



The Rice Advocate

US Rice Producers Association

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NASS Receives Congressional Funding, Rice Industry Anticipates Progress

This week in Washington the Senate Agriculture Appropriations Committee approved the fiscal year 2010 agriculture appropriations bill, which included provisions that would provide more than \$10 million in additional funding to the National Agricultural Statistics Service (NASS) in order to help improve the accuracy and timing of their reports (to read more, please visit: http://usriceproducers.com/files/175_090708%20US%20Rice%20Producers%20Association%20Applauds%20Funding%20for%20September%20Rice%20Stocks%20Report.pdf). This is a key victory for rice producers whose request last year for additional reporting dates was met by budgetary constraints at the agency. The reports issued by NASS are utilized by many agencies within the Agriculture Department in developing production, harvest, yield and other agriculturally related estimates for policymaking decisions, as well as by the industry as an indicator of the status of the crop. As a result, these reports also have a strong impact on the market-

place. For the rice industry, these effects are especially apparent by observing the large shifts in price immediately following the issuance of a report. In the past, NASS has often received harsh criticism from the industry arising from questions over the accuracy and timing of the reports. To NASS' credit, in response to these concerns NASS launched an additional June 1 stock reporting date in 2009. In doing so, the agency was able to help fight the non-transparency in the rice industry by providing stock figures at a time just prior to harvest, when growers are making their marketing decisions. The success of this report in helping to provide timely market information inspired producers to press for another report on September 1. This report would provide critical stocks information for those growers in other regions whose harvest begins later in the year. [Continued on Page 2]

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Mexico: USRPA Delivers Nutrition Through Un Kilo De Ayuda



Pictured: A program participant learns to cook rice using the resources she has available at home.

Un Kilo De Ayuda works to give people new opportunities, especially to those living in poverty conditions. We do not give assistance to compensate their poverty; we want to support them today, so they develop their abilities that will allow them to generate opportunities for their families improving their future. This development would not be possible without a basic element: nutrition.

Teaching people how to use food to nurture their families is different from just delivering them food. This distinguishes Un Kilo De Ayuda from other organizations. Un Kilo De Ayuda has a Nutritional Program that through five different actions allow them to prevent malnutrition:

- 1. Nutritional Surveillance
- 2. Anemia test
- 3. Neurodevelopment Surveillance
- 4. Nutritional Package
- 5. Nutritional Education

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Rice is easy for the body to fully digest and convert into energy.



Baldo's Rice Facts

NASS Receives Congressional Funding—Continued from Page 1

The additional funding that will be provided by the Senate bill will provide NASS with the ability to continue making positive contributions to the rice industry through additional reports. It is important for rice producers to understand that while the reports themselves have had some inconsistencies, it is important for producers to provide the most accurate data possible to the Government

Mexico—Continued from Page 1

The fifth action is one of the best since it is here where they teach people how to eat healthy, to take advantage of all the products they have in hand and how to cook meals that delivers nutrition to the whole family.

Un Kilo De Ayuda considers this as the base for development of abilities; they believe they are modifying habits through the nutritional workshops where rice is the main focus. They have been teaching how to cook rice in the communities for the past six years, visiting eight or more communities a month.

At the beginning, women in the communities used to say they only cooked rice with tomatoes, and it was served in funerals, parties or to feed their chickens. The reason they were not cooking rice was because of the

surveys. These surveys ensure that the Ag Statistics Service has the tools required to make a healthier industry. USRPA looks forward to working with USDA/NASS to help establish and facilitate additional and more accurate reporting in order to benefit the U.S. rice farmer and the industry as a whole.

belief that it was difficult to cook.

Now with the rice workshop, the program teaches them how to cook it in different ways with various ingredients and flavours. Then, participants learn about all the vitamins and proteins rice provides for their families, and they learn rice is basic for a child's development.

Through the years, people have adopted rice as part of their meals and homemakers have noticed how good rice is for preventing malnutrition. Through these activities and because of the improved quality of life, Un Kilo De Ayuda is working to eradicate malnutrition in Mexico in 15 years. It is a goal that could seem hard to reach, but with the support of companies, associations and organizations such as USRPA they hope to make it happen.

Central America: School Nutrition Program



Pictured above: Jacqueline Cordoba, country coordinator for Costa Rica; Lucy de Cotero, a professional chef with ARROZGUA, the Guatemalan rice association; Mireya Dubon, country coordinator for Honduras; Nelson Arrivillaga, director of ASALBAR, El Salvador's rice association and Eduardo Coronel, director of ProArroz, the rice milling association of Nicaragua.

The School Nutrition Program in El Salvador, Nicaragua and Costa Rica started operating last week following the appropriation of funding for these three countries. These countries join with Guatemala and Honduras where the program began earlier this year. Country leaders for the program were trained in Guatemala prior to the start up of activities.



Pictured above: USRPA and the Louisiana Independent Rice Producers Association would like to thank all of the farmers who visited their booth last week at the LSU Field Day in Crowley, La., showing an interest in the goals and programs of Louisiana's newest rice organization. Pictured above are Chris Krielow, Vice-President of LIRPA and a rice farmer from Jennings, La. visiting with Mark Phenice, a crop consultant for Agroliance and a rice farmer himself during the field day activities.

The Rice Advocate is now accepting letters to the editor. If you have a topic you would like to address, please email your submission to jessica@usriceproducers.com with "Letter to the Editor" as the subject. Letters should be 200 words or less and address a specific issue. Submissions will not be published unless signed by the original author. USRPA reserves the right to edit all letters.

“100 Years ... and Beyond!": Beaumont Center Celebrates 100 Years



Pictured: Dr. M. O. Way discusses his research during the field tour on Thursday.

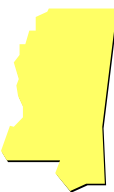
This year marks the 100th anniversary of the Texas AgriLife Research and Extension Center at Beaumont. In recognition of this event, “100 Years ... and Beyond!” was the theme of the Center’s 62nd Annual Field Day on Thursday (July 9).

The event began with morning field tours from 8-11 a.m., and the morning program began at 10:45 am. The morning field tour stops provided updates on developments in rice breeding and molecular genetics, rice

physiology and fertility, and rice insect and disease man-

agement. The morning program started with Dr. Ted Wilson, center director, giving an overview of the Center’s research. Then, Thomas Wynn, director of market development for the US Rice Producers Association, gave a brief overview of the current market conditions. Drs. Garry McCauley and M. O. Way were the keynote speakers.

For more information about the Beaumont Center, please visit <http://beaumont.tamu.edu>. The latest Texas Rice Crop Survey reports (updated through Thursday July 2, 2009) are available through the Beaumont Center web site at <http://beaumont.tamu.edu/CropSurvey/>. The crop survey provides detailed data on rice acreage across the Texas rice belt, including information on varieties and crop development. Also, the latest issue of Texas Rice is available through the web site at http://beaumont.tamu.edu/eLibrary/eLibrary_default.htm.



Mississippi Rice Crop Update

By Dr. Nathan Buehring
Extension Rice Specialist
Mississippi State University Extension Service

Conditions in Mississippi over the last month have been hot and dry. With ideal conditions for rice growth and development, rice has been moving along quiet rapidly. Some of the earliest planted rice is now heading and there is still some late planted rice that has not gone to flood. With rice being in a multitude of stages, this will be longer than normal harvest season this year.

Overall, the rice crop looks good as it normally does this year. However, many rice fields have spots where there is no rice or a skimpy stand that did not fill in very well. I would say a good portion of our crop does not have an excellent or optimal stand. Having above average yields starts with a good stand of rice. With this year’s rice stands lacking in some fields, the potential for above average yields is reduced. Also, with a good por-

tion of the Mississippi rice crop planted past the optimal planting date, the potential for above average yields on this crop will be lower.

With the drier weather conditions, glyphosate drift complaints have come to halt. Generally, most of the glyphosate drift problems in rice are directly related to a wet weather pattern that makes glyphosate applications in soybeans or other crops delayed. Then when the weather breaks, people feel like they are behind and glyphosate is applied in conditions that may be favorable for drift. If conditions remain hot and dry, this will not be an issue for the rest of the season.

Sheath blight pressure has been relatively light until recently. The drier air has turned more humid which has caused heavy dews in the morning. This excessive moisture in the canopy is more conducive for increased sheath blight severity. As a result, wet foliar fungicide applications are now being made to rice.

Pictured right: Michael Fruge, southern district manager for Horizon Ag, and Blake Gerard, a rice farmer from Southern Ill. (near Cape Girardeau, Mo.) get in a good visit during the Horizon Ag field day last week on the farm of Bobby Soileau near Eunice, La. Participants observed all five of the Clearfield varieties including the new CL 111. Michael also updated farmers on the new Clearfield medium grain. John Morgan, vice president of Louisiana Rice Mill, LLC gave a good update on the world medium grain market while Dwight Roberts, president and CEO of the USRPA briefed the crowd on recent developments in the Western Hemisphere with an emphasis on long grain issues. Horizon Ag will be conducting another field day in the Missouri Bootheel on August 11. For more information, please visit www.horizonseed.com.



General Market Update

The world news continues to trickle in each week for the rice industry, each week as unique as the one before. This week's news is the supply and demand report from USDA as well as the continued weather problems throughout the world. Stronger selling interest in the Delta region has helped some things move there, but the industry is still waiting for additional offshore business.

Net sales for the week were down by about 75% from last week's 90,800 MT at 23,000 MT total. Sales were reported for Benin with 6,000 MT of long grain milled, Nicaragua with 5,600 MT of paddy, Mexico with 5,200 MT of mostly paddy, Canada with 3,400 MT of long grain milled, Israel with 1,200 MT of long grain milled, Saudi Arabia with 1,000 MT of long grain milled, and Syria with 1,000 MT of medium grain. Sales decreases were reported for Guatemala with 2,800 MT of long grain rough, Jordan with 900 MT of long grain milled, and Honduras with 100 MT of paddy. Vessel loadings for the week were reported at 111,600 MT, off by about 20% from last week's 139,200 MT. Primary destinations were Iraq (29,000 MT of long grain milled), Japan (26,000 MT of medium grain), Saudi Arabia (10,300 MT of long grain milled), Costa Rica (8,800 MT of long grain rough), and Honduras (8,400 MT of paddy).

USDA increased its world market price estimate for the week by \$0.13 per hundredweight for long grain and \$0.12 for the medium/short grain class. The resulting price estimates are \$11.66 per hundredweight for long grain and \$11.70 for medium/short grain.

The World Agricultural Supply and Demand Estimate for July was released this week. Key revisions on the supply side were a decrease in harvested acreage by about 5% to 3 million acres with an increase in average yield to 7,033 pounds per acre. This decreases total production by about 4% to 211.0 million hundredweights (down from 220 million hundredweights projected in June). Imports decreased by one million hundredweights to 21.0 million hundredweights resulting in a total supply projection of 253.7 million hundredweights for the year. Demand side revisions consisted exclusively of a 2 million hundredweight increase in exports, resulting in a total demand of 231 million hundredweights for the year. The net impact of the report resulted in a decrease in the ending stock projection from 36.2 million hundredweights in June to 22.7 million hundredweights. The season average farm price increased by \$2.75 per hundredweight on each end of the range to \$13.25 - \$14.25 per hundredweight.

For the most part, cash prices have had little change over the course of the week. In Texas, bids have held steady at around \$11.50 per hundredweight (\$5.00 premiums) with no trading reported. In Louisiana, remain at

around \$11.50 per hundredweight as well (\$18.64 per barrel) with some light trading at this level. Delta prices made some moves this week, with some trades reported in the \$13.00 per hundredweight range (\$5.85 per bushel). Heavy trade volume was reported in this region and most of the remaining lots of old crop have been liquidated.

The price spread in the Asian markets has again widened, as the information from the region remains very vague. This week, Thai 100%B is bid at \$580 per MT while Vietnamese 5% is bid at \$405 per MT, both fob vessel. The Indian monsoons are reportedly improving which should help the crop in that region, but their return to the export market is currently not expected. The Thai government is also reported to be maintaining a much larger government reserve this year, which is making it difficult for exporters to procure rice. This will definitely have an impact on the market later in the year.

The futures market has been interesting this week. After last week's climb, Monday was a bit of a downer in the literal sense as the market fell by \$0.315 from its open at \$12.835 per hundredweight. Tuesday saw the market slide by a penny to close at \$12.51 per hundredweight, while Wednesday's action moved the market back up \$0.04 per hundredweight to close at \$12.55. On Thursday, the upward push became a bit more apparent in anticipation of the Supply and Demand report with a \$0.165 climb to close at \$12.675 per hundredweight. With the marginally bullish S&D figures on Friday, the market caught some wind and climbed over \$13.00 to close at \$13.02 per hundredweight. The total range for the week was \$0.77 per hundredweight on an average daily volume of 375.2 contracts.

Things are beginning to move slowly in the rice industry but movement is always good. This week, the supply and demand estimate has been the primary driver. Export sales were off for the week in keeping with the pattern of the past few months, but were still a respectable number. These trends will continue until some price movement spur additional offshore buying. The S&D report came out this week was revealing in several ways. First, it is positive to see that the USDA values are beginning to shift in the right direction. The acreage values are definitely getting closer to acceptable, which is in keeping with the June 30 acreage report. The yield estimates remain much too high, especially considering the poor weather affecting the rice growing region this year but this is a section that will probably be revised several more times before the end of the year. Otherwise, the report is much more positive than many we have seen in the past few months and it is good to see that USDA is finally making some progress in this regard. This report is definitely more bullish than what we have seen in the past and [Continued on Page 5]

General Market Update—Continued from Page 4

we look forward to seeing USDA take the next steps towards a more accurate estimate in the months to come. Cash prices have held mostly steady over the week with the exception of the Delta region where in a flurry of trading, most of the old crop rice was finally liquidated. This stagnant pricing scenario is due to several things not least of which is the fact that most of the old crop (prior to this past week) was already traded. In addition to the floundering futures market and a general lack of buying interest offshore have contributed to the situation. The Asian market is a difficult read still as the area is strong in fundamentals but short in action. The big business seems to have been done and with the government intervention

programs kicking in, it is becoming increasingly difficult for exporters to do business in the short term. Monsoon rains have been questionable to date, but meteorologists have suggested that this situation may be changing. The actual rainfall and its disbursement will go far in helping to predict the supply situation in Asia. Futures, while beginning to perform much more positively, are still not acting fully on fundamentals. The trend in the market seems to be shifting to the upside, but the risk is still high in this portion of the rice market. Over all, the global fundamentals remain bullish and we look forward to seeing a more favorable pricing scenario by the end of the year.

Chicago Rice Futures for the Week Ending July 10, 2009						
Closing Price	Jul-09	Sep-09	Nov-09	Jan-10	Mar-10	Open Int.
3-Jul	12.775	12.890	12.920	13.085	13.250	8,037
10-Jul	12.900	13.020	13.070	13.205	13.395	7,991
Weekly Change	0.98%	1.01%	1.16%	0.92%	1.09%	-0.57%
Average Daily Volume			375.2 ↓		Source: Chicago Board of Trade	

Upcoming Events

July 13-14, 2009	USRPA Annual Summer Board Meeting—Tunica, MS
July 14, 2009	RiceTec Chambers & Jefferson County Field Day—Contact Chad Duckworth, 870-919-1777, for more info
July 15-17, 2009	Postharvest 2009 Rice Conference—Bangkok, Thailand
July 16, 2009	Mississippi Rice Field Day—Stoneville, MS
July 17, 2009	MFBF Summer Rice Grower Meeting—Cleveland, MS
July 24, 2009	Missouri Rice Field Day—Bernie, MO
August 12, 2009	University of Arkansas Rice Field Day—Stuttgart, AR
August 19, 2009	Cache River Valley Seed Rice and Soybean Field Day—Cash, AR
August 27, 2009	Missouri Rice Research Farm Field Day—Glennonville, MO
September 2, 2009	48th Annual Delta Center Field Day—Portageville, MO
September 16-19, 2009	12th European Rice Millers' Convention—Venice, Italy
October 27-29, 2009	World Rice Conference—Cebu, Philippines
January 11-13, 2010	13th Annual NCS Cotton & Rice Conference—Tunica, MS



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USDA Reports Next Week

Crop Progress	Monday, July 13, 4:00 pm
Rice Outlook	Monday, July 13, 4:00 pm
Weather-Crop Summary	Tuesday, July 14, 12:00 pm
U.S. Export Sales	Thursday, July 16, 8:30 am

All USDA reports are available by visiting http://www.usda.gov/wps/portal/?navid=AGENCY_REPORTS=RT.