

Voluntary Report – Voluntary - Public Distribution

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Report Name: Rice Export Performance and Domestic Market
Conditions

Country: Burma - Union of

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Report Category: Agricultural Situation, Grain and Feed

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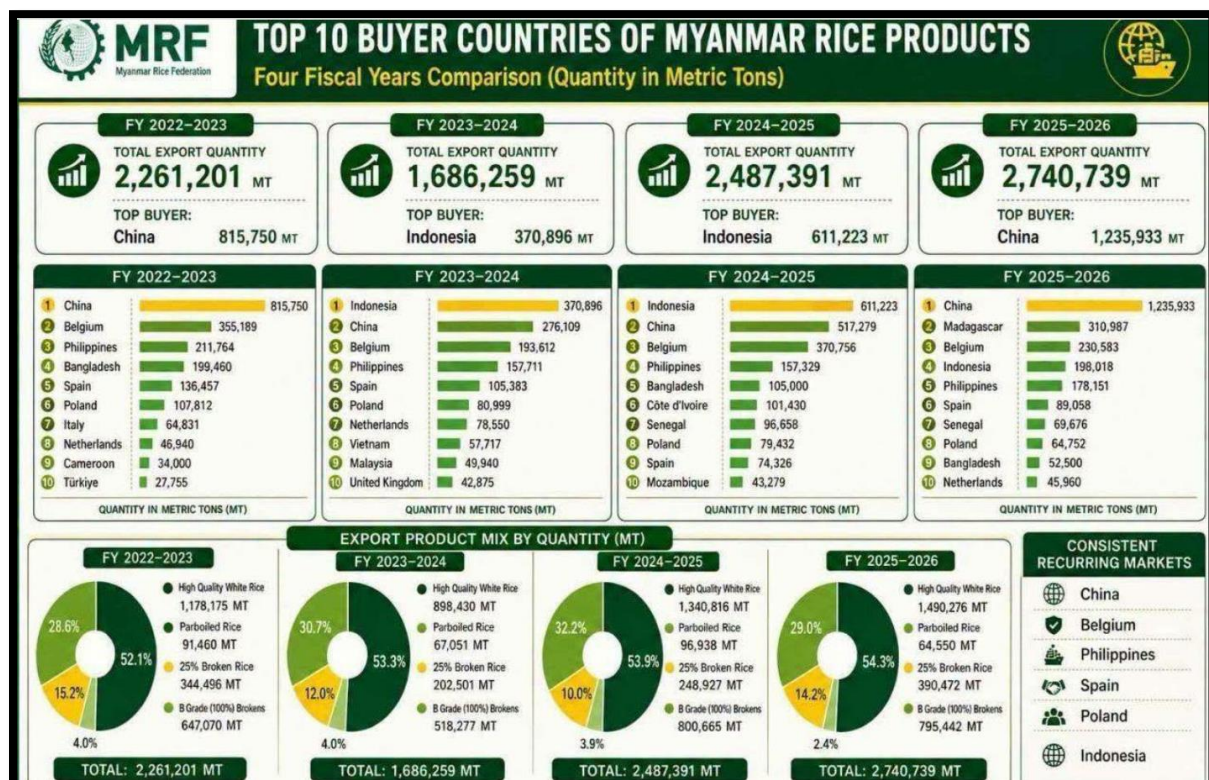
Report Highlights:

Between January and August 2026, Burma exported nearly 1.5 million metric tons (MMT) of rice, down 1.4 percent from the same period in 2025. The main reason was weaker June-August demand from China, a major buyer of Burma's rice. Elevated domestic prices, weakening global prices, and foreign exchange restrictions further eroded Burma's rice export competitiveness, contributing to softer exports in July. Despite an ambitious 3 MMT rice export target for April 2026–March 2027 and a new Rice Export Zone program, Burma's domestic rice market remains under strain: rising paddy prices are squeezing miller and trader margins, supply shortages and speculative trading are driving up consumer prices, and flooding and financial fraud pose further risks to the sector.

Trade Overview and Multi-Year Trend

Rice exports from Burma (also known as Myanmar) have shown a strong recovery between 2022 and 2026. The Myanmar Rice Federation (MRF) reports that FY 2025/26 exports (i.e. April through March) of 2.7 MMT generated approximately \$861 million (Figure 1). Overall, export performance has strengthened markedly since FY 2023/24, though the buyer base remains concentrated in Asia. High-quality white rice remained the dominant rice export category, accounting for about 54 percent of FY 2025/26 exports, followed by broken rice; parboiled rice held a minor share.

Figure 1. Burma: Top Ten Buyer Countries for Burma's Rice



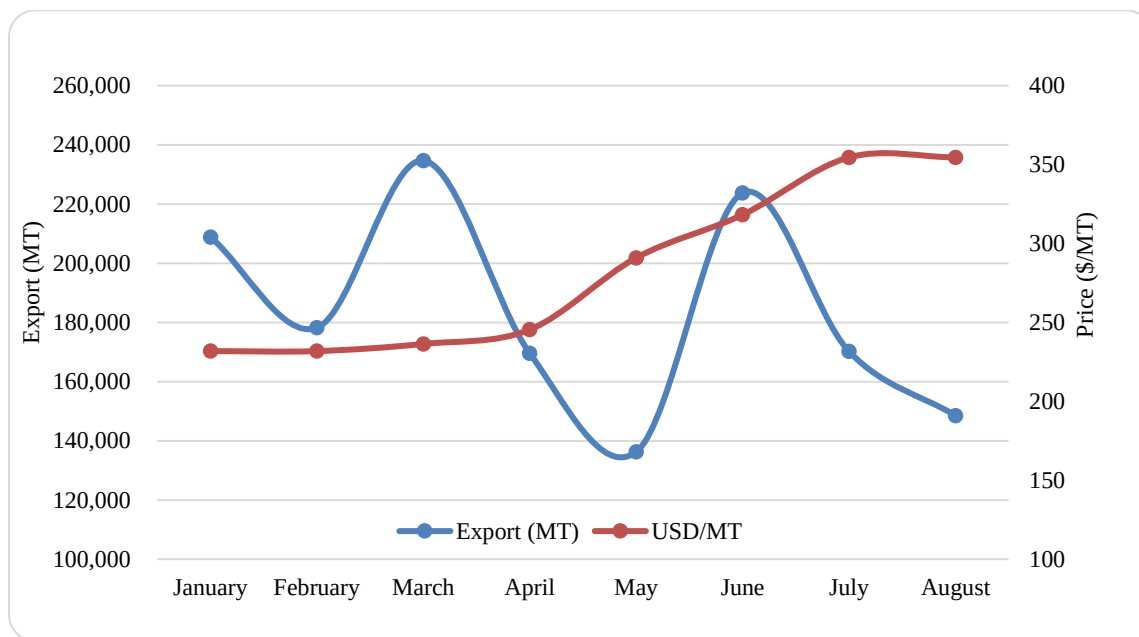
Sources: Myanmar Rice Federation, Global New Light of Myanmar

Recent Trade Performance: January to August 2026

Burma exported nearly 1.5 MMT of head and broken rice during the first eight months of 2026, down approximately 1.4 percent year-on-year. Head and broken rice exports to China totaled almost 500,000 MT during this period, shipped almost entirely by sea. Exporters have largely abandoned overland border trade due to lack of security on the border trade route, China's tightened control on informal cross-border trade, and high transportation costs. More than 50 companies exported rice during the first eight months of the current fiscal year. The Philippines accounted for almost 107,000 MT or 72 percent of total rice exports in August, highlighting Burma's heavy dependence on a single market. The MRF reports that Burma's GW-11 rice sales

to the Philippines were at approximately \$580 per ton, compared to \$480 per ton for Thai rice. Growing consumer acceptance of the GW-11 variety has driven stronger demand from the Philippines. GW-11 is primarily cultivated in Ayeyarwady, Yangon, Bago, Mandalay regions, and Nay Pyi Taw.

Figure 2. Burma: Rice Exports and Domestic Wholesale Prices for 15 Percent Broken Aemahta Variety



Source: Myanmar Rice Federation

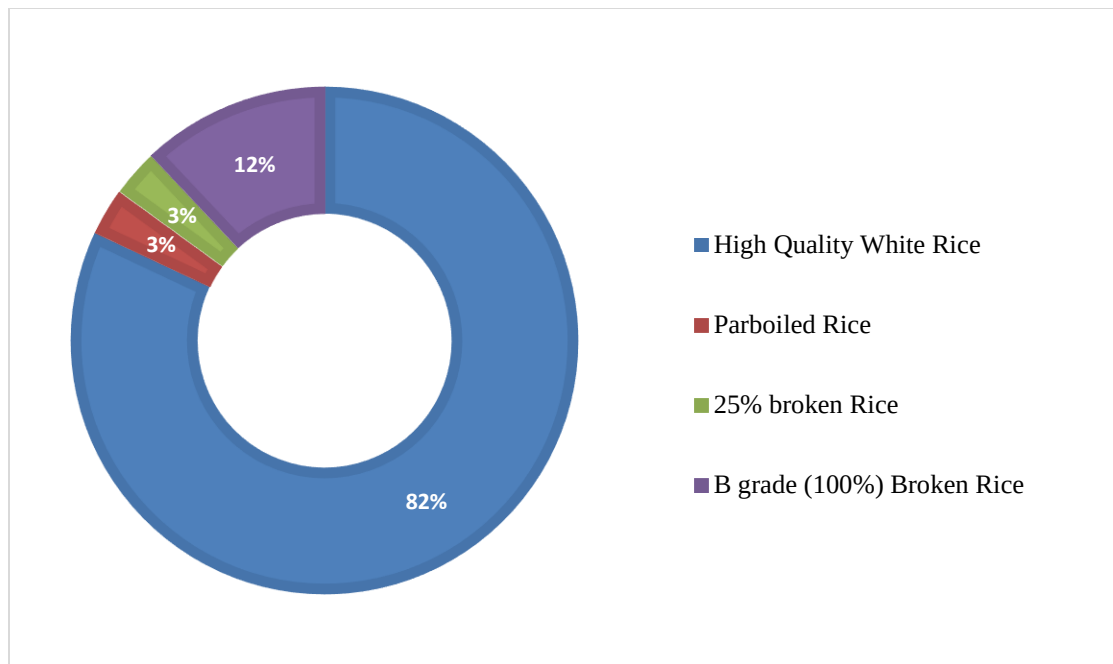
Note: Throughout this report, Post used the exchange rate of \$1=4,400 Myanmar Kyat (MMK).

Table 1. Burma: Rice Exports in January- August 2026

Export Destination	Head Rice	Broken Rice	Total
January	122,337.00	86,510.00	208,847.00
February	104,861.50	73,330.00	178,191.50
March	143,947.0	90,743.00	234,690.00
April	81,142.00	88,417.00	169,559.00
May	57,858.00	78,404.00	136,262.00
June	145,894.00	77,820.00	223,714.00
July	141,782.00	28,413.00	170,195.00
August	112,251.00	36,297.00	148,548.000
Total	910,072.50	559,934.00	1,470,006.50

Source: Myanmar Rice Federation

Figure 3. Burma: Rice Export by Type in August 2026



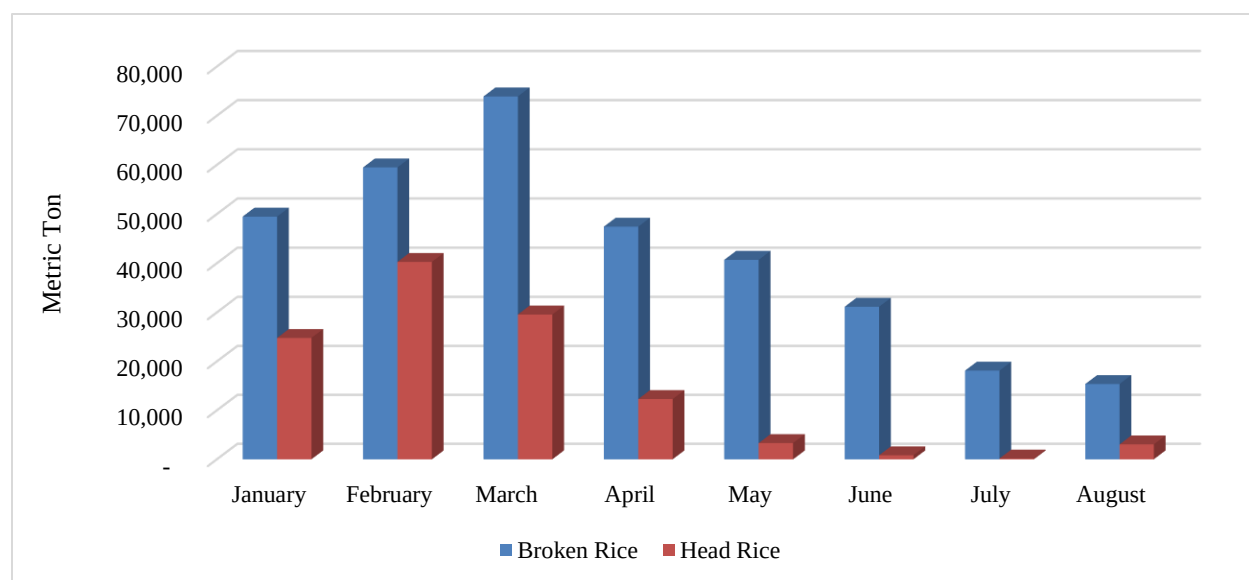
Source: Myanmar Rice Federation

The July and August export decline (Figure 4) reflects reduced Chinese demand during its early-season harvest, high domestic prices relative to declining international prices, and continued [foreign exchange controls](#). Since January 2026, the Central Bank of Myanmar requires a mandatory foreign exchange conversion (at the official exchange rate) for 15 percent of exporters' earnings under Notification No. 2/2026, dated January 7, 2026. Post's contacts note that companies with parallel import operations can more readily offset export losses using import-side gains, while export-only firms face greater difficulty remaining profitable under current restrictions.

Domestic Market Conditions

Domestic rice trading remains slow, with limited shipments from Yangon to other regions. Paddy prices are gradually rising as traders await the new monsoon crop, relying on carryover stocks while prices climb in high-demand areas. Since paddy prices are rising faster than rice prices, millers and traders face tighter margins, especially if rising milling, transport, and labor costs aren't offset by rice price gains. The market remains at a standstill, with sellers holding out for higher prices and buyers watching from the sidelines. Paddy prices should stay firm until the new crop arrives, after which supply, yields, and demand will shape the market's direction.

Figure 4. Burma: Rice Export to China Between January-August 2026



Source: Myanmar Rice Federation

Prices for rice varieties commonly consumed domestically rose sharply in early August amid supply shortages, with limited stock concentrated among a small number of stockholders and diminishing availability of good-quality clean rice. Speculative pricing by stockholding traders has contributed to the increase. Higher-grade Paw San rice, previously around MMK 150,000 (\$34.9) per 108-lb bag, is now priced at approximately MMK 165,000-170,000 (\$35.34-38.6) per bag, driven in part by increased flood-relief procurement. On August 18, 2026, the MRF called for cooperation from relevant stakeholders to help stabilize rice prices and announced reference prices according to rice variety/quality on their social media.

Market Risks: Flooding and Financial Fraud

Flooding: Natural disasters are adding pressure to the rice sector. In Laymyethna Township, Ayeyarwady Region, a July 30 embankment breach reportedly submerged more than tens of thousands of acres of farmland. Sagaing and Mandalay regions reported flooding in significant rice-growing areas in late August. Since Ayeyarwady and Sagaing together account for over 40 percent of the national rice production area, floods pose a substantial risk to the upcoming monsoon harvest.

Ayeyarwady delta: As of September 15, flooding had inundated more than 46,836 hectares (115,685 acres) of paddy fields in Hinthada District, Ayeyarwady Region after a breach in the sandbar beneath the Ngawun embankment allowed water to overflow. Heavy rainfall further exacerbated the flooding, bringing the total estimated flooded monsoon rice acreage in the whole

region to approximately 65,560 hectares (161,399 acres) according to Burma's Department of Agriculture.

Sagaing Region (Central Burma): According to the Sagaing Region's Department of Agriculture, heavy rainfall and subsequent flooding had inundated more than 21,853 hectares (54,000 acres) of farmland across 14 townships as of August 12. Water released from the Thaphan Seik Dam caused additional flooding, affecting 193 villages across Kanbalu, Kyunhla, Shwebo, Khin-U, Wetlet, Ye-U, Taze, Depayin, Kawlin, Ayadaw, Kalay, Mingin, Sagaing, and Myinmu townships. In total, authorities reported that flooding affected more than 21,853 hectares (54,000 acres) of farmland in the region. By the third week of August, floodwater had receded, and farmers reportedly began replanting monsoon rice as soon as possible after flooding damaged their rice nurseries and rice fields.

Financial Fraud: Rice traders and industry sources reported widespread financial fraud in the domestic rice market in July, with losses reportedly exceeding MMK 5 billion (approximately \$1.16 million). The fraud primarily involved informal advance purchases without formal contracts and credit-based paddy/rice purchases-sometimes at above-market prices followed by non-payment or absconding by buyers. Rice mills, wholesalers, and retailers were among the principal victims. An MRF member attributed the fraud to weak use of formal contracts and transaction procedures, noting the disruption could reduce rice available for export.

Policy Developments

Burma set its rice export target at 3 MMT (1.8 MMT of head rice and 1.2 MMT of broken rice) for MY 2026/27 (April 1, 2026-March 31, 2027) with projected export earnings reaching nearly \$1.2 billion. The Ministry of Commerce (MOC) is leading the interagency development of a National Export Strategy for 2026-2030 aimed at expanding overseas markets, boosting foreign exchange earnings, and monitoring monthly export targets.

Burma has implemented the Rice Export Zone program for the 2026/27 monsoon season across over 137,652 hectares (340,000 acres) in Nay Pyi Taw Council, Bago, Yangon, and Ayeyarwady regions. The program provides participating farmers MMK 750,000 (\$173.3) per acre (i.e., MMK 300,000 (\$70) from the Myanmar Agricultural Development Bank to finance production, MMK 250,000 (\$56.8) from the National Economic Promotion Fund, and MMK 200,000 (\$46.5) from exporter companies) to boost high-quality paddy/rice production and farmer incomes. However, limited exporter company participation has constrained on-the-ground implementation

Attachments:

No Attachments.