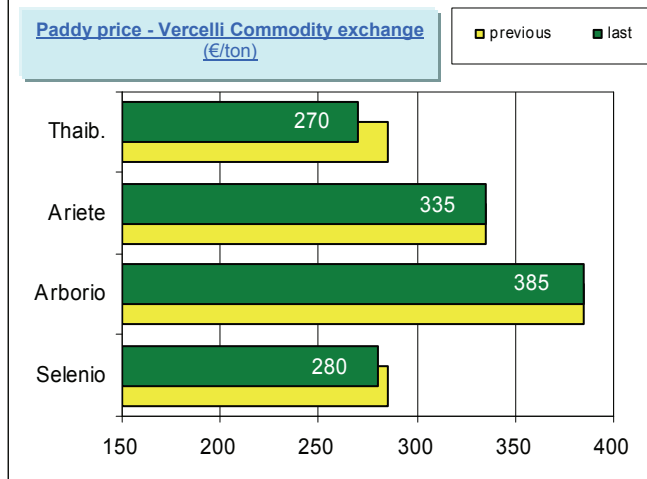
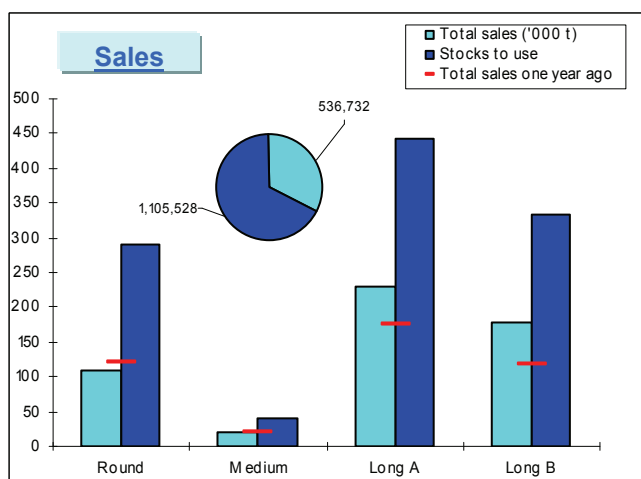




## Italian Market



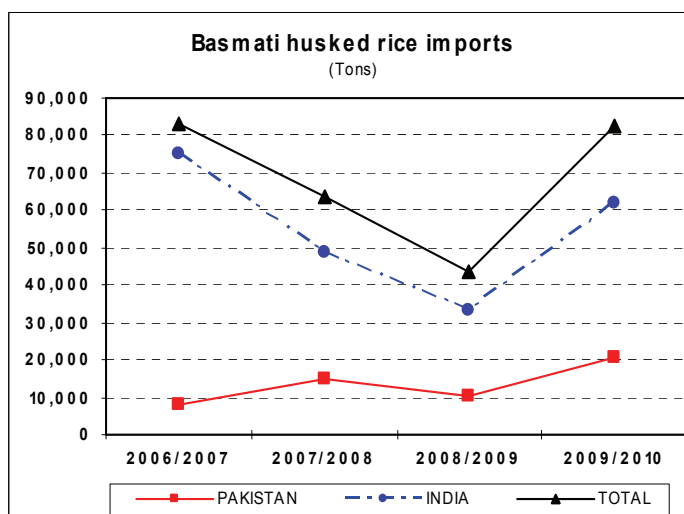
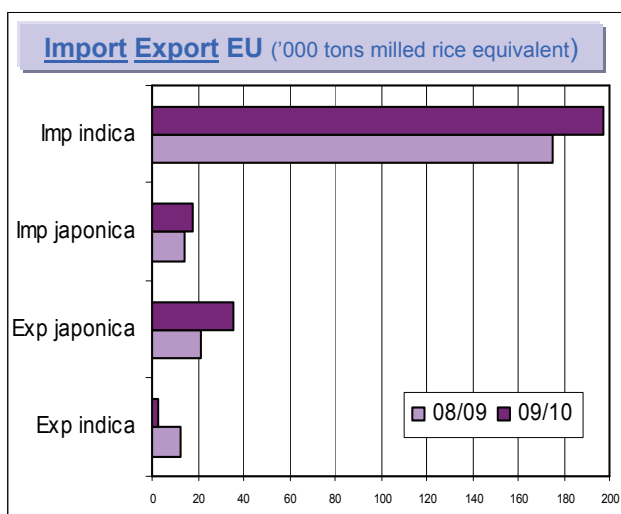
### In focus

Paddy sales by farmers reached 27,449 tons this week: 12,161 tons of long A grain, 7,980 tons of long B grain, 6,490 tons of round grain and 818 tons of medium grain.

Total sales reached 536,732 tons, 32,7% of the total stock. One year ago total sales were 433,209 tons. The gap between total sales this year compared to lower items one year ago is +103,523.

At Commodity Exchange in Vercelli the paddy prices for Thaibonnet and Selenio were, respectively, \$15 and \$5 lower than three weeks ago; no change for other paddy prices.

## European Market



### In focus

The EU imports amount to 214,730 tons in milled rice equivalent, 25,779 tons above the previous year level (+13.6%).

Husked Basmati rice imports are on a increasing trend compared to last year (+89.9%); imports increased of 39,094 tons (27,000 tons in milled rice equivalent).

EU exports increased of 14.2% compared to one year ago: from 34,078 tons in 2008/2009 to 38,933 tons this campaign. Last week licences were issued for 2,433 tons compared to 3,401 tons the previous week.

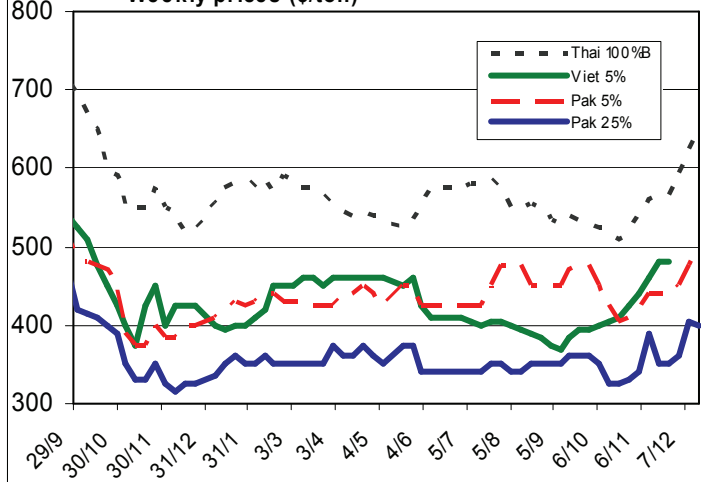
# International Markets

## Milled rice international FOB quotes

Exchange rate 1 € = \$1.4541

Asian Markets		
	\$/t	€/t
Thai 100%B	650	447
Vietnam 5%	N.Q.	N.Q.
Pakistan 5%	500	344
Pakistan 25%	400	275
India Basmati trad.	1,800	1,238
Other Markets		
	\$/t	€/t
Uruguay 5%	610	420
Argentina 5%	600	413
USA LG 2/4%	562	386
California MG 1/4%	775	533
Egypt 101 6%	750	516

Weekly prices (\$/ton)



- World** Once again, the lead story of the week surrounds the Philippine tenders/purchases. NFA has bought 510,000 tons at their Dec. 1 tender at prices ranging \$598-653 CNF for shipment Jan/May 2010. On the tender held last week (Dec. 8), offers ranged \$619-706, and no official award has been made yet. On Tuesday, NFA held the third tender in this series and the lowest offer once again came from Vinafood for 600,000 tons at \$665 CNF.
- Thailand** The quote of 100% B is \$85 higher than three weeks ago.
- Vietnam** No quote for the 5%. Vietnam's rice exports from first to 27th November 2009 amounted to 317,140 tons, bringing the total to the year so far to 5,689,115 tons.
- India** For now, the government seems content to take a more of a "wait and see" attitude and not begin a process in earnest until the Philippines have completed their purchases.
- Pakistan** The quote of 5% is \$60 higher than three weeks ago. Pakistan continues to be a secondary supplier both for The Philippines and Iraq, behind Vietnam and Thailand. Pakistan has their eyes more keenly focused on their Indian neighbours and projected demand from there forthcoming.
- Usa** The quote of Long Grain is \$33 higher than three weeks ago. No change for the quote of Californian Medium Grain. Although the official results are still pending U.S. Southern mills would be awarded 120,000 tons from Iraq tender.

## Food Safety

### Rapid Alert System (Source: EFSA)

Two notifications concerning rice:

- sent by Austria concerning unauthorised genetically modified (Bt 63 rice) rice noodles from China, dispatched from Taiwan;
- sent by Italy concerning cadmium (0.625 mg/kg - ppm) in rice from Italy (company's own check).

## Other news

### Romanian Dacian Ciolos picked as new EU Agriculture Commissioner (Source: [www.silobreaker.com](http://www.silobreaker.com))

Former Romanian agriculture minister Dacian Ciolos is the new EU farm Commissioner, the European Commission announced today as part of the unveiling by Commission President José Manuel Barroso of his new team. The appointment has to be approved by the European parliament.

### China's GMO Rice, Corn Approval May Boost Food Supply (Source: [Bloomberg](http://Bloomberg))

China, the world's biggest grain producer, has approved strains of genetically modified rice and corn that may help ensure food supplies in a country facing shortages of water and farmland.

The move "has huge implications because this is the first time a major grain producer is endorsing the use of GMO technology in a food staple," said Zhu Zhen, biotechnology professor at the Chinese Academy of Sciences. China has declared several corn and rice varieties safe to grow and use, a Ministry of Agriculture statement sent to Bloomberg News said today.

### Vietnam: prospects for rice exports in 2010 (Source: [VOVnews](http://VOVnews))

The rice market in 2010 will be much more hectic than in 2009 as the export price will be higher, making the conditions for exporters just right.

According to the Vietnam Food Association (VFA), by November 25 Vietnam had signed contracts to export more than 6.72 million tonnes of rice, up 47.8 percent compared to the same period last year. The country has already shipped 5.601 million tonnes and will move another 1.12 million tonnes in December.

Although Vietnam's rice exports account for only 15 percent of the total global export market, its value is still low and farmers are facing a number of difficulties. Market experts says that 2010 will be very demanding but there are some prospects for the rice sector so businesses should work with each other to improve the value of Vietnamese rice.

Despite hitting a record export volume since 1989, the quality of Vietnamese rice is still low. According to statistics from the Ministry of Agriculture and Rural Development, only 25 percent of farmers have access market information and 90 percent of agricultural products are sold without being prepared in any way. This lowers the competitive edge and the price of Vietnamese rice.

VFA chairman Truong Thanh Phong says that the global demand for rice is increasing but many importers have banned the use of pesticides and have food hygiene and safety standards which prevent Vietnamese rice entering their markets. Therefore, farmers should pay more attention to safer production methods and apply advanced technologies.