No. 3 ■ July 2009

# Crop Prospects and Food Situation

## HIGHLIGHTS

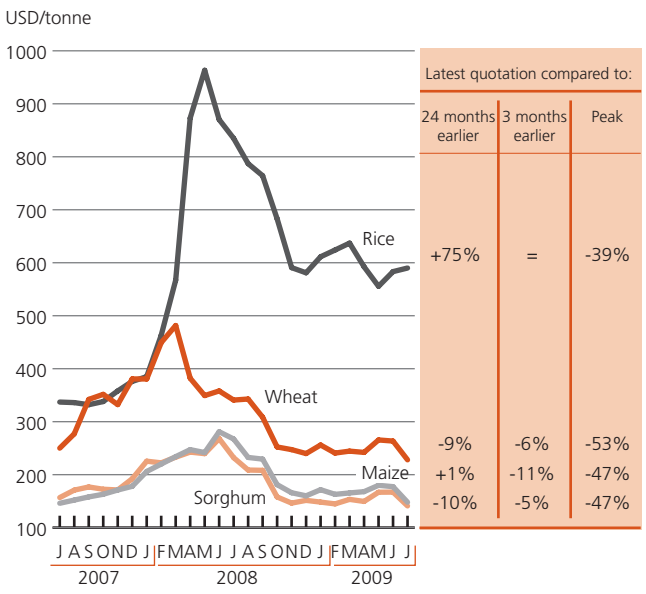
- **Domestic food prices in developing countries mostly remain much higher than before the soaring food price crisis despite a sharp decline in international prices since their peaks in 2008** (see special feature on page 10). This situation continues to give rise to concern for the food security of low-income vulnerable populations who spend a large share of their incomes on food.
- **FAO's latest forecast points to a 3.4 percent reduction in world cereal production in 2009**, mostly on account of lower plantings and yields among developed countries. In developing countries, output is expected to remain unchanged from last year.
- **Despite the lower cereal production envisaged, the outlook for world cereal supply and demand situation in 2009/10 is satisfactory** reflecting large carryover stocks and stagnant demand.
- **In the Low-Income Food-Deficit countries**, prospects for the 2009 cereal crops are generally favourable and the aggregate production is forecast to increase for the second consecutive year. However, the outlook is uncertain in parts of Western and Eastern Africa as well as Asia reflecting an erratic start of the rainy season.
- **Despite a positive outlook for global cereal supplies in 2009/10**, FAO's latest assessment indicates that 30 countries around the world require external assistance as a result of natural disasters, conflict or insecurity, and economic problems.

## CONTENTS



### Percentage of series 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 peak

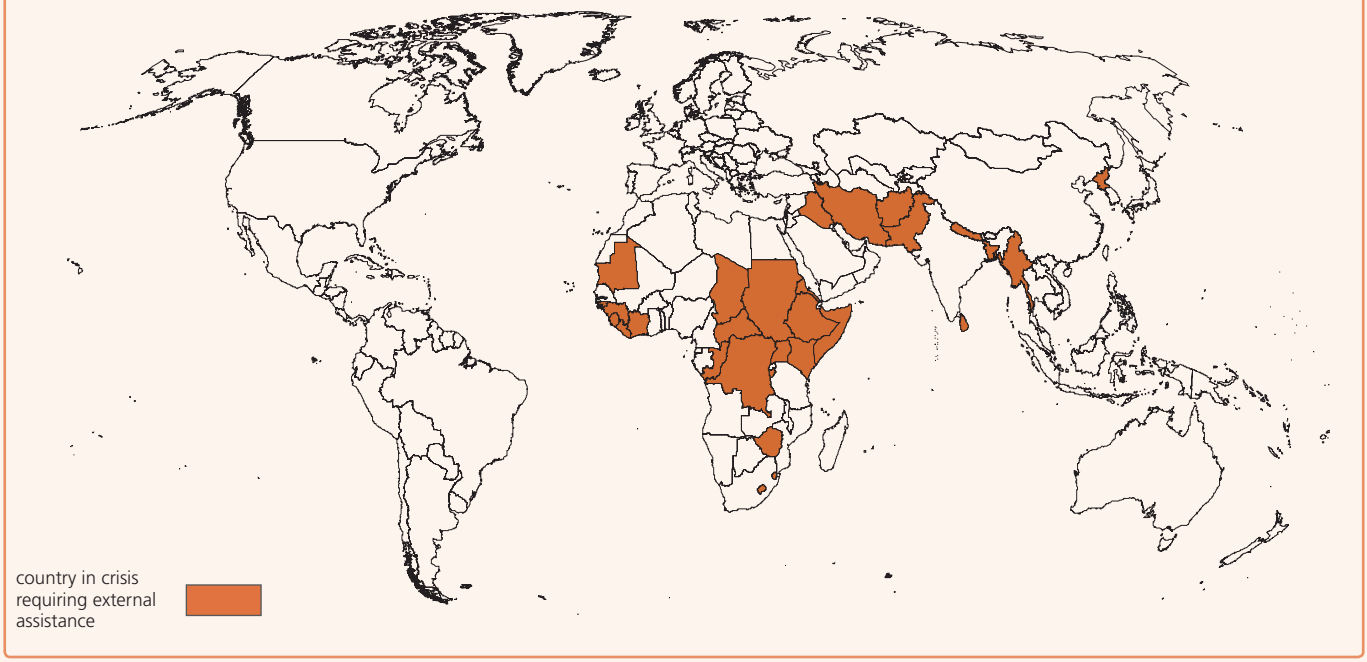



| | Latest quotation compared to: | | |
|---|---|---|---|
| | 24 months earlier | 3 months earlier | Peak |
| Rice | +75% | = | -39% |
| Wheat | -9% | -6% | -53% |
| Maize | +1% | -11% | -47% |
| Sorghum | -10% | -5% | -47% |

*Note*: Prices refer to monthly average. For July 2009 one week average.

# Countries in crisis requiring external assistance[1]

## World: 30 countries




| Country/Nature of food insecurity | Main reason for food insecurity | Change since last report (April 2009) |
|---|---|---|

### AFRICA (20 countries)

**Exceptional shortfall in aggregate food production/supplies**

| | | |
|---|---|---|
| Kenya | Adverse weather, lingering effects of civil strife | ▲ |
| Lesotho | Low productivity, HIV/AIDS pandemic | ■ |
| Somalia | Conflict, economic crisis, adverse weather | ▲ |
| Swaziland | Low productivity, HIV/AIDS pandemic | ■ |
| Zimbabwe | Problems of economic transition | ■ |

**Widespread lack of access**

| | | |
|---|---|---|
| Eritrea | Adverse weather, IDPs, economic constraints | ▲ |
| Liberia | War related damage | ■ |
| 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 | Adverse weather, insecurity in parts | ▲ |
| 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 (10 countries)

**Exceptional shortfall in aggregate food production/supplies**

| | | |
|---|---|---|
| Iraq | Conflict and inadequate rainfall | ■ |

**Widespread lack of access**

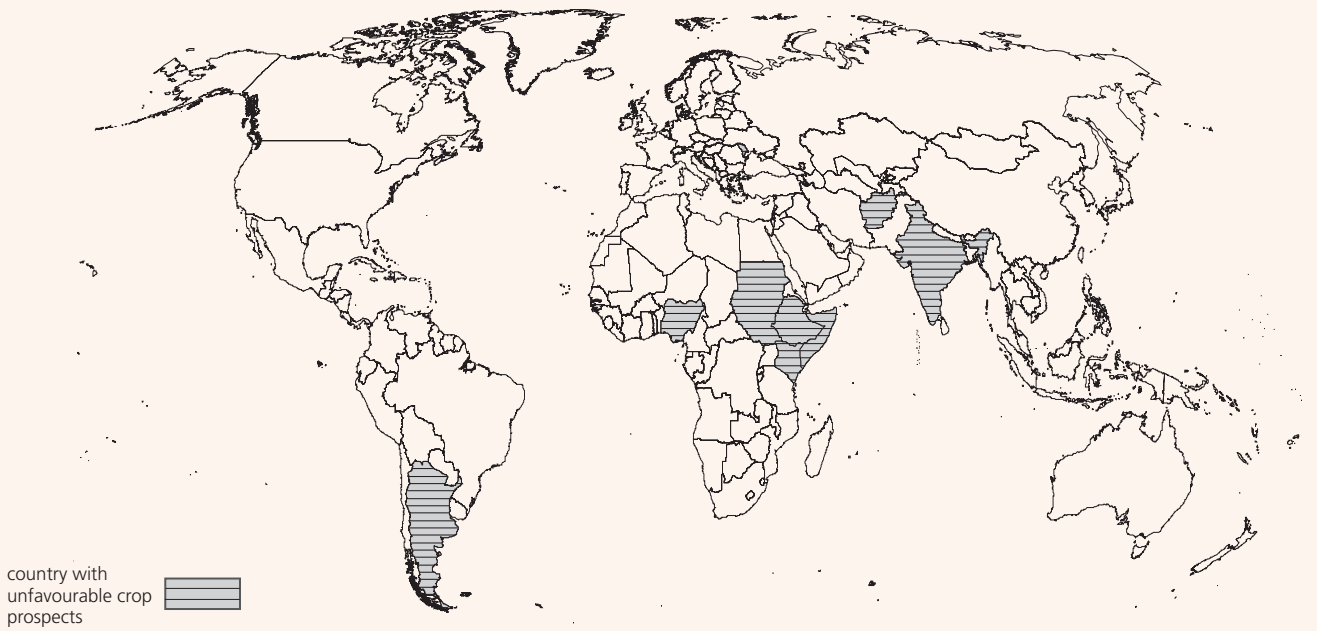
| | | |
|---|---|---|
| Afghanistan | Conflict and insecurity, inadequate rainfall | ■ |
| DPR Korea | Economic constraints | ■ |

**Severe localized food insecurity**

| | | |
|---|---|---|
| Bangladesh | Cyclones | ■ |
| Iran, Islamic Rep. of | Past drought | ■ |
| Myanmar | Past cyclone | ▲ |
| Nepal | Poor market access and drought | ▼ |
| Pakistan | Conflict | ✚ |
| Sri Lanka | Conflict, IDPs | ■ |
| Timor-Leste | IDPs | ■ |

# Countries with unfavourable prospects for current crops[2]

## World: 9 countries




| Country | Main reason for unfavourable prospects | Change since last report (April 2009) |
|---|---|---|
| **AFRICA (5 countries)** | | |
| Ethiopia | Late onset of belg rains | ■ |
| Kenya | Inadequate rainfall | ✚ |
| Nigeria | Inadequate rainfall | ✚ |
| Somalia | Inadequate rainfall | ✚ |
| Sudan | Late onset of main season rains | ✚ |
| **ASIA/NEAR EAST (2 countries)** | | |
| Afghanistan | Adverse weather, limited input supplies and high food prices | ■ |
| India | Delayed monsoon | ✚ |
| **LATIN AMERICA AND THE CARIBBEAN (1 country)** | | |
| Argentina | Inadequate rainfall | ■ |
| **NORTH AMERICA, EUROPE AND OCEANIA (1 country)** | | |
| Rep. of Moldova | Inadequate rainfall | ✚ |

Key to tables

No change ■ Improving ▲ Deteriorating ▼ New Entry ✚

## Terminology

[1] **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.

[2] **Countries facing unfavourable prospects for current crops** are countries where prospects point to a shortfall in production of current crops as a result of 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**, the cropping season has been slow to start with erratic rains in several parts of the Sahel including **Guinea-Bissau**, southern **Niger** and **Burkina Faso**, northern **Nigeria** and southern **Chad,** which may affect area planted and potential yield in these countries. Moreover, 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. Coarse grain prices have shown signs of stabilising over the past few months but, as of June, remained above the levels of a year ago. The situation is worse for imported rice, a major staple, whose price is determined by the international market. In **Ghana** and **Niger** for example, prices of imported rice were still 23 percent and 35 percent higher respectively in June 2009 than a year earlier in spite of the fall in international prices. 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**, an estimated 19.8 million people are in need of emergency assistance due to consecutive seasons of poor harvests, above-average cereal prices, civil strife or combination of these factors. Late and erratic rains throughout most of the region, in particular across eastern parts during the main growing season from March to July, coupled with persistent above average cereal prices, are expected to further exacerbate the situation. In **Somalia,** the persistent civil conflict continues to negatively impact the food security situation as well as disrupt the distribution of essential food aid. Poor rains during the main "gu" season have intensified drought conditions and worsened livestock conditions. This has severely impacted the food security of about 700 000 pastoralists in Mudug, Galgadud, Nugal, Sool, Sanag and Togdher, whose sources of food and income are inextricably linked to livestock production. Across Somalia, an estimated 3.5 million people require emergency assistance. In **Kenya**, an estimated 3.5 million people require emergency food assistance; including 870 000 children who are benefiting from the School Feeding Programme and 2.6 million affected by drought. Below-average rains in the south east and coastal regions, in combination with above-average cereal prices that are eroding households' purchasing power, are expected to lead to a deterioration of the food security situation for marginal agriculturalists and pastoralists. In **Eritrea**, above-average food prices are negatively affecting an estimated 2 million people, with high rates of acute malnutrition (above the emergency threshold of 15 percent) recorded in Gash Barka and Anseba in February 2009. In **Ethiopia**, an anticipated poor "belg" harvest is expected to aggravate the situation further in the belg dependant areas of SNNPR, as well as parts of Oromyia and Amhara. Localized insecurity in parts is also contributing to the poor food security conditions. It is currently estimated that 4.9 million people require emergency food assistance (early indications from on-going belg assessments imply that this number may increase). In **Sudan**, the continuation of civil conflict in southern Sudan and Darfur is worsening the dire food security situation already faced by millions. Food aid distributions are targeting 3.8 million conflict-affected people in Darfur, while, overall an estimated 5.9 million people require food assistance in Sudan. In **Djibouti**, food aid distributions are continuing to maintain basic food supplies in rural inland areas and in Djibouti city. Poor rains from March to May have lead to water deficits, affecting the pastoralist population throughout inland areas. In **Uganda**, approximately 1.1 million people require food assistance in Karamoja, following successive periods of drought and civil insecurity. Outbreaks of Peste des Petits Ruminants (PPR) and crop diseases, including the Cassava Mosaic Disease, are also contributing to the poor food security conditions.

In **Southern Africa**, despite a generally improved food security situation throughout the subregion following good harvests, some pockets of vulnerability and food insecurity persist. An FAO/WFP CFSAM to Zimbabwe has estimated that some 2.8 million people in the country require food aid amounting to about 228 000 tonnes including 150 000 tonnes of maize and 30 000 tonnes of other cereals. A similar FAO/WFP Mission in **Namibia** reported that 163 000 people in northern communal areas, where crops and livestock have been severely affected by floods, will require immediate assistance to cover their basic food needs. Assessments by several national Vulnerability Assessment Committees (VACs) are currently underway and the new estimates will be available shortly. Several import dependent countries in the region are also particularly vulnerable to high food and fuel prices domestically and internationally. In **Lesotho** and **Swaziland** widespread poverty and the impact of HIV/AIDS have led to serious food insecurity.

In the **Great Lakes** region, the continued uncertain security situation in the north-eastern parts of the **Democratic Republic of the Congo** affects large numbers of people who require food and agricultural assistance. High food prices of basic staples such as cassava (flour), beans, maize among others, are negatively affecting large numbers of households in **Burundi** and food and agricultural aid is needed**,** especially for resettling returnees and IDPs.

In the **Far East**, bumper winter/first rice crops are almost harvested in the major producing countries, and food supply

situations are satisfactory in many countries of the subregion. However, millions of people continue to face serious food insecurity due to conflict, civil strife, below-average harvests, cyclones, or a combination of these factors. In **Nepal**, more than 2 million people face a precarious food situation as a result of crop failure due to winter drought. The food security of more than 4 million people **in Bangladesh** has been affected by the devastating cyclone Aila, which hit the southwestern coast of Bangladesh on 25 May. Some 3 million people in **Pakistan**'s northwest region have reportedly been displaced due to civil conflict, with an estimated 3 million people currently needing food assistance. Around 300 000 people in **Sri Lanka** were displaced and have been housed in government-run camps, following the cessation of the conflict between the Liberation Tamil Tigers of Eelam (LTTE) and the government in May. In **Myanmar**, agricultural assistance continues to be needed for the summer season and the current monsoon season to help small farmers recover their production and livelihoods in the areas affected by cyclone Nargis. The food security situation of more than 6 million vulnerable people in **the Democratic People's Republic of Korea** is expected to worsen during the lean period before the November harvest due to reductions in food aid deliveries.

In the **Near East**, the effects of last year's severe drought are still being felt in several countries. In **Syrian Arab Republic**, preliminary conclusions of an FAO/WFP pre-harvest mission in April/May in the areas affected by the drought indicated that the vulnerability of the population is still a concern. The report of a follow up mission in June/July organised by FAO's Emergency Coordination Unit to review the drought impact and identify any assistance required, especially for small holder farmers and livestock herders, is expected soon. An Emergency Operation (EMOP) to assist 40 000 households (200 000 people) affected by drought which is worth USD 5.2 million was extended in time for six months until the end of December 2009 without changes in the budget. The food situation in the **Gaza Strip** continues to be of concern as much of the population has been affected severely by conflict during the 20-day period starting on 27 December 2008. In view of this, an EMOP was jointly approved by FAO and WFP 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).

In **Central America and the Caribbean**, cereal prices are either stable or declining from the peaks achieved in mid-2008. However, since many countries are in the hunger season, which will last until arrival of the new harvest in August, prices are likely to go up again, with negative impact on the food security of the most vulnerable people, especially in poor urban areas. In **Haiti**, the good production of 2008 winter staple foods, coupled with the gradual reduction in market prices and the implementation of safety net programs, is leading to a considerable reduction of the food insecure population.

# Global cereal supply and demand brief

## OVERVIEW

### World cereal supply remains satisfactory despite lower production in 2009

In spite of an anticipated 3 percent decline in world cereal production in 2009 from the 2008 record, the outlook for world cereal supply and demand situation in 2009/10 is satisfactory. World global cereal supply, consisting of production and carryover stocks, is expected to remain nearly unchanged around the high level of the previous season. With world cereal utilization forecast to expand at a much slower rate than in 2008/09, world cereal stocks by the end of seasons in 2010 may decline only marginally from their high opening level and remain the second largest volume since 2003. World cereal trade in 2009/10 is likely to be marked by a sharp contraction from the 2008/09 record, mostly driven by a massive cut in global wheat imports. The expectation of a second successive year of good crops has already resulted in declines in international prices of major cereals to well below their peaks in 2008.

## PRODUCTION

Latest information confirms smaller global cereal output in 2009

World cereal production in 2009 is forecast at 2 208 million tonnes (including rice on a milled basis), 3.4 percent down from last year's record high but nonetheless the second largest crop ever gathered. Reductions are forecast for wheat and coarse grains while the global rice crop may register another marginal increase. This year's reduction in grain production is partly a result of a return to trend yields after strong productivity gains last year, but also comes from a reduction in overall plantings (mostly wheat) after last year's exceptional level. In several major producing countries farmers have been discouraged by the prospect of reduced returns relative to the previous year's exceptionally high levels because of current lower grain prices but persisting high input costs.

### World wheat output down in 2009

FAO's latest forecast of global wheat production in 2009 stands at 655 million tonnes, some 4 percent down from last year's record but still well above the average of the past five years. The bulk of the decrease is expected among the world's top producing countries, in particular those in the eastern parts of Europe, and in the United States. Recoveries are forecast in some countries that last year were plagued by dry weather, such as in the Islamic Republic of Iran, Turkey and Syrian Arab Republic, but while important at national/regional level, these will not be sufficient to offset the decline expected at the global level.

### World coarse grain output to remain relatively large in 2009 despite reduced crops in several regions

With most of the main southern hemisphere coarse grain crops already

**Figure 1.** World cereal production by type

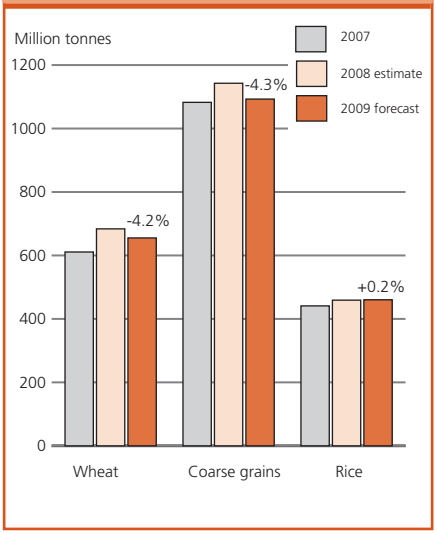



**Figure 2.** World cereal production and utilization

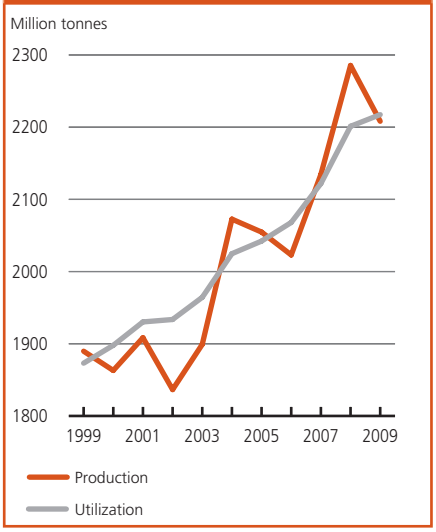
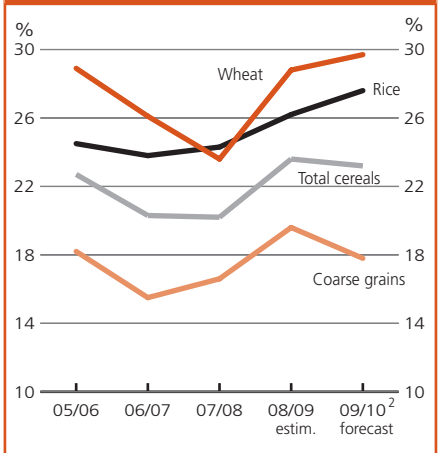



**Figure 3.** Ratio of world cereal stocks to utilization[1]



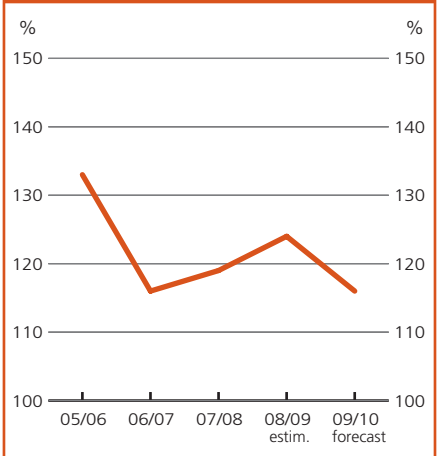

1 Compares closing stocks with utilization in following season
2 Utilization in 2009/10 is a trend value based on extrapolation from the 1998/99-2008/09 period.

gathered, FAO's latest forecast for world output of coarse grains in 2009 stands at 1 093 million tonnes, 4.3 percent down from last year's record level but still the second largest crop in history. Africa is the only region where output is foreseen to increase in 2009, and most of that reflects a recovery in North Africa after drought last year. Aggregate output in Asia should remain virtually unchanged from last year's satisfactory level but throughout the other regions, smaller crops are expected on account of drought or lower planted area after exceptional high levels last year.

### Growth in rice production to slow in 2009 after two years of large gains

The 2009 rice season is already well advanced following the arrival of monsoon rains in all the major producing areas by the end of June. Preliminary information on plantings and crop development so far indicate a generally favourable start to the season. Assuming a normal rainfall pattern in Asia in the coming months, world rice production in 2009 is forecast to increase fractionally from last year's record level to 689 million tonnes (460 million tonnes, milled equivalent). The relatively small increase expected in 2009 reflects less attractive prospects for producer returns, which would impact on farmers planting and crop management decisions. However, in spite of financial constraints, many governments have maintained their support to the sector through input subsidies, investment programmes and direct price incentives, which, barring any major setback, is likely to sustain production growth.

**Figure 4.** Ratio of major grain exporters supplies to normal market requirements[1]




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

## UTILIZATION

### Total cereal demand expected to stagnate in 2009/10

World cereal utilization in 2009/10 is forecast to grow marginally (by less than 1 percent) from the previous season to 2 217 million tonnes. This is lower than forecast in the June Food Outlook reflecting downward adjustments to forecasts for North America and for major markets of South America. The below-average expansion anticipated in total cereal utilization generally reflects a slowdown in animal feed and industrial sectors growth while consumption of cereals for food is forecast to keep up with the overall growth in world population. Total feed usage of cereals is forecast to remain unchanged at around 771 million tonnes, as a contraction in the developed countries is offset by an expansion in the developing countries. Against the background of continuing economic problems, feed use in many countries is forecast to grow at reduced pace compared to the past and, in many cases, even decline sharply such as in Brazil, Mexico, the United States and several countries in the CIS. Another

**Table 1.** World cereal production[1] (*million tonnes*)

| | 2007 | 2008 estimate | 2009 forecast | Change: 2009 over 2008 (%) |
|---|---|---|---|---|
| **Asia** | **955.7** | **968.7** | **980.2** | **1.2** |
| Far East | 852.3 | 885.0 | 884.0 | -0.1 |
| Near East in Asia | 69.6 | 55.0 | 65.6 | 19.3 |
| CIS in Asia | 33.7 | 28.7 | 30.5 | 6.3 |
| **Africa** | **132.9** | **148.4** | **156.8** | **5.7** |
| North Africa | 28.5 | 29.5 | 37.3 | 26.6 |
| Western Africa | 46.4 | 54.0 | 52.8 | -2.2 |
| Central Africa | 3.2 | 3.3 | 3.3 | 1.4 |
| Eastern Africa | 32.6 | 33.8 | 34.7 | 2.7 |
| Southern Africa | 22.1 | 27.8 | 28.6 | 2.9 |
| **Central America & Caribbean** | **39.2** | **41.8** | **40.4** | **-3.3** |
| **South America** | **131.8** | **134.8** | **116.4** | **-13.6** |
| **North America** | **461.1** | **457.0** | **431.9** | **-5.5** |
| **Europe** | **389.7** | **501.8** | **448.7** | **-10.6** |
| EU | 260.1 | 314.6 | 286.8 | -8.8 |
| CIS in Europe | 115.1 | 169.3 | 143.9 | -15.0 |
| **Oceania** | **25.4** | **34.4** | **35.3** | **2.5** |
| **World** | **2 134.5** | **2 285.5** | **2 208.5** | **-3.4** |
| Developing countries | **1 206.9** | **1 240.0** | **1 239.9** | **0.0** |
| Developed countries | **927.5** | **1 045.5** | **968.6** | **-7.4** |
| - wheat | 610.9 | 683.8 | 655.2 | -4.2 |
| - coarse grains | 1 082.5 | 1 142.7 | 1 093.1 | -4.3 |
| - rice (milled) | 441.0 | 459.1 | 460.2 | 0.2 |

[1]Includes rice in milled terms.
*Note*: Totals computed from unrounded data.

category which is expected to be adversely affected by current economic prospects is the industrial usage of cereals. In particular, the growth in the leading maize-based ethanol sector in the United States is forecast to be far less pronounced in 2009/10 than in previous years. By contrast and more positively, world food consumption of cereals is likely to keep pace with population growth and increase by 1.2 percent, to 1 042 million tonnes in 2009/10. At this level, average annual global per caput consumption of cereals would remain stable at around 153 kg per person.

# STOCKS

## Global cereal stocks remain at satisfactory level despite small decline envisaged this year

On the basis of latest forecasts for production and utilization, world end-of-season cereal stocks for crop years closing in 2010 are seen at 517 million tonnes. This would be slightly below the previous forecast and 1.3 percent below their relatively high opening levels. This month's downward adjustment mainly reflects the lowering of the FAO's forecasts for global rice production in 2009, following poorer monsoon rain forecasts in India, and hence lower rice stocks. In spite of this adjustment, the global cereal stock-to-utilization ratio is likely to remain stable at just over 23 percent, significantly above the lows of the previous recent seasons. Among the major cereals, world wheat and rice inventories are forecast to increase but coarse grains are expected to decline, mainly in the United States reflecting the anticipated decline in this year's production in this country.

# TRADE

## Declining world cereal trade in 2009/10 driven by reduced import demand for wheat

World cereal trade in 2009/10 is forecast to fall to about 257 million tonnes, down 5 percent from the estimated trade volume of 2008/09. The decline mostly reflects a sharp reduction in wheat imports driven by a general recovery in wheat production in several major wheat importing countries such as those in North Africa and in Asia. This season's anticipated decline in wheat import demand coincides with a significant reduction in export supplies in drought-stricken Argentina. By contrast, international trade in coarse grains is expected to remain unchanged with higher maize purchases compensating for declines in imports of all other coarse grains, in particular barley. Larger maize shipments from the United States are expected to compensate for reduced exports from Argentina. World trade in rice is forecast to increase marginally in 2009.

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

| | 2007/08 | 2008/09 | 2009/10 | Change: 2009/10 over 2008/09 (%) |
|---|---|---|---|---|
| **PRODUCTION**[1] | | | | |
| Wheat | 610.9 | 683.8 | 655.2 | -4.2 |
| Coarse grains | 1 082.5 | 1 142.7 | 1 093.1 | -4.3 |
| Rice (milled) | 441.0 | 459.1 | 460.2 | 0.2 |
| **All cereals** | **2 134.5** | **2 285.5** | **2 208.5** | **-3.4** |
| Developing countries | 1 206.9 | 1 240.1 | 1 239.9 | 0.0 |
| Developed countries | 927.5 | 1 045.5 | 968.6 | -7.4 |
| **TRADE**[2] | | | | |
| Wheat | 112.8 | 128.6 | 114.0 | -11.3 |
| Coarse grains | 129.5 | 111.9 | 112.0 | 0.0 |
| Rice | 30.0 | 31.0 | 30.6 | -1.4 |
| **All cereals** | **272.3** | **271.5** | **256.6** | **-5.5** |
| Developing countries | 84.4 | 68.8 | 64.7 | -6.1 |
| Developed countries | 187.9 | 202.7 | 191.9 | -5.3 |
| **UTILIZATION** | | | | |
| Wheat | 617.6 | 644.4 | 649.4 | 0.8 |
| Coarse grains | 1 066.4 | 1 107.4 | 1 112.7 | 0.5 |
| Rice | 437.9 | 449.4 | 455.3 | 1.3 |
| **All cereals** | **2 121.9** | **2 201.2** | **2 217.4** | **0.7** |
| Developing countries | 1 301.3 | 1 338.6 | 1 357.8 | 1.4 |
| Developed countries | 820.6 | 862.6 | 859.6 | -0.4 |
| Per caput cereal food use *(kg per year)* | *152.9* | *153.5* | *153.4* | *0.0* |
| **STOCKS**[3] | | | | |
| Wheat | 151.8 | 186.8 | 191.9 | 2.7 |
| - main exporters[4] | 26.9 | 44.9 | 41.5 | -7.6 |
| Coarse grains | 184.0 | 217.9 | 201.0 | -7.7 |
| - main exporters[4] | 79.9 | 90.3 | 73.3 | -18.8 |
| Rice | 109.2 | 119.2 | 124.3 | 4.3 |
| - main exporters[4] | 25.8 | 28.8 | 28.8 | -0.1 |
| **All cereals** | **445.0** | **523.8** | **517.2** | **-1.3** |
| Developing countries | 313.8 | 355.5 | 367.8 | 3.4 |
| Developed countries | 131.2 | 168.3 | 149.4 | -11.2 |

[1] Data refer to calendar year of the first year shown.
[2] For wheat and coarse grains, trade refers to exports based on July/June marketing season. For rice, trade refers to exports based on the calendar year of the second year shown.
[3] Data are based on an aggregate of carryovers level at the end of national crop years and, therefore, do not represent world stock levels at any point in time.
[4] 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.

# PRICES

## International grain prices weaken considerably in past few weeks but for rice remain firm

International **wheat** prices weakened considerably in the past few weeks, being pushed down by seasonal harvest pressure and good production prospects. In addition to favourable harvest outlooks in the CIS, North Africa, China and India, the return of warm and dry weather in major spring wheat growing areas in the United States coupled with beneficial rains in Australia were among the main factors weighing on wheat prices in recent weeks and offsetting the deteriorating production outlook in Argentina. The export price of US wheat (No.2 Hard Red Winter) was USD 228 per tonne in early July, 33 percent down from the corresponding period last year and by about 50 percent from the peak in 2008. The US maize (No. 2 Yellow, Gulf) price has also fell sharply, to some 45 percent below the corresponding period a year earlier when they were hovering near their record peaks. Weak demand and a return of normal weather in the United States, world's largest maize producer, weighed on maize prices in recent weeks. However, in rice markets, prices have shown more resilience, with rather unfavourable monsoon rain forecasts in India providing support in recent weeks.

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

| | 2008 | 2009 | | | | |
|---|---|---|---|---|---|---|
| | July | Mar. | Apr. | May | June | July |
| **United States** | | | | | | |
| Wheat [1] | 341 | 244 | 242 | 265 | 263 | 228 |
| Maize [2] | 267 | 165 | 168 | 180 | 177 | 148 |
| Sorghum [2] | 232 | 153 | 149 | 167 | 167 | 141 |
| **Argentina [3]** | | | | | | |
| Wheat | 329 | 214 | 211 | 210 | 228 | 230 |
| Maize | 252 | 163 | 166 | 186 | 185 | 166 |
| **Thailand [4]** | | | | | | |
| Rice white [5] | 835 | 637 | 592 | 555 | 583 | 590 |
| Rice, broken [6] | 583 | 335 | 337 | 315 | 320 | 325 |

*Prices refer to the monthly average. For July 2009, one week average.
[1] No.2 Hard Red Winter (Ordinary Protein) f.o.b. Gulf.
[2] No.2 Yellow, Gulf
[3] Up river, f.o.b.
[4] Indicative traded prices.
[5] 100% second grade, f.o.b. Bangkok.
[6] A1 super, f.o.b. Bangkok.

# Domestic food prices in developing countries remain very high

Earlier this year FAO GIEWS launched the **National basic food price data and analysis tool**[1] 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[2] consumed in 58 developing countries, and international cereal export prices.

An analysis of the data contained in the database as of early July 2009 shows that domestic prices in developing countries remain generally very high and in some cases are still at record levels. Out of the 780 domestic price quotations (nominal, in local currencies) for all food commodities included in the database, the most recent quotation[3] is the same or higher than in the pre-food price crisis period of 24 months earlier in 94 percent of the cases. Moreover, in 71 percent of these cases, the latest quotations are higher than 24 months earlier by more than 25 percent, indicating that even after largely allowing for inflation over the past two years, basic food prices remain relatively high. In 46 percent of the cases, latest quotations are higher than 3 months earlier, while in 13 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 all cereals have fallen sharply since their peaks of the first-half of 2008 and are now, with the exception of rice, lower or around the level before the food prices crisis.

For cereals (70 percent of the quotations in the database), and the most important staple food in developing countries, the situation is quite similar with latest nominal domestic price quotations more than 25 percent higher than in the pre-crisis period in 77 percent of the price series covered in the database and higher than 3 months earlier in 43 percent of the cases. In 12 percent of the cases, latest cereal prices available in GIEWS by late June were the highest on record.

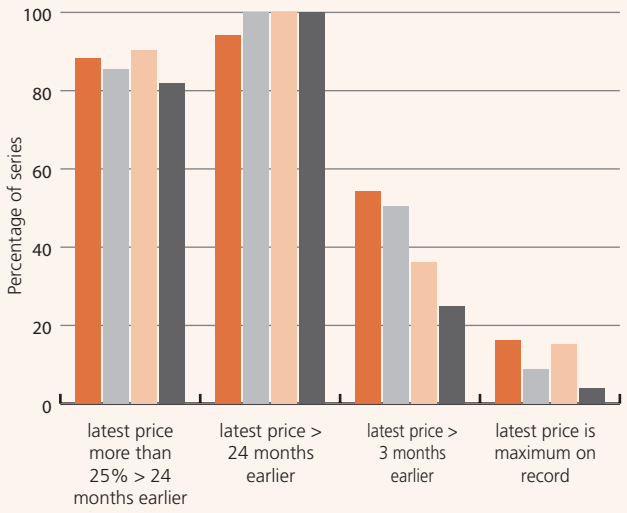
A more detailed analysis by region and main cereals is presented in the figure below. In the sub-Saharan countries in Africa in more than 80 percent of all the local price series analyzed in 27 countries, latest prices are more than 25 percent higher than 24 months earlier. In Asia and Latin America and the Caribbean, prices are monitored in a total of 31 countries and according to cereal type, from 40 to 80 percent of the prices remain more than 25 percent higher than in the pre-food crisis period.

In contrast with trends in domestic food prices, international cereal export prices, in spite of some fluctuations in recent months, are lower or marginal higher than in 2007. Latest (first week of July average) maize export prices are 1 percent above the level of 24 months earlier, while for sorghum, and wheat export prices are respectively 10 percent, and 9 lower than 18 months earlier and between 47 and 53 percent below their 2008 peaks. Rice export prices, while having fallen from their 2008 peaks by 39 percent, they were by early July still 75 percent above the pre food-crisis level mainly reflecting governments' interventions in some major rice exporting countries.

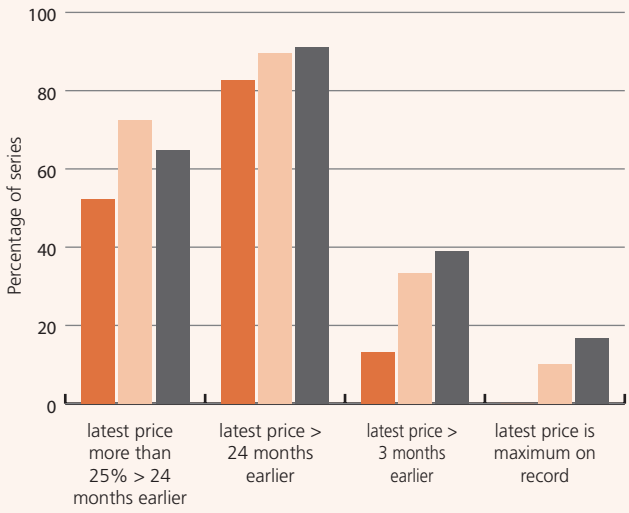
[1]The **"National basic food price – data and analysis tool"** is available on the FAO Website at: www.fao.org/giews/pricetool.
[2]About 70 percent of the quotations in the database are for cereals and cereal products with the remaining 30 percent represented by beans, potatoes, cassava and some animal products.
[3]The most recent price quotation refers, with few exceptions, to the period between March and June 2009.

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

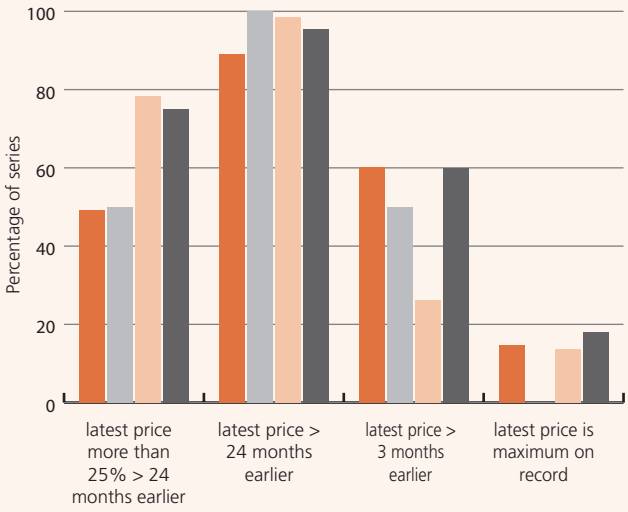
### sub-Saharan Africa

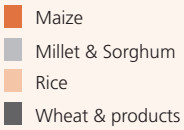



### Asia




### Latin America and the Caribbean



# Low-Income Food-Deficit Countries food situation overview[1]

## Current food prices remain well above the pre-crisis level despite decline in international prices

Food prices in LIFDCs have generally declined from their peaks of 2008 but remain much higher than in the pre-food price crisis period two years earlier. In several countries, prices exceed the already high levels of 12 months ago or are still at record levels (see special feature). This is in spite of the sharp decrease in international cereal prices and overall good cereal harvests. The high food price situation continues to give rise to concern for the food security of vulnerable populations in both urban and rural areas, as these groups expend a large share of their incomes in food. Close monitoring of domestic prices of staple foods remains necessary.

In Eastern Africa, in Sudan, prices of sorghum in the main growing area of El Gedarif in June 2009 were three times higher than two years ago. In Somalia, Mogadishu, prices of staple sorghum in the same month were three times higher than in June 2007, while in Uganda, Kenya and Ethiopia prices of maize have doubled their levels of 24 months earlier.

In countries of Southern Africa, prices of staple maize have declined in the recent months with the 2009 bumper cereal harvests but remain above the pre-crisis levels. In Malawi, maize quotations in Lilongwe in June this year were more than twice those of June 2007.

In Western Africa, prices temporarily decreased in late 2008 following good cereal harvests, but resume increasing in 2009. In Senegal prices of imported rice in Dakar in June were 60 higher than two years ago. In Ghana, prices of maize in Accra have more than doubled their levels of June 2007.

In Asia, in Pakistan, prices of wheat in Karachi in May 2009 have doubled their levels of two years earlier.

Similarly, in Latin America and the Caribbean, in Haiti, prices of local rice in Les Cayes in June this year were almost three times higher than in June 2007. In the same period, in Nicaragua, average price for rice and maize were 61 percent and 58 percent higher respectively.

Reasons for the continuous high level of food prices vary according to regions and from country to country. They include, among others, reduced harvests, higher and/or delayed imports, civil conflict, demand in neighbouring countries and regional trade flows, devaluation of national currencies, changes in food and trade policies, increased incomes and demand, and transport constraints and higher transport costs.

## Favourable prospects for the 2009 aggregate cereal production of LIFDCs

In the LIFDCs the 2009 cereal seasons are at different stages, with crops already harvested in some regions, but still to be planted in others. FAO's early forecast of 2009 cereal output for the 77 LIFDCs as a group[2], points to an increase of less than 1 percent from the record level of last year. Excluding China Mainland and India, however, the aggregate output of the rest of LIFDCs is forecast 4.6 percent higher,

**Table 4**. Basic facts of the Low-Income Food-Deficit Countries (LIFDCs)[1] cereal situation (*million tonnes*)

| | 2007/08 | 2008/09 | 2009/10 | Change: 2009/10 over 2008/09 (%) |
|---|---|---|---|---|
| **Cereal production[2]** | **910.2** | **949.0** | **957.7** | **0.9** |
| *excluding China Mainland and India* | 296.7 | 313.5 | 327.8 | 4.6 |
| **Utilization** | **954.0** | **983.9** | **1 002.6** | **1.9** |
| Food use | 663.3 | 677.1 | 685.2 | 1.2 |
| *excluding China Mainland and India* | 282.2 | 291.6 | 297.2 | 1.9 |
| Per caput cereal food use *(kg per year)* | 156.9 | 157.8 | 157.4 | -0.3 |
| *excluding China Mainland and India* | 158.8 | 160.7 | 160.7 | 0.0 |
| Feed | 167.0 | 173.9 | 181.6 | 4.5 |
| *excluding China Mainland and India* | 44.1 | 45.4 | 48.1 | 5.8 |
| **End of season stocks[3]** | **264.2** | **300.5** | **316.1** | **5.2** |
| *excluding China Mainland and India* | 50.4 | 55.2 | 56.9 | 2.9 |

[1] 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 1 735 in 2006).
[2] Data refer to calendar year of the first year shown.
[3] May not equal the difference between supply and utilization because of differences in individual country marketing years.

[1] **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 1 735 in 2006), which is in accordance with the guidelines and criteria agreed to by the CFA should be given priority in the allocation of food aid.
[2]The latest revision of the list of LIFDCs, as of May 2009, excluded five countries: Albania, Belarus, Bosnia & Herzegovina, Cape Verde and Tonga.

a significant increase for the second consecutive year.

In Northern and Southern Africa countries, bumper 2009 cereal harvests have been obtained following favourable weather and agricultural inputs support programmes, notably in Morocco and Zimbabwe where productions doubled or almost doubled from the reduced levels of 2008. Similarly in Asia, above-average 2009 wheat and first season rice crops have been gathered in China, India, Pakistan, Bangladesh and Sri Lanka. However, prospects for the main season rice crop, still being planted, is uncertain, due to a delay in the start of the rainy season, particularly in India. In the CIS countries of Asia, cereal harvests are underway and overall prospects are favourable. In Afghanistan, this year's cereal production is anticipated to recover substantially from the 2008 poor level. In Western and Eastern Africa, the start of the rainy season has been erratic and late in several countries and more precipitation is urgently needed in the coming weeks. In Central America and the Caribbean, a good 2009 cereal crop is being gathered in Haiti, and planting prospects are favourable in Honduras and Nicaragua.

## Cereal imports to increase in 2008/09 despite good 2008 productions

The LIFDCs total volume of cereal imports in marketing years 2008/09 or 2009 is forecast to reach some 88.6 million tones, 8.5 percent above the level of the past season in spite of an aggregate record 2008 aggregate cereal output. This mainly reflects a substantial increase in imports in Near East countries affected by 2008 drought-reduced harvests, particularly large importers Iraq, the Syrian Arab Republic and Afghanistan. Similarly, as a result of poor 2008 cereal output import requirements have doubled in Kenya and Somalia. Replenishment of stocks in Asian countries, mainly Pakistan, Philippines and China, following releases last season to limit the impact of soaring food prices, also account for the increase in cereal imports this season.

## Improvement in the pace of 2008/09 cereal imports, but slow progress in food aid allocations

Latest information received in GIEWS by the end of June 2009 indicates acceleration in cereal imports by LIFDCs in recent months. Out of an aggregate import requirement of 88.6 million tonnes in 2008/09, 72 percent have been already covered by commercial imports or food aid. This compares with 70 percent at the same time last year. In particular, in North Africa, where the season has just concluded, virtually all import requirements have been covered.

**Table 5.** Cereal production[1] of LIFDCs (*million tonnes*)

| | 2007 | 2008 | 2009 | Change: 2009 over 2008 (%) |
|---|---|---|---|---|
| **Africa** *(43 countries)* | **117.0** | **128.7** | **136.1** | **5.8** |
| North Africa | 22.5 | 25.9 | 31.4 | 21.3 |
| Eastern Africa | 32.6 | 33.8 | 34.7 | 2.7 |
| Southern Africa | 12.3 | 11.8 | 13.9 | 18.0 |
| Western Africa | 46.4 | 54.0 | 52.8 | -2.2 |
| Central Africa | 3.2 | 3.3 | 3.3 | 1.4 |
| **Asia** *(25 countries)* | **790.4** | **815.6** | **817.7** | **0.3** |
| CIS in Asia | 13.6 | 13.7 | 13.8 | 0.7 |
| Far East | 761.6 | 792.5 | 791.0 | -0.2 |
| - China (Mainland) | 400.2 | 419.8 | 417.7 | -0.5 |
| - India | 213.2 | 215.7 | 212.2 | -1.6 |
| Near East | 15.2 | 9.4 | 12.9 | 37.2 |
| **Central America** *(3 countries)* | **1.9** | **1.8** | **1.9** | **5.6** |
| **Oceania** *(5 countries)* | **0.0** | **0.0** | **0.0** | **0.0** |
| **Europe** *(1 country)* | **0.8** | **2.9** | **2.0** | **-31.4** |
| **Total** *(77 countries)* | **910.2** | **949.0** | **957.7** | **0.9** |

[1] Includes rice in milled terms.
*Note*: Totals computed from unrounded data.

By contrast, in Western and Central African countries, actual imports remained well below requirements. As regards of food aid only 53 percent of the requirements of LIFDCs in 2008/09 have been covered so far. Most affected by the delay in food aid pledges/deliveries are countries in Far East and Near East where the marketing seasons are about to finish.

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

| | 2007/08 or 2008 | 2008/09 or 2009 | | | |
|---|---|---|---|---|---|
| | | Requirements[1] | | Import position[2] | |
| | Actual imports | Total imports: | *of which food aid* | Total imports: | *of which food aid pledges* |
| **Africa** *(43 countries)* | **40 223** | **41 959** | ***2 775*** | **29 981** | ***1 888*** |
| North Africa | 18 260 | 18 691 | *0* | 18 146 | *0* |
| Eastern Africa | 6 203 | 6 577 | *1 718* | 4 695 | *1 167* |
| Southern Africa | 3 265 | 3 695 | *459* | 3 695 | *459* |
| Western Africa | 10 831 | 11 187 | *485* | 3 023 | *178* |
| Central Africa | 1 665 | 1 808 | *113* | 422 | *83* |
| **Asia** *(25 countries)* | **38 974** | **44 384** | ***2 516*** | **32 318** | ***899*** |
| CIS in Asia | 3 761 | 4 547 | *63* | 3 208 | *61* |
| Far East | 24 446 | 24 047 | *1 652* | 19 190 | *506* |
| Near East | 10 767 | 15 790 | *801* | 9 920 | *332* |
| **Central America** *(3 countries)* | **1 661** | **1 790** | ***218*** | **1 198** | ***144*** |
| **Oceania** *(5 countries)* | **431** | **431** | ***0*** | **91** | ***0*** |
| **Europe** *(1 country)* | **336** | **80** | ***0*** | **79** | ***0*** |
| **Total** *(77 countries)* | **81 626** | **88 644** | **5 509** | **63 667** | **2 931** |

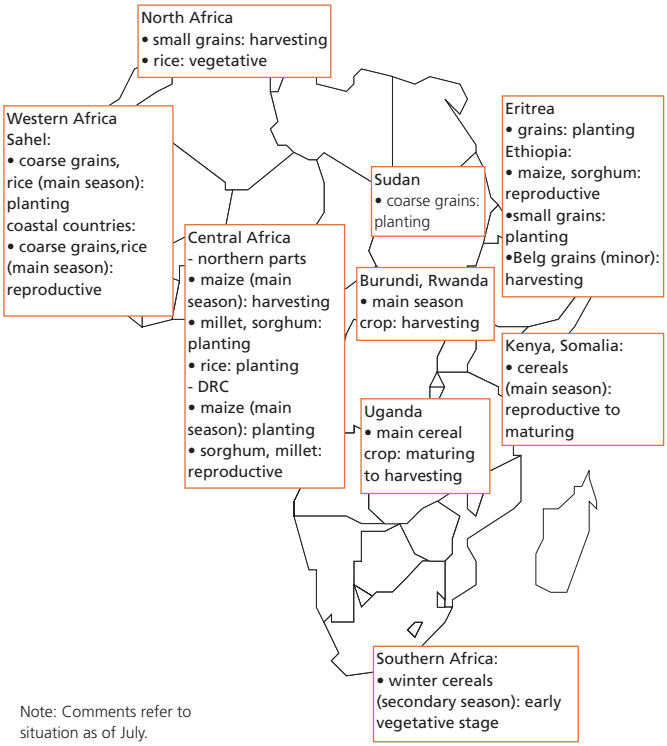
[1] The import requirement is the difference between utilization (food, feed, other uses, exports plus closing stocks) and domestic availability (production plus opening stocks).
[2] Estimates based on information available as of end June 2009.
*Note*: Totals computed from unrounded data.

# Regional reviews

## Africa

### North Africa

In North Africa, harvesting of the winter grains (mainly wheat and barley), which make up the bulk of the subregion's cereal crop, is underway and a good harvest is expected after two consecutive years of below average production. FAO's latest forecasts of the subregion's aggregate output of wheat (the main crop) is about 18.6 million tonnes, some 30 percent up from the previous year's level, while that of barley is put at some 5.5 million tonnes, about 138 percent up from 2008 and well above average. The outlook is particularly good in **Morocco** where a bumper crop is expected following exceptionally favourable weather throughout the winter cropping season. The wheat harvest is forecast at 6.5 million tonnes, 74 percent over last year's level and more than four times the poor crop harvested in 2007. The outlook is also favourable in **Egypt,** the largest cereal producer of the subregion, where wheat and maize output is expected to be similar to last year's average level. By contrast, a strong recovery in wheat production is not expected in **Tunisia**, in spite of government incentives to increase domestic production to mitigate the negative impact of high international prices on consumers. This is mainly a consequence of insufficient soil moisture at planting time, causing an area reduction. Although rainfall increased significantly at the end of the cropping season boosting yields, wheat output is provisionally




Note: Comments refer to situation as of July.

**Table 7.** 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 |
| **Africa** | **19.1** | **21.1** | **25.1** | **99.3** | **110.6** | **114.9** | **22.0** | **25.5** | **25.6** | **140.4** | **157.1** | **165.6** |
| **North Africa** | **13.2** | **14.3** | **18.6** | **10.5** | **10.1** | **13.7** | **6.9** | **7.3** | **7.3** | **30.6** | **31.7** | **39.6** |
| Egypt | 7.4 | 8.0 | 7.9 | 7.9 | 7.7 | 8.0 | 6.9 | 7.2 | 7.3 | 22.2 | 22.9 | 23.2 |
| Morocco | 1.6 | 3.7 | 6.5 | 0.9 | 1.5 | 3.9 | 0.0 | 0.0 | 0.0 | 2.5 | 5.2 | 10.5 |
| **Western Africa** | **0.1** | **0.1** | **0.1** | **40.7** | **46.7** | **45.5** | **8.9** | **11.5** | **11.5** | **49.7** | **58.2** | **57.0** |
| Nigeria | 0.0 | 0.1 | 0.1 | 23.9 | 26.0 | 26.0 | 3.2 | 4.2 | 4.3 | 27.2 | 30.2 | 30.3 |
| **Central Africa** | **0.0** | **0.0** | **0.0** | **2.9** | **3.0** | **3.0** | **0.4** | **0.4** | **0.4** | **3.4** | **3.4** | **3.5** |
| **Eastern Africa** | **3.5** | **4.3** | **4.4** | **27.9** | **28.4** | **29.2** | **1.8** | **1.8** | **1.8** | **33.2** | **34.5** | **35.4** |
| 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 | 0.6 | 0.7 | 4.7 | 4.9 | 5.3 | 0.0 | 0.0 | 0.0 | 5.3 | 5.6 | 6.0 |
| **Southern Africa** | **2.2** | **2.4** | **2.1** | **17.3** | **22.4** | **23.4** | **3.9** | **4.5** | **4.6** | **23.4** | **29.3** | **30.1** |
| Madagascar | 0.0 | 0.0 | 0.0 | 0.4 | 0.4 | 0.3 | 3.6 | 4.1 | 4.2 | 4.0 | 4.5 | 4.5 |
| South Africa | 1.9 | 2.1 | 1.8 | 7.8 | 13.7 | 12.7 | 0.0 | 0.0 | 0.0 | 9.7 | 15.8 | 14.5 |
| Zimbabwe | 0.1 | 0.0 | 0.0 | 1.1 | 0.8 | 1.4 | 0.0 | 0.0 | 0.0 | 1.3 | 0.8 | 1.4 |

*Note*: Totals computed from unrounded data.

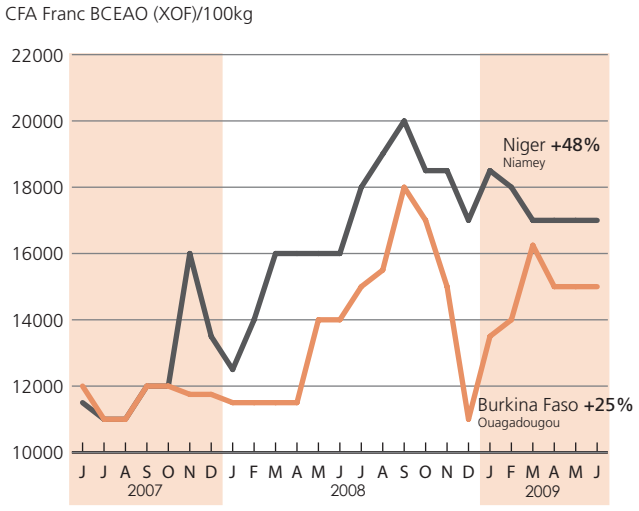
estimated at about 1.19 million tonnes, some 8.5 percent below the average of the previous five years. The barley crop outlook is better with an above-average crop anticipated.

The generally favourable crop prospects for 2009 combined with a significant decline in international commodity prices have been favourable in helping to reduce inflation and improve access to food in the subregion. 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 11.7 in April 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 13.8 percent in April 2009.

## Western Africa

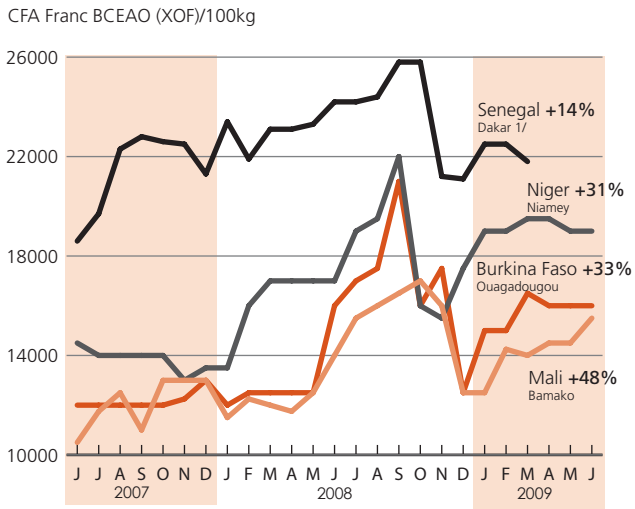
In Western Africa, the cropping season has been slow to start with erratic rains in several parts of the Sahel including **Guinea-Bissau**, southern **Niger** and **Burkina Faso**, northern **Nigeria** and southern **Chad**. Satellite imagery indicates that Northern Nigeria experienced the highest rainfall deficit which may have affected area planted and potential yield in that area. By contrast, in the southern part of coastal countries of the Gulf of Guinea, rains have been regular and widespread since the beginning of the main season in April and prospects for the first maize crop, to be harvested from August, are good in most countries, except in western **Côte d'Ivoire** where significant rainfall deficits have been reported. These trends are in line with the 2009 annual climate prediction exercise carried out by the African Centre of Meteorological Applications for Development (ACMAD) and the Agrhymet Centre in May. According to their forecast, there is an increased probability this year of normal to below-normal rainfall for the Sahelian region which receives about 80 percent of its annual precipitation in the July-September period. Specifically, the western part of the subregion including **Mauritania**, **Senegal**, the **Gambia**, **Guinea-Bissau** and parts of **Guinea** are expected to receive below-average rains in 2009.

**Figure 5.** Sorghum prices in selected Western African markets




*Sources:* Afrique Verte.
*Note:* Percentages indicate change from 24 months earlier.

**Figure 6.** Millet prices in selected Western African markets

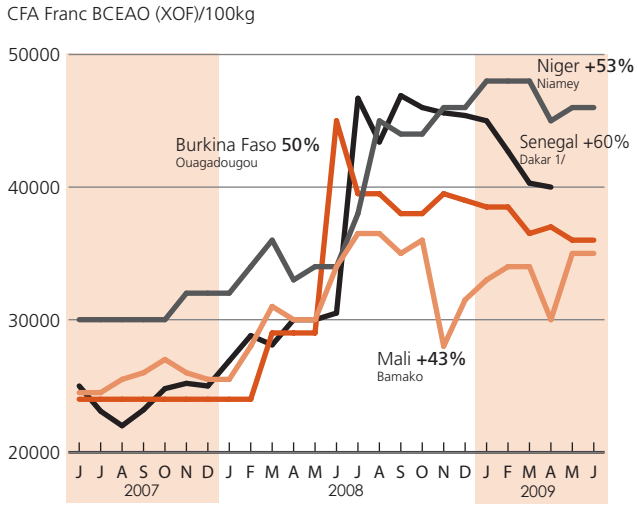



1/ Based on retail prices (XOF/kg)
*Sources:* Commissariat à la Sécurité Alimentaire, Senegal. Afrique Verte, Niger, Burkina Faso and Mali.
*Note:* Percentages indicate change from 24 months earlier.

Coarse grains prices have shown signs of stabilising over the past few months but remained above the levels of a year earlier by June 2009 in most countries in spite of the good cereal crop gathered in the subregion in 2008. For example, in spite of a significant decline from their peak of August-September 2008, wholesale prices of millet in markets of **Mali** (Bamako) and **Niger** (Niamey) in June 2009 were still 11 and 12 percent respectively higher than in June 2008. By contrast, retail prices of millet in **Senegal** (Dakar) during the first quarter of 2009 were slightly lower than their year-ago levels. The different trends between the western and eastern parts of the subregion suggest that demand from the Nigerian food processing and poultry sector may be contributing to market tension in the east. In **Ghana** (Accra), the retail price of maize in June was 17 percent higher than one year earlier. A contributing factor for the price strength in the eastern part of the region is the demand from Nigerian food processing and poultry sector.

Prices of imported rice, a major staple, also remain very high in most countries in spite of the fall in international prices. In **Senegal** prices of imported rice in April 2009 were still 33 percent

**Figure 7.** Imported rice prices in selected Western African markets




1/ Based on retail prices (XOF/kg)

*Sources:* Commissariat à la Sécurité Alimentaire, Senegal. Afrique Verte, Niger, Burkina Faso and Mali.
*Note*: Percentages indicate change from 24 months earlier.

higher than a year earlier in spite of the downward movement observed since the beginning of the year. In **Ghana** and **Niger** they were 23 percent and 35 percent higher respectively in June 2009 than a year earlier. By comparison, the export price of broken Thai rice in May 2009 was 59 percent lower than its year-earlier level. Rice price inflation in Western Africa has been fuelled to some extent by the steady depreciation of national currencies in response to the impact of the global economic crisis. Most currencies including the CFA (francophone countries), the cedi (Ghana) and the Naira (Nigeria) have depreciated substantially in recent months. These developments are likely to translate into continuously high rice consumer prices with negative impact on access to food, notably in import-dependent countries of the western part of the subregion.

## Central Africa

In **Cameroon** and the **Central African Republic,** planting of the main maize crop for harvesting from July 2009 has been completed in the South. Satellite-based rainfall estimates indicate that the crops benefited from adequate rains, and early prospects are favourable provided normal weather conditions persist. By contrast, in the northern part of these countries, precipitation has been erratic and below average since the beginning of the season (in May normally), which may have affected land preparation and plantings of cereal crops. 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 **Sudan** (Darfur region) threaten to further destabilize the situation in northern parts of the country.

## Eastern Africa

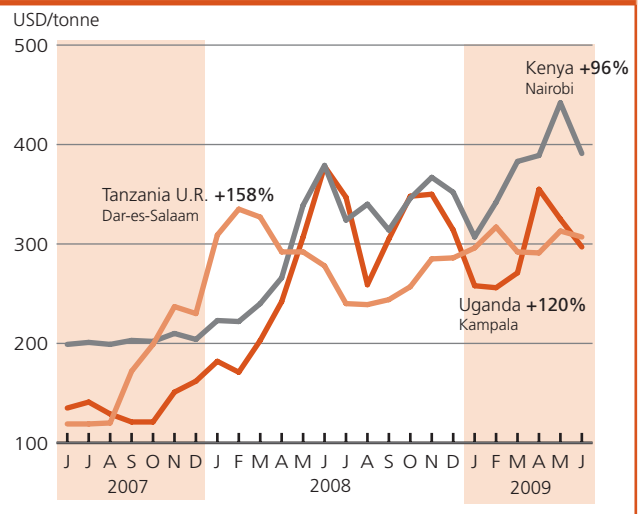
### Below average seasonal rains raise concerns

The harvesting of the main season's crops is underway in the **United Republic of Tanzania** and **Uganda**, while it is scheduled to commence in August in **Kenya** and **Somalia**. The secondary "belg" crops in **Ethiopia** are currently being harvested, while Sudan's wheat crop was harvested last April. Late and below average rains persisted throughout much of Eastern Africa during the beginning of the main rainy season (March-June), raising the prospects of a below-average harvest if poor rains continue through July.

Much of the **pastoral areas**, including central and north-east Somalia, south-east lowlands and coastal regions of Kenya, inland areas of Djibouti and south-eastern and northern regions in Ethiopia have received below-average rainfall from March to May. The limited water access and availability has lead to worsening livestock conditions and an increase in the mortality rate, particularly affecting poor households with smaller herd sizes. A combination of above-average cereal prices and unfavourable livestock conditions will have a negative impact on food security as a result of the deterioration in the terms of trade of pastoralists, although the seasonal increase in livestock prices might help somewhat.

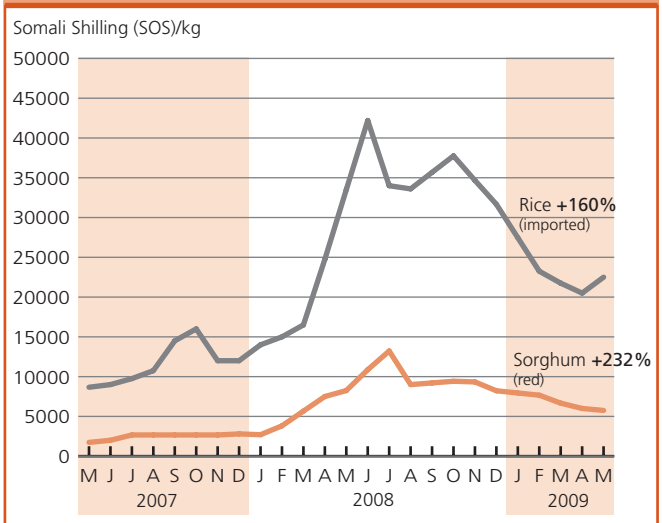
The north-east regions of the **United Republic of Tanzania** continued to receive below-average rainfall for the duration of the main "masika" season (March-June), with harvesting currently underway. By contrast, average precipitation in unimodal regions from April to May improved production prospects, with harvesting of the "msimu" main crops well underway and scheduled to finish in August in the southern highland zone. However, limited input utilization, due to the high fertiliser costs, is likely to lead to lower yields. Furthermore, in the south-east, poor localised rains in Lindi and Mtwara is expected to reduce the cereal harvest. An FAO-coordinated programme succeeded in containing Red Locust infestations through treating 10 000 ha with bio-pesticide, preventing further production losses. In **Kenya**, insufficient rainfall during the initial stage of the main cropping season (March-April) is likely to have impeded crop growth, increasing the probability of yet another poor harvest. By contrast, production estimates are favourable in western maize growing regions, bordering Lake Victoria, which received near normal rainfall from March to June. Preliminary forecasts from the Ministry of Agriculture estimate maize production at 2.4 million tonnes for the long rains season, 16 percent below the average of the past five years. Harvesting is scheduled to begin in August. Kenya has imported approximately

**Figure 8.** Maize prices in selected Eastern African markets




*Source*: Regional Agricultural Trade Intelligence Network
*Note*: Percentages indicate change from 24 months earlier.

**Figure 9.** Selected cereal prices in Mogadishu, Somalia




*Source:* Food Security Analysis Unit.
*Note*: Percentages indicate change from 24 months earlier.

1.1 million tonnes of white and yellow maize between November 2008 and mid-June 2009 in efforts to maintain domestic cereal supplies, following low production levels in 2008.

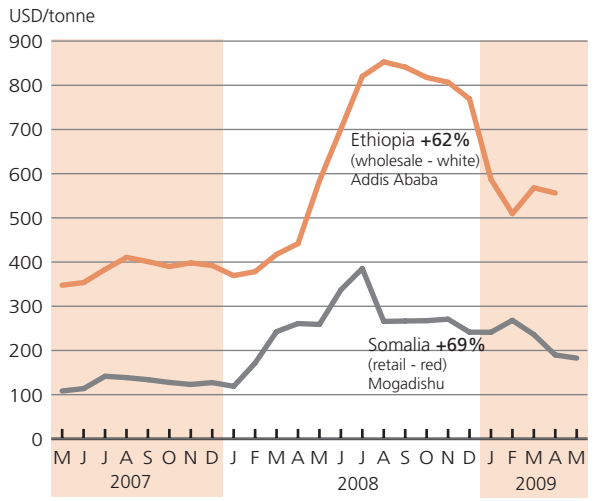
Harvesting of the "belg" crop in **Ethiopia**, which accounts for approximately 10 percent of national cereal production, is currently underway. Low rainfall from March to June and a reduction in the area planted, particularly in the Amhara region and southern Tigray, are expected to result in a lower belg production in 2009. Poor precipitation levels in central Ethiopia during June, which normally marks the start of the main "meher" cropping season, may negatively impact crop germination. However, in the western maize growing regions, the meher season has progressed well. In **Somalia**, below-average rains during April and May have had a detrimental impact in northern and north-western pastoral areas, creating unfavourable conditions for livestock. However, favourable crop conditions prevail in the southern regions – Bay (sorghum) and Shabelle (maize) – where rains have been near normal from April to mid-June, raising prospects of an improved harvest. By contrast, in central regions, particularly Galgadud and Mudug, the continuation of drought conditions have impeded crop growth and lead to water deficits. In **Sudan**, the recently harvested wheat crop was above average owing to an increase in the area planted and favourable weather conditions. Preliminary estimates indicate a harvest of around 700 000 tonnes compared to the 642 000 tonnes gathered last year. Prospects for the main coarse grain crop planted in April are mixed. Below-average rains between May and mid-June, in southern regions has led to moisture deficit and has raised concerns about the output of the main season's crops. However, improved rainfall in the border region with the Central African Republic has improved crop conditions in the south west. Late rains in north-east **Uganda** delayed planting activities, increasing concerns that the main season's harvest will be below average. In the bimodal areas, July marks the start of the dry period, with harvesting expected to commence in the same month. Poorly distributed rains across the bimodal areas resulted in variation in the development of the main crop, but overall average rains were recorded throughout most parts of the country, with the exception of western and central regions, which received below normal rains during April and May. In **Eritrea**, sowing for the main "kremti" season is underway. However, low cumulative rainfall from March to May, prior to the planting period, has raised concerns that conditions are not suitable for long cycle crops.

## Prices stabilise, but remain at above-average levels

National cereal prices have stabilized and are following normal seasonal trends, with a gradual modest increase prior to the main harvest period from June to August, in contrast to the rapid price increases that occurred in 2008. However, the region continues to experience above-average cereal prices, specifically compared to the pre-crisis level of June 2007, with prices of the region's main staple crops more than double. In particular, sorghum prices in Sudan and Somalia are approximately 190 and 230 percent higher in May 2009, relative to pre-crisis levels.

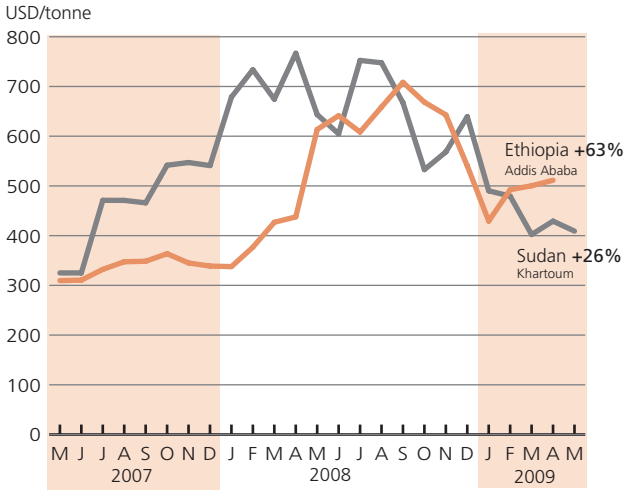
In the **United Republic of Tanzania**, maize prices have remained relatively stable in 2009; however, prices in Dar es Salam in June were 10 percent higher than last year's prices, at the

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




*Sources*: Ethiopian Grain Trade Enterprise; Food Security Analysis Unit, Somalia.
*Note*: Percentages indicate change from 24 months earlier.

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




*Sources*: Ethiopian Grain Trade Enterprise; Ministry of Agriculture, Sudan.
*Note*: Percentages indicate change from 24 months earlier.

equivalent of USD 307 per tonne. A surplus maize crop in Malawi is expected to lead to improved market availability and lower prices in southern Tanzania. Despite the import duty waiver on maize (which has been extended until December 2009) in **Kenya**, prices in Nairobi increased by 27 percent between January and June 2009 and remain 4 percent higher, at USD 391 per tonne, compared to a year earlier. The persistent high prices of maize in 2008/09 in Kenya can be explained by the decline in the national maize production in 2008, by 12 percent and 16 percent, compared to 2007 and the average of the previous five years respectively. The average share of maize imports to domestic production in the previous five years (2003/04-2007/08) was 18 percent. In 2008/09, this grew to more than 45 percent (starting from late last year when world prices were still high), with an estimated 1.1 million tonnes of maize imported between November 2008 and June 2009, predominantly from South Africa. The United Republic of Tanzania, one of the major suppliers to Kenyan markets imposed an export ban on maize. This large volume of imported maize through Mombassa port has lead to congestion and consequently an increase in demurrage costs for importers. Government initiatives in **Ethiopia**, including export bans, price controls and elimination of domestic taxes on selected items have contributed to reducing the annual food inflation rate to 52.6 percent in May 2009, down from a peak of 61.1 percent in February 2009. Nationally, cereal prices (whose weight is about 23 percent of national CPI) have declined and stabilized since reaching record levels in September 2008. In Addis Ababa, the price of maize, the most widely consumed cereal, decreased by 5 percent over 12 month period April 2008-April 2009 to USD 309 per tonne. Conversely, in **Uganda** (Kampala), the price of maize in - the country's main staple food - increased sharply in April 2009 to USD 355 per tonne, reportedly as a consequence of large scale purchases for schools, relief aid and institutional requirements. Prices have since decreased to USD 297 per tonne in June 2009 and were 21 percent lower than the high prices recorded during the same month last year.

In **Ethiopia**, the price of sorghum (white) in Addis Ababa, a main staple in most of the lowland areas of the country, declined marginally between January and April 2009 to USD 556 per tonne, though prices were 26 percent higher than the same month in 2008. In **Somalia**, the retail price of sorghum (red) in Mogadishu has decreased by 30 percent in May 2009, compared to prices recorded in the same period in 2008. The price of other important staple food commodities has also declined during the first half of 2009. For instance, the price of rice (imported) was 33 percent lower in May 2009 compared with the same period in the previous year, reflecting lower international rice prices.

In **Sudan**, the price of wheat in Khartoum in May 2009 was down by about 36 percent at USD 409 compared to the same period in 2008. The fall in international wheat prices, as well as improved domestic market supplies have contributed to this decline. However, the depreciation of the Sudanese Pound (which fell 17 percent against the USD during the period indicated) has meant that domestic prices have not decreased by as much, but still declined by 25 percent in May 2009 to SDG 978 per tonne, compared to SDG 1 311 a year earlier. By contrast, in **Ethiopia** (Addis Ababa), the retail price of wheat (which is predominantly

consumed in urban centres) was 17 percent higher in April 2009, at USD 511 per tonne, compared to the same period last year.

# Southern Africa

## Good rains in 2008/09 season result in a second consecutive record harvest in southern Africa

The region's aggregate 2009 cereal production (including forecasts for small amounts of wheat from the secondary season currently underway in a few countries) is estimated at 30.1 million tonnes, up by about 3 percent from 2008, which already was the highest level since 2000**.** Regarding maize, the main staple crop in the subregion, aggregate output is estimated at 21.8 million tonnes, 4 percent higher than last year's bumper outcome (Table 8). In general the region experienced well distributed rainfall during the main cropping season from November 2008 to April 2009. Similarly, seed and fertilizer distribution programmes in Malawi, Zambia, Angola and Madagascar contributed to this result. Increase in the aggregate production is primarily due to a boost in the harvest in **Zimbabwe, Namibia, Malawi, Zambia, Swaziland, Mozambique and Botswana**. Regional production increased in spite of a drop in the estimated production of maize and total cereals in **South Africa, Angola,** and **Lesotho.** No significant change in total cereal production is estimated for **Madagascar.**

Planting of the 2009 wheat crop in **South Africa**, which accounts for about 90 percent of the region's total wheat production, has been carried out in May-June in southern and central growing areas. Early estimates put the area planted down by about 14 percent from the previous year, continuing the long term negative trend which started in mid-1980s. A consequent decline in production later this year is forecast. This year's reduction in intended plantings is probably due to the significant drop in the international wheat prices in recent months. Wheat production in **Zambia**, although currently less than 10 percent of the regional output, is on the rise, reflecting the recent development of irrigation facilities in that country.

## Import requirements for 2009/10 marketing year are estimated to be down

Thanks to the bumper crop in several countries in the region, FAO estimates a lower cereal import requirement for the region as a whole in the 2009/10 marketing year (mostly April/March). However, given the forecast for poor wheat crop later in the year in South Africa and a consequent increase in total cereal import requirement there, the decrease in import requirements for the

**Table 8**. Southern Africa – Maize and total cereal production in 2009 (*thousand tonnes)*

| | Maize | | | | | Total cereals | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2009 forecast | 2008 estimate | 2004-08 average | 2009 over 2008 (%) | 2009 over 5-yr avg (%) | 2009 forecast | 2008 estimate | 2004-08 average | 2009 over 2008 (%) | 2009 over 5-yr avg (%) |
| **Increase in total cereals from 2008** | | | | | | | | | | |
| Zimbabwe | 1 140 | 647 | 1 137 | 76 | 0 | 1 431 | 842 | 1 452 | 70 | -1 |
| Namibia | 57 | 54 | 52 | 5 | 8 | 139 | 106 | 139 | 31 | 0 |
| Malawi | 3 662 | 2 777 | 2 326 | 32 | 57 | 3 881 | 2 989 | 2 484 | 30 | 56 |
| Zambia | 1 889 | 1 446 | 1 263 | 31 | 50 | 2 199 | 1 714 | 1 459 | 28 | 51 |
| Swaziland | 72 | 64 | 60 | 12 | 20 | 73 | 65 | 61 | 12 | 19 |
| Mozambique | 1 889 | 1 709 | 1 528 | 11 | 24 | 2 617 | 2 350 | 2 105 | 11 | 24 |
| Botswana | 8 | 7 | 7 | 10 | 13 | 44 | 40 | 33 | 9 | 34 |
| **Small change in total cereals from 2008** | | | | | | | | | | |
| Madagascar | 300 | 390 | 403 | -23 | -26 | 4 511 | 4 501 | 3 935 | 0 | 15 |
| **Decrease in total cereals from 2008** | | | | | | | | | | |
| Lesotho | 63 | 69 | 76 | -9 | -18 | 86 | 88 | 98 | -3 | -12 |
| Angola | 570 | 616 | 621 | -7 | -8 | 684 | 738 | 771 | -7 | -11 |
| South Africa | 12 120 | 13 164 | 9 773 | -8 | 24 | 14 484 | 15 834 | 12 223 | -9 | 18 |
| **Total Southern Africa** | **21 769** | **20 943** | **17 248** | **4** | **26** | **30 148** | **29 267** | **24 760** | **3** | **22** |
| **Total excluding South Africa** | **9 649** | **7 779** | **7 475** | **24** | **29** | **15 664** | **13 433** | **12 537** | **17** | **25** |

*Sources*: FAO/WFP CSFAM for Zimbabwe and Namibia; others – national government estimates.
*Note*: Totals computed from unrounded data.

rest of southern Africa (excluding South Africa) is even more pronounced (Table 9 and Figure 12). As a result of the increased production even at the small scale communal farm household level, the aggregate imported cereal food aid import requirement, calculated as a residual uncovered cereal deficit over and above the forecast commercial imports, is estimated to be lower than the actual food aid imports in the recent past. The country-by-country estimates for 2009/10 in comparison with 2008/09 and the average of the previous five years are given in Table 9 and shown in Figure 12.

## Current nominal maize prices still higher than the corresponding prices in 2008 in most importing countries

The nominal prices of maize are now coming down seasonally during this post-harvest period but are still higher in most cases than the corresponding months in 2007, which was before the soaring price crisis. In some cases, prices remain higher than a year ago. While the price increases over the 24 month period are fairly high, in most cases the increases in nominal prices over the

**Figure 12.** Southern Africa (excl. South Africa) maize and total cereal imports divided into commercial imports and food aid

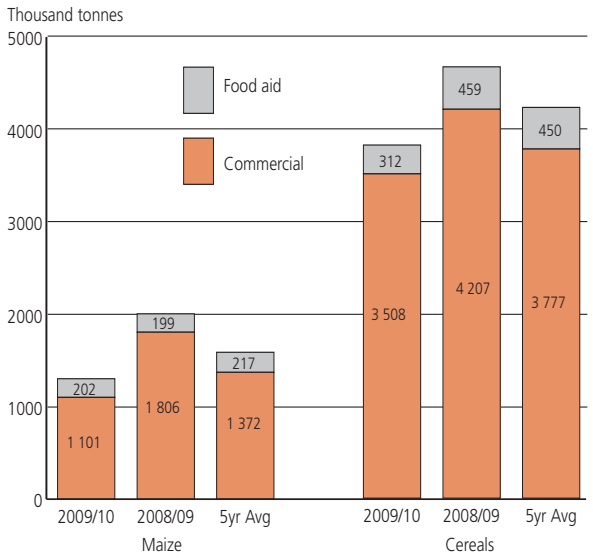
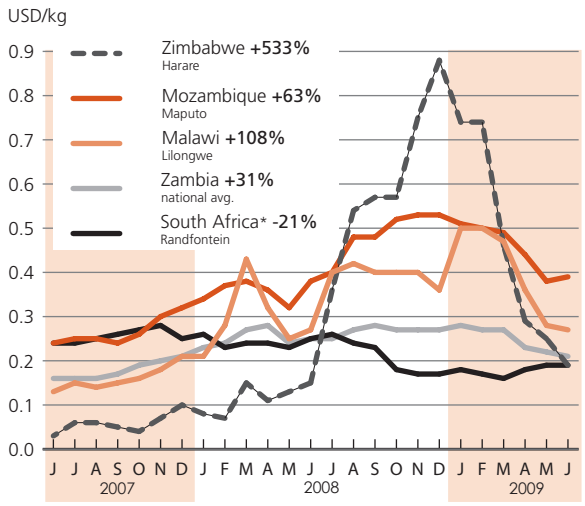



**Table 9.** Southern Africa – Maize and total cereal import requirements in 2009/10 (*thousand tonnes*)[1]

| | Maize | | | | | Total cereals | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2009/10 forecast | 2008/09 estimate | 2004/05-2008/09 average | 2009/10 over 2008/09 (%) | 2009/10 over 5-yr avg (%) | 2009/10 forecast | 2008/09 estimate | 2004/05-2008/09 average | 2009/10 over 2008/09 (%) | 2009/10 over 5-yr avg (%) |
| **Decrease in total cereal imports from 2008/09** | | | | | | | | | | |
| Zambia | 0 | 101 | 49 | -100 | -100 | 21 | 140 | 129 | -85 | -84 |
| Malawi | 1 | 109 | 162 | -99 | -99 | 61 | 186 | 252 | -67 | -76 |
| Botswana | 127 | 283 | 179 | -55 | -29 | 273 | 469 | 330 | -42 | -17 |
| Zimbabwe | 480 | 735 | 604 | -35 | -21 | 681 | 1 013 | 785 | -33 | -13 |
| Namibia | 86 | 154 | 106 | -44 | -19 | 151 | 193 | 170 | -22 | -11 |
| Mozambique | 160 | 302 | 142 | -47 | 13 | 813 | 975 | 879 | -17 | -8 |
| **Small change in total cereal imports from 2008/09** | | | | | | | | | | |
| Swaziland | 66 | 73 | 77 | -10 | -14 | 127 | 128 | 132 | -1 | -4 |
| Mauritius | 88 | 86 | 87 | 2 | 1 | 314 | 308 | 303 | 2 | 3 |
| **Increase in total cereal imports from 2008/09** | | | | | | | | | | |
| Lesotho | 117 | 100 | 100 | 17 | 16 | 212 | 203 | 204 | 4 | 4 |
| Angola | 153 | 60 | 77 | 155 | 98 | 908 | 834 | 764 | 9 | 19 |
| South Africa | 200 | 27 | 531 | 641 | -62 | 2 443 | 2 165 | 2 538 | 13 | -4 |
| Madagascar | 25 | 3 | 5 | 826 | 358 | 260 | 217 | 280 | 20 | -7 |
| **Total Southern Africa** | **1 503** | **2 032** | **2 120** | **-26** | **-29** | **6 262** | **6 831** | **6 766** | **-8** | **-7** |
| **Total excluding South Africa** | **1 303** | **2 005** | **1 588** | **-35** | **-18** | **3 819** | **4 666** | **4 227** | **-18** | **-10** |

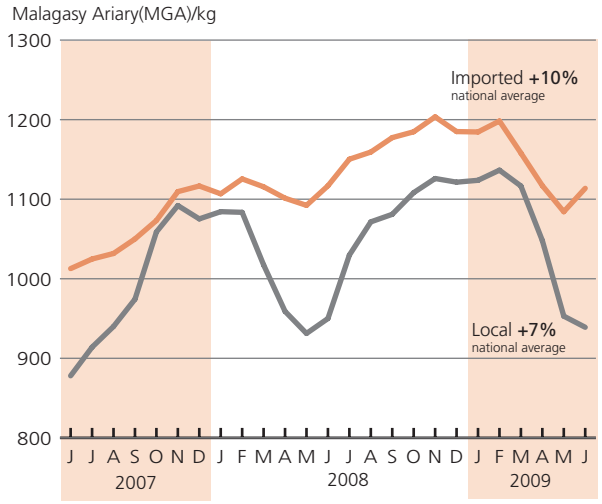
[1] Marketing year April/March except for Namibia, South Africa, Zambia (May/April) and Mauritius (January/December).
*Sources*:FAO/WFP CSFAM for Zimbabwe and Namibia; others – national government estimates.
*Note*: Totals computed from unrounded data.

**Figure 13.** White maize prices in selected Southern African markets




*Wholesale prices, all others retail prices.
*Sources:* WFP/CFSAM/FEWSNET, Zimbabwe. Sistema De Informação De Mercados Agrícolas De Moçambique, Mozambique. Ministry of Agriculture and Food Security, Malawi. Central Statistical Office, Zambia. SAFEX Agricultural Products Division, South Africa.
*Note:* Percentages indicate change from 24 months earlier.

**Figure 14.** Rice prices in Madagascar




*Source:* Observatoire du Riz.
*Note:* Percentages indicate change from 24 months earlier.

past 12 months are less than the rate of consumer price inflation, implying some reduction in real prices from the peak levels of 2008. The maize surplus countries such as **South Africa** and **Zambia** in general have lower local prices than the deficit countries. Maize price in South Africa owing to another bumper harvest this year (although slightly below last year's record output) and high carry over stocks has declined and remained low. **Namibian** market prices, dependent on South Africa and tied to its currency at one-to-one ratio, follow South African market fairly closely. However, price spikes do occur depending on the timing of imports.

**Zimbabwe** went from a position of having the lowest maize prices in the region, mostly on account of government controls, to the extreme price hikes (even in US Dollar terms) due to reduced domestic production and imports during the hyperinflationary period. With the recent economic reforms, such as the abandonment of the Zimbabwe dollar and adoption of the US Dollar and South African Rand as legal currencies, removal of import restrictions on food, allowing private trade, etc., and a relatively good harvest, prices have come down drastically and are now more in line with the import parity levels.

Retail prices of maize in Maputo in southern **Mozambique**, the main cereal deficit area, are among the highest in the region. This reflects the high cost of moving grain from the surplus north of the country or of imports from South Africa.

In **Madagascar**, the rice price is following the usual seasonal movement and currently is at about the same level as the corresponding months last year, but slightly up from two years back. This price movement is more or less consistent with the estimated level of national paddy harvest for 2009/10. The price of imported rice being influenced by international and domestic prices, has followed similar but less pronounced pattern.

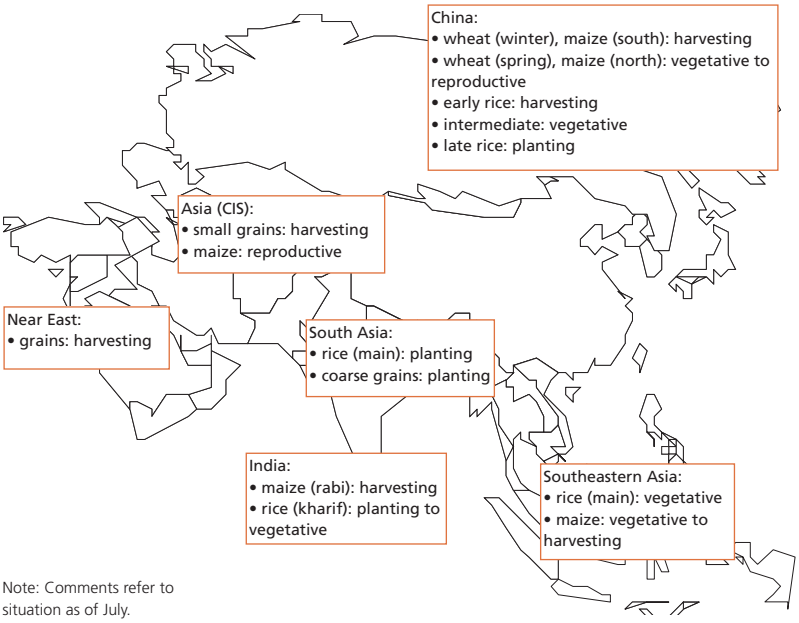
## Overall food security situation has improved but localized food insecurity and vulnerability persist

The overall food security in southern Africa subregion has improved during this post-harvest period and is expected to be much better this year than last few years as majority of the countries in the region have gathered good harvests. In aggregate there is more than enough supply of white maize than the import requirement in the region, which amount to about 1.3 million tonnes (excluding South Africa). South Africa alone is expected to have more than 2 million tonnes of exportable maize surplus. In addition, based on official estimates, Malawi and Zambia are also expected to have surplus maize this year. In the midst of this, however, pockets of vulnerability and food insecurity exist in southern Africa notably in **Zimbabwe**, **Lesotho** and **Swaziland**.

# Asia

## Far East

### Bumper early season cereal crops harvested in the major producing countries




Note: Comments refer to situation as of July.

Harvesting of the 2008/09 winter wheat and of first season 2009 rice crops is almost complete throughout the subregion, while land preparation and planting of the main rice and coarse grain crops are well advanced. In **China (Mainland)**, harvesting of the winter wheat crop, which accounts for about 95 percent of China's annual wheat production, has virtually been completed in the major wheat-producing provinces. Despite the severe winter drought in the early stage of the season, a bumper output is estimated because of timely rainfalls and increased irrigation supplies supported by the government during late February and March. The country's 2009 aggregate wheat output, which includes some expected 6 million tonnes of spring wheat yet to be harvested, is tentatively forecast at a record 113.2 million tonnes, 0.74 million tonnes above the previous high set last year. Harvesting of the 2009 wheat crop in **India** is also almost complete and output is preliminarily estimated at 77.6 million tonnes, which is below the previous record set last year (78.4 million tonnes), but much higher compared to the five-year average (72.85 million tonnes). Similarly, in **Pakistan** a bumper 2009 wheat crop has just been harvested, reflecting the favourable rains and strong government support in maintaining the minimum guaranteed producer price. Harvesting of the winter wheat crop in **Islamic Republic of Iran** is currently underway. In the northwest region - the main wheat growing area - favourable rainfall was recorded during the growing season, with well-above rains received in April. Wheat production is expected to increase by 38 percent relative to last year's poor harvest, reaching 13.5 million tonnes in total, while barley production is forecast at 2.2 million tonnes.

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

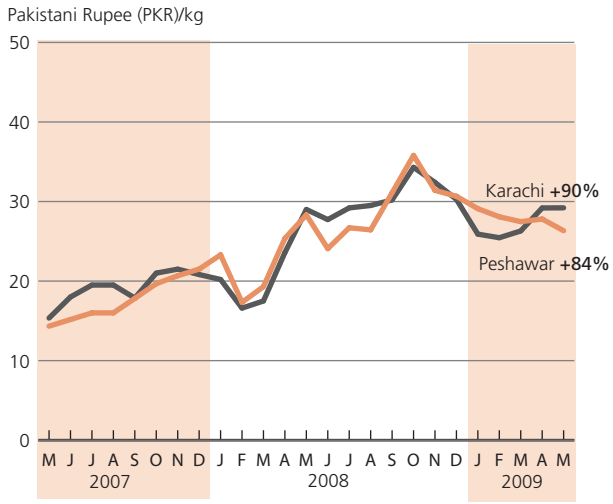
| | Wheat | | | Coarse grains | | | Rice (paddy) | | | Total cereals | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2007 | 2008 estim. | 2009 f'cast | 2007 | 2008 estim. | 2009 f'cast | 2007 | 2008 estim. | 2009 f'cast | 2007 | 2008 estim. | 2009 f'cast |
| **Asia** | **285.6** | **276.0** | **287.4** | **268.9** | **277.2** | **277.4** | **601.2** | **622.6** | **622.5** | **1 155.7** | **1 175.8** | **1 187.3** |
| **Far East** | **212.0** | **216.3** | **218.3** | **242.7** | **256.0** | **253.5** | **595.5** | **618.0** | **617.5** | **1 050.2** | **1 090.3** | **1 089.3** |
| Bangladesh | 0.7 | 0.9 | 1.0 | 0.5 | 0.5 | 0.5 | 43.4 | 47.9 | 48.0 | 44.6 | 49.3 | 49.5 |
| China | 109.3 | 112.5 | 113.2 | 163.6 | 175.9 | 172.2 | 187.4 | 193.4 | 194.7 | 460.3 | 481.7 | 480.1 |
| India | 75.8 | 78.4 | 77.6 | 40.7 | 38.0 | 37.8 | 145.0 | 149.0 | 145.2 | 261.5 | 265.4 | 260.6 |
| 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 | 23.8 | 3.7 | 3.7 | 3.7 | 8.3 | 9.8 | 9.5 | 35.3 | 35.3 | 37.0 |
| Thailand | 0.0 | 0.0 | 0.0 | 4.1 | 4.5 | 4.5 | 32.1 | 31.4 | 31.1 | 36.2 | 35.9 | 35.6 |
| 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 |
| **Near East** | **45.9** | **35.9** | **43.8** | **20.6** | **16.6** | **19.2** | **5.0** | **4.0** | **4.3** | **71.4** | **56.5** | **67.2** |
| Iran (Islamic Republic of) | 15.0 | 9.8 | 13.5 | 5.1 | 2.9 | 3.4 | 3.3 | 2.6 | 2.8 | 23.5 | 15.3 | 19.7 |
| Turkey | 17.2 | 17.8 | 20.0 | 11.4 | 10.8 | 11.7 | 0.6 | 0.8 | 0.8 | 29.2 | 29.3 | 32.5 |
| **CIS in Asia** | **27.6** | **23.6** | **25.3** | **5.7** | **4.6** | **4.7** | **0.7** | **0.6** | **0.7** | **33.9** | **28.9** | **30.7** |
| Kazakhstan | 16.6 | 12.5 | 14.0 | 3.3 | 2.3 | 2.5 | 0.3 | 0.3 | 0.3 | 20.2 | 15.1 | 16.8 |

*Note*: Totals computed from unrounded data.

## Summer crop season already started but prospects are uncertain

In **India**, sowing of the main Kharif coarse grains and rice crops for harvest in September is underway. The early outlook is unfavourable because of the delayed arrival of the southwest monsoon in some major producing regions. By 2 July, all India-area weighted cumulative rainfall since the start of monsoon season (1 June) is 46 percent below the average. However, the final outcome of Kharif season will depend greatly on the development of southwest monsoon rains in July and August. Harvesting of the boro rice crop in **Bangladesh** was completed in May and a bumper crop is reported. The southwest monsoon is currently active over Bangladesh and this is an indication of a good start for the Aman season crops. In **Sri Lanka**, the main 2009 maha rice crop, planted in October-November 2008, has been harvested. Total paddy production (Maha and Yala) in 2009 is estimated at 3.6 million tonnes, only slightly below the record of the previous year. Similarly, a record main rice crop is also reported in **Indonesia**.

**Figure 15.** Retail wheat flour prices in Pakistan




*Source:* Pakistan Bureau of Statistics.
*Note:* Percentages indicate change from 24 months earlier.

## Governments' new policies on trade and production

Several countries have new policies to encourage grain exports and support 2009 food grain production. In view of the expected bumper crops and sufficient cereal supply in 2009/10, **China** has eliminated export taxes on some grains, including wheat (3 percent), rice (3 percent), and soybeans (5 percent), effective 1 July. China also eliminated special export taxes on some fertilizers. The Government of **India** has reportedly allowed the export of 650 000 tonnes of wheat following the state procurement of cereal in 2009 of over 24 million tonnes, much higher than in the previous year. The Government is reportedly planning to ease non-basmati rice exports if there will be a marketable rice surplus after meeting the requirements for the country's safety net programme. The Government of **Thailand** has set the farmers guaranteed price for second-crop paddy at THB 11 800 (USD 332) per tonne under a new intervention scheme starting on March 16 and running through July. The second-crop intervention program has reportedly led to the procurement of 4.1 million tonnes of paddy, valued at THB 46 million (USD 1.4 billion). The Prime Minister of **Vietnam** reportedly instructed state-owned companies to buy as much as 2 million tonnes of rice to support the production of the second season paddy rice crop. In the first half of this year, the country exported 3.8 million tonnes of rice, up 25 percent over the same period in the previous year.

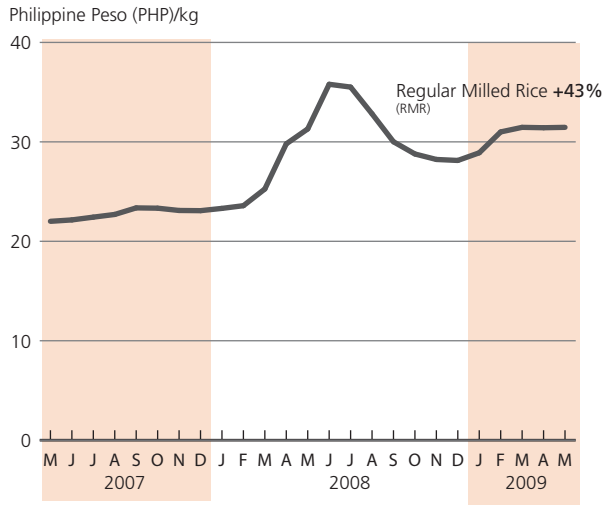
## Food prices are still historically high in several countries

Food staple prices have continued to decline in some countries in the second quarter of the year. But they remain significantly higher in comparison to the pre-2008 food-crises levels. The price impact on overall food consumption of the vulnerable population is still substantial. In **Sri Lanka**, the retail price of rice in Colombo was 62.3 Rupee/kg in June 2009, only some 6 percent down from the same month in 2008, but 74 percent over that of the same month two years ago. In **Pakistan**, the retail price of wheat flour in Karachi was 29.21 rupee/kg in May 2009, 15 percent below the peak in October 2008, but still 90 percent higher compared to that in May 2007. In the **Philippines**, the national average retail rice (Regular Milled Rice or RMR) price was 31.46 peso/kg in May 2009, 12 percent below that the peak level in June 2008, but still 43 percent above that in May 2007.

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

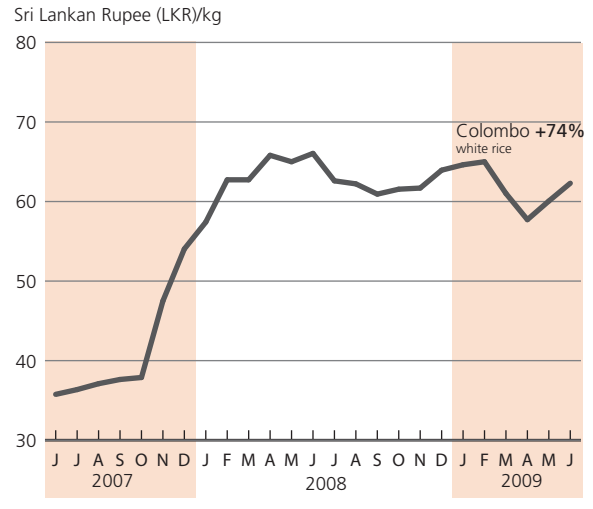
Despite an overall satisfactory food supply situation in the subregion, vulnerable populations in a number of Asian countries are still affected by serious food supply difficulties. More than two million people in **Nepal** face a precautious food situation as a result of crop failure due to the 2008/09 winter drought. Crop yields in some districts in Mid- and Far-Western Nepal – which received less than 50 percent of average rainfall during the period from November 2008 to February 2009 - have dropped by more than half based on the recent MOAC, WFP and FAO joint crop assessment report. Cyclone Aila struck the southwestern coast of **Bangladesh** on 25 May, causing widespread devastation. Over 240 000 homes have been completely destroyed and 370 000 homes partly

**Figure 16.** Retail rice prices in the Philippines



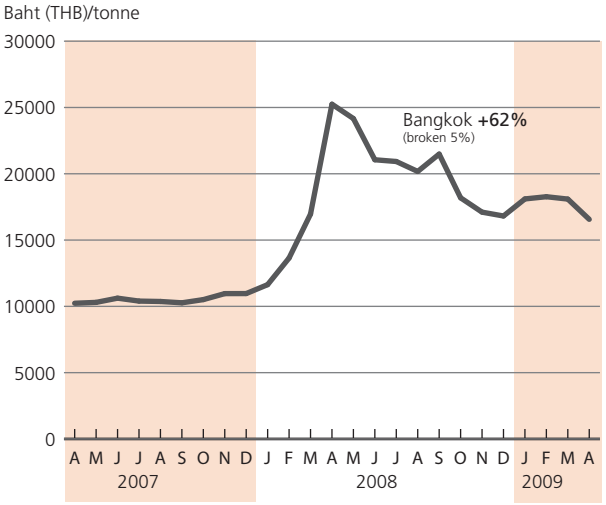

*Source:* Bureau of Agricultural Statistics.
*Note*: Percentages indicate change from 24 months earlier.

**Figure 17.** Retail rice prices in Sri Lanka




*Source:* Department of Census and Statistics.
*Note*: Percentages indicate change from 24 months earlier.

**Figure 18.** Wholesale rice price in Thailand




*Source:* Bank Of Thailand.
*Note*: Percentages indicate change from 24 months earlier.

destroyed, causing food insecurity for over 4 million people. Some 3 million people in **Pakistan**'s northwest region have been reportedly displaced and faced food shortages due to the recent civil conflict. In **Sri Lanka**, following the cessation of the conflict between the Liberation Tamil Tigers of Eelam (LTTE) and the Government in May 2009, over 300 000 people were displaced and have since been housed in government-run camps. In **Myanmar**, agricultural and food assistance continues to be needed for the summer season and the current monsoon season to help small farmers recover their production and livelihoods in the areas affected by cyclone Nargis last year. The food situation of more than 6 million vulnerable people in the **Democratic People's Republic of Korea** is expected to worsen during the lean growing season before the November harvest because of reductions in aid. The World Food Programme has received only 15 percent of the USD 504 million it needs to fulfil its planned emergency assistance needs.

## Near East

Across the subregion, harvesting of the 2009 winter crops is almost complete, with most countries experiencing seasonably dry weather in June. During May, average rainfall across much of Turkey maintained mostly favourable soil moisture for the reproductive to filling stage of the winter wheat and barley crops. Estimates indicate improved cereal production, forecast at about 67 million tonnes, compared to last year's output of 56.5 million tonnes, when extreme drought conditions decimated crops.

In **Turkey**, dry weather during June favoured an early harvest in most growing areas. Barley production is expected to increase by approximately 27 percent, relative to last year's harvest, to 7.5 million tonnes, owing to favourable rainfall. Wheat production is forecast at 20 million tonnes, an average crop, and 12 percent above the previous year. Similarly, **Syrian Arab Republic** received normal rainfall during the cropping season, with dry spells in June during the harvest period. The winter wheat harvest is expected to be the second lowest of the current decade, even though wheat

production is forecast to increase by 53 percent, to 3.2 million tonnes, compared to last year. In spite of this, grain imports will continue to be required to meet domestic needs. Harvesting of the winter barley crop is complete, with production forecast at 700 000 tonnes. In **Iraq**, accumulated rainfall from September 2008 to April 2009 averaged between 25 and 65 percent of normal levels in the principal wheat growing regions. The below-average rainfall hindered winter crop development, particularly in the northern region, with wheat production expected to increase compared to last year to 2 million tonnes. To stabilise domestic cereal supplies another year of above-average cereal imports will be required in 2009/10. Cereal production in **Israel** is forecast at 88 000 tonnes, well below average, but about 30 percent up over last year's exceptionally low cereal production. Despite poor rains during the initial stages of the cropping season in **Afghanistan**, rainfall improved between February and May 2009. Higher wheat prices encouraged farmers to increase the sown area for wheat, with production forecast at 3.5 million tonnes. Harvesting of the winter crops is scheduled to conclude in August. In **Lebanon** and **Jordan**, cereal production is forecast to increase compared to a year earlier, with harvesting of the winter crop scheduled to finish in July.

## Asian CIS

In Asian CIS countries, sowing of spring cereals has been completed and harvesting of winter cereals has started, except in **Kazakhstan** where the harvest season starts in September. Good rainfalls during the spring season have maintained adequate soil moisture levels raising the prospects for a good cereal harvest in the region.

Reflecting an increase of the land sown to grains, **Azerbaijan** is expected to produce an above-average grain output of over 2 million tonnes, with more optimistic forecast, close to 2.5 million tonnes. If those forecasts are confirmed, wheat imports will be significantly reduced in the 2009/10 marketing year. In **Georgia**, the wheat harvest is forecast to be as good as last year, after two consecutive poor harvests in 2007 and 2006. In **Tajikistan**, the situation is mixed as heavy rains have damaged spring sown crops, such as cotton and coarse grains, while the winter wheat harvest is expected to partly recover from last year poor output.

In **Kazakhstan**, the area sown to wheat is estimated to have increased to 13.8 million hectares compared to 12.9 million hectares of last year. Provided normal weather conditions prevail during the summer season, the 2009 wheat output could increase to 14 million tonnes from 12.5 million tonnes in 2008. Wheat exports in the current 2008/09 marketing year are estimated to reach 5.5 million tonnes or approximately 30 percent less than the previous year. In view of the large wheat harvest anticipated for this year, export availabilities in 2009/10 could be substantially higher.

# Latin America and the Caribbean

## Central America and the Caribbean

### Weather conditions favour wheat harvest in Mexico

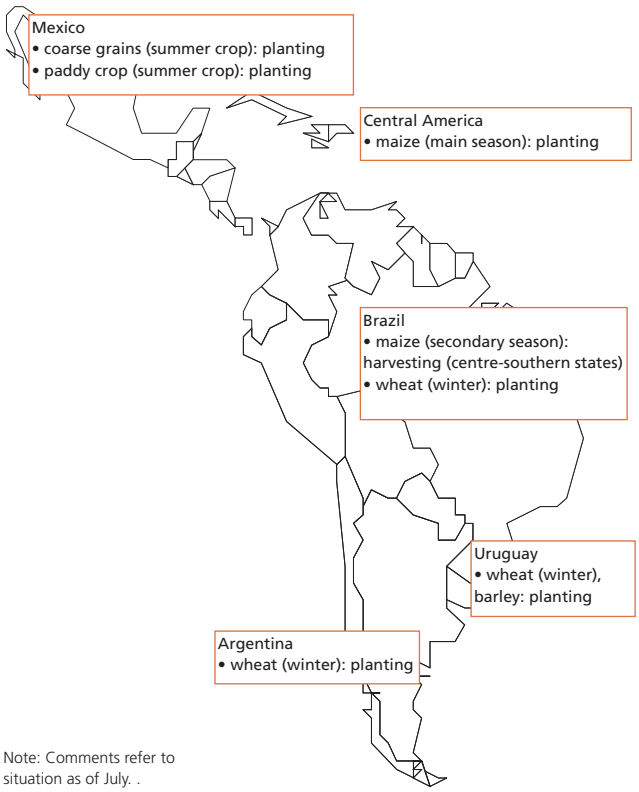
Dry weather conditions have favoured rapid maturation and harvesting of the 2009 main winter wheat crop in **Mexico**'s key producing states of Sonora, Guanajuato, Baja California and Michoacán. Seasonal output is tentatively estimated at a record 3.9 million tonnes, mainly due to a substantial increase in planted area that reached 725 000 hectares, exceeding official planting intentions by about 10 percent or some 75 000 hectares.

### Early outlook for coarse grain production promising

Planting of the 2009 first season (mainly rain-fed) coarse grain and bean crops is underway in all Central American countries. In **Mexico**, after few weeks of dryness, beneficial rains in June in eastern and central sections of the southern plateau, boosted soil moisture for 2009 summer maize and sorghum crops in key growing states of Guanajuato, Jalisco and Michoacán. Plantings are expected to be close to the good levels achieved in 2008, with 6.9 million hectares of summer maize and 1.1 million hectares of sorghum anticipated. In the Caribbean, planting is underway in **Cuba**, while harvesting has already started in **Haiti** and the **Dominican Republic** where production prospects are favourable following well-distributed precipitation throughout the whole growing season.

In aggregate subregional coarse grain area is expected to reach the record level of 12.4 million hectares in 2009, slightly above the previous record set last year and continuing the expanding trend started in 2005. Planting of the 2009 main summer season paddy crop is underway throughout the subregion and planting intentions point to a record area of about 710 000 hectares, with an increase of about 20 000 hectares compared to 2008, mainly in Cuba, Haiti and Dominican Republic.

Based on the results of harvests already underway and assuming normal conditions and average yields for the crops just being sown, the subregion's aggregate cereal production is tentatively forecast at 41.3 million tonnes, 1.4 million tonnes less than 2008 record output but still 6 percent above the average of the past five years.



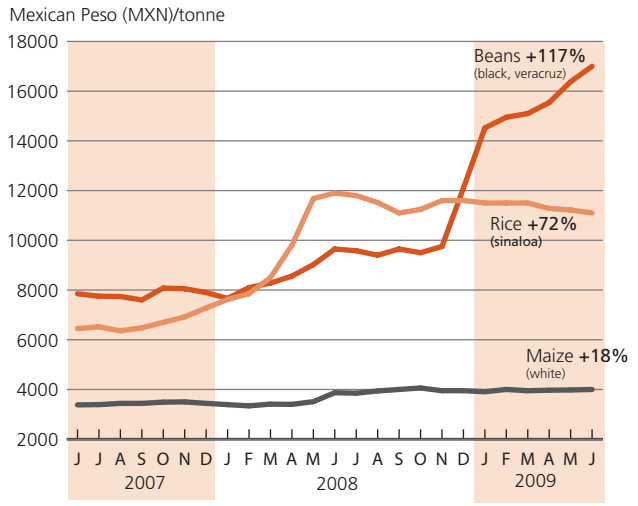

Note: Comments refer to situation as of July. .

**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 |
| **Latin America & Caribbean** | **27.0** | **21.1** | **20.5** | **127.6** | **137.7** | **118.0** | **24.5** | **26.7** | **27.4** | **179.1** | **185.4** | **165.9** |
| **Central America & Caribbean** | **3.6** | **4.0** | **4.1** | **34.0** | **36.1** | **34.5** | **2.5** | **2.6** | **2.7** | **40.0** | **42.7** | **41.3** |
| Mexico | 3.6 | 4.0 | 4.1 | 29.7 | 31.9 | 30.1 | 0.3 | 0.3 | 0.3 | 33.6 | 36.2 | 34.5 |
| **South America** | **23.4** | **17.1** | **16.4** | **93.6** | **101.6** | **83.5** | **22.1** | **24.1** | **24.7** | **139.0** | **142.7** | **124.6** |
| Argentina | 16.3 | 8.3 | 7.0 | 26.6 | 27.0 | 16.8 | 1.1 | 1.2 | 1.2 | 44.0 | 36.6 | 25.0 |
| Brazil | 4.1 | 5.9 | 5.7 | 53.9 | 61.6 | 53.3 | 11.3 | 12.1 | 12.7 | 69.3 | 79.6 | 71.8 |
| Colombia | 0.0 | 0.0 | 0.0 | 1.8 | 1.8 | 1.9 | 2.4 | 2.6 | 2.6 | 4.2 | 4.4 | 4.5 |

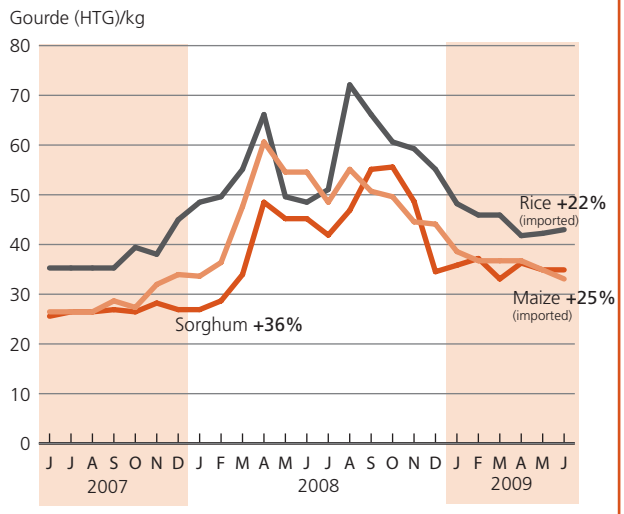
*Note*: Totals computed from unrounded data.

**Figure 19.** Wholesale prices of selected commodities in Mexico City, Mexico



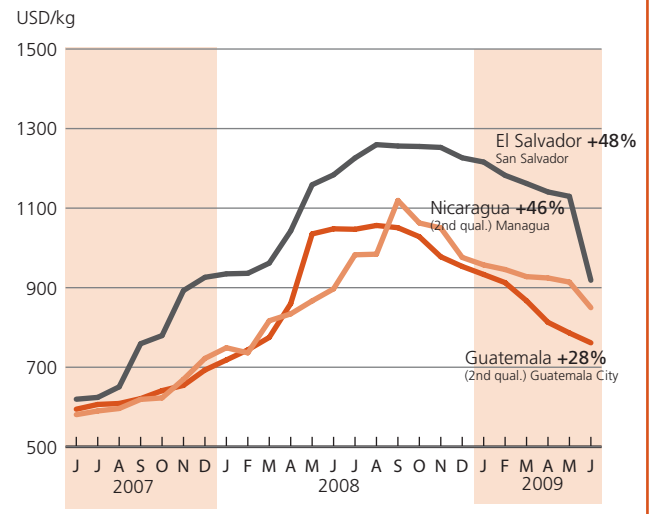

*Source:* Sistema Nacional de Información e Integración de Mercados
*Note*: Percentages indicate change from 24 months earlier.

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



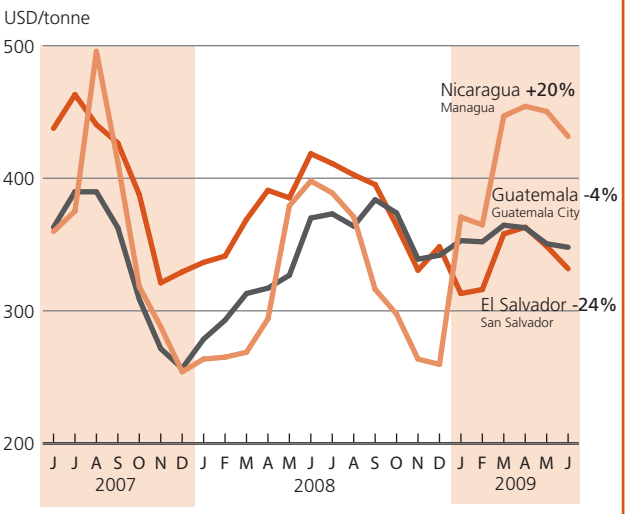

*Source:* Coordination nationale de la sécurité alimentaire.
*Note*: Percentages indicate change from 24 months earlier.

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




*Sources:* Ministerio Agropecuario y Forestal, Nicaragua. Ministerio de Agricultura, Ganadería y Alimentación, Guatemala. Dirección General de Economía Agropecuaria, El Salvador.
*Note*: Percentages indicate change from 24 months earlier.

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




*Sources:* Ministerio Agropecuario y Forestal, Nicaragua. Ministerio de Agricultura, Ganadería y Alimentación, Guatemala. Dirección General de Economía Agropecuaria, El Salvador.
*Note*: Percentages indicate change from 24 months earlier.

## Prices remain higher than last year's level in spite of favourable production outlook

Since August 2008 wholesale prices of white maize (used to prepared tortillas) and rice in Mexico, have stabilized at high levels of 4 000 and 11 500 pesos per tonne, respectively. On the contrary, wholesale prices of beans have continued to skyrocket: from January 2008 to June 2009, they passed from 7 700 to more than 17 000 pesos per tonne, severely affecting the access of local consumers to this important source of proteins. In all other Central American countries, except Nicaragua, prices of cereals are either stable or declining from the peaks achieved in mid-2008. Since many countries are in the hunger season, which will last until the arrival on markets of first season production in August, prices are expected to go up again, with negative impact on food security of most vulnerable people, especially in poor urban areas.

In Haiti, the population with food insecurity is officially estimated to have declined to 2.1 million from 2.8 million at the beginning of the year. This reflects the very good production of 2008 winter staple foods, the gradual reduction in market prices and the implementation of safety net programs based on donor or government-financed labour-intensive works. However, food assistance continues to be required by most food vulnerable groups in poorest urban slums as well as in the departments of North-West, Artibonite, South-East, Nippes, South and the Grand'Anse.

# South America

## Significant drop in 2009 maize and wheat aggregate production

Cereal production in 2009 is early forecast at 124.6 million tonnes; some 14 percent less than the 2008 record output and 4 million tonnes below the average of the last five years. This is mainly due to the significant reduction in summer maize crop production, whose harvest is almost completed throughout the subregion, and the unfavourable prospects for winter wheat crop that is still at planting stage. Harvesting of 2009 maize crop will be completed in July/August and aggregate production is estimated to drop by almost 20 percent from last year's record of 91.7 million tonnes to 74.5 million tonnes as a consequence of the drought throughout the growing season that affected all major producing areas. In addition, unattractive domestic prices coupled with high costs of inputs and low access to credit have induced farmers to reduce planted area and the application of fertilizers with negative effects on yields. Aggregate production of 2009 wheat crop is early forecast to be very similar to or even lower than the 2008 low level of 17 million tonnes because of the severe dry weather conditions and cold temperatures that are hampering planting operations in **Argentina**, one of the top five global wheat supplier in recent years and the lead producer of the subregion. Here estimates of planted area have been continuously revised downward in the last few weeks, with only 3 million hectares now expected, the lowest level of last 100 years and some 30 percent below last year's level. However, a different scenario for 2009 wheat crop is reported in Brazil and Uruguay. In **Brazil**, planted area is early forecast at about 2.3 million tonnes, similar to the 2008 good acreage and, assuming favourable weather conditions persist during the season, an above-average production of 5.7 million tonnes is tentatively forecast. In **Uruguay**, official planting intentions for wheat point to some 500 000 hectares, about 9 percent above 2008 record acreage and double of the last five year average. This renewed interest for wheat crop is partially due to the increasing investments by Argentinian farmers that prefer to move to Uruguay because of a series of local factors, such as higher domestic prices, better export conditions and access to credit, and cheaper land rent.

## Positive outlook for 2009 paddy production

The subregion aggregate production for paddy, whose harvest is virtually completed, is estimated at a record level of 24.7 million tonnes, about 3 percent above the good 2008 crop. Large productions are reported in some Andean countries, such as Bolivia, Peru and Venezuela, as well as in Brazil and Uruguay. In **Bolivia**, 2009 paddy production is officially set at the record level of 457 000 tonnes, 20 percent more than in 2008, as a consequence of record plantings in the oriental plains of 200 000 hectares. In **Peru**, harvesting of 2009 irrigated paddy crop will be completed in July/August. Attractive producer prices at the beginning of the season and adequate water reservoir levels in major northern producing areas have led farmers to plant some 370 000 hectares, an acreage very similar to previous year's record. Assuming average yields, 2009 paddy production is early estimated at the near-record level of 2.7 million tonnes. In Brazil and Uruguay, favourable climatic conditions throughout the growing season have resulted in record yields and to above average productions.

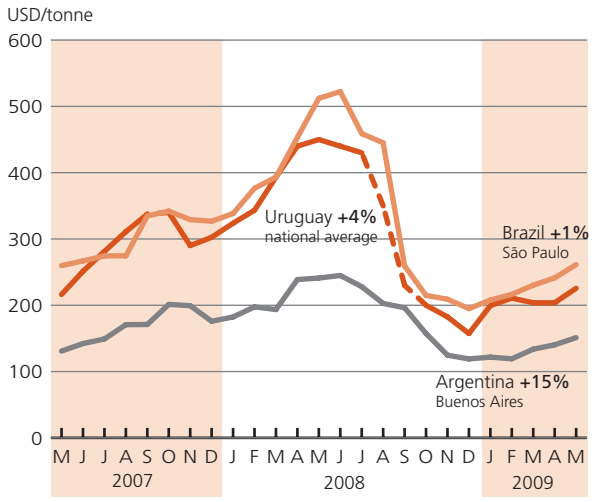
## Argentine cereal exports are loosing ground

The expected shortfall in wheat and maize crop production in Argentina is a major new issue in the subregion. Cereal exports of Argentina are forecast at record low 12 million tonnes in marketing year (July/June) 2009/10, well below the last five year average of almost 20 million tonnes. In particular, exports of maize are forecast at a low of 9 million tonnes, while exports of wheat may only reach 1.5 million tonnes. This situation is opening trade opportunities for other exporting Mercosur countries, such

**Figure 23.** Cereal export trend in Argentina

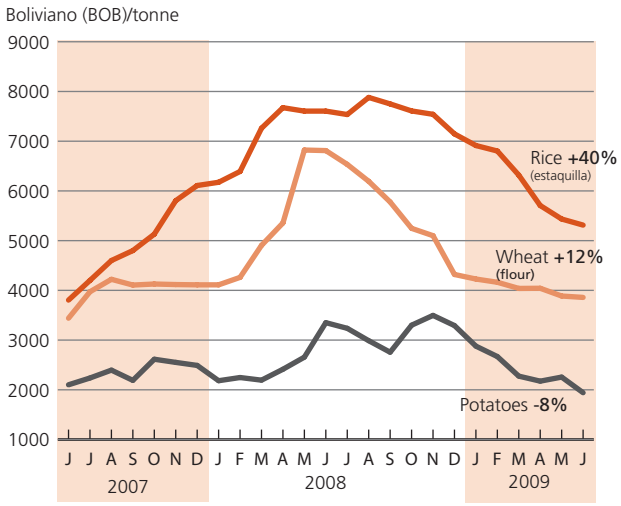

*Source*: FAO/GIEWS

**Figure 24.** Wholesale wheat prices in Argentina, Brazil and Uruguay




*Sources:* Bolsa de Cereales, Argentina. Instituto de Economia Agrícola, Brazil. Ministerio de Ganadería Agricultura y Pesca, Uruguay.
*Note*: Percentages indicate change from 24 months earlier. Uruguay data from Aug. to Oct. 08 are missing (dashed line).

**Figure 25.** Wholesale prices of selected commodities in La Paz, Bolivia




*Source*: Servicio Informativo de Mercados Agropecuarios, Bolivia.
*Note*: Percentages indicate change from 24 months earlier.

as Brazil for maize and Uruguay and Paraguay for both maize and wheat, but also forcing important wheat importers such as Brazil to look for alternative suppliers outside the subregion such as the Russian Federation and Canada.

## Food prices continue to decline in main Andean markets

In Andean countries, prices of main staple food are declining with the arrival on markets of the new production. In La Paz (Bolivia), compared to one year ago, wholesale nominal prices of rice, potatoes and wheat flour in June were lower by about 28, 40 and 41 percent, respectively. In Peru, the average wholesale price of rice has continued to decline from the peak registered in October 2008 and this trend is expected to continue due to the good prospects for 2009 paddy production. The price of potatoes has also dropped by about 25 per cent from the record level of January 2009, but it is still 21 percent above the price of 12 months earlier. On the contrary, in Lima, the retail price of wheat flour has remained practically unchanged from the record level of June 2008.

After a steady decline from record levels reached in April/May 2008, wholesale wheat prices have started to climb again since the beginning of 2009 in key producing countries such as Argentina, Brazil Paraguay and Uruguay, mainly reflecting the poor prospects for Argentina's production.

# North America, Europe and Oceania

## North America

### Smaller winter wheat crop being harvested in the United States while maize plantings turn out higher than expected

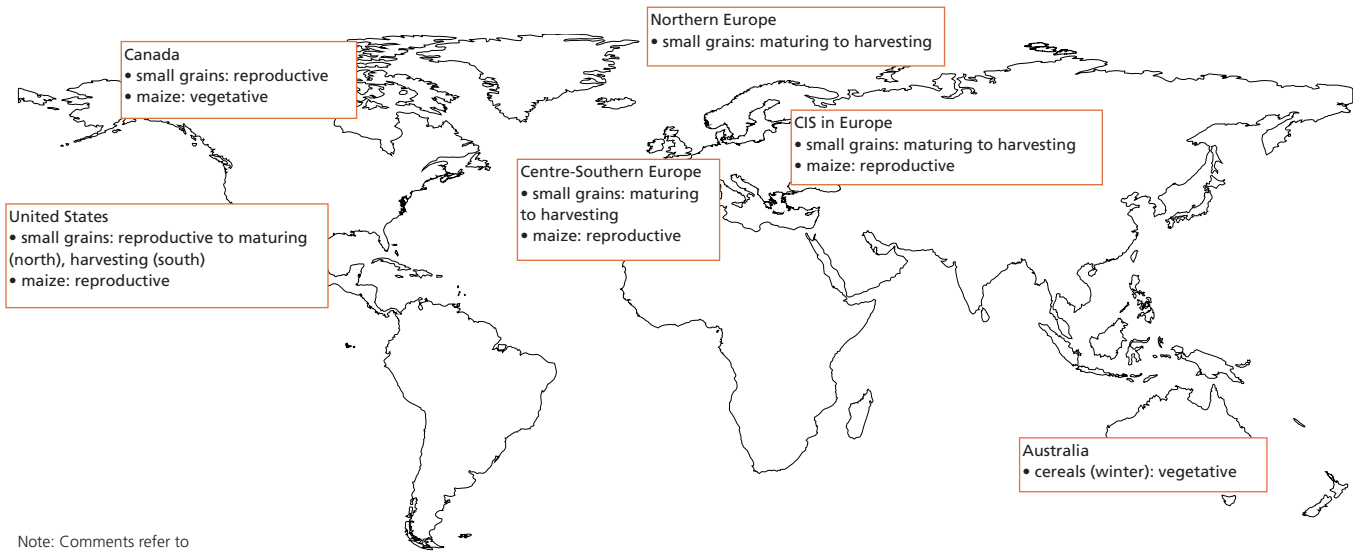
In the **United States**, after a slow start, winter wheat harvesting was well underway in the southern states as of late June. The latest official forecast puts the winter wheat output at some 40.6 million tonnes, about 20 percent down from the previous year. The area sown decreased by 6 percent and lower yields are expected in some parts, especially in Texas and Oklahoma where crops were damaged by adverse weather. Latest indications also continue to point to a smaller spring wheat harvest despite the generally good condition of crops. Any improvements in yields expected compared to last year are unlikely to compensate for the decline in area planted, which is officially estimated to be down by about 3 percent from 2008. Aggregate wheat output is now forecast at 54.9 million tonnes, slightly below earlier expectations and about 19 percent down from last year. Regarding coarse grains, latest official reports estimate that despite wet weather during planting in some parts, the bulk of the maize crop was planted by early June and the total area amounts to about 35.2 million hectares, 1 percent up from the previous year and the second largest area in more than 60 years. Assuming average yields, maize output in 2009 is currently forecast at 303 million tonnes, close to last year's level; but much will still depend on weather conditions in the coming months. In **Canada**, prospects for the 2009 wheat crop have deteriorated slightly in the past weeks reflecting sowing delays in some parts because of wet weather and unseasonably cold weather that slowed emergence. Although the final area sown to wheat may turn out similar to last year's, which is more than had been expected from farmers' planting intentions earlier in the year, yields are expected to be lower than last year's relatively good levels and the wheat output in 2009 is now forecast at 25 million tonnes, 13 percent down from 2008.

## Europe

### Cereal production forecasts trimmed back following dry weather in parts, especially in the east of the region

Although previous forecasts already pointed to lower cereal output this year in the region because of reduced plantings, latest information indicates that reduced yield prospects in some countries could lead to a smaller harvest than earlier expected. In the **EU**, weather conditions in recent weeks have been generally favourable but reports from some countries indicate that earlier dry weather caused irreversible damage and reduced yield potential. This was particularly the case in Romania and Hungary. The aggregate wheat output of the EU in 2009 is now forecast at about 135 million tonnes, some 10 percent down from last year, while coarse grains output, forecast at 150 million tonnes, would be about 8 percent down from 2008.

In **European CIS** countries, planting of the spring cereals has been completed and harvesting of winter cereals has recently started. Unusual cold and dry whether during the month of April has delayed the spring cereals planting campaign; however warmer temperatures and good precipitations during May and June have promoted spring cereal emergence and improved winter cereal conditions. The outlook for the aggregate cereal production in 2009 is good, with early forecast for the region set at 144.2 million tonnes, 15 percent below the bumper harvest of last year, but still 10 percent above the average of the past five years.




Note: Comments refer to situation as of July.

The aggregate area sown to cereals for the 2009 harvest is estimated to similar levels, if not slightly above, to those of last year. Yields, however, are expected to be lower than in 2008, reflecting dry and cold weather at the beginning of the spring season.

In the **Russian Federation**, the outlook for the 2009 cereal harvest is good and output could reach its second highest level, after last year's record of 106.2 million tonnes. The aggregate cereal planted area is expected to reach some 46.6 million hectares, about one million hectares more than the previous year. Assuming normal weather until harvest, cereal output in 2009 is tentatively forecast at some 95 million tonnes, including 59 million tonnes of wheat compared to 63.8 million tonnes in 2008. Cereal exports in the new marketing year are anticipated to decline by about 3 to 5 million tonnes from a record 22.9 million tonnes estimated for the 2008/09 marketing year, reflecting increased competition expected in world grain markets.

In **Ukraine**, the outlook for the 2009 cereal harvest is satisfactory, with the early forecast put at some 39.6 million tonnes, approximately 24 percent less than last year's record, but still 3 percent above the past five-year average. Wheat output is forecast to decrease by 6.4 million tonnes to 19.5 million tonnes, as both wheat area and yield will be lower than in 2008. Barley output is also forecast to decrease, from 12.6 to 10.0 million tonnes, despite a larger area sown as yields of spring barley (main crop) are anticipated to be significantly lower than in 2008, reflecting delayed plantings. As a result of the removal of export restrictions, Ukrainian cereal exports in 2008/09 marketing year are estimated to increase to a record 25 million tonnes, about 10 percent of world cereal exports. In marketing year 2009/10 cereal exports from Ukraine are forecast to decline significantly, due to a lower domestic cereal production in 2009 and a weaker demand for wheat from importing countries.

In the **Republic of Moldova**, unfavourable weather has dimmed prospects for the cereal harvest in 2009. A combination of drier-than-normal and unseasonable cold temperatures have affected winter grain development and delayed spring crop planting. Early estimates put 2009 wheat output at 750 thousand tonnes, approximately 45 percent less that the previous bumper year and 14 percent below the past five-year average. Maize output is estimated to decrease by 200 000 tonnes to some 1 million tonnes in 2009. Aggregate cereal production in 2009 may decrease by around 30 percent in comparison to the previous year and 15 percent below the past five-year average.

## Oceania

### Late June grain prospects remain favourable but concern is rising over rainfall forecasts for the season

As of late June, prospects for **Australia**'s main winter grain crops (mostly wheat and barley) remained generally favourable. Adequate moisture for planting was reported in most of the main growing areas and the overall area sown is now estimated to be close to last year's level. Based on the conditions as of late June, the winter crop output could potentially match last year's relatively good levels of some 21 million tonnes of wheat and about 7 million tonnes of barley, assuming sufficient rainfall during the coming months. However, concern is currently rising over the outlook for rainfall during the current crop season in the country as there is growing evidence of a developing El Niño event. El Niño events are usually (but not always) associated with below-normal rainfall in the second half of the year (from July) across large parts of southern and inland eastern Australia. Should this phenomenon materialize, this could seriously affect cereal yields and production.

**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 |
| **North America** | **75.9** | **96.6** | **79.9** | **378.9** | **353.8** | **345.0** | **9.0** | **9.2** | **10.0** | **463.8** | **459.7** | **434.9** |
| Canada | 20.1 | 28.6 | 25.0 | 28.0 | 27.4 | 25.4 | 0.0 | 0.0 | 0.0 | 48.0 | 56.0 | 50.4 |
| United States | 55.8 | 68.0 | 54.9 | 350.9 | 326.5 | 319.6 | 9.0 | 9.2 | 10.0 | 415.7 | 403.7 | 384.5 |
| **Europe** | **189.9** | **247.7** | **220.4** | **197.3** | **251.7** | **225.7** | **3.6** | **3.5** | **3.8** | **390.8** | **502.9** | **449.9** |
| EU | 120.2 | 150.0 | 134.7 | 138.0 | 162.8 | 150.1 | 2.8 | 2.6 | 2.9 | 260.9 | 315.4 | 287.7 |
| Serbia | 2.0 | 2.1 | 2.2 | 4.4 | 6.3 | 6.9 | 0.0 | 0.0 | 0.0 | 6.4 | 8.4 | 9.1 |
| **CIS in Europe** | **64.9** | **92.5** | **80.7** | **49.7** | **76.3** | **62.7** | **0.8** | **0.8** | **0.8** | **115.4** | **169.6** | **144.2** |
| Russian Federation | 49.4 | 63.8 | 59.0 | 30.1 | 41.7 | 35.5 | 0.7 | 0.7 | 0.7 | 80.2 | 106.2 | 95.3 |
| Ukraine | 13.7 | 25.9 | 19.5 | 13.8 | 26.4 | 20.0 | 0.1 | 0.1 | 0.1 | 27.6 | 52.4 | 39.6 |
| **Oceania** | **13.9** | **21.7** | **22.3** | **11.4** | **12.7** | **12.9** | **0.2** | **0.0** | **0.1** | **25.4** | **34.4** | **35.3** |
| Australia | 13.6 | 21.4 | 22.0 | 10.8 | 12.1 | 12.4 | 0.2 | 0.0 | 0.1 | 24.6 | 33.5 | 34.4 |

*Note*: Totals computed from unrounded data.

# Statistical appendix

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

| | Average 2002/03 - 2006/07 | 2005/06 | 2006/07 | 2007/08 | 2008/09 | 2009/10 |
|---|---|---|---|---|---|---|
| | ( . . . . . percentage . . . . . ) | | | | | |
| **1. Ratio of world stocks to utilization** | | | | | | |
| Wheat | 28.8 | 28.9 | 26.1 | 23.6 | 28.8 | 29.7 |
| Coarse grains | 17.0 | 18.2 | 15.5 | 16.6 | 19.6 | 17.8 |
| Rice | 25.3 | 24.5 | 23.8 | 24.3 | 26.2 | 27.6 |
| Total cereals | 22.3 | 22.7 | 20.3 | 20.2 | 23.6 | 23.2 |
| **2. Ratio of major grain exporters' supplies to normal market requirements** | 123 | 133 | 116 | 119 | 124 | 116 |
| **3. Ratio of major exporters' stocks to their total disappearance** | | | | | | |
| Wheat | 20.3 | 22.2 | 14.8 | 10.9 | 16.7 | 16.2 |
| Coarse grains | 15.2 | 17.7 | 12.2 | 14.1 | 16.3 | 13.3 |
| Rice | 17.4 | 16.1 | 15.4 | 17.0 | 18.3 | 18.2 |
| Total cereals | 17.6 | 18.7 | 14.1 | 14.0 | 17.1 | 15.9 |

| | Annual trend growth rate 1999-2008 | Change from previous year 2005 | 2006 | 2007 | 2008 | 2009 |
|---|---|---|---|---|---|---|
| | ( . . . . . percentage . . . . . ) | | | | | |
| **4. Changes in world cereal production** | 2.1 | -1.0 | -1.6 | 5.5 | 7.1 | -3.4 |
| **5. Changes in cereal production in the LIFDCs** | 1.7 | 5.1 | 4.4 | 2.2 | 4.3 | 0.9 |
| **6. Changes in cereal production in LIFDCs less China and India** | 3.3 | 6.7 | 4.4 | -1.0 | 5.7 | 4.6 |

| | Average 2002-2006 | Change from previous year 2005 | 2006 | 2007 | 2008 | 2009* |
|---|---|---|---|---|---|---|
| | (. . . . . percentage . . . . . ) | | | | | |
| **7. Selected cereal price indices:** | | | | | | |
| Wheat | 104.6 | -1.4 | 17.1 | 49.1 | 31.5 | -43.1 |
| Maize | 101.7 | -12.1 | 23.3 | 34.1 | 36.5 | -28.0 |
| Rice | 112.3 | 5.7 | 9.9 | 17.3 | 83.7 | -7.9 |

*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 US maize No. 2 Yellow (delivered US Gulf ports) with base 2002-2004 = 100; For **rice**, the FAO Rice Price Index, 2002-2004 = 100, is based on 16 rice export quotations.
* January – June average.

**Table A2**. World cereal stocks[1] (*million tonnes*)

| | 2005 | 2006 | 2007 | 2008 | 2009 estimate | 2010 forecast |
|---|---|---|---|---|---|---|
| **TOTAL CEREALS** | **470.2** | **469.2** | **430.5** | **445.0** | **523.8** | **517.2** |
| **Wheat** | **178.6** | **179.5** | **160.9** | **151.8** | **186.8** | **191.9** |
| held by: | | | | | | |
| - main exporters [2] | 55.1 | 56.2 | 36.5 | 26.9 | 44.9 | 41.5 |
| - others | 165.3 | 123.4 | 124.4 | 124.9 | 141.9 | 150.4 |
| **Coarse grains** | **191.7** | **184.8** | **165.4** | **184.0** | **217.9** | **201.0** |
| held by: | | | | | | |
| - main exporters[2] | 92.7 | 90.1 | 60.8 | 79.9 | 90.3 | 73.3 |
| - others | 107.6 | 94.8 | 104.6 | 104.1 | 127.6 | 127.7 |
| **Rice** (milled basis) | **99.9** | **104.9** | **104.2** | **109.2** | **119.2** | **124.3** |
| held by: | | | | | | |
| - main exporters[2] | 19.3 | 23.4 | 23.1 | 25.8 | 28.8 | 28.8 |
| - others | 97.3 | 81.5 | 81.1 | 83.3 | 90.4 | 95.5 |
| | | | | | | |
| **Developed countries** | **188.6** | **189.2** | **131.2** | **131.2** | **168.3** | **149.4** |
| Australia | 10.0 | 13.5 | 6.3 | 5.4 | 5.6 | 5.7 |
| Canada | 14.5 | 16.2 | 10.5 | 8.7 | 8.3 | 7.7 |
| European Union [3] | 47.6 | 44.4 | 31.1 | 37.6 | 54.8 | 50.1 |
| Japan | 4.7 | 4.8 | 4.4 | 4.0 | 3.9 | 3.9 |
| Romania [4] | 5.0 | 5.6 | 3.8 | - | - | - |
| Russian Federation | 9.1 | 9.3 | 7.0 | 5.5 | 13.3 | 13.3 |
| South Africa | 4.1 | 4.1 | 2.7 | 1.8 | 2.5 | 2.8 |
| Ukraine | 4.2 | 4.8 | 4.2 | 3.7 | 5.1 | 5.0 |
| United States | 74.7 | 71.7 | 49.9 | 54.3 | 64.2 | 50.6 |
| | | | | | | |
| **Developing countries** | **281.6** | **280.1** | **299.3** | **313.8** | **355.5** | **367.8** |
| **Asia** | **237.4** | **237.9** | **254.0** | **273.6** | **308.5** | **323.8** |
| China | 152.8 | 149.0 | 163.0 | 179.2 | 206.8 | 222.0 |
| India | 26.7 | 25.8 | 28.5 | 35.6 | 39.4 | 38.3 |
| Indonesia | 5.7 | 5.1 | 5.8 | 6.7 | 8.8 | 10.3 |
| Iran, Islamic Republic of | 3.2 | 3.6 | 3.5 | 2.9 | 3.7 | 3.9 |
| Korea, Republic of | 2.5 | 2.5 | 2.5 | 2.7 | 2.6 | 2.5 |
| Pakistan | 2.1 | 3.2 | 2.5 | 2.8 | 3.1 | 3.0 |
| Philippines | 2.3 | 2.9 | 2.8 | 3.4 | 4.0 | 3.8 |
| Syrian Arab Republic | 4.3 | 4.4 | 3.7 | 2.7 | 2.3 | 2.2 |
| Turkey | 6.7 | 6.0 | 7.0 | 5.2 | 4.2 | 4.1 |
| **Africa** | **23.4** | **25.2** | **29.7** | **25.6** | **25.4** | **25.5** |
| Algeria | 3.6 | 4.4 | 4.7 | 5.2 | 4.6 | 4.5 |
| Egypt | 3.1 | 4.5 | 4.6 | 4.1 | 4.9 | 4.9 |
| Ethiopia | 0.1 | 0.1 | 0.2 | 1.1 | 0.7 | 0.4 |
| Morocco | 4.8 | 2.6 | 4.0 | 2.1 | 1.7 | 3.3 |
| Nigeria | 1.3 | 1.4 | 2.1 | 1.0 | 1.3 | 1.3 |
| Tunisia | 1.2 | 1.4 | 1.3 | 1.9 | 1.7 | 1.2 |
| **Central America** | **6.3** | **4.8** | **5.0** | **4.8** | **4.7** | **4.4** |
| Mexico | 4.6 | 2.9 | 3.0 | 2.9 | 2.9 | 2.6 |
| **South America** | **14.2** | **11.9** | **10.3** | **9.6** | **16.8** | **13.9** |
| Argentina | 3.2 | 2.6 | 1.6 | 2.5 | 3.6 | 2.6 |
| Brazil | 6.6 | 4.5 | 3.6 | 2.2 | 8.6 | 6.9 |

[1] 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.
[2] 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.
[3] Up to 2007 25 member countries, from 2008 27 member countries.
[4] 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.[1] | US Soft Red Winter No.2[2] | Argentina Trigo Pan[3] | US No.2 Yellow[2] | Argentina[3] | US No.2 Yellow[2] |
| **Annual (July/June)** | | | | | | |
| 2003/04 | 161 | 149 | 154 | 115 | 109 | 118 |
| 2004/05 | 154 | 138 | 123 | 97 | 90 | 99 |
| 2005/06 | 175 | 138 | 138 | 104 | 101 | 108 |
| 2006/07 | 212 | 176 | 188 | 150 | 145 | 155 |
| 2007/08 | 361 | 311 | 318 | 200 | 192 | 206 |
| 2008/09 | 270 | 201 | 234 | 188 | 180 | 170 |
| **Monthly** | | | | | | |
| 2007 – July | 250 | 223 | 249 | 146 | 141 | 157 |
| 2007 – August | 277 | 254 | 273 | 152 | 157 | 171 |
| 2007 – September | 343 | 323 | 325 | 158 | 170 | 177 |
| 2007 – October | 352 | 323 | 321 | 163 | 180 | 172 |
| 2007 – November | 332 | 307 | 290 | 171 | 179 | 171 |
| 2007 – December | 381 | 345 | 310 | 179 | 171 | 192 |
| 2008 – January | 381 | 343 | 330 | 206 | 199 | 225 |
| 2008 – February | 449 | 403 | 365 | 220 | 207 | 222 |
| 2008 – March | 482 | 397 | 395 | 234 | 216 | 233 |
| 2008 – April | 382 | 301 | - | 248 | 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 | 242 | 180 | 211 | 168 | 166 | 149 |
| 2009 – May | 265 | 201 | 210 | 180 | 186 | 167 |
| 2009 – June | 263 | 201 | 228 | 177 | 185 | 167 |
| 2009 – July (one week average) | 228 | 171 | 230 | 148 | 166 | 141 |

[1] Delivered United States f.o.b Gulf.
[2] Delivered United States Gulf.
[3] Up River f.o.b.
*Sources:* International Grain Council and USDA.

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

| | | 2007/08 or 2008 Actual imports | | | 2008/09 or 2009 | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | Import position[2] | | |
| | Marketing year | Commercial purchases | Food aid | Total commercial and aid | Total import requirements (excl. re-exports) | Total commercial and aid | Food aid allocated, committed or shipped | Commercial purchases |
| **AFRICA** | | **37 410.8** | **2 812.3** | **40 223.1** | **41 958.5** | **29 980.8** | **1 887.8** | **28 093.0** |
| **North Africa** | | **18 260.1** | **0.0** | **18 260.1** | **18 691.0** | **18 146.3** | **0.0** | **18 146.3** |
| Egypt | July/June | 11 873.7 | 0.0 | 11 873.7 | 13 170.0 | 13 050.0 | 0.0 | 13 050.0 |
| Morocco | July/June | 6 386.4 | 0.0 | 6 386.4 | 5 521.0 | 5 096.3 | 0.0 | 5 096.3 |
| **Eastern Africa** | | **4 414.2** | **1 789.0** | **6 203.2** | **6 577.0** | **4 694.7** | **1 167.3** | **3 527.4** |
| Burundi | Jan./Dec. | 116.0 | 23.1 | 139.1 | 150.0 | 11.1 | 10.1 | 1.0 |
| Comoros | Jan./Dec. | 45.3 | 0.0 | 45.3 | 47.0 | 6.0 | 0.0 | 6.0 |
| Djibouti | Jan./Dec. | 126.8 | 9.3 | 136.1 | 103.0 | 37.2 | 5.0 | 32.2 |
| Eritrea | Jan./Dec. | 187.3 | 17.2 | 204.5 | 319.0 | 28.3 | 0.0 | 28.3 |
| Ethiopia | Jan./Dec. | 588.5 | 896.4 | 1 484.9 | 656.0 | 478.6 | 258.6 | 220.0 |
| Kenya | Oct./Sept. | 1 010.2 | 197.2 | 1 207.4 | 2 121.0 | 1 768.6 | 142.9 | 1 625.7 |
| Rwanda | Jan./Dec. | 146.4 | 11.3 | 157.7 | 170.0 | 51.6 | 20.7 | 30.9 |
| Somalia | Aug./July | 381.9 | 90.1 | 472.0 | 760.0 | 469.1 | 386.1 | 83.0 |
| Sudan | Nov./Oct. | 1 138.8 | 416.2 | 1 555.0 | 1 404.0 | 1 154.6 | 293.1 | 861.5 |
| Uganda | Jan./Dec. | 146.9 | 83.9 | 230.8 | 145.0 | 44.1 | 3.8 | 40.3 |
| United Rep. of Tanzania | June/May | 526.1 | 44.3 | 570.4 | 702.0 | 645.5 | 47.0 | 598.5 |
| **Southern Africa** | | **2 741.4** | **523.1** | **3 264.5** | **3 695.4** | **3 695.4** | **458.7** | **3 236.7** |
| Angola | April/March | 768.6 | 5.8 | 774.4 | 833.8 | 833.8 | 0.0 | 833.8 |
| Lesotho | April/March | 201.9 | 24.2 | 226.1 | 202.8 | 202.8 | 0.3 | 202.5 |
| Madagascar | April/March | 277.0 | 61.0 | 338.0 | 217.0 | 217.0 | 10.7 | 206.3 |
| Malawi | April/March | 125.3 | 56.8 | 182.1 | 186.2 | 186.2 | 64.9 | 121.3 |
| Mozambique | April/March | 688.9 | 62.1 | 751.0 | 974.6 | 974.6 | 85.1 | 889.5 |
| Swaziland | May/April | 123.1 | 22.2 | 145.3 | 128.0 | 128.0 | 6.0 | 122.0 |
| Zambia | May/April | 55.2 | 4.4 | 59.6 | 139.8 | 139.8 | 6.6 | 133.2 |
| Zimbabwe | April/March | 501.4 | 286.6 | 788.0 | 1 013.2 | 1 013.2 | 285.1 | 728.1 |
| **Western Africa** | | **10 440.1** | **390.4** | **10 830.5** | **11 186.7** | **3 022.6** | **178.4** | **2 844.2** |
| ***Coastal Countries*** | | ***7 886.3*** | ***148.6*** | ***8 034.9*** | ***8 528.3*** | ***1 922.6*** | ***44.7*** | ***1 877.9*** |
| Benin | Jan./Dec. | 63.8 | 6.3 | 70.1 | 72.0 | 34.0 | 2.0 | 32.0 |
| Côte d'Ivoire | Jan./Dec. | 1 182.4 | 11.5 | 1 193.9 | 1 240.0 | 283.0 | 4.9 | 278.1 |
| Ghana | Jan./Dec. | 804.0 | 29.8 | 833.8 | 990.0 | 134.7 | 7.0 | 127.7 |
| Guinea | Jan./Dec. | 456.9 | 35.4 | 492.3 | 509.0 | 44.1 | 11.7 | 32.4 |
| Liberia | Jan./Dec. | 214.8 | 38.3 | 253.1 | 270.0 | 54.0 | 5.4 | 48.6 |
| Nigeria | Jan./Dec. | 4 865.1 | 0.0 | 4 865.1 | 5 180.0 | 1 329.8 | 0.0 | 1 329.8 |
| Sierra Leone | Jan./Dec. | 209.6 | 22.7 | 232.3 | 174.0 | 22.6 | 12.6 | 10.0 |
| Togo | Jan./Dec. | 89.7 | 4.6 | 94.3 | 93.3 | 20.4 | 1.1 | 19.3 |
| ***Sahelian Countries*** | | ***2 553.8*** | ***241.8*** | ***2 795.6*** | ***2 658.4*** | ***1 100.0*** | ***133.7*** | ***966.3*** |
| Burkina faso | Nov./Oct. | 282.2 | 23.1 | 305.3 | 289.0 | 60.6 | 21.0 | 39.6 |
| Chad | Nov./Oct. | 56.4 | 67.3 | 123.7 | 146.0 | 103.1 | 68.1 | 35.0 |
| Gambia | Nov./Oct. | 101.0 | 2.8 | 103.8 | 109.5 | 29.4 | 0.8 | 28.6 |
| Guinea-Bissau | Nov./Oct. | 117.7 | 7.0 | 124.7 | 95.0 | 30.4 | 1.6 | 28.8 |
| Mali | Nov./Oct. | 217.9 | 8.0 | 225.9 | 273.6 | 75.1 | 7.8 | 67.3 |
| Mauritania | Nov./Oct. | 369.9 | 60.4 | 430.3 | 404.0 | 296.0 | 17.0 | 279.0 |
| Niger | Nov./Oct. | 341.4 | 55.1 | 396.5 | 310.0 | 64.1 | 12.9 | 51.2 |
| Senegal | Nov./Oct. | 1 067.3 | 18.1 | 1 085.4 | 1 031.3 | 441.3 | 4.5 | 436.8 |
| **Central Africa** | | **1 555.0** | **109.8** | **1 664.8** | **1 808.4** | **421.8** | **83.4** | **338.4** |
| Cameroon | Jan./Dec. | 570.5 | 8.6 | 579.1 | 623.0 | 179.7 | 2.5 | 177.2 |
| Cent.Afr.Rep. | Jan./Dec. | 41.5 | 14.4 | 55.9 | 60.4 | 20.2 | 15.6 | 4.6 |
| Congo | Jan./Dec. | 312.0 | 2.5 | 314.5 | 325.0 | 67.1 | 1.3 | 65.8 |
| Dem.Rep.of the Congo | Jan./Dec. | 591.8 | 76.9 | 668.7 | 761.0 | 140.1 | 63.7 | 76.4 |
| Equatorial Guinea | Jan./Dec. | 26.8 | 0.0 | 26.8 | 25.0 | 10.9 | 0.0 | 10.9 |
| Sao Tome and Principe | Jan./Dec. | 12.4 | 7.4 | 19.8 | 14.0 | 3.8 | 0.3 | 3.5 |

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

| | | 2007/08 or 2008 Actual imports | | | 2008/09 or 2009 | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | Import position[2] | | |
| | Marketing year | Commercial purchases | Food aid | Total commercial and aid | Total import requirements (excl. re-exports) | Total commercial and aid | Food aid allocated, committed or shipped | Commercial purchases |
| **ASIA** | | **37 535.5** | **1 438.6** | **38 974.1** | **44 384.1** | **32 318.2** | **899.2** | **31 419.0** |
| **CIS in Asia** | | **3 723.6** | **37.4** | **3 761.0** | **4 547.0** | **3 207.7** | **61.2** | **3 146.5** |
| Armenia | July/June | 378.6 | 7.4 | 386.0 | 355.0 | 343.7 | 1.6 | 342.1 |
| Azerbaijan | July/June | 1 347.2 | 2.8 | 1 350.0 | 1 500.0 | 1 429.9 | 0.8 | 1 429.1 |
| Georgia | July/June | 817.9 | 8.1 | 826.0 | 886.0 | 457.4 | 15.5 | 441.9 |
| Kyrgyzstan | July/June | 330.0 | 0.0 | 330.0 | 316.0 | 175.4 | 4.8 | 170.6 |
| Tajikistan | July/June | 439.9 | 19.1 | 459.0 | 620.0 | 614.0 | 38.5 | 575.5 |
| Turkmenistan | July/June | 272.0 | 0.0 | 272.0 | 610.0 | 37.3 | 0.0 | 37.3 |
| Uzbekistan | July/June | 138.0 | 0.0 | 138.0 | 260.0 | 150.0 | 0.0 | 150.0 |
| **Far East** | | **23 230.5** | **1 215.6** | **24 446.1** | **24 047.1** | **19 190.2** | **506.4** | **18 683.8** |
| Bangladesh | July/June | 3 017.6 | 313.3 | 3 330.9 | 3 150.0 | 3 342.5 | 226.3 | 3 116.2 |
| Bhutan | July/June | 71.0 | 0.0 | 71.0 | 71.0 | 0.0 | 0.0 | 0.0 |
| Cambodia | Jan./Dec. | 32.6 | 7.6 | 40.2 | 40.0 | 3.8 | 0.8 | 3.0 |
| China (Mainland) | July/June | 1 493.0 | 0.0 | 1 493.0 | 2 006.0 | 1 344.2 | 0.0 | 1 344.2 |
| D.P.R. of Korea | Nov./Oct. | 735.2 | 763.1 | 1 498.3 | 1 786.4 | 287.4 | 158.6 | 128.8 |
| India | April/March | 2 078.1 | 21.9 | 2 100.0 | 601.9 | 601.9 | 22.4 | 579.5 |
| Indonesia | April/March | 7 528.6 | 16.0 | 7 544.6 | 5 745.3 | 5 745.3 | 0.0 | 5 745.3 |
| Lao, P.D.R. | Jan./Dec. | 20.9 | 7.4 | 28.3 | 17.4 | 2.1 | 2.1 | 0.0 |
| Mongolia | Oct./Sept. | 290.8 | 5.0 | 295.8 | 266.0 | 179.0 | 16.9 | 162.1 |
| Nepal | July/June | 173.8 | 16.2 | 190.0 | 240.0 | 48.5 | 23.5 | 25.0 |
| Pakistan | May/April | 1 519.5 | 2.1 | 1 521.6 | 3 123.1 | 3 123.1 | 38.7 | 3 084.4 |
| Philippines | July/June | 5 033.4 | 16.9 | 5 050.3 | 5 717.0 | 4 132.9 | 9.9 | 4 123.0 |
| Sri Lanka | Jan./Dec. | 1 175.0 | 46.1 | 1 221.1 | 1 220.0 | 379.5 | 7.2 | 372.3 |
| Timor-Leste | July/June | 61.0 | 0.0 | 61.0 | 63.0 | 0.0 | 0.0 | 0.0 |
| **Near East** | | **10 581.4** | **185.6** | **10 767.0** | **15 790.0** | **9 920.3** | **331.6** | **9 588.7** |
| Afghanistan | July/June | 856.0 | 156.1 | 1 012.1 | 2 340.0 | 1 412.1 | 297.5 | 1 114.6 |
| Iraq | July/June | 4 322.7 | 9.0 | 4 331.7 | 5 090.0 | 2 817.4 | 21.7 | 2 795.7 |
| Syrian Arab Republic | July/June | 2 563.1 | 8.4 | 2 571.5 | 5 290.0 | 4 440.3 | 9.6 | 4 430.7 |
| Yemen | Jan./Dec. | 2 839.6 | 12.1 | 2 851.7 | 3 070.0 | 1 250.5 | 2.8 | 1 247.7 |
| **CENTRAL AMERICA** | | **1 497.2** | **163.8** | **1 661.0** | **1 790.0** | **1 198.0** | **143.6** | 1 054.4 |
| Haiti | July/June | 501.3 | 91.9 | 593.2 | 654.0 | 475.8 | 116.1 | 359.7 |
| Honduras | July/June | 652.8 | 28.0 | 680.8 | 741.0 | 503.3 | 8.3 | 495.0 |
| Nicaragua | July/June | 343.1 | 43.9 | 387.0 | 395.0 | 218.9 | 19.2 | 199.7 |
| **OCEANIA** | | **431.3** | **0.0** | **431.3** | **431.3** | **91.3** | **0.0** | **91.3** |
| Kiribati | Jan./Dec. | 8.7 | 0.0 | 8.7 | 8.7 | 1.5 | 0.0 | 1.5 |
| Papua New Guinea | Jan./Dec. | 380.0 | 0.0 | 380.0 | 380.0 | 83.5 | 0.0 | 83.5 |
| Solomon Islands | Jan./Dec. | 29.5 | 0.0 | 29.5 | 29.5 | 4.8 | 0.0 | 4.8 |
| Tuvalu | Jan./Dec. | 1.1 | 0.0 | 1.1 | 1.1 | 0.6 | 0.0 | 0.6 |
| Vanuatu | Jan./Dec. | 12.0 | 0.0 | 12.0 | 12.0 | 0.9 | 0.0 | 0.9 |
| **EUROPE** | | **290.1** | **45.9** | **336.0** | **80.0** | **78.5** | **0.0** | **78.5** |
| Republic of Moldova | July/June | 290.1 | 45.9 | 336.0 | 80.0 | 78.5 | 0.0 | 78.5 |
| **TOTAL** | | **77 164.9** | **4 460.6** | **81 625.5** | **88 643.9** | **63 666.8** | **2 930.6** | **60 736.2** |

[1] 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 1 735 in 2006).
[2] Estimates based on information available as of end June 2009.

NOTE: This report is prepared by the FAO's Global nformation and Early Warning Service, with information from official and unofficial sources. None of the information in this report should be regarded as statements of governmental views.

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