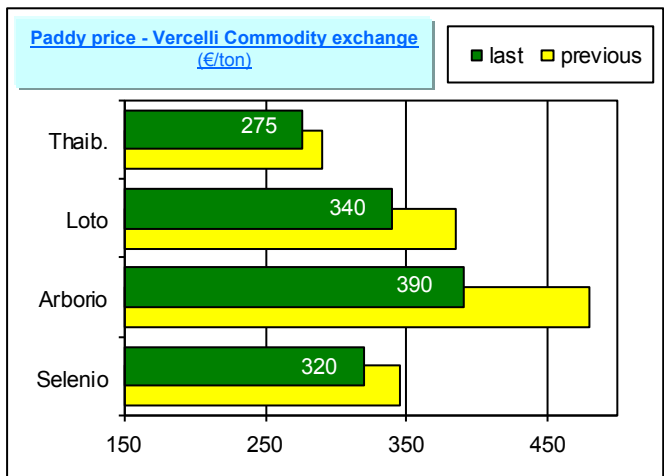
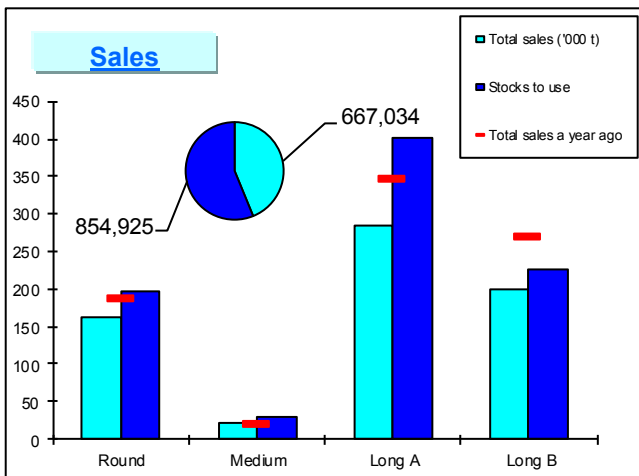




Italian Market



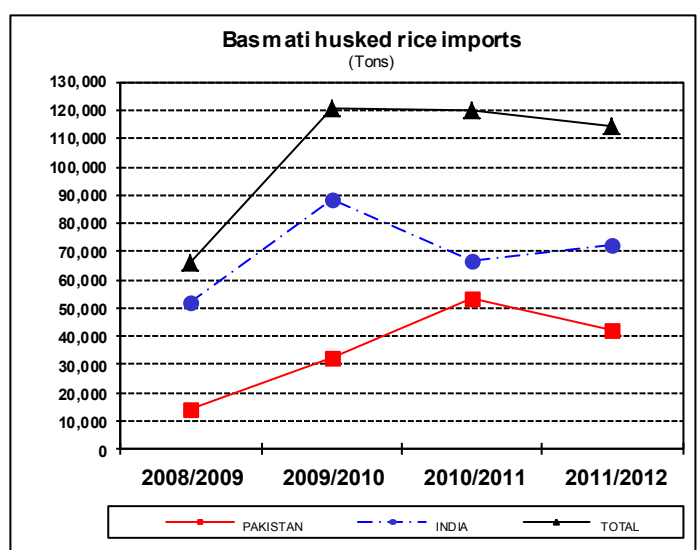
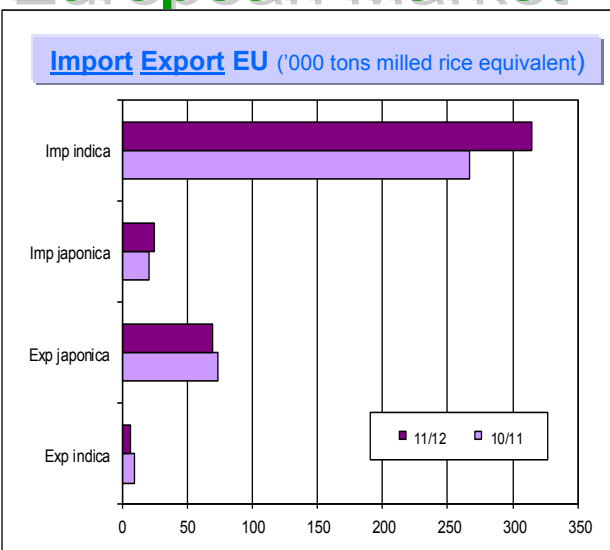
In focus

Paddy sales by farmers reached 26,522 tons this week: 13,679 tons of long A grain, 7,108 tons of long B grain, 4,748 tons of round grain and 987 tons of medium grain.

Total sales reached 667,034 tons, 43.8% of the total stock. One year ago total sales were 831,513 tons. The difference between total sales this year compared to higher items one year ago is -164,479 tons (-19.8%).

At Commodity Exchange in Vercelli all the paddy prices were decreased compared to three months ago; -€90 for Arborio, -€45 for Loto, -€25 for Selenio and -€15 for Thaibonnet.

European Market



In focus

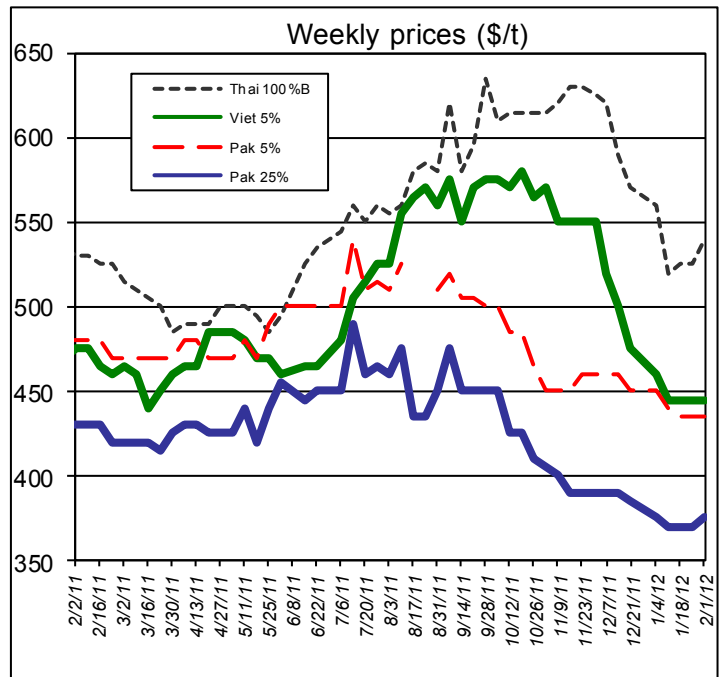
The EU imports amount to 338,822 tons in milled rice equivalent, 17.9% above the level of the previous campaign (+47,368 tons of indica rice and +3,977 tons of japonica rice).

Husked rice imports were 5.7% above the level of the previous campaign and milled rice imports were 32.2% above the level of the previous campaign.

The EU exports amount to 76,592 tons in milled equivalent, 7.8% below the level of the previous campaign (83,027 tons).

International Markets

Milled rice international FOB quotes		
Exchange rate		1 € = \$1.3094
Asian Markets	\$/t	€/t
Thai 100%B	540	412
Vietnam 5%	445	340
India 5%	440	336
Pakistan 5%	435	332
Pakistan 25%	375	286
India Basmati trad.	1,600	1,222
Other Markets	\$/t	€/t
Uruguay 5%	550	420
Argentina 5%	550	420
Brasile 5%	N.A.	N.A.
USA LG 2/4%	524	400
California MG 1/4%	675	516
Egypt 101 6%	N.A.	N.A.



- World** Iraq bought one cargo Thai, one cargo Viet, one cargo Indian and two cargoes South American. Japan bought two cargoes USA and one cargo Australian.
- Thailand** The quote of 100% B is \$75 lower than three months ago following Viet prices down. Although prices have continued to soften, there is still very little demand for Thai rice, which remains priced at levels which are around \$70-\$80 higher than those currently offered in India, Pakistan and Vietnam. The Thai Commerce Ministry has extended its rice-pledging scheme until 30th June. The scheme had originally been due to finish at the end of February, but largely due to flood damage, only 7 million tons is expected to have been purchased by then, 30% less than the 10 million tons that had been predicted when the scheme was first announced. About 5.2 million tons of paddy has so far been purchased.
- Vietnam** The quote of Vietnam 5% is \$125 lower than three months ago. Vietnam has the potential to overtake Thailand as the world's leading exporter of rice this year, but will need to secure sales quickly in order to do so.
- India** The pace of export may have been a little quicker than some may have expected, but with the recent rise in price and the increased competition expected when the Vietnamese harvest starts, exports are likely to slow.
- Pakistan** The quote of Pakistan 5% is \$15 lower than three months ago and it's likely to remain firm for the time being, amid strong demand from buyers in Africa and the Middle East. Pakistan is particularly likely to benefit from the Vietnamese crop being delayed until mid-March and rising Indian prices by securing additional sales.
- Usa** The quote of Long Grain 2/4% is \$71 lower than three months ago, but it's uncompetitive when compared to Indian, Pakistani and Vietnamese markets. Exporters will be disappointed to have, yet again, missed out on the recent Iraqi Grain Board tender.

Food Safety

Rapid Alert System (Source: EFSA)

- An "information for follow-up" notification was sent by Poland concerning dead insects in brown rice from Greece infested with moulds.
- An "information for follow-up" notification was sent by Luxembourg concerning unauthorised genetically modified (Pubi-cry construction) basmati long grain rice dispatched from Belgium.
- An "information for attention" notification was sent by Germany concerning high content of aluminium (68 mg/kg - ppm) in rice flour from Vietnam.
- An alert notification was sent by Germany concerning unauthorised genetically modified (cryIA(c)/T-nos-Reislinie Bt63) rice noodles from China, via Sweden and the Netherlands.
- An alert notification was sent by Finland concerning unauthorised genetically modified (Bt63) vermicelli rice from China, via Sweden. Three "information for attention" notifications were sent by France concerning unauthorised genetically modified (Pubi-Cry event) long rice basmati from Pakistan.

Other news

Spanish firm to invest N70b in rice production in Kwara (Source: The Nation)

Spanish firm, Vasolar Consortium, will, in the next four years, invest 280million Euros (about N70 billion) in the production of rice in Kwara State. The firm and the state government yesterday in Ilorin, the state capital, signed a Memorandum of Understanding (MOU) on the four-year investment on large scale production of rice on the alluvial arable land of the state. Under the agreement, 70 million Euros would be spent yearly over the period. Spokesperson of the consortium Ruben Gomez said the topography of the proposed site could produce 40,000 tonnes of rice annually.

Global trade in rice at level of 34.5 million tonnes (Source: FAO)

Global trade in rice in calendar 2011 is estimated to have reached an unprecedented level of 34.5 million tonnes, up nearly 3.0 million tonnes from 2010. All regions, except South America, purchased more, but countries in Asia (e.g. Bangladesh, China and Indonesia) and Africa (e.g. Egypt, Ghana, Nigeria, Senegal) drove the increase in world imports. As for exporters, shipments from India and Thailand surged. Sales by Argentina, Brazil and Viet Nam also reached record levels. By contrast, deliveries by China (Mainland), Egypt, Pakistan and the United States fell, largely reflecting reduced availability or high domestic prices.