

Long Grain Accounts For Rice Production Increase



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The 2010/11 U.S. rough-rice crop is projected at 244.0 million cwt, up 11 percent from a year earlier and the highest on record.

Long-grain accounts for all of the expected production increase. The 2010/11 U.S. long-grain crop is projected at 177.0 million cwt, up 16 percent from a year earlier and just fractionally below the 2005/06 record.

The 2010/11 area forecast is taken from the March 2010 Prospective Plantings, which indicated total U.S. rice plantings at 3.41 million acres, up 9 percent from a year earlier and the highest since 1999/2000.

The U.S. 2010/11 rice crop was reported 82 percent planted by May 9, almost 14 percentage points ahead of last year and 7 percentage points ahead of the U.S. 5-year average.

About 67 percent of the 2010/11 crop had emerged by May 9, well ahead of 48 percent last year and the U.S. 5-year average of 55 percent. Emergence was ahead of normal in Arkansas, Louisiana, Mississippi, and Missouri. In contrast, just 70 percent of the Texas crop had emerged by May 9, well behind the State's 5-year average of 89 percent. And in California, only 2 percent of the crop had emerged by May 9, well behind 14 percent last year and the State's 5-year average of 11 percent.

About 58 percent of the U.S. crop was rated in good or excellent condition for the week ending May 9. There were sharp differences in crop conditions by State.

U.S. 2010/11 Rice Supplies Projected

At a Record 296.4 Million Cwt

Total U.S. rice supplies in 2010/11 are projected at 296.4 million cwt, up 9 percent from a year earlier and 7 percent above the previous record in 2005/06.

At 30.4 million cwt, the 2010/11 all-rice carryin is virtually unchanged from a year earlier. However, there are sharp differences by class. The long-grain carryin is forecast at 14.8 million cwt, a drop of 26 percent from a year earlier. In contrast, the medium/shortgrain carryin of 13.2 million cwt is 64 percent above this year's carryin and the largest since 2005/06.

U.S. rice imports in 2010/11 are projected at 22.0 million cwt, up 5 percent from 2009/10 and second only to the 2007/08 record of 23.9 million.

U.S. 2010/11 Total Domestic and Residual Use

Projected at a Record 138.0 Million Cwt

Total use of U.S. rice in 2010/11 is projected at a record 245.0 million cwt, nearly 2 percent above a year earlier. Both exports and total domestic use are projected to be larger in 2010/11.

By class, long-grain domestic use is projected at a record 106.0 million cwt, 2 percent above a year earlier. Combined medium/short-grain domestic use is projected at 32.0 million cwt, unchanged from 2009/10 but well below levels estimated for 2004/05 through 2007/08.

U.S. exports of all-rice in 2010/11 are projected at 107.0 million cwt, up 2 percent from this year and the highest since 2005/06. Record U.S. supplies, stronger global demand in 2011, and expectations of more competitive

U.S. prices are behind the bullish U.S. export forecast.

Medium/short-grain exports are projected at 31.0 million cwt, down 6 percent from the 2009/10 record, but still one of the highest on record. U.S. medium/short-grain exporters are expected to continue to benefit from Egypt's export restrictions and very small exportable supplies in Australia.

By type of rice, U.S. rough-rice exports are projected at a record 43.0 million cwt, up 1.0 million cwt from the revised forecast for 2009/10.

Ending stocks of all-rice in 2010/11 are projected at 51.4 million cwt, up 69 percent from this year and the highest since 1985/86. The stocks-to-use ratio is calculated at 21.0 percent, well above a revised 12.6 percent this year and the highest since 1992/93.

By class, long-grain ending stocks are projected at 28.3 million cwt, almost double this year's ending stocks and the highest since 2005/06. The long-grain stocks-to-use ratio is calculated at 15.6 percent, the highest since 2006/07.

2009/10 U.S. All-Rice Export Forecast

Raised to 105.0 Million Cwt

The only supply-side revision this month to the 2009/10 balance sheet was a fractional increase in the beginning stocks estimate to 30.55 million cwt based on a revised U.S. milling rate. On the use side, total exports were raised 2.0 million cwt to 105.0 million, nearly 10 percent above a year earlier.

By class, medium/short-grain exports were raised 1.0 million cwt to a record 33.0 million.

U.S. 2009/10 long-grain exports were revised up 1.0 million cwt to 72.0 million, more than 4 percent above a year earlier.

This month, USDA revised its 2000/01-2009/10 milling rates based on Farm Service Agency warehouse stored loan data for long-, medium-, and short-grain rice. Stocks, exports, and domestic and residual estimates for each year were revised based on the new milling rates. The 2010/11 milling rate is based on the previous 5-year averages by class, weighted by annual production by class. An all-rice milling rate is used for long and medium/short-grain rice. The previous source of annual milling rates is no longer available.

U.S. 2010/11 Long-Grain Season Average Farm Price Forecast To Drop to \$10.00-\$11.00 per Cwt

The 2010/11 season-average farm price (SAFP) for U.S. long-grain rice is projected at \$10.00-\$11.00 per cwt, down from a revised \$12.90 to \$13.10 this year. The decline is based on large U.S. supplies and weaker global prices. Because the U.S. accounts for only about 10 percent of global long-grain exports, U.S. prices are heavily influenced by events in the global market. The combined medium/short-grain season-average price is projected at \$14.50-\$15.50 per cwt, also down from the slightly revised 2009/10 SAFP of \$17.65-\$17.85.

This month, USDA made minor adjustments to both the 2009/10 long-grain and medium/short-grain season-average price ranges.

Last month, USDA's National Agricultural Statistics Service (NASS) reported a mid-April 2010 cash price for long-grain rice of \$13.20 per cwt, 20 cents above the revised March price and up 60 cents from August. The March price was lowered 50 cents from a preliminary estimate of \$13.50. For medium/short-grain rice, the mid-April NASS price was reported at \$17.50 per cwt, up 40 cents from the revised March price. The March medium/short-grain rough-rice cash price was lowered 50 cents from the mid-month estimate of \$17.60 per cwt. Δ