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GAIN Report

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Thailand

Rice Price - Weekly

Weekly Rice Price Update

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Report Highlights:

TH0077 Domestic and export prices declined slightly by 1-2 percent due to quiet foreign demand and a weakening Thai Baht. Farmers selling their supplies in this period will gain from the price insurance scheme as market prices are above the benchmark prices.

Post:

Bangkok

Market Tone

Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Week ending May 24, 2010

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV. (May 10)
FWR 100 B	975	-	1,000	-	980	925	-	970	974
WR 100 B	465	-	485	-	490	470	490	480	482
PB 100%	455	-	470	-	490	460	520	479	483
PB 5%	450	-	460	-	470	455	515	470	474
WR 5%	430	-	455	-	470	440	480	455	459
WR 10%	425	-	440	-	460	435	-	440	445
WR 15%	415	-	410	-	-	425	-	417	423
WR 25%	385	-	400	-	-	400	-	395	402
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	315	-	330	-	350	330	-	331	331
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 32.10 baht/U.S.\$

Source: Average actual prices received from exporters

Domestic and export prices declined slightly by 1-2 percent due to quiet foreign demand as buyers remained wary of Thailand's political climate and a weakening Thai Baht. As riots ensued, concerns loomed on the exporters' ability to deliver pending orders, however these proved unfounded as all shipments were delivered promptly. Additional concerns for Thai exporters are reports that foreign buyers have enough supplies that are being fulfilled by Vietnam, which could prolong the placement of new orders until mid-June. Current shipments of Thai rice are mostly those that are fulfilling outstanding contracts. Meanwhile, the Thai baht presently depreciated to 32.50 baht/\$, as compared to 32.20 baht/\$ in the previous week.

The weekly benchmark prices of white rice for May 24-30 increased slightly by 0.2 percent from the previous week; as such farmers will receive lower compensation. However, farmers that sell their supplies in this period will gain from the price insurance scheme as market prices are above the benchmark prices.

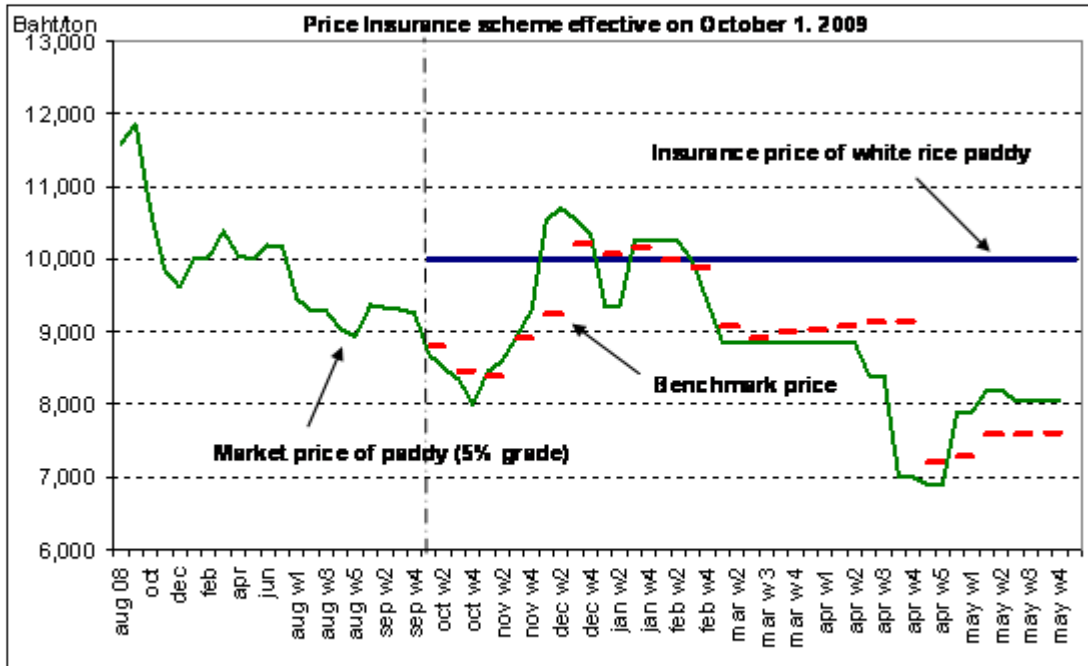
Table 2: Price Insurance Scheme for MY2009/2010 rice crop

	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/}					
Apr. 26 - May 2 ^{c/}	-	-	9,292	11,106	7,210
May 3-9	-	-	9,781	11,382	7,289
May 10-16	-	-	9,769	11,668	7,589
May 17-23	-	-	9,810	12,135	7,598
May 24-30	-	-	9,786	12,360	7,612
4. Compensation (1-2), (Baht/ton)					
Apr. 26 - May 2	-	-	1,708	-	2,790
May 3-9	-	-	1,219	-	2,711
May 10-16	-	-	1,231	-	2,411
May 17-23	-	-	1,190	-	2,402
May 24-30	-	-	1,214	-	2,388
5. Market prices (Baht/ton)					
Apr. 26 - May 2	13,450	13,900	9,700	12,250	6,900
May 3 - 9	13,450	13,500	9,700	12,250	7,900
May 10-16	13,500	13,250	9,900	13,450	8,200
May 17-23	13,650	13,250	10,050	13,300	8,050
May 24-30 ^{e/}	13,400	13,250	10,050	13,300	8,050

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 MY 2009/10 main-crop price insurance scheme, effective Mar. 16, 2010^{e/} As of May 24, 2010

Figure 2: 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.

Rice Export Update

Unofficial rice exports (excluding fragrant rice) for May 17-23, 2010 totaled 115,187 tons, down 4,025 tons from the previous week, and up 643 tons from the four-week moving average of 114,544 tons. Exports of white rice and parboiled rice during January 1 – May 23, 2010 totaled 2,338,659 tons, up 5.3 percent from 2,222,002 tons in the previous year.

According to the Department of Foreign trade, Ministry of Commerce, total rice exports (including fragrant rice) during January 1 – May 14, 2010 amounted to 3,024,735 tons, down 4.3 percent from 3,161,294 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)	(%)
Mar 14	113,829	136,538	1,292	1,077	19.9
Mar 21	119,203	131,543	1,411	1,166	21.1
Mar 28	93,840	115,525	1,505	1,254	20.0
Apr 4	101,112	106,996	1,606	1,358	18.3
Apr 11	116,187	107,586	1,722	1,446	19.1
Apr 18	55,038	91,545	1,778	1,494	19.0
Apr 25	103,306	93,911	1,881	1,640	14.7
May 2	101,686	94,054	1,982	1,783	11.5
May 9	122,091	95,530	2,104	1,918	9.7
May 16	119,212	111,574	2,223	2,053	8.3
May 23	115,187	114,544	2,339	2,222	5.3

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)	May 3-7	May 10-14	May 17-21
Weekly sales	143,961	107,008	176,357
4 week sum	464,855	547,613	568,360
4 week mov. avg.	1,161,214	136,903	142,090
Year-to-date sales	2,417,302	2,524,310	2,700,667

End of report.

