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GAIN Report

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Thailand

Rice Price - Weekly

Weekly Rice Price Update

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Report Highlights:

TH0102 Domestic and export prices declined by 1-3 percent due to quiet foreign demand for both white rice and parboiled rice. Also, the Government is moving forward with its plan to release a portion of the intervention stock before the new main crop harvest begins.

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Market Tone

Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT) Week ending July 12, 2010

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
FWR 100 B	970	-	980	-	1,000	940	-	973	974
WR 100 B	460	-	470	-	470	450	480	466	472
PB 100%	475	-	490	-	480	470	480	479	483
PB 5%	470	-	480	-	470	465	475	472	476
WR 5%	430	-	450	-	450	425	460	443	449
WR 10%	425	-	425	-	445	422	-	429	435
WR 15%	405	-	410	-	-	420	-	412	418
WR 25%	390	-	400	-	-	400	-	397	403
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	335	-	360	-	360	-	-	352	351
A1 SPEC	-	-	-	-	-	-	-	-	-

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

Source: Average actual prices received from exporters

Domestic and export prices declined by 1-3 percent due to quiet foreign demand for both white rice and parboiled rice. Also, the Government is moving forward with its plan to release a portion of the intervention stock before the new main crop (MY2010/11) harvest begins in October-November. According to a recent government stock survey, outstanding intervention stock totaled 5.6 million tons, of which 4.5 million tons were white rice. The balance is fragrant rice and glutinous rice. The National Rice Policy Committee considered a possible stock release of approximately 2.0 million tons of white rice for exports and the balance will be kept as safety stock due to current unfavorable weather conditions.

The weekly benchmark price for white rice for July 12-18 increased slightly by 0.2 percent. As such, farmers will receive smaller compensation compared to the previous week. Farmers that sell their supplies this week will not attain insurance price levels, as compensation will fall slightly short of bridging the gap.

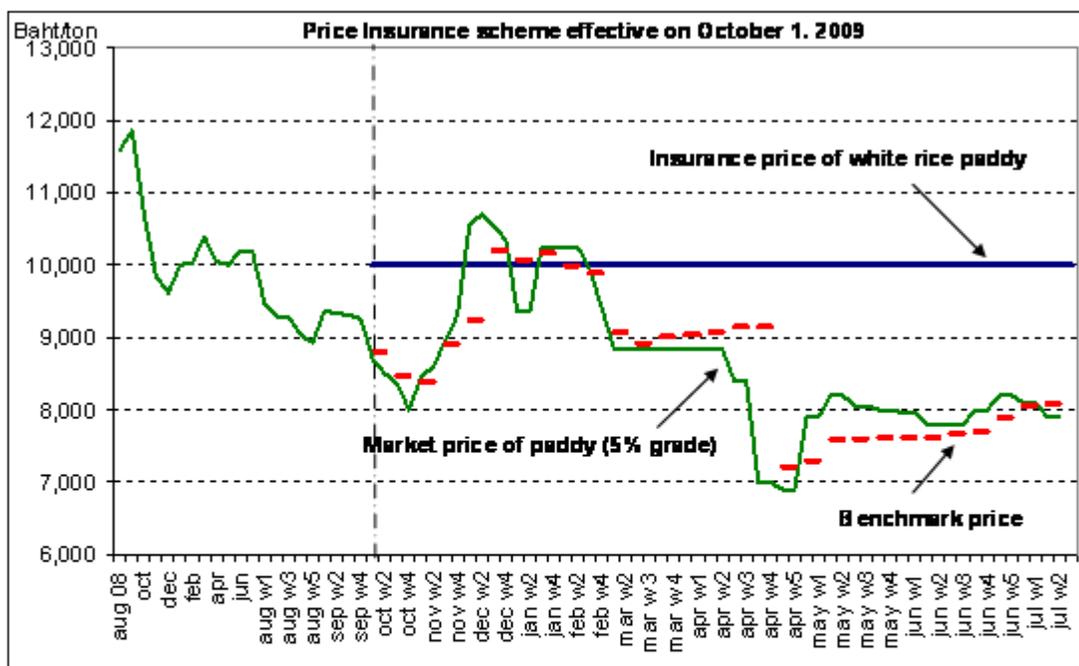
Table 2: Price Insurance Scheme for MY2009/2010 rice crop

	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) ^{b/}	15,300	14,300	11,000 ^{d/}	9,500	10,000
3. Benchmark prices (Baht/ton) ^{b/c/}					
Jun 14-20	-	-	9,670	12,318	7,672
Jun 21-27	-	-	9,745	12,393	7,700
Jun 28 - Jul 4	-	-	9,970	12,505	7,891
July 5-11	-	-	10,391	12,876	8,063
July 12-18	-	-	10,809	13,465	8,081
4. Compensation (1-2), (Baht/ton)					
Jun 14-20	-	-	1,330	-	2,328
Jun 21-27	-	-	1,255	-	2,300
Jun 28 - Jul 4	-	-	1,030	-	2,109
July 5-11	-	-	609	-	1,937
July 12-18	-	-	191	-	1,919
5. Market prices (Baht/ton)					
Jun 14-20	13,000	11,750	9,350	13,850	7,800
Jun 21-27	13,150	11,750	9,350	13,850	8,000
Jun 28 - Jul 4	13,250	11,750	9,350	13,850	8,200
July 5-11	13,750	11,750	10,050	14,500	8,100
July 12-18 ^{e/}	13,750	11,750	11,050	15,400	7,900

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 MY2009/10 main-crop price insurance scheme, effective Mar. 16, 2010^{e/} As of July 12, 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 July 5-11, 2010 totaled 126,065 tons, up 41,660 tons from the previous week, and up 21,327 tons from the four-week moving average of 104,739 tons. Exports of white rice and parboiled rice during January 1 – July 11, 2010 totaled 3,069,847 tons, down 1.9 percent from 3,128,015 tons in the previous year.

According to the Department of Foreign trade, Ministry of Commerce, total rice exports (including fragrant rice) during January 1 – July 2, 2010 amounted to 4,070,631 tons, down 9.7 percent from 4,507,514 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)	(%)
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
Jun 20	105,026	104,325	2,756	2,758	-0.1
Jun 27	103,458	97,586	2,859	2,915	-1.9
Jul 4	84,405	93,952	2,944	3,044	-3.3
Jul 11	126,065	104,739	3,070	3,128	-1.9

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)	Jun. 21-25	Jun. 28 - Jul. 2 (Revised)	Jul. 5-9 (Preliminary)
Weekly sales	81,364	136,824	84,439
4 week sum	322,715	386,138	401,776
4 week mov. avg.	80,679	96,535	100,444
Year-to-date sales	3,146,026	3,293,850	3,378,289

End of report.