

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Thailand

Rice Price - Weekly

Weekly Rice Price Update

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Report Highlights:

TH6091 – Export prices continued to decline 5 to 6 percent due to competition from Vietnamese rice and the anticipated sales of government’s rice stock tenders for 1 million metric tons which will be issued on August 29-30.

Post:
Bangkok

Author Defined:
Market Tone

Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Week ending August 22, 2016

Quality	Exporter Observations							Period Average	
	=1	=2	=3	=4	=5	=6	=7	CUR.	PRV
F WR 100 B	675	-	-	675	695	680	-	681	696
WR 100 B	380	-	400	380	395	388	405	391	415
PB 100%	380	-	405	380	405	387	410	395	416
PB 5%	375	-	400	375	400	382	405	390	411
WR 5%	370	-	390	370	385	378	395	381	405
WR 10%	368	-	-	-	-	377	-	373	398
WR 15%	365	-	-	-	-	374	-	370	395
WR 25%	360	-	-	-	-	369	-	365	388
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	-	-	-	-	-	-	-	-	-
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 34.5 baht U.S.\$

Source: Average actual prices received from exporters

Export prices for most grades of rice declined 5 to 6 percent due to competition from Vietnamese rice which is reportedly \$50/MT cheaper as its new-crop supplies are entering the market. Also, traders are awaiting the government's upcoming rice stock tenders of around 1 million metric tons which will be issued on August 29-30, 2016. The tenders will consist of 755,572 metric tons of 5% grade white rice (food grade for domestic and export markets) and 255,796 metric tons of broken white rice (A1 Super grade for industrial uses) which are carry-over stocks from the MY2012/13 and MY2013/14 pledging programs. Presently, export prices of old-crop 5% grade white rice is at \$332/MT which is 10 percent cheaper than those of current-crop white rice.

The government reported that it is holding rice stocks of around 9 million metric tons of which 40 percent is industrial grade rice and the remainder is food grade rice. The government announced that they plan to completely sell off its old rice stocks during 2017. The government also stated that new tenders during September–December 2016 will mainly be for industrial uses in order to prevent domestic rice prices from falling during the harvest period in the last quarter of this year.

Rice Export Update

Unofficial preliminary rice exports (excluding premium white and fragrant rice) for August 15-21, 2016 totaled 78,411 metric tons, up 27,575 metric tons from the previous week and up 10,137 metric tons from the four-week moving average of 68,274 metric tons (Table 2). Rice exports from January 1–August 21, 2016 totaled 2,241,116 metric tons, down 13 percent from the same period last year.

WEEK ENDING	QUANTITY	4-WK AVG	YEAR TO DATE	YEAR AGO	YEAR TO DATE AS % OF LAST YEAR
	(MT)	(MT)	(TMT)	(TMT)	(%)
Jul 3	57,933	64,807	1,830	1,952	-6.2
Jul 10	39,776	58,896	1,870	2,033	-8.0
Jul 17	32,896	50,087	1,903	2,114	-10.0
Jul 24	63,049	48,414	1,966	2,191	-10.3
Jul 31	93,613	57,334	2,060	2,296	-10.3
Aug 7	50,236	59,948	2,110	2,366	-10.8
Aug 14	50,836	64,433	2,161	2,452	-11.9
Aug 21	78,411	68,274	2,241	2,582	-13.2

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