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Turkey

Grain and Feed

Grains update

1999

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Report Highlights:

TMO procured 4.2 MMT of wheat and 818,000 MT of barley. TMO announced the new support prices for paddy rice. Import duties on corn and sorghum were increased to 50 percent.

Includes PSD changes: No

Includes Trade Matrix: No

Unscheduled Report

Ankara [TU1], TU

Turkish Grain Board (TMO) completed its grain procurement and a total of 5.1 MMT of grains were procured. Out of this total, 4.2 MMT were wheat and 818,000 MT were barley. Corn harvest has started recently and, as of September 23, only 50,000 MT were procured. TMO is paying one half of the amount owed to farmers on delivery, and will pay the balance after 45 days. There were significant delays in the second payments, especially during the heavy harvest season in late July and August. Since the end of the harvest season, TMO has been more timely with their second payments.

TMO announced the support prices for paddy rice in early September as TL 240,000, TL 225,000, and TL 204,000 for long grain, medium grain, and short grain, respectively. These prices in TL terms are about 45 percent higher than the last year's prices, but these price increases are significantly below the rate of inflation (estimated at about 65 percent for the last 12-month period). In USD terms, the per kilogram prices this year decreased from USD 0.60 to USD 0.53 for long grain, from USD 0.55 to USD 0.50 for medium grain, and from USD 0.50 to USD 0.45 for short grain. TMO has procured about 113,000 MT of all paddy grains as of September 23.

The GOT increased the import duty for corn and sorghum to 50 percent by a decree published in the Official Gazette on September 11, 1999. The duty increase for corn at the beginning of the harvest season has become a tradition. To protect Turkish corn farmers, it is anticipated that the GOT will decrease these import duties after TMO sells out its stocks. TMO is estimated to be procuring about 500,000 MT of corn this year.