



# Crop Prospects and Food Situation

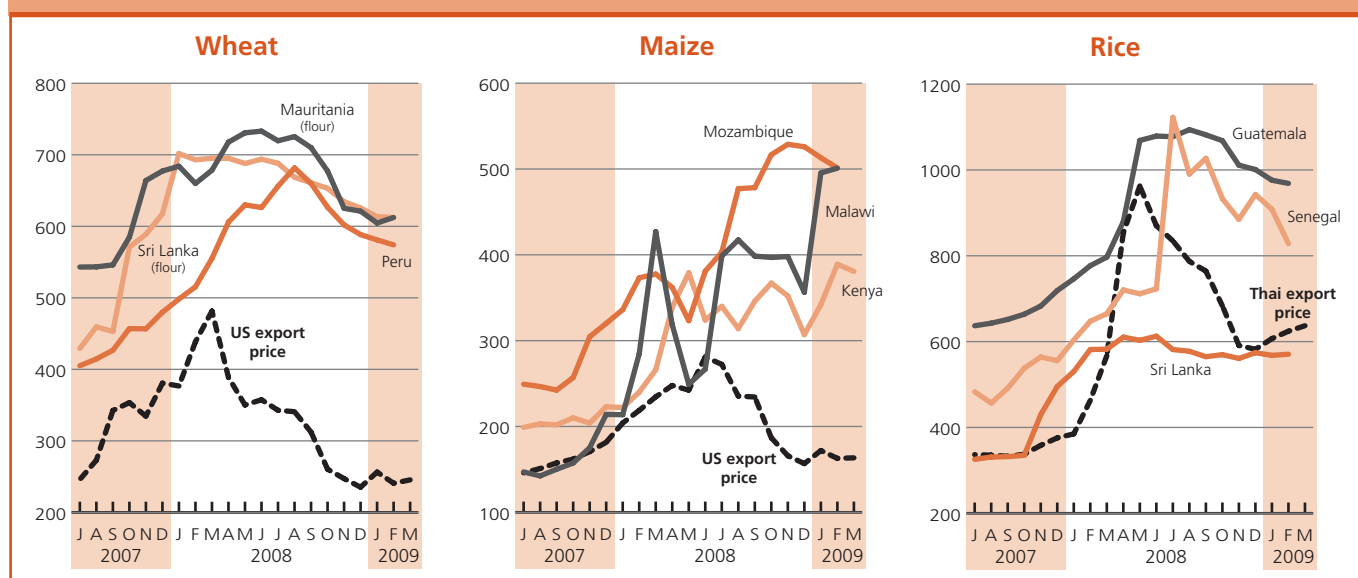
## HIGHLIGHTS

- **High food prices persist in developing countries** despite an improved global cereal supply situation and sharp decline in international prices. This is affecting access to food of large numbers of low-income vulnerable populations.
- **A recent analysis of domestic food prices for 58 developing countries** shows that latest prices are higher than a year earlier in 78 percent of the cases, and in 43 percent of the cases are higher than 3 months earlier. Mostly affected are sub-Saharan African countries.
- **Global cereal stocks are anticipated to increase sharply at the end of 2008/09 season** mainly reflecting the record cereal output in 2008.
- **World cereal production in 2009 is forecast by FAO to fall by 3 percent** from the record level of last year. However, the supply outlook for 2009/10 is still satisfactory due to ample carryover stocks.
- **In the Low-Income Food-Deficit countries as a group**, the 2009 cereal production could remain around the good level of 2008.
- **Food emergencies persist in 31 countries worldwide** despite good 2008 cereal crops in many of the countries normally most at risk from food insecurity.

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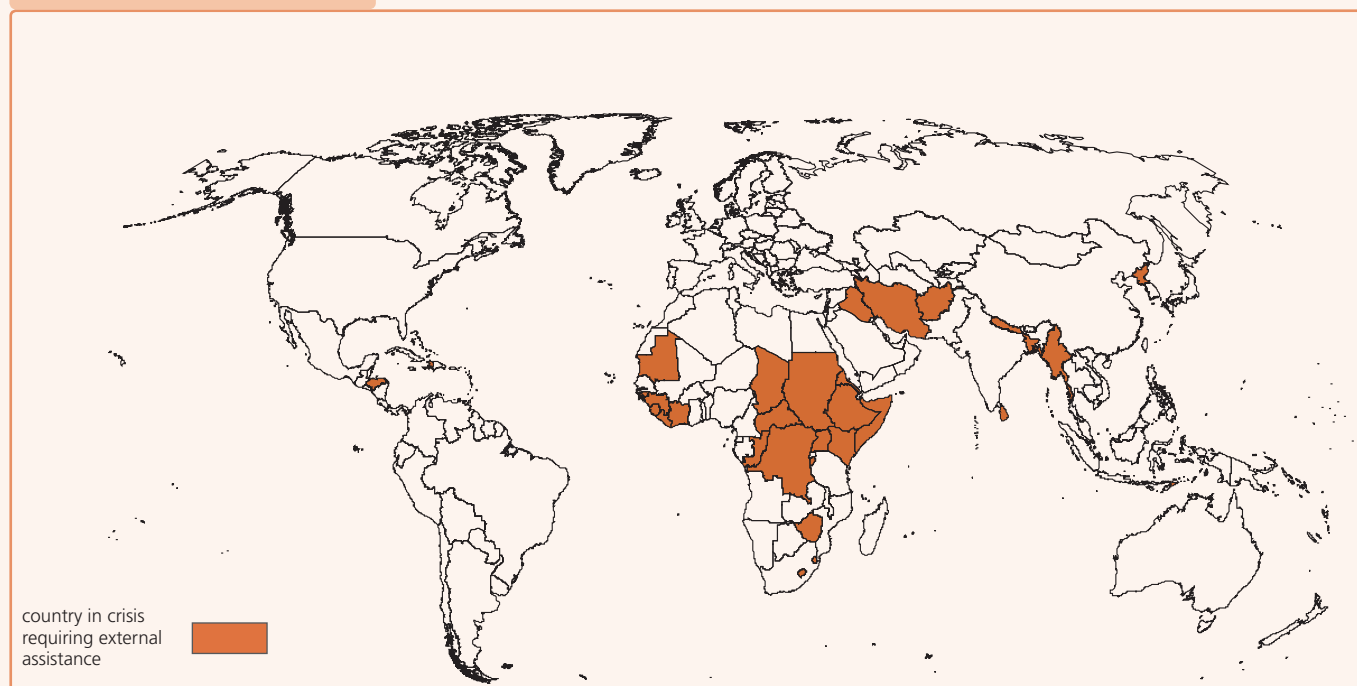
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Domestic cereal prices in selected countries and benchmark export prices (US dollar per tonne)



# Countries in crisis requiring external assistance<sup>1</sup>

World: 31 countries



Country/Nature of food insecurity	Main reason for food insecurity	Change since last report (Feb. 2009)
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## AFRICA (20 countries)

### Exceptional shortfall in aggregate food production/supplies

Kenya	Lingering effects of civil strife, adverse weather	■
Lesotho	Low productivity, HIV/AIDS pandemic	▼
Somalia	Conflict, economic crisis, adverse weather	■
Swaziland	Low productivity, HIV/AIDS pandemic	▼
Zimbabwe	Deepening economic crisis	▼

### Widespread lack of access

Eritrea	IDPs, economic constraints	■
Liberia	War related damage, pests	▲
Mauritania	Several years of drought	■
Sierra Leone	War related damage	■

### Severe localized food insecurity

Burundi	Civil strife, IDPs and returnees	■
Central African Republic	Refugees, insecurity in parts	■
Chad	Refugees, conflict	■
Congo	IDPs	■
Côte d'Ivoire	Conflict related damage	■
Dem. Rep. of Congo	Civil strife, returnees	■
Ethiopia	Insecurity in parts, localized crop failure	■
Guinea	Refugees, conflict related damage	■
Guinea-Bissau	Localized insecurity	■
Sudan	Civil strife (Darfur), insecurity (southern Sudan), localized crop failure	■
Uganda	Localized crop failure, insecurity	■

## ASIA/NEAR EAST (9 countries)

### Exceptional shortfall in aggregate food production/supplies

Iraq	Conflict and insufficient rainfall	■
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### Widespread lack of access

Afghanistan	Conflict and insecurity, inadequate rainfall	■
DPR Korea	Economic constraints	■

### Severe localized food insecurity

Bangladesh	Past floods and cyclone	▲
Iran, Islamic Rep. of	Past drought	■
Myanmar	Past cyclone	■
Nepal	Poor market access and drought in the west	▲
Sri Lanka	Conflict, IDPs	■
Timor-Leste	IDPs	■

## LATIN AMERICA AND THE CARIBBEAN (2 countries)

### Severe localized food insecurity

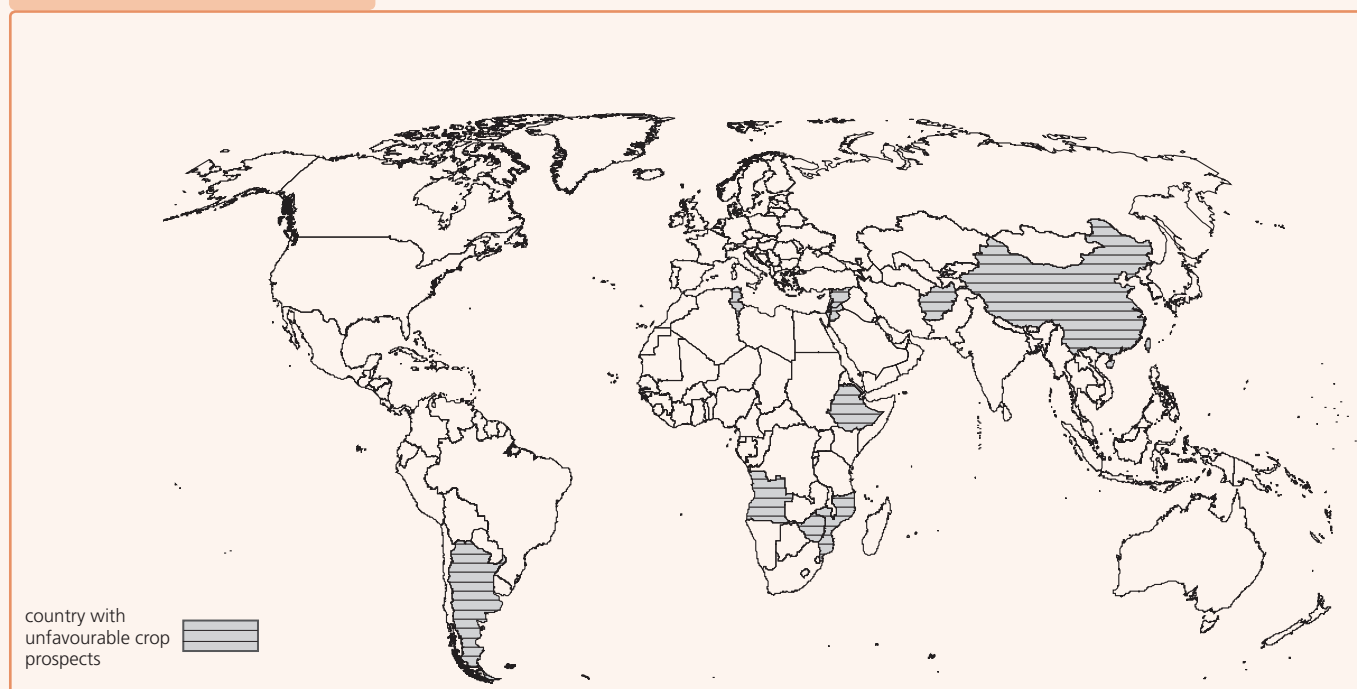
Haiti	Past floods and other hurricane damage	▲
Honduras	Past floods	▲

### Key to tables

No change ■ Improving ▲ Deteriorating ▼ New Entry +

# Countries with unfavourable prospects for current crops<sup>2</sup>

World: 11 countries



Country	Main reason for unfavourable prospects	Change since last report (Feb. 2009)
<b>AFRICA (5 countries)</b>		
Angola	Erratic rains	+
Ethiopia	Late onset of belg rains	+
Mozambique	Erratic rains	+
Tunisia	Insufficient rainfall	▼
Zimbabwe	Economic constraints	■
<b>LATIN AMERICA AND THE CARIBBEAN (1 country)</b>		
Argentina	Insufficient rainfall	■
<b>ASIA/NEAR EAST (5 countries)</b>		
Afghanistan	Adverse weather, limited input supplies and high food prices	▼
China	Drought (northern and western parts)	▲
Israel	Drought	+
Jordan	Drought	+
Syrian Arab Rep.	Drought	+

## Terminology

<sup>1</sup> Countries in crisis requiring external assistance 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 crises 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.

<sup>2</sup> Countries facing unfavourable prospects for current crops are countries where prospects point to a shortfall in production of current crops as a result of the area planted and/or adverse weather conditions, plant pests, diseases and other calamities, which indicate a need for close monitoring of the crop for the remainder of the growing season.

# Food emergencies update

In **Western Africa**, although a good cereal crop was gathered in most countries in 2008, the food security outlook remains a concern due to persisting high food prices. After having retreated for about two months during the harvesting period, prices of coarse grains which are driven mainly by regional supply and demand factors have been increasing since November-December 2008 in most countries. The situation is worse for imported rice, whose price is determined by world prices and has exhibited high pass-through from the international market. This situation will continue to affect consumers' purchasing power and access to food across the subregion. Therefore, safety net interventions, such as targeted distribution, sales at subsidized prices, food for work or cash for work activities, are recommended during the lean season, depending on the extent of food supply in specific areas.

In **Eastern Africa**, more than 17 million people face serious food insecurity due to below average harvests, conflict, civil strife or combination of these factors. In **Somalia**, due to the large displacement of civilians because of conflict, mainly centred in Mogadishu, and consecutive seasons of well-below average crop production, an estimated 3.2 million people currently require food assistance. The global economic recession is further contributing to the worsening food security situation, with reported decreases in remittance inflows that normally maintain consumption levels of urban households. In **Kenya**, the government declared an emergency in January 2009, with an estimated 3.5 million people requiring emergency food assistance, while an additional 850 000 children have been included in the School Feeding Programme. A reduction in the short rains (secondary) production has severely deteriorated food security in the marginal agricultural regions in south east, as well as the pastoral and semi-arid areas and coastal lowlands, which are extremely reliant on the short rains. There has also been a recent and steady inflow of refugees from Somalia, with more than 20 000 new refugees registered in 2009 in the Dadaab complex. In **Eritrea**, cereal prices continue to remain among one of the highest in the region, following a poor main harvest. The inflated prices are affecting the food security of large sections of the population. In **Ethiopia**, despite a decline in cereal prices since September 2008, coinciding with the good "meher" (main) harvest, the food security of millions of people continues to be adversely affected by above-average food prices. Insecurity in the Somali Region is further contributing to the poor food security conditions. Currently an estimated 4.9 million people require emergency food assistance from January

to June 2009. In **Sudan**, the continued conflict and the recent expulsion of some humanitarian agencies in Darfur have raised serious concern for millions of vulnerable people already faced with dire situations. Potential movements of a large number of people into southern Sudan due to disruptions in humanitarian assistance, present a heightened food security threat. Already in Southern Sudan, up to 1.3 million people are expected to be food insecure during 2009. This group is comprised of returnees, the chronically food insecure, and households negatively affected by conflicts, dry spells, and flooding in 2008. In addition, escalating Lords Resistance Army (LRA) attacks since December 2008 have affected the food security of large number of people residing in Western Equatoria. Overall, an estimated 5.9 million people in Sudan are in need of food assistance. In **Uganda**, despite an improved harvest, the food security condition in Karamoja has deteriorated significantly, due to a continuation of drought conditions. Approximately 970 000 people will require emergency food assistance.

In **Southern Africa**, continuing high level of domestic prices in some countries due to the slow pace of imports and high seasonal food demand for purchased grains in the market during the peak hunger months have affected some 8.7 million people, including those in **Zimbabwe** (about 5.1 million), **Lesotho** (353 000) and **Swaziland** (239 000) according to various national Vulnerability Assessment Committees (VACs) and FAO/WFP Missions. The number of food insecure people during the 2008/09 marketing year increased almost by one-third compared to the previous year. Early harvesting of some grains, including green maize, is improving the food security situation somewhat. In Zimbabwe, the ongoing outbreak of cholera with over 90 000 recorded cases, and 4 030 fatalities since August 2008 (as of March 2009, OCHA data) continues to pose a serious threat to health and nutrition of the vulnerable population.

In the **Great Lakes** region, recent fighting in the north-eastern parts of the **Democratic Republic of Congo** has displaced as many as 250 000 people who need food and non-food assistance. High food prices continue to adversely affect a large number of vulnerable households in **Burundi**, necessitating food and agricultural aid, especially for resettlement of returnees and IDPs.

In the **Far East**, the severe winter drought in the major wheat producing areas of **China** had seriously affected some 50 percent of the national winter wheat area. However, rainfall during late February and March and increased irrigation supplies due to Government support have eased the drought situation and the crop condition has improved. In **Nepal**, rising food prices and crop failure have reportedly resulted in a significant increase in household food insecurity. The winter crop production in many areas of the Hill and Mountain districts of the Far- and Mid-Western regions and in some areas of

Central region has been reportedly affected significantly. In **Myanmar**, areas where 2008 food production was affected by cyclone Nargis still need food and agricultural assistance. The food security situation of a large number of people in **Sri Lanka** continues to be affected by the intensification of civil conflict. Over 5 000 civilians have reportedly been killed and 220 000 people affected since January 2009.

Severe food shortages persist in the **Democratic People's Republic of Korea** after two years of sharply reduced harvests. The country has also recently stopped accepting food assistance from the United States.

In the **Near East**, the food situation in the **Gaza Strip** continues to be of concern. Much of the population in Gaza has been severely affected by the war during the 20-day period starting on 27 December 2008. In view of this, an Emergency Operation (EMOP) was jointly approved by FAO and WFP in January 2009 to provide food assistance to 365 000 most affected people, including social hardship cases, vulnerable groups, internally-displaced people and affected farmers over a period of 12 months (20 January 2009 to 19 January 2010).

Elsewhere, in the **Syrian Arab Republic**, an Emergency Operation was jointly approved by FAO and WFP in November 2008 for food assistance to 40 000 households (200 000 people) affected by drought during the 2007/08 growing season. The EMOP is worth USD 5.2 million for a period of six months (15 November 2008 to 15 May 2009). In **Yemen**, the high food prices prevailing during much of 2008 have worsened the food security situation of poor households which were already suffering from moderate to severe food insecurity. In view of this, a joint FAO and WFP Emergency Operation was approved in January 2009 to assist about 511 000 most affected people (about 29 000 tonnes of food) over a period of 12 months (January to December 2009).

In **Central America and the Caribbean**, **Haiti** and **Honduras** are still receiving international assistance to recover from the intense second half of the 2008 hurricane season that severely damaged food and cash crops and disrupted local livelihoods. Declining prices from previous peaks and the good performance of small second season crops are leading to a reduction in the number of food vulnerable households that, however, remains quite high.

### GLEWS is pleased to announce a new Internet tool on domestic food prices

- Domestic food price database for 58 developing countries and international cereal export prices
- About 800 monthly domestic retail and/or wholesale price series of major foods consumed
- Tool for the analysis of trends of domestic and international prices in nominal and real terms with conversion capabilities to US dollars and to common units of measure
- Important source of information for policy and decision-makers in agricultural production and trade, development and also humanitarian work

**“The National basic food price – data and analysis tool” is available on the FAO Website at: [www.fao.org/giews/pricetool](http://www.fao.org/giews/pricetool)**

#### National basic food prices - data and analysis tool

**Select country:** Malawi

**Select commodity:** Maize

**Select price type:** Retail

**Select location:** Nsanje

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**Commodity information:**

accounted for 52% of the total dietary energy supply (DES) in 2003-05. On average in 2004-08 per capita consumption (as food) of maize and maize products was 129 kg/yr. Malawi was fully self-sufficient in maize in 2004-08.

**Location/Market information:**

Admin. unit: District capital   Admin. level: Nsanje district (2)

Maize deficit area, bordering surplus Mozambican areas

Country	Price	Location	Commodity	Currency	Measure
INTERNATIONAL PRICES	Export	USA: Gulf	Maize (US No. 2, Yellow)	US Dollar	Tonne
Mozambique	Retail	Nampula	Maize (white)	US Dollar	Tonne
Malawi	Retail	Nsanje	Maize	US Dollar	Tonne

**Currency:**

Kwacha

Kwacha in real terms

US Dollar

**Unit of measure:**

Kg

Tonne

**Change start date:**  
1/2007

**Change end date:**  
4/2009

[Apply date](#)

**Market Location**

POWERED BY Google  
Click for larger map

# Global cereal supply and demand brief

## OVERVIEW

### Strong recovery in world cereal supply, global cereal stocks to rise sharply in 2008/09

The main reason for the significant improvement in global cereal supply and demand balance in 2008/09 has been the sharp increase in world cereal production in 2008 which is estimated at a record 2 289 million tonnes, 2 million tonnes more than was reported in February and 7 percent higher than the previous high in 2007. As a result, the ratio of the world cereal stocks to utilization in 2008/09 is forecast to increase to 24.6 percent from 20.2 percent in the previous year. The recovery in the global supply situation is also confirmed by the slide in international prices of most cereals, most of which have fallen by more than 50 percent from their peaks in the first half of 2008. However, food

prices remain at high levels in most developing countries.

### Drop in 2009 world cereal production forecast but supply outlook still satisfactory

Based on early indications, and barring unfavourable weather during the current growing season in major producing regions, world cereal production in 2009 is forecast to be above average but to decline by 3 percent from the 2008 record. The impact of this on supplies in 2009/10 could largely be offset by the expected increase in carryover stocks from the current season, while much uncertainty remains over the likely level of utilization in the new (2009/10) marketing season, the current economic problems could weigh negatively on demand for cereals, for animal feed and biofuels in particular, thus resulting in larger excess supply and lower prices in world markets.

## PRODUCTION

### World cereal production set to decrease in 2009

FAO's first forecast for world **cereal** production in 2009 stands at 2 217 million tonnes (including rice in milled terms), 3.1 percent down from last year's global high but still the second largest crop on record. Reductions are forecast for wheat and coarse grains while the global rice crop may register another marginal increase. The smaller grain crops are expected partly as a result of a reduction in overall grain plantings (mostly wheat) after last year's exceptional level. In several major producing countries, farmers have been discouraged by sharply lower grain prices compared to a year ago while input costs remain relatively high, as in the EU where an increase in the voluntary set-aside is expected, or a switch to oilseeds, which are relatively less expensive to produce, and could offer the possibility of better producer margins. At this early stage, the global output forecast also assumes a return to average or trend yields in many countries in 2009, after record levels last year.

Figure 1. World cereal production by type

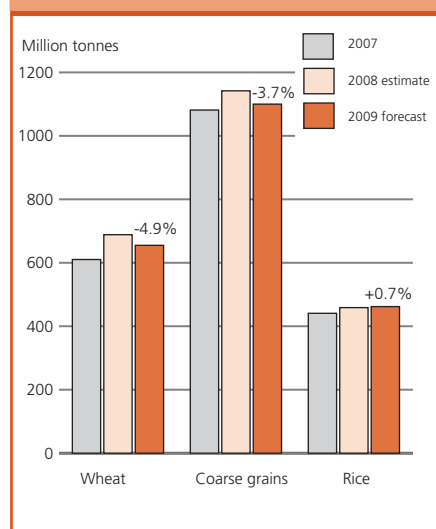


Figure 2. World cereal production and utilization

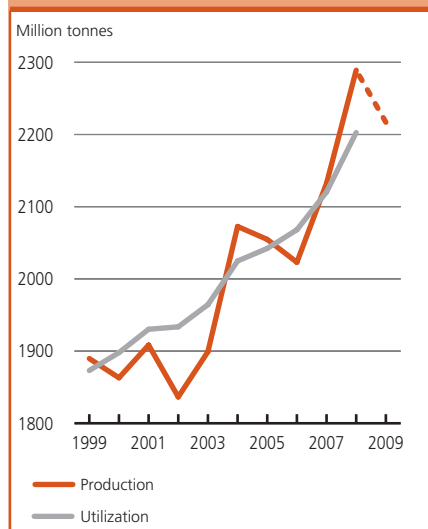
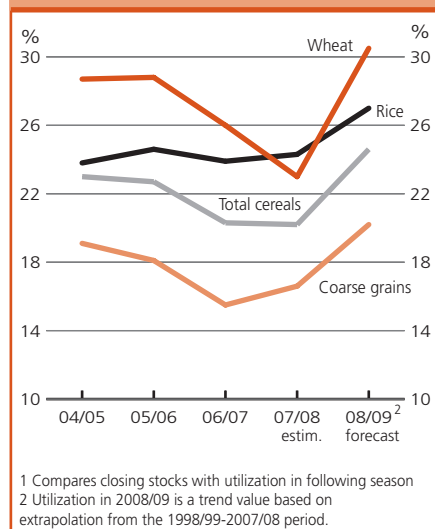


Figure 3. Ratio of world cereal stocks to utilization<sup>1</sup>

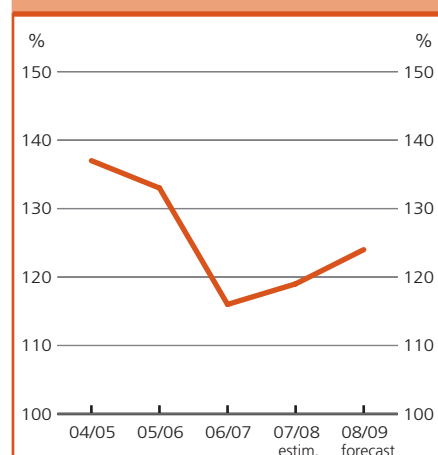


<sup>1</sup> Compares closing stocks with utilization in following season  
<sup>2</sup> Utilization in 2008/09 is a trend value based on extrapolation from the 1998/99-2007/08 period.

## Smaller wheat harvest expected in 2009

FAO's first forecast of global wheat production in 2009 stands at 655 million tonnes, almost 5 percent down from last year's record but still well above the average of the past five years. In North America, a decline of 7 percent in the winter wheat area in the United States and expected smaller plantings in Canada point to a significant decrease in production. In Europe, the wheat area is down in several major producing countries, particularly in the east of the region, and despite generally satisfactory growing conditions, production in the EU is tentatively forecast almost 7 percent down from 2008's record output. In the CIS countries of Europe, output is forecast to decline from last year's bumper level. In Asia, prospects for the winter wheat crop have improved following the arrival of rains in many of the drought-stricken areas of China. A sharp recovery is anticipated in the Near East subregion, which suffered drought in 2008. In North Africa, wheat crop prospects are favourable.

**Figure 4. Ratio of major grain exporters supplies to normal market requirements<sup>1</sup>**



<sup>1</sup> Normal market requirements for major grain exporters are defined as the average of domestic utilization plus exports in the three preceding seasons.

In the southern hemisphere, sowing starts in late April/early May in South America. Early indications point to a below-average level of plantings in the subregion, about 5 percent down from 2008, in response to lower prices and reduced access to credit due to the financial crisis. However, in Oceania, early indications suggest producers in Australia will aim to produce an output close to, if not larger than, last year's good level.

## Drought sharply reduces South America's main 2009 maize crops but prospects remain satisfactory elsewhere

FAO tentatively forecasts 2009 global output of **coarse grains** at 1 100 million tonnes, 3.7 percent down from

last year's record level. In South America, harvesting of the main season crops is underway and output is expected to decrease sharply from last year's record levels due to a combination of poor growing conditions and high input prices. In southern Africa, prospects for the main coarse grain crops are generally favourable despite some irregular rainfall and a significant decline in area planted in South Africa, the main producing country in the subregion.

In the northern hemisphere, the bulk of the major 2008 coarse grain crops are yet to be sown in the coming weeks and the areas planted are forecast to decrease in the main producing countries. Farmers' planting decisions have been influenced by reduced producer price prospects while input prices remain relatively high.

**Table 1. World cereal production<sup>1</sup> (million tonnes)**

	2007	2008 estimate	2009 forecast	Change: 2009 over 2008 (%)
<b>Asia</b>	<b>955.0</b>	<b>968.7</b>	<b>973.4</b>	<b>0.5</b>
Far East	852.1	883.4	879.0	-0.5
Near East in Asia	69.2	55.0	63.3	15.1
CIS in Asia	33.6	30.2	31.0	2.6
<b>Africa</b>	<b>133.7</b>	<b>151.3</b>	<b>153.8</b>	<b>1.7</b>
North Africa	29.1	31.9	36.2	13.3
Western Africa	46.4	54.0	52.4	-2.8
Central Africa	3.2	3.3	3.3	1.4
Eastern Africa	32.6	34.0	35.1	3.2
Southern Africa	22.3	28.0	26.8	-4.6
<b>Central America &amp; Caribbean</b>	<b>40.0</b>	<b>41.6</b>	<b>39.5</b>	<b>-5.1</b>
<b>South America</b>	<b>131.3</b>	<b>135.3</b>	<b>120.6</b>	<b>-10.9</b>
<b>North America</b>	<b>461.1</b>	<b>457.0</b>	<b>435.9</b>	<b>-4.6</b>
<b>Europe</b>	<b>389.7</b>	<b>502.1</b>	<b>460.9</b>	<b>-8.2</b>
EU	260.1	314.9	297.0	-5.7
CIS in Europe	115.1	169.4	146.4	-13.5
<b>Oceania</b>	<b>22.8</b>	<b>34.4</b>	<b>34.1</b>	<b>-0.8</b>
<b>World</b>	<b>2 132.4</b>	<b>2 289.1</b>	<b>2 217.0</b>	<b>-3.1</b>
Developing countries	1 207.5	1 241.8	1 233.3	-0.7
Developed countries	924.9	1 047.3	983.7	-6.1
- wheat	610.3	688.5	655.0	-4.9
- coarse grains	1 081.4	1 141.9	1 100.0	-3.7
- rice (milled)	440.8	458.7	461.9	0.7

<sup>1</sup>Includes rice in milled terms.

Note: Totals computed from unrounded data.

## The 2008 rice season harvests conclude favourably and early indications for 2009 point to a further marginal growth in global output

The FAO estimate of global paddy production from the 2008 season, which has just concluded, has been revised upwards to a bumper level of 687 million tonnes, 4.1 percent more than in 2007. As for the new 2009 season, FAO's first forecast of world paddy production stands at 692 million tonnes (462 million tonnes in milled terms), which would be 0.7 percent above the 2008 level. However, this forecast is still very preliminary as in the northern hemisphere where the bulk of rice is grown, the 2009 crops will only start being planted around April/May. The expected growth in production this year is rather modest, reflecting expectations that the extremely high market prices that have prevailed since late 2007 will subside.

## UTILIZATION

### Recovery of cereal feed and fuel utilization growth in 2008/09

World cereal utilization is forecast to reach 2 202 million tonnes in 2008/09, up almost 4 percent from 2007/08 and slightly more than was reported in February. Total feed utilization is forecast 3.8 percent up from the previous season and food consumption is forecast to grow by about 1.5 percent, allowing the global per caput consumption of cereals to remain stable at around 153 kg per person. The amount of cereals used for biofuels is forecast to increase the sharpest in relative terms, jumping by 23 percent from the previous season to at least 120 million tonnes in 2008/09, thus accounting for more than one-half of total industrial use of cereals.

World utilization of wheat is forecast to increase by 4.6 percent, or 28 million tonnes, in 2008/09. Most of the increase is expected to be driven by a sharp expansion in the feed use which

is forecast to jump by 20 percent from the previous season and that mainly in the EU. World food utilization of wheat is expected to expand by 1.2 percent overall, with faster growth in developing countries where food use is forecast to increase by about 1.6 percent.

Total utilization of coarse grains is forecast to reach 1 107 million tonnes

in 2008/09, up 3.9 percent from the previous season. World feed use of coarse grains is forecast 1.2 percent up from 2007/08, a considerably slower growth than in the previous year. Larger availability of wheat supply this season is the main reason for this deceleration. The total coarse grains use for production of ethanol in 2008/09 is

**Table 2. Basic facts of the world cereal situation (million tonnes)**

	2006/07	2007/08	2008/09	Change: 2008/09 over 2007/08 (%)
<b>PRODUCTION<sup>1</sup></b>				
Wheat	601.6	610.3	688.5	12.8
Coarse grains	992.4	1 081.4	1 141.9	5.6
Rice (milled)	428.9	440.8	458.7	4.1
<b>All cereals</b>	<b>2 023.0</b>	<b>2 132.4</b>	<b>2 289.1</b>	<b>7.3</b>
Developing countries	1 166.6	1 207.5	1 241.8	2.8
Developed countries	856.4	924.9	1 047.3	13.2
<b>TRADE<sup>2</sup></b>				
Wheat	113.6	112.2	119.5	6.5
Coarse grains	111.8	130.2	110.5	-15.1
Rice	32.3	30.3	30.7	1.4
<b>All cereals</b>	<b>257.7</b>	<b>272.6</b>	<b>260.7</b>	<b>-4.4</b>
Developing countries	79.2	84.2	70.4	-16.4
Developed countries	178.5	188.4	190.3	1.0
<b>UTILIZATION</b>				
Wheat	622.2	617.9	646.3	4.6
Coarse grains	1 018.4	1 064.6	1 107.3	4.0
Rice	427.5	437.9	449.1	2.6
<b>All cereals</b>	<b>2 068.0</b>	<b>2 120.4</b>	<b>2 202.7</b>	<b>3.9</b>
Developing countries	1 265.7	1 301.1	1 336.9	2.7
Developed countries	802.3	819.3	865.8	5.7
Per caput cereal food use (kg per year)	152.0	152.7	153.0	0.3
<b>STOCKS<sup>3</sup></b>				
Wheat	160.8	151.3	193.7	28.0
- main exporters <sup>4</sup>	36.5	26.4	51.1	93.7
Coarse grains	165.3	183.9	218.7	18.9
- main exporters <sup>4</sup>	60.8	79.8	92.9	16.4
Rice	104.5	109.3	119.1	9.0
- main exporters <sup>4</sup>	23.1	25.8	29.2	13.1
<b>All cereals</b>	<b>430.5</b>	<b>444.6</b>	<b>531.5</b>	<b>19.6</b>
Developing countries	298.8	314.6	349.7	11.1
Developed countries	131.7	129.9	181.8	39.9

<sup>1</sup> Data refer to calendar year of the first year shown.

<sup>2</sup> 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.

<sup>3</sup> 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.

<sup>4</sup> The major wheat and coarse grain exporters are Argentina, Australia, Canada, the EU and the United States.

The major rice exporters are India, Pakistan, Thailand, the United States and Viet Nam.



forecast to approach 115 million tonnes, up 22 percent from the previous season. Maize accounts for the bulk of this usage and also its anticipated expansion this season. Food consumption of coarse grains is forecast to increase to 191 million tonnes, up 2 percent from the previous season, with most of the growth in Africa.

World **rice** utilization (mainly food consumption) in 2009 is forecast to expand by a relatively fast 2.5 percent to reach 449 million tonnes. Although consumer rice prices in most countries have failed to return to pre-2007 levels, per caput rice consumption is estimated to increase from 56.9 kg in 2008 to 57.1 kg in 2009, sustained by large public distribution programmes at subsidized prices, but also reflecting a shift from more expensive livestock products.

## STOCKS

### World cereal stocks to recover significantly more than anticipated earlier

World end-of-season **cereal** stocks for crop years closing in 2009 are currently forecast at 531.5 million tonnes, 35 million tonnes more than was reported in February and 19 percent above the level in 2008. Two factors have contributed to these exceptionally large upward revisions: the upward adjustments to historical production estimates in several countries, the most significant of which for China from 2006 and the downward adjustments to FAO's estimates for total cereal utilization, mainly stemming from the impact of rising prices on demand starting in 2006/07. The ratio of world cereal stocks by the close of the seasons ending in 2009 to total utilization in 2009/10 is expected to reach 24.6 percent, up sharply from 20.2 percent in the previous season and slightly above its 5-year average (2001/02-2005/06).

**Wheat** inventories are forecast to increase the most, reaching almost 194 million tonnes, up 28 percent from their

opening level. Total wheat inventories in major exporters are forecast to reach a 3-year high of 51 million tonnes. Stocks in Australia, the EU and the United States are forecast to more than double in size due to higher production in 2008. As a result, the ratio of the major exporters' ending stocks to their total disappearance (domestic utilization plus exports) in 2008/09 is forecast to increase sharply from last season's low of about 11 percent to 19.5 percent. Larger wheat inventories are also anticipated in many other countries, especially in China.

World inventories of **coarse grains** are also forecast to rise sharply in 2008/09, increasing by 19 percent from their opening level to 219 million tonnes, with most of the increase in major exporting countries. The ratio of the major exporters' ending stocks to their total disappearance is forecast to rise to 16.8 percent. Stocks of coarse grains are also forecast to increase sharply in China.

Regarding **rice**, the better 2008 production outcomes than earlier anticipated have resulted in an upward revision of global inventories compared with the previous forecast. As a result, global rice reserves at the close of countries' marketing years ending in 2009 would rise to some 119 million tonnes, the highest volume since 2001. The principal countries responsible for the build-up are Bangladesh, China, Egypt, India, Indonesia, the Republic of Korea, Thailand and Viet Nam. The increase in closing inventories would raise the global rice stocks-to-utilization ratio from 24.3 percent in 2008 to 27 percent in 2009.

## TRADE

### Declining world trade in 2008/09 driven by reduced import demand for coarse grains

World **cereal** trade is forecast to reach 261 million tonnes, over 4 percent below the estimated trade in 2007/08.

A sharp drop in imports of coarse grains is expected while wheat and rice trade are forecast to expand in 2008/09. As a group, developing countries account for all the increase in world purchases of cereals this season. By contrast, total cereal imports by the developed countries are forecast down, reflecting a significant drop in grain purchases by the EU, of maize and sorghum in particular.

World trade in **wheat** in 2008/09 (July/June) is forecast up 6.5 percent, mostly reflecting much higher imports by several countries in Asia, in response to lower international prices compared to the previous season and production shortfalls in several traditional importing countries.

International trade in **coarse grains** in 2008/09 is forecast down 15 percent, from the record volume in 2007/08 primarily driven by reductions in imports by the EU following the recovery in domestic supply; feed wheat in particular. Given ample aggregate export supplies in major exporters, but also from Ukraine and the Russia Federation, the competition for market share is intensifying which is putting downward pressure on prices.

FAO's forecast of world **rice** trade in calendar year 2008 stands at 30.7 million tonnes, slightly up from 2007. The volume of exchanges continue to be constrained by the restrictive policies of several of the major exporting countries, in particular Egypt, India, Thailand and Viet Nam, but large crops in 2008 have also diminished pressure to import, especially as prices have yet to return to 2007 levels. Problems in obtaining credit to finance the transactions have also been reported. Under the high price policy in Thailand, exports from the country are expected to decline substantially, but Cambodia, the United States and Brazil are also foreseen to cut their shipments. By contrast, exports from the other major suppliers, including China, India, Myanmar, Pakistan and Viet Nam, are anticipated to rise.

## PRICES

### International wheat and rice prices weakened since March but those for maize strengthened

International **wheat** prices that strengthened somewhat in March, averaged marginally lower in the first two weeks of April compared to the past month. The market was influenced by ample wheat supplies and generally good prospects for the 2009 crop, in particular by an improvement of growing conditions in main producing countries of Asia and Near East. This was partially offset by a US Department of Agriculture (USDA) report at the end of March which expected a 7 percent decline in total wheat plantings in the United States; however, this decline was slightly lower than previously anticipated. The US wheat (No.2 Hard Red Winter, f.o.b. Gulf) averaged USD 242 per tonne, one-third of its level of a year earlier and one-half the level of the March 2008 peak. In the futures market, price movements continued to be influenced by repeated upward revisions to this year's global ending stock levels, particularly in several major producing/exporting countries, as well as by developments in outside markets. As a result, wheat futures remained subdued and close to their March volume.

In the first half of April, world export prices of **maize** remained higher than the previous month's average although price movements exhibited strong variability. Maize markets received support from drought conditions in South America, potential planting delays in the United States because of continuing wet conditions, and the spillover from surging soybean prices due to tight supplies and strong demand from China. However, ample supplies of feed wheat put some downward pressure on export prices. The price of US maize (No. 2 Yellow, Gulf) averaged USD 171 per tonne, 3.6 percent

above the March average. At this level, maize prices were 31 percent lower than in April last year and 39 percent below the peak level of June 2008. In Chicago, movements in CBOT maize futures for July delivery were volatile throughout March and first half of April, reflecting sharp swings in equity markets, unstable exchange rate developments and mixed signals with respect to prospects for crude oil prices. The latest USDA report indicated a possible decline of 1 percent from 2008 in area planted to maize in the United States because of lower maize prices and still high input costs. In April the Chicago July futures averaged 4 percent, higher than in March but down 34 percent from the corresponding period in 2008.

International **rice** prices, as represented by the FAO All Rice Food Price Index (2002-2004=100), have remained stable since January 2009, despite relatively weak import demand and large export availabilities, with the index value steady at 270. The resilience of prices reflects the numerous interventions of governments in several of the key exporting countries. For instance, the Thai white rice 100%

B rice was quoted USD 607 per tonne in April 2009 (two weeks), some 5 percent lower than in March but only marginally down from USD 611 per tonne in January 2009. At its current level, however, the international rice price is 30 percent below the quotation of USD 873 in April 2008 when prices were approaching their peaks of May (USD 962.60). Much of the recent market softening was reported to have been caused by continued sluggish import demand for rice and the announcement that the Thai government were to release rice from public stocks in mid-April. Prices in the other major export locations remained steady, despite the arrival of a large spring crop in Viet Nam. The market is turning its attention towards India, where the period of the general elections is approaching, as this may be followed by a relaxation of the restrictions that still hinder rice exports from the country. The various government interventions have also had the effect of altering the relative countries' competitive edges, with prices in the United States, for example, averaging 17 percent lower than their counterpart in Thailand.

**Table 3. Cereal export prices\* (USD/tonne)**

	2008		2009			
	Apr.	Dec.	Jan.	Feb.	Mar.	Apr.
<b>United States</b>						
Wheat <sup>1</sup>	382	240	256	241	244	242
Maize <sup>2</sup>	247	160	172	163	165	171
Sorghum <sup>2</sup>	243	151	148	145	153	151
<b>Argentina <sup>3</sup></b>						
Wheat	-	177	213	219	214	213
Maize	224	152	160	158	163	168
<b>Thailand <sup>4</sup></b>						
Rice white <sup>5</sup>	873	582	611	624	637	607
Rice, broken <sup>6</sup>	726	310	332	333	335	346

\*Prices refer to the monthly average. For April 2009, two weeks average.

<sup>1</sup> No.2 Hard Red Winter (Ordinary Protein) f.o.b. Gulf.

<sup>2</sup> No.2 Yellow, Gulf

<sup>3</sup> Up river, f.o.b.

<sup>4</sup> Indicative traded prices.

<sup>5</sup> 100% second grade, f.o.b. Bangkok.

<sup>6</sup> A1 super, f.o.b. Bangkok.

# Low-Income Food-Deficit Countries food situation overview<sup>1</sup>

## Continuous high food prices in LIFDCs remains a concern for food security

Despite the decline in international cereal export prices from their peaks in the first half of 2008, an improved 2008 cereal production and policies responses by governments, food prices have remained at high levels in many developing and low-income food-deficit countries. In many cases, domestic prices are still higher than a year ago and where they have declined, price reductions have been relatively much less than those in the international markets (see box).

Persistent high food prices in LIFDCs continue to affect access to food of large numbers of low-income groups of population, since poorer households spend most of their income on foods, and neglect other basic needs. Most affected are the urban poor and the food-deficit farmers, as they depend on the market to access food products.

In countries of Southern Africa prices of main staple maize have increased over the past year. In Mozambique, prices of maize in USD by March 2009 were 29 higher than a year earlier. In Western Africa, after having declined with the good 2008 harvest, prices of food staple sorghum and millet have started to rise since late 2008. In Niger, prices of sorghum by February 2009 were 29 percent higher than at the same time last year; while in Senegal prices of imported rice increased 48 percent in the same period. In Eastern Africa, prices of maize in Kenya in March this year were 43 percent higher than in March 2008

and in Sudan price of food staple sorghum in February 2009 had increased 68 percent over the previous 12 months.

Prices are also above the already high levels of 2008 in LIFDCs in other regions. In Asia, in Pakistan, prices of main staple wheat were 50 percent higher in March 2009 than at the same time in 2008. In Central America, in Nicaragua, maize prices have increased 45 percent from March 2008 to March 2009 and in Guatemala by 35 percent.

## FAO's first forecast point to a slight decrease in the 2009 cereal output of LIFDCs

FAO's first forecast indicates that for the LIFDCs as a group, the 2009 cereal output could remain around the good level of 2008. The 2009 forecast is, however, highly tentative as the main season rice crop is still to be planted in Asia and the

cropping seasons have not yet started in several regions of Africa and Central America.

In Asia, prospects for the 2009 wheat crop, about to be harvested, have improved with the ease of the drought situation in China and beneficial rains in February and March throughout the Near East, where last year's cereal harvest was reduced by drought. In North Africa, prospects for the winter cereal crops, to be gathered from late June, are satisfactory in Morocco and the output is anticipated to recover after two consecutive years of below-average crops. In Southern Africa, overall prospects for the main season maize crop, being harvested, are also favourable. However, in Zimbabwe, dry weather and shortages of agricultural inputs point to another poor harvest.

## Further upwards revision of 2008 cereal production

FAO's latest estimate of the 2008 aggregate cereal output in LIFDCs indicates a significant increase of 4.3 percent from the previous year's good harvest to a level of 958 million tonnes. Excluding China and India, normally

**Table 4.** Basic facts of the Low-Income Food-Deficit Countries (LIFDCs)<sup>1</sup> cereal situation (*million tonnes*)

	2006/07	2007/08	2008/09	Change: 2008/09 over 2007/08 (%)
<b>Cereal production<sup>2</sup></b>	<b>898.2</b>	<b>918.5</b>	<b>957.8</b>	<b>4.3</b>
<i>excluding China Mainland and India</i>	307.3	305.3	322.6	5.7
<b>Utilization</b>	<b>937.4</b>	<b>962.7</b>	<b>991.5</b>	<b>3.0</b>
Food use	651.4	665.0	677.3	1.9
<i>excluding China Mainland and India</i>	277.6	284.6	293.7	3.2
Per caput cereal food use (kg per year)	155.6	156.5	157.1	0.4
<i>excluding China Mainland and India</i>	157.6	158.3	160.1	1.1
Feed	167.2	172.6	179.7	4.1
<i>excluding China Mainland and India</i>	49.3	49.8	51.3	2.9
<b>End of season stocks<sup>3</sup></b>	<b>246.9</b>	<b>265.2</b>	<b>299.1</b>	<b>12.8</b>
<i>excluding China Mainland and India</i>	56.5	51.4	53.7	4.4

<sup>1</sup> The Low-Income Food-Deficit (LIFDC) group of countries includes food deficit countries with per caput annual income below the level used by the World Bank to determine eligibility for IDA assistance (i.e. USD 1 675 in 2005), which is in accordance with the guidelines and criteria agreed to by the CFA should be given priority in the allocation of food aid.

<sup>1</sup> Includes food deficit countries with per caput annual income below the level used by the World Bank to determine eligibility for IDA assistance (i.e. USD 1 675 in 2005), which is in accordance with the guidelines and criteria agreed to by the CFA should be given priority in the allocation of food aid.

<sup>2</sup> Data refer to calendar year of the first year shown.

<sup>3</sup> May not equal the difference between supply and utilization because of differences in individual country marketing years.

accounting for one-third of the aggregate cereal output, production of the rest of LIFDCs expanded at a higher rate of 5.7 percent. This reflects good cereal crops in almost all subregions of the world, with the main exception of the Near East and some countries in Africa, notably Zimbabwe, Kenya and Somalia that were affected by drought.

### Higher cereal imports in 2008/09

Total cereal imports by the LIFDCs in marketing years 2008/09 or 2009 (calendar year) are currently forecast close to 86 million tonnes, up 3.6 percent from the previous season, in spite of a significant increase in their aggregate 2008 production. Most of the increase is in Asia, particularly from large importing countries in the Near East and from China and other countries that are replenishing their cereal

stocks which were at low levels following releases in the previous season to reduce the impact of high international prices. The aggregate cereal imports of LIFDCs in Africa are forecast to remain around the level of the previous season, but they are anticipated sharply higher in Zimbabwe, Kenya and Somalia.

### Declining cereal import bill

The aggregate cereal import bill for LIFDCs in 2008/09 is expected to decline this season to USD 28 billion, down 27 percent from the previous season's all-time high of USD 38 billion. While aggregate imports in volume terms are forecast to increase, lower prices and freight rates are bringing some relief to LIFDCs considering the fact that the import bill they faced in 2007/08 had soared by 62 percent. While this year's (2008/09) bill is less than last year, it still represents an increase of 67 percent from

2005/06 before the onset of the soaring prices.

### Rate of cereal imports significantly lower than in the past seasons

Available information received in GIEWS by late March 2008, indicates that about 45 percent of the LIFDCs aggregate cereal import requirement of some 86 million tonnes in 2008/09 marketing years has been already covered. This compares with 55 percent at the same time last year. The slower pace of both commercial cereal imports and food aid this season as compared with the past two seasons, particularly in Southern Africa where the marketing year is about to finish, is one of the factors contributing to the continuing high food prices in developing and LIFDCs.

**Table 5. Cereal production<sup>1</sup> of LIFDCs (million tonnes)**

	2007	2008	2009	Change: 2009 over 2008 (%)
<b>Africa (44 countries)</b>	<b>117.2</b>	<b>129.3</b>	<b>132.4</b>	<b>2.4</b>
North Africa	22.5	25.9	29.1	12.4
Eastern Africa	32.6	34.0	35.1	3.2
Southern Africa	12.5	12.1	12.5	2.8
Western Africa	46.4	54.0	52.4	-2.8
Central Africa	3.2	3.3	3.3	1.4
<b>Asia (25 countries)</b>	<b>790.2</b>	<b>814.2</b>	<b>813.2</b>	<b>-0.1</b>
CIS in Asia	13.6	13.7	13.8	0.6
Far East	761.4	791.0	786.3	-0.6
- China (Mainland)	400.2	420.1	413.5	-1.6
- India	213.0	215.0	212.9	-1.0
Near East	15.2	9.4	13.1	39.0
<b>Central America (3 countries)</b>	<b>1.9</b>	<b>1.8</b>	<b>1.8</b>	<b>4.2</b>
<b>Oceania (6 countries)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Europe (4 countries)</b>	<b>9.2</b>	<b>12.6</b>	<b>11.7</b>	<b>-7.1</b>
<b>Total (82 countries)</b>	<b>918.5</b>	<b>957.8</b>	<b>959.2</b>	<b>0.1</b>

<sup>1</sup> Includes rice in milled terms.

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

	2007/08 or 2008  Actual imports	2008/09 or 2009			
		Requirements <sup>1</sup>		Import position <sup>2</sup>	
		Total imports:	of which food aid	Total imports:	of which food aid pledges
<b>Africa</b> (44 countries)	<b>39 972</b>	<b>39 947</b>	<b>2 949</b>	<b>17 645</b>	<b>1 637</b>
North Africa	18 193	17 342	0	12 183	0
Eastern Africa	6 124	5 686	1 753	2 282	1 057
Southern Africa	3 143	3 907	622	2 497	417
Western Africa	10 864	11 229	484	639	132
Central Africa	1 648	1 783	90	45	30
<b>Asia</b> (25 countries)	<b>39 271</b>	<b>42 416</b>	<b>2 668</b>	<b>20 137</b>	<b>677</b>
CIS in Asia	3 761	4 255	47	2 651	47
Far East	24 447	22 546	1 824	11 046	357
Near East	11 063	15 615	797	6 439	273
<b>Central America</b> (3 countries)	<b>1 661</b>	<b>1 789</b>	<b>212</b>	<b>778</b>	<b>120</b>
<b>Oceania</b> (6 countries)	<b>438</b>	<b>438</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Europe</b> (4 countries)	<b>1 652</b>	<b>1 400</b>	<b>20</b>	<b>520</b>	<b>0</b>
<b>Total</b> (82 countries)	<b>82 993</b>	<b>85 990</b>	<b>5 848</b>	<b>39 080</b>	<b>2 433</b>

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

<sup>2</sup> Estimates based on information available as of end March 2009.

Note: Totals computed from unrounded data.

**Table 7.** Cereal Import Bill in LIFDCs by Region and Type (*July/June, USD million*)

	2003/04	2004/05	2005/06	2006/07	2007/08 estimate	2008/09 f'cast
<b>LIFDC</b>	<b>14 687</b>	<b>17 903</b>	<b>16 739</b>	<b>23 512</b>	<b>38 107</b>	<b>27 997</b>
Africa	7 052	8 362	8 285	10 421	18 895	13 040
Asia	6 986	8 869	7 768	12 177	17 606	13 800
Latin America and Caribbean	381	407	441	587	997	685
Oceania	76	78	79	93	173	123
Europe	193	187	167	235	435	349
<b>Wheat</b>	<b>8 550</b>	<b>10 670</b>	<b>10 166</b>	<b>13 542</b>	<b>22 869</b>	<b>17 269</b>
<b>Coarse grains</b>	<b>2 512</b>	<b>2 730</b>	<b>2 415</b>	<b>3 644</b>	<b>4 826</b>	<b>4 539</b>
<b>Rice</b>	<b>3 625</b>	<b>4 504</b>	<b>4 158</b>	<b>6 326</b>	<b>10 411</b>	<b>6 188</b>

Source: FAO.

# New FAO database confirms that domestic prices in developing countries remain very high

FAO GIEWS has recently launched the **"National basic food price – data and analysis tool"**<sup>1</sup> as part of the **FAO Initiative on Soaring Food Prices (ISFP)** to assist in the monitoring and analysis of domestic food price trends in developing countries. The database covers about 800 monthly domestic retail/wholesale price series of major foods<sup>2</sup> consumed in 58 developing countries, and international cereal export prices.

An initial analysis (April 2009) of the data contained in the database confirms earlier reports that domestic prices in developing countries remain generally very high and in some cases are record high. Out of the 790 domestic price quotations (nominal, in local currencies) for all food commodities included in the database, the most recent quotation<sup>3</sup> is higher than 12 months earlier in 78 percent of the cases and higher than 3 months earlier in 43 percent of the cases. In 17 percent of the cases, latest price quotations are the highest on record. This is in sharp contrast with developments in international food markets, where prices of most commodities have fallen sharply since their peaks of the first-half of 2008.

For cereals, the most important staple food in developing countries, the situation is quite similar with latest nominal domestic price quotations considerably higher than 12 months earlier in about 80 percent of the countries covered in the database and higher than 3 months earlier in 35 to 65 percent of the countries, depending on the type of cereal. In

10 to 30 percent of the countries, latest food prices available in GIEWS by late March were the highest on record.

The situation is even more dramatic in Sub-Saharan Africa. Domestic prices of rice are much higher than 12 months earlier in 100 percent of the countries covered in the database, while prices of maize, millet and sorghum are higher than 12 months earlier in about 89 percent of the countries. For wheat and wheat products, 71 percent of the countries surveyed show prices higher than 12 months earlier. With the exception of millet, latest prices of other cereals were much higher than reached during the crises in 2008 in about a third of the countries, mostly in Eastern and Southern Africa.

However, food prices remain at high levels also in other regions, particularly in Asia for rice and in Central and South America for maize and wheat.

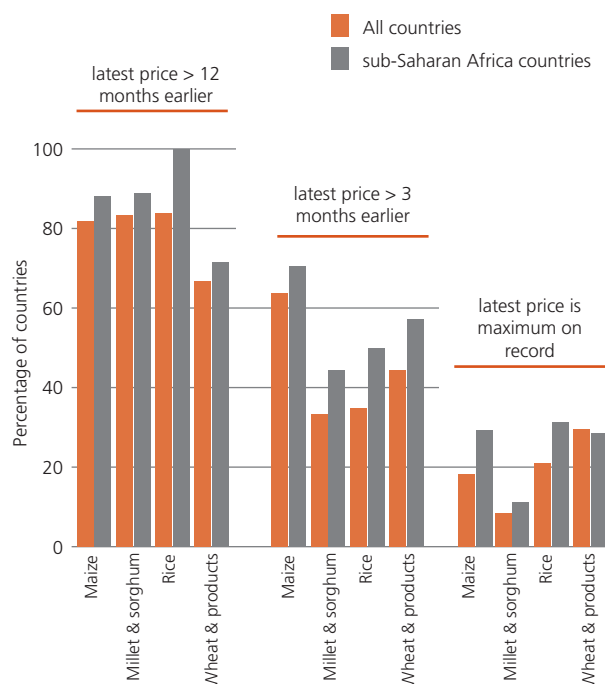
In contrast with trends in domestic food prices, international cereal export prices are considerably lower than in 2008. Maize, sorghum, wheat and rice export prices are respectively 31 percent, 38 percent, 39 percent and 30 percent lower than 12 months earlier and between 37 and 53 percent below their 2008 peaks.

<sup>1</sup>The **"National basic food price – data and analysis tool"** is available on the FAO Website at: [www.fao.org/giews/pricetool](http://www.fao.org/giews/pricetool)

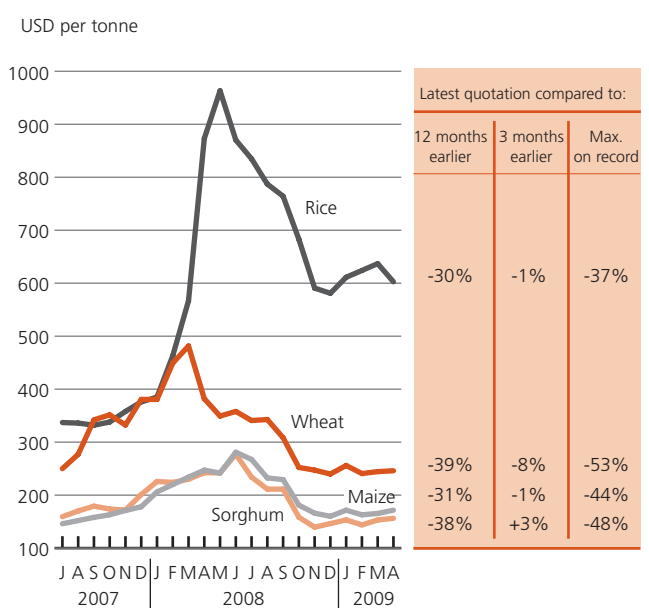
<sup>2</sup>Mainly cereals and cereal products but also beans, potatoes and cassava and some animal products.

<sup>3</sup>The most recent price quotation refers, with few exceptions, to the period between January and April 2009

## Percentage of countries in database where latest price quotation is higher than specified period or the maximum on record



## Selected international cereal prices: latest quotations compared to specified period or the maximum on record



Note: Prices refer to monthly average.

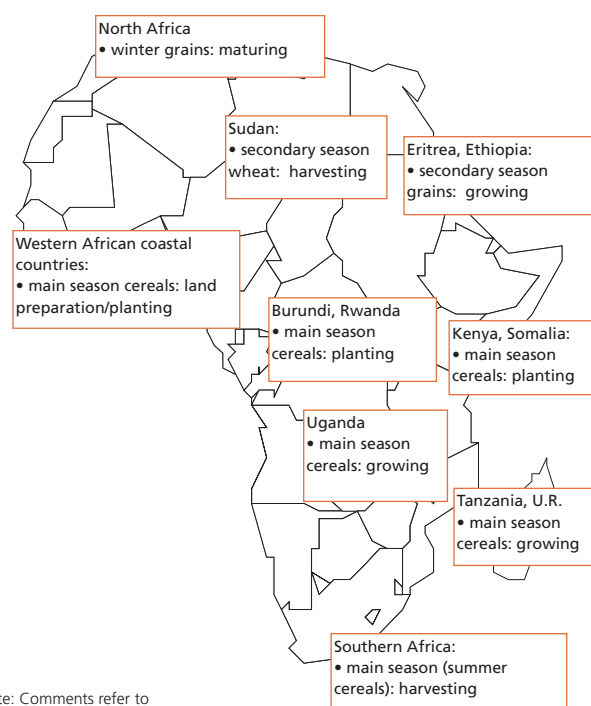
# Regional reviews

## Africa

### North Africa

#### Cereal production to recover in Morocco

Harvesting of the 2009 winter cereal crops is due to start from June in most countries of the subregion. Crop prospects are generally favourable especially in **Morocco**, where further recovery in output from 2007 drought-reduced crop is expected, provided normal weather prevails in the coming months. Morocco's aggregate wheat and barley area is estimated at about 5.1 million hectares, similar to last year and yields are expected to increase significantly pointing to a bumper crop this year. The outlook is also favourable in **Egypt**, the largest producer of the subregion, where weather conditions were also reported to be generally satisfactory and average to above-average cereal output is expected. By contrast, in **Tunisia**, in spite of government incentives to increase domestic production to mitigate the negative impact of high international prices on consumers, prospects remain uncertain. This is mainly a consequence of insufficient soil moisture at planting time, causing an area reduction. Although rainfall increased significantly in January and February, a strong agricultural recovery is not expected. In sum, FAO forecasts the aggregate



Note: Comments refer to situation as of April.

output of wheat in the subregion in 2009 at some 17.9 million tonnes, 13 percent up from the previous year's level, while that of barley is put at about 5 million tonnes, an increase of 50 percent.

**Table 8.** Africa cereal production (million tonnes)

	Wheat			Coarse grains			Rice (paddy)			Total cereals		
	2007	2008 estim.	2009 f'cast	2007	2008 estim.	2009 f'cast	2007	2008 estim.	2009 f'cast	2007	2008 estim.	2009 f'cast
<b>Africa</b>	<b>19.2</b>	<b>22.7</b>	<b>24.7</b>	<b>99.8</b>	<b>111.3</b>	<b>112.1</b>	<b>22.3</b>	<b>26.3</b>	<b>25.9</b>	<b>141.3</b>	<b>160.3</b>	<b>162.7</b>
<b>North Africa</b>	<b>13.4</b>	<b>15.8</b>	<b>17.9</b>	<b>10.9</b>	<b>11.2</b>	<b>13.2</b>	<b>6.9</b>	<b>7.3</b>	<b>7.3</b>	<b>31.2</b>	<b>34.2</b>	<b>38.5</b>
Egypt	7.4	8.0	8.0	7.9	7.7	8.0	6.9	7.2	7.3	22.2	22.9	23.3
Morocco	1.6	3.7	5.2	0.9	1.5	2.8	0.0	0.0	0.0	2.5	5.2	8.1
<b>Western Africa</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>40.7</b>	<b>46.7</b>	<b>45.5</b>	<b>8.9</b>	<b>11.4</b>	<b>10.9</b>	<b>49.7</b>	<b>58.2</b>	<b>56.5</b>
Nigeria	0.0	0.1	0.1	23.9	26.0	26.0	3.2	4.2	4.0	27.2	30.2	30.0
<b>Central Africa</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2.9</b>	<b>3.0</b>	<b>3.0</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>3.4</b>	<b>3.4</b>	<b>3.5</b>
<b>Eastern Africa</b>	<b>3.5</b>	<b>4.5</b>	<b>4.6</b>	<b>27.9</b>	<b>28.3</b>	<b>29.3</b>	<b>1.8</b>	<b>1.8</b>	<b>1.8</b>	<b>33.2</b>	<b>34.7</b>	<b>35.7</b>
Ethiopia	2.5	3.2	3.2	12.5	12.9	12.9	0.0	0.0	0.0	15.0	16.1	16.1
Sudan	0.6	0.9	0.9	4.7	4.9	5.3	0.0	0.0	0.0	5.3	5.8	6.2
<b>Southern Africa</b>	<b>2.2</b>	<b>2.4</b>	<b>2.2</b>	<b>17.3</b>	<b>22.1</b>	<b>21.0</b>	<b>4.2</b>	<b>5.3</b>	<b>5.4</b>	<b>23.7</b>	<b>29.8</b>	<b>28.5</b>
Madagascar	0.0	0.0	0.0	0.4	0.4	0.4	3.9	4.9	5.0	4.3	5.3	5.4
South Africa	1.9	2.1	1.9	7.8	13.6	12.2	0.0	0.0	0.0	9.7	15.7	14.1
Zimbabwe	0.1	0.0	0.0	1.1	0.8	0.9	0.0	0.0	0.0	1.3	0.8	0.9

Note: Totals computed from unrounded data.

An average cereal crop was gathered in 2008, which combined with a favourable crop prospects for 2009 and a significant decline in international commodity prices has been favourable in helping to reduce inflation and improve access to food. In **Egypt**, the most affected country, where the year-on-year rate of inflation in urban areas reached 23.6 percent in August 2008 (up from 6.9 percent in December 2007), a downward movement was observed from September with inflation dropping steeply to 14.3 in January 2009. Inflation is driven mainly by price changes in the food sector where the year-on-year rate of inflation dropped from 30.9 percent in August 2008 to 16.3 in January 2009.

### Western Africa

In **West Africa**, land preparation is underway in the Coastal countries for planting of the 2009 main season cereal crops, while in the Sahel, planting is scheduled for June.

### Continuously high food prices in the subregion

Although a good cereal crop was gathered in most countries in 2008, the food security outlook remains a concern due to persisting high food prices. After having retreated for about two months during the harvesting period, prices of coarse grains which are driven mainly by regional supply and demand factors have been increasing since November-December 2008 in most countries. As a result, by February 2009, coarse grains prices remained well above the levels of a year ago. For example, in spite of significant decline from their peak of August-September 2008, wholesale prices of millet in markets of **Mali** (Bamako), **Niger** (Niamey) and **Burkina Faso** (Ouagadougou) in February 2009 were 16, 19 and 20 percent respectively higher than in

February 2008. In **Ghana** (Accra), retail price of maize in March was 54 percent higher than one year earlier. However, retail prices of millet in **Senegal** (Dakar) in February 2009 were similar to their year-ago levels, suggesting that regional demand factor, notably demand from **Nigerian** food processing industries and poultry sector may be contributing to market tension in the eastern part of the subregion.

The situation is not better for imported rice, whose price is determined by world prices and has exhibited high pass-through from the international market. In **Burkina Faso**, **Senegal** and

Figure 6. Millet prices in selected Western African markets

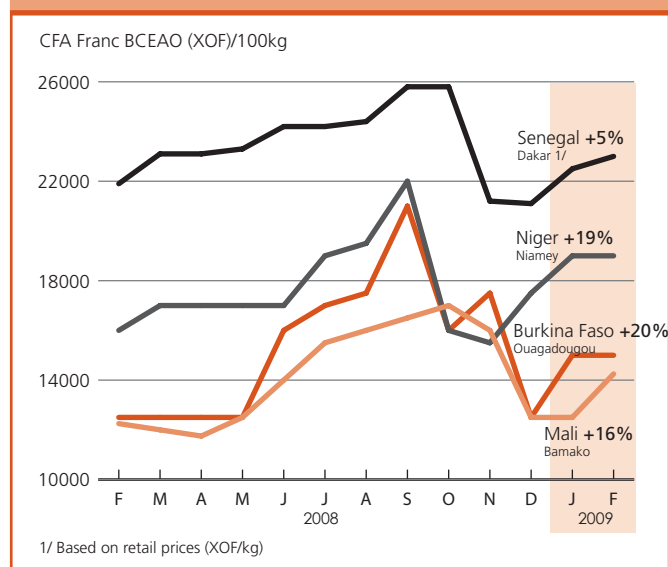


Figure 5. Sorghum prices in selected Western African markets

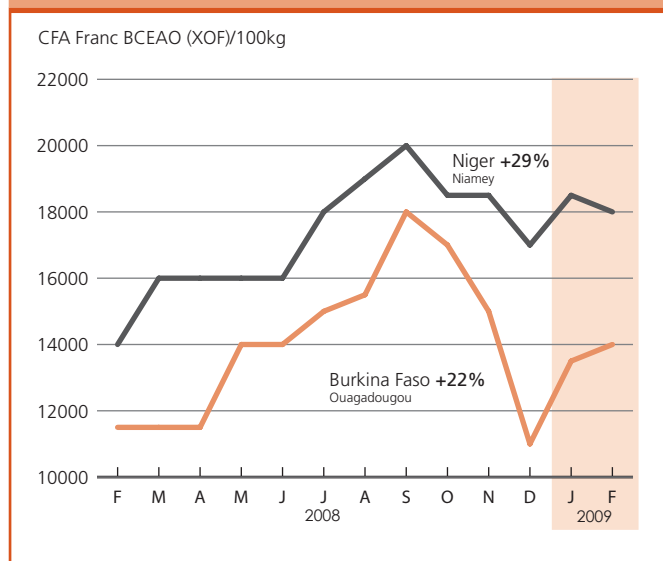
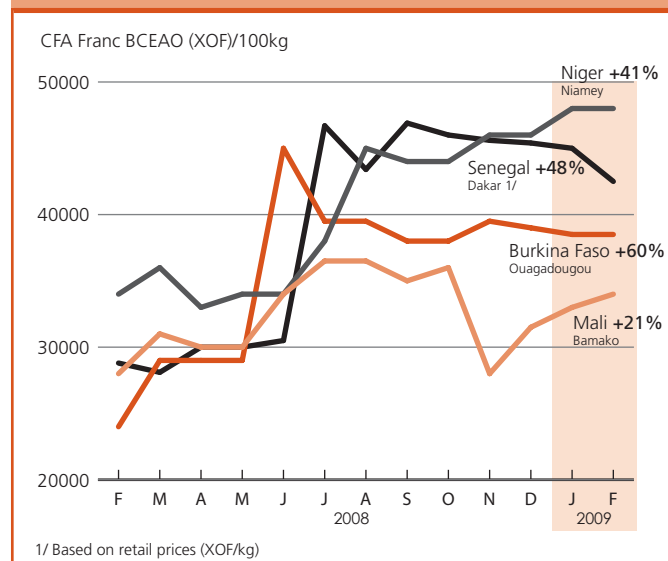


Figure 7. Imported rice prices in selected Western African markets





**Niger** rice prices remain very high, being 60 percent, 48 percent and 41 percent higher respectively in February 2009 than a year earlier. By comparison, the export price of broken Thai rice in February 2009 was 22 percent lower than its year-ago level. Rice price inflation in francophone countries of Western Africa has been fuelled to some extent by the depreciation of the CFA (which is pegged to the Euro) against the US dollar since the beginning of the year. Similarly, the price of rice is likely to continue to increase in other countries of the subregion reflecting the steady depreciation of national currencies in response to the impact of the global economic crisis. In Nigeria, the Naira has depreciated steeply in recent weeks losing over 25 percent of its value between late November and January due to the impact of falling oil prices on the economy. And the Ghanaian Cedi has lost more than 30 percent of its value against the dollar in the past year. These developments are likely to translate into continuously high rice prices with negative impact on access to food, notably in import-dependent countries of the western part of the subregion.

In several countries recent food prices are even higher than in 2005, the year of the last severe food crisis in the subregion, raising serious concerns over the food security outlook. However, while the 2005 crisis was triggered by a combination of locust infestation and poor rainfall which translated into severe crop and pastures losses, 2008 cropping season was characterised by good rainfall, record crop and abundant pastures in most countries. Hence, the impact of high food prices is likely to be strongest for rural food-deficit households and urban consumers. Therefore, safety net interventions, such as targeted distribution, sales at subsidized prices, food for work or cash for work activities, are recommended during the lean season, depending on the extent of food supply in specific areas.

## Central Africa

Planting of the 2009 cereal crops has just started. In **Cameroon**, although an above-average cereal harvest was gathered in 2008, cereal prices continue to rise driven by several factors including a strong recovery of the poultry industry, which was hard hit by Avian Influenza in 2006 as well as the dependence of the country on imported rice. In an attempt to control food inflation, the Government reportedly signed an agreement with traders in January to stabilise the price of imported staple goods, including rice. To compensate importers for the costs this policy may cause, the government has pledged to accelerate payment of tax credits and reduce handling fees. The agreement is scheduled to run through June 2009. Moreover, in the **Central African Republic** agricultural recovery continues to be hampered by persistent civil unrest and inadequate availability of agricultural inputs, notably in northern parts where nearly 300 000 people have reportedly been uprooted from their homes over the past two years.

Continuing insecurity in both **Chad** and the **Darfur region of Sudan** threaten to further destabilize the situation in northern parts of the country.

## Eastern Africa

### Recent rains provided welcome respite for 2009 cereal crops following previous dry weather

The 2009 main season cereal crops are being planted and/or maturing in Somalia, Kenya, Uganda and Tanzania, while in Ethiopia, Eritrea and Sudan sowing of the main crops is not due to commence until late May-June.

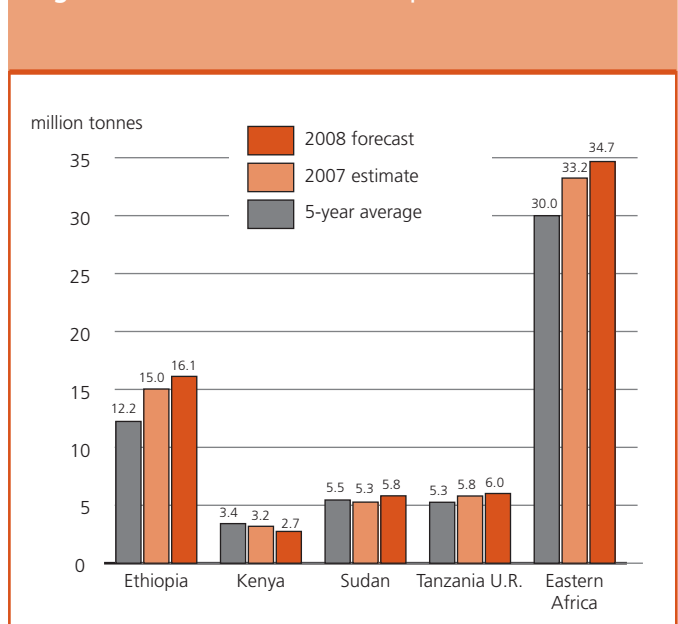
Late and below-average rainfall across the region since the beginning of the year delayed planting activities and negatively affected early planted crops, but abundant rains in late March and early April have improved prospects for this year's cereal crops. In Kenya and Tanzania, crop performance this season is expected to improve following government initiatives to subsidise the costs of fertilisers and seeds.

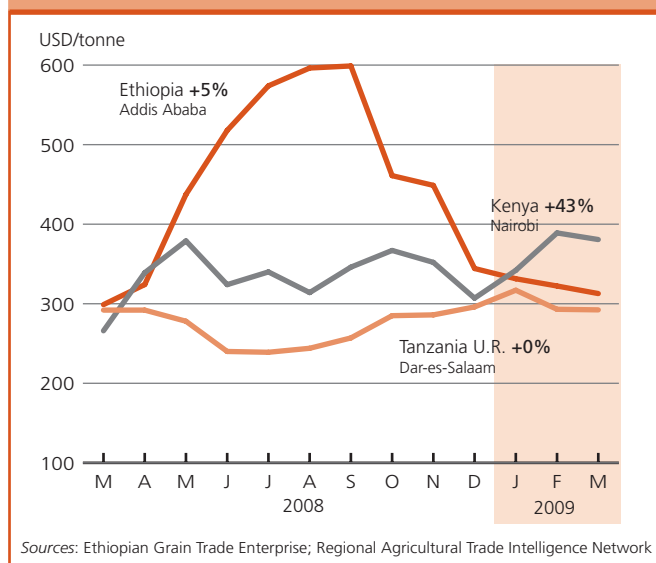
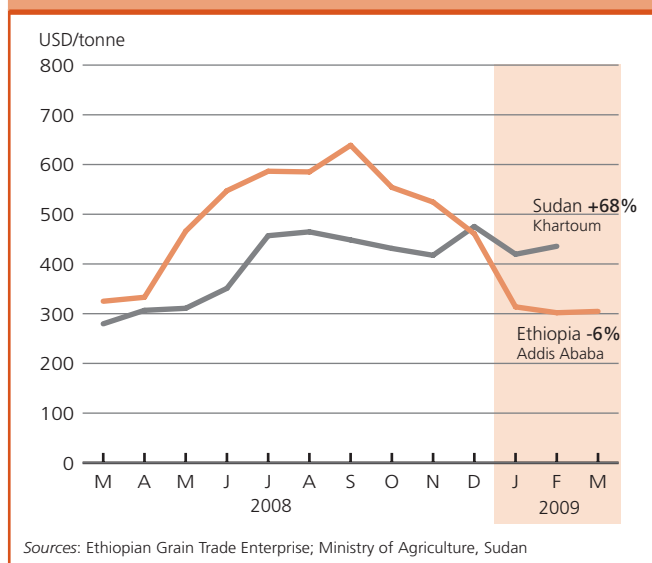
In the drought-affected pastoralist and marginal agricultural areas of southern Somalia, northern and north-eastern Kenya and eastern and south-eastern Ethiopia, the dry weather of the past months has raised cause for serious concern. Successive seasons of below average rainfall, combined with high input costs and civil conflict, have already affected crop and livestock production with devastating consequences on food security and livelihoods.

### Reduced secondary 2008/09 cereal harvests

Harvesting of the 2008/09 secondary season crops is completed in most countries of the region, except in Ethiopia, where the "belg" crops are scheduled to be

Figure 8. Eastern Africa cereal production



**Figure 9. Maize prices in selected Eastern African markets****Figure 10. Sorghum prices in selected Eastern African markets**

harvested from June. In Sudan, harvesting of the wheat crop is underway.

The recently concluded “short rains” harvest in **Kenya** points to a decline in production due to poor rains, reduced area planted and high inputs costs. Estimates indicate that the short rains maize production reached only 130 000 tonnes, while the aggregate 2008/09 maize harvest totalled 2.34 million tonnes, 15 percent below the short-term average. The south-eastern marginal agricultural lowlands, which are highly dependent on the short-rains season, have been significantly affected by consecutive periods of poor rains. Similarly in **Somalia** poorly distributed and low levels of rainfall in combination with persistent civil insecurity and high input costs, resulted in reduced production for the 2008/09 “deyr” season. Total deyr production (sorghum and maize) was estimated at 54 000 tonnes, 54 percent lower than the post war average (1995-2007). In the **United Republic of Tanzania**, initial reports from the just completed 2008/09 “vuli” harvest indicate a reduced cereal crop on account of low seasonal rains across the north-eastern bimodal region. By contrast, preliminary estimates indicate an improved “second” season maize crop in **Uganda** of about 200 000 tonnes.

The 2008 main cereal crops, harvested late last year, were good in the largest producers **Ethiopia**, and **Sudan**. However, in **Eritrea**, inadequate rainfall during the main “kremti” growing season resulted in a reduced harvest. In eastern Africa, the aggregate 2008 cereal production (main and secondary crop seasons) is estimated at 34.7 million tonnes, about 4 percent higher than in 2007.

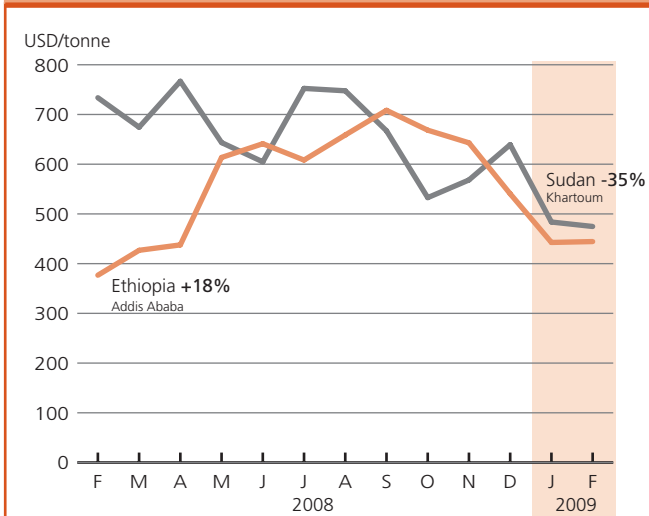
### Prices remain above last year's levels

Despite some declines in recent months reflecting the harvest of the 2008 main cereal season, cereal prices in the region continue at high levels. A number of governments have removed domestic taxes and import duties on cereal sales in efforts to reduce prices.

In **Kenya**, the price of maize, which reached record levels in February 2009 declined marginally in March to USD 381 per tonne in Nairobi, which is still 43 percent higher than in the previous year. In **Somalia**, the sorghum and imported rice prices have fallen in the past two months but by March 2009 they remained 72 and 32 percent higher than a year earlier. In **Ethiopia**, in Addis Ababa, the price of maize, the most widely consumed cereal, and that of sorghum, the main staple in most of the lowland areas of the country, began a declining trend since September 2008. This coincided with the harvest season, and by March 2009 the price of maize was only 4 percent higher than a year earlier while that of sorghum declined by about 6 percent. Similarly, the price of wheat, which is mainly consumed in urban centres, was 18 percent higher in February 2009, compared to the same period last year. In **Uganda**, the price of maize increased by 11 percent in March and is above the levels of March 2008. High regional demand for Uganda's maize crop is expected to sustain the inflated domestic prices. By contrast, in **Tanzania**, maize prices fell in recent months and by March 2009 they were at the same level than a year earlier, although more than twice their levels of March 2007.

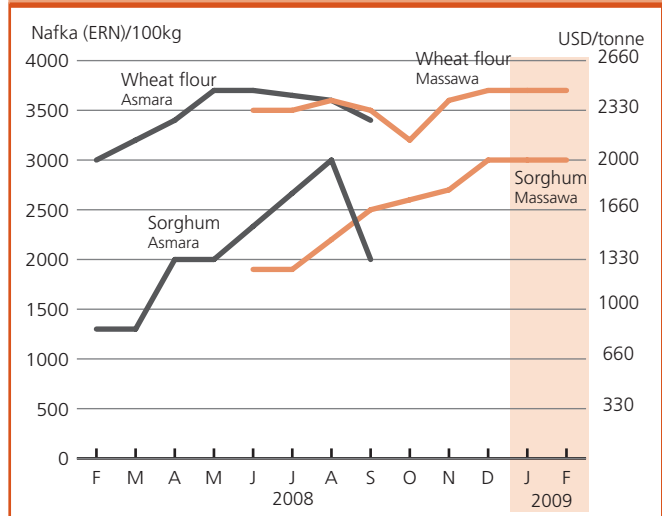
In **Sudan**, prices of sorghum, the main food staple, were 68 percent higher in February 2009 than prices recorded in the same period in 2008. By contrast, wheat prices in Khartoum,

**Figure 11. Wheat prices in selected Eastern Africa markets**



Sources: Ethiopian Grain Trade Enterprise; Ministry of Agriculture, Sudan

**Figure 12. Retail wheat flour and sorghum prices in Eritrea**



Market prices for Asmara were only available to GIEWS up until September 2008. Sources: OCHA Eritrea and WFP from August 2008.

the largest consumption area, have decreased by 35 percent since February 2008. This decline exhibits a clear correlation to international price movements, on account of Sudan's predominant reliance on imported wheat. In **Djibouti**, cereal prices have begun to decline since the beginning of 2009 with sorghum prices falling by 31 percent in January 2009 and the lower quality (belem) rice prices decreasing since October 2008.

In **Eritrea**, the price of wheat flour and sorghum increased notably since February 2008 but has shown some stabilisation during January and February 2009, following the main harvest late last year. Between September 2008 and February 2009 the price of wheat flour, which is mostly imported, increased by 6 percent in the main port town of Massawa. Similarly, during the same period, the price of sorghum increased by 20 percent. This substantial price rise will significantly affect household's purchasing power, negatively impacting on food security, particularly in rural areas where sorghum is the main staple. Furthermore, local prices converted to US dollars using the official exchange rate, are considerably higher as compared to regional neighbours.

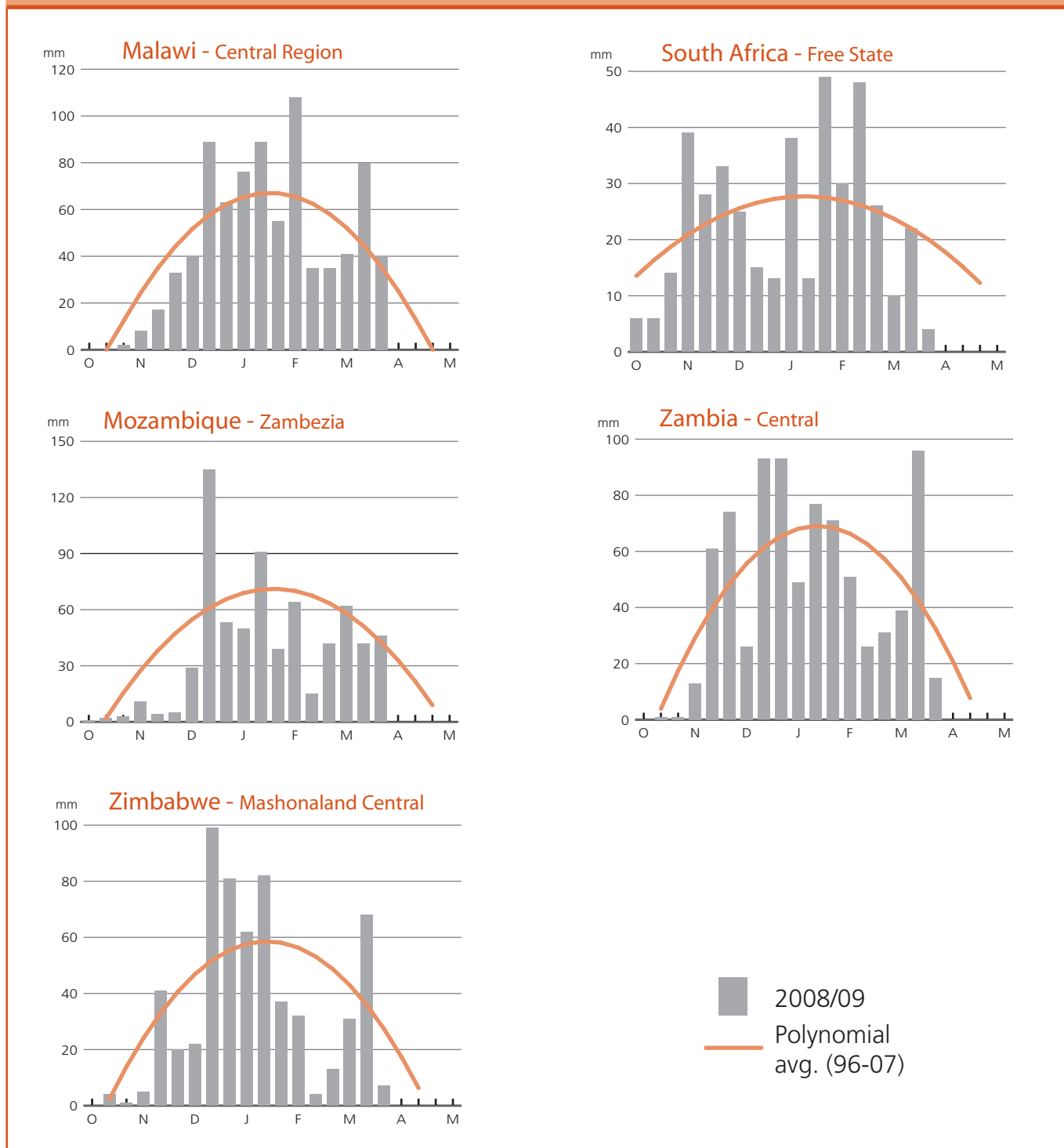
## Southern Africa Prospects for the 2009 cereal crops in Southern Africa are generally favourable except in Zimbabwe

In **Southern Africa**, the 2008/09 cereal crops are being harvested or about to be harvested. Although the late arrival of seasonal rains in late 2008 caused some planting delays and subsequently a prolonged dry spell in February adversely affecting parts of the

subregion, the outlook for the coming harvest remains generally favourable for the subregion as a whole. The seasonal rainfall pattern is illustrated in Figure 13, showing estimated rains in main growing areas of selected countries. However, the weather irregularities and reduced access to key inputs in some parts because of high prices have resulted in an anticipated decline in output. Latest indications point to aggregate production of coarse grains in 2009, 5 percent lower than last year but still above the average of the past five years.

The area planted to commercial maize this season in **South Africa** is officially estimated at 2.42 million hectares, 13.5 percent down from last year, largely reflecting low SAFEX and international maize prices at planting time and delayed and poorly-distributed rainfall in the primary maize growing areas (the maize triangle). Output is tentatively forecast at 11.2 million tonnes, 12 percent down from last year's record harvest. Large input subsidy schemes were again implemented in **Zambia, Malawi, Angola and Madagascar** enabling small farmers to use quality seed and fertilizer. This is expected to have a significant positive effect on their total cereal harvests. By contrast, a long dry spell of about 2 to 4 dekads in most areas in **Zimbabwe** coupled with shortages and high prices of key inputs such as fertilizer, seed, fuel, and tillage power will result in another low cereal harvest this year. The recently announced price and marketing reform, adoption of US dollar as local currency and liberalizing the grain market by making the GMB the buyer of last resort, arrived too late to have a significant impact on this year's harvest. Erratic rains with prolonged dry weather also affected crops in southern parts of **Mozambique** and **Angola** where yields are anticipated to be reduced.

Figure 13. 2009 main cereal crop season - Rainfall pattern in main selected growing areas in Southern Africa



### Cereal imports continue to trickle in

The pace of cereal imports into the deficit countries of the subregion in the current marketing year (2008/09) continues to be relatively slower than that of the past year (see Table 9), possibly due to the generally higher import prices during 2008/09, particularly for wheat and rice. Available figures by mid-March

2009, almost at the end of the marketing year, show that only 68 percent of estimated import requirements of all cereals (as opposed to some 82 percent the year before) have been received and/or contracted/pledged since the beginning of the marketing year in April 2008. In Zimbabwe, Mozambique, Angola and other countries actual imports have either fallen well-below the

**Table 9.** 2008/09 import requirements and current import position for Southern Africa, (excluding South Africa and Mauritius) and comparison with import cover in 2007/08<sup>1</sup>

	2008/09 Import requirements	2008/09 Import requirements covered <sup>2</sup> by end March 2009		2007/08 Import requirements covered by end March 2008
	(000 tonnes)	(000 tonnes)	(%)	(%)
<b>Cereals</b>				
<b>Total</b>	<b>4 540</b>	<b>3 096</b>	<b>68</b>	<b>82</b>
Commercial	3 919	2 679	68	83
Food aid	621	417	67	78
<b>Maize</b>				
<b>Total</b>	<b>2 177</b>	<b>1 614</b>	<b>74</b>	<b>84</b>
Commercial	1 889	1 467	78	89
Food aid	288	148	51	67

Source: FAO/GIEWS estimation.

<sup>1</sup> Available import data varies from April 2008 to end March 2009.

<sup>2</sup> Contracted/pledged/received.

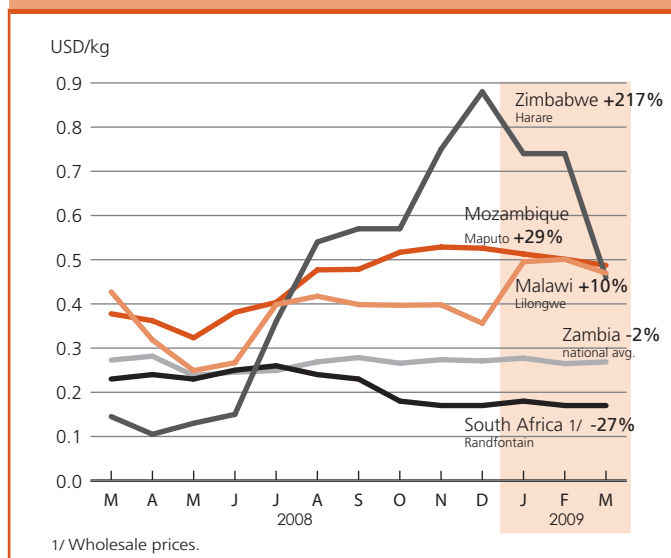
Note: Marketing year mostly April/March. Totals computer from unrounded data.

estimated import requirement or the data on deliveries is not yet complete. Given that the lean period has started as of January 2009, additional imports are urgently needed in order to avoid food shortages and further price hikes in local markets.

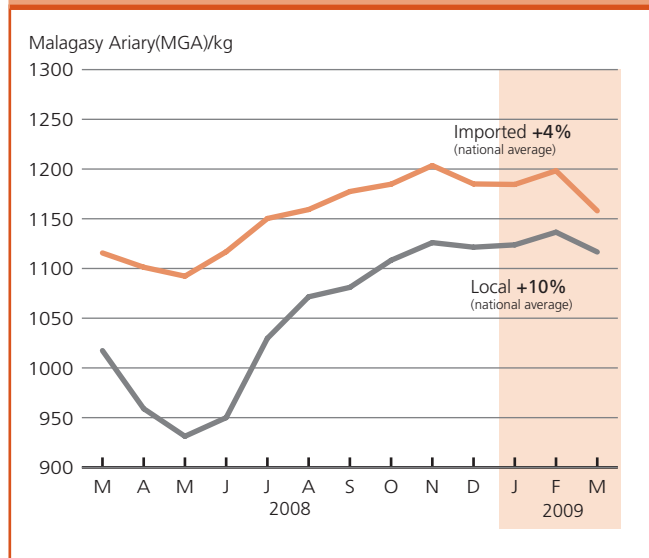
### Current cereal prices remain high in some countries despite declining regional and international prices

Prices of main cereals by March 2009 remained substantially higher than at the same time last year in some countries of the subregion reflecting delayed imports in marketing year 2009/09 (April/March in most cases). Prices of maize, the most important staple foodstuff in the subregion, were above their corresponding levels a year earlier (see Figure 14). In **South Africa**, the region's main exporting country, the March 2009 price (Randfontein spot in Rand) was 4 percent lower than at the beginning of the marketing year in May 2008, while during the same period a year earlier, prices increased by 13 percent. Prices in US dollars from May 2008 to March 2009 declined by 30 percent, reflecting the devaluation of the Rand. In **Mozambique**, the price in March 2009 (Maputo wholesale) of MZN 12.95 (Mozambique Metical) per kilogramme was 41 percent higher than for the corresponding month in 2008. Given that the new harvest has started in April, prices are likely to come down to their seasonal lows in most countries. The April 2007 to March 2008 average price of local rice, the main staple in **Madagascar**, was about 12 percent higher than the average for the same period a year earlier. These prices further increased by about 4 percent during 2008/09. Prices are expected to decline with the arrival of the new harvest starting in April-May.

**Figure 14.** White maize prices in selected Southern African markets



**Figure 15.** Rice prices in Madagascar



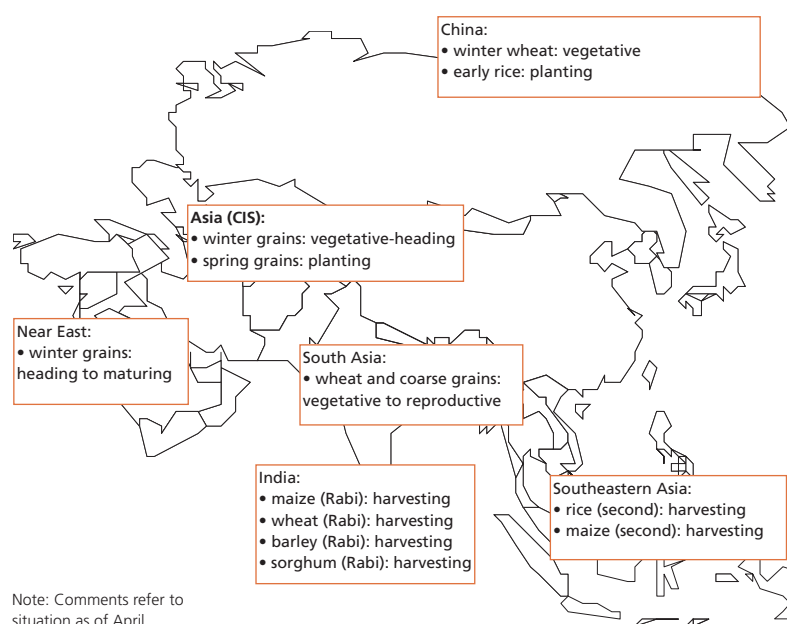
## Asia

### Far East

#### Improved growing conditions for 2009 winter wheat crop

In **China (Mainland)**, the winter wheat crop, which accounts for about 95 percent of China's annual wheat production, is due for harvest in May-June. Following the severe winter drought, which seriously affected some 50 percent of the crop, beneficial rainfall during late February and March, coupled with increased irrigation supplies through government support, helped crops to recover. Above-normal temperatures during winter were also beneficial for crops. The 2009 wheat production is tentatively forecast at about 109 million tonnes, some 3 percent down from 2008 despite a slight increase in plantings.

In **India**, the winter wheat crop is currently being harvested and 2009 output is officially forecast at 78 million tonnes, close to the last year's record. Higher outputs are expected in Uttar Pradesh and West Bengal, while outputs in Haryana, Uttaranchal and Uttarakhand are likely to be the same as last year. The Government is expected to lift a ban on wheat exports after the April-May federal elections, reflecting the anticipated good production and record purchases of wheat due to higher state-set purchase prices (earlier this year, the Government increased the state-set price to INR 10 800/tonne from INR 10 000/tonne). India banned exports of wheat in 2007 to increase local supplies



and prevent domestic prices from skyrocketing. The wheat crop, which is about to be harvested in **Pakistan**, remains in good condition due to favourable rains during the growing season. The 2009 wheat output is expected at a record level of 23.5 million tonnes. The Government has committed to maintaining the Minimum Guaranteed producer price of PKR 950/40 kg (or USD 11.8/40 kg) and wheat procurement target has been set at 6.5 million tonnes for 2009/2010. In the **Islamic Republic of Iran**, dry weather coupled with above-normal temperatures has accelerated winter grain development ahead of normal. The 2009 winter wheat crop is forecast to recover only partially from last

**Table 10.** Asia cereal production (million tonnes)

	Wheat			Coarse grains			Rice (paddy)			Total cereals		
	2007	2008 estim.	2009 f'cast	2007	2008 estim.	2009 f'cast	2007	2008 estim.	2009 f'cast	2007	2008 estim.	2009 f'cast
<b>Asia</b>	<b>285.5</b>	<b>277.5</b>	<b>281.4</b>	<b>268.7</b>	<b>276.5</b>	<b>274.7</b>	<b>600.6</b>	<b>621.3</b>	<b>625.3</b>	<b>1 154.8</b>	<b>1 175.3</b>	<b>1 181.4</b>
<b>Far East</b>	<b>212.0</b>	<b>216.4</b>	<b>214.0</b>	<b>242.5</b>	<b>255.3</b>	<b>250.9</b>	<b>595.5</b>	<b>616.6</b>	<b>620.3</b>	<b>1 050.0</b>	<b>1 088.3</b>	<b>1 085.1</b>
Bangladesh	0.7	0.9	1.0	0.5	0.5	0.5	43.4	46.5	46.8	44.6	47.9	48.3
China	109.3	112.5	109.0	163.6	175.5	172.2	187.4	194.5	194.7	460.3	482.5	475.9
India	75.8	78.4	77.8	40.5	37.7	35.6	145.0	148.3	149.2	261.3	264.5	262.6
Indonesia	0.0	0.0	0.0	13.3	16.3	17.0	57.2	60.3	60.9	70.4	76.6	77.9
Pakistan	23.3	21.8	23.5	3.7	3.7	3.7	8.3	9.8	9.5	35.3	35.3	36.7
Thailand	0.0	0.0	0.0	4.1	4.4	4.2	32.1	31.4	31.1	36.2	35.8	35.3
Viet Nam	0.0	0.0	0.0	3.6	3.7	3.7	35.9	38.6	39.0	39.5	42.3	42.7
<b>Near East</b>	<b>45.9</b>	<b>35.9</b>	<b>41.6</b>	<b>20.6</b>	<b>16.6</b>	<b>19.0</b>	<b>4.3</b>	<b>4.0</b>	<b>4.3</b>	<b>70.8</b>	<b>56.5</b>	<b>64.9</b>
Iran (Islamic Republic of)	15.0	9.8	11.8	5.1	2.9	3.4	2.8	2.6	2.7	22.9	15.3	17.9
Turkey	17.2	17.8	18.7	11.4	10.8	12.3	0.6	0.8	0.8	29.2	29.3	31.8
<b>CIS in Asia</b>	<b>27.5</b>	<b>25.1</b>	<b>25.8</b>	<b>5.7</b>	<b>4.6</b>	<b>4.7</b>	<b>0.7</b>	<b>0.7</b>	<b>0.7</b>	<b>33.8</b>	<b>30.4</b>	<b>31.2</b>
Kazakhstan	16.5	14.0	14.5	3.3	2.3	2.5	0.3	0.3	0.3	20.1	16.6	17.3

Note: Totals computed from unrounded data.

Figure 16. Retail wheat flour price in Pakistan

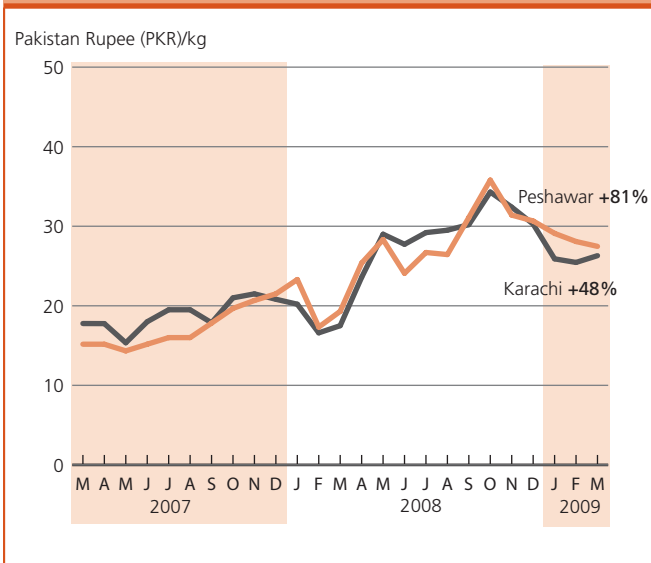
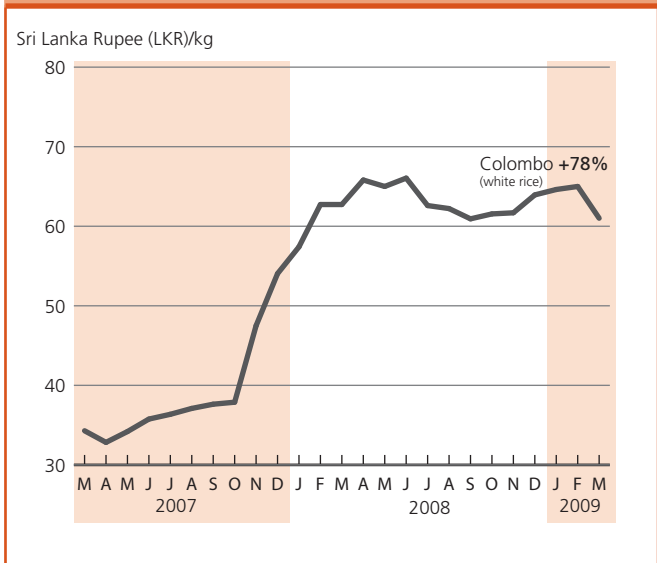


Figure 17. Retail rice price in Sri Lanka



year's drought-reduced level. The country had become virtually self-sufficient in wheat in 2007, but following the 2008 drought the total wheat import requirement in 2008/09 (April/March) is forecast at 5.6 million tonnes.

### Food prices at historically high levels in several countries

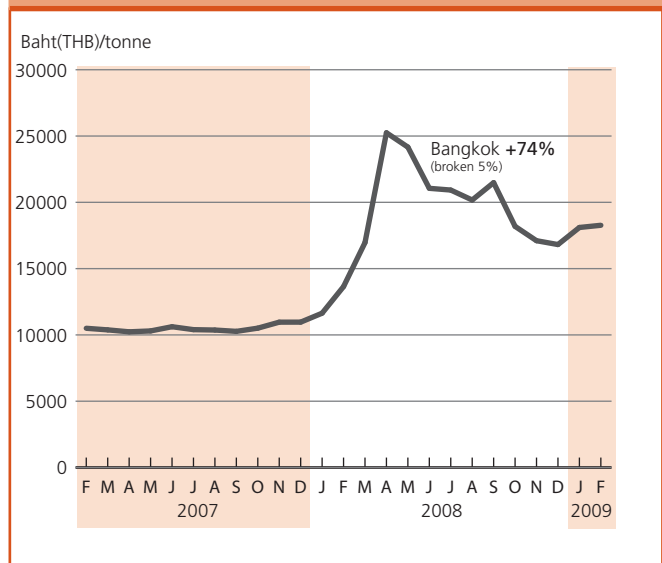
Food staple prices have declined in the first quarter of the year, but they remain significantly higher in comparison to the long run averages in some countries. The price impact on overall food consumption to the vulnerable group of population is still high.

In **Sri Lanka**, the retail rice price in Colombo declined to 61 Rupee/kg in March 2009, some 6 percent down from the previous month and 8 percent from the peak in June 2008. However, this price remains 78 percent over that of the same month two years ago. In **Pakistan**, the retail wheat flour price in Karachi was 26.3 rupee/kg in March 2009, 23 percent below the peak price in August 2008, but still 48 percent higher compared to that in March 2007. In **Thailand**, the wholesale rice (5% broken) in Bangkok declined to 18.27 Baht/kg in February 2009, 28 percent below that of the top level in April 2008, but still 74 percent above that in February 2007.

### Record rice output in 2008 and overall positive prospects for 2009 production

The 2008 paddy season in the subregion has concluded with much better results than earlier expected. The latest estimates point to a record output of 621.3 million tonnes of paddy in 2008, some 3.5 percent above the previous year.

Figure 18. Wholesale rice price in Thailand



The 2009 paddy season is well advanced in some countries. Prospects are favourable in **Indonesia** (main season), **China** (early rice), **Sri Lanka** (Maha) and **Bangladesh** (boro). By contrast, in **Nepal**, drought is adversely affecting the 2009 wheat crop, about to be harvested, and estimated crop losses are estimated at more than 30 percent of plantings in some areas. Precipitation and snowfall in the Far and Mid-Western districts during February, and in Central and Eastern Nepal during March, was too little too late to improve the crop situation. In many marginal agricultural areas of the Hill and

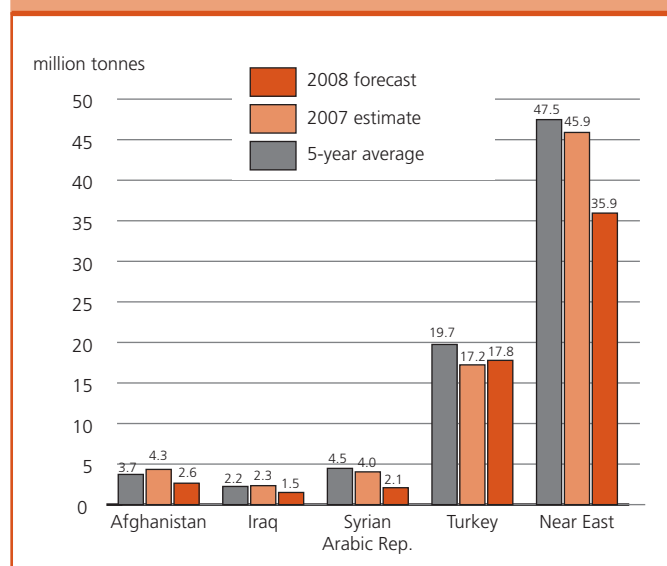
Mountain districts of the Far- and Mid-Western regions crop losses are expected to be between 50 to 70 percent of the area planted.

Several countries in the subregion have introduced new policies to support 2009 rice production. The Government of **Thailand** has set the farmers guaranteed price for second-crop paddy at the above market price level of THB 11 800 (USD 332) per tonne under a new intervention scheme starting on March 16 and running through July. The Government of **Vietnam** has asked major State-owned food business corporations to purchase all commercial rice from farmers and ensure them a profit of at least 30 percent. The country intends to export 3.4-3.5 million tonnes of rice in the first six months of this year and some 5 million tonnes in the whole of 2009, a level similar to last year. The Government of **Bangladesh** on 28 January 2009 introduced substantial reductions in fertilizer prices to boost farm production and keep commodity prices stable. Retail prices of three non-urea fertilizers -- triple super phosphate, murate of potash and diammonium phosphate -- were reduced by half.

### Food supply and market access difficulties persist in several countries

Despite an overall satisfactory food supply situation in the subregion, vulnerable populations in a number of countries are still affected by serious food supply difficulties. The **Democratic People's Republic of Korea** continues to suffer chronic food insecurity and remains reliant on external food assistance. However, the country has recently decided to stop accepting food assistance from the United States. The United States has delivered about 170 000 tonnes of food (mostly cereals) since May 2008. Food rations have reportedly been halved from April this year. In **Nepal**, rising food prices and failure of the 2009 wheat crop in localized areas have resulted in a significant increase in household food insecurity. Food security is also adversely affected by the financial crisis which has reduced the remittance income for many vulnerable households. In **Myanmar**, agricultural assistance continues to be needed for the 2009 secondary season and the next main monsoon season to help small farmers recover their production and livelihoods in the areas affected by cyclone Nargis (May 2008). Food shortages have been reported in Rakhine State, attributed to a poor agricultural season in 2007 and 2008, rising prices of food and agricultural inputs, as well as declining employment opportunities for the landless poor. In **Sri Lanka**, the country's food security situation continues to be affected by the resurgence of civil conflict. Over 5 000 civilians have reportedly been killed and 220 000 people affected in crossfire between Tamil Tiger rebels and the government's forces since January 2009.

Figure 19. Near East wheat production



### Near East

#### Recent rains improve prospects for 2009 cereal crops; production expected to improve from last year's drought-reduced levels

The outlook for the 2009 winter wheat and barley crops to be harvested from May-June, are vastly improved over most of the subregion compared to last year, when extreme drought conditions decimated crops. Following dry spells earlier in the season, abundant precipitation during February and March were beneficial for vegetative winter grains in many growing areas, particularly in **Turkey**, **Syrian Arab Republic** and **Lebanon**. Satellite imagery has also indicated good rains in northern **Iraq**, benefiting jointing to early-heading winter wheat. In **Israel**, the danger of severe drought earlier this year was averted following heavy rainfall during late February early March. Similarly, in **Jordan**, rain showers in February, particularly heavy towards the end of the month have been very favourable for both crops and livestock.

Last year's poor cropping season led to reduced 2008 winter wheat crop production in most countries of the subregion (see Figure 19). The wheat crop in **Iraq**, estimated at 1.5 million tonnes, was some 36 percent lower than in 2007 and the smallest crop in recent history. In the **Syrian Arab Republic**, the total wheat production in 2008 is estimated at 2 million tonnes, half the poor crop harvested the previous year and well below average.

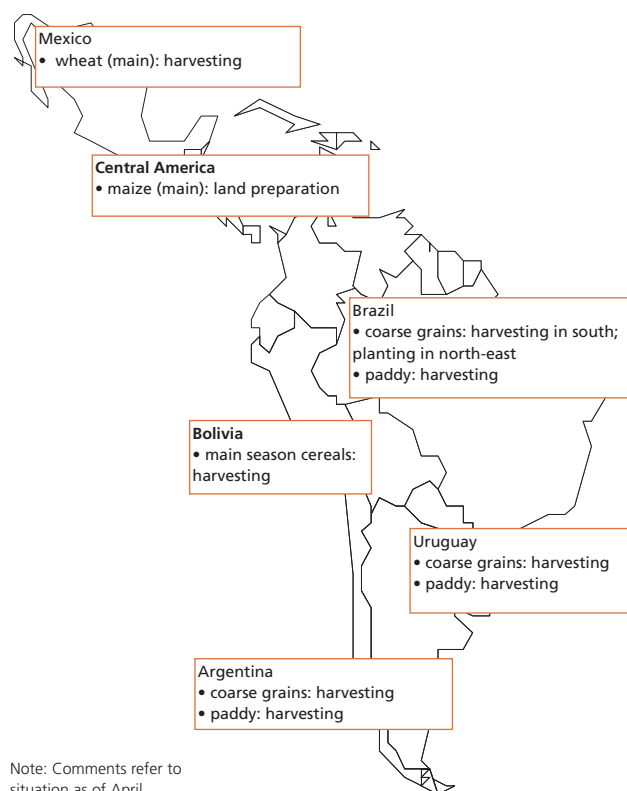


## Latin America and the Caribbean

### Central America and the Caribbean

In **Mexico**, harvesting of mostly irrigated 2009 winter wheat crops is about to start in north-western states of Sonora and Baja California and in central state of Guanajuato. Planted area is officially estimated at 700 000 hectares and winter season production, accounting to about 95 percent of annual national output, is forecast at about 3.4 million tonnes. Harvesting of minor 2009 winter coarse grain crops has just started in the states of Sinaloa, Veracruz, Tamaulipas and Chiapas and, despite some localized losses due to reduced soil moisture, production is reported slightly above the good levels of 2008 and 2007 due to some increase in area planted. In **Costa Rica, El Salvador, Guatemala, Honduras** and **Nicaragua**, harvesting of 2008 second and third seasons maize and bean crops has been completed by the end of March. Despite various governmental programmes to support local production against the rise of international food prices, the 2008 aggregate maize production of the subregion (excluding Mexico) is now estimated at about 3.7 million tonnes, some 135 000 tonnes below the good output of 2007. This is some 200 000 tonnes below the previous forecast reflecting losses caused by intense precipitations at the end of last year that especially affected second season crops in northern Guatemala, the departments of Cortés, Olancho and Choluteca in Honduras and several lowland areas on the Pacific coast in Nicaragua. On the contrary, record production in 2008 maize, sorghum and paddy crops is reported for El Salvador, where precipitations have been abundant, timely and well distributed along the season, with general positive effects on yields.

In **Haiti**, harvesting of small 2008 winter season crops of maize, beans and tubers has been completed by the end of March in irrigated lowland and humid mountains and production



Note: Comments refer to situation as of April.

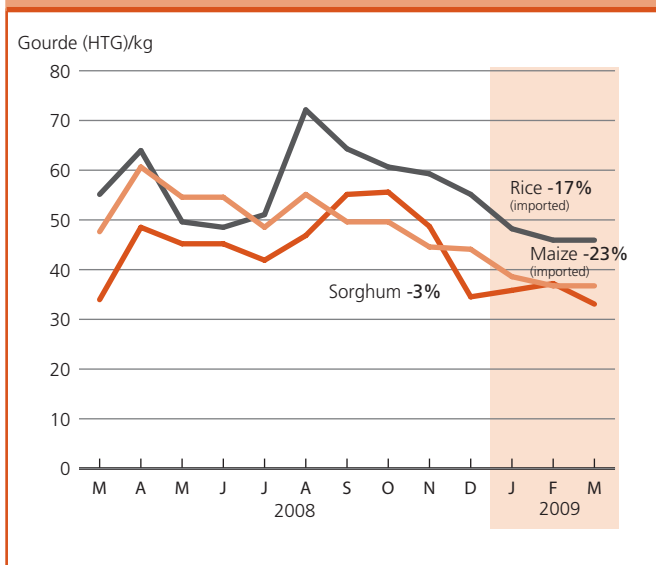
is estimated at average level. In aggregate, the 2008 production of main staple foods is reported to be some 10-15 percent below 2007 level as a consequence of crop losses caused by heavy precipitations during spring and fall seasons (which represent together between 65 and 75 of the annual output). Major losses were reported in the Southern Peninsula and the Artibonite valley where about 800 000 people are still receiving food assistance from the international community. The good performance of winter season crops, the reduction in local and international prices of food coupled with the implementation of Employment

**Table 11.** Latin America and Caribbean cereal production (*million tonnes*)

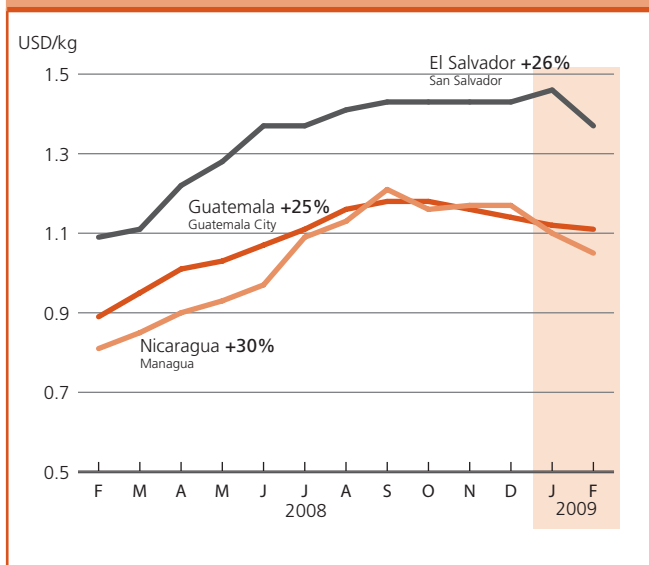
	Wheat			Coarse grains			Rice (paddy)			Total cereals		
	2007	2008 estim.	2009 f'cast	2007	2008 estim.	2009 f'cast	2007	2008 estim.	2009 f'cast	2007	2008 estim.	2009 f'cast
<b>Latin America &amp; Caribbean</b>	<b>26.8</b>	<b>22.1</b>	<b>23.0</b>	<b>128.2</b>	<b>137.0</b>	<b>119.1</b>	<b>24.5</b>	<b>26.5</b>	<b>27.0</b>	<b>179.5</b>	<b>185.7</b>	<b>169.1</b>
<b>Central America &amp; Caribbean</b>	<b>3.6</b>	<b>4.2</b>	<b>3.6</b>	<b>34.8</b>	<b>35.8</b>	<b>34.2</b>	<b>2.5</b>	<b>2.5</b>	<b>2.6</b>	<b>40.8</b>	<b>42.5</b>	<b>40.4</b>
Mexico	3.6	4.2	3.6	30.4	31.6	29.9	0.3	0.3	0.3	34.3	36.1	33.8
<b>South America</b>	<b>23.2</b>	<b>17.9</b>	<b>19.4</b>	<b>93.4</b>	<b>101.3</b>	<b>84.8</b>	<b>22.0</b>	<b>24.0</b>	<b>24.4</b>	<b>138.6</b>	<b>143.2</b>	<b>128.7</b>
Argentina	16.3	8.3	11.0	26.6	27.0	17.9	1.1	1.2	1.3	44.0	36.6	30.2
Brazil	4.1	6.0	5.1	53.9	61.4	53.7	11.3	12.1	12.5	69.3	79.5	71.3
Colombia	0.0	0.0	0.0	1.8	1.8	1.8	2.4	2.6	2.6	4.2	4.4	4.4

Note: Totals computed from unrounded data.

**Figure 20.** Retail price for selected cereals in Port-au-Prince, Haiti



**Figure 21.** Retail rice prices in selected countries in Central America



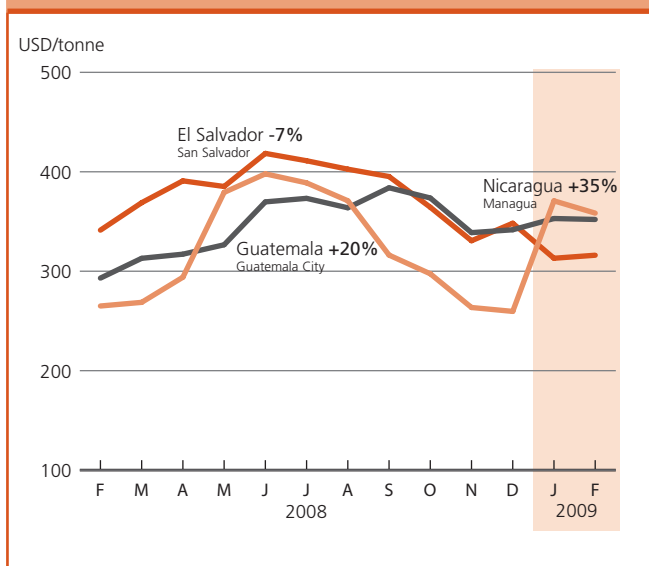
Intensive Investment Programmes in several departments have determined a certain decrease in the number of food insecure people from 3.3 million at the end of hurricane season to current 2.8 million.

In the main growing states of Jalisco, Chiapas and Michoacan in Mexico and in other Central American and Caribbean countries, land is being prepared for planting the 2009 main summer/spring season maize and paddy crops, mainly rain-fed, by the beginning of May with the arrival of first precipitations.

**Prices**

In **Costa Rica, El Salvador, Guatemala, Honduras** and **Nicaragua**, nominal retail prices of rice registered an historical record level in September-October 2008, with a delay of a few months if compared to the peak reached in the international market. Since the beginning of 2009, national rice prices are showing first signs of a decline, but they still remain about 25-30 percent higher than one year ago. Wholesale prices of white maize have a more typical seasonal trend, with peaks in July/August during the hunger season before the arrival to markets of main season production and with minimum levels at the beginning of the year. This is essentially due to the fact that white maize, used to prepare important staple food tortillas, is almost entirely locally produced and its price is marginally influenced by international markets. In all countries, nominal prices of white maize in February 2009 are between 20 and 25 percent above the same month in 2008. An exception is El Salvador, where current maize prices have declined by about 7 percent on one-year-basis as a consequence of the recent bumper crop. In Haiti, retail prices of main staple food are steadily declining with positive effects

**Figure 22.** Wholesale white maize prices in selected countries in Central America

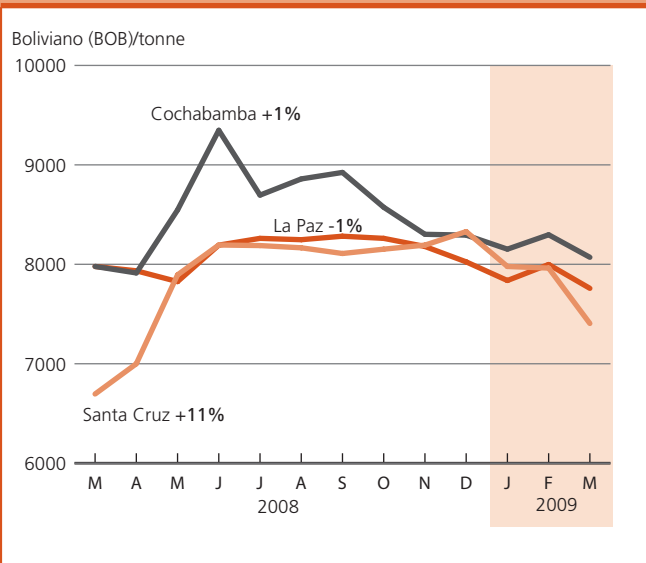


on households' access to food; imported rice moved from record 72 gourdes per kg in August 2008 to 46 gourdes per kg in March 2009, almost the same level of 16 months before.

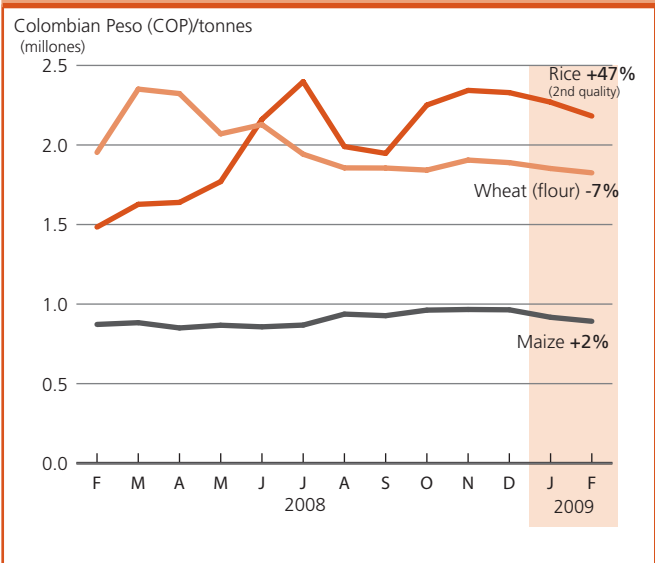
**South America**

Harvesting of 2009 main season coarse grain crops has started at the end of February and preliminary estimates indicate an aggregate production of 84.8 million tonnes. This result is about 16 percent below the 2008 record level as a consequence of the reduced planted area (-6 percent) and the prolonged drought

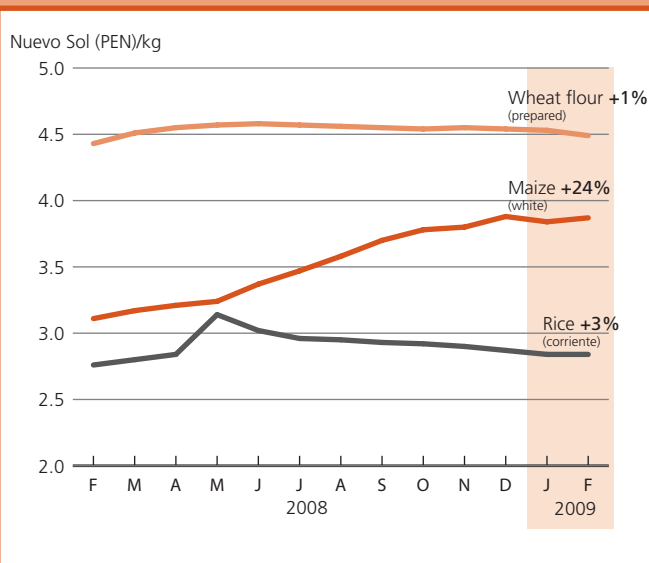
**Figure 23.** Wholesale prices of rice (grano de oro) in Bolivia



**Figure 24.** Wholesale prices of selected cereals in Bogotá, Colombia



**Figure 25.** Retail prices of selected cereals in Lima, Peru



that affected yields (-11 percent) in several key producing areas.

In **Argentina**, maize production is forecast at 13.5 million tonnes, some 40 percent below the excellent output obtained in 2008 and 2007 and 28 percent below the five-year average. Scarce and erratic precipitations and hot temperatures until the end of January coupled with relatively high prices of inputs have delayed planting operations and often discouraged farmers to accomplish with their planting intentions. In the case of early planted varieties, February and March rainfall were somehow too late to determine a beneficial effect on yields, because most of

the damage caused by the lack of soil moisture during crucial flowering and pollinating phases was already irreversible. In several cases, farmers have already decided to use their crops for pasture. This difficult situation is expected to reduce Argentina's exportable surplus of maize in marketing year 2009/2010 (March/February) to only 7.5 million tonnes, about 60 per cent of the average volume traded in the last five years.

A substantial decrease in maize production is also expected in **Brazil** where first season output is estimated at 33.7 million tonnes, some 15.7 percent below the record level of about 40 million tonnes obtained in 2008. Main losses in yields are reported in the key southern states of Paraná, Rio Grande do Sul and central and western zones of Santa Catarina, where monthly rainfall in November and December has been below 50 percent of normal. For example, in Paraná state, which accounts for almost a quarter of the national maize production, the drought lasted about 40 days and yields are currently forecast at only 4.7 tonnes/ha, well below the 2008 record level of 7.1 tonnes/ha. Regarding the recently planted 2009 second season (zafrinha) maize crop, despite the positive effects on yields of good weather conditions since January with abundant precipitations and above-average temperatures from northern Paraná to Mato Grosso, the official forecast points to a production of 17.6 million tonnes, almost 1.2 million tonnes below the 2008 record output.

On the contrary, in **Uruguay**, despite the negative effects of the drought on yields, production for 2009 coarse grains is still expected to be record. This result is essentially due to a notable increase in area planted for maize and sorghum crops that, in aggregate, passed from 120 000 hectares in 2008 to 200 000 hectares in 2009.

In **Chile**, harvesting of 2009 maize crop is well advanced and yields are forecast at a below-average level due to limited soil moisture and hot temperatures that, in several areas, have damaged the grain-filling process. Maize production is tentatively estimated at 1.25 million tonnes, some 10 percent less than the five-year average. Dry weather conditions are also reducing pasture availability in southern regions with consequent negative effects in meat and milk production.

In **Peru**, planting of the 2009 yellow maize has been almost completed in the Andean department of San Martín and in northern coastal departments of La Libertad, Lambayeque, Lima and Piura, while harvesting of 2009 white maize crop for human consumption has just started. Total maize plantings for 2009 are tentatively expected to reach 500 000 hectares, very similar to the good acreage of 2007 and 2008.

In **Bolivia**, harvesting of 2009 mainly rain-fed summer cereals is underway in main producing areas of Santa Cruz, Cochabamba, Chuquisaca and Tarija departments. Despite the good vegetation development observed from satellite imageries as a consequence

of abundant and well distributed precipitations along the season, production of main food and cash crops has been hampered by the impossibility of farmers to fulfil their planting intentions due to the limited access to diesel at sowing time. To facilitate the imminent harvesting operations, the Government has recently issued a decree that allows small farmers to have free licenses to directly buy diesel for their own consumption, up to 400 litres per person, until the end of August.

In **Venezuela**, planting of the important 2009 winter maize crop will start in May with the arrival of first seasonal precipitations and planting intentions point to record 880 000 hectares (with both white and yellow varieties) that, under favourable weather conditions, may lead to the an unprecedented production of 3 million tonnes.

Harvesting of 2009 paddy crop is underway in all southern countries of South America, while in Andean countries it is expected to start between the end of April and the beginning of May. Aggregate production is forecast at a record 24.4 million tonnes, some 2 percent above the previous record in 2008.

## North America, Europe and Oceania

### North America

#### Wheat production set to decline in United States but maize could remain close to last year's good level

In the **United States**, the official Prospective Plantings Report issued at the end of March estimates winter wheat plantings at 17.4 million hectares, 7 percent down from the previous year's level but slightly higher than earlier estimates. However, yield prospects are unfavourable in some important producing areas. Conditions for crops across the southern Plains deteriorated sharply in the early part of the year, and by early March, 64 percent of the crop in Texas was rated in poor to very poor condition and 46 and 15 percent respectively in Oklahoma and Kansas. For spring wheat (durum and other), planting of which has just started, the area is seen to decrease to about 6.4 million hectares, almost 7 percent down from the previous year's level. Based on the official planting indications, and assuming normal weather for the remainder of the season, FAO currently forecasts the United States' total wheat production in 2009 at 57 million tonnes, about 16 percent down from last year's crop.

The bulk of the maize planting in the United States is due to get underway in April. According to the Prospective Plantings Report, farmers are expected to further reduce the area of maize in 2009, but only slightly to 34.4 million hectares, after 34.8 million hectares planted in 2008. However, this remains a relatively high level. Moreover, as was the case last year, the area coming out of maize is expected to be the most marginal maize land, where better returns are expected from the cheaper to produce soybean crop, which is a surer option for farmers. In the 10 key maize

producing states, where highest yields are generally achieved, the aggregate maize area is actually forecast to increase marginally compared to last year. Based on these early planting indications, and assuming normal weather for the remainder of the season, FAO forecasts the United States maize output at about 305 million tonnes in 2009, virtually unchanged from last year's crop, which was the second highest on record.

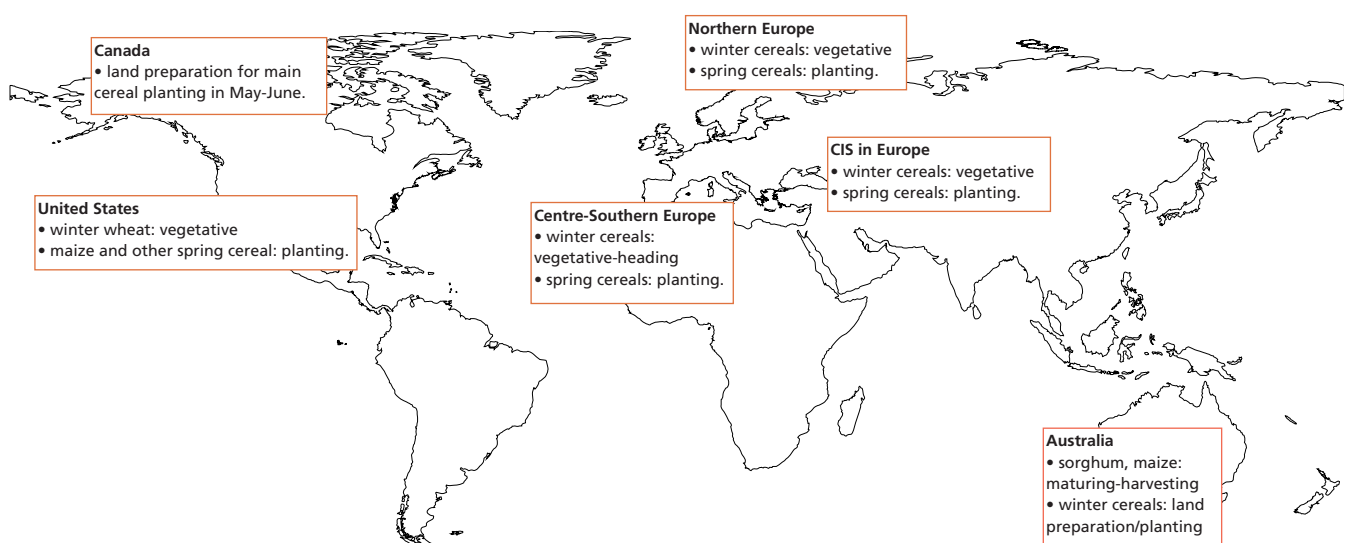
In **Canada**, planting of the spring grain crops is due to start in April. After the especially large crop last year plantings are expected to decrease this year. The wheat area is tentatively forecast to drop to about 9.2 million hectares from over 10 million in 2008, with farmers shifting land back to oilseeds. Assuming normal weather conditions and average yields, wheat production is forecast at about 24 million tonnes, down from the bumper 28.6 million tonnes in 2008 and below the average of the past five years.

### Europe

#### Cereal production forecast down in 2009, especially in east of region

Cereal production in the region is forecast to fall from last year's good crop although output could remain above the average of the past five years. While assuming a return to normal yields after bumper levels last year, the expected decrease in output also reflects a reduction of area in response to the prospect of significantly lower prices for this year's crops. At this early stage, the aggregate regional cereal output in 2009 is tentatively forecast at 462 million tonnes, 8 percent down from the previous year.

In the **EU**, the total grain area for the 2009 harvest is expected to fall, following a shift to oilseeds and an increase in the area of land put back into voluntary set-aside. The total wheat area is



Note: Comments refer to situation as of April.

estimated to be about 3 percent down from the previous year's high level, and assuming yields don't match last year's record levels, production of wheat is forecast to fall to some 140 million tonnes, about 7 percent down from the previous year's bumper level.

In the European CIS countries, in the **Russian Federation**, although the winter wheat area is estimated slightly higher than last year's, spring wheat plantings are forecast to decline significantly, by about 3 percent, as farmers planting decisions are expected to be influenced by the lower cereal prices and financial uncertainties. In the **Ukraine**, the wheat area is estimated to be down by about 500 000 hectares from last year's high level and assuming a return to normal yields, a sharp reduction in output from last year's bumper crop is expected.

## Oceania

### Early indications point to increased plantings of main grain crops in 2009

In **Australia**, harvesting of the minor summer coarse grain crop (mostly sorghum) began in March and a satisfactory output is expected. Above-average summer rainfall benefited crop

development leading to good yield prospects. Output of sorghum is forecast at some 2 million tonnes, well down from last year's bumper output but about the average of the past five years.

Early indications for the 2009 winter cereal crops, to be planted from April, point to a possible increase in sowings. Although international grain prices have fallen sharply compared to a year ago, a significant weakening of the Australian dollar compared to the US dollar means that prices for Australian producers in their local currency terms remain relatively attractive. However, although producers' intentions may point to large plantings, the final outcome will depend on rainfall in the main growing areas from April through July. Good summer rains in key crop areas such as the north of New South Wales and Queensland auger well for the winter grain planting in these areas but the southeast remains adversely dry and good rains are desperately needed before sowing can begin. At this stage, based on the current indications of producers' planting intentions and assuming normal weather for the season, the country's wheat output in 2009 is tentatively forecast to increase by about 3 percent from last year's level, to about 22 million tonnes, close to the record crop of 2003. A larger barley crop is also forecast.

**Table 12.** North America, Europe and Oceania cereal production (*million tonnes*)

	Wheat			Coarse grains			Rice (paddy)			Total cereals		
	2007	2008 estim.	2009 f'cast	2007	2008 estim.	2009 f'cast	2007	2008 estim.	2009 f'cast	2007	2008 estim.	2009 f'cast
<b>North America</b>	<b>75.9</b>	<b>96.6</b>	<b>81.0</b>	<b>378.9</b>	<b>353.8</b>	<b>347.9</b>	<b>9.0</b>	<b>9.2</b>	<b>10.0</b>	<b>463.8</b>	<b>459.7</b>	<b>438.9</b>
Canada	20.1	28.6	24.0	28.0	27.4	25.6	0.0	0.0	0.0	48.0	56.0	49.5
United States	55.8	68.0	57.0	350.9	326.5	322.3	9.0	9.2	10.0	415.7	403.7	389.3
<b>Europe</b>	<b>189.9</b>	<b>248.2</b>	<b>223.0</b>	<b>197.3</b>	<b>251.5</b>	<b>235.3</b>	<b>3.6</b>	<b>3.5</b>	<b>3.6</b>	<b>390.9</b>	<b>503.2</b>	<b>462.0</b>
EU	120.2	150.5	140.5	138.0	162.5	154.6	2.8	2.6	2.8	260.9	315.7	297.9
Serbia	2.0	2.1	2.1	4.4	6.4	6.4	0.0	0.0	0.0	6.4	8.5	8.5
<b>CIS in Europe</b>	<b>64.9</b>	<b>92.4</b>	<b>77.5</b>	<b>49.7</b>	<b>76.4</b>	<b>68.4</b>	<b>0.8</b>	<b>0.8</b>	<b>0.8</b>	<b>115.4</b>	<b>169.6</b>	<b>146.7</b>
Russian Federation	49.4	63.7	55.0	30.1	41.8	36.0	0.7	0.7	0.7	80.2	106.2	91.8
Ukraine	13.7	25.9	20.0	13.8	26.4	24.9	0.1	0.1	0.1	27.6	52.4	45.0
<b>Oceania</b>	<b>13.3</b>	<b>21.7</b>	<b>22.3</b>	<b>9.3</b>	<b>12.7</b>	<b>11.8</b>	<b>0.2</b>	<b>0.0</b>	<b>0.1</b>	<b>22.8</b>	<b>34.4</b>	<b>34.2</b>
Australia	13.0	21.4	22.0	8.8	12.1	11.2	0.2	0.0	0.1	22.0	33.5	33.3

Note: Totals computed from unrounded data.

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# Statistical appendix

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**Table A1.** Global cereal supply and demand indicators

	Average					
	2001/02 -					
	2005/06	2004/05	2005/06	2006/07	2007/08	2008/09
	(..... percentage.....)					
<b>1. Ratio of world stocks to utilization</b>						
Wheat	31.4	28.7	28.8	26.0	23.4	30.5
Coarse grains	18.1	19.1	18.1	15.5	16.6	20.2
Rice	27.6	23.8	24.6	23.9	24.3	27.0
Total cereals	24.2	23.0	22.7	20.3	20.2	24.6
<b>2. Ratio of major grain exporters' supplies to normal market requirements</b>						
	123	137	133	116	119	124
<b>3. Ratio of major exporters' stocks to their total disappearance</b>						
Wheat	20.3	21.8	22.2	14.8	10.7	19.5
Coarse grains	15.3	18.7	17.9	12.2	14.1	16.8
Rice	17.3	13.5	16.0	15.4	17.0	18.7
Total cereals	17.6	18.0	18.7	14.1	13.9	18.4
	Annual trend growth rate		Change from previous year			
	1998-2007	2004	2005	2006	2007	2008
	(..... percentage.....)					
<b>4. Changes in world cereal production</b>						
	1.3	9.4	-1.0	-1.6	5.4	7.3
<b>5. Changes in cereal production in the LIFDCs</b>						
	1.3	3.6	5.0	4.4	2.3	4.3
<b>6. Changes in cereal production in LIFDCs less China and India</b>						
	2.8	0.5	6.2	4.1	-0.7	5.7
	Average		Change from previous year			
	2002-2006	2005	2006	2007	2008	2009*
	(..... percentage.....)					
<b>7. Selected cereal price indices:</b>						
Wheat	104.6	-1.4	17.1	49.1	31.3	-48.6
Maize	101.7	-12.1	23.3	34.1	36.5	-24.6
Rice	112.3	5.8	9.6	17.3	83.7	23.4

**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 Grain Exporters** are Argentina, Australia, Canada, the EU, 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 – March average.



**Table A2. World cereal stocks<sup>1</sup> (million tonnes)**

	2004	2005	2006	2007	2008 estimate	2009 forecast
<b>TOTAL CEREALS</b>	<b>418.4</b>	<b>470.1</b>	<b>468.8</b>	<b>430.5</b>	<b>444.6</b>	<b>531.5</b>
<b>Wheat</b>	<b>162.7</b>	<b>178.5</b>	<b>179.1</b>	<b>160.8</b>	<b>151.3</b>	<b>193.7</b>
held by:						
- main exporters <sup>2</sup>	38.6	55.1	56.2	36.5	26.4	51.1
- others	165.3	123.3	122.9	124.2	125.0	142.6
<b>Coarse grains</b>	<b>150.4</b>	<b>191.7</b>	<b>184.6</b>	<b>165.3</b>	<b>183.9</b>	<b>218.7</b>
held by:						
- main exporters <sup>2</sup>	48.5	92.7	90.0	60.8	79.8	92.9
- others	107.6	98.9	94.6	104.5	104.1	125.8
<b>Rice (milled basis)</b>	<b>105.3</b>	<b>99.9</b>	<b>105.0</b>	<b>104.5</b>	<b>109.3</b>	<b>119.1</b>
held by:						
- main exporters <sup>2</sup>	22.5	19.3	23.4	23.1	25.8	29.2
- others	97.3	80.7	81.6	81.3	83.5	89.9
<b>Developed countries</b>	<b>123.3</b>	<b>188.6</b>	<b>189.2</b>	<b>131.7</b>	<b>129.9</b>	<b>181.8</b>
Australia	8.8	10.0	13.5	6.2	4.8	7.6
Canada	10.3	14.5	16.2	10.5	8.7	11.5
European Union <sup>3</sup>	21.5	47.6	44.4	31.1	37.6	54.5
Hungary <sup>4</sup>	0.8	-	-	-	-	-
Japan	4.9	4.7	4.8	4.3	4.0	3.7
Poland <sup>4</sup>	2.4	-	-	-	-	-
Romania <sup>5</sup>	1.2	5.0	5.6	3.8	-	-
Russian Federation	7.3	9.1	9.3	7.0	5.5	12.8
South Africa	3.5	4.1	4.1	2.7	1.8	3.5
Ukraine	2.8	4.2	4.8	4.2	3.3	7.8
United States	44.4	74.7	71.7	49.9	54.3	69.0
<b>Developing countries</b>	<b>295.1</b>	<b>281.5</b>	<b>279.6</b>	<b>298.8</b>	<b>314.6</b>	<b>349.7</b>
<b>Asia</b>	<b>253.8</b>	<b>237.1</b>	<b>237.5</b>	<b>253.3</b>	<b>273.9</b>	<b>305.8</b>
China	163.3	152.8	149.0	162.9	179.2	206.9
India	32.9	26.7	25.8	28.5	35.6	39.4
Indonesia	6.0	5.7	5.1	5.8	6.7	8.9
Iran, Islamic Republic of	3.5	3.2	3.6	3.5	3.0	2.6
Korea, Republic of	2.9	2.5	2.7	2.8	3.0	2.9
Pakistan	2.2	2.1	3.2	2.5	3.0	3.1
Philippines	1.9	2.3	2.9	2.8	3.4	3.6
Syrian Arab Republic	4.2	4.3	4.4	3.7	2.7	2.3
Turkey	7.2	6.5	5.6	6.2	4.7	3.1
<b>Africa</b>	<b>21.1</b>	<b>23.5</b>	<b>25.3</b>	<b>29.9</b>	<b>26.0</b>	<b>24.5</b>
Algeria	2.6	3.6	4.4	4.7	5.6	5.4
Egypt	2.7	3.1	4.5	4.6	4.2	3.9
Ethiopia	0.1	0.1	0.1	0.2	1.1	0.7
Morocco	3.0	4.8	2.6	4.0	2.1	1.6
Nigeria	1.6	1.3	1.4	2.1	1.0	1.2
Tunisia	1.0	1.2	1.4	1.3	1.9	1.4
<b>Central America</b>	<b>5.9</b>	<b>6.3</b>	<b>4.8</b>	<b>4.9</b>	<b>4.8</b>	<b>4.6</b>
Mexico	3.9	4.6	2.9	2.9	2.9	2.9
<b>South America</b>	<b>14.0</b>	<b>14.2</b>	<b>11.8</b>	<b>10.4</b>	<b>9.8</b>	<b>14.5</b>
Argentina	3.8	3.2	2.6	1.6	2.5	3.1
Brazil	6.0	6.6	4.5	3.6	2.2	6.7

<sup>1</sup> Stock 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.

<sup>2</sup> The major **wheat** and **coarse grains** exporters are Argentina, Australia, Canada, the EU and the United States. The major **rice** exporters are India, Pakistan, Thailand, the United States and Viet Nam.

<sup>3</sup> Up to 2004 15 member countries, from 2005 to 2007 25 member countries, from 2008 27 member countries.

<sup>4</sup> From 2005 included in the EU.

<sup>5</sup> From 2008 included in the EU.

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

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

Period	Wheat			Maize		Sorghum
	US No.2 Hard Red Winter Ord. Prot. <sup>1</sup>	US Soft Red Winter No.2 <sup>2</sup>	Argentina Trigo Pan <sup>3</sup>	US No.2 Yellow <sup>2</sup>	Argentina <sup>3</sup>	US No.2 Yellow <sup>2</sup>
<b>Annual (July/June)</b>						
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
<b>Monthly</b>						
2008 – April	382	301	-	247	224	243
2008 – May	349	258	-	242	207	240
2008 – June	358	249	363	281	258	268
2008 – July	341	245	329	267	252	232
2008 – August	343	253	307	232	217	209
2008 – September	308	222	280	229	203	208
2008 – October	252	183	235	181	169	158
2008 – November	247	182	189	166	156	146
2008 – December	240	182	177	160	152	151
2009 – January	256	193	213	172	160	148
2009 – February	241	183	218	163	158	145
2009 – March	244	186	214	165	163	153
2009 – April (two weeks average)	242	185	213	171	168	151

<sup>1</sup> Delivered United States f.o.b Gulf.

<sup>2</sup> Delivered United States Gulf.

<sup>3</sup> Up River f.o.b.

Sources: International Grain Council and USDA.

**Table A4a.** Cereal import requirements of Low-Income Food-Deficit Countries<sup>1</sup>, 2008/09 or 2009 estimates (thousand tonnes)

Marketing year	2007/08 or 2008 Actual imports			Total import requirements (excl. re-exports)	2008/09 or 2009 Import position <sup>2</sup>			
	Commercial purchases	Food aid	Total commercial and aid		Total commercial and aid	Food aid allocated, committed or shipped	Commercial purchases	
<b>AFRICA</b>	<b>37 239.6</b>	<b>2 732.4</b>	<b>39 972.0</b>	<b>39 947.4</b>	<b>17 644.9</b>	<b>1 636.6</b>	<b>16 008.3</b>	
<b>North Africa</b>	<b>18 193.0</b>	<b>0.0</b>	<b>18 193.0</b>	<b>17 342.0</b>	<b>12 182.5</b>	<b>0.0</b>	<b>12 182.5</b>	
Egypt	July/June	11 872.0	0.0	11 872.0	11 821.0	8 923.8	0.0	8 923.8
Morocco	July/June	6 321.0	0.0	6 321.0	5 521.0	3 258.7	0.0	3 258.7
<b>Eastern Africa</b>	<b>4 334.5</b>	<b>1 789.7</b>	<b>6 124.2</b>	<b>5 686.0</b>	<b>2 282.3</b>	<b>1 057.4</b>	<b>1 224.9</b>	
Burundi	Jan./Dec.	115.9	23.1	139.0	139.0	3.1	3.1	0.0
Comoros	Jan./Dec.	42.0	0.0	42.0	47.0	0.0	0.0	0.0
Djibouti	Jan./Dec.	125.9	9.3	135.2	103.0	25.3	3.9	21.4
Eritrea	Jan./Dec.	187.3	17.2	204.5	291.0	0.0	0.0	0.0
Ethiopia	Jan./Dec.	587.3	896.4	1 483.7	656.0	610.0	390.0	220.0
Kenya	Oct./Sept.	1 011.3	197.2	1 208.5	1 700.0	669.8	131.3	538.5
Rwanda	Jan./Dec.	133.7	11.3	145.0	157.0	6.5	6.5	0.0
Somalia	Aug./July	380.9	90.8	471.7	660.0	310.9	277.8	33.1
Sudan	Nov./Oct.	1 072.2	416.2	1 488.4	1 351.0	381.2	216.0	165.2
Uganda	Jan./Dec.	151.9	83.9	235.8	175.0	12.0	1.0	11.0
United Rep. of Tanzania	June/May	526.1	44.3	570.4	407.0	263.5	27.8	235.7
<b>Southern Africa</b>	<b>2 655.3</b>	<b>487.5</b>	<b>3 142.8</b>	<b>3 907.0</b>	<b>2 496.5</b>	<b>416.6</b>	<b>2 079.9</b>	
Angola	April/March	768.6	5.8	774.4	762.0	416.3	0.0	416.3
Lesotho	April/March	201.9	24.2	226.1	206.0	181.4	0.3	181.1
Madagascar	April/March	251.0	61.0	312.0	228.0	209.0	10.2	198.8
Malawi	April/March	125.3	56.8	182.1	165.0	154.3	59.2	95.1
Mozambique	April/March	688.9	62.1	751.0	1 012.0	564.0	81.9	482.1
Swaziland	May/April	123.0	22.2	145.2	142.0	80.1	5.5	74.6
Zambia	May/April	55.6	4.4	60.0	136.0	72.7	6.5	66.2
Zimbabwe	April/March	441.0	251.0	692.0	1 256.0	818.7	253.0	565.7
<b>Western Africa</b>	<b>10 503.7</b>	<b>360.1</b>	<b>10 863.8</b>	<b>11 229.4</b>	<b>639.0</b>	<b>132.3</b>	<b>506.7</b>	
<b>Coastal Countries</b>	<b>7 912.3</b>	<b>120.1</b>	<b>8 032.4</b>	<b>8 508.2</b>	<b>299.6</b>	<b>32.1</b>	<b>267.5</b>	
Benin	Jan./Dec.	63.8	6.3	70.1	72.0	6.0	0.0	6.0
Côte d'Ivoire	Jan./Dec.	1 169.0	21.0	1 190.0	1 240.0	37.9	3.2	34.7
Ghana	Jan./Dec.	813.1	19.5	832.6	990.0	46.6	5.1	41.5
Guinea	Jan./Dec.	456.9	18.3	475.2	509.0	24.9	11.6	13.3
Liberia	Jan./Dec.	214.2	38.3	252.5	270.0	4.9	4.9	0.0
Nigeria	Jan./Dec.	4 930.2	0.0	4 930.2	5 180.0	172.0	0.0	172.0
Sierra Leone	Jan./Dec.	175.6	12.1	187.7	154.0	7.0	7.0	0.0
Togo	Jan./Dec.	89.5	4.6	94.1	93.2	0.3	0.3	0.0
<b>Sahelian Countries</b>	<b>2 591.4</b>	<b>240.0</b>	<b>2 831.4</b>	<b>2 721.2</b>	<b>339.4</b>	<b>100.2</b>	<b>239.2</b>	
Burkina faso	Nov./Oct.	282.2	23.1	305.3	289.0	26.7	10.2	16.5
Cape Verde	Nov./Oct.	68.3	7.7	76.0	103.4	11.3	0.1	11.2
Chad	Nov./Oct.	57.8	67.3	125.1	146.0	75.0	65.9	9.1
Gambia	Nov./Oct.	101.0	2.8	103.8	109.5	3.9	0.8	3.1
Guinea-Bissau	Nov./Oct.	104.1	7.0	111.1	95.0	0.7	0.6	0.1
Mali	Nov./Oct.	216.7	8.0	224.7	268.0	12.3	1.2	11.1
Mauritania	Nov./Oct.	366.2	60.4	426.6	369.0	60.3	11.0	49.3
Niger	Nov./Oct.	340.4	48.2	388.6	310.0	4.6	4.6	0.0
Senegal	Nov./Oct.	1 054.7	15.5	1 070.2	1 031.3	144.6	5.8	138.8
<b>Central Africa</b>	<b>1 553.1</b>	<b>95.1</b>	<b>1 648.2</b>	<b>1 783.0</b>	<b>44.6</b>	<b>30.3</b>	<b>14.3</b>	
Cameroon	Jan./Dec.	563.0	8.6	571.6	623.0	14.8	2.5	12.3
Cent.Afr.Rep.	Jan./Dec.	38.0	17.3	55.3	57.0	11.4	11.4	0.0
Congo	Jan./Dec.	312.0	2.5	314.5	323.0	2.2	1.3	0.9
Dem.Rep.of the Congo	Jan./Dec.	603.0	65.7	668.7	741.0	15.9	14.8	1.1
Equatorial Guinea	Jan./Dec.	24.8	0.0	24.8	25.0	0.0	0.0	0.0
Sao Tome and Principe	Jan./Dec.	12.3	1.0	13.3	14.0	0.3	0.3	0.0

**Table A4b.** Cereal import requirements of Low-Income Food-Deficit Countries<sup>1</sup>, 2008/09 or 2009 estimates (thousand tonnes)

	Marketing year	2007/08 or 2008 Actual imports			Total import requirements (excl. re-exports)	2008/09 or 2009 Import position <sup>2</sup>		
		Commercial purchases	Food aid	Total commercial and aid		Total commercial and aid	Food aid allocated, committed or shipped	Commercial purchases
<b>ASIA</b>		<b>37 842.0</b>	<b>1 428.7</b>	<b>39 270.7</b>	<b>42 416.2</b>	<b>20 136.5</b>	<b>676.8</b>	<b>19 459.7</b>
<b>CIS in Asia</b>		<b>3 723.5</b>	<b>37.4</b>	<b>3 760.9</b>	<b>4 255.0</b>	<b>2 651.2</b>	<b>46.7</b>	<b>2 604.5</b>
Armenia	July/June	378.4	7.4	385.8	355.0	300.8	1.6	299.2
Azerbaijan	July/June	1 347.2	2.8	1 350.0	1 270.0	1 182.5	0.8	1 181.7
Georgia	July/June	817.9	8.1	826.0	886.0	367.7	8.6	359.1
Kyrgyzstan	July/June	330.0	0.0	330.0	316.0	130.9	4.8	126.1
Tajikistan	July/June	440.0	19.1	459.1	558.0	516.1	30.9	485.2
Turkmenistan	July/June	272.0	0.0	272.0	610.0	28.2	0.0	28.2
Uzbekistan	July/June	138.0	0.0	138.0	260.0	125.0	0.0	125.0
<b>Far East</b>		<b>23 236.7</b>	<b>1 210.5</b>	<b>24 447.2</b>	<b>22 546.2</b>	<b>11 045.9</b>	<b>356.7</b>	<b>10 689.2</b>
Bangladesh	July/June	3 018.6	312.3	3 330.9	3 094.2	1 900.5	108.4	1 792.1
Bhutan	July/June	71.0	0.0	71.0	71.0	0.0	0.0	0.0
Cambodia	Jan./Dec.	33.8	6.4	40.2	40.0	0.3	0.3	0.0
China (Mainland)	July/June	1 511.0	0.0	1 511.0	1 967.0	550.4	0.0	550.4
D.P.R. of Korea	Nov./Oct.	738.1	760.2	1 498.3	1 786.0	203.5	182.9	20.6
India	April/March	2 078.1	21.9	2 100.0	600.2	77.9	21.2	56.7
Indonesia	April/March	7 528.6	16.0	7 544.6	6 044.4	3 216.0	0.0	3 216.0
Lao, P.D.R.	Jan./Dec.	20.9	7.4	28.3	17.4	0.5	0.5	0.0
Mongolia	Oct./Sept.	290.8	5.0	295.8	266.0	70.5	0.0	70.5
Nepal	July/June	173.8	16.2	190.0	240.0	31.8	6.8	25.0
Pakistan	May/April	1 519.5	2.1	1 521.6	2 521.0	2 357.8	31.5	2 326.3
Philippines	July/June	5 016.5	16.9	5 033.4	4 626.0	2 506.7	4.1	2 502.6
Sri Lanka	Jan./Dec.	1 175.0	46.1	1 221.1	1 210.0	130.0	1.0	129.0
Timor-Leste	July/June	61.0	0.0	61.0	63.0	0.0	0.0	0.0
<b>Near East</b>		<b>10 881.8</b>	<b>180.8</b>	<b>11 062.6</b>	<b>15 615.0</b>	<b>6 439.4</b>	<b>273.4</b>	<b>6 166.0</b>
Afghanistan	July/June	856.2	151.5	1 007.7	2 340.0	1 160.4	243.4	917.0
Iraq	July/June	4 622.7	9.0	4 631.7	5 090.0	2 065.0	17.6	2 047.4
Syrian Arab Republic	July/June	2 563.1	8.4	2 571.5	5 115.0	3 030.0	9.6	3 020.4
Yemen	Jan./Dec.	2 839.8	11.9	2 851.7	3 070.0	184.0	2.8	181.2
<b>CENTRAL AMERICA</b>		<b>1 506.2</b>	<b>154.8</b>	<b>1 661.0</b>	<b>1 789.0</b>	<b>778.4</b>	<b>119.6</b>	<b>658.8</b>
Haiti	July/June	507.9	85.3	593.2	649.0	306.3	94.3	212.0
Honduras	July/June	655.2	25.6	680.8	745.0	322.3	6.9	315.4
Nicaragua	July/June	343.1	43.9	387.0	395.0	149.8	18.4	131.4
<b>OCEANIA</b>		<b>437.7</b>	<b>0.0</b>	<b>437.7</b>	<b>437.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Kiribati	Jan./Dec.	8.7	0.0	8.7	8.7	0.0	0.0	0.0
Papua New Guinea	Jan./Dec.	380.0	0.0	380.0	380.0	0.0	0.0	0.0
Solomon Islands	Jan./Dec.	29.5	0.0	29.5	29.5	0.0	0.0	0.0
Tonga	Jan./Dec.	6.4	0.0	6.4	6.4	0.0	0.0	0.0
Tuvalu	Jan./Dec.	1.1	0.0	1.1	1.1	0.0	0.0	0.0
Vanuatu	Jan./Dec.	12.0	0.0	12.0	12.0	0.0	0.0	0.0
<b>EUROPE</b>		<b>1 606.1</b>	<b>45.9</b>	<b>1 652.0</b>	<b>1 400.0</b>	<b>519.7</b>	<b>0.0</b>	<b>519.7</b>
Albania	July/June	480.0	0.0	480.0	480.0	133.1	0.0	133.1
Belarus	July/June	361.0	0.0	361.0	270.0	163.1	0.0	163.1
Bosnia and Herzegovina	July/June	475.0	0.0	475.0	590.0	168.5	0.0	168.5
Republic of Moldova	July/June	290.1	45.9	336.0	60.0	55.0	0.0	55.0
<b>TOTAL</b>		<b>78 631.6</b>	<b>4 361.8</b>	<b>82 993.4</b>	<b>85 990.3</b>	<b>39 079.5</b>	<b>2 433.0</b>	<b>36 646.5</b>

<sup>1</sup> Includes food deficit countries with per caput income below the level used by the World Bank to determine eligibility for IDA assistance (i.e. USD 1 675 in 2005).<sup>2</sup> Estimates based on information available as of end March 2009.







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