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Grain and Feed

EU Rice Weekly, Brussels January 25 2006

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Approved by:

Norval Francis U.S. Mission to the EU

Prepared by:

David Leishman

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 Unscheduled Report Brussels USEU [BE2]

Weekly rice report - Brussels, January 25 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 http://europa.eu.int/eur-lex/lex/LexUriServ/site/en/oj/2005/l 346/l 34620051229en00060006.pdf

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	336.20	15.25
Medium Milled 2/4 *	-	-
1 Brown parb 4/88 **	341.72	15.50

^{*} F.A.S. basis

^{***} 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	170	209	9.47
Spain, Indica, Milled	405	497	22.55
Italy, Thaibonnet, paddy	220	270	12.25
Italy, Thaibonnet, milled	485	595	27.01
Italian Indica, 5%, milled	360	442	20.05
Italian Indica, 5% milled, sortex, parboiled	400	491	22.27

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/scriptsw/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, Brokens	65	21.67	78.49	26.16

^{**} 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.

EURO/US\$ rate	1.2275
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Source: FT, 25 January 2005

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 E35132¹.

So far in Marketing Year 05/06, from September 1 until January 17, brown rice import licenses (excluding basmati licenses) have totaled 149,926 MT.

(Note the table below gives data to January 17 and basmati data to January 17).

Period: Sept 1 to January 17

Marketing Year, Year to Date

MT		2005-06	2004-05
Paddy	Japonica	309	276
	Indica	132	0
Brown	Japonica	8,334	3,201
	Indica	235,961	224,249
	Of which - basmati	94,365	89,951
Semi-milled	Japonica	1,115	802
	Indica	1,529	514
Milled	Japonica	14,963	12,546
	Indica	52,306	59,655
Total, in milled rice equivalents	Japonica	22,111	15,713
	Indica	216,618	214,967
	Total	238,729	230,680
	Brokens	49,084	42,809

Source: European Commission.

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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.

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