



Crop Prospects and Food Situation

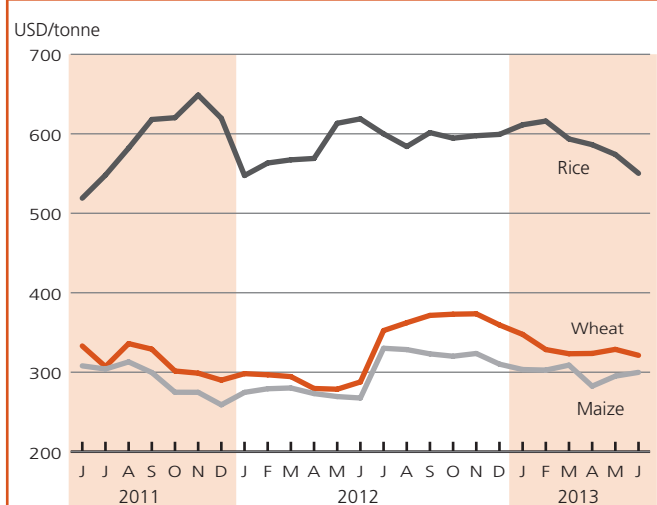
HIGHLIGHTS

- **World cereal production is forecast to increase by about 7 percent in 2013, helping to replenish global inventories and raise expectations for more stable markets in 2013/14.**
- **International prices of wheat declined slightly in June with the onset of the 2013 harvests in the Northern Hemisphere. By contrast, maize prices increased, supported by continued tight global supplies. Export prices of rice showed mixed trends.**
- **Cereal imports of LIFDCs for 2013/14 are estimated to rise by some 5 percent to meet growing demand;** Egypt, Indonesia and Nigeria, in particular, are forecast to import more.
- **In the Syrian Arab Republic, the 2013 wheat production dropped significantly below average due to the escalating civil conflict leading to disruptions in farming activities.** Furthermore, the livestock sector has been severely affected.
- **In North Africa, the overall crop harvest prospects are generally favourable except in Tunisia.** In Egypt civil unrest and dwindling foreign exchange reserves raise serious food security concerns.
- **In Central Africa, serious food insecurity conditions prevail due to escalating conflict affecting about 8.4 million people in Central African Republic and Democratic Republic of the Congo.**
- **In Western Africa, the overall food supply situation is favourable in most parts of the Sahel following a 2012 above-average cereal harvest.** However, a large number of people are still affected by conflict and the lingering effects of 2011/12 food crisis.
- **In Eastern Africa, although household food security has improved in most countries, serious concerns remain in conflict-affected areas of Somalia, the Sudan, and South Sudan.**
- **In Southern Africa, the overall 2013 cereal production declined slightly from last year and remained below average.** However, the results are mixed across countries. In **Madagascar**, locust plague affected crop production in some areas.
- **In Far East Asia, the 2013 aggregate cereal harvest is preliminarily forecast at a record level, with significant improvements in Pakistan, the Republic of Korea and Myanmar.**
- **In CIS, the 2013 aggregate cereal production is anticipated to recover from the drought-affected harvest of 2012.**
- **In South America, record 2013 maize harvests are expected in most countries, including the main producers, Brazil and Argentina.**
- **FAO's latest estimates indicate that 34 countries around the world, including 27 in Africa, are in need of external assistance for food as a result of crop failures, conflict or insecurity, natural disasters, and high domestic food prices.**

CONTENTS

Countries requiring external assistance for food	2
Global overview	5
LIFDC food situation overview	8
Regional reviews	
Africa	11
Asia	19
Latin America and the Caribbean	24
North America, Europe and Oceania	26
Statistical appendix	28

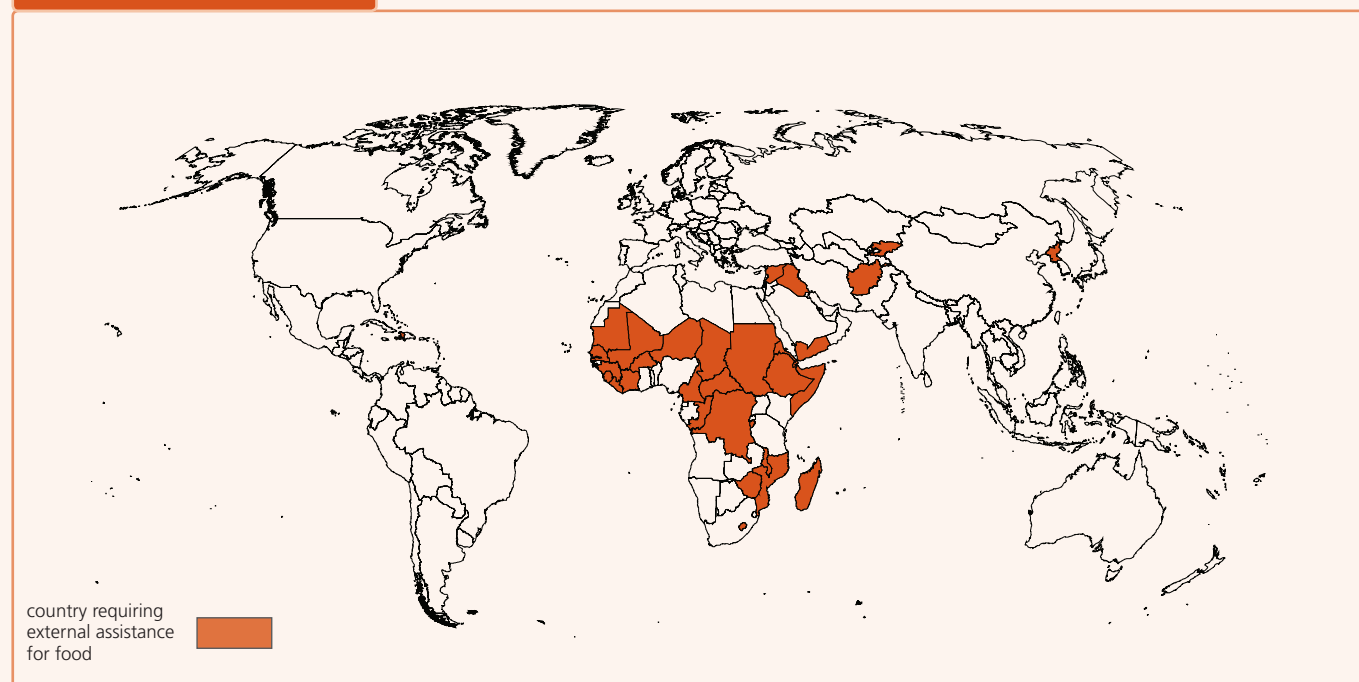
Selected international cereal prices



Note: Prices refer to monthly average. See Table 3 for details

Countries requiring external assistance for food¹

World: 34 countries



AFRICA (27 countries)

Exceptional shortfall in aggregate food production/supplies

Zimbabwe

Maize production in 2013 is expected to remain stagnant, at below average level, and despite relatively stable prices the production shortfalls are anticipated to result in stressed food security conditions, particularly in southern parts.

Widespread lack of access

Bukina Faso

A massive influx of refugees from Mali has put additional pressure on local food markets. Although production recovered significantly in 2012, assistance is still needed in parts, due to the lingering effects of the previous year's drought-induced food crisis.

Chad

Lingering effects of the 2011 drought, influx of refugees (over 300 000 people from the Sudan's Darfur region and the Central African Republic) and the return of an estimated 79 000 Chadians from Libya, are putting additional pressure on the local food supply affecting food security.

Djibouti

About 70 000 people, mainly pastoralists in the southeast and northeast areas, affected by consecutive poor rainy seasons, are estimated to be in need of humanitarian assistance.

Eritrea

Vulnerability to food insecurity due to economic constraints and high food and fuel prices.

Gambia

Despite some improvement in last year's national cereal production assistance is still needed to overcome the lingering effects of 2011 drought and high food prices.

Guinea

Despite improved access to food in recent months, driven mostly by lower prices of imported commodities, assistance is still needed to overcome the lingering effects of several years of high food prices and general inflation.

Liberia

Slow recovery from war-related damages, inadequate social services and infrastructure, high food prices and poor market access, and the presence of some 60 000 Ivorian refugees in the country (as of June 2013) leads to continued international support.

Malawi

Persistent high food prices continue to erode purchasing power. However, economic conditions have shown some stabilisation, while 2013 maize production is estimated at an above average level and is expected to benefit food security conditions.

Mali

Insecurity in northern Mali has disrupted commodity flows and resulted in large population displacement, worsening the already precarious food security situation created by the 2011 drought.

Mauritania

Lingering effects of the 2011 sharp drop in production resulted in depletion of household assets. The country is also affected by high international food prices due to its high import dependency. Moreover, more than 74 000 Malian refugees have been registered in the southeastern part of the country.

Niger

The country has been struck by successive severe food crises in recent years that resulted in depletion of household assets and high level of indebtedness. In addition, large numbers of refugees and returning national migrant workers from Mali and Libya placed an increased demand on food.

Sierra Leone

Slow recovery from war-related damage. Depreciation of currency led to higher inflation negatively affecting households' purchasing power and food security conditions.

Severe localized food insecurity**Burundi**

In some central and eastern zones, below-average 2013 season A harvest, coupled with high food prices, continue to erode purchasing power of low-income households.

Cameroon

In North and Far North regions, recurrent climatic shocks in recent years have negatively impacted agricultural activities. This has led to severe food insecurity and malnutrition for about 615 000 people.

Central African Republic

Worsening civil insecurity caused the displacement of 206 000 individuals and aggravated an already alarming food security situation. The number of food insecure people in need of humanitarian assistance has sharply increased to 2 million in recent months.

Congo

Despite the recovery from the floods and the explosion in the capital in 2012, the country still faces significant problems of food insecurity: 216 000 people are food-insecure (8 percent of all households), of which 37 000 people have "poor" food consumption and 179 000 "borderline" food consumption.

Côte d'Ivoire

Conflict-related damage to agriculture in recent years and the lack of support services mainly in the northern regions. The 2011 post-election crisis forced thousands of people to leave the country and seek refuge, mostly in eastern Liberia where over 61 000 Ivorian refugees were still living as of May 2013.

Democratic Republic of the Congo

Escalation of conflict in recent months has displaced additional 175 000 people increasing the total number of IDPs to an estimated 2.8 million and 6.4 million people in food and livelihood crisis. Agricultural activities were hindered, especially in eastern parts, while high food prices continue to impede food access. In addition, the country has recently received about 43 000 refugees from the Central African Republic.

Ethiopia

About 2.4 million people are estimated to be in need of humanitarian assistance, mainly located in regions such as east Amhara, Tigray, east Oromia, south Somali and sweet potato growing areas of SNNPR.

Lesotho

Despite a recovery in cereal production in 2013 and stable prices which contributed to improve food security conditions somewhat, assistance is still needed for vulnerable groups due to the lingering effects of two consecutive poor harvests in 2011 and 2012.

Madagascar

Damage caused by the locust and cyclone Hurana expected to result in reduced crop production in 2013, negatively impacting on food security conditions, particularly in southern and western parts.

**Mozambique**

The loss of 211 000 hectares of cropped land in early 2013 due to flooding, mainly in Gaza province, negatively impacted food security conditions. However, decreasing prices and a good second season crop have improved food security in the affected areas.

**Senegal**

Production shortfalls and high food prices in 2012 led to a deterioration of the food security situation in several parts of the country. Although production recovered significantly last year, assistance is still needed in parts.

**Somalia**

About 1 million people are estimated to be in need of emergency assistance, mainly in the pastoral central and northwestern coastal areas including IDPs.

**South Sudan**

The number of people estimated as severely food insecure, mainly affected by civil insecurity, trade restrictions and floods, increased to about 1.2 million.

**Sudan**

The number of people estimated to be in need of humanitarian assistance, mainly in conflict-affected areas, increased to about 4.3 million.

ASIA (6 countries)**Exceptional shortfall in aggregate food production/supplies****Iraq**

Severe civil insecurity.

Syrian Arab Republic

Due to worsening civil conflict, about 4 million people are estimated to be facing severe food insecurity. Although, some international food assistance is provided, the Syrian refugees are also putting strain on other countries in the region.

**Widespread lack of access****Democratic People's Republic of Korea**

May to August is a lean period for much of the population in the country. Despite improved cereal harvest of the 2012 main season and near normal outcome of the ongoing harvest of the 2013 early season (winter/spring), chronic food insecurity exists. An estimated 2.8 million vulnerable people require food assistance until the next harvest in October.

**Yemen**

The severely food-insecure population in need of emergency food assistance is estimated at over 10 million people (46 percent of the population) as a result of high levels of poverty, prolonged conflict and high prices of food and fuel.

Severe localized food insecurity**Afghanistan**

Some groups, particularly IDPs displaced by the conflict, returnees from Pakistan and natural disaster-affected households are faced with increased food insecurity

**Kyrgyzstan**

Despite the expected good cereal harvest, the high food prices are still affecting the purchasing power of the poorest and vulnerable families. In addition, socio-political tensions still exist in Jalalabad, Osh, Batken and Issykul Oblasts.

**LATIN AMERICA AND THE CARIBBEAN (1 country)****Exceptional shortfall in aggregate food production/supplies****Severe localized food insecurity****Haiti**

Vulnerable households affected by sharply reduced 2012 food production, increasing food prices and lingering effects of damage caused by hurricanes in 2012.

Countries with unfavourable prospects for current crops² (total: 1 country)

AFRICA (1 country)

Tunisia

Inadequate rain during the planting season led to decreased planted area. Although climatic conditions for the rest of the season remained favourable, a reduction in crop production is expected.



Key - Changes since last report (March 2013)

No change ■ Improving ▲ Deteriorating ▼ New Entry +

Terminology

¹**Countries requiring external assistance for food** are expected to lack the resources to deal with reported critical problems of food insecurity. Food crises are nearly always due to a combination of factors but for the purpose of response planning, it is important to establish whether the nature of food crisis is **predominantly** related to lack of food availability, limited access to food, or severe but localized problems. Accordingly, the list of countries requiring external assistance is organized into three broad, not mutually exclusive, categories:

- Countries facing an **exceptional shortfall in aggregate food production/supplies** as a result of crop failure, natural disasters, interruption of imports, disruption of distribution, excessive post-harvest losses, or other supply bottlenecks.
- Countries with **widespread lack of access**, where a majority of the population is considered to be unable to procure food from local markets, due to very low incomes, exceptionally high food prices, or the inability to circulate within the country.
- Countries with **severe localized food insecurity** due to the influx of refugees, a concentration of internally displaced persons, or areas with combinations of crop failure and deep poverty.

²**Countries facing unfavourable prospects for current crops** are countries where prospects point to a shortfall in production of current crops as a result of a reduction of the area planted and/or yields due to adverse weather conditions, plant pests, diseases and other calamities.

Global overview

Forecast large recovery in wheat and maize production will boost global cereal supplies in 2013/14

As the 2013 cereal seasons progress around the globe, the latest data continue to point to a significant increase in world cereal production to 2 479 million tonnes, 7.2 percent above the estimated output in the previous year and a new record. FAO now puts world **wheat** output in 2013 at 704 million tonnes, an increase of 6.8 percent, which more than recoups the previous year's reduction and represents the highest level in history. By far, the bulk of the increase this year is expected to originate in Europe, as overall prospects remain favourable in the EU and outputs in the major producing CIS countries are forecast to rebound sharply from drought-reduced levels in 2012. The outlook is also positive in Canada, Australia and Argentina - other major exporters - and in most other major wheat producing and consuming countries. The main exception is the United States, where wheat crop growth has been hindered by adverse weather conditions – drought in particular - this season.

World production of **coarse grains** in 2013 is now forecast at about 1 275 million tonnes, up sharply (9.7 percent) from 2012. Latest estimates confirm increased harvests in Argentina and Brazil, the two major producing countries in the Southern Hemisphere, while a smaller crop has been harvested in South Africa. Elsewhere, increased outputs are forecast among the major Northern Hemisphere producing countries. In the United States, where maize plantings increased and yields are expected to return to normal after last year's drought-reduced levels, production is expected to recover markedly. Maize output is also set to increase in China, which accounts for the bulk of the

production in Asia, and in the EU, where prospects are particularly favourable in the large maize producing areas of Romania and Hungary.

World **rice** production in 2013 is forecast to expand by 1.9 percent to 500 million tonnes (milled equivalent) with strong gains in all regions except Europe and North America. However, prospects are still very provisional, as July and August are critical for the development of the northern hemisphere main paddy crops. In addition, production growth this season could be dampened by expectations of falling prices and recent policy changes that may encourage farmers to shift to other crops.

World **cereal utilization** in the 2013/14 season is likely to expand by

3.4 percent from the 2012/13 estimated level to 2 415 million tonnes. Most of this increase would reflect higher feed use, which is projected to absorb 843 million tonnes, 5.8 percent more than in 2012/13. Utilization of cereals for food is forecast to expand by 1.5 percent, to 1 099 million tonnes, which would lift world per caput consumption average from 152.5 kg in 2012/13 to 153.3 kg in 2013/14. Other uses of cereals, including industrial use and post-harvest losses are projected to reach 473 million tonnes, up 3.7 percent from 2012/13.

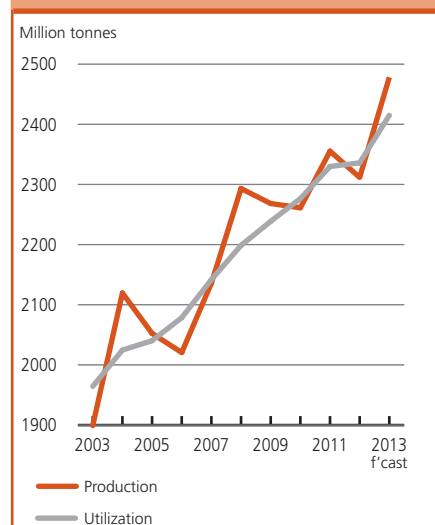
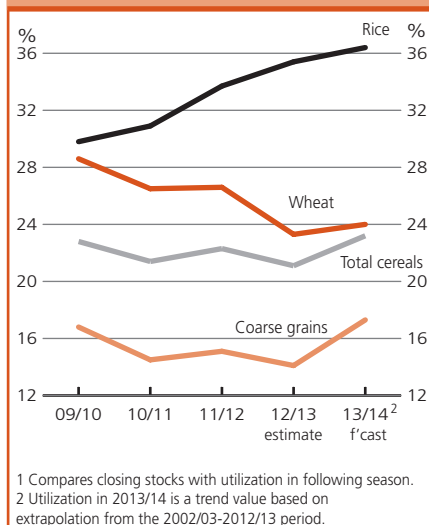
The current forecast for total world cereal utilization in 2013/14 is 13 million tonnes above the figure published in June. The revision concerns mainly coarse grains, with 1 229 million tonnes now expected to be consumed, 12 million tonnes more than was forecast in June and 56 million tonnes, or 4.8 percent, above 2012/13. The upward adjustment

Table 1. World cereal production¹
(million tonnes)

	2011	2012 estimate	2013 forecast	Change: 2013 over 2012 (%)
Asia	1 074.8	1 093.1	1 113.5	1.9
Far East	964.1	997.1	1 008.9	1.2
Near East	70.1	69.0	72.5	5.1
CIS in Asia	40.6	27.1	32.2	18.9
Africa	158.1	166.1	168.9	1.7
North Africa	35.4	34.2	37.9	10.7
Western Africa	49.8	55.3	55.3	-0.2
Central Africa	4.7	4.6	4.8	3.4
Eastern Africa	37.7	41.7	41.3	-0.9
Southern Africa	30.5	30.2	29.7	-1.9
Central America and Caribbean	35.2	39.9	41.1	2.9
South America	149.4	156.2	173.8	11.3
North America	432.6	406.0	475.2	17.1
Europe	462.4	416.4	467.9	12.4
EU	288.5	275.1	300.5	9.2
CIS in Europe	157.2	125.4	153.1	22.0
Oceania	43.4	34.6	38.2	10.5
World	2 355.8	2 312.2	2 478.6	7.2
Developing countries	1 354.7	1 404.2	1 442.1	2.7
Developed countries	1 001.1	908.0	1 036.5	14.2
- wheat	701.5	659.3	704.1	6.8
- coarse grains	1 168.7	1 162.4	1 274.8	9.7
- rice (milled)	485.6	490.5	499.7	1.9

Note: Totals and percentage change computed from unrounded data.

¹ Includes rice in milled terms.

Figure 1. World cereal production and utilization**Figure 2. Ratio of world cereal stocks to utilization¹**

reflects stronger projected growth in feed use of coarse grains in the EU, mostly on improved barley and maize supplies in the new season. Compared to 2012/13, the increase in world feed use of coarse grains in 2013/14 would be supported by greater production, while its industrial applications, especially for production of maize-based ethanol, are also forecast to rebound after a decline in 2012/13. Wheat utilization is projected to reach 695 million tonnes, up 1.4 percent from 2012/13 and close to the previous forecast. Rice utilization is put at 491.5 million tonnes, up 2.8 percent from 2012/13 but unchanged from the figure released in June.

The forecast for world **cereal stocks** by the close of seasons in 2014 has changed little since the previous report in June. Early indications for the new season still point to a sharp rebound of world cereal inventories, up 11.5 percent, or 58 million tonnes, from their relatively low opening levels, to reach 567.5 million tonnes. If realized, this would be the highest level since 2001/02. At nearly 216 million tonnes, coarse grains' inventories would account for the bulk of the expansion in stocks from the previous season, with the latest forecast pointing to even larger ending stocks than reported in June. Wheat and rice inventories are also foreseen to expand significantly, to 169.5 million tonnes and 182.4 million tonnes, respectively. The forecast for wheat stocks in 2014 has been lowered somewhat, mostly on higher anticipated consumption in 2013/14. Overall, the recovery in world inventories could boost the cereals world stock-to-use ratio to 23.2 percent, up two percentage points from 2012/13. The rise would be particularly important for coarse grains, with its stock-to-use ratio reaching 17.3 percent, 3.2 percentage points higher than the historical low ratio of 14.1 percent in 2012/13.

Global **cereal trade** in 2013/14 marketing season is forecast to reach 306.5 million tonnes, up slightly from 2012/13 and nearly unchanged from the

Table 2. Basic facts of world cereal situation

(million tonnes)

	2011/12	2012/13 estimate	2013/14 forecast	Change: 2013/14 over 2012/13 (%)
PRODUCTION¹				
World	2 355.8	2 312.2	2 478.6	7.2
Developing countries	1 354.7	1 404.2	1 442.1	2.7
Developed countries	1 001.1	908.0	1 036.5	14.2
TRADE²				
World	317.3	305.2	306.5	0.4
Developing countries	100.3	124.2	113.6	-8.6
Developed countries	217.0	181.0	192.9	6.6
UTILIZATION				
World	2 329.8	2 335.8	2 414.9	3.4
Developing countries	1 474.2	1 497.6	1 544.3	3.1
Developed countries	855.6	838.3	870.6	3.9
Per caput cereal food use (kg per year)	152.2	152.5	153.3	0.5
STOCKS³				
World	520.2	509.2	567.5	11.5
Developing countries	372.8	395.6	417.3	5.5
Developed countries	147.3	113.6	150.2	32.2
WORLD STOCK-TO-USE RATIO%	22.3	21.1	23.2	10.0

Note: Totals and percentage change computed from unrounded data.

¹ Data refer to calendar year of the first year shown and include rice in milled terms.

² For wheat and coarse grains, trade refers to exports based on July/June marketing season. For rice, trade refers to exports based on the calendar year of the second year shown.

³ Data are based on an aggregate of carryovers level at the end of national crop years and, therefore, do not represent world stock levels at any point in time.

previous report. World wheat trade in 2013/14 (July/June) is likely to contract by about 2.6 percent to 136 million tonnes, with most of the anticipated decline stemming from sharply reduced purchases by the Islamic Republic of Iran, following a surge of wheat purchases in 2012/13. By contrast, world trade in coarse grains is seen to expand by 3.8 percent to an all-time high of 133 million tonnes in 2013/14. Trade in maize alone could exceed the previous record registered in 2011/12 and approach 103 million tonnes, fuelled by larger imports for feed by China, Indonesia, and Mexico. Although very preliminary, global rice trade in 2014 is forecast to remain unchanged around the 2013 level of 37.5 million tonnes.

INTERNATIONAL PRICE ROUNDUP

Wheat prices decreased slightly while those of maize rose further in June; export prices of rice followed mixed trends according to origin

Export prices of **wheat** from the United States declined slightly in June, with the benchmark US wheat price (No.2 Hard Red Winter, f.o.b.) averaging USD 321 per tonne, 2 percent lower than in the previous month but still remained 12 percent higher than in June 2012. The decline followed the onset of the 2013 winter wheat crop harvests in the northern hemisphere and expectations of large supplies in 2013/14. However, the downward pressure on prices was partially offset by the harvest delays and concerns about a reduction in the 2013 spring crop

Table 3. Cereal export prices*

(USD/tonne)

	2012		2013				
	June	Jan.	Feb.	March	April	May	June
United States							
Wheat ¹	288	348	329	323	324	329	321
Maize ²	268	303	303	309	282	295	300
Sorghum ²	234	287	288	297	261	254	246
Argentina³							
Wheat	263	362	358	346	324	315	310
Maize	239	294	283	276	242	257	264
Thailand⁴							
Rice, white ⁵	619	611	616	594	586	574	550
Rice, broken ⁶	545	558	562	557	551	539	518

*Prices refer to the monthly average.

¹ No.2 Hard Red Winter (Ordinary Protein) f.o.b. Gulf.

² No.2 Yellow, Gulf.

³ Up river, f.o.b.

⁴ Indicative traded prices.

⁵ 100% second grade, f.o.b. Bangkok.

⁶ A1 super, f.o.b. Bangkok.

plantings in the United States. Export prices from the Black Sea region and Argentina remained virtually unchanged or declined slightly in June.

International **maize** prices increased somewhat for the second consecutive month in June. The benchmark US maize value (US No.2, Yellow) averaged USD 300 per tonne, 2 percent up on its May level and 12 percent higher than a year earlier. The increase reflects a continued tight supply situation, which may persist until the arrival of new maize crops in October. However, a stronger US dollar and the forecast for a sharp rebound in maize production limited the increase in prices.

International **rice** prices were generally stable in June, with the FAO All Rice Price Index averaging 241 points, unchanged from May, as stronger quotations of Japonica rice largely compensated for

a weakening of both lower and higher quality Indica rice. The benchmark Thai export price (Thai white rice 100% B) fell, as did virtually all Thai rice quotations, partly a reflection of the Baht depreciation against the US dollar. Thailand's announcement on 18 June of a 20 percent cut in the official procurement price under the rice pledging programme, although it was revoked later, also contributed to depressing the Thai rice quotations. At the June value of USD 550 per tonne, the Thai white rice 100% B subsided 4 percent compared to May, dropping to its lowest level since January 2012. With the exception of Pakistan, where shortages of quality rice tended to lift prices, those quoted in other origins, including South American suppliers and the United States, also recoiled.

Low-Income Food-Deficit Countries food situation overview¹

2013 aggregate cereal harvest of LIFDCs is expected to remain similar to last year's level

Harvesting of the main winter cereal crops, mainly wheat and barley, in the countries of northern hemisphere and of the main summer (rainy) season crops, primarily coarse grains, in countries of the Southern Hemisphere is expected to continue until July. Sowing of the main rainy season summer crops, mainly rice and coarse grains, is underway in Northern Hemisphere countries and secondary season winter crops are currently being planted in the Southern Hemisphere. With the bulk of the 2013 cereal crops still to be planted, FAO's early forecast for the 2013 cereal production of all 62 LIFDCs as a group, points to a crop of about 543 million tonnes, similar to the record harvest of 2012. This good level is mainly

attributed to an increase in plantings so far, adequate supplies of fertilizer and other inputs, and a favourable weather forecast in most LIFDCs.

Among the regions, following satisfactory weather conditions, the early outlook for good harvests are forecast in North Africa (in Egypt, the only LIFDC) and all CIS Asia countries. In the Far East, the latest projections point to a near-record aggregate crop for the subregion's LIFDCs of approximately 384 million tonnes, similar to last year's record level. Prospects for bumper cereal harvests are foreseen in Bangladesh, Indonesia, Nepal, the Philippines and Sri Lanka, where rainfall for the winter crops was generally good and early forecasts of the second season crops are considered favourable. In India, the latest official forecast reports a slight decrease from last year's record harvest in the Rabi season wheat production,

but still the second best crop on record. Similarly, early prospects for the 2013 cereal production in Central America and the Near East are generally favourable. In Southern Africa, expectations for the 2013 cereal crops are generally satisfactory in most countries, following a near average output in 2012. However, the cereal production is expected to decline in Madagascar and Zambia, due to uneven rains and damages caused by pest infestation. In Eastern, Central and Western Africa, where planting of the main season cereal crops is underway, the overall prospects for the 2013 cereal crops are uncertain at this point, depending on the performance of the seasonal rains in the next few months. The 2012 cereal production of the LIFDCs as a group has been revised upwards from the estimate reported in the March issue of this publication to a new record level of 543 million tonnes, representing an improvement of 4.3 percent over the good production in 2011.

Cereal imports of LIFDCs for 2013/14 forecast to increase given the growing demand and stagnant production

The cereal imports of LIFDCs for 2013/14 (marketing years) are estimated to rise to 78.7 million tonnes, some 5 percent above the previous year's level but similar to the average level of the preceding five years. This is based on the expectation of larger imports particularly by large importing countries such as Egypt, Indonesia and Nigeria. In Egypt, the anticipated increase in 2013/14 cereal imports is mostly in coarse grains and wheat, preliminarily forecast to increase by 21 and 6 percent, respectively, compared to the 2012/13 levels. Similarly, in Eastern Africa and Southern Africa, import requirements are estimated to increase, due to expectations of a smaller domestic harvest in some

Table 4. Basic facts of the Low-Income Food-Deficit Countries (LIFDCs) cereal situation (million tonnes, rice in milled basis)

	2011/12	2012/13 estimate	2013/14 forecast	Change: 2013/14 over 2012/13 (%)
Cereal production¹	520.7	543.0	543.3	0.1
<i>excluding India</i>	286.1	301.8	305.0	1.1
Utilization	573.3	589.5	601.1	2.0
Food use	455.1	468.6	479.2	2.3
<i>excluding India</i>	266.9	274.5	280.2	2.1
Per caput cereal food use (kg per year)	0.2	0.2	0.2	1.2
<i>excluding India</i>	0.2	0.2	0.2	0.1
Feed	52.0	53.2	53.9	1.4
<i>excluding India</i>	45.1	46.1	46.7	1.2
End of season stocks²	111.8	114.9	109.8	-4.4
<i>excluding India</i>	67.2	63.7	61.0	-4.2

¹ Data refer to calendar year of the first year shown.

² May not equal the difference between supply and utilization because of differences in individual country marketing years.

¹The Low-Income Food-Deficit Countries (LIFDCs) group includes net food deficit countries with annual per caput income below the level used by World Bank to determine eligibility for IDA assistance (i.e. USD 1915 in 2010). The 2013 FAO list of LIFDCs includes 62 countries as opposed to 66 on the 2012 list. For full details see: <http://www.fao.org/countryprofiles/lifdc.asp>.

Table 5. Cereal production¹ of LIFDCs
(million tonnes)

	2011	2012 estimate	2013 forecast	Change: 2013 over 2012 (%)
Africa (39 countries)	127.5	136.6	136.7	0.1
North Africa	20.0	21.1	21.3	1.1
Eastern Africa	37.6	41.7	41.3	-0.9
Southern Africa	15.4	13.9	14.1	1.4
Western Africa	49.8	55.3	55.3	-0.2
Central Africa	4.7	4.6	4.8	3.4
Asia (17 countries)	391.0	404.5	404.5	0.0
CIS in Asia	9.4	9.6	9.9	2.2
Far East	372.6	384.6	384.0	-0.1
- India	234.6	241.2	238.4	-1.2
Near East	9.1	10.3	10.6	2.8
Central America (3 countries)	2.2	1.8	2.1	13.7
Oceania (3 countries)	0.0	0.0	0.0	0.0
LIFDC (62 countries)	520.7	543.0	543.3	0.1

Note: Totals and percentage change computed from unrounded data.

¹ Includes rice in milled terms.

countries. Only CIS-in-Asia subregion is expected to experience slightly lower import requirements, mainly on account of favourable estimates of the 2013 cereal output. Elsewhere, in Central Africa, Central America, Oceania and the Near East, cereal purchases are anticipated to

remain virtually unchanged from 2012. Consistent with the record domestic production of cereals in 2012 for the LIFDCs as a whole, the 2012/13 cereal imports are estimated at 75 million tonnes, 14 percent lower than the 2011/12 actual imports. This has been revised downwards

from the 78.7 million tonnes estimate reported in March.

As seen from Figure 3, a total of 31 LIFDCs have been listed as having very high cereal import dependency, measured by the import share in the past five years averaging 30 percent or higher in the total domestic utilization. Of these, the bulk of the countries are in Africa (19), Asia (6) and elsewhere (6). These countries are more vulnerable to food insecurity, caused by high food prices, and, thus, require constant monitoring. Particularly, there are 10 countries that are expected to see a rise in their 2013/14 cereal import share above their average share and, therefore, making them more at risk to world price hikes. These countries, especially, require close monitoring. A sharp increase in the import share is forecast for Burundi, Eritrea, Nicaragua and Yemen. By contrast, the share of cereal imports in total domestic utilization is forecast to decrease markedly in Mongolia, Mauritania and Sao Tome and Principe due to improved domestic supplies.

Table 6. Cereal import position of LIFDCs
(thousand tonnes)

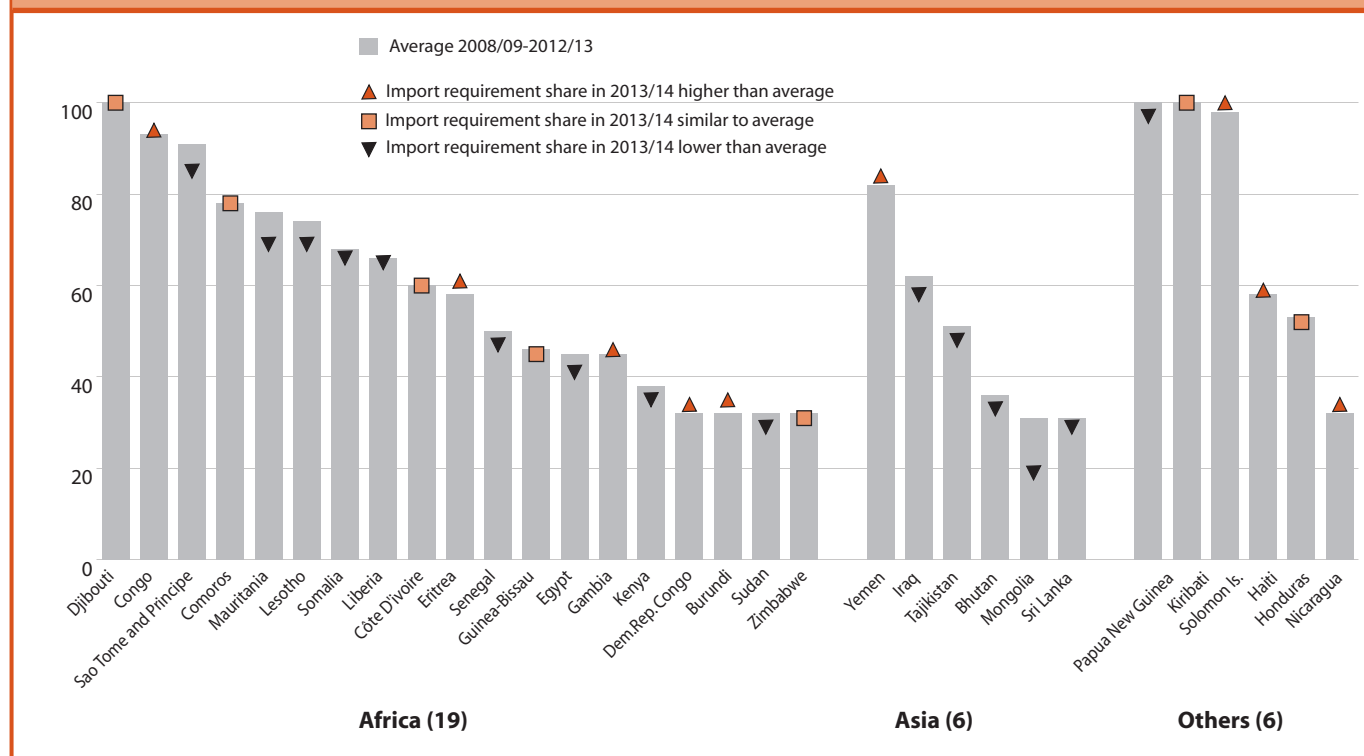
	2011/12 or 2012	2012/13 or 2013				2013/14 or 2014	
		Requirements ¹		Import position ²		Requirements ¹	
		Actual imports	Total imports:	of which food aid	Total imports:	of which food aid pledges	Total imports:
Africa (39 countries)	46 605	40 003	1 725	15 262	583	42 590	1 926
North Africa	18 871	13 421	0	9 205	0	14 871	0
Eastern Africa	8 016	7 688	1 115	2 396	331	8 290	1 311
Southern Africa	2 501	2 340	174	1 079	151	2 454	179
Western Africa	15 358	14 533	288	2 226	70	14 937	288
Central Africa	1 859	2 021	148	356	32	2 039	148
Asia (17 countries)	38 504	32 727	709	16 056	368	33 802	708
CIS in Asia	4 740	3 439	5	2 693	4	3 393	1
Far East	22 703	19 176	538	10 315	305	20 092	541
Near East	11 060	10 112	166	3 047	60	10 317	166
Central America (3 countries)	1 696	1 854	142	662	15	1 886	173
Oceania (3 countries)	442	442	0	60	0	447	0
Total (62 countries)	87 247	75 025	2 576	32 040	967	78 725	2 806

Note: Totals computed from unrounded data.

¹ The import requirement is the difference between utilization (food, feed, other uses, export plus closing stocks) and domestic availability (production plus opening stocks).

² Estimates based on information available as of early June 2013.

Figure 3. Share of imports in total domestic utilization of cereals (where average share is 30 percent or more)



Regional reviews

Africa

North Africa

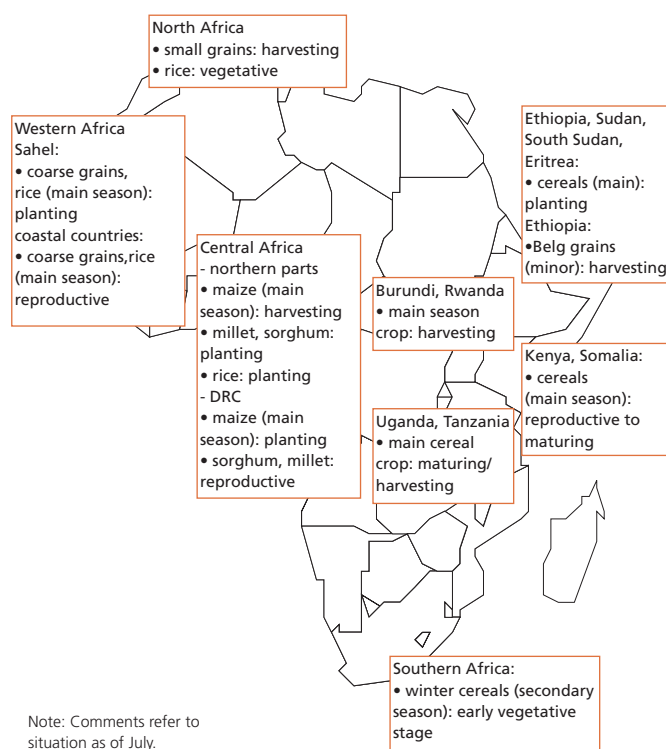
Favourable crop prospects in most countries except in Tunisia

Harvesting of the 2013 winter cereal crops started June in most countries of the subregion and will continue until July. Early forecasts indicate a recovery from last year's weather-affected poor harvests. In **Morocco, Algeria** and **Egypt**, early forecasts for wheat production point to above average harvests, despite the drought affecting some eastern regions in Algeria. Farmers in Morocco also benefited from the increased use of certified seeds that improved yields. In Egypt, although the harvest is progressing well, farmers have expressed doubts that the harvest will be as large as forecasted by the Government. By contrast, in **Tunisia**, wheat production is forecast at a level below average, and to decline from last year's exceptional wheat harvest due mostly to inadequate rains during planting.

Overall, FAO forecasts the subregion's aggregate wheat output at 20.7 million tonnes, 15.4 percent up on last year's good crop, and 19.1 percent up on the previous five-year average. The barley crop is forecast at about 4.9 million tonnes, 32.6 percent and 9.8 percent above last year and the preceding five-year average, respectively.

Cereal import requirements expected to remain similar to last year

North African countries rely heavily on wheat imports from the international markets to cover their consumption needs, with **Egypt** being the world's largest importer. Despite the good prospects for 2013 crops in several countries, the cereal import requirements for the 2013/14 marketing year (July/June) are forecast at similar levels to last year partly on account of the annual increase in population size. However, dwindling foreign



exchange reserves, especially in Egypt and Tunisia may result in increased restrictions on transactions by its Central Bank, thus curtailing the imports.

Food inflation increases across the subregion

An increasing trend in food inflation was noted in the subregion in the last several months. Although in **Algeria** in May 2013, the food price index decreased by 1.6 compared to the previous month, it increased by 3.2 percent compared to the previous year. The year-on-year price increase, for bread and cereals, was 3.9 percent in May 2013 while red meat prices increased by almost 17 percent. In **Egypt**, the annual food and beverage inflation rate in May 2013 reached about 9 percent compared to 7.9 percent in January 2013. The increase was attributed to the depreciating exchange rate and bottlenecks in fuel distribution. In **Morocco**, the food inflation rose by 3.4 percent in the 12 months

Table 7. North Africa cereal production
(million tonnes)

	Wheat			Coarse grains			Rice (paddy)			Total cereals			
	2011	2012 estim.	2013 f'cast	2011	2012 estim.	2013 f'cast	2011	2012 estim.	2013 f'cast	2011	2012 estim.	2013 f'cast	Change: 2013/2012 (%)
North Africa	18.8	17.9	20.7	12.6	11.7	12.5	5.7	6.6	6.8	37.2	36.3	40.0	10.3
Algeria	2.8	3.4	3.6	1.5	1.6	1.9	0.0	0.0	0.0	4.2	5.0	5.5	9.1
Egypt	8.4	8.8	9.4	7.8	7.8	7.3	5.7	6.5	6.8	21.8	23.1	23.4	1.3
Morocco	6.0	3.9	6.5	2.6	1.4	2.8	0.1	0.1	0.1	8.6	5.3	9.4	76.0
Tunisia	1.6	1.8	1.2	0.7	0.8	0.4	0.0	0.0	0.0	2.3	2.6	1.5	-41.3

Note: Totals and percentage change computed from unrounded data.

to May 2013, against 3 percent in April 2013 and 1.5 percent in August 2012. In **Tunisia**, the year-on-year food and beverage prices in May 2013 climbed 8 percent.

Despite increasing food price inflation, bread and cereal inflation across the subregion remains low partly due to the large food subsidies by the governments. While subsidies are likely to remain, there is an ongoing discussion about their costs (including the large import bill and administrative costs) and the related food waste, pointing to possible reforms of the subsidy schemes.

Western Africa

Favourable early prospects for 2013 cereal crops

Planting of the first 2013 maize crop, to be harvested from July, was completed in May in southern parts of the coastal countries. Planting of coarse grains is progressing northwards in these countries following the onset of the rains. By contrast, seasonably dry conditions prevail in most of the Sahelian zone where planting usually starts in June/July. Elsewhere, weather conditions have been mostly favourable so far, notably in the coastal countries along the Gulf of Guinea, where the main season maize crop is developing satisfactorily. Adequate weather conditions are expected to continue according to the joint forecast by the African Centre of Meteorological Applications for Development (ACMAD) and the Agrhymet Centre. For the Sahelian region, which receives about 80 percent of its annual precipitation in the months July-September, there is an increased probability, this year, of normal to above-normal rainfall. For coastal countries along the Gulf of Guinea, near normal rainfall is forecast. In short, overall early crop prospects are favourable in West Africa, but risk of floods is also elevated.

Good cereal harvest gathered in 2012

Latest official estimates put the subregion's aggregate 2012 cereal output, consisting mostly of coarse grains, at about 60 million tonnes, slightly lower than the 2010 bumper crop but 10 percent up on the 2011 production. In the Sahel, aggregate 2012 cereal

production was estimated at about 22.5 million tonnes, about 37 percent up on the 2011 drought-affected harvest, and a 28 percent increase relative to the five-year average. Bumper cereal harvests were gathered in most Sahelian countries, including **Burkina Faso, Chad, Guinea-Bissau, Mali, Niger** and **Senegal**. Production was also good in most coastal countries along the Gulf of Guinea, except in **Nigeria** where heavy rains and floods led to a 9 percent drop in the rice output compared to 2011. In Nigeria, maize, cassava, and yam were also seriously affected.

Cereal markets disrupted by insecurity in Nigeria

The reduction in supplies from last year's flood-affected crop was compounded by civil insecurity in **Nigeria**, leading to a tight cereal market in the eastern part of the subregion. Coarse grains prices increased significantly over the past few months in Nigeria following disruptions in commodity movements and cross-border trade flows. In the main northern market of Kano, maize prices have been rising since October 2012, and in May 2013 prices were 10 percent above last year's already high levels. Similarly in **Niger**, millet prices have been following an upward trend since November 2012, and in June 2013 prices were 4 percent up on last year. Government procurements of millet from farmers, to build up National Security Stocks, coupled with reduced imports from Nigeria, have reinforced price increases in Niger. In **Benin**, increased cereal import demand from neighbouring Niger and Nigeria has put upward pressure on prices. Maize prices in Cotonou in May were 12 percent above their levels of a year earlier.

Elsewhere in the subregion, coarse grains prices continued to follow seasonable patterns in general with stable or declining prices of millet and sorghum in May in most Sahelian countries. For example, millet prices in Ouagadougou (**Burkina Faso**) and Bamako (**Mali**) in early June were 25 percent and 35 percent, respectively, below their levels in June 2012. Similarly, in **Chad**, millet prices in

May were well below their levels a year earlier in most markets. In **Togo**, cereal prices have been low in most markets, and maize prices in Lomé in May were about 7 percent below their levels a year earlier. In **Mauritania**, sorghum prices in Nouakchott in May 2013 were 7 percent lower than a year earlier, reflecting an adequate supply.

Prices of imported rice, mainly consumed in urban

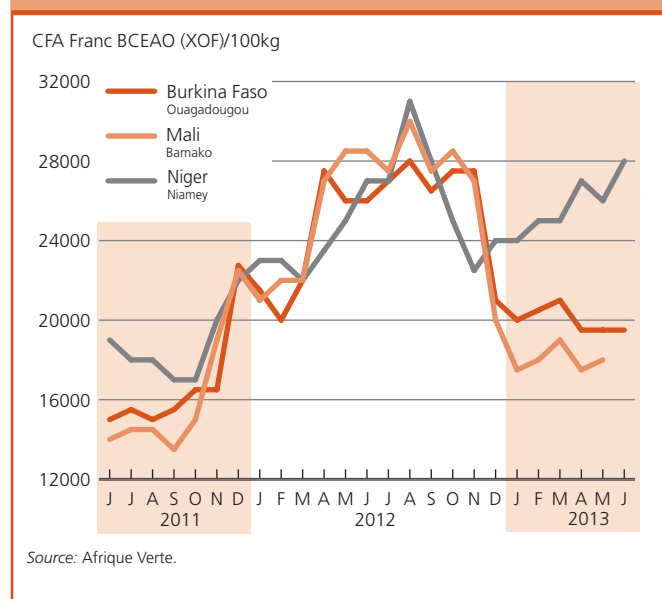
Table 8. Western Africa cereal production
(million tonnes)

	Coarse grains			Rice (paddy)			Total cereals ¹			
	2011	2012 estim.	2013 f'cast	2011	2012 estim.	2013 f'cast	2011	2012 estim.	2013 f'cast	Change: 2013/2012 (%)
Western Africa	42.0	47.1	46.6	12.2	12.7	13.4	54.3	60.0	60.2	0.3
Burkina Faso	3.4	4.6	4.0	0.2	0.3	0.3	3.7	4.9	4.4	-10.6
Chad	1.5	3.0	2.8	0.2	0.2	0.2	1.7	3.2	3.0	-5.0
Ghana	2.2	2.4	2.3	0.5	0.5	0.5	2.6	2.9	2.8	-4.1
Mali	4.0	4.7	4.4	1.7	1.9	2.2	5.8	6.7	6.6	-1.1
Niger	3.5	5.3	5.1	0.1	0.1	0.1	3.6	5.3	5.2	-3.4
Nigeria	22.1	21.2	22.1	4.6	4.2	4.4	26.7	25.5	26.6	4.1

Note: Totals and percentage change computed from unrounded data.

¹ Total cereals includes wheat, coarse grains and rice (paddy).

Figure 4. Millet prices in selected Western African markets



centres, have remained stable in recent months in both the Sahel and the coastal countries.

Food security in the region affected by civil insecurity in Mali and northern part of Nigeria

In spite of last year's good harvests, the food security situation remains difficult in parts, due to insecurity and the lingering effects of the food crisis of 2011/12.

Current conflict in Mali has resulted in large population displacements in the subregion. As of early May 2013, more than 174 000 Malian refugees had been registered in neighbouring countries, including 74 108 in **Mauritania**, 50 000 in **Niger** and 49 975 in **Burkina Faso**. In addition, over 300 000 people are estimated to have been internally displaced. There was also a massive displacement of herders and their livestock to neighbouring countries. Similarly, in Nigeria, the ongoing civil insecurity in the northern part of the country has led to a significant population displacement as well as disruptions in commodity movement and cross-border trade.

Moreover, the severe food crisis that struck the Sahel in 2011/12 (similar to 2004/05 and 2009/10) has had an adverse long-term impact on household assets and savings, on levels of indebtedness, and on the health and nutritional

status of the population. Despite the good crop gathered in 2012, several segments of the population still need food and non-food assistance to restore their livelihoods. Implementations of income generation and asset rebuilding activities for food insecure and vulnerable people need to continue in most countries.

Central Africa Favourable weather conditions at the start of the 2013 cropping season

The sowing of the 2013 main maize crop began in March in southern regions of **Cameroon** and **Central African Republic (CAR)**. So far the overall growing conditions have been favourable in both countries; however, while a good crop, to be harvested from July, is expected in Cameroon, in CAR crop production is likely to be negatively affected by persisting civil insecurity, which disrupted agricultural activities and caused input shortages.

In the **Democratic Republic of the Congo (DRC)**, the harvest of the second season crops is almost complete in the centre and in the south, while it's about to start in the north. Judging from the satellite imagery, the northern and southern regions received favourable rainfall, while in central areas precipitation has been below normal.

In **Congo** and **Gabon**, where the harvest of the second season crops has just started, well distributed rainfall was received. However, in both of these countries, the bulk of the national cereal utilization requirement is imported.

Satisfactory 2012 harvests with localized production shortfalls

The harvesting of the 2012 secondary season maize crops was completed last January in Cameroon and Central African Republic, while in Gabon, the Republic of Congo and the Democratic Republic of the Congo, the main 2012 season crops were harvested in January/February. Following abundant rainfall, average to above-average cereal outputs were estimated in all countries of the subregion. However, in the unimodal northern Cameroon, the 2012 cereal crop was negatively affected in some areas by floods during September, while in areas of eastern and

Table 9. Central Africa cereal production
(million tonnes)

	Coarse grains			Rice (paddy)			Total cereals ¹			
	2011	2012 estim.	2013 f'cast	2011	2012 estim.	2013 f'cast	2011	2012 estim.	2013 f'cast	Change: 2013/2012 (%)
Central Africa	4.4	4.3	4.4	0.5	0.5	0.5	4.9	4.8	5.0	3.5
Cameroon	2.8	2.8	2.9	0.2	0.1	0.2	3.0	3.0	3.1	5.3
Central Africa Rep.	0.2	0.2	0.2	0.0	0.0	0.0	0.2	0.2	0.2	0.4
Dem.Rep.of the Congo	1.3	1.2	1.3	0.3	0.3	0.3	1.6	1.6	1.6	0.6

Note: Totals and percentage change computed from unrounded data.

¹ Total cereals includes wheat, coarse grains and rice (paddy).

northern Central African Republic the harvest of the secondary season crops was disrupted and damaged in December as a result of the conflict. The total cereal production in the subregion is estimated at 4.8 million tonnes, similar to the previous year's good output.

Higher inflation in 2013 following relatively low prices the previous year

In the Democratic Republic of Congo, prices of cereals increased sharply in recent months in areas affected by civil insecurity, reaching record levels. In June, prices of maize in Bunia in the eastern Ituri province, and Lubumbashi in the southern Katanga province, were about 144 and 52 percent higher, respectively, than in other relatively peaceful areas of the country. In the Central African Republic, the average inflation rate, which rose from 1.3 percent in 2011 to 5 percent in 2012, driven by increased food prices, is forecast to rise further in 2013 to 8 percent, due to the deterioration in civil security and the market disruptions. In Gabon and in the Republic of the Congo, the average inflation rates, which increased from the very low levels of 2011 to up to 5 percent in 2012, driven by high commodity and import prices, are forecast to stabilize in 2013. Average inflation is forecast to remain stable in 2013 also in Cameroon and in Equatorial Guinea.

Worsening civil security aggravates an already alarming food security situation

Civil security deteriorated in recent months in **CAR** and in **DRC**, disrupting agricultural activities and restricting households' access to food. In addition, humanitarian interventions were severely affected, compounding the impact on vulnerable groups.

In **CAR**, the civil conflict underway since December 2012 escalated further from late March 2013, when armed skirmishes spread to the whole country. As a result, the number of food insecure people in need of humanitarian assistance (IPC Phase 3, Crisis, and 4, Emergency) sharply increased from 664 000 in February 2013 to 2 million in June, with the number of internally displaced persons (IDP) reaching 206 000 in late March. In response, WFP is providing food assistance to 715 000 beneficiaries.

In **DRC**, the number of food insecure people in need of humanitarian assistance (IPC Phases 3 and 4) was estimated at about 6.4 million as of June 2013, with an increase of about 75 000 people compared to October 2012 mostly driven by the escalation of armed

conflicts in North and South Kivu and in Katanga provinces in recent months. Two-thirds of them (about 4.2 million persons) are considered severely food insecure. The food insecure are mostly concentrated in the provinces of North and South Kivu, Oriental, East and West Kasai, Katanga, Equateur and Bandudu. As of early June the total number of IDPs are estimated at 2.8 million and the refugees from the Central African Republic at about 43 000 people. WFP had launched an Emergency Operation which will provide food assistance to 1.2 million beneficiaries for ten months until June 2013.

Eastern Africa Outlook improves for crops and pastures

Planting of the 2013 main season crops was concluded in April/May in **Somalia** (*gu*), **Kenya** (long rains), southern **South Sudan** (in the "green belt"), northern **United Republic of Tanzania** (masika) and in the Karamoja region in northeastern **Uganda**. In these areas, crops to be harvested from July/August are generally in good condition following beneficial rains between March and May and production prospects are put at average to above average levels. One exception is the Karamoja region in Uganda, where rains were erratic, which caused water logging in some lowland areas and a prolonged dry spell between May and June in some other areas. With the arrival of June to September rains, the planting of the 2013 main season crops is underway in western **Ethiopia**, **Eritrea**, northern **South Sudan** and the **Sudan**. Harvesting operations are scheduled between October and January and seasonal rains are anticipated to be average to above average levels.

In most cropping areas, seasonal March to May rains started on time (and in some areas two to three weeks earlier than usual) and were often well distributed and abundant, with a positive impact on crop establishment and development. In most pastoral and agro-pastoral areas of the subregion, favourable rains have also replenished water catchments and significantly improved

Table 10. Eastern Africa cereal production
(million tonnes)

	Wheat			Coarse grains			Total cereals ¹			
	2011	2012 estim.	2013 f'cast	2011	2012 estim.	2013 f'cast	2011	2012 estim.	2013 f'cast	Change: 2013/2012 (%)
Eastern Africa	4.0	4.3	4.7	32.3	36.2	35.2	38.4	42.3	42.0	-0.7
Ethiopia	3.1	3.5	3.6	16.7	17.4	17.5	20.0	21.1	21.2	0.8
Kenya	0.3	0.3	0.3	3.7	3.9	3.6	4.1	4.3	4.0	-6.8
Sudan ²	0.3	0.3	0.5	2.5	5.7	4.8	2.9	5.9	5.3	-10.9
Tanzania U.R.	0.1	0.1	0.1	5.4	5.5	5.3	6.9	6.7	6.8	2.0
Uganda	0.0	0.0	0.0	2.5	2.6	2.6	2.8	2.9	2.9	1.4

Note: Totals and percentage change computed from unrounded data.

¹ Total cereals includes wheat, coarse grains and rice (paddy).

² Including South Sudan.

pastures, with positive effects on livestock body conditions and milk production.

Torrential rains in April and May caused localized flooding and water logging in parts, destroying infrastructure, washing away crops and livestock and displacing about 225 000 people. Most flood-affected areas were some of the southeastern and western districts of Kenya (in particular around Lake Victoria and along the Tana River), the Shabelle Valley in Somalia, eastern and southern Ethiopia and some western districts of Uganda. On the positive side, seasonal floods in Somalia favoured recession plantings that started in May as flood waters receded. This off-season cereal crop production, to be harvested by end-September, is expected to be near average.

The 2013 main season is more advanced in the southern/central unimodal rainfall areas of Tanzania (*msimu* crops) and in bi-modal rainfall areas of Uganda. In both countries, harvesting is already underway and production prospects are generally favourable, with the exception of some central marginal areas in Dodoma and Singida regions in the United Republic of Tanzania where a prolonged dry spell in February and an early cessation of rains in March have affected crops. In Rwanda and Burundi, the harvesting of the 2013 season B cereal crops, representing about 50 percent of annual production, is underway and crop prospects are average.

In Ethiopia, the harvesting of secondary season *belg* crops, which normally starts in June, has been delayed following the late start of the rainy season leading to mixed prospects for the harvest. In the eastern Amhara, southern Tigray and eastern Oromia regions, crop production is expected to be well below average as *belg* rains (mid-February to May) started late by almost one month and were erratic, below average and ceased earlier than normal, leading to a significant reduction in the planted area and affecting yields. By contrast, despite a delayed onset of the rainy season, better crop conditions are reported in central Oromia region and in western SNNPR as average to above average cumulative rains were received in April and early May. Localized losses of *belg* crops were caused by flooding in April in East and West Hararghe zones of Oromia region and in Wolayta and Sidama zones of SNNPR. The delay in *belg* harvest increases the risk of losses due to excessive soil moisture following the start of the June-September *kiremt* rains and it is likely to affect the planting operations of the 2013 *meher* short-cycle crops, such as wheat, barley and teff in June/July.

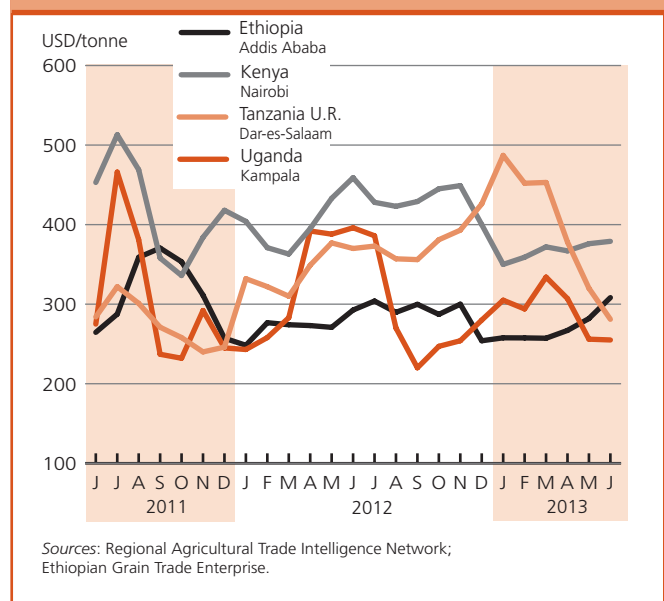
In 2012, the subregion's aggregate cereal production (including the recently harvested second season crops in Kenya, the United Republic of Tanzania, Uganda and a forecast for the *belg* crop in Ethiopia) is estimated at a record high of 42.3 million tonnes, about 16 percent above the average of the previous five years.

Coarse grains prices increase seasonally in most countries

Prices of coarse grains have been increasing in most countries of the subregion since early 2013 as the lean season progressed and supplies from previous harvests began to draw down. In the **United Republic of Tanzania** and **Uganda**, however, prices started to decline in recent months with the green crop availability from the 2013 first season harvests.

In **Ethiopia**, wholesale prices of main cereals increased seasonally from March to June by 11-21 percent in most markets. In the capital, Addis Ababa, prices of maize, red sorghum and teff in June were higher than one year ago by 11, 15 and 18 percent, respectively, while prices of wheat were almost at the same level. In **Kenya**, wholesale prices of maize increased slightly in most markets of the Rift Valley as supplies from the recently harvested short-rains crops were gradually dwindling, while prices remained mostly stable in the capital Nairobi, partly due to the release of about 40 000 tonnes of maize from public stocks. Similarly, in **South Sudan**, retail prices of main staple sorghum increased in Juba and Aweil markets from January to May by about 12 percent, respectively, while they declined in Malakal by 10 percent over the same period due to informal imports from neighbouring Sudan during March and April. In **Somalia**, prices of locally grown maize and sorghum increased slightly in May in the capital city Mogadishu and other markets, but are still about 15-25 percent below their levels of 12 months earlier and 60-80 percent below the peak reached in June 2011 when famine was declared. Similarly, sorghum prices in Baidoa market, located in the sorghum belt, were 36 percent lower than 12 months

Figure 5. Maize prices in selected Eastern African markets



earlier and 86 percent below the peak of June 2011. In **Rwanda**, wholesale prices of maize and beans increased, reaching record levels mid-June, and then started to decline as the harvest of the 2013 season “B” crops increased supplies in local markets. Despite the recent declines, prices are still well above the level of 12 months earlier, mainly due to early depletion of stock from the below average season “A” harvest gathered in February.

In **the Sudan**, prices of domestic cereals (mainly sorghum and millet) remain at high levels since January 2013 in most monitored markets, just 10-20 percent below the record high levels of 12 months earlier when production was halved by a severe drought. Current high levels result mainly from increased production costs, such as labour and fertilizers, soaring inflation rates and increased informal exports to neighbouring countries (especially to South Sudan). Prices of wheat, consumed mainly in urban areas and mostly sourced from the international market, are at record high levels. The surge in prices started in mid-2012 mainly due to high inflation, limited foreign currency reserves and the devaluation of the Sudanese pound.

In the United Republic of Tanzania, cereal prices reached record levels in the first quarter of 2013 and subsequently declined from April to June in most markets by between 26 and 46 percent with the start of the 2013 *msimu* season harvest. However, current prices are still considerably higher than one year ago, mainly due to the sustained demand from neighbouring countries (Rwanda, Burundi, DRC and South Sudan) and the poor performance of the last *vuli* crop, harvested in January-February in bi-modal coastal areas. Similarly, in Uganda, prices of maize have declined between April and June in Kampala and Lira by 17 and 15 percent, respectively, as the supplies from the newly harvested crops began to enter markets. Currently, prices are well below the level of one year ago.

High food insecurity persists in conflict-affected areas

Household food security has gradually improved in most countries of the subregion, since late last year, mainly due to favourable local crop harvests and improved pasture from two consecutive good rainy seasons. In addition, a sustained humanitarian response has also played a major part. Further significant improvements are seen in Somalia and Kenya following, respectively, good *deyr* and *short rains* season harvests. Currently, in the subregion, the number of people in need of humanitarian assistance is estimated at about 9 million (including 4.25 million in the Sudan, 2.4 million in Ethiopia, 1.2 million in South Sudan, 1.05 million in Somalia and 70 000 in Djibouti), about 2 million less than the previous estimate in March 2013 and about 5 million less than one year ago.

However, despite recent improvements, high levels of food insecurity remain in several areas of the subregion. In the Sudan,

insecurity and massive displacements are hampering agricultural activities, market access and delivery of humanitarian assistance in conflict-affected areas of North and South Darfur, South Kordofan and Blue Nile States as well as the Abyei area. In South Sudan, food security conditions are difficult in parts of Jonglei, Unity, Lakes and Warrap states due to intensive inter-communal clashes (mostly related to cattle raiding), persistent civil insecurity and an early start of current lean season due to poor flood-affected production in 2012. In particular, recent reports indicate that about 120 000 people have fled fighting in main towns of Pibor county in Jonglei state. Given that they were displaced in the malaria-infested, flood-prone areas, urgent humanitarian food and non-food assistance is required to prevent imminent loss of lives. Renewed tensions between the Sudan and South Sudan are expected to negatively affect food security of both countries through loss of oil revenues, disruption of cross border trade and increasing civil insecurity along the border.

In most *belg* season cropping areas of Ethiopia, the current lean season is expected to be long and harsh, particularly in the Amhara and Tigray regions where the harvest is expected to be delayed and lower than average. The sweet potatoes growing areas of SNNPR are also of concern following the poor output of the recent harvest. Other pockets of food insecurity with a “crisis” level (IPC phase 3) are reported in livestock dependant coastal areas of central and northwestern Somalia, in the eastern lowland areas of Oromia region and agro-pastoral areas of the southern Somali region in Ethiopia, in the southeastern and north-eastern areas of Djibouti and in some central/eastern zones of Burundi. As of mid-April 2013, there were about 1.9 million refugees in the subregion (half of them are concentrated in camps in Kenya and Ethiopia) whose access to basic necessities of food, shelter, water and sanitation is often precarious.

In most countries of the subregion, access to food for most vulnerable households is likely to worsen in the coming weeks as food prices are expected to keep rising. Some improvements in the overall food security situation are expected to take place from July/August onwards in Somalia, Kenya, Uganda, Rwanda, Burundi and the United Republic of Tanzania where the current lean season ends and newly harvested crops become available for consumption. On the other hand, food security is expected to deteriorate until October in *meher*-dependant areas of Ethiopia, Sudan and South Sudan as the food stocks from previous harvests dwindle and the lean season peaks before next harvest starts.

Southern Africa Mixed crop production performance in the subregion

Harvesting of the 2013 cereal crops is nearing completion. Weather conditions during the 2012/13 cropping season (October/June) have been mixed and production levels largely

reflect precipitation variations. As a result of the uneven rainfall performance, the aggregate 2013 maize production in the subregion is forecast at 22.8 million tonnes, slightly lower than the previous year's good harvest.

Production declines are expected in **South Africa** (-6 percent) and **Zambia** (-11 percent), due to water stress that affected yields, while a reduced area harvested in Zambia also contributed to the smaller output, estimated at 2.6 million tonnes. In **Namibia**, drought conditions, except in the northeastern region, resulted in a severe reduction in cereal production, both compared to last year and the average, prompting the Government to declare a national emergency in May. Similarly, water deficits are expected to limit production in southern **Angola**, but a recovery over last season's poor output is anticipated in the large cereal producing central provinces. In addition, pasture and livestock conditions worsened in western areas as a result of the prolonged dry conditions; approximately 4 000 livestock deaths were recorded in Namibia this year. In **Madagascar**, rice production is expected to decline, particularly in the southwestern regions, on account of the locust plague. A joint FAO/WFP Crop and Food Security Assessment Mission (CFSAM) is currently being conducted in the country and is expected to provide more detailed information on losses and production levels in 2013.

In **Malawi**, production is expected to improve moderately over the 2012's output to 3.7 million tonnes, particularly in the southern regions which experienced production shortfalls in the previous season. **Lesotho** and **Mozambique** are expected to make production gains in 2013, but localized crop losses, due to pests and floods, will result in tighter supplies in some areas. In southern Mozambique, for example, flooding in early 2013 resulted in the complete loss of approximately 211 000 hectares of crop (4 percent of the national cropped area). Official estimates for **Zimbabwe** are not yet available, however, maize production is expected to increase from last year's near average crop. Although **Botswana** observed generally drier conditions, the main eastern and southern growing regions experienced

relatively good weather, and early estimates point to an increase in cereal production.

Import requirements in 2013/14 expected to rise slightly

The aggregate maize supply in the 2013/14 marketing year (generally May/April) is more than sufficient to cover the subregion's import requirement estimated at about 1.2 million tonnes. However, the expected lower surplus in Zambia, the second largest exporter in the subregion, will limit import opportunities, particularly for Zimbabwe, which restricts the importations of GM maize produced in South Africa, the largest exporter in the subregion. It is therefore likely that Zimbabwe will also source maize supplies from outside the subregion. Maize import requirements for most countries are expected to remain similar to the previous year, except Namibia and Zimbabwe. For wheat, the subregion is a net-importer owing to generally stagnant domestic production, however, Zambia, which recorded production gains during the previous five years is now self-sufficient. The subregion's aggregate import requirement for wheat in 2013/14 is estimated at 3.5 million tonnes, up slightly from last year.

Maize prices declined seasonably as the ongoing harvest augments market supplies

In **South Africa**, maize prices (in Rand terms) have generally declined since the start of 2013, but remained at slightly higher levels than last year. In March, prices increased in response to the downward revision of the 2013 maize production forecast but after a brief fall in April, rose marginally in the following two months, supported by a weaker Rand and higher international prices. In neighbouring **Lesotho**, maize prices have remained comparatively stable over the last months but are still higher than the preceding year, reflecting higher export quotations in South Africa, the country's main supplier.

Table 11. Southern Africa cereal production

(million tonnes)

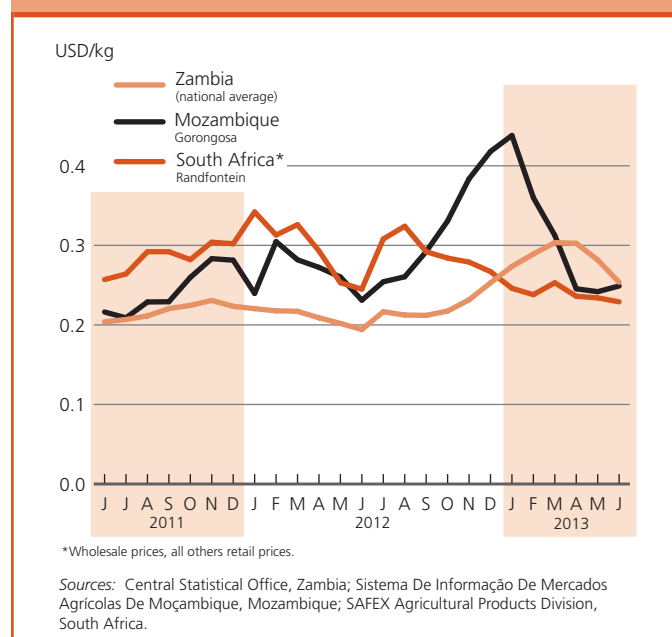
	Wheat			Coarse grains			Rice (paddy)			Total cereals			
	2011	2012 estim.	2013 f'cast	2011	2012 estim.	2013 f'cast	2011	2012 estim.	2013 f'cast	2011	2012 estim.	2013 f'cast	Change: 2013/2012 (%)
Southern Africa	2.3	2.2	2.0	25.0	24.6	24.3	4.8	5.1	4.9	32.1	31.9	31.3	-2.0
- excl. South Africa	0.3	0.3	0.3	13.5	11.3	11.8	4.8	5.1	4.9	18.6	16.7	17.0	1.4
Madagascar	0.0	0.0	0.0	0.4	0.4	0.4	4.3	4.6	4.4	4.7	5.0	4.8	-3.4
Malawi	0.0	0.0	0.0	4.0	3.7	3.8	0.1	0.1	0.1	4.1	3.8	3.9	1.9
Mozambique	0.0	0.0	0.0	2.6	2.0	2.4	0.3	0.3	0.3	2.9	2.4	2.7	13.8
South Africa	2.0	1.9	1.7	11.5	13.3	12.6	0.0	0.0	0.0	13.5	15.1	14.3	-5.7
Zambia	0.2	0.3	0.3	3.1	2.9	2.6	0.0	0.0	0.0	3.4	3.2	2.9	-9.0
Zimbabwe	0.0	0.0	0.0	1.6	1.1	1.3	0.0	0.0	0.0	1.7	1.1	1.3	12.5

Note: Totals and percentage change computed from unrounded data.

In **Mozambique**, maize prices declined significantly since the start of the main harvest in March, on the back of an expected increase in cereal output and improved grain flows to markets. However, prices in June remained generally above those of last year, except in some central markets where they were similar to the levels of a year earlier. Similarly, in **Malawi** prices decreased in the past months, as the new crop improved market supplies. However, prices still remained significantly above those of a year earlier. In addition, the national inflation rate declined for the third consecutive month in May, mainly reflecting an overall decrease in food prices. While in May, buoyed by an improved inflow of foreign currency from sales of the 2013 tobacco crop, the national currency (kwacha) appreciated against the US dollar. The strengthening of the kwacha is expected to contribute to containing import inflation.

In **Zambia**, maize grain prices decreased in June, as the 2013 harvest increased market supplies. However, prices of breakfast maize meal remained virtually unchanged, after increasing in previous months following the Government's intervention to raise the ceiling price to ZMW 55 per 25 kg (up ZMW 5). The increase was implemented to improve internal trade to remote areas, which was previously impeded by high transportation costs and comparatively low retail prices. Maize prices are expected to come under renewed upward pressure following the removal of the Food Reserve Agency's (FRA) subsidized sale price to millers in May. In addition, the Government has also removed a fuel subsidy and approved an increase in petrol and diesel prices, to lower the burden on fiscal resources and allow funds to be directed towards public capital investment.

Figure 6. White maize prices in selected Southern African markets



Average rice prices in **Madagascar** declined seasonably between January and June, but at a slower rate than previous years. Expectations of a reduced rice crop, due to cyclone damage and the impact of the locust plague, contributed to the subdued price fall this year.

Overall food security conditions are improving, but remain a concern for some parts in the subregion

Food security conditions in most parts of the subregion are improving, as the ongoing 2013 harvest increased households' food availability. However, in **Namibia**, an inter-agency emergency food security assessment, conducted in April, found that an estimated 330 927 persons, more than four times the level of the previous year, require emergency food assistance due to the impact of the drought. In response, the Government has initiated several short and long-term interventions, including emergency food aid distributions. Although the country has the capacity to import sufficient quantities of cereals, households' access to market supplies is expected to be constrained due to reduced livestock prices and limited local harvest. Similarly in southern **Angola**, a consecutive season of below average rains has severely reduced crop production and food security conditions are anticipated to deteriorate as a result.

Elsewhere in the subregion, food security conditions are expected to worsen later in the year in areas where crop production shortfalls are estimated, particularly in parts of the Limpopo river basin of **Mozambique**, some southern areas of **Zambia** and **Zimbabwe** and localized parts of central Malawi. The high maize prices in **Malawi** are also continuing to constrain food access. Additionally, the food security situation is expected to deteriorate in **Madagascar**, due to damage caused by the locust plague and cyclones.

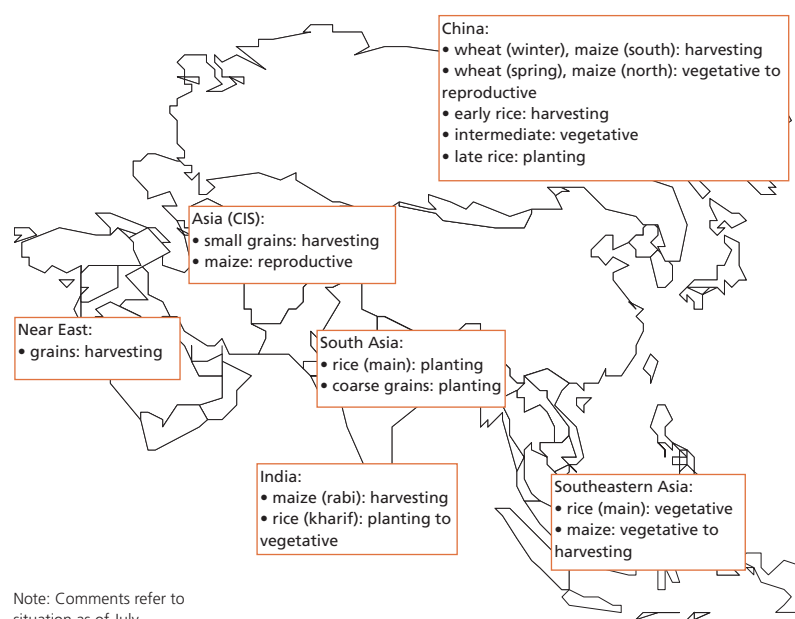
The release of the national vulnerability assessments from July onwards will provide more detailed information on the current food security situation and required interventions.

Asia

Far East 2013 winter wheat harvest expected to show slight improvement over 2012 record level

Harvesting of winter crops, mainly wheat and barley, and the first season rice crop, is almost complete throughout the subregion, while land preparation or planting of the main season rice and coarse grains, to be harvested from September 2013, is well advanced. FAO's latest estimate of the subregion's aggregate 2013 wheat harvest, including the forecast for small amounts of spring wheat, stands at a new record level of 245 million tonnes, up on last year's another record crop which itself was 4.4 percent on the 2011 output.

In general, the subregion experienced erratic performance of rains during the growing period from November 2012 to April 2013. However, given that most of the crops this season are irrigated, the dry weather had a limited impact on crop development. Record winter wheat harvests are officially estimated for **China** and **Pakistan** at 115.3 and 26.3 million tonnes, respectively, mainly reflecting generally favourable weather conditions, good availability of irrigation water, fertilizers and other inputs. However, in China, below-average rainfall from mid-February to mid-May over large parts of the North China Plain, particularly affecting Hebei, Henan and Shandong provinces, led to a downward revision of winter wheat



from the previous official forecast set at 116.6 million tonnes. Latest estimates from the National Grain and Oils Information Centre point to total wheat crop (including winter and ongoing spring seasons) of about 120.6 million tonnes, similar to last year's record harvest. Similarly, in **India**, good rainfall in the latter part of the growing season in major producing states such as Uttar Pradesh, Punjab and Haryana in the northwest, coupled with good supplies of fertilizer and irrigation water in most producing areas, led to an upward revision from the second official forecast, to a near record level. The "Third Advance Estimate" from India's

Table 12. Far East cereal production
(million tonnes)

	Wheat			Coarse grains			Rice (paddy)			Total cereals			
	2011	2012 estim.	2013 f'cast	2011	2012 estim.	2013 f'cast	2011	2012 estim.	2013 f'cast	2011	2012 estim.	2013 f'cast	Change: 2013/2012 (%)
Far East	233.7	244.0	245.2	293.1	311.2	313.4	655.1	662.2	675.0	1 182.0	1 217.5	1 233.6	1.3
Bangladesh	1.0	1.0	1.1	1.7	2.1	2.1	50.8	50.6	51.2	53.6	53.7	54.4	1.2
Cambodia	0.0	0.0	0.0	0.7	1.0	1.0	8.8	9.3	9.1	9.5	10.2	10.1	-1.7
China	117.4	120.6	120.6	201.4	217.0	222.9	202.7	205.9	208.4	521.5	543.5	551.9	1.5
India	86.9	94.9	93.6	42.5	42.2	38.8	158.0	156.3	159.0	287.3	293.4	291.4	-0.7
Indonesia	0.0	0.0	0.0	17.6	19.0	18.3	65.8	69.0	72.1	83.4	88.0	90.4	2.7
Japan	0.7	0.9	0.8	0.2	0.2	0.2	10.5	10.7	10.6	11.4	11.7	11.6	-0.8
Korea Rep. of	0.0	0.0	0.0	0.2	0.2	0.2	5.6	5.4	5.7	5.9	5.6	5.9	5.3
Myanmar	0.2	0.2	0.2	1.5	1.7	1.9	29.0	31.5	32.5	30.7	33.4	34.6	3.8
Nepal	1.8	1.9	1.9	2.5	2.3	2.4	5.1	4.5	4.6	9.3	8.7	8.9	1.8
Pakistan	25.2	24.0	26.3	4.1	4.1	4.1	9.2	8.0	9.3	38.6	36.2	39.7	9.7
Philippines	0.0	0.0	0.0	7.0	7.4	7.3	17.0	18.0	18.9	24.0	25.4	26.2	3.0
Thailand	0.0	0.0	0.0	5.2	5.1	5.2	38.1	36.9	37.5	43.3	42.0	42.6	1.5
Viet Nam	0.0	0.0	0.0	4.8	4.8	5.1	42.3	43.7	43.5	47.2	48.5	48.6	0.3

Note: Totals and percentage change computed from unrounded data.

Ministry of Agriculture reports the winter wheat Rabi production at 93.6 million tonnes, slightly below the 2012 record harvest but still the second best crop on record. In **Bangladesh, Myanmar and Nepal**, favourable weather conditions boosted wheat production to record levels. On the other hand, in **Japan**, given the estimated contraction in wheat plantings, on account of an expansion of rice plantings and erratic rainfall conditions recently, total wheat production in 2013 is tentatively estimated to drop by 4 percent from the 2012 above-average harvest.

Improved rice harvest for the 2013 first season anticipated in most countries

Harvesting of the early planted 2012/13 secondary rice (dry season) in most countries of the subregion and the main rice crop in the southern countries of the continent, namely **Indonesia, Sri Lanka, Timor-Leste and Viet Nam**, are almost complete. The outlook for the harvest is favourable in most countries due to generally beneficial weather, adequate supplies of fertilizer and irrigation water. Record first season harvests are estimated in **Bangladesh** and the **Philippines**, mainly reflecting an estimated expansion in plantings. Similarly, in **Indonesia** the output of the main wet season paddy crop is estimated at 68.4 million tonnes, some 4.4 percent above the previous year's record harvest of the same season, following diverse initiatives launched by the Government to achieve self-sufficiency. By contrast, in **Viet Nam** erratic rains and hot weather between mid-January and March, particularly over the main rice growing areas of the Mekong River Delta in the south and the Red River Delta in the north, combined with an outbreak of pests and diseases in March and April, are estimated to reduce the main season (winter/spring) paddy crop to 19.9 million tonnes, compared to the 20.3 million tonnes in 2012. Paddy production in **Sri Lanka** is estimated to remain unchanged.

2013 aggregate regional cereal harvest preliminarily forecast at a record level

Based on production estimates of the winter crops already harvested in most countries as well as assuming a relatively normal ongoing monsoon season, FAO preliminarily forecasts the 2013 aggregate cereal production for the Far East subregion at about 1 234 million tonnes (rice in paddy terms), some 1.3 percent higher than the previous year's record output. Gains are expected in paddy production, tentatively estimated to reach a record level of 675 million tonnes, some

2 percent above the 2012 record harvest. However, given the bulk of the 2013 paddy and coarse grains crops are currently being planted, the situation could change as the season progresses.

Cereal imports and exports expected to increase in 2013/14 marketing year

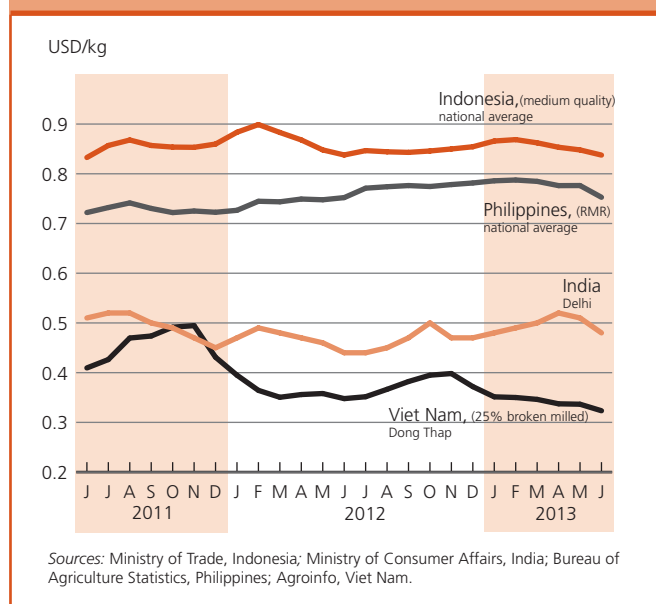
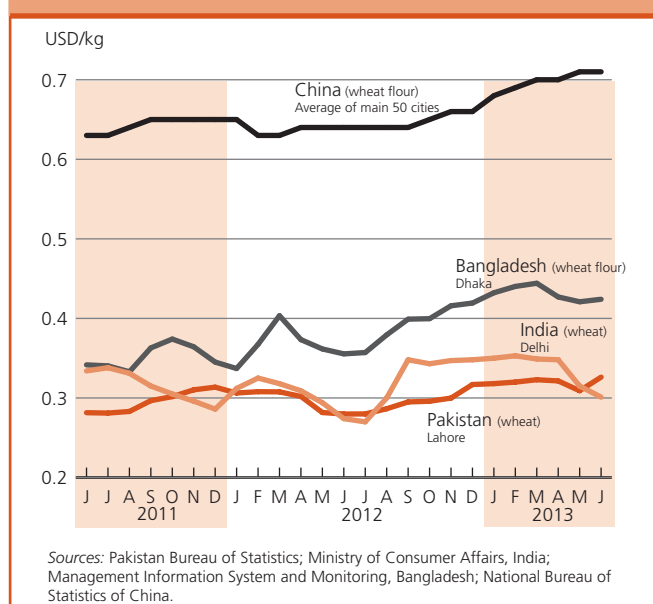
Despite the overall anticipated increase in cereal production in most countries of the subregion, the aggregate cereal imports in the 2013/14 marketing years are expected to increase by some 6 percent compared to 2012/13 and remain 11 percent above the preceding five-year average level. The increase is mainly attributed to the higher forecast of maize imports from China, almost double from the previous year, following growing demand for feed use. Similarly, total wheat imports of the subregion are expected to increase by 1.1 million tonnes or 3 percent above last year's level, following higher demand for the crop in China, Indonesia, the Philippines and Thailand. The aggregate rice imports, on the other hand, are expected to decline reflecting lower demand for the imported commodity in Indonesia, China, and the Republic of Korea due to the improved domestic production.

Aggregate cereal exports in 2013/14 are preliminarily forecast to increase by almost 7 percent from the previous year, following the estimated increase in exportable surplus, particularly from Thailand (by 20 percent) and India (by 6 percent). Wheat exports are anticipated to reach an all-time high of 9 million tonnes, primarily because of an almost 50 percent increase in India to 7.5 million tonnes, given the estimated bumper harvest and large carryover stocks. With regards to rice, the subregion's largest exported cereal, exports for 2013 are anticipated to remain similar to the 2012 level. Lower estimated rice exports by India and Viet Nam compared to last year, are expected to be more than compensated by an increase in exports from Thailand, estimated at 8.2 million tonnes, an improvement of 17 percent relative to the poor 2012 performance.

Table 13. Far East cereal production and anticipated trade in 2013/14¹
(thousand tonnes)

	Avg 5-yrs (2008/09 to 2012/13)	2012/13	2013/14	2013/14 over 2012/13 (%)	2013/14 over 5-yr avg (%)
Cereals - Exports	34 915	40 524	43 242	6.7	23.8
Cereals - Imports	86 161	89 958	95 619	6.3	11.0
Cereals - Production	932 205	997 056	1 008 853	1.2	8.2
Rice-milled - Exports	26 926	29 364	29 564	0.7	9.8
Rice-milled - Imports	9 534	10 008	9 740	-2.7	2.2
Rice-milled - Production	424 885	441 795	450 195	1.9	6.0
Wheat - Exports	3 100	6 360	9 030	42.0	191.3
Wheat - Imports	33 654	34 894	36 042	3.3	7.1
Wheat - Production	228 011	244 030	245 240	0.5	7.6

¹ Marketing year July/June for most countries. Rice trade figures are for the second year shown.

Figure 7. Rice retail prices in selected Far East countries**Figure 8. Wheat and wheat flour retail prices in selected Far East countries**

The total cereal trade flows (sum of imports and exports) from the countries in the subregion is expected to increase by about 6 percent during the 2013/14 marketing season.

Prices of rice showed mixed trends while those of wheat generally increased

Overall, retail rice prices in local currencies showed mixed trends in recent months. They remained generally stable in China, Indonesia, the Philippines and Sri Lanka and softened in other countries. The easing of the prices was mainly due to the good harvests of the 2013 early season crop and decline in export prices from the main exporters in the region, mainly Thailand and Viet Nam. By contrast, domestic rice prices firmed-up in Bangladesh, India and Myanmar (reaching a record level) due to the large government procurement programmes and/or high exports.

Retail prices of wheat and wheat flour, although declined slightly in April-May 2013, continue to rise and remain above their levels a year ago in most countries including Bangladesh, China, India, Pakistan (to a record level in some markets) and Sri Lanka. The prices were supported by strong regional demand and government procurement programs. For example, in China, the Government recently raised the market support price for wheat to CNY 2 240 (USD 365) per tonne, 10 percent above the previous year.

Near East Wheat crop output is forecast to increase in the subregion in 2013

Harvesting of 2013 winter wheat and barley crops is currently underway throughout the subregion. Early forecast for the 2013 wheat crop in the subregion is put at 47.4 million tonnes, about 5 percent above last year's average output.

Table 14. Near East cereal production
(million tonnes)

	Wheat			Coarse grains			Rice (paddy)			Total cereals			
	2011	2012 estim.	2013 f'cast	2011	2012 estim.	2013 f'cast	2011	2012 estim.	2013 f'cast	2011	2012 estim.	2013 f'cast	Change: 2013/2012 (%)
Near East	46.4	45.1	47.4	21.1	21.2	22.4	4.1	4.2	4.4	71.6	70.5	74.1	5.1
Afghanistan	3.3	5.0	4.9	0.6	0.7	0.7	0.7	0.7	0.7	4.6	6.4	6.3	-1.8
Iran (Islamic Rep. of)	13.5	13.8	14.5	4.7	4.9	5.0	2.3	2.4	2.5	20.5	21.1	22.0	4.0
Iraq	2.4	2.1	2.5	1.4	1.1	1.1	0.2	0.2	0.2	4.0	3.4	3.8	11.8
Syrian Arab Republic	3.9	2.8	2.4	0.8	1.0	1.0	0.0	0.0	0.0	4.7	3.8	3.4	-10.5
Turkey	21.8	20.1	22.0	12.5	12.4	13.6	0.9	0.9	0.9	35.2	33.4	36.4	9.1

Note: Totals and percentage change computed from unrounded data.

In **Turkey**, reports indicate that the use of certified seeds has increased in response to the Turkish Grain Board's new protein-based procurement policy. Accordingly, first estimates from the Turkish Statistical Institute indicate a 9 percent increase in cereal production in 2013, compared to last year, to about 36.4 million tonnes. The forecast includes 21.95 million tonnes of wheat (9 percent increase on last year) and 13.6 million tonnes of coarse grains (9 percent increase). In the **Islamic Republic of Iran**, the second biggest wheat producer in the region after Turkey, the 2013 production is anticipated to remain unchanged from last year's level of 14 million tonnes. By contrast, an above average wheat production is expected in **Iraq** following heavy rains in early May in the south of the country. In **Afghanistan**, winter grain harvest is almost completed. Although still an above average crop, a slight decrease of 2 percent in total production of cereals compared to last year's bumper is expected. In the **Syrian Arab Republic**, despite favourable rainfall this season, the 2013 wheat production is estimated at 2.4 million tonnes, significantly lower than the average for the ten years prior to 2010/11 (the pre-crisis period) that exceeded 4 million tonnes (a drop of 40 percent) and is approximately 15 percent lower than the below average that of 2011/12 crop. The barley crop, which is predominantly rainfed, is expected to be close to one million tonnes and compares favourably with an average annual production of 773 000 tonnes for the ten years prior to 2010/11. Barley yield, however, remains low at less than 800 kg/ha. A FAO/WFP Crop and Food Security Assessment Mission (CFSAM) report was recently released.

Yemen and the Syrian Arab Republic continue to face humanitarian crises

In Yemen, despite the improved political situation following recent elections, the food security situation remains highly critical. According to a Comprehensive Food Security Survey by WFP released in June 2012, over 5 million people (22 percent of the population) are severely food insecure and in need of emergency food assistance, and additional 5 million people are "moderately" food insecure and at risk of deterioration in the face of continuing shocks. Child malnutrition rates are among the highest in the world with close to half of Yemen's children under five years (2 million children) stunted. To tackle the food insecurity situation, an Emergency Operation (EMOP) was initiated by WFP in January 2013 to provide emergency food and nutrition support to 5 million food-insecure and conflict-affected people through food assistance and cash transfers between January and December 2013. By mid-May, the operation has received about 49 percent of its required funding of USD 242 million.

In the Syrian Arab Republic, the continued civil conflict which began in March 2011 has caused a significant deterioration in food security conditions, particularly for vulnerable groups. According to UNHCR data, the total number of Syrian refugees

reached more than 1 416 000 registered in May 2013, mostly residing in Turkey, Jordan, Lebanon and Iraq. It is estimated that about 4 million Syrians are in need of food and livelihoods assistance. Although WFP continues to provide food assistance to vulnerable Syrian populations in Jordan, Lebanon, Iraq, and Turkey, resources in host communities remain under strain. The WFP assistance in neighbouring countries is scaled up to reach 1 225 000 beneficiaries by December 2013, up from 795 000 in June 2013.

CIS in Asia² Favourable Prospects for the 2013 cereal harvests

Planting of the 2013 spring cereals has been completed in most countries of the subregion. Weather conditions including precipitation were generally favourable for crop growth. The aggregate cereal production in 2013, including the estimated winter cereal harvest to be completed in next months, is forecast to increase to about 32.4 million tonnes, which is slightly above the five-year average and some 19 percent higher than last year's reduced level.

In **Kazakhstan**, the main cereal producer of the subregion, 2013 cereal production is forecast at about 39 percent higher than last year's drought reduced level but close to the five-year average. The planted area under wheat slightly decreased by about 357 000 hectares (by 2.7 percent) as a result of government crop diversification policy aimed at abolishing wheat subsidies. During the spring sowing season frequent rains somewhat hindered sowing in the region of North Kazakhstan, the main area specialized on wheat production. However, sowing of cereals was fully completed in most other regions under general favourable conditions. Assuming normal weather during the remainder of the cropping season, wheat production is forecast at 14 million tonnes or recovered by over 43 percent from last year's drought-reduced level but still below the record level of 2011/12 marketing year (July/June). This is estimated to lead to a slight increase in the country's export potential.

Early forecasts in other countries of the subregion, namely, **Armenia**, **Georgia**, and **Azerbaijan** point to a normal cereal production of some 436 000, 515 000 and 2 775 000 tonnes, more-or-less similar to the levels in past few years. In **Turkmenistan** and **Uzbekistan** satisfactory weather conditions allowed the completion of cereal sowing, mainly wheat, with adequate soil moisture with the planted area and forecast production at the levels of last year.

In **Kyrgyzstan** and **Tajikistan** normal planting conditions, adequate precipitation and soil moisture contributed to satisfactory crop conditions with a slight increase in the planted

²Georgia is no longer a member of CIS but its inclusion in this group is maintained for the time being.

Table 15. CIS in Asia cereal production

(million tonnes)

	Wheat			Coarse grains			Total cereals ¹			
	2011	2012 estim.	2013 f'cast	2011	2012 estim.	2013 f'cast	2011	2012 estim.	2013 f'cast	Change: 2013/2012 (%)
CIS in Asia	33.9	21.4	25.9	6.2	5.1	5.7	40.8	27.3	32.4	18.7
Armenia	0.2	0.2	0.3	0.2	0.2	0.2	0.4	0.4	0.4	0.0
Azerbaijan	1.6	2.0	2.0	0.8	0.8	0.8	2.4	2.8	2.8	-0.4
Georgia	0.1	0.1	0.1	0.4	0.4	0.4	0.5	0.5	0.5	0.6
Kazakhstan	22.7	9.8	14.1	3.5	2.2	2.9	26.5	12.5	17.3	39.2
Kyrgyzstan	0.9	0.6	0.7	0.7	0.7	0.8	1.6	1.3	1.5	13.6
Tajikistan	0.7	0.8	0.8	0.2	0.2	0.2	1.0	1.1	1.1	3.2
Turkmenistan	1.3	1.2	1.2	0.1	0.1	0.1	1.5	1.4	1.4	1.4
Uzbekistan	6.3	6.7	6.7	0.4	0.4	0.4	6.9	7.3	7.3	-0.1

Note: Totals and percentage change computed from unrounded data.

¹ Total cereals includes wheat, coarse grains and rice (paddy).

area. Assuming the continuation of favourable weather conditions in Kyrgyzstan, a 14 percent recovery of cereal production is expected compared to last year. The aggregate cereal production in this country is forecast at some 1.5 million tonnes, 50 percent of which is wheat. Some cereal production increase is foreseen in Tajikistan. In both countries cereal production is estimated similar to the five-year average.

Import requirements, although lower in 2012/13 marketing year (July/June) compared to the year before, generally remained high across the subregion. Wheat import requirements are put at some 5.5 million tonnes or down by 24 percent compared to the previous marketing year. The decrease reflects improved crop conditions for both winter and spring crops. However, in Armenia, Azerbaijan, Georgia, Kyrgyzstan, Tajikistan, and Uzbekistan wheat import dependency (estimated as imports over total domestic utilization) is very high, ranging from 23 to 89 percent in these countries. The export potential of neighbouring countries in the region, mainly Kazakhstan, is seen as sufficient to cover estimated wheat import needs in the region.

Prices of wheat and wheat products generally decreased in May but remain high

In most countries of the subregion, prices of wheat flour declined in May mainly reflecting favourable production prospects for the 2013 wheat crop to be harvested in the coming months. However, prices of wheat flour in May remained generally higher than their levels a year earlier in both exporting and importing countries, particularly in Kyrgyzstan and Tajikistan, although lower than their peaks earlier this year.

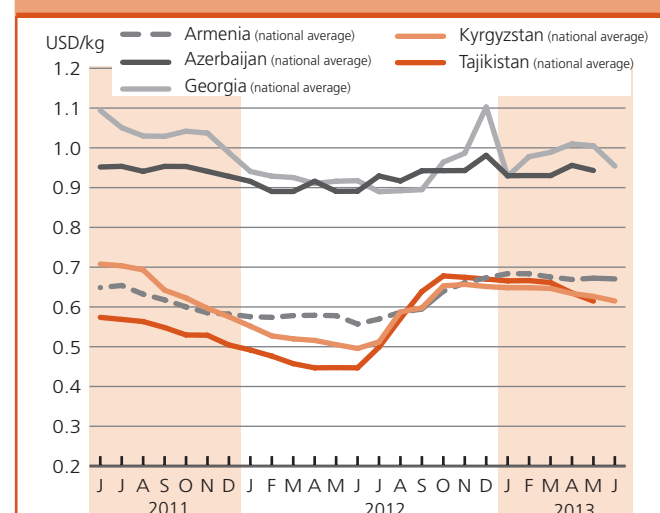
In **Kyrgyzstan**, although prices of wheat flour decreased during last three months, they remained well above last year's

tendencies in most markets. Prices of bread showed signs of weakening in May, after staying at near record levels since late 2012. In **Tajikistan**, prices of wheat flour in April declined following increased imports from Kazakhstan, the country's main supplier.

In **Georgia**, average prices of wheat flour in May stabilized around their levels of the past month and above their levels a

year earlier. The relatively high level of flour prices reflects the country's import dependency and strong export quotations in the region. In **Azerbaijan**, prices of wheat flour and bread increased slightly in April and were higher than a year earlier.

In **Armenia**, which imports about half of its consumption requirements, prices of wheat flour remained unchanged since April but are well above their levels a year earlier due to high regional export quotations in the second half of 2012 which in turn pushed up domestic prices.

Figure 9. Retail wheat flour prices in selected CIS in Asia countries

Sources: National Statistical Service of Republic of Armenia; National Statistical Committee of the Kyrgyz Republic; State Committee on Statistics, Republic of Tajikistan; State Statistical Committee of the Republic of Azerbaijan; National Statistics Office of Georgia.

Latin America and the Caribbean

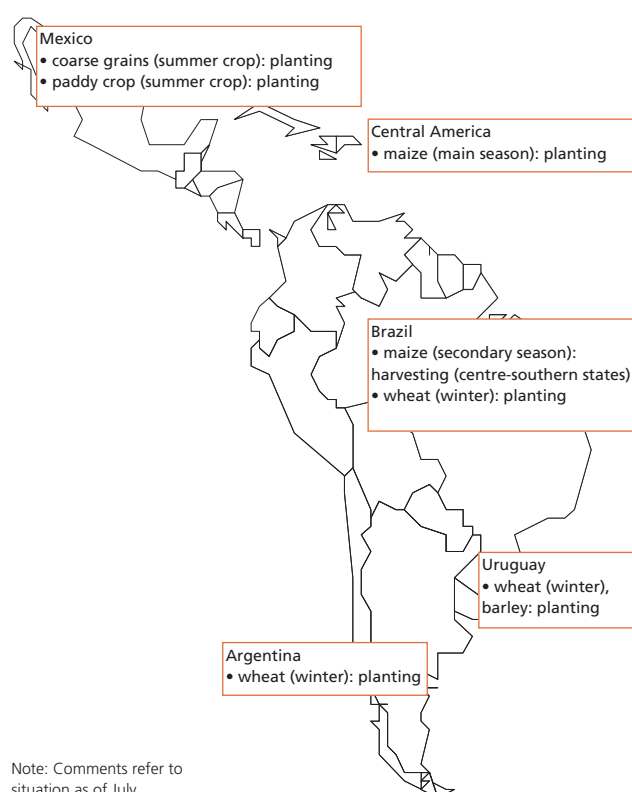
Early prospects for the 2013 cereal production generally favourable

Sowing of the main 2013 cereal season is complete. Assuming generally favourable weather conditions during the growing season, early forecasts point to an aggregate output of 42 million tonnes, 3 percent above the good level of last year.

In **Mexico**, the planting of the 2013 main spring-summer maize crop season is underway. Early official forecasts point to an increase of 5 percent in the area planted from last year's same season, driven by high prices and government support programmes. The harvest of the 2012/13 autumn-winter maize crop season, which represents about 30 percent of the aggregate annual production, is ongoing and will be completed in August. Official forecasts indicate an output of about 4.8 million tonnes, more than 10 percent below the same season in 2012. This mainly reflects a contraction in yields due to frosts in mid-January in the main growing areas, in particular in Sinaloa. Assuming normal weather conditions in the coming months, the 2013 aggregate maize production (autumn-winter and spring-summer seasons) is tentatively forecast at 22.4 million tonnes, slightly above the 2012 level and higher than the previous five-year average. The harvesting of the 2013 irrigated autumn-winter wheat crop, which accounts for 90 percent of annual production, is almost concluded. Production is anticipated at 3.8 million tonnes or 16 percent higher than the reduced level in 2012. The increase reflects a recovery in the planted area and favourable weather conditions during the season in the main northern growing areas.

Elsewhere in the subregion, the sowing of the 2013 main *de primera* season is about to be completed. Early prospects are favourable reflecting normal plantings and expected productivity growth in response to government agricultural support programmes.

In the Caribbean, in **Haiti**, below average precipitation in the second half of March and most of April hampered sowing



of the 2013 main spring cereal season, particularly in key growing areas of the departments of Centre and Artibonite. Assuming normal precipitation in the remainder of the season, production is expected to recover from last year's poor harvest. In the **Dominican Republic**, sowing of the 2013 main season's rice crop benefited from favourable weather. The area planted is estimated at an average level.

Maize prices on the rise in most countries except in Mexico

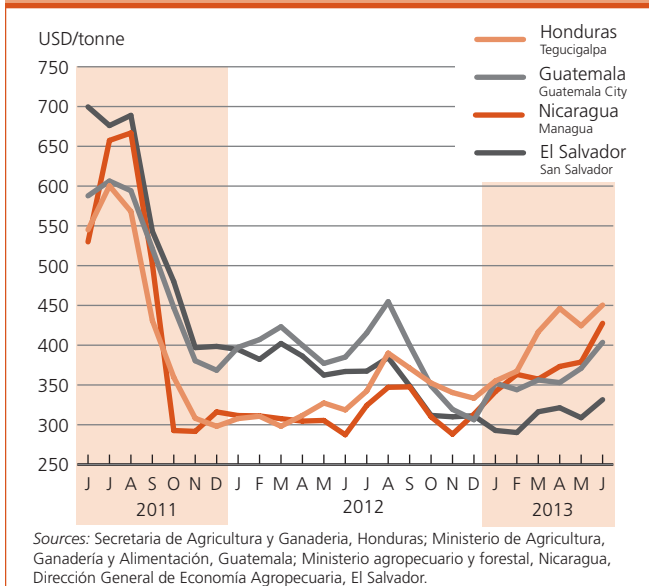
In most countries of the subregion, maize prices increased in June as the lean season progresses until August. In **Haiti**, **Nicaragua** and **Honduras**, prices have remained consistently above their levels a year earlier throughout the marketing year (August/

Table 16. Latin America and Caribbean cereal production
(million tonnes)

	Wheat			Coarse grains			Rice (paddy)			Total cereals			
	2011	2012 estim.	2013 f'cast	2011	2012 estim.	2013 f'cast	2011	2012 estim.	2013 f'cast	2011	2012 estim.	2013 f'cast	Change: 2013/2012 (%)
Central America & Caribbean	3.6	3.2	3.8	29.6	34.8	35.3	2.8	2.9	3.0	36.1	40.9	42.1	3.0
El Salvador	0.0	0.0	0.0	0.9	1.1	1.1	0.0	0.0	0.0	0.9	1.1	1.1	1.9
Guatemala	0.0	0.0	0.0	1.7	1.7	1.7	0.0	0.0	0.0	1.8	1.8	1.8	0.6
Honduras	0.0	0.0	0.0	0.6	0.6	0.6	0.0	0.1	0.1	0.7	0.7	0.7	10.4
Mexico	3.6	3.2	3.8	24.7	30.0	30.3	0.2	0.2	0.2	28.5	33.4	34.3	2.5
Nicaragua	0.0	0.0	0.0	0.7	0.5	0.6	0.4	0.4	0.4	1.1	1.0	1.0	6.9
South America	25.1	17.7	22.7	106.6	122.1	134.5	26.4	24.5	25.0	158.1	164.2	182.1	10.9
Argentina	14.5	9.0	12.5	32.8	31.2	35.6	1.7	1.6	1.6	49.1	41.7	49.7	19.0
Brazil	5.7	4.4	5.5	59.0	74.1	81.9	13.6	11.6	11.9	78.3	90.1	99.3	10.2

Note: Totals and percentage change computed from unrounded data.

Figure 10. Wholesale white maize prices in selected countries in Central America



July) due to the reduced 2012 maize outputs and/or increases in transport costs. By contrast, in **Mexico**, maize prices in June were lower than a year earlier following a continued decline in the past eight months, reflecting the strong recovery of the 2012 maize production and the ongoing 2013 secondary harvest. In June, prices of rice, a major import commodity in the subregion, remained relatively unchanged. Prices of staple red beans seasonally increased in June but remained lower than in 2012, reflecting the high stocks from last year's bumper crop.

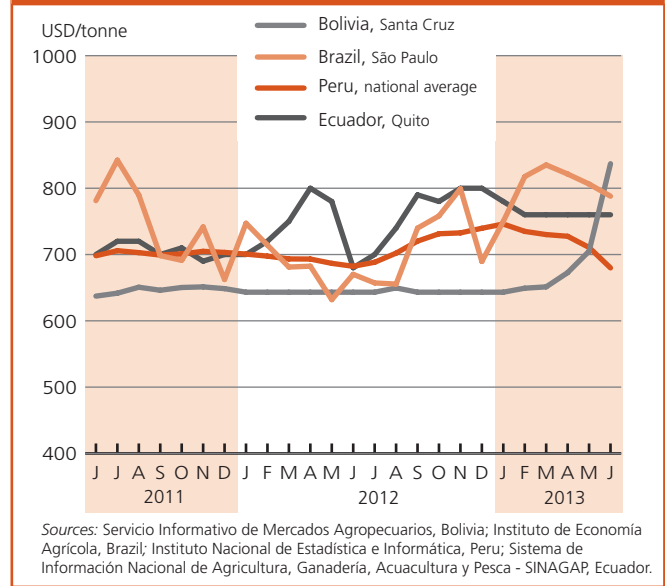
South America

Cereal production to reach a record level in 2013

FAO's latest forecast puts the 2013 cereal production of the subregion at 182 million tonnes, some 11 percent above last year's record crop. The increase is mainly driven by an anticipated bumper maize crop in most countries of the subregion, except in Bolivia.

In **Brazil, Argentina, Uruguay, Paraguay, Ecuador, Peru** and **Chile**, where harvesting of the 2013 maize crop is underway or just completed, official estimates indicate record or near record outputs, reflecting significant increases in the area planted in response to sustained demand from the feed industry, and higher yields following the use of higher yielding seed varieties in some countries. By contrast, in **Bolivia**, maize production is forecast to

Figure 11. Wholesale wheat flour prices in selected countries in South America



decline to about 905 000 tonnes, reflecting drought conditions in major growing areas.

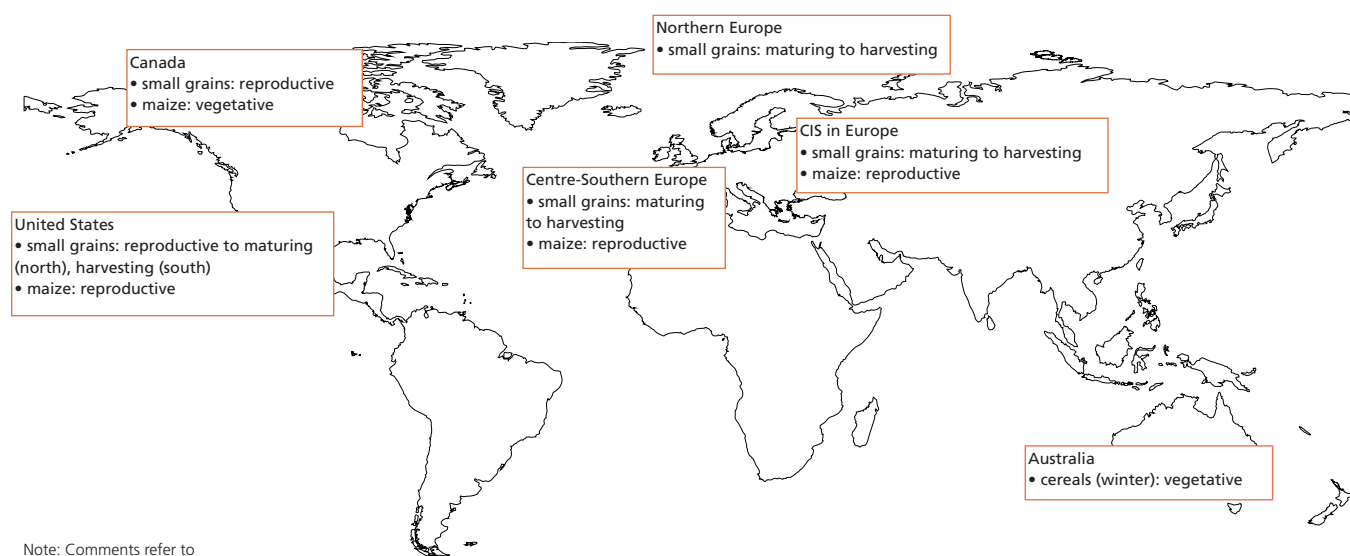
Planting of the 2013 wheat crop is underway. Early prospects are favourable reflecting anticipated increases in the area planted and return to normal yields from last year's reduced level. The aggregate output is forecast at an average level.

Cereal prices generally softening with the exception of Bolivia

Domestic prices for wheat and wheat flour in importing countries of the subregion remained relatively stable in May/June. The major exception to this trend was **Bolivia**, where in June, prices increased by 19 percent from the previous month and were 40 percent higher than a year earlier, as a result of low export availabilities from Argentina, the country's main supplier. To stabilize prices the Government has recently eliminated the import tariff on wheat and wheat flour from non-Argentinian sources for six months.

Reflecting the record harvest in the sub-region, particularly in **Brazil** and **Ecuador**, yellow maize prices declined in June. However in **Ecuador**, prices of yellow maize were higher than June 2012 supported by high demand for feed. In **Bolivia**, maize prices stabilized in June but, due to this year's lower output, remained almost 70 percent higher than at this time last year.

North America, Europe and Oceania



Note: Comments refer to situation as of July.

North America

Current crop season delayed by late spring followed by excessive moisture in many parts

In the **United States**, winter wheat harvesting was underway in the southern states as of late June, but progressing behind average pace because of rainfall. The rains have also hampered the tail-end of the spring wheat planting although the moisture was beneficial for crop development. The latest official forecast puts winter wheat output at about 41 million tonnes, some 8 percent down from the previous year. Despite estimation of slightly increased plantings, the harvested area is expected to decrease by about 6 percent compared to 2012, largely because

of drought in parts, and yields are also expected to be affected negatively by the dry conditions. Although the spring wheat planting pace has been slower than average, the crop has benefitted from generally better growing conditions than those for the winter wheat, and latest forecast point to a spring wheat about of about 15.6 million tonnes. However, this would still be some 8 percent down from last year's harvest. Thus, aggregate wheat output is forecast to reach some 56.6 million tonnes, 8.3 percent down from the 2012 output.

Regarding coarse grains, planting of the 2013 maize crop was virtually complete by mid-June. Although early indications of farmers' planting intentions pointed to a significant expansion

Table 17. North America, Europe and Oceania cereal production
(million tonnes)

	Wheat			Coarse grains			Rice (paddy)			Total cereals			
	2011	2012 estim.	2013 f'cast	2011	2012 estim.	2013 f'cast	2011	2012 estim.	2013 f'cast	2011	2012 estim.	2013 f'cast	Change: 2013/2012 (%)
North America	79.7	89.0	86.0	347.0	310.7	383.2	8.4	9.0	8.6	435.1	408.7	477.8	16.9
Canada	25.3	27.2	29.4	23.0	24.4	26.0	0.0	0.0	0.0	48.2	51.6	55.4	7.4
United States	54.4	61.8	56.6	324.0	286.3	357.1	8.4	9.0	8.6	386.9	357.1	422.4	18.3
Europe	223.6	191.8	219.9	236.1	221.8	245.5	4.4	4.4	4.1	464.1	418.0	469.4	12.3
Belarus	2.1	2.1	2.1	5.7	6.7	6.7	0.0	0.0	0.0	7.7	8.8	8.8	0.3
EU	137.6	131.3	139.1	149.0	141.9	159.6	3.2	3.2	2.9	289.8	276.3	301.6	9.1
Russian Federation	56.2	37.7	53.7	34.2	30.8	35.2	1.1	1.1	1.1	91.5	69.6	90.0	29.3
Serbia	2.1	1.9	2.3	7.0	6.7	7.4	0.0	0.0	0.0	9.0	8.6	9.7	12.9
Ukraine	22.3	15.8	20.2	33.4	29.9	32.0	0.2	0.2	0.2	55.9	45.9	52.3	14.0
Oceania	30.2	22.4	25.7	12.7	11.5	11.8	0.7	1.0	1.1	43.6	34.9	38.6	10.5
Australia	29.9	22.1	25.4	12.1	11.0	11.2	0.7	0.9	1.1	42.7	34.0	37.7	10.8

Note: Totals and percentage change computed from unrounded data.

of the area sown to maize, less than ideal conditions during the planting period limited plantings. According to official estimates at the end of June, the final area sown to maize was just slightly up from the previous year's level. Regarding the condition of the crop, the USDA Crop Progress Report of 25 June rated 65 percent of the maize nationwide in good to excellent condition, 10 percentage points better than last year's ratings during the severe drought, but also indicating that a significant proportion of this year's crop is still suffering from a combination of late planting, excessively heavy rains and cool temperatures. At this stage, despite the weather difficulties encountered so far this season, still assuming a better harvest/planting ratio than last year and a recovery to average yields after last year's severe and widespread drought, FAO forecasts the country's maize output at about 340 million tonnes, which would be some 24 percent up from the 2012 reduced level.

In **Canada**, the official crop area report released on 25 June indicated that wheat planting had progressed relatively normally compared to past years, despite a slow start because of the late spring, and only some localized areas were still to be sown because of excess moisture. The total wheat area is estimated up 9.3 percent from 2012, while that for maize also increased, by 2.9 percent, to a record high level. With the wheat planting estimate largely in line with earlier expectations, assuming normal conditions through the growing season, the country's 2013 wheat production forecast remains at 29.4 million tonnes, some 8 percent up from 2012.

Europe

European Union

Prospects for 2013 cereal harvest improved with better yield prospects in several major producing countries

In the **EU**, the past spring has been characterized by contrasting conditions across countries: excessively wet and cold weather was unfavourable for crop development throughout a large area of central Europe, but particularly good conditions prevailed in Romania, Hungary and Spain, boosting yield prospects. However, overall, the outlook for the 2013 cereal harvest remains favourable, and latest production forecasts have been raised somewhat with respect to earlier tentative predictions. Total wheat output is forecast at 139.1 million tonnes, 5.9 percent up from last year's crop, and slightly above expectations earlier in the season. Latest upward revisions for coarse grains have been more pronounced, mostly due to significantly improved yield prospects for barley in Spain and maize in Romania and Hungary. The latest forecast for aggregate coarse grain output in 2013 stands at 159.6 million tonnes, 12.5 percent up from last year.

CIS in Europe

Production of cereals to recover in 2013

In all European CIS countries (Belarus, Republic of Moldova, the Russian Federation and Ukraine) sowing of the 2013 spring crops has been completed satisfactorily. Winter wheat crop is reported in good condition. Assuming that the weather conditions remain favourable in the remainder of the agricultural season, a recovery of the cereal production is anticipated. The 2013 aggregate cereal production of the subregion is forecast to increase to 154 million tonnes, by 22 percent, compared to last year's drought-reduced production and some 7.6 percent above the five-year average. The wheat production at 76.7 million tonnes, however, is likely to remain close to the five-year average.

In the **Russian Federation**, winter crops are reported to be in generally good condition and the spring crop condition is considered normal despite some late sowing of spring crops in the eastern regions and relatively cold weather at the beginning of the season. In some regions, agro-climatic conditions for the spring crops are worse than the average due to lack of soil moisture. In the southern region, still to recover from last year's drought, vegetation of spring crops is lower than normal.

Assuming normal weather conditions during the rest of the cropping season, early forecast of the 2013 aggregate cereal production (winter and spring crops) puts a cereal harvest of 90 million tonnes, about 30 percent higher than last year's drought-reduced crop. A significant increase is expected for the 2013 maize production, by 50 percent above the five-year average. Other crops (barley, rye and oats) are expected to be harvested at the level close to the five-year average.

The expected increase in the 2013 cereal production will significantly strengthen the export capacity of the country up to 20.2 million tonnes including wheat export at some 15 million tonnes.

In **Ukraine**, growing conditions for the winter and the recently planted spring crops reported to be generally good. The 2013 cereal production is expected to recover from the reduced level of last year affected by cold weather during winter and drought in parts in summer 2012. Early forecasts indicate a 2013 aggregate cereal production (winter and spring crops) of over 52 million tonnes, including 20.2 million tonnes of wheat, 22.5 million tonnes of maize and 7.4 million tonnes of barley. The expected aggregated level of cereal production is by 10 percent above the five-year average mainly due increased maize production. Thus, export potential of the country for wheat, barley, and maize is forecast over 25 million tonnes, including 8 million tonnes of wheat and 15 million tonnes of maize. A significant increase in wheat export is expected reflecting recovered production from the poor crop of 2012. The Agrarian Policy and Food Ministry has

returned to the practice of voluntary grain quality certification and market participants believe this will make Ukrainian production more competitive, having preserved the market mechanisms of grain quality control.

In the other two European CIS countries, **Belarus** and the **Republic of Moldova**, crop conditions are reported to be satisfactory and early forecasts for this year indicate above the five-year average production. In Belarus, the 2013 cereal production is significantly above the five-year average (by 17 percent) with a steady increase over the last four years. Moldova’s cereal production is forecast to recover from the drought-reduced level in 2012.

Wheat flour prices remain generally stable but high in most countries

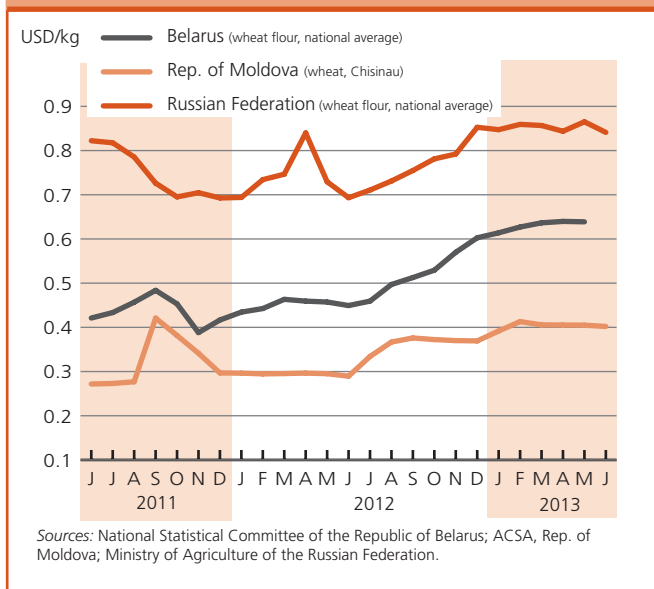
Wheat export prices in the **Russian Federation** and **Ukraine** eased further in May, after markedly falling in April. The wholesale prices of wheat grain in the domestic markets followed the similar downward trend. However, wheat flour prices remained generally stable in most countries. Wheat flour and bread prices have remained elevated after the price surge during the second half of 2012.

Oceania

Early prospects for the 2013 wheat crop favourable

Prospects for the 2013 wheat crop in **Australia** are favourable so far, and improved in recent weeks with good rainfall arriving in eastern states and South Australia after a very dry start to the season in the autumn. The autumn rainfall in Western Australia was average to above-average. However, as of late June, soil moisture remained limited in some parts and more good rains will be needed throughout the growing season if currently projected yields are to materialize. Latest official figures put the wheat planted area at 13.7 million hectares, 3 percent up from the previous year, while that of barley is estimated 2 percent up at 3.8 million hectares. Based on these planting estimates and assuming yields generally recover from reduced levels of last year, especially in Western Australia, wheat output in 2013 is forecast at 25.4 million tonnes, almost 15 percent up from last year, while that of barley could increase by about 9.7 percent to 7.4 million tonnes. Harvesting of the 2013 summer coarse grains was virtually complete by mid-June. Sorghum production is officially estimated to have fallen by almost a quarter compared to last year, to 1.7 million tonnes. The decrease was due to a sharp drop in plantings and reduced yields, largely due to hot and dry conditions affecting the crops planted earlier in the season. Growing conditions improved as the season progressed.

Figure 12. Retail wheat and wheat flour prices in Belarus, Russian Federation and Republic of Moldova



Statistical appendix

Table A1 - Global cereal supply and demand indicators	29
Table A2 - World cereal stocks	30
Table A3 - Selected international prices of wheat and coarse grains	31
Table A4 - Estimated cereal import requirements of Low-Income Food-Deficit Countries 2012/13 or 2013 estimates	32

Table A1. Global cereal supply and demand indicators

	Average 2006/07 - 2010/11	2009/10	2010/11	2011/12	2012/13	2013/14
1. Ratio of world stocks to utilization (%)						
Wheat	24.5	28.6	26.5	26.6	23.3	24.0
Coarse grains	15.6	16.8	14.5	15.1	14.1	17.3
Rice	28.0	29.8	30.9	33.7	35.4	36.4
Total cereals	20.7	22.8	21.4	22.3	21.1	23.2
2. Ratio of major grain exporters' supplies to normal market requirements (%)						
	120.9	124.2	115.6	118.0	108.0	117.0
3. Ratio of major exporters' stocks to their total disappearance (%)						
Wheat	17.5	21.7	20.8	18.4	13.7	15.1
Coarse grains	12.8	15.2	10.4	10.3	8.0	12.7
Rice	20.3	21.6	20.9	25.4	27.4	29.2
Total cereals	16.9	19.5	17.4	18.0	16.4	19.0
	Annual trend growth rate 2003-2012	2009	Change from previous year			2013
			2010	2011	2012	
4. Changes in world cereal production (%)						
	2.2	-1.1	-0.3	4.2	-1.9	7.2
5. Changes in cereal production in the LIFDCs (%)						
	2.9	-0.7	7.5	1.5	4.3	0.1
6. Changes in cereal production in the LIFDCs less India (%)						
	3.2	3.8	7.1	-2.3	5.5	1.1
	Average 2006-2010	2009	Change from previous year (%)			2013*
			2010	2011	2012	
7. Selected cereal price indices:						
Wheat	171.5	-34.6	9.6	31.5	-5.5	9.2
Maize	162.5	-25.5	12.0	57.6	2.2	9.0
Rice	215.0	-14.0	-9.4	9.7	-4.6	2.0

Notes:

Utilization is defined as the sum of food use, feed and other uses.

Cereals refer to wheat, coarse grains and rice; grains refer to wheat and coarse grains.

Major Wheat Exporters are Argentina, Australia, Canada, the EU, Kazakhstan, Russian Fed., Ukraine and the United States; Major Coarse Grain Exporters are Argentina, Australia, Brazil, Canada, the EU, Russian Fed., Ukraine and the United States; Major Rice Exporters are India, Pakistan, Thailand, the United States, and Viet Nam.

Normal market requirements for major grain exporters are defined as the average of domestic utilization plus exports in the three preceding seasons.

Disappearance is defined as domestic utilization plus exports for any given season.

Price indices: The wheat price index has been constructed based on the IGC wheat price index, rebased to 2002-2004=100; For maize, the U.S. maize No.2 Yellow (delivered U.S. Gulf ports) with base 2002-2004=100; For rice, the FAO Rice Price Index, 2002-2004=100, is based on 16 rice export quotations.

*January-June average.

Table A2. World cereal stocks¹
(million tonnes)

	2009	2010	2011	2012	2013 estimate	2014 forecast
TOTAL CEREALS	491.2	519.8	499.6	520.2	509.2	567.5
Wheat	159.7	188.3	185.0	182.3	161.5	169.5
held by:						
- main exporters ²	49.7	55.4	51.6	44.0	35.9	39.2
- others	110.0	132.9	133.4	138.3	125.6	130.3
Coarse grains	200.3	194.0	169.2	176.6	173.8	215.6
held by:						
- main exporters ²	84.8	85.8	60.9	56.9	44.9	77.6
- others	115.5	108.2	108.3	119.7	128.9	138.0
Rice (milled basis)	131.2	137.5	145.4	161.3	173.9	182.4
held by:						
- main exporters ²	36.1	33.4	33.6	41.8	45.8	49.6
- others	95.1	104.1	111.8	119.5	128.1	132.8
Developed countries	176.5	189.4	151.0	147.3	113.6	150.2
Australia	6.6	7.4	9.5	7.2	4.3	5.0
Canada	13.0	13.6	11.2	9.4	7.7	10.2
European Union	46.9	44.0	31.1	31.2	23.9	30.8
Japan	4.6	4.8	4.8	5.0	4.9	5.0
Russian Federation	18.1	21.1	17.8	14.8	7.2	10.6
South Africa	2.5	3.1	4.0	2.5	3.1	2.4
Ukraine	8.0	6.7	5.1	10.7	5.9	5.1
United States	65.9	75.9	57.3	49.3	43.6	67.7
Developing countries	314.8	330.4	348.6	372.8	395.6	417.3
Asia	257.9	273.3	284.3	307.0	337.7	352.5
China	154.9	163.7	167.1	175.2	194.3	207.1
India	37.5	33.7	37.0	44.7	51.2	48.8
Indonesia	6.4	8.3	10.4	12.2	12.1	11.9
Iran (Islamic Republic of)	3.9	6.2	6.4	5.3	11.0	11.9
Korea, Republic of	2.8	3.8	4.3	4.2	4.6	4.9
Pakistan	3.8	4.2	2.5	2.6	1.0	1.0
Philippines	4.2	4.9	4.1	3.6	3.2	3.2
Syrian Arab Republic	2.9	3.6	2.4	1.7	1.1	0.9
Turkey	4.1	4.2	4.2	5.2	4.2	4.7
Africa	26.0	30.4	35.1	37.3	33.9	32.1
Algeria	2.7	3.6	3.9	4.3	4.7	4.8
Egypt	5.6	6.6	5.9	8.1	6.1	5.6
Ethiopia	0.8	1.5	2.0	1.8	2.0	2.0
Morocco	1.4	3.1	4.0	4.6	2.7	2.9
Nigeria	1.3	1.2	1.4	1.3	0.8	0.8
Tunisia	1.5	1.5	1.0	1.1	1.3	1.2
Central America	6.2	4.3	5.9	4.2	4.9	5.6
Mexico	4.2	2.4	3.7	2.0	2.6	3.2
South America	24.4	22.1	22.9	23.9	18.7	26.8
Argentina	3.7	2.2	5.6	5.7	2.9	4.8
Brazil	12.5	11.6	8.1	8.1	5.9	11.1

Note: Based on official and unofficial estimates. Totals computed from unrounded data.

¹ Stocks data are based on an aggregate of carryovers at the end of national crop years and do not represent world stock levels at any point in time.

² Major Wheat Exporters are Argentina, Australia, Canada, the EU, Kazakhstan, Russian Fed., Ukraine and the United States; Major Coarse Grain Exporters are Argentina, Australia, Brazil, Canada, the EU, Russian Fed., Ukraine and the United States; Major Rice Exporters are India, Pakistan, Thailand, the United States, and Viet Nam.

Table A3. Selected international prices of wheat and coarse grains
(USD/tonne)

	Wheat			Maize		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	US No.2 Yellow ²
Annual (July/June)						
2003/04	161	149	154	115	109	118
2004/05	154	138	123	97	90	99
2005/06	175	138	138	104	101	108
2006/07	212	176	188	150	145	155
2007/08	361	311	318	200	192	206
2008/09	270	201	234	188	180	170
2009/10	209	185	224	160	168	165
2010/11	316	289	311	254	260	248
2011/12	300	256	264	281	269	264
2012/13	348	310	336	311	278	281
Monthly						
2011 - June	333	282	341	308	306	285
2011 - July	307	264	310	304	300	279
2011 - August	336	280	292	313	312	304
2011 - September	329	270	300	300	294	285
2011 - October	301	255	260	275	276	265
2011 - November	299	256	239	275	271	275
2011 - December	290	246	224	259	242	261
2012 - January	298	258	249	275	258	271
2012 - February	297	262	263	279	267	268
2012 - March	294	259	260	280	270	266
2012 - April	279	255	252	273	256	242
2012 - May	279	252	251	269	246	219
2012 - June	288	250	263	268	238	234
2012 - July	352	318	314	330	285	293
2012 - August	362	332	335	328	294	296
2012 - September	371	341	336	323	278	286
2012 - October	373	339	332	320	274	290
2012 - November	373	346	345	324	294	289
2012 - December	359	325	360	310	288	288
2013 - January	348	311	362	303	294	287
2013 - February	329	297	358	303	283	288
2013 - March	323	286	346	309	276	297
2013 - April	324	279	324	282	242	261
2013 - May	329	277	315	295	257	254
2013 - June	321	270	310	300	264	246

Sources: International Grains Council and USDA.

¹ Delivered United States f.o.b. Gulf.

² Delivered United States Gulf.

³ Up River f.o.b.

Table A4a. Cereal import requirements of Low-Income Food-Deficit Countries¹, 2012/13 or 2013 estimates
(thousand tonnes)

	2011/12 or 2012			2012/13 or 2013				
	Marketing year	Commercial purchases	Food aid	Total commercial and aid	Total import requirements (excl. re-exports)	Total commercial and aid	Food aid allocated, committed or shipped	Commercial purchases
AFRICA		44 500.7	2 104.5	46 605.2	40 002.7	15 262.1	583.2	14 678.9
North Africa		18 871.0	0.0	18 871.0	13 421.0	9 205.3	0.0	9 205.3
Egypt	July/June	18 871.0	0.0	18 871.0	13 421.0	9 205.3	0.0	9 205.3
Eastern Africa		6 813.4	1 202.6	8 016.0	7 687.6	2 396.0	331.0	2 065.0
Burundi	Jan./Dec.	95.0	22.1	117.1	140.0	18.7	12.4	6.3
Comoros	Jan./Dec.	58.8	0.0	58.8	59.5	6.6	0.0	6.6
Djibouti	Jan./Dec.	90.5	2.0	92.5	96.0	43.5	6.8	36.7
Eritrea	Jan./Dec.	376.0	7.0	383.0	406.0	27.3	0.0	27.3
Ethiopia	Jan./Dec.	448.5	462.2	910.7	1 016.0	136.5	108.0	28.5
Kenya	Oct./Sept.	1 943.6	195.0	2 138.6	1 950.0	559.0	60.3	498.7
Rwanda	Jan./Dec.	74.9	11.0	85.9	97.0	15.7	2.6	13.1
Somalia	Aug./July	353.0	183.0	536.0	540.0	56.1	49.2	6.9
Sudan	Nov./Oct.	2 200.1	296.6	2 496.7	2 120.1	785.3	78.4	706.9
Uganda	Jan./Dec.	445.1	6.1	451.2	450.0	83.6	5.8	77.8
United Rep. of Tanzania	June/May	727.9	17.6	745.5	813.0	663.8	7.6	656.2
Southern Africa		2 267.0	233.8	2 500.8	2 340.4	1 079.2	150.6	928.6
Lesotho	April/March	237.0	5.0	242.0	266.0	210.8	0.0	210.8
Madagascar	April/March	315.0	25.0	340.0	393.0	66.2	22.0	44.2
Malawi	April/March	135.1	29.0	164.1	105.0	74.9	22.4	52.5
Mozambique	April/March	950.9	118.8	1 069.7	931.4	585.4	99.8	485.6
Zambia	May/April	46.0	1.0	47.0	25.0	2.9	0.0	2.9
Zimbabwe	April/March	583.0	55.0	638.0	620.0	139.1	6.5	132.6
Western Africa		14 842.5	515.9	15 358.4	14 532.7	2 225.7	69.6	2 156.1
Coastal Countries		11 246.1	120.0	11 366.1	10 907.5	1 589.6	5.4	1 584.2
Benin	Jan./Dec.	385.4	11.6	397.0	447.0	228.1	0.0	228.1
Côte d'Ivoire	Jan./Dec.	1 833.9	14.6	1 848.5	1 775.0	246.8	2.8	244.0
Ghana	Jan./Dec.	989.0	31.0	1 020.0	945.0	112.0	1.1	110.9
Guinea	Jan./Dec.	515.2	21.8	537.0	477.0	2.1	0.2	1.9
Liberia	Jan./Dec.	350.6	27.7	378.3	384.0	3.4	0.0	3.4
Nigeria	Jan./Dec.	6 787.0	0.0	6 787.0	6 520.0	962.2	0.1	962.1
Sierra Leone	Jan./Dec.	120.0	12.8	132.8	114.0	10.7	1.3	9.4
Togo	Jan./Dec.	265.0	0.5	265.5	245.5	24.4	0.0	24.4
Sahelian Countries		3 596.4	395.9	3 992.3	3 625.2	636.1	64.2	571.9
Burkina Faso	Nov./Oct.	354.4	30.1	384.5	390.9	35.5	6.1	29.4
Chad	Nov./Oct.	108.9	75.0	183.9	177.8	37.4	20.8	16.6
Gambia	Nov./Oct.	169.5	25.5	195.0	195.5	26.2	1.7	24.5
Guinea-Bissau	Nov./Oct.	147.5	6.8	154.3	154.3	3.0	1.9	1.1
Mali	Nov./Oct.	337.7	38.8	376.5	301.2	92.4	8.3	84.1
Mauritania	Nov./Oct.	401.5	39.6	441.1	470.5	103.2	4.6	98.6
Niger	Nov./Oct.	353.4	127.3	480.7	460.0	40.4	20.9	19.5
Senegal	Nov./Oct.	1 723.5	52.8	1 776.3	1 475.0	298.1	0.0	298.1
Central Africa		1 706.8	152.2	1 859.0	2 021.0	355.9	32.0	323.9
Cameroon	Jan./Dec.	856.1	3.5	859.6	880.0	157.7	1.8	155.9
Cent.Afr.Rep.	Jan./Dec.	53.0	10.0	63.0	63.0	11.1	4.2	6.9
Congo	Jan./Dec.	287.0	4.0	291.0	311.0	94.1	1.8	92.3
Dem.Rep.of the Congo	Jan./Dec.	493.7	134.7	628.4	750.0	90.4	24.2	66.2
Sao Tome and Principe	Jan./Dec.	17.0	0.0	17.0	17.0	2.6	0.0	2.6

Table A4b. Cereal import requirements of Low-Income Food-Deficit Countries¹, 2012/13 or 2013 estimates
(thousand tonnes)

	2011/12 or 2012			2012/13 or 2013				
	Marketing year	Commercial purchases	Food aid	Total commercial and aid	Total import requirements (excl. re-exports)	Total commercial and aid	Food aid allocated, committed or shipped	Commercial purchases
ASIA		37 333.2	921.9	38 255.1	32 577.0	15 620.9	368.5	15 252.4
Cis in Asia		4 738.3	2.0	4 740.3	3 439.3	2 693.2	3.7	2 689.5
Kyrgyzstan	July/June	646.3	2.0	648.3	460.3	392.1	3.7	388.4
Tajikistan	July/June	1 168.0	0.0	1 168.0	1 013.0	874.1	0.0	874.1
Uzbekistan	July/June	2 924.0	0.0	2 924.0	1 966.0	1 427.0	0.0	1 427.0
Far East		21 812.4	642.0	22 454.4	19 025.7	9 880.5	304.5	9 576.0
Bangladesh	July/June	1 756.6	161.0	1 917.6	2 360.0	442.4	17.6	424.8
Bhutan	July/June	64.8	0.0	64.8	75.4	0.0	0.0	0.0
Cambodia	Jan./Dec.	37.1	4.3	41.4	36.4	9.4	0.7	8.7
D.P.R. of Korea	Nov./Oct.	303.2	408.1	711.3	507.0	290.6	266.4	24.2
India	April/March	106.2	0.1	106.3	108.3	10.8	0.0	10.8
Indonesia	April/March	12 490.1	3.1	12 493.2	9 814.1	6 394.0	0.0	6 394.0
Lao, P.D.R.	Jan./Dec.	41.1	4.2	45.3	44.9	3.1	1.4	1.7
Mongolia	Oct./Sept.	136.0	0.0	136.0	116.8	14.8	0.0	14.8
Nepal	July/June	477.3	24.5	501.8	486.8	1.7	1.7	0.0
Philippines	July/June	5 260.7	6.7	5 267.4	4 337.0	2 561.6	15.6	2 546.0
Sri Lanka	Jan./Dec.	1 139.3	30.0	1 169.3	1 139.0	152.1	1.1	151.0
Near East		10 782.5	277.9	11 060.4	10 112.0	3 047.2	60.3	2 986.9
Afghanistan	July/June	2 037.5	212.9	2 250.4	1 252.0	350.0	60.3	289.7
Iraq	July/June	5 295.0	15.0	5 310.0	5 360.0	2 121.2	0.0	2 121.2
Yemen	Jan./Dec.	3 450.0	50.0	3 500.0	3 500.0	576.0	0.0	576.0
CENTRAL AMERICA		1 615.0	81.0	1 696.0	1 853.8	661.6	15.3	646.3
Haiti	July/June	524.4	62.1	586.5	680.1	138.9	10.3	128.6
Honduras	July/June	706.0	15.9	721.9	780.0	375.2	3.8	371.4
Nicaragua	July/June	384.6	3.0	387.6	393.7	147.6	1.3	146.3
OCEANIA		441.9	0.0	441.9	441.9	60.2	0.0	60.2
Kiribati	Jan./Dec.	8.7	0.0	8.7	8.7	0.3	0.0	0.3
Papua New Guinea	Jan./Dec.	390.2	0.0	390.2	390.2	56.8	0.0	56.8
Solomon Islands	Jan./Dec.	43.0	0.0	43.0	43.0	3.1	0.0	3.1
TOTAL		83 890.8	3 107.4	86 998.2	74 875.4	31 604.8	967.0	30 637.8

Source: FAO

¹ The Low-Income Food-Deficit (LIFDC) group of countries includes net food deficit countries with annual per caput income below the level used by the World Bank to determine eligibility for IDA assistance (i.e. USD 1 915 in 2010); for full details see <http://www.fao.org/countryprofiles/lifdc.asp>.

² Estimates based on information as of early June 2013.

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Crop Prospects and Food Situation is published by the Trade and Markets Division of FAO under the Global Information and Early Warning System (GIEWS). It is published four times a year and focuses on developments affecting the food situation of developing countries and the Low-Income Food-Deficit Countries (LIFDCs) in particular. The report provides a review of the food situation by geographic region, a section dedicated to the LIFDCs and a list of countries requiring external assistance for food. It also includes a global cereal supply and demand overview to complement the biannual analysis in the ***Food Outlook*** publication. ***Crop Prospects and Food Situation*** is available in English, French and Spanish in electronic format.

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This report is based on information available as of mid-June 2013.

Enquiries may be directed to:

Global Information and Early Warning System on Food and Agriculture (GIEWS)
Trade and Markets Division (EST)
Food and Agriculture Organization of the United Nations
Viale delle Terme di Caracalla
00153 Rome - Italy

Direct Facsimile: 0039-06-5705-4495

E-mail: GIEWS1@fao.org

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