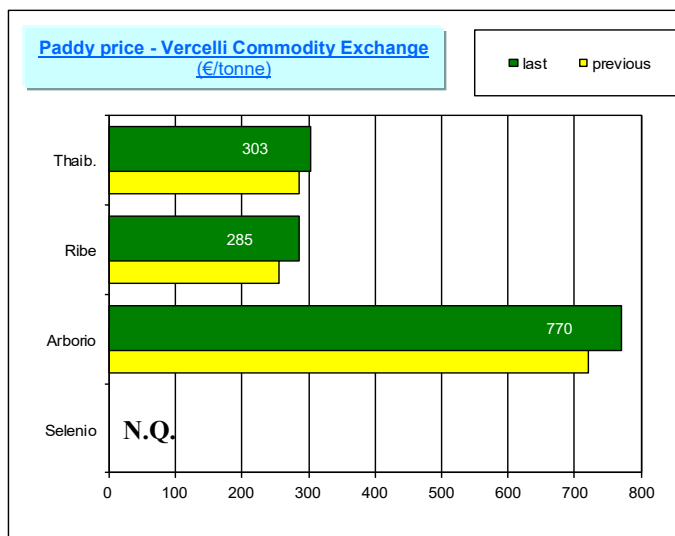
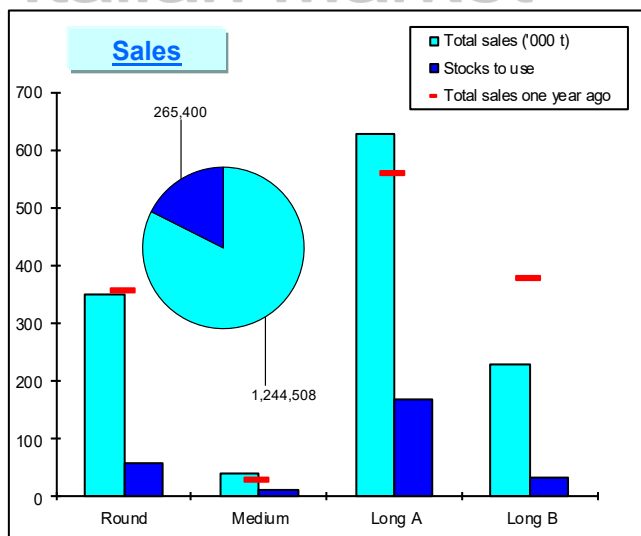




Italian Market

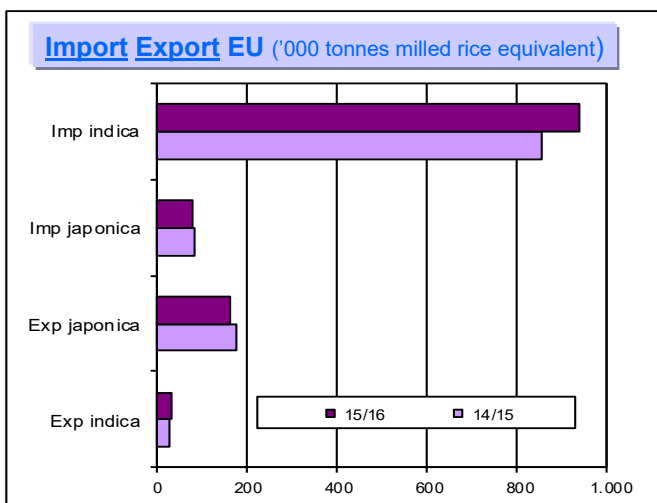


In focus

In the last four weeks paddy sales by farmers reached 98,956 tonnes: 53,506 tonnes of long A grain, 23,743 tonnes of round grain, 18,236 tonnes of long B grain and 3,471 tonnes of medium grain. Total sales reached 82% of the total stock, 80,350 tonnes (-6%) less than last year.

At Commodity Exchange in Vercelli the paddy price increased for Arborio (50 €/tonne), for Ribe (30 €/tonne) and Thai bonnet (18 €/tonne); Selenio was not quoted.

European Market



Reg. EC n. 1273/11 - Quantities to be allocated for the July 2016 subperiod			
Order number	Origin	Type of rice	Tonnes
09.4127	U.S.A.	semi-milled and wholly milled	26,292.488
09.4128	THAILAND	semi-milled and wholly milled	8,530.673
09.4129	AUSTRALIA	semi-milled and wholly milled	545.800
09.4148	ALL COUNTRIES	husked rice	578.000
09.4149	THAILAND	broken rice	49,768.810
09.4150	AUSTRALIA	broken rice	16,000.000
09.4152	GUYANA	broken rice	11,000.000
09.4153	U.S.A.	broken rice	9,000.000
09.4154	OTHER ORIGINS	broken rice	10,460.000
09.4166	ALL COUNTRIES	semi-milled and wholly milled	17,011.014

In focus

EU imports amount to 1,018,629 tonnes in milled rice equivalent, 78,759 tonnes (+8.4%) above the previous year level. Indica rice imports increased of 82,296 tonnes (+9.6%), while Japonica rice imports decreased of 3,537 tonnes (-4.2%). Husked rice and milled rice imports increased of 72,036 tonnes (+12.4%) and 28,771 tonnes (+5.3%), respectively.

EU exports amount to 193,263 tonnes in milled rice equivalent, -5.2% below the previous campaign (-10,652 tonnes).

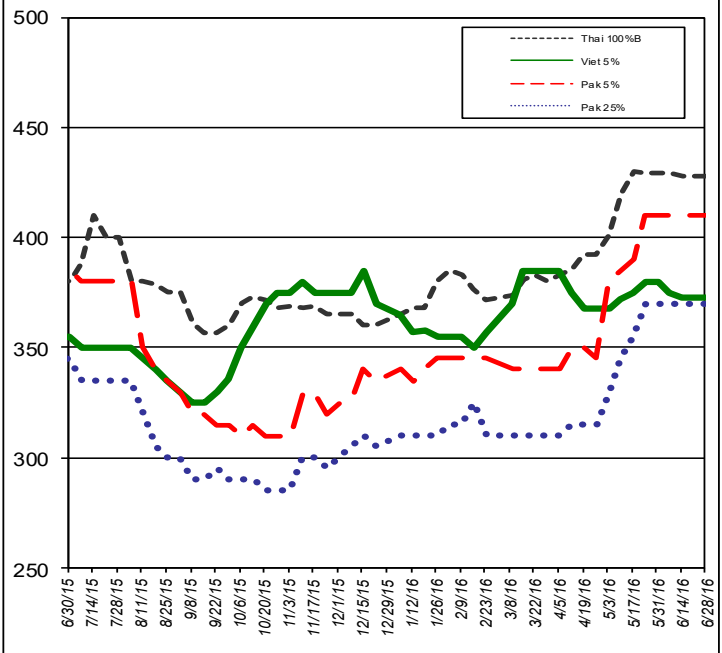
International Markets

Milled rice international FOB quotes

Exchange rate 1 € = 1.1073 \$

Asian Markets	\$/t	€/t
Thai 100%B	428	387
Vietnam 5%	373	337
India 5%	385	348
Pakistan 5%	410	370
Pakistan 25%	370	334
Cambodia 5%	435	393
India Basmati traditional	1,025	926
Other Markets	\$/t	€/t
Uruguay 5%	460	415
Argentina 5%	455	411
Brazil 5%	455	411
USA LG 2/4%	500	452
California MG 1/4% Med	650	587
Egypt Medium Grain 2/5%	N.A.	N.A.
Egypt Round Grain 2/5%	N.A.	N.A.

Weekly prices (\$/t)



World

Vietnam and China have signed a protocol on phytosanitary requirements on Vietnamese rice bran exports to China: from 30 May 2016 all the rice export consignments to China must satisfy the phytosanitary requirements and they must be sterilized to eliminate harmful biological objects.

The USDA reports that milled rice imports in **Philippines** during the 2016/17 marketing year are predicted to fall by 100,000 MTS to 1.5 million MTS.

In **Pakistan** demand from European buyers continues to be strong.

Thailand

The Ministry of Commerce has forecast rice exports to rise during the second half of this year, reaching its annual output target of 9.5 million tonnes. The expected increase is due to demand in both domestic and foreign markets, such as the government-to-government deal with China for 1 million tonnes. Other notable rice importers, such as Philippines and Indonesia will be seeking additional procurement.

The Thai Foreign Trade Department has announced that 400,000 MTS of rice not fit for human consumption will be actioned of later July, with bids to be submitted on 25 July. This amount is in addition to the 2.18 million MTS of rice fit for human consumption, which will also be bid for on 25 July.

Vietnam

According to the Vietnam Food Association (VFA) is expected to export 5.7 million tonnes of rice in 2016. Rice export volume in June is expected to reach 450,000 tonnes, which will raise total of rice export up to 2,732 million tonnes in the first six months of the year. VFA predicted rice demand from Chinese, Philippines and Indonesian markets being stable growth.

Iraq

Iraq has awarded 80,000 MTS of Indian rice in their 3 July tender, split equally between Olam and LTFoods. Although price and variety have not been confirmed, it is believed to be parboiled rice at a price of US \$ 429 PMT CIF Umm Qasr (Free Out).

USA

Milled long grain rice exports so far this marketing year currently total 811,000 MTS, 20% below this time last year following significant decline in milled exports to Colombia and Mexico. The rice industry in the South has increased pressure on Congress to lift sanctions on Cuba; specifically, exporters are asking for restriction for private lines of credit be relaxed so that they can compete with Asian origin of rice such as Vietnam.

Food Safety

Rapid Alert System (Source: EFSA)

No alert concerning rice in the last four weeks.

Other news

LDCs: something is moving (Source: Ente Risi Press release)

On 30 June, at the Committee for the Common Organisation of Agricultural Markets, the Italian (MIPAAF and Ente Nazionale Risi), Spanish, Greek and Portuguese delegations required firmly the European Commission to adopt urgent solutions to the problems caused to rice market by the uncontrollable import flow at zero duty from LDCs.

The Commission thus formally announced that from 13 to 15 July will send to Cambodia a delegation composed of officials from DG Trade and DG Agri, in order to find a solution to an issue that at the end campaign will determine the absolute import record and the increase in stocks in the European market.

This scenario was already feared by the Italian rice sector in 2014.

Vietnam hit by worst drought in 90 years (Source: <http://news.trust.org>)

El Niño induced the worst drought in 90 years in Vietnam. This terrible drought coupled with seawater intrusion into the Mekong River delta have destroyed fruit, rice and sugar crops.

Weather forecasters have warned of the possibility of a La Nina weather event, the counterpart of El Niño, which could bring intense rains to Vietnam in the second half of 2016.