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## **Portugal**

## **Grain and Feed**

## **PSD Tables Revised**

## **1999**

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### **Report Highlights:**

**Production estimates have been increased as winter grain yields were higher than earlier anticipated. Due to the higher outputs, 1999/2000 grain imports are expected to decline. 1 USD = 186 Pte.**

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Includes PSD changes: Yes  
Includes Trade Matrix: No  
Unscheduled Report  
Lisbon[PO1], PO

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## Executive Summary

Due to abundant spring rains, higher grain yields have been reported and 1999/2000 PS&D's have been revised to reflect higher production estimates. Wheat, triticale, rye, oats and barley yields are up an estimated 65, 60, 40 and 70, respectively compared to the previous year levels.

Nonetheless, this crop year has been a rather difficult one for Portuguese grain farmers, with unusually low winter rainfall levels (among the lowest in the last half century) raising the prospect of a drought and impending farmers' spring planting options. Most effected were corn farmers from the *Alentejo* province, where the virtual absence of ground water reserves resulted in lower corn area planted this year. Further, the good yield averages conceal an extremely high disparity among grain producing regions as output has been highly variable, due primarily to very "spotty" rainfall patterns. The existence of regions with very low production may still lead the Government to create some sort of emergency relief measures.

Due to the higher outputs, total 1999/2000 grain imports are expected to decline. Due to the EU's continued failure to approve certain GMO corn varieties, the U.S. is not expected to export corn to Portugal this marketing year. However, for the first time in several years, the U.S. did export of 22,339 Mt of high quality wheat into Portugal during July 98/April 99, and further opportunities may exist.

1 USD = 186 Pte

## Total Wheat Production, Supply & Distribution Table

PSD Table						
Country	Portugal					
Commodity	Wheat				(1000 HA)(1000 MT)	
	Revised	1997	Preliminary	1998	Forecast	1999
	Old	New	Old	New	Old	New
<b>Market Year Begin</b>		<b>07/1997</b>		<b>07/1998</b>		<b>07/1999</b>
Area Harvested	277	277	147	147	242	242
Beginning Stocks	230	230	229	233	180	180
Production	325	329	143	150	170	400
TOTAL Mkt. Yr. Imports	1200	1200	1400	1399	1305	1116
Jul-Jun Imports	1200	1200	1400	1399	1305	1116
Jul-Jun Import U.S.	0	0	0	25	0	26
TOTAL SUPPLY	1755	1759	1772	1782	1655	1696
TOTAL Mkt. Yr. Exports	76	76	30	40	29	60
Jul-Jun Exports	76	76	30	40	29	60
Feed Dom. Consumption	452	452	564	564	450	564
TOTAL Dom. Consumption	1450	1450	1562	1562	1446	1456
Ending Stocks	229	233	180	180	180	180
<b>TOTAL DISTRIBUTION</b>	<b>1755</b>	<b>1759</b>	<b>1772</b>	<b>1782</b>	<b>1655</b>	<b>1696</b>

### Narrative

Production data in the PSD Table have been updated to reflect recently revised statistics from the National Statistics Institute (INE). Earlier expectations for poor yields forecasts were reversed by spring weather conditions, with the latest wheat yield assessment from INE showing a 65% increase over 1998/99. The dramatic increase results from the fact that 1998/99 had exceptionally low yields. However, the data also conceals widely divergent yields, with wheat yields varying from 700 to 3,000 Mt/Ha within very short distances due to very localized rains last spring. Other factors that influenced the yield disparity were the specific development stages of the different fields when the rains occurred as well as different production practices.

High temperatures in June, accelerated the development of the crop and led to an early crop in many areas. Industry sources report that the quality of the wheat crop is fair.

July 98/April 99 total wheat imports were up due to an expansion in soft wheat imports from non-EU origins. U.S. wheat was imported during 1998/99, breaking an absence of several consecutive years. Reportedly, this wheat was brought on a vessel that was also carrying U.S. wheat to Spain. There has been an increasing emphasis upon product quality and standardization as vital factors for the millers competitiveness in the market and the use of US high quality wheat was very successful. This, in conjunction with the high costs of grain transportation from main EU production regions may lead to an increase in U.S. wheat exports into Portugal.

## Trade Matrices

DURUM WHEAT IMPORTS			
Country of Origin	July97/April 98	July98/April 99	% Change
FRANCE	10113	7871	-22.2
NETHERLANDS	798	16083	1914.4
GERMANY	18	6800	-
ITALY	128	341	166.0
U.K.	26882	2750	-89.8
DENMARK	3578	0	-100.0
GREECE	19048	0	-100.0
SPAIN	34697	49167	41.7
TURKEY	0	5188	-
LITHUANIA	3748	0	-100.0
KAZAKHSTAN	12301	0	-100.0
<b>TOTAL</b>	<b>111311</b>	<b>88200</b>	<b>-20.8</b>

BREAD WHEAT IMPORTS			
Country of Origin	July97/April 98	July98/April 99	% Change
FRANCE	517866	580217	12.0
NETHERLANDS	16071	13209	-17.8
GERMANY	79295	13819	-82.6
ITALY	34735	578	-98.3
U.K.	229397	213907	-6.8
DENMARK	0	55088	-
SPAIN	15631	48697	211.5
SWEDEN	23303	25303	8.6
HUNGARY	0	5476	-
ESTONIA	0	2597	-
USA	0	22339	-
<b>TOTAL</b>	<b>916297</b>	<b>981229</b>	<b>7.1</b>

<b>DURUM WHEAT EXPORTS</b>			
<b>Country of Origin</b>	<b>July97/April 98</b>	<b>July98/April 99</b>	<b>% Change</b>
FRANCE	0	1051	-
SPAIN	13859	2306	-83.4
<b>TOTAL</b>	<b>13859</b>	<b>3357</b>	<b>-75.8</b>
<b>SOFT WHEAT EXPORTS</b>			
<b>Country of Origin</b>	<b>July97/April 98</b>	<b>July98/April 99</b>	<b>% Change</b>
FRANCE	0	485	-
NETHERLANDS	0	271	-
SPAIN	58726	34818	-40.7
	<b>58726</b>	<b>35573</b>	<b>-39.4</b>

<b>TOTAL WHEAT IMPORTS</b>			
<b>Country of Origin</b>	<b>July97/April 98</b>	<b>July98/April 99</b>	<b>% Change</b>
FRANCE	527978	588088	11.4
NETHERLANDS	16869	29292	73.6
GERMANY	79313	20618	-74.0
ITALY	34863	919	-97.4
U.K.	256278	216657	-15.5
DENMARK	3578	55088	-
GREECE	19048	0	-100.0
SPAIN	50328	97864	94.5
TURKEY	0	5188	-
LITHUANIA	3748	0	-100.0
Kazakhstan	12301	0	-100.0
SWEDEN	23303	25303	8.6
HUNGARY	0	5476	-
ESTONIA	0	2597	-
USA	0	22339	-
	<b>1027608</b>	<b>1069429</b>	<b>4.1</b>

<b>TOTAL WHEAT EXPORTS</b>			
<b>Country of Origin</b>	<b>July97/April 98</b>	<b>July98/April 99</b>	<b>% Change</b>
FRANCE	0	1536	-
NETHERLANDS	0	271	-
SPAIN	72585	37124	-48.9
	<b>72585</b>	<b>38930</b>	<b>-46.4</b>

## Corn Production, Supply &amp; Distribution Table

PSD Table						
Country	Portugal					
Commodity	Corn				(1000 HA)(1000 MT)	
	Revised	1997	Preliminary	1998	Forecast	1999
	Old	New	Old	New	Old	New
<b>Market Year Begin</b>		<b>07/1997</b>		<b>07/1998</b>		<b>07/1999</b>
Area Harvested	189	186	189	193	174	190
Beginning Stocks	160	160	170	236	180	232
Production	815	912	830	1020	765	1092
TOTAL Mkt. Yr. Imports	1108	1108	1074	900	1069	800
Oct-Sep Imports	1186	1186	1000	900	1069	800
Oct-Sep Import U.S.	0	1	0	0	0	0
TOTAL SUPPLY	2083	2180	2074	2156	2014	2124
TOTAL Mkt. Yr. Exports	4	4	4	2	4	4
Oct-Sep Exports	4	4	4	2	4	4
Feed Dom. Consumption	1409	1415	1390	1390	1330	1350
TOTAL Dom. Consumption	1909	1940	1890	1922	1830	1890
Ending Stocks	170	236	180	232	180	230
<b>TOTAL DISTRIBUTION</b>	<b>2083</b>	<b>2180</b>	<b>2074</b>	<b>2156</b>	<b>2014</b>	<b>2124</b>

## Narrative

Production data in the PSD Table have been revised to reflect recent information from INE. Corn production for 1999/2000 is forecast to be considerably higher than during the previous year due to expectations for higher yields. As anticipated, corn imports dropped during 1998/99. With the supplies not able to be sold, other non-EU suppliers will fill the 500,000 Mt Blair House quota.

## Trade Matrices

## PORTUGAL: CORN IMPORTS

	July 97/April 98	July 98/April 99	% Change	Oct 97-April 98	Oct 98-April 99	% Change
FRANCE	650798	418429	-35.7	303550	255369	-15.9
BELGIUM	226	166	-26.6	92	56	-39.5
NETHERLANDS	23	41	80.2	0	39	-
ITALY	270	0	-100.0	270	0	-100.0
U.K.	3049	5522	81.1	3049	5480	79.7
GREECE	3	0	-100.0	3	0	-100.0
SPAIN	102819	103892	1.0	82017	57200	-30.3
HUNGARY	50805	124010	144.1	50805	124010	144.1
ROMANIA	16243	9068	-44.2	16243	9068	-44.2
BULGARIA	0	7465	-	0	7465	-
UKRAINE	10989	27894	153.8	10989	27894	153.8
MOLDAVIA	0	20333	-	0	20333	-
CROATIA	0	1000	-	0	1000	-
JUGOSLAVIA	0	12067	-	0	12067	-
S. AFRICA	171	128	-25.4	86	43	-50.6
USA	453	1020	124.9	494	632	27.9
CANADA	0	59	-	0	59	-
ARGENTINA	239739	159890	-33.3	239665	161604	-32.6
	<b>1075588</b>	<b>890981</b>	<b>-17.2</b>	<b>707263</b>	<b>682317</b>	<b>-3.5</b>

## PORTUGAL: CORN EXPORTS

	July 97/ April 98	July 98-April 99	% Change	Oct 97-April 98	Oct 98-April 99	% Change
SPAIN	2252	1084	-51.8	1931	801	-58.5
CAPE VERDE	27	23	-15.6	25	19	-25.5
GUINEA BISSAU	88	0	-100.1	88	0	-100.0
CONGO REP.	0	1	-	0	1	-
ANGOLA	534	48	-91.0	473	23	-95.1
USA	6	0	-100.0	6	0	-100.0
MACAU	2	0	-100.0	0	0	-
	<b>2909</b>	<b>1156</b>	<b>-60.3</b>	<b>2523</b>	<b>843</b>	<b>-66.6</b>



**Barley Production, Supply & Distribution Table**

PSD Table						
Country	Portugal					
Commodity	Barley				(1000 HA)(1000 MT)	
	Revised	1997	Preliminary	1998	Forecast	1999
	Old	New	Old	New	Old	New
Market Year Begin		07/1997		07/1998		07/1999
Area Harvested	43	33	19	26	24	24
Beginning Stocks	21	21	20	14	20	12
Production	39	29	20	26	26	30
TOTAL Mkt. Yr. Imports	217	217	258	190	218	180
Oct-Sep Imports	232	232	258	180	218	180
Oct-Sep Import U.S.	0	0	0	0	0	0
TOTAL SUPPLY	277	267	298	230	264	222
TOTAL Mkt. Yr. Exports	3	3	4	0	0	0
Oct-Sep Exports	1	1	4	0	0	0
Feed Dom. Consumption	98	98	120	70	90	90
TOTAL Dom. Consumption	254	250	274	218	244	210
Ending Stocks	20	14	20	12	20	12
<b>TOTAL DISTRIBUTION</b>	<b>277</b>	<b>267</b>	<b>298</b>	<b>230</b>	<b>264</b>	<b>222</b>

**Narrative**

Production data in the PSD has been revised to reflect recent official production and trade information. Like with all Winter grain crops, barley 1999/2000 yields were higher than in 1998. Through April, total 1998/99 barley imports have remained below the previous year levels.

## Trade Matrices

## PORTUGAL: BARLEY IMPORTS

	July 97/April 98	July 98/April 99	% Change	Oct 97/April 98	Oct 98-April 99	% Change
FRANCE	45083	50792	12.7	40006	36637	-8.4
NETHERLANDS	5553	3100	-44.2	5550	8	-99.8
U.K.	5461	8275	51.5	2756	8275	200.2
SPAIN	90033	78120	-13.2	58702	39274	-33.1
BELGIUM	8166	1	-100.0	8166	1	-100.0
DENMARK	3203	0	-100.0	3203	0	-100.0
SPAIN	30332	15840	-47.8	21922	8641	-60.6
	<b>187830</b>	<b>156128</b>	<b>-16.9</b>	<b>140304</b>	<b>92837</b>	<b>-33.8</b>

## PORTUGAL: BARLEY EXPORTS

	July 97/ April 98	July 98-April 99	% Change	Oct 97-April 98	Oct 98-April 99	% Change
FRANCE	0	0	-100.0	0	0	-100.0
SPAIN	2790	208	-92.5	1090	22	-98.0
CAPE VERDE	0	0	-70.0	0	0	-70.0
	<b>2790</b>	<b>209</b>	<b>-92.5</b>	<b>1090</b>	<b>22</b>	<b>-98.0</b>