

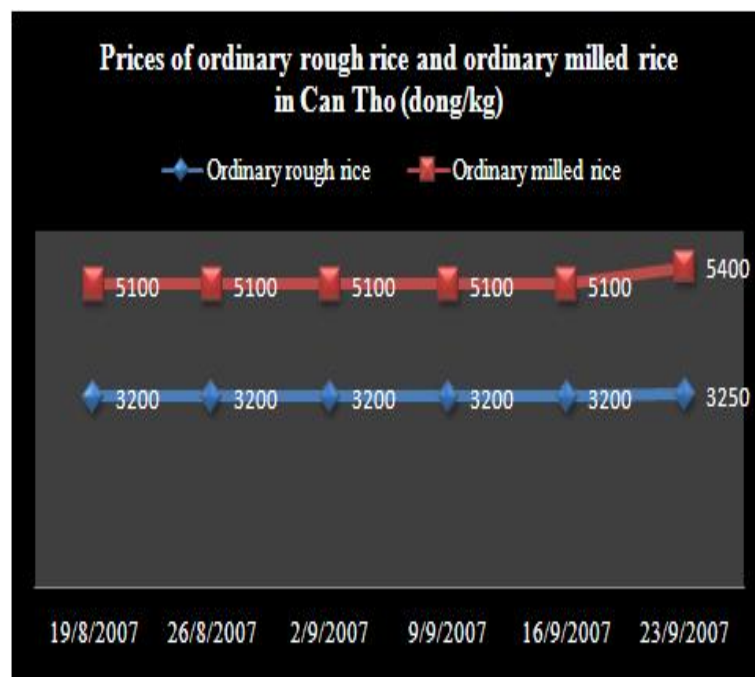


1. Vinh Phuc: Prepare to introduce direct seeding technique into rice production on a large scale
2. Can Tho: Autumn-winter rice production in 2007 on safe process
3. Rice prices in the domestic market increased strongly in some localities while export rice prices decreased
4. Thai rice prices increased and low quality rice demand was strong

Vietnam's rice market

Production

Up to mid-month of September, the whole province of Vinh Long have harvested over 56,500 hectares of summer-autumn rice, reached 87,8% planted area. Estimated production reached 315,305 tons, the average yield was 4.9 tons/ha, a 0.5 ton/ha increase compared to the last summer-autumn crop. This crop, the average interest of the farmers is over 7 million dong/ha. In Bac Lieu, the farmers finished the harvest with over 53,000 hectares of summer-autumn rice, the yield was only 0,41 tons/ha, a 0.055 ton/ha decrease compared with 2006 summer-autumn crop because of the spread of pestilent insect. However, thanks to favorable weather, the



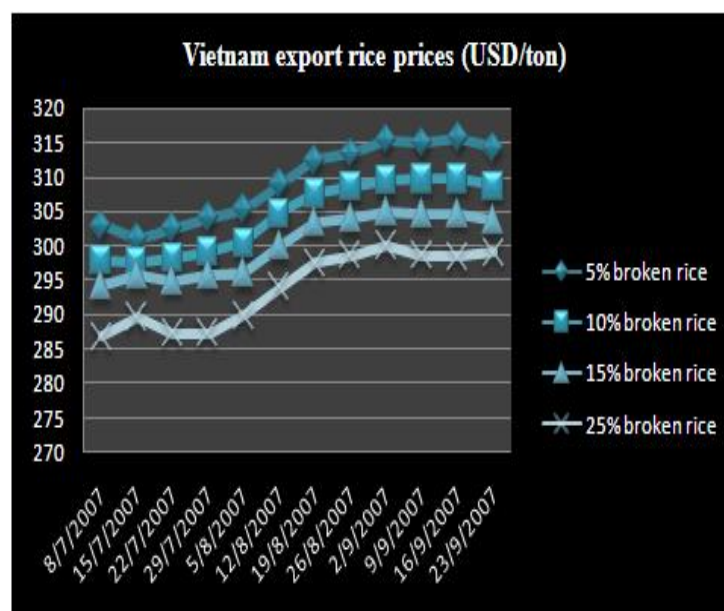
Source: www.agro.gov.vn

consecutive sun during two first weeks of September, rice was dried quickly, decreased the loss, the quality of rice was ensured and the rice prices were higher than those of August were. This year, Bac Lieu will re-seed 70% area of summer-autumn crop on the harvested summer-autumn field in order to keep the stable level of 2007 rice production from 550,000 to 600,000 tons as proposed plan.

Up to 12 September, Quang Ninh province seeded about 28,000 hectares of winter rice crop, of this early winter rice 2,700 hectares, medium winter rice 17,300 hectares, late winter rice 8,000 hectares. This winter crop, the farmers of the whole country focus on seeding high quality rice varieties such as: mixed rice of 2 line, 3 line. However, it is forecast the pestilent insect will develop strongly in the next time, this fact menaces to cause serious impact on yield and production of winter rice.

Up to now, Can Tho city has seeded over 32,444 hectares of 3 crop, reached over 76% area of the whole crop. This is the first year, Can Tho produces the 3 crop on safe process, including rice variety conditions, the cultivation process to avoid brown backed rice plant hopper, limits in maximum the diseases, ensures stable harvested yield and production.

During the past crops, Vinh Phuc extension center modeled successfully the model of direct seeding technique introduction into wet rice production that brought high economic effect. The newest is 2007-winter crop in an area of 40 hectares in Trung Nguyen commune, Thuong Trung commune and Ngu Kien commune. Two modeled special rice varieties were 2308 Nghi Huong and I Nghi Huong



Source: www.agro.gov.vn

(price of 8,500 dong/kg). Through survey on the scene, the direct seeding rice saves 7 harvesting days, rice grows quickly and produces more grains. Apply direct seeding method; we will save 20%-30% of seed corn. Economic effect through 3 modeled fields shows interests of I Huong Thom were 79,000 dong/360 m², 2308 Nghi Huong 101,000 dong/360 m².

In 2007, rice production of the whole country estimated about 36 million tons. According to calculation of specialists, after deducting expenses such as domestic consumption, provisions, foodstuff, the food for export is about 8.5 million tons of paddies, equivalent 4.67 million tons of rice. Also according to forecast of Ministry of agriculture and rural development, paddy production of 2008 year are about 36.5 million tons, after deducting domestic consumption, paddy for export are about 8.8 million tons, equivalent 4.8 million tons of rice.

Exports and Prices

During the week, the prices of rice in some localities increased strongly. In Ha Noi, the ordinary milled rice price increased 900 dong/kg, the ordinary rough rice also increased 500 dong/kg, reaching in turn 6,200 dong/kg and 3,600 dong/kg. In Da Nang, the ordinary milled rice increased 400 dong/kg, reached 5,600 dong/kg, but the ordinary rough rice prices decreased 250 dong/kg, reached 3,250 dong/kg.

However, during the week, the export rice

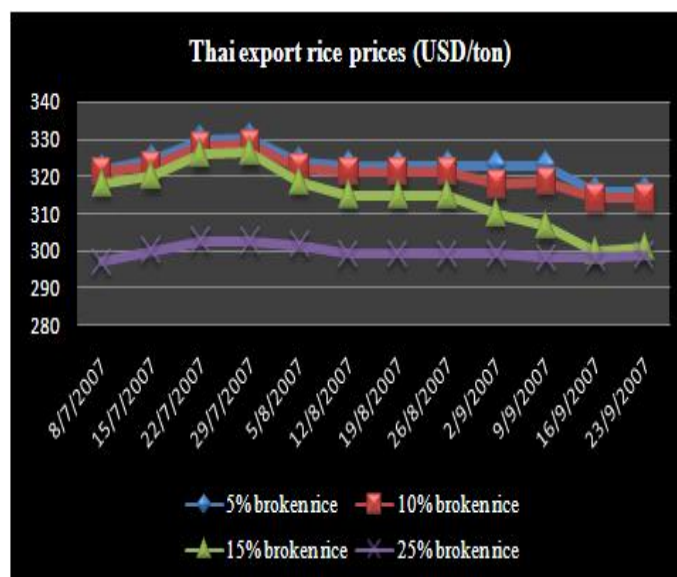
prices decreased. 5% broken rice was priced 314.3 USD/ton, a 1.4 USD/ton decrease compared to last week. The prices 10% broken rice and 15% broken rice decreased 1 USD/ton, reached in turn 308.67 and 303.67 USD/ton. The prices of 25% broken rice increased lightly 0.7 USD/ton, reached 299 USD/ton. It is forecast the rice prices will decrease strongly in some next weeks because the farmers in Mekong River Delta prepare to harvest 3-crop rice.

On 18 September, in Sai Gon port, 8 vessels waited for loading 84,750 tons of rice to export to Africa, Indonesia and Philippine.

World rice market

During the week, many customers asked to buy Thai rice because the supply source of Vietnam export rice was scarce. On 13 September, Philippine has bought 260,000 tons of rice of this, 245,000 tons of Thailand. On 24 September, Indonesia will contract to buy 70,000 tons of Thai rice. This fact will continue to push up low quality rice prices. 15% broken Thai rice was priced 301 USD/ton, an increase of 1 USD/ton compared to last week. The prices of 25% broken rice were 298.67 USD/ton, increase 0.67 USD/ton compared to the previous week.

In 2007, although India's rice production recovers compared to the average level of 88-90 million tons of rice of ten past years, only reached 92.76 million ton, this level is too low. The population and income of Indian are increasing quickly, demand of rice will increase many times in some next years while the planted area decrease more and more because of industrialization and urbanization. If not controlling early, India can be changed from a large rice export country into rice import country. Agriculture ministry of US forecast



Source: www.agro.gov.vn

rice consumption of India in 2007/2008 would reach 89.12 million ton, a 1.6 million tons increase compared to last year. Therefore, it remains a little quantity for provisions and export. Rice provisions of this country decreased quickly from 24.91 million ton in 2002 to 13.1 million ton on 1 April 2007 and it forecast to be 6 million tons on September.

Data

Retail prices of ordinary milled rice and ordinary rough rice in Bac Lieu (VND/kg-Source: www.agro.gov.vn)

Commodity	Day	Prices	Unit	Commodity	Day	Prices	Unit
Ordinary milled rice	9/09/2007	5200	VND/kg	Ordinary rough rice	9/09/2007	3200	VND/kg
Ordinary milled rice	16/09/2007	5200	VND/kg	Ordinary rough rice	16/09/2007	3200	VND/kg
Ordinary milled rice	23/09/2007	5200	VND/kg	Ordinary rough rice	23/09/2007	3200	VND/kg

Export prices of Vietnam and Thailand rice (USD/ton- Source: www.agro.gov.vn)

Vietnam				Thailand		
Commodity	9/9-16/9/07	16/9-23/9/07	Changes	9/9-16/9/07	16/9-23/9/07	Changes
5% Broken rice	315.7	314.33	-0.63	316	316	0
10 % Broken rice	309.67	308.67	-1	314	314	0
15% Broken rice	304.67	303.67	-1	300	301	1
25% Broken rice	298.33	299	0.7	298	298.67	0.67

Domestic prices of selected rice in An Giang (VND/kg- Source: www.agro.gov.vn)

Commodity	Day	Prices	Unit	Commodity	Day	Prices	Unit
Dry sticky paddy (opaque)	14/09/2007	3500	VND/kg	Ordinary milled rice	14/09/2007	5350	VND/kg
Dry sticky paddy (opaque)	17/09/2007	3350	VND/kg	Ordinary milled rice	17/09/2007	5350	VND/kg
Dry sticky paddy (opaque)	18/09/2007	3350	VND/kg	Ordinary milled rice	18/09/2007	5350	VND/kg
Dry sticky paddy (opaque)	19/09/2007	3350	VND/kg	Ordinary milled rice	19/09/2007	5350	VND/kg
Dry sticky paddy (opaque)	20/09/2007	3350	VND/kg	Ordinary milled rice	20/09/2007	5350	VND/kg

Retail prices of ordinary milled rice and ordinary rough rice in Ba Ria - Vung Tau
(VND/kg- Source: www.agro.gov.vn)

Commodity	Day	Prices	Unit	Commodity	Day	Prices	Unit
Ordinary milled rice	9/09/2007	6000	VND/kg	Ordinary rough rice	9/09/2007	3500	VND/kg
Ordinary milled rice	16/09/2007	6000	VND/kg	Ordinary rough rice	16/09/2007	3500	VND/kg
Ordinary milled rice	23/09/2007	6000	VND/kg	Ordinary rough rice	23/09/2007	3500	VND/kg

Retail prices of ordinary milled rice and ordinary rough rice in Bac Ninh
(VND/kg-Source: www.agro.gov.vn)

Commodity	Day	Prices	Unit	Commodity	Day	Prices	Unit
Ordinary milled rice	2/09/2007	5400	VND/kg	Ordinary rough rice	2/09/2007	3700	VND/kg
Ordinary milled rice	9/09/2007	5400	VND/kg	Ordinary rough rice	9/09/2007	3700	VND/kg
Ordinary milled rice	16/09/2007	5400	VND/kg	Ordinary rough rice	16/09/2007	3700	VND/kg

Retail prices of ordinary milled rice and ordinary rough rice in Bien Hoa
(VND/kg-Source: www.agro.gov.vn)

Commodity	Day	Prices	Unit	Commodity	Day	Prices	Unit
Ordinary milled rice	26/08/2007	5200	VND/kg	Ordinary rough rice	2/09/2007	3300	VND/kg
Ordinary milled rice	2/09/2007	5200	VND/kg	Ordinary rough rice	9/09/2007	3300	VND/kg
Ordinary milled rice	9/09/2007	5200	VND/kg	Ordinary rough rice	16/09/2007	3300	VND/kg

Retail prices of ordinary milled rice and ordinary rough rice in Binh Duong
(VND/kg-Source: www.agro.gov.vn)

Commodity	Day	Prices	Unit	Commodity	Day	Prices	Unit
Ordinary milled rice	2/09/2007	5400	VND/kg	Ordinary rough rice	2/09/2007	3650	VND/kg
Ordinary milled rice	9/09/2007	5400	VND/kg	Ordinary rough rice	9/09/2007	3650	VND/kg
Ordinary milled rice	16/09/2007	5400	VND/kg	Ordinary rough rice	16/09/2007	3650	VND/kg

Retail prices of ordinary milled rice and ordinary rough rice in Can Tho
(VND/kg-Source: www.agro.gov.vn)

Commodity	Day	Prices	Unit	Commodity	Day	Prices	Unit
Ordinary milled rice	9/09/2007	5100	VND/kg	Ordinary rough rice	9/09/2007	3200	VND/kg
Ordinary milled rice	16/09/2007	5100	VND/kg	Ordinary rough rice	16/09/2007	3200	VND/kg
Ordinary milled rice	23/09/2007	5400	VND/kg	Ordinary rough rice	23/09/2007	3250	VND/kg

Retail prices of ordinary milled rice and ordinary rough rice in Lang Son
(VND/kg-Source: www.agro.gov.vn)

Commodity	Day	Prices	Unit	Commodity	Day	Prices	Unit
Ordinary milled rice	2/09/2007	6500	VND/kg	Ordinary rough rice	2/09/2007	3900	VND/kg
Ordinary milled rice	9/09/2007	6200	VND/kg	Ordinary rough rice	9/09/2007	3800	VND/kg
Ordinary milled rice	16/09/2007	6300	VND/kg	Ordinary rough rice	16/09/2007	3800	VND/kg

Retail prices of ordinary milled rice and ordinary rough rice in Ha Noi
(VND/kg- Source: www.agro.gov.vn)

Commodity	Day	Prices	Unit	Commodity	Day	Prices	Unit
Ordinary milled rice	9/09/2007	5300	VND/kg	Ordinary rough rice	9/09/2007	3100	VND/kg
Ordinary milled rice	16/09/2007	5300	VND/kg	Ordinary rough rice	16/09/2007	3100	VND/kg
Ordinary milled rice	23/09/2007	6200	VND/kg	Ordinary rough rice	23/09/2007	3600	VND/kg

Retail prices of ordinary milled rice and ordinary rough rice in Hai Phong
(VND/kg-Source: www.agro.gov.vn)

Commodity	Day	Prices	Unit	Commodity	Day	Prices	Unit
Ordinary milled rice	2/09/2007	5800	VND/kg	Ordinary rough rice	2/09/2007	3500	VND/kg
Ordinary milled rice	9/09/2007	5800	VND/kg	Ordinary rough rice	9/09/2007	3500	VND/kg
Ordinary milled rice	16/09/2007	5800	VND/kg	Ordinary rough rice	16/09/2007	3500	VND/kg

Retail prices of ordinary milled rice and ordinary rough rice in Long Xuyen
(VND/kg-Source: www.agro.gov.vn)

Commodity	Day	Prices	Unit	Commodity	Day	Prices	Unit
Ordinary milled rice	26/08/2007	5100	VND/kg	Ordinary rough rice	2/09/2007	3200	VND/kg
Ordinary milled rice	2/09/2007	5100	VND/kg	Ordinary rough rice	9/09/2007	3200	VND/kg
Ordinary milled rice	9/09/2007	5100	VND/kg	Ordinary rough rice	16/09/2007	3200	VND/kg

Retail prices of ordinary milled rice and ordinary rough rice in My Tho
(VND/kg-Source: www.agro.gov.vn)

Commodity	Day	Prices	Unit	Commodity	Day	Prices	Unit
Ordinary milled rice	2/09/2007	5050	VND/kg	Ordinary rough rice	2/09/2007	3200	VND/kg
Ordinary milled rice	9/09/2007	5050	VND/kg	Ordinary rough rice	9/09/2007	3200	VND/kg
Ordinary milled rice	16/09/2007	5050	VND/kg	Ordinary rough rice	16/09/2007	3200	VND/kg

Retail prices of ordinary milled rice and ordinary rough rice in Nam Dinh
(VND/kg- Source: www.agro.gov.vn)

Commodity	Day	Prices	Unit	Commodity	Day	Prices	Unit
Ordinary milled rice	26/08/2007	5200	VND/kg	Ordinary rough rice	2/09/2007	3700	VND/kg
Ordinary milled rice	2/09/2007	5300	VND/kg	Ordinary rough rice	9/09/2007	3600	VND/kg
Ordinary milled rice	9/09/2007	5100	VND/kg	Ordinary rough rice	16/09/2007	3400	VND/kg

Retail prices of ordinary milled rice and ordinary rough rice in Nghe An
(VND/kg-Source: www.agro.gov.vn)

Commodity	Day	Prices	Unit	Commodity	Day	Prices	Unit
Ordinary milled rice	26/08/2007	5400	VND/kg	Ordinary rough rice	2/09/2007	3300	VND/kg
Ordinary milled rice	2/09/2007	5400	VND/kg	Ordinary rough rice	9/09/2007	3300	VND/kg
Ordinary milled rice	9/09/2007	5400	VND/kg	Ordinary rough rice	16/09/2007	3300	VND/kg

Retail prices of ordinary milled rice and ordinary rough rice in Nha Trang
(VND/kg- Source: www.agro.gov.vn)

Commodity	Day	Prices	Unit	Commodity	Day	Prices	Unit
Ordinary milled rice	26/08/2007	5300	VND/kg	Ordinary rough rice	2/09/2007	3200	VND/kg
Ordinary milled rice	2/09/2007	5300	VND/kg	Ordinary rough rice	9/09/2007	3200	VND/kg
Ordinary milled rice	9/09/2007	5300	VND/kg	Ordinary rough rice	16/09/2007	3200	VND/kg

Retail prices of ordinary milled rice and ordinary rough rice in Ca Mau
(VND/kg-Source: www.agro.gov.vn)

Commodity	Day	Prices	Unit	Commodity	Day	Prices	Unit
Ordinary milled rice	9/09/2007	5000	VND/kg	Ordinary rough rice	9/09/2007	3250	VND/kg
Ordinary milled rice	16/09/2007	5500	VND/kg	Ordinary rough rice	16/09/2007	3250	VND/kg
Ordinary milled rice	23/09/2007	5500	VND/kg	Ordinary rough rice	23/09/2007	3250	VND/kg

Retail prices of ordinary milled rice and ordinary rough rice in Da Nang
(VND/kg-Source: www.agro.gov.vn)

Commodity	Day	Prices	Unit	Commodity	Day	Prices	Unit
Ordinary milled rice	9/09/2007	5200	VND/kg	Ordinary rough rice	9/09/2007	3500	VND/kg
Ordinary milled rice	16/09/2007	5200	VND/kg	Ordinary rough rice	16/09/2007	3500	VND/kg
Ordinary milled rice	23/09/2007	5600	VND/kg	Ordinary rough rice	23/09/2007	3250	VND/kg

Retail prices of ordinary milled rice and ordinary rough rice in Quang Ninh
(VND/kg- Source: www.agro.gov.vn)

Commodity	Day	Prices	Unit	Commodity	Day	Prices	Unit
Ordinary milled rice	26/08/2007	4800	VND/kg	Ordinary rough rice	2/09/2007	3000	VND/kg
Ordinary milled rice	2/09/2007	4800	VND/kg	Ordinary rough rice	9/09/2007	3000	VND/kg
Ordinary milled rice	9/09/2007	4800	VND/kg	Ordinary rough rice	16/09/2007	3000	VND/kg

Retail prices of ordinary milled rice and ordinary rough rice in Thai Binh
(VND/kg- Source: www.agro.gov.vn)

Commodity	Day	Prices	Unit	Commodity	Day	Prices	Unit
Ordinary milled rice	2/09/2007	4900	VND/kg	Ordinary rough rice	2/09/2007	3500	VND/kg
Ordinary milled rice	9/09/2007	4900	VND/kg	Ordinary rough rice	9/09/2007	3500	VND/kg
Ordinary milled rice	16/09/2007	4900	VND/kg	Ordinary rough rice	16/09/2007	3500	VND/kg

Retail prices of ordinary milled rice in some markets
(VND/kg- Source: www.agro.gov.vn)

Market	Day	Prices	Unit
Tp.HCM	9/09/2007	5500	VND/kg
Tp.HCM	16/09/2007	5500	VND/kg
Tp.HCM	23/09/2007	5700	VND/kg
Tiền Giang	9/09/2007	4650	VND/kg
Tiền Giang	16/09/2007	4650	VND/kg
Tiền Giang	23/09/2007	4650	VND/kg
Lâm Đồng	9/09/2007	5200	VND/kg
Lâm Đồng	16/09/2007	5200	VND/kg
Lâm Đồng	23/09/2007	5200	VND/kg

Exchange rate USD/VND
Source: Vietcombank

Currency unit	Exchange rate
USD	16.244
USD	16.247
USD	16.245
USD	16.243
USD	16.244
USD	16.148
USD	16.143

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