

BIANNUAL REPORT ON GLOBAL FOOD MARKETS



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HIGHLIGHTS

Global markets for most foodstuffs are characterized by abundant supplies and less uncertainty than in recent years, a situation reflected in FAO's Food Price Index falling to a four year low. Major exceptions are markets for animal-based products, which are expected to sustain a 1 trillion dollar world food import bill for the fifth year in succession.

WHEAT

World production is forecast to reach a new record in 2014. Ample supplies have pushed international prices to multiple-year lows. Based on the latest supply and demand outlook for 2014/15, global wheat inventories would reach their highest levels since 2003.

COARSE GRAINS

Prospects for a near record production in 2014, combined with already high inventories at the start of the season, are portraying a very comfortable world supply and demand balance in 2014/15, evidenced by the rapid fall in maize prices and expectation of even higher ending stocks.

RICE

After two seasons of below trend growth, global rice production may fall in 2014, albeit marginally. However, global rice reserves would still be sufficient to cover more than a third of the 2015/16 projected world consumption. Trade is forecast to hit new records in 2014 and 2015.

CASSAVA

The forecast for global output, while highly provisional, points to yet another record in 2014, driven by sustained growth in Africa, where food demand, particularly for value-added products, has accelerated. Trade is also set to surpass previous records on account of vibrant industrial demand.

OILCROPS

In 2014/15, record soybean crops will likely push up world meal/cake availabilities, while only moderate growth is expected in oil/fat supplies. There is scope for a further easing of international meal prices, but vegetable oil values could stabilize at their current relatively low level.

SUGAR

World production is forecast to increase marginally in 2014/15, but will still exceed projected global consumption, resulting in yet another, albeit small, increase in world sugar inventories. Trade is anticipated to grow, driven by lower prices and improved economic prospects in several traditional sugar importers.

MEAT

World production is anticipated to grow moderately in 2014. The FAO Meat Price Index reached an historic high in April 2014, and has continued to increase since then. While the price situation varies among the different types of meat, there is no sign of an overall decrease.

DAIRY

Milk production continues to increase steadily in many countries. The FAO Dairy Price Index which started the year at an historic peak, fell continuously between March and September, dropping to a level last seen in mid-2012.

FISHERIES

Aquaculture production continues to boost overall supply. The effect of El Niño on South American catches has been fairly modest so far. Most fish prices have dropped sharply since their highs in March on weaker demand and improved supply.

FOOD STOCKS AND PRICES

The experience of three food price spikes in five years highlighted the vulnerability of international markets to supply and demand shocks when stock-to-use ratios are low. The resulting "excessive" price volatility was associated with lower stock levels that were not "adequate" to cushion the impact of shocks, although defining "excessive" and "adequate" is not easy and reliable stocks data are scarce.

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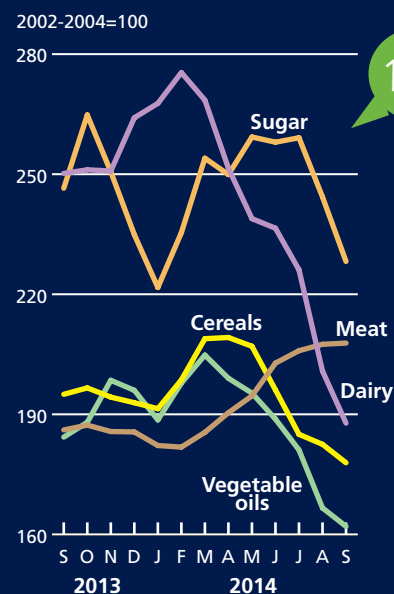
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Food stocks and prices

FAO Food Commodity Price Indices
(Sept 2013 - Sept 2014)



MARKET SUMMARIES

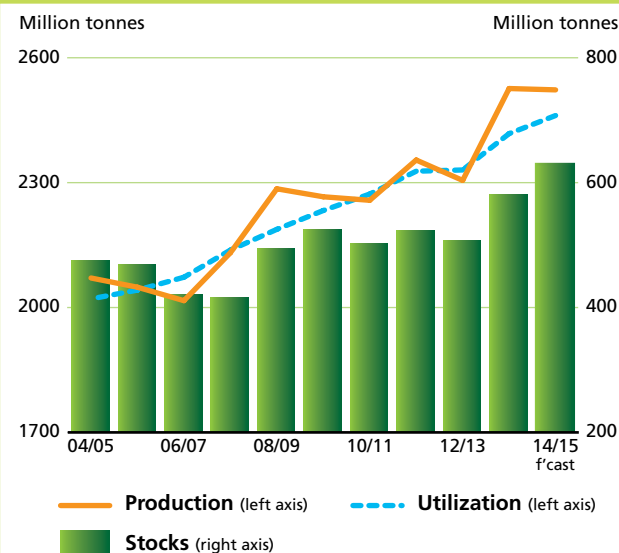
World cereal production in 2014 is anticipated to reach 2 523 million tonnes, some 65 million tonnes higher than FAO's initial forecast published in the May issue of this report. A continued upgrading of this year's coarse grain harvests, maize in particular, has been the main underlying factor. Under current expectations, world cereal production would fractionally decline from the 2013 peak; with wheat production achieving a new record, at 718.5 million tonnes, and coarse grains virtually matching last year's high of 1 308 million tonnes. By contrast, unfavourable weather conditions have lowered prospects for rice production, which is now forecast to reach 496.4 million tonnes, down 0.4 percent from 2013.

Global cereal utilization in 2014/15 is set to increase by 1.8 percent from 2013/14. Total food use is expected to rise by just over 1 percent, implying a stable per capita basis of 153kg per annum. Feed use, on the other hand, is likely to expand by 2.5 percent, a much slower pace than in 2013/14.

Based on the latest forecasts for production and utilization, world cereal stocks at the close of crop seasons ending in 2015 would surge to 627.5 million tonnes, up 8.3 percent from an already large volume at the start of the season and its highest level in 15 years. Maize would account for the biggest increase, followed by wheat, while rice stocks are forecast to decline, albeit from a record level. The overall positive outlook, if realized, will result in the cereal stocks-to-use ratio increasing to 25.2 percent in 2014/15 from 23.5 percent in 2013/14, and the highest since 2001/02.

This year's abundant supplies have already resulted in sharp declines in international prices of all cereals, with the exception of rice. However, the lower prices are not expected to stimulate trade, as the major cereal importing countries are holding large supplies, which may depress import demand and result in total cereal trade contracting by 5.0 percent to 337 million tonnes in 2014/15.

CEREAL PRODUCTION, UTILIZATION AND STOCKS



WORLD CEREAL MARKET AT A GLANCE ¹

	2012/13	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>	Change: 2014/15 over 2013/14
million tonnes			%	
WORLD BALANCE				
Production	2 305.4	2 526.1	2 522.9	-0.1
Trade ²	308.8	354.8	337.0	-5.0
Total utilization	2 330.4	2 417.8	2 461.3	1.8
Food	1 078.0	1 094.8	1 106.3	1.1
Feed	801.4	851.0	872.3	2.5
Other uses	451.1	472.0	482.6	2.2
Ending stocks	504.9	579.5	627.5	8.3
SUPPLY AND DEMAND INDICATORS				
Per caput food consumption:				
World (kg/yr)	152.5	153.1	153.0	-0.1
LIFDC ³ (kg/yr)	150.1	150.6	150.4	-0.1
World stock-to-use ratio (%)	20.9	23.5	25.2	
Major exporters stock-to-disappearance ratio (%)	16.9	17.7	18.6	
FAO CEREAL PRICE INDEX (2002-2004=100)	2012	2013	2014 <i>Jan-Sep</i>	Change: Jan-Sep 2014 over Jan-Sep 2013 %
	236	219	195	-14.2

¹ Rice in milled equivalent.

² Trade refers to exports based on a July/June marketing season for wheat and coarse grains and on a January/December marketing season for rice.

³ Low-income Food-Deficit countries.

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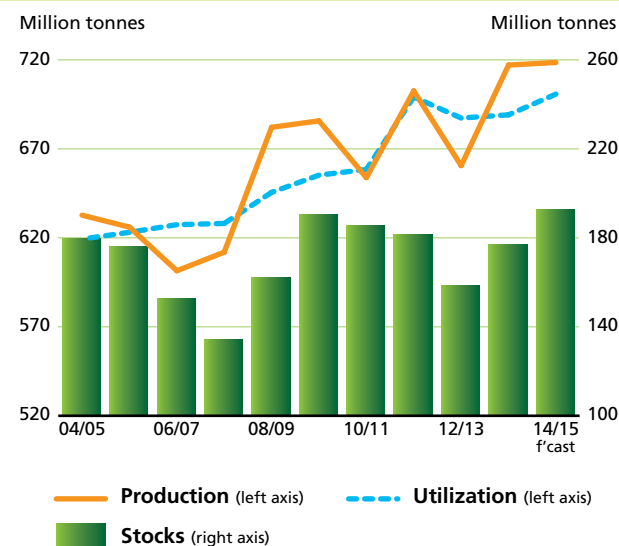
WHEAT

Global wheat production in 2014 is forecast at 718.5 million tonnes, a marginal increase from the 2013 record output. This forecast is slightly higher than was reported in September, largely due to upward revisions in the Russian Federation and Ukraine. Compared with 2013, large production gains are now foreseen for the Russian Federation, as well as China and India, which will more than compensate for smaller crops in Australia, Canada and the United States.

World wheat trade in 2014/15 (July/June) is set to contract to 150 million tonnes, 7.3 million tonnes (4.6 percent) below the record level of 2013/14. The reduction would be mainly attributed to lower import demand in Asia and Africa, more than offsetting a rise in Europe. Despite a record crop, purchases of high quality wheat by the EU are likely to remain large.

Total wheat utilization in 2014/15 is put at around 701 million tonnes, 1.7 percent higher than in 2013/14. Given this season's prospect for large supplies of feed quality wheat, usage by the livestock sector is likely to show a strong growth after two consecutive seasons of declines. World wheat inventories are forecast to reach 192.4 million tonnes by the end of seasons in 2015, their highest level since 2003. Based on latest forecasts for stocks and utilization, the world wheat stock-to-use ratio increases from 25.2 percent in 2013/14 to 26.9 percent in 2014/15, while the ratio of major wheat exporters' closing stocks to their total disappearance rises from 14.1 percent to 15.6 percent, reflecting this season's ample supply situation. Against this background, international wheat prices have come under strong downward pressure in recent months, falling in September to their lowest levels in four years.

WHEAT PRODUCTION, UTILIZATION AND STOCKS



WORLD WHEAT MARKET AT A GLANCE

	2012/13	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>	Change: 2014/15 over 2013/14
million tonnes			%	
WORLD BALANCE				
Production	660.6	717.1	718.5	0.2
Trade ¹	140.2	157.3	150.0	-4.6
Total utilization	687.3	689.1	700.8	1.7
Food	475.3	481.7	486.7	1.0
Feed	132.3	128.6	132.6	3.1
Other uses	79.7	78.8	81.5	3.4
Ending stocks	158.2	176.5	192.4	9.0
SUPPLY AND DEMAND INDICATORS				
Per caput food consumption:				
World (kg/yr)	67.2	67.4	67.3	-0.1
LIFDC (kg/yr)	46.3	46.5	46.6	0.2
World stock-to-use ratio (%)	23.0	25.2	26.9	
Major exporters stock-to-disappearance ratio ² (%)	14.1	14.1	15.6	
FAO WHEAT PRICE INDEX ³ (2002-2004=100)	2012	2013	2014 <i>Jan-Sep</i>	Change: Jan-Sep 2014 over Jan-Sep 2013 %
	204	194	183	-6.7

¹ Trade refers to exports based on a common July/June marketing season.

² Major exporters include Argentina, Australia, Canada, EU, Kazakhstan, Russian Fed., Ukraine and the United States.

³ Derived from the International Grains Council (IGC) wheat index.

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COARSE GRAINS

Global production of coarse grains is forecast at 1 308 million tonnes for 2014, virtually unchanged from the 2013 record. Maize output is expected to reach 1 018 million tonnes, 0.7 percent above the record output in 2013. The expansion in world maize production mainly rests on anticipated record harvests in China and the United States, as well as significantly higher outputs for the EU and the Russian Federation. By contrast, world barley production is forecast at 140.2 million tonnes, 4 percent below the record level in 2013, mainly reflecting smaller outputs in the EU, North America and Australia. The forecast for global sorghum production stands at 60.1 million tonnes, virtually unchanged from 2013.

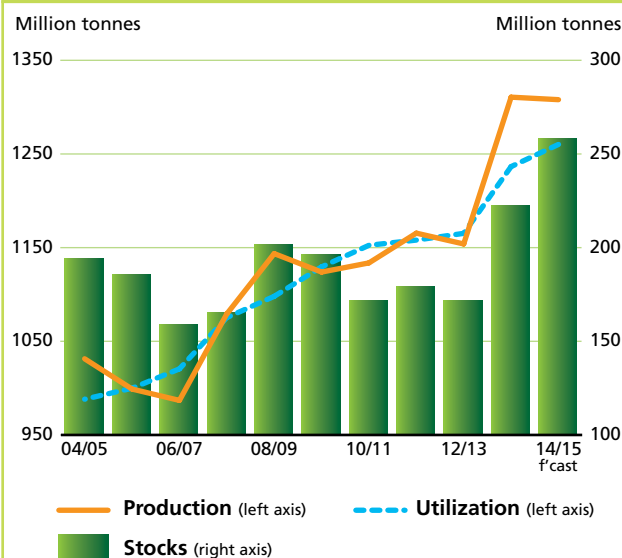
Reflecting another good year for global production, especially in many importing countries, world trade in coarse grains in 2014/15 is set to decline to 147 million tonnes, down 6.9 percent from the 2013/14 record level. The sharp contraction, if realized, would be the biggest in over two decades. Maize is responsible for the bulk of this decline, with total maize imports forecast to contract by 4.5 percent to 114 million tonnes. World trade in barley is set to fall slightly, to 21 million tonnes, while global imports for sorghum could dip to 7.5 million tonnes, down 600 tonnes from the previous season's level.

The latest forecast for global utilization of coarse grains in 2014/15 points to a 1.9 percent increase to 1 260 million tonnes, which compares with a 6.0 percent expansion estimated for 2013/14. Most of this deceleration reflects a slower rise in feed intake in the United States. Based on the latest forecasts for global production and utilization, world stocks of coarse grains in 2015 are forecast to rise to 257.4 million tonnes by the close of crop seasons, 16 percent above their opening levels and their highest level since 1986/87. The anticipated increase in world inventories will result in the stock-to-use-ratio reaching 20.2 percent, a value not seen since 2001/02, and well above the historical low of 13.8 percent registered in 2012/13. Good crop prospects and rising inventories have continued to put downward pressure on international prices with maize futures in September falling as much as 25 percent below their corresponding period last year.

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COARSE GRAIN PRODUCTION, UTILIZATION AND STOCKS



WORLD COARSE GRAIN MARKET AT A GLANCE

	2012/13	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>	Change: 2014/15 over 2013/14
million tonnes			%	
WORLD BALANCE				
Production	1 153.9	1 310.7	1 308.0	-0.2
Trade ¹	131.3	157.9	147.0	-6.9
Total utilization	1 165.2	1 236.5	1 260.2	1.9
Food	200.4	202.8	204.2	0.7
Feed	655.8	708.3	725.3	2.4
Other uses	309.1	325.4	330.7	1.6
Ending stocks	171.0	221.8	257.4	16.1
SUPPLY AND DEMAND INDICATORS				
Per caput food consumption:				
World (kg/yr)	28.4	28.4	28.3	-0.4
LIFDC (kg/yr)	40.6	40.2	39.6	-1.5
World stock-to-use ratio (%)	13.8	17.6	20.2	
Major exporters stock-to-disappearance ratio ² (%)	8.4	11.1	15.0	
FAO COARSE GRAIN PRICE INDEX (2002-2004=100)	2012	2013	2014 <i>Jan-Sep</i>	Change: Jan-Sep 2014 over Jan-Sep 2013 %
	283	246	189	-28.8

¹ Trade refers to exports based on a common July/June marketing season.

² Major exporters include Argentina, Australia, Brazil, Canada, EU, Russian Fed., Ukraine and the United States.

International rice prices edged steadily higher between May and August 2014. The price strength mainly reflected concerns about the possible impacts of erratic weather on rice crops and the resumption of purchases by some major importers. Prices, however, started to recede again in September, amid accrued competition among exporting countries, keen to free storage space ahead of upcoming harvests.

Crop prospects deteriorated in the past few months, reflecting erratic weather conditions across all regions, marring the outlook for global rice production in 2014, now anticipated to fall marginally (by 0.4 percent) to 496.4 million tonnes in milled rice equivalent. The major output shortfalls, in absolute terms, are expected in India, Indonesia, Nepal, Sri Lanka and Thailand. Yet, there is still much uncertainty, especially concerning the 2014 secondary crops, which Northern Hemisphere countries will soon start sowing for harvest next year.

Taking advantage of the lower international prices and in anticipation of possible production setbacks, many countries have been actively buying rice from world markets during the course of 2014. This strong import demand, combined with large supplies in major exporting countries, is expected to sustain a 7 percent increase in the volume of rice transactions in calendar 2014 to a record 39.7 million tonnes.

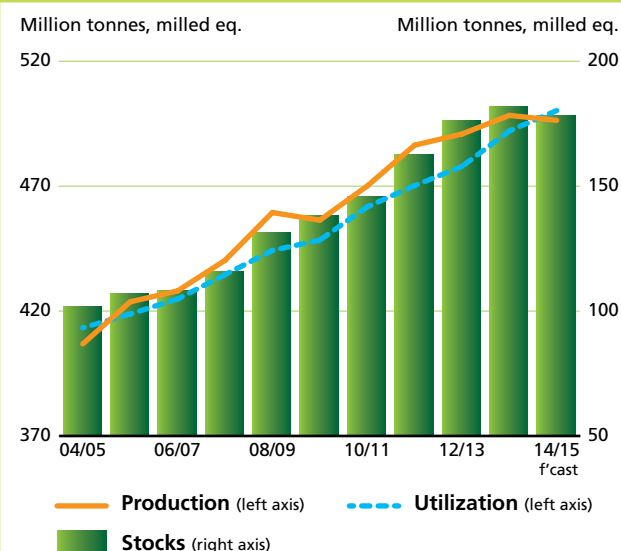
Looking ahead, world rice trade is expected to grow further in 2015, although by only 0.7 percent, to about 40 million tonnes. African countries are predicted to drive the expansion in world imports, while inflows to Asian countries may contract. Ample availabilities in exporting countries are also expected to underpin trade in 2015.

Global rice utilization is forecast to hover around 500 million tonnes in 2014/15, 1.7 percent more than in 2013/14, sustaining a fractional increase in per capita consumption to 57.5 kg. With world production falling short of utilization, world rice inventories ending in 2015 are forecast to be trimmed for the first time in ten years. However, their volume is projected to remain huge, sufficient to cover more than a third of the 2015/16 projected rice consumption.

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RICE PRODUCTION, UTILIZATION AND STOCKS



WORLD RICE MARKET AT A GLANCE

	2012/13	2013/14 estim.	2014/15 f'cast	Change: 2014/15 over 2013/14
million tonnes			%	
WORLD BALANCE				
Production	490.9	498.4	496.4	-0.4
Trade ¹	37.3	39.7	40.0	0.7
Total utilization	477.9	492.1	500.3	1.7
Food	402.3	410.3	415.5	1.3
Ending stocks	175.7	181.3	177.7	-2.0
SUPPLY AND DEMAND INDICATORS				
Per caput food consumption:				
World (kg/yr)	56.9	57.4	57.5	0.2
LIFDC (kg/yr)	63.3	63.9	64.3	0.6
World stock-to-use ratio (%)	35.7	36.2	34.8	
Major exporters stock-to-disappearance ratio ² (%)	28.2	27.7	25.1	
FAO RICE PRICE INDEX (2002-2004=100)	2012	2013	2014 Jan-Sep	Change: Jan-Sep 2014 over Jan-Sep 2013 %
	231	233	236	0.2

¹ Calendar year exports (second year shown).

² Major exporters include India, Pakistan, Thailand, the United States and Viet Nam.

Although the forecast for global cassava production output remains highly tentative, another record is expected in 2014. Cassava's upward trajectory is firmly set, underpinned by sustained growth in Africa – the largest growing region – where food demand, particularly for value-added products, has accelerated, and also in Asia where industrial applications in the form of ethanol and starch are on the rise. International trade in cassava, mostly confined to Asia and, in particular, Southeast Asia, is also expected to surpass previous records on account of vibrant industrial demand.

World cassava output in 2014 is expected to reach 291 million tonnes, representing a 4.6 percent increase from 2013, which is well above global population growth. The expansion is being driven by rising demand for food across the African continent, especially in the form of flour, and increasing industrial applications of cassava in East and Southeast Asia, notably for ethanol and starch. World trade in cassava products, much sustained by industrial demand, is set to expand significantly, reaching over 20 million tonnes (almost 41 million tonnes in root equivalent) in 2014 - a near doubling of volume in five years. This record outcome would be a result, by and large, of the competitiveness that cassava has maintained over competing products, and also market stabilization policies in Thailand, the world's leading international supplier of cassava products. International prices of chips, starch and flour have been remarkably stable in spite of strong demand and an appreciating baht.

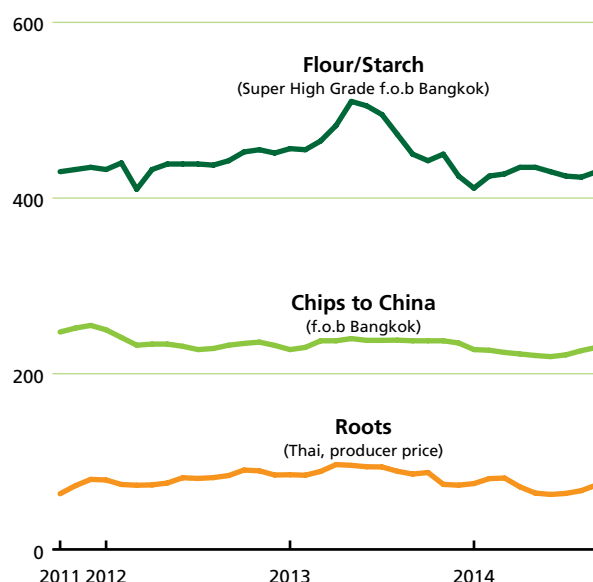
While highly preliminary, the outlook for 2015 points to a continued expansion of production in Africa, where cassava remains a strategic crop for both food security and poverty alleviation. In Asia, prospects for further expansion of the sector critically hinge on how cassava fares with competitive substitutes. In recent weeks, international quotations of maize have fallen precipitously while, at the same time, the Thai baht has appreciated strongly, causing some uncertainty about near-term prospects.

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INTERNATIONAL CASSAVA AND THAI DOMESTIC PRICES (Oct 2011 - Sept 2014)

USD per tonne



WORLD CASSAVA MARKET AT A GLANCE

	2012	2013 <i>estim.</i>	2014 <i>f'cast</i>	Change: 2014 over 2013
<i>million tonnes, fresh</i>			<i>root eq.</i>	%
WORLD BALANCE				
Production	268.4	278.6	291.3	4.6
Trade	35.0	35.1	40.7	15.9
SUPPLY AND DEMAND INDICATORS				
Per caput food consumption:				
World (kg/year)	20.4	20.9	21.6	3.4
Developing (kg/year)	25.6	26.2	27.1	3.2
LDC (kg/year)	80.1	87.4	91.3	4.4
Sub-Saharan Africa (kg/year)	131.5	136.0	138.9	2.1
Trade share of prod. (%)	13.0	12.6	14.0	10.9
CASSAVA PRICES ¹ (USD/tonne)	2012	2013	2014 <i>Jan-Sep</i>	Change: Jan-Sep 2014 over Jan-Sep 2013
Chips to China (f.o.b. Bangkok)	234.5	236.2	226.5	-5.0
Starch (f.o.b. Bangkok)	439.2	473.4	428.9	-10.5
Thai domestic root prices	80.7	90.1	71.5	-21.5

¹ Source: Thai Tapioca Trade Association.

OILCROPS

The current outlook for the 2014/15 marketing season points to a further improvement in the global supply and demand balance for oilseeds and derived products.

Global oilseed output is forecast to exceed last season's record due to further expanding of soybean production. Thanks to record plantings and near-ideal growing conditions, the United States is set to harvest another bumper soybean crop, while further gains in planted area seem likely in South America, considering that relative prices continue to favour soybeans over maize. For oilseeds other than soybeans, a contraction in output is possible. Palm oil production should keep growing, but at a below-average rate.

Record soybean crops will likely result in another conspicuous increase in world supplies of meals/cakes in 2014/15, whereas global oils/fats could grow less than last season. As global meal output is anticipated to outpace world utilization, a conspicuous build-up in stocks is expected. For oils/fats, global output should basically match utilization, precluding significant stock changes. Based on current forecasts, the stock-to-use ratio for meals/cakes is poised to rise strongly, whereas that for oils/fats should remain about unchanged.

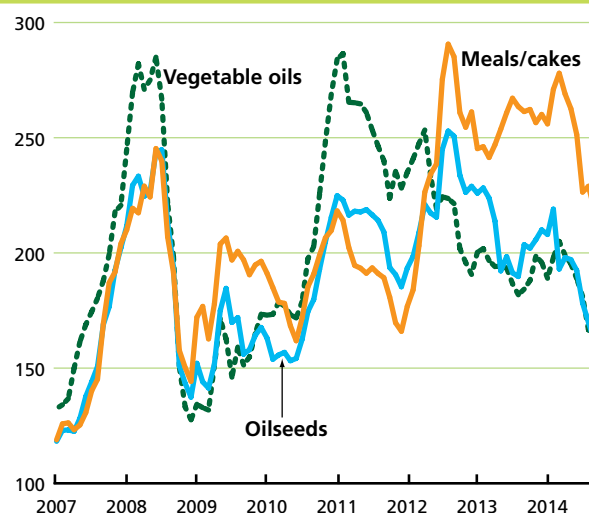
The present outlook suggests that there is scope for international meal prices to ease further during 2014/15, thus extending the recently commenced descending trend and abandoning the high levels recorded since mid-2012. Additional downward pressure is likely to come from record global feedgrain supplies. As for the oils/fats market, a balanced supply and demand situation and stable stock-to-use ratios point to a stabilization in prices around their current relatively low level.

International trade in oilseeds and derived products is forecast to expand further in 2014/15, although less strongly than last season. The anticipated slowdown reflects ample domestic supplies, stemming in part from large carry-in stocks in a number of significant importing countries, including China and the EU. It also reflects limited export availabilities arising from poor crops, higher domestic utilization or the need to re-build stocks in several exporting nations, notably the United States, Indonesia, Malaysia and Brazil.

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FAO MONTHLY INTERNATIONAL PRICE INDICES FOR OILSEEDS, VEGETABLE OILS AND OILMEALS/CAKES (2002-2004=100)



WORLD OILCROP AND PRODUCT MARKET AT A GLANCE

	2012/13	2013/14 estim.	2014/15 f'cast	Change: 2014/15 over 2013/14
million tonnes			%	
TOTAL OILSEEDS				
Production	481.7	511.2	535.4	4.7
OILS AND FATS				
Production	189.5	202.0	207.5	2.7
Supply	221.8	233.7	242.2	3.6
Utilization	189.9	198.4	206.6	4.1
Trade	102.1	106.2	108.1	1.8
Stock-to-utilization ratio (%)	16.7	17.5	17.0	
Major exporters stock-to-disappearance ratio (%)	9.0	9.5	9.9	
MEALS AND CAKES				
Production	120.0	128.2	137.1	7.0
Supply	137.7	146.3	158.6	8.5
Utilization	118.4	123.6	130.9	5.8
Trade	73.5	81.7	84.3	3.1
Stock-to-utilization ratio (%)	15.3	17.4	19.6	
Major exporters stock-to-disappearance ratio (%)	7.6	9.5	12.7	
FAO PRICE INDICES (Jan/Dec) (2002-2004=100)				
	2012	2013	2014 Jan-Sep	Change: Jan-Sep 2014 over Jan-Sep 2013 %
Oilseeds	224	207	191	-8.1
Oilmeals/cakes	241	255	251	-1.1
Vegetable oils	224	193	187	-2.9

NOTE: Refer to table 2 in the Oilseeds section of the Market Assessments chapter, for explanations regarding definitions and coverage.

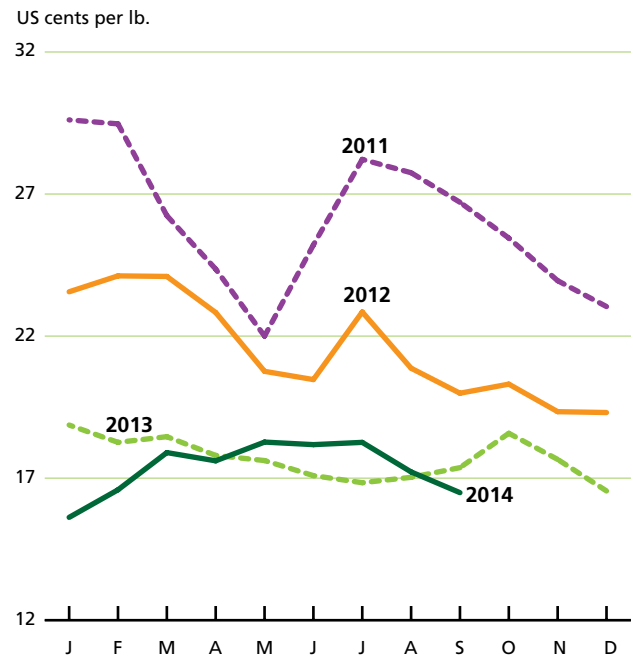
SUGAR

FAO forecasts world sugar production to increase in 2014/15 and to surpass consumption for the fifth consecutive season, but the anticipated surplus is likely to be small. Falling sugar outputs in Brazil, China and Pakistan are anticipated to be offset by expansions in India, the EU and the Russian Federation. World sugar consumption is set to grow in line with its long-term trend, reflecting increases in several developing countries that are expected to benefit from falling domestic sugar prices as well as improved economic performance in 2015. This positive economic prospect is supportive to sugar demand, as manufacturing and food preparation sectors, which account for the bulk of aggregate sugar consumption, are highly influenced by the economic environment. Sugar consumption growth will be particularly pronounced in Asia and Africa. Falling international sugar prices are expected to stimulate global import demand and boost world sugar trade in 2014/15, even though imports by China and the Russian Federation, are expected to contract. Exports are anticipated to remain unchanged in Brazil, the world's largest sugar producer and exporter, but to rise in Thailand. International sugar prices, on a downward trend for most of 2013, recovered modestly in the first half of 2014, underpinned by drought conditions in Brazil. However, by the end of July 2014, sugar quotations began to decline, amid improved production in several major sugar-producing countries. The downgrading of production in Brazil was not sufficient to invert the tendency for prices to fall.

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INTERNATIONAL SUGAR PRICES*



* As measured by the International Sugar Agreement (ISA)

WORLD SUGAR MARKET AT A GLANCE

	2012/13	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>	Change: 2014/15 over 2013/14
<i>million tonnes</i>				%
WORLD BALANCE				
Production	182.1	182.2	183.9	0.89
Trade ¹	53.5	55.0	55.7	1.18
Total utilization	173.1	177.7	181.9	2.37
Ending stocks	73.1	74.8	77.1	3.07
SUPPLY AND DEMAND INDICATORS				
Per caput food consumption:				
World (kg/yr)	24.7	25.0	25.3	1.11
LIFDC (kg/yr)	16.5	16.5	16.8	1.87
<i>World stock-to-use ratio (%)</i>	42.2	42.1	42.4	0.68
ISA DAILY PRICE AVERAGE (US cents/lb)	2012	2013	2014 <i>Jan-Sep</i>	Change: Jan-Sep 2014 over Jan-Sep 2013 %
	26.0	17.71	17.35	-2.03

¹ Trade refers to exports based on a common October/September marketing season.

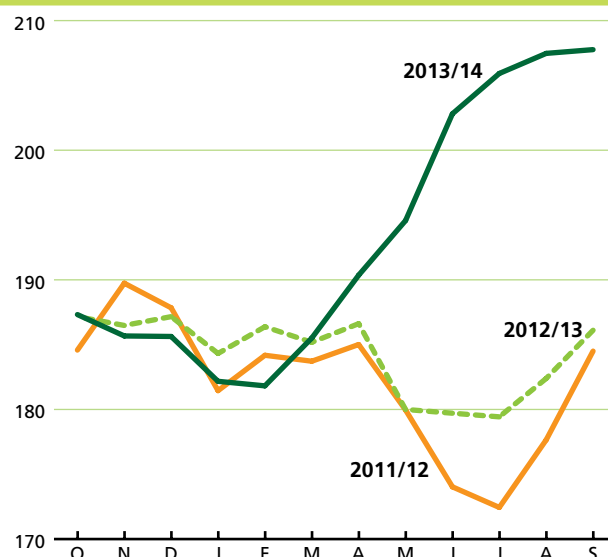
MEAT AND MEAT PRODUCTS

World meat production is anticipated to grow modestly in 2014 to 311.6 million tonnes, 3 million tonnes or 1.1 percent above 2013. The expansion is likely to be concentrated in the developing countries, which are also the main centres of rising demand.

At the international level, prices have remained high by historical standards for the past three years, with the FAO Meat Price Index generally oscillating around 185 points. Since April 2014, the Index has registered further upward movement, reaching 208 points in September. Prices rose for all categories, especially bovine meat, although towards the end of the period, some reduction was evidenced for porcine and ovine meat.

Global meat trade is forecast to expand at a moderate rate of 2.3 percent in 2014, to 31.6 million tonnes. The anticipated growth would be less than the average for recent years, due to a variety of factors, including production constraints in some of the principal exporting countries, animal health concerns and trade restrictions. There are diverging projected trade trends for the various types of meat, with growth forecast for bovine, pigmeat and poultry, and decline forecast for ovine meat. Poultry remains the main product traded, representing 43 percent of the total, followed by bovine, pig and ovine meat, respectively.

FAO INTERNATIONAL MEAT PRICE INDEX (2002-2004 = 100)



WORLD MEAT MARKET AT A GLANCE

	2012	2013 <i>estim.</i>	2014 <i>f'cast</i>	Change: 2014 over 2013
<i>million tonnes</i>				%
WORLD BALANCE				
Production	304.2	308.3	311.6	1.1
Bovine meat	67.0	67.8	68.3	0.8
Poultry meat	105.4	106.4	107.6	1.1
Pigmeat	112.4	114.5	116.1	1.4
Ovine meat	13.7	13.9	14.0	0.6
Trade	29.6	30.9	31.6	2.3
Bovine meat	8.0	9.0	9.3	3.4
Poultry meat	13.0	13.2	13.5	2.1
Pigmeat	7.5	7.4	7.5	2.1
Ovine meat	0.8	1.0	1.0	-1.8
SUPPLY AND DEMAND INDICATORS				
Per caput food consumption:				
World (kg/yr)	42.8	42.8	42.8	-0.1
Developed (kg/yr)	76.2	75.7	75.5	-0.2
Developing (kg/yr)	33.4	33.7	33.8	0.2
FAO MEAT PRICE INDEX (2002-2004=100)	2012	2013	2014 <i>Jan-Sep</i>	Change: Jan-Sep 2014 over Jan-Sep 2013 %
	182	184	195	6.6

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MILK AND MILK PRODUCTS

The FAO Dairy Price Index started the year at an historic peak and then fell continuously between March and September. In September it stood at 188 points, a level last seen in mid-2012. Quotations for all dairy products covered in the Index plummeted. The fall reflected both abundant export availability and reduced import demand. Export supplies increased in the EU and there was a favourable start to the new season in Oceania. Already declining prices, caused by a slackening of imports by China, fell further following Russian Federation trade prohibitions introduced in August.

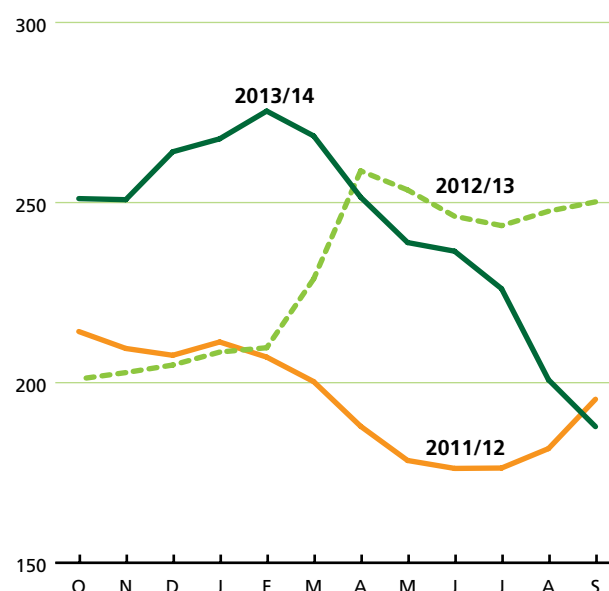
World milk production is forecast to grow by 2.4 percent in 2014, a rate similar to previous years, reaching 792 million tonnes. Asia is expected to account for most of the expansion, but production is likely to rise in all regions.

World trade in dairy products is projected to continue increasing in 2014, linked to a favourable milk production outlook in most of the major exporting countries and continued strong demand. Trade is forecast to grow by 4.6 percent to reach 72 million tonnes of milk equivalent.

Asia is expected to remain the main centre for rising international demand in 2014, with increased purchases forecast for China, Indonesia, Malaysia and Thailand. Elsewhere in Asia, Saudi Arabia, the United Arab Emirates, Japan, the Philippines and Singapore remain important markets, but the level of their imports is not expected to change markedly and, in some cases, could decrease. Reduced international prices may stimulate imports in Africa as a whole. The principal importers that could see growth are Algeria, Egypt and Ghana. In Europe, imports by the Russian Federation are anticipated to fall.

As for exports, two principle suppliers, New Zealand and the European Union, are both anticipated to record an increase in sales. Also, the United States is set for further growth, following an exceptional hike in shipments already last year.

FAO INTERNATIONAL DAIRY PRICE INDEX (2002-2004 = 100)



WORLD DAIRY MARKET AT A GLANCE

	2012	2013 estim.	2014 f'cast	Change: 2014 over 2013
			million tonnes	%
WORLD BALANCE				
Total milk production	762.3	773.4	792.0	2.4
Total trade	66.1	68.8	71.9	4.6
SUPPLY AND DEMAND INDICATORS				
Per caput food consumption:				
World (kg/yr)	107.7	108.0	109.4	1.3
Developed (kg/yr)	222.5	220.6	223.2	1.2
Developing (kg/yr)	75.4	76.4	77.7	1.7
Trade share of prod. (%)	8.7	8.9	9.1	2.2
FAO DAIRY PRICE INDEX (2002-2004=100)				
	2012	2013	2014 Jan-Sep	Change: Jan-Sep 2014 over Jan-Sep 2013 %
	194	243	239	0.3

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FISH AND FISHERY PRODUCTS

Despite the weak economic recovery, firm import demand is boosting the volumes and values of international trade in 2014. After reaching record highs in March, price levels weakened during the second and third quarters due to softening consumer demand in many European markets and in Japan, and an improving supply situation for shrimp and salmon. Prices remain above 2013 levels for most species and products.

The short-term outlook for prices is not positive. In addition to the weak consumer demand in many key European markets, the political tensions in Eastern Europe has resulted in the import imposition of bans against a number of key suppliers who will have to find alternative markets for significant volumes of their production. For those countries not targeted by the import restrictions, the bans have created new opportunities, especially for salmon, trout and small pelagics. At the end of the year, some upward movement in prices can be expected because of cyclical demand swings.

Overall supply continues to be boosted by a vibrant aquaculture sector, especially in Asia, but also in Africa and South America. Domestic consumption in many developing country markets is growing rapidly, further encouraging national investments in aquaculture and improved distribution systems.

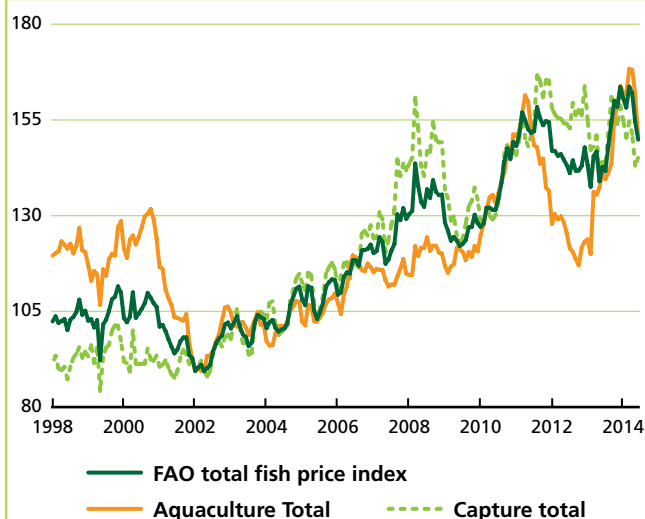
The El Niño phenomenon which had potential to drastically reduce catches of small pelagics in South America has until now turned out to be fairly weak. Although its impact has been limited, prices on fish meal and fish oil have firmed during the first six months of the year, as uncertainty remains concerning the level of catches towards the end of this year.

Annual fish consumption as food is estimated to reach 20 kg per capita in 2014, for the first time, with the share of aquaculture in food fish consumption overtaking that of capture fisheries. This heralds a new era in the fisheries and aquaculture sector, indicating that the aquaculture sector will increasingly be the driver in product and distribution development, pricing strategies, marketing and the development of domestic and regional markets. Nonetheless, the capture sector will remain dominant for a number of species and vital for domestic and international food security.

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FAO FISH PRICE INDEX (2002-2004 = 100)



Source: Norwegian Seafood Council (NSC)

WORLD FISH MARKET AT A GLANCE

	2012	2013 <i>estim.</i>	2014 <i>f'cast</i>	Change: 2014 over 2013
<i>million tonnes</i>				%
WORLD BALANCE				
Production	158.0	162.9	165.9	1.9
Capture fisheries	91.3	92.4	92.0	-0.4
Aquaculture	66.6	70.5	73.9	4.9
Trade value (exports USD billion)	129.4	136.4	145.3	6.5
Trade volume (live weight)	58.1	58.8	59.4	1.0
Total utilization	158.0	162.9	165.9	1.9
Food	136.2	141.1	144.6	2.5
Feed	16.3	16.8	16.6	-1.2
Other uses	5.4	5.0	4.7	-6.0
SUPPLY AND DEMAND INDICATORS				
Per caput food consumption:				
Food fish (kg/yr)	19.2	19.7	20.0	1.4
From capture fisheries (kg/year)	9.8	9.9	9.8	-1.0
From aquaculture (kg/year)	9.4	9.8	10.2	3.7
FAO FISH PRICE INDEX (2002-2004=100)	2012	2013	2014 <i>Jan-June</i>	Change: Jan-Jun 2014 over Jan-Jun 2013 %
	144	148	158	11.0

Source: Norwegian Seafood Council (NSC)
Totals may not match due to rounding

MARKET ASSESSMENTS

WHEAT

Major Wheat Exporters and Importers



PRICES

Wheat prices plunge on large world supply

After a sharp increase between February and May 2014, international wheat prices dipped in June on improved crop prospects. By September, the benchmark **US wheat, No.2 Hard Red Winter, f.o.b. Gulf**, averaged around USD 279 per tonne, the lowest monthly average in 4 years and 11 percent below the corresponding period last year. Wheat prices rose briefly in August, mainly in response to quality concerns in a number of growing areas in Europe

and North America but, overall, international prices remained under downward pressure on expectation of a record global output for the second consecutive year. Contrary to earlier fears, shipments from the Black Sea region also proceeded regularly, which also contributed to the price decline.

Similarly, **wheat futures** retreated from the high levels they reached earlier in the year, with wheat quotations for **December delivery at Chicago Board of Trade (CBOT)** falling to a 4-year low of USD 185 per tonne in September. In addition to the large world supply, expectation of a

Figure 1. Wheat export price (US No. 2 H.W. Gulf)

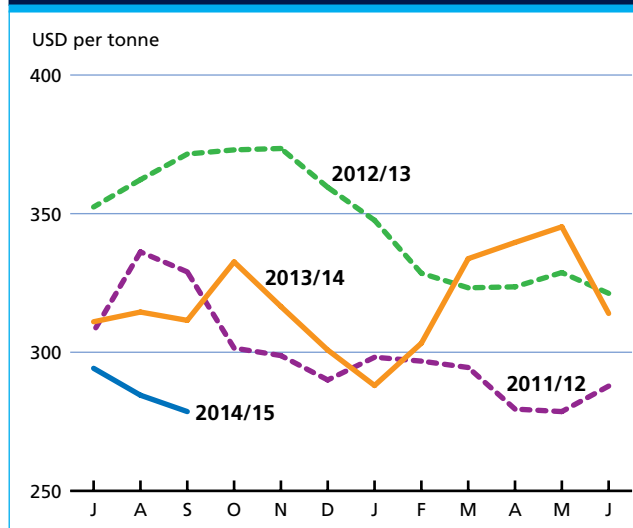
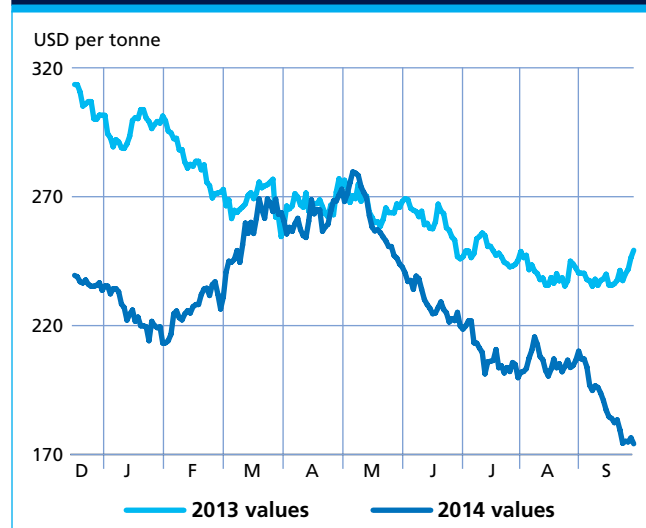


Figure 2. CBOT wheat futures for December



record maize crop and increasing strength in the value of the US dollar also weighed on wheat values.

PRODUCTION

Second year of record wheat production

Following recent upward revisions in the Russian Federation and Ukraine, FAO's latest forecast for 2014 global wheat production stands at 718.5 million tonnes, marginally higher than the record output in 2013. Strong year-on-year production gains are estimated in European countries, notably the **Russian Federation**, while larger crops are foreseen in **India** and **China**. These increases have more than compensated for the lower output in *North America* and an expected decrease in **Australia**.

Production in *Europe* is put at 236.3 million tonnes for 2014, about 5 percent (11 million tonnes) up from the 2013 estimate and the highest level since the record in 2008. The bulk of the increase is accounted for by the **Russian Federation's** 13 percent rise, to 59 million tonnes, following favourable weather that contributed to higher yields. More modest gains are estimated in the **EU** (2 percent), while improved yields in **Ukraine** more than offset a smaller area planted, resulting in a 5 percent production increase in 2014. In the **United States**, despite increased plantings, production fell by 5 percent to 55.2 million tonnes, reflecting lower yields caused by dry weather. Production in **Canada** is sharply down, decreasing by 26 percent (nearly 10 million tonnes) to 27.7 million tonnes, as lower prices contributed to an 11 percent contraction in 2014 plantings, and lower yields further reduced the output.

In *Asia*, with harvesting complete, the aggregate wheat output in 2014 is estimated at 321 million tonnes, slightly above last year, as increases in **India**, **China** and **Pakistan** were partly offset by an overall contraction in the *Near East*. In **China**, production is forecast to expand to a new record of 125.3 million tonne, mainly attributed to higher yields, following good rains. Similarly, **India** and **Pakistan** collected record volumes of 95.9 million and 25.3 million tonnes respectively, underpinned by higher plantings and improved yields. By contrast, the wheat crop in **Turkey**, which accounts for about half of the *Near East* production, was hindered by drought conditions and cold weather, resulting in a 10 percent fall. Compared to last year's record level, wheat production in *North Africa*, which is mainly rainfed, fell overall. Dry weather at the start of the season in **Morocco** resulted in a smaller planted area and a consequent 27 percent decrease in the national output to 5.1 million tonnes. Unfavourable weather also caused a small reduction in **Algeria**, while production recovered

Table 1. World wheat market at a glance

	2012/13	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>	Change: 2014/15 over 2013/14
million tonnes			%	
WORLD BALANCE				
Production	660.6	717.1	718.5	0.2
Trade ¹	140.2	157.3	150.0	-4.6
Total utilization	687.3	689.1	700.8	1.7
Food	475.3	481.7	486.7	1.0
Feed	132.3	128.6	132.6	3.1
Other uses	79.7	78.8	81.5	3.4
Ending stocks	158.2	176.5	192.4	9.0
SUPPLY AND DEMAND INDICATORS				
Per caput food consumption:				
World (kg/yr)	67.2	67.4	67.3	-0.1
LIFDC (kg/yr)	46.3	46.5	46.6	0.2
World stock-to-use ratio (%)	23.0	25.2	26.9	
Major exporters stock-to-disappearance ratio ² (%)	14.1	14.1	15.6	
FAO WHEAT PRICE INDEX ³ (2002-2004=100)	2012	2013	2014 <i>Jan-Sep</i>	Change: Jan-Sep 2014 over Jan-Sep 2013 %
	204	194	183	-6.7

¹ Trade refers to exports based on a common July/June marketing season.

² Major exporters include Argentina, Australia, Canada, EU, Kazakhstan, Russian Fed., Ukraine and the United States.

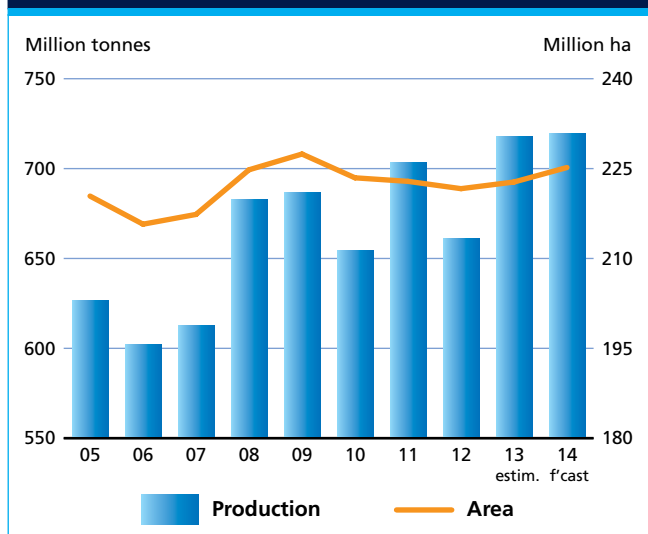
³ Derived from the International Grains Council (IGC) wheat index.

Table 2. Wheat production: leading producers*

	2012	2013 <i>estim.</i>	2014 <i>f'cast</i>	Change: 2014 over 2013
	<i>million tonnes</i>			<i>%</i>
European Union	132.6	143.7	147.1	2.4
China (Mainland)	120.8	121.9	125.3	2.8
India	94.9	93.5	95.9	2.6
United States	61.7	58.0	55.2	-4.8
Russian Federation	37.7	52.1	59.0	13.2
Canada	27.2	37.5	27.7	-26.1
Australia	22.9	27.0	24.2	-10.4
Pakistan	23.5	24.2	25.3	4.5
Turkey	20.1	22.0	19.8	-10.0
Ukraine	15.8	22.0	23.0	4.5
Iran Islamic Rep. of	13.8	14.0	13.0	-7.1
Kazakhstan	9.8	14.0	13.6	-2.9
Argentina	8.0	9.2	11.5	25.0
Egypt	8.8	8.8	9.0	2.3
Uzbekistan	6.7	6.9	7.3	5.8
Other countries	56.3	62.3	61.6	-1.1
World	660.6	717.1	718.5	0.2

* Countries listed according to their position in global production (average 2012-2014)

Figure 3. Wheat production and area



strongly in **Tunisia** and remained relatively unchanged in **Egypt**.

The 2014 wheat harvest, which is underway in the Southern Hemisphere countries, will only be completed early next year. In *South America*, production prospects are positive, with the aggregate output forecast to grow for a second successive year, reaching 23.8 million tonnes, which is up 25 percent from 2013. In **Argentina** and **Brazil**, farmers responded positively to higher domestic wheat prices and increased plantings. Production is forecast to rise by 25 percent over last year's below-average output in **Argentina**, to 11.5 million tonnes, and by 38 percent in **Brazil** to 7.9 million tonnes.

Wheat output in 2014 is forecast to decline in **Australia**, where dry weather has reduced yield prospects, particularly in Western Australia, the largest producing state. Despite an increase in the area planted, production is expected to decline by 10 percent to a below-average 24.2 million tonnes. In *Southern Africa*, aggregate production is estimated to fall by 8 percent to just over 2 million tonnes, with declines expected in the two main producing countries, **South Africa** and **Zambia**, on account of reduced plantings.

TRADE

World trade to decrease on weak import demand

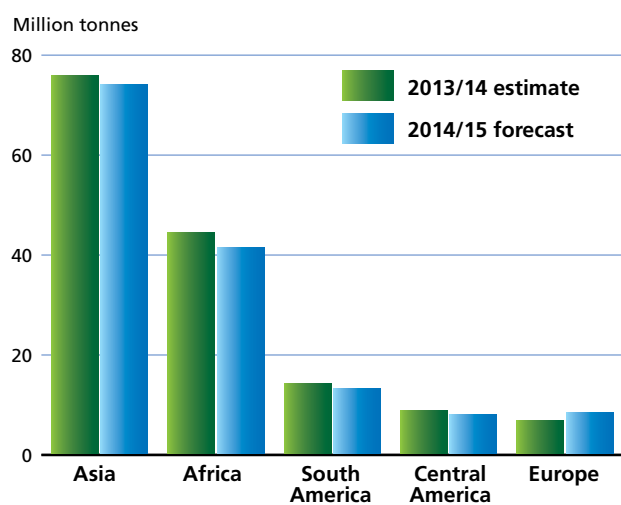
FAO's forecast for world wheat trade (including wheat flour in wheat equivalent) in 2014/15 (July/June) has been raised by 2 million tonnes since September and now stands at 150 million tonnes, almost 4.2 million tonnes (2.7 percent) below the 2013/14 record level.

In *Asia*, total wheat imports are likely to approach 74 million tonnes, nearly 2 million tonnes less than the previous season's estimated level, yet almost 1 million tonnes higher than had been anticipated. **China** (Mainland) accounts for the bulk of the anticipated fall in wheat imports, which, given China's prospect for a bumper harvest this year, could plunge by 2.7 million tonnes to 4 million tonnes in 2014/15. Wheat imports by the **Islamic Republic of Iran** are expected to reach 5.5 million tonnes, down 500 000 tonnes from the unusually high level of the previous season. Other countries where this season's imports could be reduced include **Pakistan**, **Yemen** and **Uzbekistan**. By contrast, a number of countries, such as the **Republic of Korea** and **Israel**, are seen to import more feed wheat, given its abundant supplies, especially in Europe. Wheat purchases by **Indonesia** are likely to increase further in 2014/15, following an upward trend which is very much a reflection of the country's increasing demand for wheat-based products.

In *Africa*, aggregate imports are anticipated to fall to 41 million tonnes, down 3 million tonnes from the record set in 2013/14. In *North Africa*, deliveries to **Algeria**, **Egypt** and **Morocco** are estimated to decrease slightly below the previous season. Because of lower than anticipated domestic production, the forecast for imports by **Algeria** has been raised since September to 6.5 million tonnes, which still falls 1 million tonnes short of last year's estimate. Total imports by **Egypt** are forecast at 10 million tonnes, down by 0.5 million tonnes compared with the previous season, due to higher domestic supplies. Following a strong rebound in domestic wheat production, imports by **Tunisia** could fall by 0.4 million tonnes to 1.6 million tonnes in 2014/15. Given the above-normal inventory level in **Morocco**, imports are set to decline in spite of this year's reduced domestic production. In *sub-Saharan Africa*, imports by most countries are likely to remain close to the previous season's levels with **Nigeria**, the region's largest wheat importer, purchasing at least 4.5 million tonnes this season. In **Sudan**, imports could rise to 2.2 million tonnes, sustained by stronger demand and the need to reconstitute depleted stocks.

In *Europe*, total imports in 2014/15 are put at 8.1 million tonnes, up 1.6 million tonnes from the 2013/14 estimate. The increase is mostly attributed to the **EU** where, notwithstanding this year's record crop, quality concerns and a shortage of milling wheat are expected to encourage larger purchases. Aggregate imports in *Latin America and the Caribbean* are forecast to be lower than in the previous season. Imports in **Brazil** are

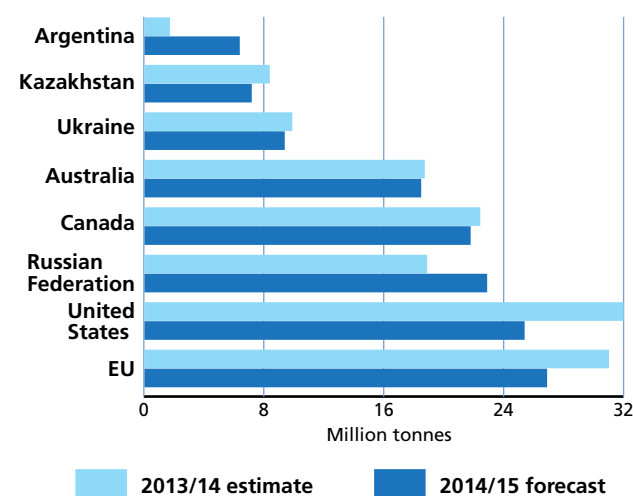
Figure 4. Wheat imports by region



expected to decrease by 0.6 million tonnes, to 6.3 million tonnes, helped by the prospect of a bumper crop this year. **Mexico** is also expected to purchase slightly less, around 3.7 million of tonnes, as a result of good domestic production this year.

Regarding exports, the biggest decrease is expected for the **United States**, whose shipments may drop by 6.6 million tonnes compared with the previous year, given the anticipated contraction in world import demand and a continued strong US dollar, which is undermining the country's competitiveness. By contrast, in **Argentina**, following the exceptionally low level of shipments registered in 2013/14, this season's sales are likely to rebound sharply (up at least 4.5 million tonnes) to 6 million tonnes, driven by improved domestic supply. Supported by good crops and a weakening currency, shipments from the **Russian Federation** are heading toward a record, at 22.5 million tonnes, up 4 million tonnes from the already high level registered in 2013/14. Exports from **Ukraine** could fall short of last season's record but a bumper crop could still keep sales at an above average level of 9 million tonnes. By contrast, exports from the **EU** are forecast to return to more normal levels, falling by 4 million tonnes from the peak of 30.6 million tonnes reached in 2013/14. Shipments from **Australia** could also decrease slightly, on anticipated decline in production. In **Canada**, despite a sharp fall in production, large carryover stocks following last year's record crop, combined with improved logistics, will help keep shipments stable. Among other exporters, exports from **India** could fall by as much as half, to 2.5 million tonnes, given the rising domestic requirement under the newly established National Food Security Act.

Figure 5. Major wheat exporters

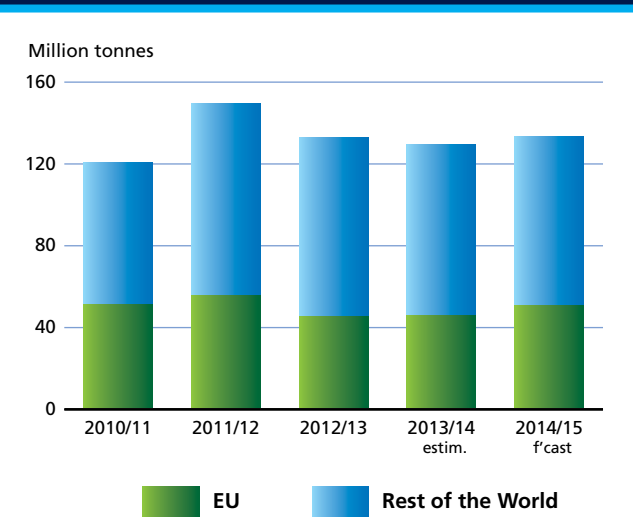


UTILIZATION

Wheat utilization to increase mostly on higher feed use

Total wheat utilization in 2014/15 is projected to reach 700.7 million tonnes, up 1.7 percent from 2013/14 and slightly higher than was anticipated earlier in the season. Total **feed use** is forecast to grow by 3.1 percent to 133 million tonnes, largely driven by stronger demands in Asia and Europe. In the EU, total feed use of wheat could reach 50 million tonnes, up 5 million tonnes from last season, supported by large supplies of low quality wheat due to excessive moisture in a number of important growing areas affecting this year's wheat quality. In *Asia*, most of the anticipated rise in wheat feed use is expected

Figure 6. Wheat feed use



to occur in China, where it could reach 19 million tonnes, up 5.6 percent compared with the previous season. By contrast, wheat usage by the livestock sector is likely to decline in the United States, given the prospect for ample supplies of maize, and in Canada, which is expected to face a tighter domestic wheat supply situation this season.

Total wheat use for **direct human consumption** is expected to hover around 486 million tonnes, 1 percent higher than in 2013/14. Most of the increase will be concentrated in developing countries, which are forecast to consume 352 million tonnes of wheat as food. Globally, on a per capita basis, wheat consumption is estimated to remain unchanged, at around 67 kg per annum worldwide, with an average of 60 kg per capita in the developing countries and 96 kg per capita in the developed countries. The most populated countries, China and India, are expected to account for 25 percent and 22 percent, respectively, of total wheat food utilization in developing countries.

As for other uses of wheat, as of September 2014, the International Grains Council forecast total **industrial utilization** at just over 19 million tonnes, slightly above last season, reflecting a stronger demand for starch and ethanol production. Most of the projected increase is expected in the EU, where 5.5 million tonnes of wheat could be used for starch and 3.2 million tonnes for ethanol.

STOCKS

Global wheat inventories highest since 2003

A record wheat harvest this year is expected to boost inventories which, by the close of the marketing seasons ending in 2015, could reach 192 million tonnes, up almost 16 million tonnes from their already high opening levels and the highest since 2003. This month's stock forecast is 5 million tonnes larger than was anticipated in September, with most of the revision reflecting upward adjustments in production estimates in several countries.

Wheat inventories are projected to increase the most in India, by 5.4 million tonnes, followed by China where stocks are seen to rise by 3.5 million tonnes. Larger inventories are also anticipated in the EU, the Russian Federation and the United States. By contrast, stocks in Canada are expected to return to more average levels, after the peak registered last season. The latest forecasts for this season's ending stocks and anticipated utilization will result in a **world wheat stock-to-use ratio** of 26.8 percent, its highest value since 2009/10 and well above the historic minimum of 20 percent registered in 2007/08.

The ratio of **major wheat exporters' closing stocks-to- their total disappearance** (defined as domestic utilization plus exports), which is considered a better measure of availabilities in the global market, is also set to increase, from 14.1 percent in 2013/14 to 15.6 percent in 2014/15. Among major exporters, Argentina, Ukraine, the EU, and the United States are all expected to accumulate larger stocks, offsetting a decline in Canada.

Figure 7. Wheat stocks and ratios



COARSE GRAINS

Major Coarse Grain Exporters and Importers



PRICES

Prices fall amid piling supplies

Good crop prospects for coarse grains, in general, and for maize, in particular, have continued to put downward pressure on international prices. While during the first half of the year, prices received some support from rising wheat values and fears of trade disruptions because of escalating tensions in the Black Sea region, large plantings and favourable climatic conditions, combined with an abundance of feed wheat have since then led to sharp

declines in prices of major coarse grains. International prices of maize and barley (feed) have fallen significantly below their values of the corresponding period last year. The benchmark **US maize price (yellow, No. 2, f.o.b.)** averaged USD 164 per tonne in September, down 22 percent from September 2013 and 18 percent since the start of this year.

In futures markets, continued upgrading of this year's production forecasts has been the main driving factor for the steep decline in prices. This is especially due to another record maize crop predicted for the United States, the

Figure 1. Maize export price (US No. 2 yellow, Gulf)

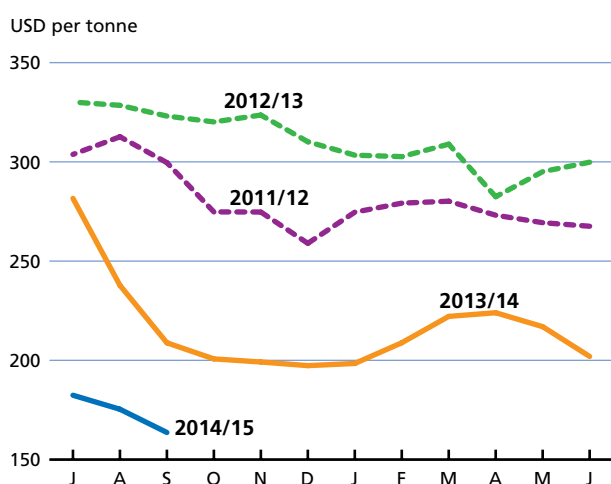
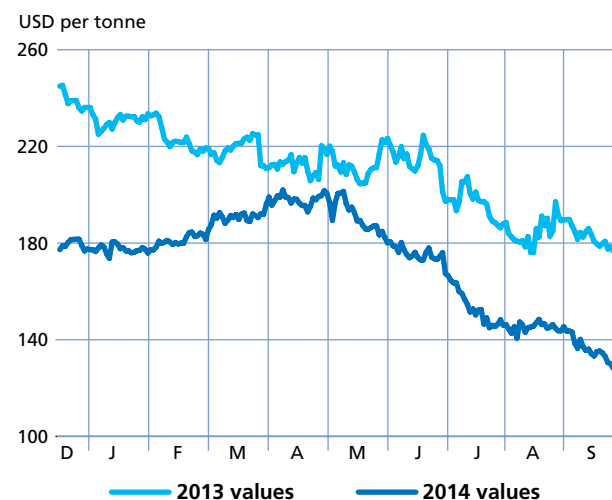


Figure 2. CBOT maize futures for December



world's largest producer and exporter. By end September, the **Chicago Board of Trade (CBOT) maize futures for December delivery** were quoted below USD 130 per tonne, down 25 percent from the corresponding period last year.

PRODUCTION

Bumper crops worldwide – record maize production in the United States

FAO's latest forecast for 2014 global coarse grain production stands at 1 308 million tonnes, virtually unchanged from the record of 2013, with declines in *South America* and *Ukraine* expected to be largely offset by an expected record maize harvest in the United States. The global maize output is put at 1 018 million tonnes, 1 percent above the 2013 record and marginally higher than earlier forecasts, reflecting a recent 9 million tonne upward revision in the United States, on the back of improved yield prospects.

In the Northern Hemisphere, harvesting of the 2014 maize crop is underway or about to commence. Maize production in the **United States** is forecast at 366 million tonnes, nearly 12 million tonnes (3.4 percent) up on the record crop of 2013. The rise reflects an 8 percent increase in yields which are expected to reach new highs, more than compensating for a reduction in the area planted. By contrast, production in **Canada** is foreseen to fall by 20 percent, reflecting a reduced area, as farmers opted to sow more profitable crops, mainly soybeans. In **China**, maize production is forecast to continue its increasing trend, but at a more moderate rate in 2014, largely in response to rising demand for feed grains. The latest forecast for China stands at 220 million tonnes, about 1 percent higher than 2013. In *Europe*, a near 8 percent production gain is forecast in the **EU**, as maize yields were bolstered by favourable climatic conditions. The **Russian Federation** is expected to register a significant production increase of 12 percent, to a new high of 13 million tonnes. These gains are projected to more than compensate for a 14 percent decrease in **Ukraine** on account of lower yields. This is despite a small upward revision to the maize crop in the past months, following the resumption of favourable rains in the country.

In *Western Africa*, the aggregate maize output is forecast to contract by 7 percent from 2013's record level following dry-weather conditions in June and July in several parts of the Sahel belt, notably in **Senegal**, the **Gambia**, **Mauritania** and **Guinea-Bissau**. In **Nigeria**, the largest African producer, output could fall by 9 percent to near-average levels. The overall output in *Eastern Africa* is

Figure 3. Coarse grain production and area

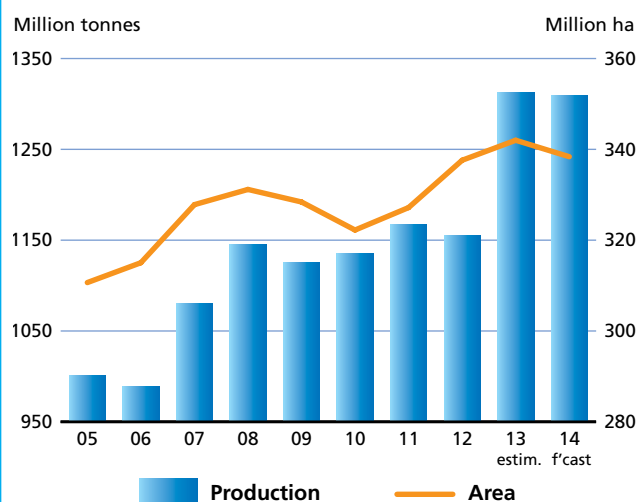


Figure 4. Coarse grain production by commodity

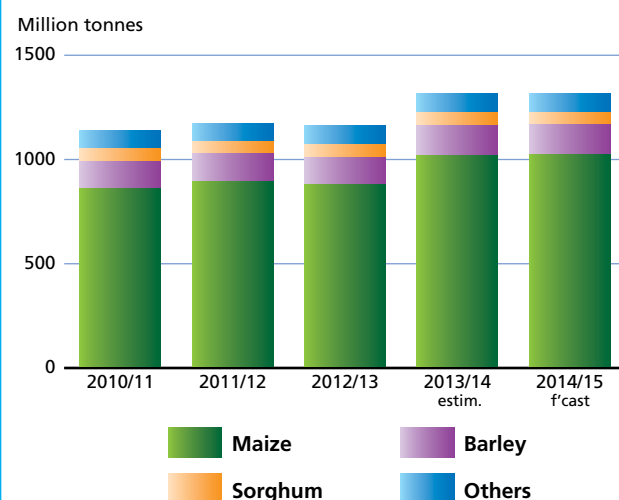


Figure 5. World maize production

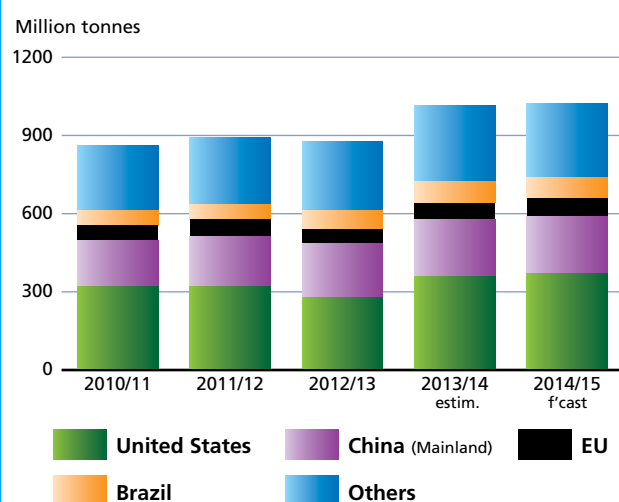


Table 1. World coarse grain market at a glance

	2012/13	2013/14 estim.	2014/15 f'cast	Change: 2014/15 over 2013/14
	million tonnes			%
WORLD BALANCE				
Production	1 153.9	1 310.7	1 308.0	-0.2
Trade¹	131.3	157.9	147.0	-6.9
Total utilization	1 165.2	1 236.5	1 260.2	1.9
Food	200.4	202.8	204.2	0.7
Feed	655.8	708.3	725.3	2.4
Other uses	309.1	325.4	330.7	1.6
Ending stocks	171.0	221.8	257.4	16.1
SUPPLY AND DEMAND INDICATORS				
Per caput food consumption:				
World (kg/yr)	28.4	28.4	28.3	-0.4
LIFDC (kg/yr)	40.6	40.2	39.6	-1.5
World stock-to-use ratio (%)	13.8	17.6	20.2	
Major exporters stock-to-disappearance ratio ² (%)	8.4	11.1	15.0	
FAO COARSE GRAIN PRICE INDEX (2002-2004=100)	2012	2013	2014 Jan-Sep	Change: Jan-Sep 2014 over Jan-Sep 2013 %
	283	246	189	-28.8

¹ Trade refers to exports based on a common July/June marketing season.

² Major exporters include Argentina, Australia, Brazil, Canada, EU, Russian Fed., Ukraine and the United States.

Table 2. Coarse grain production: leading producers*

	2012	2013 estim.	2014 f'cast	Change: 2014 over 2013
	million tonnes			%
United States	286.3	369.8	382.4	3.4
China (Mainland)	214.6	227.9	229.0	0.5
European Union	144.8	158.8	158.8	0.0
Brazil	74.1	83.5	80.3	-3.8
India	41.6	43.2	38.7	-10.4
Russian Federation	29.5	36.6	42.5	16.1
Argentina	31.2	37.8	38.8	2.6
Ukraine	29.9	40.3	36.5	-9.4
Mexico	30.2	30.5	30.3	-0.7
Canada	24.5	28.8	21.7	-24.7
Indonesia	19.4	18.5	18.6	0.5
Ethiopia	17.4	19.5	18.5	-5.1
Nigeria	16.5	18.5	17.4	-5.9
South Africa	13.3	13.0	15.6	20.0
Turkey	12.4	14.5	13.1	-9.7
Other countries	168.2	169.5	165.8	-2.2
World	1153.9	1310.7	1308.0	-0.2

* Countries listed according to their position in global production (average 2012-2014)

forecast to fall by 7 percent from the record level of 2013, to 18.6 million tonnes, mainly on account of dry weather, but is still anticipated to remain well above the five-year average. Reduced monsoon rains in **India** contributed to a smaller area planted and this, combined with a likely return to average yields (from the high levels in 2013), could result in a 14 percent production decline from the 2013 peak.

In Southern Hemisphere countries, the main 2014 maize crop was harvested earlier in the year. The output in *South America* declined by 3 percent from the 2013 record level, largely reflecting Brazil's 4 percent contraction to 77.4 million tonnes. Decreased outputs were also estimated in the other *South American* countries, with the exception of **Argentina** and **Bolivia**. Aggregate maize production in *Southern Africa* increased sharply (by 21 percent) to 27.4 million tonnes. Significant gains were registered in **South Africa**, the subregion's main producer, where white maize production recovered by 37 percent from the drought-affected 2013 harvest. Production rebounds were also estimated in **Zambia** and **Zimbabwe**, as good weather contributed to improved yields.

World barley production in 2014 is forecast at 140 million tonnes, 4 percent below the record in 2013, mainly reflecting smaller outputs in the **EU**, *North America* and **Australia** due to a fall in yields. In contrast, improved yields and larger plantings are projected to boost outputs in the **Russian Federation** and **Ukraine**.

The forecast for global sorghum production stands at 60.1 million tonnes, virtually unchanged from 2013. In the **United States**, better yield prospects pushed the forecast 11 percent higher to 10.9 million tonnes. Harvesting is underway in *East Africa*, and an improved output is foreseen, with production in **Sudan** expected to recover strongly from the drought-affected harvest in 2013. In *Western Africa* and **Asia** production declines are forecast, offsetting the gains elsewhere.

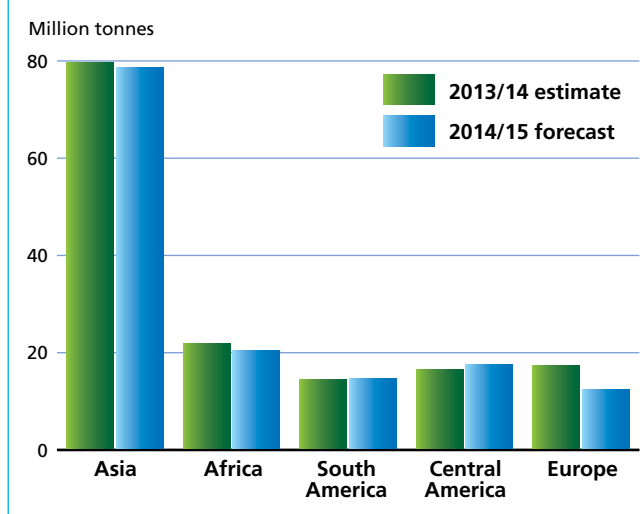
TRADE

World trade down sharply in 2014/15

FAO's forecast for world trade in coarse grains in 2014/15 (July/June) stands at 147 million tonnes, 11 million tonnes (7 percent) below the 2013/14 record level. The sharp contraction, if realized, would be the biggest in over two decades (since 1993/94). This month's forecast is 2.5 million tonnes higher than in September, mostly to account for upward adjustments to import in several countries in *Asia* and *South America*.

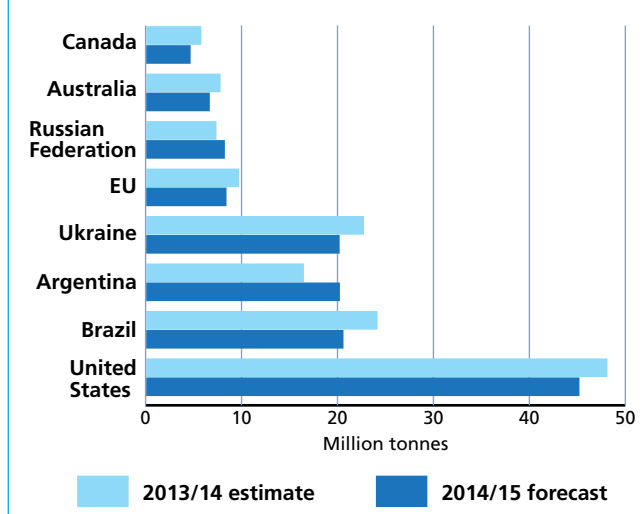
Falling maize trade is responsible for the bulk of the expected decline in world trade in coarse grains. World imports of maize are currently anticipated at 114 million

Figure 6. Coarse grain imports by region



tonnes, down as much as 5.3 million tonnes, or 4.5 percent, from 2013/14, although still the second highest on record. The largest declines are forecast for the **EU**, where maize imports could decrease by as much as 5.5 million tonnes (nearly 37 percent) from the previous season's record, to 9.5 million tonnes, given good production prospects and, even more importantly, large availabilities of feed wheat. On the other hand, weaker international prices, combined with generally sustained demand for feed, could keep import volumes close to the previous year's levels in most countries. In *Asia*, total maize imports are set to increase slightly to 57 million tonnes. **China** (Mainland) is seen to take in at least 3.5 million tonnes of maize this season, 400 000 tonnes more than in 2013/14, notwithstanding large inventories and another year of record production. Elevated domestic prices – amid the government's continued policy of purchasing surplus maize from the market to sustain farm incomes – are making imports of cheaper maize from international markets an attractive option for traders. Taking advantage of this season's lower prices, purchases by **Japan**, the world's largest maize importer, could rise by 400 000 tonnes, to 15.5 million tonnes. Deliveries to the **Islamic Republic of Iran** are anticipated to increase slightly to 4.8 million tonnes, reflecting strong feed demand and improved access to international financial markets. Aggregate maize imports in *Africa* may fall to 17.2 million tonnes, down 900 000 tonnes from 2013/14. The drop would be mainly on account of a 1 million tonne contraction of purchases by **Egypt**, the region's largest buyer, to 7 million tonnes. A decline in imports by **Zimbabwe**, due to higher domestic production, is likely to offset an increase in **Kenya**, where production is lower than in 2013. Slightly larger imports

Figure 7. Major coarse grain exporters



are projected for **Latin America and the Caribbean**, especially in **Mexico**, the region's largest importer. Deliveries to Mexico could reach 10.5 million tonnes, slightly higher than in the previous season, driven by continued strong demand for feed.

World trade in another major coarse grain, barley, looks set to decline slightly from the previous season to nearly 21 million tonnes. Among the leading destinations, **Saudi Arabia**, the world's largest barley importer, is anticipated to cut its purchases by 500 000 tonnes to 8.5 million tonnes in 2014/15, due to large carryovers from the previous season. **China** (Mainland) could also reduce its imports by 700 000 tonnes to 3 million tonnes, on large supplies of other coarse grains, maize in particular. By contrast, barley inflows, most notably to the **EU**, **Islamic Republic of Iran** and **Morocco**, are anticipated to be larger.

World imports of sorghum are forecast at 7.5 million tonnes in 2014/15, down 600 000 tonnes from the previous season's level. The anticipated decrease would be mostly on account of lower imports by **Sudan** and **China** more than offsetting an increase by **Mexico**.

Based on the prospect of a weaker world import demand in 2014/15, exports (July/June) of coarse grains from most of the major exporting countries are anticipated to fall below the previous season's levels. The contraction of exports will concern, in particular, the **United States**, where they may dip by around 3 million tonnes to 44.5 million tonnes, **Brazil**, down 3.5 million tonnes to 20 million tonnes and **Ukraine**, down 2.5 million tonnes to 19.6 million tonnes. Shipments from **Australia**, **Canada**, the **EU** and the **Russian Federation** could also fall by around 1 million tonnes each, to 6 million tonnes,

4 million tonnes, 7.8 million tonnes and 7.6 million tonnes respectively.

By contrast, shipments from **Argentina** could increase to 19.6 million tonnes, up 3.7 million tonnes from the sharply reduced outflows in 2013/14, reflecting this year's larger supplies. Exports from the **Republic of South Africa** may also increase, by 500 000 tonnes, to 2.3 million tonnes.

UTILIZATION

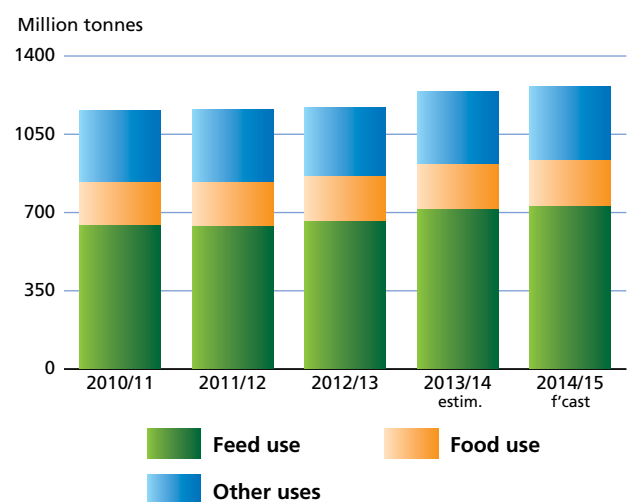
Utilization increasing at a slower pace than in the previous season

The latest forecast for global utilization of coarse grains in 2014/15 points to a 2 percent increase to 1 260 million tonnes; this compares to a 6 percent expansion estimated for 2013/14. Most of this deceleration stems from a slower rise in feed intake in the United States.

Total **feed utilization** of coarse grains in 2014/15 is forecast to reach 725 million tonnes, some 2.4 percent (17 million tonnes) above the 2013/14 estimate but well below the 8 percent growth in 2013/14. However, this is largely a result of developments in the United States. Total feed use of coarse grains (mostly maize) in the country in 2013/14 is estimated to have reached 137.4 million tonnes, up 19 percent from the previous season, while, in 2014/15, the country's feed use is expected to increase by 3 percent to 141.4 million tonnes. Among the other leading countries, the strongest rise in feed use is forecast for China, where large domestic supplies would again support a strong growth of at least 5.5 percent, to 156 million tonnes. Brazil is another country where feed use is forecast to soar by almost 7 percent to 47 million tonnes, taking advantage of continued large domestic supplies amid rising demand for livestock products.

World **food consumption** of coarse grains is expected to remain steady at around 204 million tonnes in 2014/15, resulting in a slight decline on per capita basis, to 28.3 kg at the global level. Most of the human consumption of coarse grains occurs in Africa (81 million tonnes), followed

Figure 8. Coarse grain utilization



by Asia (68 million tonnes) and the Latin America and Caribbean (32 million tonnes).

Similarly, **industrial use** of coarse grains is expected to remain steady, at around 300 million tonnes, with maize accounting for most of the use among the coarse grains. The International Grains Council projects total industrial use of maize (for ethanol, starch and sweeteners) to approach 260 million tonnes this season, slightly above the estimated value for 2013/14. Maize used for ethanol production in the United States constitutes the bulk of the industrial utilization of maize. Declining prices and strong ethanol demand continues to keep maize-based ethanol production at high levels, at some 130.2 million tonnes, nearly at par with the estimated level in 2013/14.

STOCKS

Largest stocks since 1986/87

Another year of bumper crops is expected to boost the level of world coarse grains inventories to their highest since 1986/87. Based on the latest forecasts for global production in 2014 and utilization in 2014/15, by the

Table 3. Maize use for ethanol (excluding non-fuel) in the United States

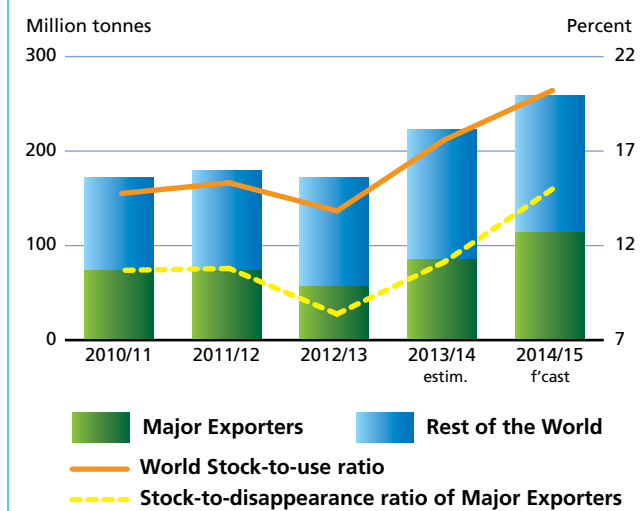
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14 estim.	2014/15 (f'cast)
Thousand tonnes								
Maize production	331 177	307 142	332 550	316 166	313 956	273 823	353 709	365 647
Ethanol use	77 453	93 396	116 616	127 538	127 005	117 886	130 180	130 180
Yearly change (%)	44	21	25	9.4	-0.4	-7.2	10.4	0.0
As production (%)	23	30	35	40.3	40.5	43.1	36.8	35.6

Source: WASDE-USDA (September 2014)

close of crop seasons in 2015, world stocks are forecast to reach 257.4 million tonnes, up 16 percent (36 million tonnes) from their opening levels and the highest volume since 1986/87. The stock figure has been raised by 9 million tonnes in recent months, following upward revisions in the Russian Federation and the United States, mainly in line with higher production forecasts in both countries. The anticipated increase in world inventories will result in the **stock-to-use-ratio** reaching 20.2 percent, its highest level since 2001/02 and well above the historical low of 13.8 registered in 2012/13. Likewise, **major exporters' stock-to-disappearance ratio** (domestic utilization plus exports) is forecast to increase significantly, from 11.1 percent in 2013/14 to 15 percent in 2014/15, indicating even more abundant supplies of coarse grains in the new season compared to 2013/14.

Most of the anticipated expansion in inventories would be due to the rise in maize stocks, which are forecast to increase by as much as 36 million tonnes (20 percent) to 211 million tonnes. Barley stocks are also expected to increase, by 2.2 million tonnes (7.8 percent) to 31 million tonnes. The largest build-up in stocks of coarse grains is expected in the United States, where this season's maize carryovers could reach 51 million tonnes, some 21 million tonnes (69 percent) above their opening levels and the highest in ten years. Two consecutive seasons of record

Figure 9. Coarse grain stocks and ratios



crops are the main reason for the build-up of inventories in the United States. Similarly, with production rising for the fifth consecutive year, maize inventories in China (Mainland), could reach 84 million tonnes, up at least 8 million tonnes (11 percent) from the previous season. Boosted by higher production, coarse grain inventories in the Russian Federation could more than double to 8.6 million tonnes.

RICE

Major Rice Exporters and Importers



PRICES

Contrary to the tendencies observed in the wheat and coarse grains markets, international rice prices have edged steadily higher between May and August 2014. The price strength reflected concerns about the possible impacts of erratic weather on rice crops, lingering fears of an El Niño recurrence in the coming months and the resumption of purchases by some major importers. Failure by Thailand's government to release sizeable quantities from its huge public stocks for sale on the market also sustained world quotations. Prices,

however, started to subside again in September, reflecting accrued competition among exporting countries, keen to free storage space ahead of their impending harvests. The strength of the US dollar, the numerator of international prices, also exerted downward pressure on world quotations. Between January and September 2014, however, the FAO All Rice Price Index averaged 236 points, the same value as in the 2013 corresponding period. Yet, comparing the two periods, movements were not uniform across all market segments, as prices of the Lower Quality Indica and of the Higher Quality Indica were down by 13.0 percent and

Figure 1. FAO rice price sub-indices (September 2012 - September 2014)

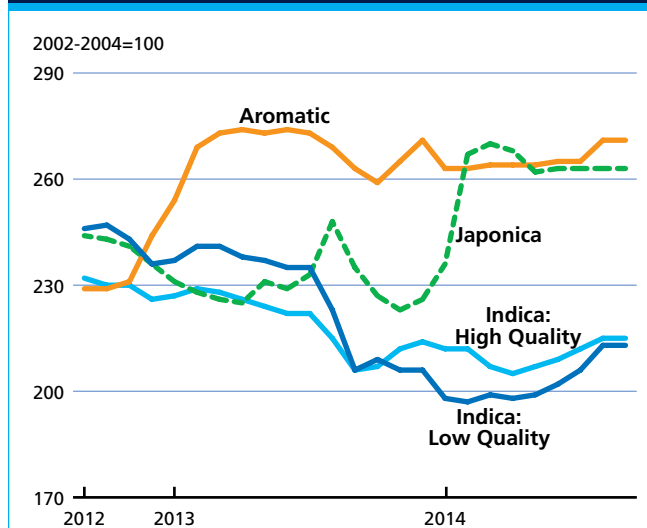
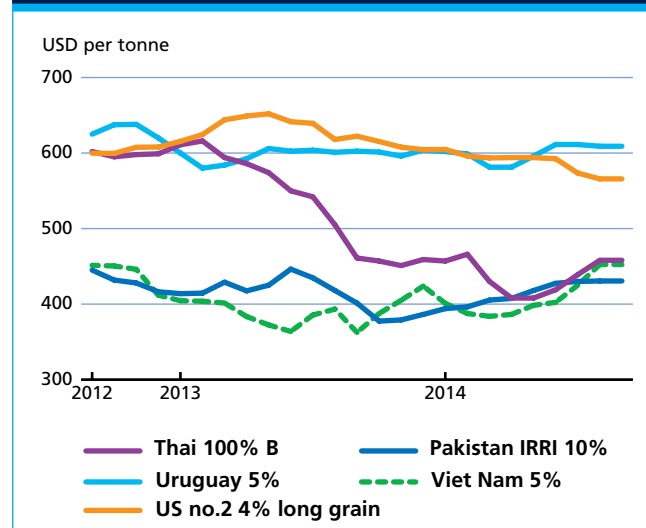


Figure 2. Export prices for higher quality rice in selected countries



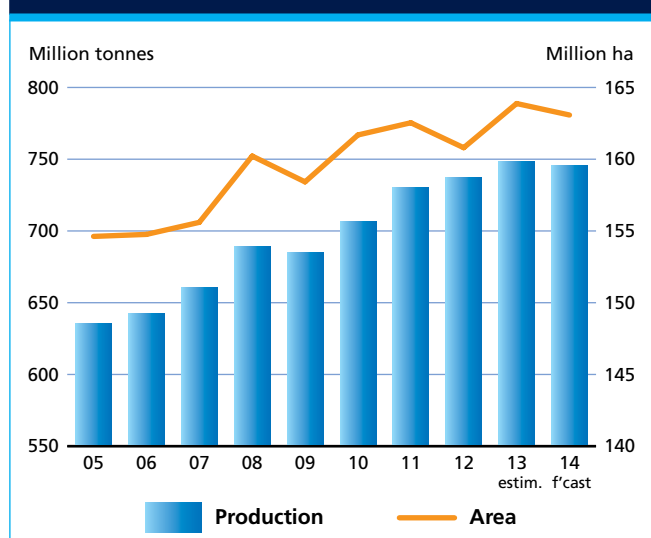
5.7 percent, respectively, with a more modest retreat of 1.3 percent for Aromatic rice. By contrast, Japonica prices averaged 12.9 percent higher year-on-year, reflecting the tightness of tradeable supplies and a prevailing export ban in Egypt. Looking at actual quotations, the Thai white, 100%B rice benchmark averaged USD 436 per tonne in the first nine months of 2014, 22 percent less than in the same period in 2013. Most rice originated in Thailand tended to be substantially cheaper than in 2013, a weakness that extended to rice from India and Pakistan's origins. By contrast, prices in Viet Nam, which had been particularly weak in 2013, recovered somewhat in 2014. In the Americas, prices in the first nine months of the year were steady to higher and continued to display a large premium over Asian rice.

PRODUCTION²

Erratic weather stalls global rice production growth again in 2014

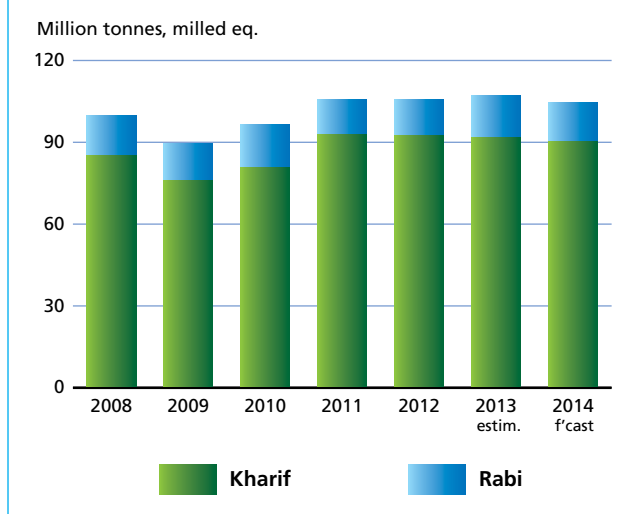
With only a few weeks left before several of the major producing countries start harvesting their main crops, FAO's forecast for global rice production in 2014 remains subdued. Even more, the outlook has deteriorated substantially, especially if compared with the projection presented in the May 2014 issue of Food Outlook. Since that publication, several nations have endured erratic weather conditions, including late arrival of rains or lingering droughts that in many cases were followed by heavy downpours and floods in August and September. These, together with expectations of an El Niño weather anomaly arising in the coming

Figure 3. Global rice paddy production and area



² All figures are reported in milled rice equivalent

Figure 4. Indian rice production by crop



months, have lowered prospects for global rice production in 2014, now estimated to reach only 496.4 million tonnes in milled rice equivalent, which compares with an earlier forecast of 501.1 million tonnes reported in the May issue of Food Outlook and of 500.4 million tonnes forecast in September. Under current prospects, global rice production would be marginally (0.4 percent) lower than the 2013 estimate, marking a third year of below trend growth. Yet, there is still much uncertainty, especially concerning the 2014 secondary crops, which Northern Hemisphere countries will soon start sowing for harvest next year. The outcome of the 2014 season is more definite in Southern Hemisphere countries, which mustered their main crops in the first semester and have closed, or are about to close, their 2014 paddy seasons.

Prospects for a disappointing 2014 season at the world level are mostly linked to the poor performance of crops in Asia, where production is now forecast to fall by close to 3 million tonnes, or 0.7 percent. If confirmed, this would be the first contraction (albeit rather contained, in percentage terms) registered by the region as a whole since 2009, when the El Niño weather anomaly last manifested. Numerous producing nations in the region have been affected by erratic weather conditions since the onset of the season, especially **India**, the world second largest rice producer, where the irregular pattern of the monsoon is currently anticipated to bring production down by 2.4 percent in 2014 to 104 million tonnes. This forecast by FAO is higher than the official figure currently portended by the Ministry of Agriculture, which projected 88.02 million tonnes for the main Kharif crop, which combined with a 14 million tonne target for the Rabi crop, would yield a total output of 102 million tonnes in 2014. However, the Ministry's estimate for Kharif was

acknowledged to be prone to subsequent upward revisions, especially as it did not take into consideration the abundant precipitation received in September. Unfavourable weather conditions have hindered crops in **Indonesia, Cambodia, Republic of Korea, Nepal, Pakistan, the Philippines, Sri Lanka and Thailand**, all of which are expected to witness a contraction of output. In the case of **Thailand**, the anticipated 1.6 percent decline would be associated with a late arrival of the rains due in April-May, but also with the February 2014 abolition of the rice pledging scheme, which had guaranteed high prices to farmers since 2011. The closure of the programme, which is to be replaced by indirect support to farmers through preferential access to credit and inputs, also have contributed to reduced plantings. Weaker price incentives are also expected to foster a contraction of the rice area and production in **Japan**. Although adverse climatic conditions also affected crops in **Bangladesh** (floods) and **China** (drought in the north-eastern region; cold and excess rains in the south), prospects for output in those countries still indicate an increase from last year. On the other hand, favourable growing conditions are anticipated to underpin production in **Viet Nam**, despite a small, price-driven, reduction in plantings.

In *Latin America and the Caribbean*, the production outlook remains positive overall, in spite of rainfall deficits, which impaired crops in the central part of the continent. Under current prospects, about 18.9 million tonnes are expected to be collected in the region, up 0.6 percent from 2013. Much of the expansion would rely on a good performance in the southern cone, where the bulk of the season's rice was harvested earlier this year. Larger crops are estimated to be garnered in **Brazil**, the largest regional producer, but also in **Guyana** and **Paraguay**. By contrast, heavy floods are foreseen to keep production in **Bolivia** well below average for the second consecutive year, while water shortages may curb output in **Colombia**. **Peru** and **Venezuela**. Across *Central America and the Caribbean*, rice cultivation was affected by delayed and insufficient precipitation, which may result in falling production in **El Salvador, Guatemala, Nicaragua** and **Panama**. However, much of these countries' shortfalls are expected to be compensated by increases in **Costa Rica, Cuba** and **Mexico**.

The outlook for crops in *Africa* has also been scaled back since September, but as a whole remains positive: the production forecast for the region was lowered to some 18.0 million tonnes, which still represents a 0.8 percent increase from 2013. Part of the downward revisions concerned **Egypt**, where the area planted to rice was reported to have shrunk, as well as Western African countries, where several important producers suffered from the rain's late arrival

Table 1. World rice market at a glance

	2012/13	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>	Change: 2014/15 over 2013/14
million tonnes			%	
WORLD BALANCE				
Production	490.9	498.4	496.4	-0.4
Trade ¹	37.3	39.7	40.0	0.7
Total utilization	477.9	492.1	500.3	1.7
Food	402.3	410.3	415.5	1.3
Ending stocks	175.7	181.3	177.7	-2.0
SUPPLY AND DEMAND INDICATORS				
Per caput food consumption:				
World (kg/yr)	56.9	57.4	57.5	0.2
LIFDC (kg/yr)	63.3	63.9	64.3	0.6
World stock-to-use ratio (%)	35.7	36.2	34.8	
Major exporters stock-to-disappearance ratio ² (%)	28.2	27.7	25.1	
FAO RICE PRICE INDEX (2002-2004=100)	2012	2013	2014 <i>Jan-Sep</i>	Change: Jan-Sep 2014 over Jan-Sep 2013 %
	231	233	236	0.2

¹ Calendar year exports (second year shown).

² Major exporters include India, Pakistan, Thailand, the United States and Viet Nam.

Table 2. Rice Production: leading producers *

	2012	2013 estim.	2014 f'cast	Change: 2014 over 2013
	million tonnes, milled equivalent			%
China	141.1	140.7	141.7	0.7
India	105.2	106.5	104.0	-2.4
Indonesia	43.5	44.9	44.0	-2.0
Bangladesh	33.8	34.4	35.0	1.6
Vietnam	29.2	29.3	29.7	1.5
Thailand	25.2	25.2	24.8	-1.6
Myanmar	17.5	18.1	18.6	2.5
Philippines	11.9	12.3	12.2	-1.1
Brazil	7.8	7.9	8.1	2.9
Japan	7.7	7.8	7.7	-1.5
United States	6.3	6.1	7.0	14.1
Pakistan	5.5	6.8	6.7	-1.9
Cambodia	5.9	6.0	6.0	-1.0
Egypt	4.1	4.2	4.1	-1.6
Korea Rep. of	4.0	4.2	4.1	-2.3
World	490.9	498.4	496.4	-0.4

* Countries listed according to their position in global production (average 2012-2014).

and erratic pattern. As a result, production is anticipated to fall, especially in **Benin, Chad, Guinea Bissau, Nigeria** and **Senegal**. On the other hand, **Cote D'Ivoire, Ghana, Guinea, Mali, Niger** and **Sierra Leone** may harvest larger crops, even though the unfolding of the season was uneven in several of them. Although crop-related activities in those countries affected by the Ebola outbreak may be disrupted by labour shortages and by the measures taken to prevent its spreading, it is difficult at this stage to assess the impact on production. In *Southern Africa*, forecasts were also lowered substantially mostly on account of **Madagascar**, where recurring drought, locust problems and rundown infrastructure prevented a full recovery of production from last year's sharp drop. In *Eastern Africa*, good results in **Tanzania** will sustain an increase in the subregion, in spite of anticipated declines in **Burundi, Ethiopia** and **Rwanda**.

In *Oceania*, **Australia** harvested the 2014 crop at the beginning in the year. According to the latest official forecast, the country garnered 28 percent less rice than in 2013, as insufficient availability of water reduced plantings by 33 percent. In *North America*, production in the **United States**, which is now in the process of gathering its crop, is officially anticipated to rebound by 14 percent from the poor 2013 outcome, a favourable outturn, although less buoyant than predicted last month.

In *Europe*, production in the **European Union** is anticipated to remain near the 2013 relatively poor result, reflecting less than favourable conditions in most producing members. The outlook for the **Russian Federation** is more upbeat, with production forecast to rebound by 10 percent.

TRADE

After soaring by 7 percent in 2014, international trade in rice to grow further in 2015

Taking advantage of the lower international prices and in anticipation of possible production setbacks associated with El Niño, many countries have been actively buying rice from world markets during the course of 2014. Strong import demand, combined with ample supplies held by major exporting countries, is expected to sustain a 7 percent increase in the volume of world rice transactions in calendar 2014, reaching a record 39.7 million tonnes.

Despite the disappointing 2014 production outlooks, world rice trade in 2015 is forecast to be only 0.7 percent higher year-on-year, at about 40 million tonnes, which is 300 000 tonnes larger than expected in September. Indeed, while the relatively poor results of the season would require several countries to step up imports in calendar 2015, part of the production shortfalls is likely to be filled by drawing supplies from national reserves.

Figure 5. World rice trade and FAO rice export price index

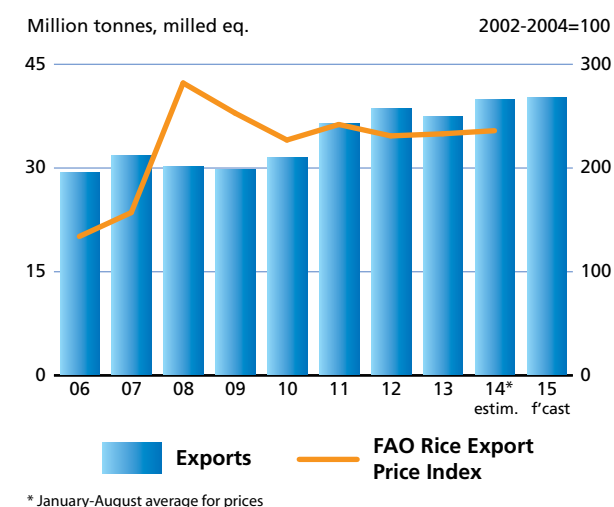


Figure 6. Rice imports by region

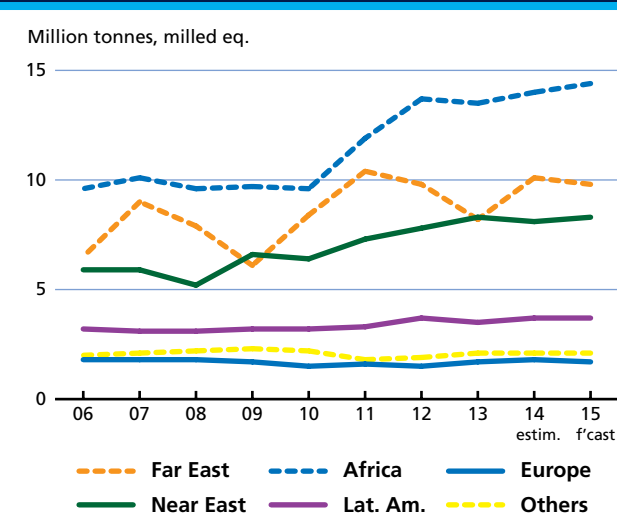
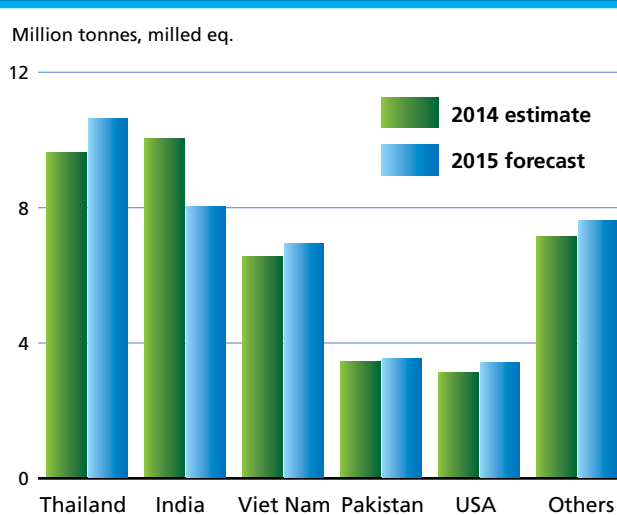


Figure 7. Rice exports by the major exporters



According to current forecasts, *African* countries will step up their imports by 3 percent in 2015, coming out as the major source of trade growth. Overall, countries in the continent are expected to import 14.4 million tonnes, or 36 percent of the world total. Most nations are foreseen to buy more, in particular **Nigeria**, which is predicted to purchase about 3 million tonnes, 7 percent above 2014, facilitated by a lowering of import duties. Likewise, significantly larger volumes are foreseen to enter **Cote D'Ivoire**, **Senegal** and **South Africa**, but also **Benin**, **Cameroon**, **Kenya**, **Mozambique** and **Guinea Bissau**, as most will need additional supplies to compensate for the expected 2014 production shortfalls and to meet the steady rises in domestic consumption.

Although remaining the leading destination of rice trade, *Asian* countries are forecast to cut rice inflows by 1 percent to 18.5 million tonnes in 2015, largely reflecting declines in **Bangladesh**, **Indonesia**, **the Philippines**, **Sri Lanka** and **Turkey**, from the relatively high import levels anticipated for 2014. By contrast, official imports by **China** are likely to remain on the rise, sustained by lingering high domestic prices, which render importing rice particularly profitable. At the same time, the volumes of rice entering China unrecorded may be contained by a recent tightening of border controls and by the clinching of a new trade agreements with Cambodia and the granting of official access to rice from Myanmar. As for countries located in *Near East Asia*, which together absorb close to 20 percent of international supplies, virtually all are expected to increase their rice purchases in 2015. This also concerns the **Islamic Republic of Iran**, where imports may rebound in 2015, after falling in the current year following the temporary raising in July 2014 of tariffs on Basmati rice imports, from 22 percent to 40 percent.

Rice deliveries to countries located in *Latin America and the Caribbean* are anticipated to hover around 3.7 million tonnes in 2015, 1.7 percent higher than estimated for 2014. Much of the expansion would be on account of **Haiti**, but also **Nicaragua**, **Panama** and **Venezuela**, which need to compensate for the 2014 production shortfalls. **Brazil** may also have to import more next year, in order to maintain an average volume of exports. However, the possibility of an El Niño resurfacing in the coming months casts much uncertainty over the region import prospects, as the period will often coincide with the planting and growing period of the 2015 main crops. Should the weather anomaly be more intense than currently anticipated and cause havoc to the sector, imports to the region could be far bigger than currently portended.

In *North America*, the good 2014 harvest should enable the **United States** to reduce its purchases next year. In

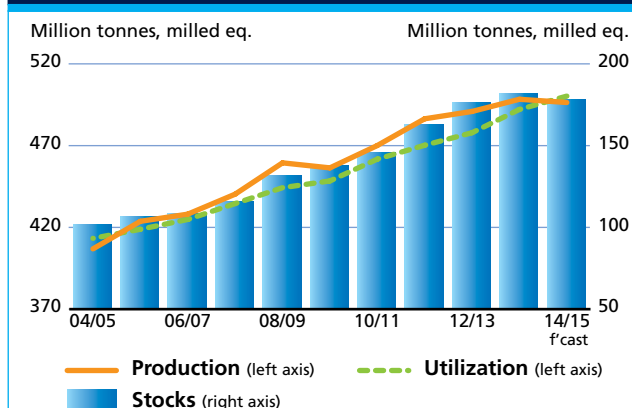
Europe, imports by the **EU** are anticipated to remain steady around the 2014 level of 1.3 million tonnes, especially as producer calls for the adoption of a safeguard to check duty-free imports from Cambodia have so far not been endorsed by the EU Commission. On the other hand, the good 2014 crop should enable the **Russian Federation** to buy less from abroad in 2015.

Despite anticipated declines in production this season, availabilities in the major exporting countries are expected to remain ample in 2015, which would enable them to sustain a record volume of exchange of 40.0 million tonnes next year. **Thailand** is forecast to recoup its prime position among exporters, on the expectation that supplies from the huge public stocks will be offloaded and put on sale, as originally announced. Already in 2014, the decline of domestic prices to competitive levels boosted Thai sales to an expected 9.6 million tonnes, 45 percent above the poor 2013 performance. Thailand's recovery of markets is forecast to continue in 2015, when the country may ship 10.6 million tonnes. With the exception of India and Uruguay, all the regular exporting countries are predicted to step up international sales in 2015, including in *Asia*, **Cambodia**, **China**, **Myanmar**, **Pakistan** and **Viet Nam** and, in the rest of the world, **Argentina**, **Australia**, **Brazil**, **Guyana** and the **United States**. On the other hand, **India** is forecast to cut its exports from an estimated 10 million tonnes in 2014 to 8 million tonnes next year, consistent both with the expected drop of production in 2014 and expanding domestic requirements as the National Food Security Act gets implemented. Deliveries by **Uruguay** may also shrink in 2015, as the high costs born by the sector may hinder its ability to compete internationally.

UTILIZATION

Per capita rice consumption to increase slightly in 2014/15

Global rice utilization is forecast to hover around 500 million tonnes in 2014/15, 1.7 percent, or 8 million tonnes, more than in 2013/14. Human food consumption is to absorb about 83 percent of the total, while feed and other utilization (which includes seeds, industrial non-food uses and post-harvest losses) are to account for 3 percent and 14 percent, respectively. The volume of rice consumed as food is to increase by 1.3 percent to 415 million, slightly faster than population growth, lifting the anticipated per capita food intake from 57.4 kg in 2013/14 to 57.5 kg in 2014/15. Although per capita food consumption is on a declining trend in several countries where rice is a staple, including China, demographic shifts are still keeping the world average on the rise. In addition, support programmes put in place by many

Figure 8. Rice production, utilization and stocks

governments to ensure affordable rice to consumers are prominent in several regions. In India, the slow take over by states of additional rice allocations under the National Food Security Act limited the scope for heightening the distribution to consumers, reducing the impact of the programme on India's per capita rice consumption in 2013/14. In 2014/15, the positive effect may be small again, with per capita food intake estimated to rise by 0.9 percent to 74.5 kg, although much will also depend on the prevailing domestic prices. Indeed, in several countries, particularly in Asia and Western Africa, prices have continued to increase in 2014, dampening consumption growth. In western Africa, localized shortages arising from the introduction of measures against the spreading of Ebola have already been reported in the areas most affected. In Latin America and the Caribbean, rice market prices have also edged slightly up in recent months, while they have trended downwards in several eastern African countries.

STOCKS

Global rice inventories to fall in 2015 for the first time in ten years

Due to the deterioration of prospects for 2014 world rice production, the harvest is now forecast to fall short of utilization, which will require countries to draw from their existing reserves to fill the gap. Accordingly, FAO has revised down its forecast of world inventories carried-in in 2015 by 1.7 million tonnes to 177.7 million tonnes, a level that would imply a 2 percent decline from the 2014 estimate, the first in ten years.

Although inventories are predicted to fall in virtually all regions, *Asia* is to account for the bulk of the contraction, with sizeable draw downs foreseen in **India, Indonesia, Myanmar, Sri Lanka** and **Thailand**. In some instances, the scaling down of inventories would be intentional, with governments fretting about their excessive size, cost of maintenance and lack of inventory space for the new harvest.

In the case of **Thailand**, it would be associated with the suspension of the rice pledging programme in February 2014 and the progressive release of supplies from public stocks. In **China**, the modestly expanded production in 2014 would be just sufficient enough to meet consumption in the country, but large imports would still result in a 2 million tonne further stock accumulation. Because the lack of grain storage space is also a concern in China, the government recently launched a programme to expand the capacity by 50 million tonnes by 2015. At the same time, the offloading of public reserves remains a difficult option for the country because of the depressive effect it would have on domestic prices, which would go counter to the long-standing policy of ensuring price incentives are sufficiently high to keep producers on farms. In the region, aside from China, **Bangladesh, Cambodia, the Republic of Korea** and **Viet Nam** are also foreseen to end their 2014/15 marketing years with larger inventories.

At the regional level, stocks in *Africa, Latin America and the Caribbean* and *Oceania* are expected to decline below their opening levels, with particular sharp falls anticipated in **Egypt, South Africa** and **Australia**. On the other hand, closing inventories are expected to change little in Europe, while the good 2014 crop should facilitate accumulation of stocks in the United States.

Seen from a trade status perspective, both importing and exporting countries are foreseen to witness a decline of stocks. Based on the current estimates, the drop in world carryover stocks would reduce the world rice stock-to-use ratio from 36.2 percent in 2014 to 34.8 percent in 2015. Overall, the end-of-season inventories in the five major rice exporters (**India, Pakistan, Thailand, United States and Viet Nam**) are projected to contract from 48.4 million tonnes in 2014 to 44.6 million tonnes in 2015, resulting in their stock-to-disappearance ratio dipping from 27.7 percent to 25.1 percent over the two years.

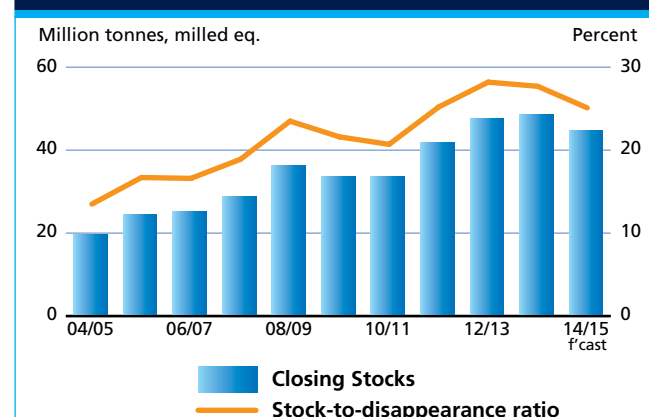
Figure 9. Stocks held by the five major rice exporters and stock-to-disappearance ratio

Table 3. Monthly retail prices of rice in selected markets

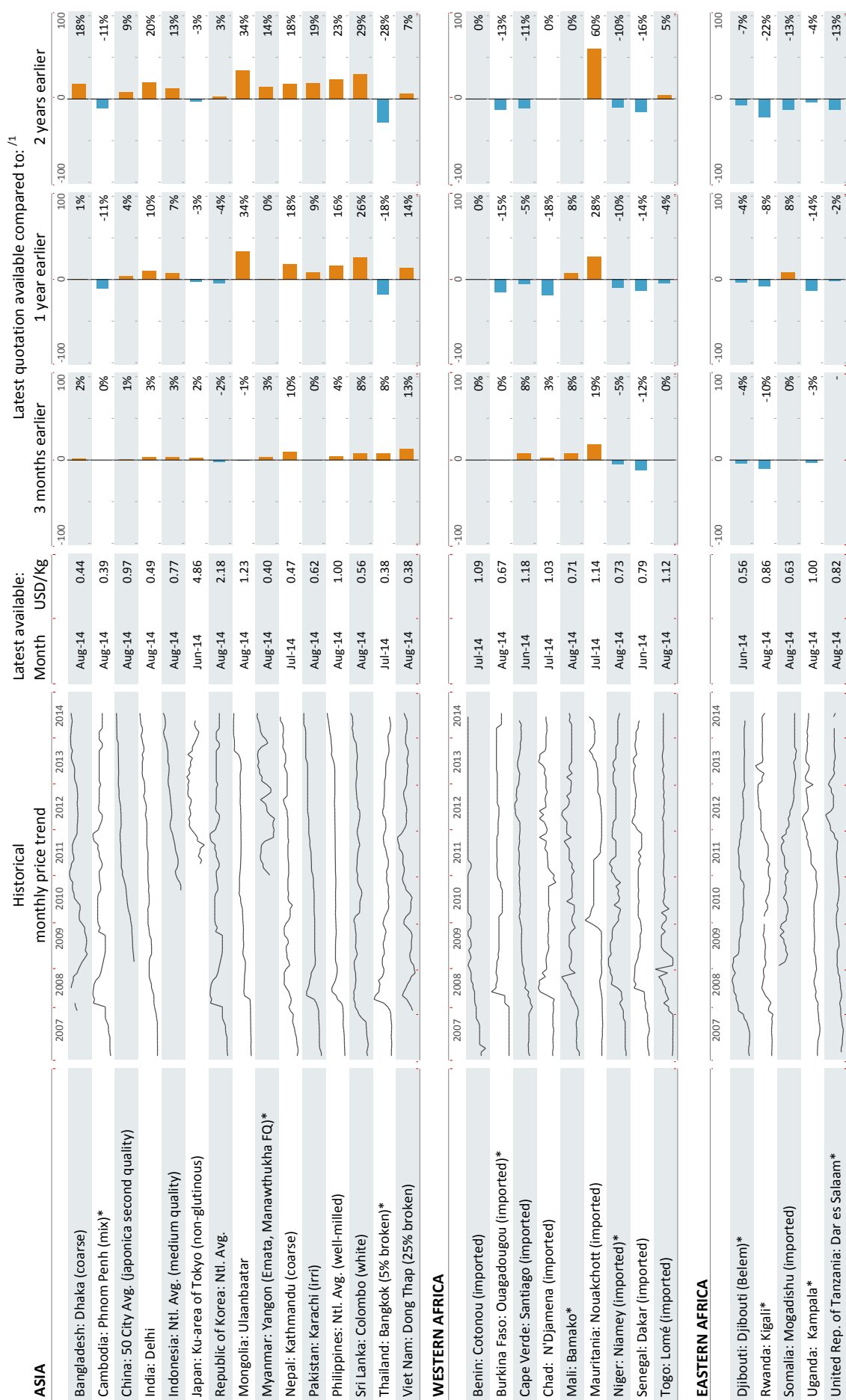


Table 3. Monthly retail prices of rice in selected markets (Cont'd)

	Historical monthly price trend	Latest available:					Latest quotation available compared to: ^{/1}				
		Month	USD/Kg	3 months earlier	1 year earlier	2 years earlier					
SOUTHERN AFRICA											
Angola: Luanda		Aug-14	3.32	0%	2%	5%					
Madagascar: Ntl. Avg. (local)		Aug-14	0.47	0%	-11%	3%					
Mozambique: Maputo		Aug-14	0.83	0%	0%	0%					
CENTRAL AMERICA AND THE CARIBBEAN											
Costa Rica: Ntl. Avg. (first quality)		Aug-14	1.43	7%	6%	-1%					
Dominican Rep: Santo Domingo (first quality)		Aug-14	1.06	-2%	0%	4%					
El Salvador: San Salvador		Aug-14	1.15	6%	13%	6%					
Guatemala: Ntl. Avg. (second quality)		Aug-14	1.19	0%	0%	2%					
Haiti: Port-au-Prince (imported)		Aug-14	1.03	0%	0%	2%					
Mexico: Mexico City (sinaloa)*		Aug-14	0.90	4%	2%	7%					
Nicaragua: Ntl. Avg. (second quality)		Aug-14	1.01	6%	14%	22%					
Panama: Panama City (first quality)		Aug-14	0.87	-33%	-29%	-25%					
SOUTH AMERICA											
Bolivia: La Paz (grano de oro)*		Aug-14	1.19	7%	-2%	39%					
Brazil: São Paulo		Aug-14	1.13	2%	6%	21%					
Colombia: Bogotá (first quality)*		Aug-14	1.07	2%	0%	-18%					
Ecuador: Quito (long grain)*		Aug-14	1.10	5%	5%	7%					
Peru: Lima (corriente) *		Aug-14	0.73	-1%	24%	29%					
Uruguay: Ntl. Avg. (grade 1)*		Jul-14	1.05	16%	35%	71%					
NORTH AMERICA											
United States: City Avg. (long grain, uncooked)		Aug-14	1.62	0%	0%	8%					
EUROPE											
Italy: Milan (arborio volano)*		Aug-14	1.64	-12%	33%	49%					
Russian Federation: Ntl. Avg.		Aug-14	1.23	2%	17%	9%					

^{/1} Quotations in the month specified in the third column were compared to their levels in the preceding three, twelve and twenty-four months. Price comparisons were made in nominal local currency units.

* Wholesale prices.

Sources: FAO/GIEWS GIEWS Food Price Data and Analysis Tool; Korea Agricultural Marketing Information Service (KAMIS); Japan Ministry of Agriculture, Forestry and Fisheries; U.S. Bureau of Labor Statistics (BLS); Associazione Industrie Risiere Italiane (AIRI). Please note that prices shown are comparable over time, but not across countries, as they may refer to different stages of the marketing chain (e.g. retail versus wholesale prices), different rice types (e.g. aromatic versus non-aromatic) or different qualities of rice (e.g. fully broken versus 5% broken).

CASSAVA

Major Cassava Exporters and Importers



PRICES

International quotations of cassava remain subdued

Monthly reference prices of internationally traded cassava, a market that is mostly confined to East and Southeast Asia, have registered little movement or are in decline. Notable falls concern Thai starch quotations (Super High Grade, f.o.b. Bangkok), which after reaching a 24-month peak in May 2013, lost 16 percent of their value, dropping to USD 430 per tonne in September 2014. Prices of Thai chips (f.o.b. Bangkok) have remained remarkably flat over the past 12 months, fluctuating within a narrow band of USD 220 and USD 238 per tonne, and are currently being traded towards the lower end of the band.

These price developments have come at a time when regional demand for Thai cassava products has been at an all-time high, despite the strengthening baht, and Thai domestic root prices of cassava have exhibited notable variability. The stability of international cassava chip quotations is related to the release of official stockpiles that have been made available to private traders at a discount, a move that provides greater price certainty to regional buyers while also ensuring the long-term commercial viability of cassava-based ethanol, the principal market for chips. The introduction of options contracts for cassava chips at the Agricultural Futures Exchange of Thailand (AFET) has also added to stability, again bringing about greater price certainty for buyers.

Regarding cassava starch, recent falls in quotations have followed the declines observed in the international price of maize, which constitutes cassava's main substitute.

Table 1. World cassava market at a glance

	2012	2013 <i>estim.</i>	2014 <i>f'cast</i>	Change: 2014 over 2013
<i>million tonnes, fresh</i>			<i>root eq.</i>	%
WORLD BALANCE				
Production	268.4	278.6	291.3	4.6
Trade	35.0	35.1	40.7	15.9
SUPPLY AND DEMAND INDICATORS				
Per caput food consumption:				
World (kg/year)	20.4	20.9	21.6	3.4
Developing (kg/year)	25.6	26.2	27.1	3.2
LDC (kg/year)	80.1	87.4	91.3	4.4
Sub-Saharan Africa (kg/year)	131.5	136.0	138.9	2.1
Trade share of prod. (%)	13.0	12.6	14.0	10.9
CASSAVA PRICES ¹ (USD/tonne)	2012	2013	2014 <i>Jan-Sep</i>	Change: Jan-Sep 2014 over Jan-Sep 2013
Chips to China (f.o.b. Bangkok)	234.5	236.2	226.5	-5.0
Starch (f.o.b. Bangkok)	439.2	473.4	428.9	-10.5
Thai domestic root prices	80.7	90.1	71.5	-21.5

¹ Source: Thai Tapioca Trade Association.

The continuing slump in the demand for pellets for animal feed in traditional import markets has increasingly exposed internationally traded cassava products to the rapidly changing dynamics of industrial sectors. Cassava blended with protein-rich meals, such as soymeal, is an effective substitute for coarse grains and wheat in feed, but throughout much of 2014, adequate grain supplies in the EU once again limited its need to import cassava feed ingredients.

PRODUCTION

Global cassava production provisionally forecast to reach 291 million tonnes in 2014

With the global harvest far from being concluded, the forecast 5 percent increase in global production is highly tentative, with uncertainty further compounded by a widespread lack of data on harvest expectations and virtually no information on planting intentions. However, in the major growing regions, cassava has been placed on a firm upward trajectory in terms of output growth on account of greater investment in the crop to enhance food security, energy security and rural livelihoods or to bring about wider economic goals, especially lower import bills or higher export earnings. Indeed, in the past five years alone, global cassava output registered an average annual growth rate of almost 4 percent, outperforming most other staple crops and far exceeding world population growth.

Much of the world cassava production growth is centred in *sub-Saharan Africa*, which is forecast to harvest 167 million tonnes in 2014 and would account for some 57 percent of the global total. However, the region is particularly at fault when it comes to the provision of

Table 2. World cassava production

	2011	2012*	2013**	2014**
	(000 tonnes)			
WORLD	261 713	268 365	278 635	291 323
Africa	147 411	149 403	158 987	166 922
Nigeria	52 403	54 000	54 000	55 064
Congo, Democratic Rep of	15 024	16 000	16 500	17 317
Ghana	14 241	14 547	14 550	14 755
Angola	14 334	10 636	16 412	15 872
Mozambique	10 094	10 051	11 000	14 700
Tanzania, United Rep of	4 647	5 462	5 400	5 923
Uganda	4 758	4 925	5 228	5 440
Malawi	4 259	4 692	4 814	5 143
Benin	3 646	3 296	3 696	3 595
Cameroon	4 083	4 287	4 596	4 836
Rwanda	2 579	2 716	2 948	3 117
Madagascar	3 490	3 621	3 115	3 033
Côte d'Ivoire	2 359	2 412	2 500	2 565
<i>Other Africa</i>	<i>11 495</i>	<i>12 756</i>	<i>14 229</i>	<i>15 561</i>
Latin America	33 602	30 472	30 223	32 319
Brazil	25 350	23 045	21 226	23 348
Paraguay	2 454	1 686	2 800	3 000
Colombia	2 126	2 252	2 483	2 643
<i>Other Latin America</i>	<i>3 672</i>	<i>3 489</i>	<i>3 715</i>	<i>3 327</i>
Asia	80 464	88 258	89 180	91 834
Thailand	21 912	29 848	30 228	31 240
Indonesia	24 010	24 177	23 937	25 000
Viet Nam	9 898	9 746	9 743	9 750
India	8 076	8 047	8 237	8 500
China, mainland	4 514	4 575	4 575	4 575
Cambodia	8 034	7 614	8 000	8 000
Philippines	2 210	2 223	2 361	2 500
<i>Other Asia</i>	<i>1 811</i>	<i>2 029</i>	<i>2 100</i>	<i>2 270</i>
Oceania	236	233	245	248

* Estimate

** Forecast

Figure 1. International cassava and Thai Domestic prices (Oct 2011 - Sept 2014)

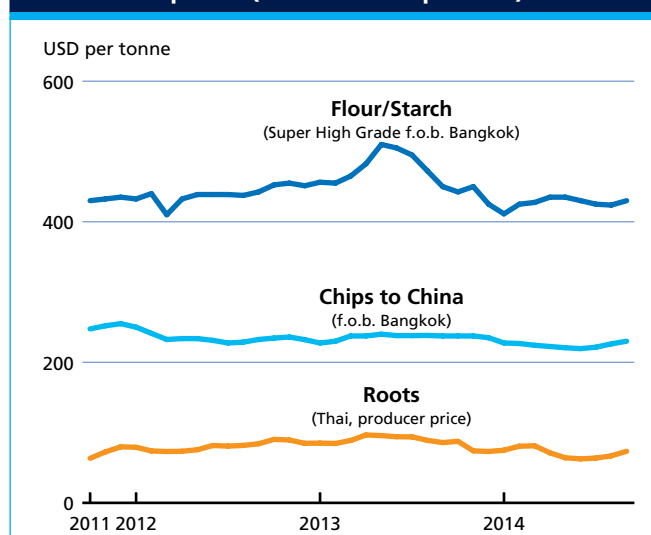
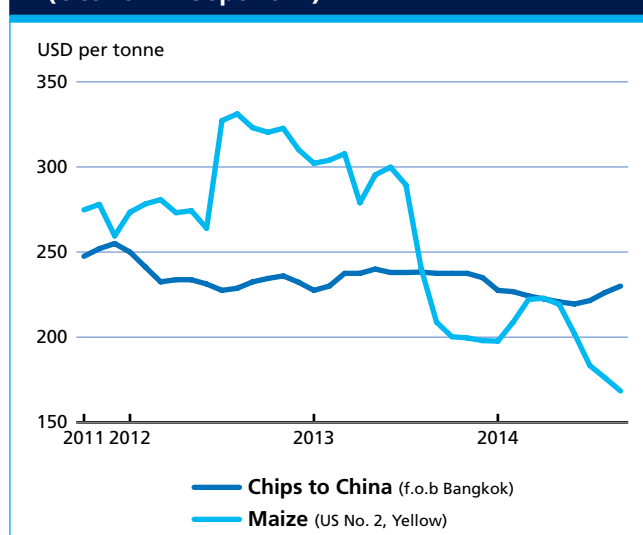


Figure 2. Maize and cassava chip prices (Oct 2011 - Sept 2014)

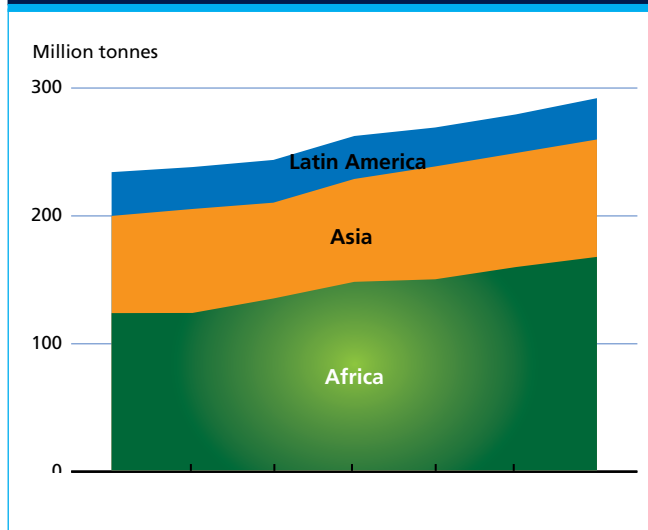


information on cassava production forecasts. In almost every country where the crop plays an important role in diets, value chain initiatives are underway. They typically involve coordinating the distribution of superior planting material to producers, with private sector entities investing in processing facilities for the production of value-added products, such as flour. Because production is invariably dominated by smallholders and the crop is below ground, obtaining a national picture of output can be problematic. Yet, investment decisions require these data and, as a result, further commercialization opportunities are possibly being stifled. **Nigeria**, the world's largest cassava producer, has established programmes for its greater commercialization, especially as a strategic commodity to reduce cereal imports, notably in the form of High Quality Cassava Flour (HCQF). Preferential loans to producers, grants to processors for the expanded uptake of domestic cassava, as well as the continued propagation of improved varieties could lead to a 2014 cassava harvest of around 55 million tonnes, around 2 percent higher than the 2013 harvest. These prospects are also supported by the introduction of mechanization to curb weed infestations in cassava fields, the control of which traditionally requires intensive labour input, often by women. In **Congo**, cassava production is forecast to reach 17 million tonnes, with prospects looking up following the recent announcement of a Chinese enterprise to procure 30 000 ha of land for cultivating the crop towards starch production. Elsewhere in *West Africa*, the 2014 outcomes of the crop are highly uncertain following the outbreak of the Ebola virus. The situation is particularly critical in Guinea, Liberia and Sierra Leone, where cassava cultivation is reported to have been significantly disrupted owing to limitations on the movement of labour. The price of cassava in Monrovia, *Liberia*, for instance, has more than doubled since the outbreak, but it is not clear whether this particular increase reflects shortages in production or disruptions in distribution. In *Eastern and Southern African* countries, which have been affected by widespread droughts, the root tolerance to erratic weather conditions – especially as a crop in climate change adaptation strategies – has put cassava high on the agenda for expansion. In **Mozambique**, official prospects point to a 2014 cassava harvest of some 14.7 million tonnes, firmly establishing the crop as the second most important staple in the country.

In *Asia*, 2014 cassava production is set to increase by around 3 percent to almost 92 million tonnes. The industrial utilization of cassava in the form of alcohol, ethanol, starch and animal feed has underpinned cultivation of the crop in the region, particularly in Southeast Asia. In **Thailand**, Asia's largest producer, cassava production continues to

rebound from an outbreak of pink hibiscus mealybug that devastated the national crop earlier in the decade. Despite some localised outbreaks of the pest, official forecasts point to an output in 2014 of some 31 million tonnes which, if materialized, would constitute a record for the country. Until recently, cassava producers in Thailand benefited from significant government assistance, principally in the form of price support under a "pledging scheme". However, in 2013, with root prices registering strong gains, authorities decided to abandon the scheme and to focus, instead, on stabilizing prices through releasing official stocks and introducing the commodity in the country's futures and options exchange. Direct assistance to producers is limited to an "agro-zoning scheme" that targets productive lands and equips farmers in those lands with better technological knowledge, advice on financing and improved marketing tools. In **China**, cassava production is forecast to remain unchanged at around 4.5 million tonnes, as the country continues to source the material in processed form (mainly dry chips and flour) from neighbouring countries, where it has made significant investments to ensure long-term supplies. This has been the reason behind recent large-scale expansions of the crop in **Lao People's Democratic Republic** and, to some extent, in **Viet Nam**. However, growth in Viet Nam has been moderated by policy measures to limit cassava area to no more than 450 000 ha in response to concerns about deforestation and land degradation. Also, a lack of diversified output markets, together with highly competitive procurement in export markets that brings considerable downside price risk exposure has also capped production in Viet Nam. However, with under-filled capacity in the country's fuel ethanol sector, measures are in place to ensure more utilization of the feedstock, which could boost cassava production in the near term. In contrast, cassava sectors in **Indonesia** and the **Philippines** are more important for food security than for industry. Dietary diversification programmes in the two countries have targeted cassava as a substitute for rice. Plans are underway in **Indonesia** to significantly boost cassava yields over the next five years, which would result in considerable gains over the current crop of 25 million tonnes. In the **Philippines**, cassava is a priority commodity under its Food Staple Sufficiency Program (FSSP) that aims to strengthen national resiliency by focusing on food staples that can withstand climate change. The programme provides farmers with subsidized inputs as well as equipment. Unofficial estimates put the crop at 2.5 million tonnes in 2014, an increase of around 6 percent from 2013. In *South Asia*, cassava also plays a role in food security. In **India**, stable producer prices in the major growing state of Tamil Nadu are expected to sustain

Figure 3. World production of cassava



production to 8.5 million tonnes in 2014, but 1 million tonnes below the record of 2009.

The cassava production outlook for *Latin America and the Caribbean* points to an increase in 2014, largely owing to **Brazil**, the region's largest producer. Production in the country, which is dominated by family farms (83 percent of national output) is expected to rebound from last year's crop that suffered when drought afflicted the major growing zone of Bahia. Officials foresee a crop of 23.3 million tonnes, an increase of 10 percent over 2013. High root prices during the first half of the year have also been supportive. Little is known about production prospects in the region's other sizable producing countries, including **Paraguay, Colombia** and **Peru**, but recent trends point to a moderate increase in production.

UTILIZATION

Rising demand from food and fuel sectors

Food

Cassava as a foodstuff for human consumption constitutes the crop major end use utilization of cassava at the global level. Many countries have launched initiatives that promote cassava to meet rising dietary needs, especially in sub-Saharan Africa. The consumption of cassava in the form of fermented and non-fermented granulated and flour-based products continues on an upward trend in the region, with fresh root demand still an important driver. The expected overall production increase in 2014 could boost per capita food availability in sub-Saharan Africa by almost 3 kg, to around 139 kg per year in fresh root equivalent.

Flour

Measures to promote domestic cassava flour over imported cereals through blending remain active throughout the world and play an important role in boosting cassava food consumption. Blending cassava flour with wheat flour provides a multitude of new market openings for cassava. **Brazil**, for instance, mandates blending 10 percent cassava flour with wheat flour for bread making, an initiative estimated to absorb over 50 percent of the country's cassava crop. In **Nigeria**, legislation for a 10 percent blending mandate took effect in 2005 but only 5 percent was enacted, owing to a shortage of cassava flour. However, in an effort to deepen the blending ratio, Nigeria imposed a further levy on imported wheat flour in 2012, bringing the overall duty to 100 percent and, in tandem, bakeries were asked to apply blending rates of 20 percent. However, as Nigeria still imports substantial quantities of wheat grain that can be milled into flour, and the country's legislature has failed to enact the 20 percent ratio, there remains a significant hurdle in the more widespread intake of cassava. Given the importance of cassava to Nigerian diets, producers began bio-fortifying the crop to counter vitamin A deficiency, which is common in the country.

Ethanol

The demand for cassava from ethanol sectors, especially in Asia, continues to be a major driver of growth in world cassava utilization. A typical ethanol distillery potentially produces around 280 litres (222 kg) of 96 percent pure ethanol from 1 tonne of cassava roots with 30 percent starch content. In **China**, based on the quantity of imported chips and domestic cassava availabilities, well over 1 billion litres of ethanol could be produced from cassava in 2014. The utilization of cassava-based ethanol is also prominent elsewhere in the region, especially in **Thailand** and **Viet Nam**. In Viet Nam, a national mandate requiring 5 percent of all gasoline sold in the country to be blended with ethanol, will come into force towards the end of 2014. Given current cassava production levels and gasoline demand, the mandate will require converting the totality of the country's cassava crop to ethanol. The **Philippines, Cambodia** and **Zambia** also have recently announced initiatives to use cassava-based ethanol in petroleum blending. In **Thailand**, consumption of gasoline blends with 20 percent and 85 percent ethanol has increased with wider distribution and more E85-equipped cars on the road. Ethanol is principally made from cassava and molasses, and the production of fuel ethanol is expected to reach 3 million litres per day this year, up 15 percent from 2013, and thus requiring 1.6 million tonnes of cassava roots.

Animal feed

Utilization of cassava as animal feed, in the form of dried chips and pellets, is mostly concentrated in *Latin America and the Caribbean*, especially **Brazil**. Elsewhere, demand for cassava feed ingredients remains weak, exemplified by the total collapse of the international market for cassava pellets. In *Asia*, the use of roots as a direct animal feed ingredient has also been in decline, given the higher returns obtained from processing cassava roots for industrial applications. However, compound feed demand involving cassava in **Thailand** is on the rise owing to an expanding poultry sector.

TRADE

Thailand propels world trade to new heights

Mostly confined to Southeast and East Asia, the volume of world trade in cassava is expected to exceed 20 million tonnes (chip and pellet weight equivalent) for the first time, 25 percent more than last year's volume and a near doubling of the volume exchanged in 2010. In recent years, international cassava transactions have mainly been driven by industrial demand for the product, particularly from China, and 2014 is no exception.

The anticipated expansion in trade is due to increased exports of **Thai** cassava. Based on the pace of shipments to date, the country's deliveries of chips and pellets (predominantly chips) are expected to increase by around 36 percent from 2013, while exports of flour and starch are set to rise by 20 percent. These outcomes would give Thailand an 80 percent share of world cassava trade. The increase in Thailand's export share has come at the expense of its rival exporter, **Viet Nam**, where deliveries are expected to be down by 5 percent from last year on account of falling competitiveness and lower export availabilities. Viet Nam has also made efforts to divert local cassava chips to its ethanol industry, the capacity of which is far from being filled.

Imports of chips and pellets continue to be driven by the need to fulfil capacity in the burgeoning ethanol sector of **China**. With chip demand at around 10 million tonnes, China is set to monopolize international trade in this product in 2014. As for cassava starch and flour, growth in global transactions looks set to expand substantially in 2014, rising to 8.7 million tonnes, which is some 1.3 million tonnes higher than in 2013. Cassava-based starch and flour has competed favourably with its maize-based counterpart, notably in terms of price stability, and is largely behind the expansion in trade of these cassava products.

**Table 3. World exports of cassava
(Product weight of chips and pellets)**

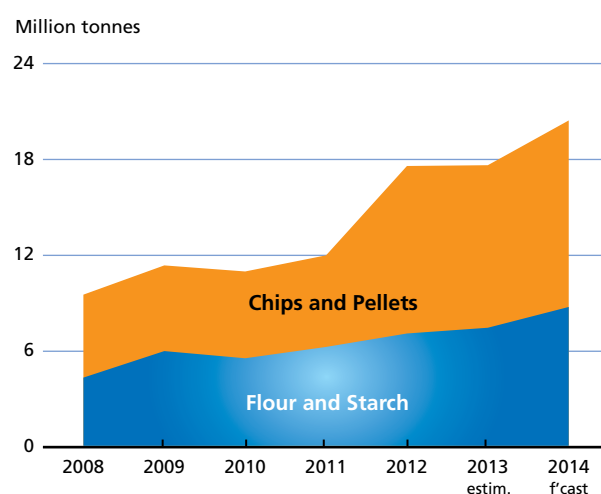
	2011	2012	2013	2014
000 tonnes				
Total	11 913	17 504	17 565	20 366
Flour and Starch	6 185	7 029	7 391	8 693
Thailand	5 363	6 163	6 686	8 023
Viet Nam	500	500	355	337
Others	323	367	350	333
Chips and Pellets	5 728	10 475	10 174	11 674
Thailand	3 723	4 853	6 006	8 178
Viet Nam	1 500	3 700	2 627	2 496
Cambodia	277	722	361	350
Nigeria			1 000	500
Others	228	200	180	150

**Table 4. Thai trade in cassava
(Product weight of chips and pellets)**

	2011	2012	2013	2014
000 tonnes				
Total	9 086	11 016	12 692	16 201
Flour and starch total	5 363	6 163	6 686	8 023
Japan	801	843	872	917
China	1 293	1 577	2 774	4 163
Chinese Province of Taiwan	570	555	628	712
Indonesia	1 065	1 482	647	512
Malaysia	462	575	436	478
Others	1 173	1 131	1 329	1 241
Chips and pellets				
Total	3 723	4 853	6 006	8 178
China	3 687	4 772	5 930	8 168
Others	174	81	77	10

Source: Thai Tapioca Trade Association (TTTA), FAO

**Figure 4. World trade in cassava products
(chip and pellet equivalent)**



Prospects for a wider international market beyond Asia remained largely elusive up until 2012, when **Nigeria** entered the global arena securing an order to supply China with 1 million tonnes of cassava chips. Nigeria also signed a memorandum of understanding with China to export 3.2 million tonnes in the future. However, the country's participation in trade is shrouded with uncertainty as China is offering prices well below the product cost of production in Nigeria.

OILCROPS, OILS AND MEALS²

Major Oilseed Exporters and Importers



PRICES³

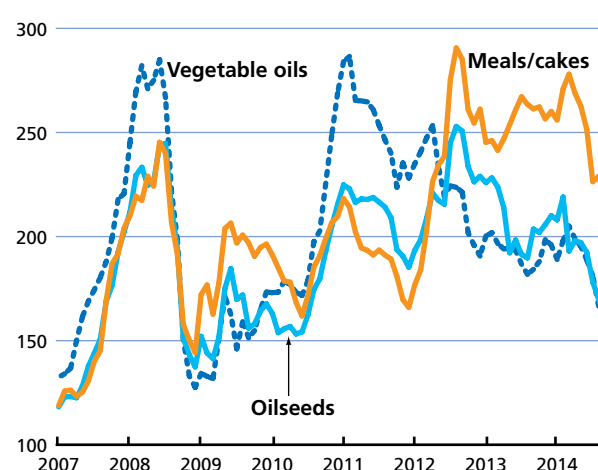
International meal prices likely to continue falling, while oils/fats values could stabilize

During the first half of the 2013/14 (October/September) marketing season, international prices for oilseeds, oils and meals appreciated, mainly reflecting concerns over the United States' increasingly tight soybean balance and the poor weather conditions in Southeast Asia and South America that threatened, respectively, palm oil and soybean production. By May 2014, FAO's price index of oilseeds had risen to a 12-month high, while the indices for oils and meals recorded 18-month peaks.

Eventually, around June 2014, international quotations started to plummet, marking the start of a steep slide in all three price indices. Regarding oils/fats, palm oil was responsible for much of the trend reversal – i.e. the onset of beneficial rains in Southeast Asia, which drove up

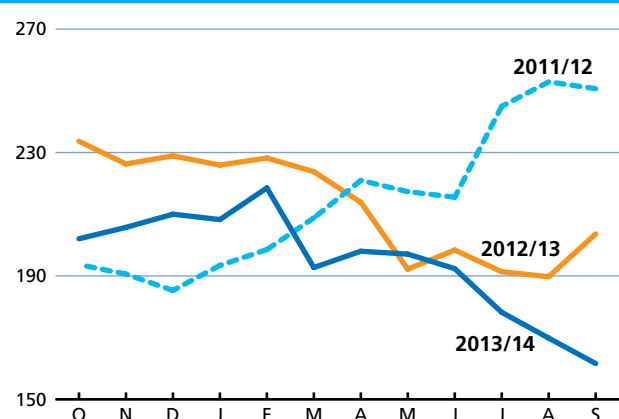
palm oil production, coincided with a slowdown in global import demand for palm oil. This, together with lower than anticipated palm oil uptake by biodiesel producers in Indonesia and Malaysia led to a significant stock build-up in the world's two leading suppliers. With respect to oilseeds and oilmeals, the decline in prices was triggered by the arrival of South America's large soy crop, which ended the temporary tightness in global supplies. The prospect of another record-breaking soy crop in the United States together with a record rapeseed harvest in the EU provided

Figure 1. FAO monthly international price indices for oilseeds, vegetable oils and meals/cakes (2002-2004=100)

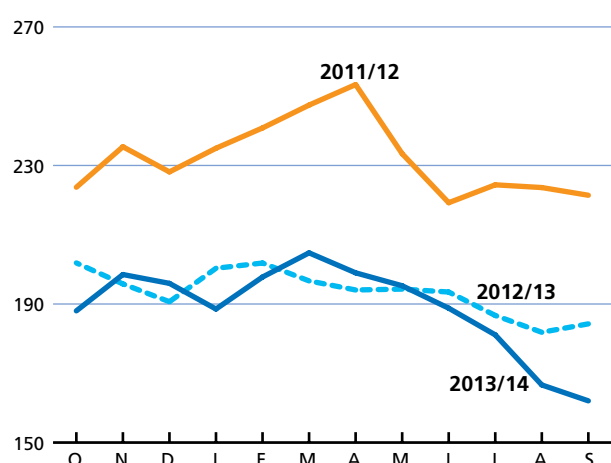
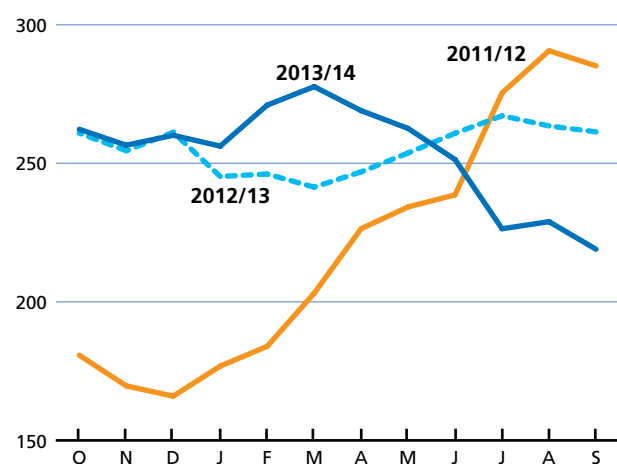
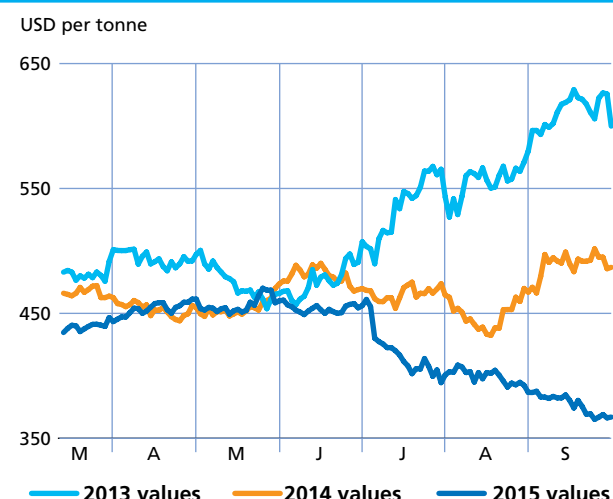


² Almost the entire volume of oilcrops harvested worldwide is crushed to obtain oils and fats for human nutrition or industrial purposes, and to obtain cakes and meals which are used as feed ingredients. Therefore, rather than referring to oilseeds, the analysis of the market situation is mainly undertaken in terms of oils/fats and cakes/meals. Please note that data on trade in and stocks of oils (meals) refer to the sum of trade in and stocks of oils or meals plus the oil (meal) equivalent of oilseed trade and stocks. Furthermore, please be aware that production data for oils and meals are derived from domestic production of the relevant oilseeds in a given year, i.e. they do not reflect the outcome of actual oilseed crushing in a given country and period. Oilseed trade (including situations where oilseeds are produced in one country but crushed in another) is fully reflected in national oil/meal consumption statistics.

³ For details on prices and corresponding indices, see appendix Table 24.

Figure 2. FAO monthly price index for oilseeds (2002-2004=100)

Note: With regard to the sudden drops in the price index for oilseeds in May 2013 and March 2014, please note the clarification provided in appendix table 24

Figure 3. FAO monthly price index for vegetable oils (2002-2004=100)**Figure 4. FAO monthly price index for oilmeals/cakes (2002-2004=100)****Figure 5. CBOT soybean futures for March**

additional price relief. As a result of these developments, by September 2014, FAO's price indices for oilseeds, oils and meals had dropped to, respectively, four-, five- and two-year lows.

Preliminary forecasts for 2014/15 suggest a further improvement in the global supply and demand balance. For meals/cakes, a sizeable surplus in supplies could push global inventories to historical highs. This, along with likely improvements in stock-to-use ratios, suggests that there is considerable scope for international meal prices to soften further. In addition, further downward pressure could arise from abundant global supplies of feedgrains. The recent easing in CBOT futures for soybeans, which now stand well below the corresponding values of the last two years, seems to point in the same direction. Regarding oils/fats, the prospect of adequate global supplies, ample world reserves and stable stock-to-use ratios suggests international prices could remain close to their current low level.

OILCROPS

Another record-breaking soy harvest projected for 2014/15

After the last two season's record-breaking harvests, global oilcrop production is tentatively forecast to expand by another 5 percent in 2014/15, possibly topping 535 million tonnes. The increase would be almost entirely on account of soybeans, given that, for the other main oilseeds, a repeat of last season's record outputs seems unlikely.

With a current forecast of 311 million tonnes, global production of soybeans, would outstrip last season's result by 10 percent. The surge should arise from both record

plantings and best-ever average yields. In the Northern Hemisphere, where crops will soon reach the harvesting stage, production is set to rise, especially in the United States but also in Canada, the Russian Federation and Ukraine. In the **United States**, output is currently pegged at 106.5 million tonnes – a whopping 19 percent increase from last season – thanks to both record area planted and unprecedented yield levels. Record sowings (again at the expense of grains) were followed by near-ideal growing conditions that allowed average yields to exceed 3 tonnes per hectare. In **Canada**, where weather conditions were less favourable, production should rise strongly thanks to a record harvest area. Output in the **Russian Federation** and **Ukraine**, where production expanded strongly in recent years, should continue growing on additional increases in sowings. In **India**, the recent pick-up in rainfalls will likely boost yields, allowing production to recover from last year's drop. By contrast, another contraction in output is reported from **China** due to both continued reductions in area and below-normal rainfall. In South America, where 2014/15 soybean plantings are about to start, another record-breaking crop may be realized – assuming normal weather conditions. With prices continuing to favour soybeans over maize, soy plantings are likely to expand further, particularly in **Brazil**, but also in **Paraguay** and **Uruguay**. Prospects in **Argentina** are still uncertain, as farmers' planting decisions will also depend on how the country's economic difficulties evolve.

Global rapeseed production is currently projected at 70.3 million tonnes, which is less than last season but still the second-highest output on record. Countries likely to see production decline include **Canada**, **Ukraine** and **Australia**. While Canada's crop has been affected by

excessive rainfall, Ukraine and Australia reported lower plantings. Conversely, in the **EU**, crops have benefitted from good weather, which propelled yields to 3.5 tonnes per hectare, on average. In **China**, where the public procurement system for rapeseed remains in place, farmers kept plantings unchanged and production has been reported stable around last year's level.

Global sunflowerseed production is also predicted to fall, although, based on current forecasts, it would be just shy of last season's all-time record. In **Ukraine**, the world's top producer, output is expected to match last year's level. Contractions are expected in the **Russian Federation**, the **EU** and in **Turkey**, but these could be partly offset by an increase in **Argentina**, where a recovery in plantings and a return to average yields are anticipated. Concerning cottonseed, global production could contract further, possibly falling 3.5 million tonnes (or 7 percent) below the 2011/12 record. Drops in **China** and **Australia**, which are mainly attributed to below-average crop areas, should be partly offset by higher plantings and production in **India** and the **United States**. Global groundnut production could dip by 4 to 5 percent from the record set last season, mainly on account of reduced harvests in the two top producers, **China** and **India**. Good production prospects in the **United States** and **Argentina** would not be sufficient to offset the drops reported in Asia.

It should be noted that the production outlook for Southern Hemisphere countries remains subject to El Niño activity. Reportedly, a weak El Niño weather event could occur from November onward and, if it develops, could mean below average rainfall in Asia and Australia (possibly hurting oil palm in Southeast Asia and rapeseed in Australia) and above average rainfall in South America (possibly benefitting the soy and sunflowerseed crops).

Table 1. World production of major oilcrops

	2012/13	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>	Change 2014/15 over 2013/14 %
<i>million tonnes</i>				
Soybeans	267.2	282.4	310.7	10.0
Rapeseed	64.3	72.1	70.2	-2.6
Cottonseed	45.5	44.5	44.1	-0.7
Groundnuts (unshelled)	37.9	38.8	37.0	-4.7
Sunflower seed	35.6	41.7	41.2	-1.3
Palm kernels	13.9	14.6	15.0	3.1
Copra	5.9	5.6	5.6	-
Total	470.4	499.7	523.9	4.8

Note: The split years bring together northern hemisphere annual crops harvested in the latter part of the first year shown, with southern hemisphere annual crops harvested in the early part of the second year shown. For tree crops, which are produced throughout the year, calendar year production for the second year shown is used.

OILS AND FATS⁴

Expansion in global oils/fats production to slow down in 2014/15

The above crop projections translate into a year-on-year rise in global oils/fats production of 2 to 3 percent – well below the growth recorded in 2013/14. The preponderance of soybeans – a low oil-yielding oilseed – in oilseed growth in 2014/15, combined with falling production of other, high oil-yielding seeds (notably rapeseed, sunflowerseed, groundnut, and cottonseed) explains the slowdown. In addition to soyoil, palm oil production is anticipated

⁴ This section refers to oils from all origins, which – in addition to products derived from the oil crops discussed under the section on oilcrops – include palm oil, marine oils as well as animal fats.

to continue expanding, although at a below-average rate of 3.5 percent. The anticipated deceleration is due to unusually low rainfalls in key parts of **Malaysia** and **Indonesia** during the course of this year, which could impair palm oil productivity next year. It also remains to be seen whether and to what extent an El Niño weather pattern will develop in the coming months. Given these weather-related uncertainties, much of next year's production rise should stem from further growth in mature oil palm area in Indonesia.

Table 2. World oilcrop and product market at a glance

	2012/13	2013/14 estim.	2014/15 f'cast	Change: 2014/15 over 2013/14
	million tonnes			%
TOTAL OILSEEDS				
Production	481.7	511.2	535.4	4.7
OILS AND FATS ¹				
Production	189.5	202.0	207.5	2.7
Supply ²	221.8	233.7	242.2	3.6
Utilization ³	189.9	198.4	206.6	4.1
Trade ⁴	102.1	106.2	108.1	1.8
Stock-to-utilization ratio (%)	16.7	17.5	17.0	
Major exporters stock-to- disappearance ratio (%) ⁵	9.0	9.5	9.9	
MEALS AND CAKES ⁶				
Production	120.0	128.2	137.1	7.0
Supply ²	137.7	146.3	158.6	8.5
Utilization ³	118.4	123.6	130.9	5.8
Trade ⁴	73.5	81.7	84.3	3.1
Stock-to-utilization ratio (%)	15.3	17.4	19.6	
Major exporters stock-to- disappearance ratio (%) ⁷	7.6	9.5	12.7	
FAO PRICE INDICES (Oct/Sept) (2002-2004=100)	2011/12	2012/13	2013/14 Oct-Sep	Change: Oct-Sep 2013/14 over Oct-Sep 2012/13 %
Oilseeds	214	213	194	-8.7
Oilmeals/cakes	219	255	253	-0.7
Vegetable oils	232	193	189	-2.4

¹ Includes oils and fats of vegetable, animal and marine origin.

² Production plus opening stocks.

³ Residual of the balance.

⁴ Trade data refer to exports based on a common October/September marketing season and relate to the sum of trade in oils (meals) plus the oil (meal) equivalent of oilcrops traded.

⁵ Major exporters include Argentina, Brazil, Canada, Indonesia, Malaysia and the United States.

⁶ All meal figures are expressed in protein equivalent; meals include all meals and cakes derived from oilcrops as well as meals of marine and animal origin.

⁷ Major exporters include Argentina, Brazil, Canada, India, Indonesia, Malaysia, Paraguay and the United States.

Global 2014/15 oils/fats supplies (comprising 2014/15 production and 2013/14 ending stocks) are tentatively pegged at 242 million tonnes, which amounts to a year-on-year rise of 3 to 4 percent, as compared with over 5 percent in 2013/14. Domestic availability of oils/fats should improve in several major producing countries, notably **Indonesia**, **Argentina**, **Brazil**, the **United States**, the **EU** and the **Russian Federation**. Large carry-in stocks will contribute significantly to these improvements, except in the **United States** and **Indonesia**, where the rise in domestic availabilities should stem from production gains. Conversely, poor harvests are expected to cause only modest supply improvement in **China** and **Malaysia**, and lead to decreased supply in **India**, **Canada**, **Australia** and **Turkey**.

Oils/fats consumption to continue expanding in 2014/15

Global consumption of oils/fats is forecast to increase by about 8 million tonnes, or 4 percent, in 2014/15. With regard to individual oils, soyoil should contribute strongly to overall consumption growth, based on bumper soybean crops. Utilization of rapeseed oil should also expand, thanks to the availability of large carry-in stocks from the 2013/14 crop. By contrast, palm oil may – for the second consecutive year – contribute less than usual to total expansion, in line with subdued production growth.

Utilization for food and traditional industrial uses continues to be driven by both rising populations and economic growth in some of the main consuming regions, in particular Asia, and the gradual fall in world oils/fats prices. On the other hand, demand from the biofuel sector continues to depend strongly on government policies. Programmes supporting production and consumption of vegetable oil-based biodiesel remain in place in several countries. During 2014, **Indonesia**, **Malaysia**, **Thailand**, **Argentina** and **Brazil** introduced new support measures or announced ambitious increases in their annual consumption targets or mandatory blending rates. However, in a number of cases, governments reported delays in programme implementation, referring to regulatory problems and logistical/infrastructural difficulties or inadequate domestic supplies and high local vegetable oil prices. Furthermore, **Australia** started phasing out its biofuel support programmes, while in the **United States** and the **EU**, uncertainty persists regarding future consumption targets and related rules. Overall, the above listed developments make it difficult to anticipate the pace at which demand from biodiesel producers worldwide is likely to grow in 2014/15.

Country-wise, developing nations in Asia continue to be key drivers of growth in global oil/fats consumption. In **India** and **China**, consumption is projected to expand by no more than 3 percent, keeping per capita consumption levels at, respectively, 17 kg and 27 kg of oil. In **Indonesia** and **Malaysia**, consumption may expand less than last season, reflecting lower-than-expected demand from the biodiesel sector. By contrast, in **Brazil** and **Argentina**, the rise in consumption should stem primarily from higher domestic biodiesel production – either for local use (in Brazil) or for export (in Argentina). In the **United States**, consumption should begin to increase again, thanks to the anticipated rebound in domestic availabilities. Also in the **EU**, larger supplies should allow continued growth in oils/fats consumption.

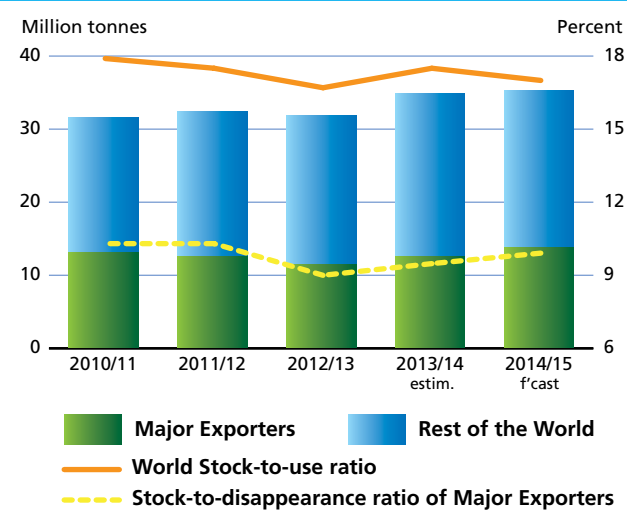
Closing stocks of oils/fats expected to remain ample

After last season's relatively ample supplies, total oils/fats production in 2014/15 is projected to surpass total demand by a thin margin of 0.9 million tonnes, which should allow global inventories to remain around last season's comfortably high level. Based on current forecasts, world stocks would increase slightly and, for the first time, top 35 million tonnes (including the oil contained in stored oilseeds). This outlook rests heavily on the projected surge in world soybean production, which would elevate global soyoil inventories (including the oil contained in stored soybeans) to an all-time high of 16 million tonnes, up a stunning 17 percent from last season. For all other oils, a drawdown in inventories seems inevitable, given negative or below-average production growth coupled with steady

demand expansion. This applies in particular to palm oil, where global reserves could contract for the second consecutive time, falling to a 5-year low of 7.4 million tonnes.

At country-level, the above forecast is based on a stunning rise in the **United States** and less marked improvements in **Brazil** and **Argentina**, while a year-on-year contraction in stocks appears likely in **Canada** and **Malaysia**. The largest inventories will continue to be held by **China**, mainly in the form of whole soybeans.

Figure 7. World stocks and ratios of oils/fats (including the oil contained in seeds stored)



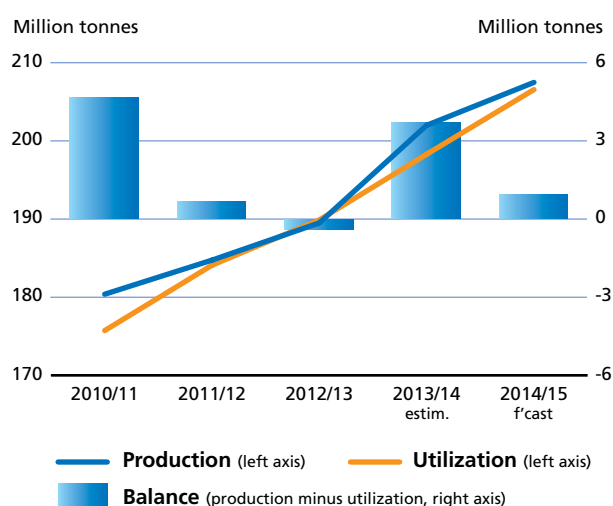
Based on the current projections, the global stock-to-use ratio could fall slightly in 2014/15, whereas a marginal improvement is expected in the stock-to-disappearance ratio for the major exporting countries.⁵

Growth in oils/fats trade to slow down markedly

Although international prices for oils/fats softened considerably during the last three seasons and currently fare at 5-year lows, world trade in oils/fats is projected to expand by no more than 2 percent in 2014/15, well below the pace observed in recent years. The slowdown reflects limited export availabilities in some exporting nations, as well as ample domestic supplies in a number of key importing countries.

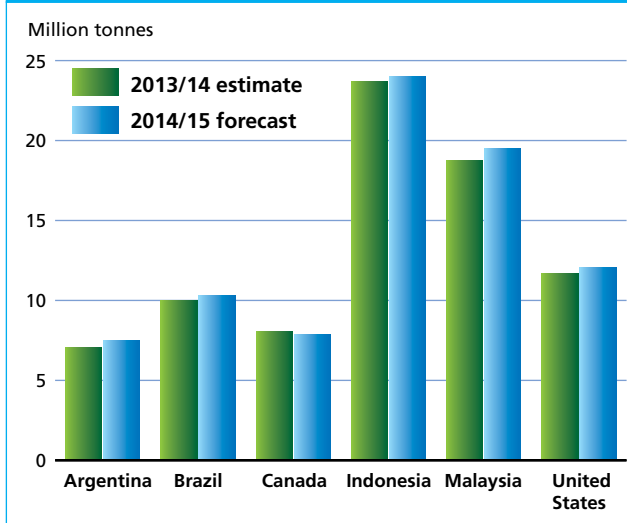
In line with developments in seed production, soyoil trade should climb to a new record, while trade in sunflower and rapeseed oil may contract somewhat. Palm oil transactions are expected to recover only partly from last season's exceptional fall. For the second consecutive year,

Figure 6. Global production and utilization of oils/fats



⁵ Argentina, Brazil, Canada, Indonesia, Malaysia, Ukraine and the United States.

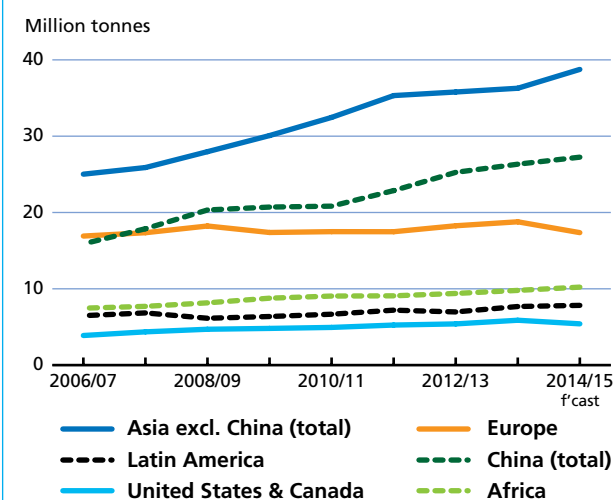
Figure 8. Oil/fat exports by major exporters (including the oil contained in seed exports)



exports by **Indonesia**, the world's top palm oil supplier, are anticipated to expand at a below-average rate, as domestic consumption, in particular by the oleo-chemical and bio-energy industries, is likely to expand further. Exports by **Malaysia** will be constrained by both rising internal demand and subdued production growth. **Brazil**, the **United States** and **Argentina**, the world's key soybean/soybean suppliers, are forecast to raise their combined exports of oils/fats by 1.1 million tonnes, about 4 percent more than last season. In **Canada**, large supplies of rapeseed are available for export – in part carried over from last season. By contrast, in **Australia**, oil/fat shipments are projected to contract.

On the import side, **China's** oil/fat purchases (including the oil contained in imported oilseeds) are pegged to rise

Figure 9. Total oil/fat imports by region or major country (including the oil contained in seed imports)



by 3 percent, which is less than its average rate, partly because the country maintains record-high inventories. The **EU** and the **United States** should import less than last season, thanks to abundant domestic harvests. By contrast, **India's** import pace is expected to accelerate on stagnating domestic supplies and steadily rising consumption. The country may need to increase oils/fats imports (mostly palm oil) by 8 percent, a 1 million tonne increase from 2013/14.

MEALS AND CAKES⁶

Global meal/cake supplies to expand further in 2014/15

Current crop forecasts indicate global meal/cake production will expand further, setting a new record. Like last season, production growth will be driven entirely by soy: incremental soybean output is estimated at 9.8 million tonnes (expressed in protein equivalent), while production of all other meals should shrink, except for a small rise in palmkernel meal and a stable fishmeal production.

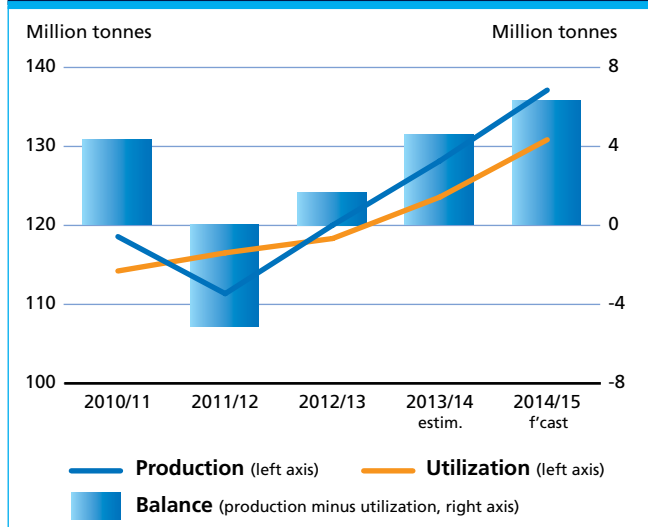
Global supplies, which comprise 2014/15 production and 2013/14 carry-out stocks, are forecast to surge by 8 to 9 percent. Assisted by large opening inventories, total supplies are anticipated to climb to a record 159 million tonnes. In the world's top consumer, **China**, meal supplies from domestically grown oilseeds should fall slightly due to poor crop outturns. By contrast, in the **United States**, **Brazil** and **Argentina**, the three leading soybean producers, meal supplies are likely to expand sharply due to record domestic harvests. The steepest year-on-year rise is expected in the United States (18 percent), where domestic availabilities are finally recovering from the recent decline and are expected to hit an all-time high. Other areas where supplies could expand include the **EU** and the **Russian Federation**. In the case of the EU (as well as Argentina), high opening stocks should contribute to this season's supply growth. Only in **Canada** are domestic availabilities expected to contract sizeably, although large carry-in stocks should help mitigate the drop.

Growth in meal consumption to accelerate

Year-on-year, global meal/cake consumption is projected to expand by 6 percent, which would imply an acceleration compared to recent years. Underpinning this forecast are growing demand by the livestock sector (arising from further economic growth in several countries) and the fact that international meal prices finally seem to have

⁶ This section refers to meals from all origins. In addition to products derived from the oil crops discussed under the section on oilcrops, this also includes fish meal and meals of animal origin.

Figure 10. Global production and utilization of meals/cakes (in protein equivalent)



embarked on a downward trend. It should be noted however, that in 2014/15, large oilmeal supplies are bound to coincide with ample supplies of grain-based feeds, a circumstance that might dampen demand for oilmeals in some countries.

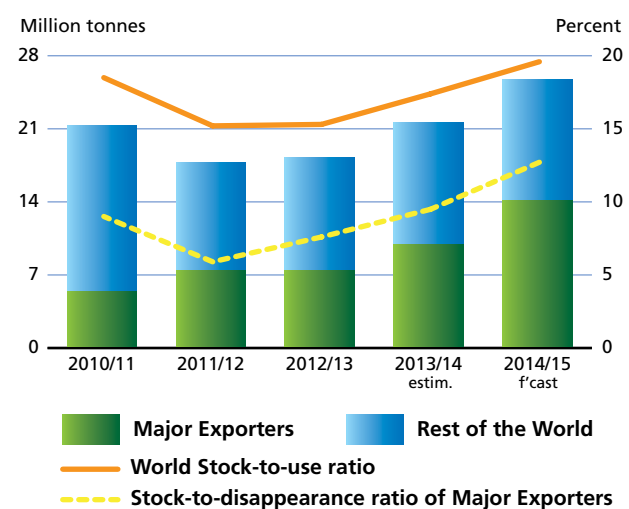
Soybean meal should play a dominant role in overall consumption growth. Weak increases are expected for all other meals with the exception of cottonseed and groundnut meal – the consumption of which may fall. As in previous years, developing nations should contribute strongly to overall growth, with countries in Asia playing a central role. In **China**, the world's largest consumer, meal demand is projected to grow by 5 to 6 percent, which is about-average. While demand from the poultry industry might remain depressed due to persisting disease problems, China's bovine and pork sectors should expand further, enhancing meal consumption. Further growth in demand is also expected in other countries in Asia as well as in Africa. In **Brazil**, **Argentina** and other South American countries, the anticipated boost in domestic meal availabilities together with new export opportunities for meat producers should spur feedstuff demand, including for oilmeals. Also among developed countries, higher domestic supplies and lower prices should stimulate demand, especially in the **United States** where, after contracting strongly for the past two seasons, meal consumption is expected to return to past levels, mainly driven by higher demand from the poultry sector. By contrast, in the **EU**, the world's second largest meal consumer, utilization may grow only minimally, partly because of large availabilities of feedgrains.

Extraordinary rise in global meal/cake inventories possible in 2014/15

Based on current forecasts, global meal production would exceed consumption by around 6 million tonnes (in protein equivalent). Such production surplus would facilitate a pronounced rebuilding of inventories, chiefly of soymeal. Total meal stocks are anticipated to increase by a stunning 19 percent or over 4 million tonnes (including the meal contained in stored oilseeds). The sharp rise – which follows on a similarly strong rise last season – is to be attributed in part to large availabilities of feedgrains, which compete with oilmeals in the international feedstuff market. This season's stock build-up should be concentrated in the **United States** and, to a lesser extent, **Brazil** and **Argentina** – the world's main suppliers of soybeans/soymeal. The United States ended its 2013/14 season with exceptionally low carry-out stocks due to a brisk export pace, but now can expect a massive replenishment of inventories – which would lift reserves to an 8-year high. According to official estimates, some 9 million tonnes of beans (in product weight) – more than half of this season's incremental production – could be earmarked for stock re-building. In Argentina, the farmers' slower than usual release of soybeans into the market might continue this season, possibly raising domestic stocks to unprecedented levels. By contrast, a moderate drop in inventories is possible in **China**, following the government's decision to discontinue public procurement of soybeans and thus dismantle public reserves.

Current forecasts would lead to a further and sharp improvement in stock-to-use ratios in 2014/15. Projected at, respectively, 20 percent and 13 percent, the global

Figure 11. World stocks and ratios of meals/cakes (in protein equivalent and including the meal contained in seeds stored)



stock-to-use ratio and the stock-to-disappearance ratio for major exporters⁷ would hit multi-year highs, which should provide scope for the recent downward trend in international meal prices to continue.

Growth in global meal trade to slow down sharply

After rising conspicuously last season, world trade in meals/cakes (including the meal contained in traded oilseeds) is projected to grow by only around 3 percent in 2014/15. Commodity-wise, record-high transactions in soybean meal are anticipated to offset falling sales of most other meals, in particular rapeseed meal.

Regarding imports, Asian countries will continue to dominate demand, with China alone accounting for one-third of global purchases. **China's** imports (mostly in the form of whole soybeans) should keep growing, although less than last season, when import demand was underpinned by a sharp expansion in domestic crush capacity. Purchases by other developing countries in Asia are anticipated to expand further, led by **Thailand, Turkey** and **Pakistan**. In the **EU**, the world's second largest buyer, imports should contract slightly from last season as incremental demand can be met by higher domestic supplies, including of feedgrains. The **United States** (a net exporter of meals) had a surge in imports last season, due to temporary shortages in domestic supplies, but in 2014/15, overseas purchases are expected to be scaled back to average levels.

⁷ Argentina, Brazil, Canada, India, Indonesia, Malaysia, Paraguay, Ukraine and the United States.

Figure 12. Meals/cake imports by region or major country (in protein equivalent and including the meal contained in seed imports)

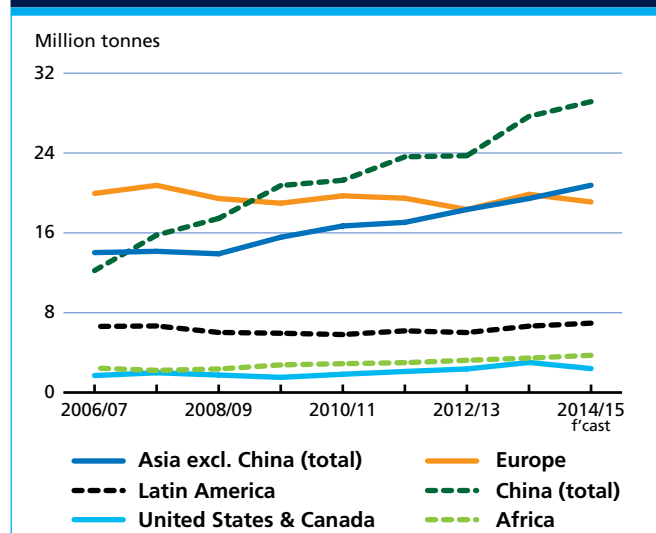
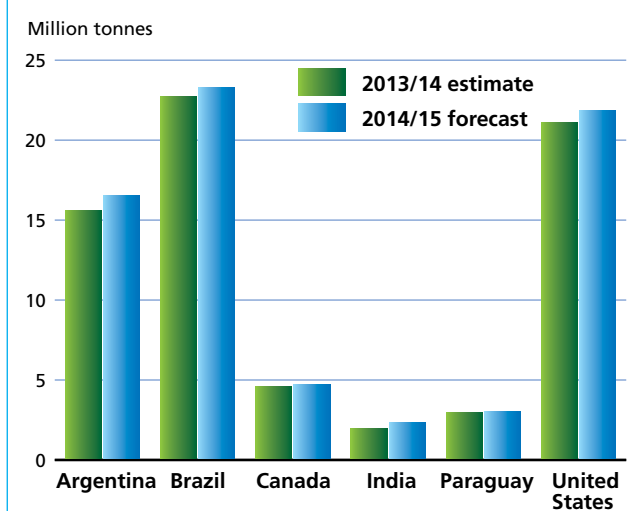


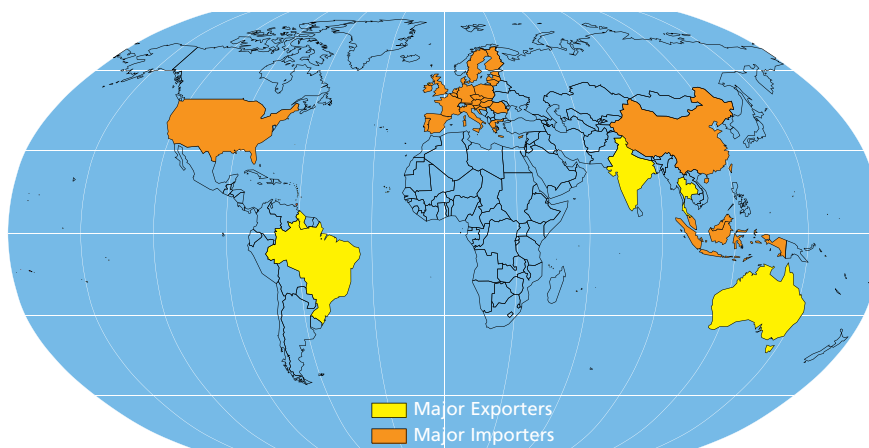
Figure 13. Meal/cake exports by major exporters (in protein equivalent and including the meal contained in seed exports)



Export growth, concerning primarily soybeans/soymeal, will be concentrated in the United States and – provided current production forecasts materialize – South America. A sizeable rise in shipments is expected in the **United States**, although the need to re-build inventories is expected to constrain exports. In 2013/14, total US shipments (including the meal contained in soybean exports) soared by 7.5 million tonnes while this season, exports could increase by a mere 1.5 million tonnes – despite this year's 17 million tonnes surge in domestic production. In **Brazil**, further expanding soybean production should sustain export growth while, in **Argentina**, higher shipments are possible on account of both large carry-in stocks and higher production. In **India**, soymeal exports are expected to recover, underpinned by increased domestic supplies.

SUGAR

Major Sugar Exporters and Importers



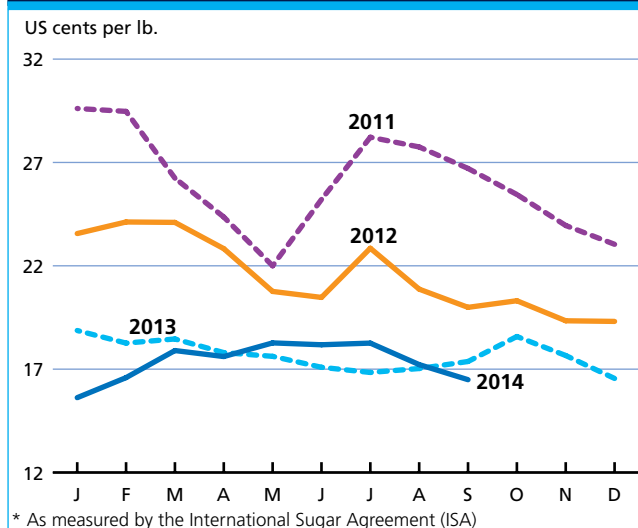
PRICES

Sugar prices ease amid improved production prospects for 2014/15

International sugar prices, as measured by the ISA daily prices for raw sugar, followed a declining trend for most of 2013, extending the steady fall that had characterized the market since 2011. The slide is attributed to a large expansion in production between 2008/09 and 2010/11. However, by January 2014, prices began to recover, amid concern over the severe drought conditions that affected sugarcane crop

development in **Brazil**, the world's largest sugar producer. Between January and July 2014, international sugar prices averaged US 17.5 cents per pound, 2 percent lower than in the same period in 2013. Shortly after that period, reports of improved production prospects in **India**, as well as the **European Union** and the **Russian Federation**, coupled with lower than expected import demand by **China**, put downward pressure on international prices, which declined by 6 percent in August and fell further in September. The downgrading of production in Brazil was not sufficient to reverse the tendency for prices to fall. Early indications of a smaller global production surplus for the 2014/2015 and a possible deficit in the 2015/16 season could support prices, although the plentiful global inventories accumulated over the past four years will limit the extent of the price recovery.

Figure 1. International sugar prices*



PRODUCTION⁸

World sugar production to increase modestly in 2014/15

World sugar production is forecast by FAO to reach 183.9 million tonnes in 2014/15 (October/September), a modest 0.9 percent increase over the 2013/14 season, but still the second largest harvest in history. Favourable

⁸ Sugar production figures refer to centrifugal sugar derived from sugar cane or beet, expressed in raw equivalents. Data relate to the October/September season.

Figure 2. Sugar production by region

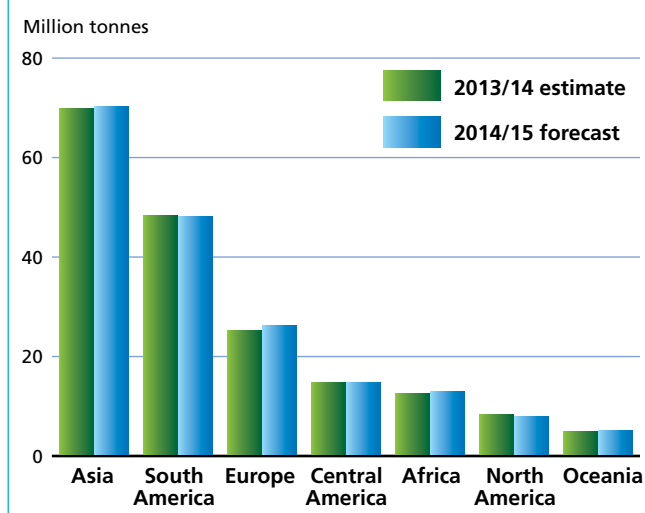
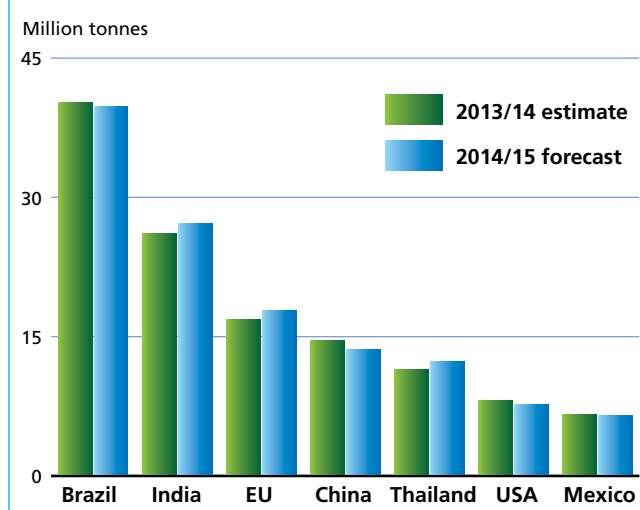


Figure 3. Sugar production by major producing countries



weather conditions, along with expanding planted areas, are expected to lead to higher output in most countries, with the exception of **Brazil**, **China** and **Pakistan**. The limited increase in world output means that production and utilization are foreseen to be more closely balanced than in the previous three seasons, when production largely outweighed utilization. In 2014/15, and in contrast with recent years, the bulk of the increase in world production is expected to take place in the developed countries, where production is forecast to expand by 1.1 million tonnes, which compares with 0.6 million tonnes for the developing countries. Under the current forecast, world production in 2014/15 will surpass consumption by about 2.1 million tonnes, far lower than the surpluses of 9.0 million tonnes and 4.7 million tonnes registered in 2012/13 and 2013/14, respectively.

In *South America*, production is expected to remain close to last year, amid generally unfavourable weather conditions, notably in Brazil. In fact, Brazil's sugar output is forecast to decline as a result of extreme drought conditions in early 2014. The country's production is now estimated at 39.6 million tonnes, 0.5 million tonnes below the volumes reached in 2013/14. About 53 percent of the sugarcane harvest is expected to be diverted for the production of ethanol, slightly less than last season, when sugar mills converted about 54.5 percent of the crop into ethanol. Brazil's sugar output is influenced by changes in the ethanol/sugar price ratio, which eventually determines how much of the two products will be produced out of sugarcane. The higher the price ratio, the larger the amount of cane converted into ethanol at the expense of sugar. The decline in the share of sugarcane devoted to ethanol reflects a loss of profitability, as reportedly 44 sugar-ethanol plants ceased operations over the past five years while 12 other plants suspended their activities. On the other hand, sugar production is expected to increase in **Colombia**, the second largest producer in the region, and in **Argentina**, on the expectation that more favourable growing conditions than in 2013/14 prevail in the main producing region of Tucuman.

In *Central America*, estimates for 2014/15 indicate that sugar production in **Mexico** will remain at about the same level as last year, or even decline slightly, as large supply availabilities in 2012/13 and 2013/14 reduced the incentive to expand sugarcane areas for the new season. In **Guatemala**, higher than expected sugarcane yields boosted sugar output in 2013/14, but no further increase is anticipated for 2014/15. In **Cuba**, sugar production is expected to continue its recovery, driven by investments aimed at increasing sugar productive capacities at both farm and factory levels. A series of policy measures, including higher official price support to cane, also helped incentivise farmers. As a result, Cuba had its highest sugarcane yields in two decades last season, with production now also expected to expand in 2014/15.

In *Africa*, 2014/15 sugar production is set to rise on the back of continued area expansion and improved processing capacities. The forecast also assumes the prevalence of favourable weather conditions. **South Africa**, **Swaziland**, **Sudan**, and **Morocco** are anticipated to harvest larger crops, while output is expected to remain at last year's level in **Kenya**. The bulk of Kenya's sugarcane production is rainfed and based on low-yielding varieties. Recently the Government of Kenya has been encouraging farmers to switch to high-yielding varieties to improve their competitiveness, especially as the country is to grant duty free access to sugar sourced from COMESA after February 2015. In **Zambia**, sugar production has been increasing by an average of 9 percent per year

Table 1. World sugar market at a glance

	2012/13	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>	Change: 2014/15 over 2013/14
			<i>million tonnes</i>	%
WORLD BALANCE				
Production	182.1	182.2	183.9	0.89
Trade ¹	53.5	55.0	55.7	1.18
Total utilization	173.1	177.7	181.9	2.37
Ending stocks	73.1	74.8	77.1	3.07
SUPPLY AND DEMAND INDICATORS				
Per caput food consumption:				
World (kg/yr)	24.7	25.0	25.3	1.11
LIFDC (kg/yr)	16.5	16.5	16.8	1.87
<i>World stock-to-use ratio (%)</i>	42.2	42.1	42.4	0.68
ISA DAILY PRICE AVERAGE (US cents/lb)	2012	2013	2014 <i>Jan-Sep</i>	Change: Jan-Sep 2014 over Jan-Sep 2013 %
	26.0	17.71	17.35	-2.03

¹ Trade refers to exports based on a common October/September marketing season.

over the past ten years, driven by investment in irrigation and the price incentives introduced under the 2009 EU Economic Partnership Agreement (EPA). Sugar production is estimated to increase further in 2014/15. In **South Africa**, after benefiting from good rains in 2013/14, which resulted in the largest sugarcane harvest since 2005/06, sugar output is expected to increase further over the current season, as rainfall during the critical early part of 2014 was favourable.

In **Asia**, sugar output is expected to grow by 0.8 percent compared with the 2013/14 marketing season, due to expansions in **India** and **Thailand**. At the same time, production is set to fall in **Pakistan**, **China** and **Indonesia**. In India, improved monsoon rainfalls in August are expected to boost yields and result in a total estimated sugar production of 27.1 million tonnes, 1.1 million tonnes higher than in 2013/14. Also, remunerative sugarcane prices have led farmers to substitute sugarcane for rice or wheat. It is expected that the recent partial deregulation of the sugar industry, which abolished the required 10 percent levy on sugar mills and deregulated sales in the open market for the next two years, will give sugar mills some financial flexibility to repay cane arrears. Moreover, it is foreseen that the new measures will help reduce the amplitude of the production cycles which characterize the sugar subsector in India. Latest estimates indicate that sugar output in **Thailand**, the world's second largest sugar exporter, will increase, reflecting an expansion in planted area. However, the low precipitation recorded at the beginning of the season may limit the output gain.

Table 2. World sugar production

	2013/14	2014/15
	<i>million tonnes</i>	
Asia	69.6	70.1
South America	48.1	47.9
Europe	24.9	26.1
Central America	14.5	14.6
Africa	12.4	12.7
North America	8.1	7.7
Oceania	4.6	4.8
World	182.2	183.9
Developing countries	141.6	142.2
Developed countries	40.6	41.7

In contrast, sugar production in **China** is expected to decline in 2014/15, due to a reduction in planted area in response to falling domestic prices and rising input costs. In 2013/14, despite unfavourable weather conditions, namely frost, which hit some producing regions in the southern part of the country, overall sugar production increased, as planted area was reportedly higher by close to 1 percent. Over the past couple of years, financial assistance and subsidized inputs that sugar mills provided to farmers helped boost plantings. However, with limited available areas for expansion due to competition with other crops, increased output will need to originate from high-yielding varieties as well as better crop husbandry and productivity gains. Production is also foreseen to contract in **Pakistan**, following an estimated 6 percent decline in planted area. In 2013/14, sugar production expanded in response to the relatively high sugar returns witnessed over the past three seasons. Remunerative prices also encouraged the use of fertilizers and other inputs, which boosted sugar crop yields. Sugar output is also set to contract in **Indonesia**, amid unfavourable weather. Due to dry growing conditions, production in **Turkey** is likely to remain at the level of 2013/14, or even decline, despite an estimated 8 percent increase in sugar beet area.

In **Europe**, the latest estimates for the **EU** point to an increase in sugar production, supported by a 3 percent expansion in total area. Beet areas were especially up in **Germany**, **Spain**, and **Italy**. Good weather conditions also boosted yields, notably in **France**, **Germany** and the **Netherlands**. As expected, in June 2014, the EU Commission, Parliament and Council came up with a compromise solution for the 2014–2020 Common Agriculture Policy. This included the elimination of sugar production quotas and minimum sugar beet prices as of September 2017. With the elimination of quotas, the EU is projected to become more self-sufficient in sugar in the medium-term. The impact of the abolition of domestic sugar quotas on the Economic Partnership Agreements

(EPAs) and “Everything But Arms” EBA countries is still uncertain and further analysis is warranted. It is likely these reforms will lead to further consolidation of the sugar industry in the EU. At this stage, it is also uncertain to what extent sugar will be displaced by isoglucose in the EU sweetener market following market liberalization.

Production in 2014/15 is expected to grow significantly in the **Russian Federation**, on the back of remunerative domestic sugar prices that are prompting an increase in plantings. However, the expansion is constrained by competition from grains and oilseeds. Growth in sugar production is also likely to be limited by more expensive imported inputs, such as seeds and fertilizers, given the depreciation of the Russian currency with respect, notably, to the United States dollar. Sugar production is also expected to expand in **Ukraine**, where cultivated area is reportedly significantly higher than last year. However, rising imported input costs, the result of a significant depreciation of the Ukrainian currency, are likely to weigh negatively on beet yields. In **Australia**, sugar output is anticipated to increase following gains in area harvested and higher sugarcane yields, assuming favourable weather conditions. In 2013/14, floods and the spread of canopy disease had negative impact on plantings.

In the *rest of the world*, production in the **United States** is forecast to fall modestly from its 2013/14 level, as planted area declines. In 2013/14, ample supplies have put pressure on domestic sugar prices, forcing the USDA to purchase sugar and re-sell it at a loss to bioenergy producers as part of the Feedstock Flexible Program (FFP). The USDA has announced that for the new season, it is not planning to make use of the FFP.

UTILIZATION

Falling domestic sugar prices to support growth in consumption

Global sugar consumption is anticipated to reach 181.8 million tonnes in 2014/15, 4.2 million tonnes, or about 2.4 percent more than in 2013/14, in line with the 10-year trend. Large supply availabilities and lower international and domestic prices are expected to support increases in per capita sugar intake in 2014/15. Falling domestic sugar prices were recorded in major markets, including **Brazil**, **India**, **China**, the **EU** and the NAFTA region. Under current prospects, world per capita sugar consumption is to rise slightly, from 25.0 kg in 2013/14 to 25.3 kg in 2014/15. In developing countries, aggregate sugar utilization is estimated to expand by 4.2 million tonnes, to 131 million tonnes, equivalent to 72 percent of global consumption, underpinned by increases in *Asia*, *Africa* and *Latin America and the Caribbean*. In the generally more

mature markets of the developed countries, consumption is forecast to remain relatively unchanged.

Sugar consumption in the long-run is mostly driven by per capita income and population growth. According to the latest World Economic Outlook of the IMF, the global economy is expected to grow more strongly in 2015, with a rebound expected in the developing and emerging economies. This positive economic prospect is also likely to boost further sugar demand, as manufacturing and food preparation sectors, which account for the bulk of aggregate sugar consumption, are highly influenced by the economic environment. However, the depreciation of the currency against the US dollar – which makes imports in domestic currency more expensive – could lead to weaker intake of sugar in several major sugar importing countries, including **Indonesia**, the **Russian Federation**, **Egypt**, **Syrian Arab Republic** and **Nigeria**.

TRADE

Trade to increase in 2014/15 sustained by lower international sugar prices

The forecast for world sugar trade in 2014/15 (October/September) stands at 55.4 million tonnes, a 3.7 percent increase over the previous season. The main feature of the sugar international market in the 2014/15 season is the greater availability of supplies in some traditional importing countries, including **China**, the **EU** and the **United States**. Although not expected to export more than in 2013/14, given its lower sugar production, **Brazil** is set to supply 49 percent of world trade in 2014/15. The bulk of the Brazilian shipments is in raw form and mainly shipped to China, Indonesia, Algeria and Egypt. However, the final volume it sells abroad will depend on the quantity of sugarcane production processed into ethanol, especially considering the increase in the mandated blend ratio in 2013/14 from 23 percent to 25 percent. Also, any further depreciation of the Brazilian real against the US dollar could stimulate Brazil's exports beyond the current forecasts.

The second largest world exporter, **Thailand**, is expected to consolidate its position, with deliveries rising from 7.0 million tonnes to 8.1 million tonnes, amid ample domestic supplies and competitive export pricing. About 60 percent of the country's export is forecast to be shipped in raw form to neighbouring countries, including Indonesia, Malaysia and the Republic of Korea. Thai exports to ASEAN countries are expected to increase further, following the reduction of import tariffs under the existing ASEAN economic community free trade agreement. Sugar imports will be subject to duty free access in most ASEAN countries. However, because of a

Figure 4. India sugar production and exports



reduction in import demand, deliveries from Thailand to China are likely to decline.

Amid expected increases in sugar output, shipments from **India** are estimated to remain relatively strong, driven by large inventories and the newly introduced export subsidy programme. The objective of the subsidy is to provide sugar millers with additional cash flow, as part of a series of measures to address the issue of arrears due to sugarcane growers. Exports are composed of raw sugar and geared to markets in Asia and Africa. Deliveries from **Australia** are set to continue to perform well, just below the country's historic high of 3.61 million tonnes, supported by greater exportable surplus. In April 2014, Australia and the Republic of Korea signed a free trade agreement, under which Australian raw sugar exporters benefit from duty free access. The Republic of Korea existing import tariff (35 percent) on refined sugar will be eliminated within an agreed period of 18 years. This is likely to further consolidate the country as the major destination for Australian sugar. **South Africa** is expected to export about 500 000 tonnes of sugar, in light of sufficient domestic inventories, with the bulk of shipments directed to the Southern Africa Customs Union (SACU) market, and to the United States to fill its 2015 TRQ allocation.

Exports by **Guatemala**, the second largest exporter in Latin America and the Caribbean, are foreseen to expand, given ample stock availabilities and competitive pricing. Sugar has become a key source of foreign exchange earnings for the country, with large investments targeting refined sugar export markets, especially in the United States, the Republic of Korea and Canada, the main destinations of Guatemala's sugar export. The country is now the fifth largest global sugar exporter and is focusing on increasing its exports of

refined sugar. Expected production gains in 2014/15 are also anticipated to enable **Cuba** to boost exports, with about 0.4 million tonnes directed to China, as part of an export agreement between the two countries. On the other hand, sales by **Mexico** are anticipated to decline for the new season, with inventory levels falling and production remaining relatively unchanged from 2013/14. However, the final amount of shipped sugar will depend on the realized production for 2013/14 and the extent to which high fructose corn syrup (HFCS) substitutes for domestic sugar use. Mexico's exports to the United States, under NAFTA, are anticipated to fall, which will be likely compensated by larger deliveries to other markets. Outside of the United States, other destinations for sugar export from Mexico include **Canada, Burkina Faso, Columbia, Chile** and the **Netherlands**.

Imports by **Asian** countries are forecast to rise in 2014/15, despite a notable contraction in purchases by **China**. In the latter, domestic sugar prices have been decreasing to the level of import parity prices, as the Government has suspended its reserve purchase programme, rendering out-of-quota imports unprofitable. In contrast, purchases by **Indonesia** are set to remain strong, driven by robust domestic utilization, particularly from the beverage and food processing sectors.

In **Europe**, shipments to the **EU** are forecast to stay relatively unchanged, on the back of adequate domestic production. With new free trade agreements with Peru, Colombia and six central American countries, namely Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama, being fully implemented, imports actually may end up rising further. An additional 20 000 tonnes of sugar from Ukraine is also available to enter the EU market, on the basis of newly negotiated free trade agreement. The EU is expected to remain the world's largest sugar importer. As a result of expanding domestic production, imports by the **Russian Federation**, once the world's largest sugar importer, are anticipated to fall in 2014/15. Also, any further depreciation of the Russian currency against the United States dollar (beyond current levels) could further dampen purchases. Likewise, shipments into **Kenya** are estimated to retract, while imports into **Malaysia** are to increase and those of **Turkey** are to remain unchanged from the previous season.

In the *rest of the world*, purchases by the **United States**, about half of which are managed through a TRQ system of 1.4 million tonnes, are anticipated to stay unchanged, or may increase slightly, as the season advances. Despite anticipated gains in sugar output in 2014/15, *African countries* are foreseen to buy more, in general, to meet a strong increase in domestic consumption.

MEAT AND MEAT PRODUCTS

Major Meat Exporters and Importers



Limited production growth; trade mixed

World meat production is anticipated to grow modestly in 2014 to 311.6 million tonnes, 3 million tonnes or 1.1 percent above 2013. Growth is anticipated to be concentrated in the developing countries, which are also the main centres of rising demand.

At the international level, prices have remained high by historical standards for the past three years, with the **FAO Meat Price Index** generally oscillating around 185 points. Since April 2014, the Index has registered further upward movement, reaching 208 points in September. Prices rose for all categories, especially bovine meat, although towards the end of the period, some reduction was evidenced for porcine and ovine meat.

Global meat trade is forecast to expand at a moderate rate of 2.3 percent in 2014, to 31.6 million tonnes. The anticipated growth would be less than the average for recent years, due to a variety of causes, including production constraints in some of the principal exporting countries, animal health concerns and trade restrictions. There are diverging projected trade trends for the various types of meat, with growth forecast for bovine, pigmeat and poultry, and decline forecast for ovine meat. Poultry remains the main product traded, representing 43 percent of the total, followed by bovine, pig and ovine meat, respectively.

Figure 1. Meat prices reach historic highs

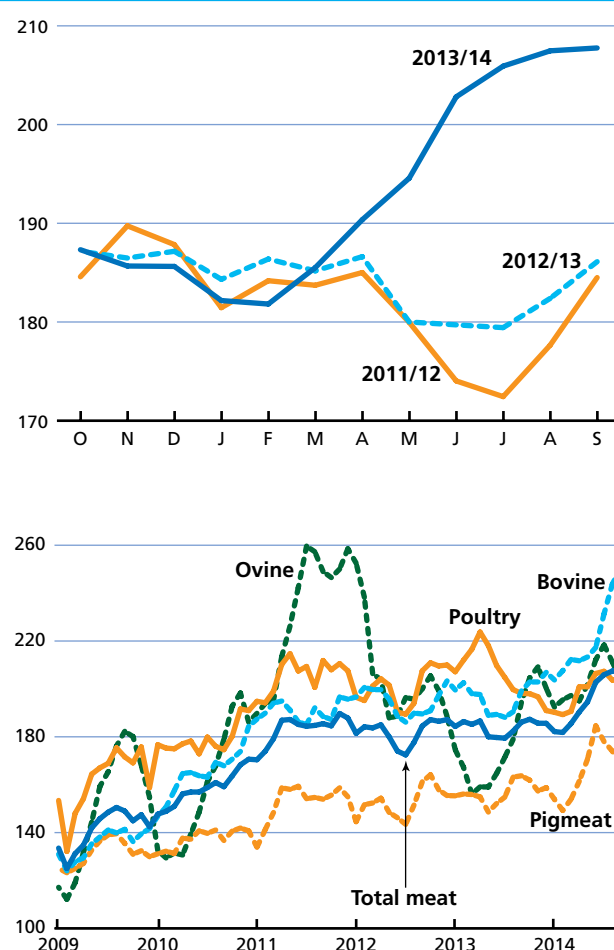
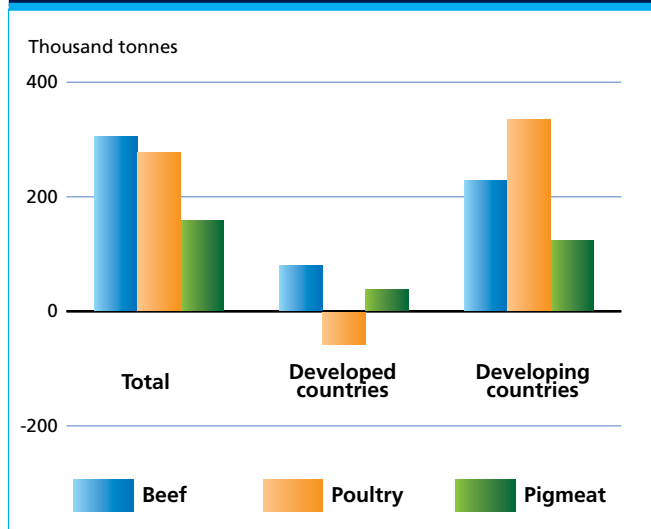


Table 1. World meat market at a glance

	2012	2013 estim.	2014 f'cast	Change: 2014 over 2013
million tonnes				%
WORLD BALANCE				
Production	304.2	308.3	311.6	1.1
Bovine meat	67.0	67.8	68.3	0.8
Poultry meat	105.4	106.4	107.6	1.1
Pigmeat	112.4	114.5	116.1	1.4
Ovine meat	13.7	13.9	14.0	0.6
Trade	29.6	30.9	31.6	2.3
Bovine meat	8.0	9.0	9.3	3.4
Poultry meat	13.0	13.2	13.5	2.1
Pigmeat	7.5	7.4	7.5	2.1
Ovine meat	0.8	1.0	1.0	-1.8
SUPPLY AND DEMAND INDICATORS				
Per caput food consumption:				
World (kg/yr)	42.8	42.8	42.8	-0.1
Developed (kg/yr)	76.2	75.7	75.5	-0.2
Developing (kg/yr)	33.4	33.7	33.8	0.2
FAO MEAT PRICE INDEX (2002-2004=100)	2012	2013	2014 Jan-Sep	Change: Jan-Sep 2014 over Jan-Sep 2013 %
	182	184	195	6.6

Figure 2. Projected changes in meat exports, 2014



BOVINE MEAT

Production: limited growth

Bovine meat production is forecast to remain largely unchanged at around 68 million tonnes, only 0.8 percent more than in 2013 – continuing a trend of limited growth that has been evident for several years.

The small increase in world production is being led by developing countries, which collectively account for almost 60 percent of the total. As a group, developing countries are forecast to record 2.3 percent growth, concentrated principally in *Latin America and the Caribbean*, and *Asia*. The developed countries are predicted to experience a 1.3 percent decline in output, mainly due to a fall in North America.

In *South America*, cattle availabilities and slaughter have been rising, particularly in **Brazil**. The country, which is the second largest producer after the United States, is anticipated to account for most of the regional growth, with production projected to rise 3.4 percent to 9.9 million tonnes. The Brazilian cattle herd is in an expansion phase, supported by improvements in productivity and genetics. Additionally, favourable prices on the export market have stimulated the use of feed to maintain cattle weight during the dry season. In **Argentina**, government export restrictions have obliged the industry to focus increasingly on internal demand, which absorbs over 90 percent of production. Preference for younger, lighter animals for the domestic market means that production is growing at a relatively slow rate. In neighbouring **Paraguay** and **Uruguay**, strong production growth is anticipated, spurred by international demand and sustained cattle prices, and supported by an expanding herd and productivity increases.

In *Asia*, **India**, the fifth largest bovine meat producer, continues to see the industry grow, supported by government programmes to utilize male buffalo calves from the country's expanding dairy herd. Output is forecast to drop in the **Republic of Korea**, where low profitability has led to herd reduction. In **China**, production is anticipated to show moderate growth to 6.8 million tonnes. High slaughter rates are reported among small-producers, prompted by strong cattle prices and difficulties in meeting new production standards. Most parts of *Africa* received adequate rainfall during the current season, which improved pasture conditions and led to a moderate increase in bovine meat production. However, due to a delay in the onset of seasonal rains in parts of East Africa, pasture and fodder and feed supplies in the subregion suffered. As a consequence, production growth may be constrained in **Ethiopia**, **Kenya**, **Somalia**, northern **Tanzania** and eastern **Uganda**. Furthermore, outbreaks of foot-and-mouth disease (FMD) in east-central Kenya could have a negative impact on production, although a mass vaccination programme has been initiated and the movement of livestock curtailed in the affected areas. **Egypt** is expected to show continued limited growth in production – based on dairy cattle (including buffaloes). The sector is benefiting from a government-run FMD

vaccination programme and legislation limiting calf slaughter. Output in southern Africa is set to increase as a result of favourable rains which have promoted pasture growth and feed and forage production. Furthermore, in **South Africa**, a rise in cattle prices should underpin improved profitability and boost production.

Overall, bovine meat output in **developed countries** is forecast to fall by 1.3 percent, to 28.7 million tonnes. In the **United States**, the world's largest producer, prolonged and extensive dry conditions caused a fall-off in the production of calves which led to an herd reduction. Consequently, beef output could decline by 4.5 percent, to 11.2 million tonnes this year, its lowest level since 1994. The long-term decline in the cattle herd in neighbouring **Canada**, evident since 1992, is expected to continue. In **Oceania**, the after-effects of drought are impinging on production. In **Australia**, slaughter rates increased markedly in 2013 and early 2014, prompted by a reduced availability of pasture and fodder. Diminished herd size and rebuilding will result in lower output for 2014 overall, with a decline of 1.4 percent to 2.3 million tonnes anticipated. In **New Zealand**, production is foreseen to be moderately higher, at around 608 000 tonnes. The beef industry in New Zealand is highly dependent on the dairy sector which provides 80 percent of the total supply in the form of culled cows and male calves for fattening. In the **Russian Federation**, improved productivity and slaughtering facilities may be sufficient to counterbalance long-term herd reduction, resulting in a small increase in output overall. In the **EU**, the world's third largest beef producer at 7.5 million tonnes, the prolonged reduction in the cattle herd has reversed as a result of dairy sector expansion. Bovine meat production is anticipated to rise by 1.4 percent in 2014, mainly owing to a rise in the number of male dairy calves for fattening.

Trade: United States and China underpin import demand; India becomes the leading bovine meat exporter

World trade in bovine meat is anticipated to grow by 3.4 percent, to 9.3 million tonnes, despite international prices being at their historic maximum. Consumer demand, rising incomes and a shortage of domestic supplies in some countries are important contributors to trade expansion.

China is expected to record a significant increase in imports, although not to the same degree as in 2013, when they doubled. Total imports could exceed 1.1 million tonnes in 2014, 6 percent more than last year, confirming China's position as the main world market for bovine meat. Demand continues to be stimulated by rising incomes and growth in meals outside the home. Additionally, following

outbreaks of avian influenza, some consumers have switched from poultry to other meats. Elsewhere in **Asia**, imports by the **Islamic Republic of Iran**, the **Republic of Korea** and **Malaysia** could increase, as domestic production is forecast to be either stable or decrease. The **United States**, the world's second largest importer, is also forecast to step up its purchases, to compensate for a short-fall in national production. By contrast, high international prices and increasing domestic production are expected to result in falling purchases of bovine meat by the **Russian Federation**. In the first four months of 2014, deliveries to the country were 23 percent down, year-on-year. The Federation's ban on bovine meat imports from a number of countries introduced in August is not expected to have any significant impact on world trade, as this group of countries collectively supplied less than 10 percent of the Federation's imports in 2013 (Table 2). Purchases by the **EU** may decline slightly, stemming from growth in domestic production. A number of other importers may see trade fall or stagnate in response to high international prices, including **Egypt**, **Canada** and **Mexico**.

Strong demand and elevated prices are projected to stimulate bovine meat exports, despite production constraints in some countries. Much of the expected expansion in trade is anticipated to be met by **India**, **Brazil**, **Australia** and **New Zealand**. India, in particular, may see a strong rise in its sales of buffalo meat (carabeef), in the order of 10 percent. As a consequence, for the first time, India would become the leading exporter of bovine meat, shipping 1.9 million tonnes, compared to second-placed Brazil's 1.8 million tonnes. India's main markets are Asia and North Africa. The popularity of carabeef rests on its price competitiveness – where quotations are 30 percent less than for beef – plus its low fat content, excellent processing characteristics and halal certification. The favourable market conditions for bovine meat are expected to stimulate exports from **Canada**, the **EU**, **Paraguay** and **Uruguay**. On the other hand, reduced domestic production is anticipated to depress exports by the **United States**. Sales by **Argentina** are also expected to fall, as government-imposed limitations on trade favour supplying the domestic market.

PIGMEAT

Production: Asia sustains growth

World production of pigmeat is anticipated to grow by 1.4 percent to 116.1 million tonnes in 2014, aided by lower feed costs. The increase in output is forecast to stem from developing countries, where over 60 percent of production originates, while little change is expected in the developed

countries. **Asia** is the leading pigmeat producing region, accounting for more than half of the world total. Strong consumer demand and government support policies are anticipated to combine to boost **China's** output by 2.3 percent, to 56.7 million tonnes, equivalent to almost half of the world total. Elsewhere in Asia, **Vietnam**, the **Philippines** and **Indonesia** are foreseen to register similar rates of growth. Conversely, in **Japan** and the **Republic of Korea**, production is anticipated to fall, reflecting the diminished breeding herds and outbreaks of porcine endemic diarrhoea (PED), which have reduced piglet numbers.

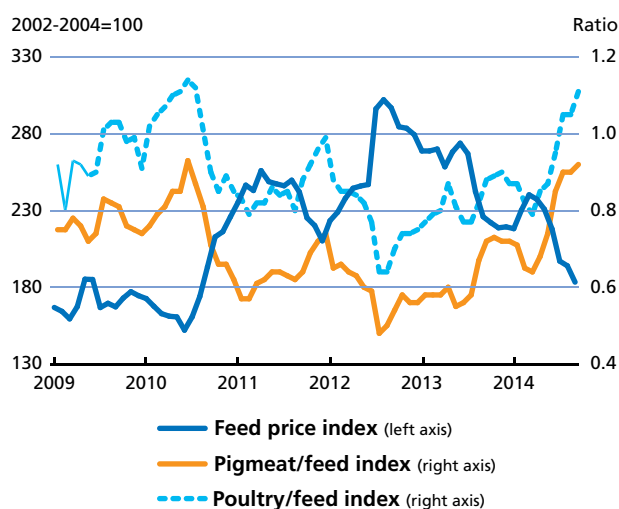
In the Americas, **Brazil**, the world's fourth largest producer, is set to increase output to a record 3.5 million tonnes, stimulated by reduced feed costs and favourable export prices. Steady growth is also anticipated for **Mexico**, underpinned by improved genetics and productivity which translate into more piglets per litter and higher animal weights.

Production in the **EU**, the second largest producer after China, is forecast to be unchanged at 22.1 million tonnes, even though compliance with animal welfare regulations relating to the housing of sows led to a fall in the breeding herd in some member-states. In the **United States**, PED is projected to cause a 1.9 percent fall in pigmeat output, despite heavier slaughter weights. **Canada's** production is forecast to increase only slightly, due to some smaller producers ceasing operations. In the **Russian Federation**, government policies favouring large-scale farms have resulted in production doubling over the past decade. The trend towards increased output may be amplified in 2014, following prohibitions on pork imports from the EU and Canada, which together supplied two-thirds of the Federation's imports in 2013 (Table 2). African swine fever (ASF) in **Belarus** has caused a marked decline in the pig population and, consequently, production is forecast to fall substantially.

Trade: animal diseases and trade prohibitions take centre stage

Trade in pigmeat is expected to recover by 2.1 percent to 7.5 million tonnes in 2014, following a decrease in 2013. Three countries – the United States, the EU and Canada – account for three-quarters of the world pig meat exports. Adding Brazil and China to the group brings the total to more than 90 percent. Despite reduced production, high international prices are expected to boost sales by the **United States**, where exports for the first six months of the year were up by 7.4 percent. Also, in the case of the **EU**, strong sales to Asia – especially to China and Japan – are expected to largely counterbalance the lost

Figure 3. Pork and poultry producers benefit from reduced feed costs



trade with the Russian Federation, its main market in 2013. The Federation banned imports of EU pigmeat at the end of January, consequent on a small number of cases of African Swine Fever (ASF) in the wild-boar population in Lithuania and Poland. **Canada**, which in recent years has maintained a share of around 15 percent of world trade, is expected to maintain a similar level of sales this year. Largely unchanged deliveries are also foreseen for **Brazil**, where exports up to the end of July were the same as the previous year's. While Brazil has increased its exports of pigmeat to the Russian Federation following the ban on imports from the EU – March–July 2014 sales were a third higher than the same period in 2013 – there was a proportionate drop in sales to China (Hong Kong SAR).

Rising demand, in **China** and **Mexico**, and PED-reduced domestic production in **Japan**, the **United States** and the **Republic of Korea**, led five of the six main importing countries – which account for three-fifths of world trade – to increase their purchases by an average of 10 percent during the first half of 2014. While this momentum may not be fully maintained for the remainder of the year, their combined demand is anticipated to be sufficient to compensate for a substantial fall in imports by the **Russian Federation**, following the ban imposed on imports by a group of countries which had collectively supplied 70 percent of its foreign purchases in 2013. Trade data up until April shows imports by the Federation were down by a third – reflecting in part improved domestic supplies. By way of context, growing domestic production meant that the Federation had already cut imports heavily, by 26 percent, in 2013. Imports by **Canada** are also expected to fall, as a result of a substantial price rise in the United States, its principal source of supply.

POULTRY

Production: China weighs on world total

A second year of limited growth is foreseen for poultry production in 2014. Output is expected to rise by 1.1 percent to 107.6 million tonnes, much slower than the 3 percent per year trend observed over the past decade. While falling feed prices have supported growth in many countries, industry challenges in **China** continue to weigh on the world total. In China, concern over H7N9, including a fresh outbreak among the human population at the start of 2014, has depressed demand for poultry and also limited the availability of live birds for direct consumption. Poultry production is expected to fall by 4.8 percent, or 877 000 tonnes, in 2014. As a consequence, poultry is the only category of meat where output is anticipated to increase more in absolute terms in the developed countries than in the developing countries. Excluding China, the tendency in all the other largest producing countries is expected to be positive. Production in the **United States**, the principal producer, could grow by 1.8 percent, to 20.6 million tonnes. Elsewhere, the other major producers likely to witness gains include the **EU**, **Brazil** and the **Russian Federation**, **Mexico**, **India**, the **Islamic Republic of Iran** and **Turkey**.

Trade: Slow growth

Poultry, the most traded meat category, accounts for almost 45 percent of total meat trade. Its popularity stems from its price competitiveness compared with other types of meat and its wide acceptance and adaptability to national cuisines. Although poultry trade volume has increased by 55 percent over the past decade, growth has slowed since 2012. This trend is expected to continue in 2014, when exports could reach 13.5 million tonnes, an increase of 2.6 percent, mainly reflecting augmented production in importing countries. The two major importing countries, **China** and **Japan**, are projected to maintain purchase levels similar to the previous year. In the case of China, a fall in imports by mainland China is expected to be counterbalanced by increased imports by Hong Kong SAR, in part a result of prohibitions of traffic in live birds from the mainland. Stable to positive growth in imports by other major markets, including, **Saudi Arabia**, the **EU** and **Vietnam**, is expected to contrast with a substantial fall in purchases by the **Russian Federation**. In the Federation, imports are provisionally estimated to fall by 30 percent, stemming from abundant domestic production, which led to a fall in prices, and the August 2014 ban on imports from certain countries. In the case of poultry, this group of countries had supplied approximately three-quarters of

the Federation's overseas purchases in 2013, which means identifying alternative sources of supply will cause some disruption. In *Africa*, imports as a whole are forecast to rise by 4.6 percent. Among the main importing countries, **Angola**, **Ghana** and **Benin** are anticipated to purchase more, as income growth strengthens demand, while imports by *South Africa*, the major trade destination in the region, are forecast to grow by 2.6 percent.

The four leading exporters, **Brazil**, the **United States** and **China**, which together account for almost three-quarters of global poultry exports, have seen little expansion in sales in recent years. This situation may change for 2014, when excess supplies and depressed prices in China, associated with H7N9, are anticipated to stimulate exports by as much as 7 percent. Also, sales by **Brazil** may receive a fillip from the opening up of opportunities in the Russian Federation. Leaving aside the current exceptional situation, the main drive in poultry exports has tended to come from second-tier exporters, including **Thailand**, **Turkey** and **Argentina**, all of which are projected to record further growth in 2014. Interestingly, each has focused on a different region or market segment: **Thailand** mainly supplies Japan and the EU with boneless poultry cuts, including prepared dishes; **Turkey** has focussed on the export of halal-certified whole birds to the Middle East, in particular Iraq, where it enjoys a logistical advantage; **Argentina** has made inroads in the Venezuelan market and, more recently, widened its focus to include China and South Africa, among others. As the main area of rising demand is the Middle East, this has particularly favoured Turkey, where exports for the first half of the year were up by 13 percent, having risen by 220 percent between 2009 and 2013.

OVINE MEAT

Production growth slows

Production of ovine meat is expected to be constrained by falling output in Oceania, despite moderate growth elsewhere. As a result, world output in 2014 may rise by only 0.6 percent, to 14 million tonnes. Developing countries account for three-quarters of the total, with the largest producers being **China**, **India**, **Sudan**, **Nigeria** and **Pakistan**. Generally satisfactory pasture conditions have set the basis for flock rebuilding in many of the major producing areas of Asia and Africa. In developed countries, drought-imposed herd reduction in **Australia** and **New Zealand** are forecast to lead to a fall in production in 2014. In the **EU**, the second largest producer, the long-term decline in output stabilized last year and limited growth is forecast for 2014.

Trade to fall, following surge in 2013

With **Australia** and **New Zealand** accounting for almost 85 percent of world ovine meat exports, trade in ovine meat is set to fall as a result of restocking in New Zealand, following exceptionally high, drought-induced slaughter in 2013, and protracted dry to drought conditions in 2013/2014 in **Australia**. Overall, trade may drop by 1.8 percent to 959 000 tonnes. In dealing with reduced availabilities, it is possible that Oceania exporters will maintain provision to the highest value markets, such

as the **EU** and the **United States**, while seeking, to the extent possible, to meet the requirements of growing markets, albeit lower priced ones, including **China**, the **United Arab Emirates**, **Qatar** and **Malaysia**. Among the small-scale exporters, **India** is expected to see sales grow this year, mainly to the Middle East, especially the **United Arab Emirates** and **Saudi Arabia**. Likewise, exports by **Uruguay** are forecast to move higher, focusing on **China** and **Brazil**.

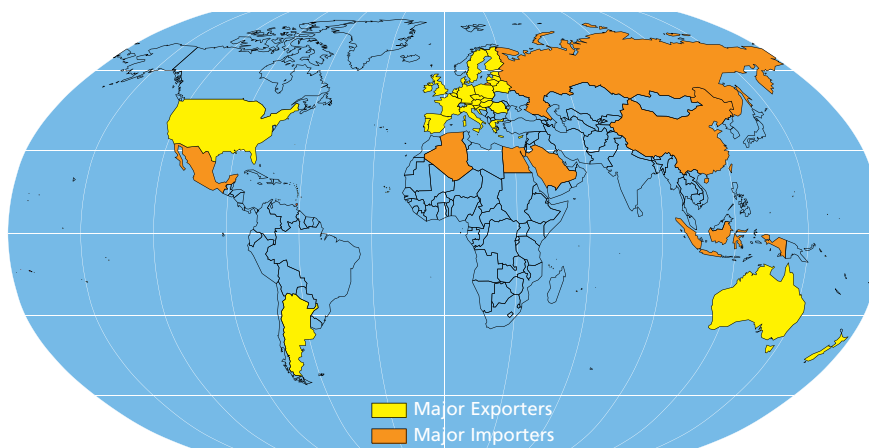
Table 2. Russian Federation: Meat imports, 2009 - 2013

	2009	2010	2011	2012	2013
PIGMEAT					
Imports (tonnes, cwe)	854 570	894 049	960 364	1 089 102	906 325
of which:%				
Banned Countries*	58	63	72	70	67
Brazil	36	31	17	14	17
Belarus	5	8	10	13	13
BOVINE MEAT					
Imports (tonnes, cwe)	926 740	913 124	859 576	914 830	879 661
of which:%				
Brazil	45	40	34	35	46
Paraguay	7	9	8	17	20
Belarus	10	11	9	12	15
Banned Countries*	7	22	29	20	10
POULTRY MEAT					
Imports (tonnes, cwe)	985 715	704 863	503 322	593 318	550 987
of which:%				
Banned Countries*	91	74	69	62	62
Belarus	2	5	15	18	19
Brazil	7	21	14	12	10

* In August 2014 the Russian Federation introduced a one-year ban on imports of meat and meat products from Australia, Canada, the European Union, Norway and the United States.

MILK AND MILK PRODUCTS

Major Dairy Exporters and Importers



PRICES

Fall sharply

International dairy product prices started the year at an historic peak and then fell continuously between March and September. The decline reflected both abundant export availability and reduced import demand. Export supplies increased in the EU, and there was a favourable start to the new season in Oceania. The introduction of Russian Federation trade prohibitions in August further weighed on the market.

The **FAO Dairy Price Index** (2002-2004=100) stood at 188 points in September, a decline of a third over its February peak, and a level not seen since mid-2012. Quotations for all dairy products covered in the Index fell. Compared with the start of the year, September prices for the main dairy commodities were: whole milk powder (WMP), down USD 2 196 per tonne, or 43 percent; skim milk powder (SMP), down USD 2 031 per tonne, also 42 percent; butter, down USD 1 552 per tonne, or 32 percent; and cheddar cheese, down USD 925 per tonne, or 19 percent.

Figure 1. Dairy Price Index falls sharply

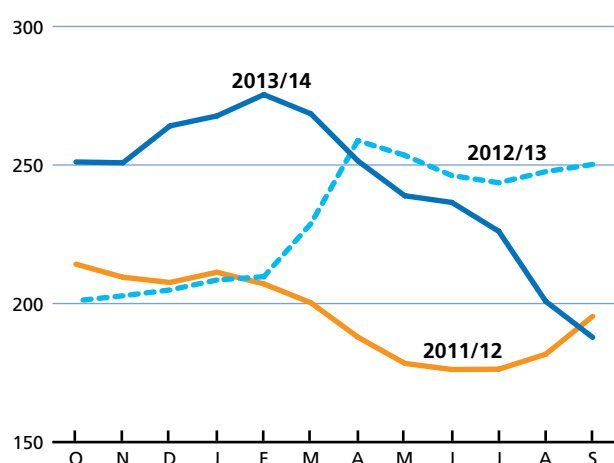


Figure 2. Price decline affects all commodities

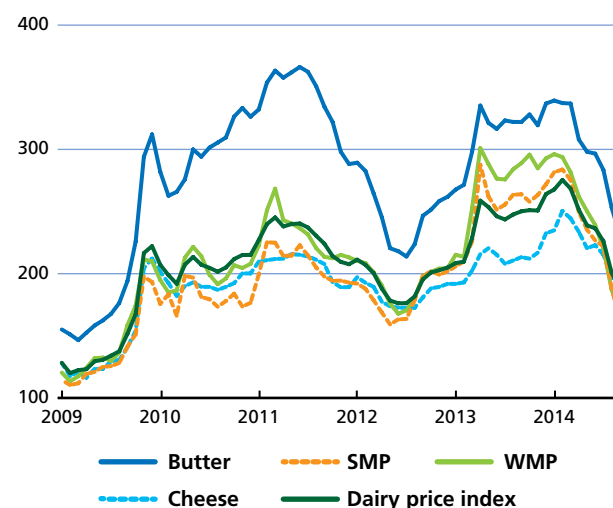


Table 1. World dairy market at a glance

	2012	2013 <i>estim.</i>	2014 <i>f'cast</i>	Change: 2014 over 2013
<i>million tonnes</i>				%
WORLD BALANCE				
Total milk production	762.3	773.4	792.0	2.4
Total trade	66.1	68.8	71.9	4.6
SUPPLY AND DEMAND INDICATORS				
Per caput food consumption:				
World (kg/yr)	107.7	108.0	109.4	1.3
Developed (kg/yr)	222.5	220.6	223.2	1.2
Developing (kg/yr)	75.4	76.4	77.7	1.7
Trade share of prod. (%)	8.7	8.9	9.1	2.2
FAO DAIRY PRICE INDEX (2002-2004=100)	2012	2013	2014 <i>Jan-Sep</i>	Change: Jan-Sep 2014 over Jan-Sep 2013 %
	194	243	239	0.3

Substantial price swings illustrate the extent to which the international market is exposed to sudden changes in milk production and availability of milk products for export, in particular as publicly financed inventories are at minimal levels in the **EU** and the **United States**, and almost non-existent elsewhere.

PRODUCTION

Steady growth in 2014

World milk production in 2014 is forecast to grow by 2.4 percent to 792 million tonnes. While *Asia* is expected to account for most of the increase, production should rise in all regions. Output in **India**, the world's largest milk producing country, is set to expand by 4.9 percent, or 6.8 million tonnes, to 145 million tonnes. Rising population and disposable incomes are the two main dynamics behind the development of India's milk sector. Expansion in herd size and improved productivity are important engines underpinning production. Increased output is also anticipated in **Pakistan** and **Turkey**, spurred by steady growth in consumer demand while, in the **Republic of Korea**, production is slowly recovering from the 2011 foot-and-mouth disease outbreak. Output in **China** is forecast to show a modest increase, as a shortage of forage and high beef prices caused dairy cattle slaughter rates to rise. In *Africa*, a moderate increase in milk production is anticipated for 2014, assisted by generally favourable weather conditions. Expansion is foreseen for **Egypt** and **Morocco**. Several countries in East Africa experienced a delay in the onset of seasonal rains, and pasture and fodder

and feed supplies suffered. As a consequence, production growth in some countries, including **Kenya**, **Uganda** and **Tanzania**, may be constrained. Furthermore, outbreaks of foot-and-mouth disease in east-central Kenya have had a negative impact on yields. A mass vaccination programme has been initiated and the movement of livestock curtailed in the affected areas.

Rising incomes and firm regional and international demand have favoured dairy production growth in several countries in *Latin America and the Caribbean*. Hot and dry conditions experienced by some southern-cone countries at the end of 2013 ran over into 2014, stressing pastures. However, this was followed by abundant rainfall in March and April. Overall, pasture conditions have recovered during the year, which could underpin a 2.3 percent rise in subregional milk production, to 70 million tonnes. Gains are forecast for **Brazil**, **Chile**, **Colombia**, **Ecuador**, **Paraguay** and **Uruguay**, where the overall positive consumption outlook has stimulated investment in new technology and improved animal genetics. In **Argentina**, production is expected to register a small increase; however, the sector is constrained by stagnant domestic demand and government-imposed limitations on exports. In *Central America*, milk output in **Mexico**, the largest producer in the subregion, could recover following prolonged dry weather which constrained growth in 2013. Production in **Costa Rica** is expected to show a moderate increase.

In *North America*, output in the **United States** is recovering from the chronically dry conditions of the previous two years and is forecast to increase by 3 percent to 93.9 million tonnes. Production in **Canada** is set to remain stable at 8.3 million tonnes, within the limits set by the milk quota system.

Figure 3. EU intervention prices, price and export refund for butter and skim milk powder

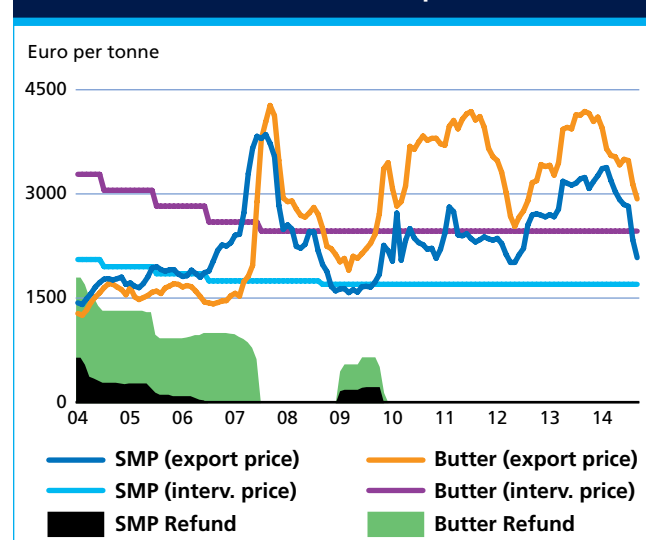


Figure 4. Dairy commodities and feed prices both decline

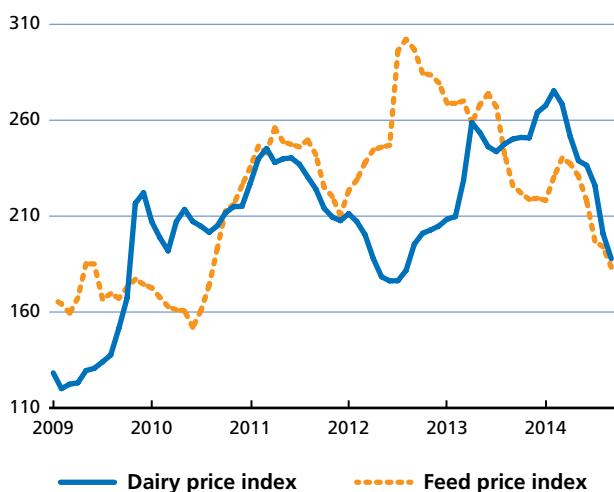


Table 2. Major exporters of dairy products

	2010-12 Average	2013 prelim.	2014 f'cast	Change 2014 over 2013
thousand tonnes				%
WHOLE MILK POWDER				
World	2 295	2 491	2 735	9.8
New Zealand	1 107	1 291	1 472	14.0
European Union*	406	374	423	13.0
Argentina	176	182	173	-5.0
Australia	113	96	99	3.0
SKIM MILK POWDER				
World	1 670	1 910	2 046	7.1
USA	421	555	578	4.1
European Union*	471	407	520	27.9
New Zealand	365	392	365	-7.0
Australia	147	119	161	34.6
BUTTER				
World	852	911	946	3.8
New Zealand	424	461	470	1.9
European Union*	136	128	127	-0.5
United States	57	94	99	5.6
Belarus	68	66	80	20.5
Australia	50	49	47	-4.8%
CHEESE				
World	2 346	2 451	2 356	-3.9
European Union*	709	787	690	-12.4
United States	221	318	371	16.4
New Zealand	274	277	263	-5.0
Saudi Arabia	214	160	157	-1.9
Australia	214	163	147	-10.0
Belarus	125	140	136	-3.0

* Excluding trade between the EU Member States. From 2013: EU-28

In **Europe**, **EU** milk production is forecast to grow by 2.5 percent to 160.8 million tonnes, stimulated by favourable milk prices and reduced feed costs, and facilitated by clement weather during the year to date. Several EU member-states are seeking to maximize their production by fully utilizing quota allowances in preparation for the abolition of the system in 2015. Expansion in 2014, aided by a 1 percent annual rise in the quota, has resulted in the EU dairy herd increasing for the first time in many years. Milk production in the **Russian Federation** is anticipated to move lower in 2014, as poor profitability has caused a contraction in the dairy herd. In neighbouring **Ukraine**, production is on an upward trend, assisted by government incentives which promote farm-level efficiency and the use of modern technology.

In **Oceania**, **New Zealand's** milk production during the first two months of the current June-May season has been running at 10 percent above last year, and it is anticipated to finish 6 percent higher – at a record level of 22 million tonnes. In **Australia**, generally favourable weather and stable feed costs could result in output for the current July-June season rising by 2 percent.

TRADE

Excess export supplies and trade sanctions take centre stage

Trade in dairy products is projected to rise by 4.6 percent, slightly up on last year, to reach 71.9 million tonnes of milk equivalent. The two principal exporters, **New Zealand** and the **European Union**, which together account for 50 percent of world trade, are both anticipated to record an increase in sales. Also, the **United States**, with a 15 percent share of the world market, is set for further growth, following an exceptional hike in sales last year.

Asia remains the main centre for rising international demand, with substantially increased purchases forecast for **China**, **Malaysia**, **Vietnam** and **Thailand**. Elsewhere in the region, **Saudi Arabia**, **Indonesia**, the **Philippines**, **Singapore**, **Japan** and the **United Arab Emirates** remain important markets, but the level of their imports may not change markedly and, in some cases, could decrease. The fall in international prices may stimulate import demand in **Africa** as a whole, after purchases had decreased for the previous two years. The principal importers that could experience growth are **Algeria**, **Egypt** and **Ghana**. In **Latin America**, increased domestic production could displace imports in **Mexico** and **Brazil**, while **Venezuela** is projected to substantially increase its level of international purchases. Finally, imports by the **Russian Federation** are anticipated to fall, perhaps by as much as 10 percent

Table 3. Russian Federation: Selected dairy imports, 2009 - 2013

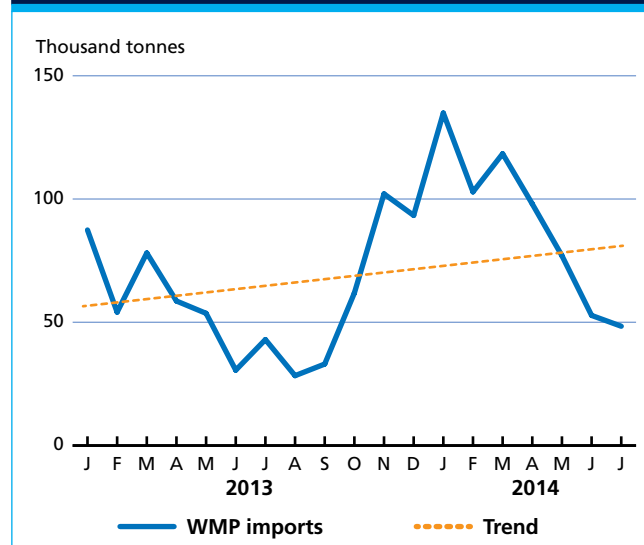
	2009	2010	2011	2012	2013
CHEESE					
Imports (tonnes)	348 484	411 411	416 158	449 382	462 956
of which:%				
Banned countries*	45	53	50	55	56
Belarus	34	28	29	30	29
Ukraine	18	16	17	12	11
BUTTER					
Imports (tonnes)	123 012	130 413	135 286	149 415	160 130
of which:%				
Belarus	52	41	41	50	38
Banned countries	24	34	25	22	28
New Zealand	22	21	23	15	15
SMP					
Imports (tonnes)	51 279	116 326	71 417	95 835	130 925
of which:%				
Belarus	84	46	62	72	70
Banned countries	16	49	26	13	17

* In August 2014 the Russian Federation introduced a one-year ban on imports of a range of milk products from Australia, Canada, the European Union, Norway and the United States.

for the year as a whole, following the ban, introduced in August 2014, on imports of dairy products from Australia, Canada, the EU, Norway and the United States. For the Federation, this would constitute a reversal of its decade-long trend that saw imports increase by an average of 10 percent per year. Of the countries not banned, only **New Zealand** would be in a position to make up a substantial share of the shortfall – and then for only some products. Trade in cheese is expected to be particularly affected by the ban; however, market adjustment, including price reductions, may be sufficient to absorb any resulting excess supply.

Whole milk powder (WMP) – prices plummet

World exports of WMP are projected to rise by 9.8 percent in 2014 to 2.7 million tonnes. This compares with limited growth of 1.6 percent in 2013, when a milk production shortfall constrained trade. Rising export availabilities together with adequate stocks in **China**, the main market, caused prices to fall steeply between April and September. China's imports of WMP for 2014 are provisionally estimated to increase by 35 percent, in which case they would approach 1 million tonnes – and account for almost 40 percent of total trade. Elsewhere in *Asia*, lower prices may stimulate demand in several major markets, including **Malaysia**, **Indonesia** and **Thailand**. Additionally, importers in *North Africa* and *Latin America* and the *Caribbean*, including **Algeria** and **Venezuela**, may return more fully to the market, while in the case of **Brazil**, rising domestic production is expected to displace imports. The

Figure 5. China: WMP imports (January 2013 - July 2014)

market for WMP is very geographically diverse, stemming from its wide use in both the processing industry and for direct retail sale. A number of the principal exporters including **New Zealand**, the **EU** and **Australia** are expected to increase the level of sales for 2014 as a whole.

Skim milk powder (SMP) – Prices also down sharply

Trade in SMP is predicted to grow by 7.1 percent, a rate close to the average seen over the past decade, to 2.0 million tonnes. Along with those of WMP, SMP prices have

dropped sharply. SMP is central to the milk processing industry in many countries and, as such, market demand is more widespread. The principal markets are (in order of volume) **China, Mexico, Indonesia, the Russian Federation, Malaysia, Algeria, the Philippines and Vietnam**, followed by **Egypt, Thailand, Saudi Arabia and Singapore**. While **China** is anticipated to remain the main market, with a share approaching 20 percent of total trade, a rise in purchases is also anticipated for some other major importers, including (in order of volume) **Indonesia, Malaysia and Vietnam**. Conversely, sales to **Mexico, Algeria and the Philippines** are foreseen to fall. Imports by the **Russian Federation** were 15 percent down for the first four months of the year compared with the same period in 2013, and are projected to continue to slide, mainly as a result of a decline in demand.

Eighty percent of world SMP exports are supplied by the **United States, the EU, New Zealand and Australia**. With the exception of New Zealand, all are predicted to increase sales, with the EU and Australia recording the strongest growth. In the case of the EU, high butter prices in domestic markets make it more profitable to produce SMP/butter than WMP. New Zealand's focus on supplying WMP to China meant that half-year sales of SMP were down by 16 percent compared with the same period in 2013. In 2013, **India** entered the world market for SMP in a significant way, with sales leaping 250 percent to 130 000 tonnes. Trade data for the first six months show exports down by 27 percent compared with the same period in 2013, and sales for the year are anticipated to fall as the domestic market absorbs supplies.

Butter – Prices fall along with powders

Trade in butter is forecast to increase by 3.8 percent to 946 000 tonnes. International butter prices have fallen, affected by milk powder prices and, more recently, by uncertainty over future sales to the Russian Federation, the main market. Demand for butter comes mainly from *Southeast Asia*, the *Middle East* and the **Russian Federation**, although, as with many other milk products, **China** has substantially increased purchases in recent years. Additionally, as a result of trade agreements and duty-free access for *inward processing* (where products are imported duty free for additional processing and export), the **EU** is both an important butter importer (ranking fourth) and exporter (ranking second). While many of the principal markets, such as **China, Saudi Arabia and Singapore**, are expected to maintain or increase imports in 2014, the origin-specific import ban by the **Russian Federation** has raised doubts about its level of purchases for the remainder of the year. For the year up to April, imports of butter by

the Federation were up 12 percent compared with the previous year. The group of exporters to which the ban applies have in recent years supplied 25 percent of the Federation's import demand. The main supplier affected by the ban is the European Union, followed by Australia.

Three of the four principal exporters – **New Zealand, the United States and Belarus** – are anticipated to see an increase in sales in 2014. Additional market opportunities may be created for New Zealand due to the Russian Federation's ban on imports from some other suppliers. Conversely, exports by the EU, 25 percent of which are directed to the Federation, are expected to be constrained by the ban. However, sales for the year as a whole may be unchanged, given the strong export performance during the first half of the year. The ban may principally affect EU imports for inward processing and re-export to the Federation, the main source of which is New Zealand. EU internal prices for butter are substantially above those prevailing in the international market. This, combined with the fact that exports represent only 5 percent of domestic production, is expected to limit the effect of the ban on the EU market, overall. In the case of **Australia**, where the Federation has accounted for around 10 percent of its export sales in recent years, limited domestic supplies and a wide range of alternative markets are anticipated to mitigate any market loss.

Cheese – Prices follow other dairy products down

Initially, cheese prices were not as affected as other products by the general decline in dairy commodity prices during the year; however, following the announcement of the Russian Federation's country-specific import ban, they too dropped substantially – by 20 percent between July and September. The **Russian Federation** is the main international market for cheese, accounting for almost 20 percent of total sales. Unlike the other dairy commodities, cheese is a highly differentiated product and is used mainly for direct consumption rather than as an ingredient in the food industry. Thus, the sudden loss of the Federation's market has caused difficulties for some suppliers, in particular the EU, which supplied 55 percent of the Federation's imports and where sales to the Federation accounted for a third of total EU cheese exports. Some EU member-states have been particularly affected by the ban, including the **Netherlands, Germany, Finland, Lithuania and Poland**. The European Commission has opened Private Storage Aid (PSA) for some types of cheese, along with butter and SMP, but to date this has not been extensively used by processors – implying that they may rely on price discounts to sell any surplus, either on the internal

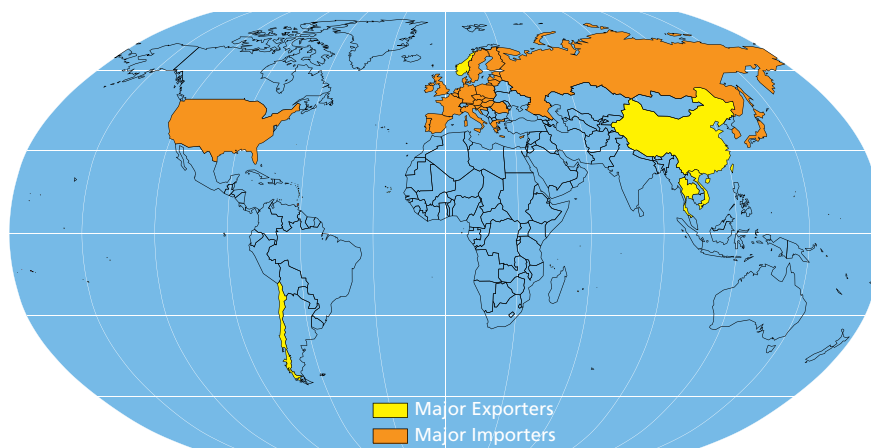
market or externally, or favour butter/SMP production instead. For the EU as a whole, cheese exports represent only 8 percent of internal production. Therefore, even if the ban were long-term, market adjustment and reorientation of exports could be sufficient to mitigate its effects. In this regard, the Commission has announced that additional funds will be allocated to promotion measures in 2015.

In terms of the overall cheese market, trade is estimated to fall by 4 percent in 2014 – mainly as a result of the Russian Federation's ban, with the Federation's imports projected to be down 15 percent for the year. Elsewhere, imports by the second largest market, **Japan**, are anticipated to show moderate growth, as are those of the

United States, Saudi Arabia, Mexico and the **Republic of Korea**. A particularly strong increase is anticipated for **China**, where imports have doubled over the past 5 years. Sales by the world's largest exporter of cheese, the **EU**, are projected to decline, following the loss of its major market in August. The next placed exporter, the **United States**, is expected to significantly increase its level of sales – exports for the first seven months of the year were almost a third higher than the same period in 2013. The United States has benefitted from the focus of Australia and New Zealand on milk powder and has seen substantial growth this year in its main markets including Mexico, the Republic of Korea and Japan.

FISH AND FISHERY PRODUCTS

Major Exporters and Importers of Fish and Fishery Products



GLOBAL FISH ECONOMY

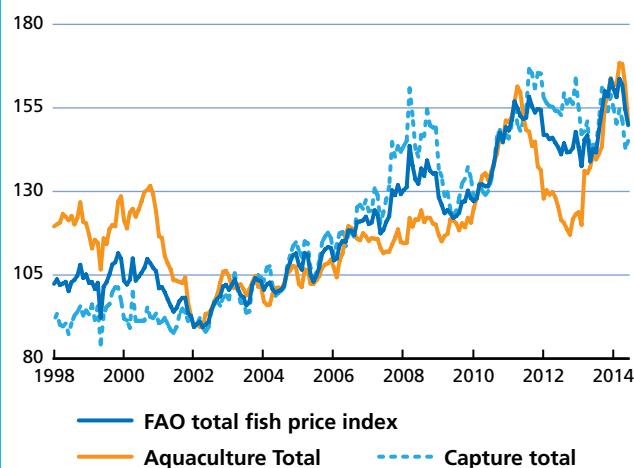
The overall supply of fishery products continues to rise in 2014, with annual growth an estimated 1.9 percent over 2013. Aquaculture remains the major contributor, with production moving quickly and steadily in the direction of surpassing wild fisheries. According to the latest edition of FAO's *The State of World Fisheries and Aquaculture* (SOFIA), fish farming holds tremendous potential for responding to the surging demand for food that is taking place due to global population growth. Aquaculture's

expansion can contribute to food and nutrition security as fish helps to improve the diets of many people and can provide viable livelihood opportunities. Yet, despite aquaculture's tremendous potential, investments in research and new technology will be vital to sustain growth as competition for space and scarce water resources put growing pressure on ability to increase in yields. The forecast for aquaculture production for 2014 is 73.9 million tonnes, up by 4.9 percent compared with 2013, while capture fisheries has been more or less stagnant at around 90 million tonnes for years.

The ever increasing fishmeal and fish oil prices have encouraged feed manufacturers to seek alternative ingredients such as soymeal. Nevertheless, fish utilization for feed production expects a mild increase. However, most of the additional fish produced this year will likely be consumed directly, due to the broadly recognized health effects of fishery products.

The export value for fish and fishery products is expected to reach USD 145 billion this year, a 6.5 percent increase from 2013 and a new record. The FAO fish price index hit a historic high in March, mainly driven by the limited supplies of species such as salmon, shrimp and tuna. This demonstrated that the substitution of product by buyers in the short-run is less feasible than many had expected. Prices of aquaculture products also reached record high levels, pushed up by higher costs and by supply constraints for some species. During the second quarter, prices started falling, particularly for salmon and shrimp.

Figure 1. The FAO Fish Price Index (2002-2004=100)



Source: Norwegian Seafood Council (NSC)

Table 1. World fish market at a glance

	2012	2013 <i>estim.</i>	2014 <i>f'cast</i>	Change: 2014 over 2013
			<i>million tonnes</i>	%
WORLD BALANCE				
Production	158.0	162.9	165.9	1.9
Capture fisheries	91.3	92.4	92.0	-0.4
Aquaculture	66.6	70.5	73.9	4.9
Trade value (exports USD billion)	129.4	136.4	145.3	6.5
Trade volume (live weight)	58.1	58.8	59.4	1.0
Total utilization	158.0	162.9	165.9	1.9
Food	136.2	141.1	144.6	2.5
Feed	16.3	16.8	16.6	-1.2
Other uses	5.4	5.0	4.7	-6.0
SUPPLY AND DEMAND INDICATORS				
Per caput food consumption:				
Food fish (kg/yr)	19.2	19.7	20.0	1.4
From capture fisheries (kg/year)	9.8	9.9	9.8	-1.0
From aquaculture (kg/year)	9.4	9.8	10.2	3.7
FAO FISH PRICE INDEX (2002-2004=100)	2012	2013	2014 <i>Jan-June</i>	Change: Jan-Jun 2014 over Jan-Jun 2013 %
	144	148	158	11.0

Source: Norwegian Seafood Council (NSC)
Totals may not match due to rounding

Although the long-term outlook remains positive, prices can be expected to remain weak with an upturn during the final months of the year. It is foreseen that 2014 will be the year fish consumption from aquaculture will overtake that from capture, with world food fish annual per capita consumption eventually reaching an average of 20 kg.

REVIEW BY FISH PRODUCT

Tuna

Prices of frozen skipjack began to recover strongly in the second quarter of 2014, a trend expected to continue into the second half of the year. The rising raw material prices, of concern to tuna canners and marketers, are mainly the result of low catches in many parts of the Indian and Pacific oceans. Catch levels of sashimi-grade tuna have also been lower this year. Meanwhile, value of canned tuna exports from **Thailand** declined by almost 4 percent in the first half of 2014 to THB 28.3 billion (USD 868 million), mainly as a consequence of the low prices earlier in the year. In **Japan**, tuna imports dropped marginally in the first half of 2014, with falling consumption and the weak yen both contributing factors. **The US** canned tuna market

Figure 2. CFR prices canned tuna (USA and Europe)

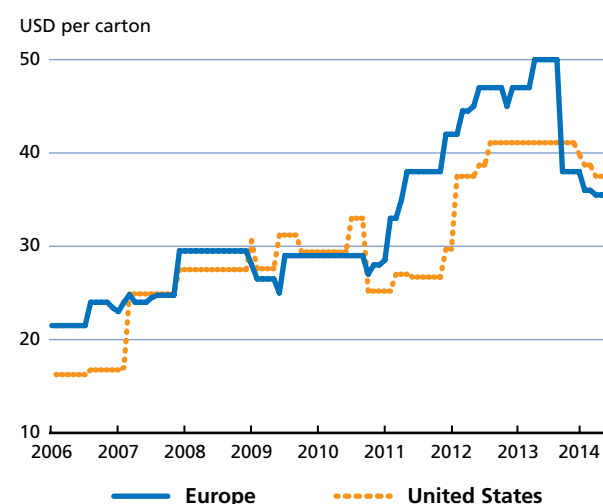
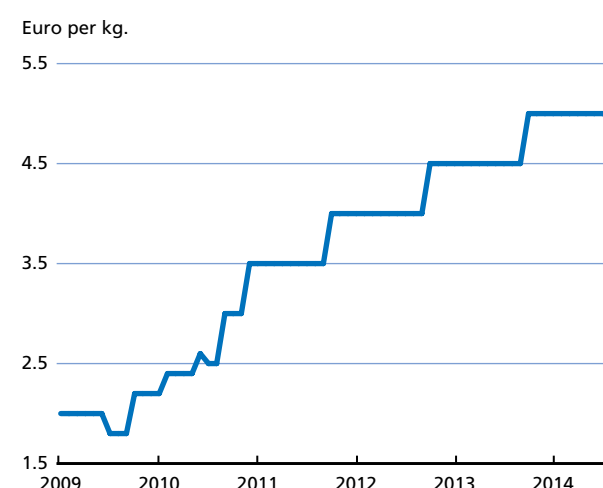


Figure 3. Oyster prices, origin: Ireland/France



continued declining as a result of weakening household demand, while demand for non-canned tuna in **the US** remained stable during the first half of 2014, with total imports up marginally to over 22 000 tonnes. In the EU, last year's positive market growth disappeared this year, demonstrated by a fall of around 5 percent in canned tuna imports during the first half of 2014 to 247 000 tonnes. The European Commission (EC) has warned **the Philippines** and **Papua New Guinea** of the possibility of being banned from the EU market unless they make efforts to curb illegal, unreported and unregulated (IUU) fishing.

Bivalves

Rising prices and high demand characterize the global market for mussels. European producers, **Spain** and

Denmark, substantially boosted their export volumes in the first half of 2014 compared with last year's figures, as did **New Zealand**. Despite being a relatively more expensive product, EU imports were flat year-on-year at approximately 78 200 tonnes, while sales were up in **the US**. The oyster market has been affected by supply shortages and prices are high. Judging by early 2014 volumes, production in **the Gulf of Mexico** will be exceptionally low this year, and high disease-related mortality rates continue to devastate oyster beds in **France**. The world's main scallop supplier, **China**, exported 20 000 tonnes in the first 6 months of the year, 30 percent more than the same period in 2013, and demand appears to be firm in **the US**, its major market. **China** also continues to cement its position as by far the dominant exporter of clams, posting a total export volume of 68 800 tonnes in the first half of the year.

Small pelagics

Norwegian exports of pelagic fish increased slightly during the first half of 2014, reaching NOK 2.6 billion (USD 423 million). Mackerel supplies in general are good and Norwegian frozen mackerel exports increased 20 percent by volume, to 71 700 tonnes at an FOB value of NOK 857 million (USD 141 million). Frozen mackerel prices have been on an upward curve since mid-2012, but in view of the expected availability of mackerel in the months to come, prices will probably not come back up for some time. Norwegian herring exports, on the other hand, fell in volume during the first half of 2014 due to poorer landings. **The Russian Federation** is the main market for Norwegian frozen herring and exports will be affected by the Russian import ban. Since the beginning of 2012, prices for frozen fillets and whole frozen herring have been on a downward trend, but they stabilized in the second quarter on the back of tightening supply and are expected to remain relatively flat. **Peru's** catches of anchoveta have been slow this year, well below the 2.53 million tonne quota, whereas **Chile's** pelagic catches have been exceptionally good. Supplies of sardines are generally tight and imports of canned sardines into **the EU** have declined slightly in the first half of 2014. Sardine prices are slightly higher this year and this is expected to continue.

Tilapia

Total tilapia export volumes from **China**, the global market's top supplier, increased by 8 percent in the first half of 2014 compared with the same period in 2013. A trend of increasing Chinese exports of whole frozen tilapia has been observed over the past few years, particularly to African markets, which offer more competitive pricing than

other markets. The tilapia industry in **Hainan province** is turning its attention to domestic sales, though these efforts have been hampered by poor logistics. Tilapia continues to be among the most popular tropical fish in **the US**, with an 11 percent increase in total import volumes during the first half of 2014 compared with the same period in 2013.

China, Indonesia and Honduras, the top three suppliers, all saw increases in their US-destined exports, and domestic demand growth has also been observed in **Latin America**. In general, the global market for tilapia is expected to remain firm with steady demand.

Cephalopods

Octopus landings in **Morocco**, the top supplier to the EU market, are down this year as a result of a fishing ban extending into mid-February, and prices have risen significantly. On the **Japanese** market, octopus prices have also risen due to a combination of tight supplies and strong demand. The limited supplies saw **Japan's** import volumes fall significantly in the first half of 2014 compared with last year's record levels, down to 29 000 tonnes. Octopus consumption is also rising in **the US**. Illex squid catches in **the Falkland Islands (Malvinas)** region reached record levels in the first half of 2014, and squid prices fell as a result. Despite increased supply from this fishery, imports into **Japan, the US** and major European markets were down in the first half of 2014 compared with last year. Cuttlefish imports are also moderately down in all major markets, partially due to reduced availability. Supplies are limited, but there is also relatively little activity on the buying side and the effect on prices so far has been minimal.

Fishmeal and fish oil

Global fishmeal production in the first six months of 2014 was 21 percent higher compared with the same period in 2013. Higher production in **Chile, Denmark and Norway** was sufficient to make up the shortfall in volumes left by **Peru**, where raw material supplies were down in the first half of this year as a result of the El Niño weather conditions. Despite an extension of the first fishing season, only two-thirds of the Peruvian anchoveta quota were landed, and prices for Peruvian fishmeal are now spiking again after a brief drop in late 2013. Peruvian fishmeal exports more than doubled in the first half of 2014, but only relative to what was an exceptionally low baseline in early 2013. However, high prices saw many buyers temporarily holding back to wait for further developments. Fish oil production was up by some 34 percent in the first half of 2014, with **Chile** the main contributor to the increase. Prices are still rising, as aquaculture producers

Table 2. Production fishmeal: Selected countries

	2009	2010	2011	2012	2013	2014
	(thousand tonnes)					
	Jan-June					
Peru/Chile	1324	1102	1334	851	672	667
Denmark/Norway	182	350	166	74	153	186
Iceland	70	156	81	130	93	107
Total	1576	1608	1581	1054	918	1107

Source: IFFO

*These figures refer only to IFFO member countries

Table 3. Production fish oil: Selected countries

	2009	2010	2011	2012	2013	2014
	(thousand tonnes)					
	Jan-June					
Peru/Chile	304	179	273	206	147	197
Denmark/Norway	25	72	53	29	42	47
Iceland	20	22	35	44	27	16
Total	349	274	361	278	216	289

Source: IFFO

*These figures refer only to IFFO member countries

face competition for the limited supplies from direct human consumption markets. The demand for both fishmeal and fish oil will remain strong in the long term, but short-term price development will depend in large part on the second anchoveta season from November to January.

Groundfish

After a period of lower production, the Barents Sea cod stocks are now considered to be in good shape. However, the International Council for the Exploration of the Sea (ICES) has recommended a 10 percent cut in the quota to 894 000 tonnes for 2015, and prices may be driven up as a result. At the same time, ICES is recommending a 10 percent increase in the haddock quota. Overall, the **Norwegian** Seafood Council reports that following a very productive fishery this year, groundfish exports during the first half of 2014 amounted to NOK 5.82 billion (USD 946 million), which was a 20 percent increase over the same period in 2013 and a new record. Prices were generally low, although they began rising in the second quarter. In particular, cod prices continue to strengthen as demand on the European market improves and prices are also firming in the US. Demand for hake in the EU is also good and growing. Based on scientific advice, the quota for **Alaska** pollock in the Far East waters of **the Russian Federation** was reduced to 885 000 tonnes in 2014, which can be expected to push prices upwards. For surimi, observers

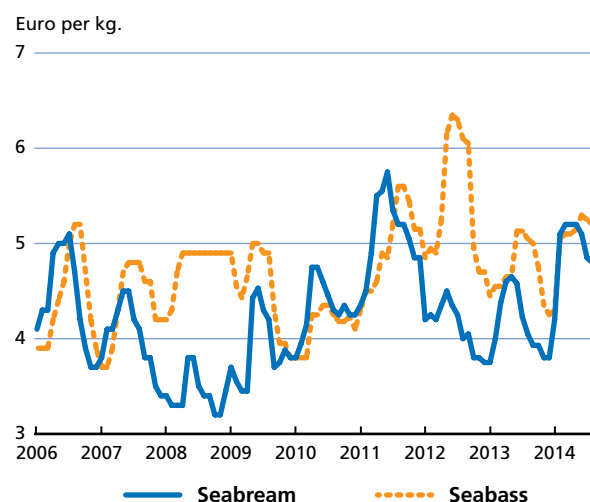
are predicting a 50 000 tonne shortfall in global supplies this year, mainly due to lower production in **Southeast Asia**. At the same time, global consumption of surimi is increasing, despite stagnating demand from **the US**, which may lead to higher prices when inventories shrink.

Pangasius

The **Vietnam** Association of Seafood Exporters and Producers (VASEP) has stated that pangasius farming in the country has been negatively impacted by high feed cost, decreased product price and lower exports to major markets. Demand has weakened significantly in the EU, with both volumes and prices down this year. Similarly, after strong first quarter performance, import volumes into the US market fell substantially in the second quarter and the total of 47 700 tonnes of Vietnamese pangasius in the first half of 2014 was 9 percent less than the same period in 2013. There appear to be more promising opportunities in emerging economies such as **Brazil**, which more than doubled its imports of Vietnamese pangasius in the first half of this year, reaching a total of 22 400 tonnes. Meanwhile, other Asian countries, such as Indonesia, are expected to focus on expanding their own pangasius sectors to meet booming domestic demand.

Seabass and seabream

Greek export prices for most sizes of bass and bream were falling early in the second half of 2014, following a cyclical pattern commonly observed when prices begin their annual drop off in mid-summer. Weakening demand in the major Mediterranean markets and temporarily higher harvest volumes should see this trend continue, but relatively tighter supply in 2014 is expected to result in a year-on-

Figure 3. Prices of seabass and seabream in Italy, origin Greece

year increase in prices. In terms of unit value, Greek gilt-head bream exports were worth 20 percent more in the first six months of 2014 than in the same period of 2013, while the increase for European seabass was 12 percent. Meanwhile, **Turkey** continues to increase its share of traditional markets with low-priced fish, dominating the growing Russian market as well as targeting alternative markets in **the Middle East**.

Salmon

High salmon prices and record export revenues for the salmon industry have continued into 2014 as global demand growth strains against limited supply. The total value of **Norwegian** salmon exports for the first six months of the year was NOK 21.5 billion (USD 3.56 billion), the highest figure ever, while volumes increased to 469 000 tonnes. Slightly concerning, however, is the dampening effect of the high price level on demand in major markets such as **France and Russia**, while sea lice control is a continuing challenge. Going into the second half of the year, relatively higher Norwegian harvest volumes hit the markets and dragged down prices once again, but a predicted reduction in production growth in 2015 should ensure the downward trend is temporary. For **Chile**, the first half of 2014 also brought improved fortunes, as more prudent supply growth targets and much improved prices

in the core markets of **the US, Japan and Brazil** has seen many Chilean companies return to profitability after a difficult period. The Russian import ban on Norwegian salmon potentially presents a further opportunity for Chilean exporters. The situation for wild salmon is mixed, with sockeye landings exceeding forecasts, chum salmon volumes well below expectations and the market for pink salmon looking difficult. Norwegian trout performed well in the first half of 2014, with total export value reaching NOK 1.2 billion (USD 195 million), although the impact of the Russian ban is expected to be substantial, given **Russia's** position as by far the most important market.

Shrimp

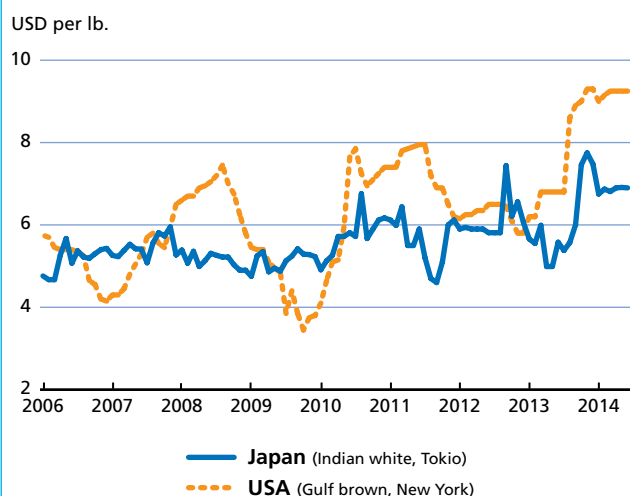
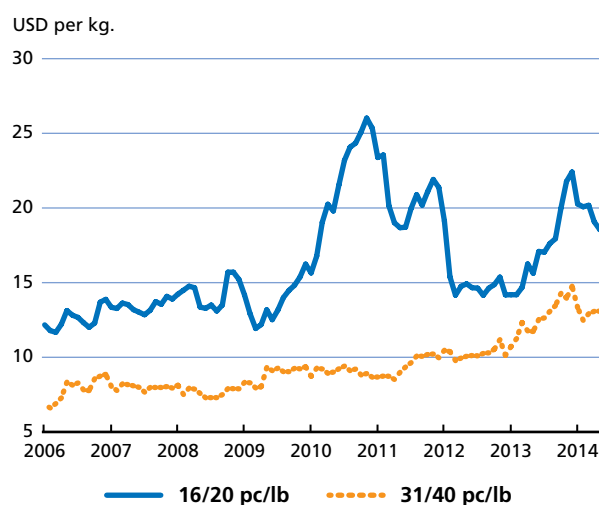
Global shrimp supply was tight going into the second half of the year, and forecasts for the rest of the year are conservative. Amid renewed interest from **US and European** buyers, this situation has pushed up prices. In **Thailand**, early mortality syndrome (EMS) seems to have stopped spreading, but unfavourable weather conditions affected shrimp farming this year and the annual harvest is unlikely to be higher than last year's total of 250 000 tonnes. **Chinese** suppliers are also facing shortfalls following EMS difficulties, whereas exports from **India and Viet Nam**, increasingly composed of *vannamei*, have risen substantially in the first half of 2014. In **Ecuador and Honduras**, production levels are good, reflected by increased exports to major markets. Good landings of *Pleoticus muelleri* by the Argentinian fleet are putting pressure on prices in **Europe**, while US domestic landings remain below last year's. On the market side, Japanese demand for farmed shrimp is down as a result of price increases and the weak yen, and volumes in the first six months of 2014 were down 23 percent to 93 800 tonnes. Elsewhere in **East Asia**, imports into **China** are rising steeply. Both prices and imports are higher this year in the US, but consumption levels have not increased by the same extent and buyers remain cautious. In the EU, demand for shrimp has not improved much this year and imports from non-EU origins increased by only about 4 percent in the first half of 2014. There has been a surge in supply from **Ecuador and India**, but **Thailand** is starting to feel the impact of higher tariffs under the EU's new Generalized System of Preferences (GSP+) scheme.

Table 6. Production farmed salmon: World

	2008	2009	2010	2011	2012	2013*
	(thousand tonnes)					
	Jan-Dec					
ATLANTIC SALMON						
Norway	738	863	940	1065	1232	1100
Chile	389	233	123	264	400	515
UK	129	133	155	158	163	155
Canada	104	100	101	102	108	115
Faeroe Is.	38	51	45	60	77	60
Australia	26	30	32	35	44	31
Ireland	9	12	16	12	12	15
USA	17	14	20	19	19	15
Others	2	3	6	10	12	3
Total	1 451	1 440	1 438	1 726	2 067	2 009
PACIFIC SALMON						
Chile	92	158	123	161	164	160
New Zealand	9	12	13	14	12	12
Japan	13	16	15	0	10	8
Total	114	186	151	175	186	180
Grand total	1 566	1 626	1 589	1 901	2 252	2 189

Source: FAO (until 2012)

* Estimate

Figure 4. Shrimp prices (16-20 count) in main wholesale markets**Figure 5. White shrimp on the Japanese market, origin Indonesia**

Source: NMFS

Table 4. Shrimp imports USA

	2009	2010	2011	2012	2013	2014
<i>Jan-June (thousand tonnes)</i>						
Indonesia	20.7	14.6	16.7	19.4	17.5	24.1
Ecuador	16.1	14.8	15.2	19.2	17.7	22.4
India	4.7	3.6	7.2	10.4	17.1	21.0
Viet Nam	6.6	6.3	7.8	8.6	7.9	16.2
Thailand	36.3	39.1	39.0	30.5	24.0	13.7
China	7.5	9.8	8.1	7.3	6.5	8.5
Malaysia	2.9	4.8	5.9	6.4	5.6	3.7
Mexico	8.0	8.2	4.2	8.0	5.8	3.5
Peru	2.6	2.0	2.6	2.1	2.3	3.4
Guyana	2.4	1.9	2.0	3.1	2.1	2.4
Others	8.7	6.0	6.5	6.6	4.9	8.3
Total	116.4	111.0	115.2	121.7	111.3	127.1

Table 5. Shrimp imports EU-27 (by country of origin)

	2009	2010	2011	2012	2013	2014
<i>(thousand tonnes)</i>						
<i>Jan-June</i>						
Ecuador	13.9	15.8	22.4	19.5	16.3	21.7
India	16.3	14.9	16.1	14.2	16.2	19.4
Greenland	15.3	14.4	17.1	14.4	15.0	14.7
Denmark	10.6	12.0	11.0	9.3	10.1	10.5
Argentina	3.5	4.9	8.7	5.9	8.3	8.3
Netherlands	7.7	8.1	10.0	9.3	8.1	7.7
Viet Nam	5.1	7.4	10.1	7.5	7.1	7.6
Bangladesh	7.0	7.4	8.8	7.6	8.0	6.6
Canada	7.1	7.5	7.2	8.5	5.3	6.3
Belgium	4.7	5.4	6.9	5.6	5.0	5.5
Spain	4.0	4.6	4.9	5.2	5.2	5.4
China	7.4	9.0	11.6	9.1	8.0	5.4
Others	54.4	57.0	57.0	49.0	42.8	42.0
Grand Total	157.2	168.3	191.9	165.1	155.3	161.0
Total Intra Imports	39.6	43.1	47.9	41.2	38.9	40.5
Total Extra Imports	117.6	125.1	143.9	124.0	116.4	120.5

Source: EUROSTAT

SPECIAL FEATURES

FOOD STOCKS AND PRICES¹

The experience of three food price spikes in five years highlighted the vulnerability of international markets to supply and demand shocks when stock-to-use ratios are low. The resulting “excessive” price volatility was associated with lower stock levels that were not “adequate” to cushion the impact of shocks, although defining “excessive” and “adequate” is not easy and reliable stocks data are scarce. In the last few months, recovering production and stock levels have calmed markets. These developments have focused attention on the relationship between stocks and prices and on low stocks as a necessary condition for spiking prices. They have also revived interest in the question as to whether active manipulation of stocks at national, regional and even international levels might be used to stabilize prices or at least limit price spikes. This article reviews these issues in the light of the questions raised by the *FAO Expert Meeting on Stocks, Markets and Stability* held at FAO headquarters, Rome, 30-31 January 2014².

POLICY APPROACHES TO ADDRESSING PRICE VOLATILITY

The recent food price spikes triggered different national policy responses aimed at either moderating the price increase itself or moderating its negative impacts. Stocks policies have a potential role in each case. While some countries imposed direct controls on prices or margins, efforts to moderate price increases relied mainly on increasing available supplies in the short- and medium-term. Efforts to provide short-term relief from the impacts of price increases relied on scaling up various safety net measures including subsidized food distribution, school feeding programmes or cash transfers. Not all such measures can easily be put in place as an emergency response. Options for increasing food availability in the short run are constrained either physically in the case of production, or politically in the case of diverting potential food products from mandated nonfood uses such as biofuels. Trade policy changes can be implemented quickly and at relatively low direct budgetary cost. Importing countries reduced their tariffs, sometimes to zero, to reduce the domestic price of imported foods although the tariff

level needs to be sufficiently high and the tariff reduction sufficiently large to offset significant increases in the price of imports. Tariff reductions might also run counter to attempts to encourage substitution of locally produced traditional foods for higher priced tradeable foods. Some exporting countries used export taxes, minimum export prices, export quotas and bans, to divert exports on to domestic markets. While such restrictions are within WTO rules, they proved controversial due to their adverse impact on international market prices and availability and on importers’ confidence in global food markets. Domestically, they can impact negatively on producer incentives and hence future supplies. For the medium and longer term, many countries sought to raise productivity and production and set higher targets for self-sufficiency. Higher prices can provide an incentive to increase productivity, but governments need to ensure that small producers can respond by helping them to overcome supply constraints and creating an enabling environment that supports the channelling of increased revenues into investment and growth.

The apparent limitations of other approaches led to renewed interest in the policy roles of stocks, whether as emergency reserves to cover temporary shortfalls in supplies or as buffer stocks to stabilize prices or at least limit price spikes³. It seems widely recognized that small strategic emergency food reserves can help improve food security. By exploiting synergies with early warning systems and well-designed and well-targeted consumer safety nets, they can reduce the exposure of vulnerable people to price volatility. Many developing countries ran down stocks in 2007-08 to increase availability and maintain food security while stocks lasted, and in some cases this also moderated consumer price increases. However, using public stocks to specifically manage price volatility is more controversial and its effectiveness is uncertain. Nevertheless, there is active debate over the use of stocks not only for emergency purposes but also for price stabilization. Although the two are sometimes difficult to separate, it is the latter which is of concern here and the debate raises questions not only of the practical feasibility of price stabilization through stocks but also broader questions of the appropriate involvement of the public sector in food markets and the relative roles of stocks versus trade in ensuring price stability and food security. More detailed questions concern the role of private stocks and the relationship between private and public stockholding. Managing stocks to influence prices requires a detailed understanding of the relationship

¹ This article is largely based on a study prepared for Seventieth Session of the FAO Committee on Commodity Problems in Rome, 7-9 October 2014.

² The papers and presentations from this expert meeting are available at <http://www.fao.org/economic/est/est-events-new/stocks/en/>

³ See, for example, F. Galtier “Which role for storage policies in managing grain price instability? Some insights from a thought experiment”. FAO Expert Meeting on Stocks, Markets and Stability. FAO, Rome, 30-31 January 2014.

between the two to determine appropriate stock releases but it also requires overcoming a variety of financial and operational problems. These issues are explored in the following sections.

PUBLIC AND PRIVATE STOCKS

The severity of the 2007-08 price spike led many developing countries to reconsider their policy options. Interest grew in the active accumulation of stocks as an element of national or regional food security strategies and as emergency reserves to meet temporary shortfalls in food supplies and to provide some degree of insulation from volatility in world markets. This was in contrast to the trend in developed countries where stocks were typically declining. The possibility of using buffer stocks to curb price volatility at national, regional and even international levels also began to be discussed.

Public stocks are procured to counter unexpected shortfalls in food availability or for regular distribution to guarantee food security to the vulnerable more generally and also as buffer stocks to stabilize prices, which is the major concern in this document. Many countries already held stocks for emergency needs and some for price stabilization, notably for rice in Asia. In some countries public procurement programmes also support farm prices and help integrate smallholders into markets. Public stocks in some developed countries also accumulated as a result of policy support to agricultural production but diminished as policy reform progressed. Although accumulated to some extent incidentally, these high stock levels arguably helped restrain price volatility, but stockholding was not widely considered as a practical policy tool to secure market stability. The emphasis was on policy reforms agreed under the Uruguay Round Agreement on Agriculture to remove trade distortions, measures to enhance market transparency, and encouragement of the use of risk management tools and targeted social protection programmes to mitigate the negative impacts of price volatility on the most vulnerable.

While the consensus view appears to be that stocks held as emergency reserves can play a useful role, this is less widely accepted in the case of attempts at stabilizing prices through buffer stocks. Nevertheless, there is clearly a strong preference in some countries for food price stability, and those countries are willing to devote significant budgetary resources to preserving it. In practice, the two roles of public stocks overlap since release from food security reserves, which can be sizeable, in response to reduced availability and increasing prices can restrain price increases. However, this is a by-product of the operation

of emergency and food security reserves rather than a deliberate attempt to manage stocks to maintain a specific price band or eliminate price spikes. In fact, in 2007-08, some countries were building stocks as prices were rising.

In the case of private stocks, these are held by farmers, processors and traders to meet their business needs, or to manage risk, or for financial gain in the expectation of higher prices in the future. Private storage is discussed in more detail in the next section. Stocks can also be held by smallholders and households to smooth their food consumption in the face of erratic supplies and prices. While such stocks may be insignificant individually, they can have an important cumulative impact on prices, as for example, in the case of hoarding and panic buying of rice in 2007-08.⁴ In many countries, public and private stocks are held simultaneously and are effectively interchangeable. Governments can provide policy incentives to encourage private storage and its use for public policy objectives as an alternative to public stocks. In the absence of such policy incentives, private storage alone based on private rather than social costs and benefits and risk perceptions would not necessarily be sufficient to meet the government's storage needs. At the same time, public stocks can crowd-out private stock holding.

THE RELATIONSHIP BETWEEN STOCKS AND PRICES

Understanding the relationship between stocks and prices is fundamental to understanding how food markets work and especially what role stocks might play in policy interventions in relation to price spikes and volatility. Even where stocks are maintained for emergency relief purposes, the potential impacts of stock releases on markets and prices need to be assessed. The relationship between stocks and prices might also provide the basis for a practical indicator for heightened risk of price volatility, namely movements in the stocks-to-utilization ratio (SUR).⁵

The High Level Panel of Experts of the Committee on World Food Security (CFS) noted "*The relationship between stock levels and price volatility is well-established: low stocks are strongly associated with price spikes and volatility*" and that a minimum level of stocks seems to be

⁴ P. Timmer "What are grain reserves worth? A generalized political economy framework". *FAO Expert Meeting on Stocks, Markets and Stability*. FAO, Rome, 30-31 January 2014.

⁵ E. Bobenrieth, B. Wright, and D. Zeng "Stocks-to-use ratios and prices as indicators of vulnerability to spikes in global cereal markets". Paper prepared for the 2nd Session of the Global Food Market Information Group of the Agricultural Market Information System (AMIS), 3 October 2012. Available at http://www.amisoutlook.org/fileadmin/user_upload/amis/docs/reports/AMIS_IG_12_4_Stock_to_use.pdf

a sufficient condition to avoid price spikes.⁶ It is true that recent price spikes have been associated with low stocks, or more precisely low SUR, but not in every case, and economists' opinions are still divided on how important the role of stocks was in the 2007-08 spike and afterwards. In the case of rice in 2007-08, for example, rice stocks were actually increasing as prices were increasing. Stocks provide a cushion against supply or demand shocks and there are many instances of major production shocks having little impact on prices as a result. Low stocks are a necessary but not sufficient condition for such shocks to produce a spike, so stocks provide only a partial explanation for price changes.⁷

Depending on the balance between current demand and production, stocks can represent either additional demand or additional supply, with the carry-out stocks linking production periods and prices. If storers "buy low to sell high" then stocks smooth out price variations: low current prices relative to expected prices provide incentives to stock holding which in turn raises prices until the return to stock holding is the same as the return on similarly risky investments. High prices result in destocking. Once stocks are exhausted – a "stockout" – then prices are determined by current demand and supply and a continuing shortfall in supply has to be offset by adjustments to trade or different consumption categories.

The "supply of storage model" provides the standard economists' view on the relationship between private stocks and prices. This says that carry-out stocks are based on expected prices and so on expectations concerning future supplies and demand. If prices are expected to increase, then higher stocks will be held. Price expectations will be formed on the basis of information concerning past price changes, general commodity price movements and macroeconomic variables such as growth, inflation and exchange rates. "The supply of storage model" predicts that price peaks will coincide with low stocks-to-utilization ratios. Storers add to private stocks until current price plus costs of storage equals expected value of price next year. This gives an L-shaped stocks demand function showing the relationship between stocks-to-utilization ratios and prices: stocks demand is highly elastic where supplies are plentiful and prices low then becomes increasingly inelastic as supplies are low and prices high.

So there is a relationship between stocks and prices which suggests that private stocks have a stabilizing role. Stocks set a price floor where private agents expect prices

to be. Prices and stocks are determined simultaneously while public stocks are essentially exogenously determined by governments. While stocks can moderate the extent of periodic spikes, a sequence of poor harvests or other supply shocks raise the risk of stockouts. Through trade, these national private stocks can contribute to stabilizing international markets. From an international perspective, therefore, it is particularly the level of stocks in major exporting countries such as the United States rather than global stocks *per se* that are most relevant. However, some countries have public stocks for domestic food security and ring-fenced from trade, in which case there is no beneficial effect on world markets.

The relevant relationship between stocks and prices may involve different commodities where there are substitution possibilities. In the case of a production shortfall in one crop, stocks of that crop are drawn down and through substitution eventually stocks of related crops, so production shortfalls for an individual crop do not necessarily lead to a price spike if there are substitution possibilities.

For policy decision-making, the qualitative relationships outlined above need empirical support. Unfortunately, stocks data are typically weak and in many cases non-existent.⁸ Improving stocks data was an important reason for the creation of the *Agricultural Market Information System* (AMIS). Public stocks should be measureable, although data are not always made public and are a state secret in some countries.

In general, stocks data are estimated as a residual after accounting for all the other variables – production, utilization, imports and exports – in a supply-demand balance. Production and trade data are measured most accurately but the various categories of use – food, feed, industrial use, seed, waste and losses – less so. Food consumption surveys can provide estimates of food use but the other categories are often estimated as a proportion of production. Any errors in estimating these variables accumulate in the stocks estimate so it is important that the coefficients used to estimate different categories of use are regularly updated and empirically verified. Only a few countries – Brazil, Canada, the Philippines, and the United States – conduct regular stocks surveys covering stocks held by different market participants.

In spite of these data limitations, Figures 1-3 confirm the broad relationship between stock-to-utilization ratios and prices for cereals. The time series graphs show the coincidence of high prices and low stock-to-utilization ratios,

⁶ CFS High Level Panel of Experts on Food Security and Nutrition 'Price Volatility and Food Security', July 2011, p12.

⁷ C. Gilbert "Grain stocks and prices". FAO Expert Meeting on Stocks, Markets and Stability. FAO, Rome, 30-31 January 2014.

⁸ See P.Abbott Lessons from recent stocks adjustments, and their Measurement. FAO Expert Meeting on Stocks, Markets and Stability. FAO, Rome, 30-31 January 2014.

Figure 1: Wheat real price and stock-to-utilization ratio, 1981/82-2013/14

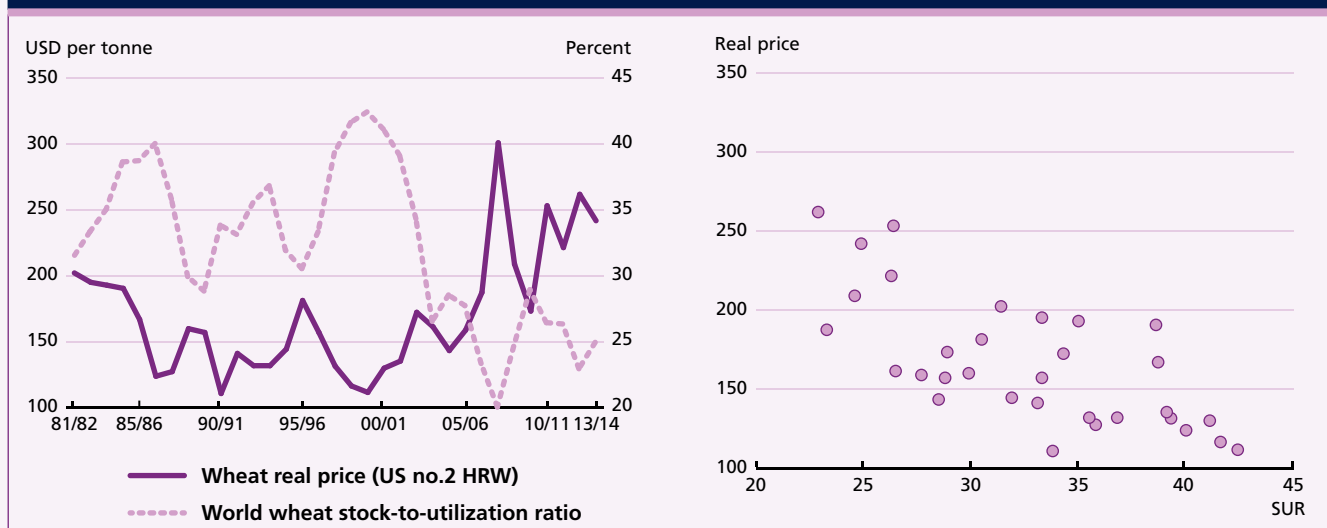


Figure 2: Maize real price and stock-to-utilization ratio, 1981/82-2013/14

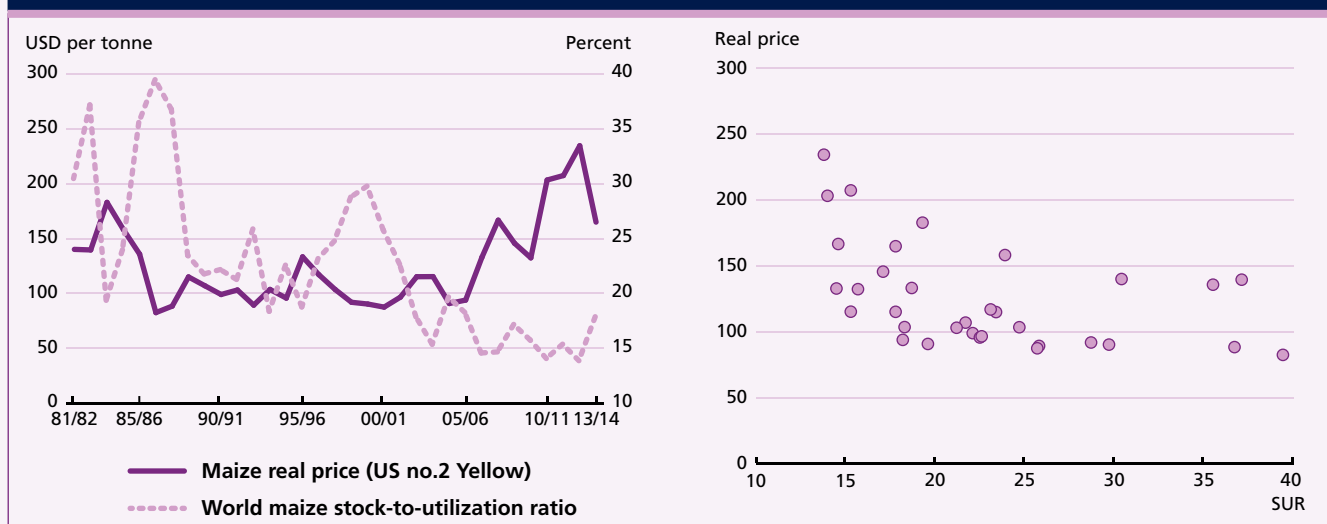
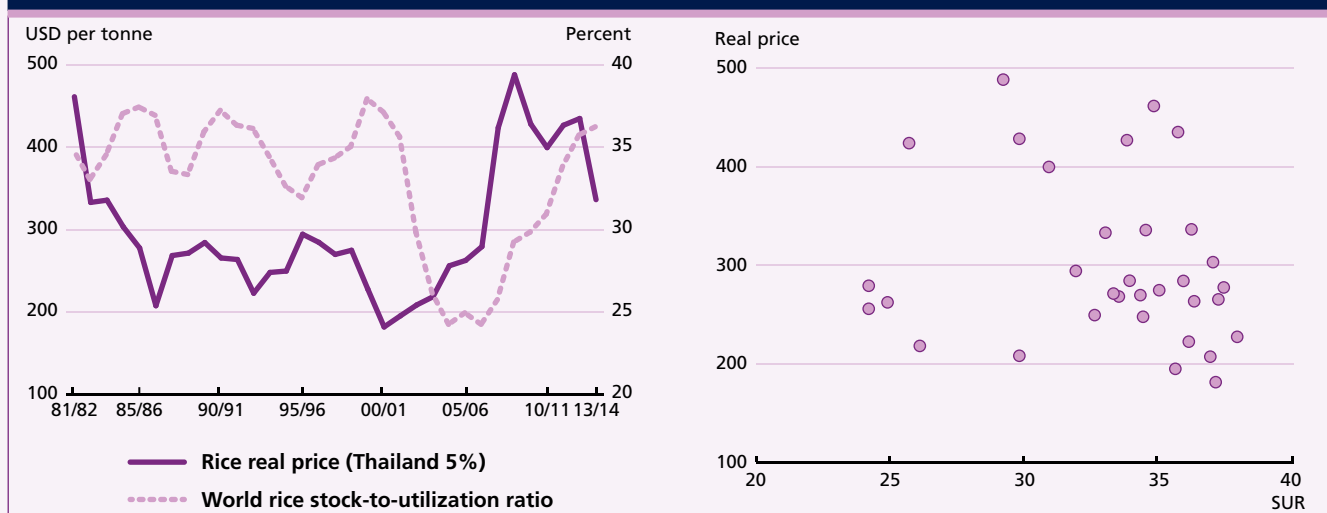


Figure 3: Rice real price and stock-to-utilization ratio, 1981/82-2013/14



although not in every instance. The scatter graphs suggest the downward-sloping stocks demand function, although the picture for rice and especially after 2000 is not clear.

Econometric analyses estimate the relationship between prices and stocks-to-utilization ratios where prices are real market or futures prices at end-year. The results are mixed depending on the time period considered, with the apparent relationship between stocks and prices not always statistically well-defined especially after 2000/01.⁹ This is partly due to the data limitations but also due to shifts in the relationship itself. Where long data series are used it is difficult to establish a stable estimated relationship as a result of policy changes and the shifting balance between public and private stocks – which have different relationships with price – in total estimated stocks. The estimated relationship between prices and an aggregate cereal stocks variable tends to perform better statistically with price movements for wheat, maize and rice more closely correlated to movements in the aggregate stocks-to-utilization ratio than to stocks-to-utilization ratios for individual cereals. However, overall, the estimated links between prices and stocks are stronger than those between prices and production. While the econometric estimates may not provide a precise and stable empirical model, they do provide broad support for the predictions of the supply of storage model.

EXPLOITING THE RELATIONSHIP BETWEEN STOCKS AND PRICES

Private stocks can have a role in contributing to stability including in global markets where stocks and trade are related. In principle, and provided that a stable empirical relationship between stocks and prices can be established, this might be exploited by policies to stabilize prices or limit price spikes. The argument that private storage alone would not provide sufficient stocks in relation to these objectives suggests a need for policy incentives to encourage private stockholding and/or a role for public stocks.

Buffer stocks are used in a number of developing countries, though they have been virtually abandoned in developed countries. There already were a number of operating schemes either at national or regional level before 2007-08, notably for rice in Asia¹⁰, and there have been proposals for new schemes since. However, a recent

World Bank review of national and regional experiences¹¹ concluded that while public stocks could contribute to addressing short-term emergency needs they have not been an effective instrument to stabilize prices. Similarly, the international organizations' 2011 report to the G20¹² rejected the use of buffer stocks to stabilize prices as costly and ineffective, although it did see a role for small-scale food security emergency reserves to assist the most vulnerable. On the other hand, the CFS HLPE report¹³ suggested that governments might come together to organize minimum storage levels and called for *"practical organization of a minimum level of world stocks"* with the objective not of defending a price band but to avoid spikes. In practice, many of the same issues arise with respect to either objective.

There are concerns on grounds of cost but also on operational issues and effectiveness. The investment costs of establishing a buffer stock and the costs of market operations are significant, putting such schemes beyond the reach of many developing countries, although some savings might conceivably be achieved where a regional scheme is based on coordination of existing stocks. Continuing budgetary costs of market operations and trading losses incurred can also be significant and can be difficult to control where borders are open. Operational problems include physical losses to stocks as a result of poor storage practices, the possibility of unpredictable or untransparent rotation decisions having unintended impacts on prices, and the difficulty of judging the need for interventions and their timing so that the interventions themselves are not destabilizing or adding to market uncertainty and deterring investment. In some instances replenishment policies of public stock holdings have not bought cheap to sell dear but rather bought when prices are high contrary to the normal view of stocking strategies and adding to pressure on prices. Some stockholding arrangements might be seen as trade-distorting support under the existing WTO rules. Public buffer stocks can crowd out private storage and private trade, especially where public procurement is not transparent and open.

The World Bank review concluded that, in general, attempts to stabilize prices using stocks have resulted in failure or have involved costs far in excess of their benefits and absorbed resources better used elsewhere. Confusion of objectives between price stabilization and emergency

⁹ See, for example C. Gilbert "Grain stocks and prices". FAO Expert Meeting on Stocks, Markets and Stability. FAO, Rome, 30-31 January 2014.

¹⁰ R. Briones "Public stockholding in Southeast Asia: Review and Prospects". FAO Expert Meeting on Stocks, Markets and Stability. FAO, Rome, 30-31 January 2014.

¹¹ World Bank, Using Public Foodgrains Stocks to Enhance Food Security, 2012.

¹² FAO, IFAD, IMF, OECD, UNCTAD, WFP, the World Bank, the WTO, IFPRI and the UN HLPF Price Volatility in Food and Agricultural Markets: Policy Responses, Report to the G20, June 2011.

¹³ CFS High Level Panel of Experts on Food Security and Nutrition 'Price Volatility and Food Security', July 2011.

relief and between the needs of producers and consumers leads to widening gap between buying and selling prices, conflicting decision rules on accumulation and release, slow reactions and escalating fiscal costs as larger and larger stocks are required to meet all objectives. These costs can amount to as much as two percent of GDP and are often about the same or more than spending on agricultural research. Some countries, especially in Africa, using buffer stocks have failed to achieve price stability and prices have been more volatile than international prices or prices in neighbouring countries without buffer stocks. Wide gaps between export and import parity prices because of poor infrastructure and wide marketing margins allow prices to fluctuate widely without triggering imports or exports, and it is better to address that problem and low productivity and resilience more generally than to try to compensate through expensive buffer stocks.

Attempts to stabilize prices through regional and international buffer stocks face many of the same difficulties with the added complication of differing national interests, potentially leading to collective action issues and tensions in governance. Besides the regular operational matters, joint decisions are required on when price increases justify action and what that action should be. These proved problematic in the case of the international commodity agreements. International buffer stock mechanisms are judged to have been ineffective in reducing the volatility of prices although the experience is actually quite limited. Of the five international commodity agreements which provided for stockholding or supply controls to stabilise prices, only one – the agreement for rubber – was a pure buffer stock. The agreements were more effective in moderating downward price movements than price spikes, which a buffer stock can only curb while it still has accumulated supplies.

The relevance of the international commodity agreement experience to moderating price spikes today might be questioned. However, many operational decision-making and financial issues would remain the same. Stabilising world prices in the face of a sequence of production shocks around a level lower than that determined by market fundamentals requires significant resources. The typical behavior of commodity prices with long low-price periods and occasional spikes mean that stocks might need to be held for long periods. Buffer stocks set to defend against price spikes are also vulnerable to speculative attacks. If speculators perceive that the stocks held by the stabilization agency are insufficient to maintain the target lower price level, they will compete to buy the entirety of the stock in order to take advantage of likely profits.

In spite of the limitations of available stocks data and the consequent difficulties of establishing a stable empirical model, it seems that low stocks are a necessary condition for price spikes and that the relationship between prices and stocks is highly relevant to policy on price volatility. Many countries have used stocks policies in attempts to limit price spikes and there have also been attempts at regional and international level. However, it seems that these have been with limited success and at high cost compared to alternative policies that attempt to address the underlying causes of price spikes and volatility.

MARKET POLICY DEVELOPMENTS

COUNTRY	PRODUCT	DATE	POLICY CATEGORY/INSTRUMENT	DESCRIPTION
Argentina	Wheat	Apr-14	Export quota	Authorized export of 0.5 million tonnes from the 2013/14 wheat crop.
	Biofuels	Sep-14	Renewable energy policy	Increased the blending percentage from a minimum of 8.5% in September 2014 to a 10% for December 2014. Established the procedures for the calculation of the acquisition prices of bioethanol for blending.
Brazil	Wheat	Jul-14	Import quota	Introduced a 1 million tonne duty-free import quota for non-Mercosur wheat, from 23 June to 15 August 2014.
	Maize	Aug-14	Producer subsidies	Approved a BRL 500 million (USD 221 million) maize subsidy to offset costs of internal transport from producing regions to the main consumer markets and ports.
	Wheat	Sep-14	Producer subsidies	Approved BRL 650 million (USD 290 million) to support wheat and cotton farmers facing low prices.
China	Maize	Aug-14	Government procurement	Offered a subsidy of CNY 100/tonne (USD 16.08/tonne) to maize processors buying from state reserves.
	Wheat	Jun-14	Government procurement	Raised the domestic procurement price for wheat by 16% to USD 466/tonne.
Egypt	Wheat	Jul-14	Trade	Raised the maximum moisture content of imported wheat from 13.0% to 13.5%, applicable for the next nine months.
	Biofuels	Jun-14	Trade	Introduced anti-dumping duties on US-origin ethanol entering the European Union via Norway.
European Union	Maize and wheat	Jun-14	Trade agreement	Signed Association Agreements with Georgia and the Republic of Moldova.
	Maize and wheat	Jun-14	Trade	Prohibited the import of goods originating in Crimea or Sevastopol into the European Union, except for those products that have been granted a certificate of origin by the Ukrainian authorities.
	Maize and wheat	Jun-14	Trade agreement	EU and Ukraine completed the process of signature of the Association Agreement including the Deep and Comprehensive Free Trade Area.
	Maize and sorghum	Jul-14	Import tariff	Applied tariff of 5.32 EUR/tonne (USD 6.84/tonne) on maize, sorghum and rye imports from July 2014, with no end date to this measure announced so far.
	Wheat	Sep-14	Trade	Granted export licenses for 852 000 tonnes of soft wheat.
India	Wheat	Jul-14	Government procurement	Approved sales of 10 million tonnes of wheat from government stocks.
	Wheat	Aug-14	Government procurement	Allowed sales of wheat to the open market from central pool.
	Wheat	Aug-14	Government procurement	Lowered the price at which imported milling wheat is sold to domestic millers by about 0.4%, to YEN58 330/tonne (USD 562/tonne).
Morocco	Wheat	Aug-14	Import tariff	Reduced import duties on wheat since 1 September 2014 from 45% to 17.5%.
Nicaragua	Maize	Jun-14	Import quota	Introduced a 73 000 tonnes duty-free import quota of white maize.
	Wheat	Aug-14	Price support	Introduced a 72 000 tonnes duty-free import quota.
Pakistan	Wheat	Sep-14	Price support	Maintained support price of wheat at Rs3 450 per 100 kg (335 USD per tonne).
Russia	Maize and wheat	Sep-14	Import tariff	Applied customs duties on several Moldavian agricultural products after the signing of the Association Agreement between Moldova Republic and the EU.
Vietnam	Maize	Aug-14	GMO policies and regulations	Allowed the use of four varieties of genetically modified maize for animal feed. Farmers still need permission from the Ministry of Natural Resources and the Environment (MONRE) to grow them on a large scale.
Zambia	Maize	Sep-14	Government procurement	Bought 900 000 bags of maize through the Food Reserve Agency (FRA) from farmers in Central Province.

* A collection of major grain policy developments starting in July 2010 is available at: <http://www.fao.org/economic/est-commodities/commodity-policy-archive/en/?groupANDcommodity=grains>

RICE: MAJOR POLICY DEVELOPMENTS: MAY TO MID SEPTEMBER 2014*

COUNTRY	PRODUCT	DATE	POLICY CATEGORY/INSTRUMENT	DESCRIPTION
Bangladesh	Rice	Jun-14	Budgetary allocations, production support, Government procurement, food subsidies	Maintained allotments to agricultural subsidies steady at Taka 90 billion (USD 1.1 billion), as part of its 2014/15 budgetary allocations, while continuing credit and input assistance programmes and the distribution of high yielding seed varieties. Additional provisions to expand storage infrastructure, as well as to intensify agricultural research and development, use of organic technology and genetic engineering.
		Jun-14	Production support	The rice import target for the 2014/2015 fiscal year (July-June) was set at 0.2 million tonnes, while a further 1.4 million tonnes of rice are to be locally procured by the government. Distribution of foodgrains is to be raised 7% above the revised target for 2013/14 to 2.74 million tonnes, of which 1.6 million tonnes are expected to be rice.
		Sep-14	Government procurement	Announced that Taka 100 million (USD 1.3 million) would be allocated to provide seed and fertilizer assistance to over 100 000 producers of Aman paddy who incurred weather-related losses the previous season.
		Jun-14	Export duty	Extended the Boro procurement campaign to 30 September 2014, in order to ensure targeted volumes were fully purchased. Officials will also restrict purchases of Boro paddy to 50 000 tonnes, down from the original target of 150 000 tonnes, while making-up for this shortfall with additional milled rice purchases.
		Jun-14	Export ban	Announced that it would impose a 10% export duty on rice bran, as part of its 2014/15 budgetary allocations.
Brazil	Rice	Jun-14	Export ban	Renewed the ban on non-aromatic rice exports, effective until 30 June 2015.
		Sep-14	Export ban	Approved an exception to the export ban on non-aromatic rice, permitting 50 000 tonnes of rice to be exported to Sri Lanka through official channels.
		Aug-14	Minimum support prices	Approved new minimum support prices (MSP) for the 2015/16 season (2014/15 season for Brazil) to be effective from February 2015 to January 2016. For the Northern Region and Mato Grosso, MSPs for fine long grain paddy were raised by 2.64% to Reals 545 (USD 236), while the MSP for fine long grain paddy in the Southern region (excepting Paraná) was also set at Reals 545 (USD 236) per tonne, up 5.62% from 2014/15. MSPs for long grain paddy were instead left unchanged at Reals 378-408 (USD 164-177) per tonne, as was the MSP for fine long grain paddy in the Southeast, Northeast, Centre West regions (excepting Mato Grosso) and the state of Paraná, at Reals 550 (USD 238) per tonne.
		Jul-14	Stock release	Opened bids for 13 221 tonnes of paddy from government stocks on 17 July 2014. This follows the offer of a similar volume through a separate auction held on 10 July 2014.
		Sep-14	Stock release	Approved the release of up to 550 000 tonnes of paddy from government stocks, at a stock release sales price (Preço de Liberação de Estoques) of Reals 33.45 per 50 kilos of paddy (USD 290 per tonne).
China (Mainland)	Rice	Sep-14	Stock release	Announced that it would open bids for a combined 60 000 tonnes of paddy through two auctions on 25 September 2014 and 09 October 2014.
		Jun-14	Stock-holding policy, Government procurement	Announced that it would raise state grain reserves by 25 million tonnes, maintaining the equivalent of six months' worth of domestic grain consumption in store. Additionally, the government will expand storage capacity by 50 million tonnes by 2015.
		Aug-14	Import ban	Banned sales of rice across borders with Viet Nam, in a bid to thwart tax evasion.
		Aug-14	Import agreement	A memorandum of understanding signed between the state trading enterprise, COFCO, and Cambodian state-owned enterprise Green Trade that will see 100 000 tonnes of Cambodian rice delivered to China (Mainland) by April 2015.

COUNTRY	PRODUCT	DATE	POLICY CATEGORY/INSTRUMENT	DESCRIPTION
Honduras	Rice	Sep-14	Import quota	Established a shortage import quota of 25 000 tonnes of paddy, to be brought into the country by 31 December 2014.
India	Rice	Jun-14	Food subsidies	Announced that the government would release 5 million tonnes of rice from state granaries and take steps to prevent hoarding, in an effort to keep local prices in check. The supplies are to be distributed to below poverty line (BPL) and above poverty line (APL) families through the Targeted Public Distribution System between July and March 2015, or until the National Food Security Act is implemented.
		Jun-14	Food subsidies	Postponed the deadline for States and Union Territories to implement the National Food Security Act, originally set at 4 July 2014, by three months.
		Jun-14	Support prices	Raised minimum producer support prices by 4% to Rupees 13 600 (USD 223) per tonne of common varieties and to Rupees 14 000 (USD 229) per tonne of Grade A paddy.
		Jul-14	Budgetary allocations, production support	Announced it would allocate Rupees 1.6 billion (USD 26.2 million) as part of its 2014–15 budgetary allocations, to address deteriorating soil health by extending soil health cards to farmers and setting up mobile soil testing laboratories, while a separate Rupees 1.0 billion (USD 16 million) would be set aside to establish a National Adaptation Fund for climate change. With the government committed to sustaining 4% growth in agriculture through a technology-driven second green revolution, additional measures would include the allocation of Rupees 5 billion (USD 82 million) to a Price Stabilization Fund to address price volatility, Rupees 10 billion (USD 164 million) to expand irrigation infrastructure, greater outlays to fertilizer subsidies, as well as measures to boost agricultural credit, rural infrastructure and agricultural research and education.
		Aug-14	Production support	Decided to extend a 50% subsidy on the cost of diesel to farmers affected by drought and deficient rains and to raise ceilings on seed subsidies by 50% to Rupees 1500-7500 (USD 25-123) per 100 kilograms, as part of measures put in place to support producers affected by rainfall shortfalls and to lessen the impact of adverse weather on production.
		Jul-14	Government procurement	Instructed state governments to reduce quantities procured from millers under statutory levy during the 2014/15 procurement campaign to a maximum of 25%.
Islamic Republic of Iran	Rice	Jun-14	Export restrictions	Announced that it would henceforth exempt Bhutan from any ban or quantitative restriction on exports of non-basmati rice, as well as milk powder, wheat, edible oil and pulses.
		Jul-14	Import tariff	Raised import duties on basmati rice from 22% to 40%.
		Jun-14	Import tariff	Renewed exemptions to the 75% rice import duty applicable under the Common External Tariff of the East African Community. Rice imports will accrue a tariff of 35% (or USD 200 per tonne, whichever is higher) for a period of one year, effective 1 July 2014. This compares with a 35% ad-valorem rate applicable until 30 June 2014, subject to a lower alternate specific tariff of USD 100 per tonne.
Nicaragua	Rice	Aug-14	Import quota	Announced that it would permit 97 000 tonnes of rice to be imported, free of duties, should the need arise to compensate for drought-induced production shortfalls.
Nigeria	Rice	Aug-14	Production support	Signed a memorandum of understanding with Dangote Industries Limited that will see the conglomerate invest USD 1 billion in constructing processing facilities and developing 150 000 hectares across five states for rice production.
		Jul-14	Import tariffs	Approved a reduction on import levies applied on husked and semi/wholly milled rice. According to the revised regime, importers possessing rice processing facilities and operating verifiable backward integration programmes in the country will be charged a lower levy of 20% for husked and semi-wholly milled rice, on top of a 10% import tariff. Husked and semi-wholly milled rice imported by "pure traders" (i.e. those not possessing such facilities) will, on the other hand, attract a higher levy of 60%, on top of an import duty of 10%. This compares to the 110% charge (100% levy + 10% import duty) applied on all rice imports since January 2013.

COUNTRY	PRODUCT	DATE	POLICY CATEGORY/INSTRUMENT	DESCRIPTION
Panama	Rice	Jul-14	Price controls	Set maximum retail prices for 22 basic food products for a period of six months, effective 7 July 2014. In the case of high quality rice, price ceilings were set at Balboas 0.88 (USD 0.88) per kilo.
		Jul-14	Production support	Decided to extend a Balboa 0.18 (USD 0.18) per kilo subsidy to rice processors to assist them in complying with recently introduced ceilings on retail prices.
		Aug-14	Production support	Announced that it would extend a Balboa 165 (USD 165) per tonne subsidy to rice producers, to be given on top of the Balboa 375 (USD 375) per tonne paddy price that millers agreed to pay producers for the 2014/15 first crop.
		Aug-14	Import agreement	Entered into an import agreement with Guyana. The accord will see 5 000 tonnes of rice delivered to Panama on a monthly basis through the end of 2014, being subject to renewal thereafter.
Philippines	Rice	Jun-14	Food subsidies	Approved a set of measures to temper increases in domestic rice quotations. Further to importing an additional 200 000 tonnes of rice, 20 000 tonnes of smuggled rice confiscated by the Bureau of Customs are to be availed to the National Food Authority (NFA) for distribution. The NFA is to continue its increased pace of subsidized sales throughout the lean season, while anti-hoarding activities are also to be stepped-up.
		Jul-14	Import quota	Approved imports of 500 000 tonnes of rice through a tender, for delivery by November 2014. The import volume stands some 300 000 tonnes above previously announced plans, and will serve to refurbish stockpiles and quell inflationary pressure.
		Jul-14	Import quota	Received approval from the WTO General Council to extend quantitative restrictions on rice imports until 30 June 2017. The decision foresees the Philippines raising minimum access volumes (MAV) on rice to 805 200 tonnes, up from the 350 000 tonne volume set under the 2006 extension of the special treatment. Of that volume, 755 000 tonnes are to be allocated as country-specific quotas to seven trading partners, namely Australia (15 000 tonnes), China (50 000 tonnes), El Salvador (4 000 tonnes), India (50 000 tonnes), Pakistan (50 000 tonnes), Thailand (293 100 tonnes) and Viet Nam (293 100 tonnes), with remaining quantities (50 000 tonnes) part of an omnibus quota. The in-quota tariff rate is to be lowered from 40% to 35%, while out-of-quota rates will remain set at 50%. The National Food Authority will retain the first right to import MMA volumes, taking into account increased private sector participation.
		Sep-14	Import quota	Following the rejection of all bids from the 27 August 2014 import tender for 500 000 tonnes of rice, announced that it would seek to purchase said volume through government-to-government channels.
Republic of Korea	Rice	Jul-14	Import quota	Announced that it would not pursue the renewal of quantitative restrictions on rice, following the expiration of the WTO special treatment on 31 December 2014. Officials will determine eventual tariff rates to be applied thereafter, based on WTO criteria, and communicate them by September 2014.
		Sep-14	Import quota	Announced that it would seek to impose a 513 % tariff on volumes imported outside of the 408 700 tonne minimum access quota, following the expiration of the WTO special treatment on rice on 31 December 2014. The government would present its tariffication plan to the WTO for verification as of October 2014, with officials reiterating their commitment to exclude rice from any future free trade agreement and to put in place measures to safeguard the local industry, including by prohibiting local rice from being mixed with imported supplies and through checks on the reported price of imports.
		Jun-14	Import tariff	Renewed exemptions to the 75% rice import duty applicable under the Common External Tariff of the East African Community. Rice imports are to accrue a tariff of 45% (or USD 200 per tonne, whichever is higher) for a period of one year, effective 1 July 2014. This compares with a 30% concessional tariff applied the previous year.
Senegal		Jun-14	Production support	Announced that the government would settle FCFA 11.5 billion (USD 23 million) worth of debt accrued by rice and tomato farmers, in addition to providing agricultural equipment and undertaking infrastructural improvements.
Sri Lanka	Rice	Jun-14	Import quota	Announced that the government would import 100 000 tonnes of rice for sale at controlled prices in order to counter increases in domestic quotations.

COUNTRY	PRODUCT	DATE	POLICY CATEGORY/INSTRUMENT	DESCRIPTION
Thailand	Rice	May-14	Government procurement	Instructed relevant government agencies to ready Baht 90 billion (USD 2.8 billion) to settle all overdue payments to farmers participating in the 2013/14 main-crop round of the paddy pledging scheme within a month's time.
		Jun-14	Production support	Approved a new set of support measures to replace the paddy pledging programme during the 2014/15 season. Following an agreement with input manufacturers, prices of fertilizers, seeds, pesticides, agricultural equipment and land-leasing costs are to be lowered, so as to reduce average production costs by Baht 432 per rai (USD 2 700 per hectare). Farmers will be availed with short-term credit for up to Baht 50 000 (USD 1 541), while the Bank of Agriculture and Agricultural Cooperatives (BAAC) will cut loan interest rates by 3% for a period of six-months. Additional credit assistance will be provided to cooperatives and farmer organizations to encourage improved production methods, as well as to assist them in purchasing, distributing and developing rice products. Officials committed to stabilizing producer prices at Baht 8 000–9 000 (USD 247–277) per tonne, while continuing crop insurance programs for farmers affected by natural disasters and the agricultural zoning programme.
		May-14	Stock release	Opened bids for 450 000 tonnes of rice from government stocks through an open tender held on 14 May 2014. A separate tender of 220 000 tonnes was conducted through the Agricultural Futures Exchange of Thailand (AFET) the same day, but was subsequently cancelled due to low bidding prices.
		May-14	Stock release	Halted sales from government stockpiles, in a bid to ease downward pressure on domestic quotations. Public inventory releases were not to be resumed until an inspection of government warehouses was completed, giving a clear picture of actual quantities held in store.
		Jul-14	Stock release	Announced that following the completion of a nation-wide survey of rice stored in public warehouses in August, the government was likely to resume rice stock sales that same month.
		Aug-14	Stock release	Resumed sales from government stockpiles, offering 168 000 tonnes of rice (white, fragrant and glutinous) from government stocks through an open tender held on 07 August 2014.
		Aug-14	Stock release	Is considering channeling spoiled supplies held in government granaries to ethanol production, according to official statements.
		Sep-14	Stock release	Auctioned off 139 676 tonnes of fragrant and glutinous rice from government stockpiles through a tender held on 12 September 2014.
		Sep-14	Import agreement	Approved a 3-year extension to a Memorandum of Understanding with the Philippines on rice trade. The agreement, valid until 31 December 2016, will enable Thailand to sell up to 1.0 million tonnes to the Philippines through government-to-government channels, on a need basis.
		Sep-14	Production support, support prices	Set paddy producer prices at Bolivares 8.6 per kilo (USD 1 363 per tonne) of Type A paddy and at Bolivares 8.5 per kilo of Type B paddy (USD 1 347 per tonne).
Venezuela	Rice	Aug-14	Export ban	Banned exports of basic necessities, including paddy and table rice in all their presentations.
		Sep-14	Import agreement	Agreed, in principle, to import 32 000 tonnes of paddy and 80 000 tonnes of rice from Suriname in 2015. Reports suggest that, the accord would fall within the framework of PetroCaribe, having the cost of supplies deducted from oil arrears to Venezuela.
Viet Nam	Rice	Jul-14	Minimum export prices	Raised minimum export prices for 25% broken rice by USD 35 to USD 410 per tonne, effective 28 July 2014.

* A collection of major rice policy developments starting in January 2011 is available at: <http://www.fao.org/economic/est-commodities/commodity-policy-archive/en/?groupANDcommodity=rice>

OILCROPS: MAJOR POLICY DEVELOPMENTS: MAY TO MID SEPTEMBER 2014 *

COUNTRY	PRODUCT	DATE	POLICY CATEGORY/INSTRUMENT	DESCRIPTION
Argentina	Biodiesel	May 2014 to Dec 2015	Renewable energy policy	Suspended temporarily a tax applying to domestic biodiesel consumption in an effort to support local biodiesel producers.
	Biodiesel	June and August 2014	Renewable energy policy	Adjusted the level of export taxes and domestic retail prices for biodiesel with a view to stimulate domestic biodiesel consumption, while also maintaining adequate incentives for biodiesel exporters.
	Soybeans and other farm products	Sep-14	Market regulation	Passed - in a bid to control domestic food price inflation - legislation that would enable the government to regulate the production and release of farm products into the market.
Australia	Biofuel	May-14	Renewable energy policy	Announced plans to cut federal subsidies and end tax concessions granted to the domestic ethanol and biodiesel industries.
	Arable crops	May-14	Agricultural policy	Renewed agricultural support programmes, focusing on investment aid, support to family-based farming and marketing loans.
Brazil	Biodiesel	Aug-14	Renewable energy policy	Raised mandatory blending of transportation fuel with biodiesel to 7% (effective November 2014) and established that biodiesel feedstock ought to originate from small and medium-sized family farms.
	Biodiesel	May-14	Renewable energy policy	Ontario Province introduced mandatory blending of transport fuel with 2% of biodiesel.
Canada	Sunflower seed	Jun-14	Sector development assistance	Supported research and development programmes for the development of new varieties of sunflower seed.
	Grains and oilseeds	Aug-14	Market regulation	Extended regulation of domestic national transport sector to November 2014, to prevent logistical bottlenecks in moving grains/oilseeds to ports.
China	Rapeseed meal	May-14	Import policy	Relaxed restrictions on importations of rapeseed meal from Canada.
	Soybeans and rapeseed	May-14	Public procurement/state reserves	Discontinued public procurement and stockpiling programme for soybeans, while leaving the equivalent programme for rapeseed in place.
	Edible oils	Aug-14	Health policy	Adopted stringent pesticide residue standards for edible oils.
	Jatropha	Aug-14	Renewable energy policy	Launched a 5-year development programme with a view to expand domestic biofuel production, using jatropha oil as feedstock.
European Union	Sunflower oil	Jun-14	Import policy	Relaxed phytosanitary restrictions on importations of sunflower oil from Ukraine.
India	Saturated fatty alcohols	May-14	Import policy	Initiated safeguard investigation on imports of vegetable oil fractions suspected to harm the domestic oil refining industry.
	Sunflower, sesame, niger seed	Jun-14	Producer support prices	Raised minimum support prices for selected kharif oilseed crops.
	Soybean oil	Aug-14	Import policy	Authorized imports of GM soybean oil.
	Oilmeals	Aug-14	Import policy	Exempted oilmeals (except copra, cottonseed and palm kernel meal) from import duties until December 2014 in a bid to ease domestic supply shortages and bring down local oilmeal prices.
Indonesia	Biodiesel	Jun-14	Trade policy	Requested formal WTO consultations with the EU concerning the anti-dumping measures imposed on imports of biodiesel into the EU.
	Palm oil	May to Sept 2014	Export tax	Left in place sliding export tax regime aimed at preventing hikes in consumer prices and at stimulating growth in downstream palm oil processing.

COUNTRY	PRODUCT	DATE	POLICY CATEGORY/INSTRUMENT	DESCRIPTION
Malaysia	Oil palm	May-14	Sector development assistance	Provided financial assistance to smallholders to undertake replanting and new planting of oil palm.
	Biofuel	May-14	Sector development assistance	Allocated development grants for the production and commercialization of second-generation biofuels produced from non-food oil palm biomass.
	Biodiesel	Aug-14	Renewable energy policy	Deferred nation-wide implementation of a higher mandatory blending rate, due to delays in the construction of blending facilities.
	Palm oil	May to Oct 2014	Export tax	Left in place sliding export tax regime for palm oil aimed at the protection of domestic growers and refiners, but, effective 1 st September, suspended the tax for two months to stimulate exports and contain stock levels, with a view to reverse the recent decline in domestic palm oil prices.
Nigeria	Oil palm	May-14	Sector development assistance	Provided oil palm seedlings, fertilizers and agro-chemicals to farmers to enhance oil palm cultivation.
Pakistan	Soymeal	Aug-14	Import policy	Raised import duty of soybean meal to stimulate domestic meal production.
	Rapeseed	Aug-14	Sector development assistance	Launched a new initiative to promote domestic oilseed cultivation in a bid to raise domestic supply and reduce dependence on imported edible oil.
Russian Federation	Oilseeds	Jun-14	Sector development assistance	Approved a 2-year programme to promote the development of the domestic oilseed and vegetable oil industry.
	Soybeans, soymeal and sunflower seed	Aug-14	Import policy	Suspended imports of Ukrainian soybean, soymeal and sunflower seed following a breach of phytosanitary requirements.
Rwanda	Soybeans	Aug-14	Production support	Promoted commercial soybean cultivation in a bid to raise domestic supplies and reduce dependence on imports.
Thailand	Edible oils	June to Nov 2014	Consumer policy	Obtained private sector agreement not to raise retail prices for edible oils for a 6-month period.
Ukraine	Oilmeals	May-14	Export policy	Removed requirement of phytosanitary certificates for oilmeal exports.
United States of America	Food products	May-14	GMO labelling	State of Vermont introduced mandatory labelling for processed GM foods and for displays of unpackaged GM products by retailers.
	Biofuel	May-14	Renewable energy policy	State of Minnesota introduced higher mandatory blending requirements for the summer months.
	Agricultural commodities	May-14	Agricultural policy	Enhanced the access of small and mid-sized producers to low-interest financing for building or upgrading facilities to store and handle commodities.
	Vegetable oils	May-14	Import policy	Lowered temporary countervailing duty on vegetable oils as per original commitment.
Vietnam	Feedstuff	Sep-14	Value added tax	Did away with the value added tax (VAT) on animal feedstuff, including oilmeals/cakes (of domestic or imported origin), in a bid to help the country's livestock industry cope with high feed costs and falling meat prices.

* A collection of major policy developments starting in January 2011 is available at: <http://www.fao.org/economic/est/commodities/commodity-policy-archives/en7groupANDCommodity=Oilseeds,%20oils%20and%20meals>

SUGAR: MAJOR POLICY DEVELOPMENTS: MAY TO OCTOBER 2014*

COUNTRY	PRODUCT	DATE	POLICY CATEGORY/INSTRUMENT	DESCRIPTION
Brazil	Sugar	Sep-14	Tax rebate	Announced that the sugar and ethanol industries will be included in a tax refund programme to help them offset higher operational costs and the impact of a weaker local currency. The government will extend the benefits (part of a programme known as Reintegra) to the sectors immediately via a presidential decree, giving producers a tax refund equivalent to 0.3 percent of the value of their exports. Next year, that refund will climb to 3 percent. Producers can use the refund either as a credit against their income tax or as a cash payment. A government official reported that the measures could cost Brazil about 900 million reais (USD 392.76 million) in tax revenue next year.
EU-SADC	Sugar	Jul-14	Economic partnership agreement (EPA)	Established an economic partnership agreement (EPA) between the EU and SADC. This new trade pact with the European Union will give the SADC states a bigger market for food exports. According to South Africa's Trade and Industry Department, the agreement comes in time to beat a 1 October deadline which would have seen Botswana, Namibia and Swaziland lose preferential EU access for their beef, fish and sugar. If ratified by the governments involved, the deal will allow South Africa to export 110 million litres of wine, 150 000 tonnes of sugar and 80 000 tonnes of ethanol duty free to the EU, among other concessions.
EU-Ecuador	Sugar	Jun-14	Trade agreement	Announced that EU and Ecuadorian negotiators had agreed on terms that will allow Ecuador to join an existing trade agreement that the EU has with Colombia and Peru (agreed in April 2011 and in force since mid-2013). The trade pact will provide Ecuador with improved access to the EU market for its main exports, namely fish, bananas, cut flowers, coffee, cocoa, fruits and nuts. Inside sources indicate sugar is part of this package and Ecuador will receive TRQ access.
India	Sugar	Aug-14	Import duties	Decided to hike the import duty on sugar to 40% from the current 15%, indicating that sugar prices are likely to go up. The government will provide additional interest-free loan to cash-strapped sugar mills to make payments to cane farmers, while the import duty on sugar will be hiked to 40% from the current 15%, according to the Food and Civil Supplies Minister. In addition, the government will extend a sugar export subsidy of Rs 3 300 (or US\$ 54) per tonne until September this year.
Russian Federation, Belarus	Sugar	Jun-14	Import duties	Announced that Kazakhstan and Belarus will keep July raw sugar import tariffs at US\$ 205 per tonne. According to the Russian Sugar Producers' Union, the sugar duty imposed by Russia, Belarus and Kazakhstan – whose customs policies are aligned under a three-nation customs union – is geared to global prices and calculated each month. The tariff is expected to decline to USD 171 per tonne in August.

* A collection of major sugar policy developments starting in January 2013 is also available at: <http://www.fao.org/economic/est/est-commodities/commodity-policy-archive/en/?groupANDcommodity=Sugar>

MEAT: MAJOR POLICY DEVELOPMENTS: MAY TO SEPTEMBER 2014*

COUNTRY	PRODUCT	DATE	POLICY CATEGORY/INSTRUMENT	DESCRIPTION
Belarus	Bovine meat	Aug-14	Import ban lifted	Lifted a ban on live cattle imports from the EU.
China	Bovine meat	Jul-14	Import ban lifted	Lifted a ban on imports of beef from Brazil which had been put in place in late 2012, following an incidence of bovine spongiform encephalopathy.
	Pigmeat	Aug-14	Import ban lifted	Ended a 4-month ban on imports of pigs from the United States, after the introduction of agreed animal disease control protocols.
	Poultry	May-14	Import ban	Banned poultry from Seijong Special Autonomous City, Rep. of Korea, due to an outbreak of highly pathogenic H5N8 avian influenza on a poultry farm.
China (Hong Kong, SAR)	Bovine meat	Jun-14	Import access	Fully opened its market to several cuts of beef and offal from the United States.
	Poultry	Aug-14	Import ban	Banned the importation of poultry meat from Salem County, New Jersey, United States, following an outbreak of low pathogenic avian influenza.
	Bovine meat	Jun-14	Free Trade Agreement	Signed a memorandum-of-understanding on agricultural trade and investment, which will increase market access for beef from Canada, among other products.
China-Canada	Bovine meat	May-14	Import ban	Banned the import of beef from Mato Grosso state (Brazil), following a case of bovine spongiform encephalopathy.
Egypt	Bovine meat	Jul-14	State market intervention	Modified its food subsidy programme, allowing eligible citizens to receive monthly cash assistance for a range of goods, including frozen beef.
Indonesia	Beef	Aug-14	Import ban lifted	Revoked a 4-year ban on beef and cattle imports from Japan.
Japan-Australia	Beef	Jul-14	Tariff rate quota	Reduced tariff agreed for 2015, from the current 38.5% to 30.5% for frozen beef, and 32.5% for chilled beef.
Kazakhstan	Poultry	Jun-14	Tariff rate quota	Allocated second tranche – 74 250 tonnes – of 2014 import quota of 110 000 tonnes.
Mexico	Bovine meat	May-14	Import ban lifted	Revised requirements for the importation of beef and beef products from the United States.
	Poultry	Jul-14	Tariff rate quota	Announced a duty-free import quota of 300 000 tonnes for 2014, covering fresh, chilled or frozen broiler and turkey meat, and mechanically separated poultry meat.
	Bovine meat	May-14	Import ban	Suspended imports of beef and beef-by-products from Brazil for a 6-month period, following a case of atypical bovine spongiform encephalopathy.
Peru	Bovine meat	Sep-14	Import ban lifted	Lifted a ban on the use of animal feed additive zilpaterol in beef, opening the door to imports containing the growth enhancer as well as domestic sales of the product.
Republic of Korea	Bovine meat	Aug-14	Import ban	Banned the importation of a wide range of agricultural and food products from Australia, Canada, the EU, Norway and the United States. The 1-year ban includes fresh and frozen beef and pork, poultry meat, prepared meat and sausages.
Russian Federation	All	Jul-14	Import ban	Banned pigmeat and live imports from Bulgaria, Romania and some parts of Latvia and Croatia, following cases of African swine fever.
Switzerland	Pigmeat	May-14	Harmonization of protocols	Recognized EU production and control systems for products of animal origin as equivalent to those of the Ukraine, simplifying access for EU products.
Ukraine	All			

* A collection of major meat policy developments starting in January 2011 is available at: <http://www.fao.org/economic/est-commodities/commodity-policy/archive/en/7groupANDCommodity=Meat>

DAIRY: MAJOR POLICY DEVELOPMENTS: MAY TO SEPTEMBER 2014*

COUNTRY	PRODUCT	DATE	POLICY CATEGORY/INSTRUMENT	DESCRIPTION
Australia	Dairy products	Jul-14	Free trade agreement	Signed an economic partnership agreement with Japan, providing an additional 20 000 tonnes of duty-free import quota for processed cheese.
China	Cheese	May-14	Import ban	Banned imports of UK cheese due to dissatisfaction with standards at a dairy visited during an inspection tour by officials from China. All UK dairies exporting to China must meet that country's new food safety standards, introduced in May 2014, before the ban is lifted.
European Union	Dairy products	Aug-14	State market regulation	Announced extension of the Private Storage Aid to include butter, skimmed milk powder and certain types of cheese, in order to provide assistance to companies affected by Russia's trade sanctions.
India	Dairy products	Jun-14	Import ban	Extended the ban on the import of milk and milk products from China for one year.
Japan	Butter	May-14	State market regulation	Announced emergency importation of 7 000 tonnes of butter for industrial use, in addition to its commitment of 3 000 tonnes for the 2014 fiscal year.
Russian Federation	Dairy products	Jul-14	Import ban	Banned the import of some dairy products from Ukraine, citing product contamination and other violations.
	Dairy products	Jul-14	Import ban	Banned the import of products manufactured by a Ukrainian subsidiary of Netherlands-based dairy group Milkiland.
	Dairy products	Aug-14	Import ban	Banned the import of a range of milk products from Australia, Canada, the EU, Norway and the United States for one year.
	Dairy products	Aug-14	Import ban lifted	Allowed import of dairy products from three Turkish firms which had previously been banned.
United States	Dairy products	Sep-14	State market regulation	Announced enrollment for the new dairy Market Protection Programme which provides farmer support when profitability falls below predetermined levels.

* A collection of major dairy policy developments starting in January 2012 is available at: <http://www.fao.org/economic/est-commodities/commodity-policy-archive/en/7groupANDCommodity=Milk,%20Dairy%20products>

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NOTES

General

- FAO estimates and forecasts are based on official and unofficial sources.
- Unless otherwise stated, all charts and tables refer to FAO data as source.
- Estimates of world imports and exports may not always match, mainly because shipments and deliveries do not necessarily occur in the same marketing year.
- Tonnes refer to metric tonnes.
- All totals are computed from unrounded data.
- Regional totals may include estimates for countries not listed. The countries shown in the tables were chosen based on their importance of either production or trade in each region. The totals shown for Central America include countries in the Caribbean.
- Estimates for China also include those for the Taiwan Province, Hong Kong SAR and Macao SAR, unless otherwise stated.
- Up to 2012/13, the European Union includes 27 member states. From 2013/14, the European Union includes 28 member states.
- Coarse grains include: maize, barley, sorghum, oats, millet, rye and other minor grains.
- ‘-’ means nil or negligible.

Production

- **Cereals:** Data refer to the calendar year in which the whole harvest or bulk of harvest takes place.
- **Sugar:** Figures refer to centrifugal sugar derived from sugar cane or beet, expressed in raw equivalents. Data relate to the October/September season.

Utilization

- **Cereals:** Data are on individual country's marketing year basis.

- **Sugar:** Figures refer to centrifugal sugar derived from sugar cane or beet, expressed in raw equivalents. Data relate to the October/September season.

Trade

- Trade between **European Union** member states is excluded, unless otherwise stated.
- **Wheat:** Trade data include wheat flour in wheat grain equivalent. The time reference period is July/June, unless otherwise stated.
- **Coarse grains:** The time reference period is July/June, unless otherwise stated.
- **Rice, dairy and meat products:** The time reference period is January/December.
- **Oilseeds, oils and fats and meals and sugar:** The time reference period is October/September, unless otherwise stated.

Stocks

- **Cereals:** Data refer to carry-overs at the close of national crop seasons ending in the year shown.

Price indices

- The FAO price indices are calculated using the Laspeyres formula; the weights used are based on the average export value of each commodity for the 2002-2004 period.

COUNTRY CLASSIFICATION

In the presentation of statistical material, countries are subdivided according to geographical location as well as into the following two main economic groupings: “developed

countries” (including the developed market economies and the transition markets) and “developing countries” (including the developing market economies and the Asia centrally planned countries). The designation “Developed” and “Developing” economies is intended for statistical convenience and does not necessarily express a judgement about the stage reached by a particular country or area in the development process.

References are also made to special country groupings: Low-Income Food-Deficit Countries (LIFDCs), Least Developed Countries (LDCs). The LIFDCs include 55 countries that are net importers of basic foodstuffs with per caput income below the level used by the World Bank to determine eligibility for International Development Aid (IDA) assistance (i.e. USD 1 945 in 2011). The LDCs group currently includes 48 countries with low income as well as weak human resources and low level of economic diversification. The list is reviewed every three years by the Economic and Social Council of the United Nations.

DISCLAIMER

The designations employed and the presentation of material in this publication do not imply the expression of any opinion whatsoever on the part of the Food and Agriculture Organization of the United Nations concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries.

APPENDIX TABLE 1(A): CEREAL STATISTICS

	Production			Imports			Exports		
	2010-2012 average	2013 <i>estim.</i>	2014 <i>f'cast</i>	10/11-12/13 average	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>	10/11-12/13 average	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>
(..... million tonnes.....)									
ASIA	1 062.3	1 125.1	1 119.7	148.7	173.8	170.7	52.5	59.5	51.7
Bangladesh	36.7	38.1	38.7	3.1	3.5	3.2	-	-	-
China	457.1	490.6	496.1	16.6	26.2	22.7	1.2	0.8	1.0
India	232.2	243.3	238.6	0.2	0.1	0.1	15.2	19.7	13.0
Indonesia	60.7	63.4	62.6	11.0	12.0	11.8	0.2	0.2	0.2
Iran, Islamic Republic of	20.3	20.3	19.3	9.0	12.7	12.9	0.3	0.2	0.2
Iraq	3.9	4.7	4.4	5.0	4.9	4.9	-	-	-
Japan	8.6	8.8	8.7	24.9	24.7	25.4	0.5	0.5	0.5
Kazakhstan	17.0	17.5	17.1	-	-	-	8.0	8.5	7.3
Korea, Republic of	4.4	4.5	4.4	13.7	14.5	14.5	0.1	0.1	0.1
Myanmar	20.5	20.2	20.7	0.3	0.3	0.3	0.8	1.2	1.2
Pakistan	34.1	36.1	37.1	0.3	0.7	0.8	3.9	3.8	3.9
Philippines	18.2	19.7	19.8	4.0	5.8	5.5	-	-	-
Saudi Arabia	1.4	1.0	0.9	13.3	16.3	16.1	-	-	-
Thailand	29.8	30.5	30.1	2.9	2.5	2.4	8.4	10.8	10.9
Turkey	33.4	37.1	33.4	4.7	5.9	6.5	3.1	3.6	2.8
Viet Nam	32.8	34.5	35.1	4.3	4.5	4.5	7.2	6.5	6.9
AFRICA	159.3	163.2	164.1	69.9	79.7	75.7	9.0	8.4	8.4
Algeria	4.7	4.9	4.6	9.6	11.6	10.7	-	-	-
Egypt	19.6	19.5	19.8	16.6	18.9	17.4	0.3	0.5	0.5
Ethiopia	20.0	23.6	22.5	1.0	1.0	0.7	0.9	1.6	1.6
Morocco	7.2	9.9	7.1	6.1	6.9	6.2	0.1	0.1	0.1
Nigeria	20.0	21.4	20.2	6.9	7.6	7.8	0.9	0.9	0.9
South Africa	14.7	14.9	17.4	3.0	3.2	3.2	2.5	2.1	2.4
Sudan	4.5	2.9	4.2	2.3	2.9	2.5	-	-	-
CENTRAL AMERICA	38.8	40.8	40.4	25.6	27.0	27.2	1.3	1.9	1.1
Mexico	32.3	34.1	34.1	15.2	16.1	16.3	1.2	1.7	0.9
SOUTH AMERICA	149.4	173.3	174.0	26.2	29.6	29.1	56.2	48.8	55.4
Argentina	45.2	48.1	51.4	-	0.1	0.1	31.6	17.9	26.3
Brazil	77.4	97.2	96.3	8.5	9.0	8.6	18.6	24.5	23.0
Chile	3.5	3.6	3.4	2.4	2.7	2.8	0.1	0.1	0.1
Colombia	3.5	3.9	3.6	5.7	7.1	7.1	0.1	0.1	0.1
Peru	4.0	4.2	4.1	3.9	4.5	4.4	-	-	-
Venezuela	3.1	3.4	3.1	3.8	4.4	4.6	-	0.1	0.1
NORTH AMERICA	427.7	500.2	494.1	8.5	10.0	10.8	95.6	109.4	98.5
Canada	48.7	66.4	49.4	1.5	1.1	1.4	22.1	27.2	25.5
United States of America	379.0	433.8	444.7	7.0	8.9	9.4	73.5	82.2	73.0
EUROPE	428.6	480.8	494.5	20.7	25.4	22.0	63.9	100.7	97.3
European Union	283.2	304.2	307.6	16.2	20.8	17.5	26.6	39.8	34.4
Russian Federation	73.7	89.3	102.1	1.2	1.4	1.2	15.7	25.4	30.3
Serbia	8.0	9.3	9.2	0.1	0.1	0.1	1.9	2.7	3.0
Ukraine	46.5	62.4	59.6	0.1	0.1	0.1	19.1	31.7	28.6
OCEANIA	39.7	42.6	36.1	1.5	1.5	1.5	27.2	26.0	24.6
Australia	38.8	41.7	35.3	0.2	0.2	0.2	27.2	26.0	24.6
WORLD	2 305.8	2 526.1	2 522.9	301.1	347.0	337.0	305.7	354.8	337.0
Developing countries	1 355.3	1 445.6	1 439.4	233.3	272.0	264.0	107.3	106.9	105.6
Developed countries	950.5	1 080.5	1 083.5	67.8	75.0	73.0	198.4	248.0	231.4
LIFDCs	426.0	444.7	439.2	48.1	54.6	53.3	21.2	25.8	18.5
LDCs	159.9	163.8	165.5	24.9	27.9	26.9	6.8	7.1	6.8

APPENDIX TABLE 1(B): CEREAL STATISTICS

	Total Utilization			Stocks ending in			Per caput food use		
	10/11-12/13 average	2013/14 estim.	2014/15 f'cast	2011-2013 average	2014 estim.	2015 f'cast	10/11-12/13 average	2013/14 estim.	2014/15 f'cast
	(. million tonnes)						(. Kg/year)		
ASIA	1 139.5	1 199.4	1 224.4	322.3	382.1	396.5	161.8	163.5	163.9
Bangladesh	39.2	41.0	41.7	10.2	10.2	10.3	191.6	194.1	197.0
China	464.1	488.1	505.5	176.4	217.6	231.1	150.3	150.6	150.5
India	212.6	220.6	224.4	44.4	52.2	52.8	154.6	156.5	157.6
Indonesia	69.6	74.0	75.1	12.1	14.1	12.8	207.9	211.0	212.2
Iran, Islamic Republic of	28.3	29.5	30.4	4.1	7.7	9.5	205.9	207.8	207.6
Iraq	8.5	9.2	9.3	1.6	2.4	2.3	196.2	197.4	197.7
Japan	33.2	33.1	33.5	5.0	4.7	5.3	129.4	128.0	127.5
Kazakhstan	9.2	9.7	9.8	3.8	2.4	2.4	165.3	166.4	166.4
Korea, Republic of	17.8	18.4	18.4	4.1	4.6	5.1	122.1	119.8	118.7
Myanmar	20.8	20.3	20.0	5.1	2.5	2.1	224.1	224.0	224.9
Pakistan	30.9	32.5	33.2	4.1	3.8	4.2	147.0	148.3	148.0
Philippines	22.7	25.5	25.1	3.0	3.0	3.2	159.5	163.4	163.2
Saudi Arabia	14.7	16.1	16.7	4.7	5.9	6.2	144.7	147.5	146.1
Thailand	20.5	22.0	22.9	13.6	18.6	17.3	155.8	162.1	162.9
Turkey	35.1	38.4	37.6	4.4	5.1	4.7	236.7	237.7	237.0
Viet Nam	29.4	31.7	32.2	5.3	6.7	6.9	206.1	212.9	212.4
AFRICA	218.3	230.5	231.9	38.7	39.6	38.0	150.4	150.0	149.4
Algeria	13.7	15.1	15.6	4.7	6.9	6.7	224.3	224.5	224.2
Egypt	36.1	37.3	37.6	6.6	6.7	5.7	292.4	291.7	291.8
Ethiopia	20.0	22.1	22.3	2.0	2.6	2.0	178.5	181.0	181.8
Morocco	13.1	14.3	14.0	4.0	5.9	5.1	258.2	258.0	258.8
Nigeria	25.8	27.0	26.8	1.2	1.3	1.0	116.4	114.7	113.6
South Africa	15.4	16.5	16.8	2.9	1.5	2.7	169.3	175.6	175.7
Sudan	7.0	6.6	6.8	1.5	0.5	0.6	173.2	168.1	171.0
CENTRAL AMERICA	62.8	65.4	66.4	5.3	6.2	6.3	157.5	157.6	157.7
Mexico	46.3	48.4	49.3	2.8	3.5	3.5	185.3	184.8	184.6
SOUTH AMERICA	123.4	134.8	139.0	19.4	24.5	28.2	122.0	123.7	122.0
Argentina	15.0	18.7	20.0	4.2	5.2	7.8	135.2	136.7	136.6
Brazil	69.9	75.8	78.2	7.7	11.3	13.0	116.4	118.7	115.3
Chile	5.7	6.0	6.0	0.6	0.8	0.8	150.3	151.2	150.9
Colombia	9.2	9.9	10.0	0.5	0.8	0.7	108.0	108.8	108.8
Peru	7.8	8.2	8.2	1.3	1.5	1.4	147.4	149.6	151.8
Venezuela	7.0	7.4	7.7	0.6	0.7	0.7	132.7	134.8	134.9
NORTH AMERICA	354.3	378.0	380.3	59.8	65.1	83.0	110.3	110.6	110.8
Canada	28.3	30.9	28.9	9.6	15.4	8.9	95.6	97.5	96.7
United States of America	326.0	347.1	351.5	50.3	49.7	74.1	111.9	112.1	112.3
EUROPE	396.8	394.0	404.1	55.5	54.8	69.7	136.0	136.2	136.2
European Union	279.3	277.5	286.1	30.3	33.5	37.9	135.2	135.7	136.1
Russian Federation	63.7	63.7	65.5	13.6	9.2	16.8	127.6	126.4	126.6
Serbia	6.5	6.4	6.3	1.1	0.9	0.8	150.6	152.5	132.7
Ukraine	27.6	29.3	29.3	7.6	8.1	9.9	169.6	170.3	170.4
OCEANIA	15.1	15.7	15.1	8.0	7.2	5.8	91.6	89.6	90.0
Australia	13.0	13.5	12.9	7.6	6.7	5.3	99.2	96.7	98.1
WORLD	2 310.2	2 417.8	2 461.3	509.1	579.5	627.5	152.0	153.1	153.2
Developing countries	1 463.8	1 546.3	1 577.0	368.6	437.5	451.9	157.2	158.4	158.4
Developed countries	846.4	871.5	884.3	140.5	142.0	175.5	131.0	131.4	131.4
LIFDCs	446.5	469.1	473.4	84.7	90.7	90.3	149.2	150.6	151.0
LDCs	176.7	185.0	185.7	37.1	33.4	32.9	154.5	155.4	155.1

APPENDIX TABLE 2(A): WHEAT STATISTICS

	Production			Imports			Exports		
	2010-2012 average	2013 <i>estim.</i>	2014 <i>f'cast</i>	10/11-12/13 average	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>	10/11-12/13 average	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>
(..... million tonnes)									
ASIA	305.0	318.6	321.1	63.3	75.7	73.8	17.0	20.1	15.1
Bangladesh	1.1	1.4	1.4	2.5	2.8	2.7	-	-	-
China	117.8	121.9	125.3	4.1	8.7	6.1	0.5	0.4	0.3
of which Taiwan Prov.	-	-	-	1.4	1.5	1.6	-	-	-
India	87.5	93.5	95.9	0.1	-	-	2.6	5.5	2.5
Indonesia	-	-	-	6.7	7.4	7.5	0.1	0.1	0.1
Iran, Islamic Republic of	13.6	14.0	13.0	2.5	6.0	5.5	0.3	0.2	0.2
Iraq	2.7	3.3	3.0	3.4	3.2	3.1	-	-	-
Japan	0.7	0.8	0.8	6.0	5.9	6.0	0.3	0.3	0.3
Kazakhstan	14.1	14.0	13.6	-	-	-	7.5	8.0	6.8
Korea, Republic of	-	-	-	5.0	4.2	4.4	0.1	0.1	0.1
Pakistan	24.0	24.2	25.3	0.2	0.6	0.7	0.9	0.4	0.4
Philippines	-	-	-	2.8	3.5	3.4	-	-	-
Saudi Arabia	1.0	0.6	0.5	2.2	3.4	3.5	-	-	-
Thailand	-	-	-	2.1	2.0	2.0	0.2	0.2	0.2
Turkey	20.5	22.1	19.8	3.5	4.2	4.7	2.9	3.3	2.5
AFRICA	24.1	27.6	26.1	39.8	44.2	41.1	1.2	1.1	0.9
Algeria	3.1	3.3	3.0	6.4	7.5	6.5	-	-	-
Egypt	8.1	8.8	9.0	10.0	10.5	10.0	-	-	-
Ethiopia	3.3	4.0	3.9	0.9	0.9	0.7	-	-	-
Morocco	4.9	7.0	5.1	3.9	4.2	3.3	0.1	0.1	0.1
Nigeria	0.1	0.1	0.1	4.0	4.5	4.5	0.5	0.5	0.5
South Africa	1.8	1.9	1.8	1.5	1.7	1.8	0.3	0.3	0.1
Tunisia	1.4	1.0	1.7	1.6	2.0	1.6	0.1	0.1	0.1
CENTRAL AMERICA	3.5	3.5	3.7	8.2	8.6	7.8	0.8	1.3	0.6
Cuba	-	-	-	0.8	0.8	0.8	-	-	-
Mexico	3.5	3.5	3.7	4.2	4.6	3.7	0.7	1.2	0.5
SOUTH AMERICA	22.8	19.1	23.8	13.6	13.9	13.1	13.1	2.8	9.9
Argentina	12.8	9.2	11.5	-	-	-	8.9	1.3	6.0
Brazil	5.4	5.7	7.9	6.8	6.9	6.3	2.0	-	2.0
Chile	1.4	1.5	1.4	0.8	0.8	0.7	-	-	-
Colombia	-	-	-	1.5	1.6	1.6	-	-	-
Peru	0.2	0.2	0.2	1.7	1.8	1.7	-	-	-
Venezuela	-	-	-	1.7	1.8	1.8	-	-	-
NORTH AMERICA	84.0	95.5	82.9	2.7	4.4	5.3	48.0	53.6	46.4
Canada	25.3	37.5	27.7	0.2	0.2	0.3	17.6	22.0	21.4
United States of America	58.7	58.0	55.2	2.5	4.2	5.0	30.5	31.6	25.0
EUROPE	205.9	225.4	236.3	8.0	6.6	8.1	37.6	59.9	59.0
European Union	135.5	143.7	147.1	5.6	3.7	5.5	19.9	30.6	26.5
Russian Federation	45.2	52.1	59.0	0.5	1.0	0.7	11.9	18.5	22.5
Ukraine	18.3	22.0	23.0	-	-	-	5.3	9.5	9.0
OCEANIA	27.0	27.3	24.5	0.8	0.7	0.7	20.9	18.3	18.1
Australia	26.7	27.0	24.2	-	-	-	20.9	18.3	18.1
WORLD	672.3	717.1	718.5	136.4	154.2	150.0	138.5	157.3	150.0
Developing countries	327.3	339.8	346.2	110.1	127.2	120.3	23.3	16.0	18.6
Developed countries	345.0	377.2	372.4	26.3	27.0	29.7	115.2	141.2	131.4
LIFDCs	107.9	116.3	118.9	29.1	32.6	31.7	3.9	6.8	3.8
LDCs	11.6	13.7	13.6	15.0	17.0	16.4	0.1	0.1	0.1

APPENDIX TABLE 2(B): WHEAT STATISTICS

	Total Utilization			Stocks ending in			Per caput food use		
	10/11-12/13	2013/14	2014/15	2011-2013	2014	2015	10/11-12/13	2013/14	2014/15
	average	estim.	f'cast	average	estim.	f'cast	average	estim.	f'cast
	(. million tonnes)						(. Kg/year)		
ASIA	352.1	363.2	367.9	91.9	98.2	109.8	64.4	65.0	65.2
Bangladesh	3.4	3.7	4.0	3.1	3.1	3.2	20.7	20.6	22.1
China	125.8	125.4	127.5	38.9	38.9	42.4	63.4	63.5	63.5
of which Taiwan Prov.	1.3	1.5	1.6	0.4	0.4	0.4	45.2	45.0	45.8
India	82.6	85.8	87.5	16.9	22.0	27.4	60.5	61.1	61.5
Indonesia	6.0	7.0	7.2	2.2	2.8	2.8	18.8	19.1	19.5
Iran, Islamic Republic of	15.8	16.7	16.9	1.9	4.9	6.8	167.7	167.2	166.9
Iraq	5.7	6.1	6.2	1.4	2.3	2.2	143.3	142.9	143.1
Japan	6.3	6.4	6.4	0.8	1.0	1.3	42.7	41.7	41.3
Kazakhstan	6.8	6.9	6.8	3.6	2.0	2.0	150.1	150.8	150.5
Korea, Republic of	4.9	4.3	4.3	1.0	0.7	0.9	47.9	48.1	47.9
Pakistan	23.6	24.4	24.8	2.1	1.7	2.4	124.5	124.8	124.2
Philippines	2.7	3.4	3.4	0.3	0.6	0.5	23.1	24.4	23.8
Saudi Arabia	3.4	3.7	3.7	2.4	2.3	2.6	97.7	98.9	98.7
Thailand	1.9	2.0	2.0	0.5	0.4	0.2	14.8	16.3	17.0
Turkey	21.0	22.5	22.2	2.5	2.7	2.5	210.3	210.9	210.3
AFRICA	62.1	65.8	67.2	16.6	19.8	18.3	51.3	51.1	51.0
Algeria	8.9	9.7	9.8	3.8	5.6	5.3	202.5	202.8	202.9
Egypt	18.2	19.2	19.5	5.0	4.7	4.2	198.5	198.0	198.5
Ethiopia	4.4	4.5	4.6	0.4	0.3	0.2	42.3	42.5	42.5
Morocco	8.4	8.9	9.0	2.7	4.7	4.0	202.7	203.0	203.0
Nigeria	3.4	3.5	3.5	0.2	0.2	0.2	17.4	17.6	17.6
South Africa	3.1	3.3	3.3	0.5	0.5	0.7	57.9	59.2	58.8
Tunisia	3.0	3.0	3.2	0.6	0.7	0.8	211.4	211.0	211.4
CENTRAL AMERICA	10.6	10.7	10.7	1.4	2.0	1.9	43.5	43.8	43.7
Cuba	0.8	0.8	0.8	-	-	-	56.4	56.5	57.0
Mexico	6.9	6.9	6.9	0.5	0.7	0.5	47.2	47.0	46.9
SOUTH AMERICA	25.5	26.5	27.1	5.1	6.2	6.8	59.9	60.3	60.2
Argentina	5.3	5.5	5.7	1.5	2.0	2.4	119.1	119.4	119.6
Brazil	10.7	11.3	11.5	0.8	1.6	1.8	52.4	52.9	52.5
Chile	2.2	2.3	2.4	0.2	0.2	0.2	119.4	120.6	120.4
Colombia	1.4	1.4	1.5	0.3	0.5	0.6	28.0	27.8	27.9
Peru	1.9	1.9	2.0	0.4	0.5	0.5	59.4	60.6	62.5
Venezuela	1.7	1.8	1.8	0.2	0.2	0.2	56.4	56.9	57.7
NORTH AMERICA	42.2	44.2	41.6	27.2	25.8	24.5	81.0	81.2	81.4
Canada	8.5	10.2	9.2	6.1	9.8	5.5	79.7	81.0	80.2
United States of America	33.7	34.0	32.4	21.1	16.1	19.0	81.1	81.2	81.5
EUROPE	181.4	171.0	178.5	27.5	20.9	27.7	109.3	109.1	109.0
European Union	123.3	116.3	123.4	10.1	9.0	11.5	111.0	111.2	111.4
Russian Federation	36.9	34.4	35.0	10.8	5.9	8.1	99.5	98.0	97.9
Ukraine	12.8	12.4	12.3	4.8	4.1	5.8	121.4	120.7	120.8
OCEANIA	7.7	7.7	7.8	4.9	3.6	3.4	67.5	65.8	66.2
Australia	6.7	6.7	6.8	4.5	3.2	3.0	78.9	77.1	78.3
WORLD	681.6	689.1	700.8	174.6	176.5	192.4	67.2	67.4	67.4
Developing countries	416.4	430.7	437.3	105.2	117.3	127.2	60.1	60.4	60.5
Developed countries	265.3	258.4	263.5	69.4	59.2	65.2	96.0	96.0	95.9
LIFDCs	130.3	137.7	140.0	31.9	37.1	42.6	45.9	46.5	46.7
LDCs	27.0	29.4	29.9	8.7	8.3	8.4	28.3	29.3	29.4

APPENDIX TABLE 3(A): COARSE GRAIN STATISTICS

	Production			Imports			Exports		
	2010-2012 average	2013 <i>estim.</i>	2014 <i>f'cast</i>	10/11-12/13 average	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>	10/11-12/13 average	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>
(..... million tonnes)									
ASIA	320.3	354.2	349.4	67.7	79.4	78.4	6.2	7.6	4.9
China	200.9	228.0	229.1	10.2	14.8	13.7	0.3	0.1	0.3
of which Taiwan Prov.	0.1	0.1	0.1	4.5	4.8	4.8	-	-	-
India	42.5	43.2	38.7	-	-	-	4.1	4.2	2.5
Indonesia	18.5	18.5	18.6	2.5	3.4	3.3	0.1	0.1	0.1
Iran, Islamic Republic of	4.9	4.5	4.5	4.9	5.2	5.8	-	-	-
Japan	0.2	0.2	0.2	18.2	18.1	18.7	-	-	-
Korea, D.P.R.	2.2	2.3	2.4	0.3	0.2	0.2	-	-	-
Korea, Republic of	0.2	0.2	0.2	8.2	9.9	9.6	-	-	-
Malaysia	0.1	0.1	0.1	3.1	3.8	3.5	-	-	-
Pakistan	4.6	5.1	5.1	-	-	-	-	-	-
Philippines	6.9	7.3	7.6	0.1	0.5	0.4	-	-	-
Saudi Arabia	0.4	0.4	0.4	9.8	11.5	11.2	-	-	-
Thailand	5.1	5.2	5.3	0.3	0.2	0.2	0.2	1.0	0.1
Turkey	12.4	14.5	13.1	1.0	1.3	1.5	0.1	0.3	0.3
Viet Nam	4.8	5.2	5.4	1.5	2.1	1.9	-	-	-
AFRICA	118.0	117.7	119.9	17.0	21.6	20.1	7.3	6.7	6.8
Algeria	1.6	1.6	1.6	3.1	4.0	4.1	-	-	-
Egypt	7.9	6.5	6.6	6.1	8.1	7.1	-	-	-
Ethiopia	16.7	19.5	18.5	0.1	0.1	-	0.9	1.6	1.6
Kenya	3.8	3.7	3.3	0.5	0.7	1.0	-	-	-
Morocco	2.3	2.9	1.9	2.3	2.7	3.0	-	-	-
Nigeria	17.2	18.5	17.4	0.2	0.2	0.2	0.4	0.4	0.4
South Africa	12.9	13.0	15.6	0.3	0.3	0.1	2.3	1.8	2.3
Sudan	4.2	2.6	3.9	0.4	0.6	0.3	-	-	-
Tanzania, United Rep. of	5.9	6.5	6.2	-	-	-	0.3	0.2	0.2
CENTRAL AMERICA	33.4	35.4	34.8	15.4	16.2	17.2	0.5	0.5	0.5
Mexico	28.7	30.5	30.3	10.3	10.8	11.9	0.5	0.5	0.4
SOUTH AMERICA	110.0	137.3	133.2	11.2	14.2	14.4	39.8	42.7	42.0
Argentina	31.4	37.8	38.8	-	0.1	0.1	22.1	15.9	19.6
Brazil	63.8	83.5	80.3	1.1	1.5	1.6	15.5	23.5	20.0
Chile	2.0	2.0	1.9	1.5	1.8	1.9	0.1	0.1	0.1
Colombia	1.7	2.0	1.8	4.1	5.4	5.3	-	0.1	0.1
Peru	1.8	1.9	1.8	1.9	2.5	2.5	-	-	-
Venezuela	2.6	2.6	2.5	1.9	2.3	2.4	-	0.1	0.1
NORTH AMERICA	337.1	398.6	404.2	4.8	4.5	4.4	44.3	52.7	48.7
Canada	23.4	28.8	21.7	0.9	0.5	0.7	4.5	5.2	4.1
United States of America	313.6	369.8	382.4	3.9	4.0	3.7	39.8	47.5	44.6
EUROPE	220.0	252.9	255.6	11.0	17.1	12.1	25.9	40.5	38.1
European Union	145.8	158.8	158.8	9.4	15.8	10.7	6.5	9.1	7.8
Russian Federation	27.8	36.6	42.5	0.5	0.2	0.3	3.6	6.8	7.6
Serbia	6.1	6.6	7.0	-	-	-	1.5	1.7	2.2
Ukraine	28.1	40.3	36.5	0.1	-	-	13.9	22.1	19.6
OCEANIA	12.2	14.5	11.0	0.2	0.3	0.3	5.9	7.2	6.1
Australia	11.7	13.9	10.5	-	-	-	5.9	7.2	6.1
WORLD	1 151.0	1 310.7	1 308.0	127.4	153.1	147.0	129.9	157.9	147.0
Developing countries	563.4	625.1	615.2	90.9	110.5	109.0	51.1	55.1	51.4
Developed countries	587.6	685.5	692.8	36.5	42.6	38.0	78.9	102.7	95.6
LIFDCs	148.8	151.9	146.7	4.6	5.8	5.3	8.5	8.8	6.5
LDCs	74.2	75.3	76.2	2.3	2.8	2.4	4.8	5.1	4.7

APPENDIX TABLE 3(B): COARSE GRAIN STATISTICS

	Total Utilization			Stocks ending in			Per caput food use		
	10/11-12/13 average	2013/14 estim.	2014/15 f'cast	2011-2013 average	2014 estim.	2015 f'cast	10/11-12/13 average	2013/14 estim.	2014/15 f'cast
	(..... million tonnes.....)						(..... Kg/year.....)		
ASIA	374.6	404.4	416.8	77.3	109.2	115.3	15.5	15.7	15.6
China	205.9	225.4	236.0	52.7	78.8	86.6	10.9	11.2	11.2
of which Taiwan Prov.	4.7	4.8	4.8	0.3	0.3	0.3	6.7	6.6	7.1
India	37.2	37.8	37.8	4.7	6.6	4.8	21.8	21.7	21.5
Indonesia	20.1	21.4	21.6	4.0	4.9	4.7	29.3	29.4	29.5
Iran, Islamic Republic of	9.4	9.4	10.1	1.8	2.2	2.1	1.4	1.3	1.3
Japan	18.8	18.5	18.9	1.5	1.0	1.3	29.2	29.2	29.3
Korea, D.P.R.	2.4	2.6	2.6	0.2	0.2	0.2	75.7	78.7	78.9
Korea, Republic of	8.4	9.5	9.5	1.5	2.1	2.4	4.4	4.5	4.5
Malaysia	3.2	3.8	3.4	0.2	0.1	0.3	1.6	1.6	1.6
Pakistan	4.4	5.1	5.2	1.6	1.4	1.1	9.3	9.5	9.4
Philippines	7.2	7.8	8.0	0.3	0.5	0.5	16.4	16.2	16.6
Saudi Arabia	10.0	11.1	11.6	2.1	3.5	3.5	3.5	3.3	3.3
Thailand	5.1	4.6	4.9	0.4	0.2	0.6	2.8	2.8	2.8
Turkey	13.3	15.1	14.6	1.8	2.3	2.1	17.5	17.2	17.0
Viet Nam	6.2	7.1	7.3	0.6	0.8	0.8	6.3	8.6	7.5
AFRICA	126.9	133.3	132.5	18.9	16.8	17.1	74.7	73.8	72.9
Algeria	4.7	5.3	5.6	1.0	1.3	1.4	18.9	18.6	18.3
Egypt	14.0	14.1	14.1	1.1	1.6	1.2	50.2	49.9	49.7
Ethiopia	15.5	17.5	17.5	1.5	2.4	1.8	134.8	136.9	137.6
Kenya	4.3	4.5	4.4	0.4	0.3	0.2	85.9	84.7	83.8
Morocco	4.7	5.3	5.0	1.3	1.2	1.1	54.1	53.1	53.9
Nigeria	17.1	17.9	17.5	0.5	0.7	0.4	71.0	68.7	66.4
South Africa	11.3	12.0	12.3	2.4	0.9	2.0	94.0	93.7	94.1
Sudan	4.5	3.7	4.2	0.5	-	0.2	103.6	93.7	102.0
Tanzania, United Rep. of	5.5	6.2	6.2	0.6	0.8	0.6	91.1	94.4	93.9
CENTRAL AMERICA	48.4	50.8	51.6	3.5	3.9	4.1	96.2	96.2	96.3
Mexico	38.6	40.8	41.6	2.4	2.8	3.0	131.7	131.4	131.5
SOUTH AMERICA	82.7	92.3	96.7	11.9	16.7	19.9	27.0	27.2	27.3
Argentina	9.3	12.8	13.9	2.7	3.1	5.4	7.4	7.4	7.4
Brazil	51.1	55.9	58.9	5.3	9.0	10.4	24.7	25.0	25.3
Chile	3.3	3.4	3.5	0.5	0.6	0.6	18.8	18.6	18.4
Colombia	5.9	6.5	6.5	0.1	0.2	0.1	42.9	43.3	43.1
Peru	3.8	4.0	4.0	0.6	0.6	0.6	24.7	24.0	23.8
Venezuela	4.4	4.7	4.8	0.4	0.5	0.5	51.0	51.5	50.7
NORTH AMERICA	307.8	329.6	334.3	31.3	38.2	57.2	18.4	18.3	18.2
Canada	19.4	20.4	19.3	3.4	5.5	3.3	4.9	4.7	4.7
United States of America	288.4	309.2	315.0	27.9	32.7	53.9	19.8	19.8	19.7
EUROPE	211.4	218.8	221.6	27.5	33.5	41.4	21.8	22.0	22.2
European Union	153.1	158.2	159.7	19.8	24.1	26.0	18.9	19.1	19.4
Russian Federation	26.1	28.6	29.8	2.8	3.2	8.6	23.5	23.3	23.5
Serbia	4.8	4.6	4.8	0.6	0.5	0.5	20.2	20.3	21.4
Ukraine	14.6	16.8	16.8	2.8	4.0	4.1	45.1	46.2	46.2
OCEANIA	6.8	7.3	6.6	3.1	3.4	2.4	8.1	8.2	8.1
Australia	6.0	6.5	5.8	3.0	3.4	2.3	9.9	9.6	9.5
WORLD	1 158.6	1 236.5	1 260.2	173.5	221.8	257.4	28.2	28.4	28.3
Developing countries	595.9	642.5	658.6	107.1	143.5	151.7	29.5	29.7	29.5
Developed countries	562.7	594.0	601.6	66.4	78.3	105.7	23.0	23.1	23.2
LIFDCs	142.8	149.0	148.4	17.3	18.0	15.2	40.2	40.1	39.8
LDCs	70.2	73.9	73.6	12.3	11.0	10.9	58.2	58.1	57.7

APPENDIX TABLE 4(A): MAIZE STATISTICS

	Production			Imports			Exports		
	2010-2012 average	2013	2014	10/11-12/13 average	2013/14	2014/15	10/11-12/13 average	2013/14	2014/15
		<i>estim.</i>	<i>f'cast</i>		<i>estim.</i>	<i>f'cast</i>		<i>estim.</i>	<i>f'cast</i>
(..... million tonnes)									
ASIA	271.2	304.5	302.7	50.6	56.8	57.1	5.5	7.0	4.3
China	191.9	218.5	220.0	7.7	7.7	8.1	0.2	0.1	0.2
of which Taiwan Prov.	-	-	-	4.3	4.5	4.5	-	-	-
India	21.9	24.4	21.0	-	-	-	4.0	4.2	2.5
Indonesia	18.5	18.5	18.6	2.4	3.3	3.2	0.1	0.1	0.1
Iran, Islamic Republic of	1.6	1.3	1.3	3.9	4.5	4.8	-	-	-
Japan	-	-	-	15.1	15.1	15.5	-	-	-
Korea, D.P.R.	2.1	2.2	2.3	0.3	0.2	0.2	-	-	-
Korea, Republic of	0.1	0.1	0.1	8.2	9.8	9.5	-	-	-
Malaysia	0.1	0.1	0.1	3.1	3.8	3.5	-	-	-
Pakistan	4.1	4.5	4.5	-	-	-	-	-	-
Philippines	6.9	7.3	7.6	0.1	0.5	0.4	-	-	-
Thailand	4.9	5.1	5.1	0.3	0.2	0.2	0.2	1.0	0.1
Turkey	4.4	5.9	5.5	0.8	1.2	1.3	-	0.2	0.2
Viet Nam	4.7	5.2	5.4	1.4	2.0	1.8	-	-	-
AFRICA	69.5	70.7	72.7	14.5	18.1	17.2	5.7	4.7	5.0
Algeria	-	-	-	2.7	3.5	3.7	-	-	-
Egypt	7.0	5.7	5.8	6.1	8.0	7.0	-	-	-
Ethiopia	6.6	7.6	7.2	-	0.1	-	0.5	0.5	0.5
Kenya	3.5	3.4	3.0	0.4	0.6	0.9	-	-	-
Morocco	0.2	0.2	0.2	1.8	2.0	2.2	-	-	-
Nigeria	9.1	10.4	9.5	0.2	0.2	0.2	0.3	0.3	0.3
South Africa	12.4	12.5	15.0	0.1	0.1	-	2.2	1.8	2.3
Tanzania, United Rep. of	4.7	5.4	5.0	-	-	-	0.3	0.2	0.2
CENTRAL AMERICA	25.4	26.9	26.5	13.2	15.3	15.8	0.5	0.5	0.5
Mexico	21.0	22.4	22.4	8.2	9.9	10.5	0.5	0.5	0.4
SOUTH AMERICA	96.2	123.2	119.2	9.2	11.8	12.1	34.3	38.6	37.7
Argentina	22.6	29.0	30.0	-	-	-	16.8	12.0	15.5
Brazil	61.2	80.5	77.5	0.7	0.9	1.0	15.5	23.5	20.0
Chile	1.4	1.5	1.4	0.8	1.2	1.3	-	-	-
Colombia	1.6	1.9	1.7	3.4	4.5	4.5	-	0.1	0.1
Peru	1.6	1.7	1.6	1.8	2.4	2.4	-	-	-
Venezuela	2.1	2.2	2.0	1.8	2.3	2.4	-	0.1	0.1
NORTH AMERICA	313.5	367.9	377.1	2.6	1.8	1.6	38.2	44.7	40.8
Canada	12.2	14.2	11.4	0.9	0.5	0.6	1.2	1.8	0.8
United States of America	301.3	353.7	365.7	1.7	1.4	1.0	37.0	43.0	40.0
EUROPE	96.0	117.0	119.5	9.0	15.6	10.2	16.2	28.6	25.7
European Union	60.7	64.5	69.6	8.3	15.0	9.5	2.0	2.9	2.0
Russian Federation	6.1	11.6	13.0	0.1	0.1	-	1.4	4.0	4.0
Serbia	5.7	6.2	6.6	-	-	-	1.5	1.7	2.2
Ukraine	18.1	30.7	26.5	-	-	-	11.1	19.5	17.0
OCEANIA	0.6	0.7	0.5	-	-	-	0.1	0.1	0.1
WORLD	872.3	1 010.9	1 018.1	99.0	119.3	114.0	100.5	124.2	114.0
Developing countries	448.2	510.9	504.3	70.8	84.9	85.0	43.7	49.0	45.1
Developed countries	424.1	500.0	513.8	28.2	34.4	29.0	56.8	75.2	68.9
LIFDCs	83.5	89.9	85.1	3.7	4.6	4.5	6.9	6.8	4.7
LDCs	40.2	43.0	43.1	1.8	1.9	1.9	3.3	3.3	3.0

APPENDIX TABLE 4(B): MAIZE STATISTICS

	Total Utilization			Stocks ending in			Per caput food use		
	10/11-12/13 average	2013/14 estim.	2014/15 f'cast	2011-2013 average	2014 estim.	2015 f'cast	10/11-12/13 average	2013/14 estim.	2014/15 f'cast
	(..... million tonnes.....)						(..... Kg/year.....)		
ASIA	310.1	333.1	345.2	66.0	95.8	104.4	9.5	9.7	9.7
China	194.5	209.1	219.1	50.3	76.3	84.7	7.7	7.9	7.8
of which Taiwan Prov.	4.5	4.5	4.5	0.3	0.2	0.2	5.2	5.1	5.6
India	17.4	18.5	18.7	2.8	4.7	4.3	7.3	7.6	7.6
Indonesia	20.0	21.3	21.5	4.0	4.9	4.7	28.9	29.0	29.1
Iran, Islamic Republic of	5.5	5.4	5.8	0.9	0.8	0.8	1.0	1.0	1.0
Japan	15.4	14.8	15.3	0.8	0.5	0.8	26.7	26.7	26.8
Korea, D.P.R.	2.3	2.5	2.5	0.2	0.2	0.2	74.2	76.6	76.7
Korea, Republic of	8.1	9.3	9.3	1.4	2.1	2.3	1.9	2.0	2.0
Malaysia	3.2	3.8	3.4	0.2	0.1	0.3	1.6	1.6	1.6
Pakistan	3.9	4.4	4.6	1.6	1.4	1.1	7.5	7.3	7.3
Philippines	7.2	7.8	8.0	0.3	0.5	0.5	16.4	16.2	16.5
Thailand	4.9	4.4	4.7	0.4	0.2	0.6	1.3	1.3	1.3
Turkey	5.2	6.4	6.5	0.5	0.9	1.0	13.5	13.3	13.2
Viet Nam	6.1	7.0	7.2	0.6	0.8	0.8	6.3	8.6	7.5
AFRICA	77.6	83.7	83.4	12.2	11.4	12.3	40.7	41.1	40.7
Algeria	2.7	3.3	3.5	0.4	0.6	0.8	3.4	3.6	3.5
Egypt	13.1	13.2	13.2	1.0	1.5	1.1	46.6	46.3	46.2
Ethiopia	5.9	7.0	6.9	0.5	0.8	0.6	47.3	49.2	48.7
Kenya	3.9	4.1	4.0	0.3	0.2	0.1	80.7	79.0	77.7
Morocco	1.8	2.2	2.3	0.6	0.7	0.8	10.8	10.6	10.4
Nigeria	9.1	9.9	9.7	0.3	0.5	0.2	32.5	32.1	31.1
South Africa	10.7	11.3	11.5	2.2	0.7	1.8	89.5	89.6	90.0
Tanzania, United Rep. of	4.3	5.1	5.0	0.4	0.6	0.4	69.8	73.6	73.1
CENTRAL AMERICA	38.2	40.9	41.8	2.9	3.5	3.6	95.1	95.0	95.1
Mexico	28.9	31.4	32.3	1.7	2.3	2.5	131.3	130.8	130.9
SOUTH AMERICA	72.4	81.1	85.1	10.1	14.8	17.8	25.6	25.8	25.9
Argentina	5.8	9.1	10.0	1.4	2.0	4.0	7.2	7.2	7.2
Brazil	48.2	52.5	55.5	5.0	8.5	10.0	23.7	24.0	24.3
Chile	2.1	2.3	2.3	0.3	0.5	0.5	16.7	16.5	16.3
Colombia	5.0	5.4	5.4	0.1	0.2	0.1	41.3	41.8	41.7
Peru	3.5	3.6	3.6	0.6	0.6	0.6	18.7	18.3	18.0
Venezuela	4.0	4.2	4.4	0.4	0.4	0.4	50.5	51.0	50.2
NORTH AMERICA	287.7	308.5	313.1	26.3	32.5	52.6	15.2	15.2	15.1
Canada	11.8	11.9	11.9	1.4	2.5	1.8	3.2	3.2	3.2
United States of America	275.9	296.6	301.1	24.9	30.0	50.8	16.5	16.6	16.4
EUROPE	89.4	96.5	100.8	12.0	17.7	20.7	8.2	8.4	8.5
European Union	67.2	72.2	75.4	8.7	12.0	13.7	9.5	9.7	9.8
Russian Federation	4.8	7.0	7.8	0.6	1.3	2.5	1.1	1.2	1.2
Serbia	4.5	4.2	4.4	0.5	0.5	0.5	18.6	18.8	19.8
Ukraine	7.3	9.5	9.5	1.3	3.1	3.1	12.7	14.4	14.2
OCEANIA	0.5	0.6	0.5	0.1	0.1	0.1	2.4	2.4	2.3
WORLD	875.8	944.4	969.9	129.5	175.7	211.5	17.7	18.1	18.0
Developing countries	469.2	509.2	525.3	88.0	123.8	135.0	18.6	18.9	18.9
Developed countries	406.7	435.2	444.6	41.5	51.9	76.5	14.3	14.4	14.5
LIFDCs	79.4	86.0	85.9	9.8	11.9	10.8	19.2	19.8	19.6
LDCs	37.6	41.4	41.1	7.5	7.5	7.7	28.0	28.9	28.6

APPENDIX TABLE 5(A): BARLEY STATISTICS

	Production			Imports			Exports		
	2010-2012 average	2013 <i>estim.</i>	2014 <i>f'cast</i>	10/11-12/13 average	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>	10/11-12/13 average	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>
(. million tonnes)									
ASIA	19.6	21.6	19.9	14.7	17.2	16.6	0.5	0.4	0.5
China	1.7	1.7	1.6	2.2	3.9	3.2	-	-	-
India	1.5	1.8	1.8	-	-	-	-	-	-
Iran, Islamic Republic of	3.3	3.2	3.2	1.0	0.7	1.0	-	-	-
Iraq	0.8	0.9	0.9	-	0.1	0.1	-	-	-
Japan	0.2	0.2	0.2	1.3	1.3	1.4	-	-	-
Kazakhstan	1.9	2.5	2.6	-	-	-	0.4	0.4	0.4
Saudi Arabia	-	-	-	7.8	9.0	8.5	-	-	-
Syria	0.7	1.0	0.3	0.4	0.4	0.5	-	-	-
Turkey	7.3	7.9	6.9	0.2	0.1	0.2	0.1	-	0.1
AFRICA	6.5	7.3	6.7	1.6	2.1	1.9	-	-	-
Algeria	1.5	1.5	1.5	0.4	0.5	0.4	-	-	-
Ethiopia	1.8	2.2	2.1	-	-	-	-	-	-
Libya	0.1	0.1	0.1	0.4	0.5	0.5	-	-	-
Morocco	2.0	2.7	1.7	0.3	0.5	0.5	-	-	-
Tunisia	0.6	0.3	0.7	0.4	0.5	0.4	-	-	-
CENTRAL AMERICA	0.7	0.8	0.8	-	0.1	0.1	-	-	-
Mexico	0.7	0.8	0.8	-	0.1	0.1	-	-	-
SOUTH AMERICA	5.0	5.7	5.6	0.7	1.0	0.9	3.0	2.8	2.6
Argentina	4.1	4.7	4.6	-	-	-	2.9	2.7	2.5
NORTH AMERICA	11.9	14.9	11.4	0.4	0.5	0.7	1.5	1.8	1.4
Canada	7.8	10.2	7.2	-	-	-	1.3	1.5	1.2
United States of America	4.0	4.7	4.2	0.3	0.5	0.7	0.2	0.3	0.2
EUROPE	79.7	85.9	87.9	0.9	0.4	0.8	9.1	10.9	11.5
Belarus	1.9	1.7	2.0	-	-	-	-	0.1	0.1
European Union	54.1	59.6	56.5	0.2	-	0.3	4.3	5.7	5.5
Russian Federation	13.8	15.4	20.0	0.4	0.1	0.3	2.1	2.7	3.5
Ukraine	8.2	7.6	8.0	-	-	-	2.7	2.5	2.5
OCEANIA	8.2	9.9	7.9	-	-	-	4.7	6.4	5.0
Australia	7.9	9.5	7.5	-	-	-	4.7	6.4	5.0
WORLD	131.6	146.1	140.2	18.3	21.3	21.0	18.9	22.3	21.0
Developing countries	28.2	30.8	28.4	15.2	18.6	17.6	3.1	2.8	2.7
Developed countries	103.3	115.3	111.8	3.2	2.7	3.4	15.8	19.5	18.3
LIFDCs	4.6	5.3	5.3	0.1	0.1	-	-	-	-
LDCs	2.4	2.7	2.6	-	-	-	-	-	-

APPENDIX TABLE 5(B): BARLEY STATISTICS

	Total Utilization			Stocks ending in			Per caput food use		
	10/11-12/13 average	2013/14 estim.	2014/15 f'cast	2011-2013 average	2014 estim.	2015 f'cast	10/11-12/13 average	2013/14 estim.	2014/15 f'cast
	(..... million tonnes.....)						(..... Kg/year.....)		
ASIA	33.5	37.1	37.1	7.5	9.8	8.7	0.6	0.7	0.7
China	4.0	5.4	5.4	1.4	1.6	1.0	0.1	0.2	0.2
India	1.5	1.8	1.8	-	-	-	1.1	1.2	1.3
Iran, Islamic Republic of	4.0	4.0	4.3	0.9	1.4	1.3	0.4	0.3	0.3
Iraq	0.8	1.0	1.0	0.1	-	-	3.9	3.9	3.7
Japan	1.6	1.5	1.5	0.4	0.3	0.3	2.4	2.4	2.4
Kazakhstan	1.5	1.9	2.1	0.1	0.3	0.4	1.2	1.2	1.2
Saudi Arabia	7.5	8.2	8.5	2.0	3.4	3.4	1.0	1.0	1.0
Syria	1.4	1.3	0.9	0.7	0.7	0.5	12.9	12.8	12.7
Turkey	7.4	7.9	7.4	1.2	1.3	1.0	1.1	1.1	1.1
AFRICA	8.5	8.9	8.9	1.8	2.0	1.7	3.6	3.5	3.7
Algeria	1.9	1.9	2.0	0.5	0.7	0.6	15.4	15.0	14.8
Ethiopia	1.8	2.0	2.2	0.1	0.3	0.2	17.4	17.1	18.7
Libya	0.5	0.6	0.6	-	-	-	13.6	13.4	13.3
Morocco	2.6	2.9	2.4	0.7	0.5	0.3	43.1	42.4	43.3
Tunisia	1.0	0.9	1.0	0.3	0.3	0.4	8.4	8.2	8.1
CENTRAL AMERICA	0.7	0.9	0.9	0.1	0.2	0.2	-	-	-
Mexico	0.7	0.9	0.9	0.1	0.2	0.2	-	-	-
SOUTH AMERICA	2.7	3.1	3.3	0.6	0.7	0.8	0.5	0.5	0.5
Argentina	1.1	1.3	1.5	0.5	0.6	0.8	-	-	-
NORTH AMERICA	10.8	11.7	10.9	2.9	3.7	2.7	0.5	0.5	0.5
Canada	6.3	7.0	6.1	1.2	1.9	0.9	0.3	0.3	0.3
United States of America	4.5	4.7	4.8	1.7	1.8	1.8	0.6	0.5	0.5
EUROPE	75.6	73.6	72.3	10.6	10.0	15.0	1.4	1.5	1.5
Belarus	1.9	1.8	1.7	0.2	0.1	0.4	-	-	-
European Union	53.4	51.9	50.8	7.7	8.0	8.5	0.7	0.8	0.8
Russian Federation	12.9	12.7	12.7	1.1	0.9	5.0	0.3	0.4	0.4
Ukraine	5.6	5.5	5.5	1.3	0.7	0.8	13.0	12.6	12.6
OCEANIA	3.6	4.0	3.6	1.9	1.9	1.5	0.2	0.2	0.2
Australia	3.2	3.6	3.2	1.9	1.9	1.5	0.3	0.3	0.3
WORLD	135.3	139.4	136.8	25.4	28.4	30.6	1.1	1.2	1.2
Developing countries	40.3	44.3	44.1	8.9	11.4	10.1	1.1	1.2	1.2
Developed countries	95.0	95.1	92.7	16.5	17.0	20.5	1.2	1.2	1.2
LIFDCs	4.7	5.1	5.4	0.4	0.6	0.6	1.3	1.3	1.4
LDCs	2.4	2.5	2.7	0.2	0.3	0.3	2.0	1.9	2.1

APPENDIX TABLE 6(A): SORGHUM STATISTICS

	Production			Imports			Exports		
	2010-2012 average	2013 <i>estim.</i>	2014 <i>f'cast</i>	10/11-12/13 average	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>	10/11-12/13 average	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>
(. million tonnes)									
ASIA	9.4	9.2	8.7	2.0	4.5	4.0	0.1	-	0.1
China	2.4	2.9	2.6	0.2	3.0	2.3	-	-	-
India	6.0	5.3	5.1	-	-	-	-	-	-
Japan	-	-	-	1.6	1.3	1.5	-	-	-
AFRICA	25.2	23.6	24.3	0.9	1.3	0.9	0.9	0.8	0.6
Burkina Faso	1.8	1.9	1.8	-	-	-	0.2	0.2	0.1
Ethiopia	4.0	4.6	4.3	-	0.1	-	0.3	0.4	0.4
Nigeria	6.7	6.7	6.5	-	-	-	0.1	0.1	0.1
Sudan	3.7	2.2	3.5	0.3	0.5	0.2	-	-	-
CENTRAL AMERICA	7.2	7.6	7.4	1.9	0.6	1.1	-	-	-
Mexico	6.8	7.2	7.0	1.9	0.6	1.0	-	-	-
SOUTH AMERICA	7.1	6.8	6.7	1.2	1.2	1.1	2.3	1.1	1.6
Argentina	4.1	3.6	3.7	-	-	-	2.3	1.1	1.6
Brazil	1.8	2.1	1.9	-	-	-	-	-	-
Venezuela	0.4	0.4	0.4	-	-	-	-	-	-
NORTH AMERICA	6.8	9.9	10.9	0.1	-	-	2.5	4.1	4.3
United States of America	6.8	9.9	10.9	0.1	-	-	2.5	4.1	4.3
EUROPE	0.8	0.9	0.9	0.6	0.3	0.4	-	-	-
European Union	0.6	0.6	0.7	0.5	0.2	0.3	-	-	-
OCEANIA	1.9	2.2	1.1	0.1	0.1	0.1	1.0	0.7	0.9
Australia	1.9	2.2	1.1	-	-	-	1.0	0.7	0.9
WORLD	58.4	60.1	60.1	6.8	8.1	7.5	6.9	6.9	7.5
Developing countries	48.7	46.9	46.9	4.2	6.2	5.4	3.3	2.0	2.2
Developed countries	9.7	13.2	13.2	2.5	1.9	2.1	3.6	4.9	5.3
LIFDCs	30.9	28.5	29.0	0.7	1.0	0.6	0.9	0.8	0.6
LDCs	16.4	14.9	15.7	0.5	0.8	0.4	0.8	0.7	0.5

APPENDIX TABLE 7(A): OTHER COARSE GRAIN STATISTICS: MILLET, RYE, OATS AND OTHER GRAINS

	Production			Imports			Exports		
	2010-2012 average	2013 <i>estim.</i>	2014 <i>f'cast</i>	10/11-12/13 average	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>	10/11-12/13 average	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>
(. million tonnes)									
ASIA	20.1	18.9	18.0	0.5	0.9	0.8	0.1	0.1	0.1
AFRICA	16.7	16.1	16.1	0.1	0.1	0.1	0.7	1.2	1.2
CENTRAL AMERICA	0.1	0.1	0.1	0.2	0.2	0.3	-	-	-
SOUTH AMERICA	1.7	1.7	1.7	0.1	0.2	0.3	0.1	0.1	0.1
NORTH AMERICA	4.9	5.9	4.8	1.8	2.2	2.0	2.0	2.0	2.2
EUROPE	43.6	49.2	47.3	0.5	0.8	0.9	0.6	1.0	0.8
OCEANIA	1.5	1.7	1.5	0.1	0.1	0.1	0.2	-	0.1
WORLD	88.7	93.6	89.6	3.3	4.4	4.5	3.7	4.4	4.5

APPENDIX TABLE 6(B): SORGHUM STATISTICS

	Total Utilization			Stocks ending in			Per caput food use		
	10/11-12/13 average	2013/14 estim.	2014/15 f'cast	2011-2013 average	2014 estim.	2015 f'cast	10/11-12/13 average	2013/14 estim.	2014/15 f'cast
	(. million tonnes)						(. Kg/year)		
ASIA	11.4	14.1	14.5	1.1	1.0	1.0	1.5	1.4	1.4
China	2.6	6.0	6.6	0.5	0.5	0.5	0.4	0.4	0.5
India	6.0	5.3	5.1	0.1	0.1	0.1	4.4	3.9	3.7
Japan	1.6	1.7	1.7	0.3	0.2	0.2	-	-	-
AFRICA	25.1	25.0	25.1	2.6	1.6	1.4	18.5	17.9	17.8
Burkina Faso	1.6	1.7	1.8	0.1	0.1	0.1	84.6	85.2	87.5
Ethiopia	3.7	4.1	4.1	0.2	0.4	0.2	32.2	31.5	31.6
Nigeria	6.7	6.7	6.5	0.1	0.1	0.1	32.5	30.9	29.6
Sudan	3.9	3.2	3.7	0.4	-	0.2	90.7	82.9	92.4
CENTRAL AMERICA	9.1	8.6	8.5	0.5	0.3	0.3	0.8	0.8	0.8
Mexico	8.7	8.2	8.0	0.5	0.3	0.3	-	-	-
SOUTH AMERICA	5.9	6.3	6.4	1.2	1.1	1.1	0.1	0.1	0.1
Argentina	1.8	1.8	1.9	0.7	0.5	0.6	-	-	-
Brazil	1.8	2.0	2.0	0.3	0.4	0.3	-	-	-
Venezuela	0.5	0.4	0.4	-	0.1	0.1	-	-	-
NORTH AMERICA	4.7	4.3	5.6	0.6	0.5	0.8	-	-	-
United States of America	4.7	4.3	5.6	0.6	0.5	0.8	-	-	-
EUROPE	1.5	1.1	1.1	0.2	0.1	0.2	0.3	0.3	0.3
European Union	1.2	0.8	0.9	0.2	0.1	0.2	0.4	0.4	0.4
OCEANIA	1.2	1.2	1.0	0.9	1.1	0.6	0.2	0.2	0.2
Australia	1.1	1.1	0.9	0.9	1.1	0.5	-	-	-
WORLD	58.9	60.6	62.2	7.0	5.8	5.4	3.8	3.6	3.6
Developing countries	49.7	52.0	52.6	5.1	3.8	3.6	4.6	4.5	4.4
Developed countries	9.3	8.6	9.7	2.0	2.0	1.8	0.3	0.3	0.3
LIFDCs	30.5	29.6	29.5	2.7	1.7	1.5	10.1	9.6	9.5
LDCs	15.9	15.8	16.1	2.2	1.4	1.2	14.7	14.3	14.5

APPENDIX TABLE 7(B): OTHER COARSE GRAIN STATISTICS: MILLET, RYE, OATS AND OTHER GRAINS

	Total Utilization			Stocks ending in			Per caput food use		
	10/11-12/13 average	2013/14 estim.	2014/15 f'cast	2011-2013 average	2014 estim.	2015 f'cast	10/11-12/13 average	2013/14 estim.	2014/15 f'cast
	(. million tonnes)						(. Kg/year)		
ASIA	19.7	20.1	20.1	2.7	2.6	1.2	3.8	3.8	3.9
AFRICA	15.8	15.7	15.1	2.3	1.8	1.7	11.8	11.3	10.7
CENTRAL AMERICA	0.3	0.3	0.5	-	-	-	0.2	0.4	0.4
SOUTH AMERICA	1.8	1.8	1.9	0.1	0.1	0.1	0.8	0.8	0.8
NORTH AMERICA	4.6	5.1	4.8	1.5	1.5	1.1	2.6	2.6	2.6
EUROPE	45.0	47.6	47.4	4.7	5.6	5.6	11.9	11.8	12.0
OCEANIA	1.4	1.5	1.5	0.2	0.3	0.3	5.3	5.4	5.4
WORLD	88.5	92.1	91.2	11.6	11.9	9.9	5.6	5.5	5.4

APPENDIX TABLE 8(A): RICE STATISTICS

	Production			Imports			Exports		
	2010-2012 average	2013 estim.	2014 f'cast	2011-2013 average	2014 estim.	2015 f'cast	2011-2013 average	2014 estim.	2015 f'cast
(. million tonnes, milled equivalent)									
ASIA	437.0	452.3	449.3	17.6	18.7	18.5	29.3	31.9	31.7
Bangladesh	33.8	34.4	35.0	0.6	0.6	0.4	-	-	-
China	138.4	140.7	141.7	2.3	2.8	3.0	0.5	0.3	0.4
of which Taiwan Prov.	1.2	1.2	1.3	0.2	0.2	0.2	-	-	-
India	102.2	106.5	104.0	0.1	0.1	0.1	8.6	10.0	8.0
Indonesia	42.3	44.9	44.0	1.8	1.2	1.0	-	-	-
Iran, Islamic Republic of	1.8	1.8	1.9	1.5	1.5	1.6	-	-	-
Iraq	0.2	0.2	0.2	1.4	1.4	1.5	-	-	-
Japan	7.7	7.8	7.7	0.7	0.7	0.7	0.2	0.2	0.2
Korea, D.P.R.	1.7	1.9	1.9	0.1	-	-	-	-	-
Korea, Republic of	4.2	4.2	4.1	0.5	0.5	0.5	-	-	-
Malaysia	1.6	1.7	1.7	1.0	1.0	1.1	-	-	-
Myanmar	18.8	18.1	18.6	-	-	-	0.6	0.7	0.8
Pakistan	5.5	6.8	6.7	0.1	0.1	0.1	3.0	3.4	3.5
Philippines	11.3	12.3	12.2	1.1	1.8	1.7	-	-	-
Saudi Arabia	-	-	-	1.3	1.4	1.4	-	-	-
Sri Lanka	2.7	3.1	2.4	-	0.2	0.1	-	-	-
Thailand	24.7	25.2	24.8	0.5	0.4	0.3	8.0	9.6	10.6
Viet Nam	28.0	29.3	29.7	0.6	0.5	0.5	7.2	6.5	6.9
AFRICA	17.2	17.9	18.0	13.1	14.0	14.4	0.5	0.6	0.7
Cote d'Ivoire	0.4	0.5	0.5	1.2	1.3	1.3	-	-	-
Egypt	3.7	4.2	4.1	0.4	0.3	0.3	0.3	0.5	0.5
Madagascar	3.0	2.4	2.6	0.3	0.5	0.5	-	-	-
Nigeria	2.7	2.8	2.8	2.6	2.9	3.1	-	-	-
Senegal	0.3	0.3	0.3	1.0	1.0	1.1	-	-	-
South Africa	-	-	-	1.1	1.2	1.3	-	-	-
Tanzania, United Rep. of	1.5	1.3	1.4	0.1	0.1	0.1	-	0.1	0.1
CENTRAL AMERICA	1.8	1.9	1.9	2.1	2.1	2.1	0.1	0.1	-
Cuba	0.4	0.4	0.5	0.4	0.4	0.4	-	-	-
Mexico	0.1	0.1	0.1	0.6	0.7	0.7	-	-	-
SOUTH AMERICA	16.6	16.9	17.0	1.4	1.6	1.6	3.4	3.4	3.5
Argentina	1.0	1.1	1.1	-	-	-	0.6	0.6	0.7
Brazil	8.2	7.9	8.1	0.7	0.7	0.7	1.1	1.0	1.0
Peru	1.9	2.1	2.0	0.2	0.2	0.2	-	-	-
Uruguay	1.0	1.0	0.9	-	-	-	0.9	0.9	0.8
NORTH AMERICA	6.6	6.1	7.0	1.0	1.2	1.1	3.3	3.1	3.4
Canada	-	-	-	0.4	0.4	0.4	-	-	-
United States of America	6.6	6.1	7.0	0.6	0.7	0.7	3.3	3.1	3.4
EUROPE	2.7	2.5	2.5	1.6	1.8	1.7	0.4	0.2	0.2
European Union	1.9	1.7	1.7	1.2	1.3	1.3	0.2	0.1	0.1
Russian Federation	0.7	0.6	0.7	0.2	0.2	0.2	0.2	0.1	0.1
OCEANIA	0.4	0.8	0.6	0.5	0.5	0.5	0.4	0.4	0.5
Australia	0.4	0.8	0.6	0.1	0.2	0.2	0.4	0.4	0.5
WORLD	482.5	498.4	496.4	37.3	39.7	40.0	37.3	39.7	40.0
Developing countries	464.5	480.6	478.1	32.3	34.4	34.7	33.0	35.7	35.6
Developed countries	17.9	17.7	18.3	5.0	5.3	5.3	4.3	4.0	4.4
LIFDCs	169.3	176.5	173.6	14.4	16.2	16.3	8.8	10.2	8.2
LDCs	74.0	74.8	75.7	7.6	8.1	8.1	1.9	1.9	2.1

APPENDIX TABLE 8(B): RICE STATISTICS

	Total Utilization			Stocks ending in			Per caput food use		
	10/11-12/13 average	2013/14 estim.	2014/15 f'cast	2011-2013 average	2014 estim.	2015 f'cast	10/11-12/13 average	2013/14 estim.	2014/15 f'cast
	(..... million tonnes, milled equivalent.....)						(..... Kg/year.....)		
ASIA	412.8	431.8	439.6	153.1	174.7	171.4	81.8	82.8	83.1
Bangladesh	33.9	34.9	35.3	6.9	6.7	6.8	166.6	168.9	170.3
China	132.4	137.4	142.0	84.8	99.9	102.1	76.1	75.9	75.8
of which Taiwan Prov.	1.4	1.4	1.4	0.1	0.1	0.1	54.0	54.4	55.1
India	92.9	97.0	99.1	22.9	23.5	20.5	72.3	73.8	74.5
Indonesia	43.5	45.7	46.3	6.0	6.4	5.3	159.7	162.5	163.2
Iran, Islamic Republic of	3.2	3.4	3.5	0.4	0.6	0.6	36.8	39.3	39.4
Iraq	1.5	1.7	1.7	0.1	0.1	0.1	46.8	48.6	48.8
Japan	8.1	8.2	8.2	2.6	2.7	2.7	57.5	57.1	57.0
Korea, D.P.R.	1.7	1.9	1.9	0.1	0.1	0.1	62.9	67.8	67.8
Korea, Republic of	4.6	4.6	4.5	1.6	1.8	1.8	69.8	67.2	66.4
Malaysia	2.7	2.7	2.7	0.3	0.2	0.2	83.4	82.9	83.0
Myanmar	19.1	18.6	18.3	4.7	2.2	1.9	211.9	211.4	211.5
Pakistan	2.8	3.1	3.2	0.5	0.7	0.7	13.2	14.0	14.3
Philippines	12.8	14.3	13.7	2.4	2.0	2.2	120.0	122.8	122.9
Saudi Arabia	1.3	1.4	1.4	0.2	0.2	0.2	43.5	45.3	44.1
Sri Lanka	2.8	2.9	2.8	0.3	0.3	0.2	117.6	118.0	118.1
Thailand	13.5	15.5	16.0	12.6	18.0	16.5	138.2	143.1	143.2
Viet Nam	21.2	22.5	22.8	3.4	5.2	5.7	187.1	191.8	192.7
AFRICA	29.2	31.4	32.1	3.3	3.0	2.7	24.4	25.2	25.5
Cote d'Ivoire	1.6	1.7	1.8	0.1	0.1	0.1	75.9	78.0	78.1
Egypt	3.9	4.1	4.0	0.5	0.5	0.4	43.7	43.7	43.7
Madagascar	3.2	3.0	3.1	0.2	0.1	-	123.8	117.2	117.5
Nigeria	5.3	5.6	5.8	0.5	0.5	0.5	28.0	28.4	29.6
Senegal	1.2	1.3	1.4	0.2	0.3	0.3	88.4	90.7	90.8
South Africa	1.0	1.3	1.3	-	0.1	0.1	17.4	22.7	22.8
Tanzania, United Rep. of	1.4	1.4	1.4	0.3	0.2	0.2	23.7	23.3	23.4
CENTRAL AMERICA	3.9	4.0	4.0	0.4	0.3	0.3	17.7	17.7	17.7
Cuba	0.8	0.8	0.8	-	-	-	64.7	66.7	67.9
Mexico	0.8	0.8	0.8	-	-	-	6.4	6.3	6.3
SOUTH AMERICA	15.1	15.9	15.3	2.4	1.5	1.5	35.1	36.2	34.4
Argentina	0.4	0.5	0.5	-	0.1	0.1	8.7	9.8	9.6
Brazil	8.1	8.5	7.8	1.6	0.7	0.8	39.3	40.8	37.5
Peru	2.1	2.2	2.2	0.3	0.4	0.3	63.3	65.0	65.5
Uruguay	0.1	0.1	0.1	-	-	-	9.2	9.6	9.9
NORTH AMERICA	4.3	4.3	4.5	1.4	1.1	1.3	11.0	11.1	11.2
Canada	0.4	0.4	0.4	-	0.1	0.1	10.9	11.8	11.8
United States of America	4.0	3.9	4.1	1.3	1.0	1.2	11.0	11.0	11.1
EUROPE	3.9	4.1	4.0	0.6	0.5	0.5	4.9	5.1	5.0
European Union	2.9	3.0	2.9	0.5	0.4	0.4	5.2	5.4	5.3
Russian Federation	0.7	0.8	0.8	-	-	-	4.6	5.1	5.2
OCEANIA	0.7	0.7	0.7	0.1	0.2	0.1	15.9	15.6	15.7
Australia	0.3	0.3	0.3	-	0.1	0.1	10.4	10.0	10.3
WORLD	470.0	492.1	500.3	161.1	181.3	177.7	56.6	57.4	57.5
Developing countries	451.5	473.0	481.1	156.4	176.8	173.1	67.6	68.3	68.4
Developed countries	18.5	19.1	19.2	4.7	4.5	4.6	12.1	12.4	12.4
LIFDCs	173.5	182.4	185.0	35.5	35.6	32.4	63.1	63.9	64.5
LDCs	79.5	81.7	82.3	16.2	14.1	13.6	68.1	68.0	68.1

APPENDIX TABLE 9: CEREAL SUPPLY AND UTILIZATION IN SELECTED EXPORTERS (million tonnes)

	Wheat ¹			Coarse Grains ²			Rice (milled basis)		
	2012/13	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>	2012/13	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>	2012/13	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>
	UNITED STATES (June/May)			UNITED STATES			UNITED STATES (Aug./July)		
Opening stocks	20.2	19.5	16.1	27.8	23.5	32.7	1.3	1.2	1.0
Production	61.7	58.0	55.2	286.3	369.8	382.4	6.3	6.1	7.0
Imports	3.3	4.6	4.6	6.7	3.3	3.6	0.7	0.7	0.7
Total Supply	85.2	82.1	75.9	320.8	396.6	418.7	8.3	8.0	8.7
Domestic use	38.1	34.0	32.4	276.6	309.2	315.0	3.8	4.0	4.2
Exports	27.5	32.0	24.5	20.8	54.7	49.8	3.4	3.0	3.3
Closing stocks	19.5	16.1	19.0	23.5	32.7	53.9	1.2	1.0	1.2
	CANADA (August/July)			CANADA			THAILAND (Nov./Oct.)³		
Opening stocks	5.9	5.1	9.8	3.4	3.1	5.5	13.0	17.5	18.0
Production	27.2	37.5	27.7	24.5	28.8	21.7	25.2	25.2	24.8
Imports	0.1	0.1	0.0	0.6	0.5	0.9	0.6	0.4	0.3
Total Supply	33.2	42.6	37.6	28.5	32.5	28.1	38.7	43.1	43.1
Domestic use	8.6	10.2	9.2	19.0	20.4	19.3	14.6	15.5	16.0
Exports	19.6	22.7	22.9	6.4	6.6	5.5	6.6	9.6	10.6
Closing stocks	5.1	9.8	5.5	3.1	5.5	3.3	17.5	18.0	16.5
	ARGENTINA (Dec./Nov.)			ARGENTINA			INDIA (Oct./Sept.)³		
Opening stocks	0.8	0.3	2.0	4.0	1.8	3.1	23.5	23.9	23.5
Production	8.0	9.2	11.5	31.2	37.8	38.8	105.2	106.5	104.0
Imports	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1
Total Supply	8.8	9.5	13.6	35.2	39.7	42.0	128.8	130.5	127.6
Domestic use	5.3	5.5	5.7	9.6	12.8	13.9	94.5	97.0	99.1
Exports	3.3	2.0	5.5	23.8	23.8	22.7	10.5	10.0	8.0
Closing stocks	0.3	2.0	2.4	1.8	3.1	5.4	23.9	23.5	20.5
	AUSTRALIA (Oct./Sept.)			AUSTRALIA			PAKISTAN (Nov./Oct.)³		
Opening stocks	4.9	2.4	3.2	2.8	2.7	3.4	0.8	0.4	0.7
Production	22.9	27.0	24.2	11.5	13.9	10.5	5.5	6.8	6.7
Imports	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1
Total Supply	27.8	29.4	27.5	14.4	16.6	13.8	6.3	7.2	7.4
Domestic use	6.7	6.7	6.8	5.7	6.5	5.8	2.9	3.1	3.2
Exports	18.6	19.5	17.6	5.9	6.8	5.8	3.1	3.4	3.5
Closing stocks	2.4	3.2	3.0	2.7	3.4	2.3	0.4	0.7	0.7
	EU (July/June)			EU			VIET NAM (Nov./Oct.)³		
Opening stocks	10.8	8.7	9.0	21.4	16.6	24.1	2.9	4.4	5.2
Production	132.6	143.7	147.1	144.8	158.8	158.8	29.2	29.3	29.7
Imports	5.3	3.7	5.5	11.9	15.8	10.7	0.6	0.5	0.5
Total Supply	148.7	156.1	161.6	178.2	191.3	193.5	32.7	34.2	35.4
Domestic use	118.1	116.3	123.4	154.8	158.2	159.7	21.7	22.5	22.8
Exports	21.9	30.8	26.7	6.8	9.1	7.8	6.7	6.5	6.9
Closing stocks	8.7	9.0	11.5	16.6	24.1	26.0	4.4	5.2	5.7
	TOTAL OF ABOVE			TOTAL OF ABOVE			TOTAL OF ABOVE		
Opening stocks	42.7	36.0	40.1	59.5	47.8	68.7	41.5	47.3	48.4
Production	252.3	275.4	265.8	498.4	609.2	612.2	171.4	173.9	172.2
Imports	8.7	8.4	10.2	19.2	19.7	15.2	2.0	1.8	1.6
Total Supply	303.7	319.7	316.1	577.1	676.7	696.1	214.9	222.9	222.2
Domestic use	176.8	172.7	177.4	465.7	507.0	513.7	137.4	142.0	145.4
Exports	91.0	107.0	97.2	63.7	101.1	91.6	30.3	32.5	32.3
Closing stocks	36.0	40.1	41.4	47.8	68.7	90.8	47.3	48.4	44.6

¹ Trade data include wheat flour in wheat grain equivalent. For the EU semolina is also included.

² **Argentina** (December/November) for rye, barley and oats, (March/February) for maize and sorghum; **Australia** (November/October) for rye, barley and oats, (March/February) for maize and sorghum; **Canada** (August/July); **EU** (July/June); **United States** (June/May) for rye, barley and oats, (September/August) for maize and sorghum.

³ Rice trade data refer to the calendar year of the second year shown.

APPENDIX TABLE 10: TOTAL OILCROPS STATISTICS (million tonnes)

	Production ¹			Imports			Exports		
	10/11-12/13 average	2013/14 estim.	2014/15 f'cast	10/11-12/13 average	2013/14 estim.	2014/15 f'cast	10/11-12/13 average	2013/14 estim.	2014/15 f'cast
ASIA	133.0	135.4	132.9	82.7	99.1	105.1	2.6	2.7	2.4
China	59.9	59.2	57.0	62.7	77.8	81.9	1.2	1.0	1.0
of which Taiwan Prov.	0.1	0.1	0.1	2.3	2.3	2.5	-	-	-
India	37.8	38.6	38.5	0.2	0.2	0.2	0.8	0.8	0.7
Indonesia	9.8	10.9	11.1	2.0	2.2	2.3	0.1	0.1	0.1
Iran, Islamic Republic of	0.7	0.7	0.7	0.6	0.5	0.7	-	-	-
Japan	0.3	0.3	0.3	5.6	5.7	6.0	-	-	-
Korea, Republic of	0.2	0.2	0.2	1.6	1.5	1.6	-	-	-
Malaysia	4.9	5.1	5.1	0.7	0.7	0.8	-	0.1	0.1
Pakistan	5.2	5.4	5.4	1.2	1.3	1.5	-	-	-
Thailand	0.7	0.8	0.8	2.0	2.0	2.3	-	-	-
Turkey	2.6	3.1	2.8	2.2	2.2	2.4	0.1	0.1	-
AFRICA	17.2	17.6	17.5	3.2	3.6	3.9	0.8	0.7	0.8
Nigeria	4.8	5.0	5.1	-	-	-	0.2	0.1	0.1
CENTRAL AMERICA	1.5	1.6	1.6	6.1	6.5	6.8	0.2	0.1	0.1
Mexico	1.0	1.1	1.2	5.5	5.8	6.1	-	-	-
SOUTH AMERICA	142.6	164.8	173.3	1.3	2.3	1.9	52.6	64.8	65.4
Argentina	51.0	57.6	59.3	0.1	0.1	-	8.8	9.5	9.4
Brazil	78.1	89.9	96.4	0.2	0.9	0.2	36.2	46.3	46.8
Paraguay	7.3	9.6	9.8	-	-	-	4.7	4.9	5.0
NORTH AMERICA	115.5	122.3	137.8	2.2	4.2	2.2	50.9	59.5	61.2
Canada	19.7	24.7	21.3	0.6	0.6	0.7	11.7	13.7	13.8
United States of America	95.8	97.6	116.5	1.6	3.6	1.4	39.1	45.9	47.4
EUROPE	53.9	64.0	67.3	19.2	22.1	19.8	4.4	6.2	6.7
European Union	29.2	32.2	34.5	17.7	19.7	17.9	0.9	1.1	1.1
Russian Federation	10.3	13.1	13.6	1.0	1.8	1.3	0.3	0.4	0.5
Ukraine	12.3	16.3	16.7	-	-	-	2.9	4.2	4.7
OCEANIA	5.4	5.6	5.0	0.1	-	0.1	3.2	3.6	3.0
Australia	5.0	5.2	4.6	-	-	-	3.1	3.5	2.9
WORLD	469.0	511.2	535.4	114.7	137.7	139.7	114.7	137.7	139.6
Developing countries	288.8	313.2	319.6	86.9	104.7	110.6	56.1	67.9	68.5
Developed countries	180.2	198.1	215.8	27.9	33.0	29.0	58.6	69.8	71.2
LIFDCs	125.7	126.2	124.3	63.5	78.9	83.2	3.2	3.2	3.0
LDCs	10.9	10.9	10.9	0.4	0.4	0.4	0.5	0.4	0.5

¹ The split years bring together northern hemisphere annual crops harvested in the latter part of the first year shown, with southern hemisphere annual crops harvested in the early part of the second year shown; for tree crops which are produced throughout the year, calendar year production for the second year shown is used.

APPENDIX TABLE 11: TOTAL OILS AND FATS STATISTICS (*million tonnes*)

	Imports			Exports			Utilization		
	10/11-12/13 average	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>	10/11-12/13 average	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>	10/11-12/13 average	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>
ASIA	41.1	42.9	45.0	45.8	47.2	48.4	92.8	104.1	108.3
Bangladesh	1.5	1.6	1.7	-	-	-	1.7	1.9	2.0
China	11.3	11.4	11.5	0.6	0.7	0.6	34.3	37.9	39.1
of which Taiwan Prov.	0.4	0.4	0.4	-	-	-	0.8	0.8	0.9
India	10.0	11.4	12.4	0.5	0.5	0.5	19.6	21.3	21.9
Indonesia	0.1	0.1	0.1	21.4	23.6	23.9	8.5	11.2	12.2
Iran	1.7	1.3	1.9	0.2	0.1	0.2	1.9	1.9	2.1
Japan	1.2	1.3	1.3	-	-	-	3.1	3.2	3.2
Korea, Republic of	1.0	1.0	1.0	-	-	-	1.4	1.4	1.4
Malaysia	2.4	1.2	1.4	19.3	18.6	19.4	3.9	4.7	5.2
Pakistan	2.4	2.6	2.6	0.2	0.1	0.1	4.0	4.3	4.5
Philippines	0.6	0.8	0.9	1.0	0.8	0.9	1.4	1.6	1.7
Singapore	0.9	0.8	0.9	0.2	0.2	0.2	0.7	0.7	0.7
Turkey	1.5	1.8	1.9	0.5	0.8	0.8	2.5	2.8	2.9
AFRICA	8.5	9.1	9.5	1.7	1.7	1.7	14.2	15.0	15.4
Algeria	0.6	0.6	0.6	-	-	-	0.7	0.7	0.8
Egypt	1.8	1.9	2.0	0.4	0.3	0.3	1.9	2.1	2.2
Nigeria	1.0	1.1	1.2	0.1	0.1	0.1	2.8	2.9	3.0
South Africa	0.9	0.8	0.9	0.1	0.1	0.1	1.3	1.3	1.4
CENTRAL AMERICA	2.5	2.6	2.7	0.8	1.0	1.0	4.8	5.1	5.3
Mexico	1.3	1.4	1.5	0.1	-	0.1	3.2	3.4	3.5
SOUTH AMERICA	2.8	3.1	3.2	8.7	8.5	9.2	15.2	16.8	18.6
Argentina	0.1	-	-	5.4	5.1	5.5	3.3	4.1	4.3
Brazil	0.6	0.7	0.7	1.9	1.5	1.8	7.7	8.1	9.5
NORTH AMERICA	4.6	4.9	4.8	6.9	6.6	6.6	18.8	19.2	19.8
Canada	0.6	0.5	0.6	3.2	3.3	3.2	1.2	1.3	1.3
United States of America	4.1	4.4	4.3	3.6	3.2	3.3	17.6	17.9	18.5
EUROPE	13.2	13.7	13.0	7.7	10.2	10.1	36.3	37.0	37.9
European Union	10.8	11.2	10.6	2.9	3.0	3.1	29.9	30.8	31.3
Russian Federation	1.1	1.1	1.1	1.3	2.4	2.3	4.0	4.0	4.2
Ukraine	0.3	0.3	0.3	3.2	4.3	4.2	1.0	0.8	1.0
OCEANIA	0.6	0.7	0.7	1.8	1.9	1.9	1.1	1.2	1.4
Australia	0.5	0.6	0.6	0.7	0.7	0.7	0.7	0.9	1.0
WORLD	73.3	77.1	78.9	73.4	77.1	78.9	183.2	198.4	206.6
Developing countries	52.3	55.1	57.6	57.5	59.0	60.9	121.7	135.5	142.0
Developed countries	21.0	22.0	21.3	15.8	18.1	18.0	61.5	62.9	64.6
LIFDCs	32.0	34.7	36.1	4.3	4.3	4.3	73.0	79.9	82.1
LDCs	5.2	5.7	5.8	0.4	0.4	0.4	8.3	8.8	8.9

¹ Includes oils and fats of vegetable, marine and animal origin.

APPENDIX TABLE 12: TOTAL MEALS AND CAKES STATISTICS¹ (million tonnes)

	Imports			Exports			Utilization		
	10/11-12/13 average	2013/14 estim.	2014/15 f'cast	10/11-12/13 average	2013/14 estim.	2014/15 f'cast	10/11-12/13 average	2013/14 estim.	2014/15 f'cast
ASIA	31.3	35.0	37.8	15.4	16.1	16.2	131.1	144.6	152.1
China	3.2	2.9	3.1	1.4	2.5	1.5	71.6	80.0	84.3
of which Taiwan Prov.	0.5	0.5	0.6	-	-	-	2.4	2.4	2.6
India	0.2	0.2	0.3	5.7	4.3	5.2	12.0	12.5	12.8
Indonesia	3.5	4.0	4.3	3.4	4.1	4.2	5.3	5.8	6.1
Japan	2.6	2.7	2.9	-	-	-	6.7	6.5	6.9
Korea, Republic of	3.5	4.0	4.2	0.1	0.1	0.1	4.7	5.0	5.2
Malaysia	1.2	1.4	1.6	2.5	2.6	2.6	1.9	2.1	2.2
Pakistan	0.7	0.9	1.2	0.2	0.2	0.2	3.3	3.8	3.9
Philippines	2.0	2.4	2.4	0.5	0.5	0.5	2.4	2.8	2.8
Saudi Arabia	0.7	0.8	0.9	-	-	-	0.7	0.8	0.9
Thailand	3.2	3.2	3.7	0.1	0.2	0.1	5.4	5.6	5.9
Turkey	1.7	2.2	2.6	0.2	0.2	0.1	3.9	4.7	5.1
Viet Nam	3.5	3.8	4.0	0.1	0.2	0.2	4.1	4.9	5.3
AFRICA	4.6	5.3	5.6	0.9	1.0	1.0	11.1	12.0	12.4
Egypt	1.0	1.1	1.1	-	-	-	2.5	2.7	2.7
South Africa	1.3	1.3	1.4	0.1	0.1	0.1	2.1	2.3	2.3
CENTRAL AMERICA	3.4	3.5	3.8	0.2	0.2	0.2	8.2	8.5	9.0
Mexico	1.8	1.8	2.1	0.1	0.1	0.1	6.1	6.3	6.7
SOUTH AMERICA	4.9	5.2	5.6	45.1	46.6	49.4	23.7	26.0	30.1
Argentina	-	-	-	27.0	27.2	29.3	2.5	3.8	4.9
Bolivia	-	-	-	1.4	1.5	1.5	0.1	0.1	0.1
Brazil	0.2	-	-	14.0	13.8	14.6	14.6	15.0	17.6
Chile	1.0	1.2	1.3	0.3	0.3	0.3	1.4	1.6	1.7
Paraguay	-	-	-	1.1	2.5	2.5	0.5	0.6	0.4
Peru	0.9	0.9	1.0	1.2	1.0	1.0	1.0	1.1	1.2
Venezuela	1.3	1.3	1.4	-	-	-	1.4	1.5	1.5
NORTH AMERICA	4.2	5.0	5.1	13.6	15.4	15.7	34.9	32.7	35.3
Canada	1.2	1.1	1.3	4.1	4.5	4.4	2.3	2.1	2.3
United States of America	3.1	4.0	3.8	9.5	10.9	11.3	32.6	30.6	33.0
EUROPE	31.2	30.7	30.3	6.6	8.0	8.4	61.4	63.9	64.9
European Union	28.5	28.1	28.3	1.4	1.0	1.4	54.0	56.0	56.1
Russian Federation	0.6	0.5	0.6	1.6	2.6	2.6	4.2	4.5	5.0
Ukraine	-	-	-	3.1	4.0	3.9	0.8	0.8	1.0
OCEANIA	2.4	2.9	3.0	0.2	0.2	0.2	3.1	3.6	3.9
Australia	0.8	0.9	1.1	0.1	0.1	0.1	1.4	1.5	1.8
WORLD	82.1	87.5	91.2	82.1	87.5	91.2	273.6	291.1	307.8
Developing countries	39.8	44.3	47.8	61.4	63.7	66.6	163.4	180.3	192.5
Developed countries	42.3	43.2	43.4	20.6	23.8	24.5	110.1	110.8	115.3
LIFDCs	8.8	9.6	10.3	9.0	8.7	8.8	96.1	106.3	111.2
LDCs	0.6	0.7	0.7	0.4	0.4	0.4	3.7	3.8	3.8

¹ Expressed in product weight; includes meals and cakes derived from oilcrops as well as fish meal and other meals from animal origin.

APPENDIX TABLE 13: SUGAR STATISTICS (*million tonnes, raw value*)

	Production		Imports		Exports		Utilization	
	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>	2013/14 <i>estim.</i>	2014/15 <i>f'cast</i>
ASIA	69.6	70.1	27.9	29.0	13.2	13.6	83.4	85.5
China	14.4	13.5	5.3	4.9	0.3	0.1	18.6	19.3
India	26.0	27.1	0.5	1.0	2.0	2.0	25.6	26.4
Indonesia	2.8	2.7	3.9	4.0	-	-	6.5	6.7
Japan	0.7	0.7	1.5	1.5	-	-	2.2	2.2
Korea, Republic of	-	-	1.6	1.7	0.3	0.3	1.4	1.4
Malaysia	-	-	1.6	1.9	0.1	0.1	1.8	1.8
Pakistan	5.8	5.4	0.1	0.1	0.5	0.2	5.0	5.3
Philippines	2.4	2.4	-	-	0.4	0.3	2.1	2.2
Thailand	11.3	12.2	-	-	7.0	8.1	2.7	3.3
Turkey	2.4	2.4	0.5	0.5	0.1	0.1	2.7	2.8
Viet Nam	1.6	1.6	0.1	0.1	0.2	0.2	1.4	1.5
AFRICA	12.4	12.7	10.7	11.5	2.9	2.8	20.2	21.3
Algeria	-	-	2.2	2.4	0.3	0.3	1.5	2.2
Egypt	2.1	2.1	1.3	1.5	0.1	0.1	3.4	3.6
Ethiopia	0.4	0.4	0.2	0.2	-	-	0.5	0.6
Kenya	0.6	0.6	0.4	0.3	-	-	0.9	1.0
Mauritius	0.4	0.4	-	-	0.4	0.3	0.1	0.1
Morocco	0.4	0.5	0.8	1.0	-	-	1.3	1.4
Mozambique	0.5	0.5	-	-	0.3	0.3	0.2	0.2
South Africa	2.4	2.5	0.3	0.3	0.5	0.5	2.3	2.4
Sudan	0.9	1.0	0.8	0.8	-	-	1.7	1.7
Swaziland	0.7	0.7	-	-	0.6	0.6	0.1	0.1
Tanzania, United Rep. of	0.4	0.4	0.2	0.2	-	-	0.5	0.6
Zambia								
CENTRAL AMERICA	14.5	14.6	0.5	0.5	6.3	6.6	8.7	8.6
Cuba	1.7	1.8	-	-	0.9	1.1	0.6	0.6
Dominican Republic	0.6	0.6	-	-	0.2	0.2	0.4	0.4
Guatemala	2.9	2.9	0.1	0.1	1.9	2.1	0.9	0.9
Mexico	6.5	6.4	-	-	1.8	1.7	4.8	4.9
SOUTH AMERICA	48.1	47.9	2.2	2.3	27.2	27.2	21.5	22.5
Argentina	2.1	2.2	-	-	0.4	0.4	1.8	1.8
Brazil	40.1	39.6	-	-	25.5	25.5	12.8	13.6
Colombia	2.4	2.5	0.4	0.4	0.8	0.8	1.9	2.2
Peru	1.1	1.1	0.3	0.4	-	-	1.4	1.4
Venezuela	0.6	0.6	0.6	0.7	-	-	1.2	1.3
NORTH AMERICA	8.1	7.7	4.3	4.5	0.3	0.3	12.3	12.3
United States of America	8.0	7.6	2.9	3.0	0.2	0.2	10.8	10.8
EUROPE	24.9	26.1	7.4	7.4	2.1	2.1	30.1	30.1
European Union	16.7	17.7	4.9	4.9	1.3	1.4	19.9	20.3
Russian Federation	4.5	5.1	1.6	1.5	0.1	0.1	6.1	6.2
Ukraine	2.0	2.1	-	-	0.1	0.1	2.0	2.0
OCEANIA	4.6	4.8	0.3	0.3	3.1	3.2	1.5	1.6
Australia	4.4	4.6	-	-	2.9	3.0	1.1	1.2
Fiji	0.2	0.2	-	-	0.1	0.1	-	-
WORLD	182.2	183.9	53.4	55.4	55.0	55.7	177.7	181.9
Developing countries	141.6	142.2	37.3	39.1	49.2	49.7	126.9	131.0
Developed countries	40.6	41.7	16.1	16.3	5.9	6.0	50.8	50.8
LIFDCs	35.5	36.7	10.0	10.7	3.8	3.7	43.4	43.9
LDCs	4.3	4.4	5.9	5.9	1.0	0.9	9.4	9.3

APPENDIX TABLE 14: TOTAL MEAT STATISTICS¹
(thousand tonnes, carcass weight equivalent)

	Production		Imports		Exports		Utilization	
	2013 <i>estim.</i>	2014 <i>f'cast</i>	2013 <i>estim.</i>	2014 <i>f'cast</i>	2013 <i>estim.</i>	2014 <i>f'cast</i>	2013 <i>estim.</i>	2014 <i>f'cast</i>
ASIA	132 019	133 624	15 262	16 032	5 371	5 827	141 910	143 829
China	86 049	86 623	4 407	4 642	1 900	2 111	88 556	89 154
of which Hong Kong, SAR	165	166	2 132	2 286	913	1 043	1 384	1 409
India	6 686	7 048	1	1	1 774	1 949	4 913	5 100
Indonesia	3 175	3 203	72	85	5	5	3 243	3 283
Iran, Islamic Republic of	2 556	2 612	138	170	48	58	2 645	2 724
Japan	3 286	3 262	3 102	3 258	13	13	6 375	6 506
Korea, Republic of	2 203	2 155	881	951	42	33	3 042	3 073
Malaysia	1 628	1 651	272	274	51	51	1 849	1 875
Pakistan	2 963	3 039	16	19	56	64	2 922	2 994
Philippines	3 123	3 226	334	343	14	15	3 444	3 553
Saudi Arabia	839	882	1 104	1 162	51	62	1 891	1 982
Singapore	117	119	312	318	60	62	370	376
Thailand	2 397	2 463	38	41	800	803	1 635	1 701
Turkey	2 992	3 111	377	373	408	443	2 961	3 041
Viet Nam	4 293	4 382	1 484	1 658	25	25	5 751	6 015
AFRICA	16 542	16 731	2 849	2 959	139	174	19 252	19 516
Algeria	713	730	89	96	-	1	802	825
Angola	229	238	622	679	-	-	852	917
Egypt	2 078	2 126	411	394	6	6	2 484	2 513
Nigeria	1 540	1 568	3	4	1	1	1 542	1 572
South Africa	2 774	2 808	439	456	60	94	3 153	3 170
CENTRAL AMERICA	8 876	8 979	2 731	2 797	472	480	11 135	11 296
Cuba	283	287	222	244	-	-	505	532
Mexico	6 166	6 238	1 802	1 840	250	255	7 718	7 823
SOUTH AMERICA	39 568	40 588	1 146	1 199	8 033	8 255	32 681	33 533
Argentina	5 023	5 126	23	17	602	601	4 444	4 543
Brazil	24 878	25 683	64	68	6 423	6 638	18 519	19 112
Chile	1 440	1 449	360	369	292	281	1 508	1 537
Colombia	2 257	2 281	122	125	42	33	2 337	2 374
Uruguay	654	704	39	40	362	377	332	367
Venezuela	1 508	1 527	441	486	-	-	1 949	2 012
NORTH AMERICA	47 256	46 928	2 396	2 530	9 292	9 351	40 360	40 106
Canada	4 458	4 491	776	764	1 720	1 708	3 515	3 547
United States of America	42 798	42 436	1 608	1 754	7 572	7 643	36 833	36 547
EUROPE	57 778	58 543	4 518	3 962	4 660	4 546	57 636	57 959
Belarus	1 166	1 138	123	75	368	326	920	887
European Union	44 281	44 565	1 338	1 317	4 016	3 916	41 604	41 965
Russian Federation	8 267	8 575	2 393	2 024	36	39	10 623	10 560
Ukraine	2 433	2 620	277	152	169	186	2 540	2 586
OCEANIA	6 218	6 174	418	421	2 891	2 941	3 745	3 655
Australia	4 397	4 375	209	210	1 965	2 003	2 641	2 582
New Zealand	1 311	1 286	62	64	923	934	449	416
WORLD	308 257	311 567	29 320	29 900	30 858	31 573	306 719	309 894
Developing countries	187 841	190 695	18 017	18 859	13 931	14 617	191 927	194 937
Developed countries	120 416	120 872	11 303	11 041	16 928	16 957	114 792	114 956
LIFDCs	22 363	22 974	1 776	1 808	1 935	2 112	22 205	22 670
LDCs	9 715	9 829	1 564	1 641	10	11	11 269	11 459

¹ Including "other meat".

APPENDIX TABLE 15: BOVINE MEAT STATISTICS
(thousand tonnes, carcass weight equivalent)

	Production		Imports		Exports		Utilization	
	2013 <i>estim.</i>	2014 <i>f'cast</i>	2013 <i>estim.</i>	2014 <i>f'cast</i>	2013 <i>estim.</i>	2014 <i>f'cast</i>	2013 <i>estim.</i>	2014 <i>f'cast</i>
ASIA	17 885	18 316	4 126	4 430	2 118	2 295	19 794	20 479
China	6 704	6 839	1 051	1 113	179	180	7 515	7 751
India	2 851	3 001	-	-	1 747	1 920	1 104	1 081
Indonesia	530	521	63	75	-	-	593	595
Iran, Islamic Republic of	251	250	105	147	3	3	354	394
Japan	508	495	758	760	2	2	1 230	1 280
Korea, Republic of	344	340	327	342	6	4	664	703
Malaysia	30	31	184	191	10	11	205	211
Pakistan	1 630	1 675	4	5	28	29	1 606	1 651
Philippines	297	298	108	114	3	3	401	409
AFRICA	5 933	5 989	739	753	50	59	6 623	6 684
Algeria	135	137	83	89	-	-	218	226
Angola	102	104	139	143	-	-	241	247
Egypt	881	905	319	310	2	2	1 198	1 213
South Africa	845	855	8	17	19	28	834	844
CENTRAL AMERICA	2 528	2 548	398	393	288	290	2 638	2 651
Mexico	1 808	1 820	247	238	118	119	1 937	1 939
SOUTH AMERICA	15 402	15 832	513	547	2 644	2 690	13 272	13 689
Argentina	2 720	2 769	-	-	204	196	2 516	2 574
Brazil	9 596	9 920	50	54	1 767	1 808	7 879	8 166
Chile	203	202	228	234	6	5	425	431
Colombia	839	840	4	4	41	31	802	813
Uruguay	495	538	1	2	322	335	174	205
Venezuela	493	491	213	237	-	-	706	728
NORTH AMERICA	12 929	12 390	1 211	1 311	1 531	1 527	12 622	12 212
Canada	1 171	1 160	281	278	305	320	1 150	1 128
United States of America	11 757	11 230	927	1 030	1 226	1 207	11 469	11 081
EUROPE	10 131	10 292	1 313	1 228	466	463	10 977	11 057
European Union	7 366	7 455	332	329	283	296	7 415	7 488
Russian Federation	1 602	1 624	880	795	8	8	2 474	2 412
Ukraine	427	459	6	5	15	15	419	449
OCEANIA	2 954	2 931	55	56	1 932	2 008	1 107	1 049
Australia	2 335	2 303	10	11	1 446	1 485	929	899
New Zealand	599	608	14	15	483	520	130	102
WORLD	67 762	68 298	8 355	8 719	9 029	9 332	67 034	67 822
Developing countries	38 639	39 545	4 858	5 194	5 077	5 302	38 356	39 439
Developed countries	29 123	28 753	3 498	3 525	3 952	4 030	28 678	28 382
LIFDCs	8 324	8 541	263	274	1 878	2 052	6 708	6 763
LDCs	3 410	3 453	210	218	3	3	3 617	3 668

APPENDIX TABLE 16: OVINE MEAT STATISTICS
(thousand tonnes, carcass weight equivalent)

	Production		Imports		Exports		Utilization	
	2013 <i>estim.</i>	2014 <i>f'cast</i>	2013 <i>estim.</i>	2014 <i>f'cast</i>	2013 <i>estim.</i>	2014 <i>f'cast</i>	2013 <i>estim.</i>	2014 <i>f'cast</i>
ASIA	8 038	8 115	553	551	41	46	8 549	8 620
Bangladesh	205	206	-	-	-	-	205	206
China	4 002	4 028	298	320	4	5	4 296	4 343
India	905	921	-	-	20	20	885	901
Iran, Islamic Republic of	290	300	4	3	-	-	294	303
Pakistan	455	456	-	-	11	13	444	443
Saudi Arabia	130	132	53	45	3	3	180	175
Turkey	325	330	1	1	-	-	326	331
AFRICA	2 969	3 022	26	33	33	35	2 962	3 020
Algeria	286	300	3	3	-	-	289	303
Nigeria	475	481	-	-	-	-	475	481
South Africa	175	173	5	9	-	1	179	180
Sudan	483	485	-	-	5	6	478	480
CENTRAL AMERICA	129	131	21	20	-	-	150	150
Mexico	99	100	12	10	-	-	111	110
SOUTH AMERICA	331	338	9	9	26	31	314	315
Brazil	115	117	9	9	-	-	124	126
NORTH AMERICA	90	91	105	99	4	4	190	186
United States of America	73	74	85	80	4	4	154	150
EUROPE	1 285	1 299	184	171	39	42	1 430	1 428
European Union	979	989	164	145	31	34	1 111	1 100
Russian Federation	192	194	10	9	-	-	202	203
OCEANIA	1 047	981	27	28	832	801	242	207
Australia	602	575	1	1	434	430	169	146
New Zealand	445	405	3	3	399	371	49	38
WORLD	13 889	13 975	925	910	976	959	13 837	13 926
Developing countries	10 685	10 821	606	606	100	111	11 191	11 316
Developed countries	3 204	3 155	318	304	876	848	2 646	2 610
LIFDCs	3 733	3 785	25	27	27	28	3 732	3 784
LDCs	1 859	1 879	6	6	5	6	1 859	1 879

APPENDIX TABLE 17: PIGMEAT STATISTICS
(thousand tonnes, carcass weight equivalent)

	Production		Imports		Exports		Utilization	
	2013 <i>estim.</i>	2014 <i>f'cast</i>	2013 <i>estim.</i>	2014 <i>f'cast</i>	2013 <i>estim.</i>	2014 <i>f'cast</i>	2013 <i>estim.</i>	2014 <i>f'cast</i>
ASIA	66 321	67 661	3 469	3 763	570	691	69 179	70 724
China	55 467	56 749	1 349	1 473	441	560	56 325	57 637
of which Hong Kong, SAR	121	122	565	605	177	264	509	462
India	328	327	1	1	-	-	329	328
Indonesia	736	754	2	3	-	-	739	756
Japan	1 309	1 273	1 243	1 367	2	2	2 568	2 634
Korea, D.P.R.	113	114	3	3	-	-	116	117
Korea, Republic of	1 132	1 068	395	440	3	3	1 514	1 525
Malaysia	234	235	16	15	9	9	241	242
Philippines	1 730	1 781	122	116	3	3	1 849	1 894
Thailand	890	895	4	4	30	29	864	871
Viet Nam	3 226	3 284	111	110	25	25	3 312	3 369
AFRICA	1 217	1 238	312	321	13	19	1 515	1 540
Madagascar	56	57	-	-	-	-	56	57
Nigeria	250	255	1	1	-	-	251	256
South Africa	215	221	36	30	10	15	241	235
Uganda	114	112	-	1	-	-	114	112
CENTRAL AMERICA	1 806	1 824	855	915	139	143	2 522	2 596
Cuba	163	166	16	15	-	-	178	181
Mexico	1 281	1 285	682	737	121	125	1 842	1 897
SOUTH AMERICA	5 301	5 489	208	208	814	810	4 694	4 887
Argentina	370	406	18	14	1	1	387	419
Brazil	3 412	3 538	2	2	651	656	2 763	2 884
Chile	531	529	49	51	158	149	422	430
Colombia	240	239	60	68	-	-	300	307
Venezuela	168	170	22	16	-	-	190	186
NORTH AMERICA	12 522	12 341	726	765	3 377	3 527	9 889	9 591
Canada	1 992	2 008	246	238	1 205	1 193	1 048	1 060
United States of America	10 530	10 332	475	523	2 173	2 334	8 836	8 527
EUROPE	26 843	27 061	1 314	1 036	2 443	2 322	25 714	25 774
Belarus	476	413	96	40	119	90	453	363
European Union	22 050	22 094	17	16	2 288	2 193	19 779	19 917
Russian Federation	2 823	3 000	906	787	3	3	3 726	3 785
Serbia	252	252	20	22	9	12	263	262
Ukraine	748	809	195	90	8	7	934	892
OCEANIA	506	511	249	246	35	36	723	717
Australia	357	360	184	181	34	35	510	501
Papua New Guinea	78	80	8	8	-	-	86	88
WORLD	114 516	116 125	7 132	7 254	7 392	7 548	114 236	115 830
Developing countries	72 922	74 519	3 523	3 767	1 524	1 644	74 862	76 636
Developed countries	41 594	41 607	3 609	3 487	5 868	5 904	39 375	39 194
LIFDCs	3 233	3 302	298	292	7	7	3 524	3 587
LDCs	1 467	1 493	215	230	-	1	1 682	1 722

APPENDIX TABLE 18: POULTRY MEAT STATISTICS
(thousand tonnes, carcass weight equivalent)

	Production		Imports		Exports		Utilization	
	2013 <i>estim.</i>	2014 <i>f'cast</i>	2013 <i>estim.</i>	2014 <i>f'cast</i>	2013 <i>estim.</i>	2014 <i>f'cast</i>	2013 <i>estim.</i>	2014 <i>f'cast</i>
ASIA	37 839	37 587	7 059	7 234	2 617	2 770	42 314	42 048
China	18 409	17 532	1 704	1 729	1 260	1 350	18 852	17 911
of which Hong Kong, SAR	29	29	988	1 057	631	670	386	416
India	2 454	2 651	-	-	6	7	2 448	2 644
Indonesia	1 791	1 809	1	2	-	-	1 792	1 811
Iran, Islamic Republic of	1 998	2 045	26	18	44	53	1 981	2 010
Japan	1 457	1 481	1 066	1 095	9	9	2 541	2 562
Korea, Republic of	716	735	146	154	34	25	833	866
Kuwait	42	45	131	125	1	-	172	170
Malaysia	1 361	1 383	46	48	32	31	1 375	1 400
Saudi Arabia	600	640	887	950	20	30	1 467	1 560
Singapore	97	99	145	145	12	10	230	233
Thailand	1 305	1 366	12	12	734	738	583	641
Turkey	1 790	1 841	374	370	373	409	1 791	1 802
Yemen	147	142	124	130	-	-	271	272
AFRICA	4 981	5 048	1 740	1 820	35	53	6 686	6 815
Angola	26	30	342	380	-	-	368	410
South Africa	1 516	1 536	390	400	25	43	1 881	1 894
CENTRAL AMERICA	4 292	4 357	1 438	1 450	43	45	5 686	5 763
Cuba	36	36	189	210	-	-	225	246
Mexico	2 875	2 930	848	842	10	11	3 713	3 762
SOUTH AMERICA	18 224	18 686	415	434	4 482	4 657	14 157	14 462
Argentina	1 749	1 767	4	3	363	370	1 390	1 399
Brazil	11 724	12 076	3	3	3 981	4 150	7 747	7 929
Chile	678	689	83	84	118	116	642	657
Venezuela	838	856	205	232	-	-	1 043	1 088
NORTH AMERICA	21 465	21 857	343	343	4 341	4 256	17 476	17 955
Canada	1 255	1 283	227	225	190	175	1 291	1 328
United States of America	20 210	20 574	111	113	4 150	4 081	16 180	16 622
EUROPE	18 324	18 699	1 541	1 361	1 627	1 635	18 238	18 425
European Union	12 841	12 984	725	727	1 331	1 310	12 235	12 400
Russian Federation	3 560	3 666	551	386	25	28	4 086	4 024
Ukraine	1 208	1 302	75	56	146	164	1 137	1 194
OCEANIA	1 282	1 324	82	87	51	54	1 314	1 356
Australia	1 081	1 116	13	15	37	40	1 056	1 090
New Zealand	175	182	1	1	13	15	163	168
WORLD	106 407	107 557	12 620	12 729	13 195	13 471	105 871	106 822
Developing countries	61 558	61 843	8 937	9 201	7 134	7 465	63 365	63 581
Developed countries	44 849	45 714	3 683	3 528	6 061	6 005	42 506	43 241
LIFDCs	5 496	5 774	1 161	1 185	20	23	6 636	6 937
LDCs	2 333	2 360	1 107	1 161	2	2	3 439	3 520

APPENDIX TABLE 19: MILK AND MILK PRODUCTS STATISTICS (thousand tonnes, milk equivalent)

	Production			Imports			Exports		
	2010-2012	2013	2014	2010-2012	2013	2014	2010-2012	2013	2014
	average	estim.	f'cast	average	estim.	f'cast	average	estim.	f'cast
ASIA	276 764	297 095	305 684	32 705	37 948	41 264	6 209	7 231	7 157
China	41 879	44 919	45 252	8 157	12 338	15 295	236	203	201
India ¹	127 382	138 093	144 860	334	60	75	296	1 189	919
Indonesia	1 372	1 465	1 480	2 313	2 644	2 690	133	93	92
Iran, Islamic Republic of	7 287	7 500	7 700	456	603	528	349	419	541
Japan	7 608	7 595	7 615	1 661	1 709	1 732	10	5	5
Korea, Republic of	1 951	1 942	1 980	860	854	875	13	20	24
Malaysia	77	87	86	1 547	1 803	1 912	337	479	493
Pakistan	36 669	38 560	38 750	392	359	378	65	88	89
Philippines	17	20	21	1 724	1 716	1 717	270	115	86
Saudi Arabia	1 949	2 100	2 200	2 486	2 830	2 837	1 845	1 542	1 549
Singapore	-	-	-	1 655	1 722	1 698	605	669	587
Thailand	987	1 100	1 125	1 279	1 253	1 390	254	213	197
Turkey	15 335	17 430	17 500	164	193	245	315	505	652
AFRICA	45 108	47 021	47 293	9 555	8 700	8 776	1 287	1 228	1 235
Algeria	2 869	3 070	3 057	2 493	2 231	2 378	2	4	4
Egypt	5 856	6 100	6 150	1 583	1 558	1 584	750	534	512
Kenya	4 903	5 000	4 950	33	44	46	32	16	18
South Africa	3 286	3 400	3 450	217	200	194	116	215	309
Sudan	7 494	7 550	7 580	298	240	231	-	-	-
Tunisia	1 104	1 170	1 190	102	88	91	48	38	38
CENTRAL AMERICA	16 400	16 601	16 817	4 773	4 753	4 605	612	669	679
Costa Rica	978	1 050	1 100	42	53	55	157	160	164
Mexico	10 920	11 010	11 185	2 831	2 906	2 822	156	176	181
SOUTH AMERICA	65 038	68 036	69 567	3 189	3 536	3 785	4 155	4 623	4 720
Argentina	11 174	12 070	12 255	91	64	57	2 348	2 546	2 429
Brazil	31 855	33 362	34 397	971	931	772	120	91	280
Colombia	6 351	6 640	6 800	126	113	113	13	51	36
Uruguay	1 993	2 212	2 250	16	23	26	1 153	1 324	1 332
Venezuela	2 360	2 450	2 490	1 244	1 653	2 065	-	-	-
NORTH AMERICA	97 484	99 585	102 230	1 952	2 075	2 098	8 744	10 910	11 581
Canada	8 364	8 374	8 290	562	631	644	384	496	566
United States of America	89 118	91 210	93 939	1 375	1 430	1 440	8 358	10 412	11 013
EUROPE	215 153	216 202	219 933	6 526	7 379	6 958	21 265	22 899	23 919
Belarus	6 631	6 750	6 716	37	60	79	2 926	4 310	4 188
European Union	154 394	156 917	160 800	1 383	1 379	1 467	15 533	15 808	16 677
Russian Federation	31 769	30 661	30 450	4 192	5 005	4 466	125	83	77
Ukraine	11 293	11 642	11 710	144	230	238	913	858	820
OCEANIA	27 590	28 850	30 520	856	824	868	19 619	21 191	22 648
Australia ²	9 201	9 080	9 560	583	558	603	3 752	3 358	3 616
New Zealand ³	18 319	19 700	20 890	74	68	74	15 863	17 831	19 029
WORLD	743 535	773 391	792 045	59 555	65 215	68 354	61 891	68 752	71 939
Developing countries	372 149	396 188	406 140	47 856	52 528	56 000	12 073	13 467	13 417
Developed countries	371 386	377 203	385 905	11 699	12 687	12 354	49 818	55 285	58 521
LIFDCs	174 693	187 878	195 316	7 789	7 171	7 087	1 214	2 033	1 665
LDCs	31 978	32 919	33 215	3 320	3 549	3 492	167	211	187

¹ Dairy years starting April of the year stated (production only).

² Dairy years ending June of the year stated (production only).

³ Dairy years ending May of the year stated (production only).

Note: Trade figures refer to the milk equivalent trade in the following products: butter (6.60), cheese (4.40), milk powder (7.60), skim condensed/evaporated milk (1.90), whole condensed/evaporated milk (2.10), yoghurt (1.0), cream (3.60), casein (7.40), skim milk (0.70), liquid milk (1.0), whey dry (7.6). The conversion factors cited refer to the solids content method. Refer to IDF Bulletin No. 390 (March 2004).

APPENDIX TABLE 20: FISH AND FISHERY PRODUCTS STATISTICS¹

	Capture fisheries production		Aquaculture fisheries production		Exports			Imports		
	2011	2012	2011	2012	2012	2013 <i>estim.</i>	2014 <i>f'cast</i>	2012	2013 <i>estim.</i>	2014 <i>f'cast</i>
	<i>Million tonnes (live weight equivalent)</i>				<i>USD billion</i>			<i>USD billion</i>		
ASIA	48.9	50.2	54.8	58.9	51.2	53.4	55.7	43.9	42.5	43.3
China ²	16.8	17.2	38.9	41.5	20.8	22.2	23.1	12.2	12.9	14.1
of which: Hong Kong SAR	0.2	0.2	-	-	0.7	1.1	1.0	3.7	3.8	3.7
Taiwan Prov.	0.9	0.9	0.3	0.3	2.0	1.8	1.9	1.0	1.0	1.2
India	4.3	4.9	3.7	4.2	3.4	4.6	6.5	0.1	0.1	0.1
Indonesia	5.7	5.8	2.7	3.1	3.6	3.8	4.1	0.4	0.4	0.3
Japan	3.8	3.6	0.6	0.6	1.8	2.0	1.9	18.0	15.4	14.9
Korea, Rep. of	1.7	1.7	0.5	0.5	2.0	1.8	1.7	3.7	3.6	4.3
Philippines	2.4	2.3	0.8	0.8	0.8	1.2	1.1	0.2	0.3	0.2
Thailand	1.8	1.8	1.2	1.2	8.1	7.0	6.3	3.1	3.2	2.6
Viet Nam	2.5	2.6	2.8	3.1	6.3	6.3	6.3	0.8	0.9	0.9
AFRICA	7.7	8.2	1.4	1.5	5.5	5.5	5.6	5.3	6.8	7.0
Ghana	0.3	0.4	-	-	-	-	-	0.2	0.4	0.4
Morocco	1.0	1.2	-	-	1.6	1.8	1.7	0.1	0.2	0.2
Namibia	0.4	0.5	-	-	0.8	0.8	0.8	-	-	0.1
Nigeria	0.6	0.7	0.2	0.3	0.3	0.2	0.2	1.5	2.4	2.3
Senegal	0.4	0.5	-	-	0.3	0.3	0.4	-	-	-
South Africa	0.5	0.7	-	-	0.6	0.5	0.7	0.4	0.5	0.5
CENTRAL AMERICA	2.4	2.2	0.3	0.3	2.3	2.4	2.6	1.7	1.9	2.4
Mexico	1.6	1.6	0.1	0.1	1.1	1.1	1.1	0.6	0.8	1.1
Panama	0.2	0.1	-	-	0.1	0.2	0.3	0.1	0.1	0.1
SOUTH AMERICA	14.0	10.1	2.1	2.3	12.8	13.7	16.4	2.8	3.3	3.7
Argentina	0.8	0.7	-	-	1.3	1.5	1.6	0.2	0.2	0.1
Brazil	0.8	0.8	0.6	0.7	0.2	0.2	0.2	1.2	1.5	1.6
Chile	3.1	2.6	1.0	1.1	4.4	4.9	5.9	0.4	0.4	0.5
Ecuador	0.5	0.5	0.3	0.3	2.8	3.6	4.5	0.2	0.1	0.1
Peru	8.2	4.8	0.1	0.1	3.3	2.7	3.6	0.1	0.2	0.2
NORTH AMERICA	6.2	6.2	0.6	0.6	10.4	10.8	11.2	20.3	21.8	25.3
Canada	0.9	0.8	0.2	0.2	4.2	4.4	4.5	2.7	2.8	2.9
United States of America	5.2	5.1	0.4	0.4	5.8	6.0	6.3	17.6	19.0	22.4
EUROPE	13.3	13.1	2.7	2.9	44.2	47.6	50.7	53.6	58.1	61.6
European Union ²	5.1	4.6	1.3	1.3	28.7	30.4	32.2	47.2	50.9	54.5
of which Extra -EU					5.7	5.9	6.0	24.9	26.5	28.4
Iceland	1.1	1.4	-	-	2.2	2.3	2.2	0.1	0.1	0.1
Norway	2.3	2.2	1.1	1.3	8.9	10.3	11.7	1.4	1.3	1.5
Russian Federation	4.3	4.3	0.1	0.1	3.2	3.4	3.4	2.7	3.3	3.1
OCEANIA	1.2	1.3	0.2	0.2	3.1	3.0	3.1	2.0	2.0	2.3
Australia	0.2	0.2	0.1	0.1	1.0	1.0	1.2	1.6	1.6	1.8
New Zealand	0.4	0.4	0.1	0.1	1.2	1.2	1.2	0.2	0.2	0.2
WORLD³	93.7	91.3	62.0	66.6	129.4	136.4	145.3	129.5	136.6	145.6
Excl. Intra-EU					106.5	111.9	119.1	107.3	112.1	119.5
Developing countries	69.3	67.2	58.0	62.3	70.5	73.7	78.7	35.1	38.4	40.6
Developed countries	24.4	24.1	4.0	4.3	58.9	62.7	66.7	94.4	98.2	105.0
LIFDCs	14.0	14.8	6.5	7.3	7.5	9.1	11.0	3.6	5.1	5.0
LDCs	9.4	9.8	2.7	3.0	2.7	2.6	2.7	0.9	1.1	1.2

¹ Production and trade data exclude whales, seals, other aquatic mammals and aquatic plants. Trade data include fish meal and fish oil.

² Including intra-trade. Cyprus is included in the European Union as well as in Asia. Starting with 2013 data, EU includes Croatia.

³ For capture fisheries production, the aggregate includes also 64 081 tonnes in 2011 and 37 360 in 2012 of not identified countries, data not included in any other aggregates.

APPENDIX TABLE 21: SELECTED INTERNATIONAL PRICES FOR WHEAT AND COARSE GRAINS (USD/tonne)

Period	Wheat			Maize		Barley		Sorghum
	US No. 2 Hard Red Winter Ord. Prot. ¹	US Soft Red Winter No. 2 ²	Argentina Trigo Pan ³	US No. 2 Yellow ²	Argentina ³	France feed Rouen	Australia feed Southern States	US No. 2 Yellow ²
Annual (July/June)								
2004/05	154	138	123	97	90	129	122	99
2005/06	175	138	138	104	101	133	128	109
2006/07	212	176	188	150	145	185	185	155
2007/08	361	311	322	200	192	319	300	206
2008/09	270	201	234	188	180	178	179	170
2009/10	209	185	224	160	168	146	154	165
2010/11	316	289	311	254	260	266	248	248
2011/12	300	259	264	281	269	270	249	264
2012/13	348	310	336	311	277	297	298	281
2013/14	318	265	335	216	219	243	241	218
2013 – September	312	258	300	209	219	241	229	217
2013 – October	333	289	344	201	207	255	231	204
2013 – November	316	274	352	199	207	250	229	196
2013 – December	301	267	340	197	212	251	221	207
2014 – January	288	248	330	198	215	240	227	216
2014 – February	303	261	328	209	218	243	239	224
2014 – March	334	285	340	222	225	260	259	228
2014 – April	340	281	361	224	229	250	256	226
2014 – May	345	271	372	217	224	233	256	223
2014 – June	314	235	365	202	204	218	252	220
2014 – July	294	218	287	182	192	213	247	203
2014 – August	284	219	270	175	181	206	228	183
2014 – September	279	204	248	164	166	196	228	174

¹ Delivered United States f.o.b. Gulf; ² Delivered United States Gulf; ³ Up River f.o.b.

Sources: International Grain Council and USDA

APPENDIX TABLE 22: TOTAL WHEAT AND MAIZE FUTURES PRICES (USD/tonne)

	December		March		May		July	
	Dec. 2014	Dec. 2013	Mar. 2015	Mar. 2014	May 2015	May 2014	July 2015	July 2014
Wheat								
August 20	202	237	209	242	213	244	216	243
August 27	207	244	214	248	218	251	220	249
Sept 3	197	238	204	242	209	245	212	243
Sept 10	191	238	197	242	201	244	205	242
Sept 17	183	236	190	240	194	242	197	241
Sept 24	176	242	181	246	184	248	187	245
Maize								
August 20	145	187	150	192	153	195	156	198
August 27	144	191	149	196	152	199	155	201
Sept 3	139	187	144	192	147	195	150	198
Sept 10	136	185	141	190	144	193	147	196
Sept 17	134	179	139	184	143	187	146	190
Sept 24	130	177	135	182	138	185	141	187

Source: Chicago Board of Trade (CBOT)

APPENDIX TABLE 23: SELECTED INTERNATIONAL PRICES FOR RICE AND PRICE INDICES

Period	International prices (USD per tonne)				FAO indices (2002-2004=100)				
	Thai 100% B ¹	Thai broken ²	US long grain ³	Pakisan Basmati ⁴	Total	Indica		Japonica	Aromatic
						High quality	Low quality		
Annual (Jan/Dec)									
2008	695	506	782	1077	282	291	286	287	252
2009	587	329	545	937	253	224	196	317	231
2010	518	386	510	881	227	206	212	252	229
2011	565	464	577	1060	242	232	250	258	220
2012	588	540	567	1137	231	225	241	235	222
2013	534	483	628	1372	233	219	226	230	268
Monthly									
2013 – September	460	406	622	1324	226	206	206	235	263
2013 – October	457	405	615	1310	224	207	209	227	259
2013 – November	451	376	608	1385	224	212	206	223	265
2013 – December	459	347	604	1411	227	214	206	226	271
2014 – January	456	309	605	1396	227	212	198	236	263
2014 – February	466	311	596	1348	237	212	197	267	263
2014 – March	430	312	594	1362	238	207	199	270	264
2014 – April	408	307	594	1350	237	204	198	268	264
2014 – May	408	298	594	1350	235	207	199	262	264
2014 – June	419	313	593	1350	236	209	202	263	265
2014 – July	439	325	574	1350	238	212	206	263	265
2014 – August	458	343	566	1430	242	215	213	263	271
2014 – September	444	336	555	1450	238	207	208	262	272

¹ White rice, 100% second grade, f.o.b. Bangkok, indicative traded prices.

² A1 super, f.o.b. Bangkok, indicative traded prices.

³ US No.2, 4% broken f.o.b.

⁴ Up to May 2011: Basmati ordinary, f.o.b. Karachi; from June 2011 onwards: Super Kernel White Basmati Rice 2%.

Note: The FAO Rice Price Index is based on 16 rice export quotations. 'Quality' is defined by the percentage of broken kernels, with high (low) quality referring to rice with less (equal to or more) than 20 percent broken. The sub-index for Aromatic Rice follows movements in prices of Basmati and Fragrant rice.

Sources: FAO for indices. Rice prices: Livericeindex.com, Thai Department of Foreign Trade (DFT) and other public sources.

APPENDIX TABLE 24: SELECTED INTERNATIONAL PRICES FOR OILCROP PRODUCTS (USD/tonne)

Period	International prices (USD per tonne)					FAO indices (2002-2004=100)		
	Soybeans ¹	Soybean oil ²	Palm oil ³	Soybean cake ⁴	Rapeseed meal ⁵	Oilseeds	Vegetable oils	Oilcakes/ meals
Annual (Oct/Sept)								
2004/05	275	545	419	212	130	104	103	101
2005/06	259	572	451	202	130	100	107	96
2006/07	335	772	684	264	184	129	150	128
2007/08	549	1325	1050	445	296	216	246	214
2008/09	422	826	627	385	196	157	146	179
2009/10	429	924	806	388	220	162	177	183
2010/11	549	1308	1147	418	279	214	259	200
2011/12	562	1235	1051	461	295	214	232	219
2012/13	563	1099	835	539	345	213	193	255
2013/14	521	949	867	534	324	194	189	253
Monthly								
2012 - October	617	1183	844	555	359	234	202	261
2012 - November	595	1148	816	539	378	226	196	255
2012 - December	603	1153	772	553	396	229	191	261
2013 - January	591	1192	838	512	367	226	200	245
2013 - February	597	1164	862	513	381	228	202	246
2013 - March	588	1117	853	503	367	224	197	241
2013 - April	559	1099	841	521	300	214	194	247
2013 - May	498	1077	849	527	404	192	194	254
2013 - June	523	1036	858	551	321	198	193	261
2013 - July	514	997	838	568	304	191	187	267
2013 - August	514	995	824	564	277	190	182	263
2013 - September	554	1028	823	557	291	204	184	261
2013 - October	544	989	866	555	318	202	188	262
2013 - November	556	992	921	541	316	206	199	257
2013 - December	568	979	907	548	336	210	196	260
2014 - January	566	935	871	539	337	208	189	256
2014 - February	594	991	911	571	361	219	198	271
2014 - March	501	1001	959	582	396	193	205	278
2014 - April	516	1005	911	563	375	198	199	269
2014 - May	522	973	896	552	340	197	195	263
2014 - Jun	514	933	859	531	304	192	189	251
2014 - Jul	480	886	839	477	272	178	181	226
2014 - Aug	457	855	755	485	265	170	167	229
2014 - Sep	433	850	714	463	265	162	162	219

¹ Spot prices for nearest forward shipment

² Soybeans: US, No.2 yellow, c.i.f. Rotterdam.

³ Soybean oil: Dutch, fob ex-mill.

⁴ Palm oil: Crude, c.i.f. Northwest Europe.

⁵ Soybean cake: Pellets, 44/45 percent, Argentina, c.i.f. Rotterdam.

⁶ Rapeseed meal: 34 percent, Hamburg, f.o.b. ex-mill.

Notes:

- The indices are based on the international prices of five selected seeds, ten selected oils and five selected cakes and meals.
- The sudden drop in the FAO price index for oilseeds in March 2014 (as well as in May 2013) is due to a structural break in the underlying price series for soybeans (US no.2 yellow, c.i.f. Rotterdam), the component with the highest weight. A look at alternative reference prices for soybeans reveals that, during March and April 2014, international soybean values have actually appreciated further rather than falling. For a detailed explanation of the anomalous trend in the soybean reference price, please refer to issue no. 58 of the Oilcrops Monthly Price and Policy Update (MPPU), which can be downloaded through the following link.

http://www.fao.org/fileadmin/templates/est/COMM_MARKETS_MONITORING/Oilcrops/Documents/MPPU_April_14.pdf

Sources: FAO and Oil World.

APPENDIX TABLE 25: SELECTED INTERNATIONAL PRICES FOR SUGAR AND SUGAR PRICE INDEX

	I.S.A. average of daily prices	ISO (Euronext, Liffe) white sugar price index	FAO sugar price index (2002/04 = 100)
	Raw Sugar	White Sugar	
Annual (Jan/Dec)	<i>(US cents/lb)</i>		
2005	9.9	13.2	140.3
2006	14.8	19.0	209.6
2007	10.1	14.0	143.0
2008	12.8	16.1	181.6
2009	18.1	22.2	257.3
2010	21.3	27.2	302.0
2011	26.0	31.1	368.9
2012	21.5	26.3	305.7
2013	17.8	22.4	251.2
2014 (Jan/Aug)	17.5	20.8	247.7
Monthly			
October, 2012	20.3	25.3	288.2
November, 2012	19.3	23.7	274.5
December, 2012	19.3	23.5	274.0
January, 2013	18.9	22.9	267.8
February, 2013	18.3	22.6	259.2
March, 2013	18.5	23.5	262.0
April, 2013	17.8	22.7	252.6
May, 2013	17.6	21.9	250.1
June, 2013	17.1	21.9	242.6
July, 2013	16.8	21.9	239.0
August, 2013	17.0	22.0	241.7
September, 2013	17.4	22.0	246.5
October, 2013	18.7	22.7	264.8
November, 2013	17.7	21.4	250.6
December, 2013	16.6	20.4	234.9
January, 2014	15.6	19.3	221.7
February, 2014	16.6	20.6	235.4
March, 2014	17.9	21.4	254.0
April, 2014	17.6	21.2	249.9
May, 2014	18.3	21.7	259.3
June, 2014	18.2	21.6	258.0
July, 2014	18.3	20.8	259.1
August, 2014	17.2	19.9	244.3
September, 2014			

APPENDIX TABLE 26: SELECTED INTERNATIONAL PRICES FOR MILK PRODUCTS AND DAIRY PRICE INDEX

	International prices (USD per tonne)				FAO dairy price index (2002-2004=100)
Period	Butter ¹	Whole milk powder ²	Skim milk powder ³	Cheddar cheese ⁴	
Annual (Jan/Dec)					
2006	1 843	2 268	2 366	2 681	130
2007	3 444	4 402	4 348	4 055	220
2008	3 728	3 904	3 244	4 633	223
2009	2 849	2 599	2 354	2 957	150
2010	4 334	3 528	3 069	4 010	207
2011	4 989	4 062	3 527	4 310	230
2012	3 614	3 393	3 107	3 821	194
2013	4 484	4 293	4 745	4 402	243
Monthly					
2013 - September	4 606	5 031	4 504	4 450	250
2013 - October	4 692	5 152	4 402	4 425	251
2013 - November	4 568	4 961	4 494	4 525	251
2013 - December	4 818	5 100	4 641	4 850	264
2014 - January	4 853	5 158	4 806	4 900	268
2014 - February	4 824	5 118	4 844	5 225	275
2014 - March	4 817	4 905	4 703	5 100	268
2014 - April	4 405	4 565	4 260	4 875	251
2014 - May	4 263	4 360	4 018	4 600	239
2014 - June	4 242	4 165	3 869	4 650	236
2014 - July	4 052	3 835	3 791	4 492	226
2014 - August	3 621	3 259	3 212	4 100	201
2014 - September	3 301	2 963	2 775	3 975	188

¹ Butter, 82% butterfat, f.o.b. Oceania and EU; average indicative traded prices

² Whole Milk Powder, 26% butterfat, f.o.b. Oceania and EU, average indicative traded prices

³ Skim Milk Powder, 1.25% butterfat, f.o.b. Oceania and EU, average indicative traded prices

⁴ Cheddar Cheese, 39% max. moisture, f.o.b. Oceania, indicative traded prices

Note: The FAO Dairy Price Index is derived from a trade-weighted average of a selection of representative internationally-traded dairy products

Sources: FAO for indices. Product prices: Mid-point of price ranges reported by Dairy Market News (USDA)

APPENDIX TABLE 27: SELECTED INTERNATIONAL MEAT PRICES

Period	Bovine meat prices (USD per tonne)			Ovine meat price (USD per tonne)	Pig meat prices (USD per tonne)		
	Australia	United States	Brazil	New Zealand	United States	Brazil	Germany
Annual (Jan/Dec)							
2006	2 522	3 803	2 219	2 392	1986	2 134	1 935
2007	2 544	4 023	2 367	2 498	2117	2 200	1 907
2008	3 024	4 325	3 785	2 975	2270	3 000	2 364
2009	2 562	3 897	3 118	3 495	2202	2 223	2 035
2010	3 272	4 378	3 919	3 662	2454	2 747	1 913
2011	3 944	4 516	4 816	5 370	2648	3 023	2 169
2012	4 176	4 913	4 492	4 754	2676	2 784	2 233
2013	4 009	5 535	4 326	4 130	2717	2 872	2 311
Monthly							
2013 – September	3 909	5 861	4 304	4 502	2766	2 891	2 483
2013 - October	4 002	5 960	4 371	4 739	2771	2 952	2 405
2013 - November	4 099	5 747	4 437	4 846	2806	2 888	2 273
2013 - December	4 151	5 924	4 504	4 640	2748	2 924	2 333
2014 – January	4 182	5 998	4 184	4 457	2856	2 794	2 175
2014 - February	4 226	6 191	4 239	4 527	2712	2 795	2 111
2014 - March	4 446	6 250	4 255	4 569	2788	2 893	2 178
2014 - April	4 305	6 190	4 435	4 517	2999	2 980	2 265
2014 - May	4 252	6 240	4 566	4 674	3194	3 413	2 294
2014 - June	4 399	6 326	4 598	4 916	3345	4 072	2 410
2014 - July	5 141	6 424	4 617	5 059	3432	3 701	2 293
2014 – August	5 810	6 390	4 718	4 893	3330	3 702	2 227
2014 - September	6 190	6 400	4 730	4 721	3262	3 670	2 128

Bovine meat prices:**Australia:** Cow 90CL export prices to the USA (FAS)**USA:** Frozen beef, export unit value**Brazil:** Frozen beef, export unit value**Ovine meat prices****New Zealand:** Lamb 17.5kg cwt, export price**Pig meat prices:****USA:** Frozen pigmeat, export unit value**Brazil:** Frozen pigmeat, export unit value**Germany:** Monthly market price for pig carcase grade E

APPENDIX TABLE 28: SELECTED INTERNATIONAL MEAT PRICES AND FAO MEAT PRICE INDICES

Period	Poultry meat prices (USD per tonne)		FAO indices (2002-2004=100)				
	United States	Brazil	Total meat	Bovine meat	Ovine meat	Pig meat	Poultry meat
Annual (Jan/Dec)							
2006	734	1 180	121	121	103	123	122
2007	935	1 443	131	126	108	125	151
2008	997	1 896	161	158	128	152	184
2009	989	1 552	141	135	151	131	162
2010	1 032	1 781	158	165	158	138	179
2011	1 147	2 083	183	191	232	153	206
2012	1 228	1 931	182	195	205	153	201
2013	1 229	2 014	184	197	178	157	206
Monthly							
2013 – September	1 247	1 870	186	199	194	164	198
2013 - October	1 240	1 875	187	203	205	162	198
2013 - November	1 187	1 906	186	203	209	157	197
2013 - December	1 143	1 859	186	207	200	159	191
2014 – January	1 150	1 841	182	204	192	154	190
2014 - February	1 145	1 831	182	208	195	149	189
2014 - March	1 174	1 824	186	212	197	154	191
2014 - April	1 230	1 929	190	212	195	161	201
2014 - May	1 185	1 973	195	213	202	171	201
2014 - June	1 199	2 045	203	217	212	185	206
2014 - July	1 221	2 038	206	231	218	178	207
2014 – August	1 210	1 992	207	244	211	174	204
2014 - September	1 215	1 995	208	250	204	169	204

Poultry meat prices:

USA: Broiler cuts, export unit value

Brazil: Export unit value for chicken (f.o.b.)

The FAO Meat Price Indices consist of 2 poultry meat product quotations (the average weighted by assumed fixed trade weights), 3 bovine meat product quotations (average weighted by assumed fixed trade weights), 3 pig meat product quotations (average weighted by assumed fixed trade weights), 1 ovine meat product quotation (average weighted by assumed fixed trade weights): the four meat group average prices are weighted by world average export trade shares for 2002/2004. Prices for the two most recent months may be estimates and subject to revision.

APPENDIX TABLE 29: FISH PRICE INDICES (2002-2004=100)

Period	Total	Aquaculture	Capture	White fish	Salmon	Shrimp	Pelagic e/tuna	Tuna	Other fish
Annual (Jan/Dec)									
2006	117	114	119	128	144	100	124	118	120
2007	124	115	132	139	147	102	130	135	126
2008	136	120	148	151	151	109	148	162	133
2009	126	119	131	132	159	98	140	147	128
2010	137	137	136	138	187	109	144	146	146
2011	154	149	157	151	195	124	173	175	166
2012	144	124	157	145	146	107	207	195	176
2013	148	141	151	134	157	126	215	190	175
Monthly									
2014 - January	161	162	155	134	179	154	220	181	177
2014 - February	158	162	150	132	173	154	217	181	175
2014 - March	164	168	155	138	176	159	200	181	190
2014 - April	162	168	151	141	176	152	200	169	187
2014 - May	155	162	143	139	165	137	174	170	185
2014 - June	150	150	145	143	153	133	170	174	156

Source= Norwegian Seafood Council.

Notes:

Historic index values before 2013 have been revised.

The FAO Fish Price Index is based on nominal import values expressed in CIF in the three major import markets; Japan, USA and EU. Separate indexes exist for products from aquaculture and from capture fisheries. Additional sub-indexes exist for the major commodity groups based on species.

APPENDIX TABLE 30: SELECTED INTERNATIONAL COMMODITY PRICES

	Currency and unit	Effective date	Latest quotation	One month ago	One year ago	Average 2009-2013
Sugar (ISA daily price)	US cents per lb	22-09-14	15.57	17.25	17.37	20.93
Coffee (ICO daily price)	US cents per lb	26-09-14	159.07	166.62	111.82	149.83
Cocoa (ICCO daily price)	US cents per lb	26-09-14	151.04	148.00	118.66	125.49
Tea (FAO Tea Composite Price)	USD per kg	29-08-14	2.71	2.85	2.71	2.80
Cotton (COTLOOK A index)	US cents per lb	29-08-14	74.00	83.84	92.75	99.37
Jute "BTD" (Fob Bangladesh Port)	USD per tonne	29-09-14	650.00	600.00	590.00	637.40

MARKET INDICATORS

FUTURES MARKETS

Ann Berg, Senior Commodity Analyst

PRICES

Futures prices for wheat, maize and soybeans declined steadily between June and October 2014, after having been on an uptrend since January 2014. Nearby futures contracts reached four-year lows for all three commodities, with wheat and maize declining 36 percent from peak to trough and soybeans falling 40 percent. Wheat prices decreased as drought conditions in the US southern plains region eased and other significant growing regions, such as EU, Black Sea, India and China, reported ample crops. Previous concerns about the tensions in the Black Sea region were alleviated as the region reported robust wheat shipments. In maize and soybeans, excellent growing conditions throughout the US central corridor led to projections of record yields and production. These projections, following bumper soybean and maize harvests in South America, caused sizeable price declines. In addition, growth in imports by China is expected to slow down in 2014/15, owing to poor domestic crushing margins - the price difference between soybeans and the finished products of oil and meal.

VOLUMES AND VOLATILITY

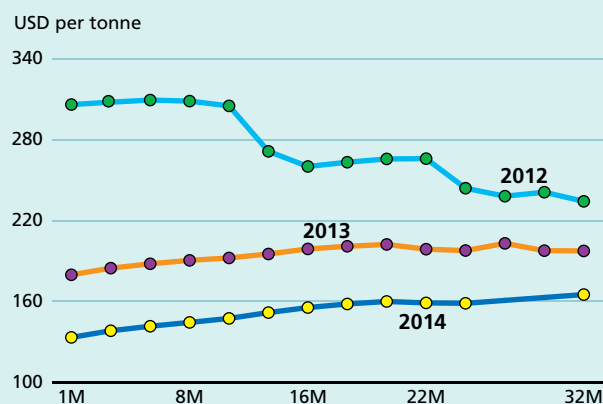
Futures volumes did not exhibit much variance y/y and appeared to adhere to individual crop developments – increasing in wheat during August, as Black Sea tensions rose, and declining in soybeans the same month, as crop prospects improved. Volumes remained lower than in 2012 when maize and soybeans reached record high prices. Implied volatility, which reflects the cost of options premiums on the underlying futures contracts (often called the “fear index”), rose from subdued levels exhibited in late 2013, with wheat showing the greatest increase and soybeans the smallest increase (see implied volatility chart).

FORWARD CURVES

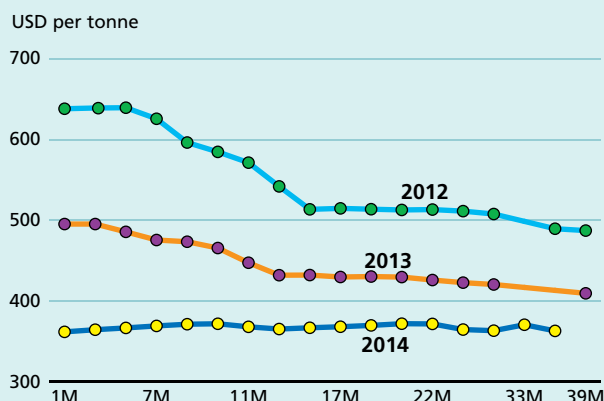
Forward curves (as of October 2014) for wheat, maize and soybeans reverted to normal upward sloping patterns (contango), indicative of ample domestic and global supplies. This structure is particularly notable for soybeans which, over the last four crop seasons, had persisted in a pronounced downward sloping curve (backwardation) owing to very tight balance sheets. Rail car and train engine shortages have been predicted for the October/

Forward curves snapshots as of
October 2014, 2013, 2012

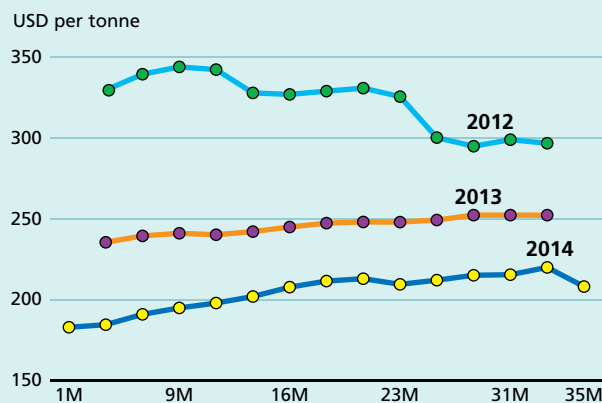
Maize



Soybeans



Wheat

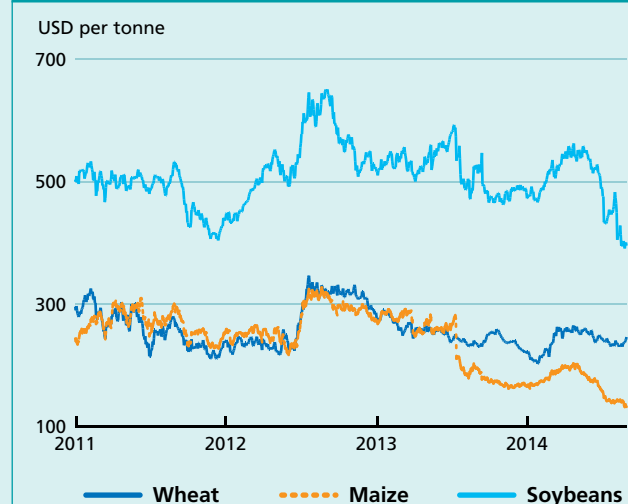


November 2014 harvest, as a result of abundant new crop supplies and competing transport demands from the coal and shale oil industry. This projected transportation shortage has caused many analysts to venture that spot prices to farmers will remain at discounts to futures well past harvest, weighing on the front end of the forward curves. Both producers and local elevators have been reportedly building additional storage to counteract the logistical problems. In addition, producers have rapidly adopted the use of silo bag storage, a common temporary storage mode in Argentina, but until recently, rare in the US.

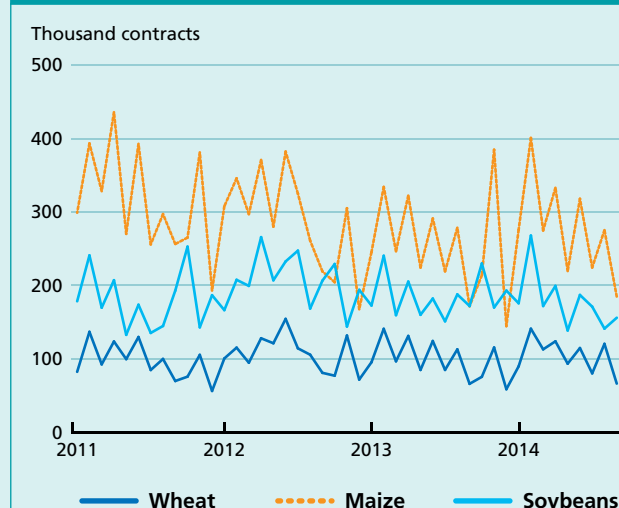
INVESTMENT FLOWS

Managed money established net short positions in wheat during May 2014, profiting from the 36 percent price decline that ensued during the summer. In maize, however, managed money likely incurred significant losses as it maintained net long positions, despite paring levels of exposure, as maize fell below its four year contract low. In soybeans, managed money maintained net long futures positions, but established a net short in its combined futures and options positions around mid-July, likely off-setting losses incurred from futures price declines. According to Barclays hedge fund tracker,

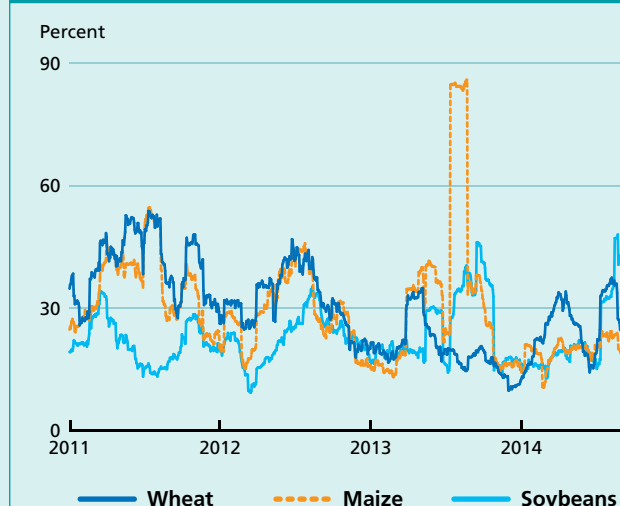
CME futures prices



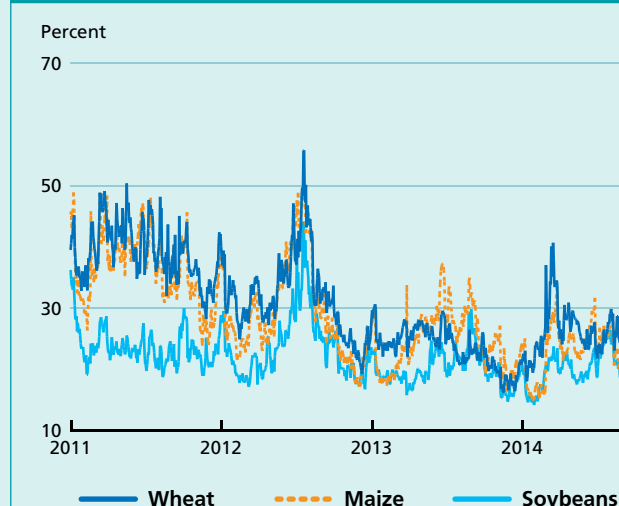
CME futures volumes



Historical volatility (30 days)

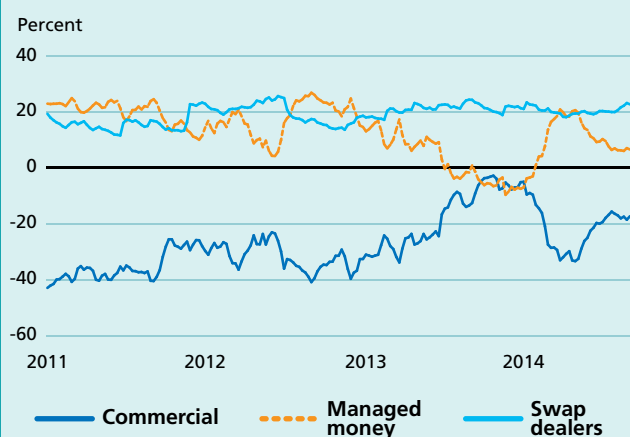


Implied volatility

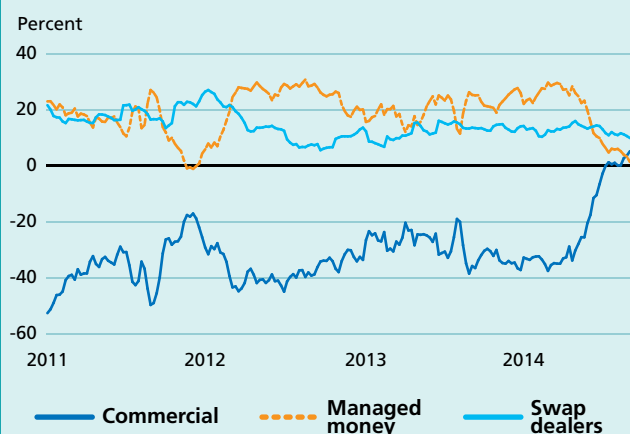


CFTC Commitment of Traders Major categories net length as % of open interest

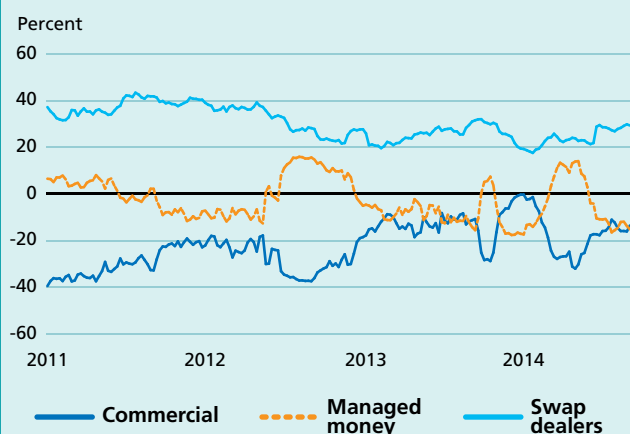
Maize



Soybeans



Wheat



assets under management for pure agricultural funds declined slightly from USD 1.12 billion to USD 1.03 billion between the second and third quarters. Besides ample cereal and oilseed supplies, other factors, such as declining energy prices and a rising US Dollar, have helped dissuade speculative inflows. With respect to swaps dealers, which take positions in commodity index funds, the largest US pension fund – the California Public Employees' Retirement System (CalPers) – announced it was liquidating its hedge fund holdings which would potentially diminish its exposure to the Standard & Poor's Goldman Sachs Commodity Index (S&P GSCI), the oldest and largest commodity index by market capitalization.

According to the Commodity Futures Trading Commission's Index Fund Participation report, notional values of wheat, maize and soybean index investments have declined by about 33 percent since January 2014, commensurate with price declines, although total agricultural open interest exposure by index funds has changed little. The banking industry, after the majority of the largest global investment banks announced their intention to close their proprietary commodity trading desks, has been mostly quiet in the commodity space. The US Federal Reserve, which granted banks the ability to own commodity infrastructure to complement their other operations in 2003 and announced in 2013 that it would reconsider the ruling, has not issued any further guidance on the matter.

OCEAN FREIGHT RATES

Contributed by the International Grains Council (IGC) www.igc.org.uk

OCEAN FREIGHT MARKET (MAY 2014 - MID-SEPTEMBER 2014)

Dry bulk ocean freight rates remained volatile over the past four months. During the May–July period all sectors of the dry bulk freight market fell sharply owing to a weak demand, typical for summer months, and surplus tonnage, with both, the average of the Baltic Indices of three grains-carrying sectors and the Baltic Dry Index, losing about 30 percent.

However, the beginning of August saw a sharp rebound in freight rates due to improved demand for commodities, including grains and soyabeans. The rise was more pronounced in the larger-size market sectors and the Baltic Exchange Indices registered double-digit gains over the month. The US Gulf, South America and the Black Sea remained the main loading areas. In August, the average of the Baltic Indices of three grains-carrying sectors advanced by 32 percent m/m, while the Baltic Dry Index (BDI) closed 43 percent higher, as Capesize values doubled.

Overall, by 10 September, the average of the Baltic Indices of the three grains-carrying sectors increased by 4 percent since the beginning of May, but was down

11 percent y/y, with the biggest decline in the Panamax sector. The Baltic Dry Index, which also includes the Capesize sector, was up 21 percent from early May, but was 22 percent lower y/y.

After some firming in May, Atlantic Panamax rates fell sharply during June due to surplus tonnage in early positions, notably in the Mediterranean and the US Gulf, with some owners starting to lay up vessels to limit losses. There has been some recovery in July on the back of improved demand for prompt shipments but there were still more vessels than cargoes. August saw a sharp rise in rates, owing to improved demand for commodities, including grains and soyabeans, particularly on routes to Far East Asia. In early September the market started to cool off as more tonnage ballasting from India and South East Asia started to appear in the Atlantic. Overall, from May to early September, the Baltic **Panamax** Index (BPI) increased by 5 percent.

Insufficient demand for cargoes from Europe and the US Gulf weighed on the Atlantic **Supramax** rates during June/July, notably on transatlantic routes. However, the market increased significantly in August due to more activity in the key loading areas. Rates in the Pacific were supported by mineral business from Indonesia and Philippines, mostly

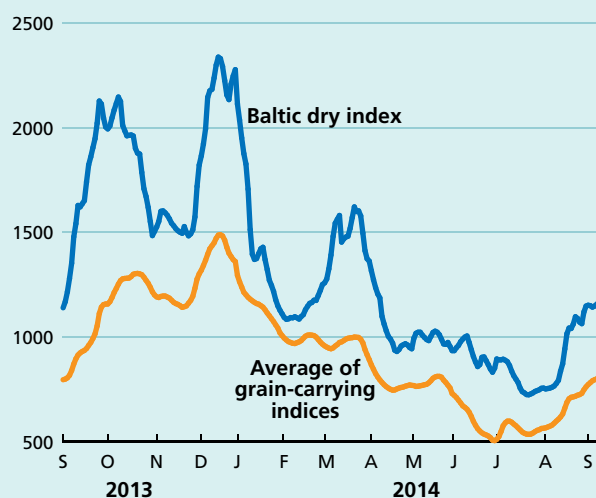
Selected routes (monthly averages) USD/tonne

	Brazil/EU ARAH	US Gulf/EU ARAH	US Gulf/Japan	US Gulf/S. Korea
Vessel size	Handysize	Panamax	Panamax	Panamax
Origin	Brazil	US (Gulf)	US (Gulf)	US (Gulf)
Destination	EU (ARAH)	EU (ARAH)	Japan	South Korea
September 2013	32	22	46	47
October 2013	32	25	51	52
November 2013	31	25	52	52
December 2013	34	27	56	55
January 2014	33	25	54	55
February 2014	32	22	50	51
March 2014	32	20	48	49
April 2014	31	17	45	46
May 2014	30	16	44	45
June 2014	29	15	41	42
July 2014	28	14	40	41
August 2014	28	14	40	41
September 2014	29	15	45	46

to China. Over the May to mid-September period, Baltic Supramax Index (BSI) increased by 10 percent. Handysize rates remained generally weak due to insufficient demand and the Baltic **Handysize** Index (BHSI) fell by 8 percent over the past four months.

The **Capesize** market remained very volatile and after a one-third monthly jump in June, owing to increased volumes of trade in raw materials from Brazil and Australia, the Baltic Capesize Index (BCI) plummeted by 36 percent in July due to poor and unstable demand. In August, however, the market soared on solid mineral demand, with the Baltic Capesize Index (BCI) doubling its value. Overall, the sector gained 71 percent during the past four months. Year-on-year, however, the Baltic Capesize Index (BCI) fell by 20 percent.

Ocean freight indices
(September 2013 - mid-September 2014)



FOOD IMPORT BILLS

Global food import bills set to moderate in 2014

At USD 1.3 trillion, global expenditures on imported foodstuffs in 2014 are on track to remain close to last year's level, but 4 percent below the record of 2012. Freight costs, which are expected to dip slightly from 2013 levels, also contributed to the moderation in bills. Nevertheless, for the fifth year in succession, the world bill is expected to surpass USD 1 trillion in nominal terms.

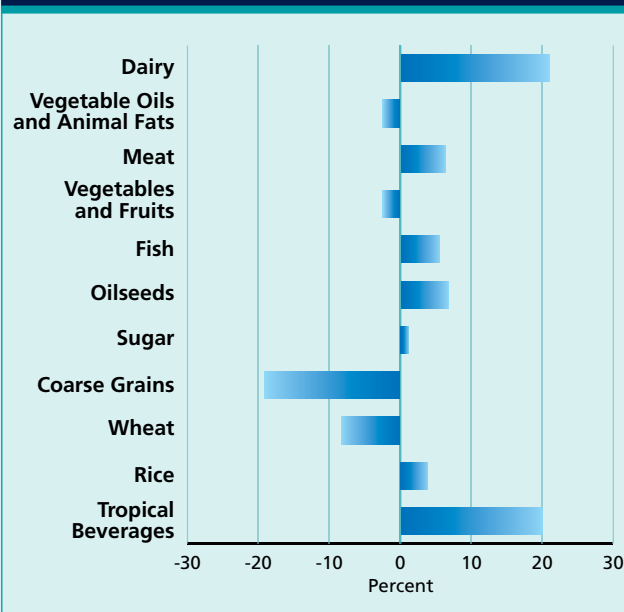
The stability of global imported food costs masks significant movements across individual product bills. Products in the animal protein category, including meat, dairy and fish are foreseen to undergo the largest increases. All combined, their importation could cost a record USD 453 billion, 10 percent more than in 2013 and a near doubling in the past decade. The anticipated increase in these bills is based on much larger volumes of imports as well as higher world quotations, especially for dairy products. Similarly, rising prices of coffee are expected to lead to an increase of 20 percent in total expenditures on tropical beverages (coffee, tea and cocoa). By contrast, expenditures on sugar and imported vegetable oils are expected to remain virtually unchanged from last year.

As for cereals, reduced import volumes and considerably lower quotations look set to bring bills down by around USD 23 billion, or 12 percent, from 2013 levels. Much of the easing in cereal import costs is on account of lower coarse grain expenditures, which are expected to fall by almost USD 20 billion from last

year. The overall decline would have been much more, if it were not for rice, as rice bills are expected to soar to a record USD 40 billion in 2014.

Given these outcomes, the share of staples in food import bills continues to decline and is expected to reach 13 percent in 2014 compared with around 15 percent last year. The tendency for global import bills to be steady in 2014 extends to developing countries and, among the most economically vulnerable nations, to the group of Least Developed Countries (LDCs). Even

Forecast changes in global food import bills by type
2014 over 2013 (%)



more, the food import costs born by the Low Income Food Deficit Countries (LIFDCs) and those geographically situated in sub-Saharan Africa (excluding South Africa) may even decline somewhat, as prospects for abundant harvests in 2014 in many of these disadvantaged countries, particularly for staples, are expected to limit

their need to rely on international markets. Moreover, with higher international prices for key export primary commodities, such as coffee and cocoa, the terms of trade in food and agriculture for many commodity-dependent countries in the vulnerable category are expected to improve.

Forecast import bills of total food and major foodstuffs (USD billion)

	World		Developed		Developing		LDC		LIFDC		Sub-Saharan Africa	
	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014
TOTAL FOOD	1 287	1 302	766	782	520	520	37	37	131	127	45	44
Vegetables and Fruits	220	215	161	157	60	58	3	3	14	14	3	3
Cereals	189	166	77	67	112	98	13	11	38	34	15	13
Fish	135	142	98	103	37	39	1	1	7	7	5	5
Meat	170	180	115	120	55	60	3	4	7	7	4	4
Dairy	109	131	67	80	42	52	3	3	9	11	3	4
Vegetable Oils and Animal Fats	101	99	43	42	59	57	6	6	22	22	4	4
Oilseeds	80	86	27	29	53	57			4	4	1	1
Sugar	50	50	25	27	24	24	4	4	11	10	3	3
Tropical beverages	89	107	69	83	20	24	1	1	5	6	1	2

FAO PRICE INDICES

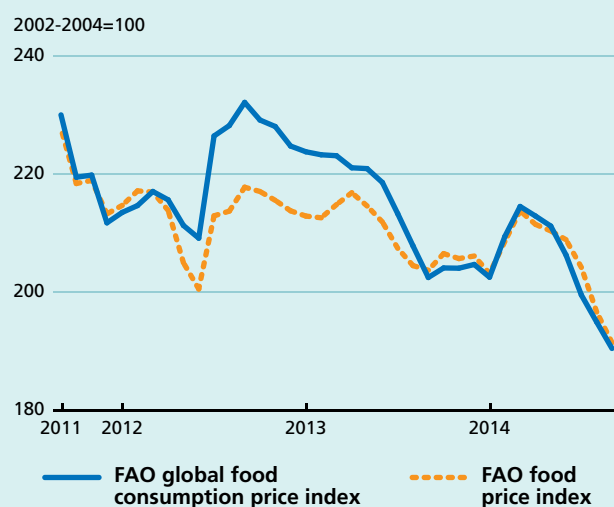
FAO Global Food Consumption Price Index falls¹

The **FAO Global Food Consumption Price Index** tracks changes in the cost of the global food basket as depicted by the latest FAO world food balance sheet (see http://faostat3.fao.org/faostat-gateway/go/to/browse/FB/*E).

The index has lost considerable ground in 2014, with the pace of decline accelerating in recent months. Since May, the index has lost almost 10 percent of its value. Falling international prices of foodstuffs that carry a much higher weight in total consumption than in trade (notably cereals, 65 percent versus 27 percent), is behind the index's weakening.

The weakening is slightly more than that of the FAO Food Price Index (FPI) and is a result of upward trending quotations for livestock products, which are more influential in determining the FPI.

The FAO global food consumption and food price indices (October 2011 - September 2014)



Contact

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¹ The FAO Global Food Consumption Price Index is published twice a year in *Food Outlook*.

The FAO Food Price Index falls for the sixth consecutive month

The **FAO Food Price Index** averaged 191.5 points in September 2014, down 5.2 points (2.6 percent) from August and as much as 12.2 points (6.0 percent) from the corresponding period last year. The September slide, which represented the sixth consecutive monthly drop, brought the value of the index to its lowest level since August 2010. The decline in September marks the longest period of continuous falls in the value of the index since the late 1990s. Among the sub-indices, sugar and dairy weakened the most, followed by cereals and oils, while meat remained firm. Among the underlying factors, the US dollar's broad appreciation continued to weigh on all international commodity prices.

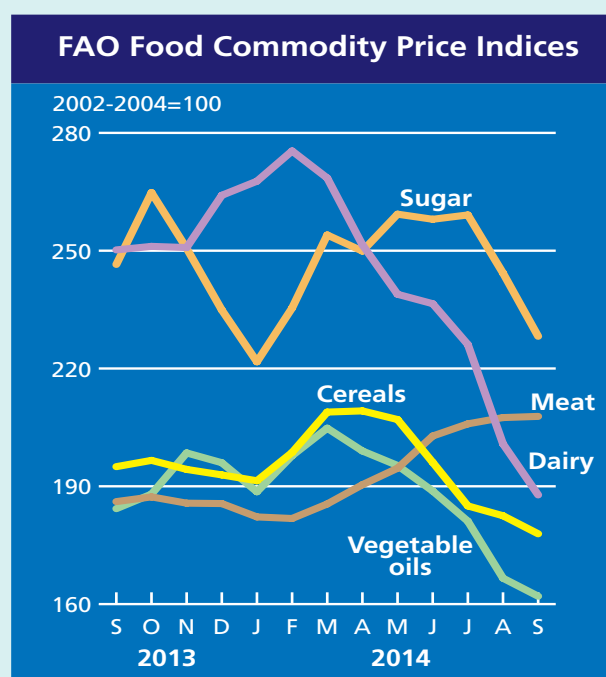
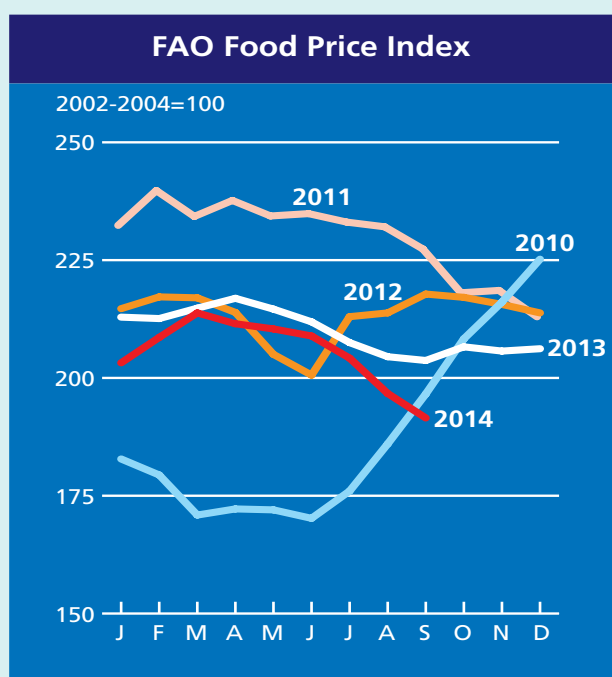
The **FAO Cereal Price Index** averaged 177.9 points in September, down 4.6 points (2.5 percent) from August and 17.1 points (8.8 percent) from September 2013. The latest decline marks the fifth consecutive monthly fall. Good production and large export availabilities are the main factors behind falling wheat and maize prices. Even rice prices, which had risen steadily in recent months, registered a decline in September, reflecting accrued competition among exporting countries ahead of upcoming harvests.

² The FAO food price indices are updated on a monthly basis and are available on: <http://www.fao.org/worldfoodsituation>

³ All changes referred to in this section, in absolute or percentage terms, are calculated based on unrounded figures.

The **FAO Vegetable Oil Price Index** averaged 162 points in September, down by 4.6 points (2.8 percent) from August. Dropping for the sixth consecutive month, the index has fallen to its lowest level since October 2009. The main driver behind the slide remains palm oil, whose prices dipped to 5-year lows as abundant production coincided with weak import demand. Meanwhile, better than anticipated soy yields in the United States and large availabilities of rapeseed oil weighed on their prices, contributing to the fall in the index.

The **FAO Dairy Price Index** averaged 187.8 points in September, down 13.0 points (6.5 percent) over August and 62.4 points (24.9 percent) less year-on-year. Quotations for all dairy products covered in the Index fell, especially skimmed milk powder. The continued decline in prices reflects abundant export availability, above all in Oceania. In addition, a movement away from the production of cheese by the European Union for sale to the Russian Federation, has resulted in increased output of butter and skimmed milk powder within the Union. Elsewhere, the fall in skimmed milk prices has stimulated whole milk powder production, as manufacturers seek to adjust products to ensure the best returns.



The **FAO Meat Price Index** averaged 207.8 points in September, only 0.3 point higher than its revised value for August, yet still 21.7 points (11.6 percent) above September last year. Overall, prices are currently at historic highs and the lack of an increase this month may indicate that, overall, they have reached a peak. While bovine meat prices remain strong, principally reflecting a rise in export prices in Australia, where herd rebuilding has reduced supplies, average quotations for poultry were stable, while those for ovine meat fell back somewhat. As for pigmeat, prices have weakened for each of the past three months, reflecting a recovery of production in several important producing and exporting countries, following outbreaks of porcine endemic diarrhoea (PED); additionally, the closure of the Russian Federation's market to meat products from a number of countries since August, has contributed to market uncertainty.

The **FAO Sugar Price Index** averaged 228.3 points in September, down as much as 16.1 points (6.6 percent) from August and 18.2 points (7.4 percent) lower than in September 2013. In recent months, large supply prospects and expectation that world production in 2014/15 would exceed consumption continued to put downward pressure on international sugar prices, pushing down average prices in September to their lowest level since January.

FAO food price index

		Food Price Index ¹	Meat ²	Dairy ³	Cereals ⁴	Vegetable Oils ⁵	Sugar ⁶
2000		91.1	96.5	95.3	85.8	69.5	116.1
2001		94.6	100.1	105.5	86.8	67.2	122.6
2002		89.6	89.9	80.9	93.7	87.4	97.8
2003		97.7	95.9	95.6	99.2	100.6	100.6
2004		112.7	114.2	123.5	107.1	111.9	101.7
2005		118.0	123.7	135.2	101.3	102.7	140.3
2006		127.2	120.9	129.7	118.9	112.7	209.6
2007		161.4	130.8	219.1	163.4	172.0	143.0
2008		201.4	160.7	223.1	232.1	227.1	181.6
2009		160.3	141.3	148.6	170.2	152.8	257.3
2010		188.0	158.3	206.6	179.2	197.4	302.0
2011		229.9	183.3	229.5	240.9	254.5	368.9
2012		213.3	182.0	193.6	236.1	223.9	305.7
2013		209.8	184.1	242.7	219.3	193.0	251.0
2013	September	203.7	186.1	250.2	195.0	184.3	246.5
	October	206.6	187.3	251.1	196.6	188.0	264.8
	November	205.7	185.7	250.8	194.3	198.5	250.6
	December	206.2	185.6	264.1	192.9	196.0	234.9
2014	January	203.2	182.2	267.7	191.4	188.6	221.7
	February	208.6	181.8	275.4	198.6	197.8	235.4
	March	213.8	185.5	268.5	208.9	204.8	254.0
	April	211.5	190.4	251.5	209.2	199.0	249.9
	May	210.4	194.6	238.9	207.0	195.3	259.3
	June	208.9	202.8	236.5	196.1	188.8	258.0
	July	204.2	205.9	226.1	185.0	181.1	259.1
	August	196.7	207.5	200.8	182.5	166.6	244.3
	September	191.5	207.8	187.8	177.9	162.0	228.2

1 Food Price Index: Consists of the average of 5 commodity group price indices mentioned above, weighted with the average export shares of each of the groups for 2002-2004: in total 73 price quotations considered by FAO commodity specialists as representing the international prices of the food commodities noted are included in the overall index. Each sub-index is a weighted average of the price relatives of the commodities included in the group, with the base period price consisting of the averages for the years 2002-2004.

2 Meat Price Index: Computed from average prices of four types of meat, weighted by world average export trade shares for 2002-2004. Commodities include two poultry products, three bovine meat products, three pig meat products, and one ovine meat product. There are 27 price quotations in total used in the calculation of the index. Where more than one quotation exists for a given meat type, a simple average is used. Prices for the two most recent months may be estimates and subject to revision.

3 Dairy Price Index: Consists of butter, SMP, WMP, and cheese price quotations; the average is weighted by world average export trade shares for 2002-2004.

4 Cereals Price Index: This index is compiled using the International Grains Council (IGC) wheat price index, itself an average of 10 different wheat price quotations, 1 maize export quotation and 16 rice quotations. The rice quotations are combined into three groups consisting of Indica, Japonica and Aromatic rice varieties. Within each variety, a simple average of the relative prices of appropriate quotations is calculated; then the average relative prices of each of the three varieties are combined by weighting them with their assumed (fixed) trade shares. Subsequently, the IGC wheat price index, after converting it to base 2002-2004, the relative prices of maize and the average relative prices calculated for the rice group as a whole are combined by weighting each commodity with its average export trade share for 2002-2004.

5 Vegetable Oils Price Index: Consists of an average of 10 different vegetable oils weighted with average export trade shares of each oil product for 2002-2004.

6 Sugar Price Index: Index form of the International Sugar Agreement prices with 2002-2004 as base.

Monitoring and analysis of **Domestic Food Prices** in support of Early Warning for Food Security



FPMA website

The new Food Price Monitoring and Analysis (FPMA) website, developed by GIEWS to strengthen market and food security assessments, contains latest information and dynamic analysis on domestic prices of basic foods mainly in developing countries, complementing FAO's work on international markets.

What's in the website?

- ▶ map visualizing countries with abnormally high food prices
- ▶ domestic food price roundups by region
- ▶ overview of international benchmark prices
- ▶ latest food policy and market developments
- ▶ relevant market indicators



FPMA data tool

The online GIEWS data and analysis tool provides easy access to over 1 100 monthly retail and/or wholesale domestic staple food price series in 85 countries, as well as 43 international export price series (as of September 2014). The tool also contains a series of analysis features, including basic statistics and multi-series charts.



FPMA bulletin

The FPMA activities include a monthly electronic bulletin, the Global Food Price Monitor, reporting on recent food price developments at world, regional and country level, with focus on developing countries.

www.fao.org/giews/food-prices

Food Outlook is published by the Trade and Market Division of FAO under Global Information and Early Warning System (GIEWS). It is a biannual publication focusing on developments affecting global food and feed markets. Each report provides comprehensive assessments and short term forecasts for production, utilization, trade, stocks and prices on a commodity by commodity basis and includes feature articles on topical issues. Food Outlook maintains a close synergy with another major GIEWS publication, Crop Prospects and Food Situation, especially with regard to the coverage of cereals. Food outlook is available in English. The summary section is also available in Arabic, Chinese, French, Spanish and Russian.

Food Outlook and other GIEWS reports are available on the internet as part of the FAO world wide web (<http://www.fao.org/>) at the following URL address: <http://www.fao.org/giews/>. Other relevant studies on markets and global food situation can be found at: <http://www.fao.org/worldfoodsituation>.

This report is based on information available up to late September 2014. The next Food Outlook report will be published in May 2015.

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