

More Acres, Yields Boost U.S. Rice Forecast



rice outlook

ECONOMIC RESEARCH SERVICE

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The 2012/13 U.S. rice crop is forecast at 196.3 million cwt, up 6.3 million cwt from last month's forecast and 6 percent larger than a year earlier.

Long-grain rice production is projected at 138.3 million cwt, up 6.2 million cwt from last month's forecast and almost 19 percent larger than a year earlier. Combined medium- and short-grain production is projected at 58.1 million cwt, up 0.15 million cwt from last month's forecast, but still more than 15 percent below the near-record a year earlier.

Harvested area was raised for all reported States this month except Mississippi and Missouri, where area estimates were lowered. Yields were raised this month for all reported States except California and Missouri.

Production forecasts were raised this month for all States except Mississippi and Missouri. Arkansas accounted for the bulk of this month's upward revision in the 2012/13 production forecast, while Texas reported the largest percentage increase. Missouri's 2012/13 crop was lowered 11 percent and, the Mississippi crop estimate was lowered 5 percent from last month's forecasts.

Production Projected To Be Higher In 2012/13 in Arkansas and Missouri

On an annual basis, harvested area is estimated lower in all reported States in 2012/13 except Arkansas and Missouri, with Texas reporting the largest decline.

Harvested rice acreage in Arkansas rose 11 percent to 1.28 million acres and harvested rice acreage in Missouri increased 38 percent to 177,000 acres.

Arkansas and Missouri account for all of the expected increase in U.S. rice production in 2012/13. At 92.2 million cwt, rice production in Arkansas is up 18 percent from a year earlier, a result of both expanded area and a higher yield. Missouri's production of 11.9 million cwt is up 43 percent from a year earlier, due to larger plantings and a higher yield.

Progress of the 2012/13 U.S. crop remains well ahead of normal in much of the South. By September 9, 52 percent of the U.S. rice crop was harvested, up from 42 percent a year earlier and the U.S. 5-year average of 34 percent. In Arkansas, 59 percent of the crop was harvested by September 9, more than double the pace of last year and the State's 5-year average. Missouri's crop was reported 31 percent harvested by September 9, compared with a 5-year average of 15 percent.

Total U.S. Supply Forecast for 2012/13 Raised 12.4 Million Cwt to 256.9 Million Cwt

The total supply forecast for 2012/13 was raised 5 percent to 256.9 million cwt, almost 2 percent larger than a year earlier. Estimates for carryin and production were raised this month, while the import forecast was lowered.

The 2012/13 all rice carryin estimate was raised 7.6 million cwt to 41.1 million cwt, still 16 percent below a year earlier.

Total rice imports for 2012/13 are projected at 19.5 million cwt, down 1.5 million from last

month's forecast, but up slightly from the year-earlier revised estimate.

U.S. 2012/13 Domestic and Residual Use Forecast

Raised 2.0 Million Cwt to 126.0 Million Cwt
Total use of U.S. rice in 2012/13 is projected at 226.0 million cwt, up 10.0 million cwt from last month's forecast and 7 percent above a year earlier. By class, long-grain total use is projected at 162.0 million cwt, up 10.0 million cwt from last month's forecast and 12 percent above a year earlier.

Total domestic and residual use of all-rice in 2012/13 is projected at 126.0 million cwt, up 2.0 million cwt from last month's forecast and 14 percent higher than the year-earlier revised estimate.

Total exports of U.S. rice in 2012/13 is projected at 100.0 million cwt, up 8.0 million from last month's forecast, but still almost 2 percent below the year-earlier revised level.

By class, long-grain exports remain projected at 68.0 million cwt, up 8.0 million from last month's forecast and 2 percent above a year earlier. Medium- and short-grain exports remain projected at 32.0 million cwt, 8 percent below the year-earlier near-record.

U.S. ending stocks of all-rice in 2012/13 are projected at 30.9 million cwt, up 9 percent from last month's forecast, but 25 percent below a year earlier. The stocks-to-use ratio is calculated at 13.7 percent, down from 19.4 percent in 2011/12. By class, the 2012/13 U.S. long-grain carryout is projected at 17.5 million cwt, up 9 percent from last month's forecast, but 28 percent below a year earlier. The long-grain stocks-to-use ratio is calculated at 10.8 percent, down from 16.8 percent a year earlier and the lowest since 2003/04.

2011/12 U.S. Ending Stocks Estimate Raised 23 Percent to 41.1 Million Cwt

Based on information from Rice Stocks, U.S. 2011/12 ending stocks are estimated at 41.1 million cwt, an increase of 23 percent from the month-earlier estimate, but 15 percent below a year earlier.

Rice stocks on August 1, 2012 were smaller than a year earlier in all reported States.

The revised ending stocks estimates and the July Census trade data resulted in several additional revisions to the 2011/12 rice balance sheet. On the supply side, total imports were lowered 3 percent to 19.4 million cwt, with long-grain accounting for most of the downward revision. On the use side, total exports were lowered 0.5 million cwt to 101.5 million cwt, with rough-rice, milled-rice, long-grain, and combined medium- and short-grain export estimates all slightly lowered from last month.

U.S. 2012/13 Season-Average Price Forecast

Raised for Medium- and Short-Grain Rice

The 2012/13 season-average farm price (SAFP) for U.S. long-grain rice was lowered \$1.00 per cwt on both the high and low ends this month to \$12.50-\$13.50 per cwt, compared with \$13.40 per cwt a year earlier.

The 2011/12 medium- and short-grain SAFP was raised 80 cents per cwt based on revised NASS monthly cash prices and marketings.

In late August, NASS reported a mid-August U.S. long-grain rough-rice price of \$13.80 per cwt, up 30 cents from the July estimate. The July price was unchanged from the mid-month estimate to \$13.50. For combined medium- and short-grain rice, the mid-August NASS price was reported at \$16.30 per cwt, up 30 cents from the revised July price. The July price was lowered \$1.30 from the mid-month estimate to \$16.00. Δ



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