

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY  
USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT  
POLICY

Required Report - public distribution

**Date:** 10/12/2010

**GAIN Report Number:** TH0142

## **Thailand**

### **Rice Price - Weekly**

#### **Weekly Rice Price Update**

**Approved By:**

John Wade, Agricultural  
Counselor

**Prepared By:**

Ponnarong Prasertsri,  
Agricultural Specialist

**Report Highlights:**

TH0142 Domestic and export prices declined by 2-4 percent from the previous week due to an increase in exportable supplies. The government approved an additional stock release of 1.8 million tons last week.

**Post:**  
Bangkok

## Market Tone

**Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Week ending Oct. 11, 2010**

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR									
100 B	1,075	-	1,145	-	1,100	1,065	-	1,096	1,088
WR									
100 B	480	-	510	-	495	495	510	498	502
PB									
100%	515	-	570	-	550	530	520	537	547
PB 5%	510	-	560	-	545	525	510	530	540
WR 5%	465	-	495	-	475	475	500	482	486
WR									
10%	455	-	480	-	470	-	-	468	475
WR									
15%	450	-	470	-	-	-	-	460	470
WR									
25%	440	-	460	-	-	455	-	452	460
WR									
35%	-	-	-	-	-	-	-	-	-
A1									
SUP	415	-	440	-	430	425	-	428	429
A1									
SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 29.9 baht/U.S.\$

Source: Average actual prices received from exporters

Despite continued strengthening of the Thai baht, domestic and export prices declined by 2-4 percent from the previous week due to an increase in exportable supplies. The government approved an additional stock release of 1.8 million tons last week, of which 1.5 million tons will be 5% grade white rice. So far, the government has released approximately 4.0 million tons of the intervention stock for export only, since August 2010. The government still has 1.6 million tons of intervention stock as a safety stock for food security. However, some exporters remain cautious about lowering their quotations due to concern over exchange rate fluctuation. The Thai baht strengthened to 29.9 baht/\$, as compared to 30.0 baht/\$ in the previous week.

The weekly benchmark prices for white rice for October 11-17, declined by 1.6 percent. As such, farmers will receive higher compensation compared to the previous week. However, farmers that sell their supplies this week will not attain insurance prices, as compensation will fall short due to higher compensation prices over market prices.

**Table 2: Price Insurance Scheme for MY2009/2010 rice crop**

	Rice paddy				
	Fragrant rice (Hommali)	Provincial fragrant rice	Pathum fragrant rice	Glutinous rice	White rice
1. Eligible tonnage (ton/household) <sup>a/</sup>	14	16	25	16	25
2. Insured prices (Baht/ton) <sup>a/</sup>	15,300	14,300	11,000 <sup>d/</sup>	9,500	10,000
3. Benchmark prices (Baht/ton) <sup>b/ c/</sup>					
Sep 13-19	-	-	11,242	15,677	8,382
Sep 20-26	-	-	11,331	15,725	8,466
Sep 27 - Oct 3	-	-	11,335	15,725	8,617
Oct 4-10 <sup>e</sup>	14,921	14,083	11,418	15,780	8,687
Oct 11-17	14,643	14,013	11,432	15,755	8,551
4. Compensation (1-2), (Baht/ton)					
Sep 13-19	-	-	-	-	1,618
Sep 20-26	-	-	-	-	1,534
Sep 27 - Oct 3	-	-	-	-	1,383
Oct 4-10	379	217	-	-	1,313
Oct 11-17	657	287	-	-	1,449
5. Market prices (Baht/ton)					
Sep 13-19	15,250	12,750	11,000	17,000	8,500
Sep 20-26	15,250	12,750	11,000	17,000	8,550
Sep 27 - Oct 3	15,250	12,750	11,150	17,000	8,600
Oct 4-10	15,250	13,500	11,300	18,000	8,550
Oct 11-17 <sup>f/</sup>	15,250	13,500	11,300	18,000	8,200

Note:

<sup>a/</sup> Cabinet approval on Sep. 22, 2009

<sup>b/</sup> Starting March 8, 2010 the benchmark prices will be published on a weekly basis instead of twice a month on the 1st and 16th, based on average historical wholesale prices of last 15 days in Bangkok. The prices are set by the Subcommittee on Benchmark Price Determination, chaired by the Permanent Secretary General of the Ministry of Commerce.

<sup>c/</sup> Starting Apr. 26, 2010 the benchmark prices will be based on average wholesales price of last week

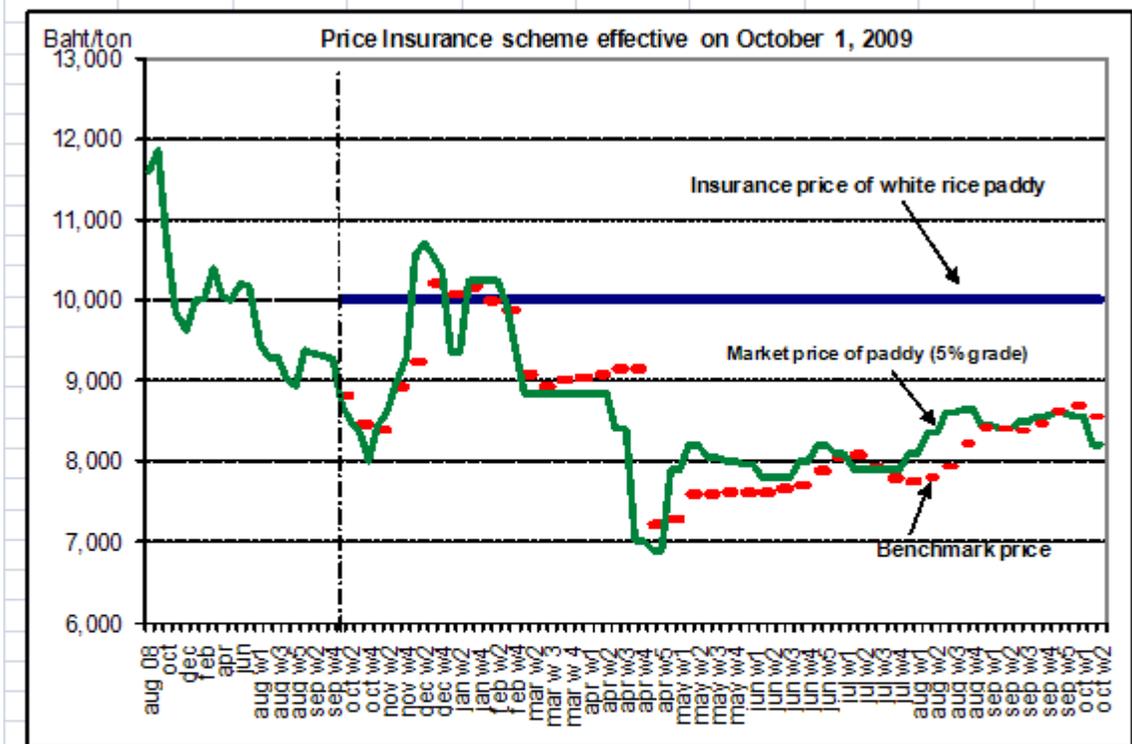
in Bangkok.

<sup>d/</sup> The insured prices of MY 2009/10 second-crop Pathum Fragrant rice were revised up from 10,000 tons/MT in MY2009/10 main-crop price insurance scheme, effective Mar. 16, 2010

<sup>e/</sup> The benchmark prices of fragrant rice and Provincial fragrant rice are for MY2010/11 crop.

<sup>f/</sup> As of Oct. 11, 2011

**Figure 1: Comparison of market price, insurance price, and benchmark price**



**Note: 1/** Benchmark prices are average historical wholesale prices which will be used for the calculation of compensation to farmers. The compensation is based on the difference between insurance prices and benchmark prices.

**2/** Starting March 8, 2010 the benchmark prices will be published on a weekly basis instead of twice a month on the 1st and 16th, based on average historical wholesale prices of last 15 days in Bangkok. The prices are set by the Subcommittee on Benchmark Price Determination, chaired by the Permanent Secretary General of the Ministry of Commerce.

**3/** Starting Apr. 26, 2010 the benchmark prices will be based on average wholesale price of last week in Bangkok.

## Rice Export Update

Unofficial rice exports (excluding fragrant rice) for October 4-10, 2010 totaled 136,566 tons, down 22,238 tons from the previous week, and down 15,597 tons from the four-week moving average of 152,164 tons. Exports of white rice and parboiled rice during January 1 – October 10, 2010 totaled 4,665,732 tons, down slightly from 4,666,075 tons in the previous year.

According to the Department of Foreign trade, Ministry of Commerce, total rice exports (including fragrant rice) during January 1 – October 7, 2010 amounted to 6,293,829 tons, down 5.5 percent from

6,659,656 tons in the previous year.

**Table 3: Weekly rice exports (excluding fragrant rice)**

WEEK ENDING	QUANTITY	4-WK AVG	YEAR TO DATE	YEAR AGO	YEAR TO DATE AS % OF LAST YEAR
	(MT)	(MT)	(TMT)	(TMT)	(%)
Aug 1	114,289	119,887	3,423	3,468	-1.3
Aug 8	79,683	108,292	3,503	3,584	-2.3
Aug 15	79,644	98,644	3,583	3,696	-3.1
Aug 22	85,682	89,824	3,668	3,823	-4.0
Aug 29	136,724	95,433	3,805	3,960	-3.9
Sep 5	107,793	102,461	3,913	4,063	-3.7
Sep 12	144,218	118,605	4,057	4,197	-3.3
Sep 19	147,715	134,113	4,205	4,336	-3.0
Sep 26	165,570	141,324	4,370	4,459	-2.0
Oct 3	158,804	154,077	4,529	4,557	-0.6
Oct 10	136,566	152,164	4,666	4,666	0.0

*Note on data: Export figures since March 22, 2002, do not include fragrant rice. The authority to report fragrant rice exports was moved from the Thai Board of Trade to the Ministry of Commerce's Office of Commodity Standards, which does not release official fragrant rice export data. FAS/BKK will report only official export numbers from the Board of Trade for non-fragrant and from the Office of Commodity Standards for fragrant rice when available, but the reader should bear in mind the difference between the data.*

Source: Board of Trade of Thailand

<b>Table 4: Weekly private registered rice export sales</b>			
<b>Movement (MT)</b>	<b>Sep. 20-24</b>	<b>Sep. 27 - Oct 1 (Revised)</b>	<b>Oct 4-8 (Preliminary)</b>
<b>Weekly sales</b>	<b>196,008</b>	<b>156,236</b>	<b>142,940</b>
<b>4 week sum</b>	<b>667,032</b>	<b>673,484</b>	<b>669,893</b>
<b>4 week mov. avg.</b>	<b>166,758</b>	<b>168,371</b>	<b>167,473</b>
<b>Year-to-date sales</b>	<b>5,042,599</b>	<b>5,198,835</b>	<b>5,341,775</b>

End of report.