



Creed Rice Market Report

April 29, 2020

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Asian Long Grain Report

SOUTHEAST ASIAN MARKETS - Thailand:

The biggest news in **Bangkok**, dating back to the third quarter 2019, is the announcement, on the coattails of the commerce ministry decree, that consumer goods manufacturers are slashing domestic prices by 5 - 58%, in response to Covid-19 ramifications domestically. I, like many, have been convinced, from the “get-go”, that the “buying frenzy” by millers and traders (well before the virus issue), would ultimately have to come full cycle, in order to play a meaningful role in the export market; little did we know, that it would be brought about by a pandemic, and for the best of reasons! Kudos, and a big “shout-out” to my dear Thai patrons. Domestic stocks are absolutely secure going into the next crop cycle!



According to an article printed by the Bangkok Post last week: The rice price guarantee scheme started on Tuesday, will compensate eligible farmers the amount of the difference between the predetermined benchmark price and the market price. The Bt9.4 Billion has been already been made available via a bank transfer from the BAAC; and, it will service approximately 350,000 farmers.

As far as the export market is concerned, the conditions are static, amid virtually no new shipments. As aforementioned in recent CRMR, G-to-G NFA tender is in the offing; but, suffice it to say that **Thailand** will not be a player to cover **Filipino's** demand in the near future (**Viet** and **India** segments address this big business).

Otherwise, the market is quiet and the undertone steady. The \$64,000 question: What will the Thai export market look like once the Coronavirus ripples in the market subside, and on to the next crop cycle ... having already touched on this theme, we will continue to do update moving forward.

Thailand Exports

Preliminary unofficial rice exports (excl. fragrant rice) from Jan. 1 – April 12, 2020, totaled 1,216,143mt, down 44% from the same period last year.
Dollar to Thai Baht exchange 1 : 32.41

Vietnam:

Clearly, the market here has been the most dynamic in the region ... from no shutdown, to partial shutdown, to no shutdown. Now, the government announced an exception to the closure of the market with an export allotment (3-400,000 MT), inclusive of a plan to allow for specific destination markets ... i.e. **The Philippines**, for starters. When the time comes, I look for **Indonesia** to do similar, although not likely in advance of the third quarter 2020, at which time **Thailand** may have a chance of participating (price permitting). Given the sense of urgency, and need for stringent coordination, this will likely be executed under a **NFA/Vinafood** G-to-G arrangement.



FYI, the private traders have already lined-up for licenses to participate. The deputy prime minister has called for 100,000 MT for May shipment, to placate rice traders who have been seeking relief. It should be duly noted, the first tranche was supposed to focus on the April/May position; we anticipate this will be a “moving target”, as conditions call for changes “on the fly”!

Elsewhere, the market is virtually closed to what we would typically regard as normal operating procedure. Prices have strengthened in recent weeks, and will likely remain quite firm for the foreseeable future; the undying support stems from the well-documented salination issues, along with shoring-up domestic supply, in conjunction with WCV-19 protocol.

Vietnam Addendum:

The big news is the re-opening of the port at the end of this week (May 1). Prices are up substantially compared to the levels prevailing before the shutdown. This goes against all practical supply/demand economics, as one would usually view an absence in the market, as something that would put downward pressure on the price, by net increasing the exportable surplus by having missed previous business delivery periods ... but, this world is hardly operating under an “usually” environment.

Cambodia:

The market conditions are unchanged; the export market is basically shutdown ... except the border trade with **China**. Unlike its **SE Asian** neighbors, their crop was not drought ridden. Production is actually expected to surpass the latest USDA figures. The key was the ability to replant where needed, thereby reaping the benefits of the late monsoon.



To me, it will be most interesting to see if **Cambodian** officials allocate some kind of quota to participate in any of the upcoming Filipino tenders ... and perhaps, Indonesia later in the year, as negotiations are already afoot with East Timor.

Meanwhile, the domestic needs are comfortably self-sufficient, amid steady undertone.

Myanmar:

These two origins have market conditions about as “mirror-image”, as one could prudently evaluate; the disparity resides in the amount of exportable surplus. The port of Rangoon remains officially closed, leaving the border trade with **China** as the only export outlet, for the time being; however, **Indonesia** and **The Philippines** are keenly in play.



The **Burmese** export objectives and “playbook” (regional trade, Africa) remain intact. The undertone of the market is steady to firm.

Malaysia:

The big-ticket item is the outstanding purchase much earlier in the year of Burmese rice ... 180,000 MT still unshipped; the \$64,000 question here is whether the original price will be honored, once the delivery commences. The strategy to cover early was certainly a prudent one, perhaps with a dash of luck; but, suffice it to say, that the “devil will be in the details”, before it is all said and done.



Singapore:

Often times lumped together with Malaysia, given geographical proximity, nothing could be further from the truth today. Unfortunately, albeit on a much smaller level, Singapore has been one of the “hot spots”, as the utilization of offshore labor, with traffic so fluidly in and out of the country, left them quite vulnerable.

The recovery will not likely show progress until well into June.

Asian Long Grain Report

Indonesia:

It is no longer a case of If, rather a case of when BULOG (and the privates across the islands) will make a move. My conservative estimate has G to G biz at around 1 MMT ... we shall see. The government is officially touting a position of self-sufficiency well into November, on the coattails of comprehensive inventory and forecast auditing, in concert with the addition of almost 20 MMT (crop) to the 3.3 MMT stockpile.



The good news is that this would provide fresh inventory throughout the region, as a result of a new crop cycle by all!

The Philippines:

Here is where the action starts, like now! VN is positioned to furnish 100,000 MT in May, followed by up to an additional 2-300,000 MT, as needed, and not covered elsewhere. Government officials have continued to reassure the people that stocks are more than sufficient for the next 3+ months ... above and beyond that set-aside for WCV relief.



China:

This week I harken back to a famous quote by Winston Churchill in 1940: "Never in the field of human conflict was so much owed by so many to so few." This crystal description characterizes all of the frontline health care workers and related essential industry individuals fighting this invisible monster.



Far be it, is the case for the Chinese communist party; perhaps, better put, never in the course of human events have so few done so much damage to so many ... inclusive of my best friend from college days, whose prognosis has been "touch and go" for three weeks now, and still is.

I want my readers to clearly understand, that my love for my fellow man and the Chinese people, in particular, supersedes all other; they sadly have endured this tragedy with a front row seat, amid horrendous treatment for speaking out ... that which the world may never know all the details. The pressure should be done early, often, and with a consensus! This is not my "cross to bear alone".

Three weeks, a mere three weeks earlier response by Chinese party officials would have curtailed 95% of the damage done so far ... an indisputable calculation (+/-2%).

FYI, some of you may have seen the documentary first floated on NETFLIX Sunday evening, entitled "Coronavirus Explained" ... nothing short of fascinating, and must see viewing!

Perhaps now, those few detractors will better understand my plight.

NEAR EAST MARKETS - India:

Here, we see a very complicated logistical system in utter disarray. That said, the vessels in the queue at anchorage for the past several weeks are beginning to load, but at a "snail's pace", relatively speaking. It's likely going to be another 30 days, at least, before export activity returns to any sense of normalcy ... by their standards.



It will not be for lack of fresh demand, that exports are destined to fall well short of original projections; it will be recovery of labor, internal transportation, and in one case of default bankruptcy,

repatriating tonnage bought and sold, but now not able to execute. There are a lot of moving parts at work here, or better yet, not at work here.

The most interesting takeaways from this dire situation, for me, are two: Capitalization on servicing the "lion's share" of the pent-up demand ... mostly in Africa, but, potentially, to many other destination markets, as well (Indo/NFA); and, trade involvement primarily by the large multi-nationals, in the interest of payment security and documentation simplification. This should "fleece out" the small guys that historically destroy margins, and don't really bring any value-added ingredients to the table.

Pakistan:

This market closed late, and not projected to open early. The long and the short of it is that this origin has had as little variance in operational vs. shutdown conditions. For now, the port of Karachi is not loading large-scale vessels, and container shipments have been significantly curtailed. Their "light at the end of the tunnel" is perhaps brighter than the average origin market, and with greater ease of recovery. It is quite telling, that in spite of the challenges faced, exports to East Africa are up 10% July-Apr!



Meanwhile, like all over Asia, prices remain quite firm, following the steady increase over the past two months.

Bangladesh: USDA GAIN report summary

For market year (MY) 2020/21 (May-April), Post forecasts Bangladesh's rice production to increase, assuming favorable weather and increased yield. Rice imports are expected to increase as a result of the COVID-19 pandemic and the Government of Bangladesh's effort to ensure food security. [Click here for report.](#)



Sri Lanka: USDA GAIN report summary

On March 19, Government of Sri Lanka (GOSL) declared a partial shutdown of all ports and a nationwide lock-down since March 20. Disruptions to food distribution exist in some parts of the country but no food shortage is imminent in short run; GOSL is working to deliver essential services and carry out essential trade and distribution. Rice is the staple food of Sri Lanka. Fortunately, the harvest from the major cultivation season, which started in February, is good. Together with existing stocks, the rice harvest will meet national requirements for 9 months. [Click here for report.](#)



U.A.E.: USDA GAIN report summary

UAE rice consumption is forecast to increase in MY2020/21 by 42 percent or 310,000 MT to reach 1.050 MMT. Post has revised MY2019/20 rice consumption to 740,000 MT, lower by 185,000 MT or 20% from the USDA official estimate. [Click here for report.](#)

Cote d'Ivoire: USDA GAIN report summary

Milled rice production for MY 2020/21 is projected at 1.4 million metric tons (MMT). Post projects MY 2020/21 imports at 1.3 MMT, unchanged from the MY 2019/20 estimate. Domestic production for MY 2019/20 is revised downward to 1.25 MMT due to multiple pressures upon both area and yield. [Click here for entire report.](#)

Asian Long Grain Report

THE ASIA DERBY

Long Grain 5%

THAI 5%



\$535

VIET 5%



\$470

MYANMAR 5%



\$445

INDIAN 5%



\$380

PAKI 5%



\$440

Long Grain 25%

THAI 25%



\$500

VIET 25%



\$455

MYANMAR 25%



\$355

INDIAN 25%



\$360

PAKI 25%



\$420

HISTORICAL COMPARISON OF ASIAN PRICES

	This Week	Last Report (04/22/20)	3 Months Ago (01/29/20)	1 Year Ago (05/01/19)
Thailand 5%	\$535	\$537	\$435	\$386
25%	\$500	\$503	\$419	\$375
Vietnam 5%	\$470	\$470	\$352	\$370
25%	\$455	\$455	\$338	\$350
Myanmar 5%	\$445	\$445	\$350	\$340
25%	\$355	\$355	\$278	\$290
India 5%	\$380	No quote	\$360	\$375
25%	\$360	No quote	\$340	\$345
Pakistan 5%	\$440	\$430	\$385	\$364
25%	\$420	\$410	\$373	\$328

ASIAN PRICES

Note: These are offers by prospective sellers, not bids by buyers.

Thailand		Vietnam		Myanmar		India		Pakistan	
100%B	\$545					5%	\$380		
100B Containers	\$555					10%	No quote	5%	\$440
5%	\$535	\$470		\$445-440		15%	No quote	10%	\$435
10%	\$534					25%	\$360	15%	\$430
15%	\$523	\$463				Brokens	\$290	25%	\$420/\$400
25%	\$500	\$455		\$355		IR36 PB 5%	\$375	Parb 5%	\$465
Brokens	\$442	\$380		\$335 (A1 &2)		1121 parboil	No quote	Parb 15%**	\$455
Parb. 100B sorted	\$535			N/A brown		Pusa parboil	No quote	Brokens	\$348
Thai Hom Mali	\$1095	Frag. \$580				Traditional	N/A	<u>Basmati</u>	
Frag. Brokens	\$470					Pusa	No quote	S. Kernal	\$915

All prices basis U.S. dollars per mt, bagged FOB vessel. **Bangladesh Specs. Philippine Specs highlighted in bold. *Madagascar specs.

Americas Long Grain Report

NORTH AMERICA Update:

U.S.A.:

The end may not be near, but the “way better” certainly is! The country is ready to “take the bull by its horns”, and aggressively attack this recovery, amid blood, sweat, and tears! We will persevere, and be way better for it ... if that is regarded as **American** exceptionalism by some, so be it!



As far as the market in general, the conditions are basically unchanged, amid very little uncommitted inventory; prices are strictly supply-driven and remain quite firm ... and will continue to be so well into the summer months and the start of the new crop campaign.

Some of the mills are literally winding down present crop orders, as they manage and service annual business with those domestic and core/value added customers. Paddy shipments continue to load and move offshore against old contracts ... many of which were negotiated during the last quarter of 2019/early Jan.

Looking forward, the outlook is fraught with challenges, as we enter a new crop campaign, amid very high values compared to our primary competitors in **S. America**, and most certainly, all of **Asia**. There has already been significant incursion into traditional markets by **MERCOSUR**, primarily **Uruguay**, something long-term the mid-south should consider as quite compelling.

Suffice it to say, we have seen how this movie turns out, by looking back no more than 2-3 years; and the same recipe is on the table today. Equally important is the lack of that large-scale ancillary export destination to liquidate the commodity type trade surplus. **Iraq** comes to mind immediately; but, minus some kind of specialized credit, this market has a huge hill the climb, given the state of the crude market, which is their primary revenue stream ... a lot to digest here, and I'm not talking about the cooked rice itself!

There is a lot of work, and soul-searching for the producers, millers, and traders to embrace, in the weeks and months ahead. The business at hand is a difficult one to navigate, indeed!

USA Long Grain Exports Update:

Long grain paddy export update (outstanding sales and accumulated export as of April 16):

- 1- '19/'20 (current crop year) -- 1,385,600mt
- 2- '18/'19 (previous crop year) -- 1,211,800mt
- 3- '17/'18 (short crop) -- 1,014,900mt

Long grain milled rice exports (Mexico, Iraq, Haiti, outstanding sales and accumulated export as of April 16):

- 1- '19/'20 (current crop year) -- 573,200mt
- 2- '18/'19 (previous crop year) -- 502,900mt
- 3- '17/'18 (short crop) -- 533,900mt

SOUTH AMERICA Update:

Mercosur:

I guess one could say this has been a case of “from rags to riches”. The tail-end of the MY, Dec/Jan/Feb, the region faced a lot of unfinished work in order to make the crops go-away. Then, low and behold, hope springs eternal. The first headliner being **Cuba**, who bought approximately 200,000 MT of milled rice 15% in bags, most of which shipped out of **Montevideo**, with the balance out of **Argentina**. Then, there was the aforementioned sales of 2 X 15,000 MT of bulk 5% to **Haiti**. This jump started the market for new crop; and, propelled the market with sequential sales to **Peru**, **EU**, **Mexico**, and a considerable amount of paddy earmarked for various **Central American destinations (Panama, Costa Rica)**.

Old crop carryover had been averted, and new crop pressure stymied. The table has now been set for a more methodical approach to a marketing strategy going forward. Prices have evolved to much higher levels, those that are at least a little more palatable to both the growers and the millers; but, still \$100 per mt below the **US**.

This brings us to the back half of the marketing year; this is a time at which either **Brazil**, or some other key large-scale buyer (**Iran/Iraq**) surfaces to complete a successful season. The jury is out, but it is “game on”, from this point forward!

Uruguay: USDA GAIN report summary

Production in 2020/2021 (marketing year April 2021-March 2022) is forecast unchanged at 1.22 million tons, rough base, and 854,000 tons, milled base. Rice exports in 2020/2021 are forecast at 790,000 tons, milled base, the same as in 2019/2020. [Click here for entire report.](#)



Argentina: USDA GAIN report summary

Argentine rice production for 2020/2021 (marketing year April 2021-March 2022) is forecast at 1.26 million tons (rough production) on an increased area of 192,000 hectares. Argentine rice exports in 2020/2021 are forecast to remain unchanged at 360,000 tons, milled base. [Click here for entire report.](#)



Paraguay: USDA GAIN report summary






Production for MY 2020/2021 is forecast at a record high 750,000 tons, milled base, on 168,000 hectares. Paraguayan rice exports in 2020/2021 are forecast at 630,000 tons, milled base, a 3 percent drop from 2019/2020. [Click here for entire report.](#)



Americas Long Grain Report

THE AMERICAS' STAKES

Long Grain 5%

USA 5%		\$675
URUGUAY 5%		\$528
ARGENTINA 5%		\$475
BRAZIL 5%		\$475
PARAGUAY 5%		\$465

USA QUOTES: (Shipment: May/June) Note: These are nominal quotes only, not bids nor offers.




Southern U.S. - Long Grain

	Abbreviation	Quote	Basis
U.S. #2 Long Grain, max. 5% Broken, Hard Milled (Iraq terms and Specs)	#2/5%	\$675.00	per MT sacked, F.O.B. U.S. Gulf
U.S. #2 Long Grain, max. 4% Broken, Hard Milled (Haiti, MX, Colombia)	#2/4%	\$605.00	per MT, BULK, F.O.B. Vessel US Gulf
U.S. #2 Long Grain, max. 4% Broken, Hard Milled (Iraq specs)	#2/4%	\$645.00	per MT Sacked F.A.S. US Gulf
U.S. #2 Long Grain, max. 4% Broken, Hard Milled	#2/4%	\$645.00	per MT containerized FOB US Gulf
U.S. #2 Long Grain, max. 4% Broken, Hard Milled	#2/4%	\$655.00	per mt sacked delivered Laredo TX
U.S. #3 Long Grain, max. 15% Broken, Hard Milled	#3/15	\$590.00	per MT sacked, F.A.S. U.S. Gulf
U.S. #3 Long Grain, max. 15% Broken, Hard Milled	#3/15	NA	per mt sacked delivered Laredo TX
U.S. #2 Long Grain Brown, max. 4% Broken, 75% yield	#2/4/75	NA	per mt bulk FOB vessel NOLA
U.S. #1 Parboiled L/G Brown, max. 4% Broken, 88% yield	#1/4/88	NA	per mt bulk FOB vessel NOLA
U.S. #1 Parboiled L/G MILLED, max. 4% Broken	#1/4 Parb	\$605.00	per mt bulk FOB vessel NOLA
U.S. #2 Long Grain Paddy, 55/70 yield	#2 55/70	\$425.00	per mt bulk F.O.B. vessel NOLA
U.S. #5 L/G, max. 20% broken, WELL MILLED	#5/20/wm	\$550.00	per MT sacked, F.A.S. U.S. Gulf

Southern U.S. - Package Quality Long Grain (add \$1.50/cwt premium for sacked truck)

Package Quality Parboiled L/G, max. 4% broken	Pkg. Parb.	\$29.00	per cwt. bulk F.O.B. mill
Package Quality Long Grain Milled, max. 4% broken	Pkg. L/G	\$27.00	per cwt. bulk F.O.B. mill
Package Quality Long Grain Milled, max. 4% broken (select variety)	Pkg. L/G	\$28.50	per cwt. bulk F.O.B. mill
Package Quality Long Grain Brown Rice, max. 4% broken	Pkg. Br.	\$28.50	per cwt. bulk F.O.B. mill

MERCOSUR QUOTES:

	 Uruguay	 Argentina	 Paraguay
Tacuari 5% FOB container	\$555		
Olimar 5% FOB container	\$535		
generic 5% FOB vessel	\$528	\$475	\$465
10% FOB vessel	\$515	\$465	\$340**
15% FOB vessel	N/A	N/A	
Parboiled 5%	\$520-\$525		

All prices basis U.S. \$ per mt. Tacuari-Peru specs. ** Ex-mill

Medium Grain Report

California:

Taiwan held a tender April 24, to buy 500mt of USA glutinous short grain milled rice. The tender failed due to ceiling price.



There has been no new news out of **Korea** lately. We do expect aT to retender for the two lots of **USA** rice that were not bought March 25; but that announcement will likely not be released until sometime in May. We also think that the shipping period will be adjusted such that new crop rice can be offered.

Planting of new crop rice in California is entering its full swing. The water situation is relatively good; however, some water allocations on the Sacramento River have been cut by 25%. We believe this will limit total rice acres to 500,000 - 510,000. The **8-station index** shows the state has received only 51.8% of its 50-year average; but, reservoirs levels are 87%-96% of historical average.

California mills are very busy running on domestic orders for grocery business as well as export orders they already have on the books. On the other hand, there is genuine concern that many restaurants will not survive the shutdown, resulting in reduced food service demand going forward. Export shipments continue to run into difficulties related to container availability and logistical issues related to the CV shutdown.

Prices are steady to stronger. Quotes for Mediterranean business are now \$925-950 per mt; although new business is not heavily pursued. Domestic milled rice prices are currently \$42.00 per cwt FOB mill, and are expected to increase in May.

Taiwan:

Taiwan held their second tender to buy 500mt of USA glutinous short grain milled rice April 24. The delivery period was Oct. 1, 2020 - April 30, 2021. The tender failed due to ceiling price issues. [Click here for tender details.](#)



Korea:

We expect a retender for the two lots of USA rice, which were not bought at the March 25 tender. The new tender date will likely be announced sometime in May. In addition, we believe the shipping position will be adjusted such that it will allow for new crop rice to be offered.



MEDIUM GRAIN QUOTES: (shipment May/June)

California - Medium Grain

U.S. #1 Medium Grain, max. 4% Broken (Med)	#1/4	\$925-950	per mt sacked 25kg containerized FOB Mill
U.S. #1 Medium Grain, max. 4% Broken (Korea Specs, add \$20 for 10kg)	#1/4	\$975	per mt sacked 20kg, container CIP Oakland
U.S. #1 Medium Grain milled rice, except max. 7% Broken (Japan Specs)	#1/7%	\$875	per mt sacked in 1mt tote bags FOB vessel
U.S. #3 Medium Grain Brown rice, max. 8% broken (Korea Specs)	#3 Brown	\$865	per mt in 40kg bags containerized Oakland
U.S. #2 Medium Grain Paddy, 58/69 yield	#2 58/69	\$580	per mt bulk FOB Stockton, CA

California - Package Quality

Package Rice for Industrial Use and Repackers	#1/4%	\$42.00	per cwt. bulk F.O.B. Mill
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Southern U.S. - Medium Grain ("Jupiter")

U.S. #2 Medium Grain, max. 4% broken, Hard Milled (Puerto Rico, Libya)	#2/4%	\$600.00	per mt bulk FOB vessel NOLA
U.S. #2 Medium Grain Paddy, 58/69 yield	#2 58/69	\$340.00	per mt bulk FOB vessel NOLA

Southern U.S. - Package Quality Medium Grain (add \$1.50/cwt for sacked truck)

Package Quality Medium Grain Milled, max. 4% broken	Pkg. M/G	\$31.00	per cwt. bulk F.O.B. mill
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Vietnam - Medium Grain

Vietnamese Japonica double water polished, 5% broken, sorted	VN Japonica 5%	\$560	per mt sacked FOB vessel
VN M/G milled 5% broken, double polished, sorted, 2018 crop (105 days)	Ham Chau	n/a	per mt sacked FOB vessel
VN M/G milled 5% broken, double polished, sorted, 2018 crop (95 days)	Ham Chau	n/a	per mt sacked FOB vessel

Paddy Report

UNITED STATES -- South

Texas - New crop planting is progressing well and is almost completed. There was a small amount of replanting that was done due to heavy rain. The market continues to be very quiet as there is virtually no inventory of paddy in first hands. There has been a little more trading of new crop paddy at \$6.50 per cwt over loan for October delivery.

Louisiana - New crop planting is nearing completion. There is very little paddy inventory remaining in first hands. Long grain paddy standing bids are unchanged this week, still \$23.50-23.75 per barrel for 62/70 yield (\$14.05 per cwt, basis FOB country). However, a little trading of current crop was done at \$25.00 per barrel (\$15.10-\$15.15 per cwt). There was also a little new crop traded at \$23.00 per barrel (\$13.90 per cwt) for July delivery.

Mid-South - Planting is intermittent as wet weather continues to be an issue. Arkansas continues to get rain, and some cool temperatures. Growers continue to plant as the weather permits. The latest USDA Crop Progress report shows AR planting at 33%. Last year's planting, which was delayed by rain and resulted in a short crop, was 31% completed by this time a year ago.

Like Texas and Louisiana, there is not much paddy remaining from this current crop that is not already committed. Futures

prices this past week are up \$1.72 for the May contract and up \$0.42 for July. Meanwhile, new crop contracts are down \$0.085-\$0.195. The lack of paddy inventory has the cash market extremely skewed. For NOMINAL PURPOSES, we are calling the bid/asked prices for long grain barges as \$18.50/\$19.00 per cwt CIF NOLA.

UNITED STATES -- California

California - Planting activity continues. Growers are into the main thrust of the Calrose planting. Some water allocations on the Sacramento River were cut by 25%. This will likely result in the total acreage numbers being more in the 500,000 - 510,000 range depending on weather.

Growers' price ideas are around \$17.00+ per cwt over loan. Most buyers are resisting as the latest MA businesses do not reflect that kind of acquisition cost. We are calling the market for new crop paddy at \$14.00 per cwt over loan (nominal value), simply because there have been one or two trades at that level. Otherwise, one would have to call it undefined due to the lack of trading.

Reflective Prices (per cwt FOB country 2019 crop)

	Texas	Louisiana	Mid-South	California
Long grain	\$15.50	\$15.10	\$16.00/16.75 (May)	*
Medium Grain	*	\$13.85	\$330/mt FOB vsl NOLA	\$23.00

L/G prices are basis #2 55/70, Southern M/G prices are basis #2 58/69, California M/G prices are basis #1 55/70. Mid-South -- Arkansas, Missouri, Mississippi, northeast Louisiana.
 * These areas do not have sufficient supplies of this type to quote.

Rough Rice Futures

CME Group Rough Rice Futures (04/27/2020 Volume: 2,063 Open Interest: 12,318)

Contract Month	Tuesday's Settle Price	Net Change From				Prices	
		Monday		Last Report		One Year Ago 04/30/19	
'20 May	\$16.860	Down	0.115	Up	1.720	'19 May	\$10.275
'20 July	\$14.760	Down	0.240	Up	0.420	'19 July	\$10.580
'20 Sep	\$11.910	Down	0.150	Down	0.085	'19 Sep	\$10.720
'20 Nov	\$11.750	Down	0.135	Down	0.195	'19 Nov	\$10.780
'21 Jan	\$11.905	Down	0.135	Down	0.165	'20 Jan	\$10.925
'21 Mar	\$12.055	Down	0.085	Down	0.115	'20 Mar	\$10.925
'21 May	\$12.055	Down	0.085	Down	0.115	'20 May	\$10.925

USDA International Weather and Crop Summary

Released April 28, 2020

EASTERN ASIA: Passing showers in the early half of the week produced 25 to nearly 100 mm across a large swath of southern China, south of the Yangtze River. The moisture benefited rapeseed in the latter reproductive stages of development as well as reproductive early-crop rice. In areas north of the Yangtze River, mostly dry weather prevailed for wheat in the early reproductive stages. Meanwhile, a late-spring blast of snow and ice in the northeast slowed fieldwork ahead of corn and soybean planting, but warmer weather by week's end quickly melted any accumulations. Temperatures were nearly 5°C below normal in the northeast and pockets of the south and as much as 3°C below normal elsewhere.

SOUTHEAST ASIA: Pre-monsoon heat (over 40°C) continued to build across Thailand and the surrounding areas, as periodic showers (25-100 mm) provided a beneficial boost to moisture supplies leading into wet-season rice sowing; growers will await the onset of monsoon rainfall before beginning widespread rice planting. The Philippines was also experiencing seasonal heat (over 35°C) and occasional showers (10-25 mm or more) prior to the onset of the southwest monsoon. Elsewhere, widespread, heavy rainfall (25-100 mm, locally more) in Malaysia and neighboring portions of Indonesia provided a sharp increase in soil moisture, benefiting oil palm. However, significant moisture deficits since early March remained and more rainfall is needed to prevent further yield declines.

AUSTRALIA: Aside from isolated showers (locally near 25 mm) in areas with generally limited crop production, dry weather prevailed across most of southern Queensland and throughout much of New South Wales. The dryness allowed fieldwork to progress without delay, including summer crop harvesting and winter crop planting. Elsewhere in the wheat belt, scattered showers (5-15 mm, locally more) increased top-soil moisture in Victoria and South Australia, likely encouraging additional winter grain and oilseed planting. Following several weeks of relatively dry weather, widespread showers (5-15 mm, locally more) overspread the wheat belt in Western Australia. The rain helped condition the soil for winter crop sowing and likely triggered wheat, barley, and canola planting in many areas. Temperatures averaged near to slightly above normal (up to 2°C above normal) in the wheat belt with maximum temperatures generally in the 20s (degrees C).

ARGENTINA: Showers continued over Buenos Aires, maintaining generally favorable levels of moisture for the upcoming winter grain season. Most locations received at least 10 mm, with delegations in the northeastern part of the state reporting 25 to 50 mm. Little to no rain fell elsewhere, with large sections of northern Argentina recording total dryness. Warmer-than-normal weather (weekly temperatures averaging 2-5°C above normal) accompanied the general dryness, supporting rapid harvesting of summer crops while nighttime lows remained

above freezing. According to the government of Argentina, sunflower harvesting (99 percent) was virtually complete as of April 23. Meanwhile, corn was 32 percent harvested, 5 points behind last year's pace, and soybeans were 6 points ahead of last year's pace at 49 percent harvested. Cotton was 45 percent harvested versus 33 percent last year..

BRAZIL: Dry weather dominated a significant portion of southern Brazil, further reducing moisture reserves for normal development of second-crop corn. Much of region extending from Mato Grosso do Sul and Minas Gerais southward received no rain at all, including key production areas of Parana. The dryness extended south and west into Paraguay and Uruguay. While aiding seasonal fieldwork, including wheat planting and late harvesting of soybeans and secondcrop corn, rain was needed to maintain current yield prospects of second-crop corn; this requirement was particularly true in Parana and Mato Grosso do Sul, where corn is nearing or advancing through moisture-sensitive stages of development. By week's end, daytime highs had risen to the lower 30s (degrees C) in the areas still needing rain, maintaining elevated crop moisture demands and evaporative losses. Elsewhere in southern Brazil, the drier conditions favored drydown and harvesting of corn and soybeans in Rio Grande do Sul and the sunny weather aided development of sugarcane and coffee in Sao Paulo and Minas Gerais, where soil moisture was likely more favorable due to earlier periods of rainfall. Meanwhile, scattered showers (5-15 mm or more, locally higher than 50 mm) continued from Mato Grosso and Goias northward through Tocantins, maintaining promising prospects for second-crop corn and cotton.

Tenders, Upcoming Events, Notices

KEY STATS

- **Indonesia's** BULOG has set its procurement target at 1.8 million tons in 2019. As of July 9, 2019, BULOG has procured a total of 797,425 tons of milled rice equivalent domestically.
- **Vietnam** - Rice exports in 2019 were 6.4 million mt, up 4.2%.
- **Cambodia** - 2019 wet season paddy harvest produced 7.9 million MT, 2019 milled rice exports were 620,106mt. 2018 Jan-Dec rice exports totaled 626,225mt, down 1.5% from 2017.
- **Thailand** - All rice exports for Jan-Nov. 2019 totaled only 7.11 million mt (down 30.4% from 2018. Total rice exports for all of 2018 were 11.2 million mt.
- **Myanmar** - From Oct 1, 2019 to Jan. 10, 2020, Myanmar exported 980,00MT of rice (684k whole, 302k brokens). In 2018-2019FY Myanmar exported 2.355 million MT and in 2017-2018FY Myanmar exported 3.6 MMT.
- **Sri Lanka's** 2019 Maha season rice production is revised to 2.9 million mt paddy basis or 1.83 mmt milled rice. The Yala season is projected to be 1.54 mmt paddy, 940k mt milled.
- **India's** rice exports for April-Dec., 2019 were down for non-basmati 3.56 million tons vs. 5.73 for the same period the previous year. Basmati exports were about the same 2.83 vs 2.86.
- **Pakistan** During the period from July-March, 2019-20 about 3.146 million metric tons of rice were exported as against exports of 2.987 million metric tons for the same period last year. In last 9 months country exported about 657,280 metric tons of basmati rice as compared the exports of 433,097 metric tons for the same period last year; and, 2.488 million metric tons of rice other than basmati versus exports of 2.553 million metric tons.
- **Iran's** ministry of agriculture projects their current year's crop (March 2019-2020) to be 3 million mt, thereby becoming self-sufficient. Iran imported 960,000 mt of rice between late March 21 - Sept. 22, 2019.
- **Egypt's** rice production for 2019 is set to be 4 million mt, up from 2.7 million last year.
- **Nigeria's** rough rice production in MY 2019/20 is projected to be 7.4 MMT, down about three percent or 200,000 MT lower than USDA's MY 2018/19 estimate of 7.6 million metric tons. Rice imports in MY 2019/20 are projected to be 2.4 MMT, up nine percent or 200,000 MT higher than the MY 2018/19 estimate of 2.2 million metric tons.
- **Guyana's** rice production for 2019 was 1,049,874 metric tons of paddy, 682,418mt milled equivalent, on 178,628 hectares reflecting a yield of 38 cwt per acre. This is the second highest on record (2015 - 1,058,128mt).

UPCOMING TENDERS

May 5 KCCO (inv. 2000006910) tender to buy 270mt.

May 28 AARQ Auction for July 2020 TRQ Tranche.

TENDER RESULTS

Jan. 27 COL-RICE tender for TRQ certificates (78,672mt milled basis). **Results pending.**

Jan. 30 Turkey (TMO) tender for 25,000mt of Calrose paddy. **Bought at \$679.50 per mt CNF Mersin.**

Jan. 30 Korea tenders for 75,000mt (55,000mt Chinese short grain brown rice, 20,000mt US #3 medium grain brown rice). **Results pending sample testing.**

Feb. 7 Japan SBS tender to buy 30,000mt (27,000mt whole kernel, 3000mt brokens. Shipping period 15 July 2020. **AWARDS**

Feb. 12 Turkey (TMO) tender for 20,000mt of Baldo type medium grain milled rice. Awards were limited as prices were high. Only one lot of 2500mt was confirmed at \$930 per mt.

Feb. 14 Japan MA tender for 103,200mt. **Bought 4 vessels of USA M/G at prices that reflect \$830-845 per mt FOB vessel. 1 cargo of Chinese M/G was bought, and the other M/G cargo was canceled.**

Feb. 19 KCCO (inv. 2000006757) tender to buy 6860mt (amended). **AWARDS.**

Feb. 20 AARQ Auction for April 2020 TRQ Tranche. **AWARDS.**

Feb. 25 Japan SBS tender awards.

Mar. 3 KCCO (inv. 2000006783) tender to buy 3570mt (amended). **AWARDS.**

Mar. 6 Japan MA tender for 89,180mt. **Bought 3 cargos of USA medium grain milled rice at prices reflecting \$850 per mt on a FOB vessel basis. Also bought were Chinese M/G and Thai long grain. Click here for additional details.**

Mar. 10 Japan SBS tender **AWARDS.**

Mar. 10 Taiwan tenders for USA and Australian rice. Both tenders failed, USA account flooring price and Australia account no bidder participation.

Mar. 18 KCCO (inv. 2000006796) AMENDED tender to buy 1350mt of rice. **AWARDS** click here.

Mar. 19 Japan MA tender to buy 63,386MT of rice. Bought just 2 of the 3 USA cargoes at prices reflecting \$860 per mt on a FOB vessel basis. All of the L/G was awarded as Thai origin.

Mar. 23 Taiwan tenders for USA and Australian rice. Both failed due to floor price.

Mar. 25 Korea tenders for 73,664mt. Did not buy the USA M/G (ceiling price), only bought the Chinese at \$818.88 per mt and Thai long grain at \$493.50 and \$498.75 per mt.

Mar. 27 Japan MA re-tender to buy 12,000MT of USA M/G rice not bought on the March 19 tender. Bought at a price that reflects \$875 per mt on a FOB vessel basis.

Mar. 31 Taiwan tender for 500mt of USA glutinous short grain milled rice, delivery Oct 1 2020 - April 30, 2021. **FAILED**

April 7 KCCO (inv. 2000006822) tender to buy 2010mt of rice. Bought 440mt of #5/20% long grain at \$545.15 per mt intermodal Lake Charles, and 1300mt of #5/20% long grain fortified at \$581.09 - \$594.31 per mt intermodal Lake Charles - Houston.

Apr. 14 Korea tenders to buy Chinese rice. Bought at \$847.00 and \$848.89 per mt.

April 21 KCCO (inv. 2000006857) tender to buy 6920mt. Results pending. Click here for tender awards.

April 22 KCCO (inv. 2000006864) tender to buy 1750mt. Cancelled to changes in program requirements.

Apr. 24 Taiwan tender for 500mt of USA glutinous short grain milled rice, delivery Oct 1 2020 - April 30, 2021. **FAILED, due to ceiling price.**

Click any box for full report

U.S.D.A. World Market Price:

World Market Price Value Factors	This week 04/29/20	Last week 04/22/20	1 year ago 05/01/19	LDP
Long Grain	To be	17.44	13.44	00.00
Medium Grain	released	17.09	12.94	00.00
Short Grain	April 29	17.09	12.94	00.00
Brokens	7:00am ET	11.06	8.11	-

	WMP and Loan Rates			'19 Loan Factors
	L/G	M/G		
Yield	53.46/15.26	63.50/8.00	L/G whole	11.09
WMP	10.73	11.44	M/G whole	10.50
Loan	6.86	7.16	S/G whole	10.50
Difference	(3.87)	(4.28)	Brokens	6.11

USDA Export Sales Highlights (April 10-16, 2020)

Sales

Net sales of 67,100 MT for 2019/2020 were up noticeably from the previous week and up 23 percent from the prior 4-week average. Increases were primarily for:

Mexico	(42,200 MT)
Haiti	(15,300 MT)
Saudi Arabia	(3,900 MT)
Canada	(3,000 MT)
Guatemala	(800 MT)

Exports

Exports of 67,000 MT were down 43 percent from the previous week and 20 percent from the prior 4-week average. The destinations were primarily:

Mexico	(29,500 MT)
Japan	(27,100 MT)
South Korea	(4,100 MT)
Canada	(3,200 MT)
Jordan	(1,000 MT)

Source: USDA

U.S.D.A. Crop Progress:

Rice Planted - Selected States -- Week Ending April 26, 2020.

State	April 26, 2019	April 19, 2020	April 26, 2020	2015- 2019 Avg.
Arkansas	31	23	33	58
California	-	-	12	3
Louisiana	84	80	81	86
Mississippi	28	11	21	51
Missouri	30	8	22	46
Texas	70	82	91	72
6 States	36	30	39	53

Major USA Export Markets

DESTINATION	CURRENT MARKETING YEAR		NEXT MARKETING YEAR		OUTSTANDING SALES: ACCUMULATED EXPORTS		OUTSTANDING SALES	
	THIS WEEK	YR AGO	THIS WEEK	YR AGO	SECOND YR	THIRD YR	THIRD YR	THIRD YR
Long grain Paddy								
C RICA	10.6	25.9	33.2	38.7	0.0	0.0		
COLOMB	59.3	49.4	99.3	87.2	0.0	0.0		
GUATMAL	23.5	21.9	74.5	72.2	0.0	0.0		
HONDURA	37.7	10.0	134.4	130.2	0.0	0.0		
MEXICO	26.3	126.3	566.5	448.4	0.0	0.0		
NICARAG	108.3	54.0	59.2	26.3	0.0	0.0		
PANAMA	0.0	20.4	15.5	17.5	0.0	0.0		
SALVADR	26.2	17.3	56.6	52.7	0.0	0.0		
VENEZ	0.0	0.0	54.6	13.5	0.0	0.0		
Long grain Milled								
IRAQ	0.0	0.0	154.5	125.9	0.0	0.0		
S ARAB	6.3	10.0	59.8	74.3	0.0	0.0		
CANADA	10.3	10.8	53.5	52.1	0.0	0.0		
HAITI	30.8	32.5	356.3	305.8	0.0	0.0		
MEXICO	9.4	7.2	22.2	31.5	0.0	0.0		
Medium Grain Milled (includes short grain milled)								
JAPAN	180.5	175.1	276.4	209.8	0.0	0.0		
TAIWAN	2.0	2.9	2.1	14.2	0.0	0.0		
JORDAN	8.9	9.8	45.1	49.2	0.0	0.0		
KOR REP	14.0	2.6	23.9	25.3	0.0	0.0		
Medium Grain Brown								
TOTAL KNOWN & UNKNOWN	57.6	52.6	51.8	93.7	0.0	0.0		
Medium Grain Paddy								
MEXICO	17.5	27.9	26.8	29.3	0.0	0.0		
TURKEY	0.0	0.0	26.3	0.0	0.0	0.0		
All Rice								
TOTAL KNOWN & UNKNOWN	675.9	691.5	2425.5	2121.1	0.0	0.0		

U.S.D.A. Crop Progress:

Rice Emerged - Selected States -- Week Ending April 26, 2020

State	April 26, 2019	April 19, 2020	April 26, 2020	2015- 2019 Avg.
Arkansas	17	4	11	32
California	-	-	-	-
Louisiana	75	72	76	75
Mississippi	16	-	6	29
Missouri	10	-	2	16
Texas	50	71	86	62
6 States	24	18	23	34

USDA WASDE Comments - April 9, 2020

RICE: The outlook for 2019/20 U.S. rice this month is for lower supplies, unchanged domestic use and exports, and reduced ending stocks. Supplies are lowered by 0.5 million cwt to 261.5 million on decreased imports. Long-grain imports are lowered on an expected reduced volume in the near-term due to sharply curtailed restaurant usage caused by the COVID-19 pandemic. Projected 2019/20 all rice ending stocks are subsequently reduced by 0.5 million cwt to 29.5 million, which is down 34 percent from last year. The projected all rice stocks-to-use ratio of 12.7 percent would be the lowest since 2007/08. Reflecting the tighter supplies, the projected 2019/20 all rice season-average farm price is raised \$0.20 per cwt to \$13.20 with increases in both the long-grain and California medium- and short-grain price projections.

The 2019/20 international outlook is revised lower this month for supplies, consumption, trade, and ending stocks. Global 2019/20 rice supplies are lowered by 2.8 million tons to 671.8 million, mainly on production reductions for several Southeast Asian countries, led by Vietnam, Burma, and the Philippines. World 2019/20 consumption is lowered by 2.1 million tons to 490.2 million on decreases for several Asian and African countries with constrained supplies. Global 2019/20 trade is reduced 2.2 million tons to 42.2 million, primarily on export restrictions recently imposed by several Southeast Asian rice exporters in the form of bans, licenses, and quotas due to domestic supply concerns. Collectively, projected exports for Burma, Cambodia, and Vietnam are reduced 1.7 million tons or 15 percent this month. Additionally, India's exports are lowered 0.3 million tons to 10.2 million as the current country-wide quarantine is expected to affect export activity. These factors have contributed to raising international rice prices to their highest levels in more than seven years. Projected world ending stocks are down 0.7 million tons this month but are still at a record high of 181.6 million with China accounting for 65 percent of the total.

USA - Broken and Co-Products

U.S. South Broken:

Flour Quality broken	Flour Qty	17.75-18.00	per cwt. bulk, F.O.B. rail
Pet Food Quality, #4 Brewers (milled)	pet food	15.50/17.00	per cwt. bulk, F.O.B. rail

U.S. California Broken:

Flour Quality broken	Flour Qty	18.00-19.00	per cwt. bulk, F.O.B. mill
Pet Food Quality, #4 Brewers	spot mkt	16.00-18.00	per cwt. bulk, F.O.B. mill

Rice Co-Products - Spot market prices basis \$ per short ton bulk, FOB mill (spot prices)

	Texas	Louisiana	Arkansas	California
Bran:	\$95	\$125	\$100	\$124-125
Mill Feed:	\$40	\$40	\$40	-
Ground Hulls:	\$5	\$10	\$10	-
Unground Hulls:	\$5	\$10	\$5	\$0

Notes:

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