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Grain and Feed

EU Rice Weekly, Brussels, February 7, 2006

2006

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Report Highlights:

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

EU Brown rice tariff for the period September 1, 2005 to February 28, 2006 is EUR 42.50/MT. There is a new milled rice tariff – EUR 145/MT (from EUR 175/MT) and a new tariff for broken rice – EUR 65/MT (from EUR 128/MT), both changes are backdated to September 1, 2005.

Includes PSD Changes: No
Includes Trade Matrix: No
Trade Report
Brussels USEU [BE2]
[E3]

Weekly rice report - Brussels, February 7, 2006

Legislation lowering EU milled rice and broken rice duties has been published. The new milled rice tariff will be EUR 145/MT and the new broken rice tariff will be EUR 65/MT, both backdated to September 1, 2005. Note that in the future the milled rice import tariff can vary once every six months between EUR 145/MT and EUR 175/MT based on the previous period's import volumes.

http://europa.eu.int/eur-lex/lex/LexUriServ/site/en/oj/2005/l_346/l_34620051229en00260029.pdf

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LOWEST OFFERING PRICES Basis C&F ARAG (unless otherwise stated)

Whole Long-Grain – old crop prices for immediate delivery

	US\$/MT	US\$/100 LBS
UNITED STATES***	Bulk	Bulk
2 Milled 4 pct *	-	-
2 Brown 4/73 pct	347.23	15.75
Medium Milled 2/4 *	-	-
1 Brown parb 4/88 **	360.46	16.35

* 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.

*** Note – These prices are spot prices and should not be used as an indication of future or forward prices.

	EUR/MT	US\$/MT	US\$/100 LBS
EUROPEAN UNION			
Spain, Indica, Paddy	174	208	9.45
Spain, Indica, Milled	405	485	22.01
Italy, Thaibonnet, paddy	235	282	12.77
Italy, Thaibonnet, milled	515	617	27.98
Italian Indica, 5%, milled	400	479	21.73
Italian Indica, 5% milled, sortex, parboiled	430	515	23.36

Prices on local markets (Italy). Italian Indica prices: basis - bulk, free on truck. Spanish indica price, delivered northern Europe.

Thai prices are available from FAS/Bangkok's weekly rice report via <http://www.fas.usda.gov/scripts/w/attacherep/default.asp>

IMPORT LEVIES, from 9/1/2005 to 28/02/2006

	EUR/MT	EUR/MT	US\$/MT	US\$/MT
		ACP	General	ACP
1006 20, Brown/Husked	42.5	14.17	51.32	17.11
1006 30, Milled/White	145	48.33	175.09	58.36
1006 40, Broken	65	21.67	78.49	26.16

EURO/US\$ rate	1.19791
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Source: FT, February 7, 2006

EU Import License Data

The next review of the EU brown rice import tariff will take place in early March 2006. The tariff will be set for the period March 1 2006 to August 31 2006. The tariff will be based on import license volumes from September 1 2005 to February 28 2006. If the import license volume of brown rice (excluding basmati brown rice) is less than 186,013 MT then the tariff will be EUR 30/MT. If the volume is between EUR 186,013 and 251,665 MT then the tariff will be EUR 42.50/MT. If the volume exceeds 251,665 MT, then the tariff will be EUR 65. Full details of the US-EU Rice Agreement and an explanation of how the new system works can be found in GAIN Report [E35132](#)¹.

So far in Marketing Year 05/06, from September 1 until January 31, brown rice import licenses (excluding basmati licenses) have totaled 165,021 MT.

(Note the table below gives data to January 31 and basmati data to January 31).

Period: Sept 1 to January 31

MT		Marketing Year, Year to Date	
		2005-06	2004-05
Paddy	Japonica	313	318
	Indica	192	0
Brown	Japonica	10,396	3,333
	Indica	261,764	299,916
	Of which - basmati	107,208	104,497
Semi-milled	Japonica	1,172	915
	Indica	1,698	1,314
Milled	Japonica	15,987	13,952
	Indica	56,149	65,367
Total, in milled rice equivalents	Japonica	24,715	17,338
	Indica	238,457	273,668
	Total	263,172	291,006
	Brokens	53,474	55,228

Source: European Commission.
<http://forum.europa.eu.int/Public/irc/agri/igriz/library?l=/publicdomain/rice&vm=detailed&sb=Title>

Note: Import licenses, once requested are valid for the month in which they were requested plus a further two months. For example, a license granted on the 10th November would be valid until the end of January.

¹ <http://www.fas.usda.gov/gainfiles/200507/146130161.pdf>