
RICE: WORLD MARKETS AND TRADE

PRICES:

International: Thai prices jumped \$10 this month mostly on currency fluctuations, with quotes currently at \$306 per ton, FOB. Domestic prices continue to be supported by the mortgage scheme with over 600,000 tons of government stocks auctioned this month at near market prices. Vietnam prices are up \$1 to \$264 per ton, FOB, although with harvest approaching, there could be some downward pressure on prices in the short-term.

Domestic: U.S. long grain prices have strengthened over the past month, up \$17, with #2/4 currently quoted at \$368 per ton, FOB. This brings the price spread between Thai and U.S. rice to \$62 per ton. Meanwhile, U.S. medium grain prices have stabilized; current quotes for #1/4 are \$515 per ton, FOB.

TRADE CHANGES IN 2006

Selected Exporters

- **Vietnam** is increased 500,000 tons to 5.0 million because of its aggressive early-year sales pace.

Selected Importers

- **Indonesia** is boosted 200,000 tons to 1.0 million as imports will likely be needed to maintain buffer stocks once the harvest is over and to offset the recent rise in prices.

TRADE CHANGES IN 2005

Selected Exporters

- **Australia** is reduced 25,000 tons to 100,000 due to continued weakness in its export pace.
- The **United States** is increased 50,000 tons to a record 3.95 million tons due to a robust export pace.
- **China, Thailand, Uruguay, and Vietnam** are revised based on year-end data.

Selected Importers

- **Brazil** is raised 45,000 tons to 545,000 based on stronger than anticipated import demand during the last quarter of the year.

-
- **Cuba** is dropped 50,000 tons to 750,000 due to weak last quarter imports from Vietnam.
 - **Haiti** is increased 25,000 tons to 325,000 because of steady import demand, mainly from the United States.
 - **Nigeria** is boosted 100,000 tons to 1.8 million due to the strong pace of shipments from Thailand and India.
 - Demand for fragrant brokens has pushed **Senegal** imports to a new record; the estimate is raised 50,000 tons to 1.2 million.
 - **South Africa** is increased 50,000 tons to 850,000 due to strong parboiled shipments from Thailand and India.