



Scheduled Report - public distribution

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European Union

Grain and Feed

Weekly rice report, Brussels, May 25, 1999

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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

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(1) MARKET SUMMARY

U.S. prices, for the most part, remained unchanged this week. With weak demand in the market, food aid appears to be a stabilizing force. Tenders for Russia, Ivory Coast and possibly North Korea could provide exporters with some relief in the near future. While we do not yet have the results of Monday's Tariff Rate Quota tender, bids for milled and brown rice are predicted to be lower than last time. The change is attributed to the approaching marketing year in the EU which will result in ample supply.

After months of depressed prices in Thailand, the market has begun to change. Because of heavy rain and crop damage, prices have increased. Furthermore, Thai government officials are taking a more active role in facilitating sales.

In the EU, prices remain unchanged in both domestic and export markets. The EU's food aid program for Russia is back on track and in Thursday's Grain Management Committee Meeting they opened a tender for 10,000 MT of Italian medium grain rice. Also during the Committee Meeting, both husked long grain rice to Reunion and wholly milled round, medium and long grain A rice free market tenders were increased by 10,000 MT a piece.

COMMISSION AWARDS UNDER OPEN MARKET EXPORT TENDERS, GRAIN MANAGEMENT MEETING May 20, 1999

- Husked long grain rice to Reunion (Comm.Reg. 2563/98): 5,000 MT of bid, licenses awarded for 5,000 MT at a maximum export subsidy of EUR 300/MT.
- Wholly milled round, medium and long grain A rice to zones I to VI (except Cyprus, the Czech Republic, Estonia, Hungary, Poland, Slovenia, and Turkey) and to zone VIII (except Guyana, Madagascar, and Surinam), Comm. Reg. 2564/98: 5,420 MT of bids, licenses awarded for 4,005 MT at a maximum export subsidy of EUR 150/MT.
- Wholly milled round, medium and long grain A rice to Cyprus, the Czech Republic, Estonia, Hungary, Poland and Slovenia (Comm. Reg. 2565/98): 1,000 MT of bids, none accepted.
- Wholly milled long grain rice to zones I to VI (except Turkey) and zone VIII (except Guyana, Madagascar and Surinam) (Comm. Reg. 2566/98): 972 MT of bids, none accepted.
- Wholly milled round grain rice to zones I-IV (except Turkey) and zone VIII (except Guyana, Madagascar and Surinam) (Comm. Reg. 770/99): 8,519 MT of bids, licenses awarded for 3,829 MT at a maximum subsidy of EUR 201/MT

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

(A) WHOLE LONG-GRAIN

	US\$/MT	US\$/100 LBS
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	Bulk	Bulk
UNITED STATES:		
2 Milled 4 pct	314.14	14.25
2 Brown 4/73 pct	308.63	14.00
1 Brown parb 4/88 **	361.54	16.40
Medium Milled 2/4	314.14	14.25

* 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	Bulk
SURINAM:		
Brown 4/72 Pct Grade A *	N.Q.	N.Q.
Brown 6/70 Pct Grade B **	N.Q.	N.Q.
GUYANA:		
Brown 6/70 Pct Grade B **	N.Q.	N.Q.
SURINAM/GUYANA Semi-Milled:		
70-75 Pct Guyana	N.Q.	N.Q.
70-75 Pct Surinam	N.Q.	N.Q.

* C&F Liner out Rotterdam

** C&F F/O Rotterdam

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

THAILAND:		
TWR 100% B	302.00 C&F	13.70
Parb LZ 4-88%	315.00 C&F	14.29
Loonzain 100% B	305.00 C&F	13.84
A1 Super	237.00 C&F	10.75
Fragrant WR 100%	490.00 C&F	22.23
Fragrant LZ Super	430.00 C&F	19.51
Fragrant LZ Supreme	450.00 C&F	20.41
Milled parb LG **	N.Q.	N.Q.

	Lira/MT	US\$/MT	US\$/100 LBS
	Bulk	Bulk	Bulk
EUROPEAN UNION *:			
Milled LG 5 Pct **	1070	584.38	26.51
Milled parb LG **	1160	633.54	28.74

(B) WHOLE RMG

	Lira/MT	US\$/MT	US\$/100 LBS
	Bulk	Bulk	Bulk
ITALY*:			
Milled Medium ***	N/A	340.00-360.00	15 .42-16.33
Camolino (FOB)	960.00	524.31	23.78

*U.S / Lira exchange 05/24/99 \$1= 1830.99

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

*** export prices, FOT basis

(3) IMPORT LEVIES ARE CHANGED SINCE 05/4/99

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	EUR/MT	EUR/MT	US\$/MT	US\$/MT
	General	ACP	General	ACP
Brown RG+MG Regul + Parb	210.05	69.18	222.11	73.15
Brown LG Regul + Parb	228.31	75.57	241.42	79.91
Milled RG Regul + Parb	423.22	135.73	447.51	143.52
Milled MG + LG Regul + Parb	423.22	135.73	447.51	143.52
Brokens	152.00	49.58	160.72	52.43

EURO/US\$ exchange rate 05/24/99 = 1.0574

(4) EXPORT SUBSIDIES ON RICE, effective 05/03/99

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With the exception of 2,595 MT provided for under notes 1) and 2) below, the issue of export licenses with advance fixing of the refund is suspended.

	EUR/MT	US\$/MT
Brown RG+MG+LG Reg, RG+MG+LG Parb, to Switzerland, Liechtenstein, Livigno and Campione d'Italia 1)	85.00	89.88
Semi-milled RG+MG+LG Reg, RG+MG+LG Parb to Switzerland, Liechtenstein, Livigno and Campione d'Italia 1)	85.00	89.88
Milled RG+MG+LG Reg, RG+MG+LG Parb, to Switzerland, Liechtenstein, Livigno and Campione d'Italia 1)	106.00	112.08
Milled RG+MG+LG Reg, RG+MG+LG Parb, to Zones I, II, III, VI	112.00	118.43
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	-	-
Wholly milled rice RG+MG+LG, to Ceuta and Melilla 2)	112.00	118.43
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.)	-	-

1) in respect of a quantity of 1,847 MT milled rice equivalent.

2) in respect of a total quantity of 553 MT.