

Rice market summary

International rice prices have been easing since September 2011, coinciding with the resumption of massive exports of regular rice by India. The country's return to the international rice arena intensified competition among exporters, virtually neutralizing the positive effects that Thailand's high producer price policy had on world quotations. By April 2012, world prices had shed 10 percent of their September value, with all rice varieties affected.

World rice production is estimated to have expanded by 2.6 percent in 2011. Under expectations of normal weather and with the advancement of ambitious sectoral development programmes, it is foreseen to grow by a further 1.7 percent in 2012 to 488 million tonnes (milled rice basis), notwithstanding some disappointing first crop results in South America.

Trade in rice is forecast to fall by 2.6 percent in 2012, mainly depressed by a reduction in purchases by virtually all the major traditional importers. Among exporters, Thailand is anticipated to witness a severe contraction of sales, owing to uncompetitive pricing, but still retain its leadership. Despite a slow start, Viet Nam is expected to keep deliveries unchanged from last year, remaining the second largest exporter. By contrast, shipments from India look set to surge, enough to make it into the third largest source of rice trade, ahead of Pakistan and the United States.

Global rice productions in both 2011 and 2012 are expected to outpace consumption for the seventh and eighth consecutive years. As a result, world rice stocks at the close of the 2011/2012 and 2012/2013 marketing seasons are forecast to increase, lifting the world stock-to-use ratio to new highs.

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World rice market at a glance

	2009/10	2010/11 <i>estim.</i>	2011/12 <i>f'cast</i>	Change: 2011/12 over 2010/11
	<i>million tonnes</i>			%
WORLD BALANCE				
Production	455.4	468.1	480.1	2.6
Trade ¹	31.5	35.2	34.3	-2.6
Total utilization	448.6	460.8	468.4	1.6
Food	382.4	389.3	395.9	1.7
Ending stocks	134.4	141.0	152.8	8.4
SUPPLY AND DEMAND INDICATORS				
Per caput food consumption:				
World (kg/year)	56.0	56.4	56.7	0.5
LIFDC (kg/year)	68.1	68.7	69.4	1.0
World stock-to-use ratio (%)	29.2	30.1	32.0	
Major exporters stock-to-disappearance ratio ² (%)	20.8	20.0	22.7	
FAO RICE PRICE INDEX (2002-2004=100)				Change: Jan-Apr 2012 over Jan-Apr 2011 %
	2010	2011	2012 <i>Jan-Apr</i>	
	229	251	233	-6.8

¹ Calendar year exports (second year shown).

² Major exporters include India, Pakistan, Thailand, the United States and Viet Nam.

More detailed information on the rice market is available in the FAO Rice Market Monitor which can be accessed at: <http://www.fao.org/economic/est/publications/rice-publications/rice-market-monitor-rmm/en/>

Rice production, utilization and stocks

