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European Union

Grain and Feed

Weekly rice report, Brussels, April 11, 2000

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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. paddy rice markets continue to be very quiet. A slight decrease has been recorded this week for brown rice export prices, the difference between regular and parboiled brown rice remaining unchanged at \$6/100 Lbs.

In Thailand, prices did not decrease further due to the government's purchase of rice to support domestic prices. A price improvement was seen for TWR 100%B and parboiled LZ 4-88% because of strong demand in Iran and West Africa. In the light of upcoming holidays, no large price fluctuations are expected in the coming week.

Immediately after the opening of the rice intervention period in the EU on April 1, offerings into intervention amounted to 140,000 MT. Given that already 0.5 MMT was already in public storage at that time, pressure has risen from the Italian rice industry association to give part of the rice away as food aid to developing countries. In an effort to stimulate exports to third countries, effective April 10, the European Commission raised the export subsidies under the Common Right Restitution system (see Table (4)). Export subsidies granted under the weekly open market tendering system were also raised on April 6.

COMMISSION AWARDS UNDER OPEN MARKET EXPORT TENDERS, GRAIN MANAGEMENT MEETING of April 6, 2000.

- 1) Wholly milled rice to Zones I to VI (excl. Turkey) and Zone VIII (excluding Guyana, Madagascar and Surinam), Comm. Reg.2176/1999: 600 MT of bids, licenses awarded for 400 MT at a maximum export subsidy of EUR 277/MT.
- 2) Husked long grain rice to Reunion, Comm. Reg. 2177/1999: 1,500 MT of bids, licenses awarded for 1,000 MT at a maximum export subsidy of EUR 278/MT.
- 3) Wholly milled MG and LG A rice to Cyprus, Czech Republic, Estonia, Hungary, Poland, and Slovenia, Comm. Reg 2178/1999: 250 MT of bids, licences awarded for 250 MT at a maximum export subsidy of EUR 185/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: 1,262 MT of bids, licenses awarded for 600 MT at a maximum export subsidy of EUR 166/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: 930 MT of bids, licenses awarded for 450 MT at a maximum export subsidy of EUR 167/MT.

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

(A) WHOLE LONG-GRAIN

	US\$/MT	US\$/100 LBS
	Bulk	Bulk
UNITED STATES:		
2 Milled 4 pct *	253.52	11.50
2 Brown 4/73 pct	220.45	10.00
1 Brown parb 4/88 ** October shipment	352.72	16.00
Medium Milled 2/4 *	242.50	11.00

* 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
THAILAND:		
TWR 100% B	275.00 C&F	12.47
Parb LZ 4-88%	325.00 C&F	14.74
Loonzain 100% B	270.00 C&F	12.25
A1 Super	199.00 C&F	9.03
Fragrant WR 100%	525.00 C&F	23.81
Fragrant LZ Super	445.00 C&F	20.19
Fragrant LZ Supreme	465.00 C&F	21.09

	Lira/kg	US\$/MT	US\$/100 LBS
	Bulk	Bulk	Bulk
EUROPEAN UNION *:			

Milled LG 5 Pct **	900	446.68	20.26
Milled parb LG **	1030	511.20	23.19

(B) WHOLE RMG

	Lira/kg	US\$/MT	US\$/100 LBS
	Bulk	Bulk	Bulk
ITALY*:			
Milled Medium ***	900	446.68	20.26
Camolino 5 Pct (FOB)	N/A	N/A	N/A

*U.S / Lira exchange 04/11/00 \$1= 2014.85

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

*** export prices, FOT basis

(3) IMPORT LEVIES ARE CHANGED SINCE 04/01/00

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	EUR/MT	EUR/MT	US\$/MT	US\$/MT
	General	ACP	General	ACP
Brown RG+MG Regul + Parb	140.80	44.94	135.03	43.10
Brown LG Regul + Parb	203.61	66.92	195.26	64.18
Milled RG Regul + Parb	455.00	146.86	436.35	140.84
Milled MG + LG Regul + Parb	455.00	146.86	436.35	140.84
Brokens	140.00	45.38	134.26	43.52

EURO/US\$ exchange rate 04/11/00 = 0.9590

(4) EXPORT SUBSIDIES ON RICE, effective 04/10/2000

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	EUR/MT	US\$/MT
Brown RG+MG+LG Reg, RG+MG+LG Parb, to Switzerland, Liechtenstein, Livigno and Campione d'Italia (1)	120.00	115.08
Semi-milled RG+MG+LG Reg, RG+MG+LG Parb to Switzerland, Liechtenstein, Livigno and Campione d'Italia (1)	120.00	115.08
Milled RG+MG+LG Reg, RG+MG+LG Parb, to Switzerland, Liechtenstein, Livigno and Campione d'Italia (1)	150.00	143.85
Milled RG+MG+LG Reg, RG+MG+LG Parb, to Zones I, II, III, VI excluding Turkey (2)	156.00	149.60
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)	161.00	154.40
Wholly milled rice RG+MG+LG, to Ceuta and Melilla (4)	156.00	149.60
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)	156.00	149.60

(1): in respect of a total quantity of 1,052 MT of wholly milled rice equivalent

(2) and (3): in respect of a total quantity of 1,645 MT

(4): in respect of a total quantity of 92 MT

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