

The XIII International Rice Conference, 2018
Piura, Peru

How Is the Global Sushi Boom Influencing the Japonica Rice Markets in the World?

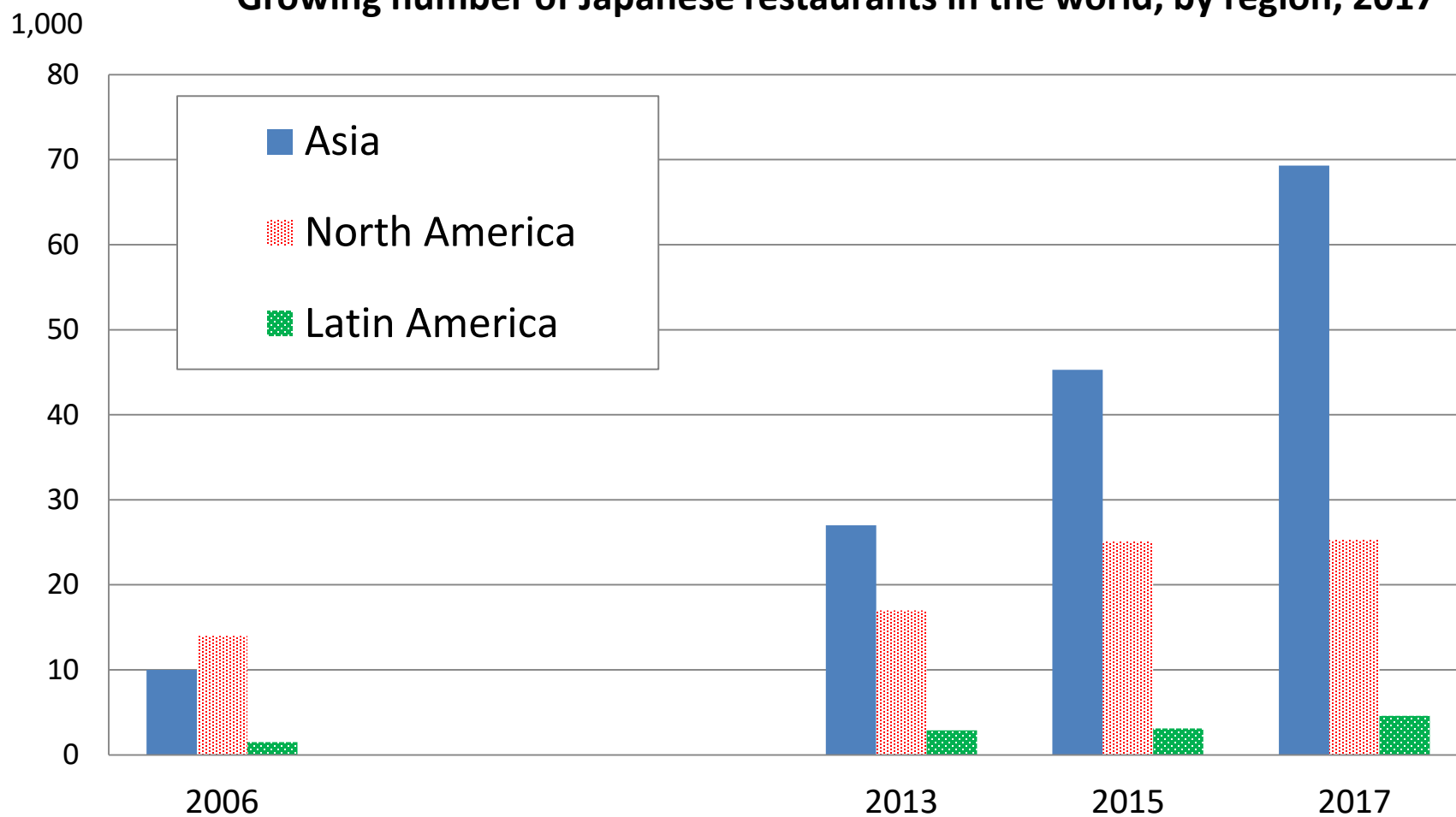
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May 15, 2018

- Today's Features -

- Global booming of Sushi and Japanese restaurants
- Characteristics of japonica vs. indica rice prices
- Japonica rice production in the world
- California rice dominates the global markets
- Retail prices of japonica rice
- Japonica rice exports from Japan...
- What to expect for the future?

**Global booming of
Japanese restaurants...**

Growing number of Japanese restaurants in the world, by region, 2017



Source: Ministry of Agriculture, Forestry and Fisheries, August 2017

Growing number of Japanese restaurants in the world, by region, 2017

	Asia	Russia	EU	North America	Latin America	Middle East	Africa	Oceania	World Total
2006	10,000	1,000	2,500	14,000	1,500	100	50	1000	30,150
2013	27,000	1,200	5,500	17,000	2,900	250	150	700	54,700
2015	45,300	1,850	10,550	25,100	3,100	600	300	1,850	88,650
2017	69,300	2,400	12,200	25,300	4,600	950	350	2,400	117,500
Increasing rate 2017/2015	153%	130%	116%	101%	148%	158%	117%	130%	133%

Source: Ministry of Agriculture, Forestry and Fisheries, August 2017



citibank

MARUKAI
MARKET

3832

3842

Handicapped
Parking Only

NO PARKING

6CRF844

INGREDIENTS: COOKED RICE, SALAD, SAUCE

\$1.70



\$ 6.50



85
\$ 7.00



85
\$ 9.00



85
\$14.00

KIKKOMAN
NATURAL SOY SAUCE



Everyday Low Price

TAMAKI GOLD 15lb

15LB

\$33.88

No Membership
Required

Dept#: 210

NET WEIGHT 15 LBS (6.81 KG)
TAMAKI RICE CORPORATION



月堂 御菓子司

月堂 御菓子司



コッフル

神戸月堂

Our cashier is on right.
→ → → →

Our cashier is on right.
→ → → →

Side Items
Will Differ From
Display



牛丼
\$7.25



カツ丼
\$7.25



とんかつ定食
\$9.50



カニフライ定食
\$9.50



チキンカツ定食
\$9.25



カレーライス
\$8.50



サバ塩焼き定食
\$9.75



エビ天ぷら定食
\$8.00

WATEISHOKU KANEDA
Menu
1. 牛丼 \$7.25
2. 焼肉定食 \$9.25
3. カニフライ定食 \$9.50
4. 鶏串定食 \$8.75
5. とんかつ定食 \$9.50
6. チキンカツ定食 \$9.25
7. カニフライ定食 \$9.50
8. サバ塩焼き定食 \$9.75
9. エビ天ぷら定食 \$8.00
10. 鶏串揚げ定食 \$8.25
11. カレーライス \$8.50
12. 焼肉 \$9.25



焼肉定食
\$9.25



鶏串揚げ定食
\$8.25



鶏串定食
\$8.75



Sakura Ya

73-05

Sakura Ya

73-05

Sakura Ya

Miele

ALL INFORMATION
HEREIN IS UNCLASSIFIED
DATE 08-11-2010 BY 60322
UCBAW/STP/STP/STP/STP/STP



Beef Bowl
\$4.99

Chicken Bowl
\$4.59

Pork Bowl
\$4.99

Eel Bowl
\$5.99

Tempur
\$4.

Salmon Teriyaki
\$3.29

Mackerel Teriyaki
\$3.99

CAUTION HOT SURFACE
AVOID CONTACT

ポテトサラダ

中華わかめ

春雨サラダ



RICE BALLS \$1.99

★ **SHRIMP TEMPURA**
★ えび天むす

★ **SPICY SHRIMP TEMPURA**
★ スパイシー天むす

★ **CHICKEN**
★ チキン唐揚げ

SALMON
★ スパイシー鮭



Bohemia
ECLECTIC CLOTHING DECOR

HIBACHI
EXPRESS

Bagel Boys
Cafe







Lobster House

SUSHI & HIBACHI

10890

108 0







HIBACHI

BUFFET & GRILL

7045





ATTENTION TO ALL CUSTOMERS:
HELADOS SÓLO PARA COMER / SOLO PARA LLEVAR
UN \$1 CADA UNO GRACIAS :)
ALL ICE CREAMS ARE FOR DINE - IN ONLY,
FOR TAKE OUT \$1 EACH
THANK YOU :P

Landscaping & Maintenance
(770) 333-9152









veg sushi platter

₹1050



asparagus sushi

₹350



avocado
cucumber

₹350





Article No. 53002808
305000000855581
SUSHIMORE TUNA TARTARE
ROLL
400



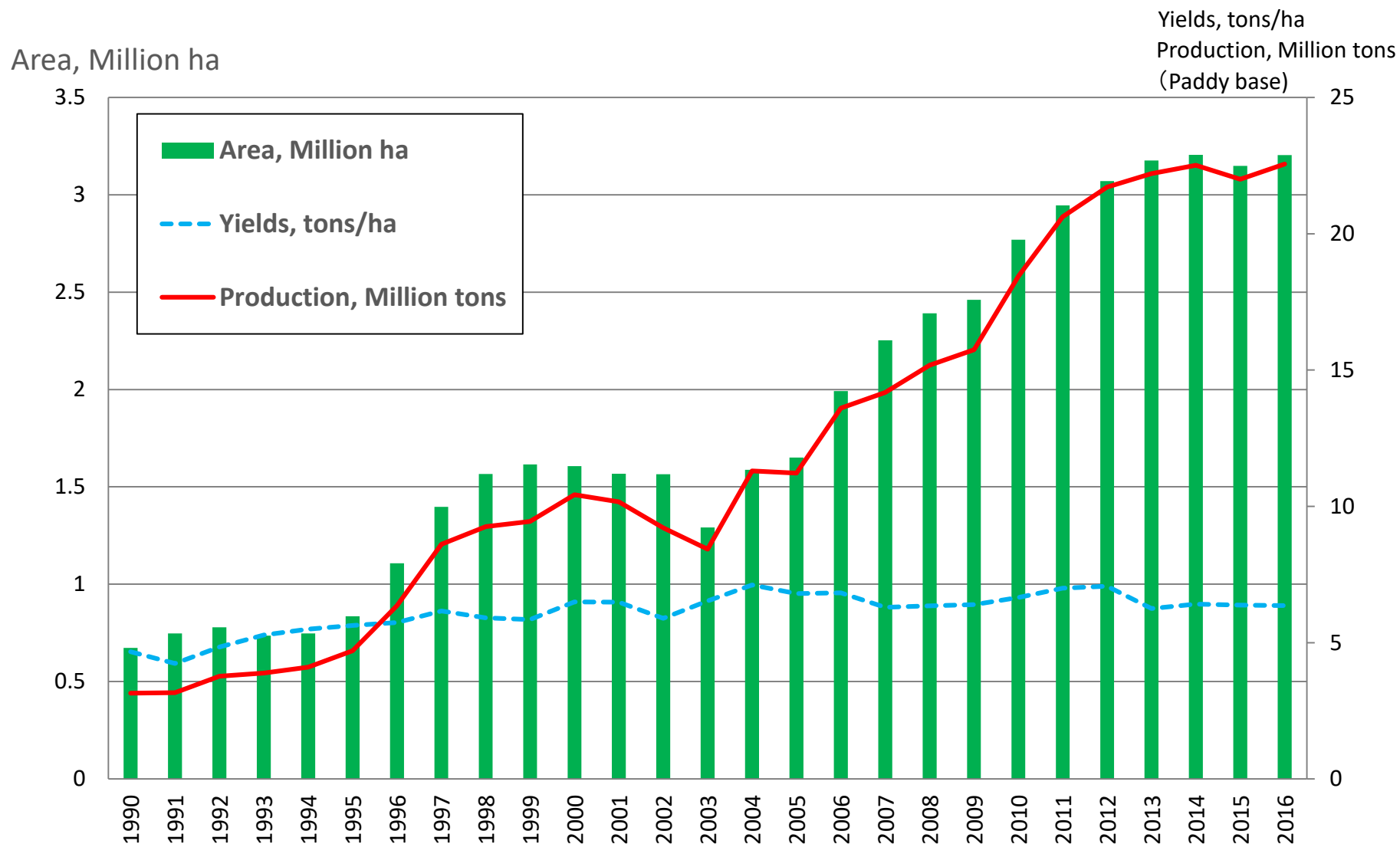
tuna tartare sushi
₹400

PREPARED

Who grows japonica rice in the world?

- **China**
 - About half of their rice production of 146 million metric tons (MMT, milled basis)
Namely, about 60 MMT
 - Japonica rice production takes over indica rice.
- **Japan**
 - About 8 MMT
 - Production is decreasing gradually due to less domestic consumption.
- **S. Korea**
 - About 4 MMT
 - Production is also decreasing gradually due to less domestic consumption.
- **California/U.S.**
 - About 1.5 MMT
 - Production is unstable due to unfavorable weather.
- **Taiwan**
 - About 1.2 MMT
 - Production is stable for domestic consumption.
- **Italy, Egypt**
 - Potential to increase is large....
- **Southeast countries. and others**
 - Thailand, Vietnam, Myanmar, etc.
 - Also, potential is large.
 - Rio Grande do Sul, Brazil, ...

Rice production in Heilongjiang Province, China, with areas and yields, 1990-'16

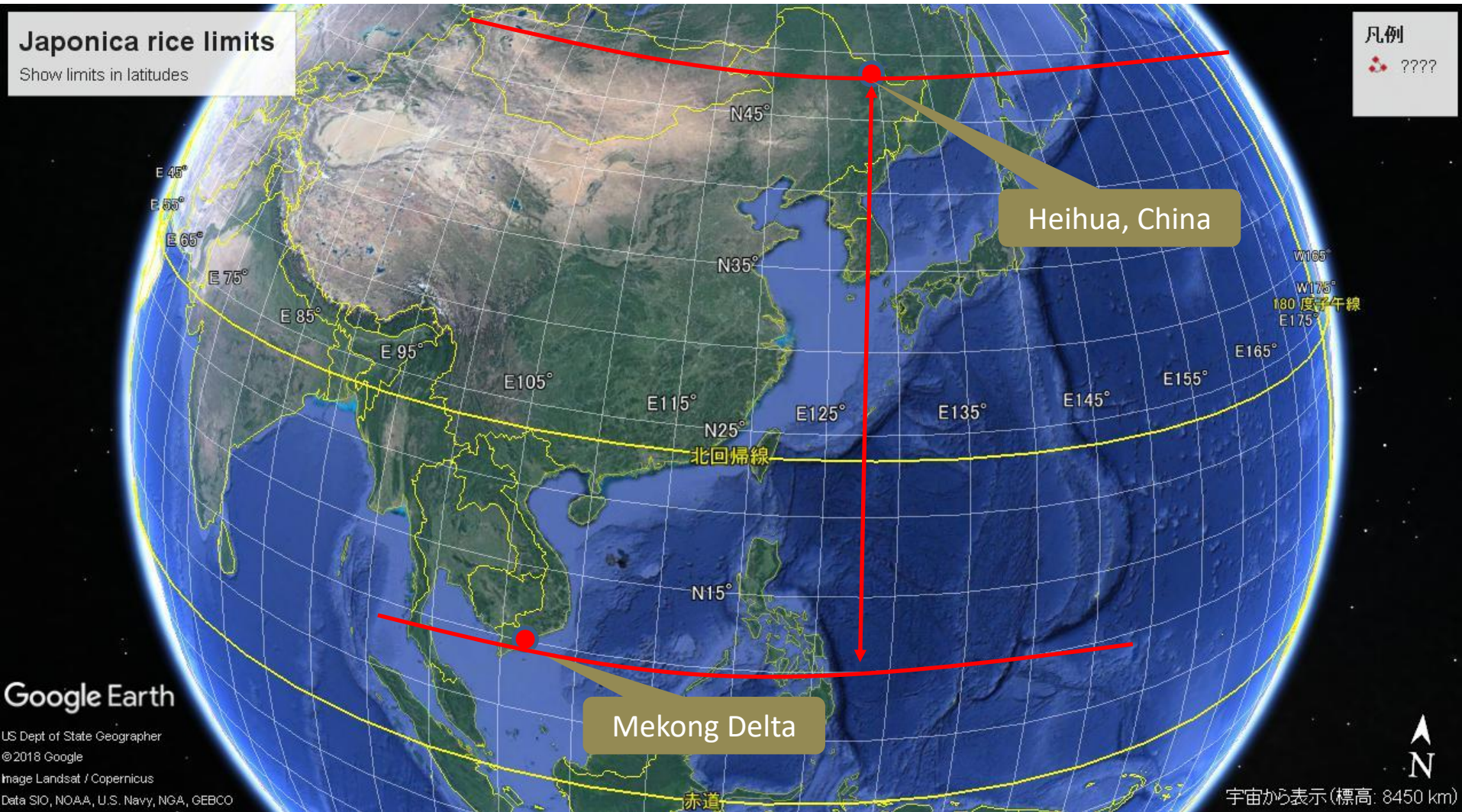


Source: China Rural Statistical Yearbook and National Bureau of Statistics of China (Several issues)

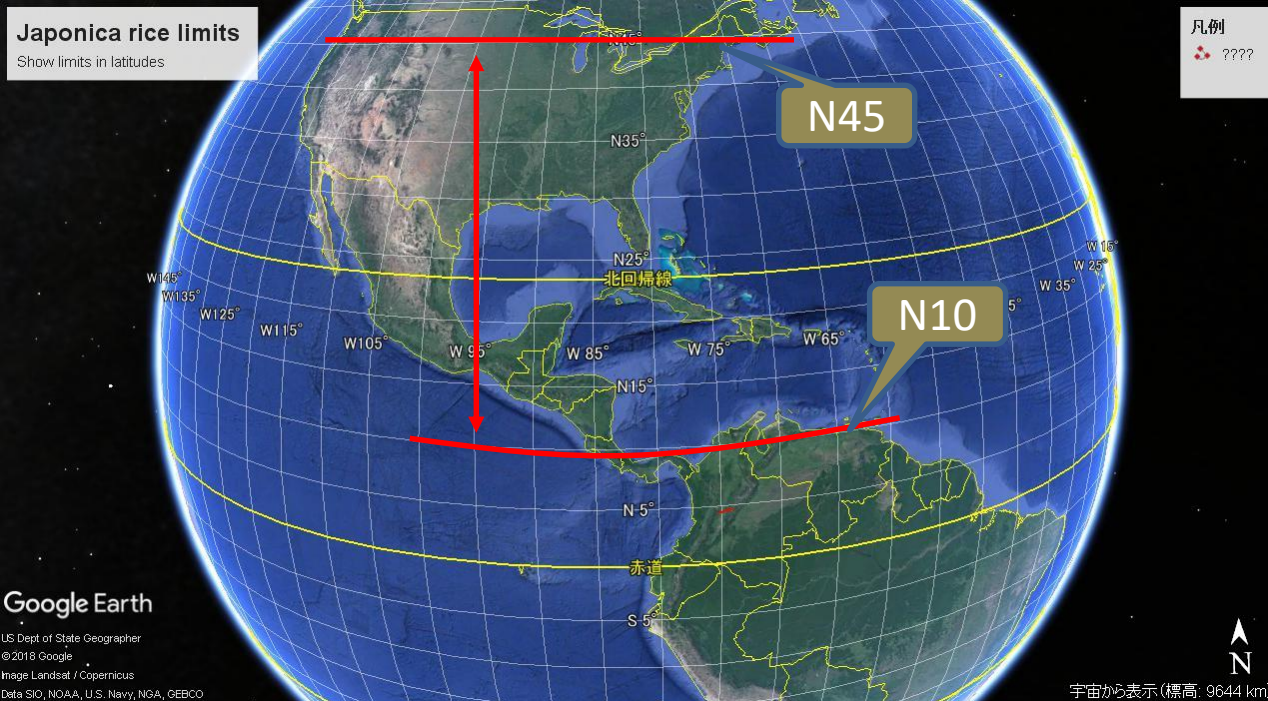
Geographical limits in latitude for japonica rice

- **North**
 - Heihua, China: 47 degree, North
- **South**
 - Mekong River Delta, Vietnam: 10 degree, North

Geographical limits in latitude for japonica rice



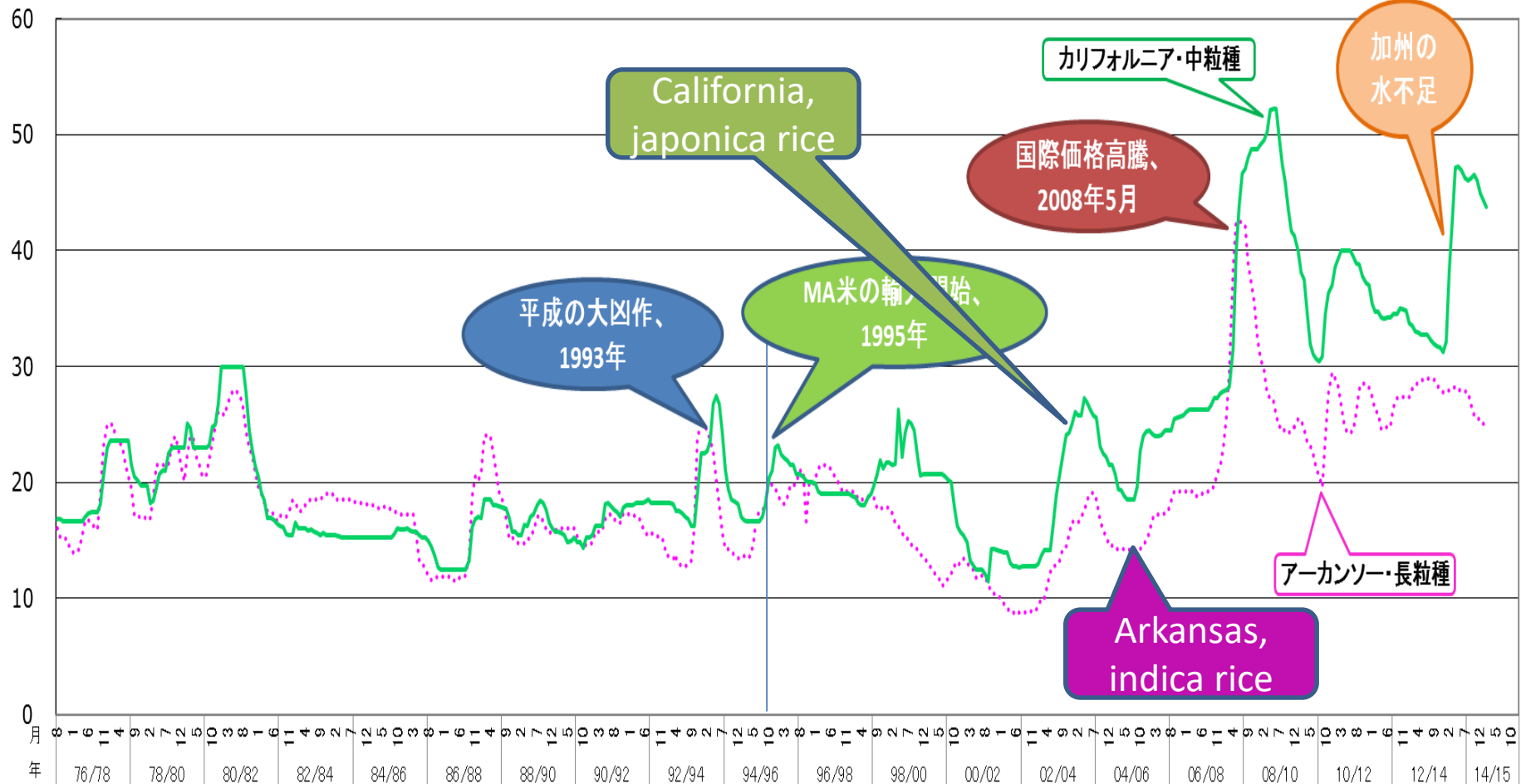
- **North**
 - Heihua, 47 degree, North
- **South**
 - Mekong Delta, Vietnam,



Characteristics of japonica vs. indica rice prices...

Price differences of japonica and indica rice in the U.S., FOB prices (Aug. 1976 – Feb. 2015)

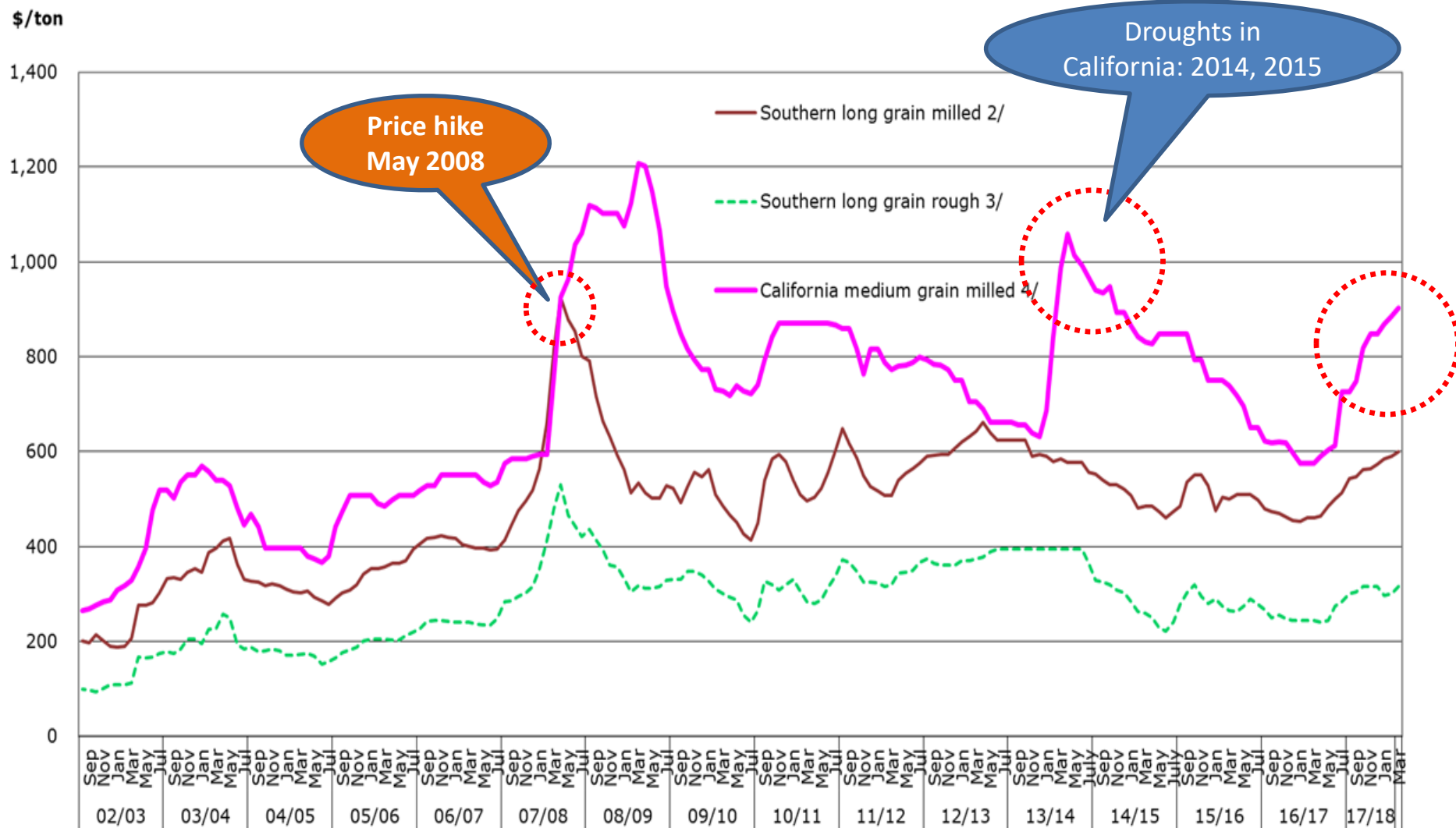
(\$/cwt, bagged)



ソース: Rice Yearbook : Dataset, USDA, Agricultural Marketing Service, Rice Market News.
伊東正一 <http://worldfood.apionet.or.jp/riceprice/ricepriceJ.htm>, June 2015

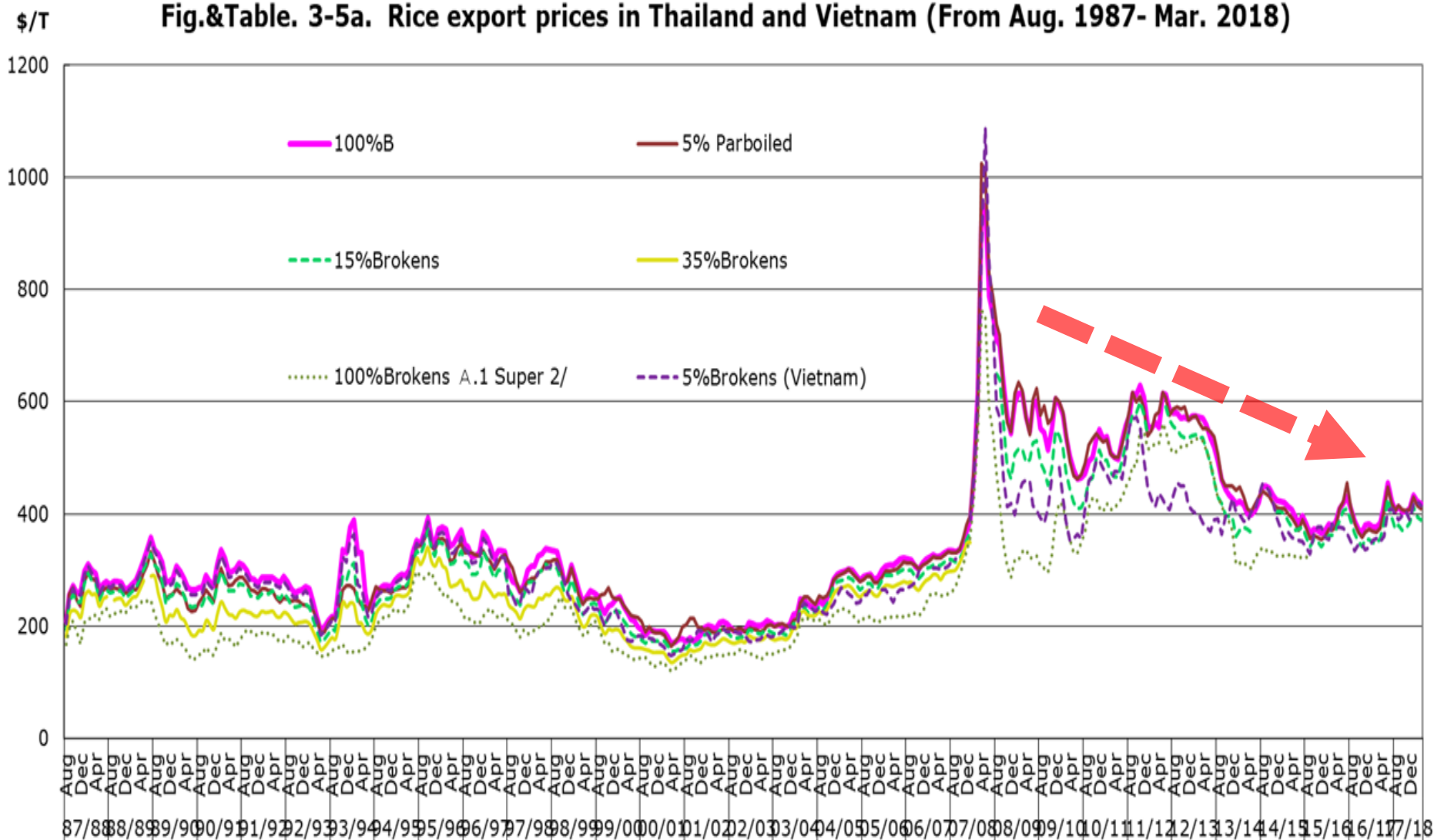
1995, Japan begins
rice imports

Fig.&Table 3-3. U.S. prices of milled rice (Aug. 2002 - Mar. 2018)



Source: USDA, Rice Situation and Outlook Yearbook Rice Outlook, Mar. 12, 2018
S. Ito, Department of Agricultural and Resource Economics, Faculty of Agriculture, Kyushu University, Japan

Fig.&Table. 3-5a. Rice export prices in Thailand and Vietnam (From Aug. 1987- Mar. 2018)



NA=Not available. 1/ Simple average of weekly price quotes. Includes cost of bags. 2/ 100-percent broken.
 Source: Thailand Grain and Feed Weekly Rice Price Update, U.S. Embassy, Bangkok. Last updated May 19, 2007,
 Source: Aug. 1997~ Aug. 2004 (USDA): Rice Situation and Outlook Yearbook Aug. 2004~, Rice Outlook, Mar. 12, 2018
 S. Ito, Department of Agricultural and Resource Economics, Faculty of Agriculture, Kyushu University, Japan

Retail prices of japonica rice....

Table 8 Retail prices of japonica rice in the U.S. (Los Ang. Area) (Milled rice, August 2015)				SJ&SAC in June 2017	
	US\$/15 lbs.(6.8 ^{kg})	US\$/10kg	Yen/10kg	Marukai's Yen/10kg	Oto's Yen/10kg
Tamaki Gold	33.88	49.82	5,730	4,055	5,748
Nishiki, white/Brn.	17.88	26.29	3,024	3,026	2,366
Nozomi	26.98	39.68	4,563	4,732	4,057
Tamanishiki	25.88	38.06	4,377	4,546	4,226
Koshihikari	18.97	27.90	3,208	4,717	4,226
Matsuri	24.98	36.74	4,225		3,888
Kagayaki	29.98	44.09	5,070		
Botan (Calrose rice)	12.98	19.09	2,195		
Hitomebore					4,226

注1: 米国の小売価格はロサンゼルス近郊のスーパー、SJ及びSACはサンノゼ市及びサクラメント市。

注2: 為替レートは1ドル115円として計算した。

Retail prices of japonica rice in Milan, Italy

Brand names	Weight	Price, Euro	Yen/10kg
Yumenishiki	10kg	38.2	4,966
Yumenishiki	1kg	5.0	--
Akai Suiren	10kg	13.9	1,807
Riso per Sushi	10kg	16.8	2,184
Riso per Sushi	1kg	2.0	--
Sushi Rice	10kg	14.5	1,885
Okome-san	1kg	3.4	--
Nishiki	40kg	49.9	1,622

(K shop in Milan, Oct. 2, 2017,

1 Euro = 130 Japanese yen

**California dominates the global
japonica rice markets....**

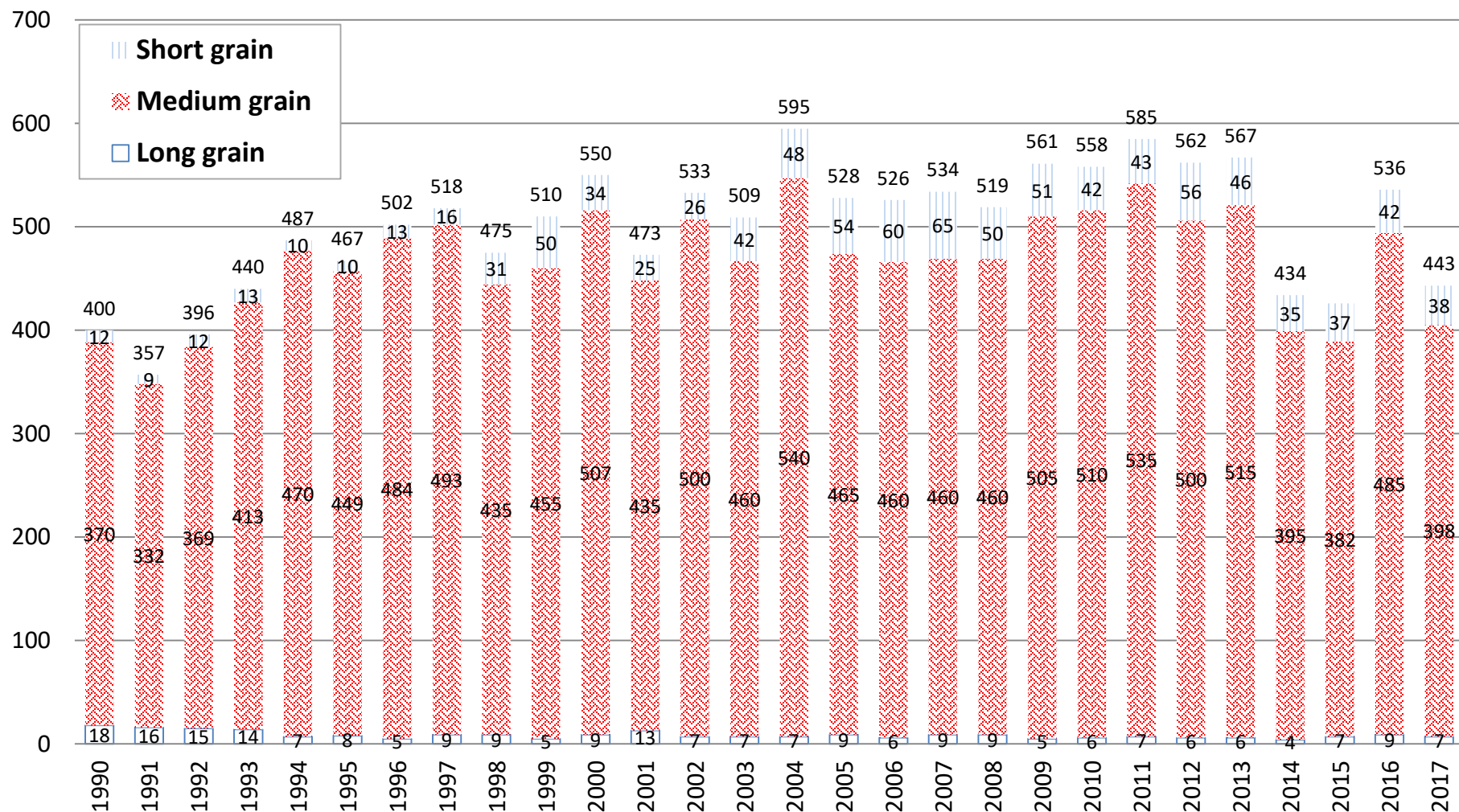
Rice in California, Prod., Distrib'n., 2011

(million tons, milled basis)

• Production	1.55
• Domest. Cons.	0.85
• Exports	0.70
— To Japan	0.36
— S. Korea	0.08
— Taiwan	0.05
— Others	0.21

Source : USDA: Rice Outlook, Feb. 2012

1,000 Acres Rice planted areas by type, long/medium/short grains, 1990 - 2017



Source : USDA Rice Yearbook(Several issues including May 2018 issue.)

Does Japan export rice?

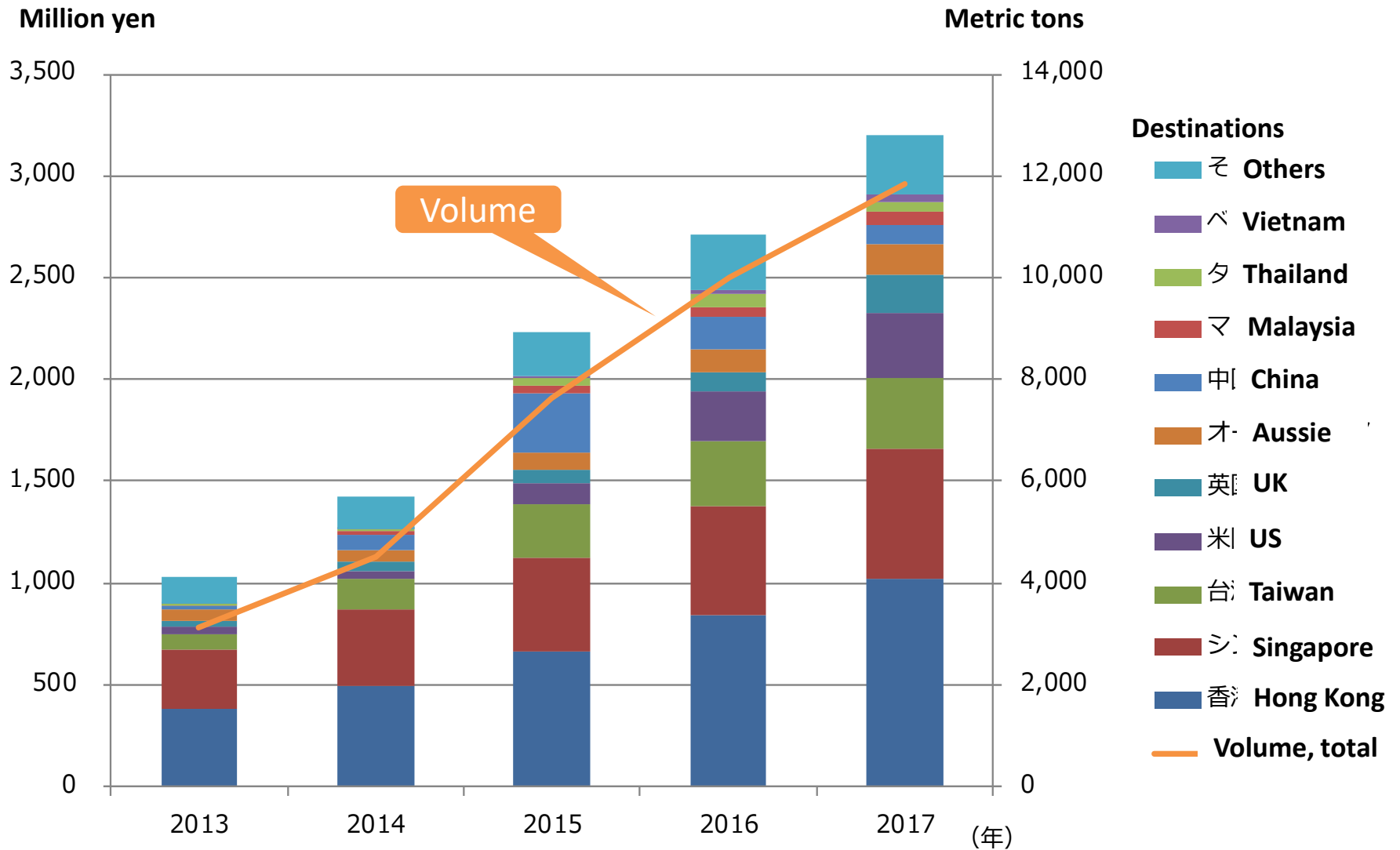
YES!! But, out of 8 million tons of production

only 0.1% !!

Huge barriers to export...

**Inappropriate policies
(Subsidies for feed-rice production, etc.)**

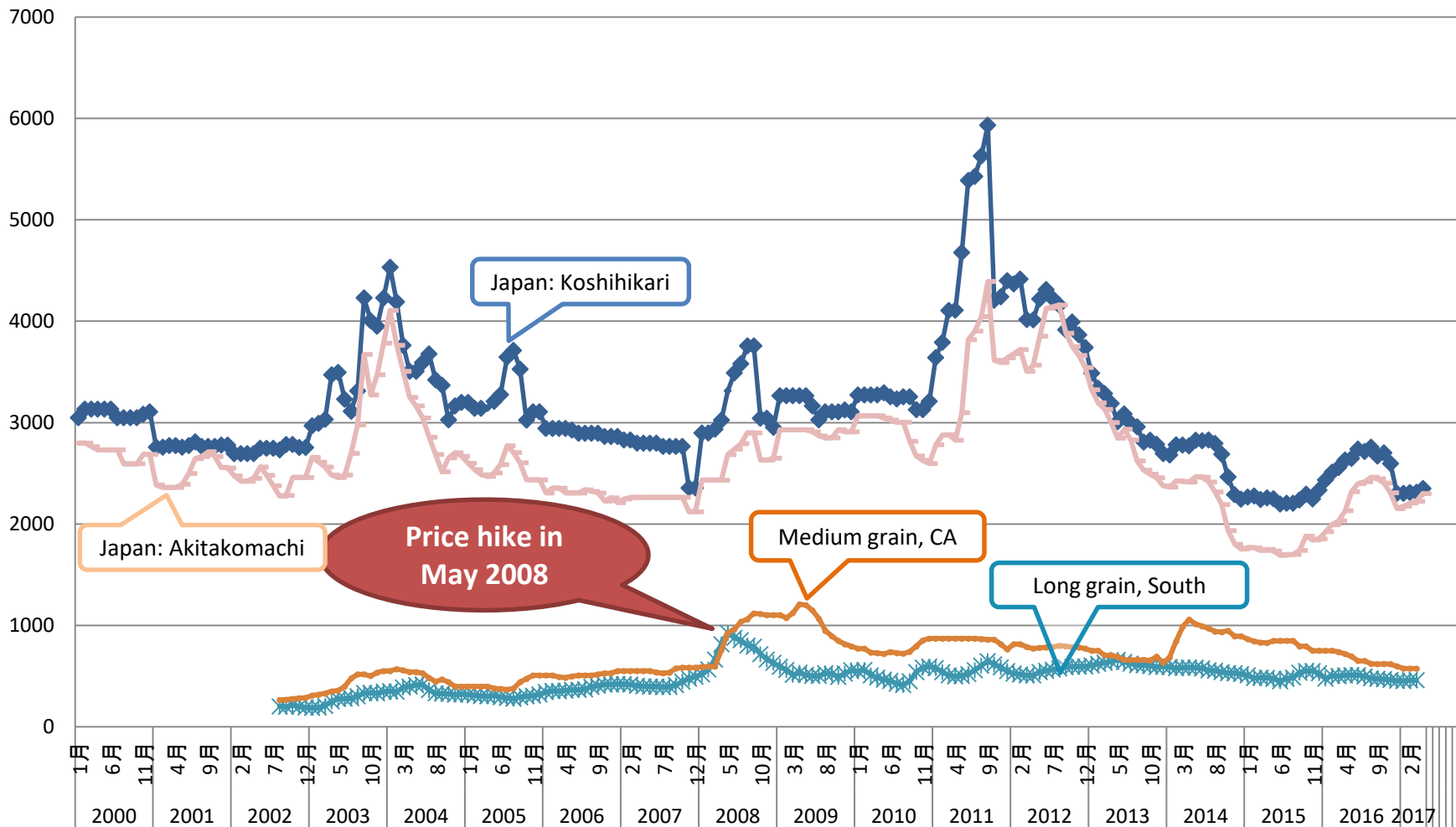
Rice exports from Japan, commercial only (2013 – '17)



Comparison of rice market prices between the U.S. and Japan

(Jan. 2000 – Apr. 2017)

\$/MT (milled basis)



Sources: Nikkei Shimbun Journal and USDA

Exchange Rates(monthly averages) are from Mitsubishi UFJ Research and Consulting

What to expect in japonica rice markets for the future?

- **Japanese food booming will possibly continue next two decades....**
 - The booming in the U.S., where it started, still goes on...
 - The rest of the areas are growing really fast,
 - Globally, more people enjoy Japanese restaurants....
- **Japan, S. Korea or Taiwan cannot increase export much**
 - They are very slow to increase due to unfamiliarity of ag. export business and policies.
 - Production is decreasing gradually due to less domestic consumption.
- **California/U.S. either...**
 - Water limitation: water is in the market, sell water or grow rice...
 - In the South, they cannot grow California varieties due to protection.
- **Italy, Egypt**
 - Potential to increase is large....
- **Southeast Asian countries. and others**
 - Thailand, Vietnam, Myanmar, etc.
 - Also, potential is large.
 - Rio Grande do Sul, Brazil, ...



Let's eat more rice!!

Thank you for your attention!

