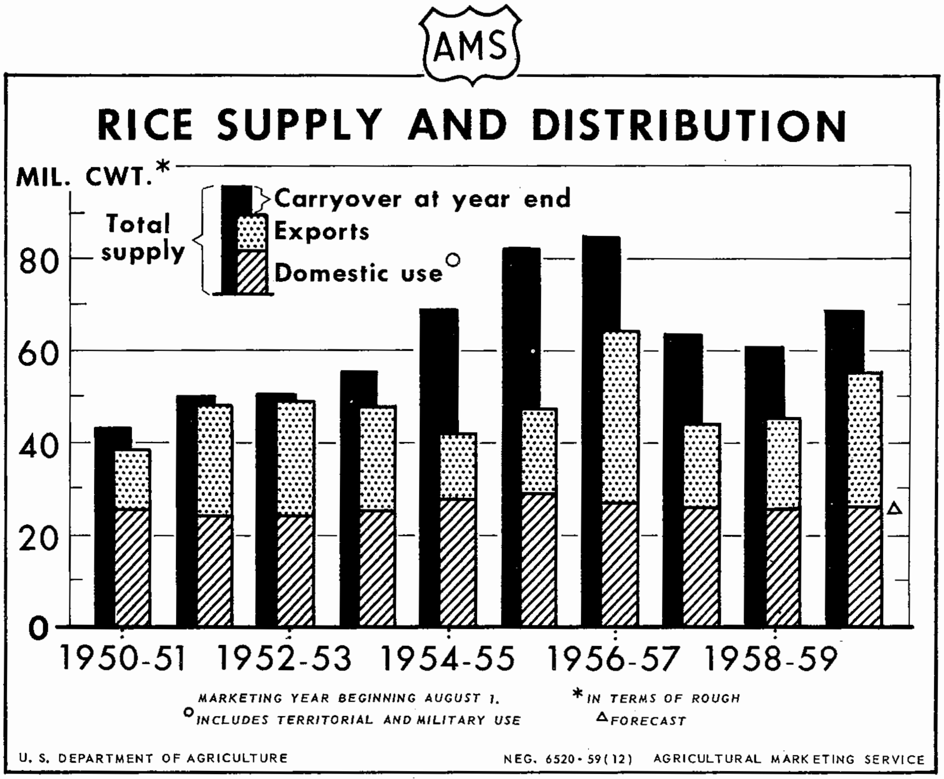
December 1959
FOR RELEASE
DEC. 24, P. M.

The RICE SITUATION

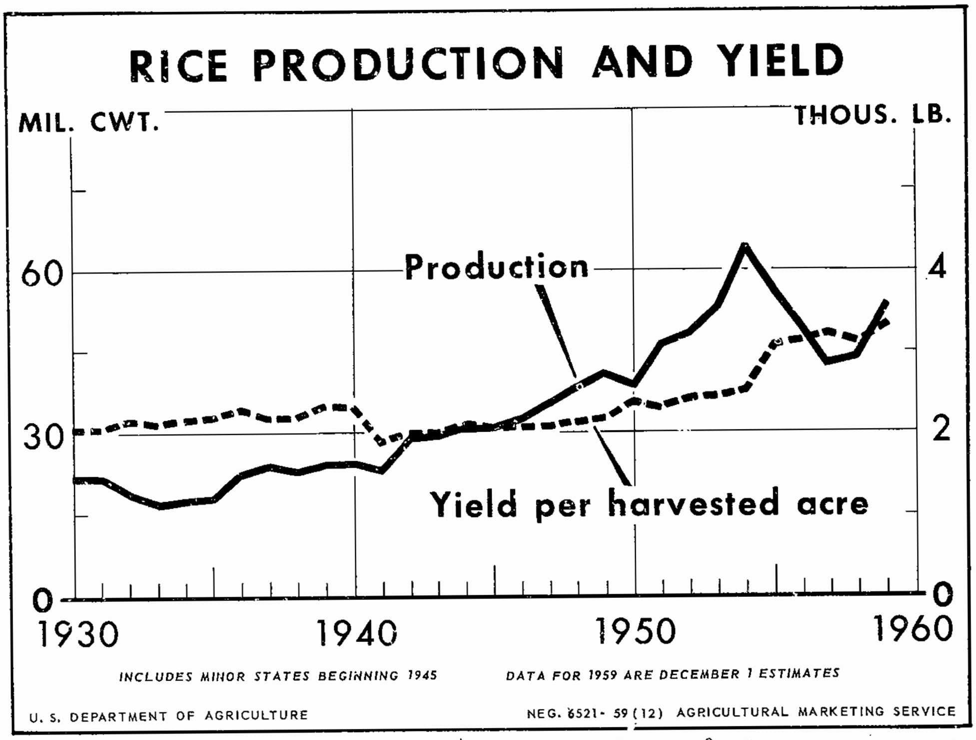
RS-4



Sharply higher exports are expected to reduce the U. S. carryover at the end of the 1959-60 marketing year. As of July 31, 1959, the carryover was less than half of what it was three years earlier, reflecting record exports in 1956-57, the impact of the acreage reserve program in 1957 and 1958, and lowered acreage allotments beginning in 1956. The carryover was 15.7 million cwt., in terms of rough rice, at the end of the 1958-59 marketing year compared with the record 34.6 million on July 31, 1956 and 18.2 million on July 31, 1958.

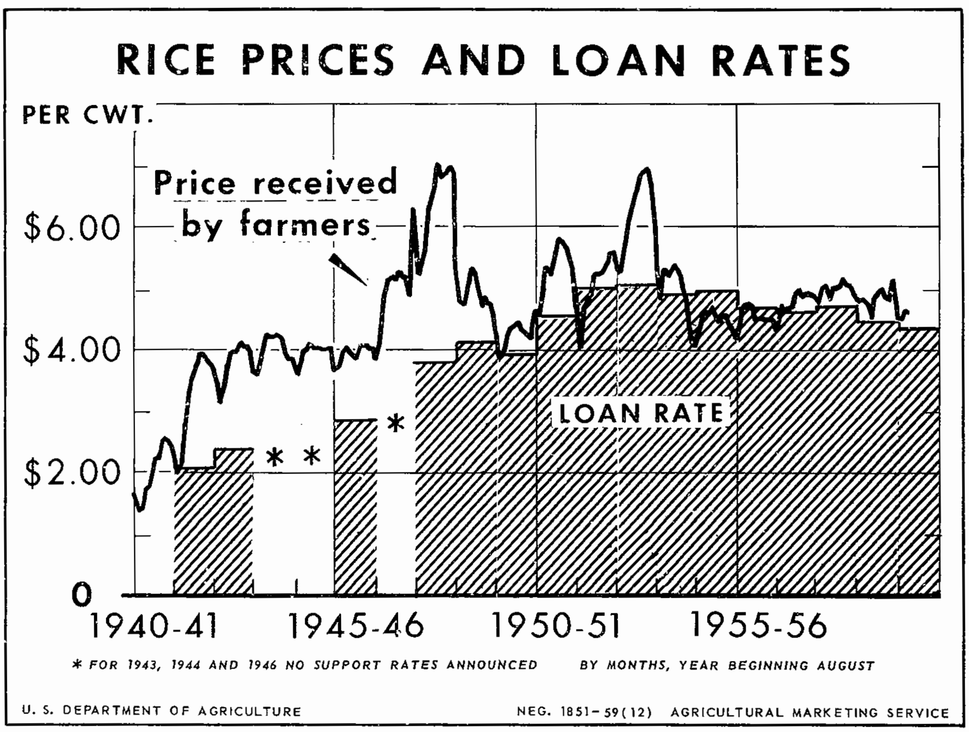
Published annually by
AGRICULTURAL MARKETING SERVICE

UNITED STATES DEPARTMENT OF AGRICULTURE



Rice yields have increased each year since 1945, except for 1951 and 1958. The increase was gradual from 1945 to 1954 but was sharp in 1955. In 1959, the yields are a record 33.49 cwt., 7 percent above a year earlier, and almost half again as much as the 1945-54 average of 22.52 cwt.

Production increased each year from 1939 to 1954, except for 1941, 1945 and 1950. Following the record crop in 1954, acreage allotments and marketing quotas have been in effect. In 1959, the crop totaled 53.2 million cwt.



Rice prices received by farmers, including an allowance for unredeemed loans, have averaged above support levels in all but two years, 1951-52 and 1954-55. In 1958-59, they averaged 19 cents above the national support of $4.48 per cwt. In 1959-60, they are expected to average about 16 cents above the support rate announced at $4.38 per cwt.

THE RICE SITUATION

Approved by the Outlook and Situation Board, December 18, 1959

CONTENTS

	Page
Summary	3
Background	6
Current Domestic Situation	7
Carryover August 1, 1959 down 14 percent; further reduction expected next August	7
Postwar rice production	9
1959 production 20 percent above year earlier	9
Prices average 19 cents above support	11
Domestic Rice Announcements and Outlook for 1960	13
1960 marketing quota and referendum	13
1960 production may be down slightly if yields are average	13
1960 price support set at minimum of $4.36 per cwt.	15
Legislation	15
World Situation and Outlook	17
World rice acreage at record high	17
World trade in 1959	20
U. S. exports moved up in 1959	23
U. S. exports have wide distribution	23
Exports for dollars increase; foreign currency sales important	23
Carryover stocks in exporting countries	24
World rice consumption increasing	25
Rice prices	25
World rice requirements for 1960 to increase	27
Total world export availabilities	27
Outlook for U. S. rice exports	27
Market development work	29
CCC Sales Policy for Rice	29
Index of Tables	31

SUMMARY

A further reduction in the rice carryover is expected August 1, 1960 as the result of sharply increased exports. Tentative estimates are for 29 million cwt. to be shipped abroad in 1959-60, over 9.3 million more than in 1958-59. Domestic use is estimated at 26.4 million cwt.--up slightly. Such exports and domestic use would leave stocks on next August 1 of about 13.6 million cwt., 13 percent less than a year earlier and 61 percent less than the 1956 record.

The 1959 crop is indicated at 53.2 million cwt. of rough rice, 8.8 million or 20 percent larger than a year earlier. The increase reflects expanded acreage, resulting from the discontinuance of the Acreage Reserve Program, and record yields. With carryover stocks on August 1, 1959 of 15.7 million cwt. and imports of 0.1 million cwt., total supply for the 1959-60 marketing year amounts to 69.0 million cwt.

The reduction of more than half in the U. S. rice carryover in the last three years reflects the record exports in 1956-57, the impact of the acreage reserve program in 1957 and 1958, and lowered acreage allotments beginning in 1956. The carryover was 15.7 million cwt. in terms of rough rice on August 1, 1959, compared with the record 34.6 million cwt. on August 1, 1956 and 18.2 on August 1, 1958.

In the referendum held on December 15, producers approved rice quotas for 1960 by a 90.7 percent vote, according to the preliminary report. This is more than the required two-thirds vote of the producers voting. If about the same acreage of rice is seeded in 1960 as in 1959--the allotment is unchanged--and if yields are about equal to the average of the last three years, a crop of about 51.0 million cwt. would be produced, compared with 53.2 million in 1959 and the 1953-57 average of 53.1 million. With domestic disappearance estimated at 26.6 million cwt., exports of 24.6 million cwt. would hold the carryover August 1, 1961 at this year's level. Exports of this size would be below the estimated 29.0 million cwt. for 1959-60, below the 25.1 million in 1952-53 and below the record 37.5 million exported in 1956-57, but above any other year.

The season average price received by farmers for rice in 1959-60 is estimated at $4.67, 16 cents above the support rate of $4.38 per cwt. In 1958-59, the season average price was 19 cents above the support price.

The advance minimum national average price support for 1960-crop rice was announced on December 1 at $4.36 per cwt., 75 percent of the December 1959 rice parity price of $5.82 per cwt.

World rice cultivation in 1959-60 (August-July) continued to expand and world acreage will exceed last year's record. Areas outside Communist China have record acreage and production. But a drop in output in Communist China, which produces about a third of the world rice crop, reduced the world total below that of last year.

World production of rough rice in 1959-60 is tentatively estimated at 4,710 million cwt., compared with 4,801 million in 1958-59 and 4,274 million in 1957-58. Average production in 1950-54 was 3,959 million cwt. World rice production, excluding Communist China, is 3,004 million cwt., an increase of 61 million over 1958-59 and 468 million over the 1950-54 average.

Complete 1959 statistics are not yet available, but estimates based on data at hand indicate that total world trade, including Communist controlled areas, this year may fall below that of 1958, when a total of about 130 million cwt. of milled rice entered the international market.

The reduction, which centered in the Communist controlled areas, was not offset by the increase of about 8 percent in exports from free world areas in 1959 over 1958.

In 1959, exports of U. S. rice were up about 7 percent to some 40 countries and a further substantial increase is expected in 1960. The U. S. dropped to fourth position among world exporters in 1958, but in 1959 it probably regained 3rd place which it had held for a number of years, and the position will likely be maintained in 1960. The most important development of the past year was a sharp increase in shipments to European destinations largely as a result of lower export prices under the Payment-in-Kind Program.

United States exports in 1959 represented about 13 percent of total world trade, compared with 10 percent in 1958. Estimated commercial sales for dollars in 1959 moved from about 5.9 million hundredweight, milled rice basis, to approximately 7.4 million. This was the third consecutive year in which dollar sales advanced. Sales for foreign currencies under Title I of Public Law 480, in addition to cash sales, have been of major importance during the last 4 years.

World stocks of rice in exporters hands from crops previous to the current crop are not expected to be materially higher on January 1, 1960 than those of last year, which were the lowest in several years. By varieties, the carryover position will be lower for short grains than for other types; the old surplus will be limited to medium and long grain types.

Prices of most of the better grades of Asian rice by June this year had made some advances over closing prices at the end of 1958, but in most instances they were lower by November 1. The exception was for long grain varieties. Prices of medium grain varieties from Asia remained fairly steady on Government contracts for most of the year but in November were reported somewhat down. Prices for short grain varieties generally were erratic throughout the year due to almost a cessation of Egyptian exports, a cutoff of Italian supplies in mid-summer, and smaller offerings of rice from Communist China.

Prices for 1960 are likely to hold within reasonable limits for the higher range of qualities of long and medium grains while grades with 20 to 40 percent brokens are likely to move around present prices or lower. Larger quantities of short grains in the market may widen price ranges between short grains and other types, compared with 1959.

Advance sales of rice for delivery in 1960, however, are now at the highest level of any postwar year, indicating the influence of population growth, increased per capita consumption, improved economic conditions and a tendency to depend on more stable free world supplies. It is likely, accordingly, that over-all requirements will be higher in 1960.

The export availability of long and medium varieties will be about the same; short grain varieties will be in more plentiful supply than in 1959, despite the likelihood of smaller exports from Mainland China. Both commercial and exports under Government programs from the United States should be materially higher in 1960

THE RICE SITUATION AND OUTLOOK

BACKGROUND - Between 1945 and 1953, world supplies of rice were scarce and prices rose steadily. Shortages were caused by war-time and postwar disruptions which reduced output in important rice producing countries. Although U. S. rice production before World War II was less than 25 million cwt., during and after the war it increased rapidly and continued to build until 1954, when it was 64 million cwt. In 1957, it reached a recent-year low of 43.0 million cwt, (table 1). Though large in comparison with a decade earlier, U. S. rice production in 1959 at 53.2 million cwt. represented only about 1 percent of the world total.

The world rice shortage began to ease in 1953 as export supplies became more abundant. Unusually favorable growing conditions and expanded acreage planted to rice, both in importing and exporting countries, improved the supply situation. By the fall of 1953, prices of rice in world trade began to move downward from record levels.

Stocks in the United States started building up in 1953-54 following the record large 1953 crop, and at the beginning of the 1954-55 marketing year the carryover was 7.5 million cwt. The combination of these carryover stocks, another record large 1954 crop, and reduced exports caused the August 1, 1955 carryover to rise sharply to about 26.7 million cwt.

In view of this heavy accumulation of rice, acreage allotments and marketing quotas were proclaimed for the 1955 crop. These were approved in the referendum. Although this action resulted in a sharp reduction in acreage, a substantial increase in yield per acre boosted the 1955 crop to the second highest of record up to that date. An increase in domestic disappearance was not sufficient to offset the continuing accumulation, and carryover stocks on August 1, 1956 reached the record high level of 34.6 million cwt. Marketing quotas again were in effect for the 1956 crop.

Although the carryover on August 1, 1957 was cut to 20.1 million cwt. by the smaller crop and record exports, supplies continued large and quotas were again necessary for the 1957 crop. Even though exports in 1957-58 were less than half of those of a year earlier, stocks on August 1, 1958 were reduced by another 2 million cwt. to 18.2 million cwt., as a result of a further decline in production brought about by participation in the Acreage Reserve Program. Stocks at the end of the 1958-59 marketing year were further reduced by 8 percent to 15.7 million cwt. This resulted from a sharp increase in exports more than offsetting an increase in production.

Domestic disappearance, including shipments to Territories, increased from 20 million cwt. in 1946-47 to 29 million cwt. in 1955-56 (table 1). The quantity used by brewers, for seed and feed increased more than use for food. The increase for food reflected an increase in per capita consumption from a below-average level, as well as an increase in population. Domestic disappearance in 1956-57 dropped 2.2 million cwt., reflecting a decline in quantities used by brewers and fed. In 1957-58 there was a slight reduction in food use as well as use for feed and by brewers. In 1958-59 disappearance was reduced by a slight decline in food use.

In 1951-55, exports accounted for about half of production. Exports in 1952-53 reached a record level, up to that date, of 25.1 million cwt. In 1953-54 they fell to 22.7 million cwt. and in 1954-55 to 14.3 million cwt., then rose again to 18.7 million cwt. in 1955-56. Then in 1956-57 exports reached a new record high of 37.5 million, but in the following year they were down again, to 18.3 million cwt. They increased slightly to 19.7 million cwt. in 1958-59. Table 13, page 28, shows U. S. exports, milled basis, by countries of destination, for 1958-59, with comparisons.

THE CURRENT DOMESTIC RICE SITUATION

Carryover August 1, 1959 Down 14 Percent; Further Reduction Expected Next August 1

The rice carryover on August 1, 1959 of 15.7 million cwt., in terms of rough rice was less than half of the record of 34.6 million cwt. only three years earlier. During the past year, stocks were reduced 2.5 million cwt. or 14 percent. The reduction in carryover stocks during the last three years reflects acreage controls and the Acreage Reserve Program, as well as a high level of exports.

The 1959 crop is estimated at 53.2 million cwt., 8.8 million or 20 percent larger than a year earlier, reflecting increased acreage due to the discontinuance of the Acreage Reserve Program, and record yields. With

Table 1 .- Rice, rough equivalent: Supply and distribution, United States, 1937-60 1/

Year beginning August	Supply: Beginning stocks	Supply: Farm production 2/	Supply: Imports 3/	Supply: Total 4/	Disappearance: Domestic: Food 5/	Disappearance: Domestic: Industry 6/	Disappearance: Domestic: Feed and seed	Disappearance: Domestic: Total	Disappearance: Exports	Disappearance: Total	Ending stocks
	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.
1937	3,712	24,040	1,311	29,257	16,044	3,578	1,724	21,346	4,764	26,110	3,147
1938	3,147	23,628	1,018	28,221	14,895	2,870	1,442	19,207	4,767	23,974	4,247
1939	4,247	24,328	649	29,765	15,752	2,779	1,515	20,046	4,484	24,530	5,235
1940	5,235	24,495	334	29,745	16,471	2,944	1,723	21,138	5,651	26,789	2,956
1941	2,956	23,095	126	26,690	15,187	2,451	1,933	19,571	6,552	26,123	567
1942	567	29,082	136	29,552	16,017	2,278	1,971	20,266	6,961	27,227	2,325
1943	2,325	29,264	77	30,213	16,619	2,747	1,950	21,316	7,069	28,385	1,828
1944	1,828	30,974	7/	31,760	14,925	3,155	1,921	20,001	10,201	30,202	1,558
1945	1,558	30,704	127	32,339	14,120	3,439	2,056	19,615	11,469	31,084	1,255
1946	1,255	32,538	9	33,052	15,491	2,530	2,144	20,165	12,291	32,456	596
1947	596	35,261	27	35,843	15,170	4,572	2,298	22,040	13,055	35,095	748
1948	748	38,328	53	38,975	15,346	4,307	2,439	22,092	14,378	36,470	2,505
1949	2,505	40,789	62	43,138	16,585	4,724	2,136	23,445	16,224	39,669	3,469
1950	3,469	38,845	787	43,438	18,252	4,866	2,634	25,752	13,167	38,919	4,519
1951	4,519	46,118	542	50,514	17,014	4,750	2,652	24,416	24,058	48,474	2,040
1952	2,040	48,271	350	51,049	17,014	4,577	2,821	24,412	25,122	49,534	1,515
1953	1,515	52,918	417	55,565	17,343	4,560	3,408	25,311	22,708	48,019	7,546
1954	7,546	64,248	65	68,964	18,680	5,425	3,873	27,978	14,286	42,264	26,700
1955	26,700	55,969	194	82,343	19,080	6,114	3,885	29,079	18,656	47,735	34,608
1956	34,608	49,503	384	84,646	19,217	5,085	2,727	27,029	37,519	64,548	20,098
1957	20,098	42,954	235	62,791	18,992	4,796	2,513	26,301	18,319	44,620	18,171
1958 8/	18,171	44,396	164	61,310	18,600	4,707	2,574	25,881	19,749	45,630	15,680
1959 9/	15,680	53,150	150	68,980	18,800	5,000	2,580	26,380	29,000	55,380	13,600
1960 10/	13,600	51,000	150	64,750	19,000	5,000	2,550	26,550			

1/ Milled rice converted to rough basis at annual extraction rate. 2/ Includes estimates of production in minor States Missouri, South Carolina, North Carolina, Arizona, Florida, Illinois, Tennessee and Oklahoma, beginning 1945. 3/ Consists mostly of broken rice. 4/ Adjusted to equal total distribution. 5/ Includes shipments to territories and military food use. 6/ Primarily for beer production. 7/ Less than 500 hundredweight. 8/ Preliminary. 9/ Tentative estimates. 10/ Preliminary.

negligible imports, the total supply for the 1959-60 marketing year amounts to 69.0 million cwt.

Domestic use of rice in 1959-60 is estimated at 26.4 million cwt., 0.5 million above a year earlier. Domestic use in 1959-60 is made up of the following items, in million cwt. (1958-59 data are in parentheses): Food, 18.8 (18.6); brewers use, 5.0 (4.7); seed, 2.1 (2.1) and feed, 0.5 (0.5). Exports are tentatively estimated at 29.0 million cwt., sharply above the 19.7 million last year. On the basis of these estimates, the carryover August 1, 1960 may be about 13.6 million cwt. This would be down 2.1 million, or 13 percent, from the carryover August 1, 1959, and down 21.0 million cwt., or 61 percent, from the record 34.6 million cwt. in 1956.

Distribution of rice for food in the United States in 1958-59 amounted to 5.1 pounds per capita, down from 5.7 pounds a year earlier and the 5.4-pound average for 1947-56 (table 6 on page 14). The decline last year may be explained in part by inventory changes in retail distribution channels. Rice consumption has held up relatively well compared with consumption of potatoes, wheat, and other starch products.

Postwar Rice Production

Rice yields per harvested acre have increased in each year since 1945, except for 1951 and 1958 (figure on page 2). The increase was gradual from 1945 to 1954 but in 1955 it was sharp. Yields per harvested acre in 1959 are a record 33.49 cwt., 7 percent above a year earlier, but almost half again as much as the 1945-54 average of 22.52 cwt. Except for 1950, rice acreage increased each year from 1939 to 1954. Because of the increase in the carryover following the record crop and small exports in 1954 it became necessary to impose acreage allotments and proclaim marketing quotas for 1955. Although yields increased each year from 1955 to 1959, except for 1958, reduced acreage held production well below the record 1954 level. Lower production was a major factor in reducing the size of the carryover but the reduction was not enough to permit the discontinuance of production controls.

1959 Rice Production 20 Percent Above Year Earlier

The 1959 production of rice in U. S. is estimated at 53.1 million cwt. of rough rice. 1/ This production is 20 percent above last year and 11 percent above average. The larger production this year was due to both higher yields and larger harvested acreage with the latter accounting for about two-thirds of the increase. The seeded acreage, at 1.6 million, moved up rather sharply due primarily to the discontinuance of the Acreage Reserve Program. The yield at 33.49 cwt. reached a new record high.

1/ Production of 28,000 cwt. in minor States (table 4) not included.

Table 2.- Rice: Average price received by farmers, United States, and average wholesale price at New Orleans and San Francisco, 1947-59

Year beginning August	August	September	October	November	December	January	February	March	April	May	June	July	Average
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
	Price per 100 pounds received by farmers for rough rice, 15th of month 1/												
1947	6.24	5.22	5.58	6.22	6.42	6.07	6.98	6.73	6.78	6.82	6.96	6.91	5.97
1948	5.33	4.76	4.73	5.13	5.36	5.24	4.98	4.69	4.82	4.73	4.73	4.56	4.88
1949	4.18	3.82	3.98	4.22	4.37	4.41	4.46	4.34	4.30	4.22	4.19	4.46	4.10
1950	4.61	4.56	5.03	5.33	5.26	5.57	5.81	5.78	5.72	5.67	5.41	5.23	5.09
1951	4.67	4.03	4.66	4.79	4.90	5.20	5.22	5.25	5.36	5.47	5.62	5.62	4.82
1952	5.32	5.27	5.72	6.10	6.25	6.48	6.63	6.88	6.91	6.91	6.70	5.95	5.87
1953	5.31	4.82	5.37	5.26	5.34	5.42	5.34	5.21	5.01	4.85	4.19	4.14	5.19
1954	4.06	4.23	4.60	4.57	4.64	4.51	4.46	4.52	4.55	4.46	4.35	4.26	4.57
1955	4.19	4.64	4.77	4.77	4.71	4.48	4.49	4.52	4.50	4.50	4.50	4.44	4.81
1956	4.29	4.56	4.75	4.61	4.65	4.68	4.91	4.98	4.88	4.91	4.91	4.90	4.86
1957	4.86	4.84	5.01	5.04	4.84	5.01	5.02	5.03	5.14	5.03	5.04	4.92	5.11
1958 2/	4.83	4.77	4.83	4.75	4.57	4.85	4.94	5.04	4.91	4.87	5.14	5.08	4.67
1959 2/	4.55	4.50	4.65	4.64									4.54
	Wholesale price per 100 pounds (bagged) of milled Zenith, U. S. No. 2 (Fancy) at New Orleans 3/												
Blue rose													
1947	13.05	11.70	11.30	12.00	12.05	12.55	13.30	12.75	12.80	13.70	15.75	16.40	13.10
Zenith													
1947	12.65	10.90	10.90	12.00	12.05	12.55	13.30	12.65	12.50	13.00	15.40	16.15	12.85
1948	9.65	8.80	8.75	9.00	10.20	9.60	9.25	9.20	9.10	9.00	8.80	8.60	9.15
1949	8.15	6.95	6.95	7.60	8.00	8.05	8.00	7.90	7.95	8.00	8.00	8.40	7.85
1950	9.05	8.50	8.90	9.90	9.85	9.95	10.05	10.55	10.50	10.50	10.35	10.40	9.90
1951	9.10	8.30	8.95	9.45	9.60	10.05	10.45	10.50	10.50	10.50	10.50	10.50	9.85
1952	10.45	10.40	10.55	10.70	10.75	10.75	10.75	12.20	12.40	12.40	12.40	12.00	11.30
1953	9.35	8.60	9.20	9.35	9.40	9.40	9.40	9.25	9.05	8.90	8.60	8.80	9.10
1954	7.45	7.50	8.20	9.20	9.40	9.40	9.40	9.70	10.70	11.25	11.25	10.75	9.50
1955	9.30	8.90	8.90	9.25	9.25	9.10	8.90	8.80	8.75	8.75	8.40	8.40	8.90
1956	8.30	8.40	8.55	8.50	8.50	8.55	8.80	8.90	8.90	9.05	9.20	9.45	8.75
1957	9.35	9.30	9.45	9.55	9.65	9.65	9.75	9.90	10.15	10.10	10.05	10.15	9.75
1958	9.65	9.15	9.25	9.20	9.25	9.40	9.20	9.15	8.90	9.10	9.20	9.05	9.20
1959	8.60	8.15	8.15	8.15									

Wholesale price per 100 pounds (bagged) of milled California Pearl, U. S. No. 2 (Fancy) at San Francisco docks 3/

Year beginning October	October	November	December	January	February	March	April	May	June	July	August	September	Average
1947	9.93	10.82	10.85	11.01	11.60	11.60	11.60	12.33	12.63	12.62	11.95	11.23	11.51
1948	7.84	8.13	9.13	9.13	9.25	9.06	8.72	8.53	8.22	7.97	7.95	7.78	8.48
1949	7.10	7.15	7.37	7.38	7.20	7.06	7.03	7.05	7.22	8.08	8.74	8.46	7.49
1950	8.34	8.90	9.00	9.18	9.28	9.28	9.28	9.21	9.18	9.28	9.13	8.85	9.07
1951	8.50	8.45	8.85	9.15	9.50	9.65	9.65	9.65	9.05	9.65	9.65	9.68	9.34
1952	9.82	9.94	9.94	10.32	10.69	12.00	12.15	12.15	12.08	11.68	10.55	9.07	10.87
1953	8.98	8.95	9.04	9.08	9.17	9.33	9.23	9.20	9.20	9.16	9.13	8.54	9.08
1954	8.43	8.43	8.43	8.43	8.43	8.43	8.58	8.58	8.45	8.45	8.45	8.45	8.46
1955	8.40	8.40	8.40	8.22	8.15	8.15	8.15	8.15	8.15	8.15	8.10	8.10	8.21
1956	7.74	7.70	7.70	7.70	7.93	7.95	8.08	8.08	8.08	8.08	8.08	8.04	7.93
1957	7.90	7.90	7.90	7.90	7.90	7.90	7.90	7.90	7.90	7.90	7.90	7.90	7.90
1958	7.40	7.40	7.40	7.40	7.40	7.40	7.40	7.40	7.40	7.55	8.05	8.15	7.55
1959	8.15	8.15											

1/ U. S. monthly prices are the result of weighting monthly State prices by production through July 1958. Beginning August 1958, monthly State prices are weighted by estimated sales for the month. U. S. marketing-year prices are the result of (1) weighting State monthly prices by monthly sales to obtain State marketing-year averages, and (2) weighting the State marketing-year averages by total sales for each State. Averages weighted by production are usually the same. 2/ Preliminary.
3/ Data from Grain Division, AMS.

Rice was harvested from 1,586,100 acres, 12 percent above last year but 15 percent below average and 38 percent below the record high acreage harvested in 1954. The acreage abandoned is estimated at 1.3 percent, the smallest since 1955, with acreage removed to comply with allotments accounting for more than half of the abandonment.

Production in the Southern area--Missouri, Mississippi, Arkansas, Louisiana and Texas--totaled 40.0 million cwt., about 20 percent above last year's production. Record high yields per acre were estimated for Missouri, Arkansas and Louisiana. Weather was favorable for seeding and little replanting was necessary. Heavy rains received with hurricane Debra caused some damage to the crop in Texas and Louisiana in late August. Rains and winds in late September and early October caused some lodging and retarded harvest over the Southern area. However, the crop season was generally very good and harvest was virtually complete by November 1.

In California, production is estimated at 13.1 million cwt., 18 percent above the 1958 crop. The yield of 46.00 cwt. per acre is 1.50 cwt. above the previous record set last year. Following a good growing season, harvest conditions were almost ideal. Dry, warm, windy weather helped reduce field moisture and harvest was completed in record time. The quality of the crop was excellent.

Rice Prices Average 19 Cents Above Support

Average rice prices received by farmers, including an allowance for unredeemed loans, were above national support levels in all but two years, 1951-52 and 1954-55. For a number of years, this resulted from a strong export demand. In recent years, large quantities under support and heavy deliveries to CCC have given strength to prices.

In 1958-59, the price to farmers averaged $4.67, 19 cents above the national average support of $4.48 per cwt., reflecting a large proportion of higher priced long-grain rice put under the support program. The 1959-60 price is estimated at $4.54, which is 16 cents above the support rate announced at $4.38 per cwt.

Farmers put slightly more than a fourth of their 1958-crop rice under price support compared with about a third of their 1957 crop (table 7, page 16). Of the 11.6 million cwt. put under price support from the 1958 crop, farmers delivered 6.3 million to the CCC. The year before, farmers delivered 11.0 million cwt. out of 13.6 million put under support. Bluebonnet and Century Patna were the principal varieties delivered to CCC of the 1958 crop. Of the 15.7 million-bushel total carryover of rice on August 1, 1959, the CCC owned 9.4 million cwt.

Through November 30, 1959, farmers had placed a total of 5.55 million cwt. of 1959-crop rice under support, compared with 4.35 million cwt. of 1958-crop rice on the same date a year earlier. Of the 5.55 million cwt.,

Table 3 .- Rice: Acreage allotments, by States, 1958-60

State	Apportionment 1958	1959	1960
	Acres	Acres	Acres
Arizona	229	229	229
Arkansas	399,014	398,855	399,012
California	299,767	299,648	299,766
Florida	957	956	957
Illinois	20	20	20
Louisiana	475,010	474,892	475,008
Mississippi	46,675	46,669	46,674
Missouri	4,767	4,765	4,767
North Carolina	29	38	38
Oklahoma	149	149	149
South Carolina	2,846	2,845	2,846
Tennessee	517	517	517
Texas	422,316	422,147	422,313
Total apportioned to States	1,652,296	1,651,730	1,652,296
Unapportioned national reserve	300	866	300
United States total	1,652,596	1,652,596	1,652,596

Commodity Stabilization Service, U.S.D.A.

Table 4 .- Rice: Acreage and production, by States, 1958-59

State	Acreage: Planted 1958	Planted 1959 1/	Harvested 1958	Harvested 1959 1/	Production 1958	Production 1959 1/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 cwt.	1,000 cwt.
Missouri	4.0	4.3	3.7	4.1	115	139
Mississippi	42	46	39	44	1,092	1,188
Arkansas	342	390	336	383	9,912	12,639
Louisiana	415	459	408	453	10,812	12,910
Texas	385	421	379	417	11,370	13,136
California	251	287	249	285	11,080	13,110
Minor States 2/	1.0	1.2	1.0	1.2	15	28
United States	1,440.0	1,608.5	1,415.7	1,587.3	44,396	53,150

1/ Preliminary.
2/ Minor States include Arizona, Florida, Illinois, North Carolina, South Carolina, Oklahoma and Tennessee.

4.13 were warehouse-stored and 1.40 million farm-stored. Purchase agreements accounted for only 14,869 cwt. Through November 30, farmers had repaid loans on 200,270 cwt. of rice.

DOMESTIC RICE ANNOUNCEMENTS AND OUTLOOK FOR 1960

1960 Rice Marketing Quota And Referendum

Marketing quotas for rice were proclaimed on December 1, 1959. The law requires quotas for the coming crop (1960) whenever the total supply for the preceding marketing year (1959-60) exceeds the normal supply by more than 10 percent. The total supply of rice for the 1959-60 marketing year quota determination is 14.2 percent above the normal supply figure, 4.2 points above the marketing quota level 2/.

In the referendum held on December 15, producers approved rice quotas for 1960 by a 90.7 percent vote, according to the preliminary report 3/. This is more than the required two-thirds vote of the producers voting.

1960 Production May be Down Slightly if Yields are Average

The national rice allotment for 1960 is 1,652,596 acres, the minimum fixed by law. This is the same allotment that has been in effect since 1956. The 1960 national acreage allotment has been apportioned among the 13 rice-producing States in the same proportion as they shared in the acreage allotment for 1956 (table 3).

If about the same acreage of rice is seeded in 1960 as in 1959, and if yields are about equal to the average of the past three years, a crop of about 51.0 million cwt. would be produced, compared with 53.2 million cwt. in 1959 and 53.1 million, the 1953-57 average. With domestic disappearance estimated at 26.5 million cwt., exports would have to be 24.6 million cwt.

2/ For the marketing quota determination, the total 1959-60 supply of rice is estimated at 68,969,000 cwt., consisting of a 1959 crop of 53,139,000 cwt., a carryover on August 1, 1959 of 15,680,000 cwt. and estimated imports of 150,000 cwt. The normal supply is estimated at 60,369,000 cwt., based on an estimated domestic consumption of 25,881,000 cwt. for the 1958-59 marketing year and exports of 29,000,000 cwt. during the 1959-60 marketing year, with a carryover allowance of 10 percent of the consumption and export total.

3/ Rice marketing quotas were in effect for the 1955, 1956, 1957, 1958 and 1959 crops. For 1959, producers approved rice quotas by a 86.9 percent favorable vote; for 1958, 90 percent; for 1957, 91.4 percent; for 1956, 84.6 percent and for 1955, 90.2 percent.

Table 5 .- Rice, rough: Acreage, yield and production, Southern States, California and United States, 1930-59

Crop year	Harvested acreage: Southern States 1/	Harvested acreage: California	Harvested acreage: United States	Average yield per harvested acre: Southern States 1/	Average yield per harvested acre: California	Average yield per harvested acre: United States	Production: Southern States 1/	Production: California	Production: United States
	1,000 acres	1,000 acres	1,000 acres	Pounds	Pounds	Pounds	1,000 cwt.	1,000 cwt.	1,000 cwt.
1930	856	110	966	1,980	2,974	2,093	16,946	3,272	20,218
1931	840	125	965	1,948	2,970	2,080	16,364	3,712	20,076
1932	764	110	874	1,992	3,191	2,143	15,219	3,510	18,729
1933	690	108	798	2,005	2,880	2,123	13,833	3,110	16,943
1934	704	108	812	1,968	3,440	2,164	13,856	3,715	17,571
1935	717	100	817	2,012	3,330	2,173	14,423	3,330	17,753
1936	843	138	981	2,158	3,060	2,285	18,196	4,223	22,419
1937	967	132	1,099	2,062	3,105	2,187	19,941	4,099	24,040
1938	951	125	1,076	2,088	3,015	2,196	19,859	3,769	23,628
1939	925	120	1,045	2,192	3,375	2,328	20,278	4,050	24,328
1940	951	118	1,069	2,129	3,600	2,291	20,247	4,248	24,495
1941	1,061	153	1,214	1,820	2,475	1,902	19,308	3,787	23,095
1942	1,250	207	1,457	1,872	2,745	1,996	23,400	5,682	29,082
1943	1,248	224	1,472	1,820	2,925	1,988	22,712	6,552	29,264
1944	1,240	240	1,480	1,954	2,812	2,093	24,224	6,750	30,974
1945	2/1,266	235	1,501	1,931	2,665	2,046	2/24,442	6,262	30,704
1946	2/1,323	261	1,584	1,861	3,032	2,054	2/24,625	7,913	32,538
1947	2/1,454	256	1,710	1,872	3,139	2,062	2/27,226	8,035	35,261
1948	2/1,551	256	1,807	2,031	2,669	2,121	2/31,496	6,832	38,328
1949	2/1,554	305	1,859	1,967	3,350	2,194	2/30,571	10,218	40,789
1950	2/1,401	238	1,639	2,182	3,475	2,370	2/30,575	8,270	38,845
1951	2/1,673	324	1,997	2,118	3,300	2,309	2/35,426	10,692	46,118
1952	2/1,666	337	2,003	2,194	3,475	2,410	2/36,560	11,711	48,271
1953	2/1,740	425	2,165	2,333	2,900	2,444	2/40,593	12,325	52,918
1954	2/2,078	477	2,555	2,506	2,550	2,515	2/52,084	12,164	64,248
1955	2/1,502	329	1,831	2,971	3,450	3,057	2/44,619	11,350	55,969
1956	2/1,286	286	1,572	2,915	4,200	3,149	2/37,491	12,012	49,503
1957	2/1,115	226	1,341	2,981	4,300	3,203	2/33,236	9,718	42,954
1958	2/1,167	249	1,416	2,855	4,450	3,135	2/33,316	11,080	44,396
1959 3/	2/1,302	285	1,587	3,075	4,600	3,349	2/40,040	13,110	53,150

1/ Southern States consist of Texas, Louisiana and Arkansas, and beginning in 1949, Mississippi and Missouri. 2/ Includes acreage and production in minor States, in thousand acres and thousand cwt. (in parentheses) as follows: 2 (36) in 1945, 2, (41) in 1946, 2 (44) in 1947, 3 (53) in 1948, 1 (20) in 1949, 2 (25) in 1950, 1 (29) in 1951, 6 (78) in 1952, 6 (84) in 1953, 5 (55) in 1954, 5 (67) in 1955, 2 (44) in 1956, 1 (19) in 1957, 1 (15) in 1958 and 1 (28) in 1959.
3/ Preliminary.

Data published currently in Crop Production (AMS).

Table 6 .- Rice, milled equivalent: Total and per capita consumption, Continental U.S., 1909-58

Year beginning August	Consumption: Total 1/	Consumption: Per capita 2/	Year beginning August	Consumption: Total 1/	Consumption: Per capita 2/	Year beginning August	Consumption: Total 1/	Consumption: Per capita 2/
	Mil. lb.	Lb.		Mil. lb.	Lb.		Mil. lb.	Lb.
1909	764	8.3	1927	737	6.2	1944	632	4.9
1910	588	6.3	1928	702	5.8	1945	539	4.0
1911	570	6.0	1929	649	5.3	1946	660	4.7
1912	645	6.7				1947	706	4.9
1913	690	7.0	1930	715	5.8	1948	732	5.0
1914	702	7.0	1931	662	5.3	1949	762	5.1
1915	701	6.9	1932	762	6.1			
1916	961	9.4	1933	553	4.4	1950	874	5.8
1917	1,060	10.2	1934	729	5.7	1951	806	5.3
1918	1,084	10.3	1935	681	5.3	1952	833	5.4
1919	655	6.2	1936	783	6.1	1953	837	5.3
			1937	783	6.1	1954	885	5.5
1920	748	7.0	1938	734	5.6	1955	957	5.8
1921	502	4.6	1939	778	5.9	1956	970	5.8
1922	585	5.2				1957	963	5.7
1923	589	5.2	1940	773	5.9	1958	884	5.1
1924	619	5.4	1941	703	5.3			
1925	606	5.2	1942	734	5.7			
1926	667	5.6	1943	694	5.4			

1/ Total consumption in Continental U.S. is calculated by adding the beginning stocks at mills to mill production and imports, minus the following: Ending stocks at mills, exports, brewers' use, feed use, shipments to U.S. Territories and food use by the military forces at home and abroad. 2/ Per capita figures are obtained by dividing total consumption by the series on population eating from civilian supplies, unadjusted for underenumeration.

to hold the carryover August 1, 1961 at this year's level. Exports of this size would be below the estimated 29.0 million cwt. for 1959-60, below the 25.1 million in 1952-53 and below the record 37.5 million exported in 1956-57, but above any other year.

1960 Rice Price Support Set At Minimum of $4.36 Per Cwt.

The advance minimum national average price support for 1960-crop rice was announced on December 1 at $4.36 per cwt., 75 percent of the December 1959 rice parity price of $5.82 per cwt.4/ If August 1 parity price is above $5.82, support will be 75 percent of that figure. The price support program for the 1960 crop will be carried out through loans and purchase agreements, as in past years. Loans and purchase agreements will be available through January 31, 1961; loans will mature on March 31, 1961. Producers who remain within their acreage allotments will be eligible for price support at the above stated level up to $50,000 for nonrecourse loans and purchase agreements, and for recourse loans only for any production above this amount.5/ Growers who exceed their farm acreage allotments will be subject to marketing quota penalties. The penalty will amount to 65 percent of parity (as of June 15, 1960) per cwt. on their excess production. However, the penalty on any excess production may be avoided or postponed by storage or by delivery to the CCC or any other agency designated by the Department of Agriculture. None of the production on farms which exceeded their allotments will be eligible for price support.

Legislation

Legislation (P. L. 85-835) enacted in 1958 provides that (1) The minimum national allotment for rice is to continue indefinitely at the 1957 level of 1,652,596 acres (the same as for 1956); (2) the rate of price support for the 1959 and 1960 crops will be unchanged at not less than 75 percent or more than 90 percent of parity, the level to be determined by the Secretary, and (3) the minimum support level for 1961 will be reduced to 70 percent of the parity price and for 1962 and subsequent years to not less than 65 percent, with the maximum to remain at 90 percent. The only new legislation enacted in 1959 relating to rice is the $50,000 price support limitation (P.L. 86-80).

4/ This is set in accordance with legal provisions calling for rice support between 75 and 90 percent of parity. The Agricultural Act of 1958 removed supply as the basis for determining minimum rice price support levels.

5/ The $50,000 limitation on nonrecourse price supports, as enacted by the first session of the 86th Congress, will be applicable to the 1960 crop of rice. Such limitation will not apply to producers who reduce their 1960 planting of rice by at least 20 percent from their 1959 planted rice acreage. This limitation applies to persons rather than to individual farming units. Loans may be made in excess of $50,000 provided the borrower agrees to repay the excess within the specified period.

Table 7.- Rice, rough equivalent: Price support operations and price analysis items, 1940-59

Year beginning August	Under price support: Loans	Under price support: Purchase agreements	Under price support: Total	Deliveries to CCC	Owned by CCC on August 1	Under loan: August 1	Support rate per cwt.	Season average price per cwt. received by farmers
	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	Dol.	Dol.
1940	---	---	---	---	---	---	---	1.80
1941	---	---	---	---	---	---	2.04	3.01
1942	---	---	---	---	---	---	2.33	3.61
1943	---	---	---	---	---	---	2/	3.96
1944	---	---	---	---	---	---	2/	3.93
1945	---	---	---	---	---	---	2.82	3.98
1946	---	---	---	---	---	---	2/	5.00
1947	---	---	---	---	---	---	3.76	5.97
1948	153	3,565	3,718	611	---	---	4.08	4.88
1949	1,865	6,282	8,147	3,043	11	1	3.96	4.10
1950	217	575	792	26	459	218	4.56	5.09
1951	4,008	1,843	5,851	518	369	17	5.00	4.82
1952	209	---	209	---	226	1	5.04	5.87
1953	1,808	2,666	4,474	3,170	1	6	4.84	5.19
1954	17,552	12,923	30,475	25,141	3,000	283	4.92	4.57
1955	15,557	10,703	26,260	23,475	22,500	2,589	4.66	4.81
1956	13,304	10,423	23,727	16,771	26,989	312	4.57	4.86
1957	6,977	6,590	13,567	11,007	12,501	48	4.72	5.11
1958 3/	8,306	3,280	11,586	6,271	12,004	9	4.48	4.67
1959 3/	4/5,531	4/ 15	4/5,546		9,403	34	4.38	4.54

1/ Season average prices received by farmers weighted by sales.
2/ Price support was mandatory at 90 percent of parity but since prices were so far above support levels, support rates were not announced.
3/ Preliminary.
4/ Through November 30, 1959.

THE WORLD RICE SITUATION AND OUTLOOK 6/

World Rice Acreage At Record High 7/

World rice cultivation in 1959-60 (August-July) continued to expand in large areas over the world, according to the first estimate of the Foreign Agricultural Service (table 8). World acreage will exceed last year's record. Areas outside Communist China have record acreage and production. However, due to a drop in Communist China's output--about a third of the world total production--the world harvest is below last year.

World production of rough rice in 1959-60 is tentatively estimated at 471.0 billion pounds, compared with 480.1 billion in 1958-59 and 427.4 billion pounds in 1957-58. Average production in 1950-54 was 395.9 billion pounds.

The record 1959-60 world acreage in rice is estimated at 280 million acres, up 2 million from last year, 11 million over 2 years earlier, and 24 million more than the average. Acreage increased in all continents except Australia, where it approximates that of last year.

World rice production, excluding Communist China, is 300.4 billion pounds of rough rice, an increase of 6.1 billion over 1958-59 and 46.8 billion over the 1950-54 average. Acreage increased to 207 million acres from 203 million the year before. Also, the yields per acre were higher in many countries because of favorable weather and improved cultivation.

Asia, excluding Communist China, produces over half the world crop. The harvest in this area in 1959-60 increased 3.8 billion pounds over the preceding year, and 32.0 billion pounds more than the poor crop of 1957-58. Production this year is 18 percent above average.

Good crops were harvested again in India, Japan and Pakistan--the largest producers next in volume to Communist China. Acreages in 1959-60 were increased and weather has been generally favorable. Production is up in Malaya and Korea. The Philippines expect another large crop, but whether it will exceed last year's bumper harvest is not yet known.

Larger crops are also being harvested in the principal exporting countries of Asia--Burma, Cambodia, Thailand and Viet Nam. The combined production of Burma and Thailand, countries which usually account for over half the total world trade, is estimated at 35.3 billion pounds of rough rice, compared with 33.6 billion pounds in 1958-59.

6/ Except for the statement on 1959-60 production, the World Rice Situation and Outlook, was prepared by Dexter V. Rivenburgh, Rice Marketing Specialist of the Foreign Agricultural Service.

7/ From Foreign Crops and Markets, World Summaries, Crops and Livestock, November 27, 1959.

Table 8.-Rice, rough : Acreage, yield per acre, and production in specified countries, average 1950-51/1954-55, annual 1957-58 to 1959-60 1/

Continent and country	Acreage				Yield per acre				Production			
	Average 1950-51 to 1954-55	1957-58	1958-59 2/	1959-60 2/	Average 1950-51 to 1954-55	1957-58	1958-59 2/	1959-60 2/	Average 1950-51 to 1954-55	1957-58	1958-59 2/	1959-60 2/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Pounds	Pounds	Pounds	Pounds	Million pounds	Million pounds	Million pounds	Million pounds
North America:												
Mexico	235	290	310	320	1,574	1,824	1,790	1,797	369.9	528.0	555.0	575.0
United States	2,068	1,340	1,415	1,586	2,411	3,204	3,137	3,349	5,002.6	4,293.5	4,438.1	5,312.2
Total	2,310	1,638	1,733	1,914	2,329	2,949	2,886	3,080	5,379.2	4,829.9	5,000.6	5,894.7
Costa Rica	72	92	112	121	1,183	862	--	--	85.2	79.3	--	--
El Salvador	44	36	31	--	1,430	1,842	1,935	--	62.9	66.3	60.0	--
Guatemala	21	22	23	--	1,043	1,123	1,113	--	21.9	24.7	25.6	--
Honduras	27	33	33	--	926	927	958	--	25.0	30.6	31.6	--
Nicaragua	66	59	56	61	1,298	1,192	1,264	1,213	85.7	70.3	70.8	74.0
Panama	179	220	242	246	1,165	879	1,081	1,138	208.5	193.4	261.7	280.0
Total Central America	411	464	500	527	1,199	1,009	1,159	1,180	492.6	468.1	579.7	622.0
Cuba	175	270	220	250	1,829	2,130	2,159	2,200	320.0	575.0	475.0	550.0
Dominican Republic	112	120	--	--	1,703	1,833	--	--	190.7	220.0	--	--
Total Caribbean	376	490	437	470	1,711	1,903	1,894	1,931	643.3	932.5	827.5	907.5
Total North America	3,097	2,592	2,662	2,911	2,104	2,404	2,407	2,550	6,515.1	6,230.5	6,407.8	7,424.2
South America:												
Argentina	140	149	135	--	2,815	3,205	2,519	--	394.1	477.5	340.0	--
Bolivia	40	47	50	--	1,480	1,383	1,500	--	59.2	65.0	75.0	--
Brazil 3/	5,362	6,280	6,400	6,450	1,340	1,441	1,419	--	7,182.5	9,050.0	9,080.0	--
British Guiana	134	152	183	--	2,087	1,743	2,049	--	279.7	265.0	375.0	--
Chile 3/	69	76	105	--	2,512	2,637	1,825	--	173.3	200.4	191.6	--
Colombia	401	482	487	509	1,465	1,602	1,797	1,827	587.3	772.1	875.0	930.0
Ecuador	150	130	150	--	1,767	1,792	1,667	--	265.0	233.0	250.0	--
Paraguay	23	27	18	--	1,730	1,889	1,944	--	39.8	51.0	35.0	--
Peru	152	161	146	--	3,643	3,697	3,288	--	553.8	595.2	480.0	--
Surinam	49	70	77	--	2,580	1,736	2,435	--	126.4	121.5	187.5	--
Uruguay	38	42	46	--	3,095	3,036	1,787	--	117.6	127.5	82.2	--
Venezuela	100	75	--	55	1,200	1,067	--	1,491	120.0	80.0	80.0	82.0
Total South America	6,658	7,691	7,872	7,950	1,487	1,565	1,531	1,525	9,898.9	12,038.4	12,051.5	12,125.2
Europe:												
France	43	67	72	72	3,567	3,731	4,310	4,139	153.4	250.0	310.3	298.0
Greece	44	35	42	44	3,152	3,749	3,510	3,523	138.7	131.2	147.4	155.0
Italy	409	311	332	325	4,600	4,518	4,680	4,615	1,881.5	1,405.0	1,553.8	1,500.0
Portugal	80	92	88	93	3,841	3,879	3,928	4,098	307.3	356.9	345.7	381.1
Spain	160	164	156	164	4,737	5,216	5,299	5,189	757.9	855.4	826.7	851.0
Yugoslavia	10	13	14	12	2,750	3,677	3,436	3,675	27.5	47.8	48.1	44.1
Total West Europe	746	682	704	710	4,378	4,467	4,591	4,548	3,266.3	3,046.3	3,232.0	3,229.2
Hungary	60	95	81	80	2,038	1,992	1,990	--	122.3	189.2	161.2	--
Rumania	45	38	41	--	2,296	2,066	1,951	--	103.3	78.5	80.0	--
Total East Europe	142	170	157	165	2,088	2,301	2,269	2,394	296.5	391.2	356.2	395.0
Total Europe	888	852	861	875	4,012	4,035	4,167	4,142	3,562.8	3,437.5	3,588.2	3,624.2

Africa:												
Algeria	3	5	4	--	3,200	2,480	2,200	--	9.6	12.4	8.8	--
Egypt	539	760	538	730	3,394	3,816	3,209	3,781	1,829.4	2,900.0	1,726.7	2,760.0
Morocco	10	15	14	15	3,590	3,527	3,557	3,533	35.9	52.9	49.8	53.0
Total North Africa	552	780	556	751	3,397	3,802	3,211	3,770	1,874.9	2,965.3	1,785.3	2,831.0
Belgian Congo	416	403	400	--	921	948	992	--	383.2	382.2	397.0	--
French Cameroons	13	17	18	19	800	859	856	811	10.4	14.6	15.4	15.4
French Equatorial Africa 4/	53	70	--	--	928	1,357	--	--	49.2	95.0	125.0	--
French West Africa 5/	1,985	2,129	--	--	616	845	--	--	1,222.6	1,800.0	--	--
Malgache Republic (Madagascar)	1,712	2,100	--	--	1,256	1,262	--	--	2,151.1	2,650.0	--	--
Total Africa	6,989	7,973	7,601	7,970	1,119	1,309	1,128	1,273	7,818.1	10,433.5	8,571.9	10,142.4
Asia:												
Iran	557	610	550	640	1,750	1,754	1,745	1,812	974.7	1,070.0	960.0	1,160.0
Iraq	545	500	550	--	1,151	1,300	1,273	--	627.2	650.0	700.0	--
Syria	12	7	6	--	2,200	2,857	2,783	--	26.4	20.0	16.7	--
Turkey (Europe and Asia)	99	173	146	121	2,876	2,201	2,089	2,479	284.7	380.7	305.0	300.0
Burma	10,780	10,750	11,800	12,200	1,438	1,349	1,517	1,541	15,500.0	14,500.0	17,900.0	18,800.0
Cambodia 3/	2,853	2,842	2,900	3,000	987	969	1,034	1,033	2,817.0	2,755.0	3,000.0	3,100.0
Ceylon	920	958	1,075	--	1,330	1,528	1,581	--	1,223.4	1,464.1	1,700.0	--
China, Taiwan	1,912	1,929	1,914	--	2,388	2,777	2,830	--	4,565.0	5,356.5	5,417.1	--
India 3/	75,448	79,447	82,000	82,500	1,089	1,053	1,222	1,236	82,150.0	83,688.3	100,200.0	102,000.0
Indonesia	15,939	16,700	17,500	--	1,450	1,521	1,531	--	23,118.3	25,400.0	26,800.0	--
Japan 6/	7,754	7,987	8,020	8,100	3,394	3,956	4,121	4,198	26,316.6	31,592.6	33,049.7	34,000.0
Korea, South	2,550	2,731	2,739	2,750	2,549	2,491	2,619	2,727	6,500.0	6,803.0	7,173.5	7,500.0
Laos 3/	1,391	1,500	1,530	1,550	697	733	752	742	970.0	1,100.0	1,150.0	1,150.0
Malaya	836	901	916	940	1,739	1,955	1,748	1,888	1,453.4	1,761.7	1,600.8	1,775.0
Nepal	3,250	3,200	3,300	--	757	750	803	--	2,460.0	2,400.0	2,650.0	--
Pakistan 3/	23,226	22,962	22,491	22,600	1,207	1,243	1,249	1,243	28,023.9	28,541.8	28,087.8	28,100.0
Philippine Republic	6,264	6,661	7,341	--	1,054	1,057	1,106	--	6,603.3	7,038.9	8,122.7	--
Thailand	13,153	10,979	11,308	13,650	1,162	1,152	1,389	1,209	15,281.2	12,652.2	15,704.4	16,500.0
Total Asia, excluding Communist areas	173,382	178,367	183,698	187,307	1,303	1,319	1,434	1,426	225,851.5	235,194.1	263,345.7	267,150.3
China, Mainland	59,200	64,500	68,000	66,000	2,259	2,326	2,574	2,424	133,730.0	150,000.0	175,000.0	160,000.0
Total Communist areas 7/	65,000	70,900	74,900	72,700	2,174	2,236	2,461	2,325	141,280.0	158,500.0	184,300.0	169,000.0
Total Asia	238,382	249,267	258,598	260,007	1,540	1,579	1,731	1,678	367,131.5	393,694.1	447,645.7	436,170.3
Oceania:												
Australia 3/	37	48	53	53	4,603	4,958	5,430	4,434	170.3	238.0	287.8	235.0
Fiji	35	35	--	--	1,649	1,543	--	--	57.7	54.0	--	--
Total Oceania	108	120	126	126	2,481	2,783	3,087	2,675	268.0	334.0	389.0	337.0
World total	256,487	268,860	278,099	280,202	1,544	1,590	1,726	1,681	395,924.4	427,368.0	480,117.5	471,022.2
Non-Communist countries	190,980	197,425	202,677	206,972	1,328	1,354	1,452	1,452	253,617.9	267,276.8	294,261.3	300,427.2
Communist countries	65,507	71,435	75,422	73,230	2,172	2,241	2,464	2,330	142,306.5	160,091.2	185,856.2	170,595.0

1/ Crops harvested in Northern Hemisphere during the latter part of the year, together with those harvested in Asia principally from November to May, are combined with crops harvested in Southern Hemisphere countries during the first part of the following year. Harvested acreage is shown unless data for planted acreage only are available. 2/ Preliminary. 3/ Planted acreage. 4/ Includes the semi-independent republics of Chad, Gabon, Congo Republic and Central African Republics, formerly the Federation of French Equatorial Africa. 5/ Includes the Republic of Guiana and the semi-independent republics of Mauritania, Senegal, Sudan, Ivory Coast, Niger, Volta, and Dahomey, formerly known as the Federation of French West Africa. 6/ Tentative revisions through 1954. 7/ Mainland China, North Korea, and North Vietnam.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, reports of United States officers, results of office research and other information.

Production in Western Europe approximated that of last year. Decreased production in Italy and France was offset by gains in Spain, Portugal and Greece. In Eastern Europe, the total estimated acreage of Hungary, Rumania and Bulgaria shows an increase of 16 percent over the 1950-54 average. Because of greatly increased yields per acre, production is 33 percent higher than average. As a result of a plan for increased rice production, Rumania's acreage is reported to be up sharply in 1959.

The ever-increasing rice production of the Western Hemisphere is due to both expanding acreage and higher yields per acre. The U. S. crop is the largest in 4 years as the result of a 12 percent increase in acreage and 6.8 percent gain in average yields per acre. In other North America--Mexico, Central America and the Carribean--the combined acreage of 1,325,000 acres is 70,000 acres more than the year before, and 296,000 above the average. The increase in the last 3 years has been greatest in Mexico, Panama and Costa Rica.

The rice acreage of South America is continuing to advance steadily, notably in Brazil, Argentina and Colombia. It is still too early to estimate the South American rice crops, which will be mainly harvested next March to August.

Acreage and production of Africa are well above 1958-59, but not up to the 1957-58 records. Recent reports indicate Egypt's crop may approximate the bumper harvest of 2 years ago.

Australia's rice acreage is up to the record level of a year ago, but growing conditions have been less favorable so that a smaller crop than last year is indicated. However, the crop would still be well above average.

The level of world production in 1959-60 is not likely to have any direct effect on U. S. exports for calendar year 1960. Much of the increase in world production will be absorbed by growth in population and higher per capita consumption. This will be true for both importing and exporting countries. Favorable production periods are also reflected in fair to good crops in the fringe areas of rice production--the areas where a crop is expected only every two or three years. When such production does come in, the rice is consumed locally and seldom enters the international export market. Regardless of higher levels of production, supplies of quality rice in 1960 will not vary a great deal from those of previous years. This situation is likely to continue for some time.

World Trade in 1959

The 1959 world rice market was satisfactory from the standpoint of major exporters. Exports from the United States, Burma, Thailand, Combodia, Viet Nam, British Guiana and Australia were above those of 1958. Exports were down from Communist areas, as well as for Taiwan, Egypt, Spain, Italy, Madagascar and Argentina, but the reduction was largely due to the limitation of supplies rather than from the lack of sales. Some of these countries will have no carryover stocks as of January 1, 1960.

The world market was extremely sluggish for the first half of the 1959 calendar year but came back strongly in the July-December period, apparently recovering earlier losses.

While complete 1959 statistics are not yet available, it is estimated that total world trade, including Communist controlled areas, may be below that of 1958 when a total of about 13 billion pounds of milled rice entered the international market (table 12, page 26). The reduction centered in the Communist controlled areas may not be offset by the increase in the free world areas over last year of a probable 8 percent.

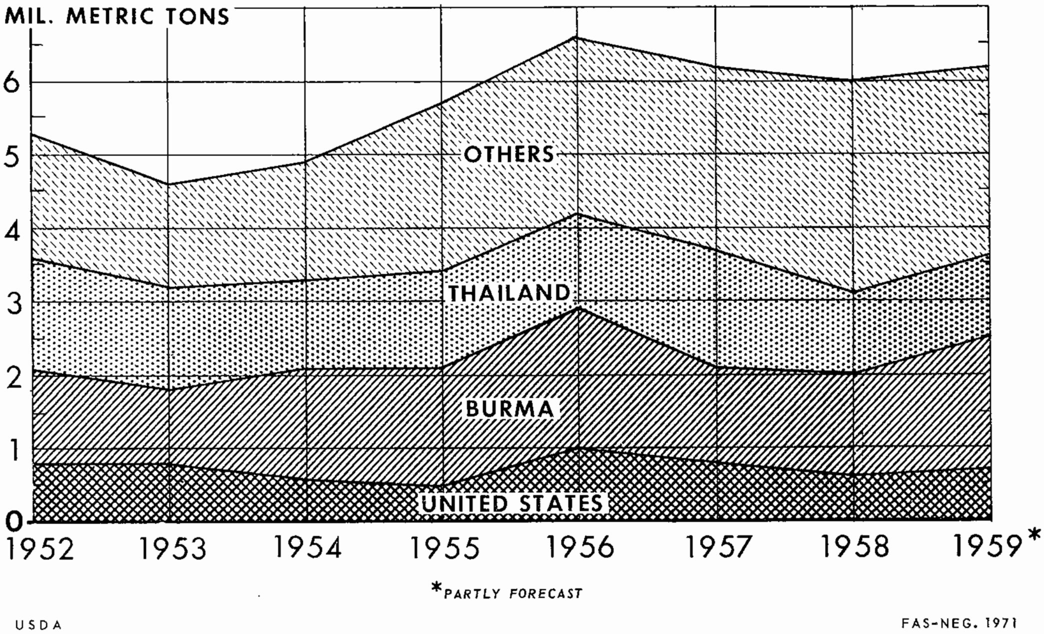
Table 9.--Rice, milled equivalent: Imports into principal importing countries, calendar years, average 1951-55, annual 1956-58

Country	Average 1951-55	1956	1957	1958 1/
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Indonesia	905	1,682	1,242	1,504
India	1,168	904	1,750	950
Pakistan	---	972	950	757
Japan	2,438	1,675	765	1,114
Korea	246	43	402	15
Malaya	1,113	1,304	1,163	1,413
Ceylon	884	1,083	1,153	1,063
Hong Kong	478	613	690	841
Philippine Republic	132	93	172	431
Saudi Arabia	103	90	200	150
Cuba	470	300	422	411
Netherlands	151	163	132	151
Western Germany	189	258	197	264
Belgium-Luxembourg	83	182	140	114
France	125	172	196	132
United Kingdom	164	188	186	190
French West Africa	162	212	332	230
Mauritius	106	99	137	145
Other countries	2,360	4,287	3,419	2,679
World total	11,277	14,320	13,548	12,554

1/ Preliminary

Foreign Agricultural Service.

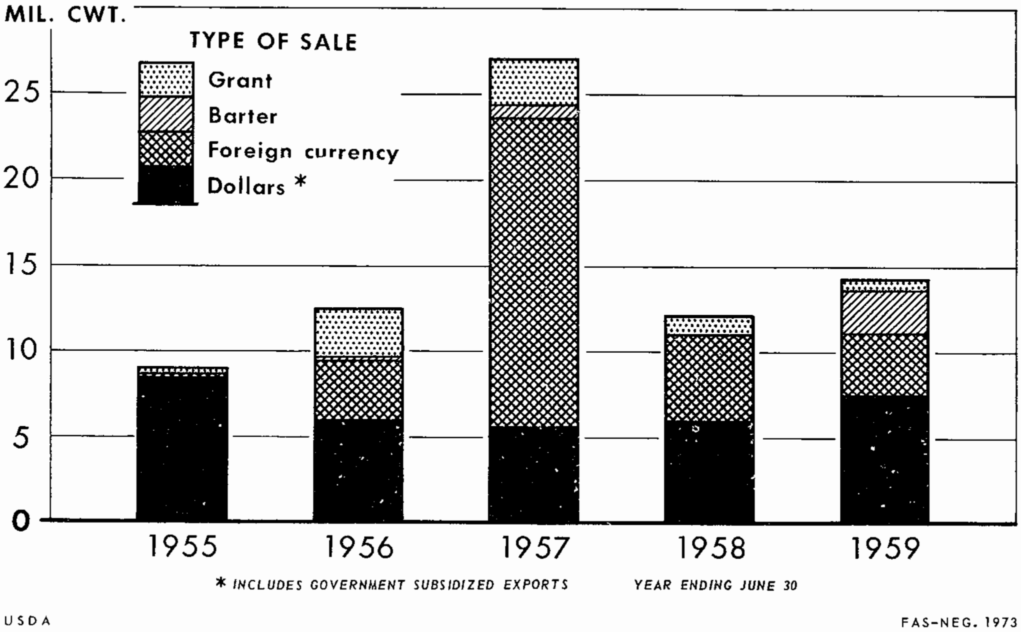
U. S. Shares in Expanding World Rice Trade



The U. S. dropped to fourth position among world rice exporters in 1958 because of large exports from Mainland China, probably regained third place in 1959, and will likely maintain this position in 1960. The two leading exporters are Burma and Thailand.

The most important development in U. S. exports this year has been the sharp increase in shipments to European destinations.

U. S. Rice Exports For Dollars Increase



United States rice exports for the year ending June 30, 1959 totaled 14.2 million cwt., compared with 12.1 million the year before and 27.0 million two years earlier. In 1958-59, dollar exports represented 52 percent of the total; foreign currencies, 26 percent; barter, 18 percent and grants, 4 percent. Exports for dollars have increased in each of the past 2 years, while exports for foreign currencies have declined. Barter exports in 1958-59 were the highest of record.

U. S. Exports Moved Up In 1959

U. S. exports are estimated to represent about 13 percent of world trade in the calendar year 1959, moving up from 10 percent in 1958 (figure on page 22).

The volume of U. S. exports in any given year before 1955 did not have any direct relationship to the trends in world trade--in fact, they often showed opposite trend. But starting in 1955, efforts on the part of Government and industry to develop world markets for U. S. rice began to affect this relationship. Market development was conducted on a worldwide scale during the last five years; it appears to be bringing results in trade expansion.

U. S. Exports Have Wide Distribution

Exports of U. S. rice are now moving to more than 40 countries. Exports for 1959 are up about 7 percent from 1958 and a further substantial increase is expected in 1960. While the U. S. dropped to fourth position among world exporters in 1958, it probably regained third place in 1959 and will likely maintain this position in 1960. The past year's most important development was the sharp increase in shipments to European destinations; these were largely the result of the Payment-in-Kind Program.

The first three months of the U. S. rice marketing year (August-October 1959) saw exports increase a million cwt. over the same period last year. Increases in commercial sales generally occurred over wide areas. The exceptions were Cuba, West Germany and Greece. Shipments of rice sold for foreign currencies also were higher than those of the year before to Ceylon, Argentina and Indonesia.

Exports for Dollars Increase; Foreign Currency Sales Important In Reducing Surplus

Commercial sales for dollars in the year beginning July 1958 moved from about 5.9 million cwt., milled rice basis, to approximately 7.4 million for the third consecutive year that dollar sales advanced (figure on page 22).

For the last 4 years, sales for foreign currencies under Title I of Public Law 480 have been of major importance, in addition to cash sales (table 10).

Table 10.--Rice, milled: U. S. exports by type of sale, year beginning July, 1954-58

Year	For dollars	For foreign currencies	Barter	Other programs	Total
	Mil. cwt.	Mil. cwt.	Mil. cwt.	Mil. cwt.	Mil. cwt.
1954	8.4	0.2	1/	0.3	8.9
1955	6.0	3.4	.2	2.8	12.4
1956	5.6	18.0	.7	2.7	27.0
1957	5.9	5.1	1/	1.1	12.1
1958	7.4	3.7	2.5	.6	14.2

1/ Less than 0.5 million cwt. Foreign Agricultural Service.

Total shipments of milled rice for foreign currencies, from the start of the Program to the beginning of October 1959, reached nearly 33 million cwt. Shipments represent a series of agreements with 13 countries during the last 4 years.

Table 11.--Rice, milled: U. S. exports under Title I of P. L. 480 (for foreign currencies), by country of destination, 1955-59

Country of destination	Year beginning July 1955	1956	1957	1958	July 1, 1959-Sept. 30, 1959 1/
	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.
Argentina	---	---	---	---	59
Ceylon	---	---	---	1,078	907
Iceland	---	---	---	11	1
India	---	4,339	---	---	---
Indonesia	---	5,924	49	808	1,214
Israel	6	---	---	93	---
Japan	2,142	---	---	---	---
Korea	---	2,381	643	---	---
Pakistan	382	5,264	3,575	904	354
Peru	---	---	445	207	---
Philippines	---	---	377	551	---
Turkey	---	218	---	115	---
Egypt	---	---	---	---	905
Total	2,530	18,126	5,089	3,767	3,440

1/ As of December 1, 1959, there remained to be shipped against existing agreements: Indonesia, 1,980,000 cwt.; Pakistan, 77,000 cwt., and 3,300,000 plus for India.

Foreign Agricultural Service.

Carryover Stocks in Exporting Countries

Rice stocks in exporters' hands from other than the 1959-60 crop as of January 1960 are not expected to be materially larger than those of last year, which were the smallest in several years. There will be some buildup in the case of Burma but carryover stocks in Thailand, Viet Nam, Cambodia and Taiwan will be near last year's levels. Carryover stocks will be materially down or nonexistent in Egypt, Italy, Spain, Madagascar, Argentina, Brazil and Communist China. By varieties, the carryover stock position will be lower for short grains with old surplus limited to medium and long-grain types.

The 1960 rice trade is likely to be similar to the 1959 pattern, supplies being drawn from working stocks and current production and only a relatively small quantity coming from accumulation from previous crops. To some extent, this will tend to limit any abrupt rise in burdensome stocks in the coming year. Possible exceptions to this in individual countries will not likely affect the over-all market too strongly.

World Rice Consumption Increasing

Per capita consumption of rice continues to rise. According to estimates of the Food and Agriculture Organization of the United Nations, the world average is now about 15 percent higher than average per capita consumption for 1948-52. Should this prove correct, total consumption has risen faster than population in the last decade. Increases in consumption are distributed generally throughout the world; they are particularly evident in Asia, the Near East and Africa. Central and South American consumption was about constant--a slight decrease was noted in Cuba.

Rice Prices

Prices of the better grades of Asian rice had made some advance by June this year compared to closing prices at the end of 1958, but in most instances they were lower by November 1. The exception was for long grain varieties. Based on f.o.b. prices, long grain, 5 percent brokens, was $5.90 per cwt. on January 1, 1959 and averaged $6.25 in June--it has held fairly stable at this figure. Long grain, 15 percent brokens, opened at about $5.65, moved up to $6.00, then declined to $5.70.

Medium grain varieties from Asia, as of January 1, 1959, were at about $4.27 per cwt. for grades with 40-42 percent brokens. Prices remained fairly steady on Government contracts for most of the year, but in November were reported down to $4.00.

Prices for short grain varieties generally were erratic throughout the year due to almost complete cessation of Egyptian exports, a cutoff of Italian supplies in mid-summer, and smaller offerings from Communist China.

Prices of grades with 5 percent brokens were moving to European destinations at the beginning of 1959 at $6.90 per cwt. and were quoted as high as $7.60 at mid-year, reflecting scarcity of Mediterranean supplies. Prices for new-crop rice ranged from $6.00 to $7.40 as of December 1, 1959.

Brokens, f.o.b. Asian ports, opened at an average of $4.15 per cwt., June prices declined to $3.45, and November 1 prices further declined to $3.25. Brokens from other sources showed proportionate declines.

Prices for 1960 are likely to hold within reasonable limits for the higher range of qualities of long and medium grains while grades with 20 to 40 percent brokens are likely to move around present prices or lower. Larger quantities of short grains in the market may widen price ranges between short and other types, compared with 1959.

Table 12 .- Rice, milled equivalent: Exports from principal world areas, calendar years, averages 1946-55, annual 1955-58 1/

Country of origin	Average 1946-50	Average 1951-55	1955	1956	1957 2/	1958 2/
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Asia:						
Burma	2,147	2,910	3,616	4,111	3,865	3,112
Thailand	1,919	3,042	2,881	2,805	3,474	2,504
China	3	3/752	3/1,306	3/2,200	3/1,000	3/1,850
Indochina	245	603	245	109	834	713
Taiwan	52	210	374	190	319	431
Iran 4/	46	100	63	7	11	7
Other countries	288	640	1,035	550	560	791
Total	4,700	8,257	9,520	9,972	10,063	9,408
Western Hemisphere:						
United States	962	1,389	1,138	2,148	1,731	1,305
Argentina	3	31	42	69	39	46
Brazil	321	151	5	224	1	87
British Guiana	51	85	119	93	85	40
Ecuador	126	60	46	26	84	57
Uruguay	12	27	19	84	18	21
Other countries	111	85	39	48	53	56
Total	1,586	1,828	1,408	2,692	2,011	1,612
Europe:						
Belgium-Luxembourg	1	17	15	59	59	54
Italy	178	493	374	771	316	404
Spain	5/	98	110	201	141	214
Netherlands	12	60	58	66	54	70
Portugal	4	15	5/	28	5/	25
Other countries	4	81	66	126	196	272
Total	199	764	623	1,251	766	1,039
Africa:						
Egypt	548	249	411	487	652	6/811
Madagascar	4	65	98	80	46	128
Other countries	35	46	78	75	46	39
Total	587	360	587	642	744	978
Australia 7/	61	71	96	74	67	95
World total	7,133	11,280	12,234	14,631	13,651	13,132

1/ Includes milled, broken, semi-milled unconverted and rough in terms of milled. Includes reexports where available. 2/ Preliminary. 3/ From returns of importing countries. 4/ March 21 - March 20 year. 5/ Less than 500,000 pounds. 6/ Trade between Egypt and Syria excluded beginning 1958. 7/ July-June year, except 1956, 1957 and 1958 which are calendar years.

Foreign Agricultural Service.

World Rice Requirements for 1960 to Increase

Based on the anticipated level of 1959-60 world production, requirements of some major importers will continue to be affected in 1960 as they were in 1959, when high levels of production in these areas held down demands for the cheaper lower grades and brokens. In the Far East, the Philippines are unlikely to import for the most part of the year and a further reduction in imports is likely to occur in Japan. Heavy imports will continue into Indonesia, Malaya, Ceylon and India. Pakistan may need less rice next year than in the last several years. Parts of both Pakistan and India suffered damage from unfavorable weather, however, it is not yet possible to fully assess the situation. Requirements for the Middle East, Europe and Africa are likely to remain steady, or even strengthen slightly, despite the improved local production outlook. Western Hemisphere requirements will probably remain fairly constant. Advance sales for delivery in 1960, however, are now at the highest level of any of the post-war years, indicating the influence of population growth, increased per capita consumption, improved economic conditions and a tendency to depend more on stable free world supplies. It is likely, accordingly, that overall requirements will be higher in 1960.

Total World Export Availabilities

If the increased activity in the world market in the last four months of 1959 can be considered a factor in determining 1960 trends, the relation between supply and demand should continue about the same as that of last year (see page 23). The export availability of long and medium varieties will be about the same, with short grain varieties in more plentiful supply than in 1959. There will be some offset against the short grain position because of the likelihood of lower exports of short grains from Mainland China. Information on export supplies from the 1959-60 crop is still fragmentary for many areas because the volume of harvesting will not take place until after January 1. But viewed in terms of over-all world requirements, adjusted for increases in population, increased per capita consumption and expected price levels, danger of a buildup of unmanageable stocks in 1960 appears unlikely. The degree of stability evidenced during 1958 and 1959 should continue in 1960.

Outlook for U. S. Rice Exports

Total exports from the United States should show a substantial increase over those of last year, assuming continuance of present programs and marketing policies. Both commercial exports and exports under Government programs should be materially larger in total. The exact level of dollar sales will depend largely upon the competitive position of U. S. brown rice in the European market because of the volume of trade in this particular form. This could continue at the levels of 1959, but the competition, particularly from supplies from the Mediterranean area, will have a stronger effect on the market than it did last year. Sales of brown

Table 13.- Rice, milled equivalent: United States exports to specified countries, 1953-58 1/

Country of destination	Year beginning August					
	1953	1954	1955	1956	1957	1958 2/
	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.
Western Hemisphere:						
Canada	633	560	397	376	293	267
British Honduras	17	33	35	33	24	25
British West Indies	6	5	8	137	103	39
Cuba	4,755	3,391	2,927	4,054	4,246	4,113
Guatemala	3/	3/	30	29	68	24
Haiti	2	124	5	58	14	5
Netherlands Antilles	53	38	28	42	54	63
Bolivia	5	---	191	176	44	---
Colombia	314	205	13	3	3/	3
Peru	3/	3/	---	3/	980	5
Venezuela	215	84	32	40	2	67
Other countries	27	35	162	71	67	224
Total	6,027	4,475	3,828	5,019	5,895	4,835
Europe:						
Belgium-Luxembourg	206	460	285	686	76	315
West Germany	29	38	53	20	30	1,116
Netherlands	12	71	31	50	14	350
Switzerland	57	53	22	58	32	26
United Kingdom	1	1	1	---	34	444
Other countries	35	191	96	56	41	122
Total	340	814	488	870	227	2,373
Asia:						
Ceylon	---	---	---	---	331	1,078
India	---	---	215	4,376	---	---
Indochina	---	---	220	10	1	---
Indonesia	---	---	516	5,424	753	116
Japan	8,538	4,125	2,383	109	5	13
Korea, Republic of	4/590	3/	1	2,746	242	---
Pakistan	---	---	2,653	4,372	3,453	1,169
Philippines	3/	25	28	20	554	1,140
Ryukyu Islands	---	---	---	5/207	5/145	---
Saudi Arabia	130	136	75	98	151	114
Turkey	---	---	3	218	---	115
Other countries	25	11	35	30	134	497
Total	9,283	4,297	6,129	17,610	5,769	4,242
Total Oceania	17	19	39	47	52	50
Liberia	67	219	276	248	270	377
French West Africa	---	---	625	---	---	526
Other Africa	6	10	21	19	23	664
Destination not specified	8	14	26	13	17	22
Total exports	15,748	9,848	11,432	23,826	12,253	13,089
Section 416 donations	---	---	967	2,036	683	651
Ground rough rice for animal feed 6/	---	---	514	288	---	---
Total U. S. exports	15,748	9,848	12,913	26,150	12,936	13,740

1/ Includes brown, broken, screenings and brewers' rice and rough rice converted to terms of milled at 65 percent. 2/ Preliminary. 3/ Less than 500 cwt. 4/ Adjusted to include all programs of the Department of Defense and the International Cooperative Administration. 5/ Programed by ICA and shipped by the Army. 6/ Sold by the Commodity Credit Corporation.

Bureau of the Census and Department of Agriculture.

rice represented a rather substantial quantity last season. Sales under this category do not compete with sales of milled and specially processed rice. To extend or maintain commercial sales for all types of rice will require the continued and expanded promotion efforts of the rice industry.

Market Development Work

During 1959, rice exhibits were displayed at international food fairs in Lausanne, Switzerland, and Cologne, Germany. These exhibits, as well as the earlier ones in the United Kingdom and West Germany, played an important part in expanding U. S. rice exports to European countries, from a quarter of a million hundredweight to over two and a quarter million. The quality, nutritive characteristics, and the ease of preparation of U. S. rice constituted the basic theme of the exhibits.

The representative association of the U. S. rice industry, the U. S. Rice Export Development Association, in cooperation with the Foreign Agricultural Service completed a survey of the major rice-producing and rice-importing countries of Europe to evaluate the market structure of the rice trade and the potentials of the European market. As a result of their findings, and in cooperation with the market development work under P. L. 480, a 3-year promotional project to increase the consumption and utilization of rice and rice products in Europe will be inaugurated early in 1960.

These projects, together with the promotional work which is now being carried on by individual segments of the rice industry in Europe, Africa and other parts of the world, should be of material assistance in maintaining and extending trade in U. S. rice.

COMMODITY CREDIT CORPORATION SALES POLICY FOR RICE 8/

Domestic Sales

Milled Rice - CCC offers milled rice, including broken rice, for unrestricted use (domestic or export) at the equivalent 1959 loan rate for rough rice, plus 5 percent adjusted for milling cost, plus carrying charges, basis in store warehouse or the domestic price, whichever is higher.

CCC supports the price of rough rice, not milled rice. Nevertheless in recent years CCC has carried out a milling program in order to move rough rice stocks out of primary storage facilities and thereby release space needed for the coming crop at harvest time. CCC thus acquires milled rice in its inventory, and establishes "equivalent" minimum sales prices for these in order to comply with Section 407 of the Agricultural Act of 1949, as amended.

8/ From the September 1959 monthly report of the General Sales Manager on CCC sales policies, activities and dispositions.

Rough Rice - CCC offers rough rice for unrestricted use (domestic or export) at the 1959 loan rate, plus 5 percent, plus reasonable carrying charges, or the domestic market price, whichever is higher.

Export Sales

The rice payment-in-kind program is designed to encourage the movement of U. S. produced milled and brown rice by the commercial trade from points of production into export channels through payments that close the gap between the world price and the higher U. S. domestic market price. Under this program, the exporter of United States produced rice may apply for an export payment in the form of a certificate redeemable in rough rice and feed grains (barley, oats, corn, grain sorghum and rye) held in CCC inventory.

Export payment rates, effective for a one week period are established and announced by CCC on Wednesday of each week 9/.

(Continued on page 32)

9/ Announcement No. 49, dated December 16, 1959, covering the period December 17 through December 23 is shown as follows as a typical announcement of export rates for milled rice under the payment-in-kind program.

1. Whole Kernels

Group	Class or Variety	Rate per Cwt.
I	Patna (except the variety Century Patna) and Rexoro (except the variety Rexark)	$4.06
II	Blue Bonnet, Nira and Rexark	$3.07
III	Century Patna, Toro, Fortuna	$2.27
IV	Blue Rose (including the varieties Improved Blue Rose, Greater Blue Rose, Hamrose and Arkrose), Magnolia, Zenith, Prelude, Lady Wright and Nato	$2.50
V	Pearl, Calrose, Early Prolific Calady and other varieties	$2.68

2. Second Heads $2.09

3. Screenings and Brewers $2.30

The above rates apply to the rice export program Announcement Gr-369 as amended.

For the period from December 9 through December 15, USDA accepted offers to export 323,947 cwt. of rice under the payment-in-kind program. Since the beginning of the current marketing year on August 1, the cumulative total of acceptances through December 15 amounts to 2,667,265 cwt.

INDEX OF TABLES

	Page	Table number
Acreage Allotments		
Allotments by States, 1958-60	12	3
Acreage, Yield and Production -- United States		
By States and United States, 1958 and 1959	12	4
Southern States, California and United States, 1930-59	14	5
Acreage, Yield and Production -- World		
By countries, average 1950-54, annual 1956-59	18	8
Consumption -- United States		
Total and per capita consumption, 1909-58	14	6
Foreign Trade, U. S. and Major Countries		
Exports from principal world areas, averages 1946-55, annual 1955-58	26	12
Imports into principal importing countries, average 1951-55, annual 1956-58	21	9
U. S. exports by countries of destination, 1953-58	28	13
U. S. exports by type of sale, 1954-58	23	10
U. S. exports under Title I of P. L. 480, 1955-59	24	11
Prices and Price Support Operations		
Average prices received by farmers, U.S., and average wholesale prices at New Orleans and San Francisco, 1947-59	10	2
Price support operations and price analysis items, 1940-59	16	7
Supply and Distribution		
United States, 1937-60	8	1

The next issue of The Rice Situation will be released in January, 1961.

(continued from page 30)

Exporters are not required to register an export sale. Exporters who file an offer accepted by CCC are eligible to receive the export payment, at the payment rate applicable for the period in which the offer was accepted on rice exported within 90 days after acceptance. Upon submission of proof of export and application for payment, CCC issues a certificate equal in dollar value to the number of cwt. exported times the applicable export payment rate.

Export payment certificates are redeemable in rough rice or feed grains from CCC stocks at domestic market prices and in a quantity equal in value to the dollar value of the export payment certificate. Rough rice procured from CCC stocks through certificate redemption must be exported in the form of milled or brown rice within 180 days after date of sale by CCC, unless an extension of time in which to export has been granted by CCC.

Aside from the above described export program, rice from CCC stocks was made available for commercial export shipment only under:

(a) The CCC credit program,

(b) Barter contracts,

(c) Unusual circumstances approved by the Executive Vice President, CCC.