

**U.S. AND GLOBAL RICE OUTLOOK
2015 SOUTHERN REGION OUTLOOK
CONFERENCE
SEPTEMBER 21-23, 2015
EMBASSY SUITES ATL AIRPORT**

Robert Coats, Ph.D.

Professor – Economics

Department of Agricultural Economics and Agribusiness

Division of Agriculture

University of Arkansas

















Jarrod Hardke @JHardke · Aug 7

First Lonoke Co., AR rice field being harvested today. From @ARKeithPerkins





Jarrold Hardke retweeted



Ralph Mazzanti @rmazzanti - Aug 17

Arkansas co. RRVP field has been harvested. The preliminary yield is 213 bu/ac. dry - XL 753.





Jarrold Hardke @JHardke · Aug 26

Rice mill lots active at Stuttgart as early rice harvest speeds up. So far yields seem down 10% versus recent years.





Jarrod Hardke @JHardke · Sep 2

Planting date study at Stuttgart:

Top - planted 4/3 - 200 bu/A

Bottom - planted 4/21 - 140 bu/A



Early Arkansas rice yields down 10-15 percent

University of Arkansas | *Delta Farm Press*

Sep 8, 2015



EMAIL



SHARE



Tweet



G+1



Recommend

13

COMMENTS **0**

RELATED MEDIA



[High nighttime temperatures a concern for rice producers](#)

Harvest weather may be just about perfect for the 2015 Arkansas rice crop, but the results leave a lot to be desired, says Jarrod Hardke, rice Extension agronomist.



Delta Farm Press

Rice prices are finding support

- Overestimated U.S. acreage and yield
- El Nino's potential global impact on future production

ZR - Rough Rice - Monthly Continuation OHLC Chart





United States
Department of
Agriculture

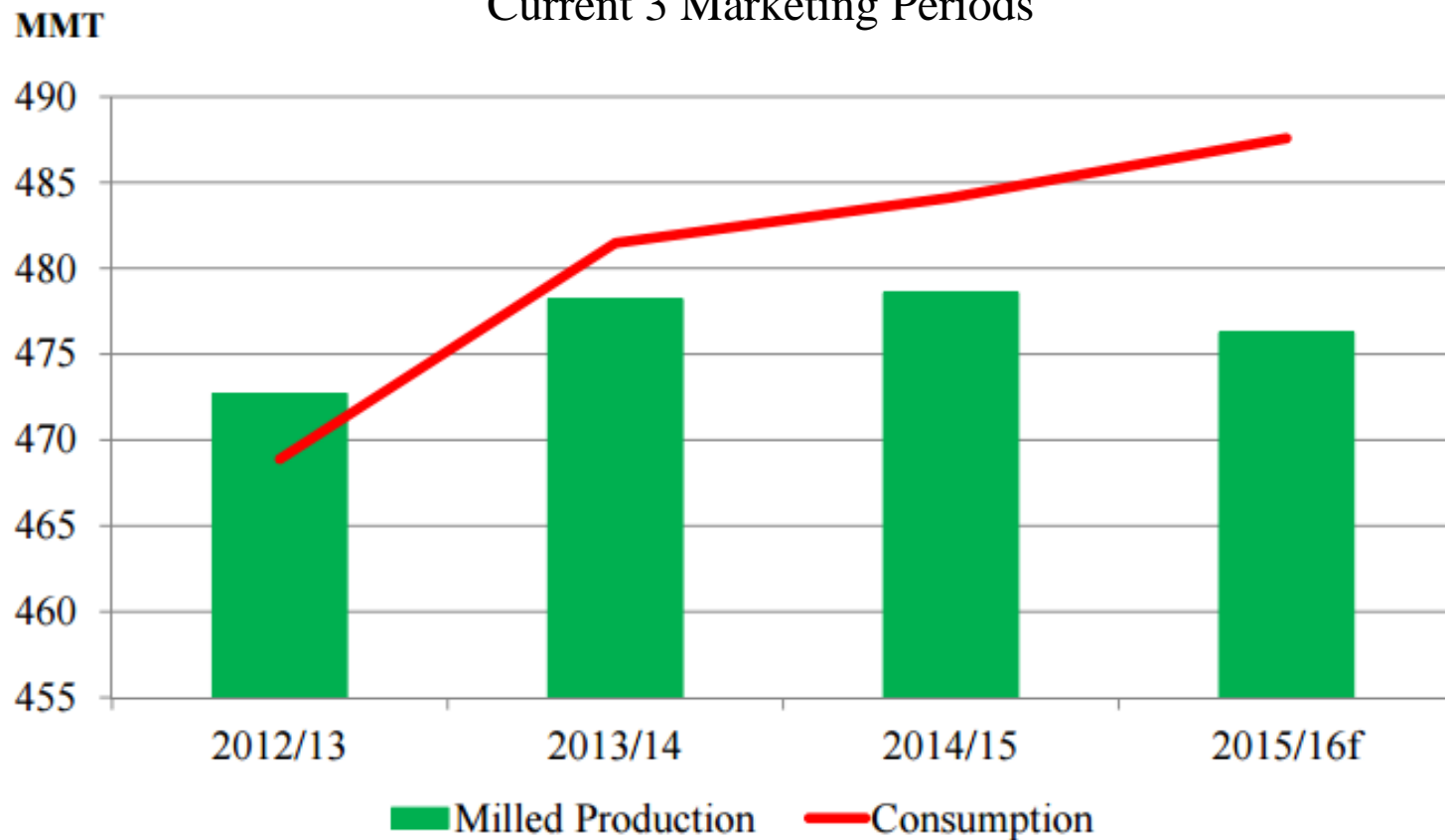
Foreign
Agricultural
Service

Grain: World Markets and Trade

September 2015

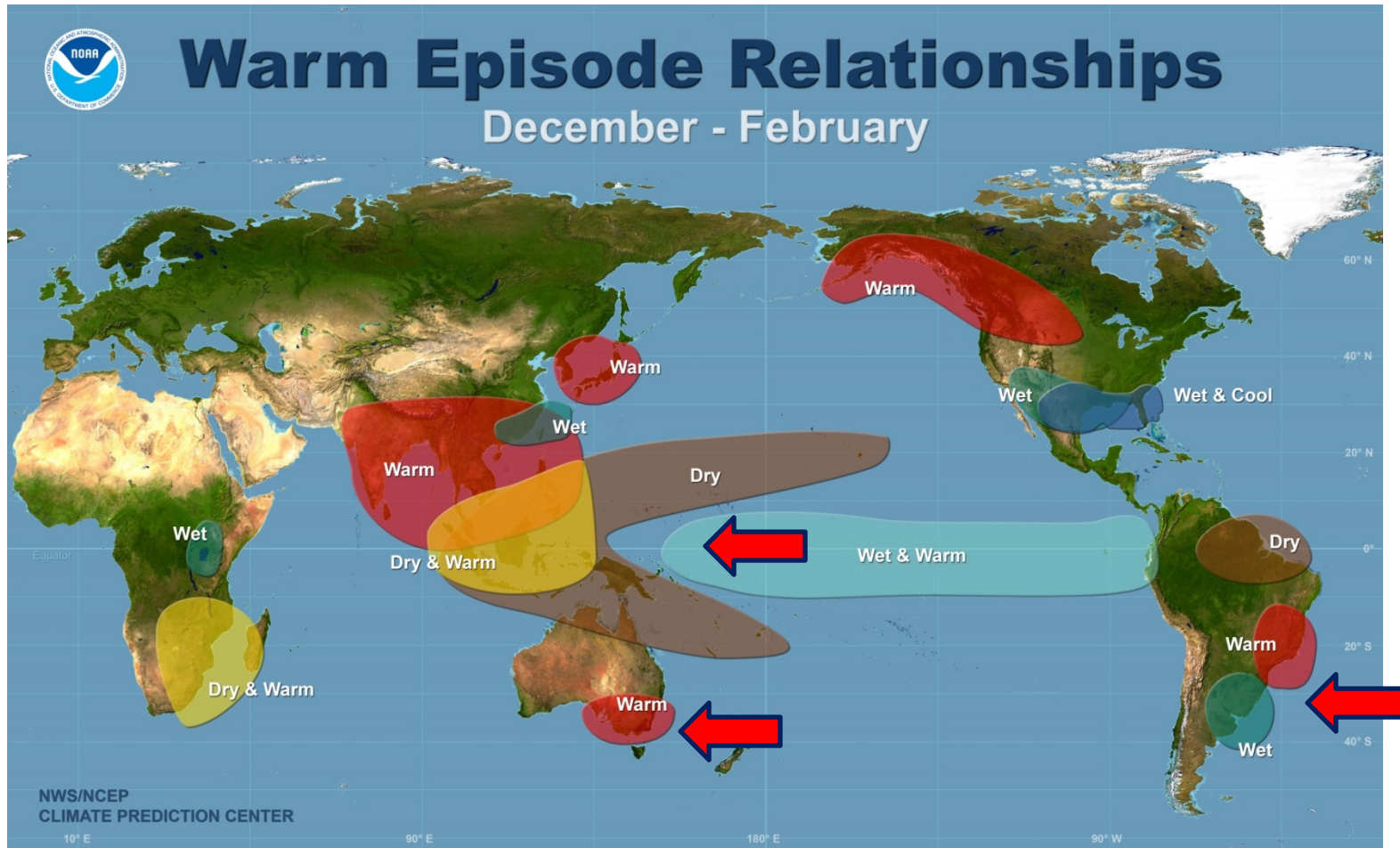
Global Rice Consumption Outpaces Production

Current 3 Marketing Periods

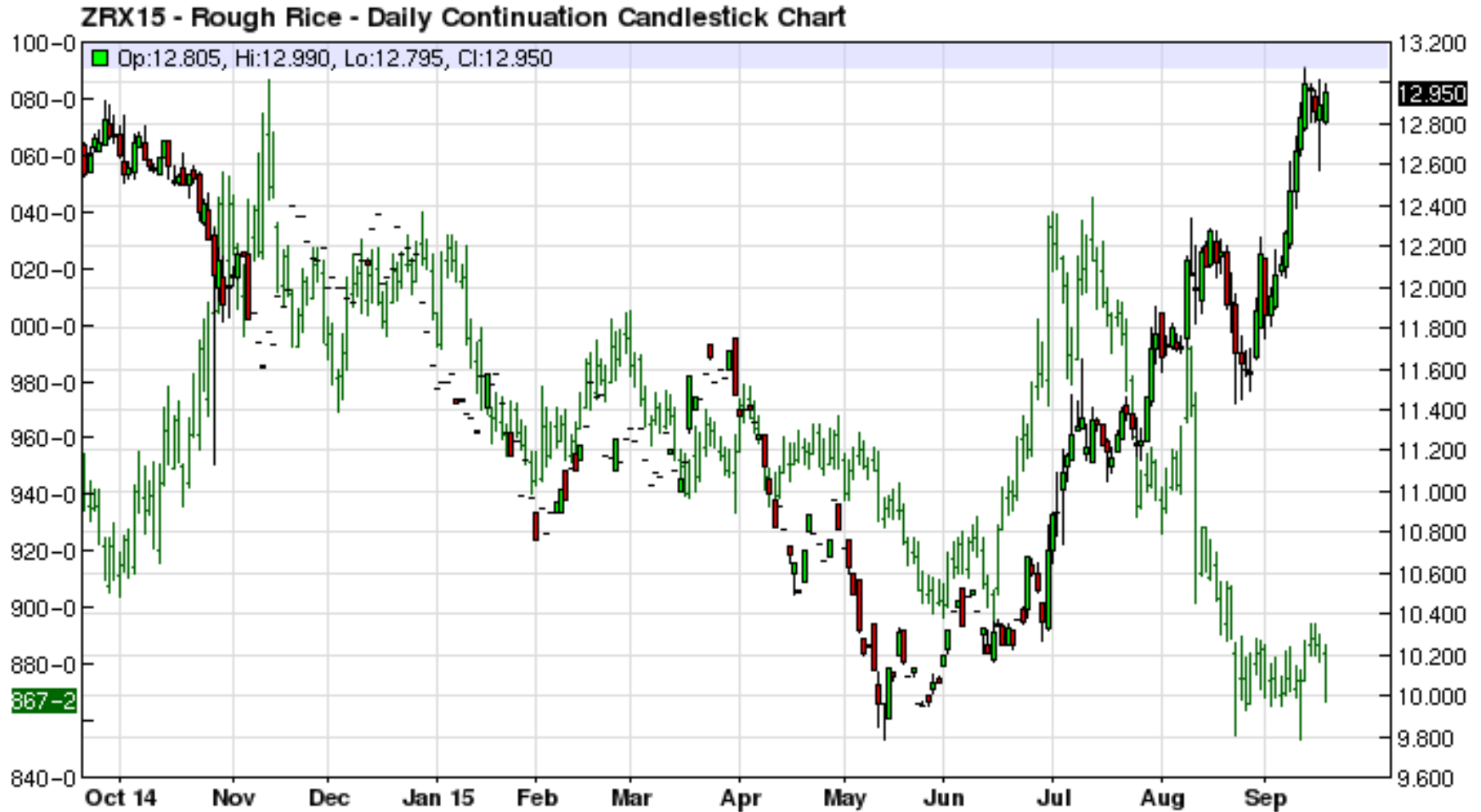


El Nino?

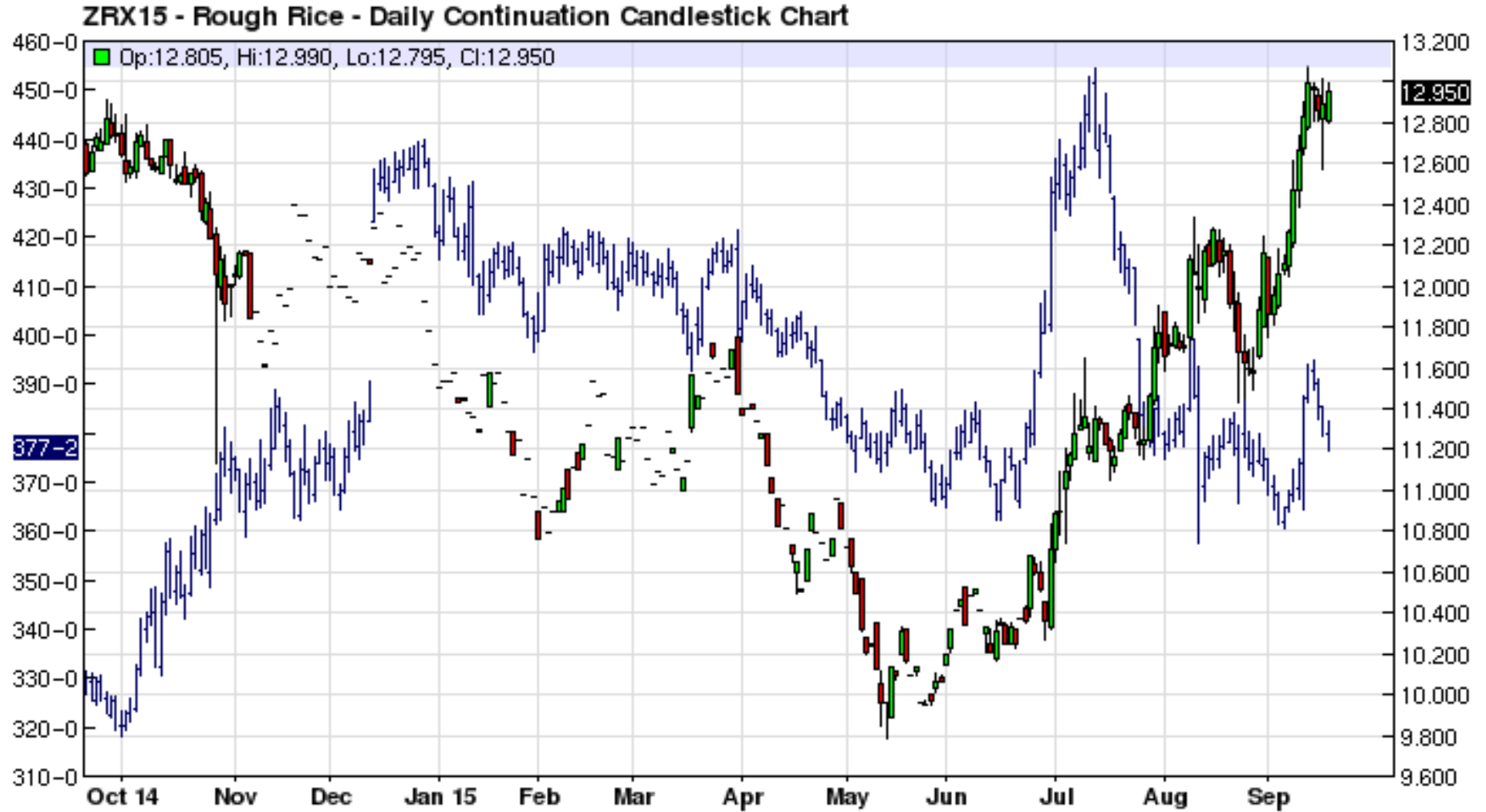
El Nino potential to disrupt global supply



Rice and Soybeans Daily Continuation



Rice and Corn Daily Continuation



WORLD RICE SUPPLY AND DEMAND ESTIMATES SLIDE SHOW

SEPTEMBER 13, 2015

By

Robert Coats, Ph.D.

Professor – Economics

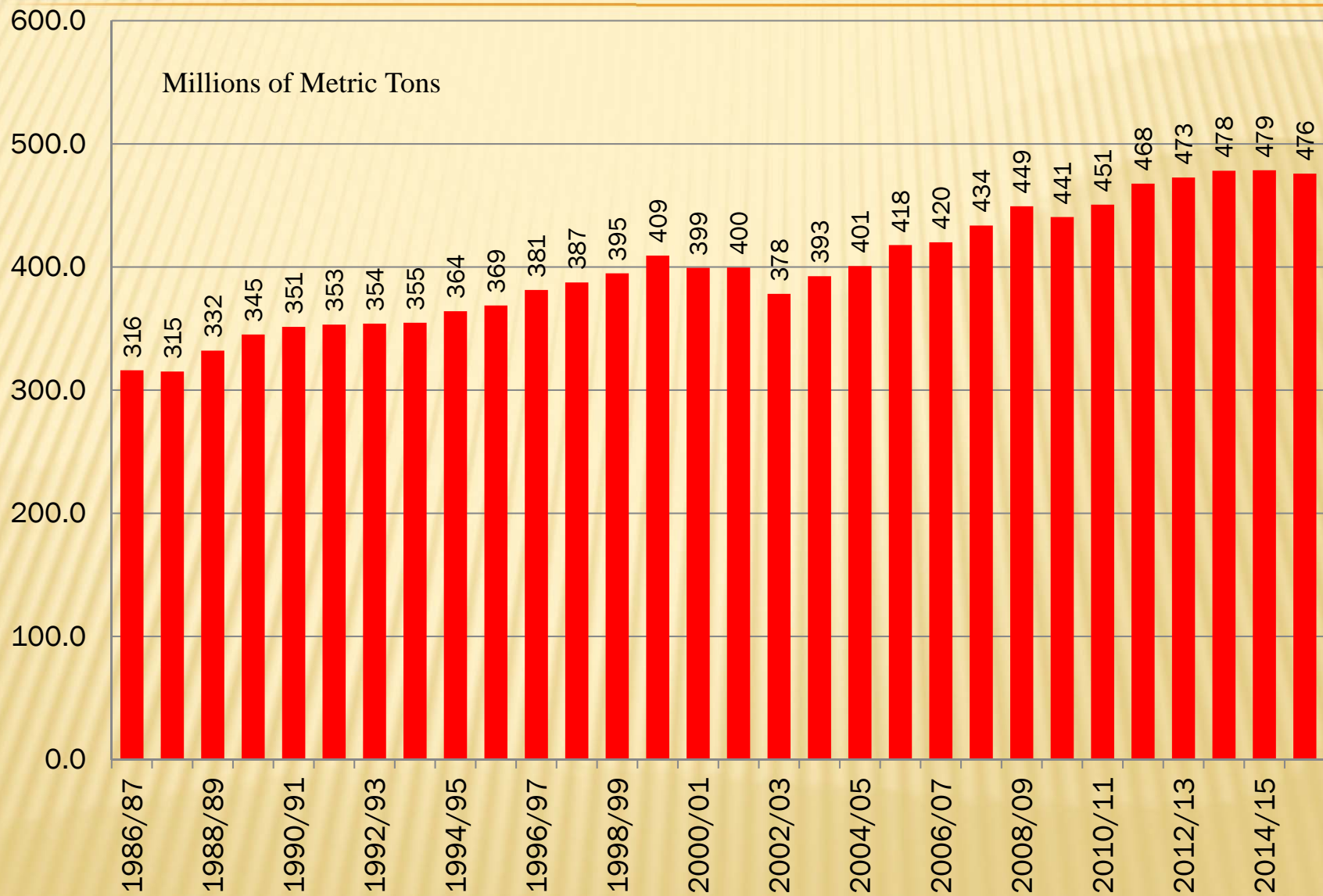
Department of Agricultural Economics and Agribusiness

Division of Agriculture

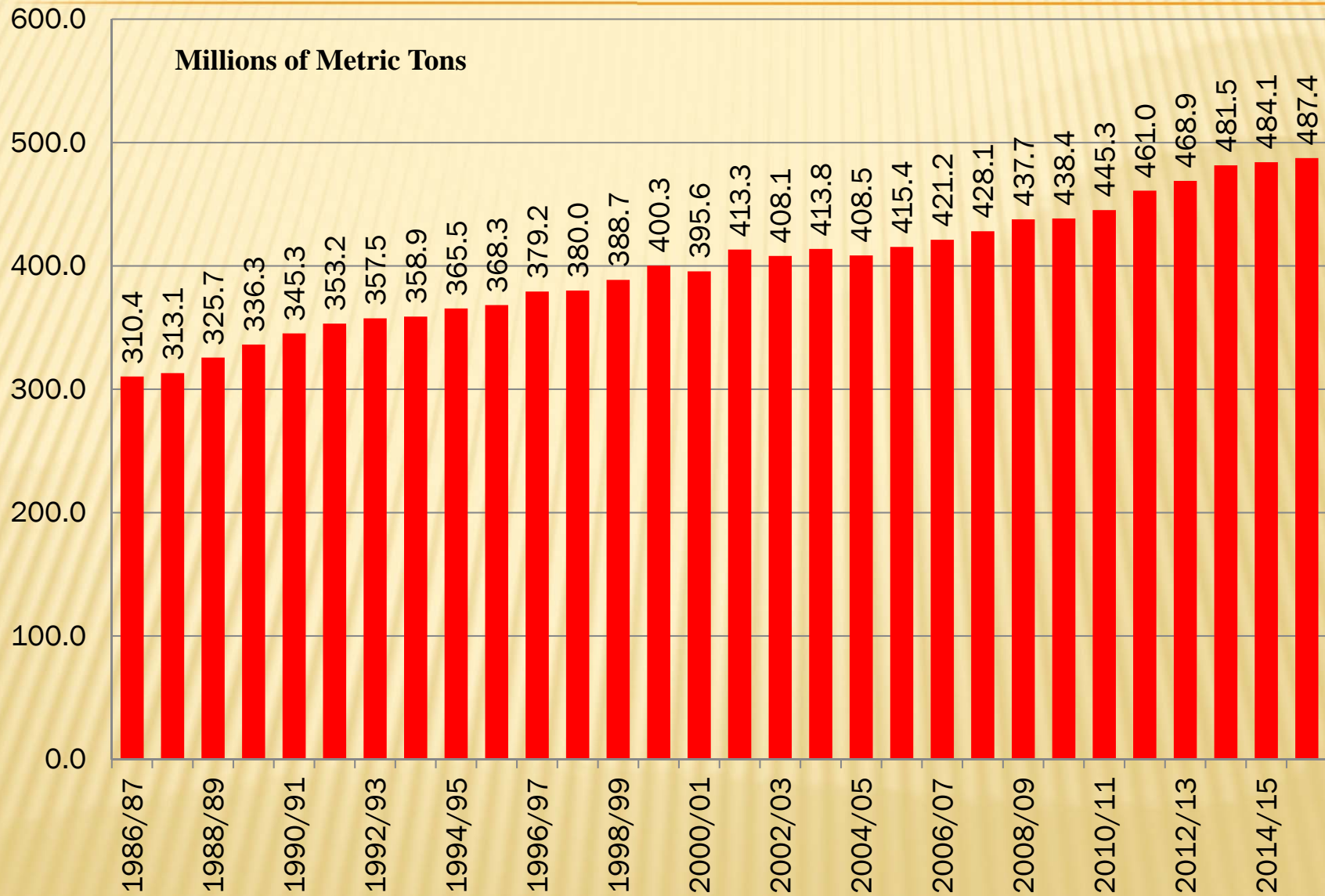
University of Arkansas

WORLD RICE MILLED PRODUCTION

1985/86-2015/16

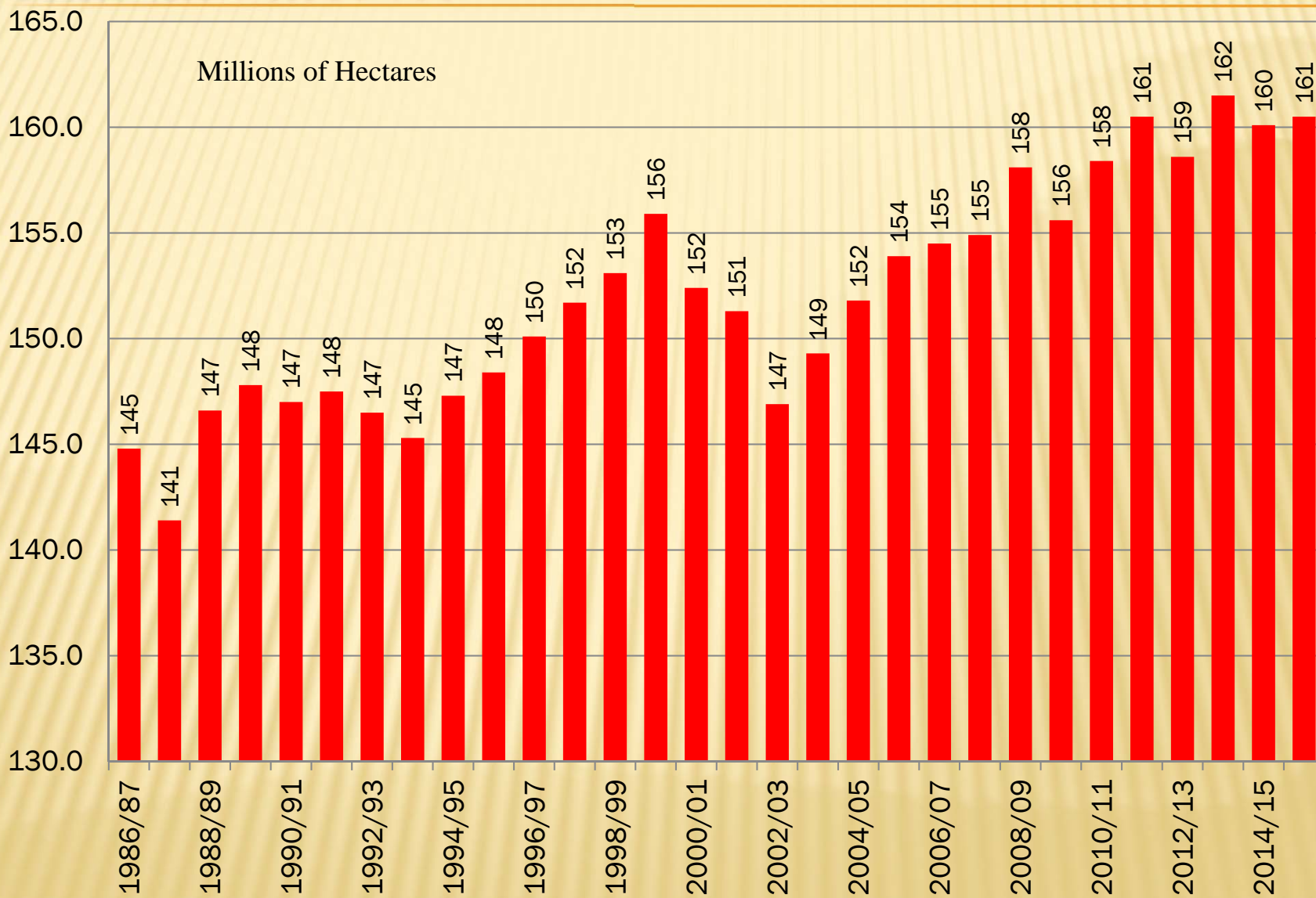


WORLD RICE TOTAL USE 1985/86-2015/16

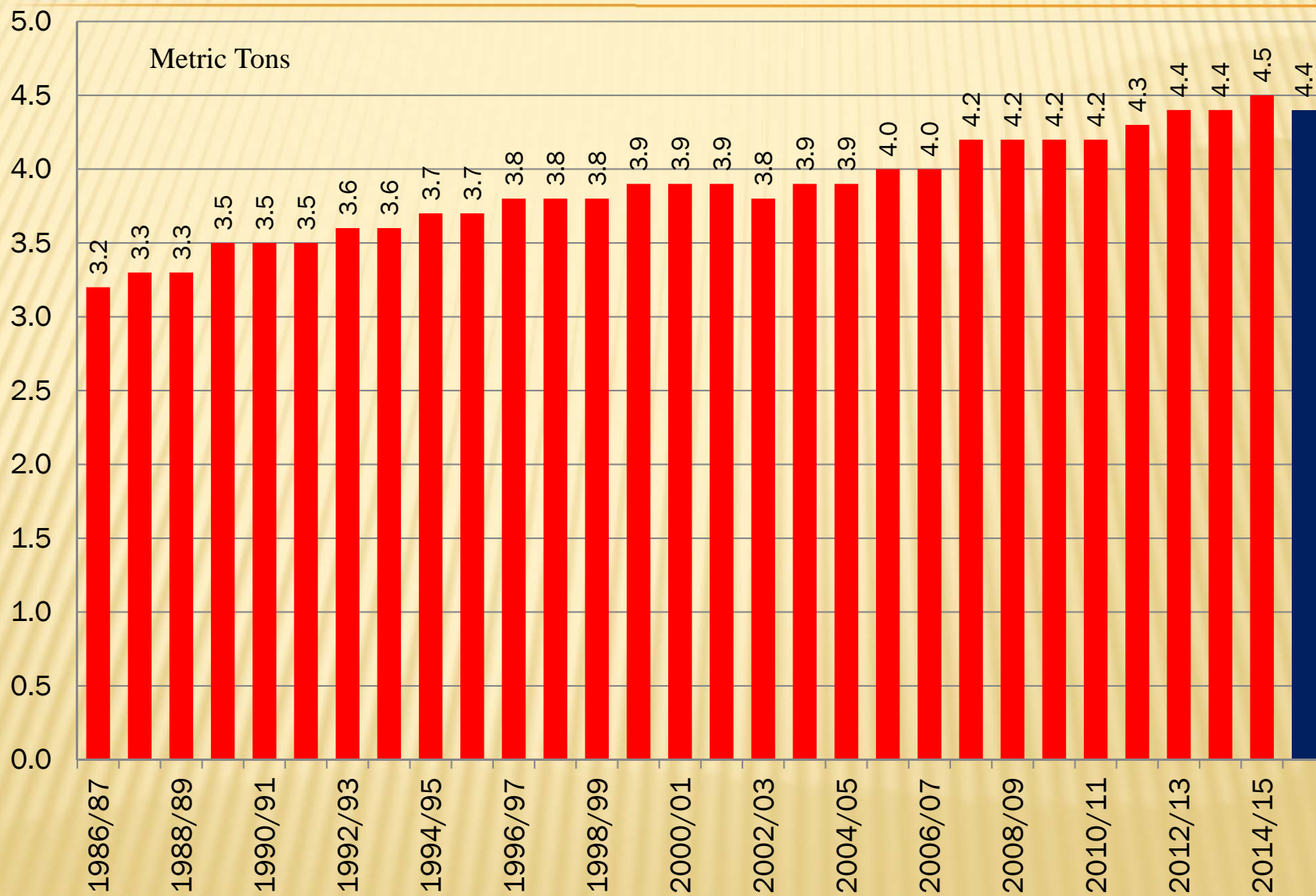


WORLD RICE AREA HARVESTED

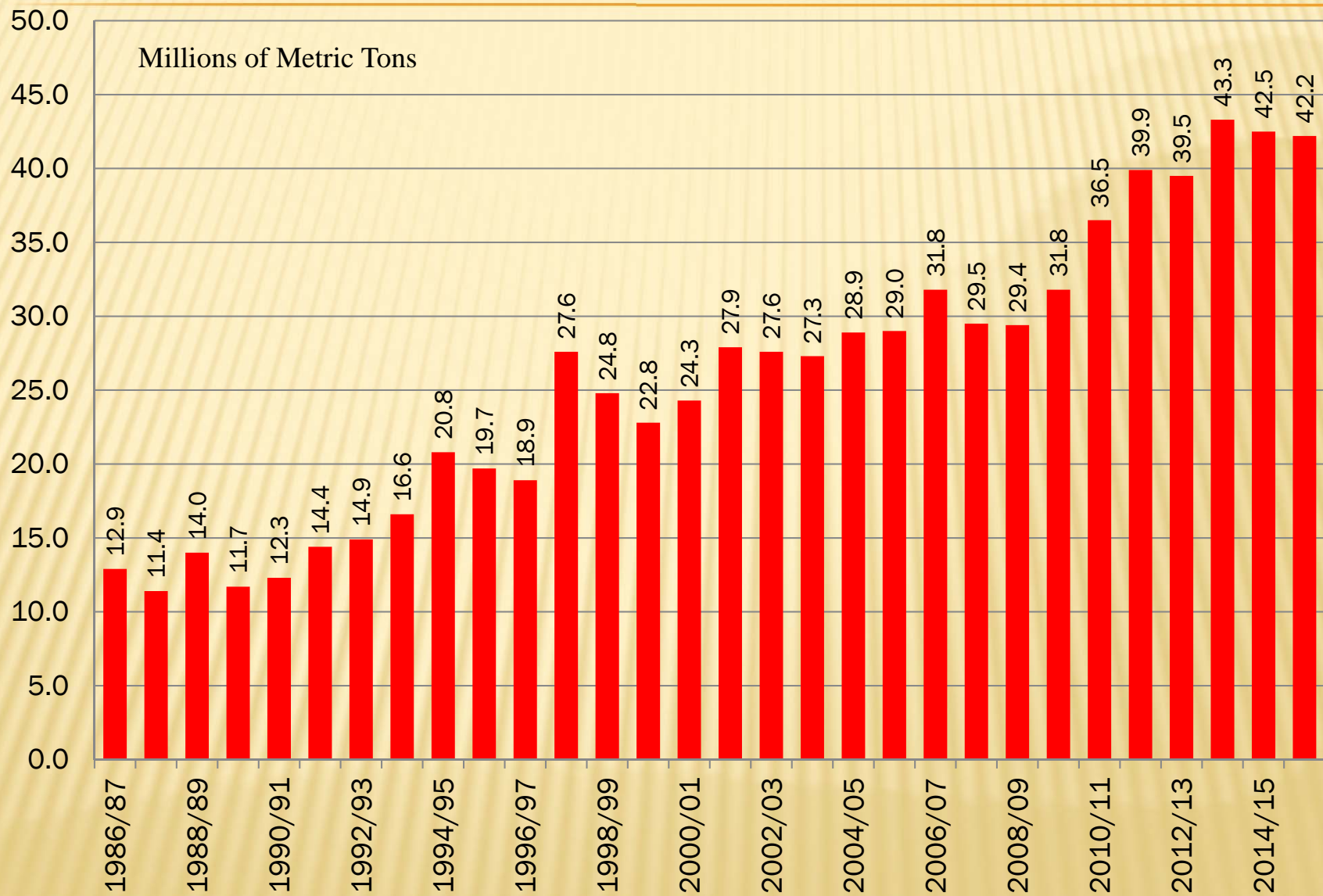
1985/86-2015/16



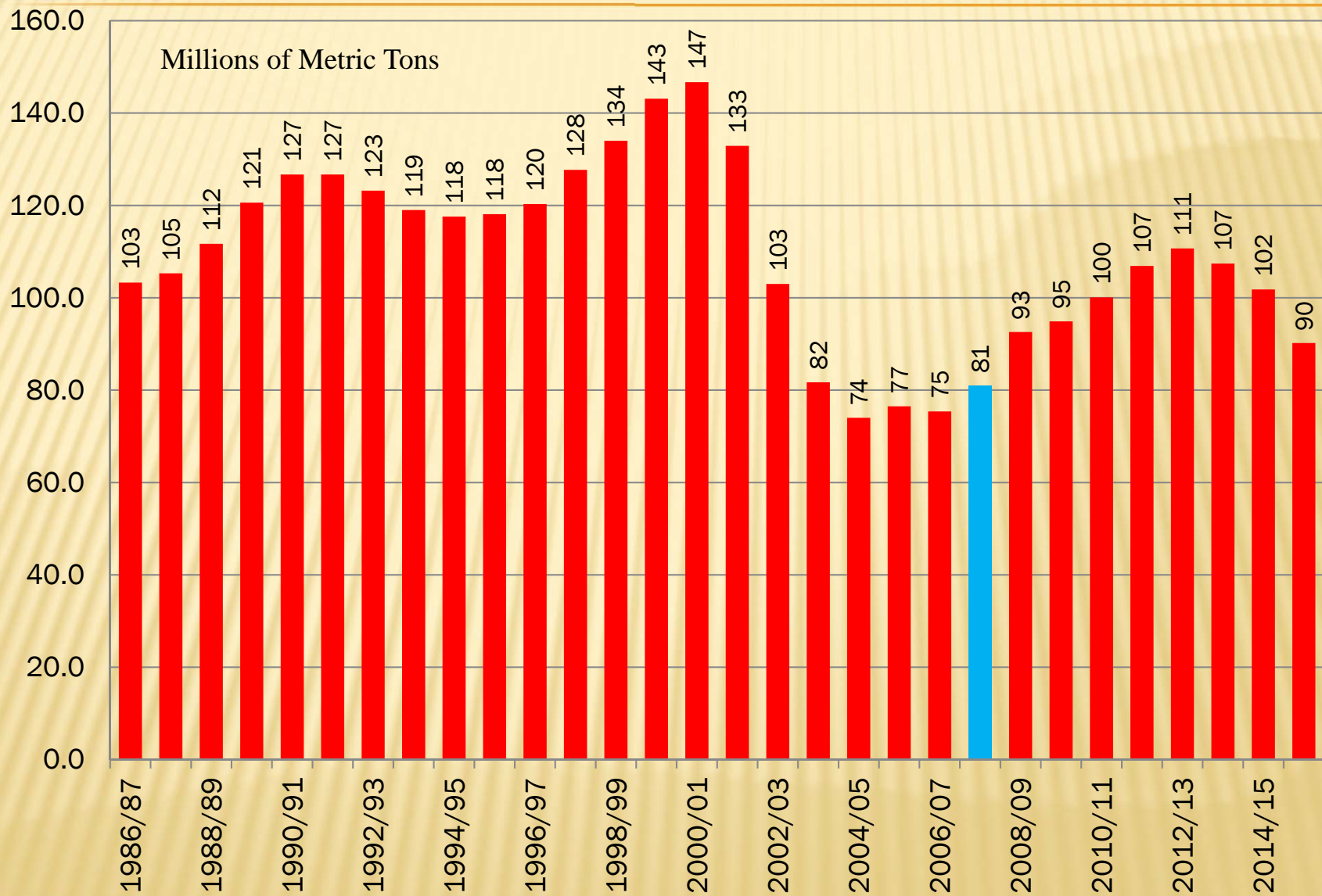
WORLD RICE YIELD (ROUGH) 1985/86- 2015/16



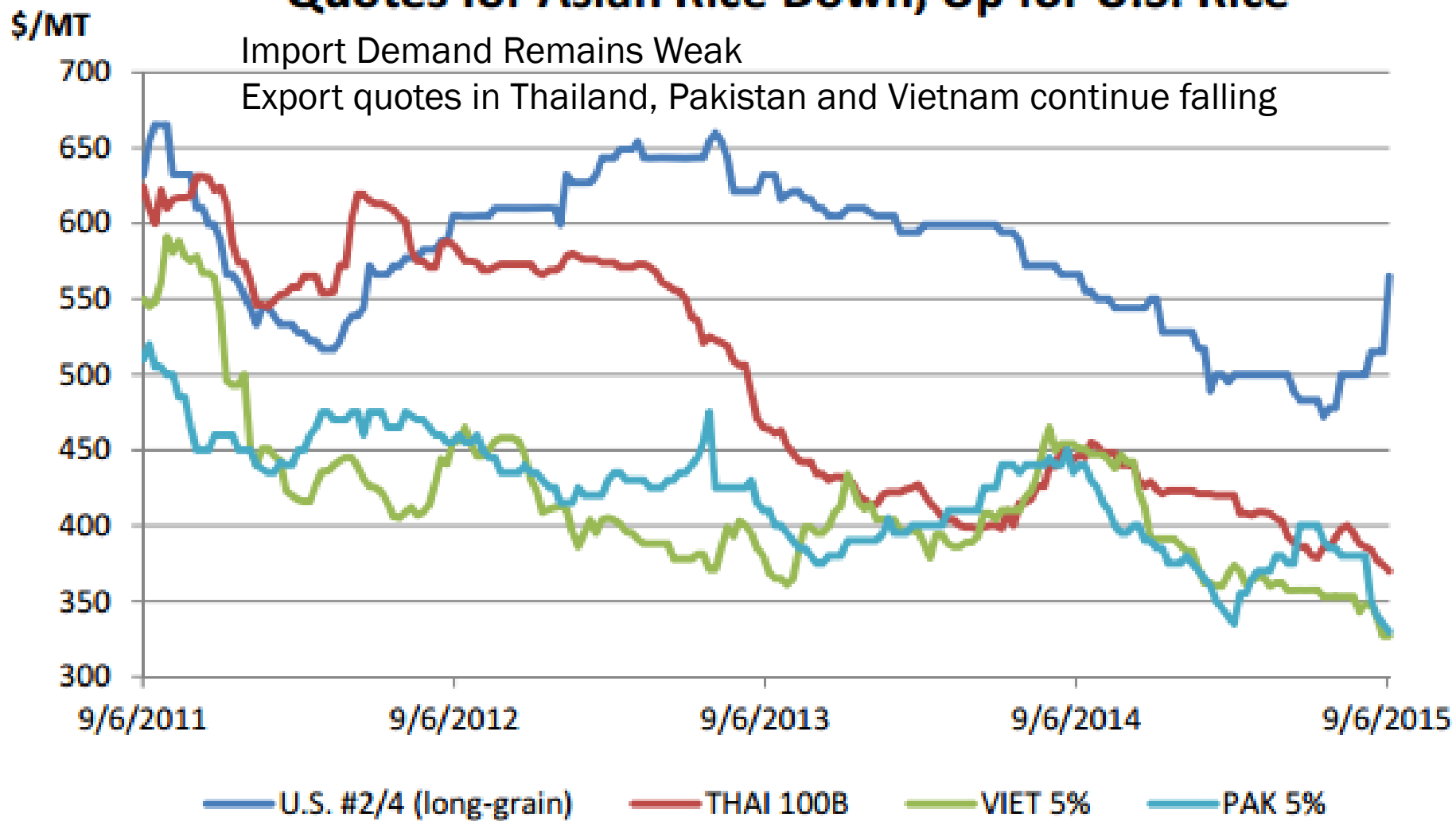
WORLD RICE TRADE YEAR EXPORTS CALENDAR 1986-2015



WORLD RICE ENDING STOCKS 1985/86- 2015/16



Quotes for Asian Rice Down, Up for U.S. Rice



Last month, Thai 100B slipped \$16/ton to \$370/ton;
Pakistan 5 percent broken dropped \$50/ton to \$330/ton, the lowest since 2011;
and Vietnam 5 percent broken fell \$21/ton to \$327/ton, the lowest since 2008

Macro Issues

**The
Street**

TheStreet @TheStreet · 3h

Fed should hike rates in September -- but likely won't bit.ly/1i47C1B



No Fed Rate Hike Until At Least December, Says Goldman

By Carleton English [+](#) [🐦](#) [✉](#) | 09/11/15 - 09:33 AM EDT

FOREIGN STOCKS

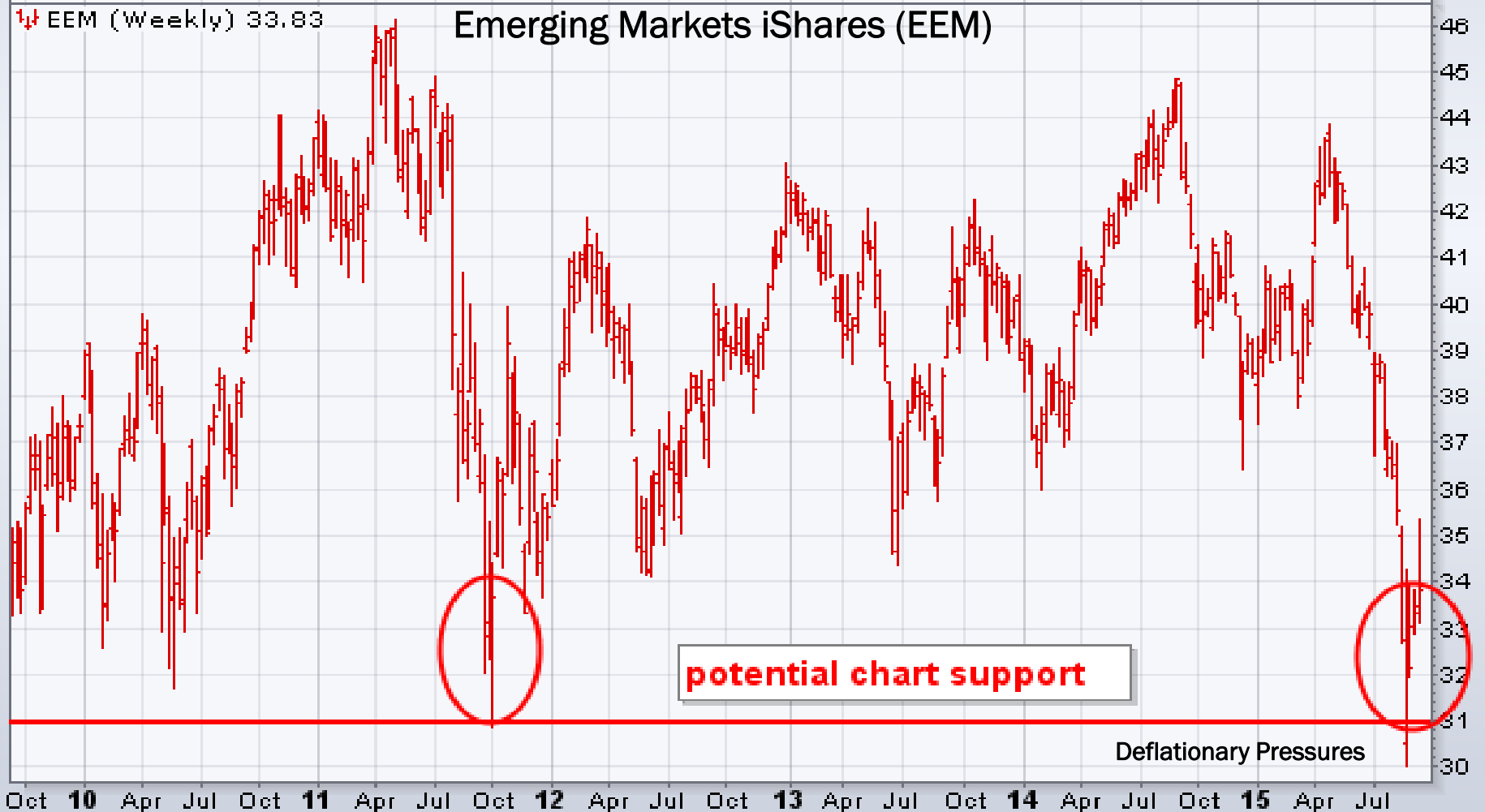
TESTING IMPORTANT SUPPORT LINES

- Fed Head concerned about weakness
 - Foreign markets
 - Emerging markets
- Biggest losers among global stock markets
 - Since May 1
 - Emerging markets have lost -20%
 - -10% for foreign developed markets
 - -6% for the U.S.

EEM iShares MSCI Emerging Markets NYSE

© StockCharts.com

18-Sep-2015 **Open** 33.35 **High** 35.35 **Low** 33.15 **Close** 33.83 **Volume** 373.3M **Chg** +0.37 (+1.11%) ▲



18-Sep-2015

Open 58.93 High 61.02 Low 58.72 Close 58.82 Volume 119.6M Chg -0.62 (-1.04%)

▲ RSI(14) 36.64



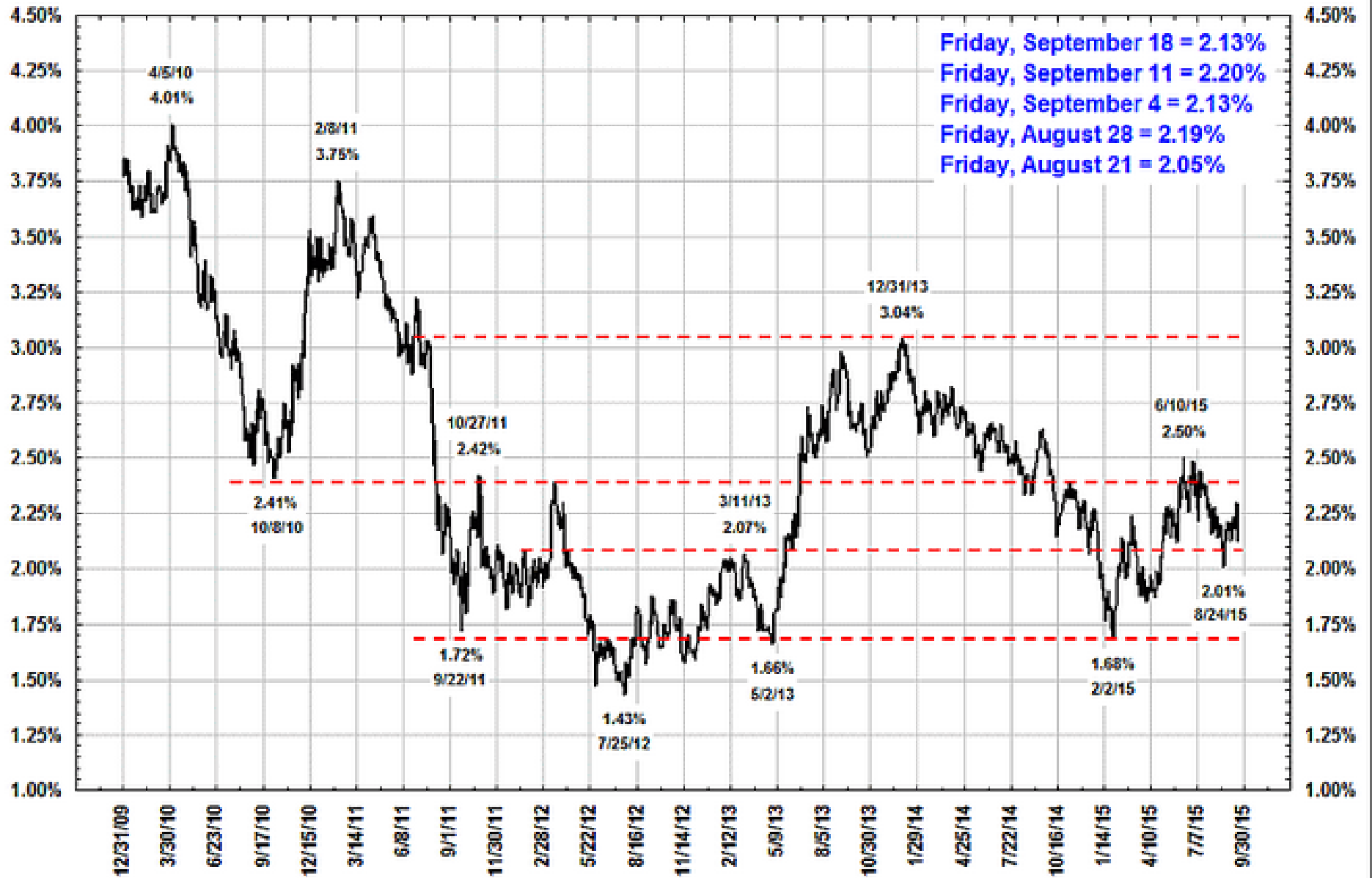
▲ EFA (Weekly) 58.82

EAFE iShares (EFA)



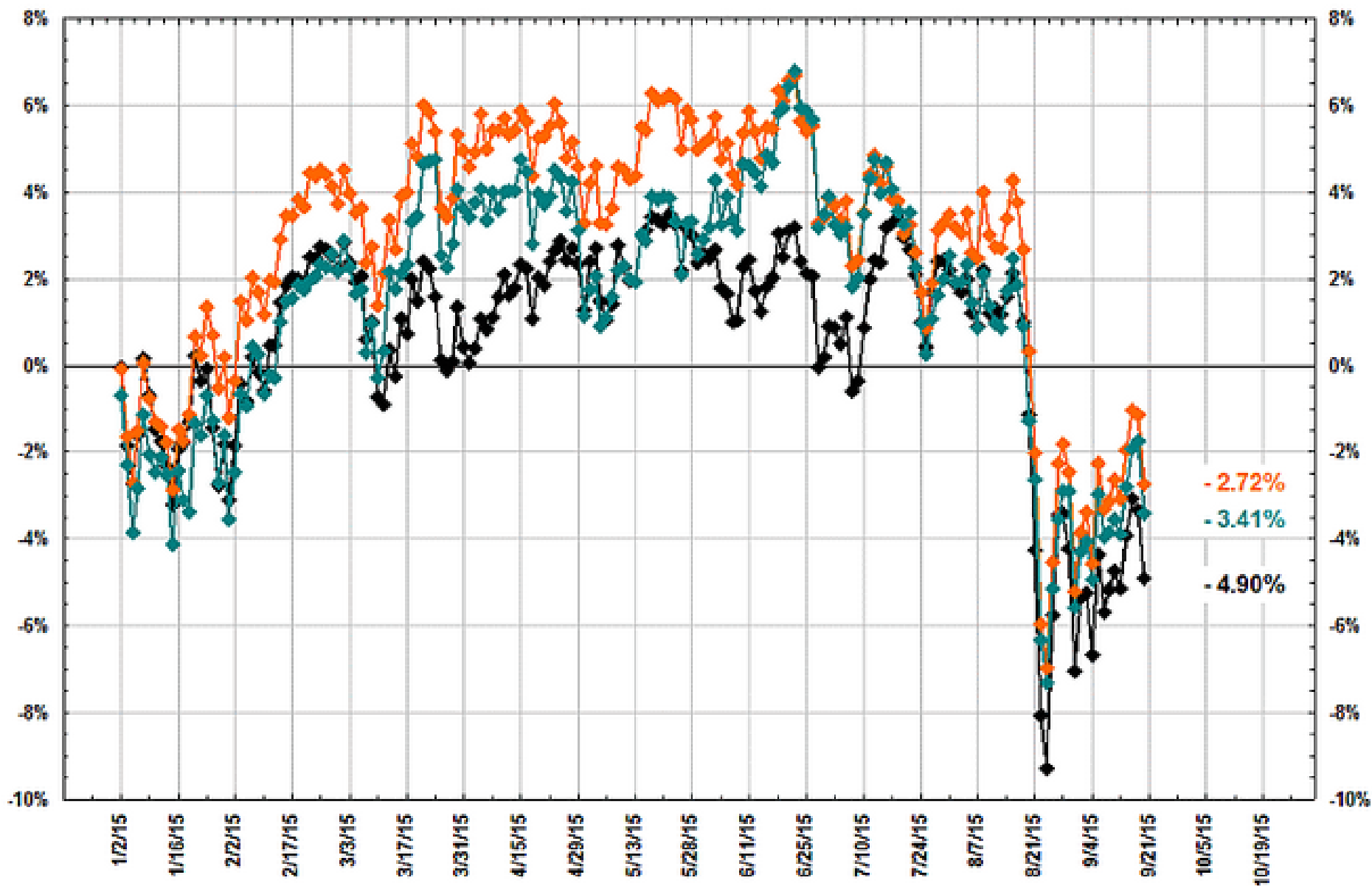
U.S. Interest Rates

U.S. Treasury Yields 10 year constant maturity



Major U.S. Stock Index Watch

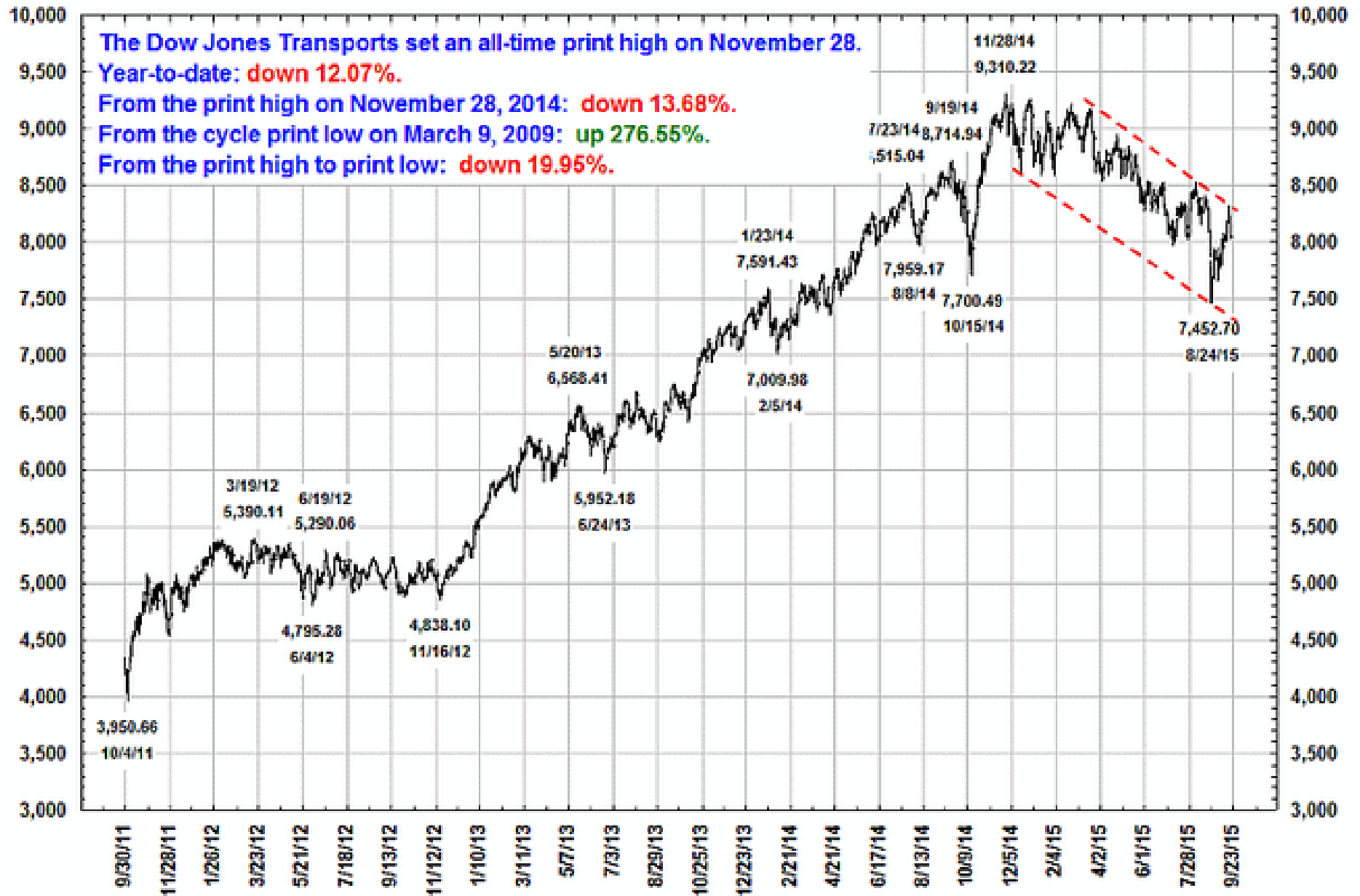
2015 Year-to-Date Percentage Change S&P 500, S&P 400 and S&P 600



Dow Jones Industrial Average



Dow Jones Transportation Average



Standard & Poor's 500 Composite



S&P 500 Energy Sector



Currency Watch

UUP PowerShares DB US Dollar Index Bullish Fund NYSE

© StockCharts.com

18-Sep-2015

Open 24.84 High 24.97 Low 24.60 Close 24.86 Volume 5.8M Chg +0.03 (+0.12%) ▲

UUP (Weekly) 24.86

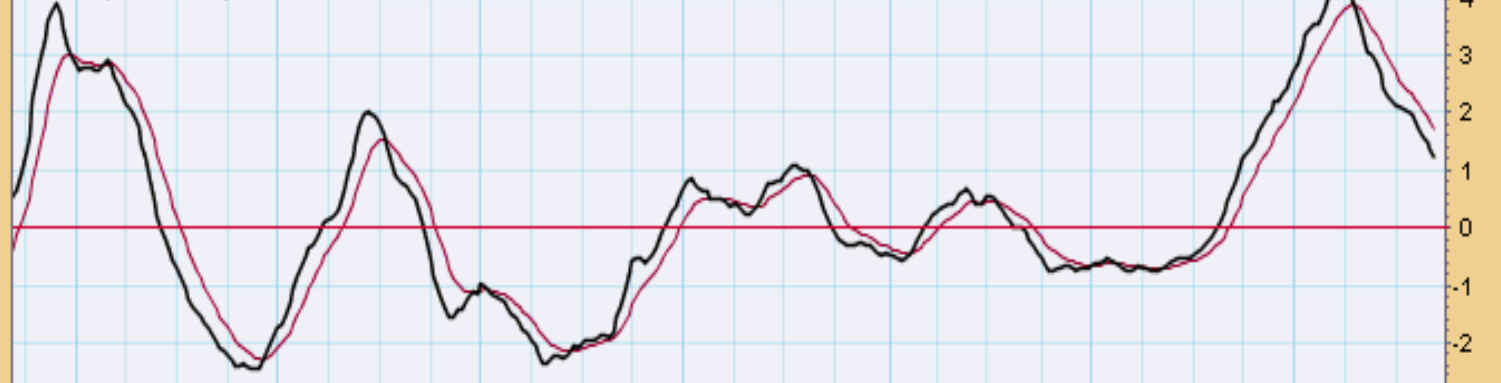
EMA(17) 25.11

EMA(43) 24.73

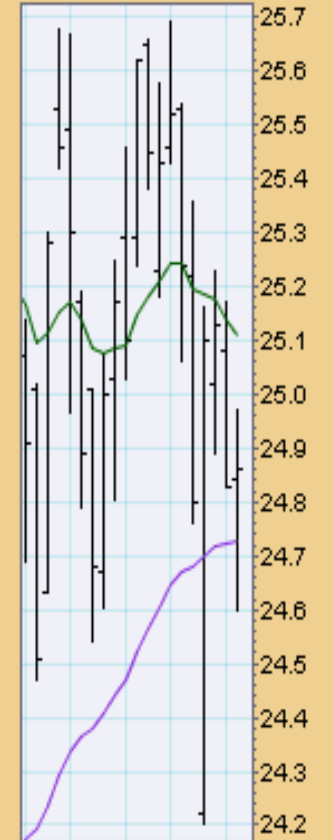


Oct 09 Apr Jul Oct 10 Apr Jul Oct 11 Apr Jul Oct 12 Apr Jul Oct 13 Apr Jul Oct 14 Apr Jul Oct 15 Apr Jul

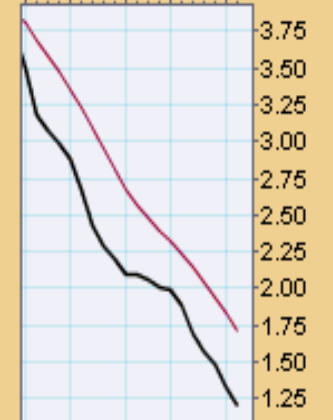
PMO(35,20,10) 1.20, 1.71



Oct 09 Apr Jul Oct 10 Apr Jul Oct 11 Apr Jul Oct 12 Apr Jul Oct 13 Apr Jul Oct 14 Apr Jul Oct 15 Apr Jul

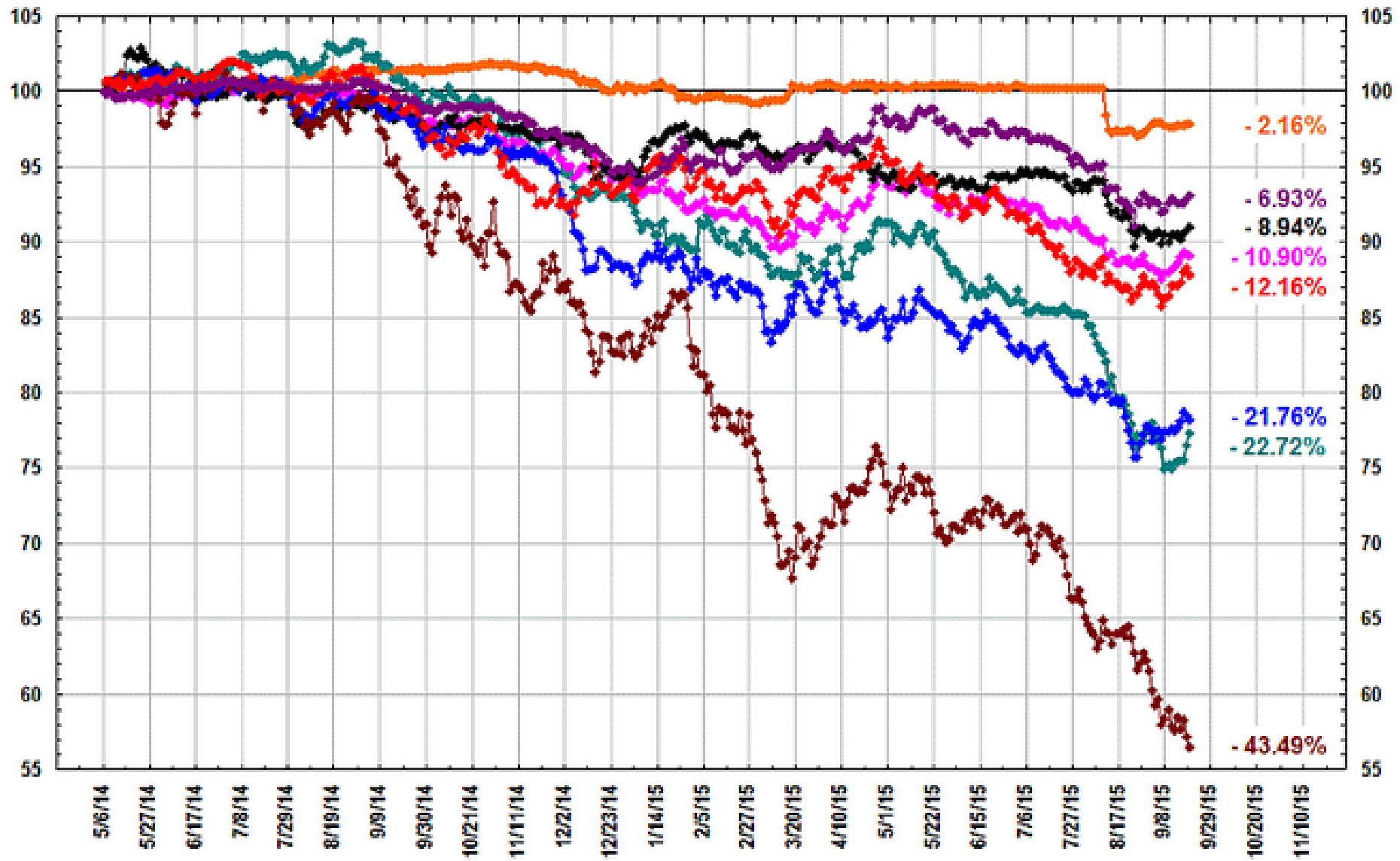


M J J A S



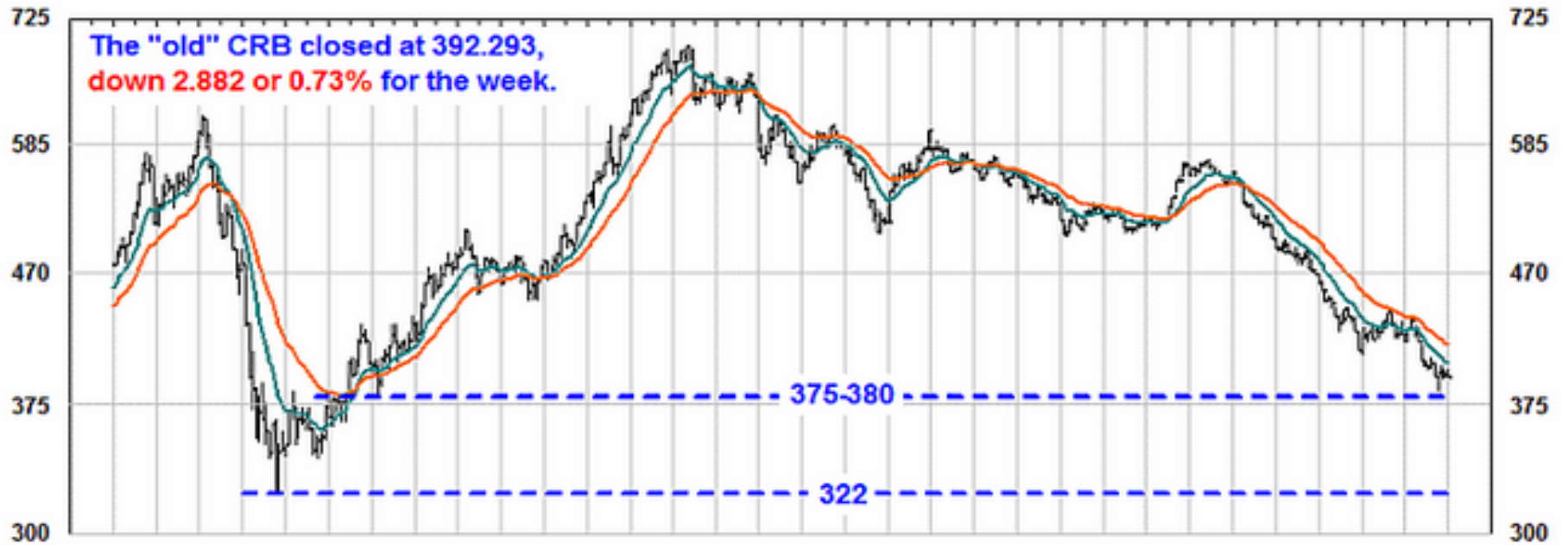
M J J A S

Brazil (Real), China (Yuan), India (Rupee), Malaysia (Ringgit), Mexico (Peso),
 Singapore(\$), South Korea (Won), and Taiwan (\$)
 (Daily Close rebased to 100 on May 6, 2014)

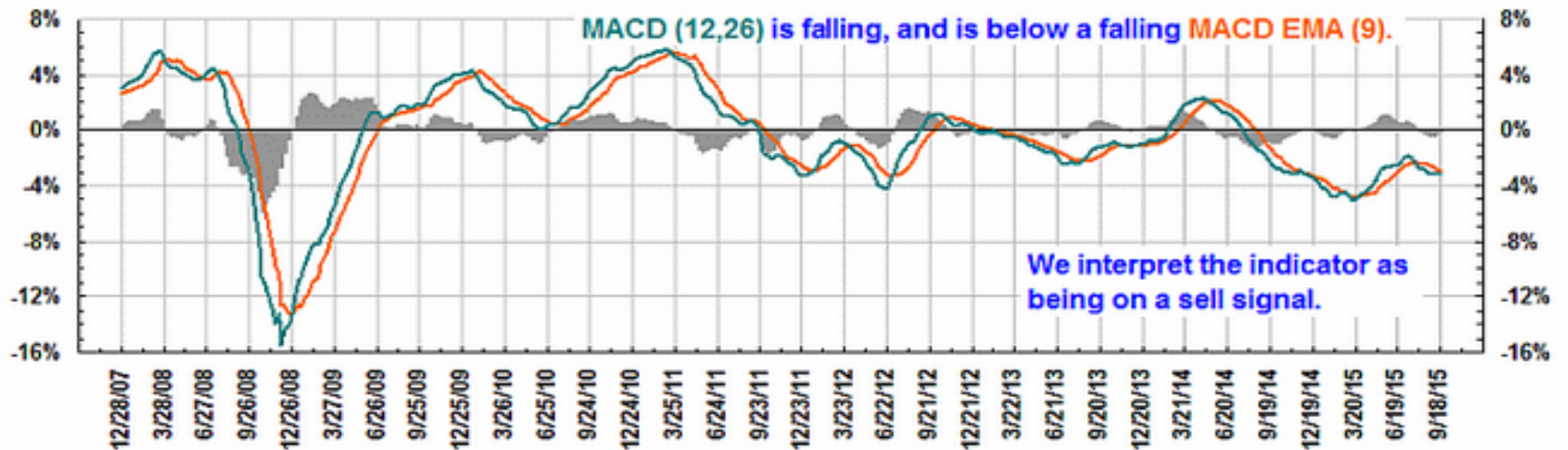


Continuous Commodity Index

Thomson Reuters EW Continuous Commodity Index (weekly)
with 12 & 26 week exponential moving averages



MACD (12,26), MACD EMA (9) and Divergence (Bars)



Oil

 Bloomberg Markets retweeted



Javier Blas @JavierBlas2 · 43m

Lots of #oil stories on the Bloomberg website [bloomberg.com/news/articles/...](https://www.bloomberg.com/news/articles/...)
[bloomberg.com/news/articles/...](https://www.bloomberg.com/news/articles/...) #energy #opec

How Low Can Oil Go? Goldman Says \$20 a Barrel Is a Possibility

A photograph of an oil field at dusk or dawn. Several pumpjacks are visible in the distance, silhouetted against a dark blue sky. The foreground is a flat, open field with some sparse vegetation.

[IEA Sees Oil Supply Outside OPEC
Falling by Most Since 1992](#)

[Why Vladimir Putin Won't Be Helping
OPEC to Cut Oil Production](#)

Crude Oil WTI November 2015 (CLX15)

46.35 ↑ +1.33 (+2.95%) 11:20A CDT (NYMEX)

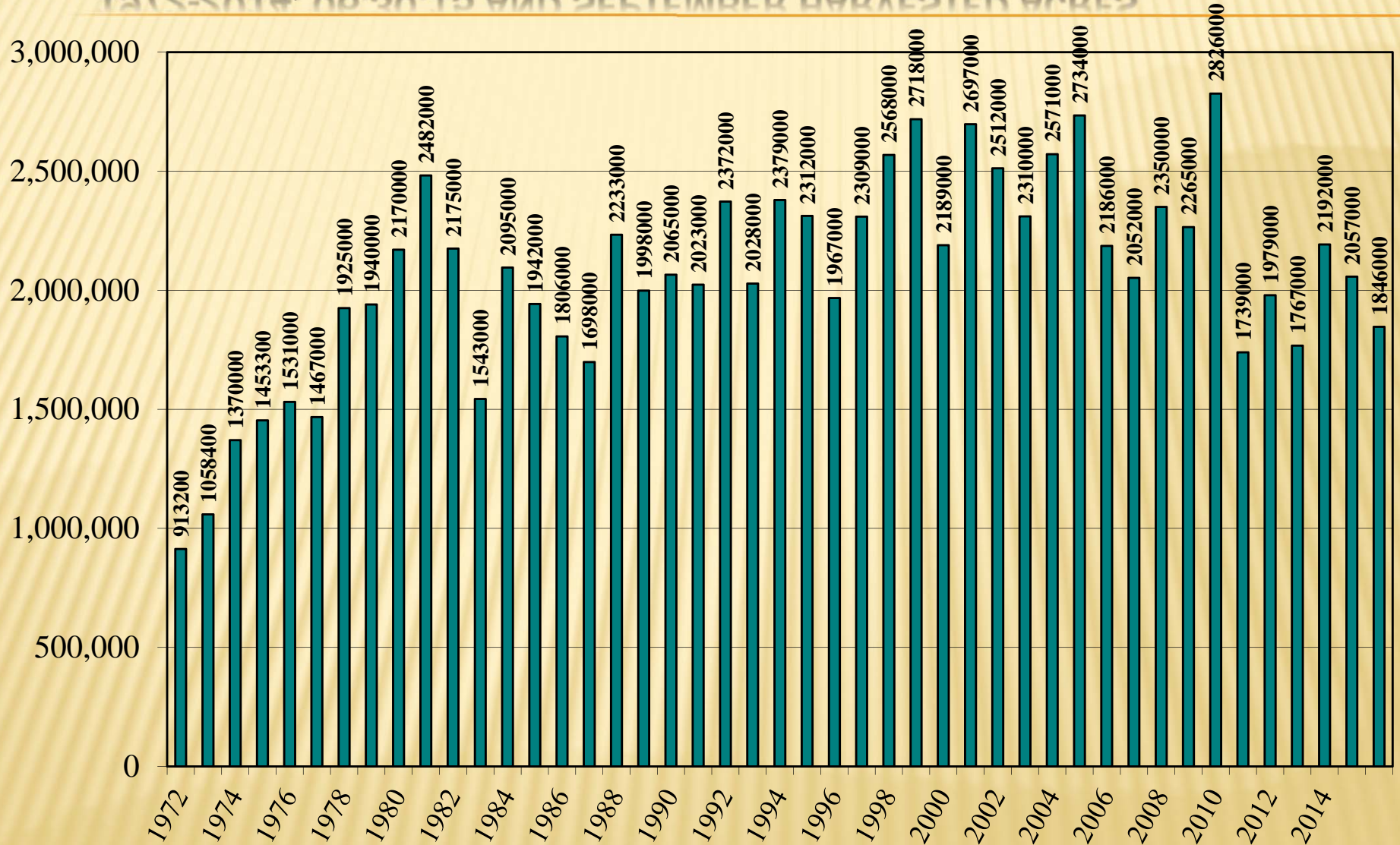
CL - Crude Oil WTI - Monthly Nearest OHLC Chart



U.S. Long Grain Acreage

UNITED STATES LONG GRAIN RICE

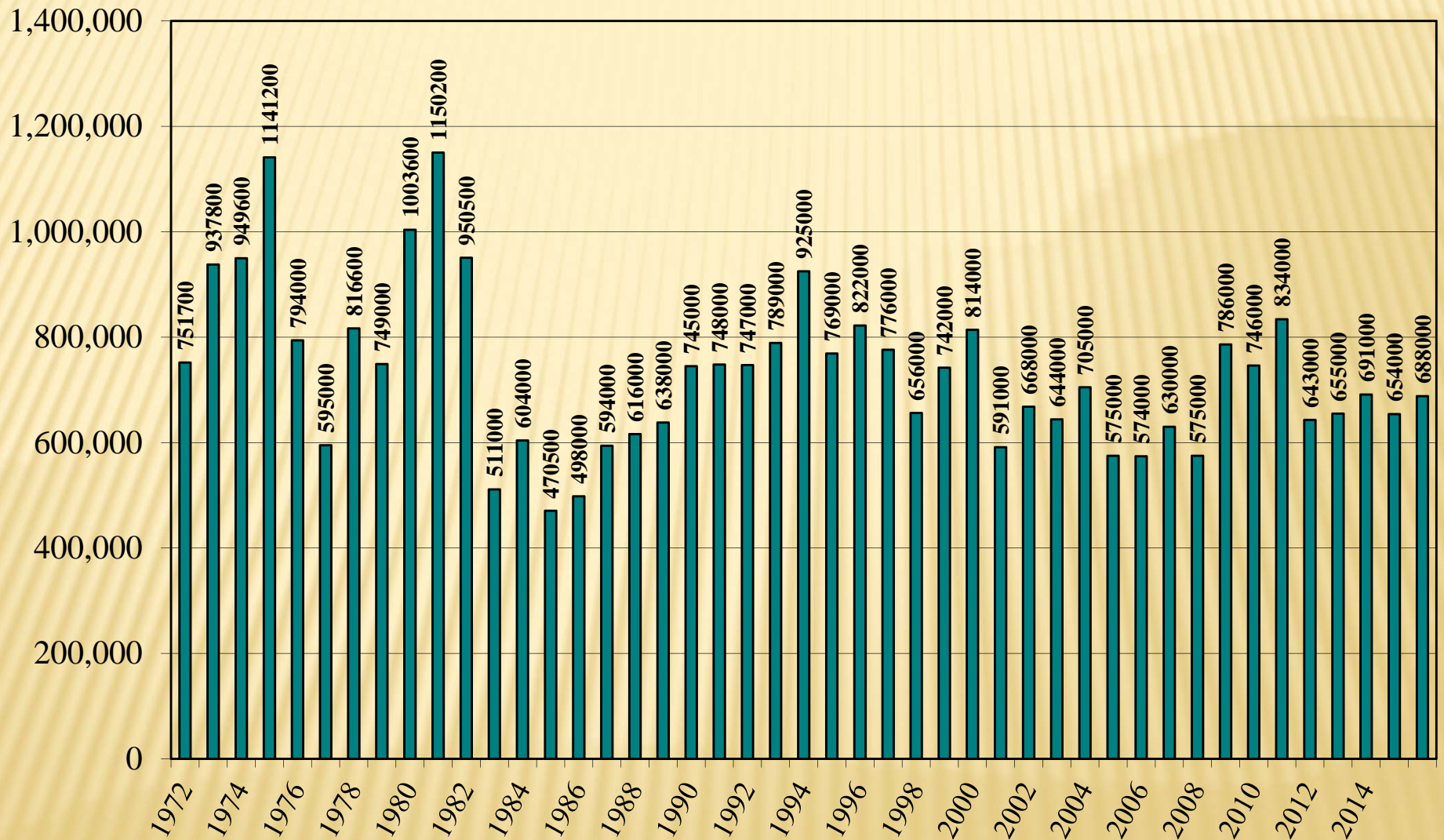
1972-2014, 06.30.15 AND SEPTEMBER HARVESTED ACRES



Source: [NASS/USDA Data Set](#) and [Crop Production--Acreage--Supplement](#)

UNITED STATES MEDIUM GRAIN RICE

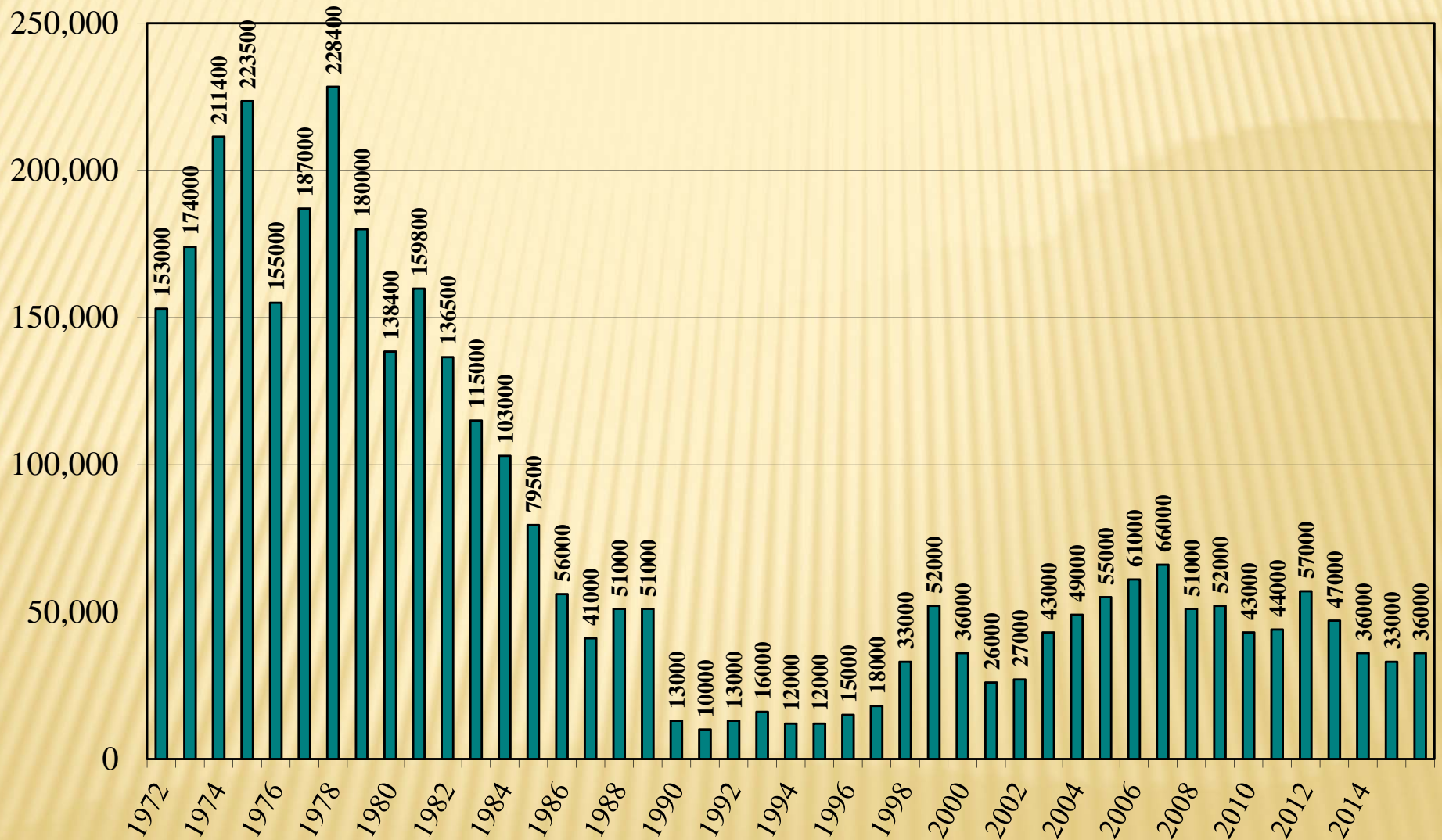
1972-2014, 06.30.15 AND SEPTEMBER HARVESTED ACRES



Source: [NASS/USDA Data Set](#) and [Crop Production--Acreage--Supplement](#)

UNITED STATES SHORT GRAIN RICE

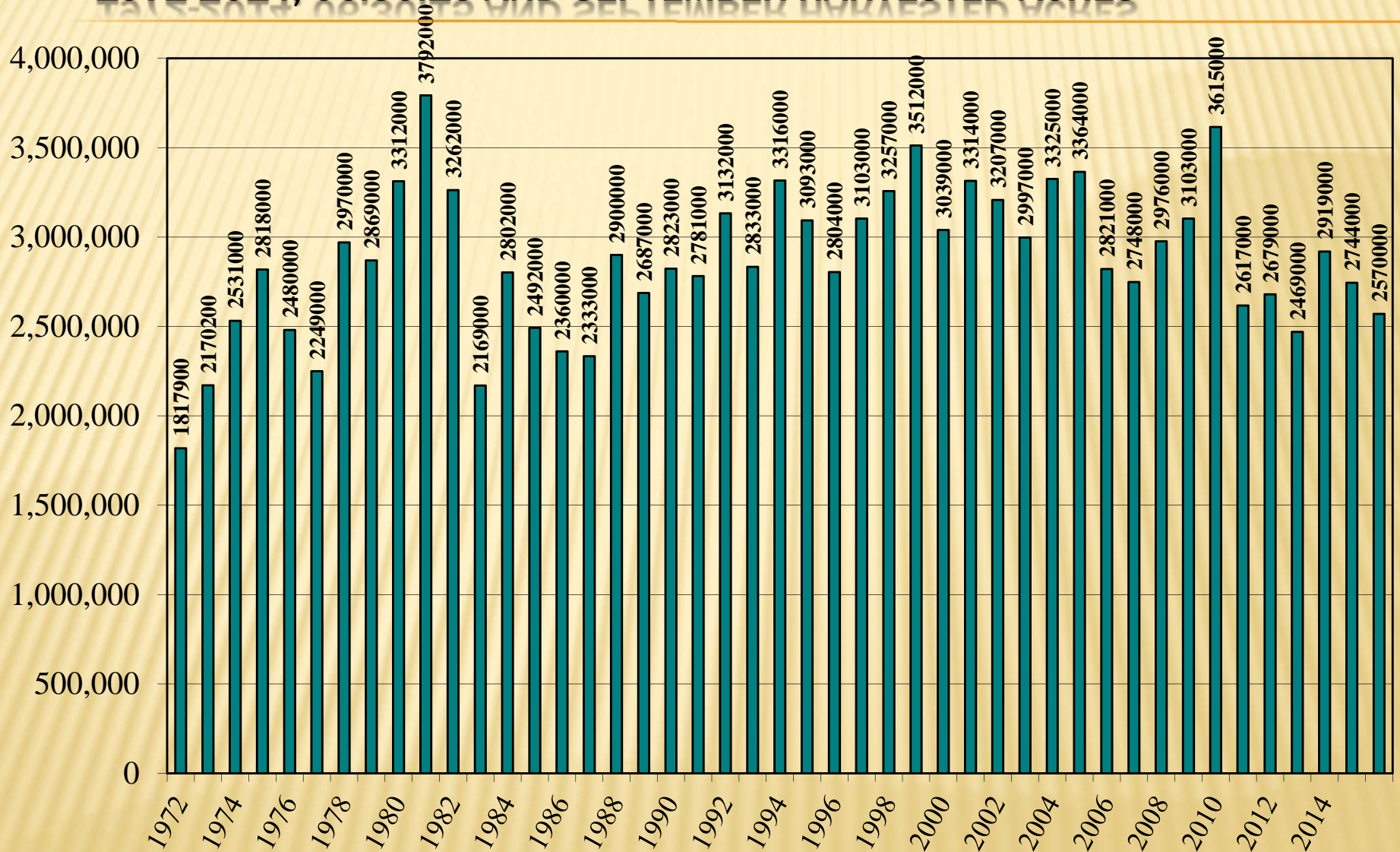
1972-2014, 06.30.15 AND SEPTEMBER HARVESTED ACRES



Source: [NASS/USDA Data Set](#) and [Crop Production--Acreage--Supplement](#)

UNITED STATES ALL RICE

1972-2014, 06.30.15 AND SEPTEMBER HARVESTED ACRES



Source: [NASS/USDA Data Set](#) and [Crop Production--Acreage--Supplement](#)

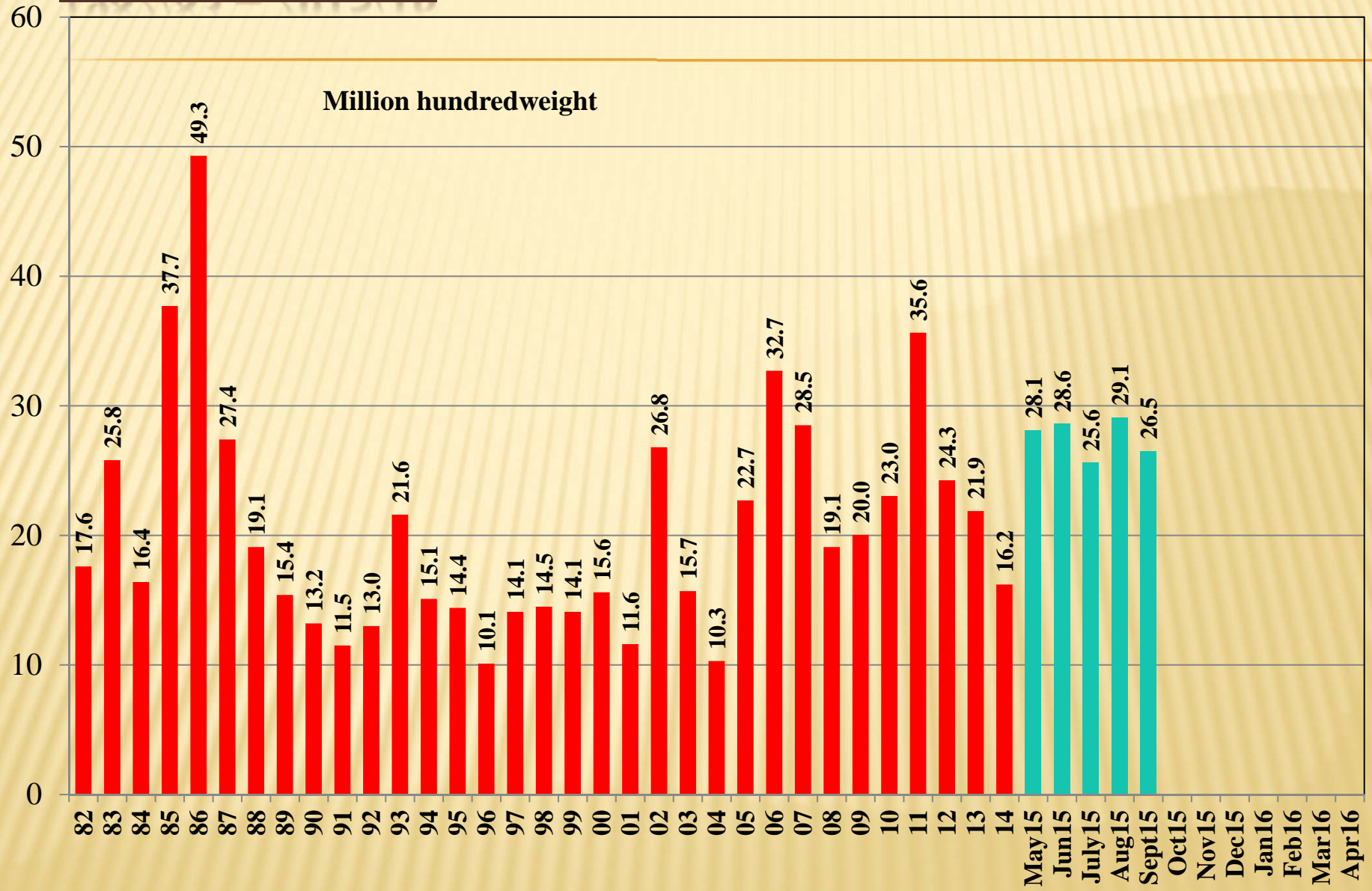
U.S. LONG GRAIN RICE

SUPPLY AND DEMAND ESTIMATES

September 11, 2015

U.S. LONG GRAIN RICE BEGINNING STOCKS

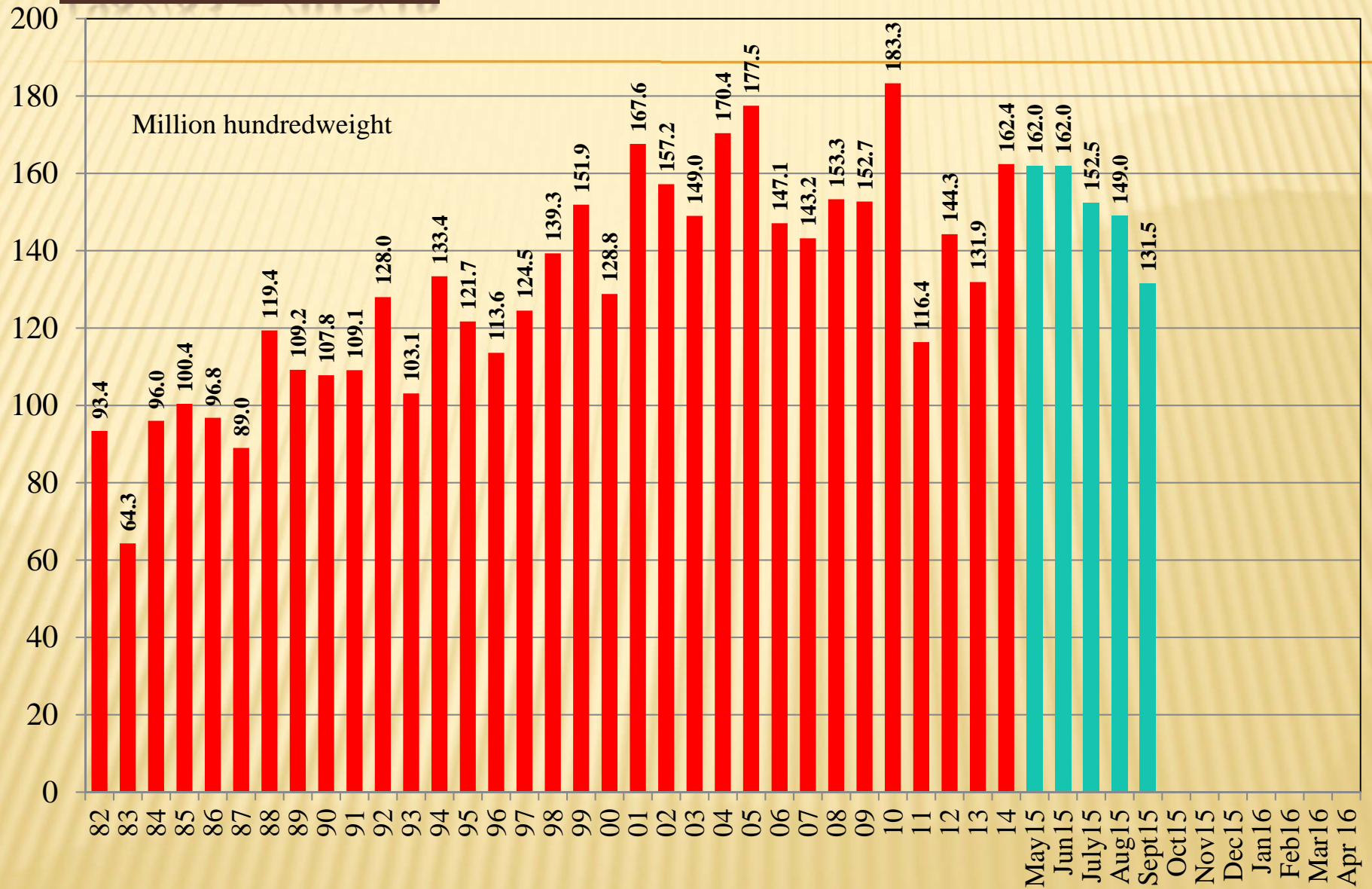
1982/83 – 2015/16



Source: [USDA](#)

U.S. LONG GRAIN RICE PRODUCTION

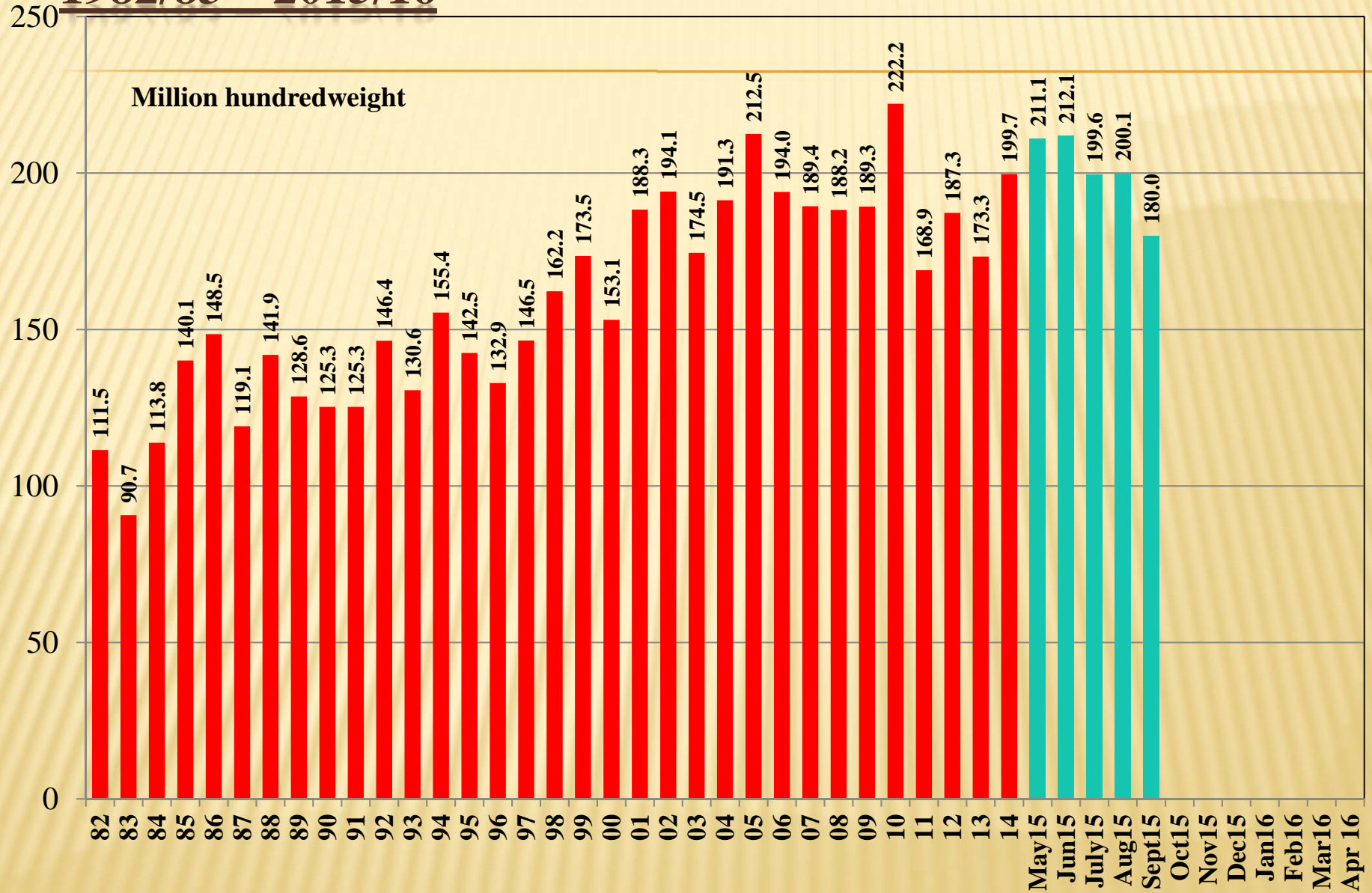
1982/83 – 2015/16



Source: [USDA](#)

U.S. LONG GRAIN RICE TOTAL SUPPLY

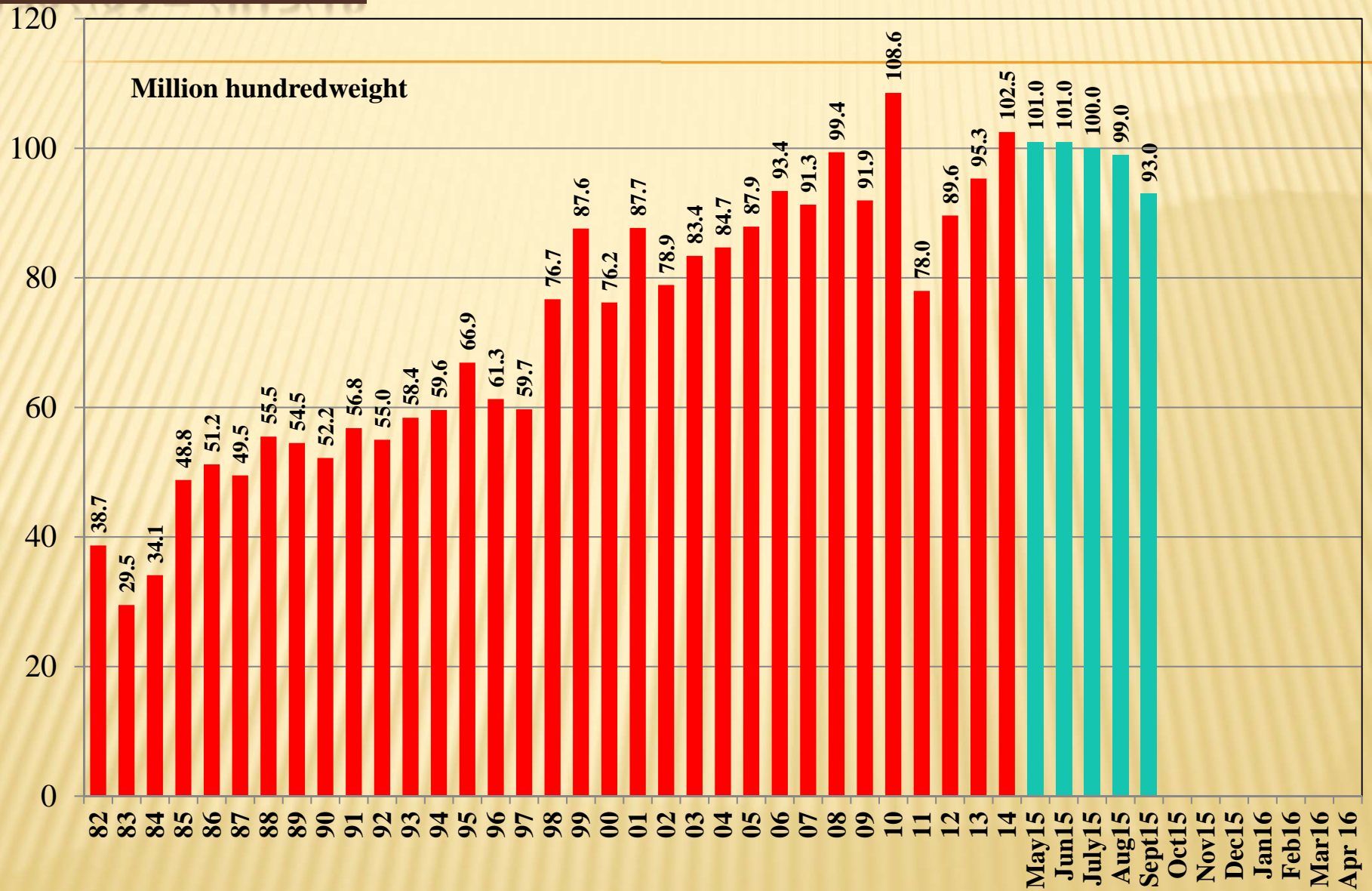
1982/83 – 2015/16



Source: [USDA](#)

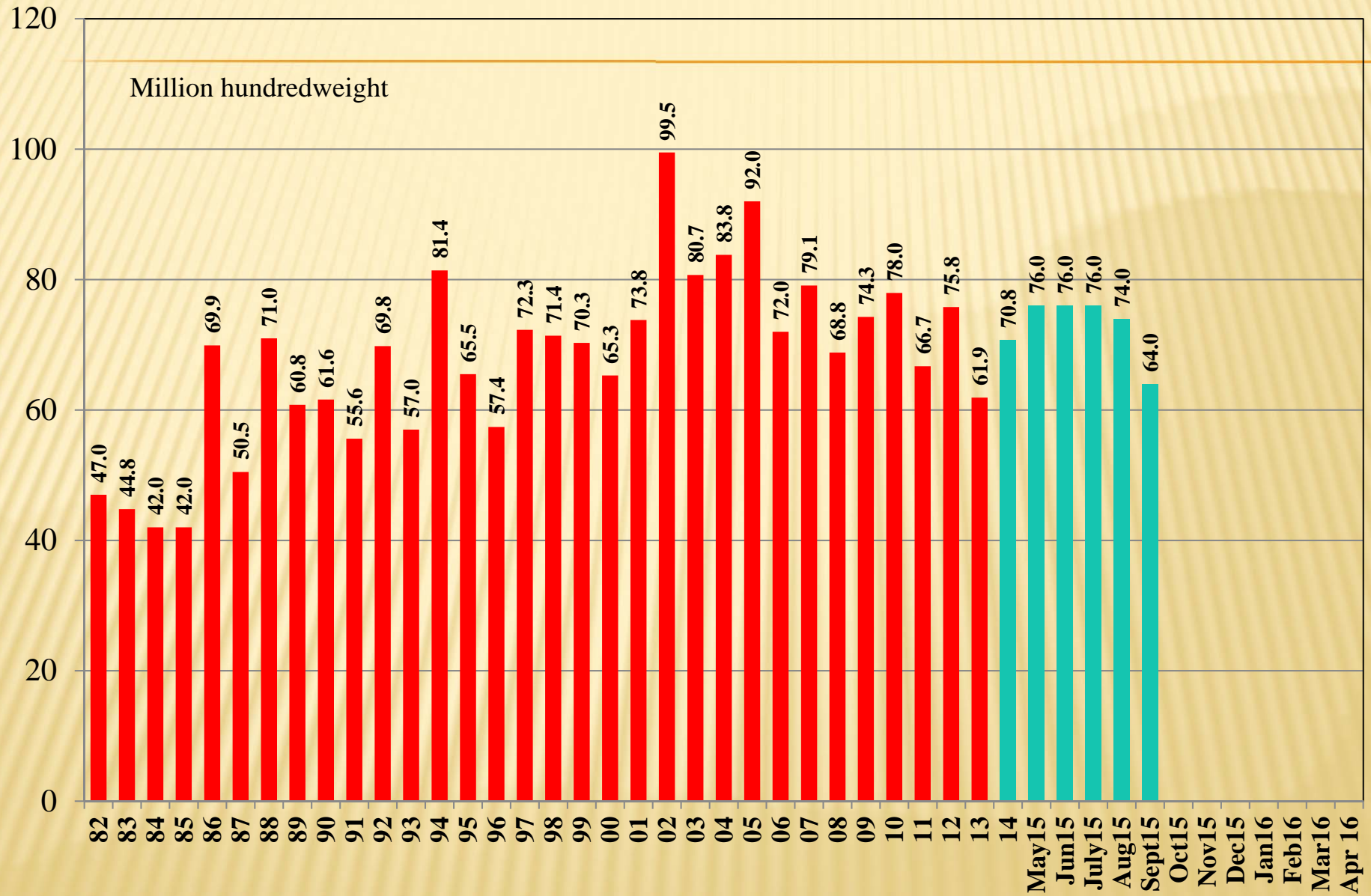
U.S. LONG GRAIN RICE DOMESTIC AND RESIDUAL

1982/83 – 2015/16



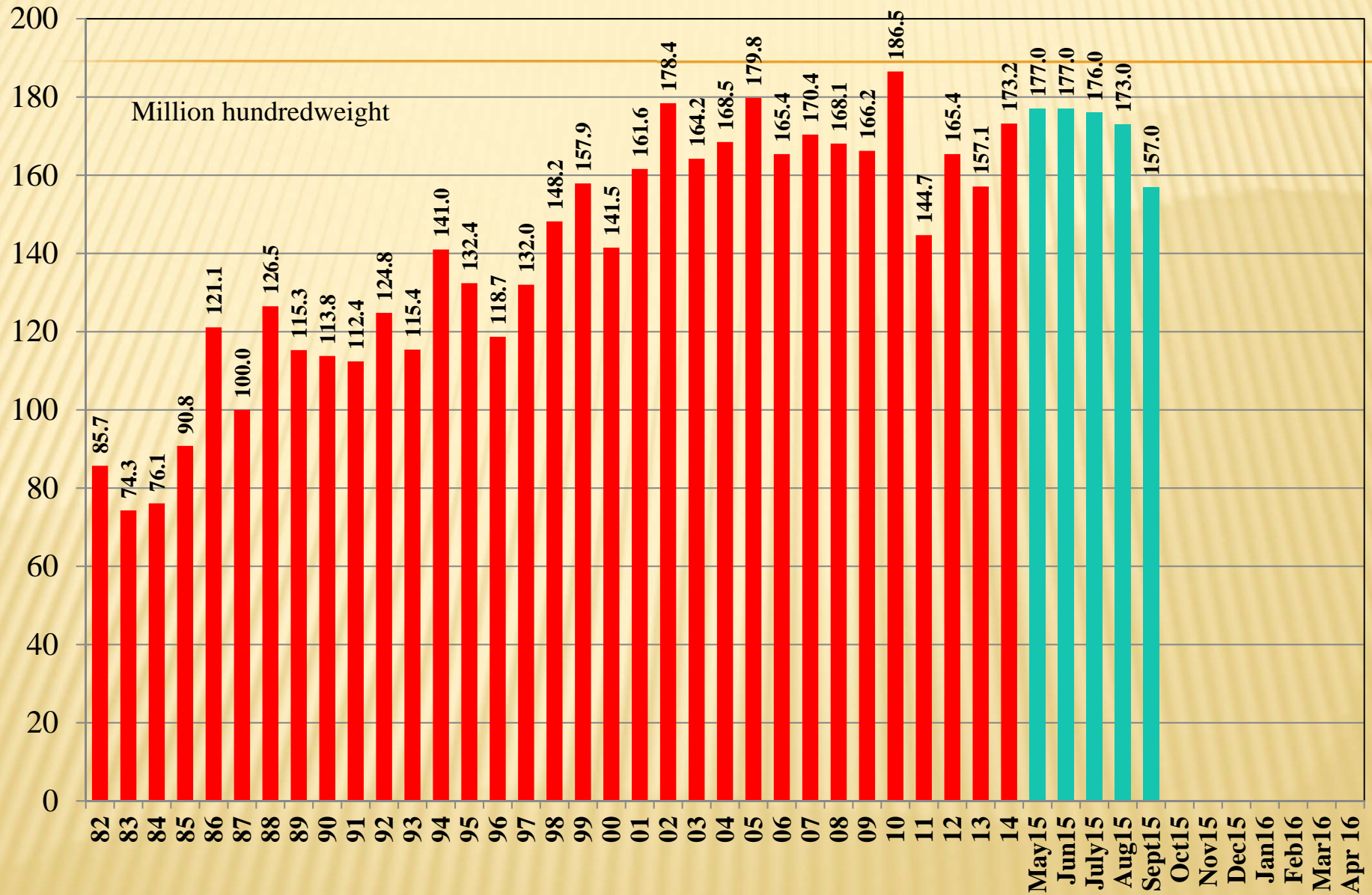
Source: [USDA](#)

U.S. LONG GRAIN RICE TOTAL EXPORTS 1982/83 – 2015/16



Source: [USDA](#)

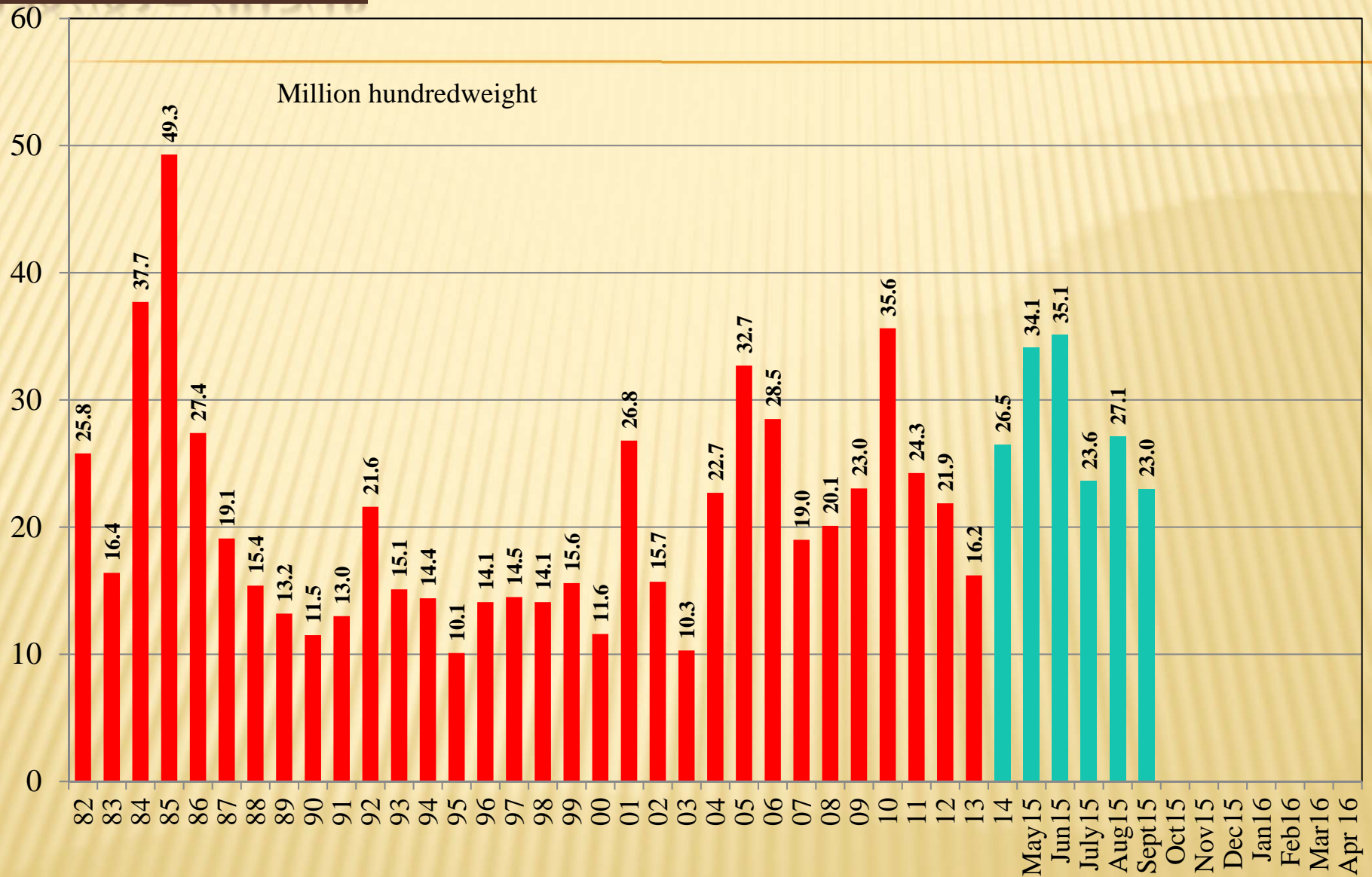
U.S. LONG GRAIN RICE TOTAL USE 1982/83 – 2015/16



Source: [USDA](#)

U.S. LONG GRAIN RICE ENDING STOCKS

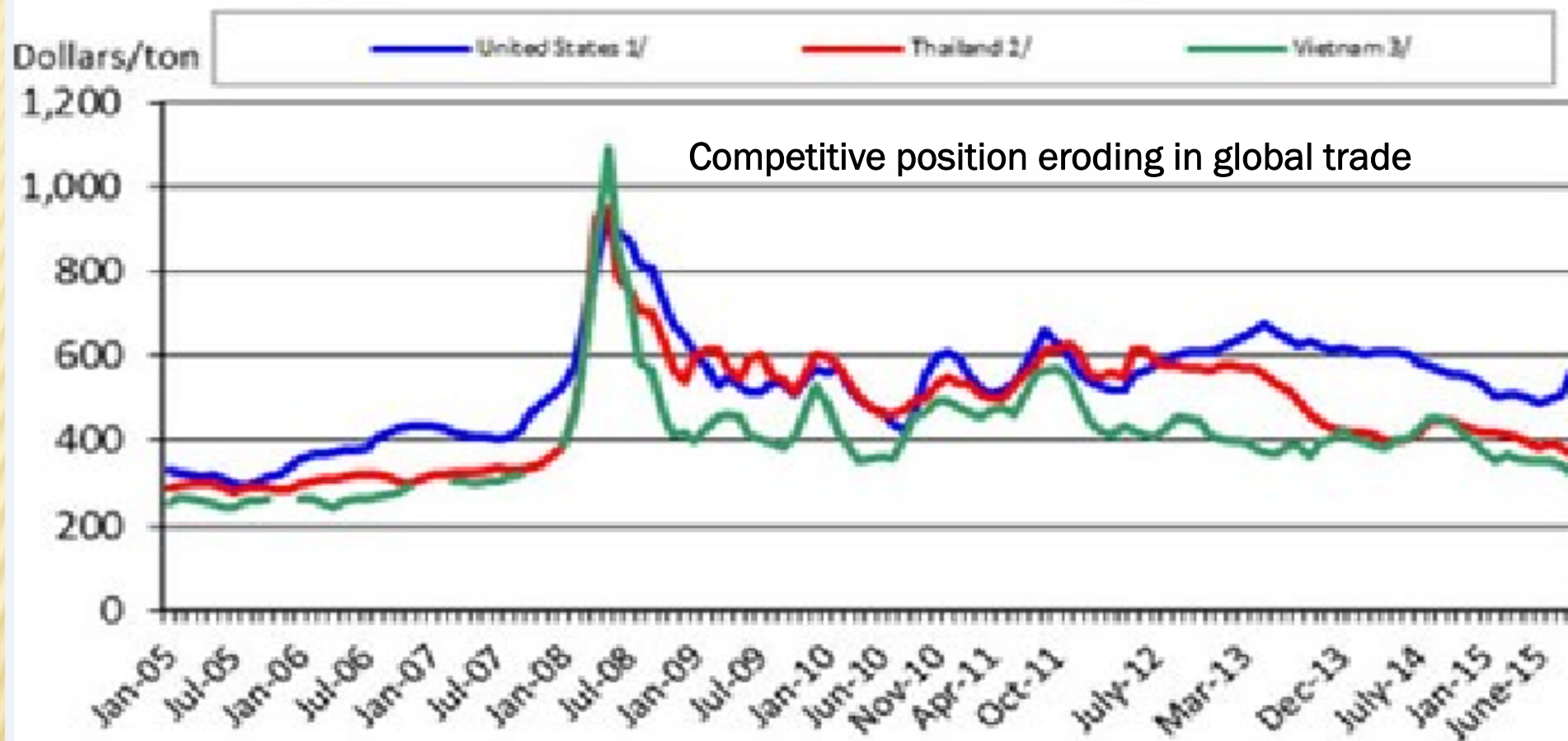
1982/83 – 2015/16



Source: [USDA](#)

Summary and Conclusion

U.S. trading prices have risen since July

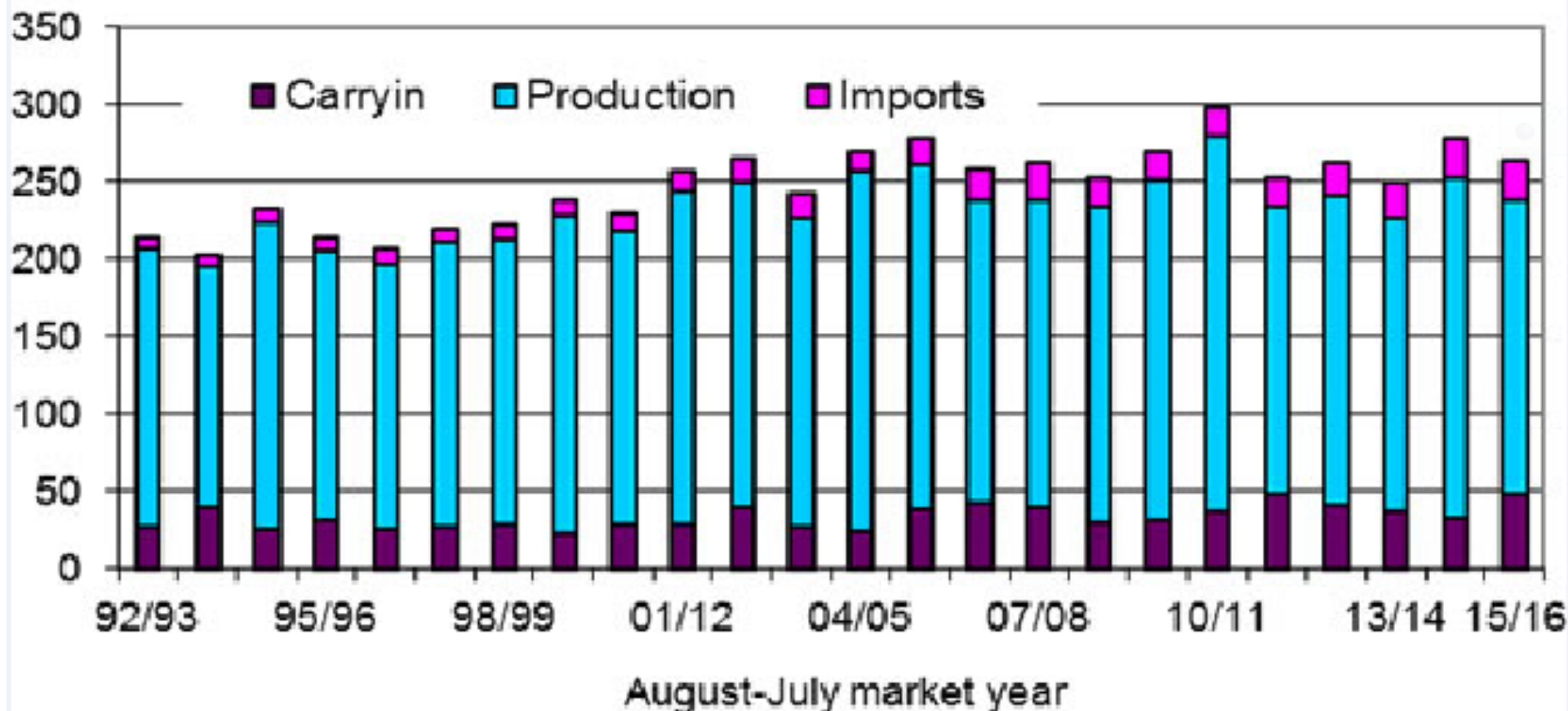


September 2015 is mid-month only. Monthly prices are simple average of weekly milled-rice price quotes. All prices quoted "free-on-board" vessel. 1/ U.S. No. 2, 4 percent broken rice. Reported free-alongside-vessel price is adjusted to include a per ton loading fee to convert to a free-on-board status. 2/ 100 percent, Grade B. 3/ Double Water Polished, 5 percent broken rice. Vietnam's April-June 2008 and December 2009 prices are nominal price quotes only, not actual trading prices.

Sources: Thai price quotes, *Thailand Grain and Feed Weekly Rice Price Update*, U.S. agricultural counselor, Bangkok; U.S. and Vietnam price quotes, *Creed Rice Market Report*.

U.S. supplies of rice in 2015/16 are projected to decline 5 percent

Million cwt (rough basis)

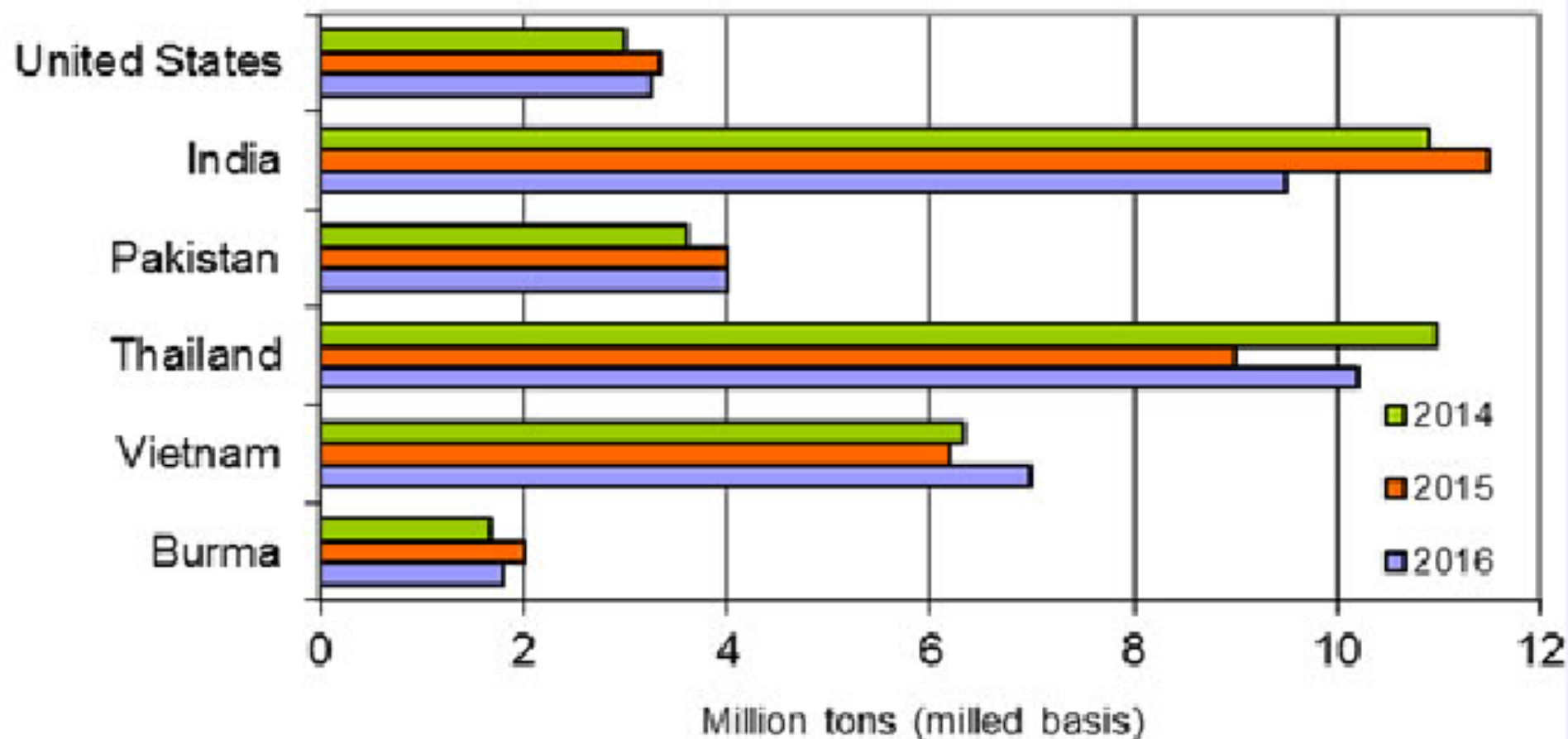


2015/16 are forecasts.

Sources: 1992/93-2013/14, *Rice Yearbook Data Set*, Economic Research service/USDA; 2013/14-2015/16, *World Agricultural Supply and Demand Estimates*, World Agricultural Outlook Board, USDA.

Thailand and Vietnam are projected to increase exports in 2016

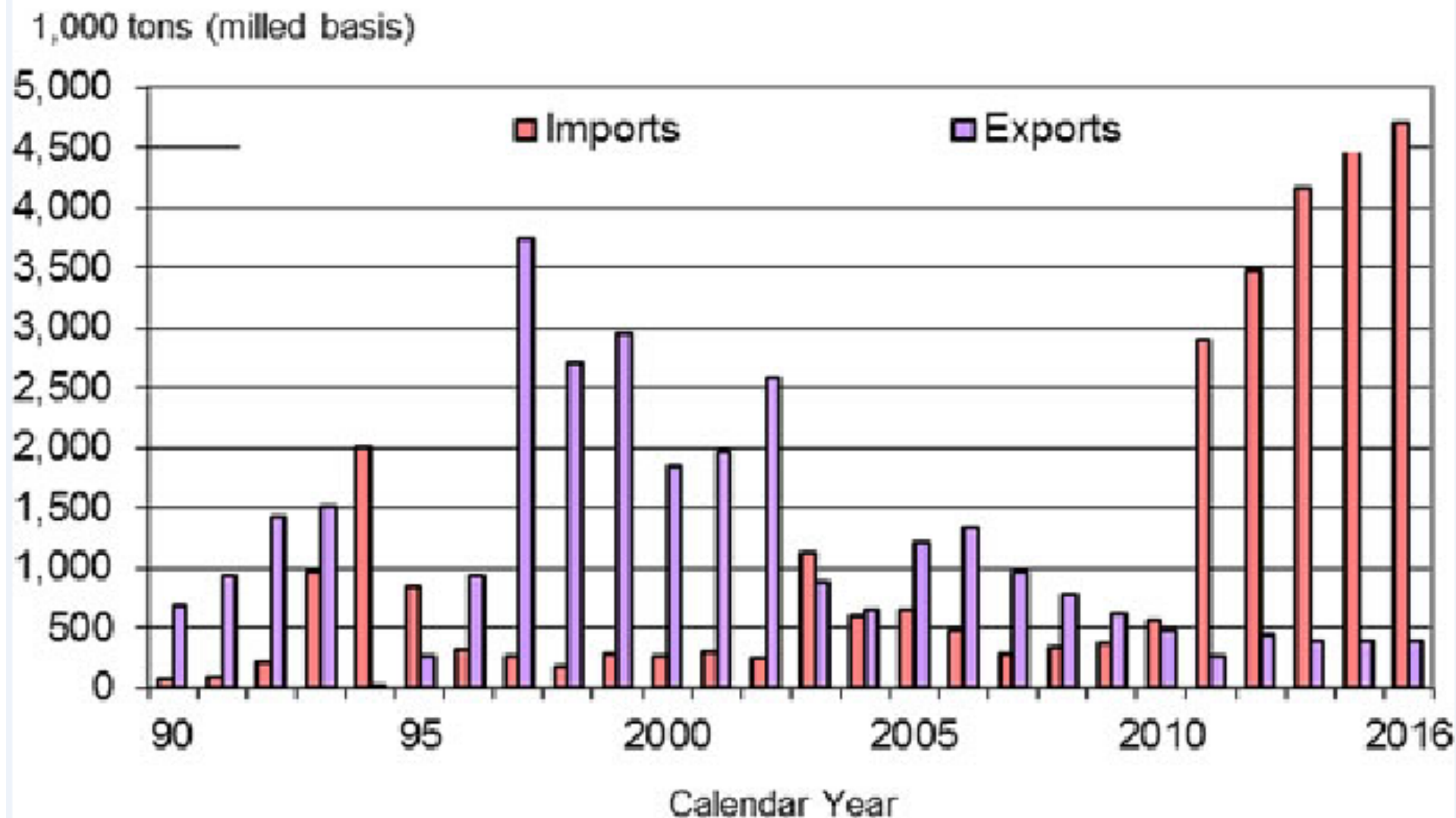
Major exporters



2015 and 2016 are forecasts. These six countries account for more than 85 percent of global rice exports.

Source: *Production, Supply, and Distribution* data base, Foreign Agricultural Service, USDA.

China's rice imports have been record high since 2012

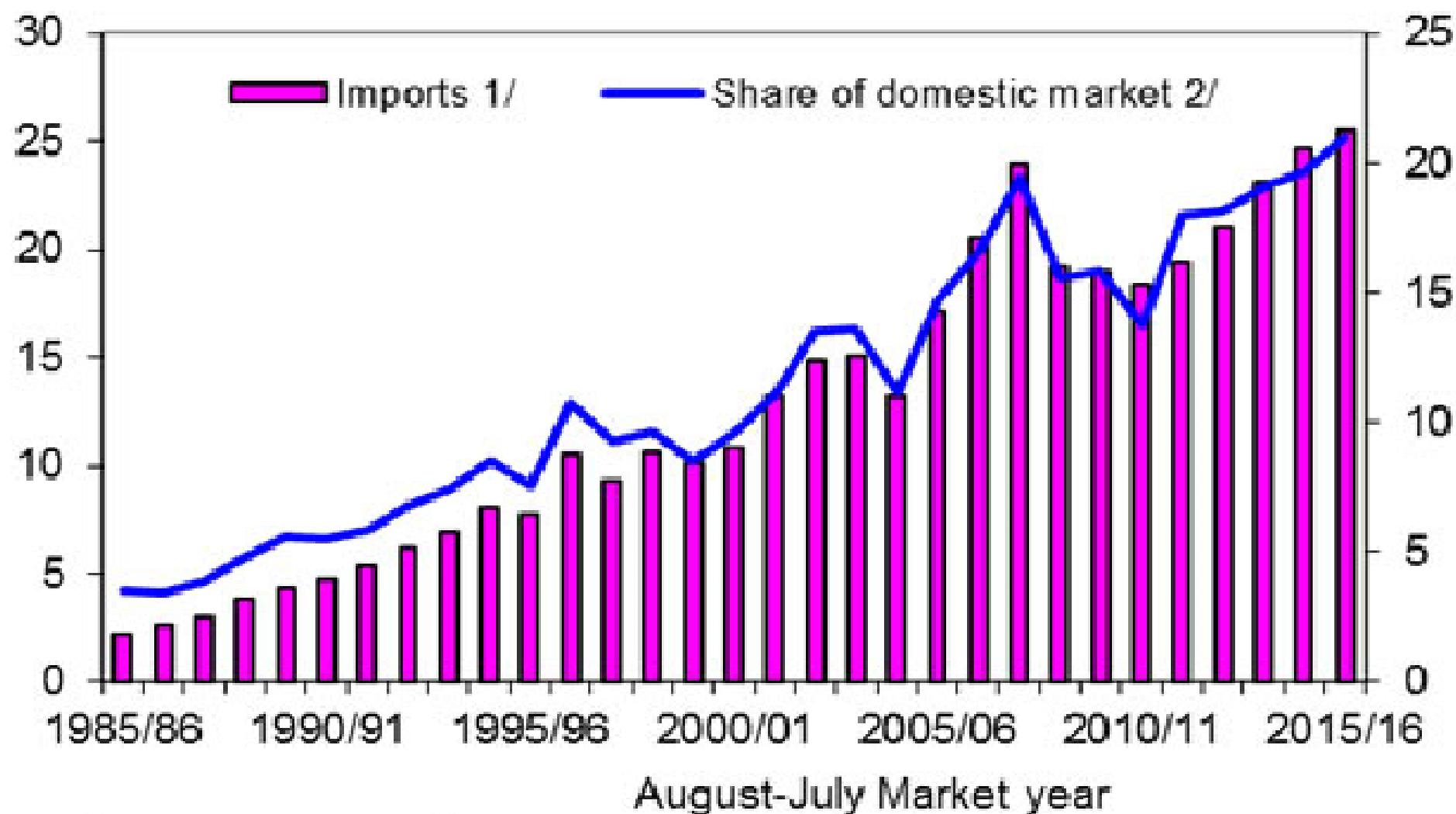


2015 and 2016 are forecasts. Source: USDA, Foreign Agricultural Service, Production, Supply, and Distribution data base, <http://apps.fas.usda.gov/psdonline/psdQuery.aspx>

U.S. rice imports in 2015/16 are projected to be record high

Million cwt (rough basis)

Percent



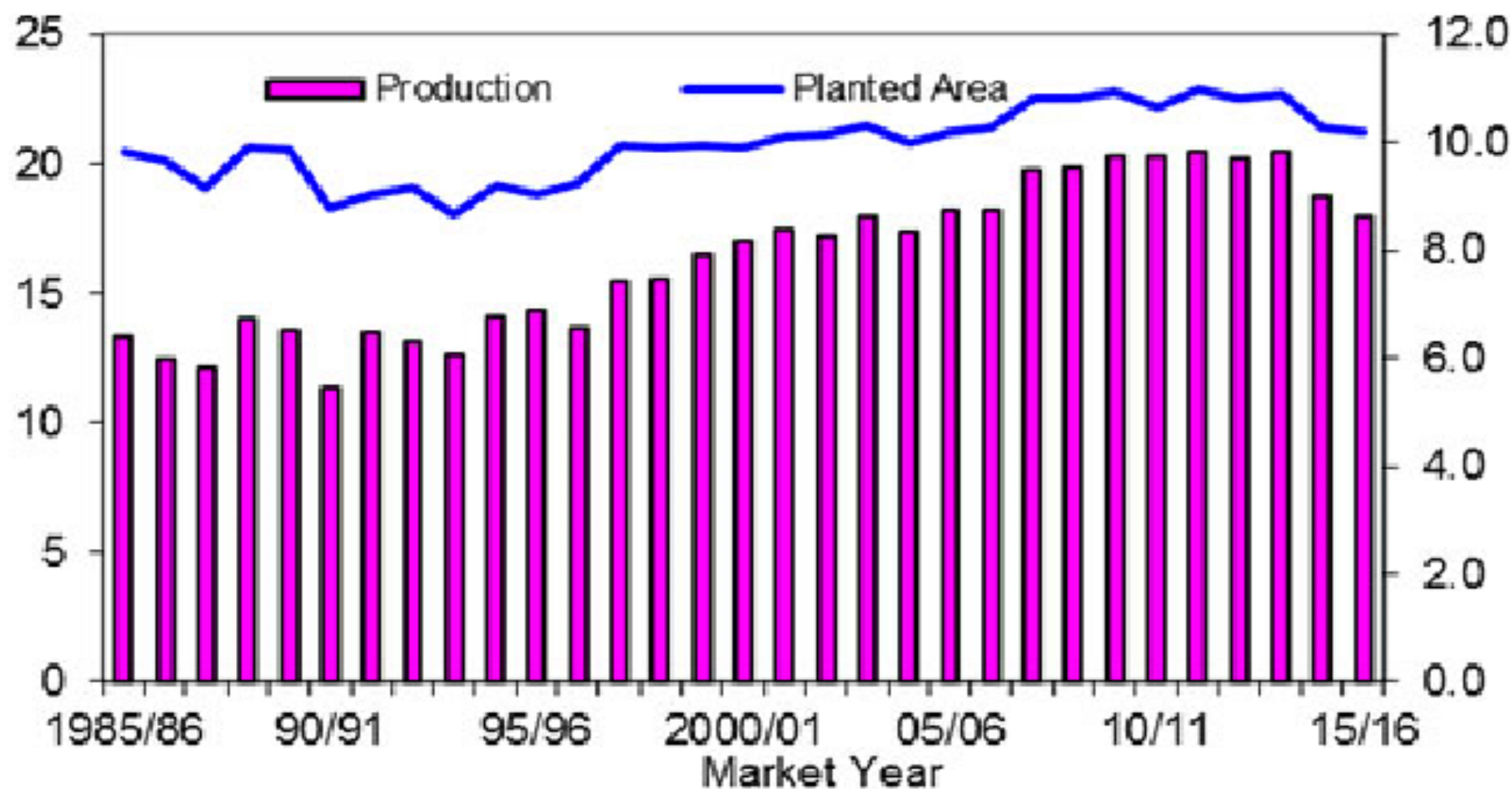
2015/16 are forecasts. 1/ Rough basis. 2/ Does not include seed use.

Source: *World Agricultural Supply and Use Estimates*, WAOB, USDA.

Thailand's rice production has dropped 12 percent since 2013/14

Million tons (milled basis)

Million hectares



2015/16 are forecasts. Source: USDA, Foreign Agricultural Service, Production, Supply, and Distribution data base, <http://apps.fas.usda.gov/psdonline/psdQuery.aspx>.



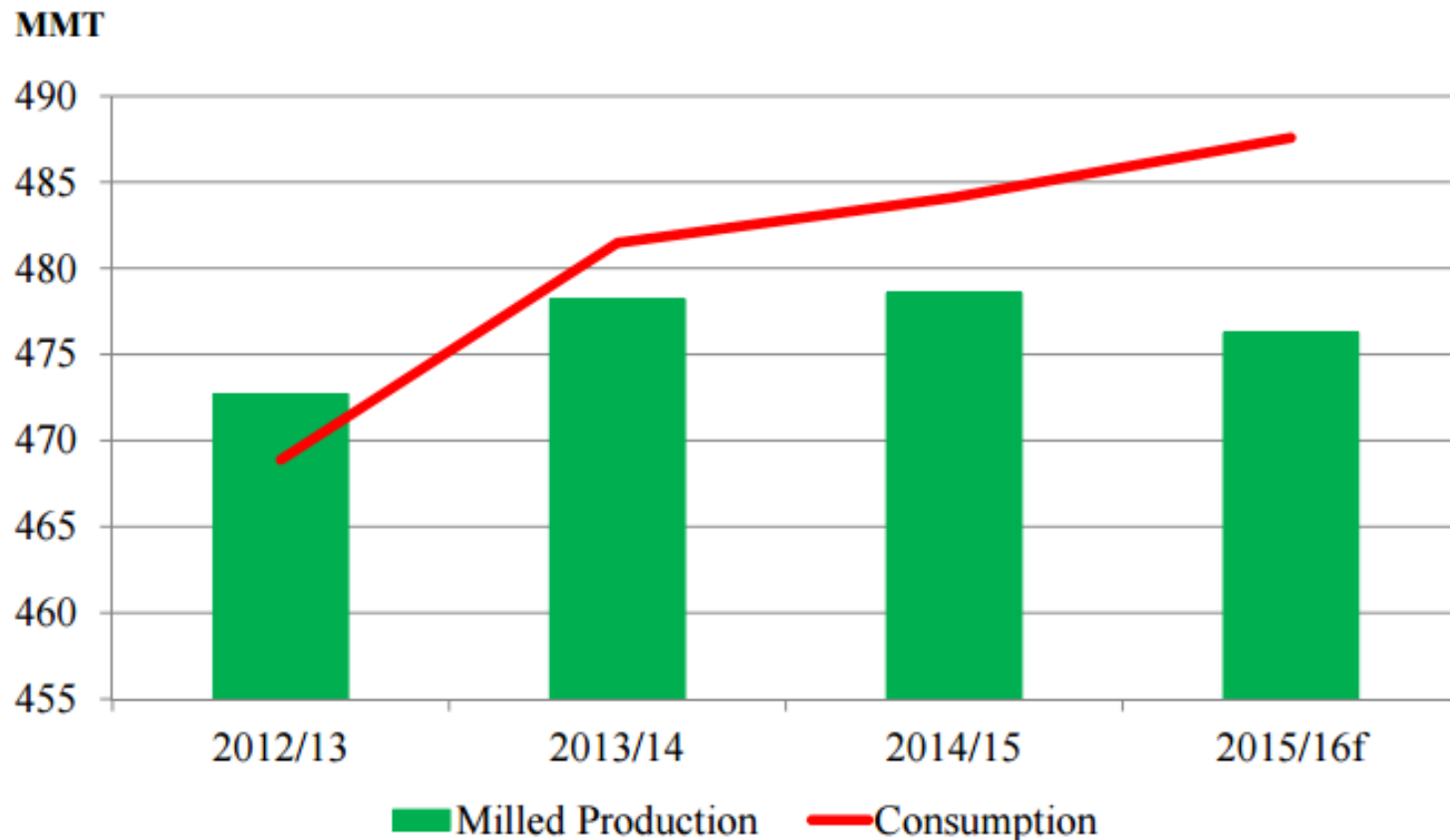
United States
Department of
Agriculture

Foreign
Agricultural
Service

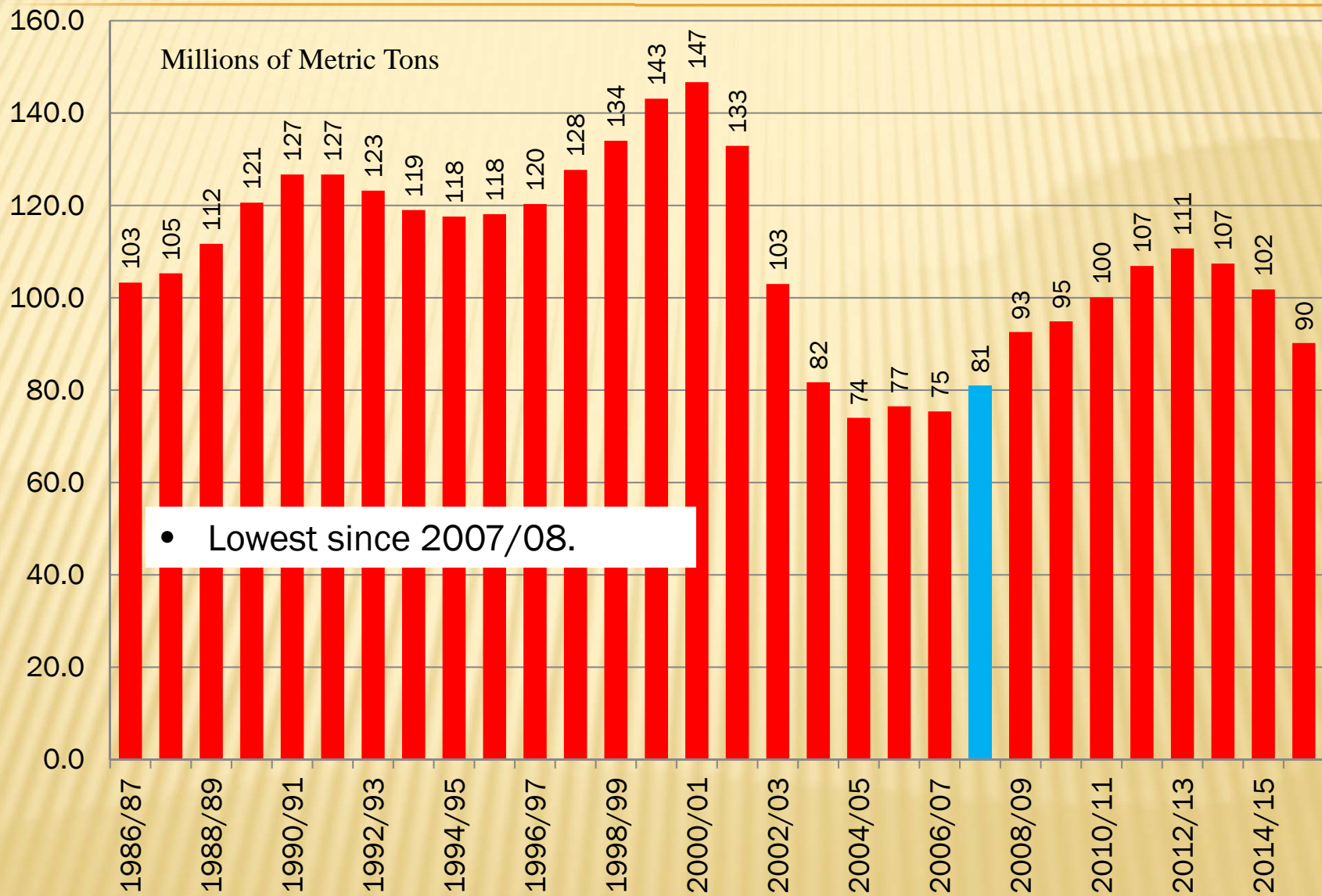
Grain: World Markets and Trade

September 2015

Global Rice Consumption Outpaces Production



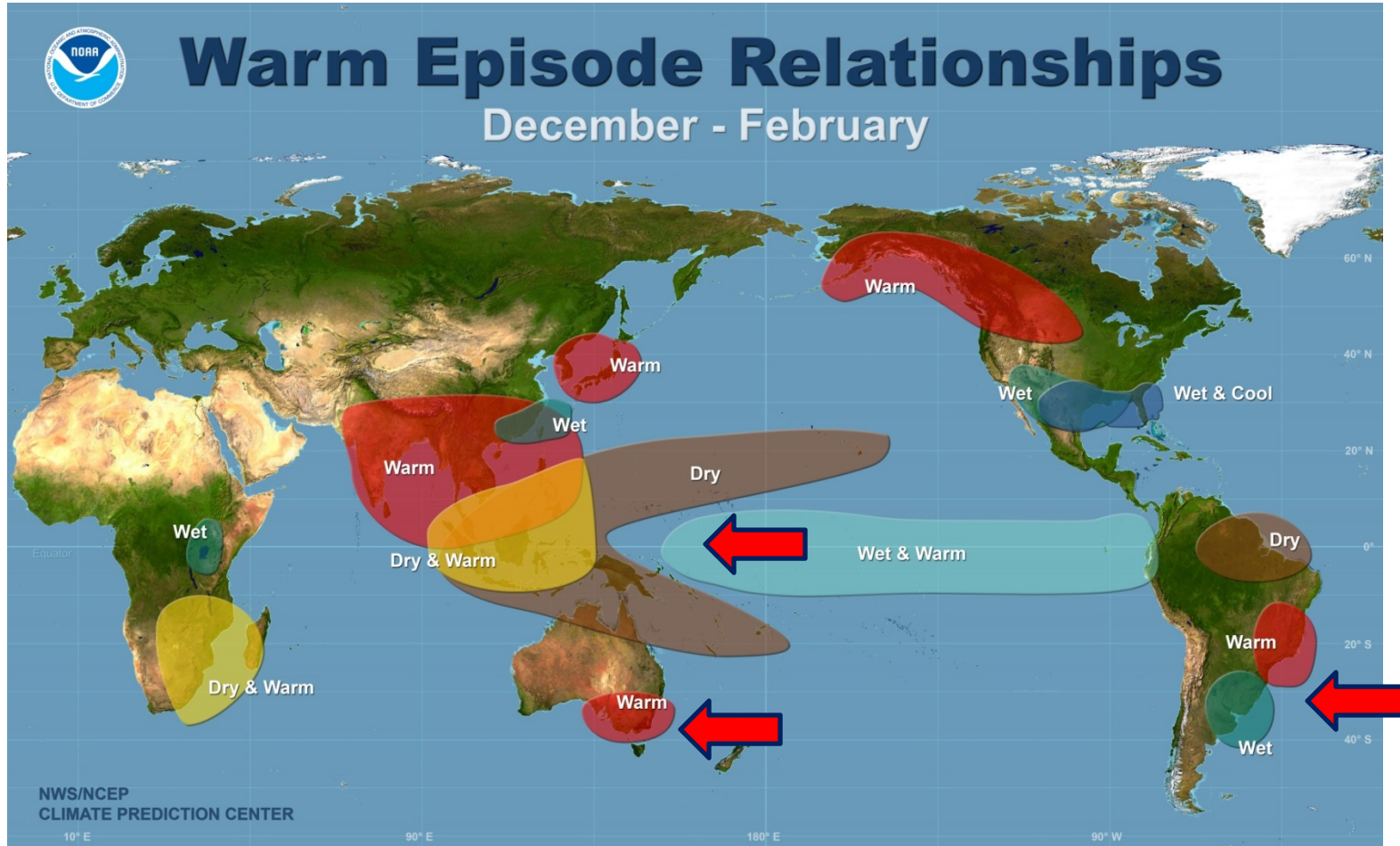
WORLD RICE ENDING STOCKS 1985/86- 2015/16



FARM FUTURES®

BUSINESS AND MARKETING TOOLS FOR PROFITABLE FARMING

El Nino?

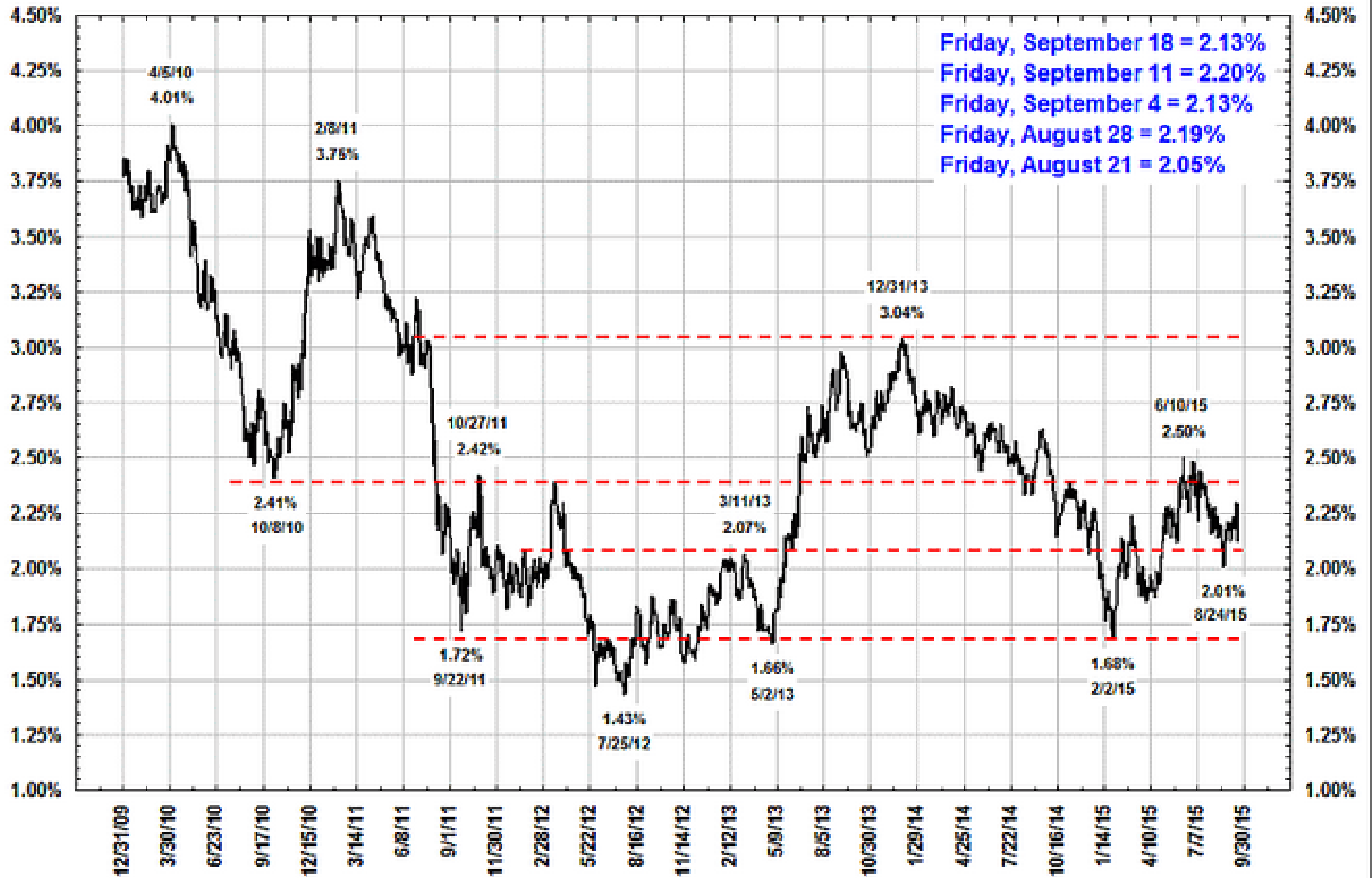


FOREIGN STOCKS

TESTING IMPORTANT SUPPORT LINES

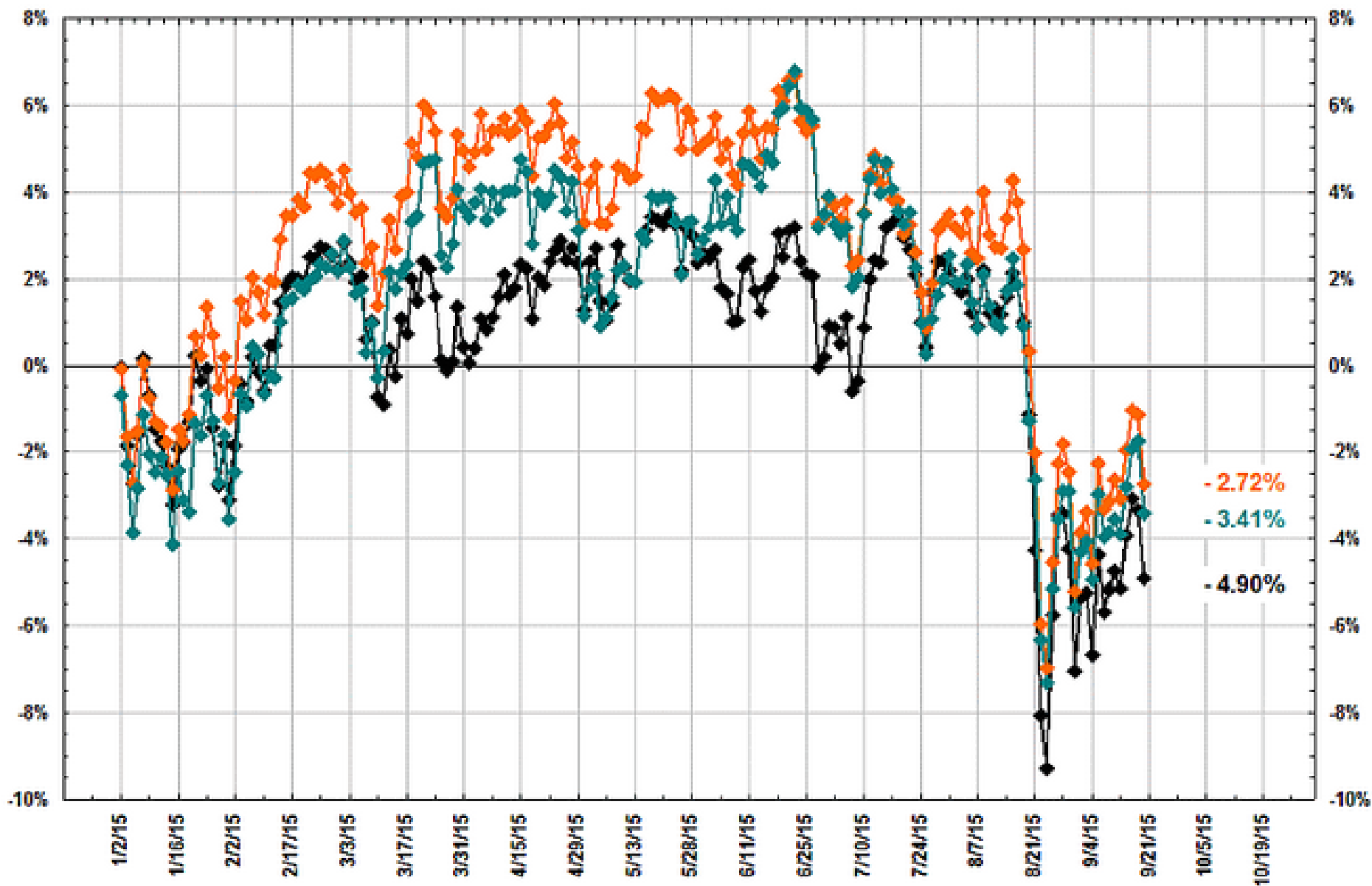
- Yellen concerned about weakness
 - Foreign markets
 - Emerging markets
- Biggest losers among global stock markets
 - Since May 1
 - Emerging markets have lost -20%
 - -10% for foreign developed markets
 - -6% for the U.S.

U.S. Treasury Yields 10 year constant maturity



Friday, September 18 = 2.13%
 Friday, September 11 = 2.20%
 Friday, September 4 = 2.13%
 Friday, August 28 = 2.19%
 Friday, August 21 = 2.05%

2015 Year-to-Date Percentage Change S&P 500, S&P 400 and S&P 600



UUP PowerShares DB US Dollar Index Bullish Fund NYSE

© StockCharts.com

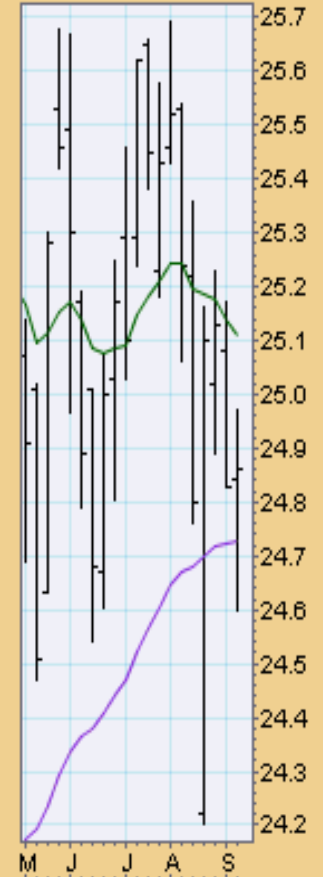
18-Sep-2015

Open 24.84 High 24.97 Low 24.60 Close 24.86 Volume 5.8M Chg +0.03 (+0.12%) ▲

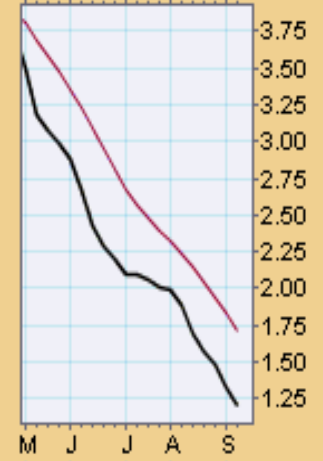
UUP (Weekly) 24.86

EMA(17) 25.11

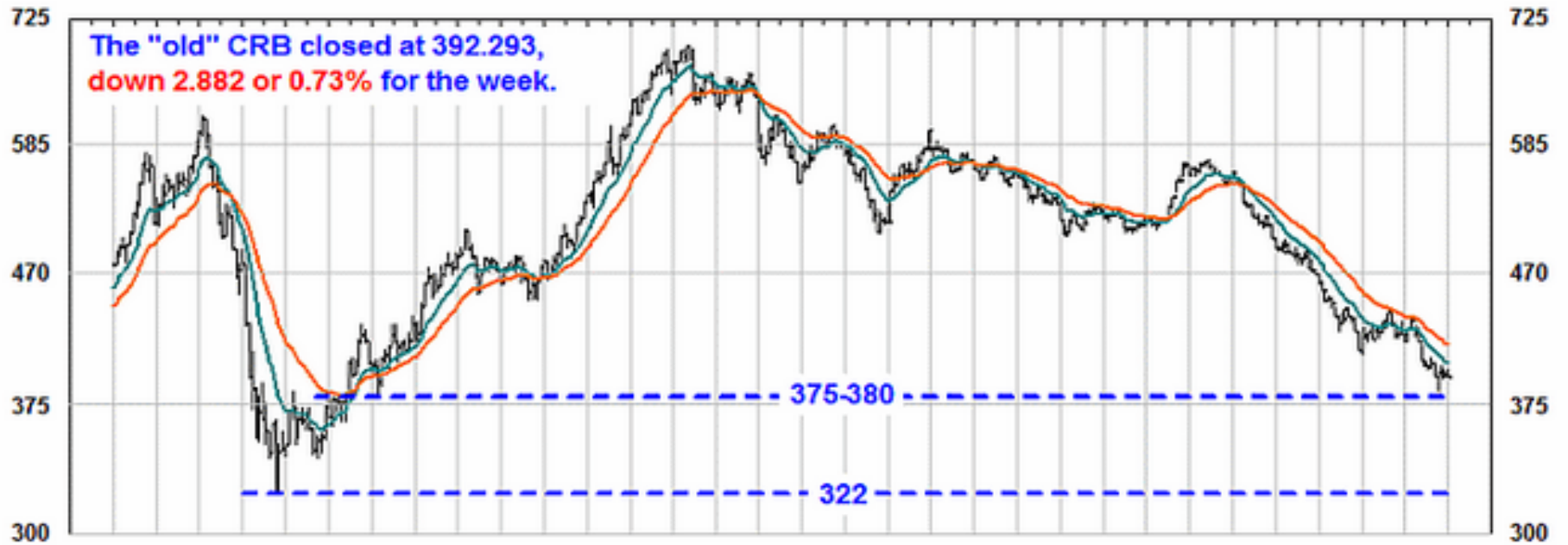
EMA(43) 24.73



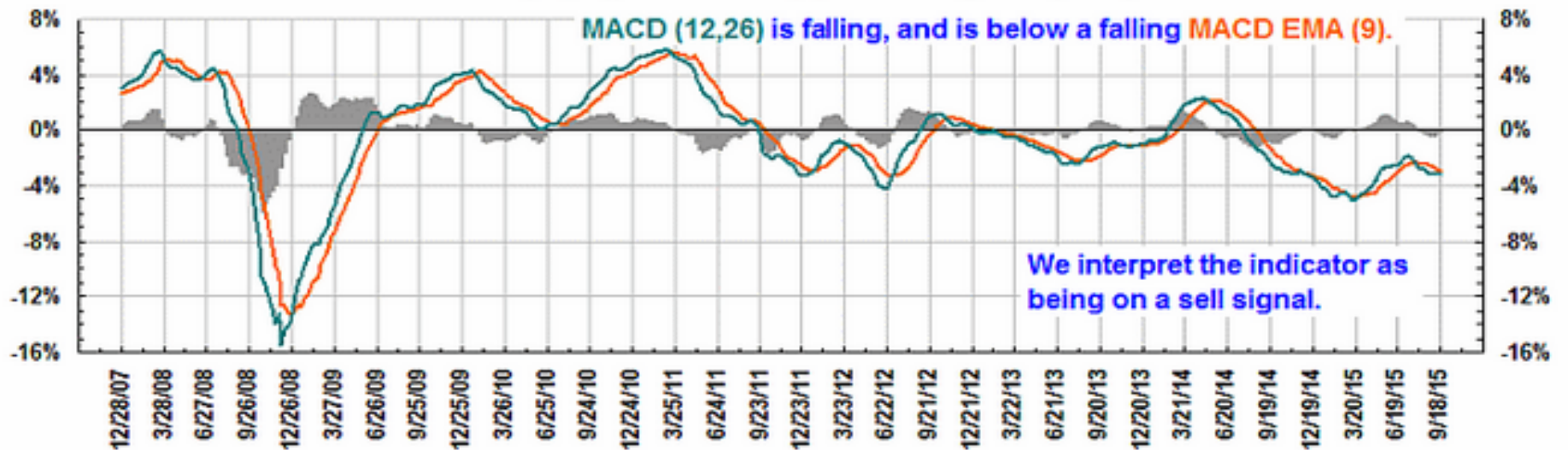
PMO(35,20,10) 1.20, 1.71



Thomson Reuters EW Continuous Commodity Index (weekly)
with 12 & 26 week exponential moving averages



MACD (12,26), MACD EMA (9) and Divergence (Bars)



 Bloomberg Markets retweeted



Javier Blas @JavierBlas2 · 43m

Lots of #oil stories on the Bloomberg website [bloomberg.com/news/articles/...](https://www.bloomberg.com/news/articles/...)
[bloomberg.com/news/articles/...](https://www.bloomberg.com/news/articles/...) #energy #opec

How Low Can Oil Go? Goldman Says \$20 a Barrel Is a Possibility

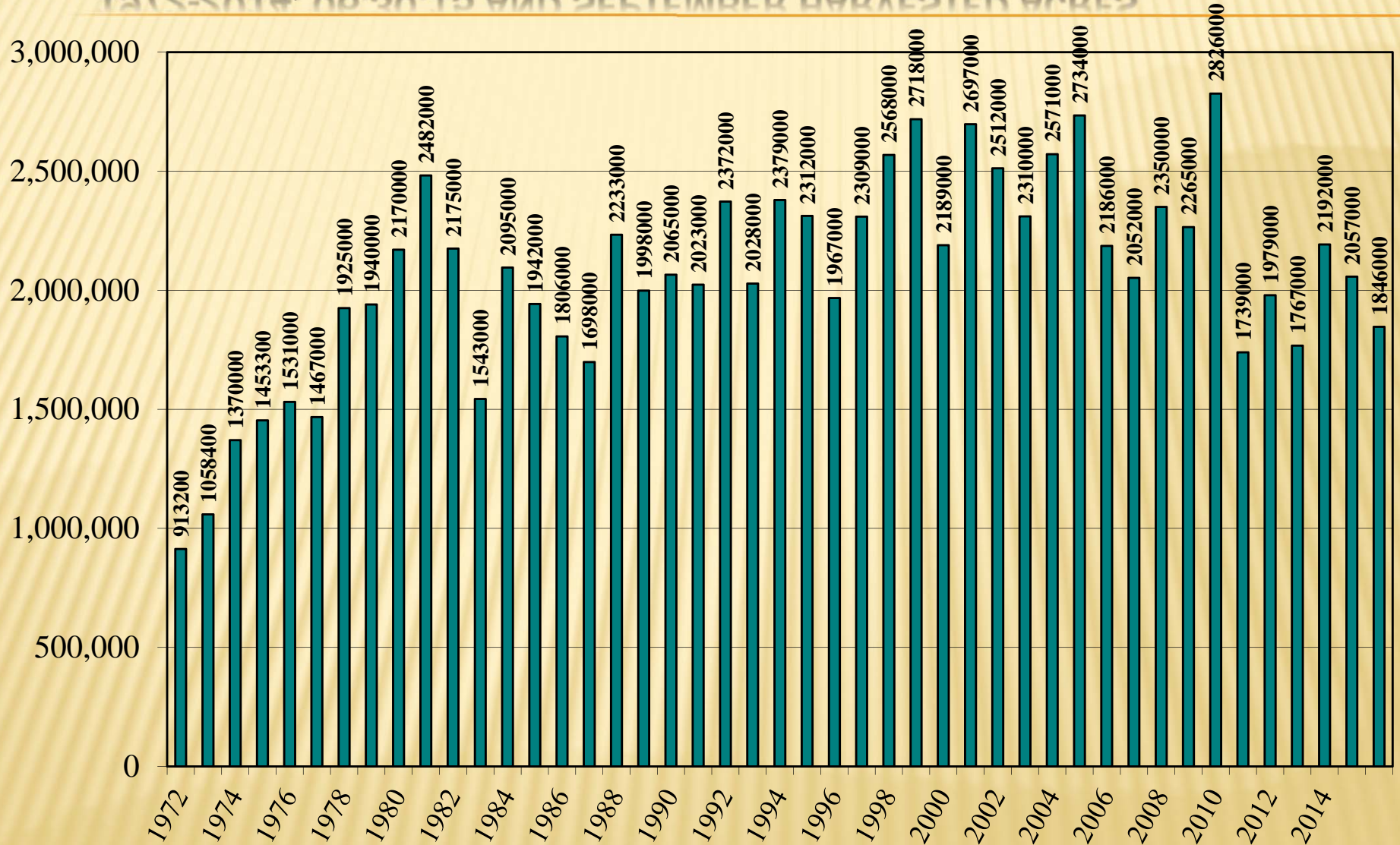
A photograph of an oil field at dusk or dawn. Several pumpjacks are visible in the distance, silhouetted against a dark blue sky. The foreground is a flat, open field with some sparse vegetation.

[IEA Sees Oil Supply Outside OPEC
Falling by Most Since 1992](#)

[Why Vladimir Putin Won't Be Helping
OPEC to Cut Oil Production](#)

UNITED STATES LONG GRAIN RICE

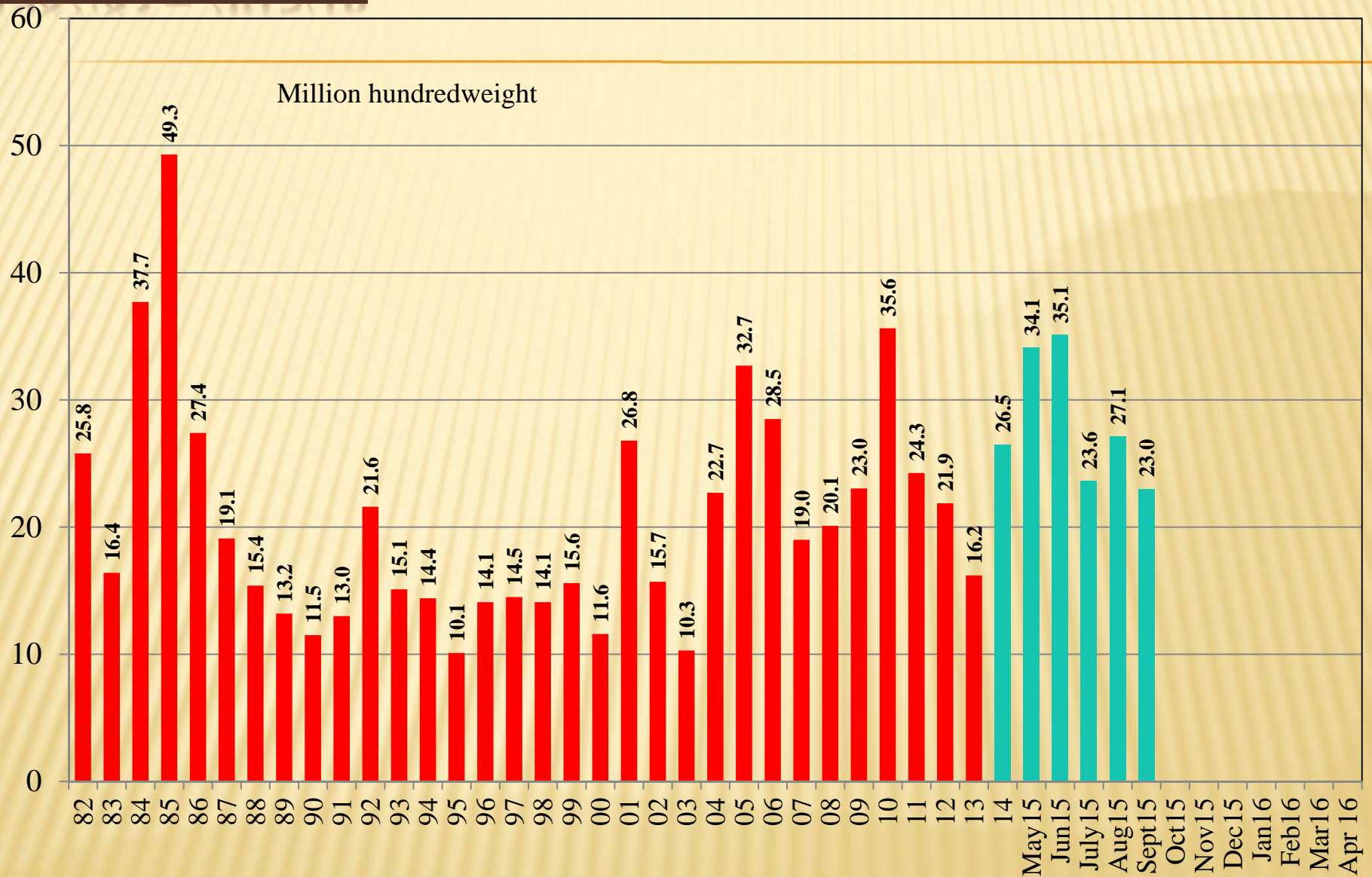
1972-2014, 06.30.15 AND SEPTEMBER HARVESTED ACRES



Source: [NASS/USDA Data Set](#) and [Crop Production--Acreage--Supplement](#)

U.S. LONG GRAIN RICE ENDING STOCKS

1982/83 – 2015/16



Source: [USDA](#)

Rice prices are finding support

- Overestimated U.S. acreage and yield
- El Nino's potential global impact on future production

ZR - Rough Rice - Monthly Continuation OHLC Chart

