

### WORLD RICE PRICES SHOW MODERATE INCREASES

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#### Market trends

In May, **world rice prices** rose slightly by 1.3%, driven by demand from Southeast Asia and Africa. In Thailand, more significant increases were recorded following robust demand from Indonesia and the strengthening of the baht. By contrast, Vietnamese prices increases were more limited, while Pakistani's prices remained relatively stable. In India, the price of parboiled rice decreased due to a more abundant supply from the new Rabi harvest. By the end of May, world prices tended to stabilize due to a mitigation of import demand and an increase in export supply. However, prices are expected to continue showing some volatility as the market anticipates new offers in the coming weeks. Additionally, operators are betting on the early return of India to the export market. Indian government officials indicate that a favorable decision to lift the ban could be made quickly. This comeback, combined with the arrival of major Asian harvests from September and extending until early 2025, should steer global prices downward for much of the second half of the year.

In May, the OSIRIZ/InfoArroz (IPO) index increased by 4.4 points to 235.0 points (base 100=January 2000) from 331.6 points in April. Early June, the IPO index shows some stability at 338 points.

#### World production

According to the latest FAO estimates, **world rice production** in 2023 improved by 1% to 798.5 Mt (530.1 Mt milled basis) against 791.5 Mt in 2022. This improvement reflects good harvests in Asia, Africa, and North America. In Pakistan, production increased by 30%, partially offsetting reductions in India, Thailand, and China. In the United States, after a poor season in 2022, production recovered strongly by 37%, back to its 2021 level. By contrast, Mercosur rice production declined again in 2023 due to unfavorable weather conditions. In 2024, preliminary projections suggest that world production could exceed an historic record at 805.6 Mt (534.9 Mt in milled basis).

#### World trade and global stocks

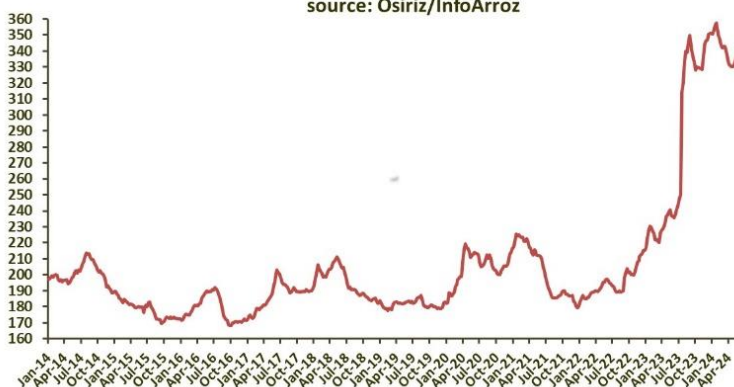
**World rice trade** in 2023 fell by 6% to 52.9 Mt from 56.4 Mt previously. This drop is mainly due to reduced Chinese imports and increased production in some deficit regions, especially in Africa, the Middle East, and South Asia. Additionally, India's ban on non-basmati white rice exports further amplified the drop-in trade. The sharp rise in world prices, largely due to these restrictions, forced some importing countries to defer and/or reduce their import demand. However, part of the decline in Indian exports was offset by Thailand and Vietnam, which increased their exports by 15% in 2023. In contrast, India's rice exports, across all categories, fell by 20%. In 2024, global trade could contract again by 2.8% to 51.4 Mt. However, preliminary projections for 2025 indicate a recovery in world trade by 3.7% to 53.4 Mt.

**World rice stocks** ending in 2023 are estimated to remain stable at 195.8 Mt, against 195.4 Mt in 2022, representing 37% of world consumption requirements. In 2023, Chinese stocks have fallen again to offset stagnant production and reduced imports. However, Chinese reserves remain large, representing 70% of annual domestic consumption and 50% of world stocks. In India, stocks are estimated to increase by 5%, largely due to export restrictions. Stocks in major exporting countries rose to 57.5 Mt in 2023, slightly lower than in 2022, representing 30% of global reserves. In 2024, world stocks are expected to increase by 1.6%, currently estimated at 199.7 Mt, with a potential further increase to 205.1 Mt in 2025.

#### OSIRIZ/InfoArroz International price Index (IPO)

base 100 = January 2000

source: Osiriz/InfoArroz



This monthly report is made by Patricio Méndez del Villar, researcher at the Centre de Coopération Internationale en Recherche Agronomique pour le Développement - CIRAD in France ([www.cirad.fr](http://www.cirad.fr)). The contents are available in four languages: French (Osiriz), Spanish (InfoArroz), English (InterRice) and Portuguese (InterArroz). All rights reserved. Osiriz, InfoArroz, InterRice and InterArroz are registered marks. Any reproduction, even partial, is not allowed without prior written consent of the author. The full report can be downloaded only from the website [www.infoarroz.org](http://www.infoarroz.org).

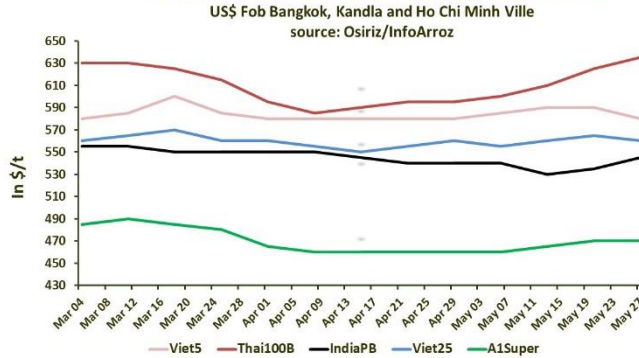
**OSIRIZ Index (IPO 100 = January 2000) & Export Rice Prices (US\$/t FOB – source: OSIRIZ)**

	IPO	Usa 2/4	Thai100B	Thai Parb	Ind Parb	Viet5	Camb5	Burma5	Uru5	Thai25	Viet25	Pak25	A1Super
<b>2023</b>	<b>289.5</b>	<b>734</b>	<b>553</b>	<b>540</b>	<b>470</b>	<b>548</b>	<b>548</b>	<b>565</b>	<b>631</b>	<b>504</b>	<b>530</b>	<b>484</b>	<b>451</b>
<b>2024*</b>	<b>323.6</b>	<b>784</b>	<b>628</b>	<b>613</b>	<b>541</b>	<b>605</b>	<b>720</b>	<b>615</b>	<b>777</b>	<b>560</b>	<b>579</b>	<b>558</b>	<b>475</b>
<b>OCT-DECEMBER</b>	<b>242.4</b>	<b>751</b>	<b>613</b>	<b>596</b>	<b>509</b>	<b>650</b>	<b>548</b>	<b>606</b>	<b>765</b>	<b>548</b>	<b>634</b>	<b>502</b>	<b>474</b>
<b>JANUARY-MARCH</b>	<b>247.8</b>	<b>774</b>	<b>644</b>	<b>628</b>	<b>541</b>	<b>624</b>	<b>572</b>	<b>623</b>	<b>808</b>	<b>572</b>	<b>598</b>	<b>561</b>	<b>485</b>
<b>APRIL</b>	<b>287.2</b>	<b>797</b>	<b>592</b>	<b>579</b>	<b>545</b>	<b>580</b>	<b>720</b>	<b>618</b>	<b>740</b>	<b>533</b>	<b>556</b>	<b>549</b>	<b>461</b>
<b>MAY</b>	<b>336.0</b>	<b>801</b>	<b>618</b>	<b>601</b>	<b>538</b>	<b>586</b>	<b>720</b>	<b>595</b>		<b>550</b>	<b>560</b>	<b>549</b>	<b>466</b>
06-may-24	<b>331.4</b>	795	600	585	540	585	720	595		535	555	545	460
13-may-24	<b>333.8</b>	800	610	600	530	590	720	595		545	560	550	465
20-may-24	<b>337.8</b>	805	625	605	535	590	720	595		555	565	545	470
27-may-24	<b>340.9</b>	805	635	615	545	580	720	595		565	560	555	470

source: Osiriz/InfoArroz; \*January-May

In **India**, parboiled rice price decreased again by 1.5%. African demand was less active due to the increased cost of maritime transport. However, African countries are counting on the end of the embargo on non-basmati white rice exports to return more actively to the market in the coming weeks. Additionally, Indian supply is expected to be abundant thanks to good prospects for the Rabi season and stocks 15% higher than in 2023 at the same period. In May, Indian parboiled rice averaged \$ 538/t FOB against \$ 545 previously. In early June, the price tended to recover to \$ 545 due to strong demand from major importing countries.

**Weekly Evolution of World Rice Prices**

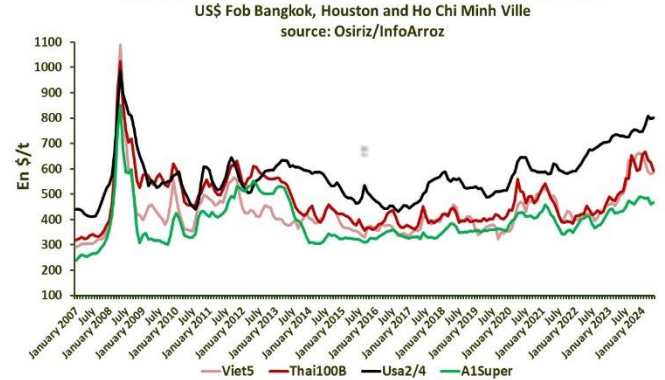


In **Thailand**, prices rose by 4 to 5%, reaching their highest level in three months, although still below than at the beginning of the year. Indonesian demand remains strong, as well as demand from Brazil, where production was heavily impacted by floods in the southern regions. Additionally, the baht strengthened against the dollar. Despite stagnation in the 2023/2024 production, Thai export supply remains healthy, and exports could reach a volume close to 2023. In May, Thai 100%B averaged \$ 618 against \$ 592 in April. Parboiled rice also increased to \$ 601 from \$ 579 previously. By contrast, Broken rice A1 Super remained relatively stable at \$ 466 from \$ 461. In early June, Thai prices tended to weaken due to lower import demand and a weakening baht.

In **Vietnam**, export prices showed a moderate increase by 1%, making them more competitive compared to Thai rice. Following a change in Philippine trade policy aimed at liberalizing rice imports, Vietnamese authorities are reassuring about Vietnamese exports to this country, which over 75% of Vietnamese rice. In May, Vietnamese exports exceeded 1 Mt for the third consecutive month, reaching 4.1 Mt for the first five months of the year, up 15% from 2023. Overall, Vietnamese exports could reach 8,3 Mt from 8.2 Mt in 2023. In May, Viet 5% rice was traded at \$ 586 against \$ 580 previously. Viet 25% marked \$ 560 against \$556. In early June, prices were trending downward due to increasing supply from ongoing harvests.

In **Pakistan**, rice prices remained stable but tended to strengthen in mid-May due to strong demand from Southeast Asia and East Africa. However, high maritime transport costs limit new transactions, and the export market was slowing down in early June. Prospects remain optimistic thanks to a significant upturn in 2023/2024 production. Pakistani exports could thus exceed the historic threshold of 5 Mt in 2024 against 4.5 Mt in 2023. In May, Pak 25% remained stable at \$ 549. In early June, prices became firmer at \$ 560.

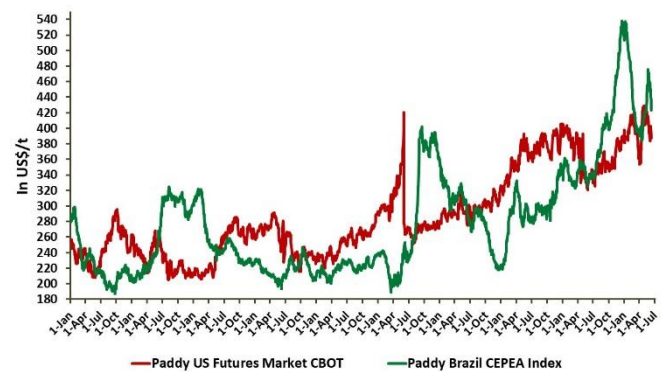
**Monthly Evolution of World Rice Prices**



In **China**, according to the latest estimates, imports in 2024 could decline further to 1.9 Mt, against 2.7 Mt in 2023, becoming the 3rd or 4th largest importer in the world, behind the Philippines and Indonesia, and probably also behind the European Union.

In the **United States**, rice prices rose very slightly in a rather active market. In May, exports were estimated to reach 285,000 tons against 265,000 tons in April, 45% higher from 2023 at the same period. The indicative price Long Grain 2/4 rice was \$ 801/t against \$ 797 previously. In early June, the price remained stable at \$ 805. On the Chicago Board of Trade, rough rice futures prices recovered by 4% to \$ 410/t from \$ 395 in April. In early June, futures prices tended to decrease by 4.5% to \$ 390.

**Daily price of paddy United States and Brazil**



In **Mercosur**, export prices showed mixed trends. In Uruguay, quotations are suspended, while in Brazil, prices strengthened due to a decrease in export supply. Following the drop in rice production due to poor weather conditions, the Brazilian government reportedly authorized imports of one million tons and set a consumer sale price at US\$ 0.77/kg. The Brazilian paddy indicative price increased by 12% to \$ 444/t against \$ 397 in April. In early June, the price of paddy remained stable at \$ 443.

In **Sub-Saharan Africa**, local rice stocks are still under pressure, but consumer prices remain relatively stable thanks to the supplies of imported rice, whose stocks held by traders are considered good. In 2024, harvests are expected to increase, and African imports could fall once again, while remaining high, equivalent to 40% of consumption requirements.

	Rice (millions of tons)									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	
<b>Paddy rice</b>								(e)	(p)	
<b>World Production</b>	<b>736.4</b>	<b>748.5</b>	<b>752.8</b>	<b>764.6</b>	<b>758.3</b>	<b>780.3</b>	<b>792.5</b>	<b>791.5</b>	<b>798.5</b>	
China	212.1	211.1	212.7	212.2	210.0	211.9	212.8	208.5	206.6	
India	156.5	163.7	168.5	172.6	178.3	184.5	194.2	203.6	201.1	
Indonesia	61.0	54.0.9	55.3	59.2	67.7	54.6	54.4	54.0	52.5	
Bangladesh	51.8	50.4	54.2	54.5	55.2	55.9	56.8	57.8	58.6	
Vietnam	45.1	42.8	42.8	44.0	43.4	42.7	43.9	42.7	43.5	
Thailand	27.4	32.4	33.7	32.7	28.3	30.3	33.0	34.9	33.4	
Burma	27.7	28.6	29.5	30.4	25.3	25.1	24.9	24.7	25.6	
Brazil	12.4	10.6	12.3	12.1	10.5	11.2	11.8	10.8	10.0	
Japan	10.5	10.7	10.8	10.6	10.5	10.5	10.6	10.4	10.3	
<b>Milled rice</b>										
<b>World Exports</b>	<b>45.0</b>	<b>41.3</b>	<b>48.3</b>	<b>48.5</b>	<b>44.3</b>	<b>45.8</b>	<b>52.1</b>	<b>56.4</b>	<b>52.9</b>	
India	11.2	10.1	12.5	11.6	9.8	14.5	21.4	22.5	17.9	
Thailand	9.8	9.9	11.6	11.1	7.6	5.7	6.1	7.7	8.8	
Vietnam	6.6	5.8	5.9	6.6	7.0	6.2	6.5	7.2	8.3	
Pakistan	4.1	4.0	3.7	3.9	4.5	4.0	3.9	4.6	4.5	
China	0.3	0.5	1.2	2.8	2.6	2.5	2.4	2.2	2.0	
United States	3.5	3.5	3.3	3.1	3.1	3.1	2.9	2.2	2.4	
Burma	3.1	2.8	3.1	2.7	2.5	2.2	1.8	2.2	2.2	
Brazil	0.9	0.6	0.6	1.2	0.8	1.4	1.2	1.4	1.0	
Others	5.6	4.1	6.3	6.4	6.3	6.4	6.2	6.1	5.7	
<b>World Imports</b>	<b>45.0</b>	<b>41.3</b>	<b>48.3</b>	<b>48.5</b>	<b>44.3</b>	<b>45.8</b>	<b>52.1</b>	<b>56.4</b>	<b>52.9</b>	
China	7.1	6.3	5.9	4.5	3.8	3.6	5.1	6.6	2.7	
Nigeria	2.2	2.2	2.7	2.3	2.3	2.0	2.0	2.4	2.2	
Philippines	2.0	0.8	1.2	2.5	2.8	2.5	3.0	3.9	3.7	
European Union	1.8	1.8	2.0	1.9	2.2	2.0	1.9	2.5	2.2	
Cote d'Ivoire	1.4	1.4	1.6	1.7	1.4	1.3	1.8	2.0	1.7	
Iran	0.8	1.1	1.4	1.3	1.4	1.0	0.9	1.8	1.2	
Saudi Arabia	1.6	1.2	1.1	1.2	1.3	1.1	1.2	1.3	1.2	
Senegal	1.4	1.1	1.6	1.4	1.0	1.2	1.5	1.9	1.4	
Indonesia	1.3	1.3	0.3	2.3	0.4	0.5	0.6	0.5	3.3	
Brazil	0.3	0.7	0.8	0.6	0.7	0.9	0.7	0.8	1.0	
Japan	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	
Fed. Russia	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	
Eastern Asia	<b>16.7</b>	<b>13.4</b>	<b>16.4</b>	<b>17.1</b>	<b>12.8</b>	<b>12.4</b>	<b>16.2</b>	<b>18.3</b>	<b>16.3</b>	
Africa	<b>13.8</b>	<b>14.3</b>	<b>17.1</b>	<b>16.7</b>	<b>16.0</b>	<b>16.2</b>	<b>17.6</b>	<b>18.7</b>	<b>16.6</b>	
Near & Middle East	<b>8.1</b>	<b>7.3</b>	<b>8.4</b>	<b>8.6</b>	<b>8.5</b>	<b>8.6</b>	<b>8.6</b>	<b>8.6</b>	<b>8.6</b>	
Latin America	<b>3.8</b>	<b>4.3</b>	<b>4.4</b>	<b>4.3</b>	<b>4.2</b>	<b>4.9</b>	<b>4.0</b>	<b>4.2</b>	<b>4.4</b>	
Developed countries	<b>4.1</b>	<b>3.9</b>	<b>4.2</b>	<b>4.3</b>	<b>5.0</b>	<b>5.7</b>	<b>5.2</b>	<b>6.3</b>	<b>6.2</b>	
<b>Stocks ending</b>	<b>175.9</b>	<b>173.9</b>	<b>174.5</b>	<b>177.5</b>	<b>187.0</b>	<b>187.7</b>	<b>194.5</b>	<b>195.4</b>	<b>195.8</b>	
China	92.9	98.0	99.0	103.3	105.9	103.9	102.8	100.6	100.1	
India	21.5	18.1	19.5	21.7	28.8	32.7	35.6	41.4	43.2	
Pakistan	1.1	0.9	0.7	0.8	0.6	0.6	1.1	1.0	0.4	
Thailand	16.2	10.7	8.2	5.6	5.4	6.0	8.0	9.9	10.1	
Vietnam	3.2	2.8	3.2	3.1	3.0	3.4	3.1	4.2	3.8	
United States	1.5	1.5	1.5	0.9	1.4	0.9	1.4	1.3	0.9	

Sources: FAO &amp; USDA, 2024