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GAIN Report

Global Agricultural Information Network

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Bangladesh

Grain and Feed Update

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Report Highlights:

Bangladesh rice and wheat production for MY 2010/11 (July-June) are estimated higher at 32.9 million tons and 1.2 million tons, respectively. MY 2010/11 food grain imports are estimated at 1.4 million tons of rice and 3.4 million tons of wheat, the highest level since MY 1998/99.

Post:
Dhaka

Author Defined:

Production

The first rice crop of MY 2010/11, locally known as "Aus" (planted in March/April and harvested in June/July) is estimated at 1.8 million tons. Inadequate monsoon rains affected the second crop "Aman" (planted in July/August and harvested in November/December) during the initial growth stages. However, Aman crop recovered due to improved weather conditions during the growth stage, with the production estimated at 12.6 million tons, slightly higher than last year's crop. The "Boro" rice crop, the final crop of the year (planted in December/January and harvested in April/May) benefitted from excellent weather conditions, and continuing government support for subsidized fertilizer and electricity /diesel for irrigation. Consequently, Boro rice production is estimated to reach 18.5 million tons, nearly 0.5 million tons higher than the previous estimate. As a result, Bangladesh rice production for MY 2010/11 is revised higher to 32.9 million tons.

MY 2010/11 wheat production is also revised higher to 1.2 million tons due to favorable weather conditions for the crop.

Prices

Despite relatively good harvests, rice prices in Bangladesh have been steadily increasing since January 2010. In December 2010, the average wholesale price of coarse rice was 30,500 Taka (US \$436) per ton, up nearly 36 percent from the same period in 2009. While coarse rice prices seem to be stabilizing in the recent months, fine rice prices have continued to rise.

Government Open Market Sales (OMS) of rice began in January, 2011. The OMS goal is to provide food grains to the poor at a subsidized rate of 24 Taka (\$0.34) per kilogram. With the expectation of increasing rice imports, as well as the generally positive outlook for the current Boro rice harvest, rice prices are expected to fall in the coming weeks.

Imports

Official estimate indicate that MY 2010/11 rice imports through first week of April, 2011 reached 1.12 million tons, of which approximately 74 percent was government purchases. The government continues to pursue an agreement with India to import 300,000 tons, but the rice has not yet been delivered. With easing international prices, the private sector is also importing rice, and the MY 2010/11 rice imports will likely reach 1.45 million tons. MY 2010/11 wheat imports through the first week of April stood at 3.2 million tons, of which about 79 percent private commercial sales. Post estimates total wheat imports for MY 2010/11 to reach 3.4 million tons.

Table 1: Commodity, Rice, Milled, PSD

Rice, Milled Bangladesh	2009/2010		2010/2011		2011/2012	
	Market Year Begin: Jul 2009		Market Year Begin: Jul 2010		Market Year Begin: Jul 2011	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	11,600	11,600	11,800	11,800		12,000
Beginning Stocks	1,148	1,148	638	638		1,288
Milled Production	31,000	31,000	32,300	32,900		33,000
Rough Production	46,505	46,505	48,455	49,355		49,505
Milling Rate (.9999)	6,666	6,666	6,666	6,666		6,666
MY Imports	90	90	1,350	1,450		600
TY Imports	660	660	800	1,000		550
TY Imp. from U.S.	0	0	0	0		0
Total Supply	32,238	32,238	34,288	34,988		34,888
MY Exports	0	0	0	0		0
TY Exports	0	0	0	0		0
Consumption and Residual	31,600	31,600	33,100	33,700		34,000
Ending Stocks	638	638	1,188	1,288		888
Total Distribution	32,238	32,238	34,288	34,988		34,888
Yield (Rough)	4.	4.0091	4.	4.1826		4.1254
TS=TD		0		0		0

Table 2: Commodity, Wheat, PSD

Wheat Bangladesh	2009/2010		2010/2011		2011/2012	
	Market Year Begin: Jul 2009		Market Year Begin: Jul 2010		Market Year Begin: Jul 2011	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	400	400	400	400		420
Beginning Stocks	758	758	1,239	1,239		1,839
Production	850	850	1,000	1,200		1,200
MY Imports	3,331	3,331	3,000	3,400		2,800
TY Imports	3,331	3,331	3,000	3,400		2,800
TY Imp. from U.S.	0	0	0	0		0
Total Supply	4,939	4,939	5,239	5,839		5,839
MY Exports	0	0	0	0		0
TY Exports	0	0	0	0		0
Feed and Residual	0	0	0	0		0
FSI Consumption	3,700	3,700	3,800	4,000		4,200
Total Consumption	3,700	3,700	3,800	4,000		4,200
Ending Stocks	1,239	1,239	1,439	1,839		1,639
Total Distribution	4,939	4,939	5,239	5,839		5,839
Yield	2.	2.125	2.	3.		2.8571
TS=TD		0		0		0