

U.S. Rice Plantings Expected Lowest Since '87-'88



ECONOMIC RESEARCH SERVICE

U.S. Department of Agriculture, Washington, DC

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The 2012/13 U.S. rice crop is forecast at 183.0 million cwt, down 1 percent from a year earlier and the smallest since 1997/98. Combined medium- and short-grain accounts for all of the projected production decline.

The smaller total rice crop forecast is based on an intended 5-percent drop in rice plantings to 2.56 million acres, the smallest since 1987/88.

By class, U.S. long-grain 2012/13 plantings were indicated at 1.86 million acres, up 4 percent from a year earlier. In contrast, medium- and short-grain plantings in 2012/13 were indicated at 697,000 acres, a decline of 22 percent from a year earlier.

The 2012/13 all-rice average yield is forecast at a record 7,225 pounds per acre, an increase of 2-percent from a year earlier. The long-grain 2012/13 average yield is forecast at 6,923 pounds per cwt, up 3.5 percent from a year earlier, but still 58 pounds below the 2007/08 record.

2012/13 U.S. Rice Crop Progress

Remains Ahead of Normal in the Delta

For the week ending May 6, 77 percent of the U.S. rice crop was reported planted, ahead of 52 percent a year earlier and the U.S. 5-year average of 68 percent. Planting was virtually complete across the South, with the Delta's planting pace sharply ahead of normal.

By May 6, 67 percent of the U.S. rice crop had emerged, up from 42 percent a year earlier and the U.S. average of 46 percent. Emergence was well ahead of normal in the Delta and slightly ahead on the Gulf Coast.

For the week ending May 6, 66 percent of the U.S. crop was rated in good or excellent condition, up 1 percentage point from a week earlier. Crop conditions were the highest on the Gulf Coast and lowest in the upper Delta States of Arkansas and Missouri.

U.S. 2012/13 Total Supplies

Projected To Drop to 239.0 Million Cwt

Total supplies of rice in 2012/13 are projected at 239.0 million cwt, a decline of 6 percent from a year earlier and the smallest since 2000/01. In 2012/13, a big decline in carryin and a slightly smaller crop are projected to more than offset higher imports.

Beginning stocks in 2012/13 are forecast at 34.0 million cwt, 30 percent below a year earlier. The 2012/13 long-grain carryin is forecast at 20.1 million cwt, 44 percent smaller than a year earlier.

The 2012/13 U.S. rice crop is forecast to be down 2.0 million cwt from a year earlier, with a 13.1-million cwt drop in medium- and short-grain production more than offsetting an 11.1-million cwt increase in long-grain production.

Total imports for 2012/13 are projected at 22.0 million cwt, an increase of 7 percent from a year earlier and second only to the 2007/08 record. Some of the expected increase is based on much tighter supplies of U.S. rice in 2012/13.

U.S. Rice Exports in 2012/13 Projected To Decline 8 Percent to 89 Million Cwt

Total use of U.S. rice in 2012/13 is projected at 212.0 million cwt, down 8 million cwt from a year earlier, with exports accounting for all of the projected decline in total use.

Total domestic and residual use of all-rice in 2012/13 is projected at 123.0 million cwt, unchanged from a year earlier.

Total exports of U.S. rice in 2012/13 are projected at 89.0 million cwt, down 8.0 million cwt from the 2011/12 revised estimate and the lowest since 2000/01.

U.S. ending stocks of all-rice in 2012/13 are projected at 27.0 million cwt, down 7.0 million cwt from a year earlier and the smallest since 2003/04. The stocks-to-use ratio is calculated at 12.7 percent, down from 15.4 percent in 2011/12. By class, the 2012/13 U.S. long-grain carryout is projected at 16.6 million cwt, down 3.5 million cwt from last year and the smallest since 2003/04. The long-grain stocks-to-use ratio is calculated at 11.0 percent, down from 13.4 percent in 2011/12 and the smallest since 2003/04. The medium/short-grain carryout is projected at 7.7 million cwt, down 3.5 million cwt from a year earlier and the smallest since 1998/99. The medium/short-grain stocks-to-use ratio is calculated at 12.5 percent, down from 16.0 percent in 2011/12 and the lowest since at least 1982/83 when USDA first began reporting supply and use estimates by class.

U.S. 2011/12 Export Forecast

Raised to 97.0 Million Cwt

There were no revisions to the supply side of the 2011/12 balance sheet. On the use side, total exports were raised 5.0 million cwt to 97.0 million cwt, still 13 percent below a year earlier. Rough-rice exports were raised 3.0 million cwt to 35.0 million cwt, with South and Central America accounting for much of the upward revision. Milled rice exports were raised 2.0 million cwt to 62.0 million cwt, with Northeast Asia accounting for much of the upward revision – a result of the timing of the region's annual WTO imports.

Long-grain exports were raised 4.0 million cwt to 62.0 million cwt. Sales have been especially strong over the past month to South America, Central America, and Mexico. Medium- and short-grain exports were raised 1.0 million cwt to a near-record 35.0 million cwt.

Total domestic and residual use forecast remains unchanged at 123.0 million cwt. The stronger export forecasts lowered the 2011/12 export forecast 5.0 million cwt to 34.0 million cwt.

U.S. Rough-Rice Prices

Projected To Be Higher in 2012/13

The 2012/13 season-average farm price (SAFP) for U.S. long-grain rice is projected at \$14.50-\$15.50 per cwt, up from a revised \$13.20-\$13.60 per cwt a year earlier. The midpoint of the 2012/13 long-grain SAFP would be the highest on record. The 2011/12 SAFP projection was raised 10 cents on both the high and low ends from last month's forecast based on reported cash prices through March and expectations regarding prices the remainder of the market year.

The combined medium- and short-grain 2012/13 U.S. SAFP is projected at \$17.25-\$18.25 per cwt, compared with \$15.50-\$15.90 a year earlier. Despite the expected increase, the medium- and short-grain 2012/13 SAFP is well below the 2008/09 record. The higher expected prices for both classes of rice are largely due to much tighter U.S. supplies.

In late April, NASS reported a mid-April U.S. long-grain rough-rice price of \$13.30 per cwt, up 30 cents from the revised March estimate. The March price was lowered 20 cents from the mid-month estimate to \$13.00. For combined medium- and short-grain rice, the mid-April NASS price was reported at \$15.90 per cwt, up 90 cents from the revised March price. The March medium- and short-grain rough-rice cash price estimated was lowered \$1.00 to \$15.00 per cwt. Δ



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