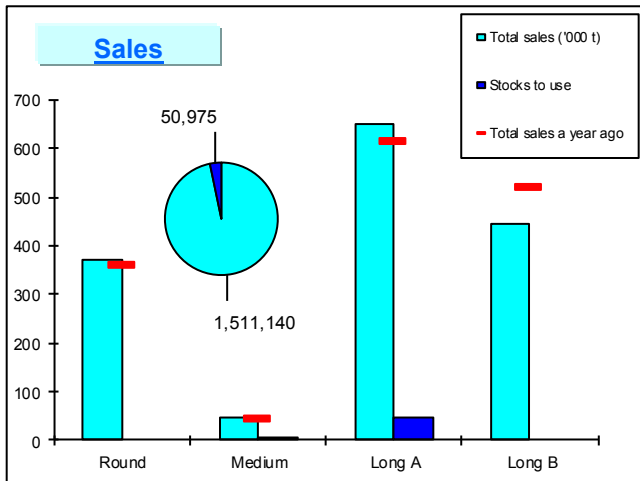




Italian Market



In focus

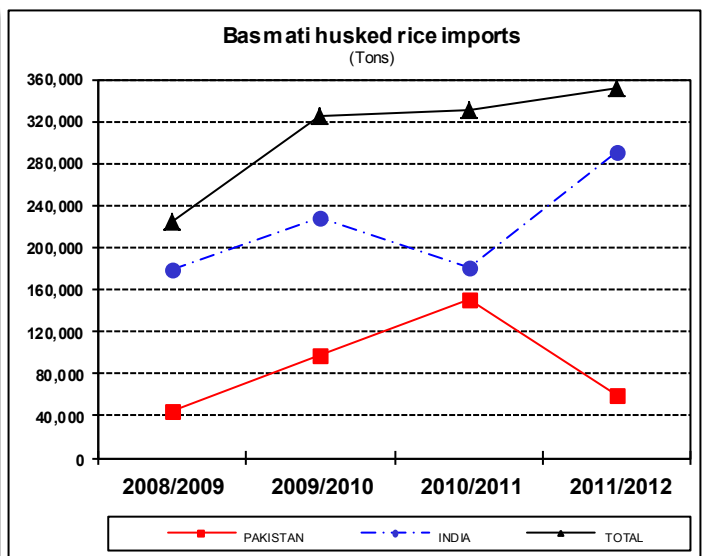
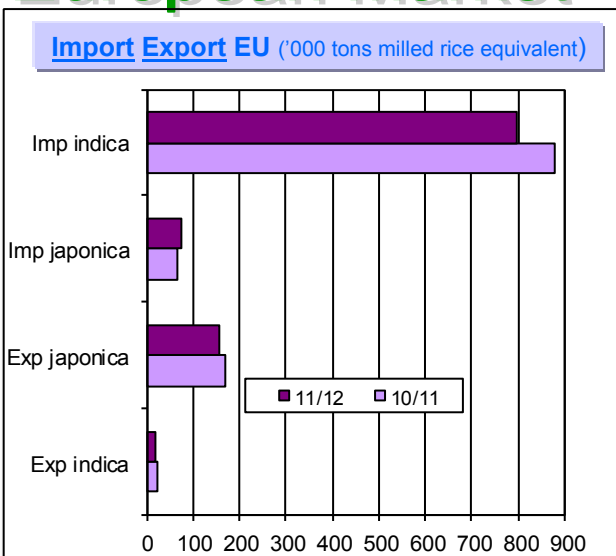
Total sales of 2011/2012 campaign reached 1,511,140 tons, 99.3% of the total stock. One year ago total sales were 1,553,865 tons. The difference between total sales this year compared to higher items one year ago is -42,725 tons (-2.8%).

Total sales of 2012/2013 campaign are near at the same level of one year ago.

Paddy sales by farmers reached 30,243 tons this week: 13,589 tons of long A grain, 9,703 tons of long B grain, 5,860 tons of round grain and 1,091 tons of medium grain.

No quotations at Commodity Exchange in Vercelli.

European Market



In focus

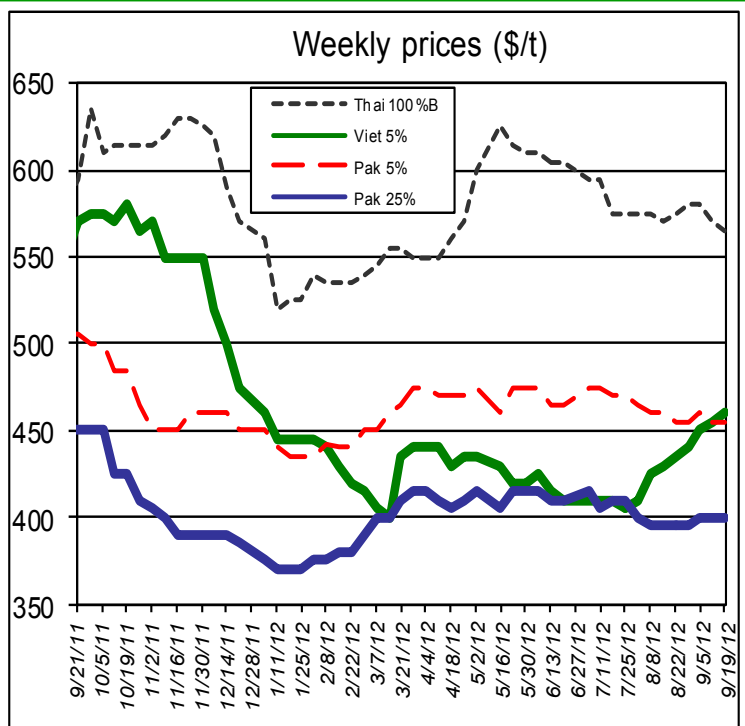
The EU imports of 2011/2012 campaign amount to 869,241 tons in milled rice equivalent, 8.1% below the level of the previous campaign (-84,526 tons of indica rice and +7,689 tons of japonica rice).

Husked rice imports were 16.7% lower the level of the previous campaign, instead milled rice imports were 2.5% above the level of the previous campaign.

The EU exports of 2011/2012 campaign amount to 171,668 tons in milled equivalent, 9.4% below the level of the previous campaign (189,542tons).

International Markets

Milled rice international FOB quotes		
Exchange rate		1 € = \$1.3002
Asian Markets	\$/t	€/t
Thai 100%B	565	435
Vietnam 5%	460	354
India 5%	450	346
Pakistan 5%	455	350
Pakistan 25%	400	308
India Basmati trad.	1,100	846
Other Markets	\$/t	€/t
Uruguay 5%	620	477
Argentina 5%	620	477
Brasile 5%	N.A.	N.A.
USA LG 2/4%	590	454
California MG 1/4%	845	650
Egypt 101 6%	N.A.	N.A.



- World** All offers turned down related to **Iraq** tender to buy 30,000 tons of milled rice from any origin. Global rice production is projected at a near record 464.2 million tons. Global consumption is projected at a record 467.7 million tons.
- Thailand** Slow sales and overflowing intervention stocks continue to headline the negative issues in the market. Total exports of 2012 are 4.5 million tons less than half compared to a year ago. At this pace their annual exports will do good to eclipse 6 million tons, well short of the 10.5 million tons in 2011.
- Vietnam** the market is fairly firm, amid vigorous export activity over the past 2-3 months. In spite of the voluminous exports over the past 90 days, prices have only increased about 10% because the competition from India has kept prices in check.
- India** The latest crop estimates are not of record proportion (like the 104 million tons in 2011) but now loom around 98-102 million tons. The vast majority of the business has been destined for West Africa.
- Pakistan** The market is fairly quiet. Prices remain firm account relatively tight stocks.
- Usa** The market in the South remains quite firm. In California the market is extremely active account future business with Japan, South Korea, Libya and Taiwan.

Food Safety

Rapid Alert System (Source: EFSA)

- An "information for follow-up" notification was sent by Germany concerning unauthorised genetically modified (Bt63) rice vermicelli from China, via the Netherlands.
- An "information for attention" notification was sent by Italy concerning rice from Thailand infested with insects.
- An alert notification was sent by Germany concerning high content of lead (0.49 mg/kg - ppm) in rice from Italy.
- A border rejection notification was sent by Italy concerning triazophos (0.11 mg/kg - ppm) in parboiled basmati rice from India.
- An "information for follow-up" notification was sent by Germany concerning unauthorised genetically modified (BT63) vermicelli rice noodles from China, via the Netherlands.
- An "information for follow-up" notification was sent by Germany concerning unauthorised genetically modified rice noodles from the Philippines, via the Netherlands.
- An "information for attention" notification was sent by Netherlands concerning traces of peanut (3 mg/kg - ppm) in rice crackers from Australia.

Other news

Egypt to lift ban on rice exports (Source: Businessday)

Egypt will resume exports of rice in October, lifting a ban imposed since 2008 to protect the domestic market; daily newspaper al-Borsa cited the agriculture minister as saying.

Egypt, once a major medium-grain rice exporter, banned rice exports in March 2008 and renewed the policy repeatedly to head off local market shortages and cap prices. It last renewed the ban in October.

"The government has agreed to resume rice exports at the beginning of October. This is after local production rose enough to be able to cover market needs. The availability of a surplus for exports does not affect local prices," Minister Salah Abdel Momen told al-Borsa.

Abdel Momen added that the decision to lift the ban will allow Egyptian farmers to benefit from rising global rice prices but that, if local prices increase in a way that harms local consumers, the ban may be enforced again.

Soaring food prices in 2008 caused riots in a number of countries, including Egypt, and droughts in the United States and Black Sea bread baskets have this year sent prices of other grains sharply higher.

In 2007, Egypt exported 1.25 million tonnes of rice and provided around 35 per cent of the medium-grain rice sold on the world market that year. Others, such as Russia, have grabbed Egypt's share since.

The government started procuring rice directly from local farmers in October 2011 in order to build reserves. The move was intended to smooth out the exaggerated price movements that were offered during tenders for local rice.

Egypt needs around 1.1 million tonnes of rice a year for its subsidy programme -- around a third of its total consumption of 3.34 million tonnes.