

Expanded Plantings Account For Rise In Forecast



The 2010/11 U.S. rice production forecast was raised 4 percent from last month to 255.3 million cwt, 16 percent larger than a year earlier and the largest on record. Harvested area is estimated at 3.62 million acres, up 130,000 acres from the June survey and nearly 17 percent larger than last year.

By class, long-grain 2010/11 production is projected at record 191.8 million cwt, up 4.6 million cwt from last month’s forecast and almost 26 percent larger than a year earlier.

Area forecasts for 2010/11 were raised this month for all reported States except Louisiana and Texas.

In contrast, Louisiana’s 2010/11 plantings were lowered 30,000 acres to 530,000, with long-grain accounting for all of the downward revision. The Texas planting estimate was lowered 10,000 acres to 189,000 acres, with long-grain also accounting for all of the reduction.

On a year-to-year basis, plantings are estimated larger in 2010/11 in all reported States.

This month, USDA raised its 2010/11 yield forecasts for Louisiana, Mississippi, Missouri, and Texas, but lowered the California yield. The Arkansas yield forecast is unchanged from last month.

All reported States are projected to harvest larger crops in 2010/11 except California, with record crops projected for Arkansas, Louisiana, Mississippi, and Missouri.

U.S. 2010/11 Total Rice Supplies Are Projected at a Record 311.5 Million Cwt

Total U.S. rice supplies in 2010/11 are projected at a record 311.5 million cwt, up 4 percent from last month’s forecast and 16 percent larger than a year earlier.

Total imports for 2010/11 are forecast at 19.5 million cwt, down 0.5 million cwt from last month’s forecast, but still up almost 3 percent from a year earlier.

U.S. 2010/11 Export Forecast Raised 5.0 Million Cwt to 119.0 Million Cwt

Total use of U.S. rice in 2010/11 is projected at a record 246.0 million cwt, up 3.0 million cwt from last month’s projection and 6 percent above a year earlier. The 2010/11 export forecast was revised upward, while the total domestic and residual use forecast was lowered.

Total domestic and residual use of all-rice is projected at 127.0 million cwt for 2010/11, down 2.0 million cwt from last month, but still almost 4 percent above a year earlier and the highest on record.

Total exports of U.S. rice in 2010/11 are projected at 119.0 million cwt, up 5.0 million cwt from last month’s forecast and 8 percent above the year-earlier revised estimate.

By type, U.S. rough-rice exports are projected at a record 44.0 million cwt, up 1.0 million cwt from last month’s forecast and 8 percent above a year earlier.

By class, U.S. long-grain exports are projected at 83.0 million cwt, up 3.0 million cwt from last month’s forecast and 10 percent larger than a year earlier. Africa and Latin America account for much of the expected increase in U.S. long-grain exports in 2010/11.

U.S. 2010/11 Ending Stocks Are Projected To Climb to 65.5 Million Cwt

U.S. ending stocks in 2010/11 are projected at 65.5 million cwt, up 8.7 million cwt from last month’s forecast and up 79 percent from a year earlier and the largest ending stocks since 1985/86. The stocks-to-use ratio is calculated at 26.6 percent, up from 15.8 percent in 2009/10 and the highest since 1986/87.

By class, the 2010/11 long-grain carryout was raised 3.9 million cwt to 50.9 million cwt, 120 percent larger than a year earlier and the highest since 1985/86. The long-grain stocks-to-use ratio is calculated at 28.1 percent, also the highest since 1985/86. Stocks of this size will keep substantial downward pressure on U.S. long-grain prices throughout the 2010/11 market year.

The medium/short-grain carryout was raised 5.8 million cwt to 13.1 million cwt, more than 8 percent above a year earlier. The medium/short-grain stocks-to-use ratio is calculated at 20.2 percent, almost double last month’s calculated ratio and about 2 percentage points above the 2009/10 ratio.

There were several revisions this month to the 2009/10 U.S. rice balance sheet based on year-end data. On the supply side, total imports were lowered 0.5 million cwt to 19.0 million based on U.S. Census data through July 2010. Long-grain accounts for all of the downward revision.

On the 2009/10 use side, total exports were revised up 1.2 million cwt to 110.2 million cwt, also based on Census data through July. Both long-grain and medium/short-grain exports were revised up about 1 percent this month. Ending stocks of all-rice were revised up 2.8 million cwt to 36.7 million cwt based on data reported in the August Rice Stocks. Long-grain ending stocks were raised 1.8 million cwt to 23.15 million cwt, and combined medium/short-grain ending stocks were raised 1.9 million cwt to 12.1 million.

Stocks of broken are not reported by class of rice but are included in the all-rice stocks estimate. On a year-to-year basis, ending stocks of broken declined about 1.0 million cwt.

These supply and use revisions are responsible for a 4.4 million cwt reduction in the 2009/10 total domestic and residual use estimate to 122.6 million cwt. Both the long-grain and medium/short-grain domestic and residual use estimates were lowered this month.

Both Long- and Medium/short-grain 2010/11 U.S. Season-Average Price Forecasts Lowered

The 2010/11 season-average farm price (SAFP) for U.S. long-grain rice was lowered 50 cents on both ends to \$8.50-\$9.50 per cwt, well below \$12.80 in 2009/10.

The combined medium/short-grain 2010/11 U.S. SAFP was lowered \$1.00 on both ends to \$16.00-\$17.00 per cwt. The mid-point of the 2010/11 price is \$1.20 below the 2009/10 SAFP of \$17.70.

Last month, NASS reported a mid-August 2010 cash price for long-grain rice of \$10.80 per cwt, 40 cents below the revised July price and the lowest since November 2007. The July price was lowered 80 cents from a preliminary estimate to \$12.00 per cwt. For medium/short-grain rice, the mid-August NASS price was reported at \$17.20 per cwt, up 80 cents from the revised July price. The July medium/short-grain rough-rice cash price was lowered 80 cents per cwt from the mid-month estimate to \$16.40 per cwt. Δ



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