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: 2/28/2012

GAIN Report Number: TH2020

Thailand

Rice Price - Weekly

Weekly Rice Price Update

Approved By:
John Wade Agricultural Counselor

Prepared By:
Ponnarong Prasertsri
Agricultural Specialist

Report Highlights:
TH2020 Export prices were offered $5-10/MT higher due to the strengthening Thai baht. Meanwhile, domestic prices remain steady due to a lack of new contracts for new-crop white rice. Thai rice exports during March – June will be dominated by parboiled rice.

Post:
Bangkok

Author Defined:
Market Tone

Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Week ending Feb. 27, 2012

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	1,065	-	1,065	-	1,100	1,020	-	1,063	1,055
WR 100 B	555	-	555	-	555	545	580	558	554
PB 100%	565	-	565		565	570	560	565	557
PB 5%	560	-	560	-	560	565	555	560	551
WR 5%	535	-	535	-	540	530	570	542	538
WR 10%	-	-	-	-	535	526	-	531	527
WR 15%	-	-	-	-	-	-	-	-	-
WR 25%	-	-	-	-	-	-	-	-	-
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	530	-	-	-	515	525	-	523	520
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 30.3 baht/U.S.$
Source: Average actual prices received from exporters

Export prices were offered $5-10/MT higher due to the strengthening Thai baht (30.3 baht/$, compared to 30.6 baht/$ in the previous week). Meanwhile, domestic prices remain steady due to a lack of new contracts, particularly for new-crop white rice, as Thai rice prices remain $100/MT above Vietnamese rice. Thai white rice shipments will likely drop significantly in March as exporters reportedly fulfilled the outstanding government-to-government contract of 300,000 tons of 15% grade new-crop white rice with Indonesia. Thai rice exports during March – June will be driven by parboiled rice, especially to Nigeria. Despite being around $120/MT above Indian parboiled rice, foreign buyers returned to Thai parboiled rice for deliveries to Nigeria for June 2012 to avoid Nigeria's higher applied import tariff rate of 53% which will be effective in July 2012. Shipments of Indian parboiled rice contracts are reportedly slow due to port congestion.

Presently, the Government is holding old-crop intervention stocks of around 2.0 million tons. The current Paddy Pledging Program has accepted a total of 6.7 million tons of paddy (4.3 million tons

milled equivalent) from October 7, 2011 – February 26, 2012 (Table 2). This accounts for 31.0 percent of the expected total MY2011/12 main-crop production of 21-22 million tons of paddy (14.5 million tons milled equivalent). The Government expects the program will have absorbed only 7.0 million tons of paddy (4.6 million tons milled equivalent) when it finishes on February 29, 2012, far below the government's initial target of 10.0 million tons of paddy. However, the Government will likely absorb an additional 5-6 million tons of paddy (4.0 million tons milled equivalent) from the off-season crop Paddy Pledging Program on March 1 – June 30, 2012. The Cabinet approved the off-season crop Paddy Pledging Program on February 22, 2012. The amount of paddy that can be pledged is unlimited.

Table 2. MY2011/12 Main-Crop Paddy Pledging Program

Unit: Metric Ton

Region	Number of Farmer	Amount of Paddy					
		Fragrant Rice			White Rice	Glutinous Rice	Total
		Hom Mali	Provincial	Pathumthani			
North	328,800	312,641	268,561	2,790	1,456,604	228,834	2,269,430
Northeast	770,459	2,720,217	-	84	158,403	201,789	3,080,493
Central	154,252	-	65,721	12,368	1,261,994	-	1,340,083
South	2,527	-	-	-	12,268	-	12,268
Total	1,256,038	3,032,858	334,282	15,242	2,889,269	430,623	6,702,274

Note: As of October 7, 2011 - February 26, 2012

Source: Department of Internal Trade, Ministry of Commerce

Rice Export Update

Unofficial rice exports (excluding fragrant rice) for February 20-26, 2012 totaled 126,345 tons, up 8,087 tons from the previous week, and up 19,558 tons from the four-week moving average of 106,787 tons. Exports of white rice and parboiled rice during January1 – February 26, 2012 totaled 714,750 tons, down 52.9 percent from 1,516,525 tons in the previous year.

According to the Department of Foreign trade, Ministry of Commerce, total rice exports (including fragrant rice) during January 1 – February 23, 2012 amounted to 852,629 tons, down 50.4 percent from 1,719,045 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 18	67,397	70,889	8,155	6,303	29.4
Dec 25	77,227	70,488	8,233	6,475	27.1
Dec 31	57,810	64,672	8,291	6,649	24.7
Jan 1, 2012	1,100	-	1	2	-40.5
Jan 8	61,310	-	62	172	-63.6
Jan 15	104,079	-	166	381	-56.3
Jan 22	49,433	-	216	559	-61.4
Jan 29	71,723	71,636	288	723	-60.2
Feb 5	73,902	74,784	352	919	-61.7
Feb 12	108,645	75,926	470	1,141	-58.8
Feb 19	118,258	96,132	588	1,323	-55.5
Feb 26	126,345	106,787	715	1,517	-52.9

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 6-10	Feb 13-17 (Revised)	Feb 20-24 (Preliminary)
Weekly sales	120,343	133,958	36,641
4 week sum	325,396	389,009	365,683
4 week mov. avg.	81,349	96,502	91,421
Year-to-date sales	610,027	743,985	780,626

End of report