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Date: 1/22/2016

GAIN Report Number: MO1600

Morocco

Post: Rabat

Grain and Feed Update - January 2016

Report Categories:

Grain and Feed

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Report Highlights:

For MY 2015/16, FAS Rabat revised post's estimate for wheat imports from 2.8 million MT to 3 million MT. This estimate is based on increasing demand as stocks have been drawn down. In addition, the MY 2016/17 season started under unfavorable conditions with a significant shortage in rainfall. With the current drought, wheat imports are expected to occur earlier in the year in anticipation of a smaller harvest next summer. Post maintains its estimate for barley imports at 0.2 million MT.

General Information:

Post revised its forecast for Morocco's MY2015/16 wheat imports from 2.8 million MT to 3 million MT based on the demand situation as stocks have been drawn down and the government has cut the import duty on soft wheat to ensure adequate supplies for the domestic market.

As of January 1, 2016, Morocco estimates total stock of soft wheat at 760,000, durum wheat at 105,000 MT, and barley at 102,000 MT. These stocks will cover domestic demand only through March, and consequently, imports are expected to rise. According to the trade, soft wheat imports will be between 2.8 MMT and 3.1 MMT. With this year's drought, imports are expected to increase earlier than anticipated.

The 2016/17 season started under very unfavorable conditions with a significant shortage in rainfall compared to an average year. Morocco dams cover only 15 percent of its agricultural land with rain fed agricultural production accounting for 85 percent.

On December 23, 2015, the Government of Morocco (GOM) reduced the import duties for bread wheat from 50 percent to 30 percent to ensure adequate supplies for the domestic market and to maintain a reference price target of 2,600 dirhams/MT (\$263).

On December 17, 2015, the Government of Morocco opened a tender for 360,000 MT of soft wheat and 315,000 MT of durum wheat under the U.S. Free Trade Agreement Tariff Rate Quota (TRQ). The Moroccan National Office of Cereals (ONICL) accepted one bid to import a total of 9,800 MT of soft wheat under this tender, and there were no bids for durum wheat.

Production, Supply and Demand:

Wheat, Morocco (Areas in 1,000 HA and Quantities in 1,000 MT)

Wheat	2014/2015			2015/2016		
Market Begin Year	Jun 2014			Jun 2015		
Morocco	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post
Area Harvested	3,060	3,060	3,060	3,200	3,200	3,200
Beginning Stocks	4,185	4,185	4,185	4,120	4,235	4,120
Production	5,100	5,100	5,100	8,000	8,000	8,000
MY Imports	4,073	4,200	4,073	2,800	2,800	3,000
TY Imports	4,073	4,200	4,073	2,800	-	3,000
TY Imp. from U.S.	10	10	10	-	-	9
Total Supply	13,358	13,485	13,358	14,920	15,035	15,129
MY Exports	238	250	238	250	250	250
TY Exports	224	250	222	250	250	250
Feed and Residual	400	400	400	800	800	800
FSI Consumption	8,600	8,600	8,600	9,000	9,000	9,000
Total Consumption	9,000	9,000	9,000	9,800	9,800	9,800
Ending Stocks	4,120	4,235	4,120	4,870	4,985	5,070
Total Distribution	13,358	13,485	13,358	14,920	15,035	15,120

Production, Supply and Demand:
Barley, Morocco (Areas in 1,000 HA and Quantities in 1,000 MT)

Barley	2013/2014		2014/2015		2015/2016	
Market Begin Year	Jul 2013		Jul 2014		Jul 2015	
Morocco	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	1,690	1,690	1,440	1,440	1,600	1,600
Beginning Stocks	189	189	976	976	376	376
Production	2,700	2,700	1,700	1,700	3,500	3,500
MY Imports	387	387	400	400	200	200
TY Imports	471	471	300	300	200	200
TY Imp. from U.S.	27	27	0	0	0	0
Total Supply	3,276	3,276	3,076	3,076	4,076	4,076
MY Exports	0	0	0	0	0	0
TY Exports	0	0	0	0	0	0
Feed and Residual	1,500	1,500	1,700	1,700	2,000	2,000
FSI Consumption	800	800	1,000	1,000	1,000	1,000
Total Consumption	2,300	2,300	2,700	2,700	3,000	3,000
Ending Stocks	976	976	376	376	1,076	1,076
Total Distribution	3,276	3,276	3,076	3,076	4,076	4,076

