

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:

Highlight: TH0019 Despite downward pressure on domestic prices due to the government's stock release plan, export prices remained stable as the Thai Baht strengthened against the US dollar. The Government has announced that it will release between 2.5- 3.0 million tons during the remainder of the year, details on the implementation of the release are yet to be made public.

Post:
Bangkok

Market Tone

Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Week ending July 27, 2010

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	970	-	980	-	1,000	935	-	971	971
WR 100 B	435	-	470	-	470	450	480	461	462
PB 100%	455	-	480	-	480	460	480	471	472
PB 5%	450	-	475	-	470	455	475	465	466
WR 5%	410	-	450	-	450	425	460	439	440
WR 10%	405	-	425	-	445	422	-	424	426
WR 15%	390	-	410	-	-	420	-	407	408
WR 25%	375	-	400	-	-	400	-	392	393
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	330	-	360	-	360	335	-	346	348
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 31.9 baht/US\$

Source: Average actual prices received from exporters

Despite downward pressure on domestic price due to the government's stock release plan, export prices remained stable as the Thai Baht strengthened against the US dollar from 32.2 baht/US\$ in the previous week to 31.9 baht/US\$. The Government has announced its plan to release 2.5 – 3.0 million tons of intervention stocks which currently are estimated between 5-6 million tons. It's expected that the stocks will be gradually released throughout the remainder of the year, particularly for Pathumthani fragrant rice and glutinous rice, however details are yet to be made public.

The weekly benchmark prices of white rice for July 26 – August 1 declined by 1.7 percent. As such, farmers will receive higher compensation compared to the previous week. Farmers that sell their supplies this week will likely attain insurance price levels as market prices trend downward.

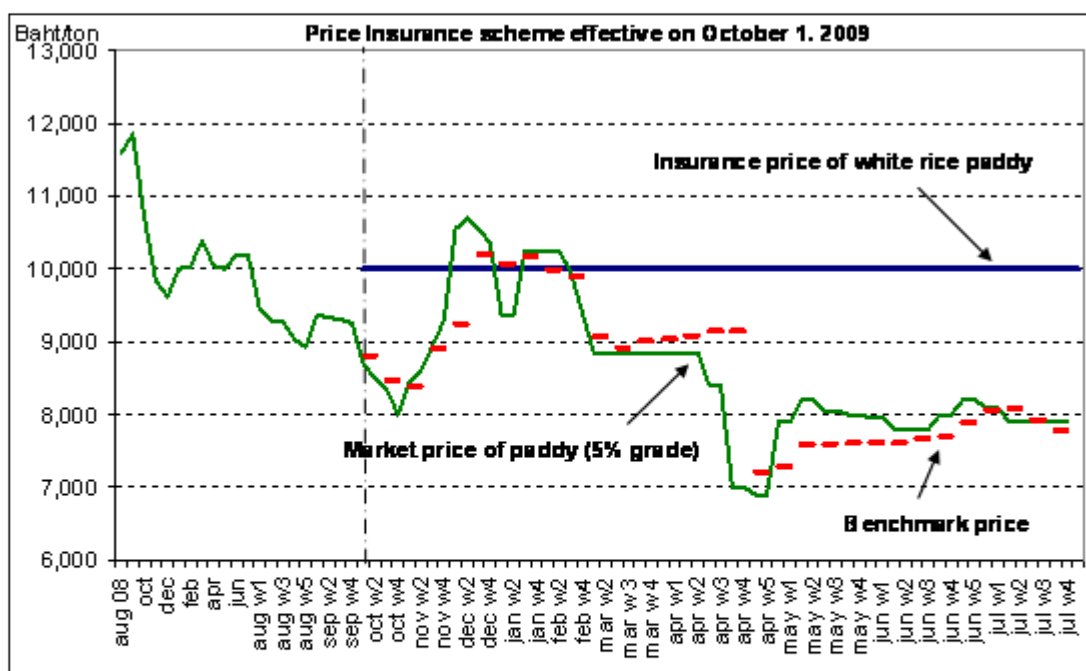
Table 2: Price Insurance Scheme for MY2009/2010 rice crop

	Rice paddy				
	Fragrant rice (Hom Mali)	Provincial fragrant rice	Pathum fragrant rice	Glutinous rice	White rice
1. Eligible tonnage (ton/household) ^{a/}	14	16	25	16	25
2. Insured prices (Baht/ton) ^{a/}	15,300	14,300	11,000 ^{d/}	9,500	10,000
3. Benchmark prices (Baht/ton) ^{b/c/}					
Jun 28 - Jul 4	-	-	9,970	12,505	7,891
July 5-11	-	-	10,391	12,876	8,063
July 12-18	-	-	10,809	13,465	8,081
July 19-25	-	-	10,764	14,655	7,926
July 26 - Aug 1	-	-	10,556	15,383	7,788
4. Compensation (1-2), (Baht/ton)					
Jun 28 - Jul 4	-	-	1,030	-	2,109
July 5-11	-	-	609	-	1,937
July 12-18	-	-	191	-	1,919
July 19-25	-	-	236	-	2,074
July 26 - Aug 1	-	-	444	-	2,212
5. Market prices (Baht/ton)					
Jun 28 - Jul 4	13,250	11,750	9,350	13,850	8,200
July 5-11	13,750	11,750	10,050	14,500	8,100
July 12-18	13,750	11,750	11,050	15,400	7,900
July 19-25	13,750	11,750	10,950	15,400	7,900
July 26 - Aug 1 ^{e/}	13,750	11,750	10,950	15,400	7,900

Note:

^{a/} Cabinet approval on Sep. 22, 2009^{b/} Starting March 8, 2010 the benchmark prices will be published on a weekly basis instead of twice a month on the 1st and 16th, based on average historical wholesale prices of last 15 days in Bangkok. The prices are set by the Subcommittee on Benchmark Price Determination, chaired by the Permanent Secretary General of the Ministry of Commerce.^{c/} Starting Apr. 26, 2010 the benchmark prices will be based on average wholesale price of last week in Bangkok.^{d/} The insured prices of MY 2009/10 second-crop Pathum Fragrant rice were revised up from 10,000 tons/MT in MY2009/10 main-crop price insurance scheme, effective Mar. 16, 2010^{e/} As of July 25, 2010

Figure 1: Comparison of market price, insurance price, and benchmark price



Note: 1/ Benchmark prices are average historical wholesales prices which will be used for the calculation of compensation to farmers. The compensation is based on the difference between insurance prices and benchmark prices.

2/ Starting March 8, 2010 the benchmark prices will be published on a weekly basis instead of twice a month on the 1st and 16th, based on average historical wholesale prices of last 15 days in Bangkok. The prices are set by the Subcommittee on Benchmark Price Determination, chaired by the Permanent Secretary General of the Ministry of Commerce.

3/ Starting Apr. 26, 2010 the benchmark prices will be based on average wholesales price of last week in Bangkok.

Rice Export Update

Unofficial rice exports (excluding fragrant rice) for July 19 - 25, 2010 totaled 120,961 tons, up 2,726 tons from the previous week, and up 8,544 tons from the four-week moving average of 112,416 tons. Exports of white rice and parboiled rice during January 1 – July 25, 2010 totaled 3,309,043 tons, down 1.5 percent from 3,358,648 tons in the previous year.

According to the Department of Foreign trade, Ministry of Commerce, total rice exports (including fragrant rice) during January 1 – July 15, 2010 amounted to 4,328,389 tons, down 8.1 percent from 4,709,347 tons in the previous year.

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)	(%)
May 16	119,212	111,574	2,223	2,053	8.3
May 23	115,187	114,544	2,339	2,222	5.3
May 30	130,142	121,726	2,469	2,355	4.8
Jun 6	98,942	115,938	2,568	2,493	3.0
Jun 13	82,918	106,865	2,651	2,640	0.4
Jun 20	105,026	104,325	2,756	2,758	-0.1
Jun 27	103,458	97,586	2,859	2,915	-1.9
Jul 4	84,405	93,952	2,944	3,044	-3.3
Jul 11	126,065	104,739	3,070	3,128	-1.9
Jul 18	118,235	108,041	3,188	3,259	-2.2
Jul 25	120,961	112,416	3,309	3,359	-1.5

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/BKK 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 4: Weekly private registered rice export sales

Movement (MT)	Jul. 5-9	Jul. 12-16 (Revised)	Jul. 19-23 (Preliminary)
Weekly sales	133,339	143,262	81,795
4 week sum	450,676	505,789	495,220
4 week mov. avg.	112,669	126,447	123,805
Year-to-date sales	3,427,189	3,570,451	3,652,246

End of report.