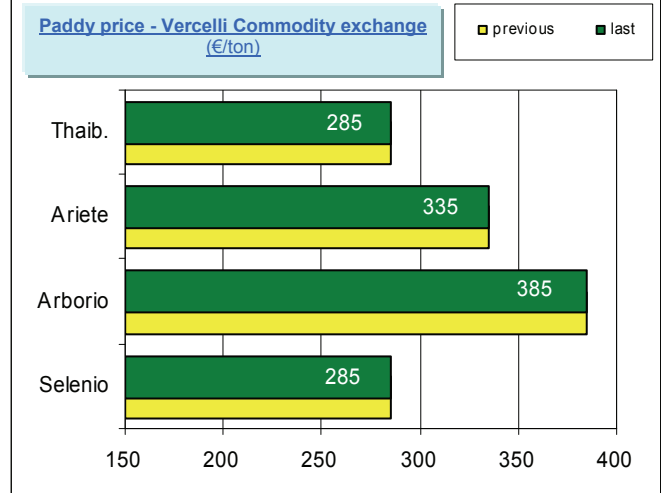
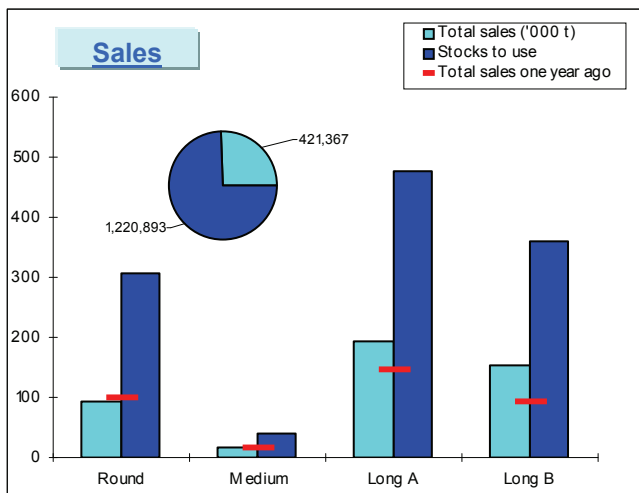




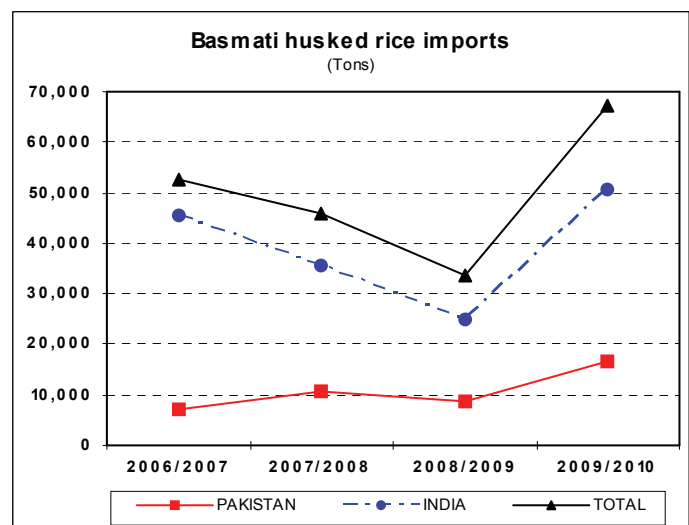
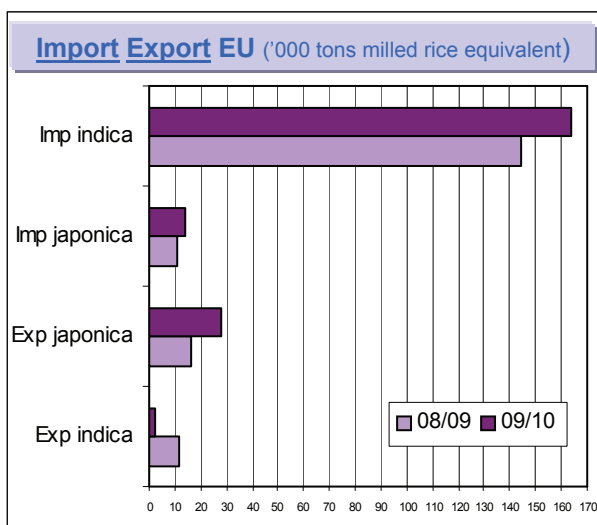
Italian Market



In focus

Paddy sales by farmers reached 35,284 tons this week: 14,275 tons of long A grain, 11,548 tons of long B grain, 8,204 tons of round grain and 1,257 tons of medium grain.
Total sales reached 456,651 tons, 27,8% of the total stock. One year ago total sales were 355,678 tons. The gap between total sales this year compared to lower items one year ago is +100,973.
In the last five weeks no change for paddy prices at Commodity Exchange in Vercelli.

European Market



In focus

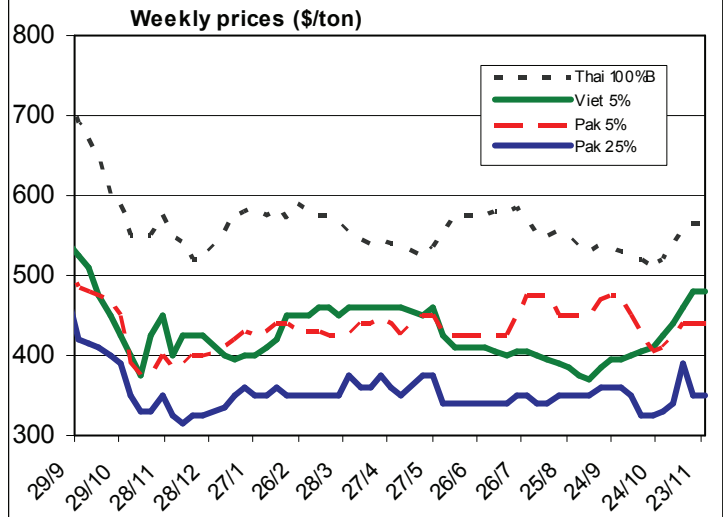
The EU imports amount to 178,209 tons in milled rice equivalent, 22,920 tons above the previous year level (+14.7%).
Husked Basmati rice imports are on a increasing trend compared to last year (+101.3%); imports increased of 33,933 tons (23,400 tons in milled rice equivalent).
EU exports increased of 8.6% compared to one year ago: from 28,278 tons in 2008/2009 to 30,728 tons this campaign. Last week licences were issued for 2,101 tons compared to 4,634 tons the previous week.

International Markets

Milled rice international FOB quotes

Exchange rate 1 € = \$1.4969

Asian Markets	\$/t	€/t
Thai 100%B	565	377
Vietnam 5%	480	321
Pakistan 5%	440	294
Pakistan 25%	350	234
India Basmati trad.	1,800	1,202
Other Markets	\$/t	€/t
Uruguay 5%	540	361
Argentina 5%	530	354
USA LG 2/4%	529	353
California MG 1/4%	775	518
Egypt 101 6%	750	501



Thailand The quote of 100% B is \$55 higher than five weeks on news of three fresh tenders floated by The Philippines. The National Food Authority of Philippines has now three successive tenders scheduled (Dec. 1, Dec. 8 and Dec. 15) for 600,000 tons each. As regards fresh business, Iraq did confirm one vessel of 30,000 tons Thai 5%, one vessel 30,000 tons Paki 5% and 60,000 tons from South America; there was no Viet nor U.S. rice confirmed.

Vietnam The quote of 5% is \$70 higher than five weeks ago. The big news in the market the sale of 150,000 tons by Vinafood to NFA. The focus of the government is the demand out of the Philippines. Between the Thai and Viet new crops and the intervention stocks in Thailand, there is more than enough rice to cover demand of the Philippines.

India The government floated three tenders 10,000 tons each, but none of the three tenders have resulted in any purchases account the prices were well above the local market. The Indian Trade Minister stated that they don't intend to import for the time being as they have adequate stocks.

Pakistan The quote of 5% is \$35 higher than five weeks ago.

Usa The quote of Long Grain is \$44 higher than five weeks ago. For the time being the mills are concentrating on domestic and core export business. However, come the turn of the year, milling schedules will begin to have holes, and there will be a need for fresh demand. The quote of Californian Medium Grain is \$25 lower than five weeks ago and the mills continue to ship against old sales to the South Pacific.

Food Safety

Rapid Alert System (Source: EFSA)

For notifications were sent by:

- Czech Republic concerning aluminium (31.5 mg/kg - ppm) in instant rice noodles from Vietnam;
- Romania concerning long grain rice from Bulgaria infested with insects (*sitophilus oryzae*);
- Finland concerning unauthorised genetically modified (Bt 63) rice vermicelli from China, dispatched from the Netherlands;
- Sweden concerning unauthorised genetically modified (Bt 63: 0.002 %) rice vermicelli from China.

Other news

Thai rice exporters are expected to gradually shift to trading in euro (Source: The Nation Business)

Nearly 90 per cent of the exporters' turnover is denominated in dollars. Rice is the country's biggest agricultural export, helping to boost the total value of Thailand's agricultural exports in October to US\$2.4 billion.

Korbsook Iamsuri, CEO of Kamolkij, a major exporter of parboiled rice, said that although the rice price is expected to increase gradually next year on higher global demand, exporters are worried about the stability of the baht against the greenback. "The US dollar is likely to remain weak against the baht and other currencies next year. It will be difficult for Thai rice exporters to offset losses from the baht's appreciation. Thai rice prices quoted in US dollars will also be high compared with other [countries'] rice prices," said Korbsook. Thai rice exporters believe trading in euros would lead to greater price stability, Korbsook said, adding that she expected to see more exporters quoting prices in euros from now on.

However, the move to the euro would likely be gradual, and most importers will still with the dollar, she said.

Egypt lets 15 firms export rice starting in January (Source: Reuters)

Egypt has chosen 15 firms in an auction to export rice beginning in January, but the quantity exported in this batch will be limited to 13,950 tonnes, the Trade Ministry said in a statement. Egypt said last month it would hold monthly tenders to grant rice export licences to traders, and would cap rice exports at 100,000 tonnes per month. An export tariff on rice would also be halved to 1,000 pounds, effective from December 1.

Philippines Boosts Rice-Loss Estimate, Warns on Storm (Source: Bloomberg)

The Philippines, the world's biggest rice importer, lost 1 million metric tons of the crop from two recent storms, widening an earlier estimate by 25 percent, and warned another typhoon may further cut production. Increased losses in the Philippines may further tighten global rice supplies, boosting imports by that Asian nation and driving prices higher.