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Thailand

Rice Price - Weekly

Weekly Rice Price Update

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Report Highlights:

TH 2102 – Export prices declined 1-2 percent as the Thai Government continued to sell its rice stocks to help finance the MY2012/13 main-crop Paddy Pledging Program. The government sold around 287,300 metric tons of rice through its open tenders, which generated approximately 5.2 billion baht (\$175 million).

Post:
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Market Tone

Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Week ending October 8, 2012

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	1,115	-	1,060	-	1,050	1,085	-	1,078	1,063
WR 100 B	570	-	570	-	570	565	570	569	574
PB 100%	570	-	580	-	580	580	580	578	581
PB 5%	565	-	575	-	575	575	575	573	576
WR 5%	555	-	560	-	560	555	555	557	560
WR 10%	-	-	-	-	-	550	-	550	550
WR 15%	-	-	-	-	-	545	-	545	545
WR 25%	-	-	-	-	-	540	-	540	540
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	520	-	-	-	510	505	-	512	512
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 30.6 baht/U.S.\$

Source: Average actual prices received from exporters

Domestic and export prices declined 1-2 percent from the previous week as the government continued to sell its rice stocks to help finance the 240 billion baht (\$8 billion) MY2012/13 main-crop Paddy Pledging Program. According to government sources, the program will be funded by a 150 billion baht (\$5.0 billion) loan from government banks and 90 billion baht (\$3 billion) from the sale of government rice stocks. The Thai Government has conducted two open tenders of around 864,100 metric tons of rice from the MY2011/12 Paddy Pledging Program since August 2012 (Table 2). Around 287,300 metric tons of rice, valued at approximately 5.2 billion baht (\$175 million), was sold through the two tenders. The final bids were approximately 10-20 percent below market prices. The Thai Government is expected to conduct another tender in the next couple of weeks. Details of the tender have not yet been finalized.

The Thai Government is currently holding total intervention stocks of around 14-15 million metric tons;

of which 1-2 million metric tons are old-crop rice. As of September 13, 2012, the MY2011/12 Paddy Pledging Program pledged 20.7 million metric tons of paddy (13.7 million metric tons milled equivalent); of which 7.0 million metric tons are main-crop paddy (4.6 million metric tons milled equivalent - Table 3) worth 119 billion baht (\$4.0 billion). 13.8 million metric tons are off-season crop paddy (9.1 million metric tons milled equivalent - Table 4). To date, the Bank for Agriculture and Agricultural Cooperatives (BAAC) has provided a loan of 190 billion baht (\$6.3 billion) for the off-season crop Paddy Pledging Program. The Thai Government is seeking Cabinet approval for another 20 billion baht (\$670 million) to finance an additional 1.0 million tons of off-season crop paddy.

Table 2: Results of the Government Stock Tender on August 13 and September 19, 2012

Quality	Tender 1 (August 13, 2012)					Tender 2 (September 19, 2012)					Grand Total		
	Tender	Release	Balance	Bidding Price		Tender	Release	Balance	Bidding Price		Tender	Release	Balance
	(Metric Ton)	(Metric Ton)	(Metric Ton)	(Baht/MT)	(US\$/MT)	(Metric Ton)	(Metric Ton)	(Metric Ton)	(Baht/MT)	(US\$/MT)	(Metric Ton)	(Metric Ton)	(Metric Ton)
MY2011/12 Main-Crop Rice	709,731	219,661	480,070	-	-	396,193	37,694	358,500	-	-	964,096	287,245	838,571
- 25% Grade White Rice	210,661	210,661	-	14,300-14,500	524-534	-	-	-	-	-	210,661	210,661	-
- 100% B Grade Fragrant Rice	306,700	17,040	291,700	19,300-30,000	928-961	291,700	27,453	264,247	23,300-29,100	731-939	308,700	44,523	264,177
- Provincial Fragrant Rice	131,700	-	131,700	-	-	131,700	3,322	135,422	25,000	806	131,700	3,322	135,422
- Pathumthani Fragrant Rice	6,379	-	6,379	-	-	6,379	1,471	4,908	24,000-25,000	774-806	6,379	1,471	4,908
- A1 Super White Rice	50,191	1,960	48,231	34,700	474	-	-	-	-	-	50,191	1,960	48,231
- Broken Fragrant Rice	-	-	-	-	-	33,182	11,992	31,190	10,000-16,500	484-526	33,182	11,992	31,182
- Broken Provincial Fragrant Rice	-	-	-	-	-	32,394	-	32,394	-	-	32,394	-	32,394
- Broken Pathumthani Fragrant Rice	-	-	-	-	-	876	-	876	-	-	876	-	876
- 10% Grade Glutinous Rice	-	-	-	-	-	47,920	5,320	42,600	18,000-18,000	620-632	47,920	5,320	42,600
MY2011/12-MY2012/13 Off-Season Paddy	44,127	2,835	-	5,300	170	-	-	-	-	-	44,127	2,835	41,292

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	390,415	312,870	269,552	2,750	1,465,654	230,436	2,281,302
Northeast	787,897	2,774,830	-	84	164,062	211,621	3,150,597
Central	154,816	-	65,872	12,968	1,266,425	-	1,344,665
South (Feb 1 - Jul 31, 2012)	21,082	-	-	-	173,593	-	173,593
Total	1,294,210	3,087,700	335,424	15,242	3,089,734	442,057	6,950,157

Note: As of August 17, 2012

Source: Department of Internal Trade, Ministry of Commerce

Table 4. MY2011/12 Off-season Paddy Pledging Program

Unit: Metric Ton					
Region	Number of Farmers	Amount of Paddy			
		White Rice	Fragrant Rice	Glutinous Rice	Total
North	532,573	5,165,806	5,933	205,647	5,377,386
Northeast	201,227	782,819	1	97,434	880,254
Central	483,074	6,033,539	129,080	-	6,162,619
South	3,903	29,245	-	-	29,245
Total	1,220,777	12,011,409	135,014	303,081	12,449,504

Note: As of March 1 - September 6, 2012

Source: Department of Internal Trade, Ministry of Commerce

Rice Export Update

Unofficial rice exports (excluding fragrant rice) for October 1-7, 2012 totaled 97,446 tons, down 1,476 metric tons from the previous week and up 6,478 metric tons from the four-week moving average of 90,967 tons. Exports of white and parboiled rice from January 1- October 7, 2012 totaled 3,724,881 tons, down 49.1 percent (7,317,695 tons) from last year.

According to the Department of Foreign trade, Ministry of Commerce, total rice exports (including fragrant rice) from January 1 – September 27, 2012 amounted to 4,941,963 tons, down 44.6 percent (8,920,781 tons) from last year.

Table 5: 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)	(%)
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
Sep 9	55,497	63,338	3,356	6,778	-50.5
Sep 16	76,072	66,156	3,432	6,900	-50.3
Sep 23	91,429	69,673	3,524	7,046	-50.0
Sep 30	98,922	80,480	3,622	7,207	-49.7
Oct 7	97,446	90,967	3,725	7,318	-49.1

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 6: Weekly private registered rice export sales			
Movement (MT)	Sep. 17-21	Sep. 24-28	Oct. 1-5 (Preliminary)
Weekly sales	167,906	182,734	47,621
4 week sum	431,476	479,350	475,487
4 week mov. avg.	107,869	119,838	118,872
Year-to-date sales (excluding Apr. 9 - Jun. 29)	2,625,341	2,808,075	2,855,696

End of report