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GAIN Report

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Thailand

Rice Price - Weekly

Weekly Rice Price Update

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Report Highlights:

TH2009 Domestic and export prices remain weak as trading has gradually resumed after the Lunar New Year. Most rice prices declined approximately 1.0 percent, except for parboiled rice. Also, the Government is considering the off-season crop Paddy Pledging Program which will likely accept rice at the same rate as the current main-crop Paddy Pledging Program.

Post:
Bangkok

Author Defined:
Market Tone

Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Week ending Jan. 30, 2012

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV. (Jan. 16)
F WR 100 B	1,040	-	1,060	-	1,040	990	-	1,033	1,039
WR 100 B	545	-	550	-	545	535	550	545	546
PB 100%	535	-	535	-	545	545	540	540	531
PB 5%	530	-	530	-	540	540	530	534	525
WR 5%	525	-	525	-	530	520	540	528	530
WR 10%	-	-	-	-	520	515	-	518	520
WR 15%	-	-	-	-	-	-	-	-	-
WR 25%	-	-	-	-	-	-	-	-	-
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	510	-	-	-	515	510	-	512	508
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 31.0 baht/U.S.\$

Source: Average actual prices received from exporters

Domestic and export prices remain weak as trading has gradually resumed after the Lunar New Year. Most white rice prices were offered approximately 1.0 percent lower than before the long holidays. Foreign buyers are shifting to Indian and Vietnamese rice which is \$70-90/MT cheaper. Meanwhile, parboiled rice prices increased 1-2 percent as some African buyers are making enquiries for Thai parboiled to fulfill temporary demand caused by delays in shipments of Indian rice as a result of port congestion in India.

According to the meeting last week between the new Commerce Minister and some rice exporters, millers, and farmer representatives, the Paddy Pledging Program will be continued for the coming off-season crop, starting on March 1 and running through June 30, 2012, despite objection from rice exporters. The program is expected to be as aggressive as the current main-crop Paddy Pledging Program which set the intervention prices above the market prices with no limit restrictions on the amount of paddy that can be pledged. The details of the program will likely be finalized by next week.

Presently, the Government is holding old-crop intervention stocks of around 2.0 million tons. Meanwhile, the current Paddy Pledging Program has pledged a total of 5.8 million tons of paddy (3.8 million tons milled equivalent) from October 7, 2011 – January 29, 2012 (Table 2). This accounts for 26.9 percent of the expected total MY2011/12 main-crop production of 21-22 million tons of paddy (14.5 million tons milled equivalent). The Government expects the program will finally absorb only 7.0 million tons of paddy (4.6 million tons milled equivalent), by the end of the program in February 29, 2012, far below its initial target of 10.0 million tons of paddy.

Unit: Metric Ton							
Region	Number of Farmer	Amount of Paddy					
		Fragrant Rice			White Rice	Glutinous Rice	Total
		Homali	Provincial	Pathumthani			
North	294,032	297,275	259,826	2,790	1,290,156	190,229	2,040,276
Northeast	640,844	2,293,357	-	84	120,498	115,178	2,529,117
Central	147,011	-	63,405	12,301	1,203,160	-	1,278,866
South	33				153		153
Total	1,081,920	2,590,632	323,231	15,175	2,613,967	305,407	5,848,412

Note: As of October 7, 2011 - January 29, 2012

Source: Department of Internal Trade, Ministry of Commerce

Rice Export Update

Unofficial rice exports (excluding fragrant rice) for January 23-29, 2012 totaled 71,723 tons, up 22,290 tons from the previous week and up 87 tons from the four-week moving average of 71,636 tons.

Exports of white rice and parboiled rice during January 1 – 29, 2012 totaled 287,645 tons, down 60.2 percent from 722,820 tons in the previous year.

According to the Department of Foreign trade, Ministry of Commerce, total rice exports (including fragrant rice) during January 1 – 24, 2012 amounted to 290,625 tons, down 58.5 percent from 699,520 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)	(%)
Nov 20	79,201	80,041	7,874	5,643	39.5
Nov 27	78,832	78,477	7,951	5,796	37.2
Dec 4	81,073	80,093	8,032	5,961	34.7
Dec 11	56,254	73,840	8,088	6,113	32.3
Dec 18	67,397	70,889	8,155	6,303	29.4
Dec 25	77,227	70,488	8,233	6,475	27.1
Dec 31	57,810	64,672	8,291	6,649	24.7
Jan 1, 2012	1,100	-	1	2	-40.5
Jan 8	61,310	-	62	172	-63.6
Jan 15	104,079	-	166	381	-56.3
Jan 22	49,433	-	216	559	-61.4
Jan 29	71,723	71,636	288	723	-60.2

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/REK 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)	Jan 9-13, 2012 (Revised)	Jan 16-20 (Revised)	Jan 23-27 (Preliminary)
Weekly sales	211,016	73,345	42,967
4 week sum	N.A.	N.A.	400,943
4 week mov. avg.	N.A.	N.A.	100,236
Year-to-date sales	284,631	357,976	400,934

End of report