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GAIN Report

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Thailand

Rice Price - Weekly

Weekly Rice Price Update

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Report Highlights:

TH4030 – Domestic and export prices declined 1 to 3 percent due to the sale of government rice stocks. The government is expected to issue another tender of 196,740 metric tons of rice via the AFET on April 9.

Post:
Bangkok

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Market Tone

Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Week ending March 31, 2014

Quality	Exporter Observations							Period Average	
	=1	=2	=3	=4	=5	=6	=7	CUR.	PRV
FWR 100 B	950	-	975	-	970	950	-	961	960
WR 100 B	420	-	410	-	400	390	410	406	411
PB 100%	405	-	440	-	425	410	410	418	428
PB 5%	395	-	435	-	420	405	405	412	423
WR 5%	375	-	390	-	380	385	390	384	396
WR 10%	-	-	-	-	-	380	-	380	380
WR 15%	-	-	-	-	-	375	-	375	375
WR 25%	-	-	-	-	-	355	-	355	355
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	-	-	-	-	310	315	-	313	313
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 32.5 baht/US\$

Source: Average actual prices received from exporters

Domestic and export prices declined 1 to 3 percent from the previous week as the government continued to sell its rice stocks. The revenues generated will be used to finance the delayed payments incurred by the MY2013/14 Main-Crop Rice Paddy Pledging Program. On March 26, 2014 the government conducted a tender of 233,723 metric tons of white and fragrant rice through the Futures Exchange of Thailand (AFET). Thirteen exporters and millers participated in the tender, which consisted of 183,139 metric tons of 5% grade white rice and 50,584 metric tons of 100% B grade fragrant white rice from MY2012/13 and MY2013/14 rice stocks. The bids were 19-34 percent below market prices for white rice and 18-20 percent for fragrant rice.

The government is expected to issue another tender of 196,740 metric tons of MY2012/13 and MY2013/14 white and fragrant rice stocks via the AFET on April 9, 2014. The revenues generated by these bids will be provided to the Bank for Agricultural and Agricultural Cooperatives (BAAC) to finance the MY2013/14 Main-Crop Rice Paddy Pledging Program. The government reportedly sold approximately 0.5 million metric tons of its rice stocks worth 4.8 billion baht (\$148 million) in the AFET tenders that took place between October 2013 – March 19, 2014. As of February 28, 2014 the government is reportedly holding net outstanding stocks of approximately 17 million metric tons, which consist of 5.8 million metric tons of MY2011/12 rice, 8.3 million metric tons of MY2012/13 rice, and 2.9 million metric tons of MY2013/14 rice.

As of March 30, 2014, the government has reportedly received approximately 11.6 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. The BAAC has reportedly paid approximately 79 billion baht (\$2.4 billion) in loans to 0.7 million rice farm households. The program is being financed through the

revenue generated from the sales of government rice stocks.

Table 2: Results of the MY2013/14 Paddy Pledging Program (Main Crop: October 1, 2013 - February 28, 2014), as of March 30, 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	11.6

Source: Ministry of Commerce

Rice Export Update

Unofficial rice exports (excluding premium white and fragrant rice) for March 24-30, 2014 totaled 89,319 metric tons, up 13,107 metric tons from the previous week and up 15,699 metric tons from the four-week moving average of 73,620 metric tons (Table 3). Rice exports from January 1 – March 30, 2014 totaled 842,491 metric tons, down 21 percent from the same period last year.

According to the Thai Customs Department, the official rice exports (including premium white rice and fragrant rice) during January 1 – February 28, 2014 totaled 1.4 million metric tons, up around 40 percent from the same period last year, mainly due to an increase in white and parboiled rice exports.

WEEK ENDING	QUANTITY	4-WK AVG	YEAR TO DATE	YEAR AGO	YEAR TO DATE AS % OF LAST YEAR
	(MT)	(MT)	(TMT)	(TMT)	(%)
Jan 19	67,805	51,357	140	232	-39.8
Jan 26	47,038	46,650	187	338	-44.7
Feb 2	65,878	57,612	252	416	-39.4
Feb 9	68,623	62,336	321	509	-36.9
Feb 16	63,400	61,235	385	578	-33.5
Feb 23	79,897	69,450	464	673	-31.0
Mar 2	83,611	73,883	548	766	-28.5
Mar 9	62,847	72,439	611	847	-27.9
Mar 16	66,101	73,114	677	912	-25.7
Mar 23	76,213	72,193	753	988	-23.8
Mar 30	89,319	73,620	842	1,062	-20.7

*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