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# GAIN Report

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## **Thailand**

### **Rice Price - Weekly**

#### **Weekly Rice Price Update**

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**Report Highlights:**

TH 2097 – Domestic and export rice prices remained unchanged from the previous week, however, prices for parboiled rice declined 2-3 percent. The Cabinet deferred making a decision on the MY2012/13 Paddy Pledging Program until next week due to budget concerns.

**Post:**  
Bangkok

**Author Defined:**  
**Market Tone**

**Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Week ending September 24, 2012**

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	1,105	-	1,060	-	1,000	1,065	-	1,058	1,060
WR 100 B	580	-	570	-	580	570	570	575	575
PB 100%	575	-	580	-	590	585	580	582	596
PB 5%	570	-	575	-	585	580	575	577	591
WR 5%	560	-	560	-	570	560	560	562	562
WR 10%	-	-	-	-	-	555	-	555	555
WR 15%	-	-	-	-	-	550	-	550	550
WR 25%	-	-	-	-	-	545	-	545	545
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	520	-	-	-	510	505	-	512	512
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 30.8 baht/U.S.\$

Source: Average actual prices received from exporters

Domestic and export prices for most grades of rice remained unchanged from the previous week while prices for parboiled rice declined about 2-3 percent due to an increase in the domestic supply of white rice paddy. Most of the off-season crop harvest will be completed by the end of this month before the peak of the flood season which occurs in October - November. The impact of current flooding in the lower northern region and the central plains on the MY2011/12 off-season crop and the MY2012/13 main-crop has been minimal so far. According to the Office of Agricultural Economics, the affected areas accounted for around 0.7 percent of total planted area.

Nine bidders participated in the September 19, 2012 government rice tender of 586,193 metric tons (Table 2) compared to 30-40 participants in the August 28, 2012 tender. Bidding prices for the September tender are expected to be lower due to quality concerns with the fragrant rice stocks. The Thai Government is currently holding total intervention stocks of around 12-13 million metric tons;

of which 1-2 million metric tons are old-crop rice. As of September 6, 2012, the MY2011/12 Paddy Pledging Program pledged 19.2 million metric tons of paddy (12.7 million metric tons milled equivalent); of which 6.8 million tons are main-crop paddy (4.5 million metric tons milled equivalent) (Table 3), and 12.4 million metric tons are off-season crop paddy (8.2 million metric tons milled equivalent) (Table 4).

Last week (September 18, 2012), the Thai Government unsuccessfully tried to obtain Cabinet approval to fund the MY2012/13 Paddy Pledging Program. The Thai Cabinet expressed concerns about the high cost of the proposed program (worth 405 billion baht or \$13 billion) and suggested that the government should release large portions of its rice stocks to help finance the program. The Cabinet will reconsider the proposal again on October 2, 2012. The government has pledged a target range of 26.0 million metric tons of paddy (17 million metric tons milled equivalent), which account for approximately 80.0 percent of total rice production. The program will be effective from October 1, 2012 to 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: Government Stock Tender on September 19, 2012**

<b>Quality</b>	<b>Tender (Metric Ton)</b>
<b>MY2011/12 Main-Crop Rice</b>	<b>586,193</b>
- 100% B Grade Fragrant Rice	291,709
- Provincial Fragrant Rice	133,750
- Pathumthani Fragrant Rice	6,379
- Broken Fragrant Rice	53,182
- Broken Provincial Fragrant Rice	52,394
- Broken Pathumthani Fragrant Rice	876
- 10% Grade Glutinous Rice	47,903

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
		Honuli	Provincial	Pathumthani			
North	990,415	912,852	269,552	2,790	1,465,654	290,461	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	-	1,944,665
South (Feb 1 - Jul 31, 2012)	4,945	-	-	-	22,780	-	22,780
<b>Total</b>	<b>1,277,400</b>	<b>3,087,609</b>	<b>995,424</b>	<b>15,242</b>	<b>2,918,921</b>	<b>442,087</b>	<b>6,799,283</b>

Note: As of October 7, 2011 - April 9, 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
<b>Total</b>	<b>1,220,777</b>	<b>12,011,409</b>	<b>135,014</b>	<b>303,081</b>	<b>12,449,504</b>

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 September 17-23, 2012 totaled 91,429 tons, up 15,357 tons from the previous week and up 21,756 tons from the four-week moving average of 69,673 tons. Exports of white rice and parboiled rice from January 1- September 23, 2012 totaled 3,523,513 tons, down 50.0 percent (7,045,960 tons) from last year.

According to the Department of Foreign trade, Ministry of Commerce, total rice exports (including fragrant rice) from January 1 – September 18, 2012 amounted to 4,753,543 tons, down 45.1 percent (8,660,630 tons) from last year.

**Table 4: 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 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
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

*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 5: Weekly private registered rice export sales**

Movement (MT)	Aug. 27-31 (Revised)	Sep. 3-7 (Preliminary)	Sep. 10-14 (Preliminary)	Sep. 17-21 (Preliminary)
Weekly sales	134,860	51,484	NA	NA
4 week sum	412,454	390,100	NA	NA
4 week mov. avg.	103,114	97,525	NA	NA
Year-to-date sales (excluding Apr. 9 - Jun. 29)	2,328,725	2,380,209	NA	NA

End of report