

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Required Report - public distribution

Date: 9/23/2015

GAIN Report Number:

Philippines

Grain and Feed Update

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Report Highlights:

Post concurs with the official USDA estimates for wheat. Corn production and area harvested were pared down in MY14/15 and MY15/16 to reflect the effects of prolonged dryness brought about by the El Nino weather disturbance. MY15/16 feed corn demand was slightly reduced due to some shifting to feedwheat while no significant change is expected for food corn demand. As a result, corn imports are likely to decline from 580 thousand tons in MY14/15 to 500 thousand tons in MY15/16. For rice, area harvested was slightly pared down in MY14/15, while output raised based on the latest official estimates. MY15/16 rice output is likely to decline to 18.7 million tons paddy from 18.9 million tons the previous year due to the El Nino dry spell and as a result, rice imports are forecast to reach 2.0 million tons from 1.7 million tons in MY14/15.

Post:
Manila

Commodities:
Corn

Wheat

Rice, Milled

| Wheat Market Begin Year | 2013/2014 | | 2014/2015 | | 2015/2016 | |
|----------------------------|---------------|----------|---------------|----------|---------------|----------|
| | May 2013 | | May 2014 | | May 2016 | |
| Philippines | USDA Official | New Post | USDA Official | New Post | USDA Official | New Post |
| Area Harvested | 0 | 0 | 0 | 0 | 0 | 0 |
| Beginning Stocks | 876 | 876 | 781 | 781 | 1261 | 1261 |
| Production | 0 | 0 | 0 | 0 | 0 | 0 |
| MY Imports | 3482 | 3482 | 5100 | 5100 | 4800 | 4800 |
| TY Imports | 3482 | 3482 | 5100 | 5100 | 4800 | 4800 |
| TY Imp. from U.S. | 2070 | 2070 | 2269 | 2269 | 0 | 0 |
| Total Supply | 4358 | 4358 | 5881 | 5881 | 6061 | 6061 |
| MY Exports | 32 | 32 | 45 | 45 | 45 | 45 |
| TY Exports | 32 | 32 | 45 | 45 | 45 | 45 |
| Feed and Residual | 1250 | 1250 | 2100 | 2100 | 2300 | 2300 |
| FSI Consumption | 2295 | 2295 | 2475 | 2475 | 2600 | 2600 |
| Total Consumption | 3545 | 3545 | 4575 | 4575 | 4900 | 4900 |
| Ending Stocks | 781 | 781 | 1261 | 1261 | 1116 | 1116 |
| Total Distribution | 4358 | 4358 | 5881 | 5881 | 6061 | 6061 |
| | | | | | | |

(1000 HA) ,(1000 MT)

Post agrees with the USDA official estimates.

| Corn Market Begin Year | 2013/2014 | | 2014/2015 | | 2015/2016 | |
|---------------------------|---------------|----------|---------------|----------|---------------|----------|
| | Jul 2013 | | Jul 2014 | | May 2016 | |
| Philippines | USDA Official | New Post | USDA Official | New Post | USDA Official | New Post |
| Area Harvested | 2584 | 2584 | 2567 | 2561 | 2700 | 2530 |
| Beginning Stocks | 576 | 576 | 849 | 849 | 612 | 600 |
| Production | 7532 | 7532 | 7688 | 7671 | 8000 | 7645 |
| MY Imports | 741 | 741 | 575 | 580 | 500 | 500 |
| TY Imports | 803 | 803 | 550 | 580 | 500 | 500 |
| TY Imp. from U.S. | 56 | 56 | 0 | 0 | 0 | 0 |
| Total Supply | 8849 | 8849 | 9112 | 9100 | 9112 | 8745 |
| MY Exports | 0 | 0 | 0 | 0 | 0 | 0 |
| TY Exports | 0 | 0 | 0 | 0 | 0 | 0 |
| Feed and Residual | 5900 | 5900 | 6300 | 6300 | 6500 | 6400 |
| FSI Consumption | 2100 | 2100 | 2200 | 2200 | 2300 | 2200 |
| Total Consumption | 8000 | 8000 | 8500 | 8500 | 8800 | 8600 |
| Ending Stocks | 849 | 849 | 612 | 600 | 312 | 145 |
| Total Distribution | 8849 | 8849 | 9112 | 9100 | 9112 | 8745 |
| | | | | | | |

(1000 HA) ,(1000 MT)

Corn production and area harvested in MY14/15 were pared down slightly based on the latest crop estimates from the Philippine Statistical Authority (PSA). Corn imports in MY14/15 were raised slightly to account for higher than expected corn imports from Vietnam.

For MY15/16, corn area and output were again reduced, and are likely to decline from the previous year's level. Local weather experts predict dryness brought about by the El Nino weather disturbance to intensify starting third quarter of 2015 through early 2016.

Corn consumption in MY 15/16 was pared down due to reduced supply, which is leading to increased consumption of feedwheat and milling wheat as a substitute. Overall demand for feed grains, however, is still expected to modestly increase from the previous year's level, as meat production continues to grow.

| Rice, Milled Market Begin Year Philippines | 2013/2014 | | 2014/2015 | | 2015/2016 | |
|--|---------------|----------|---------------|----------|---------------|----------|
| | Jul 2013 | | Jul 2014 | | May 2016 | |
| | USDA Official | New Post | USDA Official | New Post | USDA Official | New Post |
| Area Harvested | 4800 | 4800 | 4709 | 4705 | 4700 | 4685 |
| Beginning Stocks | 1487 | 1487 | 1695 | 1695 | 2075 | 2110 |
| Milled Production | 11858 | 11858 | 11880 | 11915 | 12000 | 11800 |
| Rough Production | 18822 | 18822 | 18857 | 18913 | 19048 | 18730 |
| Milling Rate (.9999) | 6300 | 6300 | 6300 | 6300 | 6300 | 6300 |
| MY Imports | 1200 | 1200 | 1700 | 1700 | 1300 | 2000 |
| TY Imports | 1800 | 1800 | 1800 | 1800 | 1400 | 2000 |
| TY Imp. from U.S. | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Supply | 14545 | 14545 | 15275 | 15310 | 15375 | 15910 |
| MY Exports | 0 | 0 | 0 | 0 | 0 | 0 |
| TY Exports | 0 | 0 | 0 | 0 | 0 | 0 |
| Consumption and Residual | 12850 | 12850 | 13200 | 13200 | 13250 | 13250 |
| Ending Stocks | 1695 | 1695 | 2075 | 2110 | 2125 | 2660 |
| Total Distribution | 14545 | 14545 | 15275 | 15310 | 15375 | 15910 |
| | | | | | | |

(1000 HA) ,(1000 MT)

Rice production and area harvested in MY14/15 were adjusted based on the latest PSA data.

For MY15/16, production and area harvested are likely to decline from the previous year's level as a result of the El Nino dry spell. As a result, milled rice imports in TY and MY15/16 were raised to 2 million tons for a modest increase from the MY14/15 level. In early September 2015, the Philippine government (GPH) approved the importation of an additional 750,000 tons of milled rice for arrival in the last quarter of 2015 (250,000 tons) and the first quarter of 2016 (500,000 tons). The GPH very recently awarded the supply contract for 750,000 tons of milled rice to Vietnam and Thailand.