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# Report Name: Grain and Feed Update

**Country:** Japan

**Post:** Tokyo

**Report Category:** Grain and Feed

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**Report Highlights:**

FAS/Tokyo estimates lower wheat and barley production in Marketing Year (MY)2024/25 from the previous year as unfavorable weather conditions and disease outbreak have reduced yields in main production regions. Due to decreased production, Post forecasts an increase in wheat imports in MY2024/25. Post estimates higher rice production in MY2024/25 on better yields and quality compared to last year. FAS/Tokyo projects a decrease in MY2024/25 rice consumption as rising prices are expected to weaken demand for table rice and for feed. FAS/Tokyo forecasts higher corn imports in MY2024/25 based on the projected increase in overall feed demand and corn use in feed rations. FAS/Tokyo projects a marginal decrease in feed demand for barley and wheat in MY2024/25 due to anticipated increase of corn-in-feed-rations.

**Executive Summary**

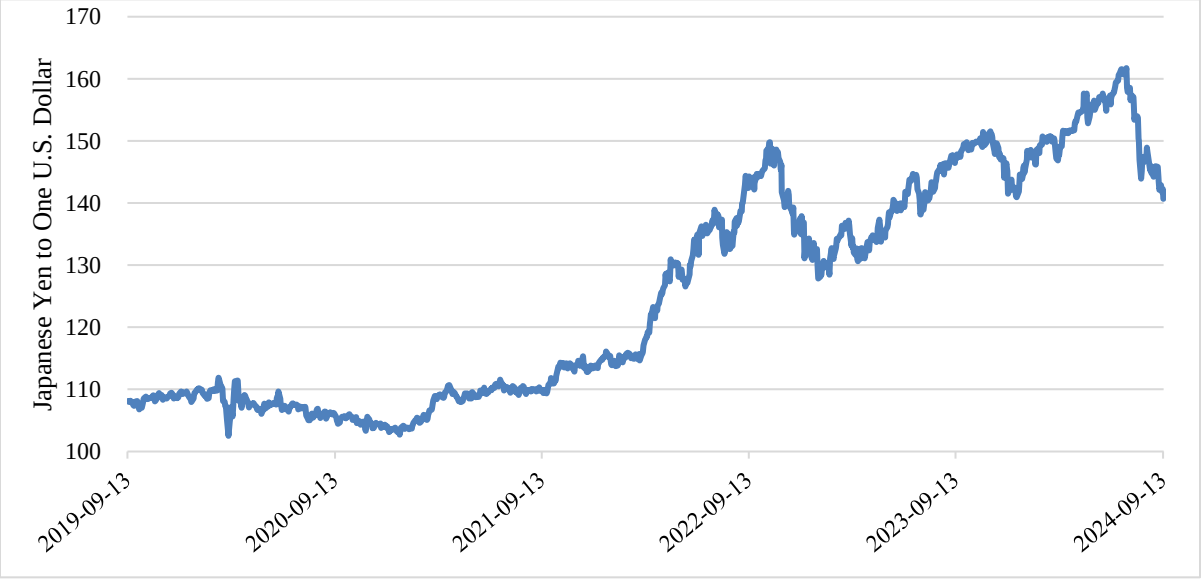
FAS/Tokyo estimates lower wheat and barley production in Marketing Year (MY)2024/25 from the previous year as unfavorable weather conditions and disease outbreak have reduced yields in main production regions. Wheat production is estimated to be above the 10 year-average, but slightly lower than last marketing year's bumper crop. In MY2024/25, Post anticipates stable food demand for barley and a marginal increase in demand for food wheat on a projected shift from rice due to rising rice prices.

Post estimates higher rice production in MY2024/25 as industry reports better yields and quality for this year's crop, as harvesting is currently underway. Post anticipates lower rice consumption for MY2024/25 as rising rice prices are anticipated to weaken demand for table rice and for feed. Rice prices have been on the rise as table rice production was suppressed to increase production for feed rice for the last three marketing years. In addition, in summer 2024, demand for table rice spiked in the short-term, resulting in low private sector stocks.

FAS/Tokyo forecasts higher corn imports in MY2024/25 based on the projected increase in overall feed demand and corn use in feed rations. USDA forecasts ample exportable corn supplies from the United States and Brazil, the two dominant corn suppliers to Japan. In addition, the recent appreciation of the Japanese yen against the U.S. dollar, as well as fewer global shipping disruptions in the Panama Canal for U.S. freight boosts logistical and price competitiveness of U.S. corn in the Japanese imported feed grain market in MY2024/25 (Chart 1).

Post anticipates feed demand for sorghum to continue to decline in MY2024/25 unless sorghum becomes price competitive against corn. FAS/Tokyo projects a marginal decrease in feed demand for barley and wheat in MY2024/25 due to anticipated increase of corn-in-feed-rations.

**Chart 1. Japanese Yen to U.S. Dollar Spot Exchange Rate**




Source: Board of Governors of the Federal Reserve System (US)

**Feed Overview**

Japan's formula feed production has increased in MY[1]2023/24, up from the previous year as layer populations recover from Highly Pathogenic Avian Influenza (HPAI) outbreaks in MY2022/23 (Annex Table 1). FAS/Tokyo projects feed demand to continue to expand in MY2024/25, as the anticipated increase in layer, broiler, swine, and cattle inventories based on strong domestic demand for chicken and pork and the rebuilding of dairy herds (JA2024-0039, JA2024-0043).

The prolonged period of the weak Japanese yen pushed prices for formula feed up, and at the same time, a safety net program, the Compound Feed Price Stabilization System has not been activated for compensation payments to farmers since January 2024, adding to the real cost burden for producers (JA2023-0069). However, higher prices for meat and dairy products have encouraged farmers to increase livestock inventories (Chart 2).

**Table 1. Japan Poultry, Swine and Cattle Inventories (1,000)**

| | Chicks and Layers | Broilers | Swine | Dairy Cattle | Beef Cattle |
|---|---|---|---|---|---|
| 2019 | 184,917 | 138,228 | 9,156 | 1,339 | 2,527 |
| 2020 | NA | NA | NA | 1,352 | 2,555 |
| 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 |
| 2024/2023 | -0.9% | 2.4% | -1.8% | -3.2% | -0.6% |

Source: Ministry of Agriculture, Forestry and Fisheries (MAFF), as of February 1 each year

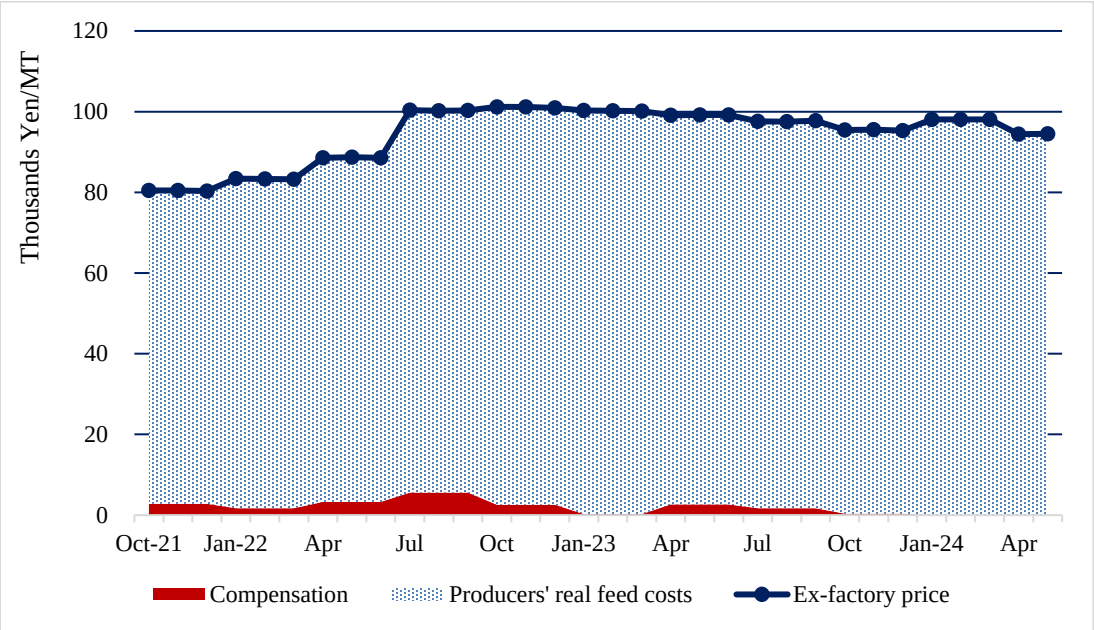
**Table 2. Japan Compound Feed Production by Animal**

| | 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% |
| Oct-23 - Jun-24 | 4,627 | 0.2% | 2,937 | 1.2% | 4,261 | -0.5% | 2,399 | 0.6% | 3,643 | 0.8% |

Source: MAFF

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

**Chart 2. Japan Average Compound Feed Price, Ex-Factory**




Source: MAFF

## Corn

### Table 3. Corn Production, Supply and Distribution

| Corn | 2022/2023 | | 2023/2024 | | 2024/2025 | |
|---|---|---|---|---|---|---|
| Market Year Begins | Oct 2022 | | Oct 2023 | | Oct 2024 | |
| Japan | USDA Official | New Post | USDA Official | New Post | USDA Official | New Post |
| **Area Harvested** (1000 HA) | 2 | 2 | 2 | 2 | 2 | 3 |
| **Beginning Stocks** (1000 MT) | 1360 | 1360 | 1296 | 1309 | 1308 | 1392 |
| **Production** (1000 MT) | 9 | 10 | 12 | 13 | 15 | 16 |
| **MY Imports** (1000 MT) | 14927 | 14939 | 15500 | 15400 | 15500 | 15700 |
| **TY Imports** (1000 MT) | 14927 | 14939 | 15500 | 15400 | 15500 | 15700 |
| **TY Imp. from U.S.** (1000 MT) | 6869 | 6808 | 0 | 0 | 0 | 0 |
| **Total Supply** (1000 MT) | 16296 | 16309 | 16808 | 16722 | 16823 | 17008 |
| **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) | 11700 | 11700 | 12000 | 12000 | 12200 | 12500 |
| **FSI Consumption** (1000 MT) | 3300 | 3300 | 3500 | 3330 | 3350 | 3360 |
| **Total Consumption** (1000 MT) | 15000 | 15000 | 15500 | 15330 | 15550 | 15860 |
| **Ending Stocks** (1000 MT) | 1296 | 1309 | 1308 | 1392 | 1273 | 1248 |
| **Total Distribution** (1000 MT) | 16296 | 16309 | 16808 | 16722 | 16823 | 17008 |
| **Yield** (MT/HA) | 4.5 | 5 | 6 | 6.5 | 7.5 | 5.3 |
| | | | | | | |

(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

## Production

Japan's corn production continues to expand year-on-year, and FAS/Tokyo estimates MY2024/25 harvested area and production at 3,200 hectares and 16,400 metric tons respectively, based on the current trendline increase. In MY2023/24, the Japanese Ministry of Agriculture, Forestry and Fisheries (MAFF) reported that harvested area increased 49 percent to 2,457 hectares and production was up 33 percent to 12,861 tons. High imported feed grain prices caused by a weak Japanese yen and low rice prices motivated farmers to shift production from rice to corn since MY2021/22. Domestically produced corn is processed into formula feed and food products.

**Consumption**

*Food, Seeds and Industrial (FSI) Consumption*

FAS/Tokyo projects MY2024/25 FSI consumption at 3.36 million tons, up one percent from Post's MY2023/24 estimate of 3.33 million tons, due to marginal year-on-year increase in cornstarch demand. MAFF estimates approximately a one percent increase in cornstarch demand for MY2023/24, based on the increased use in soft drinks and beer production. Japan's recent surge in its tourism and food service sectors, as well as its extremely hot summer weather, has increased consumer demand for soft drinks and beer. Post anticipates a similar increase in cornstarch demand in MY2024/25. Post estimates that corn for manufacturing cornstarch accounts for 95 percent of FSI consumption and High Fructose Corn Syrup (HFCS) is the main driver for cornstarch consumption.

*Feed Consumption*

FAS/Tokyo forecasts the MY2024/25 feed consumption to increase 4.2 percent from the previous marketing year to 12.5 million tons, due to expected higher corn-in-feed rations and larger overall feed demand. Post projects an increase in feed demand for corn, as feed facilities will shift their recipe mix to include less rice in light of the rising rice prices and anticipated lower feed rice supplies in MY2024/25.

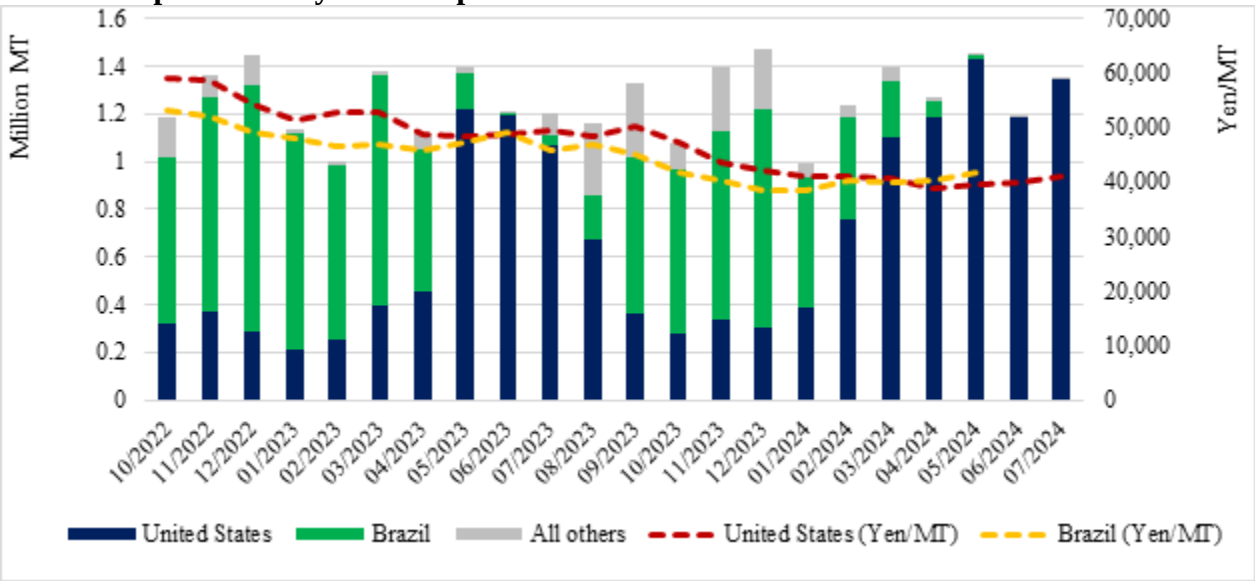
Based on the current strong pace of formula feed production and corn-in-feed rations, Post estimates MY2023/24 feed consumption to increase 2.6 percent from the previous marketing year to 12 million tons (Annex Table 1).

**Trade**

FAS/Tokyo forecasts Japan's MY2024/25 imports at 15.7 million tons, 300,000 tons or 1.9 percent higher than the Post MY2023/24 estimate on projected stronger feed and FSI demand.

FAS/Tokyo estimates MY2023/24 imports at 15.4 million tons, up 3.1 percent from the previous year, based on the current high import pace. Japan imports corn predominantly from the United States and Brazil and switches between the suppliers based on price. Post anticipates U.S. corn will be competitive in Japan in MY2024/25, supported by the strengthening Japanese yen, anticipated large U.S. corn supplies, and logistical improvements for U.S. ocean freight along major export routes.

**Chart 3. Japan Monthly Corn Imports**




Source: Trade Data Monitor

**Stocks**

FAS/Tokyo forecasts MY2024/25 ending stocks at 1.25 million tons. Post estimates MY2023/24 ending stocks at 1.39 million tons. These stocks include corn under MAFF's feed grain reserve program for contingency preparedness. MAFF provides support payments to feed mills to cover some storage costs for contingency stocks, up to a total of one million tons of imported feed grains, most of which is predominantly corn.

## Sorghum

### Table 4. Sorghum Production, Supply and Distribution

| Sorghum | 2022/2023 | | 2023/2024 | | 2024/2025 | |
|---|---|---|---|---|---|---|
| Market Year Begins | Oct 2022 | | Oct 2023 | | Oct 2024 | |
| 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) | 24 | 24 | 24 | 24 | 24 | 14 |
| **Production** (1000 MT) | 0 | 0 | 0 | 0 | 0 | 0 |
| **MY Imports** (1000 MT) | 241 | 241 | 130 | 130 | 150 | 120 |
| **TY Imports** (1000 MT) | 241 | 241 | 130 | 130 | 150 | 120 |
| **TY Imp. from U.S.** (1000 MT) | 8 | 8 | 0 | 0 | 0 | 0 |
| **Total Supply** (1000 MT) | 265 | 265 | 154 | 154 | 174 | 134 |
| **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) | 241 | 241 | 130 | 140 | 150 | 120 |
| **FSI Consumption** (1000 MT) | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total Consumption** (1000 MT) | 241 | 241 | 130 | 140 | 150 | 120 |
| **Ending Stocks** (1000 MT) | 24 | 24 | 24 | 14 | 24 | 14 |
| **Total Distribution** (1000 MT) | 265 | 265 | 154 | 154 | 174 | 134 |
| **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 2024/2025 = October 2024 - September 2025

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## Production

Grain sorghum production is negligible in Japan.

## Consumption

Sorghum is almost entirely consumed as feed in Japan, but feed demand has been trending down due to its higher price compared to corn and other grains. FAS/Tokyo forecasts MY2024/25 feed consumption at 120,000 tons, down 20,000 tons or 14.3 percent from Post's MY2023/24 estimate. Based on feed consumption to date, FAS/Tokyo estimates MY2023/24 feed consumption at 140,000 tons, down 42 percent from the previous year as feed mills are replacing sorghum with price-competitive corn and rice (Annex Table 1).

## Trade

FAS/Tokyo lowers Japan's MY2024/25 sorghum imports to 120,000 tons, on bearish feed demand projections. FAS/Tokyo revised the MY2023/24 import estimates to 130,000 tons as the slow pace of imports reflects sluggish consumption. Australia has been the dominant sorghum supplier to Japan since MY2021/22.

## Stocks

FAS/Tokyo lowers MY2024/25 ending stocks to 14,000 tons in line with the lower projected imports and supply. Post also estimates MY2023/24 ending stocks at 14,000 tons.

## Barley

### Table 5. Barley Production, Supply and Distribution

| Barley | 2022/2023 | | 2023/2024 | | 2024/2025 | |
|---|---|---|---|---|---|---|
| Market Year Begins | Oct 2022 | | Oct 2023 | | Oct 2024 | |
| Japan | USDA Official | New Post | USDA Official | New Post | USDA Official | New Post |
| **Area Harvested** (1000 HA) | 63 | 63 | 64 | 64 | 66 | 65 |
| **Beginning Stocks** (1000 MT) | 171 | 171 | 124 | 152 | 134 | 155 |
| **Production** (1000 MT) | 233 | 233 | 240 | 233 | 246 | 220 |
| **MY Imports** (1000 MT) | 1227 | 1228 | 1250 | 1250 | 1200 | 1200 |
| **TY Imports** (1000 MT) | 1227 | 1228 | 1250 | 1250 | 1200 | 1200 |
| **TY Imp. from U.S.** (1000 MT) | 6 | 7 | 0 | 0 | 0 | 0 |
| **Total Supply** (1000 MT) | 1631 | 1632 | 1614 | 1635 | 1580 | 1575 |
| **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) | 1127 | 1100 | 1100 | 1100 | 1050 | 1050 |
| **FSI Consumption** (1000 MT) | 380 | 380 | 380 | 380 | 380 | 380 |
| **Total Consumption** (1000 MT) | 1507 | 1480 | 1480 | 1480 | 1430 | 1430 |
| **Ending Stocks** (1000 MT) | 124 | 152 | 134 | 155 | 150 | 145 |
| **Total Distribution** (1000 MT) | 1631 | 1632 | 1614 | 1635 | 1580 | 1575 |
| **Yield** (MT/HA) | 3.6984 | 3.6984 | 3.75 | 3.6406 | 3.7273 | 3.3846 |
| | | | | | | |

(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

OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query

## Production

In MY2024/25, FAS/Tokyo estimates a marginal increase in harvested area to 64,500 hectares and a 5.6 percent decrease in production to 220,000 tons. Industry sources noted lower production in Western Japan including Kyushu, the main production region as prolonged rainfall and high temperatures during the flowering periods caused scab outbreaks, which lowered the yield. Industry sources estimate similar yields to last year in other production regions. Post revised MY2023/24 production at 233,257 tons based on MAFF's revised estimate.

Almost all barley is produced in paddies in rotation with rice, wheat, and soybeans and the planting areas have increased since MY2022/23 reflecting robust demand as domestic barley has become price-competitive with imported barley. The price of imported barley has surged due to the weak Japanese yen. Domestic production is used almost entirely for food consumption, except for off-grade barley which goes to feed.

## Consumption

*FSI Consumption*

FAS/Tokyo forecasts MY2024/25 FSI consumption at 380,000 tons, which is unchanged from the MY2023/24 estimate. Barley is used for malting, barley tea, *shochu* (distilled liquor), *miso* (fermented soybean paste), and is used as a rice extender in Japan. According to industry sources, the overall demand has been stable, as strong demand for barley tea offsets the weakening production demand for *miso, shochu* and rice extender.

*Feed Consumption*

FAS/Tokyo projects MY2024/25 feed consumption to 1.05 million tons, down 4.5 percent from the MY2023/24 estimate, as competitively-priced corn is anticipated to replace some barley in feed rations. Post maintains its MY2023/24 feed consumption estimate at 1.1 million tons based on robust feed consumption to date (Annex Table 1). Feed mills increased barley-in-feed-rations since MY2021/22 as competitively priced Australian barley became available and replaced some corn in feed rations.

**Trade**

FAS/Tokyo forecasts MY2024/25 barley imports to 1.2 million tons, down 4 percent from the MY2023/24 estimate of 1.25 million tons due to the anticipated decline in barley-in-feed-rations. Australia has been the dominant barley supplier to Japan since MY2020/21.

**Stocks**

FAS/Tokyo forecasts MY2024/25 ending stocks at 145,000 tons, slightly lower than the official USDA forecast, on a lower production estimate. Post estimates MY2023/24 ending stocks at 155,000 tons, higher than the official USDA official estimate of 134,000 tons, on higher beginning stocks.

## Wheat

**Table 6. Wheat Production, Supply and Distribution**

| Wheat | 2022/2023 | | 2023/2024 | | 2024/2025 | |
|---|---|---|---|---|---|---|
| Market Year Begins | Jul 2022 | | Jul 2023 | | Jul 2024 | |
| Japan | USDA Official | New Post | USDA Official | New Post | USDA Official | New Post |
| **Area Harvested** (1000 HA) | 227 | 227 | 232 | 232 | 235 | 234 |
| **Beginning Stocks** (1000 MT) | 1176 | 1176 | 1142 | 1142 | 1169 | 1094 |
| **Production** (1000 MT) | 1057 | 1057 | 1140 | 1145 | 1160 | 1080 |
| **MY Imports** (1000 MT) | 5452 | 5452 | 5346 | 5346 | 5300 | 5500 |
| **TY Imports** (1000 MT) | 5452 | 5452 | 5346 | 5346 | 5300 | 5500 |
| **TY Imp. from U.S.** (1000 MT) | 2070 | 2103 | 2104 | 1918 | 0 | 0 |
| **Total Supply** (1000 MT) | 7685 | 7685 | 7628 | 7633 | 7629 | 7674 |
| **MY Exports** (1000 MT) | 293 | 293 | 309 | 309 | 300 | 300 |
| **TY Exports** (1000 MT) | 293 | 293 | 309 | 309 | 300 | 300 |
| **Feed and Residual** (1000 MT) | 750 | 750 | 650 | 730 | 650 | 700 |
| **FSI Consumption** (1000 MT) | 5500 | 5500 | 5500 | 5500 | 5450 | 5550 |
| **Total Consumption** (1000 MT) | 6250 | 6250 | 6150 | 6230 | 6100 | 6250 |
| **Ending Stocks** (1000 MT) | 1142 | 1142 | 1169 | 1094 | 1229 | 1124 |
| **Total Distribution** (1000 MT) | 7685 | 7685 | 7628 | 7633 | 7629 | 7674 |
| **Yield** (MT/HA) | 4.6564 | 4.6564 | 4.9138 | 4.9353 | 4.9362 | 4.6154 |
| | | | | | | |
| (1000 HA) ,(1000 MT) ,(MT/HA)<br>MY = Marketing Year, begins with the month listed at the top of each column<br>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 | | | | | | |

## Production

FAS/Tokyo estimates Japan's MY2024/25 wheat production at 1.08 million tons, down 5.8 percent from the previous year, and harvested area at 234,000 hectares, up one percent. Wheat planted area has increased year-on-year since MY2020/21 as farmers shifted production from rice to wheat due to low rice prices. For MY2024/25, industry sources noted that harvested area in Hokkaido, the main production region decreased marginally due to reduction in planted area, as sowing was abandoned in some areas due to unfavorable weather last fall. The harvested area in Kyushu, the other main production area, increased, resulting in a marginal increase in harvested area overall. Industry sources estimate 2 percent decrease in the yield in Hokkaido from the previous year's bumper crop and 10 percent fall in the yield in Kyushu due to a lack of sunshine in the grain filling period and prolonged rain before the harvest.

Post revised MY2023/24 production upward to 1.145 million tons based on revised MAFF data.

## Consumption

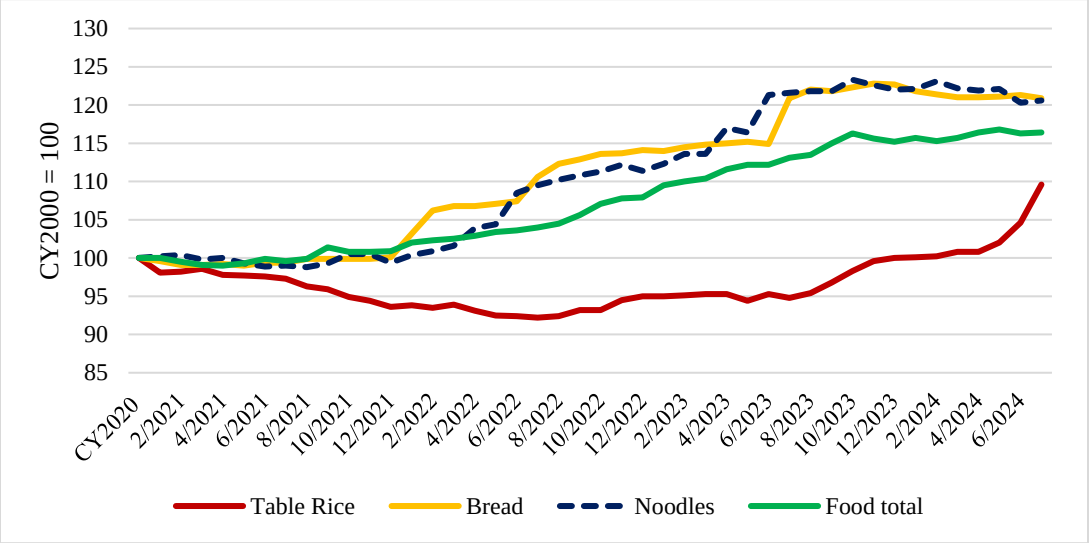
*FSI Consumption*

FAS/Tokyo forecasts Japan's MY2024/25 FSI consumption at 5.55 million tons, up one percent from the MY2023/24 estimate. Post projects modest consumption growth from the previous year, based on demand from the tourism and food service sectors, as well as a shift from rice to wheat products as rice prices soar. In addition, MAFF will reduce prices for imported wheat beginning in October 2024.

Wheat is a state-traded product and MAFF predominantly imports five classes of wheat,[2] selling to flour mills at a price MAFF sets on a semi-annual basis, based on import prices over the previous six months. MAFF will lower its average sales price for these five classes of wheat by 1.8 percent to 67,810 yen ($484.4[3])/ton for the period October 2024 to March 2025. This is the third consecutive price cut since the October 2023 – March 2023 period in accordance with the softening global wheat prices. Although the wheat price has fallen, the price of wheat products has remained high due to the rising cost of labor and energy (Chart 4).

FAS/Tokyo maintains MY2023/24 FSI consumption at 5.5 million tons based on stable wheat flour sales by flour mills.

**Chart 4. Monthly Consumer Price Indicators (Calendar Year 2020 = 100)**




Source: Ministry of Internal Affairs and Communications

*Feed Consumption*

FAS/Tokyo forecasts Japan's MY2024/25 feed consumption at 700,000 tons, down 4.1 percent from the revised MY2023/24 estimate on projected higher corn use in feed rations. Post estimates MY2023/24 feed consumption at 730,000 tons, 20,000 tons lower than the previous year based on a marginally lower wheat-in-feed rations (Annex Table 1).

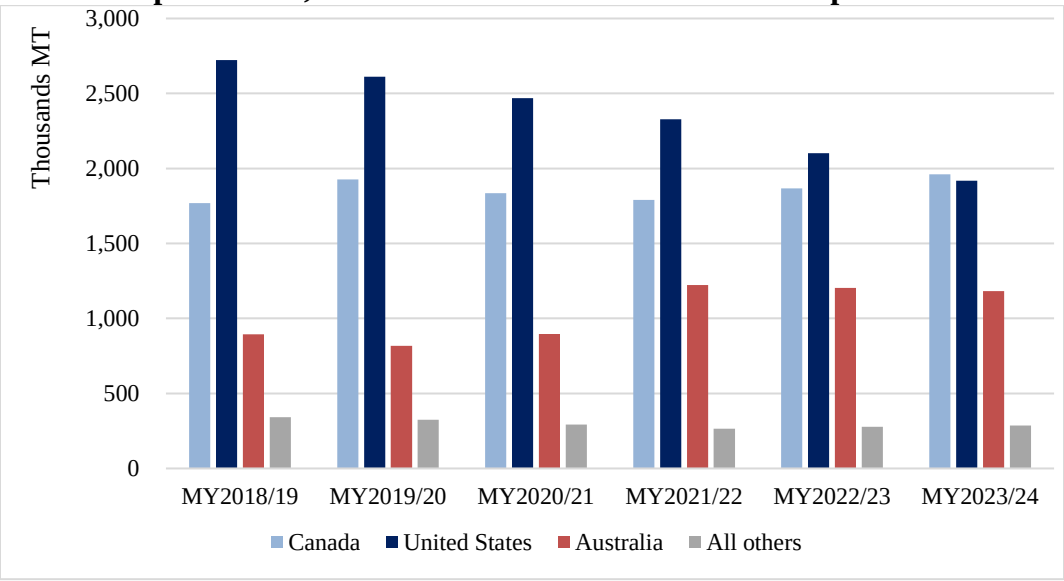
**Trade**

FAS/Tokyo forecasts MY 2024/25 wheat imports at 5.5 million tons, up 2.9 percent from MY2023/24 estimate, on lower production and beginning stocks.

[2] U.S. Dark Northern Spring (DNS), U.S. Hard Red Winter (HRW), U.S. Western White (WW), Canadian Western Red Spring (1CW), and Australian Standard White (ASW).
[3] USD1=140 yen

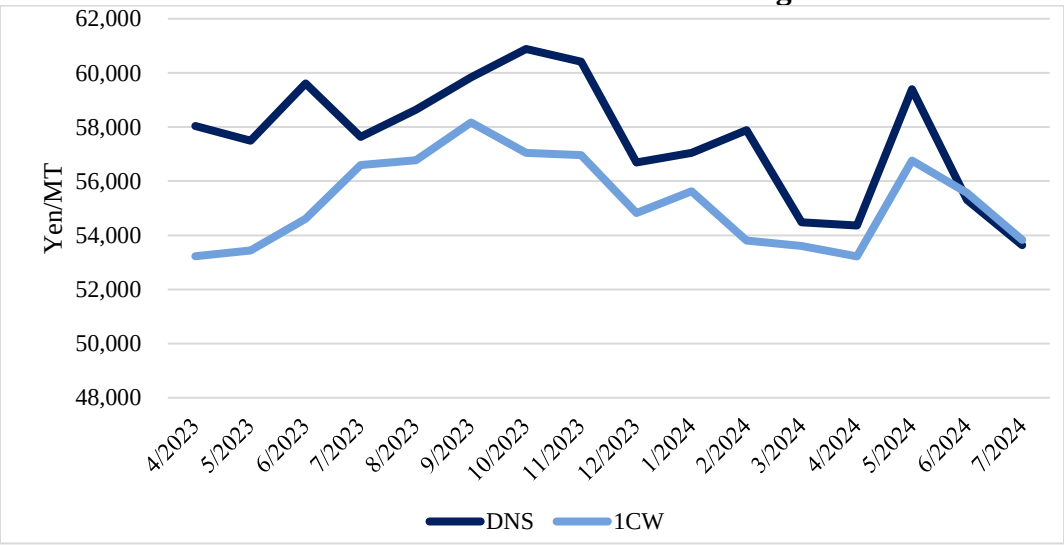
In MY2023/24, Japan's total wheat imports fell 1.9 percent to 5.35 million tons from the previous year, as increased production muted demand for imported food wheat. Under the state trading system, MAFF imports wheat predominantly from the United States, Canada, and Australia. In MY2023/24, imports from Canada outpaced the United States for the first time in history due mainly to price-competitiveness of Canadian food wheat. With large Australian exportable supplies, Japan has sourced feed wheat almost exclusively from Australia over the last three marketing years.

**Chart 5. Japan Wheat, Wheat Flour and Wheat Products Imports**




Source: Trade Data Monitor

**Chart 6. MAFF Contract Prices for DNS and 1CW in Regular Wheat Tenders**




Source: MAFF

For MY2024/25, FAS/Tokyo forecasts Japan's wheat exports at 300,000 tons. Japan's MY2023/24 exports increased 5.4 percent to 308,601 tons, due to a 12 percent increase in wheat flour exports to

China. Japan’s wheat exports predominantly consist of wheat flour and major export destinations include Hong Kong, Malaysia, Singapore, and China.

### Stocks

FAS/Tokyo forecasts MY2023/24 ending stocks at 1.12 million tons, and estimates MY2023/24 ending stocks at 1.09 million tons. Both figures include approximately 900,000 tons of imported food wheat, the 2.3 months-worth of consumption that MAFF targets for the private sector to hold for contingency preparedness. MAFF subsidizes storage costs for 1.8 months-worth of contingency stocks.

### Rice

**Table 7. Rice Production, Supply and Distribution**

| Rice, Milled | 2022/2023 | | 2023/2024 | | 2024/2025 | |
|---|---|---|---|---|---|---|
| Market Year Begins | Nov 2022 | | Nov 2023 | | Nov 2024 | |
| Japan | USDA Official | New Post | USDA Official | New Post | USDA Official | New Post |
| **Area Harvested** (1000 HA) | 1497 | 1497 | 1460 | 1479 | 1440 | 1460 |
| **Beginning Stocks** (1000 MT) | 1900 | 1900 | 1808 | 1812 | 1685 | 1563 |
| **Milled Production** (1000 MT) | 7480 | 7480 | 7272 | 7297 | 7200 | 7350 |
| **Rough Production** (1000 MT) | 10275 | 10275 | 9989 | 10023 | 9890 | 10096 |
| **Milling Rate (.9999)** (1000 MT) | 7280 | 7280 | 7280 | 7280 | 7280 | 7280 |
| **MY Imports** (1000 MT) | 658 | 658 | 685 | 688 | 690 | 688 |
| **TY Imports** (1000 MT) | 709 | 709 | 685 | 688 | 690 | 688 |
| **TY Imp. from U.S.** (1000 MT) | 211 | 211 | 0 | 0 | 0 | 0 |
| **Total Supply** (1000 MT) | 10038 | 10038 | 9765 | 9797 | 9575 | 9601 |
| **MY Exports** (1000 MT) | 80 | 76 | 80 | 84 | 80 | 90 |
| **TY Exports** (1000 MT) | 80 | 76 | 80 | 84 | 80 | 90 |
| **Consumption and Residual** (1000 MT) | 8150 | 8150 | 8000 | 8150 | 7950 | 7900 |
| **Ending Stocks** (1000 MT) | 1808 | 1812 | 1685 | 1563 | 1545 | 1611 |
| **Total Distribution** (1000 MT) | 10038 | 10038 | 9765 | 9797 | 9575 | 9601 |
| **Yield (Rough)** (MT/HA) | 6.8637 | 6.8637 | 6.8418 | 6.7769 | 6.8681 | 6.9151 |
| | | | | | | |

(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

Note: the quantity of rice is expressed in milled basis otherwise noted.

### Production

FAS Tokyo estimates MY2024/25 production to marginally increase to 7.35 million tons, from the upward revised Post MY2023/24 estimate, on higher yield. Post estimates MY2024/25 harvested area at 1.46 million hectares, down 1.3 percent from the previous year based on the long-term trendline decline as aging farmers quit or reduce rice farming.

As of August 15, MAFF estimates overall crop conditions are normal in MY2024/25. Industry sources note that the quality of the new rice crop that has been harvested is good and improved from last year, with yields at or above normal year levels. Harvest will be in full swing in September and October in most regions, and farmers expect harvest to be early, as persistent high temperatures accelerated growth. According to the Japan Meteorological Agency, Japan had the hottest summer on record for July

through August, with extremely hot temperatures expected to persist into September. Unlike last year, there have been no regions that have suffered from a lack of sunshine or precipitation so far.

Post revised its MY2023/24 production estimate to 7.30 million tons in accordance with MAFF's recent revision to the total production. In MY2023/24, MAFF reported average yields at harvest,[4] however, extreme heat and drought in the Hokuriku region impacted the quality of the crop, which caused lower milling yields by about one percent.

Although 2024 summer was even hotter than 2023, industry expects better yields and quality for MY2024/25 as farmers strengthened efforts for appropriate water management, additional fertilizer application, and in-time harvesting. Additionally, farmers reportedly increased planting of high-temperature resistant varieties of which the planted area accounted for 14.7 percent of the total planted area in MY2023/24.

**Consumption**

FAS/Tokyo forecasts Japan's MY2024/25 rice consumption at 7.9 million tons, down 3.1 percent or 250,000 tons lower than the Post's estimate for the previous year, as rising rice prices are expected to weaken demand for table rice and rice for feed.

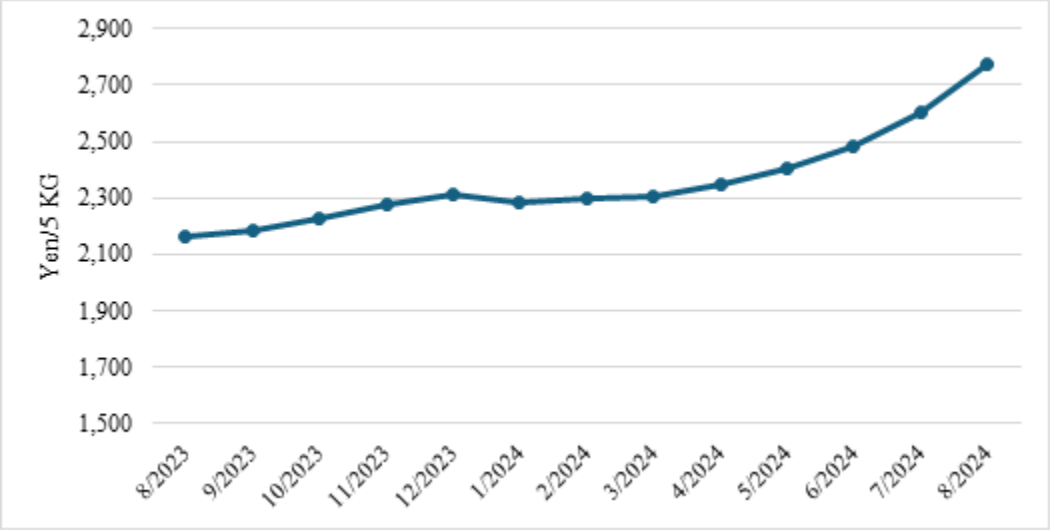
Post estimates MY2023/24 consumption at 8.15 million tons, the same as the previous year as demand for table rice has been strong, especially in the summer months. MAFF estimates that table rice consumption will decline in the long-term, in line with Japan's declining population trend. However, despite this long-term trend, table rice consumption has been up in the short-term in MY2023/24 and MY2022/23. MAFF data and analysis attributes the temporary spike in demand to multiple factors. One, a rise in tourism[4] and other economic activities which has increased demand for rice in the food service sectors. Two, a relatively moderate increase in the price for rice compared to sharper price increases for other food products (Chart 4). And three, a temporary spike in demand for disaster preparedness in August following typhoon season, a major earthquake in Western Japan, and a subsequent major Nankai Trough earthquake warning, which contributed to a spike in household consumption. As demand outpaced production, private sector stocks were depleted to the lowest levels since 1999. Depleted inventories resulted in severe rice shortages at supermarkets in summer 2024 (JA2024-0044). While demand for table rice has been strong, Post estimates lower demand for rice used in feed, as, competitively-priced corn has replaced rice in feed rations in the latter half of MY2023/24 (Annex Table 1).

Reflecting the rice shortage, the retail prices of MY2023/24 crop increased 28 percent in August 2024 compared to last year (Chart 7). Media reports that the prices for the new rice crop continue to rise as farmgate prices are up 20-40 percent from 2023. MAFF commented to the public that the price will

[4] MAFF reports that the crop condition index (the ratio of yield of 2023 crop rice to the normal yield) at 101.

settle when the projected abundant new crop reaches the market. Post projects increase in prices of new crop rice will lower table rice and feed demand in MY2024/25.

**Chart 7. Retail Price of 5 KG Rice**




Source: Ministry of Internal Affairs and Communications

**Trade**

*Imports*

FAS/Tokyo anticipates Japanese imports of 688,000 tons of rice in MY2023/24 and MY2024/25, in line with official USDA figures. Rice is a state-traded product in Japan and MAFF imports approximately 682,000 tons of rice each year to fulfill its WTO tariff rate quota (TRQ), commonly referred to as Minimum Access (MA) rice. In addition to the WTO TRQ, MAFF also administers Simultaneous Buy and Sell (SBS) tenders to import Australian rice for a Country Specific Quota (CSQ) Japan established under the Comprehensive and Progressive Agreement for Trans-Pacific Partnership. Japan sets 6,960 actual tons for Australian rice CSQ in Japan Fiscal Year (JFY)[5] 2024.

Demand for imported rice is strong, reflecting the table rice shortage and anticipation of higher prices for the new domestic crop. On September 9, MAFF held its first SBS tender of the fiscal year for 25,000 tons and awarded the full amount out of 75,732 ton-bids. SBS rice in the WTO TRQ is imported duty-free, however MAFF imposes a price markup upon re-sale, which had been set at 65.9 yen/kg ($0.50/kg) for whole grain rice of all origins for the last six years between JFY2018 and JFY2023. In September, strong demand for imported rice increased competition amongst bidders resulting in a surge in the markup for rice of all origins. The markup for U.S. medium grain rice jumped to 172.7 yen/kg ($1.20/kg) which pushed up MAFF's sales price to wholesalers to 317.7 yen/kg ($2.30/kg), up 47 percent since the last SBS tender in March 2024. All prices for imported rice also incur an 8 percent tax.

[5] Japan Fiscal Year (JFY) runs from April 1 to March 31. JFY2024 = April 2024 – March 2025

By September 13, MAFF held three SBS tenders for Australian CSQ and awarded a total of 2,314 tons. CSQ rice is also imported duty-free but MAFF imposes a markup, set at 55.1 yen/kg ($0.4, including an 8 percent tax) for whole grain rice since JFY2020. As shown in the Table 8, currently rice imported under the WTO TRQ is not price-competitive against domestic Japanese rice, however soaring prices for domestic new crop is expected to improve the competitiveness of imported rice.

MAFF started JFY 2024 Ordinary Market Access (OMA) tenders in July, and has held three tenders since September 13, awarding contracts for a total of 96,200 tons of rice from Thailand, Australia, and the United States. The pace of tender and the contracted amounts are similar to recent years.

**Table 8. Japan Wholesalers' Purchase Prices of Imported Rice and Japanese Rice (yen/kg, including 8 percent tax)**

| | **Imported SBS Rice** | | | | **Japanese Rice** (short grain, brown) **August price** | | |
|---|---|---|---|---|---|---|---|
| | **CPTPP CSQ July tender price** | | **WTO TRQ September tender price** | | | | |
| | Australian short grain brown | Australian medium grain milled | Australian medium grain milled | U.S. medium grain milled | All Varity Average | *Tochigi Asahinoyume* | *Aomori Masshigura* |
| 2024 | 224.0 | 241.8 | 308.0 | 317.7 | 268.9 | 237.0 | 248.2 |
| Markup included in the above price | 55.1 | 55.1 | 171.3 | 172.7 | - | - | - |
| 2023 | 203.2 | 206.8 | - | 248.7 | 230.0 | 188.5 | 212.2 |
| Markup included in the above price | 55.1 | 55.1 | - | 65.9 | - | - | - |

Source: MAFF, *Tochigi Asahinoyume* and *Aomori Masshigura* are popular varieties for food service use. Prices referred are the latest available prices.

*Exports*

FAS/Tokyo forecasts Japan's MY2024/25 rice exports at 90,000 tons, up 6,000 tons from last year, based on steady demand for Japanese table rice from food service sector, especially for sushi rice in niche markets. Post estimates MY2023/24 exports at 84,000 tons, up 8,000 tons from Post's revised MY2022/23 estimate based on higher exports in the first nine months of MY2023/24. MAFF noted exports are on the rise due to strong demand from the food service sector in export markets. The weak yen contributed to lower the unit price and supported the exports (Table 10).

Post revised MY2022/23 exports to 76,000 tons based on MAFF's new data on Japan's food aid rice exports (Table 11).

**Table 9. Japan Commercial Rice Exports**

| | Commercial Exports | Change |
|---|---|---|
| MY2020/21 | 22,100 | - |
| MY2021/22 | 27,657 | 25.1% |
| MY2022/23 | 36,046 | 30.3% |
| 11/2022 - 7/2023 | 26,097 | - |
| 11/2023 - 7/2024 | 31,812 | 21.9% |

Source: MAFF

**Table 10. Top 10 Markets for Japan Commercial Rice Exports**

| | MY2022/23 | | Novemver - July | | | |
|---|---|---|---|---|---|---|
| | | | 2023/24 | | Change from 2022/23 | |
| | MT | USD/MT | MT | USD/MT | MT | USD/MT |
| Hong Kong | 10,850 | 2,148 | 8,777 | 1,634 | 12.6% | -9.4% |
| United States | 6,410 | 2,251 | 6,052 | 1,861 | 32.0% | -2.9% |
| Singapore | 5,121 | 1,940 | 4,267 | 1,528 | 12.6% | -7.3% |
| Taiwan | 2,882 | 2,595 | 2,565 | 1,915 | 17.2% | -9.2% |
| Canada | 1,338 | 2,171 | 1,719 | 1,639 | 103.2% | -10.6% |
| Thailand | 1,200 | 2,068 | 1,201 | 1,653 | 36.6% | -2.0% |
| Spain | 451 | 2,199 | 497 | 1,692 | 56.3% | -9.1% |
| Australia | 1,233 | 2,643 | 911 | 2,187 | 6.1% | -5.6% |
| United Kingdom | 547 | 2,568 | 694 | 2,231 | 65.6% | -4.0% |
| Germany | 497 | 2,914 | 639 | 2,059 | 87.9% | -12.2% |

Source: Trade Data Monitor

**Table 11. Japan Food Aid Rice Exports**

| JFY | Domestic Rice | Imported MA Rice | Total |
|---|---|---|---|
| 2019 | 40,000 | 40,000 | 80,000 |
| 2020 | 40,000 | 30,000 | 60,000 |
| 2021 | 30,000 | 10,000 | 40,000 |
| 2022 | 30,000 | 10,000 | 40,000 |
| 2023 | 40,000 | 10,000 | 40,000 |

Source: MAFF, Adding up may not equal to the total due to rounding.

**Stocks**

FAS/Tokyo forecasts MY2024/25 ending stocks to increase to 1.61 million tons based on projected lower consumption and higher production. Post decreases MY2023/24 ending stocks to 1.56 million tons, on lower beginning stocks and production, and higher exports. Both stocks include approximately 900,000 tons of brown rice for the GOJ contingency rice reserve and OMA rice stocks. The latest MAFF data for OMA stocks is 490,000 tons in October 2023.

**Annex Table 1. Japan Formula Feed Production (metric tons)**

| MY | Corn | Sorghum | Wheat | Wheat Flour | Barley | Rice | Other Grains | DDGS | Soybean Meal | Rapeseed Meal | Other Ingredients | TOTAL |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 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 Oct | 959,051 | 14,569 | 41,544 | 15,765 | 83,771 | 123,400 | 11,609 | 36,647 | 260,398 | 87,505 | 416,935 | 2,051,194 |
| | 46.8% | 0.7% | 2.0% | 0.8% | 4.1% | 6.0% | 0.6% | 1.8% | 12.7% | 4.3% | 20.3% | 100.0% |
| Nov | 972,562 | 14829 | 39609 | 15760 | 84223 | 129518 | 11535 | 38741 | 263285 | 90323 | 419,296 | 2079681 |
| | 46.8% | 0.7% | 1.9% | 0.8% | 4.0% | 6.2% | 0.6% | 1.9% | 12.7% | 4.3% | 20.2% | 100.0% |
| Dec | 1,023,446 | 15,019 | 40,840 | 17,031 | 88,024 | 137,397 | 12,137 | 42,140 | 275,707 | 98,241 | 452,200 | 2,202,182 |
| | 46.5% | 0.7% | 1.9% | 0.8% | 4.0% | 6.2% | 0.6% | 1.9% | 12.5% | 4.5% | 20.5% | 100.0% |
| 2024 Jan | 924,064 | 12,995 | 36,342 | 14,158 | 77,979 | 125,226 | 10,012 | 36,063 | 248,019 | 86,837 | 394,343 | 1,966,038 |
| | 47.0% | 0.7% | 1.8% | 0.7% | 4.0% | 6.4% | 0.5% | 1.8% | 12.6% | 4.4% | 20.1% | 100.0% |
| Feb | 920,014 | 12,327 | 35,443 | 14,412 | 77,920 | 118,901 | 9,964 | 35,021 | 245,019 | 86,050 | 397,756 | 1,952,827 |
| | 47.1% | 0.6% | 1.8% | 0.7% | 4.0% | 6.1% | 0.5% | 1.8% | 12.5% | 4.4% | 20.4% | 100.0% |
| Mar | 955,523 | 12,094 | 36,206 | 15,248 | 80,787 | 109,935 | 10,620 | 35,727 | 252,626 | 88,012 | 411,806 | 2,008,584 |
| | 47.6% | 0.6% | 1.8% | 0.8% | 4.0% | 5.5% | 0.5% | 1.8% | 12.6% | 4.4% | 20.5% | 100.0% |
| Apr | 991,524 | 10,806 | 35,470 | 16,520 | 82,604 | 90,970 | 10,870 | 33,828 | 257,281 | 90,646 | 426,763 | 2,047,282 |
| | 48.4% | 0.5% | 1.7% | 0.8% | 4.0% | 4.4% | 0.5% | 1.7% | 12.6% | 4.4% | 20.8% | 100.0% |
| May | 1,001,662 | 9,981 | 36,632 | 17,061 | 81,929 | 89,960 | 10,755 | 32,709 | 259,040 | 90,878 | 426,205 | 2,056,812 |
| | 48.7% | 0.5% | 1.8% | 0.8% | 4.0% | 4.4% | 0.5% | 1.6% | 12.6% | 4.4% | 20.7% | 100.0% |
| June | 921,185 | 9,239 | 34,105 | 15,658 | 76,156 | 82,109 | 10,035 | 29,087 | 236,371 | 83,339 | 388,949 | 1,886,233 |
| | 48.8% | 0.5% | 1.8% | 0.8% | 4.0% | 4.4% | 0.5% | 1.5% | 12.5% | 4.4% | 20.6% | 100.0% |
| Oct. 2023 - June 2024 | 8,669,031 | 111,859 | 336,191 | 141,613 | 733,393 | 1,007,416 | 97,537 | 319,963 | 2,297,746 | 801,831 | 3,734,253 | 18,250,833 |
| | 47.5% | 0.6% | 1.8% | 0.8% | 4.0% | 5.5% | 0.5% | 1.8% | 12.6% | 4.4% | 20.5% | 100.0% |

Source: MAFF, MY=October - September

**Attachments:**

No Attachments