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Report Highlights:

A sharp increase in domestic rice prices prompted the private sector to boost rice imports, reaching a record in MY2024/25. However, as persistently high prices have dampened consumption and increased stocks—leading to a subsequent price decline—FAS/Tokyo projects rice imports will decrease in MY2025/26 and MY2026/27, primarily due to reduced private imports. FAS/Tokyo also anticipates that higher use of rice in animal feed in MY2026/27 will result in modestly lower feed consumption and imports of corn. Wheat imports are forecast to decline in MY2026/27, reflecting an expected increase in domestic production and reduced feed demand. Barley imports are projected to decrease in MY2026/27, mainly due to weaker feed demand from a forecasted reduction in cattle inventories. Sorghum imports are expected to continue their downward trend in MY2026/27, consistent with declining feed demand.

Executive Summary

Food inflation continues to accelerate in Japan. In 2025, the consumer price index, excluding fresh food, rose by 3.1 percent year-on-year, marking the fourth consecutive annual increase. The main driver was food prices, which surged by 7.0 percent—more than double the overall rate. Rice prices, in particular, soared by 67.5 percent, the largest jump since 1971. This dramatic rise in staple food costs has pushed the Engel coefficient, which measures the proportion of household spending on food, up by 0.3 percentage points to 28.6 percent in 2025, reaching its highest level in 44 years. As food prices have risen, consumers have cut back on expensive purchases and shifted toward more affordable options, such as substituting rice with bread, pasta, noodles, and barley. In addition, Japan's heavy reliance on food and feed imports has made it especially vulnerable to global price and exchange rate fluctuations. The depreciation of the yen has further amplified the cost of imported food, intensifying inflationary pressure. In response, the Government of Japan has begun discussions on reducing the current 8 percent consumption tax on food to zero.

The sharp and sustained increase in rice prices has also led to record demand for imported rice. In addition to imports through state trading, private sector rice imports in MY2024/25 reached a record high. High prices weakened table rice consumption and private stocks are increasing. For MY2026/27, FAS/Tokyo anticipates overall rice consumption to increase as higher feed use will more than offset a decline in table rice consumption, which has become sluggish from sustained high prices. Post projects that increase in rice in feed rations will modestly decrease use of corn, sorghum and wheat in feed rations in MY2026/27.

FAS/Tokyo forecasts lower corn imports for MY2026/27, driven by weaker feed demand. FAS/Tokyo anticipates lower wheat imports for MY2026/27 based on projected increase in domestic production and weaker feed consumption. Post anticipates lower barley imports in MY2026/27 driven by lower cattle inventories. FAS/Tokyo projects continued decline for sorghum imports for MY2026/27 based on weaker feed demand.

Japan produces approximately 24 million MT of formula feed1 annually, primarily from imported raw materials. Layers consume approximately 27 percent by volume, followed by swine at 24 percent, beef cattle at 20 percent, broilers at 16 percent, and dairy cattle at 13 percent. However, over the past three years, formula feed production has fallen below 24 million MT, reflecting declines in livestock and poultry numbers due to animal disease outbreaks.

The reduction in livestock and poultry inventories is largely attributed to the sporadic outbreaks of highly pathogenic avian influenza (HPAI) and classical swine fever (CSF). These disease events have

[1] FAS/Tokyo defines "formula feed" to cover both compound and mixed feed in this report. Compound feed is feed in which multiple feed ingredients and additives are mixed according to the blending design. Mixed feed is a mixture of 2-3 feed ingredients for specific feeding purposes.

disrupted production and heightened concerns over the reliability of imported livestock and poultry products. In response, Japan is prioritizing efforts to stabilize domestic production, the Ministry of Agriculture, Forestry and Fisheries (MAFF) is promoting the compartmentalized management for poultry farms, which allows for targeted culling in the event of an HPAI outbreak, minimizing losses. MAFF is also considering easing culling requirements for pigs during CSF outbreaks by exempting vaccinated, asymptomatic animals. These efforts aim to reduce management risks and support the resilience of domestic production. As a result, Japan's feed demand is expected to remain stable, supported by strong demand for domestic livestock and poultry products and ongoing efforts to maintain their production.

Table 1. Poultry and Livestock Inventories in Japan (1,000)

	Chicks and Layers	Broilers	Swine	Dairy Cattle	Beef Cattle
2021	183,373	139,658	9,290	1,356	2,605
2022	182,661	139,230	8,949	1,371	2,614
2023	172,265	141,463	8,956	1,356	2,687
2024	170,776	144,859	8,798	1,313	2,672
2025	NA	NA	NA	1,293	2,595
2025/24	-	-	-	-1.5%	-2.9%

Source: MAFF, as of February 1, each year
MAFF suspended the surveys for layers, broilers and swine for 2025 due to the implementation of the Agriculture and Forestry Census.

Table 2. Compound Feed Production by Animal in Japan[2]

	Chicks and Layers		Broiler		Swine		Dairy Cattle		Beef Cattle	
	1,000 MT	Change	1,000 MT	Change	1,000 MT	Change	1,000 MT	Change	1,000 MT	Change
MY2019/20	6,469	-0.7%	3,834	0.0%	5,698	2.4%	3,053	1.6%	4,553	2.2%
MY2020/21	6,319	-2.3%	3,842	0.2%	5,708	0.2%	3,126	2.4%	4,589	0.8%
MY2021/22	6,360	0.6%	3,826	-0.4%	5,616	-1.6%	3,162	1.2%	4,688	2.2%
MY2022/23	6,046	-4.9%	3,804	-0.6%	5,609	-0.1%	3,132	-0.9%	4,775	1.9%
MY2023/24	6,060	0.2%	3,854	1.3%	5,553	-1.0%	3,145	0.4%	4,801	0.5%
MY2024/25	6,073	0.2%	3,831	-0.6%	5,491	-1.1%	3,128	-0.5%	4,721	-1.7%

Source: MAFF

[2] For the purpose of this report, FAS/Tokyo defines from October to September as Marketing Year fir formula feed production.

Chart 1. Average Compound Feed Price, Ex-Factory in Japan

Source: MAFF

Corn

Table 3. Corn Production, Supply and Distribution

Corn	2024/2025		2025/2026		2026/2027	
Market Year Begins	Oct 2024		Oct 2025		Oct 2026	
Japan	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	3	3	3	3	0	3
Beginning Stocks (1000 MT)	1299	1299	1372	1383	0	1299
Production (1000 MT)	17	17	16	16	0	17
MY Imports (1000 MT)	15456	15467	15500	15700	0	15600
TY Imports (1000 MT)	15456	15467	15500	15700	0	15600
Total Supply (1000 MT)	16772	16783	16888	17099	0	16916
MY Exports (1000 MT)	0	0	0	0	0	0
TY Exports (1000 MT)	0	0	0	0	0	0
Feed and Residual (1000 MT)	12100	12100	12200	12500	0	12350
FSI Consumption (1000 MT)	3300	3300	3300	3300	0	3300
Total Consumption (1000 MT)	15400	15400	15500	15800	0	15650
Ending Stocks (1000 MT)	1372	1383	1388	1299	0	1266
Total Distribution (1000 MT)	16772	16783	16888	17099	0	16916
Yield (MT/HA)	5.6667	5.6667	5.3333	5.3333	0	5.6667

(1000 HA) ,(1000 MT) ,(MT/HA)
MY = Marketing Year, begins with the month listed at the top of each column
TY = Trade Year, which for Corn begins in October for all countries. TY 2026/2027 = October 2026 - September 2027

OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query

Production

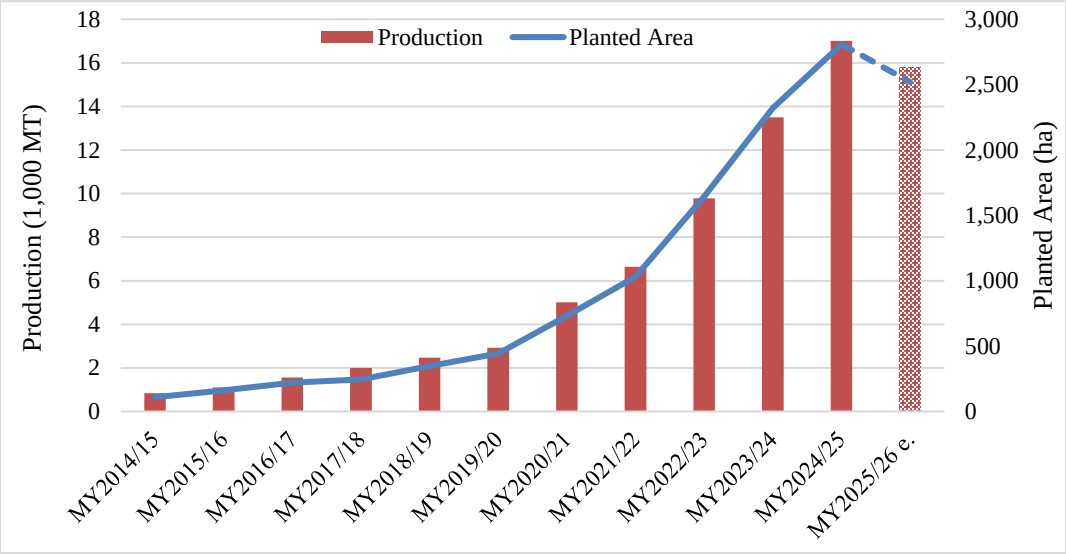
FAS/Tokyo forecasts that Japan's corn planted area in MY2026/27 at 2,650 hectares, recovering slightly from the previous year's decline. Assuming average yields, production is expected to reach 16,700 metric tons (MT). Post anticipates that farmers will shift some cultivation from rice to corn due to softening rice prices.

For MY2025/26, FAS estimates that corn harvested area and production decreased by 10 percent and 7 percent year-on-year, to 2,520 hectares and 15,800 MT, respectively. FAS/Tokyo attributes these declines to high rice prices, which led producers to switch from corn to rice. Subsequently, as rice supply and demand ease and prices trend downward, Post projects that planting will shift back from rice to corn in MY2026/27.

Corn is mainly produced in paddy fields as a substitute crop for rice in Japan. Hokkaido, the northernmost of Japan's four main islands, accounts for more than 70 percent of production. Domestically produced corn is used for feed, food processing, and beverages.

While Japan's corn production has grown steadily over the years, the country will continue to rely heavily on imports as the domestic production accounts for only 0.1 percent of Japan's total corn demand.

Chart 2. Japan Corn Production



Source: MAFF

Consumption

Food, Seed, and Industrial (FSI) Consumption

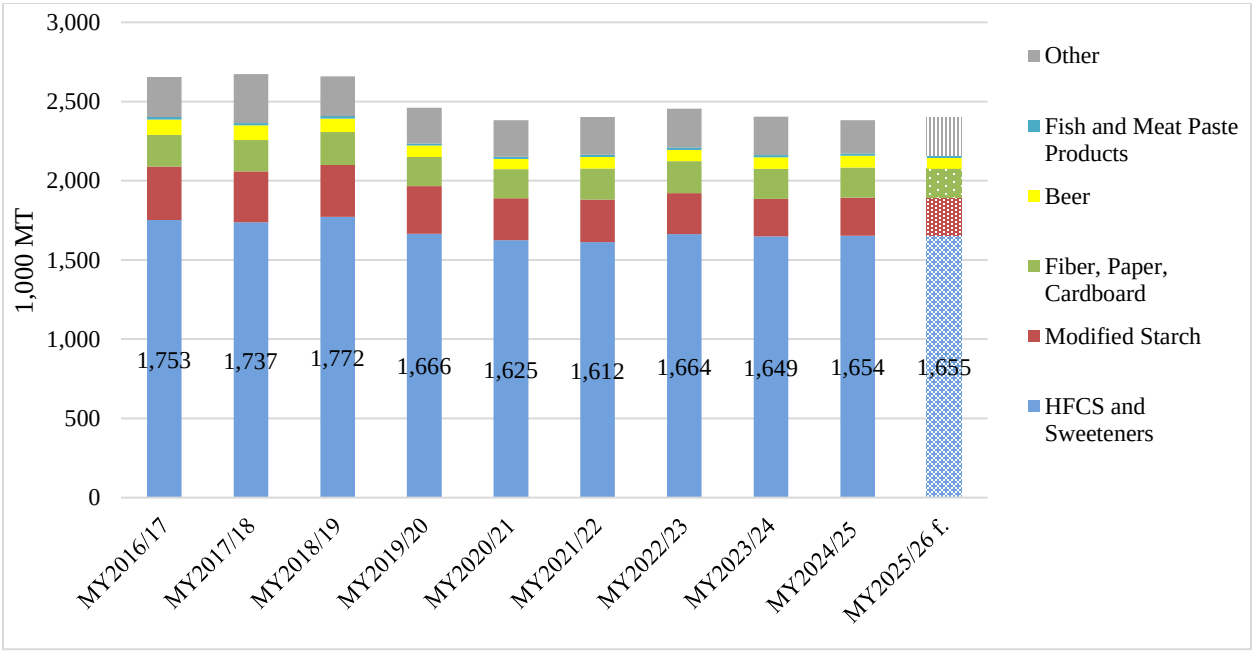
FAS/Tokyo forecasts Japan's MY2026/27 corn for FSI consumption at 3.3 million MT, unchanged from MY2025/26 projection. Corn demand for FSI purposes has remained stable, driven by sustained demand for sweeteners and high fructose corn syrup (HFCS).

Post anticipates MY2025/26 FSI demand to stay flat at 3.3 million MT. According to the Ministry of Agriculture, Forestry and Fisheries (MAFF), Japan's overall cornstarch demand is expected to remain steady in MY2025/26. MAFF projects that rising demand for HFCS, supported by the significant increase in foreign visitors to Japan, will offset the decline in demand for papers products.

Chart 3. Starch Supply in Japan

Source: MAFF

Chart 4. Starch Demand by Use in Japan



Source: MAFF

Feed Consumption

FAS/Tokyo forecasts Japan's MY2026/27 demand for corn for feed use to decrease1.2 percent to 12.35 million MT from Post's MY2025/26 projection. Post anticipates a modest shift away from corn to rice in feed rations due to the projected increase in rice supplies for feed.

FAS/Tokyo forecasts that Japan's demand for corn for feed use will increase by 3.3 percent to 12.5 million MT in MY2025/26, driven by corn's price competitiveness over sorghum and rice. Feed mills have increased the proportion of corn in feed rations, which has exceeded 50 percent since October 2025, a level not reached in at least the past 20 years of available data.

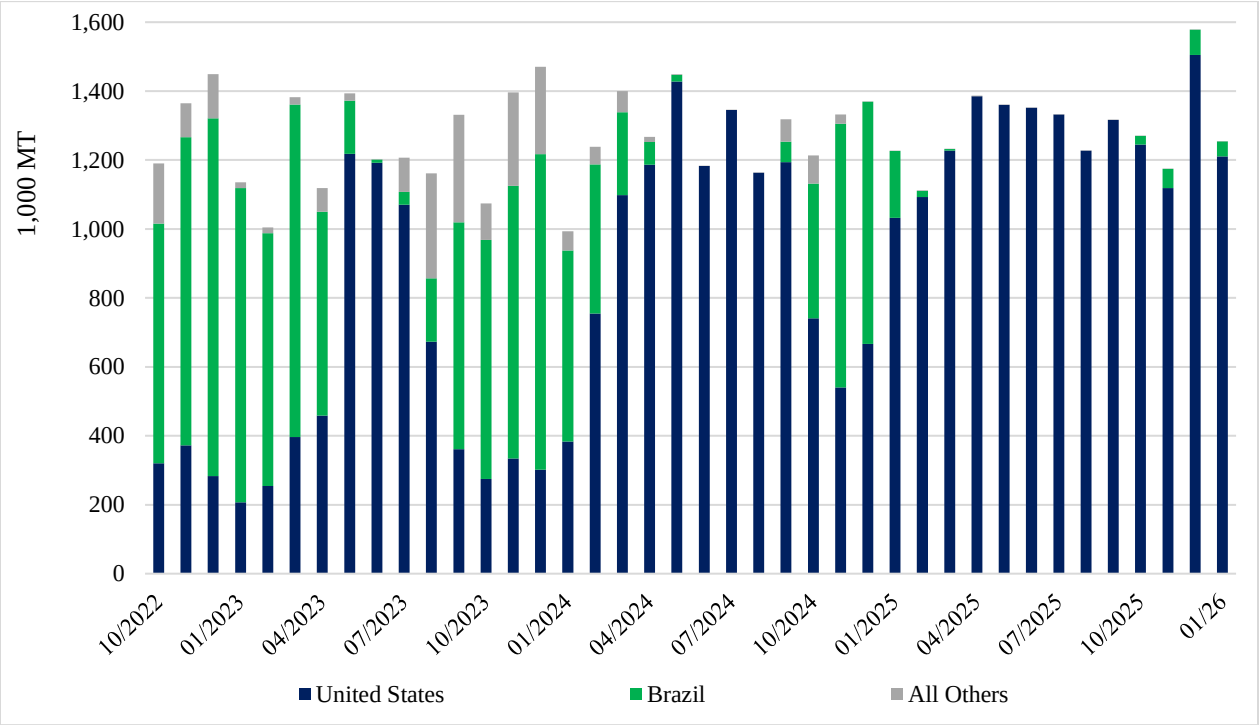
In MY2025/26, high table rice prices incentivized farmers to increase table rice production at the expense of feed rice. As table rice prices soften, some farmers are expected to shift acreage back to feed rice in MY2026/27. Consequently, FAS/Tokyo forecasts that demand for corn for feed use will decrease slightly by 1.2 percent to 12.35 million MT in MY2026/27.

Trade

FAS/Tokyo forecasts MY2026/27 imports at 15.6 million MT, 0.6 percent lower than Post's MY2025/26 projection reflecting anticipated small decrease in feed demand, as some feed mills shift feed formula production back to using more feed rice.

Post projects MY2025/26 imports to increase 1.5 percent to 15.7 million MT to meet higher feed demand for competitively priced corn. Japan imports corn predominantly from the United States and Brazil based on price. Since February 2025, Japan has imported 99 percent of corn from the United States due to its price competitiveness.

Chart 5. Japan's Monthly Corn Imports by Supplier



Source: Trade Data Monitor

Stocks

FAS/Tokyo forecasts Japan's corn ending stocks at 1.27 million MT for MY2026/27 and 1.3 million MT for MY2025/26. These stocks include approximately one million metric tons of imported feed corn MAFF targets for the private sector to hold for contingency preparedness. With heavy reliance on imported feed grains, MAFF subsidizes feed mills to cover some storage costs for contingency stocks, up to a total of one million MT of imported corn, sorghum, barley, wheat, bran, and soybean meal, of which corn accounts for the majority.

Sorghum

Table 4. Sorghum Production, Supply and Distribution

Sorghum	2024/2025		2025/2026		2026/2027	
Market Year Begins	Oct 2024		Oct 2025		Oct 2026	
Japan	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	0	0	0	0	0	0
Beginning Stocks (1000 MT)	11	11	14	1	0	6
Production (1000 MT)	0	0	0	0	0	0
MY Imports (1000 MT)	73	73	100	65	0	50
TY Imports (1000 MT)	73	73	100	65	0	50
Total Supply (1000 MT)	84	84	114	66	0	56
MY Exports (1000 MT)	0	0	0	0	0	0
TY Exports (1000 MT)	0	0	0	0	0	0
Feed and Residual (1000 MT)	70	83	100	60	0	50
FSI Consumption (1000 MT)	0	0	0	0	0	0
Total Consumption (1000 MT)	70	83	100	60	0	50
Ending Stocks (1000 MT)	14	1	14	6	0	6
Total Distribution (1000 MT)	84	84	114	66	0	56
Yield (MT/HA)	0	0	0	0	0	0
(1000 HA) ,(1000 MT) ,(MT/HA) MY = Marketing Year, begins with the month listed at the top of each column TY = Trade Year, which for Sorghum begins in October for all countries. TY 2026/2027 = October 2026 - September 2027						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Production

Grain sorghum production is negligible in Japan.

Consumption

FAS/Tokyo forecasts Japan's MY2026/27 sorghum consumption will decrease 17 percent to 50,000 MT from Post's MY2025/26 projection of 60,000 MT.

Japan uses sorghum entirely for livestock feed, with broilers and swine consuming the majority. Feed mills have used sorghum to whiten the fat in chicken and pork, but in recent years, rice and wheat have replaced sorghum, leading to a yearly decline in sorghum consumption. For MY2026/27, Post anticipates a further decline in sorghum-in-feed rations due to a projected increase in feed rice production.

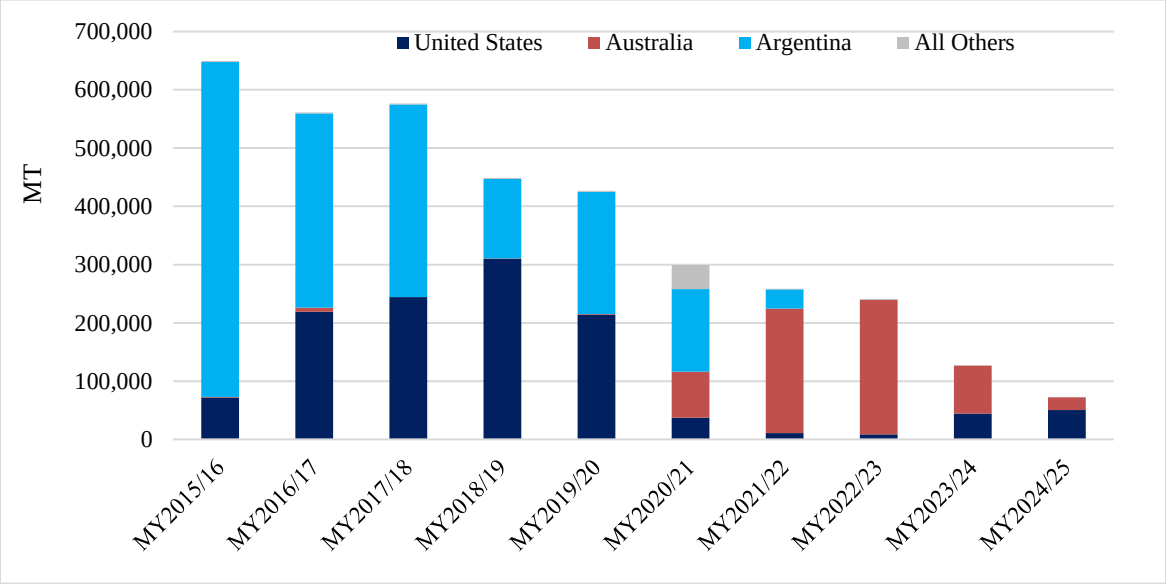
Post estimates MY2024/25 sorghum consumption at 83,000 MT based on the amount used for compound feed production (Annex Table 1).

Trade

FAS/Tokyo forecasts MY2026/27 sorghum imports to decrease 23 percent to 50,000 MT, reflecting reduced feed demand. Consistent with this trend, Post projects MY2025/26 sorghum imports at 65,000 MT, down 11 percent from MY2024/25.

Over the past decade, Japan's sorghum imports have contracted 90 percent, reaching 72,857 MT in MY2024/25 amid weakening feed demand. Between MY2021/22 and MY2023/24, Australia monopolized Japan's import market, but since MY2024/25, U.S. sorghum has captured the dominant market share due to its price competitiveness.

Chart 6. Japan Sorghum Imports



Source: Trade Data Monitor

Stocks

FAS/Tokyo forecasts MY2026/27 ending stocks at 6,000 MT, remain unchanged from Post's MY2025/26 projection.

Barley

Table 5. Barley Production, Supply and Distribution

Barley	2024/2025		2025/2026		2026/2027	
Market Year Begins	Oct 2024		Oct 2025		Oct 2026	
Japan	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	65	65	65	64	0	65
Beginning Stocks (1000 MT)	133	133	142	85	0	95
Production (1000 MT)	186	194	230	230	0	235
MY Imports (1000 MT)	1138	1138	1250	1140	0	1100
TY Imports (1000 MT)	1138	1138	1250	1140	0	1100
Total Supply (1000 MT)	1457	1465	1622	1455	0	1430
MY Exports (1000 MT)	0	0	0	0	0	0
TY Exports (1000 MT)	0	0	0	0	0	0
Feed and Residual (1000 MT)	935	1000	1100	980	0	960
FSI Consumption (1000 MT)	380	380	400	380	0	375
Total Consumption (1000 MT)	1315	1380	1500	1360	0	1335
Ending Stocks (1000 MT)	142	85	122	95	0	95
Total Distribution (1000 MT)	1457	1465	1622	1455	0	1430
Yield (MT/HA)	2.8615	2.9846	3.5385	3.5938	0	3.6154

(1000 HA) ,(1000 MT) ,(MT/HA)
MY = Marketing Year, begins with the month listed at the top of each column
TY = Trade Year, which for Barley begins in October for all countries. TY 2026/2027 = October 2026 - September 2027

OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query

Production

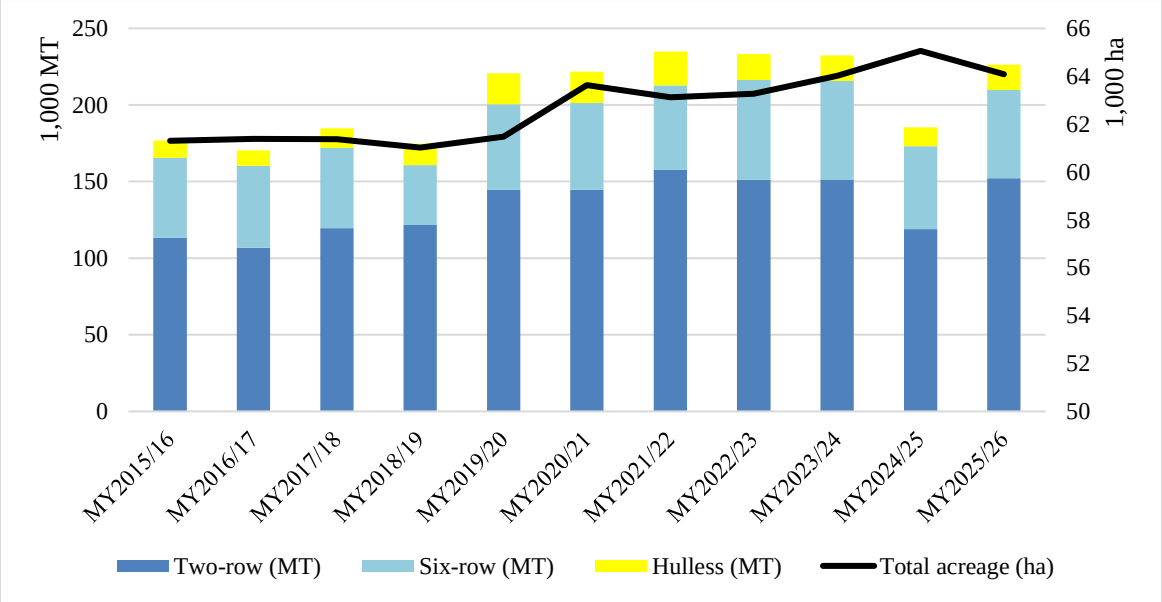
FAS/Tokyo forecasts Japan's MY2026/27 barley planted area will expand 2 percent to 65,000 hectares. While farmers increased rice planting in MY2025/26 due to high rice prices, they are expected to shift acreage from rice to barley in MY2026/27 as rice prices decline. Post projects production will increase 2.2 percent to 235,000 MT in MY2026/27, assuming normal weather conditions. Strong demand for domestic barley persists due to its price competitiveness against imports. However, further production growth remains constrained by the aging farming population and ongoing farm exits.

For MY2025/26, MAFF reports that barley harvested area decreased 1.5 percent to 64,080 hectares, primarily as a result of farmers shifting from barley to rice in response to high rice prices. Despite the reduced area, favorable weather conditions throughout the growing period enabled production to increase 19 percent to 230,000 MT, surpassing the previous year's poor crop, which suffered from moisture damage. In Japan, the majority of barley is produced in paddy fields as part of a crop rotation crop with rice, soybeans, and wheat.

To align barley production with market demand, most barley is produced under pre-planting contracts between producers' groups and end users. Producers' groups offer approximately 30-40 percent of the planned sales volume through competitive bidding, with the remainder traded through direct negotiations based on prices established through the bidding process. For the MY2026/27 crop, the

bidding was completed in September 2025, with contracted quantities matching the previous year's crop, but at higher prices.

Chart 7. Japan Barley Production and Acreage



Source: MAFF

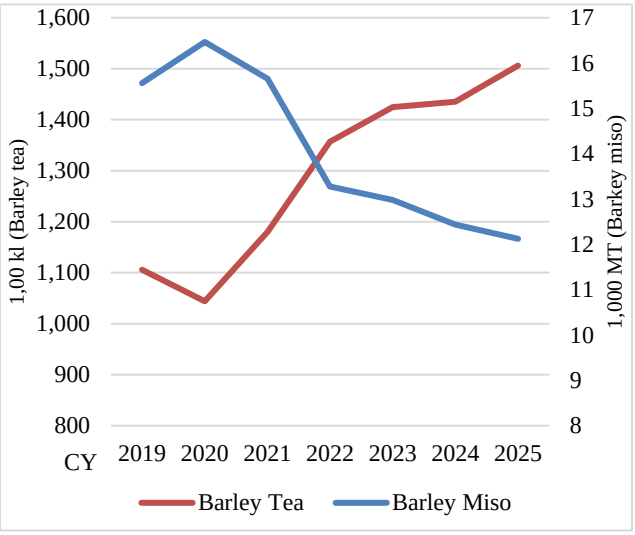
Consumption

FSI Consumption

FAS/Tokyo forecasts Japan’s FSI barley consumption at 375,000 MT in MY2026/27, down 1 percent from Post’s MY2025/26 projection based on lower demand for *shochu* (distilled liquor) and *miso* (fermented soybean paste). Post projects MY2025/26 FSI consumption will remain unchanged at 380,000 MT as the growing demand for barley tea and barley used as rice extender has offset the weakening demand for *shochu* and *miso*. Demand for malt has been stable.

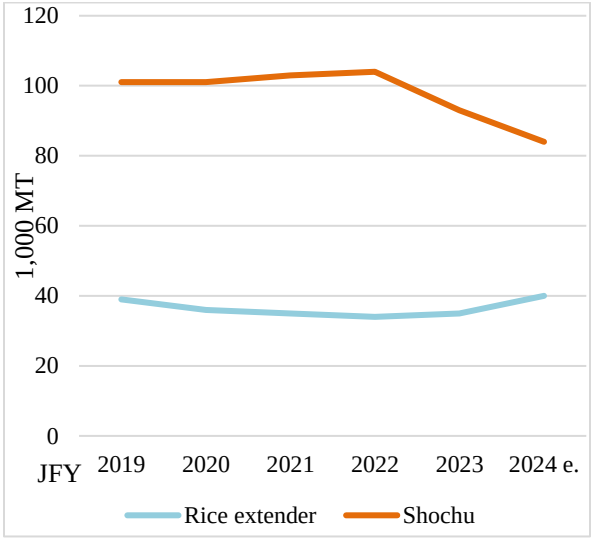
According to industry sources, high rice prices over the last two years have led to increased use of glutinous barley as rice extender. FAS/Tokyo anticipates this trend to continue in the current year but will discontinue in the forecast year as rice prices are anticipated to decline.

Chart 8. Barley *Miso* and Barley Tea Production in Japan



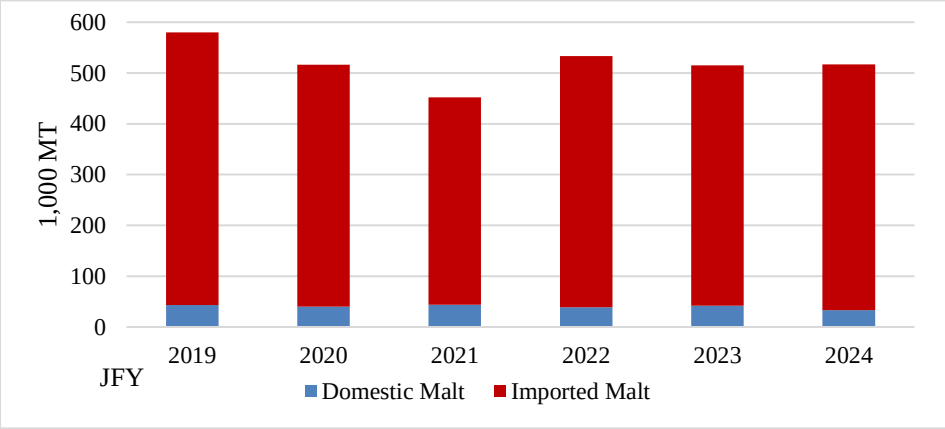
Source: MAFF, product weight basis

Chart 9. Rice Extender and *Shochu* Production in Japan



Source: MAFF, pearled barley basis

Chart 10. Malt Supply in Japan



Source: MAFF
Note: Domestic malt is malt made from barley produced in Japan.
Imported malt includes malt made from imported barley.

Feed Consumption

FAS/Tokyo forecasts MY2026/27 feed consumption to decrease 2 percent to 960,000 MT from Post's MY2025/26 projection. For MY2025/26, Post anticipates a 2 percent decline in feed consumption to 980,000 MT due to a shift from barley to corn in feed rations and lower cattle inventories. Beef cattle account for approximately 80 percent of barley used in feed rations. The declining number of calves, resulting from a reduction in cow-calf operations, is expected to lead to lower beef cattle inventories in both MY2025/26 and MY2026/27 (JA2026-0007).

FAS/Tokyo estimates MY2024/25 feed consumption at 1 million MT based on 950,000 MT used for formula feed production (Annex Table 1) and approximately 50,000 MT for on-farm use.

Trade

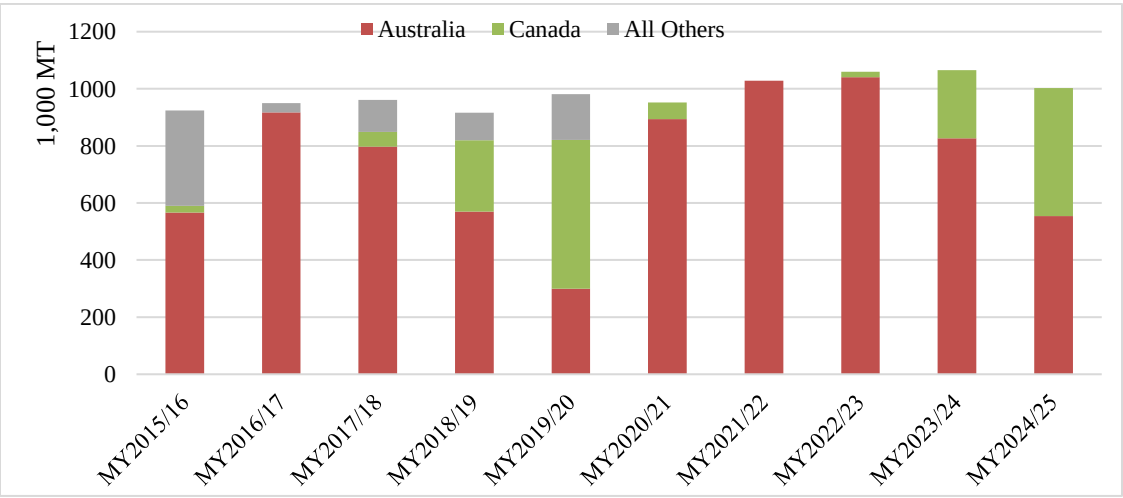
FAS/Tokyo forecasts that Japan's barley imports will decrease 4 percent to 1.1 million MT in MY2026/27, compared to Post's MY2025/26 projection. This decline is attributed to anticipated higher domestic production and reduced feed demand. Post projects MY2025/26 imports at 1.14 million MT, unchanged from MY2024/25.

Japan sources feed barley predominantly from Australia and Canada, while food barley is imported from Australia, Canada, and the United States. Imports of food barley have declined since MY2020/21, reflecting increased domestic production and high import prices.

Barley is designated as a state-traded product in Japan, with a WTO Tariff Rate Quota (TRQ) set at 1.369 million MT and a markup applied to in-quota imports. Out-of-quota imports are subject to a tariff of 39 yen per kilogram; however, such imports have been negligible. In addition to the WTO TRQ, Japan established a TRQ under the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), which will increase to 65,000 MT in Year 9 (beginning April 1, 2026). Japan also set a 30 MT TRQ for the European Union (EU) under the Japan-EU Economic Partnership Agreement (EPA). The markup for both the WTO and trade agreement TRQs will decrease by 45 percent to 4.4 yen per kilogram in Year 9 and beyond.

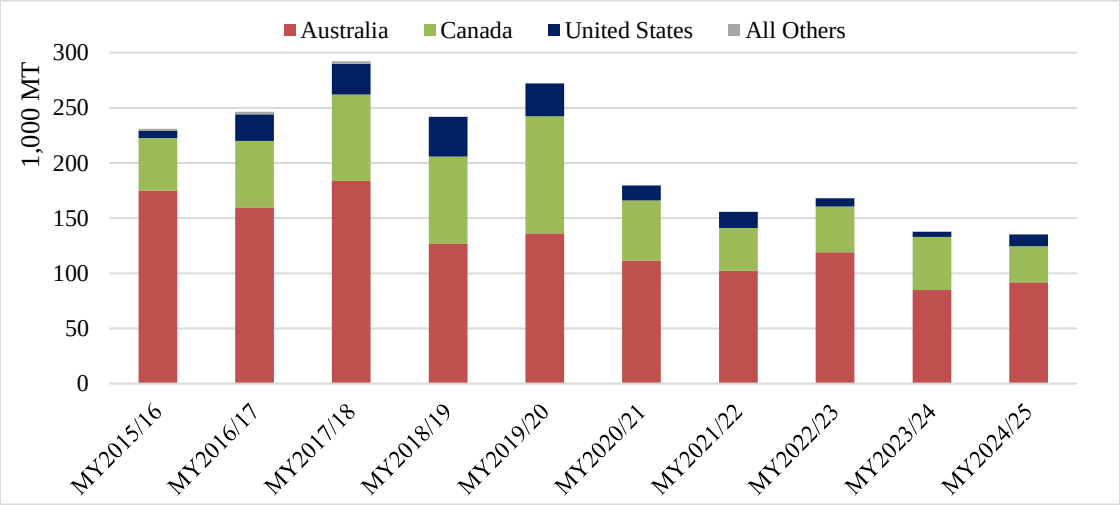
Under the CPTPP and Japan-EU EPA, Japan shifted feed barley from the state-trading system to private trade without markup collection. As feed barley accounts for nearly 90 percent of Japan's total barley imports—and with Australia and Canada, both CPTPP signatories, as the dominant suppliers, the majority of barley has been traded outside the state-trading system since the implementation of the CPTPP.

Chart 11. Japanese Feed Barley Imports by Supplier



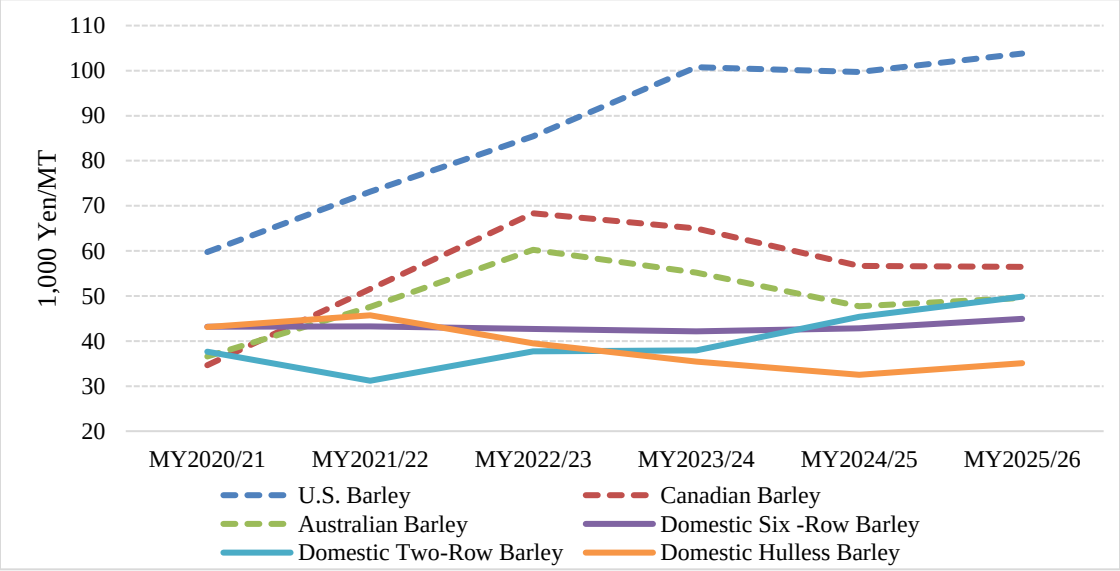
Source: Trade Data Monitor

Chart 12. Japanese FSI Barley Imports



Source: Trade Data Monitor

Chart 13. Prices of Imported Barley and Domestic Barley



Source: Trade Data Monitor, National Rice Wheat and Barley Improvement Association
Note: Average CIF unit prices are used for imported barley and successful bid prices are used for domestic barley

Stocks

FAS/Tokyo forecasts Japan's barley ending stocks to remain stable at 95,000 MT in MY2025/26 and MY2026/27.

Wheat

Table 6. Wheat Production, Supply and Distribution

Wheat	2024/2025		2025/2026		2026/2027	
Market Year Begins	Jul 2024		Jul 2025		Jul 2026	
Japan	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	232	232	225	230	0	232
Beginning Stocks (1000 MT)	1094	1094	1132	1121	0	1215
Production (1000 MT)	1080	1069	990	1059	0	1130
MY Imports (1000 MT)	5573	5573	5650	5750	0	5550
TY Imports (1000 MT)	5573	5573	5650	5750	0	5550
Total Supply (1000 MT)	7747	7736	7772	7930	0	7895
MY Exports (1000 MT)	335	335	340	335	0	340
TY Exports (1000 MT)	335	335	340	335	0	340
Feed and Residual (1000 MT)	730	730	730	780	0	750
FSI Consumption (1000 MT)	5550	5550	5550	5600	0	5600
Total Consumption (1000 MT)	6280	6280	6280	6380	0	6350
Ending Stocks (1000 MT)	1132	1121	1152	1215	0	1205
Total Distribution (1000 MT)	7747	7736	7772	7930	0	7895
Yield (MT/HA)	4.6552	4.6078	4.4	4.6043	0	4.8707

(1000 HA) ,(1000 MT) ,(MT/HA)
MY = Marketing Year, begins with the month listed at the top of each column
TY = Trade Year, which for Wheat begins in July for all countries. TY 2026/2027 = July 2026 - June 2027

OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query

Production

FAS/Tokyo forecasts Japan's MY2026/27 wheat acreage to increase 1.1 percent to 232,000 hectares as some farmers are expected to return to wheat production from rice. Post anticipates production to increase 6.7 percent to 1.13 million MT, assuming normal weather conditions.

For MY2025/26, MAFF reports that both harvested area and production decreased one percent to 229,500 hectares and 1.06 million MT, respectively. MAFF attributes the reduction in acreage to a shift from wheat to rice, driven by high rice prices. Production in the Kyushu region recovered from the previous year's poor crop, which was caused by moisture damage. However, Hokkaido, the leading production region, experienced high temperatures and low rainfall, resulting in thin grains and an 8 percent decrease in yield.

As with barley, most wheat is produced under pre-planting contracts between producers' groups and millers or end users. For the MY2026/27 crop, bidding was completed in September 2025, with contracted quantities similar to the previous year's crop, but at slightly lower prices.

FAS/Tokyo revised MY2024/25 production to 1.069 million MT based on the latest MAFF data.

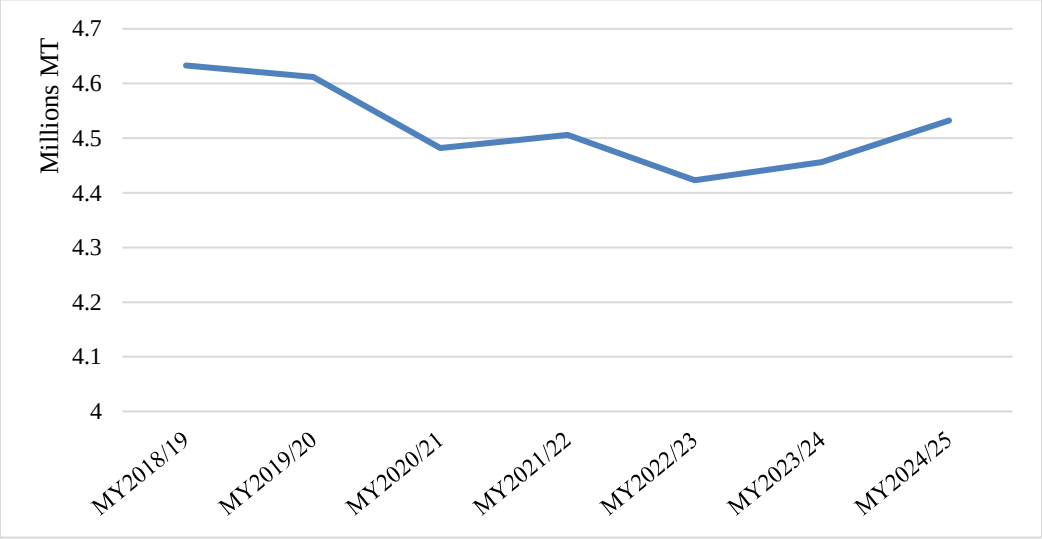
Consumption

FSI Consumption

FAS/Tokyo forecasts Japan's MY2026/27 FSI wheat consumption at 5.6 million MT, unchanged from Post's MY2025/26 estimate. Post estimates a 1 percent increase in MY2025/26 FSI consumption to 5.6 million MT, driven by robust demand for bread, pasta, and noodles as substitutes for expensive rice as well as increased demand from the tourism and food service sectors.

According to industry sources, wheat consumption has been gradually recovering since MY2023/24. The sharp surge and persistently high prices of rice have led to a notable shift in demand toward bread, pasta, and other wheat-based noodles since MY2024/25. According to MAFF data, production of bread, pasta, and other noodles increased 2.7 percent, 1.5 percent, and 3 percent, respectively, in the first half of MY2025/26. Noticeable growth in imports of pasta and instant ramen during the same period further supports this trend. Post anticipates strong demand for wheat products will continue in MY2026/27 even if the rice prices soften.

Chart 14. Wheat Flour Sales in Japan



Source: MAFF

Wheat Price

Wheat is a state-traded product, and MAFF predominantly imports five classes of wheat: Dark Northern Spring (DNS), Hard Red Winter (HRW), and Western White (WW) from the United States; Canadian Western Red Spring (1CW) from Canada; and Australian Standard White (ASW) from Australia. MAFF sells this wheat to flour mills at a price set semi-annually in April and October, based on the average import prices for the previous six months. Reflecting increases in international prices and the weakened

Japanese Yen, MAFF will raise its sales price by 2.5 percent to 62,520 yen/MT as a weighted average of the five wheat classes for the April – September 2026 sales period. Although this marks the first price increase after five consecutive periods of decline, the new price remains 1.7 percent lower than the price set in April 2025. As a result, this increase is not expected to significantly impact wheat product sales.

Feed Consumption

FAS/Tokyo forecasts Japan's MY2026/27 feed consumption for wheat at 750,000 MT, down 3.8 percent from Post's MY2025/26 estimate, due to projected increase of rice in feed rations.

Post estimates MY2025/26 feed consumption to increase 6.8 percent to 780,000 MT, based on a 6.3 percent increase in wheat-in-feed rations during the first half of the current marketing year (Annex Table 1) and a 24.6 percent increase in feed wheat imports over the first seven months of the current marketing year. According to industry sources, rice, wheat, and sorghum have traditionally been used to whiten the fat in chicken and pork, but in MY2025/26, the use of rice and sorghum has decreased, leading to increased demand for wheat. FAS/Tokyo projects rice for feed use will increase in MY2026/27, leading to decrease in demand for wheat.

Trade

Imports
FAS/Tokyo forecasts Japan's MY2026/27 wheat imports to decrease 3.5 percent to 5.55 million MT reflecting a projected increase in domestic production and a decrease in feed demand.

Post estimates MY2025/26 imports to increase 3.2 percent to 5.75 million MT based on a 6.9 percent increase during the first seven months of the current marketing year. Imports of feed wheat, pasta, and other noodles have been particularly strong.

Since MY2023/24 Canada has surpassed the United States as Japan's leading supplier of food wheat, driven by price competitiveness and growing demand for bread and pasta. Japan primarily imports Canadian Western Red Spring wheat, which is suited for baking bread. Canada is also a leading supplier of durum wheat to Japan.

Wheat product imports, especially pasta, have continued to grow since MY2022/23. During the first seven months of MY2025/26, Turkey surpassed Italy as Japan's top pasta supplier for the first time, owing to superior price competitiveness. Imports of wheat products from South Korea have also increased year-on-year, fueled by the popularity of spicy instant ramen noodles.

Table 7. Japan's Wheat and Wheat Product Imports (MT)

		MY2022/23	MY2023/24	MY2024/25	07/24-01/25	07/25-01/26	Change
FSI Wheat	Canada	1,867,904	1,959,401	2,045,780	1,197,688	1,280,653	6.9
	United States	2,067,924	1,880,039	2,022,684	1,083,889	1,141,380	5.3
	Australia	800,601	806,855	790,838	466,462	477,629	2.4
	All Others	6,540	5,333	5,057	4,083	4,250	4.1
	Sub-Total	**4,742,969**	**4,651,628**	**4,864,359**	**2,752,122**	**2,903,912**	**5.5**
Feed Wheat	Australia	402,468	374,597	247,755	89,606	196,339	119.1
	Canada	0	1,292	71,984	59,676	25,589	-57.1
	United States	12,952	15,781	61,719	53,883	31,134	-42.2
	Sub-Total	**415,420**	**391,670**	**381,458**	**203,165**	**253,062**	**24.6**
Wheat Products (wheat equivalent basis)	Italy	94,969	98,223	102,915	63,019	63,372	0.6
	Turkey	81,828	85,993	96,000	60,914	68,512	12.5
	South Korea	33,978	35,612	38,540	20,248	23,956	18.3
	China	24,330	25,487	27,750	16,567	20,744	25.2
	All Others	58,383	57,630	62,254	36,521	37,127	1.7
	Sub-Total	**293,488**	**302,945**	**327,459**	**197,269**	**213,711**	**8.3**
Total	Canada	1,867,952	1,960,769	2,117,815	1,257,382	1,306,264	3.9
	United States	2,102,748	1,917,525	2,104,296	1,149,214	1,183,067	3.0
	Australia	1,203,149	1,181,512	1,038,653	556,097	673,991	21.2
	All Others	278,028	286,437	312,512	189,863	207,363	9.2
	Total	**5,451,877**	**5,346,243**	**5,573,276**	**3,152,556**	**3,370,685**	**6.9**

Source: Trade Data Monitor

Japan sets a WTO Tariff Rate Quota (TRQ) of 5.74 million MT for wheat imports, managed through a state-trading system that applies a markup to in-quota imports. Out-of-quota imports are subject to a tariff of 55 yen per kilogram; however, such imports have been negligible.

In addition to the WTO TRQ, Japan has established Country Specific Quotas (CSQs) under various trade agreements: 53,000 MT for Canada and 50,000 MT for Australia under the CPTPP; 150,000 MT for the United States under the U.S.-Japan Trade Agreement; and 270 MT for the European Union under the Japan-EU Economic Partnership Agreement.

Under these trade agreements, Japan is reducing the markup on imported wheat over a period of 8 to 9 years, by 45 or 50 percent, depending on the wheat class. Effective April 1, 2026, Japan will reduce the markup for both the WTO TRQ and the trade agreements quotas to 9.4 yen per kilogram—a 45 percent reduction from pre-trade agreements levels—for five major classes of wheat, DNS, HRW, WW, 1CW and ASW. For other classes of wheat, the markup was reduced by 50 percent to 8.5 yen per kilogram.

For feed wheat imports, Japan transitioned from a state-trading system to private trade without markup collection under the CPTPP and the Japan-EU EPA.

Because the WTO TRQ has consistently met Japan's wheat demand, the establishment of quotas under trade agreements and the reduction in markups have not led to increased wheat import volumes.

However, because trade agreement quotas are contracted through the Simultaneous Buy and Sell (SBS) tender system which reflects market prices at the time of bidding, flour mills now benefit from greater price flexibility when purchasing imported wheat.[3]

Exports

FAS/Tokyo forecasts Japan's MY2026/27 wheat exports to increase 1.5 percent to 340,000 MT. Post estimates MY2025/26 exports at 335,000 MT, unchanged from MY2024/25 based on the current pace of trade. Wheat flour accounts for over 75 percent of Japan's wheat exports, with most shipments destined for Asian countries, with China being the top destination. According to industry sources, Japan's wheat flour exports to China have increased year-on-year, driven by the growing popularity of Japanese-style bread, with the rising numbers of Japanese convenience stores in China.

Stocks

FAS/Tokyo forecasts Japan's wheat ending stocks to remain stable at 1.2 million MT in MY2025/26 and MY2026/27. Both figures include approximately 900,000 MT of imported food wheat, which represents 2.3 months' worth of consumption MAFF targets for the private sector to hold for contingency preparedness. MAFF subsidizes storage costs for 1.8 months' worth of contingency stocks.

[3] Under the WTO TRQ, MAFF imports the majority of wheat through the Ordinary Import System. In this system, MAFF contracts trading houses to import the five classes of wheat through competitive bidding. MAFF then sells imported wheat to flour mills at the price it sets every six months based on the imported price, freight and exchange rate for the previous 6 months. Under the WTO TRQ and trade agreement quotas, MAFF also operates the SBS system where a trading house and a flour mill or user jointly bid to import any classes of wheat from any countries. The prices of wheat imported under the SBS system reflect market prices at the time of bidding.

Rice

Table 8. Rice Production, Supply and Distribution

Rice, Milled	2024/2025		2025/2026		2026/2027	
Market Year Begins	Nov 2024		Nov 2025		Nov 2026	
Japan	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	1458	1458	1480	1471	0	1460
Beginning Stocks (1000 MT)	1598	1598	1546	1581	0	1850
Milled Production (1000 MT)	7294	7294	7540	7484	0	7380
Rough Production (1000 MT)	10019	10019	10357	10280	0	10137
Milling Rate (.9999) (1000 MT)	7280	7280	7280	7280	0	7280
MY Imports (1000 MT)	839	839	800	750	0	700
TY Imports (1000 MT)	862	862	800	750	0	700
Total Supply (1000 MT)	9731	9731	9886	9815	0	9930
MY Exports (1000 MT)	60	50	90	65	0	80
TY Exports (1000 MT)	60	50	90	65	0	80
Consumption and Residual (1000 MT)	8125	8100	8125	7900	0	8050
Ending Stocks (1000 MT)	1546	1581	1671	1850	0	1800
Total Distribution (1000 MT)	9731	9731	9886	9815	0	9930
Yield (Rough) (MT/HA)	6.8717	6.8717	6.998	6.9884	0	6.9432
(1000 HA) ,(1000 MT) ,(MT/HA) MY = Marketing Year, begins with the month listed at the top of each column TY = Trade Year, which for Rice, Milled begins in January for all countries. TY 2026/2027 = January 2027 - December 2027						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Note: The quantity of rice is expressed on a milled basis unless specified.

Production

FAS/Tokyo forecasts Japan's MY2026/27 rice planting area at 1.46 million hectares, a 0.8 percent decrease from Post's MY2025/26 estimate. This decline reflects the ongoing trend of aging farmers exiting the industry as well as an anticipated shift away from rice to other crops such as wheat, barley and corn. Assuming normal weather conditions, Post anticipates production to decrease 1.5 percent to 7.38 million MT in MY2026/27. Until MY2025/26, rice acreage declined year-on-year as more farmers exited the industry. A sharp rise in rice prices led to an increase in planted area in MY2025/26, but as stocks increase and prices stabilize, the planted area is expected to resume its downward trend in MY2026/27.

For MY2025/26, MAFF estimates the harvested area at 1.47 hectares and production at 7.48 million MT, up 0.9 percent and 2.6 percent, respectively, over the previous year. High rice prices motivated farmers to expand rice acreage, while favorable weather from late June onward led to a 1.7 percent increase in yield, as most regions achieved a higher number of grains per ear compared to the previous year.

The summer of 2025 was the hottest in Japan since records began in 1898, surpassing the previous highs set in 2024 and 2023. Typically, such high temperatures negatively impact rice production, resulting in more immature chalky grains, cracked grains, insufficient grain filling, and lower milling yields. Despite these record temperatures, MAFF reports that the quality of the MY2025/26 crop is comparable to the previous year, with approximately 76 percent graded as first-

class. In contrast, only 61 percent of rice was graded as first-class in MY2023/24 due to heat damage, which reduced milling yields and contributed to the rice shortage in the summer of 2024.

MAFF provides acreage-based support payments through the "Direct Payment for Rice Paddy Utilization" program (JA2021-0031) to encourage farmers to shift paddy production from table rice to other uses, such as rice for processing, feed rice, or alternative crops like soybeans and wheat. These payments are designed to offset the price difference between table rice and other crops, helping to curb table rice production in line with declining consumption. Feed rice has been the primary alternative; however, in MY2025/26, some acreage was converted back to table rice, resulting in halving feed rice plantings. Post anticipates a shift back toward feed rice in MY2026/27, as the supply-demand balance for table rice is expected to ease and prices are likely to decline.

Under this support payment program, MAFF sets payments based on crop or the intended use of rice, and farmers must apply before planting. The intended use cannot be changed after harvest, which had drawn criticism for the program's lack of flexibility. The program prevented farmers from responding to market demand or changing the use of rice during the shortage in summer 2024. MAFF is reviewing the program and plans to implement a new framework in April 2027 that will support productivity improvements for each crop.

Consumption

FAS/Tokyo forecasts Japan's MY2026/27 rice consumption at 8.05 million MT, a 1.9 percent increase from Post's MY2025/26 projection, driven by an anticipated increase in feed consumption. Post projects MY2025/26 consumption to decrease by 3.7 percent to 7.9 million MT, reflecting a decline in feed use.

Rice remains a staple food in Japan, however table rice consumption has steadily declined over the past six decades due to lower per capita intake and a shrinking and aging population. Notably, MAFF estimates that table rice consumption increased in 2023/24[4] and 2024/25, attributing this growth to rising demand, in part, from inbound foreign visitors.[5] This increase more than offset the decline in demand caused by population loss, resulting in higher per capita consumption. For example, in 2024/25, MAFF estimates that table rice consumption from foreign visitors rose by 57,000 MT, surpassing the 32,000 MT decrease associated with a population decline of 630,000 people. MAFF forecasts that this trend will continue through 2026/27. Despite this, for MY2025/26, FAS/Tokyo projects any increase in table rice consumption will be offset by a decline in household consumption, as consumers increasingly choose bread, pasta, and noodles over rice due to persistently high rice prices.

Following the rice shortage in the summer of 2024, table rice prices surged. Although the release of government reserve rice led a temporary price decline from June to August 2025, prices began rising again in September. Even with a 10 percent increase in the MY2025/26 rice crop, farmgate prices rose by 30 to 70 percent as distributors and country elevators competed to secure supplies. Consequently, prices reached a record high in November 2025. High prices prompted consumers to shift away from rice, causing rice sales to stagnate. MAFF reports that private sector rice stocks in January 2026 increased by 920,000 MT (brown rice) compared to the same period the previous

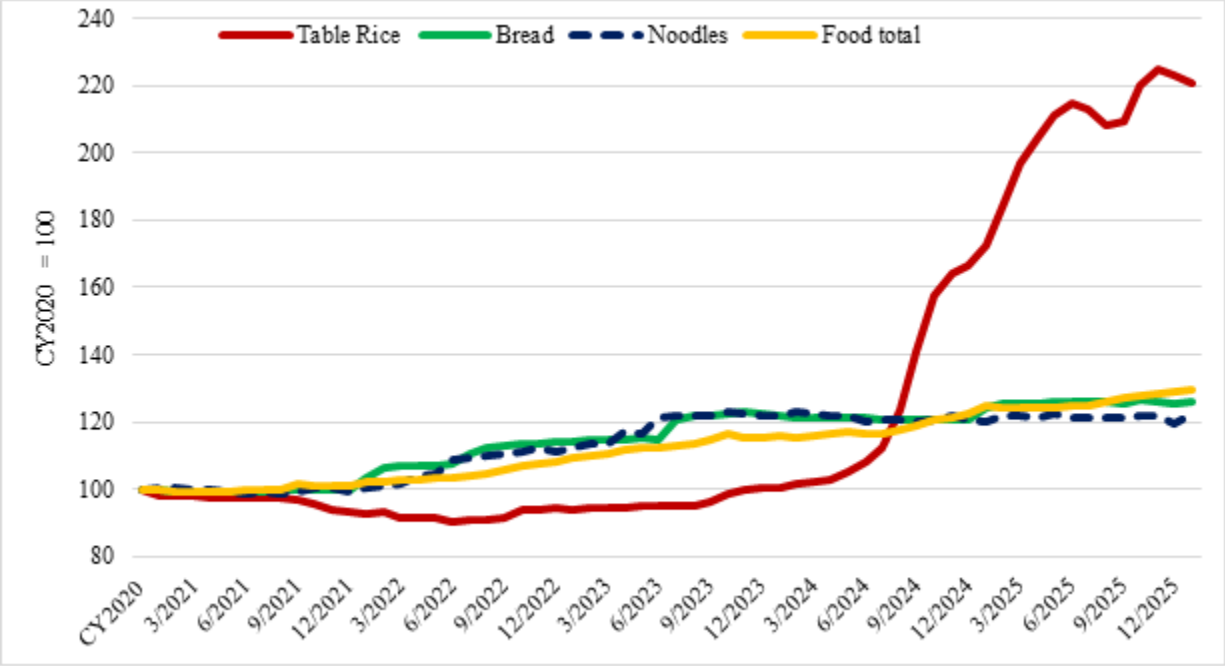
[4] MAFF defines a year from July to June. For example, 2023/24 = July 2023 – June 2024.
[5] The Japan Tourism Agency reports that the number of foreign visitors to Japan increased by 15.8 percent to 42.7 million in 2025, surpassing the record set in 2024 by 5.8 million more visitors.

year. This buildup of stocks put downward pressure on prices, which began to decline in December 2025.

While table rice consumption continues to account for the majority of rice demand in Japan, rice used for feed has become increasingly important in balancing overall supply and demand. In MY2024/25, FAS/Tokyo estimates that rice used for feed declined approximately 350,000 MT to 900,000 MT from MY2023/24, primarily due to reduced feed rice production. For MY2025/26, FAS/Tokyo anticipates feed rice consumption will fall another 200,000 MT due to lower feed rice production, the absence of government reserve rice sales for feed, and increased use of corn in feed rations because of its price competitiveness. These decreases in feed consumption are expected to outweigh the modest increase in table rice demand, resulting in lower overall rice demand. However, for MY2026/27, Post anticipates a rebound in feed consumption, driven by a projected increase in feed rice supplies from production and government reserves, which will support a rise in total rice consumption.

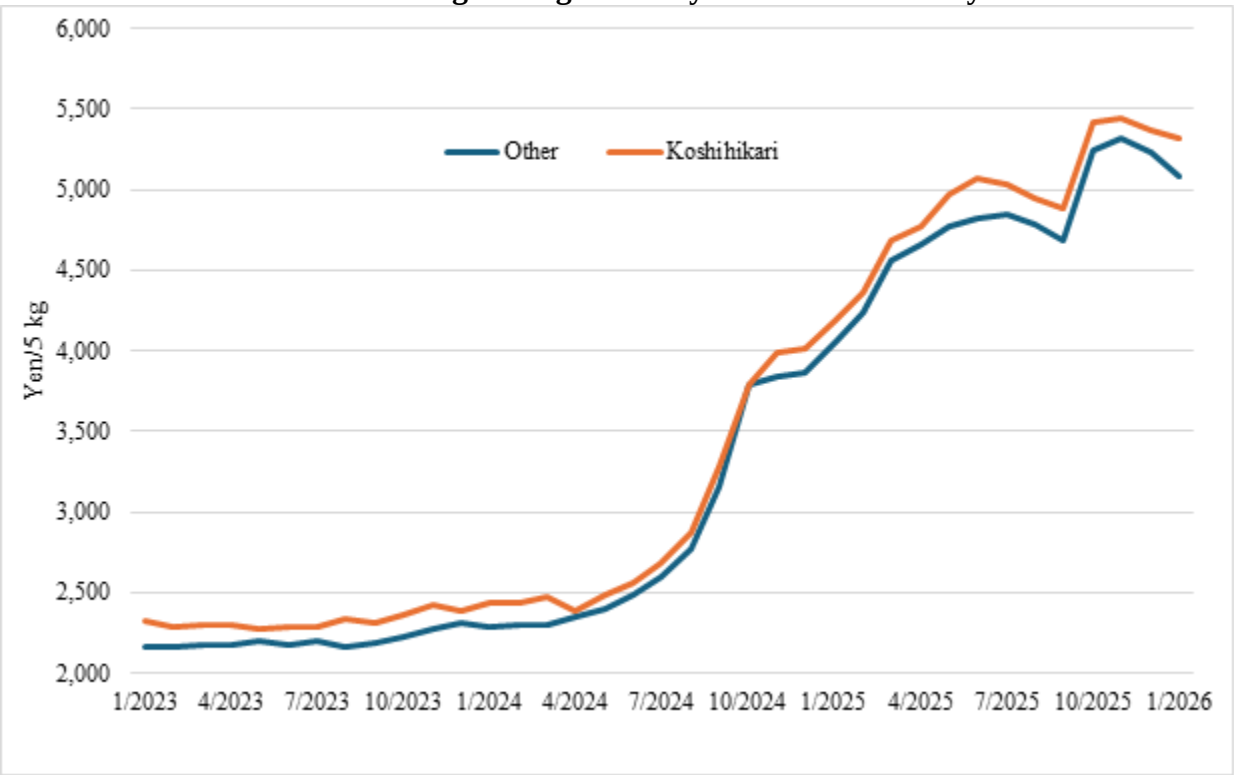
Post anticipates stable demand for rice for processing in MY2025/26 and MY2026/27. While domestic consumption of rice products has softened, exports of items such as microwavable packaged rice and *sake* (rice wine) have increased, helping to maintain stable production levels.

Chart 15. Consumer Price Indices in Japan (CY2020 = 100)



Source: Ministry of Internal Affairs and Communication (MIAC)

Chart 16. Retail Price of 5KG Bag of Single Variety Brand Rice in Tokyo



Source: MAFF

Trade

Imports

FAS/Tokyo forecasts Japan's rice imports to decline 10.6 percent to 750,000 MT in MY2025/26, and further 6.7 percent to 700,000 MT in 2026/27 as private imports are anticipated to weaken. In MY2024/25, Japan imported a total of 839,023 MT of rice; 748,529 MT under the state-trading system and an additional 90,494 MT through private import channels.

Japan imports a minimum of 682,000 MT of rice annually under the state-trading system to fulfill its WTO TRQ commitment. Rice imported under the WTO TRQ is commonly referred to as Minimum Access (MA) rice. MAFF administers the TRQ, importing up to a maximum of 100,000 MT of rice intended for sale as table rice through SBS tenders. MAFF purchases the remaining volume through Ordinary Market Access (OMA) tenders and then sells the OMA rice to domestic users for processing, feed, or food aid exports. Reflecting strong demand for reasonably priced imported rice, Japan fully utilized 100,000 MT table rice quota for JFY2024 and JFY2025. In addition to the WTO TRQ, Japan maintains a Country Specific Quota (CSQ) for Australian rice intended for table rice under the CPTPP, and fully utilized the 7,200 MT CSQ in JFY2025.

In MY2024/25, the dramatic surge in private sector rice imports, accounted for a 106-fold increase compared to the previous year. Imports outside the TRQ and CSQ face a high tariff of 341 yen per kilogram, historically limiting out-of-quota private imports to about 800 MT per year. However, private

imports jumped from 852 MT in MY2023/24 to 90,494MT in MY2024/25, as high domestic rice prices made imported rice more competitive, despite the tariff. The rise in private imports was supported in part, by Japan's growing foreign resident population, which grew 5 percent and reached a record of approximately 3.96 million people in June 2025, according to the Immigration Services Agency. While the growth in foreign residents—many from Asian countries where rice is a staple—contributed to increased demand for imported rice, it was only one of several factors behind the surge. The spike in demand led to increased imports from countries such as Pakistan, Sri Lanka, South Korea, Myanmar, Bangladesh, and Cambodia—sources from which Japan had rarely imported rice before. Although these countries exported rice to Japan, the largest source of private sector imports was the United States, which supplied 79 percent.

However, FAS/Tokyo anticipates private imports to decline in MY2025/26 and MY2026/27 as domestic rice prices are projected to soften.

Exports

FAS/Tokyo forecasts Japan's rice exports to increase 30 percent to 65,000 MT in MY2025/26, and a further 23 percent to 80,000 MT in MY2026/27, primarily due to a projected recovery in food aid exports.

According to MAFF, Japan exported an average of 40,000 MT of rice annually for food aid between Japan Fiscal Year (JFY) 2021 and JFY2024, utilizing the government reserve rice and MA rice. In MY2024/25, Post estimates that Japan's food aid rice exports declined as government reserve stocks were reduced following their release to the domestic market. FAS/Tokyo anticipates that food aid exports will gradually return to normal levels after MY2026/27, once MAFF replenishes its reserve stocks through new purchases.

MAFF also reports that Japan's commercial rice exports increased 3.8 percent to 46,613 MT in MY2024/25, driven by a 15 percent increase in exports to Hong Kong (13,772 MT) and a 23 percent increase to the United States (10,033 MT). Although high domestic rice prices constrained export growth in MY2024/25, FAS/Tokyo anticipates Japan's commercial rice exports to continue to rise in MY2025/26 and MY2026/27, supported by the growing popularity of Japanese cuisine in North America, Europe, and Asia.

Stocks

FAS/Tokyo forecasts Japan's MY2026/27 rice ending stocks at 1.8 million MT, a 2.7 percent decrease from the MY2025/26 projection. Post projects MY2025/26 ending stocks to increase 17 percent to 1.85 million MT from Post's MY2024/25 estimate. Stocks in MY2024/25 were at low levels after consecutive years in which production fell short of consumption. However, a sharp increase in private sector imports in MY2024/25, higher production in MY2025/26, projected lower feed consumption, and continued sluggish table rice consumption following sustained high prices are expected to replenish stocks in MY2025/26. MAFF reports that private stocks increased by 920,000 MT (brown) in January 2026 from a year earlier.

For contingency preparedness, MAFF typically maintains approximately 910,000 MT (brown rice basis) of rice as government reserves. Each year, MAFF purchases about 200,000 MT (brown) of new domestic crop rice, stores it for five years, and sells the 5-year-old rice for feed, processing and for export as food aid. In MY2024/25, MAFF released 590,000 MT (brown) of reserve rice to the market, reducing reserve stocks to an estimated 320,000 MT (brown) by November 2025. MAFF suspended the purchase of rice for reserves from the 2025 crop and will resume purchases from the 2026 crop. Additionally, MAFF has stated that it will purchase from the market, within five years, an amount equal to the 590,000 MT (brown) released, after assessing supply and demand conditions.

In addition to the government reserve rice stocks and private stocks, MAFF reports that it maintained MA rice stocks as of 410,000 MT (brown) as of October 2024.

Annex Table 1. Japan: Formula Feed Production by Ingredient (MT)

MY Oct-Sep	Corn	Sorghum	Wheat	Wheat Flour	Barley	Rice	Other Grains	DDGS	Soybean Meal	Rapeseed Meal	Other Ingredients	TOTAL
2019/20	11,796,346	383,653	361,064	175,347	836,561	907,750	139,825	429,848	3,065,662	1,125,880	4,919,902	24,141,838
	48.9%	1.6%	1.5%	0.7%	3.5%	3.8%	0.6%	1.8%	12.7%	4.7%	20.4%	100.0%
2020/21	11,609,634	305,656	406,815	169,629	878,353	1,133,973	137,585	435,612	3,066,096	1,141,458	4,910,010	24,194,821
	48.0%	1.3%	1.7%	0.7%	3.6%	4.7%	0.6%	1.8%	12.7%	4.7%	20.3%	100.0%
2021/22	11,380,437	252,281	465,296	186,302	938,010	1,297,028	134,596	435,299	3,067,818	1,111,666	4,943,862	24,212,595
	47.0%	1.0%	1.9%	0.8%	3.9%	5.4%	0.6%	1.8%	12.7%	4.6%	20.4%	100.0%
2022/23	11,121,282	205,728	495,335	174,142	965,591	1,409,412	130,700	429,681	3,058,204	971,683	4,924,426	23,886,184
	46.6%	0.9%	2.1%	0.7%	4.0%	5.9%	0.5%	1.8%	12.8%	4.1%	20.6%	100.0%
2023/24	11,387,388	137,180	445,639	188,465	966,531	1,267,645	129,286	412,229	3,014,136	1,054,837	4,928,932	23,932,268
	47.6%	0.6%	1.9%	0.8%	4.0%	5.3%	0.5%	1.7%	12.6%	4.4%	20.6%	100.0%
2024/25	11,776,870	83,736	460,122	201,732	954,270	900,536	124,021	393,822	2,984,422	1,108,301	4,913,296	23,901,128
	49.3%	0.4%	1.9%	0.8%	4.0%	3.8%	0.5%	1.6%	12.5%	4.6%	20.6%	100.0%
2025 Oct	1,062,317	6,314	43,911	17,382	82,704	61,947	10,762	30,921	266,987	99,432	429,416	2,112,093
	50.3%	0.3%	2.1%	0.8%	3.9%	2.9%	0.5%	1.5%	12.6%	4.7%	20.3%	100.0%
Nov	1,000,069	5,880	42,865	14,836	75,967	56,416	9,829	28,801	248,801	92,021	388,541	1,964,026
	50.9%	0.3%	2.2%	0.8%	3.9%	2.9%	0.5%	1.5%	12.7%	4.7%	19.8%	100.0%
Dec	1,169,467	6,572	49,326	18,201	89,883	60,997	10,822	34,301	286,305	109,831	454,752	2,290,457
	51.1%	0.3%	2.2%	0.8%	3.9%	2.7%	0.5%	1.5%	12.5%	4.8%	19.9%	100.0%

Source: MAFF

Attachments:

No Attachments