

Arkansas' Rice Situation and Outlook

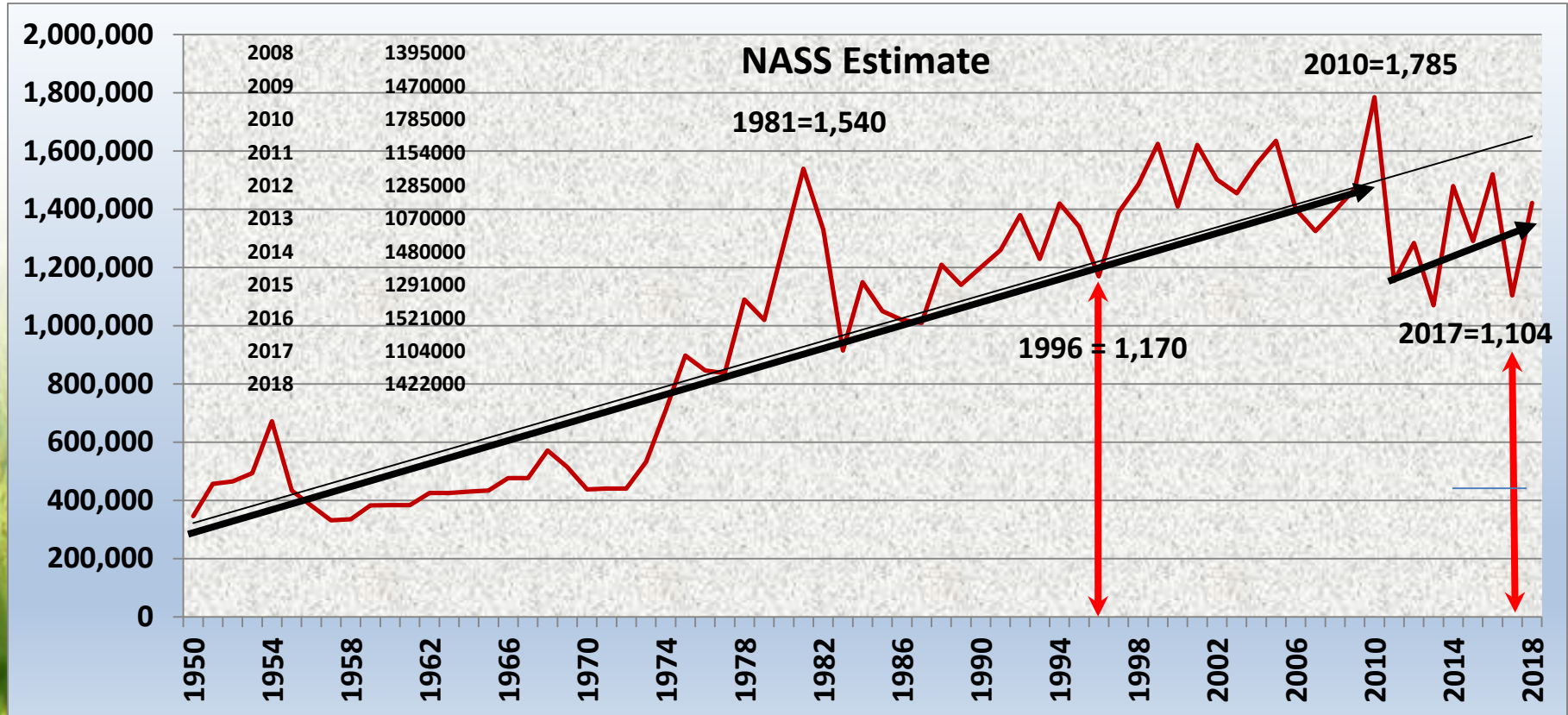
***Presented at 2018 USA Rice Federation - National Rice Outlook Conference
San Diego, California – December 5-7, 2018***

**Bobby Coats, Ph.D.
Professor – Economics
Department of Agricultural Economics and Agribusiness
Division of Agriculture
Cooperative Extension Service
University of Arkansas System**



Arkansas' All Rice Harvested Acres, 1950 to 2018

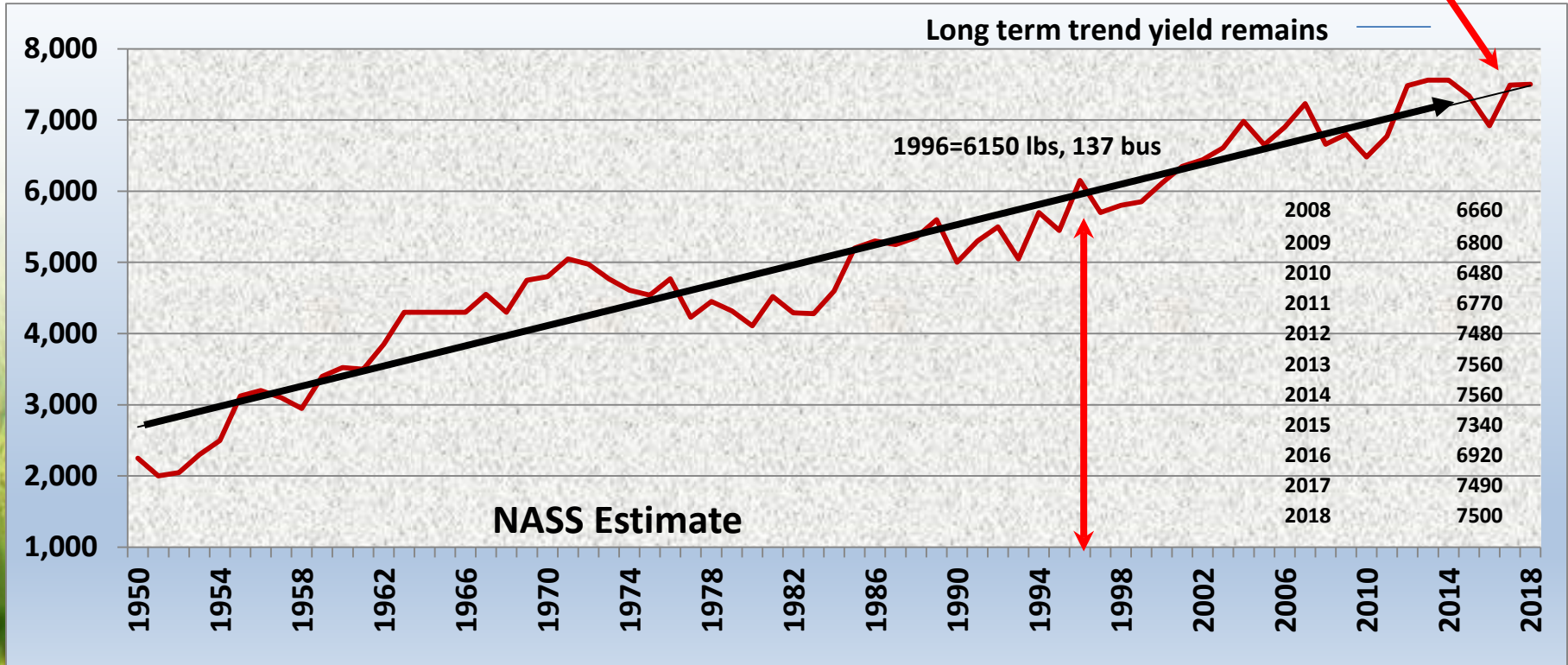
2018 – 1,422,000 Acres - 318,000 acres or 29% > 2017



Arkansas All Rice Yield Per Acre, 1950 to 2018

2018 Yield 7500 lbs. (166.7 bus.) – 3rd Largest on Record

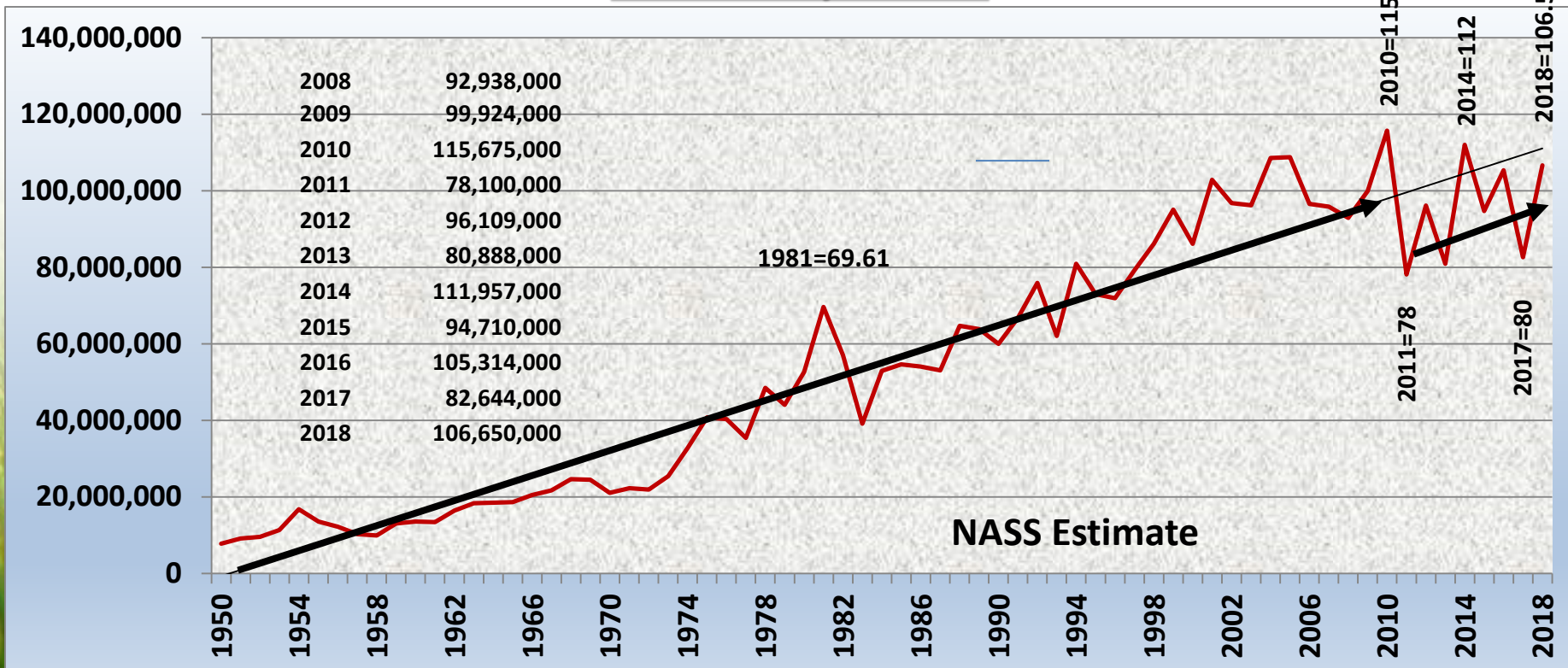
Slightly above 2017's - 7490 lbs. (166.4 bus.)



Arkansas All Rice Production, 1950 to 2018

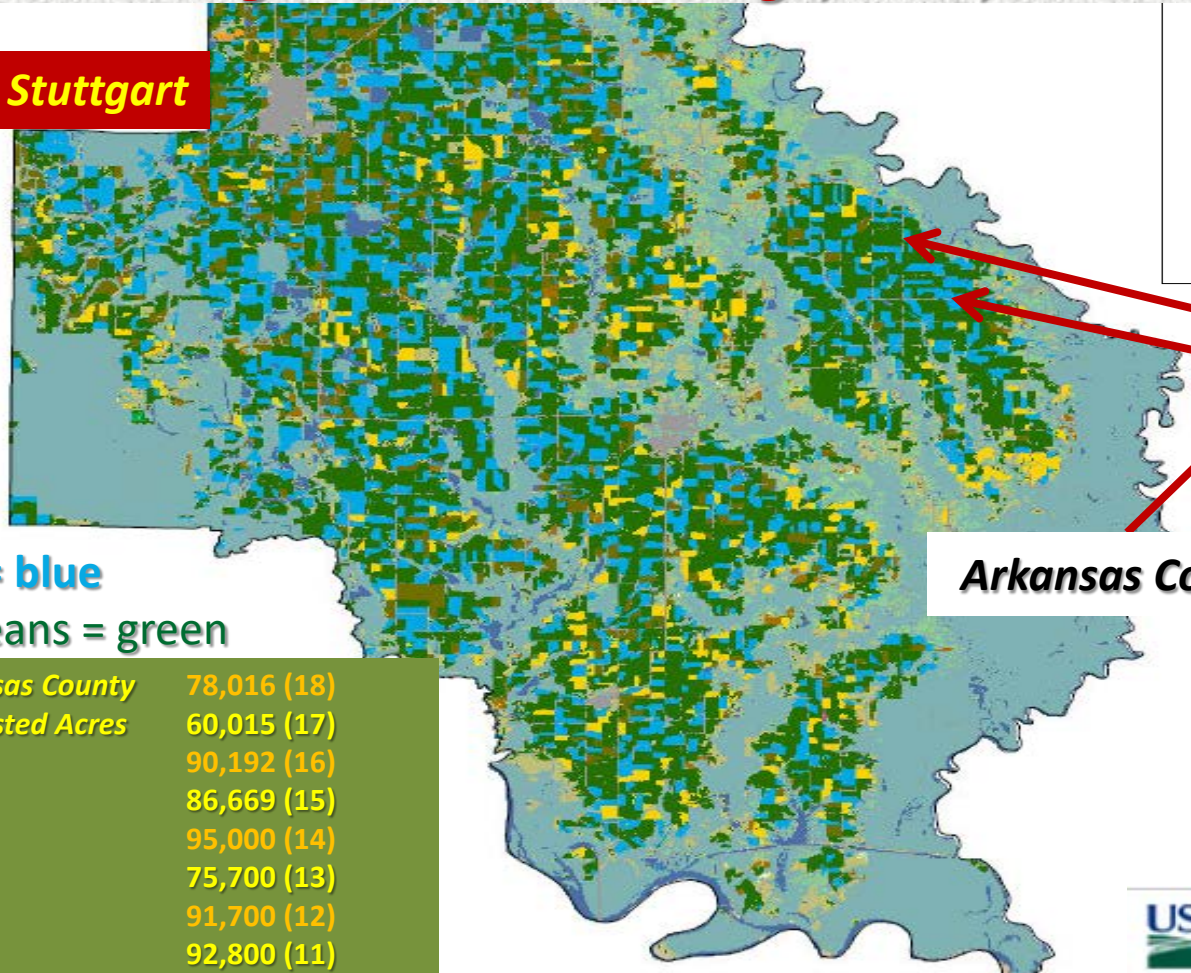
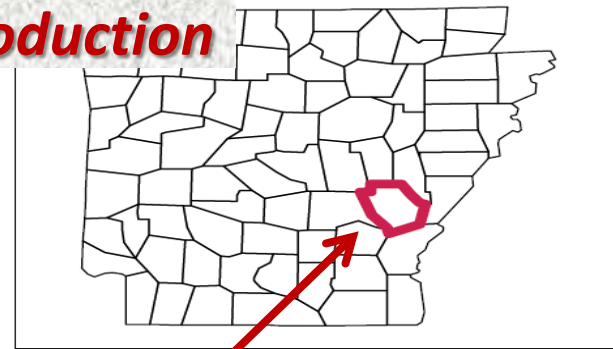
2018 106.7 million cwt.

Previous 5 yr. = 95.1



Arkansas Long Grain Rice - Acreage, Yield, & Production

Stuttgart



AGRICULTURE

- Pasture/Grass
- Soybeans
- Rice
- Cotton
- Fallow/Idle Cropland
- Corn
- Dbl Crop WinWht/Soybeans
- Winter Wheat
- Sorghum
- Aquaculture
- Pecans
- Peanuts
- Other Crops
- Sweet Potatoes
- Oats

NON-AGRICULTURE

- Forest
- Wetlands
- Developed
- Water
- Shrubland
- Barren

Rice = blue
Soybeans = green

<i>Arkansas County</i>	78,016 (18)
<i>Harvested Acres</i>	60,015 (17)
	90,192 (16)
	86,669 (15)
	95,000 (14)
	75,700 (13)
	91,700 (12)
	92,800 (11)

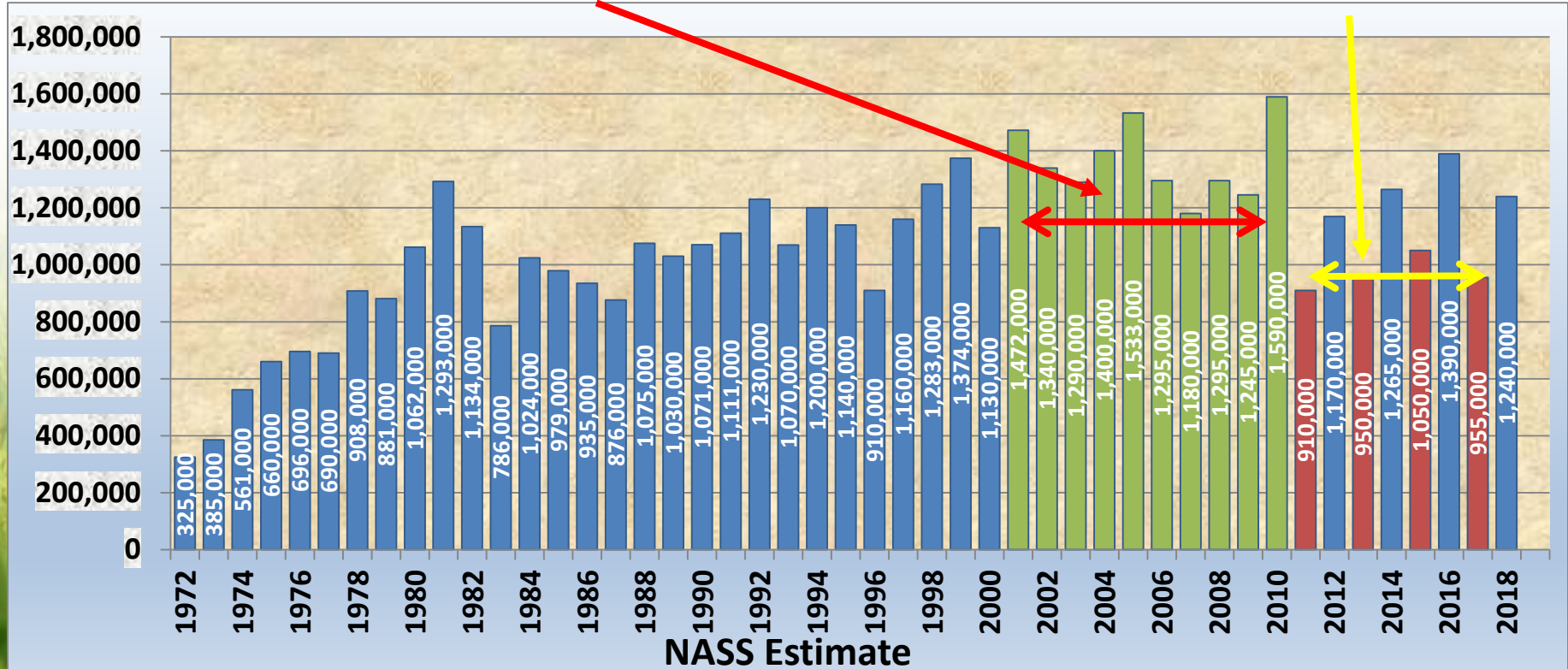
Arkansas County



Arkansas Long Grain Rice Harvested Acres, 1972 to 2018

2018: 1,240,000 acres - 285,000 acres (30%) above 2017's 955,000 acres

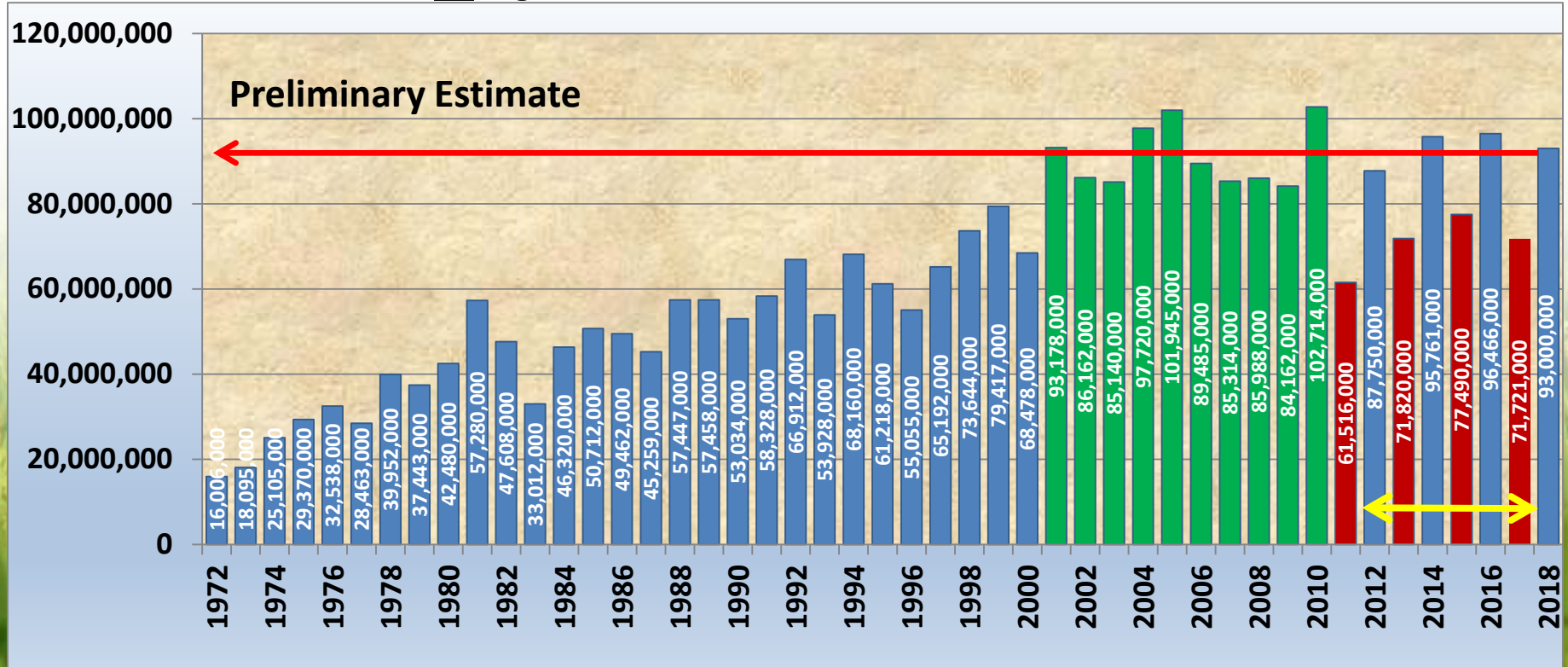
2001 to 2010 averaged 1,364,000 acres, Previous 7 year average 1,099,000



Arkansas Long Grain Rice Production, 1972 to 2018

2018's Preliminary Estimate 93 million cwt.

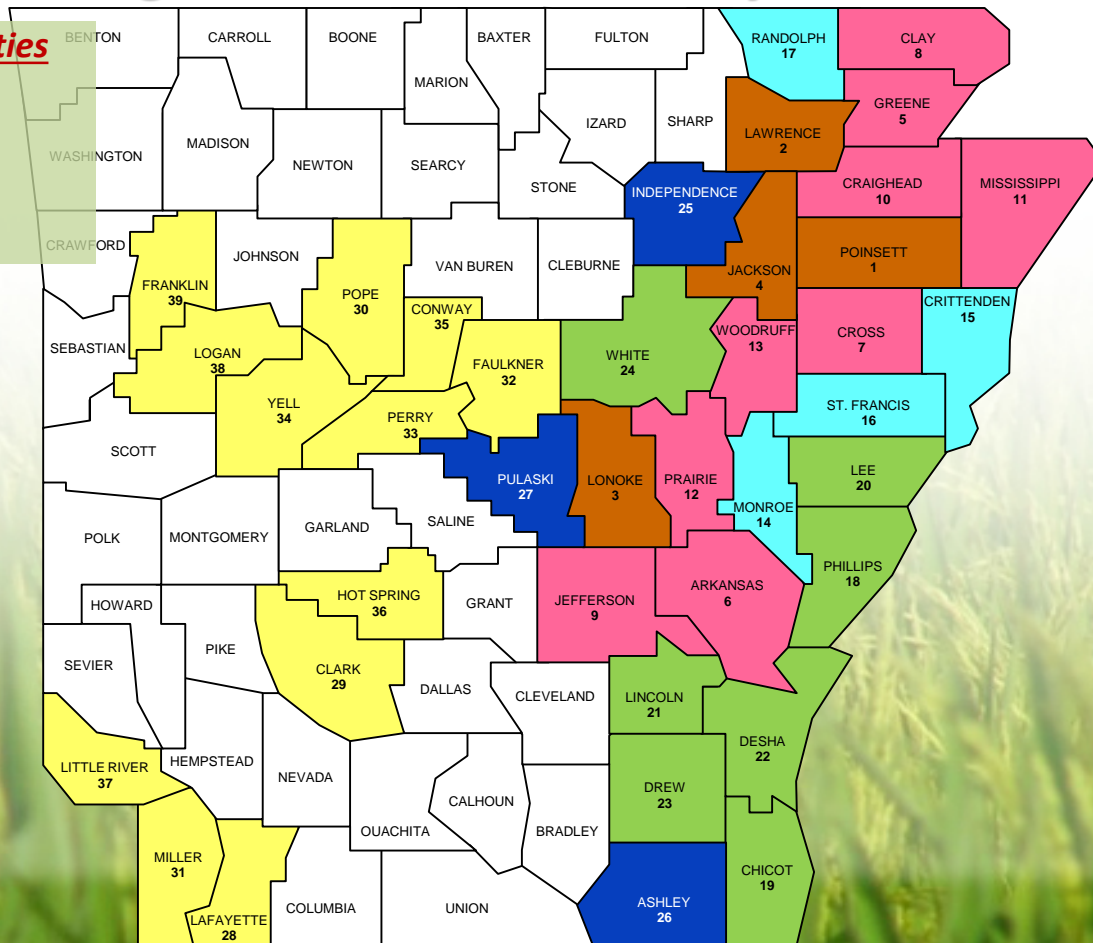
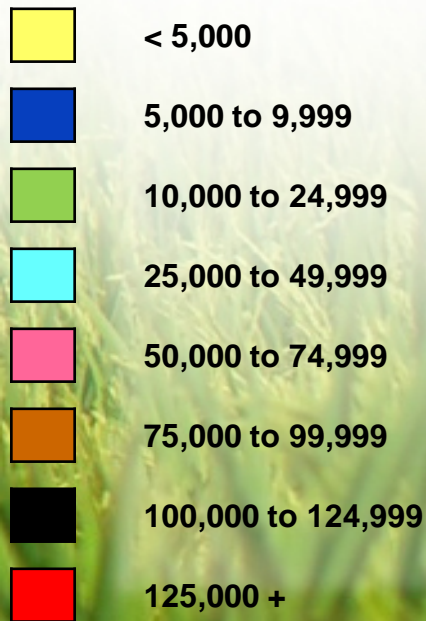
3rd Highest in the Current 8 Production Periods



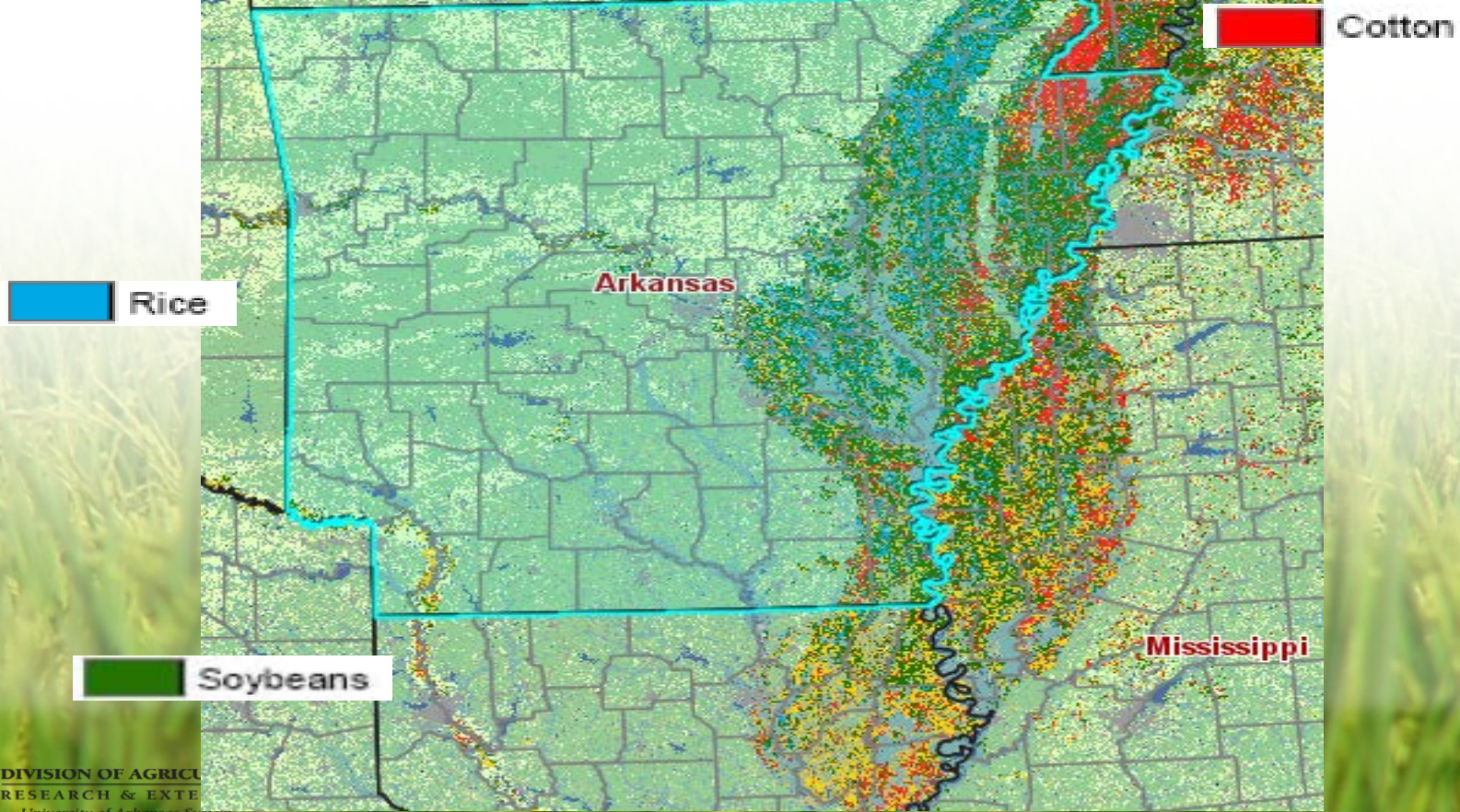
Top 4 Arkansas Long Grain Rice Counties by Harvested Acres 2018

• **Top 4 Long Grain Counties**

- **Poinsett 88,069**
- **Lawrence 86,666**
- **Lonoke 82,417**
- **Jackson 77,391**



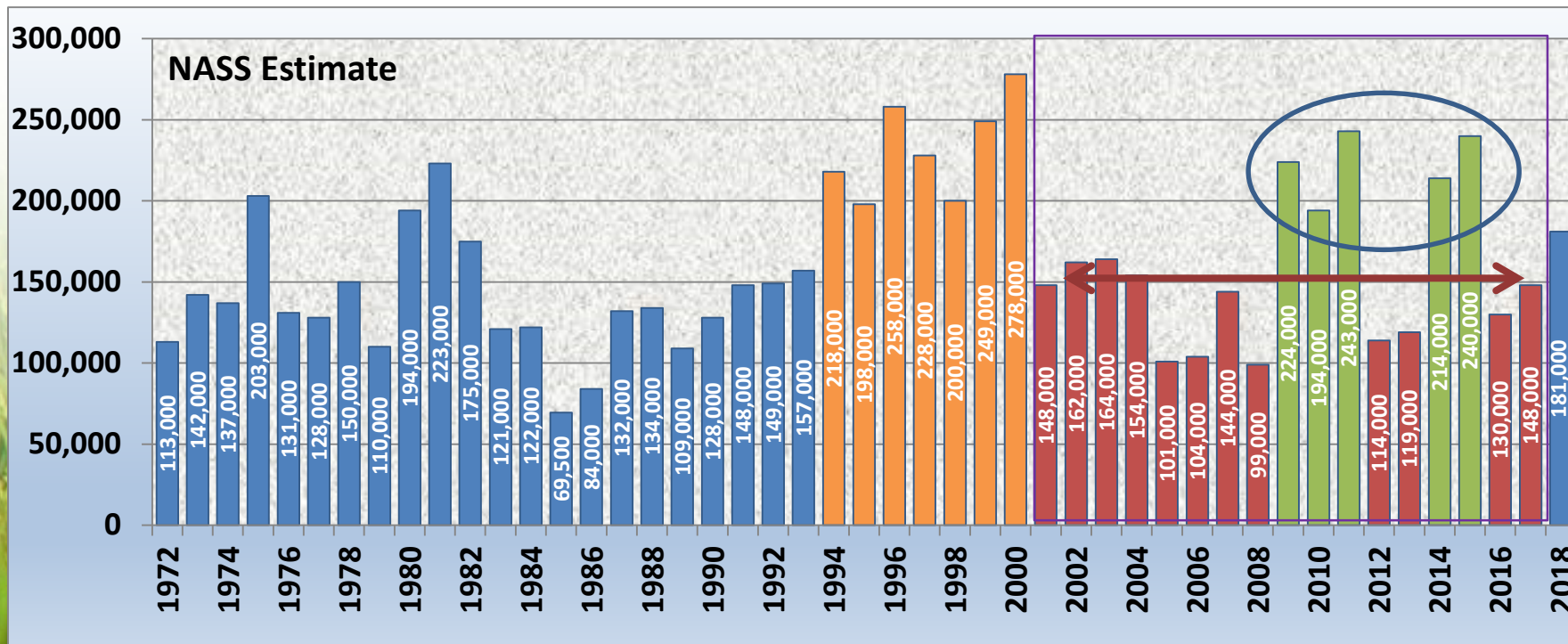
Arkansas Medium Grain Rice



Arkansas Medium Grain Rice Harvested Acres, 1972 to 2018

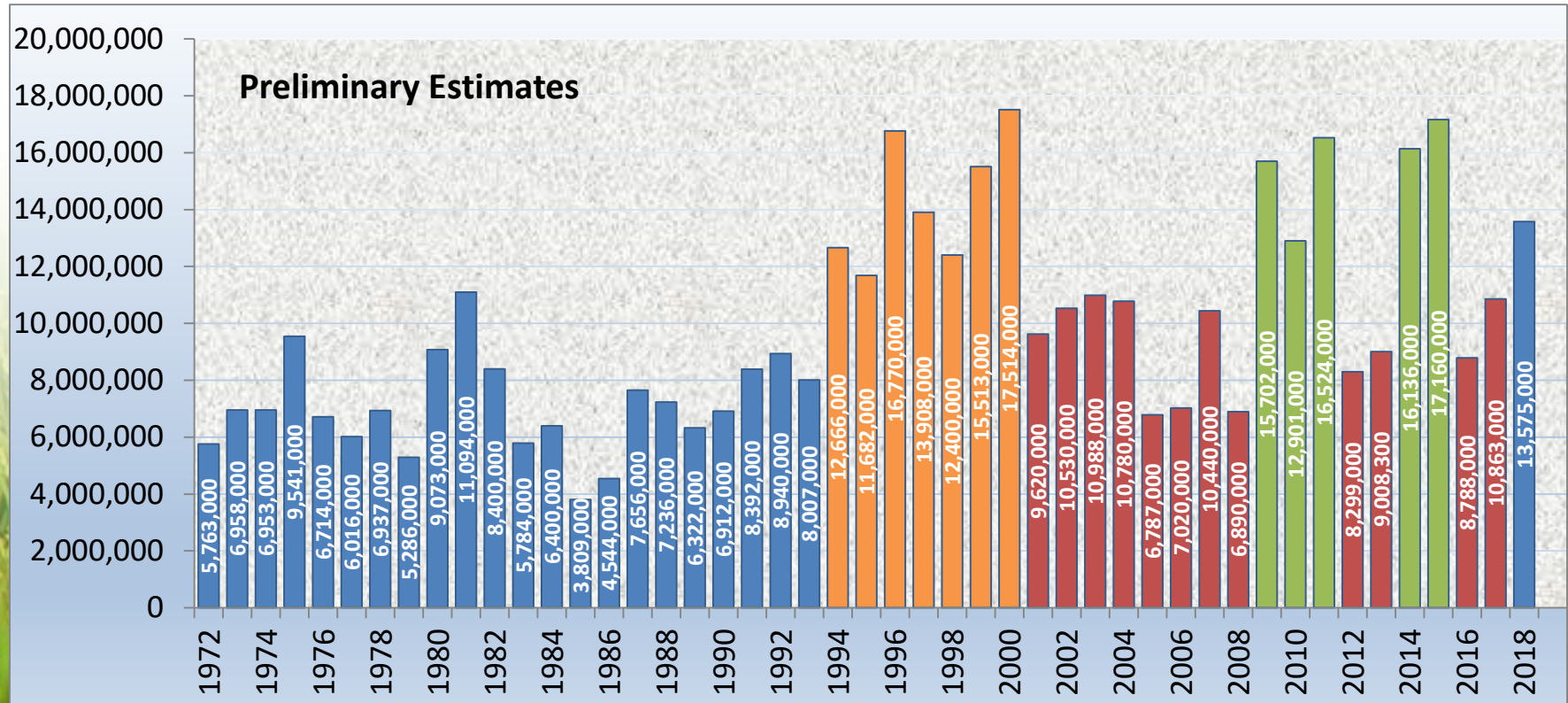
2018 - 181,000 acres

Between 2001 & 2017 top 5 years averaged 223,000 acres, remaining 12 years averaged 132,250 acres



Arkansas Medium Grain Rice Production, 1972 to 2018

2018 – 13.6 Million cwt. – 25% > 2017 and 54% > 2016



The Year Ahead

Build a Foundation for 2019

Arkansas Acreage and Production Outlook



There Is No
Grand Bargain
With China

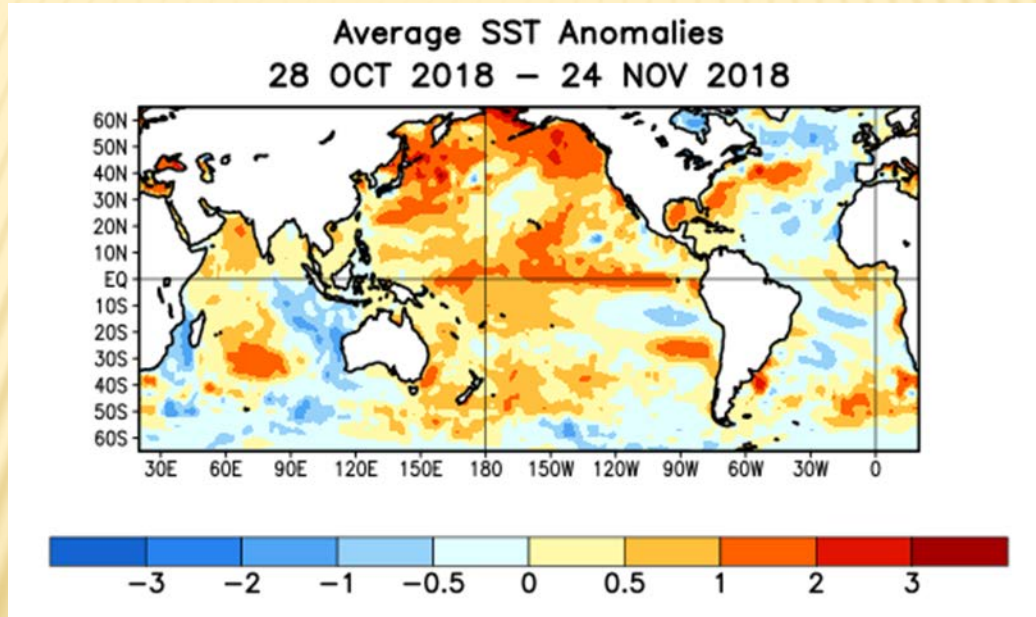
Why Trump and Xi Can't
Meet Each Other Halfway¹³

2019 Market Outlook

**Dominated by Policy Actions
From
World Leaders**

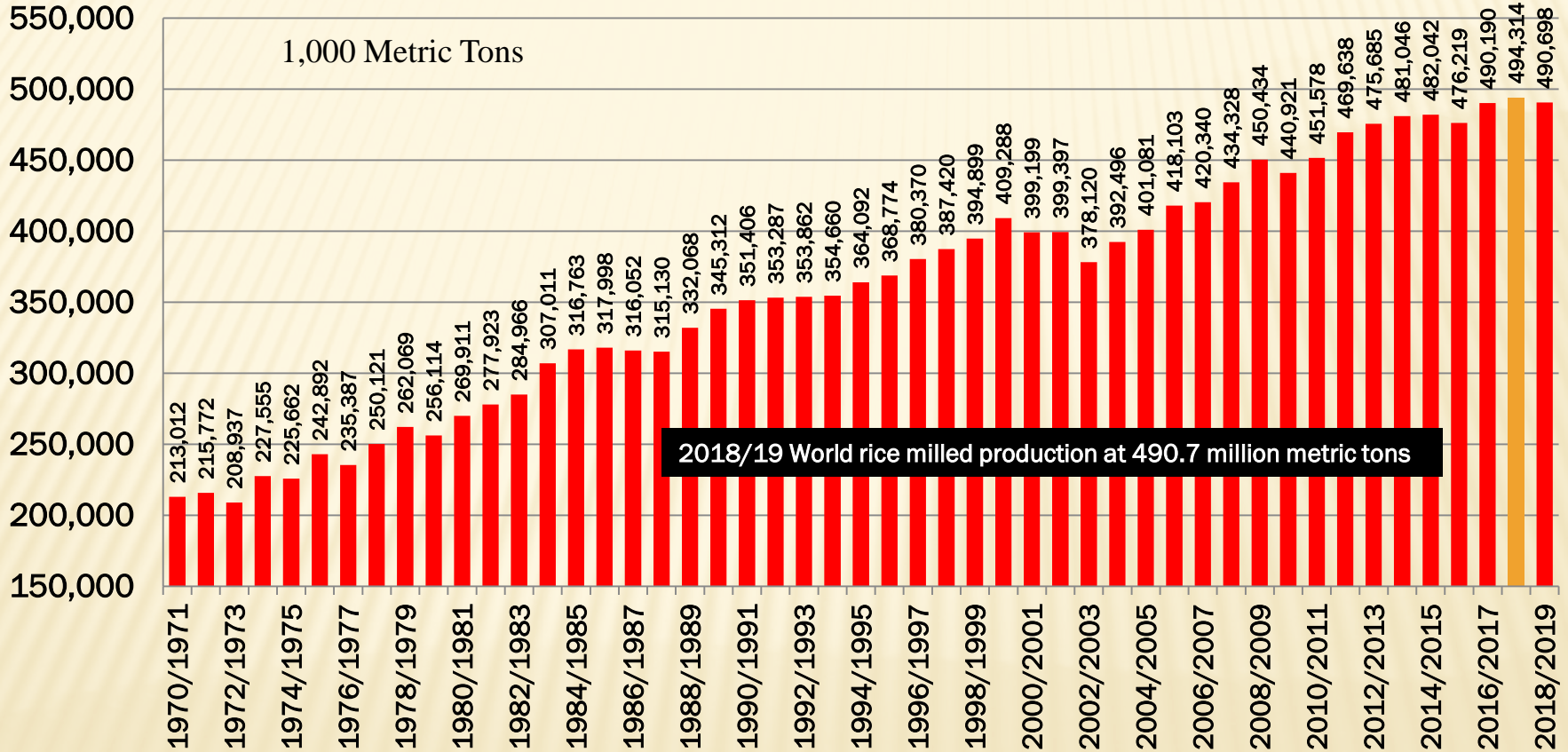
GLOBAL WEATHER

Cooling Trend Will Accelerate



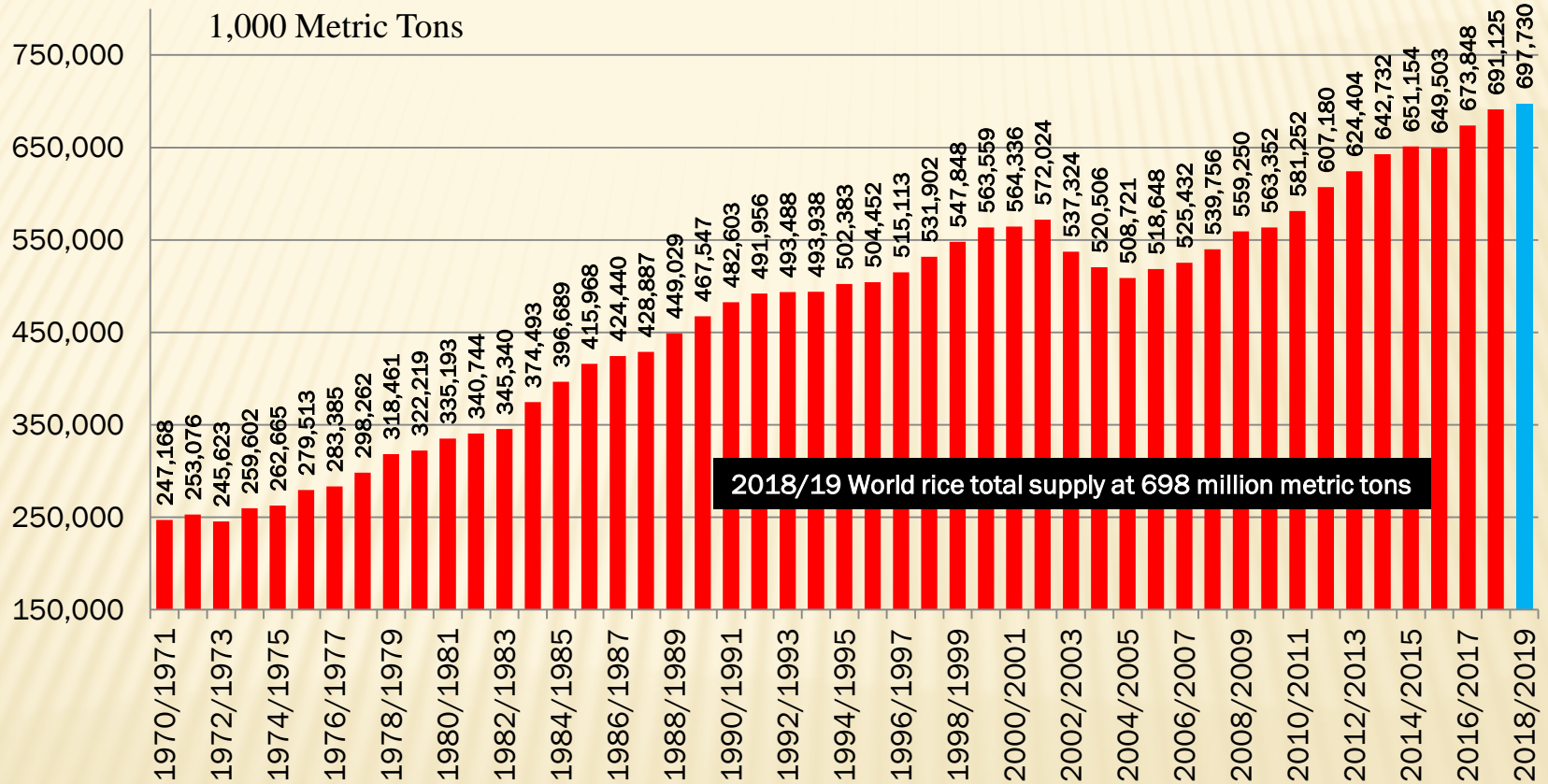
WORLD RICE
USDA SUPPLY AND DEMAND ESTIMATES
NOVEMBER 2018

WORLD RICE MILLED PRODUCTION 1970/71-2018/19



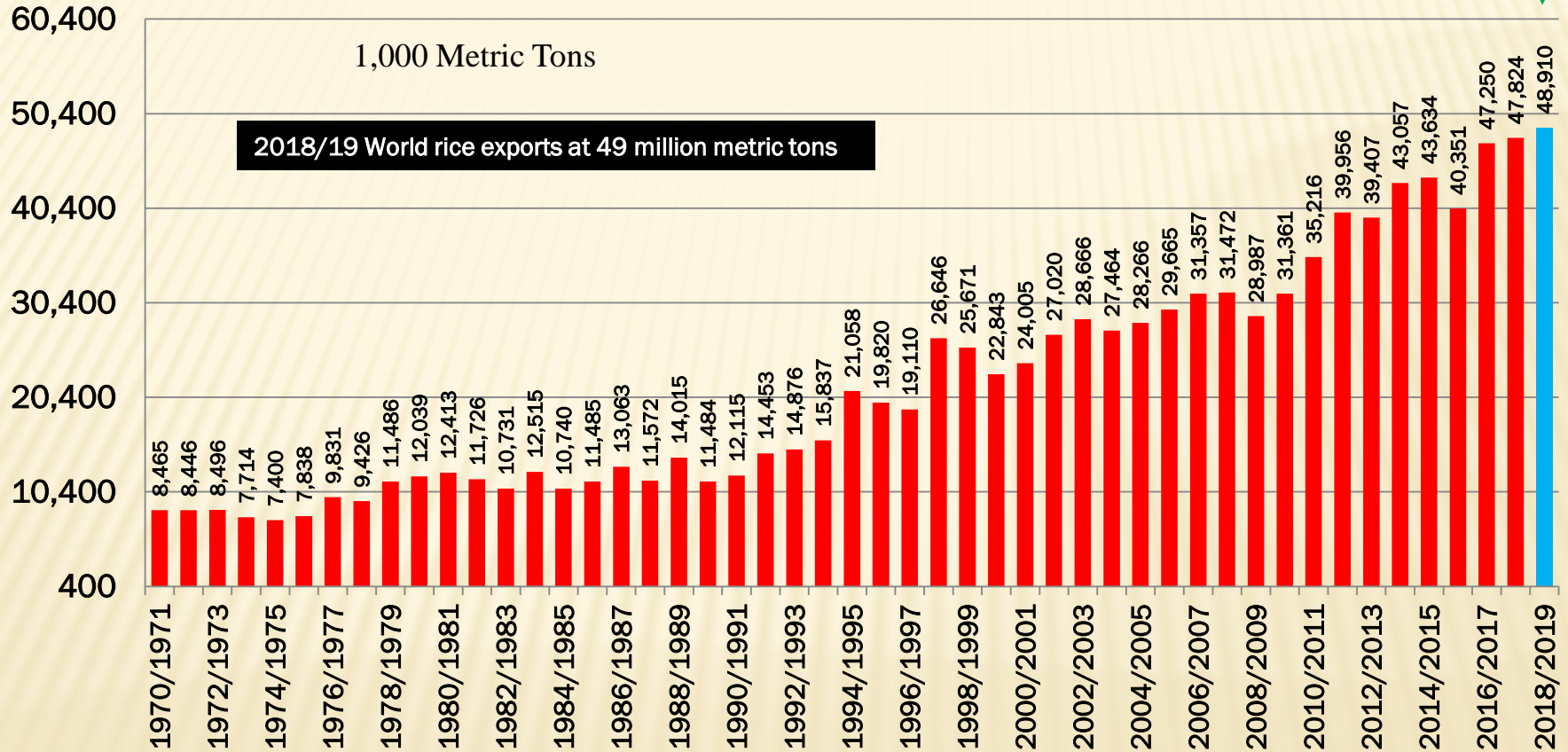
Source: USDA

WORLD RICE TOTAL SUPPLY 1970/71-2018/19



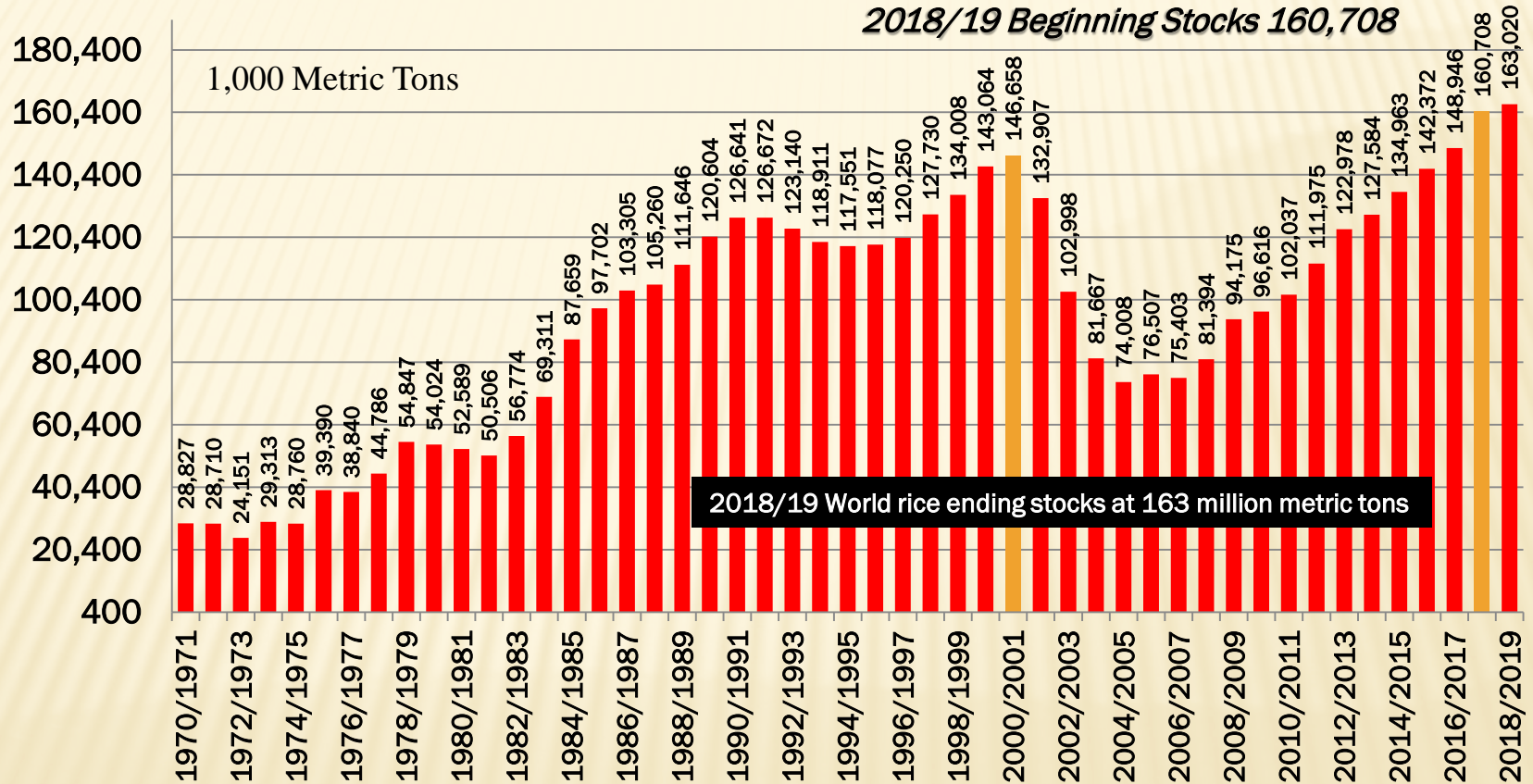
Source: USDA

WORLD RICE EXPORTS 1970/71-2018/19



Source: USDA

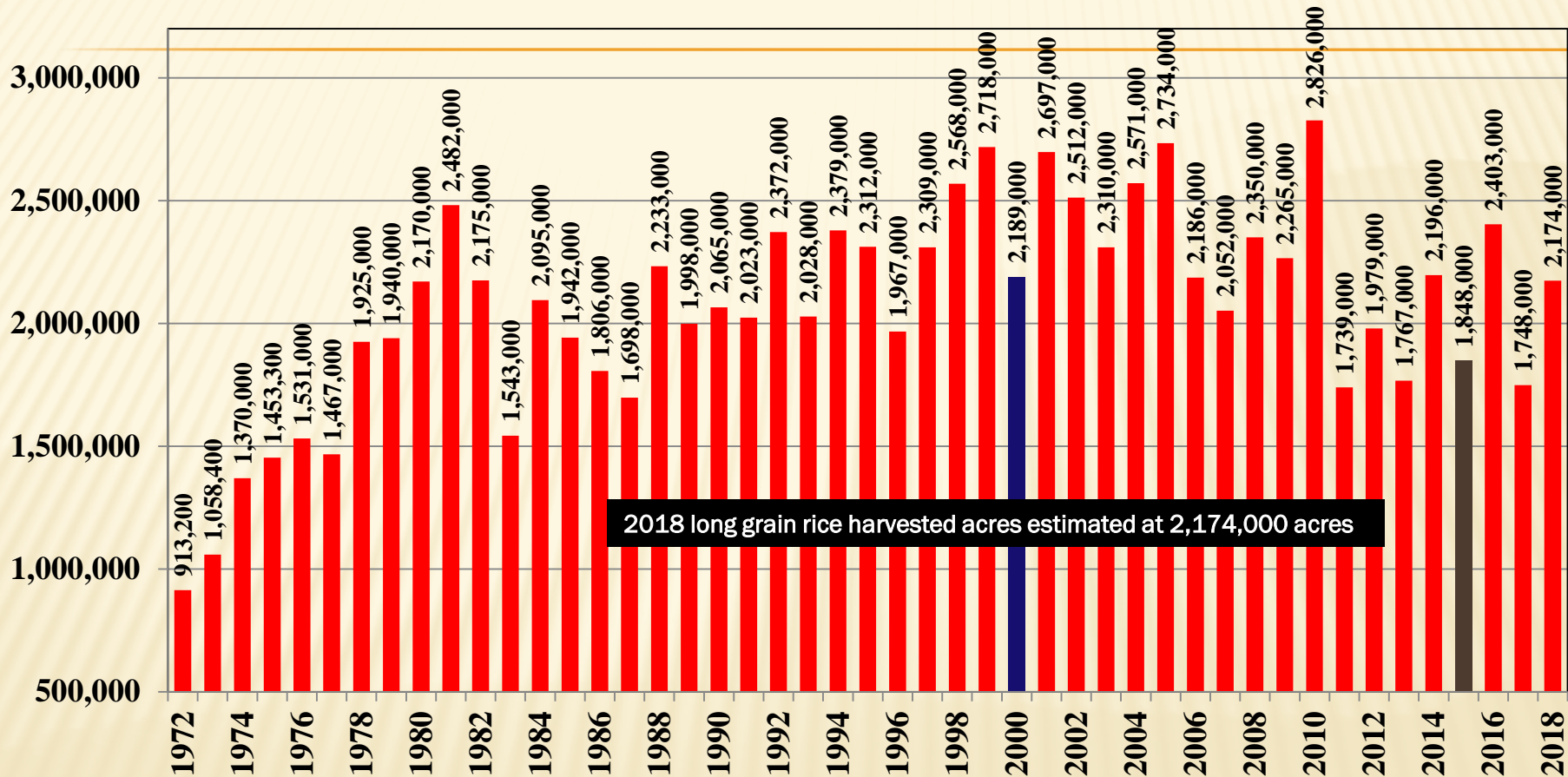
WORLD RICE ENDING STOCKS 1970/71-2018/19



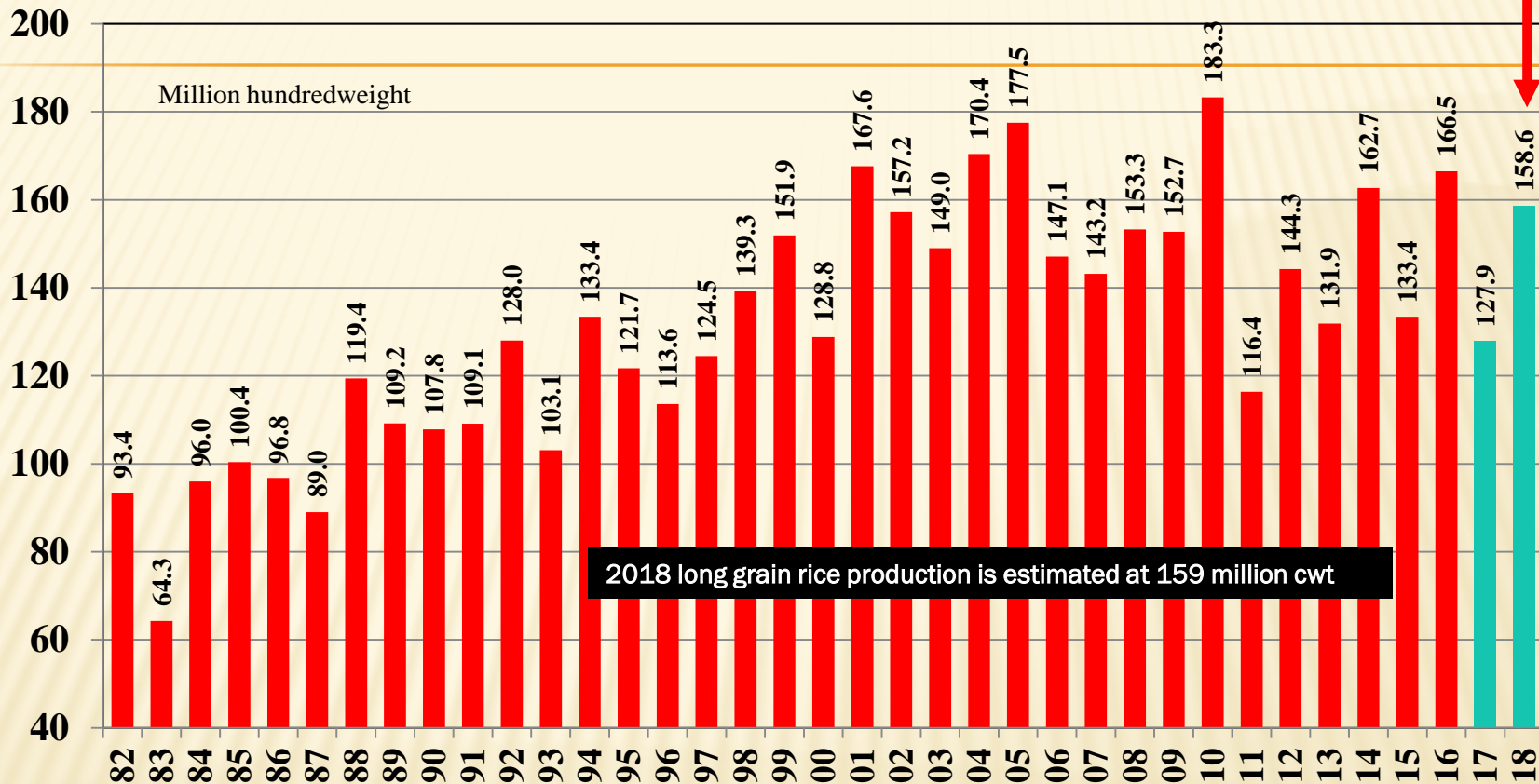
Source: USDA

***U.S. LONG-GRAIN RICE
USDA SUPPLY AND DEMAND ESTIMATES
NOVEMBER 2018***

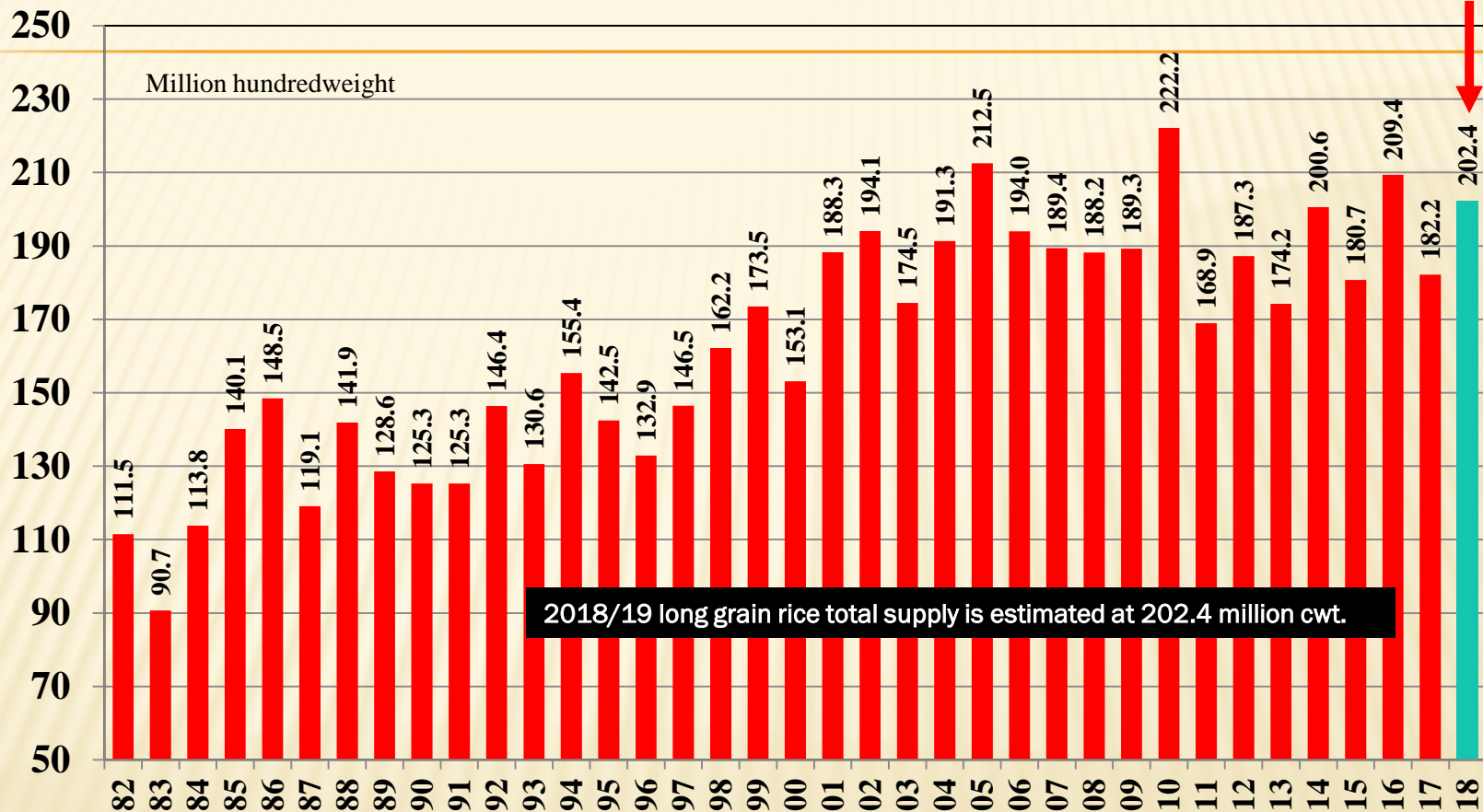
U.S. LONG GRAIN RICE HARVESTED ACRES 1972/73 – 2018/19



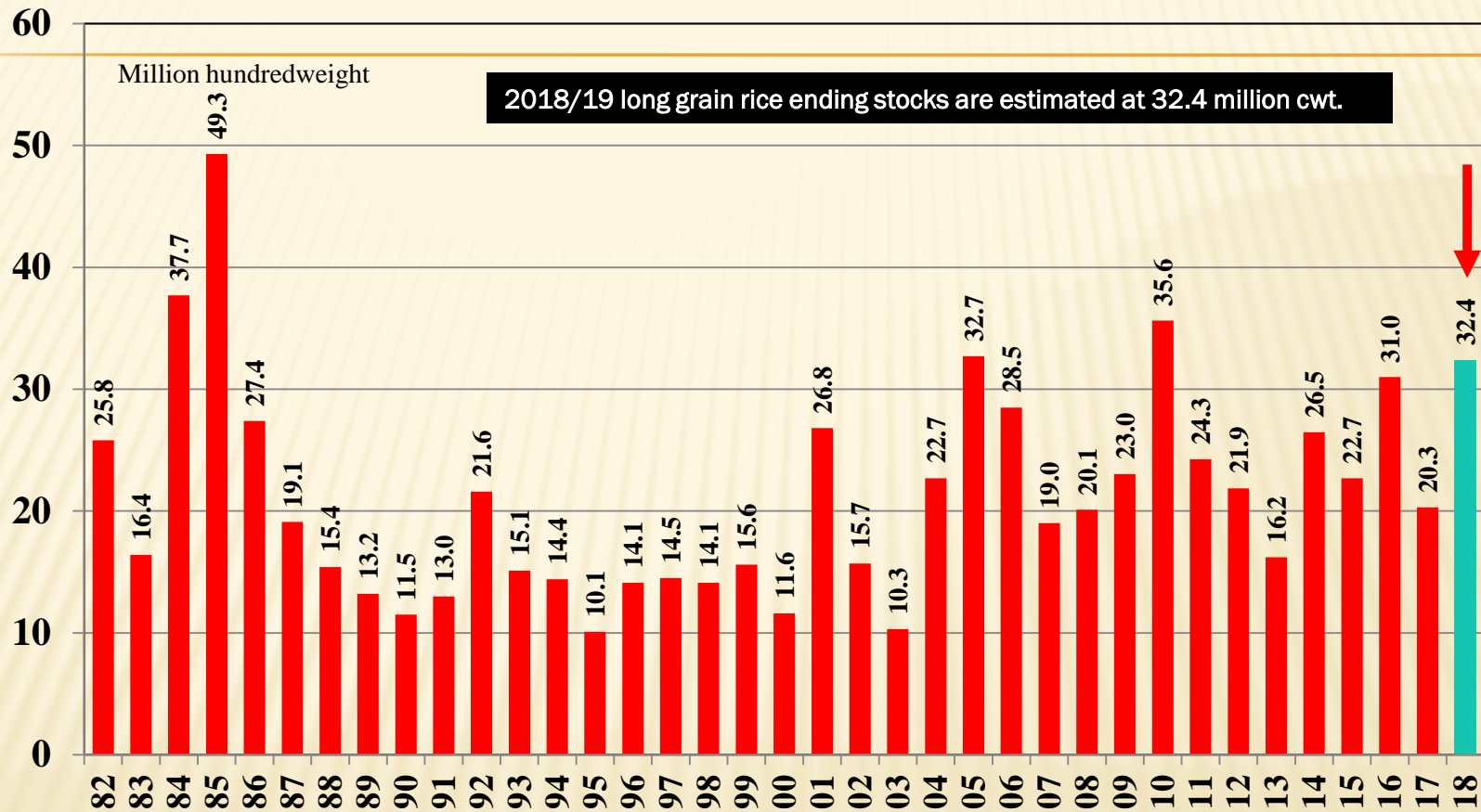
U.S. LONG GRAIN RICE PRODUCTION 1982/83 - 2018/19



U.S. LONG GRAIN RICE TOTAL SUPPLY 1982/83 - 2018/19



U.S. LONG GRAIN RICE ENDING STOCKS 1982/83 - 2018/19



Rough Rice, Jan. 2019, 5 year line chart

2018/19 USDA Supply and Demand \$10.20 to \$11.20

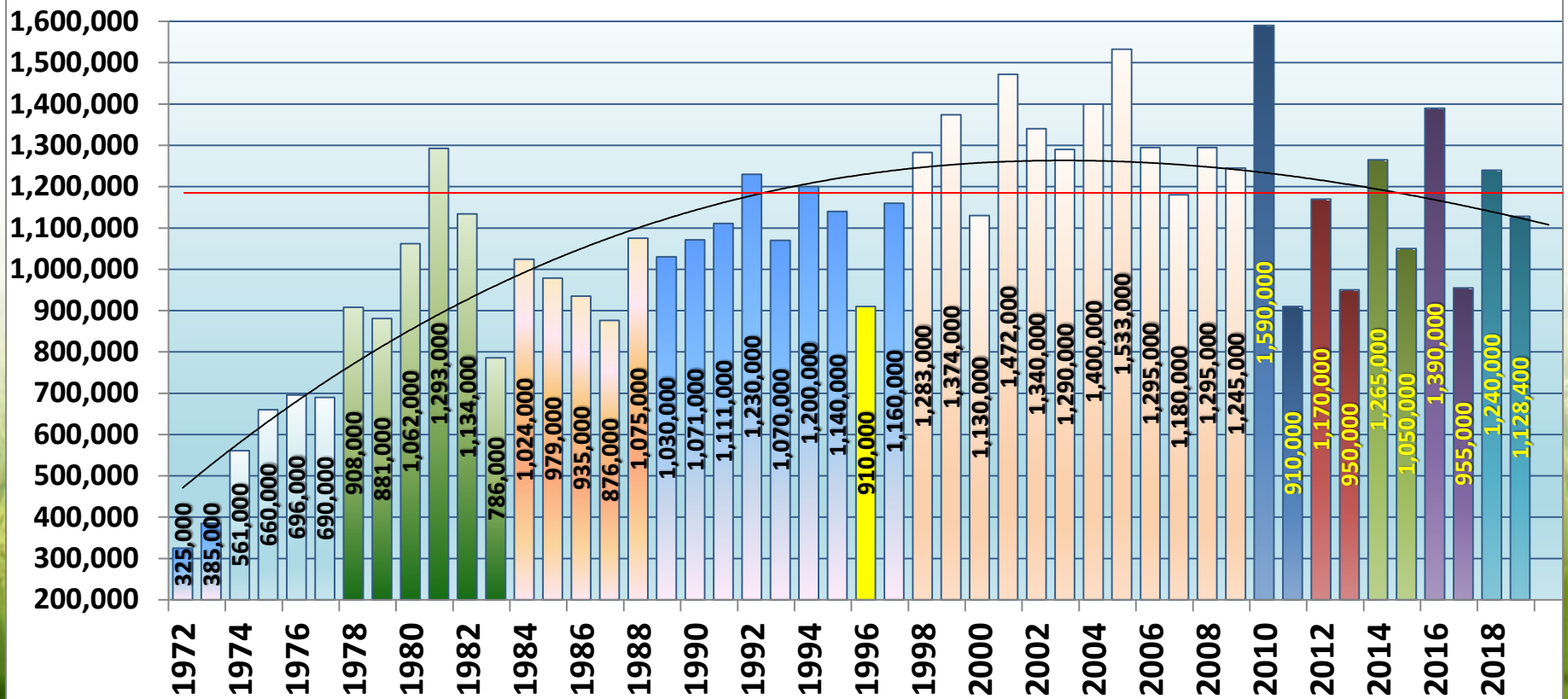




***2019 Arkansas Long Grain Rice Outlook
Harvested Acreage and Production Expectation***

2019 Arkansas Long Grain Rice Harvested Acreage Expectation

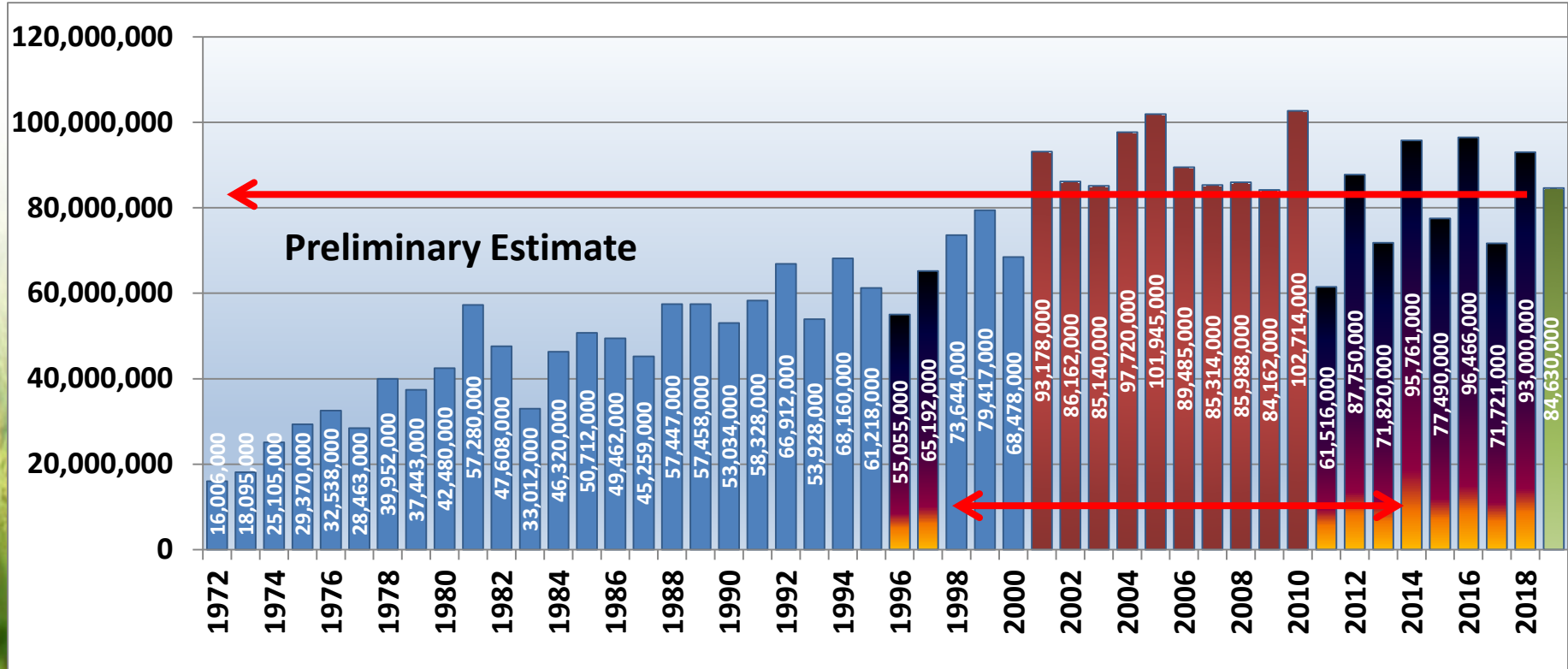
2019 acreage 1,128,400 acres (2018 = 1,240,000) or 9% below 2018



2019 Arkansas Long Grain Rice Production Expectation

2019's Preliminary Estimate of 84.6 million cwt.

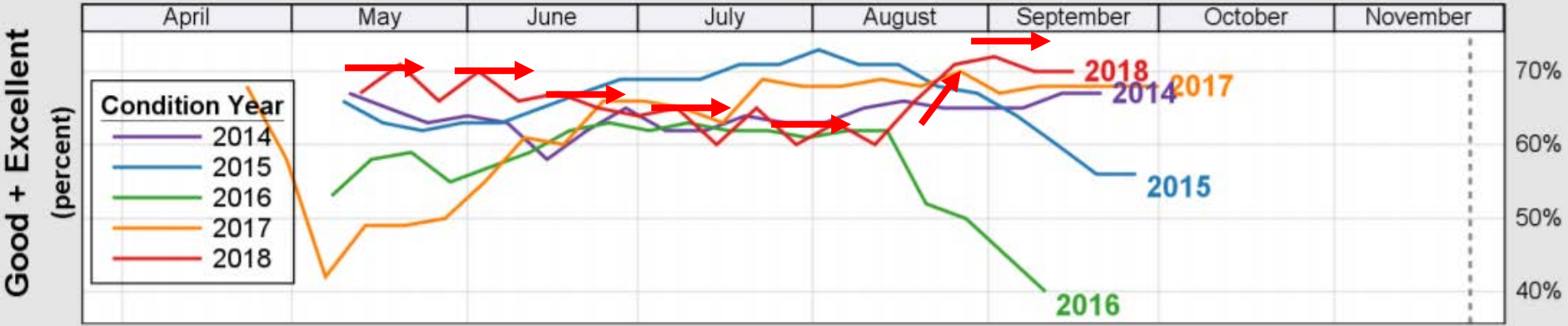
4th largest current 8-production periods



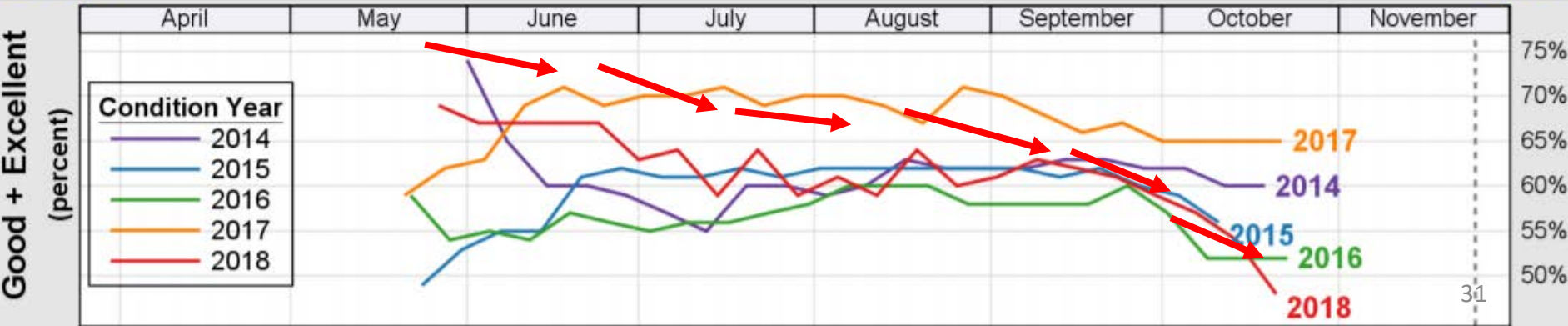
How could I be wrong?

***2019 Arkansas Long Grain Rice
1,128,400 acres***

USDA NASS 2018 Arkansas Rice Crop Progress and Condition Report indicates a production season that exceeded the previous 4 seasons



USDA NASS 2018 Arkansas Soybean Crop Progress and Condition Report indicates a very poor production season.





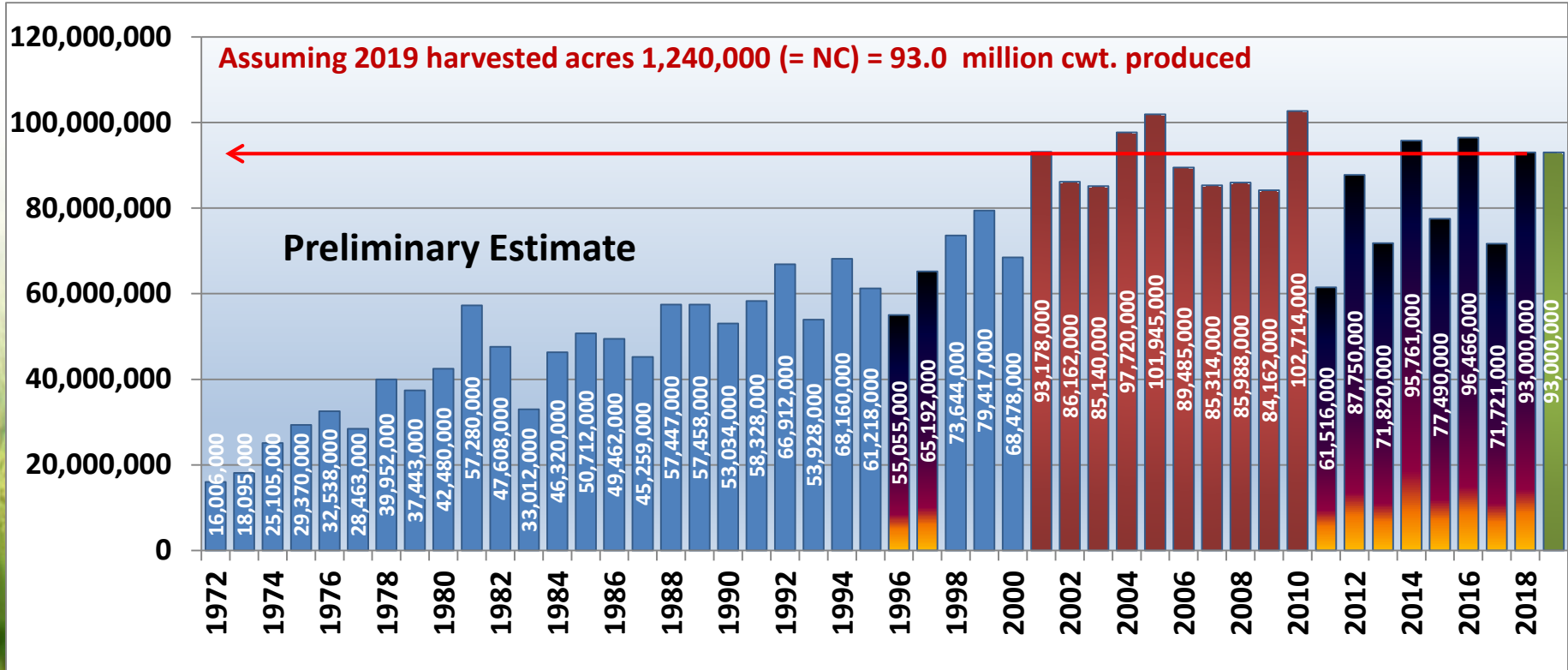
2 Scenarios
Indicating Expanding U.S. Long Grain Rice
Acreage Is Highly Problematic

How could I be wrong?
2019 Arkansas Long Grain Rice
1,128,400 acres

2019 Arkansas Long Grain Rice Production Expectation

Scenario 1

2019's Preliminary Estimate of 93 million cwt.
3rd largest current 8-production periods

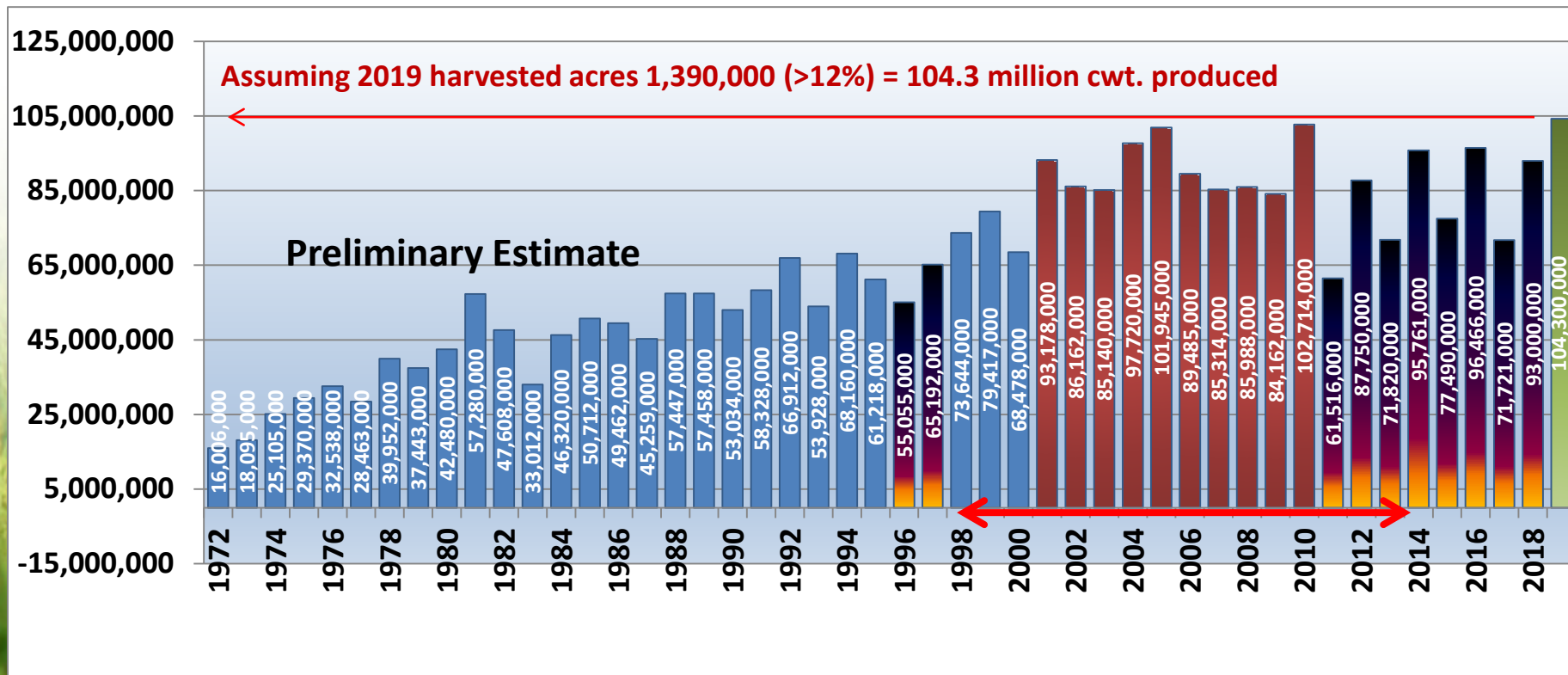


Arkansas Long Grain Rice Production, 1972 to 2019

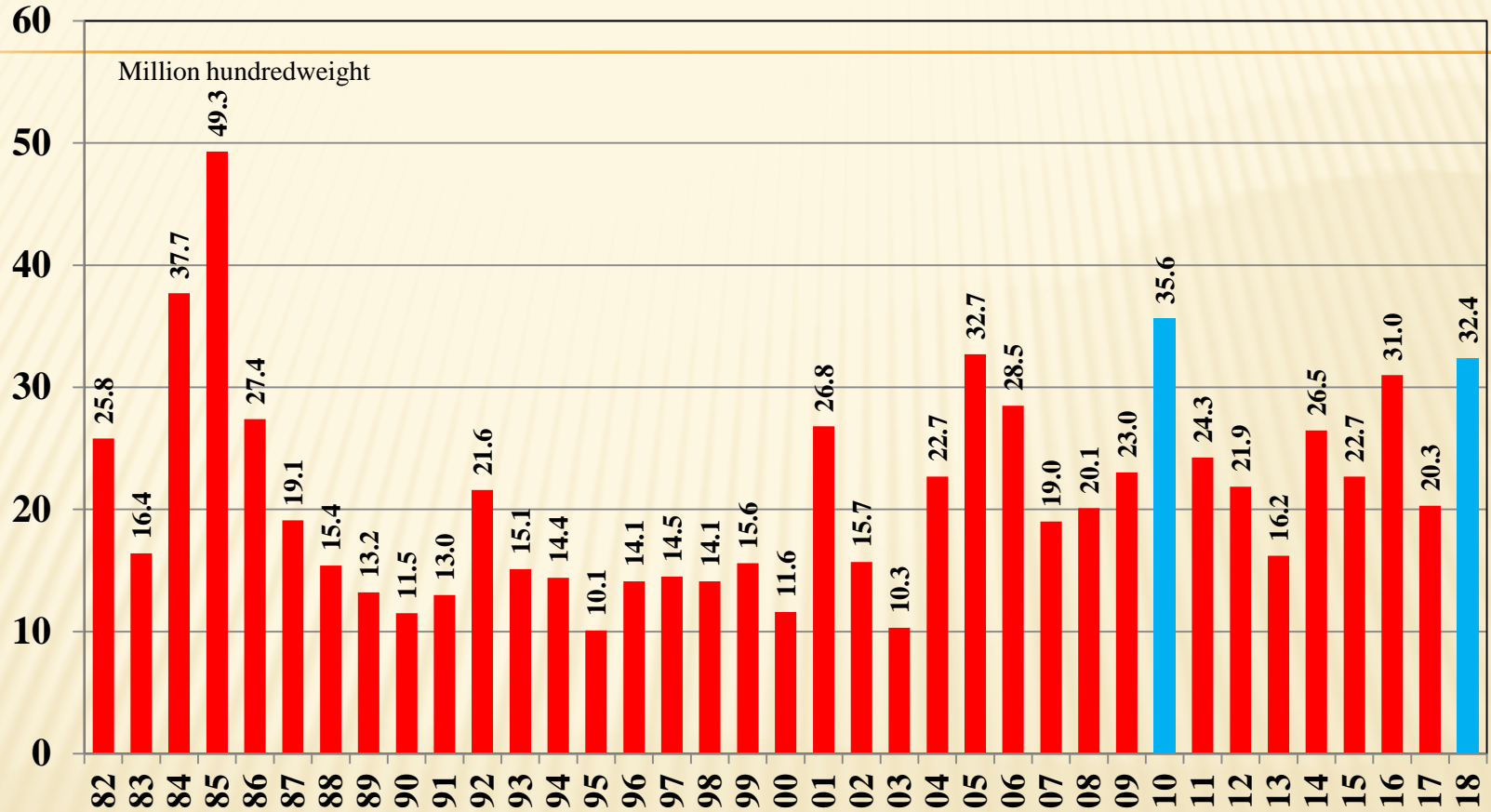
Scenario 2

2019's Preliminary Estimate of 104.3 million cwt.

Largest production in history



U.S. LONG GRAIN RICE ENDING STOCKS 1982/83 - 2018/19

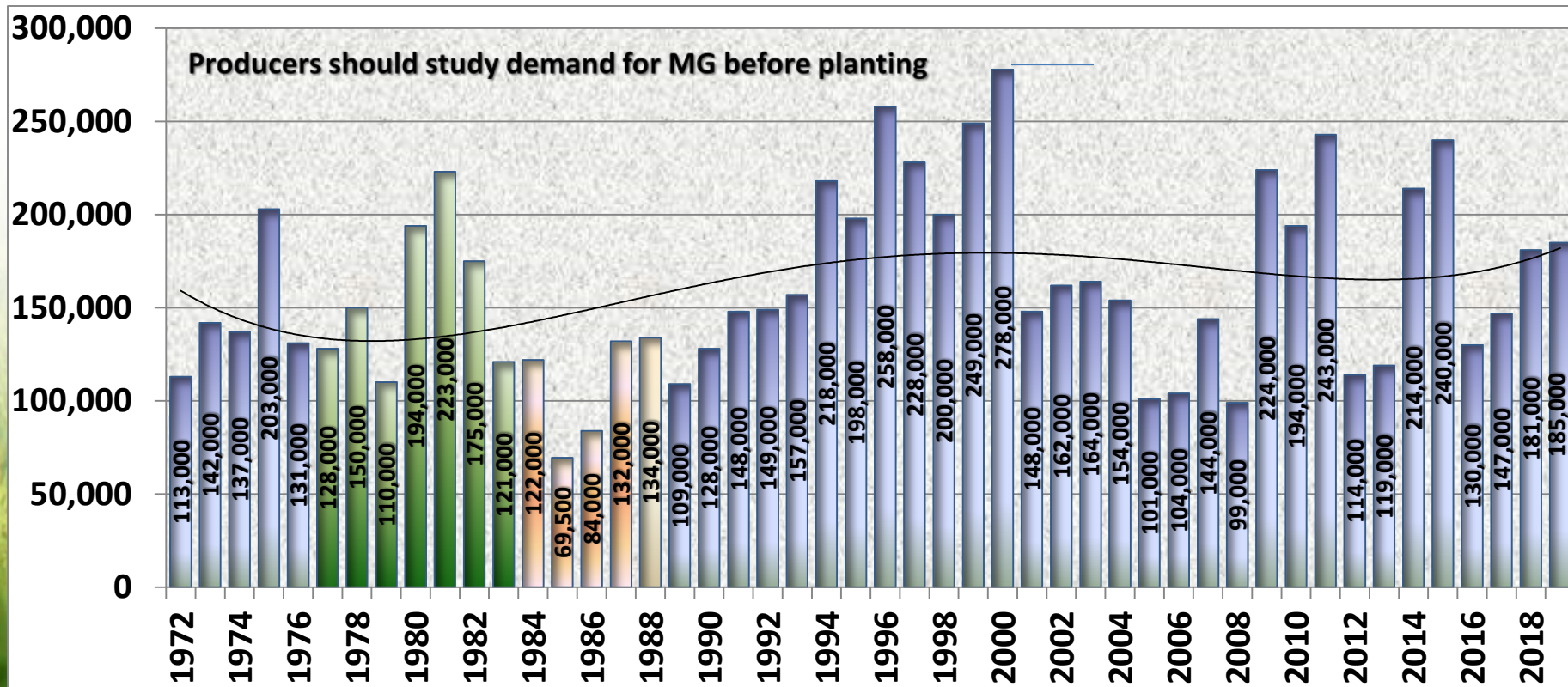




***2019 Arkansas Medium Grain Rice Outlook
Harvested Acreage and Production Expectation***

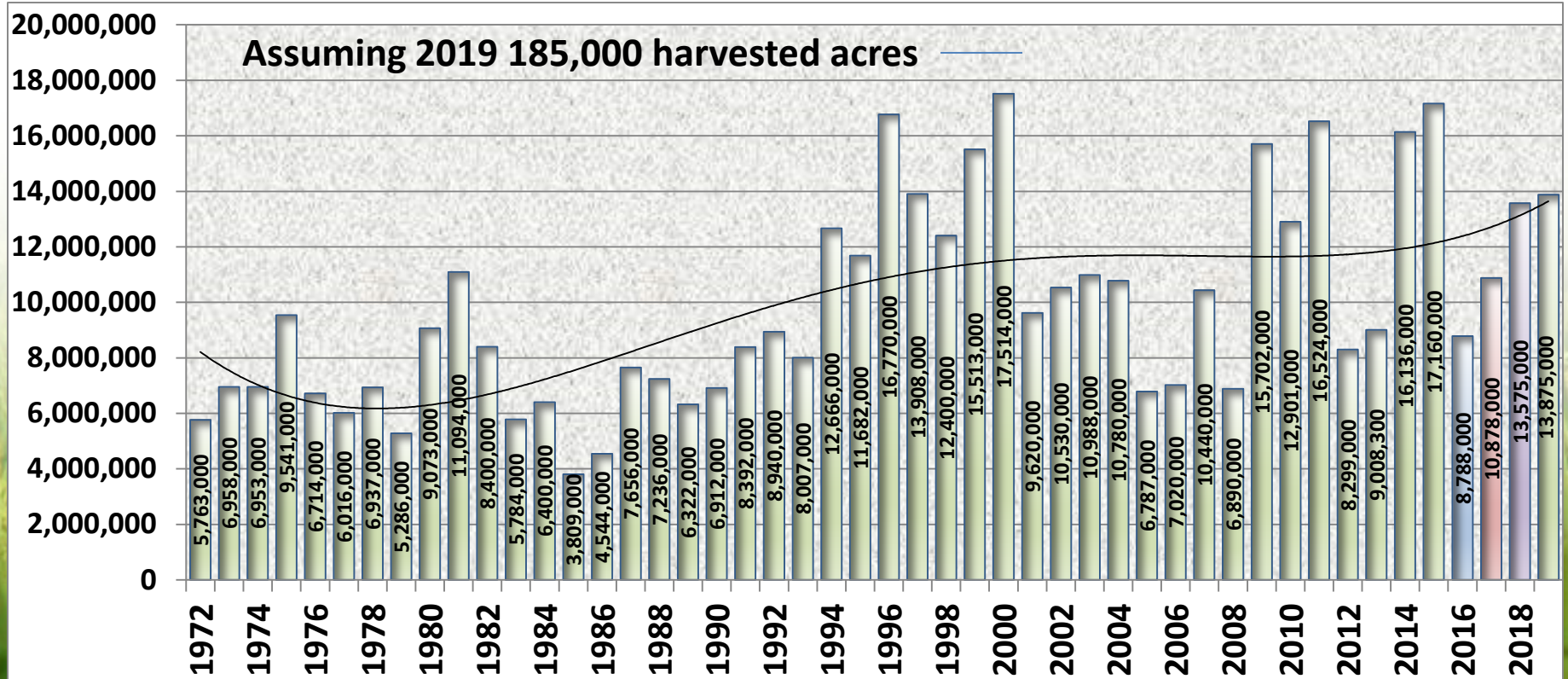
2019 Arkansas Medium Grain Rice Harvested Acreage

Expectation 185,000 Acres – 2.2% above 2018



2018 Arkansas Medium Grain Rice Production

Expectation 13.9 million cwt. – 2.2% greater than 2018

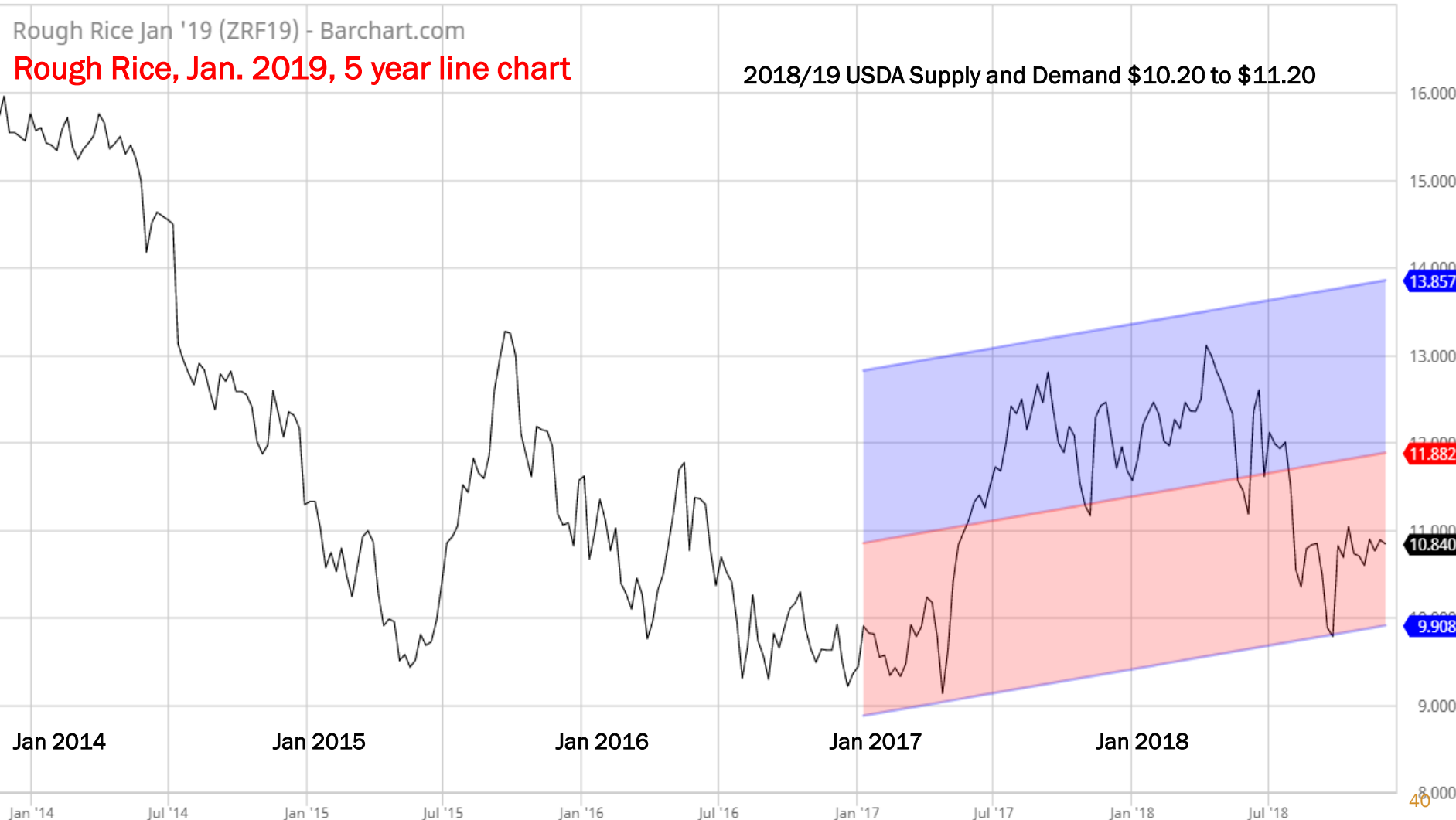


Concluding Thoughts

- **2019 Market Outlook will be dominated by the policy actions from world leaders**
- **Slowing global growth required to realign hard asset prices to avoid a recession and extend the business cycle**
- **Assuming no new demand the 2019/20 U.S. long grain rice balance sheet needs fewer long grain rice acres planted in 2019**

Rough Rice, Jan. 2019, 5 year line chart

2018/19 USDA Supply and Demand \$10.20 to \$11.20





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Food and Agribusiness Webinars

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Host and Interviewer

Bobby Coats - Professor, University of Arkansas System Division of Agriculture, Department of Agricultural Economics and Agribusiness

Executive Producer

Mary Poling – Coordinator of Interactive Communications, Office of Information Technology, University of Arkansas System Division of Agriculture

I do appreciate your attention! Thank you so very much!

Bobby Coats, Ph.D.

Professor - Economics

University of Arkansas System

Division of Agriculture

Department of Agricultural Economics and Agribusiness

2301 S. University Avenue

Little Rock, AR 72203

Phone: 501-671-2195

Mobile: 501-944-0747 – 24/7

Twitter - http://twitter.com/Robert_Coats

Coats' Webinars - www.uaex.edu/ag-webinars

Coats' Blog - www.uaex.edu/coatsblog



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University of Arkansas System - Division of Arkansas
Department of Agricultural Economics and Agribusiness

NASS - Cropland Data Layer

Land Cover Categories
(by decreasing acreage)
AGRICULTURE

