



The Rice Advocate

US Rice Producers Association

Volume 7, Issue 33

Friday, August 20, 2010

Mr. President: Lift The Travel Ban!



Congresswoman
Barbara Lee (D-CA)

In the “We couldn’t have said better ourselves” category, U.S. Representative Barbara Lee called on President Obama this week to restore American’s rights to travel and sell U.S. farm goods to Cuba.

Rep. Lee (D-CA) represents the 9th Congressional District of California, which includes the cities of Berkeley and Oakland. Rep. Lee currently serves on the House Foreign Affairs Committee and as Chairwoman of the Congressional Black Caucus.

In an open letter to the President published this week in the [Huffington Post](#), Rep. Lee laid out the case for action by both the President and the Congress to lift the travel ban and the economic embargo against Cuba. The support of thought leaders like Rep. Lee for action to help U.S. farmers sell to Cuba is another demonstration of the breadth and depth of support in Congress and across America for ending our current failed policy toward Cuba. The text of Rep. Lee’s letter follows:

Mr. President: Lift The Travel Ban

With reports this week that the Obama administration will announce plans to expand opportunities for Americans to travel to Cuba - the embargo between the U.S. and Cuba has once again become a major topic of discussion.

As reported, the administration’s plan would loosen restrictions on travel by academic, religious, and cultural groups that were imposed by President George W. Bush’s administration and return to the “people-to-people policies” followed under President Bill Clinton’s administration.

This, along with the Obama administration’s move last year to allow Cuban Americans to provide basic humanitarian assistance to their families and help them remain connected to their relatives, are both steps in the right direction. But they are not enough.

It is far past time that we end the counterproductive and unnecessary travel ban.

If one examines the history of American foreign affairs, it is hard to find a policy that has lasted for as long, yet so obviously failed, as our trade embargo of Cuba. If someone had told President Dwight Eisenhower in 1960 that the Cuban embargo would last 50 years, would Eisenhower have considered a different approach?

We’ll never know, but what we do know is that a half-century of the embargo hasn’t brought down Castro’s government. And it certainly hasn’t helped Americans in any way. At long last, the time has come for the embargo to end.

The old cliché says that “the definition of insanity is doing the same thing over and over, and expecting a different result.” Yet whenever the question of the embargo is raised, its defenders say we need to keep it in place so we can keep pressure to promote democratic reforms, including greater freedom of speech, religion, and association. This is the same argument that has been made for 50 years. The embargo didn’t bring about democratic reform in 1960, or 1970, or 1980, and it won’t do so in 2010. We need to try a new approach.

That approach is engagement - individual, cultural, and economic. It won’t be only Cubans who will reap the benefits. The House Agriculture Committee recently passed the Travel Restriction Reform and Export Enhancement Act, of which I am proud to be a co-sponsor. It lifts all restrictions on travel to Cuba, and allows American farmers to sell their crops to this waiting market just a few miles off our shores. It will be an important first step, but we need to go



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even farther, to eliminate the trade embargo that has failed for so long.

The result will be hundreds of millions of dollars coming into the American economy, and the creation of thousands of American jobs. And when Cubans start buying our goods and forming relationships with Americans, the path to their future - a democratic and prosperous one - will become clearer than ever.

If we can allow travel and trade with nations such as China and Vietnam, then surely we can move forward with lifting the travel ban and ending the embargo with Cuba.

JOIN THE FIGHT TO OPEN THE CUBAN RICE MARKET!

We need your help to secure more support for H.R. 4645, the Travel Restriction Reform and Export enhancement Act, which eases exports of U.S. agricultural goods to Cuba and restores the right of Americans to travel to Cuba. Ask members of Congress from rice producing states on the Foreign Affairs Committee to support the measure.

[Click Here](#) to access phone call talking points and contact information.



During a town hall meeting in Dayton, Texas yesterday Texas Congressman Ted Poe (R-2nd) took the opportunity to visit with Ray Stoesser, a rice farmer from Liberty County and Dwight Roberts (left) of the USRPA to discuss rice market obstacles with regards to both Iraq and Cuba. A key member of the House Committee on Foreign Affairs, Congressman Poe has been a strong supporter of improved trade relations. "I would like to see the U.S. State Department as well as the USDA take a more aggressive role towards increasing our rice exports to Iraq," stated Poe. On the subject of Cuba, Congressman Poe promised his strong support for H.R.4645 that was recently passed by the House Committee on Agriculture and will be brought up after the current recess before the Foreign Affairs Committee.

USRPA Welcomes Ms. Castillo

USRPA extends a warm welcome to Angela Castillo, the new Director for the Central American rice association, FECARROZ. Ms. Castillo is bilingual (English/Spanish) and has a university degree in Marketing. She joins FECARROZ with a strong background in marketing and international organization administration. Ms. Castillo also has experience in coordinating and promoting both local and international events of varying scales.



USRPA looks forward to working with Ms. Castillo in the future and wishes her all the best in her new position.

RiceTec Hybrid Reports Released

The latest audio and PDF versions of the RiceTec Hybrid Rice Report have been posted at www.ricetec.com.

In this week's report:

- Harvest progressing in TX and LA. Just getting started in Midsouth.
- Yields reported are average to above average in the midsouth, lower in Texas
- Rice stinkbug still around, so continue to be vigilant
- RiceTec commercial yield trial data are coming in

To receive this report, please send a note to Brian Ottis at bottis@RICETEC.COM.

HorizonAg Regional Rice Report (August 2010)



Early Yield Reports for CLEARFIELD® Varieties are Promising

The 2010 rice crop has now turned into a rush to harvest for growers across the southern rice belt. Latest reports indicate a full blown effort with growers trying to get this crop out of the field as quickly as possible. Yields vary overall and it's evident that this crop, although significant in total acres planted, will probably not break any yield records. Extreme temperatures, disease pressure, and now remnants of a tropical depression in Louisiana continue to impact production this season. Rice prices are also lower than expected and must improve for growers to be profitable at year end.

[Click Here to view the Full Report](#)

General Market Update

Breaking News: After an exceptionally long dry spell, rumors abound today about Iraq's purchase of very large quantities from a number of origins – including a big slug from the U.S. The reports from more than one source said that at least 120,000 tons of U.S. long grain milled have been bought by the Iraqis. Those reporting were clear in saying that this was not official, but that it looked to be accurate just the same. Assuming it is true, this will be very good for our milling industry and in turn for our producers now faced with such a large crop. More will be revealed on this story over the next week or two.

Given a variety of occurrences, including alleged big sales to China from Vietnam and the minimum export price increase out of Vietnam, WMP factors were boosted a substantial 80 cents on long grain and 81 cents on medium/short grain this week – another sign that USDA may finally be seeing a bottom in global rice prices. Gross export sales for the week were 32,300 metric tons, but previously reported sales totaling 9,000 tons of medium/short cancellations and/or adjustments were posted to the report as well. Long grain rough to Mexico and Central America lead the sales tonnage at 17,500 tons along with another 3,000 tons of long grain brown to the United Kingdom. Long grain milled sales totaled 7,300 tons mostly to Algeria, Canada, and Mexico, and medium grain milled sales were primarily destined for Canada, American Samoa, and Syria. These numbers are smaller than hoped for but still understandable considering the harvest being underway, the belief on the part of buyers that prices should be low at harvest time, and the general confusion on what's available and when it can be exported in either milled or rough form. If the Iraq report is accurate, it will certainly give this year's demand a decent kick-start, but even without it there are nearby signs of regular demand needing to be met fairly quickly, including some export as well as domestic. Physical exports reported by USDA for the week totaled 88,000 tons – another good solid performance. Just over half of the tonnage was long grain rough for Panama, Nicaragua, and Mexico. Long grain milled came in at 32,300 tons with Haiti, Saudi Arabia (parboiled), Ghana, Canada, and Mexico taking the biggest quantities. Another 7,700 tons of medium/short grain milled loaded for Jordan, Israel, Canada, and other destinations. Both export sales and exports should start picking up very soon. We still need more milled long grain sales in the mix – Iraqi business is always welcome, but Cuba needs to be opened, too. There have been reports of the administration allowing less restrictive travel to Cuba for cultural, educational, and sports exchanges. This is good news, but without complete elimination of the general travel restrictions placed on American citizens, nothing will really be accomplished. It's been 50 years – failed years – and now it's time to remove these restrictions on travel.

Harvest is well underway in Texas, with something approaching 70% having been cut. Reports of both field

yields and milling yields being off considerably from last year are being widely heard due to heavy blanking. Bids in the \$3.50 - \$3.75 range for conventional varieties and \$2.75 - \$3.00 for hybrids are being heard. Very little selling is being seen. Harvest is in full swing in south Louisiana as well where bids of \$15 per bbl have been reported with little selling interest noted there as well other than on some potentially distressed lots. Cutting is beginning in the Delta and Arkansas areas where some small trading has been reported in the low \$9 to high \$8 levels. Prices are still far below both futures and fundamental costs of production. It is difficult to see this situation lasting for long.

Prices in Asia continued to strengthen this week with Thai 100% Grade B being quoted between \$470 and \$485 per metric ton fob vessel and Thai parboiled pushing up to a strong \$525 per ton. After the Viet government raised the minimum export price on its rice, Viet 5% was quoted as high as \$415 per ton. Pakistani 5% was quoted at \$430 per ton, but exports from that origin are being questioned in the wake of the massive flooding there. Millions of Pakistanis are still displaced, and shortages of almost everything are a huge problem. Rice fields are said to be widely and severely damaged with questions about the availability of seed rice for replanting. It is not thought that imports will be needed at this time, but it is quite likely that exports will be limited or stopped. Since Pakistan is the world's fourth largest rice exporter, this could have some ripple effect on other exporters. On the flip side of weather, dryness and heat are still a problem for the Chinese and the Thais. Wheat continues to be strong, and there are many questions yet to be answered on that front before a more complete picture of the effect on rice will be known.

Rice futures appear to be in something of a consolidating mode with an upward bias. This week's 69 cent range from the high in September on Monday of 11.265 to the low on Wednesday of 10.575 produced a Friday settlement 10.91, almost dead center the range but off 9 cents from the previous week's close. Volume was fairly steady and reasonably substantial for the week, and open interest rose to just shy of 19,000 contracts as of Thursday's close. The strength in rough rice futures prices are both a persistent wonder and worry to cash buyers in the industry. They see a huge crop coming in, lukewarm export demand (at least what can be seen at this point in time), and cash bids well under futures levels (with virtually no sellers), all of which is baffling to them. As paddy inventories in either exporter or miller hands start to run low, however, their attention will turn from trying to understand the market to trying to buy rice to do business. In other markets, the Euro currency has eased to just over 1.27 to the Dollar, the stock market was down a little for the week, and nearby crude futures were down nearly \$2 per bbl at \$73.45 and off substantially from two weeks ago when the price was near \$81 per bbl. 🌿

Before returning home to Brazil, Renato Franzner (center), managing partner for Urbano Agroindustrial Ltda based in Jaragua do Sul, Brazil, spent two days in the Houston area as a guest of the US Rice Producers Association last weekend. Renato enjoyed renewing old friendships with Raymond Rabias (left), a rice farmer from East Bernard, TX and a member of the Texas Rice Council Board of Directors and Jay Davis of East Bernard Rice Marketing service. Both Raymond and Jay have participated in USRPA team trips to Brazil that visited Urbano during 2005, 2007 and 2008.

While Brazil has imported a small amount of U.S. rice this year, it remains to be seen how the Brazil government with use its "intervention stocks" that total approximately 800,000 tons as planting season is fast approaching. Brazil exports are tightening the local market.

For more information about Urbano go to www.urbano.com.br.



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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

All the best to our rice farmers this season - stay safe and good luck!



New issue of the FAO Rice Price Update available online.

The FAO Rice Price Update (available at: <http://www.fao.org/economic/est/publications/rice-publications/the-fao-rice-price-update/en/>) gives export quotations of selected rice types and qualities from various origins on a monthly basis. FAO also provides weekly prices of two rice qualities from Thailand, the major rice exporting country, namely the high quality Thai white rice 100% B and the 100 % broken rice Thai A1 Super at: <http://www.fao.org/es/esc/prices/PricesServlet.jsp?lang=en&ccode=2311>. The same site also includes values for these two quotations since 1989.

You might also be interested to consult the FAO "Food Situation Portal", which reports major developments in food markets, at: <http://www.fao.org/worldfoodsituation/>.

For more information and comments, email: Concepcion.Calpe@fao.org.

RiceFax 08/19

Harvest Continues—Bright spots, disappointments

Overview

- Harvest Continues
- Texas and south Louisiana yields aren't improving and, if anything, are slipping a bit more
- Midsouth harvest has started in more areas, even in north-east Arkansas. You can find some bright spots as farmers begin cutting the earlier fields. But lower averages seem likely as combines move into later rice that took a beating from intense heat.
- Stink bugs are still being treated in later rice in some areas. As expected, heavy numbers are concentrating in those late fields.
- Louisiana issued an advisory about soybean looper infestation in soybeans.

[Click Here for This Week's Full Report](#)

Upcoming Events

August 26, 2010	Missouri Rice Council Field Day, Glennoville, MO
September 2, 2010	University of Missouri Delta Center Field Day, Portageville MO
September 17, 2010	Delta Rice Luncheon, Cleveland, MS
September 21 - 24, 2010	Rice Challenges in the 21st Century, Cali, Colombia
September 28, 2010	Mini Field Day, Texas A&M Rice Research Center, Beaumont, TX
September 29, 2010	41st Annual Texas Rice Festival, Winnie, TX
October 12 - 14, 2010	TRT World Rice Conference, Phuket, Thailand
December 6 - 7, 2010	Texas Plant Protection Conference, College Station, TX
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

USDA Reports Next Week

Crop Progress (NASS)	Monday, August 23, 4:00 pm
Weather Crop-Summary (NASS)	Tuesday, August 24, 12:00 pm
U.S. Export Sales (FAS)	Thursday, August 26, 8:30 am
Rice Stocks (NASS)	Friday, August 27, 3:00 pm

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

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