

# food outlook

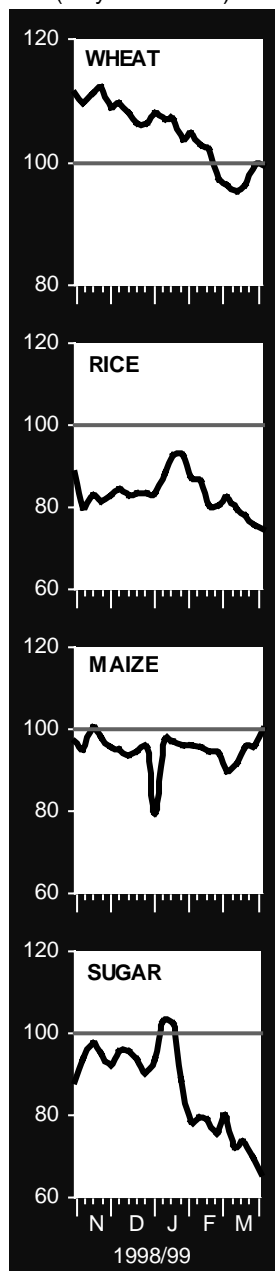
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## highlights

### EXPORT PRICES

(July 1998=100)



**Early forecasts point to a reduced 1999 global cereal output.** Although above the average of the past five years, it would not be sufficient to meet expected consumption requirements in 1999/2000 and global cereal reserves will have to be drawn down.

**A major humanitarian emergency has unfolded in Europe** where the unprecedented exodus of refugees from the Kosovo Province of the Federal Republic of Yugoslavia calls for continued international assistance on a large scale in the coming months. Serious food supply problems persist in several countries in Africa, Asia, Latin America and the CIS (see box on Food Emergencies on page 4).

**FAO's first forecast of world cereal production in 1999 is 1 850 million tonnes,** about 1.5 percent below 1998. Wheat output is forecast at 580 million tonnes, 3 percent down from 1998, that of coarse grains at 890 million tonnes, about 2 percent down, while the rice crop (milled basis) is tentatively forecast to recover to 380 million tonnes.

**FAO's latest forecast of world trade in cereals in 1998/99 is 206 million tonnes,** up slightly since the last report but still some 7 million tonnes below the previous year's volume. Reduced wheat and rice imports would more than offset increased trade in coarse grains.

**Total food aid shipments of cereals in 1998/99 are forecast at 9 million tonnes,** some 3 million tonnes up from the previous year reflecting greater availability of grain supplies among the major donors combined with higher food aid requirements.

**International wheat and coarse grains prices strengthened in late March,** but remained well below those at the same time last year. Rice prices remain under downward pressure from large exportable supplies and relatively limited import demand.

**Cassava production, consumption and trade fell in 1998.** Early prospects for 1999 point to a contraction in global output but to a small recovery in Asia, which may lead to some increase in world trade. However, much will depend on price developments for alternative feed components in the major importing countries.

**Global milk production is forecast to increase slightly in 1999** but exportable supplies are expected to change little. Average export prices for dairy products weakened in the past two months after a short-lived revival in late 1998 and early 1999.



## BASIC FACTS OF THE WORLD CEREAL SITUATION

	1994/95	1995/96	1996/97	1997/98	1998/99 forecast	Change 1998/99 over 1997/98
<b>WORLD PRODUCTION <sup>1/</sup></b>	( ..... million tonnes ..... )					( .percentage . )
Wheat	528	548	589	614	596	-2.9
Coarse grains	891	812	921	905	906	0.1
Rice, milled (paddy)	362 (540)	369 (550)	383 (571)	387 (577)	375 (560)	-3.2 -2.9
<b>All cereals (including milled rice)</b>	<b>1 781</b>	<b>1 730</b>	<b>1 893</b>	<b>1 906</b>	<b>1 877</b>	<b>-1.5</b>
Developing countries	932	960	1 027	1 007	1 019	1.2
Developed countries	850	770	867	899	858	-4.6
<b>WORLD IMPORTS <sup>2/</sup></b>						
Wheat	93	94	98	96	93	-2.8
Coarse grains	89	93	90	89	91	1.4
Rice (milled)	20	19	19	27	22	-21.4
<b>All cereals</b>	<b>203</b>	<b>207</b>	<b>207</b>	<b>213</b>	<b>206</b>	<b>-3.4</b>
Developing countries	146	151	150	159	151	-5.1
Developed countries	57	55	57	54	54	1.4
<b>FOOD AID IN CEREALS <sup>3/</sup></b>	<b>9.4</b>	<b>7.4</b>	<b>5.3</b>	<b>5.8</b>	<b>9.0 <sup>3/</sup></b>	54.8
<b>WORLD UTILIZATION</b>						
Wheat	554	563	576	590	598	1.3
Coarse grains	879	857	891	899	899	0.1
Rice (milled)	367	372	380	383	384	0.3
<b>All cereals</b>	<b>1 800</b>	<b>1 793</b>	<b>1 848</b>	<b>1 871</b>	<b>1 881</b>	<b>0.5</b>
Developing countries	1 051	1 080	1 110	1 116	1 128	1.1
Developed countries	749	713	738	756	754	-0.3
<b>Per Caput Food Use</b>	( ..... kg/year ..... )					
Developing countries	170	171	172	172	172	0.3
Developed countries	127	127	128	128	129	0.3
<b>WORLD STOCKS <sup>5/</sup></b>	( ..... million tonnes ..... )					
Wheat	118	104	115	137	137	-0.3
Coarse grains	145	103	131	141	143	1.3
Rice (milled)	55	52	56	55	50	-9.0
<b>All cereals</b>	<b>318</b>	<b>260</b>	<b>303</b>	<b>333</b>	<b>330</b>	<b>-1.1</b>
Developing countries	157	154	175	162	156	-3.6
Developed countries	161	106	127	171	174	1.4
<b>Stocks as % of world cereal consumption</b>	( ..... percentage ..... )					
	<b>17.7</b>	<b>14.1</b>	<b>16.2</b>	<b>17.7</b>	<b>17.4</b>	
<b>EXPORT PRICES <sup>3/</sup></b>	( ..... U.S.\$/tonne ..... )					
Rice (Thai, 100%, 2nd grade) <sup>1/</sup>	289	336	352	316	315	-0.3
Wheat (U.S. No.2 Hard Winter)	157	216	181	142	122 <sup>7/</sup>	-16.9 <sup>6/</sup>
Maize (U.S. No.2 Yellow)	104	159	135	112	95 <sup>7/</sup>	-16.9 <sup>6/</sup>
<b>OCEAN FREIGHT RATES <sup>3/</sup></b>						
From U.S. Gulf to Egypt	19.0	16.8	12.8	11.7	8.7 <sup>7/</sup>	-31.5 <sup>6/</sup>
<b>LOW-INCOME FOOD-DEFICIT COUNTRIES <sup>8/</sup></b>	( ..... million tonnes ..... )					
Roots & tubers production <sup>1/</sup>	343	357	380	355	357	0.5
Cereal production (milled rice) <sup>1/</sup>	724	747	804	783	794	1.3
Per caput production (kg.) <sup>9/</sup>	209	212	225	216	215	-0.2
Cereal imports <sup>2/</sup>	72.0	77.6	67.0	76.7	67.6	-11.8
of which: Food aid <sup>3/</sup>	7.9	6.4	4.4	5.3	5.6	6.2
Proportion of cereal import covered by food aid	( ..... percentage ..... )					
	11.0	8.3	6.6	6.9	8.3	

**SOURCE:** FAO

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

<sup>1/</sup> Data refer to the calendar year of the first year shown. <sup>2/</sup> July/June except for rice for which the data refer to the calendar year of the second year shown. <sup>3/</sup> July/June. <sup>4/</sup> Forecast based on donors' budgetary allocations and their minimum contributions under the Food Aid Convention (FAC) 1995. <sup>5/</sup> Stock data are based on aggregate of national carryover levels at the end of national crop years. <sup>6/</sup> Change from corresponding period of previous year for which figures are not shown. <sup>7/</sup> Average of quotations for July 1998-March 1999. <sup>8/</sup> Food deficit countries with per caput income below the level used by the World Bank to determine eligibility for IDA assistance (i.e. U.S.\$ 1 505 in 1996), which in accordance with the guidelines and criteria agreed to by the CFA should be given priority in the allocations of food aid. <sup>9/</sup> Includes rice on a mille basis.

## CEREALS

### SUPPLY/DEMAND ROUNDUP

Early prospects for 1999 point to some reduction in global cereal output. Based on the condition of crops already in the ground and planting intentions for those to be sown later this year, and assuming normal weather for the remainder of the 1999 cropping seasons, FAO's first forecast puts world cereal output this year at 1 850 million tonnes (including rice in milled terms), about 1.5 percent below 1998 but still above the average of the last five years. If current forecasts materialize, cereal output would not be sufficient to meet expected consumption requirements in 1999/2000 and global cereal stocks accumulated in the last two seasons would have to be drawn down to below safe levels. However, it should be pointed out that, with many of the 1999 crops still to be sown, and others just in the early stages of development, these forecasts are very tentative, and will firm up only later in the year.

As indicated above, FAO's first forecast of world cereal production in 1999 is 1 850 million tonnes (including rice in milled terms), compared to

### WORLD CEREAL PRODUCTION, SUPPLIES, TRADE AND STOCKS

	1997/98	1998/99 estim.	1999/00 f'cast
	(. . . . . million tonnes . . . . .)		
<b>Production <sup>1/</sup></b>	<b>1 906</b>	<b>1 877</b>	<b>1 850</b>
Wheat	614	596	580
Coarse grains	905	906	890
Rice (milled)	387	375	380
<b>Supply <sup>2/</sup></b>	<b>2 208</b>	<b>2 211</b>	...
<b>Utilization</b>	<b>1 871</b>	<b>1 881</b>	...
<b>Trade <sup>3/</sup></b>	<b>213</b>	<b>206</b>	...
<b>Ending Stocks <sup>4/</sup></b>	<b>333</b>	<b>330</b>	...

SOURCE: FAO

<sup>1/</sup> Data refer to calendar year of the first year shown. Rice in milled equivalent.

<sup>2/</sup> Production plus opening stocks.

<sup>3/</sup> July/June basis for wheat and coarse grains and calendar year for rice.

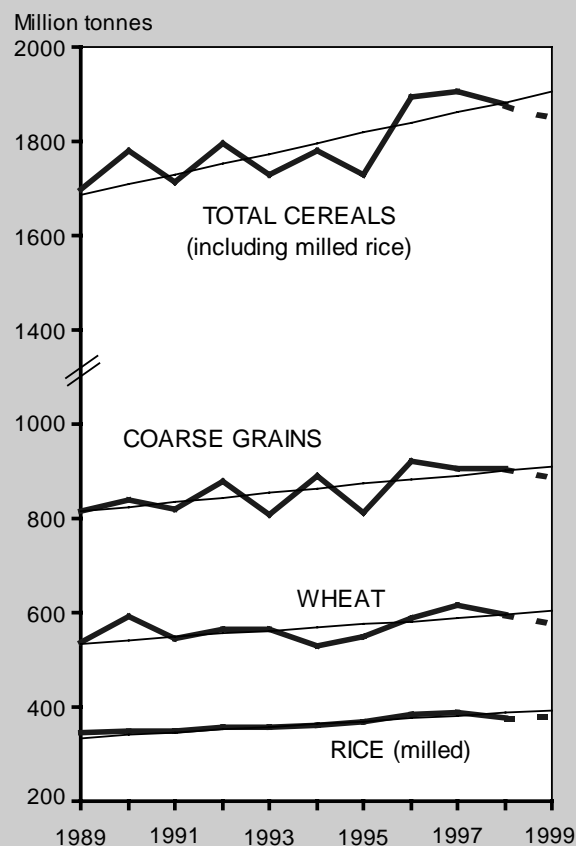
<sup>4/</sup> May not equal the difference between supply and utilization due to differences in individual country marketing years.

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### WORLD CEREAL PRODUCTION

(Actual, 1999 forecast and trend)



## FOOD SUPPLY PROBLEMS PERSIST IN MANY DEVELOPING COUNTRIES

In **eastern Africa**, the number of people in need of food assistance has increased due to poor cereal harvests caused by dry weather and civil strife in several parts. In Tanzania, food difficulties are being experienced in parts of central, northern and coastal regions. With the sharply reduced 1998/99 secondary "Vuli" harvest, the number of people in need of food assistance has risen to an estimated 1 million. In Somalia, the food supply situation is extremely tight as a result of a succession of reduced harvests and persistent civil conflict. An estimated 1 million people are facing food shortages, with 400 000 at risk of starvation. In Kenya, severe food shortages are being experienced by a large number of people in parts of Eastern and Central provinces and in pastoral areas following the failure of the secondary rainy season. In Ethiopia, some 3 million vulnerable people, as well as 272 000 internally displaced people due to the ongoing conflict with Eritrea, require food aid in the current year. In Eritrea, the Government estimated that 450 000 people affected by the conflict with Ethiopia are in need of food assistance. In Sudan, some 2.36 million people need emergency food assistance in southern parts due to the long-running civil conflict. In Uganda, emergency food assistance is still needed for some 400 000 displaced people in northern areas, affected by continuing insurgency. In Burundi the food situation remains difficult for some 550 000 people in displacement camps. In Rwanda, food assistance is needed for some 600 000 internally displaced people in northwestern prefectures affected by persistent insecurity.

In **western Africa**, while the overall food outlook for 1999 is favourable, food supply difficulties persist in several parts. In Sierra Leone, violence in the rural areas continues to displace large numbers of people and to disrupt agricultural production. In Guinea-Bissau, civil strife has hampered agricultural production and the overall food outlook is poor. In the Sahel, localized food supply difficulties are anticipated in southern Chad, parts of Mauritania, and in Cape Verde.

In **central Africa**, civil strife in the Democratic Republic of Congo since early August continues to hamper agricultural activities particularly in the east where increasing population displacement is reported. In the Republic of Congo, the food supply situation has deteriorated in the capital city, Brazzaville, and in the Pool region, following an upsurge of fighting which has caused renewed population displacement.

In **southern Africa**, the food outlook has become increasingly bleak in Angola. Despite favourable rainfall over most regions since October, crop production is expected to be considerably reduced this year as a result of renewed civil strife since December. Many farmers have abandoned their land to join the rapidly increasing number of displaced people or as refugees to neighbouring countries. In many areas, food and other relief supplies can only be delivered by air, drastically increasing the cost of transport. Elsewhere in the subregion, rains between December and February caused localized flooding in parts of Malawi, Zambia, and Zimbabwe. In central Mozambique, torrential rains in February and early March resulted in floods with loss of human life, property and crops.

In **Asia**, a grave food supply situation persists in Korea DPR, with continuing reliance on food aid. In Indonesia, a recent FAO/WFP Mission found that, despite an anticipated recovery in rice production in the current season, continuing economic problems have severely affected the livelihood of the poorest, who need urgent food assistance. In Afghanistan, the food situation remains precarious mainly in the areas affected by civil strife. In Iraq, notwithstanding the easing of the food supply situation with the implementation of the oil-for-food deal, malnutrition still remains a serious problem. In Laos, a joint FAO/WFP Mission found that, despite increased rice production in 1998/99, targeted food assistance is required for households affected by localised drought. In Mongolia, serious food supply problems persist among vulnerable sections of the population.

In **Latin America**, above-average 1998/99 third season crops in several Central American countries have contributed to a partial recovery from the heavy losses earlier incurred due to hurricane "Mitch". In the Caribbean, in Cuba, unusually dry weather since December is threatening the crops.

In the **Commonwealth of Independent States (CIS)**, vulnerable people in Armenia, Azerbaijan, Georgia, Tajikistan and remote and disadvantaged areas of the Russian Federation continue to need relief food assistance.

In **Europe**, the unprecedented exodus of refugees from the Kosovo Province of the Federal Republic of Yugoslavia to the surrounding countries calls for continued international humanitarian assistance on a large scale in the coming months.

the revised estimate of 1 877 million tonnes in 1998. Wheat output is provisionally forecast at 580 million tonnes, about 3 percent down from 1998 and below trend for the first time since 1995. Output is expected to fall in Asia, North America and Europe due to a combination of adverse conditions and/or reduced plantings. Although production in the CIS is expected to recover from last year's sharply drought-reduced level, it is likely to remain below the average of the past five years. Elsewhere in the northern hemisphere, wheat output in Africa and Central America is expected to remain largely unchanged from the previous year. In the southern hemisphere, early indications for the crops to be sown later this year point to a recovery in production in Argentina after 1998's reduced crop, and another good crop in Australia, similar to last year's. Regarding coarse grains, FAO's first forecast of global output in 1999 is 890 million tonnes, about 2 percent down from 1998 and just below trend after three years of above-trend crops. Early indications point to reduced levels of production throughout all regions, with the exception of the CIS where some recovery is expected after severely reduced crops in 1998. However, since the major coarse grains crops in the northern hemisphere are yet to be planted, this early forecast is very tentative. As regards rice, in most of Asia where the bulk of the crop is grown, the season has yet to begin pending the arrival of the monsoon rains. FAO is tentatively anticipating a recovery in global rice production in 1999 to 380 million tonnes (or 570 million tonnes of paddy), compared to the revised estimate of 375 million tonnes in 1998 (or 560 million tonnes of paddy). This is based on favourable early indications for the first 1999 crops already planted in the southern hemisphere and along the equatorial belt, and the planting intentions in some of the major producing countries in the northern hemisphere.

FAO's forecast of world trade in cereals in 1998/99 (July/June) has been revised upward by 1.6 million tonnes, to 205.6 million tonnes since the last report but would still be some 7 million tonnes below the previous year's volume. All of the revision since the last report regards coarse grains and rice. The latest forecast for global wheat imports in 1998/99 remains at 93.3 million tonnes, about 3 million tonnes down from the previous year. Global coarse grains imports are now forecast to increase marginally from the previous year to 90.7 million tonnes after the latest upward revision associated with increased imports expected for some countries in Africa and Europe. The forecast for trade in rice in 1999 has also been increased slightly since the last report and now stands at 21.6 million tonnes. Nevertheless, this would still be about 6 million tonnes less than the estimated record level in 1998.

FAO's latest forecast of global cereal utilization for 1998/99 remains virtually unchanged

since the last report at 1 881 million tonnes, marginally above the previous year's level and close to the long-term trend. Wheat utilization is forecast to increase by about 1 percent and minor increases are anticipated also in the utilization of rice and coarse grains. The limited growth in utilization can be largely attributed to a forecast reduction in feed use of cereals due mostly to economic difficulties in Asia and the CIS. By contrast, food consumption of cereals is forecast to expand by 1.7 percent, maintaining global per caput food consumption at last year's level of 162 kilograms. Per caput food consumption of cereals among the developing countries in aggregate, and the low-income food-deficit countries (LIFDCs) in particular, could improve slightly, mainly due to higher 1998 production in many areas.

FAO's forecast of global food aid shipments in 1998/99 (July/June) remains at 9 million tonnes, some 3 million tonnes more than in the previous year, reflecting greater availability of grain supplies among the major donors combined with higher food aid requirements, particularly in Asia, Central America and the CIS. Food aid packages agreed by the Russian Federation with the EC and the United States account for a large part of the increase. However, delays in implementing the agreements may prevent the full volumes from being shipped in the current year. Of the total volume forecast for 1998/99, the LIFDCs are expected to receive about 5.6 million tonnes, 300 000 tonnes more than in the previous year, and representing 8.3 percent of their estimated total cereal imports in 1998/99.

The international wheat market continues to be characterized by sluggish global import demand and large wheat inventories which caused prices to weaken further during February and early March. However, by late March prices recovered slightly in response to estimates of increased export sales in the United States. In the last week of March, U.S. wheat No. 2 (HRW, fob) was quoted at US\$ 119 per tonne, US\$ 5 per tonne above the beginning of the month but US\$ 6 down from late January and still well down compared to a year ago. Prices in Argentina also increased slightly in recent weeks due to the smaller than expected size of the recent crop, but remained much below the previous year's levels. Regarding coarse grains, prices rose slightly since the last report under pressure from indications of tightening supplies. In late March, US maize was quoted at US\$ 101 per tonne, US\$ 3 per tonne up from January but still US\$ 10 per tonne lower than a year earlier. International rice prices remain under downward pressure from large exportable supplies and relatively limited import demand. The FAO Export Price Index for Rice (1982-84=100) averaged 116 points during March, 4 points down from February, 8 points less than a year ago and the lowest level since April 1995.

FAO's forecast of global cereal stocks at the end of the 1998/99 seasons is now put at 330 million tonnes, up 2 million tonnes from the previous report, but still 3.6 million tonnes below their opening levels. The bulk of this year's reduction is expected in rice stocks, which have been drawn down sharply in several Asian countries to offset the adverse effects of weather anomalies on 1998 production. Rice stocks are forecast to fall sharply, by 5 million tonnes, to about 50 million tonnes. World wheat stocks are now forecast to remain virtually unchanged from their relatively high opening levels, while coarse grains inventories could increase slightly. At the aggregate level, the global ratio of end-of-season cereals stocks in 1999 to trend utilization in 1999/2000 would be, at 17.4 percent, within the 17-18 percent range which the FAO Secretariat considers as the minimum necessary to safeguard world food security. However if current forecasts of production for 1999 cereal crops materialize, to meet expected utilization, carryover stocks will have to be drawn upon in the 1999/2000 marketing season.

## CURRENT PRODUCTION AND CROP PROSPECTS

### POSITION BY REGION

#### ASIA

The outlook for the region's 1999 **wheat** crop is mixed. In China, the winter wheat area fell by an estimated 1 percent compared to the previous year. A prolonged drought in major wheat producing areas in northern and north-western parts of the country has affected millions of hectares of developing crops. The first major snowfall of the winter in early March provided some beneficial moisture, but widespread pest and disease infestations, due to the drought, have reportedly hit about one-third of the wheat crop. The full extent of the damage in terms of loss of yield potential is not yet known but it is likely that the 1999 output will be substantially below that in 1998. In India, a good wheat crop is in prospect reflecting favourable weather and an increase in cultivated area. Crop prospects are also good in Bangladesh due to favourable weather conditions. In Pakistan, wheat crops in the rainfed areas have been affected by a prolonged dry spell, but the 1998/99 wheat output is still officially forecast to rise slightly (to 19 million tonnes) from the previous year. In Afghanistan, production of winter grains in 1999 is expected to be again limited by the adverse effects of civil strife and short supply of agricultural inputs. Prospects for the region's 1999 winter **coarse grains** crops about to be harvested are favourable. Land is being prepared for the planting of the 1999 main season coarse grains crop, which normally starts in April.

Harvesting of the 1998 main **rice** crops in Asia is complete and, in some countries in the northern hemisphere, the second or third rice crop seasons are nearing conclusion. The region's aggregate paddy output is estimated at 512 million tonnes, down by 15 million tonnes from the 1997 record. The 1999 season is just getting started in the northern hemisphere countries while it is already quite advanced in the southern hemisphere and around the equatorial belt.

In China (Mainland), planting of the 1999 early **rice** crop is underway and preliminary reports suggest an expansion in rice area. However, drought conditions across parts of the country may have a significant impact on crop performance. In Viet Nam, where harvesting of the winter-spring crop is underway in some parts of the Mekong Delta, yields may have been affected by the lower than usual water levels available during part of the growing season. The area planted to the winter-spring crop is estimated at 2.7 million hectares, about 86 percent of the original target. Encouraged by the high prices that prevailed at planting time, farmers in Thailand did not heed the Government's call to save limited water reserves by reducing the dry season rice area. The arrival of some rain towards the end of January and beginning of February improved conditions for developing crops but nevertheless, output is likely to be less than in the previous season. In the Philippines, harvesting of the second-season crop is in progress amidst reports of flood damage to rice crops in some parts of the country. Planting of the main season crop starts in April. In Myanmar, the dry season crop harvest is underway and planting of the main season crop is expected to commence in April, assuming normal weather conditions. The paddy production estimate for 1998-99 is 17.8 million tonnes, up from 16.7 million tonnes in the previous year due to increased area. In Cambodia, earlier fears of a critical water shortage and pest infestation affected rice production less severely than originally thought. A joint FAO/WFP Crop and Food Supply Assessment Mission in January 1999 estimated the main season paddy output at 2.88 million tonnes, up by 8 percent from the previous year. Overall, output during the 1998-99 season is estimated at 3.5 million tonnes, compared to 3.4 million tonnes during the previous year. Planting of the 1999 rice crop in Japan is expected to start in May. The rice production adjustment area for the year has been set at about 960 000 hectares by the Ministry of Agriculture, Forestry and Fisheries, the same level as last year.

In India, harvesting of the 1998 Kharif crop is virtually complete and the Rabi crop is in the heading stage. Paddy production for the 1998-99 season is forecast at 123.5 million tonnes, similar to the previous year. Planting of the 1999 Kharif main

## WORLD CEREAL PRODUCTION - FORECAST FOR 1999

	Wheat		Coarse grains		Rice (paddy)		Total <sup>1/</sup>	
	1998	1999	1998	1999	1998	1999	1998	1999
	( ..... million tonnes ..... )							
Asia	241.7	237	216.6	212	512.1		970.4	
Africa	19.3	19	83.9	83	15.8		118.9	
Central America	3.3	3	28.6	28	2.1		33.9	
South America	15.6	17	63.8	61	16.4		95.7	
North America	93.8	83	298.5	283	8.5		400.9	
Europe	139.2	130	162.7	161	2.7		304.6	
CIS	62.1	68	43.0	53	1.3		106.4	
Oceania	21.3	21	9.1	9	1.4		31.8	
<b>WORLD</b>	<b>596.4</b>	<b>580</b>	<b>906.1</b>	<b>890</b>	<b>560.2</b>	<b>570 <sup>2/</sup></b>	<b>2 062.6</b>	<b>2 040</b>
Developing countries	277.5	275	384.5	375	535.1	545	1 197.1	1 195
Developed countries	318.8	305	521.6	515	25.1	25	865.5	845

SOURCE: FAO

<sup>1/</sup> Total cereal, including rice in paddy terms. <sup>2/</sup> Highly tentative.

season will not start until the arrival of the south-west monsoon in early June. There are reports of a price hike for fertilizers, which could reduce applications and result in lower yields. In Bangladesh, floods that affected most of the country from July through September severely damaged the paddy fields. The total 1998-99 paddy output is estimated at 26.7 million tonnes, about 2 million tonnes down from the previous season. Planting of the Aus crop is underway. Overall, a slight increase in output is anticipated in the 1999-2000 crop year owing mostly to an expected recovery in the planted area.

In the southern hemisphere and the equatorial belt of Asia, the 1999 **paddy** season is well advanced. In Indonesia, the first tentative forecast of 1999 paddy production by the Central Bureau of Statistics is 48.6 million tonnes, compared to the Government target of 52 million tonnes. Harvesting of the country's main season crop is in progress and is expected to continue through May. There have been reports of rain disrupting harvesting in Java, where most of Indonesia's rice is produced. Overall, however, harvested area and yields are anticipated to be higher than in the previous year when the El Niño-related drought affected the crop. In Sri Lanka, the harvest of the main season, Maha, crop is underway but output is expected to be smaller than in the previous year as planted area was lower owing to insufficient rainfall.

### AFRICA

NORTHERN AFRICA: Prospects for the subregion's 1999 **wheat** crops, to be harvested from May-June, are generally favourable. Output is expected to be

similar to the 14 million tonnes harvested in 1998 if normal weather prevails in the coming months. In Algeria, recent rainfall maintained adequate moisture for the 1999 wheat and barley crops but below-normal temperatures delayed crop development somewhat. However, additional timely rains will be required during the remainder of the growing season to avert loss of yield potential. In Morocco, the area sown to wheat and barley is reported to be lower than the average for the previous five years. Widespread moderate rains in mid-January improved moisture conditions for the 1999 winter grain crops previously stressed by unfavourable weather. Dry weather conditions returned recently to winter grain areas but lower than normal temperatures limited crop stress. Widespread timely rains will be needed in the coming months for normal crop development. In Tunisia, prospects for the 1999 winter grain crop are favourable. Cumulative rainfall since the beginning of the growing season is reported to be above normal particularly in the major producing northern areas. The area sown to cereals, mainly wheat, in 1998/99 season is estimated at 1.3 million hectares, slightly lower than the target due to inadequate rainfall in the central cereal growing areas at sowing time. However, use of high quality seeds and adequate availability of fertilizers should result in higher cereal yields. In Egypt, early prospects for wheat (mainly irrigated) and barley to be harvested from mid-April are favourable. Aggregate output of **coarse grains** in the 1999 in the subregion is also expected to remain similar to the previous year's level of about 11 million tonnes.

Preparation for the 1999 **paddy** season is underway in Egypt but there is no clear indication as

to the area to be planted, a decision that is usually dependent on the availability of irrigation water. For 1998, the paddy crop is estimated at 4.6 million tonnes from an area of about 500 000 hectares, compared to 5.5 million tonnes and an area of 650 000 hectares in 1997. The Government has a policy of reducing rice area with the aim of conserving irrigation water for use in the production of alternative crops.

**WESTERN AFRICA:** A record **cereal** harvest was gathered in late 1998 in the Sahelian countries. Based on the findings of a series of joint FAO/CILSS Crop Assessment Missions in October/November 1998, aggregate 1998 cereal production of the nine CILSS countries is estimated at a record 10.9 million tonnes, which is 34 percent higher than in 1997 and 20 percent above the average of the last five years. Record crops were gathered in Chad, Mali and Niger. Output was above-average in Burkina Faso, The Gambia and Mauritania, close to average in Senegal but below average in Cape Verde. Cereal production in Guinea-Bissau is estimated to have been below average due to civil disturbances that hampered agricultural activities. Output has clearly increased relative to 1997 in all the major producing countries of the Sahel. It was below the 1997 level in Guinea-Bissau and in Cape Verde where very poor crops were again harvested.

The 1998 aggregate cereal output in the eight coastal countries along the Gulf of Guinea amounts to about 29 million tonnes, which is similar to the previous year's level. Production was above average in Benin and Nigeria, and below average in Sierra Leone and Togo. The rainy season is starting in the southern part of the coastal countries. Land preparation and planting of the first **1999** maize crop are progressing northwards following the onset of the rains. Liberia remains heavily dependent on international food assistance despite some improvement in food production. In Sierra Leone, following the recent escalation of violence, the food supply situation has seriously deteriorated, and prospects are unfavourable for the forthcoming growing season.

The 1998 **paddy** harvest in West Africa is complete. Civil strife in some countries, such as Sierra Leone, made it very difficult for farming activities to proceed normally. In Nigeria, the biggest rice producing country in western Africa, the 1998 output is estimated at 3.4 million tonnes or 11 percent lower than in the previous year. The decline is attributed to drought during July and August in the central and south-western parts of the country together with a shortage of basic inputs, particularly fertilizers, during the growing season that is thought to have affected yields. Land is being prepared for the planting of the 1999 paddy crop.

**CENTRAL AFRICA:** In the Democratic Republic of Congo, maize is growing satisfactorily in the centre and the south. Civil strife disrupted agricultural activities, notably in the east where harvesting of the A-season is underway. Prospects for the second season are poor due to shortage of seeds and insecurity. In Kinshasa, the general deterioration of the economic and financial situation in the city has dramatically reduced vulnerable people's access to basic food supplies. In the Republic of Congo, the food supply situation deteriorated significantly following the resurgence of civil disturbances and subsequent population displacements. Large sections of the population face food access difficulties due to loss of jobs, high food prices and a seriously disrupted food marketing system.

**EASTERN AFRICA:** The subregions 1998 **wheat** output is estimated at 3.3 million tonnes, some 25 percent up from 1997. In Ethiopia, the wheat crop harvested late in 1998 was a record 2.3 million tonnes. In Kenya, output remained around the good level of the previous year. The **1999** wheat crop is already being harvested in Sudan. Prospects are unfavourable reflecting a decline in plantings in response to high production costs and cheaper imported wheat. Low yields are also expected following high temperatures in the past months. Recent official forecast indicate a crop of 280 000 tonnes, about half of last year's bumper crop. Harvesting of the 1998/99 secondary **coarse grains** is complete in the subregion. Production of this crop was reduced in most countries due to erratic and insufficient rains during the growing season. However, since the 1998 main season crops were generally good, the aggregate 1998/99 coarse grains output would be a record 23 million tonnes, substantially higher than in 1997/98. Country details are as follows: in Somalia, both the main "Gu" and the secondary "Deyr" season crops were reduced by dry weather. Latest estimates put the 1998/99 coarse grains output at 176 000 tonnes, 38 percent lower than last year and well below the pre-civil strife average. In Ethiopia, the main "Meher" crop is estimated at a record level of 8.7 million tonnes. Coarse grains production also reached a record level in Sudan in 1998. Aggregate output (mainly sorghum and millet) is put at 5.5 million tonnes compared with 3.2 million tonnes in the previous year. In Tanzania, the recently harvested secondary "Vuli" coarse grains crop was 60 percent lower than the previous year's due to unfavourable weather. However, the main season was good and the aggregate 1998/99 output is estimated at 3.3 million tonnes, 25 percent up from 1997/98 and above average. In Kenya, the secondary "short rains" coarse grains output is estimated to be only one-quarter of the normal level due to insufficient precipitation, but production of the main "long rains" season was above normal. In aggregate the 1998/99 output is put at 2.7 million tonnes, only



slightly above the previous year's level. In Uganda, the 1998/99 second season maize crop recently harvested is estimated to be about 40 percent down from normal levels due to delayed and irregular rains. However, following a good first season, the aggregate 1998 coarse grains output is up from 1997's level. Insufficient rains during the 1999 first season also affected coarse grains production in Rwanda where output is tentatively estimated at 64 000 tonnes, 15 percent down from the previous year. In Burundi, production of the 1999 first season coarse grains declined 5 percent to 85 000 tonnes.

The 1999 **paddy** crop in Tanzania, the largest producer in the subregion, has been affected by drought which is expected to result in a delayed and reduced harvest. In 1998, the country produced an estimated 1 million tonnes of paddy, up significantly from 1997, due to abundant rainfall during the growing season together with a 12 percent rise in area.

**SOUTHERN AFRICA:** Harvest prospects are generally favourable for the 1998/99 **coarse grains** crops in the subregion following abundant and widespread rains between November and January. If favourable conditions continue, a recovery in production is anticipated in South Africa, Zimbabwe and Zambia, while good harvests are in prospect in Malawi, Mozambique, and Swaziland. However, reduced production and tight food supplies are expected in Angola due to renewed fighting since late 1998. Emergency assistance is also required in parts of central Mozambique where torrential rains in late February and early March resulted in flooding with loss of human lives, property and crops. In South Africa, a prolonged dry spell in February-March in some maize growing areas has raised concern for yields, but the final outcome of the season will depend on conditions in the next few weeks. Overall, indications are that the subregion's 1999 coarse grain crop will exceed the poor 1998 level but the extent of the recovery remains uncertain.

The 1998/99 **wheat** crop harvested late in 1998 is estimated at 1.8 million tonnes, 32 percent below the previous year's production. The reduction mostly reflects reduced plantings, particularly in South Africa, in response to lower international and domestic wheat prices.

Prospects are favourable so far for the 1999 **paddy** crop in the subregion. Rainfall has been abundant and widespread in Madagascar and Mozambique, the major rice growing countries. Although locusts continue to be a threat to crops in Madagascar, control measures are reported in affected areas, with assistance from the donor community. Assuming favourable conditions continue for the remainder of the season, paddy

production in the subregion may exceed last year's output of 2.5 million tonnes.

## CENTRAL AMERICA AND THE CARIBBEAN

Harvesting of the 1999 **wheat** crop in the main producing irrigated areas in the northwest of Mexico is about to start. Despite low reservoir levels, due to extremely dry weather conditions since the beginning of the year, the outlook is good and output is tentatively forecast at an about-average 3.4 million tonnes compared with 3.2 million tonnes in 1998.

Harvesting of the 1998/99 third season **maize** (and beans) crops in some Central American countries, affected by hurricane "Mitch" in 1998, is almost completed. In El Salvador and Nicaragua, production is expected to have been boosted to above normal levels in reaction to the severe losses incurred by the earlier crop. This is largely due to the emergency rehabilitation programmes implemented by the respective Governments in collaboration with the international community. In Honduras, a good third season maize crop is also expected as farmers actively continued planting after the passage of the hurricane and the newly planted crops benefited from good weather. Fieldwork has started in most countries under generally normal weather conditions in preparation of planting of the 1999 cereal and bean crops, with the arrival of the rainy season, in late April or May. In the Caribbean, harvesting of the 1999 first season maize crop in the Dominican Republic is underway and a recovery is expected from last year's El Niño-affected crop. By contrast, in Cuba, poor soil moisture reserves, particularly in the eastern parts of the country, threaten the outturn of some minor foodcrops. In Haiti, favourable weather conditions have benefited planting of the 1999/2000 first season maize crop currently underway.

## SOUTH AMERICA

Harvesting of the 1998/99 **wheat** crop is complete in the southern countries of the subregion (Argentina, Brazil, Paraguay, Uruguay and Chile). Aggregate output of these countries is estimated at 14.2 million tonnes compared to 19.7 tonnes in the previous year. The decline mostly reflects farmers' decision to reduce plantings in anticipation of adverse weather and lower than normal yields. In the Andean countries, in Bolivia, normal rains have resumed since the end of February, benefiting the development of the 1998/99 main wheat crop, mostly grown in the eastern department of Santa Cruz. Harvesting is about to start and an above-average output is tentatively forecast. In Ecuador, where wheat is mostly grown in the highlands, the crop continues to develop under normal conditions

for harvesting from June, while in Peru, the bulk of the harvesting operations should start in April.

Harvesting of the 1999 **coarse grains** crops has started in some southern countries. In Argentina, where maize plantings were reduced with respect to the previous year largely because of less attractive prices, output is tentatively forecast at 13.5 million tonnes, down from the 1998 record of 19.4 million tonnes, but still well above average. In Brazil, maize is expected to recover from the 1998 drought-affected level. Despite relatively low yields obtained so far in the main growing states because of adverse weather at planting, aggregate output (both crops) is provisionally forecast to be about average at between 33.5 to 34 million tonnes. In Uruguay and Paraguay, maize output is expected to be lower than last year's but would still be above average. In Chile, weather conditions in some of the main growing regions have slightly improved since mid-February, following months of dry weather which seriously affected planting of the 1998/99 maize crop. Harvesting has only started and a below-average output is anticipated. In the Andean countries, in Bolivia, production of the 1998/99 first season coarse grains crops is expected to significantly improve from last year's drought-affected crop, despite irregularly distributed rains in recent weeks. In Ecuador, despite localized damage to plantings caused by excessive rains, the 1998/99 first season maize crop is also anticipated to recover from last year's sharply reduced level. In Peru, harvesting of the 1999 maize (white and yellow) crops is underway and aggregate output is expected to be above average. In Colombia and Venezuela, weather conditions have favoured land preparation for planting of the 1999 coarse grain crops which is about to start.

Harvesting of the 1999 **paddy** crop has started in some countries of the Latin America region. Growing conditions have been generally good and record outputs could be achieved in some countries, in sharp contrast to the previous season, when El Niño-related weather anomalies hit the crops. The expected increase in production is partly a reflection of area expansion prompted by relatively high prices at planting time. In Argentina, the paddy harvest is in progress and production is forecast to reach a record 1.3 million tonnes, up from 1 million tonnes produced last year. In Brazil, the rice area increased by 22 percent to 3.9 million hectares in 1999. Assuming average yields, output is forecast to recover to 11.3 million tonnes, which would be 33 percent up from 1998. In Uruguay, the other big producer in the region, a record paddy crop of 1.1 million tonnes is anticipated, up by over 30 percent from the previous season.

## NORTH AMERICA

In the United States, a significant reduction in **wheat** output is expected in 1999. Latest official estimates put winter wheat plantings at 17.6 million hectares, the lowest since 1972/73 and down 7 percent from 1998, while early indications for spring wheat plantings point to an area similar to the previous year's level of 8 million hectares. Assuming the forecast spring wheat area materializes, even if normal conditions prevail for the rest of the growing season, wheat output in the United States is forecast to fall to about 59 million tonnes, compared to some 69 million tonnes in 1998. In Canada, the bulk of the 1999 wheat crop is due to be sown from May to June. Farmers' planting intentions are uncertain and are likely to be influenced by market developments in the coming weeks. However, latest indications based on recent projected returns for Canadian producers in 1999, which indicate little change over the previous year, point to an unchanged wheat area and output. In the United States some early coarse grains crops are already in the ground in southern parts, but the bulk of the maize planting in the Corn Belt states takes place from late April. Early indications in the USDA Prospective Plantings report point to a slight reduction in maize plantings this year, to 31.7 million hectares. The sorghum area is also expected to decrease somewhat. In Canada, the bulk of the coarse grains crops will be sown in May-June. As for wheat, early indications point to little change in the area sown from the previous year.

In the United States, the area under **rice** is expected to decline by between 4 and 5 percent from the previous season to slightly less than 1.3 million hectares owing to the prevailing lower rice prices. Accordingly, production is also anticipated to decline marginally. Planting of the rice crop usually starts around March/April.

## EUROPE

Latest indications for the region's 1999 cereal crops continue to point to a downturn in production. In the EC, adverse weather conditions in some parts last autumn, weaker prices, and a 5 percent increase in the compulsory set-aside requirement led to a smaller winter grain area, with most of the reduction in wheat. In addition, excessive winter rainfall in some northern parts and, by contrast, a long dry spell in southern Spain and Portugal will likely pull down average yields. Spring planting is underway throughout much of the Community but the outlook is uncertain. Plantings are somewhat behind normal in some northern parts due to excessive soil moisture after abundant winter rains, while it is still unclear exactly how much of the 5 percent increase in compulsory set-aside has been accounted for by smaller winter plantings and thus

how much adjustment may have to be made in spring crop areas. At this early stage, FAO tentatively forecasts a reduction of about 5 percent in the Community's wheat output in 1999 from last year's bumper level, and a 2-3 percent reduction for coarse grains. Elsewhere in Europe generally smaller cereal crops are also expected in 1999. Limited demand made it difficult to sell grain surpluses in 1998 in many central and eastern European countries, dampening farmers' incentive to plant winter cereals for the 1999 season and, in many cases, aggravating the tight financial situation which many farmers face. Bulgaria's wheat output is expected to fall by about 15-20 percent in 1999 from the estimated 3.3 million tonnes last year. The winter wheat area is estimated at about 900 000 hectares, down from 1.08 million hectares in the previous year, and yields are expected to fall due to late planting and limited use of inputs. In the Czech Republic, official estimates put the winter grain area for harvest in 1999 at some 980 000 hectares, about 13 percent down from the previous year's level. Of the total, wheat is estimated to account for about 730 000 hectares compared to 850 000 hectares in the previous year. In Hungary, official reports indicate that winter wheat was sown on a total area of 700 000 hectares last autumn, 500 000 hectares down from the previous year's level. After getting off to a bad start due to excessive moisture and early frosts, crop development this spring is now threatened by floods due to rapid thawing of this winter's thick snow cover. In Poland, the winter grain area for the 1999 harvest is estimated to be similar to the previous year's. The areas sown to wheat and rye are put at about 2 million hectares and 2.3 million hectares respectively. In Romania, the winter wheat area is estimated at about 1.6 million hectares compared to some 2 million hectares in the previous year. However, crops are reported to have germinated well under generally favourable conditions. The Slovak Republic faced adverse weather last autumn like neighbouring countries, and the winter wheat area is reported to have been limited to no more than half the planned 400 000 hectares.

In the EC, the 1999 **paddy** season is getting underway, but information on area to be put under rice is still lacking. The current production estimate for the 1998 crop stands at slightly over 2.6 million tonnes, almost identical to the 1997 revised figure.

#### **COMMONWEALTH OF INDEPENDENT STATES<sup>1/</sup>**

In the CIS, the 1999 aggregate cereal and pulse harvest could recover from last year's poor level, but is likely to remain below the 1994-1998 average. A return to normal weather could lead to a recovery in yields from last year's drought-reduced levels. However, at the same time, yields could be affected by the accumulated farm debt and the

financial constraints in virtually all countries, which are likely to make access to credit and inputs-in-kind even more difficult than in past years.

The area sown to winter grains declined marginally, mainly on account of lower plantings in the Russian Federation (by 4 percent). The outlook for the winter grains (mostly wheat and rye) has improved somewhat, particularly in the important North Caucasus area of the Russian Federation. Current indications are that the extent of crop damage by winterkill in the CIS could be about 1 million hectares less than was earlier expected, but even so, up to 2.5 million hectares or over 10 percent of the aggregate winter grain area may still need to be reseeded.

The early spring has provided a window of opportunity to catch up on the substantial backlog of autumn ploughing. Spring grain planting has just begun in southern parts but it is too early to determine whether or not spring grain planting targets of 38 million hectares in the Russian Federation and 7.6 million hectares in the Ukraine will be achieved in view of the material and financial constraints. In Kazakhstan, the area to be sown is expected to decline by another 1 million hectares to 12 million hectares. The financial crisis in the Russian Federation has disrupted trade in the region with the result that many smaller countries are also having trouble in mobilizing seeds and other inputs.

Based on the current condition of winter grains and expectations for spring plantings, and assuming normal growing conditions until the completion of the harvest, FAO tentatively forecasts the 1999 grain and pulse harvest in the CIS to recover to 125 million tonnes from an estimated 108 million tonnes in 1998. Output of wheat could increase by 6 million tonnes to 68 million tonnes, as better yields are expected to offset winterkill and the area decline. Output of coarse grains is tentatively projected to increase by about 10 million tonnes to 53 million tonnes, mainly reflecting expectations of better yields. Production of rice is thought likely to continue its declining trend but to remain around 1.2 million tonnes. Output of pulses could recover to an estimated 3 million tonnes (1998: 2.5 million). However, the bulk of spring crops and particularly coarse grains and pulses have still to be planted in a very difficult and uncertain environment and these forecasts remain highly tentative.

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<sup>1/</sup> The Commonwealth of Independent States (CIS) includes 12 member states (Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, the Kyrgyz Republic, Moldova, the Russian Federation, Tajikistan, Turkmenistan, the Ukraine and Uzbekistan).

## TRADE<sup>1/</sup>

In the Russian Federation, where winterkill could be less than 2 million hectares, grain production in 1999 is currently forecast at 65 (1998: 55 ) million tonnes, and to include 32 (1998: 30) million tonnes of wheat and 30 (1998: 23) million tonnes of coarse grains. Farmers may increase coarse grain plantings in response to the shortage of feedgrains, winterkill and the planned arrival of significant quantities of imported wheat. In the Ukraine, grain and pulse production is forecast at 32.5 (1998: 29.5) million tonnes, including 18 (1998: 17) million tonnes of wheat and 13.5 (1998: 11.5) million tonnes of coarse grains. In Kazakhstan, the bulk of grain will not be planted until May. Some recovery in yields could result in a harvest of some 9.5 (1998: 7.3) million tonnes including 7.5 (1998: 5.5) tonnes of wheat.

## OCEANIA

In Australia, planting of the main 1999 **wheat** and **coarse grains** crops is due to start in May. Early official forecasts indicate a marginal increase in wheat production based on slightly improved price prospects foreseen for Australian producers in 1999/2000, who will harvest their crops towards the end of the year, and several months after the other major exporters' harvests which are expected to be smaller in 1999. By contrast, other forecasts based on less optimistic price projections would point to a small reduction. However, current opinions vary within a relatively narrow range and assuming normal weather, another good crop of around 20 million tonnes seems likely. The final area planted will depend greatly on weather conditions and developments in international markets during the planting season. Prospects for the winter coarse grains are similarly uncertain pending clarification of the wheat situation and developments in feed grains markets in the coming weeks. However, output of barley, the major winter coarse grain, is expected to remain at some 5 million tonnes. Harvest of the minor 1999 summer coarse grains crop, mainly sorghum and maize, is due to start soon and a bumper output is expected after favourable winter rains encouraged increased plantings.

The 1999 **paddy** season in Australia benefited from very favourable growing conditions and harvesting of the crop is ongoing albeit at a slower pace than in the previous two seasons. The current forecast is for an output of 1.35 million tonnes, up slightly from the previous season. However, the impact of recent torrential rains on rice output in the state of New South Wales, where most of the country's rice is produced, is yet to be ascertained.

The latest forecast for world trade in **cereals** in 1998/99 stands at 205.6 million tonnes, up 1.6 million tonnes from the previous report in February, but still some 7 million tonnes, or 3 percent, below the previous year's volume (Table A.2). Coarse grains imports are estimated to increase but not enough to offset reduced shipments of wheat and rice.

The current forecast of world trade in **wheat** and wheat flour (in wheat equivalent) in 1998/99 (July/June) is unchanged at 93.3 million tonnes, down 2.7 million tonnes from 1997/98. Most of this year's reduction reflects smaller wheat imports by the developing countries, now put at about 74 million tonnes, 3.5 million tonnes, or 5 percent, below the previous year. By contrast, total imports by the developed countries are forecast to rise slightly from the previous year by about 1 million tonnes, owing mostly to an increase in shipments to the CIS.

Aggregate wheat imports into **Africa** are forecast at nearly 22 million tonnes, 1.3 million tonnes less than in the previous season. The decline would be mostly on account of reduced imports by several countries in North Africa because of larger domestic production. However, imports by Egypt are expected to exceed 7 million tonnes, again making Egypt the world's largest wheat importing country. Imports into sub-Saharan Africa are likely to be reduced, mainly reflecting reduced purchases by Kenya, due to a drawdown of stocks, and the absence of Ethiopia as an importer because of a record crop and the expectation that food aid for vulnerable groups would be bought locally.

Total imports into **Asia** in 1998/99 are currently forecast at 43.3 million tonnes, down 2.5 million tonnes from 1997/98, but slightly more than was reported in February. Improved production in 1998 is expected to reduce wheat imports by the Islamic Republic of Iran and Pakistan. The upward revision of 200 000 tonnes to 2.4 million tonnes in this month's imports by Pakistan reflects a recent announcement by the United States that it would increase its donations to that country. Wheat imports by India are expected to be considerably

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

**OVERVIEW OF WORLD CEREAL IMPORTS - FORECAST FOR 1998/99**

	Wheat		Coarse grains		Rice (milled)		Total	
	1997/98	1998/99	1997/98	1998/99	1998	1999	1997/98	1998/99
	( ..... million tonnes ..... )							
Asia	45.8	43.3	54.1	53.2	17.4	12.2	117.4	108.8
Africa	23.4	22.0	10.4	11.8	4.1	4.1	37.9	37.9
Central America	5.1	5.5	10.0	10.5	1.4	1.4	16.5	17.5
South America	10.6	11.2	5.8	6.7	2.2	1.5	18.6	19.4
North America	2.6	2.7	4.0	3.2	0.6	0.6	7.2	6.4
Europe	5.3	4.7	4.7	4.5	1.1	1.1	11.1	10.4
CIS	2.7	3.5	0.3	0.7	0.3	0.3	3.4	4.5
Oceania	0.4	0.4	0.1	0.1	0.3	0.3	0.9	0.8
<b>WORLD</b>	<b>96.0</b>	<b>93.3</b>	<b>89.4</b>	<b>90.7</b>	<b>27.5</b>	<b>21.6</b>	<b>212.9</b>	<b>205.6</b>
Developing countries	77.5	73.9	57.6	59.0	24.2	18.2	159.2	151.2
Developed countries	18.5	19.4	31.9	31.6	3.3	3.4	53.6	54.4

**SOURCE:** FAO

less than in the previous year, largely because of higher stocks and prospects for bumper wheat crops in 1999. Indonesia's wheat imports are currently put at 2.8 million tonnes, 1.2 million tonnes less than last year mostly on account of large stocks of wheat flour. In China, an estimated smaller wheat harvest in 1998 is not anticipated to translate into increased imports because of large carryover stocks which are likely to be used to meet the production shortfall. Among the major increases expected in wheat imports this year, Bangladesh could receive 2.4 million tonnes, three times the level of the previous year, mostly as food aid to compensate for considerable crop losses caused by floods. A substantial proportion of the 300 000 tonnes increase in the wheat imports by Korea, D.P.R. is also anticipated to come from donations. In the Republic of Korea, the relatively low wheat prices this season are likely to continue to encourage a greater use of wheat for feed, all of which is imported. The forecast for wheat imports into **Latin America and the Caribbean** in 1998/99 is virtually unchanged from the previous report at 16.7 million tonnes. At this level, total imports would still be 1 million tonnes above those in 1997/98. Most of the increase over last year would be on account of larger purchases by Brazil and Mexico and larger food aid shipments to those countries in Central America which were affected by hurricane "Mitch".

Among the developed regions, wheat imports into **Europe** are expected to fall by 11 percent, compared to the previous year, to 4.7 million tonnes in 1998/99. Although this level is slightly higher than that in the previous report, total wheat imports into Europe would still be about 600 000 tonnes lower

than in 1997/98. The bulk of the decline would be due to reduced purchases by the EC, which harvested a record crop, whereas imports by most other countries are likely to remain close to last year's levels. The aggregate wheat imports of the **CIS** countries for 1998/99 are now forecast at 3.5 million tonnes, a downward revision of 700 000 tonnes from the previous report, reflecting delays in food aid shipments to the Russian Federation from the EC and the United States. Nevertheless, at this level, total wheat imports into the CIS would still be 700 000 tonnes above the previous year's level. The bulk of the increase is expected in the Russian Federation, where food aid deliveries could account for all of the 2 million tonnes of wheat imports forecast for this country.

As regards **exports** (Table A.3), prospects for the 1998/99 (July/June) season point to a substantial decline in aggregate shipments from the five major exporters. Three of the major wheat exporters together, i.e. Argentina, Australia and Canada, are forecast to ship 9.6 million tonnes less this season compared to last year. For these countries, this year's export prospects are less favourable not only because of increased competition from the two major exporters, but also because of lower domestic supplies and competition from some of the smaller exporting countries. In addition, a strike by dock workers in western Canada may have caused a delay in wheat shipments which could lower the final export forecast for the season. Turkey could boost its exports compared to last season by 1 million tonnes. Poland is also likely to expand its exports due to larger supplies. The EC and the United

States are expected to expand their wheat exports this season, the increases coming largely from food aid shipments.

World trade in **coarse grains** in 1998/99 (July/June) is now forecast at 90.7 million tonnes, up 1.2 million tonnes from the previous report and 1.3 million tonnes above last year's revised volume. Imports by the developing countries are forecast to increase by 3 percent to reach 59 million tonnes, while those by the developed countries are likely to be slightly down from the previous year. Imports of maize, the most important coarse grain traded, are forecast to continue to grow to around 65 million tonnes, although the final volume will depend largely on the size of expected food aid shipments to Central America and the CIS. Trade in barley could reach 16 million tonnes, up 1.6 million tonnes from last year, mostly because of larger purchases by several countries in Asia, in part encouraged by export subsidies. There is also potential for an increase in rye imports this season, if expected food aid shipments from the EC to the Russian Federation materialize.

Total coarse grains imports into **Africa** in 1998/99 are now put at 11.8 million tonnes, 500 000 tonnes more than last reported and up 1.4 million tonnes from the estimated imports in 1997/98. The latest increase is due entirely to larger than expected barley purchases by Morocco as a result of last year's poor crop and concerns about this year's output. Compared to the previous season, the increased forecast for Africa also takes into account greater import demand by several countries in southern Africa, particularly Zambia and Zimbabwe. For **Asia**, the import forecast has been revised slightly upward to 53.2 million tonnes, which is still 800 000 tonnes down from last year's volume. Asian coarse grains imports are likely to decline this season because of larger domestic production and weaker demand from the animal feed sector, especially in countries affected by the financial crisis. The most pronounced decline is forecast for Indonesia, following an increase in domestic production. However, a few Asian countries are likely to buy more coarse grains this season, in particular Saudi Arabia and China, including the Chinese Province of Taiwan. Coarse grains imports into **Latin America and the Caribbean** are forecast at 17.2 million tonnes, about the same as reported earlier and 1.6 million tonnes more than last year. Among the Central American countries, the bulk of the increase over last year would be due to greater purchases by Mexico and larger maize food aid shipments to Honduras, the latter being the country in the region most affected by hurricane "Mitch". Reflecting lower production, Brazil is forecast to import 600 000 tonnes more maize than in the previous year. However, its imports are likely to be

limited due to the currency devaluation combined with an anticipated slow-down of domestic feed use.

In **Europe**, total imports are currently put at 4.5 million tonnes, slightly lower than last year. The current upward revision of 600 000 tonnes is due to a change in the EC forecast. The outlook for coarse grains imports into the **CIS** has been left unchanged since February due to delays in the shipments of food aid to the Russian Federation from the EC, geared at providing 500 000 tonnes of rye, and the United States, envisaging shipments of 500 000 tonnes of maize.

This year's expansion in trade would mean improved market opportunities for a few coarse grains **exporting countries**. Expanded credit facilities and additional food aid agreements are anticipated to be among the most important factors contributing to higher shipments by the EC and the United States, which should boost their combined coarse grains exports by about 10 million tonnes in 1998/99. While Australia is also likely to increase its sales by 600 000 tonnes, exports from Canada could remain unchanged from last season at 3.5 million tonnes. Among the major exporting countries, only Argentina could ship less during 1998/99 due largely to smaller exportable supplies resulting from a forecast of a sharply reduced maize crop in 1999. South Africa is also expected to experience another below-average maize crop this year and subsequently, smaller exports. Among other minor coarse grains exporting countries, smaller crops in 1998 could result in curtailed coarse grains exports from Hungary and Romania.

The forecast for global **rice** trade in 1999 has been revised upward by 500 000 tonnes since the last report to 21.5 million tonnes, which would be about 6 million tonnes down from the estimated record level in 1998 but still the second highest volume on record. The anticipated reduction reflects increased production in 1998 and the expectation of rising production in 1999 in many of the major importing countries whose output in 1997 and/or 1998 was reduced by El Niño-related weather problems.

The forecast of expected imports by Indonesia in 1999 has been increased by 100 000 tonnes from the last report to about 2.5 million tonnes, still considerably below the estimated record high of 6 million tonnes in calendar year 1998. This is attributed to the anticipated recovery in production from the lows of the previous two seasons. The forecast for imports by Bangladesh has been raised by 200 000 tonnes from the previous report to about 1.3 million tonnes, but still well down from the 2.5 million tonnes in 1998 when it ranked as the second largest importer. This is based on the assumption of a return to normal weather after adverse conditions

in the previous season. Imports by the Philippines are forecast at 1.2 million tonnes, 1 million tonnes below last year. For Brazil the forecast of imports has been increased by 200 000 tonnes from the previous report to 1 million tonnes which would still be 500 000 tonnes or 33 percent less than in 1998 when domestic output was sharply down. Improved production this year is of paramount importance for Brazil given the current economic and currency problems the country is experiencing, which might constrain its ability to import.

On the export side, Thailand is projected to ship 5.5 million tonnes in 1999, down by almost 1 million tonnes from the estimate for 1998. Export shipments from India, the second largest exporter in 1998, are expected to fall by about 50 percent to 2.3 million tonnes - up by 200 000 tonnes from the previous report. China (Mainland) is expected to ship about 1.1 million tonnes in 1999, about 150 000 tonnes more than reported previously but down from 3.7 million tonnes estimated for 1998. This sharp fall is attributed to reduced output in 1998 and the anticipated decline in global import demand during this year. On the other hand, Viet Nam has set a target of 3.9 million tonnes in 1999 which, if realized, would exceed the record 3.8 million tonnes exported last year. The Government is to allow shipments of 3 million tonnes during the first six months of the year and the remaining 900 000 tonnes during the second half. The forecast for the United States' rice export volume is about 2.8 million tonnes, down by 10 percent from 1998, as many of the South and Central American countries, the traditional customers of the United States' rice, are expected to import less.

### CARRYOVER STOCKS

The forecast for global **cereal** stocks by the close of the seasons ending in 1999 has been raised to about 330 million tonnes, up 2 million tonnes from the previous report but still 3.6 million tonnes below their opening levels. The largest decline from last season is expected in rice inventories, which could be reduced by 9 percent, but wheat stocks could also fall slightly while coarse grain carryovers may rise by about 1 percent. At the aggregate level, the ratio of global cereal carryovers to trend utilization in the 1999/2000 season, at 17.4 percent, would remain within the 17-18 percent range which the FAO Secretariat considers as the minimum level necessary to safeguard world food security<sup>1/</sup>.

World **wheat** stocks for crop years ending in 1999 are now forecast to reach about 137 million tonnes, 1 million tonnes less than was reported in February and about 400 000 tonnes less than their relatively high opening levels. At the forecast level, total wheat stocks held by the major wheat

exporters are expected to rise for the third consecutive year and reach almost 53 million tonnes, a one-third increase, or around 13 million tonnes, from the previous year, mostly due to bumper crops and slow export shipments in the EC and the United States. In the United States, the official forecast for carryover stocks has been raised by 600 000 tonnes to reflect a cut back in export prospects. Carryover wheat stocks in Canada have also been increased due to lagging export sales. By contrast, in the EC, the current forecast for end-of-season stocks has been lowered by 500 000 tonnes, mainly due to higher than anticipated domestic use and in spite of a downward adjustment in exports. The aggregate volume of wheat stocks held by the other two major exporters is forecast to increase from its opening level to 3 million tonnes in 1998/99.

### WORLD CARRYOVER STOCKS OF CEREALS

	Crop year ending in:		
	1997	1998 estim.	1999 f'cast
	(. . . million tonnes . . .)		
Wheat	114.8	137.2	136.8
Coarse grains	131.3	140.9	142.7
Rice (milled)	56.4	55.3	50.3
<b>TOTAL</b>	<b>302.5</b>	<b>333.3</b>	<b>329.8</b>
of which:			
Main exporters	100.6	125.8	147.7
Others	201.9	207.5	182.1

SOURCE: FAO

The level of world **coarse grains** stocks for crop years ending in 1999 is currently put at 142.6 million tonnes, up 1.7 million tonnes from last year and slightly higher than the previous forecast. Based on the latest official figures for March, the forecast for coarse grains stocks in the United States has been lowered to 49 million tonnes. However, this level would still represent an increase over last year of 10.6 million tonnes, or 28 percent, reflecting slower growth in exports of maize so far during the 1998/99 marketing season. By contrast, this month's forecast of closing coarse grains stocks in the EC for 1998/99 has been raised by 600 000 tonnes to 23.1 million tonnes, mainly because of an upward revision in imports and a small reduction in domestic

<sup>1/</sup> The minimum "safe" level of total stocks is defined as the level of total carryover stocks required to ensure in the following season continuity of supplies on national and international markets, to maintain consumption levels and safeguard against acute shortages in the event of crop failures or natural disasters.

use. Intervention stocks, primarily barley, are expected to increase this season as a result of a record crop in 1998, which has been difficult to sell even during a period of falling prices. The 1998/99 coarse grain stocks of the other major exporting countries remain almost unchanged from and above their opening levels, except for Australia which shows a decline from last year. Among the smaller exporters, Turkey's coarse grain carryover stocks were revised upward this month, primarily for barley, although the year-on-year figure is lower.

FAO's forecast of world **rice** stocks at the close of the marketing seasons ending in 1999 is about 50 million tonnes, down by 5 million tonnes from the closing stocks for the marketing seasons ending in 1998. The bulk of the year-to-year decline is largely accounted for by countries whose production was severely affected by bad weather, particularly China (Mainland), Bangladesh and Indonesia. The final outcome, however, will also be influenced by the performance of the secondary crops to be harvested in early 1999. In addition, given the expectations of lower prices during most of 1999, some countries could choose to increase imports to rebuild stocks to more comfortable levels.

### EXPORT PRICES

International **wheat** prices recovered somewhat during the second half of March, after falling early in the month, mainly in response to an increase in export sales. Although by late March the price of US wheat No. 2 (HRW, fob) had risen to US\$119 per tonne, it was still US\$6 per tonne below the price in late January. The fundamentals that

### LATEST CEREAL EXPORT PRICES \*

	1999		1998
	March	January	March
	(. . . . . US\$/tonne . . . . .)		
<b>United States</b>			
Wheat <u>1/</u>	119	125	141
Maize	101	97	111
Sorghum	95	96	109
<b>Argentina <u>2/</u></b>			
Wheat	118	105	125
Maize	96	93	99
<b>Thailand <u>2/</u></b>			
Rice white <u>3/</u>	254	296	306
Rice, broken <u>4/</u>	195	223	193

SOURCE: FAO, see Appendix Table A.9

\* Prices refer to the fourth week of the month.

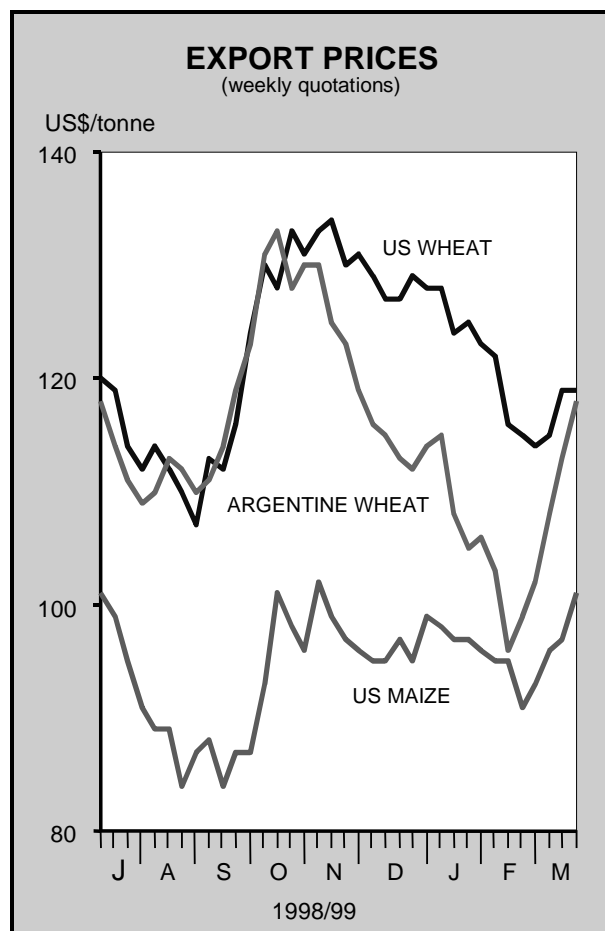
1/ No. 2 Hard Winter (Ordinary Protein).

2/ Indicative traded prices.

3/ 100% second grade, f.o.b. Bangkok.

4/ A1 super, f.o.b. Bangkok.

have characterized the market for some time, i.e. sluggish global import demand and large wheat inventories held by the major exporting countries, kept prices in March well below those of a year ago. In the futures market, prices in March also remained under downward pressure from the market fundamentals mentioned above. The Chicago Board of Trade (CBOT), late March quotations for nearby May wheat futures were US\$104 per tonne, just below those in January (US\$105 per tonne) and US\$20 per tonne below the corresponding quotation a year ago.



Looking further ahead, however, a moderate upturn in wheat prices towards the end of the current season may be expected. The reduced winter wheat plantings in the United States and the EC could result in a tighter supply situation during the next season and a draw-down in inventories. However, much will also depend on the size of the 1999 wheat crops in major importing countries which are the main driving force affecting global import demand.

**Coarse grains** export prices have risen slightly since the last report under pressure from indications of tightening supplies. The USDA March grains report raised the US export forecast for the



marketing year, thus reducing their carryover stocks for the season which have been one of the strongest downward influences on the market in recent months. The market was also supported by the forecast sharp decline in Argentina's maize production in 1999, dry conditions for the developing crop in South Africa, and smaller plantings anticipated in some other major exporting countries. By late March, US maize was quoted at US\$101 per tonne, US\$3 per tonne up from January but still US\$10 per tonne lower than a year earlier. Because larger than normal stocks are still overhanging the market, in late March, the nearby May maize future contract quoted at the CBOT was US\$88 per tonne, still US\$19 per tonne, or 18 percent, down from the corresponding period last year.

International **rice** prices remain under downward pressure from large exportable supplies and the decrease in import demand. The FAO Export Price Index for Rice (1982-84 =100) averaged 116 points during March, down by 4 points from the previous month. In comparison, the Index had been 124 points at the same time in 1998 and

the annual average for the whole of 1998 was 127 points. At 116 points, the price index is at its lowest level since April 1995. Thai 100B averaged US\$262 per tonne, down by US\$19 per tonne from the previous month and the lowest since August 1994. Prices for the lower quality grades have also been on the decline. Thai A1 Super averaged US\$198 per tonne during March, down from US\$209 per tonne in February and the lowest level since May 1998. A similar trend has been observed in 1999 in all the other major exporting countries in Asia, including Viet Nam, India and Pakistan. In the United States, the market has also been generally quiet. Prices for high quality No. 2/4 percent broken rice averaged US\$360 per tonne in March, down from US\$377 per tonne in February and the lowest since May 1995. By comparison, the price was US\$423 per tonne in March 1998 and the average for the whole of 1998 was US\$413 per tonne. For the rest of 1999, international rice prices are expected to remain subdued primarily due to exportable supplies exceeding import demand, assuming normal growing conditions for the rest of the year. A further fall cannot be excluded.

## FOOD AID

### **Cereal food aid shipments are expected to increase further in 1998/99**

FAO's forecast of cereal food aid shipments in 1998/99 stands at 9 million tonnes, 3.2 million tonnes up from the revised estimate for 1997/98, reflecting greater availability of grain supplies among the major donor countries combined with higher food aid requirements, particularly from Asia, Central America and the CIS. The bulk of the increase reflects the food aid packages agreed by the Russian Federation with the EC and the United States. However, delays in implementing the agreements may prevent all of the commitments from being shipped by the end of the July/June trade year. In Africa, cereal food aid shipments are expected to be about 24 percent lower than in the previous season, mainly due to the average-to-record 1998 harvests in several major cereal importing countries. By contrast, shipments to Asia and Central America are expected to rise reflecting the ongoing financial and economic difficulties coupled with civil strife and unfavourable climatic conditions in many food deficit countries there.

### **Non-Cereal Food Aid Shipments fell in 1998 compared to 1997**

Non-cereal food aid shipments fell for the fifth consecutive year in 1998 to a low of 721 000 tonnes, some 7 percent, or 51 000 tonnes, below 1997. The decline reflects smaller shipments by the EC and other donors which have more than offset a

sharp increase in non-cereal food aid shipments from the United States. Of the total non-cereal aid shipments for 1998, over 40 percent went to Asia; Africa received about 30 percent and the balance went to the CIS and Latin America and the Caribbean.

### **Contributions to IEFR and PRROs <sup>1/</sup> are likely to increase in 1999**

In 1998, the contribution to the WFPs International Emergency Food Reserve (IEFR) stood at about 2 million tonnes for cereals and about 194 000 tonnes of non-cereals. For cereals, this represents an increase of over 1 million tonnes, more than double the 1997 level, while for non-cereals, contributions to the IEFR increased by 16 percent in 1998 from about 167 000 tonnes in 1997 (Table A.11). Contributions as of February 1999 to the Protracted Relief and Recovery Operations (PRRO), also administered by the WFP, increased slightly for cereals by about 2 percent to 540 000 tonnes, while non-cereals contributions increased by about 46 percent to 102 000 in 1998 compared with 1997. Over the last two years, a combination of factors, ranging from civil strife, economic crisis and

<sup>1/</sup> Note: In previous issues of Food Outlook, this was reported as Protracted Refugee Operations. The WFP has recently expanded this operation to include recovery (resettlement and rehabilitation) and now refers to this programme as the Protracted Relief and Recovery Operations (PRRO).

**FOOD AID SHIPMENTS - CEREALS (July/June)**

	1994/95	1995/96	1996/97	1997/98	1998/99 f'cast
	( ..... thousand tonnes ..... )				
<b>WORLD</b>	<b>9 443</b>	<b>7 397</b>	<b>5 298</b>	<b>5 813</b>	<b>9 000</b>
LIFDC	7 910	6 400	4 447	5 273	5 600
Africa	3 593	2 526	1 960	2 095	1 600
Sub-Saharan	3 348	2 305	1 770	1 986	1 500
Others	246	221	190	109	100
Asia	4 067	3 911	2 388	3 002	3 700
East Asia and SE Asia	308	877	646	1 016	1 000
South Asia	1 600	1 210	905	1 152	1 960
Others	2 160	1 824	837	834	740
Latin America and the Caribbean	1 146	602	596	522	700
Others	637	358	354	194	3 000

**SOURCE:** 1994/95 - 1997/98, WFP; 1998/99 forecast, FAO

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

weather-related disasters, have served to accentuate the need for more emergency relief operations around the world and, hence, the need for more resources to be devoted to these activities. In response, the WFP is converting all its

emergency operations into PRROs over a two-year period, 1998-2000. For 1999, the WFP estimated that it would require about 800 000 tonnes of food aid for its protracted relief and recovery operations around the world.

**E-MAIL INFORMATION EXCHANGE SERVICE FOR THE PULSES SECTOR**

The Basic Foodstuffs Service of the Commodities and Trade Division has recently established an e-mail based network for the exchange of information on developments in the world's pulses market. The service is called **Pulses Market Network (PMN)**.

To subscribe to the service by e-mail (which is free-of-charge) leave the subject blank and type the following message:

**subscribe Pulses-L**

This should then be sent to: **Pulses-L@mailserv.fao.org**

The primary purpose of the PMN is to provide a forum for the discussion of issues relevant to the national and international markets for pulses. Registered users are invited to supply articles, publications and statistical reports on the pulses sector in their own countries/regions while they are also encouraged to post questions and answers on topics of interest related to pulses. Since global coverage is an essential feature of this service, users can send their messages in English, French or Spanish. This multilingual service will also include one annual and one semi-annual report based on FAO's latest analysis and forecasts for global situation and outlook for pulses, including production, consumption, trade and prices.

In summary, the objectives of this new FAO service are:

- a. To exchange information on pulses markets between list members via the FAO mail server;
- b. To circulate FAO's reports dealing with current developments in the world pulses economy.

Begin your participation in the PMN exchange system by forwarding some information on the pulses sector to which you have access and which may be of interest to others. Please address your contribution to **Pulses-L@mailserv.fao.org** and the moderator will forward your message to the whole participant list.

## CASSAVA

### Cassava production and consumption fell in 1998

The estimate of world cassava **output** in 1998 has been revised downwards since the last report in November 1998 and is currently put at 162 million tonnes of fresh roots, or 3 less than in 1997. The decline reflects reduced output in Asia and Latin America and the Caribbean that was not offset by a small increase in Africa. In Asia, total output in 1998 fell by 5 percent to 45 million tonnes largely as a result of drought related to the El Niño phenomenon, which depressed plantings and yields. Among the major producing countries, production in Thailand fell by 12 percent, while the declines ranged from 5 to 20 percent in India, China and the Philippines. In Viet Nam, output is estimated to have remained close to the previous year's level. Although land traditionally under cassava was reportedly shifted to more remunerative crops, such as rice and maize, this was compensated by the opening of new cassava growing areas in former waste lands in the south which have been brought under intensive cassava cultivation using new high-yielding varieties, with high starch content. The contraction has been most pronounced in Latin America and the Caribbean, where output is estimated to have fallen by more than 10 percent to 28.4 million tonnes, also due to the adverse El-Niño weather effects in several countries along the equatorial belt as well as in the Southern Hemisphere. For instance, the harvest in Brazil at 20.4 million tonnes was 16 percent lower than in 1997 reflecting a prolonged drought in the north-eastern states, which account for about 40 percent of the national cassava production. Similarly, in Colombia and Haiti cassava output fell in 1998. By contrast, a modest increase was recorded in Paraguay, where producers have been shifting land from cotton to cassava, and in the Dominican Republic. In Africa, output is estimated to have risen by nearly two percent to 88 million tonnes, reflecting favourable climatic conditions in some major producing countries, but also government policies aiming at promoting cassava cultivation. In particular, production increased in Angola, Ghana, Liberia, Nigeria, Tanzania and Uganda while poor crops were reported in Benin, Cameroon, Congo, the Democratic Republic of Congo, Mozambique and Sierra Leone, where drought resulted in reduced plantings and yields. Civil strife and internal conflicts also contributed to the contraction in the Democratic Republic of Congo and Sierra Leone. Little change in the crop size was reported in the other countries of the region.

The increase in cassava production in Africa in 1998 supported a small rise in overall cassava food **consumption** in the region, but this was not sufficient to prevent a small decline in average per caput intake. In those countries where cassava production dropped,

### WORLD CASSAVA PRODUCTION <sup>1/</sup>

	1996	1997	1998 prelim.
	( . . . . . million tonnes . . . . . )		
<b>WORLD</b>	<b>165.4</b>	<b>166.2</b>	<b>161.6</b>
<b>Africa</b>	<b>84.7</b>	<b>86.5</b>	<b>88.1</b>
Congo Dem. Rep.	16.8	16.8	16.5
Ghana	7.1	7.1	7.6
Madagascar	2.4	2.4	2.4
Mozambique	4.7	5.3	5.0
Nigeria	31.4	32.1	32.7
Tanzania	6.0	5.7	6.2
Uganda	2.2	2.3	2.6
<b>Asia</b>	<b>48.8</b>	<b>47.5</b>	<b>45.0</b>
China	3.6	3.6	3.4
India	6.0	6.0	4.8
Indonesia	17.0	15.1	16.1
Philippines	1.9	2.0	1.9
Thailand	17.4	18.1	16.0
Viet Nam	2.1	2.0	2.0
<b>Latin America and Caribbean</b>	<b>31.6</b>	<b>32.0</b>	<b>28.4</b>
Brazil	24.6	24.3	20.4
Colombia	1.8	1.8	1.8
Paraguay	2.6	3.2	3.3

SOURCE: FAO

<sup>1/</sup> In fresh roots.

the decline per caput intake was particularly pronounced, often with serious consequences for the food security. In Latin America and the Caribbean, the contraction in production is estimated to have reduced usage as feed, but food consumption remained unchanged. In Brazil, food consumption is estimated to have risen in 1998, sustained by the growing popularity of new cassava-based products (see Box). In Asia, overall cassava usage fell in 1998, mainly due to a reduction in its utilization as feed. Reduced feed usage was particularly marked in the Chinese Province of Taiwan, the Republic of Korea, the Philippines and Malaysia, all of which imported less or no cassava in 1998. In the Chinese Province of Taiwan, for instance, the usage of cassava chips and pellets in feed rations fell following the restructuring of the pig sector, after the occurrence of several cases of foot and mouth disease in 1997. Cassava utilization in processed food and industrial products also dropped in Thailand. By contrast, the rise in cassava production in Indonesia provided the basis for increases in food consumption in the country. This helped to compensate for smaller crops of rice, with which cassava competes in the diets. Among the developed countries, the utilization

of cassava as animal feed fell in 1998 in the EC, despite a recovery in the pig inventories from the swine fever outbreak that had lowered pig production, particularly in the Netherlands, Germany and Belgium. The decline in cassava usage was mainly brought about by abundant supplies and lower relative prices for feed grains that encouraged a shift away from cassava usage in compound feeds. The utilization of cassava in the other developed countries, including Israel and Poland, also fell.

### Lower cassava trade in 1998

The estimate of world cassava **trade** in 1998 has been revised downward by 13 percent or 800 000 thousand tonnes, since the last report, and is currently put at 5.0 million tonnes (12.5 million tonnes in fresh root equivalent), or 22 percent below 1997. The fall reflects reduced shipments of chips and pellets for feed but also smaller volumes of trade in starch and flour for food and industrial uses.

### WORLD TRADE IN CASSAVA <sup>1/</sup>

	1996	1997	1998 prelim.
	(. . . . . million tonnes . . . . .)		
<b>World Exports</b>	<b>5.8</b>	<b>6.4</b>	<b>5.0</b>
Thailand	4.6	5.3	4.0
Indonesia	0.4	0.2	0.2
China <sup>2/</sup>	0.4	0.4	0.4
Others	0.4	0.5	0.4
<b>World Imports</b>	<b>5.8</b>	<b>6.4</b>	<b>5.0</b>
EC <sup>3/</sup>	3.5	3.6	2.9
China <sup>2/</sup>	0.3	0.6	0.6
Japan	0.3	0.3	0.3
Korea. Rep. of	0.6	0.5	0.4
Others	1.1	1.4	0.8

SOURCE: FAO

<sup>1/</sup> In product weight of chips and pellets, including starch and flour.

<sup>2/</sup> Including Taiwan Province.

<sup>3/</sup> Excluding trade between EC members.

Imports of chips and pellets by the EC amounted to 2.9 million tonnes, or 700 000 tonnes less than in 1997 and the lowest level in the past ten years. Among the non-EC countries, both China and Japan raised their purchases of cassava chips and pellets, while the Republic of Korea and the Philippines bought much less due to the economic difficulties affecting the livestock sector. In the same period, other traditional importers, such as Israel, Poland, the Chinese Province of Taiwan and Turkey made no purchases of chips and pellets.

As in the past, Thailand continued to be by far the largest supplier to the world markets, covering 80

percent of global exports. Shipments from Thailand fell by 25 percent, from 5.3 million tonnes in 1997 to 4.0 million tonnes in 1998. The sales to the EC, at 2.8 million tonnes, were much less than the 5.25 million tonnes it is entitled to ship there under the preferential access arrangements. Likewise, sales by Indonesia to all destinations did not exceed 200 000 tonnes, constrained by a strong domestic demand. In fact, its deliveries to the EC amounted to only some 50 000 tonnes, considerably below the 866 000 tonnes it is entitled to export there. Among the other traditional cassava exporters, sales by China and Viet Nam remained close to 1997 level. These two countries, which are both exporters and importers of cassava products, also failed to fulfil their quotas to the EC, due to strong domestic demand and a diversion of supplies to other markets.

### Cassava pellet prices in 1998 lowest in a decade

In 1998, the EC import price for cassava pellets continued to trend downward, averaging US\$107 per tonne, significantly lower than the average of US\$158 in 1994-96 and the lowest level for the last ten years. Cassava prices suffered from weak import demand for tapioca chips and pellets in the EC, as abundant supplies and falling domestic prices for feed grains encouraged a shift away from cassava usage in compound feed. The downward trend in prices of cassava pellets in 1998 followed that of barley, a major competitor in the feed market. In early 1998, however, the decline in the world price of soybean meal, which is combined with tapioca in compound feed, helped to sustain the competitiveness of the cassava/ soybean mixtures vis-à-vis barley and maize in the European markets. In contrast to pellets, international prices of cassava starch and flour

### CASSAVA AND CASSAVA PRODUCTS PRICES IN THAILAND

	Tapioca flour/ starch Super H. G., Fob Bangkok	Domestic market prices	
		Roots	Hard pellets
	(. . . . . US\$/tonne . . . . .)		
1995	358	65	127
1996	289	49	113
1997	244	34	72
1998	276	44	75
1998 - Jan.-Mar.	291	39	71
Apr.-June	330	51	72
July-Sept.	269	48	87
Oct.-Dec.	213	37	n.a.
1999 - Jan.-Feb.	200	31	73

SOURCE: Thai Tapioca Trade Association, Market Review.

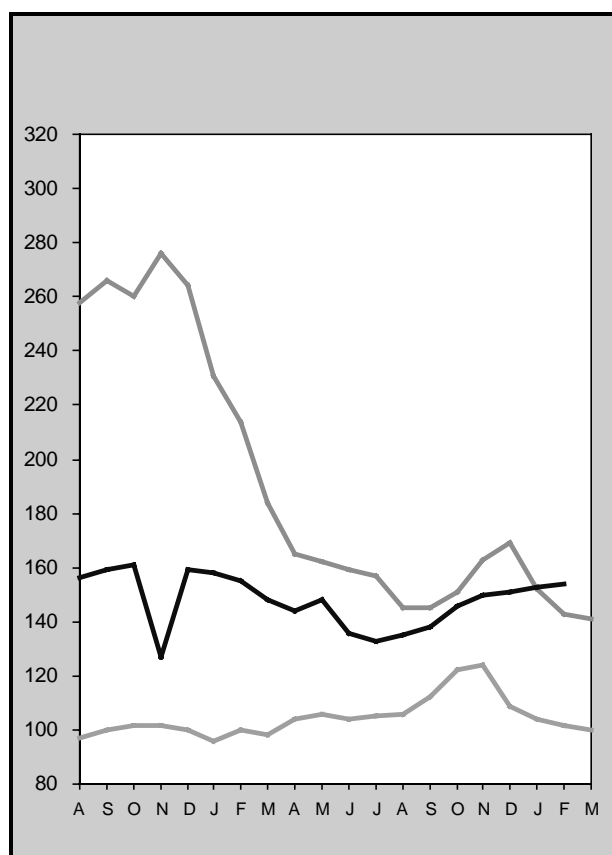
**PRICES OF CASSAVA, SOYBEAN MEAL AND BARLEY IN THE EC**

	Cassava pellets 1/	Soybean meal 2/	Cassava soybean meal mixture 3/	Barley 4/	Barley/cassava mixture
	(.....US\$/tonne.....)				(.... ratio ....)
1990	167	208	175	225	1.29
1991	178	197	186	222	1.19
1992	183	204	187	235	1.26
1993	137	208	151	197	1.30
1994	144	192	154	182	1.18
1995	177	197	181	209	1.15
1996	152	268	175	194	1.11
1997	108	276	142	161	1.13
1998	107	170	120	145	1.21
1999 5/	103	147	112	153	1.37

**SOURCE:** FAO, Oil World and Agra Europe.

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

recovered till June 1998 reflecting a revival in demand and tight supplies of quality raw material, but they collapsed since July due to competition from other starches (see price table and graph).



**Production, trade and price outlook for 1999**

While it is too early to provide estimates for world cassava production in 1999, there are preliminary indications of a possible reduction in

output in Africa as well as in Latin America and the Caribbean where adverse weather conditions late last year damaged plantings. In Africa, a number of major producing countries, particularly those affected by civil strife and internal conflicts, such as Angola, Congo Democratic Republic and Sierra Leone, are forecast to experience another contraction. In Nigeria, government estimates for the 1999 crop also point to a substantial reduction. By contrast, a small recovery is expected in Asia, assuming a return to normal climatic conditions, especially as the annual planting survey in Thailand conducted in 1998 pointed to a four percent increase in production in 1999. Little change is currently anticipated in the other countries.

International cassava trade might recover somewhat from the record low level of last year. This would mainly reflect the expected recovery in production in Thailand, which should raise cassava availability for export. Sales from that country to the EC have already risen by 30 percent by the end of February 1999, compared with the same period last year. However, the outcome for the full calendar year will depend to a large extent on the level of feed grain and oil meal prices in the EC.

The modest recovery in supplies that is expected in major exporting countries may lead to continued downward pressure on domestic and international prices. For instance, by the end of February 1999, the domestic root prices in Thailand were quoted at 120 baht/kg (US\$32.3 tonnes)<sup>1/</sup> compared with 183 baht (US\$41/tonnes)<sup>2/</sup> at the same time last year. On international markets, export

1/ At the average exchange rate of 37.07 Baht per US\$ as of February 1999

2/ At the average exchange rate of 44.70 Baht per US\$ as of February 1998

prices for Thai tapioca flour/starch have also continued to slide, reaching US\$200 per tonnes in February 1999, down from US\$310 per tonne in February 1998. At the same time, cassava pellets prices exported to the EC in the first two months of

1999 fell to a record low of 103 US\$ per tonne. However, the prospects for declining soybean prices may give some limited scope for cassava pellet prices to recover, although this will depend to a large extent on developments in the EC feed grain market.

### CASSAVA - A STAPLE FOOD IN DEVELOPING COUNTRIES

World consumption of cassava for food (fresh or processed) is concentrated in the developing countries. In **Africa**, about 70 percent of cassava production is used as food. The most popular processed products are commonly known as "gari", "lafun", "foufou", "attiéké" and "chickwangué". "Gari", a dry granular meal made from moist and fermented cassava is most commonly used in West Africa. Other forms of processed cassava consumption include a sun-dried cassava known as "lafun" in southwest Nigeria and sticky or heavy soup made from fermented cassava known as "foufou". In other parts of Africa, cassava is commonly made into flour from dried roots or chunks of roots, and consumed as flour commonly named "attiéké" and "chickwangué".

In **Latin America and the Caribbean**, between 35 and 40 percent of the cassava production is used for human consumption. One-fifth is eaten fresh, mostly by the rural population, in three principal manners: fresh (boiled or fried); as a roasted flour called "*farinha de mandioca*", popular in northern Brazil and neighbouring areas, and as a pre-cooked flour called "*farinha da mesa*". In Brazil, a number of new cassava products are gaining in popularity in the food industry and in urban fast-food outlets, in particular naturally fermented cassava starch, commonly known as "*polvilho azedo*", which has bread-making properties. In the southern, central and western regions, the main cassava based fast-food, "*pão de queijo*", a kind of bread made of sweet and sour cassava starches, cheese and eggs, is consumed in virtually every family. "Sour", a fermented starch extracted from cassava, is used in Colombia to prepare snacks and traditional gluten-free cheese breads, called "*pan de yuca*" and "*pan de bono*". Similarly, in the countries of the Caribbean basin, moist cassava pulp is used to prepare a thick cake called "*bammy*". An unleavened bread commonly known as "*casabe*", is also a speciality in that area.

In **Asia**, over 40 percent of the cassava produced is for direct human consumption, with much of the remainder exported as chips and pellets. Cassava is a cheap source of calories and often supplements insufficient rice supplies. The major consumers are concentrated in India and Indonesia. In India, baked roots are converted into small chips, flour and "*sago*", a type of wet starch that is roasted. In Indonesia, 57 percent of production is for human consumption. Cassava roots are eaten boiled or steamed and processed into dried chips, commonly named "*gaplek*" and starch. "Gaplek" is used for human consumption in a large variety of traditional dishes and, in times of scarcity, it partially substitutes for rice in rural diets. In Thailand, food cassava products are mainly derived from manufactured starch and mainly consumed under the form of noodles, cakes and pastry.

## MILK AND MILK PRODUCTS

### Price trends

Average export prices for dairy products in 1998 were lower than those of 1997, with the exception of butter, which registered a rise. Prices in general were affected by ample supplies in the main exporting countries, coupled with reduced purchasing power as a result of currency devaluation in a number of major importing countries in South East Asia and also in the Russian Federation. While reports of reduced stocks in Oceania led to some strengthening in international prices in December 1998 and January 1999, they

have since relapsed. Reasons for this latest price decline include lower than average import demand for butter by the world's largest importer, the Russian Federation, during the winter.

### Small rise in milk production expected

A small increase in global milk output is expected for 1999, with production edging up in most major milk producing countries. In Australia, milk output for 1998/99 could exceed last season's record levels, despite dry weather in some areas. On the other hand, dry conditions in New Zealand

### INDICATIVE DAIRY EXPORT PRICES 1/

	1998		1999	
	Feb.	Dec.	Jan.	Feb.
	( . . . . US\$/tonne, f.o.b. . . . . )			
Butter	1 775	1 700	1 650	1 575
Skimmed milk powder	1 575	1 350	1 400	1 350
Whole milk powder	1 800	1 625	1 625	1 575
Cheddar cheese	2 163	1 850	1 850	1 850
Acid casein	4 100	3 950	3 950	3 950

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

could lead to milk production declining by some 3 percent during 1998/99. In spite of weather-related production constraints, the industries in the above countries are firmly set on the expansion phase of the cycle. The principal motor behind this is higher returns from dairying relative to other livestock activities. Additionally, currency devaluation in both countries has meant that farmers were cushioned to some extent against falling prices (in US dollar terms) on the international market in 1998.

### MILK PRODUCTION

	1997	1998 estim.	1999 f'cast
	( . . . . million tonnes . . . . )		
<b>WORLD</b>	<b>561</b>	<b>546</b>	<b>556</b>
EC	124	124	124
India	76	71	74
United States	73	71	72
Russian Fed.	33	34	34
Pakistan	23	21	22
Brazil	23	21	22
Ukraine	15	15	15
Poland	13	12	12
New Zealand	12	11	12
Australia	10	9	10

SOURCE: FAO

Somewhat exceptionally, and reflecting the industry's heavy dependence on pasture, the expansion of milk production in Oceania is based on herd expansion, rather than increased yields. Elsewhere, in eastern Europe, milk production is expanding largely as a result of improved yields: this is the case, for example, in Poland, the region's largest milk producer. In Bulgaria, privatisation of the country's dairy industry could be completed in

1999. This process - in conjunction with economic growth, improved feed supplies and favourable milk prices - has led to milk output increasing each year since 1997. In the United States, milk production is anticipated to rise only marginally in 1999, as a result of lower producer returns, stemming from reduced milk prices. Production in a number of other developed countries (the EC, Canada, Japan, Norway, and Switzerland) is subject to policies which restrict output and, consequently, it changes little from year to year. In the Russian Federation, milk production in 1998, at 33.6 million tonnes, was down almost 3 percent on the previous year. However, following the devaluation of the rouble, the higher price of imported dairy products may lead to some expansion of dairy production in the Federation in 1999. Milk production in the Ukraine, the second largest producer in the CIS, appears to have stabilised at slightly under 15 million tonnes - after a steady contraction since 1990, when output was 24 million tonnes. Within the Ukraine dairy sector, milk output from private farmers is increasing, while that from former, large-scale state farms is decreasing.

In developing countries, growth in milk output is expected to continue in Asia and Latin America. Assuming normal weather conditions, India's milk output in the 1999/2000 (April/March) marketing year could rise to 76 million tonnes, confirming India's position as the world's largest milk producing country. Milk production in India has been stimulated by rising domestic demand, which has resulted in higher farm-gate prices. As India operates a pricing system based on the fat content of milk, most of the growth in Indian milk production has come from the buffalo herd: buffalo milk yields 7 percent fat, compared to 4 percent for cow milk. In China, moderate growth in total milk output is expected. Unlike in the previous decade, milk production growth in China during the 1990's has focused on improved yields, rather than expansion of the dairy herd. In Latin America, the upheaval in the Brazilian economy at the end of 1998 has had important consequences for other Mercosur members. Brazil, the main regional market, accounts for 75 percent of Argentina's exports, and a similar proportion of those from Uruguay. Despite uncertainty regarding both domestic demand and the future level of imports by Brazil, milk production in Mercosur is expected to increase due to momentum in the herd expansion phase of the cycle, with a possible depressing effect on producer prices. Elsewhere in Latin America, growth in milk production in Colombia, combined with stagnant domestic demand, has meant that companies are looking towards export markets to absorb their increased output in the form of dairy products. In Mexico, milk production could be stimulated

following the removal of retail price controls on milk at the end of 1998; however, as farmers are reported to be facing higher feed costs, the short-term effect of this change may be more on the processing mix - for example, increased production of pasteurised milk - than on milk production per se.

### Trade in dairy products little changed in 1999

As production of milk in the major exporting countries is not expected to grow substantially in 1999, supplies of dairy products to the world market are anticipated to be little changed compared to the previous year. Likewise, import demand for cheese in the main importing countries is likely to be similar to 1998. One factor behind a lack of growth in cheese trade could be reduced import demand by the Russian Federation and Brazil, following the devaluation of their currencies. Global trade in butter could fall if import demand by the Russian

Federation is reduced, given that the Federation has accounted for an average of 50 percent of world trade in recent years. For milk powder, import demand is expected to remain steady in south-east Asia, North Africa and Mexico, although Brazil may reduce its imports.

### Stocks in the EC set to rise

Import demand from third countries will be the key issue in determining whether intervention stocks in the EC increase substantially during the year. If exports by the EC remain at similar levels to those of 1998, year-end intervention stocks of skimmed milk powder could be 100 000 tonnes or 50 percent more than in 1998, while in the case of butter, intervention and publicly-funded private storage could rise by 50 000 tonnes (60 percent). Any substantial build-up of intervention stocks could be a factor adding to downward pressure on international prices during the second-half of 1999.

### PUBLIC STOCKS OF BUTTER AND SKIMMED MILK POWDER IN THE EC AND USA

	European Community		United States	
	Butter	Skimm. milk powder	Butter	Skimm. milk powder
	(. . . . . thousand tonnes . . . . .)			
Feb. '97	56	120	0	0
Feb. '98	27	130	0	0
Feb. '99 *	16	173	0	0

SOURCE: USDA, ZMP.

Note: At the end of the month.

\* Estimated

### Price outlook

Factors with a bearing on the price outlook for the rest of 1999 include: the level of Brazilian import demand, following the substantial devaluation of the real; production growth in the second-half of the year in the main dairy exporting countries in the southern hemisphere (New Zealand, Australia, Argentina and Uruguay), all of which rely on rain-fed pastures; the level of export subsidies provided by the United States and the EC and the size of EC intervention stocks. Assuming normal weather conditions in the southern hemisphere, the international dairy market is expected to remain reasonably well-balanced in 1999; however, average prices for the year may be slightly below those prevailing at the end of 1998.

## FERTILIZERS

**Urea** prices recovered somewhat in February, reversing the downward trend since October 1998. Nevertheless, prices remain below those a year earlier, particularly in eastern Europe where February levels were 20 percent down compared to the same period in 1998. Prices could continue to strengthen through March as seasonal demand evolves. Future price developments will continue to remain sensitive to changes in supply capacity from producers in the CIS. Although producers in the Ukraine have fully restored production capacity, both the Ukraine and the Russian Federation have domestic delivery programmes that limit their export availabilities. Black Sea producers have been selling to Mediterranean and Latin American destinations.

In Asia, Indonesian producers have already committed about 50 percent of their export allocation. Viet Nam has recently entered the market with the rice-planting season approaching in the south of the country. Availability in the Near East is limited due to temporary maintenance of production plants. Exports from the Near East normally supply Latin America, Viet Nam and Thailand. In the United States, the domestic market is stable. Mexico's urea and ammonium nitrate plants have increased production to meet export commitments as well as satisfy the domestic market. Importers in India await government decisions on import allocations and tender conditions, however, purchases of 400 000 to 500 000 tonnes are expected.



**Ammonia** prices from most origins have risen in response to limited supplies, which coincides with increased demand expected from Morocco, the Netherlands and France to meet spring planting requirements. Also India is tendering for a considerable amount. Although between 14 to 60 percent lower than a year ago, prices for **ammonium sulphate** remained stable or increased slightly in February. Ammonium sulphate import demand from India is 50 000 tonnes and 16 000 tonnes from Viet Nam. In the Republic of Korea, the availability for export is tight due to the high domestic demand.

**Diammonium phosphate (DAP)** prices remained stable over the past weeks, apart from those in the US Gulf which fell marginally. Prices are similar to those during the same period last year. Recent strong demand for DAP in Australia has helped to support prices while some strengthening may be witnessed in the coming weeks when China and Pakistan enter the market. India's imports have been postponed due to uncertainties regarding a recently imposed import duty on fertilizers and fertilizer raw materials. In the United States, domestic demand is slow but is likely to pick-up as the planting season approaches. Exports from CIS countries are scheduled for Europe, Brazil and Uruguay and increasingly also for the South East

Asian market due to lower freight rates. Ethiopia is expected to import about 75 000 tonnes from Lithuania, Morocco and Jordan.

Prices of **triple superphosphate (TSP)** from North Africa remained stable in early 1998, while those for suppliers from the US Gulf fell slightly. For both these origins prices are about 3 to 4 percent below those a year ago.

Average spot prices of **muriate of potash (MOP)** remained unchanged in February. Prices were about 12 percent up from a year ago in eastern Europe, and slightly up in Vancouver. Iran has arranged imports of 140 000 tonnes from Jordan and CIS producers. Demand for MOP in Europe is forecast to increase in March/April. In China, production of potassium fertilizers was 48 percent higher in 1998 than in 1997. Contract sales into China and strong sales into southeast Asia have added to upward pressure on prices. Importers in Japan have reached an agreement on supply arrangements with Canadian exporters. The Philippines has imported 20 000 tonnes MOP from CIS producers. In the United States, the price of imported potash has increased, however, domestic demand has been weak due to unfavourable weather. Demand for potash in Brazil, Bangladesh, Colombia, Ecuador and Honduras may support present levels of potash prices.

**AVERAGE FERTILIZER SPOT PRICES (bulk, f.o.b.)**

	1999		1998	Change from last year <sup>1/</sup>
	January	February	February	
	( . . . . . US\$/tonne . . . . . )			( . percentage . )
<b>Urea</b>				
eastern Europe	63-65	66-68	78-89	- 20.0
Near East	79-82	84-87	82-94	- 2.2
<b>Ammonium Sulphate</b>				
eastern Europe	31-34	31-35	13-29	+ 58.3
U.S. Gulf	45-55	45-55	85-90	- 42.9
western Europe	41-46	48-52	33-36	+ 43.5
Far East	50-51	50-51	42-47	+ 13.5
<b>Diammonium Phosphate</b>				
Jordan	205-209	205-209	211-217	- 3.4
North Africa	201-207	200-206	210-216	- 4.8
U.S. Gulf	201-203	199-201	191-194	+ 3.8
<b>Triple Superphosphate</b>				
North Africa	158-162	155-162	162-165	- 3.2
U.S. Gulf	163-170	162-167	170-174	- 4.3
<b>Muriate of Potash</b>				
eastern Europe	95-108	95-108	86-94	+ 12.4
Vancouver	115-129	115-129	114-126	+ 1.3
western Europe	129-137	129-137	128-138	-

**SOURCE:** Compiled from Fertilizer Week and Fertilizer Market Bulletin.

<sup>1/</sup> From mid-point of given ranges.

A.1 a) - WORLD CEREAL PRODUCTION - Estimates for 1998 as of March 1999

	Wheat			Coarse Grains		
	1996	1997 prelim.	1998 estim.	1996	1997 prelim.	1998 estim.
	( ..... million tonnes ..... )					
<b>ASIA</b>	<b>229.4</b>	<b>249.9</b>	<b>241.7</b>	<b>226.3</b>	<b>193.6</b>	<b>216.6</b>
Bangladesh	1.4	1.5	1.8	0.1	0.1	0.1
China <sup>1/</sup>	110.6	123.3	110.0	145.9	119.6	141.7
India	62.1	69.3	65.9	34.3	30.9	29.2
Indonesia	-	-	-	9.3	8.8	9.8
Iran, Islamic Rep. of	8.8	10.2	12.0	3.7	3.8	3.8
Japan	0.5	0.6	0.6	0.3	0.2	0.2
Korea, D. P. R.	0.1	-	0.2	2.4	1.2	1.9
Korea, Rep. of	-	-	-	0.4	0.4	0.4
Myanmar	0.1	0.1	0.1	0.4	0.5	0.5
Pakistan	16.9	16.4	18.7	1.8	1.9	1.9
Philippines	-	-	-	4.2	4.3	3.8
Saudi Arabia	1.2	1.5	1.8	0.7	0.6	0.6
Thailand	-	-	-	4.6	4.1	4.8
Turkey	18.5	18.7	21.0	10.5	10.8	10.9
Viet Nam	-	-	-	1.3	1.3	1.2
<b>AFRICA</b>	<b>22.7</b>	<b>15.3</b>	<b>19.3</b>	<b>88.4</b>	<b>76.2</b>	<b>83.9</b>
<b>North Africa</b>	<b>16.6</b>	<b>10.0</b>	<b>14.0</b>	<b>13.5</b>	<b>9.1</b>	<b>10.7</b>
Egypt	5.7	5.8	6.1	6.6	6.7	7.0
Morocco	5.9	2.3	4.4	4.1	1.7	2.2
<b>Sub-Saharan Africa</b>	<b>6.1</b>	<b>5.4</b>	<b>5.3</b>	<b>74.9</b>	<b>67.2</b>	<b>73.1</b>
<b>Western Africa</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>30.3</b>	<b>29.3</b>	<b>32.6</b>
Nigeria	-	0.1	0.1	18.5	18.5	19.3
<b>Central Africa</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.6</b>	<b>2.4</b>	<b>2.7</b>
<b>Eastern Africa</b>	<b>2.9</b>	<b>2.6</b>	<b>3.3</b>	<b>22.6</b>	<b>18.3</b>	<b>23.1</b>
Ethiopia	1.9	1.5	2.3	8.9	6.8	9.0
Sudan	0.5	0.6	0.5	4.7	3.9	5.5
<b>Southern Africa</b>	<b>3.1</b>	<b>2.7</b>	<b>1.9</b>	<b>19.4</b>	<b>17.1</b>	<b>14.7</b>
Madagascar	-	-	-	0.2	0.2	0.2
South Africa	2.7	2.3	1.5	10.8	9.6	8.1
Zimbabwe	0.3	0.3	0.3	2.8	2.4	1.6
<b>CENTRAL AMERICA</b>	<b>3.4</b>	<b>3.7</b>	<b>3.3</b>	<b>29.4</b>	<b>28.2</b>	<b>28.6</b>
Mexico	3.4	3.6	3.2	25.5	25.1	25.4
<b>SOUTH AMERICA</b>	<b>22.1</b>	<b>20.1</b>	<b>15.6</b>	<b>54.5</b>	<b>63.7</b>	<b>63.8</b>
Argentina	16.0	14.8	10.6	13.5	19.7	24.3
Brazil	3.4	2.4	2.2	33.0	35.6	31.4
Colombia	0.1	0.1	0.1	1.6	1.3	1.6
<b>NORTH AMERICA</b>	<b>91.8</b>	<b>91.8</b>	<b>93.8</b>	<b>294.6</b>	<b>285.9</b>	<b>298.5</b>
Canada	29.8	24.3	24.4	28.6	25.3	26.8
United States	62.0	67.5	69.4	265.9	260.6	271.8
<b>EUROPE</b>	<b>128.5</b>	<b>132.1</b>	<b>139.2</b>	<b>160.2</b>	<b>175.8</b>	<b>162.7</b>
Bulgaria	1.8	3.6	3.3	1.6	2.6	2.4
EC <sup>2/</sup>	100.1	95.1	102.8	105.1	110.6	105.7
Hungary	3.9	5.3	5.0	7.3	8.9	8.0
Poland	8.6	8.2	9.5	16.7	17.2	17.5
Romania	3.1	7.1	5.2	11.1	15.0	10.3
<b>CIS <sup>3/</sup></b>	<b>67.6</b>	<b>81.2</b>	<b>62.1</b>	<b>55.7</b>	<b>70.8</b>	<b>43.0</b>
<b>OCEANIA</b>	<b>24.0</b>	<b>19.7</b>	<b>21.3</b>	<b>11.7</b>	<b>10.7</b>	<b>9.1</b>
Australia	23.7	19.4	21.1	11.1	10.0	8.4
<b>WORLD</b>	<b>589.5</b>	<b>613.9</b>	<b>596.4</b>	<b>920.8</b>	<b>904.9</b>	<b>906.1</b>
Developing countries	274.3	286.1	277.5	387.5	351.9	384.5
Developed countries	315.2	327.8	318.8	533.3	553.0	521.6

SOURCE: FAO

Note: Totals computed from unrounded data.

<sup>1/</sup> Including Taiwan Province. <sup>2/</sup> Fifteen member countries. <sup>3/</sup> In cleaned weight; Commonwealth of Independent States.

Table A.1 b) - WORLD CEREAL PRODUCTION - Estimates for 1998 as of March 1999

	Rice (paddy)			Total Cereals <sup>1/</sup>		
	1996	1997 prelim.	1998 estim.	1996	1997 prelim.	1998 estim.
	( ..... million tonnes ..... )					
<b>ASIA</b>	<b>522.7</b>	<b>526.8</b>	<b>512.1</b>	<b>978.4</b>	<b>970.3</b>	<b>970.4</b>
Bangladesh	28.3	28.3	26.7	29.8	29.8	28.6
China <sup>2/</sup>	197.0	202.8	193.1	453.5	445.6	444.9
India	122.1	123.6	123.5	218.5	223.8	218.6
Indonesia	51.1	49.4	46.4	60.4	58.2	56.2
Iran, Islamic Rep. of	2.6	2.9	2.9	15.1	16.9	18.7
Japan	12.9	12.5	11.2	13.7	13.3	12.0
Korea, D. P. R.	2.0	1.7	2.1	4.5	2.9	4.2
Korea, Rep. of	7.3	7.5	7.0	7.7	7.9	7.4
Myanmar	17.7	16.7	17.8	18.2	17.2	18.4
Pakistan	6.5	6.5	7.1	25.1	24.8	27.7
Philippines	11.2	10.0	10.2	15.3	14.3	14.1
Saudi Arabia	-	-	-	1.9	2.1	2.4
Thailand	22.4	22.6	21.5	27.1	26.7	26.3
Turkey	0.3	0.3	0.3	29.3	29.7	32.3
Viet Nam	27.3	28.4	28.4	28.6	29.7	29.6
<b>AFRICA</b>	<b>15.5</b>	<b>17.0</b>	<b>15.8</b>	<b>126.6</b>	<b>108.5</b>	<b>118.9</b>
<b>North Africa</b>	<b>5.0</b>	<b>5.5</b>	<b>4.5</b>	<b>35.1</b>	<b>24.6</b>	<b>29.2</b>
Egypt	4.9	5.5	4.5	17.2	18.0	17.6
Morocco	0.1	-	0.1	10.1	4.1	6.6
<b>Sub-Saharan Africa</b>	<b>10.5</b>	<b>11.5</b>	<b>11.3</b>	<b>91.5</b>	<b>84.0</b>	<b>89.7</b>
<b>Western Africa</b>	<b>6.6</b>	<b>7.5</b>	<b>7.2</b>	<b>36.9</b>	<b>36.9</b>	<b>39.8</b>
Nigeria	3.1	3.8	3.4	21.6	22.3	22.8
<b>Central Africa</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>3.0</b>	<b>2.9</b>	<b>3.1</b>
<b>Eastern Africa</b>	<b>0.8</b>	<b>0.7</b>	<b>1.2</b>	<b>26.3</b>	<b>21.6</b>	<b>27.6</b>
Ethiopia	-	-	-	10.8	8.3	11.2
Sudan	-	-	-	5.2	4.5	6.1
<b>Southern Africa</b>	<b>2.7</b>	<b>2.8</b>	<b>2.5</b>	<b>25.2</b>	<b>22.6</b>	<b>19.1</b>
Madagascar	2.5	2.6	2.2	2.7	2.7	2.4
South Africa	-	-	-	13.5	11.9	9.7
Zimbabwe	-	-	-	3.1	2.7	1.9
<b>CENTRAL AMERICA</b>	<b>2.2</b>	<b>2.2</b>	<b>2.1</b>	<b>35.0</b>	<b>34.1</b>	<b>33.9</b>
Mexico	0.4	0.5	0.5	29.3	29.2	29.1
<b>SOUTH AMERICA</b>	<b>18.2</b>	<b>17.7</b>	<b>16.4</b>	<b>94.8</b>	<b>101.5</b>	<b>95.7</b>
Argentina	1.0	1.2	1.0	30.4	35.7	36.0
Brazil	10.0	9.5	8.5	46.4	47.6	42.1
Colombia	1.6	1.5	1.6	3.3	2.9	3.2
<b>NORTH AMERICA</b>	<b>7.8</b>	<b>8.3</b>	<b>8.5</b>	<b>394.1</b>	<b>386.0</b>	<b>400.9</b>
Canada	-	-	-	58.4	49.5	51.2
United States	7.8	8.3	8.5	335.7	336.5	349.7
<b>EUROPE</b>	<b>2.7</b>	<b>2.7</b>	<b>2.7</b>	<b>291.5</b>	<b>310.6</b>	<b>304.6</b>
Bulgaria	-	-	-	3.4	6.1	5.7
EC <sup>3/</sup>	2.7	2.6	2.6	207.8	208.3	211.2
Hungary	-	-	-	11.3	14.2	13.0
Poland	-	-	-	25.3	25.4	27.0
Romania	-	-	-	14.2	22.1	15.4
<b>CIS <sup>4/</sup></b>	<b>1.2</b>	<b>1.1</b>	<b>1.3</b>	<b>124.5</b>	<b>153.0</b>	<b>106.4</b>
<b>OCEANIA</b>	<b>1.0</b>	<b>1.4</b>	<b>1.4</b>	<b>36.7</b>	<b>31.9</b>	<b>31.8</b>
Australia	1.0	1.4	1.3	35.8	30.8	30.9
<b>WORLD</b>	<b>571.2</b>	<b>577.2</b>	<b>560.2</b>	<b>2 081.5</b>	<b>2 096.0</b>	<b>2 062.6</b>
Developing countries	545.6	551.2	535.1	1 207.4	1 189.1	1 197.1
Developed countries	25.6	26.0	25.1	874.1	906.8	865.5

SOURCE: FAO

Note: Totals computed from unrounded data.

<sup>1/</sup> Rice is included in the cereal total in paddy terms. <sup>2/</sup> Including Taiwan Province. <sup>3/</sup> Fifteen member countries. <sup>4/</sup> In cleaned weight; Commonwealth of Independent States.

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

	Wheat (July/June) <sup>1/</sup>			Coarse Grains (July/June)		
	1996/97	1997/98 estim.	1998/99 f'cast	1996/97	1997/98 estim.	1998/99 f'cast
	( ..... million tonnes ..... )					
<b>ASIA</b>	<b>49.2</b>	<b>45.8</b>	<b>43.3</b>	<b>56.1</b>	<b>54.1</b>	<b>53.2</b>
Bangladesh	1.1	0.8	2.4	-	-	-
China <sup>2/</sup>	5.2	3.1	3.0	8.4	6.8	8.1
China, Hong Kong SAR	0.4	0.4	0.4	0.1	-	-
India	1.8	2.3	0.9	0.2	0.2	0.2
Indonesia	4.2	4.0	2.8	0.9	1.3	0.2
Iran, Islamic Rep. of	7.0	4.0	3.5	2.2	1.7	1.5
Japan	6.3	6.0	6.3	20.3	21.0	20.7
Korea, Rep. of	3.9	3.9	4.4	9.1	8.1	7.3
Malaysia	1.3	1.1	1.2	2.4	2.3	2.2
Pakistan	3.0	4.3	2.4	-	-	-
Philippines	2.0	2.0	2.0	0.6	0.4	0.5
Saudi Arabia	-	-	-	5.8	6.0	6.2
Singapore	0.3	0.3	0.3	0.2	0.2	0.2
Sri Lanka	0.9	0.9	1.0	-	-	0.1
Syria	0.1	0.2	0.2	0.3	0.3	0.3
Thailand	0.8	0.7	0.7	0.2	0.3	0.1
Yemen	2.2	2.5	2.6	0.2	0.2	0.2
<b>AFRICA</b>	<b>20.7</b>	<b>23.4</b>	<b>22.0</b>	<b>9.2</b>	<b>10.4</b>	<b>11.8</b>
<b>North Africa</b>	<b>14.0</b>	<b>16.5</b>	<b>15.6</b>	<b>5.9</b>	<b>5.9</b>	<b>6.8</b>
Algeria	3.3	4.5	4.3	0.9	1.3	1.1
Egypt	6.9	7.1	7.2	3.1	2.9	3.0
Morocco	1.6	2.4	1.8	0.7	0.6	1.4
Tunisia	0.8	1.2	0.9	0.5	0.5	0.6
<b>Sub-Saharan Africa <sup>3/</sup></b>	<b>6.7</b>	<b>6.8</b>	<b>6.3</b>	<b>3.3</b>	<b>4.4</b>	<b>5.0</b>
Cote d'Ivoire	0.2	0.3	0.3	-	-	-
Ethiopia	0.2	0.6	-	-	0.2	-
Kenya	0.6	0.5	0.3	1.1	1.1	0.4
Madagascar	0.1	0.1	0.1	-	-	-
Senegal	0.2	0.2	0.2	0.1	0.1	0.1
Sudan	0.7	0.5	0.5	-	-	-
<b>CENTRAL AMERICA</b>	<b>4.3</b>	<b>5.1</b>	<b>5.5</b>	<b>8.7</b>	<b>10.0</b>	<b>10.5</b>
Mexico	1.9	2.1	2.3	6.3	7.0	7.4
<b>SOUTH AMERICA</b>	<b>11.2</b>	<b>10.6</b>	<b>11.2</b>	<b>5.3</b>	<b>5.8</b>	<b>6.7</b>
Brazil	6.5	5.7	6.0	0.7	1.0	1.6
Colombia	0.9	1.0	1.1	1.6	1.7	1.6
Peru	1.2	1.3	1.2	0.7	1.0	1.1
Venezuela	1.2	1.2	1.3	1.2	1.2	1.2
<b>NORTH AMERICA</b>	<b>2.6</b>	<b>2.6</b>	<b>2.7</b>	<b>3.3</b>	<b>4.0</b>	<b>3.2</b>
<b>EUROPE</b>	<b>7.0</b>	<b>5.3</b>	<b>4.7</b>	<b>6.7</b>	<b>4.7</b>	<b>4.5</b>
EC <sup>4/</sup>	2.1	3.1	2.5	2.8	2.5	2.6
<b>CIS <sup>5/</sup></b>	<b>2.8</b>	<b>2.7</b>	<b>3.5</b>	<b>0.3</b>	<b>0.3</b>	<b>0.7</b>
<b>OCEANIA</b>	<b>0.5</b>	<b>0.4</b>	<b>0.4</b>	<b>-</b>	<b>0.1</b>	<b>0.1</b>
<b>WORLD</b>	<b>98.3</b>	<b>96.0</b>	<b>93.3</b>	<b>89.6</b>	<b>89.4</b>	<b>90.7</b>
Developing countries	77.5	77.5	73.9	57.0	57.6	59.0
Developed countries	20.8	18.5	19.4	32.6	31.9	31.6

SOURCE: FAO

Note: Totals computed from unrounded data.

<sup>1/</sup> Including wheat flour in wheat grain equivalent, but excluding semolina.

<sup>2/</sup> Including Taiwan Province.

<sup>3/</sup> Including the Republic of South Africa.

<sup>4/</sup> Excluding trade between the fifteen EC member countries.

<sup>5/</sup> Commonwealth of Independent States; excluding intratrade.

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

	Rice (milled)			Total Cereals 1/		
	1997	1998 estim.	1999 f'cast	1996/97	1997/98 estim.	1998/99 f'cast
	( ..... million tonnes ..... )					
<b>ASIA</b>	<b>9.2</b>	<b>17.4</b>	<b>12.2</b>	<b>114.5</b>	<b>117.4</b>	<b>108.8</b>
Bangladesh	-	2.5	1.3	1.1	3.3	3.7
China <u>2/</u>	0.3	0.2	0.6	13.9	10.2	11.7
China, Hong Kong SAR	0.3	0.3	0.3	0.8	0.8	0.8
India	-	-	-	2.0	2.5	1.1
Indonesia	1.0	6.0	2.5	6.1	11.3	5.5
Iran, Islamic Rep. of	0.9	0.5	0.7	10.1	6.2	5.7
Japan	0.6	0.6	0.7	27.2	27.6	27.6
Korea, Rep. of	0.1	0.1	0.1	13.1	12.1	11.8
Malaysia	0.6	0.6	0.7	4.3	4.0	4.1
Pakistan	-	-	-	3.0	4.3	2.4
Philippines	0.9	2.2	1.2	3.5	4.6	3.7
Saudi Arabia	1.0	0.8	0.8	6.8	6.8	7.0
Singapore	0.3	0.3	0.3	0.8	0.8	0.7
Sri Lanka	0.3	0.2	0.2	1.3	1.1	1.2
Syria	0.2	0.2	0.2	0.7	0.7	0.7
Thailand	-	0.2	-	1.0	1.2	0.8
Yemen	0.2	0.2	0.2	2.6	2.8	2.9
<b>AFRICA</b>	<b>4.3</b>	<b>4.1</b>	<b>4.1</b>	<b>34.2</b>	<b>37.9</b>	<b>37.9</b>
<b>North Africa</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>20.1</b>	<b>22.6</b>	<b>22.6</b>
Algeria	0.1	0.1	0.1	4.2	5.9	5.5
Egypt	-	-	-	10.0	10.0	10.2
Morocco	-	-	-	2.3	3.0	3.2
Tunisia	-	-	-	1.4	1.8	1.5
<b>Sub-Saharan Africa <u>3/</u></b>	<b>4.0</b>	<b>3.9</b>	<b>3.9</b>	<b>14.0</b>	<b>15.2</b>	<b>15.2</b>
Cote d'Ivoire	0.5	0.5	0.5	0.7	0.8	0.8
Ethiopia	-	-	-	0.2	0.8	-
Kenya	0.1	0.1	0.1	1.7	1.7	0.8
Madagascar	0.1	0.1	0.1	0.1	0.1	0.2
Senegal	0.4	0.5	0.5	0.7	0.8	0.8
Sudan	-	-	-	0.7	0.5	0.5
<b>CENTRAL AMERICA</b>	<b>1.3</b>	<b>1.4</b>	<b>1.4</b>	<b>14.3</b>	<b>16.5</b>	<b>17.5</b>
Mexico	0.3	0.3	0.3	8.5	9.4	10.0
<b>SOUTH AMERICA</b>	<b>1.3</b>	<b>2.2</b>	<b>1.5</b>	<b>17.8</b>	<b>18.6</b>	<b>19.4</b>
Brazil	0.8	1.5	1.0	8.0	8.2	8.6
Colombia	0.2	0.2	0.2	2.7	2.9	2.9
Peru	0.2	0.2	0.2	2.2	2.5	2.4
Venezuela	-	-	-	2.4	2.4	2.4
<b>NORTH AMERICA</b>	<b>0.6</b>	<b>0.6</b>	<b>0.6</b>	<b>6.5</b>	<b>7.2</b>	<b>6.4</b>
<b>EUROPE</b>	<b>1.2</b>	<b>1.1</b>	<b>1.1</b>	<b>14.9</b>	<b>11.1</b>	<b>10.4</b>
EC <u>4/</u>	0.7	0.7	0.7	5.5	6.3	5.7
<b>CIS <u>5/</u></b>	<b>0.5</b>	<b>0.3</b>	<b>0.3</b>	<b>3.6</b>	<b>3.4</b>	<b>4.5</b>
<b>OCEANIA</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>	<b>0.9</b>	<b>0.9</b>	<b>0.8</b>
<b>WORLD</b>	<b>18.7</b>	<b>27.5</b>	<b>21.6</b>	<b>206.7</b>	<b>212.9</b>	<b>205.6</b>
Developing countries	15.2	24.2	18.2	149.8	159.2	151.2
Developed countries	3.5	3.3	3.4	56.9	53.6	54.4

SOURCE: FAO

Note: Totals computed from unrounded data.

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

2/ Including Taiwan Province.

3/ Including the Republic of South Africa.

4/ Excluding trade between the fifteen EC member countries.

5/ Commonwealth of Independent States; excluding intratrade.

6/ Highly tentative.

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

	<b>Wheat (July/June) 1/</b>			<b>Coarse Grains (July/June)</b>		
	<b>1996/97</b>	<b>1997/98 estim.</b>	<b>1998/99 f'cast</b>	<b>1996/97</b>	<b>1997/98 estim.</b>	<b>1998/99 f'cast</b>
	( ..... million tonnes ..... )					
<b>ASIA</b>	<b>4.7</b>	<b>3.9</b>	<b>4.6</b>	<b>3.4</b>	<b>8.9</b>	<b>6.3</b>
China 2/	0.8	0.5	0.3	2.2	7.0	4.2
India	0.6	-	0.1	-	-	-
Indonesia	-	-	-	-	0.5	0.3
Japan	0.3	0.3	0.3	-	-	-
Korea, D. P. R.	-	-	-	-	-	-
Myanmar	-	-	-	0.1	0.1	0.1
Pakistan	0.1	0.1	-	-	-	-
Saudi Arabia	-	-	-	-	-	-
Thailand	-	-	-	0.1	-	0.1
Turkey	0.9	1.5	2.5	0.3	1.0	1.3
Viet Nam	-	-	-	0.2	0.2	0.2
<b>AFRICA</b>	<b>0.3</b>	<b>0.4</b>	<b>0.5</b>	<b>4.7</b>	<b>2.7</b>	<b>2.1</b>
Egypt	-	-	-	-	-	-
South Africa	0.1	0.3	0.3	2.5	1.4	0.5
Sudan	-	-	-	0.1	0.1	0.5
Zimbabwe	-	-	-	0.3	0.3	0.1
<b>CENTRAL AMERICA</b>	<b>0.1</b>	<b>0.3</b>	<b>0.2</b>	<b>-</b>	<b>0.1</b>	<b>0.1</b>
<b>SOUTH AMERICA</b>	<b>9.9</b>	<b>9.4</b>	<b>7.2</b>	<b>12.5</b>	<b>13.7</b>	<b>13.0</b>
Argentina	9.6	9.2	7.0	11.4	13.1	12.5
Suriname	-	-	-	-	-	-
Uruguay	-	-	-	0.1	0.1	0.1
<b>NORTH AMERICA</b>	<b>44.9</b>	<b>49.2</b>	<b>43.5</b>	<b>57.1</b>	<b>47.9</b>	<b>53.3</b>
Canada	17.9	21.1	14.5	5.0	3.5	3.5
United States	27.0	28.1	29.0	52.2	44.4	49.8
<b>EUROPE</b>	<b>18.1</b>	<b>17.3</b>	<b>19.5</b>	<b>9.4</b>	<b>7.7</b>	<b>11.4</b>
EC 3/	16.9	14.0	16.0	8.6	4.1	9.1
Hungary	0.7	1.2	1.2	0.5	1.8	1.2
Poland	0.1	0.1	0.5	0.1	0.1	0.1
Romania	0.2	0.9	0.5	-	1.2	0.7
<b>CIS 4/</b>	<b>0.8</b>	<b>2.5</b>	<b>3.3</b>	<b>0.6</b>	<b>2.7</b>	<b>1.1</b>
<b>OCEANIA</b>	<b>18.4</b>	<b>15.3</b>	<b>14.5</b>	<b>4.4</b>	<b>2.9</b>	<b>3.5</b>
Australia	18.4	15.3	14.5	4.4	2.9	3.5
<b>WORLD</b>	<b>97.2</b>	<b>98.4</b>	<b>93.3</b>	<b>92.2</b>	<b>86.6</b>	<b>90.7</b>
Developing countries	14.6	13.4	11.8	18.2	24.0	20.9
Developed countries	82.7	85.0	81.4	74.1	62.6	69.8

**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.

4/ Commonwealth of Independent States; excluding intratrade.

Table A.3 b) - WORLD EXPORTS OF CEREALS

	Rice (milled)			Total Cereals 1/		
	1997	1998 estim.	1999 f'cast	1996/97	1997/98 estim.	1998/99 f'cast
	( ..... million tonnes ..... )					
<b>ASIA</b>	<b>13.8</b>	<b>21.5</b>	<b>15.8</b>	<b>21.9</b>	<b>34.3</b>	<b>26.8</b>
China 2/	1.0	3.8	1.2	4.1	11.4	5.7
India	2.0	4.5	2.3	2.6	4.5	2.4
Indonesia	-	-	-	-	0.5	0.3
Japan	0.1	0.8	0.5	0.4	1.1	0.8
Korea, D. P. R.	-	-	-	-	-	-
Myanmar	-	0.1	0.1	0.1	0.2	0.2
Pakistan	1.9	2.0	2.2	2.0	2.1	2.2
Saudi Arabia	-	-	-	-	-	-
Thailand	5.3	6.4	5.5	5.4	6.4	5.6
Turkey	-	-	-	1.2	2.5	3.8
Viet Nam	3.6	3.8	3.9	3.7	4.0	4.1
<b>AFRICA</b>	<b>0.2</b>	<b>0.5</b>	<b>0.3</b>	<b>5.2</b>	<b>3.6</b>	<b>2.9</b>
Egypt	0.2	0.4	0.3	0.2	0.4	0.3
South Africa	-	-	-	2.7	1.7	0.8
Sudan	-	-	-	0.1	0.1	0.5
Zimbabwe	-	-	-	0.3	0.3	0.1
<b>CENTRAL AMERICA</b>	-	-	-	<b>0.2</b>	<b>0.4</b>	<b>0.2</b>
<b>SOUTH AMERICA</b>	<b>1.7</b>	<b>1.5</b>	<b>1.8</b>	<b>24.2</b>	<b>24.7</b>	<b>21.9</b>
Argentina	0.5	0.6	0.6	21.5	22.8	20.1
Suriname	0.1	-	0.1	0.1	-	0.1
Uruguay	0.7	0.5	0.7	0.8	0.6	0.8
<b>NORTH AMERICA</b>	<b>2.3</b>	<b>3.1</b>	<b>2.8</b>	<b>104.4</b>	<b>100.2</b>	<b>99.5</b>
Canada	-	-	-	22.9	24.6	18.0
United States	2.3	3.1	2.8	81.5	75.6	81.5
<b>EUROPE</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>27.8</b>	<b>25.2</b>	<b>31.1</b>
EC 3/	0.2	0.2	0.2	25.7	18.3	25.3
Hungary	-	-	-	1.3	3.0	2.4
Poland	-	-	-	0.2	0.1	0.6
Romania	-	-	-	0.2	2.1	1.2
<b>CIS 4/</b>	-	-	-	<b>1.3</b>	<b>5.3</b>	<b>4.4</b>
<b>OCEANIA</b>	<b>0.6</b>	<b>0.7</b>	<b>0.7</b>	<b>23.4</b>	<b>19.0</b>	<b>18.7</b>
Australia	0.6	0.7	0.7	23.4	18.9	18.7
<b>WORLD</b>	<b>18.9</b>	<b>27.5</b>	<b>21.6</b>	<b>208.3</b>	<b>212.6</b>	<b>205.6</b>
Developing countries	15.7	22.7	17.5	48.4	60.2	50.3
Developed countries	3.2	4.8	4.1	159.9	152.4	155.3

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/ Commonwealth of Independent States; excluding intratrade.

5/ Highly Tentative.

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

	Wheat 1/			Coarse Grains 2/			Rice (milled basis)		
	1996/97	1997/98 estim.	1998/99 f'cast	1996/97	1997/98 estim.	1998/99 f'cast	1996/97	1997/98 estim.	1998/99 f'cast
	( ..... million tonnes ..... )								
	<b>UNITED STATES (June/May)</b>			<b>UNITED STATES</b>			<b>UNITED STATES (Aug./July)</b>		
Opening stocks	10.2	12.1	19.7	14.4	27.0	38.2	0.8	0.9	0.9
Production	62.0	67.5	69.4	265.9	260.6	271.8	5.5	6.0	6.1
Imports	2.5	2.6	2.6	2.9	2.9	2.9	0.3	0.3	0.3
<b>Total Supply</b>	<b>74.7</b>	<b>82.2</b>	<b>91.7</b>	<b>283.3</b>	<b>290.6</b>	<b>312.8</b>	<b>6.6</b>	<b>7.1</b>	<b>7.3</b>
Domestic use	35.4	34.2	37.1	204.8	207.2	212.9	3.2	3.5	3.6
Exports	27.3	28.3	28.6	51.5	45.3	51.1	2.5	2.8	2.7
Closing stocks	12.1	19.7	26.0	27.0	38.2	48.8	0.9	0.9	1.0
	<b>CANADA (August/July)</b>			<b>CANADA</b>			<b>THAILAND (Nov./Oct.) 3/</b>		
Opening stocks	6.7	9.0	6.0	3.0	4.9	4.4	0.8	1.1	0.9
Production	29.8	24.3	24.4	28.6	25.3	26.8	14.8	15.0	14.2
Imports	0.1	0.1	0.1	0.8	1.5	0.7	0.0	0.2	0.0
<b>Total Supply</b>	<b>36.6</b>	<b>33.4</b>	<b>30.5</b>	<b>32.4</b>	<b>31.7</b>	<b>31.9</b>	<b>15.6</b>	<b>16.3</b>	<b>15.1</b>
Domestic use	8.2	7.4	7.6	22.2	23.6	23.7	9.3	9.0	9.0
Exports	19.4	20.0	14.6	5.4	3.7	3.3	5.3	6.4	5.5
Closing stocks	9.0	6.0	8.3	4.9	4.4	4.9	1.1	0.9	0.7
	<b>ARGENTINA (Dec./Nov.)</b>			<b>ARGENTINA</b>			<b>CHINA (Jan./Dec.) 3/ 4/</b>		
Opening stocks	0.4	1.0	0.4	0.3	0.1	0.3	10.6	12.3	14.4
Production	16.0	14.8	10.6	13.4	19.7	24.3	135.1	139.0	132.4
Imports	0.0	0.0	0.0	0.1	0.0	0.0	0.3	0.2	0.6
<b>Total Supply</b>	<b>16.4</b>	<b>15.8</b>	<b>11.0</b>	<b>13.8</b>	<b>19.8</b>	<b>24.6</b>	<b>146.0</b>	<b>151.5</b>	<b>147.4</b>
Domestic use	5.6	4.9	4.8	5.5	7.7	8.8	132.7	133.2	134.0
Exports	9.8	10.5	5.8	8.2	11.7	15.2	1.0	3.8	1.2
Closing stocks	1.0	0.4	0.4	0.1	0.3	0.7	12.3	14.4	12.2
	<b>AUSTRALIA (Oct./Sept.)</b>			<b>AUSTRALIA</b>			<b>PAKISTAN (Nov./Oct.) 3/</b>		
Opening stocks	1.9	2.9	1.5	1.0	1.1	1.9	0.4	0.5	0.4
Production	23.7	19.4	21.1	11.1	10.0	8.4	4.3	4.3	4.7
Imports	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Supply</b>	<b>25.6</b>	<b>22.3</b>	<b>22.6</b>	<b>12.1</b>	<b>11.1</b>	<b>10.4</b>	<b>4.7</b>	<b>4.8</b>	<b>5.1</b>
Domestic use	3.5	5.1	5.1	5.8	5.8	5.5	2.4	2.4	2.5
Exports	19.2	15.7	15.0	5.3	3.4	3.3	1.9	2.0	2.2
Closing stocks	2.9	1.5	2.6	1.1	1.9	1.6	0.5	0.4	0.4
	<b>EC (July/June) 5/</b>			<b>EC 5/</b>			<b>VIET NAM (Nov./Oct.) 3/</b>		
Opening stocks	9.4	11.0	12.3	12.6	15.2	22.7	1.7	1.7	1.9
Production	100.1	95.1	102.8	105.1	110.6	105.7	17.8	18.5	18.5
Imports	2.1	3.1	2.5	2.8	2.5	2.6	0.0	0.0	0.0
<b>Total Supply</b>	<b>111.5</b>	<b>109.2</b>	<b>117.6</b>	<b>120.4</b>	<b>128.3</b>	<b>131.0</b>	<b>19.5</b>	<b>20.2</b>	<b>20.3</b>
Domestic use	83.3	82.6	85.9	96.6	101.5	98.8	14.2	14.5	14.7
Exports	17.2	14.3	16.2	8.6	4.1	9.1	3.6	3.8	3.9
Closing stocks	11.0	12.3	15.5	15.2	22.7	23.1	1.7	1.9	1.7
<b>TOTAL ABOVE</b>									
Opening stocks	28.7	36.0	39.9	31.3	48.3	67.4	14.3	16.3	18.5
Production	231.5	221.1	228.3	424.2	426.2	437.0	177.4	182.8	176.0
Imports	4.7	5.7	5.2	6.6	7.0	6.2	0.7	0.8	0.9
<b>Total Supply</b>	<b>264.9</b>	<b>262.8</b>	<b>273.4</b>	<b>462.1</b>	<b>481.5</b>	<b>510.6</b>	<b>192.3</b>	<b>199.9</b>	<b>195.3</b>
Domestic use	136.1	134.1	140.5	334.8	345.8	349.6	161.8	162.6	163.8
Exports	92.8	88.8	80.2	79.0	68.3	82.0	14.2	18.8	15.5
Closing stocks	36.0	39.9	52.8	48.3	67.4	79.0	16.3	18.5	15.9

SOURCE: FAO

Note: Totals computed from unrounded data.

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

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

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

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



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

	Crop Years ending in:						
	1993	1994	1995	1996	1997	1998 estim.	1999 forecast
	( ..... million tonnes ..... )						
<b>TOTAL CEREALS</b>	<b>382.4</b>	<b>342.9</b>	<b>317.9</b>	<b>259.8</b>	<b>302.5</b>	<b>333.3</b>	<b>329.8</b>
held by:							
- main exporters 2/	170.0	119.5	110.7	74.3	100.6	125.8	147.7
- others	212.4	223.4	207.2	185.5	201.9	207.5	182.1
<b>BY GRAINS</b>							
<b>Wheat</b>	<b>147.5</b>	<b>145.3</b>	<b>117.5</b>	<b>104.1</b>	<b>114.8</b>	<b>137.2</b>	<b>136.8</b>
held by:							
- main exporters 2/	55.6	46.9	32.6	28.7	36.0	39.9	52.8
- others	91.9	98.5	84.9	75.4	78.8	97.3	84.1
<b>Coarse Grains</b>	<b>168.2</b>	<b>135.3</b>	<b>145.2</b>	<b>103.3</b>	<b>131.3</b>	<b>140.9</b>	<b>142.7</b>
held by:							
- main exporters 2/	91.2	53.5	63.7	31.3	48.3	67.4	79.0
- others	76.9	81.8	81.6	71.9	83.0	73.4	63.7
<b>Rice (milled basis)</b>	<b>66.7</b>	<b>62.2</b>	<b>55.2</b>	<b>52.4</b>	<b>56.4</b>	<b>55.3</b>	<b>50.3</b>
held by:							
- main exporters 2/	23.2	19.1	14.5	14.3	16.3	18.5	15.9
- others	43.5	43.1	40.7	38.2	40.1	36.8	34.4
<b>BY REGIONS</b>							
<b>Developed Countries</b>	<b>215.7</b>	<b>174.2</b>	<b>160.7</b>	<b>105.6</b>	<b>127.3</b>	<b>171.4</b>	<b>173.8</b>
of which:							
<b>North America</b>	<b>96.4</b>	<b>59.9</b>	<b>69.3</b>	<b>35.2</b>	<b>54.0</b>	<b>69.2</b>	<b>89.1</b>
Canada	17.6	16.2	9.2	9.8	14.0	10.5	13.3
United States	78.8	43.7	60.2	25.5	39.9	58.7	75.8
<b>Others</b>	<b>119.3</b>	<b>114.3</b>	<b>91.4</b>	<b>70.3</b>	<b>73.3</b>	<b>102.2</b>	<b>84.7</b>
Australia	5.6	4.6	2.6	3.0	4.0	3.6	4.3
CIS 3/	46.5	49.0	35.0	20.7	15.6	30.4	11.9
EC 4/	46.1	36.0	25.1	22.2	26.4	35.1	38.7
Japan	4.5	4.3	5.4	6.3	6.7	6.5	6.0
<b>Developing Countries</b>	<b>166.7</b>	<b>168.6</b>	<b>157.2</b>	<b>154.2</b>	<b>175.2</b>	<b>161.9</b>	<b>156.0</b>
of which:							
<b>Asia 5/</b>	<b>137.0</b>	<b>138.5</b>	<b>123.6</b>	<b>126.4</b>	<b>141.3</b>	<b>131.3</b>	<b>126.2</b>
Bangladesh	3.3	3.0	2.6	1.9	1.9	1.8	1.6
China 6/	58.1	56.4	48.2	53.3	63.7	56.3	53.7
India 7/	11.3	19.0	24.1	18.4	10.7	14.0	18.3
Indonesia	6.3	6.1	5.0	6.0	6.4	4.7	4.4
Korea, Rep. of	4.0	3.3	2.4	1.8	2.5	2.8	2.6
Pakistan	3.6	4.1	3.2	3.3	3.7	3.9	3.8
Philippines	2.0	2.1	2.0	2.6	2.8	2.9	2.5
Turkey	2.2	4.5	1.9	4.0	5.9	5.2	4.7
<b>Africa</b>	<b>16.4</b>	<b>15.1</b>	<b>18.5</b>	<b>11.7</b>	<b>19.6</b>	<b>16.3</b>	<b>17.1</b>
<b>Central America</b>	<b>4.3</b>	<b>4.6</b>	<b>4.6</b>	<b>6.3</b>	<b>6.9</b>	<b>7.0</b>	<b>6.8</b>
<b>South America</b>	<b>8.9</b>	<b>10.3</b>	<b>10.5</b>	<b>9.7</b>	<b>7.3</b>	<b>7.2</b>	<b>5.8</b>
Argentina	0.4	1.1	0.7	0.8	1.3	0.9	1.1
Brazil	5.6	5.2	5.8	5.0	2.4	2.6	1.5
<b>WORLD STOCKS</b>	( ..... percentage ..... )						
as % of consumption	<b>21.7</b>	<b>19.0</b>	<b>17.7</b>	<b>14.1</b>	<b>16.2</b>	<b>17.7</b>	<b>17.4</b>

SOURCE: FAO

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

1/ Stock data are based on an aggregate of carryovers at the end of national crop years and should not be construed as representing world stock levels at a fixed point in time. 2/ For a list of main exporters of wheat, coarse grains and rice see table A.4. 3/ FAO estimates; up to crop years ending in 1991, former U.S.S.R.; thereafter, Commonwealth of Independent States. 4/ From 1996, includes 15 member countries. 5/ Total includes FAO estimates for privately-held stocks. 6/ FAO estimates and including Taiwan Province. 7/ Government stocks only.

Table A.6 - EXPORT PRICES OF CEREALS AND SOYBEANS

	Wheat			Maize		Sorghum	Soybeans
	U.S. No.2 Hard Winter Ord. Prot. <u>1/</u>	U.S. Soft Red Winter No.2 <u>2/</u>	Argentina Trigo Pan <u>3/</u>	U.S. No.2 Yellow <u>4/</u>	Argentina <u>3/</u>	U.S. No.2 Yellow <u>1/</u>	U.S. No.2 Yellow <u>4/</u>
	( ..... US\$/tonne ..... )						
<b>July/June</b>							
1994/95	157	145	136	104	110	103	221
1995/96	216	198	218	159	160	156	273
1996/97	181	158	157	135	133	125	299
1997/98	142	129	137	112	109	111	262
1998 - March	141	126	123	115	104	113	252
September	113	97	114	87	95	84	207
October	129	109	129	95	103	92	210
November	132	110	126	98	110	96	222
December	128	104	115	96	100	94	216
1999 - January	126	104	112	98	93	96.0	208
February	119	94	102	94	91	94.0	190
March <u>5/</u> I	114	96	102	93	88	89.0	179
II	115	101	108	96	93	92	183
III	119	101	113	97	92	91	184
IV	119	107	118	101	96	95	189

SOURCES: International Grain Council, USDA, and Reuters.

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

5/ Weekly prices refer to Thursdays, except for U.S. No.2 Hard Winter Wheat which is based on Tuesday quotations.

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

	RICE						OILCROP PRODUCTS		
	Export prices			FAO Indices			FAO Indices		
	Thai <u>1/</u> 100%	Thai broken	U.S. Long grain	Total	Quality		Marketing years	Edible/ soap fats and oils	Oilcakes and meals
	B	<u>2/</u>	<u>3/</u>		High	Low			
<b>January/December</b>	( .... US\$/tonne ... )			( ... 1982-84=100 ... )			<b>Oct./Sept.</b>	( ... 1990-92=100 ... )	
1995	336	268	371	129	124	146	1988/89	102	118
1996	352	210	430	136	136	136	1989/90	93	97
1997	316	214	439	127	129	126	1990/91	97	100
1998	315	215	413	127	128	126	1991/92	103	104
1998 - March	308	194	418	124	126	120	1992/93	103	97
November	278	233	408	124	122	128	1993/94	128	93
December	284	234	403	124	123	125	1994/95	154	94
1999 - January I	307	230	395	125	126	123	1995/96	140	128
February	281	209	377	120	121	116	1996/97 - Oct.-Mar.	136	134
March I	270	202	361	116	118	110	- Apr.-Sep.	134	132
II	265	198	361				1997/98 - Oct.-Mar.	151	130
III	257	195	361				- Apr.-Sep.	159	103
IV	254	195	357				1998/99 - Oct.-Dec.	155	98

SOURCES: FAO for indices. Rice prices: International rice brokers and trading companies. Vegetable oils prices: Ista Miele & Co. "Oil World Weekly".

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

1/ White rice, 100% second grade, f.o.b. Bangkok, indicative traded prices. 2/ A1 super, f.o.b. Bangkok, indicative traded prices 3/ U.S.No.2, 4% broken f.a.s.. 4/ Crude Dutch f.o.b. ex-mill. 5/ Indonesian origin f.f.a., c.i.f. north European ports. 6/ Edible/soap fats and oils.

Table A.8 - WHEAT AND MAIZE FUTURES PRICES <sup>1/</sup>

	May		July		September		December	
	this year	last year	this year	last year	this year	last year	this year	last year
(..... US\$/tonne .....) )								
<b>WHEAT</b>								
February 18	99	122	102	125	106	127	111	132
25	92	121	95	124	100	127	106	131
March 4	96	124	100	127	104	130	109	134
11	102	128	106	131	109	134	114	138
18	101	123	104	127	108	129	113	134
25	104	124	108	128	111	132	116	135
<b>MAIZE</b>								
February 18	87	109	89	111	92	111	95	112
25	84	107	86	110	89	110	93	110
March 4	85	108	88	111	91	111	94	112
11	88	111	91	113	93	113	96	114
18	88	107	91	110	93	111	96	111
25	90	107	93	108	95	108	98	111

SOURCE: Chicago Board of Trade

<sup>1/</sup> Prices refer to Thursday quotations.

Table A.9 - OCEAN FREIGHT RATES FOR WHEAT

	From U.S. Gulf ports to:					From North Pacific ports to:	
	Rotterdam <sup>1/</sup>	CIS Black Sea <sup>1/ 2/</sup>	Egypt (Alexandria) <sup>1/</sup>	Bangladesh <sup>1/</sup>	East Africa Sudan <sup>1</sup>	China <sup>1/</sup>	Japan <sup>1/</sup>
(..... US\$/tonne .....) )							
<b>July/June</b>							
1993/94	10.40	38.41	15.05	21.5	54.66	20.91	29.20
1994/95	15.25	30.46	18.74	23.75	39.65	22.29	32.46
1995/96	12.95	30.00	16.83	21.67	41.65	25.94	35.00
1996/97	11.00	18.85	12.77	20.00	-	27.00	28.29
1997/98	9.60	18.10	11.70	20.17	-	27.00	28.00
1998 - March	7.90	22.00	11.00	20.00	-	27.00	28.00
August	8.00	22.00	8.00	20.00	-	27.00	28.00
September	8.00	22.00	8.25	18.50	-	27.00	28.00
October	8.00	22.00	8.60	18.50	-	27.00	28.00
November	8.50	22.00	8.60	18.50	-	27.00	28.00
December	8.00	22.00	8.50	18.50	-	27.00	29.00
1999 - January	7.50	22.00	8.50	18.50	-	27.00	30.00
February	9.00	22.00	9.30	18.50	-	27.00	31.00
March	9.00	22.00	10.00	18.50	-	27.00	30.00

SOURCE: International Grain Council

**Note:** Estimated mid-month rates based on current chartering practices for vessels ready to load three to four weeks ahead.

<sup>1/</sup> Size of vessels: Rotterdam over 50 000 tons; CIS 20-40 000 tons; Egypt over 30 000 tons; Bangladesh 20-40 000 tons; East Africa 15-25 000 tons; China 20-30 000 tons; Japan 15-24 999 tons.

<sup>2/</sup> Excludes CIS and U.S. flag vessels.

Table A.10 - SHIPMENTS OF FOOD AID IN CEREALS, July/June

Donors	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99 <sup>1/</sup> f'cast
	( ..... thousand tons, grain equivalent <sup>2/</sup> ..... )					
Australia	225	258	181	169	240	300
Canada	712	602	436	373	349	450
China	4	0	1	171	90	200
EC <sup>3/</sup>	3 140	3 410	2 488	1 962	1 709	2 800
of which:						
Community	2 022	2 488	1 731	1 073	841	
National Action	1 118	921	757	889	868	
Austria	9	15	13	12	7	
Belgium	47	32	25	46	29	
Denmark	39	67	25	76	57	
Finland	22	9	2	5	1	
France	197	166	188	198	171	
Germany	243	242	202	208	190	
Greece	0	10	25	25	15	
Ireland	0	8	5	6	10	
Italy	179	68	86	82	70	
Luxemburg	1	1	2	2	7	
Netherlands	157	163	90	86	94	
Spain	15	8	4	0	1	
Sweden	89	110	76	41	74	
United Kingdom	241	156	105	103	141	
India	0	0	8	5	11	0
Japan	385	398	821	281	313	375
Norway	56	34	14	32	45	50
Switzerland	58	54	35	43	42	40
United States	8 134	4 321	3 037	2 022	2 517	4 500
WFP purchases	1	0	0	17	11	20
Others donors	172	232	285	222	346	265
<b>Total shipments</b>	<b>13 007</b>	<b>9 443</b>	<b>7 397</b>	<b>5 298</b>	<b>5 813</b>	<b>9 000</b>
of which:						
Wheat	7 740	6 589	4 847	3 421	3 778	7 000
Rice	977	733	1 135	641	671	700
Coarse grains	4 290	2 121	1 414	1 236	1 365	1 300
of which to:						
Africa	3 696	3 593	2 526	1 960	2 095	1 600
Asia	3 926	4 067	3 911	2 388	3 002	3 700
Latin America	1 583	1 146	602	596	522	700
Others	3 802	637	358	354	194	3 000
to LIFDC <sup>4/</sup>	7 817	7 910	6 400	4 447	5 273	5 600
of which:						
Sub-Saharan Africa	3 271	3 348	2 305	1 770	1 986	1 500
Channelled multilaterally	3 238	2 700	2 285	2 142	2 144	
As percent of Total shipments	25	29	31	40	37	

**SOURCE:** Compiled from data provided by donors and the World Food Programme.

<sup>1/</sup> Estimated partly on the basis of minimum commitments under the Food Aid Convention of 1995, budgetary allocations and other sources.

<sup>2/</sup> To express cereal food aid in grain equivalent, wheat, rice and coarse grains are counted on a one to one basis; for grain products, appropriate conversion factors are used to determine the grain equivalent.

<sup>3/</sup> Up to 1994/95, twelve member countries; from 1995/96, 15 member countries (including Austria, Finland and Sweden).

<sup>4/</sup> Low-income food-deficit countries: for definition see footnote <sup>9/</sup> to table on "Basic facts of the world cereal situation".

Table A.11 - INTERNATIONAL EMERGENCY FOOD RESERVE (IEFR) and PROTRACTED REFUGEE OPERATIONS (PRO) in 1997 and 1998- Contributions as of 31 December 1998

Commodity/Donor	IEFR		PROs	
	Channelled through WFP <sup>1/</sup>		1997	1998
	1997	1998		
<b>Total Cereals <sup>2/</sup></b>	<b>992 706</b>	<b>200 2191.0</b>	<b>528 675</b>	<b>540 011</b>
Australia	40 979	63 947	31 696	21 671
Austria	2 553	-	770	500
Belgium	7 930	10 532	12 399	6 350
Canada	15 913	6 037	25 583	-
Denmark	10 269	11 464	4 528	-
EC	243 048	247 901	94 545	59 645
Finland	3 959	1 366	-	-
France	8 330	35 799	16 048	5 100
Germany	41 895	47 792	43 276	19 134
Ireland	1 594	1 668	42	-
Italy	9 156	2 192	-	-
Japan	138 299	143 484	44 232	43 848
Korea Rep. of	50 000	40 000	-	-
Netherlands	52 288	18 977	16 943	17 698
New Zealand	928	-	-	-
Norway	7 586	4 660	-	-
Spain	4 000	-	-	-
Sweden	19 364	28 698	7 275	13 256
Switzerland	8 705	24 949	16 340	9 666
United Kingdom	21 853	166 913	24 760	10 854
United States	301 775	1140 560	189 405	330 734
Other donors	2 282	5 252	833	1 555
<b>Total non cereals</b>	<b>167 240</b>	<b>194 474</b>	<b>70 072</b>	<b>102 344</b>
Australia	341	2 835	-	40
Austria	515	1 660	-	-
Belgium	2 429	720	-	-
Canada	8 792	12 693	5 558	1 200
Denmark	4 230	4 918	4 965	6 166
EC	28 892	21 338	15 284	12 391
Finland	1 744	683	-	1 582
Germany	192	5 774	855	-
Ireland	977	1 123	439	717
Italy	627	266	-	-
Japan	1 393	11 506	699	3 967
Korea Rep. of	18 259	-	-	-
Netherlands	5 954	10 752	12 399	9 463
New Zealand	520	200	-	-
Norway	2 904	3 464	-	-
Sweden	8 640	3 286	6 058	2 670
Switzerland	2 226	2 332	1 383	4 008
United Kingdom	1 935	11 091	-	684
United States	72 288	98 194	22 322	59 456
Other donors	4 382	1 639	110	-

SOURCE: WFP

<sup>1/</sup> Excluding bilateral contributions.

<sup>2/</sup> Includes wheat, coarse grains and rice.

Table A.12- UNITED STATES: CEREALS AND SOYBEANS – PRODUCTION FOR 1998

	1996	1997	1998	Change 1998 over 1997
	( . . . . . million tonnes . . . . . )			( . . . percentage . . . )
Wheat	62.0	67.5	69.4	2.8
of which: winter	(40.0)	(50.2)	(51.2)	2.0
Coarse grains	265.9	260.6	271.8	4.3
of which: maize	(234.5)	(233.9)	(247.9)	6.0
Rice (paddy)	7.8	8.3	8.5	2.8
Soybeans	64.8	73.2	75.0	2.5

SOURCE: USDA: Crop production, 12 January 1999.

Table A.13- CANADA: CEREALS AND OILSEEDS - PRODUCTION FOR 1998

	1996	1997	1998	Change 1998 over 1997
	( . . . . . thousand tonnes . . . . . )			( . . percentage . . . )
Wheat	29 801	24 280	24 393	0.5
Oats	4 361	3 485	3 958	13.6
Barley	15 562	13 527	12 699	-6.1
Rye	309	320	398	24.4
Maize	7 541	7 200	8 912	23.8
Mixed Grains	582	603	540	-10.4
Linseed	851	895	1 106	23.6
Rapeseed	5 062	6 393	7 588	18.7

SOURCE: Statistics Canada, 7 December 1998.

Table A.14- AUSTRALIA: CEREAL PRODUCTION FOR 1998

	1996	1997	1998	Change 1998 over 1997
	( . . . . . thousand tonnes . . . . . )			( . . percentage . . . )
Wheat	23 700	19 417	21 108	8.7
Oats	1 700	1 580	1 10	-27.8
Barley	6 800	6 400	5 379	-16.0
Sorghum	1 555	1 210	1 070	-11.6
Maize	317	370	340	-8.1
Triticale	720	410	46	12.2
Rice (paddy)	951	1 380	1 340	-2.9

SOURCE: Australian Bureau of Statistics, 14 February 1999.

Table A.15- **SELECTED INTERNATIONAL COMMODITY PRICES**

	Currency and Unit	Effective Date	Latest Quotation	1 month ago	1 year ago	Average 1988-90
Sugar (I.S.A. daily price)	US cents per lb	23.03.99	5.8	6.8	10.1	11.4
Coffee (I.C.O. daily price)	US cents per lb	22.03.99	86.2	90.8	120.6	76.7
Cocoa (I.C.C.O. daily price)	US cents per lb	24.03.99	58.6	64.1	78.9	56.0
Tea (all tea, London, weekly)	US\$ per kg.	22.03.99	2.0	1.8	2.1	1.5
Bananas (Central America, f.o.r., Hamburg)	DM per tonne	24.03.99	2 074 <sup>1/</sup> 1 443 <sup>2/</sup>	1 820 <sup>1/</sup> 1 341 <sup>2/</sup>	2 069 <sup>1/</sup> 1 433 <sup>2/</sup>	1 107
Rubber (RSS 1, spot London)	Pence per kg.	24.03.99	42.8	47.0	47.5	54.5
Cotton (COTLOOK, index "A" 1-3/32")	US cents per lb	19.03.99	56.6	55.9	68.5	78.5
Wool (64's, London)	Pence per kg	19.03.99	302	315	380	466

**SOURCE:** FAO

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

### STATISTICAL NOTE:

Data are obtained from official and non-official 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 calendar year. Coarse grains refer to all other cereals except wheat and rice. Quantities are in metric tons unless otherwise stated.

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

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