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Report Highlights:

FAS Manila lowers its milled rice production forecast and maintains its consumption forecast for Marketing Year 2026/27, as a moderate to strong El Niño and elevated fertilizer costs weigh on production even as demand holds steady despite elevated retail prices. Rice imports are maintained to offset the anticipated production shortfall, consistent with Department of Agriculture guidance on building buffer stocks against drought and monsoon risk. The Philippine Department of Agriculture has halted premium-grade rice imports, is unlikely to extend the retail price cap, and is advancing a safeguard investigation; a proposed policy linking import allocations to local farmer support awaits passage of pending legislation. Corn production forecast is lowered for MY 2026/27 on reduced yield, while imports rise sharply on strong feed-sector demand. Wheat consumption and imports hold steady, as milling wheat demand offsets a feed-driven shift toward corn, while peso depreciation adds to import costs.

Executive Summary

FAS Manila lowers its milled rice production forecast for Marketing Year (MY) 2026/27 at 12.25 million metric tons (MMT), while maintaining area harvested at 4.65 million hectares, both lower than the adjusted MY 2025/26 estimates, as a moderate to strong El Niño and elevated fertilizer costs weigh on planting incentives, partially offset by a sharp reservoir recovery in August–September 2026 that has improved irrigation prospects for the upcoming dry-season planting. For MY 2025/26, Post raises its area harvested, production, and yield estimates based on updated realized data; separately, farmgate palay prices recovered beginning February 2026 following the four-month (September–December 2025) import ban and the Philippine National Food Authority’s increase in buying price for clean and dry palay, supporting farmer income for both MY 2026/27 and MY 2025/26. Rice consumption is maintained for MY 2026/27 at 17.65 MMT, as population-driven demand continues to outweigh elevated retail prices; the MY 2025/26 estimate is likewise unchanged. FAS Manila maintains its MY 2026/27 import forecast at 5.20 MMT to offset the anticipated production shortfall, consistent with DA guidance on building buffer stocks against drought and monsoon risk. For MY 2025/26, Post lowers its import estimate, reflecting the effect of the four-month (September–December 2025) import ban. On policy, the Philippine Department of Agriculture (DA) has halted premium-grade rice imports, indicated the retail price cap is unlikely to be extended, is pursuing a policy — pending passage of the proposed RICE Act — linking import allocations to local farmer support, and the Tariff Commission's safeguard investigation has advanced following a finding of industry injury.

Corn production is lowered for MY 2026/27 to 8.05 MMT, while area harvested is maintained; the decline reflects reduced yield amid the same irrigation risk affecting rice. Consumption rises on sustained poultry-sector growth, while imports rise sharply on feed-sector demand, consistent with early MY 2026/27 trade data. For MY 2025/26, Post raises consumption and import estimates sharply based on confirmed poultry growth and actual trade data. Ending stocks increase (up 9.0 percent) in MY 2026/27 as higher beginning-stock carryover and imports outpace a lower production estimate and a slight consumption increase; the MY 2025/26 estimate is likewise raised modestly on the import revision. A proposed corn import quota expansion remains under review, and the Philippine Department of Agriculture (DA) and Philippine Department of Energy (DOE) are exploring corn as a bioethanol feedstock.

Wheat consumption and imports hold steady for MY 2026/27, as milling wheat demand growth is offset by a feed-driven shift toward corn. For MY 2025/26, Post raises consumption and import estimates on stronger feed wheat demand, while lowering exports on softer realized pasta demand. The United States remains the leading milling wheat supplier, while continued peso depreciation — particularly against the Australian dollar, given Australia's dominant feed wheat supply role — adds to import costs. Wheat ending stocks decline modestly for MY 2026/27 as lower imports outweigh higher beginning stocks and a modest consumption decline; the MY 2025/26 estimate is raised significantly on higher imports and lower exports. Separately, anti-dumping duties on Turkish flour imports, in place since 2015, face renewed pressure to lapse upon their January 2027 expiration.

Philippine Food Supply is forecast to grow 0.6 percent in MY 2026/27 on higher wheat consumption, while Energy Supply declines 2.2 percent on lower feed wheat use. Animal Protein Production continues to grow across chicken, pork, aquaculture, and chicken eggs.

Table 1: Philippine Food Supply (1000 MRE / MT / WGE)				
Commodity	MY 2024/25	MY 2025/26	MY 2026/27	Percentage Change
Total	25,200	25,850	26,000	0.6
Rice	17,400	17,600	17,650	0.3
Corn	4,200	4,350	4,350	0.0
Wheat	3,600	3,900	4,000	2.6

Note: MRE - Milled Rice Equivalent; MT - metric tons; WGE – Wheat Grain Equivalent

Source: FAS Manila

Table 2: Philippine Energy Supply (1000 MT / WGE, Corn-Eq.)					
Commodity	Corn Equiv.	MY 2024/25	MY 2025/26	MY 2026/27	Percentage Change
Total		8,505	9,780	9,563	-2.2
Corn	100%	5,750	6,550	6,570	0.3
Wheat	95%	2,755	3,230	2,993	-7.4

Source: FAS Manila

Table 3: Animal Protein Production (1000 MT) (a)					
Commodity (b)	2023	2024 (b)	2025	2026	Percentage Change (c)
Chicken	1,460	1,560	1,713	1,825	6.5
Pork (CWE)	1,050	1,000	975	990	1.5
Aquaculture (c)	671	690	731	-	5.8
Chicken eggs	731	783	848	-	8.3

Notes:

- (a) Data for chicken and pork cover the full MY from 2023 to 2026, while aquaculture and chicken eggs reflect actual production for CY 2023 to CY 2025.
- (b) Chicken and pork figures are USDA-FAS estimates and forecasts based on MY; aquaculture and egg figures are actual production data from the Philippine Statistics Authority, based on CY 2023 to CY 2025.
- (c) Aquaculture includes milkfish, tilapia, and shrimp (tiger prawns, and penaeus vannamei)
- (d) Percentage change for chicken and pork compares MY 2026 to MY 2025 full-year figures; for aquaculture and chicken eggs, it compares CY 2025 to CY 2024.

Rice

Table 4: Rice, Milled Market Year Begins Philippines	2024/2025		2025/2026		2026/2027	
	Jul 2024		Jul 2025		Jul 2026	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	4701	4701	4740	4748	4700	4650
Beginning Stocks (1000 MT)	3403	3403	3698	3798	2698	2830
Milled Production (1000 MT)	12370	12370	12350	12360	12400	12250
Rough Production (1000 MT)	19635	19635	19603	19619	19683	19444
Milling Rate (.9999) (1000 MT)	6300	6300	6300	6300	6300	6300
MY Imports (1000 MT)	5425	5425	4350	4272	5600	5200
TY Imports (1000 MT)	3650	3645	5500	5500	5600	5700
Total Supply (1000 MT)	21198	21198	20398	20430	20698	20280
MY Exports (1000 MT)	0	0	0	0	0	0
TY Exports (1000 MT)	0	0	0	0	0	0
Consumption and Residual (1000 MT)	17500	17400	17700	17600	17900	17650
Ending Stocks (1000 MT)	3698	3798	2698	2830	2798	2630
Total Distribution (1000 MT)	21198	21198	20398	20430	20698	20280
Yield (Rough) (MT/HA)	4.1768	4.1768	4.1357	4.1321	4.1879	4.1815
(1000 HA), (1000 MT), (MT/HA)						
MY = Marketing Year, begins with the month listed at the top of each column						
TY = Trade Year, which for Rice, Milled begins in January for all countries. TY 2026/2027 = January 2027 - December 2027						

Production

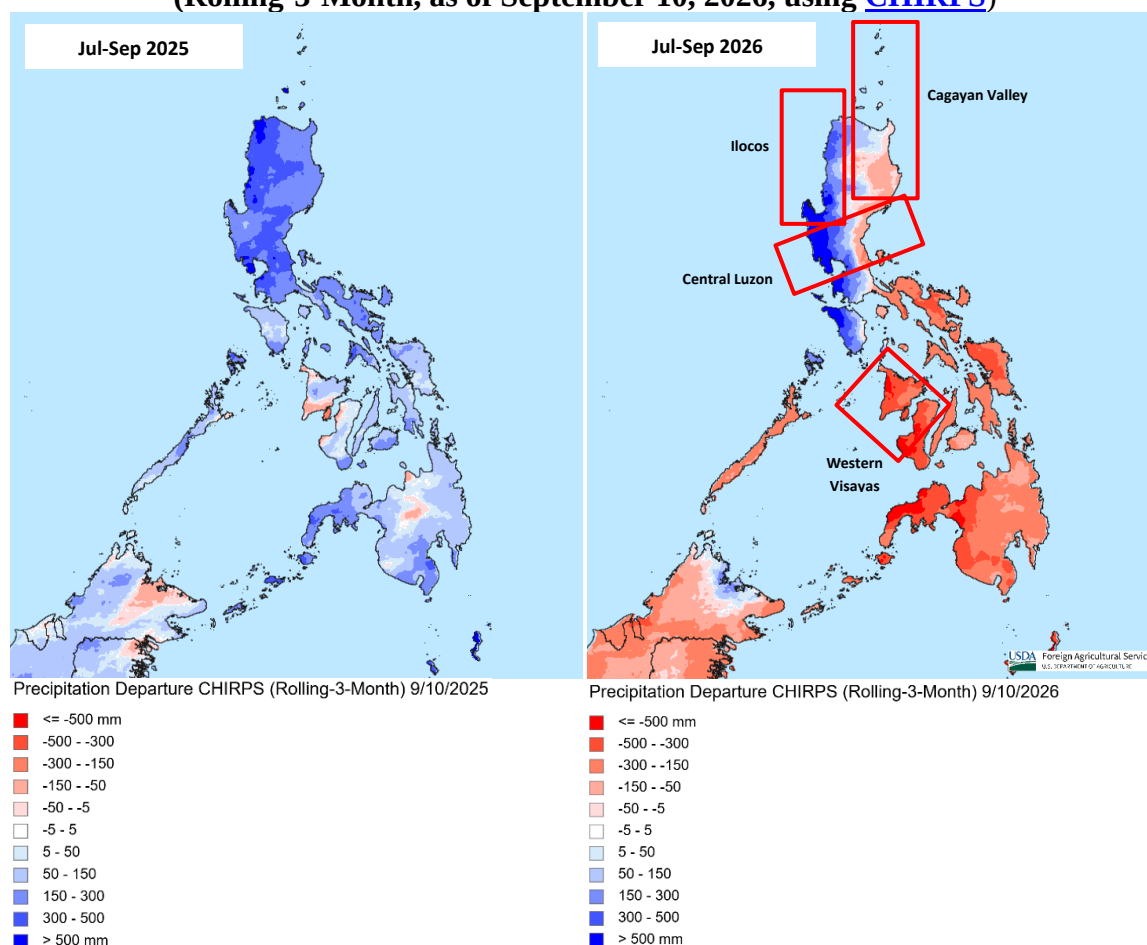
Post decreases its milled rice production forecast in MY 2026/27, which is lower than the adjusted estimates for MY 2025/26. Drier weather conditions and elevated fertilizer costs continue to suppress growth in production.

FAS Manila lowers its milled rice production forecast to 12.25 million metric tons (MMT) while maintaining area harvested at 4.65 million hectares (ha) in Marketing Year (MY) 2026/27, both lower than the adjusted estimates for MY 2025/26. Drier weather conditions during the May–June planting season, coupled with elevated fertilizer costs, were expected to limit growth in rough rice (palay) production. This downward pressure was partially offset by a sharp recovery in reservoir levels at key irrigation dams beginning in August and continuing through September 2026, which has improved irrigation prospects for dry-season planting from November–December. Continued rice supporting programs from the Philippine government through the National Rice Program (NRP) and the Rice Competitiveness Enhancement Fund (RCEF), meanwhile, help support continued rice cultivation among farmers.

On September 6, 2026, the Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA) issued [El Niño Advisory No. 4](#), confirming a moderate to strong El Niño present in the tropical Pacific, which is expected to continue until the first half of 2027 and may reach a very strong state in the coming months before peaking towards the end of 2026. This superseded earlier PAGASA [El Niño Advisory No. 3](#), issued on August 6, 2026, that confirmed a moderate El Niño present in the tropical Pacific.

Rolling 3-month precipitation departure data from USDA-FAS's Global Agricultural & Disaster Assessment System (GADAS) show a marked shift in conditions between September 2025 and September 2026. As of September 10, 2025, most of the country registered above-normal precipitation, particularly across Luzon. By September 10, 2026, this pattern reversed, with most of the country — including major rice-producing regions in the Visayas and Mindanao — registering below-normal precipitation, while only the northernmost tip of Luzon remained notably wetter than the rest of the country. During the 2023/2024 El Niño, irrigated rice production — which accounts for roughly 70 percent of total rice area harvested — declined 9 percent and 7 percent quarter-on-quarter in Q2 and Q3 2024, respectively, while rainfed rice declined 15 percent and 27 percent over the same period, contributing to a 5-percent decline in annual rice production for 2024.

Figure 1: Comparison of Precipitation Departure in July–September 2025/2026 (Rolling-3-Month, as of September 10, 2026, using [CHIRPS](#))



Source: [USDA - Foreign Agricultural Service Global Agricultural & Disaster Assessment System](#)

Reservoir levels (based on dam levels as of the first day of the month) supplying key rice-producing regions declined steadily from January 2026 through a lowest point in August 2026, directly overlapping the critical May–July wet-season planting window, before recovering sharply by September. Angat and San Roque moved from deficits of 25 and 12 meters below Rule Curve (RC) in August, respectively, to surpluses of 18 and 30 meters by September. Magat similarly recovered from a 17-meter deficit in August to a narrower 3-meter deficit in September, while Pantabangan narrowed from a 32-meter deficit in August to an 18-meter deficit in September.

Table 5: Reservoir Water Levels of Key Irrigation Dams — Lowest Point (August 2026) vs. Current (September 2026)

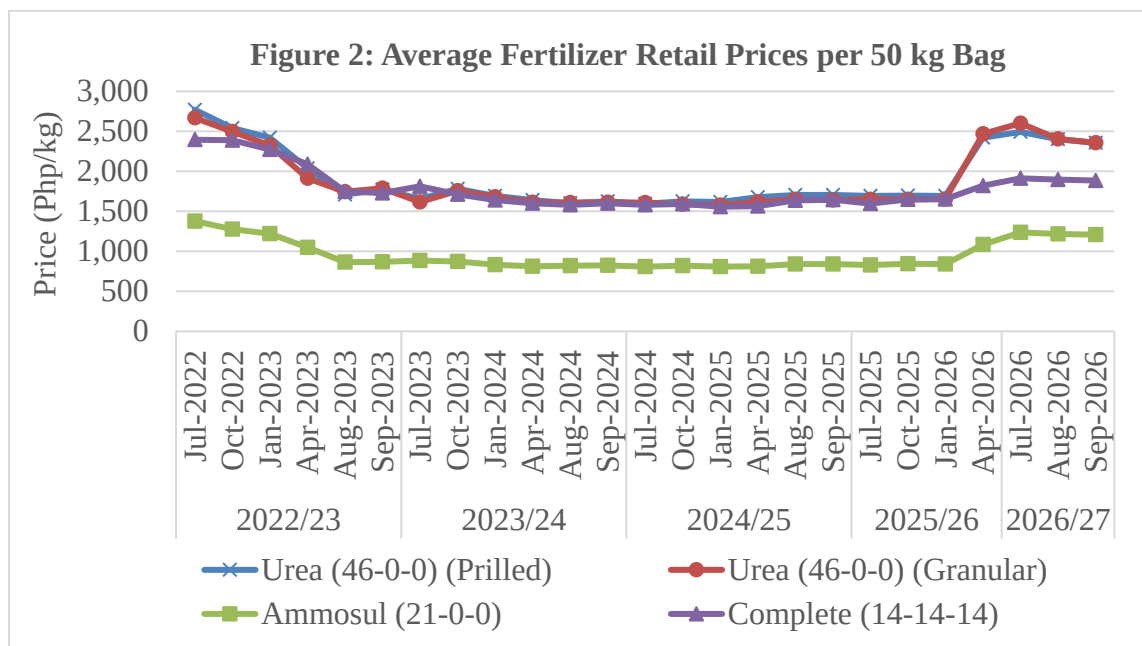
Dam	RWL vs. RC (m)	
	August 2026	September 2026
Magat	-17.0	-3.0
Pantabangan	-32.0	-18.0
San Roque	-12.0	+30.0
Angat	-25.0	+18.0

Note: Computed based on the dam levels on the first day of the month.

Source: [PAGASA](#)

While the September rebound in reservoir levels is a positive development for the near-term outlook, it came after the May–July planting window had already passed, and Post assesses that the earlier-season shortfall has already affected the wet-season rice crop planted during that period. Should El Niño intensify to very strong later in 2026 as PAGASA's advisory indicates is possible, irrigation conditions for the subsequent planting season will bear continued monitoring. In response, the Philippine Department of Agriculture (DA) is applying measures used during the 2023/2024 El Niño, including [promotion of less water-intensive crops, expanded solar-powered irrigation and low-cost greenhouses, earlier planting](#). Farmer contacts also report continued support under the National Rice Program (NRP) and the Rice Competitiveness Enhancement Fund (RCEF), including prepositioning of drought-tolerant seeds and fertilizers in vulnerable regions.

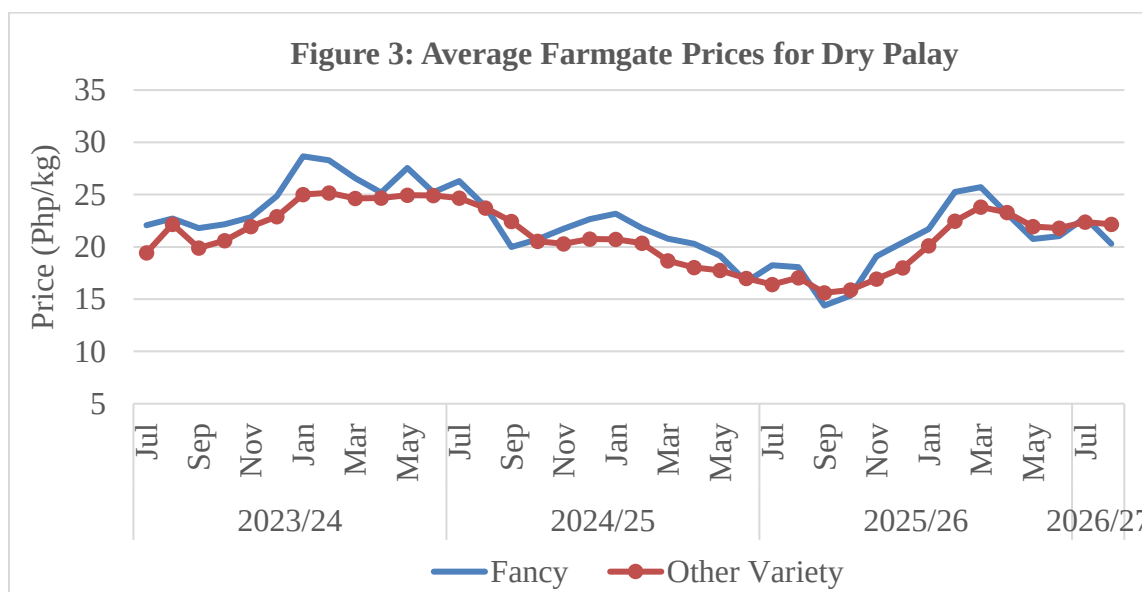
Meanwhile, fertilizer prices remain well above year-ago levels but have moderated from their 2026 peak. Urea, ammosul, and complete fertilizer prices declined for three consecutive months, from July 2026 through the second week of September 2026. Despite this decline, average prices as of the second week of September 2026 remain above year-ago levels by 38–44 percent for urea (both prilled and granular) and ammosul, and by more than 14 percent for complete fertilizer. Farmer contacts report that elevated fertilizer prices continue to restrain their palay production for MY 2026/27.



Note: The weekly national prices for fertilizers were averaged to get the monthly mean prices; prices are as of September 7-11, 2026.

Source: [Philippine Fertilizer and Pesticides Authority](#)

Farmgate prices for both Fancy and Other Variety extended their earlier recovery into MY 2026/27, remaining positive on a year-on-year basis through July–August 2026, further supported by the National Food Authority's (NFA) increase in its minimum buying price for fresh/wet palay to Php 21 per kilogram, ahead of the September 2026 harvest ([announced on July 17, 2026](#)). This rate remains within [Price Range Scheme \(PRICERS\)](#) of Php 17–23/kg for fresh/wet palay and Php 23–30/kg for clean and dry palay.



Source: [Philippine Statistics Authority](#)

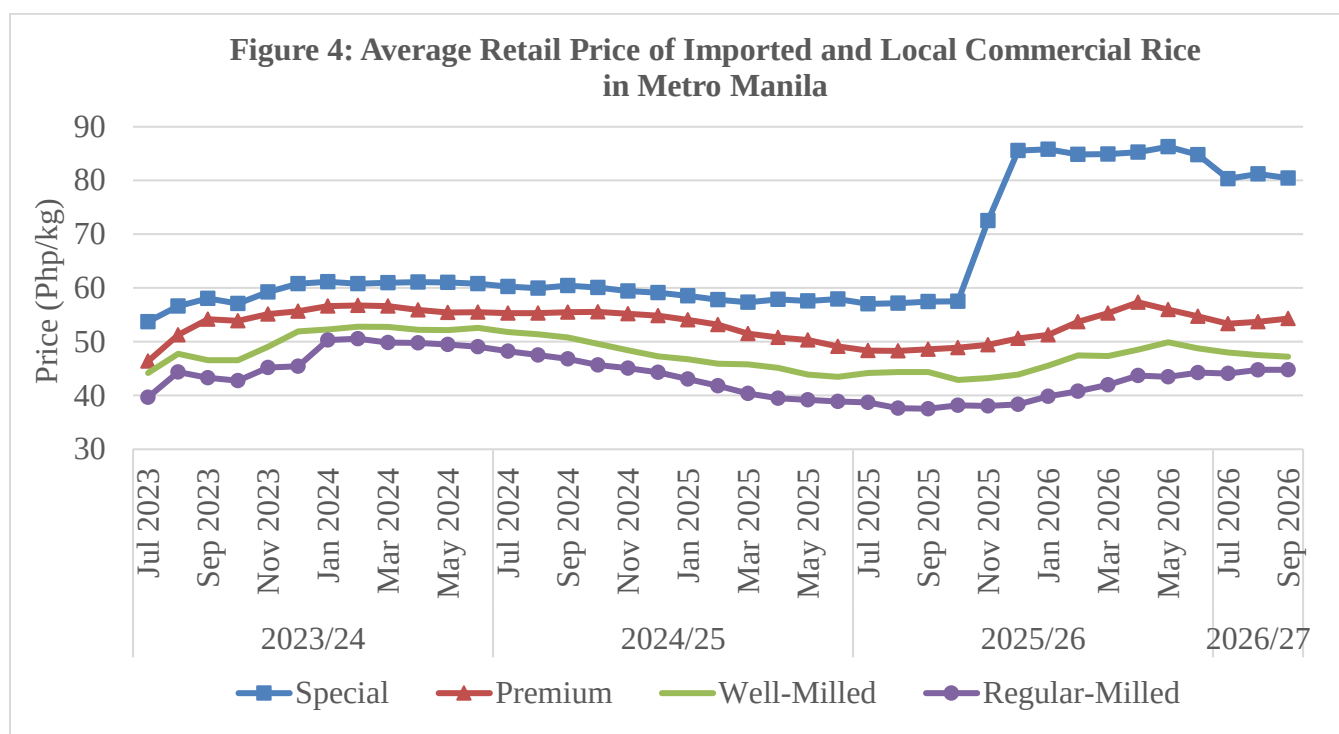
FAS Manila, meanwhile, raises its MY 2025/26 milled rice production estimate to 12.36 MMT, up 1.3 percent from the previous Post estimate of 12.20 MMT, and raises its area harvested estimate to 4.748 million ha, up 1.0 percent from the previous Post estimate of 4.70 million hectares.

Farmgate prices for both Fancy and Other Variety palay turned positive on a year-on-year basis beginning February 2026, following steep declines as sharp as -33.9 percent (Fancy, June 2025) and -33.5 percent (Other Variety, July 2025), as reduced import competition following the four-month (September–December 2025) import ban eased pressure on local prices during the first quarter of 2026. This improvement was further supported by the NFA's increase in buying price for clean and dry palay at Php 30 per kilogram ([announced on April 13, 2026](#)) — the ceiling of the PRICERS range for clean and dry palay — in parts of the country, to help offset rising fuel and production costs ahead during the dry-season harvest. While year-on-year price gains decelerated for Fancy Variety in April and May 2026, and for Other Variety in May 2026, relative to their March 2026 peak — the declining trend previously cited in Post's June 2026 report — farmgate prices for both varieties remained above year-ago levels throughout this period, supporting farmer income during the second half of MY 2025/26.

Consumption

Post maintains its milled rice consumption forecast in MY 2026/27, as population-driven demand continues to outweigh the moderating effect of rising retail prices.

FAS Manila maintains its MY 2026/27 consumption forecast at 17.65 MMT, 0.3 percent higher than the estimated consumption in MY 2025/26. This increase is consistent with continued population growth, which sustains overall demand for milled rice despite elevated retail prices. Special-grade retail prices have moderated from their 2026 peak in May and have remained relatively steady from July through the second week of September 2026. Among the other grades, regular-milled rice — one of the grades most consumed by lower-income households — continues to show faster year-on-year price growth than premium and well-milled rice, indicating that affordability pressure remains greatest for lower-income consumers even as price growth for well-milled rice has moderated more than the other grades.



Note: the average daily price of imported and local commercial rice as of March 16, 2026, were calculated by taking the mean of the reported lower and upper bound prices. Beginning November 15, 2025, the Philippine DA began disaggregating price monitoring for special rice, categorizing imported rice as Basmati, glutinous, Japonica/Japonica, and other special rice, and local rice as glutinous and other rice. Average prices for these categories are now computed based on these classifications. Data is as of September 11, 2026.

Source of basic data: [Philippine DA](#)

FAS Manila likewise maintains its MY 2025/26 consumption estimate at 17.60 MMT, unchanged from the previous Post estimate, as retail price and demand trends through the marketing year tracked closely with Post's prior assumptions, with population-driven demand growth offsetting the moderating effect of elevated retail prices in line with expectations.

Trade

Post maintains its rice import forecast in MY 2026/27 to help offset an anticipated production shortfall, consistent with the Philippine DA's own public guidance on import needs.

FAS Manila maintains its MY 2026/27 import forecast at 5.20 MMT, up by 21.7 percent compared to the adjusted estimate in MY 2025/26. On September 1, 2026, the Philippine DA stated that the Philippines may need to [import as much as 5.00 MMT of rice to secure stocks against storms, monsoon rains, and the developing El Niño](#), a level close to Post's own MY 2026/27 import forecast. The Philippine DA also reported that approximately 4.00 MMT had already been imported so far, based on a September 1, 2026, news report — with additional volumes to be front-loaded after the wet-season harvest to cover first-quarter 2027 consumption and maintain a stock buffer of more than 60 days. Sustained import levels in MY 2026/27, above the adjusted estimate of 4.27 MMT in MY 2025/26, are

expected due to lower beginning stock carryover and lower palay production in MY 2026/27 relative to the previous marketing year.

On July 1, 2026, the Philippines [halted imports of five percent broken rice shipments](#) to allow farmers to sell their recent harvest by keeping premium imports out of the market. Nevertheless, this measure is not expected to affect Post's overall MY 2026/27 import forecast, as the halt applies specifically to premium-grade shipments during the current harvest window, while overall import volumes are still expected to be sourced through higher percentage broken rice to meet the Philippine DA's broader stockpiling and buffer-stock objectives.

FAS Manila, meanwhile, lowers its MY 2025/26 marketing-year import estimate to 4.272 MMT, down 2.9 percent from the previous Post estimate of 4.400 MMT, following a four-month rice import ban from [September 1, 2025, until December 31, 2025](#).

Vietnam remained the Philippines' dominant rice supplier in MY 2025/26, accounting for approximately 82.8 percent of total imports despite a 19.5-percent decline in shipment volume, amid a broader 21.3-percent contraction in total world imports. Thailand and Myanmar remained the second- and third-largest suppliers, both posting double-digit declines (26.4 percent and 18.9 percent, respectively). Cambodia was a notable exception, surging to 78,005 MT and overtaking Pakistan, India, and China to become the fourth-largest supplier. The Cambodia Rice Federation (CRF) attributed this growth to the Philippines' expanded import allocation and the price-to-quality advantage of Cambodian milled rice, particularly for commodity-grade, long-grain white rice. In addition, the Philippine Congressional Policy and Budget Research Department (CPBRD) noted that [the Philippines secured deals with Cambodia following a bilateral agricultural agreement signed in September 2025](#).

Table 6: Key Rice Exporters to the Philippines (MRE)

Supplier	MY 2023/24	MY 2024/25	MY 2025/26	Percentage Change
World	4,490,888	5,425,891	4,272,613	(21.3)
Vietnam	3,380,703	4,393,436	3,535,768	(19.5)
Thailand	645,428	464,620	341,749	(26.4)
Myanmar	149,636	230,827	187,107	(18.9)
Pakistan	249,567	260,714	88,390	(66.1)
Cambodia	2,660	4,270	78,005	1,726.8
India	38,466	45,049	30,124	(33.1)
China	14,323	12,321	10,560	(14.3)
Others	10,105	14,654	910	(93.8)

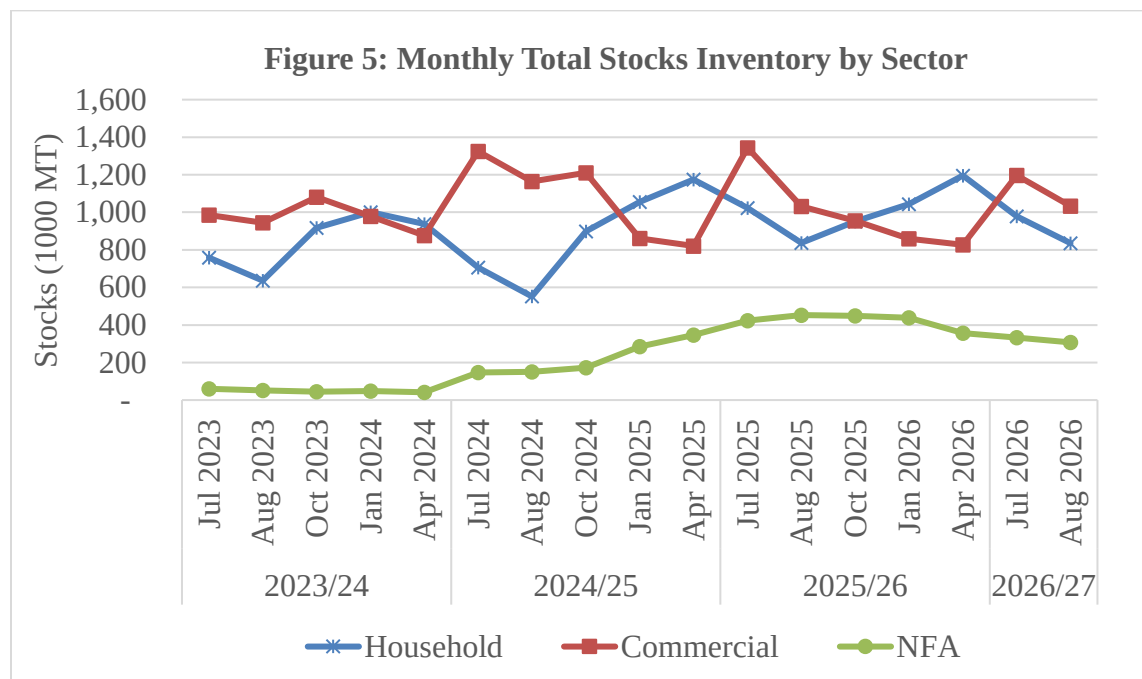
Source of basic data: Trade Data Monitor

Stocks

Post forecasts ending stocks to decline in MY 2026/27 relative to MY 2025/26, as a reduced production forecast is only partially offset by higher beginning-stock carryover, with imports and consumption forecasts unchanged.

FAS Manila raises its MY 2026/27 ending stocks forecast to 2.63 MMT, down 0.7 percent from the previous Post estimate of 2.648 MMT, and down 7.1 percent compared with the MY 2025/26 estimate at 2.83 MMT. This modest net decline reflects the lowered MY 2026/27 production forecast (12.30 to 12.25 MMT), which was largely, though not fully, offset by a higher beginning-stock carryover into the marketing year (2.798 to 2.830 MMT) stemming from the upward revision to MY 2025/26 production. Import and consumption forecasts for MY 2026/27 are unchanged from the previous report, leaving the production and carryover shifts as the sole drivers of the revised stocks figure.

Total rice stocks declined year-on-year in both July and August 2026. Commercial sector stocks had risen month-on-month in July amid apparent precautionary restocking ahead of anticipated El Niño-related supply risk, but declined again in August, while remaining essentially in line with year-ago levels. NFA stocks continued to decline throughout both months, consistent with the agency's palay procurement [reaching 22–23 percent of its 790,000 MT target for 2026 as of August](#); the NFA has stated [this shortfall is not expected to affect the national rice buffer stock](#). Household stocks likewise continued to decline throughout both months.



Source: [Philippine Statistics Authority](#)

FAS Manila raises its MY 2025/26 ending stocks estimate to 2.83 MMT, up 1.1 percent from the previous Post estimate of 2.798 MMT. This upward revision flows directly from the higher milled production estimate for the year, with consumption held unchanged and marketing year imports revised

lower. The larger production base leaves more rice available for carryover into ending stocks than previously estimated.

Policy

Continuation of price-indexed tariff rates based on Vietnam 5 percent broken rice. The Philippines continues to implement a [price-indexed tariff mechanism](#) introduced in January 2026, as authorized under Executive Order No. 105 (2025). Import duties automatically shift by 5 percentage points for every 5 percent movement in world rice prices, maintaining a tariff range of between 15 and 35 percent.

Premium-Grade Rice Import Halt. The [Philippine DA halted imports of premium-grade](#) (5-percent broken) rice starting July 1, 2026, to support local farmgate prices ahead of the September harvest and requested that industry stakeholders instead import rice no better than 25-percent broken. Importer contacts note willingness to import higher-broken rice if priced comparably to local rice, noting that this approach avoids undercutting local producers while helping maintain supply continuity and supporting the local rice industry. Major commercial rice traders, importers, and millers in the Philippines routinely purchase both imported and local grain to manage year-round inventory and serve different market segments.

Despite this direction, Post projects rice imports in MY 2026/27 to remain above MY 2025/26 levels, to address the shortfall in palay output and lower beginning stock carryover for MY 2026/27. Separately, on August 5, 2026, the Philippine DA signaled it [would not implement a ban on rice imports](#) to strengthen the country's supply ahead of the anticipated effects of the El Niño weather event.

Retail Price Cap. On August 5, 2026, the Philippine DA indicated that [an extension of the Php 50/kg price cap on 5-percent broken imported rice is unlikely](#), noting that current market prices have remained below the price ceiling.

Import Allocation and Local Industry Investment. The Philippine DA is pursuing a policy that would link import allocations to local industry investment, [requiring importers to invest in rice mills or processing infrastructure and purchase palay from domestic farmers](#). The measure is intended to be incorporated into the proposed Rice Industry and Consumer Empowerment (RICE) Act, an [amendment to the Rice Tariffication Law still pending in Philippine Congress](#).

Safeguard Investigation. The Philippines is conducting a formal safeguard investigation into rice imports, initiated via Philippine DA Department Order 18 following a petition from local farmer groups. The Philippine DA's initial probe noted [a causal link between increased imports and serious injury to the domestic rice industry](#). The Tariff Commission held a [preliminary conference on July 10, 2026](#), and is expected to issue its findings by September 2026. Local farmer organizations requested the Tariff Commission to [impose an additional 30-percent safeguard duty on imported rice](#). Post continues to monitor developments on this safeguard investigation but did not factor it in its forecasts.

Corn

Table 7: Corn Market Year Begins Philippines	2024/2025		2025/2026		2026/2027	
	Jul 2024		Jul 2025		Jul 2026	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	2453	2453	2420	2419	2450	2400
Beginning Stocks (1000 MT)	303	303	272	272	333	334
Production (1000 MT)	8331	8331	8200	8198	8300	8050
MY Imports (1000 MT)	1588	1588	2712	2765	2400	2900
TY Imports (1000 MT)	1340	1340	3000	2800	2600	2850
Total Supply (1000 MT)	10222	10222	11184	11235	11033	11284
MY Exports (1000 MT)	0	0	1	1	0	0
TY Exports (1000 MT)	1	1	1	1	0	0
Feed and Residual (1000 MT)	5750	5750	6550	6550	6200	6570
FSI Consumption (1000 MT)	4200	4200	4300	4350	4450	4350
Total Consumption (1000 MT)	9950	9950	10850	10900	10650	10920
Ending Stocks (1000 MT)	272	272	333	334	383	364
Total Distribution (1000 MT)	10222	10222	11184	11235	11033	11284
Yield (MT/HA)	3.3962	3.3962	3.3884	3.3890	3.3878	3.3542
(1000 HA), (1000 MT), (MT/HA)						
MY = Marketing Year, begins with the month listed at the top of each column						
TY = Trade Year, which for Corn begins in October for all countries. TY 2026/2027 = October 2026 - September 2027						

Production

Post lowers its corn production forecast in MY 2026/27 due to drier weather conditions.

FAS Manila lowers its production forecast by 0.6 percent to 8.05 MMT in MY 2026/27, lower than the adjusted estimates for MY 2025/26. Corn production in lowland areas, particularly in major corn-producing regions such as Cagayan Valley, remains exposed to deteriorating irrigation supply as key dam reservoir levels decline under El Niño, consistent with the same reservoir-driven risks affecting the rice sector. Reservoir levels in major corn-growing regions declined through early August 2026, before a partial recovery by early September 2026.

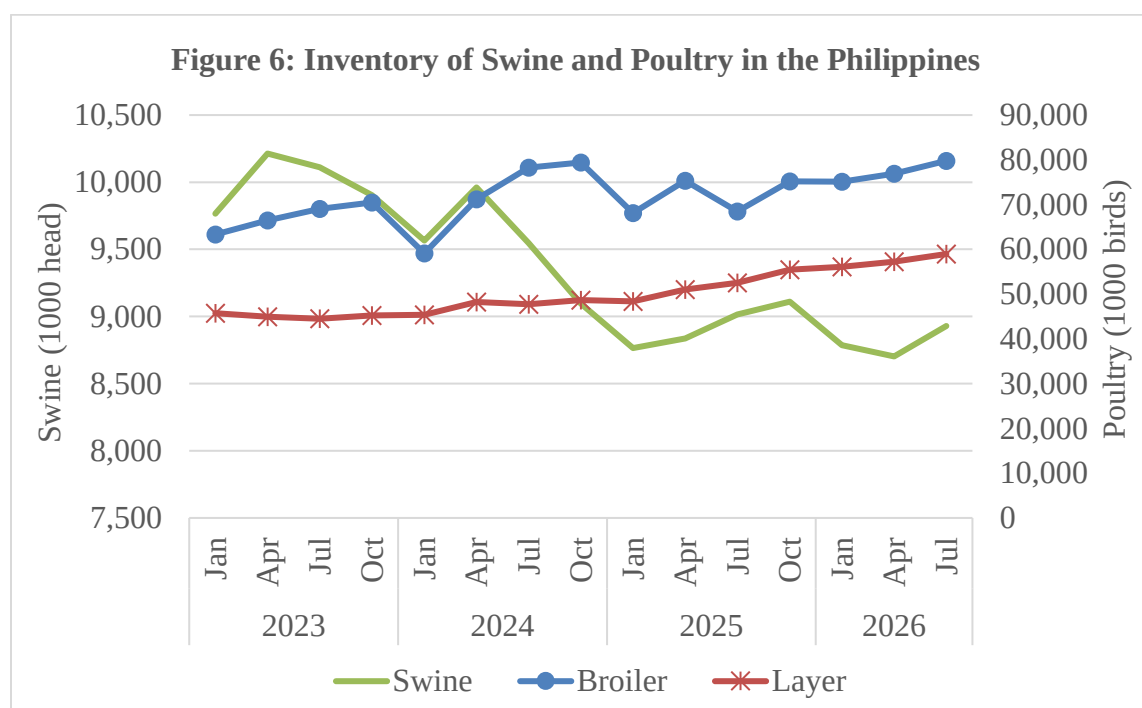
FAS Manila likewise raises its MY 2025/26 area harvested estimate to 2.419 million hectares, up 0.8 percent from the previous Post estimate of 2.4 million hectares, and its production estimate to 8.198 MMT, up 0.6 percent from the previous Post estimate of 8.150 MMT. This modest upward revision reflects improved realized planting conditions relative to what had been assumed, with corn producers benefiting from the same wet-season moisture conditions and reduced typhoon disruption that supported the rice sector's harvest performance during the year, prior to the onset of drier conditions later in the marketing year.

Consumption

Post raises its total corn consumption forecast in MY 2026/27, driven by continued growth in the animal feed industry and stable demand from the food industry.

FAS Manila raises its total consumption forecast to 10.92 MMT for MY 2026/27, driven by higher feed and residual use tied to continued expansion of the poultry sector — broiler inventory reached 79.8 million birds (up 16.5 percent year-on-year) and layer inventory reached 59.0 million birds (up 12.3 percent year-on-year) as of July 2026, both up year-on-year. Meanwhile, swine inventory rebounded 2.6 percent quarter-on-quarter to 8.93 million head in July 2026, its strongest quarterly gain since mid-2025 though it remains below pre-African Swine Fever (ASF) levels.

On September 2, 2026, the Philippine DA – Bureau of Animal Industry (BAI) approved [the first commercially available ASF vaccine](#) (AVAC, sourced from Vietnam, with a reported 90 percent efficacy rate) for use in the Philippines, following seven years of outbreaks that have reduced the national hog population from approximately 13 million pre-ASF to about 8 million. This follows continued signs of recovery in the swine sector, with national inventory reaching 8.93 million head by July 2026 — up nearly 2 percent since January — and H1 2026 hog production up 5.6 percent year-over-year, alongside a 25 percent year-over-year decline in active ASF cases. Post assesses that the vaccine's approval, alongside continued government-led repopulation efforts and biosecurity measures, supports further swine sector recovery into MY 2026/27, contributing to higher feed demand relative to the adjusted estimates for MY 2025/26, though the pace of herd rebuilding will bear continued monitoring. FSI consumption maintained in MY 2026/27, reflecting continued pressure from elevated corn prices.



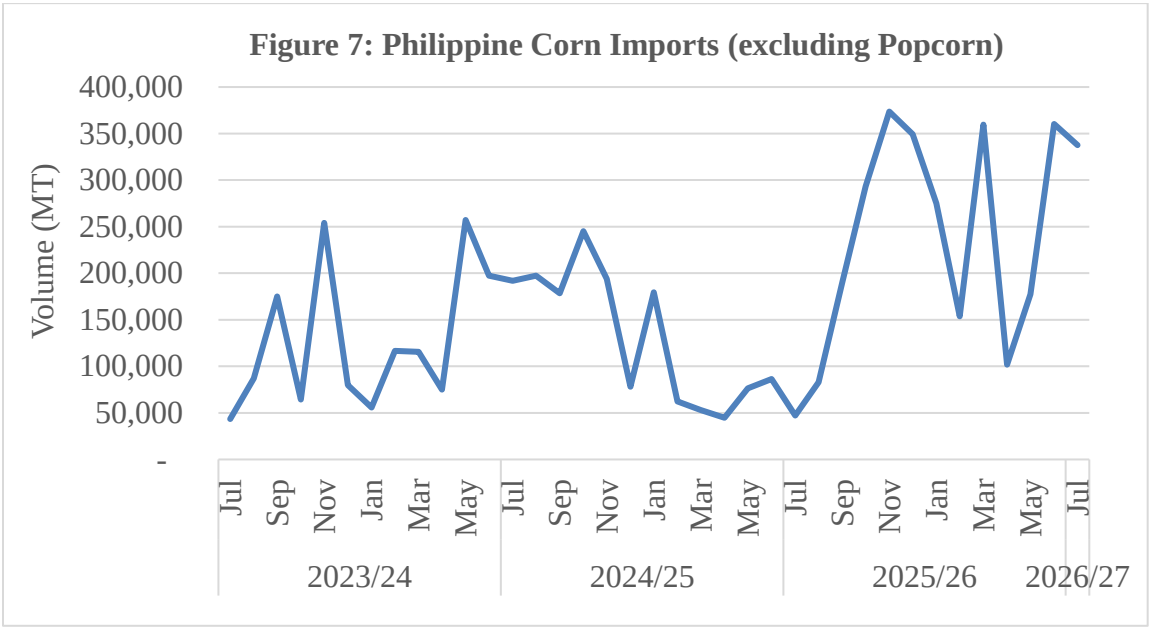
Source: [Philippine Statistics Authority](#)

FAS Manila raises its MY 2025/26 total consumption estimate to 10.90 MMT, up 5.3 percent from the previous Post estimate of 10.35 MMT, driven by an increase in feed and residual use to 6.55 MMT, up 9.2 percent from the previous Post estimate of 6.00 MMT. This upward revision reflects confirmed poultry inventory data showing layer populations expanding consistently (from close to 10 to 16 percent year-on-year) throughout MY 2025/26, while broiler populations, after declining early in the marketing year, rebounded with a year-on-year growth of up to 10.3 percent by January 2026, sustaining stronger feed demand overall. Meanwhile, FSI consumption for MY 2025/26 is maintained at 4.35 MMT, unchanged from the previous Post estimate, as continued growth in corn oil and processed food demand was offset by elevated corn prices, which tempered broader food and industrial consumption during the marketing year.

Trade

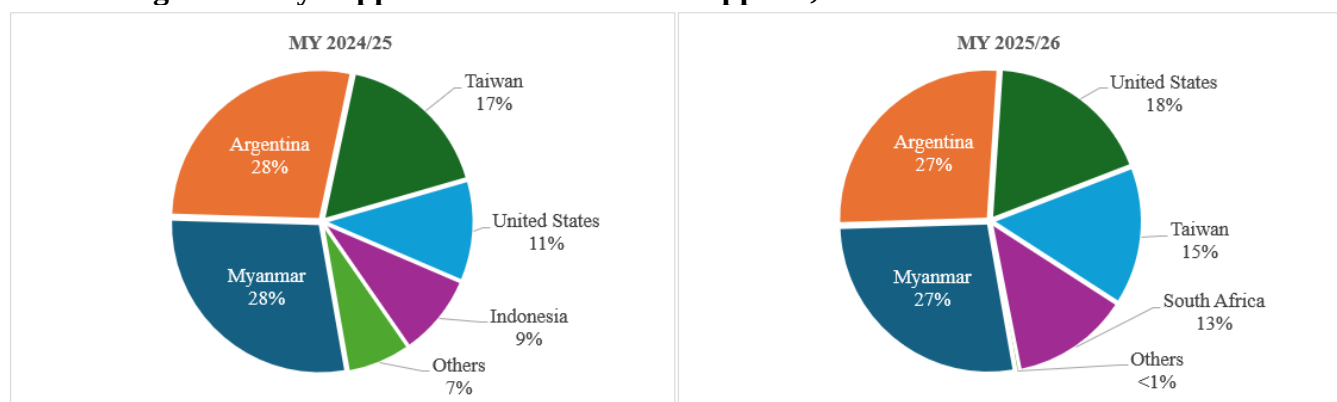
Post raises its corn import forecast in MY 2026/27, driven by growing animal feed demand.

FAS Manila raises its MY import forecast to 2.9 MMT. July 2026 trade data show a substantial year-on-year increase in import volumes, rising from 47,090 MT in July 2025 to 337,563 MT in July 2026, consistent with Post's forecast. Philippine corn sourcing is price-based, with importers shifting toward the most competitively priced origins; Myanmar and Argentina were the leading suppliers in both MY 2024/25 and MY 2025/26, each accounting for roughly 27–28 percent of total imports, while the United States nearly doubled its market share, from 11 percent in MY 2024/25 to 18 percent in MY 2025/26, supported by improved price competitiveness. Corn exports remain negligible.



Source of basic data: Trade Data Monitor

Figure 8: Key Suppliers of Corn to the Philippines, MY 2024/25 and MY 2025/26



Source of basic data: Trade Data Monitor

FAS Manila raises its MY 2025/26 marketing-year import estimate to 2.765 MMT, up 22.9 percent from the previous Post estimate of 2.250 MMT, based on actual cumulative trade data through the marketing year confirming substantially higher import volumes than previously assumed, consistent with the stronger feed-sector demand described above.

Stocks

Post forecasts corn ending stocks to increase in MY 2026/27, as modestly higher total supply, driven by increased beginning-stock carryover and imports, outpaces a slight rise in consumption.

FAS Manila raises its ending stocks forecast to 364,000 MT in MY 2026/27, up 13.0 percent from the previous Post estimate of 322,000 MT, and up 9.0 percent from Post's MY 2025/26 ending stocks estimate of 334,000 MT, extending the modest stock-building trend observed over the prior two marketing years, when ending stocks rose from 272,000 MT in MY 2024/25 to 334,000 MT in MY 2025/26.

Total supply for MY 2026/27 is estimated at 11,284 thousand MT, up modestly (0.4 percent) from the MY 2025/26 estimate, as higher beginning-stock carryover (up 22.8 percent) and increased imports (up 4.9 percent) more than offset a lower production estimate (down 1.8 percent). This modest supply growth slightly outpaced the increase in total consumption (up 0.2 percent), driven by higher feed and residual use, leaving a larger volume available for carryover into ending stocks. The resulting stock level would represent a buffer of approximately 12 days of supply.

FAS Manila, meanwhile, raises its MY 2025/26 ending stocks estimate to 334,000 MT, up 3.8 percent from the previous Post estimate of 322,000 MT. This upward revision reflects the fact that the substantial increase in marketing-year imports (up 22.9 percent from the previous estimate) more than offset the accompanying increase in total consumption (up 5.3 percent) for the year, leaving a larger carryover into ending stocks than previously projected.

Policy

Proposal to expand the corn import quota. The Philippine DA [proposes to expand the Minimum Access Volume \(MAV\) for corn to 500,000 MT](#), remaining under review by the MAV Management Committee. The DA has stated that the proposed expansion is intended as a calibrated contingency measure rather than a permanent policy shift, with imports to be activated only when supply conditions warrant and without unnecessarily displacing local corn farmers. Post has not incorporated it into its forecast pending final approval.

Preliminary studies on corn for bioethanol feedstock. The Philippine DA and Philippine Department of Energy (DOE) are exploring [locally produced corn as a potential bioethanol feedstock](#), alongside molasses and sugarcane juice, as part of a broader effort to raise the national ethanol blend mandate. This initiative remains in the study phase, with no defined implementation timeline. Post has not incorporated it into its forecast.

Wheat

Table 8: Wheat Market Year Begins Philippines	2024/2025		2025/2026		2026/2027	
	Jul 2024		Jul 2025		Jul 2026	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	0	0	0	0	0	0
Beginning Stocks (1000 MT)	894	894	721	721	1101	1130
Production (1000 MT)	0	0	0	0	0	0
MY Imports (1000 MT)	6351	6351	7800	7730	7100	7100
TY Imports (1000 MT)	6351	6351	7800	7730	7100	7100
Total Supply (1000 MT)	7245	7245	8521	8451	8201	8230
MY Exports (1000 MT)	24	24	20	21	20	24
TY Exports (1000 MT)	24	24	20	21	20	24
Feed and Residual (1000 MT)	2900	2900	3500	3400	3150	3150
FSI Consumption (1000 MT)	3600	3600	3900	3900	4050	4000
Total Consumption (1000 MT)	6500	6500	7400	7300	7200	7150
Ending Stocks (1000 MT)	721	721	1101	1130	981	1056
Total Distribution (1000 MT)	7245	7245	8521	8451	8201	8230
Yield (MT/HA)	0	0	0	0	0	0

(1000 HA), (1000 MT), (MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Wheat begins in July for all countries. TY 2026/2027 = July 2026 - June 2027

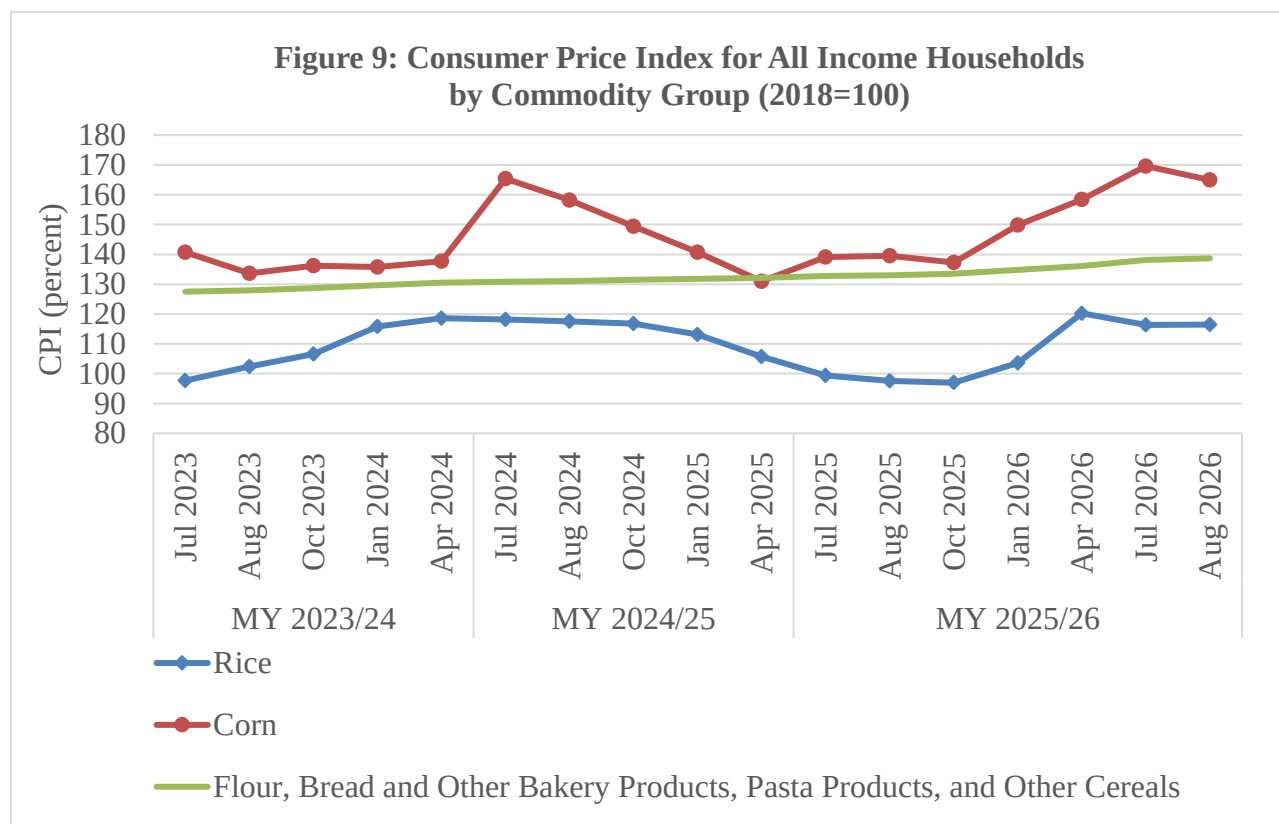
Consumption

Post maintains its MY 2026/27 total consumption, as population growth and dietary diversification continue to support milling wheat demand even as rising prices temper growth, while corn's regained price advantage over feed wheat is expected to shift feed millers' rations.

FAS Manila's MY 2026/27 total consumption forecast of 7.15 MMT is unchanged from Post's prior estimate. The Consumer Price Index for wheat-based food products continued its upward trend into August 2026, which is expected to temper, but not reverse, milling wheat demand growth, as population growth and continued dietary diversification toward bread, noodles, and pasta sustain underlying demand; MY 2026/27 FSI consumption is forecast to rise to 4.00 MMT, up from 3.90 MMT in MY 2025/26.

On the feed side, corn regained a price advantage over feed wheat in July 2026, with feed wheat trading approximately USD 6 per metric ton (MT) above corn. This margin is notably thinner than the swings observed over the prior marketing year, and price data for August and September 2026 was not yet available at the time of this report; Post will continue to monitor whether corn's price advantage widens or narrows as the marketing year progresses, given the sensitivity of feed formulation decisions to

relatively small price differentials. Consistent with this shift, Post forecasts MY 2026/27 feed wheat consumption to decline to 3.15 MMT — down from 3.40 MMT in MY 2025/26 — as feed millers favor the now more price-competitive corn; the resulting decline in feed wheat use is offset by the increase in milling wheat demand, leaving total consumption unchanged from Post's prior estimate.



Source: [Philippine Statistics Authority](https://psa.gov.ph/)

FAS Manila, meanwhile, raises its MY 2025/26 total consumption estimate to 7.30 MMT, up 0.7 percent from the previous Post estimate of 7.25 MMT. This reflects an increase in MY 2025/26 feed and residual consumption to 3.40 MMT, up 3.0 percent from the previous Post estimate of 3.30 MMT, as feed wheat held a pronounced price advantage over corn in July–August 2025 (feed wheat trading USD 71–76/MT below corn) and again from April through June 2026 (feed wheat trading USD 25–82/MT below corn), sustaining stronger-than-anticipated feed wheat uptake by millers during those periods.

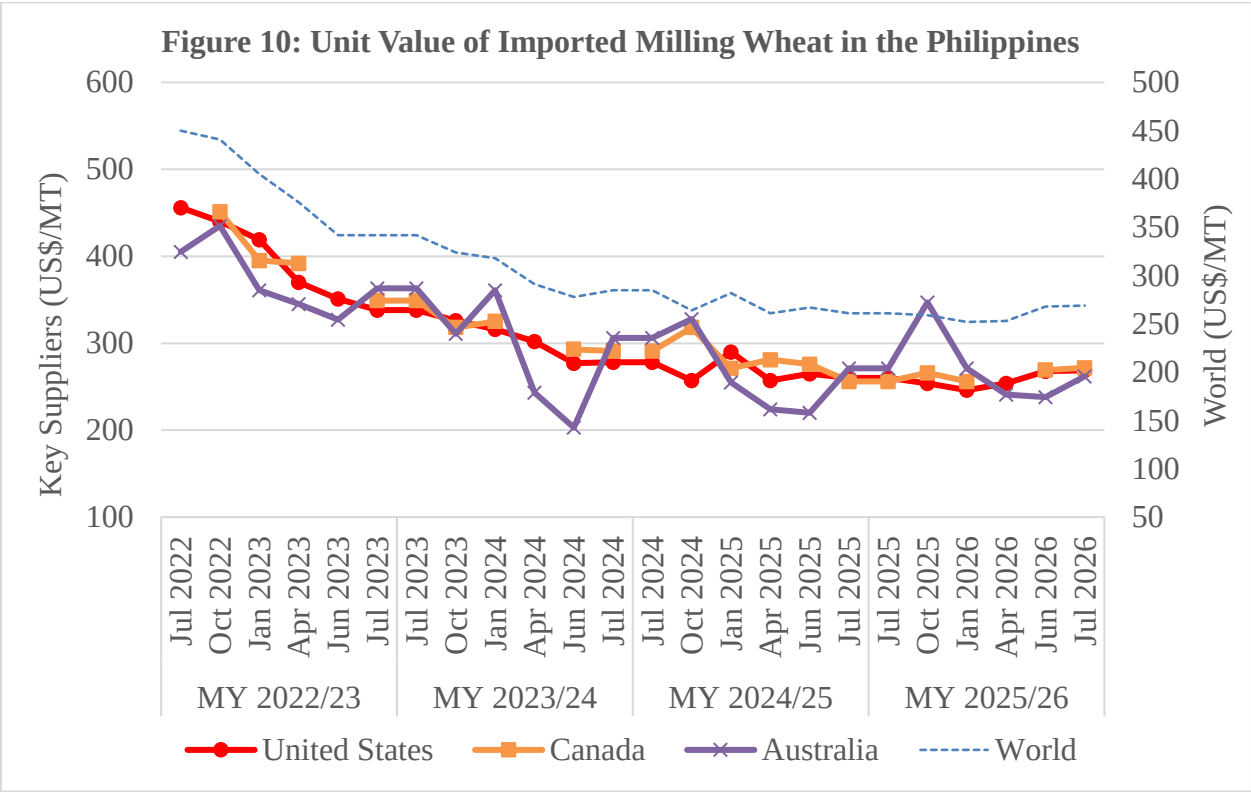
Corn was modestly more price-competitive than feed wheat from September 2025 through January 2026 and again in March 2026, with feed wheat trading only USD 4–20/MT above corn during those months — a narrower gap than the feed-wheat-favorable swings observed elsewhere in the marketing year, resulting in a net increase in realized feed wheat demand for MY 2025/26 as a whole. This increase was partially offset by a reduction in MY 2025/26 FSI consumption to 3.90 MMT, down 1.3 percent from the previous Post estimate of 3.95 MMT, reflecting slightly softer realized demand for milling wheat-based food products. Industry contacts report that rising input and transportation costs, including Philippine peso depreciation, tempered the pace of growth in demand for wheat-based food products in MY 2025/26, even as FSI consumption still rose year-on-year from 3.60 MMT in MY 2024/25.

Trade

Post lowers its MY 2026/27 wheat import forecast; the United States remains the leading milling wheat supplier.

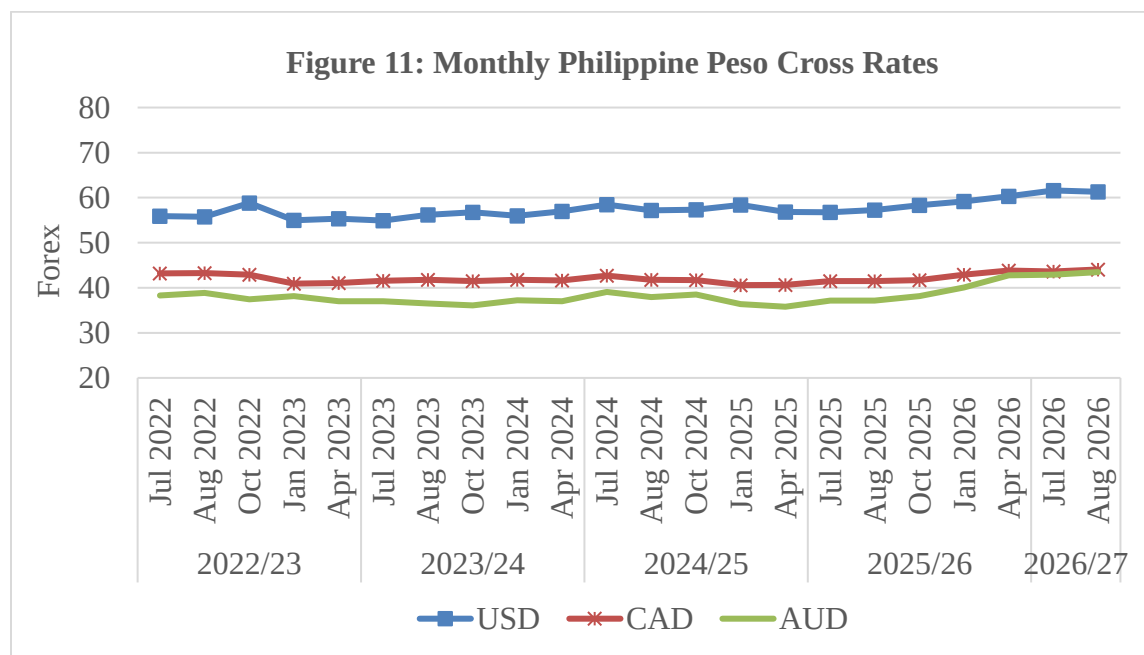
FAS Manila lowers its MY 2026/27 import forecast by 1.3 percent to 7.10 MMT from the previous estimate. The United States supplied 77 percent of total milling wheat imports in MY 2025/26 (2.669 MMT of 3.449 MMT), maintaining its position as the dominant milling wheat supplier, with Canada (14 percent) and Australia (8 percent) as secondary sources. Australia, meanwhile, supplied virtually all feed wheat imports in MY 2025/26 (99 percent, or 4.070 MMT of 4.090 MMT), continuing its near-total dominance of the feed wheat segment. Wheat exports, consisting almost entirely of processed pasta products (99.9 percent of MY 2025/26 export volume), declined 12.4 percent year-on-year to 20,596 MT in MY 2025/26, coming in below Post's prior estimate and reflecting softer realized demand; Post's MY 2026/27 export forecast is maintained to 24,000 MT, roughly returning to the MY 2024/25 level.

From January to July 2026, U.S. milling wheat prices ranged from USD 246 to 269 per MT, remaining broadly competitive with Canada (USD 256–274/MT) and Australia (USD 238–271/MT). Australia occasionally undercut the United States on price during this period — including in February, March, April, and June 2026 — yet the United States retained its position as the dominant supplier, consistent with industry contacts' emphasis on the reliable quality and consistent specifications of U.S. wheat as a key sourcing consideration alongside price.



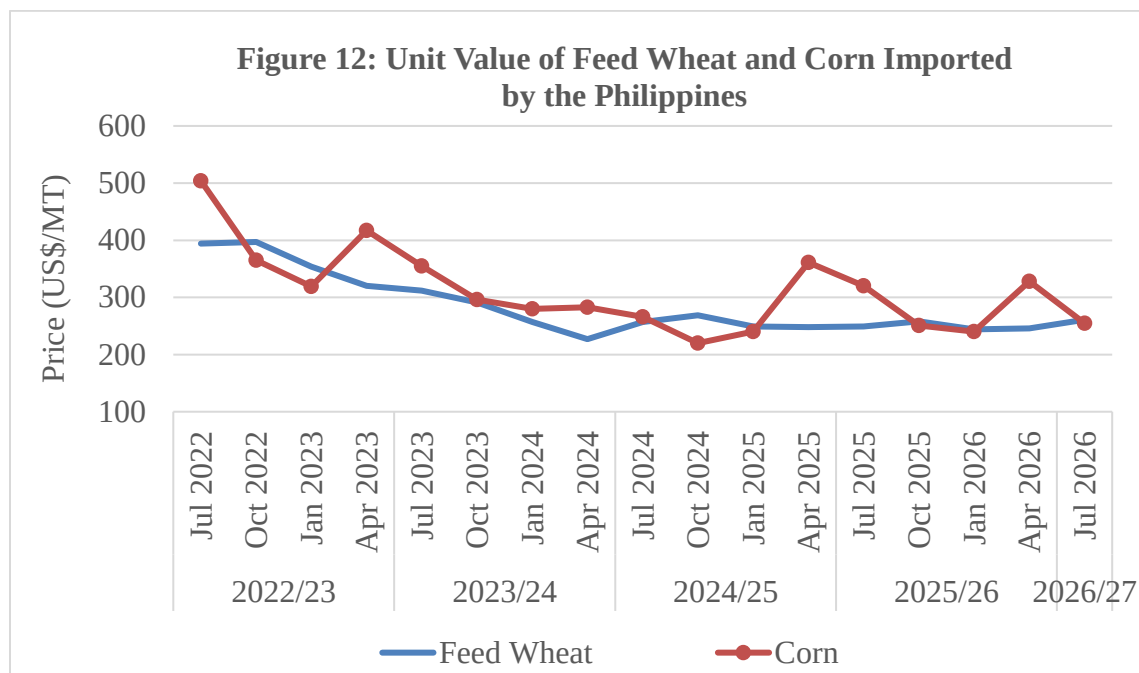
Note: Milling Wheat (HS Code 1001.99.19)
Source: Trade Data Monitor

Currency movements have added to the cost of wheat imports in peso terms over the past year. Between mid-2025 and their respective 2026 peaks, the Philippine peso depreciated 8.5 percent against the U.S. dollar (from a low of 56.75 in July 2025 to a high of 61.60 in July 2026), 8.2 percent against the Canadian dollar (from a low of 41.42 in September 2025 to a high of 44.80 in May 2026), and 18.9 percent against the Australian dollar (from a low of 37.12 in July 2025 to a high of 44.15 in May 2026). As of August 2026, the exchange rate stood at 61.33 Php/USD, 44.06 Php/CAD, and 43.47 Php/AUD — easing slightly from their respective 2026 peaks but remaining well above year-ago levels. As of September 17, 2026, [Peso-to-Dollar exchange](#) climbed further at: Php/USD to 62.73; Php/CAD to 44.85; and Php/AUD to 44.46. Since the Philippines produces no domestic wheat and relies entirely on imports, this depreciation increases the local-currency cost of every dollar-, Canadian dollar-, and Australian dollar-denominated wheat purchase, independent of movements in world wheat prices. The particularly sharp depreciation against the Australian dollar is notable given Australia's 99-percent share of feed wheat supply to the Philippines, implying feed wheat import costs have faced greater currency-driven upward pressure than milling wheat costs sourced predominantly from the United States.



Source: [Philippine Central Bank](#)

On the feed side, the price relationship between feed wheat and corn shifted repeatedly throughout MY 2025/26, directly shaping import volumes for each commodity. Feed wheat traded USD 71–76/MT below corn in July–August 2025, incentivizing importers to favor feed wheat early in the marketing year. From September 2025 through January 2026, and again in March 2026, corn regained a modest price edge, with feed wheat trading only USD 4–20/MT above corn — a narrow enough gap that feed millers had limited incentive to shift sourcing away from feed wheat given Australia's reliable supply and established logistics. Feed wheat then regained a pronounced advantage from April through June 2026, trading USD 25–82/MT below corn, before corn edged back into a price advantage in July 2026, the first month of MY 2026/27, by a narrow USD 6/MT margin. This repeated back-and-forth underscores that Philippine feed wheat import volumes remain highly sensitive to short-term shifts in the wheat-corn price spread, rather than tracking a stable, one-directional trend.



Note: Feed Wheat (HS Code 1001.99.99), Maize/corn (HS Code 1005)
Source: Trade Data Monitor

FAS Manila, meanwhile, raises its MY 2025/26 import estimate to 7.730 MMT, up 1.7 percent from the previous Post estimate of 7.60 MMT, consistent with the stronger-than-anticipated feed wheat demand described above, which required higher import volumes to satisfy realized feed-sector uptake during the marketing year. This is consistent with feed wheat's rising share of total wheat imports, which climbed from 45 percent in MY 2024/25 to 53 percent in MY 2025/26, even as milling wheat's share declined correspondingly from 52 percent to 45 percent. Post's MY 2025/26 export estimate is lowered to 21,000 MT from the previous Post estimate of 24,000 MT, reflecting softer realized demand for Philippine wheat-based pasta exports during the year.

Stocks

Post forecasts MY 2026/27 ending stocks moderately below the MY 2025/26 level, as lower marketing-year imports outweigh higher beginning-stock carryover and a modest net decline in consumption.

FAS Manila forecasts MY 2026/27 ending stocks at 1.056 MMT, but 6.5 percent below the MY 2025/26 Post estimate of 1.130 MMT. This year-on-year decline is driven primarily by lower MY imports, , which more than offsets both higher beginning-stock carryover into the year (1.130 MMT, up from 0.721 MMT) and a modest net decline in total consumption, as the decrease in feed wheat use in MY 2026/27 compared to MY 2025/26 (down 0.25 MMT, from 3.4 to 3.150 MMT) outweighs the increase in FSI consumption. Since the Philippines has no domestic wheat production, ending stocks consist entirely of already-imported wheat held by millers rather than any carryover from local harvests. Post assesses that this buffer serves two distinct functions across end-uses: for feed millers, it provides flexibility to adjust the wheat-corn ration mix as relative prices shift as observed repeatedly throughout MY 2025/26; and for FSI millers, it helps maintain a steady pipeline of milling wheat to support

consistent production of bread, noodles, and pasta, a segment that has shown more stable, trend-driven demand growth and is comparatively less sensitive to short-term price swings than feed formulations.

FAS Manila, meanwhile, raises its MY 2025/26 ending stocks estimate to 1.130 MMT, up 7.9 percent from the previous Post estimate of 1.047 MMT. This upward revision reflects the fact that the increase in imports (up 1.7 percent) combined with the reduction in exports more than offset the modest increase in total consumption (up 0.7 percent) for the year, resulting in a larger carryover into ending stocks than previously projected.

Policy

Anti-Dumping Duties on Turkish Flour Imports. The Philippines has maintained [anti-dumping duties on Turkish wheat flour](#) (ranging from 2.87 to 16.19 percent, depending on the exporter) since 2015, last extended in December 2023 for a further three years, effective January 15, 2024, with the measure now set to expire January 14, 2027. Both the Turkish government and Philippine industry groups — including the Philippine-Turkish Business Council — are pushing to let the duties lapse, arguing that the market conditions justifying the measure a decade ago no longer apply and that renewed competition would lower flour prices for consumers. The Philippine DA has confirmed it received a request for a further extension and is reviewing it. Post has not incorporated any change into its forecast, as the duties remain in effect pending a decision.

Attachments:

No Attachments