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Report Highlights:

China's grain feed demand is forecast to remain broadly stable in MY2026/27 as declining hog production offsets growth in other livestock sectors. Corn production is expected to increase despite localized weather damage, while competitively priced substitutes constrain corn consumption. Corn and wheat imports are forecast to recover from the previous year, while sorghum, barley, and rice imports decline. Expanding Brazilian sorghum and DDGS exports to China, together with Argentine corn exports, are increasing competition for U.S. exporters.

EXECUTIVE SUMMARY

China's grain feed and residual use is forecast to remain broadly stable in MY2026/27 as a smaller breeding sow herd limits hog feed demand, partly offset by growth in poultry, aquaculture, and ruminant feed. Corn production is forecast at 306 million metric tons (MMT), above the previous year as expanded planted area and modest yield gains outweigh localized heat and flood damage. Post lowers corn consumption from its June forecast as competitively priced substitutes constrain corn use.

Corn imports are forecast to recover to 6 MMT from a reduced MY2025/26 estimate of 4 MMT, supported by scheduled Brazilian and Argentine shipments and potential additional purchases following import quota reallocation. However, ample domestic supplies and weak import margins for U.S. corn limit demand.

Sorghum and barley imports are forecast to decline from the previous year. Brazil's expanding sorghum and distillers dried grains with solubles shipments (DDGS), alongside Argentine corn exports, are increasing competition for U.S. exporters.

Wheat harvest quality problems are supporting feed substitution, while weak flour demand limits milling demand. Wheat imports are forecast to increase modestly to 6 MMT. Rice production is expected to rise slightly, while imports decline to 3.3 MMT. Domestic grain availability, relative prices, and access to competitively priced supplies will continue to shape China's import demand.

FEED OVERVIEW

China's MY2026/27 total feed and residual use is forecast at 292 MMT, slightly lower than MY2025/26 (see Table 1). The impact of declining sow numbers is expected to become more visible from September/October 2026, reducing hog slaughter and feed demand. The hog sector is likely to decline from a high base, but increasing demand from poultry, ruminants, and aquaculture is projected to partly offset the decline. Total feed production is expected to reach a record high in MY2025/2026, and remain essentially level in MY2026/27. The proportion of corn mixed into feed is forecast to be stable on average from last year. In the long term, the Chinese Government [plans](#) to reduce the overall grain and oilseed proportion in feed.

Table 1. China: Grain Feed and Residual Demand Estimates and Forecast¹

(Unit: MMT)	MY2024/25	MY2025/26	MY2026/27	Change
Corn	235	239	240	1
Sorghum	5.5	7.4	7.2	-0.2
Barley	9.5	12	11	-1
Wheat	33	33	33	0
Old Stock Rice (milled equivalent)	0	1	1	0
Total	283	292.4	292.2	-0.2

Note: The totals listed in the table include residual and represent the unprocessed amount of major feed grains used in feed production.

Source: FAS China analysis.

China Feed Industry Association (CFIA) data shows that industrial feed production rose about 4 percent in the first half of 2026. Pig feed grew despite declining breeding stock, while layer feed fell to a five-year low. Broiler feed rose 0.9 percent and beef cattle feed 5.9 percent, supported by renewed profitability. Favorable aquaculture prices encouraged stocking (Table 2). Industry experts expect sow productivity gains to sustain pig feed output despite shrinking hog capacity, followed by a modest decline in 2027. Layer feed demand should recover in 2027, broiler and duck feed remain stable or rise slightly, and ruminant and aquaculture feed grow.

According to the National Bureau of Statistics (NBS), China's breeding sow inventory declined to 37.8 million head at the end of the second quarter of 2026, down 6.5 percent from a year earlier. The breeding herd is now only slightly above the government's revised normal inventory target of 37.5 million head, indicating that industry capacity is moving toward the government's preferred level. Post forecasts China's swine production to decline modestly in 2027 as continued reductions in the breeding sow herd outweigh further gains in reproductive performance. Post maintains its 2026 forecast because productivity improvements continue to offset much of the impact from declining sow inventories. However, the sharper decline in breeding sows during the first half of 2026 could reduce piglet supplies entering 2027. Post forecasts China's chicken meat production to continue increasing in 2027, driven primarily by continued expansion of white broiler production. Please see FAS China's recently published [Annual 2026 Livestock](#) and [Annual 2026 Poultry](#) GAIN reports for additional information on these sectors, as well as the [2026 Oilseeds Update](#).

¹ China's commodity marketing year for corn, sorghum, and barley is October 1-September 30, and July 1-June 30 for wheat and rice.

Table 2. China: Industry Feed Production from January to June 2026

	Swine	Layers	Meat Poultry	Aquaculture	Ruminants	Total
Production in the first half of 2026 (in MMT)	83.53	14.9	49.62	11.1	7.2	168.5
Year-on-Year change (percent)	7.9	-10.4	-0.4	17.4	3.6	3.9
Industry Projected 2026 Year-on-Year change (percent)	4	-0.8	0	12	5	3

Source: Industry Sources.

On September 25, 2026, following bilateral meetings in the United States, the White House announced the implementation of the Board of Trade, under which the two countries reached consensus on recommendations for more favorable tariff treatment for \$30 billion of non-sensitive goods in each direction, including U.S. agricultural and related products. The Board of Trade also launched a working group focused on addressing market access barriers in the agricultural sector.

On September 27, 2026, the White House published a list of U.S. products that the U.S. and China will consider under the Board of Trade for reduced tariff treatment, including corn, wheat, and sorghum. Note: The analysis in this report is based on the tariffs in effect as of September 28, prior to any potential tariff reductions under the Board of Trade.

Currently, certain U.S. agricultural products are still subject to Section 301 retaliatory tariffs, which can be excluded upon request by importers through December 31, 2026, and Section 232 retaliatory tariffs. U.S. agricultural, fishery, and forestry products still face a much higher applied tariff compared to product from other competing countries. Please refer to [China Reduces Tariff Rates on US Agricultural Products](#) for more information.

FEED GRAINS

Corn

Production

Post forecasts MY2026/27 corn production at 306 MMT, 1 MMT lower than USDA's September forecast, due to yield loss. According to news reports, from mid-July to late August, temperatures at 50 weather stations, mainly in the provinces of Jilin, Liaoning, and Xinjiang, which are major producers of corn, matched or exceeded historical records. Heilongjiang has also been hit by repeated heavy rain and historic flooding since mid-July. Henan province faced a bout of extreme heat in July, followed by heavy rainfall from the

remnants of Typhoon Dolphin in mid-August. Prolonged heat during corn's critical pollination stage in the North China Plain could reduce kernel set, while flooding poses risks to low-lying fields in the northeast.

Image 1. China: Corn Field Damaged by Floods in late July in Liaoning (Top Left)

Image 2. China: Corn Field Damaged by Floods in late August in Liaoning (Top Right)

Image 3. China: Corn Field in Shanxi in late July (Bottom Left)

Image 4. China: Corn Field in Henan in mid-September (Bottom Right)



Source: FAS China.

According to the National Meteorological Center (NMC), overall MY2026/27 crop outlook remains favorable. The Northeast experienced a brief period of low temperatures in June, but higher temperatures in July–August helped compensate. Jilin is showing particularly strong crop conditions, while Heilongjiang has good crop growth but faces risks of delayed maturity and early frost later in the season. The main near-term risk has shifted from drought to excessive rainfall. Northeast and North China need to monitor autumn flooding and excessive precipitation, while southern China could also experience above-normal autumn rainfall.

Table 3. China: Forecast MY 2026/27 Corn Area/Production from Leading Sources

Mha/MMT	CASDE	Industry Source 1	Industry Source 2	FAS China
MY2025/26 area	45	45		45
MY2026/27 area	45.1	45.2		45.4
MY2026/27 y-o-y area change in %	+0.4	+0.4		+0.9
MY2025/26 production	301	301	299	301
MY2026/27 production	306	305	302	306
MY2026/27 y-o-y production change in %	+1.7	+1.3	+1	+1.7

Source: MARA and industry sources.

Based on an industry survey of Northeast China for the new season corn crop, average corn production costs in Heilongjiang, Jilin, and Liaoning have risen more than 10 percent year-on-year, mainly driven by higher prices for seed, compound fertilizer, and pesticides. In Jilin, seed costs for some popular varieties have fallen slightly, but fertilizer and herbicide expenses have increased, lifting overall planting expenditure. The higher production cost forms an estimated breakeven delivered price of \$308-331 (RMB 2100-2250) per MT at the Liaoning ports, at least \$29 per MT higher than last year.

Table 4. China: MY2026/27 Corn Planting Cost in Northeast China

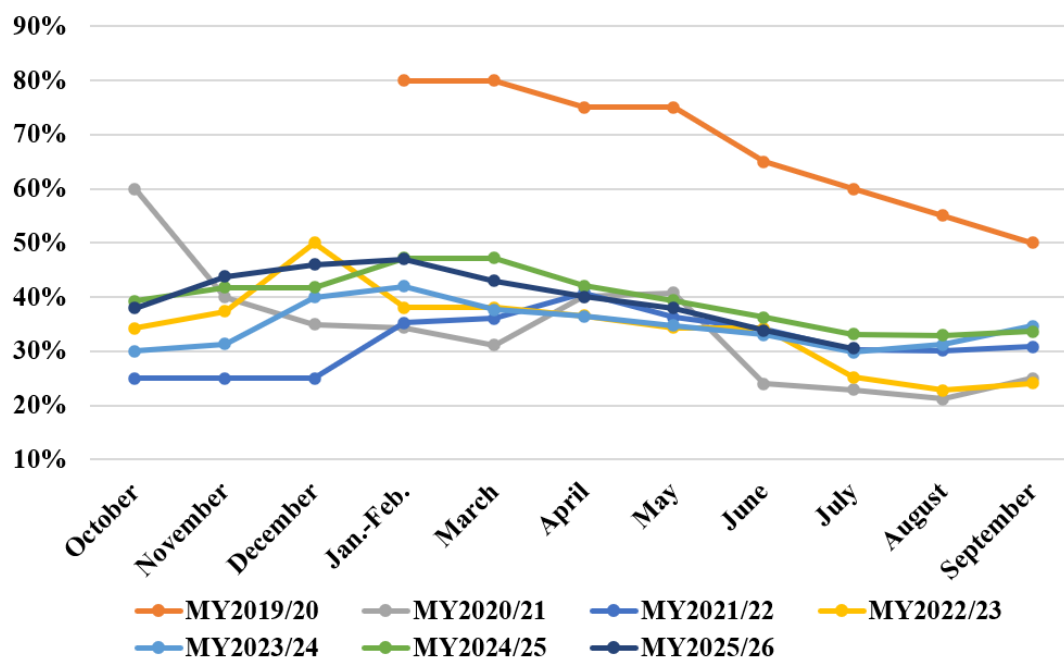
	MY2025/26			MY2026/27		
	Heilongjiang	Jilin	Liaoning	Heilongjiang	Jilin	Liaoning
Land rent & labor (\$/ha)	1,614	1,769	2,035	1,990	2,101	2,366
Seed cost (\$/ha)	88	111	122	100	122	128
Fertilizer cost (\$/ha)	332	509	509	354	531	531
Pesticide cost (\$/ha)	51	44	44	66	55	55
Machinery cost (\$/ha)	299	341	341	332	376	376
Total cost (\$/ha)	2,384	2,773	3,050	2,842	3,184	3,456
Yield (MT/ha)	10.1	10.7	10.9	10.1	10.7	10.9
Production cost (\$/MT)	236	259	280	283	298	318

Source: Industry sources.

Consumption

Post's forecast for MY2026/27 corn consumption is 1 MMT lower than its June report at 322 MMT, 2 MMT lower than USDA's September estimates. Post also adjusted MY2025/26 corn feed consumption down by 1 MMT due to a lower than expected percentage of corn in feed and less than expected imports. The ratio of corn in feed rations is trending lower from 47 percent in January to 29 percent in August. Hog farming remains deeply unprofitable, accelerating sow herd liquidation. The impact of declining sow numbers is expected to become more visible from September/October 2026, reducing hog slaughter and feed demand. Feed demand is also being squeezed by corn substitutes. Deep farming losses are encouraging producers to use more competitively priced wheat, barley, and sorghum instead of corn, further reducing corn's share in feed rations.

Chart 1. China: Percentage of Corn in Compound Feed

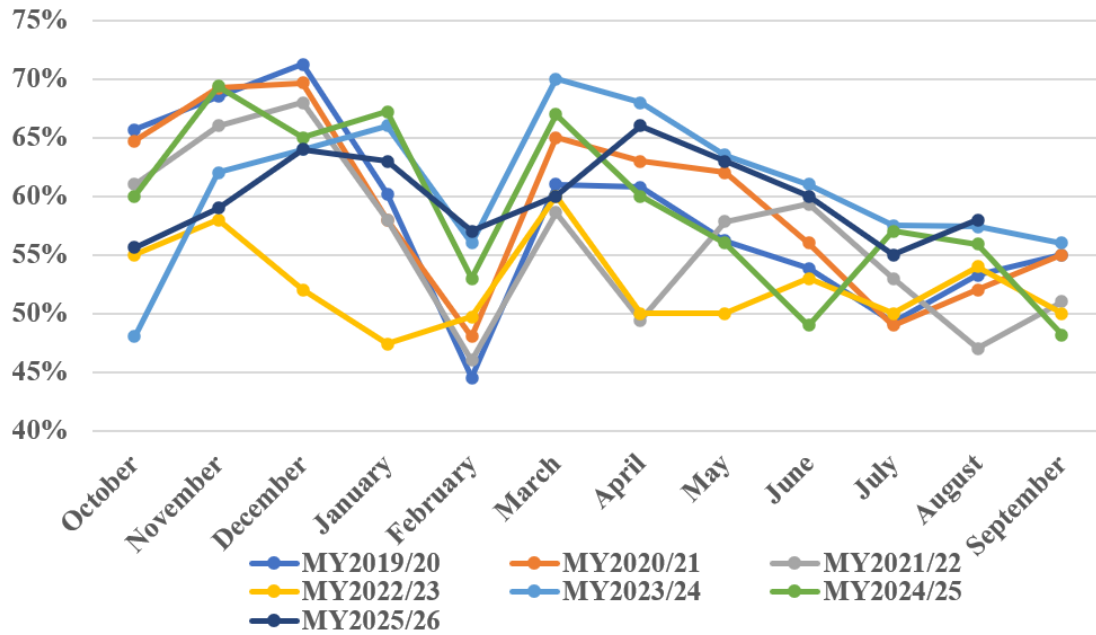


Source: Industry sources.

Post forecasts that MY2026/27 corn industrial consumption will be basically unchanged from MY2025/26. In August, corn starch processing margins in Shandong were -\$30 (RMB -199) per MT, while corn-based ethanol margins in Jilin were -\$90 (RMB -604) per MT. Due to poor profitability, processors are mainly purchasing corn for immediate needs rather than building inventories, with some actively reducing stocks.

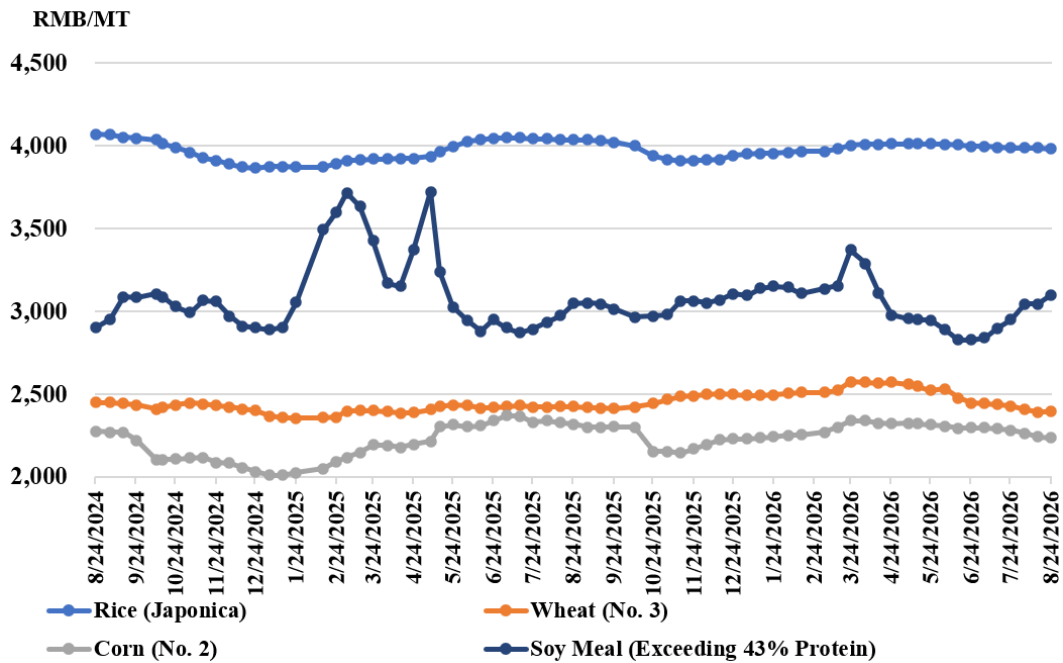
The domestic corn market is currently facing multiple bearish factors, including increased wheat substitution in feed, inflows of imported grains, and the impact of policy grain auctions. These pressures will be compounded by the arrival of the new crop corn harvest. Corn prices are therefore expected to remain under pressure and trade weakly ahead of the new crop harvest.

Chart 2. China: National Average Corn Starch Operation Rates



Source: Industry sources.

Chart 3. China: National Average Grain Prices 2024-2026



Source: NBS.

Imports

Post maintains MY2026/27 corn imports unchanged from Post's June estimates, but further cuts MY2025/26 corn imports by 1 MMT to 4 MMT based on the current trade pace. The Chinese government continues to promote higher local production via better yield on stable area and discourages grain imports reportedly to protect the interests of local farmers.

As global grain prices continue to strengthen, domestic spot prices have remained largely unchanged. Based on a domestic corn price of \$360 (RMB 2,440) per MT at Guangdong ports and a theoretical import cost of \$368 (RMB 2,500) for U.S. corn into China excluding 10 percent additional tariff, importing U.S. corn into China is not price competitive. China's corn imports rebounded strongly in the first seven months of 2026, surging 61 percent due largely to a low comparison base in 2025, but still 90 percent lower than the same period in 2021-2024.

Brazil has been China's largest corn supplier since 2023., overtaking the United States and Ukraine. According to the latest shipping schedule, 360,000 MT of Brazilian corn will arrive in China in September and over 710,000 MT in October. In addition, GACC announced new phytosanitary requirements for the import of DDGS from Brazil in May 2025, with the first shipment of approximately 62,000 MT of Brazilian DDGS arriving at Guangzhou in April 2026. Trade data shows China had imported 265,141 MT of Brazilian DDGs by July 2026. There is another 170,000 MT of Brazilian DDGs scheduled to reach China in October. Brazil has been the sole DDGs supplier to China in 2026.

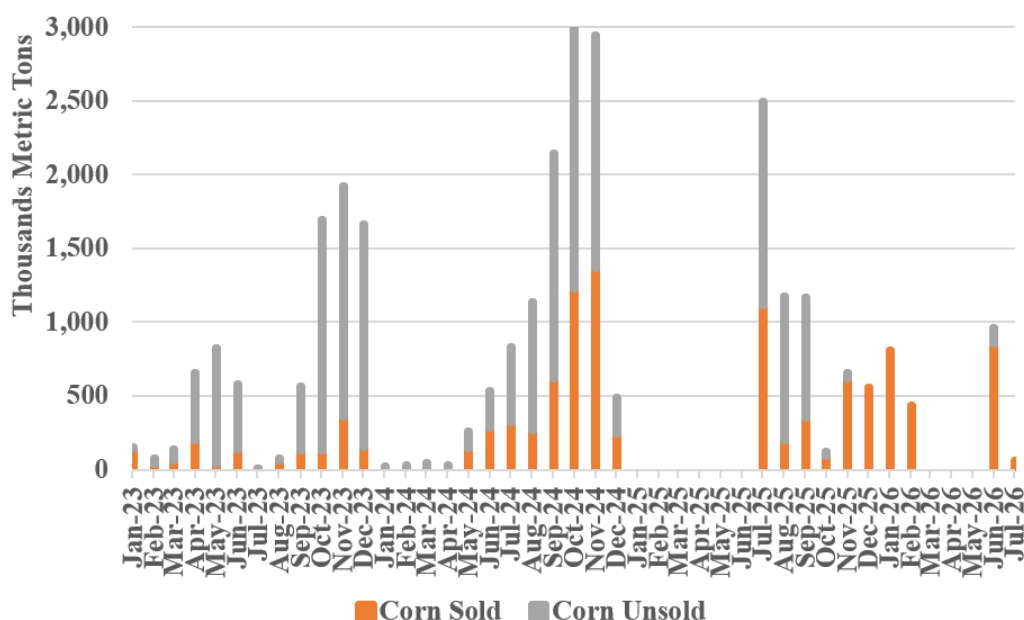
Argentine corn regained access to the Chinese market in 2024, but commercial shipments did not resume until April 2026. China had imported 344,384 MT of Argentine corn by July 2026. There is another 200,000 MT of Argentine corn scheduled to reach China in August and September. Argentina is now China's third largest corn supplier after Russia, whose exports to China increased by 38 percent in the first seven months of 2026.

China officially approved imports of Pakistani corn for processing use under a new bilateral phytosanitary protocol in July. Corn may be sourced from anywhere in Pakistan but cannot be used for planting. Exporters, processors, and storage facilities must be registered and approved by both countries, and Pakistan is required to implement pest monitoring, quality control, and phytosanitary measures to ensure shipments comply with China's import requirements.

According to China Customs statistics, during the first seven months of 2026, imports of most minor corn substitutes increased year on year, except for cassava products. In terms of absolute volumes, cumulative imports of cassava starch and Kazakhstani wheat middlings (HS code 230230) both exceeded 2 MMT. However, cassava starch imports declined by 20 percent year on year, while wheat flour imports increased by 41 percent. In terms of year-on-year growth, DDGS recorded the most significant increase, although its absolute import volume remained relatively small. Imports of broken rice and rice bran both increased by more than 100 percent year on year, indicating strong growth momentum. China's imports of palm kernel meal also increased by 88 percent to close to 1 MMT.

Chinese importers had only used 1.4 out of the 7.2 MMT corn TRQ (Tariff-Rate Quota) by July 2026. The country launched the 2026 corn import quota reallocation in September. Companies were able to apply for TRQ reallocation from September 1–15, with the National Development and Reform Commission (NDRC) and Ministry of Commerce (MOFCOM) redistributing quotas on a first-come, first-served basis by September 30. This means new imports may occur in October, with arrivals likely delayed until year-end. Leading industry sources forecast 5-10 MMT corn imports in MY2026/27 and 3-5 MMT corn imports in MY2025/26.

Chart 5. China: Imported Corn Auction Results



Source: Industry sources.

Stocks

Market analysts estimate China to have a large amount of imported corn in stocks, as corn imports significantly exceeded the corn tariff rate quota from 2020 to 2024. Imported corn auctions restarted in June 2026 after auctions in January and February. After accounting for logistics, the delivered price to Hebei feed mill was around \$344 (RMB 2,340) per MT, about \$9 (RMB 60) cheaper than domestic northeast corn. Most auctions shifted to targeted bidding (i.e., open to invited participants only), while high clearance rates and continued premiums indicated strong, relatively rigid demand from feed and processing industries. The full sale of 22,000 MT of non-GMO Ukrainian corn also highlighted demand for higher-quality corn. However, buyers are paying smaller premiums as supplies become more available. Sinograin only offered 63 MT of imported corn in July to avoid putting more pressure on domestic corn prices. As of August, Sinograin had offered 810,000 MT of imported corn for auction this year, nearly all of which was sold.

Table 6. China: Corn Production, Supply, and Distribution

Corn Market Year Begins China	2024/2025		2025/2026		2026/2027	
	Oct 2024		Oct 2025		Oct 2026	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	44741	44741	44960	44960	45400	45400
Beginning Stocks (1000 MT)	211192	211192	191928	190928	177148	175148
Production (1000 MT)	294917	294917	301240	301240	307000	306000
MY Imports (1000 MT)	1823	1823	4000	4000	5000	6000
TY Imports (1000 MT)	1823	1823	4000	4000	5000	6000
Total Supply (1000 MT)	507932	507932	497168	496168	489148	487148
MY Exports (1000 MT)	4	4	20	20	20	20
TY Exports (1000 MT)	4	4	20	20	20	20
Feed and Residual (1000 MT)	234000	235000	238000	239000	242000	240000
FSI Consumption (1000 MT)	82000	82000	82000	82000	82000	82000
Total Consumption (1000 MT)	316000	317000	320000	321000	324000	322000
Ending Stocks (1000 MT)	191928	190928	177148	175148	165128	165128
Total Distribution (1000 MT)	507932	507932	497168	496168	489148	487148
Yield (MT/HA)	6.5916	6.5916	6.7002	6.7002	6.7621	6.7401

(1000 HA), (1000 MT), (MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Corn begins in October for all countries. TY 2026/2027 = October 2026 - September 2027

Sorghum and Barley

Imports

Post revised its MY2026/27 sorghum import estimate down to 7 MMT, as global sorghum availability is tightening. Estimated lower production in major supplier countries, including the United States, Australia, and Brazil, is expected to reduce sorghum export availability. This would limit China's import options and increase competition for available supplies. Post also lowered MY2025/26 sorghum imports to 7.2 MMT, 0.3 MMT lower than USDA estimates, based on trade data.

From January to July 2026, China imported a total of 4.9 MMT of sorghum, up by 86 percent year-over-year, including 3 MMT sorghum from the U.S., 1.4 MMT from Australia and 477,521 MT from Argentina. Based on shipping schedules, about 400,000 MT of U.S. sorghum, 200,000 MT of Australian sorghum, 330,000 MT of Argentine sorghum, and 400,000 MT of Brazilian sorghum will land in China between August and September.

South America is increasing sorghum exports to China. On August 21, COFCO announced a 69,000 MT shipment of Brazilian sorghum to China, signaling Brazil's move into larger-scale

sorghum commercial trade to China. The cargo is Brazil's first vessel shipment of sorghum to China and follows Brazil's small January shipment, the country's first sorghum export to China since 2014, and shows exports are scaling up quickly. Brazil has reportedly scheduled 407,700 MT for August export, including six China-bound vessels. Additional shipments to China of 210,000 MT, 330,000 MT, and 200,000 MT are scheduled for September, October, and November, respectively. Sources indicated that Brazil could export between 2 million and 3 million tons of the product to China this year. Brazilian August offers were around \$300–310/MT, compared with U.S. landed prices of \$391/MT with a 12% tariff.

Mexico is emerging as a potential supplier of sorghum to China as well. Early-stage talks are underway between buyers in Sichuan and groups in Sinaloa on possible future expansion of bilateral sorghum trade, with early test shipments underway.

Post revised up both MY2026/27 and MY2025/26 barley imports by 2 MMT to 12.5 MMT and 14 MMT respectively based on the current trade pace. Compared with sorghum, barley supply is less constrained globally, but logistics remain a problem. Competition from the Middle East and North Africa for available Black Sea barley could increase China's import costs. From January to July 2026, China imported a total of 9.1 MMT of barley, up by 53 percent year-over-year. Australian barley accounts for more than 70 percent of imports, followed by Canada, Argentina, and Russia. Based on shipping schedules, about 720,000 MT of Australian barley and 130,000 MT of Argentine barley will land in China between August and September.

Stocks

Table 7. China: Stocks at Chinese Major Ports in mid-September

Ports	Sorghum Stocks in MT	Barley Stocks in MT
Jiangsu	85,000	285,000
Guangdong	1,736,000	995,000
Tianjin	30,000	20,000
Others	20,000	41,000
TOTAL	1,871,000	1,341,000

Source: Industry sources.

Note: Port point-in-time inventory is a transient stock waiting to be shipped to inland buyers.

Commercial stocks for both sorghum and barley increased month-on-month at major Chinese ports. As of late August, sorghum stocks jumped to a record high, while barley stocks also increased by 24 percent from January, reflecting inflow of concentrated arrivals.

Table 8. China: Imported Coarse Grain and Substitute Prices in Major Ports

Commodity	RMB Price	U.S. Price
Local Corn (Guangdong - Spot)	¥2,440.00	\$360
Imported U.S. Corn Gulf (Oct Delivery - 11% tariff Within Quota)	¥2,754.02	\$406
Imported U.S. Corn Gulf (Oct Delivery - 1% tariff Within Quota)	¥2,511.32	\$370
Imported U.S. Corn West Coast (Oct Delivery - 11% tariff Within Quota)	¥2,592.87	\$382
Imported U.S. Corn West Coast (Oct Delivery - 1% tariff Within Quota)	¥2,364.68	\$349
Imported Brazilian Corn (Oct Delivery - Within Quota)	¥2,249.13	\$332
Imported Argentine Corn (Oct Delivery - Within Quota)	¥2,123.41	\$313
Imported Argentine Barley (Oct Delivery)	¥2,443.33	\$360
Imported Australian Barley (Oct Delivery)	¥2,190.85	\$323
Imported French Barley (Oct Delivery)	¥2,526.29	\$373
Imported U.S. Sorghum (Oct Delivery 12% tariff)	¥2,862.24	\$422
Imported U.S. Sorghum (Oct Delivery 2% tariff)	¥2,612.04	\$385
Imported Australian Sorghum (Oct Delivery)	¥2,529.81	\$373
Imported Argentine Sorghum (Oct Delivery)	¥2,218.52	\$327
Local Wheat (Guangdong - Spot)	¥2,510.00	\$370
Imported U.S. Soft Red Winter Wheat (Oct Delivery - 11% tariff within Quota)	¥3,240.50	\$478
Imported U.S. Soft Red Winter Wheat (Oct Delivery - 1% tariff within Quota)	¥2,953.97	\$436
Imported U.S. Hard Red Winter Wheat (Oct Delivery - 11% tariff within Quota)	¥3,548.03	\$523
Imported U.S. Hard Red Winter Wheat (Oct Delivery - 1% tariff within Quota)	¥3,233.79	\$477
Local DDGs	¥2,440.00	\$360
Imported U.S. DDGs (Oct Delivery-Without AD/CVD)	¥2,021.44	\$298

Unit: RMB per metric ton, exchange rate as of early September 2026 U.S. \$1= RMB 6.8.

Source: Industry Sources.

Table 9. China: Sorghum Production, Supply, and Distribution

Sorghum Market Year Begins China	2024/2025		2025/2026		2026/2027	
	Oct 2024		Oct 2025		Oct 2026	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post

Area Harvested (1000 HA)	630	630	650	650	650	650
Beginning Stocks (1000 MT)	426	426	455	455	350	350
Production (1000 MT)	3000	3000	3100	3100	3100	3100
MY Imports (1000 MT)	5531	5531	7500	7200	6300	7000
TY Imports (1000 MT)	5531	5531	7500	7200	6300	7000
Total Supply (1000 MT)	8957	8957	11055	10755	9750	10450
MY Exports (1000 MT)	2	2	5	5	5	5
TY Exports (1000 MT)	2	2	5	5	5	5
Feed and Residual (1000 MT)	5500	5500	7700	7400	6500	7200
FSI Consumption (1000 MT)	3000	3000	3000	3000	3000	3000
Total Consumption (1000 MT)	8500	8500	10700	10400	9500	10200
Ending Stocks (1000 MT)	455	455	350	350	245	245
Total Distribution (1000 MT)	8957	8957	11055	10755	9750	10450
Yield (MT/HA)	4.7619	4.7619	4.7692	4.7692	4.7692	4.7692
(1000 HA), (1000 MT), (MT/HA)						
MY = Marketing Year, begins with the month listed at the top of each column						
TY = Trade Year, which for Sorghum begins in October for all countries. TY 2026/2027 = October 2026 - September 2027						

Table 10. China: Barley Production, Supply, and Distribution

Barley	2024/2025		2025/2026		2026/2027	
Market Year Begins	Oct 2024		Oct 2025		Oct 2026	
China	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post

Area Harvested (1000 HA)	500	560	560	550	560	550
Beginning Stocks (1000 MT)	1698	1698	550	550	450	650
Production (1000 MT)	2000	2300	2300	2300	2300	2300
MY Imports (1000 MT)	10252	10252	13500	14000	13000	12500
TY Imports (1000 MT)	10252	10252	13500	14000	13000	12500
Total Supply (1000 MT)	13950	14250	16350	16850	15750	15450
MY Exports (1000 MT)	0	0	0	0	0	0
TY Exports (1000 MT)	0	0	0	0	0	0
Feed and Residual (1000 MT)	9200	9500	11700	12000	11200	11000
FSI Consumption (1000 MT)	4200	4200	4200	4200	4200	4200
Total Consumption (1000 MT)	13400	13700	15900	16200	15400	15200
Ending Stocks (1000 MT)	550	550	450	650	350	250
Total Distribution (1000 MT)	13950	14250	16350	16850	15750	15450
Yield (MT/HA)	4	4.1071	4.1071	4.1818	4.1071	4.1818
(1000 HA), (1000 MT), (MT/HA)						
MY = Marketing Year, begins with the month listed at the top of each column						
TY = Trade Year, which for Barley begins in October for all countries. TY 2026/2027 = October 2026 - September 2027						

MAJOR FOOD GRAINS

Wheat

Production

The MY2026/27 wheat production forecast is unchanged based on [NBS publication of summer grain production data](#). Winter wheat planted area decreased 0.3 percent year on year to 23.01 million hectares, while the yield increased 0.9 percent to 6.04 MT/hectare. The higher yield offset the smaller planted area, resulting in wheat production rising 0.6 percent to 138.95 MMT, an increase of 0.78 MMT from 2025. Overall, wheat area, yield, and output remained broadly stable compared with last year.

However, industry surveys indicate that rainfall during the MY2026/27 wheat harvest reduced yields and significantly lowered grain quality in several major producing provinces. Hubei and Shandong saw production decline by around 6 percent, while Henan and Hebei recorded declines of roughly 2 percent and 5–6 percent, respectively, with sprouting, low test weight, and toxin issues reported. Anhui production increased by about 3 percent despite quality problems in the south, while Jiangsu performed relatively well, with stable to slightly higher production and generally good quality. Overall, the harvest was characterized by regional production losses and widespread quality concerns, particularly in the wetter southern and central production areas. Quality has deteriorated significantly, with protein content generally down 10–20 g/L and sprouted wheat accounting for more than 40 percent in many producing areas. Industry surveys indicate that mycotoxin levels in some areas exceed applicable limits.

Table 11. China: MY2026/27 New Crop Wheat by Province

	Hubei	Henan	Jiangsu	Anhui	Shandong	Hebei
Planting Area	Stable	Slight Increase	Stable	Stable	Stable	Stable to Slight Decrease
Yield (MT/Hectare)	6.0–6.8 (-0.75)	0.6.0–8.2 (Slight Decrease)	6.8–8.2 (Stable)	6.8–9.0 (Stable to Slight Increase)	7.5–9.0 (-0.75)	7.5–8.2 (-0.75)
Production Change	-6%	-2%	Stable to Slight Increase	+3%	-6%	-5%
Protein Content (g/L)	760–770 (-10)	780–790 (0)	780–790 (0)	770–790 (-10)	770–800 (-10)	740–780 (-20)
Percentage of Sprouted Wheat	90%	40%	10%	30%	50%	40%

Source: Industry Sources.

Consumption

Post forecasts MY2026/27 wheat consumption at 150 MMT, 2 MMT higher than USDA's September estimates due to higher feed use. China's 2026 wheat market is characterized by sufficient supply, weak flour demand, and strong but potentially temporary feed substitution demand.

Flour demand is relatively weak. Growth in flour consumption has slowed, while excess milling capacity and weak margins have reduced mill operating rates, limiting demand for high-quality wheat. Industry reports that small and medium-sized mills are operating at only around 30–40 percent, while larger mills are generally around 60–80 percent. Low profitability and excess milling capacity are limiting procurement appetite. Flour prices remained stable, while bran prices increased due to stronger demand and low mill inventories.

Feed demand remains the strongest component of wheat demand. Wheat substitution in feed depends primarily on the wheat–corn price spread. The 2026 crop was affected by rainfall during the harvest period, increasing the share of low-test-weight and high-imperfect-grain wheat entering the feed market. Henan and Anhui have activated government-supported purchases, with the minimum purchase price at \$350 (RMB 2,380) per MT. This has helped stabilize prices after the new crop harvest. However, the price floor does not support all wheat. Large volumes of non-standard, sprouted, or low-quality wheat do not qualify for government-supported purchases, leaving substantial supply available at discounted prices. As of August 31, the wheat-corn price gap in Shandong and Henan was \$ 12-21 (RMB 80–140) per MT, supporting continued feed wheat use. Feed wheat inclusion has risen to 30–50 percent, above last year, with mills mainly buying as needed after building some stocks early in the season. However, as the new corn crop enters the market in large volumes, wheat's feed substitution advantage is likely to weaken. Industry projects wheat feed substitution was around 30 MMT in MY2025/26 and expects an increase to approximately 32 MMT in MY2026/27.

Imports

MY2026/27 wheat imports are forecast about 500,000 MT higher than MY2025/26. Black Sea–Azov Sea export disruptions, combined with expectations of a close to 3 percent decline in global wheat production in MY2026/27, have pushed international wheat futures to three-year highs. Asian buyers are turning to Australia, but Australian export capacity is largely sold out through October, suggesting tight supply may persist into the last quarter of 2026. China imported about 3.2 MMT of wheat in January–July 2026, up 39 percent year-on-year, with Canada, Australia, Argentina, and the United States as suppliers. However, near-term import costs from Australia, the U.S., France, and Argentina are now above domestic southern-China wheat prices, while the forward import advantage has narrowed to less than \$15 (RMB 100) per MT. Higher global prices, geopolitical risks, and tighter supply could therefore reduce China’s wheat imports in fourth quarter 2026 and first quarter 2027.

Table 12. China: MSP Wheat Procurement 2016-2026

YEAR	Production from Major Provinces (in million tons)	MSP Procurement (in million tons)	MSP Auctions (in million tons)
2016	133	28	4
2017	134	23	9
2018	131	0.6	8
2019	133	22	3
2020	134	6	23
2021	137	0	29
2022	138	0	15
2023	137	0	2
2024	140	0	0.2
2025	138	16	0
2026E	139	8	6

Source: Industry Sources.

Stocks

Post estimates the Chinese government still holds significant wheat reserves from 2017–2020, which could be released if prices rise too fast or feed grain shortages appear. In addition, there are close to 14 MMT of MY2023/24 imports, most of which have reportedly not yet been consumed.

Table 13. China: Wheat Production, Supply, and Distribution

Wheat	2024/2025	2025/2026	2026/2027
Market Year Begins	Jul 2024	Jul 2025	Jul 2026

China	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	23587	23587	23580	23580	23600	23600
Beginning Stocks (1000 MT)	134523	134523	127775	127775	122204	122204
Production (1000 MT)	140099	140099	140070	140070	141000	141000
MY Imports (1000 MT)	4169	4169	5457	5457	6000	6000
TY Imports (1000 MT)	4169	4169	5457	5457	6000	6000
Total Supply (1000 MT)	278791	278791	273302	273302	269204	269204
MY Exports (1000 MT)	1016	1016	1098	1098	1000	1000
TY Exports (1000 MT)	1016	1016	1098	1098	1000	1000
Feed and Residual (1000 MT)	33000	33000	33000	33000	31000	33000
FSI Consumption (1000 MT)	117000	117000	117000	117000	117000	117000
Total Consumption (1000 MT)	150000	150000	150000	150000	148000	150000
Ending Stocks (1000 MT)	127775	127775	122204	122204	120204	118204
Total Distribution (1000 MT)	278791	278791	273302	273302	269204	269204
Yield (MT/HA)	5.9397	5.9397	5.9402	5.9402	5.9746	5.9746
(1000 HA), (1000 MT), (MT/HA) MY = Marketing Year, begins with the month listed at the top of each column TY = Trade Year, which for Wheat begins in July for all countries. TY 2026/2027 = July 2026 - June 2027						

Rice

Production

MY2026/27 rough rice production is forecast to increase slightly due to stable area and higher yields than last year. [NBS data](#) shows China's 2026 early rice production remained broadly stable despite the impact of heavy rainfall and typhoons. National early rice planting area increased slightly to 4.744 million hectares, up 0.03 percent year on year, while yield declined by 0.8 percent to 5.964 MT/hectare due mainly to persistent heavy rainfall during flowering and multiple typhoons during the maturation and harvest periods. As a result, early rice output fell 0.8 percent to 28.29 MMT but remained above 28 MMT for the sixth consecutive year.

Production declined in major producing provinces including Guangxi, Hunan, Guangdong, and Jiangxi, while Hainan, Zhejiang, and several other regions recorded modest increases. Overall, strong policy support, stable planting intentions, and continued efforts to improve yields helped offset weather-related losses, with early rice production remaining stable and providing a solid foundation for a good 2026 grain harvest. Rice production is generally favorable during El Niño years. Historical patterns indicate that China's rice production tends to benefit from El Niño conditions, although regional flooding and excessive rainfall remain potential risks.

As of September 2026, China's mid- and late-season rice is generally growing well and has entered the final stage of yield formation. Adequate rainfall and relatively limited weather damage have supported a favorable harvest outlook. Southern one-season rice is mainly in the grain-filling to maturity stage, while double-crop late rice is in the jointing/booting to heading stage. In Northeast China, rice has reached the grain-filling to maturity stage, with temperatures

around 1–2°C above normal, supporting grain development and fullness. Large-scale harvesting is expected to begin in some areas around October 1.

Consumption

Post forecasts MY2026/27 rice consumption at 147.3 MMT. Old stock rice continues to supplement feed supplies, although slower auction sales have increased expected use compared with Post’s previous forecast.

Rice consumption for feed depends on old stock rice auctions, low-quality new crops, and imported broken rice. In 2026, publicly auctioned MSP rice from 2022 onward has had relatively high reserve prices, with Heilongjiang 2022 japonica rice at \$376 (RMB 2,555) per MT, well above local corn prices and therefore lacking a price advantage as a corn substitute. In contrast, the May 29 launch of targeted auctions for old stock rice (2021 and earlier) started at just \$221 (RMB 1,500) per MT for Grade 3 Heilongjiang rice, making aged rice significantly cheaper than regular policy rice. As of early September, approximately 5.0 MMT of old stock rice had been offered, of which about 2.74 MMT had been sold. Although aged rice has a low auction reserve price, it cannot directly replace corn because it must first be dehulled and processed into a brown-rice/corn blend to prevent it from entering the food market. Based on a \$221 (RMB 1,500) per MT auction price and estimated processing, logistics, and margins, the estimated cost of the finished blend is about \$318 (RMB 2,163) per MT at the buyer’s site and \$338 (RMB 2,300) per MT delivered to northern ports. This is around \$1.5–2.2 (RMB 10–15) per MT below current Northern Port corn prices, indicating that aged rice currently has only a small but positive price advantage over corn as a feed substitute.

Trade

Post forecasts MY2026/27 imports to be 800,000 MT lower than MY2025/26, as export prices among Asia’s major rice exporters have shown some divergence but have generally trended higher. China imported 2.7 MMT of rice in January–July 2026, up 56 percent year-on-year, while rice exports reached 1 MMT, up 48 percent. Growth in both imports and exports slowed notably in July, the beginning month of MY2026/27, and the following August as well.

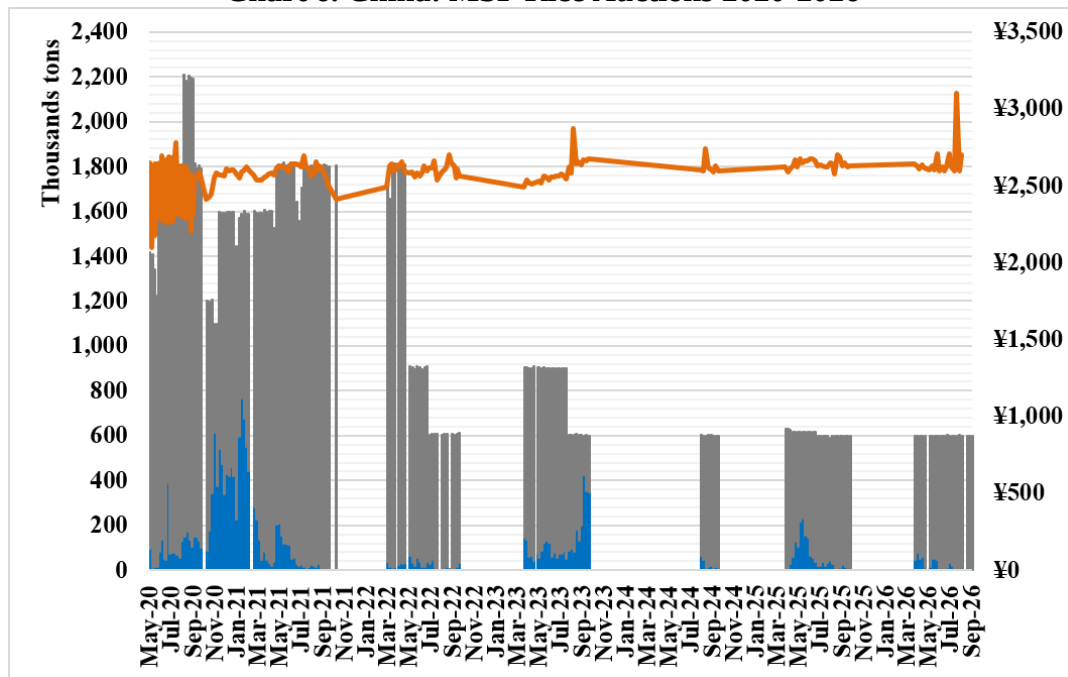
Global rice production is forecast to decline 1.3 percent in MY 2026/27, marking the first year-on-year decrease after ten consecutive years of growth. The main drivers are higher production costs caused by geopolitical tensions and disrupted shipping, which have raised fertilizer and diesel prices and reduced farmers’ incentives to plant and apply fertilizer, and adverse weather, including drought risks linked to the current moderate-to-strong El Niño. Weaker monsoon rainfall in India and emerging drought conditions in Thailand and Vietnam are adding further risks to the new-season rice supply. As of September 1, FOB prices for 5-percent broken rice were \$477/MT in Thailand, \$444/MT in Vietnam, \$366/MT in India, and \$406/MT in Pakistan. Compared with early 2026, prices in Thailand and Vietnam were broadly higher, while India remained relatively competitive due to ample supplies and strong export availability. India’s large export volumes have continued to exert downward pressure on regional prices, although recent weather and geopolitical concerns are tightening the outlook.

Broken rice has also become an important feed market substitute. China's imports of broken rice have remained elevated in 2026, especially from India, Myanmar, and Vietnam, benefiting from its lower price relative to corn and whole rice, and providing additional feed-grain supply. In the near term, rice imports are expected to remain subdued in August–September with cumulative growth slowing, while exports should remain relatively resilient on demand from Africa and the Middle East.

Stocks

China's minimum purchase price rice auctions have recently seen repeated zero sales. The August 18 auction offered 601,000 MT of midseason and late-season rice harvested from 2022 through 2024 but attracted no buyers, marking the first auction without sales since the series began on March 31. Another 600,000 MT was offered on both September 1 and September 8, with no sales in either auction. The repeated failures reflect weak buyer interest amid relatively ample japonica rice supplies in Heilongjiang, reducing market participants' willingness to purchase government-held rice at auction.

Chart 6. China: MSP Rice Auctions 2020-2026



Source: China Grain Trade Center.

Note: Price spikes that occur yearly in August are likely the result of japonica rice auctions instead of indica rice.

Table 14. China: Rice Production, Supply, and Distribution

Rice, Milled Market Year Begins China	2024/2025		2025/2026		2026/2027	
	Jul 2024		Jul 2025		Jul 2026	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	29007	29007	29000	29000	29000	29000
Beginning Stocks (1000 MT)	103000	103000	104500	104500	105500	105500
Milled Production (1000 MT)	145275	145275	146329	146329	147000	147000
Rough Production (1000 MT)	207536	207536	209041	209041	210000	210000
Milling Rate (.9999) (1000 MT)	7000	7000	7000	7000	7000	7000
MY Imports (1000 MT)	2335	2335	4082	4082	4000	3300
TY Imports (1000 MT)	3102	3102	4300	4300	4000	3300
Total Supply (1000 MT)	250610	250610	254911	254911	256500	255800
MY Exports (1000 MT)	1153	1153	2060	2060	2200	2200
TY Exports (1000 MT)	1725	1725	2100	2100	2200	2200
Consumption and Residual (1000 MT)	144957	144957	147351	147351	147300	147300
Ending Stocks (1000 MT)	104500	104500	105500	105500	107000	106300
Total Distribution (1000 MT)	250610	250610	254911	254911	256500	255800
Yield (Rough) (MT/HA)	7.1547	7.1547	7.2083	7.2083	7.2414	7.2414
(1000 HA), (1000 MT), (MT/HA) MY = Marketing Year, begins with the month listed at the top of each column TY = Trade Year, which for Rice, Milled begins in January for all countries. TY 2026/2027 = January 2027 - December 2027						

Attachments:

No Attachments