



RICE MARKET MONITOR

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ROUND UP

The 2015 paddy season is coming to a close, but the likely influence of a strong El Niño weather anomaly over the next few months could still exert much influence on 2015 production outcomes, as the period coincides with the development of the 2015 secondary crops. Already, the production forecast for the season has been downgraded by about 2 million tonnes since October, after predictions of scant precipitation in major producing areas were confirmed.

At the current forecast of 740.2 million tonnes (491.5 million tonnes, milled basis), **world paddy production** in 2015 is set to contract by 4.0 million tonnes, or 0.5 percent, below the already disappointing 2014 season. The decline is expected to be caused by a combination of unfavourable weather and prices, which may curb plantings to 161.1 million hectares, while yields are set to average 4.6 tonnes per hectare. Much of the expected fall in world output would concentrate in **Asia**, especially in Thailand, which has endured unseasonal droughts. The negative performances in the country is largely behind an expected 3.1 million tonne drop in Asia's output to 670 million tonnes, but India, Myanmar, Nepal, Pakistan and the Philippines are also likely to face sizeable declines. On the other hand, several countries in the region are heading towards large output gains, including Bangladesh, China mainland, Indonesia and Sri Lanka.

In **Africa**, the season is currently expected to end with a production of 28.4 million tonnes, only 1 percent below the 2014 excellent performance. The fall reflects negative results in Northern, Central, Eastern and Southern Africa, where a combination of untimely rains, droughts, floods impaired crops, with the largest drops in volume anticipated in Egypt and Madagascar. However, much of these sub-regions production shortfall is expected to be compensated by excellent output results in Western Africa, where a late arrival of the rains was followed by abundant precipitation as of July. Further supported by governments promoting rice self-sufficiency, production in the sub-region is forecast to surge by almost 4 percent in 2015, underpinned by large gains in Guinea, Mali, Senegal and Sierra Leone and despite declines in Chad, Ghana, Mauritania and Nigeria.

The 2015 season is estimated to have concluded with smaller harvests in **Oceania**, where Australia faced a

second year of insufficient rainfall, and in **North America**, where the United States reckons to have harvested a much reduced crop, imputable to poor price prospects at planting time and subsequent erratic weather. On the other hand, rice production in Europe and in Latin America and the Caribbean are seen rising in 2015. In **Europe**, prospects are positive in both the EU and the Russian Federation, underpinning output for the region by 3 percent to 4.2 million tonnes. The situation is more mixed in **Latin America and the Caribbean**, although overall, the region is estimated to reap 28.5 million tonnes, almost 3 percent more than last year. The increase originates in South America, where all countries, except Argentina and Venezuela, are estimated to garner larger crops in 2015. Prospects are less buoyant in the central part of the region, which has been afflicted by a prolonged drought, causing marked output declines in Costa Rica, Cuba, Haiti and Mexico.

According to the latest estimates, **international rice trade**

GLOBAL RICE MARKET SUMMARY

	2013-14	2014-15	2015-16	2015-16/ 2014-15
		est.	f'cast	Var
	<i>million tonnes, milled eq.</i>			%
Production	494.5	494.2	491.5	-0.6
Supply	696.6	711.0	708.6	-0.3
Utilization	483.2	492.7	498.2	1.1
Food use	391.2	396.2	401.5	1.3
Feed use	16.7	18.3	18.5	1.6
Other uses	75.2	78.2	78.1	-0.1
Trade ^{1/}	45.6	44.7	45.3	1.4
Ending stocks ^{2/}	171.5	172.1	166.4	-3.3
	%			
Global stock-to-use ratio	34.8	34.5	32.8	-
Major exporters' stock-to-disappearance ratio ^{3/}	28.9	23.6	17.0	-

^{1/} Data refer to the calendar year trade (Jan.-Dec.) of the second year shown.

^{2/} Stocks carried over in the second year shown.

^{3/} Defined as the sum of the five major rice exporters' (India, Pakistan, Thailand, the United States and Viet Nam) stocks divided by the sum of their domestic utilization plus exports.

in calendar 2015 may fall to 44.7 million tonnes (milled basis) in 2015, 2 percent less than the 2014 record. The year-on-year contraction is mostly imputable to a weakening import demand, as several of the traditionally large buying countries harvested bumper crops or held abundant supplies on store. From a regional perspective, African countries would be responsible for most of the contraction, with almost 1 million tonne decline of purchases to 14.3 million tonnes, a reflection of weaker currencies and of policies geared towards rice self-sufficiency. Amid large local availabilities, rice inflows to Asian countries are forecast to fall slightly to 22.8 million tonnes, still accounting for 50 percent of the world total. In the other regions, international demand remains strong. Imports are expected to rise in Europe, sustained by steady increases in consumption, and in Latin America and the Caribbean, where supplies are needed to offset smaller harvests, especially in Central America and the Caribbean. In Oceania and North America, both Australia and the United States are foreseen to buy somewhat more than in 2014. Among the leading international suppliers, Thailand would be responsible for much of the decline in 2015 world exports. With offer prices exceeding those of competitors, especially in Africa for parboiled and broken rice, the country is forecast to see its sales abroad fall by almost 1.5 million tonnes in 2015. Similarly, deliveries by Myanmar may trail behind the record achieved in 2014, constrained by floods and an export prohibition. Relatively high prices are also anticipated to curtail shipments from Argentina, China (Mainland), Paraguay and Uruguay. By contrast, India, Pakistan, the United States and Viet Nam are all anticipated to export more in 2015. In the case of India, deliveries by the country may reach a new record of 11.7 million tonnes, allowing it to retain its primacy among world suppliers.

Prospects for **international trade in 2016**, now point to a partial recovery to 45.3 million tonnes. The trade upturn in 2016 would come in the wake of poor 2015 harvests, especially in Asia, but also reflect government efforts to rebuild reserves. For instance, the need to replenish inventories is expected to underpin imports in Africa and in Latin America and the Caribbean, although the increase in these regions could be limited by weak currencies. On the export side, the expansion of trade could be dampened next year by more limited availabilities in several export origins. Against this backdrop, the ample reserves held in stocks should enable both Thailand and Pakistan to meet much of next year's trade expansion. Viet Nam's deliveries are expected to be boosted by stronger import demand in several of its traditional markets, in particular Indonesia and the Philippines. Although still subject to much uncertainty, exports by India are seen falling in 2016, as a tightening of supplies in the country might be associated with less competitive pricing. Exports by the United States and Brazil are also predicted to fall.

Forecasts of **world rice utilization** in 2015/16 have been downscaled by 1.7 million tonnes, since October, to 498.2 million tonnes (milled basis). This level would still imply a 1.1 percent growth compared to 2014/15, owing mainly to a 5.3 million tonne increase in food use to 401.5 million tonnes. Consumption of rice as feed is also predicted to expand somewhat, especially in Japan and Thailand, reflecting government efforts to reduce the size of their inventories. On average, per caput food use is projected to rise marginally to 54.6 kilos in 2015/16.

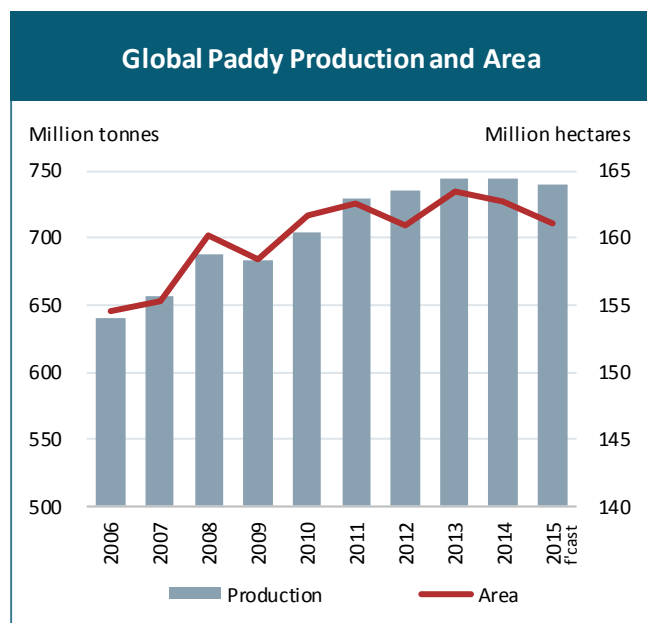
FAO's forecast of **global rice stocks** in 2016 has been raised by 2.0 million tonnes since October. Under current expectations, world reserves would fall by 5.7 million tonnes to 166.4 million tonnes in 2016, which would bring the world stocks-to-use ratio down to a four-year low of 32.8 percent. Much of the inventory drawdown is forecast to concentrate in India and Thailand, but also in Myanmar, Nigeria and the United States. By contrast, larger stocks are anticipated to be carried over in China, Indonesia, Guyana, the Republic of Korea, Paraguay and Sri Lanka. With reserves held by the five major exporters (India, Thailand, Viet Nam, Pakistan and the United States) dipping by almost 12 million tonnes to 30 million tonnes in 2016, the group's stocks-to-disappearance ratio is anticipated to fall to 17.0 percent, down from 23.6 percent in 2014/15 and its lowest level since 2007/08.

International rice prices remained subdued in the last quarter of 2015, as the period coincided with the arrival of large crop harvests. This resulted in prices falling steadily in October and November 2015, when the FAO All Rice Price Index averaged 199 points and 196 points, respectively. Anticipation of a return of major buyers to the market, together with ongoing public procurement activities provided some support to quotations in December, although at 197 points that month, the Index still stood some 4 percent below September values. The softening of prices in recent months was particularly marked in the Aromatic segment, the index of which slid by 10 percent between September and December, on a combination of harvest pressure, large carry-overs and subdued buying interest. In the Japonica market, Egypt's decision to allow rice exports (and at more conceding terms) resulted in the index dropping by 9 percent over the last quarter. By contrast, following the return of important rice buyers, there were some signs of revival in the Indica rice market, which lifted the High and Low Quality Indica indices by 2-3 percent from September levels.

PRODUCTION

World paddy production to contract in 2015, as inclement weather and weak prices curb paddy plantings

The 2015 season is drawing to a close in the southern hemisphere, while north of the Equator only main-crop harvests have been completed or are nearing completion.¹ FAO's forecast of world paddy production in 2015 now stands at 740.2 million tonnes (491.5 million tonnes, milled basis), which is 2.5 million tonnes below figures reported in the last issue of the RMM. Compared to October expectations, the outlook has primarily deteriorated in Asia, in particular for Thailand, where lingering precipitation shortages and low water availabilities for irrigation have further undermined secondary crop prospects. Unseasonably dry conditions similarly marred crop prospects in Iraq and the United Republic of Tanzania. Officials in Nepal and Pakistan also report weaker output results than previously envisaged, while in the case of the Philippines downward adjustments followed damages inflicted by passing storms. By contrast, Bangladesh and Viet Nam are now anticipated to garner record crops, but forecasts were also raised for the Islamic Republic of Iran, the Republic of Korea, Mali, Senegal and the Russian Federation.



¹ The 2015 rice production season normally includes rice from the main paddy crops whose harvests fall in 2015, to which rice from all subsequent secondary crops, if any, is added. In the case of northern hemisphere countries, this principle implies that production in 2015 comprises the main rice crop, which is usually collected in the latter part of the year, plus the volume obtained from the successive secondary crops, commonly harvested in the first half of 2016. In the case of southern hemisphere countries, production in 2015 normally comprises rice from the main paddy crops assembled in the first part of 2015, plus rice from the secondary crops, generally gathered in the latter part of 2015. This approach to assess rice production is applicable to any given season.

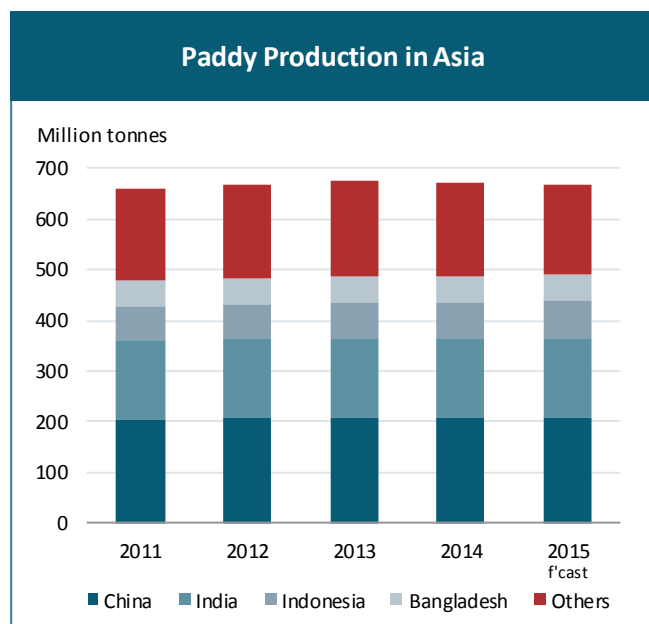
Based on the revised figure of 740.2 million tonnes (491.5 million tonnes, milled basis), world paddy production in 2015 is set to contract by 4.0 million tonnes, or 0.5 percent. The reduction would primarily reflect a 1.6 million hectare cut in paddy area to 161.1 million hectares, a fall chiefly triggered by unfavourable weather, on the backdrop of a strong El Niño event. Climatic forecasting agencies continue to predict the persistence of the weather anomaly through the northern-hemisphere winter and its likely evolution into one of the strongest events since 1950. The northern-hemisphere winter period coincides with the 2015 off-season cropping cycle in much of Asia, which has already seen poor results from a combination of suppressed summer rains and weak prices. These contrasted with good harvests in the southern hemisphere, where most crops developed prior to the emergence of El Niño, which partly served to cushion Asia's production fall this season. In North America, an expected sharp contraction in the United States is mainly imputable to poor price prospects and prolonged drought problems in California and Texas. In Oceania, limited water availability similarly compelled Australia to curb plantings and production in 2015. The outlook is more positive elsewhere in the world. In Europe, conducive weather and attractive prices in both the European Union and the Russian Federation are set to stimulate growth. Production also rose in Latin America and the Caribbean, in spite of widespread dryness across Central America and the Caribbean. Africa is instead expected to face a small output contraction, but bumper crops in Western Africa are expected to ensure a relatively high production level in the continent in 2015.

Prospects of this El Niño event not dissipating before mid-2016 also raise the possibility of its negative influence stretching into the 2016 season. This would be especially so for countries in the southern hemisphere, where 2016 main crops are currently being planted. In South America, important producers have already seen field operations and early crop development disrupted by excess rains and low temperatures associated with the weather anomaly, with concerns over potential floods from heavy downpours also lingering over parts of eastern Africa. Concerns similarly exist that unseasonable dryness will grip southern parts of the African continent, while in Oceania, Australia already looks set to see 2016 production fall for the third successive season, amid even shorter water supplies for irrigation.

Asia

Thailand to drive a 3.1 million tonne production decline in Asia in 2015

FAO has downscaled its forecast for 2015 production in Asia by 2.6 million tonnes since October, now pointing to an aggregate harvest of 669.7 million tonnes (444.5 million tonnes, milled basis). This would imply a 3.1 million tonne annual production contraction in the region, chiefly attributable to poor rainfall, which negatively affected the development of rain-fed main-crops and limited water availabilities for irrigated off-season crops. Compared to October figures, crop prospects have primarily deteriorated in **Thailand**, where water reservoirs have been depleted by consecutive seasons of repressed rains. Unseasonably dry conditions are also seen cutting output in **Cambodia**, the **Chinese Province of Taiwan**, **India**, **Iraq**, the **Democratic Republic of Korea**, **Nepal** and the **Philippines**. Floods have instead marred the outlook for production in **Myanmar**, with depressed prices also behind poor performances in **Japan** and **Pakistan**. In southern hemisphere Asia, where the bulk of the 2015 crops was gathered in the first half of the year, favourable outcomes were recorded in **Indonesia**, **Malaysia**, **Sri Lanka** and **Timor Leste**, with more conducive weather also behind expectations of production gains in **Afghanistan**, **Bangladesh**, **China (Mainland)**, the **Republic of Korea**, the **Islamic Republic of Iran**, **Turkey** and **Viet Nam**.



The 2015 season is well advanced in **Bangladesh**, where the Aman crop, the third of three crops cultivated each season, has reached the harvesting stage. Officials indicate that a slight Aus area retrenchment this season was more than compensated by larger Aman plantings. The latter would have actually exceeded the 5.6 million hectare extension set for this season, notwithstanding some flooding problems. Crops benefitted from favourable

growing conditions otherwise, which combined with a growing usage of improved seed varieties, favour expectations of further yield improvements. Accordingly and taking into account the positive outcome of the Boro harvest concluded earlier this year, forecasts of 2015 production in Bangladesh have been raised to a record of 52.5 million tonnes (35.0 million tonnes, milled basis). This level would surpass the 2014 bumper harvest by 1.4 percent and stand some 600 000 tonnes above October forecasts. On the policy front, officials have decided that the state would purchase 200 000 tonnes of rice from the 2015 Aman harvest, at a price of BDT 31 per kilo (USD 390 per tonne). This compares to the BDT 32 per kilo (USD 403 per tonne) availed during last year's Aman purchase drive, which also covered up to 320 000 tonnes of rice.² The decision is linked to the abundant reserves already held in Government granaries, with officials opting to aid farmers cope with an oversupply situation and related depressed prices through increased border protection instead.

In **Cambodia**, authorities have dispelled earlier expectations of yield losses stemming from precipitation shortages that lasted well into July this year. Instead, the 2015 wet-season harvest, now in progress, is seen remaining around 7.2 million tonnes (4.3 million tonnes, milled basis). The stable outturn would have been facilitated by better performing rains in successive parts of the cropping cycle, which also permitted acreage to remain largely steady year-to-year at 2.6 million hectares. Concerns however surround the development of dry-season crops, currently being planted, which in the wake of shorter availabilities of water for irrigation are seen falling some 6 percent year-on-year to 2.05 million tonnes (1.2 million tonnes, milled basis). On these bases, officials indicate that Cambodia is likely to gather 9.2 million tonnes (5.5 million tonnes, milled basis) in 2015, marginally above previous FAO expectations and 1 percent short of the 2014 level.

The China National Grain and Oils Information Centre has kept its semi-official forecast of 2015 production in **China (Mainland)** unchanged at 207.5 million tonnes (142.1 million tonnes, milled basis), suggesting a 1.0 million tonne annual gain. The positive performance is anticipated to be yield-based and come despite cool and wet conditions prevailing over the Lower Yangtze and unseasonable dryness over parts of southwest China. Looking at the various crops, all of the growth would stem from the intermediate crop, which benefitting from generally favourable growing conditions is projected to reach 136.8 million tonnes (93.7 million tonnes, milled basis), up 1.5 million tonnes year-on-year. This increase would be more than sufficient to outweigh contractions in the early crop harvest to 33.7 million tonnes (23.1 million tonnes, milled

² All currency conversion are as of 1 December 2015.

basis), resulting from a combination of dry conditions and declining margins. The late crop is meanwhile seen falling marginally to 37.0 million tonnes (25.3 million tonnes, milled basis), as average yields come down to more normal levels.

The 2015 monsoon season in **India** closed with cumulative precipitation standing 14 percent below the long-period average. This compares to the 12 percent deficiency already witnessed in 2014, with much of this year's shortfall concerning the August-September period. The poor monsoon performance resulted in the Government issuing a first forecast of Kharif production of 135.9 million tonnes (90.6 million tonnes, milled basis), down close to 400 000 tonnes from the reduced 2014 result. The forecast relies on expectations that declines in the southern and central producing states would be somewhat compensated by good outturns in northwestern areas, (namely Punjab, Haryana and Uttar Pradesh). These states could count on sufficient water supplies for irrigation, although some northeastern areas, such as West Bengal, were also seen gathering more as the monsoon was better performing. Meanwhile, early progress of Rabi sowings in India has been slow, reflecting a combination of still ongoing Kharif harvests and tight water supply availabilities. As of 11 December, 1.1 million hectares had been put under Rabi paddy, down from 1.3 million hectares last year. Indeed and despite expectations of normal-to-above normal northeast monsoon rains over important southern producing states, as of 3 December, water levels in major reservoirs still stood well below their level around the same period last year and the ten-year average. As a consequence and on anticipation that cuts in Rabi output will add to the Kharif crop shortfall, production in India remains forecast at 155.7 million tonnes (103.8 million tonnes, milled basis), down 1

percent from the already reduced 2014 performance.

Procurement progress of 2015 Kharif crops has been upbeat in India, with 14.1 million tonnes absorbed by public agencies by 1 December 2015. This would represent nearly half (47%) of the full Kharif crop procurement target and stand 3.4 million tonnes ahead of progress last year. Much of this pace has been sustained by northwestern states, namely Punjab and Haryana, which decided this year to extend the purchasing drive to the Pusa 1509 basmati variety also. The move comes against a backdrop of successive bumper harvests and collapsing basmati prices, with the variety reportedly quoted as low as INR 9 000 (USD 135) per tonne in some locations. The decision also follows September clarification from authorities that public procurement specifications were issued on a length/breadth ratio, as opposed to a varietal basis. Local Governments in both states have been accordingly purchasing Pusa 1509 at the INR 14 500 (USD 217) per tonne minimum support price granted to Grade A paddy.

The 2015 season harvest was concluded by October in the **Islamic Republic of Iran**. Despite water shortages reported in Northern provinces, the campaign is assessed to have concluded positively, with a 2.8 million tonne harvest (1.8 million tonnes, milled basis). This level would surpass the already good 2014 result by 6 percent. The favourable outcome is attributable to a combination of good sunshine conditions, reduced incidence of pest attacks and state support to the sector. Further to inputs subsidies, the latter includes an increasingly protective stance towards imports and successive increases of guaranteed purchase prices. These have been recently set at IRR 26 250-36 800 per kilo (USD 878-1 231 per tonne), up from the IRR 25 000-32 000 (USD 837-1 071 per tonne) previously applicable.

INDIA: MILLED RICE PRODUCTION BY CROP

	2013				2014				2015 ^{1/}	
	Kharif		Rabi		Kharif		Rabi		Kharif	
	Area 000 Ha	Production 000 MT	Area 000 Ha	Production 000 MT	Area 000 Ha	Production 000 MT	Area 000 Ha	Production 000 MT	Area 000 Ha	Production 000 MT
INDIA	39,449	91,497	4,687	15,149	39,652	90,863	4,204	13,935	38,356	90,613
West Bengal	4,227	11,039	1,287	4,332	4,086	10,321	1,300	4,390	4,280	11,715
Uttar Pradesh	5,955	14,566	27	70	5,842	12,151	27	70	5,870	12,826
Andhra Pradesh	2,651	6,764	1,705	5,961	2,555	7,011	1,254	4,555	1,869	6,064
Punjab	2,851	11,267	-	-	2,894	11,107	-	-	2,843	11,194
Odisha	3,880	6,585	301	1,028	3,865	7,291	301	995	3,809	6,827
Chattisgarh	3,802	6,716	-	-	3,809	6,021	-	-	3,719	6,620
Tamil Nadu	1,578	4,773	147	577	1,674	5,209	156	630	1,794	4,534
Bihar	3,039	5,290	92	216	3,180	6,173	88	204	2,708	6,141
Assam	2,050	3,901	399	1,027	1,883	3,718	395	1,145	2,093	3,990
Haryana	1,228	3,998	-	-	1,287	4,006	-	-	1,217	4,199
Others	8,189	16,598	729	1,939	8,577	17,854	683	1,947	8,154	16,504

1/ 1st Advanced Estimate of Production.

Source: Ministry of Agriculture, Government of India.

The 2015 paddy campaign in the **Republic of Korea** unfolded under favourable climatic conditions, with a reduced incidence of pest attacks and storm damages, officially assessed to have boosted yields to an all-time high of 7.2 tonnes per hectares. The productivity gains more than compensated for cuts in plantings, raising 2015 production by 2 percent year-to-year to 5.8 million tonnes (4.3 million tonnes, milled basis). The year's bumper harvest has however elicited concerns that prices in the country, already depressed by a combination of successive large harvests and declining consumption, would come under greater downward pressure. In response, officials have announced that they will step-up government purchases from the local market. The plan envisages procuring 200 000 tonnes at market prices, in addition to the 390 000 tonnes to be purchased as part of the Public Rice Stockholding Program and for the ASEAN Plus Three Emergency Rice Reserve (APTERR). While proposals have been put forward to raise this volume by an additional 150 000 tonnes, the Government will also provide financial incentives, including an additional Won 200 billion (USD 172 million) worth of concessional loans, to support purchases by rice millers.

Located in the southern hemisphere, the 2015 paddy season is essentially over in **Malaysia**. In the absence of major setbacks, the Government estimates 2015 output at 2.7 million tonnes (1.7 million tonnes, milled basis), up 2 percent year-on-year. Producers in peninsular Malaysia are already busy sowing 2016 crops. Even though El Niño is expected to bring drier than average conditions during the northeast monsoon period, to date sowing activities have proceeded with no major dearth of water supplies. Officials have announced that for the season payments issued to producers under the Paddy Price Subsidy Scheme would be raised from the MYR 248.1 (USD 58) per tonne prevailing since 1991 to MYR 300 (USD 70) per tonne. The direct outlay is extended on top of the market prices normally received by farmers for their produce and will be effective as of 1 January 2016. At the same time, incentives to raise yields through the MYR 650 (USD 152) per tonne outlay of productivity gains achieved each season are to be abolished due to the programme's limited success.

In **Nepal**, the supply of fertilizer was hindered this season by protracted unrest in the Terai-Madhesh region and blocked crossing with India, Nepal's largest supplier of this item along with fuel and rice. The curtailed input supply situation compounded on losses stemming from a second consecutive season of belated and poor monsoon rains. As a result of these factors, preliminary assessments by officials indicate that Nepal is likely to garner 4.3 million tonnes (2.8 million tonnes, milled basis) in 2015, 300 000 tonnes short of previous FAO expectations and 10 percent below the already poor 2014 outcome. The border

blockades have posed considerably disruptions to the distribution of essential items and industrial activity in Nepal. In response, officials have put forward plans to step-up local purchases of produce for distribution through the Nepal Food Corporation, further reaffirming plans to raise output, among other measures.

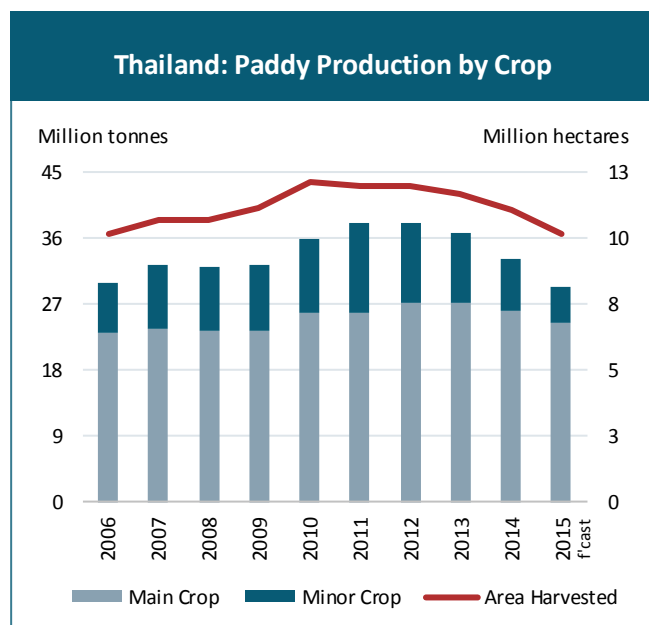
In the **Philippines**, the 2015 main crop harvest, nearing completion by now, is officially expected to yield 10.0 million tonnes (6.5 million tonnes, milled basis), 6 percent less than last season. The fall mirrors a combination of area and yield cuts stemming primarily from short water availabilities for irrigation and late and suppressed rains. Further damages were inflicted by strong winds and floods associated with the October passage of typhoon Koppu. The storm is assessed to have affected some 300 000 hectares of paddies, mostly in Central Luzon, with resulting output losses estimated at close to 400 000 tonnes. At the same time, the heavy downpours brought by Koppu replenished water reserves, somewhat salvaging prospects for offseason crops, currently at the planting stage. This comes on the backdrop of particularly gloomy climatic predictions for the dry season, which, under the influence of the ongoing El Niño, may see a weak and early retreating northeast monsoon leading to drought in up to 83 percent of the country by the end of April 2016. FAO forecasts full season (July-June) output in the Philippines at 17.9 million tonnes (11.7 million tonnes, milled basis) in 2015, down 1.0 million tonnes from the 2014 level and the first production contraction to occur since 2009.

Officials in **Pakistan** indicate that the 2015 season harvest, by now fully concluded, yielded 9.9 million tonnes (6.6 million tonnes, milled basis). This level would stand some 350 000 tonnes below previous FAO expectations, and represent a 6 percent contraction from the 2014 record level. The decline is imputable to area cuts, a producer response to depressed prices and mounting production costs. This is while generally good growing conditions and sufficient water supplies for irrigation are assessed to have kept yields at above-average rates of 3.6 tonnes per hectare. The positive yield outturns were in spite of some flooding problems over roughly 50 000 hectares of paddies.

With the 2015 season already concluded, there have been only minor adjustments to production forecasts in **Sri Lanka**. Output is officially assessed at a high of 4.8 million tonnes (3.3 million tonnes, milled basis) in 2015. This level would represent a 42 percent rebound from the 2014 dismal outcome and stand 200 000 tonnes above the previous record, a feat achieved thanks to an improved water supply situation and attractive prices. Early progress of the 2016 season has been favourable in Sri Lanka from a climatic perspective, with abundant rains ensuring sufficient water supplies for the main Maha crop. More

attention has instead surrounded official proposals regarding fertilizers subsidies, which have made a 50 kilo bag of fertilizer available to producers at a price of LKR 350 (USD 48 per tonne) since their introduction in 2005. The Government's 2016 budgetary allocations envisage replacing the subsidy with a direct cash handout to small-scale farmers of LKR 25 000 (USD 171), for up to 1.0 hectares of cultivated paddies. The move, which comes amid concerns over the health and environmental impacts of over-use of agrochemicals, has been met by opposition from the sector.

Estimates of 2014 production in **Thailand** have been downscaled by 1.1 million tonnes since October, on Government figures showing a greater impact of belated rains and weak prices on the 2014 main crop. At an estimated 26.0 million tonnes (17.2 million tonnes, milled basis) output from this crop would have fallen 4 percent year-on-year, on both area and yield reductions. Combined with an estimated 26 percent cut in secondary output to 7.2 million tonnes (4.8 million tonnes, milled basis), owing to short water supplies for irrigation, overall production in Thailand in 2014 is now gauged at 33.2 million tonnes (22.0 million tonnes, milled basis), 10 percent less than a year earlier.



As to prospects for the 2015 season, these too have deteriorated and now point to a harvest of 29.3 million tonnes (19.4 million tonnes, milled basis). This level would be 12 percent less than in 2014 and the lowest result since 2004. The downcast outlook mirrors expectations of cuts in main and off-season production, under a combination of still weak prices and belated and overall weak monsoon rains, which have given way to a second year of restrictions on the release of water for irrigation. Although pest attacks are also reported to have impacted main-

crops, the latter would especially concern the off-season crop, which is now seen sliding by a further 33 percent to a 17-year low of 4.8 million tonnes (3.2 million tonnes, milled basis). The decline is consistent with the dire water supply situation that back-to-back poor rainy seasons have entailed, namely storage levels in major reservoirs plummeting to 42-48 percent of total capacity by early December. Thai officials moreover continue to encourage a move towards cultivation of crops with lower water requirements, as part of the actions put in place to help farmers cope with the ongoing drought. These also include debt relief measures, subsidized credit, cloud seeding operations, among others. In addition, the on-farm mortgaging programme for fragrant paddy, introduced last year, has been renewed for up to 2.0 million tonnes of paddy.

After insufficient water supplies lowered output to a five-year low last year, the October-ended harvest in **Turkey** is assessed to have yielded positive results. Authorities indicate that 920 000 tonnes (552 000 tonnes, milled basis) were gathered in 2015, implying an 11 percent year-on-year advance and a new record. The upturn would reflect an increase of plantings, enabled by ample irrigation water availability and prospects of good margins. Nonetheless, yields also benefitted from a conducive growing climate.

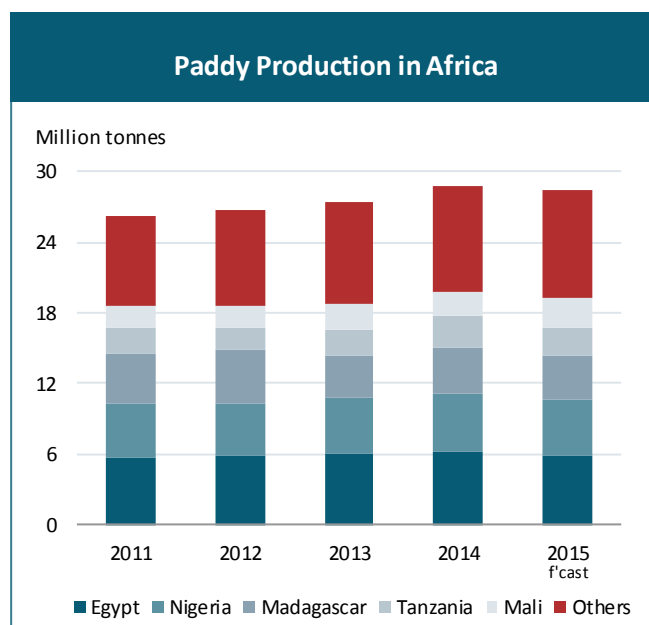
Forecasts of 2015 production in **Viet Nam** have been raised by 400 000 tonnes since October to 45.1 million tonnes (29.3 million tonnes, milled basis), now pointing to a modest gain relative to the 2014 all-time high. The revision mirrors more buoyant expectations for the summer-autumn harvest, which is seen yielding 2 percent more than in 2014, or 14.8 million tonnes (9.6 million tonnes, milled basis). The advance was made possible by improved weather in the latter part of the cropping cycle, following early setbacks associated with drought over the central and southern producing areas. The larger summer-autumn harvest would serve to compensate for a somewhat smaller winter-spring crop, gathered earlier in the year, and for a slight retrenchment of the winter crop to 9.6 million tonnes (6.2 tonnes, milled basis). The latter contraction would mainly stem from a combination of excess rains in northern parts of the country, dry conditions in the south, but also from state incentives to shift cultivation to alternative crops. Attention in Viet Nam has now turned to the 2016 campaign, with plantings of winter-spring crops underway. Despite some lingering concerns over low water flows in the Mekong River and encroaching salt-water problems, early plantings in the Mekong Delta are progressing fast, with 350 000 hectares put under paddy by 15 November, compared to 200 000 hectares a year earlier.

Africa

Production in West Africa buoyed by conducive weather and support programmes

While 2015 season crops have already been collected in much of Southern and Eastern Africa, as well as in Egypt, main paddy crops have only recently reached the harvesting stage in West Africa. Prospects for the continent have somewhat improved since October, with production in the region forecast at 28.4 million tonnes (18.6 million tonnes, milled basis), 1 percent less than in 2014, but still an above-average outturn. A generally positive progress in West Africa, where the sector continues to enjoy special attention from governments, underpin this season's expectations of a sizeable outturn in Africa. This is notwithstanding poor outlooks for crops elsewhere in the continent, namely in Egypt, Madagascar and the United Republic of Tanzania, where the season has been marred by erratic rains and unseasonably high temperatures.

In **Northern Africa**, there have been no changes to production forecasts for **Egypt**, where the 2015 season harvest was concluded by October. On the whole, 5.9 million tonnes (4.1 million tonnes, milled basis) are assessed to have been gathered, down 5 percent from the 2014 level. The decline would mirror a combination of area cuts, due to high production costs, and yield losses resulting from excessive summer temperatures.



The 2015 season opened under difficult conditions in **West Africa**, as belated rains disrupted field activities in numerous countries. With a few exceptions however, more vigorous rains as of July permitted early seasonal deficits to be recovered, benefiting a sector already at the centre of ambitious self-sufficiency programmes.

Aggregate production in the sub-region is now expected to reach 14.5 million tonnes (9.2 million tonnes, milled basis), 340 000 tonnes above October expectations and exceeding the record 2014 performance by 4 percent. At a country level, prospects are particularly buoyant for **Senegal**, where officials indicate that 917 000 tonnes (642 000 tonnes, milled basis) are likely to be collected in 2015. This would represent an exceptional 64 percent year-on-year gain; an achievement facilitated by normal-to-above normal rains and improved access to inputs and credit. The rice sector benefits from strong public support as part of the country's self-sufficiency drive, which aims to lift paddy production to 1.6 million tonnes by 2017-18 through the Programme for the Relaunch and Acceleration of Senegalese Agriculture (PRACAS). Since its inception in 2014, public endeavours under the scheme have involved debt relief measures, steps to rationalize imports, tax concessions as well as the establishment of dedicated credit funds for the industry.

Next to Senegal, the largest year-on-year increase, volume-wise, is expected to concern **Mali**. Despite a somewhat challenging start, crops in the country developed under favourable conditions, as seasonal rains, well established by mid-July, ensured sufficient water availability. These factors, combined with strong local quotations, are seen underpinning a 6 percent rise in plantings and a 7 percent yield recovery from last year's weather-affected level of 3.2 tonnes per hectare. Accordingly, officials indicate that 2015 output in Mali is likely to rebound by 300 000 tonnes to a record of 2.45 million tonnes (1.7 million tonnes, milled basis). The outlook is also favourable in **Guinea**, **Liberia** and **Sierra Leone**, where cropping activities were disrupted last year by the spread of the Ebola virus. On the backdrop of considerably improved epidemiological situations, recoveries in these countries would be further supported by generally normal-to-above normal rains, permitting field activities to be undertaken on a timely manner. Further actions were taken by officials and aid agencies to avail inputs to farmers. On these bases, authorities see Guinea producing 4 percent more in 2015, or 2.0 million tonnes (1.4 million tonnes, milled basis). In the case of Liberia, the upturn is anticipated to be in the order of 11 percent to 296 000 tonnes (192 000 tonnes, milled basis), while, notwithstanding some localized flood losses, FAO sees Sierra Leone gathering 1.2 million tonnes (720 000 tonnes, milled basis), up 4 percent year-on-year. A conducive growing climate is similarly expected to boost output in **Cote d'Ivoire**, **Gambia**, **Guinea Bissau** and **Niger** in 2015, with **Benin** possibly matching the good 2014 performance, notwithstanding some weather related setbacks.

On the other hand, prospects are unfavourable in areas that experienced more persistent rainfall shortfalls this

year or where conditions were further aggravated by floods. For instance, FAO anticipates **Nigeria** to gather 4.8 million tonnes (2.9 million tonnes, milled basis) in 2015, down 3 percent from the 2014 all-time high. The fall would reflect disruptions posed by insufficient precipitation early in the season in important northern and central growing areas, although the resumption of the rains as of July and their extension into October is expected to keep output in the country at average levels. Flood losses are also reported in twelve of the country's 36 states due to heavy September downpours, yet scope still exists for some of these losses to be recouped through greater offseason production. The new Nigerian administration has indeed sustained the previous government's efforts to raise secondary crop output, launching the Anchor Borrowers' Programme: a NGN 40 billion (USD 199 million) out-grower scheme providing low interest credit to rice farmers, as well as training. In a related initiative, plans to boost processing capacity by sourcing milling equipment from China (Mainland) have resumed, with technical assistance also sought from Brazil. In **Burkina Faso**, production in 2015 is officially anticipated to fall by 3.7 percent to 335 000 tonnes (221 000 tonnes, milled basis), under the impact of poorly distributed rains and floods stretching over 33 000 hectares of standing agricultural crops. In **Ghana**, authorities portend an 8.8 percent production fall this season to 551 000 tonnes (331 000 tonnes, milled basis). The decline, principally caused by belated rains and dry-spells, would interrupt a three-year expansionary trend facilitated by continuing government support to the sector, for instance through the provision of machinery and inputs to farmers on favourable terms. Insufficient water supplies are also behind expectations of smaller crops in both **Chad** and **Togo**, with shortfalls in **Mauritania** instead mostly associated to a reduction of plantings, amid credit and input constraints.

There have been a few adjustments since October to 2015 production figures in **Eastern Africa**. These were raised for **Burundi**, which is now predicted to harvest 90 000 tonnes (60 000 tonnes, milled basis), unchanged from 2014, on a reported positive outcome to Season A and B harvests. This would be despite setbacks associated with civil unrest and population displacements, which would have disrupted Season B field activities in affected areas. Forecasts were instead lowered for **Ethiopia** to 120 000 tonnes (78 000 tonnes, milled basis), down 9 percent from the 2014 record level, owing to unseasonable dry weather. Nonetheless, prospects remain favourable for **Kenya** at 160 000 tonnes (104 000 tonnes, milled basis), reflecting the conducive growing conditions prevailing this year, combined with reports of producer preference for rice over other crops. This is notwithstanding some concerns in the country, along with parts of Tanzania, Ethiopia, Uganda and Rwanda, about possible flood-related losses

from the above-average precipitation generally associated with the prevalence of El Niño in these regions.

The 2015 season is well concluded in **Southern Africa**, where the bulk of the crop was gathered in the first half of the year. The paddy campaign is assessed to have closed with negative results, primarily owing to a retrenchment in **Madagascar**, the third largest rice-producing nation in Africa, where crops were negatively impacted by late and poorly distributed rains, together with passing storms. At an official estimated level of 3.7 million tonnes (2.5 million tonnes, milled basis), output in Madagascar fell by 6 percent in 2015, standing well below the 4.5 million tonne (3.0 million tonnes, milled basis) average achieved between 2009 and 2012. **Malawi** and **Zambia** also harvested smaller crops, due to untimely and weak rains, which, in the case of Malawi, were followed by torrential downpours leading to floods. Estimates of 2015 production in **Mozambique** have been lowered somewhat since October and aligned to an official estimate of 357 000 tonnes (240 000 tonnes, milled basis). This would be down 7 percent year-on-year, reflecting losses to heavy downpours and ensuing floods. The Government of Mozambique aims to raise rice production to 525 000 tonnes by 2019, by tackling input and credit constraints associated with low paddy productivity levels of close to 1.1 tonnes per hectare. Steps to better exploit the country's irrigation potential and reduce post-harvest losses are also envisioned. The sector has also attracted foreign investment interest, most notably in the Gaza province, where a joint endeavour between officials and a Chinese private entity runs an out-grower scheme, providing technical assistance to rice farmers.

Meanwhile, as planting activities of 2016 crops progress in the sub-region, climate forecasting agencies have forewarned of the possibility of below-average precipitation over much of southern Africa during the October-March rainy season, under the influence of the El Niño. This is also expected to be the case in southern Madagascar, which, while not accounting for the bulk of national rice production, was already negatively impacted by dry conditions in 2015. The seasonal rains have been indeed slow to establish over parts of continental southern Africa, although to date no major setbacks has been reported in Madagascar.

Central America and the Caribbean

Drought to reduce production to its lowest since 2008

Forecasts of 2015 production in **Central America and the Caribbean** continue to point to a second season of shortfalls, under dry conditions associated with the ongoing El Niño event. Overall, 2.9 million tonnes (1.8 million tonnes, milled basis) are anticipated to be gathered

in the sub-region, down 5 percent from the already drought-reduced 2014 level and the lowest since 2008. Compared to October figures, forecasts were downscaled in **Costa Rica**, now expected to harvest 225 000 tonnes (147 000 tonnes, milled basis). This would be 8 percent less than in 2014, a result of severe precipitation shortages in the Chorotega region and of crop damages inflicted by heavy rains and pest attacks in the northern growing areas. With plantings constrained by short water supplies for irrigation, **Cuba** is seen gathering its smallest crop in five years of 520 000 tonnes (347 000 tonnes, milled basis). Despite improved October rains, major reservoirs across the island still stood at close to 50 percent of capacity by late November, raising the prospect of further cuts in plantings for the 2016 season, soon to begin. Pending official assessments, the 2015 production forecast for **Haiti** has been lowered somewhat and now points to a 16 percent year-on-year contraction, based on both area and yield losses. Precipitation deficits have been widespread across Haiti this year. In the main producing region of Artibonite, where rice is grown under irrigation, low water supplies further compounded a protracted lack of access to basic inputs and irrigation infrastructure in disrepair. **Mexico** is currently expected to gather 230 000 tonnes of paddy (150 000 tonnes, milled basis), 12 percent less than the excellent 2014 outcome, as poor growing conditions and competition with imports triggered a contraction in plantings. **Honduras** and **Panama** are also forecast to gather smaller crops, under the impact of drought, whereas output in the **Dominican Republic** is anticipated to remain stable around the 900 000 tonnes (540 000 tonnes, milled basis) garnered in 2014. This latter forecast takes into account the good harvests recorded in the first part of the year, thanks to sufficient water supplies for irrigation, with efforts now also underway in the country to curb damages caused by rodents.

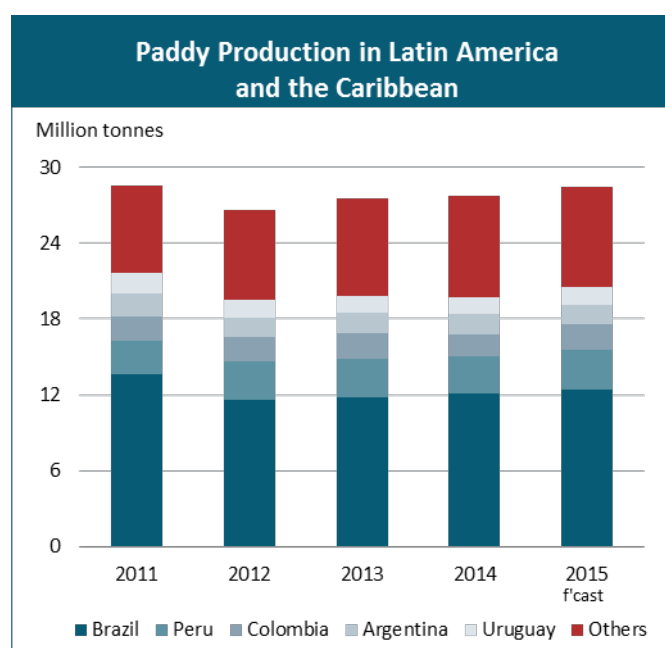
South America

Adverse weather and reduced margins cloud the outlook for 2016 production

With the 2015 season essentially concluded in South America, there have been only minor adjustments to production figures since October. The sub-region is assessed to have collected 25.6 million tonnes of paddy (17.4 million tonnes, milled basis), surpassing the 2014 season outcome by 3 percent and essentially matching the 2011 record. Much of this near 900 000 tonne increase was attributable to **Brazil**, where conducive weather boosted yields to all-time records. Underpinned by attractive prices and more favourable growing conditions, production recovered strongly in **Colombia** and **Peru**. Larger crops were also gathered by **Bolivia**, **Chile**, **Ecuador** and **Uruguay**, with output in both **Guyana** and **Paraguay** continuing on a fast expansionary trend. Only **Argentina**

and **Venezuela** are assessed to have closed the season with a production decline, mostly caused by prospects of poor economic returns.

Meanwhile, planting operations of 2016 crops in various important South American producers are by now well underway, if not fully concluded. Early prospects for the season are negative, chiefly owing to adverse weather conditions. For instance, excess precipitation and/or cool temperatures have delayed plantings or affected early crop development in countries such as Argentina, Brazil and Uruguay. At the same time, concerns about unseasonable dryness persist in the northern parts of the sub-region. With few exceptions, the environment surrounding the opening of the 2016 season has been further dimmed by poor price prospects.



According to the latest official indications, 2016 plantings in **Argentina**, concluded by the second week of December, amounted to 216 000 hectares, down 10 percent year-on-year and the smallest extension since 2008. The retrenchment reflects constraints posed by high production costs and large carry-in stocks following a disappointing 2015 export performance. Fears of recurring floods, due to excess precipitation, were reportedly also behind some riverine areas being left fallow over the coming 2016 season. In 2015, 5 000 hectares of paddies were impacted by floods along the Corrientes river. Combined with area cuts induced by low profitability prospects, these losses caused output in Argentina to contract somewhat to 1.6 million tonnes (1.1 million tonnes, milled basis).

The 2016 season opened in **Bolivia** under a depressed market situation, which has seen wholesale prices in the main producing region of Santa Cruz fall 19 percent short

of the year-earlier level by November. The market weakness comes in the aftermath of a good 2015 crop of 420 000 tonnes (290 000 tonnes, milled basis), along with sustained imports, which reportedly hindered the local sector's ability to place produce. Following industry complaints that the liquidity constraints associated with the unsold supplies could entail a sharp cut in plantings in 2016, officials in Bolivia announced that steps would be taken to rein in unofficial rice inflows from abroad and potentially procure more supplies from farmers. By late September, the state agency, EMAPA, was reported to have already procured 82 000 tonnes of paddy from the local market, just short of its 90 000 tonne target for the year, but close to 20 percent of the overall 2015 season harvest.

CONAB estimates of 2015 production for **Brazil** are only marginally changed since October, at 12.4 million tonnes (8.5 tonnes, milled basis). This would be up 3 percent from the good 2014 level, as record yields of 5.4 tonnes per hectare more than compensated for a 3 percent decline in area to 2.3 million hectares. Prospects for the 2016 crop are less positive, with officials indicating a likely 4 percent annual contraction to 11.9 million tonnes (8.1 million tonnes, milled basis). Underlying the depressed outlook are poor expectations for Rio Grande do Sul, which normally accounts for over two-thirds of Brazilian paddy output, mainly thanks to above-average yields of up to 7.7 tonnes per hectare. Yet, excess rains in the State have meant that only 78 percent of intended plantings had been realized by the close of November 2015. This compares to a five-year average progress of 95 percent by that time. The planting delays, together with prospects of poor sunshine conditions in the coming months, have also raised concerns about possible yield losses. A decline in productivity would indeed impact on profitability in Rio Grande do Sul, as high production costs of close to BRL 6 900 (USD 1 794) per hectare were already behind reduced planting intentions in the State. This is even as comparatively better weather is seen enabling farmers in Santa Catarina, the second largest producing region, to react to strong prices by keeping plantings steady. A recovery of yields is also officially forecast to sustain some

production gains in Brazil's northeastern regions.

There have been no changes to 2015 production forecasts for **Colombia**, where the harvest of the second of two crops cultivated each year is nearing completion. A total of 2.0 million tonnes (1.4 million tonnes, milled basis) are anticipated to be gathered in country in 2015, implying a full recovery from the 2014 reduced level. Concerns exist in Colombia that drought, often associated with the prevalence of El Niño, will influence production in the forthcoming 2016 season. This could be especially the case for coastal and Andean areas, where plantings would have been delayed by unseasonably dry weather, although conditions to date have been favourable in the oriental plains. Last October, Colombian officials launched the "Colombia Siembra" plan, targeting to put 1.0 million hectares of land under cultivation of various crops, including rice, so as to cut reliance on imports. At the same time, industry-led efforts to boost the sector's competitiveness are ongoing, especially through the programme for massive adoption of technology (AMTEC). Aiming to raise yields and cut production costs by 20 percent through technology transfer and improved growing practices, the programme is reported to be implemented over 171 000 hectares, representing close to 40 percent of total paddy area in Colombia.

Notwithstanding late and poorly distributed rains and protracted pest problems, the 2015 season outlook remains positive for **Ecuador**. The country is assessed to have gathered 1.2 million tonnes (760 000 tonnes, milled basis), or 4 percent more than in 2014. The increase reflects area gains promoted by improved growing conditions, attractive prices and Government assistance, in the form of subsidized inputs.

With plantings activities of the 2016 first crop now underway, the sector in **Guyana** continues to be enthralled by controversy regarding the loss of the Venezuela rice-for-oil barter deal and the potential for alternative markets to be found. The bulk of Guyana's output is destined to outside markets, with the sector having nearly doubled production over a five-year span, in response to

BRAZIL: PADDY PRODUCTION BY REGION IN 2015 AND 2016^{1/}

	Area (000 ha)			Yields (Mt/ha)			Production (000 Mt)		
	2015	2016	Var %	2015	2016	Var %	2015	2016	Var %
BRAZIL	2,295	2,207	-3.8	5.4	5.4	-0.3	12,436	11,921	-4.1
North	262	253	-3.5	3.8	3.9	1.5	994	974	-2.0
Northeast	477	466	-2.2	1.4	1.6	11.5	686	748	9.0
Centre-West	234	212	-9.5	3.6	3.6	1.0	839	767	-8.6
South East	27	18	-33.2	2.8	3.0	6.9	77	55	-28.6
South	1,295	1,258	-2.9	7.6	7.5	-1.9	9,841	9,378	-4.7

1/ For Brazil: 2014/15 and 2015/16 paddy seasons.

Source: CONAB – Crop 2015/2016 - Third Assessment – December 2015

strong demand for export. Yet, this year's loss of Venezuela, Guyana's single largest outlet, in the context of already subdued prices, has raised the possibility of farmers reacting by cutting plantings. In 2015, **Guyana** is assessed to have garnered 1.1 million tonnes (700 000 tonnes, milled basis), representing an 8 percent year-on-year expansion and an eighth year of uninterrupted growth. The season's positive performance was notwithstanding some flood related problems.

After short water supplies constrained plantings and yields in 2014, output in **Peru** is seen rebounding to 3.1 million tonnes (2.1 million tonnes, milled basis) this year. The recovery is predicted to be supported by ample availability of water for irrigation, which permitted producers to react to attractive prices by expanding the surface cultivated to paddy. Although sowing of 2016 season crops progresses at a steady pace, the performance of the rains, still to come, will prove decisive in determining the level of water supplies for these crops. El Niño events are generally associated with abundant rains over northern coastal areas of Peru, which include the largest growing regions of Lambayeque and Piura, while they tend to bring drier than normal conditions in the southern mountainous areas of the country.

The 2016 season opened in **Uruguay** under challenging conditions. Further to prospects of profit margins being again squeezed by high production costs and increasing export competition, heavy downpours impeded planting operations. Sowing activities in the country as whole had yet to conclude by early December, weeks after the close of the recommended sowing window, with northern areas of the country experiencing the longest delays. Considering that the excess precipitation may have impeded part of the intended plantings from being completed, preliminary estimates place paddy plantings in Uruguay close 3 percent below the 2015 estimated extension of 160 000 hectares. Last year, untimely rains also delayed a considerable proportion of plantings to November. Yet, a successive improvement of weather conditions at key stages of crop development compensated for this setback, boosting yields to an all-time record of 8.5 tonnes per hectare. As a result, 2015 production in Uruguay was able to withstand a 4 percent area cut, while still rising slightly year-on-year to an estimated 1.4 million tonnes (750 000 tonnes, milled basis).

Production prospects remain negative in **Venezuela**, owing to prospects of poor margins together with limited access to basic inputs and machinery. These factors are expected to translate into a 200 000 tonne shortfall in 2015 output relative to the good 2014 outcome, to 1.1 million tonnes (749 000 tonnes, milled basis). Authorities have given more details of the support package to be retroactively

availed to the sector for crops collected in 2015. Contrary to the VEF 16.4 per kilo rate previously indicated, producers in the country are to receive a direct subsidy of VEF 10.4-19.19 per kilo, depending on the timing of their 2015 crop harvests. Producer prices have also been raised to VEF 16.7-16.8 per kilo, up from previously applicable levels of VEF 8.5-8.6 per kilo.

North America, Europe and Oceania

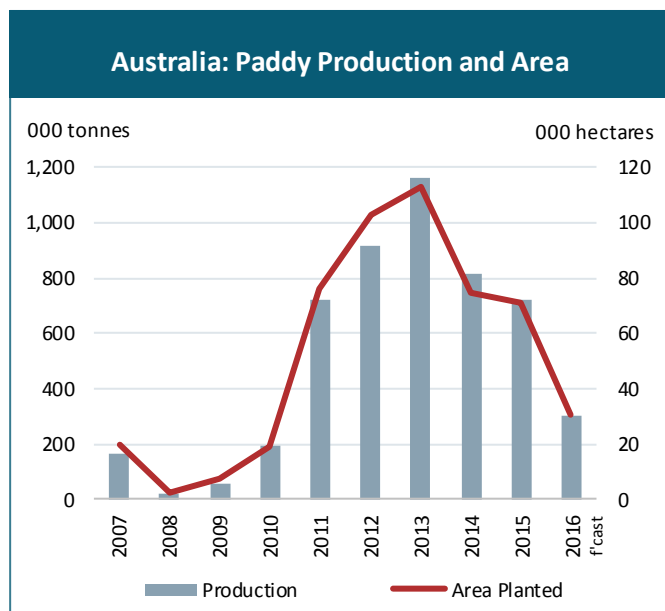
Production to contract sharply in the United States and Australia, but a strong recovery expected in Europe

In the **North America**, the 2015 crop harvest was concluded by late October in the **United States**. The USDA's latest forecast of 2015 production in the country remains close to figures reported in October, at 8.65 million tonnes (6.1 tonnes, milled basis). This level would represent a 14 percent production contraction relative to the 2014 good outcome, a fall stemming from widespread area cuts due to weak price prospects, namely in the long-grain segment. These were compounded by a prolonged drought in Texas and California, with wet and cool spring conditions, followed by unseasonably warm summer temperatures in southern producing states, also seen depressing average yields by 2 percent to 8.3 tonnes per hectare.

Production prospects have deteriorated somewhat for the **European Union**, where the 2015 season harvest has also been concluded. This follows the release of less buoyant official yield forecasts for Greece and Spain, which have lowered output expectations for the countries to 230 000 tonnes and 843 000 tonnes (139 000 and 506 000 tonnes, milled basis), respectively, down 14 percent and 2 percent from their 2014 levels. In the case of Spain, the block's second leading producer, poorer prospects have mainly concerned the important producing regions of Andalucía and Valencia, where above-normal temperatures and the persistence of rice blast problems affected crops. Elsewhere in the EU, France and Hungary are also seen harvesting less this year, but prospects continue to point to favourable outturns in Bulgaria, Romania and Portugal. In the case of the latter, this would be in spite of unseasonable September growing conditions, including untimely rains, which hampered harvesting activities. Industry assessments in Italy similarly confirm a favourable seasonal outcome, pegging output at slightly higher level of 1.5 million tonnes (911 000 tonnes, milled basis), up 7 percent year-on-year and a three-year high. Accordingly, overall, the European Union is now expected to gather 3.0 million tonnes (1.8 million tonnes, milled basis) in 2015, exceeding the poor 2014 harvest by 2 percent and marking the first production expansion since 2011. Prospects are more buoyant in the **Russian Federation**, which benefited from good growing conditions, adding to area expansions

promoted by strong prices. The country is expected to close the season with a record 1.1 million tonnes (734 000 tonnes, milled basis) gathered, up 5 percent year-on-year, on both area and yield gains.

In **Oceania**, the 2015 season has been long concluded in **Australia**, where output remains officially assessed at a three-year low of 724 000 tonnes (483 000 tonnes, milled basis). The 12 percent annual retrenchment was owed to area cuts following low water allocations, but yields also fell to more normal levels, after having touched an all-time high of 10.9 tonnes per hectare in 2014. With planting activities of 2016 crops essentially concluded by now, short water supplies for irrigation and related high water prices have again clouded the outlook for production in Australia. This is notwithstanding strong incentives put forward by the local industry to entice growers to continue choosing rice over crops such as cotton. The latter came namely in the form of an announced guaranteed minimum price of AUD 415 (USD 299) per tonne. Authorities in Australia now suggest that the tight water situation is likely to lead to a 40 000 hectare cut in 2016 plantings. The fall that would translate in a further 58 percent production decline in 2016 to 305 000 tonnes (203 000 tonnes, milled basis). This would position output in Australia at its lowest level since 2011, a year that marked a strong return of an industry that had been nearly completely decimated by prolonged water shortages since 2006.



INTERNATIONAL TRADE

A revival of import demand to drive a partial recovery in international trade in 2016

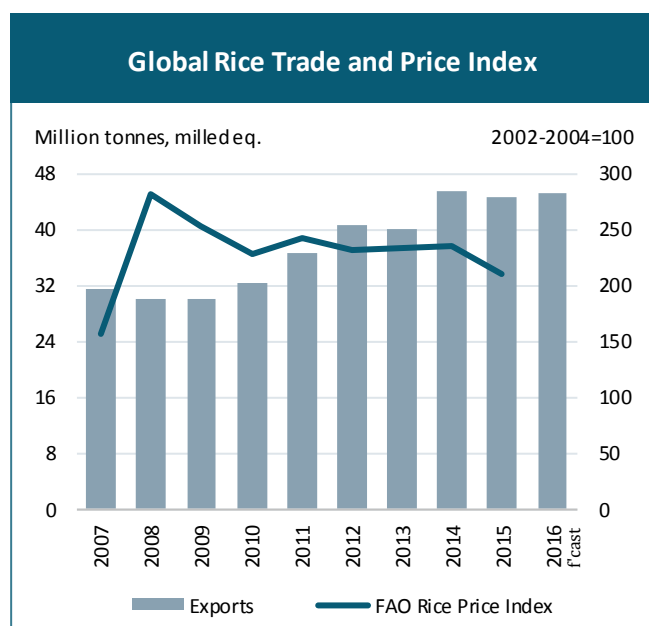
FAO has raised its forecast of **world rice trade in calendar 2015** by 700 000 tonnes since October. On the import side, the revision is in line with a brisk progress of deliveries to

countries such as China (Mainland), Cote d'Ivoire, Guinea, Indonesia, Senegal and the United Arab Emirates, which more than compensated for expectations of more subdued demand namely from the Islamic Republic of Iran, Iraq and Nigeria. As for exports, upward adjustments mainly concerned India, Pakistan and Viet Nam, while forecasts were downscaled mostly for China (Mainland), Thailand and Uruguay.

Based on these changes, world trade in rice in 2015 is anticipated to hover around 44.7 million tonnes (milled basis), which is 2 percent short of the 2014 record. The year-to-year contraction would be imputable to a weakening of import demand, coming in the wake of large harvests gathered in several of the traditionally large importing countries, some of which also hold abundant supplies on store. From a regional perspective, much of the expected import decline concerns countries in Africa, whose purchases have been depressed by weaker currencies and policies geared towards rice self-sufficiency. Nonetheless, 2015 inflows are also seen falling somewhat in Asia, amid large local availabilities. By contrast, international demand remains robust elsewhere, especially in Latin America and the Caribbean, where supplies are needed to offset output shortfalls. On the export side, Thailand would be responsible for much of the decline in 2015 world exports, having seen its competitiveness eroded in important outlets. Deliveries by Myanmar are likewise seen sliding from heights achieved in 2014, on a combination of floods and export prohibitions. Less attractive prices relative to competing origins have also curtailed shipments from Argentina, China (Mainland), Paraguay and Uruguay, but those by the United States, Viet Nam and Pakistan are seen rebounding in 2015. The export outlook is also positive for India, which thanks to competitive prices, is set to retain its primacy in the global rice trading arena.

FAO has also upgraded its forecast of **international trade in calendar 2016**, which now points to a partial recovery in deliveries to 45.3 million tonnes. The upturn is expected to come in the wake of poor 2015 harvests, especially in Asia, but also reflect government efforts to refurbish stockpiles, amid fears of a potential dearth of supplies arising from El Niño related weather anomalies. The need to replenish inventories is likewise expected to underpin imports by Africa and Latin America and the Caribbean, although the increase in these regions could be limited by weak currencies in important buying countries. On the export side, the expansion of trade could be capped next year by more limited availabilities in several major export origins. Against this backdrop, ample reserves should enable both Thailand and Pakistan to meet much of next year's trade expansion, but a resurgence of demand in some of its traditional outlets is also expected to boost deliveries by Viet Nam. Greater shipments by these countries would

mostly come at the expense of India, under expectations that a tightening of supplies in the country will be associated with less competitive prices. Both the United States and Brazil are predicted to see 2016 shipments fall under similar conditions.



Imports

Import demand to recover somewhat in 2016, amid fears of El Niño related losses and depleted reserves

Based on the latest figures, world imports in calendar **2015** are poised to fall 2 percent below the 2014 record to 44.7 million tonnes (milled basis). From a regional perspective, import cuts are expected to concern both Africa and Asia, while those destined to the other regions may rise or remain steady. At 22.8 million tonnes, aggregate deliveries to **Asia** would stand just 1 percent short of the record attained in 2014. To a large extent, trade this year has been buoyed by continuing large purchases by **China (Mainland)**, where uncompetitive domestic prices relative to nearby origins have continued to underpin official purchases. This has been particularly the case of broken, demand for which has been behind a 30 percent rise in documented deliveries in the year to October to 2.6 million tonnes. Despite expectations of an overall retreat in unrecorded inflows, in part due to increased border surveillance, total imports by China (Mainland) are now set to reach 6.1 million tonnes, 400 000 tonnes more than anticipated in October and 2.5 percent above those of 2014.

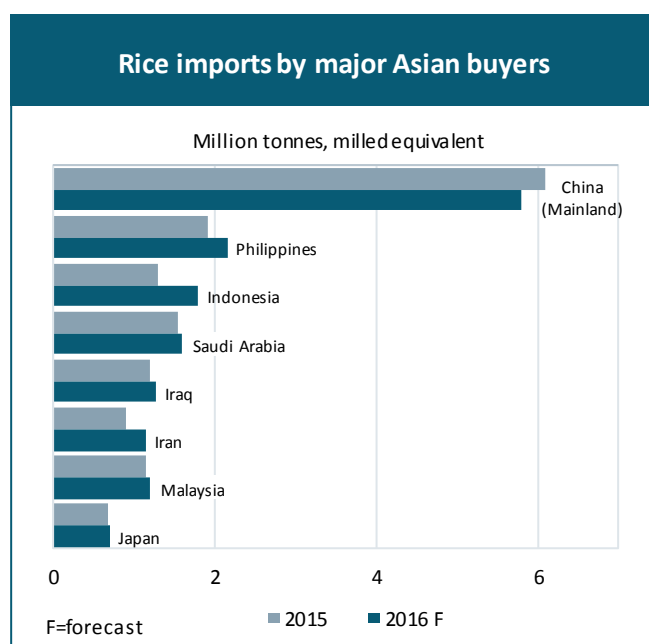
Import forecasts have been similarly raised for **Indonesia** by 400 000 tonnes. This follows the resumption of Government purchases from abroad, instigated by low state reserves and concerns over supply shortfalls arising from the drought conditions associated with El Niño. Such

concerns have resulted in Bulog, a state-owned enterprise, purchasing a combined 1.5 million tonnes from Thailand and Viet Nam in October 2015. The volume would add to private sector purchases, which have however progressed at a comparatively contained pace to date. Accordingly and on anticipation that part of the state purchases will be delivered over 2016, Indonesia is now predicted to have a total of 1.3 million tonnes consigned in 2015, 300 000 tonnes more than last year.

Spurred by similar concerns and Government moves to replenish reserves, the **Philippines** is anticipated to close the year with an 11 percent increase in imports to 1.9 million tonnes. An expanding population and attractive international prices are also expected to boost purchases by both **Saudi Arabia** and **Malaysia**. Rice deliveries to **Nepal** are currently forecast to rise to 550 000 tonnes, a volume necessary to meet consumption needs in the face of a smaller crop. Deliveries to the country progressed at a fast pace in the first three quarters of the year, yet it remains unclear at this stage to what extent rice flows may have been impacted by blocked border crossings with India in recent months. Nepal sources the near totally of its rice from India, yet border exchanges have been obstructed since September, amid unrest in the Terai-Madhes region.

Import demand is expected to weaken elsewhere in Asia, consistent with good crop harvests and the easing of local quotations, which have often encouraged officials to adopt a more protective stance towards imports. For instance, while purchases by **Bangladesh** reached a five-year high of 1.3 million tonnes in 2014, they are seen falling by nearly 20 percent in 2015, owing to ample local availabilities and the May 2015 imposition of a 10 percent import duty. In the case of **the Islamic Republic of Iran**, the fall is now envisaged to be in the order 450 000 tonnes, bringing 2015 deliveries to their lowest since 2008, or 900 000 tonnes. The retreat follows an increasingly protective Government policy, which culminated in a suspension of the issuance of import licenses in October 2014, as officials strived to facilitate the sale of local rice. A bumper harvest is meanwhile set to enable **Sri Lanka** to halve its reliance on imports this year, after having taken a record of 600 000 tonnes in 2014, following severe drought-related output losses. **Timor Leste** would similarly appear to hold sufficient rice on store from a spree of consignments in 2014 to trim purchases in 2015 to a more normal level of 70 000 tonnes, with import demand in **Turkey** also forecast to soften, following a good seasonal turnout. Inflows to **Viet Nam** are predicted to fall to 500 000 tonnes in 2015, while in the case of **Yemen**, cuts would be owed to this year's escalation of violence and related market and port disruptions.

Meanwhile, current forecasts for trade in **2016** point to Asian deliveries edging up to 22.9 million tonnes, which is some 200 000 tonnes above current 2015 expectations. The forecast recovery is consistent with poorer expectations for 2015 harvests in selected northern hemisphere countries and 2016 crops in the Asian southern hemisphere, much of which linked to ongoing El Niño conditions. Fears of supply shortfalls due to the weather anomaly have already spurred governments to secure supply agreements, underscoring a dominant feature of Asian rice markets, namely state trading and policy driven purchases. This has been most notably the case of **Indonesia**, where 1.8 million tonnes are now expected to be delivered in the course of 2016. The 500 000 tonne annual increase comes on the backdrop of already strong domestic quotations and a disappointing pace of local purchases by the Government, which has relied on supplies from abroad to service the public distribution programme and keep state reserves above mandated minimums. The forecast import volume would include a portion of the 1.5 million tonne volume secured by Bulog, the state agency, in October 2015, in addition to regular private sector purchases. Officials in the country have moreover secured a supply agreement with Pakistan, which would grant Indonesia the option to import up to 1.0 million tonnes by 2019.



In the wake of a drought-reduced crop, the **Philippines** is similarly predicted to step up rice imports by 13 percent in 2016 to 2.2 million tonnes. The Government is still to issue an official import plan for next year, although it already sourced 500 000 tonnes last September for delivery within the first quarter of 2016. Initial proposals that would have the National Food Authority (NFA) purchase an additional 1.3 million tonnes have been reportedly scaled back, as a replenishment of major reservoirs linked to heavy

downpours from the October passage of typhoon Koppu somewhat attenuated concerns about shortages of water for irrigation. The National Food Authority (NFA) also retains the first right to import 805 200 tonnes under Minimum Access Volume commitments to the WTO, although, in recent years, these have been largely, if not fully, covered by the private sector. While also needed to service government distribution programmes, purchases by the NFA are often linked to official mandates requiring that public stockpiles meet at least 15 days' worth of consumption at any point in time and double that volume by the end of June of every year.

In the **Republic of Korea**, up to 440 000 tonnes are now envisaged to be imported in 2016, provided a part of its 2015 WTO Minimum Market Access commitments, of 408 700 tonnes, are delivered in the coming year. For **Japan**, similar WTO obligations would entail purchasing close to 700 000 tonnes. Japan is one of the twelve nations that participated in five-year long negotiations on the Trans-Pacific Partnership (TPP) agreement, which were concluded on 4 October 2015.³ While still subject to ratification, under the TPP pact, Japan would have committed to apportion 60 000 tonnes of its WTO Tariff Rate Quota to medium-grain rice and to tender this volume through the simultaneous-buy-and-sell system.⁴ The country will also establish new duty-free country-specific quotas (CSQs), outside of its WTO obligations, for rice originated in the United States and Australia, while maintaining tariffs levied on out-of-quota imports at JPY 341 per kilo (USD 2 772 per tonne). The US specific quota would be set at 50 000 tonnes upon the entry into force of the Agreement and progressively raised to reach 70 000 tonnes after 13 years. Australia would be granted an initial quota of 6 000 tonnes, to be increased to 8 400 tonnes in the same span of time.⁵ Since rice had hitherto been excluded from all the bilateral trade agreements concluded by Japan and given the already weak domestic prices from large local availabilities, the reported concessions have not been well received by the local industry. In response, the Japanese Government has announced that it would raise procurement of local supplies by an amount equivalent to the new CSQs to

³ The other TPP participants are Australia, Brunei Darussalam, Canada, Chile, Malaysia, Mexico, New Zealand, Peru, Singapore, United States and Viet Nam.

⁴ Thus ensuring direct access to Japanese consumers, as opposed to Ordinary Market Access (OMA) tenders, through which import volumes, type and end uses are decided by Japan's Ministry of Agriculture, Forestry and Fisheries (MAFF).

⁵ The CSQs to be opened under the TPP will also be administered through a simultaneous-buy-and-sell system, which does not guarantee that the full volumes will be purchased. Yet, stipulations regarding their operation have also been set out, including those regarding the eligibility of importers, potential changes to the mark-up collected by MAFF, along with provisions should successive years or tenders close without effective awards.

avert further supply pressure on domestic prices. Steps to boost the competitiveness of the local industry are also to be pursued.

In the case of **Malaysia**, TPP concessions will entail progressively eliminating customs tariffs on rice over 11 years, once the agreement enters into effect. Tariffs are currently set at 40 percent in the case of paddy, husked, milled and broken rice not intended for animal feed, and at 15 percent on feed brokens. Yet, provisions have been made for Malaysia to maintain its current rice procurement, import and distribution regime. This would imply Padiberas Nasional Berhad (Bernas), a private entity, retaining the exclusive right to import rice into Malaysia, a right last extended through 2021. Bernas conducts imports on behalf of the Malaysian Government, while also holding the responsibility of managing the country's stockpile of 292 000 tonnes and the state's production incentive policies, including local procurement of rice and the extension of subsidies to rice farmers. As for other Asian TPP parties, both **Brunei Darussalam** and **Singapore** committed to maintain import duties on rice at 0 percent. Rice purchases by Brunei Darussalam have also been traditionally conducted by the Government, although not exclusively for all varieties, and sourced from Thailand. **Viet Nam**, which stands among the world's leading rice supplies, is to eliminate the existing 40 percent tariff on rice husked/milled/broken and on paddy not intended for seed use upon the entry into force of the agreement. Viet Nam is currently envisaged to take in 550 000 tonnes in 2016, a volume consisting almost entirely of undocumented border inflows.

Following successive output shortfalls, **Nepal** is forecast to import 660 000 tonnes in 2016, with short supplies from severe drought conditions also likely to result in larger shipments to the **Democratic People's Republic of Korea**. Among countries located in Near East Asia, deliveries to the **Islamic Republic of Iran** are forecast to recover to 1.2 million tonnes. The latter comes amid official announcements last November that the issuance of import licenses would be resumed in December for a period of six months. With supplies further needed to make up for a sharp production shortfall this year, **Iraq** may lift purchases to close to 1.3 million tonnes in 2016, while **Saudi Arabia** is seen taking in 1.6 million tonnes.

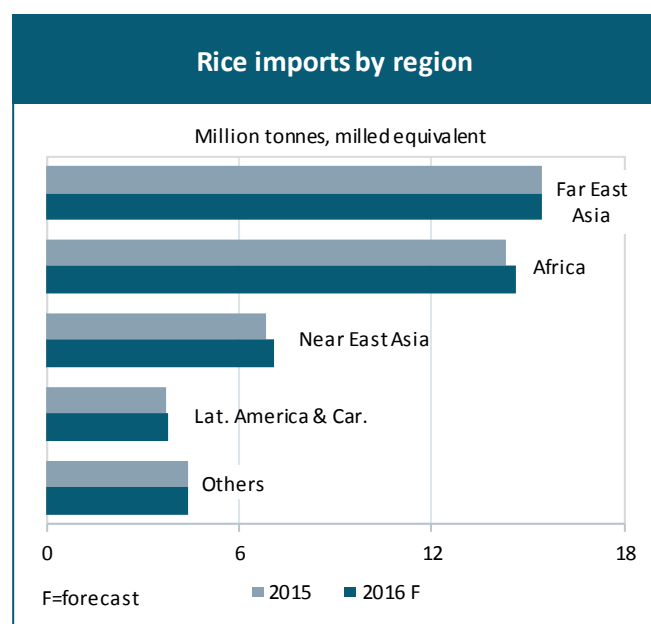
Rice imports elsewhere in the region are forecast to remain steady to lower in 2016, amid good crop harvests and/or falling domestic prices. Amongst these countries, the steepest contraction of import volumes is expected in **Bangladesh**, given sustained declines in local quotations and current expectations of yet another bumper crop. Moreover, officials heightened border protection in December, doubling the 10 percent imported duty instated in May 2015. Accordingly, import forecasts for

Bangladesh are set at 500 000 tonnes, 550 000 tonnes less than in 2015. In the case of **China (Mainland)**, forecasts point to a 5 percent year-on-year import retreat to 5.8 million tonnes, a decline solely linked to efforts to rein in unrecorded inflows across borders with Myanmar and Viet Nam. Indeed, considering the sustained strength of domestic Chinese quotations, imports remain an attractive option for traders in the country. Provided no major setback is incurred and considering the large stocks accumulated from the 2015 bumper harvest, **Sri Lanka** is expected to slash purchases by two thirds, to a more normal level of 100 000 tonnes, with a further 50 000 tonne retrenchment in **Turkey** also associated with a good seasonal turnout. In the absence of any local production, expectations of falling purchases by **Oman** and **Qatar** are instead owed to large carry-ins.

Countries in **Africa** are currently predicted to import 14.3 million tonnes in **2015**, up 200 000 tonnes from October forecasts, but 6 percent less than in 2014 and a three-year low. At a country level, much of this fall would be attributable to **Nigeria**, the world's second largest destination, where ample availabilities from large 2014 purchases and higher costs associated with a weakened Naira have discouraged imports this year. These have been further constrained by a June Government decision prohibiting access to foreign exchange to rice traders, a move designed to preserve scarce foreign exchange reserves, while giving further thrust to the state's self-sufficiency programme. These factors are now expected to translate into a 900 000 tonne annual cut in deliveries to the country, to a five-year low of 2.5 million tonnes. Next to Nigeria, the largest anticipated reductions in the region concern **Guinea** and **Sierra Leone**, foreseen to import 550 000 and 330 000 tonnes respectively, as both are assessed to hold sufficient supplies on store to weather the output losses incurred last year because of the Ebola outbreak. Good seasonal turnouts and/or ample reserves are also seen trimming rice flows to **Burkina Faso**, **Kenya**, **Madagascar**, **Mauritania**, **Mozambique** and **United Republic of Tanzania**. Cuts in these countries would be partly offset by greater deliveries to **Liberia**, **Malawi**, and **Zambia**, all associated to production shortfalls, while inflationary pressure is also likely to boost imports by **South Africa** to 1.1 million tonnes. Shipments to **Senegal** and **Cote d'Ivoire** have meanwhile been scaled up to 1.3 million tonnes each, based on performance to date. In the case of the Senegal, the volume would be close to that recorded in 2014, while representing, for Cote d'Ivoire, a 9 percent annual recovery.

Deliveries to African countries are expected to rebound by 2 percent in **2016** to a combined 14.6 million tonnes. The year-on-year rise rests on expectations of greater deliveries to **Nigeria** of 2.8 million tonnes. Indeed, the country is likely to require an increase of imports to

refurbish stockpiles, on the backdrop of a somewhat smaller crop and a drop of purchases in 2015. On the policy front, Nigerian officials have removed the ban on border trade in rice, which had been prohibited in 2011, in a bid to curtail large unofficial cross-border flows. Supplies brought into the country through land borders will be liable to the same 30–70 percent tariff rate as seaborne shipments. Whether the move alone will boost overall consignments to the country remains to be seen, in part due to the limited capacity to enforce the ban, which has kept large volumes flowing in unofficially in recent years. The lingering weakness of the Naira and the maintenance to date of foreign exchange controls also call into question the country's capacity to purchase the same large volumes as in 2014. Among other countries in the region, **Ghana** is expected to increase purchases to some 600 000 tonnes in 2016, based on short local availabilities, with poor crops and/or consumption growth also implying greater imports for **Chad**, **Guinea Bissau**, **Mozambique**, and **Rwanda**. The continued strengthening of local maize quotations may also encourage a shift of consumption towards rice in **South Africa**, thus boosting orders to 1.2 million tonnes in 2016. Yet, both **Senegal** and **Cote d'Ivoire** may cut their purchases, consistent with their excellent 2015 production results.



Rice deliveries to **Latin America and the Caribbean** are forecast to increase by 4 percent in **2015** to 3.7 million tonnes, sustained by strong demand in **Central America and the Caribbean**. Aggregate deliveries to the sub-region are seen rising by 6 percent year-on-year to an all-time high of 2.3 million tonnes, as countries negatively impacted by drought conditions, such as **Cuba**, **Nicaragua**, **Guatemala**, **Haiti**, **Honduras** and **Panama** rely on greater supplies from abroad to cater to local needs. Import demand is also expected to strengthen somewhat in **South**

America, much as a result of a surge in deliveries to **Colombia** from 90 000 tonnes in 2014 to an estimated 300 000 tonnes in 2015. The leap in Colombia's imports follows a drought reduced 2014 crop and depleted rice inventories, which propelled local quotations. Despite good crops, **Chile** and **Peru** are predicted to purchase more in 2015, as is **Venezuela**, in response to short supplies. By contrast, deliveries to **Brazil** may plunge by 40 percent to a low of 360 000 tonnes, amid good local availabilities and a weak Real.

As for prospects in **2016**, considering the generally poor expectations for crops in the region, imports by *Latin America and the Caribbean* are seen advancing by a further 2 percent to 3.8 million tonnes. Successive drought-reduced crops would once again position *Central American and Caribbean* countries as the drivers of this growth, with **Costa Rica**, **El Salvador**, **Guatemala**, **Honduras**, **Nicaragua** and **Panama** all predicted to buy more. Among the other major destinations in the sub-region, **Cuba** is anticipated to raise its purchases by 2 percent to 500 000 tonnes in 2016, whereas in the case of **Haiti** and **Mexico**, import forecasts are set respectively at 415 000 tonnes and 665 000 tonnes, up 4 percent from current 2015 expectations, each. Mexico has been partially successful in delaying the removal of customs duties on rice as part of the TPP agreement. These were reinstated in 2015 for countries not party to a trade agreement with Mexico, after a near seven-year hiatus. As part of the TPP, Mexico has consented to removing the current 9-20 percent duty on paddy, husked and broken rice upon the deal's entry into force, whereas the 20 percent tariff on milled rice would be phased-out progressively over a ten-year period. Mexico has traditionally sourced its imports from the United States, free of duties, as part of the North American Free Trade Agreement (NAFTA), although prior to this year's reinstatement of tariffs, growing amounts were also sourced from South American and Asian suppliers, of which only Viet Nam stands as party to the TPP.

Among the other TPP participants in Latin America and the Caribbean, **Chile's** TPP commitments include removing the 6 percent duty levied on paddy/husked/milled and broken rice originated in other TPP members over an eight-year period in equal annual instalments. While already party to independent free trade agreements with Australia, the United States and Viet Nam, November 2015 also marked the entry into force of the Chile-Thailand Free Trade agreement. As part of the latter, Chile will progressively eliminate duties on Thai rice, but over a somewhat shorter time-frame of five-years in the case of milled and broken rice, which constitute the near entirety of its imports. As for **Peru**, where ad-valorem duties on rice were already set at 0 percent, the TPP agreement foresees the country, maintaining the price band mechanism and exempting the

variable tariff levied under the system from any future elimination.⁶ Import forecasts for the country are set at a largely steady level of 230 000 tonnes for 2016. Elsewhere in South America, the sustained weakness of the Real in **Brazil** is expected to keep the country's 2016 purchases small, in the order of 400 000 tonnes. Meanwhile, **Colombia** is predicted to take consignment of 250 000 tonnes, 50 000 tonnes less than in 2015, but still an above-average volume, mirroring early concerns over the impact of unseasonable dryness on the 2016 crop. These have already encouraged the Government to announce that 150 000 tonnes of rice originated in fellow Andean Community countries would be needed to cater for local demand. However, calls to exempt all rice inflows from import tariffs, to ease pressure from a weaker currency on domestic prices, would have been rejected. A poor crop result is meanwhile expected to boost deliveries to **Venezuela** to some 350 000 tonnes in 2016.

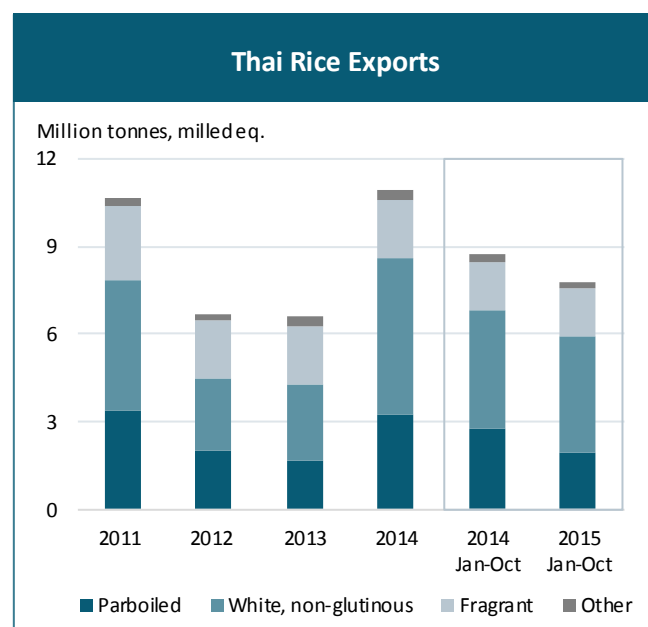
Elsewhere in the world, strong local demand is predicted to boost imports by the **European Union** to 1.7 million tonnes in 2015, a volume that may rise to 1.8 million tonnes in 2016. By contrast, the **Russian Federation** should count on sufficient local availabilities from another bumper harvest to cut imports further to 200 000 tonnes. In North America, officials in the **United States** see imports reaching an all-time high of 800 000 tonnes in 2016, up from a reduced forecast of 770 000 tonnes for 2015. While enhancing market access for its supplies, the TPP will also entail some concession for the United States, namely the complete elimination of the 0.44-2.1 US cent per kilo import tariff on rice (11.2 percent in the case of parboiled rice) upon the deal's entry into force, or within a 5-10 year timeframe (15 years for parboiled rice). The remaining parties of the TPP, namely Australia and New Zealand and Canada have meanwhile committed to maintaining rice imports free of duties. In the case of **Canada**, rice orders are seen up marginally in 2016 to 400 000 tonnes, while considering the expected shortness of local availabilities, FAO sees **Australia** accelerating its pace of purchases over 2016, to 180 000 tonnes.

Exports

Thailand mostly behind the decline in 2015 world rice exports

FAO's latest forecast of world rice trade in calendar **2015** points to global rice deliveries falling 2 percent below the 2014 record to 44.7 million tonnes (milled basis). At a country level, the contraction remains projected to impact

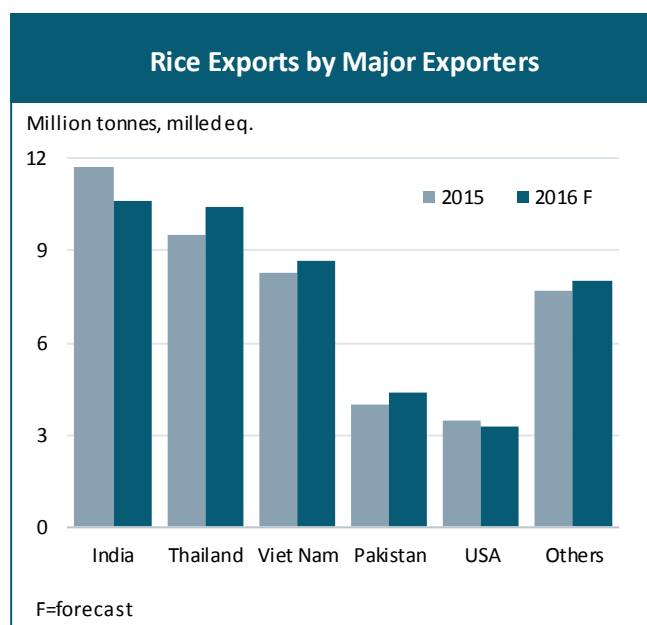
Thailand the most, as in spite of ample availabilities on store, the country has been consistently outcompeted by India in the parboiled and broken segments, where demand this year has also faltered. Reflective of this, Thai export progress in the first ten months of the year remained disappointing, lagging up to 11 percent behind year-earlier levels at 7.8 million tonnes. This was notwithstanding headway in Asian markets facilitated by Government-to-Government deals. Thailand is now anticipated to ship 9.5 million tonnes in 2015, 300 000 tonnes less than foreseen in October and down 1.5 million tonnes from the 2014 record. Following an export peak of 1.7 million tonnes last year, 2015 deliveries by **Myanmar** are also seen falling to 1.5 million tonnes, much as a result of output losses incurred to floods earlier in the year. These triggered an escalation of local quotations and drove officials to instate export limits. The outlook is similarly negative for a number of South American suppliers, in particular **Argentina**, but also **Paraguay** and **Uruguay**, whose sales have been heavily affected by Brazil's retreat from the international market, with high production costs making it difficult for these countries to compete in other outlets. Reflecting trailing deliveries to the Republic of Korea and Japan, forecasts of exports by **China (Mainland)** now point to a near 100 000 tonne annual retrenchment, with tight availabilities also expected to trim 2015 consignments by **Australia** to 370 000 tonnes.



Production gains last season and an ensuing easing of export quotations are instead predicted to translate into a 15 percent rebound in deliveries by the **United States**. These are officially seen at 3.5 million tonnes, with much of the advance made possible by brisk demand from Latin American and Caribbean countries and the Republic of Korea. Competitively prices of non-fragrant supplies are

⁶ Under the system, a variable specific tariff is applied based upon the difference between biweekly reference import prices and a semi-annual floor/ceiling, with a surcharge (rebate) applied when reference prices fall below (above) the predetermined floor prices.

similarly envisaged to boost 2015 exports by **Pakistan** by 6 percent to 4.0 million tonnes. In the case of **Cambodia**, a 6 percent annual gain to 1.2 million tonnes would be associated with decisive progress in direct milled rice deliveries, which are approaching the 500 000 tonnes mark. While short of the 1.0 million tonne target set for the year, these would more than compensate for weak demand for export across borders with Thailand and Viet Nam. Meanwhile, a 1.0 million tonne supply deal with Indonesia in October provided a late-hour boost to 2015 exports by **Viet Nam**. Combined, with a firm pace of shipments to China (Mainland), on both official and unofficial fronts, the deal is now seen lifting Viet Nam's deliveries to 8.3 million tonnes, 4 percent above the 2014 level. Attractive export prices are likewise anticipated to prolong **India's** primacy in the international rice market. Underpinned by progress in the parboiled and basmati segment, exports by the country are expected to reach 11.7 million tonnes, up 2 percent from 2014 and an all-time record.



World trade in rice in **2016** is forecast to hover around 45.3 million tonnes, implying a 700 000 tonne recovery from the current 2015 estimate. On the backdrop of poor seasonal outturns in competing origins, exports by **Thailand** look set to surge to 10.4 million tonnes, 900 000 tonnes, or 9 percent above current poor expectations for 2015. Indeed, despite the steep 2015 production shortfall, the country can still rely on its considerable public stocks to meet international demand. Prospects of an import revival in its traditional Asian outlets, namely the Philippines and Indonesia, are also behind expectations of **Viet Nam** shipping 8.7 million tonnes in 2016. This would imply a 5 percent year-on-year expansion to an all-time high, an advance likely to be also sustained by continued progress in the fragrant rice segment. Current

expectations are that competitive prices and still ample local availabilities will similarly lift **Pakistan's** deliveries to a record level of 4.4 million tonnes, up 350 000 tonnes from current 2015 expectations. The expansion is despite prevailing difficulties in placing surplus basmati rice, a strain caused by a bumper harvest last year and faltering sales. The depressed market situation is said to be behind a growing indebtedness in the sector, which have fuelled calls for Government intervention, namely in the form of tax concessions and the extensions of debt repayment periods. On this backdrop, prospects of possible large sales to Indonesia have been particularly welcomed in the country. This follows news of a December deal reached between the two Governments, giving Indonesia the option to source up to 1.0 million tonnes of rice from Pakistan by 2019.

Among other suppliers of rice, despite the expected production contraction, **Cambodia** is envisaged to count on sufficient availabilities to advance its export position further to some 1.3 million tonnes. The sector has received a boost by news of a renewed export agreement with China (Mainland) for 100 000 tonnes. Cambodia has also been successful in moving towards higher-end segments, namely the fragrant sector, which continued to account for almost half of direct rice deliveries in the year to November. In the case of **Myanmar**, rice shipments are envisaged to recover to 1.6 million tonnes in 2016, aided by easing local quotations and the rescindment of export prohibitions. Expectations of a 13 percent year-on-year increase in deliveries by **Egypt** to 450 000 tonnes come also in the wake of a more lenient Government approach to exports. This came in October, in the form of confirmation that the milled rice export ban would be suspended for a six-month period. While retaining the EGP 2 000 (USD 254) per tonne export tax, the decision rescinds a previous condition to supply the General Authority for Supply Commodities with a tonne of rice for every tonne exported. Current prospects also point to ample availabilities enabling both the **Russian Federation** and the **European Union** to export more in 2016.

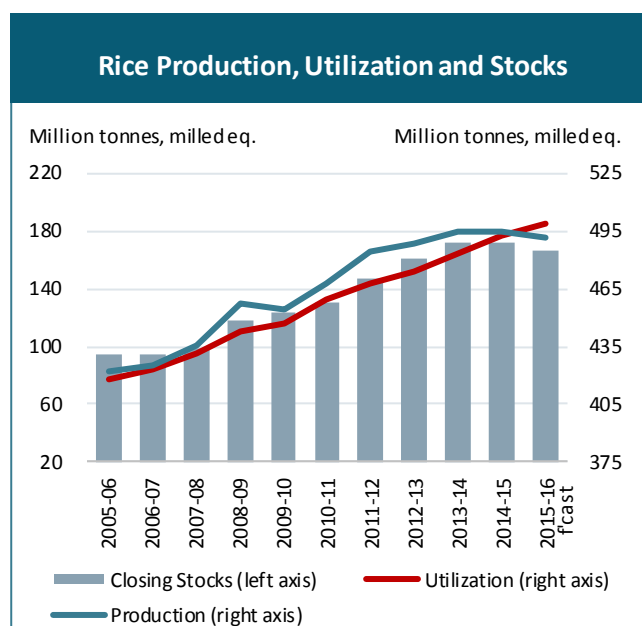
Supply shortfalls are instead expected to limit numerous exporters' ability to meet the recovery in global demand over the year. Foremost amongst these is **India**, which although remaining an attractive origin to date, may have an increasingly tighter supply situation undermine its competitive edge, especially in price sensitive African markets. Adding to this are expectations of even weaker buying interest from traditional South Asian buyers. As a result, India is forecast to ship 10.6 million tonnes in 2016, down 9 percent from current 2015 expectations. A poor crop and rising prices are also behind anticipation of shipments by the **United States** sliding 6 percent year-on-year to an officially forecast level of 3.3 million tonnes. News of the Trans-Pacific Partnership (TPP) agreement

have been met with some concern by the U.S. industry. While Japan's consent to a 50 000-70 000 tonne duty free quota for US rice has been welcomed, along with enhanced market access to Malaysia, New Zealand and even Viet Nam, fears have been expressed that its hold over a substantial market like Mexico will be rivalled by Viet Nam. Mexico stands as the largest single rice market for the United States, alone accounting for almost 20 percent of overall US shipments. Somewhat of a boost was also provided to **Australia** by Japan's agreement to open a 6 000-8 400 tonne quota for its rice once the TPP comes into effect. This was especially given the sector's exclusion from recent free trade agreements signed with China (Mainland) and the Republic of Korea. Export prospects for Australia remain negative in the shorter term, at 300 000 tonnes, considering the successive output cuts being incurred to drought and depleting inventories. Shipments by **Brazil** are similarly expected falter, given prospects of a poor seasonal turnout and especially if, on the backdrop of substantially smaller inventories, a weak Real prevents local needs to be met through larger imports. The fall would be notwithstanding concerted efforts by the industry to secure access to Nigeria, to which it destined some 300 000 tonnes of parboiled rice prior to Nigeria's institution of greater protective measures in 2012.

RICE UTILIZATION AND DOMESTIC PRICES

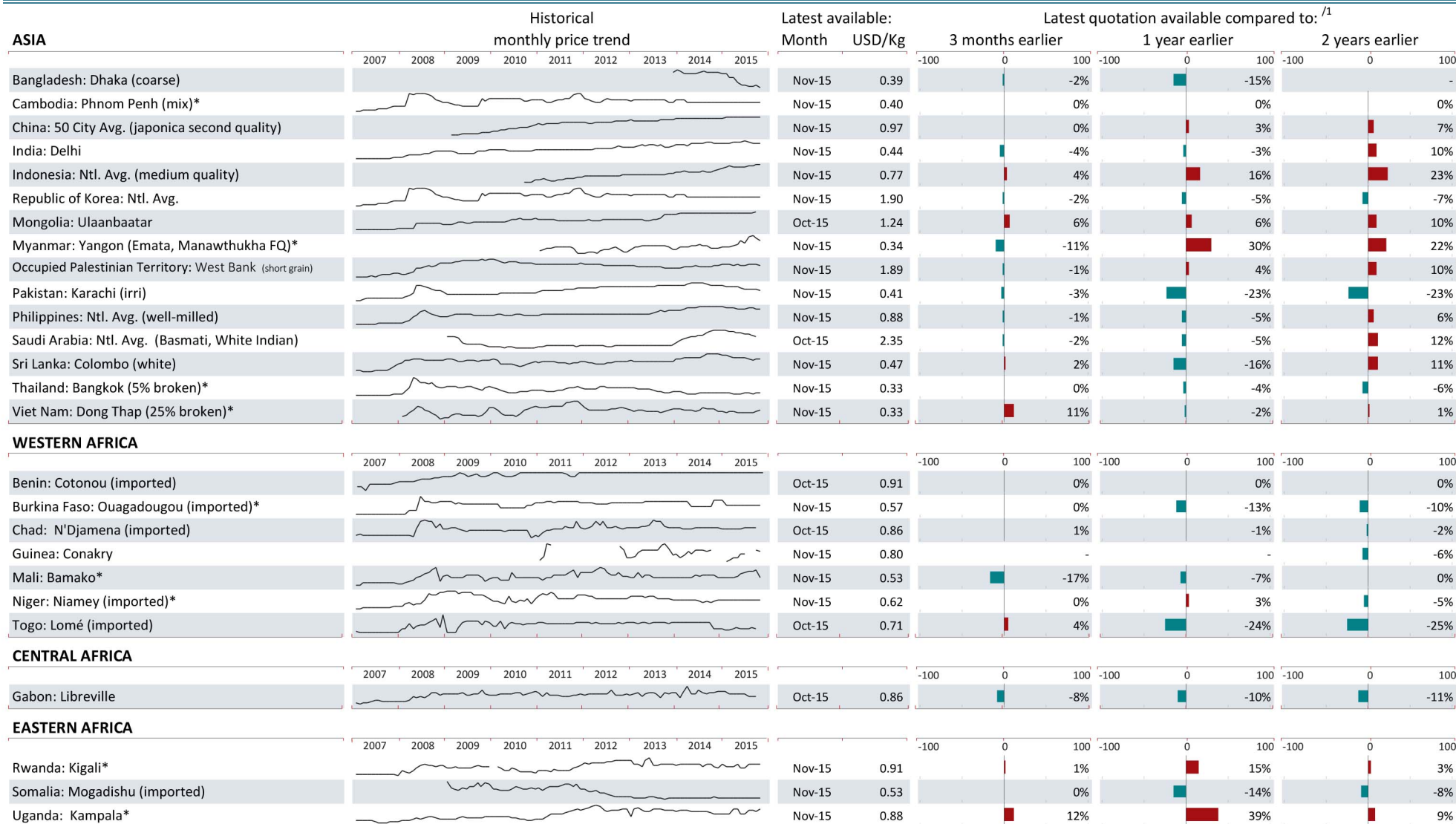
Global per capita food use to rise marginally to 54.6 kilos in 2016

In line with prospects of smaller crop harvests, forecasts of world rice utilization in 2015/16 have been downscaled by 1.7 million tonnes to 498.2 million tonnes (milled basis). Despite the revision, the forecast continues to suggest that global rice utilization would surpass the 2014/15 level by 1.1 percent this season, amid expectations of a 5.3 million tonne advance in food use to 401.5 million tonnes. Consumption of rice as feed is also predicted to expand to 18.5 million tonnes, boosted by official efforts to dispose of surplus produce in countries such as Japan and Thailand. Volumes destined to seed, non-industrial uses and post-harvest losses are instead seen remaining close to historical highs at 78.1 million tonnes, underpinned in part by official initiatives, namely Thailand's move to offload spoiled supplies from public granaries to the industrial sector, possibly for conversion into ethanol. Taking projected population growth into account, **global per caput food use** in 2015/16 is forecast to rise marginally to 54.6 kilos per person, reflecting a largely stable intake of 12.5 kilos in developed countries, while developing nations consume 63.3 kilos per person.



Looking at **retail/wholesale prices** in recent months, developments have been mixed across **Asia**. Amid ample local availabilities and harvest pressure, quotations continued to fall in Bangladesh, the Republic of Korea and the Philippines, with weak demand for export adding further downward pressure in Pakistan. Instead, prices rebounded in Viet Nam, following large export deals signed in October. Quotations also strengthened in Mongolia, Sri Lanka, and, especially in Indonesia, where prices continued to be underpinned by seasonally short supplies, especially in the context of El Nino induced dryness. Retail/wholesale prices held steadier ground in much of **Africa**. Within the region, however, the arrival of a bumper main-crop harvest in November began to weigh on prices in Mali, whilst a combination short availabilities and weak currencies underpinned prices in Angola, Malawi and Uganda. In **Latin America and the Caribbean**, good availabilities of imported rice tended to ease prices in Haiti, while seasonal tightness and reduced inventories sustained gains in Brazil. More surprisingly, however, was a steep advance in quotations in Uruguay. These came notwithstanding a slow pace of deliveries abroad and state efforts to ease general inflationary pressure by brokering agreements with the private sector to freeze consumer prices temporarily. **Elsewhere** in the world, prices were visibly weaker in Italy, as the season's good harvest reached the market.

DOMESTIC RICE PRICES IN SELECTED COUNTRIES

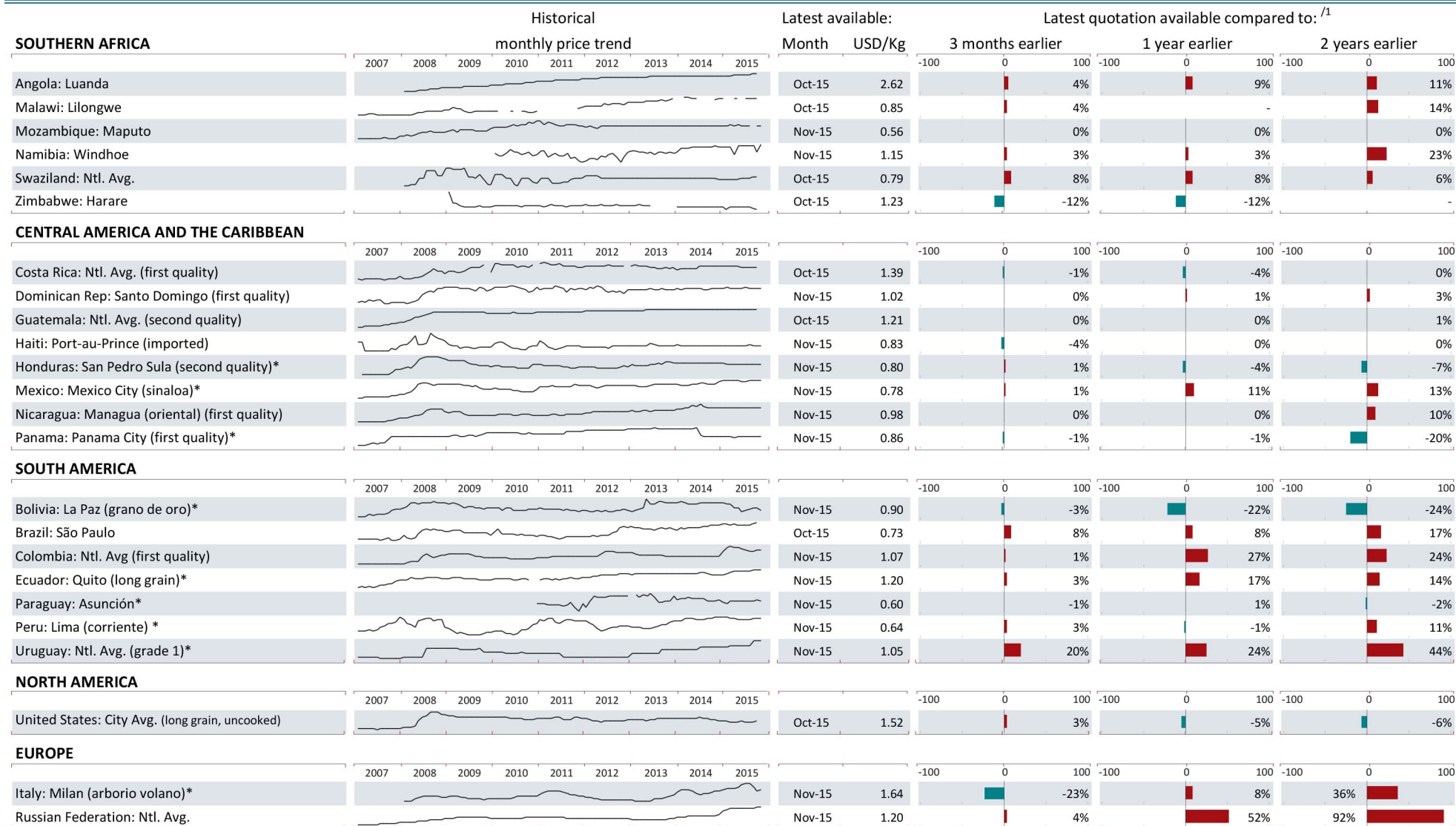


^{/1} Quotations in the month specified in the third column were compared to their levels in the preceding three, twelve and twenty-four months. Price comparisons were made in nominal local currency units.

* Wholesale prices.

Sources: FAO/GIEWS GIEWS Food Price Data and Analysis Tool; Korea Agricultural Marketing Information Service (KAMIS); Japan Ministry of Agriculture, Forestry and Fisheries; U.S. Bureau of Labor Statistics (BLS); Associazione Industrie Risiere Italiane (AIRI). Please note that prices shown are comparable over time, but not across countries, as they may refer to different stages of the marketing chain (e.g. retail versus wholesale prices), different rice types (e.g. aromatic versus non-aromatic) or different qualities of rice (e.g. fully broken versus 5% broken).

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CLOSING STOCKS

India and Thailand to drive global stock draw down in 2016

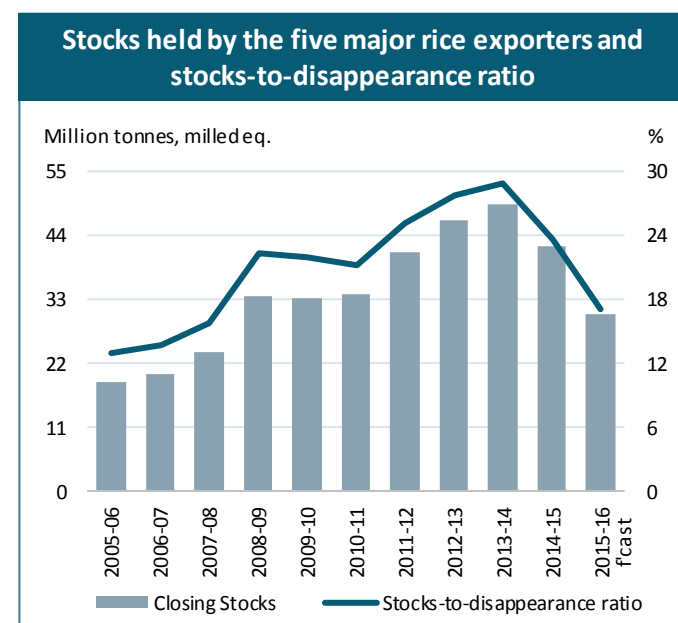
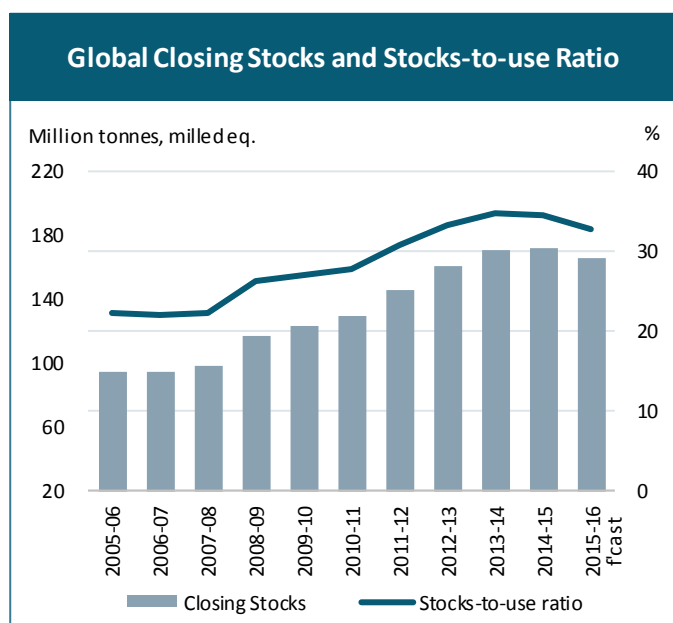
FAO's forecast of global rice inventories at the close of 2015/16 marketing years has been raised by 2.0 million tonnes since October. The adjustment follows more buoyant prospects for crops in Bangladesh, the Islamic Republic of Iran and the Republic of Korea. Expectations of larger inflows from abroad were similarly behind upgraded forecasts for a number of importing countries, namely for Cote d'Ivoire, Guinea, Indonesia and the United Arab Emirates, with revisions to historical estimates resulting in higher carry-overs in Qatar and Oman. Combined, these adjustments more than compensated for cuts in carry-over forecasts for Pakistan and Thailand, in both cases much as a result of lower than previously anticipated production.

Considering these changes, global rice inventories in 2016 are now forecast to fall by 5.7 million tonnes year-on-year to 166.4 million tonnes (milled basis). This level would position the **world stocks-to-use ratio** at a four-year low of 32.8 percent. The contraction is primarily predicted to concern developing countries, which may see reserves retreat by 5.3 million tonnes year-on-year to 160.4 million tonnes. Nonetheless, developed nations are also expected to draw their stocks down by 6 percent to 6.0 million tonnes in 2016.

The **five major rice exporters**⁷ remain projected to drive the 2016 global stock decline, all together slashing carry-overs by 11.9 million tonnes to an eight-year low of 30.4 million tonnes. This level would place the group's **stocks-to-disappearance ratio**⁸ at 17.0 percent, down from 23.6

percent in 2014/15 and at its lowest since 2007/08. Nearly all of this fall is expected to concern **India** and **Thailand**, two countries witnessing consecutive output shortfalls, coinciding with state efforts to trim large public stockpiles. In India, 2016 rice reserves are seen falling to 14.5 million tonnes, implying a 6.0 million tonne annual cut, necessary to maintain a sizable presence in the international market and service ever expanding public distribution needs. Carry-overs in Thailand are instead placed at 11.0 million tonnes, which compares to a 16.2 million tonne estimate for 2015. The fall is consistent with poorer output expectations owing to drought this season, together with steadfast government attempts to dispose of its still substantial inventories. The latter have recently involved revived plans to offload some 2.0 million tonnes of rice no longer fit for human or animal consumption to the industrial sector. Although also facing smaller crops, inventory cuts in **Pakistan** and the **United States** are predicted to be less pronounced, being partly moderated by large carry-ins due bumper harvests and lukewarm export performances. On these basis, Pakistan is seen closing its 2015/16 season with 640 000 tonnes in reserves, 360 000 tonnes below the year-earlier level but still the third highest volume since 2009. In the case of the United States, the 2016 carry-overs are officially predicted to pass from a 27-year-high of 1.6 million tonnes in 2015 to 1.2 million tonnes in 2016. Meanwhile and notwithstanding prospects of further headway in sales abroad, **Viet Nam** is projected to close the season with 3.0 million tonnes on store, a largely steady level, facilitated by yet another 2015 record crop.

Forecasts of rice carry-overs by traditional **rice importers** have been upgraded to a comparatively ample stock



⁷ India, Pakistan, Thailand, the United States and Viet Nam.

⁸ Defined as the sum of the five major exporters' stocks divided by the sum of the five countries' domestic utilization plus exports.

position reflecting still good crop performances for this group and steps to mitigate shortfalls through larger purchases abroad. This is for instance the case of **Indonesia** and the **Philippines**, which, amid El Niño related fears, may see official moves to source supplies abroad boost reserves to 6.7 million and 2.6 million tonnes, respectively. Inventories in **China (Mainland)** are also expected to be boosted by increasing production and imports. A larger crop in the face of steadily declining consumption is similarly seen lifting carry-overs in the **Republic of Korea** by nearly 300 000 tonnes to 1.7 million tonnes. Stocks in **Japan** are instead expected to hold steady at highs of 3.7 million tonnes, notwithstanding state initiatives to destine greater volumes to the feed industry. **Saudi Arabia**, **Colombia** and, especially, **Sri Lanka** are all forecast to close the season with more on reserve. Yet, these gains stand against prospects of drawdowns elsewhere, especially in **Bangladesh**, which following three uninterrupted years of build-up aided by good crops and large imports may reduce its 2015 record reserve by 5 percent to 6.9 million tonnes. **Iraq**, **Nepal** and **Madagascar** are similarly envisaged to hold less, owing to production shortfalls and, in the case of the **Islamic Republic of Iran** and **Nigeria**, due to import cuts encouraged by official efforts to stimulate local output growth.

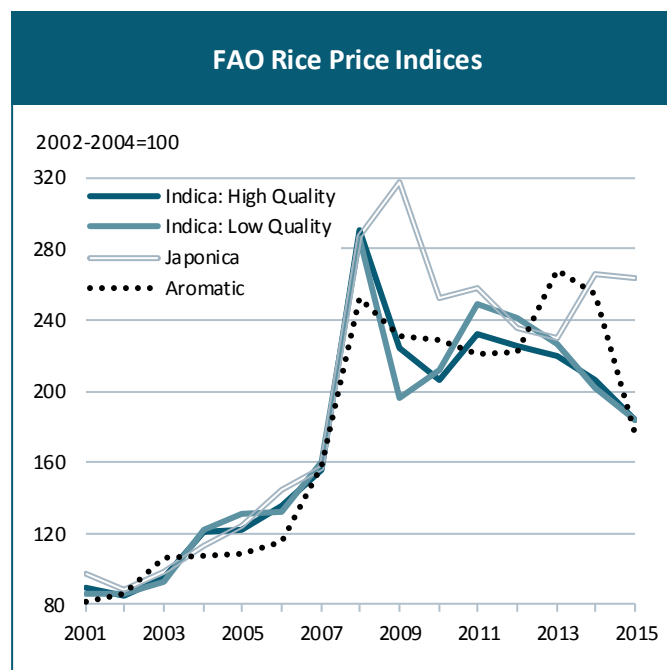
INTERNATIONAL PRICES

Weak import demand and harvest pressure continue to weigh on international rice prices

International rice prices have remained subdued since the last issue of the RMM, as an already tepid demand environment was exacerbated by new crop harvests. This resulted in prices falling steadily in October and November 2015, when the FAO All Rice Price Index averaged 199 points and 196 points, respectively. Anticipation of a return of major buyers to the market, together with ongoing public procurement activities provided some support to quotations in December, although at 197 points that month, the Index still stood some 4 percent below September values.⁹ The softening of prices in recent months was particularly marked in the Aromatic segment, the index of which slid by 10 percent between September and December, on a combination of harvest pressure, large carry-overs and subdued buying interest. In the Japonica market, Egypt's decision to allow rice exports (and at more conceding terms) resulted in the index yielding 23 points over the last quarter to 243 points. By contrast, following the return of important rice buyers, there were some signs of revival in the Indica rice market, which lifted the High and Low Quality Indica indices to 180

points and 181 points, respectively, up 2-3 percent from September levels.

From an annual perspective, large Indica and fragrant export availabilities combined with a slow pace of sales, especially in the Aromatica market, translated into the 2015 average of the FAO All Rice Price Index declining 10 percent year-on-year to an eight-year low of 211 points. In the wake of smaller crop harvests, only the Japonica segment displayed some resilience in 2015, as its index was just 1 percent below the comparatively strong level of 266 points in 2014.



Since October, price developments in both **Thailand** and **Viet Nam** have been dominated by rumours and eventual confirmation of a 1.5 million tonne purchase by Indonesia. The October sales added to support provided by previously agreed deals with the Philippines, amid similar El Niño related fears of supply shortages. Timed during a seasonably tight period, the conspicuous return of Indonesia to the international market proved especially supportive of Vietnamese quotations. In the case of 5% broken rice, prices in Viet Nam are now 12 percent above September levels and essentially at par with Thai quotation, against which they had traded at a USD 18 - 67 discount for much of 2015. The increase was more moderate for the benchmark Thai 100% B white rice, which gained 3 percent since September to USD 379 per tonne, partly sustained by a somewhat stronger Baht. The strengthening of white rice quotations also encouraged Thai officials to adopt a more cautious approach to stock releases, which led to the cancelation of the majority of sales agreed on a 28 September 2015 tender and the announcement that releases from Government stockpiles during harvest months would be restricted to rice no

⁹ All December values refer to averages prevailing in the first two weeks of the month.

longer fit for human or animal consumption. Yet, the firming tone did not extend to other segments in Thailand: generally weak buying interest and competition with India limited gains in parboiled quotations, while the arrival of new crop supplies put fragrant quotations under particular pressure. The latter comes notwithstanding the October approval for a new on-farm mortgaging programme for 2.0 million tonnes of fragrant paddy.

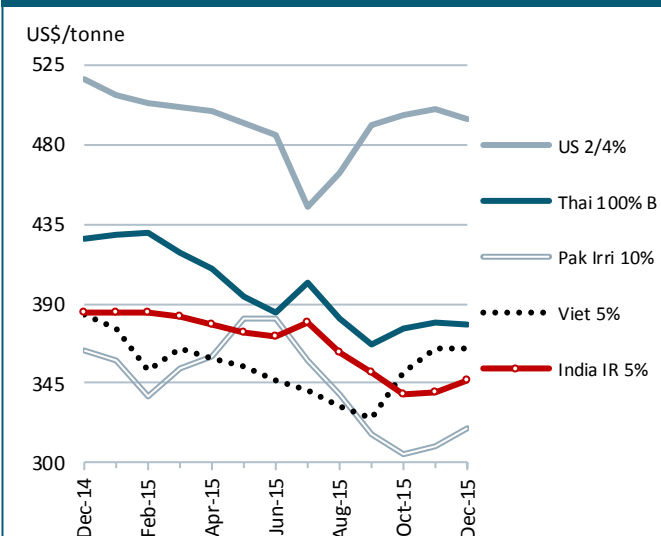
In the **United States**, concerns over the size and quality of supplies, together with regular sales to Latin America and the Caribbean, underpinned a further gain in the long-grain segment. US Rice N.2 4% was traded at USD 495 per tonne in December, 1 percent more than in September. Conversely, large carry-overs and a lack of new sales other than to East Asian markets tended to weigh on Japonica prices. This was notwithstanding prospects of smaller crops, worldwide. Accordingly, the US N.1/4 medium grain was quoted at USD 795 in December, down from USD 840 per tonne in September.

Instead, prices tended to weaken in both **India** and **Pakistan**, amid thin buying interest and new crop arrivals. Quoted at USD 287 in November, 25% broken in Pakistan stood at its lowest since June 2007. It was only in December that quotations in the country found some support on anticipation of sales to Indonesia, with whom an official memorandum-of-understanding was reached that month. The deal provides Pakistan the option to ship up to 1.0 million tonnes to Indonesia by 2019. In the case of India, the weakening was in the order of 1 percent for 25% broken, which came despite prospects of smaller availabilities and a brisk pace of purchases under the Government procurement campaign. The latter saw volumes absorbed by the Indian Government reach 14.1 million tonnes by early December 2015, surpassing year-earlier levels by 32 percent, with this year's purchase drive

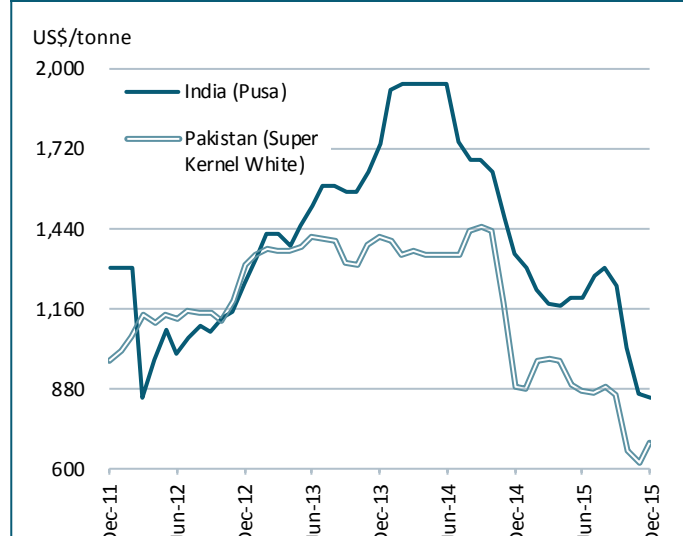
extended to cover Basmati Pusa 1509. Indeed, no other segment has endured supply pressure as evidently as the basmati market, where large carry-overs from bumper 2014 harvests, combined with a lack of fresh sales, have resulted in a further 19-31 percent slump in prices since September. Despite somewhat of a boost provided by prospects of a resumption of sales to the Islamic Republic of Iran, India's Pusa Basmati was quoted at USD 850 in December 2015, 37 percent below year-earlier levels. In the case of Pakistani Basmati, the price slide over that period was in the order of 22 percent to USD 693 per tonne.

With main-crop harvests now largely concluded, international rice export prices in the months ahead are likely to be influenced by the progress of secondary crops in northern hemisphere countries and of main crops in those located along and south of the Equator. The progressive tightening of global availabilities, following successive poor harvests and declining inventories, would all tend to be supportive of prices. This would be especially if the persistence of El Niño conditions into 2016 hinders countries' ability to make up for production shortfalls already incurred, adding to the disincentive that depressed prices provide for producers in major supplying countries to expand plantings and compensate for these falls. Yet, the tightening of supplies to date has mostly concerned the major rice exporters and come at a time of low import demand, itself the result of large carry-overs amassed by major global buyers through good crops or previous large purchases. Against this backdrop, much will likely continue to depend on import decisions and their timing. Current expectations are that the need to refurbish stockpiles, together with climate risks associated with ongoing El Niño conditions, will underpin international demand. Yet, the extent of this resurgence will also hinge on foreign exchange considerations, in view of the influential role in

Rice Export Prices



Basmati Export Prices



depressing demand that weak currencies have played this year, as well as policies. On the import side, the latter considers the heavy involvement of governments in international rice purchases, while, among exporters, governments in India and Thailand will continue to influence world market fundamentals through the management of their still sizeable public stockpiles.

FAO Rice Price Indices					
	All	Indica		Japonica	Aromatic
		Higher quality	Lower quality		
	2002-2004 = 100				
2011	242	232	250	258	220
2012	231	225	241	235	222
2013	233	219	226	230	268
2014	235	207	201	266	255
2014 December	224	195	191	283	187
2015 January	222	194	189	279	189
February	220	189	186	276	196
March	219	189	187	272	194
April	218	188	189	271	193
May	215	186	190	266	185
June	213	184	188	265	180
July	211	182	185	265	175
August	210	179	182	267	175
September	206	176	176	266	168
October	199	179	175	251	154
November	196	180	178	245	146
December*	197	180	181	243	151
2014 Jan.-Dec.	235	207	201	266	255
2015 Jan.-Dec.	211	184	184	264	175
% Change	-10.5	-11.0	-8.7	-0.8	-31.1

Source: FAO

N.B. - The FAO Rice Price Index is based on 16 rice export quotations. "Quality" is defined by the percentage of broken kernels, with high (low) quality referring to rice with less (equal to or more) than 20 percent broken. The Sub-Index for Aromatic Rice follows movements in prices of Basmati and Fragrant rice.

* Two weeks only.

EXPORT PRICES FOR RICE														
	Thai White 100% B Second grade	Thai Parboiled 100%	U.S. Long Grain #2, 4%	Thai 5%	Viet 5%	Uru 5% 1/	India 25%	Pak 25%	Thai 25%	Viet 25%	Thai A1 Super 2/	U.S. California Medium Grain #1, 4%	Pak Basmati 3/	Thai Fragrant 4/
<i>(US \$/tonne, f.o.b.)</i>														
2010	518	532	510	492	416	559	...	372	444	387	386	737	881	1 045
2011	565	563	577	549	505	546	409	433	511	467	464	821	1 060	1 054
2012	588	594	567	573	432	584	391	396	560	397	540	718	1 137	1 091
2013	534	530	628	518	391	598	402	371	504	363	483	692	1 372	1 180
2014	435	435	571	423	410	599	377	366	382	377	322	1 007	1 324	1 150
2014														
December	427	418	518	418	384	600	350	331	398	355	332	945	885	1 058
2015														
January	429	424	508	420	376	595	349	326	400	349	330	930	876	1 078
February	430	430	503	420	353	593	350	316	400	334	331	904	978	1 083
March	419	416	501	410	364	585	348	318	392	345	330	896	985	1 082
April	410	402	500	401	360	568	348	332	385	340	333	880	980	1 087
May	394	388	492	385	354	550	347	353	372	333	326	852	895	1 057
June	385	382	485	376	346	538	344	346	365	333	327	845	871	1 048
July	401	399	445	392	341	526	351	332	376	323	321	845	868	1 031
August	382	387	464	373	332	510	339	324	362	316	324	845	888	997
September	367	367	491	358	325	510	325	303	348	314	316	840	855	980
October	376	373	497	368	351	510	312	286	358	332	323	837	661	984
November	380	371	500	368	365	510	310	287	359	345	329	815	621	886
December*	378	366	495	367	365	510	322	295	360	345	332	795	692	784
2014 Jan.-Dec.	435	435	571	423	410	599	377	366	382	377	322	1 007	1 324	1 150
2015 Jan.-Dec.	396	392	490	387	353	542	337	318	373	334	327	857	848	1 008
% Change	-9.0	-9.8	-14.2	-8.5	-14.0	-9.5	-10.5	-13.2	-2.2	-11.3	1.3	-14.9	-36.0	-12.4

Sources: Livericeindex.com, Thai Department of Foreign Trade (DFT) and other public sources.

1/ Long grain white rice, fob fcl. 2/ White broken rice. 3/ Basmati ordinary up to May 2011. Super kernel white basmati 2% from June 2011 onwards.

4/ Hom Mali rice, grade A.

... = unquoted

* Two weeks only.

RICE POLICY DEVELOPMENTS ¹⁰

Area	Date	Policy Instrument	Description
Bangladesh	Nov-15	Food subsidies	Announced that rice would be released from Government granaries through Open Market Sales at a lower subsidised rate of BDT 20 (USD 0.25) per kilo, down from a previous price of BDT 24 (USD 0.30) per kilo.
Bangladesh	Nov-15	Government procurement, purchasing prices	Announced that it would purchase 200 000 tonnes of rice from the 2015 Aman harvest, between 15 December 2015 and 15 March 2016. Procurement prices under the programme were set at BDT 31 per kilo (USD 390 per tonne), down 3 percent from prices offered for Aman rice in 2014.
Bangladesh	Dec-15	Import tariff	Doubled import duties on husked, semi/wholly milled and broken rice to 20 percent, with immediate effect.
Bilateral/Multilateral	Oct-15	Trade agreement	A government-to-government agreement reached between Venezuela and Suriname, under the PetroCaribe framework. Under the accord, Suriname would provide close to 100 000 tonnes of rice to Venezuela annually, as payment for its oil arrears. Details of the agreement were to be finalised through subsequent official exchanges.
Chile	Nov-15	Trade agreement, import tariffs	Began to phase-out import duties on Thai rice, with the entry into force of the Chile-Thailand Free Trade Agreement. Under the accord, Chile is to eliminate a 6 percent duty on semi/wholly milled and broken rice progressively over a five-year period, and a 6 percent tariff on paddy and husked rice over an eight-year span.
China (Mainland)	Dec-15	Import agreement	Signed a memorandum-of-understanding with the Government of Thailand committing to purchase to 1.0 million tonnes of Thai rice, for shipment starting in December 2015.
Colombia	Nov-15	Support prices, warehouse receipts program	Extended the storage incentive programme for 2015 second semester crops to rice seed producers.
Colombia	Nov-15	Import quota	Announced that Colombia would require 150 000 tonnes of rice imports from fellow Andean Community countries to cover domestic needs.
Egypt	Oct-15	Export ban, export tax	Suspended the ban on exports of milled rice for a six month period, making rice shipments subject to an EGP 2 000 (USD 254) per tonne export tax.
Gambia	Nov-15	Import ban	Issued statements to the press indicating that plans to prohibit rice imports, originally meant to take effect on 1 January 2016, had been postponed to September 2016.
India	Nov-15	Food subsidies	Decided to continue allocating additional supplies of subsidized foodgrains for distribution to Below Poverty Line (BPL) and Above Poverty Line (APL) in States and Union Territories that had not yet implemented the National Food Security Act. The measure will be effective from October 2015 through March 2016, or until the National Food Security Act is implemented in such states.
India	Oct-15	Export restrictions	Imposed licensing requirements on exports of rice seeds and made seed shipments subject to certification and labelling attesting to their chemical treatment and non-food or feed purposes.

¹⁰ The full collection starting in January 2011 is available at: http://www.fao.org/economic/est/est_commodities/commodity_policy_archive/en/?groupANDcommodity=rice

Area	Date	Policy Instrument	Description
Indonesia	Oct-15	Import agreement	According to Vietnamese official sources, agreed to import 1.0 million tonnes of rice from Viet Nam between October 2015 and March 2016. Successive statements by Indonesian authorities confirmed that an import agreement had been reached with Viet Nam, as volumes would be needed to replenish Government reserves and avert further pressure on domestic quotations.
Indonesia	Nov-15	Import agreement	Agreed to buy an additional 500 000 tonnes of rice from Thailand, as part of its efforts to reconstitute public stockpiles amid concerns over the impact of prolonged dryness on local production. The deal would see volumes delivered between November 2015 and March 2016.
Indonesia	Dec-15	Import agreement	According to press reports, reached an agreement with Pakistan, giving Indonesia the option to buy up to 1.0 million tonnes of rice on a Government-to-Government basis between 2016 and 2019.
Islamic Republic of Iran	Nov-15	Production support, support prices	Raised guaranteed purchase prices for 2016/2017 by 15 percent for Khazar rice to IRR 36 800 per kilo (USD 1 231 per tonne), by 11 percent for Sepidrood rice to IRR 31 635 per kilo (USD 1 059 per tonne) and by 5 percent for Nemat and Neda varieties to IRR 26 250 per kilo (USD 878 per tonne).
Islamic Republic of Iran	Nov-15	Import restrictions	According to official statements to the press, following the completion of harvesting activities, restrictions on rice imports had been lifted, with the state agency having already launched a tender to purchase rice from abroad. Subsequent statements by authorities, however, asserted that no import authorisation had yet been issued.
Islamic Republic of Iran	Nov-15	Import restrictions	According to state media outlets, rice imports would be permitted between November 2015 and July 2016. Purchases from abroad would be liable to a payment of IRR 5 000 per kilo (USD 167 per tonne).
Malaysia	Nov-15	Food subsidies	Decided to end the Rice Subsidy Programme for Super Tempatan 15 per cent broken rice (ST15) in 2016, amid concerns that the scheme was not reaching its intended low-income population target. The programme, introduced in September 2008, provided processors with incentives to produce 15% broken rice and to ensure its supply at controlled prices of MYR 1.65-1.80 (USD 0.39-0.42) per kilo. Alternative means to ensure that low-income groups access supplies at affordable prices are to be put in place.
Malaysia	Oct-15	Production support	Announced that, effective 1 January 2016, assistance provided to producers under the Paddy Price Subsidy Scheme would be raised from MYR 248.1 (USD 58) to MYR 300 (USD 70) per tonne. The initiative forms part of the Government's 2016 budget, which will see additional funds destined to irrigation and drainage infrastructure upgrades, tax incentives to encourage investment in food production, the provision of fertilizer subsidies for hill paddies over 76 000 hectares in Sabah and Sarawak and the launch of a grading scheme to move towards a standardised paddy producer price of RM 1 200 (USD 281) per tonne. Subsequent official statements indicated that incentives to raise yields through outlays linked to productivity gains achieved over a season were to be abolished due to the scheme's limited success.
Nepal	Nov-15	Government procurement, distribution, inputs, credit	Announced that it would step-up purchases of local produce through state agencies for general distribution, in a bid to ease supply disruptions associated with unrest in the Terai-Madhes region. Speculators would be penalised, with steps to boost agricultural output pursued, including by easing bottlenecks in the distribution of fertilizers, through the provision of loans/grants to farmers, along with subsidised inputs.

Area	Date	Policy Instrument	Description
Nigeria	Nov-15	Production support	Launched the Anchor Borrowers' Programme. Under the programme, NGN 40 billion (USD 199 million) will be utilised to implement an out-grower scheme, provide credit to farmers at a subsidised rate of 9 percent, together with training for producers, extension workers and financial institutions.
Nigeria	Oct-15	Import restrictions	Lifted the ban on land-border imports of rice, in place since January 2011, with immediate effect.
Philippines	Oct-15	Import quota	Extended the permissible period of arrival of imports undertaken as part of the 2015 Minimum Access Volume (MAV) to 31 January 2016.
Republic of Korea	Oct-15	Government procurement	Announced that, in order to advert further pressure on local quotations, the Government would purchase 200 000 tonnes of rice locally, at market prices. The volume would add to a combined 390 000 tonnes of produce to be procured as part of the Public Rice Stockholding Program and for the ASEAN Plus Three Emergency Rice Reserve (APTERR). Further financial incentives, including an additional Won 200 billion (USD 172 million) worth of concessional loans, would be provided to sustain purchases by rice millers.
Sri Lanka	Nov-15	Budgetary allocations, production support, support prices	As part of its 2016 budgetary allocations, announced that it would replace the fertilizer scheme, providing farmers with a 50 kilo bag at a subsidised price of LKR 350 (USD 48 per tonne), with a direct cash handout of LKR 25 000 (USD 171) for up to 1.0 hectare of cultivated paddies. Steps would be taken to encourage greater production and use of high quality seeds, to exempt agricultural machinery from import duties and to introduce a warehouse receipts scheme. With an eye to keeping consumer prices close to LKR 65 per (USD 0.4) kilo, guaranteed purchasing prices for paddy would be adjusted down to LKR 50 per kilo (USD 341 per tonne) in the case of Keeri Samba, LKR 41 per kilo of Samba paddy (USD 280 per tonne) and to LKR 38 per kilo of Nadu paddy (USD 259 per tonne). Further provisions included distributing some 40 000 tonnes of rice to vulnerable groups through existing welfare schemes and encouraging rice exports.
Thailand	Oct-15	Production support	Approved a THB 40 billion (USD 1.1 billion) budget to assist producers at harvest time. The funds will serve to finance an interest rate cut for outstanding farmer loans, extend short-term loans at subsidised rates to cooperatives and other agricultural groups and to implement an on-farm mortgaging programme for 2.0 million tonnes of 2015 main-season fragrant paddy. The latter will run from November 2015 to February 2016, providing producers with THB 14 000 (USD 390) per tonne of Hom Mali paddy, for a maximum of THB 300 000 (USD 8 355), together with a THB 1 000 (USD 28) outlay to cover storage costs.
Thailand	Oct-15	Stock release	Announced that it would only approve the sale of 112 000 of rice from Government stocks, out of a total of 445 500 tonnes put to auction on 28 September 2015, as most bids during the tender had fallen below the Government set floor.
Thailand	Oct-15	Stock release	Authorised the sale of deteriorated rice from Government stocks for industrial uses. The decision is expected to concern up to 2.0 million tonnes of spoiled supplies in public granaries, with sales set to begin as of November 2015.
Thailand	Dec-15	Stock release	Opened bids for 37 413 tonnes of rice from government stocks on 1 December 2015. Auctioned volumes comprised supplies no longer fit for food or feed uses, meant for industrial uses only.

Area	Date	Policy Instrument	Description
Venezuela	Oct-15	Production support, support prices	Raised paddy producer prices to VEF 16.8 per kilo of Type A paddy and to VEF 16.7 per kilo of Type B paddy, up from previous levels of VEF 8.6 and 8.5 per kilo, respectively.
Venezuela	Oct-15	Production support	Approved a subsidy of VEF 10.4 per kilo for paddy gathered in the first half of 2015. For farmers collecting crops between 1 July and 18 September 2015, a VEF 19.19 per kilo will instead apply, while VEF 11.0 will be extended to producers harvesting rice between 19 September and 31 December 2015. In all cases, outlays are to be provided on top of prices received by farmers for their produce.

TABLE 1: WORLD PADDY PRODUCTION

	2010-2012	2013	2014	2015	Annual Change		2015	
	Average		Estimate	Forecast	2015 / 2014		Previous	Revision
	million tonnes					%	million tonnes	
WORLD	722.7	744.6	744.2	740.2	-4.0	-0.5	742.6	-2.4
Developing countries	696.7	719.1	717.7	715.1	-2.6	-0.4	717.5	-2.5
Developed countries	26.0	25.5	26.5	25.1	-1.4	-5.3	25.0	0.1
ASIA	654.8	675.7	672.8	669.7	-3.1	-0.5	672.3	-2.6
Bangladesh	50.3	51.2 G	51.8 G	52.5	0.7	1.4	51.9	0.6
Cambodia	8.8	9.4 G	9.3 G	9.2 G	-0.1	-1.0	9.2	0.0
China	201.9	205.2	208.2	209.0	0.8	0.4	209.0	0.0
of which China (Mainland)	200.3	203.6 G	206.5 G	207.5 G	1.0	0.5	207.5 G	-
India	153.3	160.0 G	157.2 G	155.7	-1.5	-0.9	155.7	-
Indonesia	67.1	71.3 G	70.8 G	73.0	2.2	3.0	73.0	-
Iran, Islamic Rep. of	2.7	2.5 G	2.6	2.8	0.2	6.1	2.7	0.1
Japan	10.7	10.9 G	10.8 G	10.7	-0.1	-0.5	10.7	-
Korea Rep. of	5.6	5.6 G	5.6 G	5.8 G	0.1	2.4	5.4	0.4
Lao PDR	3.2	3.3	3.4	3.2	-0.1	-4.3	3.3	-0.1
Malaysia	2.5	2.6 G	2.6 G	2.7 G	0.0	1.9	2.7	0.0
Myanmar	29.8	28.3 G	28.9	28.4	-0.5	-1.7	28.4	-
Nepal	4.7	5.0 G	4.8 G	4.3 G	-0.5	-10.2	4.6	-0.3
Pakistan	8.3	10.2 G	10.5 G	9.9 G	-0.6	-5.7	10.3	-0.4
Philippines	17.3	18.8 G	18.9 G	17.9	-1.0	-5.5	18.3	-0.5
Sri Lanka	4.0	4.6 G	3.4 G	4.8 G	1.4	42.3	4.8	0.1
Thailand	37.4	36.8 G	33.2	29.3	-3.9	-11.8	32.3	-3.0
Viet Nam	42.0	44.0 G	45.0 G	45.1	0.1	0.3	44.7	0.4
AFRICA	26.4	27.5	28.7	28.4	-0.3	-1.1	28.3	0.1
North Africa	5.4	6.1	6.3	6.0	-0.3	-5.3	6.0	-
Egypt	5.3	6.1	6.2	5.9	-0.3	-5.3	5.9	-
Western Africa	12.6	13.8	14.0	14.5	0.5	3.7	14.2	0.3
Côte d'Ivoire	0.7	0.8 G	0.8	0.8	0.0	4.3	0.8	-
Guinea	1.8	2.1 G	2.0 G	2.0 G	0.1	3.9	2.0 G	0.0
Mali	2.0	2.2 G	2.2 G	2.5 G	0.3	13.1	2.3	0.2
Nigeria	4.5	4.7	4.9	4.8	-0.2	-3.1	4.8	-0.1
Sierra Leone	1.1	1.3 G	1.2	1.2	0.0	3.9	1.2	-
Central Africa	0.5	0.5	0.6	0.5	0.0	-3.3	0.5	0.0
Eastern Africa	2.8	2.8	3.2	3.0	-0.1	-4.6	3.2	-0.2
Tanzania	2.2	2.2 G	2.6 G	2.4	-0.2	-7.2	2.6	-0.2
Southern Africa	5.0	4.2	4.6	4.3	-0.3	-7.2	4.2	0.0
Madagascar	4.5	3.6 G	4.0 G	3.7 G	-0.3	-6.4	3.7 G	0.0
Mozambique	0.3	0.3 G	0.4 G	0.4 G	0.0	-6.8	0.4	0.0
CENTRAL AMERICA & CAR.	3.0	3.2	3.0	2.9	-0.1	-4.8	2.9	0.0
Cuba	0.6	0.7 G	0.6 G	0.5	-0.1	-9.8	0.5	-
Dominican Rep.	0.9	0.9 G	0.9 G	0.9	0.0	0.1	0.9	-
SOUTH AMERICA	24.0	24.3	24.7	25.6	0.9	3.5	25.6	0.0
Argentina	1.5	1.6 G	1.6 G	1.6 G	0.0	-1.3	1.6 G	-
Brazil	12.3	11.8 G	12.1 G	12.4 G	0.3	2.6	12.4 G	0.0
Colombia	2.0	2.0 G	1.8	2.0	0.2	13.0	2.0	-
Ecuador	1.3	1.2 G	1.2 G	1.2	0.0	4.1	1.2	-
Peru	2.8	3.0 G	2.9 G	3.1	0.2	8.3	3.1	-
Uruguay	1.4	1.4 G	1.3 G	1.4	0.0	0.9	1.4	-
NORTH AMERICA	9.5	8.6	10.0	8.7	-1.4	-13.7	8.6	0.1
United States	9.5	8.6 G	10.0 G	8.7 G	-1.4	-13.7	8.6 G	0.1
EUROPE	4.4	4.1	4.0	4.2	0.1	2.9	4.2	0.0
EU	3.2	2.9 G	2.9 G	3.0 G	0.1	1.9	3.0	0.0
Russian Federation	1.1	0.9 G	1.0 G	1.1	0.1	5.1	1.1 G	0.1
OCEANIA	0.6	1.2	0.8	0.7	-0.1	-11.3	0.7	-
Australia	0.6	1.2 G	0.8 G	0.7 G	-0.1	-11.6	0.7 G	-

NOTES:

The 2015 paddy production season normally includes rice from the main paddy crops whose harvests fall in 2015, to which rice from all subsequent secondary crops, if any, is added.

Totals computed from unrounded data.

G Official figure.

TABLE 2: WORLD RICE IMPORTS

	2011-2013	2014	2015	2016	Annual Change		2016	
	Average		Estimate	Forecast	2016 / 2015		Previous	Revision
	<i>million tonnes, milled basis</i>					%	<i>million tonnes</i>	
WORLD	38.9	45.5	44.7	45.3	0.6	1.4	45.0	0.3
Developing countries	33.6	40.0	38.9	39.4	0.5	1.3	38.9	0.4
Developed countries	5.3	5.6	5.8	5.9	0.2	2.7	6.0	-0.1
ASIA	18.4	22.9	22.8	22.9	0.1	0.7	22.6	0.3
Bangladesh	0.6	1.3	1.1	0.5	-0.6	-52.4	0.7	-0.2
China	3.8	6.4	6.6	6.3	-0.3	-4.4	6.0	0.3
of which China (Mainland)	3.3	5.9	6.1	5.8	-0.3	-4.9	5.5	0.3
Indonesia	1.7	1.0	1.3	1.8	0.5	38.5	1.3	0.5
Iran, Islamic Rep. of	1.5	1.4 G	0.9	1.2	0.3	27.8	1.3	-0.2
Iraq	1.3	1.1	1.2	1.3	0.1	6.7	1.5	-0.2
Japan	0.7	0.7 G	0.7	0.7	0.0	2.9	0.7	-
Malaysia	1.0	1.1	1.2	1.2	0.1	4.3	1.2	-
Philippines	1.1	1.7	1.9	2.2	0.3	13.2	2.1	0.1
Saudi Arabia	1.2	1.4	1.6	1.6	0.1	3.2	1.6	-
United Arab Emirates	0.7	0.8	0.9	0.8	-0.1	-8.9	0.8	0.0
AFRICA	13.6	15.2	14.3	14.6	0.3	2.2	14.7	0.0
Côte d'Ivoire	1.3	1.2	1.3	1.3	-0.1	-3.8	1.2	0.1
Nigeria	3.0	3.4	2.5	2.8	0.3	12.0	3.2	-0.4
Senegal	1.1	1.3	1.3	1.1	-0.3	-19.2	1.1	-0.1
South Africa	1.1	0.9 G	1.1	1.2	0.1	9.5	1.2	-
CENTRAL AMERICA & CAR.	2.1	2.2	2.3	2.4	0.1	4.8	2.3	0.1
Cuba	0.4	0.5 G	0.5	0.5	0.0	4.2	0.5	0.0
Mexico	0.6	0.7 G	0.6	0.7	0.0	3.9	0.7	-
SOUTH AMERICA	1.4	1.4	1.4	1.4	0.0	-1.4	1.3	0.1
Brazil	0.7	0.6 G	0.4	0.4	0.0	11.1	0.4	0.0
NORTH AMERICA	1.0	1.1	1.2	1.2	0.0	3.4	1.3	-0.1
United States	0.6	0.8 G	0.8 G	0.8 G	0.0	3.9	0.8 G	0.0
EUROPE	1.8	2.2	2.2	2.2	0.0	1.2	2.3	0.0
EU 1/	1.4	1.6 G	1.7	1.8	0.1	4.0	1.8	-
Russian Federation	0.2	0.3 G	0.2	0.2	0.0	-14.9	0.2	0.0
OCEANIA	0.5	0.5	0.5	0.5	0.0	5.5	0.6	0.0

NOTES:

Totals computed from unrounded data.

G Official figure.

1/ Excluding EU intra-trade.

TABLE 3: WORLD RICE EXPORTS

	2011-2013	2014	2015	2016	Annual Change		2016	
	Average		Estimate	Forecast	2016 / 2015		Previous	Revision
	<i>million tonnes, milled basis</i>					%	<i>million tonnes</i>	
WORLD	39.1	45.6	44.7	45.3	0.6	1.4	45.0	0.3
Developing countries	34.8	41.5	40.2	41.1	0.9	2.2	40.7	0.4
Developed countries	4.3	4.0	4.4	4.2	-0.2	-5.3	4.3	-0.1
ASIA	31.1	37.7	36.8	37.7	0.8	2.3	37.2	0.4
Cambodia	1.1	1.1	1.2	1.3	0.1	8.3	1.3	-
China	0.4	0.4	0.3	0.5	0.1	30.4	0.5	-0.1
of which China (Mainland)	0.4	0.4 G	0.3	0.4	0.1	33.3	0.5	-0.1
India	8.6	11.5 G	11.7	10.6	-1.1	-9.4	10.8	-0.2
Myanmar	1.1	1.7 G	1.5	1.7	0.2	12.2	1.7	-
Pakistan	3.6	3.8	4.0	4.4	0.4	8.7	4.0	0.4
Thailand	8.0	11.0 G	9.5	10.4	0.9	9.5	10.5	-0.1
Viet Nam	8.0	8.0	8.3	8.7	0.4	4.8	8.3	0.4
AFRICA	0.5	0.6	0.5	0.6	0.0	8.4	0.5	0.1
Egypt	0.3	0.4	0.4	0.5	0.1	12.5	0.4	0.1
SOUTH AMERICA	3.4	3.2	2.9	2.9	0.0	-0.4	3.0	-0.1
Argentina	0.6	0.5 G	0.3	0.5	0.1	45.2	0.5	-
Brazil	1.1	0.8 G	0.9	0.7	-0.2	-19.5	0.8	-0.1
Guyana	0.3	0.5 G	0.5	0.5	-0.1	-14.3	0.5	-
Uruguay	0.9	0.9 G	0.8	0.8	0.0	0.0	0.8	-0.1
NORTH AMERICA	3.3	3.0	3.5	3.3	-0.2	-5.8	3.3	-
United States	3.3	3.0 G	3.5 G	3.3 G	-0.2	-5.8	3.3 G	-
EUROPE	0.4	0.5	0.5	0.5	0.0	9.2	0.5	0.0
EU 1/	0.2	0.3 G	0.3	0.3	0.0	5.8	0.3	-
Russian Federation	0.2	0.2 G	0.2	0.3	0.0	13.0	0.3	-
OCEANIA	0.4	0.4	0.4	0.3	-0.1	-18.9	0.4	-0.1
Australia	0.4	0.4	0.4	0.3	-0.1	-18.9	0.4	-0.1

NOTES:

Totals computed from unrounded data.

G Official figure.

1/ Excluding EU intra-trade.

TABLE 4: END OF SEASON STOCKS I/

	2011-2013	2014	2015	2016	Annual Change		2016	
	Average		Estimate	Forecast	2016 / 2015		Previous	Revision
	<i>million tonnes, milled basis</i>					%	<i>million tonnes</i>	
WORLD	145.7	171.5	172.1	166.4	-5.7	-3.3	164.3	2.0
Developing countries	140.2	165.7	165.8	160.4	-5.4	-3.2	158.5	1.9
Developed countries	5.6	5.9	6.3	6.0	-0.4	-5.9	5.9	0.1
ASIA	136.1	162.8	162.6	157.4	-5.1	-3.2	156.4	1.0
Bangladesh	6.6	6.9	7.3	6.9	-0.4	-5.5	6.7	0.2
Cambodia	1.3	1.6	1.6	1.5	0.0	-2.3	1.5	0.1
China	68.4	85.4	92.8	99.1	6.3	6.8	99.0	0.1
of which China (Mainland)	68.2	85.2	92.5	99.0	6.5	7.0	98.9	0.1
India	24.3	25.5	20.5	14.5	-6.0	-29.3	14.5	-
Indonesia	6.9	6.8	6.3	6.7	0.4	6.3	6.5	0.2
Iran, Islamic Rep. of	0.6	0.9	0.5	0.3	-0.2	-33.3	0.1	0.2
Japan	3.4	3.6 G	3.7	3.7	0.0	0.3	3.7	-
Korea Rep. of	1.1	1.2	1.4	1.7	0.3	18.1	1.3	0.4
Lao PDR	0.3	0.4	0.5	0.4	-0.1	-20.0	0.4	-
Malaysia	0.3	0.2	0.2	0.3	0.0	8.7	0.3	0.0
Myanmar	3.2	2.7	2.3	2.2	-0.1	-4.3	2.0	0.2
Nepal	0.3	0.5	0.4	0.3	-0.2	-35.7	0.3	0.0
Pakistan	0.3	0.7	1.0	0.6	-0.4	-36.0	0.9	-0.3
Philippines	2.4	2.0 G	2.6 G	2.6	0.0	1.2	2.6	-
Sri Lanka	0.3	0.3	0.4	0.8	0.4	97.4	0.7	0.1
Thailand	11.8	19.6	16.2	11.0	-5.2	-32.1	11.7	-0.7
Viet Nam	2.8	2.7	3.0	3.0	0.0	0.3	3.1	-0.1
AFRICA	4.3	4.6	4.9	4.1	-0.8	-16.4	3.5	0.6
Egypt	0.6	0.6	0.6	0.4	-0.2	-39.7	0.3	0.1
Nigeria	1.0	0.7	0.9	0.7	-0.3	-28.6	0.7	-0.1
CENTRAL AMERICA & CAR.	0.6	0.5	0.5	0.5	0.0	1.5	0.4	0.1
Dominican Rep.	0.1	0.1	0.1	0.0	0.0	-13.5	0.0	-
SOUTH AMERICA	2.7	1.7	1.6	2.2	0.6	35.2	1.9	0.2
Argentina	0.0	0.1	0.2	0.4	0.2	133.3	0.4	-
Brazil	1.6	0.7 G	0.6 G	0.5 G	-0.1	-17.4	0.5 G	0.0
Ecuador	0.1	0.1	0.1	0.0	0.0	-51.0	0.0	0.0
Peru	0.3	0.4	0.3	0.4	0.0	9.1	0.3	0.0
NORTH AMERICA	1.4	1.1	1.6	1.3	-0.3	-20.3	1.4	-0.1
United States	1.3	1.0 G	1.6 G	1.2 G	-0.3	-20.6	1.3 G	-0.1
EUROPE	0.6	0.7	0.7	0.6	0.0	-6.4	0.5	0.1
EU	0.5	0.5 G	0.5 G	0.5 G	0.0	0.0	0.4 G	0.1
Russian Federation	0.1	0.1	0.1	0.0	0.0	-33.3	0.0	0.0
OCEANIA	0.1	0.2	0.2	0.2	0.0	6.7	0.2	0.1
Australia	0.1	0.2	0.2	0.2	0.0	7.7	0.2	0.0
GOVERNMENT STOCKS								
Bangladesh	0.8	0.8 G	0.9 G	0.9	0.0	5.1	0.9	0.0
India	22.3	18.6 G	14.2 G	11.5	-2.7	-18.8	11.5	-
Japan	1.6	1.6 G	1.6	1.6	0.0	0.3	1.6	-
Philippines	0.9	0.5 G	0.8 G	0.8	0.1	7.2	0.8	-

NOTES:

Totals computed from unrounded data.

G Official figure.

1/ Data refer to carry-overs at the close of national marketing years ending in the year shown.

TABLE 5: RICE SUPPLY AND UTILIZATION IN MAIN EXPORTING COUNTRIES

	Opening Stocks	Production	Imports	Total Supply	Domestic Use	Exports	Closing Stocks
<i>thousand tonnes, milled basis</i>							
INDIA							
2013-14	25 000	106 650 G	2 G	131 652	95 566	10 586 G	25 500
2014-15 est.	25 500	104 800 G	1	130 301	97 670	12 131 G	20 500
2015-16 f'cast	20 500	103 810	1	124 311	99 111	10 700	14 500
PAKISTAN							
2013-14	200	6 798 G	40	7 038	2 727	3 661 G	650
2014-15 est.	650	7 005 G	40	7 695	2 795	3 900	1 000
2015-16 f'cast	1 000	6 606 G	40	7 646	2 581	4 425	640
THAILAND							
2013-14	17 500	24 336 G	340	42 177	14 023	8 604 G	19 550
2014-15 est.	19 550	21 999	266	41 815	15 089	10 526 G	16 200
2015-16 f'cast	16 200	19 397	296	35 893	15 293	9 600	11 000
UNITED STATES							
2013-14	1 156 G	6 117 G	734 G	8 007 G	3 977 G	3 005 G	1 025 G
2014-15 est.	1 025 G	7 068 G	783 G	8 876 G	4 117 G	3 207 G	1 552 G
2015-16 f'cast	1 552 G	6 057 G	778 G	8 387 G	4 043 G	3 112 G	1 232 G
VIET NAM							
2013-14	2 700	28 625 G	551	31 876	21 056	8 090 G	2 730
2014-15 est.	2 730	29 234 G	550	32 514	21 479	8 015	3 020
2015-16 f'cast	3 020	29 313	500	32 833	21 503	8 300	3 030

FOOTNOTES:

Data refers to national marketing years: October-September for India, September-August for Pakistan, August-July for Thailand and the United States and January-December for Viet Nam.

Totals computed from unrounded data.

G Official figure.

The FAO Rice Market Monitor (RMM) provides an analysis of the most recent developments in the global rice market, including a short-term outlook. Current and previous issues of the RMM can be consulted at:
<http://www.fao.org/economic/RMM>.

Monthly updates of selected rice export prices are available on the FAO Rice Price Update at:
<http://www.fao.org/economic/RPU>.

A collection of major rice policy developments starting in January 2011 is available at:
<http://www.fao.org/economic/est/est-commodities/commodity-policy-archive/en/?groupANDcommodity=rice>.

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