

# RICE

Assuming normal growing conditions, world rice production is forecast to expand by 1.0 percent in 2021 to an all-time high of 519.1 million tonnes (milled basis). Asia is anticipated to sustain this growth, as strong government support to the sector in the region may attenuate pressure from higher input costs and heightened competition by other crops. Western Africa countries and Australia are also forecast to produce more, while unattractive weather or less attractive margins will likely cause output to stagnate or contract elsewhere.

World rice trade is predicted to expand by 5.6 percent in 2021 to 48.0 million tonnes. A revival of Asian purchases and strong import demand from Africa look set to support the expansion on the import side, while on the supply side, much of the growth is expected to be captured by an expansion in Indian sales. Little global trade growth is tentatively forecast for 2022, as continued strong demand from Africa and the Near East may be insufficient to outweigh a retrenchment in Far Eastern purchases.

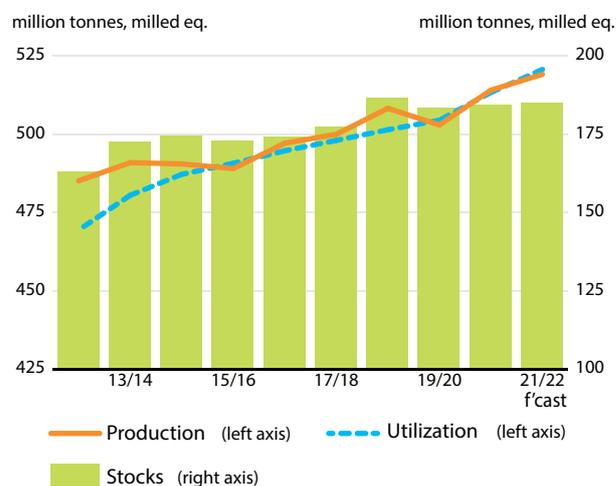
World rice utilization is anticipated to reach a record 520.6 million tonnes in 2021/22, up 1.4 percent year-on-year, primarily on the back of expanding food use, but also on rising use of rice for feed. At a forecast level of 184.6 million tonnes, global rice inventories at the close of 2021/22 marketing years are seen only marginally above their opening levels, as accumulations in the major rice exporters, as well as in Bangladesh and Indonesia, may be largely offset by another drawdown in China.

The FAO All Rice Price Index averaged 110.6 points in May 2021, down just 0.7 percent from December, but 4.5 percent below its year-earlier value. Although supply concerns in California have raised Japonica values since December, a slowdown in demand, in tandem with new crop arrivals and currency movements, has kept prices in the other market segments in check or under pressure.

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## RICE PRODUCTION, UTILIZATION AND STOCKS



## WORLD RICE MARKET AT A GLANCE

	2019/20	2020/21 <i>estim.</i>	2021/22 <i>f'cast</i>	Change: 2021/22 over 2020/21
<i>million tonnes, milled equivalent</i>				
<b>WORLD BALANCE</b>				
<b>Production</b>	502.9	514.0	519.1	1.0
<b>Trade<sup>1</sup></b>	45.4	48.0	47.9	0.0
<b>Total utilization</b>	504.4	513.3	520.6	1.4
Food	414.3	421.6	427.1	1.3
<b>Ending stocks<sup>2</sup></b>	183.0	183.9	184.6	0.4
<b>SUPPLY AND DEMAND INDICATORS</b>				
<b>Per caput food consumption:</b>				
World (kg/yr)	53.7	54.1	54.2	0.3
LIFDC (kg/yr)	65.0	65.9	65.9	0.1
<i>World stocks-to-use ratio (%)</i>	35.7	35.3	35.1	
<i>Major exporters stocks-to-disappearance ratio<sup>3</sup> (%)</i>	24.5	24.9	26.0	
<b>FAO RICE PRICE INDEX (2014-2016=100)</b>				
	2019	2020	2021 <i>Jan-May avg.</i>	Change: Jan-May 2021 over Jan-May 2020 %
	101	110	113	3.8

<sup>1</sup> Calendar year exports (second year shown).

<sup>2</sup> May not equal the difference between supply (defined as production plus carryover stocks) and total utilization due to differences in individual country marketing years.

<sup>3</sup> Major exporters include India, Pakistan, Thailand, the United States of America and Viet Nam.