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Report Name: Grain and Feed Update

Country: Philippines

Post: Manila

Report Category: Grain and Feed

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Report Highlights:

There are no changes to rice and corn production and imports, nor wheat imports for MY 2023/24.

Executive Summary

There are no changes to rice production and imports, corn production, nor wheat imports for MY 2023/24.

The Philippine grain supply for food is expected to increase 3 percent for MY 2023/24 driven by rice and milling wheat. The Philippine energy supply in corn equivalent terms is forecasted to increase by 3 percent while the Philippine animal protein production is expected to increase by 2 percent.

Table 1: Philippine Grain Supply for Food (1000 MT)				
Commodity	MY 2021/22	MY 2022/23	MY 2023/24	%Δ
Total	20,800	21,100	21,800	3
Rice	15,400	16,100	16,500	2
Corn	2,100	2,100	2,100	0
Wheat	3,300	2,900	3,200	10

Source: FAS/Manila

Table 2: Philippine Energy Supply (1000 MT, Corn-Eq.)					
Commodity	Corn Equiv.	MY 2021/22	MY 2022/23	MY 2023/24	%Δ
Total		11,492	10,959	11,316	3
Corn	100%	6,800	7,100	7,200	1
Wheat	95%	3,325	2,660	2,945	11
Cassava	50%	703	718	730	2
Barley	100%	498	300	200	-33
DDGS	85%	139	153	213	39
Sorghum	95%	28	29	29	0

Source: FAS/Manila

Table 3: Philippine Animal Protein Production, (1000 MT)				
Commodity	MY 2021/22	MY 2022/23	MY 2023/24	%Δ
Total	3,780	3,838	3,912	2
Chicken	1,388	1,443	1,455	1
Pork (CWE)	973	925	937	1
Aquaculture*	721	750	780	4
Chicken Eggs	698	720	740	3

Sources: FAS/Manila (pork); PSA (chicken, chicken eggs and aquaculture);

*Aquaculture includes milkfish, tilapia, and shrimp.

Rice

Production, Supply, and Distribution

Table 4: Rice, Milled Market Year Begins	2021/2022		2022/2023		2023/2024	
	Jul 2021		Jul 2022		Jul 2023	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Philippines						
Area Harvested (1000 HA)	4802	4802	4850	4850	4800	4800
Beginning Stocks (1000 MT)	2363	2363	3103	3110	3503	3510
Milled Production (1000 MT)	12540	12540	12600	12600	12600	12600
Rough Production (1000 MT)	19905	19905	20000	20000	20000	20000
Mill. Rate (.9999) (1000 MT)	6300	6300	6300	6300	6300	6300
MY Imports (1000 MT)	3600	3607	3900	3900	3800	3800
TY Imports (1000 MT)	3800	3777	3900	3900	3800	3800
TY Imp. U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	18503	18510	19603	19610	19903	19910
MY Exports (1000 MT)	0	0	0	0	0	0
TY Exports (1000 MT)	0	0	0	0	0	0
Cons. and Res. (1000 MT)	15400	15400	16100	16100	16500	16500
Ending Stocks (1000 MT)	3103	3110	3503	3510	3403	3410
Total Distribution (1000 MT)	18503	18510	19603	19610	19903	19910
Yield (Rough) (MT/HA)	4.1451	4.1451	4.1237	4.1237	4.1667	4.1667

(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 2023/2024 = January 2024 - December 2024

Production

FAS Manila maintains forecasts of milled rice production and imports for MY 2023/24 in line with USDA Official. The Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA) declared the start of El Niño on July 4, 2023. According to PAGASA, while El Niño increases the likelihood of below-normal rainfall conditions, above-normal rainfall conditions during the southwest monsoon season may also be expected over the western part of the country, thereby mitigating the effects on production.

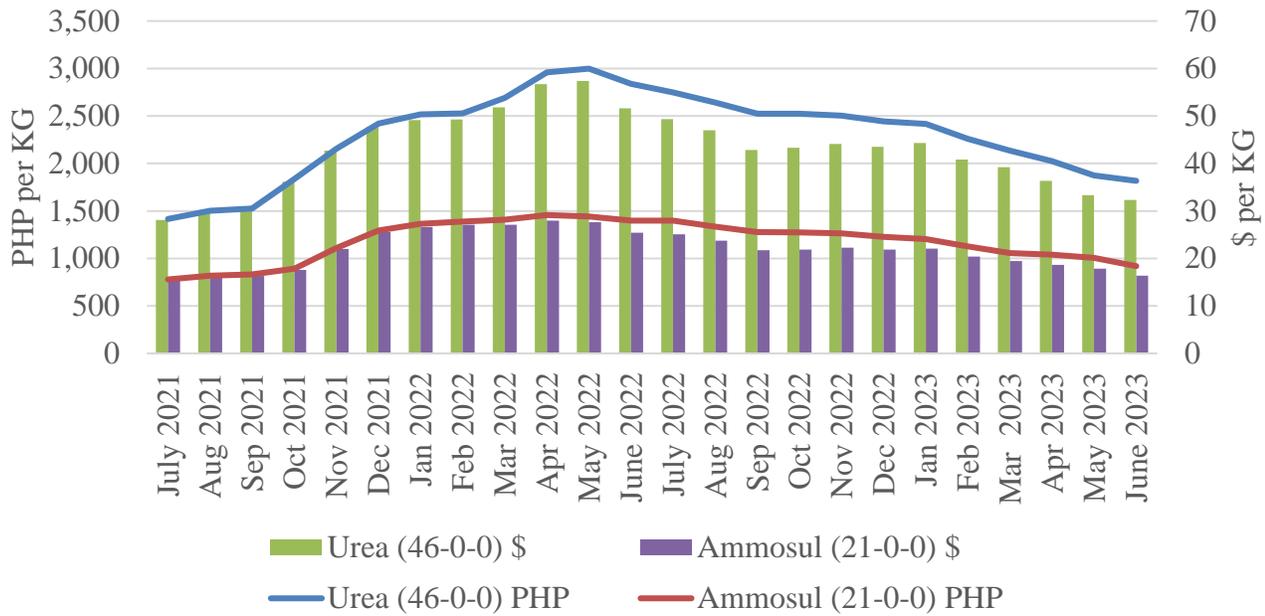
Fertilizer price data, meanwhile, from the Fertilizer and Pesticides Authority shows fertilizer prices cooling off since May 2022, although still high compared to two years ago levels.

From MY 2022/23 July to January, the total nitrogen content imported was 25,299,423 (18,650,424 nitrogen content from Urea + 6,648,999 nitrogen content from Ammonium Sulfate). This represents a drop of 7 percent from the previous level of 27,180,483 nitrogen content (19,209,324 nitrogen content from Urea + 7,971,159 nitrogen content from Ammonium Sulfate).

Table 5: Philippine Rice Regional Rough Production (MT)				
Region	MY 2021/22	MY 2021/22 (Jul to Mar)	MY 2022/23 (Jul to Mar)	%Δ
Philippines	19,903,981	15,701,566	15,791,510	1
Central Luzon	3,908,219	2,773,331	2,576,054	-7
Cagayan Valley	2,884,287	1,939,074	2,024,272	4
Western Visayas	2,319,209	2,184,591	2,207,707	1
Ilocos Region	1,902,164	1,719,407	1,779,205	3
Bicol Region	1,337,310	974,740	959,727	-2
SOCCSKSARGEN	1,259,533	1,168,048	1,171,497	0
MIMAROPA	1,216,284	996,914	1,011,718	1
Eastern Visayas	829,450	672,040	680,770	1
BARMM	825,485	707,006	710,286	0
Northern Mindanao	793,206	646,654	671,157	4
Zamboanga Peninsula	635,489	554,039	606,987	10
Davao Region	486,690	399,301	412,411	3
Caraga	473,835	212,614	274,155	29
CALABARZON	419,466	281,401	251,817	-11
CAR	367,070	257,964	228,785	-11
Central Visayas	246,285	214,442	224,961	5

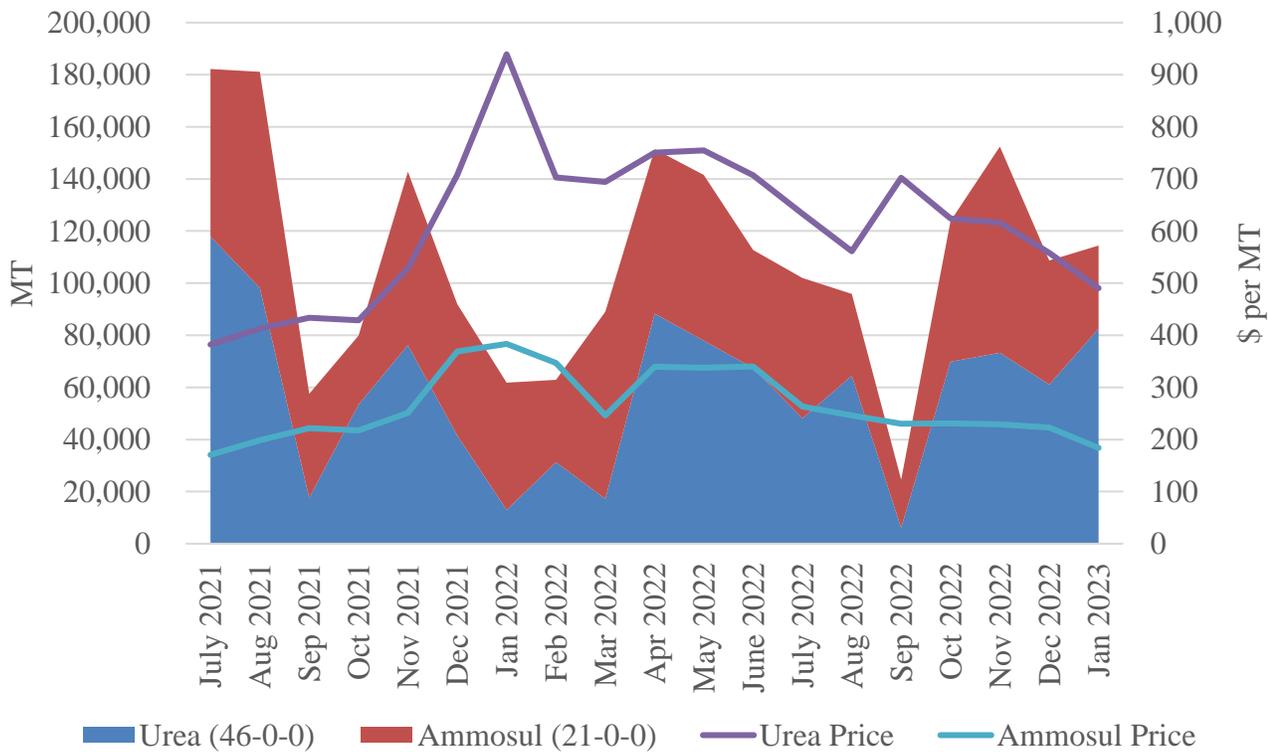
Source: [Philippine Statistics Authority \(PSA\)](#)

Figure 1: Fertilizer Retail Prices per 50 KG Bag



Source: [Fertilizer and Pesticides Authority](#)

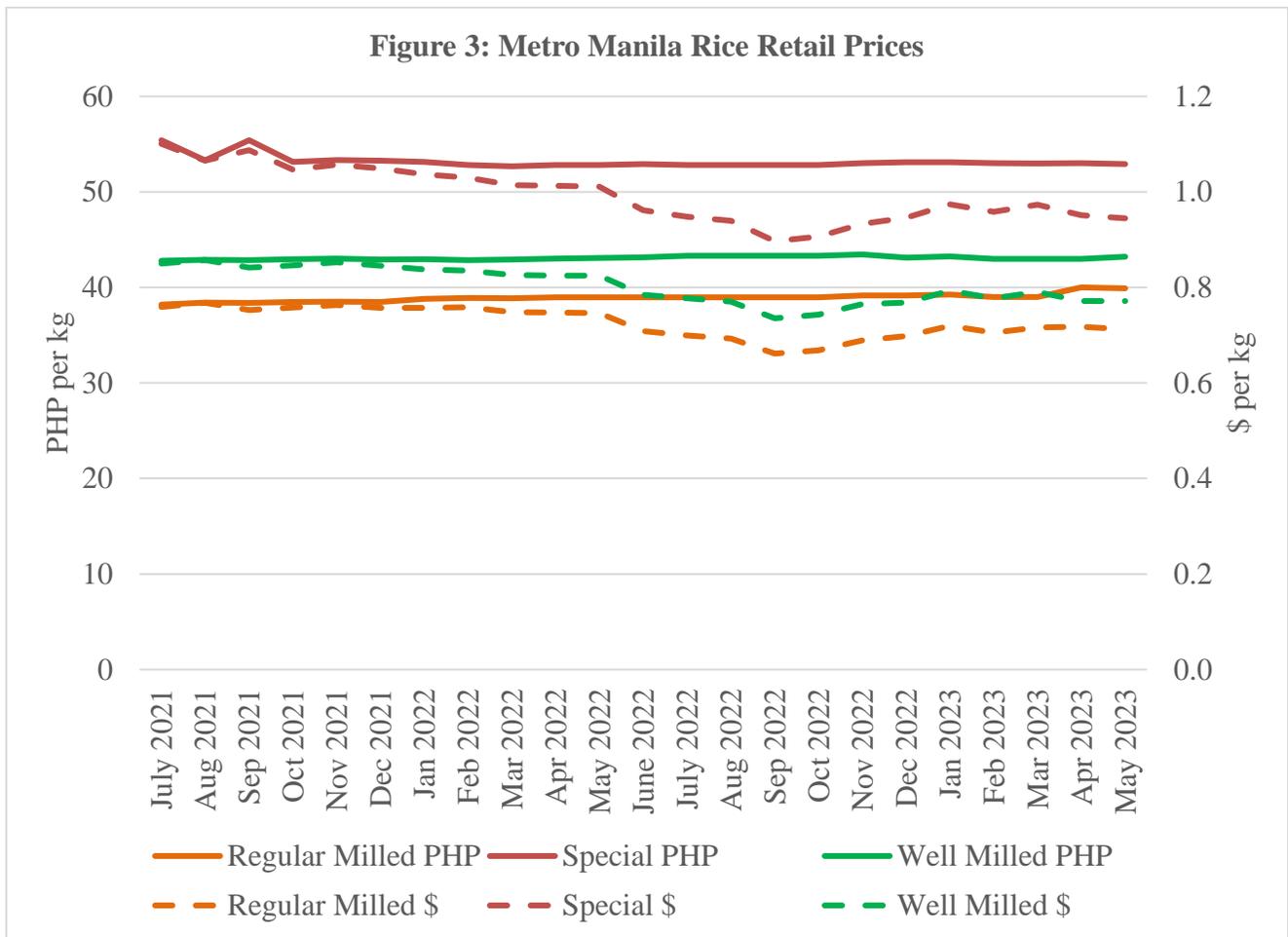
Figure 2: Philippine Fertilizer Imports from World



Source: Trade Data Monitor, LLC (Urea, 310210; and Ammosul, 310221)

Consumption

FAS Manila maintains rice consumption for MY 2023/24, MY 2022/23, and MY 2021/22 in line with USDA Official.



Source: [Philippine Statistics Authority](#)

The Department of Agriculture-Bureau of Agriculture and Fisheries Standards' Philippine National Standard on Grains – Grading and classification – Paddy and milled rice (PNS/BAFS 290:2019) defined the following:

- Regular milled rice - rice kernel from which the hull, the germ, the outer bran layers and the greater part of the inner bran layers have been removed but parts of the lengthwise streaks of the bran layers remain in 20 to 40 percent of the kernels;
- Well milled rice - rice kernels from which the hull, the germ, the outer bran layers and the greater part of the inner bran layers have been removed, but parts of the lengthwise streaks of the bran layers remain in less than 20 percent of the kernels;
- Special rice - rice variety (traditional or modern) possessing any special quality such as glutinous, aromatic, pigmented, japonica, and micronutrient-dense rice. It includes those varieties with excellent eating and nutritive quality.

Stocks

FAS Manila increased ending stocks for MY 2023/24, MY 2022/23, and MY 2021/22 to reflect an adjustment in rice imports in MY 2021/22.

Trade

FAS Manila maintains MY 2023/24 rice imports in line with USDA Official. The MY 2021/22 rice import figure was adjusted upward in line with historical trade data. Trade data showed an increase of 18 percent for MY 2022/23 July to April as compared to the previous period. TY 2021/22 was also updated based on historical trade data.

According to FAS Vietnam, the following Vietnamese rice entered the Philippines for MY 2022/23 (July to April): 5 percent broken (53 percent); Jasmine (26 percent); 15 percent broken (8 percent); 25 percent broken (7 percent); glutinous (3 percent); 100 percent broken (2 percent). Small amounts of 10 percent broken and uncategorized also came in from Vietnam.

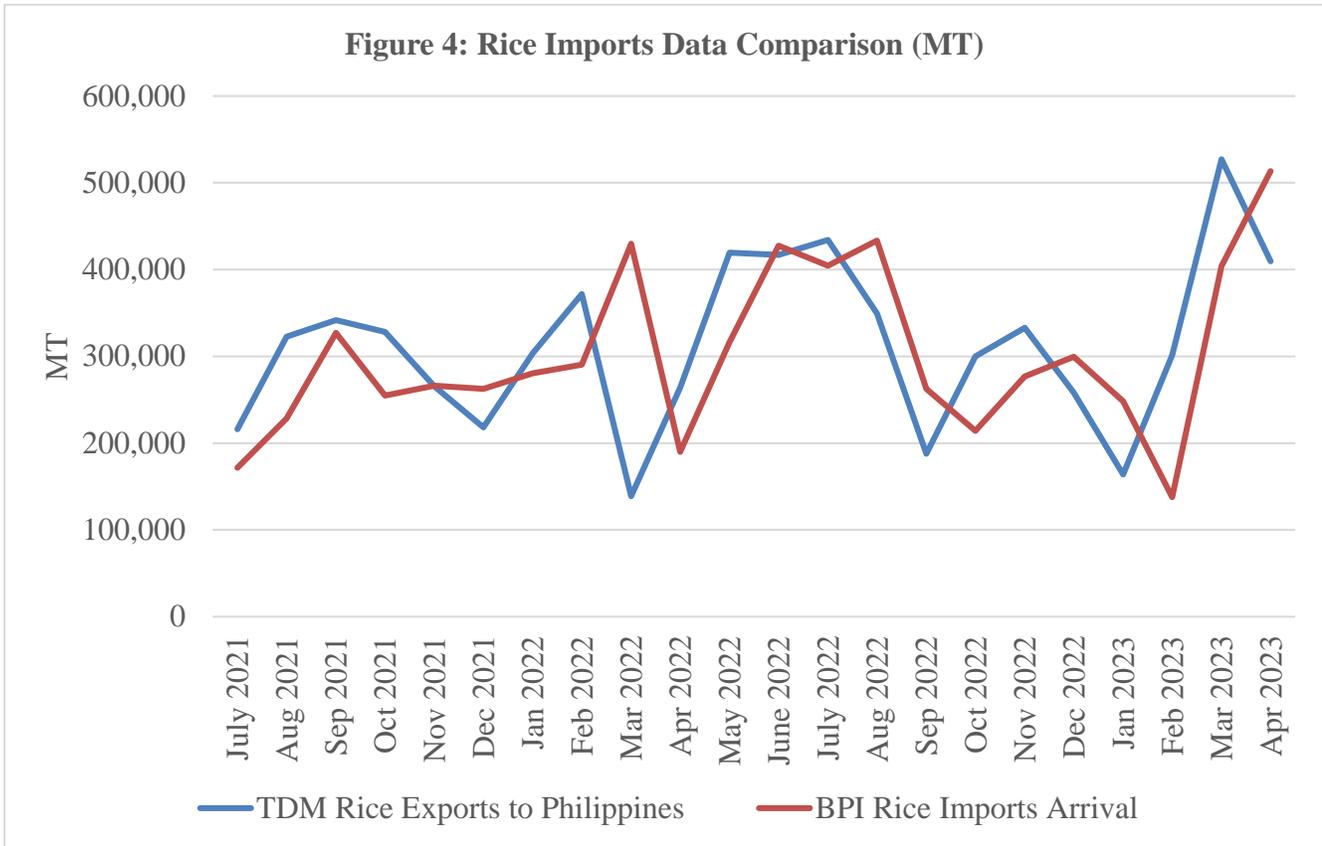
Based on FAS Manila data, HS codes used for imported white rice 5 percent broken were 1006309910, 1006309920, 1006409010, and 1006409020. For Jasmine rice, HS codes used were 1006304020 and 1006309920. For white rice 15 percent broken, the HS codes used were 1006309910, 1006309920, 1006409010, and 1006409020. For white rice 25 percent broken, the HS codes used were 1006309910, 1006309920, and 1006409010. And for glutinous rice, 1006303010 and 1006303020.

Table 6: Rice Exports to the Philippines (MT)

Reported	MY 2021/22	MY 2021/22 (Jul to Apr)	MY 2022/23 (Jul to Apr)	%Δ
Total	3,606,784	2,770,454	3,276,576	18
Vietnam	2,990,677	2,287,840	2,885,057	26
Myanmar	263,091	208,104	157,090	-25
Thailand	198,266	157,256	132,807	-16
Pakistan	87,441	61,148	71,304	17
India	26,067	15,035	15,611	4
China	23,665	23,573	11,397	-52
Others	17,577	17,498	3,310	-81

Sources: Trade Data Monitor, LLC; FAS Ho Chi Minh

Figure 4: Rice Imports Data Comparison (MT)



Sources: [Department of Agriculture-Bureau of Plant Industry](#); Trade Data Monitor, LLC; FAS Vietnam

Wheat

Production, Supply, and Distribution

Table 7: Wheat Market Year Begins	2021/2022		2022/2023		2023/2024	
	Jul 2021		Jul 2022		Jul 2023	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Philippines						
Area Harvested (1000 HA)	0	0	0	0	0	0
Beginning Stocks (1000 MT)	1330	1330	1346	1324	1226	1054
Production (1000 MT)	0	0	0	0	0	0
MY Imports (1000 MT)	6886	6864	6200	5500	6500	6500
TY Imports (1000 MT)	6886	6864	6200	5500	6500	6500
TY Imp. from U.S. (1000 MT)	2685	2685	0	0	0	0
Total Supply (1000 MT)	8216	8194	7546	6824	7726	7554
MY Exports (1000 MT)	70	70	70	70	0	0
TY Exports (1000 MT)	70	70	70	70	0	0
Feed and Residual (1000 MT)	3500	3500	3100	2800	3100	3100
FSI Consumption (1000 MT)	3300	3300	3150	2900	3200	3200
Total Consumption (1000 MT)	6800	6800	6250	5700	6300	6300
Ending Stocks (1000 MT)	1346	1324	1226	1054	1426	1254
Total Distribution (1000 MT)	8216	8194	7546	6824	7726	7554
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 2023/2024 = July 2023 - June 2024

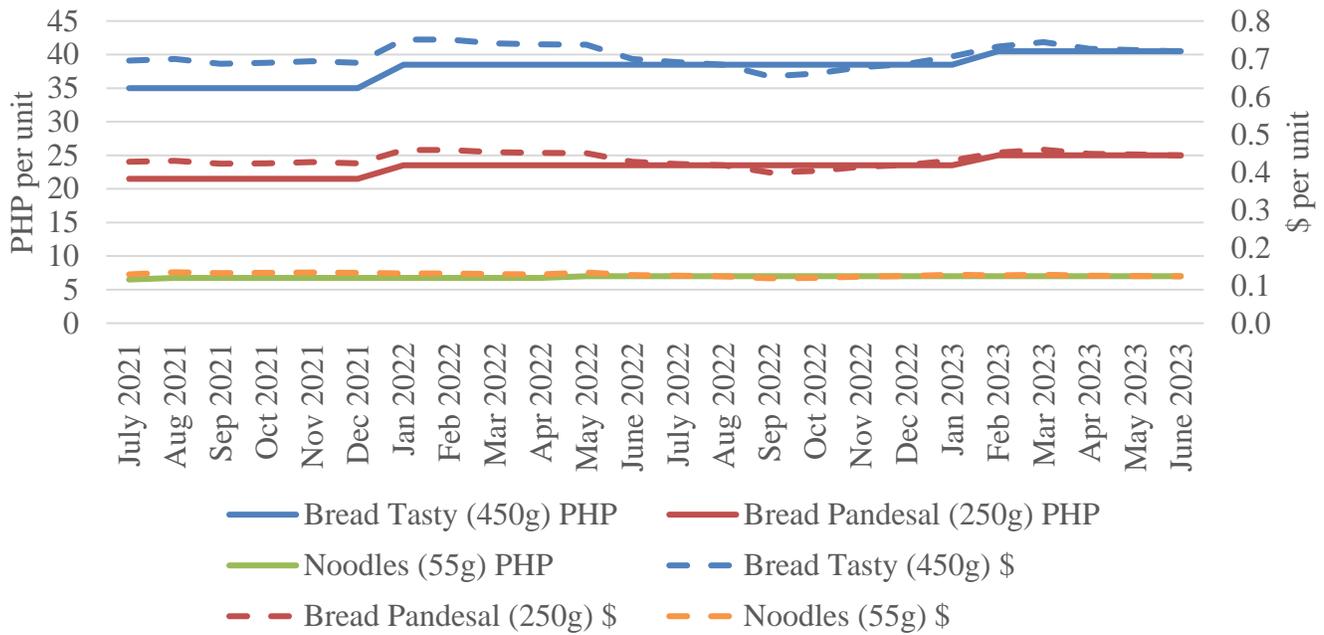
Consumption

FAS Manila maintains the food and feed consumption for MY 2023/24 in line with USDA Official. For MY 2022/23, food consumption was lowered compared to USDA Official because of lower demand as observed by industry contacts for the year in question. Feed consumption was also lowered because of ASF outbreaks that year in areas in the Visayas (Negros Oriental and Aklan).

Stocks

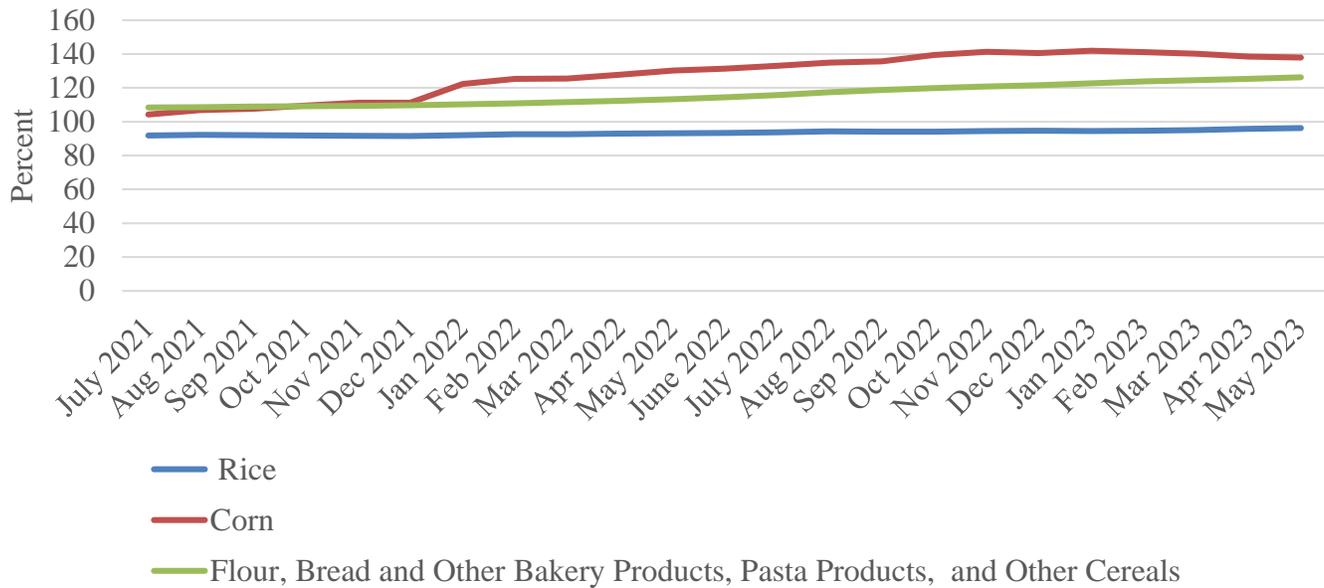
FAS Manila lowered ending stocks because of downward adjustment in imports for MY 2021/22 and MY 2022/23. Milling wheat industry contacts reported they maintained inventory from 30 to 45 days (around 775,000 MT) while feed milling industry contacts reported inventories of 2½ to 3 months (almost 400,000 MT). Figure 5 shows the continuing rise in the government's official Suggested Retail Prices (SRP) for bread and noodles, while Figure 6 shows the continuing rise of the consumer price index of flour and flour-based products compared to rice.

Figure 5: Suggested Retail Prices of Bread and Noodles



Source: [Department of Trade and Industry](#)

Figure 6: Consumer Price Index for All Income Households by Commodity Group (2018=100)



Source: [Philippine Statistics Authority](#)

Trade

FAS Manila maintains wheat imports for MY 2023/24 in line with USDA Official. FAS Manila lowered MY 2022/23 wheat imports in line with historical trade data. MY 2022/23 July through April wheat exports reflected a drop of 21 percent. Based on SPSIC applications with the Bureau of Plant Industry (BPI), there was a drop of 48 percent in the number of applications from MY2021/22 July to May to MY2022/23 (1,901 vs. 980). The volume applied for also dropped 38 percent (9,094,257 MT vs. 5,593,077 MT). A Sanitary and Phytosanitary Import Clearance (SPSIC) is issued if an agricultural product like wheat does not pose food safety/disease risk to the Philippines. While SPSIC applications do not necessarily translate to 100 percent arrival, they are a key indicator of willingness to import wheat.

The United States has traditionally been the leading exporter to the Philippine milling wheat industry with a 96 percent market share (MY 2020/21). The average landed price during this period was about \$261 per MT. Recent trade data showed the U.S. market share went down to 72 percent (MY 2022/23 July to February). Industry contacts mentioned the higher price of U.S. milling wheat as the reason. Industry contacts added they are more concerned with competition from Canada in milling wheat as opposed to Australia based on quality considerations. There are still flour milling companies which use 100 percent U.S. milling wheat, though.

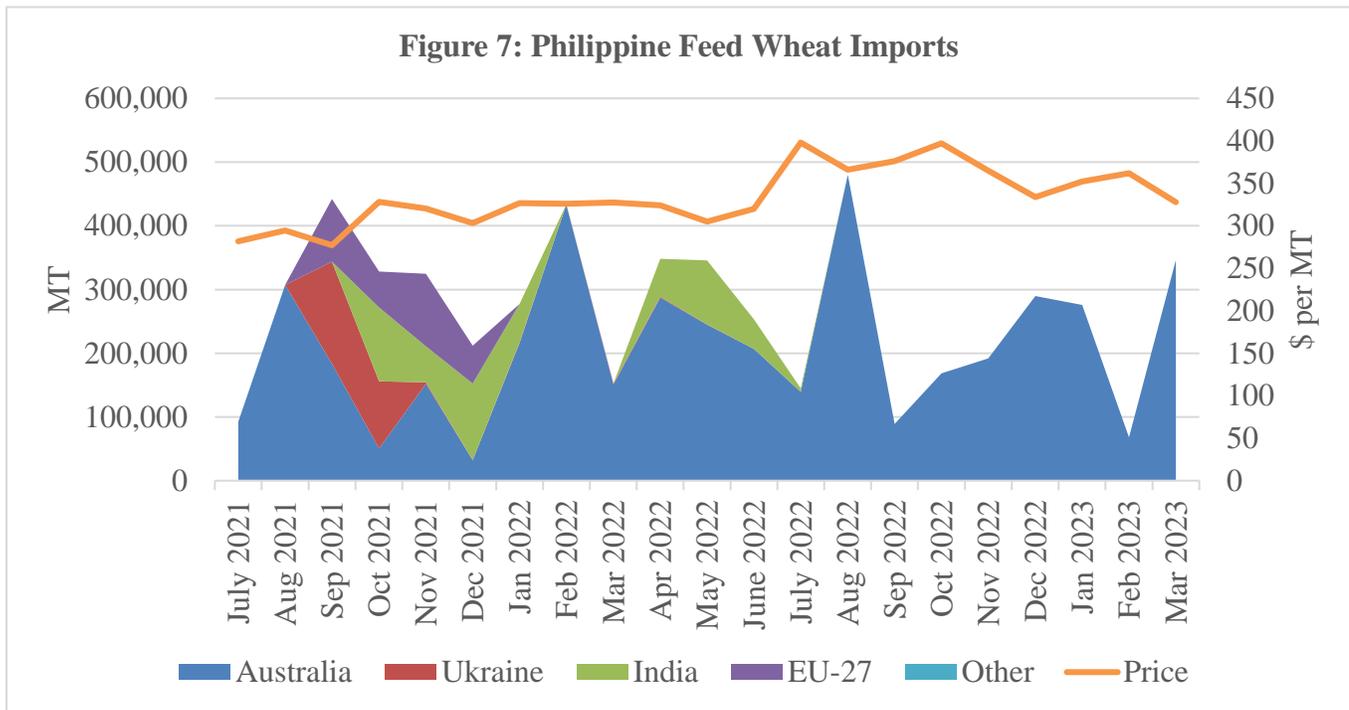
Reporter	Tariff Rate	MY 2021/22	MY 2021/22 (Jul to Apr)	MY 2022/23 (Jul to Apr)	%Δ
Total		6,863,991	5,949,476	4,710,355	-21
US	Milling Wheat: 0	2,683,719	2,302,043	1,608,119	-30
Australia	Milling Wheat: 0 Feed Wheat: 0	2,532,894	2,185,929	2,626,307	20
Ukraine	Feed Wheat: 7	413,878	413,878	0	-100
EU-27	Feed Wheat: 7	334,039	332,941	5,403	-98
India	Feed Wheat: 0	548,619	382,980	470	-100
Canada	Milling Wheat: 0	248,933	248,932	393,212	58
Others		101,909	82,773	76,844	-7

Sources: Trade Data Monitor, LLC; [Tariff Commission](#)

Based on milling wheat trade import data for MY 2022/23 (July to March), there was a decline of 10 percent compared to the previous marketing year. U.S. milling wheat exports declined by 21 percent. Australia and Canada took advantage with increases in milling wheat exports with 641 percent and 11 percent increases, respectively. The greater percentage of milling wheat allowed Australia to overtake Canada. The price of the U.S. milling wheat is still high compared to the two key competitors.

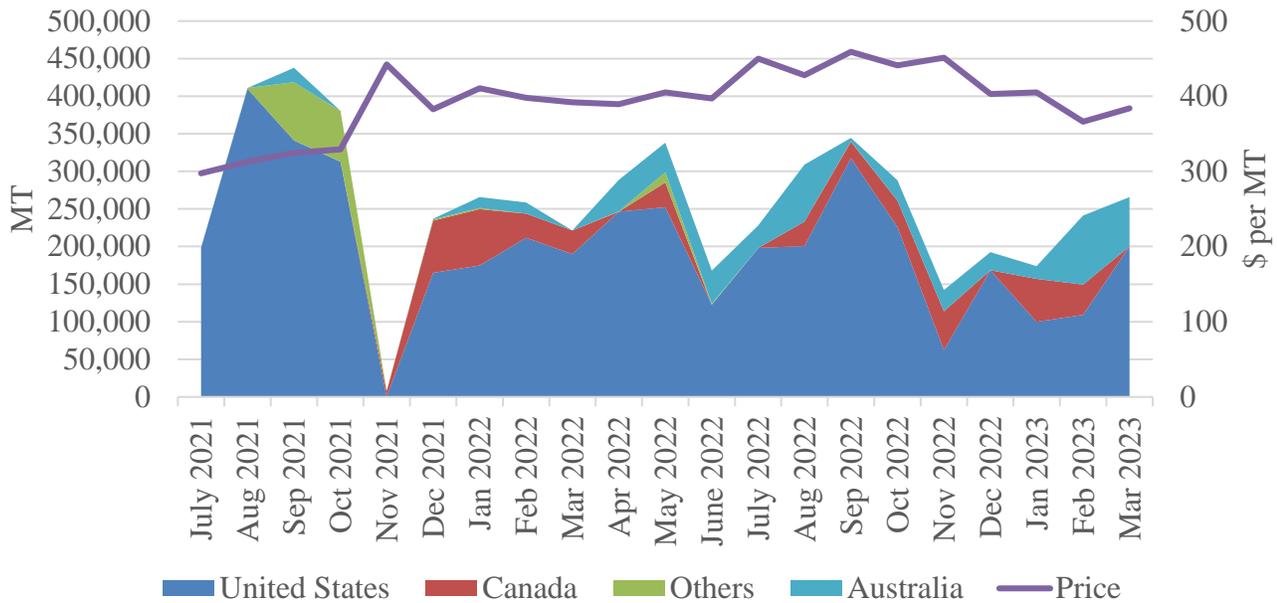
On the feed wheat side trade import data for MY 2022/23 (July to March), there was a decline of 20 percent. Only Australia managed to post positive export growth of 27 percent, while there were significant declines from India and Europe.

Wheat flour imports (although miniscule as compared to the overall wheat trade) managed to post a 57 percent increase for MY 2022/23 (July to March). Major gainers were Vietnam, Turkey, and Taiwan with 75 percent, 19 percent, and 27 percent increases, respectively.



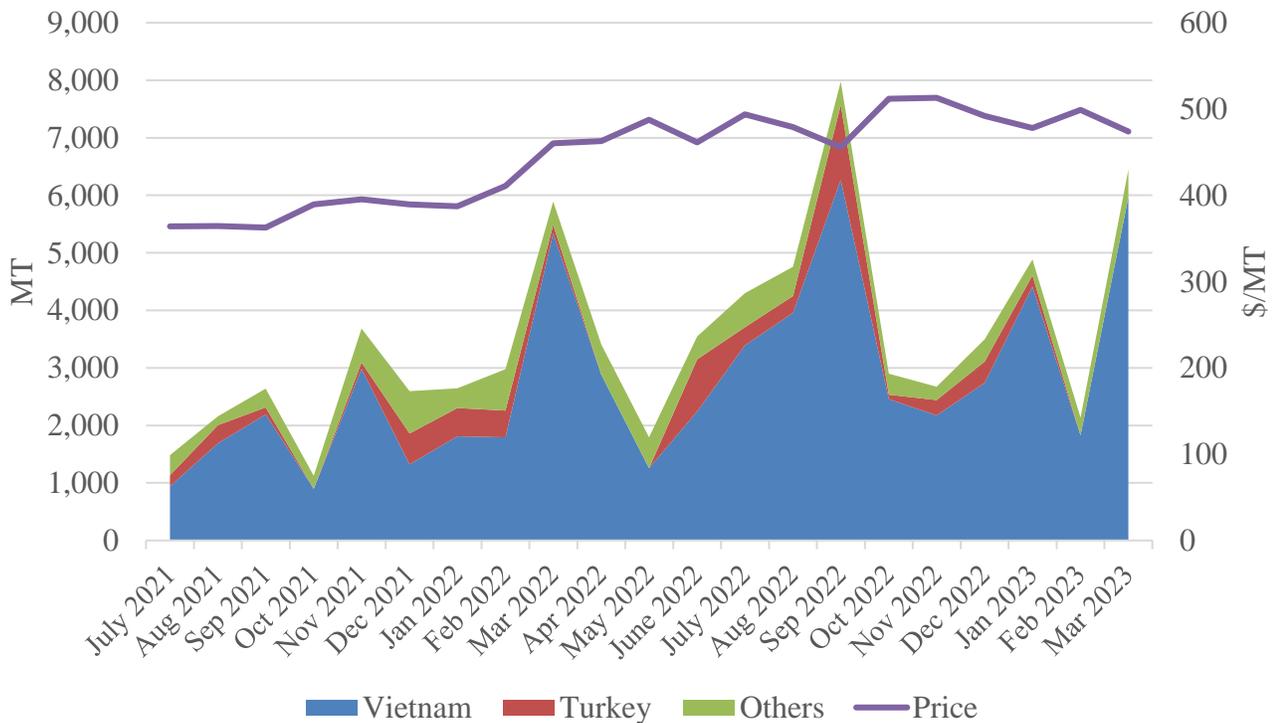
Source: Trade Data Monitor, LLC; (HS: 10019999, 10019990, and 10019099)

Figure 8: Philippine Milling Wheat Imports



Source: Trade Data Monitor, LLC;
(HS: 100110, 10019019, 10019091, 100111, 100119, 100191, and 10019919)

Figure 9: Philippine Wheat Flour Imports



Source: Trade Data Monitor, LLC; (HS: 100100)

Table 9: BPI SPSIC Issued and Volume Applied for Wheat Per Month				
Month	MY 2021/22 SPSIC Issued	MY 2021/22 Volume Applied	MY 2022/23 SPSIC Issued	MY 2022/23 Volume Applied
Total	2,025	9,742,278	980	5,593,077
July	243	1,321,783	56	323,924
August	145	924,974	98	509,082
September	166	660,309	103	597,284
October	148	1,001,307	26	206,835
November	147	449,347	45	226,467
December	210	1,289,824	87	578,645
January	201	812,730	97	605,926
February	146	775,509	97	611,168
March	215	93,221	136	654,783
April	158	924,727	96	494,759
May	122	840,526	139	784,204
June	124	648,021		

Source: Bureau of Plant Industry- National Plant Quarantine Services Division

Corn

Production, Supply, and Distribution

Table 10: Corn Market Year Begins Philippines	2021/2022		2022/2023		2023/2024	
	Jul 2021		Jul 2022		Jul 2023	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	2562	2562	2500	2500	2570	2570
Beginning Stocks (1000 MT)	429	429	473	473	473	473
Production (1000 MT)	8344	8344	8300	8300	8400	8400
MY Imports (1000 MT)	600	600	900	900	800	800
TY Imports (1000 MT)	689	689	900	900	750	750
TY Imp. from U.S. (1000 MT)	7	10	0	0	0	0
Total Supply (1000 MT)	9373	9373	9673	9673	9673	9673
MY Exports (1000 MT)	0	0	0	0	0	0
TY Exports (1000 MT)	0	0	0	0	0	0
Feed and Residual (1000 MT)	6800	6800	7100	7100	7200	7200
FSI Consumption (1000 MT)	2100	2100	2100	2100	2100	2100
Total Consumption (1000 MT)	8900	8900	9200	9200	9300	9300
Ending Stocks (1000 MT)	473	473	473	473	373	373
Total Distribution (1000 MT)	9373	9373	9673	9673	9673	9673
Yield (MT/HA)	3.2568	3.2568	3.32	3.32	3.2685	3.2685

(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 2023/2024 = October 2023 - September 2024

Production

FAS Manila maintains forecasts of local corn production for MY 2023/24, MY 2022/23, and MY 2021/22 in line with USDA Official.

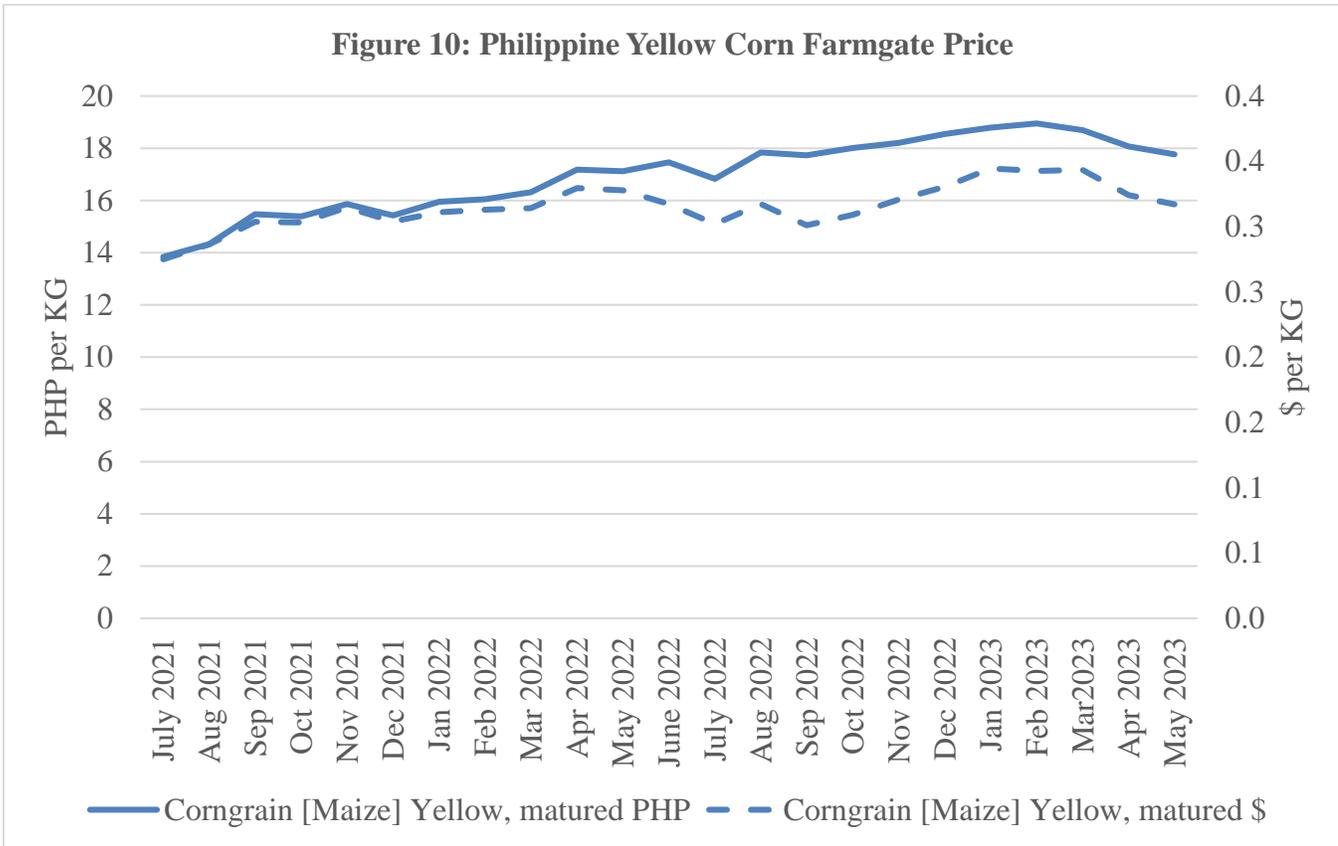
Table 11: Philippine Yellow Corn Regional Production (MT)				
Region	MY 2021/22	MY 2021/22 (Jul to Mar)	MY 2022/23 (Jul to Mar)	%Δ
Philippines	6,094,838	4,923,152	5,003,103	2
Cagayan Valley	1,919,679	1,455,562	1,525,016	5
Northern Mindanao	943,656	883,621	924,528	5
SOCCSKSARGEN	848,916	765,020	782,992	2
Ilocos Region	537,158	379,020	373,777	-1
BARMM	534,361	458,138	460,174	0
Western Visayas	277,890	257,158	237,272	-8
Central Luzon	262,950	153,408	154,237	1
Bicol Region	220,798	138,301	138,559	0
CAR	201,985	151,100	124,712	-17
MIMAROPA	105,467	73,139	93,562	28
Caraga	81,997	74,237	63,902	-14
Davao Region	71,182	55,704	56,316	1
CALABARZON	41,231	36,656	32,552	-11
Zamboanga Peninsula	34,934	31,393	26,351	-16
Central Visayas	6,491	5,824	4,398	-24
Eastern Visayas	6,143	4,870	4,757	-2

Source: [Philippine Statistics Authority](#)

Table 12: Philippine White Corn Regional Production (MT)				
Region	MY 2021/22	MY 2021/22 (Jul to Mar)	MY 2022/23 (Jul to Mar)	%Δ
Philippines	2,249,178	1,936,223	1,845,691	-5
BARMM	613,752	505,778	497,468	-2
Northern Mindanao	511,561	466,361	464,228	0
SOCCSKSARGEN	219,131	199,218	179,559	-10
Davao Region	207,210	164,955	162,771	-1
Zamboanga Peninsula	174,745	158,220	139,054	-12
Central Visayas	95,585	90,994	89,642	-1
Western Visayas	85,012	74,574	72,963	-2
Bicol Region	70,560	60,786	57,045	-6
Eastern Visayas	57,389	40,948	36,313	-11
Caraga	55,401	50,962	34,395	-33
Ilocos Region	46,439	34,337	34,881	2
Central Luzon	38,471	27,338	24,522	-10
CALABARZON	24,645	22,164	18,088	-18
CAR	18,441	18,137	16,282	-10
Cagayan Valley	18,177	12,447	10,445	-16
MIMAROPA	12,660	9,005	8,034	-11

Source: Philippine Statistics Authority

Figure 10: Philippine Yellow Corn Farmgate Price



Source: [Philippine Statistics Authority](#)

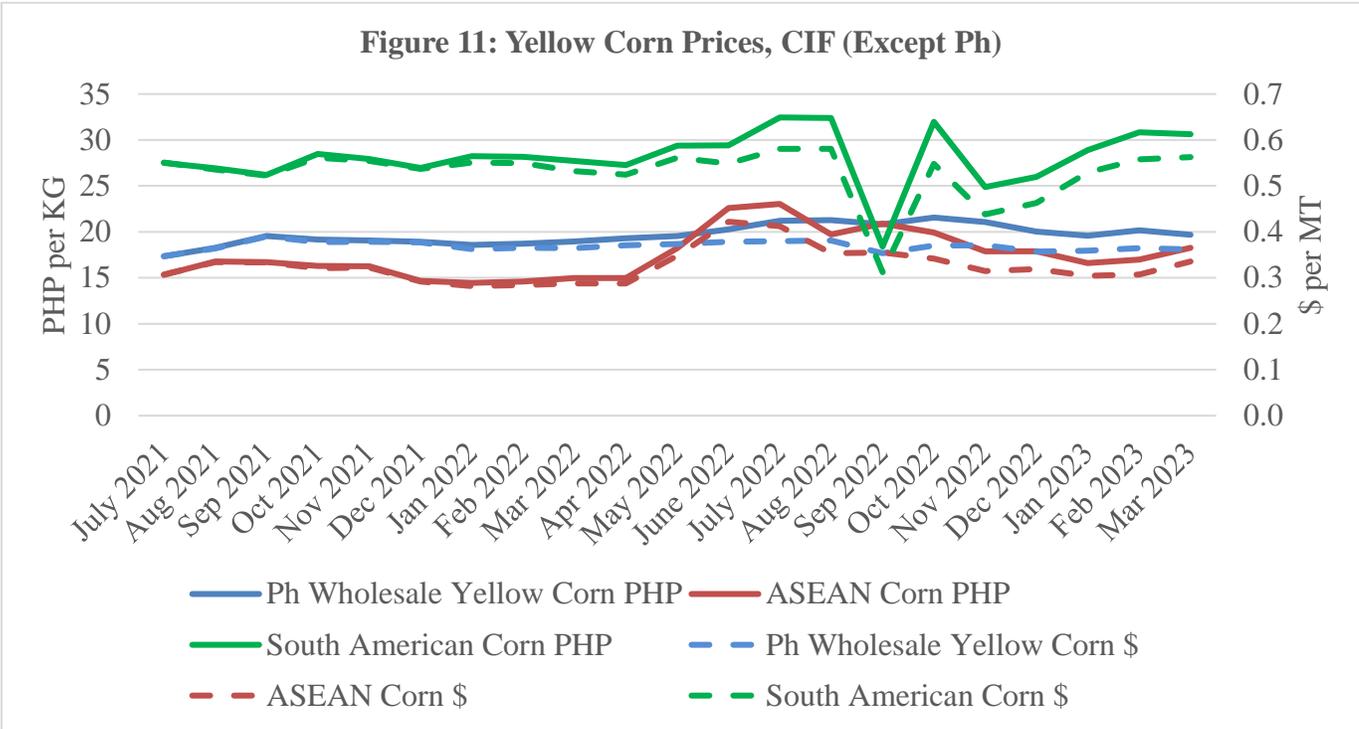
Consumption

Corn for feed and food forecast were maintained in line with USDA Official.

Stocks

FAS Manila maintains forecasts of stocks for MY 2023/24, MY 2022/23, and MY 2021/22 in line with USDA Official.

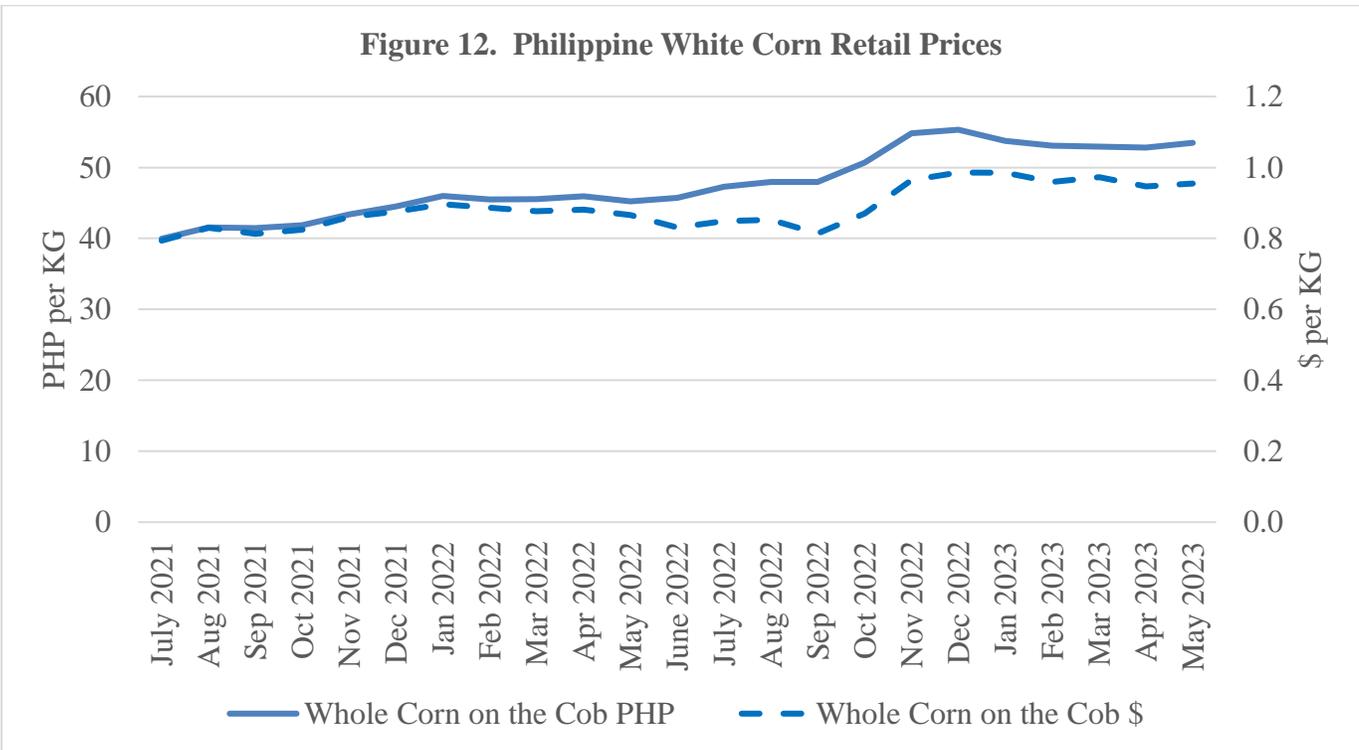
Figure 11: Yellow Corn Prices, CIF (Except Ph)



Sources: Philippine Statistics Authority; Trade Data Monitor, LLC

Note: Prices are in CIF except for Philippine corn (wholesale)

Figure 12. Philippine White Corn Retail Prices



Source: [Philippine Statistics Authority](#)

Trade

FAS Manila maintains forecasts of MY 2023/24 corn imports in line with USDA Official. For MY 2022/23, South American and Indonesian corn emerged as key factors. Indonesia benefitted from sudden excess production and low domestic demand for corn for MY 2022/23 (which was non-existent in previous years). Argentina and Brazil took advantage of the low corn tariff rate. Industry contacts mentioned that a big feed miller recently bought a vessel of Argentinian corn at \$250 per MT CNF.

Reporter	Tariff Rate until 12/31/23	Tariff Rate on 01/01/2024	MY 2021/22	MY 2021/22 (Jul to Apr)	MY 2022/23 (Jul to Apr)	%Δ
Total			600,705	576,344	870,621	51
Myanmar	5	5	400,888	381,188	254,559	-33
Vietnam	5	5	129,649	129,163	79,762	-38
Thailand	5	5	45,938	45,878	226	-100
US	5/15	35/50	9,897	7,825	6,819	-13
Argentina	5/15	35/50	9,988	8,032	80,354	900
India	5/15	35/50	1,678	1,674	2,765	65
Indonesia	5	5	0	-	206,900	-
Brazil	5/15	35/50	211	211	237,204	112,319
Others			2,456	2,373	2,032	-14

Source: Trade Data Monitor, LLC; BOC Data for March and April 2023

Month	MY 2021/22 SPSIC Issued	MY 2021/22 Volume Applied	MY 2022/23 SPSIC Issued	MY 2022/23 Volume Applied
Total	871	1,185,612	1,004	943,292
July	20	29,266	31	35,626
August	49	69,568	148	168,057
September	132	199,997	188	424,188
October	110	202,716	116	95,616
November	152	279,572	111	133,732
December	133	180,756	127	106,038
January	49	69,144	99	95,330
February	39	23,210	101	71,735
March	51	14,469	68	20,192
April	31	15,655	54	21,840
May	56	15,687	88	66,372
June	49	85,572		

Source: Department of Agriculture-Bureau of Plant Industry

Barley

FAS Manila forecasts lower barley imports for MY 2023/24 compared to the previous marketing year because animal nutritionists are still uncomfortable using barley in feed formulations. During the record year of barley imports, the main consideration was price. In Figure 11, barley prices fell 20 percent in January 2023 compared to the previous month (PHP20 to PHP16 per kg landed cost), which contributed a bit to its resurgence. FAS Manila, however, believes it will not reach its highest MY 2021/22 figure as per discussion with industry contacts.

Reporter	Tariff Rate	MY 2021/22	MY 2021/22 (Jul to Apr)	MY 2022/23 (Jul to Apr)	%Δ
Total		498,381	480,755	295,568	-39
Australia	0	498,344	480,718	295,561	-39
Others		37	37	7	-81

Source: Trade Data Monitor, LLC

Attachments:

No Attachments