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Thailand

Rice Price - Weekly

Weekly Rice Price Update

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Report Highlights:

TH0089 Export prices increased insignificantly by 0.1-0.5 percent due to the strengthening Thai baht. However, this is of no concern to exporters as the effects are being offset by the downward pressure on domestic prices responding to the government's plan to release stocks. Weekly benchmark prices for white rice for June 14-20 increased slightly and have converged with market prices.

Post:

Bangkok

Market Tone

Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Week ending June 14, 2010

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
FWR 100 B	935	-	965	-	950	890	-	935	934
WR 100 B	450	-	475	-	470	460	450	461	460
PB 100%	445	-	465	-	470	455	470	461	460
PB 5%	440	-	455	-	465	450	460	454	453
WR 5%	420	-	445	-	450	430	440	437	436
WR 10%	415	-	390	-	440	425	-	418	416
WR 15%	400	-	400	-	-	420	-	407	405
WR 25%	380	-	390	-	-	400	-	390	388
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	320	-	320	-	330	335	-	326	325
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 32.2 baht/U.S. \$

Source: Average actual prices received from exporters

Export prices increased insignificantly by 0.1-0.5 percent due to the strengthening Thai baht to 32.2 baht/\$, as compared to 32.4 baht/\$ in the previous week. However, this is of no concern to exporters as the effects are being offset by the downward pressure on domestic prices responding to the government's plan to release stocks. The Rice Policy Committee agreed last week to release stocks but details of the release are still in the works. This announcement has kept foreign buyers on the sidelines waiting for details of the plan to emerge.

The weekly benchmark price for white rice for June 14-20 increased slightly by 0.8 percent as such farmers will receive smaller compensation from the previous week. Farmers selling their supplies in this period will attain insurance price levels as market prices and benchmark prices have converged.

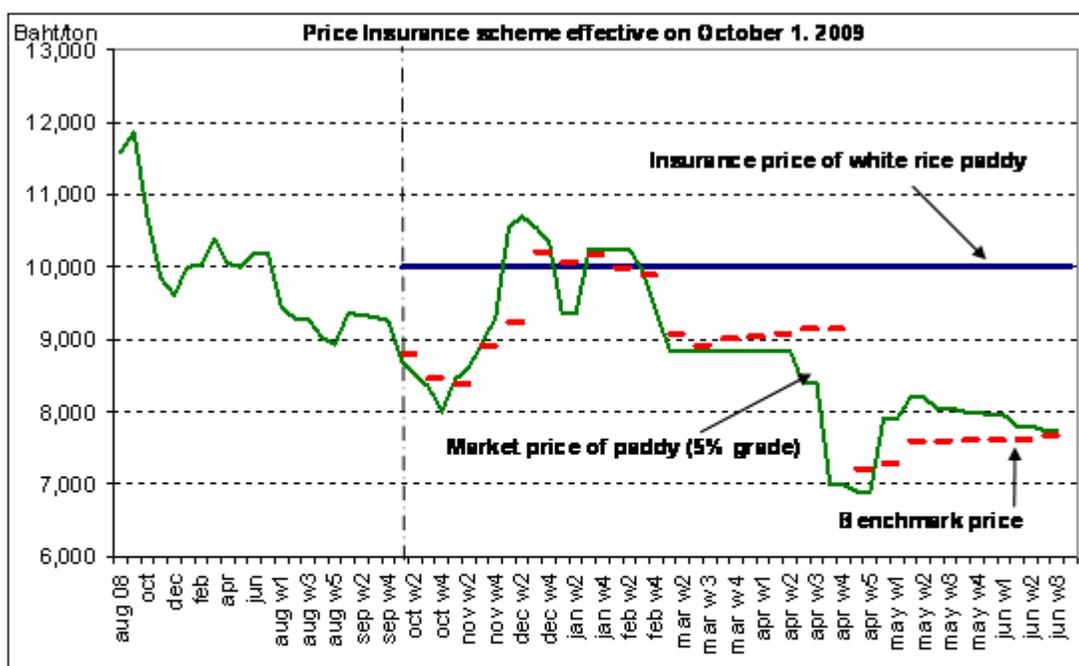
Table 2: Price Insurance Scheme for MY2009/2010 rice crop

	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	11,000 ^{d/}	9,500	10,000
3. Benchmark prices (Baht/ton) ^{b/c/}					
May 17-23	-	-	9,810	12,135	7,598
May 24-30	-	-	9,786	12,360	7,612
May 31 - Jun 6	-	-	9,728	12,441	7,614
Jun 7 - 13	-	-	9,745	12,401	7,614
Jun 14-20	-	-	9,670	12,318	7,672
4. Compensation (1-2), (Baht/ton)					
May 17-23	-	-	1,190	-	2,402
May 24-30	-	-	1,214	-	2,388
May 31 - Jun 6	-	-	1,218	-	2,386
Jun 7-13	-	-	1,255	-	2,386
Jun 14-20	-	-	1,330	-	2,328
5. Market prices (Baht/ton)					
May 17-23	13,650	13,250	10,050	13,300	8,050
May 24-30	13,400	13,250	10,050	13,300	8,000
May 31 - Jun 6	13,400	13,250	9,600	13,350	7,950
Jun 7-13	13,400	11,750	9,350	13,350	7,800
Jun 14-20 ^{e/}	13,000	11,750	9,350	13,850	7,750

Note:

^{a/} Cabinet approval on Sep. 22, 2009^{b/} 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 historical 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.^{c/} Starting Apr. 26, 2010 the benchmark prices will be based on average wholesale price of last week in Bangkok.^{d/} The insured prices of MY 2009/10 second-crop Pathum Fragrant rice were revised up from 10,000 tons/MT in MY 2009/10 main-crop price insurance scheme, effective Mar. 16, 2010^{e/} As of June 14, 2010

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 twice a month on the 1st and 16th, based on average historical 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. 26, 2010 the benchmark prices will be based on average wholesales price of last week in Bangkok.

Rice Export Update

Unofficial rice exports (excluding fragrant rice) for June 7-13, 2010 totaled 82,918 tons, down 16,024 tons from the previous week, and down 23,946 tons from the four-week moving average of 106,865 tons. Exports of white rice and parboiled rice during January 1 – June 13, 2010 totaled 2,650,893 tons, up 0.4 percent from 2,639,965 tons in the previous year.

According to the Department of Foreign trade, Ministry of Commerce, total rice exports (including fragrant rice) during January 1 – June 7, 2010 amounted to 3,546,188 tons, down 5.9 percent from 3,766,798 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)	(%)
Apr 4	101,112	106,996	1,606	1,358	18.3
Apr 11	116,187	107,586	1,722	1,446	19.1
Apr 18	55,038	91,545	1,778	1,494	19.0
Apr 25	103,306	93,911	1,881	1,640	14.7
May 2	101,686	94,054	1,982	1,783	11.5
May 9	122,091	95,530	2,104	1,918	9.7
May 16	119,212	111,574	2,223	2,053	8.3
May 23	115,187	114,544	2,339	2,222	5.3
May 30	130,142	121,726	2,469	2,355	4.8
Jun 6	98,942	115,938	2,568	2,493	3.0
Jun 13	82,918	106,865	2,651	2,640	0.4

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)	May 24-28	May 31 - Jun. 4 (Revised)	Jun. 7-11
Weekly sales	122,644	84,401	68,801
4 week sum	549,970	490,410	452,203
4 week mov. avg.	137,493	122,603	113,051
Year-to-date sales	2,823,311	2,907,712	2,976,513

End of report.