

High U.S. Rice Crop Forecast Despite Low Acreage



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The 2013/14 U.S. rice crop is projected at 181.4 million cwt, up 1 percent from last month's forecast, but 9 percent below a year earlier and the smallest since 1996/97. Combined medium- and short-grain production is projected at 56.6 million cwt, up 2 percent from both last month's forecast and a year earlier.

The upward revision in U.S. rice production is based on a higher yield forecast.

Planted area remains estimated at 2.47 million acres, 8.5 percent below a year earlier and the smallest U.S. rice plantings since 1987/88. Rice plantings are estimated to be lower than a year earlier in all reported States in 2013/14 except Mississippi, with Arkansas accounting for the largest share of the decline.

Yields in 2013/14 are projected higher than last year in Texas, Louisiana, and California. Texas reported the largest yield increase – 8,700 pounds per acre – 330 pounds above a year earlier and the highest on record. Louisiana's 2013/14 yield is estimated at 6,700 pounds per acre, up 270 pounds from a year earlier and also the highest on record. At 8,300 pounds per acre, California's 2013/14 yield is 190 pounds higher than a year earlier, but below the record 8,600 pounds achieved in 2004/05 and 2009/10.

Missouri's 2013/14 average yield of 6,990 pounds is unchanged from last year's record. At 6,800 pounds per acre, Mississippi's 2013/14 average yield is 400 pounds below a year earlier and the weakest since 2009/10. Arkansas' 2012/13 yield is estimated at 7,200 pounds per acre, a decline of 270 pounds from last year.

Arkansas and Missouri account for all of the projected decline in U.S. rice production in 2013/14. At 76.0 million cwt, Arkansas' 2013/14 rice crop is projected to be 21 percent smaller than a year earlier and the smallest since 1996/97. Missouri's 2013/14 rice production is projected at 11.25 million cwt, down 9 percent from a year earlier, a result of smaller area.

In contrast, Mississippi's 2013/14 rice crop is projected at 10.8 million cwt. Louisiana's 2013/14 production of 26.5 million cwt is nearly 4 percent larger than last year. California's 2013/14 rice production is projected at 45.65 million cwt, up more than 1 percent from a year earlier, a result of a slightly higher yield. The Texas rice crop of 11.2 million cwt is virtually unchanged from a year earlier, with a record yield offset by smaller plantings.

Crop Progress in the Delta Remains Behind the Normal Pace

For the week ending August 11, 70 percent of the U.S. 2013/14 rice crop was reported headed, well behind 83 percent reported last year but slightly ahead of the U.S. 5-year average of 68 percent.

Harvest typically begins on the Gulf Coast in late July, with harvest reporting by NASS beginning the first week of August. However, through August 11, NASS has not reported any harvesting of the 2013/14 U.S. rice crop. Typically, around 15 percent of the Texas and Louisiana crops are harvested by the end of the

first week of August.

U.S. 2013/14 Rice Supplies Are Projected To Decline 9 percent

Total U.S. rice supplies in 2013/14 are projected at 238.4 million cwt, 1 percent above last month's forecast but 9 percent smaller than a year earlier.

At 34.6 million cwt, the 2013/14 carryin is 2.0 million cwt above last month's forecast and 16 percent smaller than a year earlier. The 2013/14 long-grain carryin is forecast at 20.4 million cwt, up 0.5 million cwt from last month's forecast but 16 percent below a year earlier. Combined medium- and short-grain carryin is forecast at 12.0 million cwt, 1.5 million cwt above last month's forecast, but still 18 percent below a year earlier.

Imports of all rice in 2013/14 are forecast at 22.5 million cwt, down 1.0 million cwt from last month's forecast, but up 7 percent from a year earlier and the second highest on record.

U.S. 2013/14 Export Forecast Raised to 96.0 Million Cwt

Total use of U.S. rice in 2013/14 is projected at 208.0 million cwt, up 1.0 million cwt from last month's forecast but still more than 8 percent below a year earlier.

Total domestic and residual use of all rice in 2013/14 remains projected at 112.0 million cwt, almost 7 percent smaller than a year earlier.

Total exports in 2013/14 are projected at 96.0 million cwt, up 1.0 million cwt from last month's forecast but 10 percent below a year earlier.

By type, rough-rice exports remain projected at 35.0 million cwt, up 0.5 million cwt from the year-earlier revised forecast.

U.S. ending stocks of all rice in 2013/14 are projected at 30.4 million cwt, up almost 7 percent from last month's forecast but 12 percent below a year earlier.

By class, the 2013/14 U.S. long-grain carry-out is projected at 18.2 million cwt, up slightly from last month's forecast but 11 percent smaller than a year earlier.

There were several revisions to the 2012/13 U.S. rice balance sheet on the use side this month. First, total exports were lowered 2.0 million cwt to 107.0 million cwt. By class, long-grain exports were lowered 0.5 million cwt to 76.5 million cwt. Combined medium- and short-grain 2012/13 exports were lowered 1.5 million cwt to 30.5. Ending stocks of all rice, long-grain, and combined medium- and short-grain rice were raised to reflect the weaker export forecast.

U.S. 2013/14 Season-Average Farm Price Forecast Lowered for Long-Grain Rice

The 2013/14 season-average farm price (SAFP) for U.S. long-grain rice is forecast at \$14.00-\$15.00 per cwt, down 50 cents on both the high and low end from last month's forecast. This compares with \$14.40 per cwt a year earlier. On an annual basis, the impact of tighter U.S. supplies is expected to nearly offset the effects of larger exportable supplies in Asia and South America, with little change expected in U.S. long-grain prices in 2013/14.

The combined medium- and short-grain 2013/14 U.S. SAFP remains forecast at \$15.80-\$16.80 per cwt, compared with a 2012/13 SAFP of \$16.20 per cwt.

In late July, NASS reported a mid-July U.S. long-grain rough-rice price of \$15.00 per cwt, unchanged from the revised June estimate. The June and July preliminary prices are the highest since January 2009. The June price was lowered 10 cents to \$15.00 per cwt. For combined medium- and short-grain rice, the mid-July NASS price was reported at \$16.90 per cwt, up 20 cents from the revised June price. The June price was lowered 50 cents from the mid-month estimate to \$16.70 per cwt. △

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