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Algeria

Grain and Feed

Annual

2007

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Report Highlights:

Algerian wheat crop has benefited from sufficient rains over the last three months and the 2007 crop will likely match last year's strong production.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
Annual Report
Algiers [AG1]
[AG]

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SECTION I. SITUATION AND OUTLOOK

Planting season started late because of lack of rain and dry fall throughout the country. Farmers planted cereals with big concerns waiting for rain to recover their crop. Hopefully, December 2006 and the first term of 2007 was rainy as well as snowy in some regions. Rain still continue to fall this month of April too, which relieved farmers from their concerns.

Durum plantings still takes the big portion of the planted areas, followed by barley and soft wheat. Crops throughout the country recovered and are developing well. Harvests as well as production are always affected by either drought or poor weather; should good conditions continue; 2007 crop should be good and reach the average of good years.

Wheat consumption is and expected to remain relatively stable.

Barley consumption remained at the same level as 2005 year because of dry fall and shortage in pasture. Breeders had to feed their herds with barley as happened in 2005, which was affected by very poor weather and cold conditions.

Algeria still remains one of the largest importers of wheat and one of durum.

Algeria imported 4.8 million metric tons total wheat in CY 2006 (\$960 million) of which 2.07 million MT of durum wheat and 2.74 million MT of soft wheat. Cereals represented 33 percent of the 2006 total food imports.

European Union still remains a major trading partner for Algeria. The 2006 EU origin food imports reached \$1.5 billion (about 39%) of total food imports.

Algeria imported about 52 percent (1.0 Million MT) of Durum and 89 percent (2.4 Million MT) of Soft wheat from Europe. France is ranked first Algeria's soft and durum wheat supplier. The latter imported 1.8 million MT (75 percent) of soft wheat and 790,000 MT (74 percent) of durum from France in CY 2006. Within Europe, France is followed by Poland and Germany for soft wheat and Spain and Germany for durum. (Source: Algerian Center for information and Statistics).

U.S. is ranked third supplier for durum after France and Canada followed by Mexico and Spain, and eleventh supplier for soft wheat after France, Poland, Czech, Ukraine, Russia, Germany, Canada, Hungary, Netherlands, and Bulgaria. In CY 2006, Algeria imported about 331,000 MT of durum and 11,000 MT of soft wheat from U.S. (Source: Algerian Center for Information and Statistics).

US market share for durum declined significantly over the past years due to competition from French and Canadian wheat. Excellent durum yields and good quality crops, as well as proximity and good prices have enabled France to become the largest supplier of wheat to Algeria.

Barley is still generally imported in small shipments by private importers from Europe and Eastern Europe because of the proximity and low freight costs.

Dry conditions that affected CY 2006 fall generated again shortage in pasture, and kept barley imports at the same level as CY 2005, which was also affected by very poor weather. Algeria imported 144,000 MT of barley in CY 2006, of which exceptionally 24,000 MT where from U.S. The latter ranked third supplier behind Ukraine (68,000 MT), and France (35,000 MT). Russia ranks at fourth place with 10,000 MT.

Algeria imported 2.19 million MT of corn in CY 2006. United States still remains the first Algeria's supplier of corn with 1.28 million MT, followed by Argentina (785,000 MT) and Ukraine (45,000 MT).

Even though corn prices jumped on the world market because of bio fuel, corn imports increased in MY 2005. The animal feed manufactures and storage facilities operations expect

maintain high corn demand despite price increase and avian influenza disease that still disturbs the poultry sector.

Table 1- Corn imports in 1000 MT:

	MY 2004 Jul-Jun	MY 2005 Jul-Jun
Argentina	559	675
U.S.	478	1165
Russia	14	26
Brazil	21	-
France	21	-
Romania	10	-
Ukraine	95	157
Others	0	86
TOTAL	1,198	2,109

Algeria's imports of rice are very irregular. Private importers take opportunities when good prices occur to buy rice in small containers from different origin but usually, mostly from Vietnam. Algeria rice imports increased from 54,000 MT in CY 2005 to 67,000 MT in CY 2006.

Table 2- Algeria Rice imports in MT:

	CY 2005	CY 2006
Vietnam		39,142
Thailand		6,091
Tajikistan		3,213
Pakistan		1,125
Japan		4
Italy		3
India		13,270
France		18
U.S.		0
Spain		3,399
China		1
Egypt		1
Singapore		875
Others		85
TOTAL		67,227

Algeria imports more or less an average of 160,000 MT of pulses per year depending on world prices, mostly from Canada, China, Mexico, Argentina, India and Turkey. These pulses are mostly beans, lentils, chickpeas and beans for seeding.

U.S. market share for pulses represented currently only 2 percent in CY 2006 (3,500 MT), mostly chickpeas and beans for seeding. U.S. is ranked seventh behind Canada, Mexico, Argentina, China, India, and Turkey.

Table 3- Algeria Pulses imports in MT

Origin	CY 2004	CY 2005	CY 2006
Canada	55,000	96,356	61,049
Mexico	-	20,915	40,667
Argentina	13,625	12,079	20,251
China	39,325	31,489	16,757
India	-	13,855	5,698
Turkey	-	8,968	4,579
U.S.	-	1,494	3,569
France	-	3,206	2,920
Denmark	12,958	-	-
Spain	3,552	910	1,499
Others	4,098	7,623	6,601
Total	128,558	196,895	163,590

PSD Table

Country **Algeria**

Commodity **Wheat**

Commodity Wheat							(1000 HA)(1000 MT)(MT/HA)			
Market Year Begin	2005 Revised			2006 Estimate			2007 Forecast			UOM
	USDA	Post	Post	USDA	Post	Post	USDA	Post	Post	
	Official	Estimate	Estimate	Official	Estimate	Estimate	Official	Estimate	Estimate	
			New			New			New	MM/YY
		07/2005	07/2005		07/2006	07/2006		07/2007	07/2007	YY
Area Harvested	1700	1700	1700	2000	1998	1700	0	0	1700	(1000 HA)
Beginning Stocks	3506	3148	3506	3670	3300	3670	3360	3350	3560	(1000 MT)
Production	2200	2200	2200	2600	2600	2600	0	0	2600	(1000 MT)
MY Imports	5469	5500	5469	4800	5000	4800	0	0	4800	(1000 MT)
TY Imports	5469	5500	5469	4800	5000	4800	0	0	4800	(1000 MT)
TY Imp. from U.S.	270	200	270	0	200	270	0	0	270	(1000 MT)
Total Supply	11175	10848	11175	11070	10900	11070	3360	3350	10960	(1000 MT)
MY Exports	5	0	5	10	0	10	0	0	0	(1000 MT)
TY Exports	5	0	5	10	0	10	0	0	0	(1000 MT)
Feed Consumption	50	50	50	50	50	50	0	0	50	(1000 MT)
FSI Consumption	7450	7498	7450	7650	7500	7450	0	0	7450	(1000 MT)
Total Consumption	7500	7548	7500	7700	7550	7500	0	0	7500	(1000 MT)
Ending Stocks	3670	3300	3670	3360	3350	3560	0	0	3460	(1000 MT)
Total Distribution	11175	10848	11175	11070	10900	11070	0	0	10960	(1000 MT)
Yield	1.2941	1.2941	1.2941	1.3013	1.3013	1.5294			1.5294	(MT/HA)
	18	8	8	1.3	1	2	0	0	2)	

Import Trade Matrix

Country Algeria

Commodity Wheat

Time Period Jul-Jun Units: 1000 MT

Imports for: 2005 2006

U.S. 270 U.S.

Others Others

France	2440		
Mexico	374		
Ukraine	368		
Canada	484		
Russia	497		
Germany	172		
Poland	233		
Czech	277		
Bulgaria	79		
Netherlands	62		

Total for Others 4986 0

Others not Listed 213

Grand Total 5469 0

PSD Table

Country **Algeria**

Commodity **Barley**

Commodity Barley							(1000 HA)(1000 MT)(MT/HA)			
Market Year Begin	2005 Revised			2006 Estimate			2007 Forecast			UOM
	USDA Official	Post Estimate	Post Estimate New 07/2005	USDA Official	Post Estimate	Post Estimate New 07/2006	USDA Official	Post Estimate	Post Estimate New 07/2007	
Area Harvested	700	600	700	900	900	700	0	0	700	(1000 HA)
Beginning Stocks	876	696	876	554	616	554	954	826	382	(1000 MT)
Production	400	1000	400	1450	1300	700	0	0	700	(1000 MT)
MY Imports	128	120	128	50	60	128	0	0	128	(1000 MT)
TY Imports	50	30	50	50	40	50	0	0	0	(1000 MT)
TY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Supply	1404	1816	1404	2054	1976	1382	954	826	1210	(1000 MT)
MY Exports	0	0	0	0	0	0	0	0	0	(1000 MT)
TY Exports	0	0	0	0	0	0	0	0	0	(1000 MT)
Feed Consumption	700	950	700	850	900	850	0	0	700	(1000 MT)
FSI Consumption	150	250	150	250	250	150	0	0	150	(1000 MT)
Total Consumption	850	1200	850	1100	1150	1000	0	0	850	(1000 MT)
Ending Stocks	554	616	554	954	826	382	0	0	360	(1000 MT)
Total Distribution	1404	1816	1404	2054	1976	1382	0	0	1210	(1000 MT)
Yield	0.571429	1.666667	0.571429	1.611111	1.444444					
	9	7	29	1	4	1	0	0	1	(MT/HA)

Import Trade Matrix

Country Algeria

Commodity Barley

Time Period Jul-Jun Units: 1000 MT

Imports for: 2005 2006

U.S. 24 U.S.

Others Others

Russia	62		
Germany	16		
France	11		
Ukraine	13		

Total for Others 102 0

Others not Listed 2

Grand Total 128 0