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# Bangladesh

# Grain and Feed Update

# July 2013

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**Report Highlights:**
Marketing year 2013/14 rice planting is progressing under favorable rainfall and soil moisture conditions and the recently harvested wheat crop is estimated eight percent higher based on favorable ripening and harvest conditions. Marketing year 2012/13 and 2011/12 wheat imports are estimated lower based on the most recent official data. Stock levels of both wheat and rice are currently relatively low.

**Post:**
Dhaka

**Author Defined:**

**Production Estimates Revised**

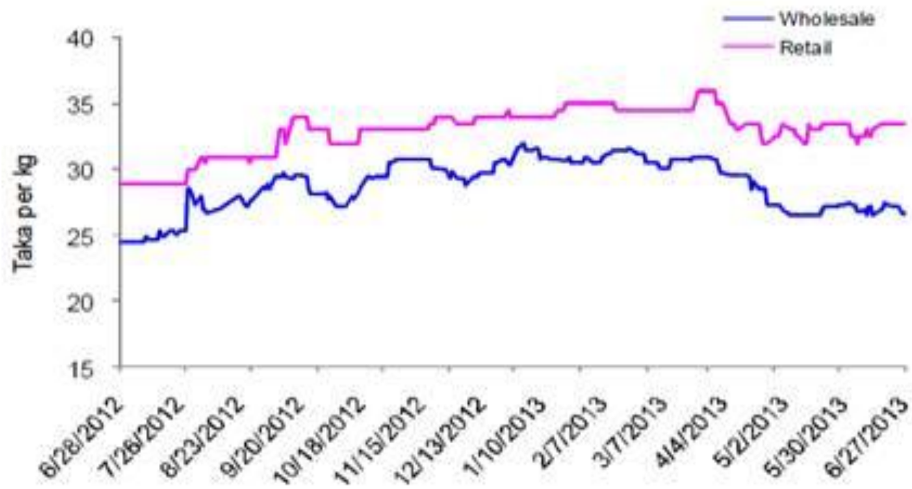
Based on the latest official data, rice production in marketing year (MY) 2012/13 (May-April) is estimated marginally lower at 33.8 million metric tons (MMT)) and includes 18.7 MMT of *Boro* (planted in December/January and harvested in May/Jun), 2.2 MMT of *Aus* (planted in March/April and harvested in June/July) and 12.9 MMT of *Aman (*planted in July/August and harvested in November/December). MY 2012/13 wheat production is also estimated higher based on the latest official estimate.

The overall 2013/14 monsoon rains have been normal thus far and seedling production for planting Aman rice is progressing well under adequate soil moisture conditions. Based on the provisional estimate of the recently harvested Boro rice crop and assuming normal weather conditions to continue for the *Aus* and *Aman* rice, the MY 2013/14 rice production forecast remains unchanged at 34.2 MMT. 2013/14 wheat production is expected higher at 1.25 MMT reflecting good harvest conditions and crop development conditions.

**Consumption and Price**

The retail price of coarse wheat flour remained firm in the last few months, with the price in June 2013 estimated at Taka 34 ($0.43) per kilogram, more than 15 percent higher than a year ago (Figure-1). Since rice is a preferred staple to wheat flour, higher wheat flour prices relative to coarse rice prices led to lower than previously estimated wheat consumption in MY 2012/13. Wheat stocks have also dropped. Government-held and private-sector stocks were estimated at just 290,000 MT on June 30. Slightly lower 2013/14 wheat consumption reflects the expectation of higher flour prices and relatively tight stock levels.

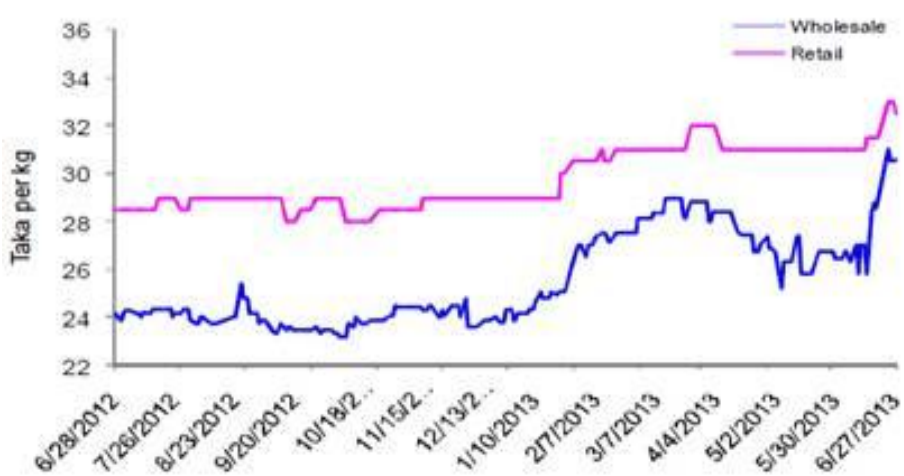
**Figure 1: Bangladesh: Trends of Coarse Wheat Flour Prices in the Capital Dhaka City**




Source: Ministry of Food and Disaster Management

The wholesale price of rice declined during April and May with the harvesting of *Boro* rice before rising in June. At the end of June the wholesale and retail prices of rice in Dhaka city markets were Taka 30.6 ($0.39) per kilogram and Taka 32.5 ($ 0.41) per kilogram respectively which were 24 and 12 percent higher respectively than the prices a year ago (Figure 2). Government held stocks of rice dropped 726,000 tons at the end of MY 2012/13 as compared to 1.3 MMT at the same time in the previous year due to higher distribution under the Public Food Distribution System (PFDS) and negligible imports. Ending stock figures reflect government held stocks of rice. Privately held stocks are included in the consumption estimate.

**Figure 2: Bangladesh: Trends of Coarse Rice Prices in the Capital Dhaka City**




Source: Ministry of Food and Disaster Management

**Policy**

The domestic procurement targets of the government for the FY 2013/14 (July-June) are 1.45 MMT of rice and 150,000 MT of wheat. The government has also laid down its plan for rice and wheat procurement (imports) from the international market in FY 2013/14 at 250,000 MT and 800,000 MT respectively.

**Imports**

MY 2012/13 (May-April) rice import and wheat import estimates have been revised based on the latest official trade data. Lower estimated MY 2011/12 wheat imports reflect the latest official data.

**Table 1: Bangladesh: Commodity, Rice Milled, PSD**

| Rice, Milled Bangladesh | 2011/2012 | | 2012/2013 | | 2013/2014 | |
|---|---|---|---|---|---|---|
| | Market Year Begin: May 2011 | | Market Year Begin: May 2012 | | Market Year Begin: May 2013 | |
| | USDA Official | New Post | USDA Official | New Post | USDA Official | New Post |
| Area Harvested | 11,720 | 11,720 | 11,650 | 11,650 | 11,700 | 11,700 |
| Beginning Stocks | 1,378 | 1,378 | 1,341 | 1,341 | 881 | 726 |
| Milled Production | 33,700 | 33,700 | 34,000 | 33,800 | 34,200 | 34,200 |
| Rough Production | 50,555 | 50,555 | 51,005 | 50,705 | 51,305 | 51,305 |
| Milling Rate (.9999) | 6,666 | 6,666 | 6,666 | 6,666 | 6,666 | 6,666 |
| MY Imports | 563 | 563 | 40 | 35 | 375 | 375 |
| TY Imports | 53 | 53 | 300 | 260 | 430 | 430 |
| TY Imp. from U.S. | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Supply | 35,641 | 35,641 | 35,381 | 35,176 | 35,456 | 35,301 |
| MY Exports | 0 | 0 | 0 | 0 | 0 | 0 |
| TY Exports | 0 | 0 | 0 | 0 | 0 | 0 |
| Consumption and Residual | 34,300 | 34,300 | 34,500 | 34,450 | 34,700 | 34,600 |
| Ending Stocks | 1,341 | 1,341 | 881 | 726 | 756 | 701 |
| Total Distribution | 35,641 | 35,641 | 35,381 | 35,176 | 35,456 | 35,301 |
| Yield (Rough) | 4. | 4.3136 | 4. | 4.3524 | 4. | 4.385 |
| TS=TD | | 0 | | 0 | | 0 |

**Table 2: Bangladesh: Commodity, Wheat, PSD**

| Wheat Bangladesh | 2011/2012 | | 2012/2013 | | 2013/2014 | |
|---|---|---|---|---|---|---|
| | Market Year Begin: Jul 2011 | | Market Year Begin: Jul 2012 | | Market Year Begin: May 2013 | |
| | USDA Official | New Post | USDA Official | New Post | USDA Official | New Post |
| Area Harvested | 360 | 360 | 410 | 410 | 420 | 420 |
| Beginning Stocks | 2,084 | 2,084 | 1,096 | 847 | 846 | 287 |
| Production | 996 | 996 | 1,150 | 1,240 | 1,180 | 1,250 |
| MY Imports | 2,016 | 1,767 | 2,600 | 2,000 | 3,000 | 3,000 |
| TY Imports | 2,016 | 1,767 | 2,600 | 2,000 | 3,000 | 3,000 |
| TY Imp. from U.S. | 152 | 152 | 0 | 0 | 0 | 0 |
| Total Supply | 5,096 | 4,847 | 4,846 | 4,087 | 5,026 | 4,537 |
| MY Exports | 0 | 0 | 0 | 0 | 0 | 0 |
| TY Exports | 0 | 0 | 0 | 0 | 0 | 0 |
| Feed and Residual | 0 | 0 | 0 | 0 | 0 | 0 |
| FSI Consumption | 4,000 | 4,000 | 4,000 | 3,800 | 4,100 | 4,000 |
| Total Consumption | 4,000 | 4,000 | 4,000 | 3,800 | 4,100 | 4,000 |
| Ending Stocks | 1,096 | 847 | 846 | 287 | 926 | 537 |
| Total Distribution | 5,096 | 4,847 | 4,846 | 4,087 | 5,026 | 4,537 |
| Yield | 3. | 2.7667 | 3. | 3.0244 | 3. | 2.9762 |
| TS=TD | | 0 | | 0 | | 0 |