

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY
USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT
POLICY

Required Report - public distribution

Date: 2/21/2017

GAIN Report Number: TH7023

Thailand

Rice Price - Weekly

Weekly Rice Price Update

Approved By:

Paul Welcher, Agricultural Attaché

Prepared By:

Ponnarong Prasertsri, Agricultural Specialist

Report Highlights:

Despite the sale of around 2 million metric tons of old-crop food-grade rice stocks this week, export prices increased around 2 percent as exporters are seeking new-crop white rice for shipments under the recent government-to-government agreements with China.

Post:
Bangkok

Market Tone

Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Week ending February 20, 2017

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV
F WR 100 B	600	-	-	605	610	603	-	605	605
WR 100 B	363	-	395	365	370	365	405	377	371
PB 100%	362	-	395	365	365	364	395	374	369
PB 5%	357	-	390	360	360	359	390	369	364
WR 5%	353	-	380	354	355	355	380	363	357
WR 10%	351	-	-	-	-	353	-	352	344
WR 15%	349	-	-	-	-	351	-	350	342
WR 25%	342	-	-	-	-	345	-	344	340
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	-	-	-	-	-	-	-	-	-
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 34.9 baht/USD

Source: Average actual prices received from exporters

Last week, China and Thailand announced a new 100,000 metric ton allotment under their two million metric ton government-to-government agreement signed in 2015. This will be the third allotment under this agreement. The prices for this allotment are 386 USD/MT (FOB) for 50 kilogram packages and 391 USD/MT for 25 kilogram packages, which is 2 percent cheaper than the first allotment in November 2016 and the same prices as the second allotment announced two weeks ago. In response, export prices increased approximately 2 percent from the previous week as exporters are seeking new-crop 5% grade white rice to fulfill the 200,000 metric tons agreed to under the second and third allotments. Private exporters will conduct these shipments between February - April 2017 as the government does not hold new-crop white rice stocks.

Traders expect that the government is likely to accept bids for around 2 million metric tons of old-crop food-grade rice stocks that were offered in the 2.9 million metric ton public tender on February 16, 2017. This sale is expected to consist of 0.7 million metric tons of 100% B grade fragrant rice (Hom Mali fragrant rice), 0.5 million metric tons of 5% grade white rice, and 0.8 million metric tons of broken rice, glutinous rice, and non-Hom Mali fragrant rice. About half of the Hom Mali fragrant rice and all of the 5% grade white rice will be for export to African countries with the remainder being used by the domestic market. The bids received on February 16 are about 20-40 percent below current market prices. The sale of old-crop food-grade rice stocks will be finalized by the National Rice Policy and Management Committee on February 21, 2017.

Rice Export Update

Unofficial preliminary rice exports (excluding premium white and fragrant rice) for February 13-19, 2017, totaled 84,524 metric tons, down 87,094 metric tons from the previous week, and down 75,832 metric tons from the four-week moving average of 160,356 metric tons (Table 2). Rice exports from January 1 – February 19, 2017, totaled 1,008,249 metric tons.

WEEK ENDING	QUANTITY	4-WK AVG	YEAR TO DATE	YEAR AGO	YEAR TO DATE AS % OF LAST YEAR
	(MT)	(MT)	(TMT)	(TMT)	(%)
Dec 31, 2016	107,399	104,490	4,378	4,425	-1.1
Jan 8, 2017	82,894	-	83	60	37.7
Jan 15, 2017	134,347	-	217	142	52.8
Jan 22, 2017	149,583	-	367	248	48.0
Jan 29, 2017	199,389	141,553	566	334	69.3
Feb 5, 2017	185,893	167,303	752	429	75.2
Feb 12, 2017	171,618	176,621	924	514	79.7
Feb 19, 2017	84,524	160,356	1,008	558	80.6

Note on data: Export figures since March 22, 2002, do not include fragrant rice. In addition, during May 1, 2013 - December 18, 2016, export data did not include 25% - 100% grade white rice exports as 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 export data. FAS/BKK reports only the official export numbers available from the Board of Trade of Thailand. The reader should bear in mind these differences when comparing historical data with current data.

Source: Board of Trade of Thailand