

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Thailand

Rice Price - Weekly

Weekly Rice Price Update

Approved By:

Rey Santella, Agricultural Attaché

Prepared By:

Ponnarong Prasertsri, Agricultural Specialist

Report Highlights:

TH4053 – Domestic supplies, particularly white rice, remain limited. The military government is considering input subsidies to replace the rice pledging program.

Post:
Bangkok

Author Defined:
Market Tone

Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Week ending June 23, 2014

| Quality | Exporter Observations | | | | | | | Period Average | |
|------------|-----------------------|----|------|----|-------|------|------|----------------|------|
| | #1 | #2 | #3 | #4 | #5 | #6 | #7 | CUR. | PRV |
| F WR 100 B | N.Q. | - | N.Q. | - | 1,000 | N.Q. | - | 1,000 | N.Q. |
| WR 100 B | N.Q. | - | N.Q. | - | 400 | N.Q. | N.Q. | 400 | 410 |
| PB 100% | N.Q. | - | N.Q. | - | 440 | N.Q. | N.Q. | 440 | 410 |
| PB 5% | N.Q. | - | N.Q. | - | 435 | N.Q. | N.Q. | 435 | 405 |
| WR 5% | N.Q. | - | N.Q. | - | 390 | N.Q. | N.Q. | 390 | 385 |
| WR 10% | - | - | - | - | - | N.Q. | - | N.Q. | N.Q. |
| WR 15% | - | - | - | - | - | N.Q. | - | N.Q. | N.Q. |
| WR 25% | - | - | - | - | - | N.Q. | - | N.Q. | N.Q. |
| WR 35% | - | - | - | - | - | N.Q. | - | - | - |
| A1 SUP | N.Q. | - | - | - | 330 | N.Q. | - | 330 | N.Q. |
| A1 SPEC | - | - | - | - | - | - | - | - | - |

Exchange rate: 32.5 baht U.S.\$

Source: Average actual prices received from exporters

This week, the military government allowed the delivery of limited rice supplies to exporters that had pending shipments before the coup. These shipments totaled around 0.3 million metric tons. Most exporters remained reluctant to provide quotations as domestic supplies remained limited due to the military government's decision to halt the movement of government rice stocks from storage warehouses. Most of the rice stocks reportedly consist of white and broken white rice. Some exporters, particularly for those who have parboiled rice supplies, are offering to sell their stocks at 7 percent above the current market prices.

As of June 22, 2014, the government reportedly received approximately 11.7 million metric tons of main-crop rice paddy (7.7 million metric milled equivalent – Table 2) under the MY2013/14 Main-Crop Rice Paddy Pledging Program at a cost of around 193 billion baht (\$6 billion). As of June 21, 2014, the BAAC has reportedly paid approximately 191 billion baht (\$5.9 billion) in loans to 1.5 million rice farmers for 11.6 million metric tons of pledges (7.6 million metric tons milled equivalent). The military government is considering an input subsidy program using soft loans and discounted prices on fertilizers to replace the previous government's rice pledging program. The proposed subsidy of 500-600 baht per rai (\$96-115/hectare) is a short-term measure to help reduce the cost of rice production, which is currently estimated at approximately 4,000 – 5,000 baht/rai (roughly \$770-960/hectare). The subsidy is expected to be limited to 15 rai per household (2.4 hectares/household) and administered by the BAAC.

Table 2: Results of the MY2013/14 Paddy Pledging Program (Main Crop: October 1, 2013 - February 28, 2014), as of June 22, 2014

| Region | Number of Farmers (Million) | Amount of Rice Paddy (Million Metric Ton) | | | | | |
|---------------|-----------------------------|---|------------|-------------|------------|----------------|-------------|
| | | Fragrant Rice | | | White Rice | Glutinous Rice | Total |
| | | Homali | Provincial | Pathumthani | | | |
| North | 0.6 | 0.4 | 0.4 | 0.0 | 3.6 | 0.4 | 4.8 |
| Northeast | 1.0 | 3.3 | 0.0 | 0.0 | 0.2 | 0.2 | 3.7 |
| Central Plain | 0.3 | 0.0 | 0.1 | 0.1 | 3.0 | 0.0 | 3.2 |
| South | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total | 1.9 | 3.7 | 0.5 | 0.1 | 6.8 | 0.6 | 11.7 |

Source: Ministry of Commerce

Rice Export Update

Preliminary unofficial rice exports (excluding premium white and fragrant rice) for June 16-22, 2014 totaled 106,554 metric tons, down 8,836 metric tons from the previous week and down 20,107 metric tons from the four-week moving average of 126,661 metric tons (Table 3). Rice exports from January 1 – June 22, 2014 totaled 2,140,680 metric tons, up 28 percent from the same period last 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) | (%) |
| Apr 20 | 34,389 | 76,214 | 1,058 | 1,262 | -16.1 |
| Apr 27 | 132,081 | 86,904 | 1,190 | 1,335 | -10.9 |
| May 4 | 111,935 | 92,043 | 1,302 | 1,380 | -5.6 |
| May 11 | 97,162 | 93,892 | 1,399 | 1,405 | -0.4 |
| May 18 | 89,085 | 107,566 | 1,488 | 1,457 | 2.1 |
| May 25 | 145,717 | 110,975 | 1,634 | 1,490 | 9.6 |
| Jun 1 | 145,846 | 119,452 | 1,780 | 1,532 | 16.2 |
| Jun 8 | 138,853 | 129,875 | 1,919 | 1,579 | 21.5 |
| Jun 15 | 115,390 | 136,451 | 2,034 | 1,623 | 25.3 |
| Jun 22 | 106,554 | 126,661 | 2,141 | 1,668 | 28.4 |

Note on data: Export figures since March 22, 2002, do not include fragrant rice. In addition, starting May 1, 2013, the data will not include 100% - 25% grade white rice exports. The reporting authority 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 and white rice (100%-25% grades) export data. FAS/BKK will report only official export numbers available from the Board of Trade of Thailand. The reader should bear in mind the difference between the data.

Source: Board of Trade of Thailand