



The Rice Advocate

US Rice Producers Association

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“Rice Farming on Capitol Hill” Highlights the 59th Annual Meeting of the Texas Rice Council

Please make plans to attend the 59th Annual Meeting of the Texas Rice Council to be held on Wednesday, February 3, 2010 at the El Campo Civic Center in El Campo, TX. Registration begins at 8:00a.m. and the meeting program will start at 9:00a.m.

This year’s meeting will provide valuable information for the Texas rice industry as the program is highlighted by the participation of Mr. Vernie Hubert from Washington, D.C. Mr. Hubert brings more than twenty five years of experience working in and with the federal government with specific focus and expertise in the field of agricultural policy. His career includes a long and distinguished career on Capitol Hill as a senior professional staff member in both the U.S. House of Representatives and the United States Senate. A native of Riviera, Texas and graduate of Texas A&M University with a law degree from St. Mary’s University School of Law, Mr. Hubert most recently served as the Minority Chief Counsel to the United States Senate Committee on Agriculture, Nutrition and Forestry. He also served as Majority General Counsel and Majority Deputy Chief Counsel for the Senate Agriculture Committee. Prior to moving to the Senate, Mr. Hubert spent 20 years as a professional staff member for the U.S. House of Representatives Committee on Agriculture, holding several key positions while involved in all the issues under the Committee’s jurisdiction. He is currently employed with Cornerstone

Government Affairs in Washington, D.C.

Other presentations at this year’s annual meeting of the Texas Rice Council will include agricultural water availability on the Gulf Coast, where rice prices are going, Texas rice research updates and an update on the activities of the US Rice Producers Association. This year’s meeting will also include a special award presentation and the always popular door prizes. Lunch will be catered by Vincek’s.

Ray Stoesser, President of the Texas Rice Council who farms in Liberty County east of Houston, encourages all Texas rice farmers, rice mills, rice industry affiliates and friends of the rice industry to attend this important event. “Our meeting this year will provide important information to our state’s rice industry and its important to use the occasion to network and hear the concerns and opinions from within our statewide organization and all the various state rice groups,” said Mr. Stoesser.

For more information call the office of the Texas Rice Council at 713-974-7423.

This meeting is open to all persons without regard to race, color, national origin, gender, religion, age, or disability. Persons who require alternative means of communication (such as Braille, large print, sign language), special dietary needs or language interpretation should contact: Veronica Vargas at (713) 974-7423 at least 10 days before the meeting.

Attention All Rice Farmers and Rice Industry

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The Texas Rice Council thanks its sponsors...

(click on the logo to visit the website)



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Latin America Focused on the TRT Rice Americas 2010

The Rice Trader (TRT) and US Rice Producers Association are pleased to follow up the successful TRT Rice Americas 2009 conference in Miami with the TRT Rice Americas 2010 in Cartagena, Colombia—another landmark event that will incorporate the study of the industry and market over the last 3 years to deliver sound analysis and projections for a profitable future. This event promises to be the region's most authoritative forum.

The Rice Americas 2010 Conference is for anyone in the rice or allied industries. Members across the rice supply chain, with an interest in markets in North, South and Central America as well as the Caribbean will benefit from this event. "This will be the largest attended conference since we started this annual event in 2007. There is no better place to network about rice in the Americas," according to Dwight Roberts, President & CEO of the US Rice Producers Association.

TRT Rice Americas 2010 is the authoritative event that gathers the leadership behind the rice industries of the Americas, to reveal the inside story on what's going on. This event will help managers manage their inventories even while markets bounce around to reveal an injured price-discovery mechanism that has been battered by the market forces.

TRT Rice Americas 2010 will reveal the factors that will shape the future. Aimed at shedding light on key issues and how to profit in this volatile climate, your attendance is necessary. The global supply environment looks worse than what was seen in 2008 – climate change is a factor that cannot be ignored, postharvest possibilities, technology and even the question of GM Rice (with doors wide open as China ended 2009 with the approval of 2 GM rice varieties for commercial scale production), The Rice Trader Rice Americas 2010 Conference needs to be your choice event. The event will allow delegates the opportunity to plan, strategize and make decisions that will mitigate risk, address key issues, and build sustainable profits while delivering the world's food.

This year's agenda reveals several new additions, from climate change, to a specialist panel on seeds and



varietal developments, to

an all important panel on technology. The Technology panel will look at parboiling techniques, the savings possible through smart investments in milling, postharvest abilities, and the future of quality and food safety.

Along with these new additions, the proven lineup will feature market insights from a global overview, a look at verticals within the rice industry, a peek at the performance of parboiled rice markets, South America's potential as a major exporter to Africa, and the road ahead for the rice trade among North, South and Central America. TRT Rice Americas 2010 is once again expected to be a sold out event as specialist speakers and the region's top analysts gather to offer a complete event. Features include strong analysis and regional updates combined with excellent networking opportunities intended for increased business exchange among leaders in the Americas rice industry.

To find out more about this exciting event including a schedule of events as well as sponsorship and registration information, please visit:

<http://www.trtamericas.com>. 🌿

Cuba Coalition Letter

The USRPA initiated an effort this week with the American Farm Bureau Federation with a letter to select members of the U.S. House of Representatives urging co-sponsorship of the Travel Restriction Reform and Export Enhancement Act sponsored by the House Agriculture Committee Chairman Collin Peterson and Representative Jerry Moran. A copy of the letter signed by numerous organizations can be read in its entirety on the USRPA website (www.usriceproducers.com) beginning Monday, February 1, 2010. 🌿



Photo courtesy of: La Guía de Cartagena (www.Cartagenainfo.com)

US Rice Producers Assn Conducts “United Export Strategy” Planning Meeting

Foreign counterparts, rice industry representatives, market advisory specialists, board members and officers from the US Rice Producers Association gathered with USRPA staff in Houston, Texas this week to discuss plans for the next “United Export Strategy” 2011 application that will be submitted to the Foreign Agricultural Service of the U.S. Department of Agriculture. These export market development funds have been a vital tool for the USRPA since the organization first applied for funding in 1998 and have played a major role in the increase of U.S. rice exports particularly to Mexico and throughout Central America, markets of high priority for America’s rice farmers. The meetings this week included an evaluation and analysis of past activities in a number of countries with a look to the future in order to maintain, expand and open new markets with the most effective results-oriented projects possible. The Western Hemisphere continues to be the focus of the efforts as evidenced by the highly successful Annual Rice Americas Conference now in its fourth year. “The success



Gary Murphy (left), Chairman of the USRPA Board of Directors and a rice farmer from Missouri, Donald Gant (center), a rice farmer from Merigold, Mississippi and Secretary-Treasurer of the USRPA along with Miguel Layun of Layun Publicidad advertising agency in Cordoba, Mexico listen and take notes during the **United Export Strategy** meetings in Houston this week.

of the Rice Americas Conference is a clear indication that the relationships developed since 1998 are benefitting the U.S. rice industry and our export markets and there is no doubt that we will continue to serve these markets with great enthusiasm,” said Dwight Roberts, President & CEO of the USRPA. “We appreciate the efforts and input of our participants this week and especially the specialists from the Foreign Agricultural Service’s Office of Trade Program in Washington, D.C., William Bomershein (Branch Chief, Field Crops and Forest Products, Cooperator Programs Division) and Meyra Mendoza (Marketing Specialist, FCFP, CoPD) who gave us valuable guidance for the application,” added Roberts. These funds will be used in a variety of areas including market research, consumer promotions, trade missions, seminars, conferences and related activities, all designed to sell U.S. rice and combat trade barriers. “I am particularly enthused by our support in many countries and their willingness to be a funding partner in many of these projects, a gesture that makes for a strong application,” according to Roberts. 🌿



Representatives from Africa, China, El Salvador, Guatemala, Nicaragua, Mexico and the Middle East were in Houston this week to meet with the USRPA staff, board and market advisory members to discuss opportunities for U.S. rice exports around the world. While the meetings focused on the Western Hemisphere, a number of project ideas from a list of countries were addressed.

General Market Update

As expected, USDA took WMP down another 58 cents on long, medium, and short grain in this week’s announcement, even though Asian quotes are little changed from a week ago and little can be booked at those levels anyway. USDA’s export sale report, however, did post a substantial 101,800 metric tons of new business for the week. This included nearly 27,000 tons of California milled to Japan and 17,500 tons of medium paddy to Turkey. Most of the balance for the week was long grain rough to Mexico and Central America (total of 33,100 tons), just over 15,000 tons of long grain milled to various countries (including 7,000 tons of parboiled milled to Saudi Arabia), and the balance a smattering of long and medium brown to a few destinations. Export tonnage came in a bit light at just under 22,000 tons for the week, but this low number will probably be made up for in next week’s report. Shipments included a little of everything from long to medium and paddy to milled – no particular heavyweight there. The Kansas City Commodity Office bought another 31,000 tons of long grain no.5/20% brokens for Haiti this

week at high prices ranging from \$25.00 to just over \$27.00 fas Jacintoport. These are good price levels, especially for no.5/20%, and there are indications that some sort of USDA buying for Haiti will continue for a while – those folks still have big problems due to the earthquake of a few weeks ago. Anticipation continues to build of Venezuela’s buying rough rice for nearby shipment. There have been stories in the market all week about something already having been done, but we have not been able to actually confirm that anything has been done at this time. Talk of Colombia needing rice is also entering the picture, and Brazil continues to look more and more like a buyer sometime during this calendar year. Most in the trade seem to think that Brazil will enter the US market for shipment later in the year, but there are some indications that buyers there are at least considering purchases nearby. Here again, though, nothing has jelled yet, or at least not to our knowledge. On the milled rice front, the Iraqis are tendering again – we understand next Sat-

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General Market Update- Continued

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urday – and this may be another opportunity for US long grain to move in that direction as a very nice follow-up to the 100,000 tons sold a few weeks ago.

Texas paddy prices this week are noted at a \$7.00 premium for package quality with hybrids at the \$6.00 to \$6.25 level. The trade is slow and quiet. Bids in south Louisiana have been seen in the \$21.00 to \$21.25 area per bbl, but sellers are showing no interest at these levels. Another dollar or perhaps two higher would bring some selling, and there seems to be plenty of business with the Haiti purchases by USDA still to be completely delivered. Delta price quotes have moved with the futures, but we hear of little selling interest at any lower levels. Demand there could pick up considerably if Venezuela comes into the market anytime soon. Asian quotes this week put Thai 100% Grade B in the \$580 to \$590 range fob vessel. The rice that the Thai government was offering out of its surplus was withdrawn due to bid prices not being high enough, and there was a considerably more tonnage bid than called for by the government. We see both of these circumstances as positive to the market. Viet 5% is quoted at \$450 to \$460 fob vessel this week, and Pakistan 5% is indicated at \$465 fob vessel. The feeling in the trade is that any real tonnage to be bought in Asia could cause prices to rally considerably.

Rice futures were sort of a dull affair just drifting along with the grains and reflecting dollar index and crude price action until Thursday. For no apparent reason, a small sell off was spurred on Thursday which put March prices down 10 cents just into the high \$13.00 area while the grains and soybeans rallied on the day.

Then on Friday, just the opposite occurred with rice rallying very nicely by 30 cents or more across the board and the grains and beans slipping fairly solidly into the red. All of these markets are very difficult to call, but it continues to look to us like the fundamentals are firm. Talk of potential credit tightening in China is definitely a main theme in all markets now, and the spec traders seem to be very sensitive to it in all commodity groups. This week's range in the March rice futures saw a low on Thursday of 13.76 to be followed by a Friday high of 14.28 with a settlement up 30 cents on the day at 14.20. Many technical traders believe the low of two weeks back will hold, and we tend to agree. Big swings, though, are probably not yet finished – there is a lot going on at home and abroad which will likely keep things unsettled for a good while.



For more information, or to download a registration form, visit:
<http://www.usriceproducers.com/trriceamericas2010cartagena>
 Or contact Brad Rudkin: (530) 345-4140
Brad.Rudkin@thericetrader.com



2825 Wilcrest Drive, Suite 505
Houston, Texas 77042

Phone: 713-974-RICE
 Fax: 713-974-7696
rice_advocate@usriceproducers.com
www.usriceproducers.com
www.riceromp.com

Additional Resources

For economic analysis on agricultural efficiency, efficacy, and equity issues:

www.ers.usda.gov

AgFax - Editor: Owen Taylor:
www.agfax.com

USRPA News & RA Archives:
www.usriceproducers.com/news

Upcoming Events

February 3, 2010	59th Annual Texas Rice Producers Council, El Campo, TX
February 7-10, 2010	USRPA Board of Directors Meeting, Washington, DC
February 10, 2010	Arkansas State University Agribusiness Conf., Jonesboro, AR
February 16, 2010	Fort Bend County Rice Meeting, Jack Wendt's Farm
February 18, 2010	Mississippi Rice Council Annual Meeting
February 22 - 25, 2010	Rice Technical Working Group, Biloxi, Mississippi
February 25, 2010	Missouri Rice Council Annual Meeting, Dexter, MO
March 3, 2010	Missouri Rice Producers Conference, Dexter, MO
March 22-26, 2010	Africa Rice Congress, Bamako, Mali
April 21-22, 2010	Rice Americas Conference, Cartagena, Colombia

USDA Reports Next Week

Weather-Crop Summary (NASS)	Tuesday, Feb. 2, 12:00 pm
U.S. Export Sales (FAS)	Thursday, Jan. 28, 8:30 am

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

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