



1033 Bay Street, Suite 209  
Toronto, Ontario M5S 3A5  
Canada

Tel No: 416-929-7423  
Fax No: 416-929-7438

e-mail: [ali@abbrice.com](mailto:ali@abbrice.com)  
[www.abbrice.com](http://www.abbrice.com)

### **Special Rice Market Update- February 6, 2008**

There was a major development this week in the international rice market. Thai long grain and parboiled rice prices jumped up by US\$ 50.00 per metric ton (US\$ 2.25 per 100 lbs) due to heavy demand from Philippines and tight domestic supplies. This year Thai rice exports are up 25% compared to same time last year.

Second big news was the USDA export report. USDA reported large export sales for the week ending January 24<sup>th</sup>, totaling 140,400 metric tons. ***This is huge...*** By type: Mexico- 71,000 mt of mostly long grain rough but includes medium grain rough and long grain milled, Turkey- 21,000 mt of medium grain rough (Arkansas origin), Haiti- 18,400 mt of long grain white, Liberia- 11,400 mt of long grain white and Jordan-6,300 mt of medium grain white.

As we expected, this week, the Chicago Board of Trade (CBOT) long grain rough rice futures have hit all time highs. At the time of printing of this update, CBOT future prices were: March- \$15.40/cwt, May- \$15.69/cwt, July- \$15.87/cwt and September (new crop)- \$15.18/cwt.

Attached is the March futures chart for your review.

Based on the above news and developments, US rice mills have announced major price increases this week.

***Our view is that even with the increases announced this week, we have not seen the top of the market yet. We are in uncharted territory. No one knows how high this market will go...***

***Believe it or not...we think that more increases, in the range of US\$ 2.00 to 3.00 per 100 lbs, will follow...***

Please feel to contact us should you have any questions or requests.

A & B B Rice Inc.

Ali Bilgen