

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Pakistan

Grain and Feed Update

Pakistan Grain and Feed Update

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Report Highlights:

The Government of Pakistan (GOP) granted approval for the export of an additional 500,000 tons of wheat with a subsidy of \$105 per ton. Consequently, Pakistan's MY 2018/19 wheat export forecast is revised upward to 1.7 MMT. Pakistan's MY 2018/19 wheat production is adjusted downwards to 25.1 MMT, in accordance with the latest GOP data. Based on preliminary official data, Pakistan has exported 4.0 MMT of rice during MY17/18 as compared to 3.6 MMT during the preceding marketing year.

Post:
Islamabad

Author Defined:

Pakistan Approves Additional 50,000 Tons Subsidized Wheat Exports

The Government of Pakistan (GOP) granted approval for the export of additional 500,000 tons of wheat with a subsidy of \$105 per ton. In early 2018 the GOP announced a \$159 per metric ton subsidy on wheat exports which technically expired on June 30, 2018, but the subsidized wheat for which approval was taken before the subject date continued to be shipped in the subsequent months. Consequently Pakistan's MY 2018/19 wheat export forecast is revised upward to 1.7 MMT. Pakistan's MY 2018/19 wheat production is adjusted downwards to 25.1 MMT, in accordance with the latest GOP data.

Pakistan has so far exported about 800,000 tons of subsidized wheat during current marketing year excluding Afghanistan. The wheat is mainly going to Sri Lanka, Bangladesh, Gulf and some African countries. Exports to Afghanistan have been declining over the years mainly due to stricter border control measures. Pakistan is forecast to export between 300,000 to 400,000 tons of wheat to Afghanistan during the current marketing year.

Production, Supply and Demand Data Statistics:

Wheat	2016/2017		2017/2018		2018/2019	
Market Begin Year	May 2016		May 2017		May 2018	
Pakistan	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	9224	9200	8973	9050	8750	8800
Beginning Stocks	3815	3815	4351	4365	4828	4695
Production	25633	25600	26674	26600	25500	25100
MY Imports	3	50	3	30	5	5
TY Imports	3	50	3	30	5	5
TY Imp. from U.S.	0	0	0	0	0	0
Total Supply	29451	29465	31028	30995	30333	29800
MY Exports	600	600	1200	1200	1000	1700
TY Exports	600	600	1200	1200	1000	1000
Feed and Residual	800	800	1000	1100	1200	1200
FSI Consumption	23700	23700	24000	24000	24100	24100
Total Consumption	24500	24500	25000	25100	25300	25300
Ending Stocks	4351	4365	4828	4695	4033	2800
Total Distribution	29451	29465	31028	30995	30333	29800
Yield	2.7789	2.7826	2.9727	2.9392	2.9143	2.8523

(1000 HA) ,(1000 MT) ,(MT/HA)

Rice:

Based on preliminary official data, Pakistan has exported 4.0 MMT of rice during MY17/18 as compared to 3.6 MMT during the preceding marketing year (Table 1). FAS Islamabad amended the PSD accordingly. Rice production forecast for MY 2018/19 is unchanged at 7.4 MMT. Continuing devaluation of the Pakistani rupee against the dollar (around 25 percent during 2018) is making Pakistani rice more competitive. Pakistan is also benefiting from the Tricyclazole issue effecting the exports of Indian rice. Tricyclazole is generally not used in Pakistan. Pakistan rice exports have been strong this year and the Rice Exporters Association of Pakistan (REAP) expects this trend to continue. Pakistan is also trying to increase its share in the high valued Basmati market and this will likely result in a shift towards more basmati exports.

Table 1: Pakistan Rice Exports MY 2017/18 (Nov/October)

Months	MY 16/17	MY 17/18
November	438,399	435,688
December	391,161	478,062
January	390,690	489,052
February	355,633	392,090
March	271,282	462,154
April	374,250	337,540
May	220,377	376,863
June	257,881	271,602
July	200,995	212,518
August	227,998	208,963
September	192,101	155,512
October	304,674	240,161
Total	3,625,441	4,060,205

Production, Supply and Demand Data Statistics:

Rice, Milled	2016/2017		2017/2018		2018/2019	
	Market Begin Year		Market Begin Year		Market Begin Year	
	Nov 2016	Nov 2017	Nov 2017	Nov 2018	Nov 2018	Nov 2018
Pakistan	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	2724	2700	2901	2800	2800	2800
Beginning Stocks	1124	1124	1367	1284	1317	1384
Milled Production	6849	6850	7450	7500	7400	7400
Rough Production	10275	10276	11176	11251	11101	11101
Milling Rate (.9999)	6666	6666	6666	6666	6666	6666
MY Imports	10	10	0	0	0	0
TY Imports	7	10	0	0	0	0
TY Imp. from U.S.	0	0	0	0	0	0
Total Supply	7983	7984	8817	8784	8717	8784
MY Exports	3516	3600	4300	4000	4250	4000
TY Exports	3642	3600	4300	3800	4250	3800
Consumption and Residual	3100	3100	3200	3400	3250	3500
Ending Stocks	1367	1284	1317	1384	1217	1284

Total Distribution	7983	7984	8817	8784	8717	8784
Yield (Rough)	3.772	3.8059	3.8525	4.0182	3.9646	3.9646
(1000 HA) ,(1000 MT) ,(MT/HA)						