

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

Voluntary - Public

**Clearance Office:** Office of Global Analysis (OGA)

**Date:** 7/7/2009

**GAIN Report Number:** TH9102

## Thailand

**Post:** Bangkok

## Weekly Rice Price Update

### Report Categories:

Grain and Feed

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### Report Highlights:

TH9102 Domestic and export prices remain unchanged at high levels from the previous week in anticipation of continued tight exportable supplies. The mortgage scheme will continue for the MY2009/10 main crop but intervention prices will be lower.

### General Information:

**Indicative Prices (Week Ending Jul. 6):**

**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 E	-	-	-	-	-	-	-	-	889
WR 100 E	-	-	-	-	-	-	-	-	602
PE 5%	-	-	-	-	-	-	-	-	614
WR 5%	-	-	-	-	-	-	-	-	582
WR 10%	-	-	-	-	-	-	-	-	562
WR 15%	-	-	-	-	-	-	-	-	540
WR 25%	-	-	-	-	-	-	-	-	478
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	-	-	-	-	-	-	-	-	326
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 33.9 baht/U.S.\$

Source: Average actual prices received from exporters

## Market Tone

No quotations are available this week as business and government offices were closed for the long holiday (July 6-8) Buddhist Lent. Domestic and export prices for the rest of the week are expected to remain unchanged at high levels from the previous week in anticipation of continued tight exportable supplies. It may take until August for intervention stocks to be retendered as new release guidelines for rice stocks are still under consideration by the Ministry of Commerce. There will be two categories of rice to be released, including the retender of 2.58 million tons by the Public Warehouse Organization and a new tender of 1.0 - 2.0 million tons by the Department of Foreign Trade. Most will be MY2007/08 second crop and MY2008/09 main crop. Stocks will be gradually released in 0.5 - 1.0 million tons increments per tender.

While current MY 2008/09 second-crop intervention program is underway with anticipated absorption of 4.5 – 5.0 million tons of paddy by the end of the program (July 31), the Government will propose an intervention program for MY2009/10 main crop in the next meeting of the National Rice Policy Committee in mid July. The mortgage scheme will likely continue but intervention prices will be set lower than market prices in order to avoid replicating huge losses incurred in the recent past. Also, the Government is encouraging the new scheme on Price Insurance to replace the mortgage scheme if the pilot project with MY2009/10 fragrant rice paddy in the northeast is successful.

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 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
Jun 21	118,359	133,481	2,767	4,291	-35.5
Jun 28	154,497	139,841	2,925	4,488	-34.8

*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.*

Unofficial exports (excluding fragrant rice) for Jun. 22-28, 2009 totaled 154,497 tons, up 39,137 tons from the previous week, and up 17,655 tons from the four-week moving average of 139,841 tons. Exports during Jan. 1 – Jun. 28 totaled 2,924,683 tons, as compared with 4,488,126 tons in the previous year.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including fragrant rice) during Jan. 1- Jun. 30, 2009, amounted to 4,432,309 tons, down 26.0 percent from 5,985,623 tons in the previous year.

### Weekly Rice Sales

Private registered rice export sales for the period of Jun. 15-19, Jun. 22-26, and Jun. 29 – July 3, 2009 are as follows:

Movement (MT)	Jun. 15-19	Jun. 22-26 (revised)	Jun. 29 – July 3 (Preliminary)
Weekly sales	175,228	128,926	64,527
4 week sum	578,447	542,597	494,984
4 week mov. avg.	144,612	135,649	123,746
Total weekly sales	3,211,354	3,340,280	3,404,807

End of Report.