmers in the southern regions are likely to plant roughly 2,000 HA of rice due to improved water availability in state reservoirs. Producers did not plant rice in Tamaulipas in the previous year based on severe drought conditions. Farmers in Michoacán and Jalisco are expected to plant 1,000 HA of rice, stable from the previous year.

Trade

FAS Mexico forecasts rice imports for MY 2024/2025 at 860,000 MT, a one percent increase year-on-year based on higher demand. U.S. rice is likely to remain the main source of imported paddy rice for Mexico due to its price competitiveness. However, Brazil is expected to increase its share in paddy rice

imports due to lower prices and tariff free access to the market through the renewed Presidential Anti-Inflation Decree (see policy section) which provides countries without an FTA tariff free access to Mexico's market for select agricultural products including paddy rice.

The latest version of the decree published in December 2024 removed long-grain milled rice from the duty-free list, which means that countries such as Thailand revert to a 20-percent tariff to export this commodity to Mexico. Long-grain milled rice from the United States and Uruguay maintain their duty-free access due to their FTAs with Mexico. Exports for MY 2024/2025 are estimated at 10,000 MT, a 44 percent yearly decline, based on lower exportable supplies of broken rice.

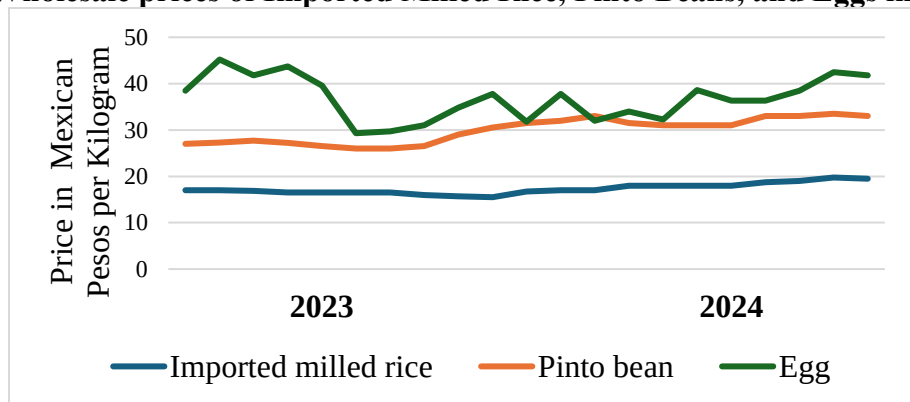
MY 2023/2024

In MY 2023/2024, milled rice imports are estimated to reach 852,000 MT, a yearly nine percent increase based on higher domestic demand and lower-than-average production. U.S. rice accounted for roughly 82 percent of total rice imports. U.S. rice amounted to 99 percent of paddy rice imports and 40 percent of milled rice imports. Thai rice accounted for roughly 40 percent of milled rice imports, a 26 percent yearly increase based on competitive prices. [The Presidential Anti-Inflation Decree approved on January 6, 2023](#), removed tariffs for long-grain milled rice from countries without an FTA with Mexico and benefited imports of Thai milled rice. Uruguayan rice made up roughly 18 percent of milled rice imports, a 32 percent decline from the previous year based on higher relative prices.

Consumption

FAS Mexico forecasts total consumption at 1.0 MMT of milled rice in MY 2024/2025, nearly two percent higher than the previous year based on current population growth and stable prices compared to other food products. The price of imported milled rice increased at a lower rate in recent years compared to agricultural products consumed alongside rice, such as pinto beans and eggs.

Figure 11. Wholesale prices of Imported Milled Rice, Pinto Beans, and Eggs in Mexico City



Source: Source: National System of Market Information and Integration of Mexico (SNIIM)

Stocks

Post forecasts ending stocks for MY 2024/25 at 89,000 MT, six percent higher than the previous year based on forecast higher domestic production and increased imports.

SORGHUM

Table 4. Mexico, Sorghum Production, Supply, and Distribution

Sorghum	2022/2023		2023/2024		2024/2025	
Market Year Begins	Oct 2022		Oct 2023		Oct 2024	
Mexico	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	1398	1398	1285	1285	1320	1070
Beginning Stocks (1000 MT)	303	303	270	270	214	214
Production (1000 MT)	4892	4892	4485	4485	4500	3750
MY Imports (1000 MT)	176	176	60	60	100	40
TY Imports (1000 MT)	176	176	60	60	100	40
Total Supply (1000 MT)	5371	5371	4815	4815	4814	4004
MY Exports (1000 MT)	1	1	1	1	1	1
TY Exports (1000 MT)	1	1	1	1	1	1
Feed and Residual (1000 MT)	5000	5000	4500	4500	4500	3750
FSI Consumption (1000 MT)	100	100	100	100	100	100
Total Consumption (1000 MT)	5100	5100	4600	4600	4600	3850
Ending Stocks (1000 MT)	270	270	214	214	213	153
Total Distribution (1000 MT)	5371	5371	4815	4815	4814	4004
Yield (MT/HA)	3.4993	3.4993	3.4903	3.4903	3.4091	3.5047

(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 Sorghum begins in October for all countries. TY 2024/2025 = October 2024 - September 2025

Figure 12. Mexico Sorghum Crop Calendar



Production

MY 2024/2025

Post forecasts Mexico's MY 2024/2025 (October –September) sorghum production at nearly 3.8 MMT, a 16 percent decrease year-on-year based on lower profitability and reported higher farm debt which encouraged less production. The harvested area is forecast at nearly 1.1 million HA, a 17 percent yearly decrease. Sorghum farmers report higher input costs (i.e. diesel, electricity, seeds), persistently low local prices, a lack of federal safety nets, and higher indebtedness ratios as the main factors for the sharp decline in forecast planted area and production.

Spring/Summer Sorghum

According to SIAP, as of November 30, 2024, the harvested area for the spring/summer cycle was 186,591 HA, a 14 percent yearly decline. In Guanajuato, planted area was 139,438 HA, 11 percent lower than the previous year. Farmers reduced planted area due to sorghum's lower profitability and limited water availability. Guanajuato makes up 48 percent of total sorghum production on average during the

spring/summer cycle. Roughly 63 percent of the state's planted area is irrigated, mainly from local aquifers. Due to the extreme and severe drought conditions in the previous year, water extraction from aquifers increased and led to lower water availability for the spring/summer cycle. In December 2024, the average price paid to farmers per ton of sorghum was around 4,600 pesos (USD 225), five percent higher than the previous year, which barely covered production costs. Local sorghum prices are lower than yellow corn prices due to livestock producers' preference for yellow corn based on its energy contributions to animal feed formulations. Due to lower profitability and farmers' lower financial resources, sorghum planted area also diminished in Michoacán, Morelos, and Sinaloa.

Despite low prices, in Tamaulipas planted area increased by 23 percent from the previous year to 63,923 HA. Sorghum was planted due to less water requirements compared to other crops and local market demand. In Jalisco, planted area went up by 50 percent to 33,933 HA. Farmers in the state's western regions switched from corn to sorghum due to delayed and erratic rainfall.

Fall/Winter Sorghum

As of November 30, 2024, SIAP reported that planted area reached 102,869 HA. In Tamaulipas, the main sorghum-producing state, farmer associations assert that producers are likely to reduce planted area by 27 percent to around 550,000 HA, due to sorghum's relatively low prices. The estimated reduction is mostly on rented land due to farmers not being able to grow sorghum, pay for inputs, and afford rent. Although federal support is limited, the state-level government provides in-kind support for sorghum farmers, including 20 kilograms (44 lbs.) of seeds per two HA and 40 liters of diesel per hectare. Planting started in the state in late December 2024 and will continue until early March 2025. Farmers report adequate moisture levels due to above-average precipitation levels from June 2024 through October 2024.

The federal government excludes sorghum from the guaranteed prices program which provides support to farmers producing crops such as corn, wheat, rice, and dry beans. According to Trusts Established in Relation to Agriculture (FIRA), a Government of Mexico rural finance institution, estimated production costs for a hectare of rainfed sorghum in northern Tamaulipas for the fall/winter cycle 2024/2025 amounts to 8,958 pesos (USD 440), while average estimated income is 9,596 pesos (USD 470) with an average yield of 2.8 MT/HA. The estimated profit for an average hectare of rainfed sorghum is 638 pesos (USD 31) not including the payment of land rents. Given the tight profit margins, higher rents, and limited government support, many farmers in Tamaulipas and other states decided not to plant on rented areas.

Trade

FAS Mexico forecasts sorghum imports for MY 2024/2025 at 40,000 MT, a 33 percent yearly decrease based on higher prices of imported sorghum, higher supplies of corn, and continued preference for domestic sorghum over imported sorghum for use in local animal feed operations due to a price differential.

In MY 2023/2024, sorghum imports reached 60,000 MT, a 66 percent yearly decrease. Virtually all imports are U.S. origin sorghum. Sources indicate that animal feed manufacturers prefer imported yellow corn over imported sorghum due to its price competitiveness and suitability to various feed

formulations. In addition, the domestic sorghum price is on average 30 percent lower than imported sorghum.

Consumption

In MY 2024/2025, Post forecasts total sorghum consumption at nearly 3.9 MMT, a 16 percent yearly decrease based on lower domestic production and imports. Sorghum is primarily used by the livestock industry due to its high protein content and starch to provide energy to animal feed formulations. However, in recent years competitive yellow corn prices resulted in substitution of corn for sorghum in animal feed formulations.

Stocks

FAS Mexico forecasts endings stocks for MY 2024/2025 at 153,000 MT, a nearly 29 percent decline from the previous year based on lower domestic production and imports.

POLICY (all grains)

Mexico's 2025 Agricultural Budget Maintains Focus on Social Programs

The 2025 federal government budget for SADER is USD 3.6 billion, a four percent decrease in real terms compared to the previous year. Roughly 75 percent of the budget is allocated to assistance programs that provide in-kind benefits such as fertilizers to small-scale producers and milk and staple food to low-income families. There are no significant changes to federal programs and policies compared to the previous administration.

Food Sovereignty Policies Focused on Domestic Grain Production and Dairy

President Claudia Sheinbaum's [National Program for Food Sovereignty](#) will guide her administration's agricultural policy over her six-year presidential term. The program aims to expand the Morena Party's social transformation of agriculture to a more 'just and sovereign' system compared to previous 'neoliberal' regimes. Sheinbaum's agricultural goals under the [100 Commitments](#) to the country are guided by food sovereignty and self-sufficiency for staple agricultural products including [non-genetically engineered (GE)] corn, beans, rice, and milk. A decreased federal budget for agriculture, and factors such as food price inflation, adverse conditions, and growth in high value export-oriented agriculture (over grain production) are expected to result in minimal changes to domestic grain production.

Constitutional Reforms that Might Impact the Agricultural Sector

The legislative branch, consisting of the Chamber of Deputies and the Senate, will start a new legislative period from February 1, 2025 - April 30, 2025. The Congress is likely to discuss various proposed constitutional amendments including the [Genetically Engineered "Cracked" Corn measure](#). According to public statements from President Claudia Sheinbaum, the goal of the final measure will be to protect Mexico's biodiversity and health. According to the President, the latest version of the constitutional amendment is expected to be published in January 2025.

National Agreement for the Right to Water and Sustainability

On December 19, 2024, President Claudia Sheinbaum published [the National Agreement for the Human Right to Water and the Sustainability](#) in the *Diario Oficial* (Mexico's Federal Register) signed by government at the federal, state, and municipal levels, irrigation districts, representatives of the agricultural and livestock sectors, industry, and academic institutions. This agreement aims to recognize water as a strategic national asset and ensure voluntary contribution of water concessions for national reintegration. Irrigation districts pledged to return 2.8 billion cubic meters of water, and the private sector vowed to return 126 million cubic meters of water and invest over USD 1.01 billion. The agreement is part of the National Water Plan 2024-2030, which involves significant coordination among various sectors, including agriculture, industry, and academia.

General Law on Appropriate and Sustainable Food

On April 17, 2024, the Government of Mexico published a law (See [GAIN MX2024-0023](#)) in the *Diario Oficial* to establish mandatory warning labeling for products containing genetically engineered ingredients, state sponsored granaries, and the use of the precautionary principle. According to the law, implementing regulations must be published in the *Diario Oficial* 180 days after the publication. In addition, federal and state legislation must be harmonized 360 days after publication of the law. As of

January 17, 2025, the Government of Mexico has not notified implementing regulations. Industry remains attentive to the bylaws that would define the general provisions included in this legislation.

February 2023 Corn Decree

On February 13, 2023, the Government of Mexico published a [presidential decree](#) that includes an immediate prohibition on the use of biotech corn in Mexico’s dough and tortilla production. On June 2, 2023, the United States requested dispute settlement consultations with Mexico under the United States Mexico Canada Agreement (USMCA). On August 17, 2023, the United States Trade Representative (USTR) announced the establishment of a dispute settlement panel under USMCA regarding certain Mexican measures concerning biotech corn. On December 20, 2024, [the USMCA issued its final report to the Parties](#) where it agreed with the United States on all seven legal claims, finding that Mexico’s measures are not based on science and undermine the market access that Mexico agreed to provide in the USMCA. Under USMCA rules, Mexico has 45 days from the date of the final report to comply with the Panel’s findings.

Presidential Anti-Inflation Decree

On December 31, 2024, the Government of Mexico [published a decree to extend the exemption of tariffs and easing of administrative procedures](#) for the importation of basic food basket products under the “Decree amending the various ones exempting payment of import duties and granting administrative facilities to various goods in the basic basket and basic consumption of families” (See [GAIN MX2024 0004](#) and [GAIN MX2023 0002](#)). The decree is valid through December 31, 2025, and temporarily exempts select importers from the payment of import duties for certain goods and facilitates administrative easing. The current extension removed long grain milled rice (HS Code 1006.30.99) from the list to support higher domestic rice production. Wheat and wheat or meslin flour were added to the decree due to concerns that prolonged drought conditions would result in lower wheat production. The grain and related products with duty-free access included in the decree are listed below.

Code	Product	Tariff	Notes
10.01	Wheat and meslin.		
1001.11.01	For sowing.	Ex.	
1001.19.99	Others.	Ex.	
1001.91.99	Others.	Ex.	
1001.99.99	Others.	Ex.	
11.01	Wheat or meslin flour		
1101.00.01	Wheat or meslin flour	Ex.	
10.05	Corn.		
1005.90.04	White corn (floury).	Ex.	For human consumption only (not genetically modified).
1005.90.99	Others.		Yellow corn for animal feed only.

10.06	Rice.		
1006.10.99	Others.	Ex.	
10.07	Grain sorghum (graniferous).		
1007.90.01		Ex.	When the operation is carried out within the period between December 16 and May 15.
1007.90.02		Ex.	When the operation is carried out within the period between May 16 and December 15.
11.01	Wheat or meslin flour (tranquillón)	Ex.	
11.02	Cereal flour, except wheat or meslin.		
1102.20.01	Cornmeal.	Ex.	
19.02	Pasta, whether cooked or stuffed (with meat or other substances) or otherwise prepared, such as spaghetti, noodles, macaroni, noodles, lasagna, gnocchi, ravioli, cannelloni;		
1902.11.01	They contain eggs.	Ex.	
1902.19.99	The others.	Ex.	
1902.30.91	Other pasta	Ex.	
19.05	Bakery, pastry, or biscuit products, whether containing added cocoa; wafers, empty seals of the type used for medicines, wafers for sealing, dry pastes of flour, starch, or starch, in sheets, and similar products.		
1905.40.01	Toasted bread and similar toasted products.	Ex.	Box bread only.
1905.90.99	Others.	Ex.	Box bread only.
23.09	Preparations of a kind used in animal feeding.		
2309.10.01	Dog or cat food, put up for retail sale.	Ex.	

For More Information

Visit the FAS headquarters' home page at www.fas.usda.gov for a complete selection of FAS worldwide agricultural reporting.

Report Number	Title	Dated
MX2024-0044	Grain and Feed Update	09/24/2024
MX2024-0032	Grain and Feed Update	06/19/2024
MX2024-0015	Grain and Feed Annual	03/19/2024
MX2024-0005	Grain and Feed Update	01/25/2024
MX2023-0045	Grain and Feed Update	09/27/2023

Additionally, the FAS International Production Assessment Division Crop Explorer provides information on Mexico's grain production:

[Corn Explorer](#)

[Wheat Explorer](#)

[Rice Explorer](#)

[Sorghum Explorer](#)

Attachments:

No Attachments