

Voluntary - Public

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Thailand

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Weekly Rice Price Update

Report Categories:

Grain and Feed

Approved By:

Corey Pickelsimer, Agricultural Attaché

Prepared By:

Ponnarong Prasertsri, Agricultural Specialist

Report Highlights:

Domestic and export prices increased up to ten percent due to limited exportable supplies, particularly for parboiled rice. Exporters are facing unexpected supply difficulties as the government stock release decision is still being reviewed by the Cabinet. The stock release review has forced some exporters to source white rice from the domestic market. Any increases in current export prices are expected to be temporary as the government is releasing a portion of the contracts which have been paid to exporters last month (10-20 percent of total contracts of 2.6 million tons).

General Information:

Indicative Prices (Week Ending Jun. 15):

Thailand: Export (FOB) Prices for various grades of rice (USD/MT)

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	885	-	890	-	-	855	-	877	860
WR 100 B	575	-	630	-	-	590	595	598	581
PE 5%	600	-	650	-	-	595	620	616	593
WR 5%	555	-	620	-	-	560	580	579	560
WR 10%	550	-	-	-	-	555	-	553	547
WR 15%	510	-	-	-	-	530	-	520	520
WR 25%	460	-	-	-	-	475	-	468	483
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	310	-	325	-	-	320	-	318	315
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 34.0 baht/U.S.\$

Source: Average actual prices received from exporters

Market Tone

Domestic and export prices increased up to ten percent due to limited exportable supplies, particularly for parboiled rice. Exporters are facing unexpected supply difficulties for 7-8 vessels of outstanding shipments of parboiled rice to African countries. The government stock release decision is still being reviewed by the Cabinet, which has caused exporters to source white rice from the domestic market. Rice sourced from the domestic market has limited domestic paddy supplies available for parboiled rice production. In addition, the expansion of the current MY2008/09 second-crop intervention program to 6.0 million tons reduced paddy supplies in the market as intervention prices remain relatively more attractive at 10,800 – 12,000 baht/ton (\$310-\$345/MT). Any increases in current export prices are expected to be temporary as the government is releasing a portion of the contracts which have been paid to exporters last month (10-20 percent of total contracts of 2.6 million tons). Meanwhile, new guidelines for the next intervention stock release are under consideration and will be applied to new government tender. A new tender will likely be conducted by August.

Thus far, the MY 2008/09 second-crop intervention program has absorbed 3.9 million tons of paddy, valued at 44 billion baht (\$1.3 billion). The Government expects the intervention program will reach the targeted 6.0 million tons by the end of the program on July 31 due to attractive

intervention prices.

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 % OF LAST YEAR
	(MT)	(MT)	(TMT)	(TMT)	(%)
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	144,559	97,581	1,647	2,906	-43.3
May 3	142,632	106,980	1,789	3,042	-41.2
May 10	130,197	118,240	1,920	3,178	-39.6
May 17	138,960	139,094	2,059	3,363	-38.8
May 24	174,201	146,497	2,233	3,539	-36.9
May 31	132,053	143,853	2,365	3,748	-36.9
Jun 7	134,312	144,811	2,500	3,944	-36.6
Jun 8	134,312	144,811	2,500	3,944	-36.6
Jun 14	149,198	147,441	2,649	4,120	-35.7

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 Jun. 8-14, 2009 totaled 149,198 tons, up 14,886 tons from the previous week, and up 1,757 tons from the four-week moving average of 147,441 tons. Exports during Jan. 1 – Jun. 14 totaled 2,648,827 tons, as compared with 4,120,032 tons in the previous year.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including fragrant rice) during Jan. 1- May 31, 2009, amounted to 3,938,294 tons, down 27.4 percent from 5,421,981 tons in the previous year.

Weekly Rice Sales

Private registered rice export sales for the period of May 25-29, Jun. 1-5, and Jun. 8-12, 2009 are as follows:

Movement (MT)	May 25-29	Jun. 1-5	Jun. 8-12
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Weekly sales	164,776	112,140	126,303
4 week sum	597,634	609,802	561,011
4 week mov. avg.	149,409	152,451	140,253
Total weekly sales	2,797,683	2,909,823	3,036,126

End of Report