

2022 Projected Rice Returns Summary

This publication summarizes projected returns for rice produced in Mississippi for 2022. Returns are calculated through income and expense estimates and can also be seen in the 2022 Planning Budgets created by the Mississippi State University Department of Agricultural Economics.

The estimated rice price is \$5.80 per bushel, which is based on the forward futures contract price including the average basis at the estimated time of harvest delivery. Table 1 presents the estimated average crop yields for each rice seed type from the 2022 planning budgets. Table 2 presents the average breakeven yields necessary to cover all expenses incurred due to rice production for each seed type.

Expenses, which are defined as “total specified expenses,” include estimated variable and fixed costs associated with crop production. Variable costs include seed, fertilizer, chemicals, fuel, repair and maintenance, and any other costs that are incurred only through crop production. Fixed costs include machinery costs that are incurred regardless of crop production.

Returns are calculated for rice production. The returns for each crop are an average across various irrigation strategies for each seed type used in the 2022 Planning Budgets. Actual returns accrued will be different than those presented in this article. Returns are estimated in dollars per acre.

Rice Returns

Figure 1 is a graphical representation of estimated returns above total specified expenses. Returns can vary greatly depending upon seed types used. The differences in returns can be largely attributed to differences in yields and differences in the pesticides used in crop production. Conventional hybrid rice has the highest

Table 1. Estimated rice yield.

Seed type	Yield (bu/acre)
Conventional	160
Conventional hybrid	180
Clearfield	160
Fullpage	180
Provisia	156

Table 2. Breakeven yields.

Seed Type	Yield (bu/acre)
Conventional	155.04
Conventional hybrid	166.3
Clearfield	164.13
Fullpage	174.31
Provisia	160.77

average returns at \$79.44 per acre. Conventional and Fullpage rice have similar returns of \$28.80 and \$32.98 per acre, respectively. Provisia and Clearfield rice varieties are estimated to incur negative estimated returns, with Provisia estimated to be -\$24.79 per acre and Clearfield expected to be -\$23.95 per acre.

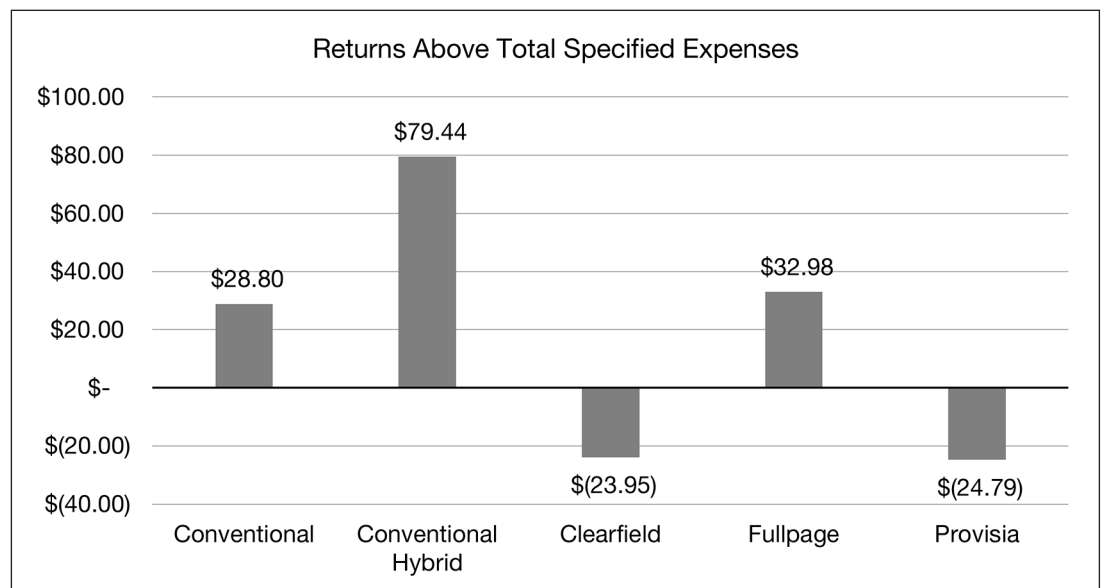


Figure 1. Returns above total specified expenses for rice produced in Mississippi.

Conclusion

The information presented here can be useful for growers making planting and financial decisions, as well as others involved in agricultural finance. The returns presented in this publication are estimates; actual returns will change based on differing crop prices, crop yields, and production practices.

For more information regarding the 2022 Planning Budgets and for interactive budget spreadsheets, visit <https://www.agecon.msstate.edu/whatwedo/budgets.php>.

The information given here is for educational purposes only. References to commercial products, trade names, or suppliers are made with the understanding that no endorsement is implied and that no discrimination against other products or suppliers is intended.

Publication 3737 (POD-01-22)

By **Evan Gregory**, Extension Associate, and **Macy Leach**, Student Worker, Agricultural Economics.

Copyright 2022 by Mississippi State University. All rights reserved. This publication may be copied and distributed without alteration for nonprofit educational purposes provided that credit is given to the Mississippi State University Extension Service.

Produced by Agricultural Communications.

Mississippi State University is an equal opportunity institution. Discrimination in university employment, programs, or activities based on race, color, ethnicity, sex, pregnancy, religion, national origin, disability, age, sexual orientation, gender identity, genetic information, status as a U.S. veteran, or any other status protected by applicable law is prohibited.

Extension Service of Mississippi State University, cooperating with U.S. Department of Agriculture. Published in furtherance of Acts of Congress, May 8 and June 30, 1914. GARY B. JACKSON, Director