



Foreign Agricultural Service

**GAIN Report**

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## **European Union**

## **Grain and Feed**

## **Weekly rice report, Brussels, January 11, 2000**

## **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".**

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Includes PSD changes: No

Includes Trade Matrix: No

Unscheduled Report

Brussels USEU [BE2], E2

Weekly rice report - BRUSSELS, January 11, 2000

### (1) MARKET SUMMARY

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The general tendency in U.S. rice markets is one of weak prices. As expected, low buying interest for regular brown rice has resulted in further price decreases. Parboiled rice prices remain strong due to good demand and limitations in parboiling capacity. While regular rice buyers are covered through February, coverage for parboiled rice is reportedly through May 2000. Parboiling premiums have gradually increased to almost \$100/MT.

In Thailand, rice activity is slowly resuming, with prices keeping strong due to a strong Baht. Fragrant rice has also gained in value while China negotiates its New Year buying contracts with Thailand. Additional business may materialize in the coming weeks, with Indonesia announcing a 200,000 MT TWR 25% tender, and the Iranian government interested in a purchase of 300,000 MT TWR 100%.

After three weeks without EU grain management meetings, free market export subsidies for rice were set on January 6. Also, effective January 10, the European Commission set new daily export restitutions, whereby advance fixing of the refund is suspended with the exception of 7,938 MT. Generally, export subsidies were increased from the levels applicable at the end of 1999.

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

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- 1) Wholly milled rice to Zones I to VI (excl. Turkey) and Zone VIII (excluding Guyana, Madagascar and Surinam), Comm. Reg. 2176/1999: 1,250 MT of bids, licenses awarded for 1,050 MT at a maximum export subsidy of EUR 250/MT.
- 2) Husked long grain rice to Reunion, Comm. Reg. 2177/1999: 5,000 MT of bids, licenses awarded for 5,000 MT at a maximum export subsidy of EUR 266/MT.
- 3) Wholly milled MG and LG A rice to Cyprus, Czech Republic, Estonia, Hungary, Poland, and Slovenia, Comm. Reg. 2178/1999: 100 MT of bids, licenses awarded for 100 MT at a maximum export subsidy of EUR 165/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: 2,465 MT of bids, licenses awarded for 565 MT at a maximum export subsidy of EUR 140/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: 600 MT of bids, licenses awarded for 250 MT at a maximum export subsidy of EUR 146/MT.

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

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#### (A) WHOLE LONG-GRAIN

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	US\$/MT	US\$/100 LBS
	Bulk	Bulk
<b>UNITED STATES:</b>		
2 Milled 4 pct *	264.54	12.00
2 Brown 4/73 pct	251.31	11.40
1 Brown parb 4/88 ** October shipment	358.23	16.25
Medium Milled 2/4 *	253.52	11.50

\* 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	280.00 C&F	12.70
Parb LZ 4-88%	325.00 C&F	14.74
Loonzain 100% B	270.00 C&F	12.25
A1 Super	200.00 C&F	9.07
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 **	930	493.03	22.36
Milled parb LG **	1040	551.35	25.01

## (B) WHOLE RMG

	Lira/kg	US\$/MT	US\$/100 LBS
	Bulk	Bulk	Bulk
<b>ITALY*:</b>			
Milled Medium ***	910	482.43	21.88
Camolino 5 Pct (FOB)	N/A	450.00	20.41

\*U.S / Lira exchange 01/11/00 \$1= 1886.28

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

\*\*\* export prices, FOT basis

## (3) IMPORT LEVIES ARE CHANGED SINCE 01/06/00

	EUR/MT	EUR/MT	US\$/MT	US\$/MT
	General	ACP	General	ACP
Brown RG+MG Regul + Parb	242.32	80.47	247.87	82.31
Brown LG Regul + Parb	213.99	70.56	218.89	72.18
Milled RG Regul + Parb	455.00	146.86	465.42	150.22
Milled MG + LG Regul + Parb	455.00	146.86	465.42	150.22
Brokens	140.00	45.38	143.21	46.42

EURO/US\$ exchange rate 01/11/00 1.0229

## (4) EXPORT SUBSIDIES ON RICE, effective 01/10/2000

	EUR/MT	US\$/MT
Brown RG+MG+LG Reg, RG+MG+LG Parb, to Switzerland, Liechtenstein, Livigno and Campione d'Italia (1)	105.00	107.40
Semi-milled RG+MG+LG Reg, RG+MG+LG Parb to Switzerland, Liechtenstein, Livigno and Campione d'Italia (1)	105.00	107.40
Milled RG+MG+LG Reg, RG+MG+LG Parb, to Switzerland, Liechtenstein, Livigno and Campione d'Italia (1)	132.00	135.02
Milled RG+MG+LG Reg, RG+MG+LG Parb, to Zones I, II, III, VI excluding Turkey (2)	130.00	132.98
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)	135.00	138.09
Wholly milled rice RG+MG+LG, to Ceuta and Melilla (4)	130.00	132.98
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)	130.00	132.98

(1): in respect of a total quantity of 5,000 MT of wholly milled rice equivalent

(2) and (3): in respect of a total quantity of 1,442 MT

(4): in respect of a total quantity of 696 MT

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