Rice Outlook Slide Show
U.S. and World
May 22, 2017

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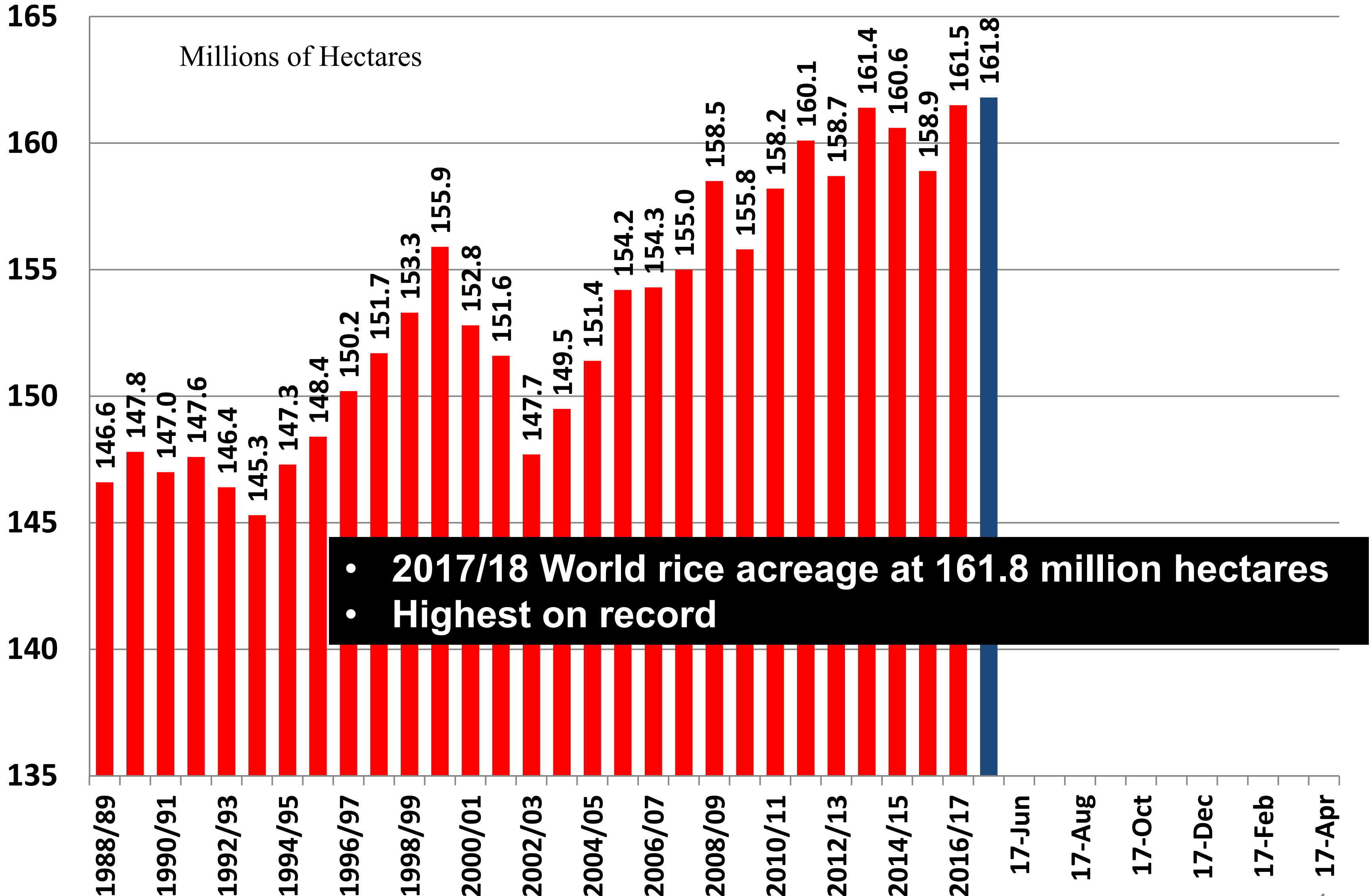
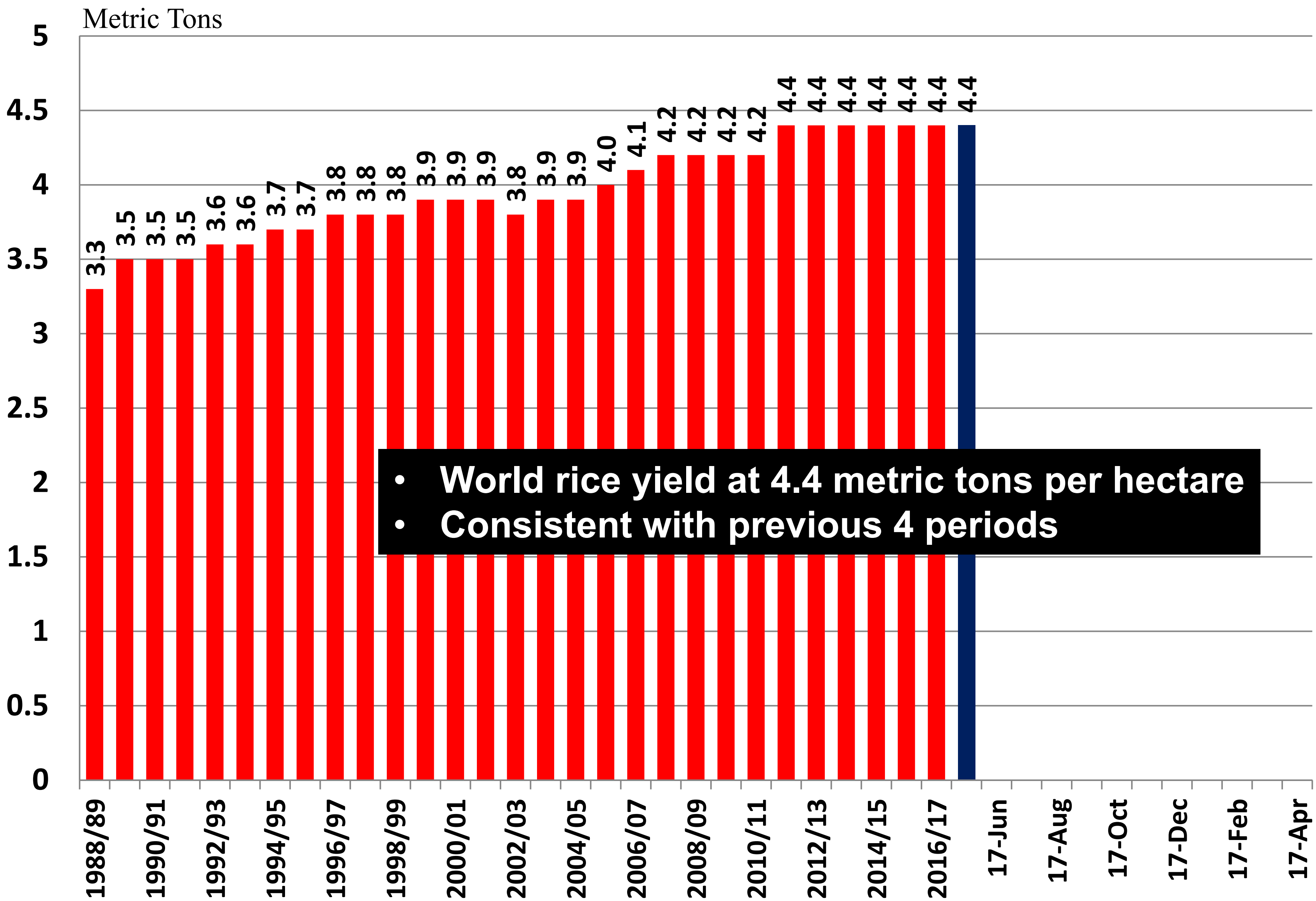
World Rice
Supply and Demand Estimates
Slide Show
May 10, 2017

World Rice Area Harvested 1988/89-2017/18



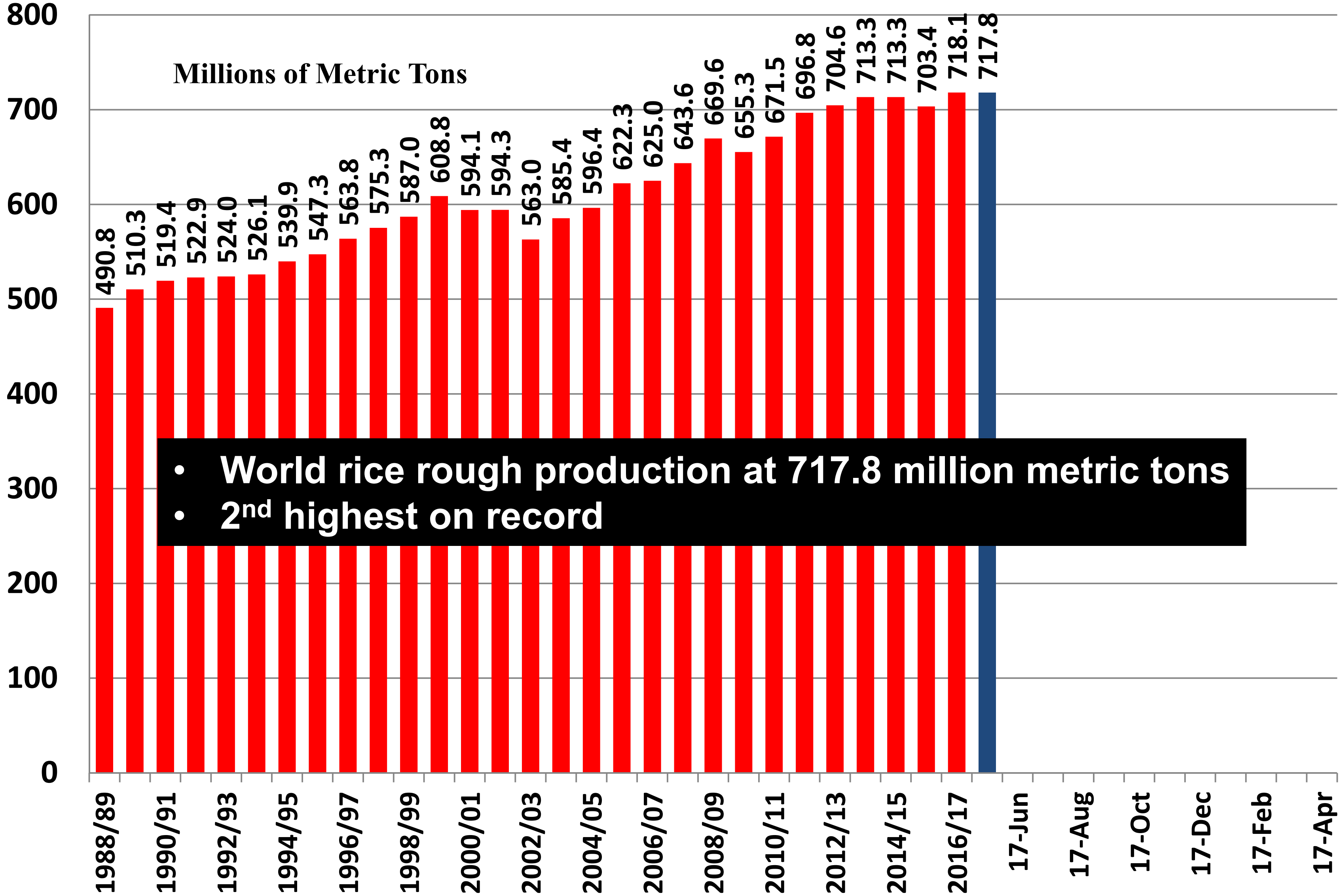
Source: USDA

World Rice Yield (Rough) 1988/89-2017/18



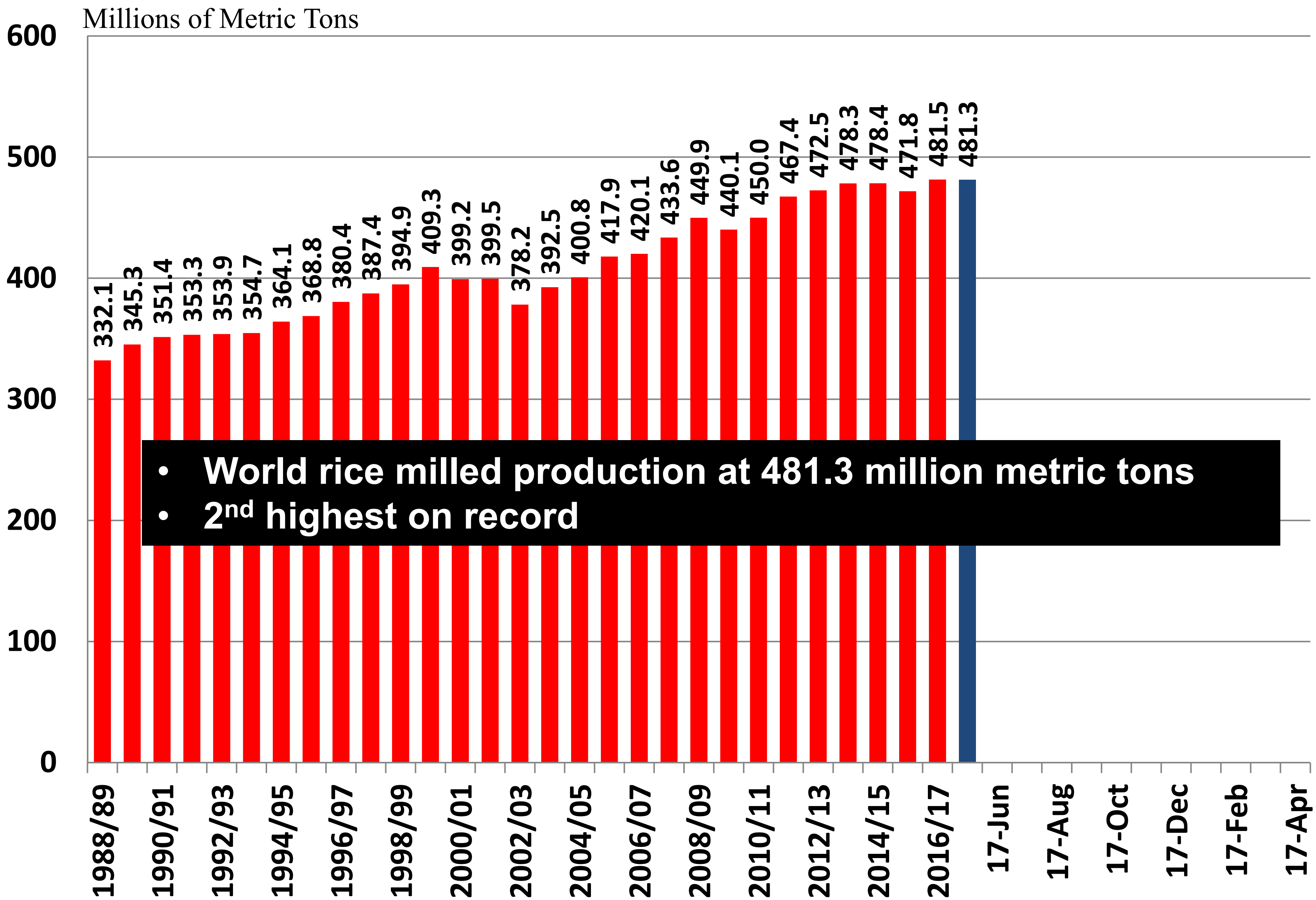
Source: USDA

World Rice Rough Production 1988/89-2017/18



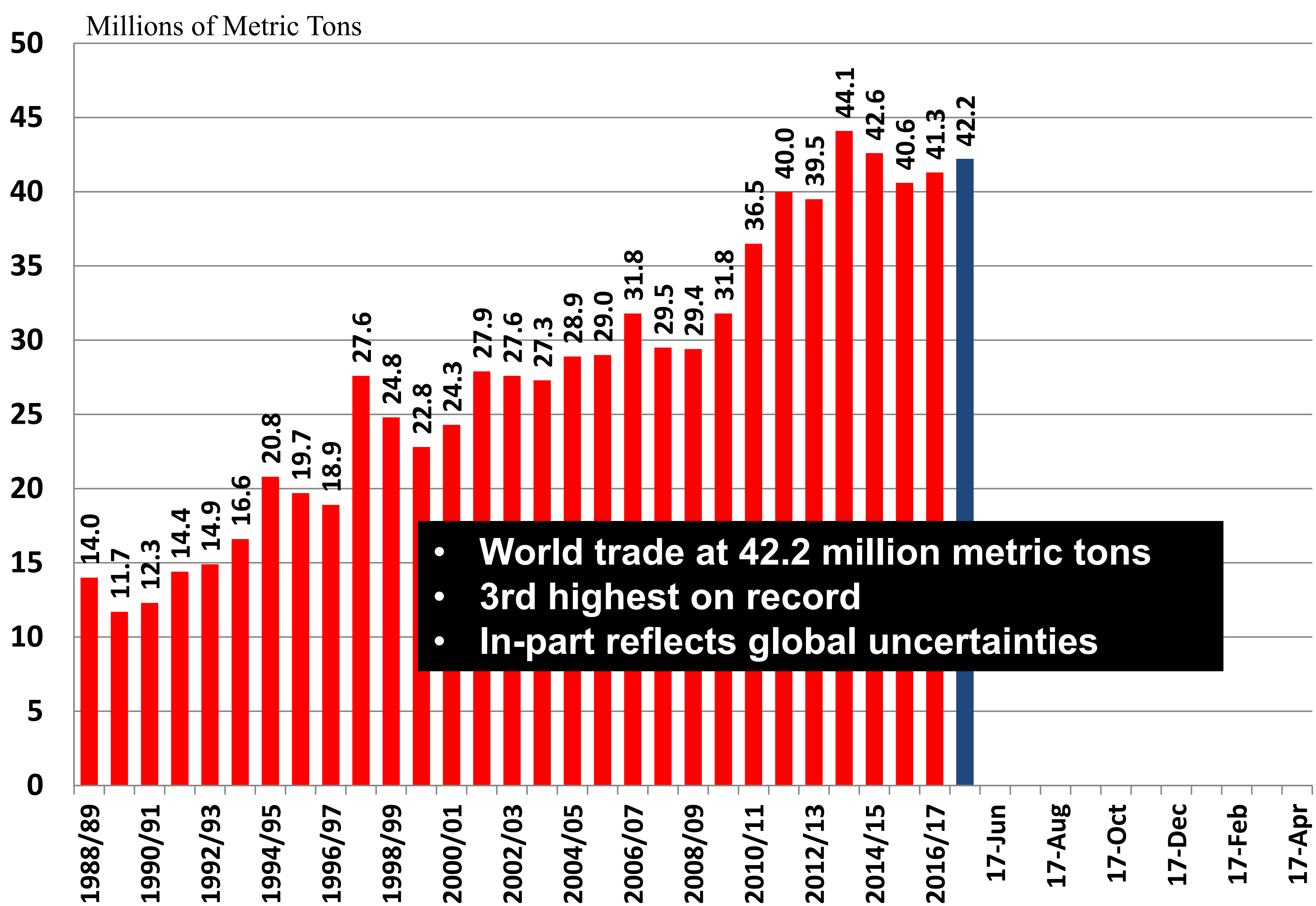
Source: USDA

World Rice Milled Production 1988/89-2017/18



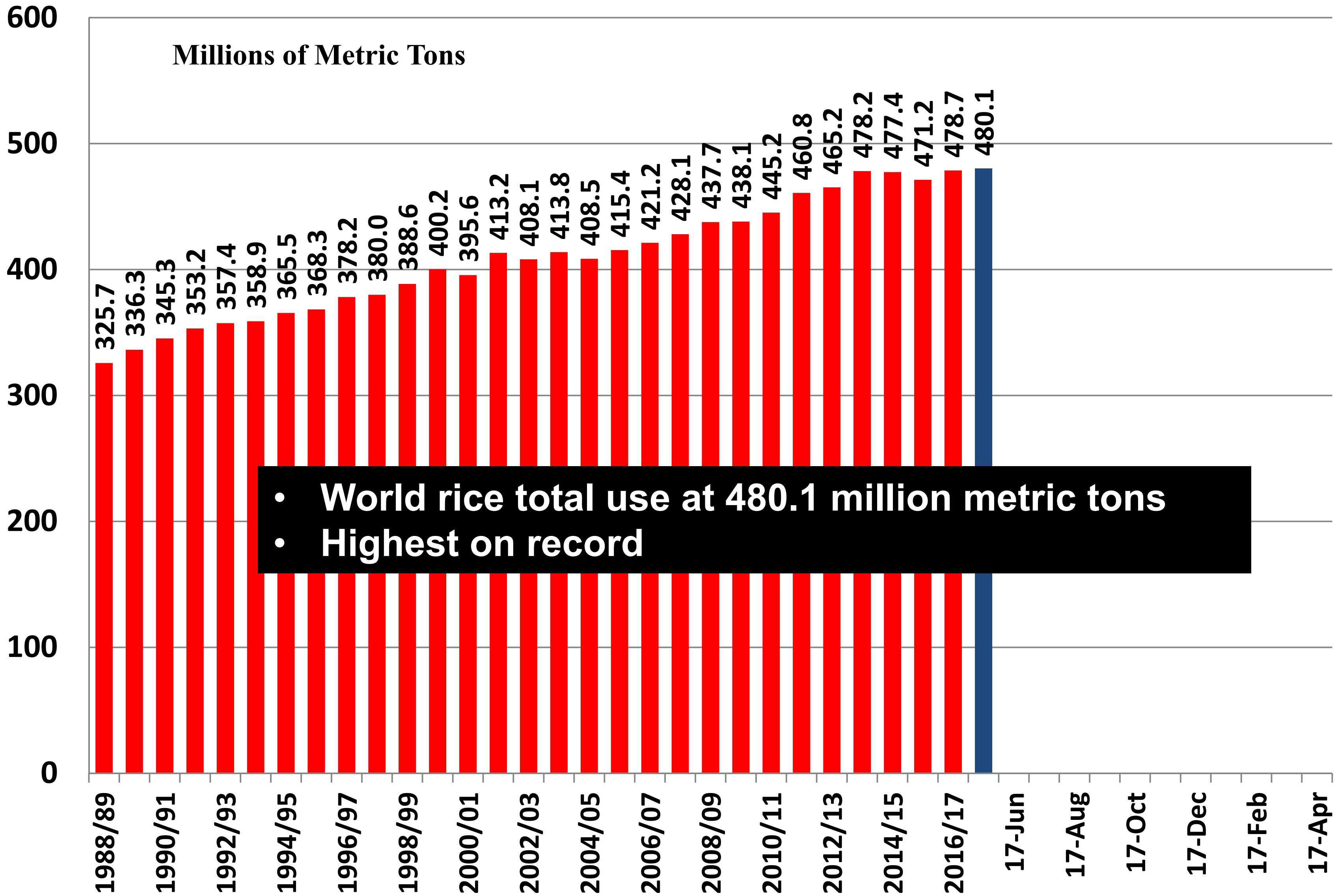
Source: USDA

World Rice Trade Year Exports Calendar 1988/89-2017/18



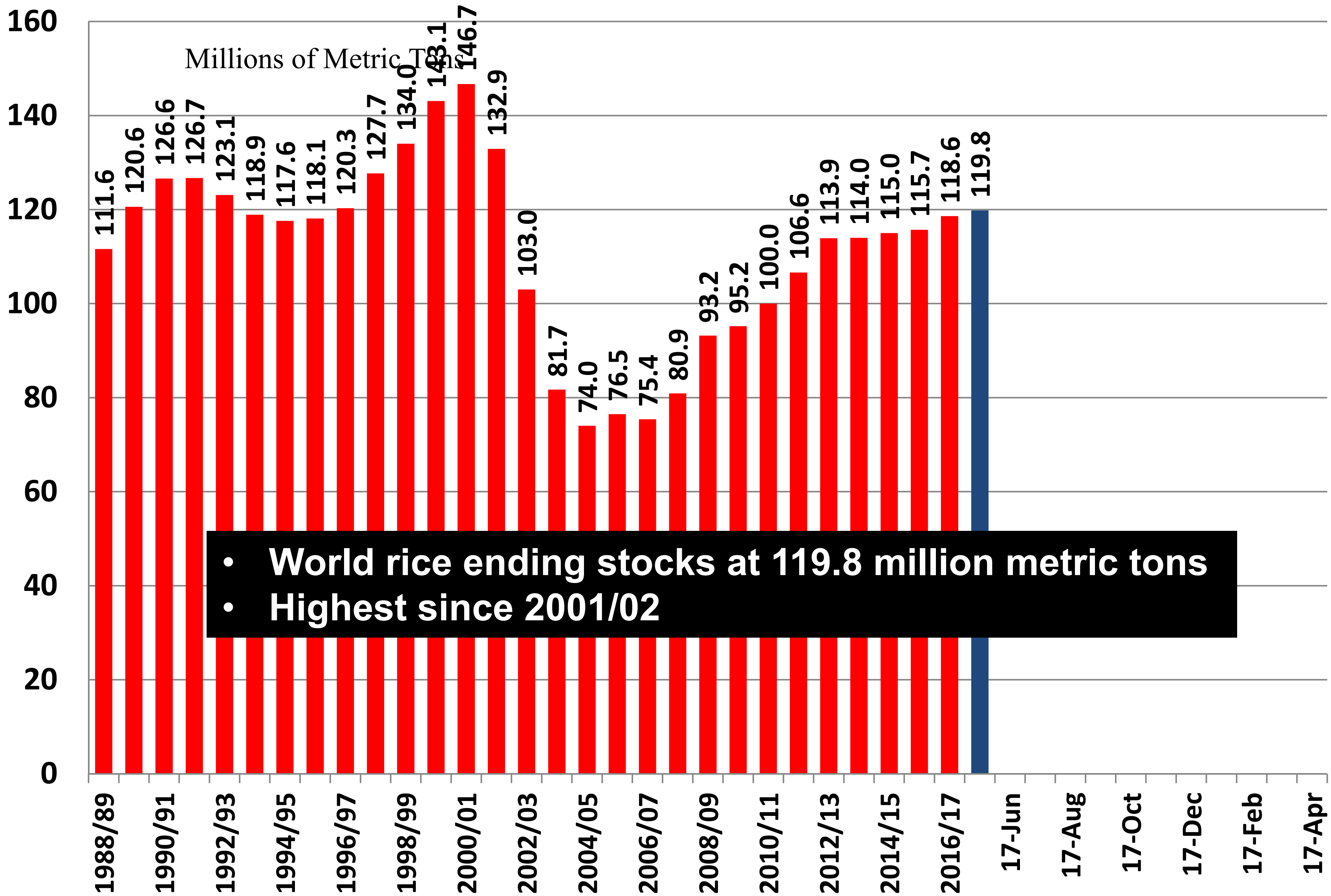
Source: USDA

World Rice Total Use 1988/89-2017/18



Source: USDA

World Rice Ending Stocks 1988/89-2017/18



Source: USDA

- 2017/18 world rice production forecast down 0.2 million tons from 2017/18
- U.S. production is down .7 million tons (June 30 USDA Acreage Report will likely lower U.S. production.

World Rice Production

Country or Region	2016/17 estimate	2017/18 forecast	Change from 2016/17
		Million Tons	
World	481.5	481.3	**-0.2**
United States	7.1	6.4	**-0.7**
Foreign	474.4	474.9	**0.5**
Brazil	8.2	8.0	**-0.2**
Egypt	4.8	4.0	**-0.8**
Bangladesh	34.6	34.7	**0.1**
Burma	12.4	12.3	**-0.1**
Cambodia	4.9	5.0	**0.1**
China	144.9	145.0	**0.2**
India	106.5	106.0	**-0.5**
Indonesia	37.2	37.0	**-0.1**
Japan	7.8	7.6	**-0.2**
Sri Lanka	2.3	3.3	**1.0**
Pakistan	6.8	6.9	**0.1**
Philippines	11.5	11.2	**-0.3**
Thailand	18.6	19.5	**0.9**
Vietnam	27.9	28.1	**0.2**

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2017/18 world rice production (481.3 million tons) is forecasts to exceed 2017/18 total use (480.1 million tons) by 1.2 million tons.

World Rice Supply and Use

	2016/17 estimate	2017/18 forecast	Change from 2016/17
		Million Tons	
Beginning stocks	115.7	118.6	2.9
Production	481.5	481.3	-0.2
Total Supply	597.2	599.9	2.6
Total use	478.7	480.1	1.4
Trade	41.4	42.2	0.7
Ending Stocks	118.6	119.8	1.2

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U.S. Long-Grain Rice
USDA Supply and Demand Estimates
Slide Show
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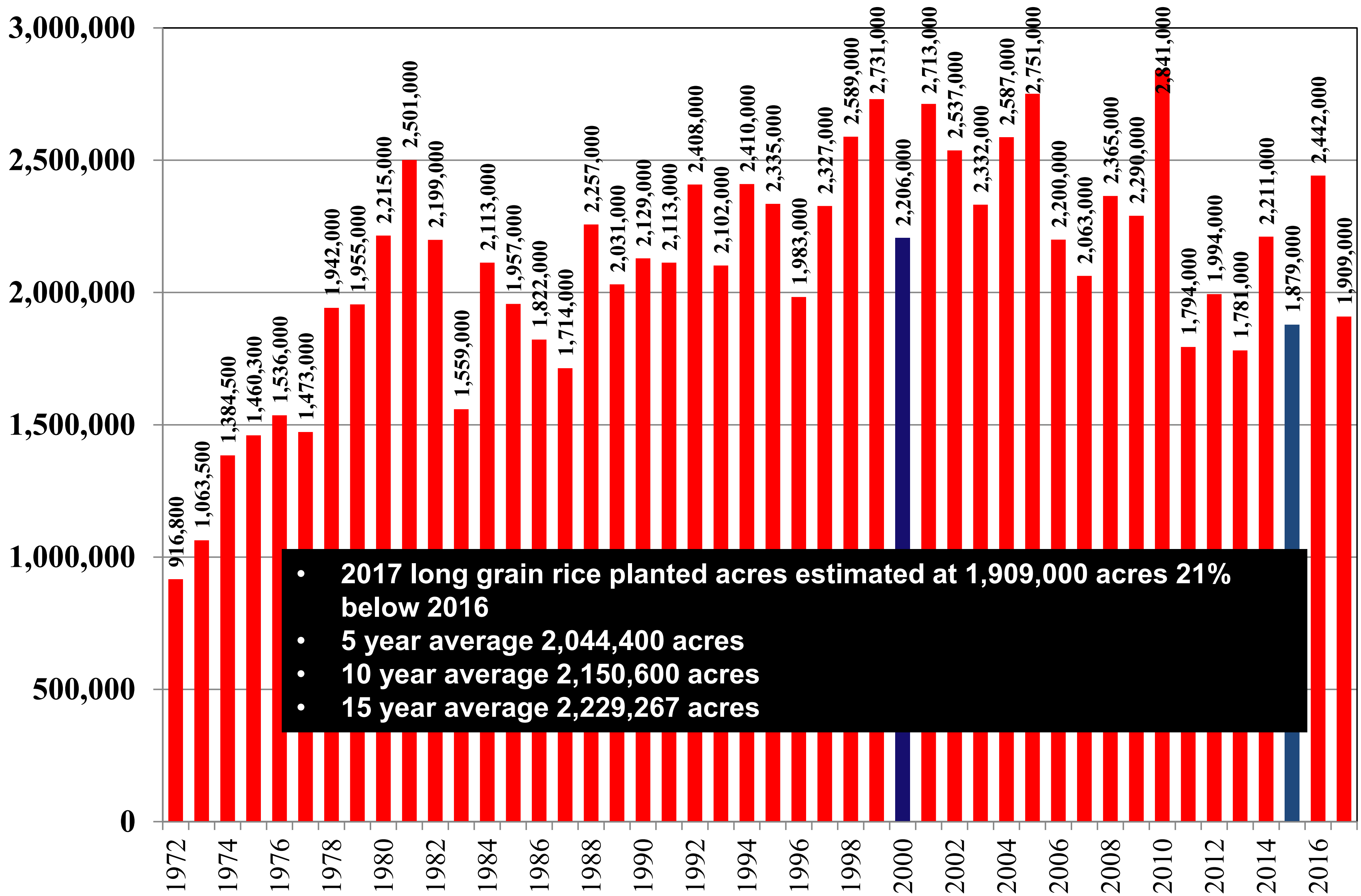
May 2017

LONG-GRAIN RICE	2015/1	2016/17	2017/18 Proj. Apr	2017/18 Proj. May
		Million	*Hundredweight*	
Harvested Acres (mil.)	1.85	2.4		
Yield (pounds/acre)	7219	6927		
Beginning Stocks	26.5	22.7	NA	28.7
Production	133.4	166.5	NA	142
Supply, Total 7/	180.7	209.7	NA	191.7
Domestic & Residual 3/	81.5	102	NA	95
Exports 8/	76.5	79	NA	76
Use, Total	158	181	NA	171
Ending Stocks	22.7	28.7	NA	20.7
Avg. Farm Price ($/cwt) 6/	11.2	9.50 - 9.90	NA	10.20 - 11.20

- The long grain rice season-average farm price range is $10.20 - $11.20 per cwt or $4.59 - $5.04 per bus

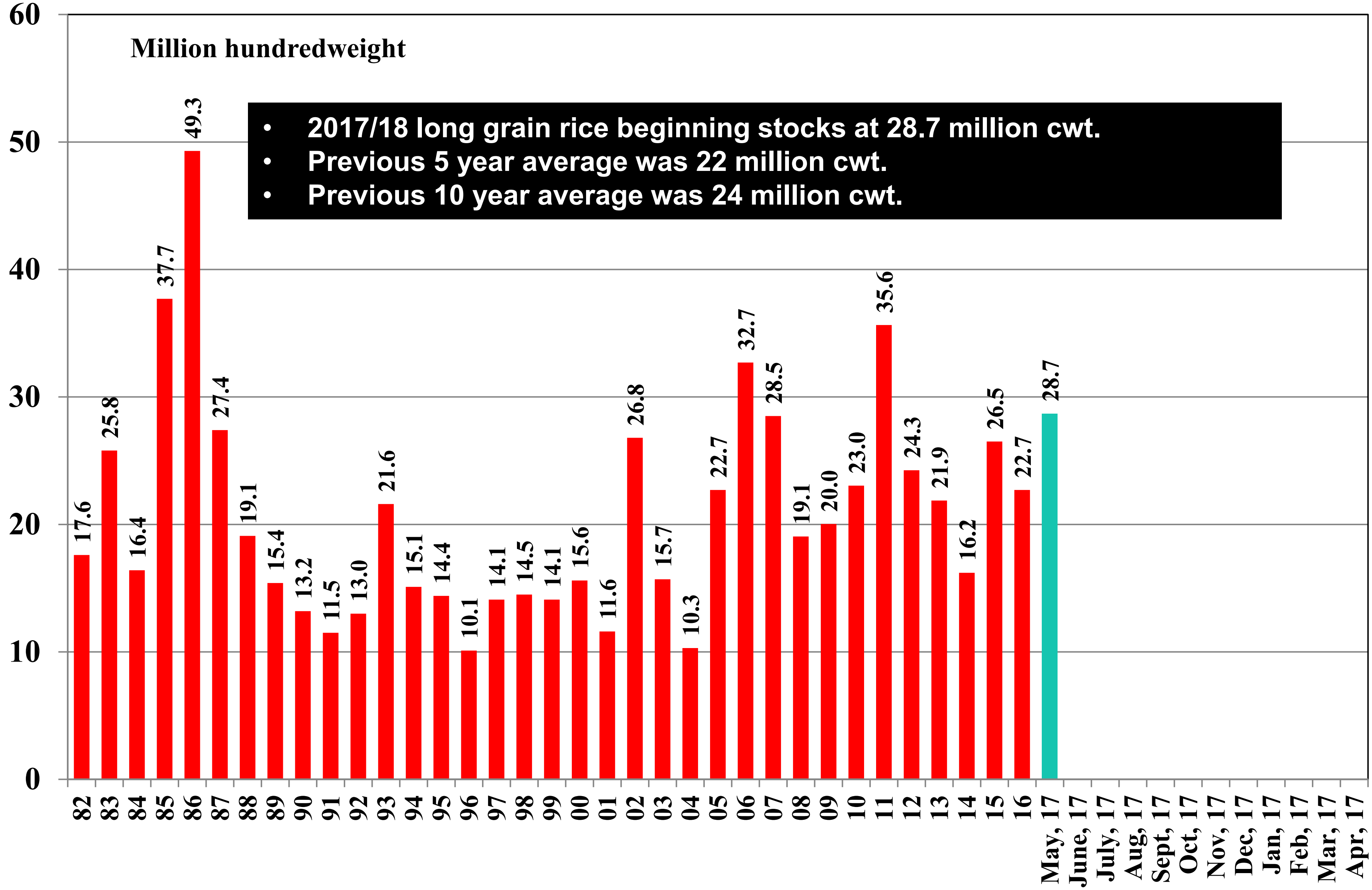
U.S. Long Grain Rice Planted Acres 1972/73 – 2017/18



- 2017 long grain rice planted acres estimated at 1,909,000 acres 21% below 2016
- 5 year average 2,044,400 acres
- 10 year average 2,150,600 acres
- 15 year average 2,229,267 acres

Source: USDA

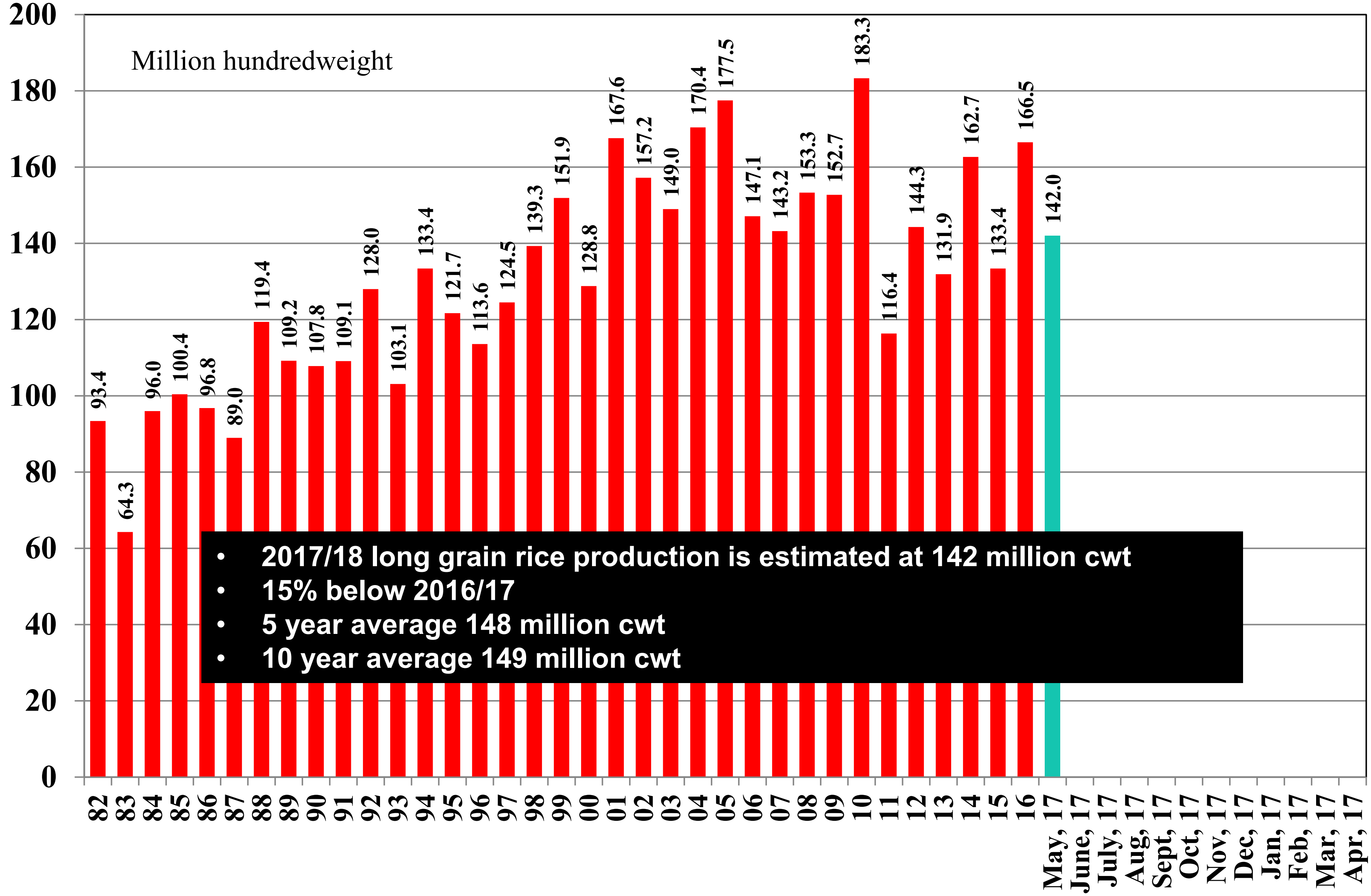
U.S. Long Grain Rice Beginning Stocks 1982/83 – 2017/18



- 2017/18 long grain rice beginning stocks at 28.7 million cwt.
- Previous 5 year average was 22 million cwt.
- Previous 10 year average was 24 million cwt.

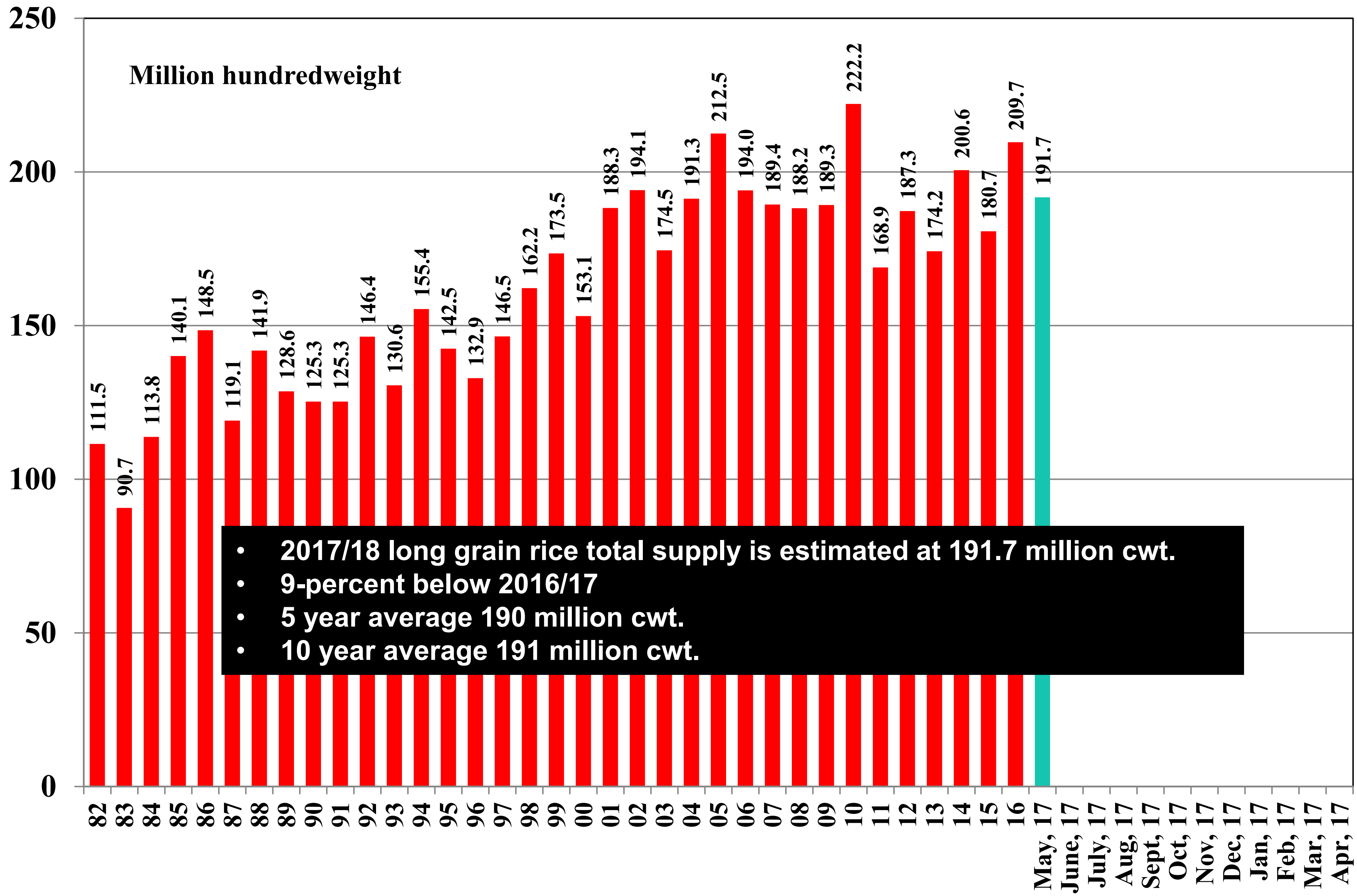
Source: USDA

U.S. Long Grain Rice Production 1982/83 – 2017/18



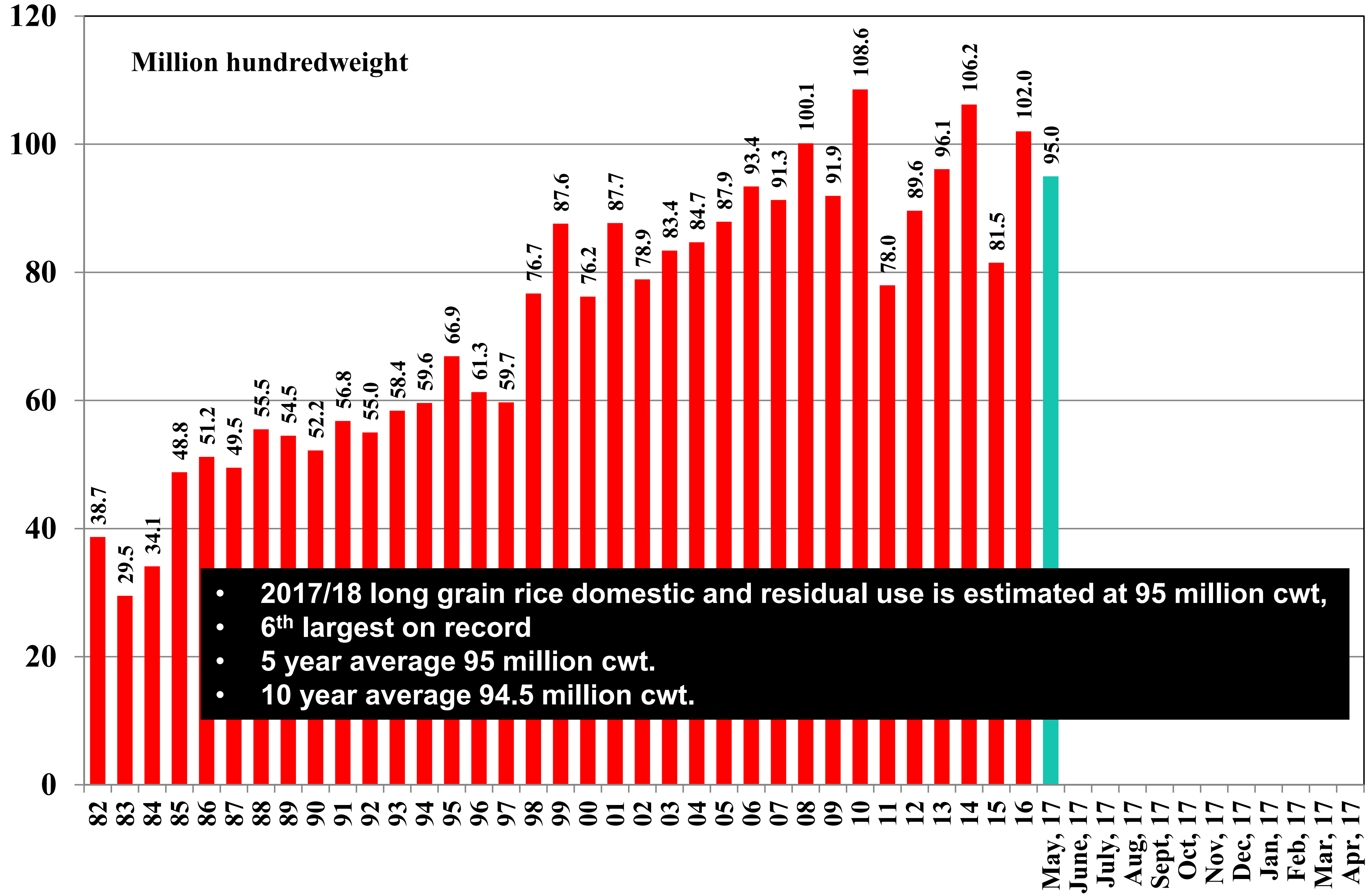
Source: USDA

U.S. Long Grain Rice Total Supply 1982/83 – 2017/18



Source: USDA

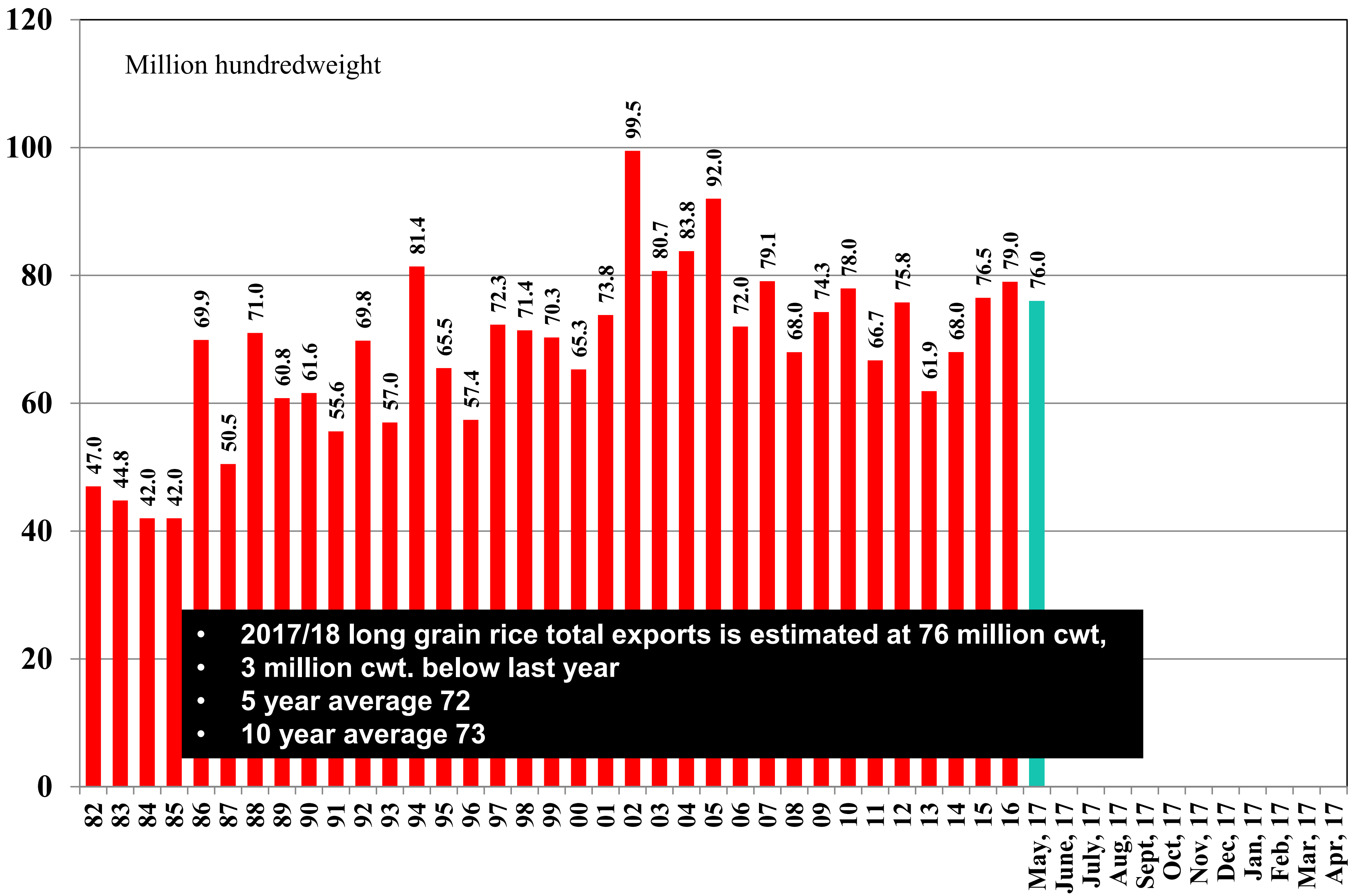
U.S. Long Grain Rice Domestic and Residual 1982/83 – 2017/18



- 2017/18 long grain rice domestic and residual use is estimated at 95 million cwt,
- 6th largest on record
- 5 year average 95 million cwt.
- 10 year average 94.5 million cwt.

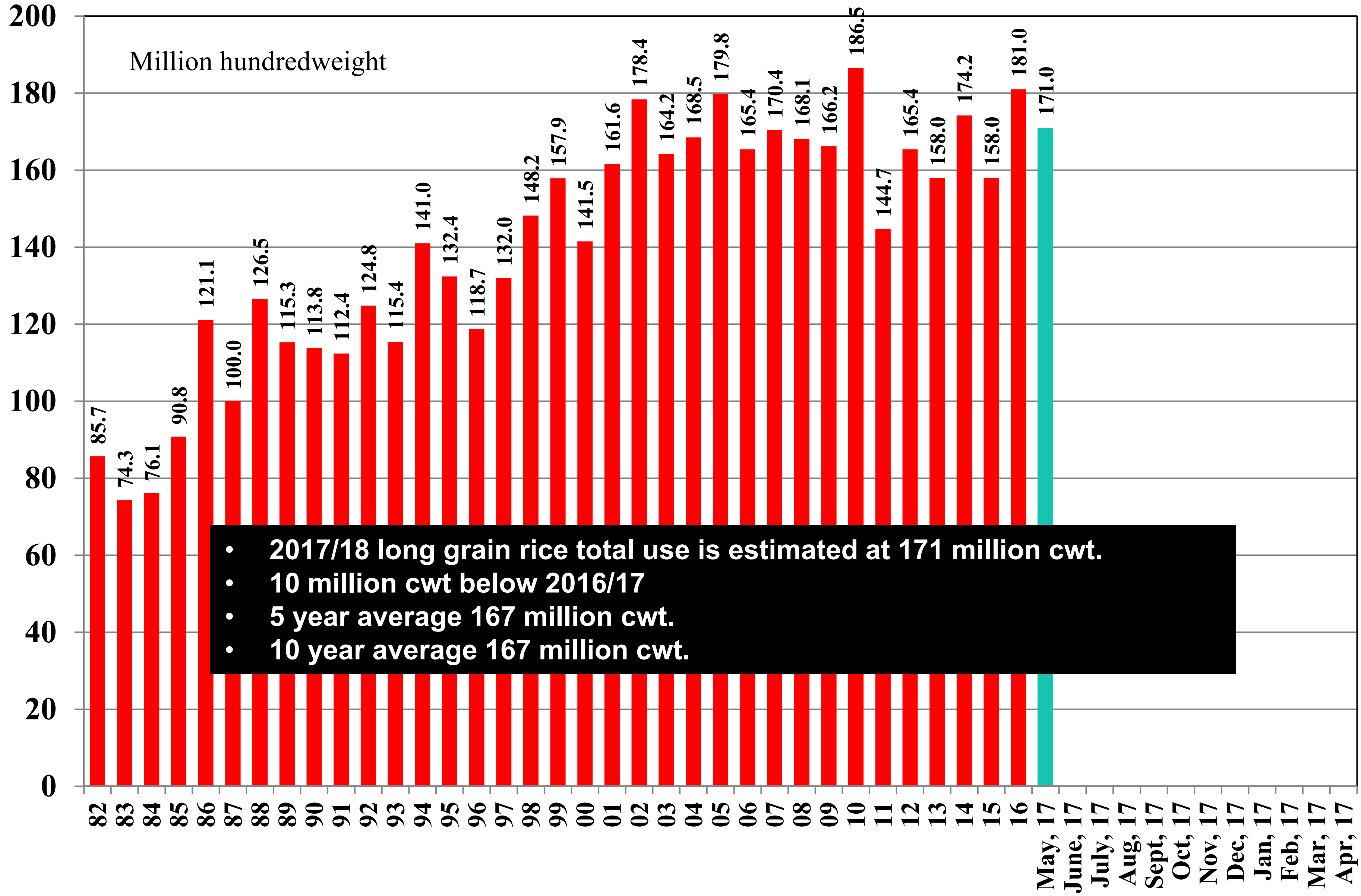
Source: USDA

U.S. Long Grain Rice Total Exports 1982/83 – 2017/18



Source: USDA

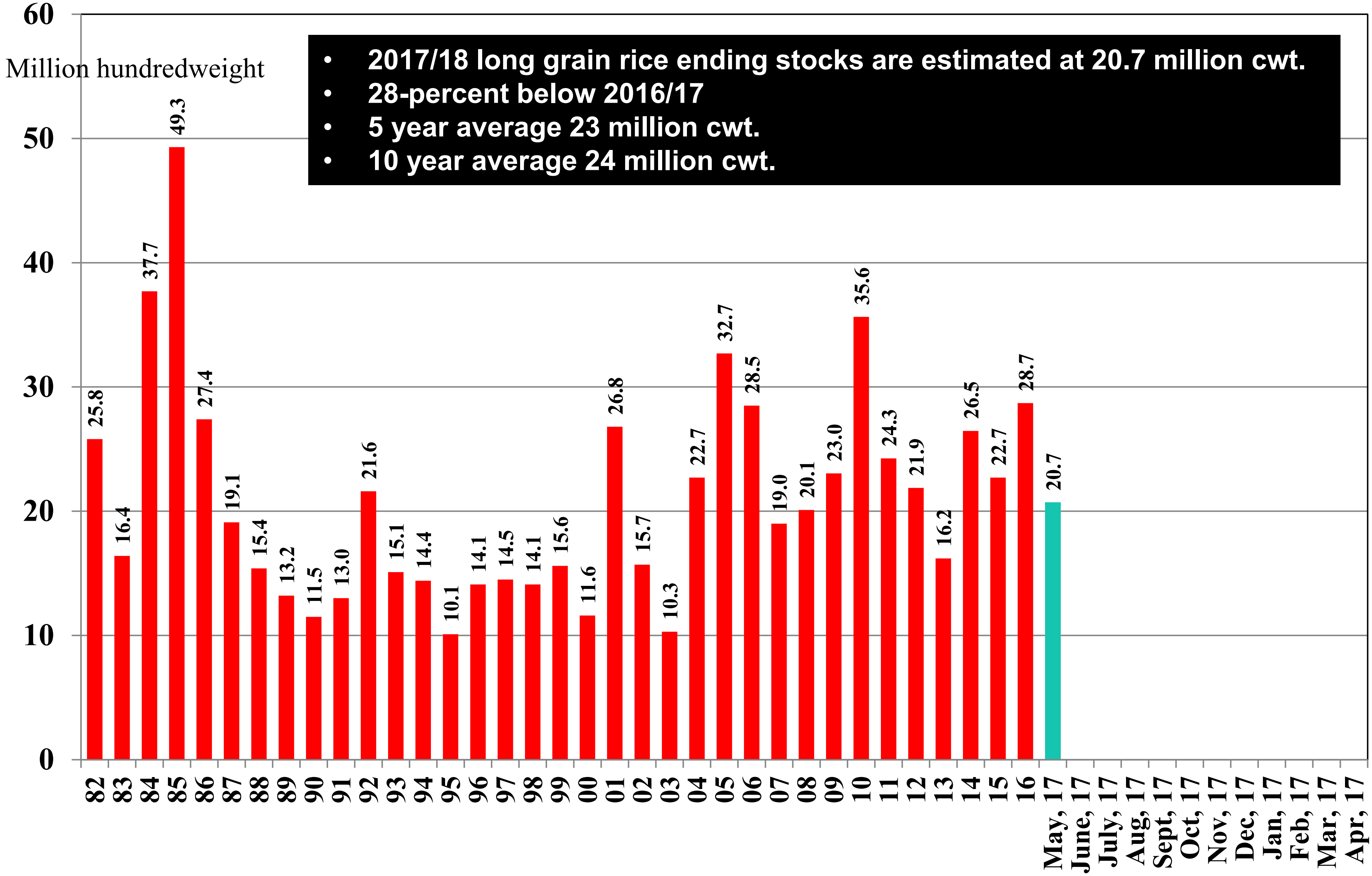
U.S. Long Grain Rice Total Use 1982/83 – 2017/18



- 2017/18 long grain rice total use is estimated at 171 million cwt.
- 10 million cwt below 2016/17
- 5 year average 167 million cwt.
- 10 year average 167 million cwt.

Source: USDA

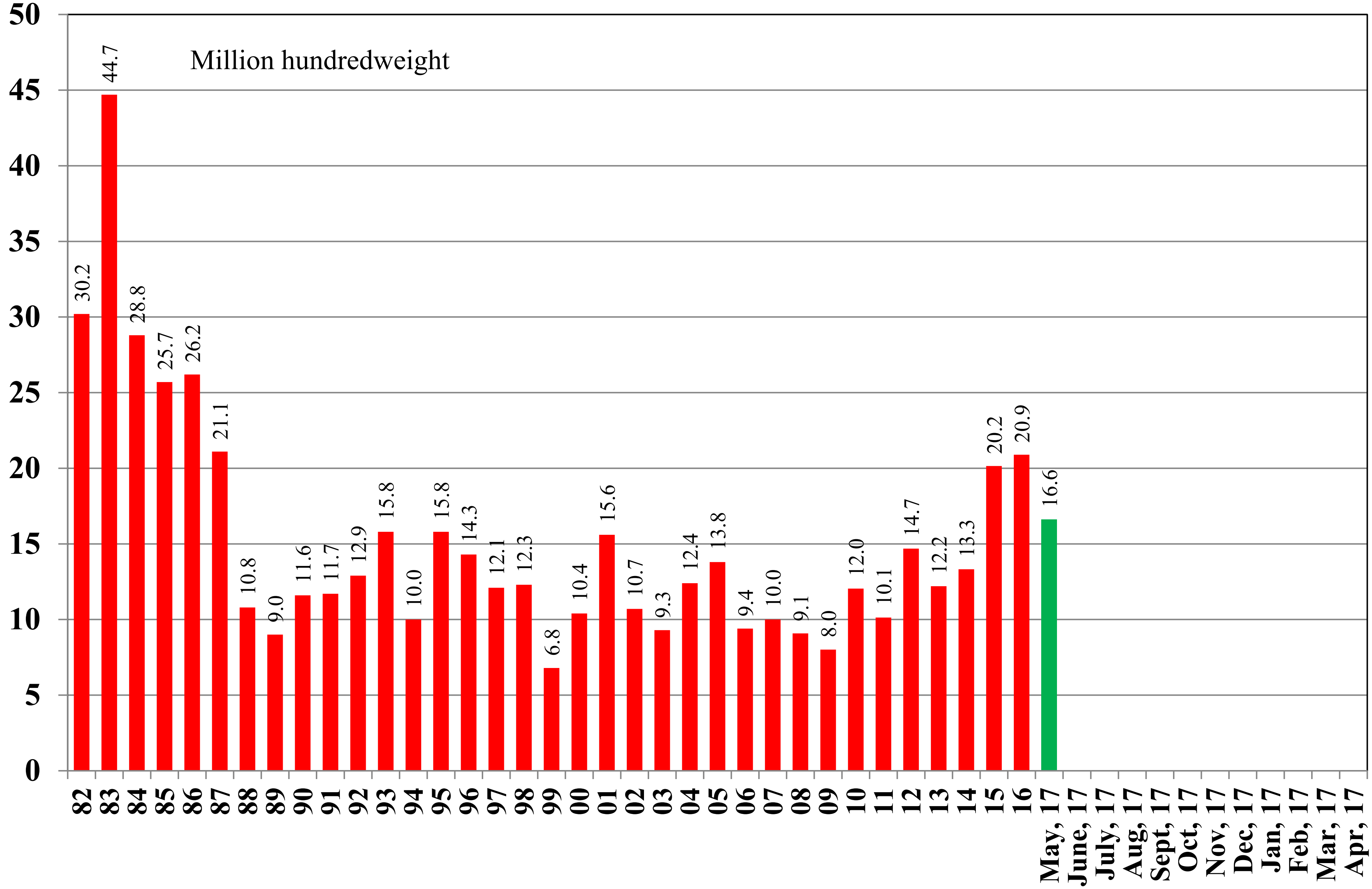
U.S. Long Grain Rice Ending Stocks 1982/83 – 2017/18



Source: USDA

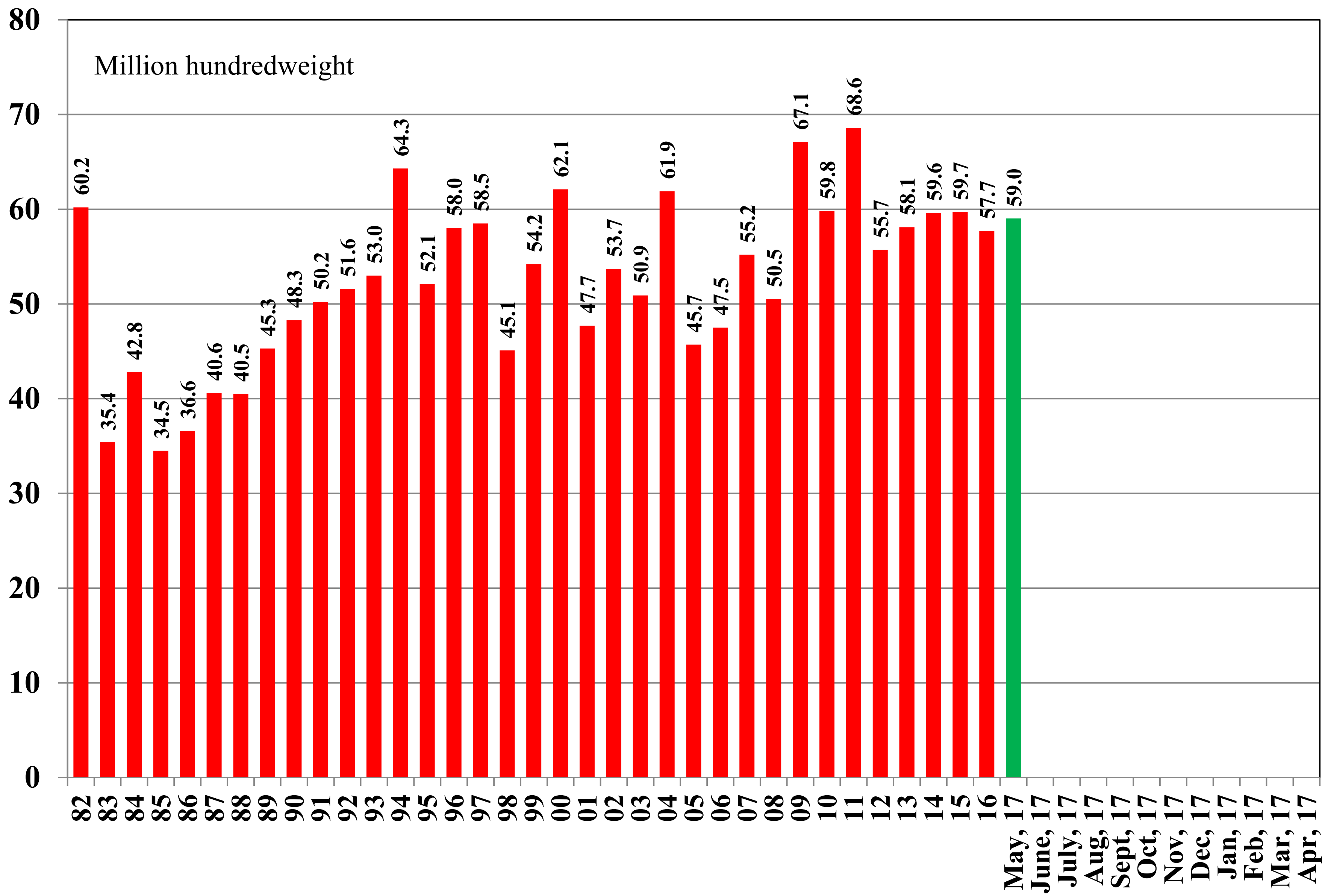
U.S. Medium & Short-Grain Rice USDA Supply and Demand Estimates Slide Show April 11, 2017

U.S. Medium & Short Grain Rice Beginning Stocks 1982/83 – 2017/18



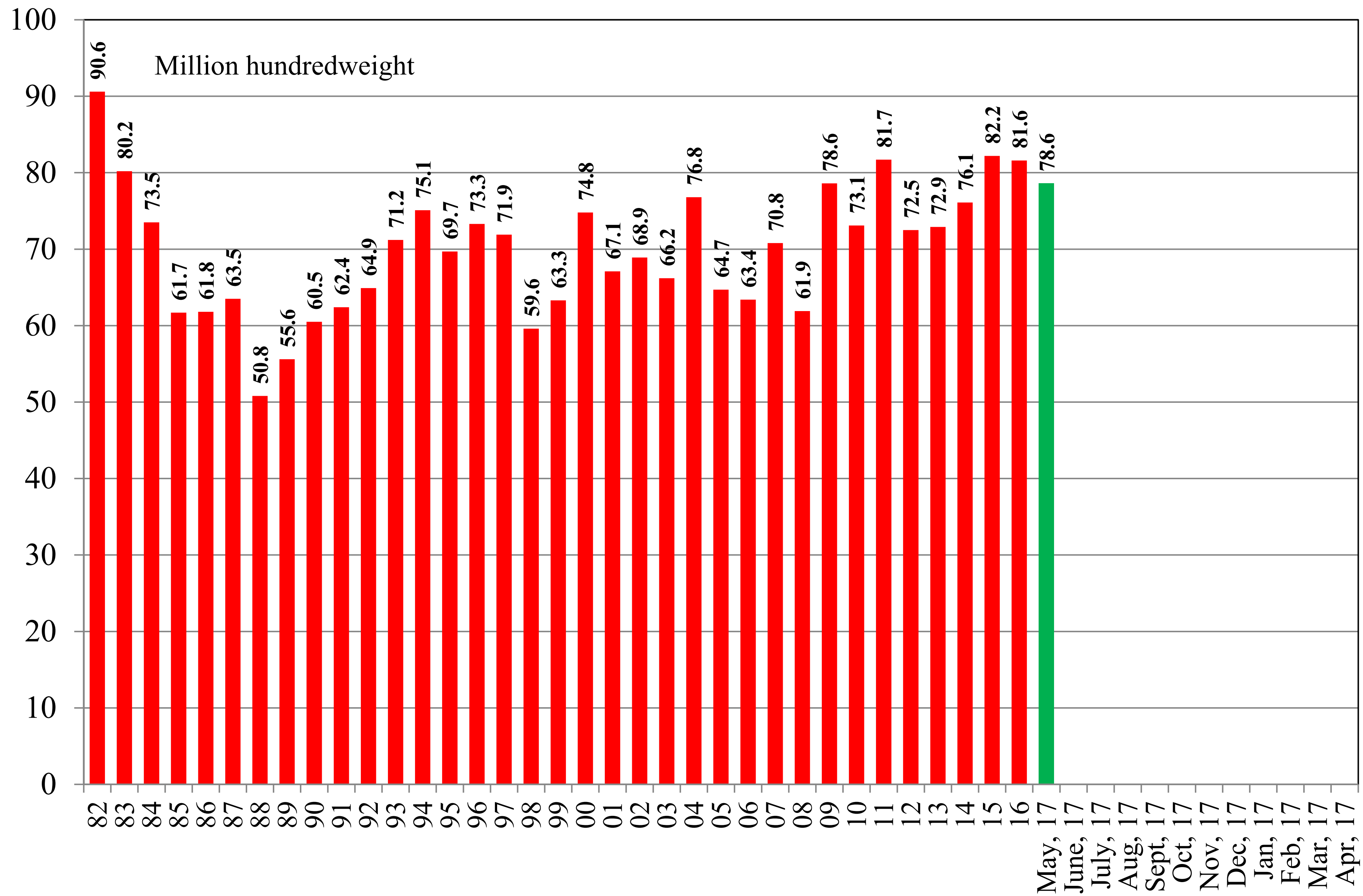
Source: USDA

U.S. Medium & Short Grain Rice Production 1982/83 – 2017/18



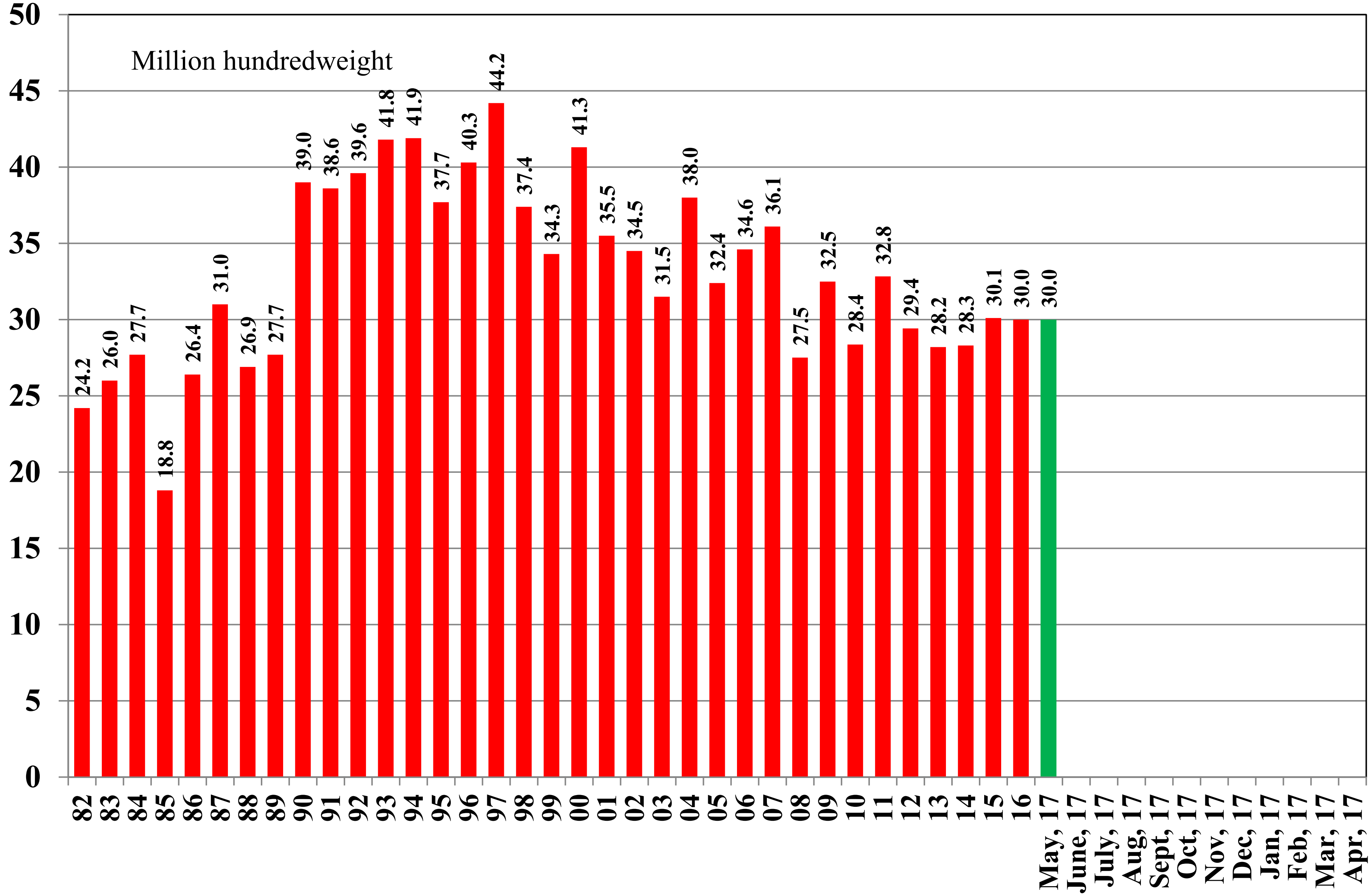
Source: USDA

U.S. Medium & Short Grain Rice Total Supply 1982/83 – 2017/18



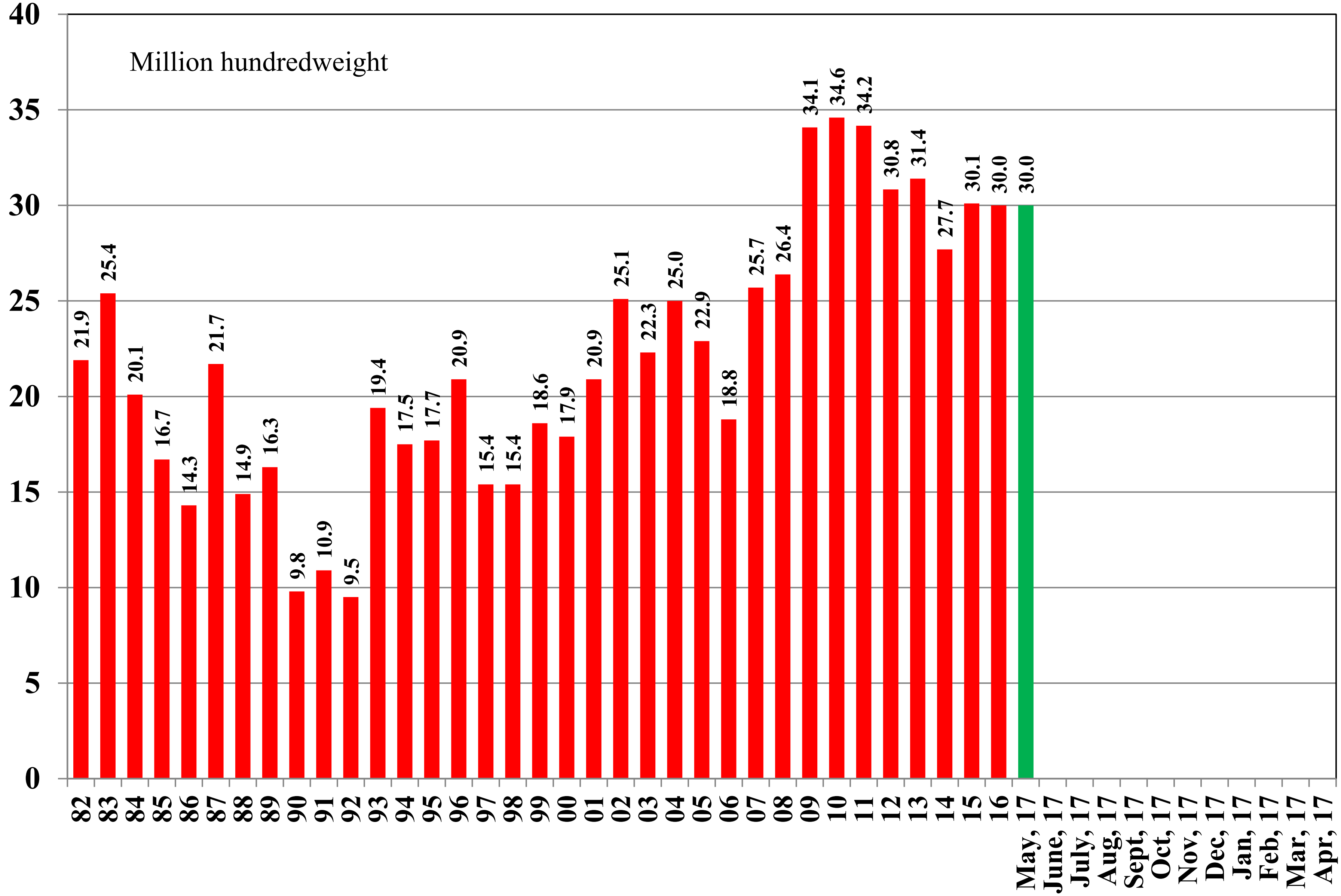
Source: USDA

U.S. Medium & Short Grain Rice Domestic and Residual 1982/83 – 2017/18



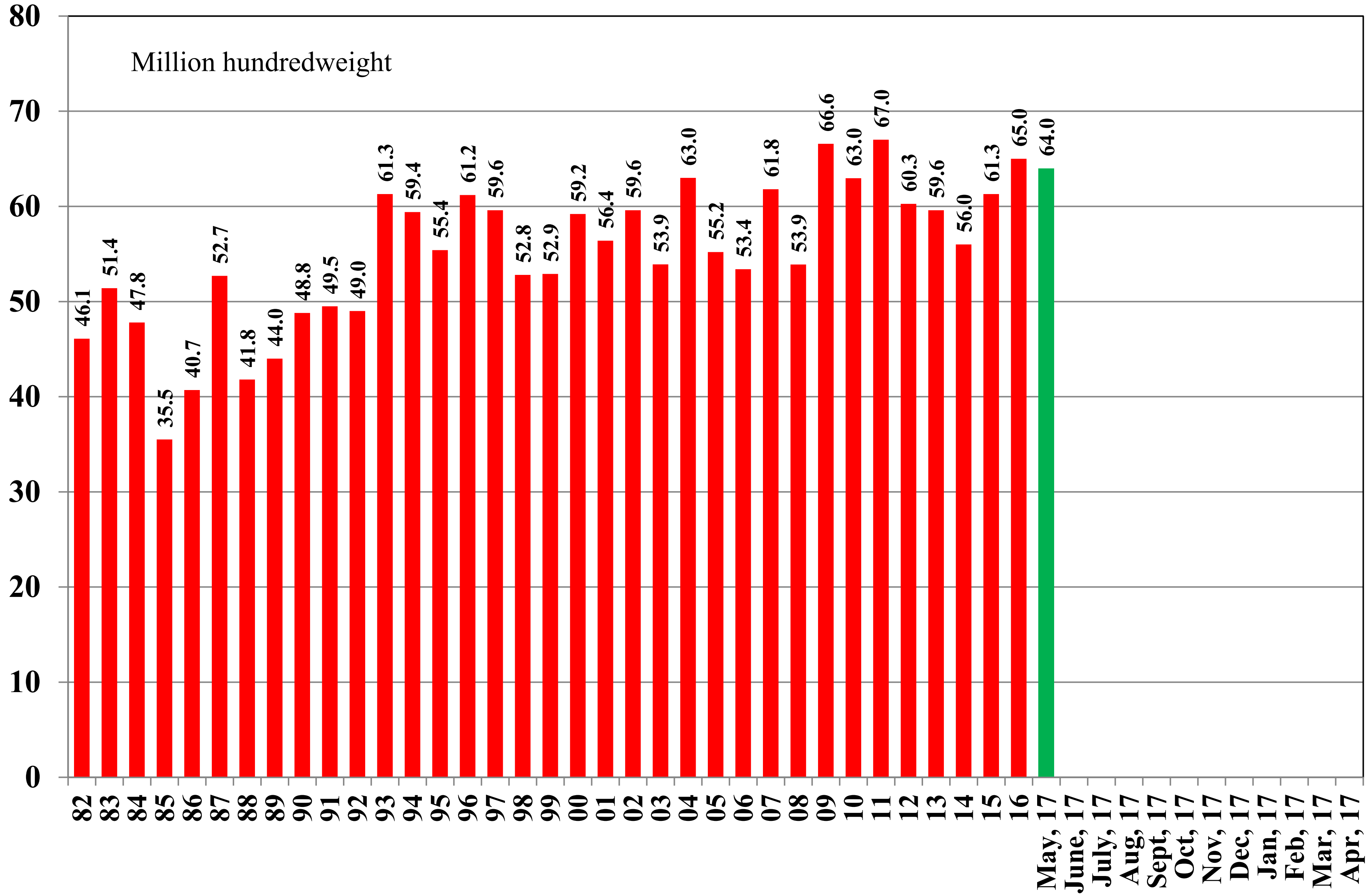
Source: USDA

U.S. Medium & Short Grain Rice Total Exports 1982/83 – 2017/18



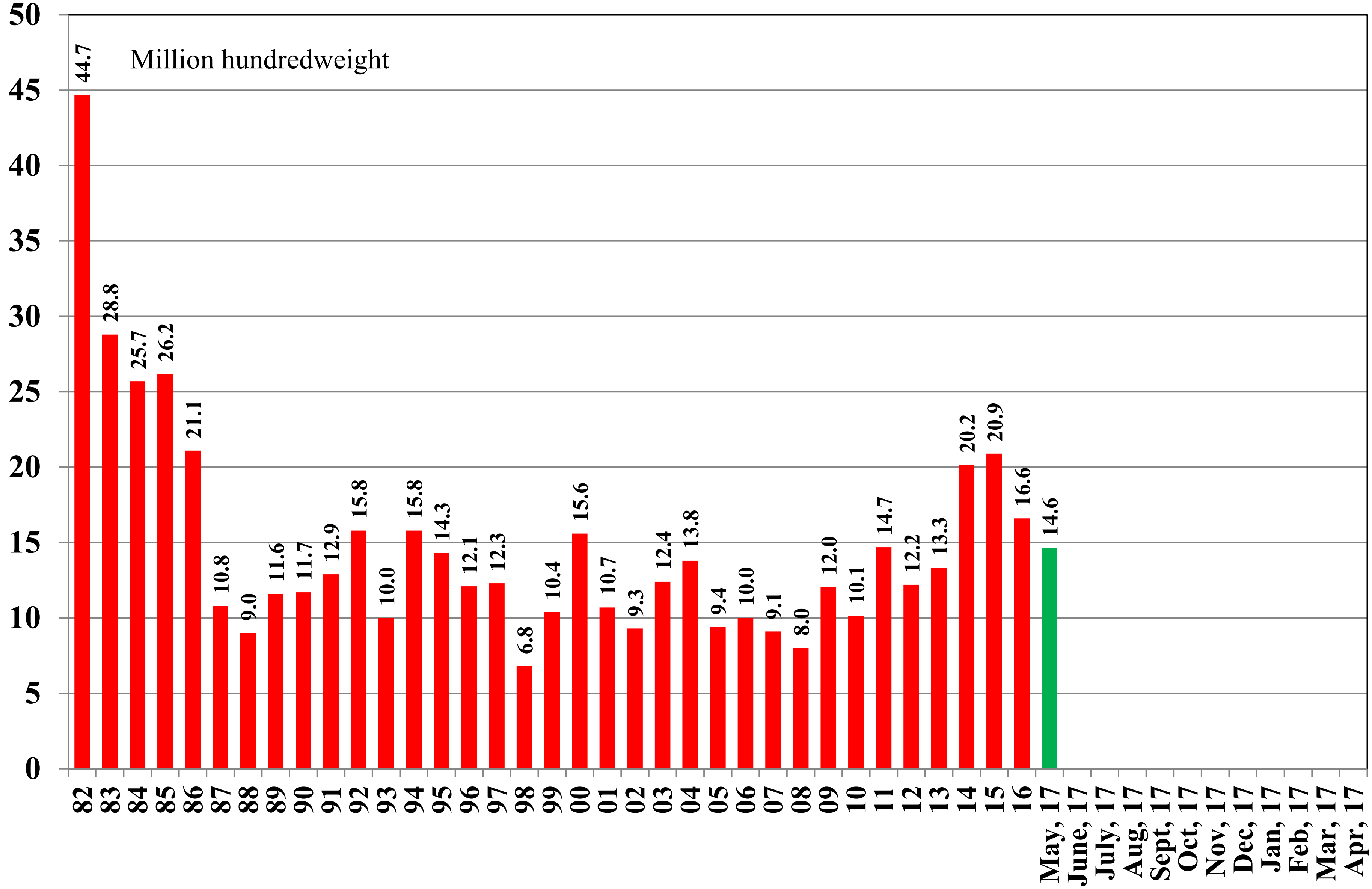
Source: USDA

U.S. Medium & Short Grain Rice Total Use 1982/83 – 2017/18



Source: USDA

U.S. Medium & Short Grain Rice Ending Stocks 1982/83 – 2017/18



Source: USDA

U.S. All Rice
Supply and Demand Estimates
Slide Show
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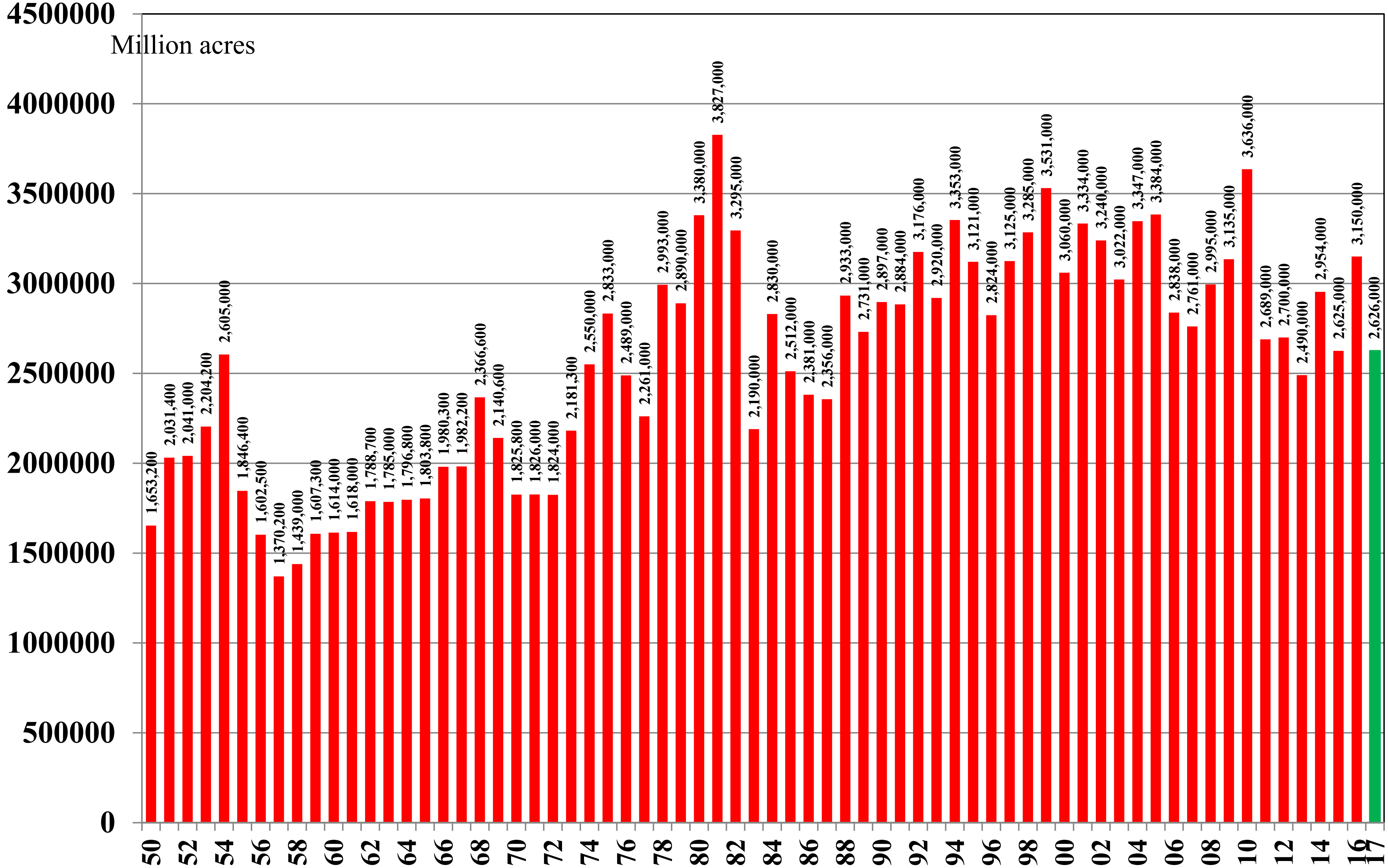
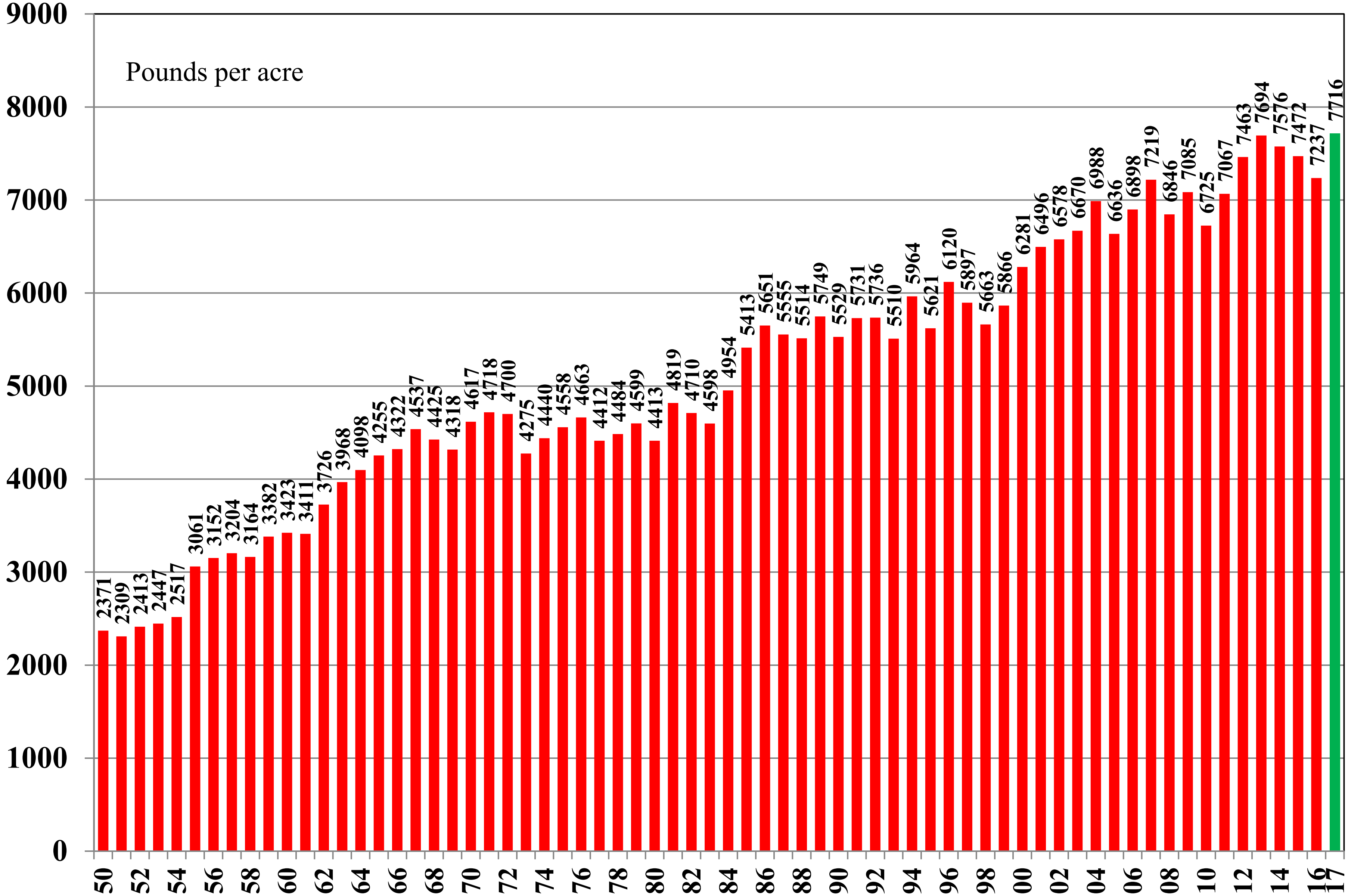
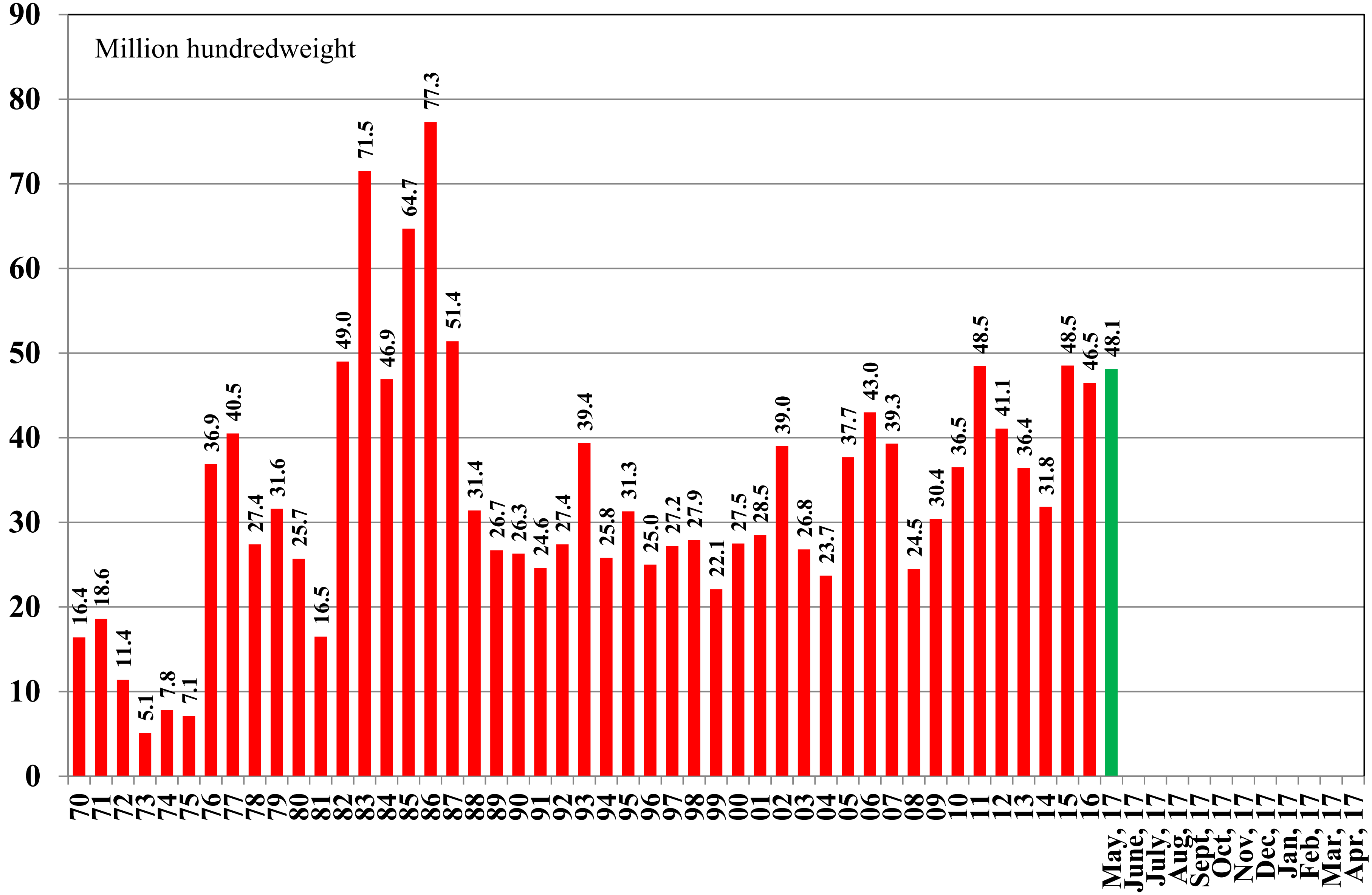
U.S. All Rice Planted Acres 1950/51 – 2017/18



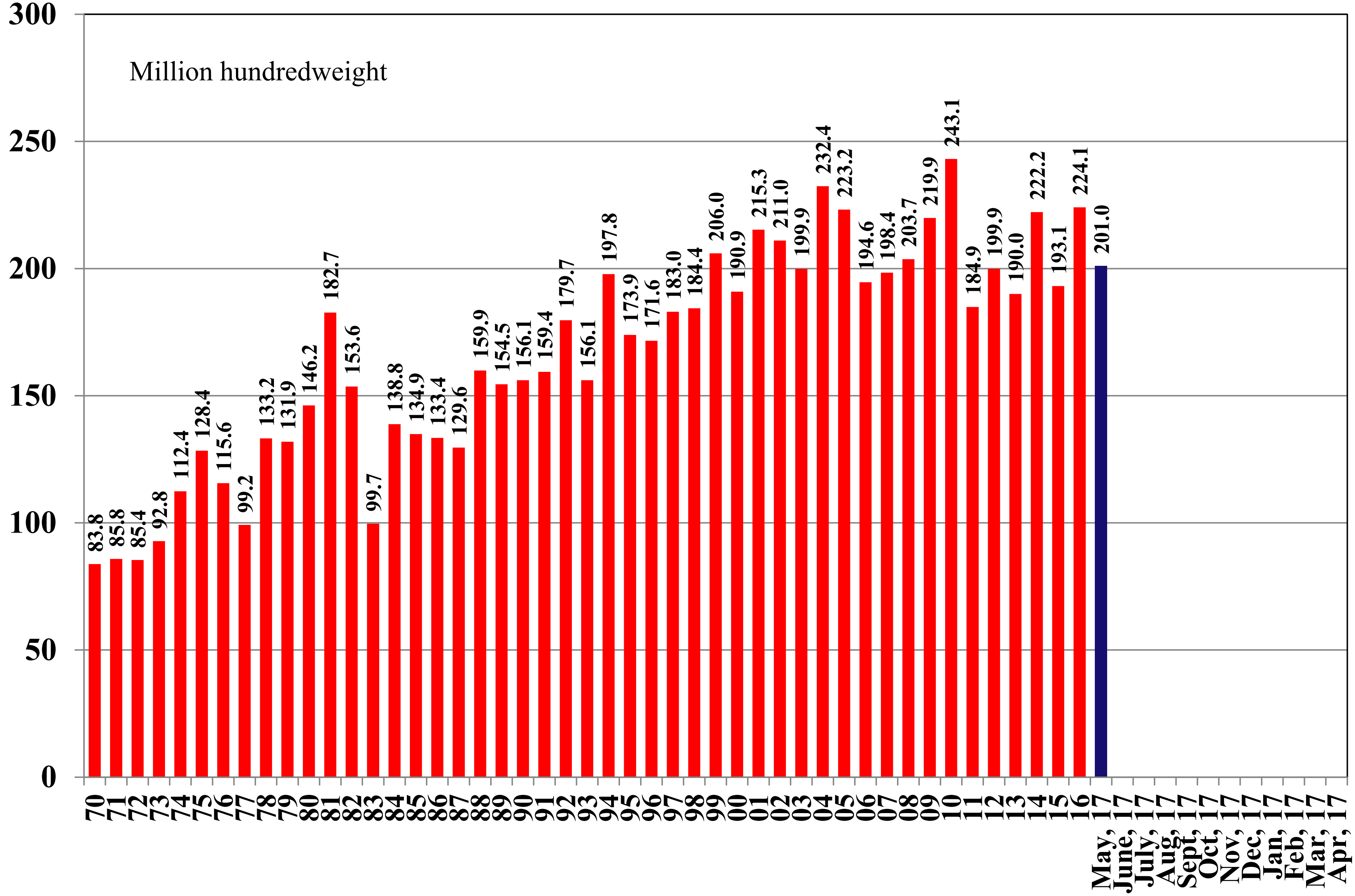
U.S. All Rice Yield 1950/51 – 2017/18



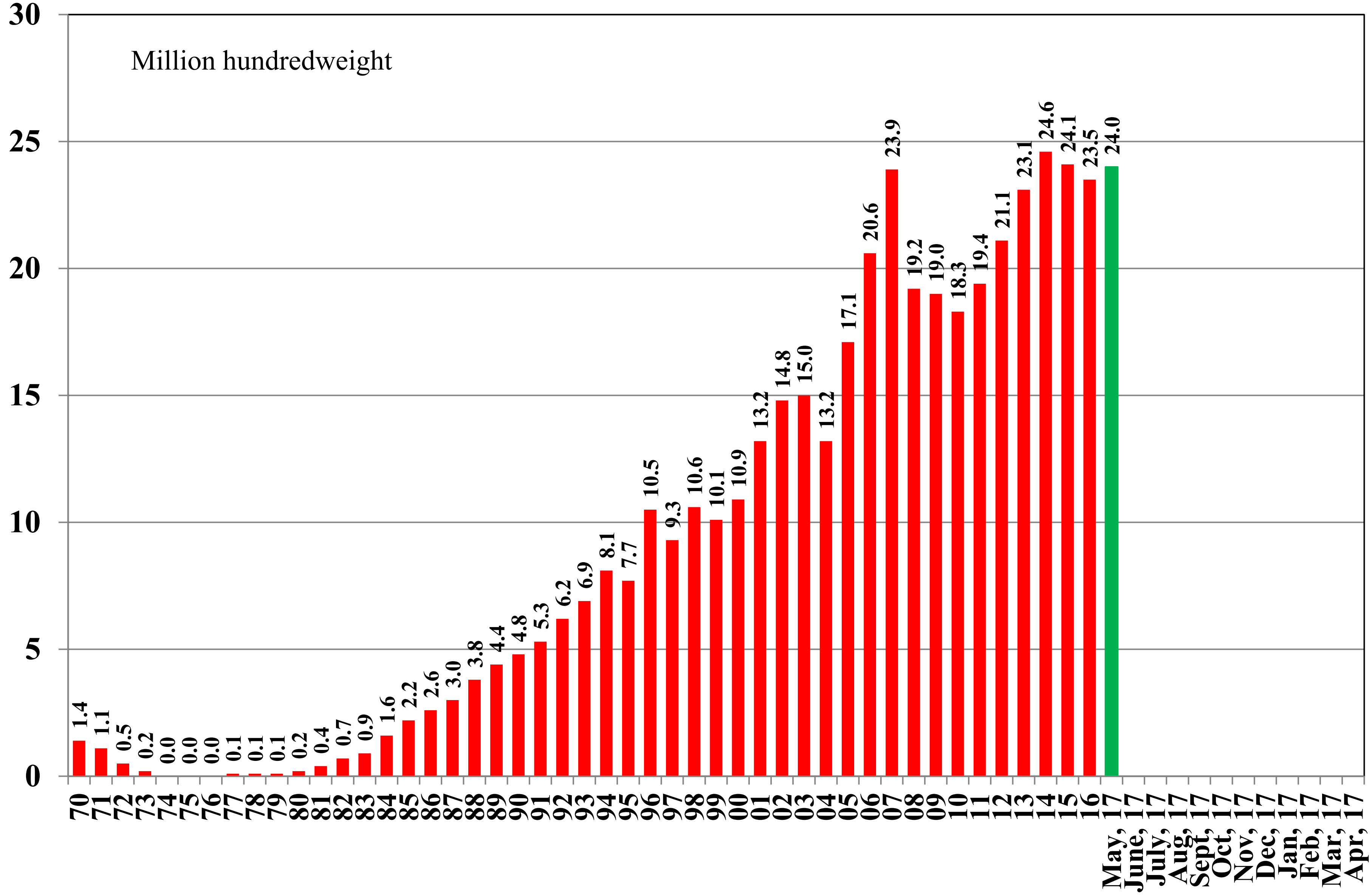
U.S. All Rice Beginning Stocks 1970/71 – 2017/18



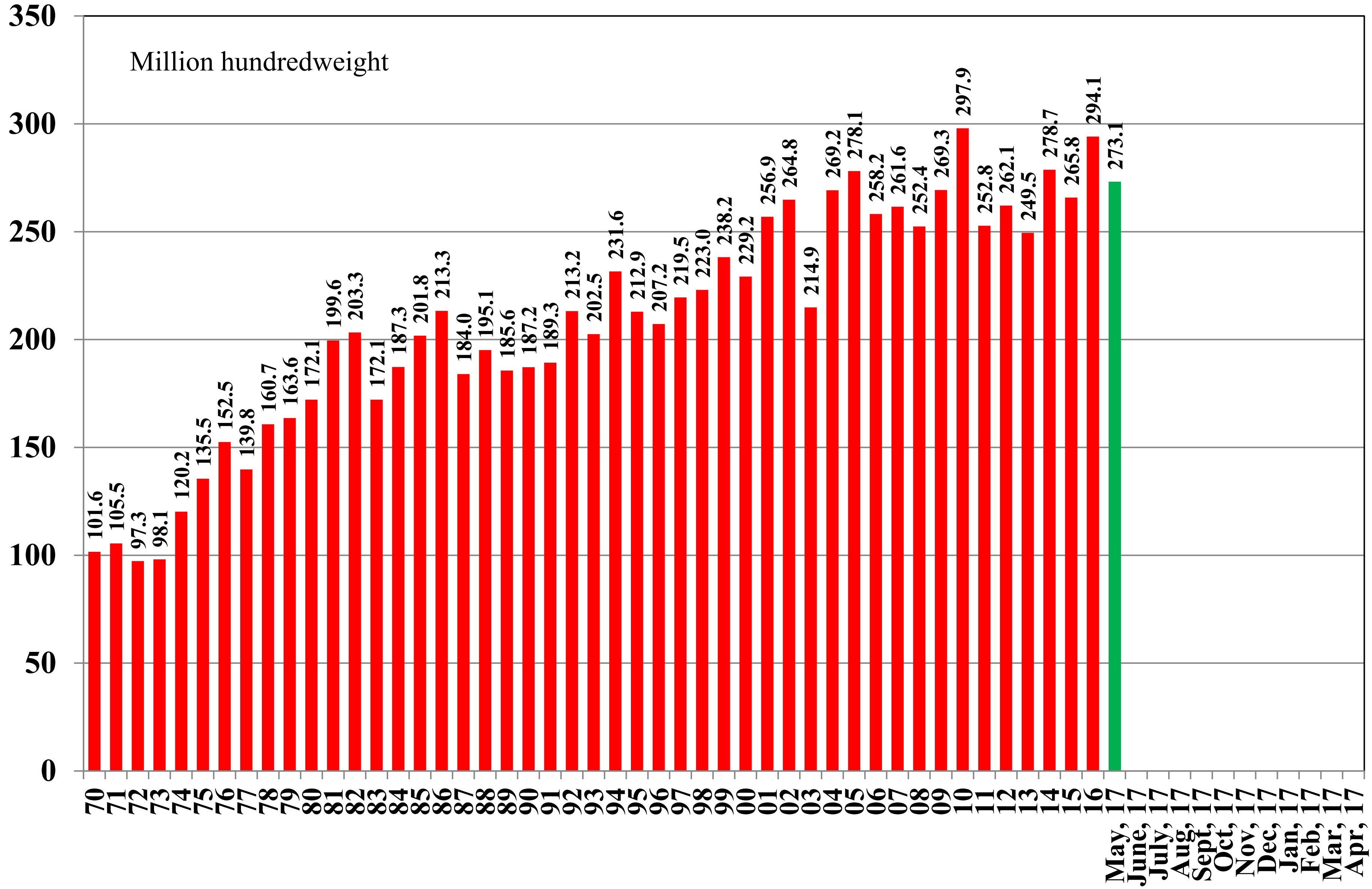
U.S. All Rice Production 1970/71 – 2017/18



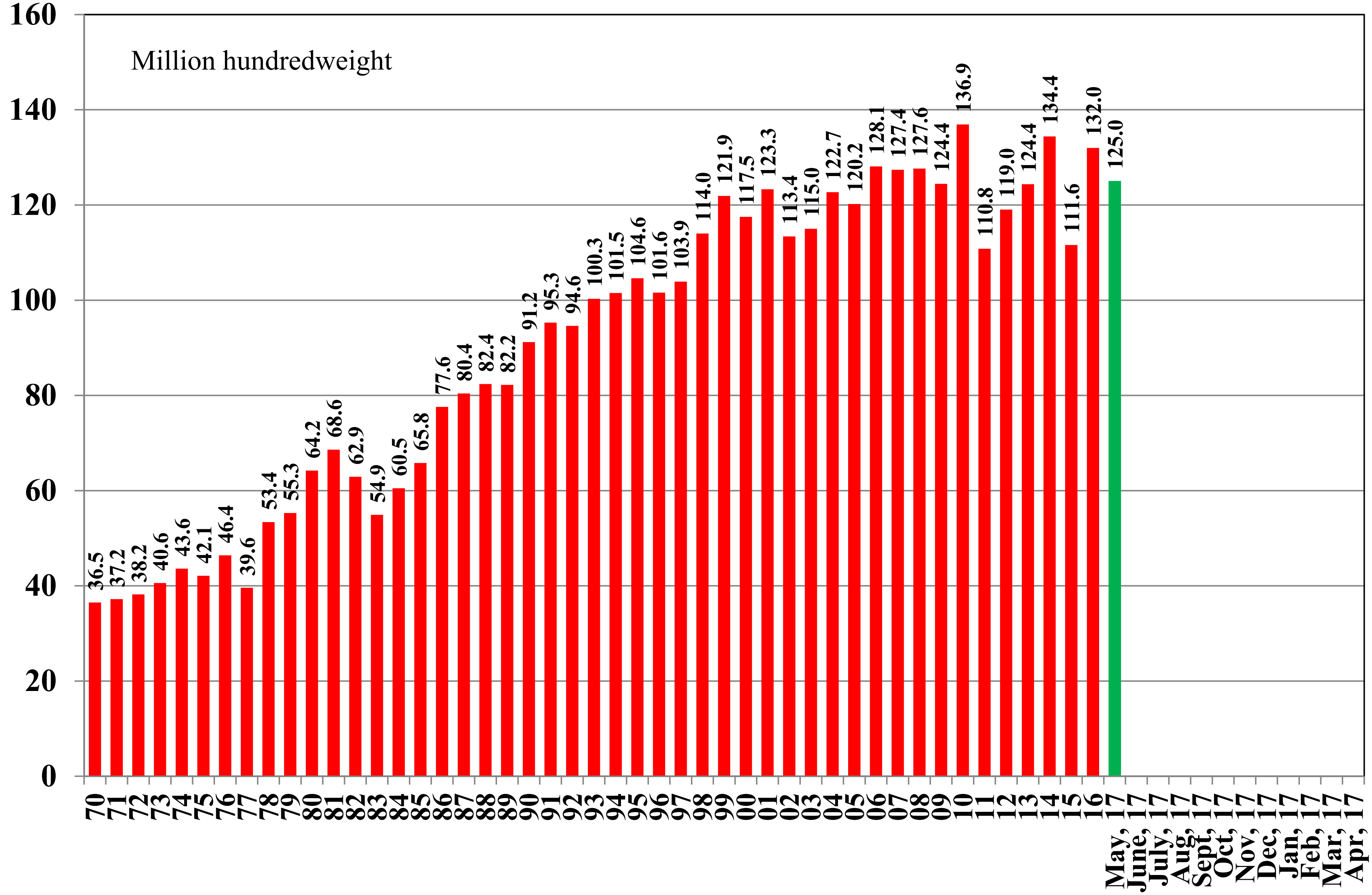
U.S. All Rice Imports 1970/71 – 2017/18



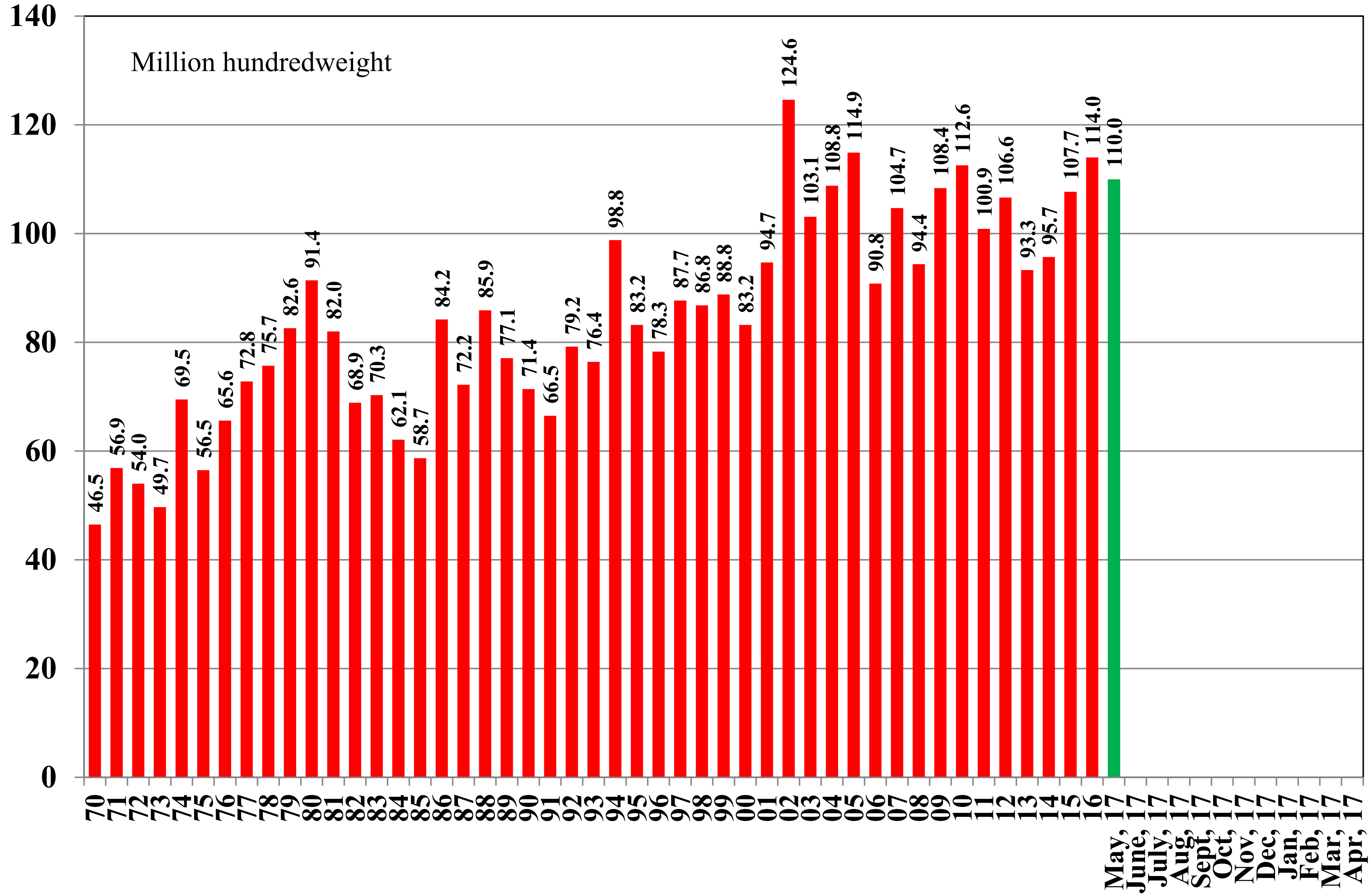
U.S. All Rice Total Supply 1970/71 – 2017/18



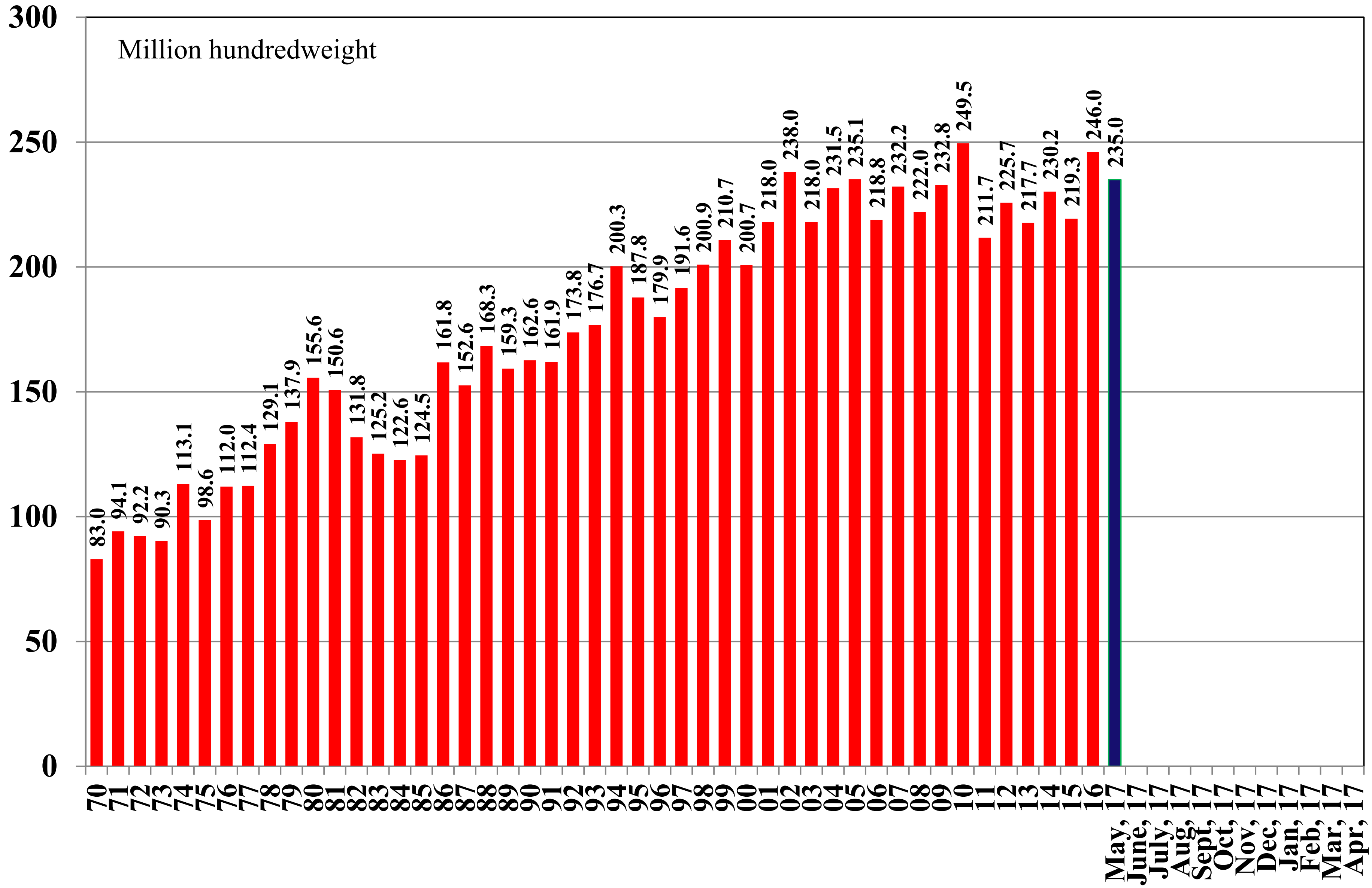
U.S. All Rice Total Domestic and Residual Use 1970/71 – 2017/18



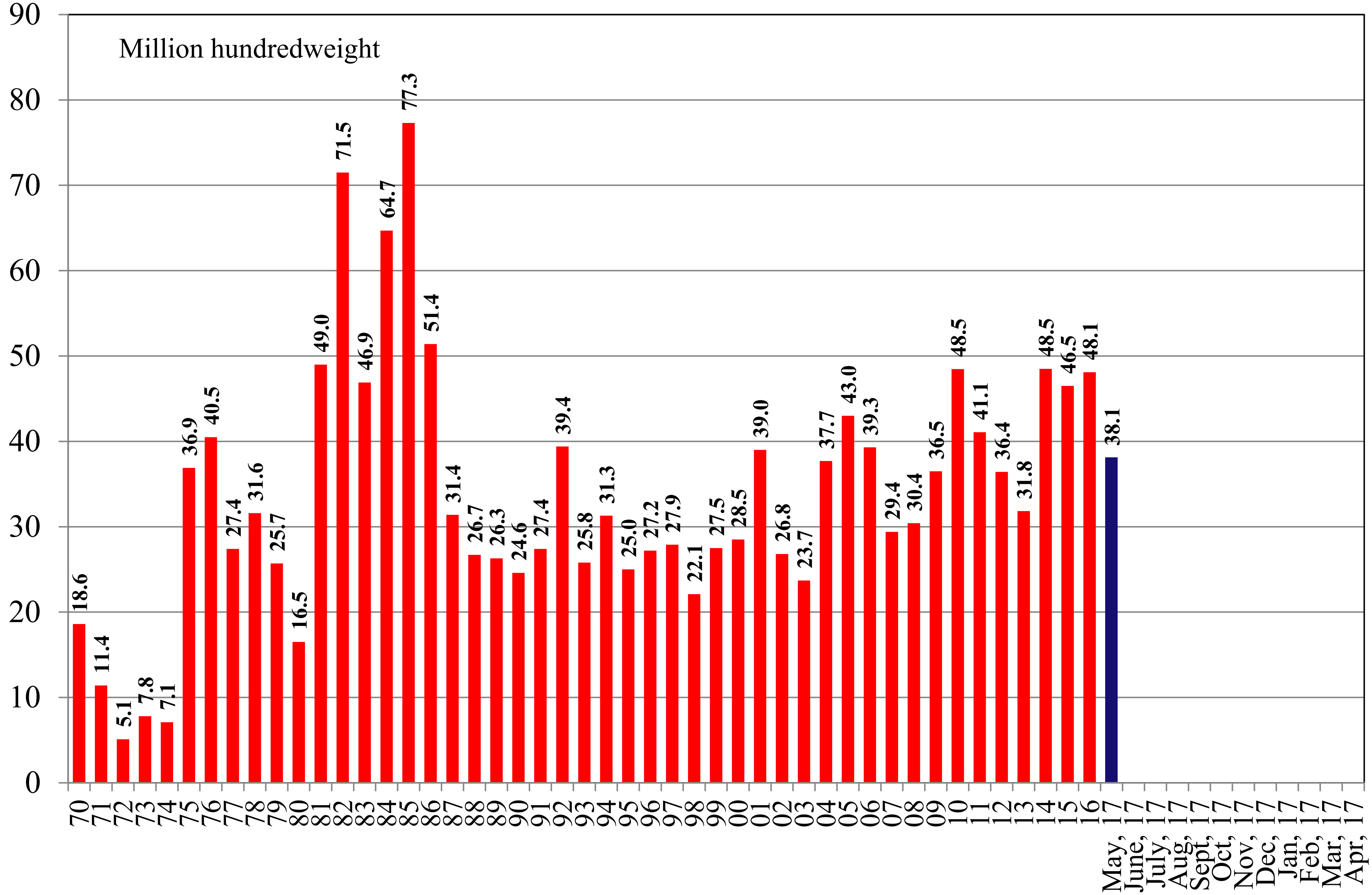
U.S. All Rice Total Exports 1970/71 – 2017/18



U.S. All Rice Total Use 1970/71 – 2017/18



U.S. All Rice Ending Stocks 1970/71 – 2017/18



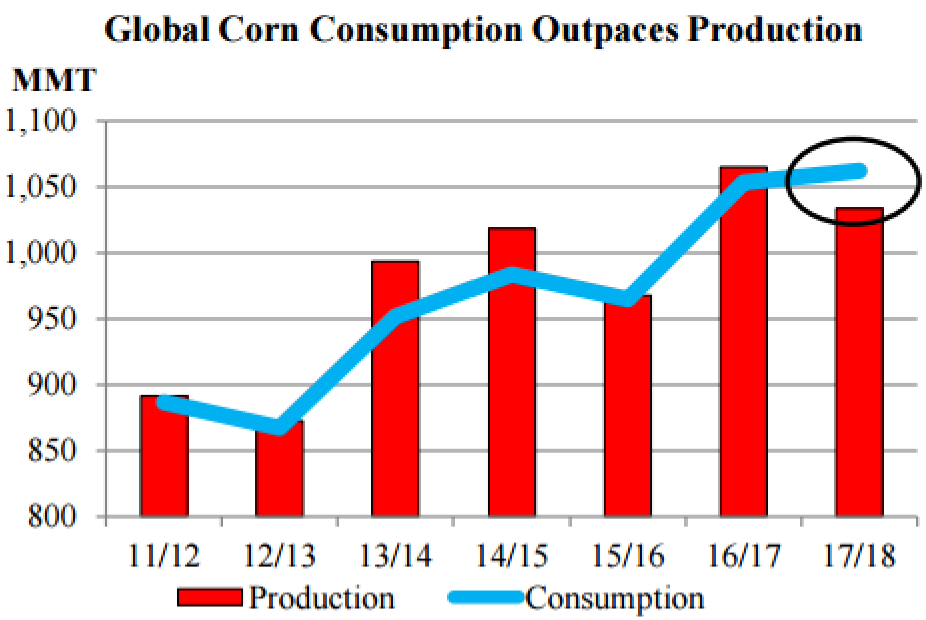
United States Department of Agriculture

Foreign Agricultural Service

Grain: World Markets and Trade

May 2017

Abundant Grain Supplies Supporting Consumption



For 2017/18, global corn production is projected down from last year's record due largely to smaller crops in the United States and China. Global consumption outpaces production as demand expands in light of tighter availabilities for other feed grains, mainly barley and sorghum. Global trade is forecast higher boosted by expectations of strong demand growth. Global ending stocks fall sharply led by China and, to a lesser extent, the United States.

United States Department of Agriculture

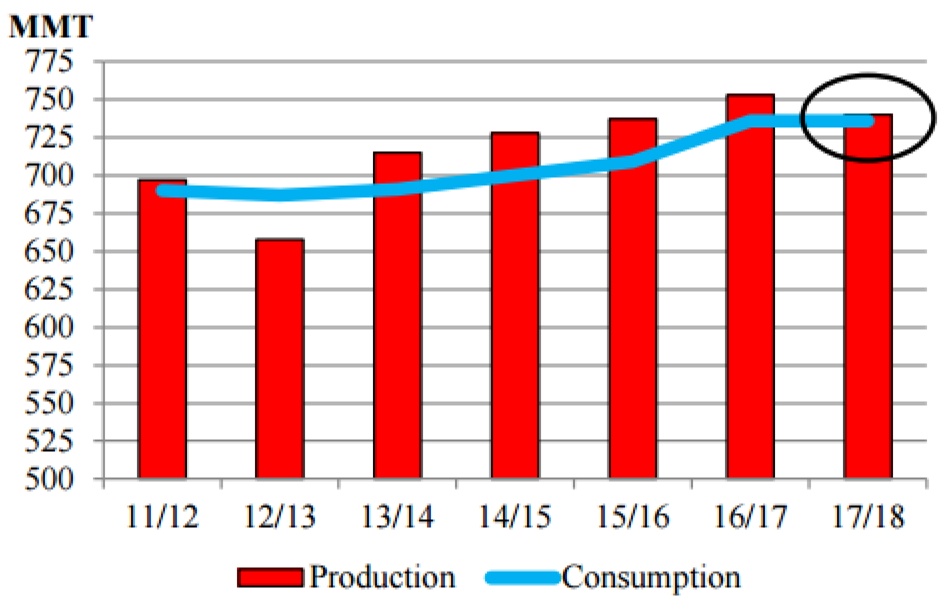
Foreign Agricultural Service

Grain: World Markets and Trade

May 2017

Abundant Grain Supplies Supporting Consumption

Global Wheat Production Slightly Above Consumption



Global wheat production is forecast lower than last year's record. The United States, Australia, Russia, and Canada have sizeable production cuts, which are only partially offset by larger expected crops in India, EU, Morocco, and China. Global consumption is projected down slightly as lower wheat feeding more than offsets steady growth in food use. Global trade is projected above last year's record due to large carryin supplies. The EU is forecast to return as the world's largest exporter after last year's weather-stricken crop. Global stocks are projected at an all-time high, driven primarily by China.

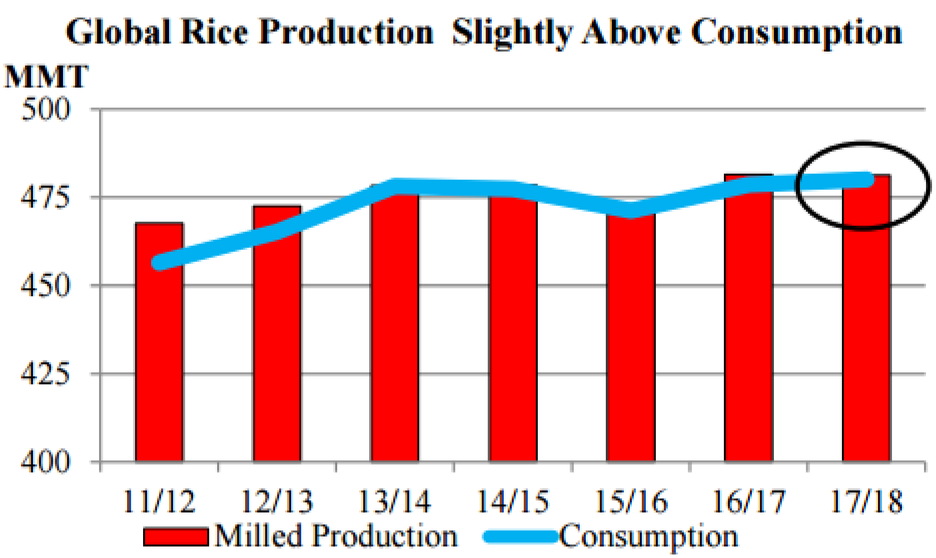
United States Department of Agriculture

Foreign Agricultural Service

Grain: World Markets and Trade

May 2017

Abundant Grain Supplies Supporting Consumption

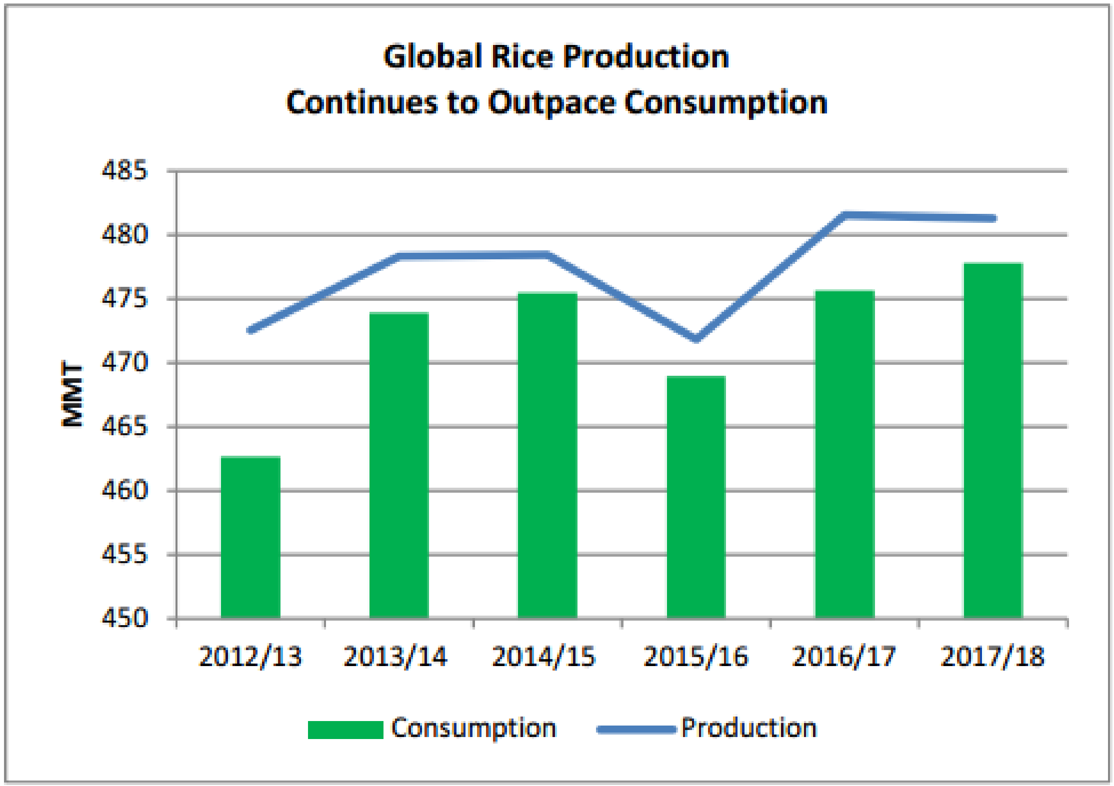


Rice production is forecast marginally below the previous year's record, with the most significant decline in the United States. Consumption is forecast to rise slightly. Trade is projected up, with import demand rising in Sub-Saharan Africa and Southeast Asia. U.S. exports are projected slightly lower, while India and Thailand remain the largest exporters. Rising stocks in China more than offset cuts in top exporters.

RICE: WORLD MARKETS AND TRADE

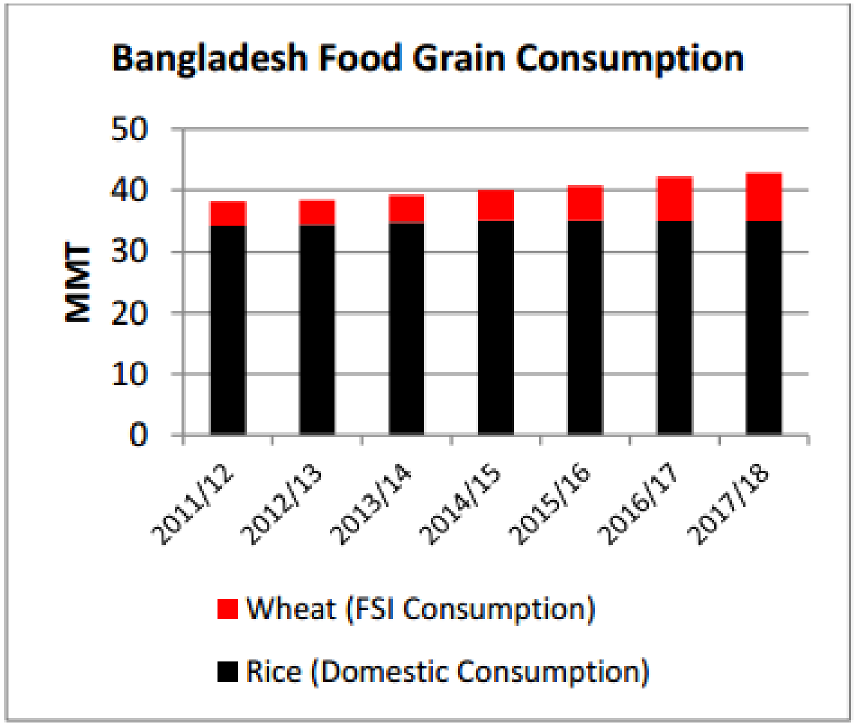
HIGHLIGHTS OF 2017/18

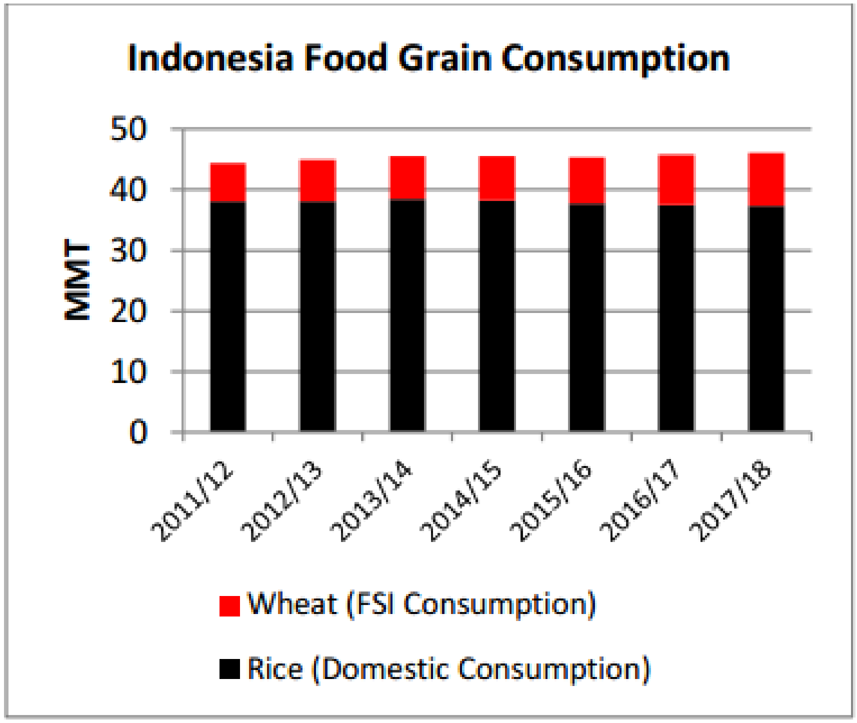
Global production is projected to decline fractionally to 481.3 million tons. The **U.S.** crop is forecast down 10 percent to 6.4 million tons on reduced long-grain area. In **Egypt**, area and production are down because of restrictions on water use. **India's** crop is forecast slightly lower, whereas **Sri Lanka's** crop is forecast to rebound from a drought-stricken 9-year low to a record crop. Production in **Thailand** is also expected higher on main-crop recovery with ample water supplies.



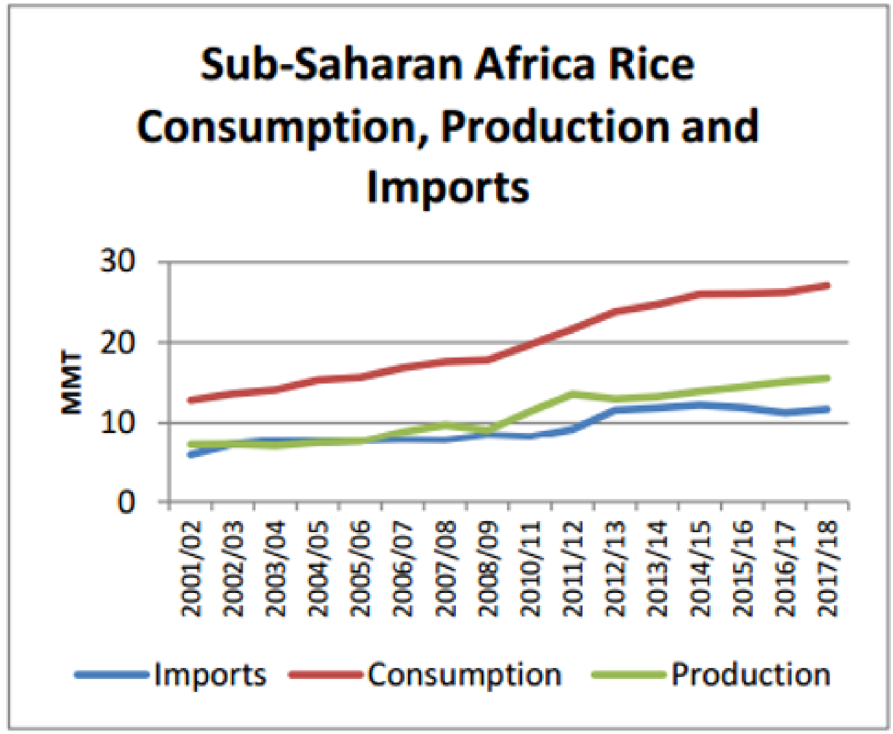
Global consumption continues to rise, though the growth is modest. Food use is growing with the largest increase in **India**, based on a growing population. Feed and industrial use is expected to increase in **Thailand,** as the remainder of government stocks are anticipated to be used. Rice feed use is forecast down in **China**.

Within certain countries in Southeast and South Asia, diets are shifting away from rice and towards wheat. Therefore, despite growing populations, total rice consumption in **Bangladesh** is flat and in **Indonesia** is declining as a higher proportion of food grain consumption is derived from wheat.

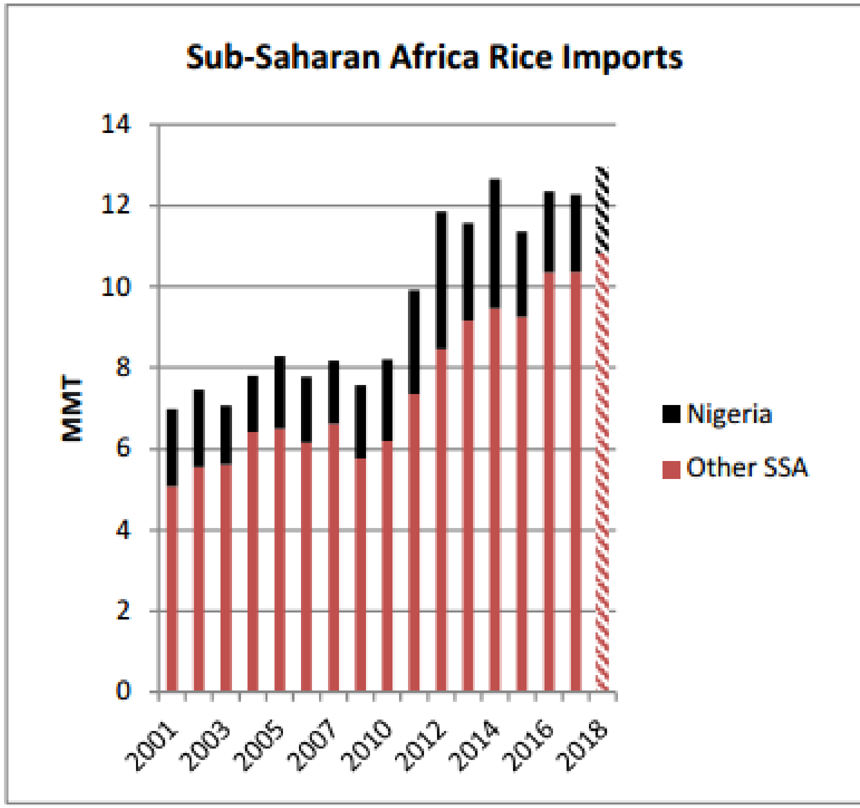


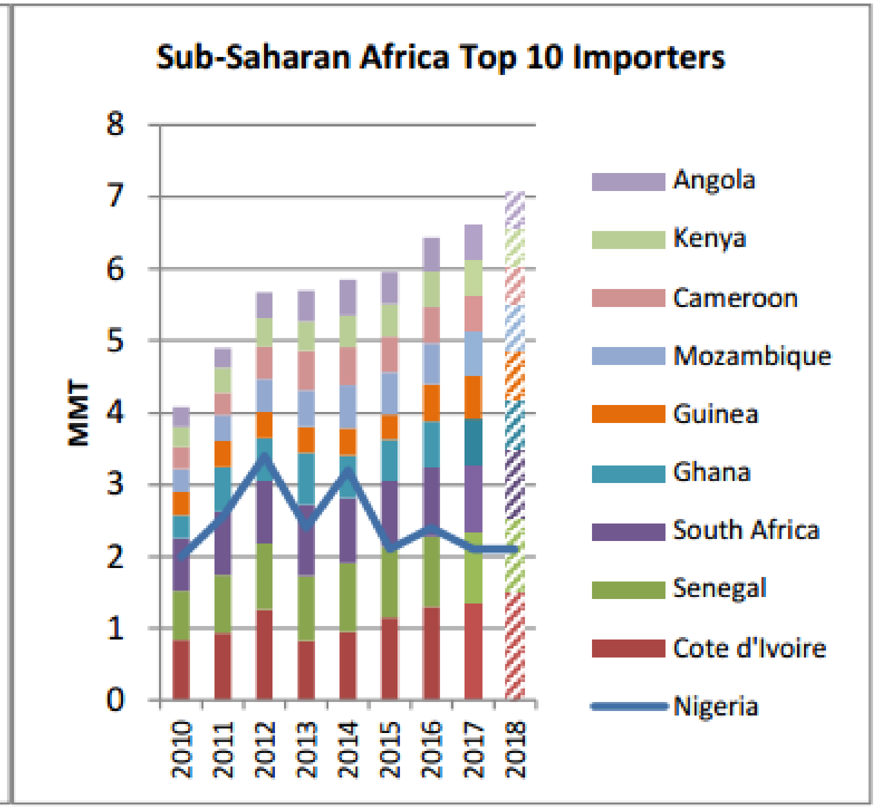


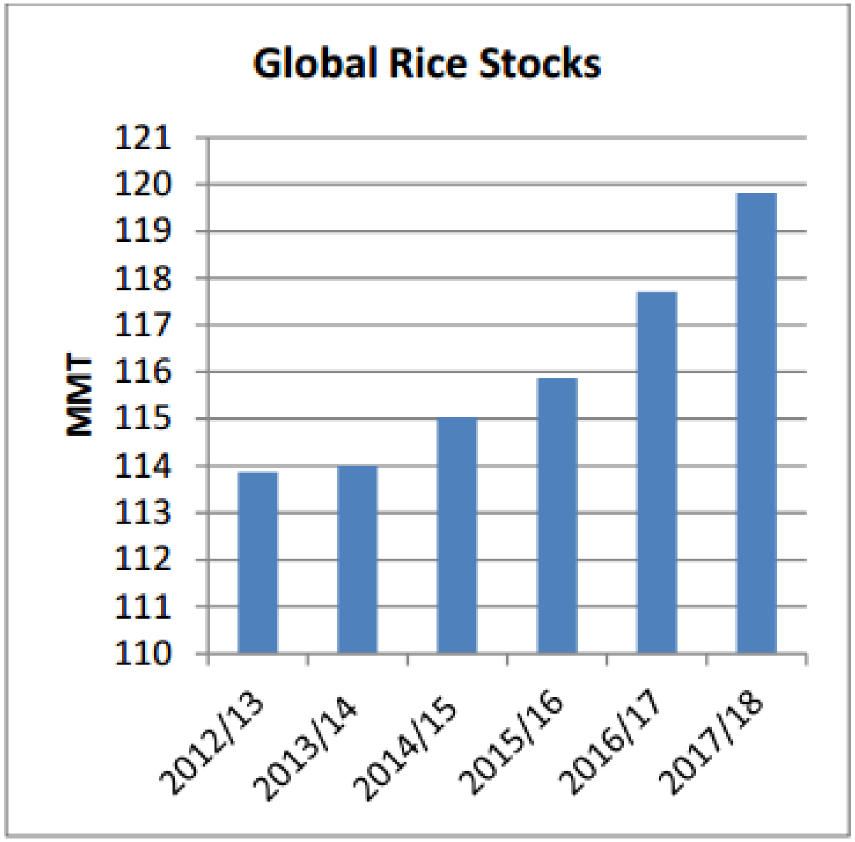
Generally, Sub-Saharan Africa (SSA) has seen rapidly rising consumption rates due to population growth, and the shifting of diets from traditional roots and tubers to rice. Now a staple food in many African countries, rice consumption growth has outpaced production capabilities, spurring imports. SSA rice imports have more than doubled since 2001, and are forecast to reach 12.9 million tons in 2018. Notably, **Cote d'Ivoire** is forecast to become the fifth-largest global rice importer in 2018 with 1.5 million tons. Although production within Cote d'Ivoire has expanded in recent years, consumption growth has outpaced supplies, and the country relies on **Thai**, **Indian**, and **Vietnamese** broken and milled imports to meet demand. West and Southern Africa typically source from these same Asian suppliers, while East Africa imports mainly rice from **Pakistan**.

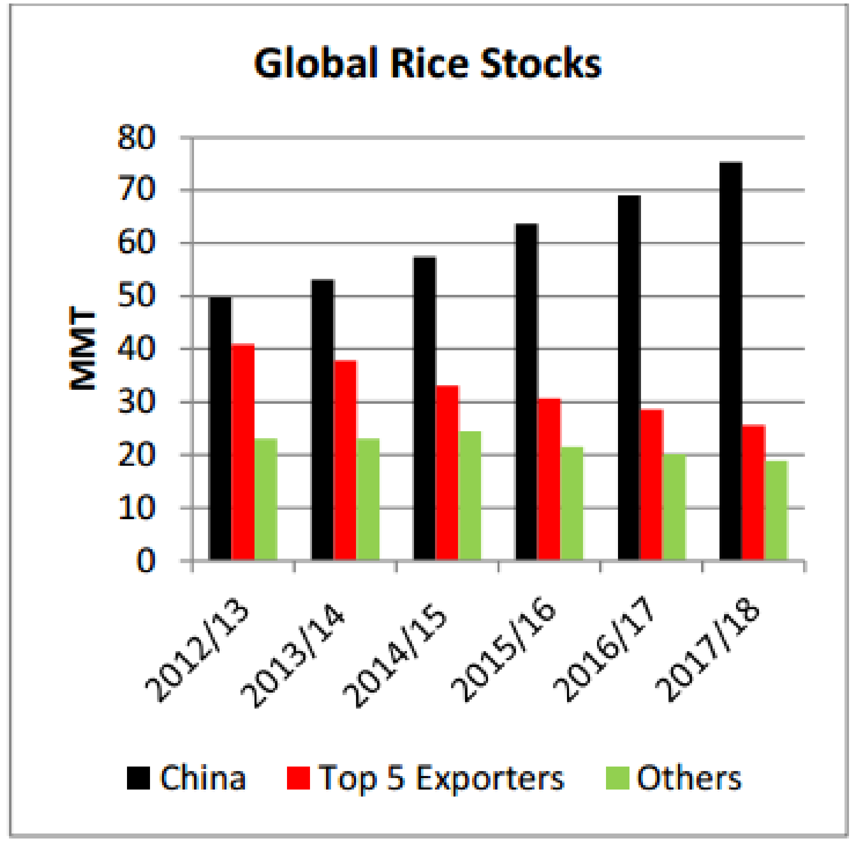


Nigeria is Africa's most populous country, and the second-largest importer of rice in the world, following China. However, governmental self-sufficiency efforts and restrictive import policies have contributed to a decline in imports from 3.4 million in 2012 to a forecast of 2.1 million in 2018. Since domestic supplies are limited and prices of locally-produced and imported rice have increased, rice consumption in Nigeria has actually declined in the past couple of years. Despite overall declines in import demand in Nigeria, import growth throughout the rest of the region remains robust, creating potential growth markets for global rice exporters.



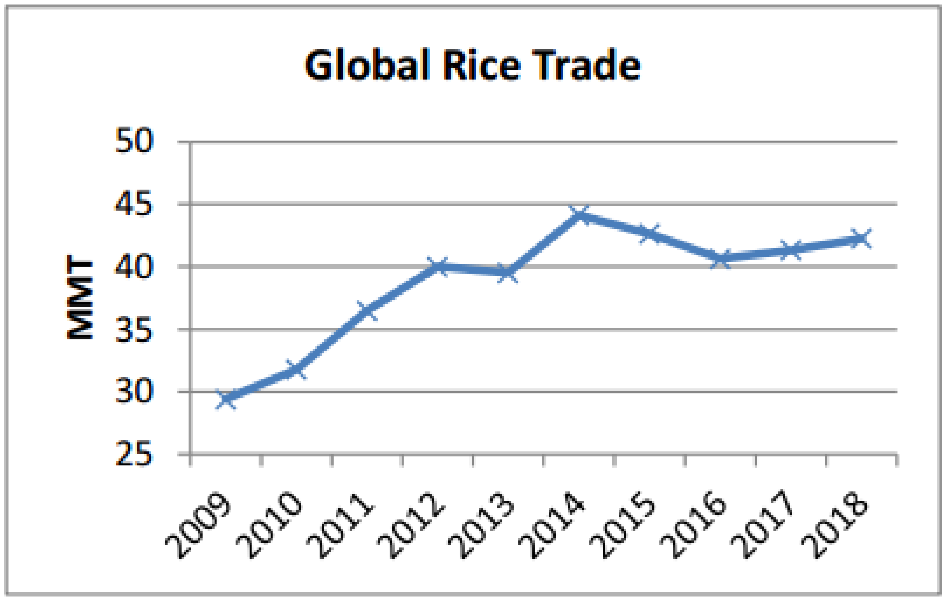




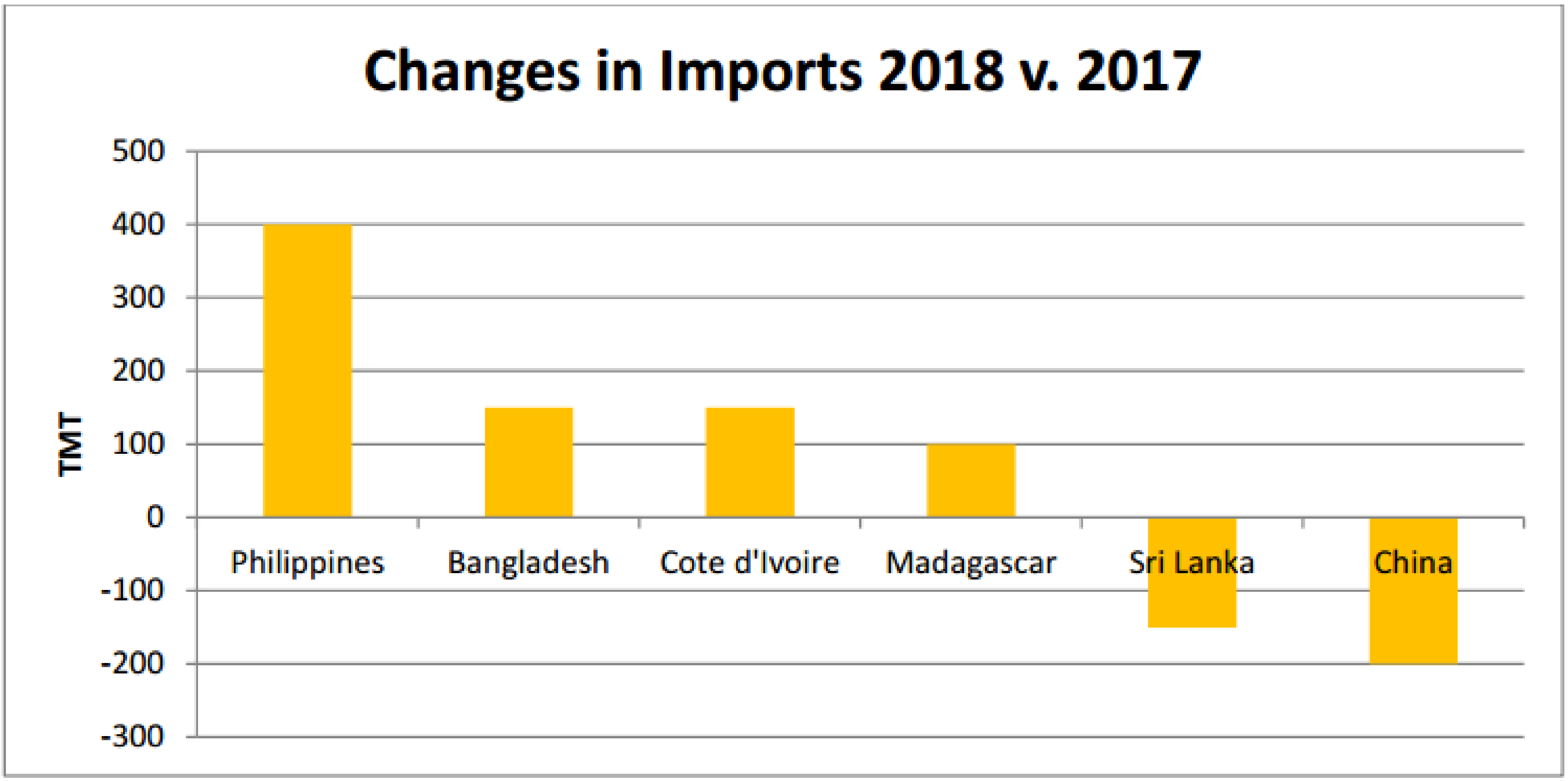


As global supplies are expected to exceed use, global 2017/18 ending stocks are projected to rise marginally. Notably, this growth in stocks is almost entirely attributable to **China**, where stocks are forecast to rise 9 percent to over 75 million tons. These are the largest since 2001/02 and represents over 60 percent of global stocks. Government policies are encouraging production that surpasses domestic needs. This is compounded by the fact that high government support prices relative to prices in neighboring countries incentivize imports. China has the largest production, imports, and stocks in the world.

In contrast, ending stocks for the top five exporters are forecast to continue their decline.   Stocks in **Thailand** are forecast down 28 percent to 4.5 million tons, as the government seeks to fully auction off long-held stocks, and the private sector is expected to hold a typical amount of stocks. Meanwhile **India's** stocks are forecast at 17.4 million, down 8 percent from the prior year, but still well above desired buffer stock levels. The stocks for these two top exporters are forecast to be the lowest since 2007/08. Amid lower production and steady export expectations, **U.S.** ending stocks are also forecast down 21 percent to 1.2 million tons, the lowest since 2013/14.



Global trade for 2018 is forecast to rise to 42.2 million tons, up 2 percent from 2017 and the third highest on record. Import demand from China, the EU, Africa, and the Philippines remains robust. The majority of rice is still consumed within the country where it is produced, with less than 10 percent of rice production traded on the global market.


Changes in Imports 2018 v. 2017
500
400
300
200
100
0
-100
-200
-300
TMT
Philippines
Bangladesh
Cote d'Ivoire
Madagascar
Sri Lanka
China

Selected Importers for 2018

• China is forecast down 200,000 tons to 4.8 million, on a slightly larger crop. China remains the largest importer as prices in neighboring countries are expected to remain relatively lower than the minimum support prices, spurring border trade.
• Nigeria is projected steady at 2.1 million tons as demand for imported parboiled rice remains strong, but restrictions on the use of foreign exchange and high tariffs constrain the volume. Overall, consumption has been trending down as rice has become more expensive relative to alternative grains and tubers.
• The EU is forecast up 50,000 tons to 1.9 million on moderate growth. The planned reduction in minimum residue levels for tricyclozole is expected to prove challenging for some trading partners.
• The Philippines is up 400,000 tons to 1.8 million on strong demand for lower-priced imports following the anticipated expiration of the Quantitative Restrictions.
• Cote d'Ivoire is projected up 150,000 tons to 1.5 million as demand continues to grow for both milled and broken rice imports.
• Saudi Arabia is expected up 50,000 tons to 1.5 million on continued population growth. Imports are primarily basmati rice, but also other fragrant rice, parboiled long grain, and milled medium grain.
• Iran is forecast up 50,000 tons to 1.1 million on growing demand amid relatively stable domestic production.
• Iraq is expected to increase 50,000 tons to 1.1 million as accelerating private-sector purchases offset meager buying by the government for the Public Distribution System.
• Senegal is projected up 50,000 tons to 1.1 million, reflecting continued demand for broken rice shipments. Senegal is the largest importer of broken rice.

Selected Importers for 2018

- South Africa is forecast up 25,000 tons to 950,000, reflecting population growth.
- Malaysia is steady at 900,000 tons as consumption demand remains relatively consistent.
- The United Arab Emirates is projected to increase 75,000 tons to 825,000 as the population and tourism industry expand.
- The United States is forecast to remain at 750,000 tons, primarily fragrant varieties.
- Guinea is projected up 50,000 tons to 700,000 as demand for Indian rice expands.
- Mexico is forecast steady at 800,000 due to increased domestic production.
- Japan remains stable at 685,000 tons, fulfilling its WTO minimum import commitments.
- Brazil is forecast to remain at 600,000 tons on a smaller crop and steady demand.
- Cuba is forecast up 70,000 tons to 580,000 due to a smaller crop and steady demand.
- Kenya is up 20,000 tons to 520,000 on account of growing population and a preference for basmati rice.
- Haiti is forecast up 10,000 tons to 500,000 on expected consumption growth.
- Indonesia is forecast to remain at 500,000 tons as domestic production is up and consumption remains relatively flat.
- South Korea is steady at 410,000 tons to fulfill WTO minimum import commitments.
- Venezuela is forecast up 20,000 tons to 400,000 on expected continued commercial purchases despite financial challenges.
- Canada is forecast up 5,000 tons to 370,000 on consumption trends

Selected Importers for 2018

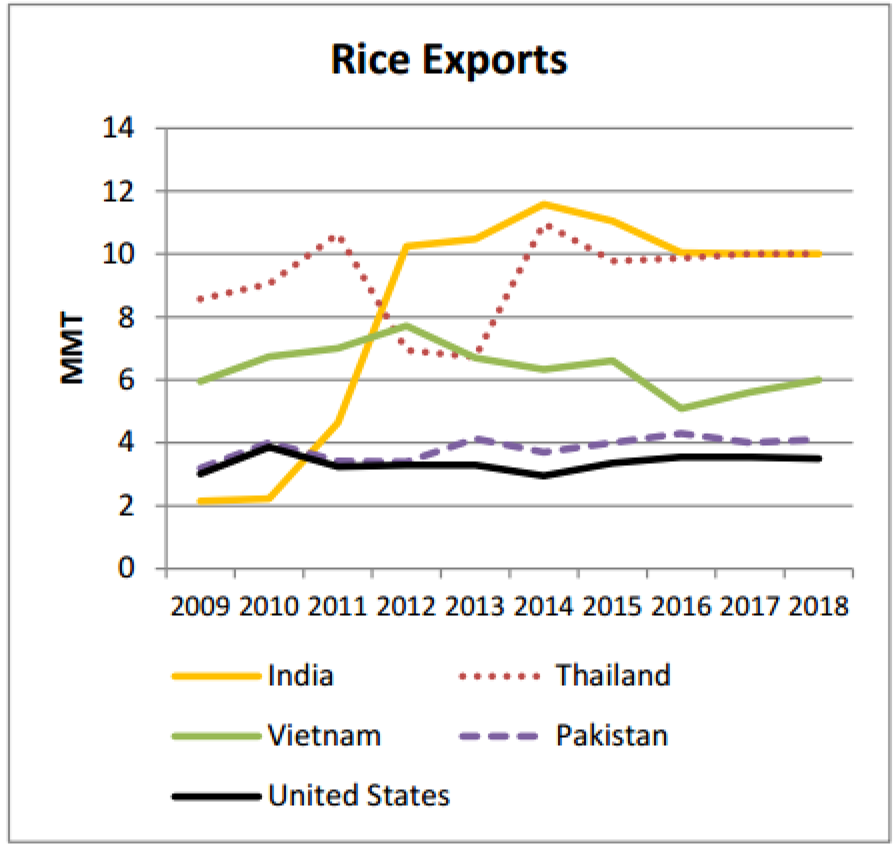
• Canada is forecast up 5,000 tons to 370,000 on consumption trends.
• Turkey is projected up 20,000 tons to 320,000 as consumption grows moderately. Turkey continues to import primarily paddy and exports milled rice to nearby countries.
• Bangladesh is forecast up 150,000 tons to 300,000 on demand for affordable rice from neighboring countries.
• Madagascar is expected up 100,000 tons to 300,000 on a smaller crop.
• Peru is forecast to remain at 300,000 tons on steady production.
• Jordan is stable at 210,000 tons on steady demand.
• Russia is expected to stay at 200,000 tons with stable consumption.
• Tanzania is projected to stay at 200,000 tons, mostly importing from Pakistan and India.
• Taiwan is forecast at 126,000 tons, reflecting WTO minimum import commitments.
• Colombia is forecast to remain at 110,000 tons on increased production and intentions to not import over the U.S. TRQ existing under the Colombia-U.S. FTA.
• Sri Lanka is projected down 150,000 tons to 50,000 on a significantly larger crop.

Selected Exporters for 2018

• India is forecast steady at 10.0 million tons. Despite a smaller crop and strong domestic demand, basmati and nonbasmati exports are expected to remain competitive.

• Thailand is forecast to remain at 10.0 million tons. Though production is larger, the carry-in stocks are expected to be lower, limiting the quantity of low-cost rice available for export.

• Vietnam is up 400,000 tons to 6.0 million on increased demand from Southeast Asia, especially the Philippines. Border trade to China is still expected to account for the majority of exports.



Selected Exporters for 2018

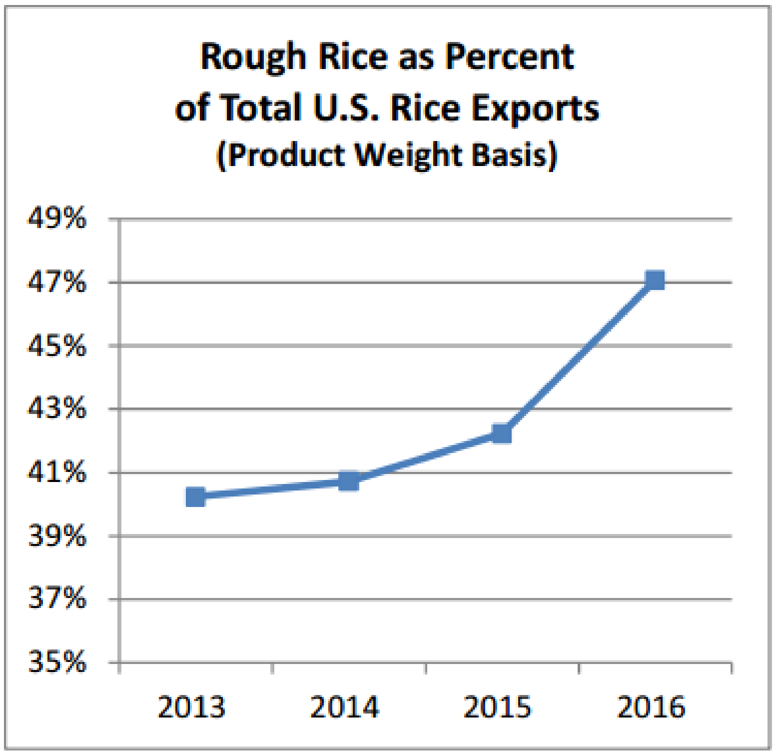
•Pakistan is projected up 100,000 tons to 4.1 million on a larger crop.
• United States is forecast down 50,000 tons to 3.5 million on a much smaller crop.
• Burma is forecast up 100,000 tons to 1.7 million on higher demand from regional markets and the EU.
• Cambodia is projected up 50,000 tons to 1.3 million on a larger crop and continued demand from neighboring countries and the EU.
• Uruguay is forecast to remain at 900,000 tons on similar production levels from the previous year.
• Brazil is projected down 100,000 tons to 700,000 due to a smaller crop.
• China is up 300,000 tons to 800,000 on expected growth of old-crop rice shipments to West Africa.
• Paraguay is forecast up 30,000 tons to 500,000 on a large crop.
• Argentina is forecast down 100,000 tons to 450,000 from the prior year due to a smaller crop and carry-in supplies and strong regional competition.
• Australia is projected up 75,000 tons to 325,000 as another large crop provides sufficient exportable supplies.
• Egypt is forecast up 100,000 tons to 200,000 as ample carry-in stocks are expected to once again make exporting to the region a possibility again.

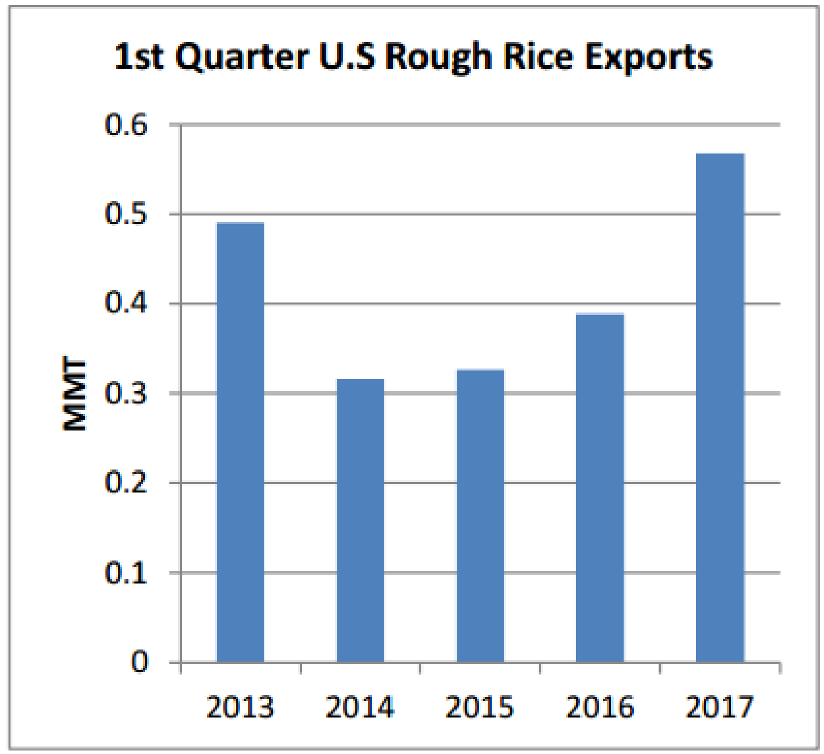
OVERVIEW OF 2016/17

Global production is up marginally from the prior month, with increases in Cambodia, Egypt, and Chad more than offsetting a reduction in Cote d'Ivoire. Global consumption is adjusted down, though still up from the prior year. Ending stocks are revised higher, with increases for India and China more than offsetting a reduction for Thailand. Global trade is down fractionally.

FEATURE

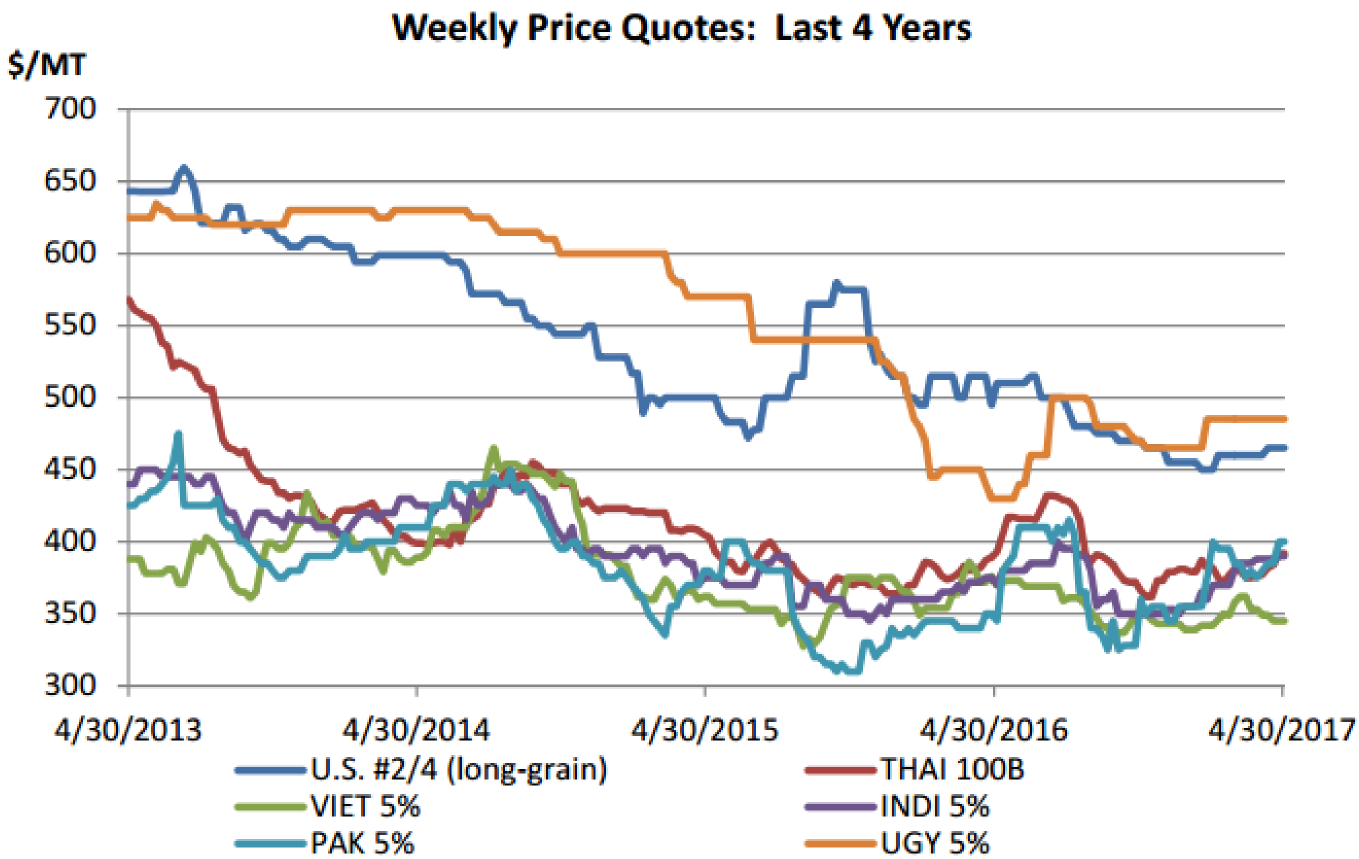
U.S. Rough Rice Exports Growing





Rough rice is becoming an increasingly important part of total U.S. rice exports, driven by robust demand from the Western Hemisphere and the Middle East. On a product-weight basis, rough rice rose to account for over 45 percent of U.S. rice exports in 2016, a trend that has continued into the first quarter of 2017. Exports in the first quarter of 2017 were strong to core Western Hemisphere markets as well as the Middle East. Mexico remained the top market during this period, despite the recent tariff rate quota announced by the Mexican government. Despite economic turmoil, demand in Venezuela has remained strong, with U.S. exports to the country tripling year to date. Shipments to Central America have also grown so far this year. Exports have risen to Libya and Turkey, which have been intermittent medium-grain buyers. Despite some rough rice export competition from South American suppliers, particularly Brazil, Paraguay, and Uruguay, the United States remains the world's largest rough rice supplier.

PRICES



Under recent harvest pressure and weak off-shore demand, Vietnamese exporter quotes have been trending lower. Meanwhile, other Asian suppliers have seen strengthening. Robust demand from Nigeria and Iran has lifted quotes for both Thailand and India. Pakistani quotes are even higher as the country steadily supplies markets in advance of Ramadan. These developments have narrowed the gap between quotes for most Asian exporters and the Western Hemisphere suppliers.

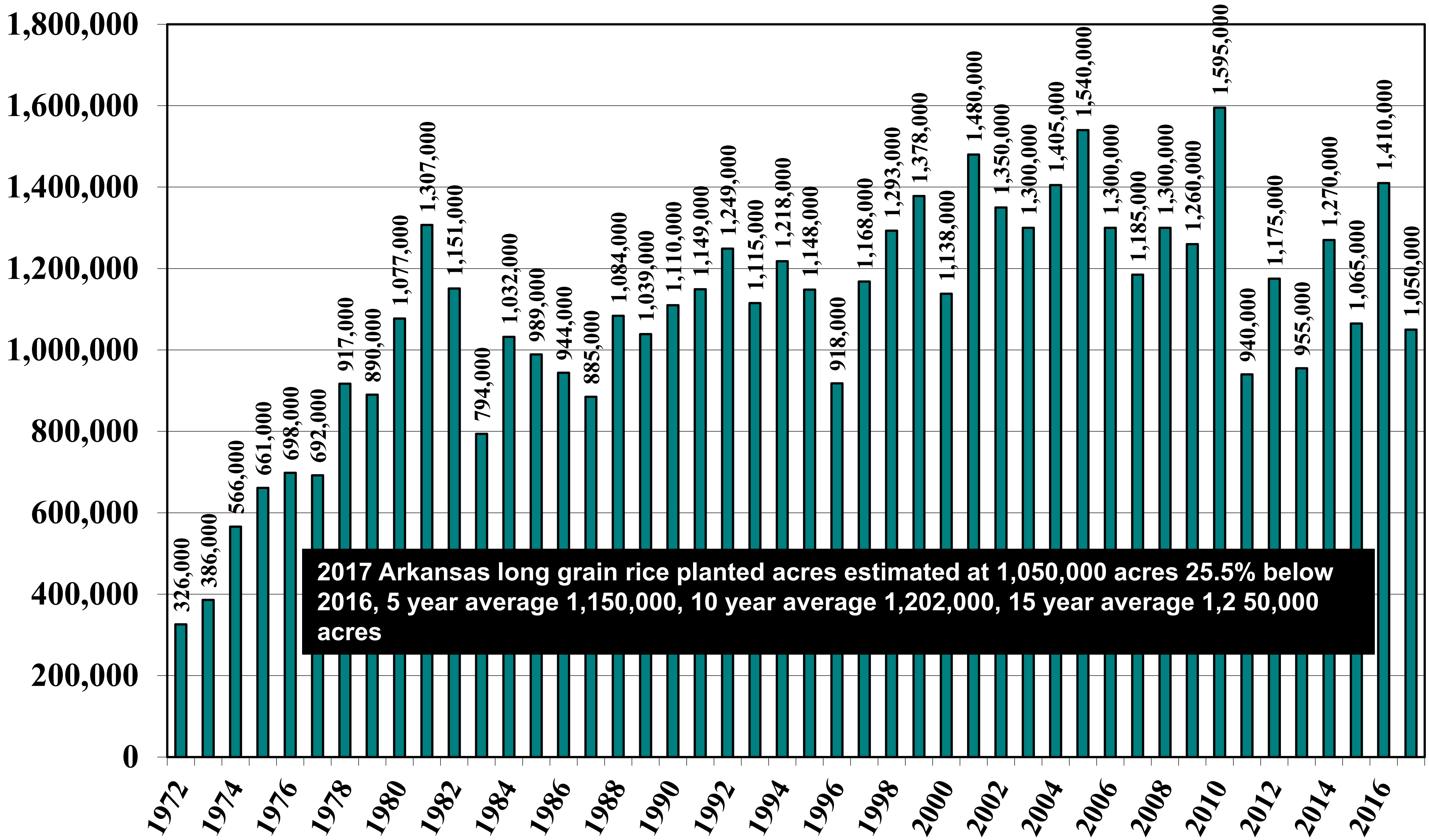
Planted and Prospective Planted Acreage
USDA Crop Production Report
2016 Rice – U.S. and States
March 31, 2017

Rice Area Planted by Class – States and United States: 2015-2017

Class and State	Area planted 2015	2016	2017 [1]	Percent of previous year
	(1,000 acres)	(1,000 acres)	(1,000 acres)	(percent)
Long grain				
Arkansas	1,065	1,410	1,050	74
California	7	9	9	100
Louisiana	355	413	375	91
Mississippi	150	195	120	62
Missouri	175	230	200	87
Texas	127	185	155	84
United States	1,879	2,442	1,909	78
Medium grain				
Arkansas	245	135	145	107
California	385	490	480	98
Louisiana	65	24	25	104
Mississippi	-	-	-	(X)
Missouri	7	6	6	100
Texas	6	10	10	100
United States	708	665	666	100
Short grain				
Arkansas	1	1	1	100
California [2]	37	42	50	119
United States	38	43	51	119
All				
Arkansas	1,311	1,546	1,196	77
California	429	541	539	100
Louisiana	420	437	400	92
Mississippi	150	195	120	62
Missouri	182	236	206	87
Texas	133	195	165	85
United States	2,625	3,150	2,626	83

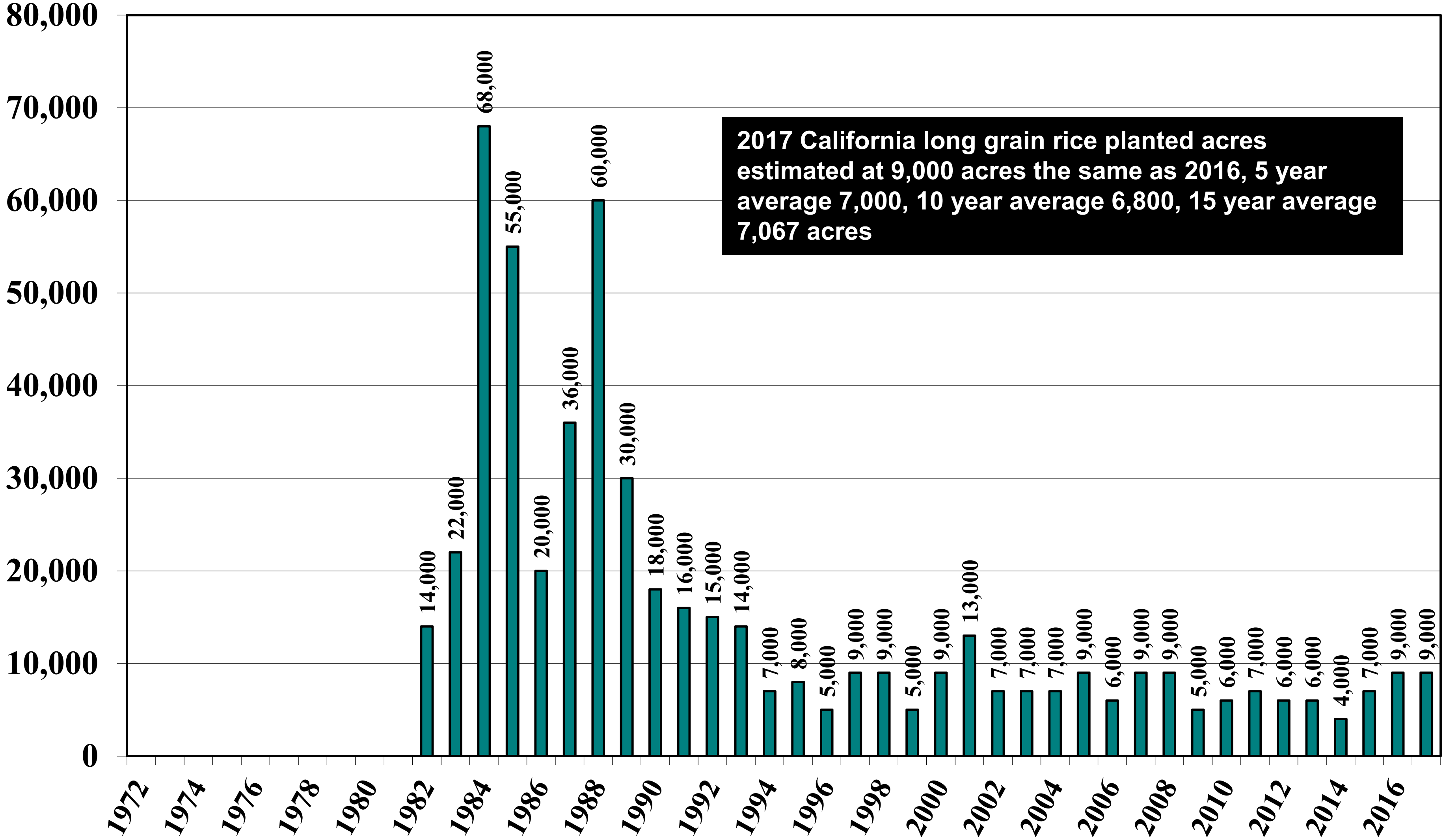
\- Represents zero.
(X) Not applicable.
[1] Intended plantings in 2017 as indicated by reports from farmers.
[2] Includes sweet rice.

Arkansas Long Grain Rice
Planted Acres 1972-2017, March 31, 2017



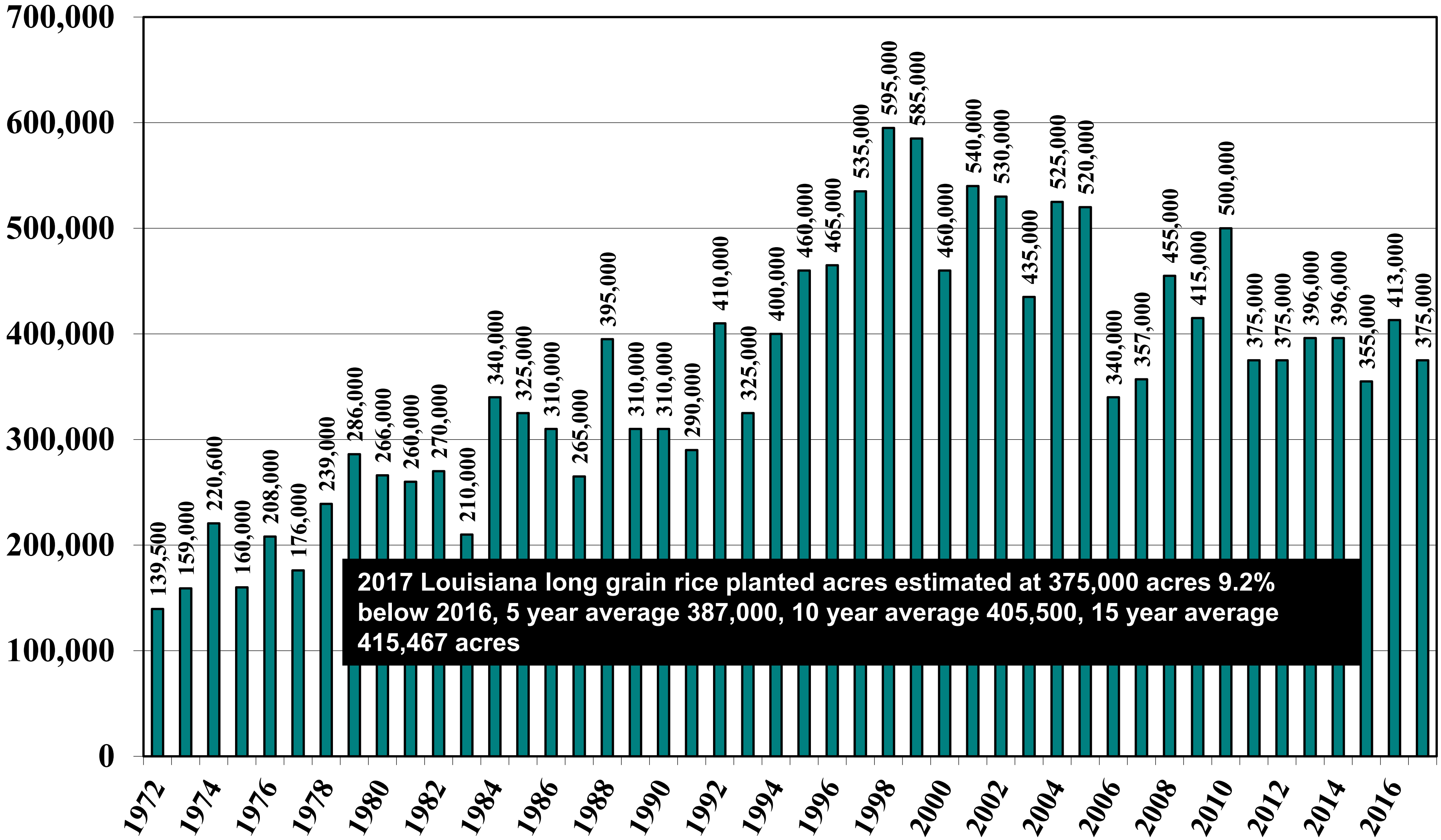
March 31, 2017

California Long Grain Rice
Planted Acres 1972-2017, March 31, 2017



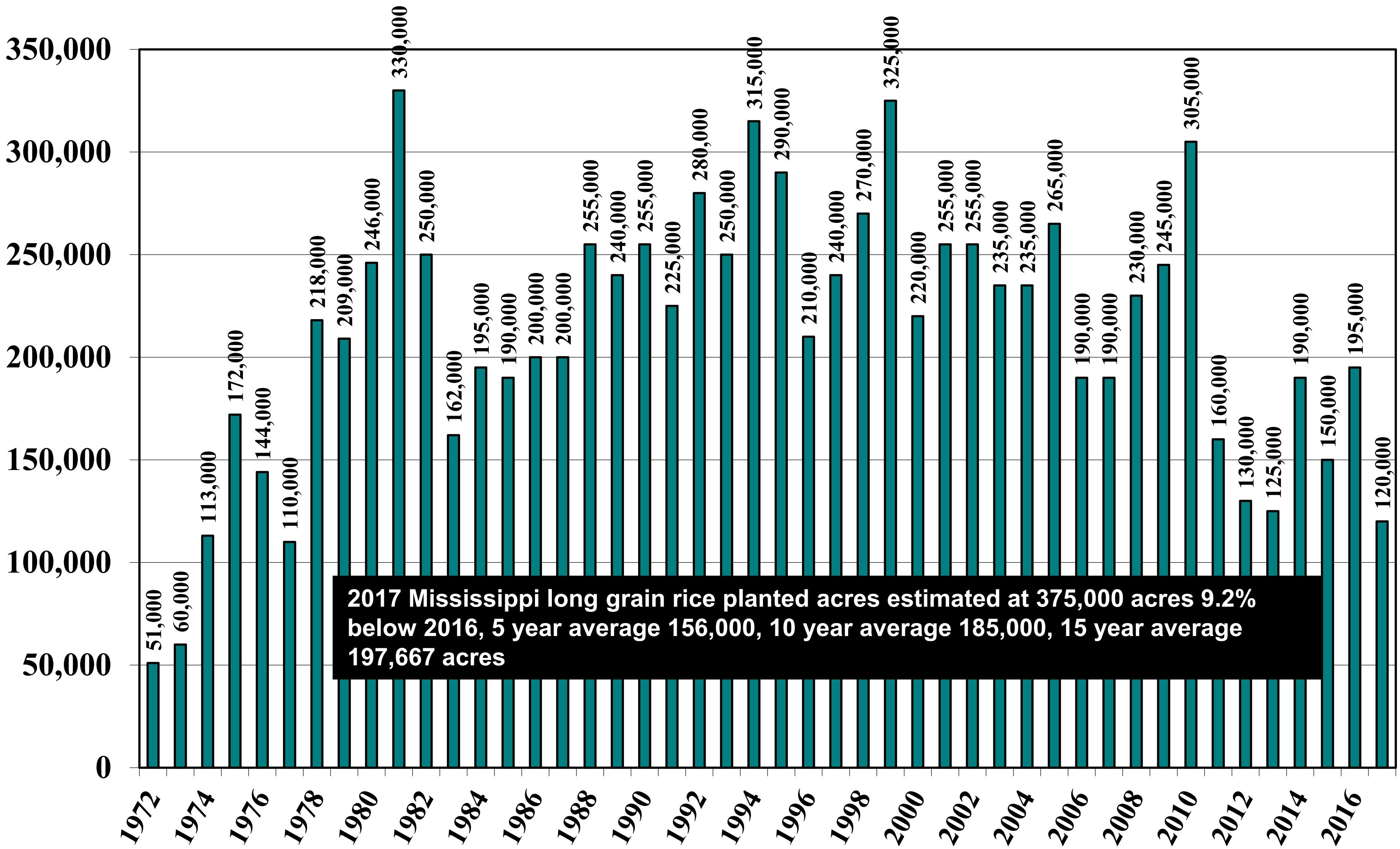
March 31, 2017

Louisiana Long Grain Rice
Planted Acres 1972-2017, March 31, 2017



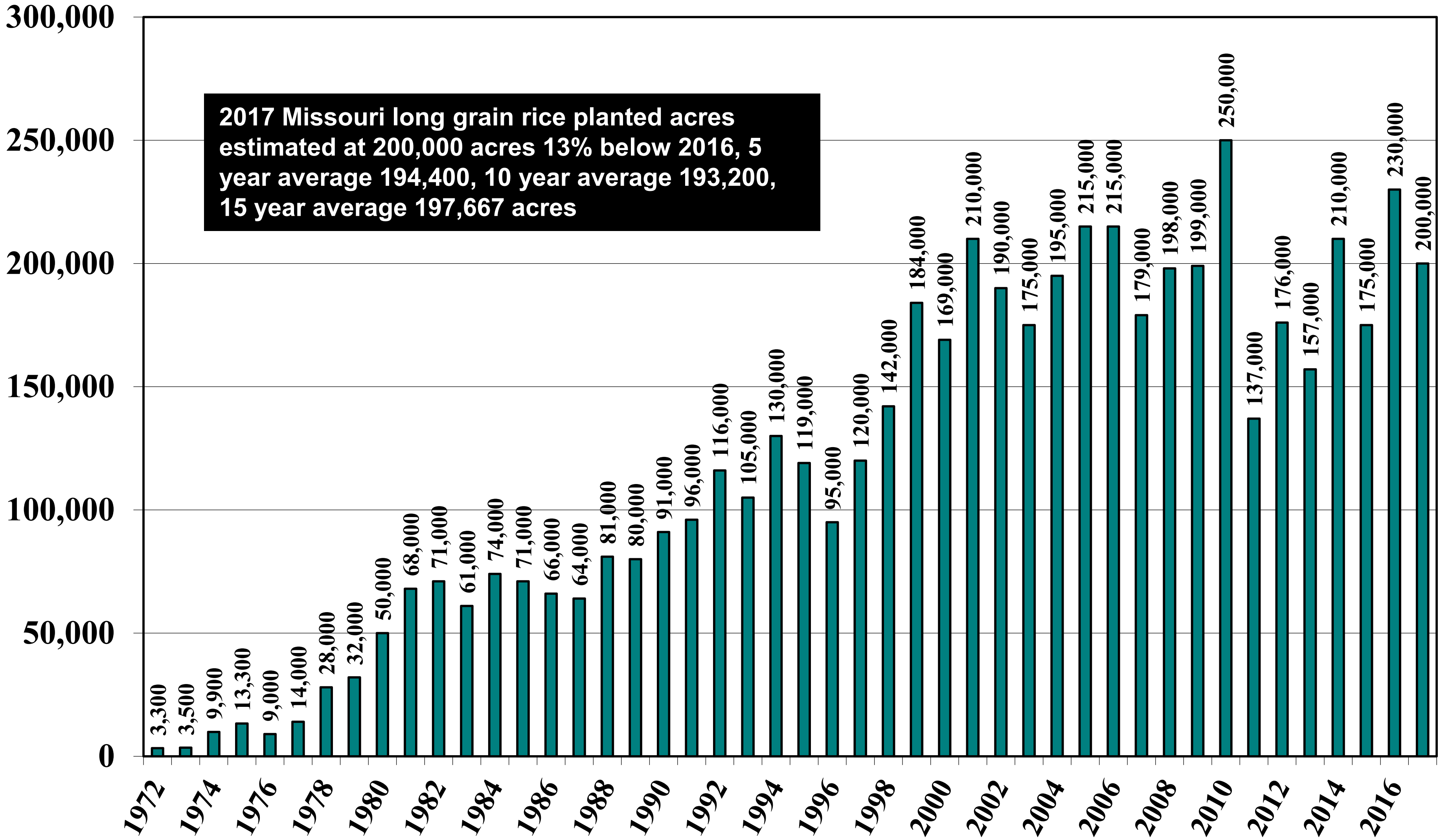
March 31, 2017

Mississippi Long Grain Rice
Planted Acres 1972-2017, March 31, 2017

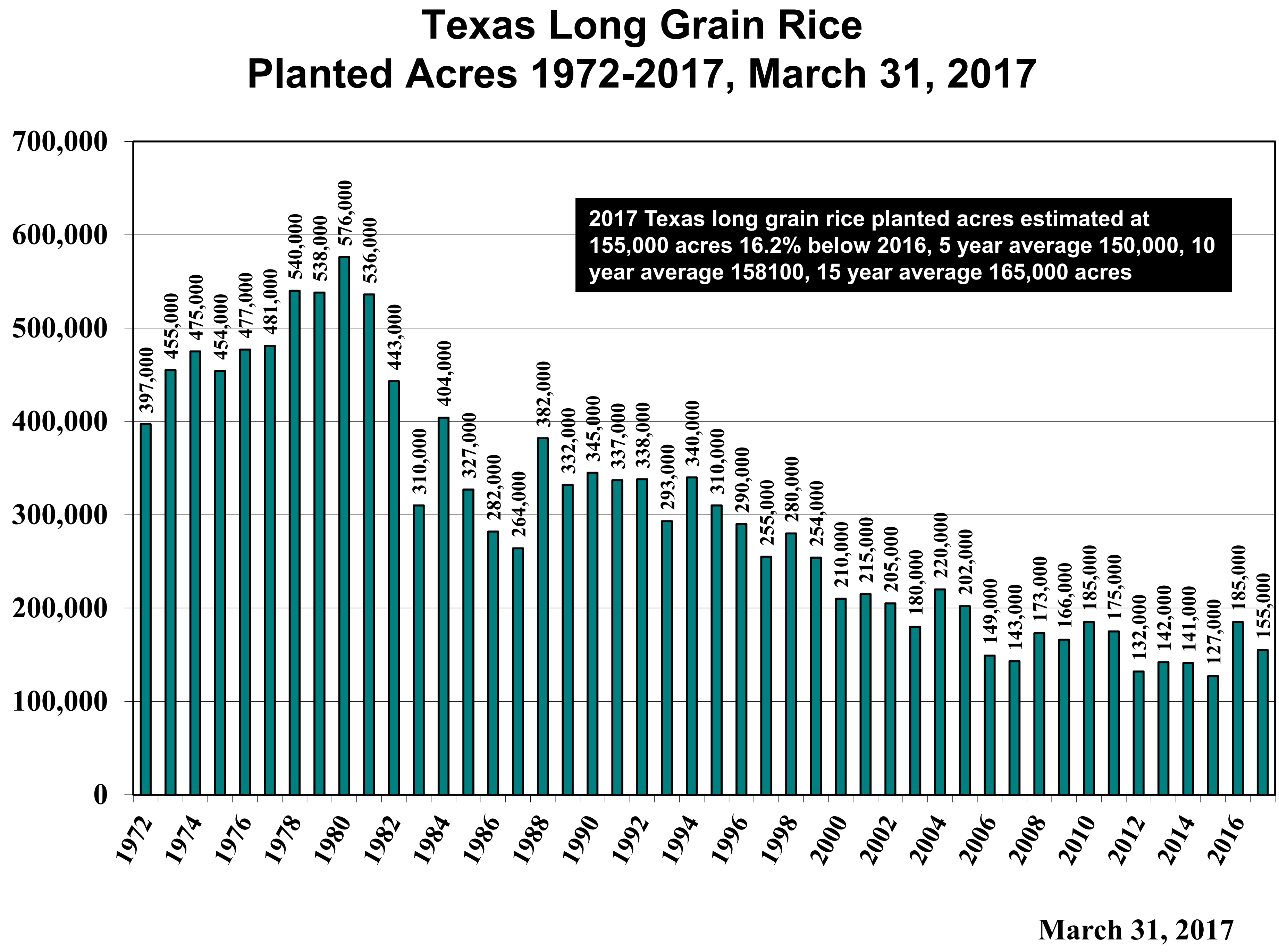


March 31, 2017

Missouri Long Grain Rice
Planted Acres 1972-2017, March 31, 2017



March 31, 2017


Texas Long Grain Rice
Planted Acres 1972-2017, March 31, 2017
2017 Texas long grain rice planted acres estimated at 155,000 acres 16.2% below 2016, 5 year average 150,000, 10 year average 158100, 15 year average 165,000 acres
700,000
600,000
500,000
400,000
300,000
200,000
100,000
0
397,000
455,000
475,000
454,000
477,000
481,000
540,000
538,000
576,000
536,000
443,000
310,000
404,000
327,000
282,000
264,000
382,000
332,000
345,000
337,000
338,000
293,000
340,000
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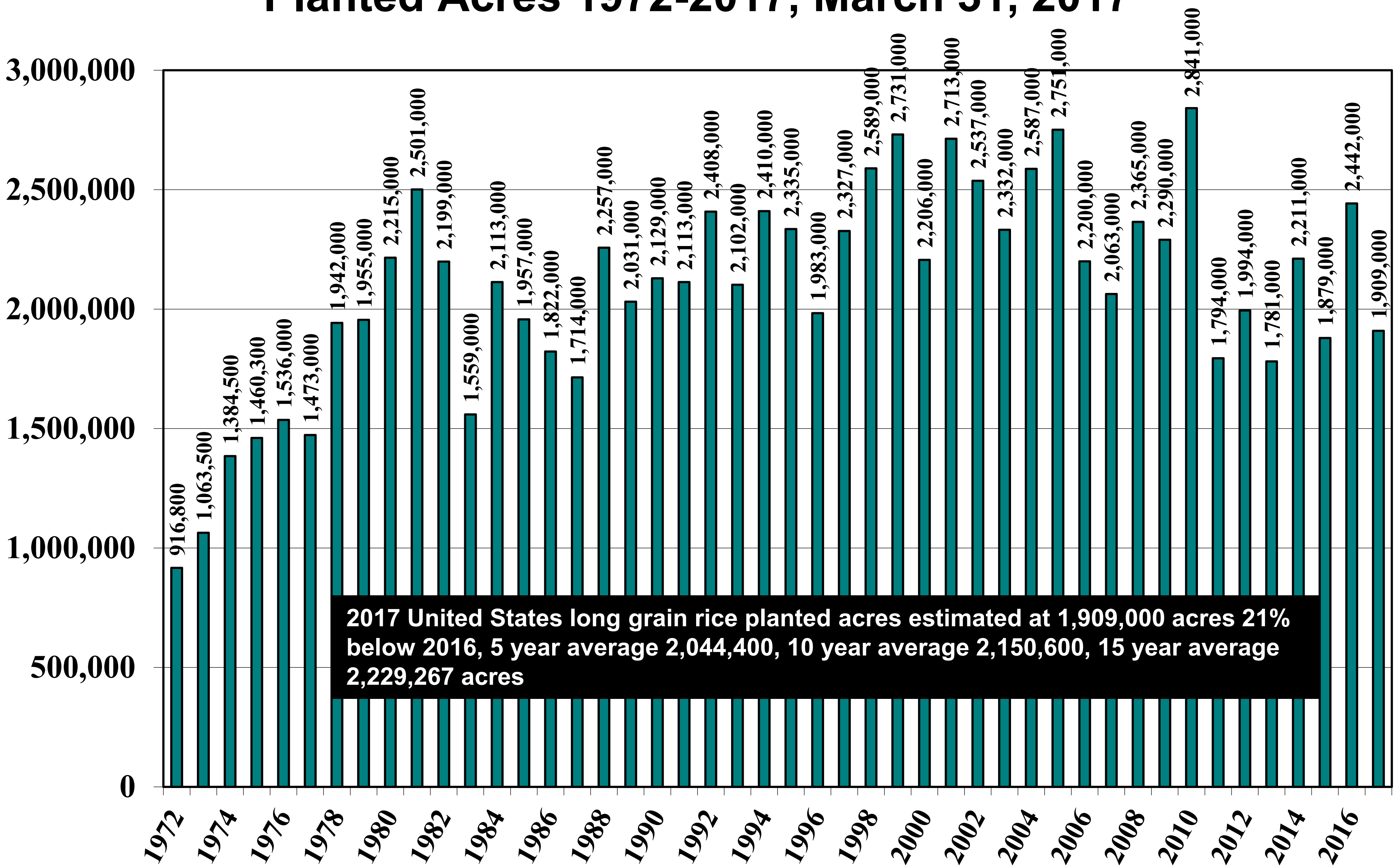
March 31, 2017

United States Long Grain Rice
Planted Acres 1972-2017, March 31, 2017



March 31, 2017

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