

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Thailand

Rice Price - Weekly

Weekly Rice Price Update - Aug 27

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Report Highlights:

TH3079. Export prices further decreased from the previous week due mainly to a decline in domestic prices and continued depreciation of the Thai baht. On August 27, 2013, the Thai Cabinet approved changes to the paddy pledging program.

Post:
Bangkok

Market Tone

| Quality | Exporter Observations | | | | | | | Period Average | |
|---|-----------------------|----|-------|----|-------|-------|-----|----------------|-------|
| | #1 | #2 | #3 | #4 | #5 | #6 | #7 | CUR. | PRV. |
| F WR 100 B | 1,105 | - | 1,125 | - | 1,150 | 1,130 | - | 1,128 | 1,136 |
| WR 100 B | 450 | - | 505 | - | 460 | 435 | 505 | 471 | 488 |
| PB 100% | 465 | - | 525 | - | 490 | 465 | 505 | 490 | 503 |
| PB 5% | 440 | - | 510 | - | 450 | 460 | 490 | 470 | 498 |
| WR 5% | 435 | - | 495 | - | 450 | 425 | 490 | 459 | 465 |
| WR 10% | - | - | - | - | - | 420 | - | 420 | 430 |
| WR 15% | - | - | - | - | - | 415 | - | 415 | 425 |
| WR 25% | - | - | - | - | - | 410 | - | 410 | 420 |
| WR 35% | - | - | - | - | - | - | - | - | - |
| A1 SUP | 435 | - | - | - | 440 | 400 | - | 425 | 408 |
| A1 SPEC | - | - | - | - | - | - | - | - | - |
| Exchange rate: 32.06 baht/U.S.\$ | | | | | | | | | |
| Source: Average actual prices received from exporters | | | | | | | | | |

Export prices further decreased from the previous week due mainly to a decline in domestic prices and continued depreciation of the Thai baht against U.S. dollar. Trade sources report that bids for the recent government tenders were as low as 12,000-13,000 baht per metric ton (MT). The low bids have put downward pressure on domestic rice prices. In addition, the Thai baht depreciated against the U.S. dollar by one percent to 32.06 baht/US\$ on August 27 from 31.75 baht/US\$ on August 20.

The government announced that only 30,000 MT of 5% grade white rice was awarded from last week's 201,665 MT tender. Meanwhile, the other tender of provincial fragrant rice 71,562 MT and 10% grade glutinous rice (28,799 MT) was not approved (see Table 2).

On August 27, 2013, the Thai Cabinet approved the MY 2013/14 Paddy Pledging Program as proposed by National Rice Policy Committee. Under the scheme, participating farmers will receive the same intervention price of 15,000 baht/MT (US\$ 468/MT) for their main-crop paddy production. However, pledges will be limited to 350,000 baht per household (US\$ 10,917). Farmers that participate in the off-season paddy crop will receive 13,000 baht/MT (US\$ 405) and the amount of pledges is limited to 300,000 baht per household (US\$ 9,357). The Main-crop Paddy Pledging Program will begin on October 1, 2013 and run until February 28, 2014. The total amount of mortgaged paddy under the program is estimated at 18 million metric tons (MMT), of which 15 MMT will be from the main-crop production.

| Table 2: Tenders of MY2011/12 government rice stocks on August 19, 2013 | | | | | |
|--|---|---------------------------------|------------------------|-------------------------|---------------------|
| Tender | Quality | Quantity (MT, milled) | Conditions | Participants | Outcome |
| 1 | 5% Grade White Rice | 101,304 | Export Only | Five exporters | 30,000 MT |
| | of which - Main Crop | 71,335 | | | awarded |
| | - Off-Season Crop | 29,969 | | | |
| 2 | Provincial Fragrant Rice (Main Crop) | 71,562 | Domestic/Export | One local miller | None of them |
| | 10% Grade Glutinous Rice | 28,799 | Domestic/Export | | awarded |
| | of which - Main Crop | 25,078 | | | |
| | - Off-Season Crop | 3,721 | | | |
| | Sub Total | 100,361 | | | |
| Grand Total | | 201,665 | | | 30,000 |

Source: Department of Foreign Trade, Ministry of Commerce

Rice Export Update

Unofficial rice exports (excluding premium white rice and fragrant rice) for August 19-25, 2013 totaled 66,575 MT, up 19,549 MT from the previous week, and up 9,930 MT from the four-week moving average of 56,645 MT. Exports of white rice and parboiled rice from January 1 through August 25, 2013 totaled 2,106,169 MT, down 35 percent from 3,243,822 MT in the same period of 2012. (Table 3).

Total rice exports (including premium white rice and fragrant rice) from January 1 through June 30, 2013 amounted to 3,059,337 MT, down 12 percent from 3,470,642 MT in the same period of 2012.

| 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) | (%) |
| Jun 9 | 46,365 | 43,650 | 1,581 | 2,318 | -31.8 |
| Jun 16 | 44,796 | 41,903 | 1,626 | 2,391 | -32.0 |
| Jun 23 | 43,095 | 44,730 | 1,669 | 2,492 | -33.0 |
| Jun 30 | 39,356 | 43,403 | 1,708 | 2,594 | -34.2 |
| Jul 7 | 30,007 | 39,313 | 1,738 | 2,676 | -35.1 |
| Jul 14 | 35,695 | 37,038 | 1,774 | 2,728 | -35.0 |
| Jul 21 | 59,595 | 41,163 | 1,833 | 2,812 | -34.8 |
| Jul 28 | 46,258 | 42,889 | 1,880 | 2,922 | -35.7 |
| Aug 4 | 46,419 | 46,992 | 1,926 | 3,012 | -36.1 |
| Aug 11 | 66,562 | 54,709 | 1,993 | 3,102 | -35.8 |
| Aug 18 | 47,026 | 51,566 | 2,040 | 3,165 | -35.6 |
| Aug 25 | 66,575 | 56,645 | 2,106 | 3,243 | -35.1 |

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

End of report.