

Largest Crop On Record Based On Higher Yield



ECONOMIC RESEARCH SERVICE

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The 2010/11 U.S. rice crop is estimated at 243.1 million cwt, up 0.6 percent from the previous forecast and almost 11 percent larger than a year earlier.

Long-grain accounts for all of the upward revision in the U.S. production estimate this month. The U.S. long-grain crop is estimated at 183.3 million cwt, up 1 percent from the previous forecast and 20 percent above a year earlier.

U.S. medium/short-grain production is estimated at 59.8 million cwt, down 0.5 percent from the previous forecast and 11 percent below a year earlier. The year-to-year decline is due to both reduced plantings and a weaker yield.

Rice Production Estimated Higher in 2010/11

In All Reported States Except California

Harvested area is estimated larger in 2010/11 in all reported States except California, with harvested area record high in Arkansas and Missouri. Long-grain accounts for all of the Arkansas area increase this year; medium-grain harvested area declined 13 percent. Louisiana growers increased total harvested area more than 15 percent to 535,000 acres, with long-grain accounting for all of the increase. Medium-grain harvested area was down 26 percent in Louisiana. Harvested area in Mississippi is estimated at 303,000 acres, up almost 25 percent from a year earlier. In Missouri, growers expanded harvested rice acreage almost 26 percent to 251,000 acres. Long-grain accounts for all of the area increase in both States. Texas producers expanded harvested area almost 11 percent to 188,000 acres, also all longgrain. In contrast, harvested area in California declined 3,000 acres to 553,000 acres.

Yields are projected lower in 2010/11 in all reported States except Mississippi. The Arkansas average yield is forecast at 6,480 pounds per acre, a decline of 320 pounds from last year. At 6,480 pounds per acre, the average yield in Missouri is 230 pounds below last year. Louisiana's 2010/11 yield is estimated at 6,100 pounds per acre, down 200 pounds from last year. The Texas yield of 7,160 pounds per acre is 610 pounds below the year earlier record. A cool, wet spring delayed plantings in California, the summer was abnormally cool, and there were substantial rains in October. In contrast, Mississippi's yields increased 150 pounds per acre to 6,850 pounds.

In 2010/11, production expanded in all reported States except California, with record crops harvested in Arkansas, Louisiana, Mississippi, and Missouri.

U.S. 2010/11 Total Rice Supplies Are the Highest on Record

Total U.S. rice supplies in 2010/11 are projected at 297.8 million cwt, virtually unchanged from month's forecast, but almost 11 percent larger than a year earlier and the highest on record. In 2010/11, a larger crop and bigger carryin more than offset weaker imports.

Beginning stocks of all-rice remain estimated at 36.7 million cwt, 20 percent larger than a year earlier. The 2010/11 long-grain carryin remains estimated at 23.2 million cwt, up 15 percent from a year earlier.

Total imports for 2010/11 are forecast at 18.0 million cwt, down 1.5 million cwt from last month's forecast and 5 percent below a year earlier. These are the lowest imports since 2005/06 and this is the third consecutive year of a decline in imports.

Data from the January 2011 NASS Rice Stocks report indicate total U.S. rice stocks on December 1, 2010, at 182.2 million (rough basis of both milled and rough-rice stocks), up 11 percent from a year earlier and the highest on record.

Stocks on December 1, 2010, are estimated higher in all reported States except California and Texas.

U.S. 2010/11 Medium/Short-Grain Export Forecast Raised 2.0 Million Cwt to a Record 38.0 Million Cwt

Total use of U.S. rice in 2010/11 is projected at 246.0 million cwt, down 2.0 million from last month's forecast, but still almost 6 percent above a year earlier and the highest on record.

Total domestic and residual use of all-rice remains projected at a record 129.0 million cwt for 2010/11, more than 5 percent above a year earlier.

Total exports of U.S. rice in 2010/11 are projected at 117.0 million cwt, down 2.0 million cwt from last month, but still 6 percent larger than a year earlier. By type, U.S. roughrice exports are projected at 43.5 million cwt, down 1.5 million from last month's forecast, but almost 7 percent above a year earlier and the highest on record.

By class, U.S. long-grain exports are projected at 79.0 million cwt, down 4.0 million cwt from last month, but still 5 percent larger than a year earlier. The downward revision was largely based on weaker-than-expected sales to key Western Hemisphere markets.

U.S. 2010/11 Ending Stocks Are Forecast To Be the Highest Since 1985/86

U.S. ending stocks in 2010/11 are projected at 51.8 million cwt, up 2.0 million cwt from last month's forecast and 41 percent above a year earlier. These are the largest ending stocks since 1985/86. The stocks-to-use ratio is calculated at 21.1 percent, up 1 percentage point from last month's estimate and well above the 15.8 percent in 2009/10.

By class, the 2010/11 long-grain carryout was raised 2.3 million cwt to 41.9 million cwt, 81 percent larger than a year earlier and the highest since 1985/86. The long-grain stocks-to-use ratio is calculated at 23.3 percent, up 1.5 percentage point from last month and the highest since 1985/86.

The medium/short-grain carryout was lowered 300,000 cwt to 8.4 million cwt, 31 percent below a year earlier.

U.S. Medium/Short-grain Season-Average Farm Price Forecast Raised to \$17.00-\$18.00 per Cwt

The 2010/11 season-average farm price (SAFP) for U.S. long-grain rice remains projected at \$10.50-\$11.50 per cwt, down from \$12.80 in 2009/10. The projected decline in U.S. long-grain prices in 2010/11 was raised 10 cents from the preliminary estimate to \$10.50 per cwt. For medium/shortgrain rice, the mid-December NASS price was reported at \$17.30 per cwt, up \$1.20 from the revised November price.

The combined medium/short-grain 2010/11 U.S. SAFP is projected at \$17.00-\$18.00 per cwt, up 20 cents on both the high and low end from last month. The 2010/11 medium/short-grain SAFP is little changed from the 2009/10 SAFP of \$17.70.

Last month, NASS reported a mid-December 2010 cash price for long-grain rice of \$11.10 per cwt, up 60 cents from the revised November price. △



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