Overview of the Wheat Situation

Crop Production Bureau

March 2026

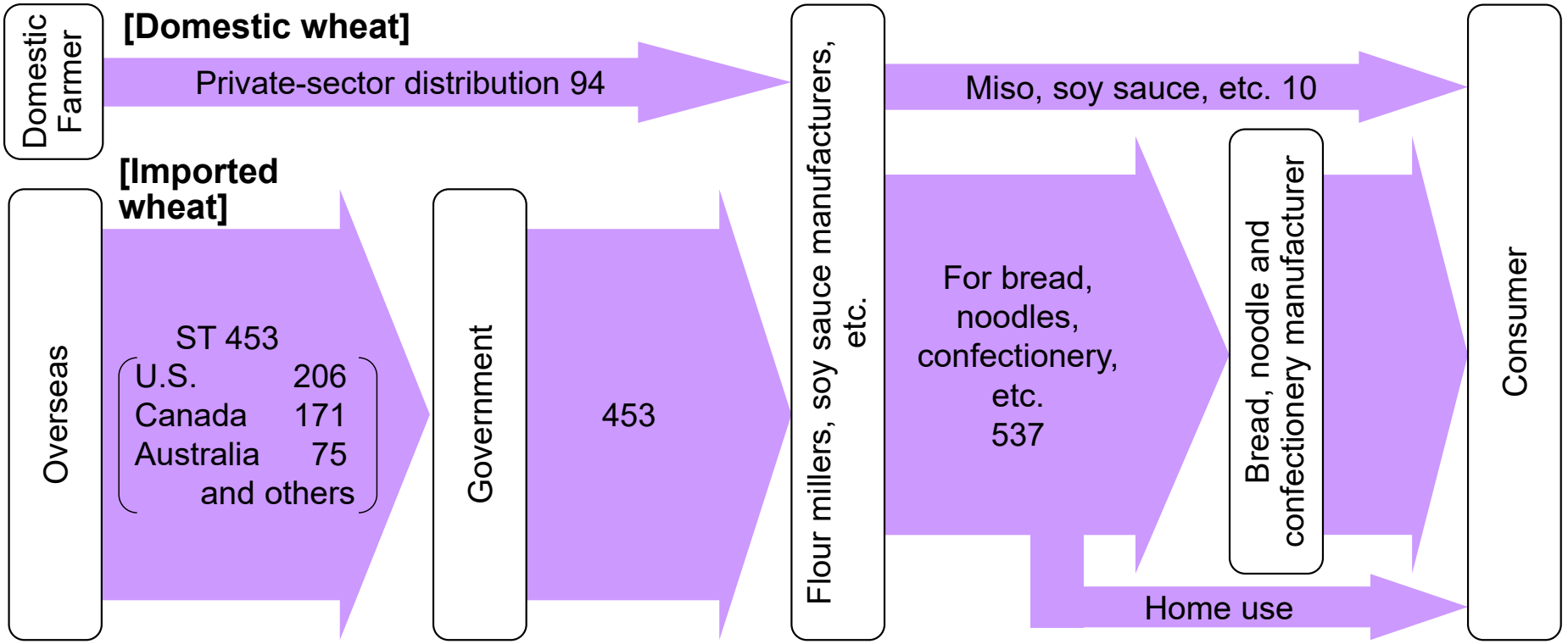
Ministry of Agriculture, Forestry and Fisheries

Overview of Wheat Distribution

- More than 80% of wheat demand is met by imports. Domestic wheat is traded through private-sector distribution channels, and the government systematically imports wheat through State Trading (ST) and sells it to users to meet demand that cannot be met in terms of quantity or quality by domestic wheat.
- Unlike rice, wheat is ultimately consumed as bread and noodles, so it is distributed through various processing stages.
- In most cases, flour milling companies process wheat by milling it into flour, which is then used by secondary processing manufacturers as ingredients for bread, noodles, and confectionery.

Current Wheat Distribution System (for food use)

(Unit: 10,000 t)



Note: The supply volume is the average of the past 5 years between 2020 and 2024.

Types and Uses of Wheat

○ The type of wheat used as ingredients depends on the type and use of flour.
○ Flour types are classified according to the amount of contained protein as follows: strong flour (for bread), semi-strong flour (for Chinese noodles), medium-strength flour (for udon noodles), and soft flour (for pastry).

Types of imported wheat	Canadian Western Red Spring (1CW)	American Dark Northern Spring (DNS)	American Hard Red Winter (HRW)	Australian Standard White (ASW)	American Western White (WW)
Import quantity 4.53 million tons	1.5 million tons	0.71 million tons	0.78 million tons	0.69 million tons	0.56 million tons

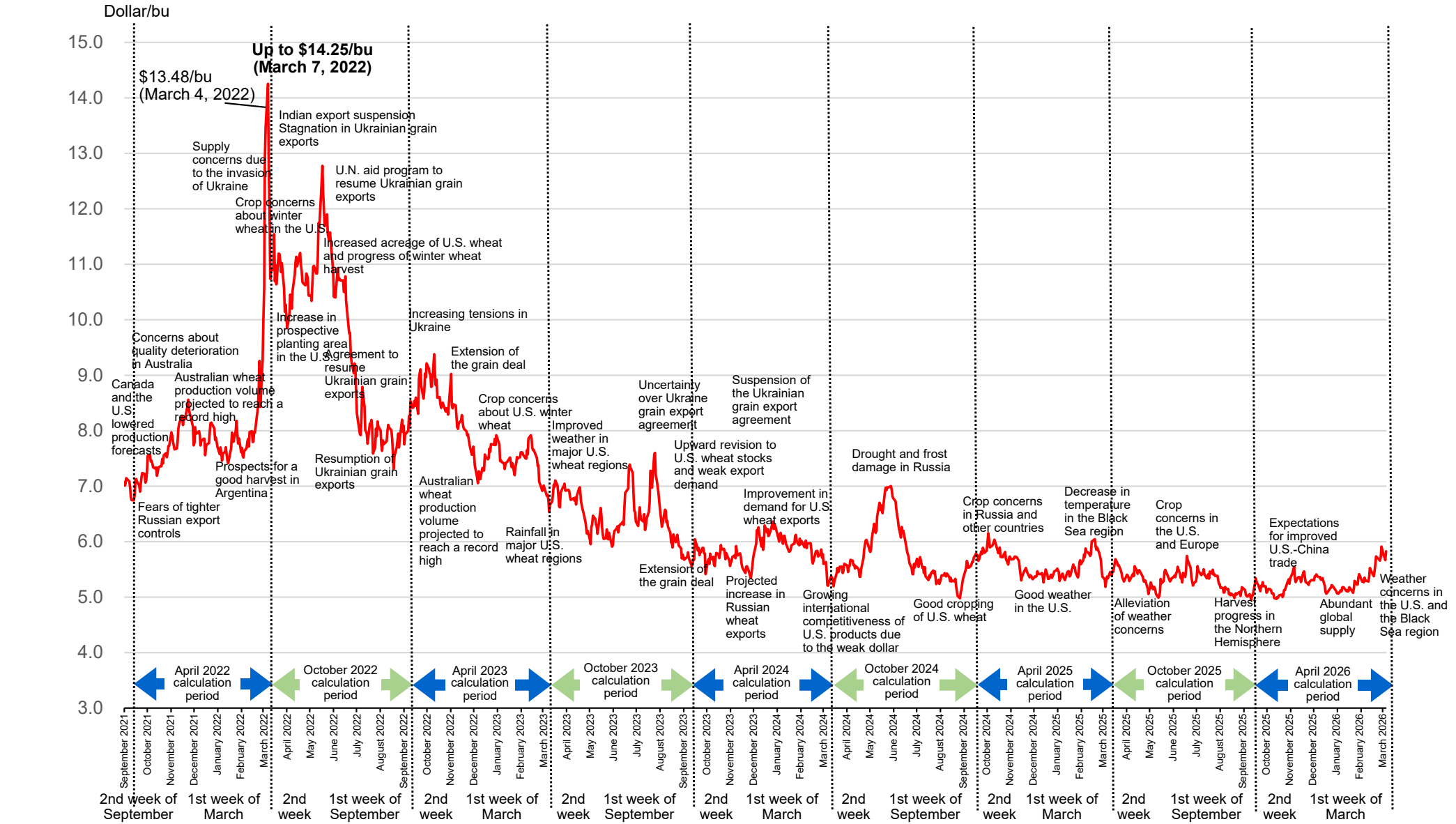
Type of flour	Strong flour	Semi-strong flour	Medium-strength flour	Soft flour
Primary use	White bread 	Chinese noodles Dumpling wrapper 	Udon noodles 	Castella, cake Japanese confectionery, tempura flour biscuit 
Protein content	11.5-13.0%	10.5-12.5%	7.5-10.5%	6.5-9.0%

Use	Variety for bread	Variety for Chinese noodles	Variety for Japanese noodles, etc.
Domestic wheat supply volume (940,000 tons)	192,000 tons (20.4%)	12,000 tons (1.3%)	740,000tons (78.4%)
(Reference) Supply volume in 2024	Hokkaido Yumechikara (112,000 tons) Hokkaido Haruyokoi (44,000 tons)	Fukuoka Chikushi W2 (ramen wheat) (7,000 tons)	Hokkaido Kitahonami (527,000 tons)

Note 1: Import volume and domestic wheat supply volume are the average quantity for the past 5 years from 2020 to 2024.
Note 2: Import volume includes 280,000 tons of other brand varieties (durum wheat, etc.) than the five brand varieties.
Note 3: Domestic wheat supply volume is based on the figures reported by the collecting organizations.

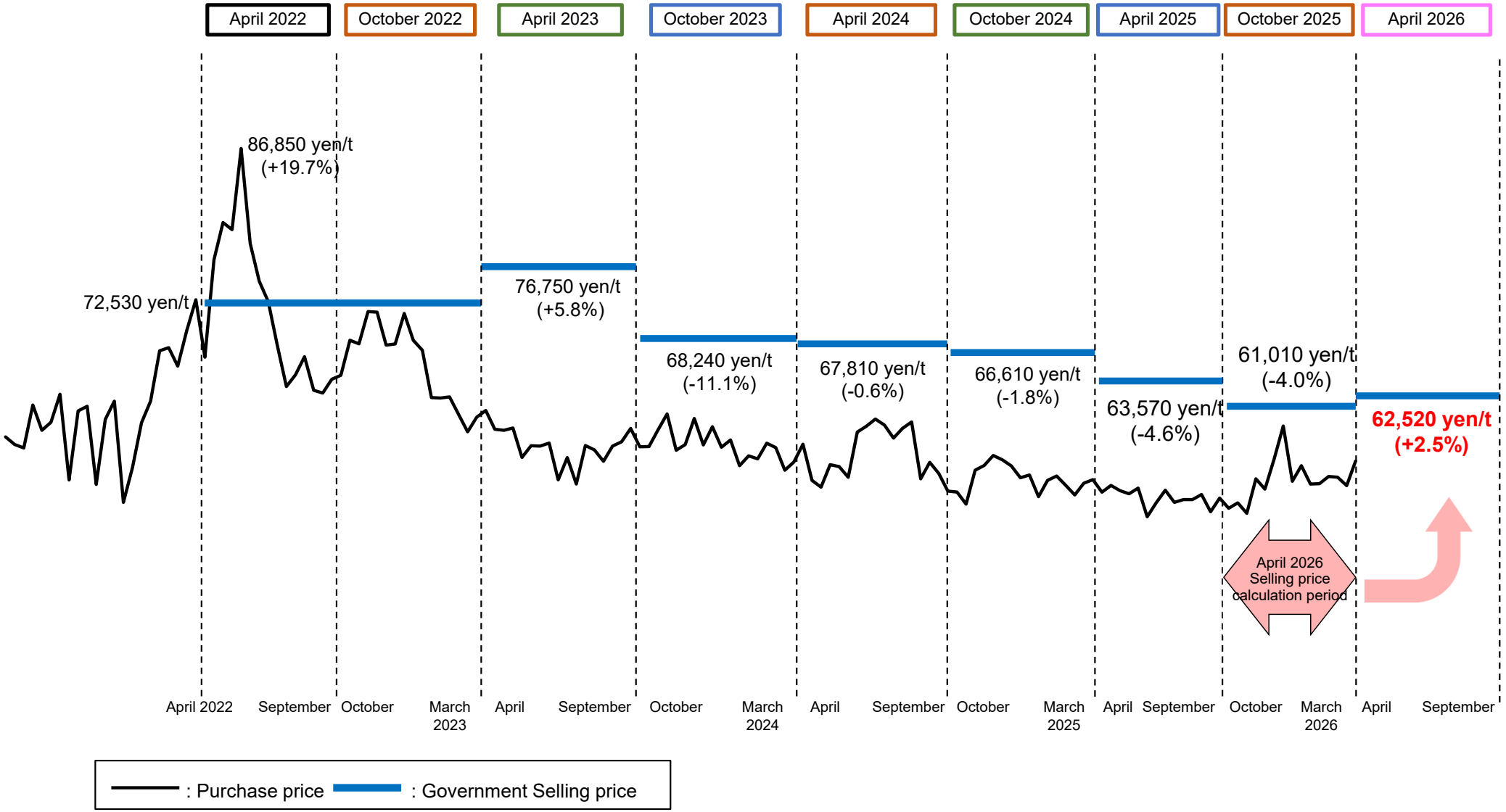
Trends in International Wheat Prices (Chicago Grain Market)

- International wheat prices reached a new high in March 2022 following Russia's invasion of Ukraine. However, the prices fell to pre-invasion levels after November of the same year, supported by resumed exports and improved weather in major production areas.
- In November 2025, the prices briefly rose to around $5/bu on expectations of improved US-China trade relations. Although the prices once subsided due to the ample supply worldwide, they have now stayed in the upper half of $5/bu range, underpinned by weather concerns in the US and other countries since the beginning of the year.



Government Selling Price of Imported Wheat for April 2026

○Prices have been calculated based on the average purchase price over the preceding six months, in line with the regular rule.
○The selling price for April 2026 is also calculated based on the average purchase price for the most recent 6 months (from the second week of September 2025 to the first week of March 2026).



Trends in Government Selling Prices of Imported Wheat

*Government selling price

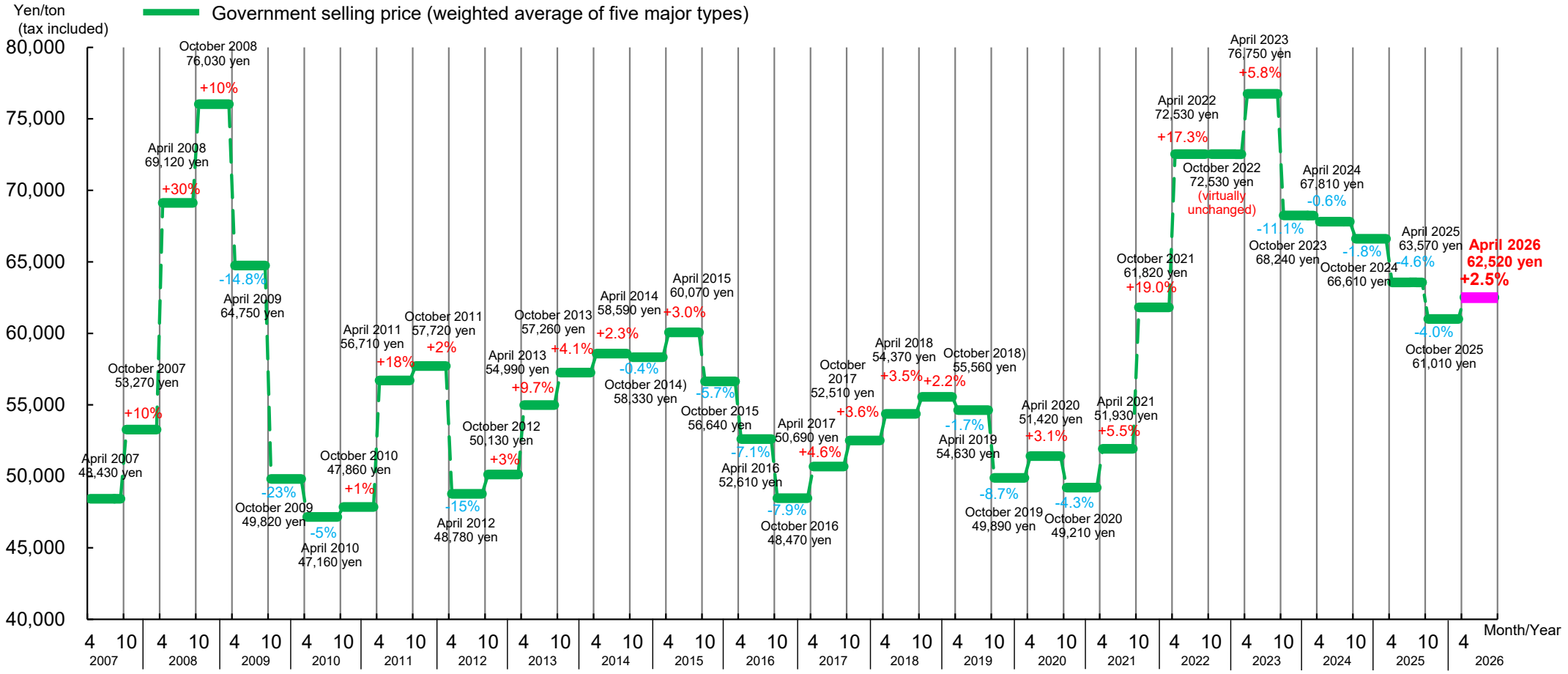
October 2025 → April 2026

61,010 yen/ton → 62,520 yen/ton (+2.5%)

(Reference)

High values of the government selling price in the past: 76,750 yen/ton (April 2023), 76,030 yen/ton (October 2008), 72,530 yen/ton (April and October 2022, 69,120 yen/ton (April 2008)

Large reduction rates in the past: -23% (October 2009), -15% (April 2012), -14.8% (April 2009), -11.1% (October 2023), -8.7%(October 2019))

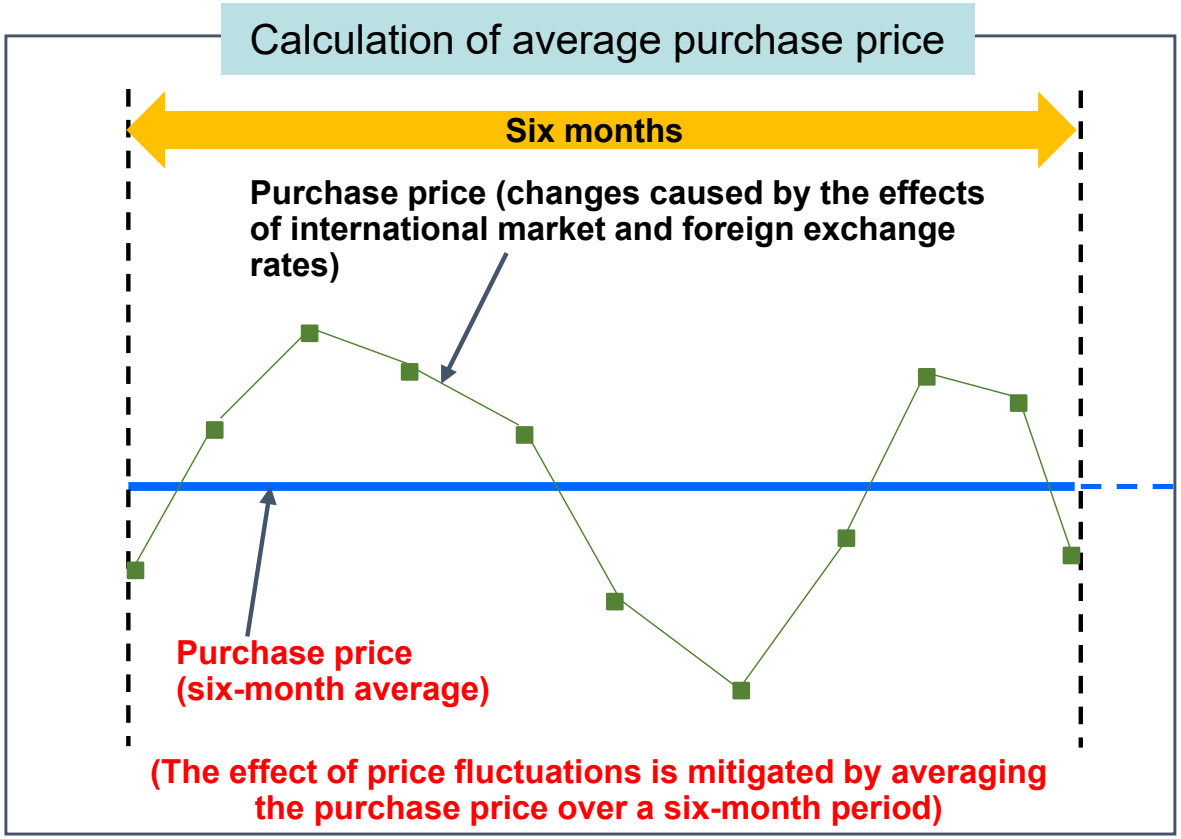


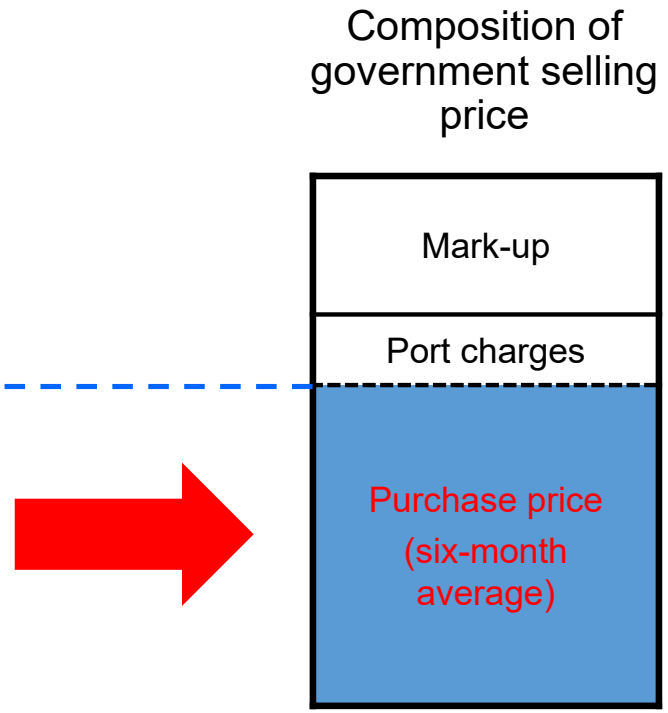
Note: Before October 2013, the price includes 5% consumption tax, and after April 2014, the price includes 8% consumption tax.

Current Government Selling System for Imported Wheat

○The government selling price of imported wheat is determined by adding a mark-up (used for government administrative expenses and measures to promote domestic wheat production) and port charges to the purchase price, and it is revised twice a year (in April and October).

○Based on the calculation of the average purchase price over a six-month period, it is reflected in the selling price after mitigating the effects of fluctuations in international market prices.

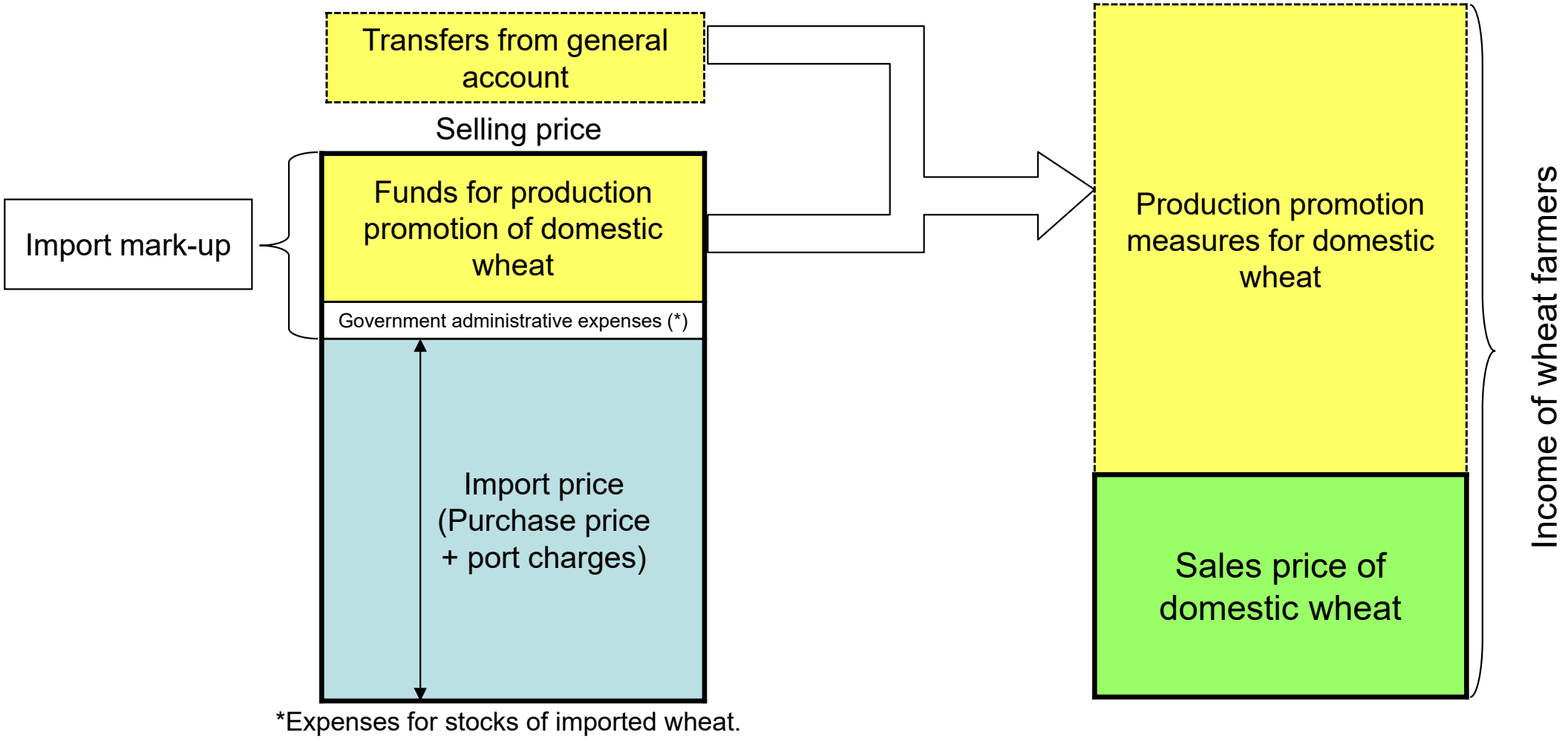




Import Mark-up on Imported Wheat and Its Uses

○The import mark-up added to the price of imported wheat is allocated only to the government administrative expenses (*) necessary for the promotion of domestic wheat production and trading of imported wheat.

○ Use of import mark-up (image of food control account)



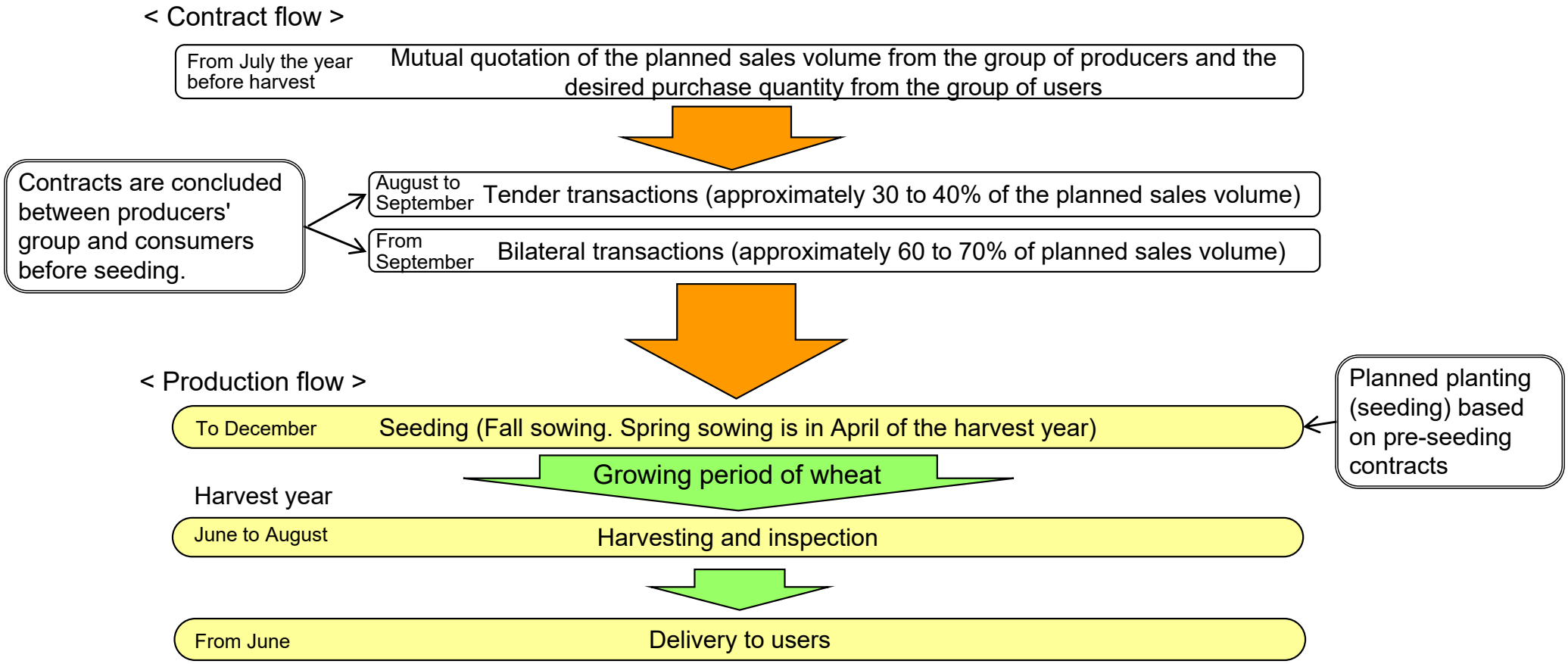
*Expenses for stocks of imported wheat.

Domestic Wheat Marketing System

○ Regarding domestic wheat, to promote planned production in response to demand, contracts on trading volume and price are concluded between producers and users (flour milling companies, etc.) in the year before harvest (before seeding), and transactions are conducted based on these contracts.

○ Bidding is conducted for approximately 30 to 40% of the planned sales volume, and the rest is conducted bilateral trading based on the price determined through the bidding.

○ Private-sector distribution of domestic wheat (example)



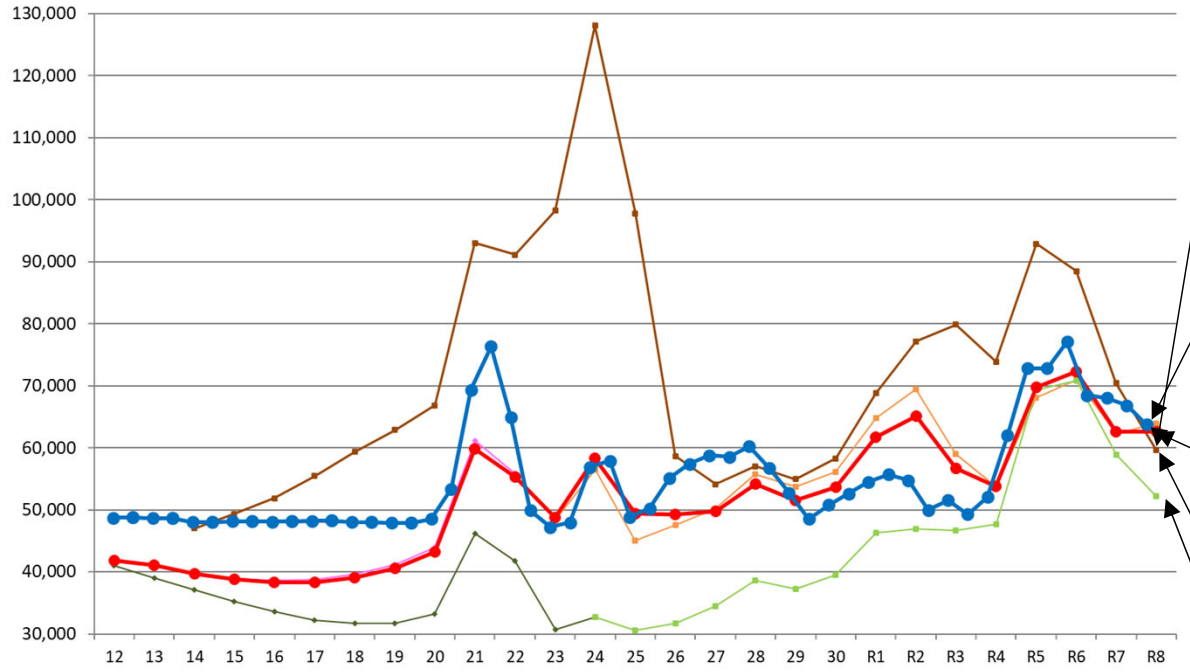
Note: The Council for Private Distribution, which consists of producer groups and users, discusses and determines the bidding mechanism, including price range limits.

Trends in Contract Prices of Domestic Wheat by Production Area and Brand

○ The weighted average bid price of all varieties of domestic wheat produced in 2026 was 62,554 yen (tax included)/ton, reflecting demand for domestic wheat and recent price trends of imported wheat.
○ Looking at the bidding results by production area and brand, there are differences in the contract prices, reflecting supply and demand situations, among other factors.

○ Trends in contract prices of domestic wheat by production area and brand

(Unit: yen/ton (tax included))

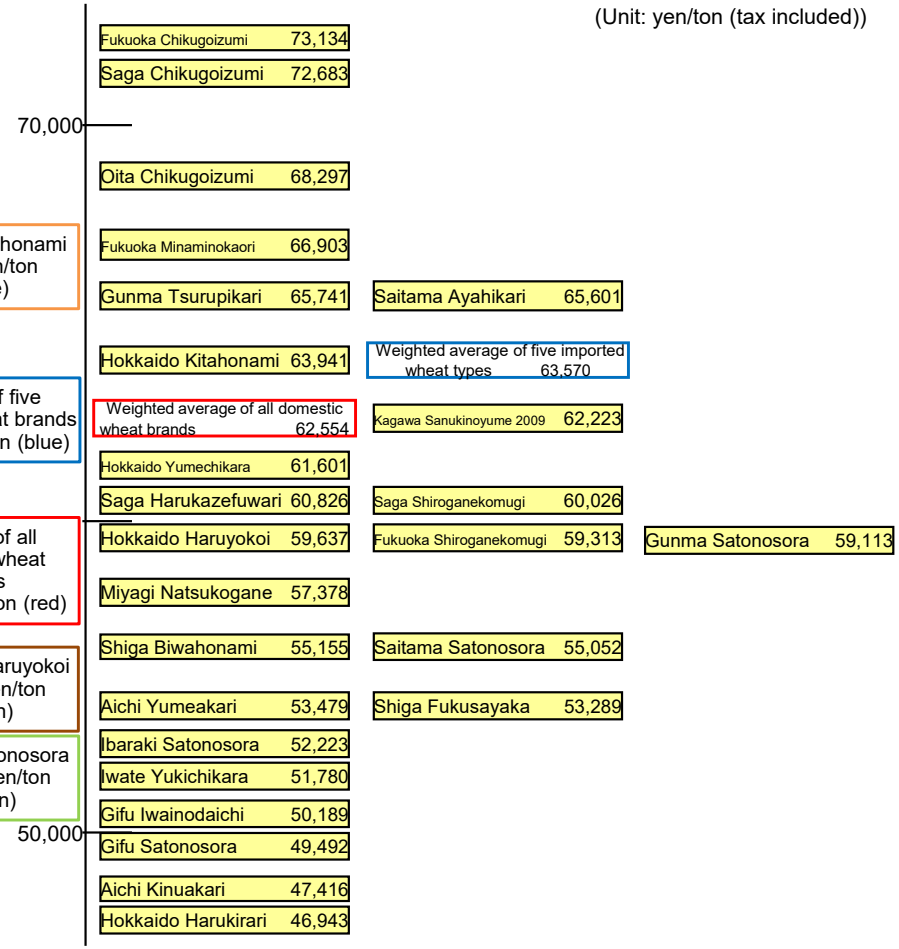


Source: Survey by MAFF

Note 1: The figures for domestic wheat are the weighted average bid prices (including tax) of the first, second and re-bid conducted by the National Rice, Wheat and Barley Improvement Association for privately distributed wheat and barley.
Note 2: The figures for imported wheat are the average actual prices for the relevant fiscal year up to 2006. From 2007 onward, they are the government selling prices (average of five wheat types) of imported wheat as of the date of the first tender for privately distributed wheat.
Note 3: The figures of Kitahonami (Hokushin) are based on the prices of “Hokushin” until 2010, and from 2011 onward, they are based on those of “Kitahonami.”
Note 4: The figures of Satonosora (Wheat Nourin No. 61) are based on the prices of "Wheat Nourin No. 61" until 2011 and, from 2012 onward, on those of "Satonosora."

○ Contract price of domestic wheat produced in 2026 by production area and brand

(Unit: yen/ton (tax included))



Source: Survey by MAFF
Note: The weighted average price of five imported wheat types is the government selling prices of imported wheat in April 2025.

Overview of Flour Milling Companies

○ In FY2024, there were 60 milling companies, down 28 from 10 years ago.
○ Flour production volume in FY2024 was 4.71 million tons, a slight decrease from 10 years ago.

○ Industry overview

Item	FY2014	FY2024
No. of companies	88	60
No. of factories	109	81
No. of employees	3,114	2,789
Production volume (1,000 tons)	4,861	4,710

Source: Survey by MAFF