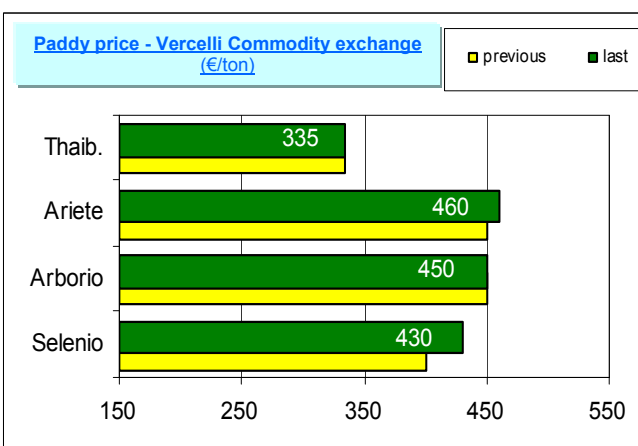
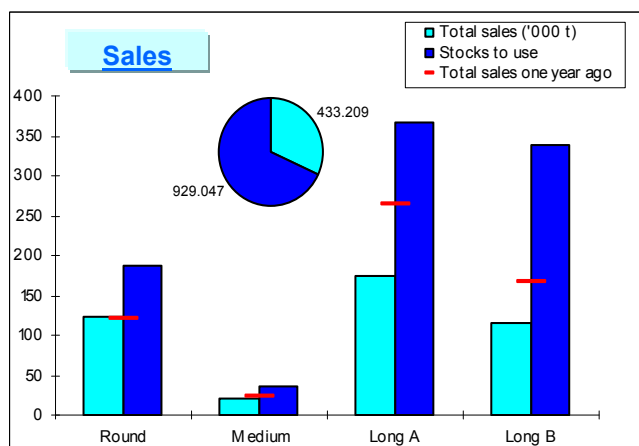




## Italian Market



### In focus

Paddy sales by farmers have fairly raised in the last days, reaching 29,598 tons this week: 10,660 tons of long B grain, 10,554 tons of long A grain, 7,813 tons of round grain and 571 tons of medium grain. The gap between total sales this year compared to the higher items one year ago, is now 141,825 ton. At the moment the difference is -88,341 tons for long A grain, - 50,028 tons for long B grain and -4,750 tons for medium grain. For round grain the comparison shows a higher item this year, +1,294 tons compared to one year ago.

Total sales reached 433,209 tons, 31.8% of the total stock. One year ago total sales were 575,000 tons corresponding to 37,1% of the total final stock (38,5% of the estimated stock).

Paddy prices at Commodity Exchange in Vercelli have not changed over the last week for Arborio and Thaibonnet, while Selenio and Ariete prices have increased (respectively +30€/ton and +10€/ton).

## European Market

Quotas for the January 2009 subperiod (tons)					Annual quotas beginning from January 2009 (tons)				
Type of rice	Paddy	Husked	wholly milled or semi milled	Broken	Type of rice	Paddy	Husked	wholly milled or semi milled	Broken
CN code	1006 10	1006 20	1006 30	1006 40	CN code	1006 10	1006 20	1006 30	1006 40
GATT (Reg. n. 327/98)	7	1.634	43.613	60.400	Egypt (Reg. n. 1455/07)	-	57.600	19.600	5.000
CARIFORUM (Reg. n.1529/2007)	83.333 (husked rice equivalent) (with the exception of CN code 1006 10 10)				Egypt (Reg. n. 955/05)	5.605			
PTOM (Reg. n.1529/2007)	11.666 (husked rice equivalent) (with the exception of CN code 1006 10 10)				Bangladesh (Reg. n. 1964/06)	4.000 (husked rice equivalent) (with the exception of CN code 1006 10 10)			-

### In focus

EU imports amount to 193,874 tons in milled rice equivalent, 18.2% below the previous year level (-32,522 tons of indica rice and -10,670 tons of japonica rice).

Husked Basmati rice imports are on a decreasing trend compared to last year (-33.1%); imports decreased of 21,113 tons (14,600 tons in milled rice equivalent).

In the table above tariff quotas are listed for imports available for January 2009 and as from January 2009.

More details can be found visiting our website [www.enterisi.it](http://www.enterisi.it).

EU exports increased of about 57.7 % compared to one year ago: from 16,093 tons in 2007 to 25,380 tons this year.

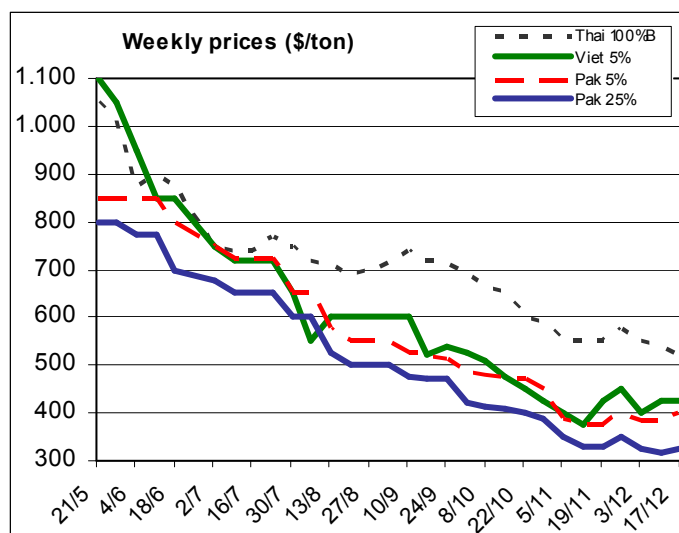
Last week licences were issued for 2,040 tons; exports amount now to 34,102 tons (one year ago the figure was 34,190 tons).

# International Markets

## Milled rice international FOB quotes

Exchange rate 1 € = \$1,3690

Asian Markets	\$/t	€/t
Thai 100%B	520	380
Vietnam 5%	425	310
India (MEP)	1.000	730
India Basmati trad.	2.100	1.534
Pakistan 5%	400	292
Others Markets	\$/t	€/t
Uruguay 5%	550	402
Argentina 5%	540	394
USA LG 2/4%	628	459
California MG 1/4%	1.150	840
Egypt 101	N.Q.	N.Q.



**Thailand** The market conditions are virtually unchanged amid thin offshore demand and easing prices. 100% B is quoted at \$515-530 per mt FOB Bangkok. Thai prices are trending lower towards their Viet counterpart. The gap is closing. In the bearish scenario of the market if there is something positive to point to it would be the pent up demand that remains a possibility (Nigeria, Iran, Iraq, The Philippines).

**Vietnam** Last week, Vietnamese officials engaged in G to G discussions with The Philippines for 500,000 mt. Some stability to the market is being established, at least for now it seems as though it has reached a temporary bottom.

**India** The market conditions are basically unchanged as the export ban officially remains intact. However, the government will be making exceptions to the ban in favour of historical markets like Bangladesh, Nepal, Sri Lanka and others. The government has procured 28.50 million mt during the '07/'08 campaign vs. 25.11 million mt for the same period of 2006-2007. So far out of the new crop, intervention purchases total 12.47 million tonnes vs. 9.8 MMT last year.

**Pakistan** The market was very quiet last week mostly account the Eid al Adha holiday, in addition to the basic lack of fresh demand. Shipments are ongoing to core markets in East Africa where Pakistan enjoys a container freight advantage.

**Usa** Futures continue to enjoy a respectable rally for the 2nd week in a row, up 14% in the 2008 crop months. The price of long grain milled rice decreased of 5.5 \$ due to lack of offshore demand, while the price of medium grain milled rice unchanged.

## Food Safety

### Rapid Alert System (Source: EFSA)

- On Dec 12 a notification was sent on by Germany concerning unauthorised genetically modified (LL Rice 601) long grain parboiled rice from Italy.
- On Dec 8 a notification was sent on by Poland concerning abnormal smell (chemical smell and taste) of white rice from Vietnam.

## Rules and Calls for bids

The European Commission has published the Regulation (EC) No 1247/2008 derogating from Regulations (EC) No 955/05, 1002/07 and 1964/07 as regards the dates for lodging import licence applications and issuing import licences in 2009 under the tariff quotas.

## Other news

### India: three rice mills would be set up (Source: The Times of India)

According to the BSFCSC (Bihar State Food and Civil Supplies Corporation Limited) plan, three rice mills would be set up, one each in three districts known for producing very high quality rice. So far lack of modern rice mills has not allowed rice growers to tap the market outside.

### Thailand: Rice Department seed business expects 30% growth (Source: beta.irri.org)

The recent boom in the Thai rice industry has substantially increased the seed business of the Rice Department, with next year's sales volume targeted to grow by 30% from this year to 100,000 tons. Thanks to high prices of both paddy and milled rice since the beginning of this year, the entire 70,000 tons of rice seed produced by the department's 23 centres across the nation has been sold out quickly. To increase production capacity, the department plans to use about 400 million bath.

### Usa net sales and export (Source: USDA)

Net sales of 109,800 tons were up 88% from the previous week and 55% from the prior 4-week average. Increases reported for Japan (65,100 tons), Venezuela (20,000 tons), Mexico (9,800 tons), Israel (3,700 tons), Jordan (3,300 tons), and Canada (3,000 tons). Exports of 77,400 tons were up 31% from previous week and 47% from the prior 4-week average.

### EU Commission proposes ways to deliver more competitive food prices in Europe (Source: EU Commission)

The European Commission has agreed a communication that aims to improve the functioning of the food supply chain in order to lower prices for consumers. According to EU Commission consumers should be able to better compare prices: a permanent European monitoring of prices will be set up. The EU Commission will examine with regulators of commodity markets how to discourage excessive volatility in the markets that benefits neither producers nor consumers.

### Next issue of RisoNews and RiceNews will be released on 14 January 2009.

Should it be necessary to spread up-to-the-minute news in the meantime, a special issue will be released.

>>>>>> We wish you Merry Christmas and Happy New Year <<<<<<<

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