

food outlook

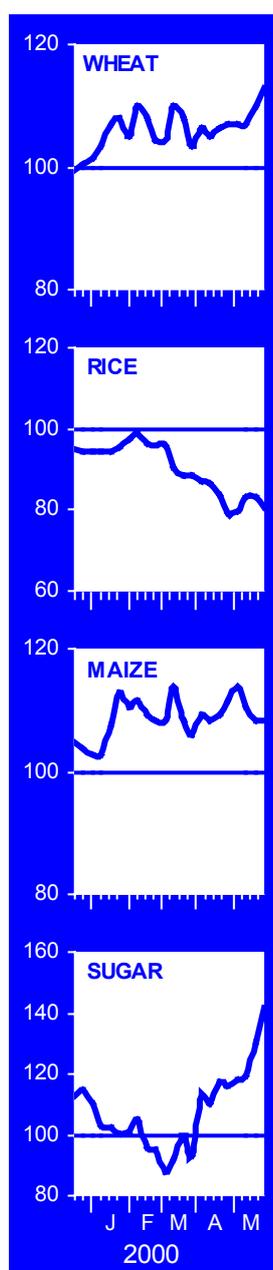
No. 3

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highlights

EXPORT PRICES

(July 1999=100)



Latest indications continue to point to a larger cereal output in 2000. However, based on the current forecasts, total cereal production would not be sufficient to meet expected utilization requirements in 2000/01 and global cereal reserves would be drawn down again next season.

FAO's latest forecast puts global cereal output in 2000 at 1 896 million tonnes, up more than 1 percent from 1999. Output of wheat is forecast at 590 million tonnes, up slightly from the previous year, while that of coarse grains is seen to rise by over 3 percent to 908 million tonnes. The global rice crop is tentatively forecast at 398 million tonnes (milled basis) in 2000, 1 percent less than the record crop last year.

The number of countries facing food emergencies has increased since April. As of end-May 2000, 36 developing countries face serious food shortages, primarily due to drought, but also due to civil strife and floods, particularly in Africa.

FAO's first forecast of world cereal trade in 2000/01 is 221 million tonnes, about 4 million tonnes below the estimated import volume in 1999/2000. Global imports of wheat and coarse grains are forecast to be smaller while rice trade in 2001 is tentatively expected to remain unchanged from this year.

International prices for most cereals remain under pressure. For rice, a declining trend in prices continued amid ample new-crop supplies, combined with generally lack-lustre trade. Maize prices remain mostly unchanged from March but wheat edged slightly upward in May, largely influenced by weather conditions in the United States.

FAO estimates world sugar production in 1999/2000 at 134.3 million tonnes, some 2 percent up from the previous year and above expected demand in the corresponding period. As a result, sugar prices declined through the first six months of the 1999/2000 season, reaching a 14-year low in late February. However, prices rebounded in the past two months, in response to a pick-up in import demand in several major markets, and early forecasts of reduced sugar output in 2000/01.



BASIC FACTS OF THE WORLD CEREAL SITUATION

	1996/97	1997/98	1998/99	1999/2000	2000/01 forecast	Change 2000/01 over 1999/2000
WORLD PRODUCTION ^{1/}	(..... million tonnes) (percentage)					
Wheat	589	614	597	589	590	0.3
Coarse grains	920	906	912	879	908	3.3
Rice, milled (paddy)	383 (571)	387 (579)	390 (583)	403 (603)	398 (596)	-1.3 -1.2
All cereals (incl. milled rice)	1 892	1 906	1 899	1 871	1 896	1.3
Developing countries	1 025	1 005	1 039	1 026	1 025	-0.1
Developed countries	867	901	859	846	872	3.1
WORLD IMPORTS ^{2/}						
Wheat	102	100	98	104	101	-2.2
Coarse grains	91	90	93	99	97	-1.9
Rice (milled)	19	28	25	22	22	-0.1
All cereals	212	218	216	225	221	-1.9
Developing countries	150	159	158	162	161	-0.7
Developed countries	62	58	58	63	60	-5.0
FOOD AID IN CEREALS ^{3/}	5.6	6.2	10.8	7.5		
WORLD UTILIZATION						
Wheat	575	591	589	595	594	-0.2
Coarse grains	893	897	895	896	907	1.3
Rice (milled)	380	383	392	401	402	0.2
All cereals	1 849	1 871	1 876	1 892	1 903	0.6
Developing countries	1 106	1 111	1 136	1 147	1 151	0.4
Developed countries	743	759	740	745	753	1.0
Per Caput Food Use	(..... kg/year) (percentage)					
Developing countries	173	172	173	173	173	-0.3
Developed countries	129	130	130	130	130	0.3
WORLD STOCKS ^{4/}	(..... million tonnes) (percentage)					
Wheat	113	135	140	133	129	-3.1
Coarse grains	126	140	149	138	136	-1.6
Rice (milled)	56	55	57	60	56	-6.3
All cereals	295	331	346	331	321	-3.1
Developing countries	174	164	173	172	157	-8.9
Developed countries	121	166	172	159	164	3.3
Stocks as % of world cereal consumption	15.7	17.6	18.2	17.4	16.6	
EXPORT PRICES ^{5/}	(..... US\$/tonne) (percentage)					
Rice (Thai, 100%, 2nd grade) ^{1/}	352	316	315	253	230 ^{6/}	-14.2 ^{7/}
Wheat (U.S. No.2 Hard Winter)	181	142	120	112 ^{8/}		-7.4 ^{7/}
Maize (U.S. No.2 Yellow)	135	112	95	92 ^{8/}		-3.2 ^{7/}
OCEAN FREIGHT RATES ^{5/}	(..... US\$/tonne ..%) (percentage)					
From U.S. Gulf to Egypt	12.8	11.7	9.3	13.3 ^{8/}		46.2 ^{7/}
LOW-INCOME FOOD- DEFICIT COUNTRIES ^{9/}	(..... million tonnes ..%) (percentage)					
Roots & tubers production ^{1/}	378	372	360	364		
Cereal production (milled rice) ^{1/}	803	785	810	807	803	-0.4
Per caput production (kg.) ^{10/}	225	216	220	215	212	-1.5
Cereal imports ^{2/}	69.4	78.5	71.9	70.5	68.2	-3.2
of which: Food aid	4.7	5.5	7.9	6.5		
Proportion of cereal import covered by food aid	6.8	7.0	11.0	9.2		

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 shipments. ^{4/} Stock data are based on aggregate of national carryover levels at the end of national crop years. ^{5/} July/June. ^{6/} Average of quotations for January-May 2000. ^{7/} Change from corresponding period of previous year for which figures are not shown. ^{8/} Average of quotations for July 1999-May 2000. ^{9/} 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. ^{10/} Includes rice on a milled basis.

Cereals

Supply/Demand Roundup

Latest information continues to point to a slightly larger global cereal output in 2000 than in the previous year. However, based on current forecasts, total cereal production would not be sufficient to meet expected utilization requirements in 2000/01 and global cereal reserves would have to be drawn down. To avoid any further deterioration of the cereal supply and demand balance in 2001/02, a more significant increase in cereal production would be necessary in 2001.

FAO's latest forecast of world cereal **production** in **2000** is 1 896 million tonnes, (including rice in milled equivalent), 6 million tonnes more than the forecast in the previous report and about 1.3 percent above the revised estimate of 1 871 million tonnes for 1999. The forecast for wheat has been revised down since the last report, by 5 million tonnes, to 590 million tonnes. This would be virtually unchanged from the previous year's output and close to the average of the past five years. In Asia, aggregate output in the region is forecast to remain virtually unchanged from the previous year. Although, serious drought could reduce the main rainfed crops in several countries throughout the region, the main irrigated crops have performed well. In Africa, reflecting persisting drought in the main wheat producing countries in the north of the region, the wheat output forecast has been reduced since the last report and now points to a decrease compared to 1999. Also in Europe, the forecast for wheat has been revised downward slightly, mainly reflecting a

World Cereal Production, Supplies, Trade and Stocks

	1998/99	1999/2000 estimate	2000/01 forecast
	(. million tonnes)		
Production ^{1/}	1 899	1 871	1 896
Wheat	597	589	590
Coarse grains	912	879	908
Rice (milled)	390	403	398
Supply ^{2/}	2 229	2 216	2 227
Utilization	1 876	1 892	1 903
Trade ^{3/}	216	225	221
Ending Stocks ^{4/}	345	331	321

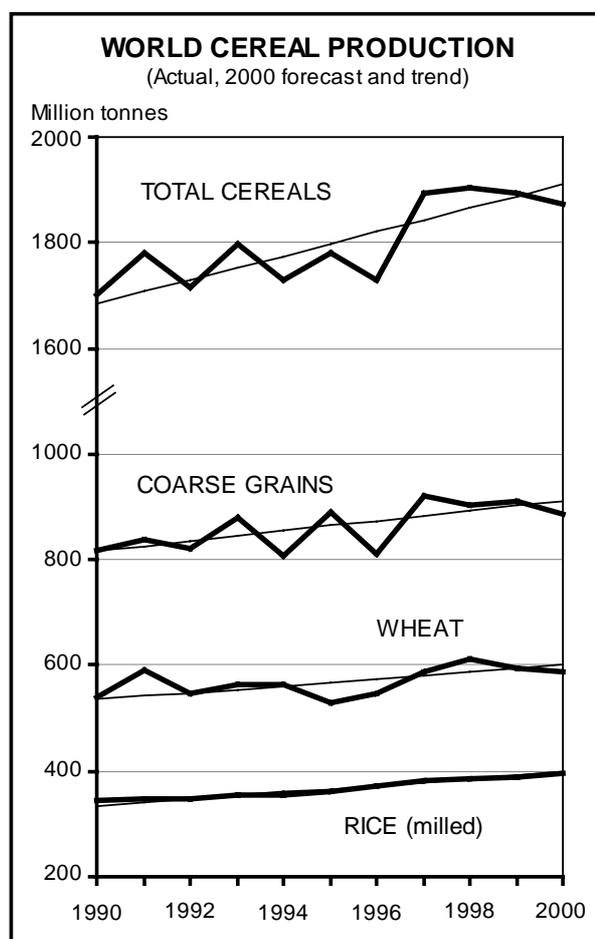
Source: FAO

- 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.

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deterioration of prospects in the Russian Federation. Nevertheless, output in this region is still expected to rise sharply from the previous year following a significant increase in area in the EC. The forecasts for North America and Central America remain virtually unchanged since the last report. A smaller crop is



Serious Food Shortages Affect 36 Countries Throughout the World^{1/}

As of end May 2000, 36 developing countries face serious food shortages, primarily due to drought, but also due to civil strife and floods particularly in Africa.

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. In Ethiopia, more than 8 million people are at risk, particularly in the Somali Region, which has had three consecutive years of little or no rainfall. In Eritrea, the food situation is critical for over 600 000 people affected by the war with Ethiopia and the drought along the coastal areas. In Kenya, nearly 2.7 million people, mainly in the pastoral north and north-east, are facing severe food shortages, while in Somalia, nearly 526 000 people are similarly affected. In Tanzania, about 800 000 people in several regions face serious food supply difficulties due to poor "vuli" harvest for the third year in succession. In Sudan, 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 in the north-east is difficult for some 215 000 people affected by drought, while nearly 112 000 people in Bundibugyo District have been displaced by civil strife. Food shortages also persist in Burundi, and parts of Rwanda. Rainfall in the Horn in recent weeks has brought welcome relief to the drought-stricken subregion, particularly for pastoralists hardest hit by drought. In **western Africa**, food shortages persist in Sierra Leone, where resurgence of civil disturbances disrupts agricultural production at the critical planting period, while in Liberia, production remains constrained by the impact of past 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 intensified fighting and population displacement are reported. In **southern Africa**, massive relief and rehabilitation assistance continues to be 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 the number of displaced people in need of emergency food aid has risen to 1.9 million.

In **Asia**, a serious drought has devastated crops and livestock in several countries. In Pakistan, the drought has seriously affected Baluchistan Province in the west and parts of the Sindh Province in the south. Reports indicate that several hundred people have died as result of food and water shortages, whilst several million livestock are in precarious condition. Similarly in India, a shortage of water and animal feed have led to the loss of several thousand livestock in a number of states, including Gujarat, Rajasthan, Madhya Pradesh, Andhra Pradesh and Orissa. Elsewhere, the food situation for nomadic herders in Mongolia remains precarious following the worst winter in 30 years which killed large numbers of livestock. The food supply situation in East Timor continues to ease due to international food aid and this year's maize and rice harvest. Chronic food supply difficulties continue in the Democratic People's Republic of Korea, suggesting continued dependence on food assistance. In the **Near East**, the precarious food supply situation in Afghanistan has been aggravated by drought in southern and central parts. In the Islamic Republic of Iran, a recurrence of drought this year affected 18 of the country's 28 provinces, mostly in southern, eastern and central parts. Already many villagers have resorted to panic selling of livestock. In Iraq and Jordan, drought has seriously reduced crop production, while in Syria, thousands of drought-affected 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**, following earlier natural disasters, food assistance is still being provided to Cuba, Honduras, Nicaragua and Venezuela. Food assistance also continues in El Salvador and Guatemala following hurricane "Mitch". In Haiti, food aid is needed due to structural economic problems.

In **Europe**, food assistance continues to be provided to vulnerable groups in the Balkans, especially in the Federal Republic of Yugoslavia. In the Russian Federation, displaced populations and host families in Ingushetia, as well as returnees to Chechnya continue to need considerable humanitarian assistance, including food aid, shelter, water and sanitation.

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

expected in North America this year due to reduced plantings. The Central American crop may increase slightly but will remain close to the normal level. In the southern hemisphere, although the main 2000 wheat crops are still being planted in some areas, early indications are generally favourable; above average crops are expected in South America and Oceania, although slightly below the previous year's levels.

FAO's forecast for global coarse grains output in 2000 now stands at 908 million tonnes, 8 million tonnes up since the last report, and 3.3 percent above the revised estimate of 879 million tonnes for 1999. The bulk of the revision since the previous report, is accounted for by North America and Europe, where planting conditions have been generally favourable and more land has been devoted to coarse grains this year. Elsewhere in the northern hemisphere, coarse grains production in Asia is expected to decline marginally, while slight increases may be recorded in Africa and Central America. In the southern hemisphere, larger coarse grain crops are expected in South America and Oceania.

The 2000/01 paddy season is underway in some northern hemisphere countries while, in others, the season still awaits the onset of monsoon rains, which generally begin during June. Current indications suggest that rice area could contract in some countries, reflecting the effects of government policies and/or low international rice prices relative to alternative crops. In the southern hemisphere and around the equatorial belt, harvesting of this season's main paddy crop has already been completed in some countries and is nearing completion in others. Preliminary assessments, particularly in the major producing countries, point to a lower paddy production, mostly attributed to a fall in area, resulting from depressed rice prices. FAO tentatively forecasts global rice output in 2000 at 398 million tonnes (596 million tonnes in paddy terms), about 1 percent less than the record 1999 crop.

FAO's first forecast of world cereal **trade** in **2000/01** is 221 million tonnes, about 4 million tonnes, below the estimated volume in 1999/2000. Global wheat trade is forecast to fall by over 2 million tonnes in 2000/01 to 101.5 million tonnes, still above the average of the past 5 years. Most of the decrease is accounted for by the Russian Federation and Pakistan in view of improved production prospects this year. Trade in coarse grains is also expected to be smaller, by about 2 million tonnes, at 97 million tonnes, mostly because of increased production in a few importing countries, especially the Russian Federation. For rice, while it is still too early to make a forecast for the calendar year 2001, FAO tentatively expects that, at the global level, rice shipments could remain close to the current year's level, now forecast at 22 million tonnes. Regarding **1999/2000**, forecasts for wheat and coarse grains are now firmer as the season is drawing to a close. Except

for rice, world trade in most other major cereals is expected to be notably larger, in spite of smaller food aid shipments.

FAO's forecast for world cereal **utilization** in the current **1999/2000** season has been raised since the last report, by 7 million tonnes, to 1 892 million tonnes, mostly in line with the upward adjustments made to the production estimates for 1999. At this level, world cereal utilization will be nearly 1 percent up from the previous year, largely on account of increased food consumption. While the rise in feed utilization at the global level is expected to be negligible, weak feed grain prices are the main driving force for much faster growth rates in demand in North and South America. Preliminary indications for **2000/01** point to a further rise in total cereal utilization. The overall outlook is expected to be similar to this season, but the growth in feed use may prove more significant, especially in Europe where a recovery in production in many parts could boost domestic utilization. Unknown at this time is the impact of the foot-and-mouth disease outbreak in Far East Asia on the demand for feed grains in 2000/01.

International wheat **prices** edged slightly higher since the previous report, mainly in response to less favourable weather conditions affecting crops in the United States. In May, the price of U.S. wheat No. 2 (HRW, fob) averaged about US\$116 per tonne, up US\$4 per tonne from March and US\$4 per tonne above the price in May 1999. Developments on the international maize market have been uncertain in recent weeks, reflecting the strong influence of weather on new crop conditions at this time of the season. Overall, U.S. maize No. 2 (fob), averaged US\$95 per tonne in May, unchanged from March but US\$2 above the corresponding month a year ago. By contrast, the declining trend in international rice prices persisted in recent weeks as ample supplies of new crop in the major exporting countries and dull import demand continue to pressure prices downward. The FAO Export Price Index for Rice (1982-84=100) averaged 98 points in May, down by 2 points from the previous month, 15 points below a year earlier and the lowest level since September 1993.

FAO's latest forecast of global cereal **stocks** at the end of countries' **1999/2000** crop years now stands at 331 million tonnes. Although this is slightly less than the previous forecast and 14 million tonnes below their opening level, the ratio of global cereal carryovers in 1999/2000 to trend utilization in the following year remains within the minimum safe range. However, turning to the next (**2000/01**) season, if current forecasts for cereal production in 2000 materialize, a further draw-down of cereal stocks would be required to meet expected global utilization in 2000/01, in which case, the stock-to-use ratio could fall to 16.6 percent, slightly below the minimum safe level of 17-18 percent.

Current Production and Crop Prospects

Position by Region

- **Asia**

Far East: The overall prospects for the 2000 **wheat** crop remain uncertain following drought in major producing countries. In China, several hundred thousand hectares of wheat have been affected by serious drought in main producing provinces, such as Hebei and Shanxi, in the north. This is the fourth consecutive year that drought has affected production. The area under summer wheat is also expected to decline compared to last year. Aggregate wheat output in 2000 is currently forecast at 111 million tonnes, about 2 percent down from 1999. In India, despite a serious drought in several states in western/central parts, which has led to large scale exodus of people and animals, the 2000/01 wheat crop is currently estimated at around 70 million tonnes, similar to last year's record crop. This is mainly due to higher output in main producing states (Punjab, Haryana and Uttar Pradesh), where weather conditions were generally favourable, offsetting the decline in drought-affected states. The crop is also largely irrigated. Similarly, a lack of rainfall also affected western and southern provinces of Baluchistan and Sindh in Pakistan. However, most of the crop is irrigated and although yields were affected by dry conditions and lack of assured irrigation in parts, particularly in Sindh province, wheat production in the main wheat producing province of Punjab, which accounts for around 75 percent of aggregate output, was favourable. Latest official reports now indicate that aggregate production will be 22 million tonnes, 2 million tonnes above target. Due to a decline in area planted the wheat crop in Bangladesh is expected to be somewhat lower than the 1.9 million tonnes forecast earlier.

Planting of the main 2000 **coarse grains** crop is underway or will commence shortly. In India planting coincides with the arrival of the southwest monsoon. Following earlier drought which affected rainfed crops in several states, the early indications are that the arrival of monsoon rains this season will be timely. Monsoon rains extend from June to September and account for 80 percent of total annual precipitation. Also in China, timely rain increased top soil moisture for summer crop planting in main growing areas in the north.

The 2000/01 main **paddy** season is well advanced in those Asian countries around the Equatorial Belt, but planting in many others is just getting underway in anticipation of a timely monsoon season due to start soon. The outlook for the 2000/01 paddy output is mixed since some countries are striving to increase production while others have instituted policies designed to curb rice output. In addition, low prices of rice, compared to other crops, could encourage farmers to cut rice area in favour of more remunerative alternatives.

In Indonesia, harvesting of the main-season rice crop in Java and South Sumatra is in full swing and is expected to be completed in June, while planting of the secondary crop will commence shortly after. The latest official forecast for the season is about 49 million tonnes, down by 1 million tonnes from the previous season and 2 million tonnes below the target. The shortfall reflects a reduction in area and difficulties caused by rains during harvesting. The main-season paddy crop in Malaysia is also being gathered and output is expected to be about 2.1 million tonnes, close to the five-year average.

In China, planting of the early rice crop, the first and smallest of the three rice crops grown in the country, has been completed but the area is reported to have contracted by about 6 percent. Sowing of the intermediate crop is expected to be concluded soon and its area could expand slightly. Overall, the area under rice in the 2000/01 season is forecast to shrink by about 2 percent. Planting of the 10th Month crop in Viet Nam is about to start, with the Government forecasting a 4 percent reduction in the area. However, because yields are anticipated to show a 1.5 percent improvement, output is only projected to contract by about 2.5 percent. The Government in the Philippines plans to boost the use of high yielding rice seeds through increased distribution to farmers. Planting of the main season crop, currently in progress, should continue through June and total paddy output for the 2000/01 season is expected to expand slightly from the previous season. However, a conflict between the Government and rebels in Mindanao, which accounts for 20 percent to 30 percent of the country's paddy production, could affect planting in this region. Planting of the 2000/01 main-season crop in Thailand is underway and is expected to continue through August. The Government is forecasting a slight decline in paddy output based on the expectation that weather conditions during the planting period will be less favourable than last year. Total paddy production in 2000/01 is forecast at 23.3 million tonnes, only slightly down from the previous season. In Japan, planting of the 2000 rice crop is underway. The Government of Japan has announced a 2.7 percent cut in support prices to about 252 yen per kilogram, but no increase in the rice land targeted for diversion. As a result, the area under rice is expected to remain at last year's level of about 1.8 million hectares. In the Republic of Korea, where planting has also started, 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 Cambodia, seedling transplanting for the main paddy season is progressing under generally good conditions. Information on farmers' planting intentions is still lacking. The country is being assisted by Japan to expand irrigated area by about 20 percent by 2003 to boost rice production.

In India, planting of the Kharif main crop for the 2000/01 season is expected to start soon, assuming that the southwest monsoon rains arrive on time. Overall, the Government has set a paddy output target, including Rabi, of about 135 million tonnes or 2 millions more than the previous season. However, the recent

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	259.9	213.9	212.9	547.9	543.1	1 021.4	1 015.8
Africa	14.9	13.3	77.0	78.6	17.6	17.0	109.5	108.9
Central America	3.1	3.2	28.7	29.2	2.3	2.4	34.1	34.8
South America	19.0	18.6	58.9	61.8	21.2	19.7	99.1	100.2
North America	89.5	85.3	290.8	300.6	9.5	9.1	389.8	394.9
Europe	178.4	187.2	201.0	215.1	3.2	3.2	382.5	405.5
Oceania	24.3	23.0	8.9	9.6	1.4	1.1	34.6	33.6
WORLD	588.8	590.5	879.2	907.8	603.1	595.6	2 071.1	2 093.9
					(403) ^{1/}	(398) ^{1/}	(1 871) ^{2/}	(1 896) ^{2/}
Developing countries	275.3	276.5	365.7	368.2	576.7	569.9	1 217.7	1 214.5
Developed countries	313.5	313.9	513.5	539.7	26.4	25.7	853.4	879.3

Source: FAO

^{1/} Rice in milled terms. ^{2/} Including rice in milled terms.

removal of fertilizer subsidies could result in low fertilizer application and negatively influence yields. In Bangladesh, planting of the Aus crop, the first and smallest of the three paddy crops for the 2000/01 season, is virtually completed, while planting of the Aman crop, which is just getting underway, should continue until August. However, information regarding rice area is not yet available. In Pakistan, the drought in the provinces of Sindh and Baluchistan and water shortages in the Pujab Province, could have unfavourable implications for the country's overall paddy output. For instance, it is reported that some farmers in Sindh were unable to start their paddy nurseries on time, which is delaying the transplanting of the seedlings, normally due around this time of the year. Elsewhere in Asia, the 2000/01 paddy season awaits the arrival of the monsoon rains.

Near East: Continued drought conditions have affected crop production in most parts of the Near East. In Afghanistan, in addition to the adverse effects of continued civil strife and short supply of agricultural inputs, drought in much of southern and central parts has affected production of 2000 winter **cereals**, to be harvested from May. In Iraq, continued drought conditions and shortages of agricultural inputs are expected to severely affect grain production. In Jordan, despite some beneficial rains in the winter cropping season, insufficient rains have affected agricultural production in several parts. Also in the Islamic Republic of Iran, a recurrence of widespread drought this year again threatens crops, though the impact on wheat is likely to be less severe than anticipated earlier. Latest indications point to an output of around 9 million tonnes, close to last year's reduced level. The country's paddy production in 2000 is also expected to remain reduced due to the prevailing adverse weather conditions. In contrast to the situation elsewhere in the Near East, a recovery in cereal production is expected in Turkey due to favourable growing conditions.

CIS in Asia: In the eight CIS countries in Asia (Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan) winter **cereal** crops (mostly wheat) on irrigated lands are developing satisfactorily, but rainfed crops have been stressed, particularly in Tajikistan and Turkmenistan. The area increased somewhat in Turkmenistan and Uzbekistan but remained stable or declined in most other countries. In Kazakhstan, the largest producer in the area, the bulk of the wheat crop is being planted now. Even if the area sown to cereals increases further in 2000, as planned, a return to normal growing conditions (i.e. a shorter harvest window) could result in somewhat lower yields and larger losses. In addition, infestations of locusts, which were not adequately controlled last year, could threaten the crop. FAO tentatively forecasts the 2000 cereal harvest in Kazakhstan at 10.4 million tonnes (1999: 14.2 million tonnes), including 8 million tonnes (1999: 11 million tonnes) of wheat. The aggregate cereal and pulse harvest in these eight countries is tentatively forecast at around 22 million tonnes, compared to 24.4 million tonnes in 1999, with the bulk of the decline expected in wheat and a small reduction also for coarse grains. By contrast, the aggregate area sown to rice is planned to rise, with significantly larger plantings projected in Turkmenistan and Uzbekistan.

- **Africa**

Northern Africa: The outlook for the 2000 **wheat** crop now being harvested, is mostly unfavourable in the subregion, except in Egypt. Continued dry conditions in March and April have confirmed early concerns about the poor outcome of the crop season. As a result of inadequate rainfall since mid-January, aggregate wheat output for the subregion is now forecast at about 9 million tonnes, which is 20 percent lower than last year's below-average crop. In Tunisia, despite an

average area planted, below normal and poorly distributed rainfall in March and April has seriously affected crop yield prospects. As a result, a wheat output of about 815 000 tons is expected, compared to 1.4 million tons in 1999. In Morocco, poor rainfall since mid-January coupled with abnormally high temperatures, resulted in losses of over half of the area planted. As a consequence, production is expected to be sharply reduced and may be just half of last year's drought-reduced output. In Algeria, as a result of poor rains since January, a below average wheat harvest is expected. Production could drop to as much as half of the average. By contrast, reflecting satisfactory growing conditions in Egypt, wheat production is expected to be slightly above last year's good crop of 6.3 million tons.

The subregion's aggregate output of **coarse grains** in 2000 is forecast at some 8.1 million tons, about 15 percent lower than the previous year's below average production. In Egypt, the 2000 **paddy** season is underway under generally normal weather conditions. The availability of irrigation water in the next weeks will determine the final area planted.

Western Africa: The first rains were received in March in southern parts of the coastal countries along the Gulf of Guinea, where they permitted planting of the first **maize** crop. Rains reached northern parts in April, allowing the planting of millet and sorghum. Satellite imagery indicates that the vegetation was generally less developed than average in April and that rainfall remained below average in early May over Nigeria. In Sierra Leone, the resurgence of civil disturbances and the tense security situation prevent most activities at the critical planting period. By contrast, in Liberia, the agriculture sector is improving with rehabilitation programmes underway. In the Sahelian countries, the rainy season started in April in the south of Mali, Burkina Faso and the extreme south of Chad, allowing land preparation and plantings of coarse grains. Plantings will progress northwards following the onset of the rains. Availability of seeds is adequate following 1999 record crops in the main producing countries of the Sahel.

Planting of the 2000/01 **paddy** crop has started in several countries of the subregion favoured by the timely start of the rainy season. In Nigeria, the largest rice producer in western Africa, it is reported that the Government eliminated a 25-percent fertilizer subsidy that it had re-introduced towards the end of 1999. However, the Government also abolished the import and value-added taxes on all agricultural inputs and since the country imports most of the fertilizers used domestically, the measure could lead to increased use. In Sierra Leone, paddy output is forecast to fall for the third consecutive year. In Liberia, the security condition has generally improved over the last several months, which has enabled the execution of resettlement programmes and distribution of basic inputs to farmers. These developments have enhanced the outlook for agricultural production, including paddy output in 2000/01.

Central Africa: Planting of **coarse grains** are progressing satisfactorily in Cameroon and Central African Republic. In the Republic of Congo, crop production should increase following improved security situation while agriculture activities remain hampered by civil disturbances in the Democratic Republic of Congo.

Eastern Africa: Harvesting of the 2000 **wheat** crop is complete in Sudan. Output is forecast to recover from the previous year's level but would still be well-below average at an estimated 214 000 tonnes. In Ethiopia and Kenya, the early outlook is uncertain following erratic rains and continued drought in some areas.

Planting of the 2000 main season **coarse grains** is underway in several countries in the subregion. Early prospects are uncertain. In Ethiopia, the outlook for the 2000/2001 coarse grains crop is uncertain reflecting late and erratic rainfall for the belg season. The 1999/2000 crop, already harvested, was below the previous year due mainly to drought. In Kenya, planting was delayed in parts due to late onset of rains and may affect yields. In Uganda, the 2000 main season coarse grains have benefited from well-distributed rainfall, particularly in south-western and central parts, that was received during late March and April. In Somalia, despite some good rains in April and early May that provided some relief in several parts and caused localized flooding, water and pasture conditions are yet to recover from the effects of the earlier severe drought conditions. In Sudan and Eritrea, the planting of 2000 main season crop is due to start in June.

Southern Africa: Harvesting of the 1999/2000 **coarse grains** is well advanced. Despite severe flooding and some crop losses due to excessive rains and cyclones over the past months overall prospects for production are favourable. Major maize growing areas in the subregion have generally benefited from the abundant moisture. FAO's latest forecast points to an aggregate coarse grain crop in the subregion of 17 million tonnes, an increase of 7 percent from the previous year. This mainly reflects a recovery of production in South Africa, the main producer in the subregion, where provisional estimates indicate a maize output of 9.64 million tonnes, one-third higher than in the previous year and above average, reflecting plantings and higher increased yields. Production of sorghum is also forecast to increase from the previous year. In Malawi, abundant rains from February to April led to the recovery of the maize crop, affected by earlier dry weather in the main growing areas. Preliminary estimates point to an output of 2.3 million tonnes, only 6 percent lower than the record level last year. In Zimbabwe, the main maize crop area is estimated to be larger than earlier anticipated, and heavy rains in February and March were generally beneficial to the crop. However, despite improved prospects, civil disturbances in the past two months, coupled with shortages of fuel, have disrupted harvesting operations and the final outturn is uncertain. In Mozambique, severe flood damage in southern parts, and a slight reduction in yields in the main growing areas, have

resulted in a decline in maize output from the good level of last year to 994 000 tonnes. In Zambia, despite localized floods, abundant precipitation since February benefited the main maize crop. Output is estimated at 918 000 tonnes, 7 percent higher than last year. In Angola, coarse grains output has decreased 6 percent from last year to 500 000 tonnes. This mainly reflects a decline of 8 percent in the main maize crop, which was affected by erratic rains during the growing season. In Swaziland, maize output is estimated at 72 000 tonnes, substantially below the previous year's good crop of 112 000 tonnes, due to excessive rains and floods during the season, as well as a decline of 10 percent in plantings. In Namibia, abundant rains in late March and April, following a dry spell in the first and second dekads of March, benefited the maize and millet crop. Latest information points to a coarse grain output more than double last year's average level. In Lesotho, production of maize is forecast at 116 000 tonnes, 7 percent below last year's about-normal crop. Dry weather at the beginning of the season was followed by excessive rains from February, adversely affecting yields. In Botswana, a larger coarse grains output is in prospect; increased sorghum production more than offset reduction for maize caused by severe floods in eastern and southern provinces.

The **paddy** season is well advanced in southern Africa but output could be greatly reduced by the weather-related problems in the past months. In Madagascar, the main rice producing country in the subregion, flood-related losses added to what was already shaping out to be a sub-optimal paddy season and current expectations are for a sharp drop in paddy output from the previous year. Mozambique, the other large rice producer in the subregion, was, probably, the country most affected by the Cyclones. The overall prospects for paddy output are unfavourable.

- **Central America and the Caribbean**

Harvesting of the 2000 **wheat** crop is well advanced in the subregion, particularly in the main growing irrigated areas in the northwest of Mexico. Output is provisionally forecast to be slightly below average at 3.2 million tonnes, reflecting adverse weather at planting and a long dry spell which sharply diminished water reservoir levels, thus contributing to a reduction in the area planted.

In Central America, planting of the 2000/2001 **coarse grains** has started in most countries with the arrival of the first rains in May. The area sown to maize (the main coarse grain), is expected to be about average in Costa Rica, Guatemala and Nicaragua, but in El Salvador will likely remain slightly below average, similar to last year. In Honduras, the outlook has improved for the maize crop, and a recovery in production is expected from last year's low level. In Mexico, dry weather persists over most of the country and so far prospects remain satisfactory for the important spring/summer maize crop currently being planted. In the Caribbean, normal rains have resumed in the Dominican Republic benefiting the developing

cereal and minor food crops. In Haiti, the maize and bean crops are about to be harvested and average outputs are provisionally forecast. In Jamaica, a long dry spell has seriously affected the country's main foodcrops but no food shortages are reported.

- **South America**

Planting of the 2000 **wheat** crop has started or is about to start in some countries of the southern areas where heavy rains and flooding in the last few weeks are reported. In Argentina, the rains have somewhat attenuated in late May in some of the large producing areas, thus allowing preparation of fieldwork for crop planting. Planting intentions are provisionally forecast between an average 5.5 million hectares and 5.8 million hectares, but much will depend upon the pattern of the rains. In Brazil, planting is underway and the area planted is expected to be about an average 1.4 million hectares, representing an increase over the 1999 level of 1.25 million hectares. In Chile, planting of the 2000 wheat crop is also underway under generally dry weather and average plantings are forecast. In Uruguay, planting has only just started under generally dry weather, following weeks of heavy rains in April. Average plantings are intended in an effort to recover from last year's severely drought-affected crop. In the Andean countries, in Bolivia, land is being prepared for planting of the 2000 winter wheat crop, mostly in the important producing eastern department of Santa Cruz. Dry weather is reported in late May following weeks of heavy rains and some flooding in the area which lasted through the early part of April. In Peru, the bulk of the wheat harvesting is about to commence. Output so far from early harvesting in the period January/March far exceeds that collected in the same period last year. In Colombia, where heavy rains and flooding were reported in April, planting of the first (main) wheat crop continues. Average plantings are tentatively forecast. In Venezuela, planting of the 2000 main season cereal crops has started under normal conditions, and an average area is anticipated.

Harvesting of the 2000 **coarse grain** crops, principally maize, is underway in the southern areas of the subregion. In Argentina, about 53 percent of the maize crop had been collected by early May, which compares to 56 percent by the same time last year. An above-average output is provisionally forecast. In Brazil, harvesting of the first season maize crop has been virtually completed while planting of the second season crop is well advanced. Output from the first season crop has increased with respect to that of last year and aggregate production in 2000 (first and second season crops) is provisionally forecast at an above-average 33.4 million tonnes. In Chile, harvesting of the maize crop is almost complete and production is expected to recover significantly from last year's drought-reduced output. In Uruguay, a poor maize crop has been collected as a result of prolonged drought. In the Andean countries, in Bolivia, land is being prepared for planting of the winter (second season) sorghum and potato crops. Some difficulties are being encountered in certain areas as a result of the excessive moisture

left by the heavy rains and flooding in March. In Peru, harvesting of the main white maize crop is underway. Harvesting of the yellow maize crop is also underway and aggregate output (white and yellow) for the year is tentatively forecast to be slightly above average. In Ecuador, where heavy rains in the last few months, particularly in the capital and surrounding areas, have resulted in landslides and flooding, harvesting of the yellow (main) maize crop is underway. Despite the adverse weather, an above-average output (white and yellow) is tentatively forecast for the whole country. In Colombia, where heavy rains and flooding are also reported, planting of the 2000 maize crop continues and an average area is provisionally forecast. In Venezuela, planting of maize and other minor foodcrops is underway and slightly below-average plantings are expected.

Harvesting of the main-season **paddy** crops is almost complete in most countries of the subregion but unlike the previous season, paddy output is estimated to have declined. The fall is attributed to the low rice prices at planting time that triggered an area shift out of rice cultivation to more profitable crops. The Government in Argentina is estimating a 40 percent drop in this season's paddy production, compared to last year. In Uruguay, a fall in area and yields could lead to an output contraction of about 18 percent. In Brazil, paddy production could decrease by 5 percent.

- **North America**

In the United States, aggregate (winter and spring) **wheat** production in 2000 is officially forecast at 60.9 million tonnes, 3 percent down from the previous year. The area of winter wheat to be harvested in 2000 is now forecast at about 14 million hectares, 2 percent down from 1999 and the smallest area since 1971. However, bumper yields, close to last year's record, are expected again. Regarding spring wheat, planting was virtually complete by late May and, if early indications in the USDA's March 31 Prospective Plantings Report have materialized, the area will be down by about 5 percent from 1999 to 7.5 million hectares (see table A. 10). In Canada, the official March seeding intentions report (see table A. 11) points to virtually no change in the overall wheat area in 2000. A sharp increase expected in the area sown to durum wheat would be offset by reduction plantings of other spring wheat. As of mid-May, planting was reported to be progressing at normal to ahead-of-normal pace across most of the main growing areas under generally favourable conditions.

With regard to **coarse grains**, according to the USDA's March 31 Prospective Plantings Report, no major changes are expected in the areas sown to the main coarse grains crops this year compared to last (see table A.10). A slight increase is expected for Maize, but a decrease for sorghum. Planting of maize had been virtually completed by the time of the USDA May 22 Crop Progress Report, well ahead of the average pace, reflecting favourable planting conditions. However, the persisting spell of exceptionally dry

weather is raising considerable concern over moisture availability for emerging/developing crops. Rain in mid-May in the eastern part of the Corn Belt did little to replenish soil moisture reserves, which are reported to be at record or near record lows across most of the main growing areas. Unless significant rains arrive soon throughout the Corn Belt, yield prospects will rapidly deteriorate. However, based on the indicated areas planted, and assuming normal weather conditions return soon and prevail for the remainder of the season, aggregate 2000 coarse grains output in the United States is forecast at 271.3 million tonnes, 3.5 percent up from the previous year. In Canada, early indications in the March seeding intentions report (see table A. 11) point to an increase in plantings of the major coarse grain crops. The barley area is expected to increase by 22 percent to some 5 million hectares, while that of maize, by 14 percent, to 1.3 million hectares. Reflecting this significant expansion in area, aggregate coarse grains output in 2000 is forecast at some 29 million tonnes, about 9 percent up from 1999.

In the United States, planting of the 2000/01 **rice** crop is almost complete. According to the March 31 Prospective Plantings report, farmers intended to cut the area under rice to about 1.38 million hectares. This would be down by over 5 percent from the previous season, in response to the substantial decline in rice prices in the preceding season that has fostered a farmers' switch to more lucrative crops. Based on the above intended area, rice output in 2000/01 is officially forecast at 9.1 million tonnes.

- **Europe**

In the EC, the outlook for the 2000 cereal crops is generally favourable in most countries. Conditions improved significantly in southern parts in late April and early May following good rainfall. Latest information confirms expectations of a significant increase in aggregate **wheat** output in the Community after the planted area rose in many of the member states at the expense of oilseeds. FAO forecasts the aggregate crop in 2000 at 105.6 million tonnes, compared to 97.6 million tonnes in 1999. Regarding **coarse grains**, larger output is also expected this year. Oilseeds have been displaced to make way for increased areas of barley, the major coarse grain crop, and after a recent improvement in moisture conditions in southern parts, increased maize plantings are also in prospect. FAO forecasts the Community's aggregate coarse grains output in 2000 at 105.7 million tonnes compared to 102.2 million tonnes in 1999. **Rice** planting in Italy, the largest producer in the EC, has been completed under generally favourable weather conditions. The area is estimated at about 221 000 hectares, similar to last year's. However, elsewhere in the Community, the conditions have not been as favourable. Earlier drought conditions in the southern parts of Portugal and Spain may lead to depressed plantings. Overall, output for the EC is forecast to decline slightly from the previous year's level.

Elsewhere in Europe, prospects for the 2000 cereal crops remain mixed. In Albania, cereal production is expected to recover somewhat in 2000 after adverse weather affected 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 continue to increase. In Bulgaria, the 2000 wheat output is forecast at about 3 million tonnes, similar to production in 1999. Regarding maize, the major coarse grain crop, latest indications rule out the likelihood of an area increase as was earlier expected. The area planted by mid-May was reported to be some 300 000 hectares, and with the normal planting period ending by late May, the final area is likely to reach about 550 000 to 600 000 hectares, similar to the previous year. In the Czech Republic, the winter wheat area is estimated to have increased this year by about 15 percent to over 1 million hectares. However, yield prospects are somewhat uncertain after unseasonably high temperatures and drought conditions set-in in early May. It is too early to say the likely extent of the damage so far, if any, but if no significant rain arrives by end-May the likelihood of yield reduction will be strong. The spring-sown crops, which are in the early stages of development, are expected to be the worst affected. In Croatia, the area sown to winter cereal crops (mainly wheat) increased sharply, and despite persistent shortages of fertilizer, the outlook is for the 2000 wheat harvest to recover from the poor level of 1999 (0.6 million tonnes). In the Former Yugoslav Republic of Macedonia weather conditions have been generally favourable for the cereal crops and production of wheat is expected to be about 350 000-400 000 tonnes.

In Hungary, prospects for the 2000 cereal crops have deteriorated over the past few weeks due to a period of unusually hot and dry weather. Although it is still too early to know the full extent of the damage it is now uncertain if the expected output of 4.5 million tonnes will be achieved. Also the maize crop that has been sown on an estimated area of about 1 million hectares, is affected by the hot and dry weather, and yields will fall well below average if no significant precipitation arrives soon. Poland has also been experiencing drought conditions in late April and early May which have likely reduced somewhat the earlier potential of the developing cereal crops. However, if sufficient rains arrive soon, the effect could be minimized and the forecast for aggregate cereal production in Poland currently remains at about 26 million tonnes, just marginally above the crop gathered in 1999. Of the total, wheat is expected to account for about 8.5 million tonnes. In Romania, the area sown to winter wheat is estimated at 1.9 million hectares, about 12 percent up from the 1999 reduced level. However, yield prospects are uncertain as much of the crops was reported to have been planted after the optimum date and fertilizer applications and other normal husbandry are expected to be generally less than adequate because of farmers' lack of funds. Moreover, recent unusually hot and dry weather, which has prevailed in a large part of the central European area, is expected to limit yield. FAO

tentatively forecasts the 2000 wheat crop in Romania at about 4.5 million tonnes, down slightly from the previous year, despite the larger area, as a reflection of lower average yields projected. Information is still lacking on the full extent of spring sowings, but as of early May, fieldwork was reported to be progressing on schedule. Nevertheless, as for the winter cereals, the potential spring crop output in 2000 will remain limited by farmers' lack of funds for inputs. Recent hot dry conditions are also reported to have affected the Slovak Republic, after earlier favourable conditions for the 2000 cereal crops. Nevertheless, a recovery in cereal output is still expected from the sharply reduced level in 1999. In Slovenia, cereal output is expected to rise by some 20-30 percent this year from the 1999 reduced crop. Weather conditions were generally favourable for winter crops and spring sowings were virtually complete by the beginning of May. The aggregate cereal crop in 2000 is forecast at about 560 000 tonnes.

In the Federal Republic of Yugoslavia, (Serbia and Montenegro), flooding and persistent water logging in some major producing areas, as well as rapid inflation and shortages of funds, diesel fuel, fertilizers and operational machinery could keep both the area harvested and yields low. Indications are that the wheat area for harvest in 2000 could be less than in 1999. Waterlogging of fields is also hampering spring planting. In addition, the high cost of inputs is expected to keep yields of all cereals depressed. The 2000 grain harvest could be less than last year's barely average 8.6 million tonnes, including 2 million tonnes of wheat. In the Kosovo Province, prospects for the 2000 cereal harvest are generally favourable. The area of wheat is estimated at about 80 000 hectares, which should produce some 240 000 tonnes of grain.

In the Baltics, indications are that the area sown to winter cereals (mainly wheat and rye) for harvest in 2000 recovered sharply. Overwintering conditions have been favourable and the 2000 grain output could recover to about 4 million tonnes (1999: 3.4 million tonnes), including 1.3 million tonnes of wheat.

In the CIS countries west of the Ural Mountains (Belarus, Moldova, the Russian Federation and Ukraine), the early outlook for the 2000 harvests has deteriorated. Although, in general, winter crops have overwintered well, late frosts and dry conditions have caused crop damage in Belarus, Moldova and southern Ukraine. In the Russian Federation, cold weather and late frosts have also damaged crops while untimely snows in the Urals and Siberia have seriously delayed spring planting. Furthermore, although the tight supply situation and higher cereal prices following two successive years of disappointing harvests offer good incentives to maintain or increase the area sown to cereals, chronic economic problems could continue to undermine yield potential. Nevertheless, early indications are that the aggregate grain harvest in 2000 in these countries could be marginally higher, mainly due to better winter crops in the Russian Federation. Preliminary tentative estimates point to an aggregate

cereal and pulse harvest of 99 million tonnes (1999: 91 million tonnes), which could include 50 million tonnes (1999: 50 million tonnes) of wheat and 49 million tonnes (1999: 40 million tonnes) of coarse grains. However, growing conditions and the availability of inputs until the completion of the harvests will determine the actual yields.

In the Russian Federation, provided normal growing conditions prevail until the completion of harvesting, the winter grain harvest is forecast to reach 24-26 million tonnes. Crop condition (with 92 percent reckoned satisfactory or better) is much better than last year and the extent of crop damage by winterkill is well below last year's and below the 5-year average. Spring grain planting is well underway. Provided the area targets are achieved, the 2000 grain harvest, given normal weather, is provisionally forecast by FAO at 70 million tonnes (1999: 60 million tonnes), including 34 million tonnes (1999: 34 million tonnes) of wheat and nearly 31 million tonnes (1999: 25 million tonnes) of coarse grains. In Ukraine, by contrast, only 70 percent of the winter grain crop is reported to be in satisfactory to good condition, which is less than the level at the same time last year. Spring grain planting (other than maize) is completed; spring planting has been drawn out by a combination of mixed weather, uncertainty about the availability of credit and high prices for inputs. Little fertilizer has been applied. Current indications point to a 2000 cereal and pulse harvest not markedly better than the 27 million tonnes harvested in 1999 (FAO estimate). In Moldova, maize planting is underway; the grain production target is 2.8 million tonnes compared to the 2.2 million tonnes harvested in 1999. In Belarus, economic problems, some spring frost damage and shortages of fertilizer and fuel cast serious doubt on the cereal production target of 5.7 million tonnes being met.

• **Oceania**

In Australia, planting of the 2000 winter **wheat** and **coarse grain** crops is underway. Good rainfall in early May, adding to ample existing sub-soil moisture after an unusually wet summer and early autumn, ensured planting conditions were generally ideal across all of the eastern and western grain belt. Early indications of farmers' planting intention point to a winter wheat area of 11.8 million hectares, virtually unchanged from the previous year. Given the good planting conditions, and assuming normal weather for the remainder of the season, a crop of nearly 23 million tonnes is forecast. This would be above the average of the past five years and just below the record crop of 24 million tonnes in 1999. As regards barley, the major winter coarse grain crop, early indications point to a sharp recovery in plantings to almost 3 million hectares after last year's reduced area.

However, although weather conditions for planting and early development of the winter grain crops are favourable, some uncertainty has by cast over the outcome of the 2000 harvest by an outbreak of locusts since April, reported to be the worst infestation in the

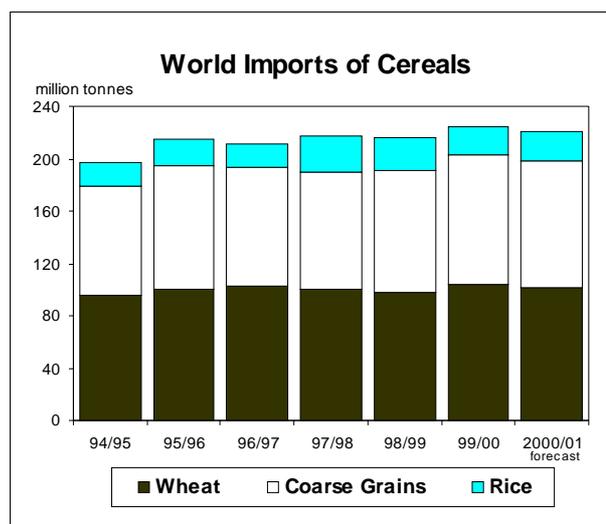
past 50 years. Although some damage has already occurred to the earliest emerging cereal crops, the largest threat will be in the spring when the eggs, which are being laid this autumn, hatch. Intensive control measures will be needed over the coming months to prevent potentially very damaging plagues later in the year.

In Australia, harvesting of the **rice** crop is almost complete and the Government is forecasting an output contraction of over 20 percent from the previous season to about 1.1 million tonnes, reflecting drops of 13 percent and 7 percent in area and yield, respectively.

Trade^{1/}

World trade in 2000/01 could decline slightly

FAO's first forecast for cereal trade in 2000/01 is 221 million tonnes, which would be around 4 million tonnes below the previous year's volume, reflecting a likely contraction in world trade of wheat and coarse grains. This tentative first forecast is based on the latest production indications and assumes that the volume of world trade in rice would remain close to this year^{2/}.



Global **wheat** trade in 2000/01 is forecast to decline by over 2 million tonnes to 101.5 million tonnes after this season's relatively sharp increase. Nevertheless, at this level world trade would still be above the average of the past 5 years. The anticipated decline in next year's trade volume would be mostly on account of reduced imports by the Russian Federation and Pakistan, reflecting larger production, while imports by most other countries are likely to remain close to the estimated 1999/2000 levels. In Asia, imports by the Islamic Republic of Iran are likely to remain high due to

^{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.

^{2/} The next marketing season for rice will start in January 2001.

Overview of World Cereal Imports - Forecast for 2000/01

	Wheat		Coarse grains		Rice (milled)		Total	
	1999/2000	2000/01	1999/2000	2000/01	2000	2001	1999/2000	2000/01
	(..... million tonnes)							
Asia	48.7	46.7	55.4	55.2	11.6		115.6	
Africa	22.9	23.9	13.1	13.6	5.3		41.3	
Central America	5.7	5.7	11.7	11.7	1.5		19.0	
South America	11.4	12.0	7.3	6.7	1.1		19.8	
North America	2.5	2.7	3.5	3.6	0.6		6.7	
Europe	12.1	9.9	7.9	6.1	1.7		21.6	
Oceania	0.5	0.5	0.1	0.1	0.4		0.9	
WORLD	103.8	101.5	98.9	97.0	22.2	22.2 1/	224.9	220.7
Developing Countries	79.0	78.3	64.9	64.6	18.3	18.3	162.2	161.1
Developed Countries	24.8	23.2	34.0	32.4	3.9	3.9	62.7	59.6

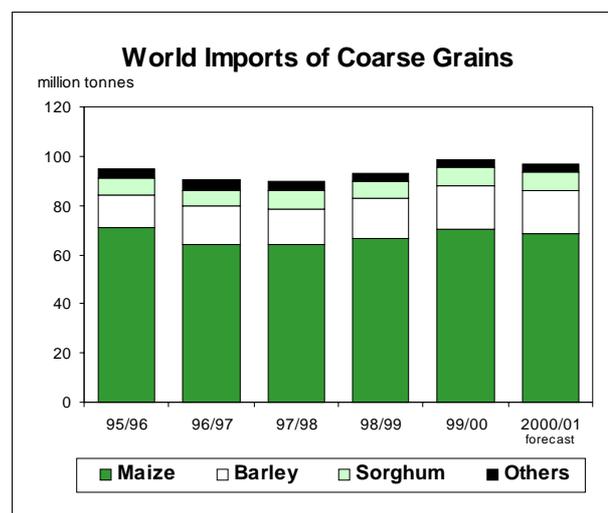
Source: FAO 1/ Highly tentative.

persistent drought for the second consecutive year while purchases by China are forecast to increase. Wheat imports by China (mainland) could rise sharply, from 900 000 tonnes in 1999/2000 to 2.5 million tonnes, the highest since 1996/97, because of a likely reduction in domestic output. By contrast, good production prospects in Pakistan could result in a sharp cut in imports, while larger crops in India, combined with the continuation of the ban on imports, could eliminate commercial imports altogether. Imports by most other countries in South East Asia are forecast to remain close to this season, given the likely prospects for sustained economic recovery and relatively weak international prices.

Wheat imports are also likely to rise in Africa. As in the current season, production shortfalls in a number of countries in North Africa could result in sizeable imports. The largest increases are expected in Algeria and Morocco where the current drought has hit hardest. In the sub-Saharan region, aggregate imports could remain high as in this season, but it is difficult to make any realistic forecast at this early stage against the background of on-going civil conflicts in many parts. Elsewhere, most countries in Central and South America could import as much as in the current season. In Europe, imports by the Russian Federation may fall sharply with production rising, assuming no further food aid deliveries.

Regarding exports, the forecast for 2000/01 points to a somewhat similar picture as in this season in terms of aggregate shipments from the five largest wheat-exporting countries. Overall, sales from the EC and the United States are expected to rise, while exports from Canada could remain unchanged and those from Australia and Argentina could decline. Among other countries, exportable wheat supplies in most countries in Asia are likely to be more limited, in particular in Kazakhstan and Turkey. In Europe, apart from the EC, sales from Hungary are also forecast to increase.

FAO's first forecast for international trade in **coarse grains** in 2000/01 points to a decline of around 2 million tonnes to 97 million tonnes. This decline, the first in three years, would be mainly accounted for by smaller shipments of maize and barley. The projected reduction in world trade largely reflects the anticipated rise in coarse grains output in a few importing countries, especially in the Russian Federation, along with several countries in South America. However, as in the case for wheat, several countries in Asia and Africa would need to resort to more imports in order to cover their domestic requirements, primarily the Islamic Republic of Iran, Turkey, Egypt, Morocco, Ethiopia and Tanzania.



Export availabilities of coarse grains are expected to be sufficient to meet the forecast import demand although sales from some of the traditional exporters could be down from the previous year. Shipments from the major exporters are expected to rise or remain at least at the same level as in 1999/2000 except for Argentina. Maize exports from China are likely to decline as

production is expected to be smaller and exceptionally strong sales during the current season have already resulted in smaller carryover stocks.

Except for rice, world trade in most other major cereals shows stronger growth in 1999/2000 in spite of smaller food aid shipments

At 225 million tonnes, the current estimate for global cereal imports in 1999/2000 points to a notable gain of around 9 million tonnes, or 4 percent, over the previous year's reduced level. Much of this increase can be credited to robust trade in wheat and higher imports of maize and barley, whereas, trade in rice could dwindle somewhat from the high volumes registered in the previous two years. Based on the latest World Food Programme estimates, this year's total cereal shipments as food aid could reach 7.5 million tonnes, which would be some 3 million tonnes down from 1998/99. However, this sharp decrease mostly reflects the drop in food aid shipments to the Russian Federation. For the developing countries as a group, cereal imports are expected to rise to an all time high of around 162 million tonnes, up 2.6 percent from the previous year. Most of the increase would be in wheat and coarse grains.

Overall, the cereal import bill of the developing countries in 1999/2000 is expected to be close to US\$21 billion, which is about US\$600 million, or 3 percent, below the previous year's value in spite of a likely reduction in food aid deliveries from the previous year. Weak international cereal prices during the course of the 1999/2000 trade season largely compensated for the rise in import volume. For the Low Income Food Deficit Countries (LIFDCs), the overall cereal import bill is seen to fall by at least 7 percent, to below US\$9 billion, with imports at 70.5 million tonnes, down 1.5 million tonnes from last year's estimated volume. The decline in imports is due to reduced purchases by a few countries where production increased.

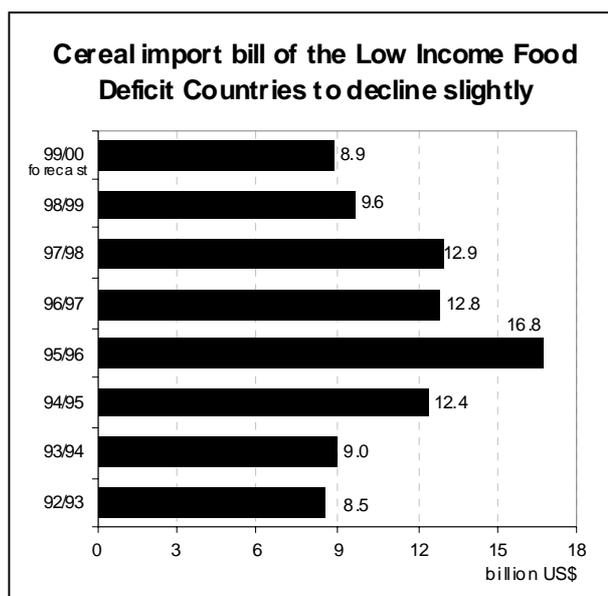
The latest estimate for world wheat and wheat flour (in wheat equivalent) imports in 1999/2000 (July/June) is about 104 million tonnes, 1.3 million tonnes higher than was reported in April and nearly 6 million tonnes higher than in the previous year. This month's upward revision mainly reflects higher import forecasts for the Islamic Republic of Iran, Kenya, Sudan and the Russian Federation, which would more than offset slight downward revisions to import estimates for Bangladesh, the Republic of Korea, Yemen, Mexico and Brazil. This year's relatively large expansion in world trade could be attributed to a combination of factors, which include the following:

- depressed international prices throughout the season, which encouraged larger purchases by some countries, including India, Mexico and Brazil;
- larger supply deficits stemming from poorer than expected harvests, especially in the Islamic Republic of Iran and some of the countries in North Africa;

- relatively large food aid imports, for the most part reflecting delayed shipments from 1998/99 commitments to the Russian Federation.

Aggregate wheat imports by the developing countries are now put at 79 million tonnes, up more than 2 million tonnes from the previous year. In value terms, this would be equivalent to US\$9.7 billion. However, for the LIFDCs, wheat imports are likely to show a decline of around 600 000 tonnes to 39.7 million tonnes. This level of purchases would cost nearly US\$4.6 billion, down US\$300 million from 1998/99.

On the regional basis, Asia and Europe would account for most of the expansion in world wheat trade in 1999/2000. Wheat imports into Asia are currently put at almost 49 million tonnes, up 3.5 million tonnes from the previous year's reduced volume. However, the bulk of the increase reflects a sharp rise in imports by the Islamic Republic of Iran, which more than offset the reduced imports in several other countries, including Bangladesh and Pakistan. At the same time, due to another good crop in China, imports into the Mainland could remain under 1 million tonnes, which is trivial compared to annual imports of some 10 to 15 million tonnes in earlier years.



In Europe, total imports in 1999/2000 are seen to rise sharply, by over 60 percent, to 12 million tonnes. However, most of this expansion is attributed to higher imports by the Russian Federation, a third of which is accounted for by food aid shipped in the previous season but delivered in 1999/2000. In addition, Belarus, Romania and Slovakia are among the other countries in Europe where a notable increase in imports is likely, mostly in view of reduced domestic production.

In Africa, total imports in 1999/2000 could reach 23 million tonnes, down 1 million tonnes from the previous year despite continuing large purchases by several

countries in North Africa, especially Algeria and Morocco due to drought-reduced harvests. By contrast, in Egypt, the world's largest wheat importer in most years, the irrigated wheat crop for 1999 was the highest on record, resulting in some decrease in its imports. At around 17 million tonnes, wheat imports by most countries in **Latin America and the Caribbean** are expected to remain close to the previous year's levels. However, imports by Brazil could decline by 1 million tonnes, given a rise in production and large carryover stocks. By contrast, Mexico is forecast to import slightly more than in 1998/99 due to a decline in domestic output.

Overall the forecast rise in world wheat imports in 1999/2000 is to be met mostly by larger **exports** from all major exporters with the exception of the United States (Table A.3). Larger sales from Argentina, Australia and Canada would reflect their ample exportable supplies. Exports from Canada could register the sharpest rise, 27 percent, a significant recovery from the previous year's reduced volume. Exports from the EC are also seen higher, in part due to the weaker Euro during the second half of the season. By contrast, wheat exports from the United States could fall by 1 million tonnes from the previous year to 28 million tonnes, given the decline in domestic production and large exportable supplies in other exporting countries. Among other wheat exporters, large production is expected to boost exports from Kazakhstan, mostly to countries outside the CIS. By contrast, faced with smaller crops, exports from Turkey are seen to fall sharply, while in Syria a severe drought greatly reduced that country's export potential as well. Total exports from several European countries outside the EC could be halved to around 5 million tonnes, mostly reflecting smaller supplies in Hungary, Ukraine and the Russian Federation.

Similar to wheat, world trade in **coarse grains** is expected to stage a sizeable expansion in 1999/2000 (July/June). This month's estimate for global trade in coarse grains has been raised further, to 99 million tonnes, up over 2 million tonnes from the previous report, mostly reflecting upward adjustments to imports into the Republic of Korea, Algeria, Kenya and Mexico. At the current forecast level, world trade in coarse grains is up 6 million tonnes from 1998/99. For maize, the most traded of the coarse grains, this year's imports are currently put at 70 million tonnes, up 5 percent from the previous year. For barley, the second-most traded coarse grain, imports are estimated to rise by 11 percent to 18 million tonnes. Imports of sorghum could also rise, by 5 percent to over 7 million tonnes.

Overall, total coarse grain imports by the developing countries are estimated to reach 65 million tonnes, an increase of some 5 million tonnes, or 8 percent, over the previous year. At this level, the developing countries would spend roughly US\$7.3 billion on imports, or US\$400 million more than the previous year. For the LIFDCs as a group, the cost of this year's coarse grain imports could reach US\$2.2 billion, some US\$250 million

more than in the previous season, reflecting a higher import volume of some 2.2 million tonnes over the previous year.

At almost 99 million tonnes, the current forecast for global imports of coarse grains in 1999/2000 is some 6 million above earlier expectations at the start of the season. This could be attributed to several developments:

- the faster rise in imports by several Asian countries boosted by better than anticipated economic recovery;
- much larger imports by a number of countries in Africa due to the development of poor crops during the season and widespread civil conflicts;
- continued weak prices, in part triggered by much higher than expected maize export sales from China, which encouraged some countries to expand their imports.

In **Asia**, this year's imports are now put at over 55 million tonnes, up 2.5 million tonnes from 1998/99. The most significant increase is in the Islamic Republic of Iran, which resorted to larger imports of barley and maize because of domestic production shortfalls. Imports by the Republic of Korea are also expected to show a sharp rise, mainly because of strong domestic feed demand. Despite the slowing pace of maize purchases in recent months as a result of the outbreak of the foot-and-mouth disease, the overall coarse grain imports by that country could still show an increase of nearly 20 percent to 8.7 million tonnes. In **Africa**, imports into the northern region are estimated to remain close to the previous year's relatively high volume because of persistent poor harvests in several countries. In addition, imports into the sub-Saharan region are forecast to increase by about 1.3 million tonnes to nearly 5 million tonnes. The largest increases are in Kenya and the Republic of South Africa, mostly reflecting higher import demand for maize because of smaller domestic crops. Imports by most other countries in the sub-region could also increase, albeit only slightly despite the continuing food shortages.

Total imports into **Latin America and the Caribbean** also show a relatively strong increase. Among the countries in Central America, much larger imports are anticipated in Cuba, Haiti, Guatemala and Honduras. Purchases by Mexico, the region's largest importer, are estimated to reach 8.7 million tonnes, which would be close to the previous year's level. In South America, the expected 600 000 tonnes increase in imports by Brazil would more than offset slightly smaller purchases by most other countries in the sub-region. The strong growth in poultry industry in Brazil is the main driving force behind the rise in import demand for maize. Total coarse grain imports into **Europe** could rise by 23 percent over the previous year to almost 8 million tonnes, despite a small reduction in maize imports by the EC. An increase in maize imports by the Russian Federation would account for the bulk of the

European increase, while imports of barley by Belarus and Romania are also estimated to increase, mainly due to lower domestic production.

Regarding **exports** of coarse grains, one the main features of the 1999/2000 season is a twofold increase in shipments from China, which are now put at almost 7 million tonnes. At this level, China would become the fourth largest coarse grain exporter. Large maize supplies in China and the resumption of stronger import demand by some of the nearby Asian countries provided an export advantage to China despite lower maize prices from the United States. In spite of the expansion in world trade, total coarse grain shipments (on July/June basis) from the United States and Argentina, respectively the world's first and second largest exporters, could show only a slight increase over the previous year. The growth in world import demand for barley could be met by larger exports from Canada and the EC, especially in view of reduced export supplies in Australia and Turkey due to smaller domestic production. Elsewhere, maize exports from the Republic of South Africa are also estimated to be down from the previous year because of sharply lower production. Sales from Hungary and Romania could rise given the more abundant supplies resulting from the rise in their domestic production.

The outlook for international **rice** trade for the rest of 2000 points to a weakening of global import demand for the second consecutive year, after an all-time high in 1998. Many of the major importing countries have harvested bumper crops, reducing their need for imports. As a result, FAO's forecast of world rice trade in 2000 has been revised downward by about 800 000 tonnes from the previous report to 22.2 million tonnes, down by 2.9 million tonnes from 1999. The contraction in the volume of rice trade combined with a weakening in international prices should result in a much lower value of world trade during the year 2000. In particular, imports by the developing countries are forecast to fall by 3 million tonnes to 18.3 million tonnes, a decline of US\$660 million in value terms. As for the Low Income Food Deficit Countries (LIFDC), their import bill is estimated at US\$2.1 billion, down by US\$700 million from last year. Similar to 1999, the brunt of the decline in this year's global rice trade will be concentrated in Asia where the large importers will likely take less either due to increased domestic production or policy regimes that are aimed at limiting imports.

The bulk of the downward revision in the 2000 world rice trade forecast since the last report stems from a 50 percent cut in Bangladesh's expected imports to 500 000 tonnes. Bangladesh harvested an exceptionally good paddy crop during the 1999/2000 season and has continued to cut imports. The forecast of purchases by the Philippines has been reduced by 200 000 tonnes to 600 000 tonnes, based on improved paddy output in 1999/2000 season and good production prospects for the current season. The forecast for Indonesia, the world's leading rice

importer, has also been cut, by 200 000 tonnes, to 2.3 million tonnes, compared to an estimated 3.8 million tonnes in 1999. By contrast, imports into Iraq are now expected to reach 900 000 tonnes, 200 000 tonnes up from the earlier forecast, in response to the upward revision of the United Nations oil-for-food programme. Import forecasts for the Islamic Republic of Iran and Brazil, the other major importers, remain unchanged. In India, an import tariff rate of 80 percent on broken rice was introduced in April 2000 in reaction to a large inflow of broken rice from Pakistan. Import tariffs were also imposed on other agricultural commodities.

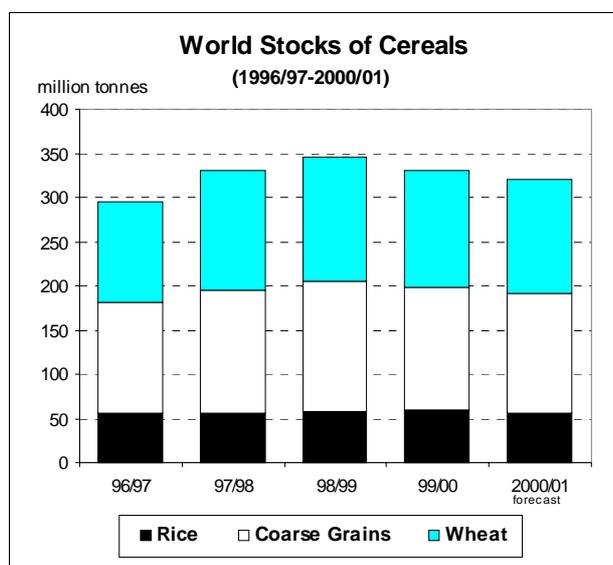
Faced with a much less buoyant import demand, compared with the last couple of years, the major exporting countries have taken steps this year to secure new customers. The contraction in the demand has affected some countries more than others depending on their relative competitiveness. Thus, the forecast of expected shipments by India has been cut by 300 000 tonnes from the previous report to 1.4 million tonnes, which would mean a 1.3 million tonnes drop from the 1999 estimate volume. Prices in the country have remained uncompetitive compared with rice from other origins, reflecting relatively high production costs. In addition, Bangladesh, a major destination for India's rice exports, is expected to import much less than in the previous two years owing to a bumper harvest. Within the context of a weaker global import demand, projected sales by Viet Nam were lowered by 300 000 tonnes from previous expectations, to 4 million tonnes. The country reached an agreement to increase its rice exports to Cuba thereby making Viet Nam the main rice supplier to that country. Government officials are also actively looking for new markets in Africa and the Middle East.

Given the bearish outlook for rice imports, the United States also lowered its export forecast by 150 000 tonnes to about 2.9 million tonnes. In an effort to try and find destinations for their record supplies, farmers in the US are backing a Bill that would lift the ban on the export of rice and other food commodities to Cuba. The export forecasts for Pakistan, Argentina and Uruguay have also been revised downward by a combined 100 000 tonnes. By contrast, the forecast for China's export shipments has been increased by 100 000 tonnes from the last report to 2.7 million tonnes. The Government's policy to reduce rice stocks, particularly of lower quality, has made it a very competitive source for countries looking for such grades. The country's exports during the first four months of 2000 were estimated at about 1.1 million tonnes or over 60 percent ahead of the pace for the same period in 1999. Expectations regarding export shipments from Thailand were unchanged from the previously reported volume. The pace for the country's exports during the first four months of the year was slightly ahead of the comparable period in 1999. A Thai trade delegation was in Africa in May to explore, among other things, opportunities for increased rice exports to the continent.

Carryover Stocks

World stocks could decline in 2001 but major exporters' share could rise

Based on the current production outlook in 2000, world cereal stocks would have to be reduced in order to meet the expected global utilization in 2000/01. By the end of countries' marketing seasons in 2001, the level of global cereal stocks could be around 321 million tonnes, which would be some 10 million tonnes, or 3 percent, below the already reduced opening level. Total wheat inventories could decline by 4 million tonnes, to 129 million tonnes, followed by rice stocks, which could also decrease by around 4 million tonnes, to 56 million tonnes. The decline in coarse grain stocks is expected to be around 2 million tonnes, to 136 million tonnes.

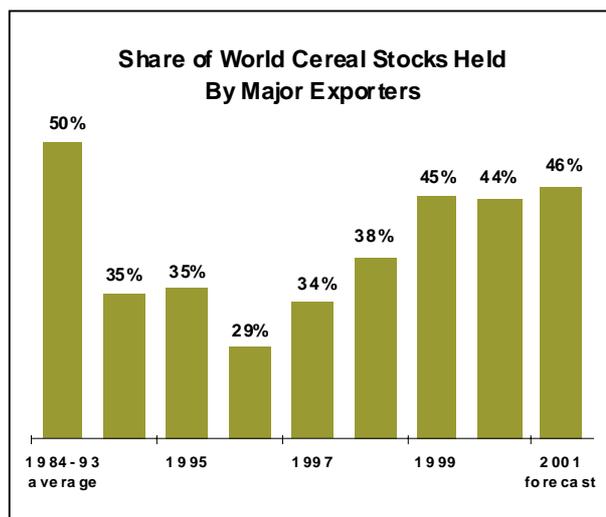


The possible drawdown in world cereal stocks in 2001 would cause next season's stock-to-use ratio^{1/} to decline to 16.6 percent, which is slightly below the 17-18 percent range that FAO considers as the minimum necessary to safeguard world food security. However, one emerging feature in the coming season is that the bulk of the expected decline in world cereal stocks is

World Carryover Stocks of Cereals

	Crop year ending in:		
	1999	2000 estimate	2001 forecast
	(. . . million tonnes . . .)		
Wheat	139.8	132.9	128.8
Coarse grains	148.5	137.9	135.7
Rice (milled)	56.9	60.2	56.4
TOTAL	345.1	331.0	320.9
of which:			
Main exporters	154.4	147.4	147.5
Others	190.7	183.7	173.4

Source: FAO



likely to be concentrated in a handful of countries. The largest decrease, about 11 million tonnes, is likely to occur in China alone, given the reduced production prospects in that country. Despite this sharp decline, however, supplies in China could remain relatively ample, permitting the country to continue with large exports of maize and rice. Another important aspect is that cereal stocks held by the major exporting countries are expected to remain virtually unchanged. In fact, the major exporters' share could increase slightly to 46 percent, well above the average in the 1990s. Because those stocks provide the main safeguard in the event of any unexpected emergencies, their continuing abundance is positive in view of the likely tighter world cereal balance.

Latest indications point to smaller ending stocks in 2000

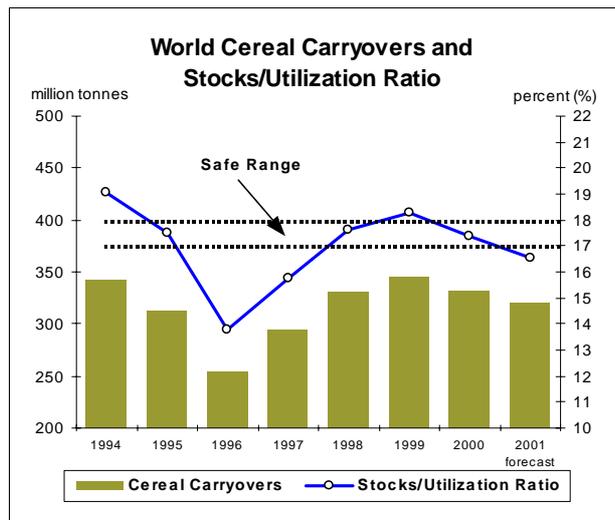
The latest forecast for world cereal stocks by the close of the seasons ending in 2000 has been lowered slightly this month, to 331 million tonnes, down 1 million tonnes from the previous report. At this level, world cereal carryover stocks would be almost 14 million tonnes, or 4 percent, below their opening levels. Nevertheless, this season's stocks-to-use ratio is expected to remain unchanged from the previous report, at 17.4 percent, which is within the FAO's minimum safe range.

Global wheat inventories are now put at 133 million tonnes, down 7 million tonnes from their opening level and 2.7 million tonnes smaller than was anticipated earlier. This month's downward adjustment mainly reflects smaller inventories in the United States due to larger reported export sales and domestic use. Nevertheless, in aggregate, major exporters are likely to end the season with nearly 50 million tonnes in stocks, which would be close to the previous year's

^{1/} Next season's stocks-to-use ratio refers to the ratio of world stocks by the close of the seasons ending in 2001 to the projected global utilization in 2001/02.

level. The only notable decrease is expected in the EC because of smaller production and larger exports.

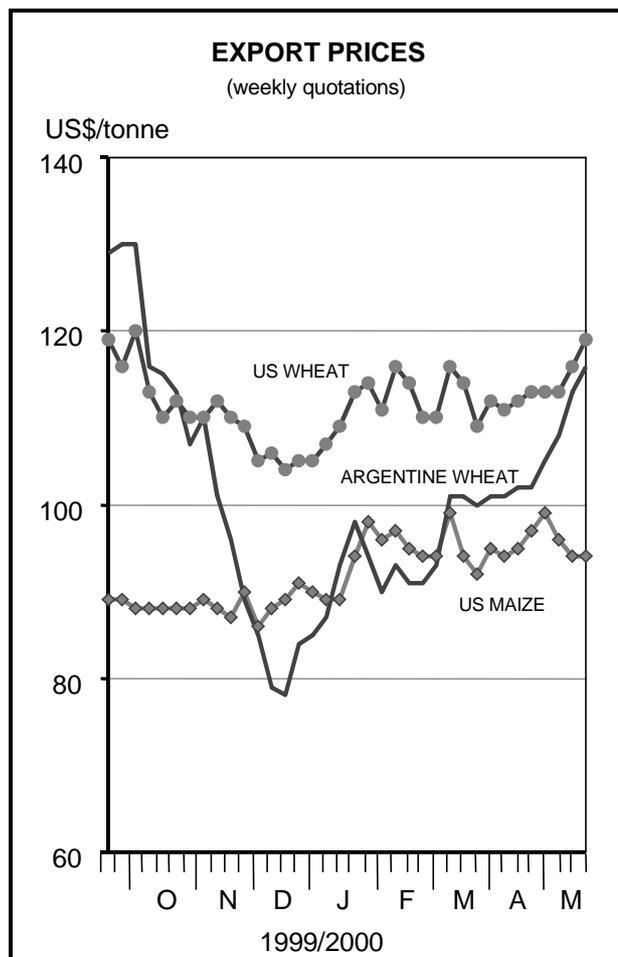
For **coarse grains**, total inventories by the end of the crop years ending in 2000 are put at 138 million tonnes, down almost 11 million tonnes, or 7 percent, from the previous year but unchanged from the last report. A good portion (some 5 million tonnes) of the estimated decline in world coarse grain stocks reflect reduced inventories (mostly barley) in the EC because of the combined impact of lower production in 1999 and larger exports. Higher maize exports from China are also responsible for a reduction of at least 2 million tonnes in that country's ending stocks.



The forecast for world **rice** stocks at the end of the marketing seasons in the year 2000 has been revised upward by 1 million tonnes from the level reported previously to about 60 million tonnes, some 3 million tonnes more than their opening levels and the highest in 6 years. The change mostly reflects an increase in India's closing stocks following an upward adjustment in the country's 1999/2000 production estimate. For the world as a whole, bumper harvests in many of the major rice producing countries during the 1999/2000 season are expected to lead to total supplies outweighing utilization, resulting in a stock build-up in the major exporting countries.

Export Prices

International **wheat** prices in May edged slightly higher as the overall bearish sentiment which characterized the price developments in earlier months gave way to some upside movements, mainly in response to less favourable crop weather conditions in the United States. In May, the U.S. wheat No. 2 (HRW, fob) averaged around US\$116 per tonne, up US\$4 per tonne from March and also US\$4 per tonne more than in the corresponding period in the previous year. Similarly, wheat futures have also strengthened in recent weeks. By late May, the September wheat futures for soft red winter at the Chicago Board of Trade (CBOT) were quoted at US\$107 per tonne, up US\$12 per tonne from the previous year.



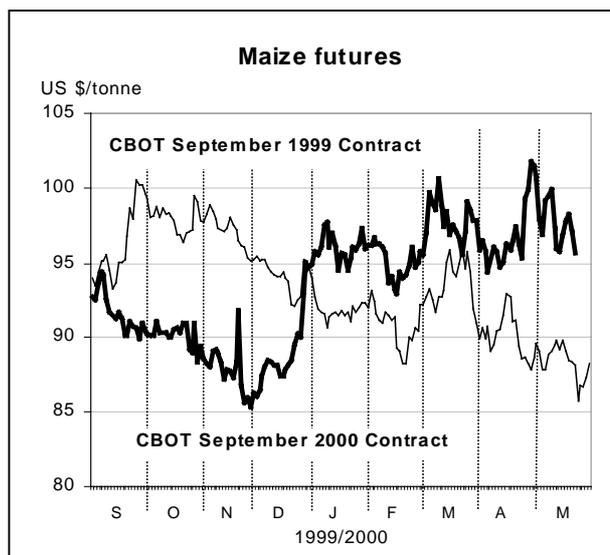
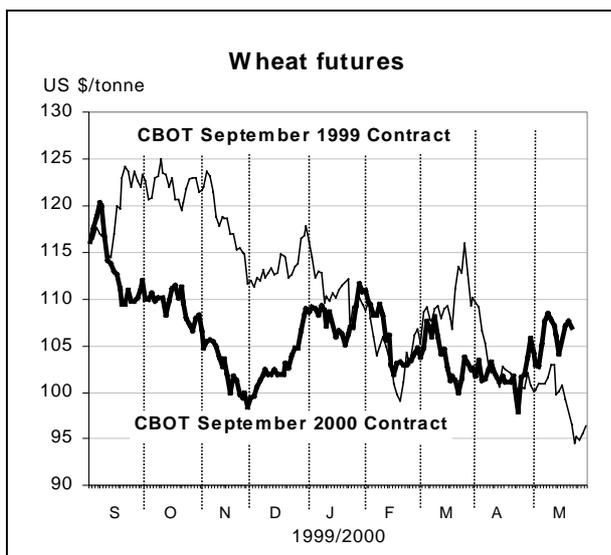
International wheat prices are expected to gradually trend higher in the coming marketing season. With harvests getting underway soon in most wheat producing countries in the northern hemisphere, seasonal factors could put downward pressure on

Cereal Export Prices *

	2000		1999
	May	March	May
	(. US\$/tonne)		
United States			
Wheat ^{1/}	116	112	112
Maize	95	95	93
Sorghum	95	95	89
Argentina ^{2/}			
Wheat	112	98	121
Maize	87	85	98
Thailand ^{2/}			
Rice white ^{3/}	210	232	252
Rice, broken ^{4/}	143	151	185

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.



prices. However, the overall supply and demand picture for next season could prove more supportive, especially in view of relatively strong import demand in Asia and North Africa as well as slightly reduced exportable supplies in some countries.

At this time of the year, the international **maize** market is usually trading largely on the weather situation and the size and condition of the new crop in the United States, which also explains the more volatile nature of price developments since mid-April. Earlier in May, the U.S. maize prices rose sharply but lost most of their momentum later in the month. Overall, however, the U.S. No. 2 maize (fob) averaged US\$95 per tonne in May, unchanged from March but US\$2 per tonne above the corresponding period last year. The CBOT maize futures also continued to remain above last year's values despite some weaknesses later in the month, mostly in response to reports of record planting pace in the United States. In the near-term, however, the outlook for maize prices is rather uncertain, much depending on the eventual size of exportable supplies in China along with demand prospects in several major Asian markets in the aftermath of the recent outbreak of the foot-and-mouth disease.

The general trend of declining international **rice** prices persisted through May, as the global import demand is still low relative to export supplies. As a result, the FAO Export Price Index for Rice (1982-84=100) fell a further 2 points from April to average 98 points in May, 15 points below a year earlier and the lowest level since September 1993. Although low prices are a welcome development for those LIFDC that depend on rice imports to meet their food requirements, they are seriously hurting those developing countries that rely on

rice exports as a major source of foreign exchange. Because of their depressing effects on farmers' incomes, low international rice prices are also a cause of concern for importing countries that have reduced protective border measures.

Prices from most origins fell in May with the price for high quality Thai 100% B falling by US\$6 per tonne from its April average to US\$210 per tonne, the lowest level in about seven years. Over the same period, prices of the lower quality fully broken rice (Thai A1 Super) dropped by US\$4 to US\$143 per tonne, the lowest level since June 1990. Prices from other Asian origins were also under downward pressure during May. However, prices for Thai Fragrant rice were some of the very few that registered an increase during the month as demand for that rice quality, by countries such as China, remained firm.

In the United States, the market was a little bit more active than in the previous month, stirred by increased interest for some grades from its traditional customers in Central and South America. As a result, prices did not fall as much during the month compared to other origins. The monthly average price for the high quality No. 2/4 percent broken rice averaged US\$258 per tonne in May, down by US\$1 per tonne from April and the lowest level in about 13 years. A much stronger import demand would be needed to bring a sustainable upward swing in prices given that supplies are at record levels in the country.

In the next few weeks, international rice prices will be influenced by firmer information about the expected paddy output levels in the major exporting and importing countries that are to be harvested during the second half of the year.

Sugar

World sugar prices declined at a steady rate throughout the first six months of the 1999/2000 season (October/September) as continued growth in production and weak demand led to a build-up of surplus stocks. The International Sugar Agreement (ISA) daily price reached a 14-year low of US cents 4.70 per pound by the end of February 2000. Sugar prices began recovering in April and by the end of May had increased by more than 30 percent over the March average. This recovery was mainly due to increased import demand in several major markets such as the Russian Federation, Bangladesh, Pakistan and Indonesia, combined with early forecasts of potentially reduced sugar production in 2000/01.

FAO's estimate of global sugar production for 1999/2000 is 134.3 million tonnes (raw value), an increase of more than 2 percent over 1998/99, mainly due to a 5 percent expansion in output in developed countries. Larger harvests in the European Community (EC) and the United States contributed significantly to this growth. Production in developed countries is estimated at 44.2 million tonnes, while output in developing countries, is expected to increase slightly (less than 1 percent) to reach 90.2 million tonnes.

Production in Latin America and the Caribbean is forecast at 40.1 million tonnes, 1 million tonnes more than in 1998/99, largely attributable to increased production in Brazil and Cuba. In Brazil, deregulation of the sugar and alcohol complex, which started in the late 1980s and concluded in 1999 with freely floating prices, resulted in significant industry consolidation and increased utilization of cane for sugar processing, most of which has been channeled into export markets at very competitive price levels. Production in Brazil is expected to increase by 300 000 tonnes to reach 19.8 million tonnes. In Cuba, following an improvement in mill efficiency, output should reach 4 million tonnes, 400 000 tonnes up from the previous year. Sugar production in Mexico is estimated to remain stable at 5.1 million tonnes, despite worse than anticipated weather conditions and a delay in crushing due to a strike by sugar mill workers.

Output in Africa (excluding Near East in Africa) in 1999/2000 is forecast at 4.7 million tonnes, about 100 000 tonnes more than that achieved in 1998/99 despite reported production decreases in several major sugar producing countries. The most significant increase is expected in Kenya where output should expand by 28 percent to 600 000 tonnes. In South Africa, the largest producing country in Africa, output is forecast to decline slightly, by 70 000 tonnes to 2.5 million tonnes. Adverse weather is forecast to reduce output in Mauritius by 27 percent to reach 500 000 tonnes. This is expected to pose problems for the country in fulfilling its export quota to the EC for 1999/2000.

Sugar output in the Near East is estimated to decline by 9 percent to 5.2 million tonnes, primarily due to a reduction of 600 000 tonnes in output in Turkey where production quotas have been introduced in an effort to reduce domestic stocks. In addition, a quality-based pricing policy has been introduced to improve field productivity and extraction efficiency. Output in Egypt is forecast to expand by 11 percent, primarily due to an increase in area planted to sugarbeet. Sugarcane production still dominates at an estimated 1.1 million tonnes, while sugarbeet output is expected to reach 250 000 tonnes.

The latest estimate of sugar production in the Far East in 1999/2000 is 39.7 million tonnes, a downward revision of 1 million tonnes from FAO's first estimate issued in November 1999. The revision was prompted by a further reduction in estimated output in China due to frosts in the southern cane production areas in December 1999. Output is expected to decline by 13 percent to 7.9 million tonnes. Also contributing to the downward revision is a 22 percent decline in sugar output expected in Pakistan. Lower yields due to insufficient rain during the monsoon season, as well as delayed government payments to sugarcane growers encouraged a shift towards alternative crops.

World Production and Consumption of Sugar

	Production		Consumption	
	1998/99	1999/2000	1999	2000
	(. . million tonnes, raw value . .)			
WORLD	131.4	134.3	126.1	128.6
Developing Countries	89.5	90.2	80.4	82.8
Latin America & Caribbean	39.1	40.1	23.0	23.5
Africa	4.6	4.7	6.7	6.9
Near East	5.7	5.2	9.7	10.0
Far East	39.8	39.7	40.9	42.2
Oceania	0.4	0.5	0.1	0.1
Developed Countries	41.9	44.2	45.7	45.9
Europe of which: EC	21.9 (17.5)	23.1 (19.1)	19.7 (14.4)	19.7 (14.4)
North America	7.6	8.3	10.4	10.6
CIS	3.9	3.9	10.0	10.0
Oceania	5.0	5.5	1.2	1.2
Others	3.5	3.4	4.3	4.3

Source: FAO

FAO's forecast of world sugar consumption for 2000 is 128.6 million tonnes, an increase of about 2 percent from the previous year. Sugar consumption in the developing countries would be 82.8 million tonnes, while consumption in the developed countries would increase slightly to 45.9 million tonnes. Consumption levels are expected to remain steady in the EC, and increase slightly in the United States.

Sugar consumption in the Far East is forecast at 42.2 million tonnes for 2000, an annual growth rate of 3.3 percent, outpacing both the Near East and Africa, at 3.1 and 3 percent respectively. Negative consumption growth rates in 1998/99 are expected to be reversed in several countries including Malaysia and the Republic of Korea where improved economic growth should support stronger industrial demand. Sugar consumption in China for 1999/2000 is estimated at 9.1

million tonnes, slightly higher than the 8.9 million tonnes consumed in 1998/99, while in India, consumption is estimated at 17.1 million tonnes, 700 000 tonnes less than its expected production, adding to is already difficult stock to consumption ratio position.

Sugar exports from Brazil continue to dominate the world market, as low production costs and the devaluation of the *real* encouraged competitive export prices. Higher than anticipated imports by the world's largest sugar importing country, the Russian Federation, helped absorb some of the global stocks and provided much-needed market support throughout 1998/99. Continued low world sugar prices and high stock levels have prompted many governments to initiate measures to protect their domestic sugar industries from imports.

Fertilizers

Urea prices strengthened somewhat over the past two months and average May prices were between 30 and 40 percent higher than a year earlier. This development reflects tight supplies due to continuing strong demand, in particular from Turkey and Latin America, which are importing from the Black Sea region. Prices for Black Sea origin urea reached their highest level for over two years. The upward trend in urea prices is expected to continue throughout June. As a result of the higher prices, where possible, many buyers will choose to defer purchases until later in the year, probably around July. The Baltic Sea region is supplying urea to Central America and South Africa. Near East suppliers committed their export availability to the Republic of Korea, Viet Nam, Sri Lanka, the Philippines and Myanmar. India reportedly issued a tender for 9 500 tonnes of urea in anticipation of the Government's decision regarding import requirements. Viet Nam has entered the market for considerable quantities. Producer problems and suppliers' uncertainty regarding June price developments has reduced urea availability from Indonesia. Urea demand in the United States is slow and resellers continued lowering their prices in the expectation that demand would increase for urea application on rice and pasture and to cater for the approaching cotton season.

Prices for **ammonia** have increased since the beginning of this year by about 30 percent. Supplies are tight due to the continued closure of two plants in Trinidad and rather tight availability in the Black Sea region. In southern Europe, demand for ammonia currently is strong. Demand in Taiwan and the Republic of Korea is being met by the Arab Gulf. In Mexico, where two plants are operating, output is matching domestic demand and Mexico is neither exporting nor importing.

Prices of **ammonium sulphate** remained mostly stable over the past two months. However, compared to a year ago, prices in eastern Europe are down by about 8 percent, while US Gulf prices are up by 50 percent.

Turkey and India are active in the market, seeking imports of 4 000 tonnes and 25 000 tonnes respectively from the Black Sea region.

Diammonium phosphate (DAP) prices also remained virtually unchanged during April and May, and are about 23 percent lower than a year ago. India is importing DAP from Mexico, Morocco, Jordan and the United States. In China, stocks are reported to be low due to reduced imports in the first quarter of 2000. Its quota issue for DAP imports this year is 4 million tonnes. In Pakistan the current inventory is expected to cover the demand in the Kharif season and import requirements for the Rabi season are estimated at about 450 000 tonnes. Bangladesh, Indonesia and Viet Nam are scheduled to arrange procurement of large amounts of DAP. DAP demand in Europe is weak. Turkey and Syria are entering the market. Morocco has export commitments to India and China. Jordan producers have scheduled exports for Malaysia and India. Demand for DAP from Argentina, Brazil and Chile is strong and involves a substantial volume of material.

Prices of **triple superphosphate (TSP)** from North Africa and the US Gulf were stable over the past four weeks. Prices from both origins are about 16 percent to 17 percent lower than a year earlier. Brazil is importing TSP from Israel.

Average spot prices of **muriate of potash (MOP)** remained generally stable over the past two months. Average May prices in eastern and western Europe were about 3 percent and 11 percent lower than a year ago respectively. Shipments to China from the CIS and Baltic States and Canada have been large. Indonesia is importing considerable amounts of MOP from Jordan. MOP imports in India have been suspended pending a decision on subsidies. Regular demand for potash in Latin America, Malaysia, the Philippines and Thailand may support present levels of potash prices.

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

	2000		1999	Change from last year ^{1/}
	April	May	May	
	(..... US\$/tonne)			(. percentage .)
Urea				
eastern Europe	82-84	91-93	65-67	+ 39.4
Near East	123-125	124-127	94-98	+ 30.7
Ammonium Sulphate				
eastern Europe	41-43	40-43	43-47	- 7.8
Far East	60-61	60-61	60-60	+ 0.8
U.S. Gulf	43-45	43-45	27-32	+ 49.2
western Europe	55-60	55-60	51-54	+ 9.5
Diammonium Phosphate				
Jordan	155-158	155-156	200-205	- 23.2
North Africa	146-156	144-156	194-198	- 23.5
U.S. Gulf	145-147	143-146	187-191	- 23.5
Triple Superphosphate				
North Africa	125-130	124-130	148-155	- 16.2
U.S. Gulf	132-137	133-137	162-165	- 17.4
Muriate of Potash				
eastern Europe	98-114	92-111	98-112	- 3.1
Vancouver	117-131	117-131	118-131	- 0.6
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.

APPENDIX TABLES

- Table A.1 - **WORLD CEREAL PRODUCTION**
- Table A.2 - **WORLD IMPORTS OF CEREALS**
- Table A.3 - **WORLD EXPORTS OF CEREALS**
- Table A.4 - **WHEAT, COARSE GRAINS AND RICE: SUPPLY AND UTILIZATION IN MAIN EXPORTING COUNTRIES**
- Table A.5 - **WORLD STOCKS**
- Table A.6 - **EXPORT PRICES OF CEREALS AND SOYBEANS**
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A.1 a) - WORLD CEREAL PRODUCTION - Forecast for 2000 as of May 2000

	Wheat			Coarse Grains		
	1998	1999 estim.	2000 f'cast	1998	1999 estim.	2000 f'cast
	(..... million tonnes)					
ASIA	254.2	259.7	259.9	228.8	213.9	212.9
Bangladesh	1.8	1.9	1.8	0.1	0.1	0.1
China ^{1/}	109.7	113.5	111.0	147.1	137.5	133.5
India	66.3	70.8	70.1	31.7	29.4	30.2
Indonesia	-	-	-	10.1	9.1	10.5
Iran, Islamic Rep. of	12.0	8.7	9.0	4.3	2.8	2.2
Japan	0.6	0.6	0.6	0.2	0.2	0.2
Kazakhstan	4.7	11.2	8.0	1.5	2.7	2.1
Korea, D. P. R.	0.1	0.2	0.1	1.8	1.4	1.6
Korea, Rep. of	-	-	-	0.3	0.4	0.4
Myanmar	0.1	0.1	0.1	0.5	0.5	0.5
Pakistan	18.7	18.0	22.0	1.9	1.8	1.9
Philippines	-	-	-	3.8	4.6	4.4
Saudi Arabia	1.8	1.5	1.5	0.6	0.7	0.6
Thailand	-	-	-	5.2	4.8	4.9
Turkey	21.0	18.0	19.0	10.9	9.7	10.6
Viet Nam	-	-	-	1.6	1.8	1.8
AFRICA	18.7	14.9	13.3	80.0	77.0	78.6
North Africa	14.3	11.3	9.2	10.8	9.5	8.1
Egypt	6.1	6.3	6.4	7.4	6.8	6.3
Morocco	4.4	2.2	1.1	2.2	1.7	1.1
Sub-Saharan Africa	4.5	3.7	4.0	69.2	67.5	70.5
Western Africa	0.1	0.1	0.1	30.9	30.4	30.3
Nigeria	0.1	0.1	0.1	17.3	16.5	17.7
Central Africa	-	-	-	2.7	2.7	2.7
Eastern Africa	2.2	1.5	1.8	20.5	18.6	20.6
Ethiopia	1.1	1.1	1.2	6.1	7.0	6.6
Sudan	0.5	0.2	0.2	5.5	3.6	5.2
Southern Africa	2.2	2.0	2.1	15.1	15.9	17.0
Madagascar	-	-	-	0.2	0.2	0.2
South Africa	1.8	1.6	1.9	8.3	8.1	10.2
Zimbabwe	0.3	0.3	0.2	1.6	1.7	1.6
CENTRAL AMERICA	3.3	3.1	3.2	28.7	28.7	29.2
Mexico	3.2	3.1	3.2	25.4	25.2	25.7
SOUTH AMERICA	16.5	19.0	18.6	62.9	58.9	61.8
Argentina	11.5	14.2	14.0	24.2	17.5	18.8
Brazil	2.2	2.4	2.4	30.6	33.4	35.0
Colombia	0.1	0.1	0.1	1.6	1.5	1.5
NORTH AMERICA	93.4	89.5	85.3	298.7	290.8	300.6
Canada	24.1	26.9	24.4	26.8	26.9	29.3
United States	69.3	62.7	60.9	271.9	263.8	271.3
EUROPE	188.8	178.4	187.2	202.6	201.0	215.1
Bulgaria	3.3	3.1	3.0	2.4	2.4	2.7
EC ^{2/}	103.7	97.6	105.6	106.8	102.2	105.7
Hungary	4.9	2.6	4.5	8.1	8.7	8.5
Poland	9.5	9.1	8.5	17.6	16.7	17.6
Romania	5.2	4.7	4.0	10.3	12.0	12.0
Russian Fed.	30.0	34.0	34.0	22.2	24.6	30.8
Ukraine	17.0	15.0	14.0	11.4	11.3	13.3
OCEANIA	22.3	24.3	23.0	9.8	8.9	9.6
Australia	22.1	24.1	22.7	9.2	8.3	8.9
WORLD	597.3	588.8	590.5	911.5	879.2	907.8
Developing countries	277.9	275.3	276.5	389.0	365.7	368.2
Developed countries	319.3	313.5	313.9	522.5	513.5	539.7

SOURCE: FAO

Note: Totals computed from unrounded data.

^{1/} Including Taiwan Province.^{2/} Fifteen member countries.

Table A.1 b) - WORLD CEREAL PRODUCTION - Forecast for 2000 as of May 2000

	Rice (paddy)			Total Cereals ^{1/}		
	1998	1999 estim.	2000 f'cast	1998	1999 estim.	2000 f'cast
	(..... million tonnes)					
ASIA	535.7	547.9	543.1	1 018.8	1 021.4	1 015.8
Bangladesh	29.5	33.0	33.0	31.4	35.0	34.9
China ^{2/}	200.6	199.5	194.3	457.4	450.5	438.8
India	129.1	133.0	135.1	227.1	233.2	235.4
Indonesia	49.2	50.4	49.1	59.3	59.5	59.6
Iran, Islamic Rep. of	2.8	2.3	2.3	19.0	13.8	13.5
Japan	11.2	11.5	11.5	11.9	12.3	12.3
Kazakhstan	0.2	0.2	0.2	6.5	14.2	10.4
Korea, D. P. R.	2.1	2.3	2.3	3.9	3.9	4.1
Korea, Rep. of	7.0	7.2	7.0	7.3	7.6	7.4
Myanmar	17.8	17.5	17.5	18.4	18.1	18.1
Pakistan	7.0	7.6	7.2	27.6	27.5	31.1
Philippines	10.3	12.0	12.5	14.1	16.6	16.9
Saudi Arabia	-	-	-	2.4	2.2	2.1
Thailand	22.8	23.3	23.3	28.0	28.1	28.1
Turkey	0.3	0.3	0.3	32.2	28.0	29.9
Viet Nam	30.9	32.3	32.0	32.5	34.0	33.8
AFRICA	15.7	17.6	17.0	114.5	109.5	108.9
North Africa	4.5	5.9	5.5	29.6	26.6	22.9
Egypt	4.5	5.8	5.5	17.9	19.0	18.2
Morocco	-	-	-	6.6	3.9	2.2
Sub-Saharan Africa	11.3	11.7	11.5	84.9	82.9	86.1
Western Africa	6.8	7.5	7.4	37.8	38.0	37.8
Nigeria	3.3	3.4	3.4	20.7	20.0	21.2
Central Africa	0.4	0.4	0.4	3.2	3.1	3.1
Eastern Africa	1.2	0.9	0.9	23.9	21.0	23.4
Ethiopia	-	-	-	7.2	8.1	7.8
Sudan	-	-	-	6.0	3.8	5.4
Southern Africa	2.7	2.9	2.7	20.0	20.8	21.8
Madagascar	2.4	2.6	2.4	2.6	2.8	2.6
South Africa	-	-	-	10.1	9.6	12.0
Zimbabwe	-	-	-	1.9	2.0	1.7
CENTRAL AMERICA	2.2	2.3	2.4	34.2	34.1	34.8
Mexico	0.4	0.4	0.5	29.1	28.7	29.4
SOUTH AMERICA	16.8	21.2	19.7	96.1	99.1	100.2
Argentina	1.0	1.7	1.0	36.7	33.4	33.8
Brazil	8.5	11.6	11.0	41.3	47.4	48.4
Colombia	1.8	1.8	1.8	3.4	3.4	3.4
NORTH AMERICA	8.5	9.5	9.1	400.6	389.8	394.9
Canada	-	-	-	50.9	53.8	53.7
United States	8.5	9.5	9.1	349.7	336.0	341.3
EUROPE	3.2	3.2	3.2	394.6	382.5	405.5
Bulgaria	-	-	-	5.7	5.5	5.7
EC ^{3/}	2.6	2.6	2.6	213.0	202.5	213.9
Hungary	-	-	-	13.0	11.3	13.0
Poland	-	-	-	27.2	25.7	26.1
Romania	-	-	-	15.4	16.6	16.0
Russian Fed.	0.4	0.4	0.5	52.6	59.0	65.3
Ukraine	0.1	0.1	0.1	28.5	26.3	27.4
OCEANIA	1.4	1.4	1.1	33.5	34.6	33.6
Australia	1.3	1.4	1.1	32.6	33.7	32.7
WORLD	583.5	603.1	595.6	2 092.3	2 071.1	2 093.8
Developing countries	558.5	576.7	569.9	1 225.4	1 217.7	1 214.5
Developed countries	25.0	26.4	25.7	866.9	853.4	879.3

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)		
	1998/99	1999/2000 estim.	2000/01 fcast	1998/99	1999/2000 estim.	2000/01 fcast
	(..... million tonnes)					
ASIA	45.2	48.7	46.7	52.9	55.4	55.3
Bangladesh	2.4	1.5	1.5	-	-	-
China	1.5	1.9	3.6	6.8	7.1	7.3
Taiwan Province	1.0	1.0	1.1	4.5	5.0	5.0
China, Hong Kong SAR	0.4	0.4	0.5	-	-	-
Georgia	0.6	0.6	0.6	-	-	-
India	1.5	1.6	0.1	0.2	0.4	0.2
Indonesia	3.1	3.0	2.9	0.4	0.8	0.4
Iran, Islamic Rep. of	2.5	6.8	6.0	1.5	2.1	2.5
Japan	5.8	5.8	6.2	21.0	20.5	20.6
Korea, Rep. of	4.7	3.7	3.7	7.3	8.7	8.5
Malaysia	1.2	1.3	1.3	2.4	2.4	2.4
Pakistan	2.9	2.5	0.5	-	-	-
Philippines	2.2	2.4	2.5	0.2	0.5	0.3
Saudi Arabia	-	-	0.1	6.0	6.0	6.1
Singapore	0.3	0.3	0.3	0.2	0.2	0.2
Sri Lanka	1.0	1.0	0.9	0.1	0.1	0.1
Syria	0.1	0.1	0.2	0.5	0.5	0.5
Thailand	0.8	0.8	0.8	0.1	0.2	0.2
Uzbekistan	0.5	0.3	0.3	-	-	-
Yemen	2.0	2.3	2.3	0.2	0.2	0.2
AFRICA	24.1	22.9	23.9	11.7	13.1	13.6
North Africa	16.4	16.2	17.3	8.1	8.1	8.3
Algeria	4.2	4.5	5.0	1.5	1.7	1.6
Egypt	7.3	6.8	7.0	3.6	3.3	3.5
Morocco	2.7	2.8	3.0	1.8	1.7	1.8
Tunisia	0.8	0.8	1.0	0.6	0.7	0.7
Sub-Saharan Africa	7.5	6.6	6.5	3.6	4.9	5.2
Cote d'Ivoire	0.3	0.3	0.3	-	-	-
Ethiopia	0.6	0.5	0.7	0.1	-	0.1
Kenya	0.4	0.4	0.3	0.4	1.0	0.8
Madagascar	0.1	0.1	0.1	-	-	-
Senegal	0.2	0.2	0.2	0.1	0.1	0.2
Sudan	0.6	0.7	0.5	0.1	0.1	-
CENTRAL AMERICA	5.6	5.7	5.7	11.2	11.7	11.6
Mexico	2.4	2.5	2.5	8.6	8.7	8.6
SOUTH AMERICA	12.4	11.4	12.0	7.0	7.3	6.7
Brazil	7.2	6.2	6.8	1.3	1.9	1.3
Colombia	1.1	1.1	1.1	1.9	1.6	1.6
Peru	1.3	1.2	1.2	1.3	1.0	1.0
Venezuela	1.3	1.3	1.3	1.4	1.3	1.4
NORTH AMERICA	2.9	2.5	2.7	3.7	3.5	3.6
EUROPE	7.4	12.1	9.9	6.4	7.9	6.1
EC ^{2/}	2.7	2.5	2.5	3.5	3.1	3.1
Russian Fed.	1.9	5.3	3.5	0.8	1.9	0.6
OCEANIA	0.5	0.5	0.5	0.1	0.1	0.1
WORLD	98.0	103.8	101.5	93.1	98.9	97.0
Developing countries	76.7	79.0	78.3	60.1	64.9	64.6
Developed countries	21.3	24.8	23.2	33.0	34.0	32.4

SOURCE: FAO

Note: Totals computed from unrounded data.

^{1/} Including wheat flour in wheat grain equivalent, but excluding semolina.^{2/} Excluding trade between the fifteen EC member countries.

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

	Rice (milled)			Total Cereals 1/		
	1999	2000 estim.	2001 fcast	1998/99	1999/2000 estim.	2000/01 fcast
	(..... million tonnes))					
ASIA	14.2	11.6		112.3	115.6	
Bangladesh	1.8	0.5		4.2	2.0	
China	0.2	0.3		8.5	9.3	
Taiwan Province	-	-		5.5	6.0	
China, Hong Kong SAR	0.3	0.3		0.8	0.8	
Georgia	-	-		0.6	0.6	
India	-	0.1		1.7	2.1	
Indonesia	3.8	2.3		7.3	6.1	
Iran, Islamic Rep. of	1.0	1.1		5.1	10.0	
Japan	0.7	0.7		27.5	27.0	
Korea, Rep. of	0.1	0.1		12.1	12.5	
Malaysia	0.7	0.7		4.3	4.4	
Pakistan	-	-		2.9	2.5	
Philippines	1.0	0.6		3.5	3.5	
Saudi Arabia	0.9	0.9		6.9	6.9	
Singapore	0.4	0.4		0.9	0.9	
Sri Lanka	0.2	0.2		1.2	1.2	
Syria	0.2	0.2		0.8	0.9	
Thailand	-	-		0.9	1.0	
Uzbekistan	-	-		0.5	0.3	
Yemen	0.2	0.2		2.4	2.7	
AFRICA	5.3	5.3		41.1	41.3	
North Africa	0.2	0.2		24.7	24.5	
Algeria	0.1	0.1		5.8	6.3	
Egypt	-	-		10.9	10.1	
Morocco	-	-		4.6	4.5	
Tunisia	-	-		1.4	1.5	
Sub-Saharan Africa	5.1	5.0		16.1	16.6	
Cote d'Ivoire	0.6	0.6		0.9	0.9	
Ethiopia	-	-		0.7	0.5	
Kenya	0.1	0.1		0.8	1.5	
Madagascar	0.1	0.1		0.2	0.2	
Senegal	0.7	0.6		0.9	0.8	
Sudan	-	-		0.7	0.8	
CENTRAL AMERICA	1.5	1.5		18.3	19.0	
Mexico	0.4	0.4		11.4	11.5	
SOUTH AMERICA	1.3	1.1		20.7	19.8	
Brazil	1.0	0.7		9.6	8.8	
Colombia	-	0.1		3.0	2.8	
Peru	0.1	0.2		2.7	2.3	
Venezuela	-	0.1		2.7	2.6	
NORTH AMERICA	0.6	0.6		7.3	6.7	
EUROPE	1.8	1.7		15.6	21.6	
EC 2/	0.7	0.6		6.8	6.2	
Russian Fed.	0.6	0.6		3.3	7.8	
OCEANIA	0.4	0.4		1.0	0.9	
WORLD	25.1	22.2	22.2 3/	216.3	224.9	220.7
Developing countries	21.3	18.3	18.3	158.1	162.2	161.1
Developed countries	3.8	3.9	3.9	58.1	62.7	59.6

SOURCE: FAO

Note: Totals computed from unrounded data.

1/ Trade in rice refers to the calendar year of the second year shown.

2/ Excluding trade between the fifteen EC member countries.

3/ Highly tentative.

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

	Wheat (July/June) 1/			Coarse Grains (July/June)		
	1998/99	1999/2000 estim.	2000/01 f'cast	1998/99	1999/2000 estim.	2000/01 f'cast
	(..... million tonnes)					
ASIA	7.6	9.3	7.6	6.1	8.8	7.0
China 2/	0.3	0.2	0.2	3.4	6.9	5.3
India	0.1	0.5	0.4	-	-	-
Indonesia	-	-	-	0.4	0.2	0.2
Japan	0.4	0.5	0.4	-	-	-
Kazakhstan	2.1	4.9	3.4	0.4	0.7	0.5
Myanmar	-	-	-	0.1	0.1	0.1
Pakistan	0.3	0.3	1.0	-	-	-
Saudi Arabia	-	-	-	-	-	-
Thailand	-	-	-	0.2	0.1	0.1
Turkey	2.8	1.5	1.0	1.3	0.6	0.6
Viet Nam	-	-	-	0.2	0.2	0.2
AFRICA	0.3	0.3	0.3	2.2	1.6	2.7
Egypt	-	0.1	0.1	-	-	-
South Africa	0.1	0.1	0.1	1.1	0.3	1.5
Sudan	-	-	-	0.3	-	0.4
Zimbabwe	-	-	-	0.1	-	-
CENTRAL AMERICA	0.2	0.2	0.2	0.1	0.1	0.1
SOUTH AMERICA	8.8	9.5	8.1	11.3	11.8	9.4
Argentina	8.3	9.5	8.0	10.8	11.3	8.9
Suriname	-	-	-	-	-	-
Uruguay	-	-	-	0.1	0.1	0.1
NORTH AMERICA	43.2	46.0	47.5	55.5	56.1	58.7
Canada	14.2	18.0	18.0	2.7	3.1	5.2
United States	29.0	28.0	29.5	52.8	53.0	53.5
EUROPE	24.2	20.1	20.4	15.2	16.2	15.7
EC 3/	14.0	15.0	15.5	10.4	11.0	11.0
Hungary	1.6	0.7	1.5	1.9	2.1	2.0
Poland	0.4	0.2	0.2	-	0.3	0.2
Romania	0.4	0.3	0.2	0.3	0.5	0.6
Russian Fed.	1.5	0.5	0.4	0.2	0.1	0.1
Ukraine	4.4	2.0	1.2	1.4	1.1	1.0
OCEANIA	16.4	18.0	17.5	4.9	3.5	3.5
Australia	16.4	18.0	17.5	4.9	3.5	3.5
WORLD	100.7	103.5	101.5	95.2	98.0	97.0
Developing countries	14.2	13.9	12.3	18.1	21.2	17.2
Developed countries	86.5	89.6	89.2	77.1	76.9	79.9

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/}		
	1999	2000 estim.	2001 f'cast	1998/99	1999/2000 estim.	2000/01 f'cast
	(..... million tonnes)					
ASIA	19.4	16.6		33.1	34.8	
China ^{2/}	2.8	2.7		6.6	9.8	
India	2.7	1.4		2.8	1.9	
Indonesia	-	-		0.4	0.2	
Japan	0.5	0.4		0.9	0.9	
Kazakhstan	-	-		2.5	5.7	
Myanmar	0.1	0.1		0.1	0.2	
Pakistan	1.9	1.9		2.2	2.2	
Saudi Arabia	-	-		-	-	
Thailand	6.7	6.0		6.9	6.1	
Turkey	-	-		4.1	2.1	
Viet Nam	4.6	4.0		4.7	4.2	
AFRICA	0.3	0.4		2.8	2.2	
Egypt	0.3	0.4		0.3	0.5	
South Africa	-	-		1.3	0.4	
Sudan	-	-		0.3	-	
Zimbabwe	-	-		0.1	-	
CENTRAL AMERICA	-	-		0.3	0.3	
SOUTH AMERICA	1.9	1.7		22.0	23.0	
Argentina	0.7	0.5		19.9	21.3	
Suriname	0.1	0.1		0.1	0.1	
Uruguay	0.8	0.7		0.9	0.9	
NORTH AMERICA	2.7	2.9		101.3	105.0	
Canada	-	-		16.9	21.1	
United States	2.7	2.9		84.5	83.9	
EUROPE	0.2	0.2		39.6	36.5	
EC ^{3/}	0.2	0.2		24.6	26.2	
Hungary	-	-		3.5	2.8	
Poland	-	-		0.4	0.5	
Romania	-	-		0.7	0.8	
Russian Fed.	-	-		1.6	0.6	
Ukraine	-	-		5.8	3.1	
OCEANIA	0.7	0.5		21.9	22.0	
Australia	0.7	0.5		21.9	22.0	
WORLD	25.1	22.2	22.2 ^{4/}	221.1	223.7	220.7
Developing countries	21.1	18.2	18.2	53.4	53.3	47.6
Developed countries	4.1	4.0	4.0	167.6	170.5	173.1

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.^{4/} Highly tentative.

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)		
	1998/99	1999/2000 estim.	2000/01 f'cast	1998/99	1999/2000 estim.	2000/01 f'cast	1998/99	1999/2000 estim.	2000/01 f'cast
	(..... million tonnes)								
	UNITED STATES (June/May)			UNITED STATES			UNITED STATES (Aug./July)		
Opening stocks	19.7	25.7	25.5	38.2	51.3	50.0	0.9	0.7	1.2
Production	69.3	62.7	60.9	271.7	263.8	271.3	5.9	6.6	6.3
Imports	2.8	2.4	2.9	2.8	2.6	2.5	0.3	0.3	0.3
Total Supply	91.8	90.9	89.3	312.6	317.7	323.8	7.1	7.7	7.9
Domestic use	37.7	36.1	37.3	205.4	213.4	213.6	3.7	3.7	3.8
Exports	28.4	29.3	30.0	56.0	54.3	54.6	2.7	2.7	2.7
Closing stocks	25.7	25.5	22.0	51.3	50.0	55.6	0.7	1.2	1.4
	CANADA (August/July)			CANADA			THAILAND (Nov./Oct.) 3/		
Opening stocks	6.0	7.4	7.4	4.4	5.0	5.2	1.5	0.9	
Production	24.1	26.9	24.4	26.8	26.9	29.3	15.1	15.4	
Imports	0.1	0.0	0.0	1.0	1.0	0.7	0.0	0.0	
Total Supply	30.2	34.2	31.8	32.1	32.9	35.2	16.6	16.3	
Domestic use	8.1	8.2	8.1	24.0	24.2	24.3	9.0	9.1	
Exports	14.7	18.6	17.5	3.1	3.5	5.1	6.7	6.0	
Closing stocks	7.4	7.4	6.2	5.0	5.2	5.9	0.9	1.2	
	ARGENTINA (Dec./Nov.)			ARGENTINA			CHINA (Jan./Dec.) 3/ 4/		
Opening stocks	1.1	0.1	0.4	0.4	1.9	1.6	14.2	14.5	
Production	11.5	14.2	14.0	24.2	17.5	18.8	137.5	136.8	
Imports	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.3	
Total Supply	12.6	14.3	14.4	24.6	19.4	20.4	151.8	151.5	
Domestic use	4.8	4.9	4.9	9.1	8.9	8.9	134.5	135.0	
Exports	7.8	9.0	8.7	13.7	8.9	10.2	2.8	2.7	
Closing stocks	0.1	0.4	0.8	1.9	1.6	1.3	14.5	13.8	
	AUSTRALIA (Oct./Sept.)			AUSTRALIA			PAKISTAN (Nov./Oct.) 3/		
Opening stocks	1.5	2.2	2.4	2.1	1.0	0.6	0.4	0.6	
Production	22.1	24.1	22.7	9.2	8.3	8.9	4.7	5.1	
Imports	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Total Supply	23.6	26.2	25.1	11.3	9.3	9.5	5.0	5.7	
Domestic use	5.1	5.6	5.3	5.4	5.1	5.6	2.6	2.9	
Exports	16.4	18.2	18.0	4.8	3.6	3.5	1.9	1.9	
Closing stocks	2.2	2.4	1.8	1.0	0.6	0.5	0.6	0.8	
	EC (July/June) 5/			EC 5/			VIET NAM (Nov./Oct.) 3/		
Opening stocks	11.0	16.1	14.0	23.9	25.1	20.4	1.9	2.2	
Production	103.7	97.6	105.6	106.8	102.2	105.7	20.1	21.0	
Imports	2.7	2.5	2.5	3.5	3.1	3.1	0.0	0.0	
Total Supply	117.4	116.2	122.1	134.1	130.4	129.2	22.0	23.2	
Domestic use	87.0	86.4	89.1	98.7	98.9	100.2	15.2	16.5	
Exports	14.3	15.8	16.5	10.4	11.0	11.0	4.6	4.0	
Closing stocks	16.1	14.0	16.5	25.1	20.4	18.0	2.2	2.7	
TOTAL ABOVE									
Opening stocks	39.3	51.4	49.7	68.9	84.2	77.9	18.8	18.8	
Production	230.7	225.4	227.7	438.6	418.8	434.0	183.2	184.9	
Imports	5.6	5.0	5.4	7.2	6.7	6.3	0.5	0.6	
Total Supply	275.6	281.8	282.8	514.7	509.7	518.1	202.6	204.3	
Domestic use	142.6	141.2	144.8	342.6	350.5	352.6	165.1	167.2	
Exports	81.6	90.9	90.7	87.9	81.3	84.2	18.7	17.3	
Closing stocks	51.4	49.7	47.3	84.2	77.9	81.3	18.8	19.8	

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:						
	1995	1996	1997	1998	1999	2000 estim.	2001 f'cast
	(..... million tonnes)						
TOTAL CEREALS	313.2	254.5	294.5	330.5	345.1	331.0	320.9
held by:							
- main exporters ^{2/}	110.8	75.0	99.5	127.0	154.4	147.4	147.5
- others	202.5	179.5	195.0	203.5	190.7	183.7	173.4
BY GRAINS							
Wheat	115.4	101.7	112.7	135.2	139.8	132.9	128.8
held by:							
- main exporters ^{2/}	32.6	28.7	36.6	39.3	51.4	49.7	48.8
- others	82.9	73.0	76.1	95.9	88.3	83.2	80.0
Coarse Grains	142.8	100.4	125.5	140.0	148.5	137.9	135.7
held by:							
- main exporters ^{2/}	63.8	31.7	46.1	68.9	84.2	77.9	81.3
- others	79.0	68.6	79.4	71.2	64.3	60.1	54.4
Rice (milled basis)	55.0	52.5	56.2	55.3	56.9	60.2	56.4
held by:							
- main exporters ^{2/}	14.5	14.6	16.8	18.8	18.8	19.8	17.3
- others	40.6	37.9	39.5	36.5	38.1	40.4	39.1
BY REGIONS							
Developed Countries	158.9	102.5	120.8	166.5	172.4	159.1	164.3
North America	69.3	35.2	53.9	69.1	90.2	89.5	
Canada	9.2	9.8	14.0	10.4	12.4	12.7	
United States	60.2	25.5	39.9	58.7	77.8	76.8	
Others	89.5	67.3	66.9	97.4	82.2	69.6	
Australia	2.6	3.1	4.1	3.7	3.3	3.1	
EC ^{4/}	25.1	22.5	24.2	35.1	41.4	34.6	
Japan	5.5	6.1	6.7	6.8	6.1	5.7	
Russian Fed.	15.9	7.2	6.5	18.0	5.8	4.0	
South Africa	3.2	1.3	1.9	3.3	1.9	1.4	
Developing Countries	154.4	152.0	173.7	164.0	172.7	172.0	156.6
Asia	122.2	125.7	139.7	132.6	139.5	137.7	
China ^{4/}	48.2	53.3	63.9	55.9	57.8	52.2	
India ^{5/}	24.1	18.4	10.7	19.0	22.1	25.0	
Indonesia	5.0	6.0	6.4	4.7	5.4	5.5	
Iran, Islamic Rep. of	5.4	4.6	5.5	4.4	4.2	4.5	
Korea, Rep. of	2.4	2.0	2.4	2.5	2.7	2.9	
Pakistan	3.2	3.4	3.7	4.1	4.4	4.1	
Philippines	1.2	1.9	2.0	2.0	2.6	2.8	
Syria	3.0	3.3	3.2	2.2	2.1	1.0	
Turkey	1.9	4.0	5.9	5.9	6.0	3.6	
Africa	17.9	11.4	20.1	17.3	20.1	19.7	
Algeria	2.7	1.5	2.2	1.1	1.9	1.7	
Egypt	1.3	1.6	2.2	2.8	3.0	3.0	
Morocco	2.9	0.6	3.8	2.5	4.4	3.3	
Tunisia	1.5	1.0	2.1	1.9	1.7	1.7	
Central America	4.6	6.3	7.0	6.9	7.0	7.2	
Mexico	2.8	5.0	5.7	5.9	6.1	6.3	
South America	9.5	8.4	6.8	7.0	6.0	7.2	
Argentina	0.7	0.8	1.9	1.7	2.0	2.2	
Brazil	5.8	5.0	2.5	2.8	1.5	2.9	
WORLD STOCKS	(..... percentage)						
as % of consumption	17.5	13.8	15.7	17.6	18.2	17.4	16.6

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. <u>1/</u>	U.S. Soft Red Winter No.2 <u>2/</u>	Argentina Trigo Pan <u>3/</u>	U.S. No.2 Yellow <u>4/</u>	Argentina <u>3/</u>	U.S. No.2 Yellow <u>1/</u>	U.S. No.2 Yellow <u>4/</u>
	(..... 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 - May	112	97	121	93	98	89	177
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	112	98	98	95	85	95	198
April	112	96	101	96	84	93	202
May							
I	113	98	105	99	87	99	212
II	113	102	108	96	87	96	201
III	116	106	113	94	88	94	203
IV	119	104	116	94	87	94	204

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 <u>1/</u> 100%	Thai broken	U.S. Long grain	Total	Quality		Marketing years	Edible/ soap fats and oils	Oilcakes and Meals
	B	<u>2/</u>	<u>3/</u>		High	Low			
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 - May	252	185	334	113	115	109	1993/94	127	93
2000 - January	244	159	272	106	107	100	1994/95	153	94
February	250	156	275	106	108	98	1995/96	140	128
March	232	151	271	102	105	93	1996/97	134	133
April	216	147	258	100	103	89	1997/98 - Oct.-Mar.	150	130
May							- Apr.-Sep.	157	103
I	205	148	258	98	101	86	1998/99 - Oct.-Mar.	141	90
II	214	143	258				- Apr.-Sep.	109	74
III	213	142	258				1999/00 - Oct.-Mar.	93	87
IV	208	139	253						

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% broken f.a.s.

Table A.8 - WHEAT AND MAIZE FUTURES PRICES

	Juy		September		December		March	
	this year	last year						
(..... US\$/tonne))								
WHEAT								
April 18	97	97	101	101	107	106	112	109
25	96	97	102	100	107	106	112	109
May 2	98	97	102	101	107	106	112	106
9	99	97	103	101	108	107	113	110
16	103	97	107	100	113	106	117	110
23	103	91	107	95	113	100	117	104
MAIZE								
April 18	92	89	95	92	97	95	99	99
25	94	87	97	89	100	92	101	96
May 2	97	87	100	89	102	91	103	95
9	94	87	97	89	99	92	101	96
16	93	88	96	90	98	93	100	97
23	93	83	96	86	98	89	100	93

SOURCE: Chicago Board of Trade

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	9.42	25.45	9.25	18.75	-	27.00	29.17
1999 - May	14.75	40.97	12.00	18.50	-	27.00	30.00
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
April	13.20	40.97	15.00	18.50	-	27.00	35.50
May	13.20	40.97	15.00	18.50	-	27.00	36.00

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 over 40 000 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 2000

	1998	1999	2000	Change 2000 over 1999
	(..... million tons)			(... percentage ...)
Wheat	69.3	62.7	60.9	-2.9
of which: winter	(51.2)	(46.3)	(44.9)	-3.0
Coarse grains	271.9	263.8	271.3	2.8
of which: maize	(247.9)	(239.7)	(247.4)	3.2
Rice (paddy)	8.5	9.5	9.1	-4.2
Soybeans	74.6	71.9	80.4	11.8

SOURCE: USDA: 12 May 2000

Table A.11 - CANADA: MARCH INTENTIONS OF PRINCIPAL CROPS AREA FOR 2000

	Seeded area	Intended area	Change 2000 over 1999
	1999	2000	
	(..... thousand hectares)		(... percentage ...)
Wheat	10 436	10 439	-
Oats	1 886	1 887	0.1
Barley	4 409	5 401	22.5
Rye	187	123	-34.6
Maize	1 158	1 322	14.2
Linseed	809	526	-35.0
Rapeseed	5 599	4 594	-17.9

SOURCE: Statistics Canada, 20 April 2000.

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	25.05.00	7.6	6.3	5.8	11.4
Coffee (I.C.O. daily price)	US cents per lb	25.05.00	69.6	69.2	94.0	76.7
Cocoa (I.C.C.O. daily price)	US cents per lb	26.05.00	42.0	41.1	44.8	56.0
Tea (all tea, London, weekly)	US\$ per kg.	22.05.00	2.0	2.1	1.6	1.5
Bananas (Central America, f.o.r., Hamburg)	DM per tonne	26.05.00	1 567 <u>1/</u> 1 306 <u>2/</u>	1 737 <u>1/</u> 1 405 <u>2/</u>	1 743 <u>1/</u> 1 335 <u>2/</u>	1 107
Rubber (RSS 1, spot London)	Pence per kg.	26.05.00	51.0	50.0	45.3	54.5
Cotton (COTLOOK, index "A" 1-3/32")	US cents per lb	26.05.00	61.6	59.2	59.8	78.5
Wool (64's, London)	Pence per kg	26.05.00	315	296	308	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.

In the presentation and analysis of statistical material, countries are sub-divided, where appropriate, into the following two main economic groupings: "Developed countries" (including the developed market economies and the transition markets) and "Developing countries" (including the developing market economies and the Asia centrally planned countries). The designation "Developed and "Developing" economies is intended for statistical convenience and does not necessarily express a judgement about the stage reached by a particular country or area in the development process.

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Issue No. Release Date ^{1/}	1 16 February	2 12 April	3 14 June	4 20 September	5 15 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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