

Voluntary - Public

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Weekly Rice Price Update

Report Categories:

Grain and Feed

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Report Highlights:

Export prices of white rice and parboiled rice continued to decline in anticipation of an upcoming government intervention stock release of 3-4 million. Foreign buyers are reportedly making inquiries about the upcoming availability of the stock release. The stock release proposal will be reviewed again in the subcommittee meeting this week. In any cases, export prices of white rice are expected to fall below \$500/MT when stocks are released.

General Information:

Indicative Prices (Week Ending Apr. 27):

Thailand: Export (FOB) Prices for various grades of rice (USD/M.T.)									
	Exporter Observations							Period Avg.	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	840	865	850	850	860	830	-	849	849
WR 100 B	535	590	560	560	570	560	510	555	569
PB 5%	530	-	590	-	570	555	520	553	567

WR 5%	505	562	550	550	540	530	490	532	546
WR 10%	495	-	-	-	-	525	-	510	515
WR 15%	480	-	-	-	-	502	-	491	494
WR 25%	430	-	-	-	-	455	-	443	445
WR 35%	-	-	-	-	-	-	-	-	-
A 1 SUP	310	340	-	-	340	325	-	329	329
A 1 SPEC	-	-	-	-	-	-	-	-	-
Source: Average actual prices received from exporters, Exchange rate: 35.2 baht/U.S.\$									

Market Tone

Export prices of white rice and parboiled rice continued to decline in anticipation of the government intervention stock release of 3-4 million. Foreign buyers are reportedly making inquiries about the upcoming availability of the stock release. However, the stock release plan remains controversial among rice exporters who previously concluded contracts at relatively higher prices for delivery in the next couple of months. These exporters are now fearful that foreign buyers may renegotiate the contracts in anticipation of declining prices resulting from the stock release. As a result, they are proposing a gradual release of no more than 1.0 millions tons for each tender, and a removal of the proposed minimum bidding requirement of 500,000 tons. The stock release proposal will be reviewed again in the subcommittee meeting this week. In any cases, export prices of white rice are expected to fall below \$500/MT when stocks are released.

Presently, domestic prices are under downward pressure, particularly for parboiled rice, as the Government has no plan to expand MY2008/09 second-crop intervention target which was set at 2.5 million tons. Currently the program has already absorbed 2.0 million tons of paddy, most of which being white rice. The program is expected to finish three months ahead of schedule (March 16 – July 31) if the target remains at 2.5 million tons of paddy. Current intervention are currently 40-50 percent higher than market prices as domestic prices continue to decline.

The following are the reported rice exports (as is basis):

WEEK ENDING	QUANTITY	4-WK AVG	YEAR TO DATE	YEAR AGO	YEAR TO DATE AS %
	(MT)	(MT)	(TMT)	(TMT)	OF LAST YEAR %
Feb 22	122,972	106,606	787	1,293	-39.2
Mar 1	95,657	112,142	882	1,493	-40.9
Mar 8	100,463	108,140	983	1,680	-41.5
Mar 15	104,942	106,008	1,088	1,869	-41.8
Mar 22	82,621	95,921	1,170	2,075	-43.6
Mar 29	86,141	93,542	1,256	2,307	-45.5
Apr 5	105,037	94,685	1,362	2,489	-45.3
Apr 12	85,157	89,739	1,447	2,657	-45.6
Apr 19	55,543	82,969	1,502	2,736	-45.1

Apr 26	114,589	97,581	1,647	2,906	-43.3
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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.

Unofficial exports (excluding fragrant rice) for Apr. 20-26, 2009 totaled 114,589 tons, up 89,046 tons from the previous week, and up 47,007 tons from the four-week moving average of 97,581 tons. Exports during Jan. 1 - Apr. 26 totaled 1,646,812 tons, as compared with 2,905,586 tons in the previous year.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including fragrant rice) during Jan. 1- Apr. 17, 2009, amounted to 2,338,722 tons, down 36.3 percent from 3,670,517 tons in the previous year.

Weekly Rice Sales

Private registered rice export sales for the period of Apr. 6-10, Apr. 13-17, and Apr. 20-24, 2009 are as follows:

Movement (MT)	Apr. 6-10	Apr. 13-17	Apr. 20-24
Weekly sales	212,516	83,450	102,592
4 week sum	507,484	504,787	496,709
4 week mov. avg.	126,871	126,197	124,177
Total weekly sales	1,863,462	1,946,912	2,049,504

End of Report.