GIEWS Country Brief

Bangladesh

Reference Date: 12-June-2013

FOOD SECURITY SNAPSHOT
- Good performance for the 2012/13 early season crops
- Near record 2012 paddy harvest estimated
- Rice prices remain generally stable at relatively high levels
  while wheat prices stabilise after a steady increase
- Localized food insecurity persists

Good performance for the 2012/13 early season crops - Boro rice and winter wheat

Harvesting of the 2012 Boro paddy crop was completed by mid May and FAO latest estimates point to a near record harvest of 28 million tonnes. Harvesting of the mostly rainfed 2013 Aus paddy crop is about to start and will continue into August. According to remote sensing data, rainfall has been below average in March over large parts of the country, leading to a slow start of planting operations. Rains however, resumed normal pattern in April and early May, supporting late plantings and early crop development. In mid-May tropical cyclone Mahasen brought heavy rains to south-western coastal areas, flooding some cropped fields, particularly in Barguna, Bhola and Patuakhali districts of Barisal Division. The heavy rains however, also relieved areas that had experienced moisture deficits in preceding months, supporting planting of the Aman paddy crop, which commenced in late May and will continue into August.

Early official targets for the current cropping season indicate that the 2013 Aus paddy crop is expected to reach 3.6 million tonnes, some 12 percent above last year’s output of the same season, mainly reflecting a 10 percent expansion in plantings. FAO preliminarily forecasts the 2013 aggregate paddy output, including the ongoing Aus, Aman and Boro seasons, at a record level of 51.2 million tonnes.

Similarly, the 2013 winter wheat crop is estimated by FAO at a good level of 1.1 million tonnes slightly up on 1 million tonnes during 2012.

Near record 2012 paddy harvest estimated

In aggregate, the 2012 rice output is estimated at 50.6 million tonnes (equivalent to 33.7 million tonnes in milled terms), slightly below the record crop the year before. The slight decrease in total crop production is mainly attributed to a decrease in plantings of Aus and Boro paddy crops, following area diversions to more profitable crops for Aus and area contractions prompted by higher fuel costs for irrigation for Boro season. On average Aus, Aman and Boro seasons account for 7, 38 and 55 percent, respectively, of the annual paddy harvest.

Overall, the cereal output for 2012 is estimated at 53.7 million tonnes, slightly above the previous year.

Import requirements, for the current 2012/13 marketing year (July/June) are estimated at 2.4 million tonnes, some 23 percent higher than last year’s below-average level. The increase reflects, in part, higher wheat demand, since wheat constitutes the bulk of the imports.
Rice prices remain generally unchanged while wheat prices stabilise after a steady increase

Retail rice prices, which had increased between November 2012 and February 2013, have remained generally stable at relatively high levels since then. Downward pressure on prices from the main 2013 Boro harvest was partially offset by government procurement. Prices of wheat flour, which had steadily increased between July 2012 and February 2013, decreased for two consecutive months, following the price trend in the international markets. The retail wheat flour price in Dhaka in May 2013 was about 11 percent above the level of the same month a year earlier.

The year-on-year monthly food price inflation is estimated at 8.4 percent in May 2013, higher than the 7.9 percent general price inflation.

Localized food insecurity persists

The lingering effects of frequent natural disasters, including the floods at the end of June, mid-July, late September in 2012 and mid-May in 2013, violent demonstrations and disturbance in some areas and other localized problems have raised the level of food insecurity of the affected households. According to the official reports the recent floods in May 2013 affected around 1.5 million people, damaged agricultural infrastructure, water and sanitation facilities and suffered loss of assets including houses, grain stocks, poultry and livestock.