



Foreign Agricultural Service

**GAIN Report**

Global Agriculture Information Network

Scheduled Report - public distribution

Date: 03/21/2000

GAIN Report #E20031

## **European Union**

### **Grain and Feed**

#### **Weekly rice report, Brussels, March 21, 2000**

## **2000**

Prepared by:

**Office of Agricultural Affairs**

**U.S. Mission to the EU**

Drafted by:

Danielle Borremans

---

#### **Report Highlights:**

**This weekly report contains data on rice prices in the U.S., Thailand and the EU. It also lists current import duties and export subsidies in the EU. All information will be published as such in the weekly USDA publication "Rice Market News".**

---

Includes PSD changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Brussels USEU [BE2], E2

Weekly rice report - BRUSSELS, March 21, 2000

## (1) MARKET SUMMARY

---

U.S. paddy rice markets remain quiet, given that price ideas between buyers and suppliers are again too far apart. The U.S. is currently experiencing a severe drought in many rice-producing states. If the dry weather continues, one might see upward price pressure in a couple of months. Export prices for milled rice decreased slightly, while brown rice held its value.

In Thailand, prices are gradually declining with a view to attract new demand. Thai exporters have recently lost out on a number of sales due to uncompetitive prices vis-a-vis other suppliers in the Far East. Further price decreases can be expected in the light of declining demand from Indonesia, one of Thailand's main buyers. Fragrant rice is generally maintaining its value.

Export license issuance under the EU open market tenders resumed last week, the European Commission awarding nearly 6,000 MT of rice to various destinations. To date, export licenses issued under the open market tendering system amounted to about 90,000 MT (versus about 83,000 MT in the previous marketing year). Although the start of the intervention period is near (April 1), domestic rice prices do not show any sign of improvement.

### COMMISSION AWARDS UNDER OPEN MARKET EXPORT TENDERS, GRAIN MANAGEMENT MEETING of March 16, 2000.

---

- 1) Wholly milled rice to Zones I to VI (excl. Turkey) and Zone VIII (excluding Guyana, Madagascar and Surinam), Comm. Reg.2176/1999: 770 MT of bids, licenses awarded for 570 MT at a maximum export subsidy of EUR 269/MT.
- 2) Husked long grain rice to Reunion, Comm. Reg. 2177/1999: no bids received, hence no licenses awarded.
- 3) Wholly milled MG and LG A rice to Cyprus, Czech Republic, Estonia, Hungary, Poland, and Slovenia, Comm. Reg 2178/1999: 550 MT of bids, licences awarded for 400 MT at a maximum export subsidy of EUR 180/MT.
- 4) Wholly milled MG and LG A rice to Zones I to VI (excl. East Europe) and Zone VIII (excluding Guyana, Madagascar and Surinam), Comm. Reg.2179/1999: 3,509 MT of bids, licenses awarded for 2,709 MT at a maximum export subsidy of EUR 160/MT.
- 5) Wholly milled RG rice to Zones I to VI (excl. Turkey) and Zone VIII (excluding Guyana, Madagascar and Surinam), Comm. Reg.2180/1999: 2,762 MT of bids, licenses awarded for 2,262 MT at a maximum export subsidy of EUR 163/MT.

## (2) LOWEST OFFERING PRICES BASIS C&F ARAG (UNLESS OTHERWISE STATED)

---

### (A) WHOLE LONG-GRAIN

	US\$/MT	US\$/100 LBS
	Bulk	Bulk
<b>UNITED STATES:</b>		
2 Milled 4 pct *	259.03	11.75
2 Brown 4/73 pct	236.98	10.75
1 Brown parb 4/88 ** October shipment	354.92	16.10
Medium Milled 2/4 *	248.01	11.25

\* F.A.S. basis

\*\* While nominal price quotes are for 1 BROWN PARB 4/88, these quotes in reality refer to rice that meets all U.S. No.1 requirements except for one or two categories. Current and historical trade practice is for rice shipped to the EU to be graded only as No.2 and to be further processed upon arrival.

	US\$/MT	US\$/100 LBS
	Bulk-Rotterdam	Bulk
<b>THAILAND:</b>		
TWR 100% B	281.00 C&F	12.75
Parb LZ 4-88%	325.00 C&F	14.74
Loonzain 100% B	270.00 C&F	12.25
A1 Super	202.00 C&F	9.16
Fragrant WR 100%	530.00 C&F	24.04
Fragrant LZ Super	440.00 C&F	19.96
Fragrant LZ Supreme	460.00 C&F	20.87

	Lira/kg	US\$/MT	US\$/100 LBS
	Bulk	Bulk	Bulk

<b>EUROPEAN UNION *:</b>			
Milled LG 5 Pct **	900	451.10	20.46
Milled parb LG **	1030	516.26	23.42

## (B) WHOLE RMG

	Lira/kg	US\$/MT	US\$/100 LBS
	Bulk	Bulk	Bulk
<b>ITALY*:</b>			
Milled Medium ***	900	451.10	20.46
Camolino 5 Pct (FOB)	N/A	N/A	N/A

\*U.S / Lira exchange 03/21/00 \$1= 1995.13

\*\* Domestic prices, converted into \$ from quotations in ITL/kg

\*\*\* export prices, FOT basis

## (3) IMPORT LEVIES ARE CHANGED SINCE 03/16/00

	EUR/MT	EUR/MT	US\$/MT	US\$/MT
	General	ACP	General	ACP
Brown RG+MG Regul + Parb	139.90	44.63	135.91	43.36
Brown LG Regul + Parb	202.91	66.68	197.13	64.78
Milled RG Regul + Parb	455.00	146.86	442.03	142.67
Milled MG + LG Regul + Parb	455.00	146.86	442.03	142.67
Brokens	140.00	45.38	136.01	44.09

EURO/US\$ exchange rate 03/21/00 0.9715

## (4) EXPORT SUBSIDIES ON RICE, effective 03/01/2000

	EUR/MT	US\$/MT
Brown RG+MG+LG Reg, RG+MG+LG Parb, to Switzerland, Liechtenstein, Livigno and Campione d'Italia (1)	117.00	113.67
Semi-milled RG+MG+LG Reg, RG+MG+LG Parb to Switzerland, Liechtenstein, Livigno and Campione d'Italia (1)	117.00	113.67
Milled RG+MG+LG Reg, RG+MG+LG Parb, to Switzerland, Liechtenstein, Livigno and Campione d'Italia (1)	147.00	142.81
Milled RG+MG+LG Reg, RG+MG+LG Parb, to Zones I, II, III, VI excluding Turkey (2)	151.00	146.70
Milled RG+MG+LG Reg, RG+MG+LG Parb, to Zones IV, V, VII (C), Canada, Zone VIII, with the exception of Surinam, Guyana and Madagascar (3)	156.00	151.55
Wholly milled rice RG+MG+LG, to Ceuta and Melilla (4)	151.00	146.70
Milled RG+MG+LG Reg, RG+MG+LG Parb, to destinations mentioned in Art. 34 of amended Comm. Reg. 3665/87 (=Supplies to internat. organiz. established in the EU, supplies to armed forces etc.) (5)	151.00	146.70

(1): in respect of a total quantity of 2,733 MT of wholly milled rice equivalent

(2) and (3): in respect of a total quantity of 1,009 MT

(4): in respect of a total quantity of 473 MT

(5): in respect of a total quantity of 800 MT.