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Report Name: Grain and Feed Update

Country: Philippines

Post: Manila

Report Category: Grain and Feed

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Report Highlights:

FAS Manila maintains its September 2023 forecast for rice and corn production and imports, but lowers its forecast slightly for wheat imports to 6.0 million metric tons.

Executive Summary

FAS Manila maintains its previous forecast for rice imports, as elevated prices in the international market continue to disincentivize imports. Similarly, diminished rice production from the combined effects of typhoons Dodong, Egay, and Falcon was cited in the September 2023 update, and FAS Manila maintains this forecast as well.

FAS Manila lowers its wheat imports forecast for MY 2023/24 based on monthly trade data to date and feedback from industry sources. FAS Manila maintains its forecasts for corn production and corn imports.

The Philippine grain supply for food use is expected to increase 2 percent for MY 2023/24 driven primarily by wheat, as previously cited. The Philippine energy supply in corn equivalent terms is forecast to increase 1 percent, slightly behind the growth rate for Philippine animal protein production.

Table 1: Philippine Grain Supply for Food Use (1000 MT)				
Commodity	MY 2021/22	MY 2022/23	MY 2023/24	%Δ
Total	20,900	21,100	21,600	2
Rice	15,400	16,000	16,400	3
Corn	2,200	2,100	2,100	0
Wheat	3,300	3,000	3,100	3

Source: FAS/Manila

Table 2: Philippine Energy Supply (1000 MT, Corn-Eq.)					
Commodity	Corn Equiv.	MY 2021/22	MY 2022/23	MY 2023/24	%Δ
Total		11,391	10,838	10,953	1
Corn	100%	6,700	7,100	7,200	1
Wheat	95%	3,325	2,660	2,755	4
Cassava	50%	703	572	583	2
Barley	100%	498	301	200	-34
DDGS	85%	139	177	191	8
Sorghum	95%	27	29	24	-17

Source: FAS/Manila

Table 3: Philippine Animal Protein Production, (1000 MT)				
Commodity	MY 2021/22	MY 2022/23	MY 2023/24	%Δ
Total	3,795	3,803	3,886	2
Chicken RTC	1,388	1,455	1,475	1
Pork (CWE)	973	937	950	1
Aquaculture*	736	702	737	5
Chicken Eggs	698	709	724	2

Sources: FAS/Manila (pork); PSA (chicken, chicken eggs and aquaculture);

*Aquaculture includes milkfish, tilapia, and shrimp.

Rice

Production, Supply, and Distribution

Table 4: Rice, Milled Market Year Begins	2021/2022		2022/2023		2023/2024	
	Jul 2021		Jul 2022		Jul 2023	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Philippines						
Area Harvested (1000 HA)	4802	4802	4848	4850	4800	4800
Beginning Stocks (1000 MT)	2363	2363	3103	3110	3478	3522
Milled Production (1000 MT)	12540	12540	12625	12600	12600	12550
Rough Production (1000 MT)	19905	19905	20040	20000	20000	19921
Mill. Rate (.9999) (1000 MT)	6300	6300	6300	6300	6300	6300
MY Imports (1000 MT)	3600	3607	3750	3812	3800	3500
TY Imports (1000 MT)	3800	3780	3750	3900	3800	3500
TY Imp. U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	18503	18510	19478	19522	19878	19572
MY Exports (1000 MT)	0	0	0	0	0	0
TY Exports (1000 MT)	0	0	0	0	0	0
Cons. and Res. (1000 MT)	15400	15400	16000	16000	16400	16400
Ending Stocks (1000 MT)	3103	3110	3478	3522	3478	3172
Total Distribution (1000 MT)	18503	18510	19478	19522	19878	19572
Yield (Rough) (MT/HA)	4.15	4.1451	4.13	4.1237	4.17	4.1502

(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 2023/2024 = January 2024 - December 2024

Note: This is not USDA Official data.

Production

FAS Manila maintains its forecast for milled rice production and imports for MY 2023/24, both slightly below USDA Official. Effects thus far from the 2023 El Niño are mixed but balanced across the country, as expected. Overall effects on production appear minimal up to the time of this report's publication.

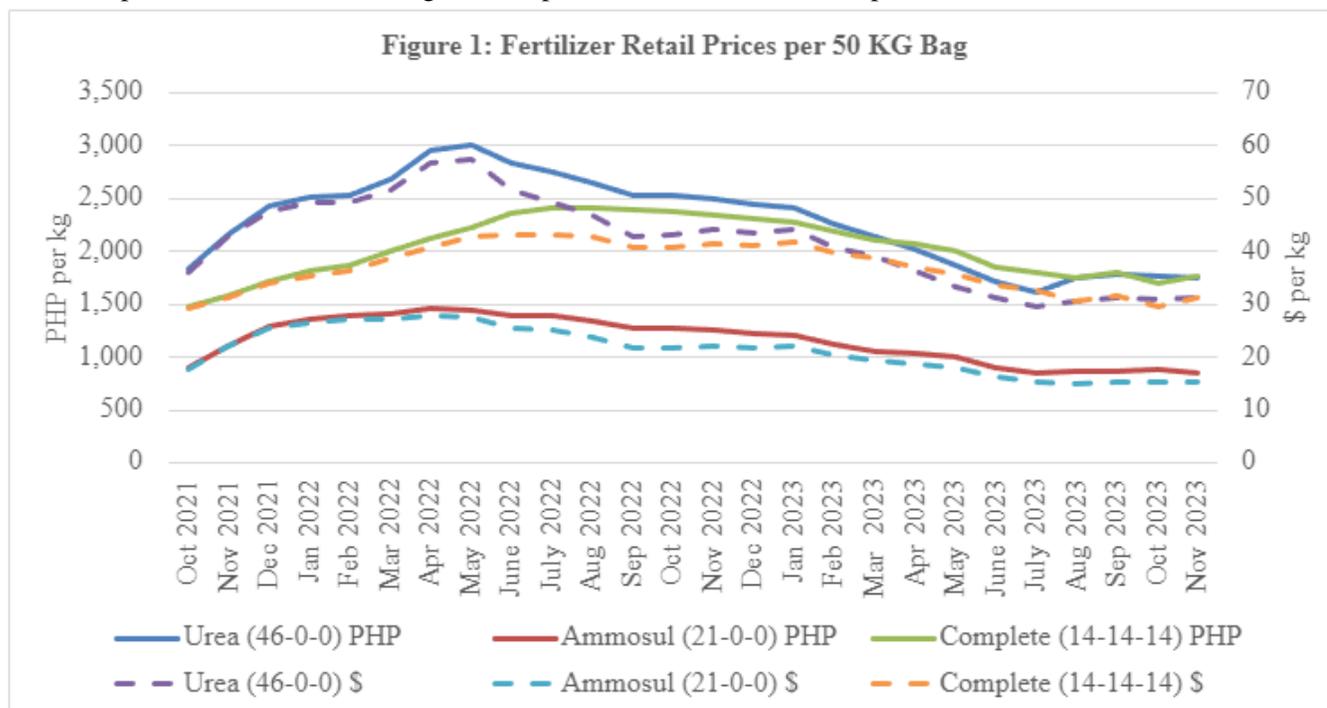
President Ferdinand Marcos, Jr. signed [Executive Order \(EO\) No. 39, Series of 2023](#) on August 31, 2023. The order mandated retail price ceilings on rice of PHP 41 (\$0.72) per kg for regular-milled rice and PHP 45 (\$0.79) per kg for well-milled rice. President Marcos subsequently lifted the price ceilings on October 4, 2023.

Table 5: Philippine Rice Regional Rough Production (MT)

Region	MY 2021/22	MY 2022/23	%Δ
Philippines	19,903,981	20,038,816	1
Central Luzon	3,908,219	3,668,206	-6
Cagayan Valley	2,884,287	2,969,606	3
Western Visayas	2,319,209	2,337,183	1
Ilocos Region	1,902,164	1,959,702	3
Bicol Region	1,337,310	1,318,128	-1
SOCCSKSARGEN	1,259,533	1,265,939	1
MIMAROPA	1,216,284	1,222,497	1
Eastern Visayas	829,450	851,924	3
BARMM	825,485	844,257	2
Northern Mindanao	793,206	818,778	3
Zamboanga Peninsula	635,489	707,628	11
Davao Region	486,690	504,694	4
Caraga	473,835	535,722	13
CALABARZON	419,466	410,899	-2
CAR	367,070	341,580	-7
Central Visayas	246,285	282,072	15

Source: [Philippine Statistics Authority \(PSA\)](#)

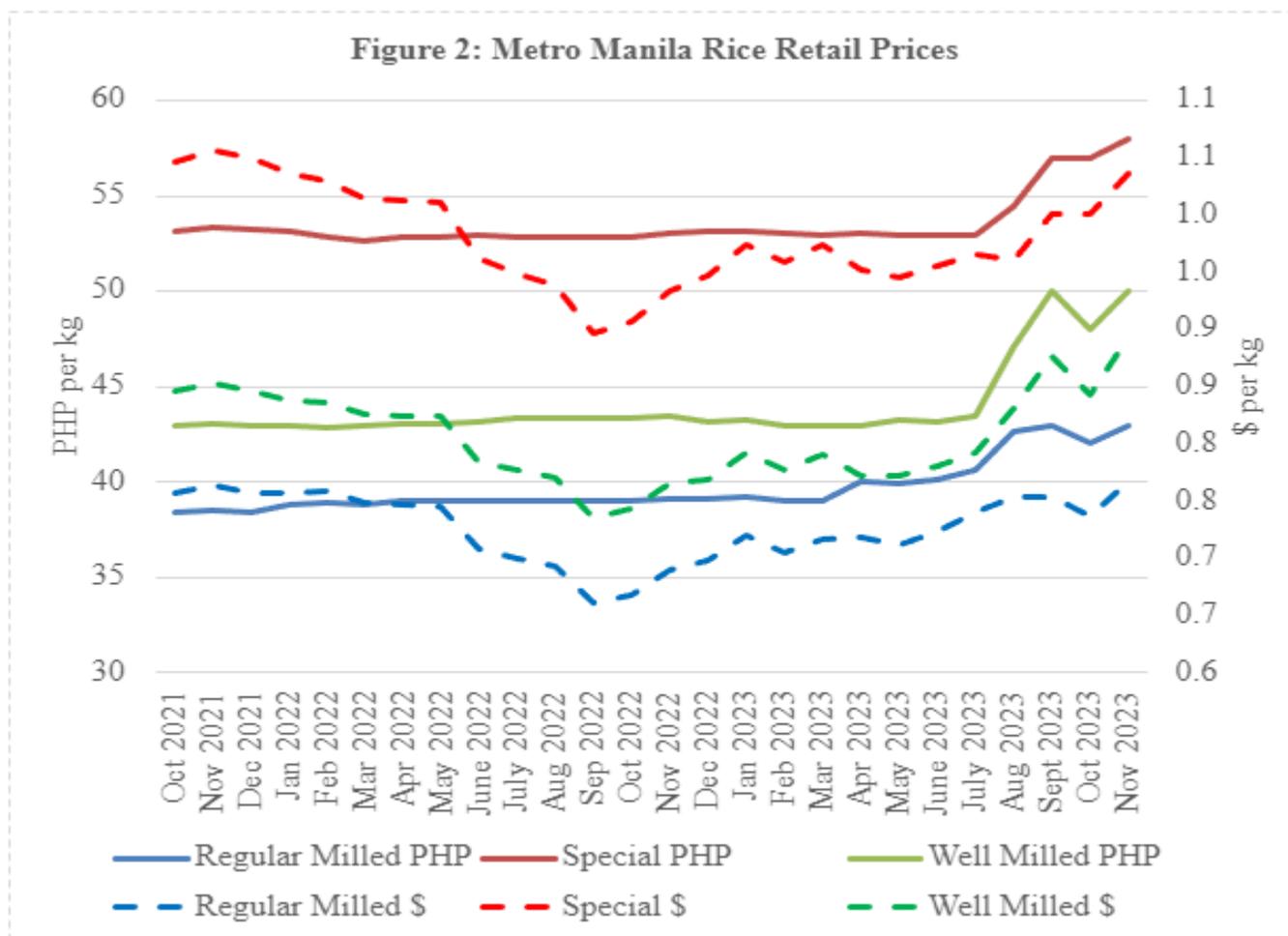
Fertilizer price data shows a leveling for Complete and Ammosul from September to November 2023.



Source: [Fertilizer and Pesticides Authority](#)

Consumption

FAS Manila maintains its previous forecast for rice consumption for MY 2023/24 in line with USDA Official. Following a slight drop during the one-month price ceiling, retail rice prices have begun to inch upward again. As a staple, however, rice consumption has thus far proven less affected by price increases than other foods.



Source: [Philippine Statistics Authority](#)

Stocks

FAS Manila maintained its ending stocks forecast for MY 2023/24.

Trade

FAS Manila maintains its previous MY 2023/24 rice imports forecast. Industry contacts report continued diminished interest among rice importers due to elevated prices in international markets. President Marcos's one-month imposition of price ceilings encouraged a wait-and-see attitude, with some importers canceling purchases while the ceiling was in effect. Another factor likely to affect imports going forward

is a new 30-day deadline to bring in rice following the issuance of a Sanitary and Phytosanitary Import Clearance (SPSIC). Previously, the deadline for ASEAN rice imports was 60 days, with a 90-day deadline for imports from Myanmar and the rest of the world.

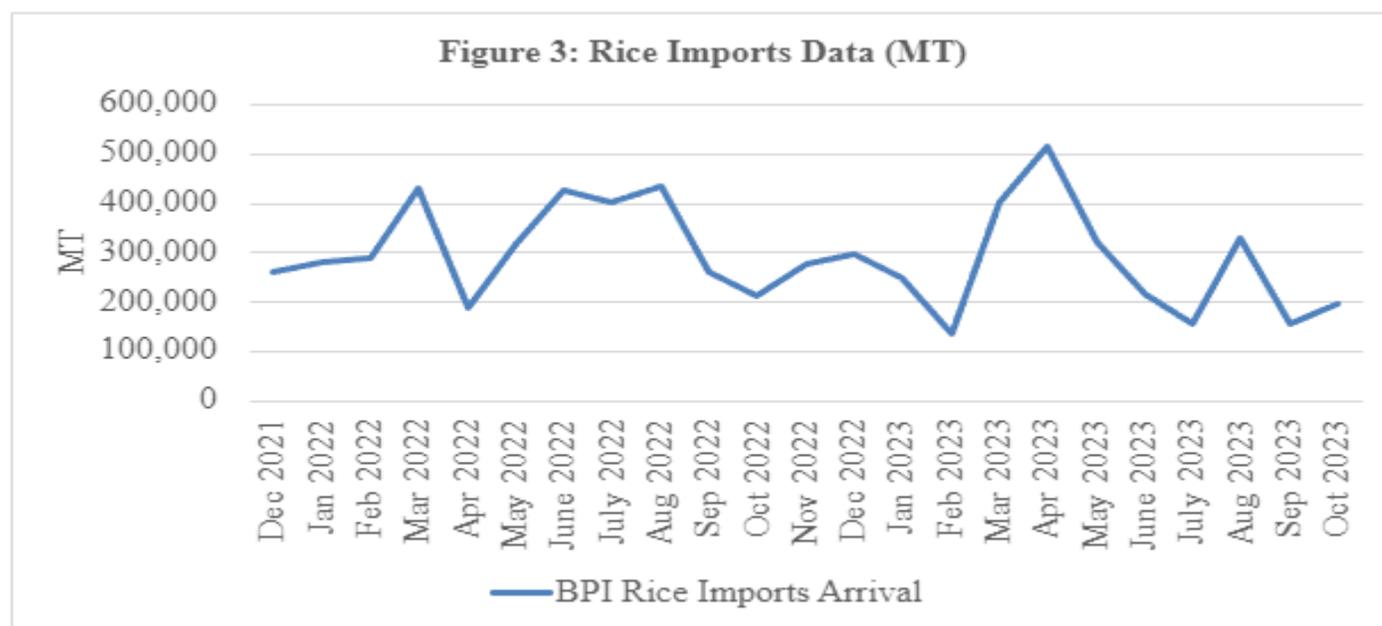
BPI rice Sanitary and Phytosanitary Import Clearance (SPSIC) application numbers and volume applied for can be found at this [link](#).

Currently, the Philippines Tariff Commission is conducting a comprehensive tariff review. As part of the public input, consumer advocacy organizations have petitioned to lower rice tariffs indefinitely from 35 percent to 10 percent to provide retail price relief. The proposal has received support from other parts of the government, but a final decision on tariff rates for all commodities will likely take several more months.

Table 6: Rice Exports to the Philippines (MT)			
Reported	MY 2021/22	MY 2022/23	%Δ
Total	3,606,784	3,811,694	6
Vietnam	2,990,677	3,294,706	10
Myanmar	263,091	217,145	-17
Thailand	198,266	156,247	-21
Pakistan	87,441	103,172	18
India	26,067	21,580	-17
China	23,665	11,466	-52
Others	17,577	7,378	-58

Sources: Trade Data Monitor, LLC; FAS Ho Chi Minh City;

FAS Manila estimates for Myanmar (January to June 2023) and Pakistan (March to June 2023)



Sources: [Department of Agriculture - Bureau of Plant Industry](#)

Wheat

Production, Supply, and Distribution

Table 7: Wheat Market Year Begins	2021/2022		2022/2023		2023/2024	
	Jul 2021		Jul 2022		Jul 2023	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Philippines						
Area Harvested (1000 HA)	0	0	0	0	0	0
Beginning Stocks (1000 MT)	1330	1330	1375	1324	1096	1051
Production (1000 MT)	0	0	0	0	0	0
MY Imports (1000 MT)	6886	6864	5743	5597	5900	6000
TY Imports (1000 MT)	6886	6864	5743	5597	5900	6000
TY Imp. from U.S. (1000 MT)	2685	2685	1956	1956	0	0
Total Supply (1000 MT)	8216	8194	7118	6921	6996	7151
MY Exports (1000 MT)	41	70	22	70	20	0
TY Exports (1000 MT)	41	70	22	70	20	0
Feed and Residual (1000 MT)	3500	3500	2850	2800	2800	2900
FSI Consumption (1000 MT)	3300	3300	3150	3000	3200	3100
Total Consumption (1000 MT)	6800	6800	6000	5800	6000	6100
Ending Stocks (1000 MT)	1375	1324	1096	1051	976	1051
Total Distribution (1000 MT)	8216	8194	7118	6921	6996	7151
Yield (MT/HA)	0	0	0	0	0	0

(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 2023/2024 = July 2023 - June 2024

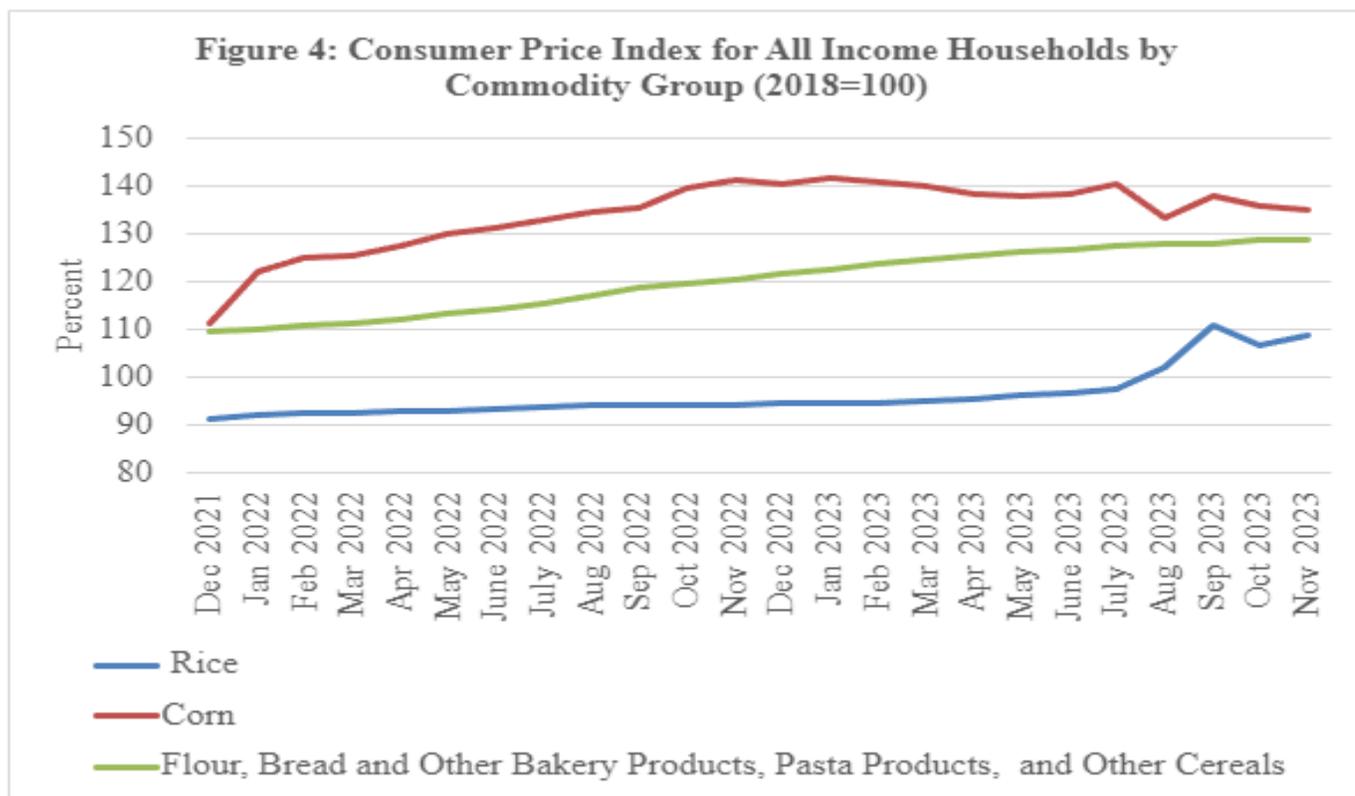
Note: This is not USDA Official.

Consumption

FAS Manila lowers its forecast for feed wheat consumption for MY 2023/24 based on monthly import data to date and feedback from industry sources.

Stocks

FAS Manila's forecast numbers for stocks remain the same as in the previous update.



Source: [Philippine Statistics Authority](#)

Trade

FAS Manila lowers its wheat imports for MY 2023/24 based on monthly trade data to date and feedback from industry sources.

Wheat prices have been elevated, but similarly elevated rice prices prevent a shift in consumption from wheat to rice. In terms of feed wheat vs. corn, the latter retains an advantage because of lower price quotes combined with the Philippine feed industry’s strong preference for corn.

Reporter	Tariff Rate	MY 2021/22	MY 2022/23	%Δ
Total		6,864,117	5,597,326	-18
US	Milling Wheat: 0	2,683,719	1,955,729	-27
Australia	Milling Wheat: 0 Feed Wheat: 0	2,532,894	3,068,850	21
Ukraine	Feed Wheat: 7	413,878	-	-100
EU-27	Feed Wheat: 7	334,039	22,607	-93
India	Feed Wheat: 0	548,619	476	-100
Canada	Milling Wheat: 0	248,933	459,209	84
Others		102,035	90,455	-11

Sources: Trade Data Monitor, LLC; [Tariff Commission](#)

Corn

Production, Supply, and Distribution

Table 10: Corn Market Year Begins Philippines	2021/2022		2022/2023		2023/2024	
	Jul 2021		Jul 2022		Jul 2023	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	2562	2562	2500	2500	2570	2570
Beginning Stocks (1000 MT)	384	384	410	429	417	501
Production (1000 MT)	8344	8344	8300	8322	8400	8200
MY Imports (1000 MT)	582	601	907	950	900	1000
TY Imports (1000 MT)	669	690	950	950	850	1000
TY Imp. from U.S. (1000 MT)	7	10	9	0	0	0
Total Supply (1000 MT)	9310	9329	9610	9701	9717	9701
MY Exports (1000 MT)	0	0	0	0	0	0
TY Exports (1000 MT)	0	0	0	0	0	0
Feed and Residual (1000 MT)	6800	6700	7100	7100	7300	7200
FSI Consumption (1000 MT)	2100	2200	2100	2100	2100	2100
Total Consumption (1000 MT)	8900	8900	9200	9200	9400	9300
Ending Stocks (1000 MT)	410	429	417	501	317	401
Total Distribution (1000 MT)	9310	9329	9617	9701	9717	9701
Yield (MT/HA)	3.26	3.2568	3.32	3.3288	3.27	3.1907

(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 2023/2024 = October 2023 - September 2024

Note: This is not USDA Official data.

Production

FAS Manila maintains its forecast for local corn production for MY 2023/24, having already accounted for the effects of typhoons Dodong, Egay, and Falcon and the continued presence of fall armyworm.

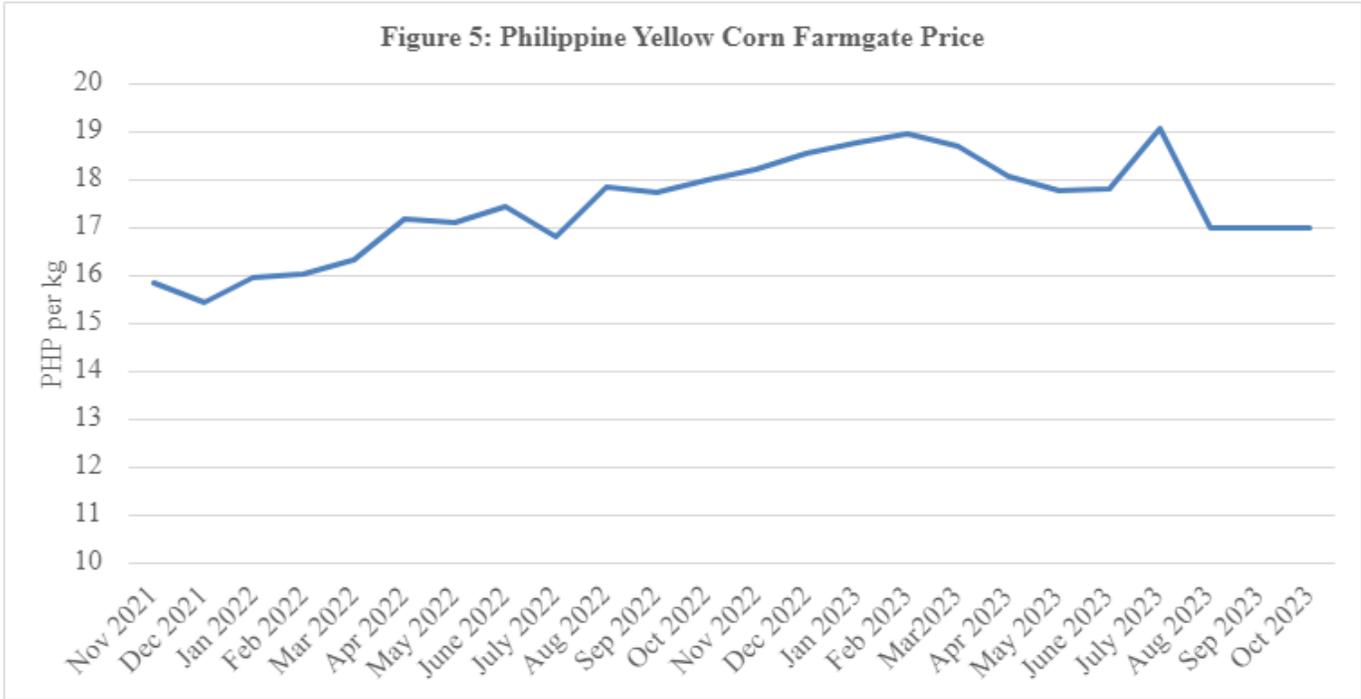
Department of Agriculture (DA)-Disaster Risk Reduction and Management monitors typhoon damage through this [link](#).

Region	MY 2021/22	MY 2022/23	%Δ
Philippines	6,094,838	6,212,026	2
Cagayan Valley	1,919,679	1,956,267	2
Northern Mindanao	943,656	985,939	4
SOCCSKSARGEN	848,916	866,012	2
Ilocos Region	537,158	551,069	3
BARMM	534,361	592,358	11
Western Visayas	277,890	260,653	-6
Central Luzon	262,950	268,336	2
Bicol Region	220,798	216,723	-2
CAR	201,985	169,235	-16
MIMAROPA	105,467	123,746	17
Caraga	81,997	72,894	-11
Davao Region	71,182	70,985	0
CALABARZON	41,231	38,123	-8
Zamboanga Peninsula	34,934	29,132	-17
Central Visayas	6,491	4,558	-30
Eastern Visayas	6,143	5,997	-2

Source: [Philippine Statistics Authority](#)

Region	MY 2021/22	MY 2022/23	%Δ
Philippines	2,249,178	2,110,245	-6
BARMM	613,752	569,117	-7
Northern Mindanao	511,561	504,805	-1
Davao Region	207,210	207,640	0
SOCCSKSARGEN	219,131	198,376	-9
Zamboanga Peninsula	174,745	154,399	-12
Central Visayas	95,585	94,064	-2
Western Visayas	85,012	84,221	-1
Bicol Region	70,560	65,824	-7
Eastern Visayas	57,389	52,673	-8
Caraga	55,401	40,899	-26
Ilocos Region	46,439	46,555	0
Central Luzon	38,471	31,943	-17
CALABARZON	24,645	19,851	-19
CAR	18,441	16,681	-10
Cagayan Valley	18,177	13,217	-27
MIMAROPA	12,660	9,979	-21

Source: [Philippine Statistics Authority](#)



Source: [Philippine Statistics Authority](#)

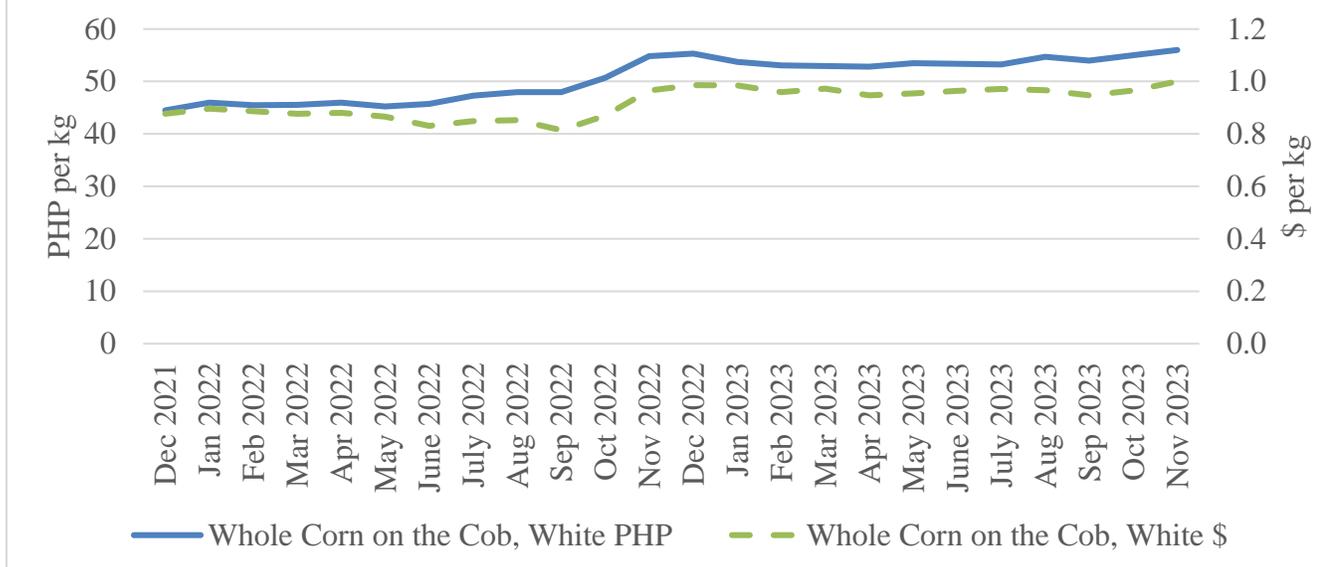
Consumption

FAS Manila maintains its forecasts for corn for food and feed for MY 2023/24.

Stocks

FAS Manila maintains its forecast for stocks for MY 2023/24 as outlined in the previous update.

Figure 6. Philippine Corn Retail Prices, Philippines



Source: [Philippine Statistics Authority](#)

Trade

FAS Manila maintains its forecast for MY 2023/24 corn imports. The forecast is based on existing policy, and therefore assumes the expiration of [lower corn tariff rates](#) at the end of December. The National Economic Development Agency (NEDA) Board, chaired by the President, has approved a proposed executive order (EO) to extend reduced tariffs on rice, pork, and corn until December 31, 2024. The new EO must be signed by the President, which can only be done when Congress is in recess. Congress adjourned on December 15, 2023, and will reconvene January 21, 2024. The modified tariffs for these commodities have been extended twice. The new EO for corn would keep the tariff at 5% (within the MAV quota) and 15% (exceeding the MAV quota).

Barley

FAS Manila maintains its forecast for barley imports for MY 2023/24. As previously reported, the anomalous high volume of barley imports in MY 2021/22 was because of its lower price at the time, which is not the case now.

Table 15: Global Barley Exports to Philippines

Reporter	Tariff Rate	MY 2021/22	MY 2022/23	%Δ
Total		498,381	301,302	-40
Australia	0	498,344	301,292	-40
Others		37	10	-73

Source: Trade Data Monitor, LLC

DDGS

FAS Manila maintains its forecast for 2023/24 DDGS imports.

Table 16: Global DDGS Exports to the Philippines (MT)

Reporter	Tariff Rate	MY 2021/22	MY 2022/23	%Δ
Total		163,432	207,844	27
US	1	163,432	207,675	27
Others		-	169	-

Source: Trade Data Monitor, LLC

Attachments:

No Attachments