

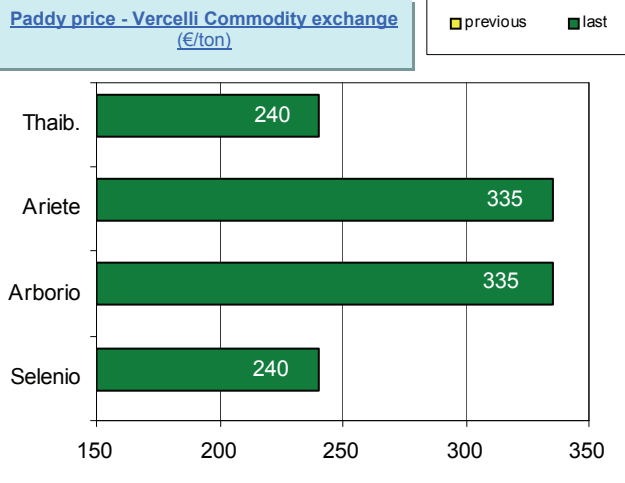


Italian Market

Sales

TYPE OF RICE	CAMPAIGN	
	09/10 (ton.)	08/09 (ton.)
ROUND	14.407	15.633
MEDIUM	3.967	3.198
LONG A	59.160	44.741
LONG B	53.451	20.269
TOTAL	130.985	83.841

Paddy price - Vercelli Commodity exchange (€/ton)



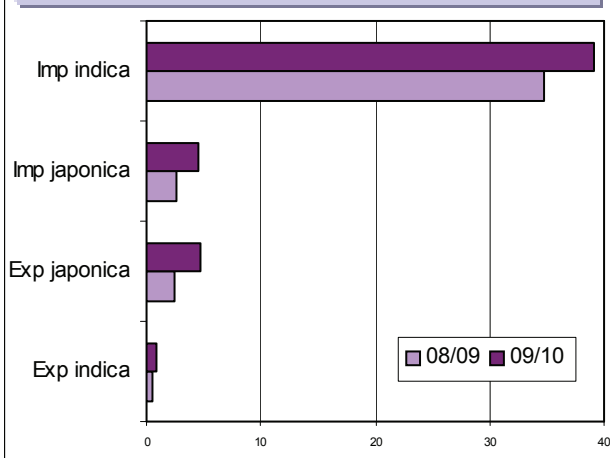
In focus

Paddy sales by farmers reached 47,686 tons this week: 21,889 tons of long A grain, 17,847 tons of long B grain, 6,326 tons of round grain and 1,624 tons of medium grain. Total sales reached 130,985 tons. One year ago total sales were 83,841 tons. The gap between total sales this year compared to lower items one year ago is +47,144.

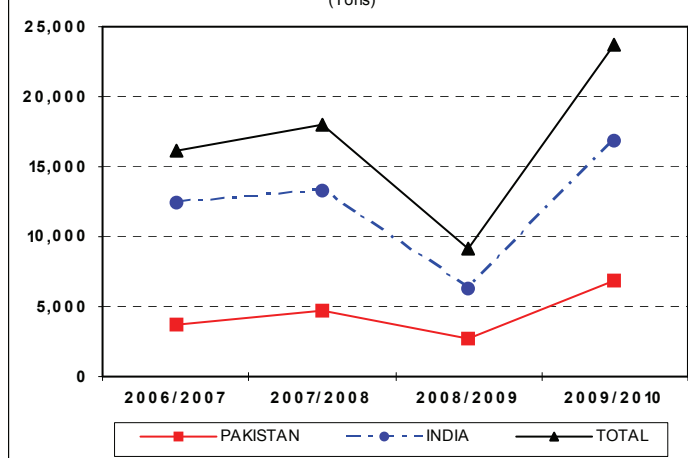
At Commodity Exchange in Vercelli there are quotations for paddy rice of the new crop.

European Market

Import Export EU ('000 tons milled rice equivalent)



Basmati husked rice imports (Tons)



In focus

The EU imports amount to 43,726 tons in milled rice equivalent, 6,306 tons above the previous year level (+16.9%).

Husked Basmati rice imports are on an increasing trend compared to last year (+159%); imports increased of 14,518 tons (10,000 tons in milled rice equivalent).

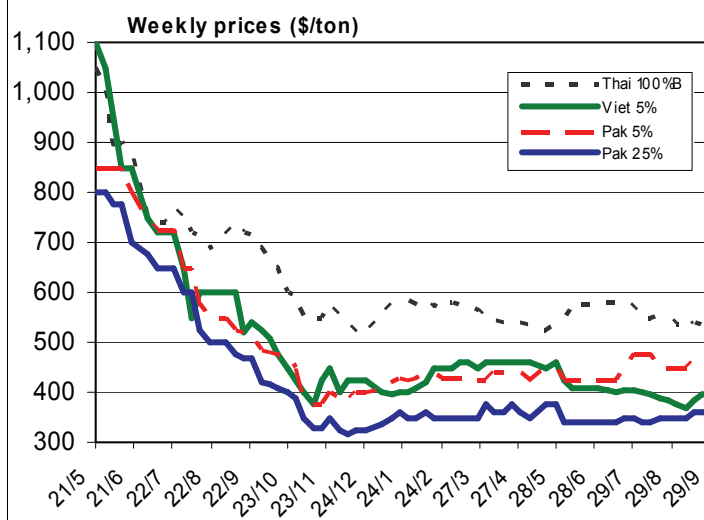
EU exports increased of 90.2% compared to one year ago: from 2,932 tons in 2008/2009 to 5,578 tons this campaign. Last week licences were issued for 1,922 tons compared to 1,645 tons the previous week.

International Markets

Milled rice international FOB quotes

Exchange rate 1 € = \$1.4549

Asian Markets	\$/t	€/t
Thai 100%B	530	364
Vietnam 5%	395	271
India (MEP)	1,000	687
India Basmati trad.	1,800	1,237
Pakistan 5%	475	326
Other Markets	\$/t	€/t
Uruguay 5%	525	361
Argentina 5%	515	354
USA LG 2/4%	507	348
California MG 1/4%	850	584
Egypt 101 6%	850	584



Thailand The quote of 100% B is \$10 lower than two weeks ago. There is no substantive change in the market as intervention on the part of the government continues to support local prices. Demand for regular white rice remains thin account uncompetitive pricing compared to other origins. Under considerable pressure from growers, the intervention purchase program was extended until the end of September and it appears almost certain a new program will be initiated for the new crop. The market awaits the outcome of the recent Iraq tender.

Vietnam The quote of 5% is \$10 higher than two weeks ago, as the market anticipates a sale to NFA. However, it appears no official agreement has been met. Here too, there is keen interest in the outcome of the Iraq tender, as Vietnam is the most likely prospective vendor.

India The focus remains on the monsoon and its effect on new crop production. It seems the reduction in production will be around 15%.

Pakistan The market remains very quiet as old crop shipments wind down and new crop is just weeks away.

USA The quote of Long Grain is \$22 lower than two weeks ago. In the Gulf the market conditions are basically unchanged. No change for the quote of Californian Medium Grain.

Food Safety

Rapid Alert System (Source: EFSA)

On 18th September a notification was sent by United Kingdom concerning aflatoxins (B1 = 32; Tot. = 37 mg/kg - ppm) in roasted red rice flour from Canada.

Rules and Calls for bids

Commission Regulations (O.J.E.U. L 247 and L 254)

The European Commission has published:

- the Regulation (EC) No 860/2009 on the issue of licences for importing rice under the tariff quotas opened for the September 2009 subperiod by Regulation (EC) No 1529/07.
- the Regulation (EC) No 892/2009 on the issue of licences for importing rice under the tariff quotas opened for the September 2009 subperiod by Regulation (EC) No 327/98.

Other news

US 'Jazzman' poses threat to jasmine rice (Source: The Nation Business)

Jasmine rice exports will soon run into fierce competition in the United States, which has successfully grown and registered a new type of fragrant rice called "Jazzman".

Jasmine is the highest premium grade of Thai rice, which can only be raised in five provinces in the Northeast. Although Thailand mainly exports white rice, half of the income comes from jasmine rice.

Chookiat Ophaswongse, president of the Thai Rice Exporters Association, said exporters were not worried about the innovative rice in the short term as most consumers still favour Thai jasmine rice, categorised as the highest grade of rice.

However, he expressed concern about any mixing of Jazzman rice with Thai jasmine rice as it may destroy the premium quality image of Thai rice.

Korea to purchase more rice to stabilize price (Source: the Korea Herald)

The government will buy 230,000 metric tons of more rice this year than last to stabilize the domestic market price and lift farmers' sentiments dampened by declining rice demand, the Agriculture Ministry said yesterday. "The government will make aggressive efforts to draw up appropriate countermeasures to help stabilize rice prices, which will include increasing the volume of our rice purchase," Agriculture Minister Chang Tae-pyong told reporters in Gwacheon. The 230,000 tons would be an addition to the 2.47 million tons earmarked early this year, putting the total at 2.7 million tons. The government is expected to set aside 370,000 tons for the nation's emergency rice stockpile, while the rice processing centres of Nonghyup, the nation's farming cooperative, and private rice processing centres will buy the other 2.33 million tons.