

More Rice Predicted On Less Hectars Globally



Global rice production for 2012/13 is forecast at a record 468.1 million tons (milled basis), up 2.3 million tons from last month's forecast and 1.9 million tons above the year-earlier revised estimate. Global rice area in 2012/13 is projected at 158.5 million hectares, 0.4 million hectares below the year-earlier record, with India accounting for most of the year-to-year decline.

There were three upward revisions to 2012/13 production forecasts this month. First, India's production was raised 2.0 million tons to 101.0 million tons because of a higher yield.

Second, Cambodia's 2012/13 production forecast was raised 375,000 tons to a record 4.6 million tons based on larger area and a record yield. And third, Peru's 2012/13 production estimate was raised 98,000 tons to a record 2.1 million tons based on good weather conditions and plenty of water during the planting season (October-December) which has resulted in higher yields.

These three upward revisions were partially offset by a 210,000-ton reduction in Sri Lanka's forecast to 2.65 million tons due to excessive rains that reduced area for the Maha crop which accounts for almost 65 percent of the total crop.

The 2011/12 global crop estimate was raised 1.2 million tons this month to 466.2 million tons, up almost 4 percent from a year earlier. There were two revisions. First, India's 2011/12 crop estimate was raised 0.99 million tons to a record 105.3 million tons based on a higher yield reported by the Government of India. The Government also reported a record Kharif crop in 2011/12. Second, Peru's 2011/12 crop was raised 171,000 tons to 1.84 million based on information from the USDA office in Lima indicating more land and higher yields than previously expected, a result of timely rain in the rice-growing areas.

Global rice use (including a residual component) for 2012/13 is projected at a record 470.2 million tons, up 0.9 million tons from last month's forecast and more than 2 percent larger than a year earlier. The consumption forecasts were raised for Cambodia and India. On a year-to-year basis, Bangladesh, Burma, Cambodia, China, India, Indonesia, Sub-Saharan Africa, Thailand, the United States, and Vietnam account for most of the expected increase in global domestic and residual use.

Global ending stocks for 2012/13 are projected at 103.3 million tons, up 1.4 million tons from last month's forecast, but 2.2 million tons below a year earlier. Ending stocks forecasts were raised this month for Cambodia and India, but lowered for the United States. Global ending stocks in 2012/13 are the second highest in a decade.

Export Forecasts for 2013 Raised for Cambodia, India, and the United States

Total calendar year 2013 global rice trade is forecast at 37.4 million tons, up 0.3 million tons from last month's forecast, but still 1.6 million tons below the year-earlier record. There were four 2013 export revisions this month. First,

Cambodia's 2013 export forecast was raised 150,000 tons to a record 975,000 based on a much larger crop. Second, India's 2013 export forecast was raised 100,000 tons to 7.6 million tons, also a result of a larger crop.

Third, the U.S. 2013 export forecast was raised 50,000 tons to 3.5 million tons, 6 percent above a year earlier. This month's upward revision was based on a faster-than-expected pace of sales since last fall. Finally, Peru's 2013 export forecast was lowered 10,000 tons to 50,000 tons based on recommendations from the USDA office in Lima.

The only 2013 import revision this month was a 50,000-ton increase in Peru's imports to 250,000 tons based on information from the USDA office in Lima.

On a year-to-year basis, a big drop in exports from India and smaller shipments from Vietnam are expected to more than offset larger exports from Cambodia, Egypt, Pakistan, and the United States. On the 2013 global import side, big declines in imports by Egypt, Indonesia, and West Africa are projected to more than offset larger purchases by Bangladesh, the European Union, and South Korea.

There were several minor revisions to 2012 import and export estimates based on year-end shipment data that virtually netted out any total trade change.

Thailand's Trading Prices Drop Slightly on Sales of Government-Stored Rice

Prices for most grades of Thailand's higher and medium-quality white milled rice decreased slightly over the past month, mostly due to Government sales of its stored rice to select millers and exporters. Prices for lower-quality rice from Thailand increased slightly.

Prices for Thailand's high-quality, 100-percent Grade B (fob vessel, Bangkok) milled rice for export were quoted at \$574 per ton for the week ending March 4, down \$2 from the week ending February 4. Prices for Thailand's 5-percent broken were quoted at \$560 per ton for the week ending March 4, down \$4 from the week ending February 4. Prices for Thailand's 5-percent parboiled rice were quoted at \$568 per ton for the week ending March 4, down \$8 from the week ending February 8.

Price quotes for Thailand's premium jasmine rice – an aromatic variety – were quoted at \$1,119 per ton for the week ending March 4, up \$1 from the week ending February 4. In contrast, prices for Thailand's broken have increased. For the week ending March 4, prices for Thailand's A-1 Super 100-percent broken were quoted at \$535 per ton, up \$2 from the week ending February 4.

Price quotes from Vietnam have declined since late February but are unchanged from a month earlier. For the week ending March 5, prices for Vietnam's 5-percent double-water-polished with 5-percent broken were quoted at \$390 per ton, down \$15 from late February, but unchanged from the week ending February 5. Thailand's price quotes for 5-percent broken are currently \$170 per ton above quotes for Vietnam's 5-percent double-water-polished milled rice, little changed from a month earlier.

U.S. prices for long-grain milled rice have increased over the past month, largely due to a strong pace of sales and tightening U.S. supplies. Haiti, Iran, Saudi Arabia, and Ghana have been the top buyers of U.S. long-grain milled rice in 2012/13. For the week ending March 5, prices for high-quality Southern long-grain rice (No. 2, 4-percent broken, bagged, free alongside vessel, U.S. Gulf port) were quoted at \$628 per ton. Δ



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