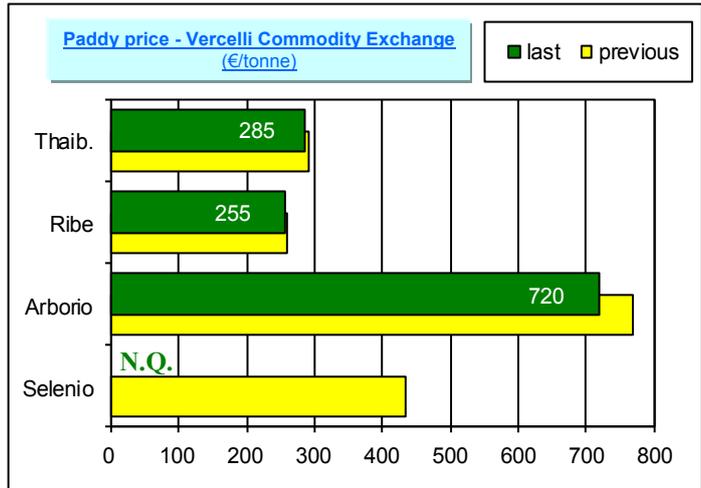
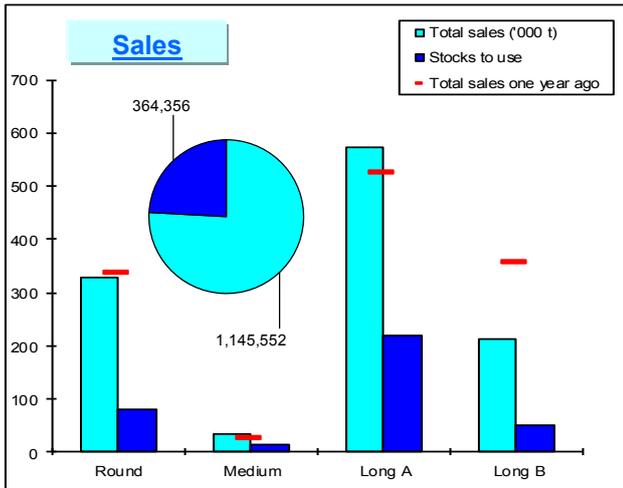




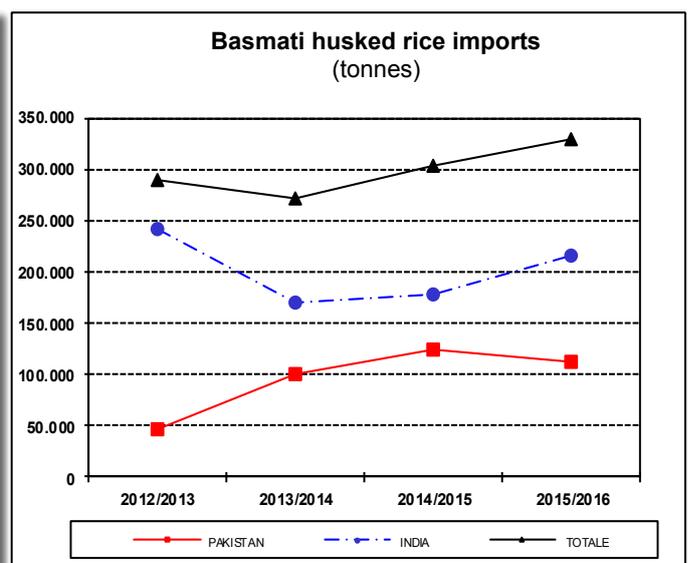
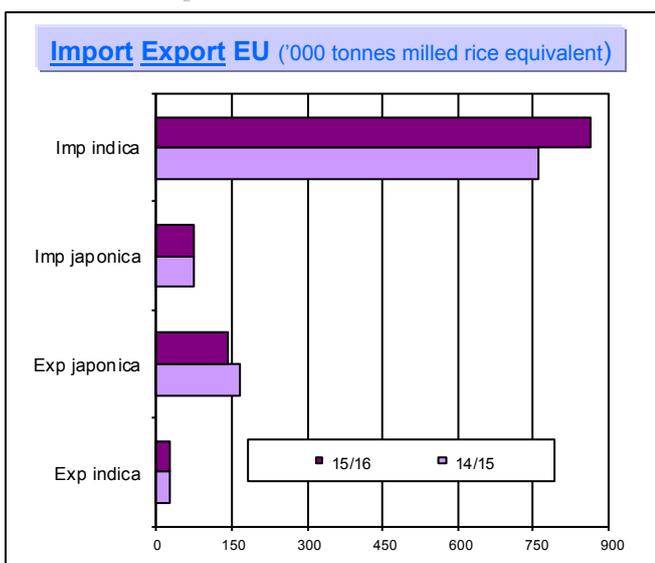
Italian Market



In focus

In the last four weeks paddy sales by farmers reached 102,454 tonnes: 54,597 tonnes of long A grain, 25,042 tonnes of round grain, 19,856 tonnes of long B grain and 2,959 tonnes of medium grain. The gap between total sales this year compared to one year ago is -106.007 tonnes (-8.5%). Total sales reached 76% of the total stock, compared to 86% in the previous campaign. At Commodity Exchange in Vercelli the paddy price decreased for Arborio (-50 €/tonne), for Ribe (-5 €/tonne) and Thaibonnet (-7 €/tonne); Selenio was not quoted.

European Market



In focus

EU imports amount to 938,920 tonnes in milled rice equivalent, 104,224 tonnes (+13%) above the previous year level, including 16,600 tonnes of the GATT quota for April 2016. Husked rice imports increased of 91,343 tonnes (+18%), whose 65.667 tonnes (+32%) are husked no-Basmati rice. EU exports decreased of 18,991 tonnes in milled rice equivalent (-10%) compared to one year ago: from 191,203 tonnes last year to 172,212 tonnes this year.

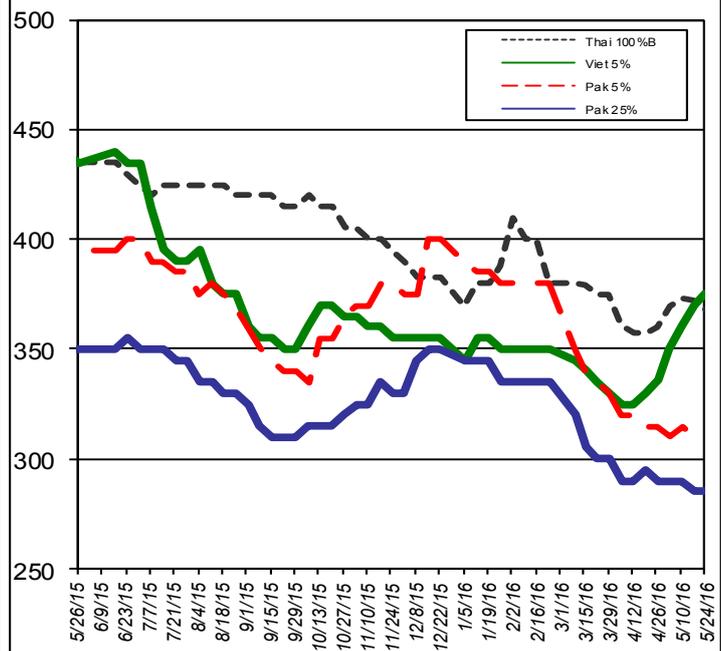
International Markets

Milled rice international FOB quotes

Exchange rate 1 € = 1.1154 \$

Asian Markets	\$/t	€/t
Thai 100%B	429	385
Vietnam 5%	380	341
India 5%	380	341
Pakistan 5%	410	368
Pakistan 25%	370	332
Cambodia 5%	440	394
India Basmati traditional	1,025	919
Other Markets	\$/t	€/t
Uruguay 5%	440	394
Argentina 5%	430	386
Brazil 5%	N.A.	N.A.
USA LG 2/4%	510	457
California MG 1/4% Med	675	605
Egypt Medium Grain 2/5%	N.A.	N.A.
Egypt Round Grain 2/5%	N.A.	N.A.

Weekly prices (\$/t)



- South Korea** A new Minimum Market Access tender was held for 70,556 MTS: 45,556 MTS of brown Short grain, 3,000 MTS of milled Short grain, 20,000 MTS of milled Medium grain e 2,000 MTS of milled Long grain.
- Cambodia** The Cambodian Rice Federation (CFR) will adopt "Angkor Malis" as the official brand name for Phka Malis Frangrant rice from June onwards. Once the name receives trademark protection from the Ministry of Commerce, rice exporters will have to fulfil certain criteria in order to be given licencing rights to the brand.
- Laos** Market participants remain sceptical about the government's plan to increase rice exports to 1 million MTS, because El Niño, causing poor rainfall and reduced water availability, affected rice production, which decreased by 4.2%.
- Guyana** Milled rice exports have increased by 5.9% to 93,531 MTS during January to March this year, in particular to Europe, with 68% of total exports heading to EU.
- Cuba** The government has recently purchased 30,000 MTS of white rice from Argentina as well as a possible further 30,000 MTS of white rice from Uruguay. Cuba has also bought 150,000 MTS of white rice from Vietnam and is awaiting

Food Safety

Rapid Alert System (Source: EFSA)

No alert concerning rice in the last four weeks.

Other news

Magnaghi: "The commission has to shake off the immobilism" (Source: Ente Risi Note)

On 26 May 2016, in Brussels, at the Committee for the Common Organisation of Agricultural Markets, the Italian delegation, made by the Ministry of Agriculture and by Ente Nazionale Risi, prompted the European Commission to consider the difficulties of the Community rice market, calling for the immediate solution of the problem caused by imports of rice from LDCs. The General Director of Ente Nazionale Risi, Dr Magnaghi, showed that the current market situation requires urgent action. According to Magnaghi, the Commission cannot claim that at the end of the current marketing year a new record of the volume imports and of the milled rice duty free imports, an absolute record in zero-duty imports of paddy rice and a fall in exports will occur in the European Union, without specifying that all of them are solely due to the application of the special arrangements for LDCs. In fact, the increase in imports is directly related to the increase of the product coming from the LDCs, particularly from Cambodia and Myanmar, to the EU. On the other hand, paddy rice zero-duty imports are due to the Community rice millers needs to dispose of Indica rice, the availability of which in Europe has been compromised by the competitiveness of the product imported from Cambodia. Therefore, it will be difficult for the industry to find a balance until the Commission will limit itself to the mere observation of the market, without enabling concrete action to re-establish the preference for Community product. In response to the Magnaghi's observations, the Commission has formally announced that in July 2016 it will carry out a new mission in Cambodia to express the EU's disappointment at the failure to comply with undertakings made by the Cambodian government a year ago, particularly the promise of stabilize volumes.

The occasion will be propitious to discuss the facts recently reported in the press, concerning imports of Cambodian fragrant rice mixed with conventional rice and suspicions of circumvention of origin rule.

It is positive that the Commission finally realizes the serious damage that the imports from LDCs are causing to the market, without living in the illusion that the mission in Cambodia can solve the problem: it can only be overcome with the recovery of customs duties, conceivable only through the activation of the safeguard clause.