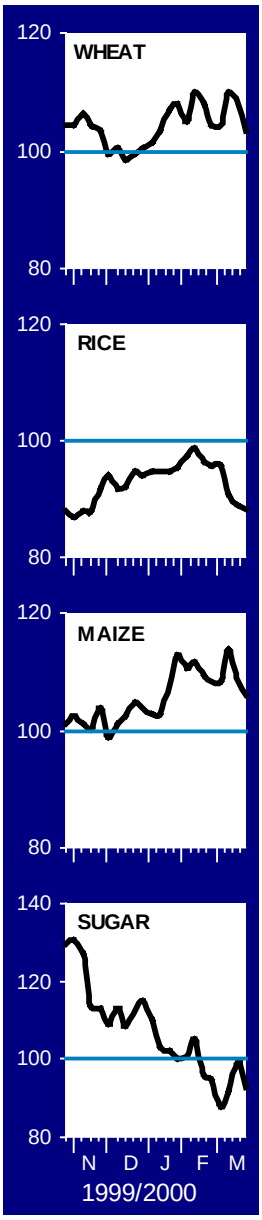
global information and early warning system on food and agriculture

food outlook

No. 2, 2000 **Rome**, April 2000

highlights

EXPORT PRICES
(July 1999=100)



FAO's first forecast of world cereal production in 2000 is 1 890 million tonnes, some 1 percent above 1999. Output of wheat is forecast at 595 million tonnes, 1 percent up from 1999, that of coarse grains at 900 million tonnes, nearly 3 percent up, while the rice crop (milled basis) is tentatively forecast to fall by 1 percent to 395 million tonnes.

While early forecasts point to higher cereal production in 2000, output would not be sufficient to meet expected utilization requirements in 2000/01, and global cereal reserves would have to be drawn down.

Food emergencies persist in 34 countries throughout the world, and unfavourable prospects in several others could lead to localized supply difficulties (see page 4).

FAO's latest forecast of world cereal trade in 1999/2000 is 222 million tonnes, unchanged from the previous report and some 4 percent above the previous year's volume. The increase is attributed to larger imports of both wheat and coarse grains, which would more than offset the likely decline in rice trade.

International grain prices have been volatile and slightly higher in recent weeks, reflecting active trade and concern over adverse weather for the 2000 crop in the major producing areas of the United States. Ample new-crop supplies and dull trading pressured international rice prices downward. The FAO Export Price Index for Rice averaged 104 points in March, its lowest level since June 1994.

Global cassava production recovered in 1999, resulting in an overall increase in food, feed and industrial utilization. Large export availabilities led to a substantial expansion of trade, but prices fell to their lowest level in the decade.

Global milk production is forecast to increase slightly in 2000, but with sustained import demand expected, exportable supplies, especially of milk powder, could be in short supply. As a result, international prices for most dairy products, and especially milk powder, are expected to increase during 2000.

FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

BASIC FACTS OF THE WORLD CEREAL SITUATION

	1995/96	1996/97	1997/98	1998/99	1999/2000 forecast	Change 1999/2000 over 1998/99
WORLD PRODUCTION 1/	(. . . million tonnes . . .)					(percentage)
Wheat	548	589	613	598	589	-1.4
Coarse grains	810	920	905	912	876	-3.9
Rice, milled	370	383	386	390	400	2.5
(paddy)	(551)	(571)	(577)	(583)	(598)	2.5
All cereals (incl. milled rice)	**1 728**	**1 892**	**1 904**	**1 900**	**1 865**	**-1.8**
Developing countries	958	1 025	1 003	1 039	1 021	-1.7
Developed countries	770	867	901	860	844	-1.9
WORLD IMPORTS 2/						
Wheat	100	102	100	97	103	5.7
Coarse grains	95	91	90	92	97	4.8
Rice (milled)	20	19	28	25	23	-8.1
All cereals	**214**	**211**	**218**	**214**	**222**	**3.7**
Developing countries	152	150	159	157	160	1.8
Developed countries	63	62	59	57	62	8.8
FOOD AID IN CEREALS 3/	**7.4**	**5.5**	**6.2**	**9.5**		
WORLD UTILIZATION						
Wheat	563	575	591	589	595	0.9
Coarse grains	855	894	896	894	892	-0.2
Rice (milled)	373	380	382	391	398	1.8
All cereals	**1 791**	**1 849**	**1 869**	**1 875**	**1 885**	**0.6**
Developing countries	1 078	1 107	1 109	1 135	1 143	0.7
Developed countries	713	743	760	740	743	0.4
Per Caput Food Use	(. . . kg/year . . .)					
Developing countries	171	173	172	173	173	0.0
Developed countries	128	129	130	130	130	-0.1
WORLD STOCKS 4/	(. . . million tonnes . . .)					
Wheat	102	113	136	140	136	-3.1
Coarse grains	100	125	140	149	138	-7.9
Rice (milled)	52	56	55	57	59	4.3
All cereals	**254**	**294**	**331**	**346**	**332**	**-4.0**
Developing countries	152	174	165	174	172	-1.4
Developed countries	102	121	166	172	160	-6.6
Stocks as % of world	(. . . percentage . . .)					
cereal consumption	**13.7**	**15.7**	**17.6**	**18.3**	**17.4**	
EXPORT PRICES 3/	(. . . US$/tonne . . .)					
Rice (Thai, 100%, 2nd grade) 1/	336	352	316	315	253	-19.7
Wheat (U.S. No.2 Hard Winter)	216	181	142	120	111 5/	-9.0 6/
Maize (U.S. No.2 Yellow)	159	135	112	95	91 5/	-4.2 6/
OCEAN FREIGHT RATES 3/						
From U.S. Gulf to Egypt	16.8	12.8	11.7	9.3	12.9 5/	48.3 6/
LOW-INCOME FOOD-DEFICIT COUNTRIES 7/	(. . . million tonnes . . .)					
Roots & tubers production 1/	359	378	372	359	364	1.3
Cereal production (milled rice) 1/	745	802	783	810	802	-1.0
Per caput production (kg.) 8/	212	225	216	219	214	-2.5
Cereal imports 2/	79.3	69.4	78.5	70.3	70.2	-0.2
of which: Food aid 3/	6.4	4.6	5.5	6.8		
Proportion of cereal import covered by food aid	(. . . percentage . . .) 8.1	6.6	7.0	9.6		

SOURCE: FAO **Note**: Totals and percentages computed from unrounded data.

1/ Data refer to the calendar year of the first year shown. 2/ July/June except for rice for which the data refer to the calendar year of the second year shown. 3/ July/June. 4/. Stock data are based on aggregate of national carryover levels at the end of national crop years. 5/ Average of quotations for July 1999-March 2000. 6/ Change from corresponding period of previous year for which figures are not shown. 7/ Food deficit countries with per caput income below the level used by the World Bank to determine eligibility for IDA assistance (i.e. U.S.$ 1 505 in 1997), which in accordance with the guidelines and criteria agreed to by the CFA should be given priority in the allocations of food aid. 8/ Includes rice on a milled basis.

Cereals

Supply/Demand Roundup

Early prospects for 2000 point to a slight increase in global cereal production. Based on the condition of crops in the ground and planting intentions for those still to be sown, and assuming normal weather for the remainder of the 2000 cropping seasons, FAO's first forecast puts world cereal output this year at 1 890 million tonnes, slightly up from 1999 and above the average of the past five years, but somewhat below the long-term trend. If current forecasts materialize, output would not be sufficient to meet expected utilization requirements in 2000/01, and global cereal reserves, would have to be drawn down, for the second year in succession.

FAO's first forecast of world cereal **production** in 2000 is 1 890 million tonnes (including rice in milled equivalent), 1 percent up from 1999. Output of wheat is forecast to increase by 1 percent to 595 million tonnes. This would be above the average of the past five years, but still below the long-term trend for the second consecutive year. Production is expected to increase in Europe, especially in the main producing countries in the EC, where a significant expansion in plantings has been recorded. In Africa, production is expected to remain constrained close to last year's reduced level, reflecting unfavourable weather for the second consecutive year in the main wheat producing countries in North Africa. In Asia, output is expected to remain largely unchanged from the previous year. Elsewhere in the globe, smaller crops are expected.

World Cereal Production, Supplies, Trade and Stocks

	1998/99	1999/2000 estimate	2000/01 forecast
	(. . . . . million tonnes . . . . . .)		
Production 1/	**1 900**	**1 865**	**1 890**
Wheat	598	589	595
Coarse grains	912	876	900
Rice (milled)	390	400	395
Supply 2/	**2 230**	**2 211**	**2 222**
Utilization	**1 875**	**1 885**	**. . .**
Trade 3/	**214**	**222**	**. . .**
Ending Stocks 4/	**346**	**332**	**. . .**

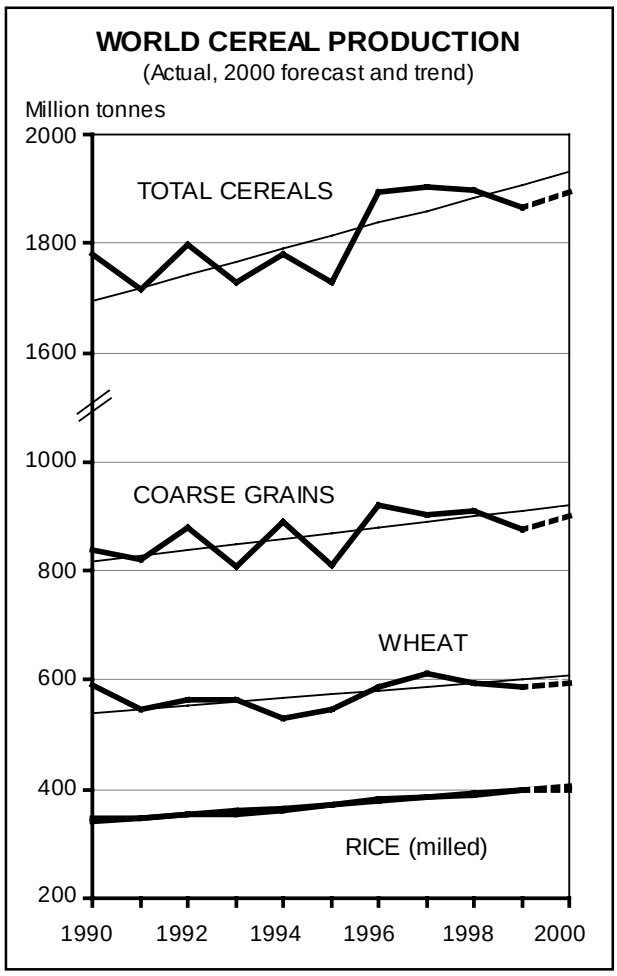
Source: FAO

1/ Data refer to calendar year of the first year shown. Rice in milled equivalent.
2/ Production plus opening stocks.
3/ July/June basis for wheat and coarse grains and calendar year for rice.
4/ May not equal the difference between supply and utilization due to differences in individual country marketing years.

Contents

Table: Basic Facts of the World Cereal Situation 2
Cereals
- Supply/Demand Roundup 3
Box: Food emergencies 4
- Current Production and Crop Prospects 6
- Trade 11
- Utilization. 14
- Carryover Stocks 16
- Export Prices 17
- Ocean Freight Rates 19
Cassava 19
Milk and Milk Products 22
Fertilizers 24
Statistical Appendix 26-37

In North America, production is forecast to fall, largely reflecting reduced area in the United States. In the southern hemisphere, although the wheat seasons have yet to begin in many of the major producing areas, slightly reduced crops are tentatively projected in South America and Australia following above-average and record outputs, respectively, in 1999.



Food Emergencies Persist in 34 Countries Throughout the World [1/]

In **eastern Africa**, nearly 16 million people are facing critical food shortages, mainly due to drought-induced crop and livestock losses. Pastoralists in the subregion are the worst affected after a succession of poor rains, which have led to losses of large numbers of their livestock. In Ethiopia, more than 8 million people are at risk, particularly in the Somali Region, which have had three consecutive years of little or no rainfall. In Eritrea, the food situation is very tight for nearly 600 000 people affected by the war with Ethiopia and the prevailing drought along the coastal areas. In Kenya, the food supply difficulties are alarming in the northern, eastern and north-western pastoral districts affected by successive droughts. Nearly 2.7 million people are facing severe food shortages. In Somalia, nearly 526 000 people are facing severe food shortages. In Tanzania, food assistance is required for nearly 800 000 food insecure people, in several regions throughout the country where the harvest has been poor for the third year in succession. In Sudan, despite an overall stable food security situation, emergency food aid is needed for some 2.4 million people affected by drought and the long-running civil conflict. In Uganda, the food supply situation has deteriorated in Kotido and Moroto districts, with nearly 215 000 people needing urgent food assistance, while, nearly 112 000 people in Bundibugyo district have also been displaced by civil strife. Food shortages also persist in Burundi, and parts of Rwanda. In **western Africa**, despite an overall favourable food supply outlook, localized food supply difficulties are likely in several areas following severe flooding in northern Ghana and Nigeria and along the Senegal river valley, in Senegal and Mauritania. Food shortages persist in Sierra Leone, where civil disturbances continue to disrupt agricultural production in some areas. In Liberia, production remains constrained due to the impact of the civil war. In **central Africa**, the food supply situation has improved in the Republic of Congo following the recent peace agreement but it remains fragile. Civil strife in the Democratic Republic of Congo continues to hamper agricultural activities particularly in the north-east where increasing fighting and population displacement are reported. In **southern Africa**, massive relief and rehabilitation assistance is needed in Mozambique and Madagascar, following the devastation caused by severe floods and cyclones. The food supply situation remains very serious in the civil-war ravaged Angola, where emergency food aid continues to be necessary for some 1.1 million displaced people, as well as for large numbers of Angolan refugees in Zambia and Namibia. Elsewhere in southern Africa production prospects are generally satisfactory, notwithstanding severe localized flood damage to crops and infrastructure in Botswana, Malawi, South Africa and Zambia.

In **Asia**, the latest food emergency to emerge in the region is in Mongolia, where the worst winter weather in 30 years has killed large numbers of animals, which are extremely important for the food security of large numbers of nomadic herdsmen. An estimated quarter of the population of 2.7 million people are likely to face food shortages of varying degrees in the coming months. The food supply situation in East Timor will continue to ease due to international food aid and the harvest of domestic food crops due in the next few weeks, whilst chronic food supply difficulties continue in the Democratic Republic of Korea due to a combination of past disasters and economic problems. In the **Near East**, the food supply situation is anticipated to deteriorate in Afghanistan due to drought conditions affecting southern parts of the country in particular. The displacement of thousands of people by the long running civil conflict is also serious concern. In Iraq, continued drought conditions have exacerbated the already tight food supply situation. In Jordan, despite some beneficial rains in the winter cropping season, drought conditions have affected agricultural production in several parts. In Syria, thousands of herders are still in need of assistance. Amongst the **CIS** countries in Asia, the vulnerable populations of Armenia, Azerbaijan, Georgia and Tajikistan continue to need humanitarian relief.

In **Latin America**, food assistance continues to be provided, as a consequence of natural hazards, to Cuba, Honduras and Nicaragua, and to Venezuela since December 1999. Food assistance is also being provided in El-Salvador and Guatemala as part of the country reconstruction programme implemented by the Government following hurricane "Mitch's" devastating impact at the end of 1998. In Haiti, food assistance is still being provided due to structural economic problems.

In **Europe**, about 2 million people have become impoverished and are in need of food aid as a result of prolonged strife in the Balkans, especially in the Federal Republic of Yugoslavia. In the Russian Federation, ongoing strife in Chechnya has led to the displacement of 185 000 people to neighbouring Ingushetia (population 320 000) and huge humanitarian/ shelter/reconstruction needs in Chechnya itself. In Ingushetia, humanitarian assistance is urgently needed over a broad spectrum, including food and medical supplies for some 255 000 IDP's and members of host families.

1/ This box updates information presented on page 2 of the FAO/GIEWS *Foodcrops and Shortages* report, February 2000. Countries facing exceptional food emergencies are underlined.

FAO's first forecast of global coarse grains output in 2000 is 900 million tonnes, 2.7 percent up from 1999. As for wheat, this would be above the average of the past five years, but below the long-term trend for the second consecutive year. Early indications point to increased levels of production throughout all regions with the exception of Central America where a marginal reduction may occur. However, since the major coarse grains crops in the northern hemisphere are yet to be planted, this early forecast is very tentative.

As regards paddy production in 2000, in the northern hemisphere countries of Asia, where the bulk of the crop is grown, the season has yet to start pending the arrival of the south-west monsoon rains. However, early indications of planting intentions in these countries point to a decline in paddy area in response to government policies and/or low prices. In the southern hemisphere and around the equatorial belt, where the season is already quite advanced, a switch out of paddy cultivation to alternative crops has already been witnessed due to the previous season's low prices, and thus a smaller rice crop is in prospect. Based on these early indications for the main seasons in the northern hemisphere and the latest indications for those already planted in the southern hemisphere and the equatorial belt, FAO tentatively forecasts a decline in global output in 2000, to 395 million tonnes (or 590 million tonnes of paddy), compared to the record crop of 400 million tonnes (or 598 million tonnes of paddy) now estimated for 1999.

FAO's forecast of world **trade** in cereals in 1999/2000 (July/June) remains at 222 million tonnes, which is some 8 million tonnes or nearly 4 percent more than in 1998/99. The increase is attributed to larger imports of both wheat and coarse grains, which would more than offset the reduced volume of trade expected in rice. Imports of wheat are expected to increase by about 5 million tonnes to 102.5 million tonnes, and those of coarse grains, after an upward revision of 700 000 tonnes since the last report, are now put at 96.7 million tonnes, about 4 million tonnes up from the previous year. The forecast for trade in rice in 2000 has been revised downward since the last report, by 700 000 tonnes, and now stands at about 23 million tonnes, 2 million tonnes less than in 1999. For the developing countries as a group, despite a likely reduction in rice imports, aggregate cereal imports are forecast to reach a record volume of about 160 million tonnes. However, with prices generally below the previous year, the cereal import bill of these countries in 1999/2000 is likely to decline by nearly 3 percent compared to the previous year to approximately US$21 billion.

FAO's latest forecast for world cereal **utilization** in 1999/2000 is 1 885 million tonnes, 10 million tonnes, or 0.5 percent up from the previous year's level but slightly below the long-term trend. Food consumption of cereals is forecast to increase by 1.4 percent, maintaining global per caput food consumption at the previous year's level of 164 kilograms. Most of the increase in food consumption is expected to occur among the developing countries in Asia and Africa. Global feed use of cereals is expected to increase only marginally, to 656 million tonnes, with the bulk of the increase expected in the western hemisphere reflecting increased demand from livestock producers.

FAO's forecast of global cereal **stocks** by the close of the current seasons ending in 2000 has been adjusted downward slightly since the last report to 332 million tonnes, reflecting indications of smaller maize carryovers in China and some of the major exporting countries than earlier anticipated. At the current forecast level, world cereal carryovers would be 14 million tonnes, or 4 percent, below their opening level, declining for the first time in four years. World wheat stocks are forecast to fall by 3 percent to 136 million tonnes, while those of coarse grains are seen to fall by 8 percent to 137.5 million tonnes. By contrast, stocks of rice are expected to increase to about 59 million tonnes, their highest level since 1994. At the aggregate level, the ratio of global cereal carryovers to trend utilization in 2000/01, at 17.4 percent, would remain within the 17-18 percent range that the FAO Secretariat considers as the minimum necessary to safeguard world food security. However, if current forecasts of cereal production in 2000 materialize, to meet the expected level of utilization 2000/01, carryover stocks will have to be drawn upon again in the 2000/01 season.

International wheat **prices** have strengthened somewhat since the previous report, mostly reflecting concern over adversely dry conditions for the United States wheat crop. US wheat No. 2 (HRW, fob) averaged US$112 per tonne in March, about US$1 per tonne above the January level, although still some US$16 per tonne below that of March 1999. Prospects for a stronger upturn continue to be constrained by the relatively large stocks held by the major exporting countries. In the maize market, sudden price increases occurred in March reflecting rising import demand, and growing concern over continuing dry conditions in several major producing areas of the United States, where the 2000 crop is due to be sown soon. However, with ample supplies reported in the major exporting countries and large sales from China, the overall price increase remained limited. In March, the US maize export prices averaged US$95 per tonne, up US$2 per tonne from January but US$2 per tonne below the corresponding period last year. By contrast, with the arrival of new rice crops onto the market in some major exporting countries, and continued dull import demand, international rice prices declined further in recent weeks. The FAO Export Price Index for Rice (1982-84 = 100) averaged 103 points in March, down by 3 points from the previous month and its lowest level since June 1994.

Current Production and Crop Prospects

Position by Region

- **Asia**

Far East: Harvesting of the 2000 **wheat** crop is due to begin from April. Output is forecast to decline somewhat from 1999 due to slightly lower production in the main producing countries. In China, this is attributed to a 7 percent decrease in area planted as farmers switched to more remunerative crops. However, following favourable weather over the winter, latest indications point to higher yields, which may partly offset the reduced area and output could be larger than earlier expectations. Winter wheat accounts for about 85 percent of aggregate wheat production in the country, the remainder coming from spring wheat planted in March/April. In India, wheat output in 2000 is also forecast to decline marginally compared to the revised 1999 estimate due also to a reduction in the planted area, by about 2 percent. In contrast favourable weather conditions in Pakistan are likely to result in a bumper wheat crop, some 11 percent higher than last year. Production in Bangladesh is likely to be similar to last year's record output of 1.9 million tonnes.

Production of **coarse grains** in 2000 is likely to remain close to the previous year's reduced level. Whereas adverse weather caused area and yields to decline in 1999, farmers' tendency away from cereal production in favour of other crops, especially in China, is expected to prevent any significant recovery in output in 2000. In China, 1999 maize output is officially estimated at around 124 million tonnes, some 7 percent down on 1998. In India, the bulk of coarse grains are produced during the monsoon season from June/July to November. Although there are minor crops still being harvested, latest estimates indicate 1999 production at around 28.6 million tonnes, some 10 percent lower than the previous year. This was due to erratic monsoon rains in some producing areas. Following extensive El Nino related drought two years ago, the recovery in maize production in the Philippines and Indonesia is predicted to continue into 2000, assuming favourable weather.

In some parts of Asia, the 2000/01 main **paddy** season is well advanced, while in others farmers are still harvesting the 1999/2000 secondary crops. In many countries of the region, the new season is not expected to start in earnest until the onset of the monsoon season and much of the final outcome will depend on the timing, extent and distribution of the monsoon rains.

In the southern hemisphere and equatorial belt, the 2000/01 paddy season is well advanced. In Indonesia, harvesting of the main season crop is underway and is expected to continue through June. Based on the latest official information, the paddy area has contracted by 3.5 percent from the previous year. However, favourable growing conditions and an improved availability and use of fertilizers during the season may lead to higher yields, which could partly offset the lower area. Thus, the overall output could eventually come close to the Government target of 51 million tonnes. In Malaysia, the 2000/01 outlook is for a relatively stable production of about 2 million tonnes, close to the average for the last five years.

In China, the world's leading rice producer, the 2000/01 rice season is underway with the planting of the early rice crop. Overall paddy output is forecast to decrease in 2000/01 as area is expected to contract by as much as 2 percent. Most of the decline is expected in the early rice crop, reflecting the current Government policy aimed at reducing the production of inferior quality grains, including early rice, the area of which could shrink by as much as 6 percent. In Thailand, the new season does not start until May, but the Government is tentatively forecasting a slight decline in paddy output as early indications suggest plantings could contract from the previous year. Planting of the 2000 rice crop in Japan is expected to start in May. The Government has announced a further cut in support prices of 2.7 percent from 1999 to about 252 yen per kilogram, though the land diversion target will be maintained at 963 000 hectares. In the Republic of Korea***,*** the Government has set a paddy production target of about 7 million tonnes in 2000 or 3 percent lower than the actual 1999 output. In India, the 2000/01 paddy season is scheduled to start in May with the planting of the Kharif (main-season) crop. Although information regarding planting intentions is still limited, production is unlikely to rise above the 1999/2000 record and could even fall. Elsewhere in the region, the paddy season awaits the arrival of monsoon rains, which generally start around May/June.

Near East: A recovery in **wheat** production is in prospect in several Near East countries in 2000 after the drought-reduced output last year. Conditions have improved in Jordan, Syria and Saudi Arabia with the recent arrival of rains. In Turkey, recent favourable rains and good snow cover are particularly welcome for the wheat crop, to be harvested from June, after dry weather earlier in the season. Conditions are also favourable in the Islamic Republic of Iran. By contrast, in Afghanistan, in addition to the adverse effects of continued civil strife and short supply of agricultural inputs, production of winter grains in 2000 is expected to be affected by extended dry conditions in much of the southern and central parts of the country. In Iraq, despite some beneficial rains at the beginning of this year, extended drought and shortage of agricultural inputs continue to affect cereal production.

CIS in Asia: In the seven of the eight CIS countries in Asia, the 2000 winter **wheat** crops have been planted. The area increased somewhat in Turkmenistan and Uzbekistan but remained stable or declined in most other countries. Indications are that poor profitability of wheat has led to a further reduction in the area sown in the Caucasus. In Kazakhstan, the largest producer in the area, the bulk of the wheat crop will not be planted until May. Early indications are that, even if the aggregate area sown to wheat does not decline

World Cereal Production - Forecast for 2000

	Wheat		Coarse grains		Rice (paddy)		Total	
	1999	2000	1999	2000	1999	2000	1999	2000
	(. . . . . million tonnes . . . . .)							
Asia	259.7	260	213.1	215	542.8		1 015.6	
Africa	15.2	16	76.6	79	17.4		109.2	
Central America	3.2	3	28.8	28	2.3		34.3	
South America	19.0	18	58.9	61	21.3		99.2	
North America	89.5	86	290.8	293	9.5		389.8	
Europe	178.3	189	199.4	214	3.1		380.8	
Oceania	24.3	23	8.9	10	1.4		34.6	
WORLD	**589.2**	**595**	**876.5**	**900**	**597.9** (**400**) 2/	**590** 1/ (**395**) 2/	**2 063.6** (**1 865**) 3/	**2 085** (**1 890**) 3/
Developing countries	275.8	278	364.5	369	571.7	564	1 211.9	1 212
Developed countries	313.4	317	512.0	531	26.3	26	851.7	873

Source: FAO

1/ Highly tentative 2/ Rice in milled terms. 3/ Including rice in milled terms.

significantly, a return to average yields in Kazakhstan, after bumper levels last year, could result in a lower aggregate harvest in these 8 countries, tentatively forecast at around 17 million tonnes, compared to 19 million tonnes in 1999. Similarly, **coarse grains** output could also decline. By contrast, the aggregate area under rice is planned to rise, with significantly larger plantings projected in Turkmenistan and Uzbekistan.

- **Africa**

Northern Africa: Prospects for the 2000 **wheat** crops, to be harvested from May, are unfavourable in several countries due to prolonged dry conditions from mid-January to March, which followed generally good early season rains. In Algeria, moderate showers in March, particularly in the eastern producing areas provided much needed relief from the prolonged dry spell since mid-January, which had resulted in poor crop emergence and hampered early growth. Harvest prospects are poor in central and western areas and more rains are needed to prevent further loss of yield potential. In Morocco, harvest prospects are unfavourable in spite of good early rains in November and December. A prolonged dry period since mid-January and a heat wave in February have seriously damaged crops in many producing areas. A reduced cereal harvest is likely for the second consecutive year. In Tunisia, the season has been erratic so far. A late start due to delayed rains was followed by improved conditions at the end of 1999 and early 2000 with moderate precipitation, but dry conditions set in again in February through March, except in northern areas and neighbouring areas of Libya. Harvest prospects are uncertain in these countries and good rains during the next few weeks will be crucial to avoid further reduction of yield potential and to improve the outcome of the season. In Egypt, prospects for the 2000 winter grain crop are favourable. Growing conditions are satisfactory for the mostly irrigated wheat crop to be harvested from mid-May, and production is expected to increase from the previous year as a result of incentives to cultivate new varieties and use improved practices. **Coarse grains** crops in 2000 in the subregion are also expected to be affected by current adverse weather conditions and aggregate output may be similar to, or below, the previous year's level, which was below average.

Western Africa: Following the release of final production estimates by several countries, the aggregate output of **cereals** for the nine Sahelian countries in 1999 is estimated at a record of 11.6 million tonnes, which is 8 percent higher than in 1998 and 23 percent above the average of the last five years. This is a bumper crop for the second consecutive year. Record crops have been gathered in Burkina Faso, Cape Verde, The Gambia, Mali, Mauritania and Senegal, while above-average output is anticipated in Chad and Niger. Output is estimated to remain below average in Guinea-Bissau due to civil strife and population displacement in 1998. The good crops should allow farmers to reconstitute their stocks. National security stocks were also replenished in several countries. Markets are well supplied and cereal prices have decreased substantially since the harvest.

In the coastal countries along the Gulf of Guinea, the rainy season has just started and planting of the first 2000 maize crop is in progress in the south. Record cereal crops have been harvested in 1999 in Benin, Guinea, Nigeria and Togo. Output remained average in Côte d'Ivoire and Ghana and below pre-civil war levels in Liberia and Sierra Leone. The aggregate 1999 cereal output for the eight countries along the Gulf of Guinea is estimated at around 29.8 million tonnes compared to 29.3 million tonnes in 1998. Liberia and Sierra Leone remain heavily dependent on international food assistance.

Central Africa: Civil strife in both the Republic of Congo and the Democratic Republic of Congo continues to hamper agriculture and marketing activities. In the Republic of Congo, floods affected the north and the capital Brazzaville in November/December. There are concerns regarding the nutritional situation of displaced people.

Eastern Africa: Harvesting of the 2000 **wheat** crop has started in the Sudan. Despite favourable growing conditions with adequate temperatures and irrigation water supplies, a below-average crop is anticipated due to reduced plantings. Nevertheless, at the latest forecast level of about 288 000 tonnes, production would be well above last year's reduced level. Planting of the 2000 wheat crop is scheduled in the next two months in Kenya and Ethiopia.

The subregion's **1999** aggregate wheat crop is estimated at 1.5 million tonnes, about 24 percent below the average for the previous five years. In Sudan, production was sharply reduced at 167 000 tonnes, while in Kenya, latest estimates put output at 135 000 tonnes, substantially below the 1998 crop, due to drought. In Ethiopia, the 1999 wheat crop is estimated at 1.2 million tonnes, some 5 percent above that of the previous year.

Harvesting of the 1999/2000 secondary season **coarse grains** is almost completed in the subregion, except in Ethiopia. FAO's latest estimate puts the subregion's aggregate output in 1999 at about 18.5 million tonnes, 10 percent below the good output of 1998. Following extended drought during the growing season, below-average crops were harvested in most countries. In Ethiopia, the main Meher crop, accounting for some 90 percent of the annual production, was about 6 percent below the 1998 harvest. Continued drought is also jeopardizing the planting of the secondary Belg crop. In Kenya, the 1999/2000 aggregate coarse grains output is estimated at 2.3 million tonnes, about 15 percent below the average for the previous five years. In Eritrea, the 1999 coarse grains are estimated to be about one-third of the record crop of 436 000 tonnes in 1998 and about 23 percent below average. Also in Sudan, the 1999 coarse grains harvest declined by about 35 percent compared to 1998, to about 3.6 million tonnes. In Uganda, provisional estimates indicate a coarse grains output of about 1.6 million tonnes, some 3 percent and 9 percent below 1998 and the average respectively. In Tanzania, the coarse grains harvest, estimated at 3.2 million tonnes, is about 10 percent below the 1998 output and 5 percent below average. Production of coarse grains in Somalia is estimated at 242 000 tonnes, about 24 percent above 1998 but nearly 17 percent below the average for the previous five years.

Southern Africa: The aggregate **wheat** crop in the subregion, harvested in late 1999, is estimated at 2 million tonnes, nearly 10 percent down from the already below-average crop of the previous year. This reflects a sharp decline in South Africa, the largest producer of the subregion, where the crop is estimated at about 1.6 million tonnes, down from 1.8 million tonnes in 1998, due to diversion of land to more profitable crops. By contrast, outputs increased significantly in Zimbabwe and Zambia.

Prospects for the subregion's aggregate 2000 **coarse grains** crop, to be harvested from April, are favourable. Although hurricanes Eline and Gloria in February/March caused extensive damage to some parts, the major maize growing areas have not been affected by the flooding, and the abundant rains have benefited some crops that were stressed by earlier dry weather. However, the situation varies from country to country and remains uncertain pending an assessment of the impact of the heavy rains, but also of erratic and insufficient precipitation in several areas

In South Africa, which accounts for over half of the subregion's coarse grains output, latest official forecast indicate a bumper maize crop of 9.5 million tonnes, compared with 7.1 million tonnes last year, despite the losses in some provinces. In Mozambique, floods have not affected the major growing areas of the north, which benefited from good rains in March. However, prospects for the harvest have deteriorated with the crop damage in southern and central parts. In Zimbabwe, this year's maize production is anticipated to decline mostly due to lower plantings, but, heavy rains in February and March may have also resulted in yield reductions. In Malawi, despite crop losses in the south, abundant rains from the second dekad of February improved prospects for the maize crop in central and northern parts, which had been affected by dry weather earlier in the season. Official forecasts indicate a 2000 maize production of about 2.3 million tonnes, 6 percent below the record harvest of last year. In Swaziland, the outlook for the harvest is poor reflecting excessive rains in December and severe flooding in early February. Maize production is forecast to decrease by 37 percent to well-below average levels. In Botswana**,** prospects are uncertain reflecting heavy rains over the past two months and severe flooding in late February. In Zambia, abundant rains since mid-February have benefited the main maize crop, which was affected by erratic precipitation earlier in the season. In Namibia, the outlook remains uncertain; heavy rains in mid-February in the major northern growing areas have been followed by below average precipitation until the second dekad of March. More rains are needed to avoid yield reductions. The outlook is also uncertain in Angola, reflecting below-average precipitation since February in the important central growing areas, and continuous movements of population during the growing season due to the civil war. In Lesotho, despite overall good rains since mid-February, coarse grains yields may have been affected by a prolonged dry spell at the beginning of the season and, subsequently, by floods in the lowlands.

Prospects are unfavourable for the 2000/01 **paddy** crop in the subregion. Madagascar and Mozambique, the two main rice producing countries, were among the worst affected by the recent torrential rains and floods. In Mozambique, the southern and central provinces, where

much of the rice is produced, suffered the most. In Madagascar, the flood-related losses have worsened the outlook for the paddy season which was already sub-optimal due to drought conditions between late December and early February that depressed plantings. An assessment of crop losses is to be carried out as soon as conditions permit, but current expectations are for an appreciable fall in paddy output in both countries.

- **Central America and the Caribbean**

Prospects have slightly improved for the 2000 **wheat** crop in the main producing irrigated areas in the north-west of Mexico, virtually the sole producer in the subregion. Harvesting is about to start and output is provisionally forecast to be slightly-below average, reflecting adverse weather at planting and a subsequent long dry spell.

In the Central American countries, land is being prepared for planting of the 2000/2001 first season **coarse grains** and bean crops, which should start with the arrival of the first rains of the season in April. Intended plantings for Costa Rica, El Salvador, Guatemala and Nicaragua are expected to be close to 1999/2000 average or above-average levels. In Honduras, however, the outlook is uncertain for the maize crop in particular, largely because of financial constraints on producers. In the Caribbean, relatively dry weather has prevailed in the last few weeks but no negative impact is reported for the developing cereal crops in the Dominican Republic and Haiti. Harvesting is due to start from April and average outturns are anticipated in these countries. In Cuba, the dry weather has benefited harvesting of the important foreign exchange earner sugar crop, as well as that of potato and other minor foodcrops.

- **South America**

Harvesting of the 1999/2000 **wheat** crop is complete in the southern countries of the subregion (Argentina, Brazil, Chile, Paraguay and Uruguay), following some delays in the major producing areas as a result of irregular adverse weather. Aggregate output is estimated at 18.5 million tonnes, which compares to the 5-year average of 17.8 million tonnes. At present, land is being prepared throughout the southern countries for planting of the 2000/2001 wheat crop and planting has recently started in Brazil. In the Andean countries, average 1999 wheat crops were collected in Ecuador, Colombia and Bolivia, although production in the latter country decreased from the previous year. In Peru, a bumper 1999 wheat crop was obtained. Planting of the 2000 wheat crop is currently underway in these countries, with the exception of Bolivia where harvesting of the first season crop for this year (planted in late 1999) is about to start.

Harvesting of the 2000 **coarse grain** crops, principally maize, has started in the southern areas of the subregion. In Argentina, recent favourable weather conditions have benefited the developing crop and preliminary forecasts point to an above-average output between 15 and 15.5 million tonnes. This mainly reflects increased plantings in anticipation of expanding exports. In Brazil, harvesting of the maize crop started in February and production is presently forecast at some 32.2 million tonnes, which is about average but below earlier estimates. A prolonged period of dry weather, particularly in the main southern growing areas, affected plantings. In Uruguay, the area planted has also been affected by the dry weather and production is likely to be below average. In Chile, heavy rains and winds in January have been reported but with no serious damage so far to the maize crop, which is expected to recover from last year's drought reduced level. In the Andean countries, in Bolivia, harvesting of the 2000 first (main) maize crop has started under generally dry weather principally in the eastern department of Santa Cruz. By contrast, in the southern department of Tarija, the crops have been affected by heavy rains. In Ecuador, normal rains in February benefited the developing maize crops. The harvest of the 2000 first maize (yellow) crop is about to start and early forecasts point to an average output. In Colombia, heavy rains in early March in the western parts of the country have delayed planting of the 2000 main maize crop. Early forecasts indicate that average plantings are intended. In Venezuela, rehabilitation and reconstruction programmes continue to be implemented in the states affected by mudslides and floodings in December. Normal weather conditions have resumed and planting of the main maize crop is due from April.

Harvesting of the 2000 **paddy** crop has started in South America, but unfavourable growing conditions in some countries have affected rice crops to varying degrees. In addition, there are indications that lower prices during the previous season triggered an area shift out of rice cultivation in the subregion. In Brazil, the subregion's largest rice producer, plantings are estimated to have declined by 3 percent to about 3.6 million hectares. However, paddy output, may fall only slightly as higher yields are expected. In Argentina, the Government has estimated a 31 percent fall in rice area for the 2000 crop to about 200 000 hectares following a switch of land from rice to soybeans. Inadequate soil moisture at planting time resulting in uneven crop germination could also contribute to a reduction in yields, so, overall paddy output is forecast to drop by about 37 percent. Rice area in Peru is estimated to have declined by 9 percent and output is forecast to fall by 12 percent. By contrast, rice cultivation in Chile increased by 35 percent from 1999 to about 20 000 hectares, in response to an improvement in water supplies and higher producer prices.

- **North America**

In the United States, **wheat** output could fall somewhat further in 2000 after a sharp decline already in 1999. Latest official estimates put winter wheat plantings at about 17.5 million hectares, virtually unchanged from the previous year's reduced area. Conditions for crops improved significantly in late March following

widespread rains in the U.S. Plains, where moisture had generally been greatly lacking since planting time. Nevertheless, in some of the worst hit areas, damaged wheat crops will likely be replaced with other cereals this spring. Early indications for spring wheat plantings in the USDA Prospective Planting Report point to a 5 percent reduction in area to about 7.5 million hectares. Assuming the forecast spring wheat area materializes, and normal weather conditions prevail for the rest of the season, FAO currently forecasts the aggregate 2000 wheat output in the United States at about 60 million tonnes. In Canada, the bulk of the 2000 wheat crop is due to be sown from May to June. The area planted is expected to increase somewhat as producers shift land out of oilseeds in response higher returns expected for wheat. However, a return to average yields after the bumper levels in 1999, is expected to offset the area increase, and overall output of wheat is tentatively forecast at about 26 million tonnes, compared to 26.8 million tonnes in 1999.

In the United States some early **coarse grains** crops are already in the ground in southern parts, but the bulk of the maize planting in the Corn Belt states takes place from late April. Early indications in the USDA Prospective Planting Report point to a slight increase of 1 percent in maize plantings but a 3 percent decline for sorghum. Despite some widespread rains in late March across the Corn Belt States, more precipitation is still needed to ensure conditions are satisfactory for planting. In Canada, the bulk of the coarse grains crops will be sown in May-June. Early indications point to a marginal increase in barley area.

In the United States, planting of this season's **rice** crop is scheduled to commence in April. Given the low prices and high level of stocks, the area under rice is anticipated to decline by some 5-7 percent from the previous season.

- **Europe**

In the EC, latest indications continue to point to an increase in **cereal** area for the 2000 harvest, largely at the expense of oilseeds. The overall **wheat** area is forecast to increase by about 4 percent to some 17.5 million hectares. Weather conditions are reported to have been generally favourable throughout the Community so far, and assuming normal conditions prevail, aggregate wheat output is forecast to increase by about 7 percent to nearly 105 million tonnes. For **coarse grains**, much will depend still on the outcome of spring/summer planting, which is only just starting. At this early stage, FAO tentatively forecasts the Community's aggregate coarse grains crop in 2000 at about 104 million tonnes, marginally up from 1999. In the EC, the **paddy** season is getting underway. Since 1996, rice area in the EC has stabilized at about 400 000 hectares with production averaging approximately 2.6 million tonnes. Both paddy area and output for the current season are not expected to be much different.

Among the main producing countries, in the EC the wheat area is forecast to increase by some 2 percent in France, by 11 percent in Germany, and by about 14 percent in the United Kingdom. In Italy, soft wheat plantings are reported to have decreased by about 6.6 percent due to adverse autumn weather in the northern producing areas, while later plantings of durum wheat in the central and southern parts have increased. In Spain, official reports indicate that the overall wheat area has declined only marginally from that in the previous year. However, prospects have deteriorated in recent weeks following persisting dry conditions throughout the winter.

Elsewhere in Europe, prospects for the 2000 cereal crops are mixed. In Albania, generally better weather conditions for the autumn cereal planting suggest some recovery in cereal production could be possible after adverse weather affected the cereal area and output in 1999. In Bosnia Herzegovina, the area sown to wheat is expected to decline further in response to unremunerative support prices but the area sown to coarse grains (mainly maize) could increase further. In Bulgaria, the winter wheat area is estimated at 1.1 million hectares and output is forecasts at 3.2 million tonnes, slightly up from the previous year. Early indications for the spring sown coarse grains (mainly maize) point to a similar area and output as in the previous year. In Croatia, despite persistent shortages of fertilizer, the outlook is for the 2000 wheat harvest to recover somewhat from the poor level of 1999 (0.6 million tonnes). Winter cereal plantings in the Czech Republic are estimated up by about 15 percent from the previous year, with the bulk of the increase accounted for by winter wheat. The wheat area is estimated at over 900 000 hectares which, assuming normal weather, should ensure a crop in excess of 4 million tonnes for the second year in succession. In the Former Yugoslav Republic of Macedonia, no significant change is expected in cereal production in 2000. Wheat output is tentatively forecast at about 380 000 tonnes.

In Hungary, the winter wheat area is estimated at about 1 million hectares, some 35 percent up from the previous year's reduced level. Assuming normal weather conditions wheat output could reach about 4 million tonnes in 2000. In Poland, early indications point to a decline in cereal output in 2000 because of poor producer price prospects, largely due to a sharp decline in demand for feed grains. Overall winter cereal sowings are officially reported to be down by 4 percent to 5.1 million hectares; the winter wheat area is estimated at about 1.8 million hectares, and that of rye at 2.2 million hectares. In Romania, latest reports indicate that the winter wheat area has increased from the previous year's reduced level to about 1.8 million hectares. Assuming normal weather, output could increase to about 5 million tonnes (1999: 4.7 million tonnes). In the Slovak Republic, favourable weather conditions for the winter cereal planting season point to

a recovery in winter cereal plantings and output in 2000 after 1999's reduced crop. Likewise, in Slovenia, a recovery in cereal output is expected this year after adverse weather reduced last year's harvest.

In the Federal Republic of Yugoslavia, (Serbia and Montenegro), rapid inflation and shortages of funds, diesel fuel, fertilizers and operational machinery could keep both the area sown and yields low. Indications are that the area sown for the 2000 wheat crop has increased somewhat but remained below average. The official estimate of the 1999 cereal harvest has been revised downward to 8.6 million tonnes, only marginally less than output in 1998.

In the Baltics, indications are that the area sown to winter cereals (mainly wheat and rye) for harvest in 2000 recovered sharply and grain output could recover to about 4 million tonnes, including 1.3 million tonnes of wheat. Official estimates of the 1999 cereal harvest indicate that output fell to only 3.4 million tonnes, 21 percent less than in 1998. Aggregate output of wheat was reduced by 23 percent to 1.2 million tonnes (1998: 1.6 million tonnes) while coarse grain harvests contracted by 20 percent to 3.4 million tonnes. All three countries have lower output, but the reduction is most marked in Lithuania where the 1999 grain harvest reached only 2.1 million tonnes (1998: 2.7 million tonnes). In Latvia, the aggregate harvest was reduced by nearly 20 percent to 787 000 tonnes.

In the CIS countries west of the Ural Mountains, governments are trying to come to grips with the need to increase the 2000 grain harvest (cereals and pulses) after disappointing harvests in 1999 in Belarus, Moldova and the Ukraine and a tight grain supply situation also in the Russian Federation. Early, tentative indications are that the aggregate grain harvest in 2000 in these four countries could be somewhat higher mainly due to some recovery in the Russian Federation, provided normal weather conditions prevail. Elsewhere, in the absence of exceptionally favourable weather conditions, chronic economic problems in the sector could continue to keep the harvests low.

The outlook for winter grains (mainly wheat and rye but also some barley) to be harvested in the summer of 2000 has improved somewhat and spring fieldwork is just getting underway. In the Russian Federation, winter grains have benefited from good growing conditions to date; nearly 13 million hectares of grain are reported to be in good or satisfactory condition with winterkill limited to 1 million hectares. High prices for grains following last year's second below-average harvest in succession (estimated by FAO at 60 million tonnes of cereals and pulses) coupled with somewhat more effective implementation of central government directives to ensure inputs for the 2000 grain harvest, could lead to an increase in the area sown to spring grains and, given normal weather, a further recovery in production, perhaps to 70 million tonnes. In the Ukraine, the outlook for the 2000 grain harvest remains uncertain. Unusually mild weather this winter has enabled some late planted winter grains to develop; the extent of winterkill could be less than 1 million hectares but inadequate use of inputs could still keep yields low. High fuel prices, ongoing farm reorganization and uncertain sources of credit for inputs could depress the area sown this spring and result in another poor harvest, not significantly larger than the estimated 27 million tonnes harvested in 1999. In Belarus and Moldova, even if the weather proves more favourable this crop year, the economic difficulties, which beset the sector in 1999, could also keep the 2000 grain harvests below average.

- **Oceania**

In Australia, planting of the main 2000 **wheat** and **coarse grains** crops is due to start in May. Early official forecasts indicate a decline in wheat production to about 22.7 million tonnes after the 1999 record crop, now estimated at just over 24 million tonnes. The forecast is based on expected plantings of 11.8 million hectares, just marginally down from 11.95 million hectares in the previous year, and an assumption of average seasonal weather conditions, giving an average yield of about 1.9 tonnes/hectare (2.01 tonnes/hectare in 1999). Regarding barley, the major winter coarse grain crop, early forecasts point to a sharp increase in production from 4.3 million tonnes in 1999 to 5.3 million tonnes in response to relatively better price prospects compared to other crops. Harvest of the minor 1999 summer coarse grains crop, mainly sorghum and maize, is underway. Output of sorghum is forecast at about 1.3 million tonnes compared to 1.7 million tonnes in 1999, reflecting reduced plantings. Harvesting of the 2000 **paddy** crop is in progress. Output is officially forecast to contract by over 20 percent from the previous season to about 1.1 million tonnes. This is largely attributed to a decline in area planted as concerns about the availability of irrigation water induced a shift out of rice cultivation.

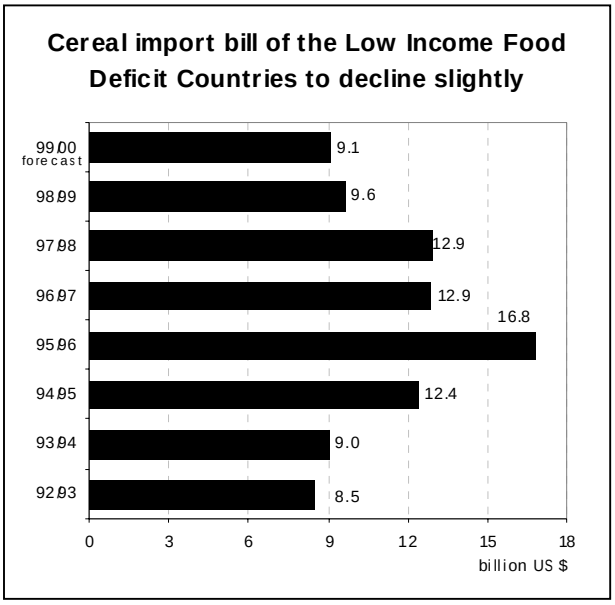
Trade[1/]

World cereal trade in 1999/2000 to expand by almost 4 percent

Global trade in cereals in 1999/2000 is forecast to reach 222 million tonnes, unchanged from the previous report. This volume is some 8 million tonnes, or nearly 4 percent, more than in 1998/99 (Table A.2). A large increase in wheat imports would be responsible for most of this expansion but, based on the latest revisions, the growth in coarse grain imports is also expected to be

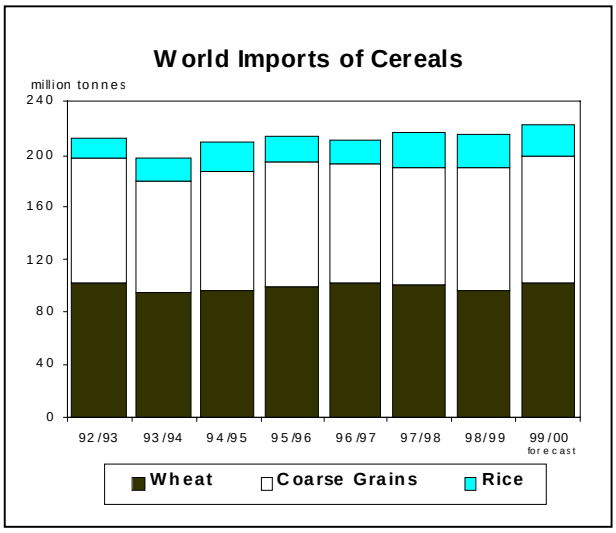
1/ World trade in wheat and coarse grains is based on estimated imports delivered through 30 June of the July/June trade year. Some late-season purchases may be included in the next season if deliveries occur after 30 June. In general, exports and imports are calculated based on estimated shipments and deliveries during the July/June trade season and thus they may not be equal for any given year due to time lags between shipments and deliveries.

significant. Among the other major cereals, smaller trade is anticipated for rice, for which this month's forecast represents a further downward adjustment. Despite a likely reduction in rice imports, aggregate cereal imports by the developing countries as a group, are forecast to approach a record volume of around 160 million tonnes. However, with prices generally below those of the previous year, the cereal import bill of the developing countries in 1999/2000 is likely to decline by nearly 3 percent compared to the previous year to US$20.7 billion. In the Low Income Food Deficit Countries (LIFDCs), total cereal imports are forecast to reach 70 million tonnes, unchanged from 1998/99, which in value terms would be roughly equivalent to some US$9 billion, about US$500 million less than in the previous year.



World trade in **wheat** and wheat flour (in wheat equivalent) in 1999/2000 (July/June) is put at 102.5 million tonnes, unchanged from the previous report, and up over 5 million tonnes, or 6 percent, from the reduced imports in 1998/99. Total wheat imports by the developing countries are expected to rise by 2 million tonnes to 78 million tonnes, which is slightly less than was forecast in the previous report. Aggregate imports by the developed countries are put at nearly 25 million tonnes, up 3.5 million tonnes from the previous year and also slightly higher than the previous forecast.

The forecast for wheat imports into **Africa** has been lowered this month by about 200 000 tonnes to 23 million tonnes, slightly less than in 1998/99, as reduced imports by Egypt and a few countries in the sub-Saharan region are expected to more than offset larger purchases by Algeria and Morocco. In **Asia**, wheat imports in 1999/2000 are forecast to reach nearly 48 million tonnes, some 2.4 million tonnes more than the season before. The forecast for imports by the Islamic Republic of Iran has been raised this month by 500 000 tonnes to 6.5 million tonnes. The severe drought is to blame for higher imports by that country this season. By contrast, the



forecast for imports by Pakistan has been lowered to 2.5 million tonnes, down 700 000 tonnes from the previous report. This revision takes into account an anticipated rise in wheat production to be harvested this year.

The forecast for wheat imports into **Europe** has been raised by almost 1 million tonnes to 11.8 million tonnes, up 4 million tonnes from the previous year. The bulk of the increase from the previous year and of this month's upward revision reflects larger than expected imports by the Russian Federation, which comprise food aid carried over from the previous season. In addition, the Russian Federation has asked for more food aid this season, and so far the United States has agreed to donate 300 000 tonnes of wheat. Total imports into **Latin America and the Caribbean** are expected to decline slightly this year to around 17.4 million tonnes. Wheat purchases by Brazil are expected to decline from the previous season mainly because of higher domestic production.

Regarding **exports** (Table A.3), given this year's rise in world demand, shipments from most major exporting countries are expected to rise. The largest increases are expected in Canada (up 4.3 million tonnes) and Australia (up 1.6 million tonnes). Export sales from Argentina and the EC are also likely to increase. Among the smaller exporters, the Czech Republic and Kazakhstan are expected to boost their export sales this season because of higher domestic production. By contrast, shipments from Hungary, Bulgaria, Poland, Romania, Syria, Turkey and Ukraine are anticipated to decline in view of reduced supplies.

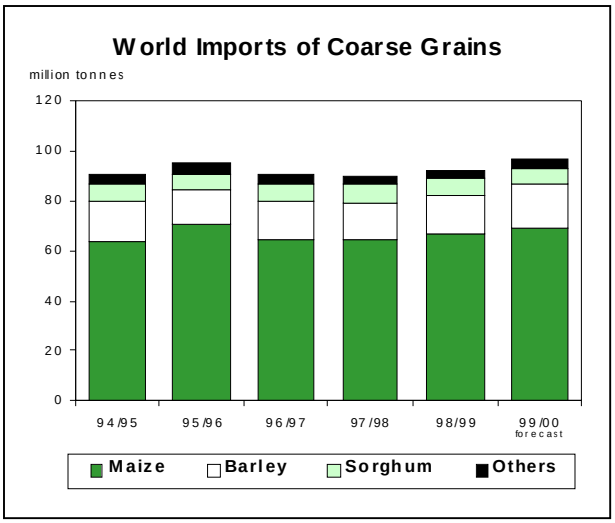
The forecast for world trade in **coarse grains** in 1999/2000 has been raised by 700 000 tonnes this month to 96.7 million tonnes. At this level, world imports would be over 4 million tonnes, or 5 percent, above those of the previous year. Among the individual coarse grains, maize and barley could expand most, to 70 million tonnes and 17 million tonnes, respectively. An increase in coarse grain imports by the developing countries to

Overview of World Cereal Imports - Forecast for 1999/2000

	Wheat		Coarse grains		Rice (milled)		Total	
	1998/99	1999/2000	1998/99	1999/2000	1999	2000	1998/99	1999/2000
	(. . . . . million tonnes . . . . .)							
Asia	45.5	47.9	52.7	54.5	14.1	12.2	112.3	114.5
Africa	22.8	22.5	11.1	12.4	5.4	5.5	39.2	40.4
Central America	5.6	5.9	11.2	11.2	1.5	1.5	18.3	18.5
South America	12.1	11.5	7.4	7.2	1.3	1.1	20.8	19.8
North America	2.9	2.5	3.7	3.5	0.6	0.6	7.3	6.7
Europe	7.7	11.8	6.1	7.9	1.8	1.7	15.5	21.4
Oceania	0.5	0.5	0.1	0.1	0.4	0.4	1.0	0.9
WORLD	**97.1**	**102.5**	**92.3**	**96.7**	**25.1**	**23.0**	**214.4**	**222.3**
Developing Countries	75.9	78.0	59.9	62.7	21.2	19.2	157.0	159.9
Developed Countries	21.1	24.6	32.4	34.0	3.8	3.8	57.4	62.4

Source: FAO

almost 63 million tonnes would account for most of the anticipated increase in world trade in 1999/2000. In the developed countries, aggregate imports could reach 34 million tonnes, also up from the previous year.



Total coarse grain imports into **Africa** are put at over 12 million tonnes, more than 1 million tonnes higher than in 1998/99. This increase would be almost entirely due to larger barley imports by Morocco and maize imports by several countries in sub-Saharan Africa, namely Kenya, Zimbabwe, Rwanda, South Africa, Tanzania and Zambia. In nearly all cases, the increase in imports would be in response to below-average domestic production. In **Asia**, the forecast for imports in 1999/2000 has been raised to 54.5 million tonnes, up 1.8 million tonnes from the previous year and 800 000 tonnes more than was reported previously. Most of this month's upward adjustment reflects larger than expected maize purchases by Indonesia. Compared to the previous year, barley and maize imports by the Islamic Republic of Iran are forecast to increase by 600 000 tonnes due to strong demand and low domestic production. Large export availability of more competitively priced maize from China is also expected to result in larger purchases by the Republic of Korea this season, mostly at the expense of lower imports of feed quality wheat.

In **Europe**, total coarse grain imports in 1999/2000 are currently put at 7.9 million tonnes, up 300 000 tonnes from the previous report, mostly because of larger imports by the Russian Federation than were forecast earlier. Maize imports by Poland are also anticipated to increase due to lower domestic production. A sharp reduction in output in Romania is expected to boost barley imports by that country. For **Latin America and the Caribbean**, this season's imports are expected to be only slight below the previous year, at around 18.4 million tonnes. Mexico is forecast to reduce its maize purchases, following two consecutive years of above-average crops. By contrast, imports by Brazil are forecast to increase by some 600 000 tonnes, mainly in response to strong demand from the fast growing poultry sector.

In the **export** market, one of the main features in the 1999/2000 marketing season has been the continuation of large and competitively priced exports from China. Maize shipments from China are forecast to reach 5.5 million tonnes, up 2 million tonnes from the previous year. At this level, China would rank as the world's third largest maize exporter after the United States and Argentina. Another important development this season is higher exports of barley from the EC, which, based on the current pace, are expected to exceed last year's level by over 1 million tonnes. Larger exports of barley from the EC would, to some extent, offset the expected decline in shipments from Australia and Turkey, following reduced production in both countries. Coarse grain exports from most other major exporting countries are expected to remain mostly in line with the previous year's levels.

FAO's forecast for world **rice** trade in calendar year 2000 has been reduced by 700 000 tonnes from the previous report to about 23 million tonnes, 2 million tonnes less than in 1999. Most of the annual decline stems from expected reductions in purchases by

countries in Asia, where the major importers experienced a recovery in production in 1999 and/or are expecting good harvests in 2000. In addition, some Governments have put in place measures to protect domestic producers from the low prices prevailing on the international market.

The forecast for imports by Indonesia has been cut by 500 000 tonnes from the last report to 2.5 million tonnes, since the country has indicated that, as of late March, it has enough rice to meet domestic requirements. A 30 percent import duty was introduced at the beginning of the year applicable to all rice imports. This duty has been bound at least until August 2000, under agreement with the International Monetary Fund. Bangladesh, which has emerged as the second largest rice importer in the world over the last couple of years, has re-introduced a duty of 5 percent on rice imports, following a recovery in last season's production and stocks, and expectations of abundant 2000/01 harvests. Pending additional information, the forecast for the country's imports has been left unchanged at 1 million tonnes. The forecast for imports by the Philippines has been lowered by 100 000 tonnes from that previously anticipated to 800 000 tonnes. The country had a good crop during 1999/2000 and expects to better that performance in the 2000/01 paddy season. Similarly, prospects of a rise in production and large inventories in Brazil, another important market in 1999, have led to a 400 000 tonnes reduction in the country's forecast imports from the level noted in the last report, to approximately 700 000 tonnes. The production shortfall in the Islamic Republic of Iran during the previous paddy season is expected to boost its import requirements by 10 percent over the volume imported in 1999. Its import forecast for 2000 still stands at 1.1 million tonnes.

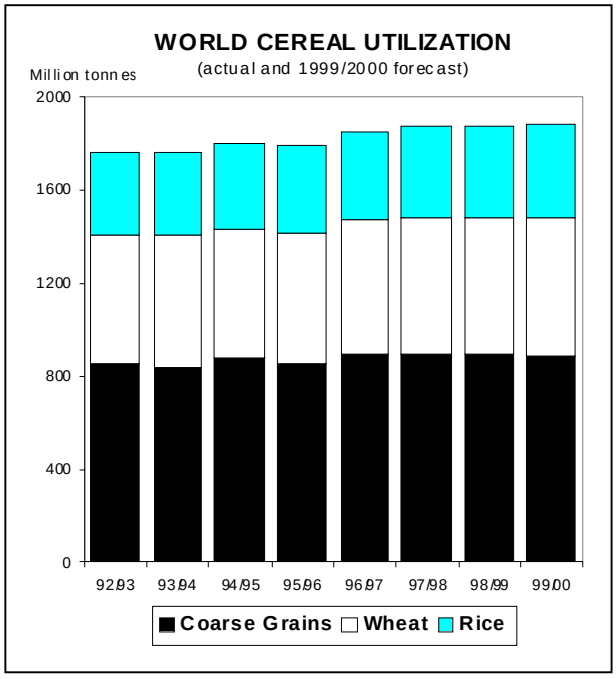
By contrast, the forecasts of shipments to a number of smaller importers including Singapore, Madagascar, Mozambique, Ecuador and Honduras have been raised by a total of 300 000 tonnes. There have also been reports of cross-border rice shipments from Pakistan to India, where lower grade rice is more expensive than that of comparable quality in neighbouring Pakistan. Imports into India of low grade rice, of at least 50 percent brokens, are currently duty free.

On the export side, a number of the major exporters will ship less during 2000 in the face of a contraction in import demand, with high cost producers affected the most. The forecast for shipments from India has been cut by 300 000 tonnes from the previously reported volume to 1.7 million tonnes. The presence of the country as a rice supplier to the world market has been sporadic during the last five years. China has played a major role as an exporter on the international market since 1996. The country is still expected to be a significant supplier in 2000, but it is likely to ship a smaller volume than in the last two years. The forecast for China's exports has been reduced by 200 000 tonnes to 2.5 million tonnes. Shipments from some smaller exporters, including Argentina and Australia, have also been reduced by about 200 000 tonnes given the expected contraction in production in those countries. The forecasts for exports from Thailand, Viet Nam and United States, the three leading world suppliers, have been left unchanged from the volumes reported previously.

Utilization

Growth in Global Demand to Remain Slow in 1999/2000

World cereal utilization in 1999/2000 is likely to continue to expand, albeit very slowly, by about 0.5 percent to 1 885 million tonnes. At this level, total cereal utilization would be slightly below the long-term trend, after being at or above trend during the previous three years. The volume of cereals used for direct human consumption is currently forecast to rise by 1.4 percent, mostly among the developing countries, while global feed usage is expected to be up only slightly from the previous season. A second year of contraction is anticipated for "other uses" of cereals, which include post-harvest losses, in particular among the developing countries.



Food consumption of cereals increases for most developing countries

Virtually all the predicted increase in global food consumption of cereals would be accounted for by the developing countries, primarily in Asia and Africa. About 70 percent of the increase is among the low-income, food-deficit countries (LIFDCs) which are the most vulnerable to food insecurity. Among individual countries, significant increases in food consumption are expected in China, India, Indonesia and Viet Nam in Asia, and in Kenya and Nigeria in Africa. In southern and eastern Asia, good rice crops in 1999, abundant

supplies of wheat, and low international prices have all encouraged consumption of food grains. Consumption could be further enhanced in India as the Government announced in January that it would increase its procurement of wheat by 6 percent for subsidized sales to the poor during April/March 2000/01.

World Cereal Utilization

	1997/98	1998/99	1999/2000 f'cast
	(. . . . . million tonnes . . . . . .)		
Total utilization			
World	**1 869**	**1 875**	**1 885**
Developing countries	1 109	1 135	1 143
Developed countries	760	740	743
Food consumption1/			
World	**947**	**967**	**981**
Developing countries	779	798	811
Developed countries	168	169	170
Feed use			
World	**663**	**655**	**656**
Developing countries	221	223	224
Developed countries	442	431	433
Other uses 2/			
World	**259**	**253**	**249**
Developing countries	110	113	108
Developed countries	149	140	140

Source: FAO

Note: Total computed from unrounded data.

1/ For direct human consumption.
2/ Other uses include seed, industrial uses and post-harvest losses.

Per Caput Food Consumption of Cereals

	1997/98	1998/99	1999/2000 forecast
	(. . . . . kg. per head . . . . .)		
Developing countries	172	173	173
Developed countries	130	130	130
TOTAL	**163**	**164**	**164**
Low-income food-deficit countries (excluding China and India)	178 (158)	180 (160)	180 (161)
Wheat	71	71	71
Coarse grains	33	33	33
Rice (milled)	59	60	60

Source: FAO

Globally, the growth in world food consumption is forecast to keep pace with the rise in population, resulting in per caput food consumption of cereals remaining unchanged at 164 kilograms in 1999/2000. In the LIFDCs as a group, per caput consumption would remain relatively stable, but some countries in sub-Saharan Africa and Asia could face a decline due to smaller crops and the effect of continuing civil conflicts. The most affected in Asia are Afghanistan, Sri Lanka, Jordan, Mongolia, Nepal, Pakistan, Syria and Yemen. In Africa, Angola, Ghana, Namibia, Eritrea, Sudan, Mozambique, Swaziland and Zimbabwe could face substantial declines in per caput cereal food consumption. The impact of such declines on food security in these countries will be determined by how much of other locally produced and/or imported foods can be substituted for cereals to maintain nutritional levels. Low international cereal prices are expected to ease some of the financial burden on these countries, which must import food to meet domestic needs. The cereal food prospects are expected to be better in Latin America and the Caribbean where crop conditions were generally favourable in 1999.

Feed demand to recover, but only slightly

World feed utilization of cereals in 1999/2000 is forecast to increase modestly to 656 million tonnes after falling by about 1 percent in the previous season. Total feed use of cereals is officially forecast to rise about 1 percent in the United States, to 165 million tonnes, due to expected larger inventories of beef and dairy cattle and poultry. Significant gains are expected in South America, in particular Brazil as its poultry export industry is likely to continue to expand. By contrast, lower cattle inventories and slower than expected hog production could reduce barley feeding in Canada and lead to an overall slight decline in total cereal feed use this season. For the first time in seven years, the downward trend in cereal feed use in the Russian Federation is forecast to reverse in 1999/2000, helped by an expected reduction in meat imports and in spite of a likely decrease in coarse grain feeding. The decline in coarse grains would be more than offset by increased wheat feeding encouraged by higher production in 1999, a rise in imports, and lower wheat prices relative to other grains. In the EC, feed use of cereals is expected to remain close to the previous year's level, while some countries in eastern Europe may reduce cereal feeding in view of smaller domestic supplies.

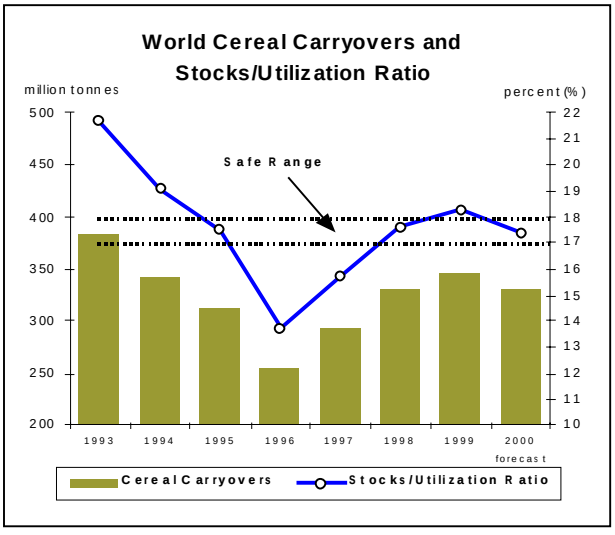
With the resumption of economic growth in several Asian economies, aggregate feed use is forecast to recover slowly in 1999/2000, pointing to the first significant expansion since the beginning of the financial crisis some 3 years ago. In the five Asian countries hardest hit by the financial crisis (Indonesia, the Republic of Korea, Malaysia, the Philippines and Thailand), cereals used in livestock feed are anticipated to increase by 6 percent this year, buoyed by low grain prices as well as economic recovery. Among other developing countries, feed use of cereals in 1999/2000 is forecast to be largely unchanged from the previous year.

"Other uses" of cereals expected to be down

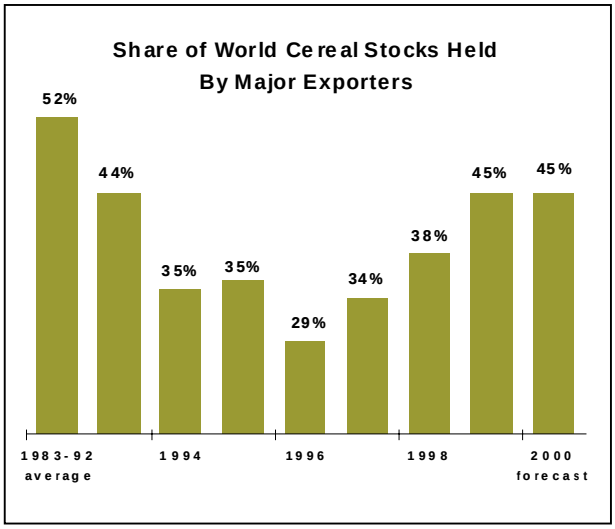
Other uses of cereals, comprising seeds, industrial uses and post-harvest losses, are forecast to continue to contract on a global basis since their peak in 1997/98, largely due to lower post-harvest losses, especially among the developing countries. By contrast, industrial uses of cereals in some developed countries could expand this season to meet growing domestic demand. In the United States, according to the official sources, industrial uses of maize in 1999/2000 are forecast to rise in aggregate about 3 percent compared to the previous year, especially for High Fructose Corn Syrup, starch and alcohol for ethanol production.

Carryover Stocks

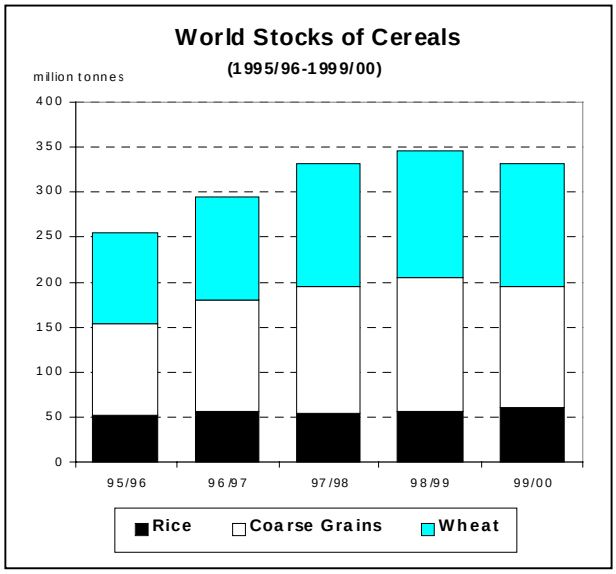
The forecast for global **cereal** stocks by the close of the current seasons ending in 2000 has been lowered slightly from the previous report to 332 million tonnes (Table A.5). Latest information points to a likely stronger decline in maize carryovers in China and some of the major exporting countries. At the current forecast level, world cereal carryover stocks would be 14 million tonnes, or 4 percent, below their opening level. All of the anticipated reduction is in stocks of wheat and coarse grains as rice inventories are expected to increase for the second consecutive year. Overall, the ratio of global cereal carryovers to trend utilization in 2000/01 is put at 17.4 percent, unchanged from the previous report, which is within the 17-18 percent range that the FAO Secretariat considers as the minimum necessary to safeguard world food security. In addition, the percentage share of global cereal stocks held by major exporters, another indicator of global food security, is expected to remain unchanged at around 45 percent.



World **wheat** inventories for crop years ending in 2000 are likely to decline to 136 million tonnes, down 4 million tonnes, or 3 percent, from their opening level. This decline is slightly less than was reported earlier but would still represent the first drawdown in 4 years.



Countries where this year's ending stocks are likely to decline significantly include China (down 3 million tonnes), Turkey (down 1.5 million tonnes), Syria (down 1 million tonnes), the Russian Federation (down 1 million tonnes), and the Islamic Republic of Iran (down 700 000 tonnes). In most of these countries, the reductions in stocks would be on account of lower domestic production.



Total wheat inventories held by major exporting countries are expected to remain unchanged from their relatively high opening levels, at around 51 million tonnes (Table A.4). However, this would be mainly because of larger carryovers in the United States, which are forecast to be up 1.4 million tonnes from previous year. Among the other major exporters, in the EC a combination of smaller production and larger exports could result in some 2 million tonnes reduction in stocks. In Canada, despite a rise in production, ending stocks are likely to remain close to their opening levels, mostly because of a sharp boost in exports. A record wheat production in Australia could result in higher stocks there, although exports are also expected to increase sharply.

World Carryover Stocks of Cereals

	Crop year ending in:		
	1998	1999 estimate	2000 forecast
	(. . . . million tonnes . . . .)		
Wheat	135.6	139.9	135.6
Coarse grains	140.2	149.4	137.5
Rice (milled)	54.8	56.5	59.0
TOTAL	**330.6**	**345.8**	**332.1**
of which:			
Main exporters	126.5	154.1	148.0
Others	204.1	191.7	184.1

Source: FAO

The forecast for **coarse grains** inventories for crop years ending in 2000 has been lowered since the last report, by 4 million tonnes, to 137.5 million tonnes. At this level, world coarse grain stocks would be 12 million tonnes, or 8 percent below their opening level and the smallest in 3 years. Continued large maize exports from China could result in smaller carryovers given the decline in its domestic production in 1999. The estimate for aggregate coarse grains stocks held by the five major exporters has also been lowered this month to 77 million tonnes. The forecast for ending stocks in the United States has been lowered by 3.7 million tonnes, to 49.5 million tonnes. At this level, coarse grain inventories in the United States would be slightly below last year, following reduced output and a strong growth in domestic feed use. Another significant decline in inventories is expected in the EC, where a decrease in 1999 production is expected to result in some 5 million tonnes drawdown on stocks, mostly of barley.

Global **rice** stocks by the close of the marketing seasons ending in 2000 are expected to increase by about 2 million tonnes from their opening level, to reach about 59 million tonnes, the highest level since 1994. The increase is mostly attributed to bumper harvests during the 1999/2000 season, as a result of which, overall production has outpaced the increase in consumption. Most of the stock build up will be concentrated in the major exporting countries, particularly Thailand, Viet Nam, the United States and India. Importing countries such as Indonesia, Bangladesh, the Philippines and Brazil could also take advantage of the general weakness in rice prices to replenish their stocks.

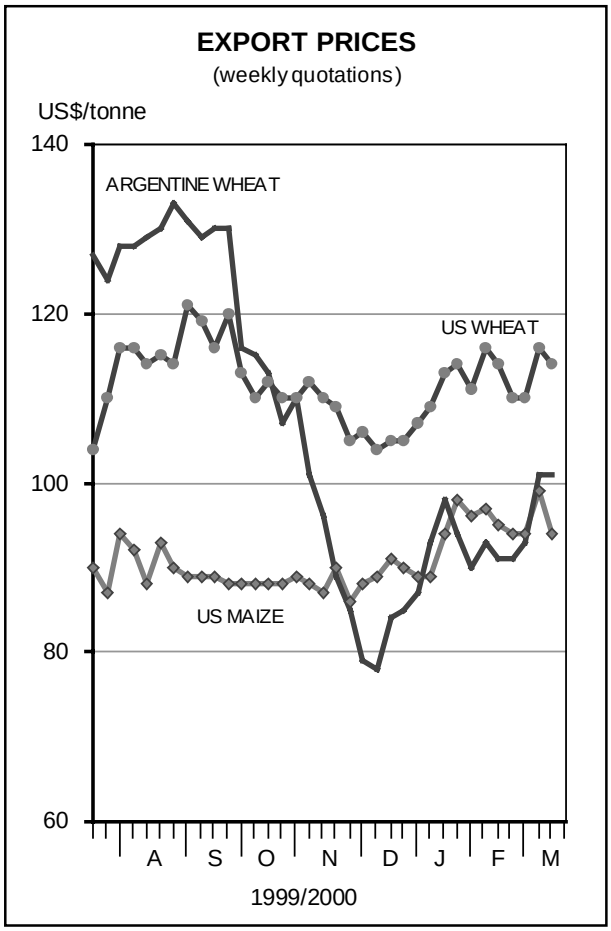
Cereal stocks could decline again next year

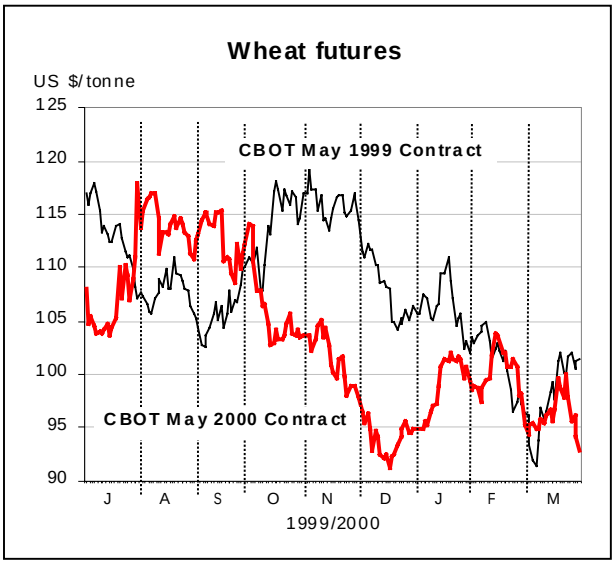
Based on the current tentative cereal production forecasts for 2000 and the projected utilization level in 2000/01, early indications for global cereal stocks by the close of crop years ending in 2001 point to a further drawdown of at least 8 million tonnes, or 2 percent, from this year to about 324 million tonnes. The bulk of the reduction is expected in North Africa and in Asia, especially in China. Total stocks held by the major exporting countries may also decline, albeit slightly. Among the individual cereals, wheat and rice stocks are expected to contract but coarse grain inventories could increase somewhat.

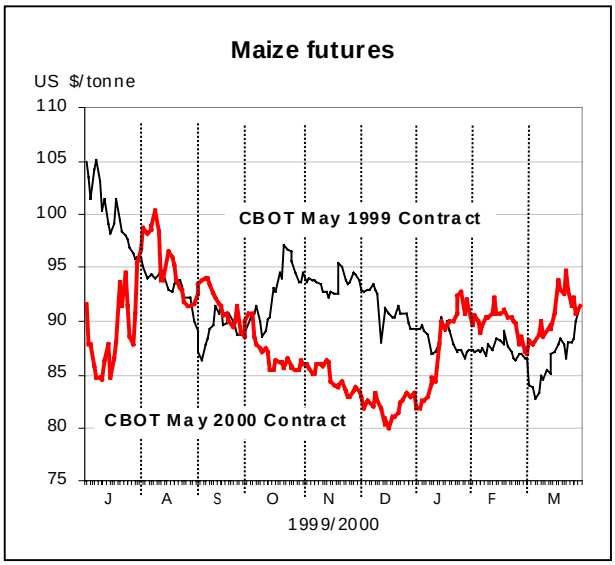
Export Prices

Despite small increases in wheat and maize, the overall downward pressure on prices continues this season

International **wheat** prices rose slightly since the previous report reflecting active trading and concern over adversely dry conditions for the United States wheat crop. The price of US wheat No. 2 (HRW, fob) averaged US$112 per tonne in March, some US$1 per tonne above January, although still some US$16 per tonne below March 1999. The price of Argentine Trigo Pan also averaged higher in March, at about US$98 tonne (fob), up some US$5 per tonne from January, but US$14 per tonne below the corresponding period last year.







However, the prospects for a stronger upturn in prices are limited given the generally good production prospects and relatively large carryover stocks in major exporting countries. In fact, in the futures market (Table A.8), while in recent weeks the soft red winter wheat May values in the Chicago Board of Trade, rose closer to last year's levels, mostly in response to worries over growing conditions in the United States, the small recovery was short-lived once weather conditions improved.

Cereal Export Prices*

	2000		1999
	March	Jan.	March
	(. . . . . US$/tonne . . . . . .)		
United States			
Wheat 1/	112	111	128
Maize	95	93	97
Sorghum	95	91	92
Argentina 2/			
Wheat	98	93	112
Maize	85	93	92
Thailand 2/			
Rice white 3/	234	244	262
Rice, broken 4/	152	159	198

Source: FAO, see Appendix Table A.6

* Prices refer to the monthly average.
1/ No. 2 Hard Winter (Ordinary Protein).
2/ Indicative traded prices.
3/ 100% second grade, f.o.b. Bangkok.
4/ A1 super, f.o.b. Bangkok.

In the **maize** market, rising import demand, and concern over continuing dry conditions in several major producing areas of the United States, where the 2000 crop is due to be sown soon, led to sudden price increases in March. Nevertheless, against the background of generally ample availabilities in major exporting countries and continued large export supplies in China, the overall increase remained limited. In March, the US maize export prices averaged US$95 per tonne, up US$2 per tonne from January but US$2 per tonne below the corresponding period last year. Similarly, in Chicago, the May futures rallied during March, moving closer to last year's levels. Nevertheless, given the overall favourable crop prospects for 2000, it is difficult, at this early stage, to expect any sustained recovery in prices.

With the arrival of new **rice** crops onto the market in some major exporting countries, and continued dull import demand, international rice prices declined further in recent weeks. The FAO Export Price Index for Rice (1982-84 =100) averaged 103 points in March, down by 3 points from the previous month, and its lowest level since June 1994. In comparison, the Index stood at 116 points at the same time in 1999 and averaged 114 points for the whole of 1999.

As was expected, the vigour that was exhibited by some Thai prices during February could not be sustained in the absence of import demand to back it up. The price quotes for Thai 100B steadily declined during March and the monthly average of US$234 was US$16 below the February average. Prices for the lower quality grades also declined over the same period. Thai A1 Super averaged US$152 per tonne in March, down by US$4 per tonne from February. A similar downward trend was observed in many of the other major exporting countries in Asia. In Viet Nam, there was additional pressure on prices as the crop from the bumper winter-spring harvest came to the market.

In the United States, the market has been generally quiet with little activity and some prices have dropped from the previous month. Prices for high quality No. 2/4 percent broken rice averaged US$272 per tonne in March, down by US$3 per tonne from February. Supplies in the United States are at a record level, and, given the weak global import demand, prices may need to go down further to entice prospective buyers.

Ocean Freight Rates (Contributed by the International Grains Council)

In contrast to earlier expectations, ocean freight rates were mostly firmer during the first quarter of 2000 (Table A.9). Much of this strength was attributable to rising oil prices, which pushed up bunkering charges and thus owners' operating costs. However, a slight easing in oil prices was seen in late March in anticipation of an increase in production quotas for OPEC members. In the dry cargo sector, demand for grain shipments was muted, with transactions centred on bookings for new crop grains and oilseeds from the southern hemisphere. Australia sold 0.9 million tonnes of wheat to Iraq. This business included the largest ever single shipment of 130 000 tonnes from Port Kembla. Elsewhere China was an active buyer of US soyabeans, reportedly purchasing 0.9 million tonnes requiring up to fifteen Panamax vessels. Competition for spot tonnage was supported by the continued economic recovery in Far East Asia. Several fixtures for thermal coal resulted from the imminent commissioning of new generating capacity in the Republic of Korea and Thailand, and others were needed to cover imports of iron ore for steel production in China. A number of fixtures were announced for aid cargoes of US maize to Russian Federation. Such business is subject to Cargo Preference rules, which give priority to available US flag vessels. Rates from the US Gulf to various Russian Federation or Baltic ports ranged between US$57.37 to almost US$75.00 per tonne, considerably in excess of normal commercial rates. The overall direction of the freight market is reflected in the movement of the Baltic Dry Index (BDI), a weighted average of rates on major dry cargo shipping routes. The BDI opened the year at 1 320 and hit a peak of 1 650 in early March, before declining to 1 624 later in the month.

Cassava

Cassava production rose in 1999

Global cassava production in 1999 grew by 2.8 percent to 167.7 million tonnes in fresh root equivalent, sustained by increases in Asia and Latin America and the Caribbean, which more than offset a contraction in Africa.

In **Asia**, cassava output rose by 11 percent to 50 million tonnes as a result of an expansion in plantings and improved yields. Among the major producing countries, output in Thailand is estimated to have risen by over 20 percent to 20.3 million tonnes. Apart from favourable weather, almost half of the 1.2 million hectares under cassava cultivation were reportedly planted with improved strains, which contributed to the rise in land productivity. Production increases ranging from 2 percent to 5 percent were reported in China, India, Indonesia, and the Philippines. By contrast, in Viet Nam, production remained close to the previous year's level, as a contraction in plantings was offset by a rise in yields brought about by increased use of improved varieties. In **Latin America and the Caribbean**, the 1999 cassava output is estimated at 29.4 million tonnes, 5.6 percent more than the 1998 crop. The increase is mainly attributed to Brazil, the world's second largest cassava producer, where output recovered partly from the 1998 slump. Substantially larger outputs were reported in Colombia and Paraguay, while modest increases were recorded in Costa Rica, the Dominican Republic, Peru and Nicaragua. In **Africa**, the world's major producing region, cassava production fell by 2.5 percent to 88 million tonnes, reflecting poor crops in some major producing countries, including the Democratic Republic of Congo, Mozambique, Sierra Leone and Rwanda, where production activities were disrupted by population displacements and civil strife. In Kenya, Uganda and Tanzania, a prolonged drought seriously affected crop production. In Nigeria, official estimates put the 1999 output at about 30 million tonnes, 2.2 million tonnes down from 1998. By contrast, cassava production increased in Ghana and Benin by 8 and 3 percent respectively, following the implementation in both countries of the Roots and Tuber Improvement Programmes promoting the introduction, multiplication and distribution to farmers of pest and disease

World Cassava Production 1/

	1997	1998	1999 prelim.
	(. . . . . million tonnes . . . . .)		
WORLD	**164.6**	**163.0**	**167.7**
Africa	**84.9**	**90.2**	**88.1**
Congo Dem. Rep.	17.0	17.1	16.0
Ghana	7.0	7.2	7.8
Madagascar	2.4	2.4	2.4
Mozambique	5.3	5.6	5.4
Nigeria	30.4	32.7	30.4
Tanzania	5.7	6.1	6.1
Uganda	2.3	3.2	3.0
Asia	**47.6**	**45.0**	**49.9**
China	3.7	3.4	3.6
India	5.9	6.1	6.2
Indonesia	15.1	14.7	15.4
Philippines	2.0	1.8	1.8
Thailand	18.1	16.4	20.3
Viet Nam	2.0	2.0	2.0
Latin America and Caribbean	**31.9**	**27.6**	**29.4**
Brazil	24.3	19.7	20.7
Colombia	1.7	1.6	2.0
Paraguay	3.2	3.3	3.5

Source: FAO

1/ In fresh roots.

resistant planting materials. Modest increases were also reported in Cameroon, Liberia, Togo and Zambia.

Cassava utilization expanded in 1999

Reflecting the increase in global production, world food **utilization** of cassava rose by two percent to 98 million tonnes in 1999, with most of the expansion being concentrated in Asia and Latin America and the Caribbean. By contrast, in Africa where cassava is a major staple and contributes significantly to food security, food utilization of cassava fell by 3 percent to 58 million tonnes. Feed utilization increased worldwide, with the major increases occurring in South America and in the EC. The volume of cassava processed into non-food products rose, boosted by low international prices for cassava starches and the economic recovery in Asian countries.

In **Africa**, the decrease in production in 1999 resulted in a decline in food consumption of fresh cassava and products (gari, attiéké, foufou, kokonte, etc.). The contraction affected mainly the rural populations, who rely to a larger extent on the crop for their livelihoods. The reduction in food consumption of cassava was especially marked in the Democratic Republic of Congo, Rwanda and Uganda where outputs fell substantially. By contrast, per caput food consumption of cassava grew in Benin, Cameroon, Mali, Ghana, Liberia, Sierra Leone and Togo. In some of these countries, roots and tubers are increasingly being used as a substitute for imported cereals. In **Asia**, larger crops in 1999 led to a 9 percent increase in domestic cassava usage. Its utilization in feed, alcohol and starch production expanded in Thailand and Viet Nam, supported by the economic recovery in the region. By contrast, the use of cassava in the Philippines, the Republic of Korea, Malaysia and Japan, which rely mainly on imported supplies, remained almost unchanged. In **Latin America and the Caribbean**, cassava is an important food staple in a number of countries, but a large share is used as on-farm feed in the producing areas. Industrial utilization of cassava in the region has been growing in the past decade, as the crop has moved from being a subsistence to a market-oriented crop, providing raw material for the manufacture of food products, feed and industrial applications. Thus, the recovery in production in 1999 is likely to have sustained a general increase in cassava consumption.

Among the **developed countries**, the EC's utilization of cassava for feed manufacturing increased in 1999, stimulated by competitive cassava pricing. Spain and Portugal, in particular, stepped up their usage to compensate for a shortfall in barley production. Italy also utilized large quantities of cassava chips and pellets for the first time. By contrast, the use of cassava fell in Japan and in the other developed countries, including Israel and Poland.

World cassava trade recovered in 1999

World **trade** in dry cassava products (also called "tapioca") rose by 22 percent in 1999 to 6.0 million tonnes (15 million tonnes in fresh root equivalent), sustained by large export availability in Thailand. Of the total, 4.6 million tonnes were traded in the form of chips and pellets and 900 000 tonnes in the form of cassava flour, up from 3.9 million tonnes and 700 000 tonnes, respectively, in 1998. Shipments to the EC amounted to 4.3 million tonnes, or 48 percent more than in 1998. As in the past, the Netherlands, remained the main port of entry of cassava products, followed by Belgium, Italy and the drought-stricken Spain and Portugal. By contrast, purchases of cassava products by non-EC countries fell by 15 percent, mainly as result of smaller purchases by the Republic of Korea and Indonesia. Exports of cassava products by Thailand rose to an estimated 5.2 million tonnes, 30 percent more than in 1998 and close to the level reached in 1997. By contrast, sales of cassava products from China and Indonesia fell reflecting high domestic requirements.

World Trade in Cassava 1/

	1997	1998	1999 prelim.
	(. . . . . million tonnes . . . . .)		
World Exports	**6.4**	**4.9**	**6.0**
Thailand	5.3	4.0	5.2
Indonesia	0.2	0.2	0.2
China 2/	0.4	0.3	0.1
Others	0.5	0.4	0.5
World Imports	**6.4**	**4.9**	**6.0**
EC 3/	3.6	2.9	4.3
China 2/	0.6	0.6	0.7
Japan	0.3	0.3	0.3
Korea. Rep. of	0.5	0.5	0.2
Others	1.4	0.6	0.5

Source: FAO

1/ In product weight of chips and pellets. including starch and flour.
2/ Including Taiwan Province.
3/ Excluding trade between EC members.

Cassava prices weak or falling

International cassava prices dropped significantly in 1997 and have remained since then substantially below the levels prevailing in the early 1990s. Abundant supplies in Thailand combined with growing competition in the EC pressured prices further down in 1999. As a result, the EC import price for cassava chips and pellets fell to US$102 per tonne, 5 percent less than in 1998, and as much as 36 percent below the level in 1993, when the implementation of the CAP reform began. Prices of cassava pellets in the EC are influenced by the domestic prices of grains, especially barley, and the prices of protein-rich meals which supplement cassava in balanced feed rations.

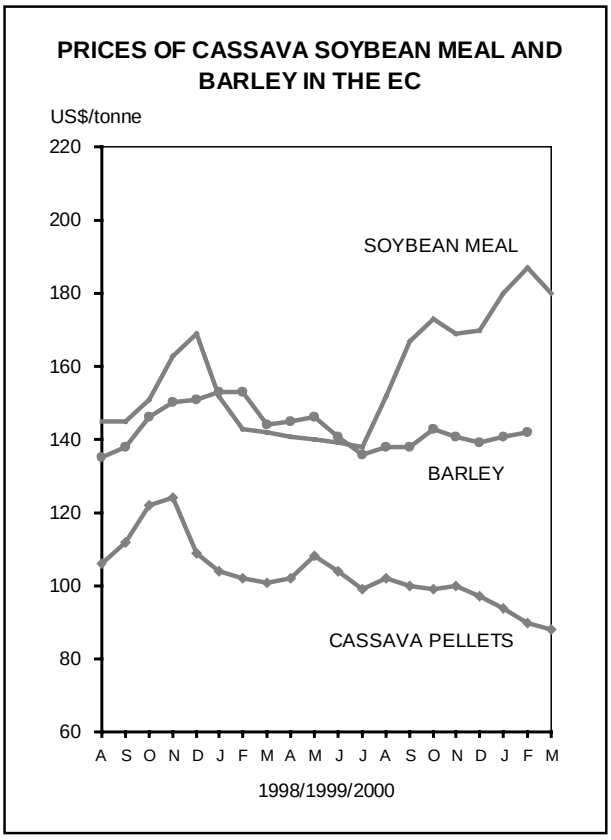
Prices of Cassava, Soybean meal and Barley in the EC

	Cassava pellets 1/	Soybean meal 2/	Cassava soybean meal mixture 3/	Barley 4/	Barley/cassava mixture
	(. . . . . .US$/tonne . . . . .)				(. . . . ratio . . .)
1991	178	197	186	222	1.19
1992	183	204	187	235	1.26
1993	137	208	151	197	1.30
1994	144	192	154	182	1.18
1995	177	197	181	209	1.15
1996	152	268	175	194	1.11
1997	108	276	142	161	1.13
1998	107	170	120	145	1.21
1999	102	152	112	143	1.28
2000 5/	92	183	110	141	1.28

Source: FAO, Oil World and Agra-Europe.

1/ F.o.b. Rotterdam (barge or rail) including 6% levy. 2/ Argentina (45/46% proteins) c.i.f. Rotterdam up to September 1999. From October 1999 Argentina (44/45% proteins) c.i.f. Rotterdam. 3/ Consisting of 80% of cassava pellets and 20% of soybean meal. 4/ Selling price of barley in Spain. 5/ January-February average.

Quotations for barley in 1999 in Spain, one of the major cassava users in the Community, were virtually unchanged at US$42 per tonne, while international price of soybean meal (c.i.f. Rotterdam) dropped from US$170 per tonne to US$152 per tonne between 1998 and 1999. As a result, the cassava/soybean meal mix was particularly attractive to EC feed users. Similarly, the international prices of cassava starches and flours, which are traded principally among Asian countries, followed a downward trend for most of the year, falling to an average of US$172 per tonne in 1999, some 30 percent less than in 1998.



Production, trade and price outlook for 2000

Prospects for cassava production in 2000 are still subject to a large degree of uncertainty, especially in Africa where the crop plays a critical role for food security. In that region, the roots are often left in the ground for over one year and are only harvested when food shortages arise, which makes an assessment of production particularly difficult. For these reasons, production is likely to expand in Madagascar where a poor 2000/01 paddy season is currently anticipated. Ghana and Benin are also expected to record some increases, mainly as a result of a renewed interest in commercial production. However, no indication is currently available regarding the crop in Nigeria, the world largest producer. In Latin America and the Caribbean, production is forecast to rise this year, mainly due to a further recovery expected in Brazil, where favourable prices have prompted farmers to increase plantings. Some initiatives have been launched in the region to promote the crop, for instance through the establishment in 1999 of an international consortium, CLAYUCA, composed of public and private institutions, which has the objective to support research and development of the cassava sector in the region. Production in Asia could increase somewhat in 2000, influenced by developments in Thailand where farmers have been increasingly adopting high yielding cassava varieties. Thai farmers have been facing extremely weak prices in 1999, which has induced the Government to intervene in support of the market by providing incentives to traders to buy and store dry cassava products. Notwithstanding those measures, producer prices have failed to recover, which might discourage plantings of the 2000/01 crop.

With exportable supplies in Thailand expected to be abundant during the course of the year little change in international trade in cassava products is currently anticipated. With EC grain intervention prices

Cassava and Cassava Products Prices in Thailand

	Tapioca flour/ starch Super H. G., Fob Bangkok	Domestic market prices	
		Roots	Hard pellets
	(. . . . . US$/tonne . . . . . .)		
1988	166	47	136
1995	358	65	127
1996	289	49	113
1997	244	34	72
1998	276	44	75
1999	172	26	66
1999 - Apr.-June.	196	31	75
- July-Sept.	160	24	65
- Oct.-Dec.	162	24	65
2000 - Jan.-Feb.	163	24	57

Source: Thai Tapioca Trade Association, Market Review.

scheduled to be cut by 7.5 percent in July 2000, feedgrains prices may fall putting cassava prices under further downward pressure. Indications for the first quarter of 2000 point to a slide in international pellet prices to levels well below those prevailing in the last two years, with pellets prices, c.i.f. Rotterdam, down by 5 percent to US$92 per tonne compared to the same period in 1998. Although export prices for Thai tapioca flour/starch have also continued to slide, they might recover during the course of the year, as the economic recovery in Asian markets stimulates demand.

Milk and Milk Products Price trends

Since the middle of 1999, the international price of milk powder has been increasing. The strongest growth has been for skimmed milk powder (SMP) whose price increased from US$1 225 per tonne to US$1 550 per tonne between July 1999 and February 2000. Following on from the upward trend in powder prices, cheese prices have also increased, although to a lesser degree. The main factors behind the increase in price for the above products are strong demand in importing countries and limited supplies in exporting countries. Taking the case of skimmed milk powder, Oceania began the 1999/2000 dairy year with low levels of stocks, a situation which remained unchanged throughout the season as a result of strong export sales. On the other hand, while the EC had adequate intervention stocks of skimmed milk powder, sales during the first half of 2000 were constrained by maximum limits for the use of export subsidies agreed under the WTO Uruguay Round Agreement on Agriculture. In contrast to the other principal dairy products, the price of butter has remained at around US$1 225 per tonne since mid-1999. Here, principal factors are the reduced import demand from the Russian Federation, which was the main import market for butter until the sharp devaluation of the Rouble in 1998, and the use of butter substitutes, especially by the recombination industry in South-East Asia.

Indicative Dairy Export Prices 1/

	1999		2000	
	July	Dec.	Jan.	Feb.
	(. . . . US$/tonne, f.o.b. . . . .)			
Butter	1 250	1 225	1 225	1 225
Skimmed milk powder	1 225	1 475	1 538	1 550
Whole milk powder	1 425	1 500	1 588	1 600
Cheddar cheese	1 700	1 725	1 775	1 775
Acid casein	3 850	4 100	4 100	4 150

1/ Mid-point of price ranges reported by the New Zealand Dairy Board.

Small rise in milk production expected

Global milk output is expected to rise by 2 percent during 2000, with production increasing in most countries. In Oceania, both Australia and New Zealand have enjoyed favourable weather conditions for pasture growth during the current 1999/2000 dairy year. As a result, production is forecast to grow substantially in New Zealand, by 8 percent (of the two countries, New Zealand, is most dependent on pasture for its milk production), and continue on an upward trend in Australia, increasing by 4 percent. In both countries, current levels of production are the highest ever seen by the dairy industry. Growth in milk production in Oceania is linked to returns from dairying being higher than those of other pasture-based livestock activities - such as beef or sheep farming. In addition, the depreciation of the national currencies of both countries against the US dollar, has meant that depressed international prices, which are quoted in dollars, have not been fully transmitted, in local currency terms, to the farmer. Furthermore, the recent improvement in international prices could lead to an increase in domestic prices and result in further production growth.

Milk Production

	1998	1999	2000 estim.
	(. . . . . million tonnes . . . . .)		
WORLD	**555**	**560**	**570**
EC	124	124	124
India	74	76	79
United States	71	73	75
Russian Fed.	33	31	31
Pakistan	22	23	24
Brazil	22	22	23
Ukraine	14	13	13
Poland	13	12	12
New Zealand	11	11	12
Australia	10	10	11

Source: FAO

In the United States, milk production is anticipated to rise by slightly more that 1 percent in 2000. While this increase is in line with the recent historical trend, it is less than the rate of growth in 1999, when a high milk price, low feed costs and ample forage supplies produced a favourable feed/milk price ratio and provided a strong stimulus to production. In eastern European countries, milk output is expected to expand, mainly via improved yields. For some of these countries, anticipated access into the EC during the coming years may act as an incentive for farmers to increase output, with the aim of gaining entitlement to production quotas, once membership to the EC is achieved. Production in a number of other developed countries (the EC, Canada, Japan, Switzerland) is subject to policies which restrict output and, consequently, changes little from year to year. In the case of Norway, where production is also subject to quotas, limits on subsidized exports of dairy products – mainly cheese - agreed under the Uruguay Round Agreement on Agriculture will require a reduction in domestic milk production during 2000. This is expected to be achieved by the government purchasing the required quantity of quota rights from farmers. In the Russian Federation, a continued decline in output is projected for 2000, as milk production is unprofitable for many producers.

In the developing countries, growth in milk output is expected to continue in Asia and Latin America. India's milk production during the 2000/2001 (April/March) marketing year could rise to an estimated 79 million tonnes: because milk production is concentrated in small units with only 10 percent of national production passing through the formal milk processing sector, exact figures for India's milk output are not available.

Production growth in India is increasingly through improved yields per animal rather than through growth in animal numbers. Also in China, where a moderate growth in total milk output is expected, milk production growth has focused on improved yields rather than expansion of the dairy herd, since the start of the 1990's. In Latin America, milk production is expected to increase in most countries in the region. For the Cono-Sur countries (Argentina, Chile and Uruguay), where the fortunes of milk producers are increasingly linked to the international market, as their domestic markets are not growing sufficiently to absorb increased output, low prices to producers are expected to lead to the accelerated exit of small and less efficient milk producers from the industry. During the last part of 1999 and the first months of 2000 both Paraguay and Uruguay experienced unseasonably dry conditions. As this negatively affected pasture quality, milk output in 2000 may not increase or could even decline. Elsewhere in Latin America, production is expected to rise in Brazil, Costa Rica and Mexico. In this group of countries, rising domestic demand is the principle motor behind growth in milk output.

Strong import demand expected for 2000

Production of milk in excess of domestic requirements in the major exporting countries could grow at a slower rate than that of international demand during 2000. If this were to happen, supplies of some dairy products to the world market, especially skimmed milk powder, could be in short supply. Purchases of milk powder by most countries in South East Asia are expected to increase during 2000, as economic growth in this region should sustain import demand. Additionally, for the oil producing countries in the Near East and North Africa, increased revenue, stemming from higher oil prices, could lead to growth in import demand for a number of dairy products. Elsewhere, Brazilian imports are expected to be maintained. Import demand by the Russian Federation for butter is not expected to recover to pre-devaluation levels during 2000 and this will be a major contributing factor to the probable continued depressed demand for butter in the international market.

Price outlook

Assuming normal weather conditions in the southern hemisphere, limited export supplies in many exporting countries and sustained import demand from a number of importing countries average prices for most dairy products could increase during 2000. As of March 2000, indications were that milk powder prices would show the strongest growth. Depressed demand for butter could result in the average price for this product remaining at low levels during 2000.

Information of the World Dairy Industry

Dairy Outlook E-mail Discussion Group

The Dairy Outlook information network is co-ordinated by FAO's Commodities and Trade Division. The aim of network is to disseminate and exchange information on the world dairy economy.

Using FAO's mail server, messages (questions, answers, points for discussion) are forwarded on a daily basis to approximately 850 list members, spread throughout the world. All messages are reviewed by FAO, before being sent to the list. Access to the network is free-of-charge; however, list members are requested to enhance the scope of the information provided by supplying reports on developments in the dairy sector in their own countries or regions from time to time.

While the main focus of the list discussion is on developments in the world dairy market, topics covered are wide-ranging. For example, recent discussion has included school milk programmes, world trade issues, reference books on cheese production, the marketing of raw milk and the processing of camel's milk. Messages for transmission to list members are accepted in any language.

Joining the network: Send an E-mail to the following address: **mailserv@mailserv.fao.org**, leaving the subject blank, with the following message:

subscribe Dairy-Outlook-L

or contact: Dairy-Outlook-Owner@fao.org

School Milk Programmes

FAO's Dairy Outlook information network has been a key mover in promoting recent international interest in school milk programmes. FAO's involvement in this subject area arose out of discussion amongst members of the Dairy Outlook network in mid-1997. This in turn led to the 1st International School Milk Conference which was held in South Africa, in October, 1998 (hosted by the South African Dairy Industry and co-organized with FAO and the International Dairy Federation). Subsequently, FAO lent its support to a series of regional follow-up meetings on the theme of school milk during 1999, viz.: Europe (UK), Oceania (Australia) and Asia/Pacific (Thailand). For 2000, three further meetings will be held: National (Austria, 28 April); 2nd European (Czech Republic, September); and 1st Latin American (Colombia, November). For 2001, further regional meetings are planned. For information regarding forthcoming meetings, please contact: Michael Griffin, FAO, Commodities and Trade Division, 00100 Rome. E-mail: Michael.Griffin@fao.org

FERTILIZERS

Urea prices weakened somewhat in March in eastern Europe, but remained stable in the Near East. However, prices from these origins remain well above their values a year earlier (eastern Europe: +16 percent, Near East: +45 percent), when generally abundant export supplies exerted downward pressure on markets. Prices might strengthen from late March onwards when seasonal demand could develop from Latin America. There is an increasing amount of urea in storage in the Ukraine and future price developments will remain sensitive to changes in supply. Black Sea producers have been selling to Near East and Latin American destinations. In Asia, Indonesian producers expect that demand from the region will support prices. Viet Nam has not yet entered the market, awaiting for any possible further erosion of international prices, but is expected to begin buying again by end-April/May. In India, the Government has decided to reduce the subsidy on urea and its price has risen by 15 percent. New urea projects are banned for three years. Pakistan producers have received government clearance to export 100 000 tonnes. In Latin America and the Caribbean, Argentina, Chile and Nicaragua have entered the market for 25 000, 7 000 and 22 500 tonnes respectively. In Mexico two new urea plants will start producing by end March; meanwhile Mexico imports from the Baltic Sea to satisfy the domestic market. Brazil is reportedly waiting for the reduction of import duties from 9 percent to 6 percent for all types of fertilizers before entering the market.

Ammonia prices from most origins have continued to increase over the past two months due to production cutbacks in the Caribbean and tight supplies in Asia. Prices remained unchanged in the Ukraine. Increased demand is expected from Morocco, Taiwan and South Korea. The start-up of a new ammonia plant in Indonesia, to increase its production capacity, has been delayed.

Prices for **ammonium sulphate** were stable or increased slightly in March to between 5 percent to 27 percent higher than a year ago. Ammonium sulphate import demand from Malaysia is 57 000 tonnes and 15 000 tonnes from Thailand. In the Republic of Korea, the availability for export is tight due to the ongoing high domestic demand.

Diammonium phosphate (DAP) prices remained stable over the past few weeks. However, prices are 20 percent to 24 percent less than during the same period last year. Demand is declining in Australia, China has reportedly not entered the market and India is unlikely to import before the subsidy issue is settled. Pakistan is importing 30 000 tonnes. In the United States, domestic demand is picking up as the better spring weather arrives. Exports from CIS countries are scheduled for Europe, Thailand, Pakistan, India and Latin America and the Caribbean. Bangladesh will not import as inventories are high. In the Ukraine the Government has approved the domestic fertilizer delivery programme. Tunisia is exporting to France and Italy.

Prices of **triple superphosphate (TSP)** remained stable in early 2000. For both North Africa and the US Gulf prices are about 16 percent to 18 percent below those a year ago. Morocco is exporting to Italy and France.

Average spot prices of **muriate of potash (MOP)** remained unchanged in March. Prices were about 2 percent and 10 percent down from a year ago in eastern and western Europe respectively, and approximately the same in Vancouver. The market remains basically in balance with Canada and CIS shipping large volumes to China, which is importing about 5.1 million tonnes in 2000. Most South East Asian countries have entered the market and consequently prices will remain stable. Importers in Japan have not yet reached an agreement on supply arrangements with Canadian exporters. As for DAP, India is waiting for the new rates on subsidies for MOP after having imported 2.1 million tonnes in January. In the United States significant spring buying has not yet taken place. Europe is awaiting the EC anti-dumping review on potash originating from CIS. Demand for potash in Brazil, Colombia, Ecuador, Honduras and Venezuela may support present levels of potash prices.

Average Fertilizer Spot Prices (bulk, f.o.b.)

	2000		1999	Change from last year 1/
	February	March	March	
	(. . . . . US$/tonne . . . . .)			(. percentage .)
Urea				
eastern Europe	91-93	85-87	73-75	+ 15.7
Near East	129-135	133-136	92-94	+ 14.0
Ammonium Sulphate				
eastern Europe	42-44	41-43	39-42	+ 4.4
Far East	56-57	60-61	50-51	+ 19.8
U.S. Gulf	43-45	43-45	32-38	- 27.1
western Europe	55-60	55-60	51-54	+ 9.5
Diammonium Phosphate				
Jordan	160-165	159-164	203-208	- 21.4
North Africa	149-159	149-159	199-203	- 23.4
U.S. Gulf	147-151	146-151	195-198	- 24.5
Triple Superphosphate				
North Africa	128-135	126-131	155-160	- 18.3
U.S. Gulf	136-140	135-139	162-167	- 16.7
Muriates of Potash				
eastern Europe	92-111	92-111	98-111	- 2.6
Vancouver	117-131	117-131	116-130	+ 0.4
western Europe	115-122	115-122	129-137	- 10.9

Source: Compiled from Fertilizer Week and Fertilizer Market Bulletin.

1/ From mid-point of given ranges.

A.1 a) - **WORLD CEREAL PRODUCTION - Estimates for 1999 as of March 2000**

	Wheat			Coarse Grains		
	1997	1998 prelim.	1999 estim	1997	1998 prelim.	1999 estim
	(. . . . . million tonnes . . . . .)					
ASIA	**265.7**	**255.0**	**259.7**	**198.3**	**229.2**	**213.1**
Bangladesh	1.5	1.8	1.9	0.1	0.1	0.1
China 1/	123.3	109.7	113.5	119.6	147.1	137.5
India	69.3	66.4	70.8	30.9	31.9	28.6
Indonesia	-	-	-	8.8	10.1	9.1
Iran, Islamic Rep. of	10.0	12.0	8.7	3.4	4.3	2.8
Japan	0.6	0.6	0.5	0.2	0.2	0.2
Kazakhstan	9.0	5.5	11.2	3.1	1.5	2.8
Korea, D. P. R.	-	0.1	0.2	1.2	1.8	1.4
Korea, Rep. of	-	-	-	0.4	0.3	0.4
Myanmar	0.1	0.1	0.1	0.4	0.5	0.5
Pakistan	16.7	18.7	18.0	1.9	1.9	1.8
Philippines	-	-	-	4.3	3.8	4.6
Saudi Arabia	1.3	1.8	1.5	0.6	0.6	0.7
Thailand	-	-	-	4.0	5.2	4.8
Turkey	18.7	21.0	18.0	10.8	10.9	9.7
Viet Nam	-	-	-	1.6	1.6	1.8
AFRICA	**15.0**	**18.5**	**15.2**	**78.4**	**80.0**	**76.6**
North Africa	**10.0**	**14.0**	**11.6**	**9.1**	**11.1**	**9.7**
Egypt	5.8	6.1	6.3	6.7	7.4	6.8
Morocco	2.3	4.4	2.2	1.7	2.2	1.7
Sub-Saharan Africa	**5.1**	**4.5**	**3.7**	**69.3**	**68.9**	**66.9**
Western Africa	**0.1**	**0.1**	**0.1**	**28.8**	**30.7**	**29.9**
Nigeria	0.1	0.1	0.1	18.0	17.3	16.5
Central Africa	**-**	**-**	**-**	**2.5**	**2.6**	**2.5**
Eastern Africa	**2.1**	**2.2**	**1.5**	**19.7**	**20.5**	**18.6**
Ethiopia	1.1	1.1	1.1	8.4	6.1	7.0
Sudan	0.6	0.5	0.2	3.8	5.5	3.6
Southern Africa	**2.9**	**2.2**	**2.0**	**18.3**	**15.1**	**15.9**
Madagascar	-	-	-	0.2	0.2	0.2
South Africa	2.4	1.8	1.6	10.8	8.3	8.1
Zimbabwe	0.3	0.3	0.3	2.4	1.6	1.7
CENTRAL AMERICA	**3.7**	**3.3**	**3.2**	**27.0**	**28.8**	**28.8**
Mexico	3.7	3.2	3.2	23.9	25.5	25.3
SOUTH AMERICA	**20.2**	**16.5**	**19.0**	**62.1**	**62.9**	**58.9**
Argentina	14.8	11.5	14.2	19.7	24.2	17.5
Brazil	2.5	2.2	2.4	34.0	30.6	33.4
Colombia	0.1	0.1	0.1	1.3	1.6	1.5
NORTH AMERICA	**91.8**	**93.4**	**89.5**	**286.0**	**298.7**	**290.8**
Canada	24.3	24.1	26.9	25.3	26.8	26.9
United States	67.5	69.3	62.7	260.8	271.9	263.8
EUROPE	**197.1**	**188.7**	**178.3**	**241.9**	**202.5**	**199.4**
Bulgaria	3.6	3.3	3.1	2.6	2.4	2.3
EC 2/	94.9	103.7	97.6	111.0	106.8	102.5
Hungary	5.3	4.9	2.6	8.9	8.1	7.9
Poland	8.2	9.5	9.1	17.2	17.6	16.7
Romania	7.2	5.2	4.7	14.9	10.3	11.1
Russian Fed.	44.3	30.0	34.0	42.2	22.2	24.6
Ukraine	19.0	17.0	15.0	16.6	11.4	11.3
OCEANIA	**19.7**	**22.3**	**24.3**	**10.7**	**9.8**	**8.9**
Australia	19.4	22.1	24.1	10.0	9.2	8.3
WORLD	**613.4**	**597.7**	**589.2**	**904.6**	**911.9**	**876.5**
Developing countries	285.7	277.6	275.8	350.0	389.5	364.5
Developed countries	327.6	320.0	313.4	554.6	522.4	512.0

SOURCE: FAO **Note:** Totals computed from unrounded data.
1/ Including Taiwan Province. **2/** Fifteen member countries.

Table A.1 b) **- WORLD CEREAL PRODUCTION - Estimates for 1999 as of March 2000**

	Rice (paddy)			Total Cereals 1/		
	1997	1998 prelim.	1999 estim.	1997	1998 prelim.	1999 estim.
	(. . . . . million tonnes . . . . .)					
ASIA	**527.4**	**535.6**	**542.8**	**991.4**	**1019.9**	**1015.6**
Bangladesh	28.3	29.5	30.7	29.8	31.4	32.6
China 2/	202.8	200.6	199.5	445.6	457.4	450.5
India	123.6	129.1	131.4	223.8	227.3	230.7
Indonesia	49.4	49.2	50.4	58.2	59.3	59.5
Iran, Islamic Rep. of	2.4	2.8	2.3	15.8	19.0	13.8
Japan	12.5	11.2	11.5	13.3	12.0	12.2
Kazakhstan	0.3	0.2	0.2	12.4	7.2	14.3
Korea, D. P. R.	1.7	2.1	2.3	2.9	3.9	3.9
Korea, Rep. of	7.5	7.0	7.2	7.8	7.3	7.6
Myanmar	16.7	17.8	17.5	17.2	18.4	18.1
Pakistan	6.5	7.1	7.3	25.0	27.7	27.1
Philippines	10.0	10.3	11.9	14.3	14.1	16.5
Saudi Arabia	-	-	-	1.9	2.4	2.2
Thailand	22.6	22.8	23.3	26.6	28.0	28.1
Turkey	0.3	0.3	0.3	29.7	32.3	28.0
Viet Nam	28.7	30.9	32.0	30.3	32.5	33.8
AFRICA	**16.4**	**15.8**	**17.4**	**109.8**	**114.3**	**109.2**
North Africa	**5.5**	**4.5**	**5.8**	**24.6**	**29.6**	**27.1**
Egypt	5.5	4.5	5.8	18.0	17.9	19.0
Morocco	-	-	-	4.1	6.6	3.8
Sub-Saharan Africa	**10.9**	**11.3**	**11.6**	**85.2**	**84.7**	**82.1**
Western Africa	**6.9**	**6.9**	**7.2**	**35.8**	**37.8**	**37.3**
Nigeria	3.3	3.3	3.4	21.3	20.7	20.0
Central Africa	**0.4**	**0.4**	**0.4**	**2.9**	**3.1**	**2.9**
Eastern Africa	**0.8**	**1.2**	**1.0**	**22.6**	**23.9**	**21.1**
Ethiopia	-	-	-	9.5	7.2	8.1
Sudan	-	-	-	4.4	6.0	3.8
Southern Africa	**2.8**	**2.7**	**2.9**	**24.0**	**20.0**	**20.8**
Madagascar	2.6	2.4	2.6	2.7	2.6	2.8
South Africa	-	-	-	13.2	10.1	9.6
Zimbabwe	-	-	-	2.7	1.9	2.0
CENTRAL AMERICA	**2.4**	**2.1**	**2.3**	**33.1**	**34.2**	**34.3**
Mexico	0.5	0.5	0.5	28.0	29.2	29.0
SOUTH AMERICA	**18.1**	**16.8**	**21.3**	**100.5**	**96.1**	**99.2**
Argentina	1.2	1.0	1.7	35.7	36.7	33.4
Brazil	9.5	8.5	11.6	46.0	41.3	47.4
Colombia	1.8	1.8	1.8	3.1	3.4	3.4
NORTH AMERICA	**8.3**	**8.5**	**9.5**	**386.1**	**400.6**	**389.8**
Canada	-	-	-	49.5	50.9	53.8
United States	8.3	8.5	9.5	336.6	349.7	336.0
EUROPE	**3.2**	**3.1**	**3.1**	**442.3**	**394.3**	**380.8**
Bulgaria	-	-	-	6.1	5.7	5.5
EC 3/	2.8	2.6	2.6	208.7	213.0	202.8
Hungary	-	-	-	14.1	13.0	10.5
Poland	-	-	-	25.4	27.2	25.7
Romania	-	-	-	22.1	15.4	15.7
Russian Fed.	0.3	0.4	0.4	86.8	52.6	58.9
Ukraine	0.1	0.1	0.1	35.7	28.5	26.4
OCEANIA	**1.4**	**1.4**	**1.4**	**31.9**	**33.5**	**34.6**
Australia	1.4	1.3	1.4	30.8	32.6	33.7
WORLD	**577.2**	**583.4**	**597.9**	**2095.2**	**2092.9**	**2063.6**
Developing countries	551.0	558.3	571.7	1186.7	1225.5	1211.9
Developed countries	26.2	25.0	26.3	908.4	867.4	851.7

SOURCE: FAO **Note**: Totals computed from unrounded data.

1/ Rice is included in the cereal total in paddy terms. **2/** Including Taiwan Province. **3/** Fifteen member countries.

Table A.2 a) - **WORLD IMPORTS OF CEREALS**

,	Wheat (July/June) 1/			Coarse Grains (July/June)		
	1997/98	1998/99 estim.	1999/2000 f'cast	1997/98	1998/99 estim.	1999/2000 f'cast
	(. . . . . million tonnes . . . . .)					
ASIA	**48.7**	**45.5**	**47.9**	**54.3**	**52.7**	**54.5**
Bangladesh	0.8	2.4	1.6	-	-	-
China 2/	3.1	1.5	1.9	6.7	6.8	7.1
China, Hong Kong SAR	0.4	0.4	0.4	-	-	-
Georgia	0.6	0.6	0.6	-	-	-
India	2.3	1.5	1.6	0.2	0.2	0.3
Indonesia	4.0	3.1	2.8	1.3	0.4	0.8
Iran, Islamic Rep. of	4.0	3.2	6.5	1.7	1.5	2.1
Japan	6.0	5.8	5.9	21.0	20.8	20.4
Korea, Rep. of	3.9	4.6	3.9	8.0	7.6	8.3
Malaysia	1.1	1.2	1.3	2.3	2.2	2.3
Pakistan	4.3	2.9	2.5	-	-	-
Philippines	2.0	2.2	2.3	0.4	0.2	0.4
Saudi Arabia	-	-	-	6.0	6.0	6.0
Singapore	0.3	0.3	0.3	0.2	0.2	0.2
Sri Lanka	0.9	0.9	0.9	-	0.1	0.1
Syria	0.2	0.1	0.1	0.5	0.5	0.5
Thailand	0.7	0.8	0.8	0.3	0.1	0.2
Uzbekistan	0.9	0.5	0.3	-	-	-
Yemen	2.5	2.0	2.5	0.2	0.1	0.2
AFRICA	**24.0**	**22.8**	**22.5**	**10.5**	**11.1**	**12.4**
North Africa	**17.1**	**15.8**	**16.2**	**6.2**	**7.6**	**7.6**
Algeria	4.6	4.2	4.5	1.0	1.5	1.4
Egypt	7.1	7.3	6.8	3.0	3.6	3.3
Morocco	2.8	2.2	2.8	0.9	1.3	1.6
Tunisia	1.3	0.8	0.8	0.6	0.6	0.6
Sub-Saharan Africa 3/	**6.9**	**6.9**	**6.2**	**4.3**	**3.5**	**4.7**
Cote d'Ivoire	0.3	0.3	0.3	-	-	-
Ethiopia	0.3	0.6	0.5	-	0.1	-
Kenya	0.5	0.3	0.3	1.1	0.4	0.8
Madagascar	0.1	0.1	0.1	-	-	-
Senegal	0.2	0.2	0.2	0.1	0.1	0.1
Sudan	0.5	0.5	0.4	-	-	-
CENTRAL AMERICA	**4.7**	**5.6**	**5.9**	**9.6**	**11.2**	**11.2**
Mexico	2.2	2.4	2.6	7.1	8.6	8.2
SOUTH AMERICA	**9.8**	**12.1**	**11.5**	**5.8**	**7.4**	**7.2**
Brazil	5.6	7.0	6.3	1.2	1.3	1.9
Colombia	0.9	1.1	1.1	1.5	1.9	1.6
Peru	1.1	1.3	1.2	0.9	1.3	1.0
Venezuela	1.2	1.3	1.3	1.0	1.4	1.3
NORTH AMERICA	**2.5**	**2.9**	**2.5**	**4.3**	**3.7**	**3.5**
EUROPE	**10.0**	**7.7**	**11.8**	**5.4**	**6.1**	**7.9**
EC 4/	3.7	2.7	2.5	2.4	3.5	3.1
Russian Fed.	3.0	1.9	4.8	0.8	0.8	2.0
OCEANIA	**0.4**	**0.5**	**0.5**	**-**	**0.1**	**0.1**
WORLD	**100.3**	**97.1**	**102.5**	**89.9**	**92.3**	**96.7**
Developing countries	76.9	75.9	78.0	57.6	59.9	62.7
Developed countries	23.4	21.1	24.6	32.4	32.4	34.0

SOURCE: FAO **Note:** Totals computed from unrounded data.

1/ Including wheat flour in wheat grain equivalent, but excluding semolina.
2/ Including Taiwan Province.
3/ Including the Republic of South Africa.
4/ Excluding trade between the fifteen EC member countries.

Table A.2 b) - **WORLD IMPORTS OF CEREALS**

	Rice (milled)			Total Cereals 1/		
	1998	1999 estim.	2000 f'cast	1997/98	1998/99 estim.	1999/2000 f'cast
	(. . . . . million tonnes . . . . .)					
ASIA	**17.0**	**14.1**	**12.2**	**120.0**	**112.3**	**114.5**
Bangladesh	2.5	1.8	1.0	3.3	4.2	2.6
China 2/	0.2	0.2	0.3	10.1	8.5	9.3
China, Hong Kong SAR	0.3	0.3	0.3	0.8	0.8	0.8
Georgia	-	-	-	0.6	0.6	0.6
India	-	-	-	2.5	1.7	1.9
Indonesia	6.0	3.8	2.5	11.3	7.3	6.1
Iran, Islamic Rep. of	0.6	1.0	1.1	6.3	5.7	9.7
Japan	0.5	0.7	0.7	27.4	27.3	27.0
Korea, Rep. of	0.1	0.1	0.1	12.0	12.3	12.3
Malaysia	0.7	0.7	0.7	4.1	4.1	4.2
Pakistan	-	-	-	4.3	2.9	2.5
Philippines	2.1	1.0	0.8	4.5	3.5	3.5
Saudi Arabia	0.8	0.9	0.9	6.8	6.9	6.9
Singapore	0.3	0.4	0.4	0.7	0.9	0.9
Sri Lanka	0.2	0.1	0.2	1.1	1.1	1.1
Syria	0.2	0.2	0.2	0.9	0.8	0.9
Thailand	-	-	-	1.0	0.9	1.0
Uzbekistan	-	-	-	0.9	0.5	0.3
Yemen	0.2	0.2	0.2	2.8	2.3	2.9
AFRICA	**4.7**	**5.4**	**5.5**	**39.3**	**39.2**	**40.4**
North Africa	**0.2**	**0.2**	**0.2**	**23.5**	**23.6**	**24.0**
Algeria	-	0.1	0.1	5.7	5.8	6.0
Egypt	-	-	-	10.2	10.9	10.1
Morocco	-	-	-	3.7	3.5	4.4
Tunisia	-	-	-	1.9	1.4	1.4
Sub-Saharan Africa 3/	**4.5**	**5.1**	**5.3**	**15.7**	**15.5**	**16.2**
Cote d'Ivoire	0.5	0.6	0.6	0.8	0.9	0.9
Ethiopia	-	-	-	0.3	0.6	0.5
Kenya	0.1	0.1	0.1	1.7	0.8	1.2
Madagascar	0.1	0.1	0.1	0.1	0.2	0.2
Senegal	0.6	0.7	0.6	0.8	0.9	0.9
Sudan	-	-	-	0.6	0.5	0.4
CENTRAL AMERICA	**1.4**	**1.5**	**1.5**	**15.7**	**18.3**	**18.5**
Mexico	0.3	0.4	0.4	9.5	11.3	11.1
SOUTH AMERICA	**2.2**	**1.3**	**1.1**	**17.8**	**20.8**	**19.8**
Brazil	1.5	1.0	0.7	8.2	9.3	8.9
Colombia	0.3	-	0.1	2.7	3.0	2.8
Peru	0.2	0.1	0.2	2.3	2.7	2.3
Venezuela	-	-	0.1	2.3	2.7	2.6
NORTH AMERICA	**0.6**	**0.6**	**0.6**	**7.4**	**7.3**	**6.7**
EUROPE	**1.4**	**1.8**	**1.7**	**16.8**	**15.5**	**21.4**
EC 4/	0.7	0.7	0.6	6.7	6.8	6.2
Russian Fed.	0.3	0.6	0.5	4.0	3.3	7.3
OCEANIA	**0.3**	**0.4**	**0.4**	**0.8**	**1.0**	**0.9**
WORLD	**27.6**	**25.1**	**23.0**	**217.9**	**214.4**	**222.3**
Developing countries	24.4	21.2	19.2	158.9	157.0	159.9
Developed countries	3.2	3.8	3.8	59.0	57.4	62.4

SOURCE: FAO **Note:** Totals computed from unrounded data.

1/ Trade in rice refers to the calendar year of the second year shown.
2/ Including Taiwan Province.
3/ Including the Republic of South Africa.
4/ Excluding trade between the fifteen EC member countries.

Table A.3 a) - **WORLD EXPORTS OF CEREALS**

	Wheat (July/June) 1/			Coarse Grains (July/June)		
	1997/98	1998/99 estim.	1999/2000 f'cast	1997/98	1998/99 estim.	1999/2000 f'cast
	(. . . . . million tonnes . . . . .)					
ASIA	**7.8**	**7.1**	**7.6**	**9.6**	**6.1**	**7.3**
China 2/	0.5	0.3	0.2	7.0	3.5	5.5
India	-	0.1	0.5	-	-	-
Indonesia	-	-	-	0.5	0.4	0.2
Japan	0.4	0.4	0.4	-	-	-
Kazakhstan	3.4	2.1	4.1	0.8	0.4	0.6
Myanmar	-	-	-	0.1	0.1	0.1
Pakistan	0.1	0.3	0.3	-	-	-
Saudi Arabia	-	-	-	-	-	-
Thailand	-	-	-	-	0.2	0.1
Turkey	1.3	2.8	1.5	0.9	1.3	0.6
Viet Nam	-	-	-	0.2	0.2	0.2
AFRICA	**0.4**	**0.3**	**0.3**	**3.1**	**2.0**	**2.1**
Egypt	-	-	0.1	-	-	-
South Africa	0.2	0.1	0.1	1.3	0.9	0.9
Sudan	-	-	-	0.1	0.3	-
Zimbabwe	-	-	-	0.3	0.1	-
CENTRAL AMERICA	**0.3**	**0.2**	**0.2**	**0.1**	**0.1**	**0.1**
SOUTH AMERICA	**9.1**	**8.4**	**9.5**	**13.6**	**11.3**	**12.1**
Argentina	8.9	8.3	9.5	13.0	10.8	11.5
Suriname	-	-	-	-	-	-
Uruguay	-	-	-	0.1	0.1	0.1
NORTH AMERICA	**49.2**	**43.2**	**47.0**	**47.1**	**55.4**	**55.5**
Canada	21.1	14.2	18.5	3.4	2.7	3.0
United States	28.1	29.0	28.5	43.6	52.8	52.5
EUROPE	**18.9**	**24.4**	**19.9**	**10.6**	**15.7**	**16.0**
EC 3/	13.0	14.0	15.0	4.0	10.4	11.0
Hungary	1.6	1.5	0.6	2.1	2.0	1.9
Poland	-	0.5	0.1	0.1	0.3	0.3
Romania	0.9	0.5	0.3	1.2	0.5	0.5
Russian Fed.	1.0	1.5	0.4	1.5	0.2	0.1
Ukraine	1.6	4.4	2.1	1.0	1.4	1.0
OCEANIA	**15.1**	**16.4**	**18.0**	**3.0**	**4.9**	**3.5**
Australia	15.1	16.4	18.0	2.9	4.9	3.5
WORLD	**100.7**	**100.0**	**102.5**	**87.2**	**95.5**	**96.7**
Developing countries	13.4	13.4	13.1	24.3	18.2	20.1
Developed countries	87.3	86.6	89.5	62.9	77.3	76.6

SOURCE: FAO

Note: Totals computed from unrounded data.

1/ Including wheat flour in wheat grain equivalent, but excluding semolina.
2/ Including Taiwan Province.
3/ Excluding trade between the fifteen EC member countries.

Table A.3 b) - **WORLD EXPORTS OF CEREALS**

	Rice (milled)			Total Cereals 1/		
	1998	1999 estim.	2000 f'cast	1997/98	1998/99 estim.	1999/2000 f'cast
	(. . . . . million tonnes . . . . .)					
ASIA	**21.4**	**19.4**	**17.2**	**38.8**	**32.5**	**32.1**
China 2/	3.8	2.8	2.6	11.4	6.6	8.3
India	4.5	2.7	1.7	4.5	2.8	2.2
Indonesia	-	-	-	0.5	0.4	0.2
Japan	0.8	0.5	0.4	1.2	0.9	0.8
Kazakhstan	-	-	-	4.2	2.5	4.8
Myanmar	0.1	0.1	0.1	0.2	0.1	0.2
Pakistan	2.0	1.9	2.0	2.1	2.2	2.3
Saudi Arabia	-	-	-	-	-	-
Thailand	6.4	6.7	6.0	6.4	6.9	6.1
Turkey	-	-	-	2.2	4.1	2.1
Viet Nam	3.8	4.6	4.3	4.0	4.7	4.5
AFRICA	**0.5**	**0.3**	**0.4**	**4.0**	**2.6**	**2.8**
Egypt	0.4	0.3	0.4	0.4	0.3	0.5
South Africa	-	-	-	1.5	1.0	1.0
Sudan	-	-	-	0.1	0.3	-
Zimbabwe	-	-	-	0.3	0.1	-
CENTRAL AMERICA	**-**	**-**	**-**	**0.4**	**0.3**	**0.3**
SOUTH AMERICA	**1.6**	**1.9**	**1.7**	**24.3**	**21.6**	**23.4**
Argentina	0.5	0.7	0.5	22.5	19.9	21.6
Suriname	0.1	0.1	0.1	0.1	0.1	0.1
Uruguay	0.7	0.8	0.8	0.8	0.9	0.9
NORTH AMERICA	**3.2**	**2.7**	**3.0**	**99.5**	**101.3**	**105.5**
Canada	-	-	-	24.6	16.9	21.5
United States	3.2	2.7	3.0	74.9	84.5	84.0
EUROPE	**0.2**	**0.2**	**0.2**	**29.7**	**40.3**	**36.1**
EC 3/	0.2	0.2	0.2	17.2	24.6	26.2
Hungary	-	-	-	3.7	3.5	2.5
Poland	-	-	-	0.1	0.8	0.4
Romania	-	-	-	2.1	1.0	0.8
Russian Fed.	-	-	-	2.5	1.6	0.5
Ukraine	-	-	-	2.6	5.8	3.1
OCEANIA	**0.6**	**0.7**	**0.5**	**18.7**	**21.9**	**22.0**
Australia	0.6	0.7	0.5	18.6	21.9	22.0
WORLD	**27.6**	**25.1**	**23.0**	**215.5**	**220.6**	**222.2**
Developing countries	22.8	21.0	18.8	60.5	52.6	52.0
Developed countries	4.8	4.1	4.2	155.0	168.0	170.2

SOURCE: FAO

Note: Totals computed from unrounded data.

1/ Trade in rice refers to the calendar year of the second year shown.
2/ Including Taiwan Province.
3/ Excluding trade between the fifteen EC member countries.

Table A.4 - **WHEAT, COARSE GRAINS AND RICE: Supplies and utilization in main exporting countries, National Crop Years**

	Wheat 1/			Coarse Grains 2/			Rice (milled basis)		
	1997/98	1998/989 estim.	1999/2000 f'cast	1997/98	1998/989 estim.	1999/2000 f'cast	1997/98	1998/989 estim.	1999/2000 f'cast
	(. . . . . million tonnes . . . . .)								
	UNITED STATES (June/May)			**UNITED STATES**			**UNITED STATES** (Aug./July)		
Opening stocks	12.1	19.7	25.7	27.0	38.2	51.3	0.9	0.9	0.7
Production	67.5	69.3	62.7	260.6	271.7	263.8	5.8	5.9	6.6
Imports	2.6	2.8	2.6	2.7	2.8	2.6	0.3	0.3	0.3
Total Supply	**82.2**	**91.8**	**91.0**	**290.3**	**312.6**	**317.7**	**6.9**	**7.1**	**7.7**
Domestic use	34.2	37.7	35.3	206.9	205.4	212.3	3.3	3.7	3.7
Exports	28.3	28.4	28.6	45.2	56.0	55.9	2.7	2.7	2.7
Closing stocks	19.7	25.7	27.1	38.2	51.3	49.5	0.9	0.7	1.2
	CANADA (August/July)			**CANADA**			**THAILAND** (Nov./Oct.) 3/		
Opening stocks	9.0	6.0	7.4	4.9	4.4	4.9	1.2	1.0	0.6
Production	24.3	24.1	26.9	25.3	26.8	26.9	15.0	15.1	15.4
Imports	0.1	0.1	0.0	1.5	1.0	0.9	0.0	0.0	0.0
Total Supply	**33.4**	**30.2**	**34.2**	**31.7**	**32.1**	**32.8**	**16.2**	**16.1**	**16.0**
Domestic use	7.4	8.1	8.2	23.7	24.4	24.1	8.9	8.8	9.0
Exports	20.0	14.7	18.7	3.6	2.8	3.5	6.4	6.7	6.0
Closing stocks	6.0	7.4	7.3	4.4	4.9	5.3	1.0	0.6	1.1
	ARGENTINA (Dec./Nov.)			**ARGENTINA**			**CHINA** (Jan./Dec.) 3/ 4/		
Opening stocks	1.6	1.1	0.1	0.1	0.4	1.9	12.3	14.2	14.5
Production	14.8	11.5	14.2	19.7	24.2	17.5	139.0	137.5	136.8
Imports	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.2	0.3
Total Supply	**16.4**	**12.6**	**14.3**	**19.8**	**24.6**	**19.4**	**151.6**	**151.8**	**151.5**
Domestic use	4.9	4.8	4.9	7.6	9.1	8.9	133.6	134.5	135.1
Exports	10.4	7.8	9.0	11.7	13.7	8.9	3.8	2.8	2.6
Closing stocks	1.1	0.1	0.4	0.4	1.9	1.6	14.2	14.5	13.8
	AUSTRALIA (Oct./Sept.)			**AUSTRALIA**			**PAKISTAN** (Nov./Oct.) 3/		
Opening stocks	2.9	1.5	2.2	1.1	2.1	0.9	0.4	0.4	0.6
Production	19.4	22.1	24.1	10.0	9.2	8.3	4.3	4.7	4.9
Imports	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Supply	**22.3**	**23.6**	**26.2**	**11.1**	**11.3**	**9.2**	**4.7**	**5.1**	**5.5**
Domestic use	5.1	5.1	5.6	5.6	5.6	5.1	2.4	2.5	2.8
Exports	15.7	16.4	18.2	3.4	4.8	3.6	2.0	1.9	2.0
Closing stocks	1.5	2.2	2.4	2.1	0.9	0.5	0.4	0.6	0.8
	EC (July/June) 5/			**EC** 5/			**VIET NAM** (Nov./Oct.) 3/		
Opening stocks	11.0	11.0	16.1	13.0	23.9	25.1	1.7	1.9	2.2
Production	94.9	103.7	97.6	111.0	106.8	102.5	18.6	20.1	20.8
Imports	3.7	2.7	2.5	2.4	3.5	3.1	0.0	0.0	0.0
Total Supply	**109.6**	**117.4**	**116.2**	**126.4**	**134.1**	**130.7**	**20.3**	**22.0**	**23.0**
Domestic use	85.4	87.0	86.4	100.7	98.7	99.2	14.6	15.2	16.1
Exports	13.2	14.3	15.8	4.0	10.4	11.0	3.8	4.6	4.3
Closing stocks	11.0	16.1	14.0	23.9	25.1	20.4	1.9	2.2	2.6
TOTAL ABOVE									
Opening stocks	36.6	39.3	51.4	46.1	68.9	84.1	16.5	18.3	18.6
Production	221.0	230.7	225.4	426.6	438.6	419.1	182.7	183.3	184.5
Imports	6.3	5.6	5.1	6.6	7.3	6.6	0.5	0.5	0.6
Total Supply	**263.9**	**275.6**	**282.0**	**479.2**	**514.8**	**509.8**	**199.7**	**202.1**	**203.7**
Domestic use	137.0	142.6	140.4	344.5	343.1	349.6	162.7	164.8	166.7
Exports	87.6	81.6	90.3	68.0	87.6	82.9	18.7	18.7	17.6
Closing stocks	39.3	51.4	51.2	68.9	84.1	77.4	18.3	18.6	19.4

SOURCE: FAO **Note:** Totals computed from unrounded data.

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

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

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

4/ Including Taiwan province. **5/** Excluding trade between the fifteen EC member countries.

Table A.5 - **WORLD STOCKS: Estimated Total Carryovers of Cereals 1/**

	Crop Years ending in:						
	1994	1995	1996	1997	1998	1999 estim.	2000 forecast
	(. . . . . million tonnes . . . . .)						
TOTAL CEREALS	**342.9**	**313.2**	**254.2**	**294.2**	**330.6**	**345.8**	**332.1**
held by:							
- main exporters 2/	119.5	110.8	74.7	99.2	126.5	154.1	148.0
- others	223.4	202.5	179.6	195.0	204.1	191.7	184.1
BY GRAINS							
Wheat	**145.3**	**115.4**	**101.8**	**113.0**	**135.6**	**139.9**	**135.6**
held by:							
- main exporters 2/	46.9	32.6	28.7	36.6	39.3	51.4	51.2
- others	98.5	82.9	73.2	76.4	96.3	88.5	84.4
Coarse Grains	**135.3**	**142.8**	**100.1**	**125.2**	**140.2**	**149.4**	**137.5**
held by:							
- main exporters 2/	53.5	63.8	31.6	46.1	68.9	84.1	77.4
- others	81.8	79.0	68.5	79.2	71.3	65.3	60.2
Rice (milled basis)	**62.1**	**55.0**	**52.2**	**55.9**	**54.8**	**56.5**	**59.0**
held by:							
- main exporters 2/	19.1	14.5	14.4	16.5	18.3	18.6	19.4
- others	43.0	40.6	37.9	39.4	36.5	37.9	39.6
BY REGIONS							
Developed Countries	**174.2**	**158.9**	**102.4**	**120.6**	**166.0**	**171.7**	**160.4**
North America	**59.9**	**69.3**	**35.2**	**53.9**	**69.1**	**90.1**	**90.6**
Canada	16.2	9.2	9.8	14.0	10.4	12.4	12.7
United States	43.7	60.2	25.5	39.9	58.7	77.8	77.9
Others	**114.3**	**89.5**	**67.2**	**66.6**	**96.9**	**81.5**	**69.8**
Australia	4.6	2.6	3.0	4.0	3.8	3.2	3.0
EC 4/	36.0	25.1	22.5	24.2	35.1	41.3	34.6
Japan	4.3	5.5	6.1	6.7	6.8	6.0	5.6
Russian Fed.	25.2	15.9	7.2	6.5	18.0	5.8	3.9
Souith Africa	2.3	3.2	1.3	1.8	3.4	1.9	1.1
Developing Countries	**168.6**	**154.4**	**151.8**	**173.6**	**164.6**	**174.1**	**171.7**
Asia	**138.5**	**122.2**	**125.5**	**139.9**	**133.2**	**141.9**	**138.8**
China 4/	56.4	48.2	53.3	63.8	56.2	59.3	54.0
India 5/	19.0	24.1	18.4	10.7	19.0	22.1	25.0
Indonesia	6.1	5.0	6.0	6.4	4.7	5.2	5.2
Iran, Islamic Rep. of	5.2	5.4	4.6	5.7	4.7	4.8	4.0
Korea, Rep. of	3.3	2.4	1.8	2.5	2.8	3.0	3.4
Pakistan	4.1	3.2	3.3	3.6	4.1	5.0	4.6
Philippines	2.1	1.2	1.9	2.0	2.0	2.6	2.9
Syria	2.8	3.0	3.3	3.2	2.2	2.1	1.0
Turkey	4.5	1.9	4.0	5.9	5.9	6.0	3.5
Africa	**15.1**	**17.9**	**11.4**	**19.9**	**17.3**	**18.7**	**18.0**
Algeria	2.3	2.7	1.5	2.0	1.0	1.6	**1.4**
Egypt	2.1	1.3	1.6	2.2	2.8	3.0	**3.0**
Morocco	0.2	2.9	0.6	3.8	2.5	3.3	**2.1**
Tunisia	1.4	1.5	1.0	2.1	1.9	1.7	**1.7**
Central America	**4.6**	**4.6**	**6.3**	**7.0**	**7.1**	**7.3**	**7.3**
Mexico	2.9	2.8	5.0	5.7	6.0	6.2	6.4
South America	**10.3**	**9.5**	**8.4**	**6.8**	**7.0**	**6.1**	**7.5**
Argentina	1.1	0.7	0.8	1.9	1.7	2.0	2.2
Brazil	5.2	5.8	5.0	2.5	2.8	1.6	3.2
WORLD STOCKS	(. . . . . percentage . . . . .)						
as % of consumption	**19.0**	**17.5**	**13.7**	**15.7**	**17.6**	**18.3**	**17.4**

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

1/ Stock data are based on an aggregate of carryovers at the end of national crop years and should not be construed as representing world stock levels at a fixed point in time. **2/** For a list of main exporters of wheat, coarse grains and rice see table A.4. **3/** From 1996, includes 15 member countries. **4/** Including Taiwan Province. **5/** Government stocks only.

Table A.6 - **EXPORT PRICES OF CEREALS AND SOYBEANS**

	Wheat			Maize		Sorghum	Soybeans
	U.S. No.2 Hard Winter Ord. Prot. 1/	U.S. Soft Red Winter No.2 2/	Argentina Trigo Pan 3/	U.S. No.2 Yellow 4/	Argentina 3/	U.S. No.2 Yellow 1/	U.S. No.2 Yellow 4/
	(. . . . . US$/tonne . . . . .)						
July/June							
1995/96	216	198	218	159	160	156	273
1996/97	181	158	157	135	133	124	299
1997/98	142	129	137	112	109	111	263
1998/99	120	100	118	95	98	92	202
1999 - March	119	101	112	97	92	92	185
September	119	103	114	89	92	88	190
October	111	100	113	88	90	84	184
November	109	99	97	88	87	84	179
December	105	93	81	89	90	85	181
2000 - January	111	98	93	93	93	91	191
February	112	99	91	95	88	94	197
March I	110	97	93	94	85	94	195
II	116	101	101	99	85	98	202
III	114	98	101	94	85	95	198
IV	109	94	100	92	83	92	197

SOURCES: International Grain Council, USDA, and Reuters.

1/ F.o.b. U.S. Gulf ports. **2/** F.o.b. U.S. Atlantic ports. **3/** F.o.b. Argentine ports. **4/** Delivered U.S. Gulf ports.

Table A.7 - **WORLD PRICES AND PRICE INDICES FOR RICE AND OILCROP PRODUCTS**

	RICE						OILCROP PRODUCTS		
	Export prices			FAO Indices			FAO Indices		
	Thai 1/ 100% B	Thai broken 2/	U.S. Long grain 3/	Total	Quality High	Quality Low	Marketing years	Edible/ soap fats and oils	Oilcakes and meals
January/December	(. . . . US$/tonne . . .)			(. . . 1982-84=100 . . .)			**Oct./Sept.**	(. . . 1990-92=100 . . .)	
1996	352	234	430	136	136	136	1989/90	93	97
1997	316	214	439	127	129	120	1990/91	97	100
1998	315	215	413	127	128	126	1991/92	103	104
1999	253	192	333	114	115	110	1992/93	103	97
1999 - March	262	198	360	116	117	110	1993/94	127	93
November	233	169	297	107	108	102	1994/95	153	94
December	240	153	283	105	106	99	1995/96	140	128
2000 - January	244	159	272	106	107	100	1996/97	134	133
February	250	156	275	106	108	98	1997/98 - Oct.-Mar.	150	130
March I	246	158	275	)			- Apr.-Sep.	157	103
II	233	152	275	)			1998/99 - Oct.-Mar.	141	90
III	228	150	275	) 103	106	93	- Apr.-Sep.	109	74
IV	227	147	264	)			1999/00 - Oct.-Feb.	99	87

SOURCES: FAO for indices. Rice prices: International rice brokers and trading companies.

Note: The FAO Indices are calculated using the Laspeyres formula. The rice export price indices are calculated for 15 export prices. In this table two groups representing "High" and "Low" quality rice are shown. The price indices for oilcrop products are calculated for international prices of ten selected oils and fats and seven selected cakes and meals. The weights used are the average export values of each commodity for the 1990-92 period.

1/ White rice, 100% second grade, f.o.b. Bangkok, indicative traded prices. **2/** A1 super, f.o.b. Bangkok, indicative traded prices **3/** U.S.No.2, 4% brokens f.a.s.

Table A.8 - **WHEAT AND MAIZE FUTURES PRICES 1/**

		May		Juy		September		December	
		this year	last year	this year	last year	this year	last year	this year	last year
		(. . . . . US$/tonne . . . . .)							
WHEAT									
February	22	101	96	105	100	108	104	114	109
	29	95	91	99	95	103	99	108	104
March	7	95	99	100	103	104	107	109	112
	14	100	100	104	104	108	108	113	113
	21	96	102	100	105	104	109	110	114
	28	93	105	97	109	101	113	106	118
MAIZE									
February	22	90	87	93	88	96	91	98	94
	29	88	83	91	85	94	88	97	92
March	7	89	87	92	90	95	92	97	96
	14	94	87	97	89	100	92	102	95
	21	91	91	95	94	97	96	99	99
	28	90	90	94	93	97	95	99	97

SOURCE: Chicago Board of Trade

1/ Prices refer to Tuesday quotations.

Table A.9 - **OCEAN FREIGHT RATES FOR WHEAT**

	From U.S. Gulf ports to:					From North Pacific ports to:	
	Rotterdam 1/	CIS Black Sea 1/ 2/	Egypt (Alexandria) 1/	Bangladesh 1/	East Africa Sudan 1	China 1/	Japan 1/
	(. . . . . US$/tonne . . . . .)						
July/June							
1994/95	15.25	30.46	18.74	23.75	39.65	22.29	32.46
1995/96	12.95	30.00	16.83	21.67	41.65	25.94	35.00
1996/97	11.00	18.85	12.77	20.00	-	27.00	28.29
1997/98	9.60	18.10	11.70	20.17	-	27.00	28.00
1998/99	9.40	25.45	9.25	18.75	-	27.00	29.17
1999 - March	9.00	22.00	10.00	18.50	-	27.00	30.00
August	14.75	40.97	12.00	18.50	-	27.00	31.00
September	12.00	40.97	11.00	18.50	-	27.00	31.50
October	12.00	40.97	13.00	18.50	-	27.00	32.00
November	12.00	40.97	15.00	18.50	-	27.00	32.25
Decmder	11.75	40.97	13.00	18.50	-	27.00	32.25
2000 - January	13.00	40.97	15.00	18.50	-	27.00	32.50
February	11.10	40.97	12.00	18.50	-	27.00	32.50
March	11.10	40.97	12.00	18.50	-	27.00	32.50

SOURCE: International Grain Council

Note: Estimated mid-month rates based on current chartering practices for vessels ready to load three to four weeks ahead.
1/ Size of vessels: Rotterdam over 40 000 tons; CIS 20-40 000 tons; Egypt over 30 000 tons; Bangladesh over40 000 tons; East Africa 15-25 000 tons; China 20-35 000 tons; Japan 15-24 999 tons.
2/ Excludes CIS and United States flag vessels.

Table A.10 - **UNITED STATES: CEREALS AND SOYBEANS - PRODUCTION FOR 1999**

	1997	1998	1999	Change 1999 over 1998
	(. . . . . million tons . . . . .)			(. . . percentage . . .)
Wheat	67.5	69.3	62.7	-9.6
of which: winter	(50.2)	(51.2)	(46.3)	-9.6
Coarse grains	260.8	271.9	263.8	-3.0
of which: maize	(233.9)	(247.9)	(239.7)	-3.3
Rice (paddy)	8.3	8.5	9.5	11.9
Soybeans	73.2	74.6	71.9	-3.6

SOURCE: USDA: Crop Production, 12 January 2000

Table A.11- **CANADA: CEREALS AND OILSEEDS - PRODUCTION FOR 1999**

	1997	1998	1999	Change 1999 over 1998
	(. . . . . thousand tonnes . . . . .)			(. . percentage . . .)
Wheat	24 280	24 076	26 850	11.5
Oats	3 485	3 958	3 641	-8.0
Barley	13 527	12 709	13 196	3.8
Rye	320	398	397	-0.3
Maize	7 200	8 952	9 096	1.6
Mixed Grains	603	548	447	-18.4
Linseed	895	1 081	1 049	-3.0
Rapeseed	6 393	7 643	8 798	15.1

SOURCE: Statistics Canada, 3 December 1999.

Table A.12- **AUSTRALIA: CEREAL PRODUCTION FOR 1999**

	1997	1998	1999	Change 1999 over 1998
	(. . . . . thousand tonnes . . . . .)			(. . percentage . .)
Wheat	19 417	22 110	24 060	8.8
Oats	1 580	1 560	1 530	-1.9
Barley	6 400	5 680	4 280	-24.6
Sorghum	1 210	1 070	1 660	55.1
Maize	370	340	320	-5.9
Triticale	410	480	470	-2.1
Rice (paddy)	1 380	1 335	1 350	1.1

SOURCE: Australian Bureau of Agricultural and Resources Economics, 15 February 2000.

Table A.13 - **SELECTED INTERNATIONAL COMMODITY PRICES**

	Currency and Unit	Effective Date	Latest Quotation	1 month ago	1 year ago	Average 1989-91
Sugar (I.S.A. daily price)	US cents per lb	24.03.00	5.4	5.1	5.8	11.4
Coffee (I.C.O. daily price)	US cents per lb	24.03.00	73.8	76.4	87.5	76.7
Cocoa (I.C.C.O. daily price)	US cents per lb	23.03.00	43.5	39.7	58.3	56.0
Tea (all tea, London, weekly)	US$ per kg.	13.03.00	2.2	2.2	2.0	1.5
Bananas (Central America, f.o.r., Hamburg)	DM per tonne	24.03.00	1 845 1/ 1 415 2/	1 900 1/ 1 457 2/	2 074 1/ 1 443 2/	1 107
Rubber (RSS 1, spot London)	Pence per kg.	24.03.00	48.7	52.7	42.7	54.5
Cotton (COTLOOK, index "A" 1-3/32")	US cents per lb	24.03.00	58.2	54.7	57.4	78.5
Wool (64's, London)	Pence per kg	24.03.00	280	283	302	466

SOURCE: FAO

1/ EC duty paid, estimated. 2/ Estimated price for EFTA markets.

STATISTICAL NOTE: Data are obtained from official and unofficial sources. For cereals, production data refer to the calendar year in which the whole harvest or bulk of harvest takes place. For sugar, production data relate to the October/September season. For vegetable oils and oil meals derived from oilseeds, production data refer to the year in which the bulk of the seeds concerned are crushed. For trade in wheat and coarse grains, the time reference period is normally the July/June marketing year unless otherwise stated. Trade data for rice and other commodities refer to the calendar year. Coarse grains refer to all other cereals except wheat and rice. Quantities are in metric tonnes unless otherwise stated.

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Issue No. **Release Date**[1/]	**1** **14 February**	**2** **10 April**	**3** **12 June**	**4** **18 September**	**5** **13 November**
Contents					
Cereals					
Cereal supply/demand roundup[2/]	●	●	●	●	●
Cereal production, trade, stocks & prices	●	●	●	●	●
Extended report on cereal utilization		●			
Food Aid					●
Ocean Freight Rates		●		●	
Other Commodities					
Cassava		●			●
Fertilizer	●	●	●	●	●
Fish				●	
Meat	●			●	
Milk and milk products		●			●
Oilseeds, Oils and Oilmeals	●			●	
Sugar			●		●
Special Features[3/]					

1/ These dates are tentative and refer to the release of the English version. Food Outlook in Arabic, Chinese, French and Spanish language is available shortly after the release of the English version.
2/ Including update on food emergencies. 3/ Each report may include topical notes as considered appropriate.

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