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Rice Outlook

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U.S. 2004/05 Rough Rice Crop Projected at A Record 225.5 Million Cwt

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Approved by the
World Agricultural
Outlook Board.

Revisions this month to the U.S. 2004/05 supply and use tables for rice both increased total supplies and reduced total use, resulting in a big boost in ending stocks. On the supply side, the 2004/05 U.S. rough rice crop projection was raised 3.7 million hundredweight (cwt) to a record 225.5 million cwt based on a higher yield. This raised total supplies more than 1 percent to a near-record 263.7 million cwt.

On the use side, total exports were lowered 3 million cwt to 104 million based on a slower than expected pace of commercial shipments through early October. In addition, *food, industrial, and residual use* was lowered 1 million cwt to 115 million based on expected annual growth. Seed use was reduced slightly. The revisions lowered total use 2 percent to 223 million cwt.

The net result of the supply and use revisions was a 24-percent increase in the ending stocks forecast to 40.7 million cwt, the largest since 1986/87. Despite the larger supplies and the big increase in ending stocks, the 2004/05 season-average farm price (SAFP) remains forecast at \$7.00-\$7.50 per cwt, as reported monthly cash prices were higher in both August and September (mid-month only). Monthly prices will have to decline to achieve the projected SAFP.

Global rice production in 2004/05 remains projected at 397.8 million tons (milled basis), more than 2 percent larger than a year earlier. Higher crop projections for the United States and Turkey were offset by reductions for Brazil and Madagascar. Global ending stocks for 2004/05 are projected at 68.4 million tons, down slightly from last month's forecast and the lowest since 1982/83. Ending stock projections were lowered for Brazil, India, and Thailand, while raised for Indonesia and the United States.

Global rice trade for 2005 was raised fractionally to 25.1 million tons (milled basis), virtually unchanged from a year earlier. On the export side, Thailand's exports were raised while projections for both the United States and Australia were lowered. On the

import side, Brazil's 2005 import projection was raised while projections for Turkey and Peru were lowered.

Export prices for most grades of Thailand's milled white rice have increased \$3-\$7 per ton since late September in response to an announced higher government intervention (purchase) price. However, Thailand's export prices remain below a month earlier, largely due to a lack of new sales. Vietnam's prices have declined over the past month due to a lack of fresh demand and the upcoming harvest of its Tenth Month crop. U.S. prices for long grain milled rice have declined over the past month, a result of a record harvest and weak demand from offshore buyers. However, the U.S. price difference over Thailand is still nearly \$100 per ton.

Domestic Outlook

U.S. 2004/05 Rice Crop Revised Up To a Record 225.5 Million Cwt

The 2004/05 U.S. rough rice crop is projected at a record 225.5 million hundredweight (cwt), up almost 2 percent from last month's forecast and 13 percent larger than a year earlier. The upward revision is based on a higher yield. The average yield was raised 112 pounds per acre to a record 6,763 pounds, 2 percent above a year earlier and the fourth consecutive record yield. Harvested area remains estimated at 3.33 million acres, 11 percent above a year earlier.

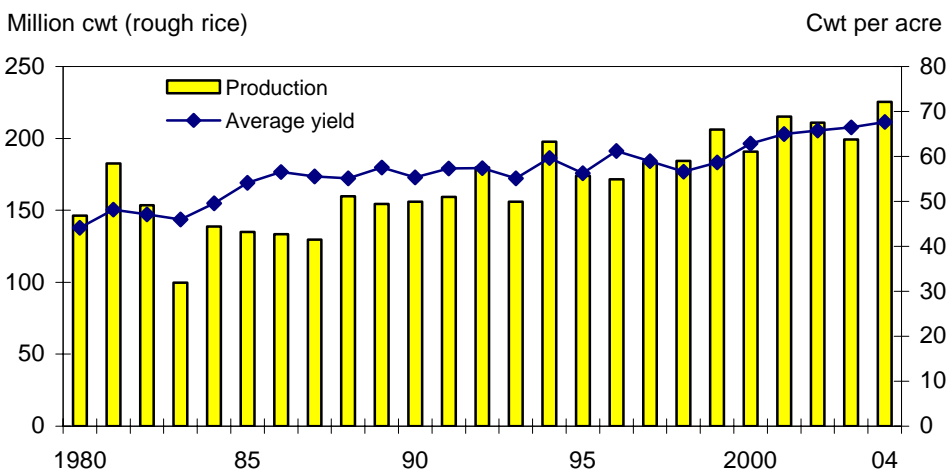
Long grain accounts for most of this month's upward revision in production. Long grain production is forecast at 165.3 million cwt, up almost 2 percent from last month's forecast and 11 percent larger than a year earlier. This is the second largest long grain crop on record. Medium grain production is projected at 56.8 million cwt, up about 2 percent from last month and 20 percent larger than a year earlier. Short grain production—projected at 3.36 million cwt—is up about 2 percent from last month's forecast and 24 percent larger than a year earlier. Almost all short grain rice is grown in California.

This month, the U.S. Department of Agriculture (USDA) raised its production forecasts for Arkansas, California, and Texas based on higher yield projections. Arkansas accounts for 62 percent of the 3.76-million-cwt upward revision in U.S. rice production. California accounts for most of the remainder.

Production is projected higher in 2004/05 in all reported States, with record crops projected for Arkansas and California. These two States account for most of the year-to-year production increase. The Arkansas rice crop is projected at a record 106.1 million cwt, up 11 percent from a year earlier. Larger plantings account for most of the production increase. The yield—projected at a record 6,800 pounds per acre—is up 3 percent from last year.

Figure 1

U.S. rice production is projected at a record 225.5 million cwt in 2004/05

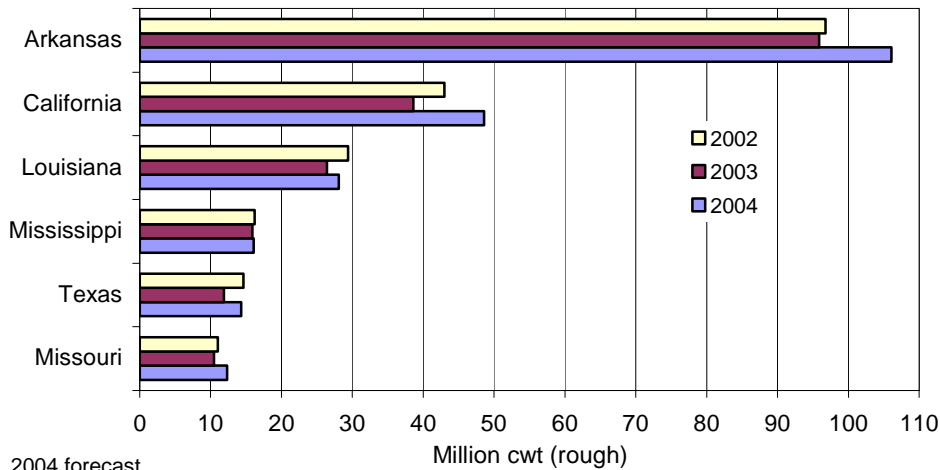


2004 forecasts.

Source: NASS, USDA.

Figure 2

Arkansas and California account for most of the increase in rice production in 2004



California’s 2004/05 crop is projected at a record 48.6 million cwt, nearly 26 percent larger than a year earlier. Plantings are up more than 18 percent and the yield—projected at 8,100 pounds per acre—is more than 6 percent higher than a year earlier. Last year, California experienced severe weather problems.

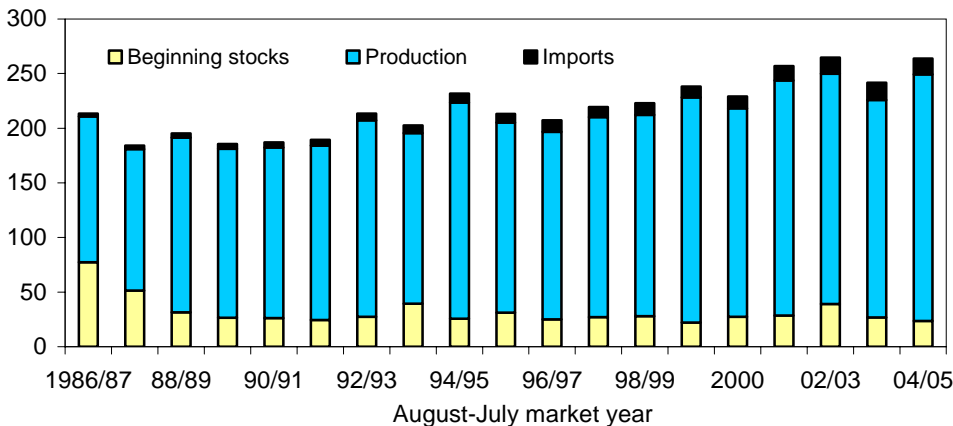
Rice production in Louisiana is projected at 28.1 million cwt, an increase of more than 6 percent from a year earlier. Expanded plantings account for all of the production increase. The yield of 5,300-pounds-per-acre is nearly 10 percent below a year earlier. At 14.3 million cwt, the 2004/05 Texas rice crop is up almost 21 percent from a year earlier, a result of greater plantings. The yield—projected at 6,600 pounds per acre—is unchanged from a year earlier. Both Texas and Louisiana experienced severe rains and wind early in the growing season. Missouri’s rice crop is projected at 12.3 million cwt, an increase of almost 18 percent from a year earlier, a result of an almost 14 percent increase in plantings and a record yield of 6,350 pounds per acre. The crop is the second largest on record. Mississippi’s rice crop is projected at 16.1 million cwt, up 1 percent from a year earlier. A fractional decline in plantings was more than offset by a record yield of 6,900 pounds per acre.

Total supplies for 2004/05 are projected at a record 263.7 million cwt, up 3.7 million cwt from last month’s forecast and 9 percent larger than a year earlier. A fractional decline in beginning stocks was more than offset by the larger crop forecast. Beginning stocks are estimated at 23.7 million cwt, nearly 12 percent below a year earlier. Imports remain forecast at 14.5 million cwt, down 7 percent from the 2003/04 record. Medium/short grain accounts for all of the year-to-year decline in imports. Most U.S. medium/short grain imports are purchased by Puerto Rico.

Figure 3

Total U.S. rice supplies are projected at a near-record 263.7 million cwt in 2004/05

Million cwt (rough basis)



2003/04 and 2004/05 forecasts.

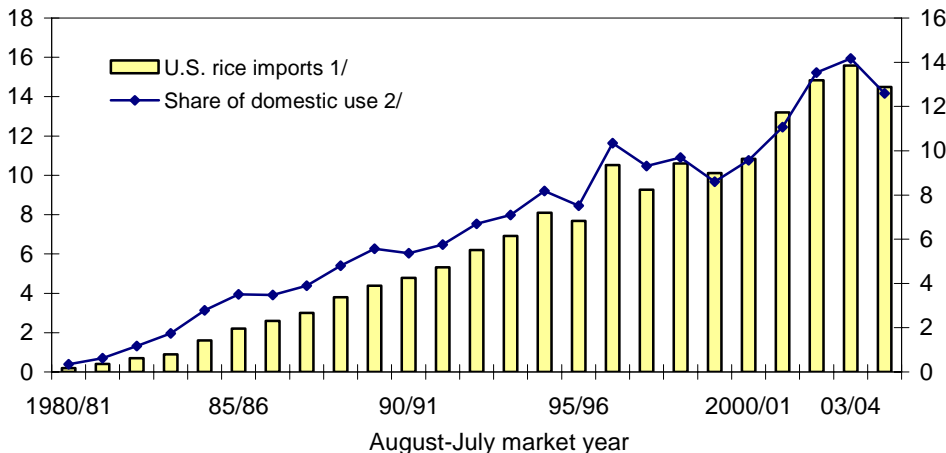
Source: ERS/USDA.

Figure 4

U.S. rice imports are projected to decline in 2004/05

Million cwt (rough basis)

Percent



1/ Includes imports by U.S. territories. 2/ Does not include seed use.

Sources: 1980/81-2002/03 import data, Bureau of the Census.

2003/04 and 2004/05 USDA forecasts.

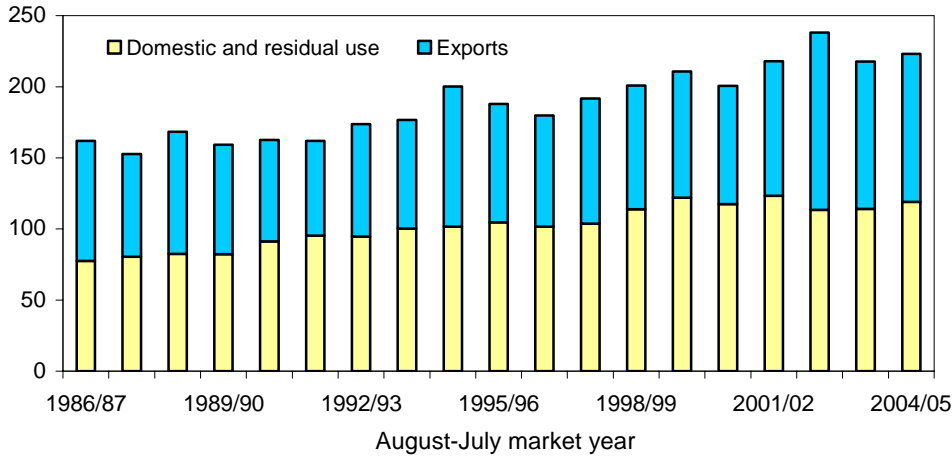
U.S. 2004/05 Export Projection Lowered to 104 Million Cwt

Total use for 2004/05 is projected at 223 million cwt, 4.1 million cwt below last month's forecast but more than 2 percent above a year earlier. Both exports and domestic and residual use were lowered this month. Exports are projected at 104 million cwt, down 3 million from last month's forecast but virtually unchanged from the year-earlier revised level. The export forecast was lowered this month based on commercial shipments through early October reported in *U.S. Export Sales* and expectations of weaker shipments to some Western Hemisphere markets.

Figure 5

Total U.S. rice use is projected to remain below the 2002/03 record

Million cwt (rough basis)

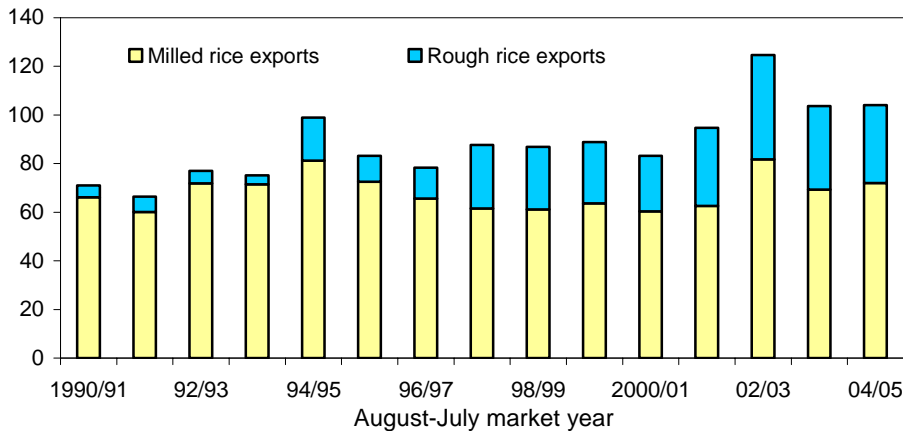


2003/04 and 2004/05 forecasts.
Source: ERS/USDA.

Figure 6

U.S. rough rice exports are projected to decline in 2004/05

Million cwt (rough basis)

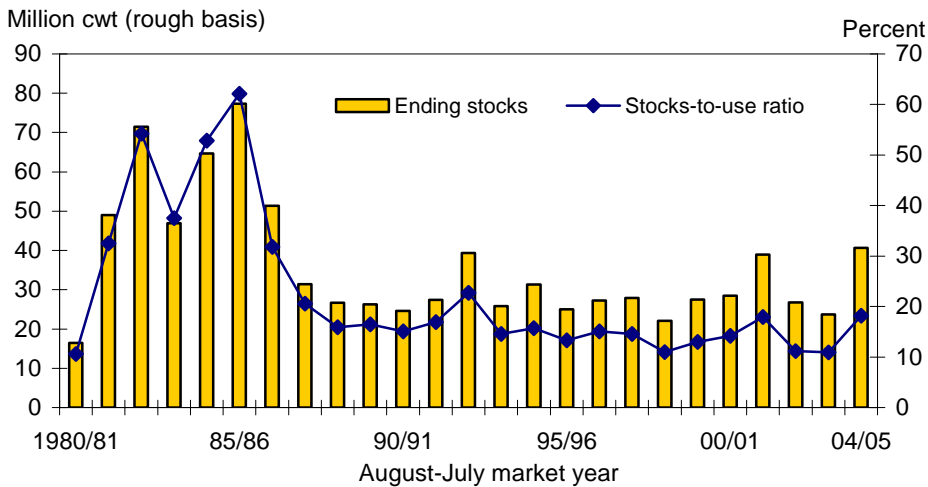


Sources: 1990/91 to 2002/03, Bureau of the Census; 2003/04 and 2004/05 USDA projections.

Rough rice accounts for all of the downward revision in exports. Rough rice exports for 2004/05 are projected at 32 million cwt, down 3 million cwt—all long grain—from last month’s forecast and 7 percent below a year earlier. Expectations of much weaker shipments to Brazil account for most of the year-to-year decline in U.S. rough rice exports. Combined milled and brown rice exports (on a rough-rice basis) remain projected at 72 million cwt, up 4 percent from a year earlier. Expanded exports of milled and brown rice in 2004/05 are based on expectations that the United States will increase shipments to Sub-Saharan Africa and the Middle East, two regions where the United States typically faces stiff competition with Asian exporters.

Figure 7

U.S. ending stocks are projected to be the highest since 1986/87



Sources: 1980/81-2002/03, NASS/USDA; 2003/04 and 2004/05 projections, WAOB/USDA.

Total domestic and residual use is projected at 119 million cwt, down 1.1 million from last month but 4 percent larger than a year earlier. *Food, industrial, and residual use* is projected at 115 million cwt, down 1 million from last month's forecast but still nearly 5 percent larger than the year earlier revised level. Seed use is projected at 4 million cwt, a drop of almost 2 percent from last month's forecast and more than 4 percent below a year earlier.

Ending stocks for 2004/05 are projected at 40.7 million cwt, up 7.8 million cwt from last month's forecast and nearly 72 percent larger than a year earlier. These are the highest ending stocks since 1986/87. The resulting stocks-to-use ratio of 18.2 percent is up from 14.5 percent last month and the highest since 1992/93.

According to the *U.S. Export Sales* report (Foreign Agricultural Service, USDA), for the week ending September 30, 2004, combined outstanding sales and commercial exports of U.S. rice totaled 850,300 tons (product-weight), 22 percent below a year earlier. Outstanding sales were reported at 492,100 tons, 14 percent below a year earlier. Exports were reported at 358,200 tons, 31 percent below a year earlier. Commercial shipments through September 30 were behind last year's pace to the European Union (EU), Sub-Saharan Africa, Haiti, Honduras, and Mexico. In contrast, commercial shipments were ahead of last year's pace to Nicaragua, South Korea, Saudi Arabia, and Jordan. The pace of U.S. sales and shipments has increased over the past 3 weeks, with the combined increase in net sales and shipments exceeding 100,000 tons per week since the week ending September 16.

U.S. 2004/05 Long Grain Export Forecast Lowered to 79 Million Cwt

Total U.S. 2004/05 long grain supplies are projected at 185.9 million cwt, up 2.7 million from last month's forecast and almost 7 percent larger than a year earlier. The larger crop forecast accounts for all of this month's upward revision in long grain supplies. On an annual basis, a bumper crop and record imports more than offset smaller beginning stocks. Beginning stocks of 10.3 million cwt are 34

percent below a year earlier. The 165.3-million-cwt long grain crop is 11 percent above a year earlier and the second largest on record. Long grain imports remain projected at a record 10.25 million cwt, nearly 5 percent larger than a year earlier. Nearly all U.S. long grain imports are Asian aromatic rices—jasmine rice from Thailand plus basmati rice from India and Pakistan.

Total long grain use is projected at 163 million cwt, down 3 million from last month's forecast and about 1 percent smaller than a year earlier. Exports account for all of this month's reduction in total long grain use. At 79 million cwt, long grain exports are down 3 million cwt from last month's forecast and 2 percent below the year-earlier revised level. Latin America, Europe, Sub-Saharan Africa, and the Middle East (mostly Saudi Arabia) are the top export markets for U.S. long grain rice. Total domestic and residual use of long grain rice remains projected at 84 million cwt, up less than 1 percent from a year earlier.

Ending stocks of long grain are projected at 22.9 million cwt, up 34 percent from last month's forecast and 121 percent higher than a year earlier. The stocks-to-use ratio of 14 percent is up from 6.3 percent a year earlier. Larger supplies and expectations of higher ending stocks are expected to put downward pressure on long grain prices throughout the remainder of 2004/05.

Total U.S. supplies of combined medium/short grain rice in 2004/05 are projected at 76.8 million cwt, up 1 million from last month's forecast and 16 percent larger than a year earlier. These are the largest supplies since 1983/84. The larger crop projection accounts for all of the monthly increase in medium/short grain supplies. On an annual basis, a larger crop and bigger carryin more than offset smaller imports.

At 12.4 million cwt, 2004/05 beginning stocks of medium/short grain rice are 33 percent above a year earlier. The medium/short grain crop forecast of 60.2 million cwt is up 1 million cwt from last month's forecast and 20 percent larger than a year earlier. This year's larger crop forecast is primarily due to a record California crop. Combined medium/short grain imports—projected at 4.25 million cwt—are down almost 27 percent from the 2003/04 revised record.

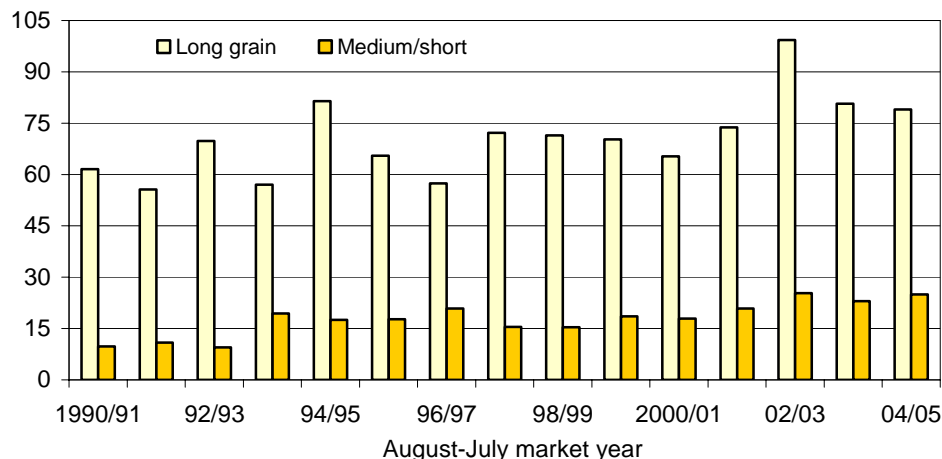
Total use of medium/short rice is projected at 60 million cwt, down almost 1.1 million from last month's forecast but 12 percent higher than a year earlier. A smaller domestic and residual use projection accounts for all of this month's downward revision. Total domestic and residual use of medium/short grain rice is projected at 35 million cwt, down 3 percent from last month's forecast but 14 percent larger than a year earlier. The annual increase is based on expectations of greater use of medium/short grain rice in processed foods and products. Exports remain projected at a near-record 25 million cwt, 9 percent larger than a year earlier. The year-to-year increase is based on near-record U.S. supplies, lower prices, and another year of tight supplies in Australia—a major U.S. competitor in the global medium/short grain market.

Ending stocks of medium/short grain rice are projected at 16.8 million cwt, up 2.1 million cwt from last month and 36 percent larger than a year earlier. These are the highest ending stocks of medium/short grain rice since 1986/87. The stocks-to-use ratio is projected at 28 percent, the highest since 1992/93. The combination of much larger supplies, expectations of a large carryover, and a high stocks-to-use

Figure 8

Medium/short grain U.S. exports are projected to increase in 2004/05

Million cwt (rough basis)



Source: 1990/91 to 2002/03, Bureau of the Census; 2003/04 and 2004/05 USDA projections.

ratio are expected to lower medium/short grain prices substantially from 2003/04 levels.

There were minor revisions to the 2003/04 U.S. rough rice balance sheet this month based on year-end trade data from the Census Bureau and a revised milling rate. Imports for 2003/04 were lowered 1 percent to 15.6 million cwt, with long grain accounting for all of the decline. Exports were raised 1.7 million cwt to 103.7 million with long grain accounting for nearly all of the increase. Ending stocks were lowered fractionally to 23.7 million cwt due to the milling rate revision. The 2003/04 milling rate was raised to 70.8 percent from 70.5 percent based on reported millings through July 2004.

Despite Record Harvest, Monthly Reported Cash Prices Show No Decline

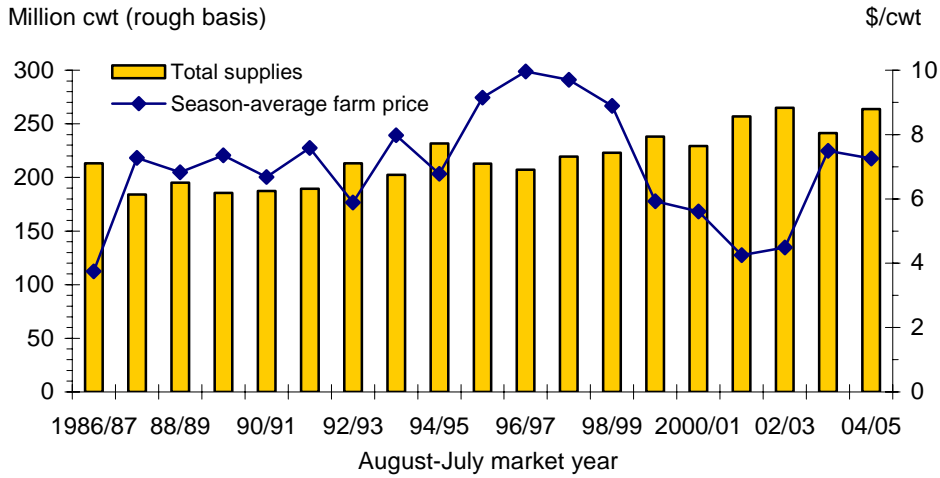
The 2004/05 U.S. season-average farm price (SAFP) remains projected at \$7.00-\$7.50 per cwt, compared with \$7.49 for a year earlier. Despite expectations of a record U.S. crop, monthly reported cash prices for rough rice have increased since the start of the 2004 harvest. Last month, USDA raised the August price to \$8.85 from a preliminary \$8.49 and reported a mid-month price of \$9.00 for September.

Monthly prices will have to decline to achieve the projected SAFP of \$7.00-\$7.50 per cwt. However, marketing of the 2004 crop is well behind last year's pace, which will reduce the impact of the early-season high prices on the 2004/05 SAFP. The weak marketings to-date are the result of a wait-and-see attitude among producers as buyers and sellers are waiting for more price information.

Quotes for long grain rough rice in Texas and Louisiana are down slightly from a month earlier. For the week ending October 5, price quotes for 2004 long grain rough rice were around \$7.75 per cwt in Southwest Louisiana, down 22-25 cents from a month earlier.

Figure 9

The U.S. 2004/05 season-average farm price is projected to be \$7.00-\$7.50



2004/05 mid-point of \$7.00-\$7.50 projection range.

Sources: 1986/87 to 2003/04 NASS/USDA; 2004/05 USDA projections.

In Texas, long grain rough rice was quoted at \$8.28 per cwt, down about 15 cents from a month earlier. Reporting of rough rice price quotes in the Delta began late last month, with prices quoted at \$6.35 per cwt. Prices were quoted slightly higher in early October. There have been virtually no quotes for 2004 California or southern medium grain rice.

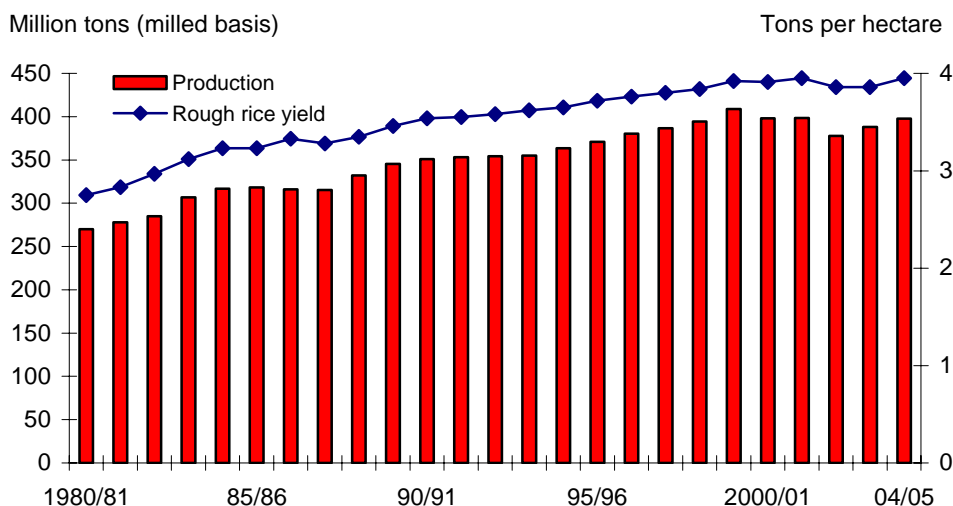
International Outlook

Production Forecasts for 2004/05 Cut for Brazil, Raised for the United States & Turkey

Global rice production in 2004/05 is projected at 397.8 million tons (milled basis), virtually unchanged from last month but more than 2 percent larger than a year earlier. Both area and yield are projected to be higher in 2004/05. However, production still remains below the 1999/2000 record of 408.7 million tons. Global consumption is projected at 413.4 million tons, up slightly from last month and virtually unchanged from the year-earlier record. Consumption forecasts were raised this month for both Brazil and India.

Figure 10

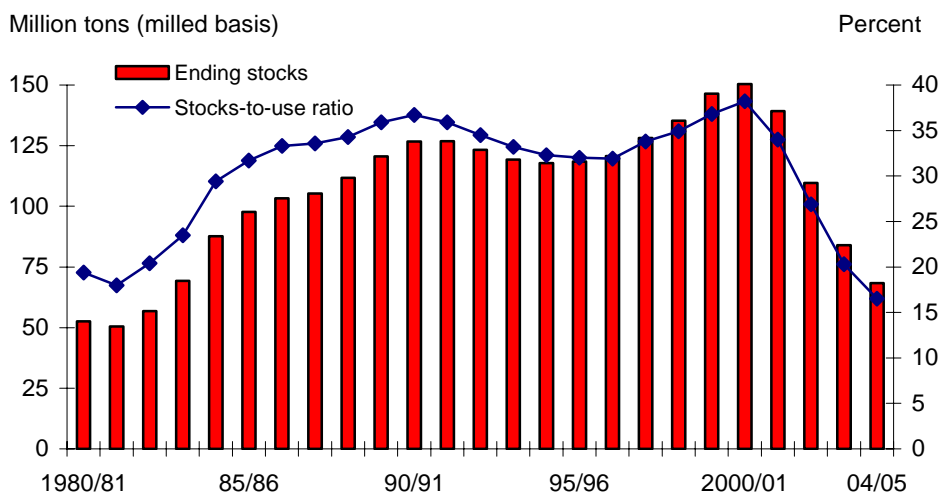
Global rice production remains below the 1999/2000 record



2003/04 and 2004/05 are USDA forecasts. Sources: Historic estimates, FAS/USDA.

Figure 11

Global ending stocks are projected to be the smallest since 1982/83



2003/04 and 2004/05 are USDA forecasts. Sources: Historic estimates, FAS/USDA.

Global ending stocks for 2004/05 are projected at 68.4 million tons, down about 300,000 tons from last month's forecast and almost 19 percent below a year earlier. Ending stocks forecasts were lowered this month for Brazil, India, and Thailand, while raised for the United States and Indonesia. Global ending stocks are the lowest since 1982/83. At 16.5 percent, the stocks-to-use ratio is the lowest since 1976/77.

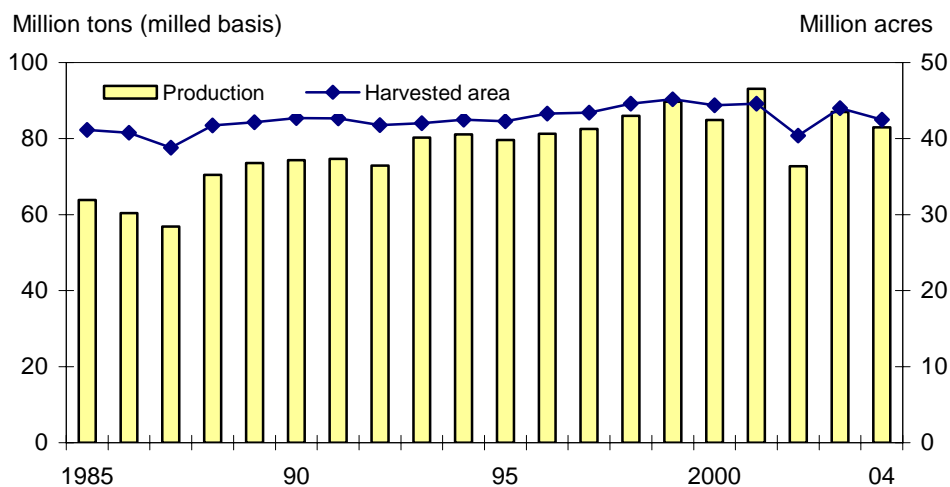
Brazil, Turkey, Madagascar, and the United States account for the bulk of 2004/05 production revisions this month. In addition, revisions were made for several minor rice producing countries, mostly in Sub-Saharan Africa. Brazil's 2004/05 production forecast was lowered 200,000 tons to 7.9 million based on a 200,000 hectare cut in area to 3.3 million hectares. The yield was raised slightly. Low rice prices, high input costs, and drought in Rio Grande de Sol are behind Brazil's weaker area forecasts. Mexico's 2004/05 crop forecast was lowered 6 percent to 183,000 tons based on a lack of rainfall in key growing States that reduced plantings. Smaller crop reductions were made this month for Angola, Guinea-Bissau, and Zambia.

Offsetting these reductions were several upward revisions. First, the 2004/05 U.S. crop forecast was raised 120,000 tons to 7.16 million, a result of a higher yield. Second, Turkey's crop forecast was raised 75,000 tons to a record 350,000 based on larger area. Finally, Sierra Leone's 2004/05 crop projection was raised slightly to 248,000 tons based on a higher yield.

On an annual basis, a big increase in rice production in 2004/05 in China, plus larger crops in Egypt, Indonesia, Japan, South Korea, Pakistan, the Philippines, Thailand, the United States, and Vietnam are projected to more than offset production declines in India, Burma, Brazil, and Bangladesh. A 12-percent increase in China's 2004/05 crop to 126 million tons is largely due to recent policy changes promoting increased grain production. In India, a delayed Southwest monsoon is responsible for a nearly 5-percent drop in production to 83 million tons.

Figure 12

India's 2004/05 rice production is projected to decline 5 percent



2003/04 estimates; 2004/05 projections. Sources: FAS/USDA.

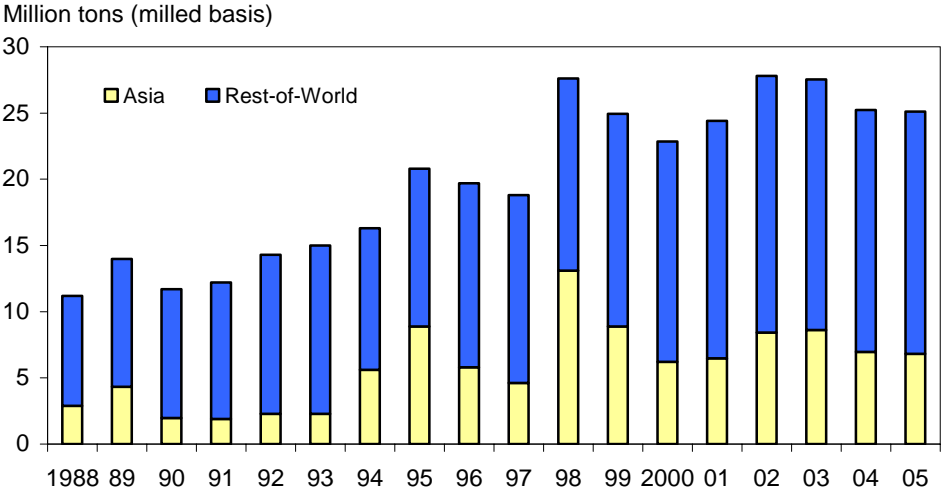
The 2003/04 global production estimate was raised 1 million tons to 388.1 million, nearly 3 percent larger than a year earlier. India accounts for the largest share of this month's upward revision. India's crop was raised 600,000 tons to 87 million based on government data indicating a higher yield. There were two other significant upward revisions. First, Indonesia's crop was raised 350,000 tons to 34.6 million tons based on a fractionally higher yield. And second, Brazil's production was raised 108,000 tons to a record 8.71 million, also based on a higher yield. In addition, there were minor production revisions for several Sub-Saharan African countries.

***Export Projections for 2005 Raised for Thailand;
Cut for Australia & the United States***

Global rice trade for calendar year 2005 is projected at 25.1 million tons (milled basis), up 125,000 tons from last month's forecast but virtually unchanged from a year earlier. Global rice trade remains below the 2002 record of 27.9 million tons. The weaker trade level is primarily due to several years of stagnant-to-declining import demand from several top Asian buyers—primarily Indonesia, the Philippines, and Bangladesh.

There were three revisions to 2005 exports. First, Thailand's exports were raised 250,000 tons to 8.75 million based on tight supplies in other Asian exporting countries, especially in China and India. Second, the U.S. export forecast was lowered 50,000 tons to 3.35 million based on weaker-than-expected demand from Western Hemisphere markets. Finally, Australia's export forecast was lowered 50,000 tons to 300,000 based on another year of tight supplies. On the import side, the 2005-import projection for Brazil was raised 200,000 tons to 700,000 based on smaller production. Offsetting this upward revision were two reductions. First, Turkey's 2005-import forecast was lowered 50,000 tons to 250,000 based on a bumper crop and continued import restrictions. And second, Peru's imports were lowered 30,000 tons to 70,000 based on a weaker-than-expected pace of shipments in 2004.

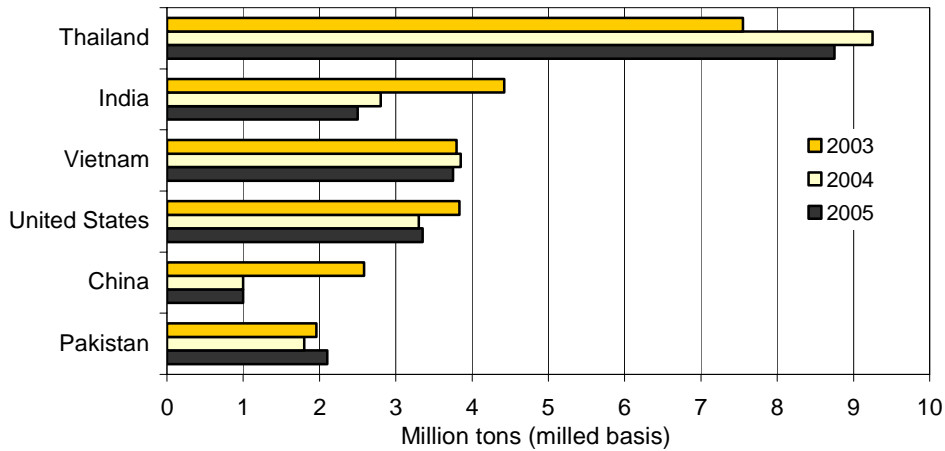
Figure 13
Global rice imports remain below the 2002 record of 27.8 million tons



2004 and 2005 are forecasts. Source: FAS/USDA.

Figure 14

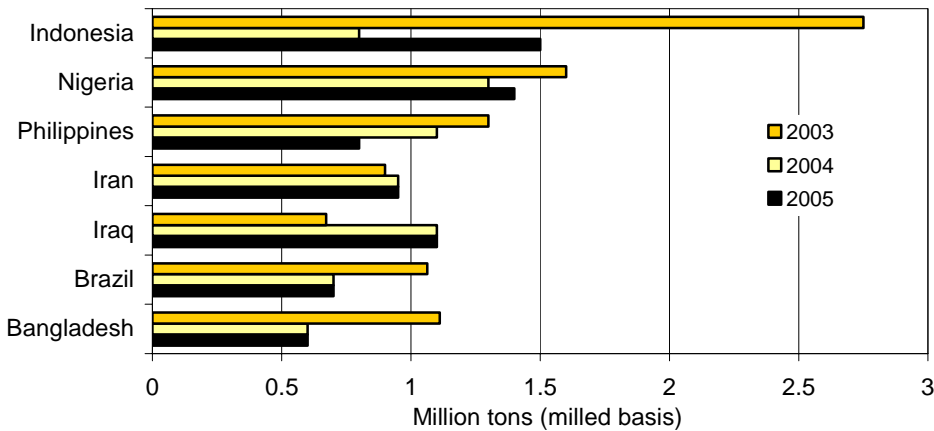
Thailand is projected to export a record 9.25 million tons of rice in 2004



These six countries account for more than 85 percent of global rice exports. 2004 and 2005 are projections. Source: FAS/USDA.

Figure 15

Indonesia and Nigeria are projected to increase imports in 2005



2004 and 2005 are projections. These six countries account for about a third of global rice imports.

For 2004, global rice trade is projected at 25.2 million tons, up 322,000 from last month's forecast but more than 8 percent below a year earlier. On the export side, Thailand's 2004 exports were raised 250,000 tons to a record 9.25 million (the largest amount of rice exported by any country) based on shipment pace. Vietnam's exports were raised 100,000 tons to 3.85 million based on a higher export goal set by the government and the removal of the ban on new export sales. In contrast, Australia's export forecast was reduced 25,000 tons to 275,000 based on shipment pace.

There were four upward revisions in 2004-import forecasts this month. Brazil's imports were raised 200,000 tons to 700,000; Saudi Arabia's increased 100,000 to

1.3 million; the Philippines raised 100,000 tons to 1.1 million; and Malaysia's increased 50,000 tons to 700,000. In contrast, Madagascar's imports were lowered 100,000 tons to 100,000; Peru's imports were cut 70,000 tons to 80,000; Mozambique's lowered 50,000 tons to 150,000; and the Dominican Republic's imports reduced 25,000 tons to 125,000 (still a record). There were additional revisions to several smaller importers in Sub-Saharan Africa. The 2004 revisions are based on delivery pace.

Higher Government Intervention Price Pushes Thailand's Export Prices Up

Export prices for most grades of Thailand's milled white rice have increased \$3-\$7 per ton since late September in response to an announced higher intervention (government purchase) price for the 2004/05 rice crop. The intervention program for the current crop begins on November 1. Besides the upcoming government purchases, there is nothing else pushing Thailand's prices higher, with import demand lackluster. In fact, the recent price increase has reduced Thailand's competitiveness compared with other Asian sources. Even with the recent increase, Thailand's export prices remain below a month earlier, a result of weak global demand.

Prices for Thailand's 100 percent Grade B (FOB vessel, Bangkok) were quoted at \$243 per ton for the week ending October 4, up \$7 from a week earlier but still \$11 below early September. Prices for Thailand's 5 percent brokens were quoted at \$238 per ton, up \$6 from late September but \$2 below a month earlier. Prices for Thailand's low-quality (100 percent brokens) A-1 Special were quoted at \$202 per ton for the week ending October 4, up \$4 from a week earlier but still \$10 below early September.

Like regular milled rice, price quotes for parboiled rice have increased since late September but remain below a month earlier. For the week ending October 4, prices for Thailand's 5 percent parboiled were quoted at \$248 per ton, up \$4 from late September but down \$11 from a month earlier. Many buyers of parboiled rice are shifting to India due to India's lower prices.

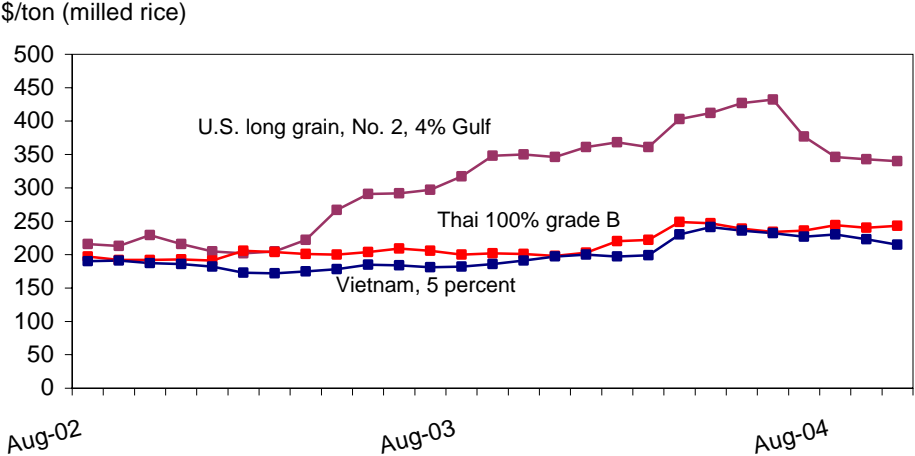
Vietnam's prices have declined over the past month due to a lack of fresh demand and the upcoming harvest of its Tenth Month crop. In late September, the government removed its moratorium on new export sales. Price for Vietnam's 5 percent brokens (FOB vessel, Ho Chi Minh City) were quoted at \$215 per ton for the week ending October 5, down \$13 from a month earlier and the lowest since February. Vietnam's rice is currently selling at a \$20-\$25 per ton discount to Thailand for similar grades of rice.

U.S. prices for long grain milled rice have declined over the past month, a result of a record harvest and weak demand from offshore buyers. For the week ending October 5, prices for high quality U.S. southern long grain (No. 2, 4 percent brokens, bagged, FAS vessel, Gulf Coast port) were quoted in the *Creed Rice Market Report* at \$325 per ton, down \$6 from early September. U.S. price quotes have dropped about \$95 per ton since early June. Despite the decline, U.S. prices (FOB vessel) are still about \$100 per ton above prices for comparable grades of

Thailand's rice. U.S. rice is typically competitive with Thailand's rice, a \$35-\$50 per ton difference.

Price quotes for 2004-crop California medium grain rice (package quality, bagged, FOB truck, California mill) were reported at \$485 per ton for the week ending October 5, up \$17 from a month earlier and well above current price quotes for remaining 2003-crop California rice. However, very little of the 2004 California crop has been marketed and little price information will be available until Japan begins its 2004/05 minimum access purchases later this month. Harvest of the California crop began in early September. In both the text and tables of this report, export price quotes for U.S. long and medium grain rice are from the weekly *Creed Rice Market Report*.

Figure 16
The U.S. price difference over Thailand exceeds \$100 per ton



All prices quoted "free-on-board" vessel at local port.
 Sources: Thai prices, U.S. Ag Counselor, Bangkok; U.S. and Vietnam's prices, *Creed Rice Market Report*.

Contacts and Links

Contact Information

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Data

Monthly tables from *Rice Outlook* are available in Excel (.xls) spreadsheets at <http://www.ers.usda.gov/Briefing/Rice/Data/data.htm>. These tables contain the latest data on the production, use, prices, and trade.

Recent Reports

China: A Study of Dynamic Growth. China's rapid economic growth has been driven by high rates of investment, gains in productivity, and liberalized foreign trade and investment. China's growth is likely to continue, but the Chinese economy faces some possibly unsustainable pressures. The report is available at <http://www.ers.usda.gov/publications/WRS0408/>

Rice Sector Policies in Japan provides a detailed description and analysis of policies used by Japan to support its rice producers. The report is available at <http://www.ers.usda.gov/publications/rcs/mar03/rcs030301/>.

Related Websites

Rice Briefing Room, <http://www.ers.usda.gov/Briefing/Rice>
WASDE, <http://usda.mannlib.cornell.edu/usda/reports/waobr/wasde-bb/>
Grain Circular, http://www.fas.usda.gov/grain_arc.html

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Table 1--U.S. rice supply and use 1/

Item	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05 2/
TOTAL RICE						
Area	Million acres					
Planted	3.531	3.060	3.334	3.240	3.022	3.364
Harvested	3.512	3.039	3.314	3.207	2.997	3.334
	Pounds per harvested acre					
Yield	5,866	6,281	6,496	6,578	6,645	6,763
	Million cwt					
Beginning stocks	22.1	27.5	28.5	39.0	26.8	23.7
Production	206.0	190.9	215.3	211.0	199.2	225.5
Imports	10.1	10.9	13.2	14.8	15.6	14.5
Total supply	238.2	229.2	256.9	264.8	241.5	263.7
Food, industrial, & residual 3/	118.1	113.4	119.3	109.7	110.0	115.0
Seed	3.8	4.1	4.0	3.7	4.2	4.0
Total domestic use	121.9	117.5	123.3	113.4	114.1	119.0
Exports	88.8	83.2	94.7	124.6	103.7	104.0
Rough	25.2	22.8	32.2	42.8	34.4	32.0
Milled 4/	63.6	60.4	62.5	81.8	69.3	72.0
Total use	210.7	200.7	218.0	238.0	217.8	223.0
Ending stocks	27.5	28.5	39.0	26.8	23.7	40.7
	Percent					
Stocks-to-use ratio	13.0	14.2	17.9	11.2	10.9	18.2
	\$/cwt					
Average farm price 5/	5.93	5.61	4.25	4.49	7.49	7.00 to 7.50
	Percent					
Average milling rate	69.6	68.6	68.8	68.3	70.8	70.0

1/ August-July market year; rough equivalent. 2/ Projected. 3/ Residual includes unreported use, processing losses, and estimating errors. 4/ Rough rice equivalent. 5/ Market year weighted average
Source: World Agricultural Supply and Demand Estimates, WAOB, USDA.
Updated October 12, 2004.

Table 2--U.S. rice supply and use, by class 1/

Item	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05 2/
LONG GRAIN						
Million acres						
Planted	2.731	2.206	2.713	2.537	2.332	
Harvested	2.718	2.189	2.697	2.512	2.310	
Pounds per harvested acre						
Yield	5,587	5,882	6,213	6,260	6,451	
Million cwt						
Beginning stocks	14.1	15.6	11.6	26.8	15.7	10.3
Production	151.9	128.8	167.6	157.2	149.0	165.3
Imports	7.6	8.8	9.2	10.0	9.8	10.3
Total supply	173.5	153.1	188.3	194.1	174.5	185.9
Domestic use 3/	87.6	76.2	87.7	79.1	83.4	84.0
Exports	70.3	65.3	73.8	99.3	80.7	79.0
Total use	157.9	141.5	161.6	178.4	164.2	163.0
Ending stocks	15.6	11.6	26.8	15.7	10.3	22.9
Percent						
Stocks-to-use ratio	9.9	8.2	16.6	8.8	6.3	14.0
MEDIUM & SHORT GRAIN						
Million acres						
Planted	0.800	0.854	0.621	0.703	0.690	
Harvested	0.794	0.850	0.617	0.695	0.687	
Pounds per harvested acre						
Yield	6,822	7,308	7,733	7,729	7,299	
Million cwt						
Beginning stocks	6.8	10.4	15.6	10.7	9.3	12.4
Production	54.2	62.1	47.7	53.7	50.1	60.2
Imports	2.5	2.1	4.0	4.8	5.8	4.3
Total supply 4/	63.3	74.8	67.1	68.9	66.0	76.8
Domestic use 3/	34.3	41.3	35.5	34.3	30.7	35.0
Exports	18.6	17.9	20.9	25.3	23.0	25.0
Total use	52.9	59.2	56.4	59.6	53.7	60.0
Ending stocks	10.4	15.6	10.7	9.3	12.4	16.8
Percent						
Stocks-to-use ratio	19.7	26.3	18.9	15.6	23.0	28.0
Ending stocks difference 1/	1.4	1.2	1.5	1.8	1.0	1.0

1/ Stock totals by type omit broken, which are included in total stocks for all types of rice in table 1.

2/ Projected. 3/ Includes residual. 4/ Accounts for the difference in beginning and ending stocks of broken. Thus, total supply of medium/short grain may not equal the sum of beginning stocks, production, and imports.

Source: World Agricultural Supply and Demand Estimates, WAOB, USDA.

Updated October 13, 2004.

Table 5--U.S. rice exports 1/

Country or region	2004/05 as of 9/30/04	2003/04 as of 10/2/03	2003/04 Market year	2002/03 Market year	2001/02 Market year	2000/01 Market year
1,000 metric tons						
European Union 25	89.1	90.7	259.6	385.2	336.3	363.5
Other Europe	10.0	9.5	14.6	25.8	14.6	13.2
Turkey	0.0	15.0	59.6	209.9	141.3	170.8
Former Soviet Union	0.4	0.3	1.8	55.7	59.7	0.7
NORTHEAST ASIA	95.4	56.4	507.0	532.6	379.4	296.4
Japan	7.9	7.3	355.9	387.8	349.3	296.4
South Korea	30.0	0.0	55.2	40.1	30.1	0.0
Taiwan	57.5	49.1	95.9	104.7	0.0	0.0
OTHER ASIA & MIDDLE EAST	124.3	147.0	247.1	312.2	238.2	318.1
Indonesia	0.1	0.2	0.6	90.7	0.2	23.2
Jordan	19.6	1.7	17.9	18.7	23.7	13.7
Philippines	58.0	117.8	117.8	38.3	35.8	104.4
Saudi Arabia	0.0	16.2	80.8	115.7	101.0	140.1
AFRICA	53.6	43.2	72.0	219.3	181.2	181.6
Algeria	0.0	0.0	0.0	21.0	16.3	3.0
Cote d'Ivoire	15.0	0.0	0.8	29.9	13.7	12.3
Ghana	25.7	14.0	38.1	70.5	77.4	72.6
Liberia	6.1	8.0	10.7	8.9	8.0	9.3
South Africa	0.0	18.1	18.1	74.8	54.7	57.0
WESTERN HEMISPHERE	477.1	729.8	2,173.9	2,336.4	1,936.3	1,305.3
Brazil	0.1	130.0	221.1	327.0	0.2	2.0
Costa Rica	5.7	0.4	134.3	161.3	160.7	81.6
Canada	62.7	73.1	153.1	157.1	105.5	99.8
Colombia	0.7	0.1	5.1	1.9	1.4	17.2
Cuba	0.0	15.0	113.5	118.6	71.6	0.0
Dominican Republic	0.3	0.1	59.6	0.0	1.0	56.0
Guatemala	0.5	1.4	70.0	53.6	76.2	35.6
Haiti	56.8	128.2	283.4	297.6	249.7	157.9
Honduras	22.0	29.6	133.2	128.7	163.1	105.6
Jamaica	44.5	31.0	56.2	58.7	19.4	31.5
Leeward & Windward Is.	2.7	2.5	8.9	7.4	7.2	4.2
Mexico	178.1	218.9	677.7	694.7	740.3	582.6
Nicaragua	68.9	17.0	112.1	118.0	156.7	85.2
Panama	9.0	0.1	0.2	8.5	38.9	2.3
Peru	0.1	4.2	4.6	1.3	0.7	1.0
El Salvador	19.0	25.3	61.4	74.2	93.5	40.4
Trinidad	0.2	7.5	25.1	22.7	15.6	9.0
Venezuela	0.1	38.8	39.0	56.2	0.2	0.2
Unknown	0.0	14.1	0.0	0.0	0.0	0.0
TOTAL	850.3	1,091.9	3,335.8	4,077.1	3,269.0	2,650.8

1/ Columns labeled "Market year" are total August-July exports reported in *U.S. Export Sales*. Columns labeled "as of" are combined exports and outstanding sales at a particular date.

U.S. Export Sales reports on a product-weight basis. Food donations are not included in *U.S. Export Sales*.

Source: Foreign Agricultural Service, USDA.

Last updated October 12, 2004.

Table 6--U.S., Thailand, and Vietnam milled rice export price quotes

Month or marketing year 1/	United States 2/			Thailand 6/				Vietnam 8/	
	Long grain		Medium grain	100%	5%	15%	35%	A.1 7/	5%
	milled 3/	rough 4/	milled 5/	Grade B	parboiled	brokens		Special	brokens
	\$/ metric ton 9/								
1998/99	366	215	486	284	276	261	236	217	257
1999/2000	270	148	453	231	242	209	185	160	202
2000/01	275	157	304	184	187	167	149	132	165
2001/02	207	107	285	191	202	160	149	141	176
Aug. 2002	201	100	265	197	195	183	171	148	190
Sep. 2002	198	97	268	192	194	179	169	149	191
Oct. 2002	214	93	276	192	195	179	171	157	187
Nov. 2002	201	102	283	193	196	180	173	158	186
Dec. 2002	190	108	287	191	190	180	171	154	182
Jan. 2003	187	108	309	206	196	193	182	152	173
Feb. 2003	190	109	318	204	196	191	179	150	172
Mar. 2003	207	113	329	201	193	188	177	146	175
Apr. 2003	252	143	350	200	191	186	175	141	178
May 2003	276	168	358	204	193	189	177	143	185
June 2003	277	165	397	209	200	195	183	151	184
July 2003	282	168	478	206	203	190	179	151	181
2002/03	223	123	327	199	195	186	175	150	182
Aug. 2003	302	175	518	200	199	185	175	150	182
Sep. 2003	333	179	518	202	203	187	177	155	186
Oct. 2003	335	175	502	201	204	187	178	157	191
Nov. 2003	331	185	535	198	201	185	176	158	197
Dec. 2003	346	205	551	203	198	189	181	162	200
Jan. 2004	353	205	551	220	209	204	195	171	197
Feb. 2004	346	195	570	222	215	207	197	183	199
Mar. 2004	388	225	558	249	247	236	227	212	230
Apr. 2004	397	228	540	247	253	234	226	215	241
May 2004	412	258	540	239	252	226	220	213	236
June 2004	417	250	529	234	244	222	217	212	232
July 2004	362	194	482	236	240	225	219	210	227
2003/04	360	206	533	221	222	207	199	183	210
Aug. 2004	331	185	445	244	253	233	225	212	230
Sep. 2004	328	188	468	240	251	229	222	206	223
Oct. 2004 10/	325	180	485	243	248	231	222	201	215
2004/05 10/	328	184	466	242	251	231	223	206	223

N/A = Not available.

1/ Simple average of weekly quotes. 2/ All U.S. price quotes are from the weekly Creed Rice Market Report. 3/ Number 2, 4-percent brokens, FAS vessel, Gulf Coast. 4/ Bulk, FOB vessel, New Orleans, Louisiana. 5/ Package quality, FOB truck, California mill. 6/ Nominal price quotes, FOB vessel, Bangkok, long grain, U.S. Agricultural counselor, Bangkok. 7/ 100 per cent brokens. 8/ FOB vessel, Ho Chi Minh City, long grain, Creed Rice Market Report. 9/ All milled rice quotes are for 50-kilogram bags. Rough rice price quotes are for bulk shipments. 10/ Preliminary.

Last updated October 13, 2004.

Table 7--Global rice production, major producers and monthly revisions

	2003/04 1/			2004/05 1/			
	September	October	Monthly change	September	October	Monthly change	Annual change
	1,000 metric tons						
Angola	17	10	-7	15	13	-2	3
Argentina	640	640	0	637	637	0	-3
Australia	383	383	0	400	400	0	17
Bangladesh	26,000	26,000	0	25,500	25,500	0	-500
Brazil	8,600	8,708	108	8,100	7,900	-200	-808
Burma	10,730	10,730	0	10,150	10,150	0	-580
Cambodia	2,960	2,960	0	2,900	2,900	0	-60
China	112,462	112,462	0	126,000	126,000	0	13,538
Colombia	1,367	1,367	0	1,385	1,385	0	18
Cuba	135	135	0	165	165	0	30
Dominican Republic	315	315	0	280	280	0	-35
Egypt	4,030	4,030	0	4,225	4,225	0	195
Guinea-Bissau	65	43	-22	65	55	-10	12
India	86,400	87,000	600	83,000	83,000	0	-4,000
Indonesia	34,250	34,600	350	34,750	34,750	0	150
Iran	2,180	2,180	0	2,200	2,200	0	20
Japan	7,091	7,091	0	7,800	7,800	0	709
Korea, South	4,450	4,450	0	4,700	4,700	0	250
Korea, North	1,500	1,500	0	1,520	1,520	0	20
Laos	1,560	1,560	0	1,500	1,500	0	-60
Madagascar	1,824	1,824	0	1,632	1,696	64	-128
Malaysia	1,500	1,500	0	1,450	1,450	0	-50
Mauritania	54	58	4	51	51	0	-7
Mexico	200	200	0	194	183	-11	-17
Nepal	2,500	2,500	0	2,500	2,500	0	0
Nigeria	2,200	2,200	0	2,300	2,300	0	100
Pakistan	4,900	4,900	0	5,000	5,000	0	100
Peru	1,597	1,597	0	1,150	1,150	0	-447
Philippines	9,000	9,000	0	9,200	9,200	0	200
Senegal	135	150	15	130	130	0	-20
Sierra Leone	228	240	12	228	240	12	0
Sri Lanka	1,900	1,900	0	2,000	2,000	0	100
Taiwan	1,164	1,164	0	1,027	1,027	0	-137
Thailand	17,700	17,700	0	17,900	17,900	0	200
Turkey	270	270	0	275	350	75	80
Ukraine	55	55	0	50	50	0	-5
Uruguay	887	887	0	847	847	0	-40
Vietnam	21,337	21,337	0	21,500	21,500	0	163
EU-25	1,680	1,680	0	1,732	1,732	0	52
United States 2/	6,369	6,396	27	7,040	7,160	120	764
Zambia	10	8	-2	10	8	-2	0
Others	6,335	6,335	0	6,272	6,272	0	-63
World total	386,980	388,065	1,085	397,780	397,826	46	9,761

1/ Projected. 2/ U.S. 2002/04 production change is due to a revised milling rate.

Source: Global production projections are provided monthly by USDA's Interagency Commodity Estimates Committee.

Last updated October 15, 2004.

Table 8--Global rice trade, calendar years 2004 and 2005; major exporters and monthly revisions

	2004 1/			2005 1/			
	September	October	Monthly change	September	October	Monthly change	Annual change
	1,000 metric tons (milled basis)						
Exporters:							
Argentina	300	300	0	400	400	0	100
Australia	300	275	-25	350	300	-50	25
Brazil	50	50	0	50	25	-25	-25
Burma	100	100	0	400	400	0	300
China	1,000	1,000	0	1,000	1,000	0	0
Egypt	700	700	0	700	700	0	0
India	2,800	2,800	0	2,500	2,500	0	-300
Pakistan	1,800	1,800	0	2,100	2,100	0	300
Peru	5	2	-3	5	5	0	3
Thailand	9,000	9,250	250	8,500	8,750	250	-500
Uruguay	700	700	0	800	800	0	100
Vietnam	3,750	3,850	100	3,750	3,750	0	-100
European Union	225	225	0	300	300	0	75
Others	876	876	0	731	681	-50	-195
United States	3,300	3,300	0	3,400	3,400	0	100
World total	24,906	25,228	322	24,986	25,111	125	-117

All trade data are reported on a calendar year basis.

1/ Projected.

Source: Foreign Agricultural Service, USDA.

Last updated October 15, 2004.

Table 9--Global rice trade, calendar years 2004 and 2005; major importers and monthly revisions

	2004 1/			2005 1/			
	September	October	Monthly change	September	October	Monthly change	Annual change
	1,000 metric tons (milled basis)						
Importers:							
Angola	125	150	25	125	125	0	-25
Australia	60	60	0	70	70	0	10
Bangladesh	600	600	0	600	600	0	0
Benin	50	115	65	50	115	65	0
Brazil	500	700	200	500	700	200	0
Canada	250	250	0	250	250	0	0
China	1,000	1,000	0	600	600	0	-400
Colombia	60	60	0	100	100	0	40
Costa Rica	125	125	0	100	100	0	-25
Cote d'Ivoire	750	750	0	650	650	0	-100
Cuba	650	650	0	700	700	0	50
Dominican Republic	150	125	-25	75	75	0	-50
El Salvador	75	75	0	75	75	0	0
Ghana	300	300	0	300	300	0	0
Guinea	300	300	0	300	300	0	0
Guinea-Bissau	25	50	25	25	25	0	-25
Haiti	300	300	0	300	300	0	0
Honduras	100	100	0	100	100	0	0
Indonesia	800	800	0	1,500	1,500	0	700
Iran	950	950	0	950	950	0	0
Iraq	1,100	1,100	0	1,100	1,100	0	0
Jamaica	50	50	0	50	50	0	0
Japan	650	650	0	650	650	0	0
Korea, North	600	600	0	500	500	0	-100
Korea, South	210	210	0	210	210	0	0
Madagascar	200	100	-100	200	200	0	100
Malaysia	650	700	50	550	550	0	-150
Mozambique	150	200	50	200	200	0	0
Mexico	550	550	0	600	600	0	50
Nigeria	1,300	1,300	0	1,400	1,400	0	100
Nicaragua	100	100	0	100	100	0	0
Peru	150	80	-70	100	70	-30	-10
Philippines	1,000	1,100	100	800	800	0	-300
Russia	350	350	0	350	350	0	0
Saudi Arabia	1,200	1,300	100	1,100	1,100	0	-200
Senegal	750	750	0	750	750	0	0
Singapore	375	375	0	375	375	0	0
South Africa	750	750	0	650	650	0	-100
Sri Lanka	100	100	0	100	100	0	0
Syria	170	170	0	190	190	0	20
Taiwan	125	125	0	125	125	0	0
Turkey	150	150	0	300	250	-50	100
Uzbekistan	25	25	0	25	25	0	0
UAE	80	80	0	80	80	0	0
Venezuela	80	80	0	80	80	0	0
Yemen	250	250	0	250	250	0	0
EU-25	1,000	1,000	0	1,050	1,050	0	50
Other Europe	215	215	0	220	220	0	5
United States	500	500	0	460	460	0	-40
Other 2/	4,906	4,808	-98	5,051	4,991	-60	183
World total	24,906	25,228	322	24,986	25,111	125	-117

All trade data are reported on a calendar year basis.

1/ Projected. 2/ Includes countries not listed separately as well as imports not assigned a specific destination.

Source: Foreign Agricultural Service, USDA.

Last updated October 15, 2004.