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Report Highlights:

Stronger local white corn prices and rising demand for rice and sorghum are expected to drive increased production in marketing year 2025/2026. In contrast, wheat production is projected to decline due to prolonged drought and weaker price expectations. Increased corn production and greater use of yellow corn stocks are expected to reduce corn imports. Imports of wheat, rice, and sorghum are forecast to rise as domestic production remains insufficient to meet growing consumption.

EXECUTIVE SUMMARY

Grain demand in marketing year (MY) 2025/2026 will likely remain strong, supported by population growth and continued expansion in the cattle, swine, and poultry sectors. In the first quarter of 2025, the National Institute of Statistics and Geography (INEGI) reported a 6.7 percent expansion in Mexico's agricultural sector, reflecting rising feed demand. Mexico is expected to remain a major grain importer as domestic production remains insufficient to meet growing food and feed needs.

Mexico's corn production is forecast to increase by seven percent to 24.5 million metric tons (MMT), driven by higher expected local prices for white corn and reduced domestic white corn stocks. Corn imports are expected to decline by two percent to 24.8 MMT, driven by stronger domestic production and increased use of yellow corn carryover stocks from record high MY 2024/2025 imports.

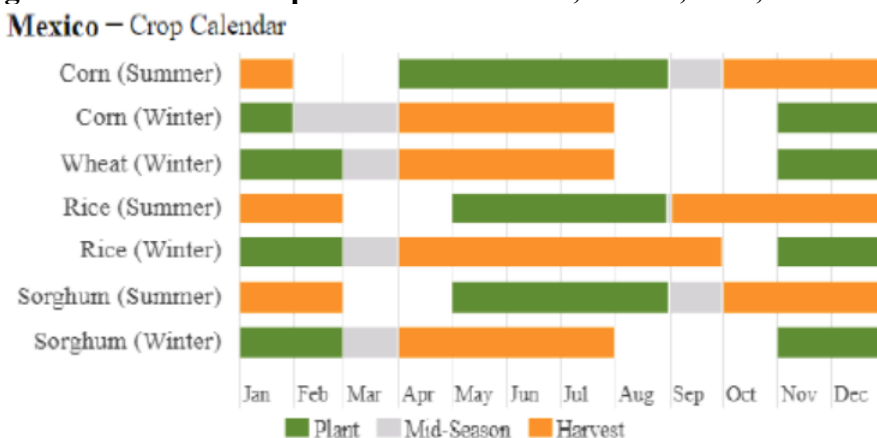
Wheat production is forecast to fall 36 percent to 1.7 MMT, driven by prolonged drought, record-low reservoir levels in Sonora and Sinaloa that limit irrigation, and weaker price expectations. To offset reduced production, wheat imports are projected to rise 23 percent to 6.4 MMT. Exports are forecast to drop 50 percent to 50,000 metric tons (MT), as lower durum wheat production is expected to be absorbed by domestic demand.

Rice production is forecast to increase four percent to 177,000 MT, driven by stronger demand for domestic varieties. Imports are expected to rise one percent to 880,000 MT, reflecting higher consumption fueled by population growth.

Sorghum production is forecast to rise four percent to 4.4 MMT, supported by the crop's lower water and input requirements compared to other grains. Imports are expected to increase 29 percent to 450,000 MT, driven by more competitive prices.

The following calendar reflects Mexico's corn, wheat, rice, and sorghum crop cycles.

Figure 1. Mexico's Crop Calendar for Corn, Wheat, Rice, and Sorghum



CORN

Table 1. Mexico, Corn Production, Supply and Distribution

Corn Market Year Begins Mexico	2023/2024		2024/2025		2025/2026	
	Oct 2023		Oct 2024		Oct 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	6100	6100	6350	6400	6400	6500
Beginning Stocks (1000 MT)	4944	4944	5973	5980	5743	5760
Production (1000 MT)	23500	23500	23300	23000	24500	24500
MY Imports (1000 MT)	24759	24759	25000	25300	25000	24800
Total Supply (1000 MT)	53203	53203	54273	54280	55243	55060
MY Exports (1000 MT)	30	23	30	20	30	20
Feed and Residual (1000 MT)	26000	26000	27200	27200	28000	28000
FSI Consumption (1000 MT)	21200	21200	21300	21300	21500	21500
Total Consumption (1000 MT)	47200	47200	48500	48500	49500	49500
Ending Stocks (1000 MT)	5973	5980	5743	5760	5713	5540
Total Distribution (1000 MT)	53203	53203	54273	54280	55243	55060
Yield (MT/HA)	3.8525	3.8525	3.6693	3.5938	3.8281	3.7692

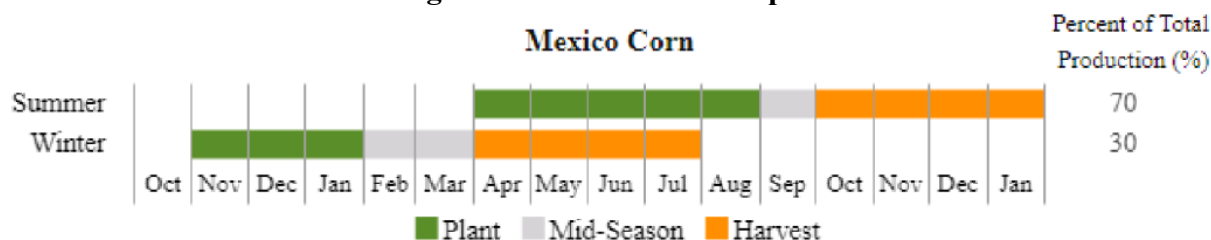
(1000 HA), (1000 MT), (MT/HA)

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 2025/2026 = October 2025 - September 2026

Note: Post revised Feed and Residual Use and Food, Seed, and Industrial (FSI) Consumption estimates for marketing years 2012/2013 - 2025/2026 based on updated information from local industry contacts.

Figure 2. Mexico Corn Crop Calendar



Production

MY 2025/2026

Corn production in MY 2025/2026 (October–September) is forecast to rise by seven percent to 24.5 MMT, reflecting a modest recovery from the previous year’s drought-related production challenges. An expected increase in planted area is driven by higher local prices for white corn, prompted by declining domestic white corn stocks, and expectations of favorable weather conditions. However, expansion remains constrained by several factors, including irrigation limitations in northwestern states, a shift towards more profitable crops such as horticultural products, and escalating security concerns. As a result, despite the projected increase, overall production remains below historical levels.

Spring/Summer Corn

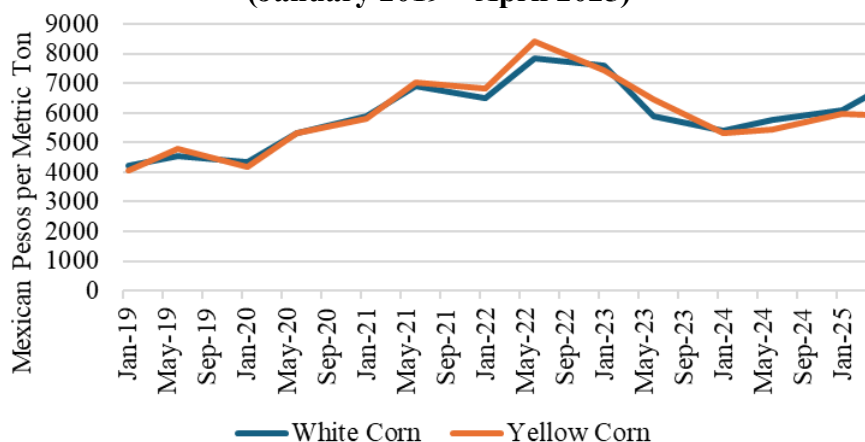
According to the Agricultural and Fisheries Information Service (SIAP), planting intentions for the spring/summer cycle are two percent higher at 5.7 million hectares (HA). Higher planted area is expected to be driven by increased domestic white corn prices and expectations of improved weather conditions. The majority of spring/summer corn is sown between June and August. As of early June,

planting progress had reached 20 percent in Chiapas, followed by 18 percent in Jalisco, 10 percent in Michoacán, Chihuahua, and the State of Mexico, and nine percent in Guanajuato.

In Michoacán and Jalisco—which together account for on average 30 percent of spring/summer corn production—most producers plan to expand planted area, especially in northern Michoacán and eastern Jalisco. The Michoacán state government has pledged support for both rainfed and irrigated corn, including subsidies for seed and crop insurance. In Chihuahua, which contributes to 13 percent of production, planted area is expected to rise 12 percent, with some growers expected to switch from yellow to white corn due to higher domestic prices. Planting intentions in Tamaulipas, Veracruz, Chiapas, and the State of Mexico remain stable. In contrast, Guanajuato producers are expected to reduce corn area due to past losses and shift to sorghum, which requires less water.

In April 2025, the National System of Market Information and Integration (SNIIM) reported the farm-gate price of white corn in the Bajío region (Jalisco, Guanajuato, and Michoacán) as 19 percent higher than the previous year at 6,650 Mexican pesos (USD 341) per MT. This price was also 12 percent higher than the farm-gate price of yellow corn.

Figure 3. Average White and Yellow Corn Farmgate Prices in the Bajío Region (January 2019 – April 2025)



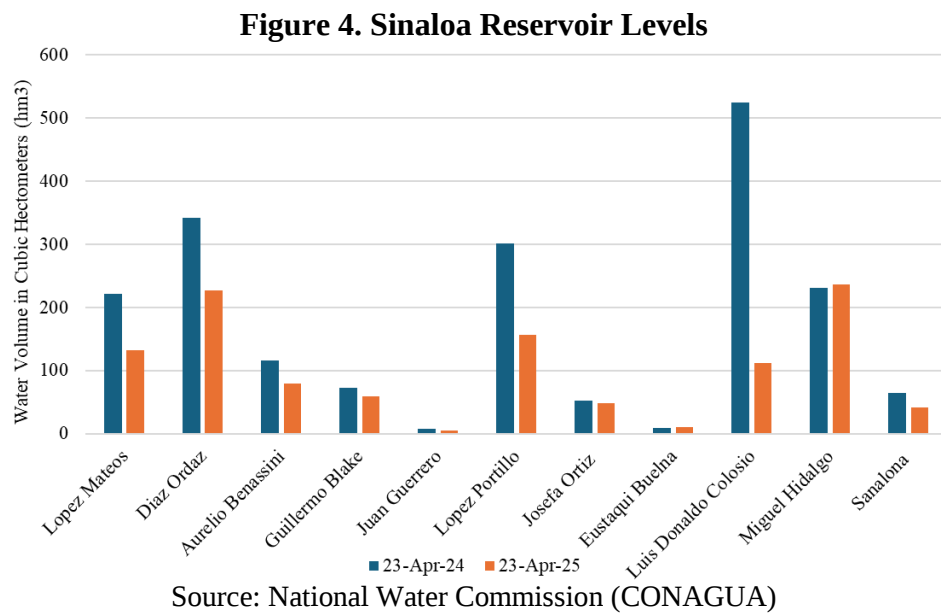
Source: National System of Market Information and Integration of Mexico (SNIIM)

White corn production in MY 2023/2024 and MY 2024/2025 remained below average, resulting in low ending stocks and a widening price gap between white and yellow corn. Market sources report increased purchases of domestic white corn at premium prices, driven by limited domestic availability despite elevated import volumes.

Fall/Winter Corn

SIAP estimates an increase in planted area for the 2025/2026 fall/winter cycle in Sinaloa. However, irrigation permits remain contingent on reservoir recovery, and persistently low water levels may limit expansion despite the potential for seasonal replenishment from hurricanes. The State Plant Health Committee of Sinaloa (CESAVESIN) is expected to determine permit approvals for irrigated corn in September 2025, based on reservoir levels at that time.

The government of Sinaloa has advised farmers to consider planting lower-water-use crops, such as beans and chickpeas, should reservoir levels remain low. However, adoption of these alternatives will depend largely on market preferences and profitability.



Government Support Programs for Corn Producers Have Limited Impact on Production Growth

In April 2025, the Government of Mexico launched the Harvesting Sovereignty Program to boost white corn production to 25.0 MMT by 2030 and expand output of beans, rice, wheat, coffee, dairy, and fisheries. The program targets small-scale farmers with plots of up to 10 HA and offers subsidized loans, crop insurance, and certified seeds. According to SIAP, subsistence producers contribute 4.0 to 5.0 MMT annually—less than 10 percent of total corn consumption. Sources report that limitations to small size farms limits short-term impacts on corn production. The Trust Funds for Rural Development (FIRA), Mexico’s public agricultural lending agency, will manage program financing, starting with an initial fund of 8.5 billion pesos (USD 435 million).

The Price Guarantee Program for Basic Food Products supports producers by offering a set purchase price for producers of corn, bread wheat, dry beans, rice, and milk. The program aims to increase planted area and grain production volumes and increase the incomes of small and medium sized grain and milk producers. However, hectare and metric ton limits, along with payment delays, are expected to keep production growth impacts stable.

The Fertilizers for Well-being Program provides no-cost urea and diammonium phosphate to smallholder farmers with up to 3.0 HA of corn, dry beans, or rice. Support is capped at 300 kilograms per farmer and sourced primarily from state-owned oil company PEMEX. However, limited eligibility and delayed fertilizer distribution have reduced the program’s effectiveness in boosting corn yields beyond subsistence levels.

National Irrigation Technification Plan Seeks Higher Production in Agriculture

In early 2025, the Government of Mexico launched the National Irrigation Technification Program, a six-year, \$2.89 billion USD initiative to modernize irrigation infrastructure and reduce water waste. The program is expected to build and repair canals across 13 irrigation districts in Sinaloa, Hidalgo, Morelos, Aguascalientes, Guanajuato, Durango, Chihuahua, Coahuila, and Tamaulipas. As part of the broader National Water Plan, the government also announced plans to modernize 200,000 HA of irrigated cropland to improve water efficiency and crop productivity. Despite the scope of investment, the program is not expected to significantly impact MY 2025/2026 production, as results depend on long-term infrastructure development and the implementation of additional incentives to encourage farmer participation.

MY 2024/2025

Production for MY 2024/2025 is estimated to decrease by two percent to 23.0 MMT, reflecting lower-than-average yields and constrained water availability in key producing regions. This estimate is based on updated preliminary spring/summer harvest data and planted area and the harvest progress for the fall/winter cycle. Water scarcity in irrigated production areas, particularly in Sinaloa and other northern states, remains a key limiting factor.

Spring/Summer Corn

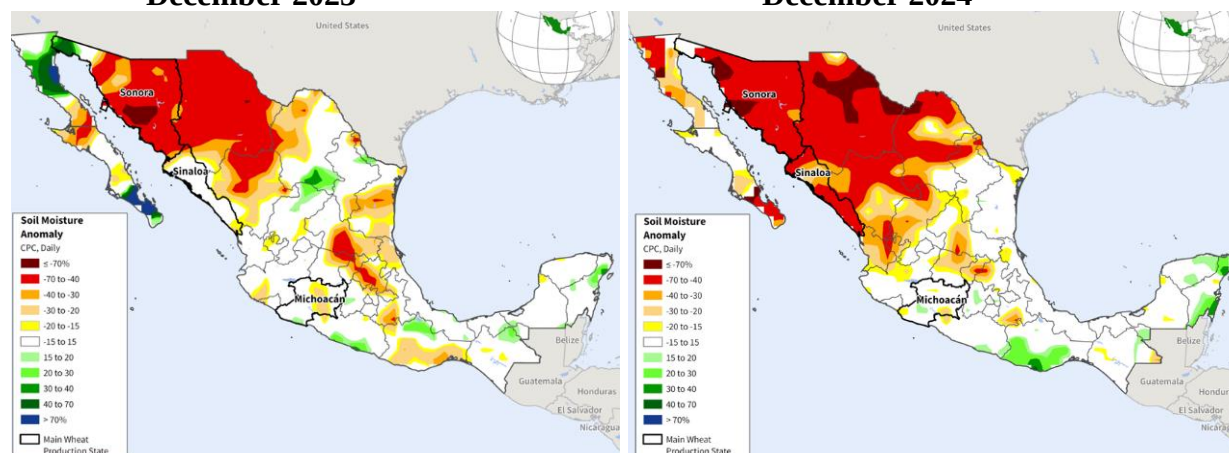
According to preliminary SIAP data, the spring/summer cycle produced 18.5 MMT, stable from the previous year. Harvested area increased seven percent to 5.6 million HA, though yields declined in major producing states due to irregular precipitation, higher temperatures, and reduced water availability in northern regions. The cycle yielded roughly 16.3 MMT of white corn and 2.2 MMT of yellow corn. White corn production rose six percent, while yellow corn production declined by 42 percent. Sources report good grain quality in nearly 90 percent of the commercial corn crop.

Fall/Winter Corn

The fall/winter corn harvest began in May and is expected to conclude by late August. Planted area decreased by six percent to 827,806 HA due to prolonged drought and record-low reservoir levels, which constrained irrigation capacity.

Sinaloa, which accounts for 70 percent of Mexico's fall/winter corn production, reported a 31 percent decrease in planted area, totaling 177,644 HA, due to ongoing drought conditions. Harvest is expected to conclude by late June. As of May 2025, 92 percent of the state faced severe to extreme drought, and dam storage levels dropped to just seven percent—a historic low. Farmers limited irrigation to two cycles, contributing to lower yields, averaging 9.5 MT/HA compared to 10.5 MT/HA last year. Only 10 percent of the planted area is insured, according to Secretariat of Agriculture (SADER), leaving most of the crop exposed to market and climate-related risks. Additionally, security concerns have disrupted corn transport to storage facilities.

**Figure 5. Mexico: Soil Moisture Anomaly During Planting Season
December 2023 December 2024**



Source: USDA FAS International Production Assessment Division (IPAD)

As of June 10, farmers, industry, and government had not reached an agreement on a reference price for Sinaloa's white corn. The Price Guarantee Program applies only to small and medium sized producers, leaving most Sinaloa farmers—who are typically large-scale operators—outside its scope. These producers seek to negotiate a reference price with industry that covers production costs and ensures a fair return, particularly considering tight domestic white corn supplies. A mutually agreed price could encourage farmers to maintain or increase planted area in the upcoming fall/winter cycle, assuming adequate water availability.

In Veracruz, the harvested area remained stable near 205,165 HA, with harvest concluding in late May. Estimated production reached 525,000 MT, a one percent increase, while estimated yield rose three percent to 5.6 MT/HA. Grain quality was reported as good, with no significant pest or disease concerns noted. The state government supported smallholder corn farmers by distributing seeds and providing tractors and power tillers for planting. In addition, the state supplemented the federal Price Guarantee Program by 1,000 pesos, raising the support price to 7,000 pesos (approximately USD 350) per MT.

In Tamaulipas, the planted area increased 63 percent to 70,917 HA, with 57,462 HA allocated to white corn and 13,509 HA to yellow corn. The harvest is expected to conclude in July. Planted area is 28 percent lower than the 10-year average. Early harvest reports indicate limited crop damage in central and northern Tamaulipas caused by the presence of corn leafhopper and aflatoxins. Farmers face high debt levels after several years of below-average production in recent years and lower water availability. Due to farmers' low liquidity, fertilizer use was limited and dry conditions before harvest are expected to drive down average yields.

In Chiapas, planted area remained stable at approximately 111,619 HA. As of early June, harvest progress reached 20 percent. Around 90 percent of corn producers are subsistence farmers who primarily use local seed varieties, resulting in average yields of 1.8 MT/HA.

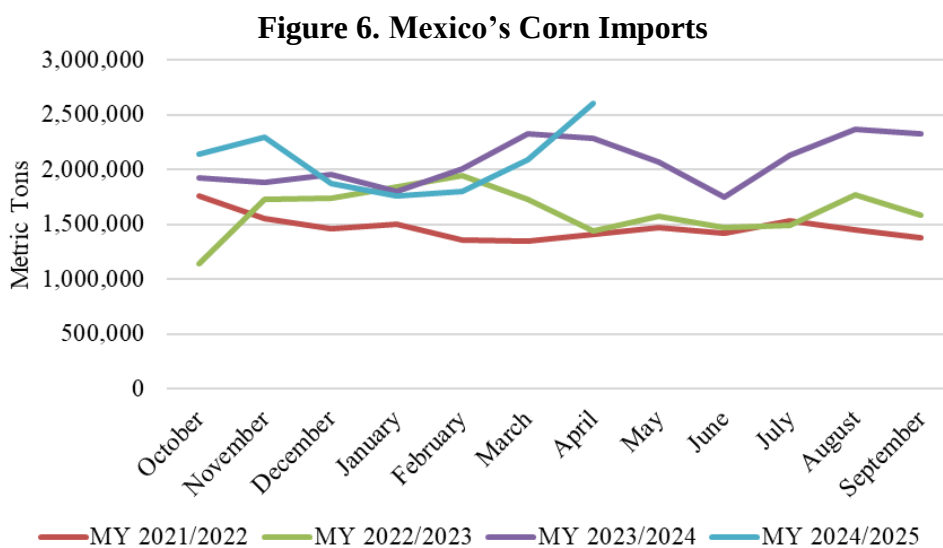
Trade

MY 2025/2026

Corn imports are forecast to fall two percent to 24.8 MMT in MY 2025/2026, driven by stronger production and greater use of yellow corn carryover stocks following record-high imports in MY 2024/2025. Sources report that in MY 2024/2025, some large importers increased yellow corn inventories as a precaution against potential volatility in international markets.

MY 2024/2025

Corn imports in MY 2024/2025 are estimated to increase by two percent to 25.3 MMT, accounting for 52 percent of total consumption. From October 2024 through April 2025, Mexico increased imports by three percent to 14.6 MMT. U.S. corn accounted for 99 percent of total imports. Industry sources indicate that U.S. yellow corn (Grade 2) remains price-competitive and offers consistent quality for use in livestock feed, compound feed manufacturing, and industrial applications such as starch, oil, and syrup production. During the same period, Mexico increased white corn imports by 130 percent to 335,462 MT. Virtually all white corn imports were of U.S. origin. The surge in white corn imports was supported by reduced domestic production, tight stocks, and the February 2, 2025 [Decree](#) which removed the immediate ban on the use of genetically engineered corn in dough and tortillas.



Source: Trade Data Monitor

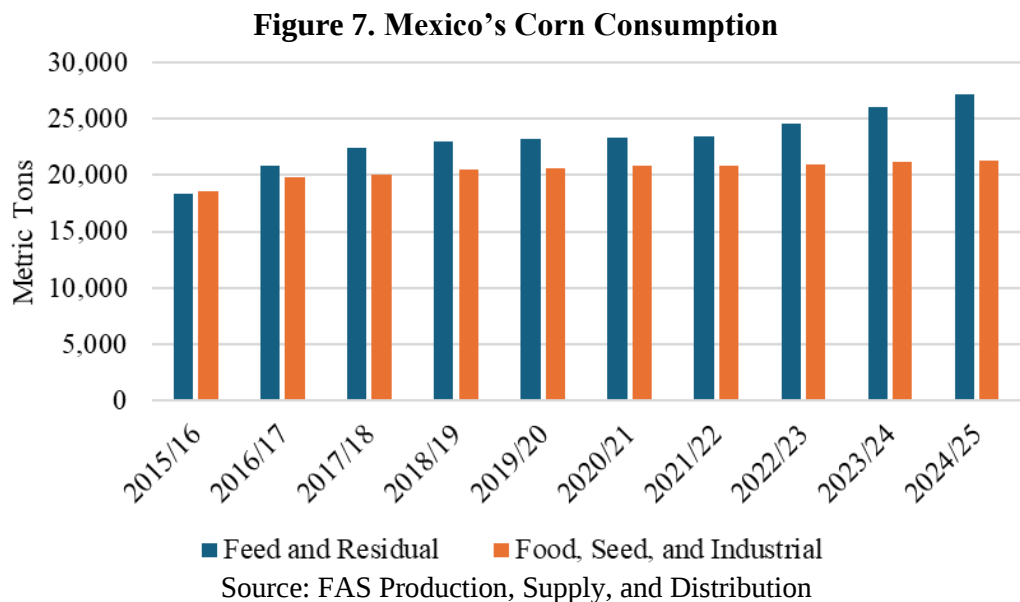
Consumption

Total consumption in MY 2025/2026 is forecast to increase two percent to 49.5 MMT, driven by rising demand for animal feed in the poultry, swine, and cattle sectors. The National Poultry Growers Association (UNA) projects poultry and egg production to grow by one percent and four percent, respectively. Swine and cattle production are each expected to grow by one percent. Additionally, on May 11, 2025, the United States suspended imports of live cattle, horses, and bison from Mexico due to

the northward spread of New World Screwworm. The suspension is expected to support higher domestic feed demand as more animals remain in-country for finishing.

Mexico ranks fifth globally in feed production with total feed output projected to increase two percent to 45.0 MMT in 2025. This growth will support key sectors, including poultry, swine, cattle, dairy, pet food, and aquaculture. Corn represents over 50 percent of total feed ingredients. Broiler feed has the highest corn inclusion rate (55 percent), followed by layers (45 percent), swine (40 percent), and aquaculture (30 percent). These ratios reflect each sector’s energy needs and underscore the importance of yellow corn imports to meet demand.

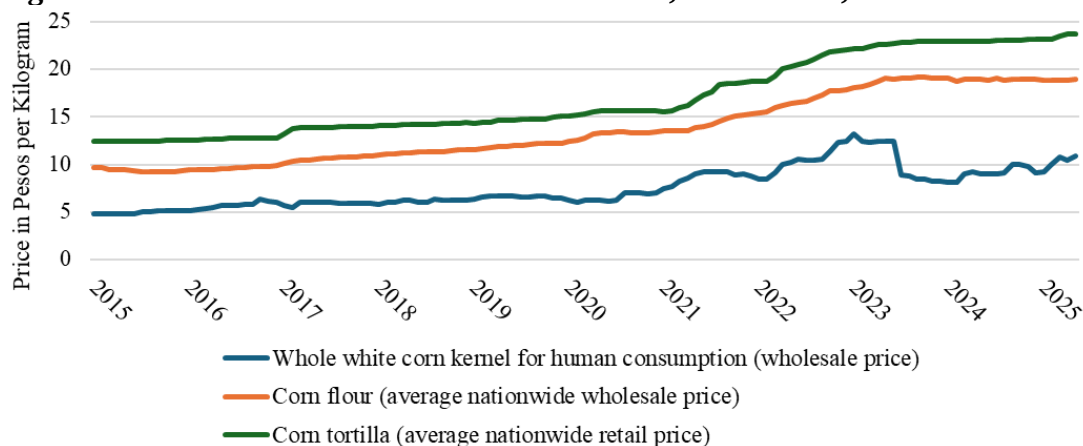
Post revised Feed and Residual use and Food, Seed, and Industrial (FSI) Consumption estimates for MY 2012/2013 - 2025/2026 based on updated information from local industry contacts. For MY 2025/2026, Post estimates Feed and Residual use at 28.0 MMT and FSI consumption at 21.5 MMT to reflect domestic market trends.



On June 12, the federal government signed a national agreement on corn tortillas with select farmer associations from Sinaloa, Michoacán and Guanajuato, as well as corn flour producers and certain tortilla bakery (*tortillerías*) groups. The goal of the agreement is to stabilize and reduce tortilla prices by five percent in six months and by 10 percent by 2030. The signatories pledged to promote direct contracts between farmers and processors to reduce distribution costs. The government also committed to support measures that include allocating 500 million pesos (approximately USD 26 million) in loans to modernize machinery in *tortillerías*.

Corn tortilla prices at *tortillerías* increased by four percent from May 2024 through May 2025, primarily due to higher input costs –including labor, diesel and electricity– despite stable corn flour prices.

Figure 8. Prices of Wholesale White Corn Kernel, Corn Flour, and Corn Tortilla



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

These rising costs challenge the current administration's goal to reduce tortilla prices by 10 percent by 2030. Annual price increases may constrain corn tortilla consumption among lower-income households, limiting their purchasing power.

Stocks

Corn ending stocks in MY 2025/2026 are forecast to decrease by four percent to 5.5 MMT, driven by lower imports and increased feed demand from the livestock feed sector. Stocks are held by millers, farmers, grain traders, and the government.

For MY 2024/2025, ending stocks are estimated to decline four percent to 5.8 MMT, driven by sustained growth in feed demand. To mitigate supply chain risks, some large livestock producers and commercial feed manufacturers increased yellow corn inventories to cover up to 20 days of consumption. However, most end users continue to rely on just-in-time imports through rail and maritime logistics.

White corn stocks have modestly recovered in recent months due to increased imports. However, overall inventories remain low, limited by reduced domestic production in both MY 2023/2024 and MY 2024/2025. As a result, white corn supplies for human consumption remain tight.

WHEAT

Table 2. Mexico, Wheat Production, Supply and Distribution

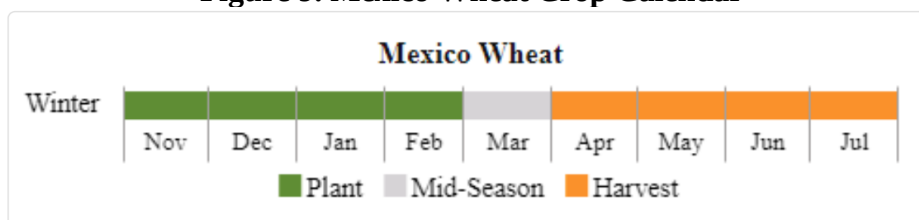
Wheat	2023/2024		2024/2025		2025/2026	
Market Year Begins	Jul 2023		Jul 2024		Jul 2025	
Mexico	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	560	560	465	465	340	315
Beginning Stocks (1000 MT)	757	757	773	773	898	518
Production (1000 MT)	3476	3476	2645	2645	1700	1700
MY Imports (1000 MT)	5290	5290	5500	5200	6500	6400
Total Supply (1000 MT)	9523	9523	8918	8618	9098	8618
MY Exports (1000 MT)	850	850	120	100	100	50
Feed and Residual (1000 MT)	200	200	200	200	200	300
FSI Consumption (1000 MT)	7700	7700	7700	7800	7900	7900
Total Consumption (1000 MT)	7900	7900	7900	8000	8100	8200
Ending Stocks (1000 MT)	773	773	898	518	898	368
Total Distribution (1000 MT)	9523	9523	8918	8618	9098	8618
Yield (MT/HA)	6.2071	6.2071	5.6882	5.6882	5	5.3968

(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 2025/2026 = July 2025 - June 2026

Figure 9. Mexico Wheat Crop Calendar



Production

MY 2025/2026

Wheat production in MY 2025/2026 (July–June) is forecast to decline 36 percent to 1.7 MMT due to severe drought, historically low reservoir levels in key producing states, and lower market prices. The forecast reflects updated harvest data from the fall/winter cycle and planting data from the spring/summer cycle.

Harvested area is expected to fall 32 percent to 315,000 HA. The sharpest declines are in Sonora—Mexico’s top wheat-producing state—where persistent water scarcity and reduced profitability have discouraged planting.

Fall/Winter Wheat

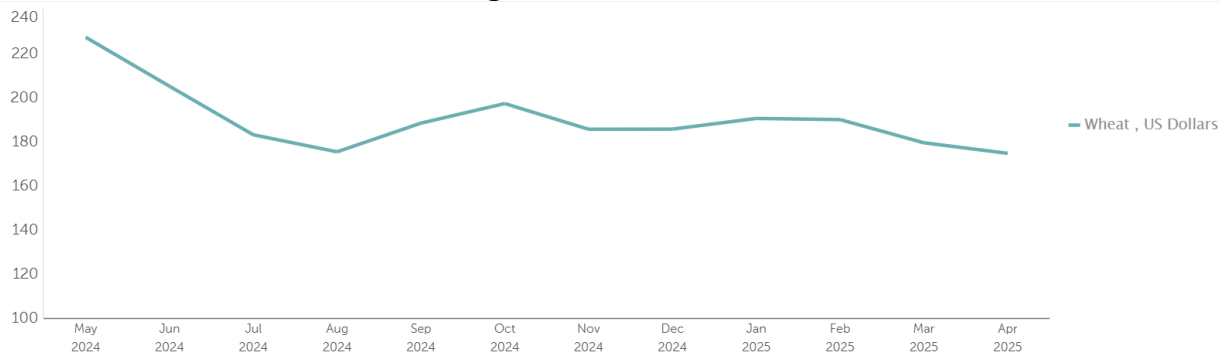
The fall/winter wheat harvest began in April and is expected to conclude by August. Sonora accounts for over 50 percent of Mexico’s total wheat production. Total planted area declined 76 percent to 59,439 HA, including 32,822 HA of bread wheat and 26,617 HA of durum wheat.

Limited water availability resulted in most farmers applying only two irrigation cycles, which is expected to lower yields. In the Mayo Valley, early reports indicate average yields of 6.8 MT/HA, slightly below last year’s level due to reduced irrigation. In the Yaqui Valley, farmers report average yields of 6.5 MT/HA, down from 7.0 MT/HA in the previous year.

The Price Guarantee Program aims to support farm income and encourage wheat production, but its effectiveness has been limited by delayed payments. As of May 2025, the average farmgate price in Sonora was 5,016 pesos (USD 262) per MT, making the guaranteed price nearly 50 percent higher than market levels. However, producers report payment delays of up to 10 months in previous cycles, which has reduced confidence in the program and incentives to expand planted area.

Durum wheat planting declined sharply due to low water availability and lower market prices. To provide some protection against price volatility to durum wheat farmers, the industry established a purchase price of 5,700 pesos (USD 300) per MT, while the Sonora government pledged an additional 190 pesos (USD 10) per MT. Farmers report the combined price of 5,890 pesos (USD 310) per MT covers production costs for farmers with yields above 5.0 MT/HA.

Figure 10. Global Wheat Prices



Source: International Monetary Fund (IMF)

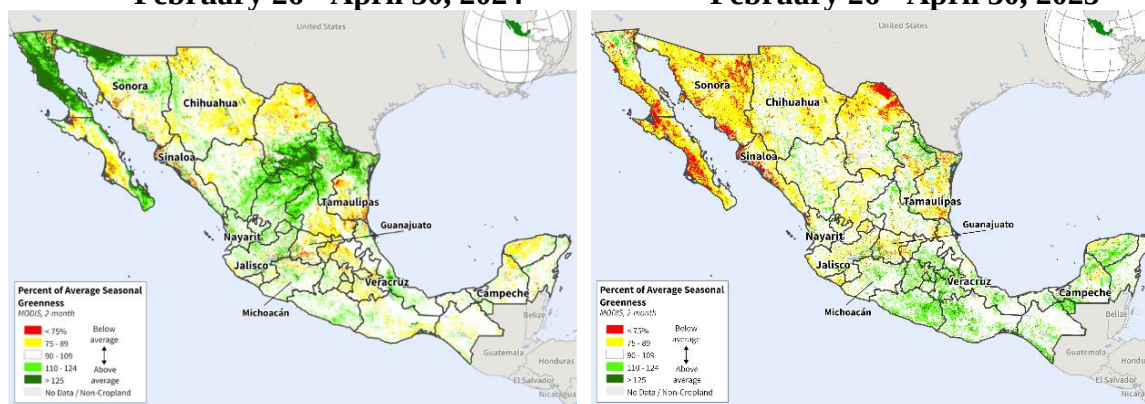
In Sinaloa, planted area declined two percent to 30,557 HA, including 29,300 HA of bread wheat and 1,257 HA of durum wheat. In the Carrizo Valley, early yield reports show an average of 6.0 MT/HA—down from 6.9 MT/HA the previous year. Some farmers delayed planting by a month, which limited them to a single irrigation cycle. This increased plant stress and contributed to lower yields. In some fields, yields dropped to as low as 4.0 MT/HA due to limited irrigation and the use of groundwater with high salinity and alkalinity.

In Baja California, planted area declined six percent to 30,632 HA, including 21,000 HA of durum wheat and 9,632 HA of bread wheat. Some farmers reduced fertilizer use due to high input prices. Harvest concluded in late May, with early yield reports indicating averages of 6.3 MT/HA for durum wheat and 6.1 MT/HA for bread wheat, slightly below last cycle’s 6.4 MT/HA.

In Guanajuato, planted area increased 112 percent to 59,542 HA, including 39,542 HA of bread wheat and 20,000 HA of durum wheat. This growth was driven by improved water availability—especially in irrigation district 011. Harvest concluded in mid-June, with early yield reports showing averages of 6.8 MT/HA for bread wheat and 6.6 MT/HA for durum wheat, stable compared to the previous cycle.

In Chihuahua, planted area decreased by 31 percent to 16,372 HA attributed to higher input costs, particularly electricity and labor. In Michoacán, planted area declined by 36 percent to 26,834 HA as lower expected prices discouraged planting. Farmers in both states primarily planted bread wheat.

Figure 11. Mexico: Percent of Average Seasonal Greenness (PASG)
February 26 - April 30, 2024 **February 26 - April 30, 2025**



Source: USDA FAS International Production Assessment Division (IPAD)

Spring/Summer Wheat

Planting intentions for the spring/summer cycle are two percent higher at 52,850 HA, nearly all of which is bread wheat. The increase is primarily driven by low domestic stocks and steady growth in bread wheat demand. On average, the spring/summer cycle accounts for approximately three percent of total domestic wheat production. Spring/summer wheat is primarily produced in Tlaxcala, Guanajuato, and smaller volumes in central states.

MY 2024/2025

The MY 2024/2025 wheat production estimate includes fall/winter wheat, fully harvested by August 2024, and spring/summer wheat, harvested by March 2025. Preliminary SIAP data estimates fall/winter wheat production declined 25 percent to 2.54 MMT, driven by prolonged drought and record-low reservoir levels in Sonora and Sinaloa that reduced planted area and yields. Conversely, spring/summer production increased four percent to 107,856 MT, supported by favorable weather conditions in key producing states.

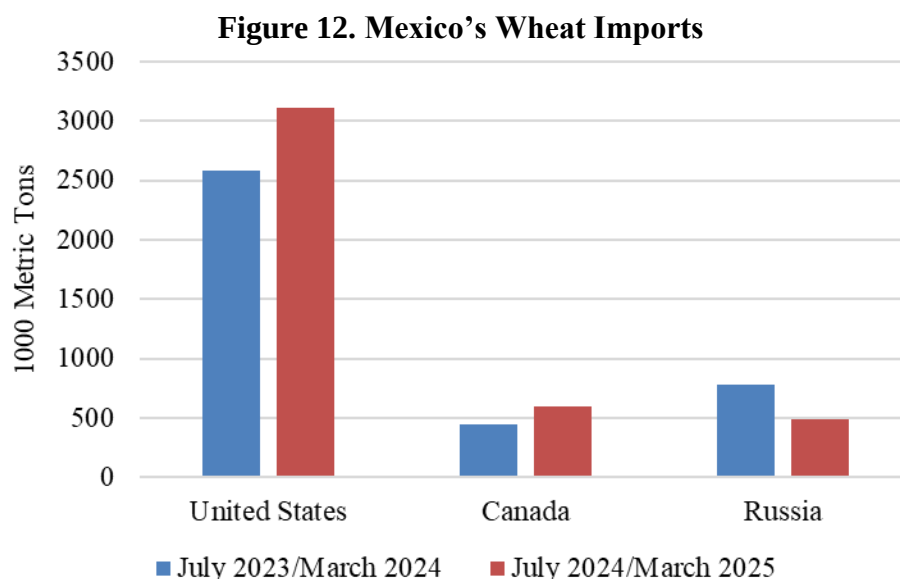
Trade

In MY 2025/2026, wheat imports are forecast to increase 23 percent to 6.4 MMT, driven by the lowest domestic production in 30 years. Mexico is expected to import approximately 0.4 MMT of durum wheat to offset sharply reduced local output. Wheat exports are forecast to decline 50 percent to 50,000 MT, reflecting limited availability of exportable durum wheat supplies.

Wheat imports for MY 2024/2025 are estimated to decline two percent to 5.2 MMT, based on updated trade data. The reduction reflects the use of existing stocks to offset lower domestic production. The United States remains Mexico's top wheat supplier, followed by Canada and Russia. From July 2024 to

March 2025, Mexico imported 4.2 MMT of wheat—73 percent from the United States, 14 percent from Canada, 12 percent from Russia, and one percent from Argentina and other sources. Compared to the same period in MY 2023/2024, the United States market share rose six percentage points, Canada’s share increased three points, while Russia’s share fell by eight points.

Sources indicate that competitive U.S. wheat prices—particularly for Hard Red Winter, Soft Red Winter, and Hard Red Spring—and reliable just-in-time delivery offer a clear advantage over other origins. The Presidential Anti-Inflation Decree (see policy section), extended through December 31, 2025, continues to exempt wheat and wheat flour from import duties when sourced from countries without a free trade agreement with Mexico.



Consumption

Wheat consumption in MY 2025/2026 is forecast to increase three percent to 8.2 MMT, supported by rising demand for bread wheat in line with population growth. In 2024, Mexico’s tourism sector expanded, with foreign tourist arrivals up seven percent to 45 million. Continued growth in tourism is expected to contribute modestly to increased demand for wheat-based products such as bread, pasta, and baked goods. Most feed millers prefer corn, limiting wheat use in animal feed.

Wheat consumption in MY 2024/2025 is estimated to grow one percent to 8.0 MMT, driven by increased bread demand due to population growth. In 2024, Mexico’s wheat milling capacity totaled 10.7 MMT across 90 mills. The Central and Bajío regions accounted for 55 percent of capacity, followed by the northwest (17 percent), north (15 percent), and south–southeast (13 percent). As of May 2025, the wheat flour sector was operating at 69 percent of capacity. In 2024, wheat processing reached 7.4 MMT, yielding 5.6 MMT of wheat flour and semolina.

Stocks

Ending stocks in MY 2025/2026 are projected to decline 29 percent to 368,000 MT, driven by significantly lower domestic production and greater reliance on stocks to meet consumption needs. Commercial traders and millers hold most wheat stocks in storage facilities and warehouses.

For MY 2024/2025, ending stocks are estimated 33 percent lower at 518,000 MT, as reduced production and stronger demand led to a drawdown in inventories.

RICE

Table 3. Mexico, Rice Production, Supply and Distribution

Rice, Milled Market Year Begins Mexico	2023/2024		2024/2025		2025/2026	
	Oct 2023		Oct 2024		Oct 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	35	31	35	36	35	37
Beginning Stocks (1000 MT)	120	120	124	116	144	131
Milled Production (1000 MT)	161	153	165	170	170	177
Rough Production (1000 MT)	234	223	240	247	247	258
Milling Rate (.9999) (1000 MT)	6870	6870	6870	6870	6870	6870
MY Imports (1000 MT)	851	851	880	870	895	880
Total Supply (1000 MT)	1132	1124	1169	1156	1209	1188
MY Exports (1000 MT)	18	18	20	20	5	15
Consumption and Residual (1000 MT)	990	990	1005	1005	1020	1020
Ending Stocks (1000 MT)	124	116	144	131	184	153
Total Distribution (1000 MT)	1132	1124	1169	1156	1209	1188
Yield (Rough) (MT/HA)	6.6857	7.1935	6.8571	6.8611	7.0571	6.973
(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 2025/2026 = January 2026 - December 2026						

Production

MY 2025/2026

Rice production in MY 2025/2026 (October–September) is forecast to increase by four percent to 258,000 MT, equivalent to 177,000 MT of milled rice. Expectations of increased demand for domestic rice support higher planting intentions. Harvested area is expected to increase by three percent to 37,000 HA.

Spring/Summer Rice

Planting intentions for the spring/summer cycle are up five percent to 24,070 HA, driven by stronger domestic rice demand. Domestic rice production mainly consists of medium-grain varieties, with some cultivation of long-grain types.

As of early June, planting progress reached 20 percent in Jalisco, 15 percent in Michoacán, and 10 percent in Campeche. Approximately 75 percent of the total planted area is sown between June and August.

In Campeche and Nayarit—together accounting for 30 percent of average spring/summer production—planted area is expected to rise, driven by steady demand growth. In Hopelchén, Campeche, farmers plan to expand planted area by 2,000 HA. Local production is largely absorbed by nearby mills, sustaining strong market support for producers. Farmers in Colima, Jalisco, and Michoacán anticipate stable planted areas, while those in Veracruz report reduced planting intentions.

Plan Campeche is a government initiative which aims to boost paddy rice production to 450,000 MT by 2030, up from 223,000 MT in MY 2023/2024 through certified seeds—including Milagro Filipino,

Azteca, Pacífico, and INIFLAR varieties—and technical assistance. However, as of June 2025, the federal government has not allocated dedicated funding for Plan Campeche.

As of May 2025, the average price farmers received in Campeche was 5,300 pesos per MT (USD 275). The 2025 Price Guarantee for Basic Food Products program set a fixed purchase price for rice farmers. Small producers with up to eight HA can sell up to 80 MT at 9,080 pesos per ton (USD 443) directly to mills and the government pays the difference if the mill's price is lower than the guaranteed price. Larger producers can sell up to 300 MT at 8,260 pesos per ton (USD 403), with the government covering any shortfall between market prices and the guaranteed price. Despite the price support, production has not increased much due to high costs of inputs and delayed payments of up to 10 months.

Fall/Winter Rice

Planting intentions for the fall/winter cycle are slightly higher, supported by increased regional demand for domestic rice varieties. In Campeche, farmers are expected to marginally expand planted area based on continued demand for local rice and the government's ongoing provision of improved seeds and technical assistance. In Tamaulipas, planted area is projected to increase, contingent on stable reservoir levels. The state government continues to loan precision seeding equipment to farmers in the southern region to reduce input costs and improve yields. Production in this cycle is almost entirely irrigated and depends heavily on adequate reservoir and aquifer levels.

MY 2024/2025

Rice production in MY 2024/2025 is estimated to increase by eleven percent to 247,000 MT, equivalent to 170,000 MT of milled rice, based on updated planting and harvest data.

Spring/Summer Rice

According to preliminary data from SIAP, harvested area reached 22,993 HA, with production estimated at 150,668 MT and an average yield of 6.55 MT/HA. Estimated production is two percent lower than the previous year. The spring/summer cycle typically accounts for approximately 70 percent of total annual rice production.

Fall/Winter Rice

Planted area increased by 55 percent to 12,950 HA, driven by improved water availability for irrigation and strong demand for domestic rice. In southern Tamaulipas, farmers planted 2,016 HA following a cycle with no reported planting, supported by water permits and state government assistance, including access to precision seed drills.

Harvest began in April in Campeche, with early yields averaging 7.5 MT/HA—above initial expectations—due to favorable weather and the use of improved seed varieties such as INIFLAR RT and Escárcega FL24. Harvest in Nayarit is expected to begin in June, with Tamaulipas likely to complete harvest in August.

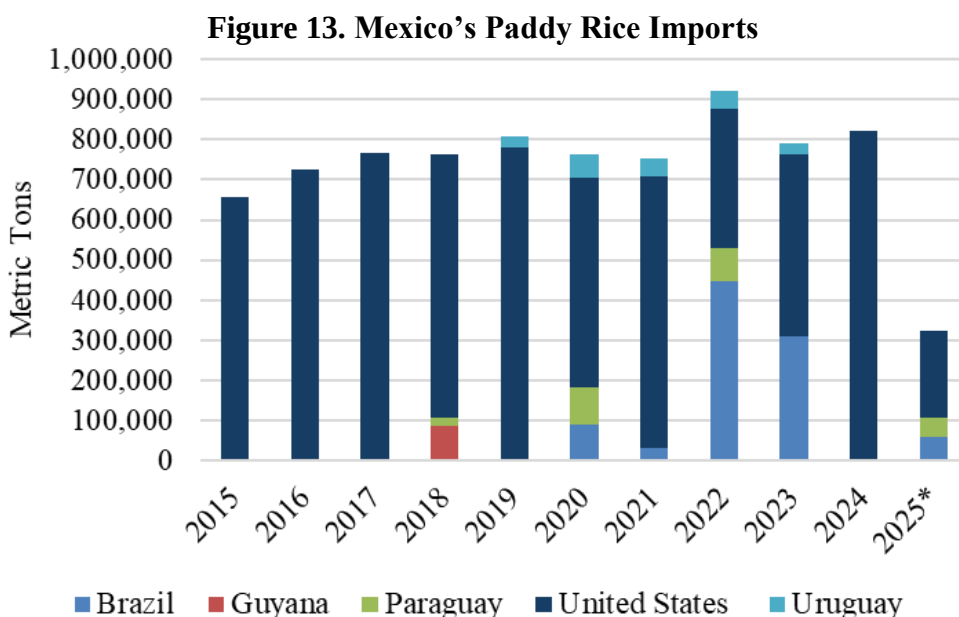
Trade

MY 2025/2026

Imports

Rice imports are forecast to increase by one percent to 880,000 MT, driven by population growth. Given that domestic production remains well below total demand, imports are expected to continue to supply most of Mexico's rice needs.

Over the past decade, paddy rice accounted for 80 percent of total rice imports on average. In this period, U.S. paddy rice led imports with an 83 percent market share, followed by Brazil (12 percent), Uruguay (three percent) and Paraguay (two percent). Between 2014 and 2024, paddy rice imports increased by 30 percent to 848,275 MT, driven by lower production and expanded milling capacity.

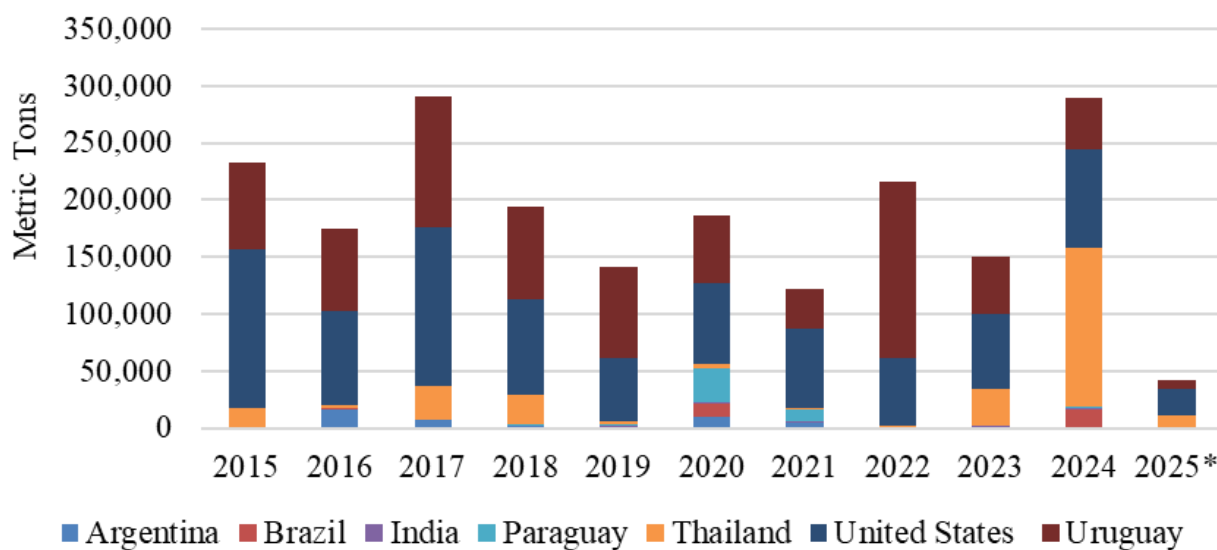


Source: Trade Data Monitor

*Date from January through April 2025

Milled rice, mainly long-grain, averaged 20 percent of total rice imports. From 2021 to 2024, imports rose 86 percent to 244,249 MT, driven by rising demand from the low-cost retail sector and lower prices. The United States led with a 44 percent market share, followed by Uruguay (39 percent), Thailand (11 percent), Paraguay (two percent), Argentina (two percent), and specialty varieties (two percent) from Japan, Italy, and India. Vietnamese rice is expected to enter duty-free in 2027 under the Trans-Pacific Partnership (TPP), potentially increasing its price competitiveness.

Figure 14. Mexico's Milled Rice Imports



Source: Trade Data Monitor

*Data from January through April 2025

Exports

Rice exports in MY 2025/2026 are forecast to decline by 25 percent to 15,000 MT due to lower production of specialty rice and higher use of broken rice by the domestic brewery industry.

MY 2024/2025

Imports

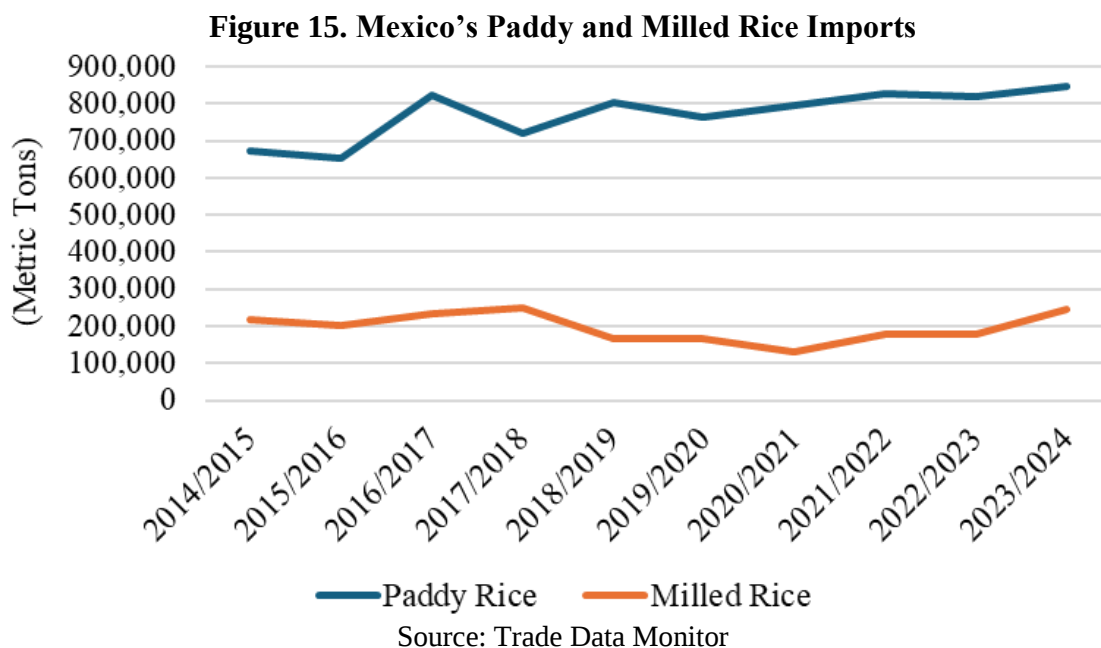
Rice imports in MY 2024/2025 are estimated to increase by two percent to 870,000 MT based on updated trade data. From October 2024 through April 2025, Mexico increased imports by one percent to 509,647 MT, consisting of 72 percent paddy rice and 28 percent milled rice.

In this period, U.S. rice accounted for 66 percent of total imports (mostly paddy rice), followed by Thailand (14 percent, primarily long-grain milled rice), Brazil (nine percent), Uruguay (five percent), Paraguay (four percent), and two percent from other origins.

For paddy rice specifically, the U.S. maintained a 79 percent market share, followed by Brazil (11 percent) and Uruguay (nine percent). U.S. paddy rice imports primarily enter via the port of Veracruz and overland via rail through Nuevo Laredo and Nuevo Progreso in Tamaulipas. South American paddy rice imports also arrive through Veracruz.

From October 2024 through April 2025, milled rice imports increased by two percent and reached 124,839 MT. Thailand ranked first with a 38 percent market share, followed by the United States (34 percent), Uruguay (14 percent), Brazil (13 percent) and one percent from other countries.

Although the federal government removed long-grain milled rice from the Presidential Anti-Inflation Decree (see policy section) as of December 31, 2024 –which reinstated a 20-percent import duty on countries without a free trade agreement with Mexico, including Thailand– imports of Thai long-grain milled rice remained strong in early 2025 due to highly competitive prices. Over 90 percent of milled rice imports enter Mexico via the port of Veracruz.



Exports

Rice exports in MY 2024/2025 are estimated 11 percent higher at 20,000 MT, primarily consisting of specialty rice varieties and broken rice used by the U.S. brewery industry.

Consumption

Total consumption in MY 2025/2026 is forecast to increase by one percent to 1.02 MMT, supported by continued population growth. According to Mexico’s National Institute of Statistics and Geography (INEGI), the national population growth rate is projected at 0.7 percent in 2025. Steady population growth is expected to drive greater food demand, contributing to higher rice consumption.

Retail rice prices are expected to remain stable, supported by low prices of imported rice relative to other staple foods. Annual per capita rice consumption is estimated to remain steady at 6.5 kilograms, as rice is generally served as a complement to other main dishes rather than as a primary food.

Total consumption in MY 2024/2025 is estimated to increase by two percent to 1.01 MMT, driven by population growth, and stable retail prices compared to other basic food products.

Stocks

Ending stocks in MY 2025/2026 are forecast to increase by 17 percent to 153,000 MT due to expected higher import volumes and continued stockholding by domestic mills. Rice stocks are typically held by cooperative warehouses, millers, and the government.

Ending stocks for MY 2024/2025 are estimated to increase by 13 percent to 131,000 MT, driven by higher imports, as domestic companies took advantage of lower international rice prices to build inventories.

SORGHUM

Table 4. Mexico, Sorghum Production, Supply and Distribution

Sorghum	2023/2024		2024/2025		2025/2026	
Market Year Begins	Oct 2023		Oct 2024		Oct 2025	
Mexico	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	1285	1285	1200	1200	1240	1250
Beginning Stocks (1000 MT)	270	270	214	214	213	263
Production (1000 MT)	4485	4485	4200	4200	4300	4375
MY Imports (1000 MT)	60	60	300	350	400	450
Total Supply (1000 MT)	4815	4815	4714	4764	4913	5088
MY Exports (1000 MT)	1	1	1	1	1	1
Feed and Residual (1000 MT)	4500	4500	4400	4400	4600	4700
FSI Consumption (1000 MT)	100	100	100	100	100	100
Total Consumption (1000 MT)	4600	4600	4500	4500	4700	4800
Ending Stocks (1000 MT)	214	214	213	263	212	287
Total Distribution (1000 MT)	4815	4815	4714	4764	4913	5088
Yield (MT/HA)	3.4903	3.4903	3.5	3.5	3.4677	3.5

(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 2025/2026 = October 2025 - September 2026

Production

MY 2025/2026

Sorghum production in MY 2025/2026 (October–September) is forecast up four percent to 4.4 MMT, driven by steady feed industry demand. Despite a slight rebound, production remains near historic lows due to reduced profitability and limited competitiveness. Harvested area is forecast to increase to 1.3 million HA.

Spring/Summer Sorghum

Spring/summer sorghum planting intentions for MY 2025/26 are forecast up 14 percent to 475,443 HA, driven by lower input costs relative to other crops and steady feed demand. In Guanajuato and Michoacán—jointly producing 55 percent of spring/summer sorghum—planting intentions are slightly above last year. In Tamaulipas and Jalisco, which account for 20 percent of production, area is also expected to increase, supported by favorable input costs and strong feed industry demand.

As of early June, planting is 25 percent complete nationwide for the spring/summer cycle, with most activity concentrated in Guanajuato and Michoacán. About 75 percent of planting occurs between June and September.

Fall/Winter Sorghum

Planted area for fall/winter sorghum is expected to slightly rebound following a sharp decline in the previous cycle. Average planted area over the last decade for this cycle is 880,000 HA. Tamaulipas typically accounts for 85 percent of total sorghum area in the fall/winter cycle.

In 2025, the federal and state governments began implementing the National Irrigation Technification Program in Irrigation District 025 in northern Tamaulipas — a key sorghum-producing region. The program allocated a budget of 800 million pesos (USD 42 million) for the year, including the purchase of machinery, canal paving, and the rehabilitation of wells and irrigation systems. Improved irrigation infrastructure is expected to help stabilize yields in drought-prone areas.

MY 2024/2025

Sorghum production in MY 2024/2025 is estimated six percent lower at 4.2 MMT. Estimated production is the lowest in 30 years. Lower profitability and farmers' high debt to income ratios are the main factors that drove down production.

Spring/Summer Sorghum

Preliminary SIAP data show that farmers harvested 413,852 HA of sorghum during the spring/summer cycle, producing 2.0 MMT with an average yield of 4.93 MT/HA. Production fell one percent from the previous year due to lower crop profitability. This cycle typically accounts for 40 percent of total national sorghum production.

In Guanajuato, harvest area declined by eight percent to 138,438 HA, as lower sorghum prices prompted some farmers to switch to more profitable horticultural crops. During the peak harvest season in November 2024, the farmgate price for sorghum was 12 percent lower than the previous year at 4,700 pesos (USD 247) per MT.

Fall/Winter Sorghum

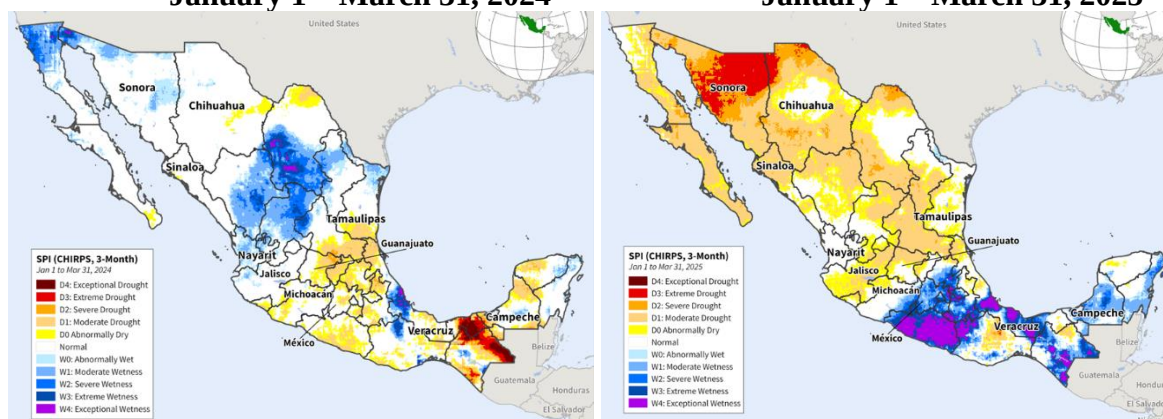
Planted area in the fall/winter cycle is estimated nine percent lower at 802,024 HA due to reduced profitability and higher debt levels among farmers.

In Tamaulipas, which accounts for approximately 85 percent of fall/winter sorghum production, planted area decreased by nine percent to 676,879 HA, the lowest in more than 20 years. Sources report that the state government delivered only half of the 270 million pesos (USD 13.8 million) in committed in-kind support to farmers in northern Tamaulipas, citing bureaucratic delays in the distribution of improved seeds and diesel.

Harvest began in May in San Fernando, northern Tamaulipas, with early yields of rainfed sorghum averaging 2.3 MT/HA, below initial expectations due to late-season dryness and higher-than-average temperatures. As of early June, roughly 50 percent of harvest is complete.

At the start of harvest, farmgate prices averaged 4,000 pesos (USD 210) per MT. However, by early June, prices dropped to 3,600 pesos (USD 188) per MT in response to decreased international prices. Farmer associations report that farmgate prices do not cover production costs at current yield levels. As a result, producers have mobilized to request federal government support through a guaranteed price of 6,000 pesos (USD 315) per MT.

Figure 16. Mexico: Standardized Precipitation Index
January 1 – March 31, 2024 **January 1 – March 31, 2025**



Source: USDA FAS International Production Assessment Division (IPAD)

Trade

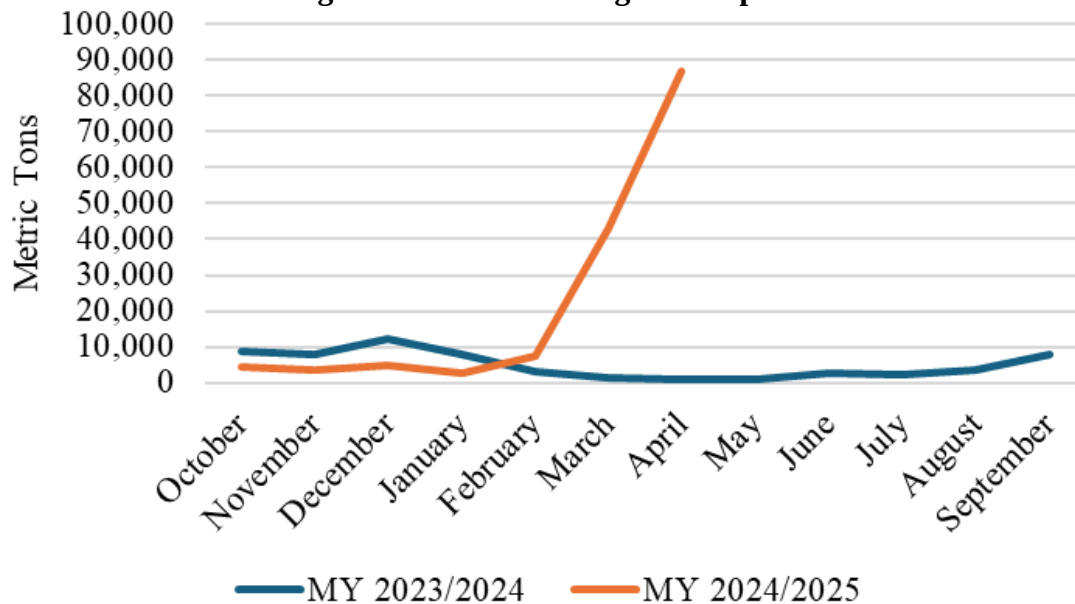
Sorghum imports for MY 2025/2026 are forecast to increase by 29 percent to 450,000 MT, as lower import prices make U.S. sorghum more competitive than domestic supplies. Virtually all sorghum imports originate from the United States.

Since February 2025 imports rebounded and reversed a five-year decline due to lower domestic production and competitive U.S. prices. Industry sources report that some poultry and hog producers plan to increase use of imported sorghum, which is priced lower than domestic supply. However, industry views higher imports as a way to offset reduced production, not as a substitute for imported yellow corn, which remains more widely available and benefits from existing processing infrastructure.

Sorghum imports for MY 2024/2025 are estimated to surge 483 percent to 350,000 MT, driven by tight domestic supply and attractive import prices. From October 2024 through April 2025, imports rose 261 percent to 152,781 MT, all from the United States.

Exports are projected to remain minimal at 1,000 MT due to below-average production and steady domestic demand.

Figure 17. Mexico's Sorghum Imports



Source: Trade Data Monitor

Consumption

Total sorghum consumption in MY 2025/2026 is forecast to increase by seven percent to 4.8 MMT, supported by higher feed demand and more competitive prices for imported sorghum. According to feed industry sources, sorghum continues to serve as an alternative energy ingredient in Mexico's animal feed sector, particularly for poultry and swine. Nonetheless, yellow corn remains the preferred feed grain due to its consistent year-round supply, higher energy content, and lower processing costs.

Sorghum consumption in MY 2024/2025 is estimated to decline by two percent to 4.5 MMT due to lower domestic production and the livestock sector's continued preference for imported yellow corn. Despite the recent increase in sorghum imports, feed importers and livestock producers are expected to moderate additional purchases, given high existing stocks of imported yellow corn and limited available storage capacity.

Stocks

Ending stocks for MY 2025/2026 are forecast to rise by nine percent to 287,000 MT, supported by higher projected imports.

Ending stocks for MY 2024/2025 are estimated 23 percent higher at 263,000 MT, largely due to significantly higher imports. Current stock levels are estimated to cover approximately 21 days of domestic consumption.

POLICY (all grains)

Presidential Anti-Inflation Decree

On December 31, 2024, the GOM [published a decree to extend the exemption of tariffs and easing of administrative procedures](#) for the importation of basic food products. The decree will continue to provide non-free trade agreement (non-FTA) partners tariff free access to Mexico's market that the United States receives under the United States-Mexico-Canada Agreement (USMCA). The benefits apply to companies who are part of the 'Register of Importers of Products of the Basic Basket.' The extension is valid through December 31, 2025, but companies registered under the program may use the benefits of the decree until March 31, 2026. (See: [GAIN MX2025-0011](#)). The current extension removed long grain milled rice (HS Code 1006.30.99) from the list of products 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 availability. The grains and related products with duty-free access included in the decree are listed below.

Note: In the table below, "Ex." represents the term "Exempt."

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 (flour type).	Ex.	For human consumption only (not genetically modified).
1005.90.99	Others.		Only yellow corn for animal consumption.
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.

For More Information

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

Report Number	Title	Dated
MX2025-0013	Grain and Feed Annual	03/21/2025
MX2025-0003	Grain and Feed Update	01/23/2025
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

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