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Japan

Grain and Feed Update

Grain and Feed Update October 2016

Approved By:
Christopher Riker
Prepared By:
Keiko Fujibayashi

Report Highlights:
As a result of favorable weather conditions, 2016 rice production (including feed rice) is estimated to increase slightly despite reduced planting area. However, rice utilization in compound feed is believed to have reached its ceiling in MY2015/16, and further expansion is expected to be limited due to the price competitiveness of other feed grains (namely corn). Following Japan's record crop in 2015, wheat production is estimated to decrease significantly in 2016 due to unfavorable weather conditions.

Post:
Tokyo

Commodities:
Barley

Corn

Rice, Milled

Rye

Sorghum

Wheat

Feed Production

As a result of declining livestock inventories, Japanese compound feed production has fallen for the last three years. The Ministry of Agriculture, Forestry and Fisheries (MAFF)'s latest statistics show that cattle and swine inventories further declined in 2016, but noted a small increase in the number of Japanese egg laying hens (layers). As feed for layers accounts for nearly 30 percent of total compound feed production (the largest share), the small increase in layer inventories was enough to offset the gradual decline in other livestock inventories. Accordingly, Japanese compound feed production in MY2015/16 is expected to remain flat.

Table 1. Japanese Livestock Inventories (1,000 heads)

	2010	2011	2012	2013	2014	2015	2016	2016/15
Dairy cows	1,484	1,467	1,449	1,423	1,395	1,371	1,345	-1.9%
Beef cattle	2,892	2,763	2,723	2,642	2,567	2,489	2,479	-0.4%
Swine	9,750*	9,768	9,735	9,685	9,537	NA	9,313	NA
Chicks and Layers	NA	175,917	174,949	172,238	172,349	NA	173,349	NA
Broilers	NA	NA	NA	131,600	135,747	NA	134,395	NA

Source: MAFF (as of February 1st of each year)
NOTE: No survey for swine and poultry was conducted in 2015 due to the agricultural census.

Table 2. Japanese Compound Feed Utilization by Ingredients

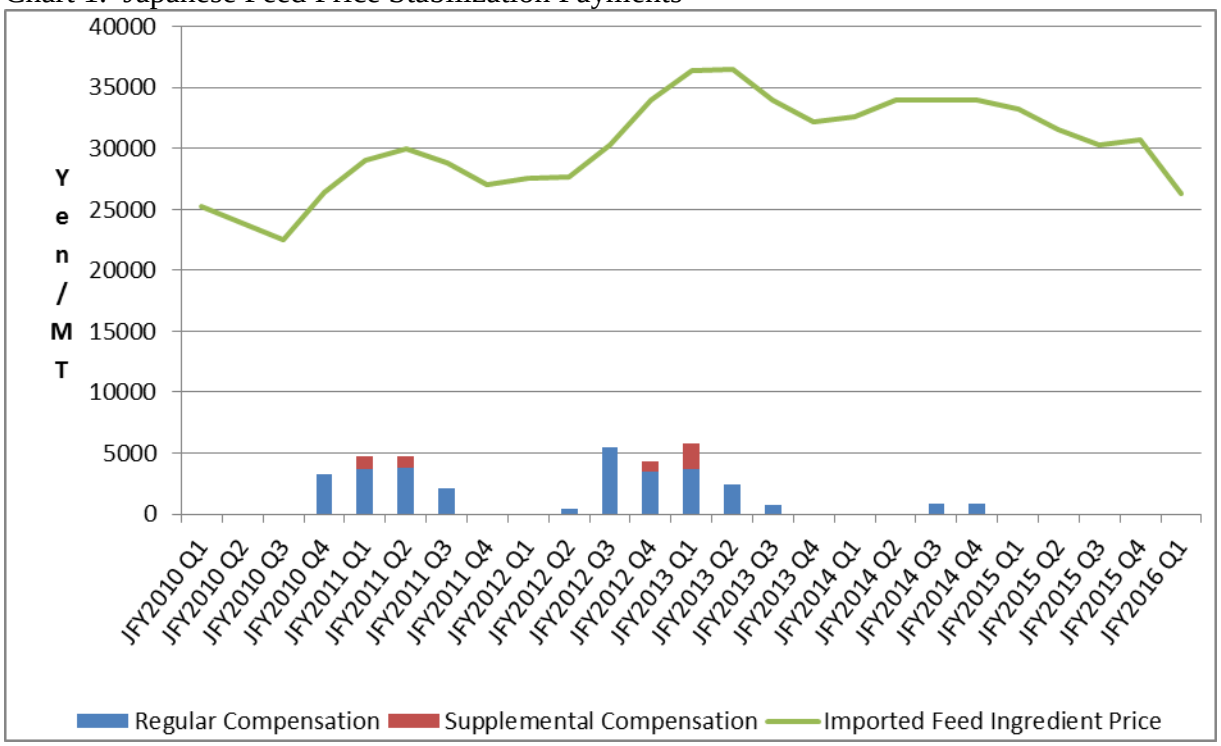
MY	Corn	Sorghum	Wheat	Wheat Flour	Barley	Rice	Rye	Other Grains	DDGS	Non-grain Ingredients	TOTAL
2005/06	11,937,533	1,351,794	109,511	125,953	807,797	335,379	224,625	122,798	-	9,254,689	24,270,079
	49.2%	5.6%	0.5%	0.5%	3.3%	1.4%	0.9%	0.5%	0.0%	38.1%	100%
2006/07	11,968,822	1,207,666	95,022	128,407	841,067	501,410	203,966	135,042	-	9,368,267	24,449,669
	49.0%	4.9%	0.4%	0.5%	3.4%	2.1%	0.8%	0.6%	0.0%	38.3%	100%
2007/08	12,151,595	1,061,836	99,070	140,704	864,290	604,450	97,379	150,312	-	9,504,883	24,674,519
	49.2%	4.3%	0.4%	0.6%	3.5%	2.4%	0.4%	0.6%	0.0%	38.5%	100%
2008/09	12,032,218	1,599,366	131,179	142,216	886,989	240,408	47,756	148,571	-	9,474,483	24,703,186
	48.7%	6.5%	0.5%	0.6%	3.6%	1.0%	0.2%	0.6%	0.0%	38.4%	100%
2009/10	11,663,020	1,605,491	203,985	133,065	904,803	396,061	79,004	151,734	96,210	9,438,395	24,671,768
	47.3%	6.5%	0.8%	0.5%	3.7%	1.6%	0.3%	0.6%	0.4%	38.3%	100%
2010/11	11,287,696	1,380,159	245,857	145,289	889,928	537,274	96,697	148,573	284,154	9,239,452	24,255,079
	46.5%	5.7%	1.0%	0.6%	3.7%	2.2%	0.4%	0.6%	1.2%	38.1%	100%
2011/12	10,688,501	1,461,639	732,039	152,292	882,497	589,640	43,043	148,359	400,836	9,172,479	24,271,325
	44.0%	6.0%	3.0%	0.6%	3.6%	2.4%	0.2%	0.6%	1.7%	37.8%	100%
2012/13	10,154,181	1,856,711	942,885	176,433	910,896	397,406	15,237	154,324	443,993	8,990,056	24,042,122
	42.2%	7.7%	3.9%	0.7%	3.8%	1.7%	0.1%	0.6%	1.8%	37.4%	100%
2013/14	10,794,681	1,006,553	649,448	160,815	870,127	732,983	16,562	135,126	512,652	8,831,356	23,710,303
	45.5%	4.2%	2.7%	0.7%	3.7%	3.1%	0.1%	0.6%	2.2%	37.2%	100%
2014/15	10,530,414	901,173	366,510	161,019	805,315	1,172,993	13,000	135,034	476,786	8,818,977	23,380,591
	45.0%	3.9%	1.6%	0.7%	3.4%	5.0%	0.1%	0.6%	2.0%	37.7%	100.0%
2015 Oct	947,204	64,759	34,870	14,242	69,639	107,671	1,013	11,509	30,129	783,523	2,064,559
	45.9%	3.1%	1.7%	0.7%	3.4%	5.2%	0.0%	0.6%	1.5%	38.0%	100%
Nov	893,467	61,549	32,135	13,330	64,770	107,789	931	10,978	29,325	737,207	1,951,481
	45.8%	3.2%	1.6%	0.7%	3.3%	5.5%	0.0%	0.6%	1.5%	37.8%	100%
Dec	973,161	62,955	33,925	15,456	69,599	117,160	1,011	12,727	33,385	822,101	2,141,480
	45.4%	2.9%	1.6%	0.7%	3.3%	5.5%	0.0%	0.6%	1.6%	38.4%	100%
2016 Jan	861,456	56,066	29,782	13,143	61,932	96,193	830	10,227	33,244	699,678	1,862,551
	46.3%	3.0%	1.6%	0.7%	3.3%	5.2%	0.0%	0.5%	1.8%	37.6%	100%
Feb	888,015	56,421	30,868	13,745	64,597	99,661	804	10,404	36,593	718,977	1,920,085
	46.2%	2.9%	1.6%	0.7%	3.4%	5.2%	0.0%	0.5%	1.9%	37.4%	100%
Mar	950,850	58,024	33,407	15,740	70,027	104,676	974	10,997	38,985	773,516	2,057,196
	46.2%	2.8%	1.6%	0.8%	3.4%	5.1%	0.0%	0.5%	1.9%	37.6%	100%
Apr	946,626	52,005	33,191	15,935	69,738	101,011	984	10,858	35,270	771,998	2,037,616
	46.5%	2.6%	1.6%	0.8%	3.4%	5.0%	0.0%	0.5%	1.7%	37.9%	100%
May	897,918	48,568	32,322	14,694	64,828	97,343	831	9,619	32,726	728,094	1,926,943
	46.6%	2.5%	1.7%	0.8%	3.4%	5.1%	0.0%	0.5%	1.7%	37.8%	100%
June	899,999	48,806	34,083	15,161	66,334	94,935	872	9,538	31,892	731,214	1,932,834
	46.6%	2.5%	1.8%	0.8%	3.4%	4.9%	0.0%	0.5%	1.7%	37.8%	100%
July	853,846	47,095	34,004	14,726	64,264	90,206	848	9,342	33,019	700,548	1,847,898
	46.2%	2.5%	1.8%	0.8%	3.5%	4.9%	0.0%	0.5%	1.8%	37.9%	100%
Oct - Jul	9,112,542	556,248	328,587	146,172	665,728	1,016,645	9,098	106,199	334,568	7,466,856	19,742,643
	46.2%	2.8%	1.7%	0.7%	3.4%	5.1%	0.0%	0.5%	1.7%	37.8%	100%

(MT)

Source: Compound Feed Supply Stabilization Organization, MAFF

Japan maintains a feed price stabilization program that consists of a combination of a MAFF-issued subsidy and an industry fund to help absorb sudden surges in compound feed prices. The industry fund is activated when the import cost of ingredients, in a particular quarter, exceed the average import cost of ingredients in the previous year. As a result of lower prices for corn, soy meal, and freight, however, no compensation payments have been made since the first quarter of Japan Fiscal Year (JFY, April – March) 2015.

Chart 1. Japanese Feed Price Stabilization Payments



Source: MAFF

Rice

Table 3. Rice Production, Supply, and Distribution

Rice, Milled	2014/2015		2015/2016		2016/2017	
Market Begin Year	Nov-14		Nov-15		Nov-16	
Japan	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	1608	1608	1586	1586	1580	1570
Beginning Stocks	3007	3007	2821	2821	1584	2611
Milled Production	7849	7849	7653	7670	7680	7790
Rough Production	10782	10782	10512	10536	10549	10700
Milling Rate (.9999)	7280	7280	7280	7280	7280	7280
MY Imports	635	635	700	700	700	700
TY Imports	688	688	700	700	700	700
TY Imp. from U.S.	328	320	0	0	0	0
Total Supply	11491	11491	11174	11191	10874	11101
MY Exports	70	70	80	80	85	85
TY Exports	65	65	75	75	80	80
Consumption and Residual	8600	8600	8600	8500	8700	8500
Ending Stocks	2821	2821	2494	2611	2089	2516
Total Distribution	11491	11491	11174	11191	10874	11101
(1000 HA) ,(1000 MT)						

Production

With Japanese table rice consumption decreasing year-on-year, MAFF is subsidizing farmers to shift production from table rice to other crops (such as wheat and soybeans). For those farmers who have not shifted production, as shown in table 4 below, MAFF has had some success in encouraging increased production of rice for feed and whole crop silage (WCS) on paddy field.

Table 4. Planting area by crop on paddy field (1,000 ha)

	Table Rice	Feed Rice	Wheat	Soybean	WCS	Other
2015	1,406	80	99	86	38	196
2016	1,381	91	100	89	41	200
2016/2015	-25	11	1	3	3	3

Source: MAFF
Note: Other includes rice for processing, flour, exports, sake, government reserves, feed crops, buckwheat and rapeseed

As a result of MAFF's push, Japanese feed rice production more than doubled in 2015, to 400,490 MT, partly offsetting the reduction in table rice production. However, Japanese total rice production still decreased 2.3 percent to 7.67 million MT. MAFF has continued the subsidy for feed rice production in 2016, and estimates that the planting area for table rice production has decreased by nearly 25,000 ha in 2016 (when compared to 2015) while the planting area for feed rice has increased by roughly 11,000 ha. Factoring in these planting changes, plus planting area changes for other types of rice (e.g., rice for processing), we anticipate a decrease in the total rice planting area of approximately 15,000 ha (to 1.57 million ha). As a result of favorable weather during the growing period, MAFF estimates that the 2016 rice-crop index is 103 (NOTE: 100 represents an average crop), and that rice yields are above average (at 5.0 MT/ha). As MAFF has incentivized farmers to plant high-yield varieties of feed rice with an incremental subsidy payment for higher yields, the yield for feed rice (5.2 MT/ha) is expected to exceed the yield for table rice. Despite the decreased planting area for rice, the increased yield is forecast to increase total rice production by 120,000 MT to 7.79 million MT in 2016.

Table 5. 2008-2016 Total Japanese Rice Production (MT)

	Planted Area	Production (MT)		Yield (MT/ha)	
	(ha)	Brown	Milled	Brown	Milled
2008	1,628,610	8,831,020	8,036,228	5.42	4.9
2009	1,628,123	8,497,264	7,732,510	5.22	4.7
2010	1,642,773	8,551,011	7,781,420	5.21	4.7
2011	1,610,325	8,562,900	7,792,239	5.32	4.8
2012	1,615,635	8,689,537	7,907,479	5.38	4.9
2013	1,620,522	8,715,576	7,931,174	5.38	4.9
2014	1,608,291	8,625,564	7,849,263	5.36	4.9
2015	1,585,766	8,429,099	7,670,480	5.32	4.8
*2016	1,570,000	8,560,000	7,789,600	5.45	5.0

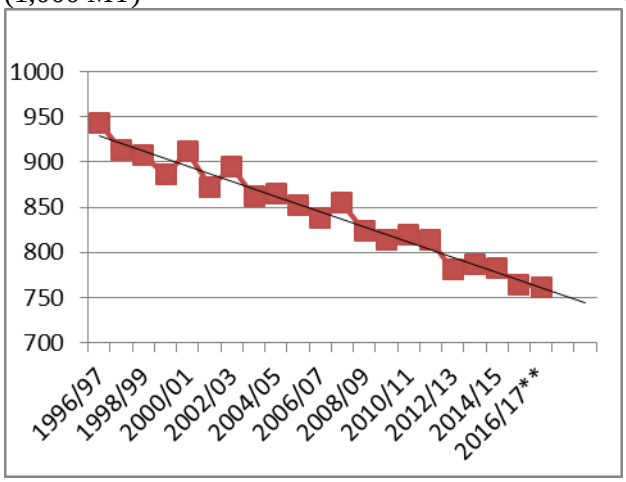
Source: MAFF (Note: *FAS/Tokyo estimate)

Consumption

Per-capita rice consumption dropped one kilogram to 54.6 kilogram in JFY2015, and MAFF estimates that total table rice consumption dropped 160,000 MT to 6.96 million MT in MY2015/16. MAFF forecasts total table rice consumption will further decrease by 30,000 MT to 6.92 million MT in MY2016/17. For feed, about 1.1 million MT of rice[1] was used in compound feed production in MY2014/15, increasing rice's utilization ratio from 3.9 percent in MY2013/14 to five percent at the expense of sorghum, corn and wheat. For the first nine months of MY2015/16 (November 2015 - July 2016), the utilization ratio of rice in compound feed increased only 0.1 percent to 5.1 percent, and this slow growth is attributable to competitive prices for corn (whose utilization ratio increased by more than one percent). Accordingly, as feed consumption is not expected to offset the 160,000 MT decrease in table rice consumption, total rice consumption is expected to decrease 100,000 MT to 8.5 million MT in MY2015/16.

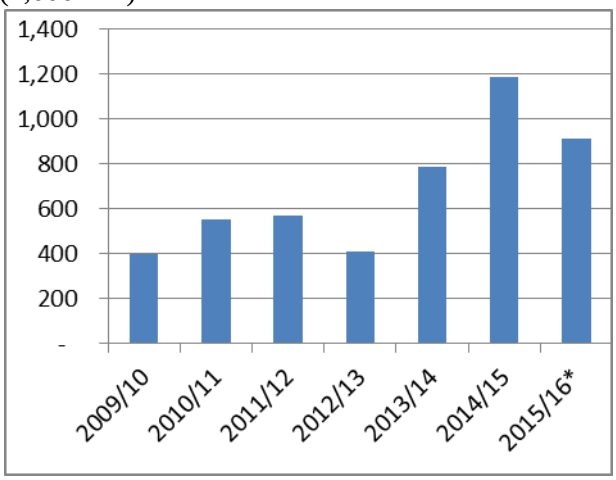
Rice for feed use is forecast to remain flat in MY2016/17 as strong corn demand is expected to suppress any increases in feed rice consumption. Consequently, total rice consumption is forecast to remain unchanged at 8.5 million MT in MY2016/17.

Chart 2. Japanese Demand for Table Rice
(1,000 MT)



Source: MAFF (**Forecast)

Chart 3. Rice Use in Japanese Compound Feed
(1,000 MT)



Source: MAFF (*November 2015 – July 2016)

Wheat

[1] MAFF estimates a total of 1.3 million MT of rice was used for feed in JFY2015 (1.2 million MT for compound feed and 120,000 MT supplied to livestock farms), but the period covered by JFY2015 (i.e., April – March) differs slightly from MY 2015/16 (i.e., November – October).

Table 6. Wheat Production, Supply, and Distribution (1,000 MT)

heat	2014/2015		2015/2016		2016/2017	
Market Begin Year	Jul-14		Jul-15		Jul-16	
Japan	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	213	213	213	213	213	214
Beginning Stocks	1159	1159	1227	1227	1288	1288
Production	852	852	1004	1004	825	760
MY Imports	5878	5878	5715	5715	5800	5800
TY Imports	5878	5878	5715	5715	5800	5800
TY Imp. from U.S.	2969	3020	0	2531	0	0
Total Supply	7889	7889	7946	7946	7913	7848
MY Exports	262	262	258	258	270	260
TY Exports	262	262	258	258	270	260
Feed and Residual	500	500	500	500	550	500
FSI Consumption	5900	5900	5900	5900	5900	5900
Total Consumption	6400	6400	6400	6400	6450	6450
Ending Stocks	1227	1227	1288	1288	1193	1138
Total Distribution	7889	7889	7946	7946	7913	7848
(1000 HA) ,(1000 MT)						

Production

Following Japan's record crop in 2015, wheat production is estimated to decrease significantly in 2016 due to unfavorable weather conditions. MAFF estimates that the total planting area increased 1,300 ha to 214,400 ha, as some table rice production was shifted to wheat on paddy fields. Despite increases in the planting area, MAFF estimates a three percent decrease in production (in prefectures other than Hokkaido) as high temperatures cut short the grain filling period.

Although MAFF has yet to publicize production data for Hokkaido, where 65 percent of Japan's wheat is produced, heavy rains delayed the harvest and negatively impacted the quality of the grain (reports indicate that the wheat began to germinate during the delayed harvest). Accordingly, yield and production estimates in Hokkaido are expected to be below average. Therefore, factoring in Hokkaido, total Japanese production is estimated to decrease 25 percent to 760,000 MT in 2016.

After the Hokkaido wheat was harvested in early August, a series of typhoons hit in early September and also severely damaged production of potatoes, onions and sugar beets and their fields. (see, e.g., GAIN JA6033) As wheat is part of the crop rotation with potatoes and sugar beets, planting of wheat has been delayed and a reduction in the planting areas is forecast in 2017.

Table 7. 2010-2016 Japanese Wheat Production (MT)

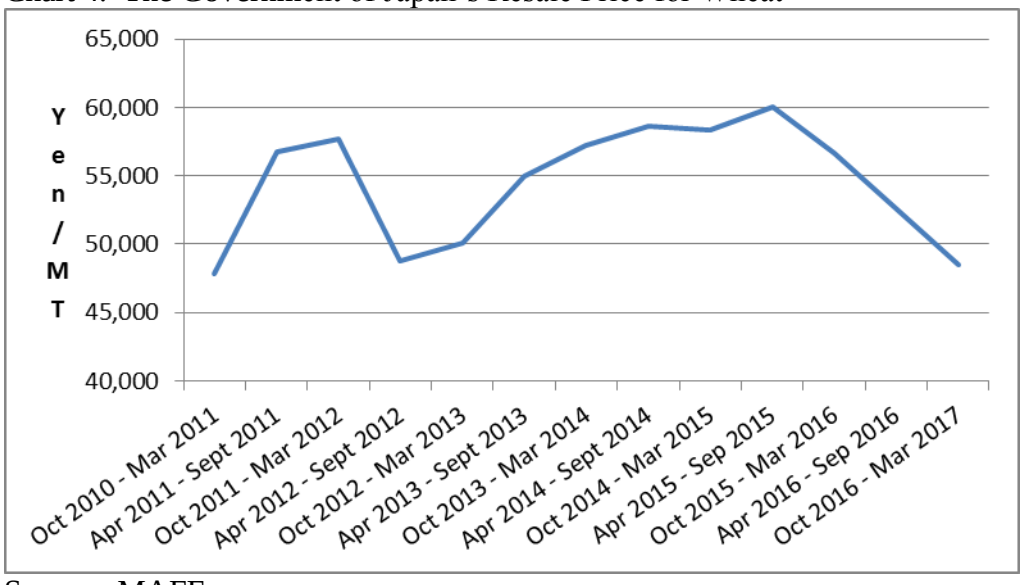
	Planted Area (hectares)	Production (MT)	Yield (MT/ha)
2010	206,900	571,300	2.76
2011	211,500	746,300	3.53
2012	209,200	857,800	4.10
2013	210,200	811,700	3.86
2014	212,600	852,400	4.01
2015	213,100	1,004,000	4.71
*2016	214,400	760,000	3.54

Source: MAFF (Note: *FAS/Tokyo estimate)

Consumption

Given the aging population, Japanese food consumption has been trending down in recent years. Both per-capita caloric intake and per-capita grain consumption have decreased six percent, and rice consumption has decreased by 11.1 percent in the last decade. Contrary to this trend, per-capita wheat consumption increased 4.1 percent in the last decade. Food wheat consumption is expected to remain strong at 5.9 million MT for MY2016/17. Because of low international wheat prices and the strong Japanese yen, MAFF reduced the government's resale price of five major wheat classes between October 2016 and March 2017 by an average of 7.9 percent to 48,470 yen/MT. The average price of hard and semi-hard wheat classes (DNS, 1CW and HRW) fell 6.5 percent to 48,250 yen/MT and the average price for soft wheat (ASW and WW) is reduced 10.4 percent to 48,920 yen/MT. In accordance with declining imported wheat prices, prices of domestic wheat will be lowered, and flour millers are expected to lower flour prices in December. As demonstrated in chart 4, wheat prices have declined from their highest levels in early 2015, but a decline in price in a relatively short time period is not expected to spur consumption increases (rather, it is expected to put additional pressure on rice consumption).

Chart 4. The Government of Japan's Resale Price for Wheat



Source: MAFF

Wheat is a minor ingredient in compound feed and the quantity used remained relatively flat at approximately 390,000 MT in MY2014/15 and MY2015/16 (with the composition ratio at 1.6 percent). Sufficient global supplies lowered wheat prices, and Japan's imported feed wheat price dropped 20 percent in MY2015/16 from the previous year. Despite competitive wheat prices, industry contacts report that wheat for feed use is unlikely to increase during this MY unless wheat prices become much lower than other feed ingredients. Post forecasts wheat for feed and residual consumption to remain flat at 500,000 MT in MY2016/17.

Trade

Record domestic wheat production last year suppressed food wheat imports (down four percent in MY2015/16). However, as a result of an anticipated decrease in 2016 domestic production, total wheat imports in MY2016/17 are expected to rebound to 5.8 million MT in order to meet demand.

Barley

Table 8. Barley Production, Supply, and Distribution (1,000 MT)

Barley	2014/2015		2015/2016		2016/2017	
Market Begin Year	Oct-14		Oct-15		Oct-16	
Japan	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	60	60	61	61	61	61
Beginning Stocks	393	393	330	330	277	277
Production	170	170	177	177	172	166
MY Imports	1097	1097	1100	1100	1100	1000
TY Imports	1097	1097	1100	1100	1100	1000
TY Imp. from U.S.	71	87	0	0	0	0
Total Supply	1660	1660	1607	1607	1549	1443
MY Exports	0	0	0	0	0	0
TY Exports	0	0	0	0	0	0
Feed and Residual	950	950	950	950	930	930
FSI Consumption	380	380	380	380	380	380
Total Consumption	1330	1330	1330	1330	1310	1310
Ending Stocks	330	330	277	277	239	133
Total Distribution	1660	1660	1607	1607	1549	1443
(1000 HA) ,(1000 MT)						

Production

For 2016, the total planting area for barley remained relatively unchanged, but production estimates are down six percent. MAFF estimates that the planting area of two-row barley increased one percent while production decreased eight percent due to prolonged rain during the planting period, and a shortened grain filling period caused by high temperatures in the main production regions (i.e., Tochigi and Saga Prefectures). The planting area for six-row barley remained unchanged but production increased two percent as a result of favorable weather in the major production region (i.e., Hokuriku). The planting area of naked barley decreased four percent because of a shift of production to wheat, and production decreased 13 percent as prolonged rain from planting to the grain filling period decreased yields in the main production regions (i.e., Ehime and Oita Prefectures).

Table 9. 2010-2016 Japanese Barley Production (MT)

		2010	2011	2012	2013	2014	2015	2016
Two-Row Barley	Crop Area (hectares)	36,600	37,600	38,300	37,500	37,600	37,900	38,200
	Production Volume (MT)	104,300	119,100	112,400	116,600	108,200	113,300	103000*
	Yield (MT/hectare)	2.85	3.17	2.93	3.11	2.88	2.99	2.70
Six-Row Barley	Crop Area (hectares)	17,400	17,400	17,100	16,900	17,300	18,200	18,200
	Production Volume (MT)	44,800	38,700	47,800	51,500	47,000	52,300	53,300
	Yield (MT/hectare)	2.57	2.22	2.80	3.05	2.72	2.87	2.93
Naked Barley	Crop Area (hectares)	4,720	5,130	4,970	5,010	5,250	5,200	4,990
	Production Volume (MT)	11,800	13,700	12,200	14,700	14,500	11,300	9900*
	Yield (MT/hectare)	2.50	2.67	2.45	2.93	2.76	2.17	1.98
Barley Total	Crop Area (hectares)	58,720	60,130	60,370	59,410	60,150	61,300	61,390
	Production Volume (MT)	160,900	171,500	172,400	182,800	169,700	176,900	166,200

Source: MAFF (*FAS Tokyo estimate)

Consumption

Barley for feed and residual consumption and food, seed & industrial (FSI) consumption are expected to remain unchanged at 950,000 MT and 400,000 MT, respectively, in MY2015/16. For MY2016/17, FSI consumption is forecast to remain flat, but feed and residual consumption is forecast to decline slightly to 9,300,000 MT due to a projected decline in cattle inventories (more than 90 percent of Japan's feed barley is used for compound feed for cattle). For more on the livestock situation, see GAIN JA6019 .

Sorghum

Table 10. Sorghum Production, Supply, and Distribution (1,000 MT)

Sorghum	2014/2015	2015/2016	2016/2017

Market Begin Year	Oct-14		Oct-15		Oct-16	
Japan	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	0	0	0	0	0	0
Beginning Stocks	51	51	24	23	54	23
Production	0	0	0	0	0	0
MY Imports	903	902	780	700	730	700
TY Imports	903	902	780	700	730	700
TY Imp. from U.S.	75	113	0	0	0	0
Total Supply	954	953	804	723	784	723
MY Exports	0	0	0	0	0	0
TY Exports	0	0	0	0	0	0
Feed and Residual	930	930	750	700	730	700
FSI Consumption	0	0	0	0	0	0
Total Consumption	930	930	750	700	730	700
Ending Stocks	24	23	54	23	54	23
Total Distribution	954	953	804	723	784	723
(1000 HA) ,(1000 MT)						

Sorghum is wholly consumed as a feed in Japan. The utilization ratio of sorghum in compound feed declined in the first 10 months of MY2015/16 (October 2015 – July 2016) from 3.9 percent to 2.8 percent mainly due increased corn use. Accordingly, consumption is expected to decrease to 700,000 MT in MY2015/16. Given competitive prices for corn and increased domestic production of feed rice, increases in sorghum consumption are not anticipated. Thus, sorghum consumption is forecast to remain unchanged in MY2016/17.

Rye

Table 11. Rye Production, Supply, and Distribution (1,000 MT)

Rye	2014/2015		2015/2016		2016/2017	
Market Begin Year	Oct-14		Oct-15		Oct-16	
Japan	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	0	0	0	0	0	0
Beginning Stocks	4	4	3	4	2	2
Production	0	0	0	0	0	0
MY Imports	22	22	15	16	20	16
TY Imports	22	22	15	16	20	16
TY Imp. from U.S.	0	1	0	0	0	0
Total Supply	26	26	18	20	22	18
MY Exports	0	0	0	0	0	0
TY Exports	0	0	0	0	0	0
Feed and Residual	15	14	10	11	13	10
FSI Consumption	8	8	6	7	8	7
Total Consumption	23	22	16	18	21	17
Ending Stocks	3	4	2	2	1	1
Total Distribution	26	26	18	20	22	18
(1000 HA) ,(1000 MT)						

Due to its price relative to other grains, Japanese consumption of rye continues to decline, and the utilization ratio of rye in compound feed fell below 0.1 percent in the first 10 months of MY2015/16. Rye for feed consumption is expected to fall below 11,000 MT in MY2015/16. As feed rye is exclusively used for cattle feed, and cattle inventories are anticipated to fall slightly, rye for feed consumption is forecast to decline to 10,000 MT in MY2016/17.

Corn

Table 12. Corn Production, Supply, and Distribution (1,000 MT)

Corn	2014/2015		2015/2016		2016/2017	
Market Begin Year	Oct-14		Oct-15		Oct-16	
Japan	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	1	1	1	1	1	1
Beginning Stocks	1290	1290	1348	1346	1249	1247
Production	1	1	1	1	1	1
MY Imports	14657	14655	15000	15000	15000	15000
TY Imports	14657	14655	15000	15000	15000	15000
TY Imp. from U.S.	11911	126639	0	0	0	0
Total Supply	15948	15946	16349	16347	16250	16248
MY Exports	0	0	0	0	0	0
TY Exports	0	0	0	0	0	0
Feed and Residual	11000	11000	11500	11500	11500	11500
FSI Consumption	3600	3600	3600	3600	3600	3600
Total Consumption	14600	14600	15100	15100	15100	15100
Ending Stocks	1348	1346	1249	1247	1150	1148
Total Distribution	15948	15946	16349	16347	16250	16248
(1000 HA) ,(1000 MT)						

With strong feed demand and competitive prices, corn imports are forecast to remain at 15 million MT in MY2016/17.

Additional Trade and Consumption Data

Table 13. Total Japanese Wheat Imports

	Quantity (MT)			% Share			% Change
	MY013/14	MY2014/15	MY2015/16	MY013/14	MY2014/15	MY2015/16	MY2015/2016/MY2014/15
World	5,880,596	5,647,685	5,475,059	100	100	100	-3.06
United States	2,935,006	2,990,593	2,504,158	49.91	52.95	45.74	-16.27
Canada	1,692,096	1,660,459	1,812,742	28.77	29.4	33.11	9.17
Australia	918,917	909,316	876,109	15.63	16.1	16	-3.65
Ukraine	267,740	0	156,177	4.55	0	2.85	0
Other	66837	87317	125873	1.14	1.55	2.30	0.44

Source: Global Trade Atlas

Table 14. Japanese Food Wheat Imports

	Quantity (MT)			% Share			% Change
	MY013/14	MY2014/15	MY2015/16	MY013/14	MY2014/15	MY2015/16	MY2015/2016/MY2014/15
World	5,230,441	5,322,700	5,116,873	100	100	100	-3.87
United States	2,672,642	2,820,041	2,490,573	51.1	52.98	48.67	-11.68
Canada	1,632,307	1,587,176	1,743,326	31.21	29.82	34.07	9.84
Australia	918,917	909,316	876,088	17.57	17.08	17.12	-3.65
France	6,454	5,975	6,738	0.12	0.11	0.13	12.77
Other	121	192	148	0.00	0.00	0.00	0.00

Source: Global Trade Atlas

Table 15. Japanese Feed Wheat Imports and Unit Value

	MY2013/14		MY2014/15 (1)		MY2015/16 (2)		Change (2) / (1) %	
	USD /MT	MT	USD/MT	MT	USD/MT	MT	Unit Value	Quantity
World	299	650,155	271.0	324,985	216.9	358,165	- 19.96	10.21
Ukraine	278	267,740	0.0	-	217.7	156,177	0.00	0
United Kingdom	0	-	235.4	34,320	216.6	84,501	- 8.00	146.22
Canada	299	59,789	263.3	73,283	208.3	69,416	- 20.87	-5.28
Germany	0	-	0.0	-	234.2	16,830	0.00	0
United States	321	262,364	282.9	170,552	228.4	13,585	- 19.26	-92.03
Russia	313	2,608	246.6	1,307	219.3	9,662	- 11.09	639.25
Romania	299	46,761	271.0	28,460	222.6	7,994	- 17.88	-71.91
Serbia	297	10,893	0.0	-	0.0	-	0.00	0
Latvia	0	-	270.8	9,941	0.0	-	0.00	-100
Moldova	0	-	243.6	7,122	0.0	-	0.00	-100

Source: Global Trade Atlas

Table 16. Japanese Wheat Product Imports

	Quantity (MT)			% Share			% Change
	MY013/14	MY2014/15	MY2015/16	MY013/14	MY2014/15	MY2015/16	MY2015/2016/MY2014/15
World	176,920	168,160	175,353	100	100	100	4.28
Italy	82,461	74,667	69,628	46.61	44.4	39.71	-6.75
Turkey	27,888	30,510	43,590	15.76	18.14	24.86	42.87
United States	23,550	21,516	19,816	13.31	12.79	11.3	-7.9
China	17,591	17,262	15,884	9.94	10.27	9.06	-7.98
Thailand	5,855	6,324	6,681	3.31	3.76	3.81	5.63
Korea, South	7,028	5,666	5,813	3.97	3.37	3.31	2.59
Greece	3,481	2,686	3,450	1.97	1.6	1.97	28.44
Vietnam	1,939	2,368	2,731	1.1	1.41	1.56	15.34
Other	7,126	7,158	7,758	4.03	4.26	4.42	8.38

Source: Global Trade Atlas

Table 17. Total Japanese Wheat and Wheat Products Imports

	Quantity (MT)		
	MY2013/14	MY2014/15	MY2015/16
Wheat a.	5,880,596	5,647,685	5,475,059
Wheat product b.	176,920	168,160	175,353
Wheat equivalent c. = b. x 1.368	242,027	230,043	239,883
Total a. + c.	6,122,623	5,877,728	5,714,942

Source: Global Trade Atlas

Table 18. Japanese Wheat Product Exports

	Quantity (MT)			% Share			% Change
	MY013/14	MY2014/15	MY2015/16	MY013/14	MY2014/15	MY2015/16	MY2015/2016/MY2014/15
World	196,276	191,712	188,712	100	100	100	-1.57
Hong Kong	109,138	99,694	101,656	55.6	52	53.87	1.97
Singapore	27,081	33,631	26,769	13.8	17.54	14.19	-20.4
Vietnam	19,936	15,986	14,819	10.16	8.34	7.85	-7.3
Taiwan	11,298	11,585	13,539	5.76	6.04	7.17	16.87
United States	8,832	9,613	9,818	4.5	5.01	5.2	2.14
Thailand	10,197	9,105	8,755	5.2	4.75	4.64	-3.84
Australia	1,974	2,470	2,791	1.01	1.29	1.48	13.01
China	517	1,003	1,997	0.26	0.52	1.06	99.2
Other	7,303	8,624	8,564	3.72	4.50	4.54	-0.70

Source: Global Trade Atlas

Table 19. Japanese Wheat Product Exports (MT)

	MY2013/14	MY2014/15	MY2015/16
Wheat product b.	196,276	191,712	188,712
Wheat equivalent c. = b. x 1.368	268,506	262,262	258,158

Source: Global Trade Atlas

Table 20. Per-Capita Consumption of Wheat and Rice in Japan

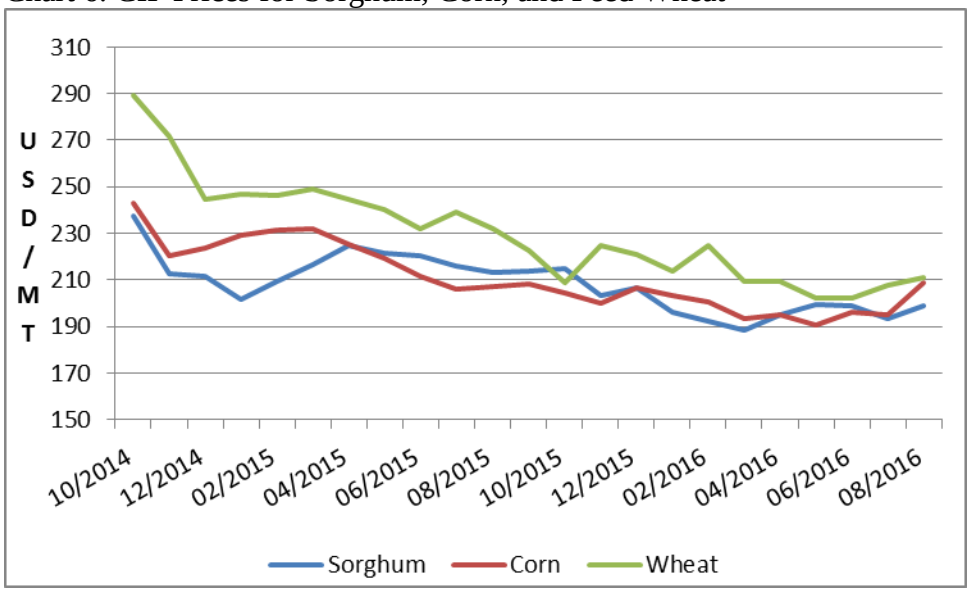
JFY	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	*2015	2015/2005
Wheat	31.7	31.8	32.3	31.1	31.8	32.7	32.8	32.9	32.7	32.9	33.0	4.1%
Rice	61.4	61.0	61.2	58.8	58.3	59.5	57.8	56.3	56.9	55.6	54.6	-11.1%
Grain total	94.6	94.1	94.8	91.2	91.2	93.4	92.0	90.6	91.1	89.9	88.9	-6.0%

Source: MAFF (Note: *Preliminary)

Chart 5. Japanese Per-Capita Grain Consumption

Source: MAFF

Chart 6. CIF Prices for Sorghum, Corn, and Feed Wheat



Source: Global Trade Atlas