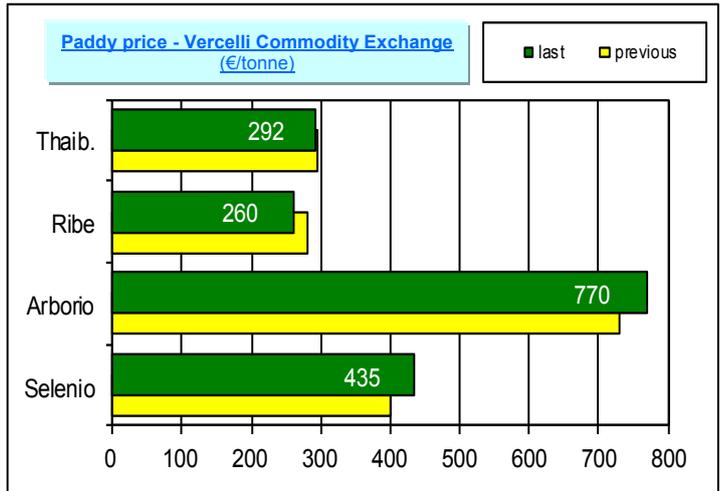
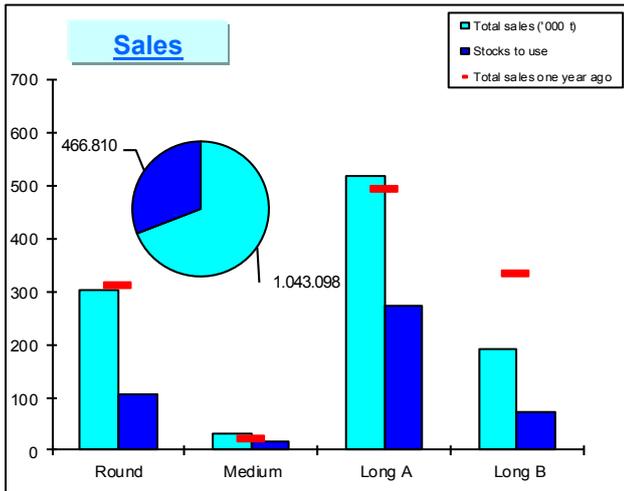




Italian Market

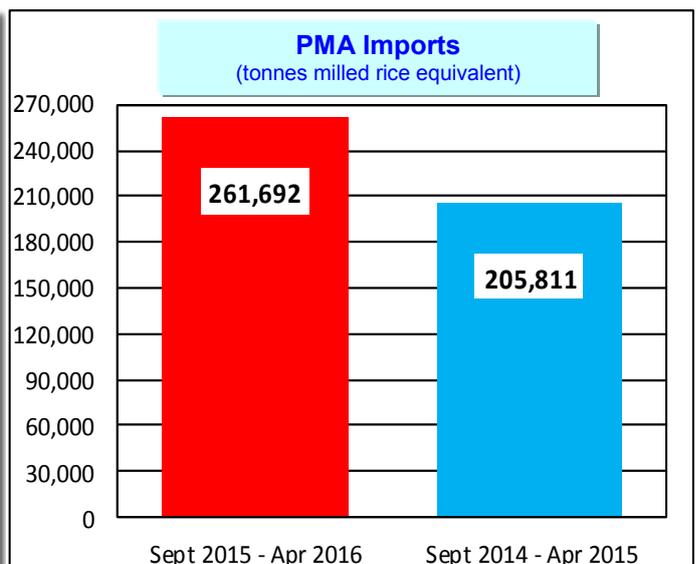
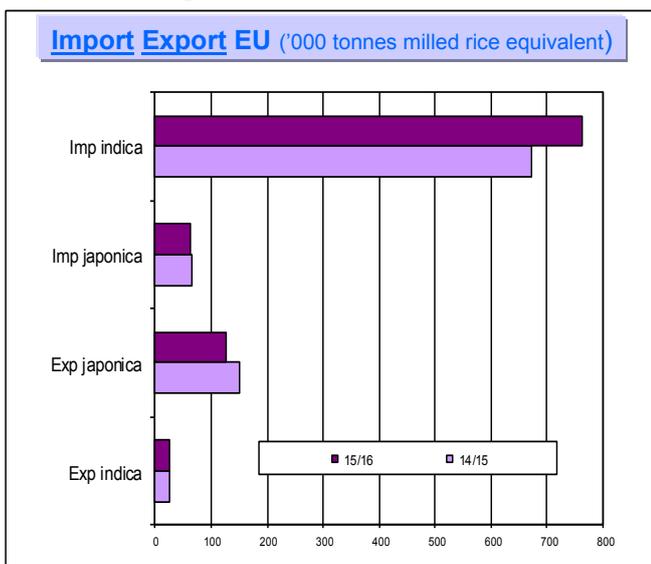


In focus

In the last four weeks paddy sales by farmers reached 132,113 tonnes: 67,607 tonnes of long A grain, 39,590 tonnes of round grain, 21,399 tonnes of long B grain and 3,517 tonnes of medium grain. Compared to last year round grain and long B grain sales are lower, 11,614 tonnes (-4%) and 144,811 tonnes (-43%) respectively, on the contrary medium grain and long A grain are higher, 29,514 tonnes (+6%).

At Commodity Exchange in Vercelli the paddy price increased for Arborio (+40 €/tonne) and Selenio (+35 €/tonne), but decreased for Ribe (-20 €/tonne) and Thaibonnet (-3 €/tonne).

European Market



In focus

EU imports amount to 825,204 tonnes in milled rice equivalent, 88,390 tonnes (+12%) above the previous year level. Compared to last year, husked rice imports are on a increasing trend +17%; milled and semi milled rice imports increased of 8%.

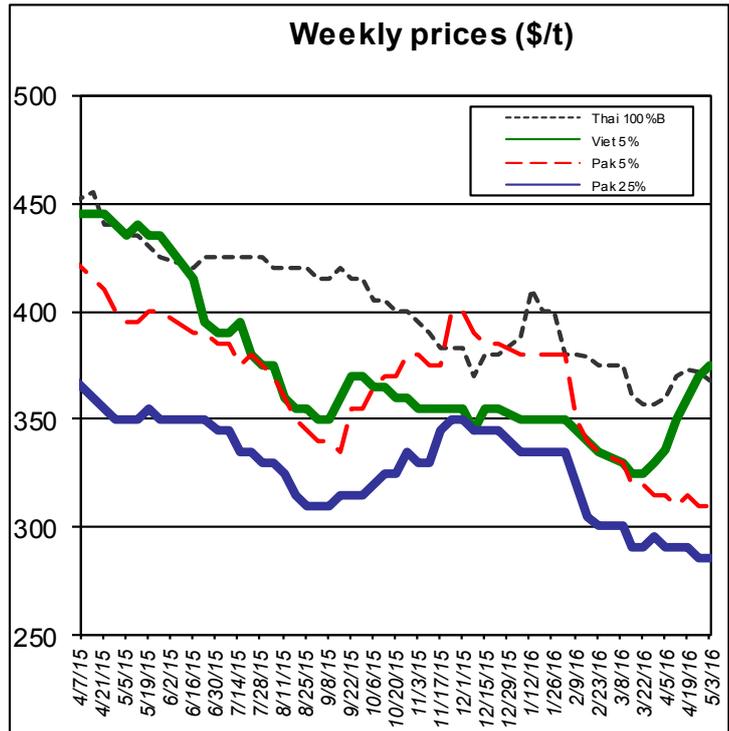
The EU exports amount to 150,327 tonnes in milled equivalent, 25,543 tonnes (-14.5%) below the previous campaign. With approximately 77,700 tonnes Italians operators cover 52% of total exports.

International Markets

Milled rice international FOB quotes

Exchange rate 1 € = 1.1569\$

Asian Markets	\$/t	€/t
Thai 100%B	401	347
Vietnam 5%	N.A.	N.A.
India 5%	380	328
Pakistan 5%	380	328
Pakistan 25%	330	285
Cambodia 5%	440	380
India Basmati traditional	1,025	886
Other Markets	\$/t	€/t
Uruguay 5%	430	372
Argentina 5%	420	363
Brazil 5%	N.A.	N.A.
USA LG 2/4%	510	441
California MG 1/4% Med	715	618
Egypt Medium Grain 2/5%	N.A.	N.A.
Egypt Round Grain 2/5%	N.A.	N.A.



World **South Korea** has awarded 37,000 MTS of brown rice: 22,000 MTS of short grain to China and 15,000 MTS of medium grain to U.S.A.

In **Myanmar** rice production is estimated to decrease to 12.2 million MTS in the 2015/2016 Marketing Year due primarily to flooding. Myanmar's rice exports are forecast to decline to 1.5 million MTS in 2016 as a result of lower production in 2015/2016.

Thailand According to the Thai Rice Exporters Associations, Thailand became the leading global rice exporters during 2016, having sold 2.85 million MTS, up to 34% on this time last year. Prices increased over the past few weeks, primarily account the effect the drought has had on the 2015 main season harvest back in November/December, which has an estimated yield down 50% from normal. And taking into consideration water shortage could affect also next main season crop, it provides for some the backdrop of a long term bullish undertone.

India The heatwave is beginning to recede with the arrival of pre-monsoon rain. Forecaster continue to predict an above monsoon this year. The Food Corporation of India's purchases are up by around 18% from this time last year. Government stocks as of 1 April were 28.8 million MTS, more than double the recommended sock level of 13.6 million MTS.

Vietnam The Thailand's plan to sell off its rice stockpile, amounting to 11.4 million tonnes, within two months has sparked concerns for Vietnamese rice exporters. A source from the Ministry of Industry and Trade said the clearance in Thailand will put Vietnam in "harsh competition". Rice in Thailand's Government stockpiles is the direct competitor with Vietnamese low-cost rice.

USA U.S.A. negotiators held talks with their European counterparts on the Transatlantic Trade and Investment (TTIP). U.S.A. exporters have been calling on U.S.A. negotiators to secure duty-free access to European markets as part of the deal. However, French negotiators threatened to block the deal due to concerns that stringent European regulations on food standards and safety could be eroded. The next round of negotiations are expected in July.

Food Safety

Rapid Alert System (Source: EFSA)

No alert concerning rice in the last four weeks.

Other news

Focus on fragrant rice from Cambodia (Source: www.khmertimeskh.com)

The European Union recently expressed its concerns about milled rice from Cambodia, saying it was not 100% fragrant rice from Cambodia. The EU warned that mixed milled rice from Cambodia to the EU would be an obstacle for Cambodian rice to be sold on the EU market. The EU has called for more serious inspections of fragrant rice exported to the EU market. Generally, good quality rice is from 80% to 85% in a minimum and if mixed it is about 55%. According to Song Saran, the CEO of Amru Rice Cambodia, the private sector has already shown honesty, but there is one or two companies which do not comply with the rules.

Joint action from ASEAN, key to managing looming food crisis (Source: <http://ricetoday.irri.org>)

The world may be confronted with a global food crisis similar to the 2007-08 crisis as a result of the current El Niño episode. It is imperative that tight cooperation be secured among the biggest rice-producing and -consuming nations to stem or manage the crisis should such emerge. This warning was released by the International Rice Research Institute (IRRI) in a press conference held at the institute's headquarters south of Manila. Drought from the current El Niño episode has resulted in lower harvests and irregular planting across several rice-producing countries. Combined with lower stocks in some key countries, emerging patterns in regional and global grain supply threaten the repeat of the painful rice price crisis in 2007-08.