

RICE

Although the enduring challenges posed by the COVID-19 pandemic, alongside surges in agricultural input prices and uneven rains, are poised to decelerate the pace of production expansion, the 2021 season is still anticipated to end favourably overall. World rice production is forecast to reach 518.2 million tonnes (milled basis), up 0.9 percent from the 2020 record harvest. Much of the season's positive outcome rests on Asia, where resilient plantings and a comparatively reduced incidence of floods and droughts bolster output prospects. Conducive growing conditions also improved output in Latin America and the Caribbean, as did ample irrigation water in Australia. Conversely, competition with other crops depressed prospects for the United States of America, while unfavourable weather and/or reduced producer margins mar the outlook for Africa and Europe.

Another record harvest is seen ensuring sufficient supplies for food use to continue expanding, while attractive prices retain interest in rice from the feed and industrial sectors. Therefore, global rice utilization is seen growing by 1.6 percent in 2021/22 to a peak of 518.8 million tonnes, while world rice stocks at the close of 2021/22 marketing seasons hover around a historical high of 187.6 million tonnes.

Despite an expected retrenchment in Asian import demand, international trade in rice is forecast to continue expanding in 2022, possibly reaching an all-time high of 51.3 million tonnes. Continued growth in African purchases would underpin this expansion, although imports from all other regions are envisaged to recover after being depressed by abundant domestic availabilities and supply chain disruptions in 2021. Among exporters, a rebound in Thailand's shipments is seen abating the export performance of India and Viet Nam the most. However, competitive prices and efforts to expand into new markets could keep Indian deliveries in 2022 hefty.

Despite some recent signs of recovery, international rice prices have been generally subdued since May 2021, reflecting currency depreciations against the US dollar and efforts to attract fresh sales, held off by high freight costs and container shortages. This was reflected in the FAO All Rice Price Index, which stood at 99.9 points in October 2021, down 9.7 percent from May and 7.9 percent below its year-earlier level.

For additional analyses and updates, see:

FAO Rice Price Update

<https://www.fao.org/markets-and-trade/commodities/rice/fao-rice-price-update/>

Cereal Supply and Demand Brief

<http://www.fao.org/worldfoodsituation/csdb/>

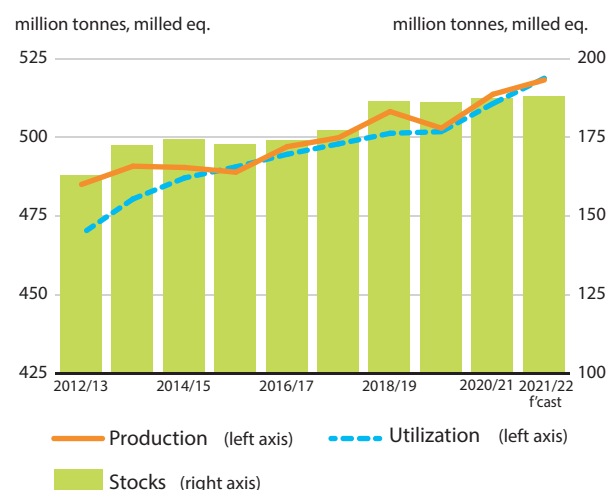
AMIS Market Monitor

<http://www.amis-outlook.org/amis-monitoring>

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RICE PRODUCTION, UTILIZATION AND STOCKS



WORLD RICE MARKET AT A GLANCE

	2019/20	2020/21 estim.	2021/22 f'cast		Change 2021/22 over 2020/21
			June	Nov	
	million tonnes				%
WORLD BALANCE					
Production	502.9	513.7	519.1	518.2	0.9
Trade¹	45.6	49.0	47.9	51.3	4.6
Total utilization	501.8	510.7	520.6	518.8	1.6
Food	412.3	418.1	427.1	424.9	1.6
Ending stocks²	185.7	187.1	184.6	187.6	0.3
SUPPLY AND DEMAND INDICATORS					
Per caput food consumption:					
World (kg/yr)	53.5	53.6	54.2	54.0	0.6
LIFDC (kg/yr)	52.0	52.7	65.9	53.2	1.0
World stocks-to-use ratio (%)	36.4	36.1	35.1	35.8	
Major exporters stocks-to-disappearance ratio (%)³	25.8	26.8	26.0	26.7	
FAO RICE PRICE INDEX (2014–2016=100)	2019	2020	2021 Jan–Oct		% Change Jan/Oct 2021 over Jan/Oct 2020
	102	110	107		-2.8

¹ Calendar year exports (second year shown).

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

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