



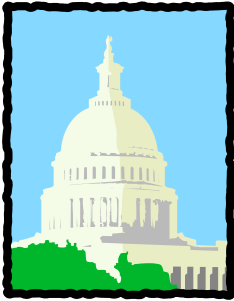
The Rice Advocate

US Rice Producers Association

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USRPA Joins Other Ag Groups on Budget Letter to House & Senate Budget Committees



On Tuesday, USRPA signed a letter with 34 other agricultural groups to the House and Senate Budget Committees expressing opposition to the President's proposed cuts to the farm safety net. The groups also sent copies of the letter to the House and Senate Agriculture Committees.

"While we agree that reducing the deficit is necessary, we do not

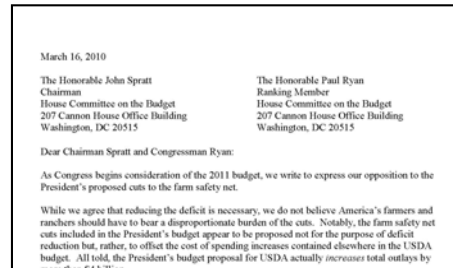
believe America's farmers and ranchers should have to bear a disproportionate burden of the cuts," the letter states.

The letter points out that the fiscally responsible 2008 Farm Bill does not add to the national deficit. The farm safety net provisions – which were cut by \$7.4 billion in 2008 – are less than one quarter of one percent of the

total federal budget and just 17% of USDA's budget.

Also mentioned in the letter are the President's proposed cuts to the federal crop insurance program. Because the federal crop insurance program incurred significant cuts in the 2008 Farm Bill negotiations, Congress debated and rejected additional cuts to crop insurance during consideration of the last budget resolution.

[Click Here to Read the Letter](#)



USRPA Makes Presence Known at Taste of Home Cooking School

The US Rice Producers Association attended the Taste of Home Cooking School as a sponsor in Port Arthur, TX. The event took place Tuesday, March 16, 2010 at the Port Arthur Civic Center. Taste of Home is the publisher of several national magazines and cookbooks. The company presents about 300 cooking shows each year demonstrating approximately 10 recipes step by step, giving attendees tips and advice for everyday cooking.

Attending the Taste of Home Cooking School was a way for USRPA to expand its domestic marketing campaign. The USRPA booth was stocked with promotional items such as rice recipe cards, "Perfect Rice Every Time" and "Carbo-Loading with Rice" brochures as a way to encourage families to include U.S. grown rice in their every day meals. Doguet's Rice from Beaumont, TX generously donated 1 lb. sample bags to distribute at the booth. Staff was on-site explaining to attendees how USRPA programs in Central America and Mexico help open new export venues for U.S. rice producers.



Veronica Vargas, USRPA Member Services Coordinator, informing attendees of Taste of Home Cooking School about USRPA Programs.

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School Lunch Program In Mexico: Launching One More State

The Health Commission of Hidalgo's Congress estimated that more than 40,000 children under the age of 6 are presenting high levels of malnutrition, especially in the socio economic segment that USRPA's programs target. Other nutrition related problems that currently affect the population in Hidalgo are anorexia, bulimia and obesity.

With all this data it is imperative that parents promote healthy nutrition to improve the quality of life for their children and help them in reaching new levels in their education.

MAS POR MENOS has been welcomed with enthusiasm by parents in Hidalgo, saying that rice is not only nutritious but is also economical and readily available. Thanks to the training sessions, parents and especially housewives are taught a variety of ways to prepare rice and how to include it more frequently in everyday meals.

The School Lunch Program is aimed at educating three different segments: mothers, who are decision mak-



ers, teachers and school principals, who are change agents, and children, who are the consumer of the future. The goal is to incorporate rice into the culture. 🌱

Why Colombia? Why Cartagena?

Aside from Colombia being one of the most important rice producing regions in Latin America, Cartagena is a world-class destination because of its history, culture, and beauty.

Cartagena was founded in 1533 by the famous Spanish Settler Don Pedro de Heredia and is now a world-class destination because of its deep historical roots. Cartagena was declared a World Cultural Heritage Site by UNESCO and is home to international film festivals, magnificent beaches, rich culture, and excellent cuisine.

Colombia is also an important region for the rice producing community. Each year Columbia plants more than 470,000ha of rice. This conference promises to deliver up-to-date market analysis, sound risk management strate-

gies, and unique business insights.

Cartagena was the preferred and most requested location for TRT Rice Americas 2010 from Delegates that attended TRT Rice Americas 2009 in Miami. Delegates from 25 COUNTRIES have already registered.

Don't wait any longer! We have negotiated a special rate with The Hilton and rooms are filling up fast! Visit www.trtamericas.com to register now!



"Colombia, the only risk is wanting to stay!" 🌱

General Market Update

Due to further softness in the Asian rice prices, USDA again lowered WMP this week. Long grain values were dropped by 57 cents and medium/short grain values were decreased 58 cents. The worldwide market generally remained soft as demand takes a break, but buyers should be on the scene again soon. The weekly USDA export sales report showed a very reasonable 61,200 metric tons sold last week. This included a combined 25,000 tons of medium paddy and milled to Turkey with nearly all the balance being long grain rough to Mexico and Central America as well as milled long grain rice to Haiti, Ghana, Saudi Arabia, and various other markets. Export shipments reported by USDA for the week totaled 82,500 metric tons with the big destination being Venezuela for 29,000 metric tons of long grain paddy and another 14,000 tons of long grain rough to Central Amer-

ica. Turkey loaded nearly 13,000 tons of medium grain paddy, and just over 17,000 tons of long grain milled was shipped with the big destination being Haiti at just under 10,000 tons. More and more comment is being heard about the amount of combined sales and exports already made for the current marketing year being far ahead for the amount of time remaining until August 1st, and some are saying that USDA will eventually have to catch up with these numbers. We question exactly what USDA will be willing to do to make the numbers work, but it will be interesting to see over the next two or three monthly reports. A squeeze is not necessarily in store for this year, but the argument made for the last two years that the carry over has not been as large as reported may come under a microscope in the near future.

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General Market Update (continued)

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Even though there is still a relatively small amount of rice still in first hands in both Texas and South Louisiana, there was little or no trading this week. There were no bids noted in Texas, and South Louisiana reported either low or no bids with no interest in selling at low price levels. Bids in Arkansas have been noted at 50 under the May futures contract, but these prices are too low to draw any selling interest. Paddy sales have been steady to our South and Central American customers, and four-and-a-half months still remain in the marketing year which may allow for additional milled sales as well. As weather has permitted, there have been fieldwork and small amounts of rice planted in Texas and South Louisiana. The ground is still not as warm as many would like, and the intermittent rains are slowing the fieldwork. A change in both of these conditions will bring lots of planting activity.

Asia's problems with very dry and hot weather seem to be getting worse, but this has not yet had an effect on prices. Global buyers have taken a holiday, but this cannot last much longer as a pick-up in demand will have to surface at some point. When this happens we believe prices will increase rapidly. For now, however, Thai 100% Grade B is quoted between \$520 and \$530 per metric ton FOB vessel with Thai parboiled long grain prices in the same area. Viet 5% is said to be indicated between \$380 and \$390 per metric ton FOB vessel, but this is below the minimum export price set by the government. This is definitely a case where the trade believes any sort of buying activity will cause the price to rise quickly, and even though Vietnamese authorities are talking about a paddy program for their farmers, there are those in the trade that question if there will actually be enough for domestic consumption given the high

amount of export sales already made.

Rice futures had a bit of an unusual week. After the big drop of the last two or three weeks, many expected a better recovery than was shown by this week's narrow range from a low Monday of \$12.365 to a high on Friday of \$12.73 basis the May contract. It has to be said that few, if any, of the futures markets are acting as most of the trade has expected it to, but rice futures seem even more strange. Volume has been very light at a daily average through Thursday of just 565 contracts, while open interest has actually increased by a few hundred contracts. Accurate analysis of what the market is saying has been very difficult if not impossible, and the mood of the market seems to be one of nervous apathy. We believe that it is a dangerous market to outright short, but with all the technical damage done over the last few weeks, the upside potential is a question mark as well. For now the market seems to be moving sideways in a narrow range, waiting for some news to encourage either more selling or more buying. 🌿



THE RICE TRADER
TRT RICE AMERICAS 2010
Cartagena, Colombia
21-22 April 2010
US Rice Producers
For more information, or to download a registration form, visit:
<http://www.usriceproducers.com/trtrriceamericas2010cartagena>
Or contact Logan Wilson: (530) 345-4140
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Additional Resources

For economic analysis on agricultural efficiency, efficacy, and equity issues: www.ers.usda.gov

Texas Rice from A&M AgriLife Research Ctr. at Beaumont: http://beaumont.tamu.edu/eLibrary/eLibrary_default.htm

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

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

Upcoming Events

March 22-26, 2010	Africa Rice Congress, Bamako, Mali
March 30, 2010	Export Letter of Credit Documentation Training; Houston, TX
April 21-22, 2010	Rice Americas Conference; Cartagena, Colombia
May 11-13, 2010	Food Marketing Institute (FMI) Show; Las Vegas, NV

For more information visit the USRPA's online calendar at: www.usriceproducers.com/calendar

USDA Reports Next Week

Weather Crop-Summary (NASS)	Tuesday, Mar. 23, 12:00 pm
U.S. Export Sales (FAS)	Thursday, March 25, 8:30 am

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

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