



© Filipoaia Gabriel

# Short Term Outlook for arable crops, meat and dairy markets in the European Union

## Contents

1. Macroeconomic outlook
2. Arable crops
3. Meats
4. Dairy
5. Uncertainties
6. Statistical annex
7. Methodology

This publication presents the short term outlook for the arable crop, meat and dairy markets in the EU for 2014/15. The report is based on analysis of market experts within the Directorate General for Agriculture and Rural Development of the European Commission. Information and data available until 15 February 2014 have been used. Next issue will be published in spring 2014.

Directorate General for Agriculture and Rural Development - Short Term Outlook - N°8  
[http://ec.europa.eu/agriculture/markets-and-prices/index\\_en.htm](http://ec.europa.eu/agriculture/markets-and-prices/index_en.htm)

## HIGHLIGHTS

- The good 2013 cereal harvest allows for partial stock recovery and record exports
- Meat consumption is expected to increase in the short run, thanks to improvements in the economy and of meat availability
- High EU milk prices stimulated an increase in 2013 milk production

The good 2013 cereal harvest (+8.3% with respect to 2012) should allow for a recovery in stocks by the end of the 2013/14 marketing year; yet stocks are expected to remain below average as EU exports could reach a record level, exceeding 37 million tonnes. Early estimates for 2014 sowings indicate a slight increase in cereal area (+0.8%), mainly due to soft wheat (+2.8%).

Following two successive years of contracted beef and pork domestic supply and demand, EU meat production and consumption is expected to recover in 2014. Some re-building of the dairy herd should lead to higher beef meat supply, while increased productivity in the pig meat sector could allow production to recover, following the strong decline in the sow herd observed in 2012 and 2013 linked to the implementation of the new EU welfare rules for sows.

High milk prices, induced by strong global demand, have triggered a significant rebound in milk production in the second half of 2013, more than offsetting the decrease of the first months of the year. The number of EU dairy cows increased significantly in 2013, thus leading to expectations that milk collection should increase in both 2014 and 2015. Although no significant surge in milk production is expected after the quota system is abolished, higher milk availability should allow grasping export opportunities in world markets, in particular for milk powders and cheese.

## 1. MACROECONOMIC OUTLOOK<sup>1</sup>

### World economic outlook

Total world population is expected to continue growing through the outlook at an annual rate of around 1%, to reach 7.3 billion inhabitants by 2015. Higher growth is expected in Africa (at +2.4% per year, leading to 1.15 billion inhabitants by 2015), India (at +1.2% per year to 1.3 billion), US (+0.8% per year to 322 million) and China (+0.7% in 2014 and 0.6% in 2015 to reach 1.4 billion by that year). Population is expected to remain virtually unchanged in Russia at 142 million.

The global economic situation remains broadly positive with the world real GDP projected to grow moderately by 3.2% and 3.7% in 2014 and 2015, respectively. Among the main EU trade partners, GDP growth is set at 2.5% and 3.0% in Russia, 2.7% and 3.2% in the US, and at a stable rate of around 8% in China.

Brazilian GDP growth might remain relatively low: after a 2% increase in 2013, Brazilian GDP is projected to grow by 2.3% in 2014 and 3.3% in 2015. In addition, the Brazilian real is expected to continue depreciating *vis-à-vis* the US dollar by 9% in 2014 and 2% in 2015 (while against the Euro by 8% and 1% respectively), thus increasing Brazilian competitiveness on the world market.

World consumer price inflation may retreat from 3.6% to 3.2%, and the world unemployment rate slightly decline from the 8.6% in 2014 to 8.4% in 2015.

Energy costs might decrease in the short run since the price of a barrel of Brent crude oil is expected to decline from the projected level of 109 USD in 2013 to 104 USD in 2014 and 99 USD in 2015.

### European Union economic outlook

EU-28 population is projected to grow slowly at a rate of 0.2% per year to reach 510 million inhabitants in 2015, with France, the United Kingdom, Italy and Germany showing the most positive contribution to this development.

The EU economy gives the first signs of recovery after the contraction in 2012, with GDP growth marginally positive in 2013 (0.1%); GDP should grow more in 2014 (+1.5%) and 2015 (+2.0%). Most of the countries strongly hit by the economic downturn are expected to slowly recover over the outlook period. EU overall consumer price inflation is expected at 1.2% in 2014 and 1.5% in 2015.

The EU-28 unemployment could start declining from the high levels of 2013 (11.0%) to 10.7% in 2014 and 10.4% by 2015, but Greece and Spain are expected to remain at particularly high levels (over 25%).

The Euro exchange rate is assumed to stay relatively stable at 1.36 USD/EUR throughout the projection horizon.

## 2. ARABLE CROPS

### A 2013 cereal harvest well above average

For the current marketing year 2013/2014, the estimated 2013 EU-28 cereal harvest figures indicate that production increased by more than 8%, or by 23.3 million tonnes, compared to 2012, reaching a usable production level of 301.8 million tonnes (5.0% higher than the five-year trimmed average). The marginal cereal area increase (+0.2% on average and mainly explained by an 1.5% area increase for maize) was supported by a substantial increase in yields (+8% in average) for all cereal classes. Compared to the 2012 harvest, production of soft wheat increased by 7.5%, maize by 10.8% and barley by 8.8%.

Record yields for winter cereal were observed in Spain (+42% for soft wheat and +63% for barley compared to the low 2012 result), good yields in Germany (+8% in soft wheat and +6% in barley). In France, soft wheat yield increased by 1.2%. EU maize yield increased by 9.1%, a result of the very good yield levels reached in Hungary, Romania and Bulgaria, which strongly recovered from the previous year's drought by 34%, 86% and 48%, respectively.

On the demand side, animal feed use is slightly increasing (+1.3%) compared to the previous marketing year due to a higher meat and milk production supported by lower prices for feed wheat and maize. Cereal exports are expected to reach record levels at more than 37 million tonnes, 26 million tonnes of which would be soft wheat. Higher than average wheat exports (+6.4 million tonnes for the first six months of the marketing year) are recorded especially from France, Romania and Germany, with main destinations the Maghreb countries, Egypt and South Korea, and from Germany to Saudi Arabia and Iran.

### Improved (albeit still below average) stocks shall contribute to world market relieve

Final cereal stocks will remain relatively tight compared to the five-year average, but are expected to increase by more than 5 million tonnes to 33.1 million tonnes, bringing the stock-to-use ratio to 12.2% (compared to 10.3% in the previous marketing year and 15.7% for the five-year trimmed average).

<sup>1</sup> Based on Global Insight and DG Economic and Financial Affairs data (cut-off date 14 and 25 February 2014 respectively)

## A similarly good 2013 oilseed harvest

The respective 2013 EU-28 oilseed and protein crops harvests are estimated at 30.6 million tonnes and 2.4 million tonnes. Compared to 2012 low results, these figures show a consistent improvement for oilseeds (+3.2 million tonnes or +11.6% higher than 2012 and 7.5 higher than the 5-years trimmed average) and a minor one for protein crops (+2.3%). Rape seed contributed to this good oilseed performance with an area increase of 8.5%, while yields remained comparable or slightly below the previous year. Final production reached 20.8 million tonnes (+8.1% compared to 2012). Sunflower area increased by 3.8%, while favourable climatic conditions in Spain, Romania and Bulgaria (recovering from previous year's drought) led to a total production of 8.7 million tonnes (21.2% higher than the previous year).

The increase in oilseed grain production helps satisfying an increase in demand compared to the previous year and limits imports (-7% compared to 2012/13). Nevertheless, this development is compensated by an increase in protein meal imports (+5%).

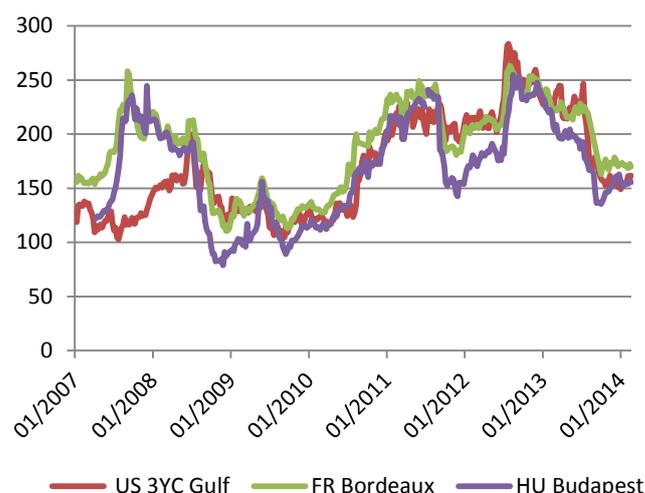
In February 2014, the International Grains Council (IGC) published a total grains production forecast of 1 966 million tonnes for 2013/14, a significant increase compared to the 1 790 million tonnes for 2012/13. According to the IGC, world wheat production for 2013/14 is expected at 708 million tonnes (up by 53 million tonnes compared to the previous marketing year). The expected increase in world maize production to 959 million tonnes (up from 861 million tonnes in 2012/13) will allow a recovery in world maize stocks from 127 in 2012/13 to 154 million tonnes in 2013/14. The February USDA WASDE report gives a similar picture for maize.

Throughout 2013 EU cereal prices have been declining in view of the larger crop, although prices have started to stabilise as from early autumn. Given strong export demand both for wheat and barley, prices have started to recover somewhat during recent months. In February 2014 EU prices were 28% lower than last year for maize (at 172 EUR/t delivered to Bordeaux), 22% for soft wheat (at 200 EUR/t fob Rouen), and 23% for barley (at 177 EUR/t fob Rouen), in line with developments in international quotations.

## Initial good prospects for the 2014 harvest

Overall, milder than usual and sufficiently humid conditions allowed a good crop emergence and establishment (see Map 1). No extreme frost event was recorded except in Slovenia; however the risk is there for the coming weeks considering also that, where present, the protecting snow cover on the territory is currently thin.

**Graph 1 Maize prices (EUR/t) in EU and US since 2007**



Source: DG Agriculture and rural development and USDA

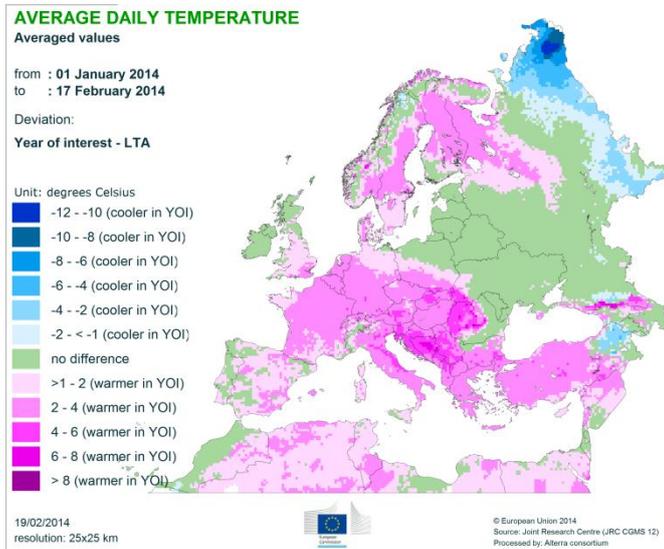
For the 2014 harvest, early figures on winter varieties planted in autumn show that soft wheat sowings increased by 2.8%, helping to shift cereal area to a total increase of almost 1% (above 400 000 ha). Climatic winter conditions remain, up to now, quite favourable except for some excessive moisture in some western areas (see Map 2).

Map 2 illustrates the areas of concern, mainly in western EU, where excessive rain fell since winter cereals were sowed. For Ireland, South-Eastern England and Northern Italy the period January-mid February was the wettest recorded since 1975. Some replanting strategies or shift to spring/summer crops are expected in those areas and might affect the expected 2014 cereal harvest.

Autumn 2013 sowings for the 2014 harvest increased in most parts of the EU, with early available figures indicating preference for soft wheat and triticale (+3.6%) instead of durum wheat (-1.2%), (winter) barley (-0.9%) and rye (-5.7%). The current expectation for the 2014 cereal harvest is comparable to the higher than average 2013 harvest, i.e. for 301.3 million tonnes of usable production (-0.2% compared to 2013, but still 6% above average).

Early figures on new rape seed sowings show that areas at EU level are continuing to moderately increase (1%). Early figures for France indicate an increase by more than 6%, partly offset at EU level by the decrease in the Czech Republic.

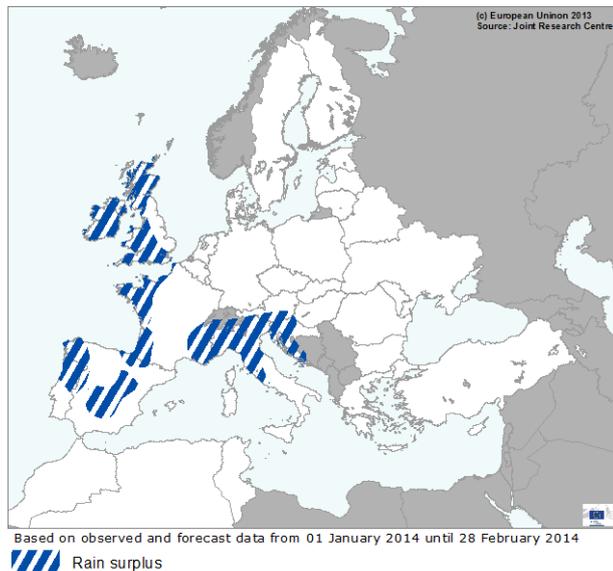
**Map 1 Milder than their long term average (LTA) temperatures since January are depicted in pink in this map**



Source: Mars-Bulletin Crop Monitoring in Europe 22(1)  
<http://mars.jrc.ec.europa.eu/mars/Bulletins-Publications>

**Map 2 Areas of concern: winter cereals**

#### AREAS OF CONCERN - EXTREME WEATHER EVENTS



Source: Mars-Bulletin Crop Monitoring in Europe 22(1)  
<http://mars.jrc.ec.europa.eu/mars/Bulletins-Publications>

### 3. MEATS

#### Contrasted meat price developments in 2013

Following two years of reduced meat availabilities, 2014 should be characterised by a slight recovery in meat production and consumption which is projected to continue in 2015 for the three main meats.

The high feed costs in the first half of 2013 drove meat prices up to record levels while the availability of the new harvest pushed feed and, to a lesser extent, meat prices down in the second part of 2013. Over the short term, feed prices are expected to go down further but meat prices might remain firm although lower than the record highs in 2012 and first half of 2013 although the picture can differ from one meat to another.

Overall, consumer meat prices increased by 2.8% in 2013 (following a +3.9% in 2012), being significantly higher than the overall increase in 2013 prices (+1.5%), which contributed to a less dynamic meat consumption throughout the year.

#### Beef – building stocks drives a sharp decrease in 2013 production

Preliminary data of the December 2013 inventory confirmed the results of May-June survey indicating a slight increase in total livestock numbers (+0.4% on the stable level of 2012) with an increase in dairy cows number estimated at 0.8% while the beef cow herd might decline by 0.9%. Among the countries with positive developments, German total herd increased by 1.4%, Poland 1.4%, Italy 2.6% and Ireland 0.9%. On the negative side, France, the largest bovine holder in the EU, experienced a drop (-0.8%) for the fifth consecutive year and Spanish herd retreated by 2.1% despite the increase in dairy cow numbers in these two countries.

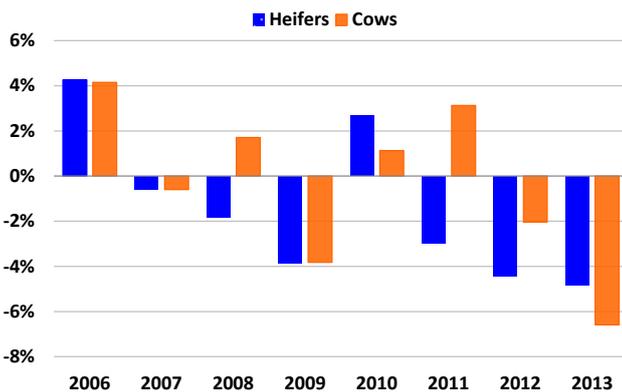
Because of the re-capitalisation of the dairy herd and decreasing trend in specialised beef herd, total bovine slaughterings in 2013 fell sharply by 4% for the second year in a row driven by the strong decline in cow (-6.6%) and heifers (-4.9%) slaughterings as illustrated in Graph 2. The high milk prices triggered this continuous rise in heifer retention and the decline in cow culling during the past years. In addition, in some Member States the preparation for the milk quota abolition scheduled in the spring 2015 might also have contributed to this retention.

In Europe, more than two third of the bovine meat is supplied by the dairy herd. Therefore the current building up of the breeding dairy herd will imply as well more meat to slaughter in the future and the net production is expected to improve modestly in 2014 and more significantly in 2015.

In a context of low supply, 2013 marked a strong reduction in beef meat exports (-23%) due to the drastic drop in volumes exported to Turkey (-95%) on grounds of restrictions on sanitary certification and to Russia (-30%), investing in its domestic production capacity as well as looking for cheaper origins. In the next two years, beef meat exports are expected to stabilise around this quite low level. Regarding imports, thanks to a recovery of its production, Brazil supplied the largest share of EU 2013 imports which

are estimated overall to be about 10% higher than in 2012. Against the background of a better EU economic situation and after 3 years of contraction, EU domestic consumption is expected to recover slightly driving higher imports in 2014. In 2015, imports are expected to stabilise at 2014 level while consumption might increase by up to 2%. Nevertheless, per capita consumption is expected to remain rather low at 10.7 kg (in retail weight) in 2015 which is the 2012 level.

**Graph 2 Change in female slaughterings compared to the previous year**



Source: Eurostat

As for prices, after reaching an historical high of 396 EUR/100 kg in January 2013, they started declining slowly till June when they went below 2012 level and then remained stable. On average, 2013 prices were slightly lower than 2012 (-0.6%).

### Pig meat – in a process of recovery after 2012 and 2013 low production

First results of the December 2013 survey indicate a less pronounced decline in overall pig numbers at -0.5% compared to 2012 than the -1.9% recorded in December 2012; the category of breeding sows is the main responsible for this decline (-1.5% after a much stronger contraction of 4.1% recorded a year earlier). The decline in total pig numbers concerned some of the major European pig meat producers such as Germany -1.0%, Italy -1.2% and France -2.4% and was partly offset by increased numbers in Spain (+1.6%).

Reflecting the shrinkage in animal numbers, the 2013 net production went down by 0.7% on yearly basis as result of a combination of two factors: high feed costs and the obligation to adapt to the welfare rules in place for pregnant sows. Nevertheless, the slightly higher piglet numbers (+0.4%) together with an increase in productivity picture a positive image for the 2 years-to come with slaughterings expected to recover by a modest 123 000 tonnes in 2014 and a further 173 000 tonnes in 2015.

In 2013 the restrictions imposed by China and Russia on the US pig meat related to the use of Ractopamine created favourable conditions for EU pig meat exporters, despite the low EU availabilities, so that total volumes shipped to third countries increased by 2.5% year-on-year reaching 2.2 million tonnes, carcass weight equivalent. Exports to both major partners increased, by 10% to Russia and by 26% to China and Hong Kong altogether, these destinations making up for 49% of total pig meat volumes exported from the EU. In 2014 exports might slightly decrease due to the current trade disruptions with Russia for sanitary reasons. However the steady growing demand in China might partially compensate for this reduction. Linked to the expected production recovery the export growth could restart in 2015.

Tight availabilities and strong world demand maintained 2013 producer prices at high levels, on average 2.9% higher than a year earlier (with a record in September at 191 EUR/100 kg). This contributed to a further contraction in total consumption by 1%, bringing per capita consumption to its lowest level in the past years. In 2014, increased production and slightly lower prices should inverse the trend and overall consumption is expected to be 0.6% higher. The recovery might go on in 2015 (+0.9%).

### Poultry meat – marginal changes on the market

Poultry remains the most dynamic sector among the meats with production and consumption on an increasing trend since 2007, though recently at a slower pace than in the past. Production continued expanding in 2013 with Germany and Poland as main contributors (+2% and +8% respectively against 2012). The production growth is projected to be modest over the short term, as beef and pig meat recover from a period of tight supply. Due to its price affordability compared to other meats in a still fragile economic context, poultry meat consumption should continue increasing despite the higher supply of other meats.

The EU remained a strong net exporter in 2013 of more than 500 000 tonnes, in spite of the decision in July 2013 to set to zero the remaining part of the export subsidies. An increasing share of shipments went to Saudi Arabia and South Africa (24% of the total poultry meat exports as compared to 21% in 2012). However, the Russian government policy to improve self-sufficiency reduced the flow towards the Russian Federation by 18%; exports to Ukraine and Belarus declined simultaneously (-28% and -38% respectively). In total, EU 2013 exports decreased by 1% compared to 2012. With increased competition from Brazil on the world market and reduced Russian demand, exports might decline further in 2014 (-0.5%) before recovering in 2015.

Following two years of increased imports, 2013 was characterised by a 6% decline driven by lower

shipments from South America, in particular from Brazil (-12%) searching for other markets. This was partly compensated by increased volumes of Thai origin (+15%) resulting from the removal of EU ban over the fresh Thai chicken. The slowing down in internal consumption growth in the context of improved beef and pig meat availability should keep imports at a stable level in the short run.

Producer prices followed the same direction as feed prices remaining above 2012 prices until August (with a record set at 200 EUR/100 kg) and retreating afterwards to end the year higher by 2% on average compared to 2012.

#### **Meat trade development**

In the last 10 years, EU meat exports increased by 43% to amount to 3.7 million tonnes in 2013. The EU-28 exports mainly fresh and frozen meat representing 83% of 2013 meat exports and this share is rather stable. In 2013 pig meat represented 60% of total meat exports in terms of volumes and 69% in value.

Over the same period, imports decreased by 5% to 1.3 million tonnes mainly because of the reduction in beef imports (-30%) while poultry meat imports increased by 22% along with larger tariff rate quotas. This led to a shift in the type of meat traded with the EU-28 importing an increasing share of processed, prepared and salted meat products (from 28% in 2002-2004 to 51% in 2013). The EU remained in 2013 a significant net exporter in meat thanks to the strong pig meat exports.

#### **Sheep and goat meat – stable consumption**

The sheep and goat flock is estimated to have contracted by 1.7% against the 2012 level, in particular the sheep flock of Spain retreated by 0.4% and of France by 3.5% but Italy improved its numbers by 2.4% and Romania by 5.3%. After a depressing 2012 picture in terms of production and consumption, 2013 depicts slightly more positive prospects with net production and consumption still on declining path but a much slower pace.

Thanks to higher domestic availabilities in New Zealand, the main EU supplier of sheep meat, EU imports rose by 4.9% in 2013 against 2012. But in 2014, sheep meat imports might decline because New Zealand is confronted with lower lamb supply following the unfavourable weather conditions which affected negatively the lambing. This adds to a further shift from sheep meat towards milk production driven by the high milk prices. Against the background of lower EU production and an expected recovery in New

Zealand production, 2015 imported volumes of this origin, as well as from Australia, are expected to grow and to contribute to a relatively stable consumption. The tariff rate quota fulfilment is expected to remain below 70%.

It is worth mentioning that, although marginal, in 2013 meat exports increased by +50% and that 58% of total volumes went to Hong Kong (+75% more than in 2012) while increased demand for live lambs from Jordan, Libya and Lebanon is expected to keep exports of live animals at 34 000 tonnes level through the outlook.

Lamb prices were on average lower in 2013 than the high 2012 levels (-0.9% for heavy carcasses or 493 EUR/100 kg and -2.1% for light lamb, or 588 EUR/100 kg) on average.

## **4. DAIRY**

### **Milk and dairy products prices remain high**

Despite the strong recovery of the EU milk collection in the second half of 2013, milk prices (EU weighted farm gate milk price) reached a record level of 40.4 EUR/100 kg in December 2013, 18% above December 2012 level. Similarly dairy products prices have significantly risen in 2013 with powders and butter prices about 30% higher than in 2012. The increase in cheese prices started later (in the summer 2013) and on average 2013 prices are 'only' 8% to 12% above 2012 for Cheddar, Edam and Gouda. Emmental prices increased less (+4%). In the first 2 months of 2014, prices are still very firm and only EU butter prices started decreasing from their very high levels.

EU and world prices remain firm in spite of high milk production in the main world dairy producing regions: the EU, the US (+0.9% in January 2014 compared to 2013) and New-Zealand (+4.6% in December 2013 compared to 2012). This highlights that demand remains strong especially in China where domestic milk production decreased by 5.7% in 2013 according to the Chinese statistical office. As a consequence, prices should remain firm through 2014.

### **A rebound in EU milk production in the second half of 2013**

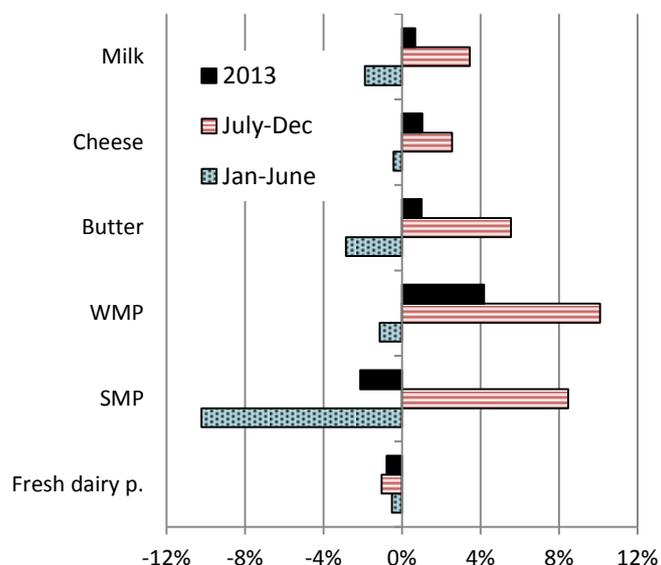
2013 started with strong declines in milk production because of adverse weather conditions but the strong recovery observed in the second half of the year led eventually to 0.7% higher milk deliveries in 2013 compared to 2012. The increase is particularly strong in the EU-15 at 0.9% whereas deliveries declined in the EU-N13 (-0.7%), especially in Hungary and Czech Republic. Italian milk deliveries went down also significantly (-3.5%). Despite the recent strong increases in monthly milk deliveries, French milk collection is estimated slightly below 2012. Similarly in the United Kingdom monthly deliveries have increased

by more than 9% since October 2013, but these record collection levels only partially compensated for the slow start of the year, bringing the average 2013 deliveries up by just 0.8%.

Deliveries increased significantly in Estonia, the Netherlands, Ireland, Denmark, Belgium and Germany and in 9 countries milk deliveries may exceed the production quotas in 2013/2014. This overshoot might be particularly high in the Netherlands where a milk price of 44.0 EUR/100 kg in December 2013 is a strong incentive to produce despite the perspective of paying a surplus levy of 28 EUR/100 kg. By contrast, in Poland where the milk price is lower (at 37.2 EUR/kg in December 2013) there is less incentive to overshoot the quota.

In 2014/15, for the last year of the quota system, the Member States already producing at quota level in 2013/14 are expected to maintain a strong level of production provided that milk prices remain high and feed prices remain at their current levels thanks to the expected good harvest. In addition, production in France and the United Kingdom could grow substantially as these two countries are underutilising their quota. As a consequence in the 2014 calendar year, milk deliveries could increase further by 1.8%. No spectacular surge in deliveries is therefore expected in 2015 after the quota system is abolished because significant growth took place already and milk prices might not remain as high as in 2013 and 2014.

**Graph 3 Milk collection and dairy products production in 2013 compared to 2012**



Source: DG Agriculture and rural development estimate based on EUROSTAT

### More dairy cows in EU farms

The number of dairy cows in the EU is growing as indicated by the preliminary results of the December

2013 survey. Already in December 2012, contrary to previous decades, the dairy herd had not decreased (after correction of the break in time series in Italy, the total number of dairy cows in 2012 was equal to 2011 in the EU).

Further to the yearly 1% quota increase during the soft landing of the quota system and in a context of high milk prices, the number of dairy cows increased for the second year in a row in the EU-15: by 0.9% in 2012 and an estimated 1.3% in 2013. The 2013 increase is particularly pronounced in the Netherlands (+3.6%), Spain (+3.6%), Ireland (+2.1%), Germany (+1.8%) and France (+1.5%). By contrast the 2013 number of dairy cows decreased in Denmark, Portugal and the United Kingdom. In Spain, the impact of the herd recovery on the milk production should be seen in the coming months driven by the lower feed prices.

In the EU-N13, the estimated number of dairy cows is still decreasing (-0.9%) because of the on-going restructuring of the dairy sector. In Poland, which has the third largest herd in the EU, dairy cows number fell by 2% while, thanks to the strong growth in yields, milk production is going on increasing. The decrease in herd is also significant in Slovakia, Hungary and Lithuania. However, the number of dairy cows is increasing in Romania and the Czech Republic.

Given the limited increase in milk production in 2013 due to poor weather conditions in the first half of the year, the 2013 yield decreased slightly compared to 2012 at 6 430 kg per dairy cow in the EU-28. Yield progression had already been constrained in 2012 by the high feed prices. However, in 2014 and 2015, yield should go up again. The number of dairy cows should stabilise in 2014 and go back to its decreasing trend from 2015 but at a slower pace than in the last 20 years.

### Slightly more cheese and butter in 2013

Cheese absorbs around 45% of the milk and therefore developments on this market and especially the domestic consumption are of major importance for the dairy market. In 2013, production has been more stable over the year than any of the other commodities and on a yearly basis production increased by 1.0%. Despite high prices and the Russian restrictions on cheese with German origins, European exports further increased (+2.6%) including to Russia (+4.6%). The decline in German exports to Russia was compensated by higher shipments mainly from the Netherlands (+57%) and Poland (+37%). In addition, processed cheese exports are significantly higher than in 2012 (+22%).

Human consumption of cheese increased particularly in the EU-N13 (+3.5%) and slightly in the EU-15 (+0.6%). The 2013 increase in cheese ex-factory prices at around 10% did not affect consumer prices

to a similar extent: according to Eurostat consumer prices for the aggregate “milk, cheese and eggs” increased only by 1.6% while overall inflation reached 1.5%. This limited increase in consumer price favoured most probably domestic consumption.

In 2014 and 2015, cheese production is expected to increase further by 1.2% and 1.7% respectively driven by export and domestic demand.

2013 butter production increased slightly (+1.0%) and despite high prices for fat, domestic use of butter increased by 1.8% whereas exports decreased (this development assumes no changes in private stocks). Both industrial use and direct human consumption might be higher. Another remarkable development is the increase in butter oil inward processing (imports and exports) which more than doubled. In 2014 and 2015, production is expected to increase further in relation to the higher milk production.

### More WMP and less SMP in 2013

In the first half of 2013, the decline in milk collection led to a decrease in the production of dairy commodities in the EU especially of SMP and butter as illustrated in Graph 3. In the second half of the year a lot of milk was channelled to powders and year-to-year WMP production increased by 4.2%. For SMP, the significant rebound in the second half of the year did not offset the decline of the first months of the year and over the year SMP production decreased by 2.1%.

World demand for powders in all forms is strong, including whey powder for infant formula and fat-filled powders. Given the high prices of dairy fat and proteins the comparative advantage of WMP relative to SMP increased. The additional WMP produced was mainly used domestically (+14.1%) while exports decreased by 3.0%. The lower SMP production led to a strong decrease of exports by 110 000 tonnes (-21.2%).

In 2014, the recovery in SMP production which started in October 2013 should go on and production is expected to increase by 7%. A further increase by more than 8% could take place in 2015. Regarding WMP, production could slightly decrease in 2014 after the strong increase in 2013 and then remain stable.

The low availability of milk in the first half of 2013 and the strong demand for powders in the second half of the year led to a decrease in fresh dairy products (FDP) production in 2013 (-0.8%). The decline is particularly strong for cream (-1.5%) and yogurts (-1.4%). In 2014, a small rebound should take place (+0.3%) driven by higher cream production (in 2013 cream production increased by 3.2% in the EU-N13) and higher exports (+20%).

### EU powder exports developments

The volume of SMP and WMP exported by the EU-28 in 2013 decreased compared to 2012 but at the same time whey powder exports increased strongly (+6% at 578 000 tonnes) as well as food preparations for infant formula – CN 19011000 – (+15%, at 372 000 tonnes) while exports of fat-filled milk powders (CN 19019099) remained stable at 562 000 tonnes. In value, the total exports of powders increased by 14% in 2013 and reached EUR 7.7 million.

The most remarkable is the switch between destinations driven by the Chinese demand and the higher prices for powders. While SMP exports declined drastically to Algeria, Egypt or Vietnam they almost doubled to China and Hong-Kong which moved from the fifth to the second destination for SMP. Regarding WMP, the phenomenon is similar: exports to Algeria, Egypt and Cuba decreased by around 40% while exports to China and Hong-Kong more than doubled and WMP shipments to Nigeria and Angola increased by 8%. Whey powder exports to China and Hong-Kong – gathering 30% of EU exports – rose by 15%.

Regarding infant formula, China and Hong-Kong represent now close to a third of the shipments which increased by 37% in 2013 and the export value of this product increased by 7% to 7.2 EUR/kg. Fat-filled milk powders are much cheaper (at 2.3 EUR/kg) and exports to Nigeria and Russia rose by 11% and 38% respectively.

## 5. UNCERTAINTIES

At this stage of the year figures for the new harvest are based on first area estimates and on yield projected by agro meteorological models, which include a strong hypothesis of normal climatic conditions up to the harvest. Despite the favourable development of winter conditions so far, crop yields might still be affected in the next months by late frosts, dry spells, too wet periods and hot temperatures.

Russia is going on using sanitary reasons to hinder the development of EU meat exports. It is now too early to assess the effect of the recent Russian ban on EU pork exports following the discovery in Lithuania and Poland of some cases of African Swine Fever (ASF) virus in wild boars. Nevertheless, if a regionalisation approach is not rapidly accepted, this embargo could result in lower total exports given that, on average, one third of EU pig meat exports goes to Russia.

## 6. STATISTICAL ANNEX

## ARABLE CROPS

Table 6.1 EU cereal, oilseed and protein crop area ('000 ha)

	EU-28					% variation			
	2010	2011	2012	2013e	2014f	13/12	13 vs 5-year av. *	14/13	14 vs 5-year av. *
Common wheat	23 151	23 324	23 249	23 200	23 841	-0.2	-0.2	2.8	2.8
Durum	2 896	2 507	2 597	2 558	2 525	-1.5	-7.7	-1.3	-5.0
Rye	2 592	2 228	2 361	2 570	2 424	8.9	0.1	-5.7	-3.3
Barley	12 231	11 924	12 499	12 385	12 270	-0.9	-4.0	-0.9	-0.8
Oats	2 730	2 712	2 668	2 684	2 685	0.6	-3.7	0.1	-0.9
Maize	8 276	9 287	9 824	9 971	9 971	1.5	10.2	0.0	7.6
Triticale	2 722	2 599	2 425	2 671	2 767	10.2	0.2	3.6	3.9
Sorghum	117	117	118	135	135	13.9	15.9	0.0	14.9
Others	1 547	1 675	1 770	1 464	1 464	-17.3	-16.1	0.0	-12.0
<b>Cereals</b>	<b>56 260</b>	<b>56 370</b>	<b>57 511</b>	<b>57 638</b>	<b>58 081</b>	<b>0.2</b>	<b>0.1</b>	<b>0.8</b>	<b>1.6</b>
Rapeseed	7 094	6 739	6 199	6 725	6 775	8.5	3.7	0.8	1.7
Sunflower	3 763	4 350	4 286	4 449	4 449	3.8	11.2	0.0	6.3
Soybeans	430	447	433	421	421	-2.7	4.6	0.0	-1.6
Linseed	118	92	85	76	76	-11.5	-9.7	0.0	-10.3
<b>Oilseeds</b>	<b>11 404</b>	<b>11 629</b>	<b>11 002</b>	<b>11 670</b>	<b>11 721</b>	<b>6.1</b>	<b>5.3</b>	<b>0.4</b>	<b>3.3</b>
Field peas	709	690	505	446	446	-11.7	-21.1	0.0	-21.1
Broad beans	508	414	348	358	358	2.8	-9.7	0.0	-10.4
Lupines	125	93	84	85	85	0.7	0.1	0.0	-3.1
<b>Protein crops</b>	<b>1 343</b>	<b>1 197</b>	<b>937</b>	<b>889</b>	<b>889</b>	<b>-5.2</b>	<b>-15.0</b>	<b>0.0</b>	<b>-15.0</b>
<b>Total</b>	<b>69 007</b>	<b>69 197</b>	<b>69 450</b>	<b>70 196</b>	<b>70 691</b>	<b>1.1</b>	<b>0.6</b>	<b>0.7</b>	<b>1.5</b>

\*The 5-year average is an trimmed average in all tables

Table 6.2 EU cereal, oilseed and protein crop yields (t/ha)

	EU-28					% variation			
	2010	2011	2012	2013e	2014f	13/12	13 vs 5-year av. *	14/13	14 vs 5-year av. *
Common wheat	5 53	5 58	5 42	5 83	5 70	7.7	4.2	-2.3	1.7
Durum	3 16	3 38	3 22	3 37	3 43	4.6	4.7	2.0	5.7
Rye	3 00	3 08	3 70	3 98	3 51	7.6	19.4	-12.0	1.8
Barley	4 34	4 35	4 40	4 83	4 64	9.8	9.7	-4.0	5.3
Oats	2 74	2 93	2 97	3 16	3 10	6.4	7.6	-2.0	5.5
Maize	7 19	7 61	6 06	6 61	6 99	9.1	-6.7	5.7	1.3
Triticale	3 95	3 90	4 17	4 31	4 14	3.6	5.7	-4.1	0.9
Sorghum	5 48	5 92	4 20	4 39	4 83	4.5	-18.3	10.1	-4.4
Others	2 80	2 71	2 95	2 74	2 75	-7.3	-1.5	0.3	-1.5
Rapeseed	2 91	2 85	3 10	3 09	3 06	-0.4	2.0	-1.0	0.9
Sunflower	1 85	1 96	1 67	1 95	1 83	16.8	5.3	-5.9	-1.6
Soybeans	2 85	2 77	2 22	2 60	2 63	17.3	-6.0	1.1	-3.0
Linseed	1 45	1 71	1 57	1 61	1 62	2.5	2.2	0.4	-0.8
Field peas	2 82	2 28	2 32	2 75	2 73	18.5	7.9	-0.5	6.6
Broad beans	2 81	2 83	2 88	2 80	2 94	-2.7	-5.1	5.0	3.5
Lupines	1 51	1 40	1 53	1 49	1 50	-2.8	3.5	0.5	1.9

Table 6.3 EU cereal, oilseed and protein crop production ('000 t)

	EU-28					% variation			
	2010	2011	2012	2013e	2014f	13/12	13 vs 5-year av.	14/13	14 vs 5-year av.
Common wheat	128 000	130 243	125 913	135 311	135 809	7.5	4.4	0.4	4.8
Durum	9 160	8 481	8 355	8 609	8 670	3.0	-2.0	0.7	0.8
Rye	7 787	6 860	8 744	10 239	8 498	17.1	18.9	-17.0	-3.4
Barley	53 065	51 918	55 007	59 852	56 933	8.8	5.4	-4.9	1.7
Oats	7 482	7 952	7 924	8 482	8 315	7.0	4.4	-2.0	2.4
Maize	59 488	70 666	59 552	65 959	69 716	10.8	6.7	5.7	12.7
Triticale	10 750	10 132	10 101	11 526	11 443	14.1	8.3	-0.7	5.9
Sorghum	642	691	497	592	651	19.1	0.4	10.1	6.0
Others	4 326	4 540	5 227	4 008	4 021	-23.3	-16.3	0.3	-13.4
<b>Cereals</b>	<b>280 699</b>	<b>291 482</b>	<b>281 321</b>	<b>304 578</b>	<b>304 057</b>	<b>8.3</b>	<b>5.0</b>	<b>-0.2</b>	<b>4.8</b>
Rapeseed	20 611	19 199	19 222	20 775	20 720	8.1	5.6	-0.3	2.6
Sunflower	6 945	8 534	7 140	8 655	8 146	21.2	21.4	-5.9	7.6
Soybeans	1 224	1 240	959	1 095	1 107	14.2	4.7	1.1	1.3
Linseed	171	156	134	122	122	-9.3	-12.6	0.4	-12.3
<b>Oilseeds</b>	<b>28 952</b>	<b>29 130</b>	<b>27 456</b>	<b>30 647</b>	<b>30 095</b>	<b>11.6</b>	<b>7.5</b>	<b>-1.8</b>	<b>3.0</b>
Field peas	1 997	1 574	1 170	1 224	1 219	4.7	-9.5	-0.5	-11.1
Broad beans	1 431	1 171	1 002	1 003	1 052	0.1	-17.0	5.0	-11.6
Lupines	189	131	129	126	127	-2.1	3.2	0.5	-1.5
<b>Protein crops</b>	<b>3 617</b>	<b>2 876</b>	<b>2 300</b>	<b>2 353</b>	<b>2 398</b>	<b>2.3</b>	<b>-11.7</b>	<b>1.9</b>	<b>-10.6</b>
<b>Total</b>	<b>313 268</b>	<b>323 489</b>	<b>311 076</b>	<b>337 578</b>	<b>336 551</b>	<b>8.5</b>	<b>4.8</b>	<b>-0.3</b>	<b>4.4</b>

Table 6.4 EU overall cereal balance sheet (million t)

	EU-27			EU-28		% variation vs. 13/14
	2010/11	2011/12	2012/13	2013/14e	2014/15f	
Beginning stocks <i>for information: Gross production</i>	54.6	36.9	37.6	27.8	33.1	19.1
Usable production	277.7	288.7	278.6	304.6	293.7	-3.6
Imports	13.3	14.4	16.9	14.9	12.9	-13.3
<b>Availabilities</b>	<b>342.9</b>	<b>337.3</b>	<b>330.5</b>	<b>344.5</b>	<b>347.3</b>	<b>0.8</b>
Total domestic uses	272.3	272.2	268.9	272.0	274.7	1.0
- Human	65.1	65.4	65.6	66.4	66.6	0.4
- Seed	9.6	9.7	9.7	9.7	9.7	0.0
- Industrial <i>o.w. bioethanol</i>	30.1	30.1	30.4	31.0	31.4	1.3
- Animal feed	167.5	167.0	163.2	164.9	167.0	1.3
Losses (excl on-farm)	2.2	2.2	2.2	2.2	2.2	0.0
Exports	31.5	25.2	31.6	37.2	32.5	-12.6
<b>Total uses</b>	<b>306.0</b>	<b>299.7</b>	<b>302.6</b>	<b>311.4</b>	<b>309.5</b>	<b>-0.6</b>
<b>End stocks</b>	<b>36.9</b>	<b>37.6</b>	<b>27.8</b>	<b>33.1</b>	<b>37.9</b>	<b>14.3</b>
- Market	36.4	37.5	27.8	33.1	37.9	
- Intervention	0.6	0.1	0.0	0.0	0.0	

**Table 6.5 EU-28 cereal balance sheet 2014/15 (forecast) (million t)**

	Common wheat	Barley	Durum	Maize	Rye	Sorghum	Oats	Triticale	Others	EU-28
Beginning stocks (01.07.2013)	8.9	6.8	0.5	13.2	1.0	0.2	1.2	1.0	0.3	<b>33.1</b>
<i>for information:</i>										
Gross production	135.8	56.9	8.7	69.7	8.5	0.7	8.3	11.4	4.0	<b>304.1</b>
Usable production	134.7	56.4	8.6	69.4	8.3	0.6	8.2	11.2	3.8	<b>301.3</b>
Import (1)	4.5	0.2	1.8	6.0	0.0	0.2	0.0	0.0	0.1	<b>12.9</b>
<b>Total availabilities</b>	<b>148.2</b>	<b>63.4</b>	<b>10.9</b>	<b>88.7</b>	<b>9.4</b>	<b>0.9</b>	<b>9.4</b>	<b>12.2</b>	<b>4.2</b>	<b>347.3</b>
Total domestic use	114.2	48.1	8.9	71.3	9.3	0.7	7.6	10.8	3.7	<b>274.7</b>
- Human	48.8	0.4	8.1	5.0	3.1	0.2	1.1	0.1	0.0	<b>66.6</b>
- Seed	4.7	2.3	0.4	0.5	0.5	0.0	0.5	0.5	0.3	<b>9.7</b>
- Industrial	10.6	9.5	0.1	8.9	1.5	0.0	0.1	0.6	0.1	<b>31.4</b>
<i>o.w. bioethanol</i>	4.5	0.9		3.6	0.8			0.5		<b>10.3</b>
- Animal feed	50.1	36.0	0.2	57.0	4.3	0.5	5.9	9.7	3.3	<b>167.0</b>
Losses (excl on-farm)	0.9	0.4	0.1	0.6	0.1	0.0	0.1	0.1	0.0	<b>2.2</b>
Export (1)	22.0	6.8	1.3	2.2	0.1	0.0	0.1	0.0	0.0	<b>32.5</b>
<b>Total use</b>	<b>137.1</b>	<b>55.3</b>	<b>10.2</b>	<b>74.1</b>	<b>9.5</b>	<b>0.7</b>	<b>7.8</b>	<b>10.9</b>	<b>3.8</b>	<b>309.5</b>
<b>End stocks (30.06.2014)</b>	<b>11.1</b>	<b>8.1</b>	<b>0.7</b>	<b>14.5</b>	<b>-0.1</b>	<b>0.3</b>	<b>1.6</b>	<b>1.3</b>	<b>0.4</b>	<b>37.8</b>
- Market	11.1	8.1	0.7	14.5	-0.1	0.3	1.6	1.3	0.4	<b>37.8</b>
- Intervention	0.0	0.0		0.0						<b>0.0</b>
Change in stocks	2.2	1.3	0.2	1.3	-1.2	0.1	0.4	0.3	0.1	<b>4.7</b>
Change in public stocks	0.0	0.0		0.0						<b>0.0</b>

(1) Grains equivalent (grain, groats and flour)

Note: estimated export quantities for all wheat = 23.3 million t. for coarse grains = 9.2 million t

**Table 6.6 EU-28 cereal balance sheet 2013/14 (estimate) (million t)**

	Common wheat	Barley	Durum	Maize	Rye	Sorghum	Oats	Triticale	Others	EU-28
Beginning stocks (01.07.2012)	8.6	4.2	0.2	12.9	0.5	0.0	0.6	0.6	0.3	<b>27.8</b>
<i>for information:</i>										
Gross production	135.3	59.9	8.6	66.0	10.2	0.6	8.5	11.5	4.0	<b>304.6</b>
Usable production	134.3	59.3	8.5	65.7	10.0	0.5	8.4	11.3	3.8	<b>301.8</b>
Import (1)	2.0	0.3	1.7	10.5	0.0	0.3	0.0	0.0	0.1	<b>14.9</b>
<b>Total availabilities</b>	<b>144.9</b>	<b>63.8</b>	<b>10.4</b>	<b>89.1</b>	<b>10.5</b>	<b>0.8</b>	<b>9.0</b>	<b>11.9</b>	<b>4.1</b>	<b>344.5</b>
Total domestic use	109.1	49.6	8.8	72.2	9.3	0.7	7.6	10.8	3.7	<b>272.0</b>
- Human	48.5	0.4	8.1	4.9	3.0	0.2	1.1	0.1	0.0	<b>66.4</b>
- Seed	4.7	2.3	0.4	0.5	0.5	0.0	0.5	0.5	0.3	<b>9.7</b>
- Industrial	10.5	9.5	0.1	8.6	1.5	0.0	0.1	0.6	0.1	<b>31.0</b>
<i>o.w. bioethanol</i>	4.4	0.9		3.3	0.8			0.5		<b>9.9</b>
- Animal feed	45.3	37.5	0.2	58.2	4.3	0.5	5.9	9.7	3.3	<b>164.9</b>
Losses (excl on-farm)	0.9	0.4	0.1	0.6	0.1	0.0	0.1	0.1	0.0	<b>2.2</b>
Export (1)	26.0	7.0	1.0	3.0	0.1	0.0	0.1	0.0	0.0	<b>37.2</b>
<b>Total use</b>	<b>136.0</b>	<b>57.0</b>	<b>9.9</b>	<b>75.8</b>	<b>9.5</b>	<b>0.7</b>	<b>7.8</b>	<b>10.9</b>	<b>3.8</b>	<b>311.4</b>
<b>End stocks (30.06.2013)</b>	<b>8.9</b>	<b>6.8</b>	<b>0.5</b>	<b>13.2</b>	<b>1.0</b>	<b>0.2</b>	<b>1.2</b>	<b>1.0</b>	<b>0.3</b>	<b>33.1</b>
- Market	8.9	6.8	0.5	13.2	1.0	0.2	1.2	1.0	0.3	<b>33.1</b>
- Intervention	0.0	0.0		0.0						<b>0.0</b>
Change in stocks	0.3	2.6	0.3	0.4	0.5	0.1	0.6	0.4	0.1	<b>5.3</b>
Change in public stocks	0.0	0.0		0.0						<b>0.0</b>

(1) Grains equivalent (grain, groats and flour)

Note: estimated export quantities for all wheat = 21.7 million t. for coarse grains = 9.9 million t

Table 6.7 EU-27 cereal balance sheet 2012/13 (million t)

	Common wheat	Barley	Durum	Maize	Rye	Sorghum	Oats	Triticale	Others	EU-27
Beginning stocks (01.07.2011)	10.1	7.2	0.7	16.9	0.6	0.2	0.9	0.7	0.2	<b>37.6</b>
<i>for information:</i>										
Gross production	124.9	54.8	8.3	58.3	8.7	0.5	7.8	10.0	5.2	<b>278.6</b>
Usable production	123.9	54.3	8.2	58.0	8.5	0.4	7.7	9.8	5.0	<b>276.0</b>
Import (1)	3.8	0.1	1.5	11.0	0.1	0.3	0.0	0.0	0.1	<b>16.9</b>
<b>Total availabilities</b>	<b>137.8</b>	<b>61.6</b>	<b>10.4</b>	<b>85.9</b>	<b>9.2</b>	<b>0.9</b>	<b>8.7</b>	<b>10.6</b>	<b>5.4</b>	<b>330.5</b>
Total domestic use	108.0	49.2	8.8	70.6	8.5	0.9	7.9	9.9	5.0	<b>268.9</b>
- Human	47.9	0.4	8.1	4.8	3.0	0.2	1.1	0.1	0.0	<b>65.6</b>
- Seed	4.7	2.3	0.4	0.5	0.5	0.0	0.5	0.5	0.3	<b>9.7</b>
- Industrial	10.3	9.4	0.1	8.3	1.5	0.0	0.1	0.6	0.1	<b>30.4</b>
<i>o.w. bioethanol</i>	4.3	0.9		3.0	0.8			0.5		<b>9.5</b>
- Animal feed	45.0	37.2	0.2	57.0	3.5	0.7	6.2	8.8	4.6	<b>163.2</b>
Losses (excl on-farm)	0.9	0.4	0.1	0.6	0.1	0.0	0.1	0.1	0.0	<b>2.2</b>
Export (1)	20.3	7.8	1.4	1.8	0.1	0.0	0.1	0.0	0.0	<b>31.6</b>
<b>Total use</b>	<b>129.2</b>	<b>57.4</b>	<b>10.3</b>	<b>73.0</b>	<b>8.7</b>	<b>0.9</b>	<b>8.1</b>	<b>10.0</b>	<b>5.1</b>	<b>302.7</b>
<b>End stocks (30.06.2012)</b>	<b>8.6</b>	<b>4.2</b>	<b>0.2</b>	<b>12.9</b>	<b>0.5</b>	<b>0.0</b>	<b>0.6</b>	<b>0.6</b>	<b>0.3</b>	<b>27.8</b>
- Market	8.6	4.2	0.2	12.9	0.5	0.0	0.6	0.6	0.3	<b>27.8</b>
- Intervention	0.0	0.0		0.0						<b>0.0</b>
Change in stocks	-1.4	-3.0	-0.5	-4.0	-0.1	-0.2	-0.3	-0.2	0.0	<b>-9.8</b>
Change in public stocks	0.0	-0.1		0.0						<b>-0.1</b>

(1) Grains equivalent (grain, groats and flour)

Note: estimated export quantities for all wheat = 15.7 million t, for coarse grains = 9.5 million t

Table 6.8 EU-28 oilseeds balance sheets (million t)

	EU-28					% variation			
	2010/11	2011/12	2012/13	2013/14e	2014/15f	vs. 12/13	vs. 5-year av.	vs. 13/14	vs. 5-year av.
<b>Production</b>	<b>28.5</b>	<b>28.7</b>	<b>27.1</b>	<b>30.5</b>	<b>30.0</b>	<b>12.6</b>	<b>8.6</b>	<b>-1.8</b>	<b>4.1</b>
Rape	20.6	19.1	19.2	20.8	20.7	8.2	5.8	-0.3	2.7
Soybean	1.1	1.1	0.9	1.1	1.1	27.0	18.6	1.1	9.8
Sunflower	6.9	8.4	7.1	8.7	8.1	22.8	23.1	-5.9	8.9
<b>Total domestic use</b>	<b>44.4</b>	<b>44.1</b>	<b>42.8</b>	<b>44.7</b>	<b>44.1</b>	<b>4.6</b>	<b>3.0</b>	<b>-1.2</b>	<b>0.4</b>
Rape	23.2	23.0	22.5	23.6	23.6	5.0	3.1	-0.2	1.4
<i>of which crushing</i>	22.4	21.7	21.7	22.8	22.7	5.0	3.9	-0.2	2.0
Soybean	14.4	13.1	13.3	12.5	12.6	-5.5	-7.0	0.1	-4.8
<i>of which crushing</i>	12.5	12.3	12.3	11.6	11.6	-5.5	-7.1	0.1	-5.9
Sunflower	6.8	8.0	7.0	8.5	8.0	22.1	23.5	-6.0	10.6
<i>of which crushing</i>	6.0	6.7	6.2	7.5	7.1	22.1	25.1	-6.0	12.4
<b>Imports</b>	<b>16.1</b>	<b>16.0</b>	<b>16.0</b>	<b>14.9</b>	<b>14.9</b>	<b>-7.0</b>	<b>-7.1</b>	<b>0.0</b>	<b>-5.5</b>
Rape	2.6	3.8	3.4	3.0	3.0	-11.4	-4.0	0.0	-0.2
Soybean	13.1	12.0	12.4	11.5	11.5	-7.1	-9.6	0.0	-7.0
Sunflower	0.4	0.3	0.2	0.4	0.4	64.9	14.3	0.0	14.3
<b>Exports</b>	<b>0.7</b>	<b>0.8</b>	<b>0.5</b>	<b>0.7</b>	<b>0.7</b>	<b>28.9</b>	<b>2.5</b>	<b>0.0</b>	<b>-4.8</b>
Rape	0.2	0.1	0.1	0.2	0.2	67.4	18.7	0.0	4.3
Soybean	0.1	0.0	0.1	0.1	0.1	-22.7	21.2	0.0	8.7
Sunflower	0.5	0.6	0.4	0.5	0.5	28.6	1.0	0.0	-6.0
<b>End stocks</b>	<b>3.1</b>	<b>2.9</b>	<b>2.7</b>	<b>2.7</b>	<b>2.7</b>	<b>0.0</b>	<b>-15.0</b>	<b>0.0</b>	<b>-7.0</b>
Rape	1.3	1.0	1.0	1.0	1.0	0.0	-18.9	0.0	-7.7
Soybean	1.2	1.1	1.0	1.0	1.0	0.0	-11.8	0.0	-9.1
Sunflower	0.6	0.8	0.7	0.7	0.7	0.0	-4.9	0.0	0.0

Table 6.9 EU oilmeals balance sheets (million t)

	EU-28					% variation			
	2010/11	2011/12	2012/13	2013/14e	2014/15f	13/14 vs. 12/13	13/14 vs. 5- year av.	14/15 vs. 13/14	14/15 vs. 5- year av.
<b>Production</b>	<b>25.9</b>	<b>25.7</b>	<b>25.5</b>	<b>26.3</b>	<b>26.0</b>	<b>3.3</b>	<b>2.3</b>	<b>-1.0</b>	<b>0.1</b>
Rape	12.8	12.4	12.4	13.0	13.0	5.0	3.9	-0.2	2.0
Soybean	9.9	9.7	9.7	9.2	9.2	-5.5	-7.1	0.1	-5.9
Sunflower	3.3	3.7	3.4	4.1	3.9	22.1	25.1	-6.0	12.4
<b>Total domestic use</b>	<b>49.1</b>	<b>49.4</b>	<b>45.4</b>	<b>47.6</b>	<b>47.3</b>	<b>4.9</b>	<b>-2.3</b>	<b>-0.6</b>	<b>-2.0</b>
Rape	12.7	12.3	12.5	12.9	12.9	3.5	3.4	-0.2	1.4
Soybean	31.0	30.2	25.9	27.7	27.7	6.7	-8.7	0.0	-5.3
Sunflower	5.4	6.9	6.9	7.0	6.7	0.6	19.0	-3.5	5.5
<b>Imports</b>	<b>24.2</b>	<b>24.7</b>	<b>21.0</b>	<b>22.2</b>	<b>22.2</b>	<b>5.6</b>	<b>-6.1</b>	<b>0.0</b>	<b>-3.2</b>
Rape	0.2	0.2	0.4	0.2	0.2	-51.3	-3.7	0.0	-7.9
Soybean	21.8	21.2	16.9	19.0	19.0	12.1	-9.6	0.0	-5.4
Sunflower	2.2	3.3	3.7	3.0	3.0	-18.3	15.4	0.0	5.1
<b>Exports</b>	<b>0.9</b>	<b>1.2</b>	<b>1.1</b>	<b>0.9</b>	<b>0.9</b>	<b>-18.7</b>	<b>-3.6</b>	<b>0.0</b>	<b>-8.2</b>
Rape	0.3	0.3	0.3	0.3	0.3	-10.0	0.9	0.0	-3.7
Soybean	0.6	0.8	0.7	0.5	0.5	-29.3	-12.4	0.0	-14.7
Sunflower	0.1	0.1	0.1	0.1	0.1	27.5	34.5	0.0	13.1
<b>End stocks</b>	<b>0.7</b>	<b>0.6</b>	<b>0.6</b>	<b>0.6</b>	<b>0.6</b>	<b>0.0</b>	<b>-5.3</b>	<b>0.0</b>	<b>0.0</b>
Rape	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0
Soybean	0.6	0.5	0.5	0.5	0.5	0.0	-6.9	0.0	0.0
Sunflower	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0

Table 6.10 EU vegetable oils balance sheets (million t)

	EU-28					% variation			
	2010/11	2011/12	2012/13	2013/14e	2014/15f	13/14 vs. 12/13	13/14 vs. 5- year av.	14/15 vs. 13/14	14/15 vs. 5- year av.
<b>Production</b>	<b>14.2</b>	<b>14.2</b>	<b>13.9</b>	<b>14.8</b>	<b>14.6</b>	<b>6.3</b>	<b>5.1</b>	<b>-1.4</b>	<b>2.4</b>
Rape	9.2	8.9	8.9	9.3	9.3	5.0	3.9	-0.2	2.0
Soybean	2.5	2.5	2.5	2.3	2.3	-5.5	-7.1	0.1	-5.9
Sunflower	2.5	2.8	2.6	3.2	3.0	22.1	25.1	-6.0	12.4
Palm	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
<b>Total domestic use</b>	<b>20.5</b>	<b>20.4</b>	<b>19.5</b>	<b>21.8</b>	<b>21.6</b>	<b>11.7</b>	<b>7.0</b>	<b>-1.0</b>	<b>4.3</b>
Rape	9.5	9.4	8.7	9.7	9.7	12.3	6.2	-0.2	2.1
Soybean	2.9	2.4	1.7	2.7	2.7	58.8	0.6	0.1	4.0
Sunflower	3.2	3.5	3.4	4.0	3.8	18.7	19.2	-4.7	11.4
Palm	4.9	5.2	5.8	5.4	5.4	-6.9	3.8	0.0	1.8
<b>Imports</b>	<b>7.3</b>	<b>7.4</b>	<b>7.4</b>	<b>8.0</b>	<b>8.0</b>	<b>7.2</b>	<b>7.5</b>	<b>0.0</b>	<b>7.5</b>
Rape	0.5	0.6	0.2	0.6	0.6	194.8	30.8	0.0	18.4
Soybean	0.9	0.6	0.3	0.8	0.8	190.3	18.3	0.0	25.8
Sunflower	0.9	0.8	1.0	1.0	1.0	-1.1	5.7	0.0	6.1
Palm	5.1	5.4	5.9	5.6	5.6	-5.7	3.6	0.0	1.9
<b>Exports</b>	<b>0.9</b>	<b>1.2</b>	<b>1.8</b>	<b>1.0</b>	<b>1.0</b>	<b>-47.6</b>	<b>-0.7</b>	<b>0.0</b>	<b>-7.6</b>
Rape	0.2	0.2	0.4	0.2	0.2	-52.3	41.3	0.0	13.4
Soybean	0.4	0.6	1.0	0.4	0.4	-61.2	-15.5	0.0	-16.4
Sunflower	0.2	0.2	0.2	0.2	0.2	-32.7	-10.3	0.0	-12.0
Palm	0.2	0.2	0.1	0.2	0.2	42.1	24.6	0.0	12.0
<b>End stocks</b>	<b>1.2</b>	<b>1.2</b>	<b>1.2</b>	<b>1.2</b>	<b>1.2</b>	<b>0.0</b>	<b>-1.4</b>	<b>0.0</b>	<b>0.0</b>
Rape	0.5	0.4	0.4	0.4	0.4	0.0	-4.0	0.0	0.0
Soybean	0.2	0.2	0.2	0.2	0.2	0.0	0.0	0.0	0.0
Sunflower	0.3	0.3	0.3	0.3	0.3	0.0	0.0	0.0	0.0
Palm	0.3	0.3	0.3	0.3	0.3	0.0	0.0	0.0	0.0

## MEATS

Table 6.11 EU-28 Overall meat balance ('000 tonnes carcass weight equivalent)

	EU-28						% variation				
	2010	2011	2012	2013e	2014f	2015f	11/10	12/11	13/12	14/13	15/14
<b>Gross Indigenous Production</b>	<b>44 134</b>	<b>44 640</b>	<b>44 044</b>	<b>43 726</b>	<b>44 018</b>	<b>44 427</b>	<b>1.1</b>	<b>-1.3</b>	<b>-0.7</b>	<b>0.7</b>	<b>0.9</b>
Live Imports	1	1	1	1	1	0					
Live Exports	190	240	232	179	180	186	26.2	-3.6	-22.8	0.6	3.3
<b>Net Production</b>	<b>43 945</b>	<b>44 402</b>	<b>43 814</b>	<b>43 549</b>	<b>43 839</b>	<b>44 241</b>	<b>1.0</b>	<b>-1.3</b>	<b>-0.6</b>	<b>0.7</b>	<b>0.9</b>
<i>EU-15</i>	36 781	37 223	36 664	36 342	36 530	36 879	1.2	-1.5	-0.9	0.5	1.0
<i>EU-N13</i>	7 164	7 178	7 150	7 207	7 309	7 362	0.2	-0.4	0.8	1.4	0.7
<b>Meat Imports</b>	<b>1 385</b>	<b>1 357</b>	<b>1 326</b>	<b>1 308</b>	<b>1 314</b>	<b>1 317</b>	<b>-2.1</b>	<b>-2.3</b>	<b>-1.3</b>	<b>0.4</b>	<b>0.2</b>
<b>Meat Exports</b>	<b>3 230</b>	<b>3 783</b>	<b>3 702</b>	<b>3 704</b>	<b>3 692</b>	<b>3 699</b>	<b>17.1</b>	<b>-2.1</b>	<b>0.1</b>	<b>-0.3</b>	<b>0.2</b>
<b>Consumption</b>	<b>42 101</b>	<b>41 976</b>	<b>41 438</b>	<b>41 153</b>	<b>41 461</b>	<b>41 860</b>	<b>-0.3</b>	<b>-1.3</b>	<b>-0.7</b>	<b>0.7</b>	<b>1.0</b>
Population (mio)	504	506	507	508	509	510	0.3	0.2	0.2	0.2	0.2
<b>Per Capita Consumption (kg)</b>	<b>66.4</b>	<b>66.1</b>	<b>65.2</b>	<b>64.7</b>	<b>65.0</b>	<b>65.5</b>	<b>-0.5</b>	<b>-1.4</b>	<b>-0.8</b>	<b>0.5</b>	<b>0.7</b>

<sup>1</sup> In retail weight. Coefficients to transform carcass weight into retail weight are 0.7 for beef and veal meat. 0.78 for pigmeat and 0.88 for both poultry meat and sheep and goat meat.

Table 6.12 EU-28 beef/veal market balance ('000 tonnes carcass weight equivalent)

	EU-28						% variation				
	2010	2011	2012	2013e	2014f	2015f	11/10	12/11	13/12	14/13	15/14
<b>Gross Indigenous Production</b>	<b>8 232</b>	<b>8 216</b>	<b>7 886</b>	<b>7 515</b>	<b>7 588</b>	<b>7 747</b>	<b>-0.2</b>	<b>-4.0</b>	<b>-4.7</b>	<b>1.0</b>	<b>2.1</b>
Live Imports	0	0	0	0	0	0					
Live Exports	104	147	159	109	110	115	42.3	7.8	-31.6	1.0	5.0
<b>Net Production</b>	<b>8 128</b>	<b>8 069</b>	<b>7 727</b>	<b>7 407</b>	<b>7 478</b>	<b>7 632</b>	<b>-0.7</b>	<b>-4.2</b>	<b>-4.1</b>	<b>1.0</b>	<b>2.1</b>
<i>EU-15</i>	7 305	7 246	6 951	6 663	6 716	6 878	-0.8	-4.1	-4.1	0.8	2.4
<i>EU-N13</i>	824	822	776	744	762	754	-0.2	-5.6	-4.2	2.4	-1.0
<b>Meat Imports</b>	<b>321</b>	<b>286</b>	<b>275</b>	<b>303</b>	<b>324</b>	<b>324</b>	<b>-10.8</b>	<b>-4.1</b>	<b>10.5</b>	<b>6.9</b>	<b>0.0</b>
<b>Meat Exports</b>	<b>253</b>	<b>327</b>	<b>210</b>	<b>161</b>	<b>163</b>	<b>164</b>	<b>29.2</b>	<b>-35.8</b>	<b>-23.3</b>	<b>1.0</b>	<b>1.0</b>
<b>Consumption</b>	<b>8 196</b>	<b>8 028</b>	<b>7 792</b>	<b>7 549</b>	<b>7 640</b>	<b>7 792</b>	<b>-2.1</b>	<b>-2.9</b>	<b>-3.1</b>	<b>1.2</b>	<b>2.0</b>
<b>Per Capita Consumption (kg)</b>	<b>11.4</b>	<b>11.1</b>	<b>10.8</b>	<b>10.4</b>	<b>10.5</b>	<b>10.7</b>	<b>-2.3</b>	<b>-3.1</b>	<b>-3.3</b>	<b>1.0</b>	<b>1.8</b>
<b>Share in total meat consumption</b>	<b>19.5%</b>	<b>19.1%</b>	<b>18.8%</b>	<b>18.3%</b>	<b>18.4%</b>	<b>18.6%</b>					

<sup>1</sup> In retail weight. Coefficient to transform carcass weight into retail weight is 0.7 for beef and veal meat.

**Table 6.13 EU-28 pigmeat market balance ('000 tonnes carcass weight equivalent)**

	EU-28						% variation				
	2010	2011	2012	2013e	2014f	2015f	11/10	12/11	13/12	14/13	15/14
<b>Gross Indigenous Production</b>	<b>22 753</b>	<b>23 055</b>	<b>22 564</b>	<b>22 404</b>	<b>22 527</b>	<b>22 700</b>	<b>1.3</b>	<b>-2.1</b>	<b>-0.7</b>	<b>0.6</b>	<b>0.8</b>
Live Imports	0	0	0	0	0	0					
Live Exports	67	62	36	26	26	26	-6.9	-42.4	-27.3	0.5	1.0
<b>Net Production</b>	<b>22 686</b>	<b>22 993</b>	<b>22 528</b>	<b>22 378</b>	<b>22 501</b>	<b>22 674</b>	<b>1.4</b>	<b>-2.0</b>	<b>-0.7</b>	<b>0.6</b>	<b>0.8</b>
<i>EU-15</i>	19 121	19 438	19 127	19 009	19 085	19 238	1.7	-1.6	-0.6	0.4	0.8
<i>EU-N13</i>	3 566	3 556	3 401	3 368	3 416	3 436	-0.3	-4.3	-1.0	1.4	0.6
<b>Meat Imports</b>	<b>29</b>	<b>18</b>	<b>19</b>	<b>17</b>	<b>17</b>	<b>17</b>	<b>-38.8</b>	<b>9.9</b>	<b>-12.7</b>	<b>0.0</b>	<b>0.0</b>
<b>Meat Exports</b>	<b>1 815</b>	<b>2 151</b>	<b>2 154</b>	<b>2 207</b>	<b>2 200</b>	<b>2 205</b>	<b>18.5</b>	<b>0.1</b>	<b>2.5</b>	<b>-0.3</b>	<b>0.2</b>
<b>Consumption</b>	<b>20 900</b>	<b>20 860</b>	<b>20 394</b>	<b>20 188</b>	<b>20 318</b>	<b>20 486</b>	<b>-0.2</b>	<b>-2.2</b>	<b>-1.0</b>	<b>0.6</b>	<b>0.8</b>
<b>Per Capita Consumption (kg)</b>	<b>32.3</b>	<b>32.2</b>	<b>31.4</b>	<b>31.0</b>	<b>31.2</b>	<b>31.4</b>	<b>-0.4</b>	<b>-2.4</b>	<b>-1.2</b>	<b>0.4</b>	<b>0.6</b>
<b>Share in total meat consumption</b>	<b>49.6%</b>	<b>49.7%</b>	<b>49.2%</b>	<b>49.1%</b>	<b>49.0%</b>	<b>48.9%</b>					

<sup>1</sup> In retail weight. Coefficient to transform carcass weight into retail weight is 0.78 for pigmeat.

**Table 6.14 EU-28 poultry meat market balance ('000 tonnes carcass weight equivalent)**

	EU-28						% variation				
	2010	2011	2012	2013e	2014f	2015f	11/10	12/11	13/12	14/13	15/14
<b>Gross Indigenous Production</b>	<b>12 191</b>	<b>12 391</b>	<b>12 647</b>	<b>12 859</b>	<b>12 959</b>	<b>13 045</b>	<b>1.6</b>	<b>2.1</b>	<b>1.7</b>	<b>0.8</b>	<b>0.7</b>
Live Imports	1	1	1	1	1	0					
Live Exports	9	9	10	10	10	10	-8.5	16.9	2.6	-1.2	0.9
<b>Net Production</b>	<b>12 182</b>	<b>12 384</b>	<b>12 638</b>	<b>12 850</b>	<b>12 950</b>	<b>13 034</b>	<b>1.7</b>	<b>2.1</b>	<b>1.7</b>	<b>0.8</b>	<b>0.7</b>
<i>EU-15</i>	9 511	9 690	9 771	9 865	9 928	9 971	1.9	0.8	1.0	0.6	0.4
<i>EU-N13</i>	2 671	2 694	2 867	2 985	3 022	3 064	0.8	6.4	4.1	1.3	1.4
<b>Meat Imports</b>	<b>796</b>	<b>831</b>	<b>841</b>	<b>788</b>	<b>785</b>	<b>785</b>	<b>4.4</b>	<b>1.3</b>	<b>-6.3</b>	<b>-0.4</b>	<b>0.0</b>
<b>Meat Exports</b>	<b>1 150</b>	<b>1 290</b>	<b>1 313</b>	<b>1 300</b>	<b>1 293</b>	<b>1 305</b>	<b>12.2</b>	<b>1.8</b>	<b>-1.0</b>	<b>-0.5</b>	<b>0.9</b>
<b>Consumption</b>	<b>11 829</b>	<b>11 925</b>	<b>12 166</b>	<b>12 338</b>	<b>12 442</b>	<b>12 514</b>	<b>0.8</b>	<b>2.0</b>	<b>1.4</b>	<b>0.8</b>	<b>0.6</b>
<b>Per Capita Consumption (kg)</b>	<b>20.6</b>	<b>20.8</b>	<b>21.1</b>	<b>21.4</b>	<b>21.5</b>	<b>21.6</b>	<b>0.6</b>	<b>1.8</b>	<b>1.2</b>	<b>0.6</b>	<b>0.4</b>
<b>Share in total meat consumption</b>	<b>28.1%</b>	<b>28.4%</b>	<b>29.4%</b>	<b>30.0%</b>	<b>30.0%</b>	<b>29.9%</b>					

<sup>1</sup> In retail weight. Coefficient to transform carcass weight into retail weight is 0.88 for poultry meat.

**Table 6.15 EU-28 sheep and goat meat market balance ('000 tonnes carcass weight equivalent)**

	EU-28						% variation				
	2010	2011	2012	2013e	2014f	2015f	11/10	12/11	13/12	14/13	15/14
<b>Gross Indigenous Production</b>	<b>958</b>	<b>977</b>	<b>947</b>	<b>948</b>	<b>944</b>	<b>935</b>	<b>2.0</b>	<b>-3.1</b>	<b>0.1</b>	<b>-0.4</b>	<b>-0.9</b>
Live Imports	0	0	0	0	0	0					
Live Exports	10	22	27	34	34	34	111.3	23.0	26.1	0.2	0.3
<b>Net Production</b>	<b>948</b>	<b>956</b>	<b>920</b>	<b>914</b>	<b>910</b>	<b>901</b>	<b>0.8</b>	<b>-3.7</b>	<b>-0.6</b>	<b>-0.5</b>	<b>-1.0</b>
<i>EU-15</i>	845	849	815	804	801	793	0.5	-4.1	-1.3	-0.4	-1.0
<i>EU-N13</i>	103	107	105	110	109	108	3.5	-1.2	4.6	-1.0	-0.7
<b>Meat Imports</b>	<b>240</b>	<b>222</b>	<b>190</b>	<b>200</b>	<b>188</b>	<b>191</b>	<b>-7.3</b>	<b>-14.3</b>	<b>4.9</b>	<b>-6.0</b>	<b>1.7</b>
<b>Meat Exports</b>	<b>12</b>	<b>15</b>	<b>25</b>	<b>36</b>	<b>36</b>	<b>25</b>	<b>25.5</b>	<b>63.5</b>	<b>48.3</b>	<b>-2.2</b>	<b>-30.0</b>
<b>Consumption</b>	<b>1 176</b>	<b>1 163</b>	<b>1 086</b>	<b>1 078</b>	<b>1 062</b>	<b>1 067</b>	<b>-1.1</b>	<b>-6.6</b>	<b>-0.8</b>	<b>-1.4</b>	<b>0.5</b>
<b>Per Capita Consumption (kg)</b>	<b>2.1</b>	<b>2.0</b>	<b>1.9</b>	<b>1.9</b>	<b>1.8</b>	<b>1.8</b>	<b>-1.3</b>	<b>-6.8</b>	<b>-0.9</b>	<b>-1.6</b>	<b>0.3</b>
<b>Share in total meat consumption</b>	<b>2.8%</b>	<b>2.8%</b>	<b>2.6%</b>	<b>2.6%</b>	<b>2.6%</b>	<b>2.5%</b>					

<sup>1</sup> In retail weight. Coefficient to transform carcass weight into retail weight is 0.88 for sheep and goat meat.

## MILK AND DAIRY PRODUCTS

Table 6.16 Milk supply and utilisation in the EU-28

	EU-28						% variation				
	2010	2011	2012	2013e	2014f	2015f	11/10	12/11	13/12	14/13	15/14
<b>Dairy cows (mio heads)<sup>1</sup></b>	<b>23.3</b>	<b>23.1</b>	<b>23.1</b>	<b>23.2</b>	<b>23.2</b>	<b>23.0</b>	<b>-1.1</b>	<b>0.0</b>	<b>0.8</b>	<b>-0.3</b>	<b>-0.8</b>
of which EU-15	17.6	17.4	17.6	17.8	17.8	17.8	-0.8	0.9	1.3	0.2	-0.5
of which EU-N12 / EU-N13	5.8	5.6	5.5	5.4	5.3	5.2	-2.0	-2.7	-0.9	-2.0	-2.2
<b>Milk yield (kg/dairy cow)<sup>2</sup></b>	<b>6 278</b>	<b>6 444</b>	<b>6 450</b>	<b>6 430</b>	<b>6 552</b>	<b>6 717</b>	<b>2.6</b>	<b>0.1</b>	<b>-0.3</b>	<b>1.9</b>	<b>2.5</b>
of which EU-15	6 941	7 119	7 053	7 018	7 141	7 307	2.6	-0.9	-0.5	1.8	2.3
of which EU-N12 / EU-N13	4 257	4 362	4 523	4 508	4 580	4 709	2.5	3.7	-0.3	1.6	2.8
<b>Milk production (million t)</b>	<b>149.9</b>	<b>151.9</b>	<b>152.2</b>	<b>152.8</b>	<b>155.1</b>	<b>157.7</b>	<b>1.3</b>	<b>0.2</b>	<b>0.4</b>	<b>1.5</b>	<b>1.6</b>
of which EU-15	122.1	124.1	124.1	125.1	127.6	130.0	1.7	0.0	0.8	2.0	1.9
of which EU-N12 / EU-N13	27.8	27.8	28.1	27.7	27.6	27.7	-0.3	1.1	-1.4	-0.5	0.6
Feed use (million t)	3.7	3.5	3.5	3.4	3.3	3.4	-5.8	-0.8	-3.0	-1.1	2.3
On farm use and direct sales (mio t)	7.1	6.6	6.4	6.3	6.2	6.0	-6.1	-3.6	-2.0	-1.3	-2.1
<b>Delivered to dairies (million t)</b>	<b>136.9</b>	<b>139.6</b>	<b>140.1</b>	<b>141.1</b>	<b>143.6</b>	<b>146.3</b>	<b>2.0</b>	<b>0.4</b>	<b>0.7</b>	<b>1.8</b>	<b>1.9</b>
of which EU-15	118.2	120.4	120.1	121.2	123.7	126.0	1.9	-0.2	0.9	2.0	1.9
of which EU-N12 / EU-N13	18.8	19.2	20.0	19.9	19.9	20.2	2.4	4.2	-0.7	0.3	1.6
<b>Delivery ratio (in %)<sup>3</sup></b>	<b>91.3</b>	<b>91.9</b>	<b>92.1</b>	<b>92.3</b>	<b>92.6</b>	<b>92.8</b>	<b>0.6</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>
of which EU-15	96.8	97.0	96.8	96.9	96.9	97.0	0.2	-0.2	0.1	0.0	0.0
of which EU-N12 / EU-N13	67.4	69.2	71.3	71.8	72.4	73.1	2.6	3.1	0.7	0.8	1.0
Fat content of milk (in %)	4.05	4.03	4.04	4.04	4.04	4.04	-0.4	0.2	0.0	0.0	0.0
Protein content of milk (in %)	3.38	3.37	3.37	3.37	3.37	3.37	-0.3	0.0	-0.1	0.0	0.0

<sup>1</sup> Dairy cow numbers refer to the end of the year (historical figures from the December cattle survey)

<sup>2</sup> Milk yield is dairy cow production per dairy cows (dairy cows represent around 99.7% of EU-27 total production)

<sup>3</sup> Delivery ratio is milk delivered to dairies per total production

Table 6.17 EU-28 fresh dairy products market balance ('000 tonnes)

	EU-28						% variation				
	2010	2011	2012	2013e	2014f	2015f	11/10	12/11	13/12	14/13	15/14
<b>Production</b>	<b>46 904</b>	<b>46 669</b>	<b>46 606</b>	<b>46 245</b>	<b>46 398</b>	<b>46 591</b>	<b>-0.5</b>	<b>-0.1</b>	<b>-0.8</b>	<b>0.3</b>	<b>0.4</b>
of which Drinking Milk	31 801	31 723	31 670	31 493	31 587	31 682	-0.2	-0.2	-0.6	0.3	0.3
of which Cream	2 432	2 419	2 509	2 471	2 520	2 571	-0.5	3.7	-1.5	2.0	2.0
of which Acidified Milk	8 230	8 201	8 130	8 018	8 034	8 051	-0.4	-0.9	-1.4	0.2	0.2
of which Other Fresh Products <sup>2</sup>	4 441	4 326	4 298	4 263	4 257	4 289	-2.6	-0.7	-0.8	-0.2	0.7
of which EU-15	40 590	40 430	40 325	40 015	40 075	40 195	-0.4	-0.3	-0.8	0.2	0.3
of which EU-N12 / EU-N13	6 314	6 239	6 280	6 230	6 323	6 396	-1.2	0.7	-0.8	1.5	1.2
<b>Imports (extra EU)</b>	<b>37</b>	<b>44</b>	<b>42</b>	<b>28</b>	<b>28</b>	<b>28</b>	<b>19.0</b>	<b>-5.2</b>	<b>-33.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Exports (extra EU)</b>	<b>328</b>	<b>399</b>	<b>532</b>	<b>577</b>	<b>693</b>	<b>831</b>	<b>21.5</b>	<b>33.5</b>	<b>8.4</b>	<b>20.0</b>	<b>20.0</b>
<b>Domestic use<sup>1</sup></b>	<b>46 613</b>	<b>46 314</b>	<b>46 115</b>	<b>45 696</b>	<b>45 734</b>	<b>45 788</b>	<b>-0.6</b>	<b>-0.4</b>	<b>-0.9</b>	<b>0.1</b>	<b>0.1</b>
p.c. consumption (kg)	92	91	91	90	90	90	-0.9	-0.7	-1.2	-0.2	-0.1

<sup>1</sup> Domestic use includes stock changes

<sup>2</sup> Includes buttermilk, drinks with milk base and other fresh commodities

Note: The figures on imports and exports are referring to total trade, i.e. including inward processing.

**Table 6.18 EU-28 cheese market balance ('000 tonnes)**

	EU-28						% variation				
	2010	2011	2012	2013e	2014f	2015f	11/10	12/11	13/12	14/13	15/14
<b>Production (in dairies)</b>	<b>9 011</b>	<b>9 065</b>	<b>9 287</b>	<b>9 377</b>	<b>9 490</b>	<b>9 649</b>	<b>0.6</b>	<b>2.5</b>	<b>1.0</b>	<b>1.2</b>	<b>1.7</b>
of which from pure cow's milk	8 322	8 382	8 551	8 636	8 749	8 908	0.7	2.0	1.0	1.3	1.8
of which from other milk <sup>1</sup>	688	683	736	741	741	741	-0.8	7.8	0.7	0.0	0.0
EU-15 (in dairies)	7 765	7 811	7 956	7 996	8 069	8 180	0.6	1.9	0.5	0.9	1.4
EU-N12 / EU-N13 (in dairies)	1 245	1 254	1 331	1 381	1 421	1 470	0.7	6.1	3.8	2.9	3.4
Processed cheese impact <sup>2</sup>	330	330	325	334	342	350	0.1	-1.5	2.7	2.3	2.4
<b>Total production</b>	<b>9 341</b>	<b>9 395</b>	<b>9 612</b>	<b>9 711</b>	<b>9 832</b>	<b>9 999</b>	<b>0.6</b>	<b>2.3</b>	<b>1.0</b>	<b>1.2</b>	<b>1.7</b>
<b>Imports<sup>3</sup></b>	<b>84</b>	<b>75</b>	<b>78</b>	<b>76</b>	<b>76</b>	<b>75</b>	<b>-10.5</b>	<b>4.2</b>	<b>-3.2</b>	<b>0.7</b>	<b>-1.6</b>
<b>Exports</b>	<b>667</b>	<b>673</b>	<b>768</b>	<b>788</b>	<b>807</b>	<b>835</b>	<b>0.8</b>	<b>14.1</b>	<b>2.6</b>	<b>2.5</b>	<b>3.5</b>
<b>Total domestic use<sup>4</sup></b>	<b>8 757</b>	<b>8 797</b>	<b>8 923</b>	<b>8 999</b>	<b>9 101</b>	<b>9 239</b>	<b>0.5</b>	<b>1.4</b>	<b>0.9</b>	<b>1.1</b>	<b>1.5</b>
Processing use	295	296	287	287	292	298	0.2	-3.1	0.1	1.9	1.9
Human consumption	8 462	8 501	8 636	8 712	8 809	8 941	0.5	1.6	0.9	1.1	1.5
of which EU-15	7 243	7 270	7 368	7 399	7 440	7 513	0.4	1.3	0.4	0.6	1.0
of which EU-N12 / EU-N13	1 219	1 232	1 268	1 313	1 369	1 428	1.1	3.0	3.5	4.2	4.3
p.c. consumption (kg)	17	17	17	17	17	17	0.2	1.3	0.6	0.9	1.3

<sup>1</sup> Other milk includes goat, ewe and buffalo milk<sup>2</sup> Processed cheese impact includes production and net exports of processed cheese<sup>3</sup> Imports and Exports include Processed Cheese<sup>4</sup> Total domestic use includes stock changes**Table 6.19 EU-28 whole milk powder market balance ('000 tonnes)**

	EU-28						% variation				
	2010	2011	2012	2013e	2014f	2015f	11/10	12/11	13/12	14/13	15/14
<b>Production</b>	<b>705</b>	<b>681</b>	<b>669</b>	<b>697</b>	<b>693</b>	<b>694</b>	<b>-3.5</b>	<b>-1.7</b>	<b>4.2</b>	<b>-0.6</b>	<b>0.1</b>
of which EU-15	645	622	604	629	625	625	-3.5	-3.0	4.1	-0.5	0.0
of which EU-N12 / EU-N13	60	58	65	69	67	68	-3.2	11.9	5.3	-2.0	1.0
<b>Imports</b>	<b>2</b>	<b>2</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>-10.2</b>	<b>52.2</b>	<b>26.9</b>	<b>11.3</b>	<b>5.3</b>
<b>Exports</b>	<b>445</b>	<b>388</b>	<b>386</b>	<b>374</b>	<b>367</b>	<b>367</b>	<b>-12.9</b>	<b>-0.5</b>	<b>-3.0</b>	<b>-2.0</b>	<b>0.0</b>
<b>Domestic Use<sup>1</sup></b>	<b>262</b>	<b>295</b>	<b>286</b>	<b>326</b>	<b>330</b>	<b>331</b>	<b>12.5</b>	<b>-2.9</b>	<b>14.1</b>	<b>1.0</b>	<b>0.3</b>

<sup>1</sup> Domestic use includes stock changes

**Table 6.20 EU-28 skimmed milk powder market balance ('000 tonnes)**

	EU-28						% variation				
	2010	2011	2012	2013e	2014f	2015f	11/10	12/11	13/12	14/13	15/14
<b>Production</b>	965	1 096	1 109	1 086	1 162	1 258	13.6	1.2	-2.1	7.0	8.3
<b>Imports</b>	4	0	2	5	5	5	-90.0	334.3	198.4	0.0	0.0
<b>Exports</b>	376	516	520	410	469	577	36.9	0.9	-21.2	14.5	23.0
<b>Domestic use<sup>1</sup></b>	686	689	685	680	697	685	0.4	-0.5	-0.7	2.4	-1.7
<b>Ending stocks</b>	265	157	62	62	62	62					
Private (industry)	70	107	62	62	62	62					
Public (intervention)	195	50	0	0	0	0					
Stock changes	- 94	- 108	- 95	0	0	0					

<sup>1</sup> Domestic use includes stock changes

**Table 6.21 EU-28 butter market balance ('000 tonnes)**

	EU-28						% variation				
	2010	2011	2012	2013e	2014f	2015f	11/10	12/11	13/12	14/13	15/14
<b>Production</b>	2 146	2 195	2 257	2 280	2 315	2 356	2.3	2.9	1.0	1.6	1.8
of which EU-15	1 894	1 944	1 981	1 998	2 028	2 065	2.6	1.9	0.9	1.5	1.8
of which EU-N12 / EU-N13	252	251	276	281	287	291	-0.3	10.1	1.8	2.0	1.5
<b>Imports</b>	34	34	29	23	30	31	0.5	-15.0	-21.9	32.7	4.0
<b>Exports</b>	157	124	124	116	121	121	-21.5	0.1	-6.1	4.0	0.0
<b>Domestic use<sup>1</sup></b>	2 107	2 076	2 142	2 186	2 224	2 266	-1.5	3.2	2.1	1.7	1.9
p.c. consumption (kg)	4	4	4	4	4	4	-1.8	2.9	1.8	1.5	1.7
<b>Ending stocks</b>	50	80	100	100	100	100					
Private	49	80	100	100	100	100					
Public (intervention)	2	0	0	0	0	0					
Stock changes	- 85	29	21	0	0	0					

Note: Data refer to butter and butter oil expressed in butter equivalent. Figures on imports and exports do not include inward processing

<sup>1</sup> Domestic use includes stock changes

## 7. METHODOLOGY

This outlook takes into account the most recent macroeconomic information and the domestic and international market developments and expectations. Data is subject to retrospective review.

The balance sheets refer to five calendar years for meat and dairy and five marketing years for crops (July/June). Crop marketing years start with the harvest. Thus, area, yield and production figures of crops refer to the year of harvest.

### SOURCES

- EUROSTAT
  - Agricultural production yearly for historical data and monthly data for previous and current year for meat and dairy production.
  - Farm livestock survey.
  - Gross Indigenous Production (GIP) forecast for meat.
  - Early estimates for crop products.
- COMEXT database (extra-EU trade statistics).

Production projections for current and next year are based, depending on the sector, on EUROSTAT monthly data, official estimates of ministries or national statistical institutes, and on the Crop Monitoring and Yield Forecasting projections (AGRI4CAST<sup>2</sup>), in the case of cereals; on expert forecasts for Gross Indigenous Production (in heads) sent by Member States (MS) to Eurostat in the case of meat; on monthly milk deliveries for dairy.

The projected external trade figures are derived from the latest monthly data available by applying trends and annual profiles as well as from trade licences and import quotas, when applicable.

### Arable crops

Crop areas: For MS in which data is not yet available, a percentage variation is estimated on the basis of those MS which communicated data or area is estimated through the trimmed average of the last five marketing years or assuming no changes compared to the previous year.

Yields: MS estimates or AGRI4CAST projections are used if available. If these data are not available, preferably the yield trend from 2000 to the present is retained, otherwise the trimmed average of the last five marketing years is used.

Trade: Cereal trade figures include cereals as such, plus flour and groats (in cereal equivalent). In the former editions of the Short Term Outlook maize trade included additional processed products. This has been revised backward and the balance is closed via an adjustment of the processing demand.

Balance sheets are based on a marketing year (July-June) starting with the harvest.

Cereals: Human consumption, seed use and other industrial use is based on historic relations regarding population and planted area in the relevant marketing year. Feed use is based on calculations with FeedMod, an in-house model for feed ration optimisation. Cereal use as feedstock for ethanol production for previous marketing years is based on the use of the ethyl-alcohol balance sheets produced by MS. Projections are based on information about the ethanol production development. Stocks are closing the balance for cereals<sup>3</sup>. Intervention stocks equal official figures of the Directorate General for Agriculture and Rural Development for the past and estimates based on past experience for the current marketing year, if applicable.

Oilseeds: The balance sheets include rape, soybean and sunflower seed, meal and oil, plus palm oil. Stock data represent own estimates based on expert judgement and market information. Thus, the balances close on the domestic use. A coefficient is used to determine the share of oilseeds used in the crushing industry. These coefficients are 96% for rapeseed, 93% for soybeans and 89% for sunflower seed. The balance sheets are interlinked, as oilseeds are crushed into meals and oils on the basis of processing coefficients, used to determine the percentage of meals and oils obtained from oilseeds in the crushing process. These processing coefficients equal 57% for rape meal, 79% for soybean meal and 55% for sunflower meal and 41% for rape oil, 20% for soybean oil and 42% for sunflower oil.

### Meat

The meat balance sheets cover the beef, pig, poultry, sheep and goat meat categories. Trade data is divided into live animals and meat products ('fresh and chilled', 'frozen', 'salted' and 'prepared'). The offal and fat categories are excluded (with the exception of pork lard). All data is expressed in carcass weight equivalent<sup>4</sup>.

Production estimates for the year 2013 are based on annual data on slaughtering and livestock numbers. Projections for the years 2014 and 2015 are based on the available monthly data. Member States experts forecast, on the expectations as regards implementation of new welfare rules in the pig sector, on the trends in livestock numbers and meat consumption patterns.

Net production refers to data on slaughtering taking place in the registered slaughterhouses as well as in other establishments. The other slaughterings are

<sup>3</sup> For all crops this refers to a situation as of end-June, which may differ from other balances, e.g. IGC for maize, USDA for corn.

<sup>4</sup> Carcasses of bovine animals, pigs, sheep, goats and poultry are defined at point 3 ('carcass weight' at point 4) of Annex I of Regulation (EC) No 1165/2008 concerning livestock and meat statistics. For more details as regards the conversion coefficients of product weight into carcass weight equivalent please refer to the Eurostat document ASA/TE/F/655.

<sup>2</sup> <http://mars.jrc.ec.europa.eu/mars/About-us/AGRI4CAST/Crop-Monitoring-and-Yield-Forecasting>

subject to constant reviews. therefore data on the net production might be sensitive to these changes.

GIP is calculated as net production plus live exports minus live imports. Consumption is calculated as a residual. i.e. sum of production plus imports less exports plus stock change.

### **Milk and dairy products**

The commodity balance sheets cover production of dairy products taking place in dairy processing plants and so far do not include on-farm production<sup>5</sup>.

Production of EU-28 total dairy products and in particular for SMP and WMP are estimated, where necessary since the concentration in the dairy processing industry has resulted in an increasing number of Member States not publishing their milk (monthly) production statistics due to confidentiality.

Milk production estimates for year 2013 are based on most recent annual milk deliveries. Projections for the years 2014 and 2015 are based on the available monthly statistics, on price expectations, on the trends stemming from the medium term projections, and on consumption patterns. Assumptions are made on the dairy herd and cow milk yield, milk demand for direct sales, feed and on-farm use, and milk fat and protein content developments.

---

<sup>5</sup> Milk statistics for the EU-N12 on-farm production of butter, cheese and other products has only recently become complete and has yet to be validated.

Milk uses for dairy products are balanced with availabilities of total milk fat and proteins through a 'residual approach'. Market forecasts are first made for milk deliveries and the production of dairy products. The forecasted production figures are then converted into protein and fat equivalents, and subtracted from the available dairy fat and protein of the milk delivered.

In the dairy products balances, consumption is calculated as a residual. i.e. sum of production plus imports less exports plus stock change.

When evaluating the possible future developments for dairy commodities, also expectations on the level of milk deliveries and/or changes in production of other dairy products have to be taken into account.

Knowledge of private (commercial) stocks and consumption levels is incomplete or lacking for most dairy products. The developments in domestic use may hide considerable changes in private (industry/trade) stocks.

DISCLAIMER: While all efforts are made to reach robust estimates uncertainties on results may still remain. This publication does not necessary reflect the official opinion of the European Union.

© European Union, 2014 - Reproduction authorized provided the source is acknowledged