



Rice Outlook

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Rice Outlook monthly tables, in Excel format, can be found on the Rice Outlook report page on USDA's Economic Research Service website.

U.S. Rice Production Forecast for 2020/21 Lowered 1 Percent to 218.1 Million Cwt

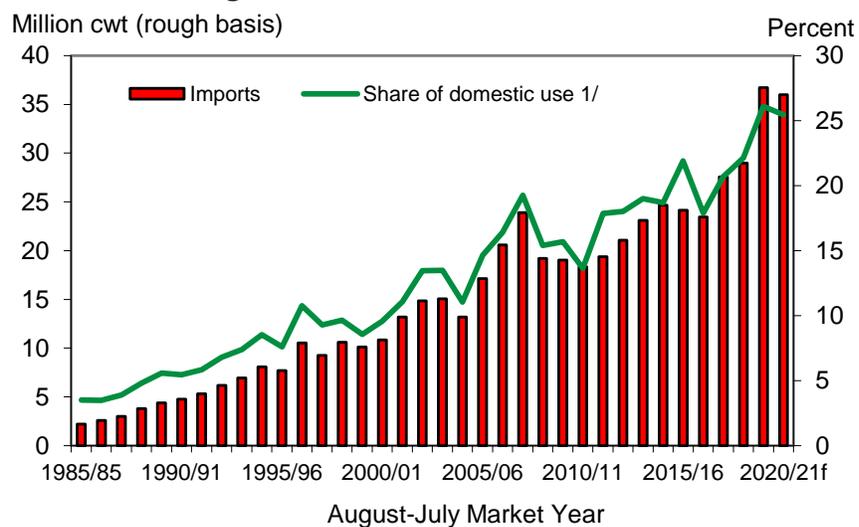
There were several revisions this month to both the 2019/20 and 2020/21 U.S. rice balance sheets. For 2020/21, the production forecast was lowered 1 percent to 218.1 million hundredweight (cwt), a result of a slightly lower yield. Production is up 18 percent from 2019/20. Imports were raised 1.4 million cwt to 36.0 million cwt, and, if realized, would be the second highest on record. The 2020/21 export forecast was lowered 1.0 million cwt to 97.0 million cwt due to expectations of continued strong competition from South American suppliers. The ending stocks forecast was raised 0.5 million cwt to 44.3 million, up 44 percent from a year earlier.

The 2020/21 season-average farm prices (SAFP) were unchanged and remain below the 2019/20 SAFP for all classes of rice. For 2019/20, imports were raised 2.2 million cwt to a record 36.7 million based on a record pace of purchases since April, mostly from Thailand. Exports were lowered 2.0 million cwt to 92.5 million based on extremely weak sales since June. Total domestic and residual use was increased 3.5 million cwt to 143.0 million, largely based on the stronger imports. Ending stocks were raised 0.7 million cwt to 30.7 million, still 31.5 percent smaller than a year earlier. The California 2019/21 SAFP was raised 20 cents to \$18.50 per cwt.

In the global rice market, production forecasts for 2020/21 were lowered for China, Peru, Thailand, the United States, and Vietnam, but raised for Bangladesh. China's 2020/21 consumption and ending stocks forecasts were lowered based on the smaller crop. Global consumption and ending stocks are projected record high, with the global stocks-to-use ratio projected at 37.3 percent, the highest since the 2000/01 record. Export forecasts for 2021 were lowered for China, Thailand, Vietnam, and the United States, but raised for Brazil, with global trade expected to rebound more than 4 percent in 2021. On the 2021 global import side, import forecasts were lowered for Cote d'Ivoire, Nigeria, and the Philippines. Thailand's trading prices were nearly unchanged over the past month, while U.S. prices declined and Vietnam's rose.

Figure 1

U.S. rice imports were record high in 2019/20 and are expected to remain strong in 2020/21



Cwt = Hundredweight. 2019/20f and 2020/21f = forecasts. 1/ Does not include seed use.
Sources: 1985/86-2017/18, *Rice Yearbook Data Set*, USDA, Economic Research Service;
2018/19-2020/21, *World Agricultural Supply and Demand Estimates*, USDA, World
Agricultural Outlook Board.

Domestic Outlook

U.S. 2020/21 Rice Production Forecast Lowered 1 Percent to 218.1 Million CWT

The 2020/21 U.S. rice production forecast was lowered 2.6 million cwt to 218.1 million cwt, still 18 percent larger than a year earlier. The downward revision was based on a reduced yield forecast. At 7,600 pounds per acre, the 2020/21 yield forecast is 89 pounds below the previous forecast but 129 pounds above a year earlier. This is the first survey-based yield forecast for the 2020/21 U.S. rice crop and for the six reported rice producing States. Yields by class will be reported by NASS in the January 2021 *Crop Production Annual*. Harvested area for all rice remains estimated at 2.87 million acres, up 16 percent from a year earlier.

By class, the U.S. 2020/21 long-grain crop is projected at 159.1 million cwt, down 2.7 million cwt from the previous forecast but 27 percent larger than a year earlier. The combined medium- and short-grain crop is forecast at 59.0 million cwt, nearly unchanged from both last month and a year earlier.

Harvested area is estimated to be larger than a year earlier in all six reported States, with Arkansas accounting for 69 percent of the 398,000-acre increase. At 1.4 million acres, Arkansas' 2020/21 harvested area is up more than 24 percent from a year earlier. Mississippi reported the largest percentage increase in harvested area. At 149,000 acres, rice harvested area in Mississippi is up 32 percent from a year earlier. In nearby Missouri, 2020/21 harvested area is estimated at 214,000 acres, up 24 percent from a year earlier. Harvested area in Texas is estimated to have expanded 19 percent to 178,000 acres. Area expansions in Louisiana and California were much smaller. At 504,000 acres, Louisiana's rice harvested area is up just 2.4 percent from a year earlier. Finally, California's harvested area—estimated at 504,000 acres—is up less than 2 percent from a year earlier.

The substantial area expansion across most of the South was largely due to improved weather conditions—at least compared with last year's excessive rainfall that both sharply delayed plantings in much of the region and led to a historic high in preventive plantings—but also due to rising prices for long-grain rice, the dominant class produced in the South. In contrast to long-grain, prices for southern medium- and short-grain have declined during 2019/20. Rainfall did delay plantings for a few weeks in the South in the 2020/21 planting season, but the impact on both planting progress and planted area was much less severe than in 2019/20. In California, prices showed no upward trend in 2019/20, and weather conditions were generally favorable for planting the 2020/21 California crop.

Yields are projected to be higher than a year earlier in all reported States except Texas, although projected increases were less than 1 percent in three States and less than 2 percent in another. Louisiana is the only State reporting a substantial yield increase in 2020/21. At 7,150 pounds per acre, Louisiana's 2020/21 yield is up 12 percent from a year earlier and the second highest on record for Louisiana. In Arkansas, the 2020/21 yield is forecast at 7,550 pounds per acre, up almost 1 percent from a year earlier and also the second-highest on record. Mississippi's 2020/21 yield of 7,400 pounds per acre is up just 50 pounds from 2019/20 and is the second-highest on record for the State. Missouri's average yield is forecast to increase almost 2 percent to 7,500 pounds per acre, the second-highest on record for the State as well. California's yields—forecast at 8,500 pounds per acre—are up 50 pounds from 2019/20, but well below the 2015/16 record of 8,890 pounds.

In contrast, the Texas 2020/21 rice yield is forecast at just 6,800 pounds per acre, 7.5 percent below a year earlier and the lowest yield since 2007/08. The substantially lower yield is primarily due to rainfall resulting from tropical storm Hanna, which made landfall on July 25 on Padre Island south of Corpus Christi, southwest of the rice growing area. The rain and wind from the storm caused only minor damage to the main rice crop; some lodging was reported. However, the rains that muddied the fields will likely reduce the number of acres that can be ratooned this year due to the rutting of the fields during the main-crop harvest, which was already underway in some areas. The ratoon crop is a partial second crop from the stubble remaining in the field after the harvest of the main crop. Rice producers west of Houston typically harvest a ratoon crop if weather conditions are favorable, and the lack of a ratoon harvest by some growers will lower average yields. Ratoon cropping of rice is not as common east of Houston.

Rice production is projected to be larger than a year earlier in 2020/21 all reported States, with most southern rice growing States reporting substantial production increases, typically due to expanded area. In Arkansas, 2020/21 production is forecast at 105.8 million cwt, up 25.5 percent from a year earlier, almost entirely due to larger area. Louisiana's 2020/21 production is forecast at 30.3 million cwt, up 15 percent from a year earlier, mostly due to a higher yield. The Missouri 2020/21 rice crop is forecast at 16.1 million cwt, an increase of 26 percent from a year earlier, mostly due to expanded area. Mississippi's 2020/21 crop of 11.0 million cwt is 33 percent larger than a year earlier, almost entirely due to larger area. Despite the substantial yield decline, the Texas rice crop is projected to increase 10 percent to 12.1 million cwt due to expanded area. Finally, at 42.8 million cwt, California's 2020/21 rice production is up 2 percent from a year earlier, a result of slightly larger area and a fractional increase in the yield.

Progress of the 2020/21 U.S. rice crop varies by region. The Delta is still behind its normal progress due to above-average rainfall this Spring and early Summer, while the rice crop's progress is about normal on both the Gulf Coast and in California, mostly due to generally favorable weather in both regions. For the week ending August 9, 75 percent of the U.S. 2020/21 rice crop was reported headed, up slightly from 71 percent a year earlier but below the U.S. 5-year average of 83 percent. On the Gulf Coast, 95 percent of the Louisiana crop was reported headed by August 9, 5 percentage points ahead of a year earlier but 1 percentage point behind the State's 5-year average. The Texas rice crop was reported 97 percent headed by August 9, slightly ahead of last year's pace but unchanged from the Texas 5-year average. In 2019/20, plantings were delayed in both Gulf Coast States due to rain, although the impact on crop progress and planting levels was not as severe as in the Delta.

In the Delta, 72 percent of the Arkansas 2020/21 rice crop was reported headed by August 9, 4 percentage points ahead of last year's rain-delayed crop and but behind the Arkansas 5-year average of 83 percent. In nearby Missouri, just 54 percent of the 2020/21 rice crop was reported headed by August 9, 4 percentage points ahead of last year's rain-delayed crop but well behind the Missouri's 5-year average of 74 percent. Mississippi's 2020/21 rice crop was reported 82 percent headed by August 9, down 6 percentage points from a year earlier and 8 percentage points behind the Mississippi 5-year average. Like Arkansas and Missouri, rain delayed plantings this Spring in Mississippi, which indicates a later-than-normal harvest. Finally, 65 percent of the California 2020/21 rice crop was reported headed by August 9, 4 percentage points behind last year's pace and 3 percentage points behind the California 5-year average.

Harvest began last month on the Gulf Coast, a typical starting time for this region. In Louisiana, 48 percent of the 2020/21 U.S. rice crop was reported harvested by August 9, well ahead of 33 percent last year when rain delayed Gulf Coast plantings and 5 percentage points ahead of the

Louisiana 5-year average. The Texas crop was reported 34 percent harvested by August 9, also well ahead of just 17 percent reported a year earlier, but even with the Texas 5-year average.

U.S. 2020/21 Import Forecast Raised to a Near-Record 36.0 Million Cwt

In 2020/21, a larger crop is projected to more than offset a substantial decline in carryin and a slight drop in imports, boosting total U.S. rice supplies 7 percent from 2019/20 to 284.8 million cwt. The total supply forecast is down 0.5 million cwt from the previous forecast. By class, long-grain total supplies are projected at 202.3 million cwt, down 1.7 million cwt from the previous forecast but 8 percent larger than a year earlier. Combined medium- and short-grain supplies in 2020/21 are projected at 80.5 million cwt, up 1.2 million cwt from the previous forecast and 5 percent larger than a year earlier, mostly a result of a much larger carryin.

The 2020/21 carryin forecast was raised 0.7 million cwt—all medium- and short-grain—to 30.7 million cwt, due to an upward revision in the 2019/20 total supply forecast and a reduced export forecast that were not fully offset by larger domestic use. The 2020/21 carryin is 31.5 percent below a year earlier. By class, the long-grain carryin remains forecast at 14.2 million cwt, down more than 56 percent from a year earlier and the smallest since 2004/05. The combined medium- and short-grain carryin is forecast at 14.4 million cwt, up 0.7 million cwt from the previous forecast and 42 percent larger than a year earlier.

The 2020/21 all-rice import forecast was raised again this month, by 1.4 million cwt to 36.0 million cwt, just 2 percent below the revised 2019/20 record. The 2020/21 upward revision—made for both classes of rice—was largely based on expectations that the recent record level of U.S. monthly rice imports will decline only slightly in 2020/21 as consumers continue the high level of purchases of Asian aromatic varieties, which account for the bulk of U.S. rice imports. In addition, China is expected to continue sending three or four shipments a year of around 21,000 tons of rice to Puerto Rico—which does not grow rice—accounting for much of the Island's rice supply. At 29.0 million cwt, U.S. long-grain imports in 2020/21 are up 1.0 million cwt from the previous forecast but almost 2 percent below the revised 2019/20 record high. Thailand, India, and Pakistan account for the bulk of U.S. long-grain rice imports, nearly all of aromatic varieties. Brazil currently ships a much smaller amount of long-grain rice to the U.S., including both whole-grain rice and shipments of broken kernels.

Combined medium- and short-grain U.S. imports for 2020/21 are forecast at 7.0 million cwt, up 0.4 million cwt from the previous forecast but almost 3 percent below the year-earlier revised record. China is expected to again account for at least a third of these imports, with Puerto Rico buying all of this rice, a result of extremely discounted prices for sales of Government-held stocks in China. Thailand, India, and Italy account for nearly all of the remaining U.S. medium- and short-grain imports, with Thailand the largest supplier of the three.

U.S. 2020/21 Export Forecast Lowered

Total use of U.S. rice in 2020/21 is projected at 240.5 million cwt, down 1.0 million cwt from the previous forecast but 2 percent larger than the year-earlier revised level, with both exports and domestic and residual use projected to be higher in 2020/21. Long-grain total use is projected at 178.0 million cwt, a decrease of 1.0 million cwt from the previous forecast but almost 3 percent larger than the year-earlier revised forecast. Combined medium- and short-grain total use in 2020/21 remains forecast at 62.5 million cwt, up less than 1 percent from a year earlier.

Total domestic and residual use in 2020/21 remains projected at 143.5 million cwt, just 0.5 million cwt above the revised 2019/20 level but still fractionally below the 2018/19 record of 143.8 million cwt. The slight year-to-year increase in total domestic and residual use is primarily based on larger total supplies of rice in 2020/21. By class, long-grain domestic and residual use remains projected at a record 109.0 million cwt, up just 0.5 million cwt from the year-earlier revised forecast. Combined medium- and short-grain domestic and residual use remains projected at 34.5 million cwt, unchanged from a year-earlier.

Total U.S. rice exports in 2020/21 are projected at 97.0 million cwt, down 1.0 million cwt from the previous forecast but still almost 5 percent larger than the year-earlier revised estimate. Long-grain accounts for most of the expected increase in U.S. exports in 2020/21. At 69.0 million cwt, the U.S. 2020/21 long-grain export forecast is down 1.0 million cwt from the previous forecast but still up 6 percent from the year-earlier revised level. This month's reduction in the 2020/21 long-grain export forecast is based on expectations of continued strong competition from South American exporters in several key U.S. Latin American markets, despite more competitive U.S. prices. Latin America is the largest market for U.S. long-grain rice, with the majority of these sales in rough rice. On an annual basis, the expected increase in long-grain exports is based on larger U.S. supplies and lower projected U.S. long-grain prices. Similar to recent years, the United States is expected to ship very little rice to Sub-Saharan Africa beyond food aid shipments—which account for less than 3 percent of total U.S. rice exports—and is likely to continue to sell almost no long-grain rice to Asia. U.S. prices are too high for these two price-sensitive markets.

U.S. medium- and short-grain rice exports in 2020/21 remain projected at 28.0 million cwt, up 2 percent from 2019/20. The United States is expected to again export little rice beyond its current six core markets. First, the three major buyers in the Northeast—Japan, South Korea, and Taiwan, whose purchases are all made as part of their World Trade Organization agreements—are expected to again account for around two-thirds of U.S. medium- and short-grain exports (on a rough basis). Jordan typically imports around 3 million cwt of U.S. rice, all milled rice. Mexico typically purchases a small amount of U.S. medium-grain rough rice. Canada is also a regular buyer of relatively small quantities U.S. medium-grain rice, all milled- or brown-rice. Turkey, once a large regular buyer of U.S. medium- and short-grain rice—mostly rough—returned as a small buyer of U.S. rice in 2019/20, purchasing less than a million cwt of California rough rice. Little, if any, growth in U.S. exports of medium- and short-grain exports to Turkey is expected in 2020/21.

By type, U.S. rough-rice exports are projected at 34.5 million cwt, down 1.0 million cwt from the previous forecast but up 8 percent from the revised 2019/20 level. Most of the rough rice is expected to be sold to Latin American buyers, primarily Mexico and Central America, with a smaller quantity sold to northern South America. The bulk of these shipments will be long-grain rice. U.S. milled-rice exports in 2020/21 remain projected at 62.5 million cwt, up 3 percent from the 2019/20 level. Northeast Asia, Haiti, Canada, Iraq, and Saudi Arabia are expected to remain the largest commercial markets for U.S. milled rice. Mexico and the EU typically import much smaller quantities of U.S. milled rice.

The above supply and use projections yield a 2020/21 ending stocks forecast of 44.3 million cwt, up 0.5 million cwt from the previous forecast and 44 percent larger than the year-earlier revised level. The 2020/21 stocks-to-use ratio of 18.4 percent is well above a revised and abnormally low 13.05 percent for 2019/20. By class, long-grain ending stocks in 2020/21 are projected at 24.3 million cwt, down 0.7 million cwt from the previous forecast but 71 percent higher than the 2019/20 revised, unusually low level. The long-grain stocks-to-use ratio is

forecast at 13.7 percent, well above the extremely low 8.2 percent a year earlier. In contrast, medium- and short-grain ending stocks are projected to increase 24 percent in 2020/21 to 18.0 million cwt, up 1.2 million cwt from the previous forecast. The medium- and short-grain stocks-to-use ratio is projected at 28.7 percent, up from 23.3 percent from a year earlier and the highest since 2015/16.

U.S. 2019/20 Import Forecast Increased, Export Forecast Lowered, Domestic and Residual Use Forecast Raised

There were several revisions this month to the 2019/20 U.S. rice balance sheet, with both the supply and use revisions similar to those made last month. On the supply side, the all-rice import forecast was raised 2.2 million cwt to a record 36.7 million cwt, up 27 percent from a year earlier. The substantial upward revision—following upward revisions in both June and July—was primarily based on monthly Census-reported imports through June and expectations regarding imports in July, the final month of the 2019/20 market year. In June, the United States imported about 131,000 tons of rice (product-weight), up 9 percent from May and second only to the record of nearly 137,000 tons imported in April. Thailand supplied more than 78,000 tons of rice to the United States in June, slightly below the record of nearly 83,000 tons shipped in May and the near-record 82,000-plus tons shipped in April. These are very high levels of rice imports from Thailand. In recent years, Thailand has typically sold 35,000 tons to 50,000 tons of rice a month to the United States. In December 2019, it sold a then abnormally large quantity of about 60,000 tons. Almost all of Thailand's rice shipments to the United States are specialty rices, primarily its premium jasmine rice, for which U.S. consumers appear to have an increasing preference. Thailand also ships much smaller quantities of glutinous rice, also a specialty rice, to the United States.

Imports of basmati rice from India and Pakistan are also increasing, but together these imports account for a much smaller share of U.S. rice imports than jasmine rice from Thailand. In June, India sold a record 25,100 tons of rice to the United States, up 50 percent from a month earlier, with its premium basmati rice accounting for the bulk of these purchases. Pakistan shipped almost 5.0 million tons of rice to the United States, in June, down slightly from the May record of 5.4 million tons. Previously, Pakistan was shipping 1-3 million tons of rice to the United States each month, nearly all basmati. These specific Asian aromatic varieties are not currently grown in the United States, although the United States does produce several of its own aromatic varieties. U.S. plant breeders are currently working to develop U.S. aromatic varieties that have the qualities of the Asian varieties desired by consumers. The United States imported around 12,000 tons of rice from Brazil in June, the highest amount since 22,100 tons were imported in December. Most of this was long-grain milled rice, with a much smaller amount of broken-kernel rice. Brazil's shipments to the United States, are erratic, typically 1,000-2,000 tons a month, but occasionally 20,000-30,000-plus tons.

The 2019/20 U.S. long-grain import forecast was raised 1.5 million cwt to a record 29.5 million cwt, up 26 percent from a year earlier. In June, the United States imported a record 112,332 tons of long-grain rice, up nearly 9 percent from May which had reported the previous monthly record high. In April, the United States imported more than 98,000 tons of long-grain rice, which as the record to that date. Thus, from April to June 2020, the United States reported three consecutive record-high import levels for long-grain rice. Over the previous decade, the United States typically imported 50,000-70,000 tons of long-grain rice a month. The 2019/21 medium- and short-grain import forecast was raised 0.7 million tons to record 7.2 million tons, up almost 30 percent from a year earlier. The upward revision was based on a second consecutive month

of strong medium- and short-grain imports, despite the lack of any shipments from China in either month, and export data from the Government of China reporting 21,000 tons of shipped to Puerto Rico in June.

On the 2019/20 use side, the all-rice total domestic and residual use forecast was raised 3.5 million cwt to 143.0 million cwt, just 0.8 million cwt below the year-earlier record. The upward revision was largely based on the continued increases in the U.S. rice import forecast. The long-grain domestic and residual use forecast was raised 3.5 million cwt to 108.5 million cwt, virtually unchanged from a year earlier. The combined medium- and short-grain domestic and residual use forecast remains at 34.5 million cwt, still 2 percent below a year earlier.

The 2019/20 all-rice export forecast was lowered 2.0 million cwt to 92.5 million cwt, 1 percent smaller than a year earlier. The downward revision this month was based on Census export data through June, data from the weekly *U.S. Export Sales* report through July 30, and expectations regarding sales and shipments the remainder of the market year. Since April, export sales have been very light, a factor of both tight supplies of long-grain rice near the end of the market year and uncompetitive U.S. prices compared with major South American exporters. U.S. export prices remained firm through July in the face of the extremely tight supplies as the market year ended and remained well above prices for rice from Uruguay, Argentina, Brazil, and Paraguay. Long-grain exports were lowered 2.0 million cwt to 65.0 million cwt, 2 percent below a year earlier. Combined medium- and short-grain exports remain forecast at 27.5 million cwt, up less than 1 percent from a year earlier.

On balance, these supply and use revisions resulted in a 0.7-million-cwt increase in the 2019/20 ending stocks forecast to 30.7 million cwt, 31.5 percent below a year earlier. All of the revision in ending stocks this month were for medium- and short-grain, which were raised 0.7 million cwt to 14.45 million cwt, 42 percent above a year earlier. Long-grain ending stocks in 2019/20 remain forecast at 14.2 million cwt, 56 percent below a year earlier and the smallest since 2003/04.

There were no revisions this month to the 2020/21 season-average farm-price forecasts (SAFP). The long-grain 2020/21 SAFP remains forecast \$11.60 per cwt, down 40 cents from the 2019/20 SAFP of \$12.00. The year-to-year decline is based on larger projected U.S. rice supplies and expectations that U.S. farm prices will start to drop soon after harvest begins across most of the South. The 2020/21 southern medium- and short-grain SAFP remains projected at \$11.50 per cwt, 20 cents below the 2019/20 SAFP. Little if any increase in exports of southern medium- and short-grain rice is projected for 2020/21, continuing the quite low level of exports reported in 2019/20 when North Africa and the Middle East bought almost no U.S. southern rice. This is the main reason for the expected decline in the 2020/21 southern medium- and short-grain SAFP, despite smaller plantings.

The California 2020/21 medium- and short-grain SAFP remains projected at \$18.30 per cwt, down 20 cents from the revised 2019/20 SAFP of \$18.50. Both production and export of California medium- and short-grain rice are projected to be similar to 2019/20 levels, with plantings indicated up slightly more than 1 percent. In the global medium- and short-grain market, Australia is expected to increase exports next spring due to a projected crop recovery, likely pressuring prices lower toward the end of the 2020/21 market year. The U.S. medium- and short-grain 2020/21 SAFP remains projected at \$16.10 per cwt, down 20 cents from the revised 2019/20 SAFP. The 2020/21 all-rice SAFP remains projected at \$12.70 per cwt, 40 cents below the 2019/20 all-rice SAFP.

There were small revisions this month to the 2019/20 U.S. SAFP for both California and U.S. medium- and short-grain rice. The revisions were primarily based on NASS-reported cash

prices and marketings through June and expectations regarding prices and marketings in July. The California 2019/20 SAFP was raised 20 cents to \$18.50 per cwt, still \$2.60 below a year earlier. This revision raised the U.S. 2019/20 medium- and short-grain SAFP 10 cents to \$16.30 per cwt. The all-rice 2019/20 SAFP remains forecast at \$13.10 per cwt.

International Outlook

Rice Production Forecast for 2020/21 Lowered for China, Thailand, and Vietnam

Global rice production in 2020/21 is forecast at 500.0 million tons (milled basis), down 2.6 million tons from the previous forecast but up almost 1 percent from a year earlier and the highest on record. The substantial monthly reduction was based on downward revisions in crop forecasts, for China, Madagascar, Peru, Thailand, the United States, and Vietnam more than offsetting an increased forecast for Bangladesh. At 2.0 million tons, China's crop reduction was the largest.

Australia, Bangladesh, Burma, Indonesia, Pakistan, Thailand, and the United States are expected to show the largest production increases in 2020/21, with Thailand's crop increasing 2.0 million tons. The U.S. crop is expected to be up by almost 1.1 million tons. Argentina, Bolivia, China, South Korea, and Laos are expected to harvest larger crops in 2020/21 as well. India's production is projected to increase fractionally to a new record of 118.0 million tons. In contrast, Brazil, Colombia, Guinea, Madagascar, the Philippines, Sri Lanka, and Vietnam are projected to harvest smaller crops in 2020/21, with the Philippines' production projected to decline 0.9 million tons and Brazil's to drop 0.35 million tons, the largest declines among these seven countries.

Global rice consumption and residual use in 2020/21 is projected at a record 496.5 million tons, down 1.9 million tons from the previous forecast but up more than 1 percent from a year earlier. This month, the consumption and residual forecast was lowered for Brazil, China, and Nigeria, with China's forecast lowered 0.8 million tons due to the reduced production forecast. On an annual basis, China and India account for most of the expected increase in global rice consumption and residual use in 2020/21, with much of China's growth accounted for by increased industrial uses of rice. Bangladesh, Burma, Egypt, EU, Nepal, the Philippines, and Thailand are also expected to increase consumption and residual use of rice in 2020/21. In contrast, consumption and residual use is projected to decline in 2020/21 in Brazil, Japan, South Korea, and Nigeria, with the declines in Japan and South Korea the result of long-term, income-driven diet diversification.

With production exceeding use by 3.5 million tons, global ending stocks in 2020/21 are projected to increase 2 percent from a year earlier to a record 185.2 million tons, though down 0.6 million tons from the previous forecast. This is the 14th consecutive year of increasing global rice stocks. China's 2020/21 ending stocks were lowered 1.0 million tons to 116.5 million tons, unchanged from the year-earlier record. On an annual basis, Bangladesh, India, and the United States account for the bulk of the expected increase in global ending rice stocks in 2020/21, with India's stocks projected at a record 38.0 million tons. China is projected to account for 63 percent of global ending stocks and India for 21 percent. The global ending stocks-to-use ratio is forecast at 37.3 percent, up slightly from 37.0 percent in 2019/20 but equal to the 2000/01 record of 37.3 percent.

Table A - Global rice production, selected monthly revisions and year-to-year changes, August 2020

Country or region	Current forecast	Change from last month's forecast	Percent change from a year earlier	Month-to-month direction	Year-to-year direction	Explanation and comments on year-to-year change or month-to-month revision
1,000 metric tons (milled basis)						
Rice production in 2020/21						
Bangladesh	34,000	300	1.3	↑	↑	The 2020/21 production forecast was raised based on a record yield recommended by the U.S. Agricultural Office in Dhaka. Although Cyclone Amphan—the strongest cyclone ever recorded in the Bay of Bengal—reached Bangladesh on May 20, almost all of the boro crop had been harvested and much of the aus crop that was being harvested is grown in the north, which was impacted much less severely than the south as the storm had already been downgraded by the time it made landfall on the Bangladesh coast.
China	147,000	-2,000	0.2	↓	↑	China's 2020/21 production forecast was lowered 2.0 million tons due to record amounts of rainfall that began in June and continued through July and into August, mostly in the lower Yangtze River Valley, that led to extensive flooding. The single crop, China's largest, is likely to be the most severely impacted, with some damage to the early-season double crop likely and concerns regarding possible delayed plantings of the late-season double crop. The provinces of Anhui, Hubei, Hunan, Jiangsu, and Jiangxi experienced the most severe flooding. China's harvested area estimate was lowered 400,000 hectares to 29.8 million hectares, still fractionally above a year earlier. The yield is unchanged from the previous forecast.
Cuba	260	-20	5.3	↓	↑	Reduced the crop forecast based on a smaller harvested area estimate. The harvested area estimate was lowered based on fuel and pesticide shortages and less-than-favorable weather this winter. Both the U.S. sanctions and the COVID-19 pandemic have adversely impacted rice production this year.
Madagascar	2,560	-128	-4.8	↓	↓	Downward production revision is based on abnormally dry weather conditions in the south that are expected to reduce yields. The bulk of Madagascar's rice is grown in the central and northern parts of the country.
Peru	2,215	-62	0.7	↓	↑	Production lowered due to a smaller area estimate that was not fully offset by a higher yield. Revisions based on data from both the Government of Peru and the United Nations Food and Agriculture Organization.
Russia	720	20	0.7	↑	↑	Raised production forecast based on a higher harvested area estimate. The revised data are from the Russian Ministry of Agriculture.
Thailand	20,000	-400	11.1	↓	↑	Lowered production forecast due to a 100,000-hectare reduction in harvested area to 10.8 million hectares based on low reservoir levels needed to irrigate the dry season crops. The continued tight water supplies are due to severe drought in the region.
Ukraine	33	-7	-8.3	↓	↓	Production forecast was lowered due to a smaller harvested area estimate. Revised production and area estimates were reported by the Ukraine Government.
United States	6,926	-81	18.1	↓	↑	The U.S. 2020/21 crop forecast was lowered based on a smaller yield reported by National Agricultural Statistics Service. An especially low yield was reported for Texas. Yields on several other southern States are forecast to be near-record.
Vietnam	27,000	-200	-0.6	↓	↓	The 2020/21 production forecast was lowered based on expectations of a continued decline in harvested area as farmers shift some rice land to less water-intensive and more profitable crops. Planting of the autumn-winter crop—the first crop of the 2020/21 market year with harvest expected to start in October—was completed last month. Harvested area of the autumn-winter crop is expected to be less than a year earlier due to limited supplies of water for irrigation, mostly caused by drought in the region which has also led to salt water intrusion in some areas, further reducing plantings. Most of the autumn-winter crop is grown in the North and is irrigated. It is Vietnam's smallest rice crop. There are also concerns over accessing sufficient irrigation water—especially from the Mekong River—for later crops grown in 2020/21 due to the construction in recent years of several large dams upstream, mostly by China and Laos, primarily for hydroelectric power. The South produces the bulk of Vietnam's rice and the crop is dependent on water from the Mekong River.

Continued--

Table A - Global rice production, selected monthly revisions and year-to-year changes, August 2020—continued						
Country or region	Current forecast	Change from last month's forecast	Percent change from a year earlier	Month-to-month direction	Year-to-year direction	Explanation and comments on year-to-year change or month-to-month revision
Rice production in 2019/20						
Cuba	247	-33	-17.4	↓	↓	Lowered the 2019/20 production estimate due to a 14,000-hectare reduction in harvested area to 106,000 hectares. The area estimate was reduced due to long-term drought on parts of the island. This is the smallest rice area for Cuba since 1993/94, shortly after the breakup of the Soviet Union. Production was the smallest since 2005/06.
Indonesia	34,000	500	-0.6	↑	↓	The 2019/20 production estimate was raised due to a higher yield that is due to increased crop intensification resulting from the new Jati Gede reservoir on West Java, expanded use of higher yielding seeds, better harvesting conditions during the first-crop harvest, and fewer reported pest and disease problems. The area estimate was actually lowered 100,000 hectares because of a prolonged 2019 dry season that delayed planting of the 2019/20 main crop until January, which pushed up planting of the second crop until May, with the result that much of the third (the final) crop will be harvested in the 2020/21 market year. The third crop is typically the smallest of Indonesia's annual rice crops.
Nepal	3,697	80	-1.0	↑	↓	Production estimate raised due to a higher yield that more than offset a small reduction in the harvested area estimate.
Peru	2,200	-8	-10.4	↓	↓	Production lowered due to a slightly smaller area estimate that was not fully offset by a fractionally higher yield. Revisions are based on data from both the Government of Peru and the United Nation's Food and Agriculture Organization.
Philippines	11,910	210	1.5	↑	↑	The production was raised based on data from the Government of the Philippines reporting larger than expected production in the April-June quarter, which completed the 2019/20 market year. The larger crop estimate was primarily due to expanded area.
Uruguay	816	-24	-1.9	↓	↓	Downward revision in the production estimate is based on data from the Ministry of Agriculture reporting smaller harvested area. Rains delayed the planting of the 2019/20 rice crop and resulted in some of the crop being harvested later than normal.
Vietnam	27,150	-219	-0.7	↓	↓	The 2019/20 production estimate was lowered based on data from the Government of Vietnam indicating smaller-than-expected plantings of its summer-autumn crop which is the last crop harvested in the 2019/20 market year. Plantings were reduced due to insufficient irrigation water and saltwater intrusion, both mostly due to prolonged hot, dry weather in the region. The 2019 rainy season arrived late and was shorter than normal, with the reduced rainfall leading to a build up in river salinity, which further reduced plantings. For several years, the Government of Vietnam has encouraged farmers to grow more drought-tolerant crops.

Source: Created by USDA, Economic Research Service with data from USDA, Foreign Agricultural Service, Production, Supply and Distribution Database.

Global Rice Trade Projected To Rebound in 2021

Global rice trade in 2021 is projected at 44.3 million tons (milled basis), down 0.7 million tons from the previous forecast but up more than 4 percent from a year earlier. However, global trade remains well below the 2017 record of 48.1 million tons, with sharp reductions in imports by Bangladesh, Nigeria, and Sri Lanka since 2017 major factors for this long-term decline.

In 2021, Thailand is expected to account for the largest share of the total export increase, with Thailand's exports increasing 2.0 million tons to 8.5 million tons, a result of a partial-crop recovery from the 2019/20 drought-reduced crop and declining prices. India's exports are projected to increase 0.5 million tons in 2021 to 11.0 million tons, a result of record supplies and expectations of continued very competitive prices. Australia, Cambodia, China, Guyana, and the United States are also projected to increase exports in 2021, as crops in Australia and the United States are projected to sharply rebound from their weather-reduced levels of 2019/20. China and Cambodia are projected to produce slightly larger rice crops in 2020/21 as well.

In contrast, Argentina, Brazil, Pakistan, Paraguay, Uruguay, and Vietnam are expected to export less rice in 2021, with Brazil's exports expected to decline 0.4 million tons and Vietnam's to drop 0.3 million tons. Rice production is projected to decline in both Brazil and Vietnam in 2020/21, with Vietnam's production decline—although small—the third consecutive annual drop. A major reason for the expected decrease in exports from most South American suppliers in 2021 is a decline in the region's rice supplies, with South America's total rice supplies in 2020/21 projected at just 19.4 million tons, the lowest since 2011/12 and the third consecutive year of declining total rice supplies in the region. South America's 2020/21 ending stocks are projected at just 1.3 million tons, the lowest since 1983/84, with a stocks-to-use ratio of 8.9 percent, the lowest since 1973/74.

On the 2021 import side, the Philippines are forecast to increase imports 400,000 tons as production is projected to decline almost 8 percent and consumption to steadily rise. In addition, imports are projected to increase 200,000 tons each for Cote d'Ivoire, Nigeria, Saudi Arabia, and the United Arab Emirates in 2021. Smaller import increases in 2021 are projected for Brazil, EU, Guinea, Madagascar, and Iran. These 2021 import increases are expected to be partially offset by reduced imports by Australia, China, Egypt, Indonesia, Senegal, and South Korea. U.S. rice imports are projected to remain at this year's record high of 1,150 tons, with the U.S. again the largest importer in the Western Hemisphere.

Table B - Selected rice importers at a glance (1,000 metric tons), August 2020.						
Country or region	Current forecast	Change from last month's forecast	Percent change from a year earlier	Month-to-month direction	Year-to-year direction	Explanation of year-to-year change in forecast or month-to-month change in forecast
Rice importers, 2021						
Bangladesh	100	40	0.0	↑	→	Recent elimination of a 65-percent import tariff indicates a willingness to allow more imports. However, no growth in imports is expected for 2021 due to the projection for a record crop in 2020/21.
Colombia	280	50	-6.7	↑	↓	Expect imports from Ecuador to continue.
Cote d'Ivoire	1,200	-200	20.0	↓	↑	Import forecast lowered based on a recent slowdown in the pace of new sales. The country has adequate stocks of rice to draw from to support record consumption.
Egypt	250	50	-28.6	↑	↓	Egypt is expected to continue to import very low-priced rice from China.
European Union	2,350	150	2.2	↑	↑	The record import pace achieved in the first half of 2020 is expected to continue, with South and Southeast Asia remaining the top suppliers.
Nepal	800	50	0.0	↑	→	Import forecast raised based on expectations of a smaller crop.
Nigeria	1,200	-200	20.0	↓	↑	Lowered import forecast based on an extremely weak pace of purchases in the first half of 2020 and expectations of another bumper rice crop in 2020/21.
Peru	340	30	3.0	↑	↑	Raised imports based on a smaller crop.
Philippines	3,000	-300	15.4	↓	↑	Expect weaker imports from Thailand in 2021.
Russia	200	-20	0.0	↓	→	Import forecast lowered based on a larger crop.
Ukraine	100	10	0.0	↑	→	Import forecast raised based on a smaller crop.
United States	1,150	50	0.0	↑	→	Import forecast raised based on expectations that the record pace of rice imports reported in the first half of 2020 will continue in 2021 as consumers' preference for specific Asian aromatic rice varieties continues to increase. Imports are unchanged from the 2020 record high.
Table B - Selected rice importers at a glance (1,000 metric tons), August 2020 --Continued						
Country or region	Current forecast	Change from last month's forecast	Percent change from a year earlier	Month-to-month direction	Year-to-year direction	Explanation of year-to-year change in forecast or month-to-month change in forecast
Rice importers, 2020						
Algeria	100	-50	-2.3	↓	↓	Import forecast lowered based on weaker shipments to date from Thailand and India.
Australia	300	40	41.5	↑	↑	Upward import revision based on stronger-than-expected recent buying, with April-June purchases from Thailand especially strong. Data are from the U.S. Agricultural Office in Canberra.
Bangladesh	100	40	25.0	↑	↑	The recent decision by the Government of Bangladesh to eliminate its 65-percent import tariff indicates a willingness to import larger quantities of rice.
Colombia	300	50	57.9	↑	↑	Import forecast raised based on a stronger-than-expected pace of purchases to date. Shipments from the United States remain steady and shipments from Ecuador are higher than a year earlier.
Cote d'Ivoire	1,000	-350	-25.9	↓	↓	Lowered the 2020 import forecast based on a very slow pace of purchases to date. The country appears to be working its stocks down as opposed to purchasing new supplies.
Cuba	470	20	2.8	↑	↑	Import forecast raised based on a smaller crop and larger expected imports from Vietnam.
Egypt	350	150	-47.4	↑	↓	The upward import revision is based on additional purchases from China, despite the harvest of a much larger crop in 2019/20. China's prices for milled rice are around \$300 per tons, well below prices for Egypt's rice. These purchases are mostly made by the private sector.
European Union	2,300	100	6.5	↑	↑	Imports revised up based on a record import pace to date. This is the eighth consecutive year of increasing rice imports by the EU.
Guatemala	120	15	20.0	↑	↑	A stronger-than-expected pace to date, with imports from the United States especially large in May and June.
Indonesia	600	-200	0.0	↓	→	Import forecast lowered based on a larger 2019/20 crop estimate and little buying interest shown by BULOG, a Government owned company responsible for maintaining stable supplies of rice and other critical foods.
Madagascar	390	-50	-11.4	↓	↓	Imports through May were extremely weak. However, Madagascar typically increases its import pace during the second half of the year.
Mexico	800	15	9.6	↑	↑	Import forecast raised based on a stronger-than-expected pace of shipments to date from Paraguay and Uruguay.
Nicaragua	85	-15	-17.5	↓	↓	A weak pace of sales through June indicated a lower 2020 import forecast.
Nigeria	1,000	-200	-44.4	↓	↓	Import pace through June was the lowest in 20 years. Several factors are behind the weak import pace, including: a much larger rice crop in 2019/20, no access to foreign exchange for rice imports, tight border controls to prevent rice imports, adverse impacts of COVID-19 on the economy, and lower oil prices. These are the lowest calendar imports for Nigeria since 2000.
Peru	340	30	13.0	↑	↑	Import forecast raised based on a smaller crop.
United States	1,150	50	17.2	↑	↑	Upward revision based on a record pace of total rice imports through June and expectations regarding purchases the remainder of 2020. Imports from Thailand have been especially strong in 2020. Most of the rice purchased from Thailand is its premium jasmine rice, an aromatic. In addition, China continues to supply medium-grain rice to Puerto Rico at sharply discounted prices.

Source: Created by USDA, Economic Research Service with data from USDA, Foreign Agricultural Service, Production, Supply and Distribution Database.

Table C - Selected rice exporters at a glance (1,000 metric tons), August 2020						
Country or region	Current forecast	Change from last month's forecast	Percent change from a year earlier	Month-to-month direction	Year-to-year direction	Explanation of year-to-year change in forecast or month-to-month change in forecast
Rice exporters, 2021						
Brazil	800	250	-20.0	↑	↓	Export forecast raised based on higher exports in 2020.
China	2,900	-300	0.0	↓	→	Reduced exports based on a smaller crop in 2020/21.
Cote d'Ivoire	50	-50	0.0	↓	→	Expect smaller cross border trade.
Paraguay	620	20	-3.1	↑	↓	Export forecast raised based on stronger shipments in 2020.
Thailand	8,500	-500	30.8	↓	↑	Lack of price competitiveness compared with other Asian sources.
United States	3,100	-25	1.6	↓	↑	The slight reduction in the U.S. 2021 export forecast is based expectations of continued competition in Latin America from South American exporters.
Vietnam	6,300	-100	-3.1	↓	↓	Export forecast lowered based on a expectations of continued decline in production.
Table C - Selected rice exporters at a glance (1,000 metric tons), August 2020 --Continued						
Country or region	Current forecast	Change from last month's forecast	Percent change from a year earlier	Month-to-month direction	Year-to-year direction	Explanation of year-to-year change in forecast or month-to-month change in forecast
Rice exports, 2020						
Brazil	1,000	300	4.8	↑	↑	Raised export forecast based on very strong shipments in June and July, with shipments especially strong to Senegal, Sierra Leone, and Montenegro.
China	2,900	-100	6.6	↓	↑	Pace of sales through June was slower than expected.
Cote d'Ivoire	50	-50	-50.0	↓	↓	Reduced cross border trade.
Ecuador	40	16	-50.0	↑	↓	Additional exports to Colombia.
Paraguay	640	70	-7.1	↑	↓	Raised export forecast based on increased sales to Mexico and steady shipments to Brazil.
Thailand	6,500	-400	14.0	↓	↑	Export forecast reduced based on uncompetitive prices and currency fluctuations.
Vietnam	6,600	-100	0.3	↓	↑	Recent sales have been weak as Vietnam's prices have risen.

Source: Created by USDA, Economic Research Service with data from USDA, Foreign Agricultural Service, Production, Supply and Distribution Database.

Global rice trade in 2020 is projected at 42.4 million tons, nearly unchanged from the previous forecast but more than 1 million tons smaller than a year earlier and the lowest since 2016. The decline in global rice trade in 2020 is largely due to higher prices that have deterred imports and supply constraints and to shipping impediments in several exporting countries that have reduced available supplies for trade and thus caused global prices to rise. Thailand's drought-reduced 2019/20 crop was a major factor behind the tighter global rice supplies, as were smaller crops harvested in Burma, the United States, and Vietnam, although Vietnam's production drop was small. Thailand's exports are projected to drop 1.1 million tons in 2020 and Burma's to drop 0.5 million tons. Vietnam's 2020 exports are projected flat, while U.S. exports are projected to decline almost 0.1 million tons. In addition to the smaller rice harvests, both Burma and Vietnam restricted exports in March and April in response to food security concerns caused by the COVID-19 virus, which immediately boosted global trading prices to their highest levels in more than 7 years. India's national lockdown and Pakistan's partial lockdown—both responses to COVID-19—further reduced available supplies of rice for export as port operations were halted or were slowed. These reductions in exports were partially offset in 2020 by a 0.25 million ton increase in Brazil's exports and a 0.71 million ton increase in India's exports. Vietnam's 2020 exports were nearly flat.

Facing higher prices and reduced available supplies in the global market—at least for several months—many major global rice importers began purchasing less rice and relying more on domestic supplies. In Sub-Saharan Africa, the world's largest rice importing region, Nigeria's imports are projected to drop 0.8 million tons in 2020 as the country becomes less dependent on the global market. Cote d'Ivoire is expected to import 0.35 million tons less rice in 2020 and Madagascar to reduce imports by 50,000 tons, both countries relying more on domestic rice. In the Middle East, Iran's 2020 imports are projected to be down 0.3 million tons and Saudi Arabia's to drop more than 0.32 million tons from 2019, a result of both supply impediments and higher prices. Both importers are major buyers of India's parboiled rice. In Asia, the Philippines'

2020 imports are down 0.3 million tons from 2019, partly a response to stronger production in the April-June quarter. In contrast, the U.S. rice imports in 2020 are projected to be a record 1.15 million tons, up 17 percent from a year earlier.

Trading prices for most grades of Thailand's regularly milled white rice have changed very little since early July, as new sales have been weak and the harvest of the 2019/20 final dry-season crop ended last month. Thailand's 100-percent Grade B long-grain milled rice for export was quoted at \$476 per ton for the week ending August 10, unchanged from the week ending July 6. Prices for Thailand's 5-percent broken parboiled rice were quoted at \$476 per ton for the week ending August 9, down just \$1 from the week ending July 6.

Price quotes for Vietnam's rice have increased over the past month as the autumn crop harvest is complete and traders are stocking up on rice supplies. For the week ending August 10, prices for Vietnam's 5-percent broken kernel long-grain milled rice (from the autumn crop) were quoted at \$495 per ton, up \$70 from late in the week ending July 7 and the highest since December 2011. Prices from South American exporters for most grades of long-grain milled rice were unchanged from a month earlier. The major South American exporters—located in the southern half of the continent—completed their 2019/20 harvest by late May.

U.S. trading prices for long-grain milled rice increased over the past month, although supplies of exportable rice from the 2019/20 crop are extremely small and new sales remain very weak. Prices for U.S. long-grain milled rice, Number 2 Grade, 4-percent broken kernels (free on board a vessel at a Gulf port, Iraq specifications) for the 2020/21 crop are quoted at \$625 per ton for the week ending August 11, down \$50 from the week ending July 7. U.S. prices for Latin American milled rice markets—Haiti, Colombia, and Mexico—for the 2020/21 crop are quoted at \$550 per ton for the week ending August 11, down \$75 from the week ending July 7. These are the lowest U.S. long-grain price quotes since March. U.S. prices are declining as the 2020/21 harvest has already started on the Gulf Coast and will begin later this month in the southern Delta. Thailand's long-grain milled rice is currently \$129 per ton below prices for similar grades of U.S. rice, down from \$199 per ton a month earlier.

Quotes for California Number 1 Grade, 4-percent broken kernels for the week ending August 11 were \$905 per ton (free on board at a domestic mill, Mediterranean specifications), down \$33 from a month earlier. For delivery to the Port of Oakland, California medium-grain milled rice (Korean specifications) prices remain quoted at \$975 per ton for the week ending August 11 unchanged from a month earlier. For listings of trading prices by exporter and grade of rice, see Table 9 in the Excel file.

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