

# STAYING AHEAD

India is set to lead the rice export market in 2019 too, aided by a rise in production. BY RAMESH CHAKRAPANI

**INDIA** is expected to maintain its dominant role in the global rice export market in 2019 on the back of a rise in acreage and production owing to the government's higher minimum support price, the United States Department of Agriculture (USDA) said in its latest outlook, published in February, for rice, wheat and coarse grain trade.

The rupee's depreciation and the recent implementation of an export subsidy have helped stem a rise in export prices, according to the report.

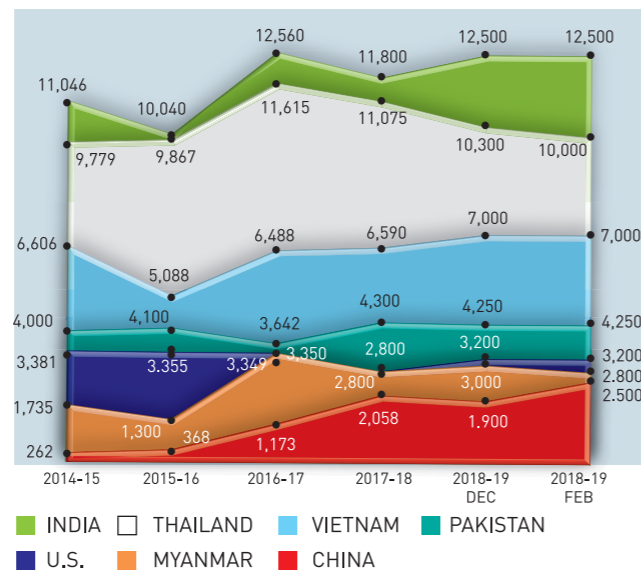
The USDA also said that India's "government-held stocks are well above the desired buffer stock levels, ensuring ample supplies".

Among the competitors, Pakistan is expected to record a slight decline from a year ago in the supplies available for exports, while Thailand's exports are estimated to fall significantly. Vietnam is expected to make some gains in the year ahead, according to the USDA.

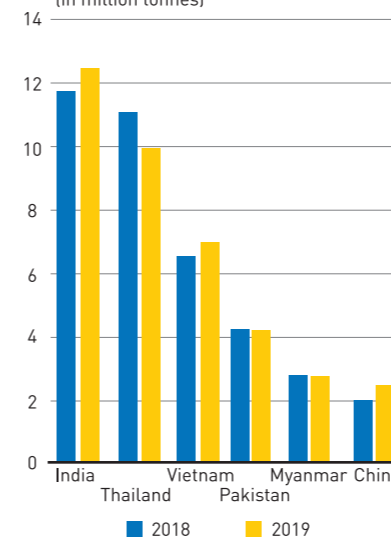
The USDA also said that China would play a game-changing role in rice by cutting down on imports while simultaneously boosting exports. The country has re-emerged as a significant exporter, "shipping volumes not seen in 15 years", it said.

In wheat trade, during the year ending June 2019, Russia is expected to top exports with 37 million tonnes, followed by the United States (29 million tonnes) and Canada (24 million tonnes). Wheat consumption is set to be dominated by China and the European Union with 125 million tonnes each, followed by India (98 million tonnes). Robust demand for corn in South Asia and South-East Asia would lead to a rise in imports to supplement regional production, the USDA said. The main driver of the demand is growth in feed use in the hog, poultry and aquaculture sectors. In South-East Asia, Vietnam and Malaysia lead in corn imports, while Bangladesh is top in South Asia.

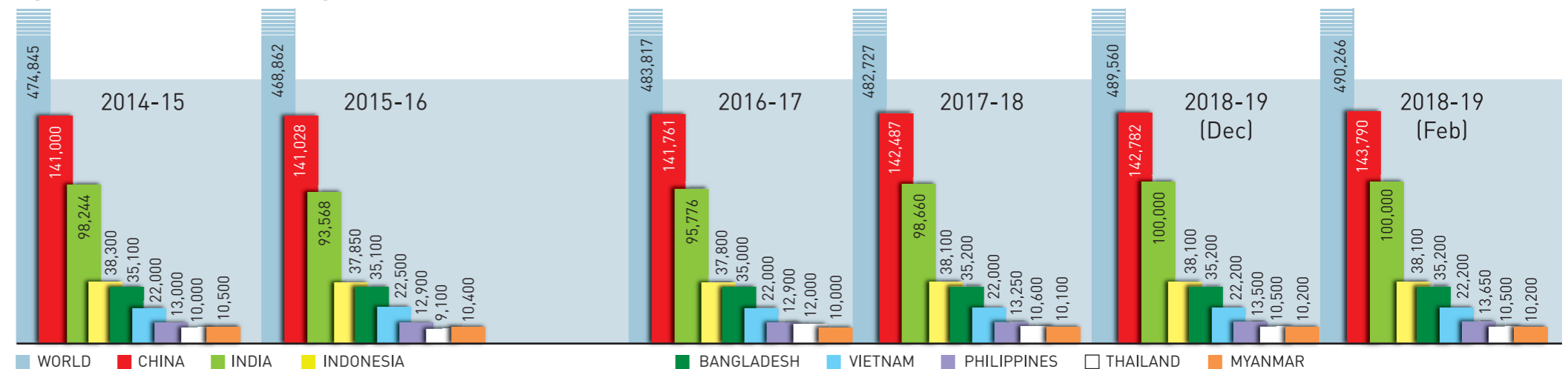
**Top rice exporters** (in thousand tonnes)



**Intense competition among Asian rice exporters** (in million tonnes)



**Top countries in rice consumption** (in thousand tonnes)



**Top wheat consumers** (thousand tonnes)

Country	Year*					
	2014/15	2015/16	2016/17	2017/18	2018/19 Dec	2018/19 Feb
<b>China</b>	<b>117,500</b>	<b>117,500</b>	<b>119,000</b>	<b>121,000</b>	<b>123,000</b>	<b>125,000</b>
European Union	124,677	129,850	128,000	130,400	125,000	125,000
India	93,102	88,551	97,120	95,834	98,000	98,000
Russia	35,500	37,000	40,000	43,000	40,500	40,500
<b>United States</b>	<b>31,328</b>	<b>31,944</b>	<b>31,863</b>	<b>29,364</b>	<b>31,271</b>	<b>30,291</b>
<b>Pakistan</b>	<b>24,500</b>	<b>24,400</b>	<b>24,500</b>	<b>25,000</b>	<b>25,300</b>	<b>25,300</b>
<b>World total</b>	<b>705,081</b>	<b>716,338</b>	<b>739,847</b>	<b>744,200</b>	<b>745,252</b>	<b>747,232</b>

\*local marketing years

Source: USDA

**Top wheat product exporters** (in thousand tonnes)

	2014/15	2015/16	2016/17	2017/18	2018/19 Dec	2018/19 Feb
Russia	22,800	25,543	27,809	41,419	36,500	37,000
<b>United States</b>	<b>23,023</b>	<b>21,817</b>	<b>29,319</b>	<b>23,067</b>	<b>29,000</b>	<b>29,000</b>
Canada	24,883	22,118	20,235	21,989	24,000	24,000
European Union	35,455	34,763	27,426	23,290	22,000	22,000
Ukraine	11,269	17,431	18,107	17,775	16,500	16,500
Argentina	4,200	8,750	12,275	13,575	13,500	13,500
Australia	16,575	15,780	22,061	15,512	10,500	10,000
<b>World total</b>	<b>161,959</b>	<b>171,961</b>	<b>182,252</b>	<b>182,553</b>	<b>178,443</b>	<b>179,503</b>

\*July/June year

Source: USDA

**Top wheat producers** (in thousand tonnes)

	2014/15	2015/16	2016/17	2017/18	2018/19 Dec	2018/19 Feb
European Union	156,912	160,480	145,369	151,264	137,600	137,600
<b>China</b>	<b>128,321</b>	<b>132,639</b>	<b>133,271</b>	<b>134,334</b>	<b>132,502</b>	<b>131,430</b>
<b>India</b>	<b>95,850</b>	<b>86,530</b>	<b>87,000</b>	<b>98,510</b>	<b>99,700</b>	<b>99,700</b>
Russia	59,080	61,044	72,529	84,992	70,000	71,600
United States	55,147	56,117	62,832	47,380	51,287	51,287
Canada	29,442	27,647	32,140	29,984	31,800	31,800
<b>Pakistan</b>	<b>25,979</b>	<b>25,086</b>	<b>25,633</b>	<b>26,674</b>	<b>25,500</b>	<b>25,500</b>
<b>World total</b>	<b>730,375</b>	<b>738,415</b>	<b>756,508</b>	<b>763,175</b>	<b>733,414</b>	<b>734,745</b>

\*Local marketing years

Source: USDA