



Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Voluntary Report - public distribution

Date: 8/21/2003

GAIN Report #EG3018

Egypt

Grain and Feed

Wheat Update

2003

Approved by:

Asif J. Chaudhry

U.S. Embassy, Cairo

Prepared by:

Ali Abdi & Sherif Ibrahim

Report Highlights:

Some private sector mills resumed the importation of U.S hard red winter wheat during July 2003.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Cairo [EG1], EG

During the Marketing Year 2002/2003 (July,2002), Egypt imported a total of 5,631,615 MT of wheat as follows:

	From All Sources	From US	
General Authority for Supply Commodities (GASC):	3,840,000 MT	1,320,000 MT	Food
Industries Holding Company	39,000 MT	0	
Private Sector:	1,752,615 MT	0	
	-----	-----	
Total:	5,631,615MT	1,320,000 MT	

Private sector wheat imports are based on local industry estimates. Egypt's total wheat imports by country of origin are as follows.

Country of Origin	Quantity
U.S	1,320,000
France	2,280,000
Russia	1,339,283
Australia	360,000
Ukraine	62,000
Poland	51,000
Pakistan	50,000
Syria	39,000
Yugoslavia	38,000
India	28,000
Romania	15,000
Bulgaria	14,000
Kazakhstan	12,332
Germany	11,000
Others	12,000
Total	5,631,615

In MY 2002/03, Egypt's total wheat imports decreased by about 10 percent from 2001/02 level. GASC wheat imports increased from 3,715,115 MT in 2001/02 to 3,840,000 MT in 2002/03 but private sector wheat imports decreased from 2,594,090 MT to 1,752,615 MT in 2002/03. US market share in the wheat import market

decreased from 55.78 percent in 2001/02 to 23.44 percent in 2002/03, due to high U.S prices relative to other suppliers particularly France, Russia, Ukraine and other non-traditional wheat suppliers. Russian wheat imports in 2002/03 increased dramatically to 1,339,283 MT compared to 212,253 MT in 2001/02. The Holding Company for Food Industries stopped importing wheat directly due to foreign exchange limitations. As a result, the Holding company mills purchase imported wheat from local trading companies rather than importing directly.

As of August 18, 2003, GASC purchased approximately 2 million MT of domestic wheat for the production of subsidized bread. GASC's total local wheat purchases, which will conclude by the end of this month, are not expected to exceed 2.2 million metric tons for MY 2003/04.

Since the beginning of MY 2003/04 (July 03) GASC purchased 120,000 MT of U.S SRW at a prices between \$139.60 and \$ 149.93 per MT/FOB and 60,000 MT of U.S SWW at a prices of \$143.99 per MT/FOB. Some private sector mills resumed the importation of U.S hard red winter wheat during July 2003, but trade estimates are not available at this time.