

International Grains Council releases five-year supply and demand projections

World output expected down in 2014/2015, will rise annually after that

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The [International Grains Council](#) (IGC) has released its [five-year global supply and demand projections](#), saying that world total grains output is expected to decline slightly in 2014/2015, but then will rise again by an average of 1.6 percent each year over the remainder of the five-year period. Output is estimated to exceed 2 billion tons by 2016/2017.

While some area expansion is anticipated, particularly in the major exporters such as the CIS and Brazil, the increase is largely driven by improving productivity, according to the IGC. Firm [demand growth](#) is also expected and, while the absolute level of stocks is likely to rise, the ratio of stocks to use is projected to fall slightly to 18 percent by the end of 2018/2019, from 20 percent forecast for 2013/2014. The projections indicate a marked increase in trade volumes over the five years, as increased demand is met by production growth in the key exporters, most notably in South America and the Black Sea region.

Rice output and demand growth are expected to be closely matched, at an average of 0.8 percent and 1 percent, respectively. Overall, world stocks should remain comfortable, but the stock-to-use ratio is forecast to decline slightly, to 21 percent from 23 percent forecast for the end of 2013/2014. Trade is projected to expand further, led by increased deliveries to Far East Asia and sub-Saharan Africa.

Soybean and rapeseed/canola production growth is expected to outpace grains and rice, against a background of strong demand from the crushing industry, according to the IGC's report. Combined output growth is projected at an average of 2.1 percent per year in the medium term. Oilseed stocks should recover, but the market is likely to remain relatively tight, with the stock-to-use ratio is seen rising only slightly, to 12 percent, from 10 percent anticipated for the end of 2013/2014.

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