global information and early warning system on food and agriculture

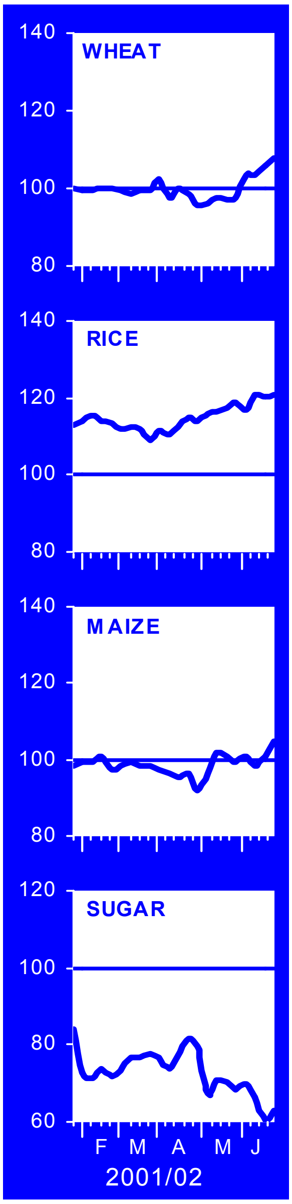
food outlook

No. 3 **Rome, July 2002**

highlights

EXPORT PRICES

(July 2001=100)



The new 2002/03 marketing season could mark the beginning of a much tighter supply and demand situation for cereals: opening stocks are smaller than in the previous season, production is forecast to fall and consumption is expected to rise.

A total of 31 countries throughout the world are currently experiencing severe food shortages and require international food assistance. A new food crisis has emerged in southern Africa, following two successive years of poor harvests in most countries of the subregion, calling for immediate international response.

FAO's forecast of global cereal output in 2002 has been revised downward to 1 878 million tones, considerably less than expectations in May, and marginally below last year's level. On latest indications, output of wheat is forecast at 578 million tonnes, down 0.6 percent, while that of coarse grains would be down 0.3 percent at 903 million tones. Production of rice is seen to remain virtually unchanged from the previous year, at 397 million tonnes (milled basis).

World cereal trade in 2002/03 is forecast at 235 million tonnes, down 1 million tonnes from 2001/02, mostly due to smaller wheat and rice imports, while trade in coarse grains is expected to increase slightly. A sharp reduction in imports by the developed countries would be almost offset by a large increase for the developing countries.

World cereal utilization is forecast to reach 1 938 million tones in 2001/02, 1.4 percent up from the previous year's level. Early indications for 2002/03 indicate that the growth in cereal utilization could continue but at a slower pace.

World cereal stocks by the end of the crop seasons in 2003 are forecast to fall sharply to 498 million tonnes, 71 million tonnes down from their already reduced opening level. At the global level, the anticipated decline in wheat inventories would be most significant but reductions in coarse grains and rice stocks are also expected to be substantial.

International cereal prices moved up in the past two months. Wheat prices rose considerably in response to poorer crop prospects in a number of major exporting countries. Maize prices have also strengthened, largely reflecting faster pace in import purchases in recent weeks. Rice prices rose slightly, reflecting tighter supplies in some exporting countries and policy measures in others.

FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

Contents

Appendix Tables

BASIC FACTS OF THE WORLD CEREAL SITUATION

	1998/1999	1999/2000	2000/2001	2001/2002	2002/2003 forecast	Change 2002/03 over 2001/2002
WORLD PRODUCTION 1/	(. . . million tonnes . . .)					(percentage)
Wheat	598	592	585	581	578	-0.6
Coarse grains	915	889	876	907	903	-0.3
Rice, milled	389	409	400	397	397	-0.1
(paddy)	(581)	(611)	(599)	(593)	(593)	-0.1
All cereals (incl. milled rice)	**1 903**	**1 890**	**1 862**	**1 885**	**1 878**	**-0.4**
Developing countries	1 043	1 041	1 007	1 010	1 011	0.1
Developed countries	859	849	855	875	867	-0.9
WORLD IMPORTS 2/						
Wheat	100	110	101	105	105	-0.8
Coarse grains	96	106	109	106	107	0.6
Rice (milled)	25	23	24	25	24	-2.9
All cereals	**221**	**239**	**233**	**236**	**235**	**-0.4**
Developing countries	162	174	170	171	178	3.9
Developed countries	59	65	63	65	57	-11.7
FOOD AID IN CEREALS 3/	**11.3**	**11.2**	**9.7**	**10.0**		
WORLD UTILIZATION						
Wheat	591	594	598	609	613	0.8
Coarse grains	900	903	909	921	925	0.5
Rice (milled)	388	400	405	409	413	1.1
All cereals	**1 879**	**1 897**	**1 911**	**1 938**	**1 951**	**0.7**
Developing countries	1 132	1 155	1 162	1 171	1 184	1.1
Developed countries	746	742	749	767	767	0.0
Per Caput Food Use	(. . . kg/year . . .)					
Developing countries	165	166	166	166	166	0.2
Developed countries	133	133	134	134	134	0.0
WORLD STOCKS 4/	(. . . million tonnes . . .)					
Wheat	253	250	237	210	174	-17.1
Coarse grains	266	255	226	210	189	-10.2
Rice (milled)	157	168	164	150	135	-10.1
All cereals	**677**	**672**	**627**	**570**	**498**	**-12.7**
Developing countries	506	511	465	409	352	-14.0
Developed countries	171	161	162	161	146	-9.4
EXPORT PRICES 5/	(. . . US$/tonne . . .)					
Rice (Thai, 100%, 2nd grade) 1/	315	253	207	178	200 6/	11.7 7/
Wheat (U.S. No.2 HRW)	120	112	128	127		-1.2
Maize (U.S. No.2 Yellow)	95	91	86	90		4.8
OCEAN FREIGHT RATES 5/						
From U.S. Gulf to Egypt	9.3	13.7	15.0	15.0		0.0
LOW-INCOME FOOD-DEFICIT COUNTRIES 8/	(. . . million tonnes . . .)					
Roots & tubers production 1/	423	435	447	436	439	0.7
Cereal production (milled rice) 1/	811	814	774	772	777	0.7
Per caput production (kg.) 9/	219	217	204	201	200	-0.5
Cereal imports 2/	73.8	75.5	73.2	74.1	77.3	4.3
of which: Food aid	8.5	7.6	8.3	8.5		
	(. . . percentage . . .)					
Proportion of cereal import covered by food aid	11.5	10.1	11.3	11.5		

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-June 2002. **7/** Change from corresponding period of previous year for which figures are not shown. **8/** Food deficit countries with per caput income below the level used by the World Bank to determine eligibility for IDA assistance (i.e. US$ 1 445 in 2000). **9/**Including milled rice.

Cereals

Supply/Demand Roundup

GLOBAL OUTLOOK[1]

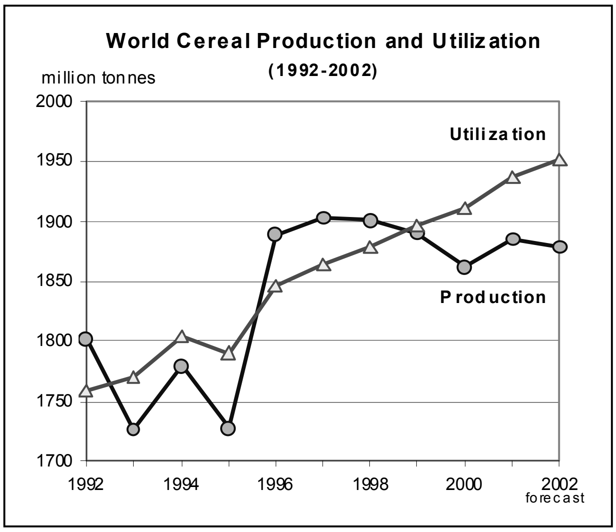
Wheat	**2001/02**	**2002/03**
Production	▼	▼
Trade	▲	▼
Stocks	▼	▼
Prices	▼	▲
Coarse Grains	**2001/02**	**2002/03**
Production	▲	▼
Trade	▼	▲
Stocks	▼	▼
Prices	▲	▲
Rice	**2001**	**2002**
Production	▼	●
Trade	▲	▼
Stocks	▼	▼
Prices	▼	▲

● stable ▲ up ▼ down

[1]The signs refer only to the direction of change from the previous marketing season.

Tighter world cereal supplies, especially for wheat

Latest information points to a global cereal output of 1 878 million tonnes (including rice in milled equivalent) in 2002, considerably less than the previous forecast in May, and marginally below last year's level. The downward revision is mostly a result of a deterioration of prospects for several of the major wheat crops around the globe because of adverse weather. With opening stocks smaller than in the previous season and production falling, while consumption is expected to rise, the new 2002/03 marketing season could mark the beginning of a much tighter supply and demand situation than experienced in recent years. However, lower world import demand coupled with large supplies in a number of non-traditional exporting countries could, to some extent, mitigate the negative impact of smaller availabilities in some major exporting countries and the expected sharp decline in global stocks.



Wheat and coarse grain production down in 2002

The forecast for global **wheat** output in 2002 has been revised downward sharply since the previous report to 578 million tonnes, taking it 3 million tonnes below the previous year's level. This would be the fifth successive year-on-year decline and the smallest crop since 1995. Since the previous report in May, production prospects have been seen to deteriorate in virtually all regions, largely reflecting adverse dry weather for developing crops in some of the main producing areas in the northern hemisphere, such as the case in northern China, several eastern European countries and the central plains of the United States, or for planting in the southern hemisphere, namely in Australia. In South America, financial problems in Argentina have been the main hindrance to planting there. Only for North Africa has the forecast been increased over the past two months, and mostly due to the benefit of some late season rains in Morocco following earlier dry conditions. The outlook remains unchanged for Central America where an above-average crop is expected.

The forecast for global **coarse grain** output in 2002 has also been revised downward since the last report, by 6 million tonnes, to 903 million tonnes, putting it 3 million tonnes below last year's harvest but still above the average of the past five years. Most of the recent revision is confined to the Russian Federation, where the earlier good potential that followed an increase in the winter grain area has been eroded by dry weather conditions and a smaller crop than last year is now expected. Reduced harvests expected in some eastern European countries and in EC also contribute to an overall decline foreseen in the European region. Smaller coarse grain crops this year, compared to last, are also expected in Africa, Central America, South America and Oceania. Latest information still points to larger outputs in 2002 in North America and Asia but much could still depend on weather conditions in the coming months for the summer maize crops which have only been recently planted in some parts.

Planting of the 2002 main season **paddy** crop is about to be completed in the northern hemisphere, while the main season is virtually over in countries located along the equator and in the southern hemisphere. Global paddy production in 2002 is now anticipated to reach 593 million tonnes (397 million tonnes in milled equivalent), up nearly 6 million tonnes from the previous forecast, and just marginally below the estimated output in 2001. The latest revision reflects more optimistic expectations in some Asian countries, which assume a normal monsoon and a reduced likelihood that an El Niño weather event, should it develop fully later this year, could have a significant negative impact on the main crop season now underway.

Larger imports only in the developing countries

World cereal trade in 2002/03 is forecast at 235 million tonnes, down 1 million tonnes from estimated imports in 2001/02. Most of this anticipated decline would result from smaller wheat and rice imports, while trade in coarse grains is expected to increase slightly. However, the global level forecast masks a significant redistribution of the cereal trade in 2002/03. While imports by the developed countries are forecast to fall sharply, and could amount to only 57 million tonnes, an almost equally large increase is expected for the developing countries as a group, whose imports could rise to a record 178 million tonnes.

World Cereal Production, Supplies, Trade and Stocks

	2000/01	2001/02 estimate	2002/03 forecast
	(. . . . . million tonnes . . . . . .)		
Production 1/	**1 862**	**1 885**	**1 878**
Wheat	585	581	578
Coarse grains	876	907	903
Rice (milled)	400	397	397
Supply 2/	**2 534**	**2 512**	**2 448**
Utilization	**1 911**	**1 938**	**1 951**
Trade 3/	**233**	**236**	**235**
Ending Stocks 4/	**627**	**570**	**498**

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 (second year shown) for rice.
4/ May not equal the difference between supply and utilization due to differences in individual country marketing years.

Growth in cereal utilization to slow in 2002/03

Following a fairly significant expansion in 2001/02, growth in world cereal utilization in 2002/03 could slow by one-half to 0.7 percent. The forecast for total utilization in 2002/03 is put at 1 951 million tonnes, 13 million tonnes above the estimate for the previous year but just below the ten-year trend value. In 2002/03, the volume of cereals used for human food is forecast to reach 984 million tonnes. At this level, no change in per caput cereal consumption is expected. Global feed use could contract slightly from 2001/02 to 704 million tonnes, while other uses may increase.

Cereal stocks will fall sharply again

World cereal stocks by the end of the crop seasons in 2003 are now forecast to fall to 498 million tonnes, 72 million tonnes down from their already reduced opening level. A significant downward revision to the forecast has been made since May following the substantial reduction in the forecast for production in 2002. At the global level, the anticipated decline in wheat inventories would be most significant but reductions in coarse grains and rice stocks are also expected to be substantial. The primary factor behind the global stocks depletion in recent years continues to be the developments in China, where, following a period of large stocks, the Government is seeking to reduce its national inventories.

Cereal prices are moving up

International **wheat** prices rose considerably compared to recent months and the corresponding period last year, mostly in response to less favourable crop prospects in a number of major exporting countries. However, with harvests getting underway in most wheat producing countries in the northern hemisphere, seasonal factors could bring prices under renewed downward pressure in the coming weeks. Nevertheless, the longer-term outlook points to more persistent price strengthening in the coming months in view of generally tighter wheat supplies in major exporting countries. International **maize** prices have also strengthened over the past two months and, compared to a year ago, largely reflecting a faster pace in import purchases in recent weeks, but the outlook is uncertain. While world import demand could be on the rise compared to last year, the size of some countries' exportable maize supplies is difficult to gauge, and large supplies of feed wheat could undermine demand for maize in some markets. International **rice** prices have risen slightly since the last report reflecting tighter supplies in some exporting countries and policy measures in others. The FAO Export Price Index for Rice (1982-84 =100) has risen by 1 point since April. Rice prices are expected to remain subdued in the next few months as the production outlook in the northern hemisphere has improved somewhat and global import demand could be lower.

A FOOD CRISIS HAS EMERGED IN SOUTHERN AFRICA CALLING FOR URGENT INTERNATIONAL RESPONSE [1/]

Following two successive years of poor harvests in most countries of southern Africa, a food crisis has emerged in the subregion calling for immediate international response. At the world level, 31 countries are experiencing severe food shortages and require international food assistance.

In **southern Africa**, the 2002 food crops were sharply reduced for the second consecutive year largely due to severe dry weather but also as a result of excessive rains in parts. The effects of adverse weather were compounded by a further decline in plantings in the commercial sector in Zimbabwe due to land reform activities. Recent FAO/WFP Crop and Food Supply Assessment Missions estimated that a total of 12.78 million vulnerable people in Zimbabwe, Malawi, Zambia, Lesotho and Swaziland are in need of emergency food assistance. In Mozambique, despite a good overall harvest, production was reduced by drought in the Southern and Central regions, where some 515 000 people are estimated to be in need of relief assistance. In Angola, the cease-fire agreement signed in April between UNITA and the Government revealed the extent of suffering by people trapped in rural areas by the conflict, with up to 500 000 reported to be in a critical nutritional situation. In **eastern Africa**, despite improved overall food supply in several countries, millions of people still depend on food assistance due to the lingering effects of recent devastating droughts and past or ongoing conflicts. In addition, recent floods and landslides in parts resulted in loss of life and destruction of crops and property. In Eritrea, the overall food supply situation remains tight reflecting the displacement of a large number of people by the recent war with Ethiopia and drought in 2000. Nearly 600 000 people are reported to be relying on food assistance. In Somalia, the escalation of conflict has exacerbated the already precarious food situation and disrupted agricultural activities in parts. Large numbers of people have been displaced, most of them fleeing to neighbouring countries. In Kenya, heavy rains, floods and landslides in April and May 2002 resulted in deaths and destruction of crops and property. In addition, a large number of people, mainly pastoralists, still depend on food assistance due to lingering effects of recent severe drought. Heavy rainfall in parts of southern Tanzania and western Uganda has also caused loss of life and localised damage to crops and property. In Ethiopia, despite the improved overall food situation, inadequate rainfall in parts has resulted in reduced pasture and water availability for livestock. Overall, some 5.2 million people are estimated to be facing severe food shortages. In Sudan, the recent escalation of conflict and disruptions in humanitarian access to the affected people have exacerbated an already precarious food situation, with nearly 3 million people estimated to be in need of food assistance. In **western Africa**, Sierra Leone, Liberia and Guinea continue to require international food assistance due to past or ongoing civil strife. In Mauritania, the food supply situation is tight following a poor harvest. In **central Africa**, the food situation continues to be serious in the Democratic Republic of Congo, (DRC) where food production continues to be disrupted by the long-running civil war. In the Republic of Congo a resurgence of fighting has caused renewed population displacement and is affecting agricultural activities. In Burundi, despite satisfactory food production during the first season of 2002, significant numbers of vulnerable people need food assistance.

In **Asia**, following recent confirmed donations to the Democratic Peoples Republic of Korea, food assistance has been resumed to beneficiaries who earlier had been excluded from food distribution due to under-resourcing. However, additional cereal pledges are needed to ensure continued food supplies to needy groups. In Mongolia, another harsh winter and severe spring storms with snow further eroded the food security of nomadic herders. Extreme floods have caused loss of life and damage to infrastructures and crops in western and central China, northeastern India and Bangladesh. In Iran, a violent earthquake struck northwestern areas in late June, causing over 200 deaths and rendering thousands homeless. Assistance is being provided by national relief organizations, while requests have also been made for international assistance. The food supply situation in some countries in the Asian **CIS** is tight due to adverse weather and emergency food assistance is required in Tajikistan, Uzbekistan and Georgia, the worst affected countries. Tajikistan, in addition, has recently experienced a locust invasion, torrential rains and floods, which have destroyed large areas of crops.

In the **Near East**, the food situation in Afghanistan remains grave, notwithstanding the relative calm and improved delivery of food assistance. The worst locust plague in 30 years and floods in parts have affected crop prospects. Funding shortfalls for humanitarian agencies are cause for serious concern. The food situation in the West Bank and Gaza Strip continues to be serious due to continuing violence and curfews. In **Central America and the Caribbean** the tight food supply situation in parts of El Salvador and Guatemala has been aggravated by the dramatic fall in international coffee prices. In **Europe** targeted food assistance continues to be necessary for refugees, the internally displaced and vulnerable populations in the Federal Republic of Yugoslavia and in Chechnya in the Russian Federation.

1/ This updates information published in the June 2002 issue of *Foodcrops and Shortages*. Countries facing exceptional food emergencies are underlined.

Current Production and Crop Prospects

Position by Region

- **Asia**

Far East: In southern Asia, the southwest monsoon season, which runs from June to September, has started slightly behind schedule, but the outlook is for a normal development of the season. Elsewhere, torrential rains in central and western China followed by unusually heavy floods have caused landslides, losses of life and damage to infrastructure and crops. Fears of the return of a drought-inducing El Niño weather pattern in 2002 prevail in a number of Asian countries, but though the movements towards El Niño conditions have progressed, the most likely outcome points to a weak El Niño.

Harvesting of winter **wheat** in the subregion is completed or well advanced while spring wheat is developing under generally favourable conditions. The latest estimate of China's wheat production in 2002 is 87.8 million tonnes, down from 92.4 million tonnes reported earlier and the lowest level since 1989. This revision mainly reflects dry spring weather on the North China Plain and excessive rainfall in central China. Elsewhere in the Far East, favourable growing conditions boosted wheat production. Thus, in India, the latest official estimate points to a harvest of 73.5 million tonnes, higher than both the 2001 output of 68.8 million tonnes and the 1997-01 average of 70.3 million tonnes, while in Pakistan, wheat production is estimated at 19.2 million tonnes, a 1 percent increase over last year.

Planting of the 2002 **coarse grain** crops is completed in a number of countries, while in others planting is taking place with the onset of the southwest monsoon. In China, despite dry conditions at planting time in northeastern areas, maize production is expected to rise to 120.2 million tonnes, compared to 114.3 million tonnes in 2001, while the output of other coarse grains is likely to remain fairly unchanged from the previous year. India's coarse grain production, assuming normal monsoon rains, is forecast at 33 million tonnes, up some 7 percent from 2001.

The 2002 main **paddy** season is drawing to an end in countries situated in the southern hemisphere and along the equatorial belt. In Indonesia, there are conflicting official forecasts of the country's 2002 paddy output; pending firmer information on the size of the recently harvested main crop and the likelihood of El Niño impacting upon the country's secondary crop, an estimate of 48.7 million tonnes has been used in this report. If confirmed, this would imply a reduction of close to 1 million tonnes from last season, largely owing to the flooding problems witnessed earlier this year.

With the arrival of the monsoon rains, planting of the bulk of the main season rice crops has started in the northern hemisphere. In Bangladesh, paddy production is forecast to rise to a record 39 million tonnes. This 1.2 million tonnes increase from 2001 would mainly reflect a wider use of hybrid seeds and incentives to the irrigated sector. A fourteenth consecutive year of 'normal' monsoon rains has been projected by meteorologists in India. Accordingly, the country's 2002 paddy output is forecast at 136 million tonnes, up 3 million tonnes from the previous forecast, and close to the record achieved in 2001. In Pakistan, a shortage of irrigation water persists. As a result, prospects for the country's 2002 paddy season remain bleak. Output is officially forecast at 5.2 million tonnes, 400 000 tonnes lower than the 2001 crop and the lowest level since 1994.

Following the release of official production figures by the State Statistical Bureau, China's (Mainland) 2001 paddy production estimate has been raised by 600 000 tonnes to 177.6 million tonnes. As for the 2002 season, production is forecast to be slightly above that level, at 177.8 million tonnes. This would mark a reversal of the contraction experienced in the past two seasons. The increase would be on account of a 6 percent expansion in intermediate rice crop, which would offset an expected 8 percent drop in both the early and the late rice crops. Recent flooding problems in the country are not anticipated to hinder prospects for the current season, since scope remains for replanting.

In Thailand, recent abundant precipitation across rice producing areas has favoured the 2002 main-season production and has largely dissipated fears regarding the possible effects of El Niño. The Government has extended its 2001 paddy procurement program of the country's second crop until the end of July this year, with intervention prices set well above market levels. In the Philippines, planting of the main season crop is near conclusion. Any adverse effects of a potential El Niño weather event on this crop are forecast to be small. The 2002 paddy output is forecast at 12.9 million tonnes, marginally down from the record achieved last season.

In Viet Nam, cultivation of the summer-autumn rice crop has benefited from a return to normal soil moisture levels in the primary growing delta areas. Official estimates continue to point to a paddy output of 32.3 million tonnes for the current season, 300 000 tonnes up from the previous year, despite an on-going shift of marginal lands out of rice cultivation.

Continued support from the Government of Myanmar to expand production together with more optimistic expectations regarding growing conditions, suggest a paddy crop of 21 million tonnes in 2002, marginally below the bumper crops of the past two seasons. Official sources in Laos are forecasting a 2.4 million tonnes paddy output in 2002, up 200 000 tonnes from last season's record. The increase is consistent with the strong upward trend observed in the past few years, which has largely relied on large-scale investments in infrastructure, including irrigation. Similarly in Cambodia, an expansion of rice area and improvements in yields have led to official forecasts of a record paddy crop of 4.7 million tonnes, up 15 percent from 2001.

In the Democratic Peoples Republic of Korea, favourable early growing conditions have set the main paddy season on track and production is forecast at 2 million tonnes, unchanged from the previous year. In a bid to curtail excessive rice stocks, the Republic of Korea's Government has set a milled rice production target of 5.2 million tonnes this season, about 0.3 million tonnes lower than the amount harvested in 2001. However, preliminary indications point to an overshooting of the target by 200 000 tonnes.

Near East: Favourable weather conditions in most countries have boosted domestic food production. However in Afghanistan, in addition to the effects of insecurity, the worst locust plague in 30 years in parts and floods in others have affected crop prospects. An FAO/WFP Crop and Food Supply Assessment Mission has just completed its fieldwork and a report will be issued soon. In Turkey, Syria and Jordan an average to above average **cereal** production is projected in 2002, reflecting adequate precipitation during the growing season. Following improved weather conditions, Iran expects a **wheat** production of 9.5 million tonnes, above average and a substantial recovery from the drought-affected crop of 7.5 million tonnes in 2001.

CIS in Asia: The **wheat** harvest in the 8 CIS countries in Asia this year is forecast at 19 million tonnes, which is about 2.3 million tonnes lower than the improved harvest of 2001. Most of the decline, about 3 million tonnes, is foreseen in Kazakhstan, which produces more than half of the region's total wheat output. Azerbaijan and Kyrgyzstan have increased the area sown to wheat, while wheat supply in Tajikistan, Georgia and Uzbekistan is seen to remain tight. Given favourable weather conditions prevail, the **coarse grain** harvest this year is forecast at about 4.4 million tonnes, which is more than 500 000 tonnes lower than the harvest in 2001. Coarse grains mainly comprise barley, forecast at 2.8 million tonnes, and maize, forecast at 1.2 million tonnes.

Ample water availability in Uzbekistan has led to a significant expansion of the **rice** area in the country. Paddy output is officially forecast to reach almost 200 000 tonnes in 2002, double the drought-afflicted crop of the previous year.

- **Africa**

Northern Africa: Harvesting of the 2002 **wheat** crop is underway throughout the subregion. Latest information points to an aggregate output of 12.7 million tonnes, similar to last year's crop and above the average of the past five years. Growing conditions improved in the latter part of the season in Algeria and Morocco with the arrival of much needed rainfall, after an extended dry period. Above average outputs are forecast in both countries at 3.4 million tonnes and 2 million tonnes respectively. Also in Egypt, where most of the crop is irrigated, output is forecast to be above-average and about 6 percent above last year's level at 6.6 million tonnes.

Harvesting of the **coarse grain** crops, principally barley and maize, the latter in only two countries, is also underway. As for wheat, production prospects are better then earlier anticipated, mostly reflecting the arrival of late rains in Morocco to the benefit of the barley crop. Aggregate output of coarse grains in the subregion is now put at 10.1 million tonnes.

Although still subject to an area ceiling, the **paddy** area in Egypt is expected to rise sharply this season, which together with a steady improvement in yields, is anticipated to boost production to a record 6.1 million tonnes. This would be some 800 000 tonnes above last season.

Western Africa: In western Africa, the first rains were received in early March in southern parts of the coastal countries along the Gulf of Guinea, where they permitted planting of the first **maize** crop. Rains reached northern parts in early April, allowing the planting of **millet** and **sorghum**. In Sierra Leone the agriculture sector is improving with rehabilitation programmes underway, but civil disturbances in Liberia continue to prevent most activities. In the Sahel, the rainy season started in late April or May in the south of Niger, Mali, Burkina Faso and Chad, allowing land preparation and planting of **coarse grains** to start. Planting will progress northwards following the development of the rains. Availability of seeds, is generally adequate but localized shortages are likely in Mauritania and Cape Verde following the 2001 reduced harvest and the unseasonable heavy rains in early January, and in Guinea Bissau as a result of the delayed rains.

The 2002 **paddy** season has started in several countries of West Africa and weather conditions are generally favourable. In Nigeria, early prospects for the 2002 crop were particularly promising following a rise in import duties earlier this year that raised domestic prices, and also the introduction of the much publicized NERICA hybrid which is expected to boost yields. However the late arrival of rains in much of northern Nigeria has raised fears of crop failure in that part of the country. In Sierra Leone, paddy output is expected to continue to rise as a result of increased plantings by returning refugees and farmers previously displaced, as well as improved conditions for the distribution of agricultural inputs. Civil conflicts in Liberia continue to disrupt rice cultivation.

Central Africa: In central Africa, growing conditions are favourable so far in Cameroon and the Central African Republic. Agricultural activities are hampered by civil disturbances in both the Republic of Congo and the Democratic Republic of Congo.

World Cereal Production

	Wheat		Coarse grains		Rice (paddy)		Total	
	2001	2002 forecast	2001	2002 forecast	2001	2002 forecast	2001	2002 forecast
	(. . . . million tonnes . . . .)							
Asia	239.6	240.6	205.0	212.1	539.4	538.7	983.9	991.4
Africa	17.9	17.3	81.1	78.9	17.2	18.1	116.2	114.3
Central America	3.3	3.2	30.0	29.8	2.4	2.3	35.6	35.3
South America	21.0	21.7	71.6	64.9	19.8	19.9	112.4	106.5
North America	74.6	72.6	285.3	295.6	9.7	9.4	369.5	377.7
Europe	200.9	202.0	221.2	211.3	3.2	3.3	425.2	416.6
Oceania	24.2	20.7	12.4	10.8	1.8	1.3	38.4	32.9
WORLD	**581.4**	**578.2**	**906.5**	**903.5**	**593.3 (397)1/**	**593.0 (397)1/**	**2 081.3 (1 885)2/**	**2 074.6 (1 878)2/**
Developing countries	256.9	260.4	374.7	371.7	567.0	567.5	1 198.7	1 199.7
Developed countries	324.5	317.7	531.8	531.8	26.3	25.5	882.6	875.0

Source: FAO 1/ Milled rice. 2/ Including milled rice. **Note**: Totals computed from unrounded data.

Eastern Africa: Harvesting of the 2002 **wheat** crop has been completed in Sudan. Tentative estimates indicate an output of 315 000 tonnes, some 5 percent above last year's crop and similar to the average of the previous five years. In Ethiopia and Kenya, the early outlook is generally favourable notwithstanding unseasonably dry conditions in parts of Kenya.

Planting of the 2002 main season **coarse grains** is underway in several countries in the subregion while crops are maturing and nearing harvesting in others. Early prospects are mixed. In Ethiopia, the outlook for the 2002/03 coarse grain crop has improved with beneficial rains in the secondary "belg" season that also helped land preparation for the main "meher" season crops. In Kenya, the outlook is rather mixed with heavy rains and floods in parts destroying crops while unusually dry conditions in others result in wilting crops. In Uganda and Tanzania, prospects for the 2002 main season coarse grains are generally favourable despite localized dry conditions. In Somalia, good rains in April and May in major crop producing areas have improved crop prospects. However, a recent escalation of conflict has displaced a large number of people and may negatively impact crop development. In Sudan and Eritrea, planting of the 2002 main season crops is about to start.

Southern Africa: Harvesting of the 2002 main season **coarse grains** is well advanced. FAO's latest forecast puts the subregion's aggregate output at 14.7 million tonnes, virtually unchanged from last year's reduced crop. Maize output is estimated at 13.6 million tonnes, only slightly above the 2001 level. Crops were adversely affected by a dry spell from January to March in large areas of the subregion or, in some parts, by excessive rains. Production declined for the second consecutive year in most countries, except in South Africa and Mozambique. In South Africa, dry conditions this season were less severe and the maize output is forecast to be 5 percent above last year's reduced crop at 8.9 millions tonnes. This mainly reflects an increase of 19 percent in the area planted and generally satisfactory weather conditions. By contrast, in Zimbabwe the combined effects of widespread drought and a further decline in plantings in the commercial sector, due to land acquisition activities, resulted in a maize output of only one-quarter of the good level of two years ago. In Zambia, prolonged dry weather in five of the nine provinces, sharply reduced crop yields. Production of maize is estimated at 606 000 tonnes, 24 percent lower than the reduced level of 2001 and 42 percent below the normal level of 2000. In Malawi, maize production declined 10 percent from last year's poor harvest to about 1.5 million tonnes. This mainly reflects dry weather during February-March and early cessation of rains in April. Consumption of green maize before the harvest, due to the severe food shortages early in the year, further diminished the output. Severe dry weather and reductions in coarse grain production were also experienced in Swaziland, Botswana and Namibia. In Lesotho, excessive rains at planting, followed by hail and frost, resulted in a decline of one-third in maize output from the already poor level of the previous year. By contrast, in Mozambique this year's maize production increased 8 percent from the previous year to 1.2 million tonnes. However, production was sharply reduced in southern provinces. In Angola, the coarse grain harvest declined by 6 percent due to late rains and military activities, but output of main maize crop remained unchanged.

Planting of the 2002 **wheat** crop, to be harvested from October, is completed. Early indications point to a likely decline in production from the previous year. In South Africa, the largest producer of the subregion, planting intentions indicated a decline of 7 percent from last season. This reflects increased summer crop plantings and problems experienced with the grading system of wheat. In Zimbabwe, the outlook is unfavourable due to land acquisition activities in commercial farms. Plantings and yields are expected to be sharply reduced. Latest information confirms that the subregion's aggregate 2001 wheat crop, is estimated close to 2.9 million tonnes, about 4 percent above the previous year's level and above average.

In Madagascar, excessive precipitation from a recent cyclone has disrupted the 2002 **paddy** harvest, leading to concerns over both the quantity and quality of the crop. Paddy output this year is forecast at 2.4 million tonnes, down by 200 000 tonnes from 2001.

- **Central America and the Caribbean**

Harvesting of the 2002 irrigated **wheat** crop has been recently completed in the main producing areas of the northwest of Mexico. Production is provisionally estimated at some 3.2 million tonnes, about average and slightly below the 2001 crop.

Planting of the 2002/03 first season **coarse grain** and bean crops has started in all Central American countries with the arrival of the seasonal rains. The rains have been particularly heavy in Costa Rica, El Salvador, Honduras and Nicaragua, with flooding as a result in some parts. Considerable damage to rural housing and infrastructure has been reported, but no significant damage has been caused so far to newly planted crops. Normal seasonal precipitation levels are reported in Guatemala and Panama. An overall recovery is expected in production from last year, when first season crops (main crop) were severely affected by drought and other adverse weather phenomena. In the Caribbean, planting of this year’s maize crop has started in Cuba and Haiti, where dry weather conditions have prevailed until mid-May. By contrast, heavy rains and flooding in early June in the southern parts of the latter country have resulted in damage to housing and infrastructure and possible damage to crops. A detailed assessment of the damage has not been made available yet. Heavy rains were also reported by mid-June in Dominican Republic, where planting of rainfed maize and sorghum as well as sowing of other minor food crops had started in May.

In Central America, adverse weather has caused some disruption to planting of the new season’s **rice** crops. Many countries in the region had delayed planting by over a month in anticipation of rainfall, however, recent precipitation has now allayed fears of a significantly lower 2002 paddy crop.

- **South America**

Planting of the 2002 **wheat** crop is well advanced in Brazil, where normal to abundant rains have increased soil moisture and thus benefited the crop. The area sown is estimated to have increased considerably compared to 2001 and an early official production forecast points to a well above-average output. In Argentina, planting was just underway in mid-June and the intended area is officially forecast to decline slightly from the level reached in 2001, largely reflecting the trading sectors uncertainty in the face of the difficult economic and financial situation still affecting the country. In Chile and Uruguay planting of the wheat crop has also just started; considerably increased plantings are intended in the latter country. In the Andean countries, the 2002 wheat harvest in Peru is underway and early forecasts point to an above-average output of some 190 000 tonnes, while in Bolivia, land is being prepared for planting of the second season (winter) wheat crop.

Harvesting of the 2002 **coarse grain** crops, principally maize, is well advanced in the southern areas of the subregion. In Argentina, latest information points to a maize output of some 13.5 million tonnes, above earlier forecasts, but well below the average of the past 5 years. The low output is the result of intensive rains at planting, which contributed to reduce the area sown, and weeks of dry weather during the growing period which affected yields. In Brazil, beneficial rains in May improved growing conditions of the second season (“zafrinha”) maize crop. A bumper crop is expected and aggregate maize output for 2002 is provisionally estimated at an above-average 36 million tonnes. In Chile, a below-average maize output has been harvested while in Uruguay, a satisfactory output has been collected. In the Andean countries, land is being prepared for planting of the second season coarse grain crops in Bolivia, while in Peru, harvesting of the 2002 white maize crop has been virtually completed and that of yellow maize is at its peak. A bumper white and yellow maize crop is anticipated. In Ecuador, harvesting of he maize crop is underway and a decline from the 2001 above-average level is expected following heavy rains that for weeks negatively affected crops. Nevertheless, a near-average output is tentatively forecast. In Colombia, planting of the 2002/03 first season maize crop is underway. The area planted is expected to increase from last year’s already above-average level. In Venezuela, improved weather conditions in recent weeks have benefited planting of the 2002 maize crop and other food crops.

The harvest of the 2002 **paddy** crop in Brazil is almost complete. Official sources have estimated an output of 11 million tonnes, much below prior expectations, but 600 000 tonnes higher than in 2001. Argentina’s harvest is now officially put at 680 000 tonnes, 20 percent down from the 2001 outcome and almost 50 percent below the 1997 record. A price-induced switch out of rice, recent MERCOSUR agreed area cuts and economic instability, are the main factors responsible for this decline.

- **North America**

Wheat production in the United States is set to fall further this year and could drop below 50 million tonnes, for the first time since 1993. The area of winter wheat to be harvested in 2002 is now forecast at 12.2 million hectares, about 4 percent down from 2001 and one of the smallest areas ever recorded. Moreover, prospects for yields have deteriorated with the persistence of drought conditions in some of the major producing states. The latest official forecast for the 2002 winter wheat output is 33.7 million tonnes, 9 percent below the previous year's level. Regarding spring wheat, planting was virtually complete by the end of May and, if early indications in the USDA's Prospective Plantings Report have materialized, the area will be down by about 3 percent from 2001 to 7.3 million hectares. Thus, with current expectations for harvested area and yields pointing to normal levels at best, the spring wheat output is also set to decrease compared to the previous year. As of early June, the country's aggregate wheat production in 2002 was forecast at 49.6 million tonnes, 7 percent below the previous year's level. In Canada, latest information confirms earlier expectations of a decline in the overall wheat area for the 2002 harvest. The latest official forecast puts the wheat area to be harvested later this year at 10.5 million hectares, about 4 percent down from the previous year. The average yield expected is currently put at nearly 2.2 tonnes per hectare, somewhat less then earlier forecast following some extremely dry conditions in Saskatchewan in Western Canada, but still well above the previous year's reduced level. The country's aggregate wheat output is now forecast at just over 23 million tonnes, about 2.7 million tonnes up from 2001.

Regarding **coarse grains**, in the United States, planting of the main crops was virtually complete by mid-June. According to the USDA's Prospective Plantings Report, a 4 percent increase in maize area is expected after reductions last year due to adverse wet weather while, by contrast, a sharp 12 percent decrease is forecast for sorghum. Based on the indicated areas planted, given the mostly good condition of newly emerged crops in mid-June, and assuming normal weather conditions prevail for the remainder of the season, aggregate 2002 coarse grains output in the United States is forecast at about 267 million tonnes, which would be about 2 percent up on the previous year. Of the total, maize would account for 245 million tonnes. In Canada, latest indications continue to point to an increase in the coarse grain area planted this spring. The barley area is expected to increase by 11 percent to some 4.8 million hectares, that of oats, by almost 30 percent, to some 1.6 million hectares, and that of maize, by 8 percent to 1.3 million tonnes. Yield prospects for coarse grains are also more favourable than in the previous year, and the aggregate coarse grain output is forecast at 28.2 million tonnes, 23 percent up from last year.

Planting of the 2002 **paddy** crop is drawing to a conclusion in the United States. The first official estimate of the new paddy crop is at 9.4 million tonnes, suggesting the second largest crop on record for the country. A return to normal yields is foreseen to be behind the decline of 200 000 tonnes from last year's record.

- **Europe**

In the EC, output of **wheat** in 2002 is forecast to increase sharply after a significant expansion in the winter wheat area, mostly at the expense of coarse grains. Some land is also reported to have been shifted to wheat from non-cereal crops and set-aside. Furthermore, generally mild winter conditions have favoured crop development during the winter and spring throughout most of the Community and yield prospects are good. Harvesting has already begun in the most southern parts such as the south of Spain and Italy. Production is expected to increase the most in France and the United Kingdom, but significant increases are also reported for Italy and Spain. Output in Germany is forecast to remain close to last year's level. The Community's aggregate wheat crop is forecast at just under 106 million tonnes compared to 91.7 million tonnes last year. The outlook for the **coarse grain** crops is less certain. Although the overall area sown is expected to decline, largely reflecting the shift of winter barley land to wheat, this year's favourable conditions could lead to better yields. FAO currently forecasts the Community's aggregate coarse grains output at 106.7 million tonnes, which is 2 million tonnes below last year's level but this forecast could be revised significantly in the coming months as crops get closer to maturity.

The 2002 **paddy** crops in the EC have now been planted, and the overall area is expected to remain close to the previous season. The EC has not yet agreed on a new Rice Common Market Regime since the 2000 reform proposal was shelved, but a new draft is currently under review. Current proposals by Spain and Italy envisage substantial reductions in intervention prices but increased compensatory payments to producers.

In central and eastern Europe, prospects for the 2002 cereal harvests are mixed. In the Czech Republic, production is forecast to decline after particularly good yields last year, but will remain about average. In Hungary, widespread heavy rains in the first half of June were very beneficial for the spring wheat and maize crops, although too late to benefit the winter wheat, which is due to be harvested from the end of June. Wheat output is forecast at between 4 million to 4.5 million tonnes, less than last year's good crop but about the average of the past five years. In view of the recent good rains, the prospects for maize yields have improved and output is forecast at about 6.5 million tonnes. In Poland, weather conditions so far this season have been generally favourable for cereal crops. Wheat production could decline somewhat however as a result of smaller plantings and a reported reduction in use of fertilizer, herbicides and pesticides in response to lower returns for wheat last season. Based on the above, the total output of wheat in 2002 is expected to fall to about 9 million tonnes, from almost 9.3 million tonnes in the previous year. In the Slovak Republic, cereals are doing well after a mild winter. Wheat output is forecast to remain similar to the previous year's level and the average at about 1.6 million tonnes.

In the Balkan countries, cereal production in Bulgaria could increase this year mostly as a result of better yields expected. Wheat output is forecast to reach at least 4 million tonnes. In the Federal Republic of Yugoslavia (Serbia and Montenegro), cereal output looks set to fall this year. The winter wheat crop was affected by unfavourable weather this spring and prospects for the summer maize crop are still uncertain. In the Former Yugoslav Republic of Macedonia, dry conditions are again impacting on cereal production. Although wheat output could recover somewhat after serious drought last year, yields will likely remain below potential. In Romania, drought conditions are affecting important producing areas in the west, south and east of the country. The winter wheat crop is now forecast at 4.9 million tonnes, compared to 7.8 tonnes last year. Production of the major coarse grain crops could also be down.

In the Baltics, (Estonia, Latvia and Lithuania) the 2001 cereal harvest could remain close to last years good level, with aggregate wheat and coarse grain production estimated to remain stable at 1.5 million tonnes and 2.6 million tonnes respectively.

CIS in Europe: Prospects for the 2002 cereal crops have deteriorated since the previous report in May, mainly due to unfavourable weather conditions both for winter and spring crops in the Russian Federation. The total output of **wheat** in the region is now forecast at about 62 million tonnes, which would be more than 8 million tonnes down from last year's highly improved harvest but still above the average of the past five years. The 2002 wheat harvest in the Russian Federation is now forecast at 40.5 million tonnes, which would be about 6 million tonnes down from last year's level, despite a significant increase in the planted area. The decrease reflects the expected impact of excessively dry weather this spring on crop yields. Also in the Ukraine, wheat output is expected to fall from last year, to about 19 million tonnes, despite an estimated increase in the area sown.

Similarly, for **coarse grains**, dry spring weather has dampened prospects for this year's production. The region's aggregate output of coarse grains is now forecast at some 51 million tonnes of coarse grains in 2002, which is about 6 million tonnes lower than the harvest in 2001. Most of the decline is foreseen in barley output in Russia (3.4 million tonnes) and Ukraine (nearly 2 million tonnes).

The Russian Federation appears on course for a favourable **paddy** outturn in 2002, where output is forecast to surpass 500 000 tonnes, slightly above last year, due to increased local Government support and higher domestic prices for rice.

- **Oceania**

In Australia, prospects for the 2002 winter grain crops have deteriorated in the past two months due to lack of rainfall for planting. It is reported that by early June, planting pace was well behind normal and less than half of the expected 2002 winter crop had been sown. Even assuming sufficient rainfall arrives in the latter part of June and July, the final winter grain area is likely to be less than earlier expected. The wheat area is now forecast to fall by 6 percent from the previous year to about 11.8 million hectares. Moreover, with a large proportion of the crop planted after the optimal period, yields are also likely to be down from the previous year and below average. The latest official forecast for the 2002 wheat crop, which was released in early June, and assumes the arrival of sufficient rainfall in June to allow for more planting to take place, put the wheat harvest at 20.5 million tonnes, 15 percent down from last year and the lowest level since 1997. Output of barley is also forecast to fall, to about 6.1 million tonnes from almost 7.5 million tonnes in the previous year, also reflecting lower area sown and lower yields.

The summer coarse grain harvest is virtually completed and production is estimated to have declined in 2002. Output of sorghum is estimated at about 1.8 million tonnes compared to 2.1 million tonnes in the previous year.

In Australia, the official estimate of the 2002 **paddy** harvest has been raised by 100 000 tonnes to 1.3 million tonnes. However, it remains considerably below the previous season's record crop, owing to a fall in plantings caused by water scarcity and a return to normal yields.

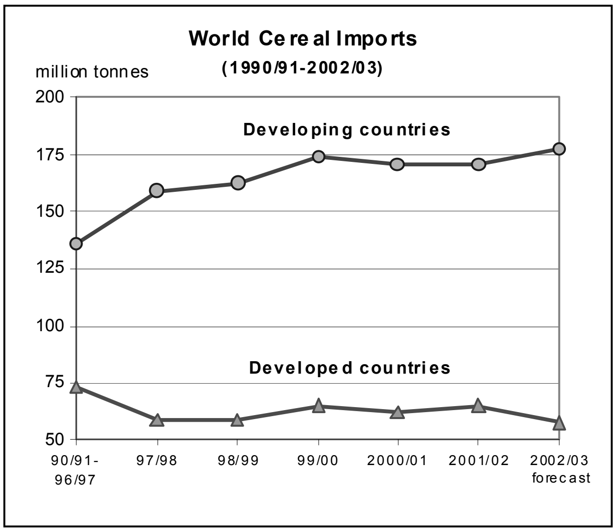
Trade[1/]

Imports by the developing countries could rise sharply

World **cereal** trade in 2002/03 is forecast to reach 235 million tonnes, down 1 million tonnes from the estimate of imports in 2001/02. Most of this anticipated decline would result from smaller wheat and rice imports, while trade in coarse grains is expected to increase slightly. The decline in world cereal trade is expected to result mostly from a large fall in imports by the developed countries, down 7.6 million tonnes to only 57 million tonnes. By contrast, total imports by the developing countries are seen to expand, reaching a new high of about 178 million tonnes, up nearly 7 million tonnes, or 4 percent, from the previous season. While the

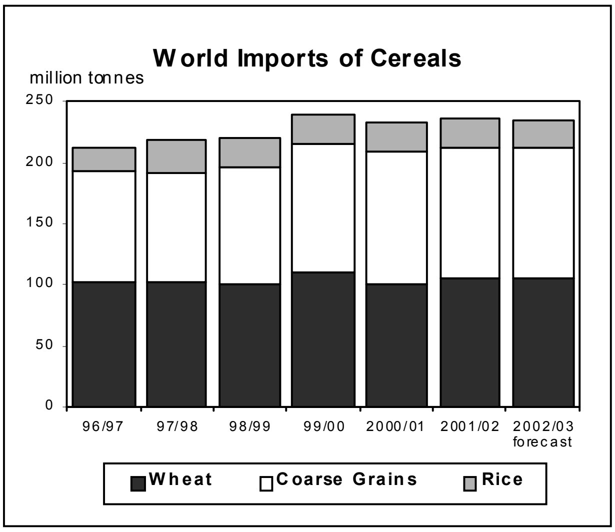
1/ World trade in wheat and coarse grains is based on estimated imports delivered through 30 June of the July/June trade year. Some late-season purchases may be included in the next season if deliveries occur after 30 June. In general, exports and imports are calculated based on estimated shipments and deliveries during the July/June trade season and thus they may not be equal for any given year due to time lags between shipments and deliveries. 2/ The next marketing season for rice will start in January 2001.

anticipated decline in cereal purchases by Canada and the EC would account for most of the reduction in total imports by the developed countries, higher demand by several developing countries in Far East Asia and southern Africa would account for the bulk of the anticipated expansion in cereal imports by the developing countries.



World trade in **wheat** and wheat flour (in wheat equivalent) in 2002/03 (July/June) is currently estimated at 104.5 million tonnes, down nearly 1 million tonnes from 2001/02, but up slightly from the previous report. In **Asia**, total wheat imports are forecast to rise above 50 million tonnes, up more than 2 million tonnes from the previous season. The largest increase is anticipated in China (Mainland), where imports are forecast to rise to 3.5 million tonnes, up nearly 2 million tonnes from 2001/02 and the highest level since 1996/97, due to an anticipated sharp fall in wheat production. Given the continuing abundance of feed wheat in international markets, especially at competitive prices compared to maize, feed wheat purchases by the Republic of Korea are likely to increase for the second consecutive year. By contrast, wheat imports by the Islamic Republic of Iran are forecast to decline by about 1 million tonnes, reflecting a partial recovery in domestic production following the end of a 3-year drought. Imports by another large Asian importer, Indonesia, are forecast to remain unchanged from the previous season, at 4 million tonnes. Millers in Indonesia are reported to have increased their purchases of relatively cheaper wheat from India and China in order to maintain competitiveness against low-priced wheat flour imports. In addition, in late June, the Government imposed a 20 percent "anti-dumping" duty on wheat flour in an attempt to limit imports, mostly from Australia, the EC and the United Arab Emirates.

In **Africa**, total wheat imports are forecast to remain similar to the previous season's estimated volume of around 25 million tonnes. In North Africa, good crop prospects in Algeria and Morocco could result in a small decline in their imports in 2002/03. However, imports by Egypt, Africa's largest wheat importer, could increase, despite an expected increase in production, in order to maintain adequate stock levels after a large drawdown in the previous season. Total imports by countries in sub-Saharan Africa are forecast at nearly 8 million tonnes, similar to last year. Imports by Nigeria, the subregion's largest importer are forecast to remain at last year's volume of 1.7 million tonnes. Wheat imports by Kenya could rise slightly since the Government has set a duty rate of 60 percent on wheat flour imports in a move to curb imports of cheap flour, mostly from Egypt.



Total wheat imports into **Latin America and the Caribbean** are also seen to remain at the previous season's level. In Mexico, a decline in production and continuing strong demand could increase imports above last year. In Brazil, imports are likely to remain at last year's level of 6.5 million tonnes amid uncertainties regarding trade difficulties with Argentina, Brazil's main supplier of wheat. In **Europe**, aggregate wheat imports are seen to retreat to a more normal level. After a sudden surge in imports last year, purchases by the EC are expected to be halved to around 4 million tonnes, mainly in anticipation of a record wheat crop and higher tariffs on grains from non-traditional sources (i.e. mostly eastern and central European countries). Recently, the European Commission sharply raised the tariffs on medium quality wheat from €7.82 to €13.29 per tonne; and it also revised up the tariff on low quality wheat from €20.23 per tonne to €23.12 per tonne.

Turning to prospects for wheat **exports** in the new marketing season, large sales from a number of non-traditional exporting countries are likely to continue also in 2002/03. India is likely to increase its shipments

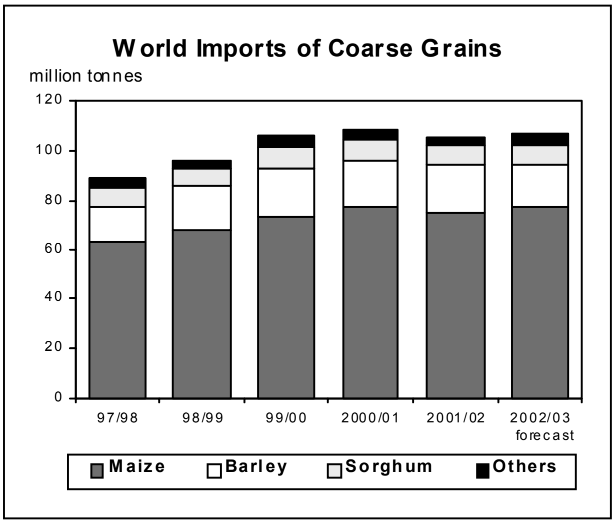
Overview of World Cereal Imports

	Wheat		Coarse grains		Rice (milled)		Total	
	2001/02	2002/03 forecast	2001/02	2002/03 forecast	2002	2003	2001/02	2002/03 forecast
	(. . . . . million tonnes . . . .)							
Asia	48.2	50.5	57.8	58.4	13.1		119.1	
Africa	24.5	24.7	13.2	16.2	6.4		44.1	
Central America	6.4	6.8	14.2	14.4	1.7		22.2	
South America	11.6	11.8	6.1	6.6	1.0		18.6	
North America	2.9	2.8	6.0	3.4	0.7		9.5	
Europe	11.2	7.4	8.6	7.4	1.6		21.4	
Oceania	0.5	0.5	0.1	0.1	0.4		1.0	
WORLD	**105.3**	**104.5**	**105.8**	**106.5**	**24.8**	**24.1** 1/	**236.0**	**235.1**
Developing Countries	80.6	83.6	69.4	73.8	21.0	20.3	170.9	177.7
Developed Countries	24.7	21.0	36.5	32.7	3.8	3.8	65.0	57.4

Source: FAO. 1/ Highly tentative.

for the fourth consecutive year to 5 million tonnes, although the Government's target is even higher. To strengthen bilateral cooperation with Sri Lanka, India announced in June that it would provide 300 000 tonnes of wheat to Sri Lanka along with a line of credit for US$100 million. While export availabilities in Hungary, Ukraine and the Russian Federation are likely to be lower than in 2001/02, they are still ample and certainly sufficient to play an important role in global markets also during this season. Following a recent agreement between the EC and Hungary, up to 600 000 tonnes of Hungarian wheat (as well as 450 000 tonnes of maize) could be sold to the Community free of duty, starting in July 2002 until 2004 when Hungary is expected to join the Community. Among the major five wheat exporters, sales by the EC are forecast to rise after a sudden plunge in 2001/02, but with the rise in the Euro against the US dollar, the anticipated recovery in shipments will also depend on world prices and the level and timing of EC export subsidies. In the previous marketing season, the EC granted export licences with positive refunds for free-market wheat (as well as barley) only towards the end of the season in May 2002. Among other exporters, smaller harvests are expected in Australia and the United States, which could result in lower exports from those countries. Slightly smaller sales are also expected from Canada and Argentina.

Global trade in **coarse grains** in 2002/03 (July/June) is forecast at 106.5 million tonnes, up 700 000 tonnes from the previous season, but still 2 million tonnes below the estimated record in 2000/01. Imports by the developed countries are forecast to reach 33 million tonnes, nearly 4 million tonnes below the previous year's estimated volume and one of the lowest in more than two decades. Total imports by the developing countries are forecast to approach 74 million tonnes, up more than 4 million tonnes from the previous season. Among the individual coarse grains, world trade in **maize** is likely to expand the fastest in 2002/03 and reach a record volume of 77 million tonnes, up 2 million tonnes from the previous season, mainly because of much higher demand in southern Africa. World trade in **barley** is forecast at 17 million tonnes, down 1.5 million tonnes from the previous season, mostly due to expected smaller purchases by the EC. As for **sorghum**, imports are likely to remain close to the previous year's estimated volume of around 8 million tonnes. World trade in other coarse grains, including oats, rye and millet, is also expected to remain mostly unchanged from the previous season.



Total coarse grain imports by countries in **Africa** in 2002/03 are currently put at over 16 million tonnes, up 3 million tonnes from the previous season. While overall imports by North African countries could remain similar to the previous season, import requirements in several southern African countries are much higher due to the extremely tight food supply situation arising largely from sharply reduced harvests. With supplies of white maize, the main staple in the subregion, being inadequate to meet this year's minimum food requirements, sizeable maize imports are expected to be shipped on commercial as well as concessional terms to the affected countries.

Also in **Asia**, total coarse grain imports in 2002/03 could be bigger than in the previous season. Maize imports by Malaysia, Thailand and the Republic of Korea are expected to increase, mostly in response to growing domestic feed demand. In Thailand, a smaller maize crop forecast for 2002 and an expected decline in cassava production, an alternative feed source, could result in an increase of 300 000 tonnes in maize imports this season. However, a partial recovery in production in the Islamic Republic of Iran and a slight reduction in domestic feed demand in Japan could result in smaller coarse grain imports by the two countries. In **Latin America and the Caribbean**, imports by most countries are expected to remain at last year's levels. However, in **Europe**, aggregate coarse grain imports in 2002/03 are forecast to drop by more than 1 million tonnes, mostly in anticipation of a decline in purchases by the EC because of larger domestic supplies. Other non-EC European countries, such as Poland, are forecast to import more feed grains this season, mostly because of lower production and strong domestic feed demand. In **North America**, imports are also likely to return to more normal levels because maize imports by Canada are forecast to fall sharply as a result of an anticipated strong recovery in domestic feed grain supplies.

Regarding coarse grain **exports,** global supplies are adequate to meet the expected small increase in world demand in 2002/03. Among non-traditional exporters, shipments from a number of central and eastern European countries are forecast to be smaller this season, mainly as a result of weather-reduced crops. Maize exports from China are forecast to remain close to the previous season's estimated volume of some 5 million tonnes. Among the major exporters, Canada, the EC and the United States are forecast to increase their exports this season because of improved supplies. The largest increase is expected in the United States, where total coarse grain exports are forecast to surge to the highest level since 1995/96. By contrast, shipments from Argentina are likely to fall sharply mainly due to a decline in domestic production. Coarse grain exports from Australia are likely to remain close to the previous season's volume.

Global **rice** trade in 2002 is now forecast at 24.8 million tonnes, some 400 000 tonnes below previous expectations, but still 1 million tonnes higher than in 2001. The downward revision mainly reflects changes in the expected imports by countries in Asia, China (Mainland) in particular.

China's (Mainland) forecast imports in 2002 have been cut by half to 500 000 tonnes. So far, there has been no sign that the country will enter the market to purchase large volumes, despite its TRQ under the WTO agreement to allow up to 4 million tonnes of rice at the preferential 1 percent import duty. According to official statistics, the country imported 270 000 tonnes of rice in 2001.

In Indonesia, concern over the impact of a possible El Niño event developing this year has led officials to set import requirements for 2002 at 3 million tonnes, twice the volume imported in 2001. Faced with foreign exchange constraints, the country is mostly engaging in counter trade deals for rice deliveries. In addition, the country has increased import protection on all commodities and food, but no details at this stage have been released on the size of the increase in the rice tariff, which stood at about 30 percent prior to the change.

In Bangladesh, in a bid to suppress upward pressure on domestic prices, duties on rice imports have been reduced by 10 percent to 33 percent. However, the official forecast for imports in 2002 remains at 200 000 tonnes, almost 50 percent lower than in 2001.

By contrast, the Philippines has authorized additional rice imports of 250 000 tonnes, a move that is seen as a safeguard against a possible production shortfall should the country suffer adverse weather later this year. Expected imports for the whole year stand at 700 000 tonnes, down from 850 000 tonnes in 2001.

Prospects for rice imports by African countries have been revised downward from the last report by 100 000 tonnes, after reductions in expected deliveries to Ghana, Cameroon and the Comoros.

Elsewhere, historically low export prices from the United States have prompted concerns among Brazil's rice producers of an import surge in 2002, despite a relatively weak domestic currency. As a result, a proposal to nearly double the MERCOSUR external tariff on rice to 20-24 percent has been presented. Similarly, Mexico has recently imposed anti-dumping tariffs on rice of United States origin, resulting in a rise from the NAFTA bound rate of 2 percent to 10 percent. In addition, the EC has formally notified the WTO about its proposal to raise customs duties on rice from the United States by 100 percent, in the context of the steel dispute.

With regard to exports, much of the downward revision in global trade reflects expectations of reduced shipments from Viet Nam, where the Government has since lowered its current sale target by an overall 800 000 tonnes to 3 million tonnes. If realized, this volume would be some 500 000 tonnes smaller than in 2001, reflecting intense price competition and shorter supplies. Similarly, in Pakistan, a sharp decline in non-Basmati rice sales has depressed export prospects by 100 000 tonnes to 1.4 million tonnes, substantially below the revised volume of 2.3 million tonnes shipped in 2001. Exports from China (Mainland) are now foreseen at 1.5 million tonnes, down from the previous forecast of 2 million tonnes and 350 000 tonnes less than in 2001, as several successive years of falling output appear to have constrained export supplies. By contrast, Thailand's 2002 exports are forecast at a record 7.6 million tonnes, in spite of relatively high domestic prices resulting from the Government intervention scheme.

India's rice shipments are expected to surge in 2002. The forecast now stands at 4.2 million tonnes, an increase of 700 000 tonnes from the last report and 2.5 million tonnes above the previous year, owing to relatively low sales prices of rice for export made available from public (FCI) stocks. However, port congestion and freight problems are causing some delays to shipments. Several new policy developments concerning the sale of FCI stocks in the country have emerged since the last report. Firstly, the FCI has raised the price it sells to exporters at by Rs 150 (US$3), effective from 1 August. Secondly, the FCI is set to revisit the issue of the compatibility of its grain subsidization policy with WTO rules. Further measures to stimulate exports, including counter-trade deals and food aid, are currently being reviewed.

Other revisions to export forecasts include Myanmar where ample rice supplies have led to a rise in shipments to a ten-year high of 800 000 tonnes, despite an increase in official export prices. The forecast of subsidized rice sales from the Chinese Province of Taiwan (contracted before its accession to the WTO) has been increased to 90 000 tonnes. Prospects for the United Sates have also been lifted, as the sharp fall in domestic prices has enhanced exporters' competitiveness. However, the current forecast of 2.8 million tonnes does not consider the effects of countervailing actions by major trading partners in response to the raising of steel tariffs and claims of dumping of low-priced rice by the country. In Argentina, a climate of economic instability suggest that exports for 2002 are unlikely to surpass a seven-year low of 300 000 tonnes.

Utilization

Strong growth in cereal demand expected in 2001/02

World cereal utilization in 2001/02[1/] is forecast to expand by 1.4 percent from the previous season, to reach 1 938 million tonnes, which is close to the ten-year trend value. The volume of cereals used for human food is forecast to rise by 1 percent, or 10 million tonnes, to reach 971 million tonnes. Global feed use could expand by 1.3 percent to 706 million tonnes, while other uses of cereals are forecast to increase by 3 percent. Based on the forecast for global food consumption, per caput cereal consumption would be unchanged at 159 kilograms.

Per caput cereal intake remains steady

For the developing countries, cereal food consumption is forecast to rise to 795 million tonnes in 2001/02, some 8 million tonnes above the estimate for 2000/01.

1/ Aggregation of individual country's marketing years ending in 2002.

At the forecast level, per caput cereal food consumption would be 166 kilograms, the same as in the previous season. Food consumption in the low-income, food-deficit countries (LIFDCs), considered by FAO to be the group of countries most vulnerable to food insecurity, is expected to expand by 1 percent to 644 million tonnes in 2001/02, an increase of 7 million tonnes over the previous year. On a per caput basis, cereal food consumption in the LIFDCs is forecast at 167 kilograms, down marginally from the previous season.

World Cereal Utilization

	2000/01	2001/02	2002/03 forecast
	(. . . . . . million tonnes . . . . . .)		
Total utilization			
World	**1 911**	**1 938**	**1 951**
Developing countries	1 162	1 171	1 184
Developed countries	749	767	767
Food consumption1/			
World	**961**	**971**	**984**
Developing countries	787	795	808
Developed countries	175	176	176
Feed use			
World	**697**	**706**	**704**
Developing countries	259	261	263
Developed countries	439	445	442
Other uses 2/			
World	**253**	**261**	**263**
Developing countries	117	114	114
Developed countries	136	146	149

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

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

Much of the global increase in cereal food consumption, some 8 million tonnes, is expected to be concentrated in the developing countries in Asia, particularly in the South and South East subregion, taking their total utilization to some 615 million tonnes. Better than average crops in some countries and large supplies in most of the countries in the subregion, along with growing incomes and populations, are likely to contribute to the expansion in food consumption. Together, Bangladesh, India, Pakistan and Viet Nam are expected to account for half of the Asian increase, while China (Mainland) and the Philippines could account for another 1 million tonnes. In Africa, cereal food consumption is forecast to increase by over 1 percent to 118 million tonnes, with most of the gains in North Africa and Sudan. By contrast, in the four countries in southern Africa most affected by the current food crisis, namely Lesotho, Malawi, Zimbabwe and Zambia, cereal food consumption is forecast to decline by 9 percent in 2001/02. However, the uncertain political and economic situations in some southern African countries prevent an accurate forecast at this time. In addition, much of the actual consumption levels in that subregion will depend on the amount of cereal food aid received during this year. The consumption of cereals as food in the Latin American and Caribbean region could increase the fastest among the developing countries by 1.7 percent, to reach almost 70 million tonnes in 2001/02, in part due to above average coarse grain crops. Small increases in food consumption are also forecast in a number of CIS and eastern European countries. In particular, the Russian Federation could see an expansion of almost 400 000 tonnes, or 2 percent, following one of the largest grain crops in the past decade.

Per Caput Food Consumption of Cereals

	2000/01	2001/02	2002/03 forecast
	(. . . . . kg. per head . . . . .)		
Developing countries	166	166	166
Developed countries	134	134	134
TOTAL	**159**	**159**	**159**
Low-income food-deficit countries	168	167	168
(excluding China and India)	(155)	(155)	(155)
Wheat	71	71	71
Coarse grains	29	29	30
Rice (milled)	59	59	59

__Source__: FAO

Global feed demand continues to expand

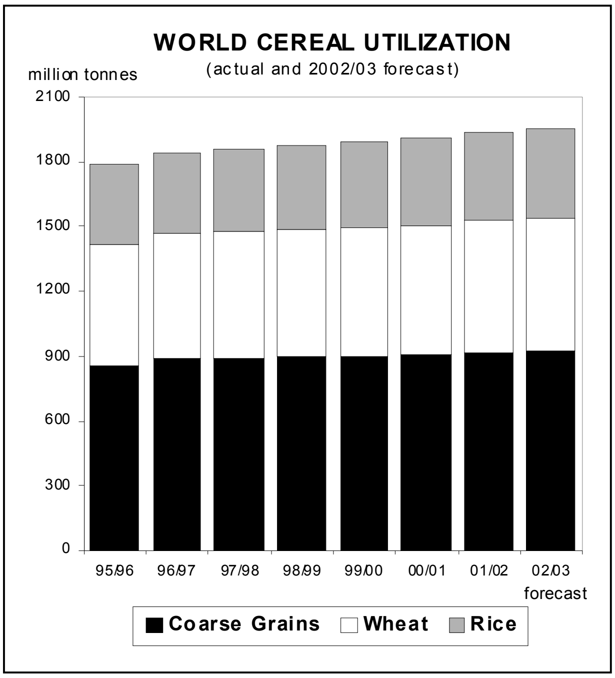
In 2001/02 world feed use is forecast to rise by 1.3 percent, or 9 million tonnes, to 706 million tonnes. Most of the increase is expected in the CIS, the EC, Latin America and the Caribbean and North Africa. The largest gains are expected in the Russian Federation in response to bumper crops estimated for 2001. In the EC, cereal feed use could reach a record following the BSE and other food-safety related crisis during the previous season. In addition, relatively low domestic grain prices and large supplies, primarily as a result of large imports of feed quality wheat from eastern European and the CIS countries, and short supplies of alternative feeds, such as cassava and corn (maize) gluten, are likely to also contribute to an increase in grain feed use this season. Bumper coarse grain crops in Brazil and Mexico are expected to result in large increases in feed use in those countries. In Brazil, strong domestic and export demand for poultry meat can also be considered as contributing to growing feed demand. Better wheat and coarse grain crops estimated for most North African countries in 2001 are also expected to boost feed use in that subregion.

In the United States, grain feeding is officially forecast to fall in 2001/02, due largely to a contraction of livestock inventories. Animal diseases and food safety concerns in Japan could depress livestock production and, thus, cereal feed use in that country.

“Other uses” of cereals expected to be down

“Other uses” of cereals includes seed, post-harvest losses and industrial uses. Post-harvest losses tend to fluctuate in proportion to production changes, in particular in developing countries. On the other hand, demand for industrial products made from cereals are largely determined by factors outside the agricultural sector. For example, in the United States, according to official sources, maize used to produce sugar substitutes, glucose, dextrose and starches is forecast to increase by 2 percent in 2001/02, while the use of maize to produce fuel additives (primarily ethanol), the largest non-food/feed use of cereals in the United States, could jump by 10 percent. The latter increase is attributed to higher use of capacity and the addition of new plants supported by a federal programme to promote biofuels. Rising petroleum prices may also have encouraged suppliers to shift towards lower-cost alternative fuels.

Growth in cereal utilization could slow in 2002/03



The growth in world cereal utilization in 2002/03 is forecast to slow down to 0.7 percent, one-half of the previous season’s rate. Thus, total utilization is forecast to reach 1 951 million tonnes, just below the ten-year trend value. The volume of cereals used for human food is forecast to rise by 1.3 percent, or 13 million tonnes, to reach 984 million tonnes. Based on the forecast for global food consumption, no change in per caput cereal consumption is expected. Global feed use could contract slightly from 2001/02 to 704 million tonnes, while other uses may increase only slightly.

The United States 2002 Farm Bill and Pulses

The United States new farm bill, named the *Food Security and Rural Investment* (FSRI) Act, was signed by the President on 13 May 2002. The new Act will govern the farm legislation of the United States for the period 2002-2007. As a feature in this new bill, dry peas, lentils and small chickpeas have been added to the list of programme crops for the first time[1/]. Adding these crops to the commodity loan programme make them eligible for *marketing loan benefits* and *loan deficiency payments* (*LDP*)[2/]. Farmers are expected to take the new loan provisions into consideration in their planting decisions starting in 2003.

On a global scale, the United States is not a big producer of any of the pulses covered by the Farm Bill; however, it is a surplus producer and, thus, an exporter of all of them. The commodity loan programme is expected to have the least impact on the production of small chickpeas since the established loan rates are well below their producer prices.

However, the impact could be more favourable for lentils, since their loan rates are well above recent producer prices, which may induce higher plantings starting next year. If the additional lentil production could be exported, the effect on the international market could be significant, mainly because the volume of trade in lentils is relatively thin (1 million tonnes). Currently, the export share of the United States is only 8 percent, compared to 50 percent for Canada. Other major lentil exporters include Australia, India and Turkey.

For dry peas, even though the loan rates are below prices received by producers in recent months, the programme may lead to an expansion in area, especially in states with lower costs of production such as North Dakota and Montana. Dry pea production could also spread to nearby states in the Upper Midwest with comparable production costs. With a market share of no more than 5 percent, the United States is not expected to have a major impact on the world dry pea market, unless export supplies could expand significantly. However, dry peas also have the potential to become an important feed in domestic livestock production, which could absorb the additional domestic production. Canada is the world's largest dry pea exporter, accounting for almost 70 percent of global exports, followed by Australia with a 12-percent share.

United States production and exports of selected pulses, averages for 1999-2001

	Production (metric tonnes)	Exports (metric tonnes)	Export share in production (%)	Share in global exports (%)
Dry peas	182 206	85 139	47	4.7
Lentils	125 664	92 375	74	7.6
Chickpeas	55 180	29 569	54	3.7

Source: FAO

Pulse producer prices and marketing loan rates

	Producer Prices [(a)]		Farm Bill Loan Rates[(b)]	
	2000/01	2001/02[(c)]	2002-2003	2004-2007
	(..... US$/metric tonne .....)		(..... US$/metric tonne .....)	
Lentils, Brewer	230.16	208.12	263.23	258.38
Lentils, Pardina	204.59	204.59	263.23	258.38
Dry peas, whole green	131.17	150.80	139.55	137.13
Dry peas, whole yellow	130.51	151.68	139.55	137.13
Desi chickpeas[(d)]	214.73	227.30	166.67	163.80

Source: United States Department of Agriculture, except (d) Agriculture and Agri-Food Canada.

(a) Prices are based on producer bids in Idaho/Washington quoted in $/cwt (100 pounds). (b) Equivalents in US$/metric tonne as loan rates were specified in US$/cwt in the Farm Bill.(c) For 2001/02, the data covers September through April.(d) Comparable Canadian farm prices for desi chickpeas.

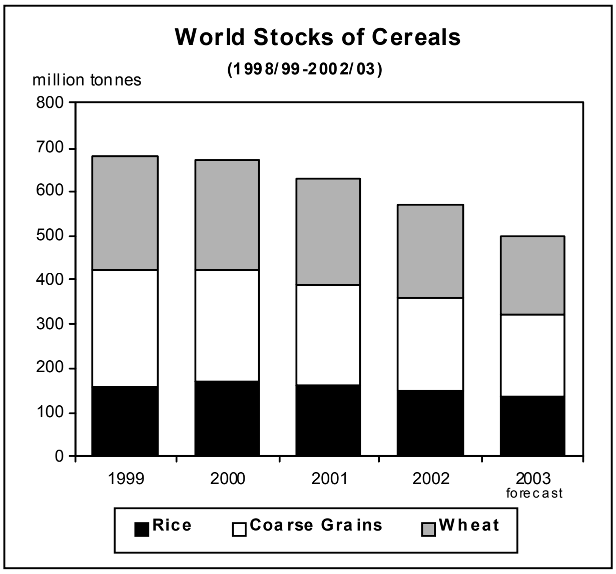
1/ It should be noted that dry beans, of which the United States is a major producer and exporter, are not included in the 2002 farm bill. Also, the large kabuli type chickpeas, which represent the bulk of the United States chickpea production, are not covered by the new bill.

2/ Farmers can benefit from the marketing loan programme in two ways. They can opt to receive a loan from the government at a specified loan rate per unit of production by pledging production as loan collateral. At harvest, if market prices drop below the loan rate, farmers can pay the loan at a lower repayment rate, thus generating marketing loan gains. The second option is to benefit from the programme by directly taking loan deficiency payments (LDP). The LDP rate is the difference between the loan rate and the commodity price. The difference with the first option is that in the latter the farmer does not need to undertake the commodity loan and pledge production as collateral. For more information on the new farm bill, see http://www.ers.usda.gov/features/farmbill/

Carryover Stocks

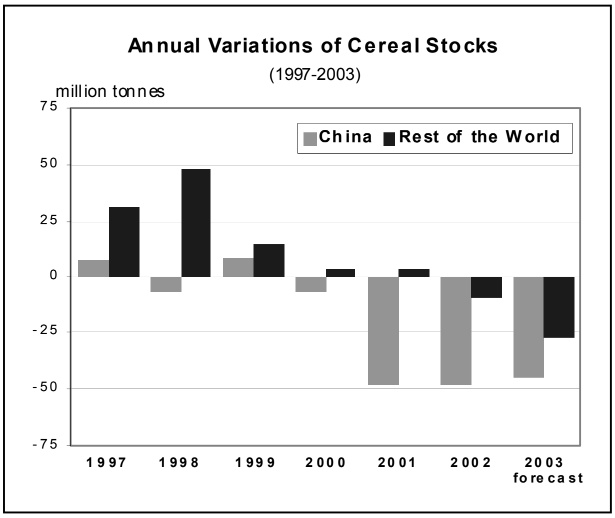
Another sharp decline in world cereal stocks

World **cereal** stocks by the end of the crop seasons in 2003 are likely to fall again, to 498 million tonnes, down 72 million tonnes, or 13 percent, from their already reduced opening levels and 17 million tonnes lower than was reported in May. The revision is largely due to a cut of 25 million tonnes in the forecast for global cereals production in 2002. At the global level, the anticipated decline in wheat inventories would be the most significant, but coarse grains and rice stocks are also likely to fall sharply.



The primary factor for successive years of global stocks depletion continues to hinge on developments in China, where, following a period of large stocks, the Government is pursuing downsizing strategies, underlying its commitment to market reform. While cereal stocks in China could remain bountiful for at least a few more years, based on FAO's latest forecasts, closing cereal stocks in China would be 45 million tonnes lower than at the start of the season and nearly 40 percent, or 150 million tonnes, smaller than only four years ago.

World **wheat** stocks by the close of the seasons ending in 2003 are now forecast to reach 174 million tonnes, around 35 million tonnes, or 17 percent, below their opening levels. The sharp anticipated decline in this year's wheat production in China coupled with the country's aim to lower its inventories would result in another large drop in its wheat stocks, to 62 million tonnes, or down 24 million tonnes from the previous season. Lower wheat stocks are also anticipated in several eastern European and CIS countries as their exports are likely to remain large and their overall production slightly reduced. By contrast, in India, where this year's wheat crop will again be above-average, total inventories would remain above the Government's target level and could even increase should exports remain below the current expectation.



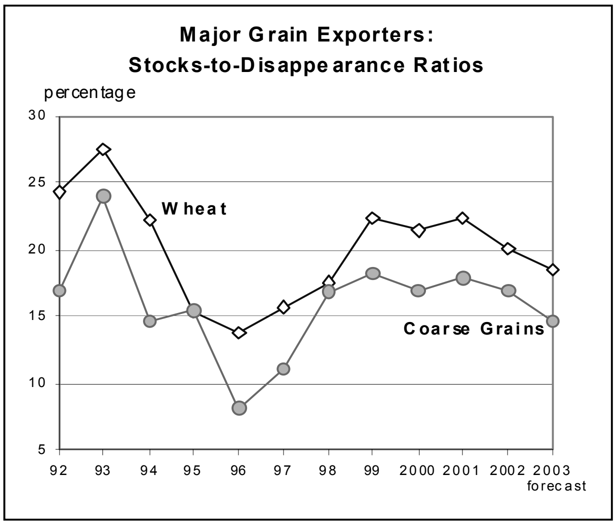
Total wheat stocks held by the five major exporters could decline sharply and the contraction would also entail a drop in the ratio of their aggregate wheat stocks to their total disappearance (the sum of their domestic consumption and exports), which is estimated to reach a four-year low of 18.5 percent. Wheat stocks in the United States are likely to fall to their lowest level since 1997, with production contracting for the fourth consecutive year. Smaller stocks are also anticipated for Canada and Australia, but record production in the EC is expected to boost inventories there to levels not seen since 1993.

World Carryover Stocks of Cereals

	Crop year ending in:		
	2001	2002 estimate	2003 forecast
	(. . . . million tonnes . . . .)		
Wheat	237.2	210.0	174.2
Coarse grains	226.1	209.9	188.5
of which:			
Maize	184.3	166.3	147.1
Barley	22.6	22.3	20.1
Sorghum	5.4	6.4	6.4
Others	13.8	14.9	14.9
Rice (milled)	163.9	150.2	135.1
TOTAL	**627.2**	**570.1**	**497.7**

Source: FAO

Global **coarse grain** inventories for crop years ending in 2003 are currently put at 188 million tonnes, down slightly since the previous report but 21 million tonnes, or 10 percent, below their opening levels. In China, high exports coupled with growing domestic feed demand would require a further drawdown of maize stocks, although maize output is anticipated to be bigger than last year. In Brazil, the decline in maize output combined with continuing large exports would result in stocks to fall back to more normal levels. Sharp declines in stocks are also anticipated among many countries in Africa, especially in southern Africa where extreme food shortages persist and white maize is in low supply as a result of poor crops. Among the major exporters, only in Canada, where crop prospects for barley and oats point to higher production, could stocks increase. In the United States, coarse grain inventories are forecast to decline given the prospects for higher exports and domestic use. Smaller barley and sorghum production in Australia would also result in a drop in the end-of-season stocks in that country while, in the EC, overall coarse grain stocks are likely to get smaller in light of improved export prospects for barley, somewhat lower maize and rye production, and stronger feed use as imports of feed wheat are likely to be curtailed following an unexpected surge in the previous season. On the whole, the ratio of major exporters' coarse grain stocks to their total disappearance could fall below 15 percent, down from the estimated 17 percent in 2001/02 and the smallest ratio since the mid-1990s.



Global **rice** stocks at the close of the 2002 season could decline by 15 million tonnes to 135 million tonnes, which would be the fourth annual consecutive fall. As with the other cereals, the decline would be mostly attributable to developments in China, where the need to bridge the gap between production and consumption would continue to bear on stock levels. However, the global outlook is still highly tentative since inventory levels will depend chiefly on the outcome of the 2002 main paddy crops in Asia that have just been planted.

Turning to the current season (ending in 2002), stocks are forecast at 150 million tonnes, a decline of about 14 million tonnes, of which 13 million tonnes is accounted for by China – a slightly higher reduction than was anticipated earlier. Further downward revisions from the last report have also been made to the estimates of ending stocks for Japan, Thailand and the United States. By contrast, in Viet Nam, because of reduced export prospects, a larger stock buildup is likely. In India, rice purchases by the Government have been on the rise because of a record crop, which is expected, to boost public rice inventories to an unprecedented high level.

Export Prices

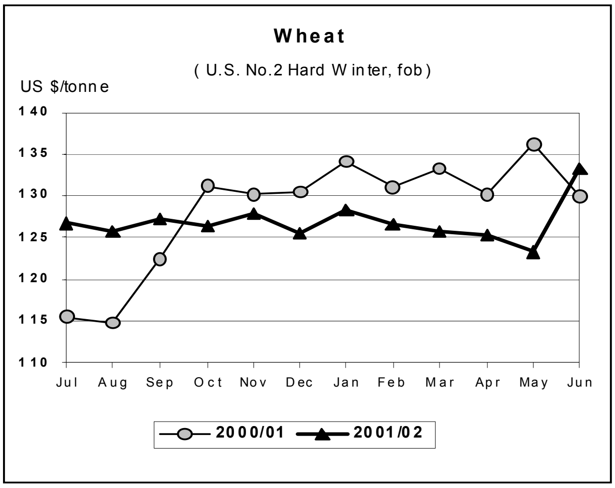
Cereal prices are moving up

Cereal Export Prices *

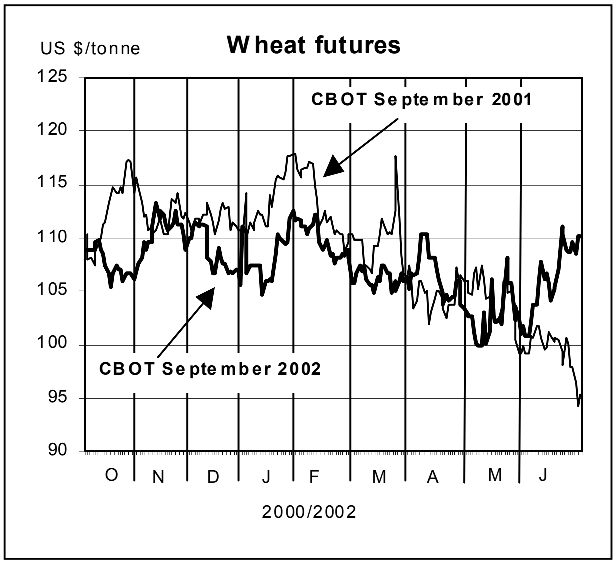
	2002		2001
	June	April	June
	(. . . . . . US$/tonne . . . . . .)		
United States			
Wheat	133	125	130
Maize	92	87	83
Sorghum	95	89	93
Argentina			
Wheat	150	121	127
Maize	92	86	83
Thailand			
Rice white	210	197	175
Rice, broken	152	149	133

* Prices refer to the monthly average. For sources see Appendix Tables A.6 and A.7.

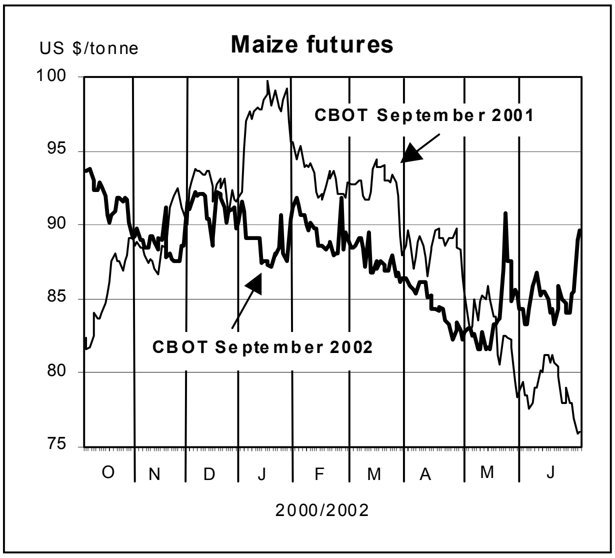
International **wheat** prices rose considerably over the past two months, mostly in response to less favourable crop prospects in a number of major exporting countries. In June, the U.S. wheat No. 2 (HRW, fob) averaged US$133 per tonne, up US$8 per tonne from April and US$3 per tonne more than in the corresponding month last year. However, the increase in US soft wheat prices have been less pronounced mainly because of large supplies of low quality wheat from non-traditional sources, especially from India and Ukraine. Despite the economic problems in Argentina, export commitments are approaching the total availability of around 10 million tonnes and Argentine prices have risen sharply beyond last year's level. In the EC, large supplies and the strengthening of Euro against the US Dollar have prompted the return of export subsidies (maximum refund of €5).



In the futures market, prices have also been moving up. By late June, the September wheat futures for soft red winter at the Chicago Board of Trade (CBOT) were quoted at US$110 per tonne, up US$16 per tonne from the previous year. With harvests getting underway in most wheat producing countries in the northern hemisphere, seasonal factors could begin putting downward pressure on prices in the coming weeks. However, wheat prices could begin to rise more persistently during the new marketing season just starting in view of generally tighter wheat supplies in major exporting countries.

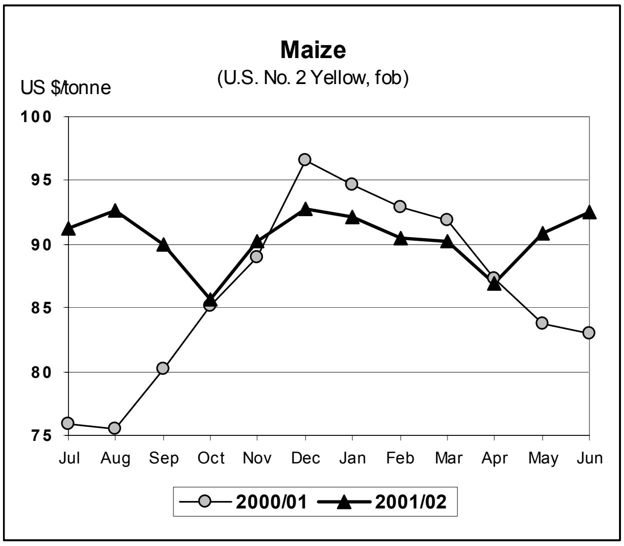


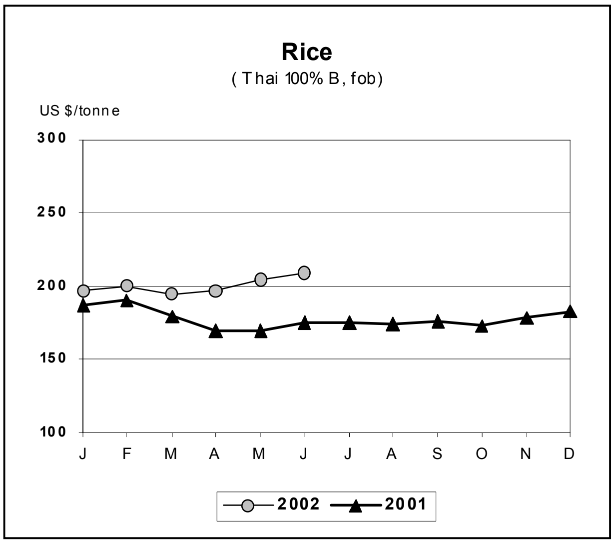
International **maize** prices have also strengthened over the past few months with the U.S. No. 2 maize (fob) averaging US$92 per tonne in June, up US$5 per tonne from April and also US$9 per tonne above the corresponding period last year. A faster pace in import purchases in recent weeks has also proven supportive to prices. White maize prices are reported to have made the steepest gains, driven by exceptionally strong demand in southern Africa because of worsening food emergencies. The CBOT maize futures also continued to remain above last year's values in light of reduced crops in southern hemisphere countries and lower export prospects from Argentina.



The Chicago September maize futures surged to US$90 in late June, up US$14 from the previous year. Unlike the case of wheat, the outlook for maize prices is uncertain. On one hand, the overall world import demand points to a small increase from the previous season but large supplies of feed wheat could undermine demand for maize in some markets while the size of exportable supplies in China and Brazil remains difficult to gauge.

International **rice** prices have risen slightly since the last report, as reflected in the FAO Export Price Index for Rice (1982-84 =100), which since April has risen by 1 point to 90 points. A tightening of supplies from





Pakistan and Viet Nam, has created some buoyancy towards prices, but policy intervention by other major exporting countries, notably India and Thailand, has also been supportive to prices in recent months. In India, prices of FCI stocks for export have been subject to increases, while in Thailand, the continuation of the official procurement programme has contributed to stronger export prices.

In June, the Thai 100% B surpassed the US$200 per tonne benchmark for the first time in two years, being quoted at US$210 per tonne. Although prices for the United States long grain 2/4 percent also recovered in May and June, at US$202 per tonne, they fell for the first time below their Thai counterpart quotations. For comparison, this same rice was quoted US$282 per tonne in June 2001.

Prospects in the next few months remain rather subdued, as the production outlook of countries in the northern hemisphere has somewhat improved and global import prospects have been lowered.

Fertilizers

Urea prices strengthened over the past two months (May-June) and the June average was about 8 percent higher than a year earlier. This development reflects the disappearance of previously ample supplies due to continuing strong demand during the period, particularly in the United States and Asia. In eastern Europe, prices increased for both Black Sea and Baltic origin urea. However, demand is not expected to continue as strong as in recent months with summer crop planting in the region now completed. In Thailand, urea demand is strong with the onset of the rainy season while stocks are low. Demand from Viet Nam is lower than expected, domestic demand in the south has come to an end and demand in the north is met from suppliers in Indonesia, the Near East and Bangladesh. India and China are scheduled to import modest volumes of urea, China reportedly re-exported 60 000 tonnes to the Democratic People Republic of Korea. The effect of recent changes in price interventions in India has the potential to stimulate imports in August and September to meet demand during the forthcoming Kharif season. Increased urea demand in Chile is met primarily from suppliers in Argentina, demand from Brazil is about normal for this time of the season. Urea granular prices in the United States increased and resellers continued maintaining increased prices in the expectation that demand would remain for urea application on rice and the approaching cotton season. Higher urea prices in the United States would provide again, however, export opportunities for Near East producers. Urea production in Canada declined considerably in the first half of 2002 compared to one year ago.

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

	May 2002	June 2002	June 2001	Change from last year 1/
	(. . . . . US$/tonne		. . . .)	(. percentage .)
Urea				
eastern Europe	88-90	91-93	85-86	7.6
Near East	103-105	107-109	90-93	18.0
Ammonium Sulphate				
eastern Europe	44-46	44-45	50-54	-14.4
U.S. Gulf	60-65	60-63	60-65	-1.6
western Europe	55-58	55-58	70-75	-22.1
Diammonium Phosphate				
Jordan	161-164	164-166	158-160	3.8
North Africa	149-155	155-159	136-147	11.0
U.S. Gulf	153-156	160-164	134-136	20.0
Triple Superphosphate				
North Africa	121-127	122-126	118-125	2.1
U.S. Gulf	132-134	129-131	119-123	7.4
Muriate of Potash				
eastern Europe	92-107	92-107	91-106	1.0
Vancouver	111-123	111-123	111-130	-2.9
western Europe	105-115	105-115	115-122	-7.2

Source: Compiled from Fertilizer Week and Fertilizer Market Bulletin. 1/ From mid-point of given ranges.

Prices for **ammonia** in Europe have increased since the beginning of this year by about 20 percent. Supplies are tight due to the continued closure of a major supplier in Algeria, relative high natural gas prices in the United States and export restrictions. Earlier strong demand for ammonia in Europe is over with the close of the summer crop planting season, while demand in the United States was adversely effected by inclement weather conditions in parts of the Corn Belt.

Prices of **ammonium sulphate** remained almost stable over the past two months and are about 22 percent lower than prices a year earlier.

Diammonium phosphate (DAP) prices continued to increase from May to June. The largest increase was noted in the US Gulf region, where June prices were about 20 percent higher than a year earlier. Tight supply in the US Gulf and strong demand from Mexico augmented by occasional spot sales to China point to continuing strong prices in the short term. China is importing DAP from Morocco and Tunisia. China also introduced changes in rock phosphate exports in an effort to promote domestic phosphate fertilizer production. In Pakistan import requirements for the Rabi season were met from Tunisia and the Russian Federation, while in India from Jordan and the Russian Federation. More imports are required to meet demand during Kharif planting. Demand for DAP from Latin America is strong and involves a substantial volume of material. Mexico's DAP imports will considerably increase compared to last year as current domestic production is severely constrained.

Prices of **triple superphosphate** (TSP) from North Africa and the US Gulf have been stable over the past four weeks. Prices from both origins lower than a year earlier, by 7 and 2 percent respectively. Average spot prices of **muriate of potash** (MOP) remained unchanged over the past two months and similar to those at the same time last year. Potash demand in Europe is again at about the same level as in 2000. Increased MOP imports in Thailand are driven by strong demand for compound fertilizers instigated by an early start of the rainy season. Increased potash imports by Brazil are expected in the second half of the year; potash application to date has been higher than a year ago.

A.1 a) **- WORLD CEREAL PRODUCTION**

	Wheat			Coarse Grains		
	2000	2001 estim.	2002 f'cast.	2000	2001 estim.	2002 f'cast.
	(.	. . . . million	tonnes	. . . .	. . . .	. . . .)
ASIA	**254.0**	**239.6**	**240.6**	**196.2**	**205.0**	**212.1**
Bangladesh	1.7	1.6	1.8	0.1	0.1	0.1
China 1/	99.6	93.9	87.8	118.4	126.1	131.5
India	76.4	68.8	73.5	31.6	30.9	33.0
Indonesia	-	-	-	9.7	9.2	9.3
Iran, Islamic Rep. of	8.0	7.5	9.5	2.3	2.3	2.9
Japan	0.7	0.7	0.7	0.2	0.2	0.2
Kazakhstan	9.1	12.7	9.7	2.0	3.0	2.6
Korea, D. P. R.	0.1	0.1	0.1	1.1	1.6	1.4
Korea, Rep. of	-	-	-	0.3	0.5	0.4
Myanmar	0.1	0.1	0.1	0.5	0.5	0.5
Pakistan	21.1	19.0	19.2	2.2	2.1	2.1
Philippines	-	-	-	4.5	4.5	4.5
Saudi Arabia	1.8	1.8	1.8	0.3	0.3	0.3
Thailand	-	-	-	4.9	4.6	4.2
Turkey	21.0	16.0	18.0	10.7	9.2	10.1
Viet Nam	-	-	-	1.9	2.0	1.9
AFRICA	**14.5**	**17.9**	**17.3**	**79.9**	**81.1**	**78.9**
North Africa	**9.7**	**12.9**	**12.7**	**8.5**	**9.7**	**10.1**
Egypt	6.6	6.3	6.6	7.4	7.4	7.3
Morocco	1.4	3.3	3.4	0.6	1.4	1.8
Sub-Saharan Africa	**4.8**	**5.0**	**4.6**	**71.3**	**71.4**	**68.8**
Western Africa	**0.1**	**0.1**	**0.1**	**31.3**	**33.6**	**32.8**
Nigeria	-	-	-	19.3	19.6	20.0
Central Africa	**-**	**-**	**-**	**2.5**	**2.5**	**2.5**
Eastern Africa	**1.9**	**2.1**	**1.9**	**18.1**	**20.7**	**18.9**
Ethiopia	1.5	1.4	1.3	7.8	7.4	7.0
Sudan	0.3	0.3	0.3	3.2	4.4	3.6
Southern Africa	**2.7**	**2.9**	**2.6**	**19.4**	**14.6**	**14.7**
Madagascar	-	-	-	0.2	0.2	0.2
South Africa	2.4	2.5	2.4	11.1	7.8	9.3
Zimbabwe	0.3	0.3	0.2	2.2	1.6	0.5
CENTRAL AMERICA	**3.4**	**3.3**	**3.2**	**27.9**	**30.0**	**29.8**
Mexico	3.4	3.3	3.2	24.4	26.6	26.3
SOUTH AMERICA	**20.0**	**21.0**	**21.7**	**63.1**	**71.6**	**64.9**
Argentina	16.0	15.3	15.5	21.7	19.6	18.3
Brazil	1.7	3.2	3.8	32.9	43.1	37.7
Colombia	-	-	-	1.5	1.6	1.6
NORTH AMERICA	**87.6**	**74.6**	**72.6**	**297.9**	**285.3**	**295.6**
Canada	26.8	21.3	23.0	24.5	23.0	28.4
United States	60.8	53.3	49.6	273.3	262.3	267.2
EUROPE	**183.3**	**200.9**	**202.0**	**199.3**	**221.2**	**211.3**
Bulgaria	3.2	3.5	4.0	1.9	1.8	1.9
EC 2/	104.8	91.7	105.7	109.2	108.8	106.7
Hungary	3.7	5.2	4.4	6.2	9.7	7.9
Poland	8.5	9.3	9.0	13.8	16.6	16.7
Romania	4.4	7.8	4.9	5.8	8.8	8.6
Russian Fed.	34.4	46.9	40.5	29.3	35.9	30.6
Ukraine	11.0	21.3	19.0	13.8	16.0	15.3
OCEANIA	**22.6**	**24.2**	**20.7**	**11.8**	**12.4**	**10.8**
Australia	22.2	24.0	20.5	11.3	11.7	10.2
WORLD	**585.4**	**581.4**	**578.2**	**875.9**	**906.5**	**903.5**
Developing countries	272.0	256.9	260.4	352.3	374.7	371.7
Developed countries	313.4	324.5	317.7	523.7	531.8	531.8

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

Table A.1 b) **- WORLD CEREAL PRODUCTION**

	Rice (paddy)			Total Cereals 1/		
	2000	2001 estim.	2002 f'cast.	2000	2001 estim.	2002 f'cast.
	(.	. . . . million tonnes	. . . .	. . . .	. . . .	. . . . . .)
ASIA	**544.9**	**539.4**	**538.7**	**995.0**	**983.9**	**991.4**
Bangladesh	37.6	37.8	39.0	39.4	39.5	40.9
China 2/	189.8	179.3	179.5	407.9	399.3	398.8
India	127.3	136.1	136.0	235.3	235.8	242.5
Indonesia	51.9	49.6	48.7	61.6	58.8	57.9
Iran, Islamic Rep. of	2.0	1.9	2.0	12.3	11.6	14.4
Japan	11.9	11.3	11.0	12.8	12.3	11.9
Kazakhstan	0.2	0.2	0.2	11.3	15.9	12.5
Korea, D. P. R.	1.7	2.1	2.1	2.9	3.8	3.6
Korea, Rep. of	7.2	7.5	7.3	7.5	7.9	7.7
Myanmar	21.3	21.3	21.0	21.9	21.9	21.6
Pakistan	7.2	5.6	5.2	30.5	26.8	26.6
Philippines	12.5	13.0	12.9	17.0	17.5	17.4
Saudi Arabia	-	-	-	2.1	2.1	2.1
Thailand	25.6	25.3	24.6	30.5	29.9	28.8
Turkey	0.4	0.3	0.4	32.0	25.5	28.5
Viet Nam	32.5	32.0	32.3	34.4	33.9	34.2
AFRICA	**17.4**	**17.2**	**18.1**	**111.7**	**116.2**	**114.3**
North Africa	**6.0**	**5.3**	**6.1**	**24.3**	**27.9**	**28.9**
Egypt	6.0	5.2	6.1	20.0	18.9	20.1
Morocco	-	-	-	2.0	4.8	5.3
Sub-Saharan Africa	**11.4**	**12.0**	**11.9**	**87.5**	**88.3**	**85.4**
Western Africa	**7.3**	**7.6**	**7.8**	**38.6**	**41.2**	**40.6**
Nigeria	3.3	3.4	3.5	22.7	23.0	23.6
Central Africa	**0.4**	**0.4**	**0.4**	**3.0**	**3.0**	**3.0**
Eastern Africa	**1.0**	**1.1**	**1.0**	**21.1**	**23.8**	**21.8**
Ethiopia	-	-	-	9.3	8.8	8.3
Sudan	-	-	-	3.5	4.7	3.9
Southern Africa	**2.6**	**2.9**	**2.7**	**24.7**	**20.3**	**20.0**
Madagascar	2.3	2.6	2.4	2.5	2.8	2.6
South Africa	-	-	-	13.5	10.3	11.7
Zimbabwe	-	-	-	2.5	1.8	0.7
CENTRAL AMERICA	**2.5**	**2.4**	**2.3**	**33.8**	**35.6**	**35.3**
Mexico	0.4	0.2	0.3	28.2	30.1	29.7
SOUTH AMERICA	**21.0**	**19.8**	**19.9**	**104.1**	**112.4**	**106.5**
Argentina	0.9	0.9	0.7	38.6	35.7	34.5
Brazil	11.4	10.4	11.0	46.0	56.6	52.6
Colombia	2.3	2.1	2.1	3.8	3.7	3.8
NORTH AMERICA	**8.7**	**9.7**	**9.4**	**394.1**	**369.5**	**377.7**
Canada	-	-	-	51.3	44.2	51.4
United States	8.7	9.7	9.4	342.8	325.3	326.3
EUROPE	**3.2**	**3.2**	**3.3**	**385.8**	**425.2**	**416.6**
Bulgaria	-	-	-	5.1	5.3	5.9
EC 3/	2.5	2.6	2.6	216.6	203.0	215.1
Hungary	-	-	-	10.0	14.9	12.2
Poland	-	-	-	22.3	25.9	25.7
Romania	-	-	-	10.2	16.6	13.5
Russian Fed.	0.6	0.5	0.5	64.3	83.3	71.6
Ukraine	0.1	0.1	0.1	24.9	37.4	34.4
OCEANIA	**1.1**	**1.8**	**1.3**	**35.5**	**38.4**	**32.9**
Australia	1.1	1.8	1.3	34.6	37.5	32.0
WORLD	**598.7**	**593.3**	**593.0**	**2 060.0**	**2 081.3**	**2 074.6**
Developing countries	573.5	567.0	567.5	1 197.7	1 198.7	1 199.7
Developed countries	25.3	26.3	25.5	862.3	882.6	875.0

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)		
	2000/01	2001/02 estim.	2002/03 f'cast	2000/01	2001/02 estim.	2002/03 f'cast
	(.	. . . .	. . million tonnes . .	. . . .	. . . .	. . . .)
ASIA	**43.8**	**48.2**	**50.5**	**58.3**	**57.8**	**58.4**
Bangladesh	1.0	1.5	1.4	0.1	0.1	-
China	1.4	2.6	4.5	7.1	7.9	8.0
Taiwan Province	1.0	1.1	1.0	4.8	5.2	5.1
Georgia	0.7	0.5	0.5	-	-	-
India	0.1	-	-	0.2	0.1	0.2
Indonesia	4.0	4.0	4.0	1.4	1.4	1.4
Iran, Islamic Rep. of	6.5	6.3	5.5	2.2	2.1	1.8
Iraq	3.2	3.2	3.2	0.3	0.1	0.1
Israel	1.3	1.5	1.5	1.4	1.3	1.3
Japan	5.7	5.8	5.9	20.4	20.0	19.9
Korea, D. P. R.	0.6	0.6	0.7	0.8	0.4	0.5
Korea, Rep. of	3.1	4.0	4.3	8.9	8.6	9.0
Malaysia	1.2	1.3	1.4	2.6	2.7	2.9
Pakistan	0.2	0.5	0.5	0.1	0.1	0.1
Philippines	3.0	3.0	3.0	0.4	0.6	0.6
Saudi Arabia	-	-	-	6.4	6.5	6.5
Singapore	0.3	0.3	0.3	0.2	0.2	0.2
Sri Lanka	0.9	0.9	0.9	0.1	0.1	0.1
Syria	0.1	0.1	0.1	1.6	0.8	0.8
Thailand	0.8	0.8	0.9	-	0.3	0.6
Yemen	1.8	1.9	2.2	0.2	0.2	0.2
AFRICA	**25.4**	**24.5**	**24.7**	**14.6**	**13.2**	**16.2**
North Africa	**16.1**	**16.7**	**16.9**	**10.4**	**9.8**	**9.9**
Algeria	4.6	4.9	4.6	2.1	2.0	2.0
Egypt	5.7	6.2	6.8	4.9	4.3	4.5
Morocco	3.3	3.0	2.8	1.5	1.6	1.5
Tunisia	1.1	1.2	1.3	1.1	1.1	1.1
Sub-Saharan Africa	**9.3**	**7.8**	**7.8**	**4.2**	**3.4**	**6.3**
Côte d'Ivoire	0.3	0.3	0.3	-	-	-
Ethiopia	0.8	0.3	0.4	0.1	-	0.1
Kenya	0.6	0.5	0.6	1.4	0.4	0.9
Nigeria	1.6	1.7	1.7	0.1	0.1	0.1
Senegal	0.3	0.3	0.3	-	-	-
Sudan	1.3	1.2	1.1	0.1	0.1	0.1
South Africa	0.7	0.4	0.4	0.6	0.4	0.6
CENTRAL AMERICA	**6.6**	**6.4**	**6.8**	**14.5**	**14.2**	**14.4**
Cuba	0.9	1.0	1.0	0.3	0.3	0.3
Dominican Rep.	0.3	0.3	0.3	0.7	0.7	0.7
Mexico	3.2	2.9	3.2	11.2	10.9	11.0
SOUTH AMERICA	**12.5**	**11.6**	**11.8**	**7.6**	**6.1**	**6.6**
Brazil	7.2	6.5	6.5	1.6	0.2	0.4
Chile	0.5	0.3	0.5	1.2	1.2	1.3
Colombia	1.2	1.2	1.2	2.3	2.4	2.4
Peru	1.2	1.3	1.3	0.9	1.1	1.1
Venezuela	1.3	1.3	1.3	1.1	1.0	1.2
NORTH AMERICA	**2.5**	**2.9**	**2.8**	**5.0**	**6.0**	**3.4**
Canada	0.1	0.1	-	2.6	3.4	1.1
United States	2.4	2.8	2.8	2.4	2.6	2.3
EUROPE	**9.3**	**11.2**	**7.4**	**8.5**	**8.6**	**7.4**
Belarus	0.4	0.5	0.6	0.3	0.3	0.3
EC 2/	3.2	8.0	4.0	2.9	3.9	2.6
Poland	0.8	0.3	0.4	1.2	0.5	0.6
Romania	0.5	-	0.2	0.5	0.7	0.6
Russian Fed.	1.6	0.5	0.3	0.8	0.7	0.9
Ukraine	0.7	0.1	0.1	0.1	0.1	0.1
OCEANIA	**0.5**	**0.5**	**0.5**	**0.1**	**0.1**	**0.1**
New Zealand	0.2	0.2	0.2	0.1	0.1	0.1
WORLD	**100.6**	**105.3**	**104.5**	**108.6**	**105.8**	**106.5**
Developing countries	77.8	80.6	83.6	72.6	69.4	73.8
Developed countries	22.8	24.7	21.0	36.0	36.5	32.7

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/		
	2001	2002 estim.	2003 f'cast	2000/01	2001/02 estim.	2002/03 f'cast
	(. . . million tonnes . . .)					
ASIA	**11.3**	**13.1**		**113.5**	**119.1**	
Bangladesh	0.4	0.2		1.5	1.8	
China	0.3	0.6		8.8	11.2	
Taiwan Province	-	0.1		5.9	6.5	
Georgia	-	-		0.7	0.5	
India	0.1	0.1		0.3	0.2	
Indonesia	1.5	3.0		6.9	8.4	
Iran, Islamic Rep. of	1.0	1.2		9.7	9.6	
Iraq	1.2	1.2		4.7	4.5	
Israel	0.1	0.1		2.8	2.8	
Japan	0.6	0.7		26.7	26.5	
Korea, D. P. R.	0.7	0.6		2.0	1.6	
Korea, Rep. of	0.1	0.2		12.1	12.7	
Malaysia	0.6	0.6		4.4	4.6	
Pakistan	-	-		0.2	0.6	
Philippines	0.9	0.7		4.3	4.3	
Saudi Arabia	0.8	0.8		7.3	7.4	
Singapore	0.4	0.4		0.9	0.9	
Sri Lanka	0.1	0.1		1.1	1.2	
Syria	0.1	0.2		1.8	1.0	
Thailand	-	-		0.8	1.1	
Yemen	0.2	0.3		2.2	2.4	
AFRICA	**7.2**	**6.4**		**47.2**	**44.1**	
North Africa	**0.2**	**0.2**		**26.7**	**26.7**	
Algeria	0.1	0.1		6.8	7.0	
Egypt	-	-		10.6	10.5	
Morocco	-	-		4.8	4.6	
Tunisia	-	-		2.3	2.3	
Sub-Saharan Africa	**6.9**	**6.1**		**20.4**	**17.3**	
Côte d'Ivoire	1.1	0.9		1.4	1.2	
Ethiopia	-	-		0.9	0.3	
Kenya	0.1	0.1		2.1	1.1	
Nigeria	1.6	1.2		3.3	3.0	
Senegal	0.6	0.6		0.9	0.8	
Sudan	-	-		1.4	1.3	
South Africa	0.6	0.6		1.8	1.4	
CENTRAL AMERICA	**1.6**	**1.7**		**22.6**	**22.2**	
Cuba	0.5	0.5		1.7	1.7	
Dominican Rep.	-	-		1.0	1.0	
Mexico	0.5	0.5		14.8	14.4	
SOUTH AMERICA	**1.1**	**1.0**		**21.2**	**18.6**	
Brazil	0.7	0.7		9.5	7.4	
Chile	0.1	0.1		1.8	1.5	
Colombia	0.2	0.1		3.7	3.7	
Peru	0.1	0.1		2.2	2.4	
Venezuela	-	-		2.5	2.3	
NORTH AMERICA	**0.7**	**0.7**		**8.2**	**9.5**	
Canada	0.3	0.3		3.0	3.7	
United States	0.4	0.4		5.2	5.8	
EUROPE	**1.6**	**1.6**		**19.4**	**21.4**	
Belarus	-	-		0.7	0.7	
EC 2/	0.7	0.7		6.8	12.6	
Poland	0.1	0.1		2.1	0.9	
Romania	0.1	0.1		1.1	0.8	
Russian Fed.	0.3	0.4		2.7	1.5	
Ukraine	0.1	0.1		0.9	0.2	
OCEANIA	**0.3**	**0.4**		**1.0**	**1.0**	
New Zealand	-	-		0.3	0.3	
WORLD	**23.8**	**24.8**	**24.1** 3/	**233.0**	**236.0**	**235.1**
Developing countries	20.0	21.0	20.3	170.4	170.9	177.7
Developed countries	3.7	3.8	3.8	62.6	65.0	57.4

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)		
	2000/01	2001/02 estim.	2002/03 f'cast	2000/01	2001/02 estim.	2002/03 f'cast
	(. . . . . million tonnes . . . .)					
ASIA	**9.8**	**11.9**	**13.7**	**11.7**	**6.9**	**6.9**
China 2/	0.4	0.8	0.6	10.0	5.0	5.0
India	2.4	3.8	5.0	-	-	-
Indonesia	-	-	-	0.1	0.1	0.1
Japan	0.4	0.5	0.4	-	-	-
Kazakhstan	3.7	3.8	4.5	0.4	0.5	0.4
Myanmar	-	-	-	0.1	0.1	0.1
Pakistan	0.3	0.9	0.5	-	-	-
Syria	0.1	0.5	0.5	-	-	-
Thailand	-	-	-	0.3	0.3	0.1
Turkey	1.6	0.4	1.0	0.1	0.2	0.5
Viet Nam	-	-	-	0.2	0.2	0.2
AFRICA	**0.2**	**0.2**	**0.2**	**2.7**	**1.8**	**1.7**
Egypt	-	-	-	-	-	-
Ethiopia	-	-	-	0.2	0.2	0.1
Nigeria	-	-	-	0.2	0.1	0.1
South Africa	0.1	0.1	0.1	1.6	0.9	1.2
Sudan	-	-	-	-	0.1	-
Uganda	-	-	-	0.1	0.1	0.1
CENTRAL AMERICA	**0.7**	**0.7**	**0.6**	**-**	**0.5**	**0.5**
SOUTH AMERICA	**10.8**	**10.9**	**10.3**	**15.6**	**15.8**	**14.7**
Argentina	10.7	10.8	10.2	12.8	10.2	8.9
Brazil	-	-	-	2.3	5.0	5.2
Paraguay	-	-	-	0.3	0.3	0.3
Uruguay	0.1	0.1	0.1	0.1	0.1	0.1
NORTH AMERICA	**45.3**	**42.5**	**39.5**	**58.1**	**59.8**	**62.9**
Canada	16.8	16.0	15.0	3.1	2.8	3.4
United States	28.5	26.5	24.5	55.0	57.0	59.5
EUROPE	**17.4**	**23.0**	**23.7**	**14.1**	**16.5**	**15.3**
Bulgaria	0.5	0.6	0.8	0.3	0.3	0.3
Czech Rep.	0.4	0.8	0.7	-	0.2	0.2
EC 3/	14.5	10.0	13.0	10.6	7.3	8.7
Hungary	0.9	1.5	1.3	0.8	2.3	2.0
Romania	0.1	0.9	0.4	0.1	0.4	0.1
Russian Fed.	0.7	2.9	2.6	0.5	2.0	1.0
Ukraine	0.1	5.5	4.3	1.6	3.4	2.6
OCEANIA	**16.5**	**17.0**	**16.6**	**4.3**	**4.6**	**4.5**
Australia	16.5	17.0	16.6	4.3	4.6	4.5
WORLD	**100.7**	**106.2**	**104.5**	**106.6**	**105.9**	**106.5**
Developing countries	17.3	19.3	19.7	28.0	23.5	22.1
Developed countries	83.4	86.9	84.8	78.6	82.4	84.4

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/		
	2001	2002 estim.	2003 f'cast	2000/01	2001/02 estim.	2002/03 f'cast
	(. . . . million tonnes			. . . .)		
ASIA	**18.2**	**19.3**		**39.7**	**38.0**	
China 2/	2.0	1.6		12.3	7.4	
India	1.7	4.2		4.1	8.0	
Indonesia	-	-		0.1	0.1	
Japan	0.6	0.6		1.0	1.0	
Kazakhstan	-	-		4.0	4.4	
Myanmar	0.6	0.8		0.7	0.9	
Pakistan	2.3	1.4		2.5	2.3	
Syria	-	-		0.1	0.5	
Thailand	7.5	7.6		7.8	7.9	
Turkey	-	-		1.7	0.6	
Viet Nam	3.5	3.0		3.6	3.2	
AFRICA	**0.8**	**0.9**		**3.6**	**2.9**	
Egypt	0.8	0.9		0.8	0.9	
Ethiopia	-	-		0.2	0.2	
Nigeria	-	-		0.2	0.1	
South Africa	-	-		1.7	1.0	
Sudan	-	-		-	0.1	
Uganda	-	-		0.1	0.1	
CENTRAL AMERICA	**-**	**-**		**0.7**	**1.2**	
SOUTH AMERICA	**1.3**	**1.1**		**27.8**	**27.9**	
Argentina	0.3	0.3		23.8	21.3	
Brazil	-	-		2.3	5.0	
Paraguay	-	-		0.3	0.3	
Uruguay	0.6	0.5		0.8	0.7	
NORTH AMERICA	**2.6**	**2.8**		**106.0**	**105.1**	
Canada	-	-		19.9	18.8	
United States	2.6	2.8		86.2	86.3	
EUROPE	**0.2**	**0.2**		**31.8**	**39.7**	
Bulgaria	-	-		0.8	0.9	
Czech Rep.	-	-		0.5	1.0	
EC 3/	0.2	0.2		25.3	17.5	
Hungary	-	-		1.7	3.8	
Romania	-	-		0.2	1.2	
Russian Fed.	-	-		1.3	4.9	
Ukraine	-	-		1.7	8.9	
OCEANIA	**0.7**	**0.6**		**21.6**	**22.2**	
Australia	0.7	0.6		21.5	22.2	
WORLD	**23.8**	**24.8**	**24.1** 4/	**231.2**	**236.9**	**235.1**
Developing countries	19.7	20.7	20.0	65.0	63.5	61.8
Developed countries	4.1	4.1	4.1	166.1	173.4	173.4

Source: FAO

Note: Totals computed from unrounded data.

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

Table A.4 – **CEREALS: Supply and Utilization in Main Exporting Countries (National Crop Years)**

	Wheat 1/			**Coarse Grains 2/**			**Rice (milled basis)**		
	2000/01	**2001/02 estim.**	**2002/03 f'cast**	**2000/01**	**2001/02 estim.**	**2002/03 f'cast**	**2000/01**	**2001/02 estim.**	**2002/03 f'cast**
	(. . . . . million tonnes . . . .)								
	UNITED STATES (June/May)			**UNITED STATES**			**UNITED STATES** (Aug./July)		
Opening stocks	25.9	23.8	20.6	48.9	52.7	45.0	0.9	0.9	1.3
Production	60.8	53.3	49.6	274.7	262.3	267.2	5.9	6.8	6.5
Imports	2.4	2.9	2.9	2.4	2.2	2.6	0.3	0.4	0.4
Total Supply	**89.1**	**80.0**	**73.1**	**326.0**	**317.3**	**314.8**	**7.1**	**8.1**	8.2
Domestic use	36.3	33.2	33.5	216.7	216.4	218.0	3.6	3.9	4.0
Exports	28.9	26.1	24.5	56.6	55.9	59.6	2.7	2.9	2.9
Closing stocks	23.8	20.6	15.1	52.7	45.0	37.2	0.9	1.3	1.4
	CANADA (August/July)			**CANADA**			**THAILAND** (Nov./Oct.) 3/		
Opening stocks	7.7	9.5	7.0	5.8	4.3	3.2	1.7	1.8	
Production	26.8	21.3	23.0	24.5	23.0	28.4	17.0	16.8	
Imports	0.1	0.1	0.0	2.9	3.2	1.4	0.0	0.0	
Total Supply	**34.6**	**30.9**	**30.0**	**33.2**	**30.5**	**32.9**	**18.6**	**18.6**	
Domestic use	8.3	8.1	8.4	25.1	24.5	25.1	9.3	9.3	
Exports	16.7	15.9	15.1	3.8	2.8	3.8	7.5	7.6	
Closing stocks	9.5	7.0	6.5	4.3	3.2	4.0	1.8	1.6	
	ARGENTINA (Dec./Nov.)			**ARGENTINA**			**CHINA** (Jan./Dec.) 3/ 4/		
Opening stocks	0.5	0.4	0.3	0.8	1.2	1.0	112.9	106.5	
Production	16.0	15.3	15.5	21.7	19.6	18.3	130.1	122.9	
Imports	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.6	
Total Supply	**16.4**	**15.7**	**15.8**	**22.6**	**20.8**	**19.3**	**243.3**	**230.0**	
Domestic use	4.8	4.9	5.0	8.4	9.6	9.5	134.8	134.9	
Exports	11.2	10.5	10.5	13.0	10.2	8.9	2.0	1.6	
Closing stocks	0.4	0.3	0.4	1.2	1.0	0.9	106.5	93.6	
	AUSTRALIA (Oct./Sept.)			**AUSTRALIA**			**PAKISTAN** (Nov./Oct.) 3/		
Opening stocks	3.3	3.8	3.9	0.7	1.4	2.4	1.1	0.9	
Production	22.2	24.0	20.5	11.3	11.7	10.2	4.8	3.7	
Imports	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Total Supply	**25.5**	**27.7**	**24.4**	**12.0**	**13.1**	**12.6**	**5.9**	**4.7**	
Domestic use	5.7	6.2	4.9	6.1	6.0	6.1	2.7	2.8	
Exports	16.1	17.6	16.5	4.5	4.7	4.7	2.3	1.4	
Closing stocks	3.8	3.9	3.0	1.4	2.4	1.9	0.9	0.5	
	EC (July/June) 5/			**EC** 5/			**VIET NAM** (Nov./Oct.) 3/		
Opening stocks	12.9	15.0	13.2	17.6	19.9	23.2	3.1	4.0	
Production	104.8	91.7	105.7	109.2	108.8	106.7	21.7	21.3	
Imports	3.2	8.0	4.0	2.9	3.9	2.6	0.0	0.0	
Total Supply	**120.9**	**114.7**	**122.9**	**129.7**	**132.6**	**132.6**	**24.8**	**25.3**	
Domestic use	91.3	91.3	93.2	99.3	102.0	102.3	17.3	17.8	
Exports	14.6	10.2	13.2	10.6	7.3	8.7	3.5	3.0	
Closing stocks	15.0	13.2	16.5	19.9	23.2	21.5	4.0	4.5	
TOTAL ABOVE									
Opening stocks	50.3	52.5	45.0	73.8	79.4	74.8	119.6	114.1	
Production	230.6	205.5	214.3	441.5	425.4	430.9	179.5	171.5	
Imports	5.7	10.9	6.9	8.3	9.3	6.5	0.6	1.1	
Total Supply	**286.6**	**268.9**	**266.2**	**523.5**	**514.1**	**512.3**	**299.7**	**286.7**	
Domestic use	146.5	143.6	144.9	355.7	358.4	360.9	167.7	168.7	
Exports	87.5	80.3	79.8	88.4	80.9	85.8	17.9	16.5	
Closing stocks	52.5	45.0	41.5	79.4	74.8	65.6	114.1	101.5	

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 refer 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:						
	1997	1998	1999	2000	2001	2002 estim.	2003 f'cast
	(. . . million tonnes . . .)						
TOTAL CEREALS	**614.1**	**654.8**	**676.6**	**672.1**	**627.2**	**570.1**	**497.7**
Wheat	**223.7**	**246.7**	**253.5**	**249.6**	**237.2**	**210.0**	**174.2**
held by:							
- main exporters 2/	36.0	39.3	50.7	50.3	52.5	45.0	41.5
- others	187.7	207.4	202.8	199.3	184.7	165.0	132.7
Coarse Grains	**238.6**	**255.2**	**265.7**	**254.6**	**226.1**	**209.9**	**188.5**
held by:							
- main exporters 2/	46.7	69.3	79.7	73.8	79.4	74.8	65.6
- others	191.9	185.9	186.1	180.8	146.6	135.1	123.0
Rice (milled basis)	**151.7**	**152.9**	**157.4**	**167.8**	**163.9**	**150.2**	**135.1**
held by:							
- main exporters 3/	111.8	115.7	117.2	119.6	114.1	101.5	88.4
excl. China 4/	4.5	4.5	4.1	6.7	7.6	7.9	7.5
- others	40.0	37.2	40.1	48.2	49.8	48.7	46.7
BY REGIONS							
Developed Countries	**121.6**	**169.1**	**171.0**	**161.3**	**162.2**	**161.2**	**146.1**
Australia	3.2	3.8	3.0	4.2	5.2	6.5	
EC	24.4	35.1	36.6	31.0	35.3	36.9	
Canada	14.0	10.4	12.5	13.6	13.9	10.2	
Hungary	2.3	2.8	2.6	2.0	1.3	2.9	
Japan	6.7	6.7	6.0	5.7	5.3	4.7	
Poland	4.2	4.0	4.2	3.7	1.3	1.3	
Romania	1.2	5.0	3.5	3.5	0.6	1.4	
Russian Fed.	6.5	18.0	5.8	4.9	6.5	9.0	
South Africa	2.4	3.7	2.3	1.7	2.9	1.6	
Ukraine	3.6	4.5	2.2	2.2	1.9	4.9	
United States	39.9	58.7	77.8	75.6	77.4	66.9	
Developing Countries	**492.5**	**485.7**	**505.6**	**510.8**	**465.0**	**408.9**	**351.7**
Asia	**453.9**	**449.9**	**467.0**	**473.5**	**431.0**	**374.2**	
China 4/	374.0	366.6	374.7	367.5	319.3	271.6	
India	32.3	37.9	42.3	53.8	60.8	59.4	
Indonesia	6.4	4.7	5.0	5.3	5.3	3.3	
Iran, Islamic Rep. of	3.5	2.0	1.6	2.0	1.3	1.1	
Korea, Rep. of	2.3	2.8	2.8	3.3	3.0	3.3	
Pakistan	6.3	7.3	8.6	7.9	7.0	3.7	
Philippines	2.0	2.0	2.6	2.0	2.4	2.4	
Syria	5.1	4.0	4.2	3.8	3.2	3.6	
Turkey	6.8	7.4	9.4	8.3	8.7	5.9	
Africa	**23.8**	**21.0**	**25.8**	**23.3**	**21.4**	**20.4**	
Algeria	2.8	2.1	2.6	2.0	1.3	1.7	
Egypt	2.9	3.7	4.5	4.0	4.1	3.0	
Ethiopia	1.6	0.9	1.1	1.3	1.7	1.2	
Morocco	3.8	2.5	4.7	3.0	1.4	1.6	
Nigeria	1.9	1.9	1.9	1.6	2.2	2.5	
Tunisia	2.1	1.9	1.9	2.1	2.0	2.1	
Central America	**7.0**	**5.1**	**6.2**	**6.6**	**6.0**	**6.1**	
Mexico	5.7	3.9	5.0	5.0	4.5	4.9	
South America	**7.7**	**9.7**	**6.4**	**7.2**	**6.6**	**8.1**	
Argentina	2.5	2.1	1.7	1.5	1.7	1.4	
Brazil	2.9	4.9	1.5	2.6	1.7	3.8	

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/ The major wheat and coarse grains exporters are Argentina, Australia, Canada, the EC and the United States. See Table A.4 for country details.

3/ The major rice exporters are China (including Taiwan Province), Pakistan, Thailand, the United States and Viet Nam. See Table A.4 for country details.

4/ Including Taiwan Province.

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

	Wheat			Maize		Sorghum	Soybeans
	U.S. No.2 Hard Red Winter Ord. Prot. 1/	U.S. Soft Red Winter No.2 1/	Argentina Trigo Pan 2/	U.S. No.2 Yellow 1/	Argentina 2/	U.S. No.2 Yellow 1/	U.S. No.2 Yellow 1/
	(. . . US$/tonne . . .)						
July/June							
1998/1999	120	100	116	95	98	92	203
1999/2000	112	97	112	91	90	89	190
2000/2001	128	101	124	86	84	93	184
2001/2002	127	113	119	91	89	95	182
2001 – June	130	98	127	83	83	93	183
July	127	106	123	91	88	93	199
August	126	104	120	93	89	97	196
2002 – February	126	114	110	90	86	94	171
March	126	116	110	90	85	94	178
April	125	112	121	87	86	89	181
May	123	112	131	91	90	91	189
June I	131	111	142	92	92	95	199
II	131	109	148	90	89	93	196
III	134	115	156	92	91	94	194
IV	137	114	155	96	96	99	198

Sources: International Grain Council and USDA.

1/ Delivered U.S. Gulf ports. 2/ Up River f.o.b.

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

<table>
<tr><th rowspan="3"></th><th colspan="6">RICE</th><th colspan="3">OILCROP PRODUCTS</th></tr>
<tr><th colspan="3">Export prices</th><th colspan="3">FAO Indices</th><th colspan="3">FAO Indices</th></tr>
<tr><th>Thai 100%B 1/</th><th>Thai broken 2/</th><th>U.S. Long grain 3/</th><th>Total</th><th>Quality High</th><th>Quality Low</th><th>Marketing years</th><th>Edible/ soap fats and oils</th><th>Oilcakes and Meals</th></tr>
<tr><td>January/December</td><td colspan="3">(. . . . US$/tonne . . .)</td><td colspan="3">(. . . 1982-84=100 . . .)</td><td>Oct./Sept.</td><td colspan="2">(. . . 1990-92=100 . . .)</td></tr>
<tr><td>1997</td><td>316</td><td>214</td><td>439</td><td>127</td><td>129</td><td>120</td><td>1992/93</td><td>103</td><td>104</td></tr>
<tr><td>1998</td><td>315</td><td>215</td><td>413</td><td>127</td><td>128</td><td>126</td><td>1993/94</td><td>103</td><td>97</td></tr>
<tr><td>1999</td><td>253</td><td>192</td><td>333</td><td>114</td><td>115</td><td>110</td><td>1994/95</td><td>127</td><td>93</td></tr>
<tr><td>2000</td><td>207</td><td>143</td><td>271</td><td>98</td><td>101</td><td>89</td><td>1995/96</td><td>153</td><td>94</td></tr>
<tr><td>2001</td><td>178</td><td>136</td><td>264</td><td>90</td><td>91</td><td>84</td><td>1996/97</td><td>140</td><td>128</td></tr>
<tr><td>2001 – June</td><td>175</td><td>133</td><td>282</td><td>88</td><td>91</td><td>81</td><td>1997/98</td><td>135</td><td>133</td></tr>
<tr><td>2002 – March</td><td>195</td><td>149</td><td>202</td><td>89</td><td>89</td><td>89</td><td>1998/99</td><td>155</td><td>116</td></tr>
<tr><td>April</td><td>197</td><td>149</td><td>199</td><td>89</td><td>88</td><td>91</td><td>1999/00 - Oct.-Mar.</td><td>127</td><td>82</td></tr>
<tr><td>May</td><td>204</td><td>149</td><td>201</td><td>90</td><td>89</td><td>93</td><td>- Apr.-Sep.</td><td>100</td><td>87</td></tr>
<tr><td>2002 – June I</td><td>205</td><td>147</td><td>202</td><td rowspan="4">90</td><td rowspan="4">89</td><td rowspan="4">93</td><td>2000/01 - Oct.-Mar.</td><td>86</td><td>90</td></tr>
<tr><td>II</td><td>212</td><td>152</td><td>202</td><td>- Apr.-Sep.</td><td>77</td><td>98</td></tr>
<tr><td>III</td><td>211</td><td>153</td><td>202</td><td>2001/02 - Oct.-Mar.</td><td>87</td><td>94</td></tr>
<tr><td>IV</td><td>212</td><td>155</td><td>202</td><td>- Apr.-June</td><td>101</td><td>103</td></tr>
</table>

Sources: Rice Indices: FAO ; Rice prices: International rice brokers and trading companies.

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

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

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

		July		September		December		March	
		this year	last year	this year	last year	this year	last year	this year	last year
		(. . . . US$/tonne . . . .)							
WHEAT									
May	21	100	97	102	100	106	106	108	111
	28	100	95	102	99	106	105	108	109
June	4	104	97	106	101	110	106	110	111
	11	103	96	105	100	109	105	110	110
	18	106	97	109	101	112	106	112	111
	25	107	90	110	94	114	100	114	105
MAIZE									
May	21	83	77	85	79	89	82	92	84
	28	82	75	84	78	88	81	91	83
June	4	83	77	86	80	89	83	92	85
	11	80	78	83	81	87	84	89	86
	18	81	75	84	78	88	81	91	82
	25	86	73	90	76	94	78	96	80

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/	China 1/	Japan 1/
	(. . . . US$/tonne. . . . .)					
July/June						
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
1999/2000	12.60	40.97	13.65	18.50	27.00	32.83
2000/2001	13.08	40.97	15.00	18.31	27.00	36.31
2001/2002	10.99	40.97	15.00	18.50	26.92	34.19
2001 - June	12.00	40.97	15.00	18.50	27.00	35.75
July	12.00	40.97	15.00	18.50	27.00	35.75
August	12.00	40.97	15.00	18.50	27.00	35.75
September	11.50	40.97	15.00	18.50	27.00	35.75
October	11.50	40.97	15.00	18.50	27.00	36.00
2002 - March	10.50	40.97	15.00	18.50	27.00	33.00
April	10.50	40.97	15.00	18.50	27.00	33.00
May	10.50	40.97	15.00	18.50	27.00	33.00
June	10.75	40.97	15.00	18.50	27.00	33.00

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 tonnes; CIS 20-40 000 tonnes; Egypt over 30 000 tonnes; Bangladesh over 40 000 tonnes; China 20-35 000 tonnes; Japan 15-24 999 tonnes.
2/ Excludes CIS and United States flag vessels.

Table A.10 - **UNITED STATES: CEREALS AND SOYBEANS - PRODUCTION FOR 2002**

	2000	2001	2002	Change 2002 over 2001
	(. . . . . million tons . . . .)			(. . . percentage . . .)
Wheat	60.8	53.3	49.6	-6.9
of which: winter	42.6	37.1	33.7	-9.1
Coarse grains	273.3	262.3	267.2	1.9
of which: maize	251.9	241.5	245.1	1.5
Rice (paddy)	8.7	9.7	9.4	-2.4
Soybeans	75.1	78.7	78.1	-0.7

Source: USDA: June 2002.

Table A.11- **CANADA: CEREALS AND OILSEEDS - PRODUCTION FOR 2002**

	2000	2001	2002	Change 2002 over 2001
	(. . . . . thousand tonnes . . . .)			(. . percentage . . .)
Wheat	26 804	21 282	23 025	8.2
Oats	3 389	2 769	3 975	43.6
Barley	13 468	11 355	14 015	23.4
Rye	260	194	235	21.1
Maize	6 827	8 171	9 540	16.8
Mixed Grains	382	371	430	15.9
Linseed	693	702	725	3.3
Rapeseed	7 126	5 062	5 050	-0.2

Source: Statistics Canada, June 2002.

Table A.12 - **AUSTRALIA: CEREAL PRODUCTION FOR 2002**

	2000	2001	2002	Change 2002 over 2001
	(. . . . . thousand tonnes . . . .)			(. . percentage . .)
Wheat	22 190	23 960	20 457	-14.6
Oats	1 131	1 222	1 238	1.3
Barley	6 819	7 459	6 122	-17.9
Sorghum	2 116	2 107	1 777	-15.7
Maize	406	355	521	46.8
Triticale	764	532	528	-0.8
Rice (paddy)	1 098	1 760	1 291	-26.6

Source: Australian Bureau of Agricultural and Resources Economics, June 2002.

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	28.06.02	5.81	6.05	9.29	11.4
Coffee (I.C.O. daily price)	US cents per lb	07.06.02	46.95	47.18	46.87	76.7
Cocoa (I.C.C.O. daily price)	US cents per lb	07.06.02	75.18	70.25	44.45	56.0
Tea (total tea, Mombasa)	US$ per kg.	07.06.02	1.42	1.39	1.43	1.5
Bananas (Central America, f.o.b., Hamburg)	€ per tonne	03.05.02	1 029[1/] 879[2/]	1 163[1/] 935[2/]	989[1/] 767[2/]	566
Rubber (RSS 1, spot London)	Pence per kg.	31.05.02	85.2	51.3	53.0	54.5
Cotton (COTLOOK, index "A" 1-3/32")	US cents per lb	31.05.02	41.1	39.8	48.1	78.5
Wool (64's, London)	Pence per kg	31.05.02	477	477	353	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. '-' means nil or negligible.

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.

References are also made to special country groupings: Low Income Food Deficit Countries (LIFDCs), Least Developed Countries (LDCs) and Net Food-Importing Developing Countries (NFIDCs). The LIFDCs currently includes 82 countries that are net importers of cereals with per caput income below the level used by the World Bank to determine eligibility for IDA assistance (i.e. US$ 1 445 in 1999). The LDCs and NIFDCs groups include a list of countries agreed by the World Trade Organization (WTO) to qualify as beneficiaries under the Marrakech Decision on the Possible Negative Effects of the Reform Programme on Least-Developed and Net-Food Importing Developing Countries. The LDCs group currently includes 49 countries with low income as well as weak human resources and low level of economic diversification. The list is reviewed every three years by the Economic and Social Council of the United Nations. The NIFDCs group includes 21 developing country WTO Members which notified their request to be listed as NFIDCs and have submitted relevant statistical data concerning their status as net-importers of basic foodstuffs during a representative period. This list is reviewed annually by the WTO Committee on Agriculture.

Regular Contents and Release Dates[1/]	No. 1 20 February	No. 2 16 May	No. 3 17 July	No. 4 16 October	No. 5 18 December
Cereal Supply/Demand Roundup[2/]	●	●	●	●	●
Cereal Production, Trade, Stocks & Prices	●	●	●	●	●
Cereal Utilization – extended report			●		
Cereal Import Bills		●			●
Food Aid					●
Ocean Freight Rates		●		●	
Cassava				●	
Fertilizers	●	●	●	●	●
Meat and Meat Products	●	●		●	
Milk and Milk Products		●			●
Oilseeds, Oils and Oilmeals		●			●
Pulses		●		●	
Sugar		●			●
Fish	●				
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.

Food Outlook is issued by FAO under the Global Information and Early Warning System on Food and Agriculture. **This issue is based on information available up to 12 June 2002.**

Contributors to this issue are as follows: **Wheat and Coarse Grain Production**: S. Ahmed (Eastern Africa & Near East); Ms. L. Balbi (Southern Africa and Great Lakes); M. Gavela (North Africa & Oceania developing); A. Aziz (CIS); J. Senahoun (Western and Central Africa); M. Gavela (Latin America and Caribbean); K. Hansen (Asia); P. Racionzer (Europe, North America & Oceania developed). **Cereal Trade, Stocks, Prices** (excl. rice): A. Abbassian. **Rice**: Ms. C. Calpe. **Fertilizers**: J. Poulisse. **Box on US Farm Bill and Pulses**: B. Benbelhassen.

Enquiries should be directed to The Chief, Global Information and Early Warning Service, Commodities and Trade Division (ESC), FAO - Rome. Direct Facsimile: 39-06-5705-4495; E-mail giews1@fao.org.

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