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Thailand

Rice Price - Weekly

Weekly Rice Price Update

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Report Highlights:

TH2092 – Export prices declined about 1.0 percent due to an increase in the exportable supplies from the government stock release of white rice of around 229,661 metric tons. An additional stock release is expected over the next couple of weeks. Meanwhile, the Government is seeking Cabinet approval this week for the MY2012/13 Paddy Pledging Program budget totaling 405 billion baht (\$13 billion).

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Market Tone

Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Week ending September 10, 2012

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	1,100	-	1,060	-	1,000	1,065	-	1,056	1,050
WR 100 B	600	-	575	-	580	570	580	581	586
PB 100%	610	-	600	-	600	595	600	601	603
PB 5%	605	-	595	-	595	590	595	596	598
WR 5%	580	-	565	-	570	560	570	569	572
WR 10%	-	-	-	-	-	555	-	555	560
WR 15%	-	-	-	-	-	550	-	550	555
WR 25%	-	-	-	-	-	545	-	545	545
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	520	-	-	-	510	505	-	512	510
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 30.9 baht/U.S.\$

Source: Average actual prices received from exporters

Export prices declined about 1.0 percent from the previous week due to an increase in the exportable supplies resulting from the government stock release of white rice totaling around 229,661 metric tons (Table 2). In addition, the Commerce Ministry plans to conduct a new tender next week for the remainder of the last tender of around 480,070 metric tons; most of which are fragrant rice. Exporters expect that the Government will likely release additional white rice stocks from its MY2011/12 Paddy Pledging Program by the end of September. However, the details of the tenders have not yet been finalized.

Currently, the Government is holding total intervention stocks of around 12-13 million metric tons; of which 1-2 million metric tons are old-crop rice. As of September 2, 2012, the MY2011/12 Paddy Pledging Program has pledged 18.8 million metric tons of paddy (12.4 million metric tons milled equivalent); of which 6.8 million tons are main-crop paddy (4.5 million metric tons milled equivalent) (Table 3), and 12.0 million metric tons are off-season crop paddy (7.9 million metric tons milled

equivalent) (Table 4). Meanwhile, the Government is seeking Cabinet approval this week for a budget of 405 billion baht (\$13 billion), which will enable the MY2012/13 Paddy Pledging Program to pledge approximately 26.0 million metric tons of paddy (17 million metric tons milled equivalent). The program will be effective between October 1, 2012 – September 30, 2013. The intervention prices remain unchanged at 13,800 - 15,000 baht/tons (\$444 – 482/MT) for white rice paddy, and 18,000 – 20,000 baht/ton (\$579 – 643/MT) for fragrant rice paddy. No limit restrictions were imposed on the pledged amount. Presently, farm-gate prices are around 11,500 - 12,000 baht/ton (\$370 - 386/MT) for white rice paddy, and 14,800 – 16,000 baht/ton (\$476 – 514/MT) for fragrant rice paddy.

Table 2: Result of the Government Stock Tender on August 28, 2012

Quality	Tender (Metric Ton)	Bidding Result			Balance (Metric Ton)
		(Metric Ton)	Bidding Price		
			(Baht/MT)	(US\$/MT)	
MY2011/12 Main-Crop Rice	709,731	229,661			480,070
- 5% Grade White Rice	210,661	210,661	16,300 - 16,500	524 - 532	-
- 100% B Grade Fragrant Rice	308,750	17,040	29,800 - 30,000	958 - 965	291,710
- Provincial Fragrant Rice	133,750	-	-	-	133,750
- Pathumthani Fragrant Rice	6,379	-	-	-	6,379
- A1 Super White Rice	50,191	1,960	14,750	474	48,231
MY2003/04 - MY2007/08 Paddy	44,127	2,935	5,300	170	41,192

Source: Ministry of Commerce

Table 3. MY2011/12 Main-Crop Paddy Pledging Program (October 7, 2011 - February 29, 2012)

Unit: Metric Ton

Region	Number of Farmers	Amount of Paddy					Total
		Fragrant Rice			White Rice	Glutinous Rice	
		Homali	Provincial	Pathumthani			
North	930,415	912,852	269,552	2,790	1,465,654	230,461	2,281,909
Northeast	787,824	2,774,757	-	84	164,062	211,626	3,150,529
Central	154,816	-	65,872	12,968	1,266,425	-	1,344,665
South (Feb 1 - Jul 31, 2012)	4,945	-	-	-	22,780	-	22,780
Total	1,277,400	3,087,609	995,424	15,242	2,918,921	442,087	6,799,283

Note: As of October 7, 2011 - April 9, 2012

Source: Department of Internal Trade, Ministry of Commerce

Table 4. MY2011/12 One-season Paddy Pledging Program					
Unit: Metric Ton					
Region	Number of Farmers	Amount of Paddy			
		White Rice	Parboiled Fragrant Rice	Glutinous Rice	Total
North	524,660	5,005,415	5,933	205,647	5,216,995
Northeast	199,824	775,559	1	97,347	872,907
Central	468,531	5,786,698	127,914	-	5,914,612
South	3,556	26,825	-	-	26,825
Total	1,196,571	11,594,497	133,848	302,994	12,031,339
Note: As of March 1 - September 2, 2012					
Source: Department of Internal Trade, Ministry of Commerce					

Rice Export Update

Unofficial rice exports (excluding fragrant rice) for September 3-9, 2012 totaled 55,497 tons, down 197 tons from the previous week, and down 7,841 tons from the four-week moving average of 63,338 tons. Exports of white rice and parboiled rice between January 1- September 9, 2012 totaled 3,356,012 tons, down 50.5 percent (6,778,105 tons) from last year.

According to the Department of Foreign trade, Ministry of Commerce, total rice exports (including fragrant rice) between January 1 – August 31, 2012 amounted to 4,441,668 tons, down 45.8 percent (8,198,265 tons) from last year.

Table 4: 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)	(%)
Jun 24	99,482	81,668	2,496	5,002	-50.1
July 1	100,306	86,949	2,596	5,208	-50.2
July 8	82,749	90,112	2,679	5,385	-50.3
July 15	49,526	83,016	2,729	5,576	-51.1
July 22	89,531	80,528	2,818	5,751	-51.0
July 29	110,006	82,953	2,928	5,916	-50.5
Aug 5	89,677	84,685	3,018	6,044	-50.1
Aug 12	84,875	93,522	3,103	6,170	-49.7
Aug 19	64,801	87,340	3,167	6,317	-49.9
Aug 26	77,361	79,179	3,245	6,473	-49.9
Sep 2	55,693	70,683	3,301	6,623	-50.2
Sep 9	55,497	63,338	3,356	6,778	-50.5

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

Table 5: Weekly private registered rice export sales

Movement (MT)	Aug. 20-24 (Revised)	Aug. 27-31 (Preliminary)	Sep. 3-7 (Preliminary)
Weekly sales	111,937	85,336	N.A.
4 week sum	351,044	362,930	N.A.
4 week mov. avg.	87,761	90,733	N.A.
Year-to-date sales (excluding Apr. 9 - Jun. 29)	2,193,865	2,279,201	N.A.

End of report