

Rice Harvested Area Declines In Southern States



ECONOMIC RESEARCH SERVICE
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The 2011/12 U.S. rice production forecast was raised 1.1 million cwt to 188.1 million cwt, down 23 percent from the year-earlier record and the smallest crop since 1998/99. At 7,114 pounds per acre, the average field yield is up 55 pounds from last month's forecast, 6 percent above a year earlier and the second highest on record.

In contrast, the 2011/12 harvested area estimate was lowered 5,000 acres to 2.644 million acres, 27 percent below a year earlier and the smallest since 1987/88.

By class, the long-grain production estimate was raised 665,000 cwt to 124.2 million, down 32 percent from a year earlier and the smallest since 1996/97.

On an annual basis, harvested area declined in all Southern States, partly due to severe flooding in the Delta this spring that prevented planting in some areas. Even prior to planting, growers in the South had indicated smaller plantings in 2011/12 due to stronger relative returns for alternative crops.

In Arkansas, harvested area for 2011/12 is estimated at 1,160 million acres, 35 percent below a year earlier and the smallest since 1989/90. In Mississippi, harvested area is estimated at 184,000 acres – all long-grain, a decline of 39 percent from a year earlier and the lowest since 1983/84. Harvested area in Missouri dropped 46 percent in 2011/12 to just 135,000 acres, the smallest since 1998/99. Louisiana's harvested area is estimated at 415,000 acres, a 22-percent decline from a year earlier and the lowest since 2007/08. Harvested area in Texas dropped 5 percent from last year to 178,000 acres. In contrast, growers in California increased harvested area more than 3 percent from last year to 572,000 acres.

Yields are estimated higher this year in every reported State. The Arkansas average field yield is estimated at 6,850 pounds per acre, up 6 percent from a year earlier. In Missouri, average field yields are estimated at 6,800 pounds per acre, an increase of 5 percent from last year. Mississippi's average yield is estimated at a near-record 7,200 pounds per acre, also up 5 percent from a year earlier. In 2010/11, the Delta experienced record summer heat that reduced yields and lowered milling quality.

In Louisiana, average yields are estimated at 6,200 pounds per acre, an increase of 2 percent from a year earlier and the second highest on record. The average Texas yield is estimated at 7,300 pounds per acre, an increase of 2 percent from a year earlier. California's yield is estimated at 8,300 pounds per acre, an increase of nearly 4 percent from a year earlier, but still 300 pounds below the 2004/05 record.

Rice production is projected to decline in all Southern producing States in 2011/12, a result of smaller plantings.

Condition of the 2011/12

U.S. Rice Crop Rated Higher than Last Month

Progress of the 2011/12 U.S. rice crop is currently behind both last year and the U.S. 5-year average. For the week ending August 7, 58 percent of the 2011/12 rice crop was reported headed, 7 percentage points behind the U.S. 5-

year average and well behind last year's 76 percent.

The overall condition of the U.S. crop has improved from a month earlier, but remains well below a year earlier. For the week ending August 7, 66 percent of the U.S. crop was rated in good or excellent condition, up from 61 percent a month earlier, but below the 72 percent reported a year earlier.

U.S. Total 2011/12 Rice Supply Forecast To Decline 14 Percent

The total U.S. rice supply for 2011/12 is forecast at 257.2 million cwt, up fractionally from last month's forecast, but 14 percent below a year earlier and the smallest since 2008/09.

Beginning stocks of all-rice are forecast at 51.1 million cwt, up 0.5 million cwt from last month, but 40 percent larger than a year earlier. Beginning stocks are the largest since 1987/88.

Total U.S. rice imports for 2011/12 are forecast at 18.0 million cwt, down 1.0 million cwt from last month's forecast, but unchanged from last year's revised forecast.

Medium/short-grain imports remain projected at 2.5 million cwt, unchanged from last year, but well below the 2006/07 record of 6.3 million cwt. Specialty rice from Thailand, classified by the U.S. Census Bureau as medium- and short-grain rice, accounts for the bulk of current U.S. medium- and short-grain imports.

U.S. 2011/12 Export Forecast Lowered 3.0 Million Cwt to 97.0 Million Cwt

Total use of U.S. rice in 2011/12 is projected at 224.0 million cwt, down 3.0 million cwt from last month's forecast and 9 percent below the year-earlier record. Exports account for all of this month's downward revision in all-rice total use.

Total domestic and residual use of all-rice remains projected at 127.0 million cwt for 2011/12, almost 5 percent smaller than the year-earlier record.

Total exports of U.S. rice in 2011/12 are projected at 97.0 million cwt, down 3.0 million cwt from last month's forecast and almost 15 percent below 2010/11.

U.S. 2011/12 Ending Stocks Forecast Raised to 33.2 Million Cwt

U.S. ending stocks of all-rice in 2011/12 are projected at 33.2 million cwt, 3.6 million cwt above last month's forecast, but 35 percent below a year earlier.

The medium/short-grain carryout is projected at 12.3 million cwt, up 1.4 million cwt from the previous forecast and 25 percent larger than a year earlier.

The only revision to the 2010/11 balance sheet was a 0.5 million cwt increase in imports to 18.0 million cwt, still 1.0 million below 2009/10. The revision was based on deliveries through May and expectations regarding deliveries the remainder of the market year.

U.S. Season-Average Price Forecasts for 2011/12

Raised for Long-Grain Rice

The 2011/12 season-average farm price (SAFP) for U.S. long-grain rice is projected at \$12.70-\$13.70 per cwt, up 70 cents on both the high and low ends from last month..

The combined medium- and short-grain 2011/12 U.S. SAFP is projected at \$14.50-\$15.50 per cwt, down \$1.50 on both the high and low ends from last month's forecast.

Last month, NASS reported a mid-July 2011 cash price for long-grain rice of \$11.20 per cwt, up 20 cents from the revised June price. The June price was lowered 20 cents from the mid-month estimate to \$11.00. Δ