

WORLD RICE PRICES REMAIN UNDER PRESSURE

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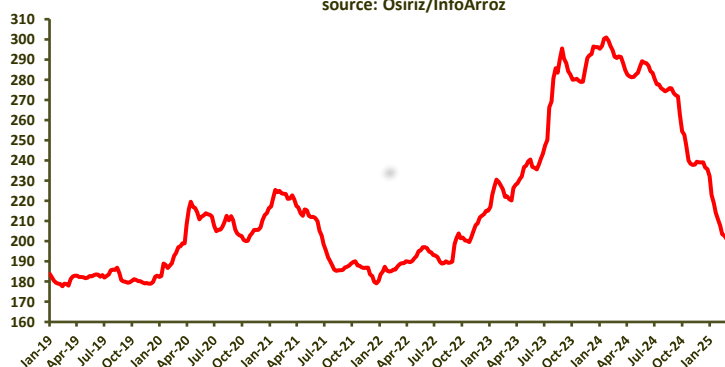
Market trends

In February, **world rice prices** fell again by 7%, down 30% from February 2024. This is the lowest price level since October 2022. Further price contractions were particularly strong in Pakistan and Thailand. Vietnam was in line with the average drop in world prices, while in India, prices fell by 5%. World demand is limited, partly due to Indonesia's withdrawal from the import market. Other importers had already made their purchases by the end of 2024 and demands remain sluggish. On the export supply side, the arrival of new winter-spring crops in Vietnam are also weighing on the market and the outlook for off-season crops in India and Thailand are quite favorable. In the Western Hemisphere, competition between the United States and Mercosur countries is tight, specifically in Central American markets. In addition, uncertainties about trade policies in North American countries may also affect export prices. Possible reciprocal tariffs could open up alternative markets in this region to Asian suppliers, especially Thailand and Vietnam. India, meanwhile, seems to focus more on low-priced rice exports to African countries, as well as on high and medium-quality markets in Southeast Asia. With the downward trend in world prices, world trade could increase again in 2025 to 60 Mt, against 59 Mt in 2024.

In February, the OSIRIZ/InfoArroz index (IPO) fell again by 15.7 points to 206.3 points (base 100 = January 2000) against 222.0 points in January. In mid-March, the IPO index fell further to 200 points.

OSIRIZ/InfoArroz International price Index (IPO)

base 100 = january 2000
source: Osiriz/InfoArroz



World production

According to FAO's latest estimates, **global rice production** in 2024 would have increased by 1.6% to 817.8 Mt (543.0 Mt milled basis, against 805.4 Mt in 2023). This improvement reflects higher harvests in Asia, particularly in India, and to a lesser extent in China, where yields were lower than expected. As a result, India is set to become the world's largest rice producer, overtaking China. In Africa, production improved only slightly, while North America it increased again, after the strong recovery of 30% in 2023. In the Mercosur region, production is also expected to improve.

World trade and global stocks

World rice trade in 2024 would have increased significantly by 10%, reaching an all-time high of 59 Mt, against 53 Mt in 2023. This rise is mainly due to increased demand from the Philippines and Indonesia. In contrast, demand in sub-Saharan Africa, the largest importing market, declined due to high world prices, especially during the first half of the year, following India's export constraints. However, India granted exemptions to countries whose food security depended largely on its supplies, especially African countries. On the other hand, China reduced its imports in 2024, drawing on its abundant stocks to meet domestic demand. For 2025, the outlook confirms the global market recovery observed during the last quarter of 2024. World trade is expected to increase by 1.5% to 60 Mt, accounting for 11% of world rice production for the first time.

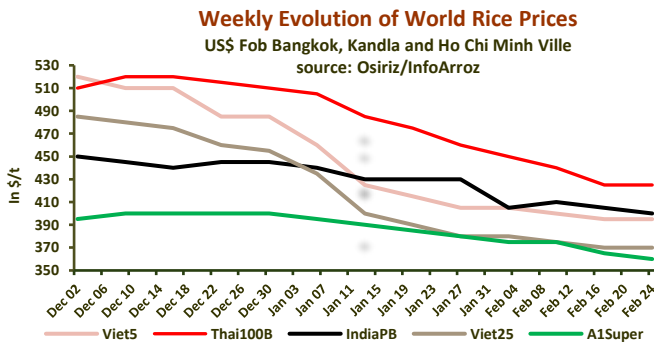
World rice stocks ending in 2024 would have increased by 2.6%, reaching 200 Mt for the first time. In 2025, they could increase again by 3.2% to 206 Mt. The decline in Chinese stocks—though still abundant, accounting for 70% of annual domestic consumption and 50% of global stocks—was largely offset by the increase in Indian stocks, following the policy of limiting exports. Stocks in the main exporting countries stood at 65 Mt in 2024, representing 33.5% of global stocks.

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). 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.

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
2023	252.5	734	552	541	470	547	548	565	654	504	529	485	450
2024*	274.1	779	586	576	518	572	671	568	776	525	544	515	452
JULY-SEPTEMBER	275.3	781	581	574	533	568	521	545	803	521	536	519	449
OCTOBER-DECEMBER	291.5	764	510	507	452	518	462	502	748	462	487	429	413
JANUARY	222.3	744	481	479	433	426	630	479	685	433	401	414	388
FEBRUARY	206.2	711	435	440	405	399	630	443	679	405	374	373	369
	03-feb-25	210.8	720	450	455	405	630	455	685	415	380	390	375
	10-feb-25	207.7	710	440	445	410	400	630	685	410	375	375	375
	17-feb-25	203.6	710	425	430	395	630	435	680	400	370	365	365
	24-feb-25	202.8	705	425	430	395	630	435	665	395	370	360	360

source: Osiriz/InfoArroz; *January-December

In **India**, rice prices fell by 5% and remain competitive despite competition from Pakistan, whose prices are the lowest in the market. Following the lifting of restrictions on white rice exports, external demand was particularly active during the last quarter of 2024. In early March, the Indian government announced the restart of broken rice exports. With the end of total restrictions, Indian exports could increase by 30% in 2025, reaching 22.5 Mt, driven by abundant supplies and higher production. In February, white and parboiled rice prices averaged \$ 413 and \$ 405/t FOB, against \$ 435 and \$ 433 respectively in January. In mid-March, prices continued to decline, falling to between \$ 400 and \$ 405, their lowest level since January 2023.



In **Thailand**, prices dropped by 9%. Since the end of Indian export restrictions in October 2024, Thai prices have fallen more than \$130/t, reaching their lowest level since October 2022. Thailand is impacted by India's comeback, as are other Asian competitors. The Thai government seeks a deal with its Vietnamese and Indian competitors to stem the fall in world prices. This is a recurring initiative by Thailand every time there is a brutal drop in world prices. However, there is little chance of success. In February, Thai 100%B rice averaged \$ 435/t, against \$ 481 in January. In mid-March, prices continued to weaken due to low external demand and increased production expected this year.

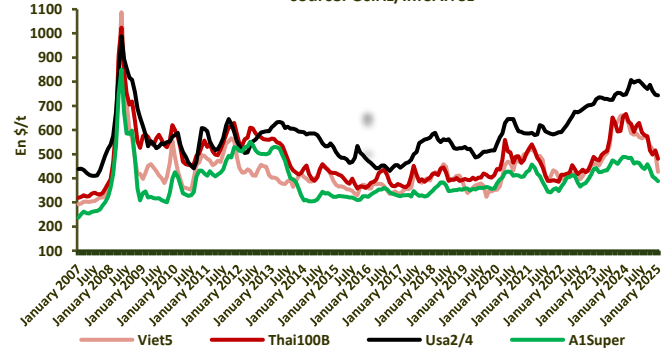
In **Vietnam**, export prices declined 7% to their lowest level since August 2021. Vietnam also faces mitigating import demand, especially from the Philippines and Indonesia, its two largest customers, which together accounted for 60% of Vietnamese exports in 2024. The year 2025 is shaping up to be difficult, with a possible reduction in exports to 7.5 Mt, either 17% lower compared to record sales in 2024. In February, Viet 5% rice traded at an average of \$ 399, against \$ 426 previously. Viet 25% was down to \$ 374, versus \$ 401. In mid-March, prices continued to fall due to weak global demand and the arrival of the winter-spring crop.

In **Pakistan**, rice prices plunged significantly by 10%, accumulating a 30% drop since October 2024. They are the most competitive in the market, but Pakistani exporters are also impacted by limited global demand. In February, Pak 5% averaged \$ 401, against \$ 445 in January. In mid-March, prices were still falling to \$ 380.

In **China**, production increased by just 0.5% to 207.5 Mt (milled basis). This slight growth is due to floods affecting parts of the country. Given the expected decline in domestic stocks, which remain high, China will probably increase its import demand, also stimulated by the fall in world prices. In 2025, Chinese rice imports could reach 2.2 Mt, up from 1.6 Mt in 2024.

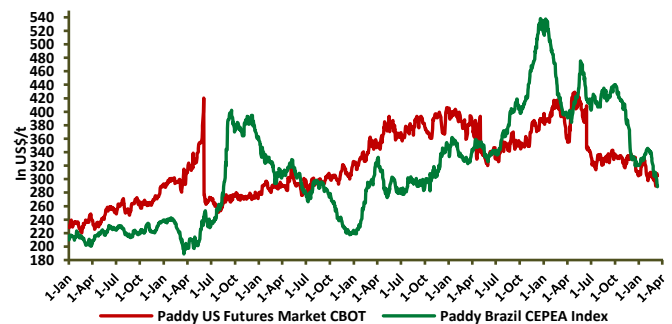
Monthly Evolution of World Rice Prices

US\$ Fob Bangkok, Houston and Ho Chi Minh Ville
source: Osiriz/InfoArroz



In the **United States**, rice prices fell by 4% in a slightly more active foreign market. In February, exports would have reached 250,000 t, against 230,000 t in January, but lagging 30% behind 2024 at the same time. In 2025, U.S. exports could face strong competition from Mercosur in Central American markets. In February, the indicative price for Long Grain 2/4 rice marked \$ 711/t, against \$ 744. In mid-March, the price tended to weaken significantly to \$ 685. On the Chicago Board of Trade, rough rice future prices declined 4% to \$ 304/t, against \$ 317 in January. In mid-March, futures prices continued to decline to \$ 300.

Daily price of paddy United States and Brazil



In **Mercosur**, export prices eased by 1% in a market which is starting to reactivate with the arrival of the new harvests, expected to be good. The Brazilian paddy rice indicative price remained stable at \$ 332/t. However, by mid-March, the rice price was trending down significantly by 10% to \$ 300.

In **sub-Saharan Africa**, supplies in domestic markets have decreased and domestic prices are trending upwards. After a period of limited purchases on foreign markets, waiting for more lower prices, importers should return to the market within the next few weeks. In the subregion, rice imports should increase in 2025, stimulated mainly by the fall in world prices.

	Rice (millions of tons)									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	
Paddy rice								(e)	(p)	
World Production	748.3	752.6	764.3	758.1	780.0	792.5	791.7	805.4	817.8	
China	211.1	212.7	212.2	210.0	211.9	212.8	208.5	206.6	207.4	
India	163.7	168.5	172.6	178.3	184.5	194.2	203.6	202.9	209.7	
Indonesia	54.0	55.3	59.2	67.7	54.6	54.4	54.0	52.5	52.5	
Bangladesh	50.4	54.2	54.5	55.2	55.9	56.8	57.8	60.6	60.2	
Vietnam	42.8	42.8	44.0	43.4	42.7	43.9	42.7	43.5	43.2	
Thailand	32.4	33.7	32.7	28.3	30.3	33.0	33.9	33.0	33.4	
Burma	28.6	29.5	30.4	25.3	25.1	24.9	24.7	28.7	27.2	
Brazil	10.6	12.3	12.1	10.5	11.2	11.8	10.8	10.0	10.6	
Japan	10.7	10.8	10.6	10.5	10.5	10.6	10.4	10.2	10.2	
Milled rice										
World Exports	41.3	48.3	48.5	44.4	45.8	51.9	56.3	53.0	59.0	
India	10.1	12.5	11.6	9.8	14.5	21.4	22.5	17.9	17.0	
Thailand	9.9	11.6	11.1	7.6	5.7	6.1	7.7	8.8	10.0	
Vietnam	5.8	5.9	6.6	7.0	6.2	6.5	7.2	8.3	9.1	
Pakistan	4.0	3.7	3.9	4.5	4.0	3.9	4.6	4.5	6.5	
China	0.5	1.2	2.8	2.6	2.5	2.4	2.2	2.0	1.2	
United States	3.5	3.3	3.1	3.1	3.1	2.9	2.3	2.4	3.2	
Burma	2.8	3.1	2.7	2.5	2.2	1.8	2.2	1.8	2.3	
Brazil	0.6	0.6	1.2	0.8	1.4	1.2	1.4	1.2	1.0	
Others	4.1	6.3	6.4	6.3	6.5	6.1	6.4	6.0	8.0	
World Imports	41.3	48.3	48.5	44.4	45.8	51.9	56.3	53.0	59.0	
China	6.3	5.9	4.5	3.8	3.6	5.1	6.6	2.7	2.0	
Nigeria	2.2	2.7	2.3	2.3	2.0	2.0	2.4	2.1	2.2	
Philippines	0.8	1.2	2.5	2.8	2.5	3.0	3.9	3.7	3.8	
European Union	1.8	2.0	1.9	2.2	2.0	1.9	2.5	2.3	2.4	
Cote d'Ivoire	1.4	1.6	1.7	1.4	1.3	1.8	2.0	1.7	1.8	
Iran	1.1	1.4	1.3	1.4	1.0	0.9	1.3	0.8	1.2	
Saudi Arabia	1.2	1.1	1.2	1.3	1.1	1.2	1.3	1.4	1.4	
Senegal	1.1	1.6	1.4	1.0	1.2	1.5	1.9	1.4	1.4	
Indonesia	1.3	0.3	2.3	0.4	0.5	0.6	0.5	3.5	3.0	
Brazil	0.7	0.8	0.6	0.7	0.9	0.7	0.8	0.9	0.9	
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	0.3	
Eastern Asia	13.4	16.4	17.1	12.8	12.4	16.2	18.3	17.3	16.8	
Africa	14.3	17.1	16.7	16.0	16.2	17.6	18.7	16.9	16.2	
Near & Middle East	7.3	8.4	8.6	8.5	8.6	8.6	8.6	8.6	8.6	
Latin America	4.3	4.4	4.3	4.2	4.9	4.0	4.2	4.4	4.8	
Developed countries	3.9	4.2	4.3	5.0	5.7	5.2	6.3	6.2	6.1	
Stocks ending	173.6	173.9	176.0	187.2	187.6	193.8	194.5	193.9	200.0	
China	98.0	99.0	103.3	105.9	103.9	102.8	100.6	100.1	100.0	
India	18.1	19.5	21.7	28.8	32.7	35.6	41.4	43.2	46.8	
Pakistan	0.9	0.7	0.8	0.6	0.6	1.1	1.0	0.4	0.4	
Thailand	10.7	8.2	5.6	5.4	6.0	8.0	9.9	10.1	9.2	
Vietnam	2.8	3.2	3.1	3.0	3.4	3.1	4.2	3.8	3.5	
United States	1.5	1.5	0.9	1.4	0.9	1.4	1.3	1.0	1.3	

Sources: FAO & USDA, 2024