



GIEWS Country Brief The Federative Republic of Brazil

Reference Date: 28-September-2023

FOOD SECURITY SNAPSHOT

- Cereal production in 2023 expected at record level due to large plantings
- Planting operations of 2024 paddy and minor maize crops ongoing
- Cereal exports forecast to set new record in 2023/24 marketing year
- Ample market supplies of wheat and yellow maize exert downward pressure on prices

Cereal production in 2023 expected at record level due to large plantings

Harvesting of the 2023 main season maize crop was recently completed and production is officially estimated at record high of 102 million tonnes, more than 40 percent above the previous five-year average. The bumper harvest reflects well above-average plantings and excellent yields. The planted area has been on the increase since 2018 as farmers responded positively to the strong demand by the domestic feed industry and importing countries. According to official estimates, the 2023 aggregate maize production, including an above-average minor crop harvested in the March to May period, sets a new record of about 132 million tonnes.

Harvesting of the 2023 wheat crop is ongoing and production is officially forecast at 10.8 million tonnes, near the 2022 record level. The large output in 2023, expected at nearly 50 percent above average, is due to large plantings that rose substantially since 2022 following an upsurge of domestic prices. Despite current favourable crop conditions in the key producing southern region, above-average rainfall amounts forecast in the October to December period could hamper harvesting operations and curtail final yields.

The harvest of the 2023 paddy crop was completed in May and production is officially estimated at 10 million tonnes, about 10 percent below the previous five-year average. This is the result of a sustained contraction in plantings since 2006, when farmers started to shift to more remunerative maize and soybean crops.

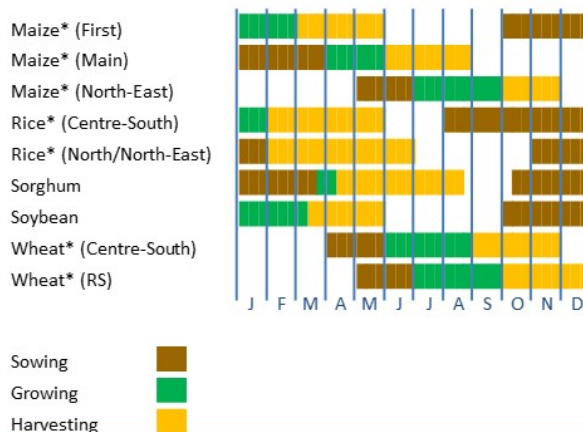
Planting operations of 2024 paddy and minor maize crops ongoing

Planting of the 2024 paddy and minor maize crops are underway at a slow pace due to recent heavy rains in the key producing

Brazil

Crop Calendar

(*major foodcrop)



Brazil

Cereal Production

	2018-2022	2022	2023	change
	average			2023/2022
000 tonnes				
				percent
Maize	96 691	113 130	131 866	16.6
Rice (paddy)	11 257	10 789	10 034	-7.0
Wheat	7 010	10 554	10 818	2.5
Others	3 848	4 657	6 538	40.4
Total	118 805	139 130	159 255	14.5

Note: Percentage change calculated from unrounded data.

southern region. Official forecasts point to a 10-percent year-on-year increase in paddy plantings, mainly reflecting elevated domestic prices. By contrast, the 2024 aggregate area sown to maize is forecast at 21.2 million hectares, 5 percent lower than the 2023 record level, as a result of low-price levels in domestic and international markets. Despite the year-on-year decline, 2024 maize sowings are expected to remain above the five-year average.

Cereal exports forecast to set new record in 2023/24 marketing year

Exports of maize, the country's major exportable cereal, are forecast at record 51 million tonnes in the 2023/24 marketing year (March/February), more than 50 percent above average. This is mainly due to the ample exportable surplus of maize, reflecting the record production expected in 2023. Similarly, the abundant supply of the 2023 wheat crop is forecast to result in well above-average exports in 2023/24. By contrast, below-average exports of rice are forecast in 2023 (January/December) as a result of the low domestic availability. In aggregate, cereal exports are forecast at a record of 55.5 million tonnes in the 2023/24 marketing year.

Ample market supplies of wheat and yellow maize exert downward pressure on prices

Wholesale prices of wheat have been declining since August 2022 due to improved market supplies from the 2022 bumper harvest. Recently, favourable production prospects for the 2023 harvest added downward pressure on prices. Prices of maize decreased sharply between April and August 2023 to lower year-on-year levels, reflecting ample availabilities from the 2023 record harvest. Regarding rice, prices rose sharply in August in the key producing state of Rio Grande do Sul, in line with international trends following the export ban of non-basmati rice in India. Additional upward pressure on prices was provided by the strengthening of the national currency and larger year-on-year exports in the first eight months of the year. Prices were up from their August 2022 levels, driven by tight supplies after two consecutive years of below-average harvests.

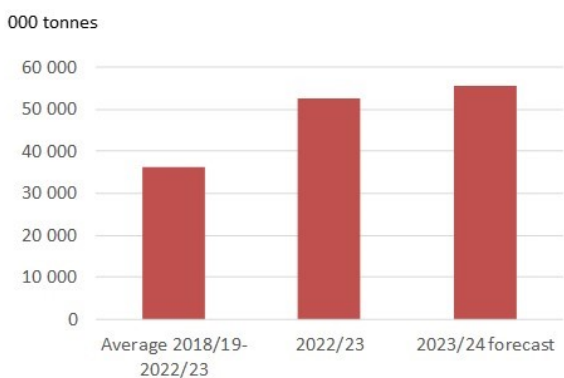
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This brief was prepared using the following data/tools:

FAO/GIEWS Country Cereal Balance Sheet (CCBS) <https://www.fao.org/giews/data-tools/en/>.
 FAO/GIEWS Food Price Monitoring and Analysis (FPMA) Tool <https://fpma.fao.org/>.
 FAO/GIEWS Earth Observation for Crop Monitoring <https://www.fao.org/giews/earthobservation/>.
 Integrated Food Security Phase Classification (IPC) <https://www.ipcinfo.org/>.

Brazil

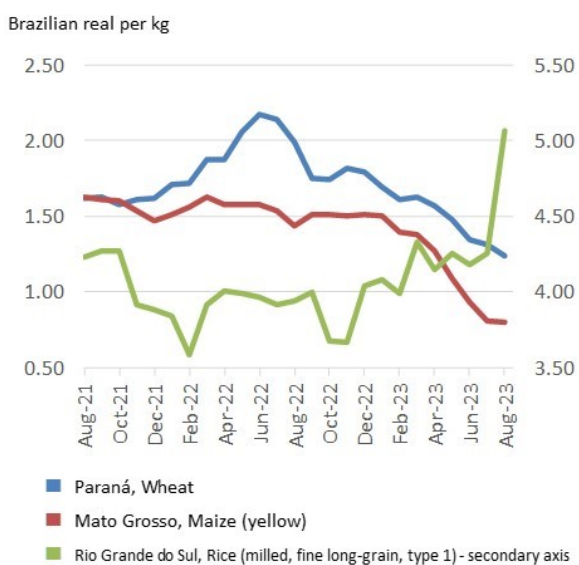
Cereals Exports



Notes: Includes rice in milled terms. Split years refer to individual crop marketing years (for rice, calendar year of second year shown).

Brazil

Wholesale prices of cereals





GIEWS Country Brief Brazil

Reference Date: 23-December-2022

HIGHLIGHTS

- Cereal production in 2022 estimated at record level due to large plantings
- Conducive weather conditions forecast for 2023 maize and paddy crops
- Cereal exports forecast at record high in 2022/23 marketing year
- Prices of wheat more than 10 percent above year-earlier levels in November 2022

Cereal production in 2022 estimated at record level due to large plantings

Harvesting of the 2022 wheat crop was virtually completed in mid-December and production is officially estimated at a record level of 9.5 million tonnes. The bumper harvest is due to large plantings, 35 percent above the five-year average, as farmers responded positively to the high level of domestic prices at planting time.

According to official estimates, the 2022 cereal production sets a new record of 134.6 million tonnes, reflecting above-average sowings of maize and wheat. While maize output reached an all-time high at 113.1 million tonnes, paddy production was at a below-average level 10.8 million tonnes as dryness induced a contraction in plantings.

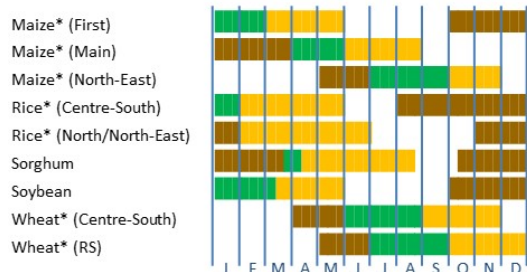
Conducive weather conditions forecast for 2023 maize and paddy crops

Planting operations of the 2023 minor season maize and paddy crops are nearing completion. Planted area with the 2023 paddy crop is estimated to be over 10 percent below the five-year average, as some farmers opted to switch to more profitable soybean crops, while soil moisture deficits affected major cropping areas in the south. While the area sown to the minor maize crop is estimated to be near average, plantings of the main season maize crop are officially forecast at a record high, reflecting a continuous expansion in the key producing state of Mato Grosso. Average precipitation amounts are forecast between January and March 2023 in central and southern regions, with positive effects on crop yields.

Brazil

Crop Calendar

(*major foodcrop)



Sowing
Growing
Harvesting

Source: FAO/GIEWS.

Brazil

Cereal Production

	2017-2021 average	2021	2022 estimate	change 2022/2021
	000 tonnes			percent
Maize	93 633	87 055	113 111	29.9
Rice (paddy)	11 565	11 766	10 789	-8.3
Wheat	5 752	7 679	9 501	23.7
Others	3 485	3 701	4 669	26.2
Total	114 434	110 202	138 070	25.3

Note: Percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheet.

Cereal exports forecast at record high in 2022/23 marketing year

Exports of maize, the country's major exportable cereal, are forecast at a record of 40.5 million tonnes in the 2022/23 marketing year (March/February), nearly 35 percent above the previous five-year average. This is mainly due to the large domestic availability of maize following the record production harvested in 2022. Similarly, the ample supply of the 2022 wheat crop is expected to result in well above-average exports in 2022/23. Despite the reduction in the exportable surplus, exports of rice in 2022 (January/December) are also estimated at an above-average level, driven by strong international demand. As a result, cereal exports are forecast at a record level of 44.3 million tonnes in the 2022/23 marketing year.

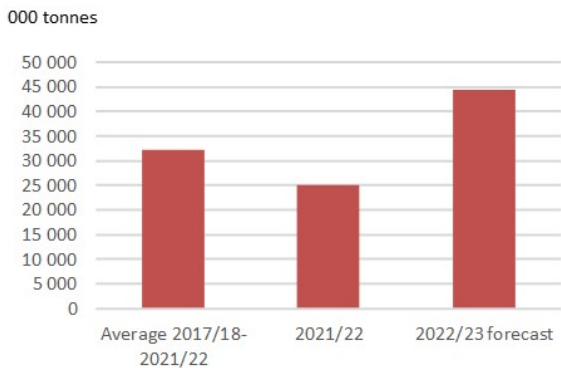
Prices of wheat more than 10 percent above year-earlier levels in November 2022

Wholesale prices of wheat declined between August and November 2022 due to the improved seasonal availability of grains from the 2022 bumper harvest. However, as of November, prices were over 10 percent higher year-on-year, following the sharp increases during the first half of 2022. Prices of maize have weakened in recent months and were below their values in November 2021, reflecting the 2022 record production. Prices of rice, which declined between April and December 2021, following the above-average output harvested in 2021, generally weakened in 2022.

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Brazil

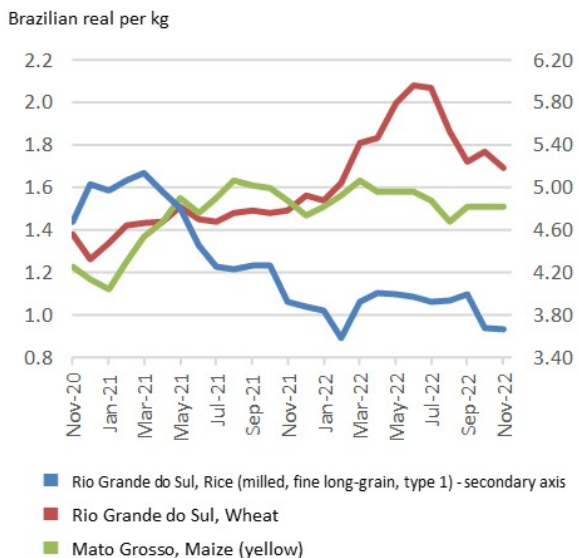
Cereals Exports



Notes: Includes rice in milled terms. Split year refers to individual crop marketing years (for rice, calendar year of second year shown).
Source: FAO/GIEWS Country Cereal Balance Sheets.

Brazil

Wholesale prices of cereals



Source: FAO/GIEWS Food Price Monitoring and Analysis Tool.



GIEWS Country Brief Brazil

Reference Date: 18-March-2022

HIGHLIGHTS

- **Planting of 2022 main maize crop ongoing under mixed weather conditions**
- **Exports of maize estimated well below-average levels in 2021/22 marketing year**
- **Prices of maize above year-earlier levels in February 2022**

Planting of 2022 main maize crop ongoing under mixed weather conditions

Planting of the 2022/23 main season maize crop is ongoing. The progress of sowing was slowed by above-average precipitation amounts in February in the key producing centralwestern region (Mato Grosso and Goiás states), while below-average rains resulted in significant soil moisture deficits in the southern region (Mato Grosso do Sul and Paraná states). This provided consequent water stress (orange/red areas in ASI map) on seed germination. The area sown with the main crop is officially forecast at a record level, supported by high prices and strong domestic and foreign demand. Reflecting the expected all-time high plantings, the main season maize output is officially forecast at a record level of 86 million tonnes. This represents a sharp rebound from the 2021/22 main season, when crops were negatively affected by dry weather conditions.

Harvesting of the 2022/23 minor season maize crop is ongoing and production is expected at a below-average level of 24.4 million tonnes. Prolonged dry weather conditions in the major producing southern areas during the October 2021-February 2022 period reduced sowings and affected yields.

Similarly, the 2022/23 paddy crop is being harvested and production is officially forecast at 10.6 million tonnes, nearly 10 percent below the previous five-year average. The reduced precipitation in the key producing southern region lowered irrigation water availability, resulting in below-average sowings.

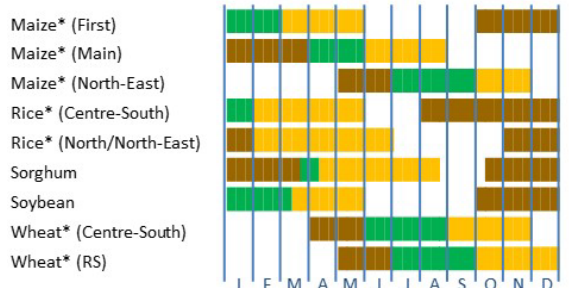
Exports of maize estimated at well below-average levels in 2021/22 marketing year

Exports of maize, the country's major exportable cereal, are estimated at 21 million tonnes in the 2021/22 marketing year

Brazil

Crop Calendar

(*major foodcrop)

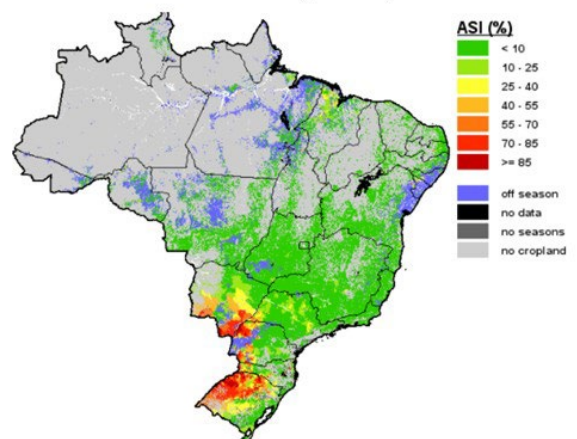


Sowing
Growing
Harvesting

Source: FAO/GIEWS.

Brazil - Agricultural Stress Index (ASI)

from start of season 1 to dekad 3, February 2022



(March/February), 30 percent below the previous five-year average. The decline is mainly due to the below-average dryness, which affected maize production in 2021. Exports of rice in 2021 (January/December) are also estimated to be below average, reflecting weak international demand. In 2022, despite an expected reduction in exportable surplus, exports of rice are officially forecast to increase to average level of 950 000 tonnes.

Prices of maize above year-earlier levels in February 2022

Wholesale prices of yellow maize rose between January and February 2022, as downward pressure from the ongoing minor harvest was more than offset by concerns over the impact of unfavourable weather conditions on yields. As of February, prices were more than 25 percent higher year on year in the key producing state of Mato Grosso, reflecting tight domestic supplies from the below-average 2021 maize harvest. Prices of wheat have generally strengthened, supported by large external sales between October 2021 and January 2022 due to the bumper production in 2021. Prices of rice have been decreasing since April 2021 as markets have been adequately supplied due to a reduction in exports and a slightly above-average output harvested in 2021. Prices continued to decline in February with the start of the harvest. In February 2022, prices of rice were 20 percent below their year-earlier levels, when strong demand and high international quotations kept domestic prices elevated.

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Brazil

Cereal Production

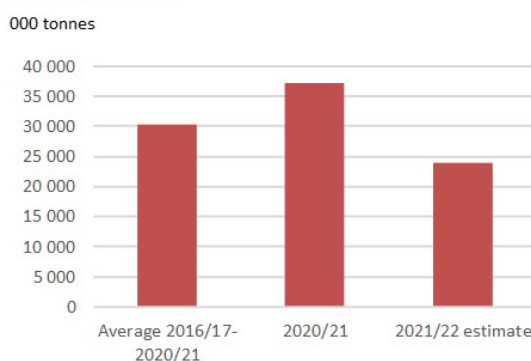
	2017-2021	2021	2022	change
	average		forecast	2021/2020
000 tonnes				
Maize	93 633	87 055	112 341	29.0
Rice (paddy)	11 562	11 754	10 348	-12.0
Wheat	5 752	7 679	7 879	2.6
Others	3 485	3 701	4 293	16.0
Total	114 432	110 190	134 861	22.4

Note: Percentage change calculated from unrounded data.

Source: FAO/GIEWS Country Cereal Balance Sheet.

Brazil

Cereals Exports

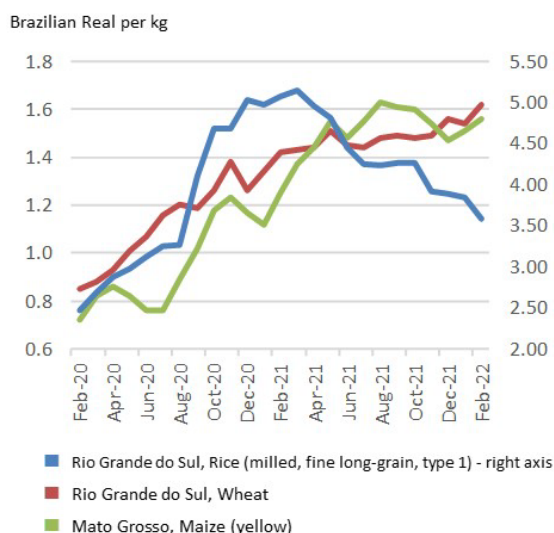


Notes: Includes rice in milled terms. Split year refers to individual crop marketing years (for rice, calendar year of second year shown).

Source: FAO/GIEWS Country Cereal Balance Sheets.

Brazil

Wholesale prices of cereals



Source: FAO/GIEWS Food Price Monitoring and Analysis Tool.



GIEWS Country Brief Brazil

Reference Date: 19-July-2021

HIGHLIGHTS

- Initial forecast for 2021 maize production lowered due to dry weather conditions
- Exports of maize forecast below average in 2021/22 marketing year
- Prices of cereals higher year on year in June 2021
- Social assistance programmes extended in 2021 to support vulnerable households

Initial forecast for 2021 maize production lowered due to dry weather conditions

Harvesting of the 2021 main season maize crop is ongoing. Yields are expected at below-average levels (VHI map) as reduced precipitation amounts from March to May and a cold spell in June adversely affected crops. The reduced yields lowered the initial production forecast that was pointing to a record output due to an all-time high planted area, prompted by high prices of the grain. The 2021 aggregate maize production, including a below-average minor season output that was harvested in the March-May period, is officially anticipated at 93 million tonnes, about 5 percent higher the five-year average.

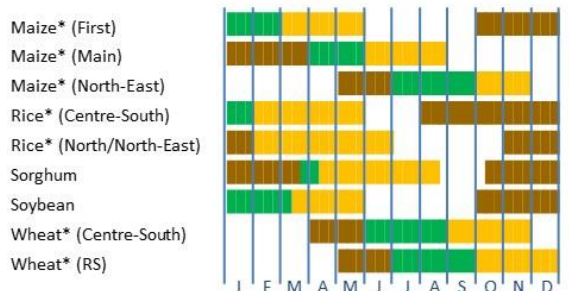
The 2021 wheat crop is currently at emergence and tillering stages and vegetation conditions are favourable especially in the main producing states of Paraná and Rio Grande do Sul in the southern region. According to official estimates, the planted area was more than 20 percent higher than the five-year average. Steadily increasing prices since 2020 have instigated an expansion in plantings for the second consecutive year, reversing the declining trend during the previous five years. Below-average rainfall amounts are forecast in the August-October period, which could potentially have negative effects on crop yields.

Harvesting of the 2021 paddy crop was been completed in June and production is officially estimated at slightly an above-average level of 11.7 million tonnes. This is mainly the result of above-average yields compensating for the low level of plantings, which have been steadily declining over the past 30 years as farmers have shifted to more remunerative maize and soybean crops.

Brazil

Crop Calendar

(*major foodcrop)

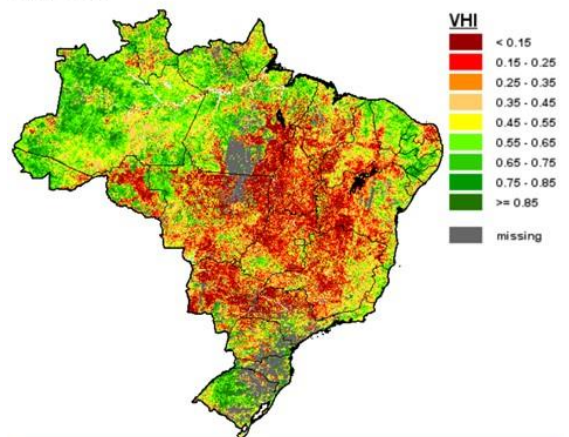


Sowing
Growing
Harvesting

Source: FAO/GIEWS.

Brazil - Vegetation Health Index (VHI)

June 2021



Source: FAO/GIEWS Earth Observation System.

Exports of maize forecast below average in 2021/22 marketing year

Exports of maize, the country's major exportable cereal, are forecast at a below-average level of 27 million tonnes in the 2021/22 marketing year (March/February), more than 25 percent below the high levels registered in the last two years. The expected decline in exports is mainly due to the reduced exportable surplus of maize in 2021. Exports of rice in 2021 (January/December) are anticipated at a near-average level of 920 000 tonnes.

Prices of cereals higher year on year in June 2021

Prices of rice decreased steadily between April and June 2021 following the commercialization of the recent harvest. The year-on-year lower exports during the first half of 2021 also boosted domestic supplies. Following increases during the February-May period, prices of maize started to seasonally decline in June. Similarly, favourable production prospects exerted downward pressure on prices of wheat grain. As of June 2021, prices of cereals were above their year-earlier levels due to the strong domestic and foreign demand (maize and rice) and the elevated import costs (wheat).

Social assistance programmes extended in 2021 to support vulnerable households

According to FAO's [State of Food Security and Nutrition in the World \(SOFI\) 2021](#), the prevalence of moderate or severe food insecurity in the total population increased from 18.3 percent in 2014-2016 to 23.5 percent in 2018-2020. The worsening of food security is mainly due to the economic downturn amid the COVID-19 pandemic in 2020, when [the Gross domestic product \(GDP\) decreased by 5.3 percent](#).

To mitigate the adverse impact of the COVID-19 pandemic on households, the government has [extended the "Auxílio emergencial" programme](#), which delivers [seven grants](#) of an average BRL 250 (about USD 45) from January to October 2021. This programme targets [40 million](#) low income households who were affected by the COVID-19 pandemic. While the traditional cash transfer programme "*Bolsa Familia*" continues to be in force, beneficiaries who are eligible for both programmes would benefit from only one programme that provides a greater amount of grant. The "*Bolsa Familia*" delivers a monthly grant of an average BRL 190 (about USD 35) to [14 million households](#).

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Brazil

Cereal Production

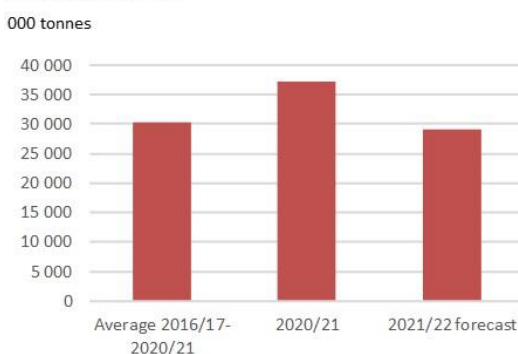
	2016-2020	2020	2021	change
	average		forecast	2021/2020
000 tonnes				
Maize	88 892	102 515	93 385	-8.9
Rice (paddy)	11 325	11 183	11 767	5.2
Wheat	5 583	6 235	8 480	36.0
Others	3 241	3 765	3 973	5.5
Total	109 041	123 698	117 605	-4.9

Note: percentage change calculated from unrounded data.

Source: FAO/GIEWS Country Cereal Balance Sheet.

Brazil

Cereals Exports

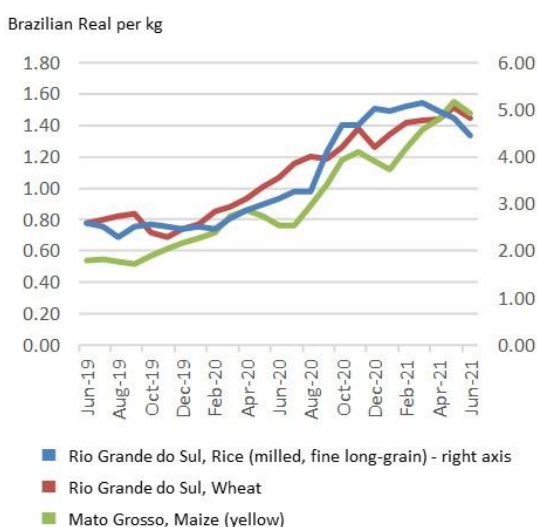


Note: Includes rice in milled terms. Split year refers to individual crop marketing years (for rice, calendar year of second year shown).

Source: FAO/GIEWS Country Cereal Balance Sheets.

Brazil

Wholesale prices of cereals



Source: FAO/GIEWS Food Price Monitoring and Analysis Tool.



GIEWS Country Brief Brazil

Reference Date: 31-March-2021

HIGHLIGHTS

- **Maize production in 2021 officially forecast at record level**
- **Cereal output in 2020 estimated well above average**
- **Exports of cereals in 2021/22 marketing year anticipated to remain high**
- **Prices of cereals increased in early 2021, standing well above year-earlier levels**
- **Social assistance programmes extended in 2021 to support vulnerable households**

Maize production in 2021 officially forecast at record level

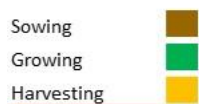
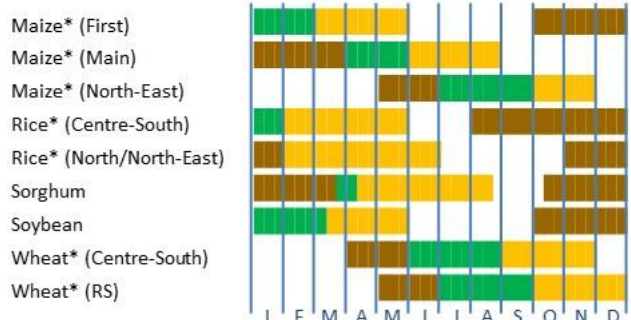
Planting of the 2021 (main) second season maize crop started in early February with some delay due to the slow harvest of soybeans, which precedes the main maize season. Although the planting window usually ends in early March, planting operations are still ongoing as remunerative prices have prompted farmers to expand sowings. Reflecting the expected increase of the planted area, production is officially forecast at a record level. However, there are concerns regarding the impact on yields, as below-average rainfall amounts and high temperatures are forecast for the April-June period in the key producing southwestern region. Harvesting of the (minor) first season maize crop, which accounts for about 30 percent of the annual output, is ongoing. Production is expected at a below-average level due to reduced plantings, which have been decreasing in the last ten years in favour of soybeans. Yields are also anticipated at below-average levels, as unfavourable weather conditions between November 2020 and January 2021 in the southern producing areas affected crops at seedling and flowering stages. The 2021 aggregate maize production is officially forecast at an all-time high of 108 million tonnes, exceeding by 5 percent the previous record level registered in 2020.

Harvesting of the 2021 paddy crop is ongoing in key producing central and southern regions and production is officially forecast at 11 million tonnes, slightly below the five-year average. This is mainly the result of above-average yields compensating the low level of plantings, which have been steadily declining over the

Brazil

Crop Calendar

(*major foodcrop)



Source: FAO/GIEWS.

Brazil

Cereal Production

	2016-2020 average	2020	2021 forecast	change 2021/2020
	000 tonnes			percent
Maize	88 893	102 519	108 069	5.4
Rice (paddy)	11 332	11 183	10 968	-1.9
Wheat	5 583	6 235	6 437	3.2
Others	3 196	3 770	3 986	5.7
Total	109 004	123 707	129 460	4.7

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheet.

past 30 years as farmers have shifted to more remunerative maize and soybean crops.

Cereal output in 2020 estimated well above average

The 2020 aggregate cereal production is officially estimated at a bumper level of 123.7 million tonnes, with the maize harvest accounting for more than 80 percent. The 2020 maize and wheat outputs are estimated at above-average levels reflecting increased plantings and high yields. Production of paddy crop is estimated at slightly a below-average level of 11.2 million tonnes, owing to the reduced planted area, partially offset by good yields.

Exports of cereals in 2021/22 marketing year anticipated to remain high

Exports of maize, the country's major exportable cereal, are forecast at 35 million tonnes in the 2021/22 marketing year (March/February), about 20 percent above the five-year average. Exports of rice in 2021 (January/December) are anticipated at 1 million tonnes, unchanged from the high levels recorded in 2020. The expected high volume of aggregate cereal exports reflects the strong demand by importing countries, as the weak local currency increased the competitiveness of domestic cereals in the international markets. The Brazilian Real depreciated since early 2018 and, as of February 2021, it lost about 25 percent of its value compared to the same month in 2020.

Prices of cereals increased in early 2021, standing well above year-earlier levels

In the first two months of 2021, prices of cereals increased and were higher year on year. Wholesale prices of yellow maize increased due to concerns on the slow progress of sowings of the main season crop. The low yields of the minor season crop, currently being harvested, exerted additional upward pressure. Similarly, prices of wheat and wheat flour strengthened in this period, reflecting reduced imports between September 2020 and February 2021 compared to the same period a year before. Prices of rice also increase in the main producing state of Rio Grande do Sul, pressured by the strong export demand. Elsewhere, prices of rice declined following improved supplies from the ongoing harvest.

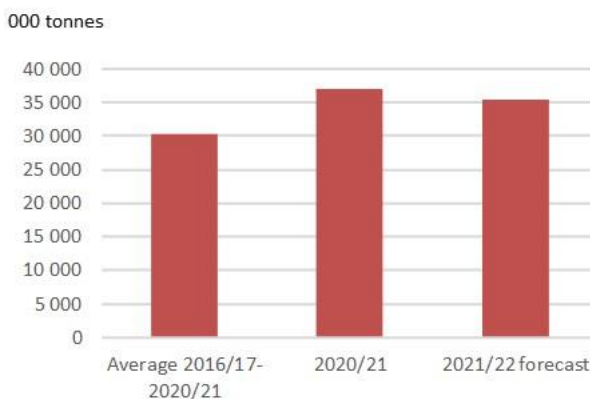
Social assistance programmes extended in 2021 to support vulnerable households

The Economic Commission for Latin America and the Caribbean (ECLAC) of the United Nations estimates a negative Gross Domestic Product growth of 5.3 percent in 2020, reflecting the adverse effects of the COVID-19 pandemic on the economy. The economic downturn is likely to have a negative impact on the access to food of the most vulnerable households.

To mitigate the adverse impact, the Government has announced the extension of social assistance programmes in 2021, which were scaled up in 2020. Following the onset of the COVID-19 pandemic in 2020, the cash transfer programme, *Bolsa Familia*, expanded the coverage, including an additional 1 million beneficiaries. This programme disburses a monthly grant of

Brazil

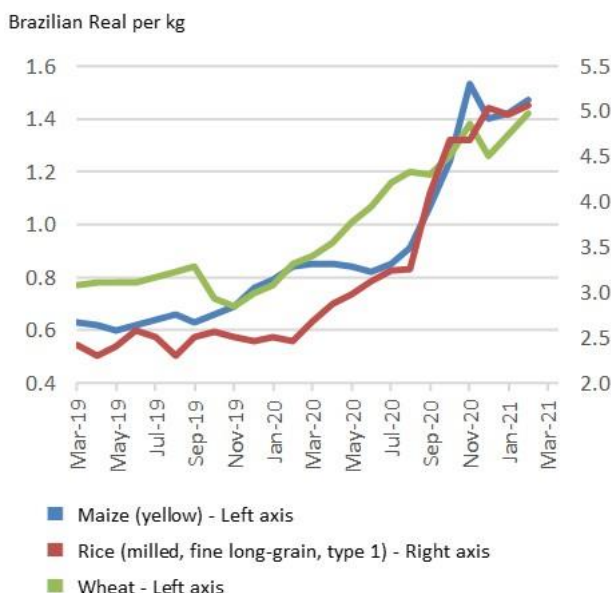
Cereals Exports



Note: Includes rice in milled terms. Split year refers to individual crop marketing years (for rice, calendar year of second year shown).
Source: FAO/GIEWS Country Cereal Balance Sheets.

Brazil

Wholesale prices in Rio Grande do Sul



Source: FAO/GIEWS Food Price Monitoring and Analysis Tool.

average BRL 190 (about USD 35) to 14 million families. The *Auxílio emergencial* programme, which targeted about 67.8 million people in 2020, will deliver a monthly grant of average BRL 250 (about USD 45) to vulnerable households for a period of four months, starting in April 2021.

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GIEWS Country Brief Brazil

Reference Date: 05-October-2020

HIGHLIGHTS

- Cereal production in 2020 forecast at record high due to large plantings of maize and wheat
- Exports of cereals in 2020/21 marketing year forecast at high levels
- Prices of cereals higher year on year due to strong demand and weak currency
- Social protection expanded for vulnerable households amid economic downturn

Cereal production in 2020 forecast at record high due to large plantings of maize and wheat

Harvesting of the 2020 main maize crop, which accounts for nearly 75 percent of the annual output, was completed in August. Production is officially estimated at well above-average level of 74.9 million tonnes due to the record planted area, driven by high domestic prices and strong export demand. Yields are also estimated to be above average despite dry weather conditions in the main producing states of Mato Grosso do Sul and Paraná. Harvesting of the 2020 third season minor maize crop will start from October in northeastern areas. Production prospects are favourable reflecting good weather conditions that have boosted crop yields. The 2020 aggregate maize production, including the first season crop harvested in the second quarter of 2020, is anticipated at a record high of 102.1 million tonnes, nearly 20 percent above the previous five-year average.

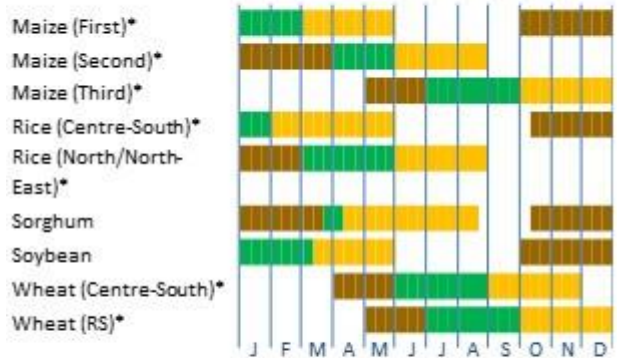
Harvesting of the 2020 wheat crop started recently and production is anticipated at a record level of 6.8 million tonnes, about 25 percent above the previous five-year average. The anticipated bumper output mainly reflects a rebound of sowings from the low levels of the previous years, driven by remunerative prices. In the main producing southern areas, while favourable weather conditions supported early crop development, frost and heavy rainfall amounts in late August affected yields of crops at flowering and ripening stages.

Harvesting of the mostly irrigated paddy crop was completed in May and production in 2020 is officially estimated at a slightly below-average level of 11.2 million tonnes. The low-level output mainly reflects record low sowings, which have been steadily declining over the past 30 years due to farmers' shift to more remunerative maize and soybean crops.

Brazil

Crop Calendar

(*major foodcrop)



Sowing
Growing
Harvesting

Source: FAO/GIEWS.

Brazil

Cereal Production

	2015-2019 average	2019	2020 forecast	change 2020/2019 percent
	000 tonnes			
Maize	85 446	100 043	102 142	2.1
Rice (paddy)	11 578	10 445	11 180	7.0
Wheat	5 438	5 155	6 832	32.5
Others	3 063	3 770	4 068	7.9
Total	105 524	119 412	124 222	4.0

Note: percentage change calculated from unrounded data.

Source: FAO/GIEWS Country Cereal Balance Sheet.

Exports of cereals in 2020/21 marketing year forecast at high levels

Exports of maize, the country's major exportable cereal, are forecast at high levels of 34 million tonnes in the 2020/21 marketing year (March/February). The anticipated large volume of exports reflects the abundant supplies from the 2020 harvest and strong international demand supported by the weak local currency. Nevertheless, exports are expected to be lower than the record levels in 2019/20 due to the increased demand by the domestic ethanol production industry.

Exports of rice in 2020 (January/December) are anticipated at an above-average level of 1 million tonnes, supported by high demand on the international markets.

Prices of cereals higher year on year due to strong demand and weak currency

Wholesale prices of yellow maize increased in July and August, in spite of the ongoing main season bumper harvest. The increase is mainly driven by the strong demand by the feed sector as well as for exports, supported by the weak national currency.

Prices of rice levelled off in August after the sustained increases in the previous months and were 40 percent higher year on year, underpinned by strong demand.

Prices of wheat are on the increase since late 2019 and strengthened further in August in line with seasonal trends. Prices remained well above their year-earlier values mainly due to the country's weak currency, despite larger import quantities during the second quarter of 2020 compared to the same period last year.

As of August, prices of all cereal crops were well above their year-earlier levels due to strong export demand that reflect the sustained weakening of the local currency. The Brazilian Real started to depreciate in early 2018 and had lost more than 30 percent of its value as of early September 2020 over the past 12 months. In order to contain the price increases, the duty free wheat import quota for non-Mercosur countries in 2020 was increased from 750 000 tonnes to 1.2 million tonnes and tariffs on imports of paddy and milled rice were suspended up to 400 000 tonnes until the end of 2020.

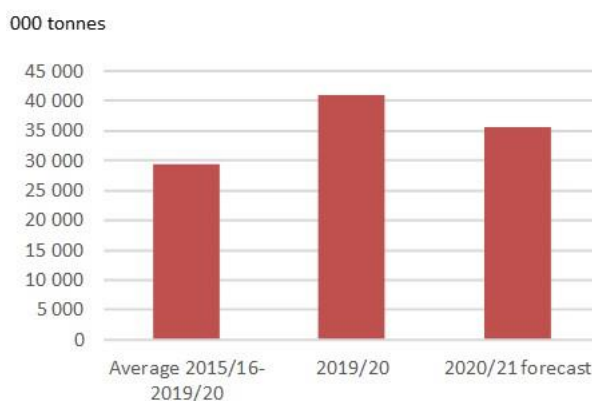
Social protection expanded for vulnerable households

Projections of the Economic Commission for Latin America and the Caribbean (ECLAC) of the United Nations indicate that the economic effects of the COVID-19 pandemic containment measures are expected to result in a negative Gross Domestic Product growth, up to -9 percent in 2020. The anticipated economic downturn is likely to have a negative impact on the access to food of vulnerable households with high risk of income/job losses.

To mitigate the negative impact, the Government is scaling up its social protection and assistance programmes. In April 2020, the Emergency Aid was launched and granted subsidies of BRL 600 (about USD 155 and equivalent to approximately 60 percent of

Brazil

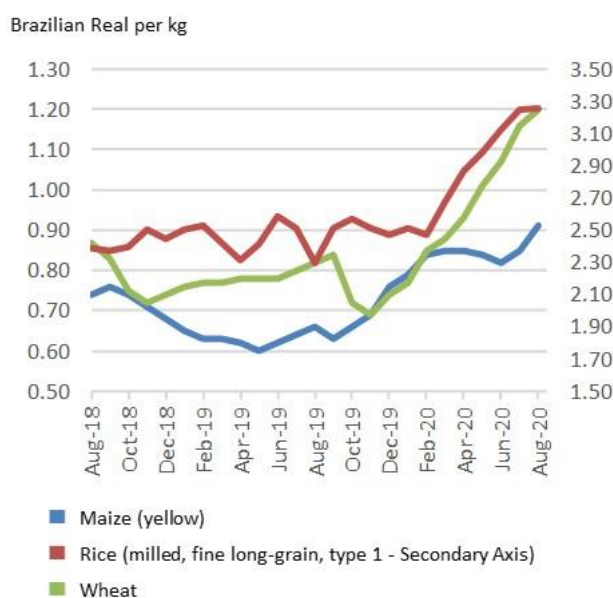
Cereals Exports



Note: Includes rice in milled terms. Split year refers to individual crop marketing years (for rice, calendar year of second year shown).
Source: FAO/GIEWS Country Cereal Balance Sheets.

Brazil

Wholesale prices in Rio Grande do Sul



Source: FAO/GIEWS Food Price Monitoring and Analysis Tool.

the minimum wage) for three months to 54 million people, mainly informal and low-income workers and the unemployed. In May 2020, 1 million beneficiaries were added to the existing Transfer programme, *Bolsa Familia*, which delivers on average a monthly grant of BRL 145 (about USD 37) per household.

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GIEWS Country Brief Brazil

Reference Date: 01-June-2020

HIGHLIGHTS

- **Maize production in 2020 anticipated at record level due to large plantings**
- **Maize exports in 2020/21 forecast at well above-average levels**
- **Prices of cereals higher year on year, driven by strong demand and weak currency**

Maize production in 2020 anticipated at record level due to large plantings

Harvesting of the 2020 main season maize crop is underway and production is officially anticipated at 75.9 million tonnes, 30 percent above the previous five-year average. The expected bumper output is due to a record-high planted area, mainly driven by high domestic prices and strong export demand. The large plantings more than offset a yearly decline in yields, affected by rainfall deficits in the main producing states of Mato Grosso do Sul and Paraná. The 2020 aggregate maize production, including the minor season crop harvested recently, is forecast at a record level of 102.3 million tonnes, nearly 20 percent above the average.

Harvesting of the 2020 paddy crop is nearing completion and production is officially estimated at 10.9 million tonnes, about 10 percent below the average, reflecting the reduced planted area. Paddy sowings have been steadily declining over the past 30 years due to farmers' shift to more remunerative maize and soybean crops and they recorded the lowest level in 2020.

Planting of the 2020 wheat crop is underway and the key producing southern areas are experiencing soil moisture deficits due to the below-average rainfall amounts since March. Plantings are officially forecast at a near-average level and slightly higher than the low levels of the past two years, on expectations of remunerative prices. However, if rainfall deficits continue in the June-September period, as predicted by weather forecasts, crop germination and development are likely to be affected.

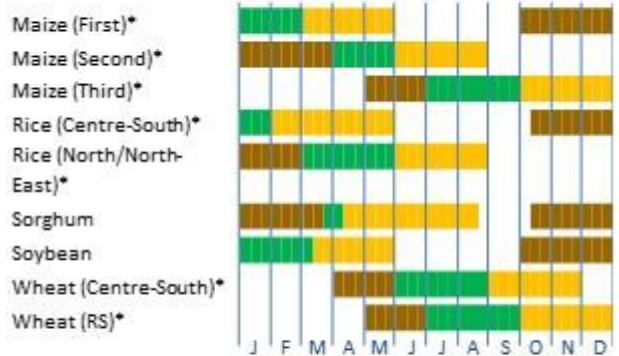
Maize exports in 2020/21 forecast at well above-average levels

Exports of maize, the country's major exportable cereal, in the 2020/21 marketing year (March/February) are forecast at well above-average levels of 35 million tonnes. The anticipated high level of exports reflects large supplies from the 2020 harvest and increased competitiveness in the international markets due to a

Brazil

Crop Calendar

(*major foodcrop)



Sowing
Growing
Harvesting

Source: FAO/GIEWS.

Brazil

Cereal Production

	2015-2019	2019	2020	change
	average		forecast	2020/2019
	000 tonnes			percent
Maize	85 446	100 043	102 337	2.3
Rice (paddy)	11 578	10 445	10 848	3.9
Wheat	5 438	5 155	5 433	5.4
Others	3 003	3 471	3 720	7.2
Total	105 464	119 113	122 338	2.7

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheet.

weak local currency. However, maize exports are expected to be lower than the record level in 2019 due to strong international competition caused by the declining prices of exports by the United States of America. Exports of rice in 2020 (January/December) are estimated at 870 000 tonnes, slightly above the five-year average.

Prices of cereals higher year on year, driven by strong demand and weak currency

Wholesale prices of yellow maize decreased from mid-April due to improved supplies from the ongoing 2020 main harvest. The temporarily subdued demand from the ethanol industry amid the COVID-19 outbreak also exerted downward pressure on prices. However, they were on average 50 percent higher compared to May 2019, reflecting the strong demand by the domestic feed sector and for exports, supported by the weaker currency.

Prices of rice sharply declined in May 2020, reflecting improved supplies from the 2020 paddy harvest and weakened domestic demand that had increased in March and April amid the COVID-19 pandemic. In May, prices of rice were about 8 percent higher year on year.

Prices of wheat, which are on the increase since late 2019, increased further in May and were about 33 percent higher than a year earlier. The increase mainly reflects seasonal low availabilities and prices are expected to rise until the new harvest in August.

COVID-19 and measures adopted by the Government

As an effort to halt the spread of the COVID-19 outbreak, lockdown measures were established in mid-March in a number of states and municipalities, including Rio de Janeiro, Rio Grande do Sul and Sao Paulo. All productive and commercial activities, including cross-border trade, along the food supply chain have been exempted from the measures.

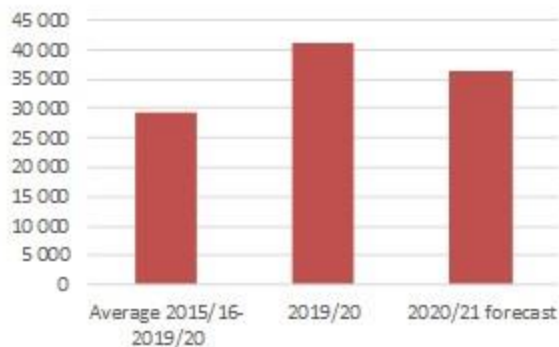
The Government cut the annual benchmark interest rate to an all-time low 3 percent to mitigate the negative effects of the COVID-19 pandemic on the domestic economy. The Ministry has guaranteed the continuous purchases of food from smallholder farmers to supply school canteens, where they remained operational. By contrast, where school meal programmes have been interrupted, monthly subsidies of BRL 55-60 (about USD 10-11) are being granted to vulnerable households from April until the reopening of the schools.

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Brazil

Cereals Exports

000 tonnes



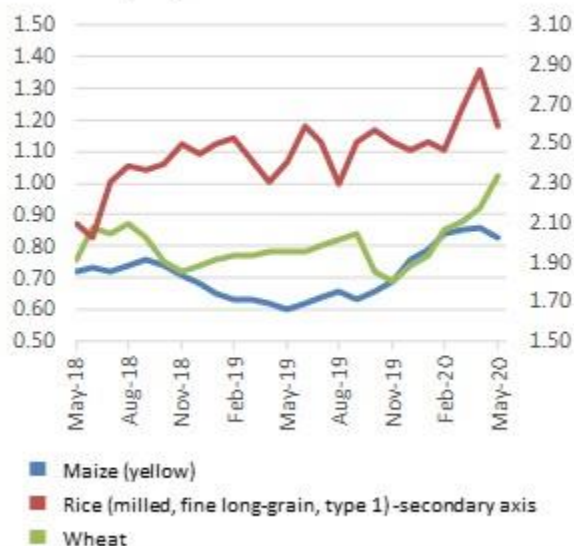
Note: Includes rice in milled terms. Split year refers to individual crop marketing years (for rice, calendar year of second year shown).

Source: FAO/GIEWS Country Cereal Balance Sheets.

Brazil

Wholesale prices in Rio Grande do Sul

Brazilian Real per kg



Source: FAO/GIEWS Food Price Monitoring and Analysis Tool.



GIEWS Country Brief Brazil

Reference Date: 04-February-2020

HIGHLIGHTS

- Favourable rains raised yield prospects for 2020 minor maize and paddy crops
- Record high cereal output in 2019, mainly due to bumper maize production
- Maize exports expected at record highs in 2019/20 marketing year
- Strong demand pushes prices of maize well above year-earlier values

Favourable rains raised yield prospects for 2020 minor maize and paddy crops

Planting of the 2020 (minor) first maize crop, mostly sown in the South, Southeastern and Northeast states, was concluded at the end of 2019 and the harvest is expected to start in early February. Favourable weather conditions since October 2019 supported plantings operations and early crop development, raising expectations of higher yields. The planted area of the first season maize crop is officially estimated at a below-average level, as farmers shifted to more remunerative soybean crops. Regarding the (main) second maize crop, planting operations, which normally take place from late January in the main producing states, are likely to be delayed due to a slow harvest of soybean, which precedes the second maize season. However, official forecasts set the area sown of the second season maize crop at an above-average level, mainly driven by high domestic prices and strong export demand.

Planting of the 2020 paddy crops, to be harvested from March, concluded in December in key producing Centre and Southern states, while it is still ongoing in North and Northeastern states. Planting operations have been favoured by adequate soil moisture levels. However, the planted area, which has been contracting since 2012, is estimated at a well-below average level. The declining trend is due to farmers' shift to more remunerative maize and soybean crops.

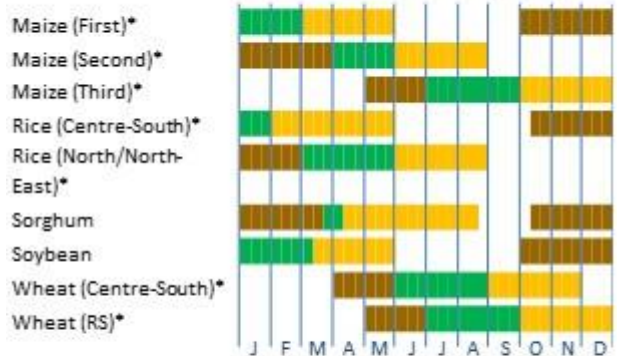
Record high cereal output in 2019, due to bumper maize production

The 2019 aggregate cereal production is estimated at a record high level of 119.2 million tonnes, about 17 percent above the previous five-year average. The 2019 maize production is officially estimated at a record level of 100 million tonnes, reflecting increased planted area and excellent yields. By contrast, the 2019 production of paddy and wheat is estimated at

Brazil

Crop Calendar

(*major foodcrop)



Sowing
Growing
Harvesting

Source: FAO/GIEWS.

Brazil

Cereal Production

	2014-2018 average	2018	2019 estimate	change 2019/2018
	000 tonnes			percent
Maize	81 413	80 710	100 042	24.0
Rice (paddy)	11 913	12 064	10 449	-13.4
Wheat	5 659	5 428	5 155	-5.0
Others	2 913	3 346	3 539	5.8
Total	101 898	101 547	119 185	17.4

Note: percentage change calculated from unrounded data.

Source: FAO/GIEWS Country Cereal Balance Sheet.

below-average levels of 10.4 and 5.2 million tonnes, respectively, due to a contraction in plantings and unfavourable weather conditions.

Maize exports expected at record highs in 2019/20 marketing year

Exports of maize, the country's major exportable cereal, in the 2019/20 marketing year (March/February) are expected at 37 million tonnes, almost 50 percent above the previous five-year average, due to the record output in 2019. The weakening of the local currency, which lost around 10 percent of its value against the US dollar through 2019, contributed to strengthen the demand for Brazilian maize. By contrast, exports of rice in the 2019/20 marketing year (January/December) are estimated at 640 000 tonnes, more than 10 percent lower than the five-year average, reflecting the below-average production in 2019.

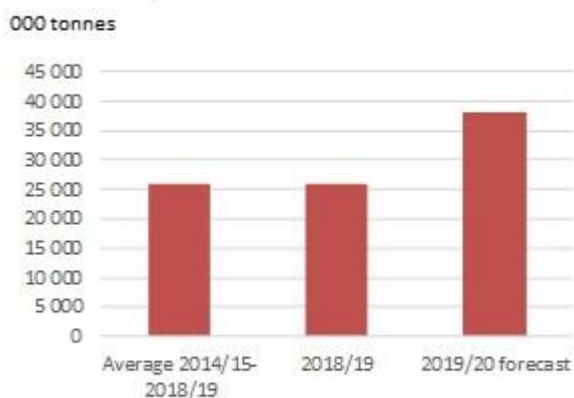
Strong demand pushes prices of maize well above year-earlier values

Despite the 2019 record output, wholesale prices of yellow maize have increased steadily in nominal terms since August 2019, mainly reflecting the strong domestic and foreign demand. As of December 2019, prices of maize were on average nearly 30 percent above their year-earlier levels. Prices of rice declined in the last three months of 2019 and, in December, were similar to the same month in 2018, mainly reflecting adequate market availabilities, boosted by increased imports. Prices of wheat declined during harvesting time, between September and November 2019, and increased in December, driven by the 2019 reduced output and costlier imports from Argentina, the main supplier. As of December, wholesale prices of wheat in the Paraná State, which accounts for about half of the national production, were about 7 percent above their previous year's levels.

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Brazil

Cereals Exports



Note: Includes rice in milled terms. Split year refers to individual crop marketing years (for rice, calendar year of second year shown).

Source: FAO/GIEWS Country Cereal Balance Sheets.

Brazil

Wholesale prices in Rio Grande do Sul



Source: FAO/GIEWS Food Price Monitoring and Analysis Tool.



GIEWS Country Brief Brazil

Reference Date: 22-May-2019

HIGHLIGHTS

- Cereal output in 2019 forecast well above last five-year average
- Cereal exports forecast at near record level in 2019/20 marketing year
- Favourable prospects for 2019 maize production pushed down prices of yellow maize

Cereal output in 2019 forecast well above last five-year average

Cereal production in 2019 is forecast to reach a new record of 114 million tonnes, mainly reflecting the bumper output of the 2019 maize crop offsetting a decrease in the rice harvest.

Harvesting of the main season maize crop is ongoing under favourable conditions and production is officially anticipated at a near record level of 95 million tonnes. Plantings of the first season slightly declined, as farmers opt to plant soybean that is more lucrative and has a similar planting period. However, in the following main season, the planted area increased by 6 percent, year on year, on account of higher prices at planting time and early completion of the soybean crops. As a result, plantings in the 2019 season are estimated to increase by 4 percent, year on year, at the national level. In comparison to the previous main season, when dry conditions adversely affected yields, favourable weather conditions boosted prospects of the main crop yields, which are officially anticipated to increase by 21 percent than in 2018.

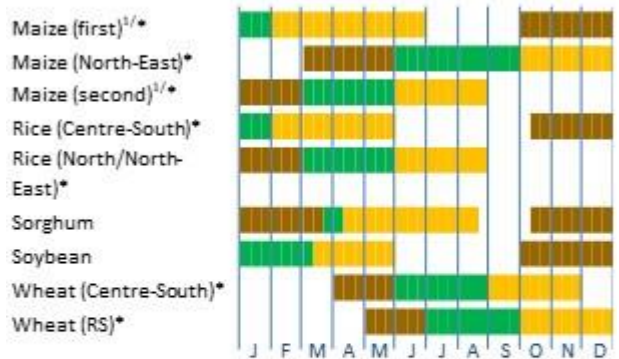
The 2019 rice season recently completed in April. Production is officially estimated at a below-average level of 10.6 million tonnes, as a yearly increase in yields did not offset a contraction on plantings. Following the trends in the decline in plantings, as farmers shift to more lucrative crops, the area planted decreased for the eighth consecutive year to 1 700 hectares, 20 percent below the previous five-year average.

Planting of the 2019 wheat crop is ongoing and faster than usual, as sufficient rains in March improved soil moisture conditions for planting operations. The first official forecast points to a slight increase in production, as an increase in yields offset a contraction in plantings. As a result, the 2019 production is forecast at a near-average level of 5.4 million tonnes.

Brazil

Crop Calendar

(*major foodcrop)



Sowing
Growing
Harvesting

1/ On average in the past 5 years the first and second seasons accounted for 35 and 65 percent respectively of the total annual maize production.

Source: FAO/GIEWS

Brazil

Cereal Production

	2014-2018	2018	2019	change
	average		forecast	2019/2018
000 tonnes				
Maize	81 413	80 710	95 254	18.0
Rice (paddy)	11 913	12 064	10 654	-11.7
Wheat	5 659	5 428	5 466	0.7
Others	2 913	3 346	3 367	0.6
Total	101 898	101 547	114 741	13.0

Note: percentage change calculated from unrounded data.

Source: FAO/GIEWS Country Cereal Balance Sheet.

Cereal exports forecast at near record level in 2019/20 marketing year

Due to the anticipated bumper output of maize, the country's major exported cereal, cereal exports are forecast at 32 million tonnes, near the record highs. The weakening of the local currency, which lost some 20 percent of value against the US dollar compared to early 2018, contributed further to stronger demand for Brazilian maize.

Favourable prospects for 2019 maize production pushed down prices of yellow maize

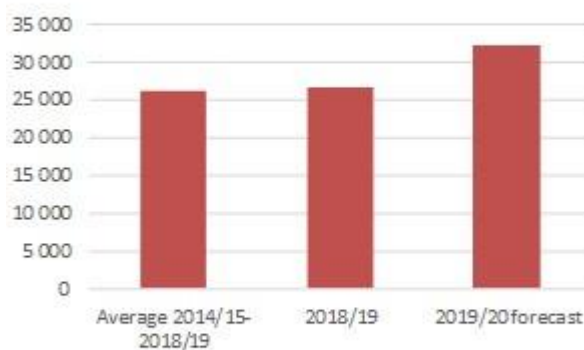
Prices of yellow maize declined in April and were lower than their values a year earlier, as harvesting of the main season crops is underway and production prospects are favourable. Similarly, prices of wheat grain also weakened, mainly reflecting increased imports during the first months of 2019, with imports accounting for 60 percent of its consumption needs. Prices were higher than a year earlier mostly due to the depreciation of the country's currency. Despite the recent completion of the 2019 harvests, prices of rice paddy strengthened, underpinned by export sales.

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Brazil

Cereals Exports

000 tonnes



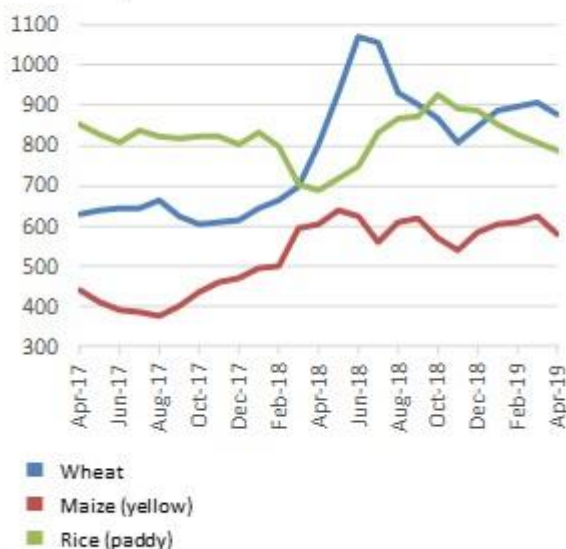
Note: Includes rice in milled terms. Split year refers to individual crop marketing years (for rice, calendar year of second year shown).

Source: FAO/GIEWS Country Cereal Balance Sheets.

Brazil

Wholesale cereal prices in São Paulo

Brazilian Real pertonne



Source: FAO/GIEWS Food Price Monitoring and Analysis Tool.



GIEWS Country Brief Brazil

Reference Date: 21-August-2018

HIGHLIGHTS

- Cereal output for 2018 expected at last five-year average
- Maize exports forecast at near-record level in 2018/19 marketing year
- Prices for maize and wheat above last year's level, mainly due to weak local currency

Cereal output for 2018 expected at last five-year average level

Cereal production in 2018 is estimated at a near-average level of 99 million tonnes, about 13 percent lower than the previous year's record level.

The reduced year-on-year output is mainly due to a decline in maize production, which is estimated at 83 million tonnes, 15 percent down from the 2017 output. Harvesting of the second season maize crop, for which planting operations were delayed due to dryness, is still underway. The reduced output reflects a contraction in the area sown of both seasons, sustained by low maize prices pressured downwards by ample supplies from the good 2017 maize output as well as dry weather conditions in late April and May that negatively affected yields.

By contrast, the 2018 wheat production is anticipated to recover from the previous year's low output, increasing by 15 percent year-on-year. The crop has been planted on a larger area and is well-developing under favourable climate conditions with expected improved yields. However, the wheat output in 2018, anticipated at 4.9 million tonnes, would still be 14 percent lower than the last five-year average, sustained by good the harvests in 2014 and 2016 due to the large area sown and high yields, respectively.

Harvesting of the 2018 rice crop has been completed with an estimated average output of 11.7 million tonnes. In the major producing Rio Grande do Sul State, a delay in plantings was offset by particularly good growing conditions in February and March, leading to the second highest yields on record.

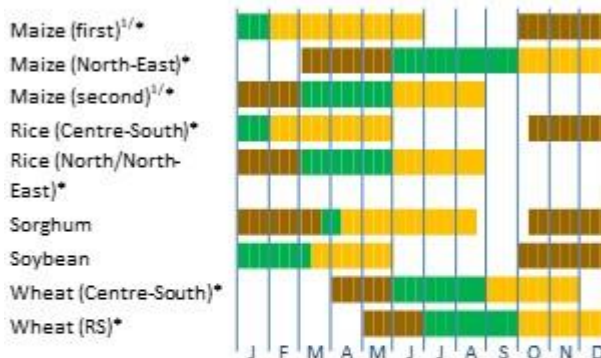
Maize exports forecast at near-record level in 2018/19 marketing year

The continued deflation of the local currency is boosting strong demand of Brazilian maize by importing countries. Therefore, exports of maize during the 2018/19 marketing year

Brazil

Crop Calendar

(*major foodcrop)



Sowing
Growing
Harvesting

1/ On average in the past 5 years the first and second seasons accounted for 35 and 65 percent respectively of the total annual maize production.

Source: FAO/GIEWS

Brazil

Cereal Production

	2013-2017	2017	2018	change
	average		forecast	2018/2017
000 tonnes				
Maize	81 379	97 842	82 928	-15.2
Rice (paddy)	11 864	12 328	11 736	-4.8
Wheat	5 717	4 264	4 902	15.0
Others	2 831	2 842	3 063	7.8
Total	101 791	117 275	102 628	-12.5

Note: percentage change calculated from unrounded data.

Source: FAO/GIEWS Country Cereal Balance Sheets

(March/February) are forecast at a well above-average level of 31 million tonnes. Wheat imports in 2018/19 (August/July) are expected at a well above-average level of 7.5 million tonnes, mainly reflecting the expected decline in 2018 output.

Prices for maize and wheat above last year's level, mainly due to weak local currency

Prices of yellow maize steadily increased from the beginning of 2018 due to a weakening local currency and transportation strikes in May over soaring fuel prices. Then maize prices declined in July, sustained by improved domestic supplies of the ongoing second season harvest. However, they were still 53 percent higher than a year earlier.

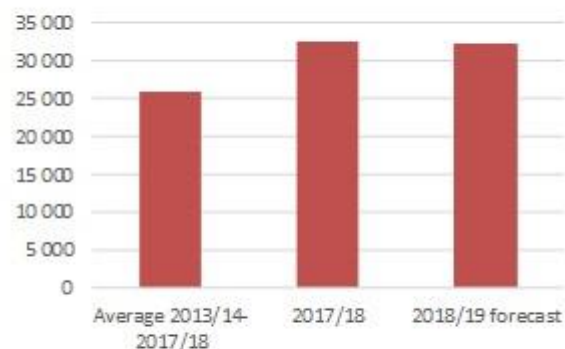
Similarly, prices of wheat grain increased since February 2018, underpinned by the weaker local currency.

Prices of rice paddy strengthened in July due to a year-on-year reduction in the 2018 harvest.

Brazil

Cereals exports

000 tonnes



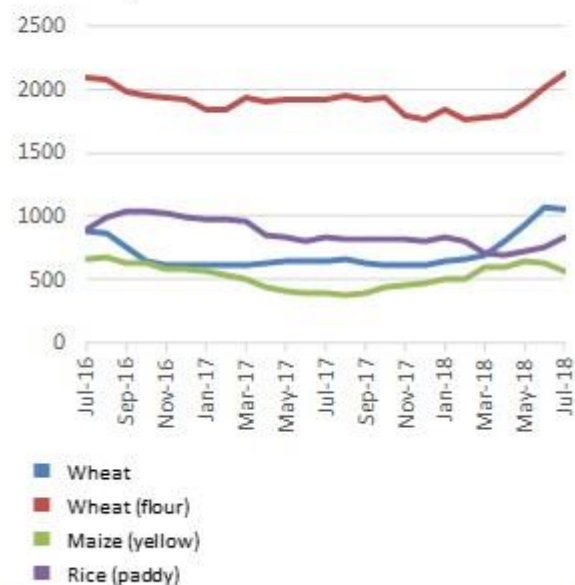
Note: Includes rice in milled terms. Split year refers to individual crop marketing years (for rice, calendar year of second year shown).

Source: FAO/GIEWS Country Cereal Balance Sheets.

Brazil

Wholesale cereal prices in São Paulo

Brazilian Real per tonne



Source: FAO/GIEWS Food Price Monitoring and Analysis Tool.

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GIEWS Country Brief Brazil

Reference Date: 13-November-2017

HIGHLIGHTS

- **Cereal production in 2017 expected at record levels**
- **Maize exports forecast at record level in 2017/18 marketing year**
- **Prices for cereals followed mixed trends in October, but remained below year-earlier levels**

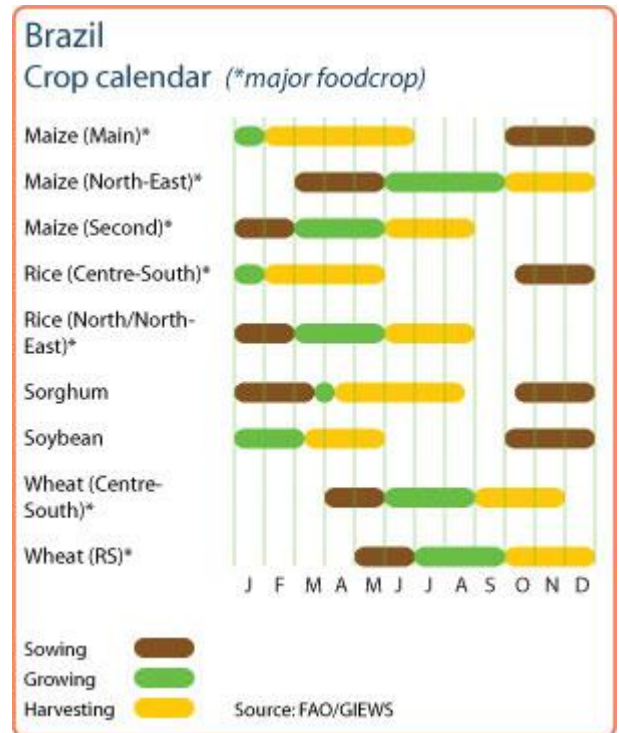
Cereal production in 2017 expected to reach record levels

Cereal production for 2017 is anticipated at about 120 million tonnes, a record level. This is mainly due to the record maize production, harvested from February to July, which has been estimated at over 99 million tonnes. High domestic prices in 2016, after a record drop in production in the same year due to an El Niño-induced drought, led to a significant increase in plantings during the 2017 season. By contrast, production of the 2017 wheat crop, which is currently being harvested, is anticipated to decline by about 18 percent from last year's record level to 5.5 million tonnes, close to last five-year average. Ample supplies from imports depressed wheat prices resulting in a significant decline in sowings. Rice (paddy equivalent) output, harvested from February to August, has been estimated at a bumper level of 12.3 million tonnes, mostly reflecting higher yields as the area planted moderately declined as farmers diversified plantings to maize and soybeans.

Planting of the 2018 first season maize crop is well underway. Reflecting the record availabilities of maize and better prices for soybeans, the area planted for the first season is officially estimated to decline between 7.5 and 11.5 percent from the same season last year.

Maize exports forecast at record level in 2017/18 marketing year

Reflecting this year's record maize output, exports of maize during the 2017/18 marketing year (March/February) are anticipated to reach 29 million tonnes, the second highest level in the last ten years. The weakness of the local currency since late 2016, which makes domestic maize more competitive in the international markets, is also providing support to the higher export forecasts.

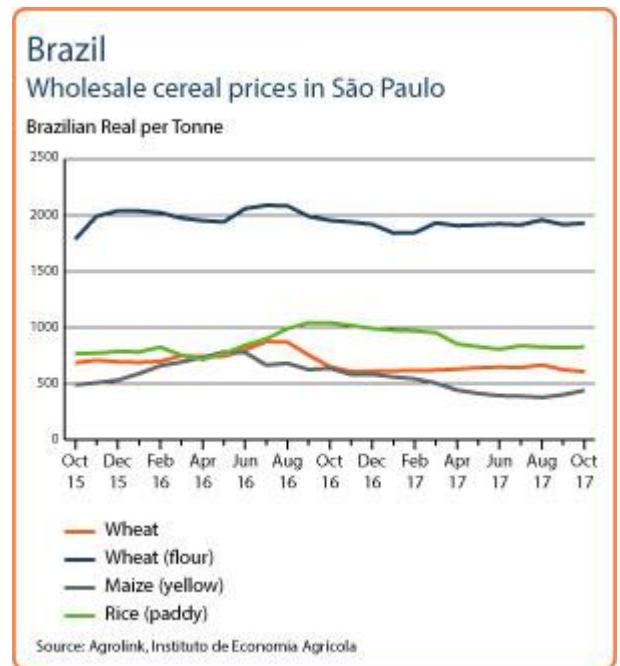


	2012-2016	2016	2017	change
	average		estimate	2017/2016
	000 tonnes			percent
Maize	76 070	63 350	99 353	57
Rice (paddy)	11 718	10 603	12 328	16
Wheat	5 717	6 719	5 487	-18
Others	2 828	2 445	2 968	21
Total	96 334	83 117	120 136	45

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

Prices for cereals followed mixed trends in October, but remained below year-earlier levels

Prices of wheat grain declined further in October with the start of the new harvest as a result of abundant imports in the past months, mostly from Argentina. By contrast, yellow maize prices increased by nearly 10 percent in October, with seasonal trends exacerbated by an expected reduction in the area planted to the first season crop. However, prices of yellow maize were more than 30 percent lower than in October last year. Prices of paddy strengthened in October in line with seasonal trends, but remained sharply down from their year-earlier levels as a result of the recovery in the 2017 harvest from the poor output in 2016.



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GIEWS Country Brief Brazil

Reference Date: 19-May-2017

HIGHLIGHTS

- Cereal production in 2017 expected at record levels
- Maize exports forecast to recover in 2017/18 marketing year
- Prices for maize declined sharply in April, wheat prices stable

Cereal production in 2017 expected to reach record levels

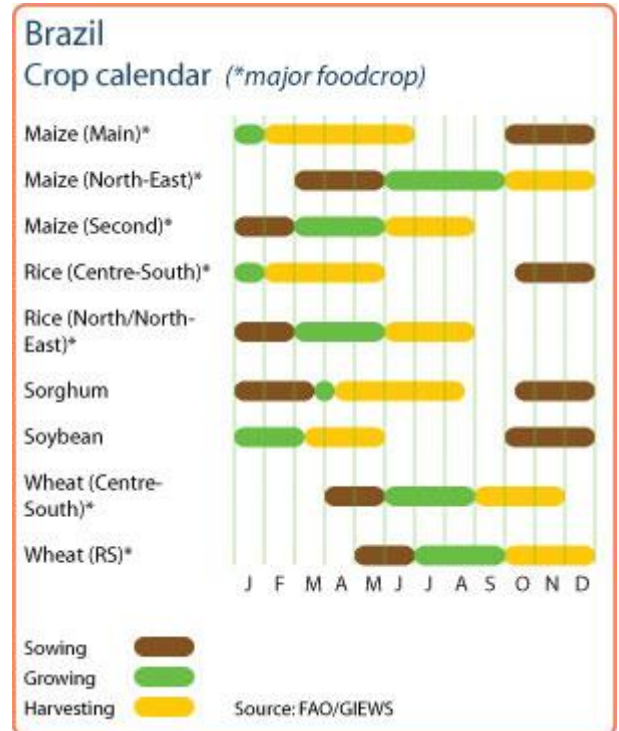
The harvest of the main maize crop is well underway. After a record drop in production in 2016 due to an El Niño-induced drought, which led to the need of imports to supply local markets, official forecasts point to a record maize crop in 2017 with more than 93 million tonnes, as a result of increased plantings supported by high price levels. Planting of the 2017 wheat crop is well underway and early indications point to lower sowings, reflecting ample supplies in the market from the 2016 crop which have pressured prices downward. Rice output is also anticipated to increase some 13 percent from last year's drought-reduced level and slightly above the five-year average. It mainly reflects higher yields as area planted moderately declined as farmers diversified plantings to maize and soybeans. In total, close to 114 million tonnes of cereals are anticipated to be produced in 2017, a record level.

Maize exports forecast to recover in 2017/18 marketing year

Reflecting this year's anticipated record maize output, exports of maize during the 2016/17 marketing year (March/February) are anticipated to reach 25 million tonnes, slightly above the five-year average and well above last year's drop in exports. Aiding the increased availabilities, the continued weakness of the local currency, the Brazilian Real, which makes Brazilian maize more competitive in international markets, is also providing support to the higher export forecasts.

Prices for maize declined sharply in April, while wheat prices are stable

Prices of yellow maize declined steeply in April with harvesting of the record 2017 first season crops underway and were some 40 percent down from a year earlier. Low prices prompted the Government to take [measures](#) to support producers by giving them the opportunity to sell their product at a guaranteed price. Wheat prices remained relatively stable in April and were well



Brazil
Cereal production

	2012-2016 average	2016	2017 forecast	change 2017/2016
	000 tonnes			percent
Maize	76,069	63,350	93,458	48
Rice (paddy)	11,719	10,603	11,948	13
Wheat	5,717	6,719	5,487	-18
Others	2,828	2,445	2,968	21
Total	96,334	83,117	113,861	37

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

below their year-earlier levels reflecting ample supplies from the 2016 harvest and imports.



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GIEWS Country Brief Brazil

Reference Date: 31-January-2017

HIGHLIGHTS

- Planting of 2017 “de safrinha” crop delayed by excess precipitations
- Cereal imports for 2016/17 marketing year forecast at high level
- Prices for most cereals decline reflecting high import levels, rice prices remain high

Planting of 2017 “de safrinha” crop delayed by excess precipitations

Planting of the first season “de safrinha” 2017 maize crop is well advanced in the central and southern regions of the country. Some uncertainty exists about planting levels, particularly in the main producer State of Mato Grosso do Sul, as excess precipitations in early January have delayed planting operations. However, early expectations are for increased plantings over last year’s reduced level reflecting the high price levels and improved weather conditions over the dry weather of 2016.

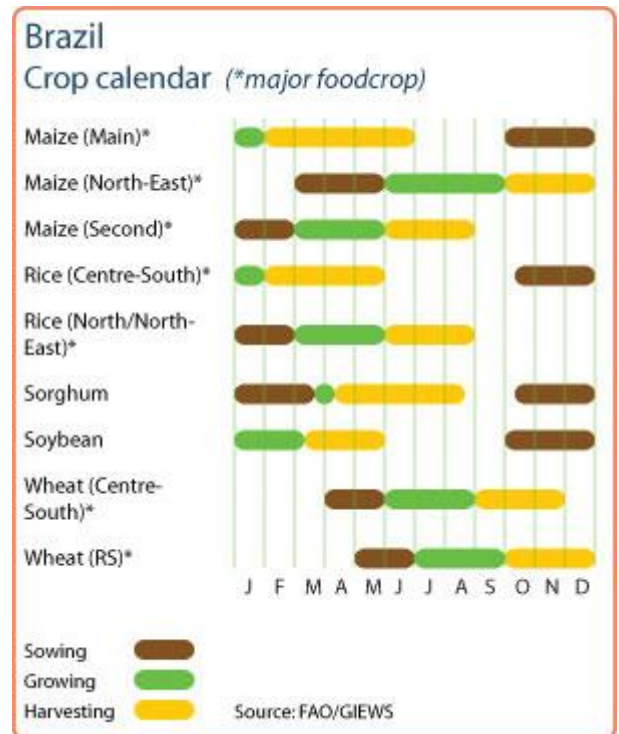
Total cereal production in 2016 has been estimated at about 83 000 tonnes, its lowest level in five years. Prolonged and severe dry weather significantly affected maize plantings and yields. While the wheat output increased, the quality of wheat grains were very low increasing the need of imports.

Cereal imports for 2016/17 marketing year forecast at high level

Cereal imports in the 2016/17 marketing year (March/February) are anticipated close to 10.3 million tonnes, a record level. This mainly reflects an expected increase in maize imports, which are forecast at 2 million tonnes. The reduced 2016 maize output and the strong demand from the feed sector have led the Government to authorize maize imports from outside the MERCOSUR area at a zero tariff rate. Wheat imports are anticipated to reach 7 million tonnes, its highest levels since 2012, reflecting the low quality of the 2016 wheat grains.

Prices for most cereals decline reflecting high import levels, rice prices remain high

Prices of yellow maize declined some 3 percent in January as imports continue to supply the markets and were 4 percent below their level from a year earlier. Wheat and wheat (flour) prices were declining in January, pressured by the availability of the recently-harvested crops and large import volumes, prices were

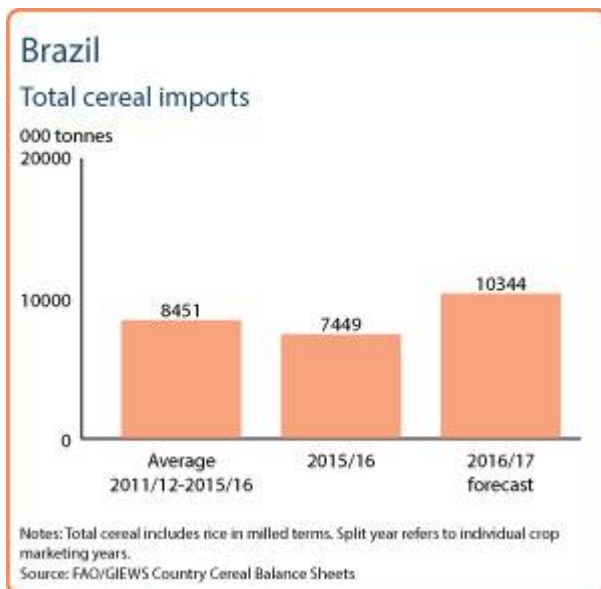


Brazil
Cereal production

	2011-2015 average	2015	2016 estimate	change 2016/2015
	000 tonnes			percent
Maize	74 654	85 285	63 350	-26
Rice (paddy)	12 321	12 449	10 603	-15
Wheat	5 513	5 508	6 719	22
Others	2 880	2 871	2 457	-14
Total	95 367	106 113	83 129	-22

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

on average 10 percent below their year-earlier levels. Rice prices declined more than 1 percent in January, but were more than 25 percent above their level from a year earlier, as seasonal trends were strengthened by the reduced 2016 crops.





GIEWS Country Brief Brazil

Reference Date: 10-November-2016

HIGHLIGHTS

- Cereal production in 2016 estimated at lowest level in five years
- Cereal imports for 2016 marketing year forecast at high level
- Maize and rice prices seasonally increased in October; wheat prices declined with the harvest

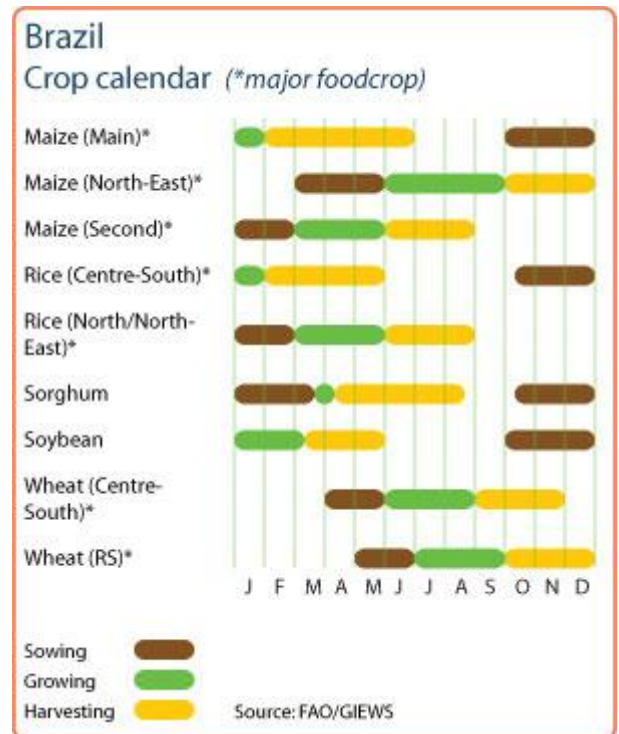
Cereal production in 2016 estimated at lowest level in five years

Total cereal production in 2016 is estimated close to 83 million tonnes, its lowest level in five years. The decline in cereal output mainly reflects a sharp reduction in 2016 aggregate maize production (first and second “safrinha” seasons) of some 22 million tonnes as a result of lower yields and crop losses due to the severe dry weather associated with the El Niño event. Rice production has also been estimated sharply down from last year’s level as reduced plantings due to low prices at the beginning of the season, combined with El Niño-induced drought conditions, resulted in a reduction in output of 15 percent from 2015. By contrast, wheat output is estimated at 6.2 million tonnes, up 13 percent from last year. However, concerns about the low quality of the wheat crop remain.

Planting of the first season 2017 maize crop is well advanced. Early official estimates point to a significant increase in the area planted over last year’s reduced level supported by high local prices and favourable weather conditions.

Cereal imports for 2016/17 marketing year forecast at high level

Cereal imports in the 2016/17 marketing year are anticipated close to 9.5 million tonnes, the second highest level in a decade. This mainly reflects an expected increase in maize imports during the marketing year (March/February), which are forecast at a record high of 2 million tonnes. A tighter supply outlook, following high exports earlier in the year, the reduction in this year’s harvest and strong demand from the feed sector, have led the Government to authorize maize imports from outside the MERCOSUR at a zero tariff rate.



Brazil
Cereal production

	2011-2015 average	2015	2016 forecast	change 2016/2015
	000 tonnes			percent
Maize	74 653	85 283	63 831	-25
Rice (paddy)	12 321	12 449	10 603	-15
Wheat	5 512	5 505	6 211	13
Others	2 865	2 794	2 186	-22
Total	95 351	106 031	82 831	-22

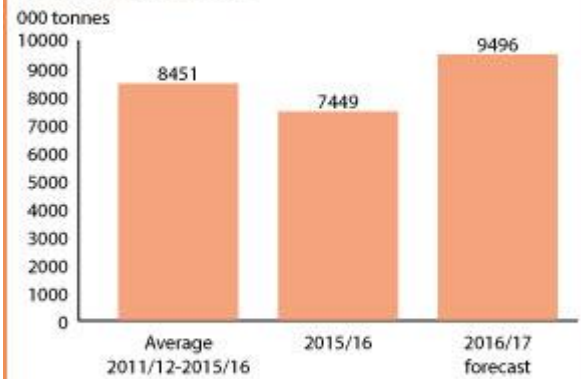
Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

Maize and rice prices seasonally increased in October; wheat prices declined with the harvest

Prices of yellow maize moderately increased in October mostly reflecting seasonal trends that were somewhat moderated by the recent appreciation of the local currency. Tight supplies from this year's reduced harvest, kept yellow maize prices some 30 percent above their level from a year earlier. Rice prices also increased moderately in October reflecting seasonal trends and were 29 percent above their level from a year earlier due to this year's reduced crop and high demand. By contrast, prices of wheat and wheat flour declined as product from the recent harvest has started to supply the markets.

Brazil

Total cereal imports

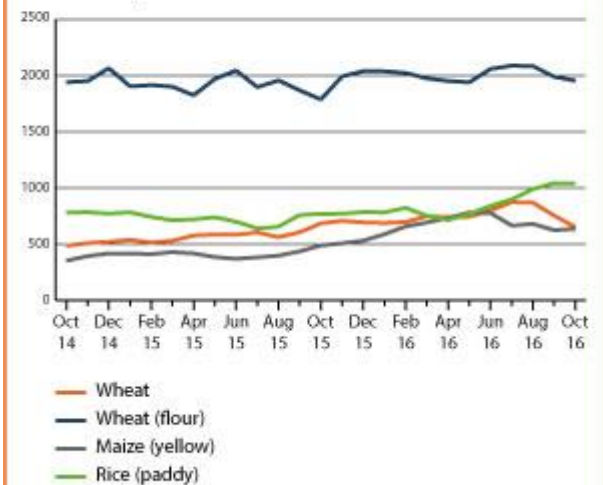


Notes: Total cereal includes rice in milled terms. Split year refers to individual crop marketing years.
Source: FAO/GIEWS Country Cereal Balance Sheets

Brazil

Wholesale cereal prices in São Paulo

Brazilian Real per Tonne



Source: Agrolink, Instituto de Economia Agrícola



GIEWS Country Brief Brazil

Reference Date: 12-September-2016

HIGHLIGHTS

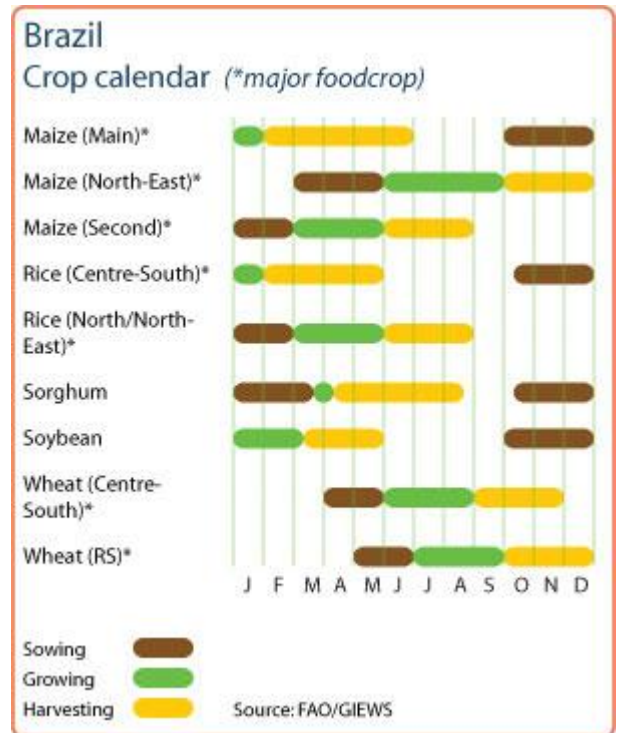
- Cereal production in 2016 forecast at lowest level in five years
- Cereal imports for 2016 marketing year forecast at high level
- Cereal prices increased in August; maize and wheat grain prices sharply above year-earlier levels

Cereal production in 2016 forecast at lowest level in five years

Harvesting of the 2016 second season *safrinha* maize crop is virtually concluded. Early estimates for the season point to a decline of maize output of almost 24 percent from the same season last year. The sharp reduction is a result of the severe dry weather, associated with the El Niño phenomenon, which impacted the crop during the growing season, resulting in yield declines of 27 percent relative to the same season last year. The 2016 aggregate maize output (first and second season harvests) is now anticipated at 67.9 million tonnes, a downward revision of 3 percent from previous expectations. By contrast, wheat production for 2016, which will be harvested from September, is forecast to increase 16 percent, on account of higher projected yields, as conditions remain particularly favourable for crop development. Total cereal production in 2016 is expected at 86.9 million tonnes, the lowest level since 2011.

Cereal imports for 2016/17 marketing year forecast at high level

Cereal imports in the 2016/17 marketing year are anticipated close to 9.5 million tonnes, the second highest level in a decade. This mainly reflects an expected increase in maize imports during the marketing year (March/February), which are forecast at a record high of 2 million tonnes. A tighter supply outlook, following high exports earlier in the year, the anticipated reduction in this year's harvest and strong demand from the feed sector, have led the Government to authorize maize imports from outside the Mercosur at a zero tariff rate. By contrast, wheat imports are anticipated to decline by almost 8 percent and reach 6 million tonnes during the marketing year (September/August), as a result of the favourable prospects of this year's crop.



Brazil
Cereal production

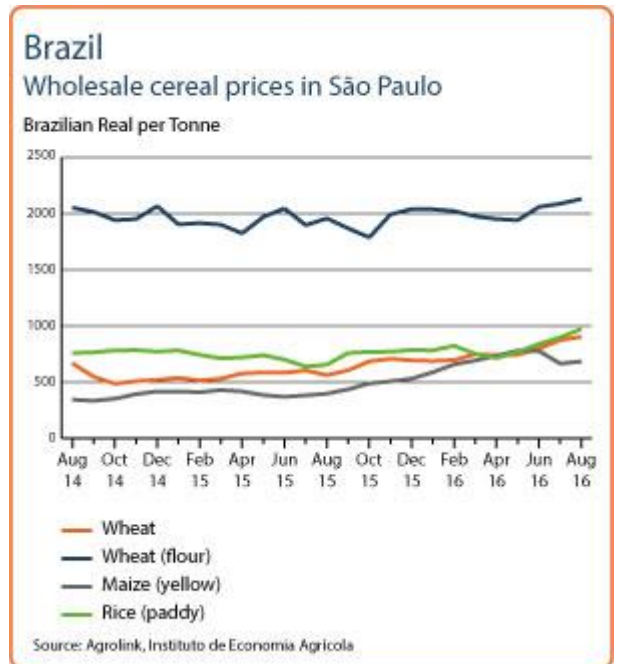
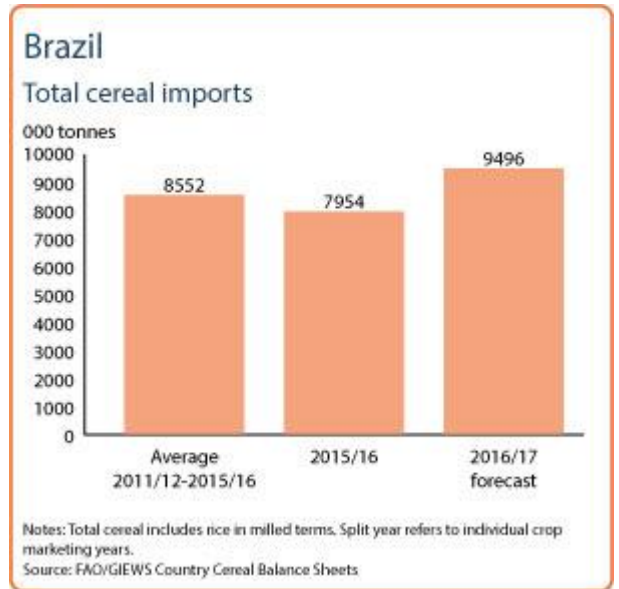
	2011-2015 average	2015	2016 forecast	change 2016/2015
	000 tonnes			percent
Maize	74 699	85 509	67 994	-20
Rice (paddy)	12 318	12 436	10 472	-16
Wheat	5 485	5 368	6 222	16
Others	2 873	2 836	2 241	-21
Total	95 375	106 149	86 929	-18

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

Cereal prices increase in August; maize and wheat grain prices sharply above year-earlier levels

In Brazil, maize prices increased slightly in August after the decline of the previous month due to the further downward revision of the 2016 second season maize output, affected by dry weather. The national average maize price in August was about 90 percent higher than a year earlier, reflecting the generally tight supply situation.

Prices of wheat grain and wheat flour remained relatively unchanged, after the increase of the previous months, and were well above their year-earlier levels due to the tight domestic supplies, particularly of high quality wheat.





GIEWS Country Brief Brazil

Reference Date: 19-July-2016

HIGHLIGHTS

- Cereal production in 2016 forecast at lowest level in five years
- Cereal imports for 2016 marketing year to increase to their highest level in five years
- Yellow maize prices sharply decline during first half of July; wheat and wheat flour prices increase

Cereal production in 2016 forecast at lowest level in five years

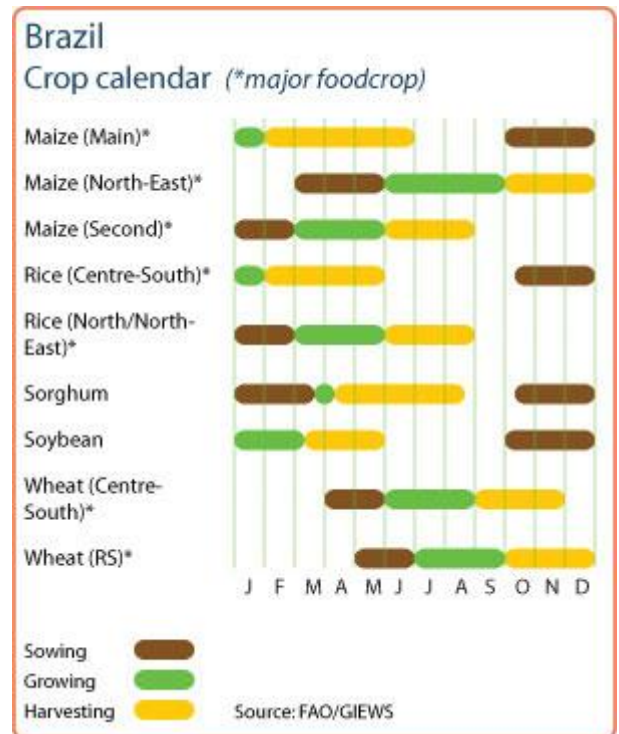
Harvesting of the 2016 second season *safrinha* maize crop is well advanced and latest forecasts point to a 20 percent reduction in output relative to the same season last year. The sharp reduction is a result of the severe dry weather, associated with the El Niño phenomenon, which impacted the crop during the growing season, resulting in significantly reduced yields in major producing states of Parana, Sao Paulo and Mato Grosso. The 2016 aggregate maize output (first and second season harvests) is now anticipated at 70.1 million tonnes, a downward revision of more than 3 million tonnes from the previous estimate, as the effects of the drought on yields were more severe than anticipated earlier. By contrast, wheat production for 2016 is forecast to increase 18 percent, on account of higher projected yields, as crop development continues to be relatively favourable. Total cereal production in 2016 is expected at 89.2 million tonnes, the lowest level in the past five years.

Cereal imports for 2016 marketing year to increase to their highest level in five years

Cereal imports in the 2016/17 marketing year are anticipated at 9.5 million tonnes, the highest level in five years. This mainly reflects an increase in maize imports, which are forecast at a record high of 2 million tonnes. A tighter supply outlook following high exports earlier in the year, the anticipated reduction in this year's harvest and strong demand from the feed sector have led the Government to authorize maize imports from outside the Mercosur at a zero tariff rate.

Yellow maize prices sharply decline during first half of July, wheat and wheat flour prices increase

Prices of yellow maize during the first half of July declined sharply from their record highs, as new supplies entering the



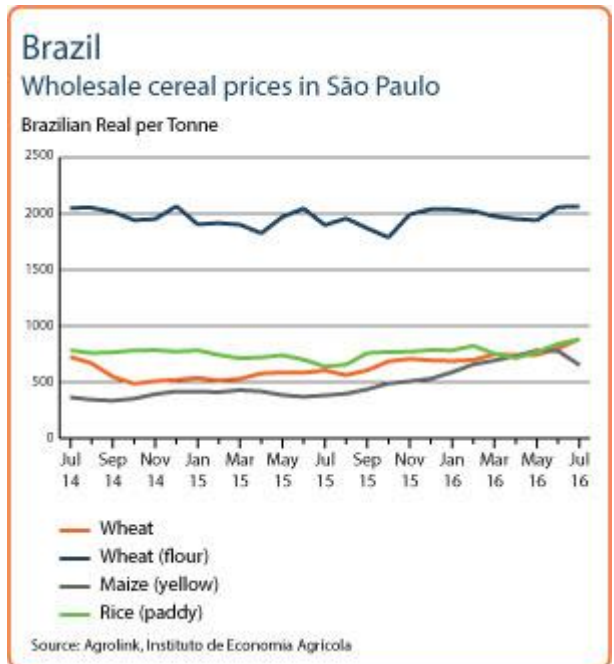
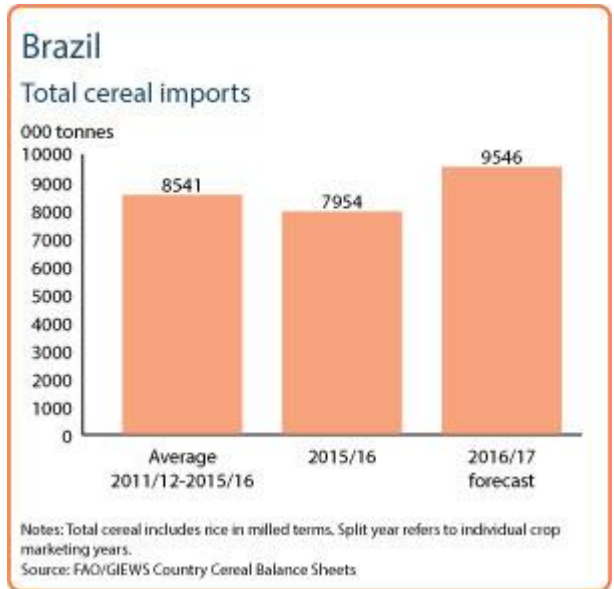
Brazil
Cereal production

	2011-2015	2015	2016	change
	average		forecast	2016/2015
	000 tonnes			percent
Maize	74,699	85,509	70,110	-18
Rice (paddy)	12,318	12,436	10,471	-16
Wheat	5,485	5,368	6,355	18
Others	2,873	2,836	2,219	-22
Total	95,375	106,149	89,155	-16

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

market from the ongoing harvest and imports, pressured prices downward. However, prices remained almost 71 percent above their level a year earlier, reflecting the generally tight supply situation.

Prices of wheat grain and wheat flour in the first half of July continued their increasing trend from the previous month, supported by tight supplies, particularly of high quality wheat, and remained well above their levels during the same period last year.





GIEWS Country Brief Brazil

Reference Date: 10-June-2016

HIGHLIGHTS

- Cereal production in 2016 to reach its lowest level in five years
- Yellow maize prices reached record levels in March, wheat flour price stable

Cereal production in 2016 to reach its lowest level in five years

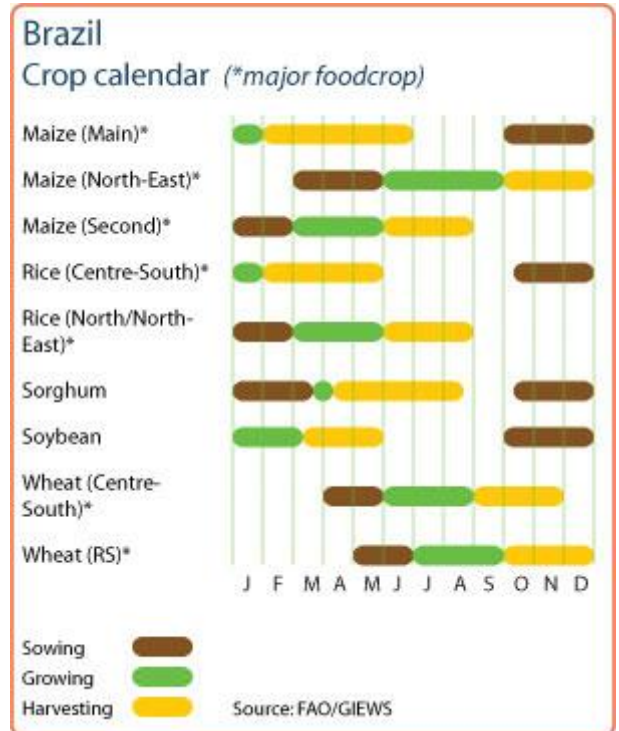
Harvesting of the 2016 second season *safrinha* maize crop is currently underway. Despite an increase in the area planted, severe dry weather, associated with the El Niño phenomenon during the growing season significantly reduced yields in major producing states of Parana, Sao Paulo and Mato Grosso. Output is forecast to decline by 15 percent compared to the same season last year and the 2016 aggregate maize production (first and second season harvests) is anticipated at 73.5 million tonnes, 14 percent lower than a year earlier and the lowest level in five years. By contrast, wheat production in 2016 is anticipated to increase sharply to a five-year high of about 6.4 million tonnes. This mainly reflects higher sowings as a result of increased demand for wheat, particularly from the feed industry. Total cereal production in 2016 is expected at 95 million tonnes, the lowest level in the past five years.

Cereal imports for 2016 marketing year to increase to their highest level in five years

Cereal imports in the 2016/17 marketing year are anticipated at 9 million tonnes, the highest level in five years. This mainly reflects an increase in maize imports, which are forecast at a record high of 1.5 million tonnes. A tighter supply outlook following high exports earlier in the year, the anticipated reduction in this year's harvest and strong demand from the feed sector, has led the Government to authorize maize imports from outside the Mercosur at a zero tariff rate.

Yellow maize prices on the increase and at record levels in May, wheat and wheat flour prices stable

Prices of yellow maize in May continued to follow the increasing trend of the past several months and reached record levels. The increase in prices was supported by tightening domestic supplies, following high exports in previous months and strong domestic



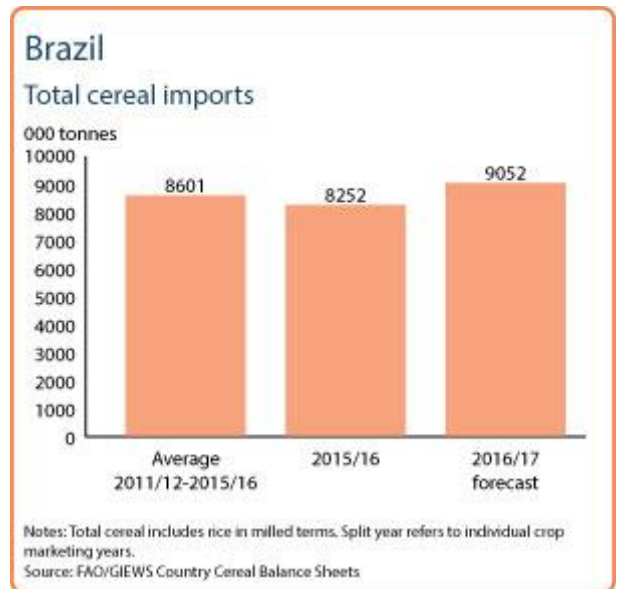
Brazil
Cereal production

	2011-2015 average	2015	2016 forecast	change 2016/2015
	000 tonnes			percent
Maize	74,699	85,509	73,462	-14
Rice (paddy)	12,318	12,436	12,436	0
Wheat	5,485	5,368	6,365	19
Others	2,873	2,836	2,637	-7
Total	95,375	106,149	94,900	-11

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

demand for feed. The expected reduction in the 2016 second season maize crop provided additional support.

Prices of wheat grain and wheat flour remained relatively unchanged. However, those of wheat grain were almost 30 percent above their levels in May last year reflecting a reduced 2015 crop and increased demand from the feed industry, due to the reduced availabilities of yellow maize. By contrast, wheat flour prices were lower as supplies are being maintained by adequate imports.



Reference Date: 31-March-2016

HIGHLIGHTS

- **Maize output in 2016 to remain at bumper level despite declining somewhat**
- **Maize exports to decline from record levels in 2016/17 marketing year**
- **Yellow maize prices reached record levels in March, wheat flour price stable**

Maize output in 2016 to remain at bumper level despite declining somewhat

Harvesting of the 2016 first season maize crop is underway. The latest official forecast points to a reduction in production relative to the same season last year of almost 4 percent to 28.4 million tonnes. Severe dry weather, associated to the El Niño phenomena, in major producing states such as Parana and parts of Sao Paulo and Mato Grosso reduced sowings. Lower maize prices relative to soybeans also contributed to the reduction. Planting of the 2016 second season *safrinha* maize crop, to be harvested from June, concluded in February. The area sown to this crop is estimated to have remained relatively unchanged from the same season last year. Preliminary official forecasts point to output declining some 3.5 percent from the 2015 *safrinha* crop, mainly reflecting lower yields due to lower rains at the beginning of the season. Based on the progress of the first season harvest and the early 2016 *safrinha* prospects, the aggregate 2016 maize production is initially forecast at 82.7 million tonnes some 3.5 percent down from last year's record level.

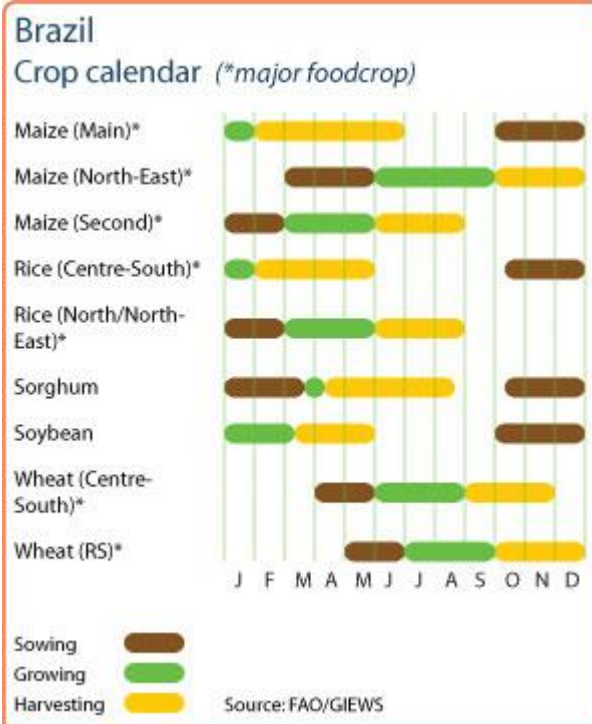
Maize exports to decline from record level in 2016/17 marketing year

Maize exports in the 2016/17 marketing year (March/February) are tentatively forecast at 30 million tonnes, some 13 percent down from last year's record level but still above the country's five-year average. The decline in export levels mainly reflect lower demand, particularly from China, despite the strong depreciation of the local currency making Brazilian maize competitive in the international market.

Yellow maize prices reached record levels in March, wheat flour price stable

In March, domestic yellow maize prices reached a record level, in nominal terms, despite the record 2015 crop and the anticipated bumper 2016 harvest. Current price levels are being sustained by a sharp depreciation of the Brazilian Real and high inflation.

Wheat flour prices decreased moderately in March, mainly reflecting adequate levels of imports. However, prices were some 4 percent above their year-earlier levels reflecting the high rates of inflation and the weaker currency.



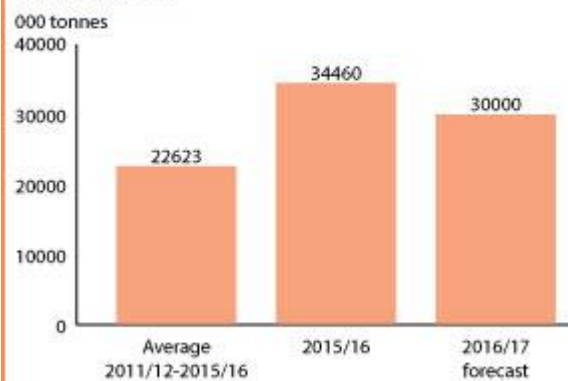
Brazil
Cereal production

	2011-2015 average	2015	2016 forecast	change 2016/2015
	000 tonnes		percent	
Maize	74,738	85,708	82,679	-4
Rice (paddy)	12,318	12,436	12,436	0
Wheat	5,496	5,426	6,135	13
Others	2,876	2,849	2,859	0
Total	95,429	106,419	104,109	-2

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

Brazil

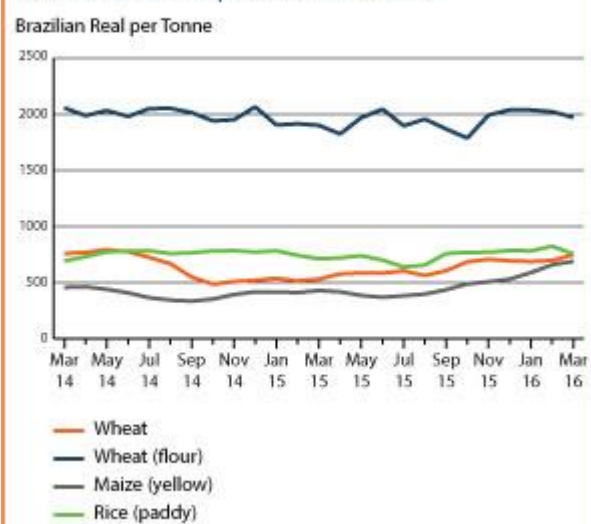
Maize exports



Notes: Split year refers to individual crop marketing year.
Source: FAO/GIEWS Country Cereal Balance Sheets

Brazil

Wholesale cereal prices in São Paulo



Source: Agrolink, Instituto de Economia Agrícola

Reference Date: 30-December-2015

FOOD SECURITY SNAPSHOT

- Cereal production for 2015 reaches record level
- Sowing of 2016 first season maize crop reduced by dry weather conditions and high stock levels
- Maize exports forecast at a record for 2016 marketing year (April/March)
- Yellow maize and wheat flour prices increase sharply in November

Cereal production for 2015 reaches record level

Cereal output for 2015 is preliminarily estimated at a record level of 107 million tonnes, 6 percent up from last year's good level, marking the fourth consecutive year of increase. This mainly reflects higher maize and rice output, as sowings and yields for both crops increased considerably. By contrast, wheat output is set at 6.1 million tonnes, a moderate decline from last year's high level but remains well above the country's five-year average. The decline in wheat production is mainly the result of lower yields, following below-average rainfall during the season.

Sowing of the 2016 first season maize crop is expected to decline due to dry weather and high stock levels

Sowing of the 2016 first season maize crop is virtually concluded. Severe dry weather, associated to the El Niño phenomena, in major producing states such as Parana and parts of Sao Paulo and Mato Grosso have reportedly delayed planting operations and reduced the area planted. Preliminary official estimates, as of December, point to a contraction in sowings of 7 percent compared to last year. The low price of maize relative to soybeans and high stock levels, also dissuaded farmers from increasing area planted to maize this season.

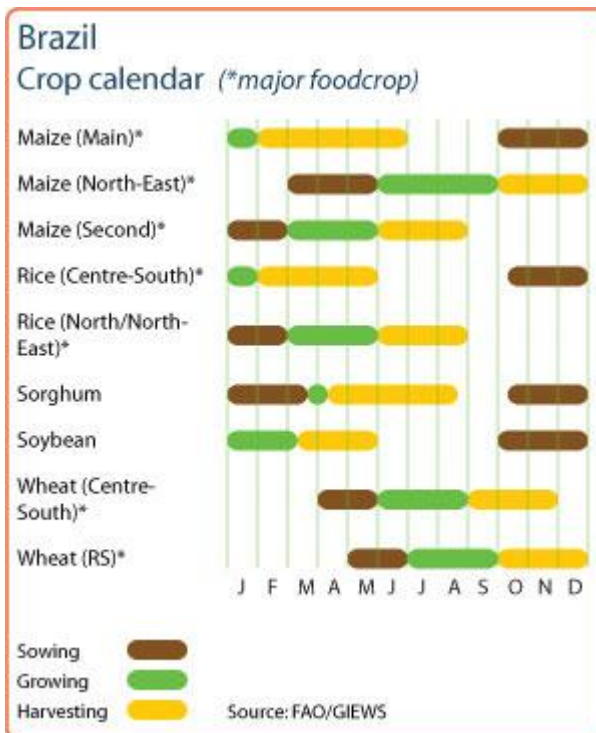
Maize exports forecast at a record for 2015/16 marketing year (March/February)

Maize exports in the 2015/16 marketing year (March/February) are forecast at a record level of 29 million tonnes, reflecting ample stocks and supported by the strong depreciation of the local currency.

Yellow maize and wheat flour prices increased sharply in November

In November seasonal yellow maize price increases were strengthened by the weak national currency and solid export demand. An anticipated reduction in plantings for the 2016 first season crop also provided support. Prices were more than 20 percent above year-earlier levels.

Wheat flour prices rose sharply in November, supported by this year's lower harvest, the weak national currency which has increased the cost of imports, and high inflation rates. However, prices were only moderately higher than their level from a year earlier.



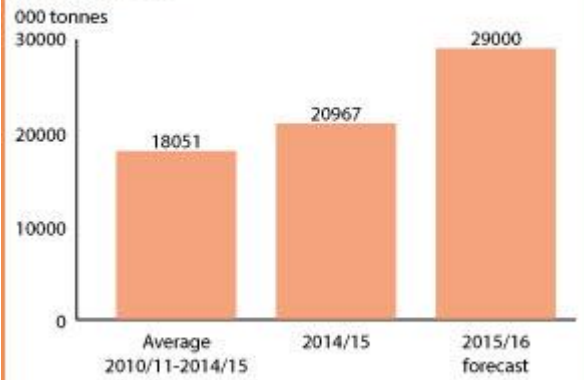
Brazil Cereal production

	2010-2014 average	2014	2015 forecast	change 2015/2014
	000 tonnes		percent	
Maize	68 809	79 878	85 703	7
Rice (paddy)	12 163	12 122	12 436	3
Wheat	5 618	6 262	6 139	-2
Others	2 758	3 019	2 945	-2
Total	89 349	101 281	107 223	6

Note: percentage change calculated from unrounded data. Source: FAO/GIEWS Country Cereal Balance Sheets

Brazil

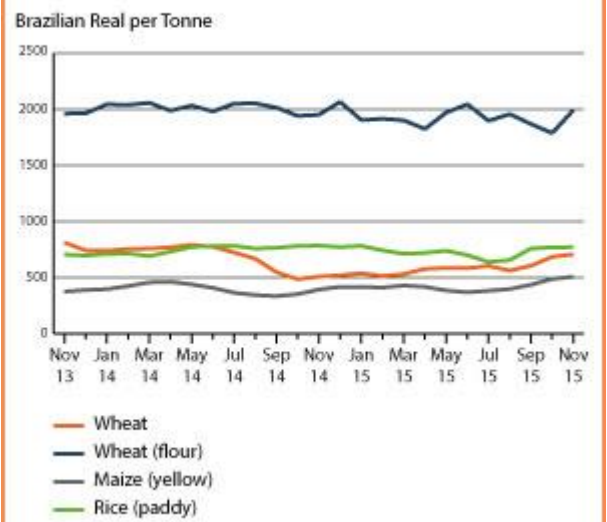
Maize exports



Notes: Split year refers to individual crop marketing year.
Source: FAO/GIEWS Country Cereal Balance Sheets

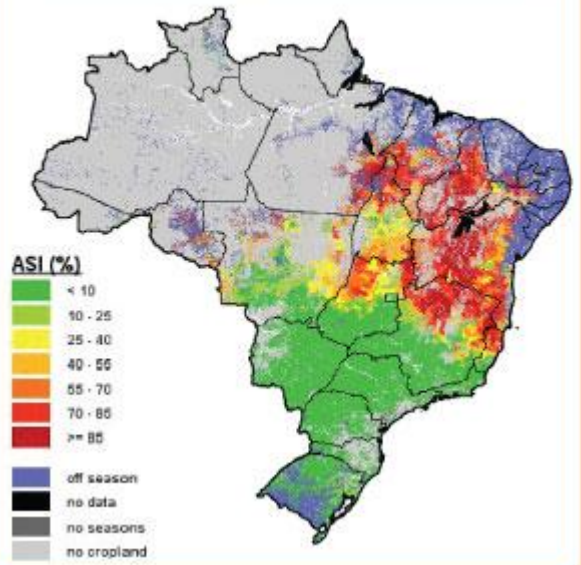
Brazil

Wholesale cereal prices in São Paulo



Source: Agrolink, Instituto de Economia Agrícola

Brazil - Agricultural Stress Index (ASI)
% of cropland area affected by drought
from start of season 1 to 2nd dekad December 2015



Reference Date: 24-February-2015

FOOD SECURITY SNAPSHOT

- Maize production in 2015 is forecast at high levels despite lower planting
- Aggregate cereal production in 2014 remained close to record levels
- Maize exports forecast to decrease in 2014/15 marketing year (April/March)
- Yellow maize prices decline in February, wheat flour prices at multi-year lows
- Below average rainfall levels cause drought in South-East and North-East regions

Maize production in 2015 is forecast at high levels despite lower planting

Harvest of the 2015 first season maize crop has begun. Early official production forecasts point to an increase of almost 4 percent from last year's same season to 31.8 million tonnes, due to higher than anticipated yields which offset lower plantings. However, sharply reduced plantings during the second 2015 *Safrina* maize crop, to be harvested from May, is expected to result in a 3 percent decrease of 2015 aggregate (first and second season) maize production from last year's high level to about 76.5 million tonnes.

Cereal production in 2014 remains close to record levels

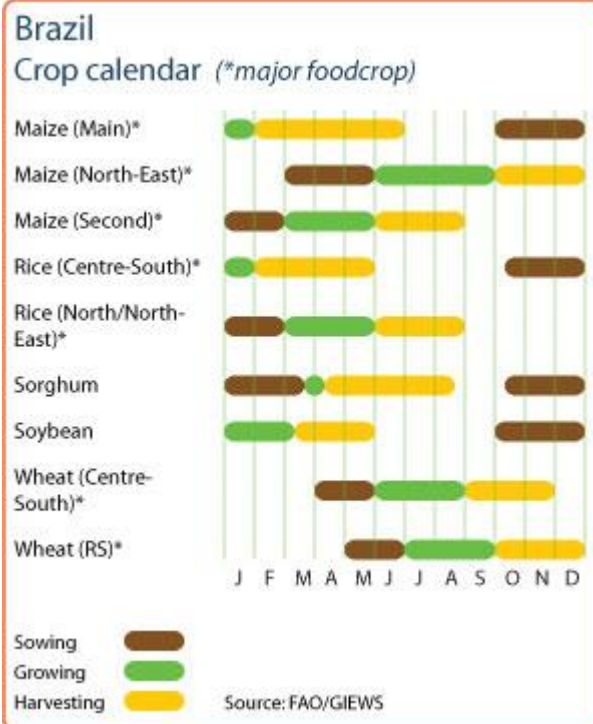
Cereal production in 2014 reached almost 100 million tonnes (paddy equivalent) or 1.1 percent below last year's record level. Early official estimates indicate a bumper wheat crop of almost 6.2 million tonnes, or 8 percent above last year's good level and record. Last year's high production mainly reflects increased plantings driven by high domestic and regional prices and favourable weather during the season. The 2014 maize production is estimated 2 percent below the 2013 record crop at almost 78.8 million tonnes. Better than expected yields offset lower plantings due to low prices and unfavourable weather at sowing time.

Maize exports forecast to decrease in 2014/15 marketing year (April/March)

Maize exports in the 2014/15 marketing year (April/March) are forecast to decline by 10 percent from last year's record level, driven by the anticipated decline in the 2014 production, as well as strong competition from the United States of America and Argentina. Exports, however, are expected to remain still well above the country's five-year average.

Yellow maize prices decline in February, wheat flour prices at multi-year lows

Yellow maize prices declined in February reflecting the entry into the market of the first season crop and ample stocks from two consecutive years of bumper harvests. However, prices in local currency, remained unchanged from a year ago due to the sharp



Brazil
Cereal production

	2009-2013 average	2013	2014 estimate	change 2014/2013
	000 tonnes		percent	
Maize	63,080	80,538	78,756	-2
Rice (paddy)	12,259	11,820	12,122	3
Wheat	5,359	5,718	6,177	8
Others	2,641	2,996	2,896	-3
Total	83,339	101,072	99,951	-1

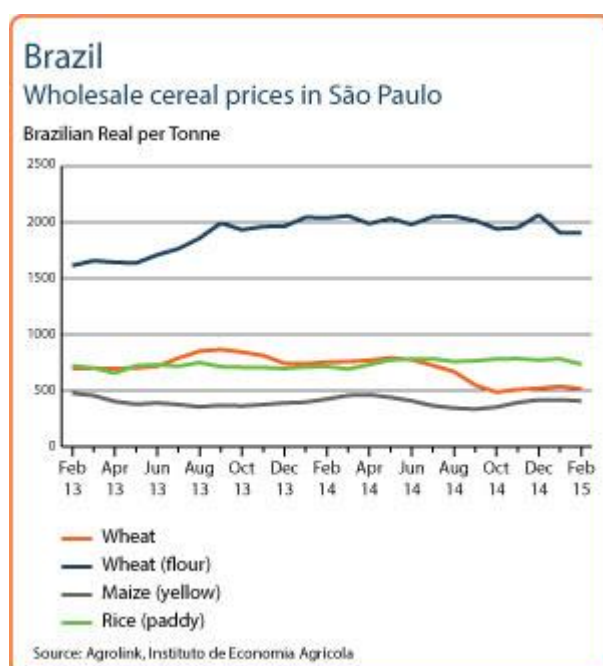
Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

depreciation of the local currency. By contrast, in US dollar terms, prices were almost 17 percent below their level from a year earlier.

Wheat flour prices in February remained unchanged and were at a three-year low. By contrast, wheat prices declined sharply in February. The downward trend in wheat and wheat flour prices is being supported by this year's recovery in wheat production and adequate levels of imports.

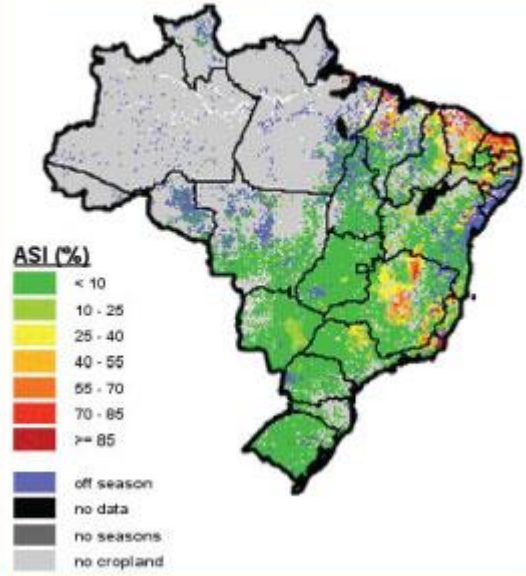
Below average rainfall levels cause drought in South-East and North-East regions

Below average rainfall since December has caused drought conditions in the Northeastern, in particular the State of Ceara, and Southeastern regions of Brazil. As a result 936 out of Brazil's 5 570 municipalities have declared a state of emergency. As of late February, the below average rainfall has not significantly affected main crops such as soybeans and maize. However, official forecasts point to below-average rainfall levels until the end of March, which could significantly affect crop yields during the ongoing *Safrina* season. The reduced availability of drinking water and hydroelectric power in major cities in the Southeastern region gives also cause for concern.



Brazil - Agricultural Stress Index (ASI)

% of cropland area affected by drought
from start of season 1 to 2nd dekad February 2015



Reference Date: 24-November-2014

FOOD SECURITY SNAPSHOT

- 2014 wheat harvest anticipated at record level
- 2014 maize production remains high
- Maize exports forecast to decrease in 2014/15 marketing year (April/March)
- Wheat flour prices reach multi-year lows, yellow maize prices increase seasonally

2014 wheat harvest anticipated at record level

Harvest of the 2014 wheat crop is almost concluded. Early official estimates point to a bumper crop of almost 7.5 million tonnes, or 30 percent above last year's good level and record, despite unfavourable weather conditions during the cropping season negatively affecting yields in some area and caused localized crop losses. This year's high production mainly reflects increased plantings driven by high domestic and regional prices.

2014 maize production remains high

Harvest of the main 2014 second season "safrinha" maize crop is virtually concluded. Preliminary official estimates of the 2014 aggregate production (first season and "safrinha" crop) point to an output of almost 78.4 million tonnes, an upward revision from previous estimates, which mainly reflects higher than expected yields during the "safrinha" season. At the estimated level, the 2014 maize production is 3 percent below last year's record crop, but still well above the average of the past five years.

Planting of the first season 2015 maize crop is virtually concluded. Preliminary estimates point to a reduction in the area planted of 4 to 9 percent compared to the same season last year. This mainly reflects delays in sowing operations due to severe dry weather, particularly in the main producing region of Mato Grosso, and low prices.

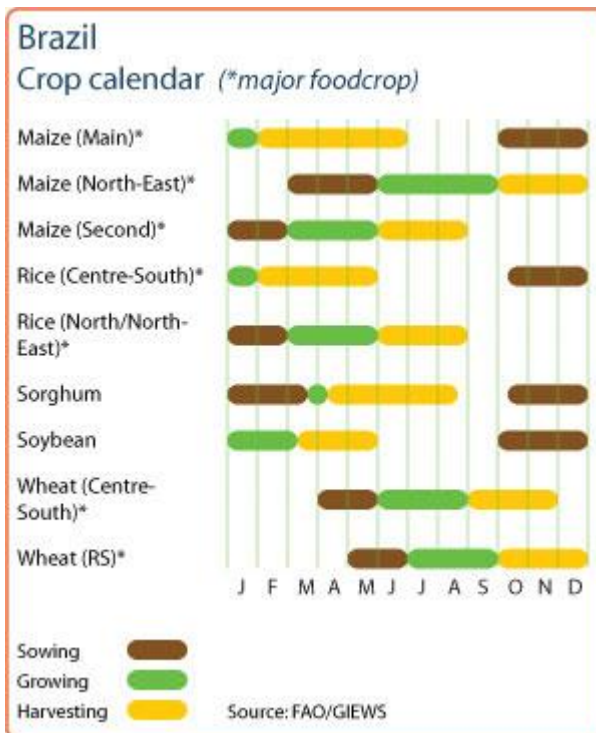
Maize exports forecast to decrease in the 2014/15 marketing year (April/March)

Maize exports in the 2014/15 marketing year (April/March) are forecast to decline by 10 percent from last year's record level, driven by the anticipated decline in the 2014 production, as well as strong competition from the United States of America and Argentina. Exports, however, are expected to remain still well above the country's five-year average.

Wheat flour prices reach multi-year lows, yellow maize prices increase seasonally

Wheat prices in October declined by 11 percent from their levels in September reaching multi-year lows. This reflects the bumper 2014 crop and adequate import supplies. Prices are 42 percent below their level in October 2103.

By contrast, yellow maize prices seasonally increased 5 percent in

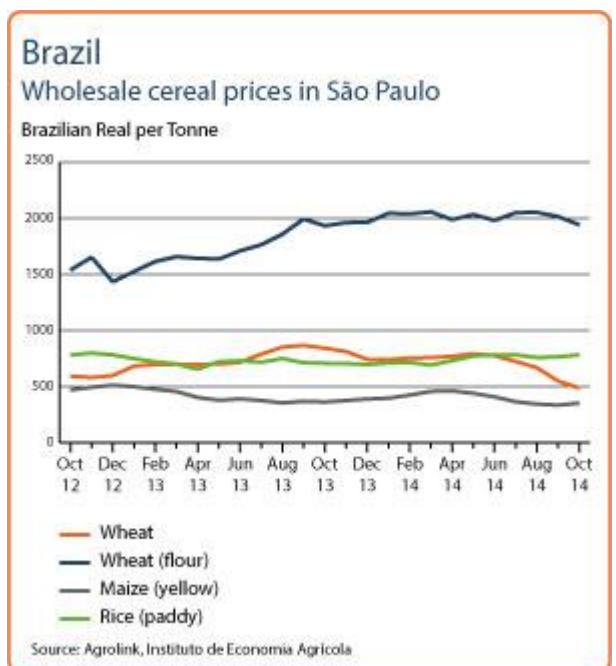


Brazil Cereal production

	2009-2013 average	2013	2014 forecast	change 2014/2013
	000 tonnes		percent	
Maize	63 080	80 538	78 390	-3
Rice (paddy)	12 259	11 820	12 162	3
Wheat	5 359	5 718	7 468	31
Others	2 641	2 996	2 834	-5
Total	83 339	101 072	100 854	0

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

October. Prices were also supported by strong export demand, due to the depreciation of the local currency. However, reflecting ample stocks from the good 2014 harvest prices remain 3 percent below their levels from a year earlier.



Reference Date: 15-July-2014

FOOD SECURITY SNAPSHOT

- Favourable prospects for the 2014 second season maize crop
- A bumper 2014 wheat crop expected
- Maize exports forecast to decrease in the 2014/15 marketing year (April/March)
- Prices of wheat flour and yellow maize declined in June but higher than a year earlier

Favourable prospects for the 2014 second season maize crop

Harvest of the main 2014 second season “safrinha” maize crop is well advanced. Production forecasts have been revised upwards, due to a lower than earlier anticipated decline in plantings and better yields. The output is put at 45 million tonnes, slightly below last year’s same season bumper crop. The first season maize harvest, which concluded in June, was estimated at good levels despite lower than expected yields because of dry weather earlier in the season. The 2014 aggregate (first and second seasons) maize production is forecast at 76.2 million tonnes, 5 percent below last year’s record high, but still well above the average level.

A bumper 2014 wheat crop expected

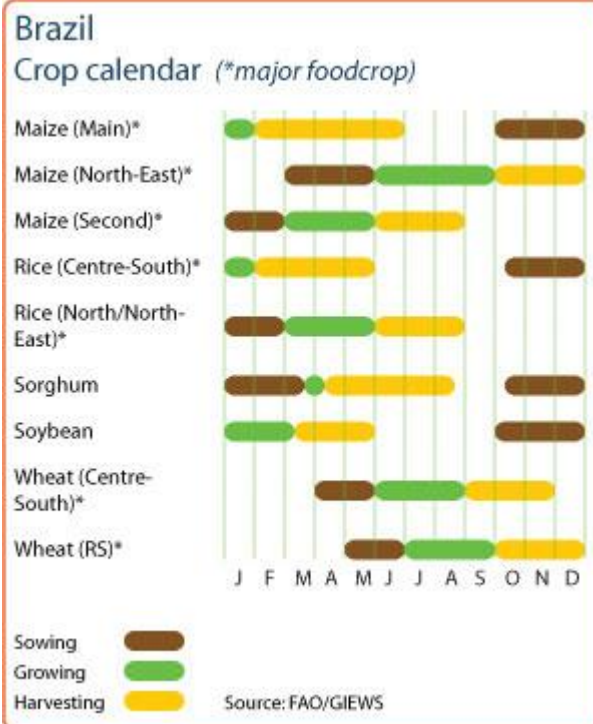
Planting of the 2014 wheat crop was concluded in June, under generally favourable weather conditions. Supported by high domestic and regional prices, the area planted is estimated more than 20 percent higher than the good level of 2013. Assuming normal weather conditions prevail in the coming months, official forecasts point to a production of 7.8 million tonnes, significantly above last year’s level and the highest output in ten years.

Maize exports forecast to decrease in then 2014/15 marketing year (April/March)

Driven by the anticipated decline in this year’s aggregate production, as well as strong competition from the United States and Argentina, maize exports in the 2014/15 marketing year (April/March), are forecast to decline by 4 percent from the previous marketing year. This level of exports, however, is still well above the country’s five-year average.

Prices of wheat flour and yellow maize declined in June but higher than a year earlier

Wholesale wheat flour prices decreased by 6 percent in June compared to the previous month, following wheat shipments from the United States and Argentina. To guarantee local supplies, the country has suspended import tariffs on non-Mercosur wheat until mid-August. Yellow maize prices also decreased in June as new-crop supplies from the ongoing harvest reached markets. Better than expected outputs contributed to the downward pressure. Rice prices remained stable, after significant increases in previous months. Overall, however, cereal prices –in nominal terms- remained above



Brazil
Cereal production

	2009-2013 average	2013	2014 forecast	change 2014/2013
	000 tonnes			percent
Maize	63,075	80,517	76,180	-5
Rice (paddy)	12,259	11,820	12,632	7
Wheat	5,359	5,718	7,804	36
Others	2,641	2,996	2,814	-6
Total	83,335	101,051	99,430	-2

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

their year-earlier levels, particularly for wheat flour.



Reference Date: 27-May-2014

FOOD SECURITY SNAPSHOT

- Improved prospects for the 2014 second season “safrinha” maize crop, but annual production to decline from last year’s record level
- Production of 2014 wheat forecast to reach record levels
- Maize exports are forecast to decline for the 2014/15 marketing year (April/March)
- Wheat flour prices decline from record levels in April

Improved prospects for the 2014 second season “safrinha” maize crop, but annual production to decline from last year’s record level

Harvest of the main 2014 second season “safrinha” maize crop is about to begin. Earlier forecasts for the harvest have been revised upwards due to higher than expected plantings and better yield estimates. Despite this revision, the “safrinha” maize crop, at an expected level of 43.5 million tonnes, would be 6 percent below last year’s bumper crop. The reduction in production mainly reflects lower plantings in response to low prices. By contrast, production estimates for the first season harvest, which is virtually concluded, were revised downward to 31.3 million tonnes, due to lower than anticipated yields caused by dry weather earlier in the season. The 2014 aggregate (first and second seasons) maize production is forecast at 74.8 million tonnes or 7 percent below last year’s record high, but still well above the average level.

Production of 2014 wheat forecast to reach record levels

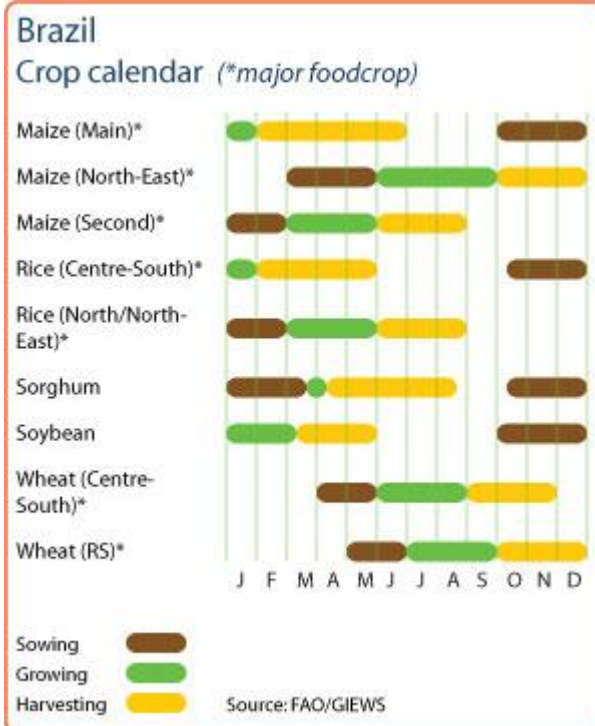
Planting of the 2014 wheat crop is virtually concluded. Supported by high domestic and regional prices, coupled with strong demand, area planted increased by 13 percent from 2013. Assuming normal weather, initial official forecasts point to a production of 6.9 million tonnes, significantly above last year’s level and the highest output in ten years.

Maize exports are forecast to decline for the 2014/15 marketing year (April/March)

Driven by anticipated lower aggregate production in 2014, as well as strong competition from the United States and Argentina, maize exports for the 2014/15 marketing year (April/March), are initially forecast to decline by 4 percent from the previous marketing year. This level of exports, however, is still well above the country’s five-year average.

Wheat flour prices at near record levels in May

Wheat flour prices in May strengthened by about 3 percent from their levels in April and were close to their record highs of March. However, prices were still well above their levels of a year earlier due to a reduced 2013 wheat output at the subregional level and lower export availabilities from Argentina, its traditional supplier. Wholesale wheat prices also went up in May and were well above their levels



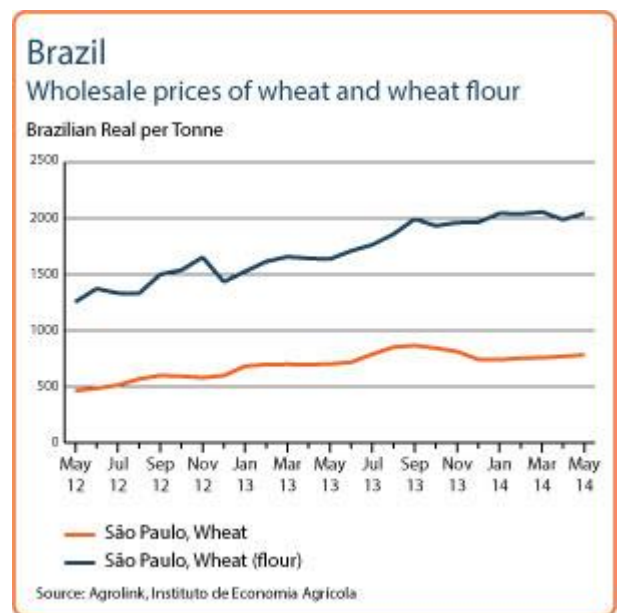
Brazil Cereal production

	2009-2013 average	2013	2014 forecast	change 2014/2013
	000 tonnes		percent	
Maize	63 075	80 517	74 751	-7
Rice (paddy)	12 259	11 820	12 770	8
Wheat	5 359	5 718	6 927	21
Others	2 641	2 996	3 009	0
Total	83 335	101 051	97 457	-4

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

from a year earlier.

Yellow maize prices declined slightly in May with the ongoing 2014 second season harvest but remained almost 20 percent higher than a year earlier supported by expectations of a lower output, relative to last year's record levels.



Reference Date: 14-March-2014

FOOD SECURITY SNAPSHOT

- Early forecast for the 2014 aggregate maize crop point to a decline in production from last year's record level
- The 2013 wheat production recovered from the reduced 2012 crop
- Wheat imports expected to increase
- Maize exports to remain at high levels
- Wheat flour prices at record highs in January despite declines in wheat grain prices

Early forecast for the 2014 aggregate maize crop point to a decline in production from last year's record level

Conditions for the first season maize crop, about to be harvested, remain favourable as good precipitation in January prevented any significant declines in yields after dry weather in most of December. Production is forecast close to last year's same season high level. The expected good results of the first season along with low prices - relative to a year ago and high input costs - has affected the plantings of the second season "safrinha" maize crop, to be harvested from June. The area planted is forecast 9 percent below last year's same season level at 42 million hectares. The 2014 aggregate (first and second seasons) maize production is initially forecast at almost 75 million tonnes or 7 percent below last year's record high, but still well above the average level.

The 2013 wheat production recovered from the reduced 2012 crop

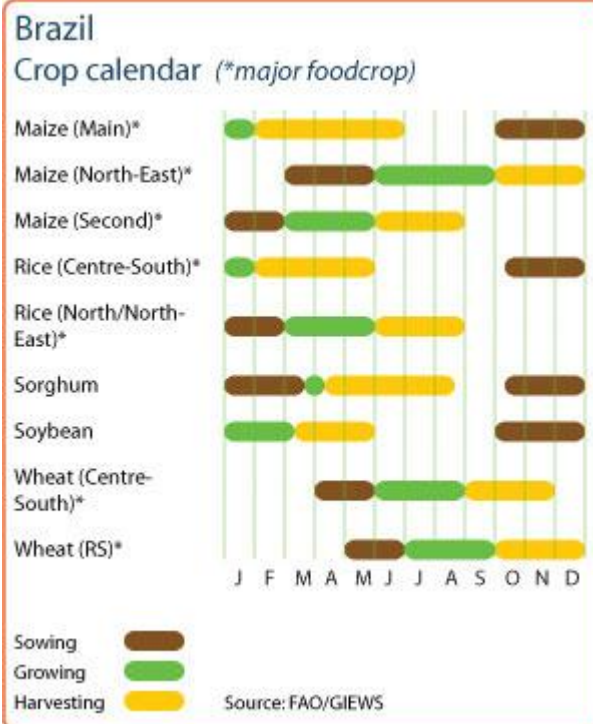
Harvest of the 2013 wheat was concluded in December. Latest official estimates point to a strong recovery from last year's lows, with production increasing by 30 percent to 5.7 million tonnes. An increase in area in response to higher prices at sowing time more than compensated lower yields, negatively affected by frosts in major producing regions.

Wheat imports expected to increase

While wheat production substantially increased in 2013, record low domestic stocks are expected to drive an increase in imports in the forthcoming 2013/14 marketing year (December/November). Preliminary forecasts point to an increase of almost 4 percent to 7.4 million tonnes. In the current 2012/13 marketing year, the tight supplies in the subregion, mainly due to a reduced production and export restrictions in Argentina, has prompted Brazil to import wheat from the United States and Canada.

Maize exports to remain high

Maize exports for the 2013/14 (April/March) marketing year are forecast to reach 22.5 million tonnes. Despite the 2013 bumper crop, this figure is 12 percent lower than the previous year's record level, on account of strong competition in the international market as a result of ample export availabilities following the substantial recovery



Brazil
Cereal production

	2008-2012 average	2012	2013 estimate	change 2013/2012
	000 tonnes		percent	
Maize	58,774	71,296	80,547	13
Rice (paddy)	12,310	11,600	11,820	2
Wheat	5,393	4,380	5,712	30
Others	2,567	2,810	2,995	7
Total	79,044	90,086	101,074	12

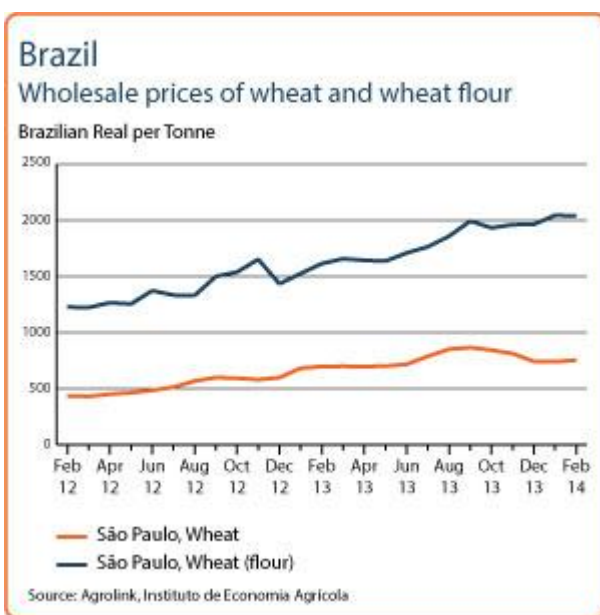
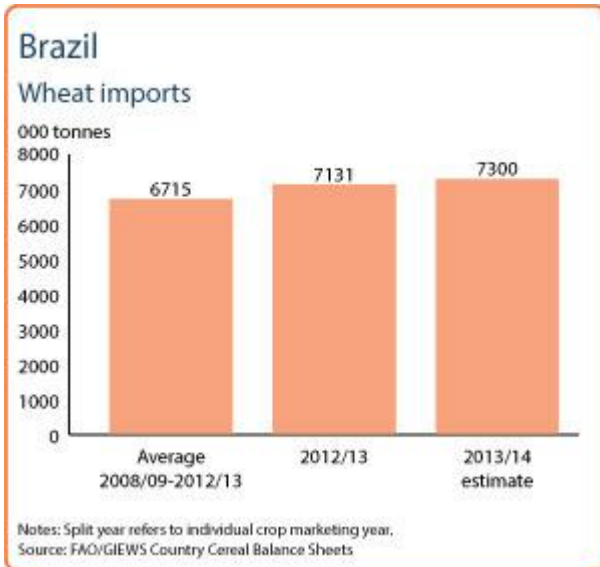
Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

in 2013 world production. Logistical problems at local ports are also expected to affect Brazil's export capacity. Similar to last year, maize exports will have to compete for port space with soybeans shipments.

Wheat flour prices near record highs in February despite declines in wheat grain prices

In February, flour prices were relatively unchanged and still at near-record levels, reflecting delays in the shipment of 1 million tonnes of authorized wheat exports from Argentina.

Maize prices increased in February, despite favourable prospects for the ongoing 2014 first season maize harvest, reflecting an anticipated reduction in plantings for the second season. However, ample supplies from last year's bumper crop have maintained prices at low levels.



Reference Date: 18-February-2014

FOOD SECURITY SNAPSHOT

- Early forecast for the 2014 aggregate maize crop point to a slight decline in production from last year's record level
- The 2013 wheat production recovered from the reduced 2012 crop
- Wheat imports expected to increase
- Maize exports to remain at high levels
- Wheat flour prices at record highs in January despite declines in wheat grain prices

Early forecast for the 2014 aggregate maize crop point to a slight decline in production from last year's record level

Conditions for the first season maize crop, about to be harvested, remain favourable as good precipitation in January prevented any significant declines in yields after dry weather in most of December. Production is forecast close to last year's same season high level. The expected good results of the first season along with low prices - relative to a year ago - and high input costs has affected the plantings of the second season "safrinha" maize crop, to be harvested from June. The area planted is forecast 9 percent below last year's same season level at 42 million hectares. The 2014 aggregate (first and second seasons) maize production is initially forecast at almost 76 million tonnes or 6 percent below last year's record high, but still well above the average level.

The 2013 wheat production recovered from the reduced 2012 crop

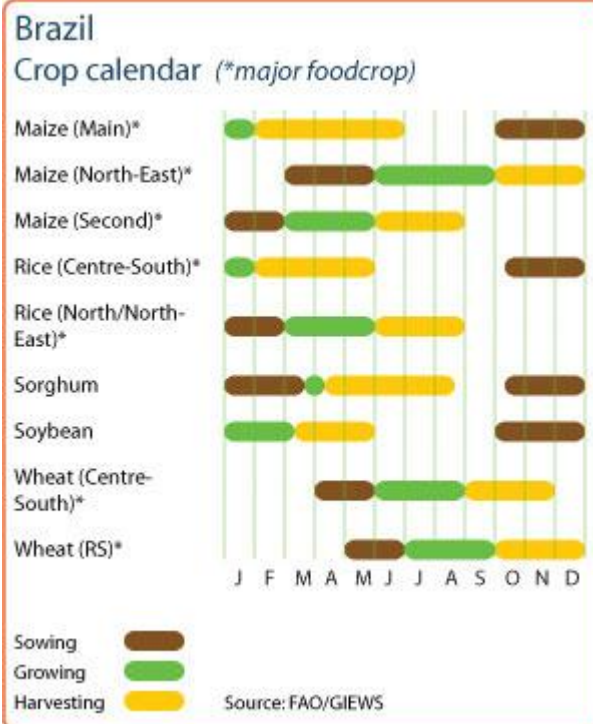
Harvest of the 2013 wheat was concluded in December. Latest official estimates point to a strong recovery from last year's lows, with production increasing by 30 percent to 5.7 million tonnes. An increase in area in response to higher prices at sowing time more than compensated lower yields, negatively affected by frosts in major producing regions.

Wheat imports expected to increase

While wheat production substantially increased in 2013, record low domestic stocks are expected to drive an increase in imports in the forthcoming 2013/14 marketing year (December/November). Preliminary forecast point to an increase of almost 4 percent to 7.4 million tonnes. In the current 2012/13 marketing year, the tight supplies in the subregion, mainly due to a reduced production and export restrictions in Argentina, has prompted Brazil to import wheat from the United States and Canada.

Maize exports to remain high

Maize exports for the 2013/14 (April/March) marketing year are forecast to reach 22.5 million tonnes. Despite the 2013 bumper crop, this figure is 12 percent lower than the previous year's record level, on account of strong competition in the international market as a result of ample export availabilities following the substantial recovery



Brazil
Cereal production

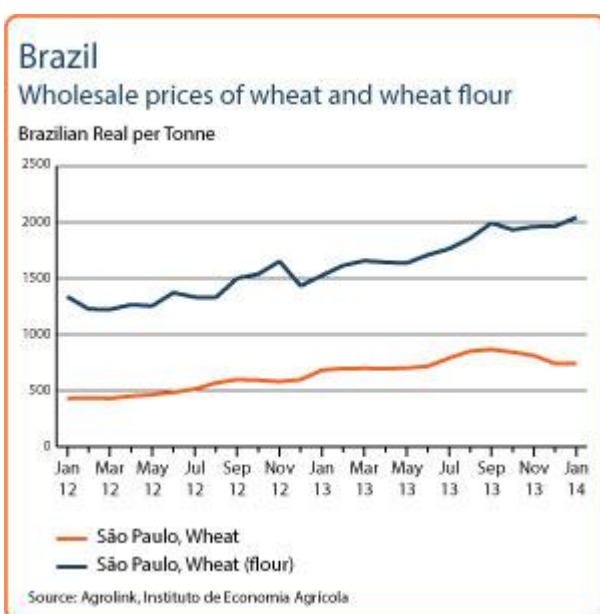
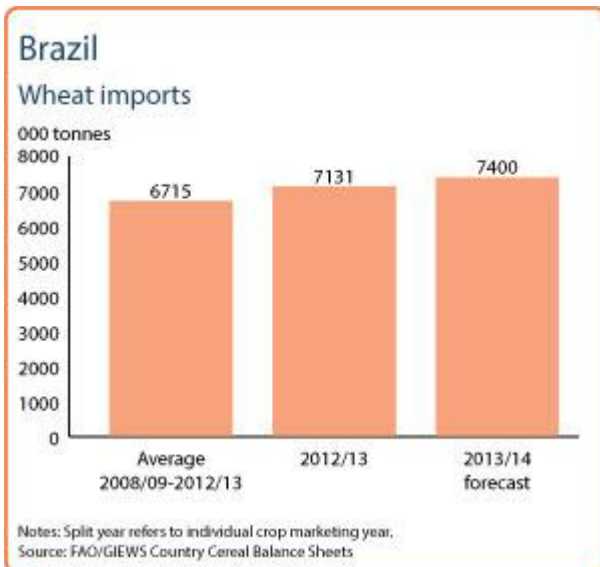
	2008-2012 average	2012	2013 estimate	change 2013/2012
	000 tonnes		percent	
Maize	58,774	71,296	80,547	13
Rice (paddy)	12,310	11,600	11,820	2
Wheat	5,393	4,380	5,712	30
Others	2,567	2,810	2,995	7
Total	79,044	90,086	101,074	12

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

in 2013 world production. Logistical problems at local ports are also expected to affect Brazil's export capacity. Similar to last year, maize exports will have to compete for port space with soybeans shipments.

Wheat flour prices at record highs in January despite declines in wheat grain prices

In January, wholesale prices for wheat grain continued to decline - from their record highs of the last quarter of 2013 - for a second consecutive month. This trend reflects the new wheat from the recently completed harvest in December. However, the decline in the prices of wheat grain has not yet been reflected in wheat flour prices, which reached all-time highs in January. Wheat flour prices were supported by local millers still mostly operating with the higher priced old crop and at reduced capacity because of low stocks.



GIEWS Country Brief

Brazil



Reference Date: 23-December-2013

FOOD SECURITY SNAPSHOT

- Estimates for the 2013 wheat production point to a strong recovery from last year
- The 2013 maize production reached a new record
- Domestic wheat prices start to decline

Estimates for the 2013 wheat production point to a strong recovery from last year

Harvest of the 2013 wheat has been concluded. Official estimates point to a strong recovery from last year's lows, with production increasing by 12 percent to almost 4.9 million tonnes, higher than initially forecast. However, at the estimated level wheat production is still below the five year average. An increase in area in response to higher prices at sowing time more than compensated lower yields, negatively affected by frosts in August in the southern region of Brazil, which includes Rio Grande do Sul, Parana, and Santa Catarina and accounts for 95 percent of production.

Wheat imports expected to decline

Reflecting the anticipated increase in wheat production, imports in the forthcoming 2013/14 marketing year (December/November) are forecast to decline by 6 percent from the previous year to a level of 7.5 million tonnes, which is expected to cover around 70 percent of domestic consumption. In the current 2012/13 marketing year, the tight supplies in the subregion, mainly due to a reduced production and export restrictions in Argentina, has prompted Brazil to import wheat from the United States and Canada. Brazil has become the second most important US wheat buyer this year, despite the country's high import duties on non-Mercosur wheat.

Maize production in 2013 reached a new record

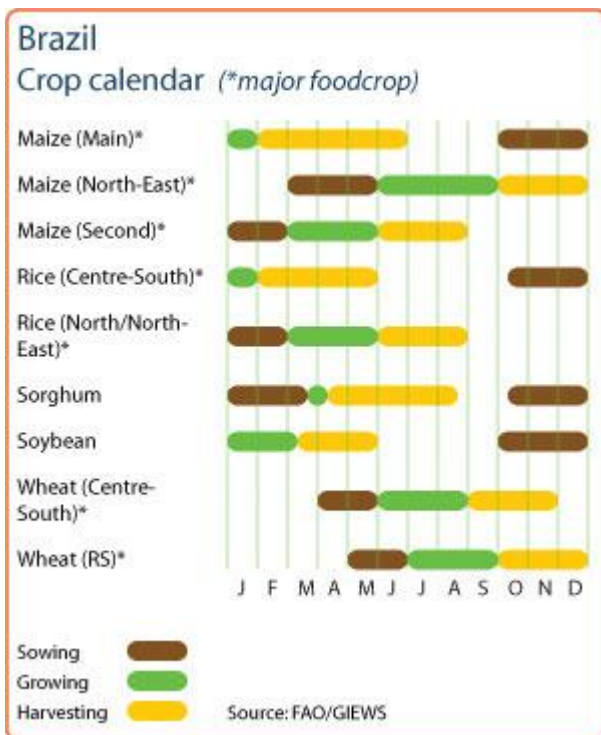
Aggregate 2013 maize production reached a new record level of almost 81 million tonnes, considerably above last year's good level. Both the first and second cropping seasons benefited from favourable weather which increased yields, while a significant increase in plantings, in response to high market prices, also supported the increase in production.

Maize exports to remain high

Maize exports for the 2013/14 (April/March) marketing year are forecast to reach 22.5 million tonnes. Despite this year's bumper crop, this figure is 12 percent lower than last year's record level, on account of strong competition in the international market as a result of ample export availabilities in 2013/14 following the strong recovery in world production. Logistical problems at local ports are also expected to affect Brazil's export capacity. Similar to last year, maize exports will have to compete for port space with soybeans shipments.

Domestic wheat prices start to decline

As new product from the recent harvest enters the market wheat



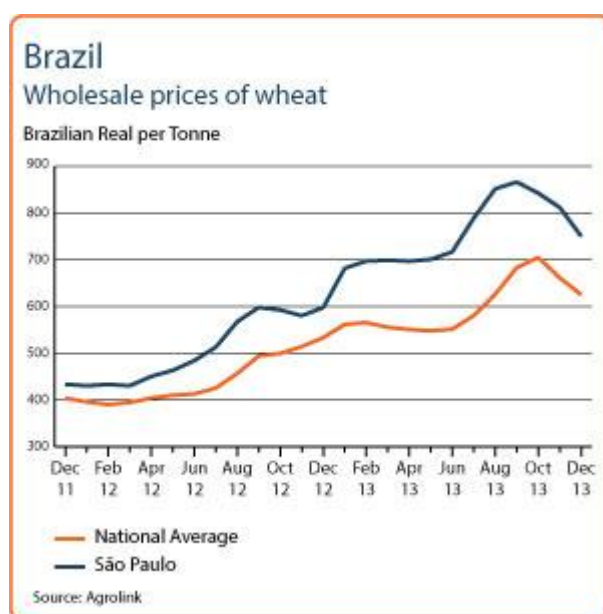
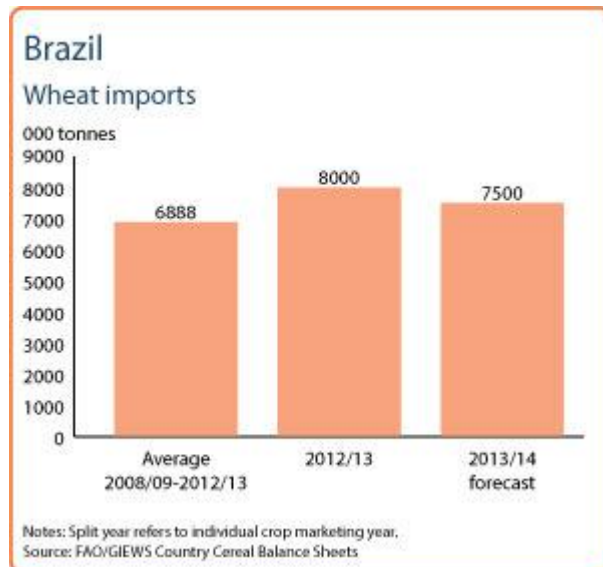
Brazil
Cereal production

	2008-2012 average	2012	2013 forecast	change 2013/2012
	000 tonnes		percent	
Maize	58 774	71 296	80 517	13
Rice (paddy)	12 310	11 600	11 747	1
Wheat	5 393	4 380	4 886	12
Others	2 567	2 810	2 831	1
Total	79 044	90 086	99 981	11

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

prices began to decline in December. The average wheat price declined 5.5 percent, in local currency, from the previous month. While in the main city of Sao Paulo prices declined by almost 8 percent. However prices remained 17 and 26 percent respectively higher than in December 2012. Prices continue to be supported by the tight export supplies in the sub-region and another below average 2013 wheat crop. To limit the rise in prices the Government has increased the duty free import quota for non-Mercosur wheat.

Yellow maize prices, seasonally increased in December by 2 and 4 percent at the national level and in Sao Paulo, respectively. However, at both the national level and in Sao Paulo prices were 24 percent lower than in December 2012 reflecting ample supplies in the market due to this year's bumper maize crop.



Reference Date: 05-November-2013

FOOD SECURITY SNAPSHOT

- The 2013 wheat production forecast to increase despite frost damage
- The 2013 maize production reached a new record
- Domestic wheat prices remain at high levels

The 2013 wheat production forecast to increase despite frost damage

Harvest of the 2013 wheat, ending in December, is well advanced. The unseasonable cold weather and frosts in August negatively affected crops and recent estimates indicate a 4 percent reduction in average yields in the southern region of Brazil, which includes Rio Grande do Sul, Parana, and Santa Catarina and accounts for 95 percent of production. Official production forecasts for the 2013 crop have been further revised downward in October to 4.8 million tonnes. However this is still 10 percent higher than last year's production although well below the five-year average. The expected increase in production mainly reflects an expansion of 13 percent in the area planted from last year's level, in response to higher prices at sowing time.

Wheat imports expected to decline

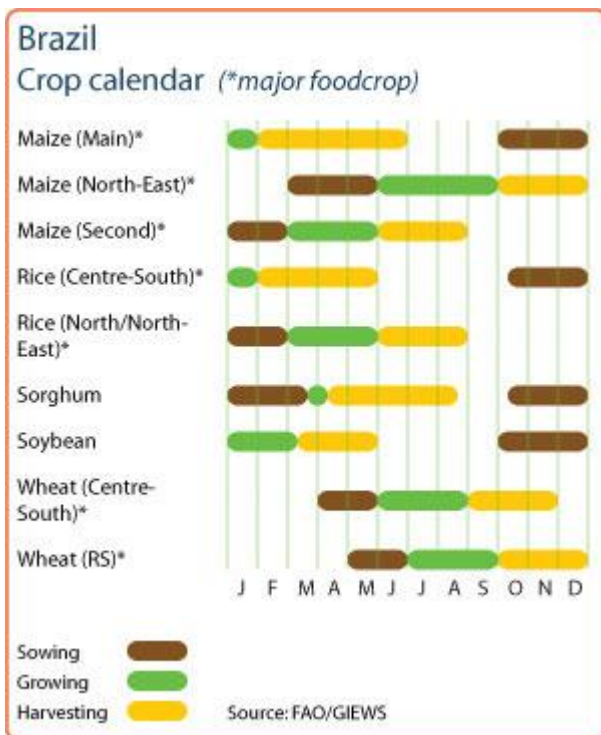
Reflecting the anticipated increase in wheat production, imports in the forthcoming 2013/14 marketing year (December/November) are forecast to decline by 6 percent from the previous year to a level of 7.5 million tonnes, which is expected to cover around 70 percent of domestic consumption. In the current 2012/13 marketing year, the tight supplies in the subregion, mainly due to a reduced production and export restrictions in Argentina, has prompted Brazil to import wheat from the United States and Canada. Brazil has become the second most important US wheat buyer this year, despite the country's high import duties on non-Mercosur wheat.

Maize production in 2013 reached a new record

Aggregate 2013 maize production reached a new record level of almost 81 million tonnes, considerably above last year's good level. Both the first and second cropping seasons benefited from favourable weather which increased yields, while a significant increase in plantings, in response to high market prices, also supported the increase in production.

Maize exports to remain high

Maize exports for the 2013/14 (April/March) marketing year are forecast to reach 22.5 million tonnes. Despite this year's bumper crop, this figure is 12 percent lower than last year's record level, on account of strong competition in the international market as a result of ample export availabilities in 2013/14 following the strong recovery in world production. Logistical problems at local ports are also expected to affect Brazil's export capacity. Similar to last year, maize exports will have to compete for port space with soybeans shipments.



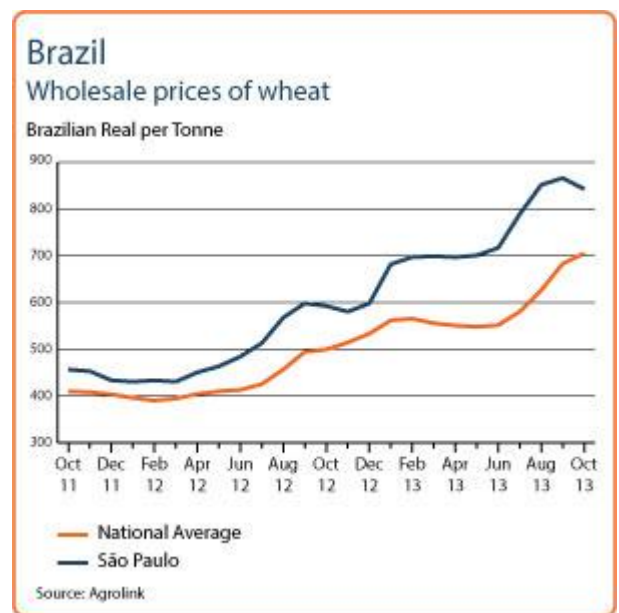
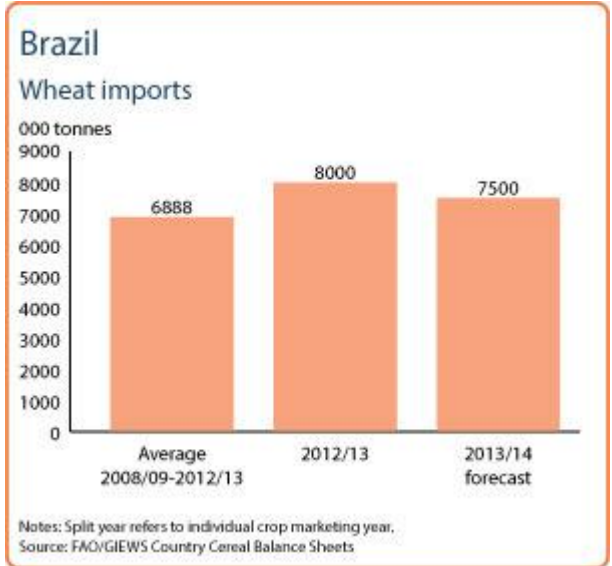
Brazil
Cereal production

	2008-2012 average	2012	2013 forecast	change 2013/2012
	000 tonnes			percent
Maize	58,774	71,296	80,730	13
Rice (paddy)	12,310	11,600	11,858	2
Wheat	5,393	4,380	4,831	10
Others	2,567	2,810	2,827	1
Total	79,044	90,086	100,246	11

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

Domestic wheat prices remain at record levels

Wheat prices at the national level continued to increase for a fifth consecutive month in October, increasing by 3 percent from September and 41 percent from last year. In Sao Paulo, however, prices decreased by 3 percent from September but were at record highs, 42 percent above their levels of September 2012. Prices were supported by the tight export supplies in the sub-region and lower than expected 2013 wheat production. To limit the rise in prices the Government has increased the duty free import quota for non-Mercosur wheat. By contrast, maize prices were stable in September and considerably below last year's level.



GIEWS Country Brief

Brazil



Reference Date: 02-October-2013

FOOD SECURITY SNAPSHOT

- Frosts damaged the 2013 wheat crop in the main producing area of Parana
- The 2013 maize production reached a new record
- Domestic wheat prices at record levels

Frosts damaged wheat crop in the main producing area of Parana

The harvest of the 2013 wheat has begun. In the main producing region of Parana—which accounts for almost half of the total production—the wheat crop was severely affected by unseasonal cold weather and frosts in August. Official production forecasts for the 2013 crop have been revised downward by 13 percent to 5.1 million tonnes. However, this level is still 17 percent higher than the sharply reduced harvest of 2012 although lower than the five year average. The expected increase in production mainly reflects an expansion of 13 percent in the area planted from last year's level, in response to higher prices at sowing time.

Wheat imports expected to decline

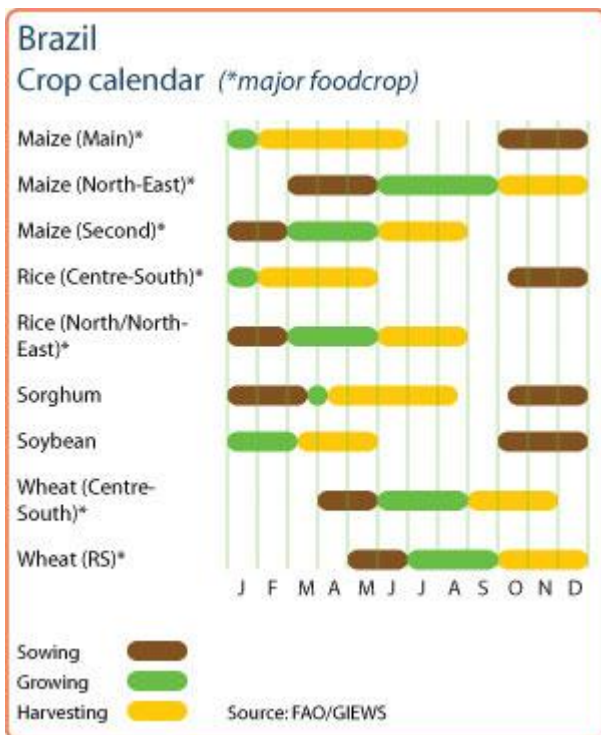
Reflecting the increase in wheat production, imports in the forthcoming 2013/14 marketing year (December/November) are forecast to decline by 6 percent from the previous year to a level of 7.5 million tonnes, which is expected to cover around 70 percent of domestic consumption. In the current 2012/13 marketing year, the tight supplies in the subregion, mainly due to a reduced production and export restrictions in Argentina, has prompted Brazil to import wheat from the United States and Canada. Brazil has become the second most important US wheat buyer this year, despite the country's high import duties on non-Mercosur wheat.

Maize production in 2013 reached a new record

Harvest of the second season maize crop was completed in late August. Official estimates point to a harvest of 45.5 million tonnes, almost 20 percent up from the 2012 production. This puts the 2013 aggregate production at a new record level of 80 million tonnes that reflects a significant increase in plantings, in response to high market prices, and improved yields following favourable weather during the first and second cropping seasons.

Maize exports to remain high

Maize exports for the 2013/14 (April/March) marketing year are forecast to reach 22.5 million tonnes. This figure is 12 percent lower than last year's record level, on account of strong competition in the international market as a result of ample export availabilities in 2013/14 following the strong recovery in world production, although significantly higher than the average. Logistical problems at local ports are also expected to affect Brazil's export capacity. Similar to last year, maize exports will have to compete for port space with soybeans shipments.



Brazil
Cereal production

	2008-2012 average	2012	2013 forecast	change 2013/2012
	000 tonnes		percent	
Maize	58,774	71,296	80,756	13
Rice (paddy)	12,310	11,600	11,858	2
Wheat	5,393	4,380	5,105	17
Others	2,567	2,810	2,912	4
Total	79,044	90,086	100,631	12

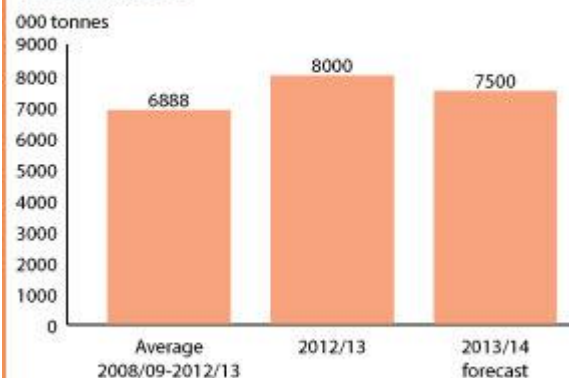
Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

Domestic wheat prices at record levels

For a fourth consecutive month wheat flour prices, in nominal terms, increased and reached a new record level in September. The national average prices were 9 percent up from the previous month and more than 40 percent higher from last year. Prices were supported by the deteriorated prospects for this year's crop and tight export supplies in the sub-region. To limit the rise in prices Brazil has increased the duty free import quota for non-Mercosur wheat. By contrast, maize prices were stable in September and considerably below last year's level.

Brazil

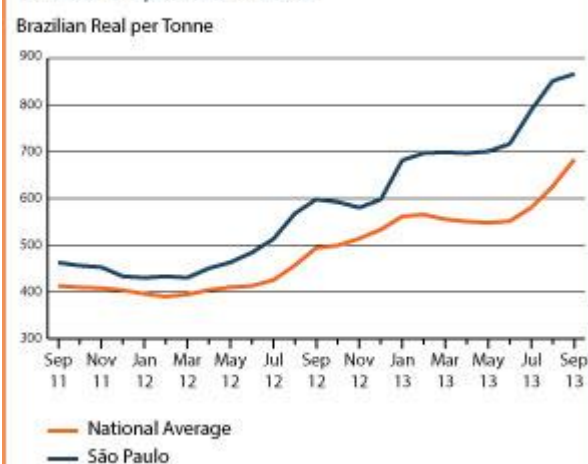
Wheat imports



Notes: Split year refers to individual crop marketing year.
Source: FAO/GIEWS Country Cereal Balance Sheets

Brazil

Wholesale prices of wheat



Source: Agrolink

GIEWS Country Brief

Brazil



Reference Date: 19-September-2013

FOOD SECURITY SNAPSHOT

- Frosts damaged wheat crop in the main producing area of Parana
- Maize production in 2013 reached a new record
- Domestic wheat prices reach record levels

Frosts damaged wheat crop in the main producing area of Parana

The harvest of the 2013 wheat has begun. In the main producing region of Parana—which accounts for almost half of the total production—the wheat crop was severely affected by unseasonal cold weather and frosts in August. Official production forecasts for the 2013 crop have been revised downward by 13 percent to 5.1 million tonnes. However, this level is still 18 percent higher than the sharply reduced harvest of 2012 but still lower than the five year average. The increase in production mainly reflects an increase in area of almost 13 percent from last year.

Maize production in 2013 to reached a new record

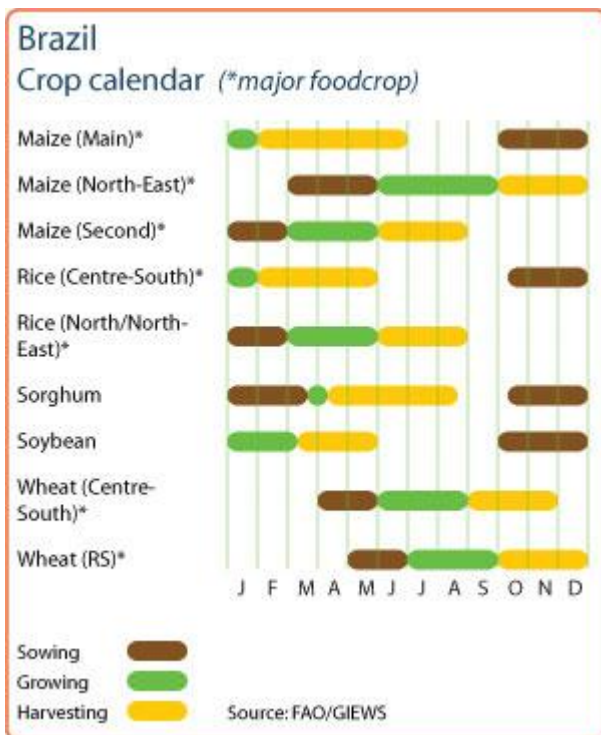
Harvest of the second season maize crop is now completed. Official estimates point to a harvest of 45.5 million tonnes, almost 20 per cent up from the previous year. This puts the 2013 aggregate production at a new record level of 80 million tonnes that reflects a significant increase in plantings, in response to high market prices, and improved yields following favourable weather during the cropping seasons.

Wheat Imports expected to decline

Despite the frost damage, wheat production is expected to increase in 2013 and imports in the forthcoming 2013/14 marketing year (Dec/Nov) are forecast to decline by 6 percent from the previous year to a level of 7.5 million tonnes, which is expected to cover around 70 percent of domestic consumption. In the current 2012/13 marketing year, the tight supplies in the subregion mainly due to a reduced production and export restrictions in Argentina, has prompted Brazil to import wheat from the United States and Canada. Brazil has become the second most important US wheat buyer this year despite the country's high import duties on non-Mercosur wheat.

Domestic wheat prices reach record levels in August

Wheat flour prices reached new record levels in August and, in local currency, were 8 percent up from the previous month both at the national level and in the city of Sao Paulo. Relative to August 2012 prices were almost 40 percent and 50 percent higher at the national level and in Sao Paulo, respectively. Prices were supported by the deterioration of prospects for this year's crop and tight export supplies in the subregion.



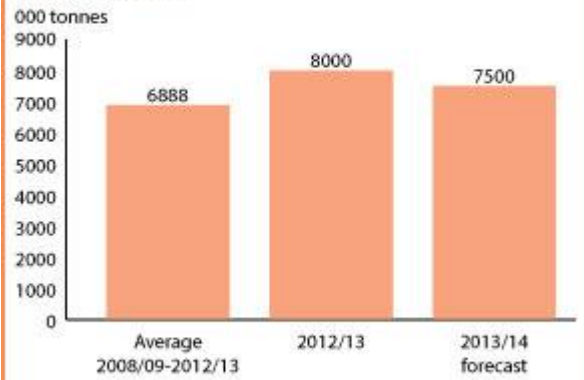
Brazil
Cereal production

	2008-2012 average	2012	2013 forecast	change 2013/2012
	000 tonnes		percent	
Maize	58,774	71,296	80,756	13
Rice (paddy)	12,310	11,600	11,858	2
Wheat	5,393	4,380	5,105	17
Others	2,567	2,810	2,912	4
Total	79,044	90,086	100,631	12

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

Brazil

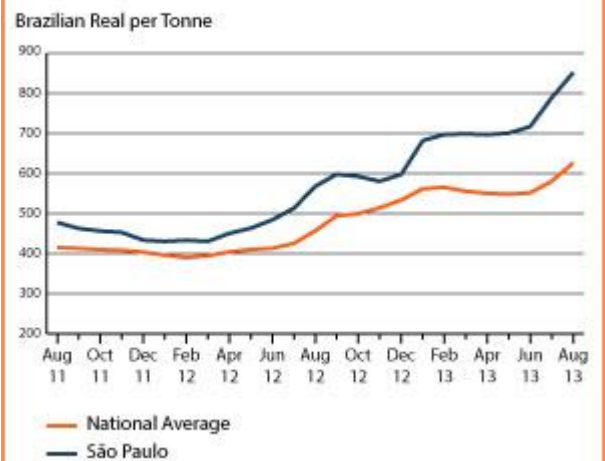
Wheat imports



Notes: Split year refers to individual crop marketing year.
Source: FAO/GIEWS Country Cereal Balance Sheets

Brazil

Wholesale prices of wheat



Source: Agrolink

GIEWS Country Brief

Brazil



Reference Date: 09-September-2013

FOOD SECURITY SNAPSHOT

- Maize production in 2013 to reached a new record
- Frost damages wheat crop in the main producing area of Parana
- Wheat Imports expected to decline
- Domestic wheat prices reach record levels

Maize production in 2013 to reached a new record

Harvest of the second season maize crop is now completed. Official estimates point to a harvest of 45.5 million tonnes, almost 20 per cent above the high level of the previous year. This puts aggregate production for 2013 at a new record level of 80 million tons. This reflects a significant increase in plantings, in response to high market prices, and improved yields following favourable weather during the cropping seasons.

Frost damages wheat crop in the main producing area of Parana

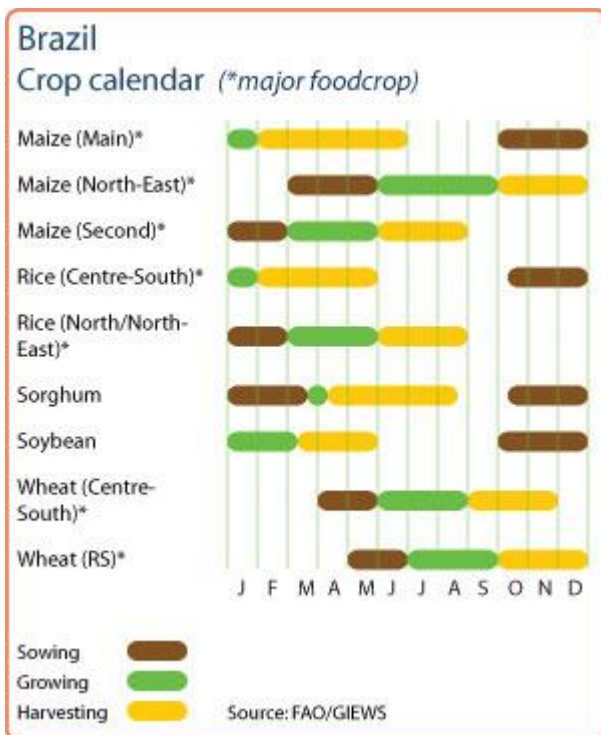
The harvest of the 2013 wheat has begun. In the main Producing area of Parana—which accounts for almost half of production—the wheat crop was severely affected by frost. Official preliminary estimates point to a production of less than 2 million tonnes in Parana, a reduction of 6 percent from last year. However, total production for 2013 is expected to reach almost 5.2 million tonnes 18 percent above from last year's low level but still lower than the five year average. The increase in production mainly reflects an increase in area of almost 13 percent from last year.

Wheat Imports expected to decline

Despite the frost damage wheat imports are expected to decline for the 2013/14 marketing year (Dec/Nov) mainly reflecting the expected increase in production. Wheat imports are forecast at 7.5 million tonnes or 6 percent lower than last year and are expected to cover around 70 percent of domestic consumption. However given the tight supplies in the region due to declines in expected production (Paraguay and Argentina) and export restrictions (Argentina) wheat this year is mainly being imported from the United States and Canada. Brazil has become the second most important US wheat buyer this year despite the country's high import duties on non-Mercosur wheat.

Domestic wheat prices reach record levels

Wheat flour prices reached new record levels in August and, in local currency, were 8 percent higher than in the previous month both at the national level and in Sao Paulo. Relative to August 2012 prices were almost 40 percent and 50 percent higher at the national level and in Sao Paulo, respectively. Prices are increasing due to the high export demand and tight supplies in the region and the switch to more expensive import sources.



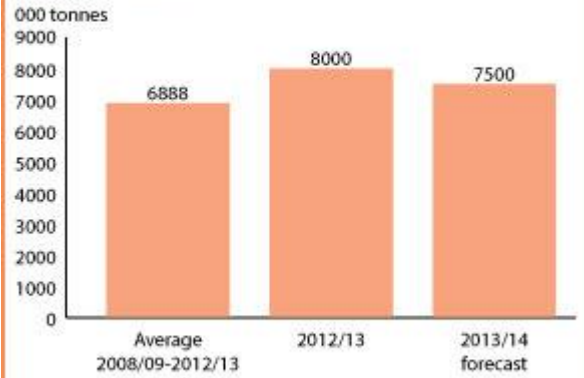
Brazil Cereal production

	2008-2012 average	2012	2013 forecast	change 2013/2012
	000 tonnes			percent
Maize	58,774	71,296	80,013	12
Rice (paddy)	12,310	11,600	11,858	2
Wheat	5,393	4,380	5,168	18
Others	2,567	2,810	3,401	21
Total	79,044	90,086	100,440	11

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

Brazil

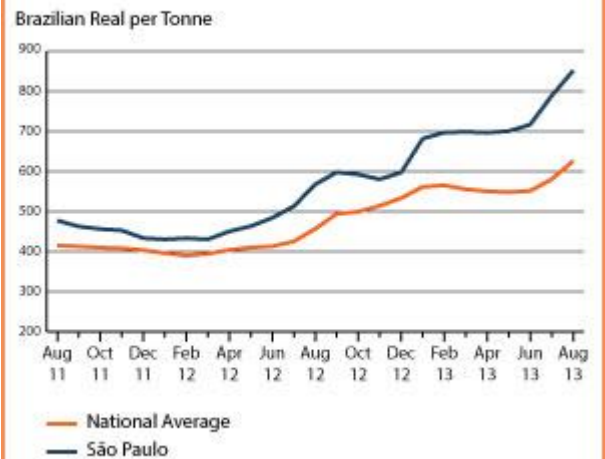
Wheat imports



Notes: Split year refers to individual crop marketing year.
Source: FAO/GIEWS Country Cereal Balance Sheets

Brazil

Wholesale prices of wheat



Source: Agrolink

GIEWS Country Brief

Brazil



Reference Date: 09-July-2013

FOOD SECURITY SNAPSHOT

- Maize production in 2013 to reach new record highs
- Favourable prospects for the 2013 wheat crop
- Domestic prices of maize declining but those of wheat flour and rice on the increase
- North-East region affected by severe drought for the second consecutive year

Maize production in 2013 to reach new records

Harvest of the second season maize crop is underway and official forecasts point to a record output of almost 44 million tonnes, 14 percent above the high level of the previous year. Production of the 2013 recently harvested first season was also good and in aggregate, official forecasts point to a 2013 crop of almost 78.5 million tonnes, a new record. This reflects a significant increase in plantings, in response to high market prices, and improved yields following favourable weather during the cropping seasons.

Harvesting of the 2013 rice paddy crop was completed in May and the output is officially estimated at 11.94 million tonnes (in paddy terms), a recovery over last year's reduced level, but still somewhat below the five years average, mainly due to planting delays due to adverse weather conditions.

The 2013 soybean production was estimated close to 81 million tonnes, 23 percent higher than in 2012.

Favourable prospects for the wheat crop

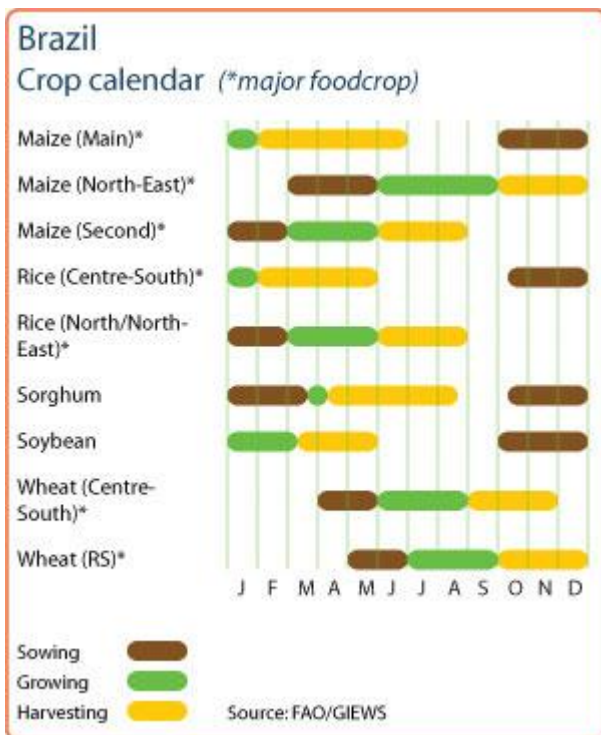
Planting of the 2013 wheat crop was completed in June under generally favourable weather conditions. While the area planted increased only marginally from last year, yields are expected to recover from the low levels of 2012, providing good weather persists. Early official forecasts point to an increase of 25 percent in production to an about average level of 5.5 million tonnes.

Exports of maize may decline in 2013/14 despite bumper 2013 production

Early forecast point to a decline of maize exports in the 2013/14 marketing year (April/March) due to strong competition from other exporters and logistical constraints. However, at the forecast volume of 22 million tonnes, maize exports are still almost double the five year average level. Along with Argentina, exports from Brazil in the coming months will contribute to ease tight supplies in the world maize market due to last year's drought-reduced harvest in the United States.

Domestic maize prices declining but those of wheat and rice at high levels

Domestic national average wholesale prices of maize weakened further in June under the downward pressure of supplies from the 2013 harvests and were around their levels a year earlier. By



Brazil Cereal production

	2008-2012 average	2012	2013 forecast	change 2013/2012
	000 tonnes		percent	
Maize	58 774	71 296	78 457	10
Rice (paddy)	12 310	11 600	11 943	3
Wheat	5 393	4 380	5 513	26
Others	2 567	2 810	3 394	21
Total	79 044	90 086	99 307	10

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

contrast, the average wheat price remained firm and one-third higher than in June 2012, while those of wheat flour rose by near 5 percent in the Sao Paulo main market. This reflects the 2012 reduced wheat harvest, high quotations in the international markets and the depreciation of the national currency in recent months. Rice prices increased slightly in June and were one-quarter above those of a year earlier due to the only partial recovery in the 2013 production.

North-East region affected by severe drought for the second consecutive year

In the North East region, one of the worst droughts in recent decades is affecting agriculture and livestock production for the second year in a row. The North East region accounts for about 7 percent of the national production of cereals, beans and oilseeds. The dry weather since late 2012 resulted in sharp reductions in plantings and yields of maize during the 2013 first season, particularly in Pernambuco and Ceara states. However, the 2013 aggregate regional maize production is projected at normal levels due to the anticipated good output of the second season.

The Government is currently providing food assistance to the affected population in five of the nine North-East states, Bahia, Paraíba, Pernambuco, Rio Grande do Norte and Piauí. It has also expanded social safety nets in place, including water distribution, selling of subsidized maize for animal feed, crop insurance and credit facilities. In addition to these measures the Government has announced a programme to improve the resilience of local crops to dry weather worth BRL 7 billion



GIEWS Country Brief

Brazil



Reference Date: 22-May-2013

FOOD SECURITY SNAPSHOT

- Maize production in 2013 to reach new records
- North-East region affected by severe drought for the second consecutive year
- Wheat production expected to recover in 2013
- Exports of maize could decline in marketing year 2013/14
- Domestic prices of maize, rice, and wheat are declining

Maize production in 2013 to reach new records

Harvesting of the 2013 maize first season is well advanced. Preliminary official estimates point to an output of 35.5 million tonnes or almost 7 percent higher than last year's same season as a result of a recovery of yields. Sowing of the second season maize crop was completed in March. Plantings are estimated 18 percent higher than last year in response to high market prices and favourable weather at sowing time. This is expected to result in a record output of 42.3 million tonnes this season. In aggregate, early official forecasts point to a 2013 production (first and second seasons) of almost 78 million tonnes or 9 percent up on last year's previous record level.

Harvesting of the 2013 rice paddy crop is almost completed. The output is forecast to increase 3 percent or 343 000 tonnes (in paddy terms) over last year's reduced level despite adverse weather conditions during planting. While the production forecast is above last year it is still somewhat below its five year average.

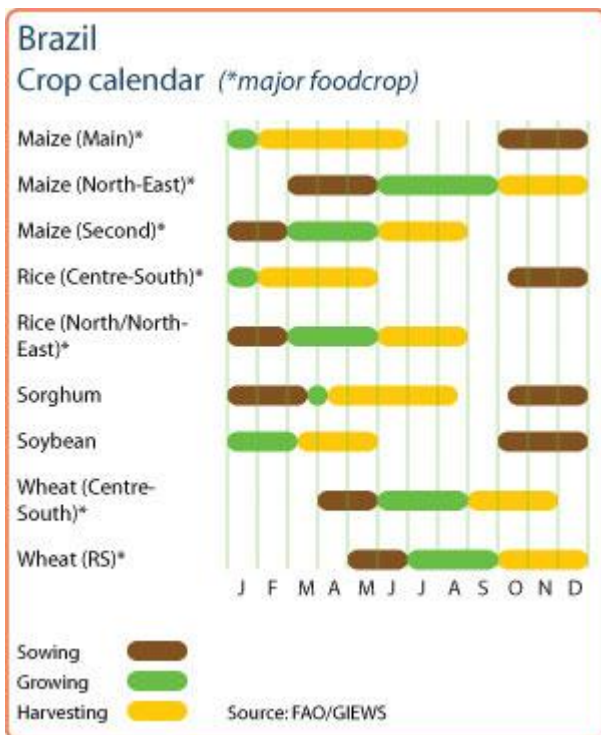
The 2013 soybean harvest has concluded. Official forecast point to a production of close to 81 million tonnes or 23 higher than last year. Due to adverse weather conditions during the harvest this forecast is slightly lower than previous estimates that pointed to a production increase of 25 percent year over year.

Wheat production expected to recover in 2013

Planting of the 2013 crop has begun. Early official production forecast point to an increase of close to 25 percent - from last year's poor level - to 5.5 million tonnes, which is about average. Assuming normal weather during the cropping season, yields are expected to go up by almost 11 percent from the low levels of 2012, with only a marginal increase in area planted.

Exports of maize could decline in marketing year 2013/14

Maize exports in the 2013/14 marketing year (April/March) are expected to decline by almost 10 percent to 23 million tonnes from the previous year's level. The decline from last year is expected partly from strong competition from soybean export. However at the forecast level, maize exports are still double the five year average. Along with Argentina, exports from Brazil in the coming months will contribute to ease tight supplies in the world maize market due to last year's drought-reduced harvest in the United States.



Brazil
Cereal production

	2008-2012 average	2012	2013 forecast	change 2013/2012
	000 tonnes		percent	
Maize	58,774	71,296	77,806	9
Rice (paddy)	12,310	11,600	11,943	3
Wheat	5,393	4,380	5,456	25
Others	2,567	2,810	2,968	6
Total	79,044	90,086	98,173	9

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

Domestic cereal prices declining

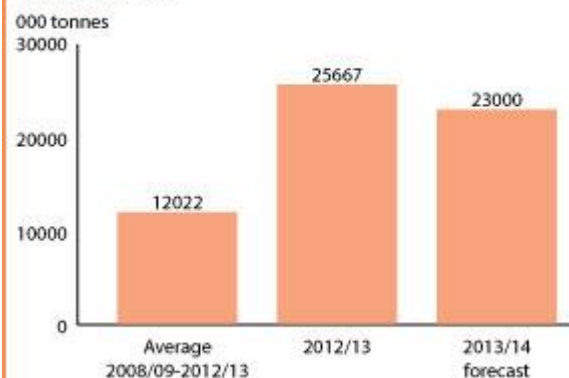
Domestic wholesale prices of maize continued to weaken in April under the downward pressure of the good first season maize harvest. Maize prices declined 12 percent in April compared to their March level and were significantly lower than a year earlier. Rice prices were also declining, reflecting the ongoing rice harvest. Wheat prices weakened somewhat, after significantly increasing since the beginning of the year. The decrease follows government measures to limit food inflation, which included the reduction of taxes on wheat products and an import quota of 2 million tonnes from the non-Mercosur area until 31 July 2012.

North-East region affected by severe drought for the second consecutive year

In the North East region, one of the worst droughts in recent decades is affecting agriculture and livestock production for the second year in a row. The dry weather since late 2012 has resulted in sharp reductions in the area planted to maize, particularly in Pernambuco and Ceara states. Harvest is underway and preliminary estimates point to a 7 percent decrease in the regional maize production from the poor level of 2012. The North East region accounts for about 7 percent of the national production of cereals, beans and oilseeds. The Government is currently providing food assistance to the affected population in 5 of the 9 North-East states, Bahia, Paraíba, Pernambuco, Rio Grande do Norte and Piaui. It has also expanded other social safety nets in place, including water distribution, selling of subsidized maize based animal feed, crop insurance and credit facilities.

Brazil

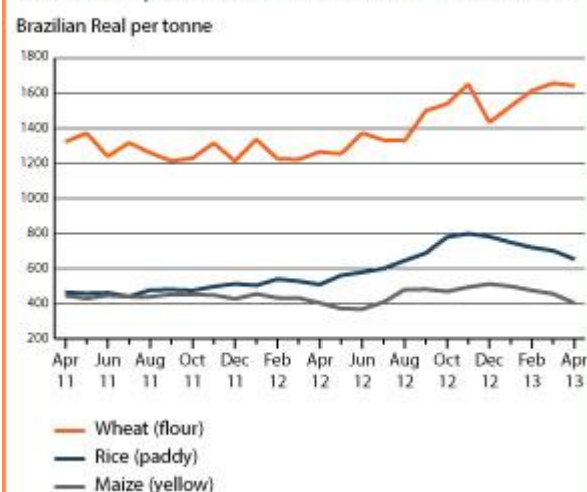
Maize exports



Notes: Split year refers to individual crop marketing year.
Source: FAO/GIEWS Country Cereal Balance Sheets

Brazil

Wholesale prices of selected cereals in Sao Paulo



Source: Instituto de Economia Agrícola, Agrolink, Agrolink

Reference Date: 15-January-2013

FOOD SECURITY SNAPSHOT

- Improved prospects for the 2013 first season maize and soybeans crops
- Sharp increase of maize exports in 2012/13 (April/March)
- Domestic prices of wheat flour and rice declining

Improved prospects for the 2013 first season maize and soybeans crops

Planting of the 2013 first season maize crop was completed in December. Dry weather in November and early December in the main southern producing states hampered planting activities and caused some reduction in the area planted. However, subsequent good precipitation mainly in the states of Paraná and Rio Grande do Sul substantially improved soil moisture conditions benefiting late sowing and development of earlier planted crops. Latest official estimates of the area to be harvested indicate an increase of 4 percent compared to last year's same season level. Assuming normal weather in the remaining of the growing season, a recovery in yields from last year's drought reduced level is anticipated. Early official forecast of this season's maize output stays at 35.7 million tonnes, 7 percent above last year's level.

Planting of the 2013 paddy crops was completed in early December in the main producing state of Rio Grande do Sul. Early official forecast point to a total national production of about 12 million tonnes, some 5 percent higher than the 2012 reduced output, reflecting higher yields.

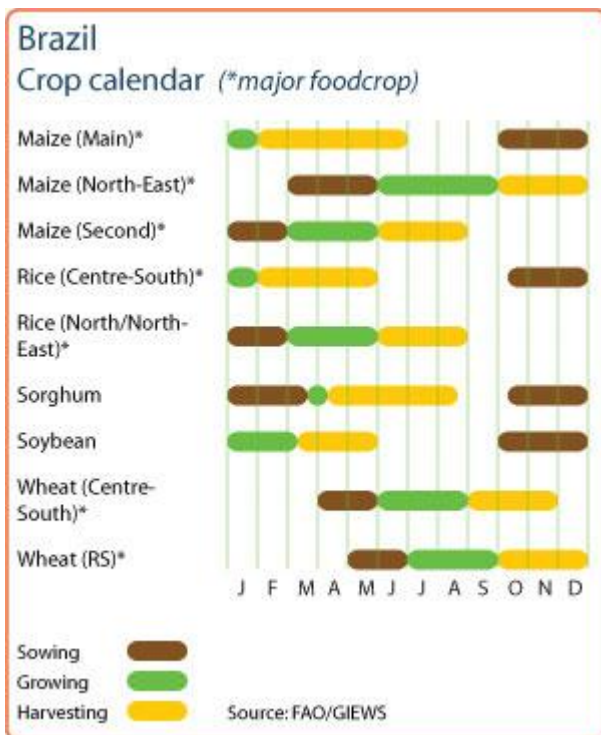
Planting of soya-beans was completed in mid-December. The area to be harvested is officially estimated 9 percent higher than in the previous season, mainly as a result of higher prices in the international market. Despite dry weather in the main producing state of Mato Grosso in November and December, rains resumed in January benefiting crops at their growing stage. Assuming average yields, the 2013 soya-beans production is anticipated at a record level of some 82.6 million tonnes or 25 percent higher than the 2012 drought-reduced level.

Sharp contraction of the 2012 wheat production

Harvest of 2012 wheat in the producing areas of the South region (which represents 95 percent of total national production) was completed in November. Official estimates indicate an output of 4.4 million tonnes, 23 percent lower than in 2011. The sharp decrease is mainly the result of a 24 percent contraction in the area planted in Paraná state, due to high production costs, and significant lower yields in Rio Grande do Sul due to dry weather.

Significant increase of maize exports in marketing year 2012/13 (April/March)

Following a record production in 2012, maize exports in marketing year 2012/13 (April/March) are anticipated at 20 million tonnes, more than doubling last year's volumes of 8 million tonnes.



Brazil
Cereal production

	2007-2011 average	2011	2012 estimate	change 2012/2011
	000 tonnes			percent
Maize	54,881	56,272	71,491	27
Rice (paddy)	12,253	13,613	11,600	-15
Wheat	5,334	5,695	4,371	-23
Others	2,409	2,705	2,810	4
Total	74,878	78,285	90,272	15

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

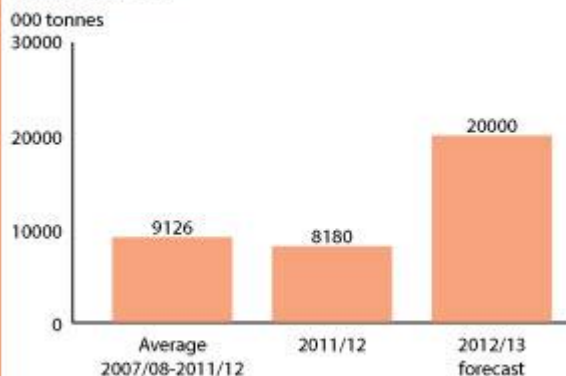
Domestic prices of wheat flour and rice declining

In the main urban market of Sao Paulo, wholesale prices of wheat flour declined in December and early January mainly reflecting trends in the international markets, as the country imports some 60 percent of its wheat consumption needs. In the first decade of January 2013, wheat flour prices averaged 8 percent higher than their levels at the same time a year earlier. Rice prices which showed some declines in December and first two weeks of January remained well above their levels a year earlier, mainly reflecting the reduced 2012 production.

Export prices of yellow maize declined in December and in the first two weeks of January, following trends in international markets and large export availabilities. However, at the current level quotations remain some 9 percent higher than at the same time a year ago.

Brazil

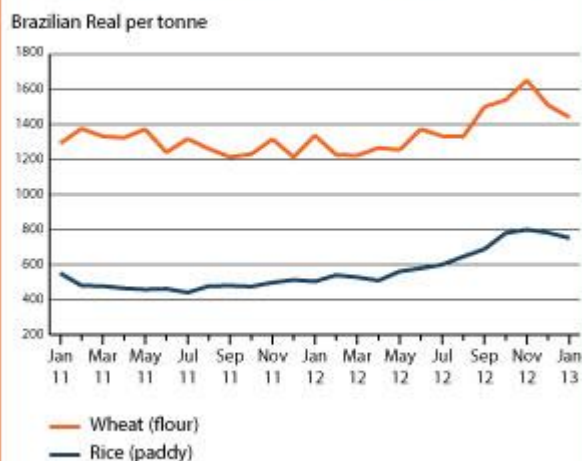
Maize exports



Notes: Split year refers to individual crop marketing year.
Source: FAO/GIEWS Country Cereal Balance Sheets

Brazil

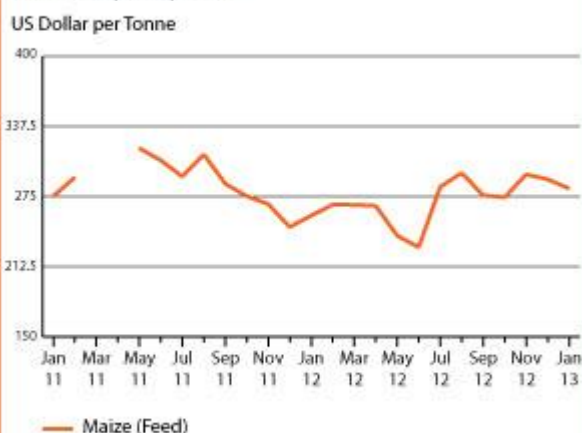
Wholesale prices of selected cereals in Sao Paulo



Source: Instituto de Economia Agrícola, Agrolink

Brazil

Maize export prices



Source: International Grain Council

Reference Date: 11-December-2012

FOOD SECURITY SNAPSHOT

- More rains are needed for the 2013 first season maize crop after dry weather in November
- Exports of maize to more than double in 2012/13 (April/March)
- Domestic rice and wheat flour prices increased in November

Good rains in early December provided some relief to the 2013 first season maize crop following dry weather in November but more precipitation is needed

Planting of the 2013 first season maize crop is nearly completed. Preliminary official estimates of the area to be harvested indicate a 5 percent increase from last year's first season level and, assuming normal yields, early forecast point to an increase of 7 percent in production to 35.7 million tonnes. However, below average rains during November in Paraná and Rio Grande do Sul, as well as Mato Grosso, adversely affected early development of the crop and the early forecast may not materialize. Rains increased in South Brazil in the first decade of December, but they were not enough to replenish soil moisture.

The 2013 area and production of rice are forecast to remain around the reduced levels of this year.

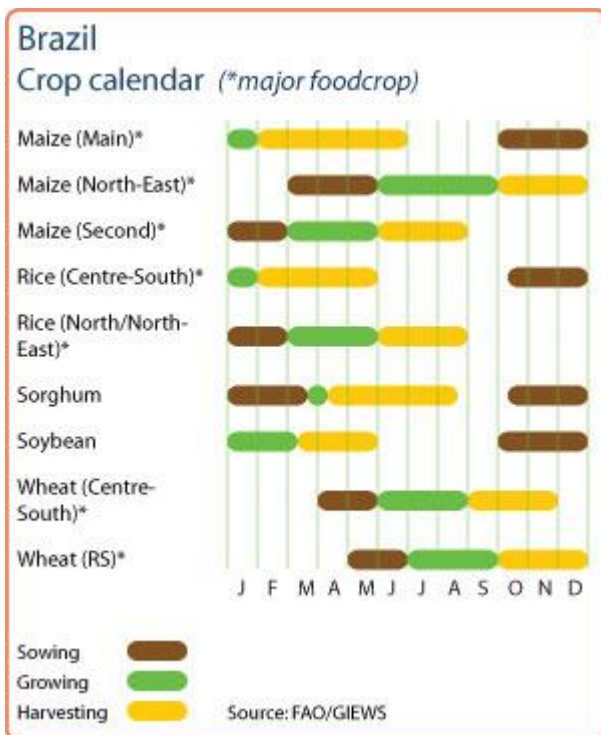
Sharp contraction of the 2012 wheat production

Harvest of 2012 wheat in the producing areas of Rio Grande do Sul and Paraná (where 91 percent of total national production is concentrated) is almost complete. Official forecasts point to an output of 4.8 million tonnes, 15 percent lower than in 2011. The decrease is mainly the result of a 26 percent decline in the area planted in Paraná and significant lower yields in Rio Grande do Sul due to dry weather that offset a 7 percent increase in the planted area.

Record 2012 maize output

Harvesting of the 2012 second season maize crops was completed earlier in the year. The output was officially estimated at a bumper level of 38.3 million tonnes, 73 percent higher than in the same season last year. This reflects an increase in the area planted in key growing areas of the Centre-West region and in the southern state of Paraná, in response to high prices and to compensate for crop losses during the first season, as well as favourable weather during the season. Harvesting of the 2012 first season maize crop was completed in May and the output was estimated at 33.2 million tonnes, close to the good level of the corresponding season in 2011, with increases in Minas Gerais state and in the Centre-West region offsetting a sharp reduction in Rio Grande do Sul state, severely affected by dry weather. In aggregate, the 2012 maize production (first and second seasons) is estimated at 71.5 million tonnes, 27 percent up from the 2011 previous level.

The 2012 rice production was estimated some 15 percent down from



Brazil
Cereal production

	2007-2011 average	2011	2012 estimate	change 2012/2011
	000 tonnes			percent
Maize	54,881	56,272	71,533	27
Rice (paddy)	12,253	13,613	11,600	-15
Wheat	5,334	5,695	4,844	-15
Others	2,409	2,705	2,829	5
Total	74,878	78,285	90,806	16

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

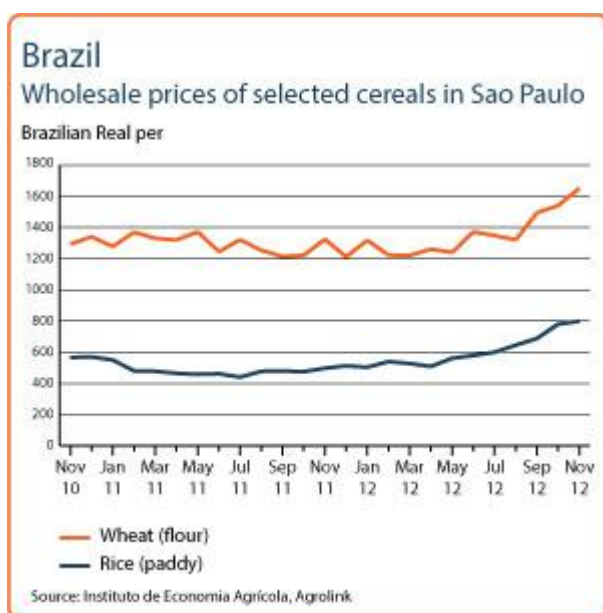
last year's level. This is mainly the result of a contraction in the sowed area (13 percent) and the average yields (1.9 percent) compared to last year. This low cropping performance is mostly related to an 11 percent reduction in the planted area in the Southern Region, which is responsible for 79 percent in the rice total national output, associated to lower price incentives, and water scarcity in the reservoirs during the planting period.

Maize exports to increase in 2012/13 (April/March)

Following a record production this year, maize exports in marketing year 2012/13 (April/March) are forecast at 18 million, more than doubling last year's volumes of 8 millions. Conversely, soybean exports are forecast to increase to some 36 million tonnes.

Prices of rice and wheat flour on the increase

In the main urban market of Sao Paulo, wholesale prices of wheat flour prices have increased in the past three months supported by higher prices in the international markets and the expected contraction in this year's production. In November 2012, wheat flour prices were 24 percent higher than their levels at the same time last year. Similarly, average national rice prices have increased since July due to the reduced 2012 harvest and strong exports. In November, retail rice price in Sao Paulo were 35 percent up on their levels of a year earlier.



Reference Date: 19-September-2012

FOOD SECURITY SNAPSHOT

- The 2012 aggregate maize production estimated at record level, while wheat production anticipated to decline
- Exports of maize to increase in 2012/13 (April/March)
- Domestic rice and wheat flour prices increased in the first half of September

The 2012 aggregate maize production estimated at a new record level but that of wheat to decline

Harvesting of the 2012 second season maize crops is virtually completed. This season's output is officially estimated at a bumper level of 38.5 million tonnes, 74 percent higher than in the same season last year. This reflects an increase in the area planted in key growing areas of the Centre-West region and in the southern state of Paraná, in response to high prices and to compensate for crop losses during the first season, as well as favourable weather during the season. Harvesting of the 2012 main season maize crop was completed last May and the output was estimated at 34.2 million tonnes, close to the good level of the corresponding season in 2011, with increases in Minas Gerais state and in the Centre-West region offsetting a sharp reduction in Rio Grande do Sul state, severely affected by dry weather. In aggregate, the 2012 maize production (main and second seasons) is preliminary estimated at 72.8 million tonnes, 29 percent up from the 2011 previous record level.

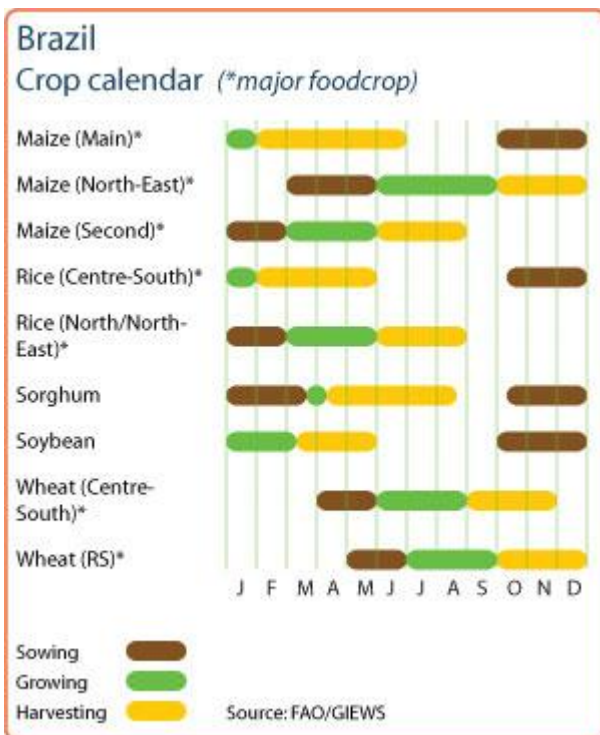
The 2012 rice production is estimated some 15 percent down from last year's level. This is mainly the result of a contraction in the sowed area compared to last year, due to higher production costs. Soybean production is estimated at some 66 million tonnes or 12 percent less than in 2011. The decline is the result of dry weather conditions during the growing period in the key southern producing areas, which more than offset a 4 percent year-on-year increase in the area planted.

Harvesting of 2012 wheat has just begun in the major producing areas of Rio Grande do Sul and Paraná. Official forecasts point to an output of 4.9 million tonnes, 14 percent lower than in 2011. The decrease is mainly the result of a 28 percent decline in the area planted in Paraná, following diversion of land to more profitable crops and significant lower yields in Rio Grande do Sul due to dry weather.

Planting of the 2013 first season maize and soybean crops has just started and recent rains have improved soil moisture favouring planting activities.

Maize exports to increase in 2012/13 (April/March)

Following the 2012 record output, maize exports in marketing year 2012/13 (April/March) are forecast at 15 million tonnes, well above the 8.2 million tonnes in 2010/11. Export prices of yellow maize, which had increased by some 30 percent in July and August declined by 3 percent in the first two weeks of September reflecting trends in



Brazil Cereal production

	2007-2011 average	2011	2012 forecast	change 2012/2011
	000 tonnes			percent
Maize	54 881	56 272	72 751	29
Rice (paddy)	12 253	13 613	11 607	-15
Wheat	5 334	5 695	4 912	-14
Others	2 409	2 705	2 853	5
Total	74 878	78 285	92 123	18

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

the international markets. The arrival into markets of the recently harvested crop also put downwards pressure on prices.

Prices of maize declining while those of rice and wheat flour on the increase

In the main urban market of Sao Paulo, wholesale prices of wheat flour prices have increased by 11 percent in the first half of September compared to their August level, supported by higher prices in the international markets and the expected declines in this year's production. In early September wheat prices were 21 percent higher than their levels at the same time last year. Similarly, rice prices have increased in the past two months due to the reduced 2012 harvest and strong exports. Prices were 24 percent up on their levels of a year earlier.

Reduced maize output in the Northeast Region

Despite this year's bumper maize crop at national level, severe drought in the Northeast Region since the beginning of the cropping seasons resulted in reductions in the area planted and severe crop losses. The region's maize production is officially estimated to be some 30 percent lower compared to last year. Other food crops, including rice, cassava, groundnuts, potatoes, as well as livestock have also been adversely affected by prolonged dry weather. The North East region accounts for about 9 percent of the national production of cereals, beans and oilseeds.

Overall, it is estimated that 4 million people have been affected by the drought. Earlier in the year, the Government declared the state of emergency in several municipalities of the states of Pernambuco, Ceara, Maranhão, Rio Grande do Norte and Bahia and allocated some USD 1.4 billion to assist affected families, with water distribution and support for agricultural rehabilitation activities. The Government has also created the Integrated Committee in the Fight against Drought.



Reference Date: 02-July-2012

FOOD SECURITY SNAPSHOT

- Upward revision of the 2012 aggregate maize production forecast
- The 2012 wheat crop anticipated below last year's level
- Maize exports to increase in 2012/13 (April/March)
- Maize prices continue to decline in June
- Severe drought affects the North-East region

Upward revision of the 2012 aggregate maize production forecast

Harvesting of the 2012 main season's maize crop is virtually completed in the key southern growing areas of Minas Gerais, Rio Grande do Sul, and Paraná. The output is expected to be close to the good level of the corresponding season in 2011, with increases in Minas Gerais and in the Centre-West region offsetting the sharp reduction in Rio Grande do Sul, severely affected by a prolonged dry spell during November and January.

The 2012 second season maize crop, mainly grown in the Centre-West region and in the southern state of Paraná, is about to be harvested. The area planted is estimated to be 26 percent larger than in the same season last year in response to relatively high prices and crop losses during the first season. Yields are expected 19 percent higher than in the same season last year, following favourable weather conditions during the growing season. As a result, the output is forecast to increase by 56 percent from its level in 2011, 7 points more than earlier forecast. In aggregate, the 2012 maize production (main and second seasons) is now forecast at 68.5 million tonnes, 22 percent up from the 2011 previous record level.

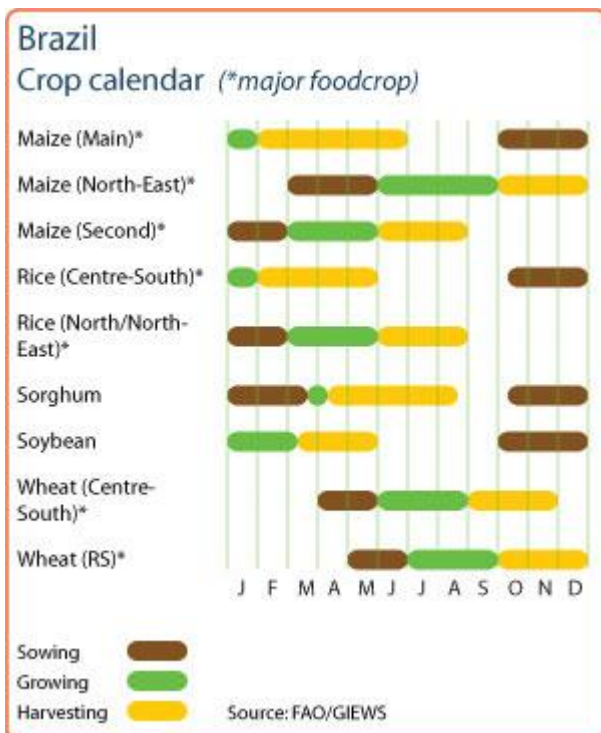
Harvesting of the 2012 irrigated rice crop is completed and the output is estimated 13 percent down from last year's level. This is the result of a contraction in the sowed area compared to last year, mainly due to higher production costs.

Harvesting of the 2012 soybean crop is practically completed and production is estimated at some 66 million tonnes or 12 percent less than in 2011. The decline is the result of dry weather conditions during the growing period in the key southern growing areas.

The 2012 wheat crop forecast below last year's level

Sowing of 2012 wheat is nearly completed in the major producing areas of Rio Grande do Sul and Paraná. The area planted is estimated 11 percent below last year's level as a result of higher production costs and diversion of land to more profitable crops. Official forecast point to an output of 5.1 million tonnes, some 11 percent lower than in 2011.

Maize exports to increase in 2012/13 (April/March)



Brazil
Cereal production

	2007-2011 average	2011	2012 forecast	change 2012/2011
	000 tonnes			percent
Maize	54 881	56 272	68 511	22
Rice (paddy)	12 253	13 613	11 800	-13
Wheat	5 334	5 695	5 076	-11
Others	2 409	2 705	2 646	-2
Total	74 878	78 285	88 033	12

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

Maize exports in the new marketing year 2012/13 (April/March) are forecast at 11 million tonnes, well above the downwards revised level of 8.5 million tonnes in 2010/11. The expected increase in exports mainly reflects the 2012 record output being harvested.

Prices of maize declining while those of rice and wheat flour on the increase

In the main urban market of Sao Paulo, wholesale prices of yellow maize have declined by 9 percent in June comparing with the previous month, and are 19 percent below their high levels of a year ago. This reflects the arrival of the new harvest into the markets and prospects of a bumper second season crop. Wheat flour prices have increased by 10 percent in June following the expected declines in this year's production, and are 12 percent higher than their levels at the same time last year. Similarly, rice prices have increased somewhat in June and are 11 percent up on their levels of a year ago.

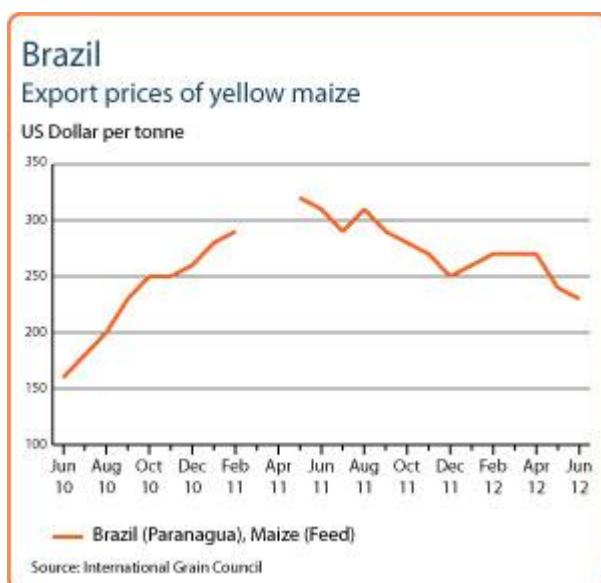
Brazilian export prices of yellow maize declined by 4 percent in June compared to May and were 7 percent lower than a year ago. Export prices decreased less than domestic quotations reflecting firm values in world export markets.

Severe drought affects the North-East region, while heavy rains caused floods in the northern state of Amazon

Planting of the main season maize crop has finished in the North-East semi-arid region. Severe dry weather since the beginning of the season has resulted in reductions in the area planted and severe losses of early planted crops. Preliminary official estimates indicate a reduction of 15 percent in the area planted to maize and of 20 percent on that of beans with the sharpest reductions in the states of Rio Grande do Norte, Pernambuco and Ceará. Other food crops, including rice, cassava, groundnuts, potatoes, as well as livestock have been adversely affected by the prolonged dry weather. The North East region accounts for about 9 percent of the national production of cereals, beans and oilseeds.

In late June, the Government extended the state of emergency to 25 municipalities in the states of Pernambuco, Ceara, Maranhão, Rio Grande do Norte and Bahia. In May, 450 municipalities in the subregion were in state of emergency, mainly in Pernambuco, where the drought is considered the worst in 50 years. Overall, it is estimated that 4 million people have been affected by the drought. The Government has allocated some USD 1.4 billion to assist affected families, with water distribution and support for agricultural activities. The Government has also created the Integrated Committee in the Fight against Drought. In the hardest hit cities, local authorities have suspended industrial use of water use.

By contrast, heavy rains from late December 2011 to mid-May 2012 in the northern state of Amazon led rivers to overflow adversely affecting the livelihood of more than 70 000 families. This prompted the Government to declare the state of emergency in late April in several municipalities and to allocate about USD 170 million to assist the affected populations.



Reference Date: 17-May-2012

FOOD SECURITY SNAPSHOT

- The 2012 aggregate maize output at record level
- Early indications point to a decline in the 2012 wheat output
- Maize exports to increase in 2012/13 (April/March)
- Maize prices declined in April

The 2012 aggregate maize output at record level

Harvesting of the 2012 main season's maize crop is well advanced in the key southern growing areas of Rio Grande do Sul, Minas Gerais and Paraná. The output is expected to be close to the good level of the corresponding season in 2011, with an increase of some 4 percent in the area planted more than offsetting yield reductions due to a prolonged dry spell during November and January.

The 2012 second season maize crop, mainly grown in the Centre-West Region and in the southern state of Paraná, is in the developing stage under favourable weather conditions so far. The area planted is estimated to be 25 percent larger than in the same season last year reflecting relatively high prices and to compensate crop losses during the first season. Yields are expected 14 percent higher than in the same season last year. As a result, this season's output is forecast to increase by 49 percent from its level in 2011. In aggregate, the 2012 maize production (main and second seasons) is put at 67 million tonnes, 20 percent up from the 2011 previous record level.

Harvesting of the 2012 irrigated rice crop is almost completed and the output is estimated 14 percent down from last year's level. This is mainly the result of a contraction in the sowed area, due to higher production costs and insufficient irrigation water supplies.

Soybean output for 2012 is expected to reach some 66 million tonnes or 11 percent less than in 2011. The decline is the result of unfavourable weather conditions during the growing period in the key southern growing areas.

Early forecast point to a reduced 2012 wheat crop

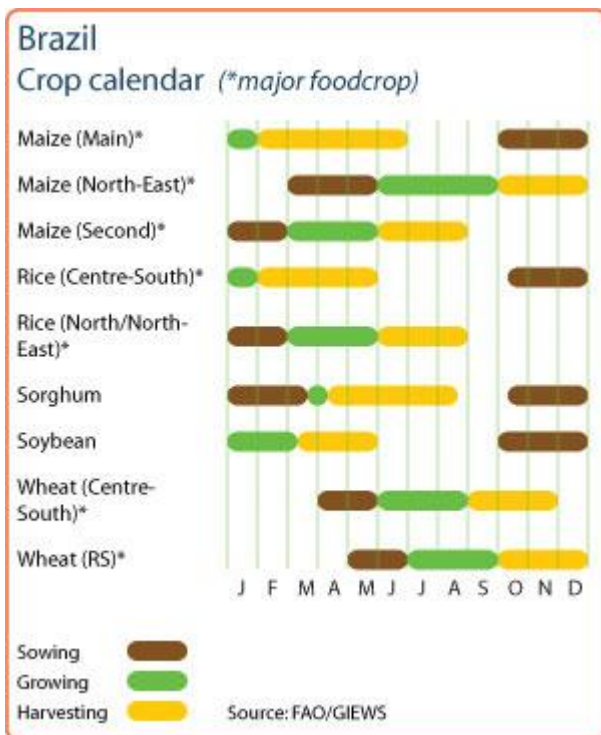
Sowing of 2012 wheat is underway in the major producing areas of Rio Grande do Sul and Paraná. The area planted is expected to decline by some 14 percent from last year's level as a result of diversion of land to more profitable crops. Early official forecast point to an output of 4.8 million tonnes, some 16 percent lower than in 2011.

Maize exports to increase in 2012/13 (April/March)

Maize exports in the new marketing year 2012/13 (April/March) are forecast at 11 million tonnes, well above the downwards revised level of 8.5 million tonnes in 2010/11. The expected increase in exports mainly reflects the 2012 record output being harvested.

Prices of maize declined in April

In the main urban market of Sao Paulo, prices of yellow maize



Brazil
Cereal production

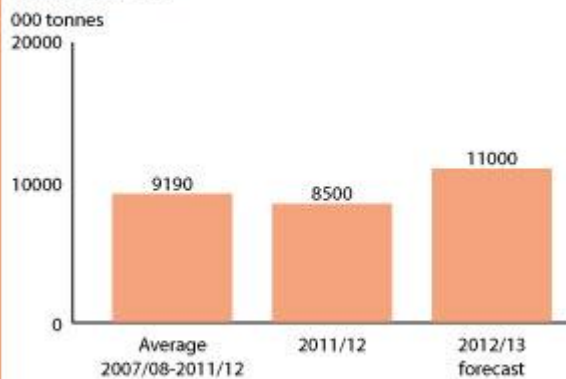
	2007-2011	2011	2012	change
	average			
	000 tonnes			percent
Maize	54 882	56 273	67 256	20
Rice (paddy)	12 253	13 613	11 666	-14
Wheat	5 334	5 695	4 791	-16
Others	2 409	2 705	2 524	-7
Total	74 879	78 286	86 237	10

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

declined by 8 percent in April comparing with the previous month, and were 13 percent below their high levels of a year ago. This reflects the arrival of the new harvest into the markets. Rice prices remained relatively unvaried in April, after a marked increase in February and March following concerns of the significant decline in this year's production.

Brazil

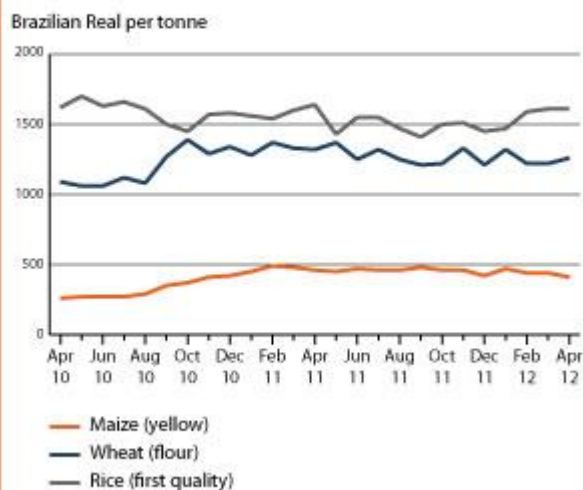
Maize exports



Notes: Split year refers to individual crop marketing year.
Source: FAO/GIEWS Country Cereal Balance Sheets

Brazil

Wholesale prices of selected cereals in Sao Paulo



Source: Instituto de Economia Agrícola

GIEWS Country Brief

Brazil



Reference Date: 29-March-2012

FOOD SECURITY SNAPSHOT

- Harvesting of the main 2012 maize crop underway; output slightly above last year's same season despite dry weather
- Significant increase in the area planted of the second maize season
- Aggregate 2012 maize production forecast at record levels
- Maize prices below the levels of a year earlier but still high

2012 aggregate maize production forecast at a record level

Harvesting of the 2012 main season's maize crop, which accounts for about 60 percent of the annual production, is underway. A prolonged dry spell from November through February, negatively impacted yields in the key southern growing areas of Rio Grande do Sul and Paraná. However, an increase of some 6 percent of the area planted from the previous season, in response to higher prices, more than compensated for the reduced yields. Overall, the output is forecast nearly 2 percent above the good level of the corresponding season in 2011.

Sowing of the 2012 second season maize crop, mainly grown in the Centre-West Region and in the southern state of Paraná, was completed in late February. The area planted is estimated to be 13 percent larger than in the same season last year. In the Centre-West Region, favourable rains in late February and March benefited crop development. Assuming normal weather in the remainder of the cropping season, official forecast point to an increase of 30 percent in production. In aggregate, the 2012 maize production (main and second seasons) is expected at 63 million tonnes, 13 percent up from the 2011 previous record level.

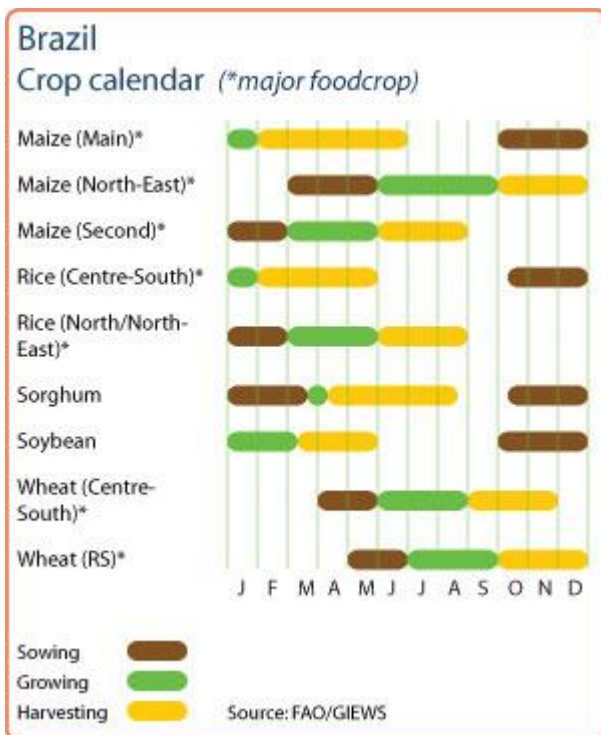
Harvesting of the 2012 irrigated rice crop in the main producing area of Rio Grande do Sul began in February. Production is forecast to decline markedly from last year's level. This is mainly the result of a contraction of 10 percent in the sowed area, due to higher production costs and insufficient irrigation water supplies.

Dry weather in the main growing areas of the South-Region also negatively affected 2012 soybeans crop; production is forecast 9 percent below the level of 2011.

Production of 2011 wheat crop lower than in 2010 but above average

The 2011 wheat crop, harvested last December, is estimated at around 5.6 million tonnes, 6 percent below the bumper level of 2010 but still higher than the average of the past five years. The decrease mainly reflects reduced yields following freezing temperatures during the growing season in Paraná, Mato Grosso do Sul and Sao Paulo growing areas, as well as lower plantings because of marketing problems in previous years.

Maize exports in 2011/12 (April/March) at high



Brazil
Cereal production

	2007-2011 average	2011	2012 forecast	change 2012/2011
	000 tonnes			percent
Maize	54 847	56 100	63 267	13
Rice (paddy)	12 253	13 613	11 171	-18
Wheat	5 325	5 646		
Others	2 415	2 733	2 464	-10
Total	74 840	78 092	82 037	5

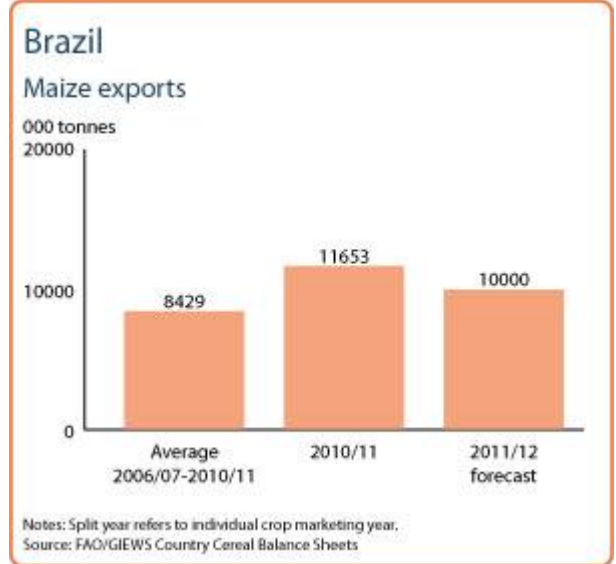
Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

levels

Maize exports in marketing year 2011/12 (April/March) are expected to remain well above the average of the last five years, although some 14 percent less than the record of 11.7 million tonnes reached in the previous marketing year 2010/11. The decline in exports partly reflects the growing feed demand from the domestic livestock industry.

Prices of maize below their levels of a year earlier but still high

In the main urban market of Sao Paulo, prices yellow maize in March remained relatively unchanged, despite the beginning of the main season harvest. Prices were only 9 percent below their high levels of a year ago following trends in the international markets. Rice prices further strengthened in March after a marked increase in February reflecting concerns of a significant decline in this year's production.



Reference Date: 21-February-2012

FOOD SECURITY SNAPSHOT

- Early prospects remain favourable for the 2012 maize crop despite dry weather
- 2011 wheat output lower than the 2010 good harvest
- Maize exports in 2011/12 (April/March) forecast at a high level of 10 million tonnes
- Maize and wheat flour prices showed declines in February

Despite dry weather early forecasts for the 2012 maize crop point to a new record harvest

Sowing of the 2012 main season maize crop in the key growing areas of the south (Parana, Rio Grande do Sul and Mato Grosso), as well as in the Centre-West region, was completed in December. The area planted is estimated some 9 percent larger than the previous season, in response to higher prices. Rains were mostly favourable during the start of the season (August-October), benefiting planting and early crop development. However, since November, in the main growing southern region, especially the Rio Grande do Sul state; have experienced a prolonged dry spell that negatively impacted yields, forecasts to decline by about 11 percent comparing to last year.

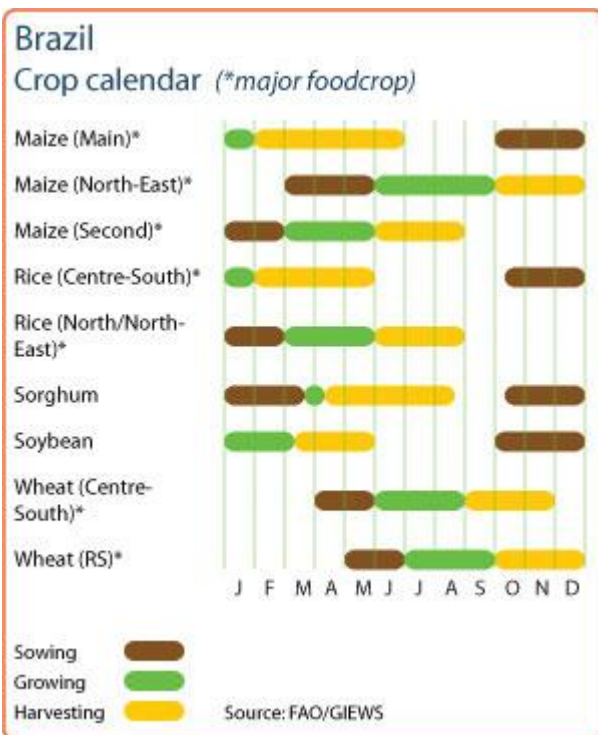
Planting of the 2012 second season maize crop, mainly grown in the Centre-West Region and in the southern state of Paraná, started in mid-January. In an effort to compensate for the expected decrease in production in the South-Region, the area planted for the second season is estimated to expand significantly, particularly in the state of Mato Grosso (+ 29 percent). Assuming normal weather conditions during the growing season, a good harvest is anticipated. In aggregate, the 2012 maize production (main and second seasons) is preliminary forecast at about 60 million tonnes, an increase of 7 percent from the record level of 2011.

Harvesting of the 2012 irrigated rice in the main producing area of Rio Grande do Sul has just started, while planting is underway in northern parts. Preliminary forecast point to a significant decline in this year's production. This is the result of an expected 9 percent reduction of the sowed area, due to higher production costs and insufficient irrigation water supplies, coupled with lower yields.

Dry weather in the main growing areas of the South-Region negatively affected 2012 soybeans crops, and production is forecast 8 percent below last year.

Wheat output of 2011 declines

Harvesting of the 2011 wheat crop was completed in December. Production is estimated at around 5.6 million tonnes, 6 percent below the bumper level of 2010. The decrease mainly reflects reduced yields following freezing temperatures at the end of June in Parana, Mato Grosso do Sul and Sao Paulo growing areas, as well as lower plantings because of marketing problems in previous years.



Brazil
Cereal production

	2006-2010 average	2010	2011 estimate	change 2011/2010
	000 tonnes			percent
Maize	52 153	56 060	56 100	0
Rice (paddy)	11 875	11 661	13 613	17
Wheat	4 692	6 037	5 646	-6
Others	2 338	2 262	2 733	21
Total	71 058	76 020	78 092	3

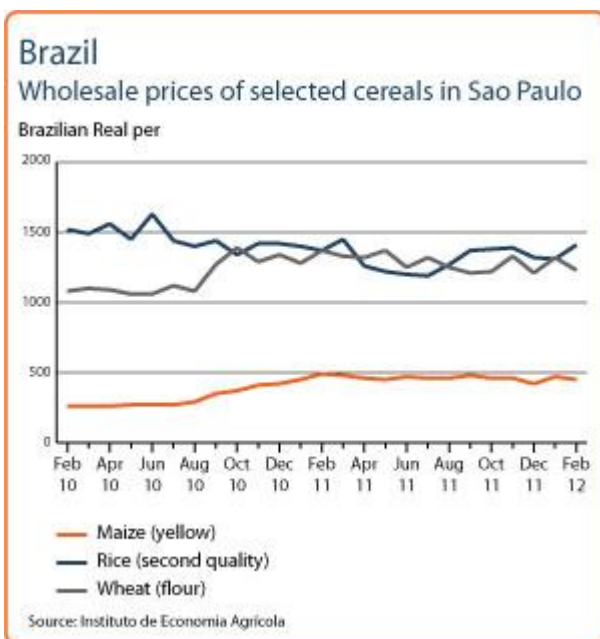
Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

Maize exports in 2011/12 (April/March) at high levels

Maize exports in marketing year 2011/12 (April/March) are forecast to remain well above the average of the last five years, although some 14 percent less than the record of 11.7 million tonnes reached in the previous marketing year 2010/11. The decline in exports partly reflects the growing feed demand from the domestic livestock industry.

Prices of maize and wheat flour below their levels of a year earlier

In the main urban market of Sao Paulo, prices of wheat flour and yellow maize in February declined by 7 percent and 5 percent respectively from their January levels and were both around 10 percent lower than at the same time last year. The recent decline of maize prices reflects improved forecast for the 2012 maize crop. By contrast, rice prices increased by nearly 8 percent in February and were 4 percent higher than a year earlier, following expectations of a significant decline in this year's production.



Reference Date: 10-January-2012

FOOD SECURITY SNAPSHOT

- Early prospects favourable for the 2012 maize crop
- 2011 wheat output well below the 2010 good harvest
- Maize exports in 2011/12 forecast at a high level of 10 million tonnes
- Cereal prices showed declines in December 2011

Early prospects for the 2012 main season maize crop point to a new record production

Sowing of the 2012 main season maize crop is virtually completed in the key growing areas of the South region (Parana and Rio Grande do Sul), as well as in the Centre-West region. The area planted is estimated some 11 percent higher than in the previous season, reflecting strong demand and high prices. Rains have been overall favourable for sowing operations and early development of the crop, despite insufficient precipitation in parts. Planting of the 2012 second maize season has just started in the Centre-South region. Early forecast of the 2012 aggregate maize output (main and second season) point to about 60 million tonnes, an increase of 7 percent from the record level of 2011.

Planting of 2012 irrigated rice is nearly completed in the main producing area of Rio Grande do Sul. Preliminary estimates indicate a 10 percent reduction of the sowed area compared to the past season, as a result of higher production costs and insufficient irrigation water supplies.

Sharp decrease of the 2011 wheat output

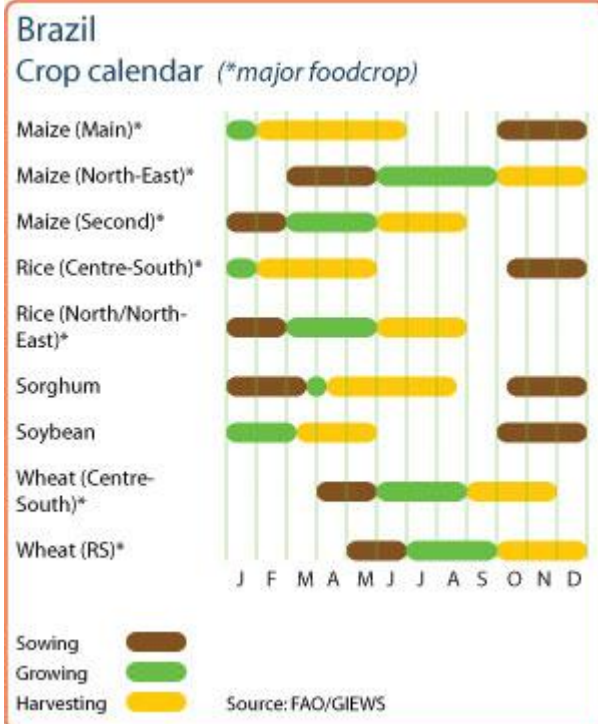
Harvesting of the 2011 wheat crop is completed. Production is estimated at around 13.6 million tonnes, 14 percent below the bumper level of 2010. The decrease mainly reflects reduced yields following freezing temperatures at the end of June in Parana, Mato Grosso do Sul and Sao Paulo growing areas, as well as lower plantings because of marketing problems in previous years.

Maize exports in 2011/12 (April/March) at high levels

Maize exports in marketing year 2011/12 are forecast to remain well above the average of the last five years, although some 14 percent less than the record of 11.7 million tonnes reached in the previous marketing year 2010/11. The decline in exports partly reflects the growing feed domestic demand from the livestock and poultry industry.

Prices of cereals declined in December 2011

In the main urban market of Sao Paulo, prices of wheat flour in December 2011 declined 9 percent from their levels in November following the completion of the 2011 harvest and were 10 percent lower than at the same time last year. Prices of yellow maize also fell by nearly 9 percent in December. Generally favourable outlook for the new crop and strong competition on export markets are putting



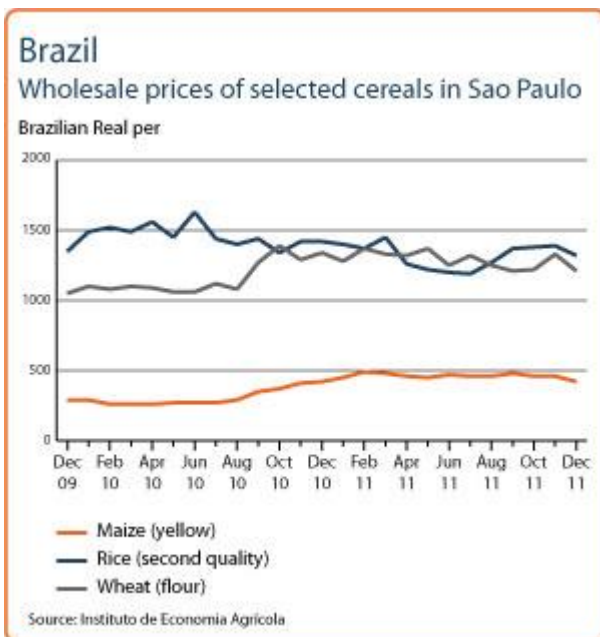
Brazil Cereal production

	2006-2010 average	2010	2011 estimate	change 2011/2010
	000 tonnes			percent
Maize	52 153	56 060	56 236	0
Rice (paddy)	11 875	11 661	13 613	17
Wheat	4 692	6 037	5 190	-14
Others	2 338	2 262	2 714	20
Total	71 058	76 020	77 753	-2

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets



downward pressure on domestic quotations. However, although cereal prices showed declines in December, the overall consumer price index in 2011 recorded a 6.5 percent year-on-year increase, the highest level since 2004.



Reference Date: 20-May-2011

FOOD SECURITY SNAPSHOT

- Sowing of 2011 wheat is forecast to decrease
- Good outlook for 2011 maize and rice that is being harvested
- Exports of rice reached high levels in 2010/11 (April/May)

Area sown to 2011 wheat forecast to decline

The sowing of wheat for the 2011 agricultural season is in progress in the main growing areas in the south of the country. In the state of Parana, which produces 50 percent of annual wheat output, 30 percent of the sowing intentions have already been planted. The dry weather during May is benefiting fieldwork. However, official forecasts indicate a reduction in the area planted compared to the previous season as a result of the problems with commercialising the grain in previous years. Assuming a normal weather conditions this season, it is forecast that the 2011 production could reach 5 million tonnes, 17 percent less than 2010.

Increase in 2011 maize and rice production

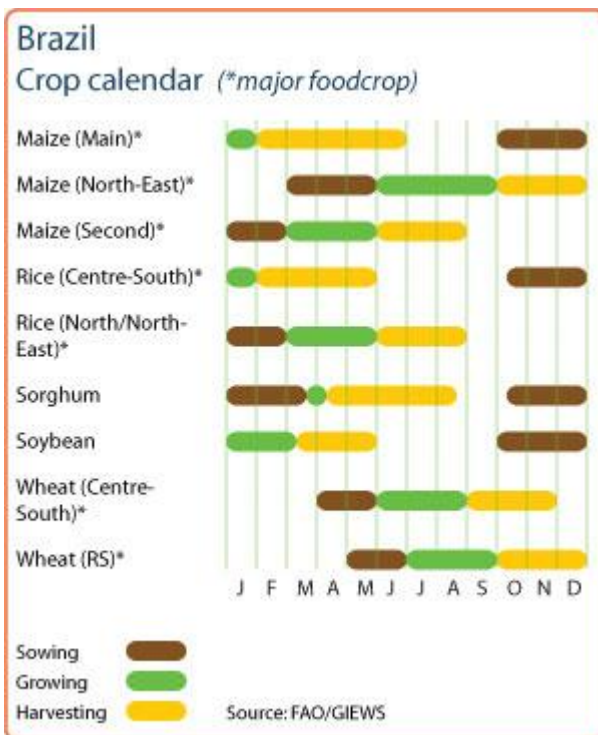
Harvesting of the main season 2011 maize crop is well advanced in the central and southern production areas. In the state of Rio Grande do Sul 80 percent of the cultivated area has been gathered and 96 percent in that of Parana. Planting of the 2011 second maize season in the central-western growing areas (40 percent of the annual production) was delayed due to late soybeans harvest and excessive rains in January, which could negatively affect potential yields. Overall, the total area planted to maize is estimated 4 percent higher than last year and, weather during the growing seasons have been generally favourable for crops development. The 2011 aggregate maize output (main and second season) is forecast at near 58 million tonnes, a slight increase from the good level of last year. Harvesting of the irrigated rice is about to be completed in the main southern growing areas. Following adequate water supplies the area planted is estimated to have increased by 4 comparing to the previous season and production is forecast 13.5 million tonnes, 15 percent up from 2010.

Record maize exports in 2010/11 (March/February)

According to official data, exports of maize in marketing year 2010/11 (March/February) are forecast at a record level of 12 million tonnes. The increase in exports mainly reflects higher prices in the international markets and government-supported auctions.

Prices of yellow maize and wheat flour at high levels

In the capital city market of Sao Paulo, prices of yellow maize and wheat flour in April 2011 were 75 percent and 21 percent respectively higher than at the same time last year. Prices of these grains have followed the trend in international markets, increasing since mid-2010. High domestic demand for feed is also supporting prices of maize. By contrast, prices of rice (2nd quality) in April were 19 percent below their levels a year earlier, after having sharply decreased last month

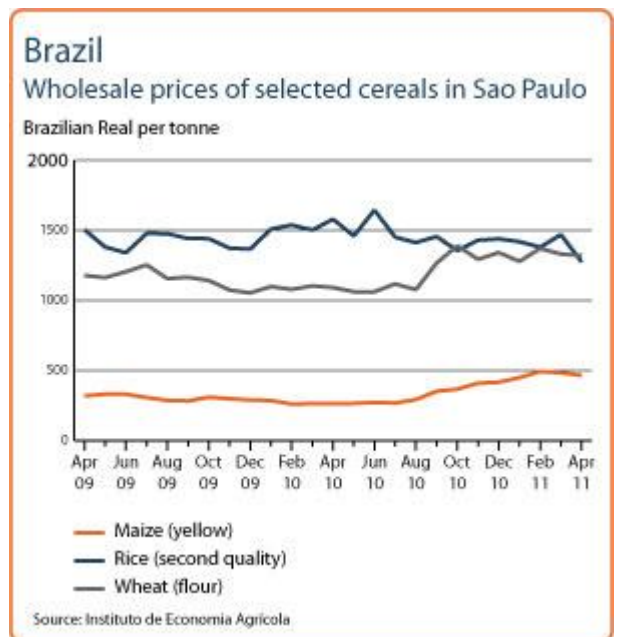
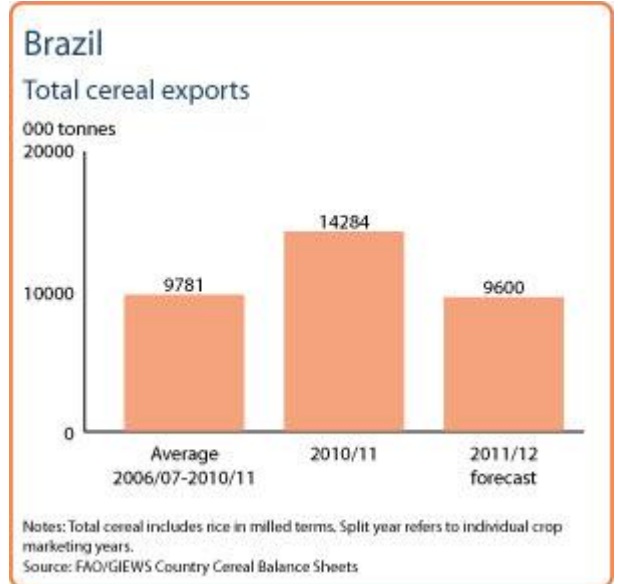


Brazil
Cereal production

	2006-2010 average	2010	2011 forecast	change 2011/2010
	000 tonnes			percent
Maize	52 159	56 087	57 748	3
Rice (paddy)	11 875	11 661	13 461	15
Wheat	4 692	6 037	5 034	-17
Others	2 109	1 994	2 180	9
Total	71 065	76 053	78 704	3

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

with the 2011 harvest.



Reference Date: 2-March-2011

FOOD SECURITY SNAPSHOT

- Planting of the 2011 summer crops is concluded, prospects mostly favourable so far
- Wheat harvest ended confirming an overall record 2010 cereal output
- Wheat and maize prices rising, rice stable

Planting concluded for the main 2011 summer crops, prospects mostly favourable so far

The planting of the summer crops of maize, soybean and irrigated-rice for harvest in 2011 was concluded in December 2010. Rainfall received during December and early January have improved soil moisture conditions in most areas of Rio Grande do Sul state, where crops were suffering from water stress due to earlier low and irregular rainfall. In the other states the rainfall has been favourable for the planting of summer crops.

The total area planted to maize is estimated at 7.3 million hectares, 3.7 percent below the previous year. Maize planting was delayed due to the rainfall irregularities mainly in Rio Grande do Sul state, where some losses have been reported in parts. However in Parana, Minas Gerais and Goias states the development of the crop is reported to be from good to very good. Soybean plantings are estimated at 24.1 million hectares, a new record, and 2.6 percent above the area planted during 2009/10 crop season. The area planted to paddy is estimated at 2.7 million hectares, slightly below the area planted during 2009/10 crop season. Prospects are good for the irrigated paddy crop (80 percent of national total) in the centre/south of the country as a result of good water supply in the dams and favourable dry planting weather. Planting of rain-fed paddy has begun in north/north-eastern parts of the country.

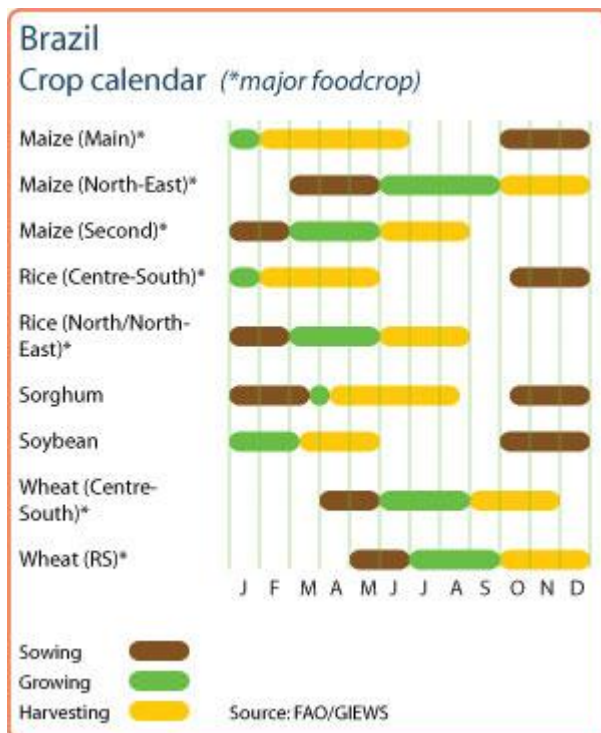
Wheat harvesting ended confirming an overall record cereal output in 2010

Harvesting of 2010 wheat crop has ended in all producing states. Early estimates point to a near record production of 5.9 million tonnes, 17 percent above 2009. During 2010 crop season, there was reduction in wheat area planted but this was more than compensated by a sharp increase of wheat yield attributable to favourable weather conditions.

In aggregate, total cereal production in 2010 was a record.

Maize price is raising, wheat and rice are stable

A domestic price of maize has been rising in recent months influenced by the increase in prices of these cereals in international markets. In the Sao Paulo market, wholesale wheat prices are stabilized in February 2011, due to the arrival of the new 2010 harvest. The increase in wheat flour prices was much larger, at 25 and 27 percent respectively. The sharpest increase was for maize which has risen by 42 percent since August. By contrast the wholesale price for rice in the



Brazil Cereal production

	2005-2009 average	2009	2010 forecast	change 2010/2009
	000 tonnes			percent
Maize	47965	51232	55604	9
Rice (paddy)	12214	12602	11237	-11
Wheat	4416	4965	5334	7
Others	2418	2433	2338	-4
Total	67013	71232	74513	5

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets



Sao Paulo market has remained relatively stable.



Reference Date: 12 January 2011

FOOD SECURITY SNAPSHOT

- Planting of the 2011 summer crops is concluded, prospects mostly favourable so far
- Wheat harvest ended confirming an overall record 2010 cereal output
- Wheat and maize prices rising, rice stable
-

Planting concluded for the main 2011 summer crops, prospects mostly favourable so far

The planting of the summer crops of maize, soybean and irrigated-rice for harvest in 2011 was concluded in December 2010. Rainfall received during December and early January have improved soil moisture conditions in most areas of Rio Grande do Sul state, where crops were suffering from water stress due to earlier low and irregular rainfall. In the other states the rainfall has been favourable for the planting of summer crops

The total area planted to maize is estimated at 7.3 million hectares, 3.7 percent below the previous year. Maize planting was delayed due to the rainfall irregularities mainly in Rio Grande do Sul state, where some losses have been reported in parts. However in Parana, Minas Gerais and Goias states the development of the crop is reported to be from good to very good. Soybean plantings are estimated at 24.1 million hectares, a new record, and 2.6 percent above the area planted during 2009/10 crop season. The area planted to paddy is estimated at 2.7 million hectares, slightly below the area planted during 2009/10 crop season. Prospects are good for the irrigated paddy crop (80 percent of total) in the centre/south of the country as a result of good water supply in the dams and favourable dry planting weather. Planting of rain-fed paddy has begun in north/north-eastern parts of the country

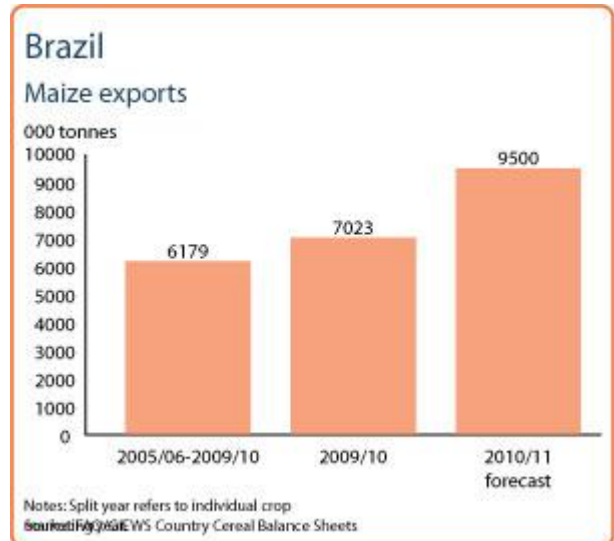
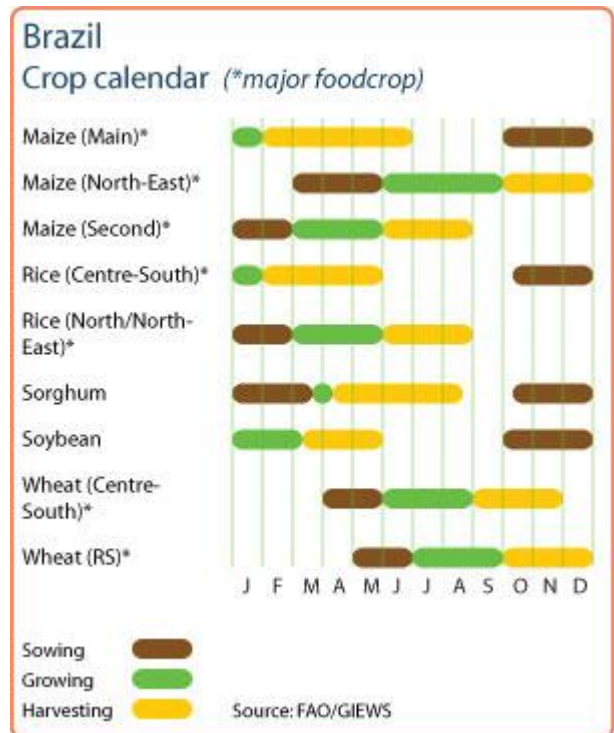
Wheat harvesting ended confirming an overall record cereal output in 2010

Harvesting of 2010 wheat crop has ended in all producing states. Early estimates point to a near record production of 5.9 million tonnes, 17 percent above 2009. During 2010 crop season, there was reduction in wheat area planted but this was more than compensated by a sharp increase of wheat yield attributable to favourable weather conditions.

In aggregate, total cereal production in 2010 was a record.

Wheat and maize prices are raising, rice stable

Domestic prices of wheat and maize have been rising in recent months influenced by the increase in prices of these cereals in international markets. In the Sao Paulo market, wholesale wheat prices in December, despite some decline due to the arrival of the new 2010 harvest, were 8 percent higher than in August and 9 percent above their levels of December 2009. The increase in wheat flour prices was much larger, at 25 and 27 percent respectively. The



sharpest increase was for maize which has risen by 42 percent since August. By contrast the wholesale price for rice in the Sao Paulo market has remained relatively stable.



Reference Date: 27-October-2010

FOOD SECURITY SNAPSHOT

- Planting of the 2011 cropping season is underway with slightly below average rainfall conditions
- Cereal production in 2010 is estimated to be the highest on record
- Wheat prices increased in September compared to the previous month

Increased moisture needed for germination of main summer crops

During September 2010, generally below average to average rainfall conditions prevailed over the central and southern states of Brazil. Locally severe water deficits were recorded in the states of Mato Grosso do Norte, Rio Grande do Sul and Parana. Overall precipitation values were in line with seasonal values and favourable in the main cereal cropping season over the North-eastern states. In October, generally wetter weather prevailed over the key producing states but locally increased humidity is required for germination of the newly planted crops.

Cereal output in 2010 estimated to be about 11 percent above previous year's level

Harvesting of the main season cereal production is complete in the southern main states while it is about to start in the North-eastern states. According to official estimates the cereal harvest in 2010 is expected to be the highest on record, exceeding the 2009 output by more than 11 percent, although the area harvested has slightly decreased. Following the bumper harvest of 2010, maize exports in 2010/11 are forecast at a record 9.5 million tonnes.

Wheat harvest is already underway in the states of Parana, Goias, Minas Gerais, and in the Federal District while crop development is delayed in Rio Grande do Sul and Santa Catarina. Yield estimates in the states of Parana and Sao Paulo indicate a considerable increase compared to the previous year that was affected by excessive rainfall during last crop maturing stages. Estimates point to a 2010 wheat production of more than 5.3 million tonnes, 7 percent higher than the output obtained in 2009 and significantly above average.

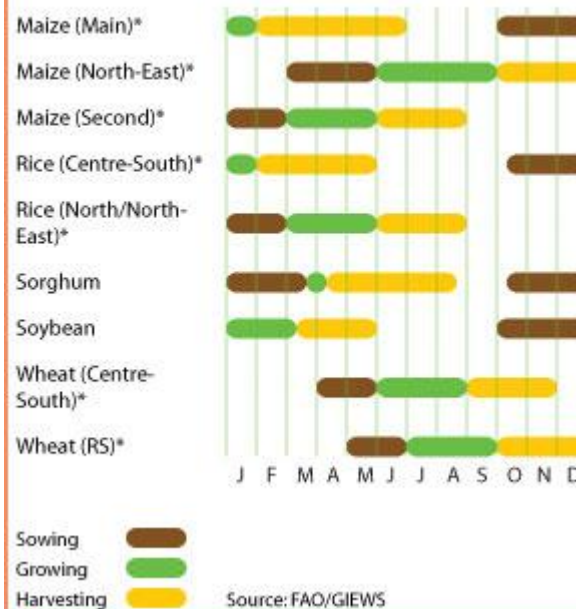
Rice harvesting is complete in the Northern producing states. Erratic rainfall, during the cropping season, affected the mainly rain-fed production. The output in 2010 is estimated to be slightly more than 11 million tonnes, almost 11 percent below the 2009 crop and 7 percent below the last five years average.

Planting of main season maize and rice is underway

Sowing of the main maize crop is currently underway in the states of Paraná, Rio Grande do Sul, Goias and Minas Gerais. Irregular rainfall, either scarce or locally excessively abundant, is slowing down sowing operations. Planted area so far accounts only 50 percent of what was planned at the beginning of the cropping season. This may delay the

Brazil

Crop calendar (*major foodcrop)



Brazil

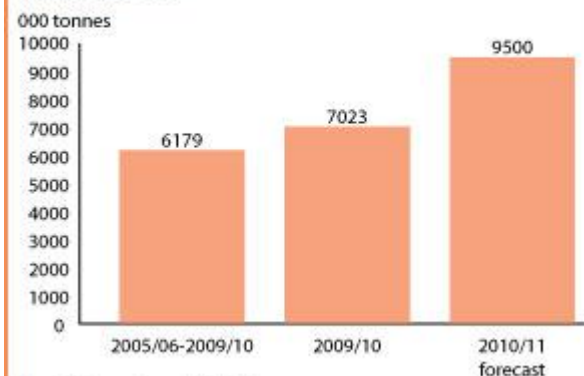
Cereal production

	2005-2009 average	2009	2010 forecast	change 2010/2009
	000 tonnes			percent
Maize	47965	51232	55604	9
Rice (paddy)	12214	12602	11237	-11
Wheat	4416	4965	5334	7
Others	2418	2433	2338	-4
Total	67013	71232	74513	5

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

Brazil

Maize exports



Notes: Split year refers to individual crop
Source: FAO/GIEWS Country Cereal Balance Sheets

planting of the second maize cropping season which is scheduled to start in January.

Planting of the 2011 rice crop has also started recently in the central and southern states with favourable conditions and a slight increase in planted area compared to the previous years.

Optimum water availability in the watersheds where irrigated rice is produced (accounting for approximately 80 percent of the total domestic production) particularly the central and southern regions combined with the use of high yielding varieties augurs well for crop development.

Wheat prices show a sudden increase in September

In Sao Paulo, wheat and maize wholesale prices have shown a relatively stable trend since September 2008. However, in September 2010, wheat prices have shown a jump of about 11 percent compared to the previous month. Still prices remained at the same level of September 2009 and 42 percent below the peak recorded in May 2008. The increase in wheat prices in September may be a reflection of the rise in international prices.

Following a significant decline from their record levels in June 2008, rice prices exhibit seasonal fluctuations from January 2009. In the last three months, starting from July, quotations have remained stable at the level of BRL1.5 /Kg.



Reference Date: 12-June-2010

FOOD SECURITY SNAPSHOT

- Dry weather conditions are affecting crop yields in central Brazilian states
- Bumper maize production expected in 2010
- Wheat and maize prices have been relatively stable in the last months

Dry weather prevails over central Brazil

In May 2010, average to above-average precipitation was recorded in the southern states of Brazil, in particular the leading producer states of Parana and Rio Grande do Sul, benefiting the second (safrinha) maize crop and the winter wheat crops. In contrast, from mid-April throughout the month of May, erratic rainfall and generally dry weather conditions prevailed over a broad area of central Brazil, in particular over the key maize producing state of Mato Grosso, and the North-eastern regions, where the maize crop is reported to have been affected.

Maize production in 2010 is expected to be the second highest on record

Harvesting of the bulk of the main season maize, which was planted between October and January, is almost complete. In main producing states, weather conditions were generally favourable except in North-eastern states where approximately 600 000 tonnes were lost to inadequate rainfall. The secondary "safrinha" maize crop, which is being harvested, was also affected by poor rains during the flowering and grain filling stages of the crop. Despite this, the second maize crop harvest is forecast at about 14 percent above previous year's production. The aggregate 2010 maize output is expected to exceed 53 million tonnes, the second highest output on record.

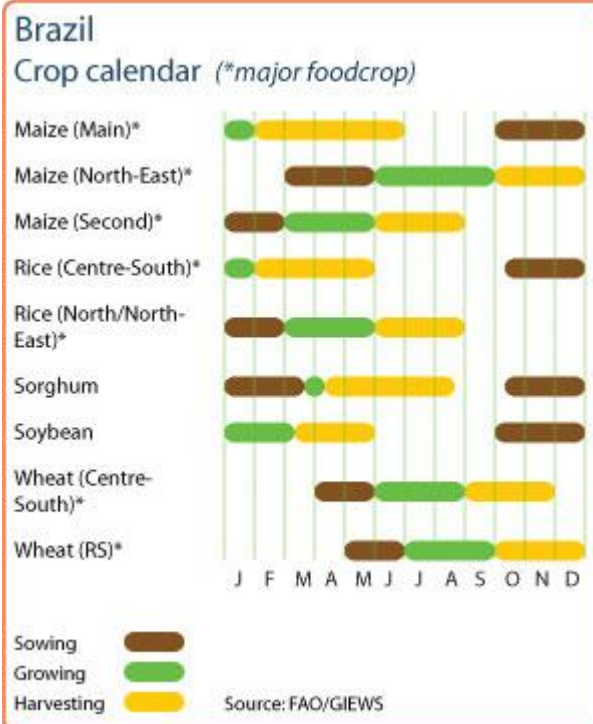
Rice harvesting is also underway. Poor weather conditions during planting resulted in localized losses and replanting. As a result, production is currently forecast at 11.5 million tonnes, lower than earlier projections.

Wheat production in 2010 forecast at above average level

Planting of the 2010 wheat crop, mainly concentrated in the southern states of the country, is almost complete. According to the latest official reports, the national production forecast is revised down by almost 8 percent from the previous month's estimates, due to reduced area mainly in the major producing states of Rio Grande do Sul and Paraná. The reduction in area was mainly in response to the prevailing low wheat prices that followed last season's good crop.

Continued Stability in maize and wheat prices

In Sao Paulo, wheat and maize wholesale prices show a relatively stable trend since September 2008. The stability follows bumper harvests in the previous cropping season together with government measures such as the políticas de garantia de precios minimos



Brazil
Cereal production

	2005-2009 average	2009	2010 forecast	change 2010/2009
	000 tonnes			percent
Maize	47965	51232	53288	4
Rice (paddy)	12214	12602	11486	-9
Wheat	4416	4965	5617	13
Others	2418	2433	2427	0
Total	67013	71232	72818	2

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

(PGPM) for affordable prices.

Following a significant decline from their record levels in June 2008, rice prices exhibit seasonal fluctuations from January 2009. In May, however, prices started to decline again and levels are currently at 21 percent below the level of two years ago.



Reference Date: 08-April-2010

FOOD SECURITY SNAPSHOT

- Torrential rains triggered mudslides causing deaths and overspread damages in Rio de Janeiro
- Early estimates indicates very good production of maize in 2010
- Wheat and maize prices are lower than 2008 levels

Heavy recent rains caused destruction in central Brazil

After drier conditions prevailing from mid-March, at the beginning of April the heaviest rains in more than four decades caused at least 180 mudslides, leaving 53 people missing and more than 3 200 homeless. From January and throughout February, rainfall patterns were generally favourable to agriculture maintaining adequate water availability in central and southern farming states and favouring the planting of the 2010 second season maize crop. In contrast, below normal monthly rainfall prevailed in the northern-eastern states where land preparation for maize planting was hampered by low soil humidity.

2010 wheat production forecast at above average level

Planting of 2010 wheat crop is well advanced and area planted is estimated at 2.5 million hectares, almost 5 percent higher than the already well above average area sowed in 2009. This 5 percent increase is mainly due to a set of financial measures launched by the Government in 2008 in order to decrease the country's dependency on wheat imports in the next five years.

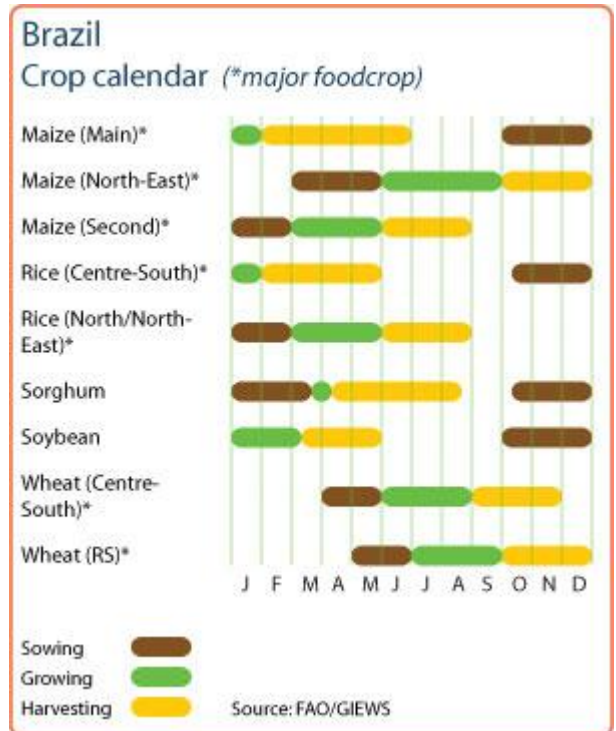
Harvesting of 2009 wheat crop was completed in mid-January and production is estimated at 4.9 million tonnes, about 16 percent less than 2008 record crop. The unseasonable wetness in the southern main wheat producing states of Rio Grande do Sul and Paraná delayed harvesting operations decreasing average yields and, due to excessive humidity, the grain quality was reported to be poor.

Maize production is expected to increase in 2010

2010 main maize cropping season is currently being harvested in southern and central growing states, while planting of the maize secondary season is underway. The total area planted is estimated at 13 million hectares. This is slightly below the 2009 good level, due to a 10 percent reduction in the planted area for the first maize crop compared to the previous season that was partially compensated by an increase in planting of the second season maize crop. This reduction in planted area is mainly due to the unattractive prices at the end of last year caused by the abundant supply of maize that had a negative impact on farmers' decision to plant maize.

However, overall aggregate 2010 maize production is expected to increase from the already good output of 2009 and, as projected by official sources, it is forecast at more than 52 million tonnes.

As reported by the Ministry of Agriculture, in 2010, total cereal



Brazil
Cereal production

	2004-2008 average	2008	2009 estimate	change 2009/2008
	000 tonnes			percent
Maize	46076	59012	51042	-14
Rice (paddy)	12286	12074	12601	4
Wheat	4587	5886	4943	-16
Others	2545	2624	2429	-7
Total	65493	79596	71015	-11

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

production is expected to be among the highest in history. This increase is mainly due to favourable weather conditions and to an increase in planted area, in particular of soybean crop.

Stable prices of maize and wheat reflect the good production levels of the last two years

In the capital city market, wheat and maize wholesale prices show a relatively stable trend since September 2008 due mainly to the good production of both cereals in the last two years.

Rice prices declined considerably from their record high levels of May to August 2008. However, the price levels in March 2010 are still 8 percent higher than the level of two years ago.



Reference Date: 14-January-2010

FOOD SECURITY SNAPSHOT

- Heavy rainfall in southern states of Brazil hampered wheat harvesting operations
- Early estimates point at a reduced maize production for current season
- Wheat and maize prices are lower than 2008 levels

Southern farming states experiencing heavy rains since mid October

Since mid-October and throughout November, the southern areas of Brazil experienced prolonged heavy rains especially in the key farming states of Rio Grande do Sul and Paraná. Monthly cumulative rainfall by far exceeded the average seasonal level and, based on preliminary figures, November 2009 shows record levels of precipitation.

Similar rainfall patterns were recorded in the central-western and southern-eastern regions of the country, where high soil moisture favoured the planting of maize. In contrast, mostly erratic rains prevailed in the northern-eastern states during November. Moderate and well distributed precipitations returned from mid December.

Wheat harvest, delayed by unfavourable weather conditions, is below expectations

The unseasonable wetness in the southern wheat producing states of Rio Grande do Sul and Paraná (where most of the Brazilian wheat production is concentrated) delayed the harvest.

As of January 2010, about 10 percent of production is yet to be harvested and the grain quality is reported to be poor due to excessive humidity. The persistent rain prevented the application of adequate plant health treatments, exposing the crop to disease attacks. In addition, a slight decrease in planted area further reduced production that is preliminarily estimated at 4.9 million tonnes (15 percent less than 2008/09).

2009/2010 maize production is expected to be less than last year's bumper crop

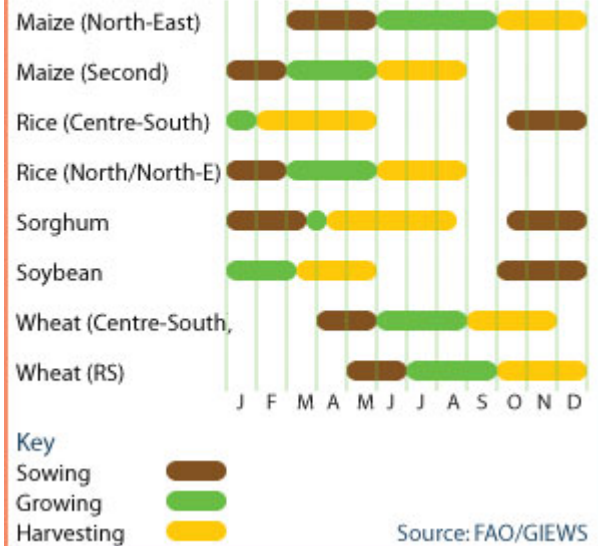
Harvesting of the 2009/10 main season maize crop is expected to start in mid February in Rio Grande do Sul. Reduced planted area, about 10 percent less than in 2008, has been reported following disincentives caused by prevailing low international maize prices at the beginning of the cropping season. Overall, the maize crop is expected to be some 13 percent below last year's bumper levels of 59 million tonnes but still 10 percent higher than the average of the previous five years.

Rice planting is underway in northern states

Sowing of the rice crop has been completed in December in the southern states and has just started in the northern states.

Planted area is estimated at 2.9 million hectares, a slight expansion

Brazil Crop calendar

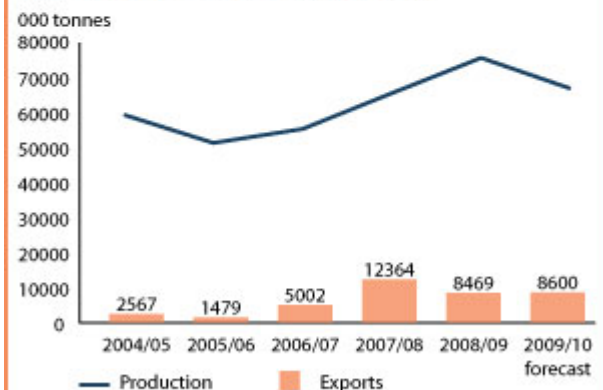


Brazil Cereal production

	2004-2008	2008	2009	change
	average		forecast	2009/2008
	000 tonnes			percent
Maize	46076	59012	51042	-14
Rice (in milled terms)	8267	8090	8443	4
Wheat	4587	5886	4943	-16
Others	2545	2624	2429	-7
Total	61475	75612	66857	-12

Note: percentage change calculated from unrounded data.

Total cereal production and exports



Notes: Total cereal includes rice in milled terms. Split year refers to individual crop marketing years.

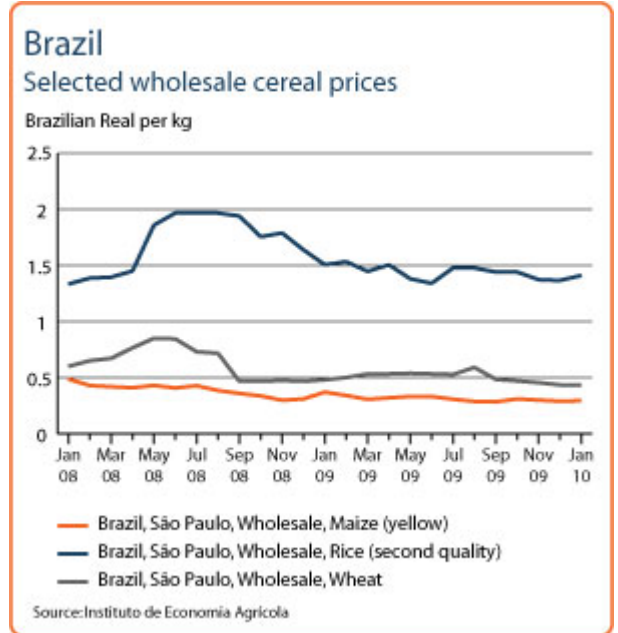
Source: FAO/GIEWS Country Cereal Balance Sheets

compared to the previous year. Yields are also expected to increase due to increased use of fertilizers following their price reductions.

Stable prices of maize and wheat reflect the good production levels of the last two years

Wheat and maize prices in the capital city market show a relatively stable and declining trend since September 2008 due mainly to the good production of both cereals in the last two years.

Rice prices declined considerably from their record high levels of May to August 2008 and the price levels in January 2010 are at similar levels of January 2008.



Reference Date: 22-September-2009

FOOD SECURITY SNAPSHOT

- Preliminary forecast for maize planting point at 9 million hectares, 4 percent below last year's acreage
- Similar wheat production as last year is expected
- 245 million dollars to be distributed among wheat growers

Main wheat season is commencing with favourable weather conditions

Planting of the 2010 main season maize crop has just started in September along with abundant rainfall in most central and southern states while it will commence in February in the North-East of the country.

The high level and good distribution of precipitations boosted the development of vegetation in most parts of the country but, despite the favourable weather conditions at sowing time, preliminary planting forecast point at 9 million hectares, which will be approximately 4 percent below last year's acreage.

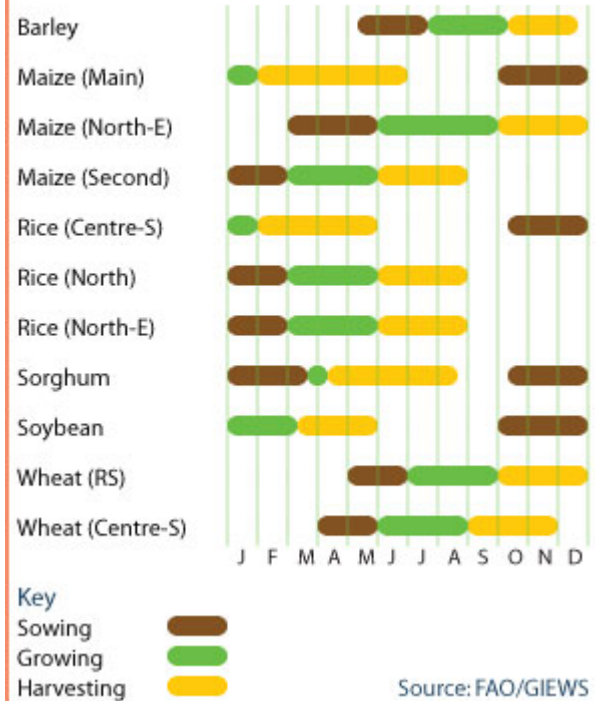
Harvesting of the 2009 second season maize crop (zafrihna) has been recently completed with an output of 16.3 million tonnes, 2.4 percent less than 2008.

Harvesting of winter wheat crop has just started

Harvesting of 2009 winter wheat crop has just started in Paraná and will commence in October in Rio Grande do Sul, the second main wheat producing state.

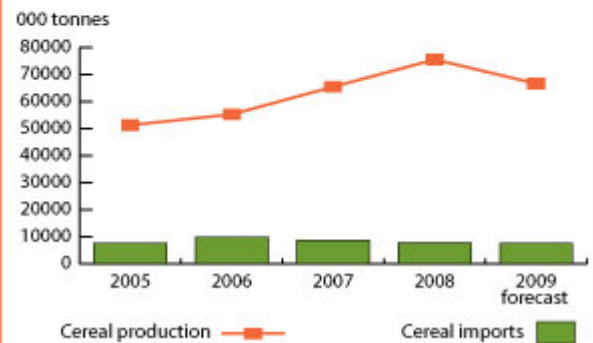
The total planted acreage is 2.4 million hectares. Early forecast point to an expected production of 5.6 million tonnes, slightly below last year's output of 5.8 million tonnes but still 24 percent above the five year average.

Crop calendar Brazil



Cereal production and imports Brazil

Cereal production	2004-2008	2008	2009	change
	average		forecast	2009/2008
	000 tonnes			percent
Maize	46076	59012	50099	-15.1%
Rice (milled)	8232	8090	8468	4.7%
Wheat	4587	5886	5666	-3.7%
Other	2537	2624	2466	-6%
Total Cereals	61428	75612	66699	-11.8%



Source: FAO/GIEWS Country Cereal Balance Sheets

Governmental measures to boost internal wheat production

As Brazil is seeking alternative wheat suppliers since Argentina reduced production, the federal government has approved a financial subsidy for 245 million dollars to be distributed to wheat growers in ten Brazilian states: Rio Grande do Sul, Paraná, Santa Catarina and Mato Grosso do Sul among others.

This measure aims to support wheat production and limit Brazilian reliance on external markets to supply its internal demand.

