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Thailand

Rice Price - Weekly

Weekly Rice Price Update

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Report Highlights:

TH2089 – Export prices declined slightly due to the government stock release of 229,661 metric tons, most of which were 5% grade white rice for export use only. Also, the National Rice Policy Committee finalized the MY2012/13 Paddy Pledging Program, which is expected to pledge a larger amount of paddy than this year's level.

Post:
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Market Tone

Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Week ending September 3, 2012

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	1,100	-	1,060	-	1,000	1,040	-	1,050	1,050
WR 100 B	605	-	580	-	580	580	570	586	588
PB 100%	615	-	600	-	600	600	600	603	607
PB 5%	610	-	595	-	595	595	595	598	602
WR 5%	590	-	570	-	570	570	560	572	575
WR 10%	-	-	-	-	-	560	-	560	560
WR 15%	-	-	-	-	-	555	-	555	555
WR 25%	-	-	-	-	-	545	-	545	545
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	515	-	-	-	510	505	-	510	508
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 31.1 baht/U.S.\$

Source: Average actual prices received from exporters

Export prices declined about 1.0 percent from the previous week due to the government stock release. The Commerce Ministry decided on September 3 to release 229,661 metric tons of rice out of the 709,731 metric tons tender (from the MY2011/12 main-crop Paddy Pledging Program) that was announced on August 28, 2012 (Table 2). Almost all of the stock release is 5% grade white rice which is for export use only. The bidding prices were finalized at \$524-532/MT which is around 7.0 percent below market prices. The winners are the top-five rice exporters who are fulfilling their pending shipments to Iraq. Meanwhile, new inquiries from foreign buyers remain quiet. The Government will conduct a new tender by the end of September. The details of the tender have not yet been finalized. Currently, the Government is holding total intervention stocks of around 12-13 million metric tons; of which 1-2 million metric tons are old-crop rice. The MY2011/12 Paddy Pledging Program has pledged 18.8 million metric tons of paddy (12.4 million metric tons milled equivalent); of which 6.8 million metric tons are main-crop paddy (4.5 million metric tons milled equivalent) (Table 3), and 12.0 million

metric tons are off-season crop paddy (7.9 million metric tons milled equivalent) (Table 4). The total weekly pledging declined to 767,856 metric tons of paddy, down 8.3 percent (836,999 metric tons) from two weeks ago. Meanwhile, the National Rice Policy Committee has finalized the MY2012/13 Paddy Pledging Program which will be effective between October 1, 2012 – September 30, 2013. The intervention prices remain unchanged at 13,800 - 15,000 baht/tons (\$444 – 482/MT) for white rice paddy, and 18,000 – 20,000 baht/ton (\$579 – 643/MT) for fragrant rice paddy. No limit restrictions were imposed on the pledged amount. Presently, farm-gate prices are around 11,500 - 12,000 baht/ton (\$370 - 386/MT) for white rice paddy, and 14,800 – 16,000 baht/ton (\$476 – 514/MT) for fragrant rice paddy.

Table 2: Result of the Government Stock Tender on August 28, 2012

Quality	Tender (Metric Ton)	Bidding Result		
		(Metric Ton)	Bidding Price	
			(Baht/MT)	(US\$/MT)
MY2011/12 Main-Crop Rice	709,731	229,661		
- 5% Grade White Rice	210,661	210,661	16,300 - 16,500	524 - 532
- 100% B Grade Fragrant Rice	308,750	17,040	29,800 - 30,000	958 - 965
- Provincial Fragrant Rice	133,750	-	-	-
- Pathumthani Fragrant Rice	6,379	-	-	-
- A1 Super White Rice	50,191	1,960	14750	474
MY2003/04 - MY2007/08 Paddy	44,127	2,935	5,300	170

Source: Ministry of Commerce

Table 3. MY2011/12 Main-Crop Paddy Pledging Program (October 7, 2011 - February 29, 2012)

Unit: Metric Ton							
Region	Number of Farmers	Amount of Paddy					
		Fragrant Rice			White Rice	Glutinous Rice	Total
		Homali	Provincial	Pathumthani			
North	990,415	912,852	269,552	2,750	1,465,654	230,461	2,281,909
Northeast	787,824	2,774,757	-	84	164,062	211,626	3,150,529
Central	154,816	-	65,872	12,968	1,266,425	-	1,344,665
South (Feb 1 - Jul 31, 2012)	4,945	-	-	-	22,780	-	22,780
Total	1,277,400	3,087,609	995,424	15,242	2,918,921	442,087	6,799,283

Note: As of October 7, 2011 - April 9, 2012

Source: Department of Internal Trade, Ministry of Commerce

Table 4. MY2011/12 One-season Paddy Pledging Program					
Unit: Metric Ton					
Region	Number of Farmers	Amount of Paddy			
		White Rice	Parboiled Fragrant Rice	Glutinous Rice	Total
North	524,660	5,005,415	5,933	205,647	5,216,995
Northeast	199,824	775,559	1	97,347	872,907
Central	468,531	5,786,698	127,914	-	5,914,612
South	3,556	26,825	-	-	26,825
Total	1,196,571	11,594,497	133,848	302,994	12,031,339
Note: As of March 1 - September 2, 2012					
Source: Department of Internal Trade, Ministry of Commerce					

Rice Export Update

Unofficial rice exports (excluding fragrant rice) for August 27 – September 2, 2012 totaled 55,693 metric tons, down 21,668 metric tons from the previous week, and down 70,683 metric tons from the four-week moving average of 70,683 metric tons. Exports of white rice and parboiled rice between January 1- September 2, 2012 totaled 3,300,515 metric tons, down 50.2 percent (6,622,705 metric tons) from last year.

According to the Department of Foreign trade, Ministry of Commerce, total rice exports (including fragrant rice) between January 1 – August 29, 2012 amounted to 4,403,245 metric tons, down 46.0 percent (8,156,360 metric tons) from last year.

WEEK ENDING	QUANTITY	4-WK.AVG	YEAR TO DATE	YEAR AGO	YEAR TO DATE AS % OF LAST YEAR
	(MT)	(MT)	(TMT)	(TMT)	(%)
Jun 17	77,910	90,838	2,396	4,775	-49.8
Jun 24	99,482	81,668	2,496	5,002	-50.1
July 1	100,306	86,949	2,596	5,208	-50.2
July 8	82,749	90,112	2,679	5,385	-50.3
July 15	49,526	83,016	2,729	5,576	-51.1
July 22	89,531	80,528	2,818	5,751	-51.0
July 29	110,006	82,953	2,928	5,916	-50.5
Aug 5	89,677	84,685	3,018	6,044	-50.1
Aug 12	84,875	93,522	3,103	6,170	-49.7
Aug 19	64,801	87,340	3,167	6,317	-49.9
Aug 26	77,361	79,179	3,245	6,473	-49.9
Sep 2	55,693	70,683	3,301	6,623	-50.2

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

Movement (MT)	Aug. 13-17	Aug. 20-24 (Revised)	Aug. 27-31 (Preliminary)
Weekly sales	91,819	111,937	85,336
4 week sum	316,304	351,044	362,930
4 week mov. avg.	79,076	87,761	90,733
Year-to-date sales (excluding Apr. 9 - Jun. 29)	2,081,928	2,193,865	2,279,201

End of report