



## 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. 2021/22 Rice Crop Projection Lowered to 199.3 Million Hundredweight

There were several revisions this month to both the 2020/21 and 2021/22 U.S. rice balance sheets. For 2021/22, on the supply-side, the all-rice carryin was raised 5.0 million cwt to 45.9 million due to revisions to 2020/21 exports and for domestic and residual use. Production was lowered 2 percent to 199.3 million cwt based on a smaller harvested area reported by the U.S. Department of Agriculture's National Agricultural Statistics Service (NASS), with California accounting for most of the area decline. Imports were increased 0.5 million cwt—all medium- and short-grain—to a record 39.0 million based on an expected smaller medium- and short-grain crop. On the 2021/22 use-side, exports of all-rice were raised 2.0 million cwt to 90.0 million, with long-grain rough-rice accounting for all of the upward revision. Domestic and residual use was lowered 3.0 million cwt to 153.0 million, still the highest on record. These revisions boosted 2021/22 ending stocks 2.2 million cwt to 41.3 million, still 10 percent below a year earlier.

For 2020/21, the all-rice U.S. export forecast was raised 1.0 million cwt to 93.0 million, with long-grain rough-rice accounting for all of the upward revision. In addition, domestic and residual use for 2020/21 was lowered 6.0 million cwt to 152.0 million, based on the use implied by the June 1 rice stocks reported by NASS. These revisions raised 2020/21 ending stocks 5.0 million cwt to 45.9 million cwt. The 2020/21 long-grain season-average farm price (SAFP) was lowered slightly, while both the 2021/22 California and Southern medium- and short-grain SAFP were raised largely in response to a reduced crop forecast.

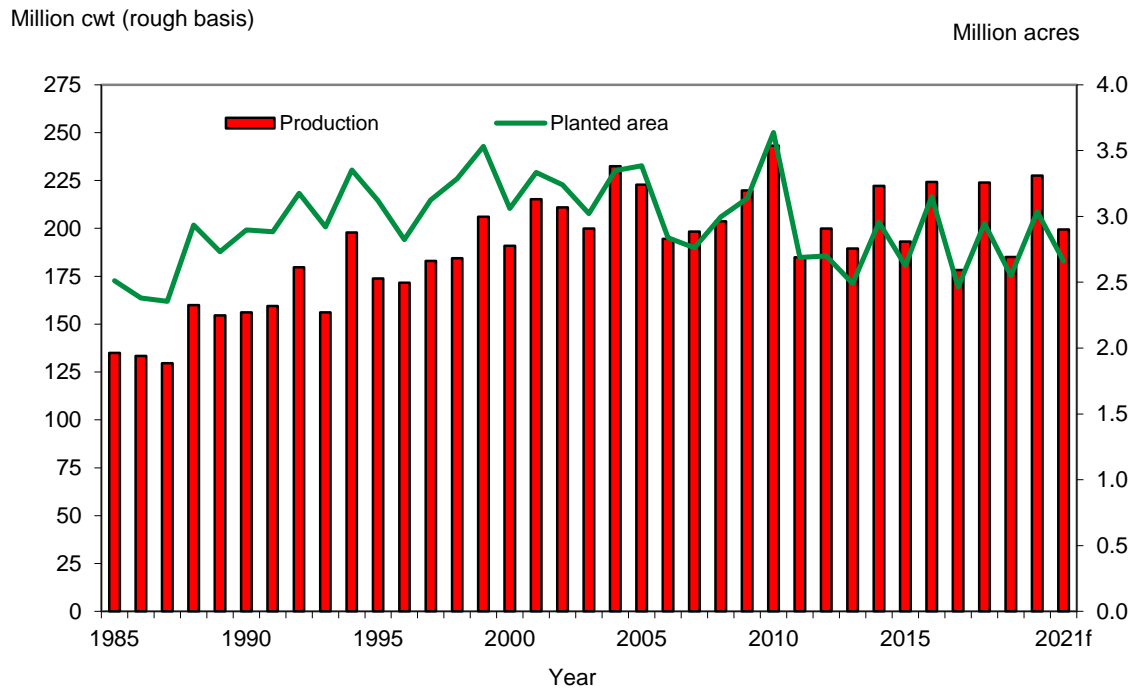
In the global market, rice production in 2021/22 is forecast at a record 506.0 million tons (milled basis), down almost 0.6 million tons from the previous forecast, with production forecasts lowered for Egypt, EU, and the United States. Global rice consumption and residual use in 2021/22 is projected at a record 514.0 million tons, down almost 0.6 million tons from the previous forecast. In 2021/22, global ending stocks are forecast at 167.0 million tons, down 1.5 million from the previous forecast and down 7.9 million tons from a year earlier. India accounts for the bulk of this month's downward revision in global ending stocks. Global rice trade in calendar year 2022 is projected at 47.0 million tons (milled basis), up barely 0.1 million tons from the previous forecast but 0.9 million tons below the year-earlier revised forecast; weaker imports by Bangladesh of Indian rice are a major factor behind projected smaller global trade in

2022. Export forecasts for 2022 were raised this month for Australia and Brazil, while 2022 import forecasts were raised for China and Egypt. In addition, India’s calendar year 2021 exports were raised 1.0 million tons to a record 18.0 million tons.

Trading prices for most grades of Thailand’s regularly milled white rice (excluding aromatic, parboiled, or any other specialty rice) are down 8-9 percent from a month earlier. Vietnam’s prices for both its old crop and new crop declined as well. Despite these declines, India’s prices remain the most competitive in Asia. U.S. long-grain milled prices are unchanged since early June, while California medium- and short-grain milled rice prices have continued to rise.

Figure 1

**U.S. rice production in 2021 is projected to decrease more than 12 percent**



Cwt = Hundredweight. 2021f = forecasts.  
 Source: 1985-2018, *Rice Yearbook Data Set*, USDA, Economic Research Service; 2019-2021, USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates*.

# Domestic Outlook

## U.S. 2021/22 Planted Area Estimate Lowered 2 Percent to 2.66 Million Acres

In late June, the U.S. Department of Agriculture's National Agricultural Statistics Service (NASS) reported U.S. 2021/22 rice planted area at 2.661 million acres, down 49,000 acres from the intended plantings released in March and more than 12 percent below a year earlier. The current area estimates are from a survey of rice producers conducted in the second half of June that asked farmers what their actual plantings were. The survey results were reported on June 30 in *NASS Acreage*. Compared with the March intended plantings, NASS lowered California's plantings 54,000 acres and reduced Arkansas' and Mississippi's estimates 10,000 acres each. In contrast, NASS raised Louisiana's rice plantings 15,000 acres and increased both Missouri's and Texas' rice plantings 5,000 acres.

By class, long-grain plantings were reported at 2.077 million acres, virtually unchanged from the March intended plantings but 11 percent below a year earlier. Almost all U.S. long-grain rice is produced in the South. The area reported decline for 2021/22 U.S. long-grain rice that was previously reported in March was primarily due to rapidly rising prices for soybeans and corn in late-winter and much of the spring that outpaced temporary increases in rice prices. Medium- and short-grain plantings were reported at 584,000 acres, 48,000 acres below the March intended plantings and 17 percent below a year earlier. California accounts for all of the reported decline in medium- and short-grain plantings since March, a result of severe drought in the State and extremely low reservoir levels. On an annual basis, southern medium- and short-grain plantings were reported down 12 percent, mostly due to continued extremely weak demand in the global market. In a typical year, California accounts for about two-thirds of U.S. medium- and short-grain production.

In the Delta, plantings in Arkansas were reported at 1.24 million acres, 15 percent below a year earlier. Plantings in Arkansas were reported below a year earlier for both long-grain and medium- and short-grain. Mississippi's 2021/22 rice plantings were reported at 110,000 acres, 34 percent below a year earlier and the smallest since 1973/74. Long-grain accounts for all of Mississippi's rice production. Plantings of both corn and soybeans were substantially higher in Arkansas and Mississippi in 2021/22. In Missouri, 2021/22 plantings were reported at 238,000 acres, up 10,000 from a year earlier, with long-grain accounting for all of the reported increase.

On the Gulf Coast, Louisiana's rice plantings were reported at 460,000 acres, 4 percent below a year earlier, with both long-grain and short-grain plantings each reported down 10,000 acres. In Texas, 2021/22 rice plantings were reported at 195,000 acres, up 11,000 from a year earlier, with long-grain area reported to have increased 10,000 acres. Long-grain accounts for the bulk of the rice produced in Texas. Some of the Texas area expansion is likely due to expanded plantings of seed rice.

Finally, in California, total rice plantings were reported at just 417,000 acres, 19 percent below a year earlier and smallest since 1992/93. The sharp decline in California area is the result of severe drought and abnormally low reservoir levels in northern California. California's water availability for the remainder of the 2021/22 rice growing season is unknown at this time. Nearly all of the area decline in California was reported for medium- and short-grain rice, the dominant class of rice grown in the State.

## Progress of the 2021/22 U.S. Southern Rice Crop Remains Behind Normal

Persistent rainfall across much of the South continues to delay crop progress in the region. For the week ending July 4, 14 percent of the U.S. 2021/22 rice crop was reported headed, behind both the 18 percent reported a year earlier and the U.S. 5-year average of 17 percent. Crop progress varied by region and by State. In the Delta, the Arkansas 2021/22 rice crop was reported 2 percent headed by July 4, 1 percentage point ahead of a year earlier but behind the State's 5-year average of 4 percent. In 2020/21, continuing rainfall nearly all spring and into the summer delayed crop progress in the Delta, the largest U.S. rice growing region. In nearby Missouri, 1 percent of the 2021/22 rice crop was reported headed by July 4, slightly behind the 2 percent reported a year earlier and 4 percentage points behind the Missouri 5-year average. The Mississippi 2021/22 rice crop was reported 13 percent headed by July 4, behind 16 percent reported a year earlier and the Mississippi 5-year average of 22 percent.

Crop progress was more advanced on the Gulf Coast, as expected based on its latitude and climate. For the week ending July 4, 40 percent of the Louisiana 2021/22 rice crop was reported headed, well behind both the 57 percent reported a year earlier and Louisiana's 5-year average of 54 percent. Like the Delta, Louisiana has experienced persistent rainfall this spring and early summer that has delayed the timing of some field application. In Texas, 56 percent of the 2021/22 rice crop was reported headed by July 4, well behind 72 percent headed a year earlier but unchanged from the Texas 5-year average. In California, 15 percent of the 2021/22 rice crop was reported headed by July 4, 4 percentage points behind a year earlier but 3 percentage points ahead of the California 5-year average.

For the United States, for the week ending July 4, 73 percent of the 2021/22 rice crop was rated in good or excellent condition, unchanged from both a week earlier and a year earlier. In addition, 4 percent of the U.S. crop was rated in poor or very poor condition, also unchanged from a week and a year earlier. Crop conditions varied by region and by State. In the Delta, 68 percent of the Arkansas 2021/22 rice crop was reported in good or excellent condition for the week ending July 4, unchanged from a week earlier but 5 percentage points above a year earlier. In Missouri, for the week ending July 4, 70 percent of the 2021/22 rice crop was reported in good or excellent condition, up 2 percentage points from a week earlier and well above just 58 percent a year earlier. In addition, just 3 percent of the Missouri rice crop was reported in poor or very poor condition, unchanged from a week earlier but well below 8 percent reported in 2020/21. For Mississippi, 91 percent of the 2021/22 rice crop was reported in good or excellent condition for the week ending July 4, up 2 percentage points from a year earlier and well above just 59 percent in 2020/21. None of Mississippi's 2021/22 rice crop was reported in poor or very poor condition for the week ending July 4, compared with 1 percent a week earlier and 6 percent a year earlier.

In contrast to the Delta, where conditions were rated higher than a year earlier despite persistent rainfall, conditions on the Gulf Coast were rated below a year earlier. For the week ending July 4, 69 percent of the Louisiana 2021/22 rice crop was rated in good or excellent condition, down from 74 percent a week earlier and well below 89 percent reported in 2020/21. Just 1 percent of the Louisiana 2021/22 rice crop was reported in poor or very poor condition for the week ending July 4, up from none a week earlier but unchanged from 2020/21. In Texas, 65 percent of the 2021/22 rice crop was rated in good or excellent condition for the week ending July 4, down from 72 percent reported a week earlier and 1 percentage point below a year ago. In addition, 5 percent of the Texas 2021/22 rice crop was reported in poor or very poor condition for the week ending July 4, compared with 2 percent a week earlier and zero in 2021/22.

Frequent rainfall this spring and summer is a likely factor behind the lower crop conditions reported this year compared with 2020/21 for both Gulf Coast States.

Finally, in California, 90 percent of the 2021/22 rice crop was reported in good or excellent condition for the week ending July 4, unchanged from a week ago but 10 percentage points behind a year earlier. None of the California crop was rated in poor or very poor condition, unchanged from a week earlier or a year ago. The weather in the California rice growing area remains hot and dry, typical for the summer and supportive of rice development. However, any adverse impacts from the current record or near-record heat wave is unknown at this time. Northern California experienced extreme heat in the latter half of June as well.

## U.S. Rice Production in 2021/22 Projected To Decline 12 Percent From a Year Earlier

The 2021/22 U.S. rice crop is projected at 199.34 million cwt, down 2 percent from the previous forecast and more than 12 percent smaller than a year earlier. This month's downward production revision is the result of a smaller harvested area estimate. At 2.616 million acres, harvested area is 45,000 acres below the previous forecast and more than 12 percent below a year earlier. The revised harvested area estimate was reported in *NASS Acreage*, which was released on June 30.

The U.S. 2021/22 average rice yield is projected at 7,620 pounds per acre, 32 pounds below the previous forecast and nearly unchanged from a year earlier. This month's reduction in the yield forecast is solely due to a reduction in the share of total plantings accounted for by California, which consistently reports yields above those reported in the South, a result of the specific varieties grown in California and the northern California climate. The U.S. average yield is based on long-term trend yields by class, with the medium- and short-grain yield reflecting the reduced California share this year. Any impacts on yields from the persistent rainfall in much of the South that has delayed crop progress in some States, as well as disrupting the timing of field operations, are unknown at this time. The first survey-based yield projection for the 2021/22 rice crop will be reported by NASS in *Crop Production* on August 12. Yields by class and by State will be reported by NASS in its January 2022 *Crop Production Annual Summary*.

By class, the 2021/22 U.S. long-grain crop remains forecast at 152.3 million cwt, down almost 11 percent from a year earlier. The expected decline is the result of the area reduction. The 2021/22 U.S. medium- and short-grain crop is forecast at 47.0 million cwt, down 4.3 million cwt from the previous forecast and 17 percent smaller than a year earlier. This is the smallest U.S. medium- and short-grain crop since 2005/06. This month's downward crop revision is primarily due to the reduced area estimate for U.S. medium- and short-grain rice in 2021/22. In addition, the smaller share of the U.S. medium- and short-grain crop now accounted for by the higher yielding California crop would lower the average yield and would thus reduce the medium- and short-grain production forecast.

The 2021/22 U.S. carryin was raised 5.0 million cwt to 45.9 million cwt, 60 percent above the year-earlier abnormally low level. This month's upward revision was due to a reduced domestic and residual use forecast for the 2020/21 market year that was based on the June 1 stocks reported on June 30 in *NASS Rice Stocks* that indicated a smaller domestic and residual use forecast. The weaker domestic and residual use forecast more than offset a slightly higher 2020/21 export forecast. Long-grain carryin was raised 4.0 million cwt to 32.8 million cwt, 94 percent larger than in 2020/21. The 2021/22 medium- and short-grain carryin was lowered 1.0 million cwt to 12.1 million cwt, 13 percent larger than a year earlier.

Total U.S. rice imports in 2021/22 are forecast at a record 39.0 million cwt, up 0.5 million cwt from the previous forecast and more than 12 percent larger than a year earlier. Medium- and short-grain accounts for all of this month's upward revision in imports. Medium- and short-grain imports are projected at a record 8.0 million cwt in 2021/22, up 0.5 million cwt from the previous forecast and 19 percent larger than a year earlier. This month's upward revision is based on the much smaller U.S. medium- and short-grain crop resulting in larger imports. In addition, Puerto Rico is expected to again import at least three shipments of 21,000 tons of medium- and short-grain rice, with a fourth shipment possible, depending on the timing of the first three shipments. China has supplied these shipments, three or four per year, to Puerto Rico since May 2018. However, in May 2021, India supplied a 21,000-ton shipment to Puerto Rico. China, India, and Thailand are the top suppliers of medium and short-grain rice to the United States, including the Puerto Rican market. Since June 2020, India's share of the U.S. medium- and short-grain market has been increasing. Together, these three Asian suppliers account for 90 percent or more of U.S. medium- and short-grain imports. Italy, Japan, Spain, and Argentina supply most of the remaining U.S. medium- and short-grain imports, typically shipping small amounts each month.

U.S. long-grain imports remain projected at a record 31.0 million cwt, up 11 percent from a year earlier. Specific Asian aromatic varieties not currently grown in the United States—primarily jasmine rice from Southeast Asia and basmati rice from South Asia—are expected to again account for the bulk of U.S. long-grain imports. By a wide margin, Thailand is the largest supplier of long-grain rice to the United States, with its premium-quality jasmine the bulk of these long-grain shipments. Vietnam ships a much smaller quantity of jasmine rice to the United States. India is typically the second-largest supplier of long-grain rice to the United States, with its premium-quality basmati the bulk of these shipments. Pakistan regularly ships smaller amounts of basmati rice to the United States and is typically the fourth-largest supplier. Brazil is typically the third-largest supplier of long-grain rice to the United States, shipping both whole-grain and broken-kernel rice. The size of Brazil's shipments varies substantially by month, ranging from as small as a few hundred tons to as large as 20,000-30,000 tons.

In 2021/22, total U.S. rice supplies are projected at 284.3 million cwt, up 1.2 million cwt from the previous forecast but still more than 2 percent below a year earlier. The slight upward revision is the result of a larger carryin and record imports more than offsetting a reduced crop forecast. The small year-to-year decline is the result of a much smaller crop more than offsetting a big boost in carryin and record imports. At 216.1 million cwt, U.S. 2021/22 long-grain supplies are 4.0 million cwt above the previous forecast but nearly unchanged from a year earlier. Combined medium- and short-grain supplies are projected at 67.1 million cwt, down 2.8 million cwt from the previous forecast and more than 9 percent below a year earlier, the smallest since 1998/99.

## U.S. 2021/22 Export Forecast Raised; Domestic and Residual Use Forecast Lowered

Total use of all rice in 2021/22 is projected at 243.0 million cwt, down 1.0 million cwt from the previous forecast and almost 1 percent smaller than a year earlier, with both exports and the combined domestic and residual use forecast revised this month. Long-grain total use is projected at 183.0 million cwt, up 1.0 million cwt from the previous forecast but unchanged from a year earlier. Combined medium- and short-grain total use is forecast at 60.0 million cwt, down 2.0 million from the previous forecast and 3 percent below 2020/21.

U.S. exports of all rice in 2021/22 are projected at 90.0 million cwt, up 2.0 million cwt from the previous forecast but still down more than 3 percent from the year-earlier revised forecast. This month's upward revision was based on expectations of continued strong sales of long-grain rough-rice to Venezuela in 2021/22, as well slightly higher expectations regarding U.S. long-grain sales to other Latin American markets. The year-to-year decline in U.S. exports is based on smaller U.S. supplies and less-competitive U.S. prices. Long-grain exports in 2021/22 are projected at 63.0 million cwt, up 2.0 million cwt from the previous forecast but still down 3 percent from a year earlier and the lowest since 2013/14. The United States is expected to face stronger competition from the South American suppliers in key Latin American markets in 2021/22. Most South American exporters are expected to harvest larger crops next spring compared with their 2020/21 crops, which in several countries were adversely impacted by drought.

Combined medium- and short-grain exports in 2021/22 remain projected at 27.0 million cwt, down 1.0 million cwt from 2020/21. The slight decline is based on a continued decrease in sales by the United States outside its core markets in Northeast Asia—where the bulk of U.S. medium- and short-grain exports are shipped—and smaller regular sales to Jordan, Canada, and Mexico. U.S. medium- and short-grain sales to North Africa and the Middle East have declined in recent years, with no growth expected in 2021/22. The tighter U.S. supplies of medium- and short-grain rice are expected to boost U.S. trading prices and limit export opportunities. In addition, by late spring in 2022, Australia is expected to be in position to increase its exports due to a projected strong area expansion in 2021/22, partly a response to higher expected trading prices.

By type, U.S. rough-rice exports in 2021/22 are projected at 35.0 million cwt, up 2.0 million cwt from the previous forecast but still down 3 percent from the year-earlier revised level. Venezuela accounts for most of this month's upward revision in projected U.S. rough-rice exports. On an annual basis, the United States is expected to lose some sales in Latin America to the South American exporters—mostly to Argentina, Brazil, Paraguay, and Uruguay. Almost all U.S. rough-rice exports are shipped to Latin America. Milled-rice exports (milled-and brown-rice exports on a rough-rice basis) remain projected at 55.0 million cwt, down 2.0 million cwt from a year earlier and the lowest since 1973/74. The United States is expected to make few sales of milled rice beyond its core markets of Northeast Asia, Haiti, Canada, Saudi Arabia, Jordan, and Mexico. Although primarily a rough-rice market, Mexico regularly imports much smaller quantities of U.S. milled rice. U.S. milled-rice exports are limited by much-lower-priced rice from Asia, as well as by growing competition from several South American exporters.

Total domestic and residual use in 2021/22 is projected at 153.0 million cwt, down 3.0 million from the previous forecast but 1.0 million cwt above a year earlier and the highest on record. The downward revision is largely based on the reduced crop forecast, which indicates lower post-harvest losses compared with the larger previous crop forecast and reduced expectations regarding 2020/21 domestic and residual use. Long-grain domestic and residual use is projected at 120.0 million cwt, down 1.0 million cwt from the revised previous forecast but still up 2.0 million cwt from 2020/21 and the highest on record. Combined medium- and short-grain domestic and residual use is projected at 33.0 million cwt, down 2.0 million cwt from the previous forecast and 3 percent below the year-earlier revised forecast.

The above supply and use projections result in a 2021/22 ending stocks forecast of 41.3 million cwt, up 2.3 million cwt from the previous forecast but still 10 percent less than the year-earlier revised forecast. The all-rice stocks-to-use ratio is projected at 17.0 percent, down from a revised 18.8 percent a year earlier. Long-grain ending stocks are projected at 33.1 million cwt, down 3.0 million from the previous forecast but still up 1 percent from the year-earlier revised

forecast. The long-grain stocks-to-use ratio is projected at 18.1 percent, up slightly from a revised 17.9 percent a year earlier. Combined medium- and short-grain ending stocks are projected at 7.1 million cwt, down almost 10 percent from the previous forecast and 41 percent smaller than a year earlier, the lowest since 1998/99. The medium- and short-grain stocks-to-use ratio is projected at 11.9 percent, down from the previous forecast and substantially below the revised 19.6 percent a year earlier.

## U.S. 2020/21 Export Forecast Raised, Domestic and Residual Forecast Lowered

There were no supply side revisions to the 2020/21 U.S. rice balance sheet this month. On the demand side, total exports were raised 1.0 million cwt to 93.0 million, still more than 1 percent larger than a year earlier. Long-grain rough-rice accounted for all of this month's upward revision in U.S. exports. At 65.0 million cwt, U.S. 2020/21 long-grain rice exports are 1.0 million cwt above the previous forecast but virtually unchanged from a year earlier. The upward revision was largely based on U.S. Census-reported export data through May, sales and shipments reported in the weekly *U.S. Export Sales* through July 1, and expectations regarding shipments and sales for the remainder of the 2020/21 market year. Strong sales and shipments of rough-rice to Venezuela were a major factor behind the upward revision in long-grain exports. Through July 1, the United States had shipped 270,900 tons of long-grain rough-rice to Venezuela, up from just 54,600 a year earlier, with an additional 26,200 tons of outstanding sales to Venezuela still on the books, compared with none a year earlier. The stronger sales and shipments to Venezuela have more than offset weaker long-grain rough-rice sales and shipments to Colombia and Honduras in 2020/21 compared with a year earlier.

Although Iraq has yet to purchase any rice from the United States in 2020/21—compared with 154,600 tons, all milled, in 2019/20—the United States made an unexpected large sale totaling 120,200 tons of long-grain rough-rice to Brazil early in the 2020/21 market year, which partially offset the lack of sales to Iraq. However, any additional sales to Brazil in 2020/21 or any sales in 2021/22 are unlikely due to its adequate supplies.

Combined medium- and short-grain exports in 2020/21 remain projected at 28.0 million cwt, down more than 5 percent from a year earlier. The decline is based on few, if any, sales outside the core U.S. markets of Northeast Asia, Jordan, and Canada. Low-priced medium- and short-grain rice from China now supplies many of the former U.S. markets in North Africa and the Middle East.

The 2020/21 domestic and residual use forecast was lowered 6.0 million cwt, to 152.0 million, 5 percent above a year earlier and second only to the 153.0 million projected for 2021/22. This month's downward revision was based on a lower-than-expected August 2020-May 2021 implied use indicated by the June 1 rice stocks reported by NASS on June 30 in *Rice Stocks*. Long-grain accounted for most this month's downward revision in domestic and residual use. At a projected 118.0 million cwt, long-grain domestic and residual is down 5.0 million cwt from the previous forecast but is 11 percent larger than a year earlier and second only to the 120.0 million cwt projected for 2021/22. A major factor behind the near-record long-grain domestic and residual use forecast in 2020/21 is the 15-percent increase in long-grain supplies, a result of a 36-percent boost in long-grain production from 2019/20.

For medium- and short-grain rice in 2020/21, domestic and residual use was lowered 1.0 million cwt to 34.0 million cwt, 11 percent smaller than a year earlier and the smallest since 2016/17.



Unlike long-grain, in 2020/21 medium- and short-grain supplies are projected to contract 5 percent from a year earlier, mostly due to a 5-percent drop in production.

The above revisions resulted in a 5.0-million cwt increase in 2020/21 total ending stocks to 45.9 million cwt, 60 percent larger than the year-earlier abnormally low level. The 2020/21 stocks-to-use ratio is projected at 18.8 percent, well above the abnormally low 12.0 percent achieved in 2019/20. For long-grain rice, the 2020/21 ending stock forecast was raised 4.0 million cwt to 32.8 million, 94 percent above the year-earlier abnormally low level. The long-grain stocks-to-use ratio is projected at 17.9 percent, well above just 9.9 percent a year earlier. The medium- and short-grain ending stocks forecast was raised 1.0 million cwt to 12.1 million, 13 percent above a year earlier. The 2020/21 medium- and short-grain stock-to-use ratio is forecast at 19.6 percent, up from 15.9 percent a year earlier and the highest since 2015/16.

Based on data reported in the NASS June *Rice Stocks*, total U.S. stocks of rice (combined milled- and rough-rice stocks on a rough-rice basis) are calculated at 70.1 million cwt, up 33 percent from a year earlier. By class, long-grain stocks on June 1 are calculated at 48.3 million cwt, nearly 64 percent larger than a year earlier. Combined medium- and short-grain stocks on June 1 are calculated at 19.9 million cwt, down 8.5 percent from a year earlier. Stocks of broken kernel rice—which are not classified by grain length—are calculated at 1.9 million cwt, up 34 percent from a year earlier.

In June, the U.S. Census Bureau released revised monthly U.S. export and import estimates for calendar years 2018-2020. These revised trade estimates impacted estimates for both exports and domestic and residual use for market years 2018/19 and 2019/20 for all rice any by class. All trade and domestic and residual use revisions were small.

The only 2020/21 season-average farm price (SAFP) revision this month was a 10-cent reduction in the long-grain SAFP to \$12.50 per cwt, still up 50 cents from a year earlier. The downward revision was based on monthly NASS reported cash prices and marketings through May and expectations regarding prices and marketings in June and July. The lower long-grain SAFP reduced the 2020/21 all-rice SAFP 10 cents to \$13.80 per cwt, still 20 cents above a year earlier.

For 2021/22, SAFP forecasts were raised for medium- and short-grain rice in both regions based on the smaller U.S. medium- and short-grain crop forecast and an expected tight ending stocks situation. The California medium- and short-grain 2021/22 SAFP forecast was increased \$1.00 per cwt to \$22.00 per cwt, up \$2.30 from 2020/21 and the highest since the 2008/09 record of \$27.40 per cwt. The southern medium- and short-grain SAFP forecast was increased 30 cents to \$13.50 per cwt, up 50 cents from 2020/21 and the highest since 2014/15. With a substantial decline in the California crop likely in 2021/22 due to the reported acreage decline, some users of medium- and short-grain rice are expected to switch from California rice to southern medium- and short-grain rice.

These two regional SAFP increases resulted in a U.S. 2021/22 medium- and short-grain SAFP of \$19.30 per cwt, up 80 cents from the previous forecast and \$1.70 higher than a year earlier. The 2021/22 U.S. all-rice SAFP was increased 20 cents per cwt to \$14.40 per cwt, up 60 cents from a year earlier. For long-grain, the 2021/22 SAFP remains projected at \$12.80 per cwt, up 30 cents from the revised 2020/21 SAFP.

# International Outlook

## Production Forecasts for 2021/22 Lowered for Egypt and the United States, Raised for Australia and Brazil

Global rice production in 2021/22 is forecast at a record 506.0 million tons (milled basis), down 0.6 million tons from the previous forecast but 1.1 million tons larger than a year earlier. Egypt accounts for the bulk of this month's downward revision in global rice production, with production projections also lowered for EU and the United States. These reductions were not fully offset by upward crop revisions for Australia and Brazil. On an annual basis, Argentina, Australia, Bangladesh, Burma, Cambodia, China, Cote d'Ivoire, Guinea, Guyana, Laos, Mexico, Nicaragua, Nigeria, South Korea, Paraguay, Peru, Taiwan, Thailand, and Uruguay account for the bulk of the projected production increase in 2021/22, with China and Thailand showing the largest year-to-year production increases.

In contrast, crops are projected to be smaller than a year earlier in Colombia, Ecuador, India, Iraq, Madagascar, the Philippines, Sri Lanka, the United States, and Vietnam. India and the United States are projected to show the largest production declines in 2021/22, although India's production would still be the second-highest on record.

Global rice consumption and residual use in 2021/22 is projected to be a record 514.0 million tons, down almost 0.6 million tons from the previous forecast but 6.1 million tons larger than a year earlier. This month, USDA lowered its 2021/22 consumption and residual use forecasts for Australia, Egypt, and the United States, but raised its forecasts for Brazil and Vietnam. On an annual basis, China accounts for the bulk of the projected increase in global rice consumption and residual use in 2021/22, with total domestic and residual use expected to increase 5.6 million tons to a record 156.0 million tons. Industrial and feed uses account for nearly all of China's projected increase in consumption and residual use in 2021/22. Bangladesh, Brazil, Burma, Cambodia, Colombia, Egypt, Ethiopia, Ghana, Guinea, India, Nepal, Nigeria, Pakistan, the Philippines, Sri Lanka, Tanzania, Thailand, and the United States are also projected to increase consumption and residual use in 2021/22. In contrast, consumption and residual use is projected to decline in 2021/22 in Indonesia, Japan, and South Korea, with declines in both South Korea and Japan a result of long-term diet diversification and negligible population growth or a slow population decline.

In 2021/22, global ending stocks are forecast at 167.0 million tons, down 1.5 million from the previous forecast and down 7.9 million tons from a year earlier, the second consecutive year of declining global ending stocks. India's 2021/22 rice ending stocks were lowered 1.0 million tons to 23.4 million due to an upward revision in market-year exports to a record 19.0 million tons. China and India account for the bulk of the projected decline in global ending stocks in 2021/22, with China's stocks expected to drop 6.2 million tons to 109.4 million tons and India's to drop 2.5 million tons to 23.4 million tons. The 2021/22 global stocks-to-use ratio is projected at 32.5 percent, down from 34.4 percent in 2020/21.

Table A - Global rice production, selected monthly revisions and year-to-year changes, July 2021						
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)						
<b>Rice production in 2021/22</b>						
Australia	576	72	74.5	↑	↑	The production forecast was raised this month based on expectations of expanded plantings this fall in response to rising global prices for medium- and short-grain rice, the dominant class of rice produced in Australia. Global trading prices are rising due to a forecasted 17-percent reduction in the recently planted 2021/22 U.S. medium- and short-grain crop due to the current drought in California. Like Australia, California is a major exporter of medium- and short-grain rice. In 2021/22, Australia's rice harvested area is projected to increase 74 percent from the year earlier revised estimate and would be the largest 2016/17. The projected average yield of nearly 10.0 tons per hectare is unchanged from the previous 2 years. Australia's rice yields are the highest in the world, largely due to the varieties grown, climate, and soil.
Brazil	7,956	136	0.6	↑	↑	Brazil's production forecast was raised based on a higher expected yield. At 6.88 tons per acre, the average field yield is fractionally below the year earlier record and nearly equal to the 10-year trend. The bulk of Brazil's rice crop is grown in Rio Grande do Sul, all under controlled irrigated conditions, achieving high yields. The Rio Grande do Sul crop is sown in the fall and is mostly harvested March-May. Total harvested rice area in Brazil is forecasted at 1.7 million hectares, up 1 percent from a year earlier.
Egypt	3,450	-550	-13.8	↓	↓	Egypt's crop forecast was lowered this month based on a 100,000-hectare reduction in the harvested area estimate to 600,000 hectares, 14 percent below a year earlier and the smallest since 2018/19. This month's substantial area reduction is based on expected stronger enforcement of the Government of Egypt's announced limitations on rice plantings. In January, the Government of Egypt set the total 2021/22 rice cultivated area at 451,164 hectares. The driving force behind the rice area limitation is to conserve water, as rice is a water-intensive crop to produce. Egypt's long-term water-scarcity concerns have been heightened by the current second filling of the Grand Ethiopian Renaissance Dam.
EU	1,894	-96	-3.0	↓	↓	The EU's rice production forecast was lowered this month based on a smaller Spanish crop estimate. Spain's 2021/22 rice production forecast was lowered 17 percent from the previous forecast to 460,000 tons, mostly due to smaller area. At 85,000 hectares, rice harvested area in Spain is down 16 percent from the previous forecast and 17 percent below a year earlier. The substantial area decline is due to reduced rainfall in the south central and southwest. Dams across Spain are currently at 60 percent of total storing capacity, which is well below previous year's availability and the 10-year average. Spain typically accounts for 28-29 percent of total EU rice production and is the second largest producer after number one producer Italy.
United States	6,329	-135	-12.4	↓	↓	The U.S. 2021/22 rice production forecast was lowered this month mostly due to a smaller harvested area estimate reported by the U.S. Department of Agriculture's National Agricultural Statistics Service based on its June survey of producers. At 1.059 hectares, U.S. rice harvested area is 2 percent below the previous forecast and 12 percent below a year earlier. Medium-and-short-grain accounted for all of the month-to-month reduction in U.S. harvested area, with all of this reduction in California, a result of drought. The U.S. average yield of 8.54 tons per hectare is virtually unchanged from a year earlier.
Table A - Global rice production, selected monthly revisions and year-to-year changes, July 2021--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
1,000 metric tons (milled basis)						
<b>Rice production in 2020/21</b>						
Australia	330	-50	816.7	↓	↑	The 2020/21 crop estimate was lowered this month based on a smaller area estimate reported by the Australian Bureau of Agricultural and Resource Economics and Sciences in June. Harvested area was lowered 4,000 hectares to 46,000 hectares, still up 41,000 hectares from the year-earlier drought-reduced level.
Brazil	7,906	7	4.0	↑	↑	Brazil's 2020/21 rice production estimate was raised this month based on slightly higher harvested area and yield estimates reported in June by the Government of Brazil. At 1.684 million hectares, Brazil's rice harvested is up 3,000 hectares from the previous estimate and 1 percent higher than a year earlier. The yield of 6.9 tons per hectare is the highest on record.
EU	1,953	-9	-1.6	↓	↓	The EU 2020/21 production estimate was lowered based on a smaller crop estimate for Greece. At 176,000 tons, Greece's rice production estimate is 9,000 tons below the previous estimate and nearly 2 percent smaller than a year earlier. This month's downward revision in Greece's production was due to a smaller yield.

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

Table B - Selected rice importers at a glance (1,000 metric tons), July 2021.						
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, 2022						
China	3,000	200	-21.1	↑	↓	Raised import forecast based on a faster-than-expected recent pace of shipments, expectations of continued high domestic prices, and projections for ample supplies of low-priced imports in 2022.
Egypt	500	300	66.7	↑	↑	Egypt's import forecast was raised based on a substantially reduced 2021/22 crop forecast.
United States	1,250	50	6.4	↑	↑	The U.S. 2022 import forecast was raised based on a reduced forecast for medium- and short-grain production. U.S. medium- and short-grain total supplies are projected to contract more than 9 percent in 2021/22, mostly due to severe drought in California.
Table B - Selected rice importers at a glance (1,000 metric tons), July 2021--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, 2021						
Bangladesh	1,700	200	8400.0	↑	↑	
China	3,800	600	18.8	↑	↑	China's 2021 import forecast was raised substantially this month based on the pace of imports through May, rising domestic prices, and the availability of much lower priced imported rice. Through May, China had imported nearly 2.24 million tons of rice, up 131 percent from a year earlier. Pakistan, Burma, and Vietnam have been the top suppliers to date in 2021, with Pakistan reporting the largest increase.
Colombia	70	-30	-70.5	↓	↓	Import forecast was lowered based on just 550 tons awarded in the June auction for 17,066 tons.
Congo, D.R.	240	20	20.0	↑	↑	Raised the import forecast based on pace-to-date and finalized 2020 import data.
Egypt	300	50	-2.9	↑	↓	Import forecast raised based on a reduced 2021/22 rice production forecast.
Nigeria	1,900	100	5.6	↑	↑	Nigeria's import forecast was raised based on stronger-than-expected shipments of parboiled rice to West Africa.
Vietnam	700	200	75.0	↑	↑	Import forecast was raised based on historically large shipments from India through March, reported at 247,000 tons. This trade with India is expected to continue for the next few months. Vietnam's 2021 rice imports are the largest since 1976.

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), July 2021.						
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, 2022						
Australia	260	30	100.0	↑	↑	Export forecast was raised based on a larger expected harvest in 2021/22 and likely less competition from the United States in global medium- and short-grain markets.
Brazil	1,050	50	20.0	↑	↑	Raised 2022 export forecast based on expectation that current logistical issues--very high shipping cost and a container shortage--will be resolved, allowing Brazil to regain some markets.
Table C - Selected rice exporters at a glance (1,000 metric tons), July 2021--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 exporters, 2021						
Australia	130	-20	209.5	↓	↑	Export forecast for 2021 was lowered based on a reduced 2020/21 crop estimate.
Brazil	875	-125	-29.4	↓	↓	Lowered the 2021 export forecast due to very high shipping costs, container shortages, very low exports in May (typically the largest exporting month), a slow pace of trade, and a strengthening Brazilian currency vis-à-vis the U.S. dollar.
India	18,000	1000	23.6	↑	↑	India's export forecast was raised to a record 18.0 million tons based on abundant supplies, competitive prices, and a record pace of shipments to date. In March, India shipped nearly 2.5 million tons of rice, the largest on record, with Bangladesh, Senegal, China, and Saudi Arabia the top markets.
United States	2,925	25	2.1	↑	↑	The U.S. 2021 export forecast was raised based on expectations of continued strong sales to Venezuela and some increase in shipments to other Latin American markets.

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

## Export Forecasts for 2022 raised for Australia and Brazil; India's 2021 Exports Forecast at a Record 18.0 Million Tons

Global rice trade in calendar year 2022 is projected at 47.0 million tons (milled basis), up barely 0.1 million tons from the previous forecast but 0.9 million below the year-earlier revised forecast. Much of the year-to-year global trade decline is the result of much weaker imports of Indian rice by Bangladesh. On an annual basis, in 2022, exports are projected to increase from Australia, Brazil, Burma, Cambodia, EU, Pakistan, Paraguay, Thailand, and Uruguay, with Thailand's exports projected to increase the most, up 0.7 million tons to 6.5 million. In contrast, exports in 2022 are projected to decline for India and the United States, with India's exports expected to drop 2.5 million tons to 15.5 million tons, second only to the year-earlier record of 18.0 million tons, the largest amount of rice exported by any country.

For imports, Angola, Colombia, Cote d'Ivoire, Egypt, Ethiopia, EU, Iran, Iraq, North Korea, Kenya, Madagascar, Mozambique, Nepal, Nigeria, Qatar, Senegal, and the United States account for most of the expected increase in 2022. These expected import increases are partially offset by projected import declines for Australia, Bangladesh, Brazil, China, Indonesia, South Korea, Saudi Arabia, South Africa, and Vietnam, with imports by Bangladesh projected to drop 1.2 million tons to 0.5 million and by to drop China 0.8 million tons to 3.0 million.

Trading prices for most grades of Thailand's regularly milled white rice (excluding aromatic, parboiled, or any other specialty rice) are down 8-9 percent from a month earlier, mostly for lack of new inquirers for sales—partly due to extremely high freight costs and a lack of containers—and because of a weaker Thai currency. Thailand's 100-percent Grade B long-grain milled rice

for export was quoted at \$434 per ton for the week ending July 5, down \$38 from the week ending June 7 and the lowest since January 2020. Prices for Thailand's 5-percent broken parboiled rice—a specialty rice—were quoted at \$429 per ton for the week ending July 5, down \$33 from the week ending June 7. Prices for Thailand's jasmine rice—a premium aromatic—were quoted at \$637 per ton for the week ending July 5, down \$43 from the week ending June 7 and the lowest since May 2017.

Price quotes for Vietnam's rice for both the previously harvested winter-spring crop and the autumn crop that is currently being harvested declined in June, mostly due to a lack of new sales as Vietnam's prices remain uncompetitive with other Asian sources and increasing supplies from the autumn crop. For the week ending June 29, prices for Vietnam's 5-percent broken-kernel long-grain milled rice were quoted at \$470 per ton for the winter-spring crop, down \$15 from the week ending June 8. The autumn crop was quoted at \$425 per ton, down \$35 from the week ending June 8. The autumn crop typically sells at a lower price than the dry-season winter-spring crop due to quality issues caused by abundant rainfall in the wet season and a resulting higher moisture content. The winter-spring crop is a high-value, high-quality crop that is heavily exported. India's prices remain the most competitive among Asian sellers, with India's 5-percent broken non-parboiled white rice quoted at \$385 per ton (bulk) for the week ending June 29, unchanged from the week ending June 8.

Uruguay's generic 5-percent broken-kernel long-grain milled rice was quoted at \$580 per ton for the week ending June 29, a decline of \$50 since late May and about \$50 per ton below the current U.S. price for a similar grade of rice. Prices for Brazil's generic 5-percent broken-kernel rice were quoted at \$567 per ton for the week ending June 29, while Paraguay's generic 5-percent broken rice were quoted at \$560 per ton. The bulk of the harvest was completed for these exporters by the end of May.

U.S. trading prices for long-grain milled rice were unchanged over the past month. 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) remain quoted at \$630 per ton for the week ending June 29, unchanged since early April. U.S. prices for Latin American milled-rice markets—Haiti, Colombia, and Mexico—remain quoted at \$555 per ton for the week of June 29, unchanged since the week ending April 13.

In contrast, milled-rice prices in California increased over the past month, largely a response to expectations of a much smaller harvest this year. Quotes for California Number 1 Grade, 4-percent broken kernels for the week ending June 29 were quoted at \$1,100 per ton (free on board at a domestic mill, Mediterranean specifications), up \$80 from the week ending June 8 and the highest since March 2014 when California was experiencing an earlier severe drought. For delivery to the Port of Oakland, California, medium-grain milled-rice (Korean specifications) prices were quoted at \$1,200 per ton for the week ending June 29, up \$110 from the week ending June 8. For listings of trading prices by exporter and grade of rice, see table 9 in the Excel file.

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