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GAIN Report Number:

Philippines

Grain and Feed Update

2012/13 Philippine Grain and Feed Situation and Outlook

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Report Highlights:

After a spike in feed demand drove MY 11/12 wheat imports up 21 percent to 3.97 MMT, Post forecasts MY 12/13 imports will decline by 17 percent to 3.3 MMT due to ample beginning stocks and a slowdown in feed consumption. MY 12/13 milling wheat consumption, however, is forecast up one percent to 2.3 MMT, due to the continued strength of the Philippine economy and as a result of campaign-related spending on food leading up to national elections in May 2013. Post forecasts MY12/13 corn imports will decline by 45 percent to 100,000 MT as a result of diminished global supply, increased domestic production and ample feedwheat stocks. MY12/13 overall rice imports (including undocumented shipments) are forecast to remain flat at 1.5 MMT as improved production (under the Philippines' drive for rice self-sufficiency) offsets a slight uptick in consumption.

Post:
Manila

Wheat:

Unusually strong feed demand drove MY 11/12 wheat imports up 21 percent to 3.97 MMT. Post forecasts MY 12/13 wheat imports will decline by 17 percent to 3.3 MMT due to ample beginning stocks and a slowdown in feed consumption. MY 12/13 milling wheat consumption, however, is forecast up by one percent to 2.3 MMT, due to the continued strength of the Philippine economy and as a result of campaign-related spending on food leading up to national elections in May 2013.

Wheat (and wheat flour) imports in MY11/12 and TY 11/12 were pared down based on export data from the GTA. Noteworthy is the 78 percent increase in wheat flour imports from 92,000 MT in MY10/11 to 163,000 MT in MY11/12. Turkish flour accounted for 79 percent of overall wheat flour imports in MY11/12.

Wheat Philippines	2010/2011		2011/2012		2012/2013	
	Market Year Begin: Jul 2010		Market Year Begin: Jul 2011		Market Year Begin: Jul 2012	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	0	0	0	0	0	0
Beginning Stocks	645	645	675	675	931	859
Production	0	0	0	0	0	0
MY Imports	3,271	3,271	4,020	3,973	3,200	3,300
TY Imports	3,271	3,271	4,020	3,973	3,200	3,300
TY Imp. from U.S.	1,742	1,742	2,147	2,147	0	1,900
Total Supply	3,916	3,916	4,695	4,648	4,131	4,159
MY Exports	41	41	39	39	50	50
TY Exports	41	41	39	39	50	50
Feed and Residual	950	950	1,475	1,475	1,100	1,100
FSI Consumption	2,250	2,250	2,250	2,275	2,300	2,300
Total Consumption	3,200	3,200	3,725	3,750	3,400	3,400
Ending Stocks	675	675	931	859	681	709
Total Distribution	3,916	3,916	4,695	4,648	4,131	4,159

Corn:

High global corn prices in 2012 are expected to result in increased MY 12/13 domestic production. Adequate feedwheat stocks entering the year are also likely to have a dampening effect on import demand. As a result, Post forecasts MY12/13 imports will decline by 45 percent to 100,000 MT.

Corn imports in MY11/12 and TY11/12 were adjusted downwards based on partial GTA exporter reports.

Corn Philippines	2010/2011		2011/2012		2012/2013	
	Market Year Begin: Jul 2010		Market Year Begin: Jul 2011		Market Year Begin: May 2012	
	USDA	New	USDA	New	USDA	New Post

	Official	Post	Official	Post	Official	
Area Harvested	2,633	2,633	2,556	2,556	2,585	2,620
Beginning Stocks	559	559	692	692	622	604
Production	7,271	7,271	7,130	7,130	7,200	7,350
MY Imports	62	62	200	182	150	100
TY Imports	43	43	250	158	150	100
TY Imp. from U.S.	2	2	0	26	0	20
Total Supply	7,892	7,892	8,022	8,004	7,972	8,054
MY Exports	0	0	0	0	0	0
TY Exports	0	0	0	0	0	0
Feed and Residual	5,100	5,100	5,300	5,300	5,400	5,400
FSI Consumption	2,100	2,100	2,100	2,100	2,000	2,000
Total Consumption	7,200	7,200	7,400	7,400	7,400	7,400
Ending Stocks	692	692	622	604	572	654
Total Distribution	7,892	7,892	8,022	8,004	7,972	8,054

Rice:

Rice production estimates for MY11/12 were slightly raised based on the most recent grains report from the Philippine Bureau of Agricultural Statistics (BAS). BAS projects rice output at 17.8 MMT in CY2012. This is substantially lower than the 18.46 MMT target of the Philippine Department of Agriculture (DA) under its rice self-sufficiency road map.

MY12/13 overall rice imports (including undocumented shipments) are forecast to remain flat at 1.5 MMT as improved domestic production (under the Philippines' drive for rice self-sufficiency) offsets a slight uptick in consumption.

Rice, Milled Philippines	2010/2011		2011/2012		2012/2013	
	Market Year Begin: Jul 2010		Market Year Begin: Jul 2011		Market Year Begin: May 2012	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
	3.69456714			3.712601		3.74678112
Area Harvested	4,528	4,528	4,579	4,579	4,660	4,660
Beginning Stocks	3,520	3,520	2,459	2,459	1,809	1,819
Milled Production	10,539	10,539	10,700	10,710	11,000	11,000
Rough Production	16,729	16,729	16,984	17,000	17,460	17,460
Milling Rate (.9999)	6,300	6,300	6,300	6,300	6,300	6,300
MY Imports	1,300	1,300	1,500	1,500	1,500	1,500
TY Imports	1,200	1,200	1,500	1,500	1,500	1,500
TY Imp. from U.S.	6	6	0	0	0	0
Total Supply	15,359	15,359	14,659	14,669	14,309	14,319
MY Exports	0	0	0	0	0	0
TY Exports	0	0	0	0	0	0
Consumption and Residual	12,900	12,900	12,850	12,850	12,950	12,950
Ending Stocks	2,459	2,459	1,809	1,819	1,359	1,369
Total Distribution	15,359	15,359	14,659	14,669	14,309	14,319