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## **Report Name:** Grain and Feed Update

**Country:** Korea - Republic of

**Post:** Seoul

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### **Report Highlights:**

This report provides updates to the Korean 2020 Rice Production report released by FAS/Seoul on November 18, 2020, based on new data released by the Ministry of Agriculture, Food, and Rural Affairs (MAFRA) in December 2020. FAS/Seoul's 2020 rice production estimate remains unchanged at 3.5 million metric tons (MMT), with a projected 1.7 percent increase in demand over the previous estimate. Korean rice prices increased in late 2020 and early 2021 due to lower overall production in 2020, increasing pressure on the government to release rice stocks and increase imports.

## RICE

### Executive Summary

- FAS/Seoul's rice production estimate remains unchanged from the previous report: 3.5 million metric tons (MMT).
- Rice demand in MY 2020 increased by 1.7 percent from the previous Post estimate, to 4.65 MMT.
- In MY 2019/20, Korea imported 465,609 metric tons (MT) of rice, composed of 390,700 MT imported under the 2019 TRQ and 74,909 MT imported under the 2020 TRQ. The remaining balance of the 2020 TRQ will be imported in MY 2020/21.
- Total MY 2020/21 imports are expected to reach 500,000 MT (including some portion of the 2021 TRQ).
- Reduced domestic rice production in 2020 triggered prices to increase by 14-20 percent from October through December over the same period last year, increasing the appeal of imports.

### RICE PRODUCTION

Production remains unchanged (at 3,506,578 MT) from the [2020 Rice Production Update](#).

### RICE CONSUMPTION

In December 2020, the Korean Ministry of Agriculture, Food and Rural Affairs (MAFRA) released preliminary rice consumption data for MY 2018/19 in the MAFRA statistical yearbook. Total rice demand in the marketing year increased to 4.65 MMT, up 1.7 percent from the previous Post estimate, due to a large bump in the 'Other and Loss' category. MAFRA uses the 'Other and Loss' category to adjust for statistical errors over the course of the year. Other categories, such as table rice and processing rice, declined by 2.1 percent from the previous year due to a sharp drop in rice use for animal feed (Table 1).

Table 1

Korea: Rice Utilization Pattern				
(1,000 MT, milled)				
Rice Year (November – October)	MY 2016/17	MY 2017/18 <sup>a/</sup>	MY 2018/19 <sup>b/</sup>	MY 2019/20 <sup>c/</sup>
Table Rice	3,199	3,161	3,070	3,020
Processing	1,086	1,427	1,197	840
(for food)	(492)	(568)	(553)	(570)

(for liquor)	(216)	(188)	(191)	(200)
(for feed)	(378)	(671)	(453)	(70)
Seed	33	32	32	32
Other and Loss	117	132	351	150
Total Demand	4,435	4,752	4,650	4,042
Per Capita Table Rice Consumption (kg)	61.8	61.0	59.2	59.1

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

a/ MAFRA Revised

b/ MAFRA Preliminary

c/ FAS/Seoul forecast

Table 2

<b>Korea: Rice Consumption Pattern for Processing Purpose</b>				
(1,000 MT, milled)				
Purpose	MY 2016/17	MY 2017/18 <sup>a/</sup>	MY 2018/19 <sup>b/</sup>	MY 2019/20 <sup>c/</sup>
KRFA	220	260	299	270
KALIA	216	188	191	200
Others <sup>d/</sup>	272	308	254	300
Feed	378	671	453	70
Total	1,086	1,427	1,197	840

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

a/ Revised

b/ Preliminary

c/ FAS/Seoul forecast

d/ Traditional foods or beverage made of local rice.

Note: Korea Rice Foodstuffs Association (KRFA), Korea Alcohol & Liquor Industry Association (KALIA)

Table 3

<b>Korea: Rice Consumption for Animal Feed</b>
(Marketing Year, Brown rice basis, MT)

Month	MY 2017/18			MY 2018/19			MY 2019/20		
	Domestic Rice	Imported Rice	Total	Domestic Rice	Imported Rice	Total	Domestic Rice	Imported Rice	Total
November	53,806	0	53,806	66,286	1,009	67,295	29,500	2,518	32,018
December	48,340	0	48,340	53,349	2,021	55,370	25,168	1,338	26,506
January	43,163	0	43,163	42,868	116	42,984	9,927	63	9,990
February	54,117	0	54,117	43,781	8	43,789	3,822	0	3,822
March	62,448	0	62,448	51,147	26	51,173	1,897	0	1,897
April	64,516	0	64,516	42,124	6	42,130	1,042	0	1,042
May	64,816	850	65,666	35,510	1,112	36,622	672	0	672
June	64,187	1,655	65,842	37,845	17	37,862	284	0	284
July	58,654	2,235	60,889	42,311	1,808	44,119	318	0	318
August	65,027	913	65,940	33,284	3,606	36,890	227	0	227
September	67,160	1,003	68,163	31,142	5,210	36,352	152	0	152
October	72,529	1,428	73,957	33,156	3,535	36,691	119	0	119
Total (brown)	<b>718,763</b>	<b>8,084</b>	<b>726,847</b>	<b>512,804</b>	<b>18,474</b>	<b>531,278</b>	<b>73,128</b>	<b>3,919</b>	<b>77,047</b>
Total (milled)	<b>646,887</b>	<b>7,276</b>	<b>654,162</b>	<b>461,523</b>	<b>16,627</b>	<b>478,150</b>	<b>65,815</b>	<b>3,527</b>	<b>69,342</b>

Source: Korea Feed Association (KFA)

Note: actual rice consumption for feed is slightly different from government's estimate of feed use

## RICE TRADE

At the end of 2019 the Korean government agreed to a compromise with the five countries who had raised concerns in the WTO with Korea's rice tariff schedule. As part of this compromise, Korea agreed to allocate 408,700 MT of the WTO TRQ among the five countries as below. Within the rice TRQ, Korea established a country-specific quota (CSQ) for each of the five parties and allocated the following volumes on a milled rice basis:

United States: 132,304 MT

China: 157,195 MT

Vietnam: 55,112 MT  
 Thailand: 28,494 MT  
 Australia: 15,595 MT

Through the plurilateral agreement, which took effect in January 2020, Korea has made the remaining 20,000 MT (milled) of the rice WTO TRQ available on a Most-Favored Nation (MFN) basis to all WTO members.

As of December 17, 2020, Korea completed purchasing of 408,700 MT under the 2020 TRQ, 160,995 MT of which was delivered in the second half of CY 2020 (May-December) on a contract basis and 247,705 MT of which is scheduled for delivery in CY 2021 (January-June) (Table 9 & 10).

In MY 2019/20, Korea imported 465,609 MT of rice, composed of 390,700 MT imported under the 2019 TRQ and 74,909 MT imported under the 2020 TRQ. The remaining balance of the 2020 TRQ will be imported in MY 2020/21, with total MY 2020/21 imports expected to reach 500,000 MT as some parts of the 2021 TRQ are imported in MY 2020/21.

**2020 Rice TRQ Tendering Results:**

On December 17, 2020, the Korea Agro-Fisheries and Food Trade Corporation (aT) completed the tendering process for 2020 rice TRQ commitments. Korea purchased a total of 408,700 MT of rice (milled basis) from five countries: the United States, China, Vietnam, Thailand, and India. The U.S. share was 32.4 percent, down 0.4 percentage points from the previous year under CSQ fulfilment (Table 5). Contracts for U.S. rice totaled 132,304 MT (milled), worth \$130.4 million. Of this total, 104,227 MT was brown rice (equivalent to 93,804 MT on a milled basis) used for food processing purposes, and the remaining 38,500 MT was milled rice for table use (Table 7).

Under the 2020 rice TRQ, the Korean government purchased 40,000 MT of imported USDA # 1 grade milled rice for table use. This total consisted of 38,500 MT of medium grain rice from the United States and 1,500 MT of long grain rice from Thailand.

The average contracted price for U.S. #1 medium grain table rice was \$985.29/MT, (based on Cost Insurance and Freight (CIF) rates). This was a 2.2 percent increase over the previous year. Meanwhile, Thai #1 long grain table rice was contracted at \$575.00/MT, (CIF), up 15.2 percent from the previous year’s price for Vietnamese rice.

Table 4

Korea: Rice Allocation per Country Based on Tenders under TRQ							
(Milled Basis, MT)							
Calendar	TRQ	USA	China	Thailand	Vietnam	Australia	Others

Year							
2015	408,700	157,117	198,506	6,077	38,000	9,000	0
%	100	38.4	48.6	1.2	9.3	2.2	0
2016	408,700	165,865	187,335	14,000	22,000	14,500	5,000a/
%	100	40.6	45.8	3.4	5.4	3.5	1.2
2017	408,700	138,610	162,590	27,000	62,500	18,000	0
%	100	33.9	39.8	6.6	15.3	4.4	0
2018	408,700	158,163	119,232	18,000	113,305	0	0
%	100	38.7	29.2	4.4	27.7	0	0
2019	408,700	134,188	176,400	0	98,112	0	0
%	100	32.8	43.2	0	24.0	0	0
2020	408,700	132,304	172,790	28,494	55,112	0	20,000a/
%	100	32.4	42.3	7.0	13.5	0	4.9

Source: Korea Agro-Fisheries and Food Trade Corporation (aT)

a/ India

Table 5

<b>Korea: Rice Contracts by Country under 2020 TRQ</b>			
(Unit: MT, Milled Basis, as of December 17, 2020)			
Country	CSQ/MFN TRQ		Total (%)
	Processing Use	Table Use	
USA	93,804	38,500	132,304(32.4)
China	172,790a/	0	172,790(42.3)
Thailand	26,994	1,500	28,494(7.0)

Vietnam	55,112	0	55,112(13.5)
India	20,000b/	0	20,000(4.9)
<b>Total</b>	<b>368,700</b>	<b>40,000</b>	<b>408,700 (100)</b>

Source: Korea Agro-Fisheries and Food Trade Corporation (aT)

a/ include 15,595 MT of Australian CSQ which was converted to MFN quota due to a lack of supply caused by drought

b/ under MFN quota

Table 6

<b>Korea: Rice Varieties of Contracts by Country under 2020 MFN TRQ</b>				
(Metric Ton, milled, as of December 17, 2020)				
Rice Variety	Medium Grain	Short Grain	Long Grain	Total
USA	132,304	0	0	132,304
China	15,595	157,195	0	172,790
Thailand	0	0	28,494	28,494
Vietnam	0	9,111	46,001	55,112
India	0	0	20,000	20,000
<b>Total</b>	<b>147,899</b>	<b>166,306</b>	<b>94,495</b>	<b>408,700</b>
Ratio (%)	36.19	40.69	23.12	100

Source: Korea Agro-Fisheries and Food Trade Corporation (aT)

Table 7

<b>Korea: U.S. Rice Sales to Korea under 2020 CSQ</b>					
(buying tenders as of December 17, 2020)					
Contracts	Milled rice (MT) for Table	Brown rice (MT) for Processing	Unit Price (USD/MT) CIP	Amount (USD)	Estimated Time of Arrival (ETA)
1		22,222	868.64	19,302,918	May 31 2020

2		16,000	907.84	14,525,440	Jan, 2021
3		22,222	898	19,955,356	Mar. 2021
4		21,449	893.2	19,158,247	Mar. 2021
5	20,000		987.24	19,744,800	Jan-Apr. 2021
6	17,000		981.19	16,680,230	Jan-Apr. 2021
7		22,334	875.12	19,544,930	Apr. 30, 2021
8	1,500		963.84	1,445,760	Jun. 30, 2021
Sub. Total	38,500	104,227a/		130,357,681	
G. Total	132,304b/				

Source: Korea Agro-Fisheries and Food Trade Corporation (aT)

a/ equivalent to 93,804 MT on a milled basis

b/ on a milled basis

Table 8

<b>Korea: U.S. Table Rice Delivery Schedule Based on Contracts under 2020 CSQ</b>			
<b>(Non-Glutinous Milled Rice Medium Grain, Metric Ton)</b>			
Supplier	Contractual Quantity	Grade	ETA Busan Port (mm/yyyy)
ADM	20,000	USDA No. 1	Jan-Apr. 2021
ACC	17,000		Jan-Apr. 2021
ADM	1,500		Jun. 30, 2021
Total	38,500		

Source: Korea Agro-Fisheries and Food Trade Corporation (aT)

Table 9

<b>Korea: 2020 TRQ Rice Tender Results</b> (MT, as of December 17, 2020)
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Bid Date (mm-dd-yy)	Rice Type	Quota Volume (Contract Basis)	Quota Volume (Milled Rice Basis)	Origin	Awarded Price US\$/MT	Terms and Conditions	Delivery Date	Local Agent	Supplier
1/31/2020	MG #3 Brown	22,222	20,000	USA	868.64	CIP	May 31, 2020	POSCO Int'l	FRC
3/26/2020	LG #3 Brown	15,000	13,500	Thailand	493.5	CIP	Sep 30, 2020	POSCO Int'l	Asia Golden/Capit al Rice Co., Ltd
3/26/2020	LG #3 Brown	14,993	13,494	Thailand	498.75	CIP	Oct 31, 2020	DongHan g	Chaiyaporn
3/25/2020	SG #3 Brown	20,000	18,000	China	818.88	CIP	5/1-7/30, 2020	POSCO Int'l	COFCO
4/16/2020	SG #3 Brown	20,000	18,000	China	848.89	CIP	Aug 31,2020	Singsong	Jilin Grain
4/16/2020	SG #3 Brown	15,556	14,000	China	847.00	CIP	Aug 31,2020	POSCO Int'l	COFCO
5/14/2020	SG #3 Brown	20,000	18,000	China	845.26	CIP	Dec 31, 2020	POSCO Int'l	COFCO
5/14/2020	SG #3 Brown	20,000	18,000	China	845.47	CIP	Dec 31, 2020	Singsong	Jilin Grain
6/23/2020	SG #3 Brown	20,000	18,000	China	857.00	CIP	Jan. 31, 2021	POSCO Int'l	COFCO
6/23/2020	SG #3 Brown	20,000	18,000	China	859.00	CIP	Jan. 31, 2021	POSCO Int'l	COFCO
6/23/2020	SG #3 Brown	20,000	18,000	China	858.00	CIP	Jan. 31, 2021	POSCO Int'l	COFCO
6/23/2020	SG #3 Brown	19,105	17,195	China	857.70	CIP	Jan. 31, 2021	Singsong	Jilin Grain
6/23/2020	LG #3 Milled	1,410	1,410	Thailand	575.00	CIF	Oct 31, 2020	LG Trading	Chaiyaporn
6/23/2020	LG #1 Milled, Hom Mali	90	90	Thailand	1,255.06	CIF	Oct 31, 2020	Hyolim	Chiameng
8/20/2020	LG #3 Brown	18,334	16,501	Vietnam	573.00	CIP	Dec 31, 2020	POSCO Int'l	Vinafood1
8/20/2020	LG #3 Brown	20,000	18,000	Vietnam	574.00	CIP	Feb. 28, 2021	POSCO Int'l	Vinafood1
8/20/2020	LG #3 Brown	11,111	10,000	India	517.00	CIP	Dec 31, 2020	Bakela	Amirchand
8/20/2020	LG #3 Brown	11,111	10,000	India	522.00	CIP	Jan. 31, 2021	Bakela	Amirchand

9/17/2020	MG #3 Brown	16,000	14,400	USA	907.84	CIP	Jan. 31, 2021	Philasun	ADM
9/17/2020	MG #3 Brown	22,222	20,000	USA	898	CIP	Mar. 31, 2021	POSCO Int'l	FRC
9/17/2020	MG #3 Brown	21,449	19,304	USA	893.2	CIP	Mar. 31, 2021	POSCO Int'l	FRC
9/17/2020	MG #1 Milled	20,000	20,000	USA	987.24	CIF	Jan.- Mar. 2021	Philasun	ADM
9/17/2020	MG #1 Milled	17,000	17,000	USA	981.19	CIF	Apr. - Jun2021	Singsong	ACC
9/17/2020	MG #3 Brown	17,328	15,595	China	883	CIP	Apr. 30, 2021	POSCO Int'l	COFCO
12/8/2020	MG #3 Brown	22,334	20,100	USA	875.12	CIP	Apr. 30, 2021	Philasun	ADM
12/8/2020	MG #1 Milled	1,500	1,500	USA	963.84	CIF	Jun. 30, 2021	Philasun	ADM
12/8/2020	SG #3 Brown	10,124	9,111	Vietnam	603.00	CIP	May. 31, 2021	DongHaeng	Thuan Minh
12/8/2020	LG #4 Brewers Milled	11,500	11,500	Vietnam	499.00	CIP	Apr. 30, 2021	Jupiter Korea	Vina Food2
		448,389	408,700						

Source: Korea Agro-Fisheries and Food Trade Corporation (aT)

Table 10

<b>Korea: Monthly Delivery of Rice Contracts under 2020 TRQ/CSQ</b>	
<b>(Metric Ton, milled rice basis)</b>	
<b>Contractual Estimated Time of Arrival (ETA)</b>	<b>Volume of Contracts</b>
May 2020	20,000
June	0
July	18,000
August	32,000
September	13,500
October	14,994

November	0
December	62,501
<b>Subtotal</b>	<b>160,995 (39%)</b>
January 2021	95,595
February	18,000
March	59,304
April	47,195
May	9,111
June	18,500
<b>Subtotal</b>	<b>247,705 (61%)</b>
<b>Grand Total</b>	<b>408,700</b>

Source: Korea Agro-Fisheries and Food Trade Corporation (aT)

#### **Auctions for Imported Table Rice:**

aT distributes table rice shipments to the consumer market through a public auction system. Processing rice is distributed to end-users, such as food processors and alcoholic beverage producers, by MAFRA at a set price throughout the year.

Since 2013, Korea's consistent overproduction of rice has led to high stock volumes and subsequently slowed the pace of auctions for imported rice for table use. As a result, Korea's annual volume of auctioned rice has decreased. Additionally, as large rice stocks have led to low domestic prices, Korean farmers have petitioned the government to slow auctions for imported table rice and, during the harvest season, stop auctions for imported medium and short grain rice altogether.

Furthermore, the slow pace of auctioning has led to a deterioration in the quality of government-stored rice and a loss of marketability. Unsold portions of stored rice are being utilized for alcohol processing. Under the 2015 TRQ 52,959 MT (34,035 MT of U.S. medium grain) and under 2016 TRQ 23,690 MT (23,084 MT of U.S. medium grain) was converted for processing use.

As of January 6, 2020, aT stopped auctioning U.S. medium grain rice imported in the first half of 2018 under the 2017 TRQ. The unsold portion of 13,546 MT to be converted to alcohol processing (Table 13).

As of December 30, 2020, aT stopped auctioning U.S. medium grain rice imported in the first half of 2019 under 2018 TRQ, expecting the unsold portion of 12,101 MT to be converted to alcohol or food processing (Table 14).

As of January 4, 2021, aT started auctioning U.S. medium grain rice imported under the 2019 TRQ, which was delivered in the first half of 2020. Vietnamese long grain rice was auctioned starting in June 2020, with 73 percent of total imports already sold as of early 2021. (Table 15).

Table 11

<b>Korea: Status of Table Rice Imports and Distribution</b>					
<b>(MT, Milled rice)</b>					
<b>TRQ (Calendar Year)</b>	<b>Total Rice Imports</b>	<b>Table Purpose</b>	<b>Rate of Table Rice of Total Imports (%)</b>	<b>Distribution to Consumers Market</b>	<b>Conversion to Processing</b>
<b>MMA Quota Regime (2005-2014)</b>					
2005	225,575	22,557	10	22,557	0
2006	245,922	34,429	14	34,429	0
2007	266,270	47,928	18	47,928	0
2008	286,617	63,055 <sup>a/</sup>	22	38,121	24,934
2009	306,964	79,810 <sup>b/</sup>	26	45,007	34,803
2010	327,311	98,193 <sup>c/</sup>	30	92,576	5,617
2011	347,658	104,297	30	104,297	0
2012	368,006	110,401	30	110,401	0
2013	388,353	116,505	30	116,505	0
2014	408,700	122,610 <sup>d/</sup>	30	65,072	57,538
<b>Total</b>	<b>3,171,376</b>	<b>799,785</b>	<b>25</b>	<b>676,893</b>	<b>122,892</b>
<b>TRQ Regime (Since 2015)</b>					
2015	408,700	60,000 <sup>e/</sup>	15	7,041	52,959

2016	408,700	50,000f/	12	26,310	23,690
2017	408,700	40,000g/	10	25,914	14,086
2018	408,700	39,800h/	9.7	27,689	12,111
2019	408,700	40,000i/	10	3,538	na
2020	408,700	40,000j/	10	na	na

Source: Korea Agro-Fisheries and Food Trade Corporation (aT)

a/ of which, 24,934MT of Chinese rice was diverted to alcohol processing purpose in CY 2010

b/ of which, 33,303 MT of Chinese rice and 1,500 MT of Thai rice were diverted to alcohol processing purpose in CY 2011

c/ of which, 5,671MT of Chinese rice were diverted to alcohol processing purpose in CY 2012.

d/ of which, 8,754 MT of U.S. rice, 43,386 of Chinese rice and 5,395 MT of Australian rice were converted to alcohol processing purpose in CY 2016

e/ of which, 34,035 MT of U.S. rice and 18,924 MT of Chinese rice have been converted to alcohol processing purpose in CY 2018

f/ suspended auctions for 23,084 MT of U.S. medium grain and 546 MT of Vietnamese short grain as of September 24, 2018 but completed auctioning-off for 7,000 MT of Thai long grain as of January 2, 2019. 546 MT of Vietnamese short grain has already converted to alcohol processing immediately. The unsold U.S. medium grain has been converted to alcohol processing since January 2019.

g/ consisting of 37,000MT of U.S. medium grain and 3,000MT of Vietnamese long grain, of which, 13,546 MT of U.S. rice will be converted to alcohol processing after suspending selling auction on Jan. 6, 2020 and 540 MT of Vietnamese long grain was converted to animal feed due to a damage over transportation.

h/ consisting of 2,800 MT of Vietnamese long grain delivered in December 2018 and 37,000 MT of U.S. medium grain delivered during April - May 2019 based on contracts. of which, 12,010 MT of U.S. rice will be converted to alcohol or food processing after suspending selling auction on Dec. 30, 2020 with Vietnamese long grain auctions completed on June 1, 2020

i/ consisting of 3,000 MT of Vietnamese long grain delivered in April 2020 and 37,000 MT of U.S. medium grain delivered during February - June 2020 based on contracts. Ongoing selling auctions for Vietnamese long grain since June 10, 2020 with U.S. medium grain auctioning off from Jan. 4, 2021.

j/ consisting of 1,500 MT of Thai long grain delivered in October 2020 and 38,500 MT of U.S. medium grain delivered during January - June 2021 based on contracts.

Table 12

<b>Korea: Status of Table Rice Distribution per Country under MMA Regime (2005-2014)</b>					
<b>(MT, Milled rice, Calendar Year Basis, as of Oct. 7, 2016)</b>					
Year	USA	China	Thailand	Australia	Total
Total Imports (A)	289,548	470,964	28,027	11,246	799,785
Conversion to Processing (B)	8,754	107,294	1,500	5,395	122,943
Quantity for auctions (A-B)	280,794	363,670	26,527	5,851	676,842
Distribution to Markets	280,285	362,708	25,662	5,851	674,506
Loss	509	962	865	-	2,336

Source: FAS/Seoul

Table 13

<b>Korea: Status of Rice Auction for Table Rice under 2017 TRQ</b>						
(Unit: metric tons, milled basis, as of Jan. 6, 2020)						
Commodity (Period of Auctions)	USDA Grade	Total Table Rice TRQ	Auctioned Off	Balance	Auctioned Off (%)	Auctioned Price 1/
U.S. Medium Grain 2/ (Jan. 23, 2019~Jan 6, 2020)	#1	37,000	23,454	13,546	63	1,828
Vietnamese Long Grain 3/ (Jan. 9 – Oct 19, 2019)	#1	3,000	2,460	540	82	960
<b>Total</b>		<b>40,000</b>	<b>25,914</b>	<b>14,086</b>	<b>65</b>	

Source: Korea Agro-Fisheries and Food Trade Corporation (aT)

1/ Weighted average in Korean Won per Kg

2/ imported in the first half of 2018 with 2017 crop. Suspended auctions for U.S. medium grain since January 6, 2020 due to deteriorated quality, the remainder will be converted to alcohol processing purpose.

3/ completed selling auction on October 19, 2019, the remainder was converted to animal feed due to a damage over transportation.

Table 14

<b>Korea: Status of Rice Auction for Table Rice under 2018 TRQ</b>						
(Unit: metric tons, milled basis, as of December 30, 2020)						
Commodity (Period of Auctions)	USDA Grade	Total Table Rice TRQ	Auctioned Off	Balance	Auctioned Off (%)	Auctioned Price 1/
U.S. Medium Grain 2/ (Jan 13 – Dec 30, 2020)	#1	37,000	24,899	12,101	67	1,782
Vietnamese Long Grain 3/ (Aug 26, 2019~June 1, 2020)	#1	2,800	2,790	10	100	1,308
<b>Total</b>		<b>39,800</b>	<b>27,689</b>	<b>12,111</b>	<b>70</b>	

Source: Korea Agro-Fisheries and Food Trade Corporation (aT)

1/ Weighted average in Korean Won per Kg

2/ imported in the first half of 2019 with 2018 crop, stopped selling auctions as of December 30, 2020 due to deteriorated quality, the unsold will be converted to alcohol or food processing purpose.

3/ imported in December 2018, completed selling auctions as of June 1, 2020

Table 15

<b>Korea: Status of Rice Auction for Table Rice under 2019 TRQ</b>						
(Unit: metric tons, milled basis, as of January 11, 2021)						

Commodity (Period of Auctions)	USDA Grade	Total Table Rice TRQ	Auctioned Off	Balance	Auctioned Off (%)	Auctioned Price 1/
U.S. Medium Grain 2/ (Jan 4, 2021~ )	#1	37,000	1,339	35,661	4	1,852
Vietnamese Long Grain3/ (June 10, 2020~ )	#1	3,000	2,199	801	73	1,132
<b>Total</b>		40,000	3,538	36,462	9	

Source: Korea Agro-Fisheries and Food Trade Corporation (aT)

1/ Weighted average in Korean Won per Kg

2/ delivered in the first half of 2020, ongoing selling auctions since January 4, 2021.

3/ delivered in April 2020. Ongoing selling auctions since June 10, 2020

Table 16

<b>Korea: Status of Rice Auction for Table Rice under 2020 TRQ</b>						
(Unit: metric tons, milled basis, as of January 11, 2021)						
Commodity (Period of Auctions)	USDA Grade	Total Table Rice TRQ	Auctioned Off	Balance	Auctioned Off (%)	Auctioned Price 1/
U.S. Medium Grain 2/	#1	38,500	none	na	na	na
Vietnamese Long Grain3/	#1	1,500	none	na	na	na
<b>Total</b>		40,000	none	na	na	na

Source: Korea Agro-Fisheries and Food Trade Corporation (aT)

1/ Weighted average in Korean Won per Kg

2/ to be delivered in the first half of 2020

3/ delivered in October 2020. sitting in the storage for next selling auction soon after completing ongoing selling auctions under 2019 TRQ.

### Rice Exports:

Korea's 2019/20 rice exports are estimated at 55,083 MT of domestically produced rice, including both food aid and commercial exports. In 2020 Korea donated 2,954 MT of rice (milled) to the Philippines (2,354MT) and Myanmar (600MT) under the ASEAN Plus Three Emergency Rice Reserve (APTERR) after natural disasters struck both countries. Under the Food Assistance Convention (FAC), Korea shipped 50,000 MT of 2018 domestic rice crop (milled) to four countries in Africa and the Middle East in May 2020: 19,000 MT to Yemen, 16,000 MT to Ethiopia, 10,000 MT to Kenya, and 5,000 MT to Uganda. The remaining 2,242 MT was exported through commercial channels.

Table 17

Korea: Rice Exports				
(Milled)				
Calendar Year	To the World		To the United States	
	Quantity (MT)	Value (USD1,000)	Quantity (MT)	Value (USD1,000)
2011	3,782	6,277	161	244
2012	2,223	4,424	90	185
2013	1,517	3,363	86	180
2014	1,684	3,894	123	303
2015	1,987	4,472	365	1,148
2016	2,313	4,847	477	1,175
2017	2,767	5,641	540	1,390
2018	64,164a/	43,823	425	1,171
2019	52,663b/	26,234	425	1,156
2020	55,196c/	27,377	654	1,766

Source: Korea Customs Service (KCS) and Trade Data Monitor LLC

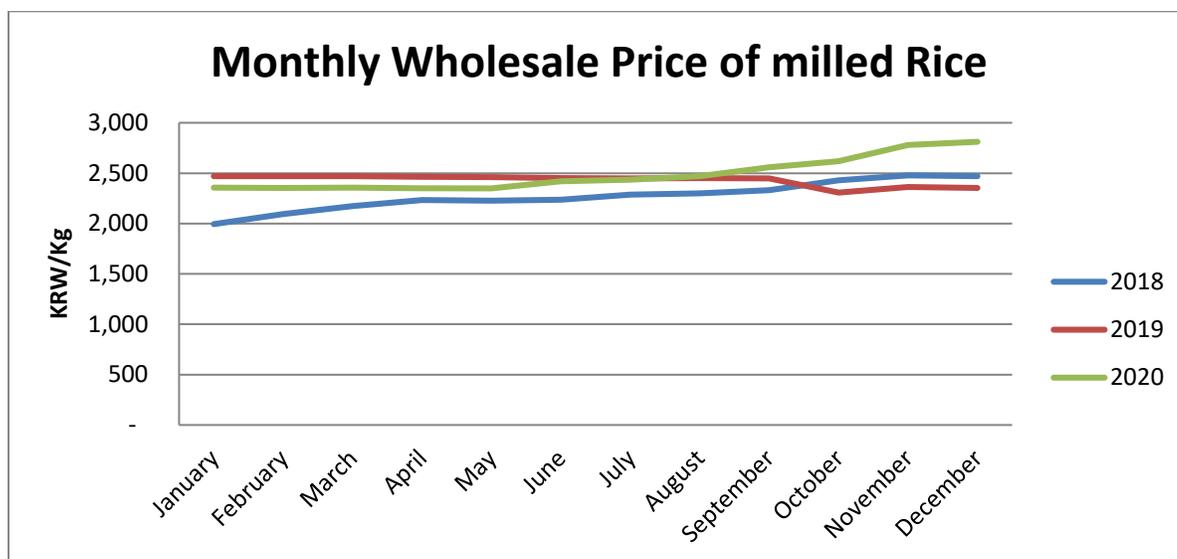
a/ includes 60,000 MT of food assistance in 2018

b/ includes 51,000 MT of food assistance in 2019

c/ includes 52,954 MT of food assistance in 2020

### Rice Marketing:

Lower rice production in 2020 triggered rice market prices to increase by 14-20 percent from October through December over the same period in the previous year. To counter rising prices, Korea decided to release 370,000 MT of government-held rice stock to curb rising rice market prices in the months following the rice harvest. Under the government rice distribution plan, the first batch released was 176,000 MT: 76,000 MT of 2020 crop for table rice from January on, 40,000 MT of 2018 crop for processing in January, and 60,000 MT of 2019 crop for processing in February. The remaining 190,000 MT will be released from March through June 2021 based on the rice market situation.



Note: foreign exchange rate at Korean won 1,099 in 2018, 1,164 in 2019 and 1,180 in 2020 per USD

### RICE STOCKS

MY 2020/21 ending stocks (by the end of October 2021) are revised up to 1.1 MMT, or 28.5 percent of total consumption, increasing 1.2 percentage point from the previous forecast with slightly lower total consumption expected.

The 2019/20 ending stock forecast (by the end of October 2020) remains unchanged at 1.13 MMT, or 27.9 percent of total consumption.

MY 2018/19 ending stock is revised down to 1.02 MMT, or 21.8 percent of total consumption following a 1.7 percent (to 4.65 MMT) increase in consumption based on the preliminary rice supply and demand data issued by MAFRA in December 2020.

Table 18

<p><b>Korea: Status of Rice Stocks</b></p> <p>(Milled rice, 1,000 MT, as of end October)</p>
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Rice Year (Nov.-Oct.)	2015/16	2016/17	2017/18a/	2018/19b/	2019/20c/	2020/21c/
Total Stock	1,831	2,000	1,560	1,015	1,128	1,128
Government Stock	1,831	2,000	1,560	1,015	1,128	1,128
Total Domestic Consumption	4,212	4,435	4,746	4,650	4,042	3,952
Stock to Use Ratio (%)	43.5	45.1	32.9	21.8	27.9	28.5

Source: FAS/Seoul Estimate based on MAFRA data

a/ MAFRA Revised

b/ MAFRA Preliminary

c/ FAS/Seoul forecast

## Production, Supply, and Distribution Data Statistics:

### Rice PS&D

Rice, Milled	2018/2019		2019/2020		2020/2021	
	Nov 2018		Nov 2019		Nov 2020	
Korea, Republic of	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	738	738	730	730	726	726
Beginning Stocks (1000 MT)	1560	1560	1093	1015	1136	1128
Milled Production (1000 MT)	3868	3868	3744	3744	3507	3507
Rough Production (1000 MT)	5195	5195	5016	5016	4713	4713
Milling Rate (.9999) (1000 MT)	7446	7446	7464	7464	7441	7441
MY Imports (1000 MT)	290	290	454	466	450	500
TY Imports (1000 MT)	297	297	450	460	450	500
TY Imp. from U.S. (1000 MT)	151	151	0	135	0	160
Total Supply (1000 MT)	5718	5718	5291	5225	5093	5135
MY Exports (1000 MT)	53	53	55	55	55	55
TY Exports (1000 MT)	53	53	55	55	55	55
Consumption and Residual (1000 MT)	4572	4650	4100	4042	4000	3952
Ending Stocks (1000 MT)	1093	1015	1136	1128	1038	1128

<b>Total Distribution</b> (1000 MT)	5718	5718	5291	5225	5093	5135
<b>Yield (Rough)</b> (MT/HA)	7.0393	7.0393	6.8712	6.8712	6.4917	6.4917
(1000 HA) ,(1000 MT) ,(MT/HA)						
MY = Marketing Year, begins with the month listed at the top of each column						
TY = Trade Year, which for Rice, Milled begins in January for all countries.TY 2020/2021 = January 2021 - December 2021						

<b>Korea: Import Trade Matrix of Rice</b>			
<b>Country</b>	Korea, Republic of		
<b>Commodity/ Units</b>	Rice, Milled (1000 MT)		
<b>Time Period</b>	Jan/Dec		Jan/Dec
<b>Imports for:</b>	2019		2020
U.S.	151		153
China	139		185
Thailand	0		28
Australia	0		0
Vietnam	7		111
Total for Others	146		324
Grand Total	297		477

## Appendix

Table 19

<p><b>Korea: Monthly Wholesale Price of Milled Rice</b></p> <p>(High Quality)</p>
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Month\Year	CY 2018		CY 2019		CY 2020	
	Won/kg	USD/kg	Won/kg	USD/kg	Won/kg	USD/kg
January	1,994	1.87	2,469	2.20	2,355	2.02
February	2,094	1.94	2,469	2.20	2,353	1.97
March	2,174	2.03	2,470	2.18	2,355	1.93
April	2,234	2.09	2,464	2.16	2,350	1.92
May	2,227	2.07	2,459	2.08	2,349	1.92
June	2,236	2.05	2,452	2.09	2,420	2.00
July	2,286	2.04	2,449	2.08	2,436	2.03
August	2,299	2.05	2,450	2.03	2,470	2.08
September	2,330	2.08	2,447	2.06	2,536	2.15
October	2,428	2.15	2,307	1.95	2,620	2.29
November	2,478	2.20	2,362	2.03	2,780	2.49
December	2,469	2.20	2,352	2.00	2,811	2.57
<b>Average</b>	<b>2,271</b>	<b>2.07</b>	<b>2,429</b>	<b>2.09</b>	<b>2,487</b>	<b>2.11</b>

Source: Korea Agricultural Marketing Information Service (KAMIS)

Note: Monthly Average Exchange Rate is applied

Table 20

<b>Korea: Monthly Retail Price of Milled Rice</b>						
(High Quality)						
Month\Year	CY 2018		CY 2019		CY 2020	
	Won/kg	USD/kg	Won/kg	USD/kg	Won/kg	USD/kg
January	2,167	2.03	2,665	2.38	2,586	2.22
February	2,215	2.06	2,662	2.37	2,586	2.17
March	2,286	2.14	2,658	2.35	2,578	2.12

April	2,368	2.22	2,653	2.33	2,575	2.11
May	2,367	2.20	2,645	2.24	2,581	2.11
June	2,380	2.18	2,634	2.24	2,585	2.14
July	2,403	2.14	2,607	2.22	2,588	2.16
August	2,443	2.18	2,598	2.15	2,618	2.21
September	2,473	2.20	2,580	2.17	2,637	2.24
October	2,664	2.36	2,554	2.16	2,816	2.47
November	2,678	2.38	2,585	2.22	2,945	2.64
December	2,676	2.39	2,618	2.23	3,023	2.76
<b>Average</b>	<b>2,427</b>	<b>2.21</b>	<b>2,622</b>	<b>2.25</b>	<b>2,676</b>	<b>2.27</b>

Source: Korea Agricultural Marketing Information Service (KAMIS)

Note: Monthly Average Exchange Rate is applied.

Table 21

<b>Korea: Foreign Exchange Rate</b>			
<b>(Korean Won against USD)</b>			
Month	CY 2018	CY 2019	CY 2020
January	1,065	1,121	1,165
February	1,077	1,121	1,194
March	1,070	1,131	1,218
April	1,067	1,140	1,223
May	1,075	1,182	1,226
June	1,092	1,174	1,208
July	1,122	1,175	1,199
August	1,120	1,208	1,186

September	1,122	1,190	1,177
October	1,130	1,183	1,142
November	1,126	1,166	1,115
December	1,122	1,175	1,095
<b>Average</b>	<b>1,099</b>	<b>1,164</b>	<b>1,180</b>

Source: Global Financial Service

a/ October 1-20

**Attachments:**

No Attachments