

U.S.D.A. World Market Price:

World Market Price Value Factors	This week 05/03/17	Last week 04/26/17	1 Year Ago 05/04/16	LDP	2016 Loan Factors	WMP and Loan Rates		
						'16 crop	L/G	M/G
Long Grain	To be	14.00	14.66	00.00	9.98	Yield	53.46/15.36	62.90/8.60
Medium Grain	released	13.49	14.28	00.00	9.55	WMP	8.78	9.21
Short Grain	May 3	13.49	14.28	00.00	9.55	Loan	6.44	6.62
Brokens	8:30am ET	8.44	8.84	-	7.16	Difference	(2.34)	(2.59)

US Prices: (Shipment: June/July) Note: These are offers by prospective sellers, not bids by buyers.

Southern U.S. - Long Grain	Abbreviation	Quote	Basis
U.S. #2 Long Grain, max. 4% Broken, Hard Milled	#2/4%	\$465.00	per MT sacked, F.O.B. U.S. Gulf
U.S. #2 Long Grain, max. 4% Broken, Hard Milled	#2/4%	\$420.00	per MT, BULK, F.O.B. Vessel US Gulf
U.S. #2 Long Grain, max. 4% Broken, Hard Milled	#2/4%	\$435.00	per MT Sacked F.A.S. US Gulf
U.S. #2 Long Grain, max. 4% Broken, Hard Milled	#2/4%	\$435.00	per MT containerized FOB US Gulf
U.S. #2 Long Grain, max. 4% Broken, Hard Milled	#2/4%	\$450.00	per mt sacked delivered Laredo TX
U.S. #3 Long Grain, max. 15% Broken, Hard Milled	#3/15	\$425.00	per MT sacked, F.A.S. U.S. Gulf
U.S. #3 Long Grain, max. 15% Broken, Hard Milled	#3/15	\$430.00	per mt sacked delivered Laredo TX
U.S. #2 Long Grain Brown, max. 4% Broken, 75% yield	#2/4/75	\$400.00	per mt bulk FOB vessel NOLA
U.S. #1 Parboiled L/G Brown, max. 4% Broken, 88% yield	#1/4/88	\$420.00	per mt bulk FOB vessel NOLA
U.S. #1 Parboiled L/G MILLED, max. 4% Broken	#1/4 Parb	\$435.00	per mt bulk FOB vessel NOLA
U.S. #2 Long Grain Paddy, 55/70 yield	#2 55/70	\$235.00	per mt bulk F.O.B. vessel NOLA
Long Grain, max. 20% broken, Hard milled (Ghana specs)	#4/20/hm	\$420.00	per MT sacked, F.A.S. U.S. Gulf
U.S. #5 L/G, max. 20% broken, WELL MILLED	#5/20/wm	\$415.00	per MT sacked, F.A.S. U.S. Gulf

Southern U.S. - Medium Grain

U.S. #2 Medium Grain, max. 4% broken, Hard Milled	#2/4%	\$475.00	per mt bulk FOB vessel NOLA
U.S. #2 Medium Grain Paddy, 58/69 yield	#2 58/69	\$290.00	per mt bulk FOB vessel NOLA

Southern U.S. - Package Quality (add \$1.50/cwt premium for sacked truck)

Package Quality Parboiled L/G, max. 4% broken	Pkg. Parb.	\$20.50	per cwt. bulk F.O.B. mill
Package Quality Long Grain Milled, max. 4% broken	Pkg. L/G	\$18.50	per cwt. bulk F.O.B. mill
Package Quality Long Grain Milled, max. 4% broken (select variety)	Pkg. L/G	\$21.50	per cwt. bulk F.O.B. mill
Package Quality Long Grain Brown Rice, max. 4% broken	Pkg. Br.	\$22.00	per cwt. bulk F.O.B. mill
Package Quality Medium Grain Milled, max. 4% broken	Pkg. M/G	\$19.50	per cwt. bulk F.O.B. mill

California - Medium Grain

U.S. #1 Medium Grain, max. 4% Broken (Med)	#1/4	\$595.00	per mt sacked 25kg containerized FOB Mill
U.S. #1 Medium Grain, max. 4% Broken (Korea Specs, add \$20 for 10kg)	#1/4	\$650.00	per mt sacked 20kg, container CIP Oakland
U.S. #1 Medium Grain milled rice, except max. 7% Broken (Japan Specs)	#1/7%	\$555.00	per mt sacked in 1mt tote bags FOB vessel
U.S. #3 Medium Grain Brown rice, max. 8% broken (Korea Specs)	#3 Brown	\$550.00	per mt in 40kg bags containerized Oakland
U.S. #2 Medium Grain Paddy, 58/69 yield	#2 58/69	\$360.00	per mt bulk ex-spout Stockton, CA

California - Package Quality

Package Rice for Industrial Use and Repackers	#1/4%	24.00-28.00	per cwt. bulk F.O.B. Mill
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U.S. South Brokens:

Flour Quality brokens	Flour Qty	15.00-15.75	per cwt. bulk, F.O.B. rail
Pet Food Quality, #4 Brewers (milled)	pet food	10.50/14.00	per cwt. bulk, F.O.B. rail

U.S. California Brokens:

Flour Quality brokens	Flour Qty	14.25	per cwt. bulk, F.O.B. mill
Pet Food Quality, #4 Brewers	spot mkt	12.50	per cwt. bulk, F.O.B. mill

Far East Report

SOUTHEAST ASIAN MARKETS

In **Thailand**, prices continue to increase steadily over the past 3-4 weeks, as shorts scurry to cover old and new sales (primarily **Iran** and **Nigeria**). **Iran** has entered the market in a rather large way, compared to their “under the radar” strategy employed for the past many years. We estimate 100,000 MT plus what has been sold to privates; which, they are pushing to get it shipped quickly, in order to receive it in advance of Ramadan (May 26). See matrix for complete list of Thai values.



Initially, GTC floated a tender for 20,000 MT; but, now it appears as though the involvement of privates has increased that number considerably. We have one report that states as much as 150,000 MT have been done in total by GTC and privates, including both fragrant and white rice. CRMR is not prepared to give these numbers our “ringing endorsement”. Rather, we would limit our commentary by stating that Iran has procured a lot of rice in advance of Ramadan, which has created considerable short positions in Bangkok. In the aforementioned numbers are the 40,000 MT of Hom Mali bought earlier.

The same situation holds true for some of the African nations that celebrate Ramadan, as well as Saudi Arabia, the Emirates, and the Med.

One might opine that this is the thrust/culmination of the main season harvest...and it is...but logistics are outstripping milling, loading, and shipping...therein is the causation of the dollar for dollar steady increases for the past few weeks. One can only imagine the impact if GBI would have bought Thai instead of Uruguayan (see page 3).

Suffice it to say, we fully anticipate a reversal in the market to take place the tail end of the second quarter of 2017.

In the meantime, there are vessels in port to load a total of 109,000 MT, most of which is earmarked for Africa. What is not shown are the Iranian vessels...nary a one has yet to berth, much less nominated.

The undertone is firm, especially for quick shipment...June forward is another story.

In relatively sharp contrast to Thailand, the **Viet** market is quiet. Exports trail last year by almost 10%. There are shipments ongoing to core destination



markets like **Malaysia, Hong Kong, Singapore, Cuba**, along with some border trade with **China**.

What this market anxiously anticipates is for the **Philippines** to come back in the market, albeit private or NFA purchases. This would provide a much needed “shot in the arm”; although, Thailand is almost certain to share this business, as is almost always the case.

Viet prices are mostly sideways, amid thin demand. 5% is quoted at \$352 per MT FOB HCMC; 15% is \$345; and 25% is \$330.

The undertone of the market is steady, despite fundamentals that point otherwise.

Thailand Exports

Preliminary unofficial rice exports (excluding fragrant rice) from Jan. 1 – Apr. 23, 2017, totaled 2,419,558 mt, up 111 percent from the same period last year.

Dollar to Thai Baht exchange 1 : 34:47

INDIA and PAKISTAN



In **India**, the market is holding firm account a relatively strong Rupee, along with some fresh demand from Africa, most notably Nigeria (parboil). As Thai rice prices have steadily increased over the past few weeks, India has garnered some of this coverage by internationals.

The latest vessel report shows a total of around 225,000 MT loading or soon to be loading. Although not showing in the vessel report, India has also garnered some of the Iranian business (Basmati).

Note: India was unsuccessful on the recent GBI tender, as were Thailand and Vietnam.

IR-65 5% is still quoted at \$390 per MT FOB Kakinada; 25% is \$365, and parboil is \$375-380.

In **Pakistan**, there is really nothing new to report in the local rice market. Like elsewhere, traditional buyers are taking coverage in advance of Ramadan... this includes Iran, East Africa, along with border trade with Afghanistan.



IRRI-6 5% is quoted at \$400; 25% is \$352, and brokens are \$320.

The undertone of these markets is steady to firm.

OFFSHORE QUOTES Note: These are offers by prospective sellers, not bids by buyers.

Thai new/old crop	Vietnam	India	Pakistan	Uru.	Arg.	Para.					
100%B	\$389/354	5%	\$390.00								
100B Containers	\$401.00	5%	\$352.00	10%	N/A	5%	\$400.00	\$485	\$465	\$450	
5%	\$379/341	15%	\$342.00	15%	N/A	10%	N/A	\$480	\$460	\$445	
10%	\$377.00	25%	\$330.00	25%	\$365.00	15%	\$390.00	\$475	\$455	\$440	
15%	\$369/331	Brokens	\$312.00	Brokens	\$310.00	25%	\$352.00			containers	
25%	\$355/321			IR64 PB 5%	\$375.00	Parb 5%	\$415.00	N/A		Asuncion	
Brokens	\$315/290			1121 parboil	\$1375	Parb 15%**	N/A	<u>Uru Parb</u>			
Parb. 100B sorted	\$389.00			Pusa parboil	\$1300	Brokens	\$320.00	<u>Brown 5%</u>			
Thai Hom Mali	\$635.00			Traditional	\$1650	<u>Basmati</u>		N/A			
Frag. Brokens	\$366/295	MEP-25%	\$340.00	Pusa	\$1350	S. Kernal	\$1200.00				
All prices basis U.S. dollars per metric ton, bagged FOB vessel, corresponding home port.							**Bangladesh Specs.				

Contract Month	Tuesday's Settle Price	Net Change From				Prices	
		Monday		Last Report		One Year Ago 05/03/16	
'17 May	\$9.330	Down	0.025	Up	0.035	'16 May	\$11.170
'17 July	\$9.600	Down	0.035	Up	0.040	'16 July	\$11.445
'17 Sep	\$9.860	Down	0.035	Up	0.055	'16 Sep	\$11.590
'17 Nov	\$10.105	Down	0.030	Up	0.085	'16 Nov	\$11.680
'18 Jan	\$10.300	Down	0.025	Up	0.090	'17 Jan	\$11.790
'18 Mar	\$10.475	Down	0.025	Up	0.035	'17 Mar	\$11.960

U.S. Paddy Market Report

Texas - No new trading reported. There is virtually no old crop inventory remaining in first hands. New crop planting is nearing completion.

Louisiana - Bids for long grain are \$9.55 per cwt for both the current crop and new crop. New crop medium grain is bid at \$10.40 per cwt FOB farm. Planting is almost completed.

Mid South - Heavy storms with excessive rainfall and flooding hit parts of Arkansas over the weekend. Additional weather systems are in the forecast. This definitely merits further monitoring. The futures market is up \$0.035-0.090 since our last report. Bid/asked prices for long grain barges CIF NOLA are \$9.75/10.25 per cwt. Medium grain is quiet.

California - 30,000cwt of Calrose 2016 paddy traded this past week at \$7.25 per cwt over loan. Growers' price ideas for 2016 Calrose are \$7.25 or higher.

Reflective Prices (all basis per cwt FOB country 2016 crop)				
	Texas	Louisiana	Mid-South	California
Long grain	\$9.75-10.00	\$9.55	\$8.75/\$9.50	*
Med Grain	*	\$10.40	11.11-11.50ask	\$13.75

L/G is #2 55/70, M/G is #2 58/69 (California #1) New - new crop bid.
* - These areas do not have sufficient supplies of this type to quote.

U.S. Report



U.S. GULF, MERCOSUR, & FUTURES

The big news, in the market is actually the weather. Over the weekend, Arkansas county received 7 inches of rainfall; as 100,000 acres in total were affected. It is too soon to make any hardline judgements, but suffice it to say that there will be considerable acreage that will need to be replanted. The upside is that it is still relatively early in the planting season; consequently, reseedling is an option for some, as there is still seed rice available for same. From a logistical perspective (i.e. ongoing shipments), some key barge facilities have closed as the water is too high on the river to be able to place the barge underneath the spout. This will definitely delay shipments...the extent to which is a moving target.

Curiously, the CBOT rice contracts have not made a substantive move (up only \$0.03-0.09 for the week); but, this situation with water is a moving target. As such, we will closely monitor developments as they occur, in real time via RiceOnline.com.

Also, newsworthy, albeit far from what the industry had hope for...is the results from the GBI tender, whereby the U.S. missed. After seeing the offers, I must say I am not too surprised. The U.S. offers were about \$50 per MT higher than those from Mercosur.

In fact, the only award was 60,000 MT from **Uruguay**. I for one think that **Iraq** may very well float a new tender, but if the goods are to arrive before Ramadan, it will need to be a spot tender.



CALIFORNIA, AUSTRALIA, and the "MED"

Korea has canceled its plans for a May 11 tender. Instead, we believe aT will come out with an announcement next Monday for a tender to be held May 16. The tonnage is expected to be 25,000mt of milled rice for shipment first quarter 2018. Monitor RiceOnline for the official announcement.



Otherwise, the market in California has grown mostly quiet again. The paddy market has seen a little bit of trading this past week in the form of 30,000 cwts of 2016 Calrose trading at \$7.25 per cwt over loan. This follows the rather active previous couple of weeks (which we reported in last week's report and subscriber update). Over 500,000cwt of 2016 Calrose traded at \$7.00 per cwt over loan and about 700,000cwt of 2015 and some 2014 crop Calrose traded at prices ranging \$6.25-\$6.50 per cwt over loan. The average price was \$6.30-6.35 and the higher prices were the most recent.

Milled rice prices are unchanged mainly due to a lack of new sales.

It is interesting to note that May has arrived and USDA's latest Crop Progress report still shows no planting yet. However, the current weather is ideal for field preparations and planting. We are still anticipating planted acreage to be about 500,000 acres for all types. Precipitation in May will determine the final number.

Upcoming Tenders:

May 3 KCCO (inv. 2000004698) tender to buy 6000mt BULK #2/7% long grain milled rice for shipment June 1-10.

May 16 Korea, aT is expected to announce a tender to buy 25,000mt milled rice with a tender date of May 16, and shipment to be first quarter 2018.

May 25 AARQ tender to sell TRQ Certificates.

June 1 COL-RICE auction to sell 14,311mt worth of TRQ certificates.

Apr. ? Thai gov't auction to sell mostly Fragrant rice.

May ? Thai gov't auction to sell 1.5 million mt of food quality rice from intervention stocks.

June-July Thai gov't auction to sell the remaining non-food quality rice from intervention stocks.

??? **Philippine** tender to buy 250,000mt of rice from Thailand/Vietnam.

Tenders Results:

Apr. 28 Thai gov't auction to sell 1.8 million mt of spoiled rice for ethanol production. **21 bids received on 1.03 million MT. Results pending.**

USDA Export Sales Highlights (April 14-20, 2017)

Sales

Rice: Net sales of 120,500 MT for 2016/2017 were up noticeably from the previous week and up 79 percent from the prior 4-week average. Increases were reported for:

Mexico	(58,700 MT)
Guinea-Bissau	(30,000 MT)
Dominican Republic	(15,000 MT)
Haiti	(12,000 MT)
Saudi Arabia	(4,300 MT)
Reductions were reported for:	
Switzerland	(4,400 MT)

Exports

Exports of 80,300 MT were up 39 percent from the previous week and 5 percent from the prior 4-week average. The destinations were primarily:

Mexico	(35,600 MT)
Japan	(15,100 MT)
Dominican Republic	(15,000 MT)
South Korea	(5,000 MT)
Canada	(2,700 MT)
Source: USDA	

Upcoming Events:

June 6-8 Rice Market and Technology Convention

Hilton Miami Downtown, for more information click here.

June 13-16 USA Rice Millers' Association Convention Carlsbad CA.

USDA Crop Progress: Rice *Planted* - Week Ending Apr. 30, 2016

State	April 30, 2016	April 23, 2017	April 30, 2017	2012- 2016 Avg.
Arkansas	85	84	89	65
California	13	-	-	15
Louisiana	81	89	93	88
Mississippi	67	77	83	54
Missouri	93	65	67	61
Texas	79	70	76	82
6 States	71	69	73	58

Rice *Emerged* - Selected States -- Week Ending April 30, 2016

State	April 30, 2016	April 23, 2017	April 30, 2017	2012- 2016 Avg.
Arkansas	62	51	71	43
California	-	-	-	4
Louisiana	72	80	86	77
Mississippi	50	43	56	38
Missouri	61	17	36	33
Texas	75	60	69	74
6 States	53	45	58	41

Rice Co-Products - Spot market prices basis \$ per short ton bulk, FOB mill (spot prices)

	Texas	Louisiana	Arkansas	California
Bran:	\$60-65	\$60-70	\$50-65	\$120-125
Mill Feed:	\$30	\$35	\$30	-
Ground Hulls:	\$5	\$7-10	\$0-5	-
Unground Hulls:	\$5	\$7-10	\$10	\$0-2

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