

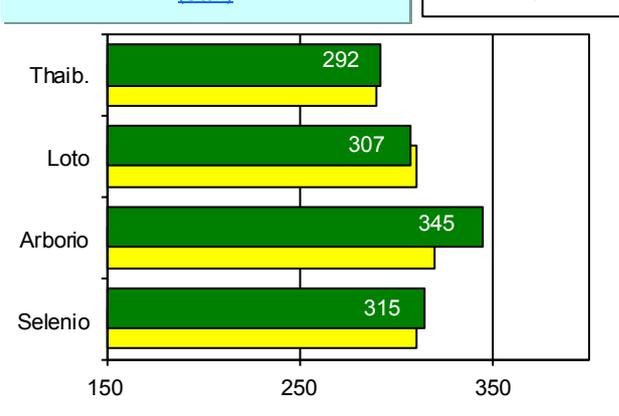


Italian Market

Sales

TYPE OF RICE	Sales of 2012/13 campaign (tons)	Sales of 2011/12 campaign (tons)
ROUND	52,855	52,610
MEDIUM	7,991	7,722
LONG A	116,576	103,145
LONG B	77,195	70,916
TOTAL	254,617	234,393

Paddy price - Vercelli Commodity exchange (€/ton)

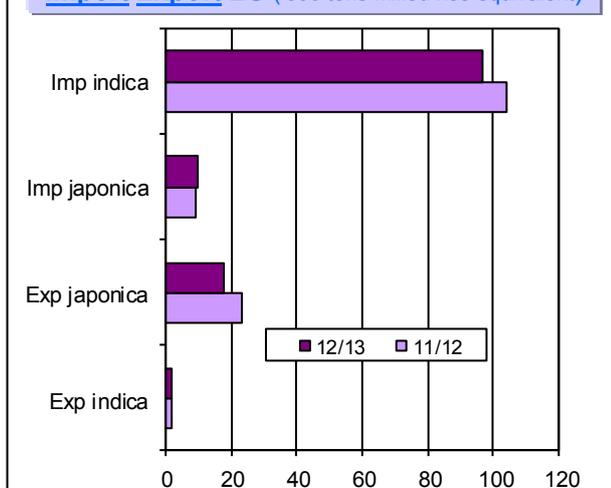


In focus

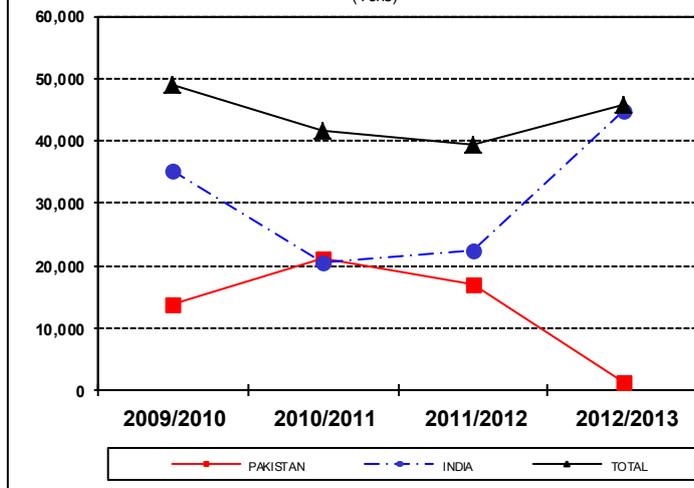
Paddy sales by farmers reached 50,258 tons this week: 21,537 tons of long A grain, 14,328 tons of round grain, 13,313 tons of long B grain and 1,080 tons of medium grain. Total sales reached 254,617 tons. One year ago total sales were 234,393 tons. The gap between total sales this campaign compared to lower items one year ago is +20,224 tons (+8.7%). At Commodity Exchange in Vercelli the paddy prices for Arborio, Selenio and Thaibonnet were, respectively, €25, €5 and €2 higher for months ago, instead, paddy price for Loto was €3 lower than for months ago.

European Market

Import Export EU ('000 tons milled rice equivalent)



Basmati husked rice imports (Tons)

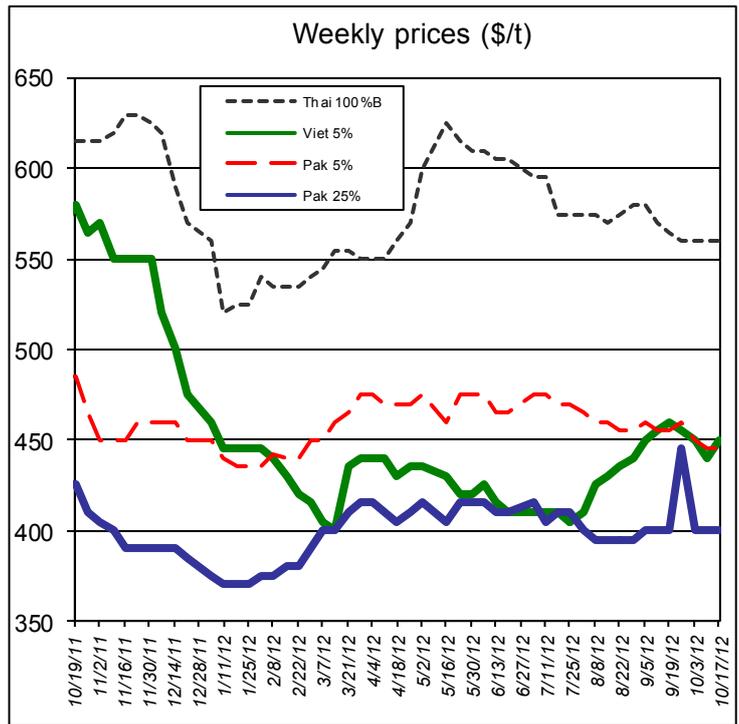


In focus

The EU imports of 2012/2013 campaign amount to 106,512 tons in milled rice equivalent, 6.2% below the level of the previous campaign (-7,281 tons of indica rice and +222 tons of japonica rice). Husked rice imports and milled rice imports were, respectively, 4.8% and 7.9% lower than the levels of the previous campaign. Husked basmati rice imports are on an increasing trend compared to last year (+16.6%); imports increased of 6,544 tons (4,515 tons in milled rice equivalent). The EU exports of 2012/2013 campaign amount to 19,574 tons in milled rice equivalent, 22.9% below the level of the previous campaign.

International Markets

Milled rice international FOB quotes		
Exchange rate		1 € = \$1.3035
Asian Markets	\$/t	€/t
Thai 100%B	560	430
Vietnam 5%	450	345
India 5%	445	341
Pakistan 5%	445	341
Pakistan 25%	400	307
India Basmati trad.	1,150	882
Other Markets	\$/t	€/t
Uruguay 5%	N.A.	N.A.
Argentina 5%	N.A.	N.A.
Brasile 5%	N.A.	N.A.
USA LG 2/4%	595	456
California MG 1/4%	815	625
Egypt 101 6%	N.A.	N.A.



- World** World rice production is raised 0.9 million tons to a record 465.1 million, up slightly from the previous year. The boost in production is due mostly to a 1- million - ton increase in India's crop to 99 million tons. Rice crops are also increased in Australia, Egypt, Japan and United States.
- Thailand** The Thai Government this week agreed that an additional 1.39 million tons of 2012 second-crop paddy would be accepted into the rice-pledging scheme, which would take total milled stocks to around 14.7 million tons. According to the Department of Foreign trade, Ministry of Commerce, total rice exports (including fragrant rice) from the 1 January to the 27 September 2012 amounted to 4,941,963 tons, down 44.6% from the previous year.
- Vietnam** From the 1 January to the 11 October 2012, Vietnam shipped 6.03 million tons. The total 2012 paddy production in Vietnam is forecast to be 1million tons more than last year and exports are projected to increase by 300,000 tons on 2011 figures. Prices are steady to firm, amid indications that Indonesia may be close to firming up a deal.
- India** India sold approximately 250,000 tons of 10% broken white rice to Indonesia during November last year and it appears that a similar deal could be completed in the coming months.
- Pakistan** Harvest has been delayed in some areas account the late monsoon rains. There is also some delay in shipment against sales already made to regional destinations in East Africa, as well as China.
- Usa** The auction of the first duty-free certificates for the export of U.S. rice to Colombia was held on Tuesday the 16 October. Exporters in the south are vying for a share of the 79,000 tons of milled rice that is expected to be shipped before the end of the year; any volumes that are shipped outside of the quota will be subject to a tariff of 80%.

Food Safety

Rapid Alert System (Source: EFSA)

No alert concerning rice in the last month.

Other news

Philippines may not need to import rice in 2013: official (Source: Philstar.com)

The Philippines, the world's biggest rice importer, is not keen on tapping the international rice market next year to beef up its stocks, a senior official said today. Agriculture Secretary Proceso J. Alcala said higher production from the third cropping season will ensure adequate supply in the local market. The third cropping season, from September to January, is expected to produce 400,000 tons of rice. Alcala said the Inter-Agency Committee on Rice and Corn estimates the Philippines will need to import between 100,000 to 150,000 tons of rice. That is a relatively small import volume, he added. "If we have a successful third cropping season, we might as well not import rice anymore," he said. Early this year, the government implemented a program which changed the cropping calendar for rice in irrigated areas. Under the government's plan, farmers were enjoined to plant a month earlier or by April for the wet cropping season in 2012. Harvest started in August. The early cropping plan is expected to increase rice production by 1 million tons in 2012. Should the weather continue to cooperate and the government succeed in its new cropping scheme, Alcala said "self-sufficiency" in rice for the Philippines may happen at the beginning of 2013, rather than the end of that year.

Brazilian Paddy Crop Estimated at 11.5 Million tons (Source: oryza.com)

The USDA Ag Attaché in Brazil estimates that the 2012/13 rice crop area will stay at 2.4 million hectares, unchanged from last year. Low rainfall, tight credit conditions, and farmers switching to more profitable soybean production reduced rice area in 2011/12 from 2010/11 by about 16%, contributing to current high prices for Brazilian paddy. The Attaché says that with production and consumption 2012/13 estimated to remain unchanged from 2011/12 the only factor affecting exports will be ending stocks which are down, thus constricting export tonnage. It estimates 2011/12 exports reached 1.2 million tons. Exports were helped by a weak currency. However 2012/13 exports are estimated at 700,000 tons, according to the Attaché. Brazil will also import about 700,000 tons this year.