News

Committee for Common Organisation of Agricultural Markets of 28 March (*Source: Ente Risi Note*)

During the Committee for Common Organisation of Agricultural Markets, the European Commission presented the market situation showing that in the first half of the marketing year:

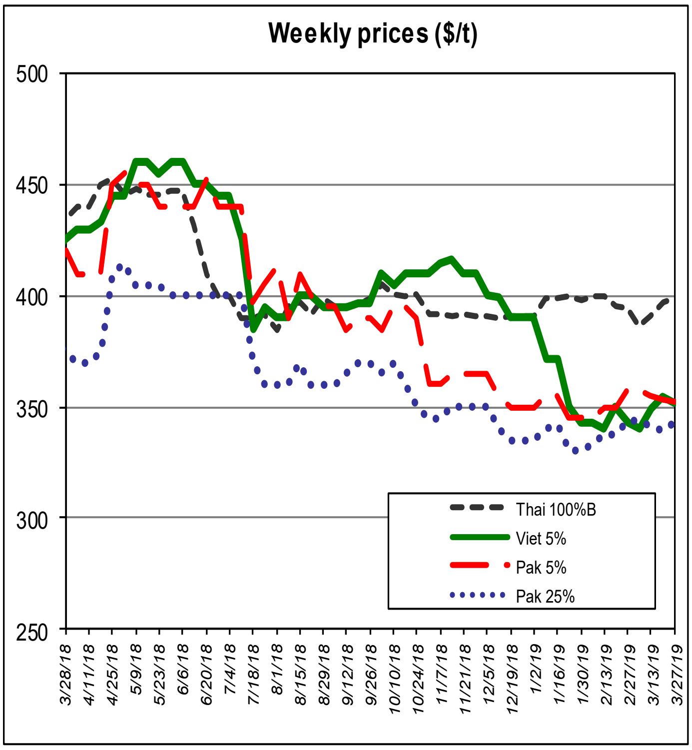
- total EU rice imports increased by 16% compared to the previous marketing year
- milled rice imports increased by 19%, with a 3% increase for small packages (< 20 kg)
- non-basmati husked rice imports increased by 112%
- husked basmati rice imports decreased by 32%
- milled rice imports from LDCs increased by 37%
- total EU exports decreased by 32%.

Freight costs from India and Pakistan to the EU (*Source: https://livericeindex.com*)

The cost of transporting rice from India and Pakistan to the EU could rise from April, if major shipping lines follow through with planned General Rate Increases (GRIs). A number of shipping lines including Hamburg Sud and Hapag- Lloyd are planning GRIs on containerised trade via this key shipping corridor. The route is an important one for rice shipments, particularly high-value Basmati exports from Pakistan's Qasim and India's Nhava Shava and Mundra ports. The current cost of transporting rice from Pakistan to ports in northern Europe is around US $1,000 per 20' FCL (US $40 PMT), according to market participants. According to MSC's planned GRI, the freight rate between Qasim and Belgium's Antwerp Port will be US $1,300 per FCL (US $52 PMT) from 1 April, while the freight cost from Nhava Shava to Antwerp will also be US $1,300 per FCL (US $52 PMT). It should be noted that freight rates will vary depending on the shipping company and these rates should be used as a guide only. Market participants have also reported increased freight costs from Asian origin ports to other destinations, including the Middle East and Africa. The current freight rate for a handysize vessel (up to 50,000 MTS deadweight) between Thailand and West Africa is around US $47 PMT. Shipping lines usually impose GRIs to help cover additional costs due to factors including increased demand for using a particular trading corridor and to meet stricter environmental standards.

International Markets

Milled rice international FOB quotes		
Exchange rate 1 € = 1.1361		
Asian Markets	$/t	€/t
Thai 100%B	399	354
Vietnam 5%	352	313
India 5%	370	329
Pakistan 5%	352	313
Pakistan 25%	343	305
Cambodia 5%	415	369
Myanmar 5%	355	315
India Basmati trad.	1,450	1,288
Other Markets	$/t	€/t
Uruguay 5%	515	457
Argentina 5%	510	453
Paraguay 5%	495	440
USA LG 2/5% sacked	525	466
California MG 1/4% Med	900	799

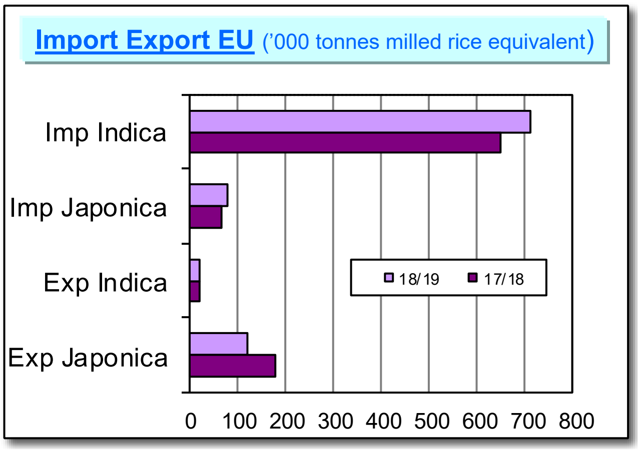


Food Safety

Rapid Alert System (*Source: EFSA)*

An alert notification was sent by Austria concerning aflatoxins (B1 = 7.1 µg/kg - ppb) in organic brown rice from unknown origin, via Germany.

European Market

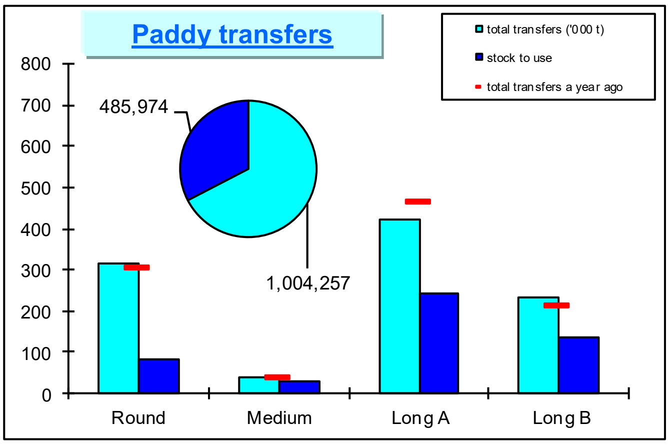


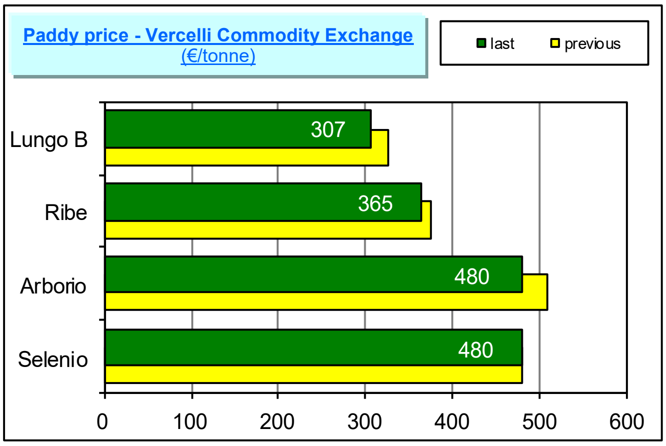
Reg. EU n. 1273/11 - Quantities to be allocated for the April 2019 subperiod			
Order number	Origin	Type of rice	Tonnes
09.4127	U.S.A.	semi-milled and wholly milled	25,028.274
09.4128	THAILAND	semi-milled and wholly milled	10,559.862
09.4129	AUSTRALIA	semi-milled and wholly milled	1019.000
09.4130	OTHER ORIGINS	semi-milled and wholly milled	1,805.000
TOTAL			23,860.830

In focus

On 24 March, according to custom declarations, EU imports amount to 791,997 tonnes, in milled equivalent, 76.379 tonnes (+11%) more than last year. The main importers in order of importance are United Kingdom (151,612 tonnes), France (120,798 tonnes) and Netherlands (116,623 tonnes). Italy account for 9% of the total volume, having imported 68,275 tonnes.
EU exports, amounting to 144,401 tonnes, decreased by 57,403 tonnes compared to last year.

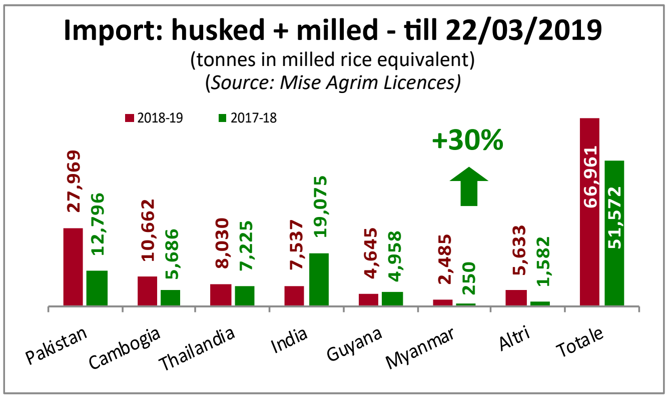
Italian Market

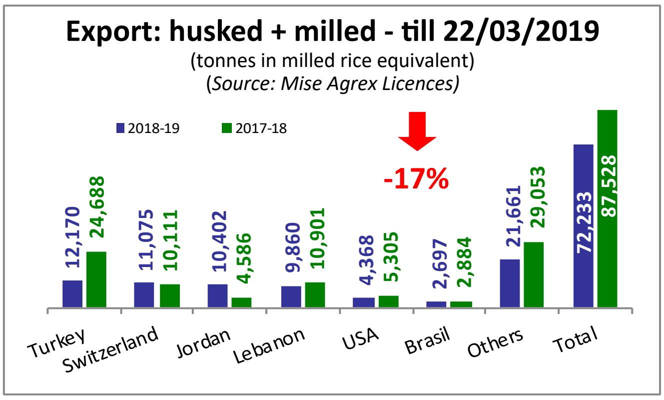




In focus

In the last week paddy transfers by farmers reached 33,362 tonnes: 14,040 tonnes of long A grain, 11,652 tonnes of round grain, 6,899 tonnes of long B grain and 771 tonnes of medium grain. The total transfers decreased by 21,143 tonnes (-2%) compared to last campaign: long B grain increased by 17,652 tonnes and round grain by 9,066 tonnes whereas long A grain and medium grain decreased by 47,807 tonnes and 54 tonnes, respectively.
At Commodity Exchange in Vercelli, the paddy prices decreased for Arborio (-€30), Lungo B (-€20) and Ribe (-€10).
Italian imports, amounting to 66,961 tonnes, in milled equivalent, increased by 15,389 tonnes (+30%) compared to last year. According to customs declarations (see table at bottom) imports increased by 13,934 tonnes (+26%) due to higher imports both of paddy from Guyana (+66%) and of semi-milled and milled rice (+53%). Italian exports amount to 72,233 tonnes, in milled equivalent, 15,295 tonnes (-17%) less than last year, in the last week export licences being issued for 2,839 tonnes. Long A grain export account for 74% of the total volume.





Italian imports till 24/03/2019 - Customs declarations - Source: DG Agri *(tonnes in milled rice equivalent)*

Campaing	Paddy			Brown rice			Semi-milled / Milled rice			TOTAL		
	Indica	Japonica	Total	Indica	Japonica	Total	Indica	Japonica	Total	Indica	Japonica	TOTAL
2018/2019	8,024	-	8,024	24,308	942	25,250	33,476	1,525	35,001	65,808	2,467	68,275
2017/2018	4,837	-	4,837	26,517	177	26,694	21,878	932	22,810	53,232	1,109	54,341