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# AGRICULTURE OUTLOOK



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# Contents

EXECUTIVE SUMMARY -----	01
CURRENT CROP SITUATION-----	02
• <i>Wheat</i> -----	02
• <i>Cotton</i> -----	03
• <i>Rice</i> -----	04
• <i>Sugarcane</i> -----	05
• <i>Horticulture</i> -----	06
IMPORT & EXPORT SITUATION-----	06
WEATHER OUTLOOK-----	07
DROUGHT SITUATION -----	07
WATER SITUATION-----	08
FERTILIZER OFF TAKE SITUATION-----	08
LATEST NEWS & TRENDS-----	09
ROLE OF ZTBL-----	10
FARMER’S ADVISORY-----	11



## EXECUTIVE SUMMARY

As temperature continues to plunge in the country, the Met Office asked the farmers to complete wheat cultivation at earliest to help crop attain a full soil dampness left by recent rains. Less / no rains during September / October have delayed / affected wheat sowing operations in barani areas of Pakistan. Cotton crop harvest has been satisfactory. This year Pink boll worm was under control due to vigilant monitoring and effective management practices by the farming community and respective departments. Pakistan as well as world rice stocks are decreasing from the forecasted and estimated rice stocks of last year. This may help rice growers to have better / stable rice prices during the season. Economic Coordination Committee has accepted the sugar mills' major demand and allowed export of 1.5MMT sugar in view of the availability of surplus sugar. Government of Pakistan has directed the sugar mills to immediately start 2017-18 crushing season.

The outlook for the month of December shows that overall normal to slightly above normal rainfall is expected in most parts of the country. Drought situation prevailed during November across areas comprising Dalbandin, Nushki, Turbat, Kharan, Gwadar, Pasni.

During Rabi 2017-18, urea consumption is estimated around 3,200 thousand tonnes against 2,892 thousand tones in previous season showing an increase of about 10.7 percent over last Rabi 2016-17. DAP offtake is expected to increase by 0.1 percent over Rabi 2016-17. Total offtake of fertilizers in the previous year was 4,532 thousand tonnes against 4,836 thousand tones estimation for forthcoming Rabi 2017-18 with 6.7 percent forecasted increment.



## **AGRICULTURE OUTLOOK**

Keeping in view the existing weather pattern, Met Office advised the growers to chalk out a plan to irrigate their crops. It also urged the farmers of rain-crop areas to complete sowing of Rabi season cultivations to allow the seeds attain maximum moisture left by the recent rains for a better agriculture growth and warned the farmers of a considerable yield loss from outgrown weeds in standing crops, asking them to devise a plan to remove the unneeded plants at earliest. It said that the weeds utilize soil moisture and food, which crops need mainly, causing a considerable production loss every year.

### **CURRENT CROP SITUATION**

#### **1. Wheat**

As temperature continues to plunge in the country, the Met Office asked the farmers to complete wheat cultivation at earliest to help crop attain a full soil dampness left by recent rains. It said that the recent rains left dampness into soil, which will be beneficial for the Rabi crops. It asked the farmers to finish up wheat cultivation at first to help attain a full yield.

Wheat sowing operations in barani areas started during October. However this year, insufficient moisture due to less rains in September and October have delayed sowing operations in these areas. The conditions at the beginning of this Rabi season were not encouraging for wheat crop. Less / no rains during September / October have delayed /affected wheat sowing operations in barani areas of Pakistan. According to Pakistan Met Department forecast, 10-15 percent less rains are expected during October to December 2017 compared to the normal level of this period. These weather conditions may affect wheat production in the country particularly in the barani areas. Similarly country has to face irrigation water supply shortage during current Rabi season because of less water storage in the dams. This is because of approximately 25 percent less monsoon rains from July to September, 2017.

The Federal Committee on Agriculture (FCA) in its meeting held has fixed wheat targets of 26.46 million tons from an area of 8.95 million hectares. This year production target has been increased from 25.75 million tons to 26.46 million tons whereas area sown target was reduced from 9.05 million hectares to 8.95 million hectares. The intention was to increase per acre crop yields of wheat and promote the area of sowing of oilseed crops. However drought conditions coupled with shortage of irrigation water supplies will be the key snags for achievement of this target during the season. Province wise wheat crop targets are given below:



## Proposed Wheat Targets (2017-18):

Country/Province	Area (000 ha)	Production (000 tons)
Punjab	6800	19500
Sindh	1150	4200
KP	760	1400
Balochistan	400	900
Pakistan	9110	26000

## 2. Cotton

Generally crop harvest was satisfactory. Increased sporadic insect pest infestations particularly Whitefly, Mealy bug and CLCV incidences have stressed crop yield on limited extent. This year Pink boll worm was under control due to vigilant monitoring and effective management practices by the farming community and respective departments.

### FIRST & SECOND ESTIMATE OF COTTON CROP 2017-18 (Bales = 170 Kg)

Province	Expected Production (million bales)	
	First Cotton Crop Assessment (10-8-2017)	2 <sup>nd</sup> Cotton Crop Assessment (02-11-2017)
Punjab	8.80	8.80
Sindh	3.70	3.70
Khyber PakhtunKhwa & Balochistan	0.10	0.10
<b>Pakistan</b>	<b>12.60</b>	<b>12.60</b>

Source: Cotton Crop Assessment Committee Meeting held on 10-8-2017 & 02-11-2017

### SEED COTTON PRICES CROP 2017-18

Market	Seed Cotton	Raw Cotton (Lint)	Cotton Seed	Cotton Seed Cake Spot
	(Rs. Per 40 Kgs)			
	05.12.17	05.12.17	05.12.17	05.12.17
Rahim Yar Khan	3400	7395	1500	1500
Khairpur	3100	6859	1415	1425
Sukkur	3200	7073	1468	1447



<b>Bahawalpur</b>	3200	7180	1447	1500
<b>Multan</b>	3100	7182	1394	1501
<b>Vehari</b>	3400	6859	1393	1518
<b>Burewala</b>	3400	6859	1393	1518
<b>Mian channu</b>	3150	-	1286	1500
<b>Sahiwal</b>	2800	6805	1393	1500

Source: Market Report.

### International Cotton Situation 2017-18:

#### Cotton Production & Consumption in Major Cotton Growing Countries

<b>Countries</b>	<b>2017-18 Proj. (Million tons)</b>
<b>Production</b>	
Pakistan	1.95
India	6.03
China	5.25
USA	4.59
Brazil	1.57
Uzbekistan	0.80
Others	5.18
<b>World Total</b>	<b>25.38</b>
<b>Consumption</b>	
Pakistan	2.23
China	8.12
India	5.30
Europe & Turkey	1.64
Vietnam	1.44
Bangladesh	1.31
USA	0.73
Brazil	0.76
Others	3.70
<b>World Total</b>	<b>25.22</b>

### 3. Rice

In Sindh and Punjab, harvesting of coarse rice has been completed whereas in Kallar tract of Punjab, harvesting of basmati rice completed during November.



Pakistan as well as world rice stocks are decreasing from the forecasted and estimated rice stocks of last year. This may help rice growers to have better / stable rice prices during the season. Rice stocks situation is as under:

Rice Stocks Situation (million tons)							
Year	Opening Stocks	Production	Imports	Total Supply	Total Use	Exports	Closing Stocks
<b>Pakistan</b>							
2015/16 estimated	1.1	6.7	0	7.8	2.7	4.3	0.9
2016/17 forecast	0.9	6.8	0	7.6	2.9	3.7	1
2017/18 projected	1	6.9	0	7.9	2.9	4.2	0.8
<b>World</b>							
2015/16 estimated	120.7	473	39.3	593.7	474.1	39.3	119.6
2016/17 forecast	119.6	484.7	42.8	604.3	484	42.8	120.4
2017/18 projected	120.4	482.7	43.1	603.1	486.2	43.1	116.9

Data Source: GMR 481– 28 September 2017 of IGC

According to Provincial Agriculture Department estimates, in 2016-17, rice production at country level increased 0.7% with total production of 6.849 million tons against target of 6.838 million tons.

#### Percent change in area, production and yield of rice:

Country/ Province	Area			Production			Yield		
	2015-16 (000 ha)	2016-17 (000 ha)	Change (%)	2015-16 (000 ton)	2016-17 (000 ton)	Change (%)	2015-16 (kg/ha)	2016-17 (kg/ha)	Change (%)
Pakistan	2739.5	2724.0	-0.56	6801.6	6849.3	0.70	248.0	2514.42	1.30
Punjab	1780.2	1736.5	-2.45	3502.3	3475.0	0.77	1967.0	2001.15	1.73
Sindh	719.8	750.5	4.26	2572.8	2661.6	3.45	3574.0	3546.43	-0.77
KPK	64.7	67.0	3.55	153.8	158.2	2.86	2377.0	2361.19	-0.66
Balochistan	174.8	170.0	-2.74	572.7	554.5	-3.17	3276.0	3261.76	-0.43

#### 4. Sugarcane

Sugarcane crop is at maturity and farmers are waiting for start of crushing season. During November no sugar mill in the country was operational. This may delay sowing of Rabi crops on limited extent. Increased sugarcane area and higher sugar stocks may affect sugar prices during the season and farmers will face difficulties in disposal of their produce.

All Pakistan Sugar Mills Association (APSMA) demanded export of 1.5 million tons of sugar for this season against the demand of 1.0 million tons during last year. They are of the opinion that current year, higher sugar production will be expected due to increase in the area of sugarcane. Keeping in view last year sugar stocks and expected sugar production, government should timely decide the sugar export quantity. This will help farmers to sell their produce at reasonable prices with ease in disposal of sugarcane. As the Economic Coordination Committee has accepted the



sugar mills' major demand and allowed export of 1.5MMT sugar in view of the availability of surplus sugar, the Punjab government has directed the sugar mills to immediately start 2017-18 crushing season.

However Sindh Cabinet has decided to grant an additional subsidy of Rs 9.3 per kilogram for export of surplus sugar in order to resolve issues between the growers and the millers for starting the sugarcane crushing in the province, immediately.

KP government directed the management of all seven operational sugar mills to pay minimum support price of Rs 180 per 40 kilogram at factory gate and Rs 180/40 Kg minus transportation charges at the farmer's fields as fixed by government shall for crushing season 2017-18.

## 5. Horticulture

- Onion harvesting has started in many districts of Sindh. Market price of Onion is high.
- Harvesting of Okara is ongoing in Sindh with high market price and good crop condition.
- Harvesting of citrus continues in Sindh.
- Harvesting of Baajra crop is ongoing in Thar.
- In Kohistan, jouwar crop is ready for harvesting. In irrigated areas, harvesting has already started.
- Harvesting of sesame has ended.
- Tomato picking has started in KP, however due to delay in picking prices have gone up as supply of tomato decreased.
- Tobacco nursery raising has been completed in KP.

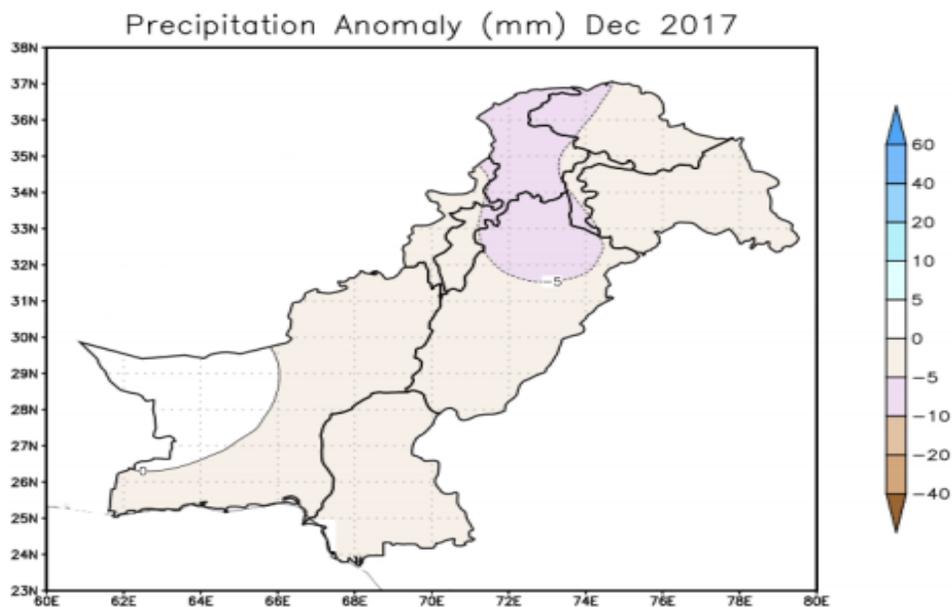
## IMPORT & EXPORT SITUATION

- All Pakistan Fruit & Vegetable Exporters, Importers & Merchant Association (PFVA) has set export target of 250,000 metric tons Kinnow for this year. The export target has been revised downward due to quality and cost factors. The set target is even less than previous year's exports of 280,000 metric tons due to various issues related to export of Kinnow to Russian and Iranian markets during the current year. Exporters said that attainment of export target of 250,000 tons during the current season would largely depend upon favourable weather conditions and political stability in the country.
- Seafood export grew by 6.10 percent or \$7.008 million to \$121.810 million in July-November period of current fiscal 2018 from \$114.802 million in the same period last fiscal year 2017, Pakistan Bureau of Statistics shows. In term of quantity, seafood export scaled up to 46,311 metric tons in July-Sep period of current fiscal year 2018 from 40,871 metric tons in the same period last fiscal year 2017, showing an increase of 13.31 percent or 5440 metric tons, according to the statistics.

- Exporters have urged the Federal Government to lift ban on export of onion to avoid massive losses to growers. Asif Ahmed, Vice Chairman, Market Committee said that this year Sindh has achieved a bumper onion crop and some 15-20 percent crop is surplus against the domestic demand. He said presently, there exist a number of export opportunities in the international market and Pakistan can export some 50,000 tons of the commodities to Sri Lanka, Singapore and Gulf countries. Onion crop in India is likely to arrive next two months and right now Pakistan has 90-day export surplus which could help earn millions of dollar foreign exchange for the country. Pakistani onion may fetch a price of \$250-300 per ton in the international market as Pakistani exporters are receiving a number of queries and orders for export of onion, however the department of plant protection is not issuing certificate for export of the commodity..

## WEATHER OUTLOOK

The outlook for the month of December shows that overall normal to slightly above normal rainfall is expected in most parts of the country.



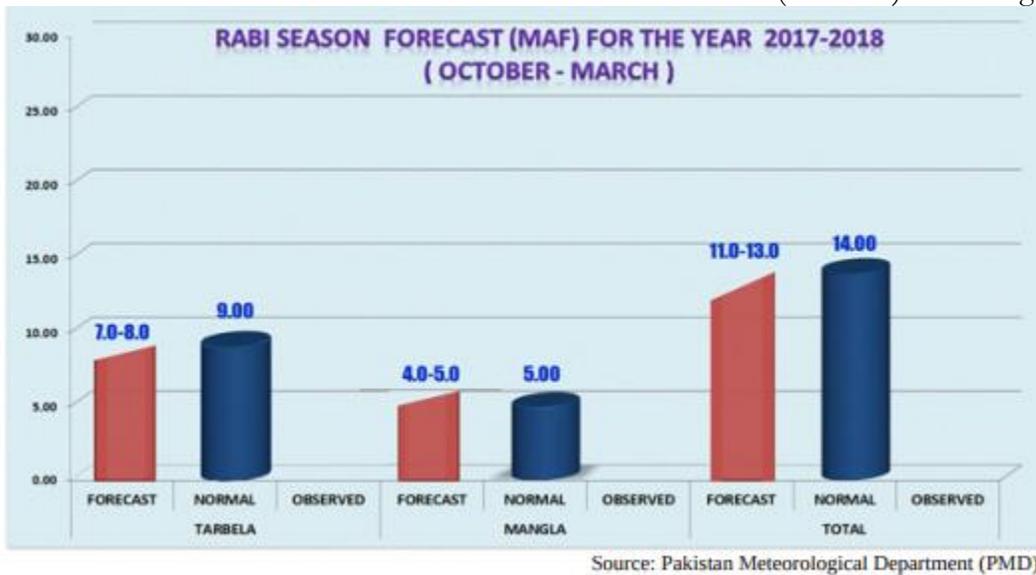
## DROUGHT SITUATION

During first fortnight November 2017, the rain bearing systems produced scattered rains in most parts of the country. Drought affected areas across coastal belt and western Balochistan received little amount of rainfall during the month. Drought situation prevailed across areas comprising Dalbandin, Nushki, Turbat, Khاران, Gwadar, Pasni and Balochistan.



## WATER SITUATION

PMD have forecasted reservoirs situation for current Rabi season (Oct-Mar) which is given below:



Keeping in view above situation, IRSA has reduced 20 % allocation of irrigation water supply to Punjab and Sindh against the average system usage. This water shortage will compel farmers to rely on sub-surface irrigation sources resulting in increased cost of production.

## FERTILIZER OFFTAKE SITUATION

The supply of urea will remain satisfactory during Rabi season due to enhanced local production and sufficient stock position. However, availability of DAP may witness slight deficiency for the reason of low local production and import by the private sector. However the concerned department has been directed by MoNFS&R in advance to make preemptive measures for ensuring sufficient availability of all fertilizers at reasonable prices.

During Rabi 2017-18, urea consumption is estimated around 3,200 thousand tonnes against 2,892 thousand tones in previous season showing an increase of about 10.7 percent over last Rabi 2016-17. DAP offtake is expected to increase by 0.1 percent over Rabi 2016-17. Total offtake of fertilizers in the previous year was 4,532 thousand tonnes against 4,836 thousand tones estimation for forthcoming Rabi 2017-18 with 6.7 percent forecasted increment.

### Fertilizer Offtake (000 tonnes) during Rabi 2017-18 (Estimated):

Province	UREA	DAP	SOP/MOP	Total
Punjab	2,100	1,200	20	3,340
Sindh	800	300	5	1,105
NWFP	200	60	0.7	261
Balochistan	100	30	0.6	131
<b>Pakistan</b>	<b>3,200</b>	<b>1,610</b>	<b>26</b>	<b>4,836</b>



Rabi 2016-17	2,892	1,608	32	4,532
%age change over Rabi 2016-17	10.7	0.1	-18.0	6.7

## NEWS & TRENDS

- For the improvement of 43 watercourses in the jurisdiction of Lahore metropolitan city, the government has earmarked a subsidy of Rs 61.963 million. The aim of the subsidy was to improve the irrigation system in general and to ensure that water reaches the end of every watercourse. This will facilitate farmers to water their crops on time. Punjab government is focused to uplift the farms water management wing of the Punjab Agriculture Department. The World Bank cooperated with the Punjab government by financing this project. They have been successful in ensuring water supply to the end of each watercourse and the farmers are at ease after knowing that water is available for the irrigation of their lands.
- The Australian Government announces a A\$500,000 program to train around 4,000 farmers from Sheikhpura and Gujranwala to produce quality seed, improve crop yield and gain better access to market. The initiative is part of the Australian Government's business partnership platform support to Engro Corporation Limited Pakistan and Mennonite Economic Development Associates (MEDA) Australia and aims to connect around 4,000 smallholder farmers from villages in Sheikhpura and Gujranwala into a larger seed supply chain. The project will also train and support farmers to produce their own quality seed and register as seed suppliers.
- Punjab Agriculture department has launched a five year well-knitted plan for making Potohar region an olive valley. Under the plan government will provide free of cost 20 lakh plants to selected farmers in Rawalpindi, Chakwal, Jhelum, Attock, and Khushab districts of the region. Under the directives of the Punjab Chief Minister, special steps had been taken for the promotion of olive crop in the province and a large number of grower are showing their keen interest in cultivation of olive crop and contacting with the agriculture department for obtaining olive plants and technical assistance for attaining yielding results cultivation of the crop. In Punjab, Sialkot, Narowal, Gujrat, Jhelum, Rawalpindi, Islamabad, Attock, Chakwal and Khushab districts were the potential areas for olive cultivation. Olive orchard cultivation throughout these potential areas of Punjab could produce much quantity of oil, which may certainly bring Pakistan's olive oil import share to zero.
- Two pilot projects in Thar on underground saline water have successfully harvested crops of Cotton, Millet, Guwar (Cluster Beans), Okra, Meha (Apple Gourd), watermelon, melon, fodders Jantar and Baroo, Moth, and Mong. After launching of a pilot six months ago with the help of local farmers by Sindh Engro Coal Mining Company (SECMC) and a project with Karachi University's halophyte institute have successfully grown halophytic fodder and grabbed the first harvest. The fodder has been given to animals on trials and has proved to be taken as regular grass.



- The Irrigation Department Khyber Pakhtunkhwa and state owned company of Peoples Republic of China namely China Gezhouba Group International Engineering Co, Ltd (CGGC) inked MoU for the completion of Chashma Right Bank Canal (CRBC) project (lift cum gravity) in Dera Ismail Khan. A ceremony was held at CM Secretariat Peshawar. Secretary Irrigation Tariq Rasheed and Deputy Manager CGGC Liu Yang signed the agreement. Under the agreement, the mega irrigation project would be completed with mutual cooperation under government to government framework

## **ROLE OF ZTBL**

- ZTBL inaugurated a deposit taking branch at Karkhano Market, Peshawar. The main objective of establishing new branches is to alleviate financial suffering of local masses by ensuring greater outreach for cost effective and timely availability of credit to the farming community of the area which will help them in improving their living standard. This is all due to dedication and motivation of Honorable President of ZTBL, under whose dynamic leadership, Bank is playing significant role in meeting growing demand of the farming community.

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☆ جڑی بوٹیاں فصل کی خوراک، پانی اور روشنی میں حصہ دار بننے کے ساتھ بیماریوں اور ضرر سبب کیڑوں کو پھیلانے میں مددگار بنتی ہیں۔ اس لیے ان کی تلفی نہایت ضروری ہے۔

### چارہ جات

- ☆ برسیم کی کاشت بھی گندم کی طرح 15 دسمبر تک مکمل کر لیں۔ شرح بیج 8 کلوگرام فی ایکڑ رکھیں۔
- ☆ ڈیڑھ بوری ڈے اے پی فی ایکڑ بوقت کاشت ڈالیں۔ اگر بوئی بذر بچھڑے اور کھڑے پانی میں کی گئی ہے تو پہلا پانی بوئی کے 7 دن بعد دینا چاہیے تاکہ اگاؤ اچھا ہو۔
- ☆ لوسرن کی فصل کو پہلا پانی بوئی کے 3 ہفتہ بعد اور پھر پانی حسب ضرورت دیں۔
- ☆ برسیم کے بیج کو بوئی سے پہلے جراثیمی ٹیکہ لگائیں یا پچھلے سال والے برسیم کے کھیت سے 80 کلوگرام مفید جراثیم والی مٹی لاکر ایک ایکڑ کے کھیت میں کس کر لیں۔

### سبزیات

- ☆ نومبر کے مہینے میں کاشت کی گئی ٹماٹر اور پیاز کی نرسری کو کھیت میں منتقل کر لیں۔
- ☆ چھوٹی اور نازک سبزیوں کو سردی اور کورے سے بچانے کے لیے پلاسٹک شیٹ کا استعمال کریں۔
- ☆ آلو کی فصل کا معائنہ کرتے رہیں۔ بیماری یا کیڑے کی صورت میں محکمہ زراعت کے عملے سے مشورہ کریں۔
- ☆ بیماری یا کیڑے کے حملے کی صورت میں محکمہ زراعت کے مقامی عملے کے مشورہ کے مطابق مناسب زہروں کا استعمال کریں۔

### باغات

- ☆ باغات کو کورے سے بچائیں۔ کورے اور سردی سے بچاؤ کے لیے چھوٹے پودوں کو کسی شیٹ سے ڈھانپ دیں اور پانی لگائیں۔
- ☆ رات کے وقت باغ یا نرسری میں دھونی دیتے رہیں اور تر شاہ پھل کی برداشت جاری رکھیں۔
- ☆ گوبر کی گلی سڑی کھاد 40 تا 50 کلوگرام ہسنگل سپر فوسفیٹ 4.20 کلوگرام، پوٹاشیم سلفیٹ 1 کلوگرام اور زنک سلفیٹ 250 گرام فی پودا درخت کی چھتری کے نیچے تنے سے ایک سے ڈیڑھ فٹ دور ڈالیں۔

Source: Zirat Nama, Government of Punjab (Farmers' Advisory)

Farmers' Advisory Services, Fuji Fertilizer Company Limited

پلاننگ اینڈ ریسرچ ڈیپارٹمنٹ  
ہیڈ آفس، زرعی ترقیاتی بینک لمیٹڈ  
اسلام آباد



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