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GAIN Report

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Thailand

Rice Price - Weekly

Weekly Rice Price Update

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Report Highlights:

TH0065 Domestic and export prices declined significantly by 2-5 percent due to quiet demand. Prices will likely remain steady throughout next week due to the week-long Thai New Year holiday. The weekly benchmark prices for April 5-11, 2010 were slightly higher than the previous week.

Post:
Bangkok

Market Tone

Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Week ending Apr. 5, 2010

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	970	-	990	-	980	950	-	973	974
WR 100 B	525	-	540	-	500	500	540	521	534
PB 100%	495	-	550	-	500	500	550	519	543
PB 5%	490	-	545	-	495	495	540	513	537
WR 5%	480	-	500	-	480	470	520	490	505
WR 10%	470	-	490	-	470	465	-	474	489
WR 15%	445	-	475	-	-	455	-	458	472
WR 25%	425	-	445	-	-	430	-	433	445
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	345	-	380	-	370	360	-	364	378
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 32.15 baht/U.S. \$

Source: Average actual prices received from exporters

Domestic and export prices declined significantly by 2-5 percent due to quiet demand. Despite some enquiries from foreign buyers no deals were concluded as Thai rice remains above \$100/MT higher than Vietnamese rice. Prices will likely remain steady through next week as businesses will close during the week-long Thai New Year holidays. In addition, the government's direct purchase program has not been fully implemented, as modifications to the program are pending Cabinet approval. The program modifications are aimed at providing rice millers incentives to participate in the program. Under the proposed modifications, millers will be able to swap their new-crop paddy for old-crop government stocks at a 1 to 1 ratio, if they purchase paddy at 300 baht/MT (\$9/MT) above market prices. In addition, exporters will be allowed to buy government stocks as long as they sell above a minimum set price.

The weekly benchmark prices for April 5-11, 2010 were slightly higher than the previous week; as such farmers will receive less compensation. Moreover, the compensation continues to fall short in attaining insurance price levels, as the spread between the benchmark prices and the market prices gets larger.

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) ^{a/}	14	16	25	16	25
2. Insured prices (Baht/ton) ^{a/}	15,300	14,300	11,000 ^{c/}	9,500	10,000
3. Benchmark prices (Baht/ton) ^{b/}					
Mar. 1-15, 2010	-	-	11,313	10,665	9,074
Mar. 15-21, 2010 ^{b/}	-	-	10,204	10,519	8,919
Mar. 22-28, 2010	-	-	10,317	10,374	9,006
Mar. 29 - Apr. 4	-	-	10,550	10,505	9,033
Apr. 5-11	-	-	10,912	10,633	9,087
4. Compensation (1-2), (Baht/ton)					
Mar. 1-15, 2010	-	-	-	-	926
Mar. 15-21, 2010	-	-	796	-	1,081
Mar. 22-28, 2010	-	-	683	-	994
Mar. 29 - Apr. 4	-	-	450	-	967
Apr. 5-11	-	-	88	-	913
5. Market prices (Baht/ton)					
Mar. 1-15	14,500	13,900	10,125	11,750	8,850
Mar. 15-21	14,040	13,900	10,250	11,250	8,850
Mar. 22-28	13,850	13,900	10,750	11,250	8,850
Mar. 29 - Apr.4	13,850	13,900	10,300	11,850	8,850
Apr. 5-11 ^{d/}	13,850	13,900	9,900	12,850	8,850

Note:

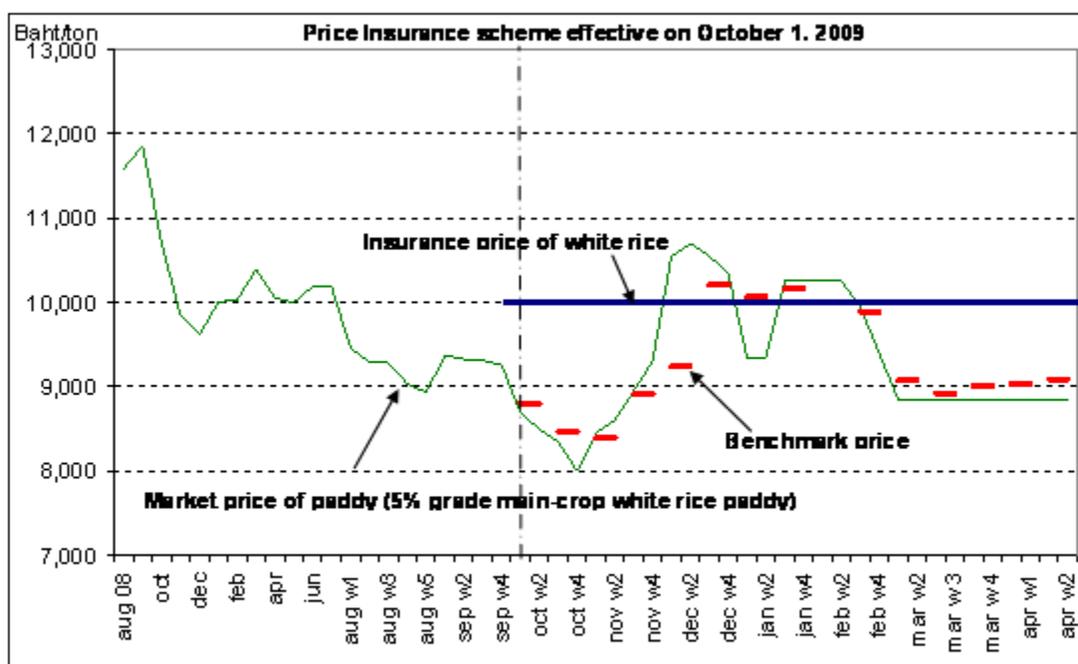
^{a/} Cabinet approval on Sep. 22, 2009

^{b/} Starting March 15, 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 week in Bangkok. The prices are set by the Subcommittee on Benchmark Price Determination, chaired by the Permanent Secretary General of the Ministry of Commerce.

^{c/} 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.

^{d/} As of Apr. 5, 2010

Figure 2: Comparison of market price, insurance price, and benchmark price



Note: 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.

Rice Export Update

Unofficial rice exports (excluding fragrant rice) for March 29 – April 4, 2010 totaled 101,112 tons, up 7,272 tons from the previous week, and down 5,884 tons from the four-week moving average of 106,996 tons. Exports of white rice and parboiled rice during January 1 – April 4, 2010 totaled 1,606,281 tons, up 18.3 percent from 1,357,614 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 19, 2010 amounted to 1,863,097 tons, up 5.4 percent from 1,767,820 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 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
Feb 28	157,915	129,395	1,043	880	18.6
Mar 7	135,227	138,568	1,178	974	21.0
Mar 14	113,829	136,538	1,292	1,077	19.9
Mar 21	119,203	131,543	1,411	1,166	21.1
Mar 28	93,840	115,525	1,505	1,254	20.0
Apr 4	101,112	106,996	1,606	1,358	18.3

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)	Mar. 15-19	Mar. 22-26 (Revised)	Mar. 29 - Apr. 2 (Preliminary)
Weekly sales	86,267	91,487	85,954
4 week sum	541,097	442,139	447,756
4 week mov. avg.	135,274	110,535	111,939
Year-to-date sales	1,625,523	1,717,010	1,802,967

End of report.