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# International Grains Council

Conseil international des céréales  
Consejo Internacional de Cereales  
Международный совет по пшенице

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## IGC'S INFORMATION ROLE: MAIN GRAINS AND OILSEEDS

**WHEAT**

**MAIZE**

**BARLEY**

**RICE**

**SOYABEANS**

	Wheat	Maize	Barley	Rice	Soyabeans
• Daily market information service	✓	✓	✓	✓	✓
• Daily export price indices	✓	✓	✓	✓	✓
• Weekly market information service	✓	✓	✓	✓	✓
• Monthly market information service	✓	✓	✓	✓	✓
• Monthly supply & demand forecasts	✓	✓	✓	✓	✓
• Monthly trade data & forecasts	✓	✓	✓	✓	✓
• Five-year projections – updated annually	✓	✓	✓	✓	✓
• Extensive historical database	✓	✓	✓	✓	✓
• National policy updates	✓	✓	✓	✓	✓



## THIS ROLE STEMS FROM TREATY OBLIGATIONS

- Among GTC's objectives:
  - contribute to the stability of international grain markets
  - enhance world food security
  - provide a **forum for the exchange of information**
- Its Articles and Rules set out **members' reporting obligations**, including supply and demand, changes in national grain policies and export prices.
- The bulk of activities under this treaty, in which nearly all OECD and G20 members take part, is in the area of **grain market information**, including wheat, maize, rice, soyabeans and all other grains and oilseeds.



## BUT THERE ARE STILL BIG KNOWLEDGE GAPS

- **Production** - many countries do not conduct detailed area & yield surveys or have consistent forecasting systems
- **Supply, demand and stocks** - over half are IGC estimates & forecasts!
- **Processing industry statistics** - mostly unavailable for key milling & feed areas
- **Trade** (a vital part of assessing S&D): many countries still do not publish, or delay, or provide sufficient detail
- Statistics do not reveal **quality, location** of supplies & **availability** to the market
- Export **prices** - not all markets function transparently and consistently



# DO WE NEED MORE or BETTER STATISTICS?

- IGC's entire focus is on market information
- Sends detailed questionnaires to members & non-members
- But: many do not respond or submit very late – often a bureaucratic issue
- Can involve different government departments
- Recent emphasis is on engaging more directly with the relevant market experts – new eForum for members
- Expert presentations by official agencies at IGC's Market Conditions Committee give valuable insight into national information systems
- Focus must be on improving the **quality, timeliness and consistency of information**, not just more data



# STOCKS: A WIDELY MISUNDERSTOOD TERM

- In most grain supply & demand balances, **carryover stocks** are usually only the residual
- a useful indicator of the direction of imbalances, but:

As an absolute number it has less value

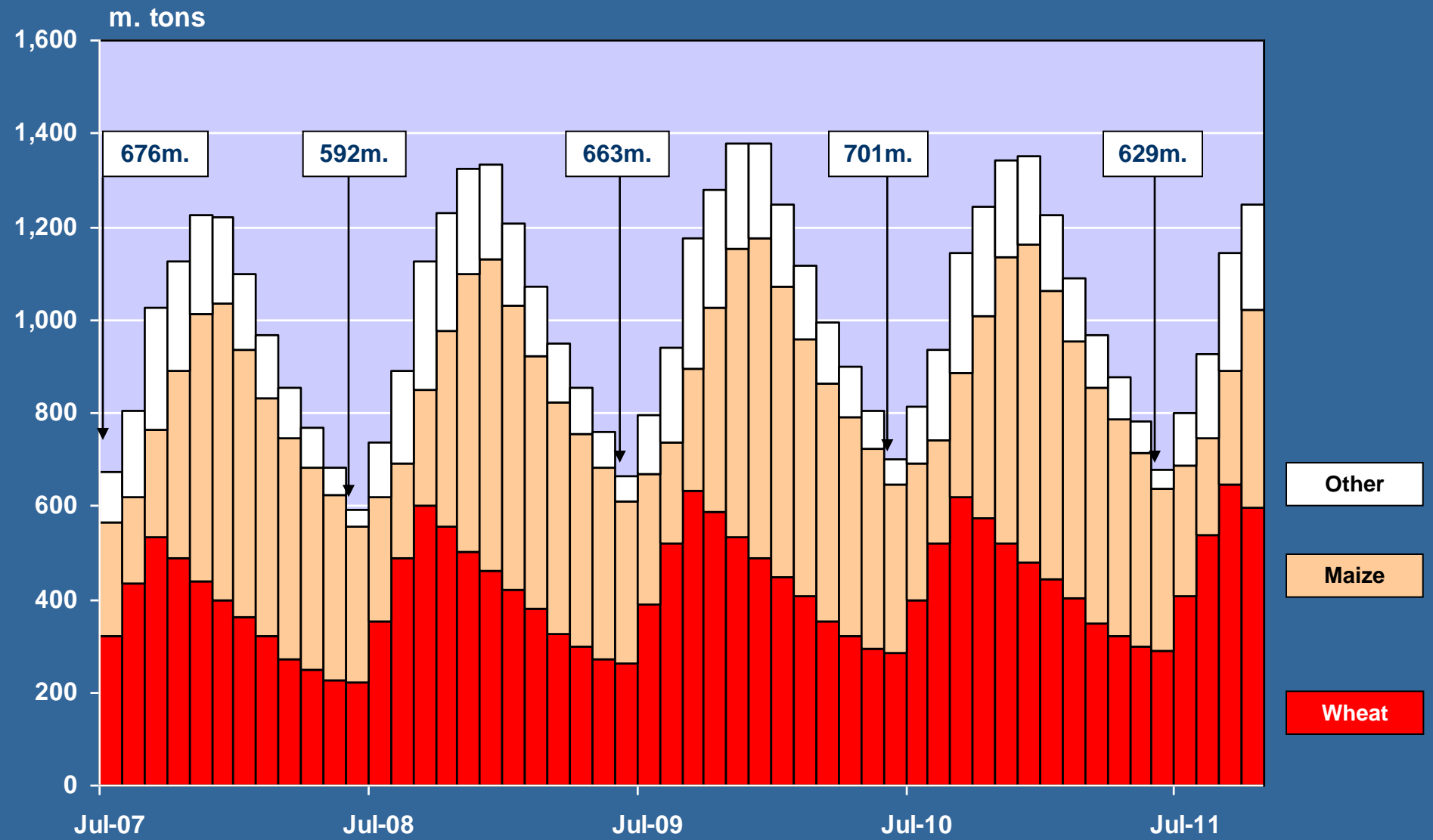
Why? ... difficult to measure & takes time  
can mask reality of market availability, quality and type  
need to exclude early new harvest supplies  
globally, is merely aggregate of many different marketing years

- As a percentage (of use), has differing significance
- Exporter carryovers are usually a more reliable indicator, though not all have data
- The only official stocks figures taken seriously by markets are those for the US – but also a major trigger for speculative trading!
- Emphasis should be on **regular stocks surveys** (monthly/quarterly), as part of ongoing measurement of national disappearance & market supplies – requires industry support



# Global grain stocks\*: perceptions and realities

## Monthly seasonality gives different perspective



\* excluding rice



# AUSTRALIA – AN IMPRESSIVE NEW DATA SYSTEM

## ABS/ABARES monthly stocks data

### Australian wheat: 2010–11 marketing year (October–September) and October 2011

		Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11
Opening stocks <b>a</b>	kt	5798	3965	10035	20286	24658	23227	21301	19631	17166	14679	12567	10672	8973
Bulk grain handlers	kt	5115	3440	8450	18210	22162	20371	18740	17307	15295	13365	11447	9794	8252
– Milling	kt	4530	3066	6316	11308	12468	11551	10280	9487	8354	7254	6093	5097	4227
– Feed and other	kt	585	374	2134	6902	9694	8820	8460	7820	6941	6111	5354	4697	4025
Wheat growers and users <b>b</b>	kt	683	525	1585	2076	2496	2856	2561	2324	1871	1314	1120	878	721
– Growers <b>c</b>	kt	302	194	1110	1441	1730	2063	1761	1667	1281	748	596	484	325
– Users <b>c</b>	kt	381	331	476	635	767	793	800	657	591	567	524	394	396
Wheat grain used	kt	2114	1379	1711	2226	2334								2056
Export	kt	1638	913	1246	1755	1837								1492
Domestic <b>b</b>	kt	477	466	464	471	497								564
Wheat grain committed	kt	5083	6229	6412	7082	7673								4733
Export	kt	3986	4918	4882	5530	6331								3603
Domestic <b>b</b>	kt	1098	1311	1531	1552	1343								1130
<hr/>														
Australian wheat production														
2006–07 <b>d</b>	kt	10822												
2007–08 <b>d</b>	kt	13569												
2008–09 <b>d</b>	kt	21420												
2009–10 <b>d</b>	kt	21834												
2010–11 <b>e</b>	kt	26325												
2011–12 <b>f</b>	kt	26196												

Oct-11

Opening stocks **a** 8973

Bulk grain handlers 8252

– Milling 4227

– Feed and other 4025

Wheat growers and users **b** 721

– Growers **c** 325

– Users **c** 396

**a** Opening stocks represent the stocks of wheat held at the end of the previous month as reported by the Australian Bureau of Statistics (ABS). **b** As a result of a change to ABS survey coverage to include agricultural businesses, manufacturing businesses, dairy operators and wheat growers, 'Opening stocks – wheat users' after and including January 2010, 'Wheat grain used – domestic' and 'Wheat grain committed – domestic' after and including December 2009 are not directly comparable to previous data. **c** The ABS reports a breakdown of wheat stocks by growers and users as of the June edition of its *Wheat use and stocks* publication. The breakdown is not available before that edition. **d** Historical production as reported by the ABS. **e** ABARES estimate of 2010–11 production as at 13 September 2011. **f** ABARES forecast of 2011–12 production as at 13 September 2011.

Sources: ABS, *Wheat use and stocks, Australia*, cat. no. 7307.0; ABS, *Agricultural Commodities, Australia*, cat. no. 7121.0; ABARES.



# SOUTH AFRICA – ALSO SETTING AN EXAMPLE



## SMB: SAGIS MONTHLY BULLETIN

<b>Maize</b>	May2010- Apr2011	May2009- Apr2010
<b>Marketing Year: 2010/11 Final</b>	'000t	'000t
<b>Opening stock</b>	<b>2131</b>	<b>1581</b>
<b>Receipts from:</b>	<b>12016</b>	<b>11656</b>
- Producer deliveries	12000	11629
- Imports	0	27
<b>Consumed:</b>	<b>9652</b>	<b>9334</b>
- Human purposes	4515	4478
- Feed	4271	4101
- Rest	866	755
<b>Exports</b>	<b>2192</b>	<b>1789</b>
<b>Sundry:</b>	<b>-33</b>	<b>-17</b>
- Net Dispatch / Receipt	44	51
- Surplus(-) / Shortage(+)	-77	-68
<b>Closing stock</b>	<b>2336</b>	<b>2131</b>

*Net Dispatch / receipts as % of Producers*

0.4 %

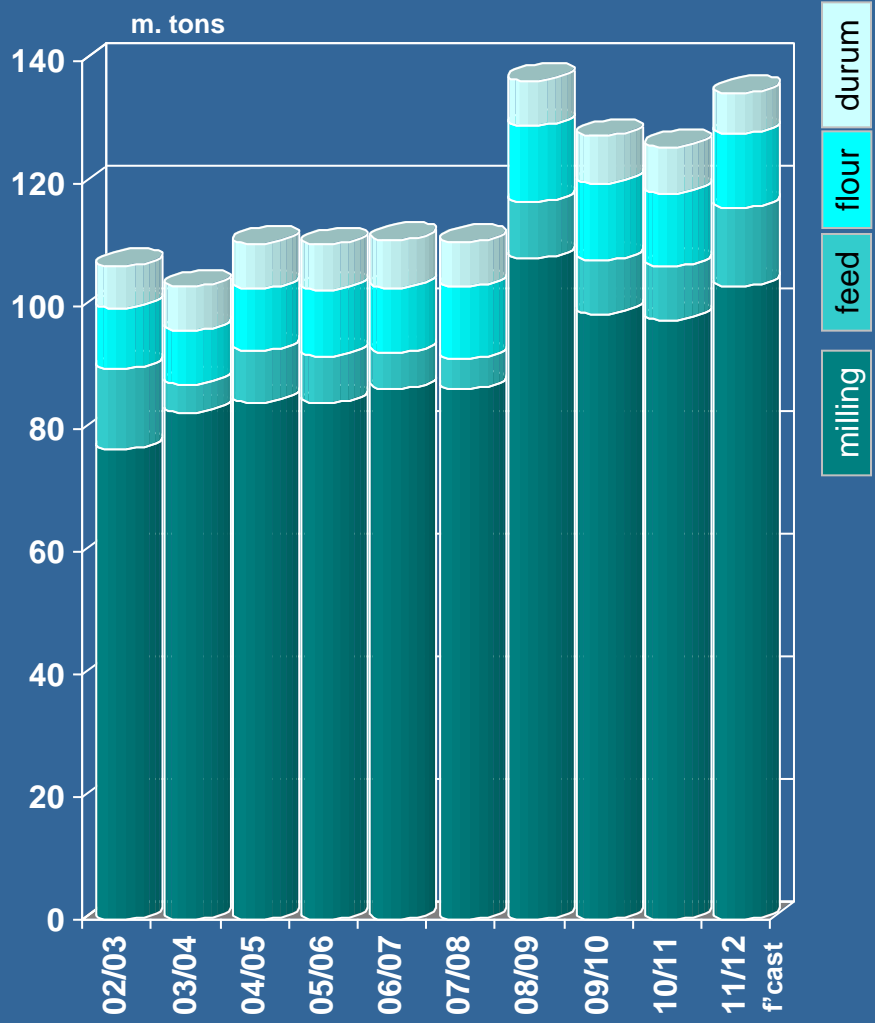
0.4 %

*Crop Estimate Committee: Total crop:*

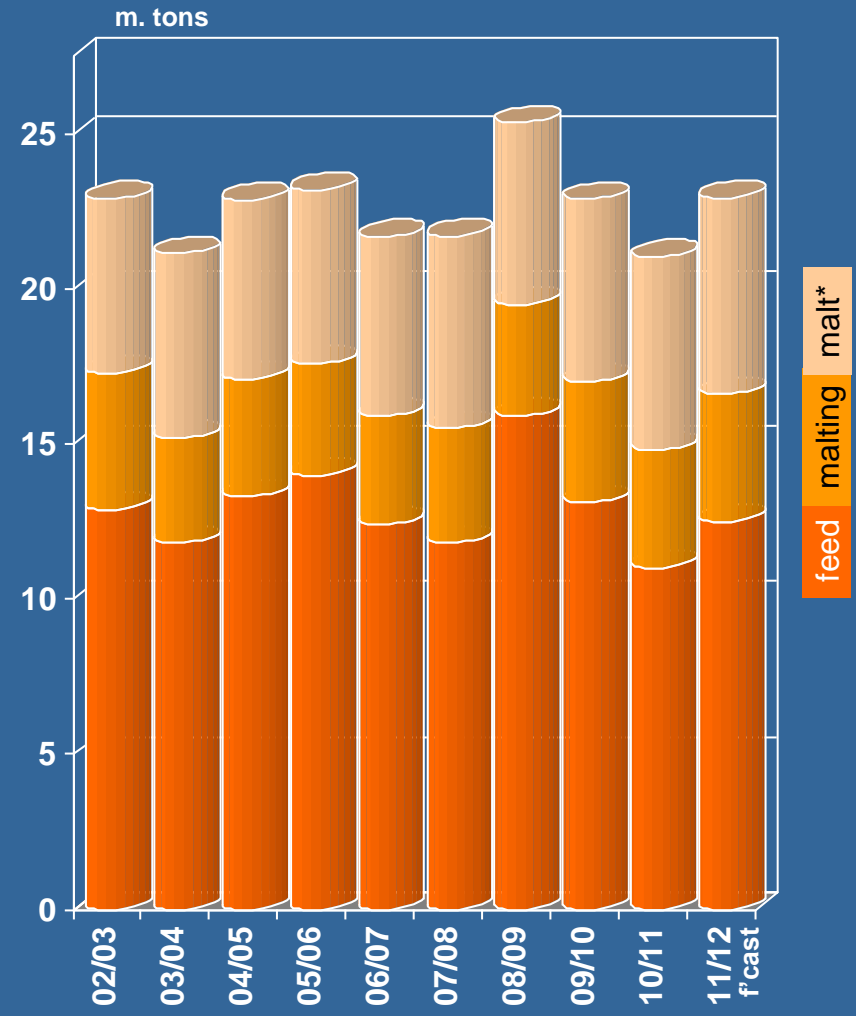


# TRADE DATA: TOTALS V INDIVIDUAL COMPONENTS

## Wheat: milling v feed v durum v flour



## Barley: feed v malting v malt



\* grain equivalent



# IMPROVING PRICE INFORMATION: IGC'S DAILY GRAINS AND OILSEED INDEX (GOI)

A useful tool to track international price trends, with sub-indices for milling wheat, maize, rice & soyabeans – but depends on transparency and consistency in export quotations!

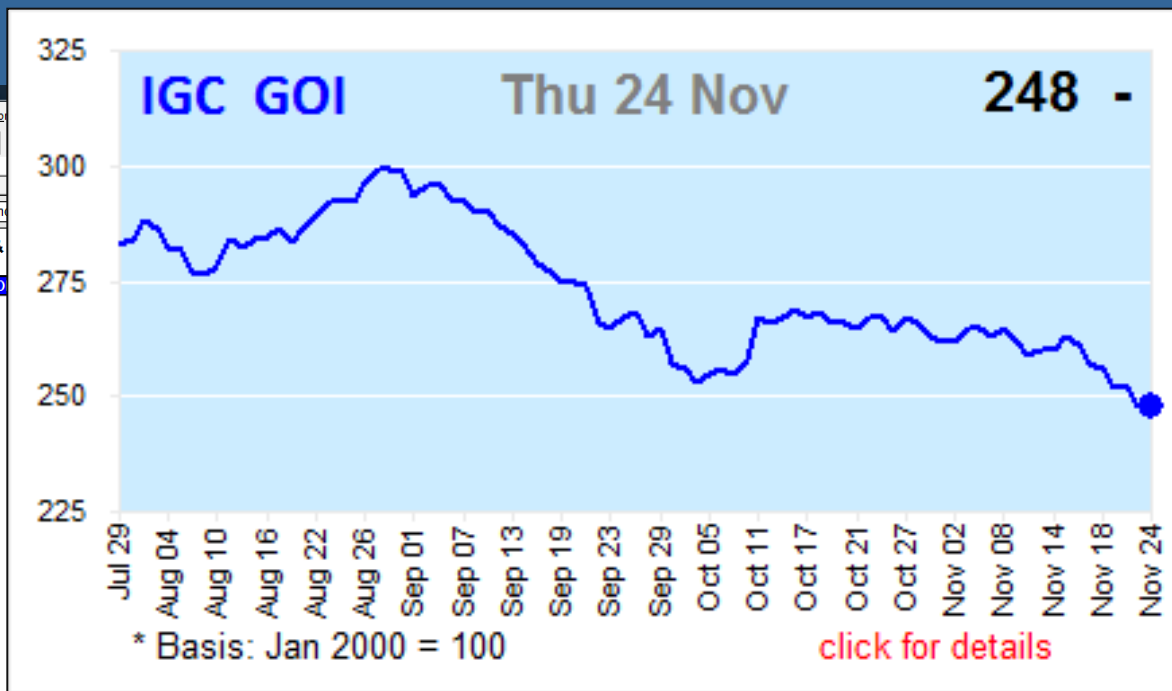
Microsoft Excel - igc\_goi.xls

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	A	B
1	Index	Graph
2		
3	<b>IGC GOI, Grains &amp;</b>	
4		
5	DATE	IGC GOI
3077	12/10/2011	266
3078	13/10/2011	267
3079	14/10/2011	269
3080	17/10/2011	267
3081	18/10/2011	268
3082	19/10/2011	266
3083	20/10/2011	266
3084	21/10/2011	265
3085	24/10/2011	267
3086	25/10/2011	267
3087	26/10/2011	264
3088	27/10/2011	267
3089	28/10/2011	266
3090	31/10/2011	263
3091	01/11/2011	262
3092	02/11/2011	262
3093	03/11/2011	265
3094	04/11/2011	265
3095	07/11/2011	263
3096	08/11/2011	265
3097	09/11/2011	262
3098	10/11/2011	259
3099	11/11/2011	260
3100	14/11/2011	260
3101	15/11/2011	263
3102	16/11/2011	261
3103	17/11/2011	257
3104	18/11/2011	256
3105	21/11/2011	252
3106	22/11/2011	252
3107	23/11/2011	248

Ready NUM



Jan 2000 = 100	24-11-11
<b>GOI</b>	<b>248</b>
<b>Sub-indices:</b>	
<b>Wheat</b>	<b>233</b>
<b>Maize</b>	<b>269</b>
<b>Rice</b>	<b>246</b>
<b>Soyabeans</b>	<b>222</b>



## STRENGTHENING GRAIN MARKET INFORMATION:

- **A long-term and challenging agenda, for all countries**
- **Towards international guidelines on crop estimating & monitoring?**
- **Work with industry groups to assemble regular data on feed, industrial & human use and stocks**
- **Develop national quarterly or monthly stocks surveys as vital indicators of supply and disappearance – US & others can provide guidance**
- **Further develop local price information in developing countries, as indicators of food supply shortfalls –FAO (GIEWS) and USAID (FEWS)**
- **Encourage national market transparency – there is a common interest!**
- **But requires continued funding by governments!**