

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 has set the wheat production target at a record 26 million metric tons for the 2016 Rabi (winter) season. Wheat area is not expected to change significantly from a year ago. Harvesting of the 2016/17 rice crop is complete and initial reports suggest rice production was 6.6 MMT, down slightly from a year ago. During MY 2015-16, Pakistan exported nearly 4.3 MMT of rice, slightly above the current USDA estimate.

Wheat

The Government of Pakistan has set the wheat production target at a record 26 million metric tons (MMT) for the 2016/17 Rabi (winter) crop that will be harvested in April and May of 2017. During the last marketing year the government also set a target of 26 MMT, but drier than normal weather and high temperatures resulted in lower yields and 2016 production of 25.3 MMT.

Reports from the field suggest that farmers have completed the sowing of wheat across Pakistan. Wheat area is not expected to change significantly from a year ago.

Good rains are predicted during January- February period according to the meteorological department. Ninety percent of the crop is irrigated and irrigation water availability for the upcoming Rabi season is estimated at 30.9 million acre feet (MAF) against the 10-year average of 36.4 MAF and the year ago availability of 32.9 MAF. This reduction in reservoir levels is not large enough to have a significant effect on planted area or yields.

The Government has kept the procurement price for the 2016 wheat harvest unchanged from last year at Rs. 1,250 per 40 kg (\$300 per MT). While Pakistan's wheat will continue to be quite expensive relative to the international market, the decision should keep local wheat from becoming dearer still. The domestic market continues to be insulated from imports by a 60 percent "regulatory duty." With a high tariff and high domestic prices, Pakistan continues to be isolated from the international wheat market. Despite allowing exports of up to 900,000 metric tons of wheat with an export subsidy of \$120 per ton, there has been no commercial interest from the export market. Exports of flour to neighboring Afghanistan continue at an estimated 500,000 to 600,000 MT of wheat equivalent annually.

Rice

Harvesting of the market year 2016/17 rice crop is complete and initial reports suggest production was 6.6 MMT, down slightly from a year ago. MY15/16 production is slightly higher based on the latest official data. During MY 2015-16, Pakistan exported nearly 4.3 MMT of rice, slightly above the current USDA estimate of 4.2 MMT.

Table 1: Pakistan Rice Exports MY 2015/16 (Nov/October)

Months	MY 15/16
November	547,286
December	475,346
January	390,223
February	450,689
March	415,463
April	421,235
May	384,016
June	316,177
July	166,203
August	152,198
September	181,350
October	385,434
Total	4,285,620

Source: Pakistan Bureau of Statistics

Table 2: Production, Supply and Demand Data Statistics:

Rice, Milled	2014/2015		2015/2016		2016/2017	
Market Begin Year	Nov 2014		Nov 2015		Nov 2016	
Pakistan	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	2850	2850	2740	2740	2800	2660
Beginning Stocks	679	679	1209	1209	919	909
Milled Production	6900	6900	6700	6800	6900	6640
Rough Production	10351	10351	10051	10201	10351	9961
Milling Rate (.9999)	6666	6666	6666	6666	6666	6666
MY Imports	30	30	10	0	10	0
TY Imports	30	30	10	0	10	0
TY Imp. from U.S.	0	0	0	0	0	0
Total Supply	7609	7609	7919	8009	7829	7549
MY Exports	3800	3800	4200	4300	4200	4200
TY Exports	4000	4000	4200	4300	4200	4200
Consumption and Residual	2600	2600	2800	2800	2800	2800
Ending Stocks	1209	1209	919	909	829	549
Total Distribution	7609	7609	7919	8009	7829	7549
Yield	3.63	3.63	3.66	3.72	3.69	3.74
(1000 HA) ,(1000 MT)						