



USDA Foreign Agricultural Service

# GAIN Report

Global Agriculture Information Network

Template Version 2.09

Required Report - Public distribution

**Date:** 3/4/2008

**GAIN Report Number:** TH8036

## Thailand

### Grain and Feed

### Weekly Rice Price Update

### 2008

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**Report Highlights:**

Domestic and export prices surged due to the uncertainty of the Thai baht and tighter domestic supplies. As a result, many exporters have no quotations. Also, speculative stocks are estimated to reach 3-4 million tons of paddy.

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

**Indicative Prices (Week Ending Mar. 3):**

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	790	-	790	-	-	-	800	793	741
WR 100 B	520	485	490	-	-	-	500	499	476
PB 5%	-	-	-	-	-	-	580	580	514
WR 5%	510	480	485	-	-	-	490	491	468
WR 10%	-	-	-	-	-	-	-	-	-
WR 15%	-	-	-	-	-	-	-	-	-
WR 25%	-	-	-	-	-	-	-	-	-
WR 35%	-	-	-	-	-	-	-	-	-
A 1 SUP	480	-	-	-	-	-	480	480	435
A 1 SPEC	-	-	-	-	-	-	-	-	-

Source: Average actual prices received from exporters, Exchange rate: 31.0 baht/U.S.\$

**Market Tone**

Domestic and export prices surged to new highs due to lifting of capital control on Mar. 3, 2008. Exporters based their quotations on 31 baht/\$, compared to 32 baht/\$ in the previous week. Every 1 baht/\$ strengthening will normally cause \$25/MT higher in quotations. Many exporters would not quote prices due to the volatility of the baht. Also, domestic prices increase by around \$20-30/MT, up 6 percent from the previous week. Thai exporters who will participate in the Philippines tender next week (Mar. 11) are reportedly securing white rice supplies. They are expected to get a portion of the tender of 550,000 tons (450,000 tons for 25% grade white rice, 50,000 tons for 15% grade white rice, and 50,000 tons for 5% grade white rice for shipment between March - April this year), particularly for premium white rice, as Vietnamese rice supplies are also tight for the next few months in anticipation of possible rice crop damage. In addition, a sharp increase in domestic prices reflected aggressive speculative demand. The Government is reluctant to release intervention stocks as it argues that there is considerable paddy stock in private storage. Also, second crops in major growing areas in the central plain will be harvested gradually starting next week with anticipated total production of around 6.5 - 7.0 million tons of paddy, up slightly from the previous year following good weather conditions.

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)	%
JAN 13	172,556	-	254	102	149.0
JAN 20	165,968	-	420	190	121.3
JAN 27	169,127	147,287	589	269	118.7
FEB 3	203,162	177,703	792	356	122.5
FEB 10	172,362	177,655	965	427	125.8
FEB 17	188,870	183,380	1,154	540	113.8
FEB 24	170,634	183,757	1,324	631	109.8
MAR 2	175,469	176,833	1,500	703	113.2

*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 Feb. 25 – Mar. 2, 2008 totaled 175,469 tons, up 4,835 tons from the previous week, and down 1,365 tons from the four-week moving average of 176,833 tons. Exports during Jan. 1 – Mar. 2, 2008 totaled 1,499,644 tons, as compared with 703,478 tons in the previous year.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including fragrant rice) during Jan. 1 – Feb. 19, 2008, amounted to 1,632,893 tons, up 62.5 percent from 1,004,975 tons in the previous year.

### Weekly Rice Sales

Private registered rice export sales for the period of Feb. 11-15, Feb. 18-22, and Feb. 25-29, 2008 are as follows:

Movement (MT)	Feb. 11-15	Feb. 18-22	Feb. 25-29
Weekly sales	214,952	168,794	197,646
4 week sum	882,200	723,947	746,543
4 week mov. avg.	220,550	180,984	186,636
Total weekly sales	1,273,027	1,441,821	1,639,467

End of Report.