

Mississippi Rice Outlook

2021 USA Rice Outlook Conference
December 5-7, 2021

Brian Mills
Agricultural Economist
Mississippi State University



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Outline

- Mississippi Rice Situation
- Farm Bill Programs
- MSU Enterprise Budgets

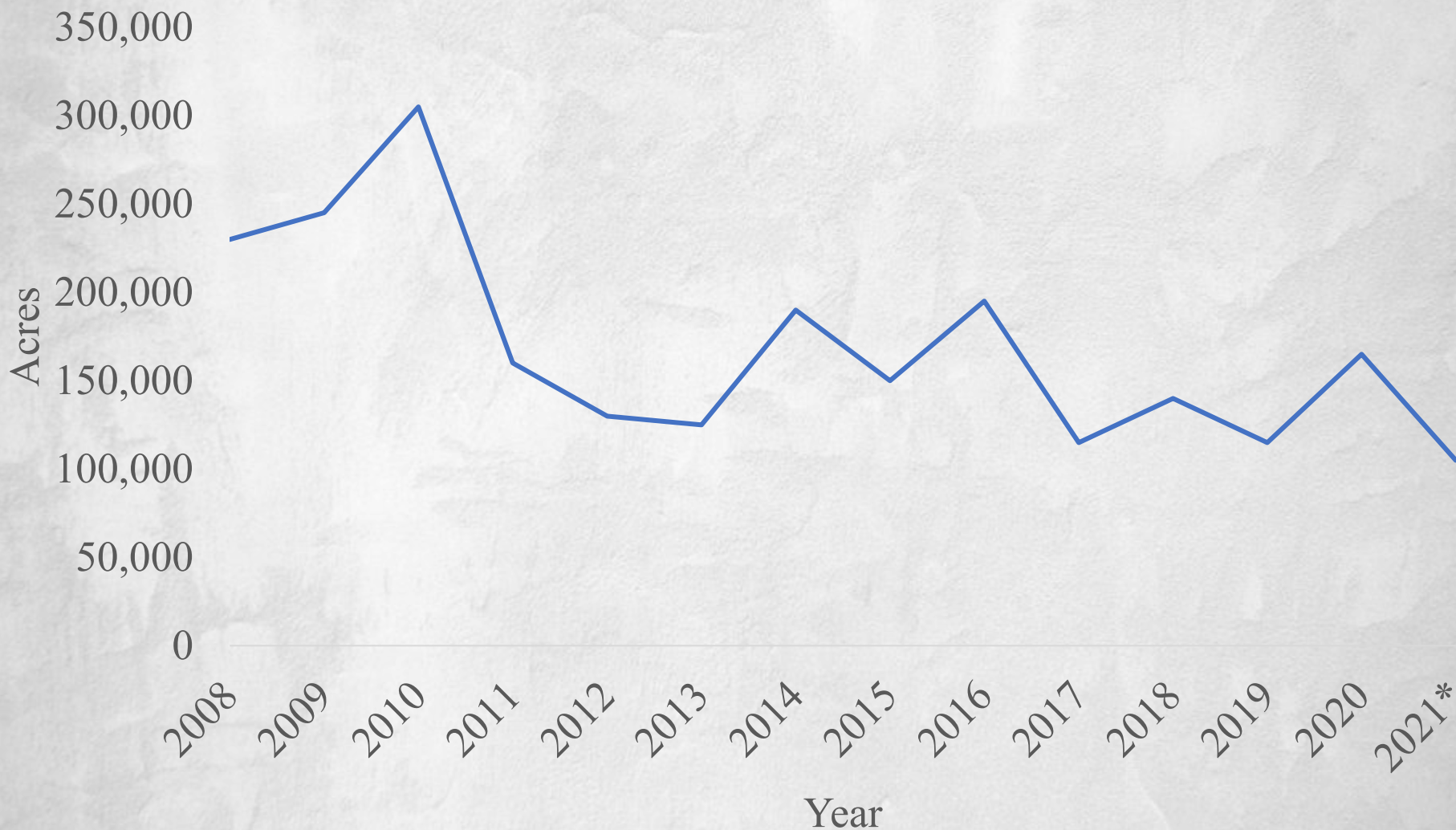


Mississippi Rice Acres

- 100,862 acres of rice in 2021
- Down from 164,206 acres in 2020
- Acres have been declining since 2010
- Flooding in 2021 had large impact on rice production



Mississippi Long Grain Rice Acres



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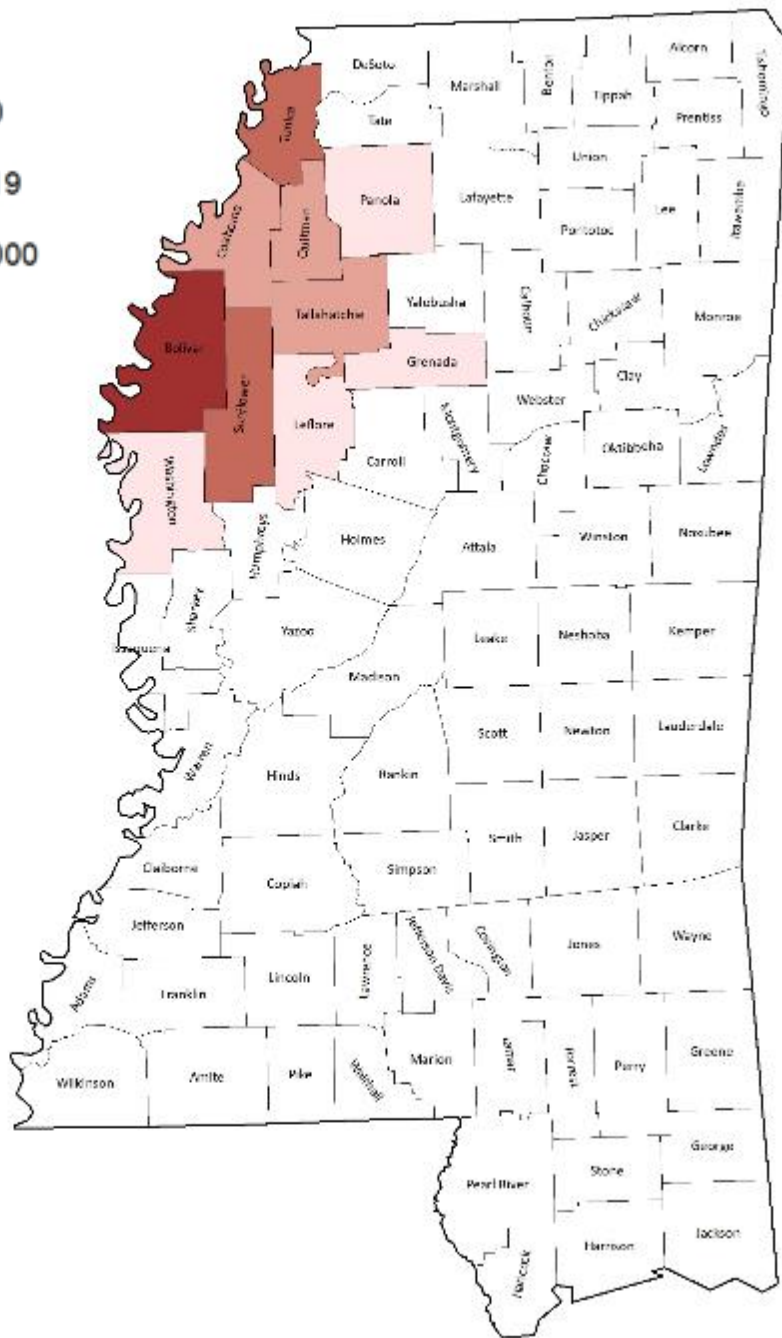
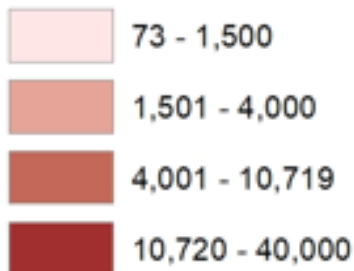
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Mississippi Flood Damages 2021

- Significant flooding in June
- FSA collected data on acres that were damaged, destroyed, or prevented from planting
- MSU Extension estimated crop damages based on reported acres



Rice Acres Impacted



Acres Impacted

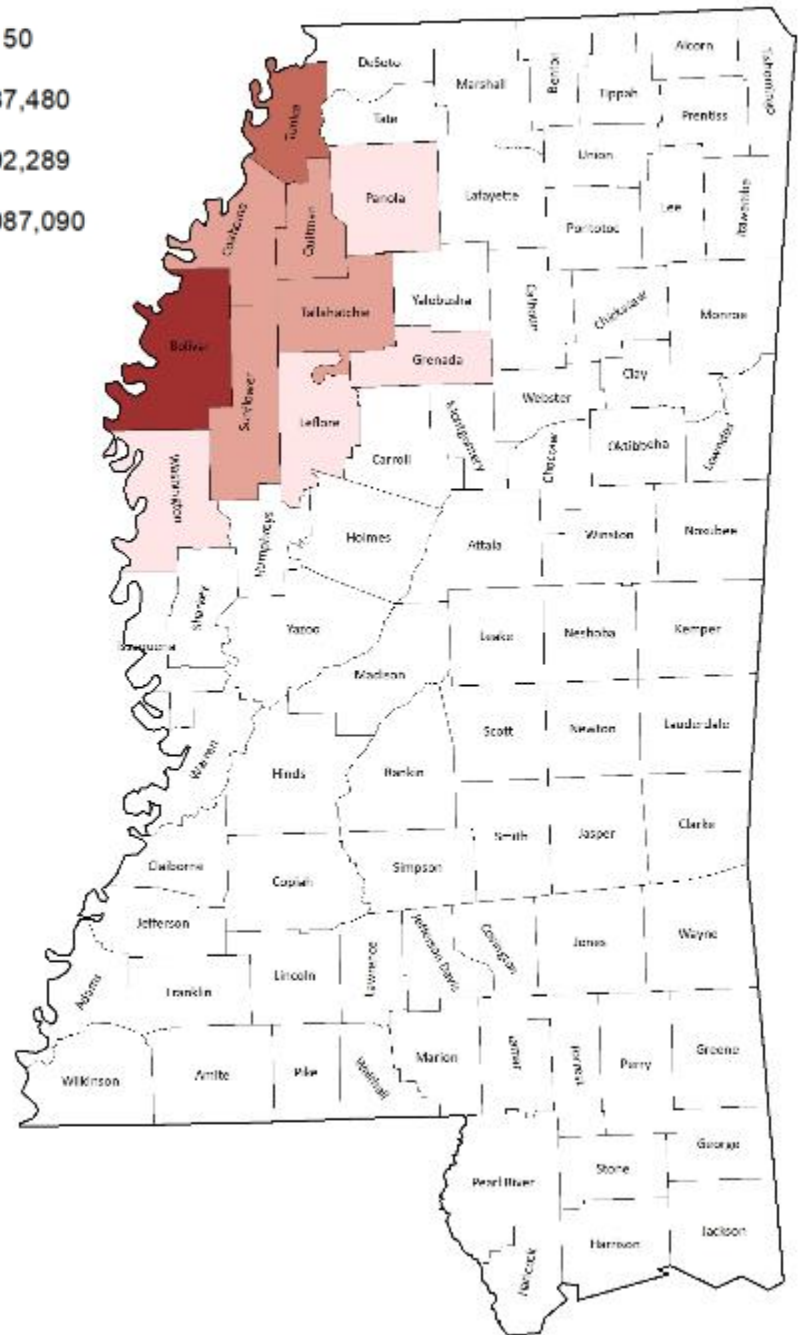
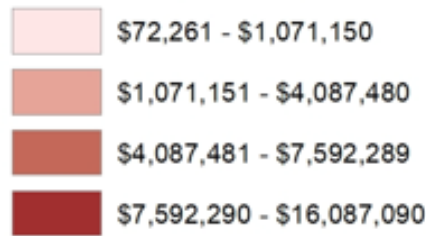
- 69,107 acres impacted
 - Bolivar County most impacted
- 43,950 damaged acres
 - Estimated 21% yield loss
- 24,938 destroyed acres
 - Replanted to soybeans



Crop Damages

- Estimated rice losses of \$37,797,161
- Does not include acres damaged but not reported to FSA
- Producers had added input costs

Rice Acreage Damage Estimate



Long Grain MYA Price and Reference Price



*Projected MYA Price

— Long Grain Rice

..... Reference Price



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Farm Program Payments 2020

Table 1. 2020 PLC Payment Rates

	Reference Price \$/lb	2020 MYA Price \$/lb	2020 PLC Payment Rate \$/lb
Rice (long grain)	\$0.140	\$0.126	\$0.014
Rice (med/short grain) ³	\$0.140	\$0.131	\$0.009

- ARC-CO did not have any payments in Mississippi for 2020



Farm Program Payments 2021

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- ARC-CO depends on county yields



Farm Program Election for 2022

- Sign-up for 2022 is in March
- 99.8% of base acres enrolled in PLC program for 2021
- Likely to have majority enrolled in PLC again
- Given reference price and historical prices, PLC likely to have payments for rice going forward



MSU Rice Cost of Production Estimates – 2022 Crop Year

- MSU produces yearly Enterprise and Planning budgets using MSU Budget Generator
- Survey Mississippi companies to determine costs of herbicide, pesticide, fertilizer, equipment, etc
- Multidisciplinary team develops budgets based on common production practices/recommendations



MSU Rice Cost of Production Estimates – 2022 Crop Year

- Rice budgets for conventional, conventional hybrid, Clearfield, Fullpage hybrid and Provisia types.
- Budgets for irrigation systems
 - contour levee, straight levee, straight levee multi-inlet, and zero grade systems.
- Costs will vary for each producer
- Available at agecon.msstate.edu



MSU Rice Cost of Production Estimates Changes from Previous Year

- Very little recommendation changes from previous year
- Ameristar Top used in place of Flint Extra and Tilt
 - Lower fungicide costs
- But input costs were up significantly from previous year



Input Prices

Table 1. Change in input costs from 2021 to 2022

Cost	Conventional	Conventional Hybrid	Clearfield	Fullpage Hybrid	Provisia
	Change in Costs \$/acre				
Fertilizer	\$45.01	\$39.07	\$45.01	\$39.07	\$45.01
Herbicide	\$2.81	\$2.81	\$4.28	\$12.20	-\$3.29
Insecticide	\$0.93	\$0.93	\$0.93	\$0.93	\$0.93
Adjuvants	\$3.96	\$3.96	\$4.47	\$4.47	\$2.23
Total	\$52.71	\$46.77	\$54.69	\$56.67	\$44.88



Input Prices

Table 2. Change in Total Costs and Returns from 2021 to 2022

	Conventional	Conventional Hybrid	Clearfield	Fullpage Hybrid	Provisia
Change in Variable Expenses	\$54.46	\$82.22	\$62.14	\$92.24	\$48.25
Change in Fixed Expenses	-\$1.63	-\$1.66	-\$1.63	-\$1.66	-\$1.63
Change in Total Expenses	\$52.83	\$80.56	\$60.51	\$90.58	\$46.62
Change in Net Returns	\$59.17	\$45.45	\$51.49	\$35.42	\$62.58



Conclusion

- 2022 rice acreage expected to be same or maybe slightly higher
- Most rice base acres expected to be enrolled in PLC
- Input prices are up but net returns could still be better than previous years



Questions?

Brian Mills

b.mills@msstate.edu

662-686-3238



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