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GAIN Report

Global Agricultural Information Network

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Thailand

Post: Bangkok

Weekly Rice Price Update

Report Categories:

Grain and Feed

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Report Highlights:

TH9169 Domestic and export prices increased significantly in anticipation of the Philippines' plan to tender an additional 600,000 tons of 25% grade white rice on December 1. This week domestic prices increased above benchmark prices for the first time since the implementation of the insurance program took effect on October 1.

Market Tone

Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Week ending Nov. 9, 2009

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
FWR 100 B	995	-	1,000	-	1,000	990	-	996	996
WR 100 B	535	-	570	-	545	555	530	547	528
PB 100%	575	-	620	-	555	580	560	578	563
PB 5%	570	-	600	-	550	575	550	569	555
WR 5%	510	-	550	-	530	530	490	522	504
WR 10%	500	-	-	-	520	520	-	513	497
WR 15%	465	-	-	-	-	500	-	483	458
WR 25%	435	-	-	-	-	460	-	448	423
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	320	-	320	-	305	345	-	323	309
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 33.30 baht/U.S. \$

Source: Average actual prices received from exporters

Domestic and export prices continued to increase by 3-5 percent in anticipation of an additional Philippine tender to buy 600,000 tons of 25% grade white rice on December 1, 2009 for February – May, 2010 delivery. The Philippines had just finalized a tender on November 6, 2009 for 250,000 tons of 25% grade white rice of Vietnamese and Thai origin at \$470-480/MT C&F. Thai exporters expect that India will likely need to import 1.0 – 3.0 million tons of rice. These unusual imports are results from crop failures due to typhoon and drought damage.

Parboiled rice prices also increased \$20-30/MT from the previous week. Exporters are currently fulfilling pending shipments of 200,000 tons to African countries, mostly to Nigeria. The shipments are scheduled to arrive before mid-December, 2009.

Presently, domestic prices have increased above benchmark prices for the first time since the implementation of the insurance program took effect on October 1. Farmers selling paddy in this period will receive higher income than the established insurance prices. This week's price increases are the result of additional government measures implemented last week to stabilize domestic prices, which are the direct purchase of 2.0 million tons of white rice and on-farm mortgage of 2.0 million tons of fragrant rice at benchmark prices.

Table 2: Price Insurance Scheme for MY 2009/2010 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	10,000	9,500	10,000
3. Benchmark prices (Baht/ton) ^{b/}					
Oct. 1-15	14,986	13,899	9,896	7,523	8,806
Oct. 16-30	14,940	13,860	8,940	7,470	8,466
Nov. 1-15	14,840	13,729	9,175	7,680	8,389
4. Compensation (1-2), (Baht/ton)					
Oct. 1-15	314	401	104	1,977	1,194
Oct. 16-30	360	440	1,060	2,030	1,534
Nov. 1-15	460	571	825	1,820	1,611
5. Market prices (Baht/ton)					
Oct. 1-15	n.a.	n.a.	8,500	n.a.	8,600
Oct. 16-30	13,675	n.a.	8,575	n.a.	8,150
Nov. 1-15 ^{c/}	14,150	n.a.	9,550	n.a.	8,450

Note:

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

^{b/} The benchmark prices will be published twice a month on the 1st and 16th, based on average historical wholesale prices of the last 15 days in Bangkok. These prices are set by the Subcommittee on Benchmark Price Determination, chaired by the Permanent Secretary of Ministry of Commerce.

^{c/} As of Nov. 10, 2009

Rice Export Update

Unofficial exports (excluding fragrant rice) for November 2-8, 2009 totaled 93,983 tons, down 20,237 tons from the previous week, and down 19,982 tons from the four-week moving average of 113,965 tons. Exports of white rice during January 1 – November 8, 2009 totaled 5,124,360 tons, as compared with 6,907,629 tons in the previous year.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including fragrant rice) during January 1 – October 26, 2009 amounted to 7,065,663 tons, down 20.7 percent from 8,907,097 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)	(%)
Aug 23	126,240	116,282	3,826	5,693	-32.8
Aug 30	139,731	123,253	3,966	5,851	-32.2
Sep 6	105,702	120,985	4,071	5,988	-32.0
Sep 13	134,061	126,434	4,205	6,118	-31.3
Sep 20	142,128	130,406	4,348	6,246	-30.4
Sep 27	116,648	124,635	4,464	6,383	-30.1
Oct 4	96,150	122,247	4,560	6,468	-29.5
Oct 11	108,202	115,782	4,669	6,536	-28.5
Oct 18	102,396	105,849	4,771	6,692	-28.7
Oct 25	145,259	113,002	4,916	6,771	-27.4
Nov 1	114,220	117,520	5,030	6,827	-26.3
Nov 8	93,983	113,965	5,124	6,908	-25.8

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)	Oct. 19-23	Oct. 26-30	Nov. 2-6
Weekly sales	123,559	121,289	76,914
4 week sum	424,818	480,171	473,546
4 week mov. avg.	106,205	120,043	118,387
Total weekly sales	5,274,353	5,395,642	5,472,556

End of report.