

USDA Foreign Agricultural Service

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:

TH9195 Export prices were offered \$20-30/MT lower than the previous week as the export market is losing its momentum following a lesser-than-expected purchase from the latest Philippine tender on December 18. The bi-weekly benchmark prices continued to increase for December 15-31, resulting in no compensation for all grades of rice except for fragrant rice.

Market Tone

Table 1: Export Prices (F O B) for various grades of Thai rice (USD/MT), Week ending Dec. 21, 2009

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	1,010	-	990	-	1,000	960	-	990	993
WR 100 B	590	-	620	-	610	600	580	600	623
PB 100%	615	-	630	-	610	600	600	611	629
PB 5%	610	-	620	-	600	595	590	603	620
WR 5%	560	-	600	-	600	575	570	581	606
WR 10%	550	-	590	-	590	565	-	574	595
WR 15%	525	-	580	-	-	545	-	550	565
WR 25%	495	-	530	-	-	505	-	510	528
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	390	-	-	-	375	435	-	400	415
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 33.0 baht/U.S. \$

Source: Average actual prices received from exporters

Domestic and export prices dropped significantly by 3-4 percent as the export market is losing its momentum following a lesser-than-expected from the latest Philippine tender on December 18. The Philippines will likely award 600,000 tons of 25% grade white rice solely to Vietnam at an average bidding price of \$665/MT, C&F, which are lower than the previous bidding price of \$693/MT on December 8. Meanwhile, the bidding prices of other origins, including Thai rice, were above \$700/MT. However, despite a reduction in price quotes, Thai rice exporters are still cautious to conclude deals as domestic prices remain volatile reflecting speculative demand and uncertainties in the government stock release plan.

The bi-weekly benchmark prices continued to increase for December 15-31 resulting in no compensation for most grades of rice except fragrant rice, as these prices are currently higher than the insured prices. Meanwhile, current farm gate prices of white rice dropped by 3-4 percent from the previous week as millers and traders slowed down their buying activities following the result of the latest Philippine tender.

Table 2: Price Insurance Scheme for MY 2009/2010 rice crop

	Rice paddy				
	Fragrant rice (Hommati)	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. 16-31	14,940	13,860	8,940	7,470	8,466
Nov. 1-15	14,840	13,729	9,175	7,680	8,389
Nov. 16-30	13,002	12,620	10,501	8,473	8,914
Dec. 1-15	13,720	13,388	10,565	9,591	9,242
Dec. 16-31	14,895	14,503	12,072	11,533	10,212
4. Compensation (1-2), (Baht/ton)					
Oct. 1-15	314	401	104	1,977	1,194
Oct. 16-31	360	440	1,060	2,030	1,534
Nov. 1-15	460	571	825	1,820	1,611
Nov. 16-30	2,298	1,680	-	1,027	1,086
Dec. 1-15	1,580	912	-	-	758
Dec. 16-31	405	-	-	-	-
5. Market prices (Baht/ton)					
Oct. 1-15	n.a.	n.a.	8,500	n.a.	8,600
Oct. 16-31	13,675	n.a.	8,575	n.a.	8,150
Nov. 1-15	14,075	14,000	9,775	8,800	8,525
Nov. 16-30	14,577	14,000	10,550	8,967	9,600
Dec. 1-15	15,125	14,000	12,050	11,500	10,738
Dec. 16-31 ^{c/}	15,250	14,000	12,350	11,750	10,350

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 Dec. 21, 2009

Rice Export Update

Unofficial exports (excluding fragrant rice) for December 14-20, 2009 totaled 120,454 tons, up 3,867 tons from the previous week, and up 22,293 tons from the four-week moving average of 98,161 tons. Exports of white rice during January 1 – December 20, 2009 totaled 5,743,074 tons, as compared with 7,347,890 tons in the previous year.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including

fragrant rice) during January 1 – December 17, 2009 amounted to 8,236,067 tons, down 15.5 percent from 9,747,592 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)	(%)
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
Nov 15	112,300	116,441	5,237	6,997	-25.2
Nov 22	113,768	108,568	5,350	7,047	-24.1
Nov 29	75,104	98,789	5,426	7,101	-23.6
Dec 6	80,501	95,418	5,506	7,170	-23.2
Dec 13	116,586	96,490	5,623	7,258	-22.5
Dec 20	120,454	98,161	5,743	7,348	-21.8

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)	Nov. 30 - Dec. 4	Dec. 7-11	Dec. 14-18 (Preliminary)
Weekly sales	150,961	115,601	95,509
4 week sum	436,485	402,845	447,725
4 week mov. avg.	109,121	100,711	111,931
Total weekly sales	5,909,041	6,024,642	6,120,151

End of report.