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## **Thailand**

### **Rice Price - Weekly**

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

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**Report Highlights:**

TH1032 Domestic and export prices of white rice continued to decline by 1-2 percent from the previous week due to lack of enquiries for large-volume contracts, except for fragrant rice. Thai rice exporters who are fulfilling outstanding white rice contracts of approximately 150,000 tons to Indonesia for delivery within March may not be able to deliver in time due to a tight vessel schedule.

**Post:**  
Bangkok

**Author Defined:**  
Market Tone

**Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Week ending Mar 21, 2011**

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	965	-	990	-	930	945	-	958	925
WR 100 B	490	-	520	-	520	500	500	506	516
PB 100%	510	-	525	-	510	500	500	509	516
PB 5%	505	-	515	-	505	495	495	503	509
WR 5%	475	-	505	-	500	485	490	491	499
WR 10%	470	-	490	-	495	480	-	484	493
WR 15%	465	-	480	-	-	475	-	473	478
WR 25%	445	-	470	-	-	455	-	457	460
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	400	-	410	-	410	400	-	405	414
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 30.20 baht/U.S.\$

Source: Average actual prices received from exporters

Domestic and export prices of white rice continued to decline by 1-2 percent from the previous week due to lack of enquiries for large-volume contracts, except for fragrant rice. Foreign buyers are making enquiries for Vietnamese white rice which remains offered \$50/MT lower than Thai rice. In addition, Thai rice exporters who are fulfilling outstanding white rice contracts of approximately 150,000 tons to Indonesia for delivery within March may not be able to deliver in time due to tight vessel schedule. The Indonesian government will likely renegotiate with Thai rice exporters to lower the contracted prices for the outstanding shipments, as Vietnam white rice is more attractive. However, fragrant rice prices increased by 3.5 percent from the previous week as exporters are reportedly securing fragrant rice supplies to fulfill Chinese enquiries. The government also donated 10,000 tons of fragrant rice and 5,000 tons of glutinous rice to Japan.

The government's weekly benchmark price for white rice for March 21-27, 2011 declined 1.7 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 benchmark price over market prices.

**Table 2: Price Insurance Scheme for MY2009/2010 - MY2010/2011 rice crop**

	Rice paddy				
	Fragrant rice (Hommati)	Provincial fragrant rice	Pathum fragrant rice	Glinous rice	White rice
1. Eligible tonnage (ton/household)	14	16	30 <sup>d</sup>	30 <sup>d</sup>	30 <sup>d</sup>
2. Insured prices (Baht/ton) <sup>a</sup>	15,900	14,900	11,500	10,000	11,000
3. Benchmark prices (Baht/ton) <sup>b,c</sup>					
Feb 21-27	13,108	12,789	10,976	14,421	8,989
Feb 28 - Mar 6	13,040	12,654	10,901	14,601	8,900
Mar 7-13	12,641	12,368	10,550	15,064	8,871
Mar 14-20	12,470	12,125	10,293	15,239	8,612
Mar 21-27	12,538	12,195	10,128	15,182	8,467
4. Compensation (1-2), (Baht/ton)					
Feb 21-27	2,192	1,511	34	-	1,081
Feb 28 - Mar 6	2,260	1,646	99	-	1,100
Mar 7-13	2,659	1,932	450	-	1,129
Mar 14-20	2,830	2,175	1,207	-	2,988
Mar 21-27	2,762	2,105	1,372	-	2,593
5. Market prices (Baht/ton)					
Feb 21-27	13,450	12,900	10,500	15,500	8,450
Feb 28 - Mar 6	12,950	12,450	10,500	16,500	8,950
Mar 7-13	12,550	12,950	10,500	16,500	8,950
Mar 14-20	12,450	12,500	9,900	16,500	8,900
Mar 21-27 <sup>f</sup>	12,450	12,500	9,700	16,500	8,050

Note:

<sup>a</sup> Cabinet approval on March 8, 2010 to raise eligible tonnage to 30 ton/household for MY2010/11 off-season crop

<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 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.

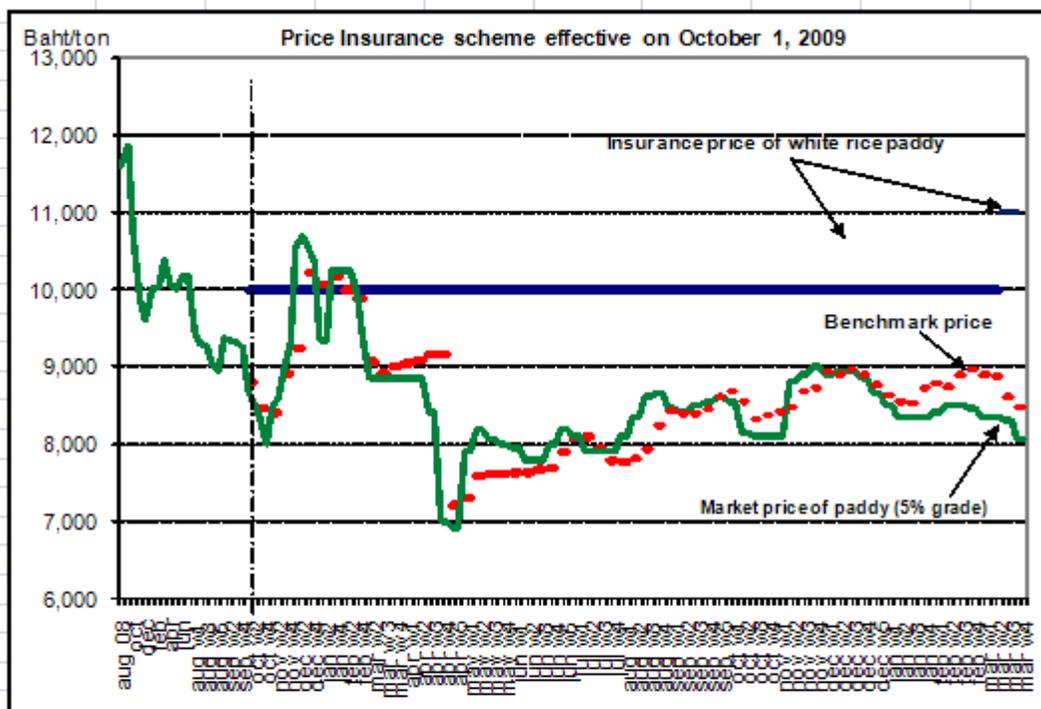
<sup>c</sup> Starting Apr. 26, 2010 the benchmark prices will be based on average wholesale price of last week in Bangkok.

<sup>d</sup> The insured prices of MY 2009/10 second-crop Pathum.Fragrant rice were revised up from 10,000 ton/BAT in MY2009/10 main-crop price insurance scheme, effective Mar. 16, 2010. In addition, the insured prices of MY2010/11 season-crop Pathum.Fragrant rice were revised up again to 11,500 baht/ton, effective Mar. 16, 2011. Also, those of white rice were raised from 10,000 baht/ton to 11,000 baht/ton, and glutinous rice from 9,500 baht/ton to 10,000 baht/ton.

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

<sup>f</sup> As of Mar. 21, 2011

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



Note: 1/ Benchmark prices are average historical wholesales 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 once a month on the 1st and 10th, based on average 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. 28, 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 March 14-20, 2011 totaled 186,887 tons, down 45,299 tons from the previous week, and down 23,609 tons from the four week moving average of 210,490 tons. Exports of white rice and parboiled rice during January 1 – March 20, 2011 totaled 2,117,587 tons, up 54.5 percent from 1,409,106 tons in the previous year.

According to the Department of Foreign trade, Ministry of Commerce, total rice exports (including fragrant rice) during January 1 – March 17, 2011 amounted to 2,541,203 tons, up 37.3 percent from 1,850,764 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)	(%)
Jan 9	186,924	-	191	105	81.8
Jan 16	198,541	-	389	272	42.8
Jan 23	179,423	-	568	420	35.3
Jan 30	166,781	182,917	735	525	40.2
Feb 6	197,142	185,472	932	620	50.4

Feb 13	214,204	189,387	1,147	746	53.6
Feb 20	188,985	191,778	1,336	880	51.8
Feb 27	187,469	196,950	1,523	1,032	47.6
Mar 6	235,443	206,525	1,759	1,171	50.2
Mar 13	232,186	211,021	1,991	1,288	54.6
Mar 20	186,887	210,496	2,178	1,409	54.5

*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>Feb 28 - Mar. 4</b>	<b>Mar. 7-11 (Revised)</b>	<b>Mar. 14-18 (Preliminary)</b>
<b>Weekly sales</b>	<b>N.A.</b>	<b>258,038</b>	<b>136,036</b>
<b>4 week sum</b>	<b>N.A.</b>	<b>964,469</b>	<b>909,822</b>
<b>4 week mov. avg.</b>	<b>N.A.</b>	<b>241,117</b>	<b>227,456</b>
<b>Year-to-date sales</b>	<b>N.A.</b>	<b>2,040,764</b>	<b>2,176,800</b>

End of report.