

U.S. 2011/12 Import Forecast Raised To 20.0 Million Cwt



ECONOMIC RESEARCH SERVICE

U.S. Department of Agriculture, Washington, DC

Market Outlook on Rice is sponsored by RiceTec, Inc.

The total U.S. 2011/12 rice supply is forecast at 253.5 million cwt, up 1.0 million from last month's forecast, but almost 15 percent below the year-earlier record. In 2011/12, a much smaller crop has more than offset a larger carryin and stronger imports. By class, long-grain total supplies are forecast at 169.6 million cwt, up 1.0 million cwt from last month's forecast, but 24 percent below a year earlier and the smallest since 2000/01. In contrast, combined medium- and short-grain total supplies are forecast at 81.2 million cwt, unchanged from last month but 11 percent larger than a year earlier and the highest since 1983/84. Supplies of broken rice kernels are not specified by class.

The 2011/12 U.S. rice crop remains estimated at 185.0 million cwt, down 24 percent from the year-earlier record and the smallest since 1998/99. Production declined in 2011/12 in all reported States except California.

Beginning stocks of all-rice remain estimated at 48.5 million cwt, 33 percent larger than a year earlier and the largest since 1987/88. The 2011/12 long-grain carryin remains estimated at 35.6 million cwt, 55 percent larger than a year earlier.

Total U.S. rice imports for 2011/12 are forecast at 20.0 million cwt, up 1.0 million cwt from last month's forecast and 5 percent above a year earlier. This is the first year-to-year increase since 2007/08.

Long-grain imports for 2011/12 are projected at 17.5 million cwt, up 1.0 million cwt from last month's forecast and 11 percent larger than a year earlier.

U.S. medium- and short-grain imports remain projected at 2.5 million cwt, virtually unchanged from 2010/11. Specialty rice from Thailand that is classified by the U.S. Census Bureau as medium- and short-grain rice accounts for the bulk of U.S. medium- and short-grain imports.

U.S. 2011/12 Long-grain Export Forecast Lowered to 57.0 Million Cwt

Total use of U.S. rice in 2011/12 remains projected at 213.0 million cwt, 15 percent below the year-earlier record. By class, long-grain total use is projected at 146.0 million cwt, 1.0 million cwt below last month and 22 percent smaller than the year-earlier record.

Total domestic and residual use of all-rice in 2011/12 remains projected at 124.0 million cwt, down 10 percent from the year-earlier record. Much of the year-to-year decline in domestic and residual use is based on expectations of smaller losses in processing, handling, and transporting associated with a smaller crop.

Total exports of U.S. rice in 2011/12 remain

projected at 89.0 million cwt, 26 percent below 2010/11 and the smallest since 2000/01. There were offsetting shifts by class and type this month. The U.S. long-grain export forecast was lowered 1.0 million cwt to 57.0 million cwt, 27 percent below a year earlier.

The smaller long-grain export forecast was offset by a 1.0-million cwt increase in the combined medium- and short-grain export forecast to 32.0 million cwt, still 5 percent below a year earlier. The United States is facing much stronger competition from both Australia and Egypt in the Pacific and Middle East than it did a year earlier.

Through February, U.S. shipments and sales to Mexico have been well ahead of a year earlier, while purchases by Central America are well behind a year earlier. U.S. sales to South America have been quite small thus far in 2011/12.

The weaker rough-rice export forecast was offset by a 1.0-million cwt increase in the U.S. milled-rice export forecast (combined milled and brown rice exports on a rough basis) to 58.0 million cwt. Despite the upward revision, U.S. milled rice exports are 24 percent below a year earlier and the smallest U.S. milled-rice exports since 1985/86.

U.S. ending stocks of all-rice in 2011/12 are projected at 40.5 million cwt, up 1.0 million cwt from last month's forecast, but more than 16 percent below a year earlier.

The medium/short-grain carryout is projected at 14.2 million cwt, down 1.0 million cwt from last month, but up 40 percent from a year earlier and the largest medium and short-grain carryout since 2000/01. Ending stocks of this size are expected to pressure U.S. medium- and short-grain prices downward the remainder of the year.

U.S. 2011/12 Season-Average Price Forecast for Long-Grain Rice Lowered to \$13.20-\$13.80 Cwt

The 2011/12 season-average farm price (SAFP) for U.S. long-grain rice is projected at \$13.20-\$13.80 per cwt, down 20 cents on both the low-end and high-end from last month's forecast. Despite this month's downward revision, the long-grain SAFP remains well above the \$11.00 price in 2010/11. U.S. long-grain prices in 2011/12 are being supported by much smaller U.S. supplies.

The combined medium- and short-grain 2011/12 U.S. SAFP is projected at \$15.40-\$16.00 per cwt, up 20 cents on both the low end and high end from last month's forecast. The midpoint of \$15.70 is \$3.10 below the 2010/11 SAFP of \$18.80 per cwt.

In late February, USDA, National Agricultural Statistics service reported a mid-February U.S. long-grain rough-rice price of \$13.40 per cwt, down 20 cents from a revised January estimate. The January price was lowered 40 cents from the midmonth estimate to \$13.60. For combined medium- and short-grain rice, the mid-February NASS price was reported at \$15.30 per cwt, up 10 cents from the revised January price. The January medium- and short-grain rough-rice cash price was lowered 10 cents from the mid-month estimate to \$15.20 per cwt. U.S. medium and short-grain rough-rice prices have declined \$3.70 per cwt since August. Δ



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