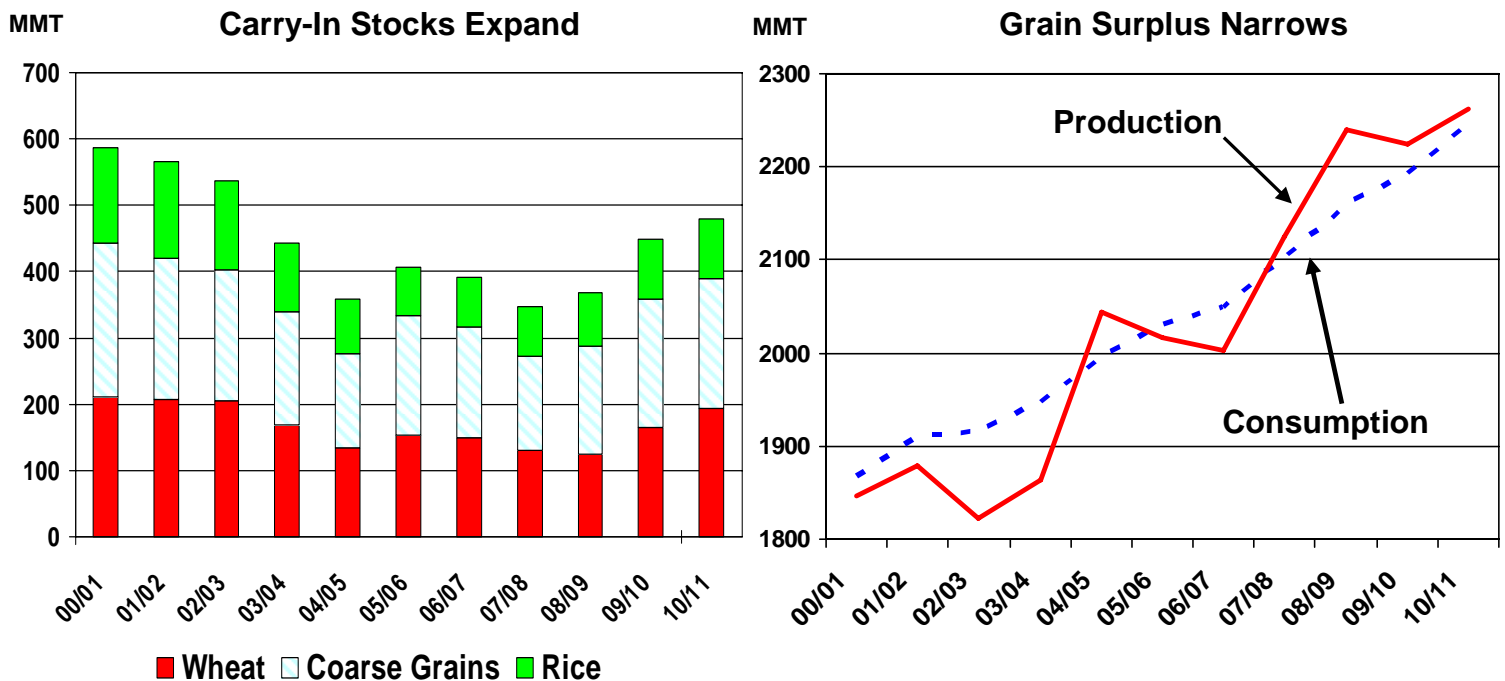




# Grain: World Markets and Trade

## Gap Between Global Production And Consumption Narrows



The gap between global grain production and consumption is expected to narrow in 2010/11. Higher prices, and thus expanded acreage, in combination with favorable weather (i.e., higher yields), have helped production expand sharply over the past several years. Consumption has consistently grown by nearly 40 MMT annually over the last 10 years on rising worldwide population and income, and greater use of grains as biofuels. Surging production has—temporarily, at least—allayed recent concerns about the world’s ability to meet rising food, feed, and fuel needs.

The sharp production expansion has helped rebuild global stocks, which could mitigate any potential supply shock in 2010/11. Global carry-in stocks have surged 135 MMT, or nearly 40 percent, in just 3 years, with wheat and coarse grains accounting for most of the growth.



































































































































