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Germany

Grain and Feed

2002 Grain Crop Forecast - Update

2002

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Report Highlights:

Germany expects another bumper grain crop of 49.5 million tons in 2002.

Production area is down by 0.8 pct but average yields are expected to be slightly higher than in record year 2001.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Berlin [GM1], GM

German Grain Crop Forecast - Update

With the German grain harvest expected to begin in the first week of July, FAS Berlin has revised the 2002 German grain production forecast to 49.5 million tons, compared to 49.7 million tons in 2001. Growing conditions during most of the season have been very favorable. Planted area for grain is estimated to be down by 0.8 percent to seven million hectares. A shift in production areas from lower yielding barley and rye to higher yielding winter wheat should compensate for the area reduction. Recent stormy and rainy weather is not expected to lower production quantity or quality.

Due to an expected significant production increase in grains EU wide, market experts forecast that prices for feed grains will at the intervention price level. Since the summer of 2001, German grain traders had expected to sell large grain volumes to EU deficit regions, making wheat prices relatively high. These hopes did not fully materialize, because the EU abolished the 10 Euro/mt duty on grains imported from the Black sea region, resulting in higher imports in southern EU countries and lower German grain prices during the course of the year. Compared to the summer of 2001, wheat prices are forecast to be about 10 to 15 percent lower in July/August 2002. Prices are currently also under pressure from offers of Ukrainian wheat, to be shipped by barge up the Danube river. Baking wheat is selling at 105.1 Euro per ton at domestic destination, cleaning cost not yet deducted. This is six percent more than prices paid for triticale, and nine percent more than feed barley.

German Grain Crop Forecast 2002						
	2001			2002*		
	Area	Yield	Production	Area	Yield	Production
	1000 ha	MT/ha	1,000 MT	1000 ha	MT/ha	1,000 MT
Winter Wheat	2,848	7.92	22,566	2,951	7.90	23,318
Spring Wheat	43	5.81	248	52	5.80	302
Durums	5	5.10	24	6	5.10	31
All Wheat	2,896	7.89	22,838	3,009	7.86	23,650
Rye	837	6.13	5,132	749	6.10	4,570
Winter Barley	1,473	7.09	10,441	1,384	7.02	9,722
Spring Barley	639	4.78	3,054	635	5.00	3,178
All Barley	2,112	6.39	13,495	2,019	6.39	12,900
Oats	233	4.93	1,151	236	5.10	1,201
Spring Mixed	27	4.37	119	27	4.50	122
Winter Mixed	9	5.57	52	8	5.60	45
Triticale	534	6.41	3,419	556	6.40	3,562
All	570	6.30	3,589	591	6.31	3,729
Corn	396	8.89	3,504	385	8.96	3,450
Grand Total	7,044	7.06	49,709	6,989	7.08	49,500

* FAS Bonn Forecast