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European Union

Grain and Feed

Weekly rice report, Brussels, June 1, 1999 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

Weekly rice report - BRUSSELS, June 1, 1999

(1) MARKET SUMMARY

Prices in Thailand, United States and EU remain virtually unchanged this week. Thailand's prices maintained their strength due to continued problematic weather. Rains have delayed the second harvest and led to difficulties in transport.

In the United States, the new crop is progressing favorably. Without any big buyers in the market, trade continues at a moderate pace. The Association for the Allocation of Rice Quota has awarded the entire tender of duty-free white rice and reduced-duty brown rice to the EU.

In the EU, the Commission has slowly step up the levels of licences issued at the weekly grain management committee. These licences will be used to facilitate sales to the Middle East and Eastern Europe.

Although the new marketing year, and in turn cut in intervention/duties rate, is still 3 months away, traders are beginning to see the downward price pressure reflected in some sales.

COMMISSION AWARDS UNDER OPEN MARKET EXPORT TENDERS, GRAIN MANAGEMENT MEETING May 27, 1999

- Husked long grain rice to Reunion (Comm.Reg. 2563/98): ,10,000 MT of bid, licenses awarded for 10,000 MT at a maximum export subsidy of EUR 295/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: 6,240 MT of bids, licenses awarded for 3,465 MT at a maximum export subsidy of EUR 145/MT.
- Wholly milled round, medium and long grain A rice to Cyprus, the Czech Republic, Estonia, Hungary, Poland and Slovenia (Comm. Reg. 2565/98): 500 MT of bids, licenses awarded for 200 MT at a maximum export subsidy of EUR 174/MT.
- Wholly milled long grain rice to zones I to VI (except Turkey) and zone VIII (except Guyana, Madagascar and Surinam) (Comm. Reg. 2566/98): 1172 MT of bids, licenses awarded for 772 MT at a maximum export subsidy of EUR 315/MT.
- Wholly milled round grain rice to zones I-IV (except Turkey) and zone VIII (except Guyana, Madagascar and Surinam) (Comm. Reg. 770/99): 7,469 MT of bids, licenses awarded for 5,264 MT at a maximum subsidy of EUR 198/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	319.65	14.50
2 Brown 4/73 pct	308.63	14.00
1 Brown parb 4/88 **	361.54	16.40
Medium Milled 2/4	303.12	13.75

* 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	234.00 C&F	10.61
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	577.20	26.18
Milled parb LG **	1160	625.75	28.39

(B) WHOLE RMG

	Lira/MT	US\$/MT	US\$/100 LBS
	Bulk	Bulk	Bulk
ITALY*:			
Milled Medium ***	N/A	340.00-360.00	15.452-16.33
Camolino (FOB)	960.00	517.86	23.49

*U.S / Lira exchange 05/24/99 \$1= 1853.78

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

*** export prices, FOT basis

(3) IMPORT LEVIES ARE CHANGED SINCE 05/26/99

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	EUR/MT	EUR/MT	US\$/MT	US\$/MT
	General	ACP	General	ACP
Brown RG+MG Regul + Parb	210.90	69.48	220.29	72.57
Brown LG Regul + Parb	232.16	76.92	242.49	80.34
Milled RG Regul + Parb	431.74	138.72	450.95	144.89
Milled MG + LG Regul + Parb	431.74	138.72	450.95	144.89
Brokens	152.00	49.58	158.76	51.79

EURO/US\$ exchange rate 05/30/99 = 1.0445

(4) EXPORT SUBSIDIES ON RICE, effective 05/28/99

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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)	103.00	107.58
Semi-milled RG+MG+LG Reg, RG+MG+LG Parb to Switzerland, Liechtenstein, Livigno and Campione d'Italia 1)	103.00	107.58
Milled RG+MG+LG Reg, RG+MG+LG Parb, to Switzerland, Liechtenstein, Livigno and Campione d'Italia 1)	104.00	108.63
Milled RG+MG+LG Reg, RG+MG+LG Parb, to Zones I, II, III, VI	129.00	134.74
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	140.00	146.23
Wholly milled rice RG+MG+LG, to Ceuta and Melilla 2)	135.00	141.01
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 1,000 MT milled rice equivalent.

2) in respect of a total quantity of 400 MT.