

**Rice Graphics and Commentary**

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**By**

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USDA projects continued softness in world rice trade due to adequate supplies in rice importing countries like Indonesia, Bangladesh, and Brazil. Trade in calendar year 2005 is projected at 25.7 million metric tons, which is below 2004's 26.8 million tons, 2003's 27.6 million tons, 2002's record 27.8 million tons.

Currently, USDA's 2006 calendar year world rice trade projection has traded down to 25.2 million metric tons. Presently, Vietnamese milled white rice is the lowest price it has been since December 2004 at \$248 per metric ton, comparable Thai white rice is at its lowest price since January 2005 at \$295 per metric ton and comparable U.S. rice is at its lowest price since July 2003 at around \$313 per metric ton.

World trade weakness continues even given the fact that 2005/06 marketing period will mark the 5<sup>th</sup> consecutive year that world rice consumption has exceeded production. In 2005/06 world rice consumption is projected by USDA at 416.8 million metric tons with world rice production projected at 410.4 metric tons. With global rice consumption continuing to exceed production, global ending rice stocks is at their lowest levels since 1982/83 at 67.3 million tons. That said, the majority of the decline is related to China, while stocks in much of the world are projected to show minor gains.

**U.S. Long Grain Rice Ending Stocks Up** - USDA in their June 2005 supply and demand estimates increased U.S. 2004/05 long grain rice ending stocks 1 million cwt to 25 million cwt and increased 2005/06 long grain ending stocks 1 million cwt to 24.5 million cwt. The U.S. 2004/05 marketing year ends July 31, 2005. The 2004/05 ending stocks are their 2<sup>nd</sup> highest since 1986 with 2001 ending stocks being higher at 26.8 million cwt.

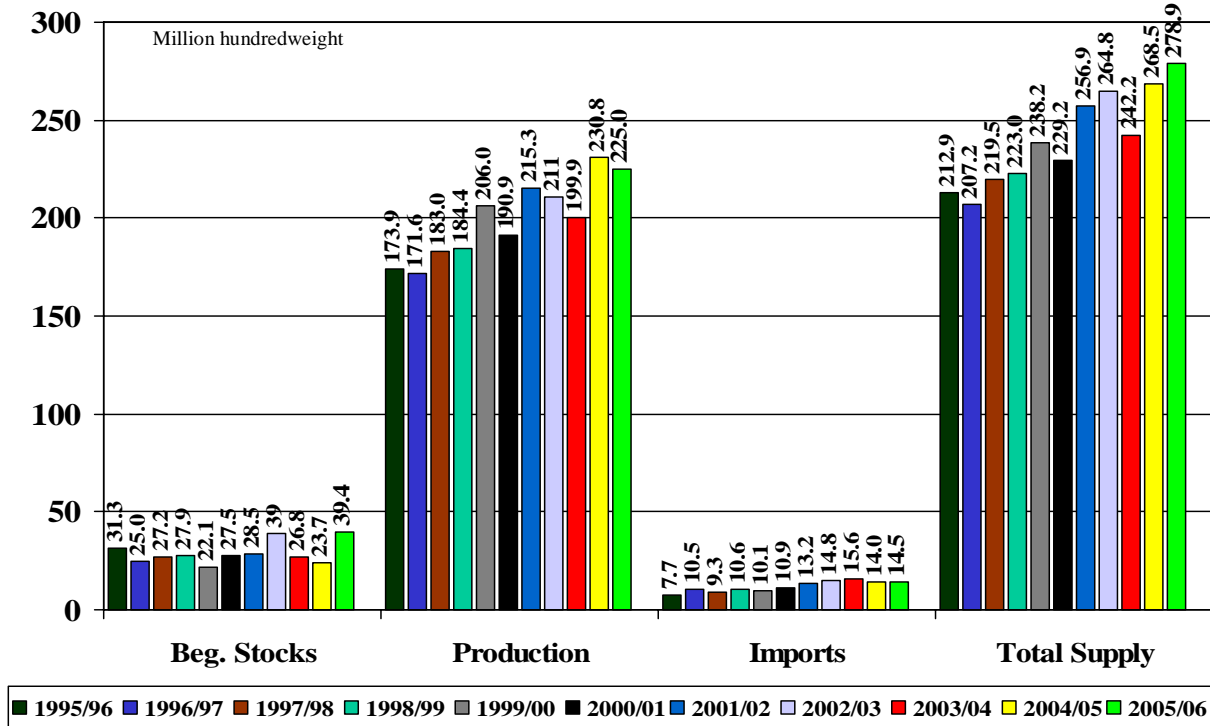
U.S. all rice ending stocks for June 2005/06 were lowered 1 million cwt to 31.7 due in part to a reduction of 2 million cwt in U.S. medium grain ending stocks. U.S. medium and short grain ending stocks for 2005/06 are now projected at 6.1 million cwt compared to 13.3 million cwt in 2004/05 and 12.4 million cwt in 2003/04.

U.S. total long grain supply is presently estimated by USDA for the 2005/06 marketing period at a record 209 million cwt. To give 209 million cwt some perspective, consider that from 1982 to 1989 the average annual total long grain supply was 124 million cwt. From 1990 to 1999 the average annual supply was 144 million cwt and from 2000 to 2005 the average long grain supply was 185 million cwt.

U.S. medium and short-grain export projections for 2005/06 were raised from 27 million cwt to 28 million cwt due to tight supplies in Australia (medium-grain exporter). Australian producers have been struggling for a third consecutive year with a drought and now below normal irrigation supplies. The belief is that this will translate into larger rice export opportunities for the U.S. and Egypt in markets in the Middle East and Oceania. Problematic for the U.S. medium/short-grain producer lies with Egyptian rice exports setting a record in calendar year 2004 and projections are they will surpass last year's exports this year.

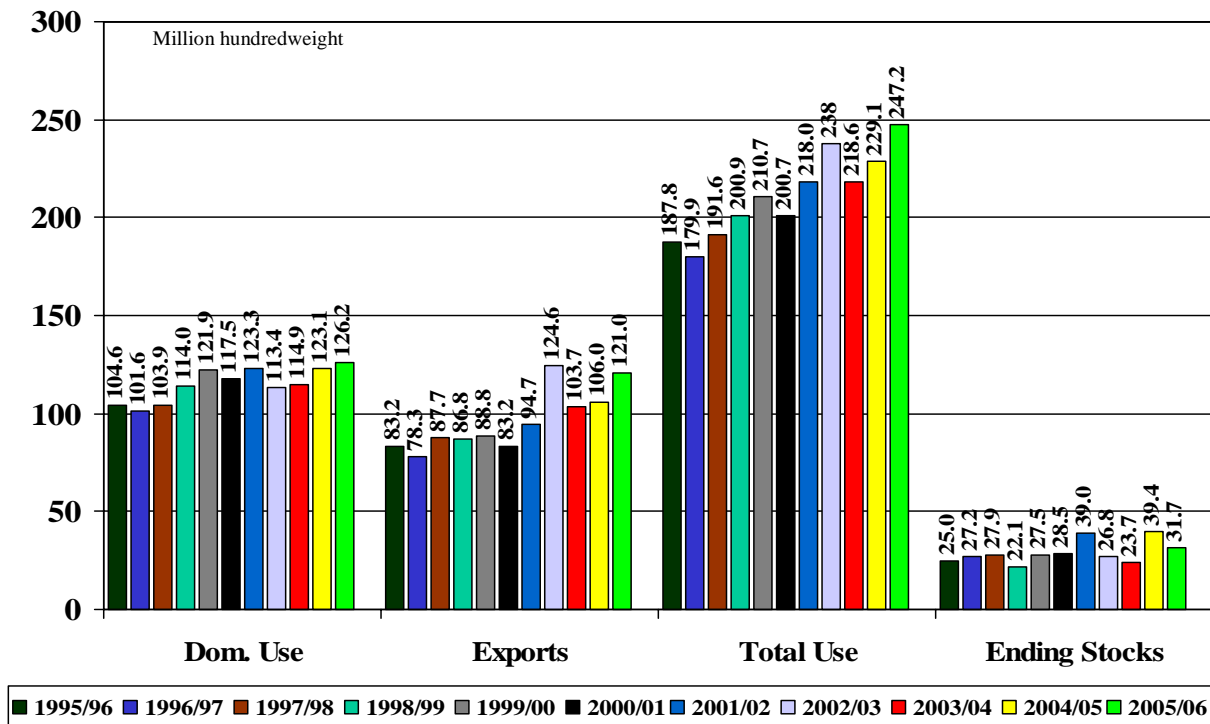
## U.S. All Rice Supply 1995/96 – 2005/06

Average Farm Price (\$/cwt): 2003/04 \$8.08, 2004/05 \$7.20 to \$7.40 & 2005/06 \$7.20 to \$7.50



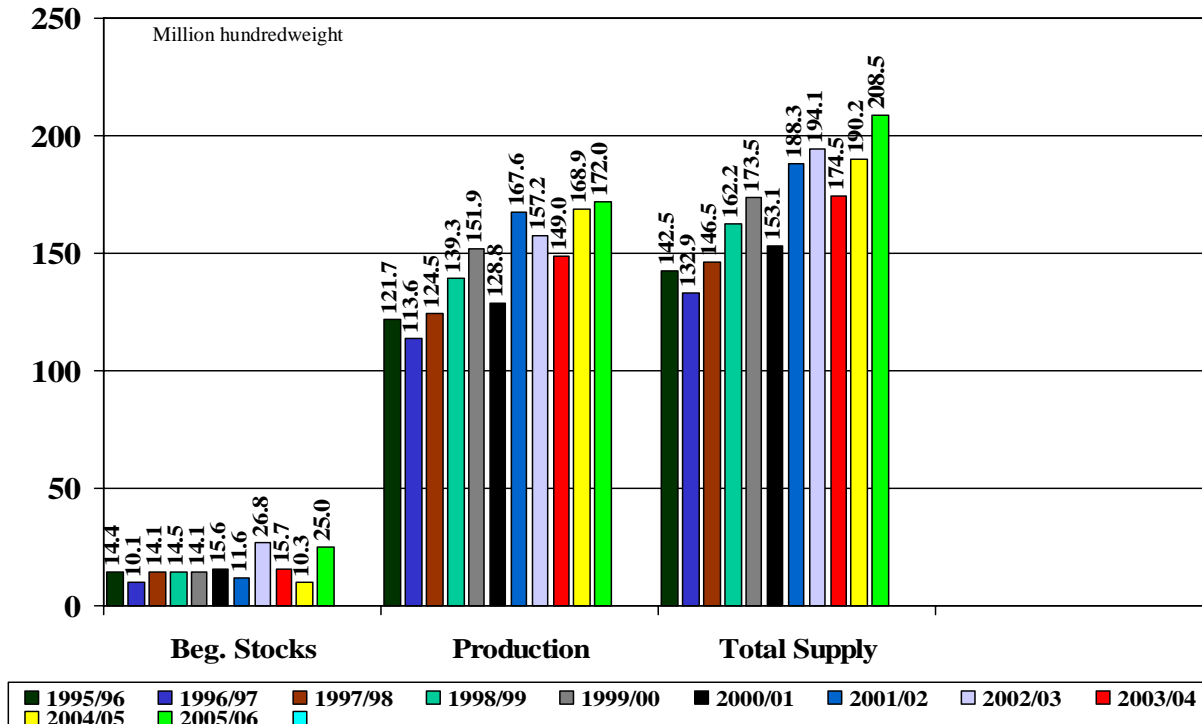
Source: [USDA World Supply and Demand Estimates](#) and [Rice Yearbook](#)

## U.S. All Rice Use and Ending Stocks 1995/96 – 2005/06



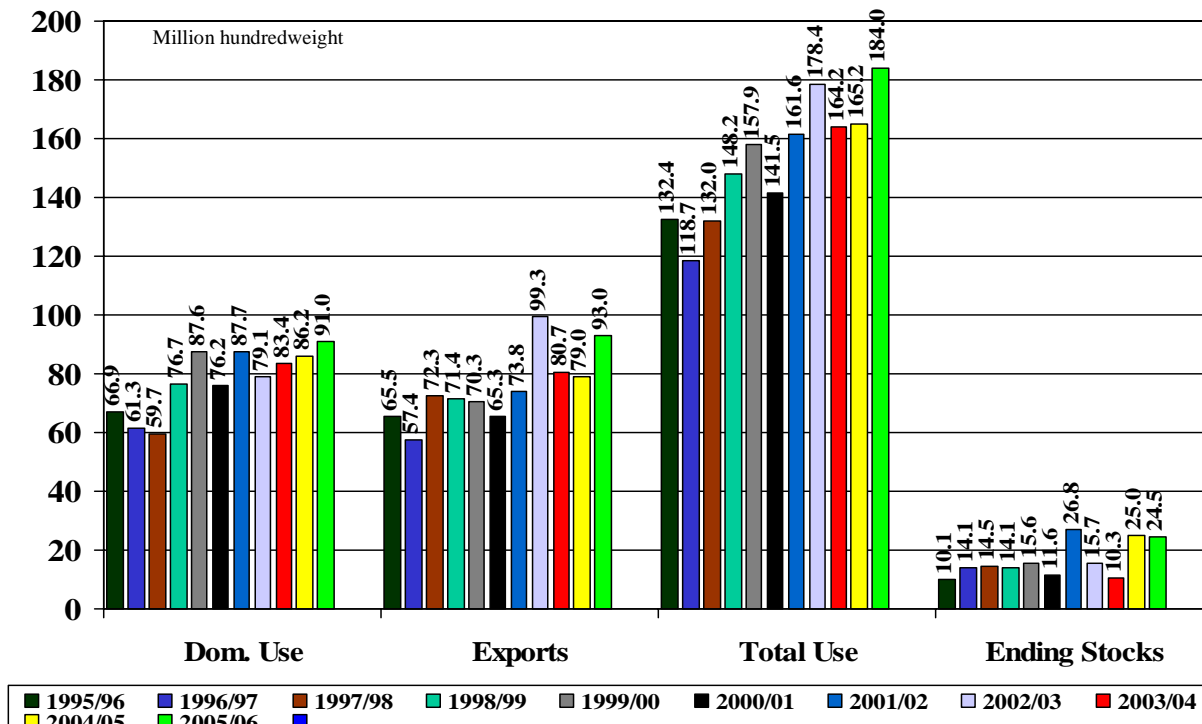
Source: [USDA World Supply and Demand Estimates](#) and [Rice Yearbook](#)

## U.S. Long Grain Rice Supply 1995/96 – 2005/06



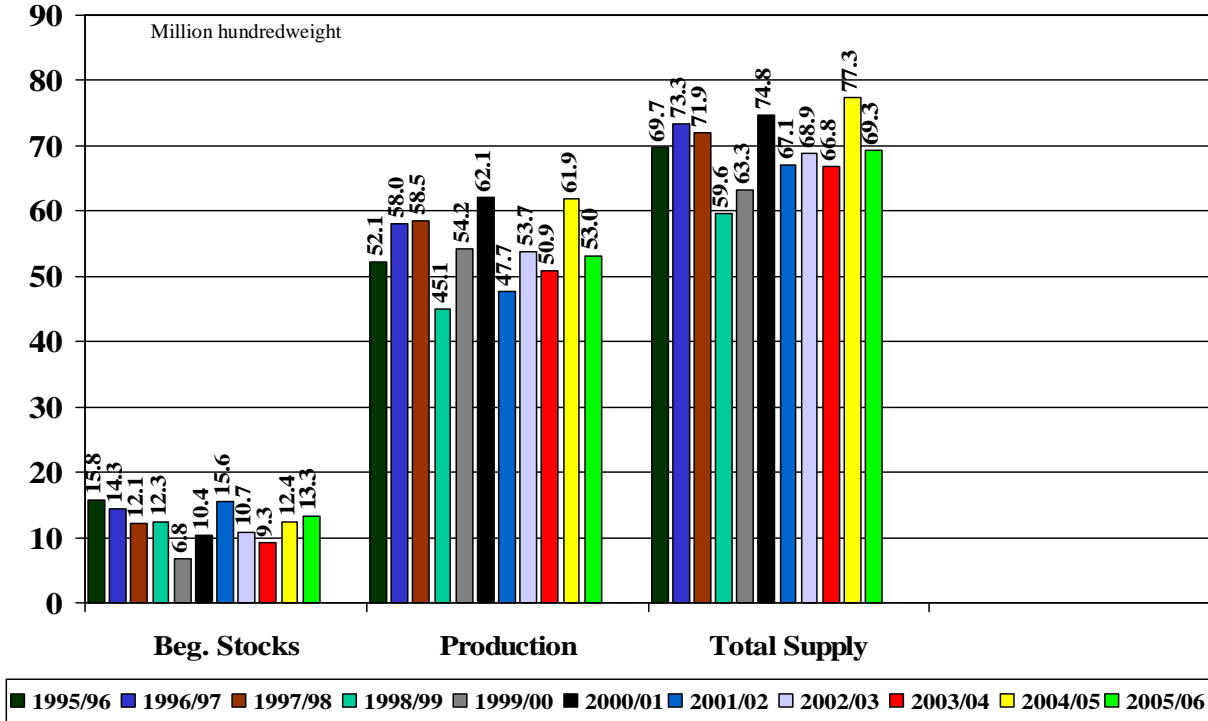
Source: [USDA World Supply and Demand Estimates](#) and [Rice Yearbook](#)

## U.S. Long Grain Rice Use and Ending Stocks 1995/96 – 2005/06



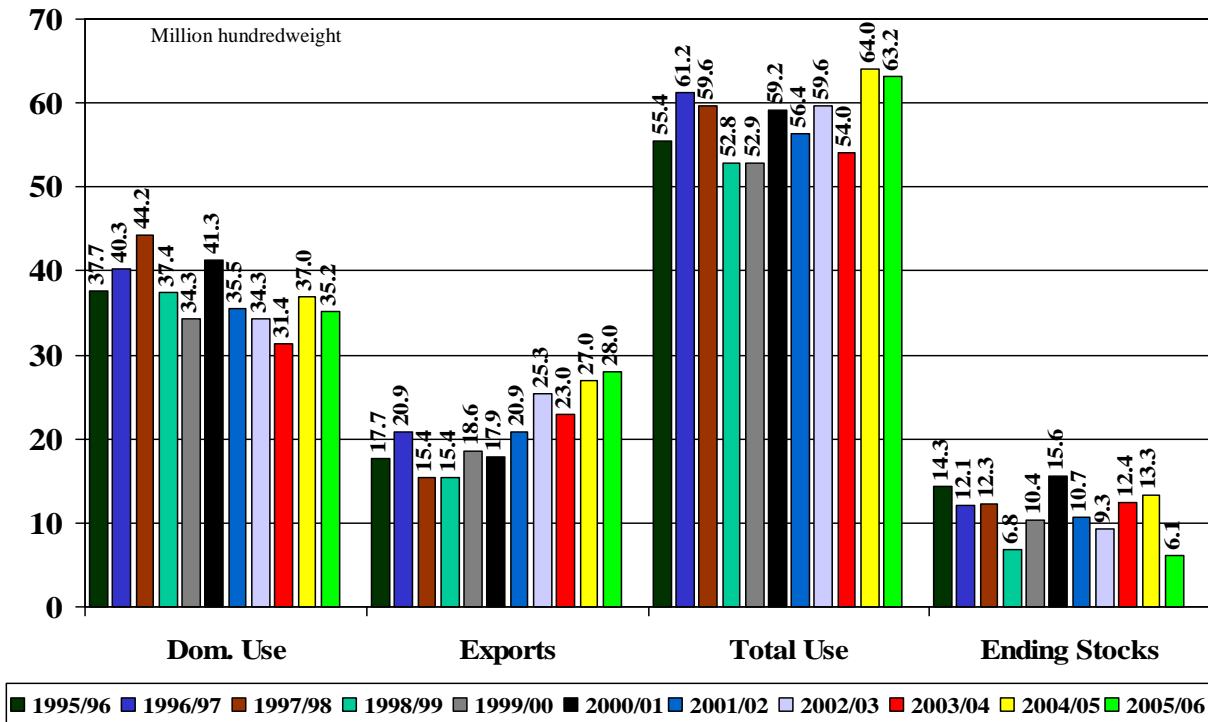
Source: [USDA World Supply and Demand Estimates](#) and [Rice Yearbook](#)

## U.S. Medium and Short Grain Rice Supply 1995/96 – 2005/06



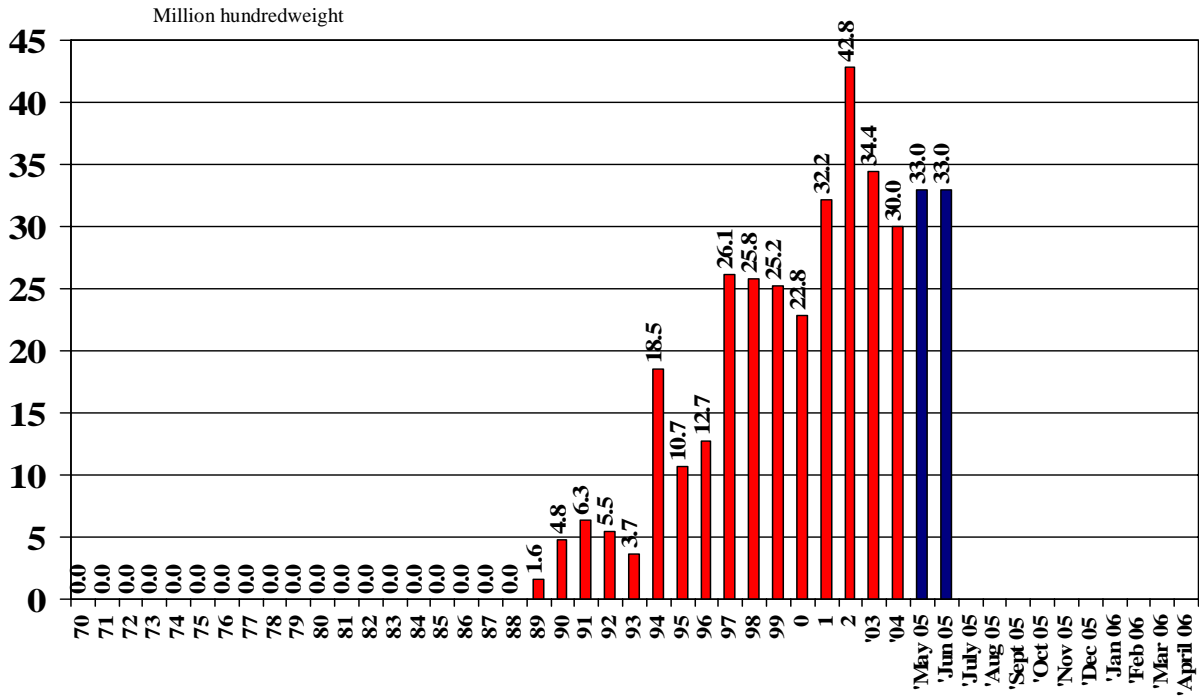
Source: [USDA World Supply and Demand Estimates](#) and [Rice Yearbook](#)

## U.S. Medium and Short Grain Rice Use and Ending Stocks 1995/96 – 2005/06



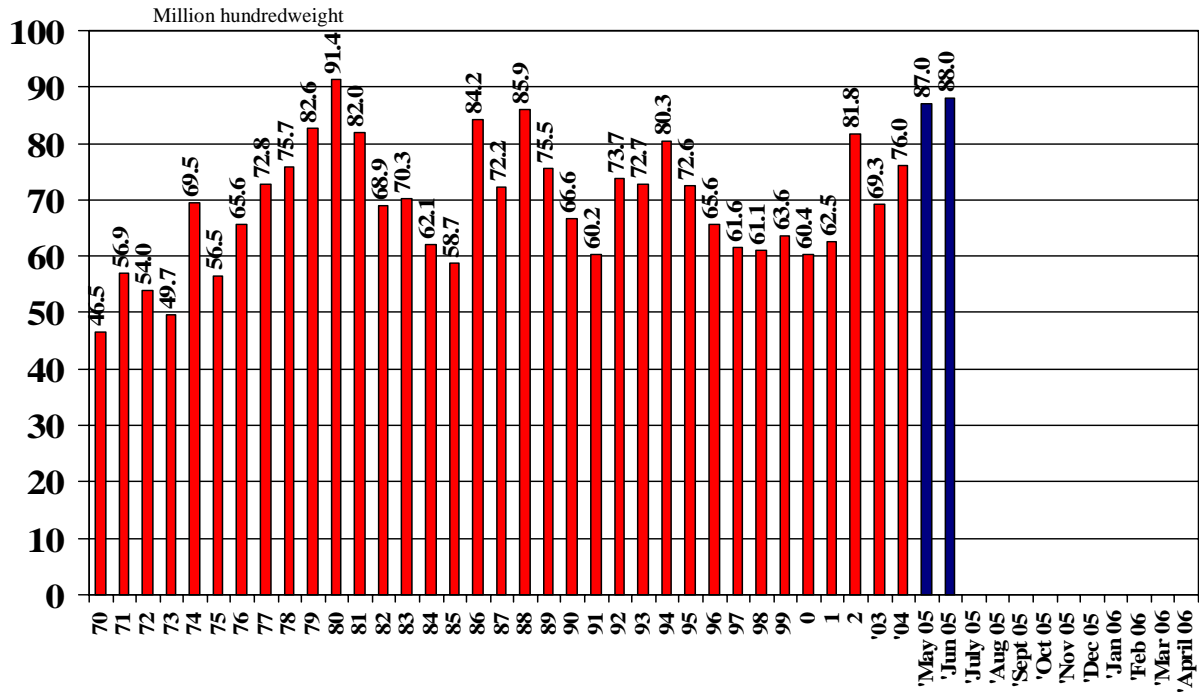
Source: [USDA World Supply and Demand Estimates](#) and [Rice Yearbook](#)

## U.S. All Rice **Rough Exports** 1970/71 – 2005/06



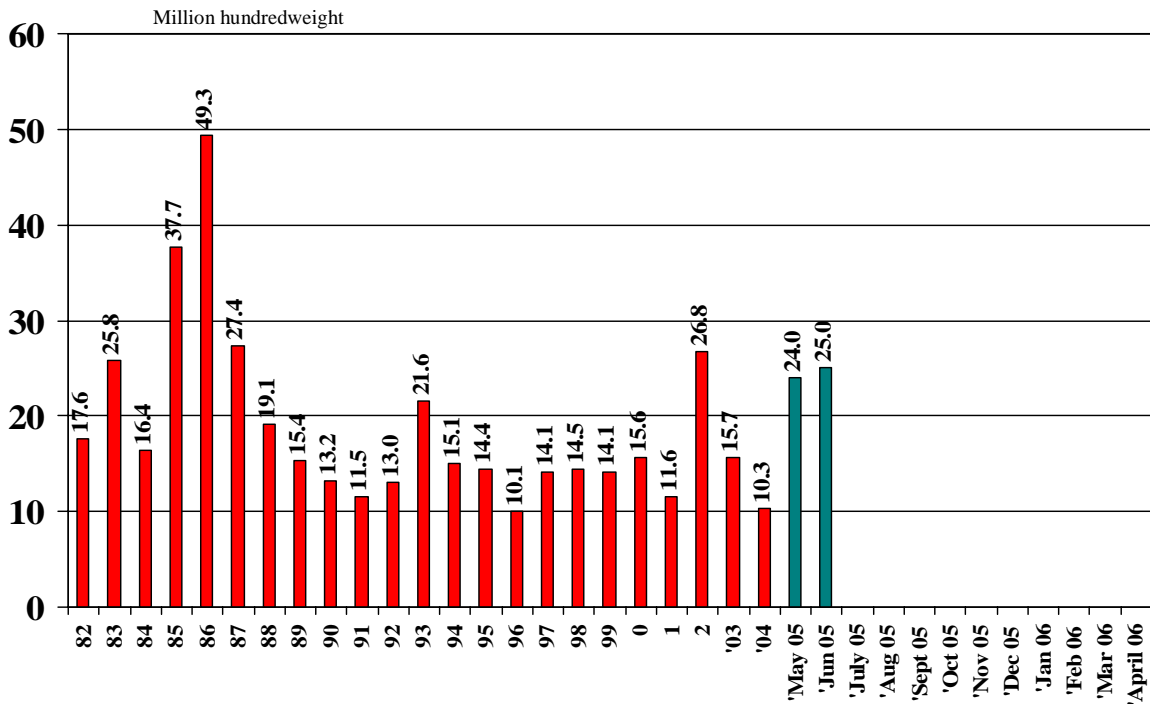
Source: [USDA World Supply and Demand Estimates](#) and [Rice Yearbook](#)

## U.S. All Rice **Milled Exports** 1970/71 – 2005/06



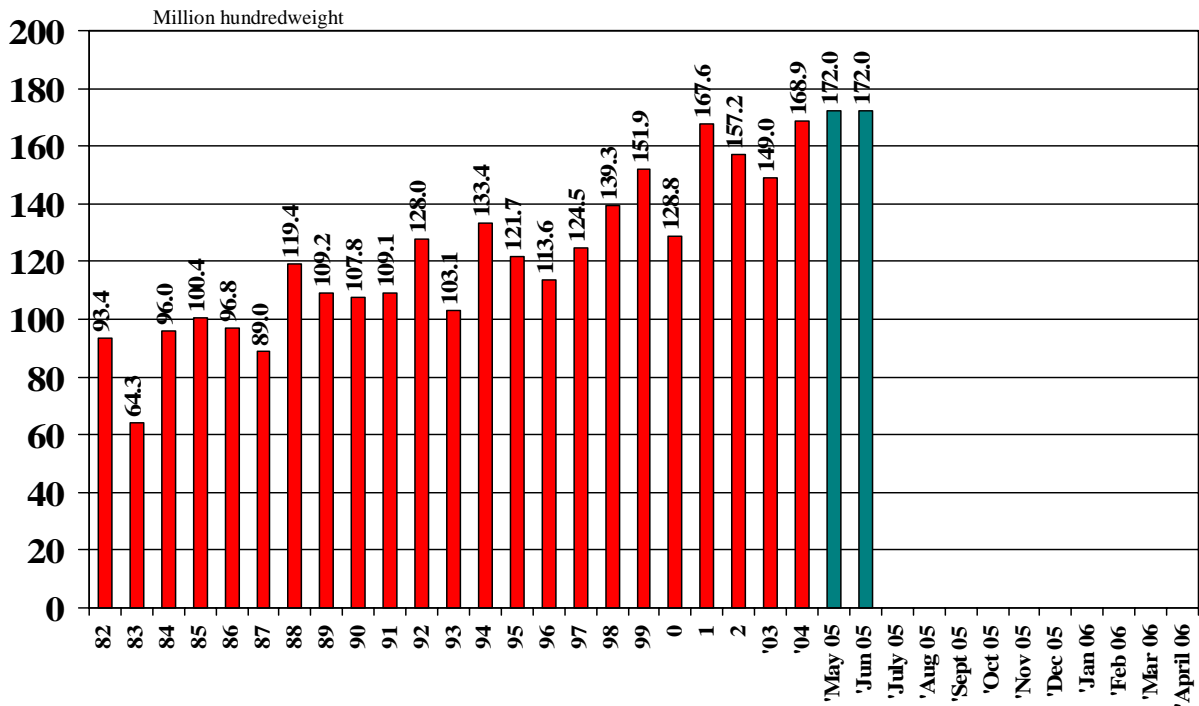
Source: [USDA World Supply and Demand Estimates](#) and [Rice Yearbook](#)

## U.S. Long Grain Rice **Beginning Stocks** 1982/83 – 2005/06



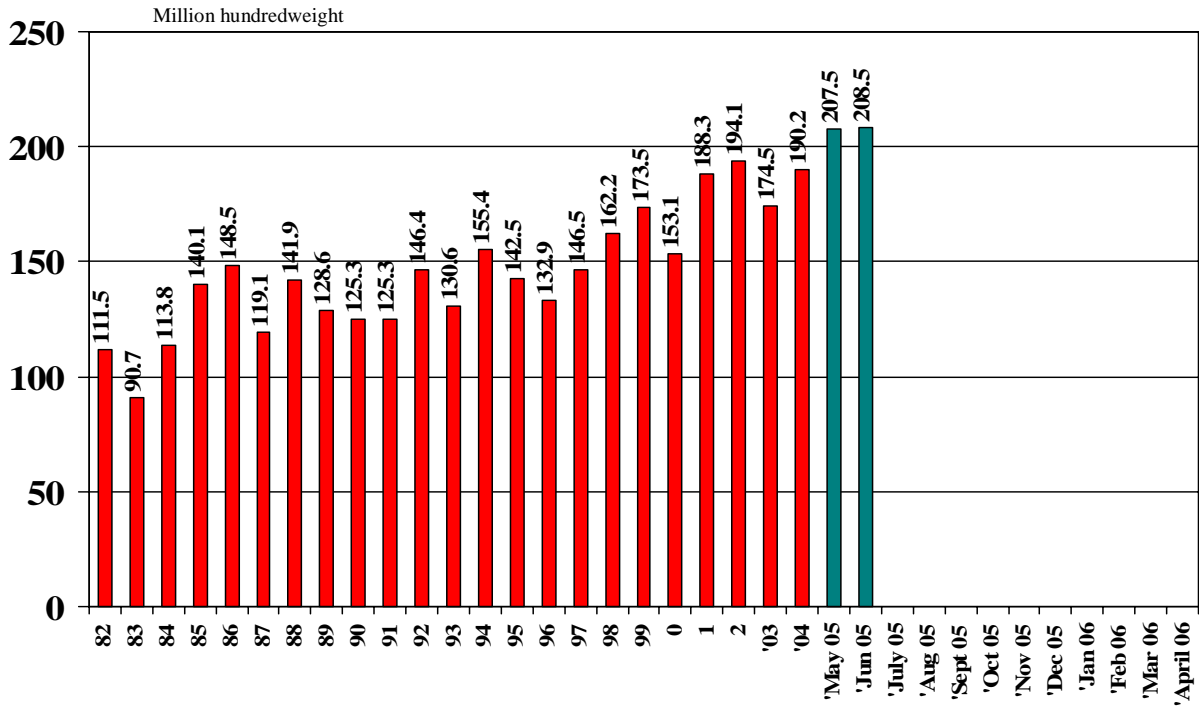
Source: [USDA World Supply and Demand Estimates](#) and [Rice Yearbook](#)

## U.S. Long Grain Rice **Production** 1982/83 – 2005/06



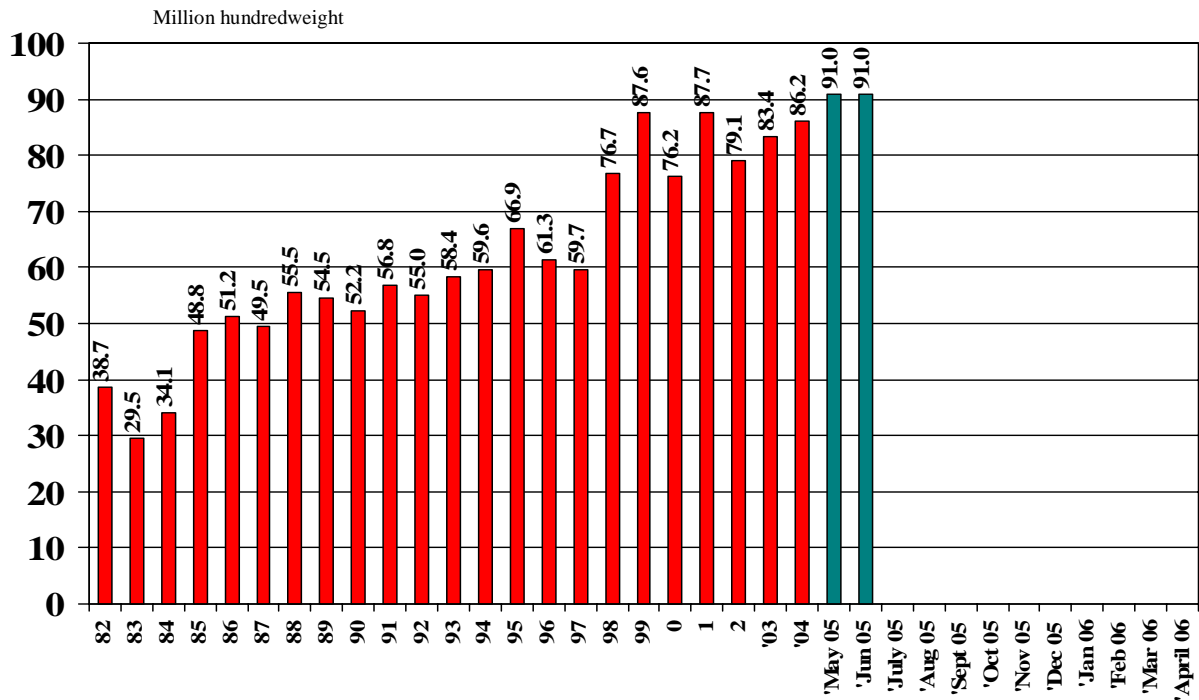
Source: [USDA World Supply and Demand Estimates](#) and [Rice Yearbook](#)

## U.S. Long Grain Rice **Total Supply** 1982/83 – 2005/06



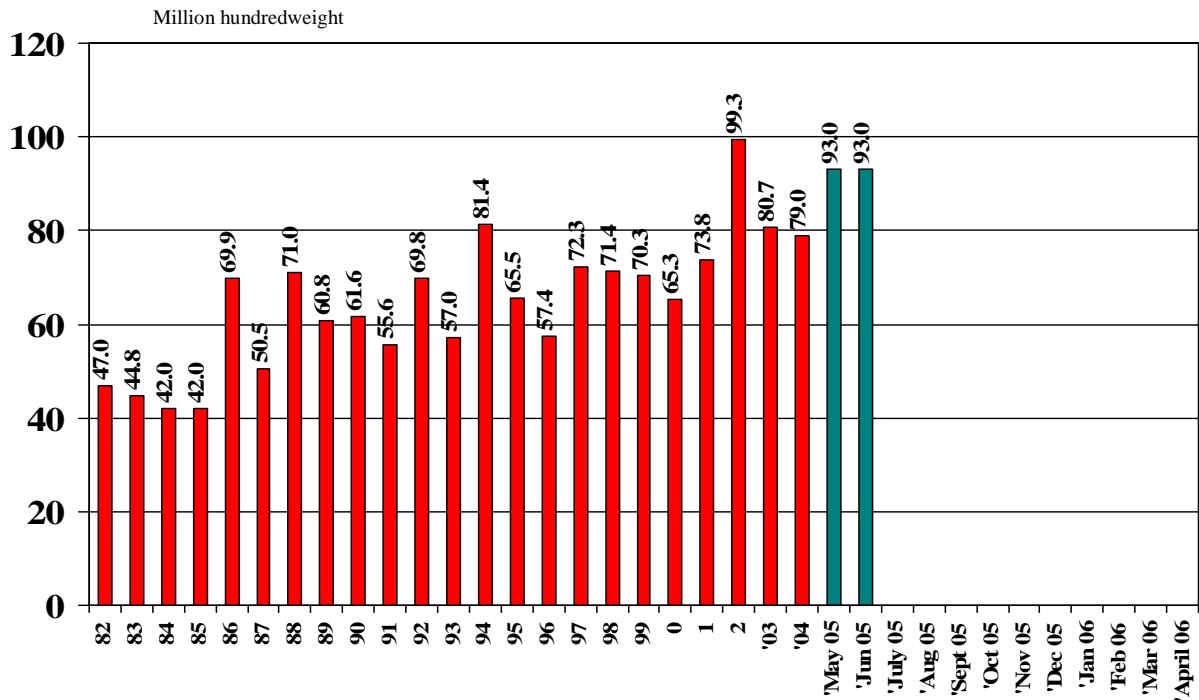
Source: [USDA World Supply and Demand Estimates](#) and [Rice Yearbook](#)

## U.S. Long Grain Rice **Domestic & Residual** 1982/83 – 2005/06



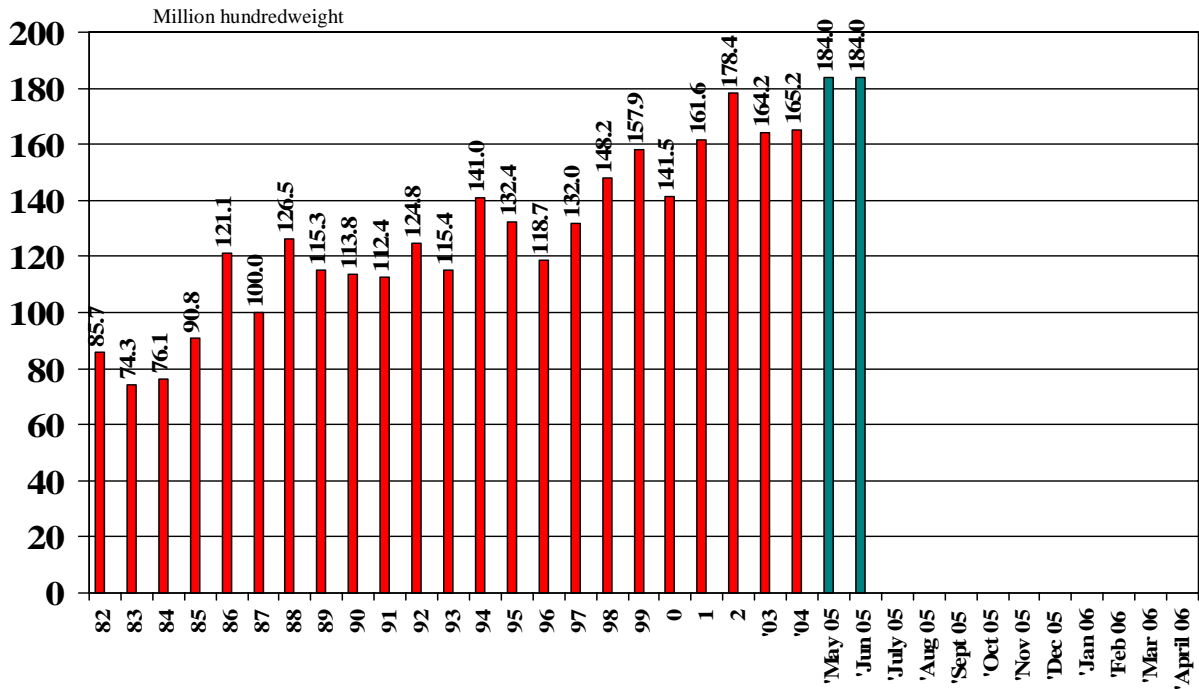
Source: [USDA World Supply and Demand Estimates](#) and [Rice Yearbook](#)

## U.S. Long Grain Rice **Total Exports** 1982/83 – 2005/06



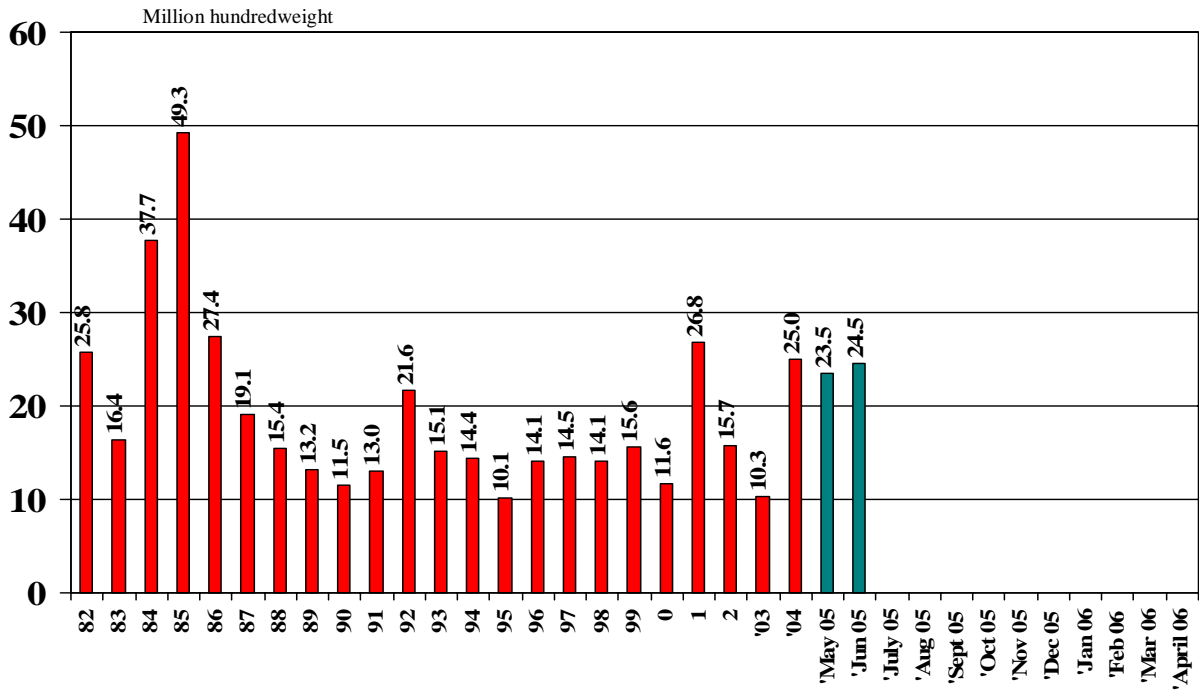
Source: [USDA World Supply and Demand Estimates](#) and [Rice Yearbook](#)

## U.S. Long Grain Rice **Total Use** 1982/83 – 2005/06



Source: [USDA World Supply and Demand Estimates](#) and [Rice Yearbook](#)

# U.S. Long Grain **Ending Stocks** 1982/83 – 2005/06



Source: [USDA World Supply and Demand Estimates](#) and [Rice Yearbook](#)