

CEREALS

Early prospects for cereal production in 2022 point to a likely decrease of 16 million tonnes from the record output estimated for 2021, reaching 2 784 million tonnes (including rice in milled equivalent). This would mark the first decline in four years. Among the major cereals, the largest decline is foreseen for maize, followed by wheat and rice. By contrast, global outturns of barley and sorghum will likely increase in 2022.

World cereal utilization is also forecast to decline in 2022/23 by 0.1 percent from the estimated 2021/22 level, to 2 788 million tonnes. The predicted contraction, the first in twenty years, would mainly stem from expected declines in the feed use of wheat, coarse grains and rice, along with a smaller foreseen decrease in industrial uses, mainly of wheat and rice. By contrast, global food consumption of cereals is expected to increase, keeping pace with the continued rise in world population.

Based on FAO's initial forecasts for global cereal production in 2022 and utilization in 2022/23, global cereal stocks are heading for a contraction of 0.4 percent below their opening levels, to 847 million tonnes. At the current levels of utilization and stock forecasts, the world cereal stocks-to-use ratio would drop from 30.5 percent in 2021/22 to 29.6 percent in 2022/23, the lowest level since 2013/14. Among the major cereals, the drawdown in maize inventories is expected to be the largest. Stocks of barley and rice are also forecast to decline, while those of wheat and sorghum will likely increase.

World trade in cereals is expected to fall to a three-year low estimated at 463 million tonnes, 2.6 percent below the 2021/22 level. This anticipated decline reflects a likely contraction in global trade of coarse grains and wheat, while prospects for rice remain positive. The FAO Cereal Price Index averaged 173.4 points in May, reaching a new all-time high and 39.7 points (29.7 percent) above the previous year's value. Tighter supplies and market uncertainty, as well as rising energy and input prices, will likely keep world cereal prices elevated, at least through the first half of the 2022/23 season.

CEREAL GRAIN PRODUCTION, UTILIZATION AND STOCKS



WORLD CEREAL MARKET AT A GLANCE

	2020/21	2021/22 estim.	2022/23 f'cast	Change: 2022/23 over 2021/22
	million tonnes			%
WORLD BALANCE				
Production	2 776.9	2 800.8	2 784.5	-0.6
Trade¹	479.3	475.4	462.8	-2.6
Total utilization	2 760.7	2 791.6	2 788.2	-0.1
Food	1 166.4	1 179.2	1 191.3	1.0
Feed	1 038.6	1 046.3	1 033.7	-1.2
Other uses	555.6	566.2	563.2	-0.5
Ending stocks²	833.2	850.1	846.6	-0.4
SUPPLY AND DEMAND INDICATORS				
Per caput food consumption:				
World (kg/yr)	149.6	149.7	149.8	0.0
LIFDC (kg/yr)	156.0	155.1	155.3	0.1
World stocks-to-use ratio (%)	29.8	30.5	29.6	
Major exporters stocks-to-disappearance ratio ³ (%)	18.4	19.8	20.4	
FAO CEREAL PRICE INDEX (2014-2016=100)				
	2020	2021	2022 Jan-May	Change: Jan-May 2022 over Jan-May 2021 %
	103	131	160	25.8

¹ Rice in milled equivalent.

² Trade refers to exports based on a July/June marketing season for wheat and coarse grains and on a January/December marketing season for rice.

³ May not equal the difference between supply (defined as production plus opening stocks) and utilization due to differences in individual countries' marketing years.

⁴ Low-Income Food-Deficit countries.marketing years.