



Rice: A Year of Surprises

USDA - Global rice trade in 2011 surpassed last January's forecast by 15 percent, reaching a record 34.8 million tons. Unanticipated policy changes and weather were major drivers.

India's shipments soared as the government allowed non-basmati exports for the first time in nearly 4 years. Vietnam uncharacteristically permitted sales beyond the initial target and reached a new record. Government support also contributed to Brazil more than doubling its previous record. Thailand shipped unprecedented quantities early in the year before a policy change reversed the situation in recent months. Even Pakistan shipped more than many thought possible after the devastating floods. The United States, facing weather and price issues, was the only major exporter with trade below last January's forecast.

On the import side, the governments of Indonesia and Bangladesh purchased far more than previous years to keep domestic prices down. The government of the Philippines, on the other hand, tried to promote self-sufficiency by purchasing much less. None of the three had poor crops. In stark contrast, the earthquake and related disasters in Japan did not lead to additional imports, as some reports predicted.

Though 2012 is likely having its own surprises, trade is expected to return to lower levels as Bangladesh and Indonesia reduce purchases.