



The Rice Advocate

US Rice Producers Association

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USRPA to Participate in Argentina's VII Jornadas de Arroz 2009 Conference

Next week in the city of Corrientes, Argentina, Dwight Roberts, president and CEO of the US Rice Producers Association, will address Argentina's annual rice conference. The conference, which is organized by the Rice Producers Association of Corrientes, will take place at the Ag Exposition site of the Rural Society of Argentina. During the conference, Roberts will discuss the current rice crop in the United States along with the market outlook and prospects for 2009-2010.

Conference participants come from various rice industry backgrounds such as rice mills, producer organizations, research organizations and the government. Attendees from Uruguay, Brazil, Bolivia, Paraguay, Chile and other countries in South America are expected to attend. The conference will give a good indication of planting intentions in the Mercosur because the spring planting season begins at the end of August in some areas. Presentations regarding climatic predictions, the Brazilian market, government agricultural policies, individual country updates and production related topics are of particular interest.



Pictured: Taking advantage of the proximity to Corrientes, Dwight Roberts is in Paraguay this week meeting and touring the Paraguayan rice industry, both farms and milling interests. In the above picture, Roberts discussed the world rice market with Dr. Luis Federico Franco Gomez, Vice-President of the Republic of Paraguay, in the capital city of Asuncion yesterday (August 27).

USDA Economists Visit Windmill Rice Mill

The US Rice Producers Association met with U.S. Department of Agriculture economists last Friday (August 21) at Windmill Rice Mill in Jonesboro, Arkansas. The econo-



Pictured: Left to right, Nathan Childs, Katherine Baldwin, Becky Cross, Debbie Rubas, Mark Simone and Greg Yielding.

mists spent the week visiting rice growing areas in Mississippi and Arkansas. They also spoke with several producers and milling interests during their trip.

After a tour of the rice mill, Greg Yielding, a field representative of USRPA, provided information about USRPA member organizations, domestic and international promotion activities and government policy concerns, including rice stock reports.

USDA staff on the tour were Nathan Childs, a senior economist with the Economic Research Service, Katherine Baldwin, an agriculture economist with the Economic Research Service, Debbie Rubas, an agriculture economist with the Office of Global analysis, Mark Simone, a member of the economic and policy analysis staff with the Farm Service Agency, and Becky Cross of the National Agricultural Statistics Service in Little Rock, Ark.

USRPA would like to thank the group for giving us the opportunity to provide important information to help them with their work, and as a result helping all U.S. rice producers.

Inside this issue:

Un Kilo de Ayuda Receives Great Media Exposure (Page 2)
California Rice Crop Update (Page 2) • Texas Rice Crop Update (Page 2) • General Market Update (Page 3)
Conservation Stewardship Program Begins Sign Up in Missouri (Page 4)

Un Kilo de Ayuda Receives Great Media Exposure

In order to reduce cases of child malnutrition in Mexico, Un Kilo de Ayuda began a national campaign this year called Reto Kilo 2009. Un Kilo de Ayuda is an im-



Pictured: A leading actress in the *Sortilegio* soap opera supports Un Kilo de Ayuda.


portant partner in USRPA's Mas Por Menos program in Mexico. Through Un Kilo de Ayuda, USRPA is able to collaborate with training teams that go into the communities and teach mothers and family members the benefits of rice.

Currently, 3 million children (30 percent of the population under 18) suffer from malnutrition in Mexico. The main challenge of the campaign is to raise 200 million pesos to support this epidemic.

The campaign strategy is to round up one-peso donations through piggy banks in stores and through selling UN KILO DE AYUDA cards.

Under the slogan "la desnutrición afecta su futuro, y el tuyo" (malnutrition affects their future, and yours), the new campaign has a presence in radio, newspaper and publications in many Mexican media outlets. As part of the campaign, special cards with *Sortilegio* (the top rated soap opera in Mexico) brand and image have been on sale since July 1 in supermarkets and self-service shops. 🌱

California Rice Crop Update



The USDA/NASS California field office is forecasting California rice production at 45.8 million cwt., up 7 percent from 2008. March was an unseasonably dry month and field preparation started early. Rice planting commenced in early April with most planting completed by June 1. Most stands of rice were good and healthy in all California rice belt growing regions. Weed and disease control has been manageable.


Rice has been heading and filling across the Sacra-

mento and San Joaquin Valleys. There were a couple of periods of cooler than normal temperatures in July and August. Any potential impact on yield remains to be seen. Overall, the rice crop looks good and the expectation is for at least an average crop throughout California. Rice harvest is expected begin the second week of September.

The California rice crop update is provided by the Rice Producers of California. For more information about the Rice Producers of California, please visit <http://www.calriceproducers.org/>. 🌱

Texas Rice Crop Update

By: Dr. M. O. Way



According to the Texas Rice Crop Survey conducted by the Beaumont Center, as of August 21, about 60 percent of the main rice crop in Texas was harvested. In general, reports from the field are very positive. Yields could be the highest ever with good to excellent milling quality. Presidio, CL151, hybrids and Neptune yields have been exceptional. Texas' hot, dry summer is most likely somewhat responsible for these high yields.

Disease pressure on the main crop is rather light, but some rice suffered from panicle blight, narrow brown leaf spot and heat sterility. In addition, some farmers and crop consultants are reporting lodged rice associated with high yielding fields. On average, stalk borer pressure has been light probably due to droughty conditions, which limits population build-up in grassy weed hosts. Rice stink bug pressure has been severe in some areas (Fort Bend, Colorado and Jackson Counties), but light to moderate in

other areas (counties east of Houston). Crop consultants are reporting good, long-lasting control of rice stink bugs with Tenchu 20SG, which received a Section 18 Emergency Exemption in Texas this year. High chinch bug populations have been observed on late planted, heading rice in Wharton County. Research has shown chinch bugs do not contribute to peck, but they may be involved in other problems---more research needs to be conducted on this subject.

The ratoon crop is off to a good start. Early planted rice allows second cropping and avoids much of the weather-related problems associated with late-planted rice. Positive comments about Presidio and hybrid ratoon fields have been received. Some ratoon fields are already heading. Progressive farmers realize the impor-

(Continued on page 3)

The latest Texas Rice Crop Survey reports (updated through Friday August 28, 2009) are available through the Beaumont Center web site at:
<http://beaumont.tamu.edu/CropSurvey/>

Texas Rice Crop Update—Continued from Page 2

tance of the ratoon crop to their total rice program, which means the second crop should be managed as well as the main crop. The days of second crop rice considered “lagniappe” are over!

A Ganado Site Visit is planned for September 8, 2009, at the Ganado Research Site about five miles south of Ganado off FM 1157. This hands-on meeting will emphasize stalk borer research in Texas and Louisiana. The

General Market Update

There was very little movement in the rice industry over the past week, and the moves that were made were not very positive. Export sales, cash prices, and Asian bids all backed off this week, which is not helpful to growers at this time. A late rally in the futures market on Friday made the performance look better, but after several weeks of decline, its effects will roll over into next week and hopefully bring some benefit. Much needed demand has not materialized offshore to help kick the market off for the year and this is becoming more critical with each week that passes.

According to the sales report from USDA, net sales for the week were off by about 41% from last week's 143,400 MT to 84,300 MT. Sales increases were reported for Mexico with 48,700 MT of mostly paddy, Nigeria with 14,000 MT of long grain milled, the United Kingdom with 4,300 MT of long grain milled, the French Pacific Island with 2,200 MT of medium grain and Canada with 2,100 MT of long grain milled. Vessel loadings were reported down by 17% from last week's 47,700 MT at 39,500 MT. The primary destinations were Haiti (15,500 MT of long grain milled), Mexico (4,100 MT of mostly paddy), El Salvador (3,800 MT of paddy), Honduras (3,800 MT of paddy), Jordan (2,700 MT of long grain milled), and Canada (2,100 MT of long grain milled).

The USDA held its world market price estimate unchanged for the week. Current estimates remain at \$11.31 per hundredweight for long grain and \$11.40 for medium/short grain.

Virtually nothing has changed in the local cash markets as the harvest continues. Currently, bids in Texas are reported at \$12.75 per hundredweight level (\$6.25 premium) with some trading of conventional varieties at this level reported. Hybrids in Texas are bid at around \$12.50 per hundredweight (\$6.00 premium). In Louisiana bids are at around \$12.35 per hundredweight (55/70) (\$20.00 per barrel) on very light trading in the area. Bids in the Delta slid a bit this week on the falling futures market with current bids at \$12.25 per hundredweight (\$5.51 per bushel) with growers ideas in the \$13.33 per hundredweight (\$6.00 per bushel) fob farm or higher.

This week has seen the same situation as over the past few with demand virtually nonexistent and government supports propping the market at the current levels. Cur-

meeting will begin about 8:30 am and conclude about 11:00 am. Farmers and interested parties are invited to attend.

Thank you to the following people for providing input for this article: Glenn Crane, David Wilde, Brent Batchelor, Joey Sliva, Randy Waligura, Ronnie Melancon, Gary Skalicky, Rodney Dishman, Jamie Dishman and Herb Dishman. 🌾

rently, Thai 100%B is bid at \$550 per MT while Vietnamese 5% is bid at \$385 per MT, both fob vessel for the week. The Thai stability is owed almost exclusively to the government intervention program that is keeping Thai rice at levels that are uncompetitive with other origins. The weather concerns in the area have not alleviated significantly and remain a major factor in the global rice trade.

Futures had another rough week as the decline of the last two weeks has continued over this one. In the nearby September '09 contract, Monday's open saw the market fall by \$0.11 from its open at \$13.32 per hundredweight by the end of the day. Tuesday traded across a \$0.09 range but only closed down \$0.02 at the end of the day. Wednesday's moves put the market down another \$0.15 from its open at \$13.30, while Thursday's action shaved another \$0.03 off to close at \$13.15 per hundredweight. Friday's moves actually brought some positive action back into the arena with a \$0.32 climb late on Friday, closing the week up at \$13.51 per hundredweight. The total range for the week was \$0.60 on an average daily volume of 986.6 contracts.

It has been the same song different verse in the rice world this week. As has been the case for the past few weeks, the market has again fallen off slightly in all areas. Export sales and vessel loadings are largely predictable based on buying patterns from the major exporters but the demand that has been anticipated has just not materialized. Cash prices are in a glut for several reasons, primarily the large volume up for grabs at harvest time but also the falling futures market and general lack of offshore demand. All of these factors come together to paint a poor picture for grower pricing options. As far as the condition of the crop in the US, the harvest continues across the south, but cooler temperatures in the upper Delta region may impede the development of the crop that was already late to begin with. With rice crop development across the region in several different stages at once, the yield average may well be adversely affected by the end of the year. Some preliminary estimates suggest that production in this region may be off by as much as 30% from current projections. Even with amenable weather, this will definitely be an interesting year from a production standpoint. In the Asian sphere, weather is a concern as well with the lack of monsoon rains in much of the primary rice growing regions. This is no new news as

(Continued on page 4)

General Market Update—Continued from Page 3

this has been a concern for many weeks now, but it must be kept in mind when considering the global rice trade. If India enters the market as a major importer this year due to shortfalls, then there could be long lasting price effects on the marketplace. Currently, this is not a near term probability but it does hang on the horizon. Futures continue to be a mystery, although Friday's trading seems to have finally begun to move in the right direction. The futures market has been tracking heavily with the financial

indices and with the seasonal trends associated with harvest. True fundamentals have either not been taken into account, or there is a perception problem as to what the actual fundamentals are. Either way, at some point they will have to take over, and we anticipate some stronger market movement at that time. Longer-term prognosis is still a stronger market but for the near term, barring any unforeseen surges in supply or demand, the market will probably continue sideways.

Conservation Stewardship Program Begins Sign Up in Missouri

The Conservation Stewardship Program in Missouri began sign up statewide on August 10, 2009.

Program eligibility is limited to farm operators acknowledged through USDA Farm Services Agency records. Operators must have documented control of the land for the term of the contract and include all eligible land that

is operated in the contract

Although the signup is continual, the first ranking period will end on September 30th. For more information on the program, please visit http://www.mo.nrcs.usda.gov/programs/CSP/stewardship/csp_general.html.

Chicago Rice Futures for the Week Ending August 28, 2009						
Closing Price	Sep-09	Nov-09	Jan-10	Mar-10	May-10	Open Int.
21-Aug	13.125	13.380	13.620	13.860	14.080	11,133
28-Aug	13.150	13.760	14.010	14.240	14.465	11,493
Weekly Change	0.19%	2.84%	2.86%	2.74%	2.73%	3.23%
Average Daily Volume			986.6 ↓		Source: Chicago Board of Trade	



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Upcoming Events

September 2, 2009	48th Annual Delta Center Field Day—Portageville, MO
September 16-19, 2009	12th European Rice Millers' Convention—Venice, Italy
September 18, 2009	Annual Delta Rice Promotion, Inc. Rice Luncheon—Cleveland, MS
October 8-10, 2009	World Rice Commerce 2009—Nusa Dua, Bali, Indonesia
October 27-29, 2009	World Rice Conference—Cebu, Philippines
January 11-13, 2010	13th Annual NCS Cotton & Rice Conference—Tunica, MS



USDA Reports Next Week

Crop Progress	Monday, Aug 31, 4:00 pm
Weather-Crop Summary	Tuesday, Sept 1, 12:00 pm
U.S. Export Sales	Friday, Sept 4, 8:30 am

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