

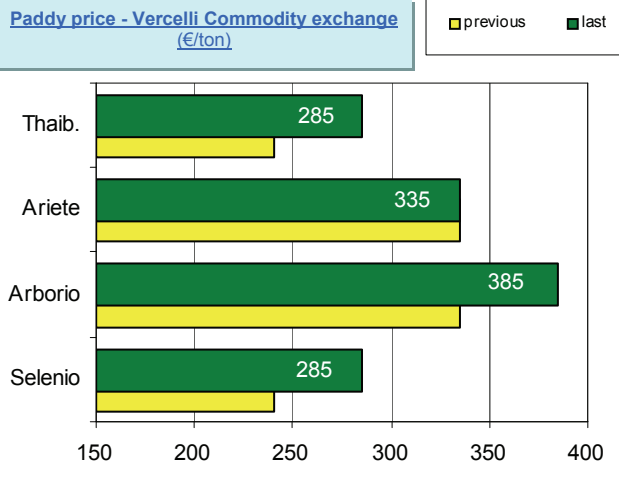


## Italian Market

### Sales

TYPE OF RICE	CAMPAIGN	
	09/10 (ton.)	08/09 (ton.)
ROUND	52.630	60.336
MEDIUM	8.899	11.020
LONG A	121.321	100.582
LONG B	99.755	56.885
<b>TOTAL</b>	<b>282.605</b>	<b>228.823</b>

### Paddy price - Vercelli Commodity exchange (€/ton)



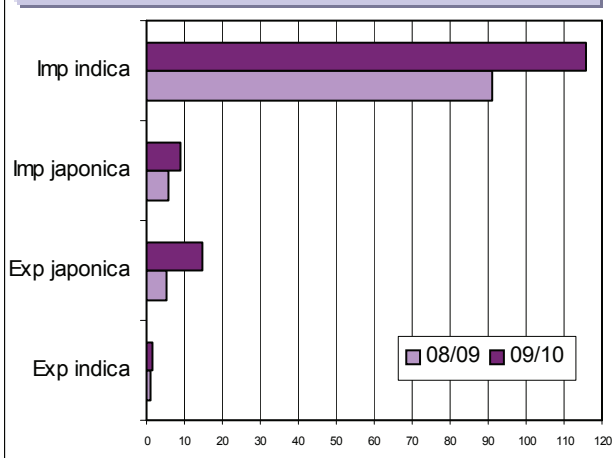
### In focus

Paddy sales by farmers reached 43,758 tons this week: 19,756 tons of long A grain, 11,360 tons of long B grain, 10,728 tons of round grain and 1,914 tons of medium grain. Total sales reached 282,605 tons. One year ago total sales were 228,823 tons. The gap between total sales this year compared to lower items one year ago is +53,782.

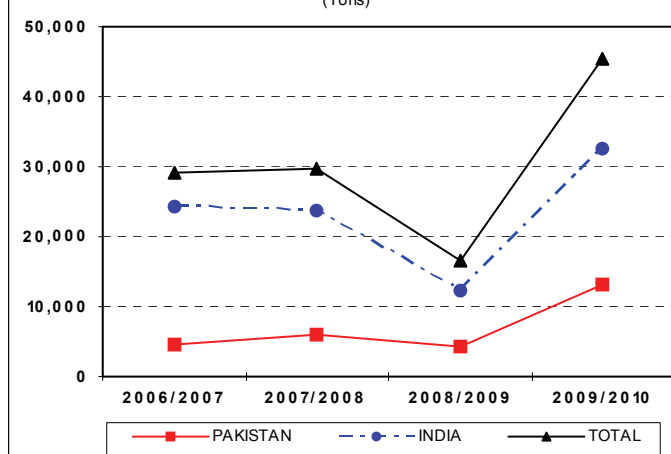
In the last three weeks paddy prices at Commodity Exchange in Vercelli increased of €50 for Arborio and of €45 for Selenio and Thaibonnet; no change for Ariete.

## European Market

### Import Export EU ('000 tons milled rice equivalent)



### Basmati husked rice imports (Tons)



### In focus

The EU imports amount to 124,888 tons in milled rice equivalent, 27,887 tons above the previous year level (+28.7%).

Husked Basmati rice imports are on an increasing trend compared to last year (+174%); imports increased of 28,906 tons (20,000 tons in milled rice equivalent).

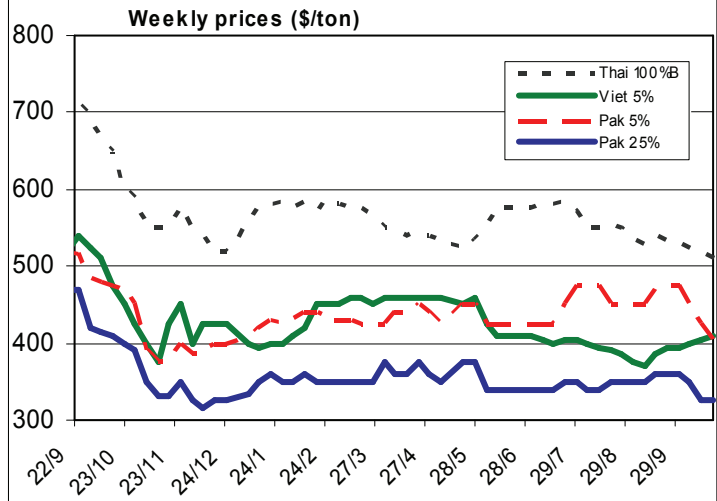
EU exports increased of 161% compared to one year ago: from 6,386 tons in 2008/2009 to 16,671 tons this campaign. Last week licences were issued for 2,643 tons compared to 1,696 tons the previous week.

# International Markets

## Milled rice international FOB quotes

Exchange rate 1 € = \$1.4971

Asian Markets		
	\$/t	€/t
Thai 100%B	510	341
Vietnam 5%	410	274
India (MEP)	1,000	668
India Basmati trad.	1,800	1,202
Pakistan 5%	405	271
Other Markets		
	\$/t	€/t
Uruguay 5%	525	351
Argentina 5%	515	344
USA LG 2/4%	485	324
California MG 1/4%	800	534
Egypt 101 6%	800	534



- Thailand** The quote of 100% B is \$20 lower than three weeks ago. The market remains very quiet for regular white rice (aside from the Iraq sale of 30,000 tons). The biggest news in the market is the formal announcement by NFA that The Philippines will hold a tender for 250,000 tons October 30. However, given the disparity with Viet prices, Thai rice will have a very difficult time winning the tender. Thai values are off considerably over the past couple of months, but there is still about a \$75-100 difference between the two.
- Vietnam** The quote of 5% is \$15 higher than three weeks ago on anticipation of fresh Philippine business and after the recent Iraq sale. Export activity continues at a vigorous pace against old contracts with vessel loadings for Iraq, Cuba, The Philippines and various destinations in Africa. Once the Philippine business is done, it's possible the government will decide to impose an export ban until winter/spring harvest.
- India** No real change in the market conditions. The buffer stocks will serve to offset the reduction in the crop.
- Pakistan** The quote of 5% is \$70 lower than three weeks ago, as the harvest becomes more readily available, and it's lower than quote of Vietnamese rice. In the months ahead, Pakistan will play a much more prominent role in the export market.
- Usa** The quote of Long Grain is \$22 lower than three weeks ago as fresh demand for milled rice is quite thin. The quote of Californian Medium Grain is \$50 lower than three weeks ago because there is the competition from Medium Grain of the States of South of the USA.

## Food Safety

### Rapid Alert System (Source: EFSA)

No alert concerning rice in the last three weeks

## Other news

### Conclusions of the Council of the European Union about food security (Source: Council)

Increased resources for agricultural development will in themselves not be sufficient to resolve the food security situation in many parts of the world. What is needed is a truly coherent and integrated approach where the development, humanitarian and food security consequences of policy decisions, in all policy areas, are duly taken into account. In such an approach, partners from the public and private sector and civil society should work together.

The Council recognizes that such an ambition requires action on the part of the EU, especially in the following areas:

- The Common Agricultural Policy – The EU, through successive reforms, has made its policies more market-oriented and more development-friendly, while maintaining a safety net for the producers. The future development of the CAP must be treated as highly relevant with regard to global food security for the EU to be seen as an even more coherent, credible and leading partner to developing countries.
- The Doha-Round of WTO negotiations – Open trade flows and efficient markets constitute important tools for integrating developing countries in the global economy, creating economic growth and improving food security. Special provisions for Least Developed Countries (LDCs) are needed. The Council therefore reiterates its calls for an ambitious, comprehensive and balanced conclusion of the Doha Development Round.

### Diouf calls for rapid elimination of hunger (Source: FAO)

FAO Director-General Jacques Diouf called on world leaders to reach a "broad consensus on the total and rapid elimination of hunger" when they gather in Rome for the World Summit on Food Security of Heads of State and Government on November 16-18.

In his annual address to mark World Food Day, Diouf also urged leaders to agree to increase agriculture's share of official development assistance to 17 percent, the level it was in 1980, from the current five percent.

Rich donor countries, developing countries and assistance institutions all now have to focus on policies that will assist the 1.02 billion undernourished people in the world, Diouf said.

### Lamy calls for "serious acceleration" of Doha talks to meet 2010 target (Source: WTO)

Director-General Pascal Lamy, in his report to the General Council on 20 October 2009, said "it will be difficult to get to 2010 without a serious acceleration of pace. We need to see real negotiations emerge, not only informal consultations and discussions, but real exchanges among Members". He said he would be holding consultations on the key issues with negotiating chairs and meet with senior trade officials during the week.