

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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**Date:** 8/5/2013

**GAIN Report Number:**

## **Pakistan**

**Post:** Islamabad

### **Pakistan Likely to Import 800,000 Tons of Wheat**

**Report Categories:**

Grain and Feed

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**Report Highlights:**

According to trade sources, Pakistan will likely import 800,000 tons of wheat during the current marketing year due to lower-than-targeted government wheat procurement, and a reduction in the government's anticipated wheat production. The bulk of Pakistan's wheat imports are expected to come from the Black Sea.

## General Information:

According to trade sources, Pakistan is likely to import 800,000 tons of wheat during the current marketing year due to lower-than-targeted government wheat procurement, and a reduction in the government's anticipated wheat production. The bulk of Pakistan's wheat imports will be from the Black Sea due to lower prices. Trade sources have also indicated that Pakistan has already booked around 200,000 tons of wheat from the Black Sea for arrival later this month. Black sea wheat is trading at around \$285-289/MT while the domestic price in Karachi is hovering around \$330/MT.

Authorities in Pakistan are under pressure from the industry and state governments to reduce the five percent withholding tax on wheat imports, in order to bring down the cost of the imported grain. The cabinet's Economic Coordination Committee (ECC) will likely take up the issue in the coming days. MY2013/14 exports are also reduced to 700,000 tons mainly due to the increase in the domestic wheat price. Most of this wheat will be exported to Afghanistan.

## Production, Supply and Demand Data Statistics:

| Wheat<br>Pakistan  | 2011/2012                      |          | 2012/2013                      |          | 2013/2014                      |          |
|--------------------|--------------------------------|----------|--------------------------------|----------|--------------------------------|----------|
|                    | Market Year Begin: May<br>2011 |          | Market Year Begin: May<br>2012 |          | Market Year Begin: May<br>2013 |          |
|                    | USDA<br>Official               | New Post | USDA<br>Official               | New Post | USDA Official                  | New Post |
| Area Harvested     | 8,900                          | 8,900    | 8,660                          | 8,660    | 8,665                          | 8,665    |
| Beginning Stocks   | 3,256                          | 3,100    | 4,256                          | 4,100    | 3,556                          | 2,900    |
| Production         | 25,000                         | 25,000   | 23,300                         | 23,300   | 24,000                         | 24,000   |
| MY Imports         | 200                            | 200      | 200                            | 200      | 400                            | 800      |
| TY Imports         | 200                            | 200      | 200                            | 200      | 400                            | 800      |
| TY Imp. from U.S.  | 11                             | 0        | 0                              | 0        | 0                              | 0        |
| Total Supply       | 28,456                         | 28,300   | 27,756                         | 27,600   | 27,756                         | 27,700   |
| MY Exports         | 1,100                          | 1,100    | 800                            | 800      | 800                            | 700      |
| TY Exports         | 300                            | 300      | 800                            | 800      | 800                            | 700      |
| Feed and Residual  | 400                            | 400      | 400                            | 600      | 400                            | 600      |
| FSI Consumption    | 22,700                         | 22,700   | 23,000                         | 23,300   | 23,100                         | 23,400   |
| Total Consumption  | 23,100                         | 23,100   | 23,400                         | 23,900   | 23,500                         | 24,000   |
| Ending Stocks      | 4,256                          | 4,100    | 3,556                          | 2,900    | 3,456                          | 3,000    |
| Total Distribution | 28,456                         | 28,300   | 27,756                         | 27,600   | 27,756                         | 27,700   |
| Yield              | 2.81                           | 2.69     | 2.69                           | 2.7      | 2.77                           | 2.77     |
| TS=TD              |                                |          |                                |          |                                |          |