

# Bumper Global Crop Results From Larger Area

## rice outlook

ECONOMIC RESEARCH SERVICE

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The 2011/12 global rice production forecast was lowered 1.7 million tons this month to 463.7 million tons (milled basis). Despite the downward revision, the crop is almost 3 percent above a year earlier and the highest on record.

The largest production decrease this month was made for Indonesia, with the production estimate lowered 1.0 million tons to 36.6 million tons, based on information from the U.S. Agricultural Counselor in Jakarta indicating slightly lower area and a weaker yield.

Burma's 2011/12 production forecast was lowered 770,000 tons to 10.8 million based on a much lower area than projected last month and a slightly lower yield. Elsewhere in Asia, Pakistan's 2011/12 crop estimate was lowered 50,000 tons to 6.5 million tons based on information from the U.S. Agricultural Counselor in Islamabad indicating a weaker yield. The crop is still 30 percent larger than a year earlier.

Outside Asia, Egypt's 2011/12 rice crop was lowered 0.3 million tons to 4.25 million tons, based on a lower area estimate and weaker yield reported by the U.S. Agricultural Counselor in Cairo. Colombia's 2011/12 crop projection was lowered more than 0.2 million tons to 1.43 million tons, based on information from the U.S. Agricultural Counselor in Bogotá indicating a lower yield due to severe flooding and rains.

These downward revisions were partially offset by several upward revisions. First, Vietnam's 2011/12 production projection was raised 0.3 million tons to a record 26.46 million tons based on information from the U.S. Agricultural Counselor in Hanoi supporting both a larger area and higher yield estimates. Thailand's 2011/12 production was raised 0.16 million tons to a record 20.46 million tons due to expanded dry season area. Bangladesh's 2011/12 crop was increased 100,000 tons to a record 34.1 million tons based on a revised May-April market year. A slightly higher area estimate raised the Philippines production forecast to 10.6 million tons. Smaller upward revisions in production forecasts were made this month for Afghanistan, Iran, and Mexico.

The 2010/12 global production forecast was lowered 3.1 million tons to 450.1 million tons, mostly due to lower yield.

Global disappearance for 2011/12 is projected at 458.8 million tons, 4.0 million tons below last month's forecast, but still the highest on record.

### India and Vietnam Are Projected To Be the Largest Rice Exporting Countries in 2012

The global calendar year 2012 trade forecast was raised 1.3 million tons (milled basis) from last month's forecast to 34.0 million tons, still almost 6 percent below the 2011 revised record of 36.0 million tons.

There were several significant export revisions for 2012 this month. First, India's 2012 export forecast was raised 1.0 million tons to a record 7.0 million, about 50 percent larger than the year-earlier revised estimate. Second, Vietnam's rice exports were raised 0.5 million tons to 7.0 million tons, unchanged from the 2011 record.

These upward 2012 export revisions were partially offset by several major reductions.

There were several major import revisions for 2012 this month as well. First, Indonesia's 2012 import forecast was raised 0.95 million tons to 1.95 million based on recent large purchases. China's 2012 import forecast was raised 350,000 tons to 750,000 tons based on recommendation from the U.S. Agricultural Counselor in Beijing. The EU-27 import forecast for 2012 was raised 0.33 million tons to 1.4 million tons based on recommendation from the U.S. Agricultural Counselor in Brussels and revised 2011 imports. Egypt's 2012 import forecast was raised 0.1 million tons to 600,000 tons based on information from the U.S. Agricultural Counselor in Cairo. The U.S. 2012 import forecast was raised 50,000 tons to a record 725,000 based on a pick-up in deliveries since late 2011 and expectations regarding purchases the remainder of the calendar year. Finally, Iran's 2012 import forecast was increased 50,000 tons to 1.55 million based on revised consumption and stocks estimates for 2011/12.

There were several important revisions for 2011 importers this month. First, the EU-27's 2011 import estimate was raised 325,000 tons to 1.475 million tons based on yearend trade data. Indonesia's 2011 import estimate was raised 323,000 tons to 3.1 million tons, also based on year-end trade data. Iran's 2011 imports were raised 0.4 million tons to a record 1.8 million based on additional trade data. Nigeria's 2011 import estimate was raised 250,000 tons to a record 2.55 million tons, largely based on yearend export data from India. South Africa's 2011 imports were raised 125,000 tons to 885,000 tons based on year-end trade data.

These upward revisions in 2011 import estimates were partially offset by several major reductions.

### Prices for Thailand's Parboiled Rice Rise, While Non-Specialty Rice Prices Are Nearly Unchanged

Except for parboiled rice, trading prices for Thailand's rice have changed little since early March, as demand for Thailand's non-parboiled rice remains weak. Prices for most grades of non-specialty rice had risen in mid- and late-March, but declined in early April, yielding little month-to-month change.

Prices for Thailand's high-quality, 100-percent Grade B (fob vessel, Bangkok) milled rice for export were quoted at \$554 per ton for the week ending April 10, down \$4 from the week ending March 5.

Prices for Thailand's 5-percent parboiled rice—a specialty rice—were quoted at \$582 per ton for the week ending April 10, up \$13 from the week ending March 5.

Prices for Thailand's brokens have changed little since early March. For the week ending April 10, prices for Thailand's A-1 Super 100-percent brokens were quoted at \$525 per ton, up \$2 from the week ending March 5. Price quotes for Thailand's premium jasmine rice were quoted at \$1,063 per ton for the week ending April 10, up just \$2 from March 5. All price quotes for Thailand's rice are from the Weekly Rice Price Update, reported by the U.S. Agricultural Counselor in Bangkok.

U.S. long-grain milled-rice prices have declined from a month earlier, continuing a downward trend that began in early October. For the week ending April 10, prices for high-quality Southern long-grain rice (No. 2, 4-percent brokens, bagged, free alongside vessel, U.S. Gulf port) were quoted at \$502 per ton, down \$11 from March 6. Δ



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