



Food and Agriculture Organization
of the United Nations

GLOBAL RICE MARKET SITUATION AND OUTLOOK

FAO Trade and Markets Division

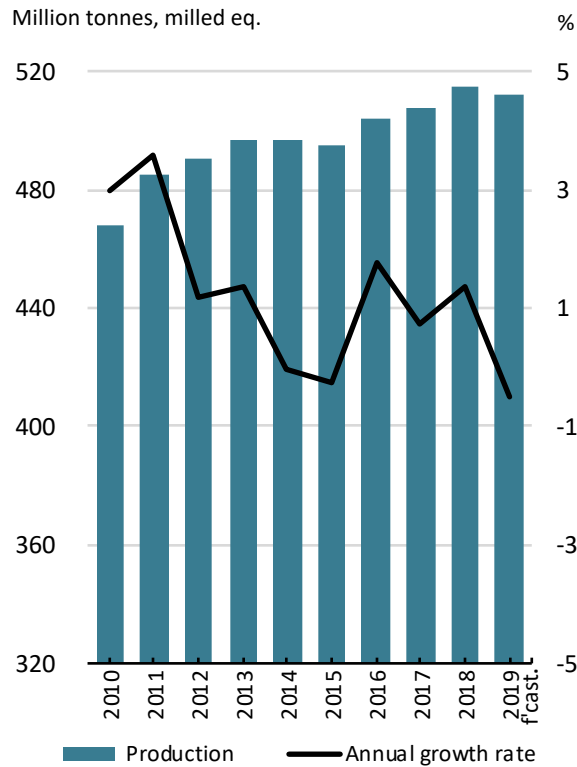
Information update as of 27 March 2020



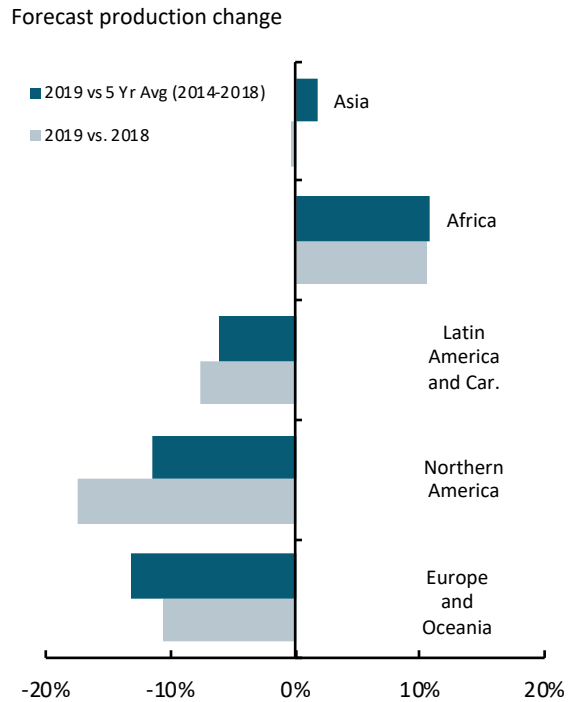
GLOBAL RICE PRODUCTION IN 2019 SEEN AT ITS SECOND HIGHEST ON RECORD

Although weather setbacks and poor producer margins cause output to decline in selected countries, abundant harvests in Asia and Africa to support a good global production result.

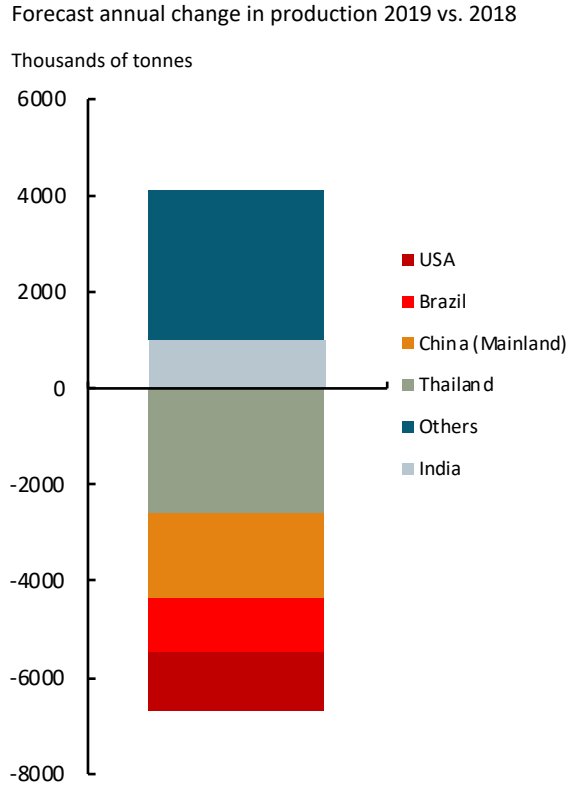
Global rice production



Regional production trends



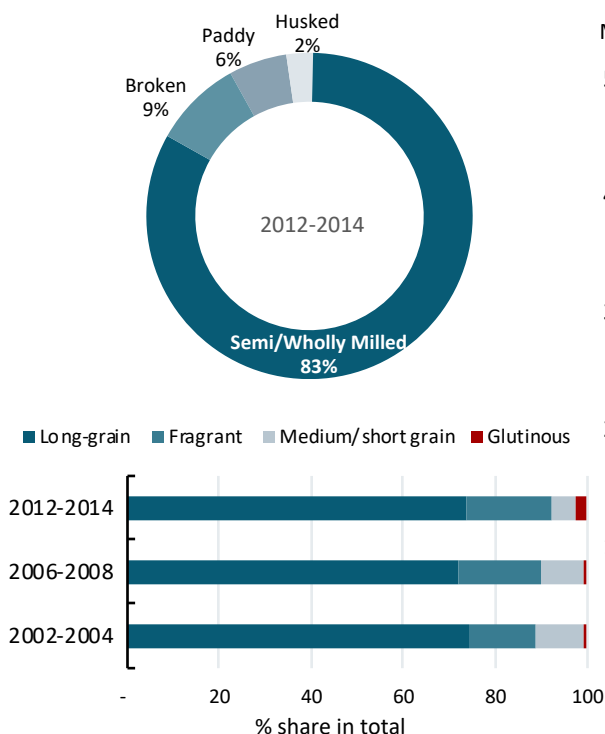
Production trends in selected producers



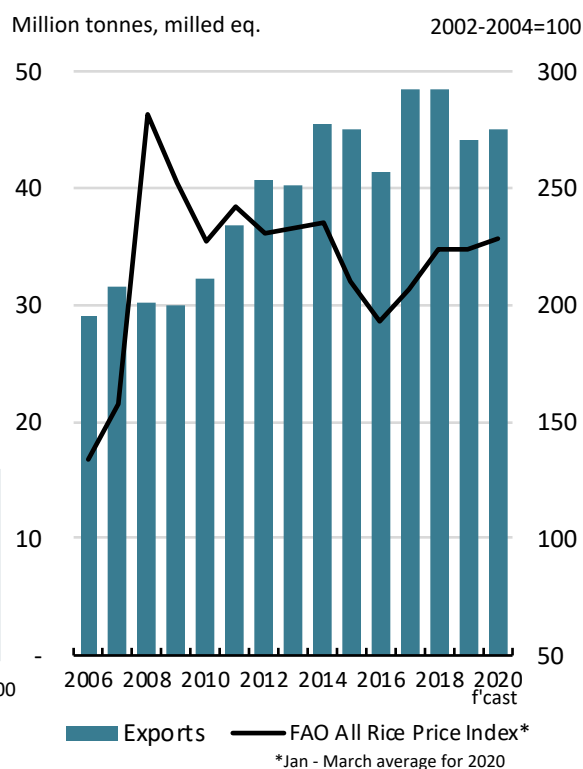
GLOBAL TRADE IN RICE TO RECOVER ONLY PARTIALLY IN 2020

Lingering weak import demand in Asia to keep 2020 trade in rice below heights reached in 2017 and 2018, with expected growth mostly stemming from greater purchases by African countries

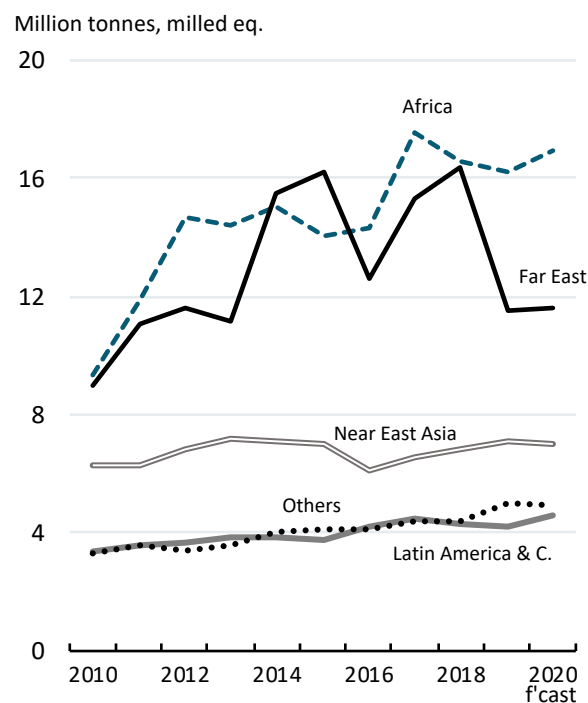
Structure of global rice trade



World trade and FAO Rice Price Index



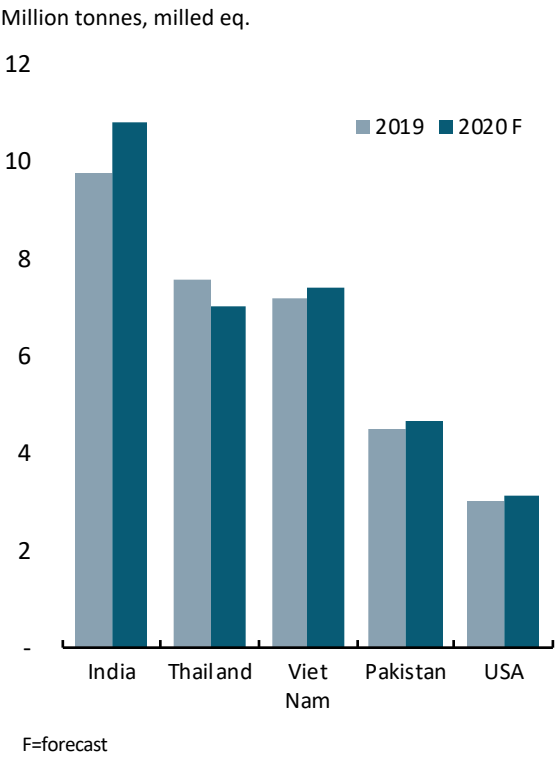
Rice imports by region



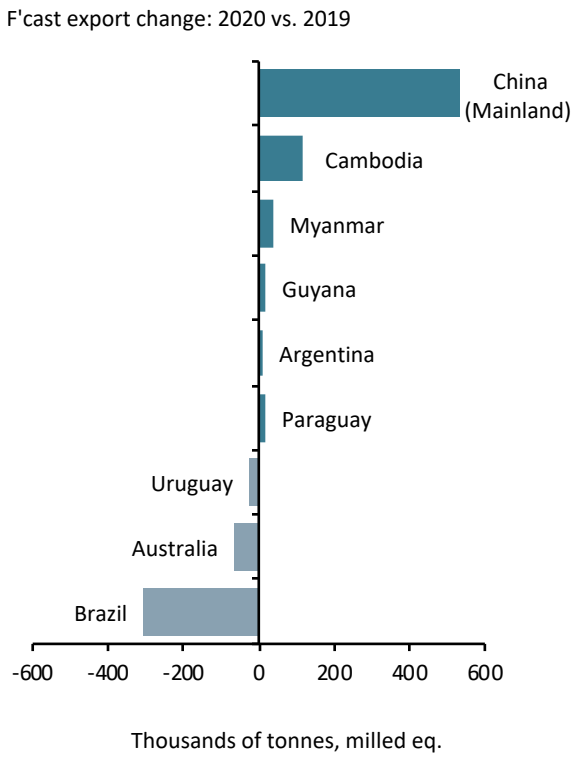
GREATER DELIVERIES BY INDIA AND CHINA TO SUPPORT TRADE EXPANSION

India to remain world's largest rice exporter. Chinese shipments to continue strong, consolidating China as a net rice exporter, while a drought-reduced crop lower Thai sales to 7-year lows

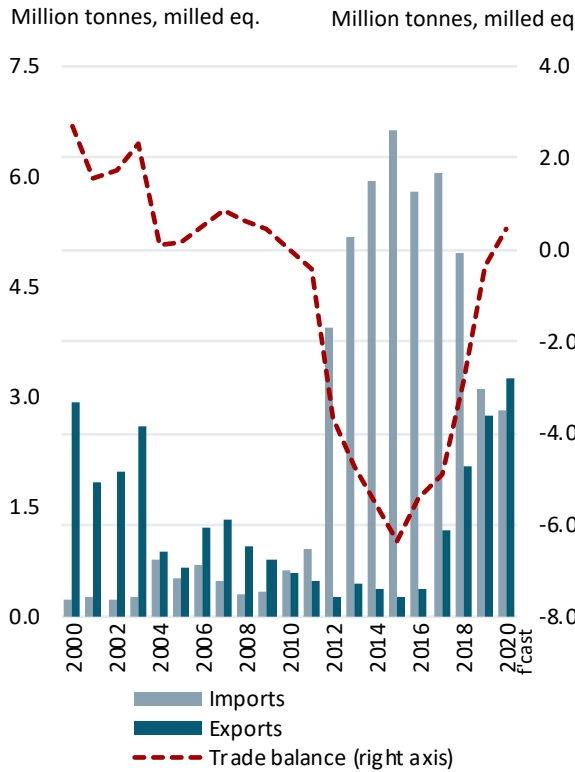
Rice exports by the major exporters



Trends among other rice exporters



China (Mainland): Trade balance

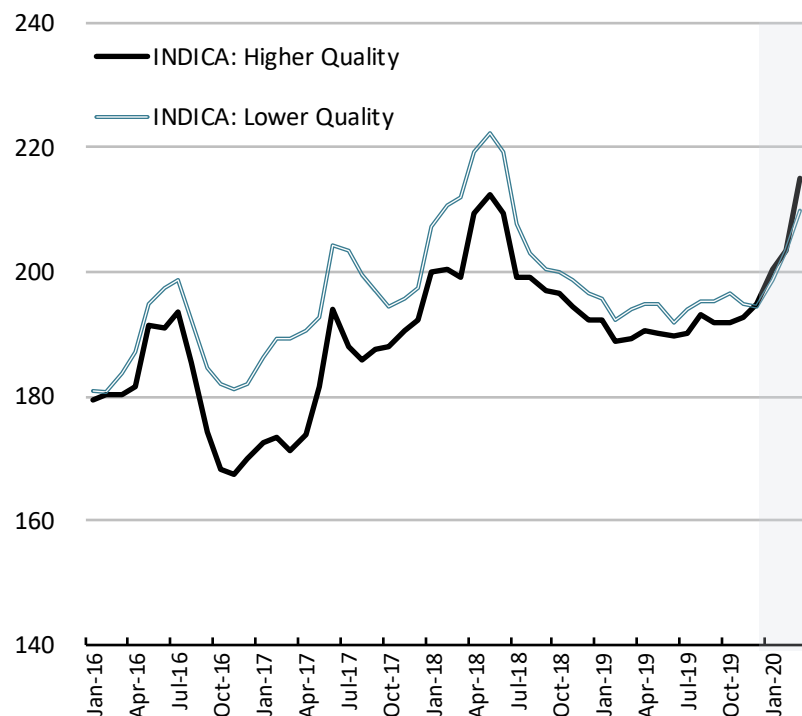


RISING INDICA PRICES LIFT FAO ALL RICE PRICE INDEX BY 5% SINCE DECEMBER

Prices strengthen the most in Thailand, underpinned by a drought-induced production cut, and in Viet Nam, on strong demand from selected Asian buyers. Currency movements cap gains in Pakistan, while also contributing to mild declines in Indian export quotes.

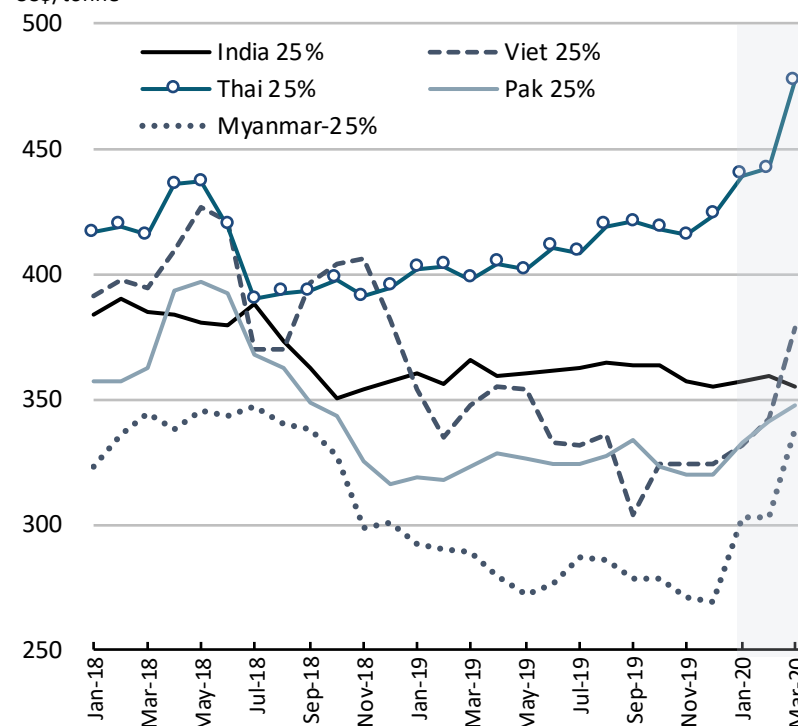
FAO Rice Price Indices

2002-2004=100



Export Prices of 25% Broken Rice

US\$/tonne

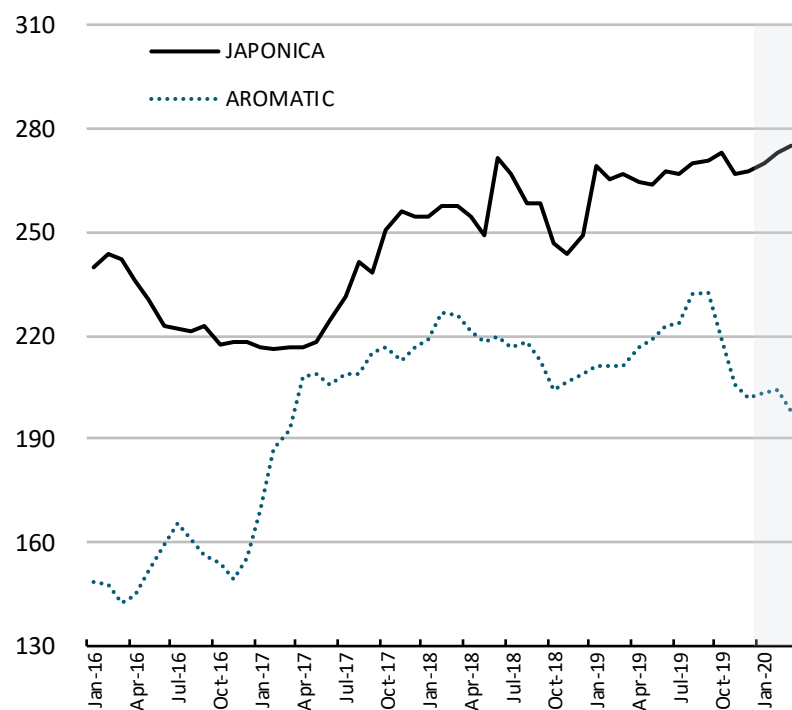


IN THE JAPONICA AND AROMATIC SEGMENTS

Competition among exporters limit gains of medium-grain prices, while weak buying interest depresses fragrant values

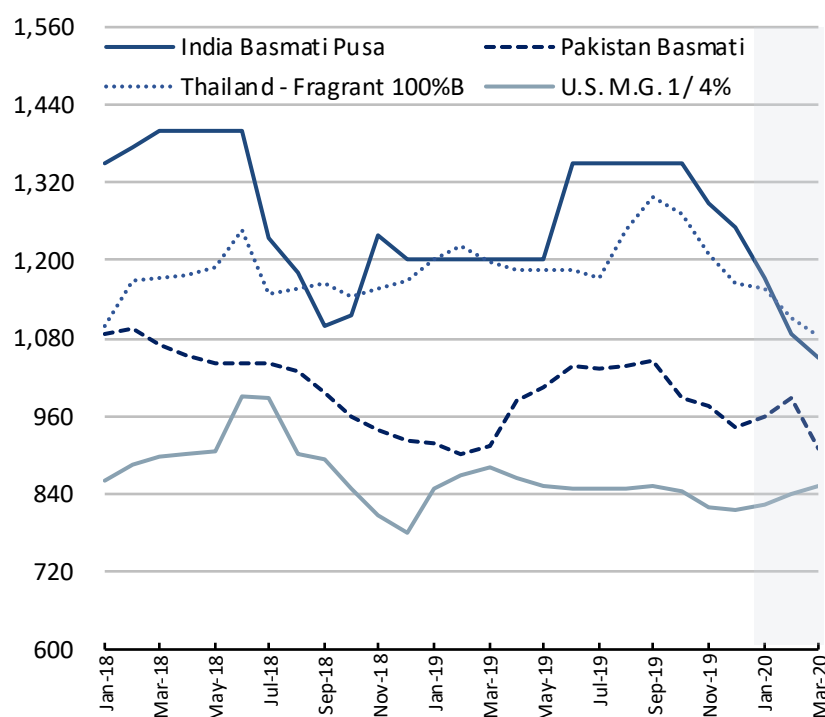
FAO Rice Price Indices

2002-2004=100



Export prices of Basmati and Indica Rice

US\$/tonne



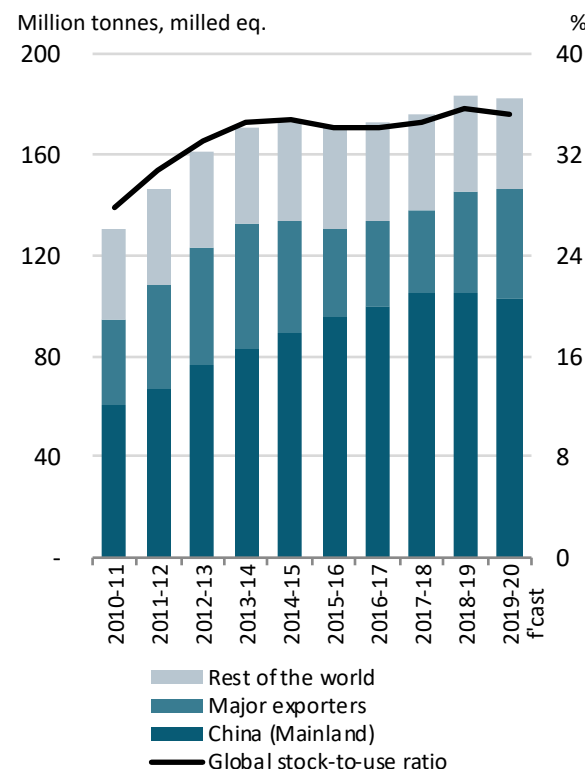
ABUNDANT SUPPLIES TO BOOST RICE USE, KEEPING STOCKS CLOSE TO ALL-TIME HIGHS

Global rice reserves to fall only marginally below their record-breaking opening levels, thanks to still sizeable inventories in China and a 10% increase in the major rice exporters' stocks to a 6-year high

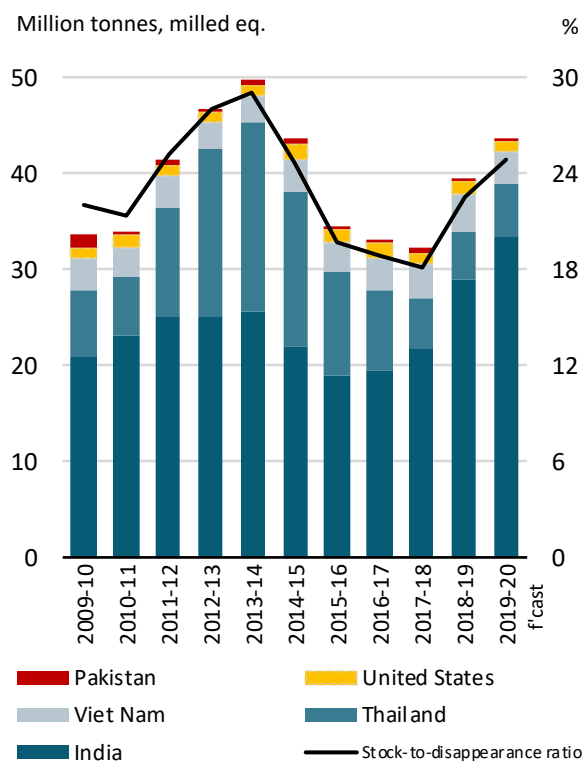
Global rice market summary

	2017-18	2018-19	2019-20	2019-20/ 2018-19 Var
		est.	f'cast	
	million tonnes, milled eq.			%
Production	507.7	514.6	512.0	-0.5
Supply	729.3	738.4	739.5	0.1
Utilization	505.6	509.1	513.4	0.9
Food use	405.4	409.9	416.4	1.6
Feed use	17.8	17.2	16.6	-3.1
Other uses	82.4	82.0	80.4	-1.9
Trade	48.5	44.1	45.1	2.2
Ending stocks	175.9	183.1	182.6	-0.3
Per capita food use	kg per head			%
World	53.7	53.7	54.0	0.5

World rice stocks



Stocks in the major rice exporters



UNCERTAINTIES IN THE CONTEXT OF THE CURRENT COVID-19 OUTBREAK

- Potential supply-side impacts, including:
 - Reduced processing, transport and port activities leading to delays in deliveries
 - Potential disruptions to harvesting activities of 2019/20 secondary crops in the northern-hemisphere and of 2020 crops south of the Equator (these are about to get underway or just started), as well as potential disruptions to planting activities of 2020 crops in northern-hemisphere producers (should quarantine restrictions extend into May/June)
- Potential demand-side impacts, including:
 - Demand reductions in price-sensitive markets, spurred by economy-wide impacts of the outbreak
 - Currency depreciations and declines in energy prices, in their rendering imports more costly or limiting countries' ability to purchase rice in international markets
- Policies
 - In exporters, for instance the release of public stockpiles, the revised export directives to be issued in Viet Nam by 5 April or the duration of the export ban on non-fragrant rice in Cambodia
 - In importing countries, including the timing of their purchases and/or efforts to reconstitute reserves
- Developments in other cereal markets



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THANK YOU

For regular market and price updates subscribe to the Rice Market Network by sending an e-mail to Rice-Network@fao.org with "subscribe" in the subject line. For queries, contact:

FAO Rice Team:

Grace Maria Karumathy – Rice market analyst

Harout Dekermendjian – Rice market analyst

Shirley Mustafa - Economist

Trade and Markets Division

Food and Agriculture Organization of the United Nations

Viale delle Terme di Caracalla

Rome, Italy
