

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Korea - Republic of

Post: Seoul

Rice Production Estimate Revised Down Slightly

Report Categories:

Grain and Feed

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Report Highlights:

On November 13, 2018, Statistics Korea (KOSTAT) released its revised 2018 rice production estimate of 3.868 million metric tons (MMT), slightly down from 3.875 MMT, the initial rice production estimate surveyed for early September 2018. This represents output that is 2.6 percent lower than last year's crop, reflecting a decline in rice area and lower yield. Lower production, in tandem with a continued government policy encouraging the consumption of old rice for animal feed, is expected to result in a 16.3 percent stocks-to-use ratio in MY 2018/19.

General Information:

Production

On November 13, 2018, Statistics Korea (KOSTAT) released its revised 2018 rice production estimate of 3,868,045 metric tons, representing a minor decrease (7,000 MT) from the recent update of PSD ([KS1837](#)) due to unfavorable weather developments during planting and growing stages that resulted in a lower rice yield of 5,244 kg per hectare (ha), down 0.4 percent from 2017. The PSD has been revised accordingly.

Yield

As just explained, unfavorable weather through harvest completion contributed to a rice yield of 5,244 kg/ha. Yields were lower than the recent five-year average.

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

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

Korea: 2018 Rice Area, Yield and Production			
Type of Rice Land	Area	Yield (kg/ha)	Production (Milled, MT)
Paddy Rice	737,408	5,245	3,867,415
Upland Rice	265	2,377	630
Total	737,673	5,244	3,868,045

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

<p style="text-align: center;">Korea: 2018 Rice Area and Production Estimate per Province (November 13 Crop Survey Basis)</p>
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Crop Year	Area (Hectare)			Production (Metric ton)		
	2017	2018	Change (%)	2017	2018	Change (%)
National Total	754,713	737,678	-2.3	3,972,468	3,868,045	-2.6
Kyonggi	78,484	78,018	-0.6	379,991	389,991	2.6
Kangwon	29,710	29,006	-2.4	148,347	153,944	3.8
Chungbuk	35,069	33,615	-4.1	179,837	178,236	-0.9
Chungnam	134,035	133,958	-0.1	720,554	732,193	1.6
Chonbuk	118,340	114,654	-3.1	655,292	627,141	-4.3
Chonnam	161,442	154,970	-4.0	827,162	776,022	-7.4
Kyounbuk	99,551	98,066	-1.5	549,474	534,968	-2.6
Kyongnam	67,895	65,681	-3.3	359,186	334,664	-6.8
Cheju	113	81	-28.7	306	191	-37.5
Cities ^{1/}	30,074	29,626	-1.5	152,319	140,695	-7.6

Source: Statistics Korea (KOSTAT)

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

Stocks:

MY 2018/19 ending stocks forecast (as of the end of October 2019) is revised down to 762 thousand MT from the previous report of 796 thousand MT, or 16.3 percent of total consumption. MY 2017/18 ending stocks (as of the end of October 2018) are estimated at 24.8 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.)	2013/14	2014/15a/	2015/16b/	2016/17c/	2017/18d/	2018/19d/
Total Stock	887	1,406	1,831	1,784	1,210	762
Government Stock	887	1,406	1,831	1,784	1,210	762
Total Domestic Consumption	4,422	4,197	4,212	4,651	4,883	4,673
Stock to Use Ratio (%)	20.0	33.5	43.5	38.4	24.8	16.3

Source: FAS/Seoul Estimate based on MAFRA data

a/ MAFRA Revised

b/ MAFRA Preliminary

c/ MAFRA forecast

d/ FAS/Seoul forecast

Production, Supply and Demand Data Statistics:

Rice PS&D

Rice, Milled	2016/2017		2017/2018		2018/2019	
Market Begin Year	Nov 2016		Nov 2017		Nov 2018	
Korea, Republic of	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	779	779	755	755	738	738
Beginning Stocks	1831	1831	1784	1784	1210	1210
Milled Production	4197	4197	3972	3972	3875	3868

Rough Production	5596	5625	5296	5286	5167	5195
Milling Rate (.9999)	7500	7461	7500	7514	7500	7446
MY Imports	411	411	400	400	410	410
TY Imports	412	412	400	430	410	410
TY Imp. from U.S.	138	164	0	120	0	160
Total Supply	6439	6439	6156	6156	5495	5488
MY Exports	4	4	63	63	53	53
TY Exports	4	4	63	63	53	53
Consumption and Residual	4651	4651	4883	4883	4673	4673
Ending Stocks	1784	1784	1210	1210	769	762
Total Distribution	6439	6439	6156	6156	5495	5488
Yield (Rough)	7.1836	7.2208	7.0146	7.0013	7.0014	7.0393
(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 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 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

Source: Statistics Korea (KOSTAT)