

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Date: 11/23/2015

GAIN Report Number: KS1541

Korea - Republic of

Post: Seoul

2015 Rice Production Update

Report Categories:

Grain and Feed

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Report Highlights:

On November 13, 2015, Statistics Korea (KOSTAT) released its revised 2015 rice production estimate of 4.33 million metric tons. This represents a 2.0 percent increase above last year's crop, supported by a record average yield despite a decline in rice acreage, resulting in a 36-percent stocks- to-use ratio in MY 2015/16, the highest in several years.

General Information:

Production

On November 13, 2015, Statistics Korea (KOSTAT) released its revised 2015 rice production estimate of 4,326,915 metric tons, representing a 1.6 percent increase from the recent update of PSD (KS1538) due to continued favorable weather conditions through harvest completion. Since the initial crop survey of early September, the new figure is an increase of 2.0 percent above last year's crop despite a decline in rice acreage. The PSD has been revised accordingly.

Yield

Favorable weather increased rice yields to a record 5,416 Kg per hectare, up 4.2 percent from the previous year.

Korea: Rice Area, Yield and Production			
Crop Year	Area (1,00HA)	Yield (KG/HA)	Production (Milled, 1,000 MT)
2005	980	4,900	4,768
2006	955	4,890	4,680
2007	950	4,640	4,408
2008	936	5,180	4,843
2009	924	5,318	4,916
2010	892	4,820	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

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

Korea: 2015 Rice Area, Yield and Production			
Type of Rice Land	Area	Yield (KG/HA)	Production (Milled, MT)
Paddy Rice	797,957	5,418	4,323,078
Upland Rice	1,387	2,766	3,837
Total	799,344	5,416	4,326,915

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

Korea: Rice Area and Production Estimate per Province (November 13, 2015 Crop Survey Basis)						
Crop Year	Area (Hectare)			Production (Metric ton)		
	2014	2015	Change (%)	2014	2015	Change (%)
National Total	815,506	799,344	-2.0	4,240,739	4,326,915	2.0
Kyonggi	86,472	82,071	-5.1	426,425	420,680	-1.3
Kangwon	33,126	32,300	-2.5	173,588	173,676	-1.6
Chungbuk	40,653	39,786	-2.1	215,456	215,115	-0.2
Chungnam	148,684	146,319	-1.6	835,669	827,886	-0.9
Chonbuk	124,089	121,765	-1.9	679,393	700,591	3.1
Chonnam	169,585	170,185	0.4	809,201	866,202	7.0
Kyounbuk	106,832	104,712	-2.0	570,082	589,466	3.4
Kyongnam	76,158	73,934	-2.9	376,568	389,866	3.5
Cheju	214	128	-40.2	625	444	-29.0
Cities ^{1/}	29,693	28,144	-5.2	153,732	142,989	-7.0

Source: Statistics Korea (KOSTAT)

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

Stocks:

MY 2015/16 ending stocks (through the end of October 2016) are forecast to increase to 1.6 million tons, or 36 percent of anticipated consumption, as rice production in the past three years was greater than demand as a result of a continued decline in per capita consumption. MY 2014/15 stocks (at the end of October 2015) are estimated at about 1.1 million tons, or 26 percent of total domestic consumption.

Korea: Status of Rice Stocks						
(Milled rice, 1,000 MT, as of end October)						
Rice Year (Nov.-Oct.)	2010/11	2011/12	2012/13a/	2013/14b/	2014/15c/	2015/16c/
Total	1,034	730	755	899	1,140	1,580
Government Stock	984	730	755	899	1,140	1,580
-Domestic Rice	696	487	na	na	na	na
-Imported Rice	288	243	na	na	na	na
Civil Stock	50	0	0	0	0	0

Source: FAS/Seoul Estimate based on MAFRA data

a/ MAFRA Preliminary

b/ FAS/Seoul Preliminary

c/ FAS/Seoul forecast

Production, Supply and Demand Data Statistics:

Rice PS&D

Rice, Milled	2013/2014		2014/2015		2015/2016	
	Nov 2013		Nov 2014		Nov 2015	
Market Begin Year	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Korea, Republic of						
Area Harvested	833	833	816	816	799	799
Beginning Stocks	780	780	899	899	1158	1140
Milled Production	4230	4230	4241	4241	4258	4327
Rough Production	5632	5632	5638	5638	5661	5771
Milling Rate (.9999)	7511	7511	7522	7522	7522	7498
MY Imports	313	313	470	450	410	470
TY Imports	379	349	450	370	410	410
TY Imp. from U.S.	38	38	0	140	0	140
Total Supply	5323	5323	5610	5590	5826	5937
MY Exports	2	2	2	2	2	2
TY Exports	2	2	2	2	2	2
Consumption and Residual	4422	4422	4450	4448	4360	4355
Ending Stocks	899	899	1158	1140	1464	1580
Total Distribution	5323	5323	5610	5590	5826	5937
(1000 HA) ,(1000 MT)						

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 current average milling rate (paddy to milled) was too high and considered lowering it

from 74 percent to 72 percent to reflect current production practices. Local processors reportedly polished rice to a greater degree in response to consumer demand for well-milled high quality rice. As shown in the table below, milling is said to have climbed from 9 to 12 degrees. The higher you progress in the 12 degree spectrum, the whiter the rice. 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 to date

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 9 degrees and 12 degrees as below. The change in milling rates will result in a production decrease on average of about 2-3 percent. However, as MAFRA maintains its official data series based on 9 degrees, PSD milling rate figures align accordingly.

Korea: Rice Production Comparison per Milling Rate (1,000 MT, .9999)						
Crop Year	Area (1,000 HA)	Rough Rice	Based on 9 Degrees		Based on 12 Degrees	
			Milled Rice	Milling Rate	Milled Rice	Milling Rate
1995	1,056	6,389	4,694	7,347	4,568	7,150
1996	1,050	7,123	5,323	7,473	5,179	7,271
1997	1,052	7,315	5,449	7,449	5,302	7,248
1998	1,059	6,790	5,097	7,507	4,959	7,303
1999	1,066	7,066	5,263	7,448	5,121	7,247
2000	1,072	7,197	5,291	7,352	5,148	7,153
2001	1,083	7,407	5,515	7,446	5,366	7,244
2002	1,053	6,687	4,927	7,368	4,794	7,169
2003	1,016	6,151	4,451	7,236	4,331	7,041
2004	1,001	6,737	5,000	7,422	4,865	7,221
2005	980	6,435	4,768	7,409	4,640	7,211
2006	955	6,305	4,680	7,423	4,554	7,223
2007	950	5,962	4,408	7,393	4,289	7,194
2008	936	6,468	4,843	7,488	4,712	7,285
2009	924	6,502	4,916	7,561	4,787	7,362
2010	892	5,811	4,295	7,391	4,180	7,193
2011	854	5,616	4,224	7,521	4,110	7,318
2012	849	5,405	4,006	7,412	3,898	7,212
2013	833	5,632	4,230	7,511	4,116	7,308
2014	816	5,638	4,241	7,522	4,126	7,318
2015	799	5,771	4,327	7,498	4,210	7,295

Source: Statistics Korea (KOSTAT)

Purpose of the Export Certificates:

