

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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## United Kingdom EU-27

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### EU28 Crop Update

**Report Categories:**

Grain and Feed

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**Report Highlights:**

The unprecedented heatwave in June across much of the European Union attracted attention to the outlook for the MY2019/20 EU28 grain crop. A second, albeit brief, heatwave in late July has again brought attention to the fore. After a benign but dry winter, rain in April and May was welcomed across the EU28 but came too late for Spain. The subsequent hot weather saw the winter barley harvest start promptly and the crop is generally reported to be of good quality and yield. However, for spring barley and wheat, the unusually early hot weather came at a crucial time for grain fill, with mixed results. The corn crop is reported to be developing well in the south east but there is more uncertainty and concern as you move north and west. All are agreed, more timely rain is still needed.

### **General Information:**

April and May saw much hoped for rain in many parts of the European Union (EU28), albeit it came too late for some of the southern growing regions, especially in Spain. This was followed by an unprecedented June heatwave. This led to a prompt start to the winter barley harvest, which beyond Spain is generally reported to be good both in terms of yield and quality, albeit over a large range. However, the hot, dry weather came at a crucial time for grain fill for spring barley and wheat. For some countries, this impeded crop development and is forecast to have lowered yield, such as for wheat in Germany, northern France, and Belgium. This contrasts with the likes of the UK and Ireland where the weather impact has been largely beneficial. For corn, the hot weather could have affected pollination and more rain is needed, especially in France, Germany, and Hungary, but it is too late for Poland which will see a reduced planted area and lower quality crop in MY2019/20.

Specific mention should also be made of the Nordics, where a very dry summer in 2018 reduced MY2018/19 production, almost halving the grain crop in the likes of Sweden. These year-on-year changes in production were felt at the EU28 level. In contrast, MY2019/20 has seen the Nordics experience good autumn planting conditions followed by a mild winter with relatively low winter kill. Rains in early 2019 were good for spring plantings but groundwater levels are not fully restored. Despite that, the Nordic crops are currently reported to be in good condition and any weather shocks aside, their wheat, barley, rye and oats harvests are expected to recover to the five-year average.

### **Crop specific**

#### **Wheat**

The EU28 wheat production forecast is lowered to 149.5 MMT for MY2019/20. The rains came too late for Spain and there are concerns in Germany that the period of extremely hot weather in June halted the development of its wheat crop. It had otherwise been progressing well but the heatwave caused a decline in yield as compared to previous expectations. It is a similar story in northern France and Belgium where yield expectations have been lowered and a watchful eye is also being kept on the crops in Poland and the Baltic States. Further south in France, the high temperatures are not reported to have had a negative impact on the crop and protein levels are reported to be good. Further, harvest has now started in what is being described as ideal conditions with no rain and cool temperatures. In the United Kingdom, the combination of the timely rains and warm weather has generally boded well for its wheat crop.

Further east, in Romania, the rains helped plants recover after late emergence and slow development due to the dry weather in the early spring. However, summer thunderstorms and hail have damaged crops in some areas. Initial reports suggest good to very good protein levels, but low test weights with overall wheat quality expected to be similar to MY2018/19. Year-on-year yield is forecast down, albeit above the spring estimate due to improved weather conditions. The wheat harvest started in early July in the south and south-eastern part of the country where the hot temperatures accelerated crop development. Elsewhere, wet conditions have delayed harvest.

It is a similar story in Hungary. While the rains in April and May replenished ground water reserves, tillering had already been hindered. In addition, hail-damaged crops were reported in the Transdanubian region. In Bulgaria, the rains in April and May greatly improved the yield prospects but the dry fall has still had a negative impact on the crop. First harvest reports show above average protein content but lower hectoliter numbers. Overall, the yield picture in the country is mixed.

The reduction in forecast production in MY2019/20, combined with an expectation of strong competition from Black Sea origins, means EU28 wheat exports are now forecast at 25 MMT, 1 MMT higher than in MY2018/19 but below the previous forecast.

## **Barley**

The balance sheet for barley is little changed, any weather-related concerns for the spring crop offset by the good winter barley harvest.

In Germany, the barley harvest is almost complete with initial results showing a large variation in yields, even within the regions, albeit all in the average to good range. As such, production is up year-on-year, also buoyed by an increased planted area. In Romania, producers are expressing concern about the quality, especially test weights. In Hungary, the story remains the dry conditions, despite recent rains, which does not bode well for yields. With over half of the crop harvested in Bulgaria, yields are above previous expectations with the rainy spring weather having a positive effect on the crop. Only Spain's production is significantly down on the previous forecast, the rain coming too late for the crop.

## **Corn**

MY2018/19 production is raised slightly to just over 64 MMT, reflecting larger than previously forecast production, mainly in Hungary, Bulgaria, France, Slovakia, and Spain.

For MY2019/20, a lack of precipitation remains a concern for Germany, France, Hungary, and Poland. The last week was crucial for the corn crop in Poland and any hope that rain could improve corn planting conditions has passed. A heavy drought persists in the main regions of grain corn production in Poland. Necessarily, a reduced planted area means production is also now forecast lower than previously with some farmers also expected to use the grain corn for silage due to anticipated low quality, perhaps even below MY2018/19.

In Romania, the dry and cold spring was followed by abundant rain in May and warm temperatures in June. Soil moisture improved throughout the country, except the south-eastern region, creating favorable conditions for plant development. In Bulgaria, the weather to date has been very favorable for the crop.

Overall, the outlook for the EU28 corn crop is generally positive but timely rain is needed. The production forecast is raised marginally to 64.5 MMT based on raised production forecasts for Hungary, Romania and, to a lesser extent, Bulgaria and Italy. In anticipation of the larger year-on-year EU28 wheat crop, MY2019/20 corn imports are currently forecast to decline to 18.5 MMT, similar to the level

seen in MY2017/18 but 5 MMT lower than the interim year.

## Appendices

<b>Wheat</b>	<b>2017/2018</b>		<b>2018/2019</b>		<b>2019/2020</b>	
<b>Market Begin Year</b>	<b>Jul 2017</b>		<b>Jul 2018</b>		<b>Jul 2019</b>	
<b>European Union</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>
<b>Area Harvested</b>	26160	26140	25701	25650	26450	26300
<b>Beginning Stocks</b>	10719	10719	13995	13803	9814	9453
<b>Production</b>	151141	150950	137219	137150	151300	149500
<b>MY Imports</b>	5824	5824	5700	5700	5500	5500
<b>TY Imports</b>	5824	5824	5700	5700	5500	5500
<b>TY Imp. from U.S.</b>	577	631	0	631	0	0
<b>Total Supply</b>	167684	167493	156914	156653	166614	164453
<b>MY Exports</b>	23289	23290	24000	24000	27000	25000
<b>TY Exports</b>	23289	23290	24000	24000	27000	25000
<b>Feed and Residual</b>	58000	58700	52000	52000	56500	57000
<b>FSI Consumption</b>	72400	71700	71100	71200	71500	71500
<b>Total Consumption</b>	130400	130400	123100	123200	128000	128500
<b>Ending Stocks</b>	13995	13803	9814	9453	11614	10953
<b>Total Distribution</b>	167684	167493	156914	156653	166614	164453
<b>Yield</b>	5.7776	5.7747	5.3391	5.347	5.7202	5.6844

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

<b>Barley</b>	<b>2017/2018</b>		<b>2018/2019</b>		<b>2019/2020</b>	
<b>Market Begin Year</b>	<b>Jul 2017</b>		<b>Jul 2018</b>		<b>Jul 2019</b>	
<b>European Union</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>
<b>Area Harvested</b>	12092	12070	12382	12300	12450	12400
<b>Beginning Stocks</b>	5421	5421	4578	4923	3996	4473
<b>Production</b>	58805	58600	55968	55800	60700	60500
<b>MY Imports</b>	451	451	150	150	400	250
<b>TY Imports</b>	231	231	150	150	400	400

<b>TY Imp. from U.S.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Supply</b>	<b>64677</b>	<b>64472</b>	<b>60696</b>	<b>60873</b>	<b>65096</b>	<b>65223</b>
<b>MY Exports</b>	<b>5899</b>	<b>5899</b>	<b>4700</b>	<b>4700</b>	<b>6000</b>	<b>6000</b>
<b>TY Exports</b>	<b>5857</b>	<b>5857</b>	<b>4700</b>	<b>4700</b>	<b>6000</b>	<b>6000</b>
<b>Feed and Residual</b>	<b>39200</b>	<b>38500</b>	<b>36900</b>	<b>36500</b>	<b>39000</b>	<b>39000</b>
<b>FSI Consumption</b>	<b>15000</b>	<b>15150</b>	<b>15100</b>	<b>15200</b>	<b>15200</b>	<b>15300</b>
<b>Total Consumption</b>	<b>54200</b>	<b>53650</b>	<b>52000</b>	<b>51700</b>	<b>54200</b>	<b>54300</b>
<b>Ending Stocks</b>	<b>4578</b>	<b>4923</b>	<b>3996</b>	<b>4473</b>	<b>4896</b>	<b>4923</b>
<b>Total Distribution</b>	<b>64677</b>	<b>64472</b>	<b>60696</b>	<b>60873</b>	<b>65096</b>	<b>65223</b>
<b>Yield</b>	<b>4.8631</b>	<b>4.855</b>	<b>4.5201</b>	<b>4.5366</b>	<b>4.8755</b>	<b>4.879</b>
<b>(1000 HA) ,(1000 MT) ,(MT/HA)</b>						

<b>Corn</b>	<b>2017/2018</b>		<b>2018/2019</b>		<b>2019/2020</b>	
<b>Market Begin Year</b>	<b>Oct 2017</b>		<b>Oct 2018</b>		<b>Oct 2019</b>	
<b>European Union</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>
<b>Area Harvested</b>	8257	8250	8267	8260	8700	8630
<b>Beginning Stocks</b>	7597	7597	9843	8313	7244	7313
<b>Production</b>	62030	62000	63401	64200	64200	64500
<b>MY Imports</b>	18465	18465	23500	23500	20000	18500
<b>TY Imports</b>	18465	18465	23500	23500	20000	18500
<b>TY Imp. from U.S.</b>	1906	1906	0	0	0	0
<b>Total Supply</b>	88092	88062	96744	96013	91444	90313
<b>MY Exports</b>	1749	1749	2500	2500	2000	2500
<b>TY Exports</b>	1749	1749	2500	2500	2000	2500
<b>Feed and Residual</b>	57000	58000	67000	65500	61000	60000
<b>FSI Consumption</b>	19500	20000	20000	20700	20500	20900
<b>Total Consumption</b>	76500	78000	87000	86200	81500	80900
<b>Ending Stocks</b>	9843	8313	7244	7313	7944	6913
<b>Total Distribution</b>	88092	88062	96744	96013	91444	90313
<b>Yield</b>	7.5124	7.5152	7.6692	7.7724	7.3793	7.4739

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

<b>Rye</b>	<b>2017/2018</b>		<b>2018/2019</b>		<b>2019/2020</b>	
<b>Market Begin Year</b>	<b>Jul 2017</b>		<b>Jul 2018</b>		<b>Jul 2019</b>	
<b>European Union</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>
<b>Area Harvested</b>	1931	1925	1925	1915	1950	1930
<b>Beginning Stocks</b>	989	989	667	1139	523	589
<b>Production</b>	7398	7370	6256	6150	7600	7500
<b>MY Imports</b>	61	61	300	200	200	150
<b>TY Imports</b>	137	137	300	300	200	200
<b>TY Imp. from U.S.</b>	0	0	0	0	0	0
<b>Total Supply</b>	8448	8420	7223	7489	8323	8239
<b>MY Exports</b>	81	81	200	150	200	150
<b>TY Exports</b>	92	92	200	200	200	200
<b>Feed and Residual</b>	4000	3600	3000	3300	4000	3800
<b>FSI Consumption</b>	3700	3600	3500	3450	3550	3550
<b>Total Consumption</b>	7700	7200	6500	6750	7550	7350
<b>Ending Stocks</b>	667	1139	523	589	573	739
<b>Total Distribution</b>	8448	8420	7223	7489	8323	8239
<b>Yield</b>	3.8312	3.8286	3.2499	3.2115	3.8974	3.886
(1000 HA) ,(1000 MT) ,(MT/HA)						

<b>Oats</b>	<b>2017/2018</b>		<b>2018/2019</b>		<b>2019/2020</b>	
<b>Market Begin Year</b>	<b>Jul 2017</b>		<b>Jul 2018</b>		<b>Jul 2019</b>	
<b>European Union</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>
<b>Area Harvested</b>	2665	2665	2704	2710	2670	2600
<b>Beginning Stocks</b>	637	637	642	705	301	600
<b>Production</b>	8087	8060	7644	7700	8300	8400
<b>MY Imports</b>	4	4	15	15	5	5
<b>TY Imports</b>	4	4	15	15	5	5
<b>TY Imp. from U.S.</b>	0	0	0	0	0	0

<b>Total Supply</b>	8728	8701	8301	8420	8606	9005
<b>MY Exports</b>	186	186	150	150	150	190
<b>TY Exports</b>	128	186	150	150	150	190
<b>Feed and Residual</b>	6100	6000	6000	5850	6100	6350
<b>FSI Consumption</b>	1800	1810	1850	1820	1850	1825
<b>Total Consumption</b>	7900	7810	7850	7670	7950	8175
<b>Ending Stocks</b>	642	705	301	600	506	640
<b>Total Distribution</b>	8728	8701	8301	8420	8606	9005
<b>Yield</b>	3.0345	3.0244	2.8269	2.8413	3.1086	3.2308
(1000 HA) ,(1000 MT) ,(MT/HA)						

<b>Sorghum</b>	<b>2017/2018</b>		<b>2018/2019</b>		<b>2019/2020</b>	
<b>Market Begin Year</b>	<b>Jul 2017</b>		<b>Jul 2018</b>		<b>Jul 2019</b>	
<b>European Union</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>
<b>Area Harvested</b>	124	125	129	136	130	146
<b>Beginning Stocks</b>	24	24	144	84	152	106
<b>Production</b>	672	665	733	750	725	800
<b>MY Imports</b>	420	420	800	800	400	150
<b>TY Imports</b>	486	486	800	800	400	150
<b>TY Imp. from U.S.</b>	144	144	0	0	0	0
<b>Total Supply</b>	1116	1109	1677	1634	1277	1056
<b>MY Exports</b>	2	2	5	5	5	2
<b>TY Exports</b>	2	2	5	5	5	2
<b>Feed and Residual</b>	950	1000	1500	1500	1200	950
<b>FSI Consumption</b>	20	23	20	23	20	23
<b>Total Consumption</b>	970	1023	1520	1523	1220	973
<b>Ending Stocks</b>	144	84	152	106	52	81
<b>Total Distribution</b>	1116	1109	1677	1634	1277	1056
<b>Yield</b>	5.4194	5.32	5.6822	5.5147	5.5769	5.4795
(1000 HA) ,(1000 MT) ,(MT/HA)						

<b>Mixed Grain</b>	<b>2017/2018</b>		<b>2018/2019</b>		<b>2019/2020</b>	
<b>Market Begin Year</b>	<b>Jul 2017</b>		<b>Jul 2018</b>		<b>Jul 2019</b>	
<b>European Union</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>
<b>Area Harvested</b>	3894	3890	3890	3870	3970	4000
<b>Beginning Stocks</b>	446	446	462	456	506	481
<b>Production</b>	15316	15300	13144	13150	15000	15350
<b>MY Imports</b>	0	0	0	0	0	0
<b>TY Imports</b>	0	0	0	0	0	0
<b>TY Imp. from U.S.</b>	0	0	0	0	0	0
<b>Total Supply</b>	15762	15746	13606	13606	15506	15831
<b>MY Exports</b>	0	0	0	0	0	0
<b>TY Exports</b>	0	0	0	0	0	0
<b>Feed and Residual</b>	13800	13450	11600	11500	13500	13500
<b>FSI Consumption</b>	1500	1840	1500	1625	1400	1750
<b>Total Consumption</b>	15300	15290	13100	13125	14900	15250
<b>Ending Stocks</b>	462	456	506	481	606	581
<b>Total Distribution</b>	15762	15746	13606	13606	15506	15831
<b>Yield</b>	3.9332	3.9332	3.3789	3.3979	3.7783	3.8375

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

<b>Rice, Milled</b>	<b>2017/2018</b>		<b>2018/2019</b>		<b>2019/2020</b>	
<b>Market Begin Year</b>	<b>Sep 2017</b>		<b>Sep 2018</b>		<b>Sep 2019</b>	
<b>European Union</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>
<b>Area Harvested</b>	431	431	415	415	422	420
<b>Beginning Stocks</b>	1192	1192	1177	1186	1098	1077
<b>Milled Production</b>	2028	2007	1981	1941	2042	2012
<b>Rough Production</b>	2922	2935	2854	2839	2942	2943
<b>Milling Rate (.9999)</b>	6940	6838	6940	6837	6940	6837
<b>MY Imports</b>	2006	2006	2000	2000	2000	1950
<b>TY Imports</b>	1921	1920	2000	2000	2000	1950
<b>TY Imp. from U.S.</b>	53	53	0	0	0	0
<b>Total Supply</b>	5226	5205	5158	5127	5140	5039
<b>MY Exports</b>	349	349	300	350	300	300
<b>TY Exports</b>	308	309	300	300	300	300



<b>Consumption and Residual</b>	3700	3670	3760	3700	3750	3750
<b>Ending Stocks</b>	1177	1186	1098	1077	1090	989
<b>Total Distribution</b>	5226	5205	5158	5127	5140	5039
<b>Yield (Rough)</b>	6.7796	6.8097	6.8771	6.841	6.9716	7.0071
(1000 HA) ,(1000 MT) ,(MT/HA)						