

April sees marginal increase in global food prices

In April, the global benchmark for food commodity prices saw a slight increase, with higher meat prices and modest gains in vegetable oils and cereals outweighing reductions in sugar and dairy products, according to the Food and Agriculture Organization of the United Nations (FAO).



Source: Tunisu via [Fxabay](#)

The [FAO Food Price Index](#), which measures monthly changes in the international prices of a basket of widely-traded food commodities, recorded an average of 119.1 points in April, a 0.3% increase from its revised March value and a 9.6% decrease from the year-on-year.

The **cereal price index** rose 0.3% from March, ending a three-month declining trajectory. Global wheat export prices stabilised in April as strong competition among major exporters offset concerns about unfavourable crop conditions in parts of the European Union, the Russian Federation and the United States of America.

Maize export prices increased, influenced by high demand amidst mounting logistical disruptions due to infrastructure damages in Ukraine and concerns about the production in Brazil ahead of the main harvest. The **all-rice price index** declined by 1.8%, due largely to falls in Indica quotations driven by harvest pressure.

The **vegetable oil price index** also increased by 0.3% from March, reaching a 13-month high, as higher quotations for sunflower and rapeseed oil offset slightly lower prices for palm and soy oil.

The **meat price index** increased by 1.6% in April from the previous month, as international poultry, bovine and ovine meat prices all rose. World pig meat prices fell marginally, reflecting slack internal demand in Western Europe and persistently lacklustre demand from leading importers, especially China.

The **sugar price index** declined by 4% from March to stand 14.7% below its April 2023 level. The decrease was mostly related to improved global supply prospects, notably due to larger-than-previously-anticipated outputs in India and Thailand and improved weather conditions in Brazil.

The **dairy price index** decreased marginally, by 0.3%, ending six consecutive months of increases, led by sluggish spot import demand for skim milk powder and lower world cheese prices, impacted by the strengthening of the United States dollar. World butter prices, by contrast, increased amid steady import demand.

2024 wheat forecast trimmed

FAO also released a new [Cereal Supply and Demand Brief](#), slightly raising its forecast for the world total cereal production in 2023 to 2 846 million tonnes, a 1.2% increase from the previous year. The revision primarily reflects new information from Myanmar and Pakistan.

The forecast for world cereal utilization was increased to 2 829 million tonnes, mostly reflecting higher than previously anticipated feed use of maize and barley. Global maize utilisation is now expected to rise 1.6%t over the year, while that for wheat rises by 1.9% and that for rice dips mildly.

World cereal stocks are forecast to end the 2024 season at 890 million tonnes, a 2.1% increase from the outset of the year, pointing to a worldwide cereal stocks-to-use ratio of 30.9%.

FAO also adjusted its forecast for global wheat production in 2024, now standing at 791 million tonnes, less than previously expected but still marking an increase of 0.5% from 2023.

For coarse grain crops, the main harvest period begins soon in southern hemisphere countries, and recent adverse weather conditions have curbed yield prospects in leading producer countries, notably Brazil and South Africa.

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