
RICE: WORLD MARKETS AND TRADE

PRICES:

International: Thai prices jumped \$12 this month, with quotes currently at \$296 per ton, FOB. While domestic prices continue to be supported by the mortgage scheme, most of the increase is because of currency fluctuations. Vietnam prices are currently quoted at \$263 per ton, FOB. Although the soft export ban has reportedly been lifted, there are indications that limitations are still in place through the month of January.

Domestic: U.S. long grain prices have strengthened over the past month, up \$16, with #2/4 currently quoted at \$351 per ton, FOB. This brings the price spread between Thai and U.S. rice to \$55 per ton. Meanwhile, U.S. medium grain prices have stabilized; current quotes for U.S. #1/4 are \$515 per ton, FOB.

TRADE CHANGES IN 2006

Selected Exporters

- **Australia** is further increased 100,000 tons to 500,000 due to larger exportable supplies.
- With a new parboiled rice mill, **China** is raised 100,000 tons to 700,000.
- Continuing the extraordinary export pace of 2005, **Pakistan** is boosted 600,000 tons to a record 2.8 million.
- The **United States** is reduced 100,000 tons to 3.7 million due to reduced competitiveness resulting from higher prices.

Selected Importers

- **Philippines** is boosted 700,000 to 1.8 million tons in response to indications of unusually strong first and second quarter import demand.

TRADE CHANGES IN 2005

Selected Exporters

- **Burma** is raised 25,000 tons to 175,000 considering the stronger pace to date.
- **Pakistan** is up 300,000 tons to 2.65 million due to robust exports to Africa.
- With enhanced shipments to select African and Middle East markets, **Uruguay** is increased 100,000 tons to 750,000 despite reduced shipments to Brazil.

Selected Importers

- **China** is raised 100,000 tons to 600,000 based on stronger than anticipated import demand for fragrant rice.
- **Cuba** is dropped 50,000 tons to 800,000 due to weaker fourth quarter import demand.
- With stronger imports from Egypt and the United States, **Jordan** is increased 25,000 tons to 150,000.
- **Nicaragua** is raised 40,000 tons to 150,000 due to heavy shipments from the United States.
- **Peru** is boosted to a record 140,000 tons because of continued import demand from Uruguay and the United States.
- **Sub-Saharan Africa** is increased 225,000 tons to a record 8.2 million tons, with most of the increase in **Ghana, Mozambique, and Senegal**.