

The Wheat Report 2001

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The record wet 2000 winter and autumn in the UK has now been well documented and implications for UK cereal processors remain serious. Forward wheat prices have moved significantly higher with a continued lack of farm selling. The area sown to wheat was the smallest since 1982. This document will look at the latest estimates of crop size and the quality of the UK and main EU wheat harvests.

UK wheat

The DEFRA first official production estimate will be announced mid October, but Trade estimates of production range from 10.7 million tonnes to 12.4 million tonnes, down from the harvest 2000 crop of 16.7 million tonnes. However, the NFU released their estimate of the crop on the 26th September confirming our worst fears with an estimate of only 11.6 million tonnes, which represents a reduction in UK wheat production of over 5 million tonnes or 30%. Using the historically accurate NFU estimate, this is the largest reduction in UK wheat production ever recorded. The UK is therefore now a net importer of wheat for the first time in decades.

Breadmaking varieties have reduced with Group 1 and 2 falling from 31.2% in harvest 2000 to 28.7% of the reduced plantings for harvest 2001. Group 2 has considerably reduced from 23.8% in 1999 to only 9.1 %. The availability of Group 1 and 2 has fallen from 4.96 million tonnes to 3.15 million tonnes (basis an 11.6 million crop) which is NOT enough to satisfy the UK bread demand.

UK Wheat -Quality

More concerning - the quality of the crop had deteriorated significantly in some areas due to rain combined with high seasonal temperatures. Specific weight and screening levels also appear to be problems in certain varieties and areas. With the lower yields, protein levels are slightly higher than last year, but generally below the five-year average levels.

The HGCA confirmed problems in press releases with respect to low Hagberg Falling numbers. Sprouted grains and low Hagberg levels are clearly apparent on a majority of samples from the Wash to the Tyne and samples further west also show evidence of sprouting. There are also widespread problems of sprouting on later harvested wheat nationally, with certain varieties particularly poor. Although Hagberg levels are not as low nationally as in 1999, some regional averages are very low. This combined with a crop availability reduced by 5 million tonnes means there is no exportable surplus and less flexibility than 1999. Low Hagberg wheat will as a matter of necessity feature within certain grists.

The milling characteristics have shown the 2001 crop UK wheat to be much softer milling than seen from the 2000 crop, very similar to the 1999 harvested grain. Flour colour grades are slightly higher than seen from the 2000 crop. The gluten quality with most varieties has seen a slight increase in strength without the loss of extensibility. Overall, the baking quality of this season's breadmaking quality wheats is graded 'good to moderate', the same as with last season.

With the combined lower grain specific weights, softer milling endosperm textures and increased flour colour grades, this has reduced the Miller's extraction rates, therefore tightening the overall milling capacity.

EU Wheat

Other European countries had similar problems to the UK, with wet winter and spring weather affecting wheat areas in France, Spain, Portugal, Belgium and Ireland. Germany is the only country in the EO to have a slightly increased production. French analyst -Strategie Grains estimates the EO wheat crop down 10 million tonnes at 84.7 million tonnes.

French Wheat

According to official estimates the French area sown to wheat declined by 8% to 4.62 million ha, with a more significant reduction in the north. ONIC estimate the French soft wheat crop down 5% or 5.35 million tonnes at 30.5 million tonnes. The yields were also hit by wet weather in July during harvest. Quality has been affected with extensive reports of sprouting and low Hagberg levels. Protein contents are also reported to be 0.5% lower than last season.

German Wheat

Germany was the only EO country to increase wheat production this season from 21.59 million tonnes to an estimated 22.79 million. However, the principal exporting regions of Mecklenburg and Schleswig-Holstein in the north also suffered from rain at harvest with widespread reports of low grain specific weights, sprouted grains and low Hagberg Falling numbers. Protein contents also appear to be extremely variable.

Q. John Malpas

It is well documented that category 3 and 4 wheats are included in successful breadmaking flours. With the availability of these wheats will it not ease the pressure on supply and demand, and price?

A. In respect of the quality of wheats available – looking at group 4's and group 3's only being available to go into grists when you have a good harvest, it's fair to say when you have a large crop and good quality then there are no issues. If you have low Hapbergs in group 1's then you are hardly going to adulterate that with lower quality material because it hasn't got the right attributes to carry it. I think on the basis of looking at the differentials on colour grades we have variable Hapberg falling number – you wouldn't want to introduce another parameter. You want to maintain some of the qualities so there will be imports, whether that be German, French or North American. If millers are choosing to utilise what is on their door step as well, then they may have a few more issues in terms of variability and Neil talking this morning about variability in flour quality, I hope that what millers deliver is not that variable but it does actually give them more of a difficult challenge to monitor and to maintain the customer base in terms of end quality and no customer complaints in terms of real problems. Some varieties have characteristics such that when you blend them they are beneficial but this is only in circumstances when you have a sound basis of group 1's and group 2's to utilise and do some experiments with.

Q. Stan Cauvain, High Wycombe

Given that the assessment of the harvest is incomplete and I think we all understand the difficulty in providing a snapshot at this moment in time, do you have any views as to why the starch damaged levels are lower this year – is it climate, variety or a combination of both?

A. Personally I put it down to the environment. I don't think it's a varietal complexity because varieties like Hereward and also Malacca have all reduced in terms of their starch damage potential. The group 3's, the Consorts, the Clares, although we've seen an increase in the amount of Clare availability this year and this is a harder milling variety than Riband and Consort, but all of the varieties have come down in terms of starch damage and I put that down to environmental.

Q. Session Chairman

You mention briefly North American and Canadian crop which has been harvested. Have you got any knowledge about the quality of that crop and have you got knowledge yet of what the plantings are looking like for the new crop?

A. Yes, they are harvesting in North America but I don't have any information. The Canadians and Americans are giving their presentations in early November so I can't answer the question in more depth. With the plantings it is expected that the Group 1's will reduce from 19.6% to 15%. The problem that we are in at the moment is that the Group 2 varieties – Rialto has suffered from an agronomical point of view, Rialto has come out with particularly low proteins although it is a good export wheat. One issue is that they are looking for new varieties to come forward. One of these is Option. But you cannot turn a variety that is just being introduced into a huge percentage. So we can anticipate that we'll have a bit of a deficit for the coming harvest and it will not turn around until 2003 when we get back into the levels of Group 1 and Group 2 that we would like to see in the UK

Q. Paul Heygate, Bugbrooke

Can you make any comment on the agronomical practices happening forced by the economics in agriculture that you've referred to. Is that not having some effect on resultant baking qualities of wheats as they come forward.

A. In terms of farming practice, farmers are looking for low cost, for varieties which will perform, agronomical sprays that will cover a spectrum of fungicide treatments, strob-urine mixes. They are trying to get everything into one package and it is difficult. They are also looking at the amount of nitrogen they are putting on the field. That boosts the protein content but is expensive and this is restricting some of their agronomical practices and as a consequence they are looking for varieties which will perform in the field, with little interference. Whilst we say that farmers like recreational spraying that isn't quite the case. They do want to go out there and do spraying which will hit the diseases. We are fortunate that this year we didn't have a high disease profile and despite the fact that we had poor weather we didn't have a lot of yellow rust. Whilst less nitrogen was put on the ground, there were fewer plants to take it up and so plants have actually increased their protein levels. In terms of general practice, farmers are doing exactly the same as millers and bakers, i.e. if they can cut their costs, they will do so and I would anticipate they will be reducing some of their nitrogen, reducing some of their varietal risk and going for clean and lean varieties.