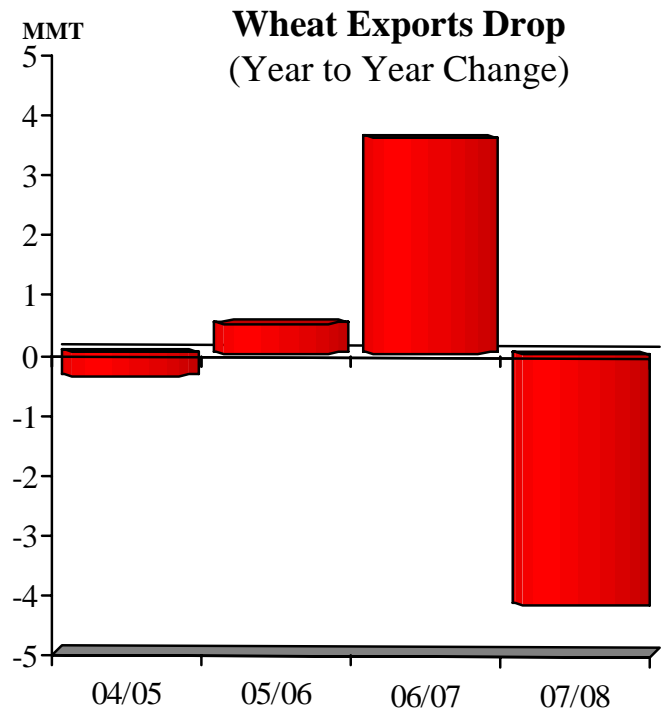
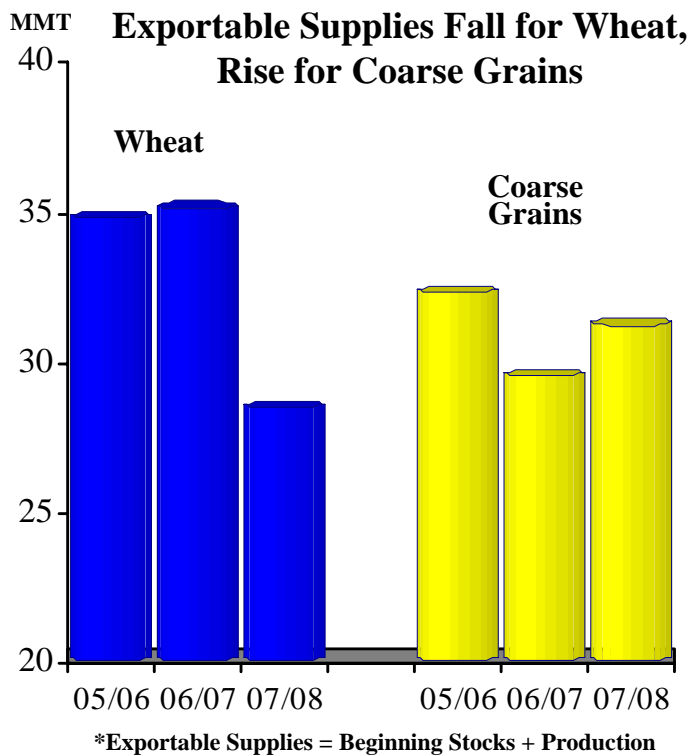




# Grain: World Markets and Trade

## Canadian Grains Situation: Wheat and Coarse Grains Supplies Contrast



Low carryin stocks and lower wheat production (down nearly 4 million tons year-to-year) in Canada have reduced exportable supplies and enhanced trade opportunities for U.S. Hard Red Spring and Hard Red Winter. With domestic use currently forecast as little changed, stocks could be driven down to unprecedented low levels.

On the other hand, the coarse grains situation is rebounding. Barley production is recovering to more normal levels, despite less than optimal growing conditions and competition from oilseeds. Even so, exports are still forecast to fall due to tight carryin stocks, strong domestic demand for feed grains, and debate over the future of the Canadian Wheat Board's authority covering barley exports.

For corn, record production spurred by high U.S. prices is expected to reduce imports to the lowest level in 8 years, despite record consumption. Feed use is slowly growing once again but industrial use—primarily for ethanol—is soaring. The largest oats crop in 11 years will allow Canada to dominate global trade and U.S. imports.









































































































































