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## Thailand

### Grain and Feed

### Weekly Rice Price Update

**2007**

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**Report Highlights:**

Export prices declined by \$2-5/MT due to the weakening Thai baht. Iran concluded deals last week for 130,000 tons of white rice under the Government-to-Government contract and around 60,000 tons with private exporters. Iran will reportedly send their own vessels to acquire the rice and avoid the ongoing issue of tight vessel schedules. Overall container costs remain high and are expected to increase in the coming months.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Bangkok [TH1]  
[TH]

**Indicative Prices (Week Ending Jul. 23):**

Thailand: Export (FOB) Prices for various grades of rice (USD/M.T.)									
	Exporter Observations							Period Avg.	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	570	570	-	544	580	550	550	561	560
WR 100 B	336	343	-	336	335	336	335	337	339
PB 5%	327	350	-	332	328	336	330	334	335
WR 5%	330	335	-	331	330	324	330	330	332
WR 10%	324	332	-	328	325	320	325	326	328
WR 15%	318	323	-	325	320	313	320	320	322
WR 25%	303	307	-	319	305	301	315	308	310
WR 35%	300	-	-	-	-	296	-	298	301
A 1 SUP	264	-	-	258	263	266	260	262	262
A 1 SPEC	261	-	-	255	260	-	257	258	258

Source: Average actual prices received from exporters, Exchange rate: 33.5 baht/U.S.\$

**Market Tone**

Export prices were offered \$2-5/MT lower as the Thai baht weakened to around 33.5 baht/\$U.S., down from last week's record of nearly 33.0 baht/\$U.S. Most exporters are currently comfortable with the weakening Thai baht. However, some are reportedly reluctant to lower quotations due to exchange rate uncertainties. Meanwhile, exporters are securing white rice supplies for Iran and Iraq keeping domestic prices high despite increasing supplies of second crops. Iran concluded the Government-to-Government deals with the Thai Government last week for 130,000 tons of 100% B grade white rice at around \$340/MT, FOB, for July – September shipments. The Government will soon conduct a tender to deliver white rice from the government stocks to Iran. Also, Iranian buyers made a private deal with Thai exporters for around 60,000 tons for the same period of shipments. Iran has already arranged the vessels for these deliveries, which will allow them to avoid the current situation of tight vessel schedules. Seasonal high freight costs remain a major concern, particularly for container shipments to Europe, Middle East, and Africa where shipping costs are expected to increase over the next couple of months.

**The following are the reported rice exports (as is basis):**

WEEK ENDING	QUANTITY	4-WK AVG	YEAR TO DATE	YEAR AGO	YEAR TO DATE AS % OF LAST YEAR
	(MT)	(MT)	(TMT)	(TMT)	%
JUN 3	108,036	113,500	2,156	2,063	4.5
JUN 10	128,888	117,886	2,285	2,176	5.0
JUN 17	115,381	119,835	2,401	2,279	5.3
JUN 24	108,536	115,210	2,509	2,379	5.5
JUL 1	92,127	111,233	2,601	2,448	6.2
JUL 8	91,843	101,972	2,693	2,534	6.3
JUL 15	110,982	100,872	2,804	2,613	7.3
JUL 22	97,823	98,194	2,902	2,713	7.0

*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.*

Unofficial exports (excluding fragrant rice) for Jul. 16-22, 2007 totaled 97,823 tons, down 13,159 tons from the previous week's total, and down 370 tons from the four-week moving average of 98,194 tons. Export during Jan. 1 – Jul 22, 2007 totaled 2,901,978 tons, as compared with 2,713,143 tons in the previous year.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including fragrant rice) during Jan. 1 – Jul. 11, 2007, amounted to 4,288,105 tons, up 10.2 percent from 3,891,221 tons in the previous year.

**Weekly Rice Sales**

Private registered rice export sales for the period of Jul. 2-6, Jul. 9-13, and Jul. 16-20, 2007 are as follows:

Movement (MT)	Jul. 2-6	Jul. 9-13	Jul. 16-20
Weekly sales	71,800	128,885	106,198
4 week sum	382,848	370,441	387,340
4 week mov. avg.	95,712	92,610	96,835
Total weekly sales	2,946,678	3,075,563	3,181,761

End of Report.