



# The Rice Advocate

US Rice Producers Association

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## Cuban Democracy Advocates Express Support for H.R. 4645

Seventy-four prominent democracy advocates from Cuba released a letter this week in support of the Peterson bill which removes obstacles to legal sales of US agricultural commodities to Cuba and ends travel restrictions to Cuba for all Americans.

The bill, H.R. 4645, currently has 56 co-sponsors, including 19 from rice producing states. The bill makes sales of farm products to Cuba less difficult by allowing Cubans to pay American banks directly for the purchase of US farm products, and to make those payments when the title of the shipment changes hands as opposed to before they leave the US port. In addition, H.R. 4645 ends travel restrictions for Americans going to Cuba.

“We understand that this bill has the support of Republicans and Democrats in the Congress of the United States. We also know that for this bill to be considered by the full House of Representatives, it must first be passed through the House Committee on Agriculture,” the letter stated.

The support letter listed several non-governmental organizations in favor of the bill, including: The U.S. Chamber of Commerce, the American Farm Bureau Federation, Amnesty International, Human Rights Watch, and

the U.S. Conference of Catholic Bishops.

The Cuban democracy advocates highlighted that “the supportive presence of American citizens, their direct help, and the many opportunities for exchange, used effectively and in the desired direction, would not be an abandonment of Cuban civil society but rather a force to strengthen it. Similarly, to further facilitate the sale of agricultural products would help alleviate the food shortages we now suffer.”

[Click Here To Read the Full Letter](#)

USRPA will continue to report on Agriculture Committee considerations of H.R. 4645, the Travel Restriction Reform and Export Enhancement Act.

**Texas A&M AgriLIFE Research Center:** The latest Texas Rice Crop Survey reports are available through the Beaumont Center web site at:  
<http://beaumont.tamu.edu/CropSurvey/>

## USRPA to Participate in 101st LSU Ag Center Rice Field Day

Scientists and rice industry representatives from across the nation and the world are expected to attend the 101st LSU AgCenter Rice Research Field Day on July 1. “The presentations at the field day will cover the entire spectrum of growing a rice crop,” said Steve Linscombe, the station’s director.

“This gives our scientists the opportunity to tell farmers about the research being done at the station and the latest in recommendations for commercial rice production.”

Field tours begin at 7:30 a.m.; a presentation program will start at 10:45 a.m. Speakers include Michael Salassi, LSU AgCenter economist, who will give a market outlook for the 2010 rice crop and talk about the upcoming farm bill; and Dwight Roberts, President & CEO for the US Rice Producers Association, will review short and long term prospects in the export market. For more information please visit: [www.lsuagcenter.com](http://www.lsuagcenter.com).

## House Agriculture Committee Continues Farm Bill Hearings

On June 17th and June 24th the House Agriculture Committee’s Subcommittee on General Farm Commodities and Risk Management will hold hearings to review U.S. farm safety net programs in advance of the 2012 Farm Bill. Witnesses from USDA are expected to testify at the June 17th hearing, while general farm organizations (such as Farm Bureau and National Farmers Union) and commodity organizations (representing rice, cotton, etc.) are expected to testify at the June 24th hearing.

Testimony will focus on the interactions of the various programs used by producers as a farm safety net, such as Direct and Counter-cyclical payments, Marketing Assistance Loans and Loan Deficiency Payments, the Average Crop Revenue Election (ACRE) Program, the Supplemental Revenue Assistance Payments (SURE), and Crop Insurance. The Committee is interested in effectiveness of these programs—why they work or don’t work.

The Committee has previously held numerous hearings across the country to gather information and new ideas regarding Federal food and farm policy. The hearings held this year are designed to start laying the groundwork for next year when the 2008 Farm Bill reauthorization process will begin in earnest.

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## TRT Rice Americas 2011 Set for June 7 - 9 in Panama City, Panama



Co-hosted by the US Rice Producers Association and The Rice Trader publication, the annual TRT Rice Americas Conference is scheduled to take place in

June of 2011 in Panama City.

After a highly successful event in Cartagena (April 2010), the fifth annual conference received strong support and commitment from Panama's Ministry of Agriculture during meetings this week in Panama City.

Above left to right are: Jeremy Zwinger (TRT), Arlene Villalaz (ag specialist, U.S. Embassy-Panama), Luis Villarreal (Vice Minister of Agricultural Development, Republic of Panama), Dwight Roberts (USRPA), Stuart Hoetger (TRT) and Kevin Smith (Ag Counselor, U.S. Embassy-Costa Rica).

### General Market Update

USDA started this week's round of reports with no change in WMP factors for either long or medium/short grains. As Asian markets continue to show weakness, however, lower numbers in the near term would not be a surprise. After a negative adjustment to sales figures almost entirely in medium/short rough and milled due most likely to earlier erroneous double reporting, the real export sales figures came in at 38,600 metric tons for the week – an excellent number for this time of year, particularly so since long grain was 90% of the type posted. Long grain paddy sold came in at 8,300 tons all for Central America, Nicaragua being this week's leader of that buying group. A bit over 27,000 tons of long grain milled were posted with Saudi Arabia (9,200 tons of parboiled), the United Kingdom, Haiti, and Canada taking the majority. Sales of medium/short grain rough were absent this week, and the report was finished out with 3,100 tons of medium milled sold mainly to Saudi Arabia, Israel, and Canada. Export tonnage actually lifted for the week was another solid number at 83,400 tons, nearly half of which was long grain paddy heading for Central America, Jamaica, and Mexico, while Turkey loaded out 9,100 tons of medium grain paddy. Small quantities of long and medium/short brown mostly to Taiwan and South Korea along with numerous parcels of medium/short milled primarily to Jordan, Saudi Arabia, Canada, Israel, and South Korea were exported as well. The weekly tonnage report finished with a nice total of 23,300 tons of long grain milled destined for Saudi Arabia (9,000 tons of parboiled), Ghana (6,000 tons of white milled), Canada, Mexico, and Yemen (parboiled). USDA's third offering for the week was the monthly Supply/Demand Report which had something of an overall positive tone. Even though the estimated new crop farm price range was dropped by 25

Thanks to the support from Alberto Martinelli, President of the National Rice Millers Association of Panama (ANALMO) and Alexander Arauz, President of the Rice Producers Association of Chiriqui (APACH) and the largest rice producer organization in Panama, the TRT Rice Americas 2011 Conference gathered important local industry support this week during visits in Panama City (pictured right).

Also pictured right are Juan Torres (APACH), Carlos Santanach (APACH), Enrique



Ferrabone (ANALMO), Juan Chacon (APACH), Arlene Villalaz (U.S. Embassy-Panama), along with Dwight Roberts (USRPA), Jeremy Zwinger and Stuart Hoetger of the TRT.

RiceFax: Midsouth/Texas; 06/04 - More Disease Turns Up. [\(CLICK HERE\)](#)

cents to \$9.75-\$10.75, the long grain carry out for the current crop was lowered by 500,000 cwts to 14.3 million cwts – still probably too high but perhaps getting closer to reality. Imports for the current crop and the new crop years were lowered by 1 million cwts each, and more importantly, long grain exports were increased by 2 million cwts from USDA's May report. The new crop long grain export projection is now 78 million cwts which is 6 million cwts over the latest 2009/10 crop export estimate. This could be even higher depending on what Brazil and Venezuela import from the new crop and/or if some help finally comes from Washington in selling Iraq and getting the shackles removed from general travel to and trade with Cuba. The net effect of USDA's changes in the June report is a 2010/11 crop long grain ending stocks guess of 25.3 million cwts, a number which may well go lower as the new crop marketing year progresses. Few changes were made to global production, consumption, and ending stocks in this month's report. As progress is seen in both the very hot and dry conditions in critical parts of Asia as well as the development of the monsoon in India, new projections will likely be seen.

Very little has changed in the rough rice markets. Texas is still seeing bids at \$4.00 for traditional varieties and \$3.50 over loan for hybrids, while South Louisiana is reporting no bids at this time. It's difficult to get a good handle on what's left in first hands, but it is now thought to be around 250,000 cwts in Texas and guessed to be maybe a quantity a bit higher in South Louisiana. Both of these areas in particular need to see some substantial milled rice business. Bids up river are said to be in the area of 30 cents over the July futures contract, but little or no selling interest is being attracted at these price levels.

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## General Market Update (cont'd)

(Continued from page 2)

As noted in the weekly export figures above, rough rice continues to move overseas at a strong and steady pace. Crop conditions continue to be reported as very good thus far.

Most Asian prices showed a touch more weakness this week with Thai 100% Grade B quotes ranging between \$455 and \$465 per ton fob vessel and Thai par-boiled noted at \$435 to \$445 per ton. Viet 5% slipped to \$360 per ton, while Pakistani 5% actually gained a bit moving up to \$400 to \$405 per ton. Dryness persists along with high temperatures in some parts of the Far East, with several reports of Thai reservoirs being very low and a threat to the current Thai crop. A drop in Thai production would likely not do a lot for prices, but it might allow the Thai government to move some of its stocks which would be a long term benefit to the health of the overall global market. The Dollar held its strengthening position against the Euro this week, and in spite of rosy predictions by a few, many financial analysts maintain the belief that the Euro is going to continue losing ground to the Dollar.

The early part of the past week saw more difficulty and new lows for rice futures. Going into Thursday's Supply/Demand Report, the July contract went from a high

on Monday of 10.975 into a steep drop which ended in the Wednesday night session at 10.35 only to be followed by a strong rally during Thursday's and Friday's sessions to an 11.04 high for the week – Friday's settlement was off that high by only 3 cents at 11.01 and well above the previous Friday close of 10.835. The market's performance appeared to be something of a surprise to the shorts, but even so, there was little change in the week's open interest – down only 209 as of Thursday at 15,540 contracts. The inference of this action is falling positions moving from weaker hands to stronger hands. Average daily volume was mild at around 1,115 contracts. Technically the market looks to be due a bit more to the upside, and longer term reflection on this week's Supply/Demand Report from USDA may provide some fundamental support. It's interesting to see that corn, wheat, beans, and cotton futures all had fairly positive reactions to that report, and keep in mind that is in the face of strengthening Dollar and crude near \$75 a barrel.

### Arkansas Rice and LSU Ag Center Newsletters:

Can be found through USRPA's Links page at:  
<http://www.usriceproducers.com/links>



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### Additional Resources

For economic analysis on agricultural efficiency, efficacy, and equity issues: [www.ers.usda.gov](http://www.ers.usda.gov)

Texas Rice from A&M AgriLife Research Ctr. at Beaumont: [http://beaumont.tamu.edu/eLibrary/eLibrary\\_default.htm](http://beaumont.tamu.edu/eLibrary/eLibrary_default.htm)

AgFax - Editor: Owen Taylor:  
[www.agfax.com](http://www.agfax.com)

USRPA News & TRA Archives:  
[www.usriceproducers.com/news](http://www.usriceproducers.com/news)

### Upcoming Events

June 16, 2010	Export to Cuba Workshop, San Antonio, TX
June 20 - 21, 2010	2nd Middle East-Africa-Asia Rice Summit 2010, Dubai
June 20 - 24, 2010	RMA 111th Convention, La Costa Resort & Spa, Carlsbad, CA
June 24, 2010	RiceTec Field Day, RiceTec Headquarters, Alvin, TX
June 28 - 29, 2010	Global Grains Trade Summit, Ho Chi Minh City, Vietnam
June 29, 2010	Eagle Lake Field Day; Eagle Lake, TX
June 29 - July 1, 2010	6th Nat'l 25x'25renewable Energy Summit, Washington, DC
June 30, 2010	RiceTec Field Day, Hundley Farm, Mowata, LA
July 1, 2010	Rice Research Station Field Day; Crowley, LA
July 8, 2010	Beaumont Field Day; Beaumont, TX
July 12 - 14, 2010	USRPA Board Meeting, Branson, MO
July 15, 2010	Agronomic Crops Field Day; Stoneville, MS
July 22, 2010	Progeny Rice & Soybean Field Day, Wynne, AR
July 27 - 29, 2010	The 3rd Africa Rice Outlook, Cape Town, South Africa
August 5, 2010	Horizon Ag Field Day, Ruleville, MS
August 11, 2010	Arkansas Rice Research & Extension Field Day, Stuttgart, AR
August 12, 2010	RiceTec Field Day, RiceTec Station, Harrisburg, AR
August 18, 2010	Cache River Valley Seed Company Field Day, Cash, AR
August 26, 2010	Missouri Rice Council Field Day, Glenoville, MO
September 21 - 24, 2010	Rice Challenges in the 21st Century, Cali, Colombia
October 12 - 14, 2010	TRT World Rice Conference, Phuket, Thailand
February 1 - 2, 2011	14th Annual NCSCRC "Tillage Conf."; Baton Rouge, LA

For more information visit USRPA's online calendar at: [www.usriceproducers.com/calendar](http://www.usriceproducers.com/calendar)

### USDA Reports Next Week

Crop Progress (NASS)	Monday, June 14, 4:00 pm
Weather Crop-Summary (NASS)	Tuesday, June 15, 12:00 pm
U.S. Export Sales (FAS)	Thursday, June 17, 8:30 am

A new **Rice Outlook** is available from USDA ERS. See all new items at:  
<http://www.ers.usda.gov/WhatsNew/>

All USDA reports are available by visiting [http://www.usda.gov/wps/portal/?navid=AGENCY\\_REPORTS=RT](http://www.usda.gov/wps/portal/?navid=AGENCY_REPORTS=RT).

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