

food outlook

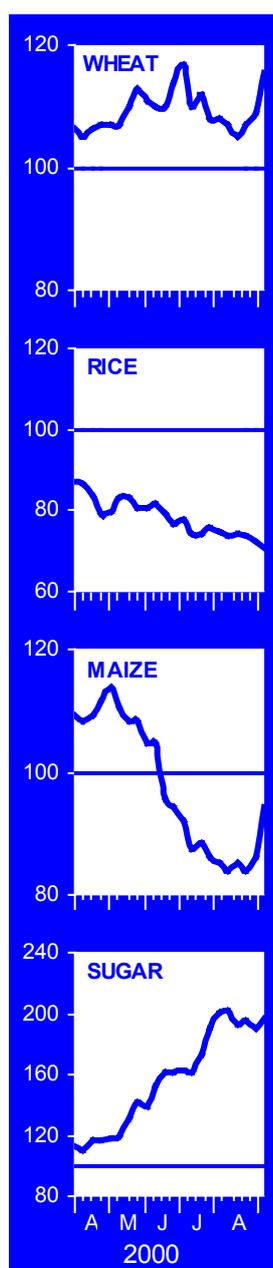
No. 4

Rome, September 2000

highlights

EXPORT PRICES

(July 1999=100)



Latest indications continue to point to increased cereal output in 2000, although the growth will be lower than expected earlier. This reaffirms earlier forecasts that total cereal production will not be sufficient to meet expected utilization requirements in 2000/01, causing global cereal reserves to be drawn down.

FAO's latest forecast for cereal production in 2000 is 1 881 million tonnes, up 0.3 percent on last year. Output of wheat is forecast at 587 million tonnes, down by 0.4 percent from the previous year, while that of coarse grains is seen to rise by 1.6 percent to 896 million tonnes. The forecast for the global rice crop in 2000 remains unchanged, at 398 million tonnes (milled basis), 1.3 percent less than the record crop last year.

Food supply difficulties persist in many developing countries. As of end-August, the number of developing countries facing serious food difficulties worldwide stands at 36, unchanged from June. Additionally, however, there are several other countries affected by serious but localized disasters, mainly floods and droughts.

World trade in cereals is expected to expand further in 2000/01, to 232 million tonnes, 2 million tonnes above the estimated volume in 1999/2000. Global trade in coarse grains is forecast to increase while trade in wheat may decline marginally.

Cereal export prices remained weak during most of the past three months. However, wheat and coarse grain prices began to recover in late August mostly in response to less favourable crop prospects in some countries and strong import demand.

A gradual tightening of world meat supplies is pushing up prices in 2000. Limited use of export programmes will likely constrain trade growth to only 1 percent with developing countries set to capture all of the growth in meat exports.

During 1999/2000, prices for oils and fats declined further due to record global supplies, while oilmeal prices started to strengthen again due to a tightening supply/demand situation. The 2000/01 season is likely to be characterized by expanding meal production and contracting oils and fats output.



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	613	598	589	587	-0.4
Coarse grains	920	905	911	882	896	1.6
Rice, milled (paddy)	383 (572)	387 (579)	390 (583)	404 (604)	398 (595)	-1.5 -1.5
All cereals (incl. milled rice)	1 892	1 906	1 898	1 876	1 881	0.3
Developing countries	1 025	1 005	1 038	1 030	1 004	-2.6
Developed countries	867	901	860	845	878	3.9
WORLD IMPORTS ^{2/}	(..... million tonnes					(percentage)
Wheat	103	101	100	108	107	-0.3
Coarse grains	91	89	93	101	101	0.4
Rice (milled)	19	28	25	22	23	2.6
All cereals	212	218	218	231	232	0.3
Developing countries	150	160	159	166	168	1.1
Developed countries	62	59	59	65	64	-1.9
FOOD AID IN CEREALS ^{3/}	5.6	6.2	11.0	10.0	9.5	-5.0
WORLD UTILIZATION	(..... million tonnes					(percentage)
Wheat	575	591	590	596	598	0.4
Coarse grains	894	893	896	892	897	0.5
Rice (milled)	381	383	391	402	405	0.8
All cereals	1 849	1 867	1 877	1 890	1 900	0.5
Developing countries	1 107	1 111	1 136	1 146	1 152	0.6
Developed countries	742	756	740	744	748	0.5
Per Caput Food Use	(..... kg/year					(percentage)
Developing countries	173	172	173	174	174	0.1
Developed countries	130	130	130	130	131	0.6
WORLD STOCKS ^{4/}	(..... million tonnes					(percentage)
Wheat	114	137	143	138	127	-8.0
Coarse grains	127	141	152	143	139	-3.1
Rice (milled)	56	55	57	60	54	-10.9
All cereals	297	334	352	342	320	-6.5
Developing countries	175	165	176	179	147	-18.0
Developed countries	122	169	176	162	173	6.3
Stocks as % of world cereal consumption	15.9	17.8	18.6	18.0	16.5	
EXPORT PRICES ^{5/}	(..... US\$/tonne					(percentage)
Rice (Thai, 100%, 2nd grade) ^{1/}	352	316	315	253	217 ^{6/}	-17.5 ^{7/}
Wheat (U.S. No.2 Hard Winter)	181	142	120	112	115 ^{8/}	4.5 ^{7/}
Maize (U.S. No.2 Yellow)	135	112	95	91	76 ^{8/}	-15.5 ^{7/}
OCEAN FREIGHT RATES ^{5/}	(..... US\$/tonne					(percentage)
From U.S. Gulf to Egypt	12.8	11.7	9.3	13.7	16.3 ^{8/}	40.1 ^{7/}
LOW-INCOME FOOD- DEFICIT COUNTRIES ^{9/}	(..... million tonnes					(percentage)
Roots & tubers production ^{1/}	379	363	387	384	384	-0.1
Cereal production (milled rice) ^{1/}	803	785	810	812	781	-3.8
Per caput production (kg.) ^{10/}	225	216	219	217	206	-4.8
Cereal imports ^{2/}	69.5	79.0	71.9	73.0	74.2	1.7
of which: Food aid	4.7	5.5	7.9	6.8	7.5	10.3
Proportion of cereal import covered by food aid	6.7	6.9	11.1	9.3	10.1	

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-August 2000. ^{7/} Change from corresponding period of previous year for which figures are not shown. ^{8/} Average of quotations for July-August 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 indications still point to a larger world cereal output in 2000, although the growth will be less than anticipated earlier. FAO's current forecast of the world cereal crop in 2000 is 1 881 million tonnes (including rice in milled equivalent), 15 million tonnes lower than the forecast in June, but 6 million tonnes, or 0.3 percent, above the revised estimate for 1999. At this level, output would be 9 million tonnes below the expected utilization in 2000/01, causing cereal stocks to be drawn down by 6.5 percent to their lowest level since 1996/97. As a result, the ratio of global cereal stocks in 2000/01 to trend utilization in the following year is set to slip slightly below the 17-18 percent range that the FAO considers the minimum necessary to safeguard world food security. With the bulk of the 2000 cereal harvests now underway or already completed, the overall global situation is unlikely to change significantly for the year.

FAO's latest forecast of world wheat **production** in 2000 has been revised downward by about 4 million tonnes since the last report in June, to 587 million tonnes. At this level, global output would be just marginally below (-0.4 percent) the estimate of output in the previous year. The downward adjustment since June is largely attributed to Asia, and in particular to China, where a persisting drought had a larger impact on crops than earlier anticipated. A downward revision has also been made to FAO's forecast for coarse grains production, which now stands at 896 million tonnes. Although this is some 11 million tonnes less

World Cereal Production, Supplies, Trade and Stocks

	1998/99	1999/2000 estimate	2000/01 forecast
	(. million tonnes)		
Production ^{1/}	1 898	1 876	1 881
Wheat	598	589	587
Coarse grains	911	882	896
Rice (milled)	390	404	398
Supply ^{2/}	2 232	2 228	2 223
Utilization	1 877	1 890	1 900
Trade ^{3/}	218	231	232
Ending Stocks ^{4/}	352	342	320

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.

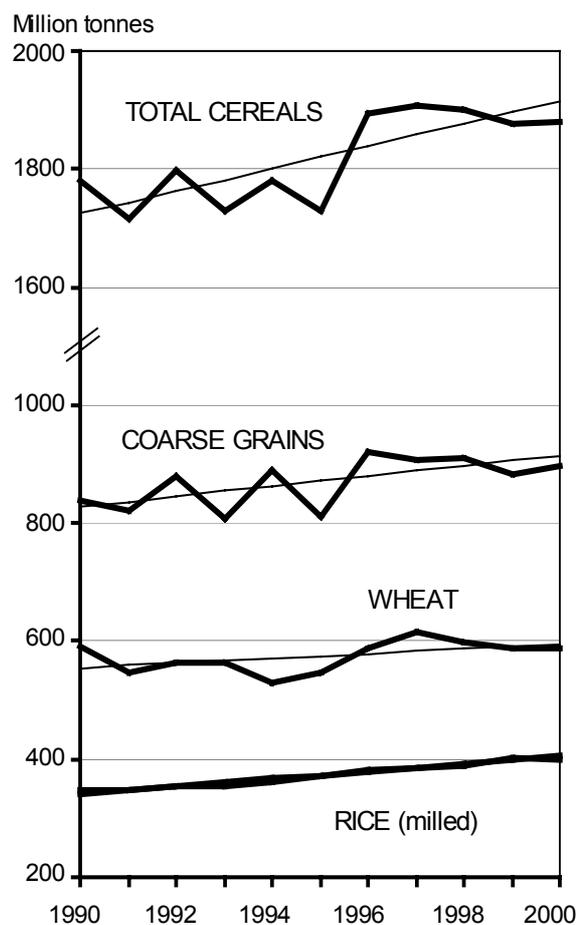
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WORLD CEREAL PRODUCTION

(Actual, 2000 forecast and trend)



than the forecast in June, at this level, output would still be 14 million tonnes, or 1.6 percent, above the estimate for 1999. Again China accounts for a large part of the latest downward revision. However, significant reductions have also been made to the forecasts for several eastern European countries where a persistent drought since spring has been the main cause of declining yield prospects. Harvesting of the main-season rice crops in the northern hemisphere is expected to start in earnest around the September/October period, but the season has been hampered by weather-related problems in some Asian countries. In the southern hemisphere and around the equatorial belt, harvesting of the 2000 main-season crop has virtually been concluded. Overall, global rice output in 2000 is forecast at about 398 million tonnes (or nearly 596 million tonnes in paddy terms), 1.5 percent lower than the previous year. The reduction mostly reflects a fall in area due to low paddy prices or policies designed to reduce output and, in some countries, to weather-related damage.

FAO now forecasts world cereal **trade** in 2000/01 at 232 million tonnes, some 11 million tonnes more than was anticipated earlier. This would be marginally above the revised estimate of cereal imports in 1999/2000, now put at 231 million tonnes. The pronounced revision in the 2000/01 forecast is largely for wheat and coarse grains and is based on latest information of reduced production prospects in several grain importing countries. FAO's first forecast for global cereal food aid shipments in 2000/01 (July/June) is put at 9.5 million tonnes, 5 percent below the revised estimate of 10 million tonnes in the previous year, as shipments to the Russian Federation are likely to be smaller this season.

Global trade in wheat and wheat flour (in grain equivalent) in 2000/01 is currently forecast to reach 107.5 million tonnes, 6 million tonnes more than reported in June but similar to the previous year's revised volume. For coarse grains, the forecast of world trade in 2000/01 has been raised by 4.5 million tonnes since the previous report to 101.5 million tonnes, which is slightly up from the estimate for the previous year. The forecast for global rice trade in 2000 (which is mostly influenced by production in 1999) has been adjusted upwards only marginally since June, to 22.4 million tonnes. This remains well below the previous year's volume, reflecting bumper harvests in many of the major importing countries.

World cereal **utilization** is forecast to expand marginally (by about 0.5 percent) in 2000/01 to 1 900 million tonnes, but still remain below the trend, by some 13 million tonnes, or 0.7 percent. Higher **food** consumption, particularly among the CIS countries, is likely to account for most of the growth. Nevertheless, cereal consumption in many other countries, especially

those affected by production shortfalls this year, are expected to be lower. Besides continuing problems in Africa, a severe drought in parts of Asia could result in serious food shortages in several affected countries. The animal **feed** usage of cereals is likely to rise marginally in 2000/01, mostly driven by continuing growth in Latin America and the EC, while unfavourable market conditions may slow down feed usage in several CIS countries, especially in the Russian Federation. In Far East Asia, total animal feed usage is expected to increase slightly, with gradual economic recovery providing most of the support. In the United States, this year's anticipated bumper maize crop is likely to boost feed usage of maize to a new record. However, because of a possible decline in wheat feed utilization, total feed usage of cereals in the United States could remain unchanged from 1999/2000.

Latest information on production and utilization in the current 2000/01 year confirms that world cereal **stocks** are set to decline sharply compared to last year. FAO's latest forecast for global cereal stocks by the close of the seasons ending in 2001 has been lowered slightly since the previous report to 320 million tonnes, which is down 22 million tonnes, or 6.5 percent, from the revised opening level. At the current forecast levels, the ratio of total global cereal carryovers to trend utilization in 2001/2002 is 16.5 percent, nearly unchanged from the previous forecast but slightly below the 17-18 percent range that the FAO Secretariat considers the minimum necessary to safeguard world food security. However, cereal stocks held by major exporting countries are estimated to be sufficient to meet any unexpected increase in world demand. Major exporters' total cereal inventories could rise this season by at least 8 million tonnes to 156 million tonnes, boosting their overall share of the world total to nearly 49 percent, compared to 43 percent in the previous season.

International cereal **prices** have remained weak since the start of the current marketing seasons, mostly in response to continuing large export supplies in several countries. The downward pressure has been most pronounced for maize, given the prospects for a bumper crop in the United States. US maize export prices averaged US\$76 per tonne in August, US\$19 per tonne lower than in May and US\$16 per tonne below August 1999. US wheat No. 2 (HRW, fob) averaged US\$115 per tonne in August, down US\$1 per tonne from May but similar to that a year ago. International rice prices also weakened further over the past three months, reflecting the oversupply situation on the international market relative to import demand and the arrival of new crop supplies in some countries. In August, the FAO Export Price Index for Rice (1982-84=100) averaged just 95 points, down by 1 point from May and 21 points below its level in August 1999.

Serious Food Shortages Persist in 36 Developing Countries Throughout the World ^{1/}

As of end-August 2000, the number of developing countries facing serious food difficulties throughout the world stood at 36, the same since the June report.

In **eastern Africa**, the number of people in urgent need of food assistance due to drought is currently estimated at 20 million. In Kenya, drought during the current season has aggravated an already severe scarcity of water and pasture resulting in large livestock losses. Nearly 3.3 million people are now estimated to be in urgent need of food assistance. In Eritrea, the upsurge in the border conflict with neighbouring Ethiopia in May/June 2000 and resulting widespread population displacement have aggravated the precarious food supply situation the country has been facing due to drought and war. More than 1.5 million people, about one-half of the total population, are now estimated to have been displaced. In Ethiopia, with the failure of the secondary Belg season crop, the number of people in need of food assistance has increased to about 10.2 million people. In Somalia, 750 000 people are estimated to be in need of assistance and serious malnutrition rates are increasingly being reported. In Sudan, Tanzania, Uganda and Djibouti, despite a generally stable food supply situation, some 3.7 million people depend on food assistance due to drought-induced crop losses and/or civil strife. Distribution of emergency food aid in Burundi is constrained by insecurity, while approximately 700 000 people, including the displaced, the drought-affected and other vulnerable people, will rely on emergency food aid well into 2001. In Rwanda, food shortages persist in parts, particularly in northwestern provinces. In **western Africa**, food shortages persist in Sierra Leone, where a resurgence of rebel activity in May/June disrupted agricultural production at the critical planting period, while in Liberia, production remains constrained by the effects of past civil strife. In **central Africa**, while the humanitarian situation has improved in the Republic of Congo, persistent civil conflict in the Democratic Republic of Congo has resulted in massive population displacements and seriously disrupted agricultural production. Humanitarian assistance continues to be hampered by insecurity. In **southern Africa**, recent intensification of fighting in Angola has resulted in further population displacements. Some 1.9 million people require emergency food aid but up to 2.8 million are in need of some kind of humanitarian assistance. In Mozambique, free food distribution to flood-affected people has ended but 172 000 still need assistance through food-for-work schemes. Large-scale assistance for rehabilitation of the shattered infrastructure continues to be needed. Relief and rehabilitation assistance is also needed in Madagascar devastated by three consecutive cyclones earlier this year.

In several **Asian** countries, droughts followed by floods have displaced thousands and destroyed or damaged crops, causing localized food shortages. In India, following a serious drought earlier in the year which affected a number of western and southern states, recent floods in the northern state of Himachal Pradesh killed at least 150 people and left many homeless. Heavy rains and flash floods have also caused havoc in the north eastern states of Bihar, West Bengal and Assam, and in the southern state of Andhra Pradesh. The state of Assam was the worst affected, with an estimated 2.5 million people made homeless. In China, a severe drought, the worst in decades, has destroyed crops and led to large-scale water shortages in the northern parts. The early outlook for food grain production in DPR, Korea is unfavourable following erratic and below average rainfall in the run-up to the 2000 cropping season. This follows below normal rainfall in 1999. The food supply situation also remains extremely tight for thousands of nomadic families in Mongolia, which experienced its worst winter weather in 30 years earlier this year, killing over 1.5 million head of livestock. In East Timor, the food supply situation has improved with this year's maize and rice harvest, but the country still needs food assistance. In the **Near East**, the Islamic Republic of Iran has suffered the worst drought in decades, which has severely affected agriculture and livestock. Neighbouring Afghanistan is reeling under the effects of a second consecutive year of severe drought, compounded by continuing economic difficulties and insecurity. Drought-affected populations in Iraq, Jordan and Syria still need assistance. Several **CIS** countries have been seriously affected by drought since the beginning of Spring. The countries hardest hit are Armenia, Georgia and Tajikistan, where the drought has exacerbated chronic economic problems. The 2000 cereal harvest in these countries is forecast to fall sharply and all three have appealed for international assistance. In Azerbaijan, vulnerable populations continue to need assistance.

In **Latin America**, as a result of the severe effects of natural disasters in recent years (El Niño, Hurricanes "Georges" and "Mitch", etc.), food assistance is still being provided to Cuba, El Salvador, Guatemala, Honduras, Nicaragua and Venezuela. In Haiti, food aid is needed due to chronic economic problems.

In **Europe**, food assistance continues to be necessary for vulnerable populations 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, require assistance to survive.

^{1/} However, there are other countries which have been seriously affected by severe but localized disasters, mainly floods and droughts, which are mentioned in this report but not included in the list. Countries facing exceptional food emergencies are underlined.

Current Production and Crop Prospects

Position by Region

- **Asia**

Latest information confirms a significant reduction in this year's **cereal** output in the region, by some 3 percent, or almost 36 million tonnes, to 991.6 million tonnes. The decline largely reflects reduced plantings and the effects of adverse weather conditions in many countries. Harvesting of the 2000 **wheat** crop is complete in the main producing countries and the region's aggregate output is estimated to be about 3 percent down from the previous year at some 252 million tonnes. The region's **coarse grains** output is forecast to fall sharply, by 9 percent, to 198 million tonnes. Harvesting of the main-season **paddy** crops is expected to start soon in Asia. The region's 2000 paddy output is currently forecast to fall by 1.5 percent, or 8 million tonnes, to 541 million tonnes.

Far East: In China, a combination of reduced plantings and serious drought have led to a sharp reduction in **wheat** production by about 13 million tonnes, to 101 million tonnes. In India, despite severe drought in several states, which affected rainfed crops, a record wheat crop of 74.3 million tonnes has been harvested, about 4 million tonnes higher than forecast earlier and well above last year's crop of 70.8 million tonnes. A record wheat crop of 22 million tonnes was also produced in Pakistan, despite a serious drought there also, earlier in the year. At this level, Pakistan's production is over 4 million tonnes above last year's crop.

Aggregate **coarse grain** production in China is now forecast at about 122 million tonnes, compared to 141 million tonnes last year. Of the total, maize is expected to account for 108 million tonnes. Prospects remain satisfactory in India, where monsoon rains have been normal in the first half of the four-month season and are likely to remain so during the second half. Some damage due to floods may have occurred, however, in some states.

Harvesting of the autumn **paddy** crop in China (Mainland) is underway while gathering of the early-rice summer crop, the first and smallest of the three crops, is virtually complete. Output from this year's early crop could fall by 7 percent from the previous year to about 38 million tonnes, following an 9 percent cut in area, which is consistent with the Government policy of reducing the production of inferior quality grains. Planting of the winter rice crop is nearing completion and area is estimated to have fallen by approximately 5 percent. As a result, China's overall paddy output in 2000 is forecast at about 190 million tonnes, down by 9 million tonnes from 1999. In Viet Nam, floods, which have been described as the worst in 40 years, have affected more than 300 000 hectares of rice in several provinces of the Mekong Delta, where the bulk of the country's rice is produced. Estimates of

the paddy losses vary between 400 000 tonnes and 700 000 tonnes. In addition, the quality of much of the rice harvested has been negatively affected so the share of the country's production allocated to animal feed is likely to increase. In the Philippines, there are fears that El Niño-like weather may recur towards the end of the year. The main-season crop will likely be unaffected as harvesting should begin in September and conclude some time in December. However, the secondary-crop, which is planted in October would be affected by a drought. Overall, the country's paddy output is expected to increase slightly, which is mostly attributed to the expanded use of high yielding rice seeds, made possible by the distribution programmes spearheaded by the Government.

As was the case in 1999, there have been some isolated incidents of flooding in Thailand but the impact on rice crops has been minimal. Harvesting of the 2000 main-season crop is expected to start in October and the Government is forecasting output of about 18.9 million tonnes of paddy, unchanged from the previous year. In an effort to help improve the competitiveness of rice production in the country, the Ministry of Agriculture and Co-operatives is working on a proposal to introduce a zoning system for rice production. The proposal basically calls for rice production to be concentrated in selected high-yielding areas with water resources that would enable the production of a secondary crop. In Myanmar, planted area of the 2000 paddy season is estimated at about 6 million hectares, about 200 000 hectares up from last year. Area expansion is the result of fallow land being brought back into production. In addition, there are reports that some wetlands and virgin land were reclaimed. Harvesting of the main-season crop is expected to start in October and the planting of the secondary crop in November. In Japan, rice crops are reported to be growing under generally satisfactory conditions. Area planted to rice has remained around last year's level of about 1.8 million hectares, notwithstanding the lowering of the support price by about 2.7 percent from 1999. Harvesting is expected to start in September and paddy output is tentatively forecast at 11.5 million tonnes, similar to last year's. In Cambodia, early rains in July caused flooding that interfered with the planting of the 2000 wet season crop. In certain areas seedlings were destroyed by the floods and replanting was necessary. Although the Government is provisionally forecasting an expansion in rice area and production, much will depend on whether the flood-inflicted damage could be repaired. The Democratic People's Republic of Korea is again reported to be suffering from weather-related calamities, as has been the case over the past few years. A joint FAO/WFP Crop and Food Supply Assessment Mission that visited the country over the June/July period confirmed that rainfall was below normal and many rice fields were dry. As a result, delays in rice transplanting have been incurred, a factor that is bound to result in reduced yields. In addition, area planted to rice was reported to be slightly below the previous year's level as some land has been switched to other crops. By contrast, torrential rains have fallen in the central region of the

World Cereal Production - Forecast for 2000

	Wheat		Coarse grains		Rice (paddy)		Total	
	1999	2000	1999	2000	1999	2000	1999	2000
	(..... million tonnes)							
Asia	260.0	252.4	218.0	197.9	549.3	541.4	1 027.3	991.6
Africa	14.9	13.6	75.7	77.5	17.5	17.6	108.1	108.6
Central America	3.1	3.2	28.7	29.2	2.3	2.4	34.1	34.8
South America	19.3	19.5	58.6	64.0	21.2	20.1	99.1	103.7
North America	89.5	87.0	290.8	314.6	9.5	9.0	389.8	410.5
Europe	178.2	188.0	201.7	203.5	3.2	3.2	383.1	394.8
Oceania	24.3	23.1	8.9	9.7	1.4	1.1	34.6	33.8
WORLD	589.3	586.7	882.5	896.4	604.4	594.8	2 076.2	2 077.9
					(404)^{1/}	(398)^{1/}	(1 876)^{2/}	(1 881)^{2/}
Developing countries	276.1	269.2	368.8	354.4	577.9	569.1	1 222.8	1 192.7
Developed countries	313.2	317.4	513.7	542.0	26.4	25.7	853.3	885.1

Source: FAO

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

Republic of Korea causing floods, landslides and loss of lives. However, only a small portion of the rice area was reported to have been damaged. Independently from the weather pattern, the Government has set a paddy production target of about 7 million tonnes in 2000 or 3 percent less than actual 1999 output.

In Bangladesh, harvesting of the Aus paddy crop and planting of the Aman crop are virtually complete. Although flood-related damage to rice crops has been reported in some districts, the country's paddy production should be little affected since the Aus harvest accounts for only a small portion of total output. Most of the country's paddy comes from the Aman crop which is harvested in October/November and from the Boro crop, which is still to be planted. Total paddy production for the 2000 season is forecast at 33.8 million tonnes, slightly down from the previous year. In India, planting of the main season Kharif rice crop is complete in some parts of the country and nearing completion in others and preliminary indications suggest that area could surpass last year's. The increase is partly in reaction to a 4 percent rise in the minimum support prices of paddy suggested by the Commission for Agricultural Costs and Prices in May. Assuming normal growing conditions for the rest of the season, India's total paddy output for the 2000 crop year is tentatively forecast at an all-time high of 134 million tonnes, slightly above the previous year's level. In Pakistan, the 2000 paddy output is expected to be lower than the preceding year's due to the drought that has affected Baluchistan, an important rice producing province that accounts for 8 to 10 percent of national production. A joint FAOWFP Crop and Food Supply Assessment Mission was fielded in May and estimated that the province's paddy output could fall by about 8 percent. Some parts of Sind, the country's largest rice producing province were also affected by the drought, but to a lesser extent. Harvesting of the crop, which usually starts in October, could be delayed by a few weeks in some parts of the country.

In Indonesia, practically all of the 2000 main-season paddy crop has been harvested and planting of the secondary crop is nearing completion. The Government's latest forecast for the season's paddy output stands at slightly more than 50 million tonnes, 1 million tonnes more than the previous forecast and almost unchanged from the previous year's, following an upward revision to area and yield. In Malaysia, gathering of the main-season crop is virtually complete. The country's 2000 paddy production is expected to be close to last year's level of about 2 million tonnes. In Sri Lanka, the Maha (main) paddy crop has been harvested and, similar to last year, crop losses and quality deterioration caused by rains during part of the harvesting period have been reported. Planting of the Yala crop is virtually done. Overall, total paddy output is projected to decline slightly from the last year to about 2.6 million tonnes, largely due to a fall in the area.

Near East: Persistent drought and insecurity continue to affect agricultural production in several countries of the Near East. In Afghanistan, aggregate 2000 cereal production is estimated at 1.8 million tonnes, about 44 percent below the previous five year's average. In Iraq, the 2000 cereal crop, estimated at 794 000 tonnes, is about 47 percent below last year's drought reduced crop. An extensive drought also in the Islamic Republic of Iran for the second year in succession has prevented any chance of a recovery in production there. Wheat output this year is expected to fall further from the previous year's level, to about 8 million tonnes, while that of rice is expected to remain close to the previous year's reduced level of 2.3 million tonnes. Similarly, production was well below average in Jordan and Syria due drought conditions. In Saudi Arabia, production is estimated at 2.1 million tonnes, slightly lower than last year but about 17 percent below average. In Turkey, however, production recovered from last year's drought-affected level following generally favourable weather.

CIS in Asia: In the eight CIS countries in Asia, rainfed crops and the availability of irrigation water have been affected by a mild winter and unusually hot and dry conditions this spring and summer, particularly in the southern and western parts. However, irrigated wheat crops - where systems were operational - have fared somewhat better and crops in the major producing regions of northern Kazakhstan have benefited from good soil moisture levels. In many countries, and particularly Armenia, Georgia and Tajikistan, the drought has compounded chronic economic problems, including shortages of improved seed, inadequate working capital for other yield enhancing inputs, and the decay of the irrigation system. As a result, the 2000 cereal harvests in these countries are forecast to be sharply less and all three countries have requested the international donor community for assistance with the supply of wheat seed for the upcoming season. In Tajikistan the 2000 cereal harvest has roughly halved to only 236 000 tonnes (1999: 448 000 tonnes), and food aid needs have risen sharply. In Georgia, an FAO/WFP mission has estimated the 2000 cereal harvest at about 330 000 tonnes, including 83 000 tonnes of wheat. This is nearly 60 percent less than estimated output in 1999. The outlook for spring crops including maize is also poor. In Armenia, preliminary official assessments indicate that the cereal harvest could be up to 30 percent below average. In all the affected countries, potato, vegetable and fodder crop output is also affected, reducing further food supply availability and constraining livestock production.

By contrast, the outlook for the 2000 cereal harvest in Azerbaijan remains mostly satisfactory as of mid-August, and output could remain close to last year's level of 1.1 million tonnes. In Kyrgyzstan the 2000 cereal crop is officially reported to be marginally higher than last year, but the declining trend in wheat production has persisted. Also Turkmenistan is reported to have a larger cereal harvest this year, at 1.87 million tonnes. In Uzbekistan, the 2000 cereal harvest is somewhat less than last year's, having been affected by drought and inadequate irrigation. In Kazakhstan the crop outlook is satisfactory. The minor winter wheat crop in the south has suffered from moisture shortages but the major winter wheat in the north is developing satisfactorily. The aggregate area sown to cereals increased marginally to 11.1 million hectares. Crop conditions are currently good and the harvest is officially forecast at about 11 million tonnes.

- **Africa**

Northern Africa: The subregion's **wheat** production in 2000 is estimated at about 9.7 million tonnes, some 14 percent less than last year's level and below the 5-year average. In Algeria, as a result of inadequate rainfall during the growing period, wheat output is estimated to have fallen to some 750 000 tonnes, much below average and some 34 percent less than in 1999. Predominantly dry conditions during the growing season in Morocco also resulted in a reduced wheat output of about 1.4 million tonnes, 36 percent lower

than last year's below-average crop. Similarly in Tunisia, inadequate rainfall seriously affected cereal crops, and wheat output is estimated at about 795 000 tonnes, 43 percent below the 1999 level. By contrast, reflecting satisfactory growing conditions, in Egypt production of the mostly irrigated wheat crop is expected to reach 6.7 million tonnes, 5 percent up from last year's above average crop. Latest information regarding the subregion's 2000 **coarse grain** crops points to an output of 7.6 million tonnes, about 20 percent lower than the previous year's below-average production.

Planting of the 2000 **rice** crop is complete in Egypt and the availability of inputs is reported as adequate. The Government has indicated that rice area expanded by about 6 percent from the previous year to approximately 694 000 hectares. Harvesting of the earliest crops is expected to start soon and output is forecast to increase by almost 7 percent to an all-time high of 6.2 million tonnes.

Western Africa: The growing season is developing satisfactorily and crop prospects are generally good so far in western Africa. In the Sahel, rains have been generally widespread and abundant over the main agricultural zones in July and early August. They decreased in mid-August but resumed in late August over the western half of the Sahel. In the Center of the Sahel, precipitation remained below normal in Burkina Faso, except in the south and the west. In Niger, below normal rainfall was registered in late August while in Chad, growing conditions were favourable in the Sudanian zone and unfavourable in the Sahelian zone. Therefore, crops are generally developing satisfactorily in the western half of the Sahel region while reduced rains affected crop development in central and eastern Burkina Faso, most parts of Niger and the Sahelian zone of Chad. Improved rains are urgently needed in these areas to avoid water stress or crop failure. Growing conditions are also generally favourable in the countries along the Gulf of Guinea. However, in Sierra Leone, insecurity continues to disrupt agricultural activities and output is unlikely to recover from last year's reduced level.

The 2000 **paddy** season is progressing well in the subregion under generally favourable conditions. Crops in a number of countries benefited from well-distributed and regular rains, which are expected to help boost yields. However, security problems continue to disrupt agricultural activities in Sierra Leone and paddy production is expected to fall. In Nigeria, the largest producer in the region, a slight increase in output is expected, following the Government's removal of the import and value-added taxes on all agricultural inputs, a measure that could boost yields. In Mali, the Government is forecasting a 10 percent rise in paddy production stemming from higher area and a small increase in yields.

Central Africa: Crops of **coarse grains** are currently developing under generally favourable conditions in Cameroon and Central African Republic. Continued

civil strife in the Democratic Republic of Congo has disrupted agricultural and marketing activities, pointing to another reduced harvest.

Eastern Africa: The early outlook for the subregion's 2000 **wheat** crop is uncertain. In Sudan, where the crop was harvested earlier in the year, an FAO/GIEWS mission estimated the output at 214 000 tonnes, some 24 percent above last year's reduced crop but about 60 percent below the average for the previous five years. In Kenya, prospects for the crop are unfavourable reflecting continued drought conditions during the season. In Ethiopia, good rains in July and August in some major producing areas have favoured establishment and development of the wheat crop.

Drought has also adversely affected prospects for the 2000 **coarse grains**. In Kenya, the output of the maize crop being harvested is forecast at 1.4 million tonnes, about 36 percent lower than the average long-rains crop. In Tanzania, latest coarse grains production forecasts indicate an output of 2.8 million tonnes, about 20 percent below the previous five-year average. In Uganda, where harvest of the 2000 first season coarse grains is well advanced, output is forecast to be below average due to prolonged drought in some major producing areas. In Eritrea, prospects for the 2000 main season crops are bleak following the displacement of large number of farmers from the major agricultural production areas of south-western Eritrea due to the border conflict with Ethiopia. In Ethiopia, recent good rains have improved prospects for the developing main season crops. However, the 2000 secondary "Belg" season crop has failed reflecting delayed and erratic rains. In Sudan, prospects are uncertain because of late and erratic rains in important producing areas. In Somalia, despite poor crop establishment in some agriculturally important areas, prospects for the current "Gu" season maize and sorghum crops are favourable.

In Burundi, coarse grain production of the recently harvested 2000 B season declined by 20 percent from last year's level. Yields were reduced due to badly distributed rains during the season, particularly in the northern provinces, and a premature cessation of precipitation in April. In Rwanda, the 2000 B coarse grains harvest was overall satisfactory but in southern areas an early cessation of the rainy season negatively affected production. In the Democratic Republic of Congo, the persistent civil war continues to disrupt agricultural production.

Paddy production in Eastern Africa is currently expected to be close to last year's level, owing to stagnation in both area and yields. In Tanzania, the major rice producing country in the subregion, harvesting is complete and output for 2000 is provisionally estimated at about 700 000 tonnes, unchanged from the previous year.

Southern Africa: Harvesting of the 2000 **coarse grain** crops, which was delayed by unseasonable rains in June, is now completed. FAO's latest estimates put the

subregion's aggregate output at 18.2 million tonnes, up 18 percent from last year and above average. Dry weather at the beginning of the season was followed by torrential rains and flooding in some districts but, overall, the abundant precipitation benefited the main producing areas in the subregion. However, the outturn varies from country to country. Production recovered substantially in South Africa, Zimbabwe, Zambia, Namibia and Botswana, where good harvests were gathered. In Malawi, production remained virtually unchanged from the bumper crop of 1999, with a maize output close to 2.5 million tonnes. By contrast, production declined in Mozambique following crop losses in southern parts due to devastating floods. Maize output also fell in Madagascar, as the country was affected by drought in the south and cyclones in the north. In Angola, where the persistent civil conflict continues to disrupt agricultural production, maize production fell for the second consecutive year. In Swaziland, a decrease in plantings, coupled with torrential rains, resulted in a sharp decline in this year's maize output. In Lesotho, the output declined sharply from last year's average crop.

Overall prospects for the 2000/2001 **wheat** crop, to be harvested from October/November, are satisfactory. Output in South Africa, which accounts for over 80 percent of the aggregate production, is expected to be higher than the reduced level of last year reflecting abundant irrigation water supplies. However, at a forecast level of 1.8 million tonnes production will remain below the average of the past five years. In Zimbabwe, by contrast, production is anticipated to decline following a sharp decrease in the area planted in response to civil disturbances in agricultural areas and the Government's land distribution programme.

Harvesting of the 2000 **paddy** crop is complete in the subregion. In Madagascar, the main rice producing country, output is estimated to have declined by about 15 percent from the previous year to 2.2 million tonnes. In Mozambique, paddy production is estimated at about 140 000 tonnes or 25 percent lower than the previous year.

• Central America and the Caribbean

Harvesting of the 2000 irrigated **wheat** crop in Mexico, practically the sole producer in the subregion, has been completed and output is provisionally estimated to be between 3.1 and 3.2 million tonnes, which is slightly below average. An average production had been earlier forecast but the crop was affected by adverse weather at planting and by a dry spell throughout the growing season which kept water reservoirs at below-normal levels.

Dry weather during the growing period has affected the 2000/01 first season **coarse grain** crops in Central American countries. Harvesting is about to start and below-average outputs are anticipated in several countries, particularly in El Salvador, Honduras and Nicaragua where serious localized losses are reported. It is reported that more than 50 percent of the maize

crop, the main cereal, has been lost in some areas. By contrast, in Mexico, where harvesting is underway, aggregate maize output is expected to be average, reflecting satisfactory harvests in the northwest areas and the recent widespread rains, which have benefited the developing crops in the large producing central and eastern belts. The outlook is equally good for the sorghum crop, mostly grown in the northeastern states. In Costa Rica and Guatemala, outputs are also expected to be about average. In the Dominican Republic, normal rains in July have benefited the developing crops and slightly above-average maize and sorghum harvests are anticipated. In Cuba, abundant rains in July have improved conditions for crops after a long dry spell earlier in the year. Maize output is expected to be about average. In Haiti, harvesting of the maize crop is about to be completed and below-average output is provisionally forecast as a consequence of the long dry spell which has been particularly affecting the central plains and the northwest of the country.

- **South America**

Planting of the 2000/2001 **wheat** crop continues in most countries in the southern part of the subregion. In Argentina, weather conditions have recently improved and soil moisture is reported to be adequate. About 86 percent of intended plantings have been sown, compared to 90 percent by the same time the year before. In Brazil, where planting has been completed, widespread rainfall has benefited the developing crops in the country's main growing areas in the south, but a lower than average output is nevertheless forecast as a direct result of the severe damage to crops caused by frost in July. In Chile, plantings were affected by the heavy rains in June while in Uruguay the area planted was considerably reduced as a consequence of a long and severe dry spell. Below-average outputs are forecast for both countries. In the Andean countries, in Bolivia, harvesting of the second season crop is underway. Output for the year is expected to be low as a result of the heavy rains and flooding which affected the main crop at harvesting, particularly in the important producing Department of Santa Cruz. In Peru, the 2000 wheat harvest is virtually complete and output is expected to decrease from last year's near record level, but will nevertheless remain above average. In Ecuador, harvesting of the main wheat crop, mostly grown in the highlands, is almost complete and an average output is anticipated, while in Colombia, where harvesting is underway, production is expected to be below normal, largely as a consequence of the heavy rains which affected the crop at planting.

Harvesting of the 2000 **coarse grain** crops has been completed in the southern countries. In Argentina, Brazil, Uruguay and Chile, aggregate maize production is provisionally estimated at an above-average 51.7 million tonnes, which compares to 46.9 million tonnes collected in 1999. The increase is mostly due to satisfactory outputs obtained in the first two countries, despite the adverse weather which affected the crops

in some of the large growing areas of Brazil earlier in the year. Planting of the 2001 maize crop has started in some parts of Brazil. In the Andean countries, in Bolivia, land is being prepared for planting of the 2000/2001 first (main) coarse grains and potato crops. Beneficial rains are reported in the main producing areas of the highlands and valleys where sowing should start from September. In Peru, the bulk of the 2000 maize crop (white and yellow) has been harvested and output collected in the first 6 months of the year exceeds by 12 percent the volume gathered during the same period last year. This is largely the result of better yields obtained. A near record output is expected. In Ecuador, harvesting of the first season maize crop, mostly yellow, is almost complete. A considerable increase in output is anticipated with respect to last year, boosted mainly by increased demand from the poultry feeding industry. In Colombia, harvesting of the first season maize crop is well advanced. Despite the heavy rains and flooding at planting, a near average output is anticipated. In Venezuela, harvesting of the 2000 maize crop is underway and a slightly below average output is provisionally forecast. This is mostly due to reduced plantings following the heavy rains, which resulted in severe flooding and mudslides at the end of last year and, again, shortly before planting.

Harvesting of the 2000 **paddy** crop is complete in the region and paddy output is estimated at about 20 million tonnes, slightly down from the previous year. Much of the decline is attributed to a 4 percent fall in area in response to the low paddy prices that prevailed at planting time in most countries. In Argentina, the Government's new production estimate stands at 880 000 tonnes or 47 percent below the previous year's all-time high, mostly due to a 35 percent fall in area. Likewise in Uruguay, a fall in area and yields caused a contraction of about 16 percent in production. In Brazil, the region's largest rice producer, higher yields helped compensate for the reduced area and the Government's paddy output estimate of 11.5 million tonnes is only marginally below last year's. By contrast, in Bolivia, the Government has estimated paddy output at 349 000 tonnes, up from last year's 189 000 tonnes, following an improvement in yields and an increase in area.

- **North America**

Total **wheat** production in the United States in 2000 is estimated at 61.6 million tonnes, almost 2 percent down from 1999. A significant decline in winter wheat production (-6 percent) to 43.4 million tonnes will only be partially offset by an increase in spring wheat output. Production of spring wheat is now forecast to reach some 18 million tonnes, compared to 16.4 million tonnes in 1999. In Canada, as of mid August the winter wheat harvest was well underway or nearing completion in some areas. Harvesting of the main spring crops should start in late August. Warmer temperatures in July in the main wheat producing areas of Western Canada favoured crop development after generally wetter and colder than normal

conditions in June. It is reported that there is potential for average to above-average yields in most of the major producing areas. Latest official reports forecast the total 2000 wheat production at 25.4 million tonnes.

Regarding **coarse grains**, the USDA's August Crop Production report indicates significantly larger production in the United States than earlier expected. This mostly reflects generally favourable growing conditions throughout July. Aggregate coarse grain output is now forecast to reach 287.6 million tonnes, 9 percent up from 1999. The bulk of the increase is accounted for by a larger maize crop, which is set to reach a record 263 million tonnes, 12 percent up from last year. The outputs of barley and oats are also expected to be somewhat above the previous year, but the sorghum crop could be smaller. In Canada, coarse grain production is expected to change little this year and is currently forecast at 27 million tonnes. Although barley output is forecast to increase, reflecting larger plantings, outputs of the other small coarse grains could decline somewhat. Early indications point to a smaller maize crop also, although the harvest is still some way off.

Harvesting of the 2000 **paddy** crop is underway in some parts of the United States while in others the crops still need a few more weeks to reach maturity. Although average yields are forecast to be about 5 percent above last year, the increase is not large enough to compensate for the 10 percent decline in area. The area reduction reflects the substantial decline in rice prices in the preceding season that has led farmers to switch to more lucrative crops. Paddy output is expected to reach 9 million tonnes, down by about 5 percent from last year.

- **Europe**

In the EC, results of the **cereal** harvest so far continue to point to a larger output this year. FAO's latest forecast of the Community's aggregate cereal crop is 213.2 million tonnes which, although marginally down from that in the previous report, is nevertheless some 6 percent up from the 1999 output. Of this, **wheat** is forecast to account for 105.1 million tonnes, almost 8 percent above 1999. The bulk of the increase in wheat output is expected in Germany, the United Kingdom and Spain, although several other countries are also reported to be harvesting slightly larger crops this year. The quality of this year's crop is expected to be quite variable reflecting the variable weather conditions throughout the region. The Community's largest producer France is reported to have an above-normal proportion of low quality wheat, which will be suitable only for animal feed, but over all countries an average crop is expected. Production of all the main **coarse grains** is also expected to increase this year in the EC. Outputs of barley, oats and rye are forecast to increase by 6 percent, 8 percent and 5 percent respectively. Prospects for the maize harvest are also favourable and current indications point to a slightly larger crop of about 38 million tonnes this year. However, as the harvest is just starting in the main producing areas the

final outcome will not be known for some time yet. The 2000 **paddy** harvest is getting underway in the EC. Drought conditions in the southern parts of Portugal and Spain at planting time are expected to have had some negative impact on yields. Total production is forecast to be slightly below last year's estimated output of about 2.7 million tonnes.

Elsewhere in Europe, widespread drought conditions persisting through the spring affected crops in most countries, to a lesser or greater extent. In Bosnia Herzegovina, wheat production is expected to decline further this year reflecting the adverse dry conditions, but also unremunerative producer prices, which continue to make wheat an unattractive crop for farmers. Coarse grains (mostly maize) in particular are expected to be affected by the dry spring conditions. In Bulgaria, the wheat harvest is complete and output is officially estimated at 3.1 million tonnes, similar to the previous year's crop. Coarse grains output is set to drop, however, reflecting the adverse effect of spring drought and a summer heat wave on developing maize crops. In Croatia, winter wheat production is reported to have recovered sharply from last year's poor level and could be close to 1 million tonnes. However, as in other neighbouring countries, the effect of spring drought is expected to be evident on the spring crops and their outputs could decline somewhat. In the Czech Republic, total wheat production is estimated close to the 1999 level at about 4 million tonnes, despite larger plantings, which reflects this year's drought-reduced yields. Output of barley is estimated to be down significantly compared to last year, reflecting lower yields and a smaller area. In the Former Yugoslav Republic of Macedonia, after earlier favourable conditions, drought conditions also set in during the late spring and summer reducing cereal yield potential. The aggregate cereal crop is expected to be about 650 000 tonnes, of which wheat would account for about 320 000 tonnes.

Cereal crops in Hungary have also been affected by drought this year, but conditions for wheat have not been as bad as in 1999 when the planting season was affected by adverse conditions and, as a result, the area fell sharply. Output of wheat is now estimated at about 3.7 million tonnes. This is above last year's drastically reduced crop of 2.6 million tonnes but, nevertheless, well below the 1997 and 1998 levels of around 5 million tonnes. Coarse grain yields have been hit more by the exceptionally hot dry spring weather and the maize crop could be well down at about 5 million tonnes, compared to over 7 million tonnes in 1999. In Poland, conditions for cereal production have been particularly bad this year. Late spring frosts were followed by exceptionally hot and dry conditions and heavy summer rains have disrupted harvesting. Wheat output is estimated at 8.2 million tonnes, down almost 10 percent from last year. Coarse grain output is also forecast to be sharply reduced as a result of the adverse conditions. Rye production could fall to as low as 4 million tonnes, nearly 30 percent below the average of the past 5 years and barley output is forecast at just 2.8 million tonnes, 20 percent below the

five-year average. In Romania, although growing conditions were also unfavourable this year, the final outcome of the wheat harvest is somewhat better than earlier expectations. Latest estimates put the 2000 wheat output at 4.3 million tonnes, about 9 percent down from 1999 but over 20 percent down from the five-year average. Prospects for the maize crop are uncertain but it is unlikely that last year's above-average crop of 10.9 million tonnes will be repeated. In the Slovak Republic, contrary to expectations much earlier in the season, aggregate cereal output is set to fall again after a reduced crop already last year. After favourable planting and overwinter conditions, dry and hot weather affected crops in the spring and summer and average yields have been reduced. The aggregate cereal output is forecast at about 2.3 million tonnes, 500 000 tonnes less than last year's reduced crop. Also in Slovenia, a further decline in cereal output is expected this year due to the adverse spring/summer conditions. Aggregate cereal output is forecast at between 400 000 and 450 000 tonnes.

In the Federal Republic of Yugoslavia, (Serbia and Montenegro), winter flooding and water-logging followed by persistent hot and dry conditions since April has kept wheat yields low and adversely affected spring crops including maize. Moreover, unremunerative producer prices for wheat, and critical shortages of fuel and fertilizer for the planting and development of winter crops has also reduced plantings and yields. An FAO/WFP mission, which visited the country in July found official estimates of wheat area and yields to be over-estimated. The Mission estimated the 2000 wheat harvest to be in the range of 1.7 - 1.8 million tonnes, even less than the poor 1999 harvest of 2 million tonnes. Current conditions also point to a coarse grain harvest only about two-thirds of the bumper 1999 crop of 6.5 million tonnes. An FAO/WFP Mission to the Kosovo Province in late June forecast its wheat production in 2000 at about 231 000 tonnes, from a harvested area of 86 600 hectares, more than double the war-affected crop in 1999.

In the Baltics (Estonia, Latvia and Lithuania), the outlook is for generally better harvests. The aggregate 2000 grain output of the three countries could recover to about 3.8 million tonnes (1999: 3.4 million tonnes), including 1.3 million tonnes of wheat (1999: 1.2 million tonnes) and 2.5 million tonnes of coarse grains (1999: 2.0 million tonnes).

In the CIS countries west of the Ural Mountains, the outlook is for the 2000 cereal harvests to recover somewhat from last year's low level, mainly due to better prospects in the Russian Federation. In general, crops have overwintered well, but hot and dry conditions in the spring and summer have adversely affected yields in Moldova and the Ukraine. Despite a reduction in the aggregate areas sown to grains, current indications are that the area for harvest will not be significantly less than last year, due to reduced winterkill, notably in the Russian Federation. Mixed weather in the spring and chronic economic problems

prevented most farmers from increasing the areas sown to cereals, despite the tight supply situation and higher cereal prices. Nevertheless, early indications are that the aggregate grain harvest in 2000 in Belarus, Moldova, the Russian Federation and Ukraine could be somewhat higher mainly due to better winter and crops. Preliminary estimates point to an aggregate cereal harvest of some 96 million tonnes (1999: 91 million tonnes), which could include 52 million tonnes of wheat (1999: 50 million tonnes) and 44 million tonnes of coarse grains (1999: 40 million tonnes). However, growing conditions and the availability of inputs until the completion of the harvests will determine the actual yields and the area of maize harvested for grain rather than silage will affect the coarse grain forecasts.

In the Russian Federation, the winter grain harvest is now forecast to reach at least 24-26 million tonnes. Crop condition is mixed but the area affected by the hot dry weather is limited and crop damage by winterkill is well below average. Despite a reduction of about 1 million hectares in the area sown, (spring grain plantings were below target and less than last year), aggregate cereal output is tentatively forecast by FAO to increase by about 10 percent to 65 million tonnes. This would include 37 million tonnes (1999: 34 million tonnes) of wheat and 27.5 million tonnes (1999: 25 million tonnes) of coarse grains. In Ukraine, by contrast, aggregate output is tentatively forecast to be less than last year as crop yields have been affected by dry conditions during the autumn planting period, untimely frosts and persistent hot and dry conditions this spring and summer. Coupled with chronic on-farm economic problems, current indications point to a 2000 cereal harvest of only 25.6 million tonnes (1999: 26.3 million tonnes), provided the spring-planted maize crop benefits from good conditions from now until the completion of the harvest in September. In Moldova, persistent hot and dry weather has sharply reduced both wheat and maize yields and the aggregate cereal production is provisionally forecast at only 1.6 million tonnes, 0.5 million tonnes less than last year's poor harvest. In Belarus, economic problems, some spring frost damage and shortages of fertilizer and fuel lead FAO to forecast a cereal harvest of only 4.2 million tonnes, still well below average but somewhat better than the 3.4 million tonnes harvested in 1999.

- **Oceania**

Prospects for the 2000 winter **wheat** and **coarse grain** crops in Australia remain generally favourable after satisfactory rains in the past few weeks. The largest threat to the crops, which could alter the current outlook, is an unhatched locust plague, which spreads from western New South Wales (NSW) through to southern parts of the national wheat belt and into Western Australia. It is reported that up to 1.5 million hectares of crop land are infested with eggs. The first hatchings are expected in late August in Western Australia and would then progressively spread throughout the grain-belt. However, the situation is being closely monitored and a huge control campaign

has been prepared. Assuming adequate and successful control of the locust threat in the remainder of the season, the total wheat output to be harvested later this year is forecast at 22.8 million tonnes. This would be about 5 percent down from the record crop last year, but still above the average of the past five years. Production of barley, the main winter coarse grain crop, is expected to increase sharply this year after a recovery in plantings from the previous year's reduced area. The 2000 **paddy** season is complete and the Government estimates a contraction of about 21 percent from the 1999 exceptional crop to about 1.1 million tonnes, reflecting a drop of 12 percent in area and 9 percent in yields.

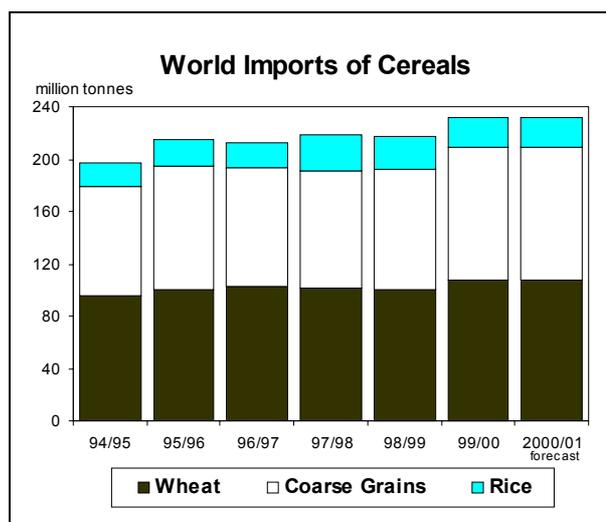
Trade^{1/}

Early indications point to yet another active trade season after last year's unforeseen large expansion in world cereal imports

World cereal trade in 2000/01 is currently forecast at 232 million tonnes, some 11 million tonnes more than was reported in June. The estimated volume of cereal imports in 1999/2000 has also been raised, and is now put at 231 million tonnes, more than 6 million tonnes higher than estimated earlier. These revisions mainly involve upward adjustments to wheat and coarse grains, while estimates for rice imports have changed little. As far as the previous year is concerned, this month's revisions mostly reflect reports of higher grain imports by several countries; in Asia, China, Indonesia, the Islamic Republic of Iran and the Philippines; in Africa, Morocco, Kenya and Sudan; in Latin America, Mexico and Colombia; and the EC. Even more pronounced, however, is the revision to the forecast for cereal trade in 2000/01, which has been raised substantially compared to the previous report largely in view of reduced production prospects in several grain importing countries. FAO's first forecast for global cereal food aid shipments in 2000/01 (July/June) is put at 9.5 million tonnes, 5 percent below the revised estimate of 10 million tonnes shipped in the previous year.

For the developing countries as a group, cereal imports in 2000/01 are put at a record 168 million tonnes, up 2 million tonnes from last season's already high level. Based on this forecast, and taking into account the current prospects for cereal food aid and prices during the course of the 2000/01 season, the **cereal import bill** of the developing countries is expected to approach US\$22 billion, just over US\$1 billion above the previous year, but substantially below the high levels registered between 1994 and 1997, when cereal prices were much higher than in recent years. For the Low-Income Food Deficit Countries (LIFDCs), the total volume of their cereal imports in 2000/01 is put at 74 million tonnes, which would be roughly some 1 million tonnes more than last year, mainly because of a likely increase in imports by several countries in Africa. At this level, the overall cereal import expenses for the LIFDCs, as a group, is forecast at US\$9.5 billion, up US\$500 million, or 5 percent, from 1999/2000 but substantially below the

levels in the mid-1990s, when it peaked at almost US\$17 billion.



International trade in **wheat** and wheat flour (in grain equivalent) in 2000/01 (July/June) is currently forecast to reach 107.5 million tonnes, roughly similar to the previous year's revised volume, but 6 million tonnes more than last reported in June. Lower production and strong import demand in several countries are among the reasons for this month's upward revisions. At the current forecast level, world trade would be the highest on record, mostly reflecting a surge in imports by the developing countries, which are likely to reach 82 million tonnes, equivalent to US\$10.7 billion in value terms. For the LIFDCs, although wheat imports could decline marginally to about 41 million tonnes, their value would remain roughly the same as last year, allowing for a small recovery in overall prices.

As in the previous year, continuing large imports by several countries in **Asia** are mostly responsible for the surge in world trade. China (mainland) is likely to return to the international wheat market this year as a bigger purchaser of wheat, importing at least 3.6 million tonnes, 1 million tonnes more than was anticipated earlier, due to deteriorating production prospects. The forecast for imports by the Islamic Republic of Iran has been raised this month by 800 000 tonnes to 6.8 million tonnes, in view of the tightening of the domestic supply and demand situation as severe drought hampered production for the second consecutive year. In **Africa**, the volume of wheat imports in 2000/01 could approach 25 million tonnes, up 6 percent from the previous year. This increase would be mostly on account of larger shipments into North Africa, where drought-reduced harvests have greatly increased import demand in some countries such as Algeria and Morocco. Following this month's upward adjustments

^{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.

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	50.7	49.7	56.7	56.6	11.5		118.9	
Africa	23.5	24.9	13.3	14.8	5.5		42.2	
Central America	5.9	5.8	12.6	12.0	1.5		20.0	
South America	11.8	12.3	7.1	6.6	1.1		20.0	
North America	2.4	2.6	3.6	3.6	0.6		6.7	
Europe	12.9	11.7	7.8	7.8	1.8		22.5	
Oceania	0.5	0.5	0.1	0.1	0.4		0.9	
WORLD	107.8	107.5	101.1	101.5	22.4	23.0 ^{1/}	231.3	232.0
Developing Countries	81.2	81.9	66.8	67.4	18.4	19.0	166.4	168.3
Developed Countries	26.6	25.6	34.3	34.0	4.0	4.0	64.8	63.6

Source: FAO ^{1/} Highly tentative.

to last year's import estimates of several countries in sub-Saharan Africa, the forecasts for imports for 2000/01 have also been raised, considering that this year's production prospects are generally the same as in the previous year. Wheat imports by some of the larger importers, such as Ethiopia, Kenya and Sudan, are now expected to remain close to last year's high levels.

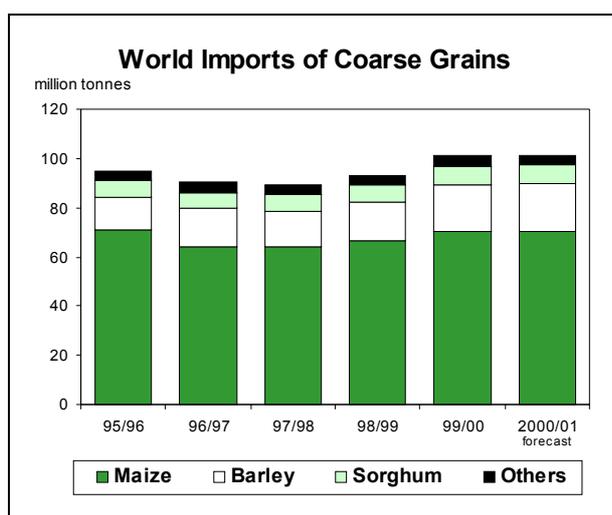
Total imports into **Europe** are forecast to approach 12 million tonnes, down 1 million tonnes from the previous year, largely on account of sharply smaller imports by the Russian Federation. Compared to 5.3 million tonnes in 1999/2000, this year's imports are currently put at 3.5 million tonnes given much improved production prospects. By contrast Poland and Romania are expected to resort to large imports this season due to the sharp decrease in their domestic production as a result of the severe drought. Imports into the **Latin American and Caribbean** region are forecast to reach 18 million tonnes, up 400 000 tonnes from the previous year. The increase would be mostly in Brazil due to strong demand from domestic millers.

Turning to wheat exports, availabilities, especially among the major exporting countries, are expected to be more than sufficient to meet the anticipated demand. While reduced supplies in several eastern and central European countries would mean lower export availabilities from those origins, among the major exporters, shipments from the United States could increase by 3 million tonnes to 32 million tonnes. Other major exporters are all expected to maintain their last year's export level or even expand sales slightly. The increase in exports from the EC may prove limited despite larger supplies. One reason is the Uruguay Round Agreement on subsidized exports, which starting in 2000/01 forbids any rollover of 'unused subsidy quota'. Another factor is a likely increase in low (feed) quality wheat production in France (due to excessive rains), which may prove more difficult to

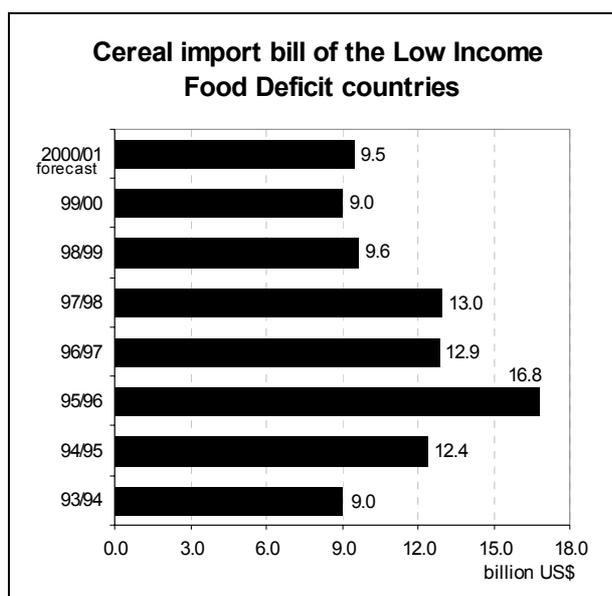
export considering this year's ample maize supplies. Nevertheless, much will also depend on the value of the Euro against the US dollar as well the world market price for wheat in the coming months.

The forecast for world trade in **coarse grains** in 2000/01 (July/June) has been raised by 4.5 million tonnes since the previous report, to 101.5 million tonnes. This upward revision takes into account higher import expectations for several countries, especially in Africa and Latin America. At this level, world imports of coarse grains would be slightly above the previous year's volume, the estimate of which has also been revised this month following upward adjustments to imports by the Taiwan Province of China, Egypt and Mexico. For maize, the largest traded coarse grain, this year's imports are put at over 70 million tonnes, unchanged from last year. Similarly, imports of sorghum are forecast to remain at last year's level of around 8 million tonnes. For barley, imports are expected to exceed 19 million tonnes, up 500 000 tonnes from the previous season. Overall, aggregate imports of coarse grains by the developing countries would remain close to last year's level of around 67 million tonnes, but, given the prospects for some increase in prices, the cost of imports for the developing countries could reach US\$8 billion, slightly higher than last year. The import bill for coarse grains in the LIFDCs may also rise to US\$2.6 billion, some US\$300 million more than in the previous season.

In **Asia**, coarse grain imports by most countries are expected to be about the same level as last year and total imports for the region as a whole are likely to approach 57 million tonnes. The continuing strong import demand for barley in Saudi Arabia and for maize in the Far East, particularly in the Taiwan Province of China, Indonesia, the Republic of Korea and Malaysia, in addition to this year's higher maize and barely requirements in the Islamic Republic of Iran, would result in Asia's majority share of world trade



remaining at roughly 55 percent. In **Africa**, total imports are forecast to increase by about 1.5 million tonnes from the previous year's already large volume to an all-time high of around 15 million tonnes. Given this year's much-reduced crops in North Africa, imports by Morocco and Egypt are forecast to surge. Also in the sub-Saharan region, several countries may increase their imports this year mostly because of domestic supply shortages, particularly in Angola, Ethiopia, Kenya, Niger, Senegal and Somalia.



Among the **Latin American and Caribbean** countries, total coarse grain purchases by Mexico, the region's largest importer, are expected to decline by about 600 000 tonnes from last year's peak to 9 million tonnes. Continuing strong demand from the animal feed sector in Mexico is mostly responsible for the recent surge in imports of coarse grains into that country, especially of sorghum. However, favourable production prospects, notably for maize, could lower Mexico's import demand this season. In South America, the forecasts for imports by several countries have been adjusted upward, mostly to cover larger than expected feed usage. However, in Brazil, maize

imports are forecast to decline mostly on account of a larger domestic harvest.

Aggregate imports into **Europe** are seen to remain at last year's volume of 7.8 million tonnes, of which the EC accounts for almost 40 percent. While imports by the EC are likely to remain unchanged from the previous season, this year's reduced harvests in several central and eastern European countries could result in much higher imports, particularly by Poland, Slovakia and the Czech Republic. By contrast, improved crop prospects could result in a sharp drop in imports into the Russian Federation, by about 1 million tonnes to 800 000 tonnes.

Regarding exports, this year's large maize supplies in the United States would more than offset the likely sharp reduction in export availabilities in China and Hungary due to an expected decline in their production. Total exports from the United States in 2000/01 (July/June) are forecast to rise by 3.5 million tonnes from the previous year to 57.5 million tonnes, which would be the largest volume since 1995/96. By contrast, shipments from China could fall by 2 million tonnes, to just over 5 million tonnes, while sales from Hungary could be halved to around 1 million tonnes. Higher shipments are also forecast for Argentina, Canada and the Republic of South Africa, while exports from Australia and the EC could remain unchanged from the previous year.

The forecast for global **rice** trade in **2000** has been adjusted upwards by about 200 000 tonnes from the last report to 22.4 million tonnes. Nevertheless, this would be 2.7 million tonnes, or 11 percent, less than in 1999. The expected decline is a consequence of much reduced import demand, because many of the major importing countries had bumper harvests. The expected fall in both trade and prices in 2000 will lead to an estimated 28 percent decline in the value of international rice trade. As a result the rice import bill of the Low Income Food Deficit Countries is forecast to drop by about 37 percent from 1999 to US\$1.9 billion.

The latest upward revision of the global rice trade forecast mainly reflects an increase in the expected imports by Madagascar, from 90 000 tonnes to 310 000 tonnes, the result of an estimated 15 percent drop in production. Import shipments to the Russian Federation and Sri Lanka were also raised by 50 000 tonnes and 70 000 tonnes, respectively.

By contrast, the forecast for rice imports by Indonesia, the world's leading rice importer, has been cut by 100 000 tonnes to 2.2 million tonnes, compared to 3.8 million tonnes estimated for 1999. The estimate of China's (Mainland) imports, mostly of high quality rice from Thailand, has also been reduced by 50 000 tonnes to 200 000 tonnes based on import record during the first seven months of the year of about 120 000 tonnes. The expected rice imports by the other major importing countries in 2000 have been left unchanged from the levels indicated in the previous report.

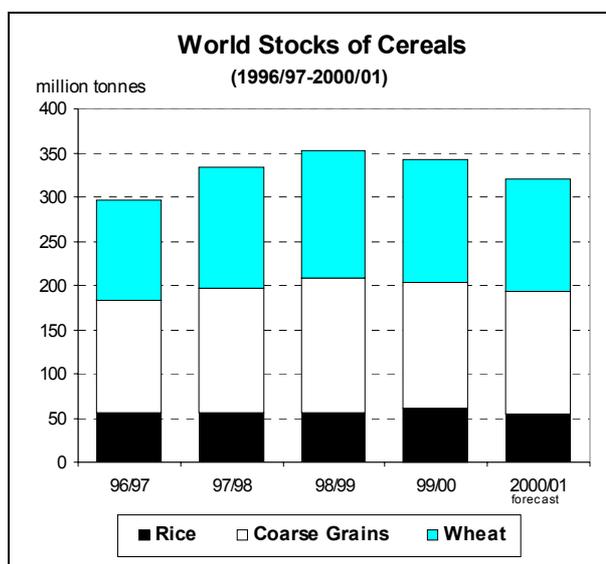
On the export side, the forecast for rice shipments out of China (Mainland) has been raised by 400 000 tonnes from the previous report to 3 million tonnes. Official records show that the country has already shipped over 1.8 million tonnes from January to July, about 43 percent more than the amount exported during the same period last year. The forecasts of exports by Pakistan and Egypt have also been adjusted upwards by a combined 80 000 tonnes. By contrast, exports by Viet Nam are now expected to be 200 000 tonnes lower than anticipated earlier at 3.8 million tonnes. During the first eight months of the year, Viet Nam is estimated to have exported about 2.4 million tonnes, down by over 30 percent from the same period last year. This decline is due to the general weakness in the global import demand and flood-related logistical problems encountered domestically during the last couple of months. India's rice exports are also expected to be lower at 1.3 million tonnes, 100 000 tonnes less than earlier expected, because its rice is less competitive than supplies from other origins. Expectations regarding shipments from the other major rice exporters are unchanged from the previously reported volumes. Thailand, the world's leading exporter, shipped a total of about 3.7 million tonnes during the January to August period, down by 4 percent from the same period in 1999. For the rest of the year, Thailand's monthly rice exports would need to average about 570 000 tonnes in order to realize the Government export target of 6 million tonnes. In the United States, the third largest rice exporter, the Government agreed to lift the ban on sales of rice and other food commodities to Cuba, the Islamic Republic of Iran, Democratic People's Republic of Korea, Libyan Arab Jamahiriya and Sudan. It should be noted that Cuba used to be the largest rice market for the United States prior to the trade sanctions. However, it is not clear as to when actual rice shipments to the country would resume, since Cuba still does not qualify for loan and credit facilities provided by both the United States Government and private companies.

For the year **2001**, world rice trade is tentatively forecast to increase slightly from that exported in the current year, to about 23 million tonnes. Indonesia will probably continue to be the largest world rice importer, as it has been for the last three years, with the Islamic Republic of Iran, the Philippines and Brazil remaining very important rice markets. Imports by Iraq are expected to surge, to compensate for the drought-reduced paddy output. On the export side, Thailand and Viet Nam, the two leading rice exporters, are forecast to expand their volumes by 7 percent and 5 percent, respectively, while shipments from the United States are projected to be similar to the level anticipated for the current year. The level of rice sales from China, which has been a major source of supplies during the last three years, will largely depend on the level of stocks that the country wants to keep, given that its paddy output is forecast to drop by 5 percent or 9 million tonnes.

Carryover Stocks

World cereal stocks to decline sharply but inventories in the major exporting countries will increase

The forecast for global **cereal** stocks by the close of the seasons ending in 2001 has been lowered slightly since the previous report to 320 million tonnes, which is 22 million tonnes, or 6 percent, below their revised opening levels. A sharp increase in the forecast for ending stocks in the United States has been more than offset by a large downward revision to the forecast for ending stocks in China. The decline in China's cereal stocks during the current 2000/01 marketing season follows the recent downward adjustments to 2000 production forecasts for wheat, maize and rice. At the current forecast level, the ratio of global cereal carryovers to trend utilization in 2001/2002 is 16.5 percent, almost unchanged from the forecast in June and slightly below the 17 to 18 percent range that the FAO Secretariat considers the minimum necessary to safeguard world food security.



Although at the global level total cereal stocks are forecast to decline this season, there are a number of indications that those held by major exporting countries are sufficient to meet any unexpected increase in world demand this season. Aggregate cereal inventories held by the major exporters of wheat, coarse grains and rice are forecast to rise this season by at least 8 million tonnes to 156 million tonnes, despite a decline in China's stocks, one of the world's leading rice exporters. Overall, the likely expansion in cereal stocks in major exporting countries could boost their share to nearly 49 percent of the world total, from 43 percent in the previous season. The ratio of the volume of cereal stocks held by the major exporters to the total disappearance (their domestic cereal consumption plus exports) in 2000/01 is likely to remain unchanged from the previous year. For coarse grains, the anticipated

increase in production in the major exporting countries is expected to result in a recovery in the stocks-to-disappearance ratio for coarse grains, from 18 percent in 1999/2000 to 20 percent in 2000/01. The ratio for wheat is likely to remain unchanged, at around 22 percent, while for rice, it is expected to fall sharply, from 11 percent in 1999/2000 to 8 percent in 2000/01, largely because of a decline in rice production in China.

World Carryover Stocks of Cereals

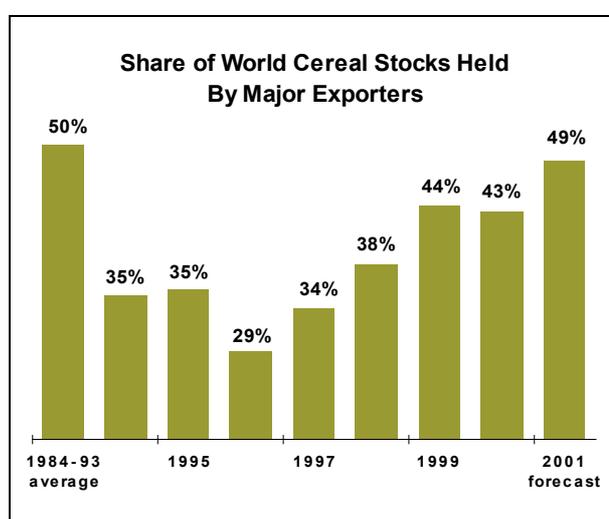
	Crop year ending in:		
	1999	2000 estimate	2001 forecast
	(. . . million tonnes . . .)		
Wheat	143.0	138.1	127.1
Coarse grains	152.3	143.3	138.8
Rice (milled)	56.7	60.3	53.8
TOTAL	352.1	341.7	319.7
of which:			
Main exporters	155.1	148.1	155.6
Others	196.9	193.6	164.0

Source: FAO

World stocks of **wheat** for crop years ending in 2001 are currently put at around 127 million tonnes, which represents a slight downward revision from the previous report. At this level, world wheat inventories would be 11 million tonnes, or 8 percent, below the previous year's volume. Among the world's five major wheat exporters, the anticipated 3 million tonnes rise in stocks in the EC, due to record production 2000, would more than offset the aggregate reduction of carryovers among other exporters. Although this season's large supplies of lower quality wheat are expected to encourage feed use, especially in France, the increase will not be sufficient to absorb all the anticipated expansion in output. By contrast, ending stocks in other major exporters are forecast to be reduced, mostly because of smaller production. However, the sharpest decline in wheat stocks is expected to occur among some of the major net-wheat importing countries. The biggest decline is forecast for China, where reduced plantings and drought are expected to result in a drop of nearly 13 million tonnes in production. While imports are forecast to increase, stocks would still have to be drawn down by at least 10 million tonnes, in order to meet the expected requirements in 2000/01. Sharp drops in stock levels are also anticipated in a number of other drought-stricken countries, including Afghanistan, the Islamic Republic of Iran, Iraq, Jordan and Morocco. By contrast, wheat inventories are likely to expand in Pakistan and India because of bumper crops, while in Kazakhstan a combination of above-average wheat harvest and reduced export prospects to the Russian Federation could lead to larger carryovers.

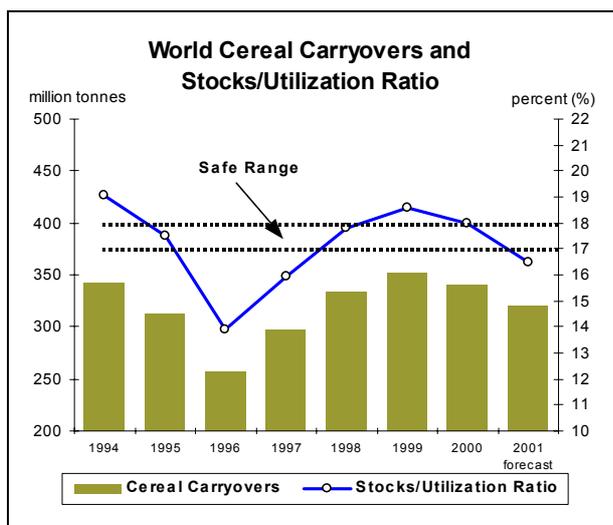
Global **coarse grain** inventories for crop years ending in 2001 are currently put at 139 million tonnes, up 3

million tonnes from the previous report, but still 4 million tonnes less than the estimated opening levels. This month's downward revision mainly results from a sharp decline in the forecasts for China's maize stocks (down 13 million tonnes) and smaller stocks in a few European countries, which would more than offset the increase in the forecast for stocks in the United States. In China, maize production is expected to fall drastically this season, by as much as 20 million tonnes, or 48 percent, mostly due to drought. This is expected to result in a sharp drawdown of stocks as well as a decline in exports. Smaller stocks are also anticipated in Hungary and Poland. Adverse dry weather in central and eastern Europe during the growing season could result in smaller maize production especially in Hungary, while maize and rye output in Poland are also expected to be adversely affected.



By contrast, the latest (August) official report from the United States puts total coarse grain production of that country at a record volume, up 24 million tonnes from 1999, and 16 million tonnes more than was reported in June. Although the official forecasts for exports and total utilization (especially feed and industrial use) have also been raised, the forecast for stocks of coarse grains has been raised sharply since the previous report and now points to an expansion from 51 million tonnes at the start of the season to 67 million tonnes by the end of the season. This would bring the United States coarse grain inventories to their highest volume since 1988, the bulk of which, about 62 million tonnes, would consist of maize. The large expansion in the United States coarse grain stocks is the most important factor offsetting the expected decline in inventories in nearly all other major producing countries. In the EC, despite higher production prospects, coarse grain stocks could be reduced slightly. Although the EC barley production in 2000 is forecast to increase by about 3 million tonnes, this increase may not be sufficient to meet the likely increase in barley exports as well as feed use without drawing down stocks. Already during the past season, large export sales (particularly from the public intervention stores)

resulted in a significant (about 4.5 million tonnes) decline in barley stocks in the EC.

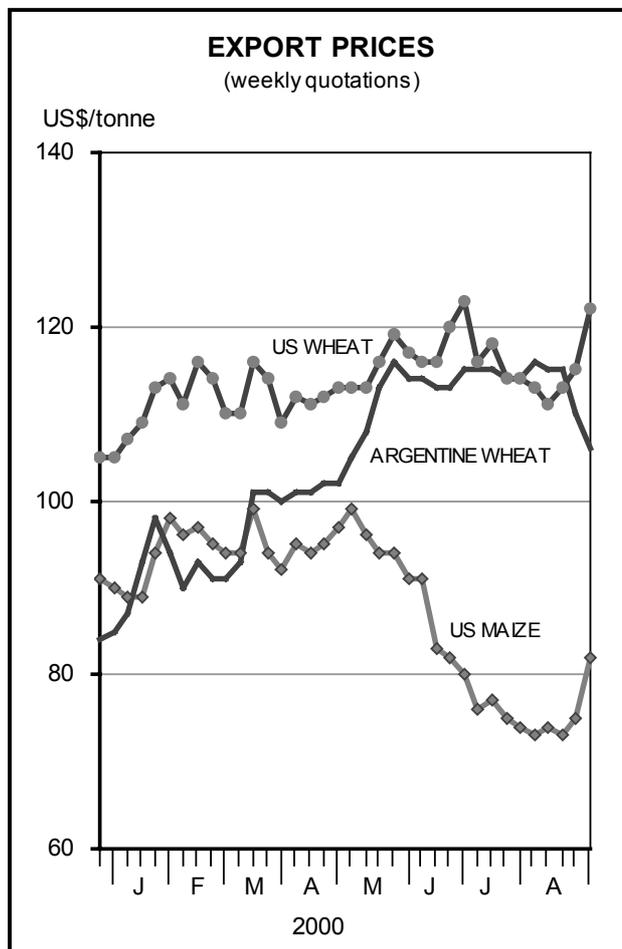


World **rice** stocks for the marketing seasons ending in **2000** are almost unchanged from the level shown in the previous report of 60 million tonnes or 3 million tonnes above their opening level. However, for the marketing seasons ending in the year **2001**, global rice stocks are tentatively forecast to fall by 10 percent to approximately 54 million tonnes. The expected reduction is largely a reflection of a projected drop in world rice production, the first in about 13 years, coinciding with an anticipated increase in consumption. Most of the fall in inventories would be accounted for by China (Mainland) where stocks are expected to shrink by 37 percent reflecting an anticipated contraction in paddy output and based on similar export shipments to those witnessed since 1997. However, the decline in China's stocks could be less than suggested, if the country restrains exports in 2001. It should, however, be noted that the final global rice stocks' level will be influenced, among other things, by the 2001 paddy harvests in some countries whose outcome is yet to be known.

Export Prices

Overall, international **cereal** prices have remained under downward pressure since May despite prospects for much smaller world stocks forecast for this season. For wheat and coarse grains, the reason for the latest weakening of the international prices lies mostly on seasonal factors, i.e. the harvesting pressure. However, the more important reason for the continuing weak prices is also the existence of large inventories of wheat and coarse grains held by the major exporters and the likelihood that these inventories could rise even further by the end of the crop seasons in 2001. The bulk of world grain stocks has traditionally been held in only a few countries/regions: namely, the major grain exporters (Australia, Argentina, Canada, the EC and the United States) as well as a few others, including China and India. Generally, however, only Canada, the EC and the United States maintain any significant volume of grain stocks over and above

working or pipeline levels (i.e. those required to assure an uninterrupted flow of supplies). Consequently, the market's expectation of large stocks in major exporting countries has continued to counter negative sentiment arising from large production shortfalls in a number of other important grain producing countries (such as China) and the subsequent decline in global stocks.



The drop in international prices of **coarse grains** has been most profound in recent months. In August, the US maize export prices averaged US\$76 per tonne, US\$19 per tonne lower than in May and US\$16 per tonne, or 17 percent, below August 1999. Similarly, barley and sorghum export prices have also weakened substantially compared to the previous year. On the Chicago Board of Trade (CBOT) futures markets, the expected record maize crop in the United States and the increasingly likely prospects of higher United States' stocks kept maize prices under pressure. Over the past few months, the December 2000 maize futures continued to slide, although by late August it began to strengthen a bit and was quoted at US\$76 per tonne, nevertheless still some US\$9 per tonne down from the corresponding period last year. With the maize harvest approaching in the northern hemisphere, the downward pressure on prices is likely to continue for some time, barring any sudden or unexpected increase in world demand.

International **wheat** prices also eroded further during most of the period since the last report. In late August, however, reports of less favourable crop prospects in Canada and reluctance of the EC to sell new crop wheat, resulted in a sudden surge in prices. Overall, the US wheat No. 2 (HRW, fob) averaged US\$115 per tonne in August, down US\$1 per tonne from May but similar to that quoted in August 1999. In the futures market, the favourable supply outlook in major exporting countries continued to weigh on the CBOT soft red winter prices, despite prospects of increases in exports from the United States amid a likely cutback in EC sales. By late August, the December wheat contracts showed some recovery, again mostly in response to concerns about unfavourable production prospects in Canada, but, at US\$99 per tonne, prices were still US\$3 per tonne below the corresponding period in 1999. With harvesting nearly completed in the several important countries and the demand outlook relatively strong, wheat prices are likely to start rising. However, the upside may prove largely limited, particularly for low quality wheat, in view of this year's ample maize supplies and the already large (around US\$20 per tonne) difference between the quoted wheat and maize prices in world markets.

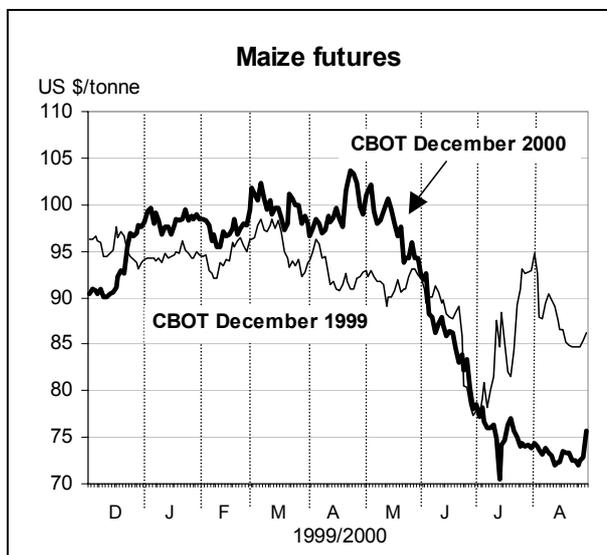
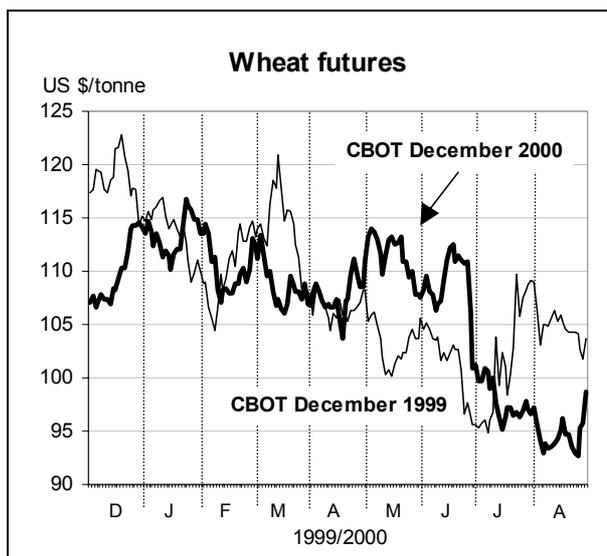
Cereal Export Prices *

	2000		1999
	Aug.	May	Aug.
	(. US\$/tonne)		
United States			
Wheat ^{1/}	115	116	115
Maize	76	95	92
Sorghum	76	95	94
Argentina ^{2/}			
Wheat	111	112	129
Maize	74	87	97
Thailand ^{2/}			
Rice white ^{3/}	189	210	249
Rice, broken ^{4/}	143	143	204

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.

The general weakness in international **rice** prices continued to manifest itself through August, reflecting the oversupply situation on the international market relative to import demand. The resulting downward pressure has pushed the FAO Export Price Index for Rice (1982-84=100) to its lowest level since September 1993. The index averaged 95 points in August, down by 1 point from May and by 21 points from August 1999. Additional downward pressure on rice prices emanates from the arrival of new crop supplies on the market in some countries amidst weak international import demand.



The price for the high quality Thai 100%B averaged US\$189 per tonne in August, down by about US\$21 per tonne from May and the lowest since February 1987. By comparison, the price was US\$249 per tonne in August 1999. Prices of the lower quality grades from various origins also fell further in August. The price of Thai 35 percent broken, which has been on a steady decline since the beginning of the year, averaged US\$158 per tonne in August, down by US\$5 per tonne from the May average and compared to US\$215 per tonne in August 1999. However, over the same period, the price of fully broken rice (Thai A1 Super) was unchanged at US\$143 per tonne, due to reduced milling activity, although it is down by US\$61 per tonne from its August 1999 average.

In Viet Nam, prices of most grades received some upward support during July, as the market participants were getting increasingly concerned about the impact of floods on the supply. However, prices eased again in August as more rice is becoming available at a time when import demand is limited.

By contrast, there has been increased export-related activity over the last couple of months in the United States, much of which involved tenders and shipments under the food aid programs. The price of the United States No. 2/4 percent broken rice averaged US\$260 per tonne in August, up by US\$3 per tonne from May but down by US\$62 per tonne from August 1999.

For the remainder of the year and assuming no supply and/or demand shock, international rice prices are expected to continue their downward trend.

Ocean Freight Rates

Ship owners and charterers competed to gain the initiative in an unseasonably firm ocean freight market over the past four months. Rates on all routes were supported by the continued strength of prices for oil, which account for a major proportion of total operating costs. Demand therefore focused on modern fuel-efficient vessels. The grain sector showed steady interest for Handysize carriers for North Africa where a second successive drought has sharply increased import requirements. Given the disappointing quality of the harvest in the EC, usually a major supplier, some

of this trade will be covered by other origins. Fixtures already have been confirmed to Algeria or Morocco from Argentina, Mexico and the United States. Egypt was a regular buyer at both government and private tenders. High internal prices encouraged China to make substantial purchases of oilseeds from Brazil and the United States. In contrast China's exports of maize (corn) were less competitive than US offers, despite the advantage accruing from lower freight rates for smaller cargoes entering directly into Asian ports. Maize shipments set a steady pace from US Gulf ports, and were covered mostly by Panamax vessels. This size also was in strong demand in other segments of the dry bulk sector, especially for iron ore fixtures from Australia to Japan. Capesize tonnage featured under long-term contracts for coal exports from Australia, China and Indonesia. Much of this business consisted of reletting by charterers holding a large number of vessels under time-charter arrangements of various duration. The Baltic Dry Index (BDI) measures the movement of representative rates in the dry cargo sector. From a peak of 1684 in late mid-April the BDI declined to 1569 in late May, following a build-up in excess tonnage at major ports. Thereafter it recovered as higher oil prices pushed up bunkering costs, and had reached 1638 by late August.

Oilseeds, Oils and Oilmeals^{1/}

Prices for oilmeals and oils moving in opposite directions

After the general downward trend which started at the beginning of 1998, prices for oilseeds and their products moved in opposite directions during the 1999/2000 season (October/September). International prices for oilseeds and oilmeals started to recover towards the beginning of the season while prices for oils and fats continued to decline, reaching their lowest level since 1987/88. During the period October-August 1999/2000, prices for oilmeals - as measured by the FAO price index - reached 88 points, up from 83 points during the corresponding period in 1998/99, whereas prices for oils and fats fell to 92 points from 127 points a year earlier.

The sustained decline in prices for **oils and fats** in the current season has been caused by record global oil supplies following record-breaking harvests of rapeseed and oil palm fruits. In addition to the accumulation of supplies of rapeseed and palm oil in export oriented countries, global export availabilities of sunflowerseed and coconut oil have also risen. Ample end-of-season stocks (including the oil contained in stored seeds), together with a high stocks-to-utilization ratio kept oil prices under downward pressure. India's decision to raise import duties on vegetable oil and the possibility of other countries following China's policy to favour import of seeds over oil purchases also affected prices. Finally, the outlook for another abundant harvest of high-oil-yielding crops in 2000/01 also appears to be contributing to the weakening of prices.

After declining significantly over the last two seasons, international prices for **oilcakes and meals** started to recover during 1999/2000 as the expansion in global supplies of oilmeals came to a halt. Global soyameal supplies are estimated to fall short of demand, hence reversing the situation recorded in the last two seasons. Soyameal supplies are estimated to fall in all major exporting countries, while sustained demand is expected in several importing countries in Asia as well as in Mexico. Under these circumstances, world stocks of soyameal and of other oilmeals (including the meal contained in stored seeds) are expected to fall, thus exerting upward pressure on prices.

Production increasing marginally in 1999/2000

After two seasons of significant expansion in global production of the seven major oilseeds, output in 1999/2000 is estimated at 301 million tonnes, only marginally above last season's level. The increase in production was mainly on account of a record-breaking crop of rapeseed (for the second consecutive year) and of a recovery in global production of cottonseed

^{1/} Note on methodology: Almost the entire volume of oilcrops harvested world-wide is crushed in order to obtain oils and fats for human nutrition or industrial purposes and cakes and meals used as feed ingredients. Therefore, rather than referring to oilseeds, the analysis of the market situation is mainly undertaken in terms of oils/fats and cakes/meals. Hence, production data for oils (cakes) derived from oilseeds refer to the oil (cake) equivalent of the current production of the relevant oilseeds, while the data on trade in and stocks of oils and cakes refer to the sum of trade in and stocks of oils and cakes plus the oil and cake equivalent of oilseed trade and stocks.

International Prices of Oilseed-Based Products

	FAO indices of international market prices		Average international market prices			
	Edible/soap fats and oils	Oilcakes and meals	Soybean ^{a/}	Soybean oil ^{b/}	Palm oil ^{c/}	Soybean meal ^{d/}
October/September	(. . . 1990-92=100 . . .)		(. US\$/tonne)			
1993/94	127	93	259	582	452	202
1994/95	153	94	247	641	645	184
1995/96	140	128	303	574	544	257
1996/97	134	133	298	537	545	279
1997/98 - Oct.-March	150	130	277	638	605	238
- April-Sept.	157	103	236	631	677	155
1998/99 - Oct.-March	141	90	219	548	621	153
- April-Sept.	109	74	199	418	407	146
1999/00 - Oct.-March	98	87	206	374	356	176
- April-Aug	86	89	213	342	325	182

Source: FAO, Oil World

^{a/} Soybean, US, cif Rotterdam. ^{b/} Soybeanoil, Dutch, fob ex-mill. ^{c/} Palm oil, crude, cif N.W. Europe. ^{d/} Soy pellets, 44/45%, Argentina, cif Rotterdam.

and copra. Together with further expanding palm kernel production, these increases more than offset this season's decline in world soybean, sunflowerseed and groundnut output. The unprecedented rise in rapeseed production occurred in all main producing countries except India. The recovery in cottonseed production was mostly in the United States and Pakistan, while in the Philippines and Indonesia, copra production recovered from the effects of adverse weather conditions in the last two years. Global soybean output is estimated to fall about 3 percent from last year's record level due to reduced yields in the United States and China and lower plantings in India. In Argentina and Brazil, sowings and output have increased. The drop in global sunflowerseed output was mainly on account of reduced harvests in the EC and Argentina, while world groundnut production fell due to harvest shortfalls in India and China. In India, aggregate oilseed output is expected to fall for the third consecutive year.

Supplies of oils and fats growing faster than those of oilmeals

Based on the production estimates for the above mentioned oilseeds and including forecasts for other oils and fats, global production of **oils and fats** in 1999/2000 is estimated to exceed last season's level by around 3 percent, climbing to a record 115 million tonnes. The expansion in total output is largely on account of a sharp increase in global rapeseed oil production, but also aggregate output of tropical oils (palm, palm kernel and coconut oil) is forecast to reach record levels. Similar to previous years, soft oils^{1/} are estimated to account for about half of total output of oils and fats, while palm oil is likely to increase its

^{1/} This group of oils comprises soybean, rapeseed, sunflowerseed, cottonseed, groundnut and olive oil.

share to about one fifth. The anticipated rise in total production and above average stocks at the beginning of this season are expected to lead to a rise in global supplies of oils and fats of 4 percent to 128 million tonnes. By contrast, at less than 77 million tonnes, world aggregate production of **oilcakes and meals** expressed in protein equivalent is forecast to fall short of last season's record level. The drop in production of soy, sunflower and groundnut meal will be only partly offset by a rise in rape, cotton, copra and fish meal production. Global supplies of meals and cakes in 1999/2000 are anticipated to increase only marginally compared to last season, due to above average inventories at the beginning of the season.

World Production of Oilseeds

	1997/98	1998/99	1999/2000 estim.
	(. million tonnes)		
Soybeans	158.3	160.8	156.6
Cottonseed	35.0	32.8	33.9
Groundnuts	29.6	32.0	30.2
Sunflowerseed	24.4	27.8	26.8
Rapeseed	33.5	36.3	41.9
Palm kernels	5.1	5.9	6.3
Copra	5.1	4.1	5.1
Others	9.4	9.9	10.3
Total	300.5	309.5	311.1

Source: FAO

Note: The split years bring together northern hemisphere annual crops harvested in the latter part of the first year shown, with southern hemisphere annual crops harvested in the early part of the second year shown. For tree crops, which are produced throughout the year, calendar year production for the second year shown is used.

Sustained demand for oils and fats contrasting with slow down in oilmeal utilization

Total utilization of **oils and fats** is estimated to increase further in 1999/2000, reaching 115 million tonnes, an increase of 5 percent from the previous season. Relatively low international prices (compared to the previous year), combined with the resumption of economic growth in the Asian region and a rise in per capita incomes world-wide, are all expected to contribute to the increase in global demand. While most of the increase in consumption is expected to occur in Asia (in particular in the two leading importers China and India), consumption is also likely to expand in North America and the EC. The growth in utilization of **oilcakes and meals** is expected to slow down in 1999/2000. Expressed in protein equivalent, global consumption is forecast to increase by a below average 3 percent to 78 million tonnes. Factors contributing to the limited demand growth include reduced global meal production and the prospect of rising prices. Most of this season's increase is expected to occur in rapeseed and soybean meal, which are in abundant supply and therefore attractively priced. Expansion in global utilization is expected to concentrate in Far East Asia, where growth rates of consumption have reverted to the levels recorded prior to the economic crises. In the United States and the EC, which together still account for the bulk of global consumption, demand for oilcakes and meals is estimated to stagnate, or even fall slightly, due to a slow down in livestock production and continued competition from competitively priced feed grains. In the EC, consumption of locally produced rapeseed and other meals has increased at the expense of imported soybean meal.

Stocks of oils and fats to remain above average while oilmeal inventories decline

Based on the above supply and demand estimates for the 1999/2000 season, end-of-season stocks of **oils and fats** are forecast to increase further from last season's above-average level as utilization is estimated to match production. Although the stocks-to-utilization ratio is estimated to fall slightly compared to the previous year, this change was not sufficient to check the downward pressure on international prices for oils and fats. Global end-of-season stocks of **oilcakes and meals** are anticipated to decline as global demand is expected to exceed global production. A declining stocks-to-utilization ratio has contributed to the recovery in international prices for oilmeals and cakes during the second half of the current season.

Healthy rise in trade of both oils and fats as well as oilmeals in 1999/2000

In 1999/2000, world trade in **oils and fats** (including the oil contained in oilseeds traded) is estimated to reach a record 49 million tonnes, exceeding last season's level by over 4 percent. Low international prices for oils and fats, together with rising demand in

the major importing regions, have stimulated trade. Similar to previous years, about three-quarters of the expansion in trade is estimated to originate in Asia. Imports of oils and fats by China and India (including oil contained in imported seeds), are forecast to climb further, reaching 5.5 and 4.7 million tonnes respectively. Both countries experienced a fall in domestic production of oilseeds. China maintained policies geared towards covering an increased portion of the country's oil requirements by importing oilseed rather than oils. Also in India, where the bulk of import demand is still met by purchases of oil, the government introduced legislation to encourage seed importation in an effort to support the domestic crushing industry. Other countries in the region are expected to follow this trend. On the export side, the largest increase in shipments is estimated to occur in Asia. Shipments of palm, palm kernel and coconut oil recovered after weather related declines in overall supplies and exports in the last two years. Combined exports of Malaysia, Indonesia and the Philippines in the three tropical oils are estimated to exceed 15 million tonnes, thus accounting for close to one third of global shipments of oils and fats. Among soft oils, soyoil shipments are estimated to stagnate in 1999/2000 as import demand is shifting to rapeseed and its oil, partly because of the above mentioned tendency of some major importers to prefer seed imports over oil purchases. Furthermore, ample rapeseed oil supplies and the ensuing price discounts vis-à-vis competing oils have contributed to record rapeseed/oil shipments by the three main suppliers, Canada, the EC and Australia.

Supported by relatively low international prices and abundant supplies, world trade in **oilcakes and meals** (including the meal contained in oilseeds traded) is estimated to expand further in 1999/2000. Sustained demand in Asia's top importing countries has contributed to the continued expansion in global trade in spite of the anticipated slow down in meal utilization anticipated at the global level. Total imports of oilcakes and meals are forecast to exceed 92 million tonnes. Record rapeseed supplies and the ensuing low prices have led to an exceptional rise in rapemeal shipments this season. Purchases by the world's largest import market, the EC, are forecast to fall due to stagnating livestock production and abundant availability of meals and other feedgrains of local origin. Asian countries are expected to account for the bulk of the anticipated increase in global imports, as the resumption of economic growth in the region has stimulated livestock production and thus demand for meals. Regarding exports, United States' soy meal shipments started expanding again as exporters - thanks to large inventories - were able to recover market shares previously lost to Latin American competitors. South America's meal shipments are estimated to grow by no more than 1 percent, as the region is faced with reduced export availabilities due to stagnating production as well as, in Brazil, sustained domestic demand for oilcakes as feedstuffs. Soy meal export availabilities have also dropped in India, which is also

confronted with lower production and high internal demand.

Production prospects for 2000/01 expected to change current trends in prices

Total oilseed output is anticipated to rise further in 2000/01, primarily on account of increased soybean production in the United States and China as well as the prospect of sustained production in Argentina and Brazil. In the United States and China, production expansion has been partly driven by government policies that increased profitability of soybean cultivation as compared to competing arable crops. By contrast, substantial reductions are expected in global production of the other main oilseeds. Abundant stocks and weak prices have curtailed plantings of rapeseed in the northern hemisphere, which together with yield reductions caused by unfavourable weather, could result in global rapeseed output falling significantly below the record level reached in 1999/2000. Declines are also reported for northern hemisphere sunflower crops, mainly on account of depressed farm-gate prices and adverse weather, while production prospects in Argentina are also poor. Regarding tropical oils, a limited expansion in production is anticipated for the year 2001. At the individual country level, a sizeable expansion of domestic oilseeds output is expected in China, which is likely to affect the country's import demand. Globally, after taking into

account carry-in-stocks, no significant expansion in overall supplies of oilseeds and derived products is expected for 2000/01, and current prospects suggest that global demand for oilseed products, in particular oils and fats, may exceed supplies in the next season. With regard to oils and fats, both global stocks and the stocks-to-utilization ratio are anticipated to fall, which, eventually, should lead to a recovery in prices for these products. Developments on the oilmeal markets are more difficult to predict as prospects for import demand and exportable supplies are still uncertain. Import demand in some major soybean importing countries could be limited in 2000/01 due to rising domestic oilmeal supplies and/or increased use of competitively priced feedgrains. This, together with the prospect of expanding global soybean supplies, suggests that the recovery of oilmeal prices could slow down during the next season. Eventually, global stock movements will determine price developments in oilmeal markets. In this respect, future demand for oilmeals and competing feedgrains in major soybean exporting countries, notably the United States, will have an important impact on prices. Overall, during 2000/01, the supply and demand situation for oils and fats is expected to tighten more than that for meals. As a result, oilseed crushings are likely to be driven increasingly by global demand for oils, as opposed to the 1999/2000 seasons, when abundant oils and fats supplies caused crushings to be determined mainly by the demand for meals.

Meat and Meat Products

Although world meat prices have been rising since the beginning of 1999, reflecting a tightening of supplies, the increase has been tempered somewhat in 2000. The upward momentum of the FAO meat price index has been maintained largely by escalating pigmeat prices, as producers in both the EC and the United States had already reduced inventories in response to relatively poor economic returns in 1999. International beef prices, on the other hand, have edged downward as slaughter and increased weights increased output. Low feed prices have also boosted supplies of poultry meat.

Global meat production in 2000 is currently forecast to increase by 2 percent to 231.4 million tonnes, mainly in developing countries as output is expected to contract in most developed countries. The strongest growth in output is expected to be in South America. In line with these changes, per caput consumption in developing regions is expected to increase by 1.5 percent to 27 kg, while in developed regions it is likely to decline by 1 percent to 79 kg.

The 8-percent jump in global meat trade witnessed in 1999, induced by strong economic recovery in Asia, the use of export programmes, such as meat food aid shipments to Russia, and high EC export subsidies, is unlikely to be replicated in 2000. Accordingly, world

World Meat Production

	1998	1999	2000 estim.
	(. . . . million tonnes)		
WORLD TOTAL	223.1	227.7	231.4
Poultry meat	61.5	63.7	65.4
Pig meat	88.0	89.2	90.3
Bovine meat	58.3	59.3	60.1
Sheep & goat meat	11.3	11.4	11.6
Other meat	4.0	4.0	4.0
DEVELOPING COUNTRIES	119.6	122.2	126.1
Poultry meat	30.9	32.1	33.3
Pig meat	50.4	50.9	52.6
Bovine meat	27.9	28.8	29.6
Sheep & goat meat	8.0	8.1	8.2
Other meat	2.4	2.4	2.4
DEVELOPED COUNTRIES	103.5	105.4	105.3
Poultry meat	30.5	31.6	32.1
Pig meat	37.6	38.3	37.6
Bovine meat	30.4	30.6	30.5
Sheep & goat meat	3.3	3.3	3.3
Other meat	1.7	1.6	1.6

Source: FAO **Note:** Total computed from unrounded data.

meat trade is currently estimated at 16.5 million tonnes, up by only 1 percent, with poultry meat accounting for most of that increase. Animal disease and food safety issues were minimal in the first half of 2000, with the exception of the outbreaks of foot and mouth disease (FMD) in Japan and the Republic of Korea, which are expected to reduce pigmeat exports in the latter. However, the August outbreaks of FMD in Argentina and swine fever in the United Kingdom add considerable uncertainty to the 2000 market outlook. Overall, however, developing countries are still set to capture all the growth in meat exports in 2000 because of reduced output in most developed countries.

The stabilization of WTO export subsidies by July 2000 and the elimination of the roll-over provision which had been applied to EC exports in previous years, have been the major policy developments of note in the current year. The implementation of the "double zero" option in the EC, which is expected to increase market access and eliminate the use of export subsidies between the EC and many of the accession countries in eastern and central Europe, will make its effects felt in 2001 rather than 2000.

World Meat Exports ^{1/}

	1998	1999	2000 estim.
	(. . . thousand tonnes . . .)		
WORLD	15 108	16 338	16 498
Poultry meat	6 161	6 707	6 795
Pig meat	2 885	3 242	3 210
Bovine meat	5 136	5 447	5 512
Sheep meat and goat meat	676	689	715
Other meat	251	252	266

Source: FAO

Note: Total computed from unrounded data.

^{1/} Includes meat (fresh, chilled, frozen prepared and canned) in carcass weight equivalent; excludes live animals, offals and EC intra-trade.

Bovine meat output up slightly, while trade gains slow down

Global bovine meat output is expected to rise by only 1 percent in 2000, sustained by a nearly 3-percent production increase in the developing countries, particularly China and Brazil, while a slight contraction is expected in the developed regions. In China, meat prices have recovered from the low levels of last year, prompting a sizeable increase in beef production. In Brazil, economic recovery along with strong export demand for competitively priced product are leading to increased slaughter and output. Meanwhile, beef production in some Near East Asian countries, e.g. the Islamic Republic of Iran and Iraq, is declining, affected by two years of drought compounded by outbreaks of FMD. Kenya and Ethiopia are also suffering one of the worse droughts in record, which has led to dramatic livestock losses in some regions.

Developed country bovine meat production is expected to decline marginally this year. European beef inventories and production should continue to slip in 2000, with EC output dropping slightly despite the phasing-out of most of BSE-imposed slaughter regimes. Low animal productivity in eastern European countries and the Russian Federation, combined with escalating feed prices, are maintaining a decade-long decline in animal inventories and output. Reduced slaughtering will constrain production in Australia this year, despite relatively high carcass weights, while output in New Zealand should expand slightly, reflecting in part increased steer slaughter as dairy herds increase. A modest rise is also anticipated in the United States due to unexpectedly strong placements of cattle in feedlots and low heifer retention for breeding, which defy expectations of significant herd rebuilding.

Trade in bovine meat is expected to increase by 1 percent this year, significantly below the 6 percent recorded in 1999, when product movement was supported by exporter credit programmes and food aid to Russia. The strong demand from Asian countries is the main factor underpinning the market in 2000. In particular, lower output in the Republic of Korea, partly due to the mid-year outbreak of foot-and-mouth disease that affected both cattle and pigs, is prompting a surge in imports. Lower tariffs in Japan have also stimulated imports. The United States, the largest bovine meat importer, is expected to step up its purchases of manufacturing grade beef in response to the relatively high domestic cow prices. A rebounding economy is also encouraging larger imports by Mexico. Beef shipments to the EC are expected to increase in response to lower duties and rising domestic prices. By contrast, imports by the Russian Federation could decline significantly, following the elimination of the EC and US export programmes. In Africa, the rise in international beef prices should also constrain imports of bovine meat this year.

The expansion of world imports in 2000 should be met mainly by suppliers in South America, despite concerns about the recent FMD outbreak in Argentina. Increased production in Brazil and Uruguay, changes in disease-free status in both Argentina and Brazil, and the continued weakness of the Brazilian currency is expected to increase exports from this region. Meanwhile, in the EC, higher domestic prices, a depletion of intervention stocks and a 25 percent decline in export restitutions since early 2000, portend a decline in shipments to 1998's level. Record supply availabilities in the United States will underpin export gains, while in New Zealand, depreciation of its currency is stimulating increased shipments.

Pigmeat supplies contract in developed regions, high prices restrict trade prospects

Responding to poor returns in 1999, pork producers in the developed exporting countries have reduced herd size and pigmeat production. As a result, the estimated 1 percent increase in global pigmeat output in 2000, is

likely to take place in developing countries in Asia and South America. Improved margins in China (Mainland), following a recovery in pig prices and a sharp decline in feed costs, are stimulating a 3-percent jump in output. Similarly, in the Chinese Province of Taiwan, high prices and good profits in 1999 have encouraged producers to expand herd sizes, resulting in rising production this year. Steady growth is expected in the Philippines and Brazil, reflecting favourable returns and substantial investments in the industry in the two countries.

In the United States and the EC, producers have responded to last year's low returns by cutting their inventories, which should prompt a 1 and 2 percent decline in their respective outputs in 2000. Meanwhile, in eastern European countries, drought has induced a sharp rise in feed costs which should limit output gains. In Poland, the region's largest producer, pork output, after rising last year to its highest level since 1992, is forecast to drop in 2000, despite intervention buying by the government, in response to sluggish export demand and sharp price falls.

Global trade in pigmeat in 2000 is set to decline for the first time since the early 1990's, as escalating prices constrain import demand to 3.2 million tonnes. Asia continues to be a growing market, headed by China, Hong Kong SAR and Japan. Strong output gains in the Chinese Province of Taiwan, however, should discourage imports after last year's increase in market access. Meanwhile, in the Republic of Korea, the export ban stemming from this year's FMD outbreak, is leading to product, previously destined for export to Japan to be diverted onto domestic markets, depressing demand for imports. In the Russian Federation, the largest pigmeat market in 1997, imports are estimated to drop by a third from 1999's level, hampered by a cut in food aid shipments from the EC and the United States, the July elimination of EC export restitutions for all pork cuts and rising international prices.

Reduced supplies in the United States and the EC, who, along with Canada, furnish nearly three-quarters of global pigmeat exports, are expected to lead to lower shipments in 2000. In particular, EC exports are likely to drop by 10 percent from the 1999's record of 1.3 million tonnes, especially after the removal of all EC pigmeat refunds in an effort to adhere to the WTO subsidized export limit of 443 500 tonnes. The EC also agreed with 7 out of 9 eastern European accession candidates to eliminate all export subsidies and to expand market access. However, increased product movement between the regions is unlikely to change much in 2000 due to delays in implementation of those agreements. By contrast, Canada's exports are expected to increase as a result of expanded production and processing capacity.

Sheep and Goat meat output and trade expands

Global ovine output is expected to expand by 2 percent in 2000 to 11.6 million tonnes, with increases in China

and Oceania more than compensating for declines in North America, Europe and the Russian Federation. Increased exportable supplies are expected in New Zealand, as favourable weather and lamb prices, together with improved management practices, have boosted lamb birth rates and slaughter numbers in 2000. In Australia, record lamb production is pushing up ovine output by 2 percent. This contrasts with a slight seasonal decline in EC sheep supplies and a steady fall in United States flocks and output. Asia, a region which accounts for more than half of global output, is likely to expand production by more than 2 percent, supported by steady growth in China, Pakistan and India. Output in Mongolia will fall this year as a result of the considerable animal losses incurred during the worst winter in 30 years. A second year of drought in the Islamic Republic of Iran and Iraq, combined with an outbreak of foot-and mouth disease, should depress outputs there also.

Global trade in ovine meat is expected to surge by 4 percent in 2000 as a supply-driven rise in export availability in Oceania combines with strong mutton and lamb demand from both the United States and the EC. Overall deliveries to the EC, particularly of fresh/chilled lamb cuts, could rise slightly as New Zealand moves to fill its EC quota of 283 000 tonnes. Meanwhile, imports by the United States are expected to reach 52 000 tonnes in 2000, or 6 percent more than in 1999, despite the imposition since July 1999 of a tariff-rate quota (TRQ) on lamb, with a duty of 9 percent charged on in-quota imports and 40 percent on over-quota imports. Falling production combined with the restrictive TRQ, have boosted lamb import prices in the United States by 7 percent since May of last year. Plentiful ovine meat supplies, particularly of lamb, in Australia and New Zealand, should help keep lamb carcass prices relatively stable in the short term. However, the overall value of shipments is likely to rise, as these two countries move to include more chilled product and meat cuts rather than carcasses in 2000. For instance, chilled product is expected to account for more than 10 percent of total New Zealand's shipments this year, considerably above their 2-percent share in the late 1980's, a shift that has boosted the export per unit value of ovine meat from New Zealand by more than 50 percent over the time period.

Poultry meat continues robust growth, trade prospects favourable

Remaining the strongest-growth meat sector, global poultry meat output is expected to reach 65.4 million tonnes in 2000, slightly less than the 4 percent gain registered in 1999. Developing countries are expected to account for nearly 70 percent of the expected increase, with the largest contributions being made by those in Asia and South America. Outputs in China and Thailand are estimated to increase by 3 and 2 percent respectively, while economic recovery in the Republic of Korea is prompting a sharp jump in output after 1999's decline of more than 20 percent. Output expansion is also expected in Indonesia, Viet Nam,

and India. In Brazil, a surge in broiler breeder placements at the end of 1999 has set the stage for a nearly 4 percent increase in output, while neighbouring countries around the region, such as Chile and Peru, are witnessing robust output gains as their economies recover. In Europe, the sector is witnessing an unprecedented downturn, as it struggles to recover from 1999's low prices. Production in eastern European countries is estimated up 2 percent, despite drought-induced higher feed costs, which dampened the growth of output, which averaged 5-percent since the mid-1990's. Similarly, the higher input costs faced by Russian producers will likely limit any expansion in output, despite considerable foreign investment in the sector. Meanwhile, low feed costs in the United States and Canada are maintaining producer margins and inducing a 3 and 4 percent output expansion, respectively.

Abundant supplies in 2000 and lower international prices are expected to prompt a 2 percent growth in global poultry meat trade. Continued strong demand is expected in some countries in Asia, a region which accounts for more than 55 percent of global imports. Imports by the Russian Federation could expand slightly in 2000, supported by lower chicken meat import duties, as well as a reduction in the value-added tax to 10 percent as of July. Among the major poultry exporting countries of the United States, Brazil, the EC and Thailand, only the EC is expected to reduce exports in 2000. EC shipments continue to be constrained by WTO subsidy limitations and competition from other suppliers. In the United States, strong output growth in 2000 is supporting a 3-percent jump in shipments, after two years of decline. Similarly,

Brazilian exports are set to register another sharp increase boosted by the devaluation of the Real in January 1999. Thai shipments, while battling for market share with Brazilian products in the EC and Japan, are expected to increase.

Mixed outlook for meat prices over the next 12 months

Indications of intensive herd rebuilding in the major beef exporting regions in 2001 have raised expectations of strengthening international beef prices. However, as there has been little apparent retention of heifers for breeding in the United States, high slaughter rates could extend into early next year, dampening the prospects for price increases. Meanwhile, expectations of low feed prices throughout next year may lead to expansion in the pig sectors in the EC and North America, constraining upward price movements in prices of pig products in 2001.

In the sheep meat market, rising demand for imported lamb and possible declining availabilities from New Zealand may be the most important factors underpinning prices over the next 12 months. Mutton prices are likely to remain strong in response to continued demand from both the live trade and meat markets. Despite stronger red meat prices in 2000, poultry meat prices, as reflected by the US per unit export value for chicken cuts, have remained relatively stable over 2000. Both ample supplies in importing countries and the lower value of the currency in Brazil, the second largest poultry meat exporter, have prevented prices from rising, a tendency that is expected to persist into 2001.

International Meat Prices

	FAO index of international meat prices (. . 1990-92=100 . .)	Average international meat prices (. US\$/tonne)			
		Chicken ^{1/}	Pork ^{2/}	Beef ^{3/}	Lamb ^{4/}
1994	103	921	2 659	2 384	2 975
1995	90	922	2 470	1 947	2 621
1996	88	978	2 733	1 741	3 296
1997	88	843	2 724	1 880	3 393
1998	79	760	2 121	1 754	2 750
1999	85	602	2 073	1 894	2 610
2000	89 ^{5/}	569 ^{5/}	2 037 ^{5/}	1 983 ^{6/}	2 649 ^{7/}

Source: FAO

1/ Chicken parts, United States export unit value. 2/ Frozen pork, United States export unit value. 3/ Manufacture cow beef, Australia, cif prices to the United States. 4/ Lamb frozen whole carcass, New Zealand, wholesale prices London. 5/ January-May. 6/ January-August. 7/ January-July.

Fertilizers

Urea spot prices in international markets increased considerably over recent months. Prices are between 60 and 100 percent higher than a year ago. Urea production in the Russian Federation increased significantly in the first half of 2000 compared to the same period last year. Urea availability in the Baltic Sea region is restricted, various plants are down and prices are rising. India secured approximately 50 000 tonnes of urea, part of which might be used as an intermediate for the production of NPK. Following the shutdown of a few plants, the Indonesian government announced a temporary export ban for urea, but the implementation is uncertain. In China the demand for urea was lower than expected and urea production increased. China consequently is exporting urea to Viet Nam, Nepal and the Philippines. However, the present level of exports from China of about 100 000 tonnes per month is expected to decrease when the next crop season starts at the end of September. Demand in

Latin American is strong. Mexico is reported to be importing 25 000 tonnes from the Russian Federation and in Brazil, imports are running 14 percent higher than the compared period of 1999. The Black Sea region is Brazil's main source of urea imports. Brazil's import duties will probably remain at 9 percent until end-2000, and then decrease to 6 percent. Urea demand in the United States is expected to increase in the coming planting season.

Ammonia prices remained stable over the past few weeks, except in the United States where they fell. Demand in Europe and Turkey has recently increased, and Morocco has reportedly tendered for 18 000 tonnes. High gas prices in the United States induced shut-downs of several plants. This trend might continue and result in larger imports. Saudi Arabia intends to improve an ammonia production plant to increase its supply capacity.

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

	2000		1999	Change from last year ^{1/}
	July	August	August	
	(..... US\$/tonne)			(. percentage .)
Urea				
eastern Europe	124-128	135-138	68-69	+ 99.3
Near East	141-146	141-146	89-91	+ 59.4
Ammonium Sulphate				
eastern Europe	40-43	45-47	44-46	+ 2.2
Far East	60-61	61-63	65-66	- 5.3
U.S. Gulf	45-47	45-47	n.a.-n.a.	
western Europe	55-60	55-60	60-65	- 8.0
Diammonium Phosphate				
Jordan	156-158	172-178	190-195	- 9.1
North Africa	149-155	164-171	177-186	- 7.7
U.S. Gulf	156-158	166-169	173-176	- 4.0
Triple Superphosphate				
North Africa	117-125	126-131	141-144	- 9.8
U.S. Gulf	129-136	133-139	150-154	- 10.5
Muriate of Potash				
eastern Europe	92-111	92-111	98-113	- 3.8
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.

International spot market prices for **ammonium sulphate** in the last few months have been stable. There were only slight changes compared to prices in the previous year. Turkey intends to import 30 000 tonnes, of which most will originate from suppliers in the CIS. The Islamic Republic of Iran is purchasing 20 000 tonnes from Uzbekistan.

Diammonium phosphate (DAP) prices increased noticeably from July to August but remain, however, between 4 and 9 percent lower than in mid-1999. In India, the government has approved a major increase in state support for domestic DAP production. Consumption for the Kharif season has decreased by 18 percent, compared to 1999, to 2.7 million tonnes. Pakistan estimates its seasonal Rabi planting requirements at 600 000 tonnes, which will be met from carryover stocks, domestic production (20 percent each) and the balance by imports. DAP demand in China is low due to drought and inventories are high. China is re-exporting DAP to neighbouring countries. Near East and North African suppliers have scheduled exports to Turkey and Argentina. Shortage of MAP in Brazil is reflected in increased demand for DAP. Russian Federation suppliers are at present fully

committed to export DAP to Argentina, Brazil and South Africa. The demand for DAP in the United States is strong and inventory levels are low.

Prices for **triple superphosphate** (TSP) remain 10 percent down compared to 1999, despite a slight recovery in August. Tunisia exports TSP to Pakistan and is expected to supply France and Italy.

Muriate of potash (MOP) prices have remained relatively stable over the past few months. The price in eastern European countries and North America is at approximately the same level as in the comparable period of 1999. In western Europe, however, prices are about 11 percent down from a year ago. Potash producers continue with mine shutdowns to align supply with expected demand. World potash sales in the first half of 2000 are reported to have reached 13.5 million tonnes (up 6 percent compared to 1999). CIS exports to North and Latin American, Europe and Asia in this period reached 2.8 million tonnes. Brazil imported around 1.4 million tonnes in the first half of 2000. Demand in China and Indonesia is weak. Seasonal import requirements are expected to emerge in The Philippines, Taiwan Province of China, Thailand and Viet Nam.

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A.1 a) - WORLD CEREAL PRODUCTION - Forecast for 2000 as of August 2000

	Wheat			Coarse Grains		
	1998	1999 estim.	2000 f'cast	1998	1999 estim.	2000 f'cast
	(..... million tonnes)					
ASIA	254.8	260.0	252.4	228.8	218.0	197.9
Bangladesh	1.8	1.9	1.7	0.1	0.1	0.1
China ^{1/}	109.7	113.9	101.0	147.4	141.4	121.6
India	66.3	70.8	74.3	31.7	30.1	30.2
Indonesia	-	-	-	10.1	9.2	9.2
Iran, Islamic Rep. of	12.0	8.7	8.0	4.3	2.8	2.3
Japan	0.6	0.6	0.6	0.2	0.2	0.2
Kazakhstan	5.5	11.2	9.2	1.5	2.8	2.1
Korea, D. P. R.	0.1	0.1	0.1	1.8	1.3	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	4.6	4.7
Turkey	21.0	18.0	19.0	10.9	9.7	10.2
Viet Nam	-	-	-	1.6	1.8	1.8
AFRICA	18.7	14.9	13.6	79.5	75.7	77.5
North Africa	14.3	11.3	9.7	10.8	9.5	7.6
Egypt	6.1	6.3	6.7	7.4	6.8	6.3
Morocco	4.4	2.2	1.4	2.2	1.7	0.6
Sub-Saharan Africa	4.5	3.7	3.9	68.7	66.2	69.8
Western Africa	0.1	0.1	0.1	30.9	30.5	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	1.7	20.0	17.7	18.7
Ethiopia	1.1	1.1	1.2	6.1	6.6	6.5
Sudan	0.5	0.2	0.2	5.0	2.9	5.2
Southern Africa	2.2	2.0	2.1	15.1	15.3	18.2
Madagascar	-	-	-	0.2	0.2	0.1
South Africa	1.8	1.6	1.8	8.3	7.5	10.3
Zimbabwe	0.3	0.3	0.2	1.6	1.7	2.1
CENTRAL AMERICA	3.3	3.1	3.2	28.7	28.7	29.2
Mexico	3.2	3.1	3.1	25.4	25.2	25.8
SOUTH AMERICA	16.5	19.3	19.5	62.8	58.6	64.0
Argentina	11.5	14.7	14.5	24.2	17.5	20.4
Brazil	2.2	2.4	2.8	30.6	33.3	35.7
Colombia	0.1	0.1	0.1	1.6	1.5	1.5
NORTH AMERICA	93.4	89.5	87.0	298.7	290.8	314.6
Canada	24.1	26.9	25.4	26.8	26.9	27.0
United States	69.3	62.7	61.6	271.9	263.8	287.6
EUROPE	188.7	178.2	188.0	202.6	201.7	203.5
Bulgaria	3.3	3.1	3.1	2.4	2.4	2.3
EC ^{2/}	103.7	97.5	105.1	106.8	103.0	107.9
Hungary	4.9	2.6	3.8	8.1	8.7	6.6
Poland	9.5	9.1	8.2	17.6	16.7	13.4
Romania	5.2	4.7	4.3	10.3	12.0	11.1
Russian Fed.	30.0	34.0	37.0	22.2	24.6	27.5
Ukraine	17.0	15.0	13.5	11.4	11.3	12.0
OCEANIA	22.3	24.3	23.1	9.8	8.9	9.7
Australia	22.1	24.1	22.8	9.2	8.3	9.1
WORLD	597.7	589.3	586.7	910.8	882.5	896.4
Developing countries	277.8	276.1	269.2	388.3	368.8	354.4
Developed countries	319.9	313.2	317.4	522.5	513.7	542.0

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 August 2000

	Rice (paddy)			Total Cereals ^{1/}		
	1998	1999 estim.	2000 f'cast	1998	1999 estim.	2000 f'cast
	(..... million tonnes)					
ASIA	534.9	549.3	541.4	1 018.4	1 027.3	991.6
Bangladesh	29.5	34.0	33.8	31.4	35.9	35.5
China ^{2/}	200.6	200.5	191.5	457.7	455.8	414.1
India	129.1	132.5	134.3	227.1	233.3	238.8
Indonesia	49.2	50.9	50.1	59.3	60.1	59.2
Iran, Islamic Rep. of	2.8	2.3	2.4	19.0	13.8	12.7
Japan	11.2	11.5	11.5	11.9	12.3	12.3
Kazakhstan	0.2	0.2	0.2	7.2	14.3	11.5
Korea, D. P. R.	2.1	2.3	2.1	3.9	3.7	3.8
Korea, Rep. of	7.0	7.2	7.0	7.3	7.6	7.4
Myanmar	17.1	17.5	18.0	17.7	18.1	18.6
Pakistan	7.0	7.6	7.2	27.6	27.5	31.1
Philippines	10.3	12.0	12.2	14.1	16.6	16.6
Saudi Arabia	-	-	-	2.4	2.2	2.1
Thailand	22.8	23.3	23.3	28.0	27.9	27.9
Turkey	0.3	0.3	0.3	32.2	28.0	29.5
Viet Nam	30.9	31.7	32.0	32.5	33.5	33.8
AFRICA	15.7	17.5	17.6	114.0	108.1	108.6
North Africa	4.5	5.9	6.2	29.6	26.6	23.5
Egypt	4.5	5.8	6.2	17.9	19.0	19.2
Morocco	-	-	-	6.6	3.9	2.0
Sub-Saharan Africa	11.3	11.7	11.3	84.4	81.5	85.1
Western Africa	6.8	7.5	7.5	37.8	38.0	38.0
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	23.4	20.2	21.3
Ethiopia	-	-	-	7.2	7.7	7.7
Sudan	-	-	-	5.5	3.1	5.4
Southern Africa	2.7	2.9	2.4	20.0	20.2	22.7
Madagascar	2.4	2.6	2.2	2.6	2.8	2.3
South Africa	-	-	-	10.1	9.0	12.1
Zimbabwe	-	-	-	1.9	2.0	2.3
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	20.1	96.1	99.1	103.7
Argentina	1.0	1.7	0.9	36.7	33.9	35.8
Brazil	8.5	11.6	11.5	41.3	47.3	50.0
Colombia	1.8	1.8	1.8	3.4	3.4	3.4
NORTH AMERICA	8.5	9.5	9.0	400.6	389.8	410.5
Canada	-	-	-	50.9	53.8	52.4
United States	8.5	9.5	9.0	349.7	336.0	358.1
EUROPE	3.2	3.2	3.2	394.4	383.1	394.8
Bulgaria	-	-	-	5.7	5.5	5.4
EC ^{3/}	2.6	2.7	2.6	213.0	203.2	215.7
Hungary	-	-	-	13.0	11.3	10.3
Poland	-	-	-	27.2	25.7	21.6
Romania	-	-	-	15.4	16.6	15.4
Russian Fed.	0.4	0.4	0.5	52.6	59.0	65.0
Ukraine	0.1	0.1	0.1	28.5	26.3	25.6
OCEANIA	1.4	1.4	1.1	33.5	34.6	33.8
Australia	1.3	1.4	1.1	32.6	33.7	32.9
WORLD	582.6	604.4	594.8	2 091.2	2 076.2	2 077.9
Developing countries	557.6	577.9	569.1	1 223.8	1 222.8	1 192.7
Developed countries	25.0	26.4	25.7	867.4	853.3	885.1

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	46.4	50.7	49.7	52.8	56.7	56.6
Bangladesh	2.4	1.7	1.6	-	-	-
China	1.5	2.0	4.7	6.8	7.8	7.7
Taiwan Province	1.0	1.1	1.1	4.5	5.1	5.2
China, Hong Kong SAR	0.4	0.4	0.5	-	-	-
Georgia	0.6	0.6	0.6	-	-	0.1
India	1.5	1.6	0.1	0.2	0.4	0.2
Indonesia	3.1	3.5	3.5	0.4	0.8	0.7
Iran, Islamic Rep. of	2.8	7.0	6.8	1.5	2.1	2.5
Japan	5.8	5.8	6.0	21.0	20.6	20.6
Korea, Rep. of	4.9	3.7	3.6	7.3	8.9	8.7
Malaysia	1.2	1.3	1.3	2.4	2.4	2.4
Pakistan	2.9	2.0	0.2	-	-	-
Philippines	2.2	2.7	2.5	0.2	0.5	0.3
Saudi Arabia	-	0.1	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	0.3	0.3
Uzbekistan	0.4	0.5	0.2	-	-	-
Yemen	2.0	2.3	2.3	0.2	0.2	0.2
AFRICA	24.5	23.5	24.9	11.6	13.3	14.8
North Africa	16.5	15.4	17.3	8.2	8.6	9.5
Algeria	4.3	4.5	5.0	1.5	1.7	1.7
Egypt	7.3	6.0	6.8	3.6	3.8	4.2
Morocco	2.7	2.8	3.2	1.8	1.6	2.1
Tunisia	0.8	0.8	1.0	0.7	0.7	0.8
Sub-Saharan Africa	7.8	8.0	7.5	3.4	4.7	5.3
Cote d'Ivoire	0.3	0.3	0.3	-	-	-
Ethiopia	0.6	0.8	0.7	-	0.1	0.2
Kenya	0.4	0.6	0.6	0.4	1.0	1.4
Madagascar	0.1	0.1	0.1	-	-	-
Senegal	0.2	0.2	0.2	0.1	0.1	0.2
Sudan	0.8	0.9	1.0	0.1	0.1	-
CENTRAL AMERICA	5.6	5.9	5.8	11.1	12.6	12.0
Mexico	2.5	2.7	2.5	8.6	9.6	9.0
SOUTH AMERICA	12.4	11.8	12.3	6.8	7.1	6.6
Brazil	7.3	6.4	6.8	1.3	1.7	1.5
Colombia	1.1	1.2	1.2	1.7	1.9	1.9
Peru	1.3	1.3	1.3	1.2	0.7	0.7
Venezuela	1.3	1.3	1.3	1.4	1.3	1.4
NORTH AMERICA	2.9	2.4	2.6	3.7	3.6	3.6
EUROPE	7.6	12.9	11.7	6.7	7.8	7.8
EC ^{2/}	2.7	3.2	3.1	3.5	3.1	3.1
Russian Fed.	1.9	5.3	3.5	0.8	1.8	0.8
OCEANIA	0.5	0.5	0.5	0.1	0.1	0.1
WORLD	99.9	107.8	107.5	92.9	101.1	101.5
Developing countries	78.5	81.2	81.9	59.6	66.8	67.4
Developed countries	21.4	26.6	25.6	33.3	34.3	34.0

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	11.5		113.4	118.9	
Bangladesh	1.8	0.5		4.2	2.2	
China	0.2	0.2		8.5	10.0	
Taiwan Province	-	-		5.5	6.1	
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	2.2		7.3	6.5	
Iran, Islamic Rep. of	1.0	1.1		5.3	10.2	
Japan	0.7	0.7		27.5	27.1	
Korea, Rep. of	0.1	0.1		12.3	12.7	
Malaysia	0.7	0.7		4.3	4.4	
Pakistan	-	-		2.9	2.0	
Philippines	1.0	0.6		3.5	3.8	
Saudi Arabia	0.9	0.9		6.9	7.0	
Singapore	0.4	0.4		0.9	0.9	
Sri Lanka	0.2	0.2		1.2	1.3	
Syria	0.2	0.2		0.8	0.9	
Thailand	-	-		0.9	1.1	
Uzbekistan	-	-		0.4	0.5	
Yemen	0.2	0.2		2.4	2.7	
AFRICA	5.3	5.5		41.4	42.2	
North Africa	0.2	0.2		24.9	24.2	
Algeria	-	-		5.9	6.2	
Egypt	-	-		10.9	9.8	
Morocco	-	-		4.6	4.4	
Tunisia	-	-		1.5	1.5	
Sub-Saharan Africa	5.1	5.2		16.3	17.9	
Cote d'Ivoire	0.6	0.6		0.9	0.9	
Ethiopia	-	-		0.7	0.9	
Kenya	0.1	0.1		0.8	1.7	
Madagascar	0.1	0.3		0.2	0.4	
Senegal	0.7	0.6		0.9	0.8	
Sudan	-	-		0.9	1.0	
CENTRAL AMERICA	1.5	1.5		18.2	20.0	
Mexico	0.4	0.4		11.4	12.7	
SOUTH AMERICA	1.3	1.1		20.6	20.0	
Brazil	1.0	0.7		9.6	8.8	
Colombia	-	0.1		2.8	3.2	
Peru	0.1	0.2		2.7	2.1	
Venezuela	-	0.1		2.7	2.6	
NORTH AMERICA	0.6	0.6		7.3	6.7	
EUROPE	1.8	1.8		16.0	22.5	
EC 2/	0.7	0.6		6.8	6.9	
Russian Fed.	0.6	0.6		3.3	7.7	
OCEANIA	0.4	0.4		1.0	0.9	
WORLD	25.1	22.4	23.0 3/	217.9	231.3	232.0
Developing countries	21.3	18.4	19.0	159.4	166.4	168.3
Developed countries	3.8	4.0	4.0	58.5	64.8	63.6

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	7.5	10.6	9.4	5.9	9.5	6.8
China 2/	0.3	0.2	0.2	3.4	7.3	5.2
India	0.1	0.5	0.4	-	-	-
Indonesia	-	-	-	0.2	0.2	0.2
Japan	0.4	0.5	0.6	-	-	-
Kazakhstan	2.1	6.1	3.7	0.4	0.9	0.5
Myanmar	-	-	-	0.2	0.1	0.1
Pakistan	0.3	0.3	1.0	-	-	-
Saudi Arabia	-	-	-	-	-	-
Thailand	-	-	-	0.2	0.1	0.1
Turkey	2.6	1.5	2.0	1.2	0.6	0.6
Viet Nam	-	-	-	0.2	0.2	0.2
AFRICA	0.3	0.2	0.2	2.2	1.8	2.3
Egypt	-	-	-	-	-	-
South Africa	0.1	0.1	0.1	1.1	0.5	1.2
Sudan	-	-	-	0.3	0.1	0.3
Zimbabwe	-	-	-	0.1	-	-
CENTRAL AMERICA	0.3	0.3	0.3	0.1	0.1	0.1
SOUTH AMERICA	8.6	10.0	10.0	11.4	9.8	10.8
Argentina	8.3	10.0	10.0	10.8	9.3	10.2
Suriname	-	-	-	-	-	-
Uruguay	-	-	-	0.1	0.1	0.1
NORTH AMERICA	43.2	47.5	50.8	55.5	57.3	62.0
Canada	14.2	18.5	18.8	2.7	3.2	4.5
United States	29.0	29.0	32.0	52.8	54.0	57.5
EUROPE	24.1	20.3	19.2	14.2	17.6	15.5
EC 3/	13.7	15.0	15.5	9.1	12.0	11.8
Hungary	1.5	0.5	0.8	1.9	2.1	1.1
Poland	0.4	0.2	-	-	0.2	-
Romania	0.4	0.3	-	0.2	0.5	0.5
Russian Fed.	1.5	0.5	0.4	0.2	0.1	0.1
Ukraine	4.4	1.9	1.1	1.4	1.0	1.0
OCEANIA	16.4	17.2	17.7	4.8	4.1	4.0
Australia	16.4	17.2	17.7	4.8	4.1	4.0
WORLD	100.5	106.0	107.5	94.0	100.2	101.5
Developing countries	14.1	14.4	15.5	18.0	19.8	18.3
Developed countries	86.4	91.6	92.0	76.0	80.4	83.2

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	16.8		32.7	36.8	
China ^{2/}	2.8	3.1		6.6	10.6	
India	2.7	1.3		2.8	1.8	
Indonesia	-	-		0.2	0.2	
Japan	0.5	0.4		0.9	0.9	
Kazakhstan	-	-		2.5	7.0	
Myanmar	0.1	0.1		0.2	0.2	
Pakistan	1.9	1.9		2.2	2.2	
Saudi Arabia	-	-		-	-	
Thailand	6.7	6.0		6.9	6.1	
Turkey	-	-		3.9	2.1	
Viet Nam	4.6	3.8		4.7	4.0	
AFRICA	0.3	0.3		2.8	2.4	
Egypt	0.3	0.3		0.3	0.3	
South Africa	-	-		1.3	0.6	
Sudan	-	-		0.3	0.1	
Zimbabwe	-	-		0.1	-	
CENTRAL AMERICA	-	-		0.4	0.4	
SOUTH AMERICA	1.9	1.7		21.9	21.4	
Argentina	0.7	0.5		19.9	19.8	
Suriname	0.1	0.1		0.1	0.1	
Uruguay	0.7	0.7		0.9	0.9	
NORTH AMERICA	2.7	2.9		101.4	107.6	
Canada	-	-		16.9	21.7	
United States	2.7	2.9		84.5	85.9	
EUROPE	0.2	0.2		38.5	38.1	
EC ^{3/}	0.2	0.2		23.0	27.2	
Hungary	-	-		3.4	2.6	
Poland	-	-		0.4	0.4	
Romania	-	-		0.7	0.8	
Russian Fed.	-	-		1.6	0.6	
Ukraine	-	-		5.8	2.8	
OCEANIA	0.7	0.5		21.9	21.8	
Australia	0.7	0.5		21.9	21.8	
WORLD	25.1	22.4	23.0 ^{4/}	219.6	228.6	232.0
Developing countries	21.0	18.3	19.0	53.1	52.5	52.7
Developed countries	4.1	4.0	4.0	166.6	176.0	179.2

SOURCE: FAO

Note: Totals computed from unrounded data.

^{1/} Trade in rice refers to the calendar year of the second year shown.^{2/} Including Taiwan Province.^{3/} Excluding trade between the fifteen EC member countries.^{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	25.9	38.2	51.3	50.8	0.9	0.7	1.2
Production	69.3	62.7	61.6	271.7	263.8	287.6	5.9	6.6	6.2
Imports	2.8	2.6	2.7	2.8	2.5	2.5	0.3	0.3	0.3
Total Supply	91.8	91.0	90.2	312.7	317.7	340.8	7.1	7.6	7.8
Domestic use	37.7	35.5	34.2	205.4	211.6	213.3	3.7	3.7	3.8
Exports	28.4	29.7	31.0	56.0	55.3	60.8	2.7	2.8	2.8
Closing stocks	25.7	25.9	25.0	51.3	50.8	66.8	0.7	1.2	1.2
	CANADA (August/July)			CANADA			THAILAND (Nov./Oct.) 3/		
Opening stocks	6.0	7.5	7.7	4.4	5.0	5.3	1.5	0.9	1.2
Production	24.1	26.9	25.4	26.8	26.9	27.0	15.1	15.4	15.4
Imports	0.1	0.0	0.0	1.0	1.1	1.2	0.0	0.0	0.0
Total Supply	30.2	34.4	33.1	32.1	33.1	33.4	16.6	16.3	16.6
Domestic use	7.9	8.2	8.1	24.0	24.4	24.4	9.0	9.1	9.1
Exports	14.7	18.5	18.5	3.1	3.4	4.8	6.7	6.0	6.4
Closing stocks	7.5	7.7	6.5	5.0	5.3	4.3	0.9	1.2	1.1
	ARGENTINA (Dec./Nov.)			ARGENTINA			CHINA (Jan./Dec.) 3/ 4/		
Opening stocks	1.1	0.1	0.4	0.4	1.9	1.8	14.2	14.5	13.8
Production	11.5	14.7	14.5	24.2	17.5	20.4	137.5	137.4	131.3
Imports	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.2	0.4
Total Supply	12.6	14.8	14.9	24.6	19.4	22.2	151.8	152.1	145.5
Domestic use	4.8	4.9	4.9	9.1	9.0	9.1	134.5	135.2	134.5
Exports	7.8	9.5	9.8	13.7	8.6	11.6	2.8	3.1	2.7
Closing stocks	0.1	0.4	0.2	1.9	1.8	1.5	14.5	13.8	8.3
	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	0.8
Production	22.1	24.1	22.8	9.2	8.3	9.1	4.7	5.1	4.8
Imports	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Supply	23.6	26.2	25.2	11.3	9.4	9.6	5.0	5.7	5.6
Domestic use	5.1	5.6	5.4	5.5	5.1	5.2	2.6	2.9	2.9
Exports	16.4	18.2	18.0	4.7	3.7	4.0	1.9	1.9	2.0
Closing stocks	2.2	2.4	1.8	1.0	0.6	0.5	0.6	0.8	0.8
	EC (July/June) 5/			EC 5/			VIET NAM (Nov./Oct.) 3/		
Opening stocks	11.0	16.1	14.0	23.9	25.5	19.5	1.9	2.2	2.8
Production	103.7	97.5	105.1	106.8	103.0	107.9	20.1	20.6	20.8
Imports	2.7	3.2	3.1	3.5	3.1	3.1	0.0	0.0	0.0
Total Supply	117.3	116.8	122.2	134.1	131.6	130.5	22.0	22.8	23.6
Domestic use	87.4	87.6	89.5	99.5	100.1	100.8	15.2	16.2	16.8
Exports	13.9	15.2	15.7	9.1	12.0	11.8	4.6	3.8	4.0
Closing stocks	16.1	14.0	17.0	25.5	19.5	17.9	2.2	2.8	2.8
TOTAL ABOVE									
Opening stocks	39.3	51.6	50.4	68.9	84.8	77.9	18.8	18.8	19.8
Production	230.7	225.8	229.4	438.6	419.6	451.9	183.2	185.2	178.5
Imports	5.5	5.8	5.8	7.2	6.7	6.7	0.5	0.5	0.8
Total Supply	275.5	283.2	285.6	514.8	511.1	536.6	202.6	204.5	199.1
Domestic use	142.8	141.8	142.1	343.4	350.1	352.7	165.1	167.1	167.1
Exports	81.1	91.1	93.0	86.6	83.0	93.0	18.7	17.6	17.8
Closing stocks	51.6	50.4	50.5	84.8	77.9	90.9	18.8	19.8	14.2

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	257.4	297.1	333.7	352.1	341.7	319.7
held by:							
- main exporters 2/	110.8	75.0	99.5	127.0	155.1	148.1	155.6
- others	202.5	182.4	197.6	206.7	196.9	193.6	164.0
BY GRAINS							
Wheat	115.4	102.4	113.5	137.0	143.0	138.1	127.1
held by:							
- main exporters 2/	32.6	28.7	36.6	39.3	51.6	50.4	50.5
- others	82.9	73.8	76.9	97.7	91.4	87.8	76.6
Coarse Grains	142.8	102.5	127.3	141.4	152.3	143.3	138.8
held by:							
- main exporters 2/	63.8	31.7	46.1	68.9	84.8	77.9	90.9
- others	79.0	70.8	81.1	72.5	67.5	65.3	47.8
Rice (milled basis)	55.0	52.5	56.3	55.3	56.7	60.3	53.8
held by:							
- main exporters 2/	14.5	14.6	16.8	18.8	18.8	19.8	14.2
- others	40.6	37.9	39.6	36.5	38.0	40.5	39.6
BY REGIONS							
Developed Countries	158.9	103.4	121.9	168.6	175.8	162.4	172.7
North America	69.3	35.2	53.9	69.1	90.4	90.9	103.9
Canada	9.2	9.8	14.0	10.4	12.6	13.0	10.9
United States	60.2	25.5	39.9	58.7	77.8	77.8	93.0
Others	89.5	68.2	68.0	99.4	85.4	71.5	68.8
Australia	2.6	3.1	4.1	3.7	3.4	3.1	2.4
EC 4/	25.1	22.5	24.2	35.1	41.8	33.7	35.1
Japan	5.5	6.1	6.7	6.7	5.9	5.6	5.5
Russian Fed.	15.9	7.2	6.5	18.0	5.8	5.0	5.6
South Africa	3.2	1.3	1.9	3.3	1.9	1.1	2.0
Developing Countries	154.4	154.0	175.2	165.2	176.3	179.3	147.0
Asia	122.2	125.7	139.9	133.4	141.3	144.8	116.2
China 4/	48.2	53.3	63.9	55.9	58.2	56.9	28.1
India 5/	24.1	18.4	10.7	19.0	22.1	25.5	28.5
Indonesia	5.0	6.0	6.4	4.7	5.4	5.5	4.5
Iran, Islamic Rep. of	5.4	4.6	5.5	4.4	4.2	4.5	4.4
Korea, Rep. of	2.4	2.0	2.4	2.7	2.7	3.1	3.0
Pakistan	3.2	3.4	3.7	4.1	4.4	4.1	4.3
Philippines	1.2	1.9	2.0	2.0	2.6	2.8	2.8
Syria	3.0	3.3	3.2	2.2	2.1	1.0	0.9
Turkey	1.9	4.0	5.9	6.2	7.3	5.0	4.4
Africa	17.9	13.5	21.7	18.3	21.6	19.3	16.0
Algeria	2.7	1.5	2.3	1.1	1.9	1.7	1.5
Egypt	1.3	1.6	2.2	2.8	3.3	2.8	3.0
Morocco	2.9	0.6	3.8	2.5	4.3	3.2	1.3
Tunisia	1.5	1.0	2.1	1.9	1.7	1.7	1.2
Central America	4.6	6.3	7.0	6.9	7.0	7.2	7.1
Mexico	2.8	5.0	5.7	5.9	6.1	6.3	6.2
South America	9.5	8.3	6.6	6.4	6.2	7.8	7.6
Argentina	0.7	0.8	1.9	1.7	2.0	2.3	1.7
Brazil	5.8	4.9	2.3	2.2	1.4	2.9	3.6
	(..... percentage)						
WORLD STOCKS							
as % of consumption	17.5	13.9	15.9	17.8	18.6	18.0	16.5

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							
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
1999/2000	112	97	104	91	88	89	190
1999 - August	115	95	131	92	97	94	183
2000 - March	112	98	98	95	85	95	198
April	112	96	101	96	84	93	202
May	116	102	112	95	87	95	203
June	119	99	114	84	83	86	198
July	115	91	114	75	76	78	185
August I	113	88	117	73	78	77	176
II	111	87	115	74	77	75	177
III	113	89	115	73	73	75	181
IV	115	89	110	75	70	76	183
V	122	96	106	82	74	78	192

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	1990/91	97	100
1997	316	214	439	127	129	120	1991/92	103	104
1998	315	215	413	127	128	126	1992/93	103	97
1999	253	192	333	114	115	110	1993/94	127	93
1999 - August	249	204	322	116	116	114	1994/95	153	94
2000 - April	216	147	258	101	104	89	1995/96	140	128
May	210	143	257	96	100	86	1996/97	134	133
June	204	139	253	96	100	88	1997/98 - Oct.-Mar.	150	130
July	192	143	258	96	99	88	- Apr.-Sep.	157	103
August I	190	140	259	95	97	87	1998/99 - Oct.-Mar.	141	90
II	191	139	259				- Apr.-Sep.	109	74
III	190	140	259				1999/00 - Oct.-Mar.	98	87
IV	186	152	264				- Apr.-Aug.	86	89

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

		September		December		March		May	
		this year	last year	this year	last year	this year	last year	this year	last year
		(..... US\$/tonne))							
WHEAT									
July	25	90	95	97	101	103	106	106	109
August	1	90	104	97	110	103	115	107	118
	8	87	103	94	109	100	114	104	117
	15	88	99	95	105	102	110	106	113
	22	86	99	93	106	99	111	103	115
	29	92	95	99	102	105	107	109	111
MAIZE									
July	25	72	81	75	85	77	89	78	92
August	1	71	85	74	89	76	93	77	96
	8	71	88	74	93	75	97	77	99
	15	69	84	72	89	74	94	75	96
	22	69	81	72	87	74	91	76	93
	29	73	80	76	85	77	90	79	92

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							
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
1999/00	12.55	40.97	13.65	18.50	-	27.00	32.83
1999 - August	14.75	40.97	12.00	18.50	-	27.00	30.00
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
June	12.50	40.97	17.00	18.50	-	27.00	36.00
July	12.50	40.97	16.25	18.50	-	27.00	36.00
August	16.00	40.97	16.25	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	61.6	-1.8
of which: winter	(51.2)	(46.3)	(43.4)	-6.3
Coarse grains	271.9	263.8	287.6	9.0
of which: maize	(247.9)	(239.7)	(263.4)	9.9
Rice (paddy)	8.5	9.5	9.0	-5.3
Soybeans	74.6	71.9	81.3	13.1

SOURCE: USDA: 11 August 2000

Table A.11- CANADA: CEREALS AND OILSEEDS - PRODUCTION FOR 2000

	1998	1999	2000	Change 2000 over 1999
	(..... thousand tonnes)			(. . percentage . . .)
Wheat	24 076	26 859	25 418	-5.4
Oats	3 958	3 641	3 544	-2.7
Barley	12 709	13 196	14 122	7.0
Rye	398	387	277	-28.4
Maize	8 952	9 096	8 344	-8.3
Mixed Grains	548	447	390	-12.8
Linseed	1 081	1 049	775	-26.1
Rapeseed	7 643	8 798	7 086	-19.5

SOURCE: Statistics Canada, 25 August 2000.

Table A.12- AUSTRALIA: CEREAL PRODUCTION FOR 2000

	1998	1999	2000	Change 2000 over 1999
	(..... thousand tonnes)			(. . percentage . . .)
Wheat	22 110	24 060	22 810	-5.2
Oats	1 560	1 530	1 464	-4.3
Barley	5 680	4 280	5 410	26.4
Sorghum	1 070	1 660	1 330	-19.9
Maize	340	320	331	-12.8
Triticale	480	470	458	-2.6
Rice (paddy)	1 335	1 350	1 068	-20.9

SOURCE: Australian Bureau of Agricultural and Resources Economics, 20 June 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	31.08.00	10.6	10.9	5.8	11.4
Coffee (I.C.O. daily price)	US cents per lb	24.08.00	57.2	59.5	76.7	76.7
Cocoa (I.C.C.O. daily price)	US cents per lb	31.08.00	39.9	59.5	47.6	56.0
Tea (all tea, London, weekly)	US\$ per kg.	28.08.00	2.1	2.1	1.7	1.5
Bananas (Central America, f.o.r., Hamburg)	DM per tonne	21.07.00	1 414 ^{1/} 1 190 ^{2/}	1 435 ^{1/} 1 194 ^{2/}	1 299 ^{1/} 1 093 ^{2/}	1 107
Rubber (RSS 1, spot London)	Pence per kg.	28.07.00	50.0	51.0	40.5	54.5
Cotton (COTLOOK, index "A" 1-3/32")	US cents per lb	28.07.00	59.6	58.4	53.5	78.5
Wool (64's, London)	Pence per kg	28.07.00	313	314	306	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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