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GAIN Report

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Thailand

Rice Price - Weekly

Weekly Rice Price Update

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Report Highlights:

TH0037 Domestic and export prices were significantly lower in response to the Department of Foreign Trade's retender of 501,849 tons of MY2007/08 – MY2008/06 intervention stocks for exports.

Post:

Bangkok

Market Tone

Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Week ending Feb. 22, 2010

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
FWR 100 B	960	-	1,000	-	1,000	970	-	983	986
WR 100 B	535	-	575	-	570	540	560	556	585
PB 100%	555	-	595	-	570	550	580	570	598
PB 5%	550	-	590	-	565	545	575	565	590
WR 5%	505	-	545	-	545	510	555	532	557
WR 10%	500	-	530	-	540	505	-	519	545
WR 15%	480	-	520	-	-	490	-	497	523
WR 25%	455	-	490	-	-	465	-	470	497
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	375	-	420	-	420	400	-	404	420
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 33.0 baht/US \$

Source: Average actual prices received from exporters

Domestic and export prices were significantly lower in response to the Department of Foreign Trade's retender of 501,849 tons of MY2007/08 – MY2008/06 intervention stocks for exports, consisting of 350,206 tons of 5% grade white rice and 151,643 tons of Pathumthani fragrant rice. The previous tender was issued on January 31 but was cancelled due to low bidding prices from 22 participants. For this new tender, only 14 exporters participated due to the low number of enquiries from abroad, as buyers are flocking to purchase cheaper Vietnamese white rice which currently sells at less than \$400.00/ton FOB. Consequently, it is unlikely that the Cabinet will approve contracts for this tender as millers and farmers are voicing concerns on the impact it could have on sliding domestic prices.

Benchmark prices are expected to drop the following period and for the first time this year they will likely be lower than the insurance prices for all rice types. Second-crop insurance scheme registration is still ongoing and the deadline has been set for the last week of March.

Table 2: Price Insurance Scheme for MY 2009/2010 rice crop

	Rice paddy				
	Fragrant rice (Hom Mali)	Provincial fragrant rice	Pathum fragrant rice	Glutinous rice	White rice
1. Eligible tonnage (ton/household) ^{a/}	14	16	25	16	25
2. Insured prices (Baht/ton) ^{a/}	15,300	14,300	10,000	9,500	10,000
3. Benchmark prices (Baht/ton) ^{b/}					
Dec. 16-31, 2009	14,895	14,503	12,072	11,533	10,212
Jan. 1-15, 2010	15,369	14,757	12,198	11,706	10,072
Jan. 16-31, 2010	15,073	14,548	12,076	11,486	10,164
Feb. 1-15, 2010	14,915	14,359	12,004	11,511	9,993
Feb. 16-28, 2010	14,796	14,148	11,824	11,207	9,886
4. Compensation (1-2), (Baht/ton)					
Oct. 1-15, 2009	314	401	104	1,977	1,194
Oct. 16-31, 2009	360	440	1,060	2,030	1,534
Nov. 1-15, 2009	460	571	825	1,820	1,611
Nov. 16-30, 2009	2,298	1,680	-	1,027	1,086
Dec. 1-15, 2009	1,580	912	-	-	758
Dec. 16-31, 2009	405	-	-	-	-
Jan. 1-15, 2010	-	-	-	-	-
Jan. 16-31, 2010	227	-	-	-	-
Feb. 1-15, 2010	385	-	-	-	7
Feb. 16-28, 2010	504	152	-	-	114
5. Market prices (Baht/ton)					
Dec. 16-31	15,250	14,000	12,200	11,800	10,310
Jan. 1-15	15,250	14,000	11,850	11,775	9,350
Jan. 16-31	15,250	14,000	11,850	11,750	10,250
Feb. 1-15	15,025	14,000	11,750	11,800	10,250
Feb. 16-28 ^{c/}	14,900	13,900	11,500	11,750	9,950

Note:

^{a/} Cabinet approval on Sep. 22, 2009

^{b/} The benchmark prices will be published twice a month on the 1st and 16th, based on average historical wholesale prices of the last 15 days in Bangkok. These prices are set by the Subcommittee on Benchmark Price Determination, chaired by the Permanent Secretary of Ministry of Commerce.

^{c/} As of Feb. 22, 2010

Rice Export Update

Unofficial rice exports (excluding fragrant rice) for February 15-21, 2010 totaled 139,182 up 17,236 tons from the previous week, and up 23,154 tons from the four-week moving average of 116,028 tons. Exports of white rice and parboiled rice during January 1 – February 21, 2010 totaled 885,568 tons, up 13.1 percent from 783,241 tons in the previous year.

According to the Department of Foreign trade, Ministry of Commerce, total rice exports (including fragrant rice) during Jan. 1 – Feb. 5, 2010 amounted to 830,364 tons, up 10.1 percent from 754,078 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)	(%)
Dec 6	80,501	95,418	5,506	7,170	-23.2
Dec 13	116,586	96,490	5,623	7,258	-22.5
Dec 20	120,454	98,161	5,743	7,348	-21.8
Dec 27	126,910	111,113	5,870	7,453	-21.2
Dec 31, 2009	25,812	97,440	5,900	7,470	-21.1
Jan 3, 2010	1,000	-	1	3	-68.0
Jan 10	111,299	-	112	85	32.6
Jan 17	171,849	-	284	211	34.8
Jan 24	137,308	105,364	422	353	19.5
Jan 31	104,448	131,226	526	428	22.9
Feb 7	98,535	128,035	624	545	14.7
Feb 14	121,947	115,559	746	654	14.1
Feb 21	139,182	116,028	886	783	13.1

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

Table 4: Weekly private registered rice export sales

Movement (MT)	Feb. 1-5	Feb. 8-12 (Revised)	Feb. 15-19 (Preliminary)
Weekly sales	96,925	233,402	144,788
4 week sum	485,880	560,568	532,938
4 week mov. avg.	121,470	140,142	133,235
Total weekly sales	668,216	901,618	1,046,406

End of Report.

