

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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## **Thailand**

### **Rice Price - Weekly**

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

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**Report Highlights:**

TH5150 – Export prices declined around 1 percent due to the weakening of Thai baht. Farmers have shown little interest in the government’s on-farm pledging program.

**Post:**  
Bangkok

**Author Defined:**  
**Market Tone**

**Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Week ending December 14, 2015**

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV
FWR 100 B	695	-	-	710	770	700	-	719	728
WR 100 B	358	-	370	365	365	357	370	364	369
PB 100%	353	-	365	353	360	354	365	358	361
PB 5%	348	-	360	348	355	349	360	353	356
WR 5%	346	-	360	350	355	345	360	353	358
WR 10%	-	-	-	-	-	343	-	343	348
WR 15%	-	-	-	-	-	341	-	341	345
WR 25%	-	-	-	-	-	-	-	-	-
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	-	-	-	-	-	-	-	-	-
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 36 baht/US\$

Source: Average actual prices received from exporters

Export prices declined around 1 percent due to the weakening of the Thai baht to around 36 baht/US\$, compared to 35.7 baht/US\$ in the previous week. Meanwhile, foreign buyers reportedly are staying on the sidelines and waiting for new supplies of main-crop rice to enter the market. Farm-gate prices declined slightly from the previous week to 7,717 baht per metric tons (\$214/MT) for 5% grade white rice and 11,743 baht per metric tons (\$326/MT) for fragrant rice paddy.

The Bank for Agriculture and Agricultural Cooperatives reported that around 5,500 metric tons of fragrant rice paddy (as of December 11, 2015) have been pledged under the on-farm pledging program, which began on November 1, 2015 and will operate thru February 29, 2016. The program aims to cover up to 2 million metric tons of fragrant rice paddy or around 30 percent of total fragrant rice production. The intervention price is set at 13,500 baht per metric tons (\$375/MT), which is about 15 percent above current market prices. Eligible farmers will also receive additional 1,000 baht per metric tons (\$28/MT) for storage costs. Thus far, farmers have shown little interest in the government's on-farm pledging program.

The Ministry of Commerce also reported that rice traders participating in the Interest Compensation Program to stockpile rice paddy for 2-6 months have been holding around 2.3 million metric tons of rice paddy valued at 26 billion baht (\$730 million). They will receive 3-percent interest compensation from the government. The program aims to cover 3 million metric tons of rice paddy.

Regarding the tender for non-food/non-feed grade rice of 37,413 metric tons on December 1, 2015, sources reported that the bidders who offered highest bids of around 5,400 baht per metric tons (\$151/MT) were a fertilizer producer and a power plant. The Rice Policy and Management Committee will finalize the sales on December 21, 2015.

## Rice Export Update

Unofficial preliminary rice exports (excluding premium white and fragrant rice) for December 7-13, 2015 totaled 36,212 metric tons, down 65,768 metric tons from the previous week and down 44,414 metric tons from the four-week moving average of 80,626 metric tons (Table 2). Rice exports from January 1 – December 13, 2015, totaled 4,112,997 metric tons, down 18 percent from the same period last year.

WEEK ENDING	QUANTITY	4-WK AVG	YEAR TO DATE	YEAR AGO	YEAR TO DATE AS % OF LAST YEAR
	(MT)	(MT)	(TMT)	(TMT)	(%)
Oct 11	102,000	112,552	3,406	4,122	-17.4
Oct 18	90,999	106,515	3,497	4,241	-17.5
Oct 25	87,297	96,057	3,585	4,360	-17.8
Nov 1	97,818	94,529	3,682	4,465	-17.6
Nov 8	49,877	81,498	3,732	4,547	-17.9
Nov 15	58,118	73,278	3,791	4,653	-18.5
Nov 22	82,925	72,185	3,873	4,761	-18.6
Nov 29	101,387	73,077	3,975	4,868	-18.4
Dec 6	101,979	82,957	4,077	4,980	-18.1
Dec 13 (P)	36,212	80,626	4,113	5,018	-18.0

*Note on data: Export figures since March 22, 2002, do not include fragrant rice. In addition, starting May 1, 2013, the data will not include 100% - 25% grade white rice exports. The reporting authority 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 and white rice (100%-25% grades) export data. FAS/BKK will report only official export numbers available from the Board of Trade of Thailand. The reader should bear in mind the difference between the data.*

Source: Board of Trade of Thailand