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Report Highlights:

Dry weather conditions between April and June in Turkiye's grain-growing regions have resulted in decreased production forecasts for Marketing Year (MY) 2024/25. The Turkish government recently announced procurement prices for wheat and barley, as well as a ban on imports of wheat until October 15, 2024. The ban on imports is having knock-on effects as it relates to Türkiye's trade of wheat and wheat products.

Production

Wheat

The total wheat production forecast has decreased slightly to 18.75 MMT for MY 2024/25, down from an original forecast of 19 MMT due to dry weather conditions between April and June. Of the total, 4.2 MMT is durum wheat. Marketing Year 2024/25 wheat area harvested is forecast to slightly increase year-on-year by 50,000 hectares (ha) to 7.25 million ha. Rainfall in Turkiye between October 1, 2023, and June 30, 2024, was estimated at 20.3 inches. This is in keeping with the long-term average, and 3.6 percent more than last year. However, April 2024 was considerably dry, and saw record-high temperatures in critical grain-growing regions of Turkiye. Central Anatolia, especially unirrigated fields, were the hardest hit by these conditions. The winter wheat harvest occurs between mid-May and late-July. At the time of this report, the harvest is wrapping up in the Mediterranean and southeastern regions and is close to completion in Marmara and Central Anatolia.

The dryness caused yield and quality losses in several critical production areas, and especially in Central Anatolia and the Aegean region. Expected increases in production in southeastern Turkiye and the Thrace region will not be sufficient to compensate for losses elsewhere. Despite the drought, Central Anatolian wheat continues to have high protein content. While durum wheat production in the southeast increased as expected, there were more issues with quality compared to last year, including damage from pests and low hectoliter weight, leading to decreased milling quality. Due to low demand for hay, domestic farmers have increased their utilization of controlled crop burning. Unfortunately, local sources report that this has resulted in several fatalities.

Barley

The barley production forecast for MY 2024/25 is decreased to 7.1 MMT compared to 8.5 MMT in MY 2023/24 due to the lack of rainfall, and despite slightly increased planting area. A significant part of the losses are in Central Anatolia, where production is down an average of 40 percent compared to last year. Barley fields are generally unirrigated, and yields are directly linked to rainfall.

Corn

Corn area harvested in MY 2024/25 is expected to significantly contract year-on-year to 550,000 ha, as farmers switch to growing more cotton, sugar beets, potatoes, and other row crops. Corn production is forecast to decrease 17 percent to 7 MMT. Planting for the first crop has already been completed, and the harvest will start in the Mediterranean Region in August. According to market sources, nearly 20 percent of farmers in Konya, one of the main corn-growing areas in the central part of the country, switched to different crops this year. Similarly, a significant percentage of farmers in Sanliurfa and other areas in the southeast (where farmers typically grow corn as a second crop) will likely switch to cotton. In addition, farmers in the Mardin province are dealing with unreliable electricity services.

Rice

MY 2024/25 paddy rice area is estimated at 95,000 ha, slightly higher than last year. Rice production is forecast at 870,000 MT. Rice planting finished in May 2024, and so far, paddy germination and plant development are favorable throughout Turkiye. Still, concerns remain about the possibility of drought in some areas.

Consumption

Wheat

The MY 2023/24 domestic wheat consumption forecast is 20 MMT, up 300,000 MT from the previous year. Sources indicate that there is an increase in feed usage of wheat, while demand for food-grade wheat, which accounts for approximately 90 of consumption, is expected to remain steady.

Barley

Barley consumption is forecast at 8.1 MMT, in line with the decline in production. The feed sector is assumed to have a demand of around 7.2 MMT, and will rely entirely on domestic resources.

Corn

In MY 2024/25, domestic corn consumption is projected at 8.9 MMT, slightly higher than MY 2023/24, assuming a marginal demand increase from the feed sector. Feed usage in MY 2023/24 is revised to 7.75 MMT, due to the expectation of a slight decline in demand. Production and export regulations for the starch, poultry, and egg sectors, which use corn as raw material, will affect demand for corn in MY 2024/25.

Rice

The consumption of rice in MY 2024/25 is projected to remain unchanged from the previous year's revised estimate of 810,000 MT, assuming stable demand from the household and HRI sectors.

Trade

Wheat

As of June 6, 2024, Turkiye announced the suspension of wheat imports under the Inward Processing Regime from June 21-October 15, 2024. It also liberalized exports of milling wheat, durum wheat, and barley. In the same announcement, the Turkish Grain Board (TMO) announced new intervention prices for wheat and barley. See our recent report on TMO's announcement for more details.

Following the import ban, Turkiye's wheat import forecast for MY 2024/25 is revised down to 6.5 MMT. This forecast assumes that the import ban will be lifted in October and flour exporters will then be able to source the raw materials they need from the international market.

Turkiye imported about 9.3 MMT of wheat in MY 2023/24, despite record domestic production. The main suppliers were Russia and Ukraine, with 7.5 MMT and 1.5 MMT imported respectively. Turkiye is a major wheat importer in the global market, and the import ban is expected to have a negative impact on global prices.

Turkiye's wheat export forecast for MY 2024/25 is 8.5 MMT, assuming wheat product exports continue in line with previous years. However, flour exporters are being negatively impacted by the import ban and are worried that they will not be able to offer competitive prices and will lose some of their markets should the ban extend beyond October 2024. Although Turkiye has liberalized exports of milling and durum wheat, current costs and market conditions have not resulted in competitive prices and therefore no post-harvest exports. However, by the end of the marketing year, price changes in the global market or a possible depreciation of the Turkish Lira may provide some relief to Turkish wheat product exporters. Due to favorable harvest expectations in major durum wheat producing countries, global prices are below the prices Turkiye aims to export at.

Turkish wheat and wheat product exports have been increasing in recent years. In MY 2023/24, wheat exports from Turkiye (including flour and wheat products) are estimated to be 9.9 MMT (wheat equivalent basis), of which about 2.2 MMT is wheat, 5.5 MMT is wheat flour, 1.9 MMT is pasta, and about 300,000 MT is bulgur. Turkish flour exports in MY 2023/24 managed to increase in value terms, thanks to increased exports to African markets while declining exports to Iraq, Syria, and Yemen. Please see the Grain and Feed Annual Report 2024 for detailed information.

Barley

Turkiye's barley import forecast for MY 2024/25 is revised to 150,000 MT, assuming there are no policy changes to encourage imports for the feed sector. For MY 2024/25, Turkiye's barley export forecast is 100,000 MT due to limited demand from neighboring countries.

Corn

Turkiye's corn import forecast for MY 2024/25 is revised to increase to 2.5 MMT to meet domestic feed demand, following the decrease in production. Corn imports for the first nine months of MY 2023/24 (from September to May) reached 2.3 MMT, up 4 percent compared to same period in the preceding MY. Turkiye's corn import forecast for MY 2023/24 is revised to to 2.75 MMT based on import performance in the first nine months and market expectations. Ukraine was the main supplier with 1.3 MMT, followed by Russia with about 800,000 MT, and Bulgaria with about 65,000 MT. For MY 2024/25, Turkiye's corn export forecast is just 600,000 MT due to limited demand from neighboring countries.

Rice

Turkiye's rice imports in MY 2024/25 are projected at 400,000 MT, milled equivalent, to meet demand from domestic industry and transshipments. Turkiye's rice imports in MY 2023/24 are forecast at 300,000 MT, milled equivalent, based on import performance in the first nine months. Rice imports for the first nine months of MY 2023/24 (from September to May) reached just 205,050 MT, milled equivalent, down about 62 percent compared to the same period in MY 2022/23. As previously mentioned, the tariff was zero from December 2022 through August 2023 which led to larger stocks.

Table: Turkish Rice Imports (Metric Ton, Milled Rice Equivalent)

Subheading	Description	Unit		Year to Date		
			MY 2022/23	09/22-05/23	09/23-05/24	%Δ
1006	rice	MRE	777,150	546,303	205,050	-62.47
100630	rice, semi-milled or wholly milled, whether or not polished or glazed	MRE	730,047	512,471	172,689	-66.3
100620	rice, husked (brown)	MRE	7,148	6,966	17,464	150.7
100610	rice in the husk (paddy or rough)	MRE	39,364	26,280	14,895	-43.32
100640	rice, broken	MRE	590	586	2	-99.66

Source: Trade Data Monitor, LLC

For MY 2024/25, rice exports are projected at 250,000 MT, assuming steady transshipment demand. If this demand increases, though, Turkiye will have to increase its imports. As part of transit trade, Turkish traders sell short- and long-grain rice from the Far East to neighboring countries. Turkiye's domestic rice exports are only around 30,000 MT, milled equivalent.

In MY 2024/25, rice stocks are forecast lower at 74,000 MT, which is in line with historical averages. The rice stock estimate for MY 2023/24 is revised higher to 151,000 MT since traders were unable to work through the larger-than-usual inventories from the prior year.

Policy

On June 6, 2024, TMO announced 2024 grain intervention prices as outlined below:

“The Ministry of Agriculture and Forestry (MinAF) will provide payment support up to 1,750 TL/ton for wheat and 750 TL/ton for barley to our producers registered in the Farmer Registration System. With the payment support provided by the Ministry, our producers will receive 11,750 TL/ton for durum wheat, 11,000 TL/ton for milling wheat and 8,000 TL/ton for barley. In addition, fertilizer, diesel oil, and certified seed support will continue to be provided to our producers. Product price payments will be made directly to the bank accounts of producers within 45 days.

The export of flour made with domestically produced wheat, which has been prohibited since September 2018, has been liberalized. The exports of milling wheat, durum wheat, and barley have been liberalized on a controlled basis (if they are approved by TMO). Wheat imports under the Inward Processing Regime have been suspended until October 15, 2024, and the suspension may be extended according to market conditions.” Please note, $1 = 32 TL as of this report.

Because of the country’s excess carryover stocks, Turkiye has authorized exports of milling wheat, durum, barley, and flour made from domestic wheat. However, it is assumed that Turkiye will not be able to export at the pace and in the quantities expected due to competitive global market prices in July, when harvesting continues in domestic and international markets. Turkiye banned exports to Israel in May. However, sources note that this trade may continue if the buyer can prove to be in the Palestinian Territories. Turkish wheat exports to Palestine are marginal.

Production, Supply, and Distribution

Wheat	2022/2023		2023/2024		2024/2025	
Market Year Begins	Jun 2022		Jun 2023		Jun 2024	
Turkiye	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	6800	6800	7200	7200	7250	7250
Beginning Stocks (1000 MT)	2337	2337	4584	4584	5190	5290
Production (1000 MT)	17250	17250	21000	21000	19000	18750
MY Imports (1000 MT)	12072	12072	9351	9351	8000	6500
TY Imports (1000 MT)	12500	12500	9500	9500	8000	6500
Total Supply (1000 MT)	31659	31659	34935	34935	32190	30540
MY Exports (1000 MT)	6875	6875	9945	9945	8500	8500
TY Exports (1000 MT)	6953	6954	10000	10000	8500	8500
Feed and Residual (1000 MT)	1500	1500	1000	1000	1300	1300
FSI Consumption (1000 MT)	18700	18700	18800	18700	18900	18700
Total Consumption (1000 MT)	20200	20200	19800	19700	20200	20000
Ending Stocks (1000 MT)	4584	4584	5190	5290	3490	2040
Total Distribution (1000 MT)	31659	31659	34935	34935	32190	30540
Yield (MT/HA)	2.5368	2.5368	2.9167	2.9167	2.6207	2.5862

(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 2024/2025 = July 2024 - June 2025

OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query

Barley	2022/2023		2023/2024		2024/2025	
Market Year Begins	Jun 2022		Jun 2023		Jun 2024	
Turkiye	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	3800	3800	3700	3700	3750	3750
Beginning Stocks (1000 MT)	306	306	922	922	1687	1687
Production (1000 MT)	7400	7400	8000	8000	7100	7100
MY Imports (1000 MT)	2141	2141	142	142	400	150
TY Imports (1000 MT)	1967	1967	150	150	400	150
Total Supply (1000 MT)	9847	9847	9064	9064	9187	8937
MY Exports (1000 MT)	225	225	77	77	100	100
TY Exports (1000 MT)	121	121	150	150	100	100
Feed and Residual (1000 MT)	7800	7800	6400	6400	7500	7200
FSI Consumption (1000 MT)	900	900	900	900	900	900
Total Consumption (1000 MT)	8700	8700	7300	7300	8400	8100
Ending Stocks (1000 MT)	922	922	1687	1687	687	737
Total Distribution (1000 MT)	9847	9847	9064	9064	9187	8937
Yield (MT/HA)	1.9474	1.9474	2.1622	2.1622	1.8933	1.8933

(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 2024/2025 = October 2024 - September 2025

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Corn	2022/2023		2023/2024		2024/2025	
Market Year Begins	Sep 2022		Sep 2023		Sep 2024	
Turkiye	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	530	530	650	650	560	550
Beginning Stocks (1000 MT)	776	776	841	841	641	641
Production (1000 MT)	6800	6800	8400	8400	7300	7000
MY Imports (1000 MT)	2658	2658	3000	2750	1800	2500
TY Imports (1000 MT)	2388	2658	3000	2750	1700	2500
Total Supply (1000 MT)	10234	10234	12241	11991	9741	10141
MY Exports (1000 MT)	793	793	2500	2500	600	600
TY Exports (1000 MT)	1160	1160	2100	2100	750	750
Feed and Residual (1000 MT)	7500	7500	8000	7750	7300	7800
FSI Consumption (1000 MT)	1100	1100	1100	1100	1100	1100
Total Consumption (1000 MT)	8600	8600	9100	8850	8400	8900
Ending Stocks (1000 MT)	841	841	641	641	741	641
Total Distribution (1000 MT)	10234	10234	12241	11991	9741	10141
Yield (MT/HA)	12.8302	12.8302	12.9231	12.9231	13.0357	12.7273

(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 2024/2025 = October 2024 - September 2025

OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query

Rice, Milled	2022/2023		2023/2024		2024/2025	
Market Year Begins	Sep 2022		Sep 2023		Sep 2024	
Turkiye	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	99	99	94	94	95	95
Beginning Stocks (1000 MT)	82	82	205	416	75	151
Milled Production (1000 MT)	600	600	545	545	583	583
Rough Production (1000 MT)	896	896	813	813	870	870
Milling Rate (.9999) (1000 MT)	6700	6700	6700	6700	6700	6700
MY Imports (1000 MT)	536	777	375	300	450	400
TY Imports (1000 MT)	491	491	375	300	450	400
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	1218	1459	1125	1261	1108	1134
MY Exports (1000 MT)	233	233	300	300	250	250
TY Exports (1000 MT)	258	258	300	300	250	250
Consumption and Residual (1000 MT)	780	810	750	810	760	810
Ending Stocks (1000 MT)	205	416	75	151	98	74
Total Distribution (1000 MT)	1218	1459	1125	1261	1108	1134
Yield (Rough) (MT/HA)	9.0505	9.0505	8.6489	8.6489	9.1579	9.1579

(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 2024/2025 = January 2025 - December 2025

OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query

Attachments:

No Attachments