



Food and Agriculture Organization
of the United Nations

Federal Reserve Bank of Kansas City's 2023 Agricultural Symposium
May 23-24th, Kansas City, MO

AGRICULTURAL AND FOOD MARKETS: TRENDS AND PROSPECTS

Presenter: Mr Holger Matthey, Senior Economist

MARKETS and TRADE

Transparent and efficient agricultural commodity markets
and trade for global food security





Trends and prospects

Plausible and consistent baseline scenario

- Evolution of agricultural and fish markets at national, regional and global levels for 2022 to 2031.
- Specific assumptions:
 - macroeconomic conditions;
 - longer-term productivity trends;
 - consumer preferences;
 - agriculture and trade policy settings;
 - average weather conditions.

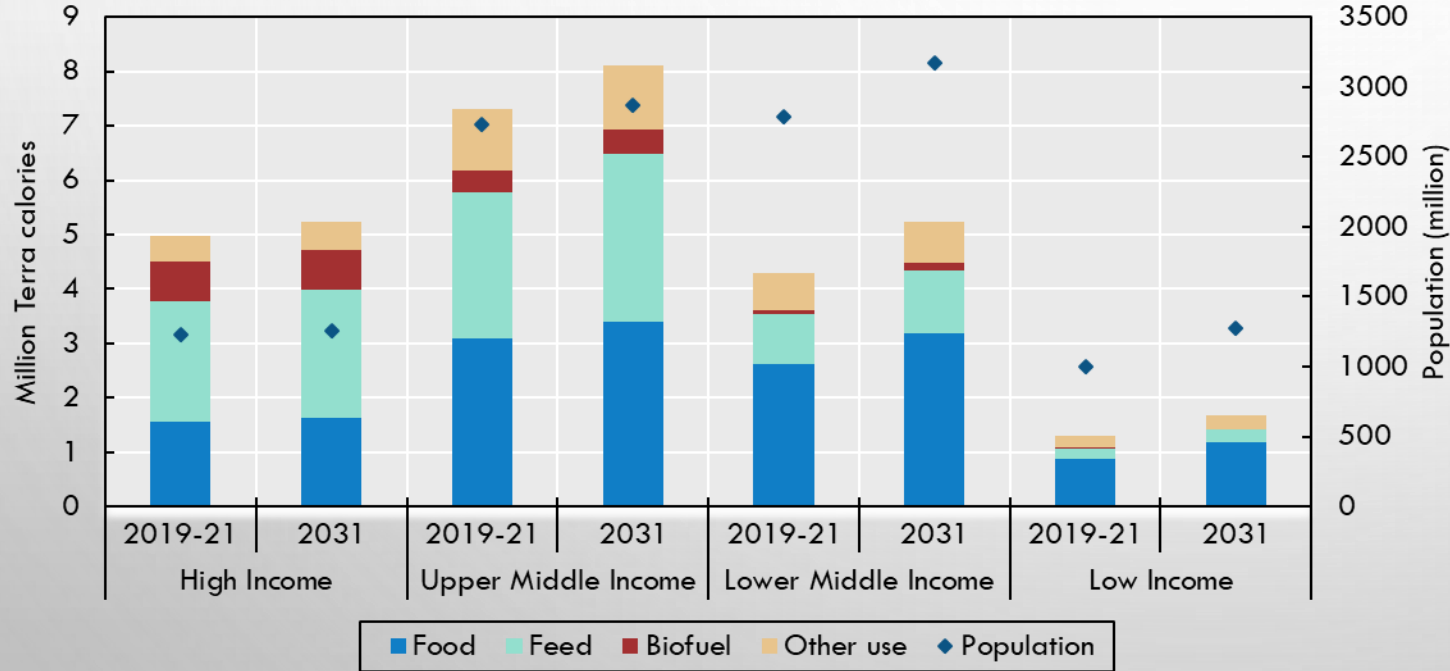




Trends in global use patterns

Use of agricultural commodities depends on economic development

Use of agricultural commodities



- Food remains primary use
 - *About 80% of calories are crops-based*
 - *Share of animal-based food increases slowly;*
- Feed is taking up about one third;
- Remainder used mostly as biofuel.

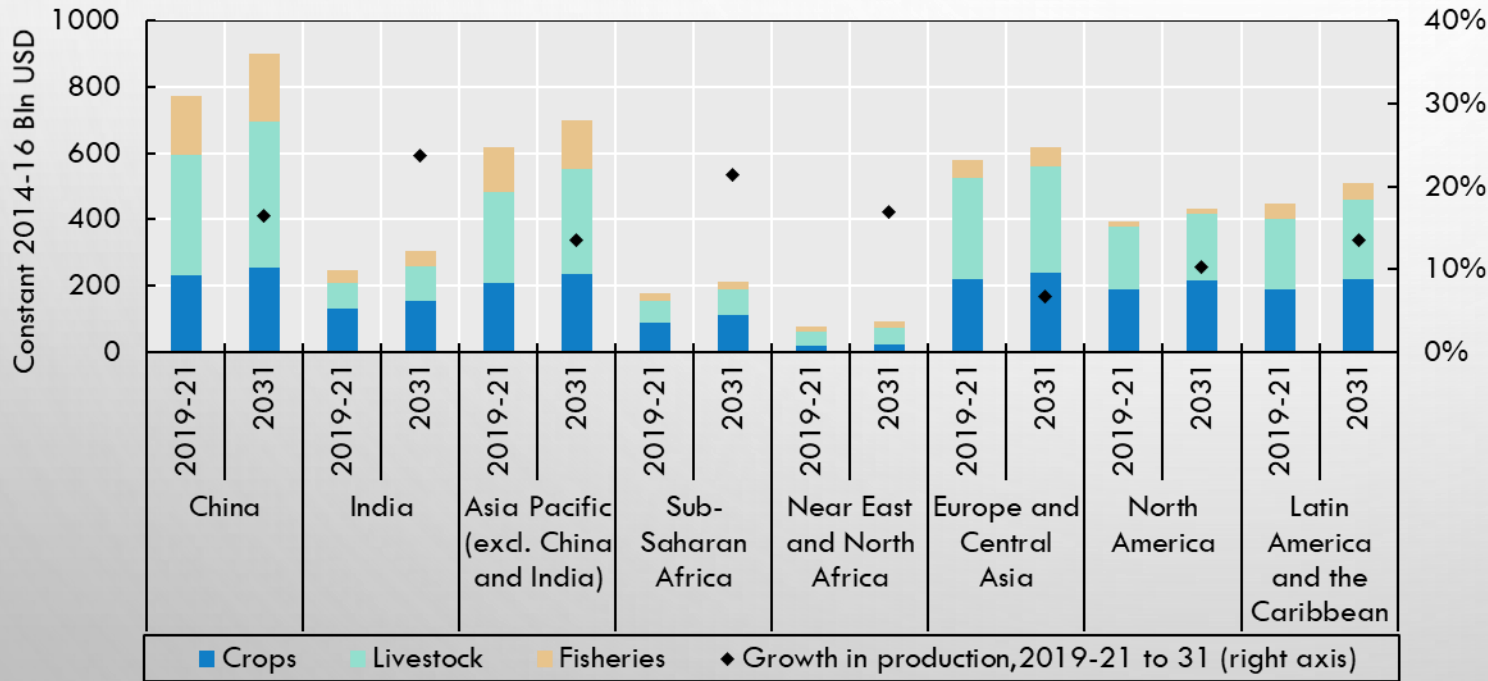




Global agricultural production trends

Production of emerging economies expected to increase faster

Trends in global agricultural production



- Growth will mainly be located in middle- and low-income countries in Asia, Africa and Latin America;
- Driven by productivity-increasing investments, more intense use of inputs and expansion of production base.

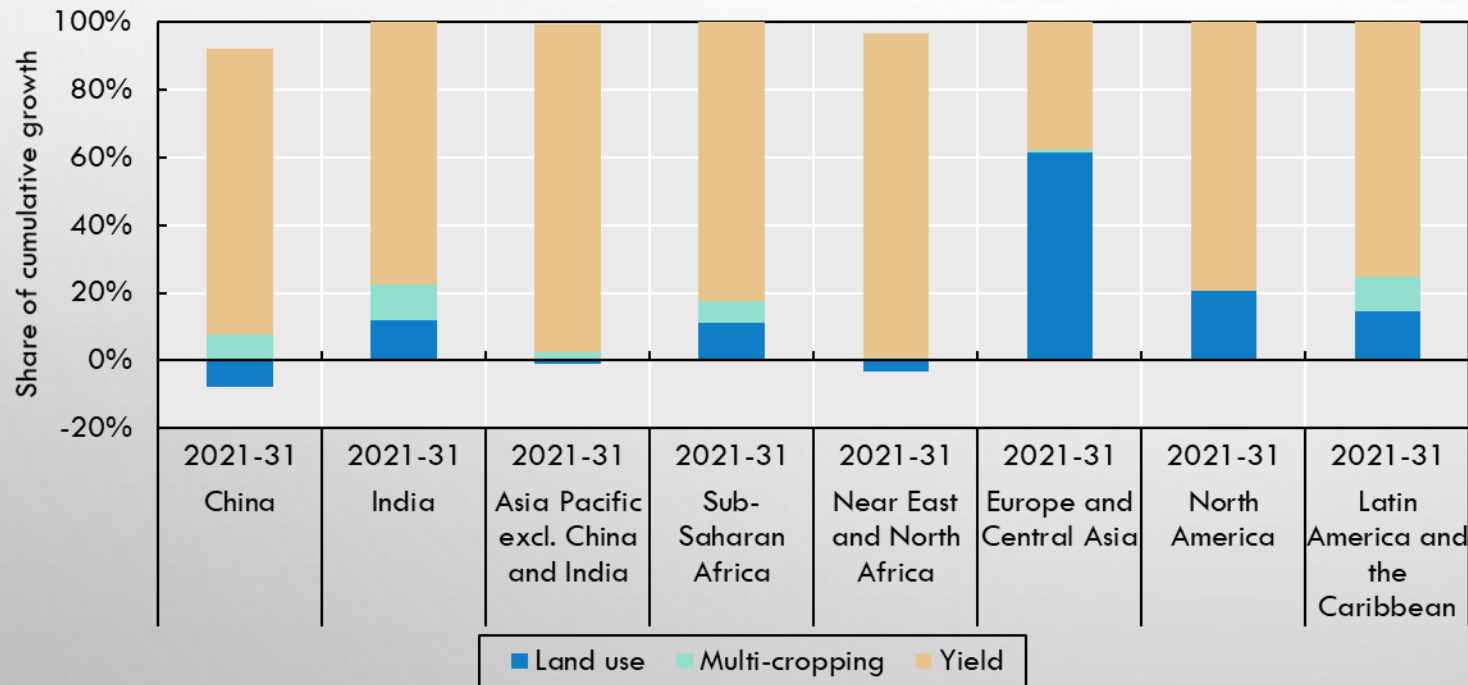




Production factors

Yield improvement is main source of crop production growth

Sources of growth in crop production



- About 80% of production growth is attributed to yield improvements;
- Cropland expansion accounts for 15%, mostly in the Americas, Sub-Saharan Africa and Asia.

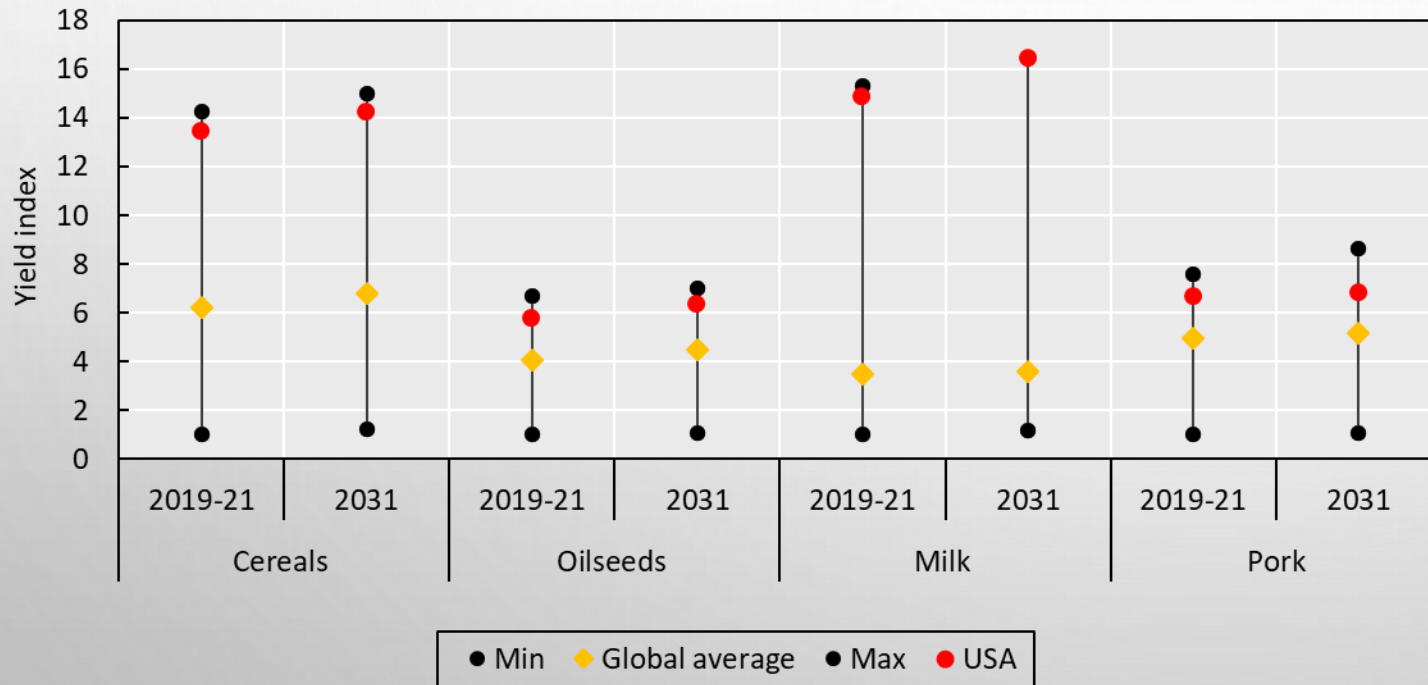




Global differences in productivity

Potential impact of yield improvements varies by commodity

Global yield ranges



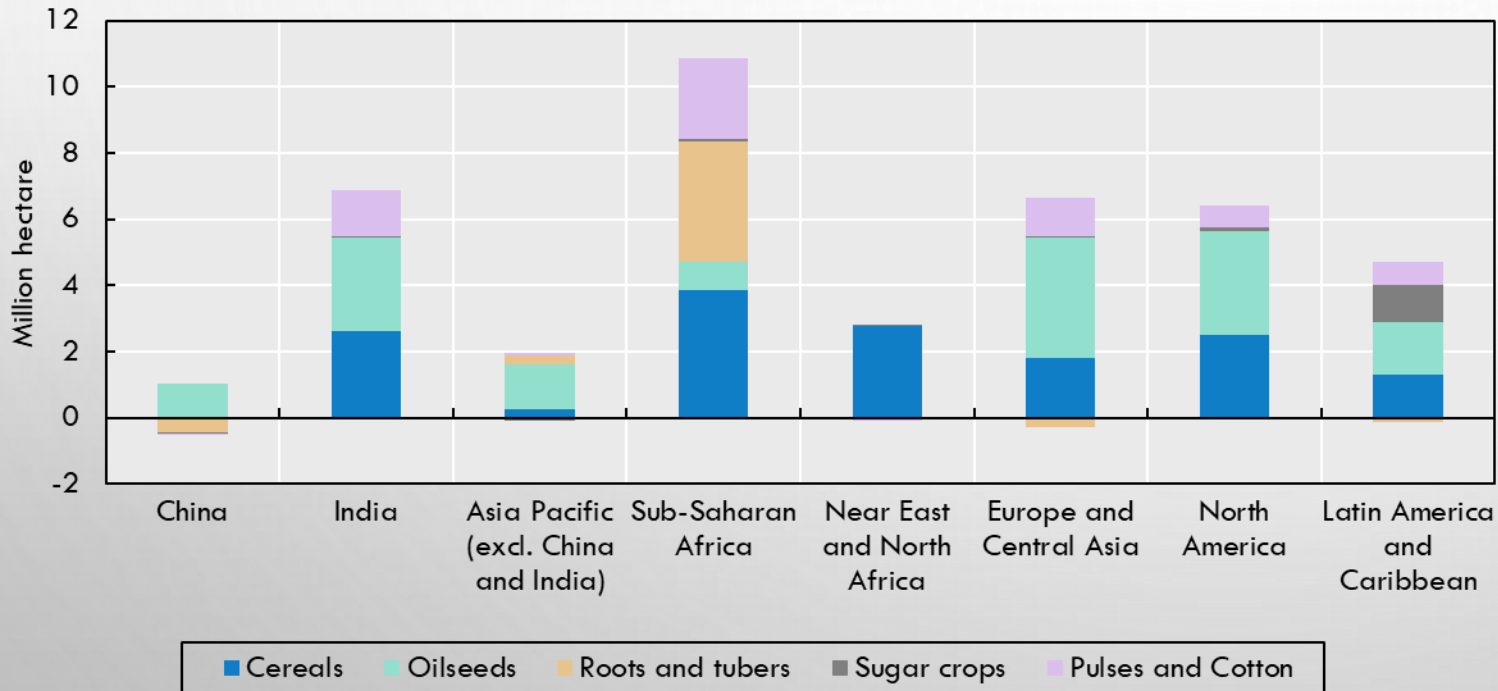
- Cereals have growth potential in several regions;
- Oilseeds mostly grown with advanced technology;
- Bulk of milk produced with low intensity cattle, sheep and goats;
- Meat production technology varies widely.



Cropland expansion

Trade-offs in land use between crops, pasture, forest and other area

Changes in major crop land



- In Latin America and Asia-Pacific, mainly non-agricultural land will be brought into use;
- In Africa, North America and Europe shifts among crops are expected.

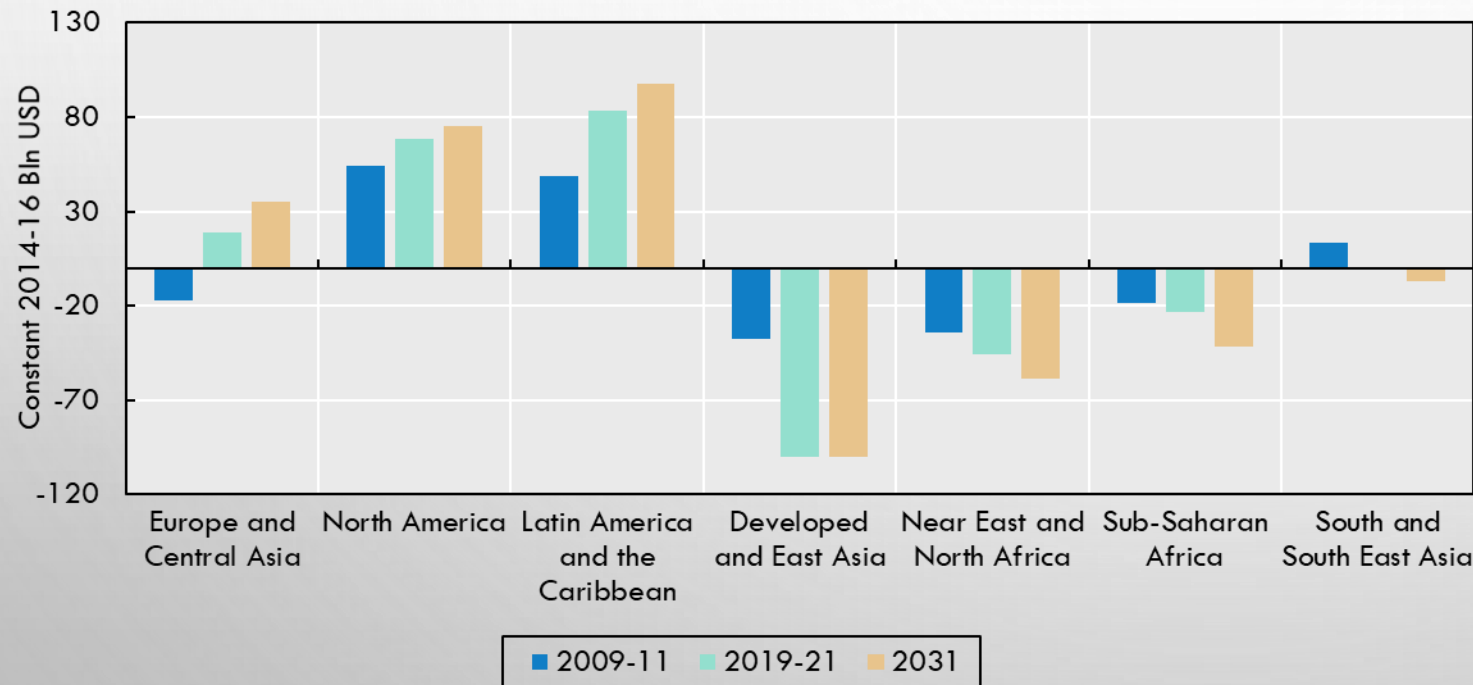




Regional net trade of major agricultural commodities

Global food security depends on well-functioning markets

Regional net trade



- Traditional exporters expand surpluses;
- Growing population and natural resource constraints raise imports;
- Chinese imports projected to stabilise;
- US export shares remain broadly stable.





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Thank you for your interest

