

Voluntary Report – Voluntary - Public Distribution

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Report Name: 2019 Rice Production Update

Country: Korea - Republic of

Post: Seoul

Report Category: Grain and Feed

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Report Highlights:

On November 12, 2019, Statistics Korea (KOSTAT) released its revised 2019 rice production estimate of 3.744 million metric tons (MMT), down one percent from the initial rice production estimate surveyed for early September 2019 (3.780 MMT) and down 3.2 percent from the previous year, reflecting a decline in rice area (down 1.1 percent) and lower yield (down 2.2 percent). Lower production, in tandem with a continued government policy encouraging the consumption of old rice for animal feed, is expected to result in a 15.2 percent stocks-to-use ratio in MY 2019/20.

Production

On November 12, 2019, Statistics Korea (KOSTAT) released its revised 2019 rice production estimate of 3,744,450 metric tons, representing a minor decrease (35,000 MT) from the recent update of PSD ([KS2019-0046](#)) due to unfavorable weather developments in September just prior to harvesting that resulted in a lower rice yield of 5,131 kg per ha, down 2.2 percent from 2018. The PSD has been revised accordingly.

Yield

Unfavorable weather in September contributed to a rice yield of 5,131 kg per hectare (ha). Yields were lowest since 2014.

Korea: Rice Area, Yield and Production			
Crop Year	Area (1,000ha)	Yield (KG/ha)	Production (Milled, 1,000 MT)
2005	980	4,865	4,768
2006	955	4,901	4,680
2007	950	4,640	4,408
2008	936	5,174	4,843
2009	924	5,318	4,916
2010	892	4,815	4,295
2011	854	4,946	4,224
2012	849	4,718	4,006
2013	833	5,081	4,230
2014	816	5,200	4,241
2015	799	5,416	4,327
2016	779	5,389	4,197
2017	755	5,264	3,972
2018	738	5,244	3,868
2019	730	5,131	3,744

Source: Ministry of Agriculture, Food and Rural Affairs (MAFRA)

Korea: 2019 Rice Area, Yield and Production			
Type of Rice Land	Area	Yield (KG/ha)	Production (Milled, MT)
Paddy Rice	729,585	5,130	3,743,868
Upland Rice	229	2,540	582
Total	729,814	5,131	3,744,450

Source: Ministry for Agriculture, Food, and Rural Affairs (MAFRA)

Korea: 2019 Rice Area and Production Estimate per Province						
(November 12 Crop Survey Basis)						
Crop Year	Area (Hectare)			Production (Metric ton)		
	2018	2019	Change (%)	2018	2018	Change (%)
National Total	737,678	729,814	-1.1	3,868,045	3,744,450	-3.2
Kyonggi	78,018	76,642	-1.8	389,991	373,740	-4.2
Kangwon	29,006	28,640	-1.3	153,944	150,901	-2.0
Chungbuk	33,615	33,247	-1.1	178,236	173,916	-2.4
Chungnam	133,958	123,174	-1.3	732,193	709,215	-3.1
Chonbuk	114,654	112,146	-2.2	627,141	604,509	-3.6
Chonnam	154,970	154,091	-0.6	776,022	725,094	-5.3
Kyounbuk	98,066	97,465	-0.6	534,968	529,210	-1.1
Kyongnam	65,681	65,979	+0.5	334,664	332,096	-0.8
Cheju	81	45	-44.1	191	100	-47.7
Cities ^{1/}	29,626	38,385	+29.6	140,695	145,669	+3.5

Source: Statistics Korea (KOSTAT)

^{1/} paddy land located in seven big cities such as Seoul, Pusan etc

Stocks:

MY 2019/20 ending stocks forecast (as of the end of October 2020) is revised down to 681 thousand MT from the previous report of 717 thousand MT, or 15.2 percent of total consumption. MY 2018/19 ending stocks (as of the end of October 2019) are estimated at 22.8 percent of total domestic consumption, remaining unchanged from the previous report.

Korea: Status of Rice Stocks

(Milled rice, 1,000 MT, as of end October)

Rice Year (Nov.-Oct.)	2014/15a/	2015/16a/	2016/17b/	2017/18c/	2018/19d/	2019/20d/
Total Stock	1,406	1,831	2,000	1,560	1,072	681
Government Stock	1,406	1,831	2,000	1,560	1,072	681
Total Domestic Consumption	4,197	4,212	4,435	4,746	4,712	4,492
Stock to Use Ratio (%)	33.5	43.5	45.1	32.9	22.8	15.2

Source: FAS/Seoul Estimate based on MAFRA data

a/ MAFRA Revised

b/ MAFRA Preliminary

c/ MAFRA forecast

d/ FAS/Seoul forecast

Production, Supply and Distribution Data Statistics:

Rice PS&D

Rice, Milled	2017/2018		2018/2019		2019/2020	
	Nov 2017		Nov 2018		Nov 2019	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Market Begin Year	Nov 2017		Nov 2018		Nov 2019	
Korea, Republic of	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	755	755	738	738	732	730
Beginning Stocks	2000	2000	1560	1560	1022	1072
Milled Production	3972	3972	3868	3868	3880	3744
Rough Production	5296	5286	5157	5195	5173	5016
Milling Rate (.9999)	7500	7514	7500	7446	7500	7464
MY Imports	398	398	410	410	410	410
TY Imports	386	398	410	410	410	410
TY Imp. from U.S.	91	91	0	160	0	160
Total Supply	6370	6370	5838	5838	5312	5226
MY Exports	64	64	104	54	55	53
TY Exports	64	64	104	54	55	53

Consumption and Residual	4746	4746	4712	4712	4480	4492
Ending Stocks	1560	1560	1022	1072	777	681
Total Distribution	6370	6370	5838	5838	5312	5226
Yield (Rough)	7.0146	7.0013	6.9878	7.0393	7.0669	6.8712
(1000 HA) (1000 MT) (MT/HA)						

Appendix:

Applicable Milling Rate from Brown Rice to Milled Rice:

Based on the outcome of an industry survey in November 2011, the Ministry of Agriculture, Food, and Rural Affairs (MAFRA) acknowledged that the currently estimated average milling rate (paddy to milled) was too high and considered lowering it from 74 percent to 72 percent to reflect current processing practices. Local processors reportedly polished rice to a greater degree in response to consumer demand for well-milled high quality rice.

The table below shows how milling rates change along the Degree of Milling (DOM) spectrum. The higher the number is in the 12 degree spectrum, the whiter and higher quality the rice will be. Korean milling degrees have recently climbed from an average of nine to twelve degrees. While this affects the milling rate, the shelling rate to brown rice from paddy rice remains unchanged at 80 percent.

Korea: Milling Rate to Milled Rice from Paddy Rice							
(Percent)							
Degree(s)	1	2	5	7	9 ^{a/}	10	12 ^{b/}
% of Brown Rice Removed	0.8	1.6	4.0	5.6	7.2	8.0	9.6
% of Milled Rice Remaining	99.2	98.4	96.0	94.4	92.9	92.0	90.4
% of Shelling Rate	80	80	80	80	80	80	80
% of Milling Rate	79.36	78.72	76.80	75.52	74.32	73.60	72.32

Source: Statistics Korea (KOSTAT)

a/ milling rate applicable for official statistics at present

b/ milling rate to be revised in the future

The Korean government released rice production statistics that show a comparison of milled rice production based on milling rates of nine degrees and twelve degrees, as presented below. The change in milling rates will result in a production decrease on average of about two to three percent. However, as MAFRA continues to maintain its official data series based on nine degrees, PSD milling rate figures align accordingly.

Korea: Rice Production Comparison per Milling Rate						
Crop Year	Area (1,000 HA)	Rough Rice (1,000 MT)	Based on 9 Degrees		Based on 12 Degrees	
			Milled Rice (1,000 MT)	Milling Rate (%)	Milled Rice (1,000 MT)	Milling Rate (%)
1995	1,056	6,389	4,694	73.47	4,568	71.50
1996	1,050	7,123	5,323	74.73	5,179	72.71
1997	1,052	7,315	5,449	74.49	5,302	72.48
1998	1,059	6,790	5,097	75.07	4,959	73.03
1999	1,066	7,066	5,263	74.48	5,121	72.47
2000	1,072	7,197	5,291	73.52	5,148	71.53
2001	1,083	7,407	5,515	74.46	5,366	72.44
2002	1,053	6,687	4,927	73.68	4,794	71.69
2003	1,016	6,151	4,451	72.36	4,331	70.41
2004	1,001	6,737	5,000	74.22	4,865	72.21
2005	980	6,435	4,768	74.09	4,640	72.11
2006	955	6,305	4,680	74.23	4,554	72.23
2007	950	5,962	4,408	73.93	4,289	71.94
2008	936	6,468	4,843	74.88	4,712	72.85
2009	924	6,502	4,916	75.61	4,787	73.62
2010	892	5,811	4,295	73.91	4,180	71.93

2011	854	5,616	4,224	75.21	4,110	73.18
2012	849	5,405	4,006	74.12	3,898	72.12
2013	833	5,632	4,230	75.11	4,116	73.08
2014	816	5,638	4,241	75.22	4,126	73.18
2015	799	5,771	4,327	74.98	4,210	72.95
2016	779	5,625	4,197	74.61	4,084	72.60
2017	755	5,286	3,972	75.14	3,866	73.14
2018	738	5,195	3,868	74.46	3,764	72.45
2019	730	5,016	3,744	74.64	3,644	72.65

Source: Statistics Korea (KOSTAT)

Attachments:

No Attachments.