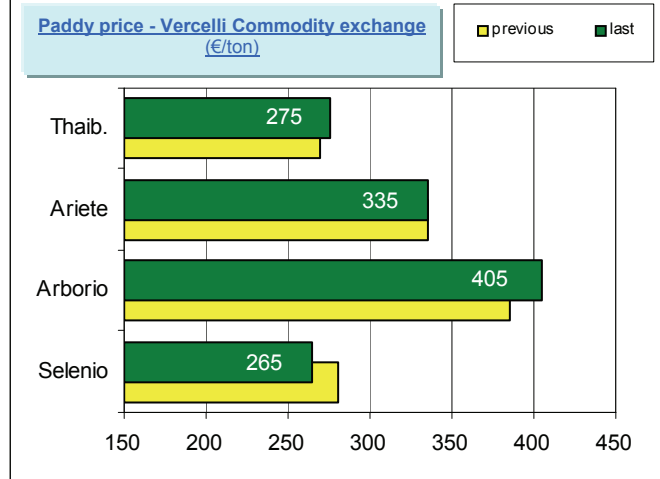
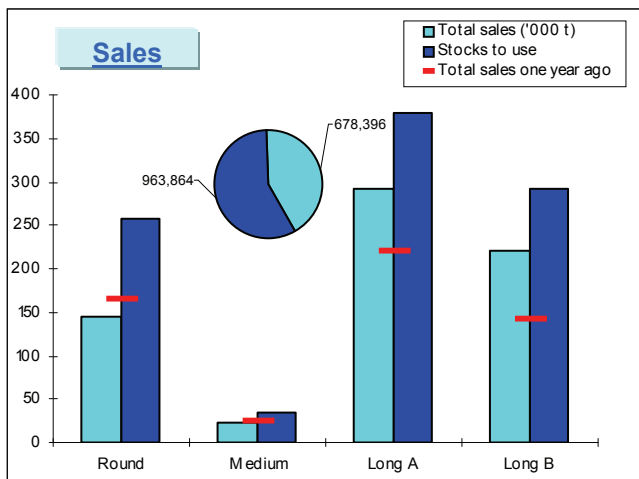




## Italian Market



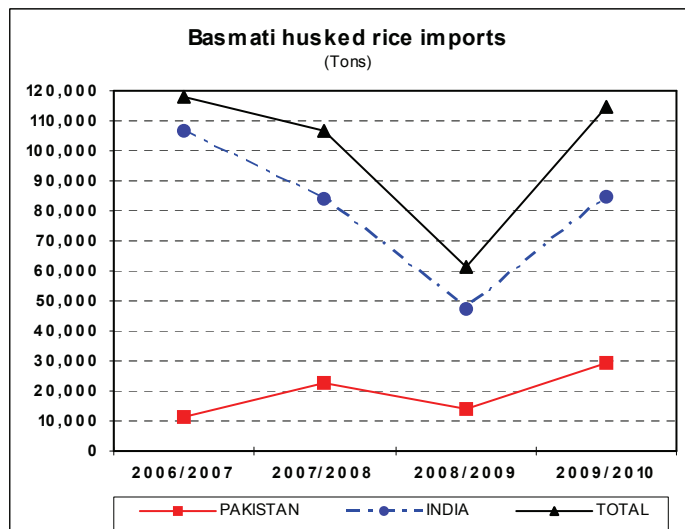
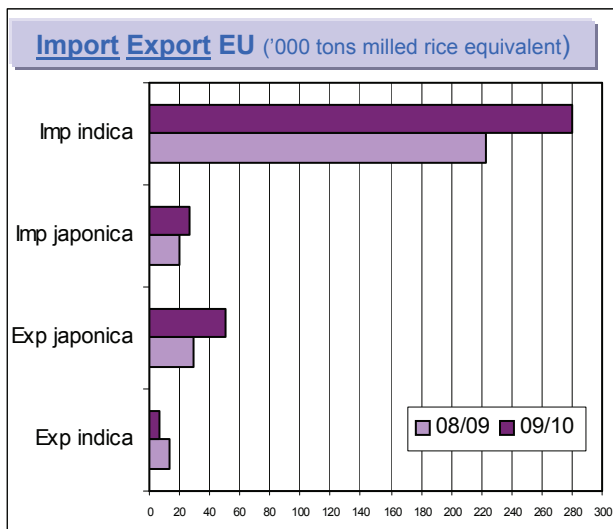
### In focus

Paddy sales by farmers reached 52,069 tons this week: 22,270 tons of long A grain, 15,952 tons of long B grain, 12,815 tons of round grain and 1,032 tons of medium grain.

Total sales reached 678,396 tons, 41,3% of the total stock. One year ago total sales were 551,310 tons. The gap between total sales this year compared to lower items one year ago is +127,086.

At Commodity Exchange in Vercelli the paddy prices for Arborio and Thaibonnet were, respectively, €20 and €5 higher than six weeks ago; the paddy price for Selenio was €15 lower than six weeks ago.

## European Market



### In focus

The EU imports amount to 306,386 tons in milled rice equivalent, 62,346 tons above the previous year level (+25.5%).

Husked Basmati rice imports are on a increasing trend compared to last year (+87.4%); imports increased of 53,367 tons (36,800 tons in milled rice equivalent).

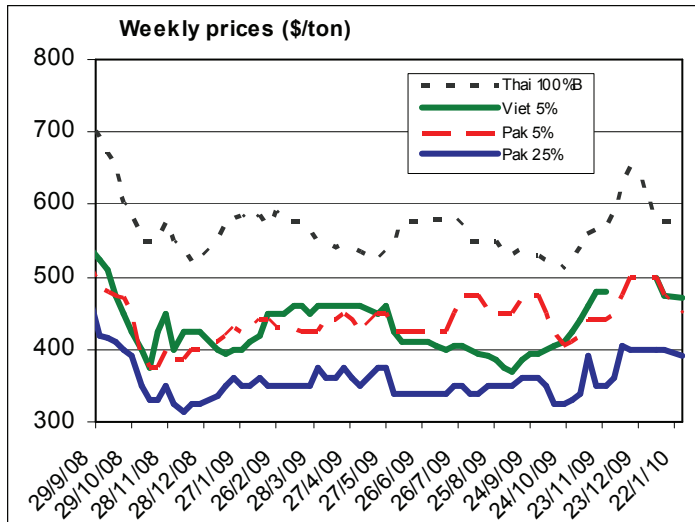
EU exports increased of 32.3% compared to one year ago: from 42,792 tons in 2008/2009 to 56,619 tons this campaign. Last week licences were issued for 3,076 tons compared to 3,329 tons the previous week.

# International Markets

## Milled rice international FOB quotes

Exchange rate 1 € = \$1.4085

Asian Markets		
	\$/t	€/t
Thai 100%B	580	412
Vietnam 5%	470	334
Pakistan 5%	450	319
Pakistan 25%	390	277
India Basmati trad.	1,800	1,278
Other Markets		
	\$/t	€/t
Uruguay 5%	610	433
Argentina 5%	600	426
USA LG 2/4%	551	391
California MG 1/4%	750	532
Egypt 101 6%	700	497



- World** For now, it appears as though The Philippines have bought what they need and India is content to take a wait and see attitude. However, it is possible that an election year in The Philippines will press the NFA into additional coverage of 400,000 - 600,000 tons in the first quarter of 2010.
- Thailand** The quote of 100% B is \$70 lower than six weeks ago. Last week, the Thai government offered up 377,000 tons of intervention stocks but all bids were turned down account price. In 2009 Thailand's exports reached 8.5 million tons, in 2008 the exports were 10 million tons.
- Vietnam** The quote of 5% is \$10 lower than two months ago. In 2009 Vietnam's exports reached 6 million tons. Viet exporters already have 2.5 million tons of business on the books for the 2010 crop year. The Southern Institute of Water Resources Research has predicted that provinces in the Mekong Delta will experience severe drought conditions this coming dry season.
- India** India is expecting a increased basmati exports this year following a bumper crop and higher demand for the Pusa 1121 variety. India exported 2.2 million tons last year and the All India Rice Exporters' Association are predicting that between 2.5 million and 2.7 million tons will have been exported this fiscal year.
- Pakistan** The quote of 5% is \$50 lower than six weeks ago. According to reports in Pakistan government officials are working with The Philippines on a proposal to swap rice for sugar.
- Usa** The quote of Long Grain is \$11 lower than six weeks ago. The quote of Californian Medium Grain is \$25 lower than six weeks ago.

## Food Safety

### Rapid Alert System (Source: EFSA)

Three notifications sent by Germany :

- concerning unauthorised genetically modified (Bt 63) rice vermicelli from China,
- concerning unauthorised genetically modified (Bt) rice noodles from China, via the Netherlands
- concerning unauthorised genetically modified (Bt) rice vermicelli from China, via the Netherlands

## Rules and Calls for bids

### Commission Regulations (O.J.E.U. L 344/09 and L 9/10)

The European Commission has published:

- Commission Regulation (EU) No 1274/2009 opening and providing for the administration of import quotas for rice originating in the overseas countries and territories (OCTs)
- Commission Regulation (EU) No 28/2010 of 13 January 2010 laying down the allocation coefficient to be applied to import licence applications lodged from 1 to 8 January 2010 under the tariff quota opened by Regulation (EC) No 955/2005 for rice originating in Egypt

## Other news

### Cambodian rice venture formed (Source: www.intellasia.net)

A rice joint venture specialising in rice processing and export has been reached between Cambodian and Vietnamese companies, according to Vietnam Food Association. The Cambodia - Vietnam Foods Co (Cavifoods) is a joint venture between The Investment and Development Company of Cambodia (IDCC), with a 33 percent stake, Vie Nam's Southern Food Corp (Vinafood II), with a 37 percent stake, and Cambodia's Green Trade Co with a 30 percent stake, said the association's chair, Tntdng Thanh Phong. With registered capital of US\$8 million, the Phnom Penh-based Cavifoods specialises in the investment, processing, storage and exportation of rice. The joint venture contract for Cavifoods, the first cooperation in rice production between the two Asean countries, was signed in October 2009, with a licensed period of 99 years. The rice cooperation was approved by the governments of Cambodia and Vietnam, said Phong. He said the company had been building a rice processing plant, warehouses, instant noodle and bread plant, and a rice purchasing network.

### Rice price unlikely to fall in global market (Source: The Economic Times)

Rice export prices will probably be sustained at about \$600 per metric tonne after drought and floods damaged crops in India and the Philippines, said an agricultural economist. Rice futures rallied in Chicago. "It is safe to say the rice price is not going back to \$300 per tonne any time soon and is likely to remain around \$600 in the near term," Samarendu Mohanty, a senior economist at the International Rice Research Institute, said in a report, without citing a definite time frame.