

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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Voluntary - Public

**Date:** 9/1/2009

**GAIN Report Number:** TH9130

## Thailand

**Post:** Bangkok

### Weekly Rice Price Update

**Report Categories:**

Grain and Feed

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**Report Highlights:**

TH9130 Domestic and export prices of white rice declined by 1-2 percent due to a series of government stock releases. The volumes released remain small.

## Market Tone

**Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Week ending Aug. 31, 2009**

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
FWR 100 B	970	-	990	-	1,000	925	-	971	968
WR 100 B	525	-	540	-	535	540	540	536	541
PB 5%	545	-	585	-	580	580	540	566	579
WR 5%	505	-	510	-	510	515	520	512	522
WR 10%	495	-	-	-	500	505	-	500	507
WR 15%	460	-	-	-	-	485	-	473	480
WR 25%	415	-	-	-	-	430	-	423	430
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	290	-	300	-	300	310	-	300	310
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 33.8 baht/US.\$

Source: Average actual prices received from exporters

Domestic and export prices for white rice decline by 1-2 percent as the Government continued to release intervention stocks. The tender last week (August 26) resulted in the release of 180,326 tons of MY2008/09 second-crop white rice, and 90,687 tons of MY2008/09 main-crop fragrant rice. The Government will retender the ending balance from last week's tender on September 7. The retender includes 282,802 tons of white rice, and 9,420 tons of fragrant rice for October-December delivery.

Last week bidding prices were mostly discounted from the future prices in the Agricultural Future Exchange of Thailand (AFET). The discount reflected the downward trend of white rice prices in the fourth quarter of this year. Meanwhile, foreign buyers reportedly slowed their orders despite high seasonal shipments of parboiled rice to African countries in the next few months in anticipation of increasing supplies of parboiled rice production, following ongoing harvest of remaining off-season white rice paddy. Current domestic prices of white rice paddy dropped significantly because the Government discontinued the mortgage scheme.

The Cabinet is reviewing the new rice price insurance scheme today (September 1). The insured prices are expected to be finalized at 10,000 baht/ton (\$296/MT) for white rice paddy with eligible tonnage of 20 tons/farmer. Insured prices for fragrant rice paddy will be 15,300 baht/ton (\$453/MT) with eligible tonnage of 14 tons. Meanwhile, insured prices for provincial fragrant rice paddy and glutinous rice paddy will be 13,300 baht/ton (\$393/MT) and 9,500 baht/ton (\$281/MT), respectively, with eligible tonnage of 16 tons/farmer. Meanwhile, the benchmark of market prices will be reviewed in the sub-committee on benchmark prices tomorrow (September 2). Farmers will be paid the difference between insured prices and benchmark prices.

## Rice Export Update

Unofficial exports (excluding fragrant rice) for Aug. 24-30, 2009 totaled 139,731 tons, up 13,491 ton from the previous week, and up 16,478 tons from the four-week moving average of 123,253 tons. Exports of white rice during Jan. 1 – Aug. 30 totaled 3,965,708 tons, as compared with 5,851,424 tons in the previous year.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including fragrant rice) during Jan. 1- Aug. 28, 2009, amounted to 5,737,738 tons, down 24.2 percent from 7,568,477 tons in the previous year.

**Table 2: 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)	(%)
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
Jul 5	120,707	136,440	3,045	4,657	-34.6
Jul 12	87,365	120,982	3,133	4,831	-35.2
Jul 19	129,035	123,651	3,262	5,009	-34.9
Jul 26	99,059	109,042	3,361	5,198	-35.3
Aug 2	111,845	106,826	3,473	5,300	-34.5
Aug 9	114,776	113,679	3,587	5,421	-33.8
Aug 16	112,267	109,487	3,700	5,547	-33.3
Aug 23	126,240	116,282	3,826	5,693	-32.8
Aug 30	139,731	123,253	3,966	5,851	-32.2

*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 3: Weekly private registered rice export sales**

Movement (MT)	Aug. 10-14	Aug. 17-21	Aug. 24-28
Weekly sales	119,318	156,153	97,125
4 week sum	421,250	479,242	470,015
4 week mov. avg.	105,313	119,811	117,504
Total weekly sales	4,103,011	4,259,164	4,356,289

End of Report.