

WEEKLY REPORT

on

CHINESE GRAIN MARKET UNDER THE HIT OF COVID-19 AND MORE



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CHINA NATIONAL ASSOCIATION OF GRAIN SECTOR



A BRIEFING OF CHINA AGRICULTURAL OUTLOOK (2020-2029)

On April 20, Ministry of Agriculture and Rural Affairs of the People's Republic of China published the latest version of China Agricultural Outlook (2020-2029), which outlines the general trend in the next 10 years' grain industry in China based on data collected.

Paddy and Rice: The planting area will reduce at the early 10-year-period and then increase; the growth of the total output will slowdown.

The market will be in a destocking cycle in the first few years which will lead a declining in planting areas from 2020 to 2022. The unit yield has been increasing for years and this trend will continue in the next 10 years, which enables the total paddy output stabilizes at 200 million metric tonnes at 0.6% of annual growing rate. A growing population will also drive the the consumption on rice, and may reach 156 million metric tonnes in 2029. The gap between homegrown and imported rice volume remains, and results further import. To 2029, the import volume is expected to reach 4.45 million metric tonnes and a decreasing export volume at 1.5 million metric tonnes.

Wheat: Wheat output will increase slightly; the import increases.

In the next 10 years, planting area of wheat will remain stable. The unit yield will increase and it is expected that the total output will approach 135 million metric tonnes in 2029, with an annual growing rate at 0.13%. Needs on wheat will see a gradual increase at the rate of 1.1%, and reach 140 million metric tonnes in 2029. Since the supply of domestic wheat will be tight , an increase of import is becoming the fact. It is estimated that the the import volume will increased from 390 million metric tonnes in 2020 to 583 million metric tonnes in 2029.

Corn: rise will be seen in both producing and consuming; the import will be increased in late period.

During the next 10 years, the planting area will increase gradually with an average annual rate at 2.5%. The output increase accordingly, and in 2029 it will achieve 338 million metric tonnes with an annual growing rate at 2.7%. The consumption on corn will reach 327 million metric tonnes.

Soybean: consumption on soybean will increase and imported soybeans will be accounted as the major part.

Driven by the market, the planting area may be enlarged to 0.65 million hectares. The output is expected to reach 22 million metric tonnes in 2029. The Outlook predicts that China will remain its number one soybean importing country, while at the same time with more partners globally. It is expected that the import volume will reach 99.6 million tonnes in 2029 at 0.9% growth rate.

POLICIES, STRATEGIES AND PROGRAMMES

E-agriculture System: Smart Food Reserve

SaaS is an E-trading system established by National Food and Strategic Reserves Administration. Big data, cloud computing, the internet of things, AI, 5G and other frontier technologies are emerging in the digital society and these will help to reform the agriculture industry.

Pork Imports will Rise in the Next Few Years

With widening gaps between pork supply and demand, imports of pork are predicted to rise by about 33 percent this year to 2.8 million metric tonnes.