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Report Highlights:

Wheat production is projected to fall to 27.5 million tons in 2025/26 due to a decrease in cultivated area and extremely dry weather. This shortfall in domestic production is expected to lead to increased imports, forecast at 1.7 million tons. On the other hand, rice production is anticipated to reach 9.8 million tons, driven by strong export demand and positive returns, although this remains dependent on the replenishment of irrigation water storage levels. With this supply outlook, rice exports are expected to stay robust at 5.8 million tons. Meanwhile, corn production in 2025/26 is forecast to rise to 9.6 million tons, supported by an increase in cultivated area and assuming average yields.

Executive Summary

Based on an estimated 7 percent decrease in area, and assuming 5-year average yield, wheat production in 2025/2026 is forecast at 27.5 million tons, thirteen percent lower than the record 2024/25 production. Low prices, the government's decision to stop procuring wheat at guaranteed prices, and dry weather are the primary reasons for the decline in wheat area and expected decline in output. Wheat consumption in 2025/26 is forecast at 31.9 million tons, up slightly in line with population growth. Given this consumption forecast and based on expected production of 27.5 million tons and large carry-over stocks, 2025/26 imports are forecast at 1.7 million tons.

Wheat and wheat flour prices in March 2025 were 35 percent lower than the high levels of a year earlier. Domestic wheat price at end of March was around \$245 per ton. Wheat ending stocks in 2025/26 are forecast to decline to around 2 million tons from the record level of nearly 5 million tons estimated for the end of 2024/2025.

The government is moving forward with its strategy to completely liberalize the wheat market, eliminating the guaranteed support price for farmers, and halting government procurement and distribution. However, as of March 2025, the government continues to ban wheat imports and exports. Despite the anticipated need for imports in 2025/26, it is uncertain whether the government will allow the private sector to import or whether the State-run Trade Corporation of Pakistan will have that role.

Assuming stable area and average yields, rice production in 2025/26 is forecast at 9.8 million tons. Based on population growth, rice consumption during the same period is forecast at 4.2 million tons. Export prospects remain robust, with exports pegged at 5.8 million tons in 2025/26, supported by competitive pricing in international markets and strong demand from Southeast Asian countries like the Philippines, Malaysia, and Indonesia. Additionally, emerging markets like Bangladesh are further driving export momentum. Reflecting the current export pace and availability of stocks, the rice export forecast for marketing year 2024/2025 has been increased to 6.0 million tons.

Corn production in 2025/2026 is forecast at 9.6 million tons based on a slight increase in area and 5-year average yield. The government's reauthorization of genetically engineered soybean imports will provide a boost to the feed compounding sector and demand for corn in 2025/26. As a result, corn for feed is expected to increase, while exports are forecast to decline.

Wheat:

Production:

Wheat production in 2025/2026 is forecast at 27.5 million tons, thirteen percent lower than the record 2024/25 output. The decrease in production is due to a seven percent decrease in area and extremely dry weather. Since October 2024 and throughout the wheat growing season, rainfall was below average, and temperatures were significantly above average. Though the crop is largely irrigated, usually two to three widespread rains occur during the growing season, supplementing the irrigation water and positively impacting yields. This rain pattern did not occur this year. The dry weather's impact is more pronounced in rainfed areas, which accounts for about fifteen percent of wheat area.

Through ensuring availability of inputs and providing interest free loans, the government encouraged farmers to plant wheat. However, the decline in domestic prices and the government's decision not to buy wheat at a guaranteed support price, prompted some farmers to shift to alternate crops, including rapeseed, pulses, and vegetables.

Farmers' lack of access to certified seed continues to hinder productivity growth. Certified seed production is insufficient, logistic constraints limit distribution, and prices are high. The seed industry, including both public and private seed companies, produce only a small percentage of the required seed, leading to extensive use of farm-saved seeds, which are of lesser quality and produce lower yields.

Major wheat varieties sown in Punjab are Akbar, Dilkash, and Urooj, while in Sindh province Amber, Sunehria, Sarang and Benazir are the leading varieties. These high yielding wheat varieties have been developed in government research institutes and almost all of them offer some protection against rust.

This year's long dry spell, which lasted for about four months, highlighted the wheat crop's dependence on irrigation water (85 percent of area is irrigated) and underscored the irrigation system's weaknesses. About two-thirds of the irrigation water is from snow and glacier melts, with the balance supplied by seasonal monsoon rains. Stored water for irrigation is held mainly in the Tarbela and Mangla reservoirs. Since the irrigation system's completion in the 1970s, demand for water has increased significantly, while storage capacity has decreased by about one-third due to silting. No new large water reservoirs have been built for many decades. Punjab and Sindh provincial leadership continue to dispute the distribution of irrigation water.

In terms of both providing domestic food security and overall production area, wheat is Pakistan's most important crop. The nine million hectares of wheat area is about 40 percent of total field crop land. The cropping pattern in irrigated areas is wheat after cotton, rice, or sugarcane. In rainfed areas, wheat is grown at the same time as maize and millet. Wheat sowing occurs October/December. As of late March 2025, the crop harvest had already started in parts of Sindh. In Punjab, the harvest will start in early April and continue through May. Wheat production area by province is shown in Table 1.

Table 1: Wheat Area by Province (2025/26)

| Province | Area (Million Hectares) | Percentage of Total Area |
|-----------------|------------------------------------|---------------------------------|
| Punjab | 6.57 | 72.4 |
| Sindh | 1.20 | 13.2 |
| KPK | 0.75 | 8.26 |
| Baluchistan | 0.55 | 6.09 |
| Total | 9.07 | 100 |

Consumption:

Consumption in 2025/26 is forecast at 31.9 million tons, mainly driven by the increase in population. An estimated seven percent of total demand will be used in the feed industry, with almost all of that going for poultry feed.

Wheat is Pakistan's staple food, contributing 72 percent of daily caloric intake, and per capita consumption is around 124 kg per year, one of the highest in the world. About 1,000 privately held flour mills produce about 40 percent of the flour consumption, with the balance met by at-home processing.

The pace of food inflation has been declining since January 2024. The lower inflation has triggered a gradual change in consumption, with consumer preference shifting away from lower extraction flour and traditional flat breads to western-style, loaf bread. Commercially milled flour is also gaining at the expense of home ground flour.

Trade:

To cover the expected shortfall in production, imports in 2025/26 are forecast at 1.7 million tons. However, the size of the wheat crop will ultimately determine the quantity of imports. During the current marketing year, wheat imports were negligible due to last year's record harvest and the large imports contributing to large carry-over stocks. As of March 2025, imports are banned, so the government will have to reauthorize imports and decide whether to allow private importers or the State-run Trade Corporation of Pakistan do the import business.

Landed U.S. wheat prices at Pakistani ports are not competitive, and Pakistan has not imported U.S. wheat since 2010.

Wheat flour exports to Afghanistan through cross-border trade continues to decline due to increased vigilance at the border. Exports in 2025/26 are estimated at 300,000 tons. These exports are not reflected in official data

Prices:

Wheat prices declined sharply during last year's harvest season and have remained down since. The record 2024/2025 wheat harvest combined with large imports led to high inventories and drove down prices. The government's decision to abandon the domestic support price policy further exacerbated the price drop. However, since August 2024, prices have remained relatively stable. Prices in March 2025 were 35 percent lower than the high levels of a year earlier. As of mid-March 2025, domestic wheat prices were around \$245 per ton, and flour prices were hovering around \$317 per ton.

Stocks:

Given production, import, and consumption expectations, ending stocks in 2025/26 are forecast to decline to around two million tons from the record level of nearly 5 million tons in 2024/2025. Due to the changes in the government procurement policy, the private sector will hold the bulk of these stocks.

Stocks were previously maintained by provincial food departments and a federal agency, the Pakistan Agricultural Storage and Services Corporation (PASSCO). Provincial food departments have either been dismantled or absorbed in some other agency, while the government is still deciding whether to dissolve PASSCO.

Policy:

For decades, Pakistan's wheat marketing system was completely government managed through purchases at a minimum guaranteed support price. The procured wheat was then sold at a mandated price to flour millers with the government controlling the quantity, price and time of release. Deregulation of the wheat market was one of the conditions of Pakistan's most recent IMF loan agreement. Beginning last marketing year, the government began liberalizing the wheat marketing system. The key steps the government has taken include:

- Abolishing the minimum support price and domestic government procurement from farmers.
- Allowing the private sector to buy wheat directly from the farmers.
- Disbanding provincial food departments.

The Federal Government still intends to maintain some stocks for urgent needs, and the government is still discussing the mechanisms and institutional framework for future wheat procurement and storage. Meanwhile, the government still controls wheat imports and exports, with both still banned as of March 2025. Given expectations for the need to import in 2025/26, the government will need to decide early in the marketing year when to remove the import ban.

Table 2: Wheat Production, Supply, and Distribution. (May/April) (1,000 HA) (1,000 MT)

| Wheat | 2023/2024 | | 2024/2025 | | 2025/2026 | |
|--|--------------------------|---------------------|--------------------------|-----------------|--------------------------|---------------------|
| Market Year Begins | May 2023 | | May 2024 | | May 2025 | |
| Pakistan | USDA Official | New Post | USDA Official | New Post | USDA Official | New Post |
| Area Harvested (1000 HA) | 9,033 | 9,033 | 9,734 | 9,734 | 0 | 9,075 |
| Beginning Stocks (1000 MT) | 3,919 | 3,919 | 4,967 | 4,967 | 0 | 4,950 |
| Production (1000 MT) | 28,161 | 28,161 | 31,583 | 31,583 | 0 | 27,500 |
| MY Imports (1000 MT) | 3,587 | 3,587 | 100 | 100 | 0 | 1,700 |
| TY Imports (1000 MT) | 3,586 | 3,586 | 100 | 100 | 0 | 1,500 |
| TY Imp. from U.S. (1000 MT) | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Supply (1000 MT) | 35,667 | 35,667 | 36,650 | 36,650 | 0 | 34,150 |
| MY Exports (1000 MT) | 500 | 500 | 500 | 500 | 0 | 300 |
| TY Exports (1000 MT) | 500 | 500 | 500 | 500 | 0 | 300 |
| Feed and Residual (1000 MT) | 1,900 | 1,900 | 2,200 | 2,200 | 0 | 2,400 |
| FSI Consumption (1000 MT) | 28,300 | 28,300 | 29,000 | 29,000 | 0 | 29,500 |
| Total Consumption (1000 MT) | 30,200 | 30,200 | 31,200 | 31,200 | 0 | 31,900 |
| Ending Stocks (1000 MT) | 4,967 | 4,967 | 4,950 | 4,950 | 0 | 1,950 |
| Total Distribution (1000 MT) | 35,667 | 35,667 | 36,650 | 36,650 | 0 | 34,150 |
| Yield (MT/HA) | 3.1176 | 3.1176 | 3.2446 | 3.2446 | 0 | 3.0303 |
| (1000 HA),(1000 MT) ,(MT/HA) | | | | | | |
| MY = Marketing Year, begins with the month listed at the top of each column | | | | | | |
| TY = Trade Year, which for Wheat begins in July for all countries. TY 2025/2026 = July 2025 - June 2026 | | | | | | |
| OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query | | | | | | |

Rice, Milled:

Production:

With expectations for a slight increase in area and 5-year average yields, rice production in 2025/26 is forecast at 9.8 million tons. Rice has been a consistently profitable crop, and next year's projected increase marks more than a decade-long period of consecutive growth in rice output. Both the area and production have registered increases almost every year.

Higher yielding hybrid varieties, especially in non-Basmati, have replaced the older non-hybrid varieties. However, growth is modest in basmati production as basmati area is limited to a few districts in Punjab and few new high yielding varieties have been introduced in recent years. After wheat, rice is the second largest crop in terms of area. During the summer (May-Sept) season, rice accounts for about 12 percent of total crop area.

As mentioned above, during the last decade, rice area has increased significantly, and output has grown from 6.2 to the 9.8 million tons projected for 2025/26. However, the ongoing increase in rice cultivation is depleting available irrigation water, which is already diminished due to dam sedimentation. To obtain more water, farmer have relied more on digging wells, resulting in a drop in the water table. Future growth in rice area and production will depend on the increased availability of irrigation water.

Rice production in 2024/25 is adjusted down to 9.76 million tons due to revisions in harvested area.

Rice Growing Zones:

The rice growing areas are classified into the four zones shown in Table 3.

Table 3: Rice Growing Zones

| | |
|--|--|
| Zone I 10 % of total rice production. | Northern high mountainous areas of Khyber Pakhtunkhwa (Swat and Khagan) with sub-humid climate, average rainfall of 750-1000 millimeters (mm). |
| Zone II 55% | Lies between the Ravi and Chenab rivers in the central Punjab. Sub-humid, sub-tropical climate with average rainfall of 400-700 mm. This is the famous premium zone and Basmati rice is exclusively produced in this zone along the Kalar tract consisting of Sailkot, Sheikhpura, Narowal, Gujranwala, Hafizabad, and Lahore Districts. |
| Zone III 25% | West bank of Indus river in upper Sindh and Balochistan. Larkana, Jacobabad (Sindh), Nasirabad and Jaffarabad (Balochistan). High temperature and sub-tropical climate with average rainfall of 100 mm make it best suited for long grain rice. |
| Zone IV 10 % | Indus delta basin in Lower Sindh (Badin and Thatta Districts). Climate is arid tropical and is suited for coarse varieties. |

Consumption:

Based on the increase in population, 2025/26, consumption is forecast at 4.2 million tons. With wheat-based products the dominant carbohydrate staple in the diet, rice is of secondary importance, with relatively low per capita rice consumption of 18 kilograms per year. An estimated 200,000 tons of high percentage broken rice is used in poultry and animal feed annually.

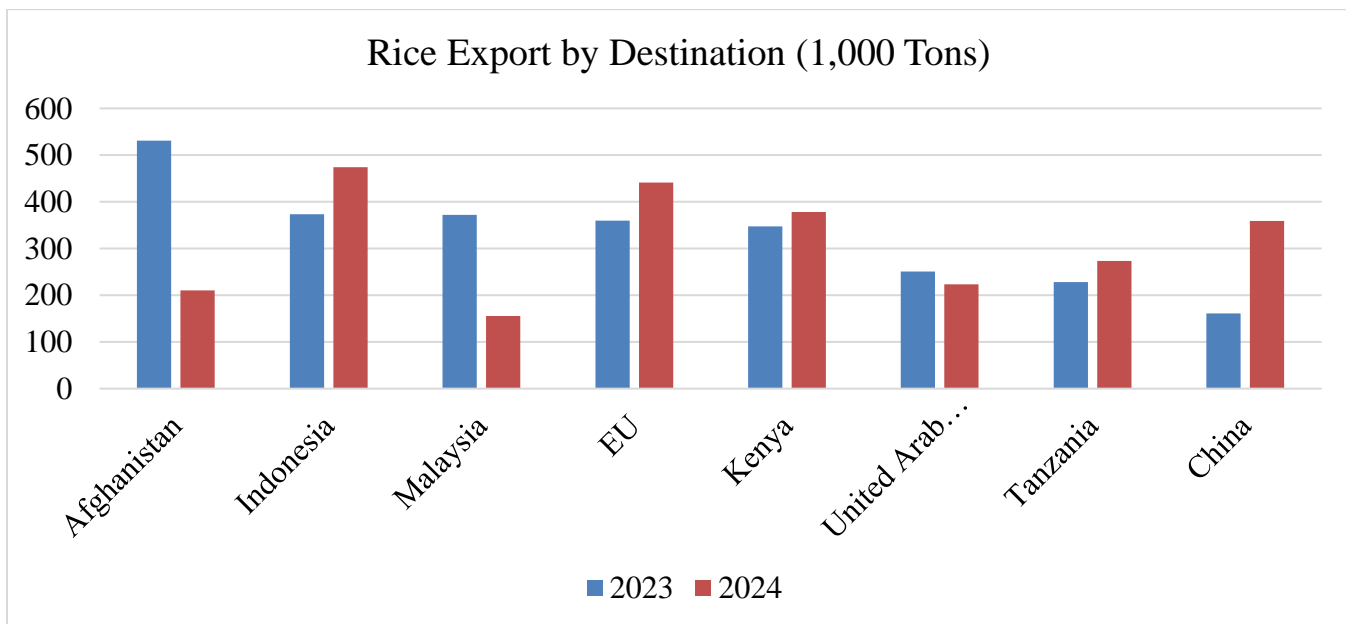
Trade:

Based on expectations for continued abundant exportable supplies, rice exports in 2025/26 are projected to remain robust at 5.8 million tons, just slightly lower than the 2024/25 forecast.

Given the pace of exports and gauging availability of exportable stocks, the 2024/2025 rice export forecast is increased to 6.0 million tons. Through the first four months of 2024/25, exports were around 2.5 million tons (Table 4). Basmati exports were 253,028, tons, while other variety exports were 2,302,692 tons. Abundant exportable supplies at competitive prices are driving exports. Demand from Southeast Asia, especially the Philippines, Malaysia, and Indonesia, remains strong. Furthermore, new markets, like Bangladesh, are boosting exports. Pakistani 5 percent broken rice prices at the end of March 2025 were around \$392 per ton FOB, 35 percent lower than a year ago. Meanwhile, Basmati rice was about \$1,000 per ton, FOB.

Pakistan's Top Rice exports markets are given in Figure 1.

Figure 1: Top Rice Export Destinations (1,000 Tons)



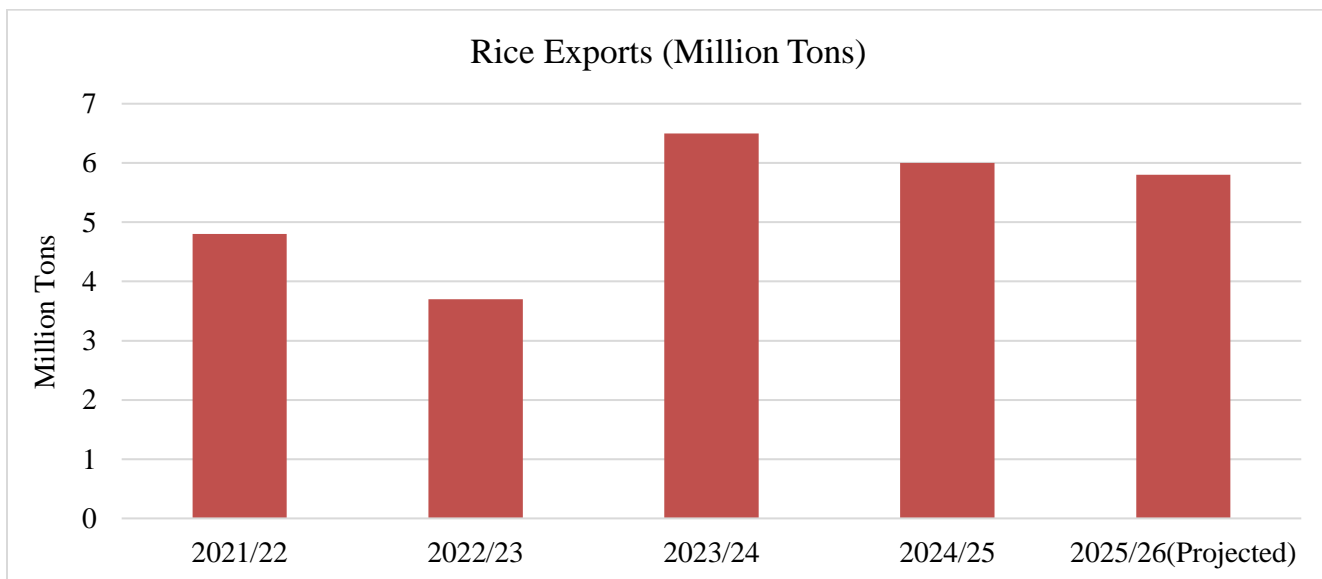
Source: Trade Data Monitor

Table 4: Rice Exports in 2024/25 (Metric tons)

| Months | Basmati | Others | Total |
|----------|---------|-----------|-----------|
| Nov 2024 | 52,918 | 728,964 | 781,882 |
| Dec 2024 | 46,160 | 636,055 | 682,215 |
| Jan 2025 | 70,696 | 506,845 | 577,541 |
| Feb 2025 | 83,254 | 430,828 | 514,082 |
| Total | 253,028 | 2,302,692 | 2,555,720 |

Source: Pakistan Bureau of Statistics

Figure 2: Rice Exports



Maximum Residue Limit (MRL) Issue with EU:

Despite the government’s efforts to eliminate the problem, interceptions of Pakistani rice shipments in Europe have persisted. The EU intercepted 12 Pakistani rice consignments in the first two months of 2025, due to MRL and aflatoxins exceeding permissible limits.

The government is taking multiple actions, including revamping the Department of Plant Protection and working with supply chain stakeholders, to mitigate the problem. The government has also banned use of methyl bromide for fumigating rice export consignments.

Policy:

The government's major focus in the rice sector is ensuring quality and phytosanitary standards to maintain smooth export operations, including streamlining the process of issuing phytosanitary certificates. As mentioned above, a recent priority has been addressing residue problems in Pakistani rice shipments to the EU.

Except for the above initiatives, there is minimal government involvement in the rice sector. Small farmers and SMEs in the sector are eligible to receive government-supported credit programs. In addition, the State Bank of Pakistan (SBP) provides loans to traders under an Export Financing Scheme (EFS). There is a 10 percent duty on rice imports.

Table 5: Rice Production, Supply, and Distribution. (Nov/Oct) (1,000 HA) (1,000 MT)

| Rice, Milled | 2023/2024 | | 2024/2025 | | 2025/2026 | |
|--|--------------------------|---------------------|--------------------------|---------------------|--------------------------|---------------------|
| Market Year Begins | Nov 2023 | | Nov 2024 | | Nov 2025 | |
| Pakistan | USDA Official | New Post | USDA Official | New Post | USDA Official | New Post |
| Area Harvested (1000 HA) | 3,637 | 3,637 | 3,800 | 3,709 | 0 | 3,766 |
| Beginning Stocks (1000 MT) | 2,024 | 2,024 | 1,371 | 1,371 | 0 | 1,031 |
| Milled Production (1000 MT) | 9,869 | 9,869 | 10,000 | 9,760 | 0 | 9,800 |
| Rough Production (1000 MT) | 14,805 | 14,805 | 15,002 | 14,641 | 0 | 14,701 |
| Milling Rate (.9999) (1000 MT) | 6,666 | 6,666 | 6,666 | 6,666 | 0 | 6,666 |
| MY Imports (1000 MT) | 5 | 5 | 0 | 0 | 0 | 0 |
| TY Imports (1000 MT) | 5 | 5 | 0 | 0 | 0 | 0 |
| TY Imp. from U.S. (1000 MT) | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Supply (1000 MT) | 11,898 | 11,898 | 11,371 | 11,131 | 0 | 10,831 |
| MY Exports (1000 MT) | 6,527 | 6,527 | 5,700 | 6,000 | 0 | 5,800 |
| TY Exports (1000 MT) | 6,492 | 6,492 | 5,300 | 5,800 | 0 | 5,600 |
| Consumption and Residual (1000 MT) | 4,000 | 4,000 | 4,100 | 4,100 | 0 | 4,200 |
| Ending Stocks (1000 MT) | 1,371 | 1,371 | 1,571 | 1,031 | 0 | 831 |
| Total Distribution (1000 MT) | 11,898 | 11,898 | 11,371 | 11,131 | 0 | 10,831 |
| Yield (Rough) (MT/HA) | 4.071 | 4.071 | 3.948 | 3.947 | 0.000 | 3.904 |
| (1000 HA) ,(1000 MT) ,(MT/HA) | | | | | | |
| MY = Marketing Year, begins with the month listed at the top of each column | | | | | | |

TY = Trade Year, which for Rice, Milled begins in January for all countries. TY 2025/2026 = January 2026 - December 2026

OFFICIAL DATA CAN BE ACCESSED AT: [PSD Online Advanced Query](#)

Corn:

Production:

Corn production is forecast at 9.6 million tons in 2025/26, based on a slight increase in area and assuming five-year average yield. The government's decision to ban genetically engineered (GE) soybean imports in the fall of 2022 led to a decline in feed production and lower corn use. GE soybean imports were reauthorized in December 2025, leading to renewed feed compounding activity, higher demand for corn, and strengthening prices. These factors are driving farmers to plant more corn this year.

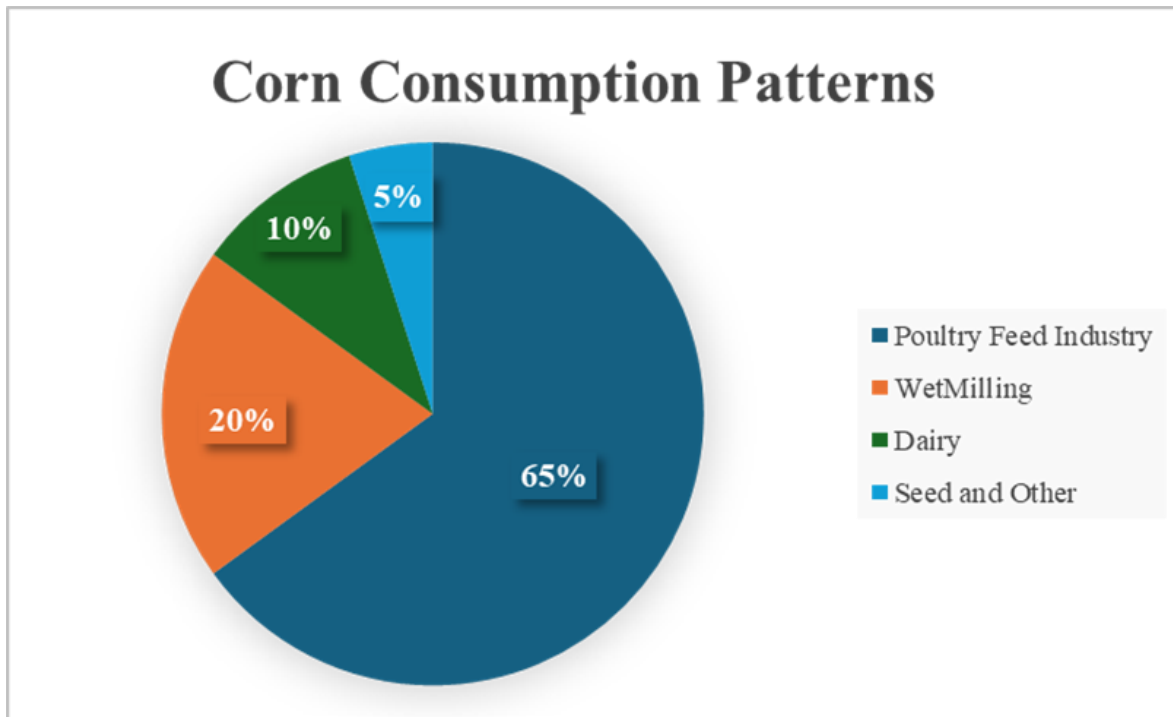
The 2024/2025 corn production estimate is lowered to 9.0 million tons, reflecting lower yields due to a prolonged dry spell and shortages of irrigation water.

Consumption:

Based on the recovery in demand from the poultry sector, 2025/2026 consumption is forecast at 9.1 million tons. The poultry sector is Pakistan's largest user of corn. The ban on GE soybean imports in October 2022 adversely impacted the poultry industry, resulting in reduced demand for corn. However, the government authorized resumption of GE soybean imports in late 2024, which has revitalized the poultry sector and demand for corn.

Traditionally, poultry feed accounts for about 65 percent of corn use, while wet milling and dairy feed comprise about 15 and 10 percent, respectively. The remainder is milled for flour for human consumption. The main products of wet milling are industrial starches, liquid glucose and dextrose. There are approximately 300 feed mills producing poultry feed, with 12 million tons output capacity. Yellow maize is used widely in poultry feed and white maize for various foods, including unleavened roti.

Figure 3: Pakistan’s Corn Consumption Patterns



Source: FAS internal estimates

Trade:

With expectations for increased demand from the domestic feed industry, 2025/2026 exports are forecast to fall to 600,000 tons. The ultimate level of exports will hinge on the final output, world corn prices, and the state of the domestic poultry industry.

During the current marketing year, exports have totaled 480,000 tons through February 2025 (Table 6). Major export destinations are Sri Lanka, Viet Nam and Philippines.

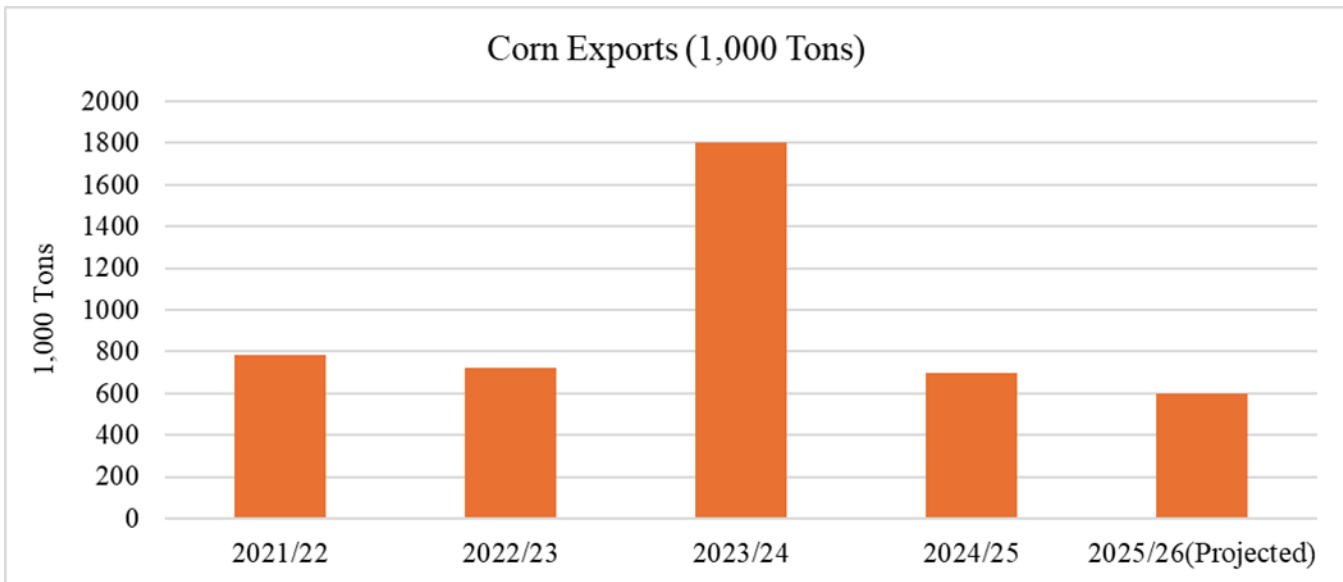
Table 6: July 24-Feb 25 Corn Exports by Destination

| Countries | Quantity (million tons) |
|-------------|-------------------------|
| Sri Lanka | 0.14 |
| Viet Nam | 0.11 |
| Philippines | 0.09 |
| Afghanistan | 0.04 |
| Malaysia | 0.03 |

| | |
|----------------------|-------------|
| Oman | 0.02 |
| Bangladesh | 0.01 |
| Qatar | 0.01 |
| United Arab Emirates | 0.01 |
| Others | 0.02 |
| Total | 0.48 |

Source: FAS Office Contacts

Figure 4: Pakistan’s Corn Exports



Policy:

There is very little government involvement in the corn sector.

Table 7: Corn-Production, Supply, and Distribution. (July/June) (1,000 HA) (1,000 MT)

| Corn | 2023/2024 | | 2024/2025 | | 2025/2026 | |
|--|--------------------------|---------------------|--------------------------|---------------------|--------------------------|---------------------|
| Market Year Begins | Jul 2023 | | Jul 2024 | | Jul 2025 | |
| Pakistan | USDA Official | New Post | USDA Official | New Post | USDA Official | New Post |
| Area Harvested (1000 HA) | 1,641 | 1,641 | 1,500 | 1,500 | 0 | 1,560 |
| Beginning Stocks (1000 MT) | 2,326 | 2,326 | 1,565 | 1,565 | 0 | 985 |
| Production (1000 MT) | 9,847 | 9,847 | 9,500 | 9,000 | 0 | 9,600 |
| MY Imports (1000 MT) | 31 | 31 | 20 | 20 | 0 | 25 |
| TY Imports (1000 MT) | 29 | 29 | 20 | 20 | 0 | 25 |
| TY Imp. from U.S. (1000 MT) | 11 | 11 | 0 | 0 | 0 | 0 |
| Total Supply (1000 MT) | 12,204 | 12,204 | 11,085 | 10,585 | 0 | 10,610 |
| MY Exports (1000 MT) | 1,839 | 1,839 | 700 | 700 | 0 | 600 |
| TY Exports (1000 MT) | 1,709 | 1,709 | 500 | 500 | 0 | 500 |
| Feed and Residual (1000 MT) | 6,400 | 6,400 | 6,500 | 6,500 | 0 | 6,600 |
| FSI Consumption (1000 MT) | 2,400 | 2,400 | 2,400 | 2,400 | 0 | 2,500 |
| Total Consumption (1000 MT) | 8,800 | 8,800 | 8,900 | 8,900 | 0 | 9,100 |
| Ending Stocks (1000 MT) | 1,565 | 1,565 | 1,485 | 985 | 0 | 910 |
| Total Distribution (1000 MT) | 12,204 | 12,204 | 11,085 | 10,585 | 0 | 10,610 |
| Yield (MT/HA) | 6.001 | 6.001 | 6.333 | 6.000 | 0.000 | 6.154 |
| (1000 HA) ,(1000 MT) ,(MT/HA) | | | | | | |
| MY = Marketing Year, begins with the month listed at the top of each column | | | | | | |
| TY = Trade Year, which for Corn begins in October for all countries. TY 2025/2026 = October 2025 - September 2026 | | | | | | |
| OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query | | | | | | |

Attachments:

No Attachments