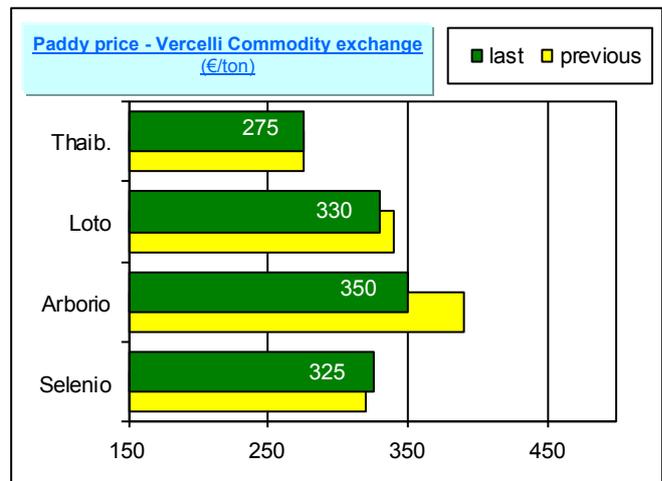
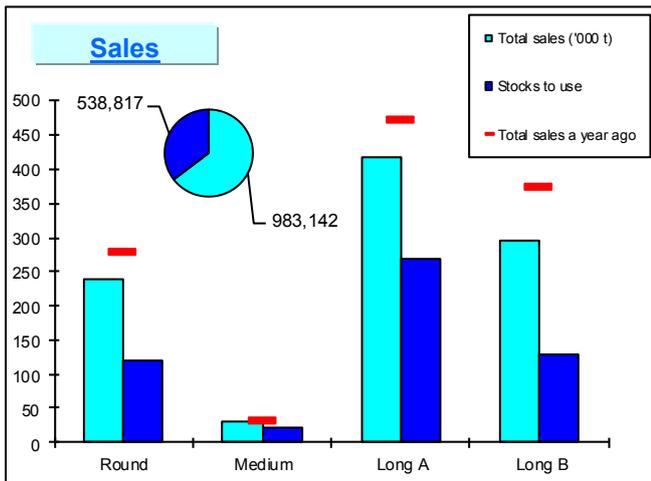




Italian Market



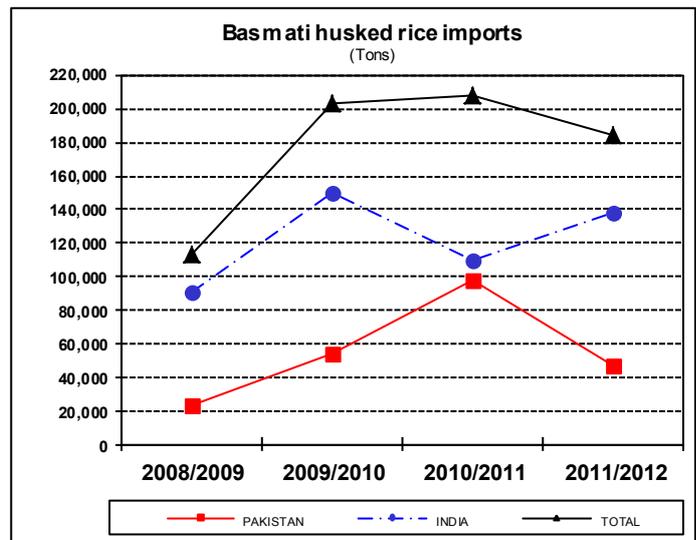
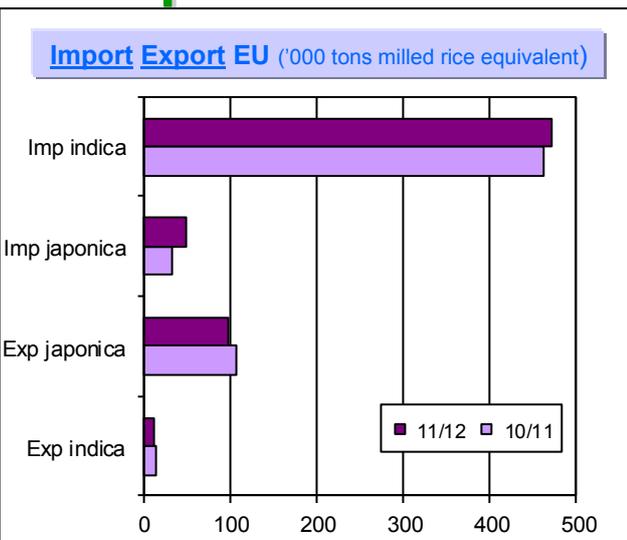
In focus

Paddy sales by farmers reached 27,988 tons this week: 9,896 tons of long B grain, 9,716 tons of long A grain, 7,992 tons of round grain and 384 tons of medium grain.

Total sales reached 983,142 tons, 64.6% of the total stock. One year ago total sales were 1,165,484 tons. The difference between total sales this year compared to higher items one year ago is -182,342 tons (-15.6%).

At Commodity Exchange in Vercelli the paddy prices decreased for Arborio (-€40) and Loto (-€10) compared to two months ago, instead the paddy price for Selenio increased of €5; no change for the paddy price for Thaibonnet.

European Market



In focus

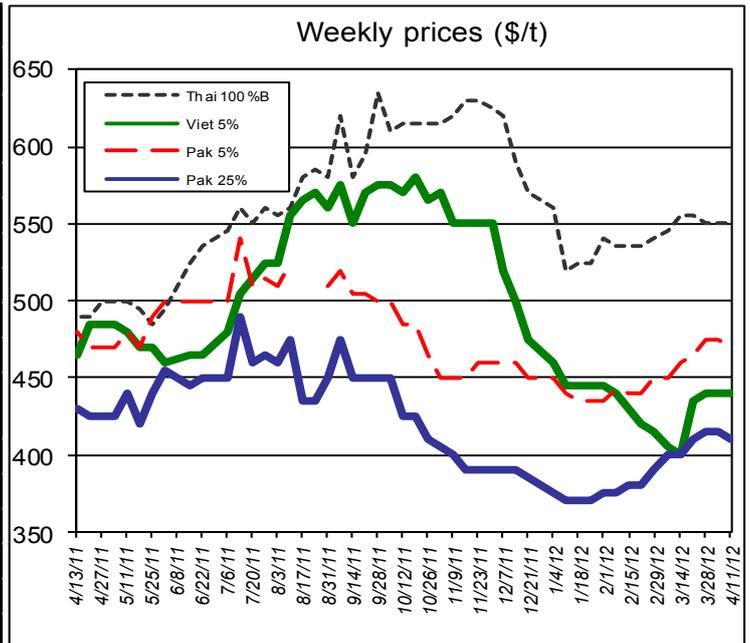
The EU imports amount to 521,999 tons in milled rice equivalent, 5.6% above the level of the previous campaign (+10,654 tons of indica rice and +16,925 tons of japonica rice).

Husked rice imports were 5.8% lower the level of the previous campaign and milled rice imports were 18.6% above the level of the previous campaign.

The EU exports amount to 109,723 tons in milled equivalent, 10.5% below the level of the previous campaign (122,627 tons).

International Markets

Milled rice international FOB quotes		
Exchange rate		1 € = \$1.3153
Asian Markets	\$/t	€/t
Thai 100%B	550	418
Vietnam 5%	440	335
India 5%	445	338
Pakistan 5%	470	357
Pakistan 25%	410	312
India Basmati trad.	1,200	912
Other Markets	\$/t	€/t
Uruguay 5%	545	414
Argentina 5%	545	414
Brasile 5%	630	N.A.
USA LG 2/4%	502	382
California MG 1/4%	685	521
Egypt 101 6%	N.A.	N.A.



- World** Iraq bought 70,000 tons of milled rice from Thailand, 30,000 tons of milled rice from Uruguay and 30,000 tons of milled rice from Argentina.
- Thailand** The quote of 100% B is \$10 higher than two months ago. The primary focus in the market has been on parboil for Nigeria and the recently awarded business by Iraq. Demand for parboil has increased dramatically for June arrival latest, as Ramadan is rapidly approaching and the Nigerian government announced an increase in the tariff from 35% to 50% effective July.
- Vietnam** The quote of Vietnam 5% is \$5 lower than two months ago. The outlook going forward has improved dramatically with China and The Philippines having purchased substantial quantities.
- India** The biggest news in the market is the reported resumption of basmati shipments to Iran. Export to Iran had been affected by the threat of international sanctions against countries engaging in financial dealings with them.
- Pakistan** The quote of Pakistan 5% is \$35 higher than two months ago. The market is firm as border trade with Iran, along with regional sales to East Africa has maintained prices up.
- Usa** The quote of Long Grain 2/4% is \$22 lower than two months ago. Demand for southern rice remains limited, instead the Californian market remains busy, with milling time now booked up into May following the recent Japanese tender.

Food Safety

Rapid Alert System (Source: EFSA)

An "information for follow-up" notification was sent by Germany concerning unauthorised genetically modified rice noodles from China. A border rejection notification was sent by Slovenia concerning unauthorised genetically modified (Bt63) rice noodles from China. Two border rejection notifications were sent by Portugal concerning:

- unauthorised genetically modified rice in biscuits from China;
- unauthorised genetically modified red yeast rice from China.

Two border rejection notifications were sent by Italy concerning:

- unauthorised genetically modified rice in rice vermicelli from China;
- unauthorised genetically modified rice in white rice cake (gnocchi) from China.

Other news

Vietnam rice exports fall 32.1% during Q1 of 2012 (Source: BlackSeaGrain)

The Ministry of Agriculture and Rural Development stated that rice exports from Vietnam, the world's second - largest exporter fell 32.1 per cent year on year to an estimated 1.3 million tons during the first quarter of 2012 as a result of the rising competition from India, Pakistan and Burma.

Philippines: no more rice importation starting next year (Source: Phil Star)

Officials of the Department of Agriculture claimed that starting next year, the Philippines would no longer import rice from other countries. Agriculture Undersecretary said the government's rice sufficiency program is almost 80 percent complete and the country would have enough stock of rice by yearend.

Cambodia: rice exports to double (Source: The Phnom Penh Post)

Despite a slow start for milled rice exports in 2012 brought on by falling regional prices, officials yesterday predicted Cambodian shipments would more than double to 400,000 tonnes this year. Tax exemptions from Europe which boosted milled rice exports to about 173,000 tonnes last year, would continue to help the sector. The low rice price in the region had led to a relatively slow start during first quarter of 2012. New orders for milled rice in January and February were considerably lower than the same months in 2011, the Post reported. The high cost of milling and transportation in Cambodia had rendered the industry uncompetitive in the face of falling prices in Vietnam, India and Thailand, expert had said