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European Union

Grain and Feed

Weekly rice report, Brussels, November 28, 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. export prices have again increased from the previous week, owing to a lack of product offers in the market. It is expected that the month of December will see further price increases throughout the U.S., with the exception of California where good harvest results have a weakening effect on prices.

Thai rice prices have deteriorated due to limited demand both in the domestic market and abroad. In addition, the weakness of the Baht versus the \$U.S. results in lower export prices. Although the Indonesian government had announced that there would be no rice imports in 2001, a revision of that import policy may occur in the light of the flooding that is currently damaging large areas of rice fields in Indonesia.

In the EU, total awards of export licenses under free market tenders amounted to 11,730 MT, of which 5,000 MT for brown long grain rice to Reunion. On three of the five tenders, export subsidies remained at the same levels as last week. On the import side, U.S. rice traders are to submit bids for export certificates to the EU by December 1. These export certificates are to be matched with import licenses that EU importers will apply for under the first tranche of the 2001 EU rice TRQ.

COMMISSION AWARDS UNDER OPEN MARKET EXPORT TENDERS, EU GRAIN MANAGEMENT COMMITTEE MEETING OF NOVEMBER 23, 2000.

- 1) Wholly milled round grain rice to Zones I to VI (excl. Turkey and Hungary) and Zone VIII (excluding Guyana, Madagascar and Surinam), Comm. Reg. 2281/2000: 2,700 MT of bids, 1,600 MT of licenses awarded at a maximum export subsidy of EUR 176/MT.
- 2) Wholly milled MG and LG A rice to Bulgaria, Estonia, Latvia, Lithuania, Poland, Czech Republic, Romania, Slovenia, and Slovakia, Comm. Reg. 2282/2000: 350 MT of bids, 250 MT of licenses awarded at a maximum export subsidy of EUR 180/MT.
- 3) Wholly milled MG and LG A rice to Zones I to VI (excl. East Europe and Turkey) and Zone VIII (excluding Guyana, Madagascar and Surinam), Comm. Reg. 2283/2000: 5,288 MT of bids, 3,280 MT of licenses awarded at a maximum export subsidy of EUR 178/MT.
- 4) Wholly milled LG rice to Zones I to VI (excl. Turkey and Hungary) and Zone VIII (excluding Guyana, Madagascar and Surinam), Comm. Reg. 2284/2000: 3,900 MT of bids, 1,600 MT of licenses awarded at a maximum export subsidy of EUR 259/MT.
- 5) Husked long grain rice to Reunion, Comm. Reg. 2285/2000: 5,000 MT of bids, 5,000 MT of licenses awarded at a maximum export subsidy of EUR 277/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 *	283.28	12.85
2 Brown 4/73 pct	259.03	11.75
1 Brown parb 4/88 **	281.07	12.75
Medium Milled 2/4 *	264.54	12.00

* 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	235.00 C&F	10.66
Parb LZ 4-88%	245.00 C&F	11.11
Loonzain 100% B	220.00 C&F	9.98
A1 Super	175.00 C&F	7.94
Fragrant WR 100%	490.00 C&F	22.23
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
EUROPEAN UNION *:			
Milled LG 5 Pct **	920	404.82	18.36
Milled parb LG **	1080	475.22	21.56

(B) WHOLE RMG

	Lira/kg	US\$/MT	US\$/100 LBS
	Bulk	Bulk	Bulk
ITALY*:			
Milled Medium **	960	422.42	19.16
Camolino 5 Pct (FOB)***	N/A	N/A	N/A

*U.S / Lira exchange 11/28/00 \$1= 2272.62

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

*** export price

(3) IMPORT LEVIES ARE CHANGED SINCE 11/23/00

	EUR/MT	EUR/MT	US\$/MT	US\$/MT
	General	ACP	General	ACP
Brown RG+MG Regul + Parb	264.00	88.06	221.92	74.02
Brown LG Regul + Parb	199.47	65.48	167.67	55.04
Milled RG Regul + Parb	416.00	133.21	349.69	111.98
Milled MG + LG Regul + Parb	416.00	133.21	349.69	111.98
Brokens	128.00	41.18	107.60	34.62

EURO/US\$ exchange rate 11/28/00 = 0.8406

(4) EXPORT SUBSIDIES ON RICE, effective 11/01/2000

	EUR/MT	US\$/MT
Brown RG+MG+LG Reg, RG+MG+LG Parb, to Switzerland, Liechtenstein, Livigno and Campione d'Italia (R01)	105.00	88.26
Semi-milled RG+MG+LG Reg, RG+MG+LG Parb to Switzerland, Liechtenstein, Livigno and Campione d'Italia (R01)	105.00	88.26
Milled RG+MG+LG Reg, RG+MG+LG Parb, to Switzerland, Liechtenstein, Livigno and Campione d'Italia (R01)	131.00	110.12
Milled RG+MG+LG Reg, RG+MG+LG Parb, to destinations R02 (see below)	137.00	115.16
Milled RG+MG+LG Reg, RG+MG+LG Parb, to destinations R03 (see below)	142.00	119.37
Wholly milled rice RG+MG+LG, to Ceuta and Melilla (Destinat. 021 and 023)	137.00	115.16

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.) (Destination A97)	137.00	115.16
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The issue of export licenses with advance fixing of the refund is suspended except for:

Destination R01: 3,600 MT

Destinations R02, R03: 3,300 MT

Destinations 021 and 023: 750 MT

Destination 064: 9,960 MT

Destination A97: 300 MT.

R01: Switzerland, Liechtenstein, communes of Livigno and Campione d'Italia

R02: Morocco, Algeria, Tunisia, Malta, Egypt, Israel, Lebanon, Syria, Ex-Spanish Sahara, Cyprus, Jordan, Iraq, Iran, Yemen, Kuwait, United Arab Emirates, Oman, Bahrain, Qatar, Saudi Arabia, West Bank/Gaza Strip, Estonia, Latvia, Lithuania, Poland, Czech Republic, Slovenia, Slovakia, Norway, Faroe Island, Iceland, Russia, Belarus, Bosnia and Herzegovina, Croatia, Yugoslavia, former Yugoslav Republic of Macedonia, Albania, Romania, Bulgaria, Georgia, Armenia, Azerbaijan, Moldova, Ukraine, Kazakhstan, Turkmenistan, Uzbekistan, Tajikistan, Kyrgyzstan.

R03: Colombia, Ecuador, Peru, Bolivia, Chile, Argentina, Uruguay, Paraguay, Brazil, Venezuela, Canada, Mexico, Guatemala, Honduras, El Salvador, Nicaragua, Costa Rica, Panama, Cuba, Bermuda, South Africa, Australia, New Zealand, Hong Kong SAR, A40, A11 except Suriname, Guyana and Madagascar.