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Date: 10/28/2018

GAIN Report Number: MO1863

Morocco

Grain and Feed Update

Common Wheat Duties Cancelled November 1

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Report Highlights:
The Government of Morocco has released its final wheat and barley production numbers for the 2018 crop, including 4.91 MMT of common wheat, 2.43 MMT of durum wheat, and 2.91 MMT of barley. On September 7, 2018, Morocco's state cereals office (ONICL) retendered 336,364 MT of U.S. durum wheat under the FTA but it was unsuccessful. Later on October 20, Morocco announced it was cancelling duties on common wheat, which will result in Morocco not retendering approximately 67,000 MT of remaining volume of U.S. common wheat under the FTA.

General Information:

Production Update

On October 8, 2018, the Government of Morocco released its final wheat and barley production numbers for the 2018 crop (4.91 MMT of common wheat, 2.43 MMT of durum wheat, and 2.91 MMT of barley). Post adjusts MY2018/19 production numbers for wheat and barley based on Morocco's final numbers.

Policy Update

Common Wheat:
On October 20, 2018, the Government of Morocco suspended customs duty on common wheat starting from November 1st until December 31, 2018. Morocco canceled 135% duties to ensure regular supply, avert price hikes in the domestic market, and industry better plan reserves for wheat blending.

On August 16, 2018, Morocco published Joint Order No. 1675-18 on the Official Bulletin No. 6700 laying down the conditions for the purchase of common wheat intended for the production of subsidized flour, as well as the conditions of manufacture, packaging and sale of the flour. (For more information, please see GAIN report, this report contains an unofficial translation of the Joint Order).

Durum wheat:
On September 7, 2018, Morocco's state cereals office (ONICL) issued a retender to import 336,364 MT of durum wheat from the U.S. under the TRQs and was not successful due to lack of participation (results).

Trade Update

Wheat:
Imports (MT Wheat Equivalent) by Marketing Year

HS	Description	Marketing Year				
		2014/15	2015/16	2016/17	2017/18	% Change
1001	Wheat And Meslin	4,113,707	4,383,586	5,462,855	3,660,438	-36%
1101*	Wheat Or Meslin Flour	323	331	484	560	16%
190219*	Pasta, Uncooked, Not Stuffed Etc., Nesoi	10,252	13,374	12,859	13,763	7%
190230*	Pasta, Prepared Nesoi	2,056	3,034	2,632	1,721	-35%
190240*	Couscous	26	4	3	8	200%
Total		**4,126,364**	**4,400,329**	**5,478,833**	**3,676,490**	**-33%**

*Source: Morocco office de change, *applied converting factor: 1.368, MY used for wheat June-May*

Imports (MT Wheat Equivalent) by Trade Year

HS	Description	Trade Year				
		2014/15	2015/16	2016/17	2017/18	% Change
1001	Wheat And Meslin	4,157,774	4,479,057	5,328,568	3,655,188	-31%
1101*	Wheat Or Meslin Flour	334	337	475	549	16%
190219*	Pasta, Uncooked, Not Stuffed Etc., Nesoi	11,001	13,038	12,259	14,543	19%
190230*	Pasta, Prepared Nesoi	1,858	3,401	2,405	1,684	-30%
190240*	Couscous	3	4	3	8	200%
Total		**4,170,970**	**4,495,837**	**5,343,709**	**3,671,972**	**-31%**

*Source: Morocco office de change, *applied converting factor: 1.368, TY used for wheat July-June*

Trade Year Imports from the United States (in MT)

For TY imports from the United States, Post is using U.S. Census data as Morocco's state cereals office (ONICL) confirmed that Morocco's office des changes data is short of 30,000 MT in TY 2017/2018.

	U.S. Census Data	Office des changes Data	Difference
TY2017/2018	390,507	359,554	**30,953**
TY2016/2017	906,692	881,503	25,189
TY2015/2016	20,058	9,757	10,301
TY2014/2015	9,743	9,743	0

Source: GTA

Exports (MT Wheat Equivalent) by Marketing Year

HS	Description	Marketing Year				
		2014/15	2015/16	2016/17	2017/18	% Change
1001	Wheat And Meslin	174	40	415	20	-95%
1101*	Wheat Or Meslin Flour	202,196	76,757	16,441	14,997	-9%
190219*	Pasta, Uncooked, Not Stuffed Etc., Nesoi	1,326	4,577	6,260	8,854	41%
190230*	Pasta, Prepared Nesoi	6,085	5,222	3,350	3,836	14%
190240*	Couscous	28,459	31,004	32,004	32,386	1%
Total		**238,239**	**118,248**	**58,470**	**60,093**	**3%**

*Source: Morocco office de change, *applied converting factor: 1.368, MY used for wheat June-May*

Exports (MT Wheat Equivalent) by Trade Year

HS	Description	Trade Year				
		2014/15	2015/16	2016/17	2017/18	% Change
1001	Wheat And Meslin	174	40	415	20	-95%
1101*	Wheat Or Meslin Flour	187,540	67,971	15,881	16,293	3%
190219*	Pasta, Uncooked, Not Stuffed Etc., Nesoi	1,331	5,625	5,725	8,908	56%
190230*	Pasta, Prepared Nesoi	5,830	5,260	3,501	3,595	3%
190240*	Couscous	28,777	31,854	31,271	32,279	3%
Total		**223,653**	**110,696**	**56,793**	**61,096**	**8%**

*Source: Morocco office de change, *applied converting factor: 1.368, TY used for wheat July-June*

Barley:

Imports (MT) by Marketing Year

	Marketing Year				
	2014/15	**2015/16**	**2016/17**	**2017/18**	**% Change**
EU	209,288	744,836	239,236	356,592	49%
Ukraine	0	25,288	147,874	43,458	-71%
Russia	10,577	16,390	36,748	19,658	-47%
Argentina	162,189	21,449	55,357	9,900	-82%
United States	27,499	13,820	0	0	0%
Uruguay	27,491	0	0	0	0%
Total	**437,044**	**821,784**	**479,216**	**429,609**	**-10%**

Source: Morocco office de change, MY used for barley July-June

Exports (MT) by Trade Year

	Trade Year			Year to Date		
	2014/15	**2015/16**	**2016/17**	**10/16-06/17**	**10/17-06/18**	**% Change**
EU	91,575	805,688	204,917	159,123	310,798	95%
Ukraine	25,288	72,409	111,723	75,465	7,200	-90%
Russia	10,577	47,650	25,147	5,489	0	-100%
Argentina	169,888	13,750	65,257	55,357	0	-100%
United States	41,320	0	0	0	0	0%
Uruguay	27,491	0	0	0	0	0%
Total	**366,138**	**939,497**	**407,045**	**295,434**	**317,998**	**7%**

Source: Morocco office de change, TY used for barley October-September

Production, Supply, and Distribution

Wheat: Total imports in MY 2017/18 and MY 2016/17 are adjusted to reflect Morocco's official trade data through July 2018. However, trade year imports from the United States has been updated according to U.S. export data.

Wheat	2016/2017		2017/2018		2018/2019	
Market Begin Year	**Jun 2016**		**Jun 2017**		**Jun 2018**	
Morocco	**USDA Official**	New Post	**USDA Official**	New Post	**USDA Official**	New Post
Area Harvested	2,413	2,413	3,321	3,321	3,100	3,100
Beginning Stocks	6,856	6,856	4,544	4,808	4,853	5,117
Production	2,731	2,731	7,092	7,092	8,200	7,340
MY Imports	5,215	5,479	3,677	3,677	3,000	3,000
TY Imports	5,191	5,344	3,700	3,672	3,000	3,000
TY Imp. from U.S.	910	906	0	390	0	0
Total Supply	14,802	15,066	15,313	15,577	16,053	16,317
MY Exports	58	58	60	60	50	50
TY Exports	57	57	60	60	50	50
Feed and Residual	800	800	800	800	800	800
FSI Consumption	9,400	9,400	9,600	9,600	9,800	9,800
Total Consumption	10,200	10,200	10,400	10,400	10,600	10,600
Ending Stocks	4,544	4,808	4,853	5,117	5,403	4,807
Total Distribution	14,802	15,066	15,313	15,577	16,053	15,457
Yield	1.1318	1.1318	2.1355	2.1355	2.6452	2.3677
Stocks/Use Ratio	0.45	0.47	0.47	0.49	0.51	0.53
(1000 HA) ,(1000 MT) ,(MT/HA)						

Barley: Imports in MY 2017/18 are adjusted to reflect Morocco's official trade data through July 2018.

Barley	2016/2017		2017/2018		2018/2019	
Market Begin Year	**Jul 2016**		**Jul 2017**		**Jul 2018**	
Morocco	**USDA Official**	**New Post**	**USDA Official**	**New Post**	**USDA Official**	**New Post**
Area Harvested	1,208	1,208	1,800	1,800	1,500	1,500
Beginning Stocks	1,259	1,259	158	158	158	138
Production	620	620	2,000	2,000	2,500	2,910
MY Imports	479	479	450	430	300	300
TY Imports	407	407	500	318	300	300
TY Imp. from U.S.	0	0	0	0	0	0
Total Supply	2,358	2,358	2,608	2,588	2,958	2,938
MY Exports	0	0	0	0	0	0
TY Exports	0	0	0	0	0	0
Feed and Residual	1,450	1,450	1,650	1,650	1,650	1,650
FSI Consumption	750	750	800	800	800	800
Total Consumption	2,200	2,200	2,450	2,450	2,450	2,450
Ending Stocks	158	158	158	138	508	898
Total Distribution	2,358	2,358	2,608	2,588	2,958	3,348
Yield	0.5132	0.5132	1.1111	1.1111	1.6667	1.9400
Stocks/Use Ratio	0.07	0.07	0.06	0.06	0.21	0.20

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