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## Thailand

### Grain and Feed

### Weekly Rice Price Update

### 2008

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**Report Highlights:**

Export and domestic prices of premium white rice increased by 2-7 percent in response to aggressive shipments of parboiled rice. Also, the Government is expected to increase the current second-crop intervention program target from 2.5 million tons to 3.5 million tons of paddy in order to cover all paddy harvested until the end of the program on September 30.

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

**Indicative Prices (Week Ending Sep. 1):**

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	-	-	-	810	800	-	800	813
WR 100 B	680	-	720	680	670	730	650	688	678
PB 5%	-	-	750	-	700	740	670	715	690
WR 5%	665	-	710	670	650	710	640	674	665
WR 10%	-	-	-	-	-	-	-	-	661
WR 15%	-	-	-	-	-	-	-	-	650
WR 25%	-	-	-	-	-	675	-	675	640
WR 35%	-	-	-	-	-	-	-	-	-
A 1 SUP	400	-	-	-	410	450	450	428	445
A 1 SPEC	-	-	-	-	-	-	-	-	-

Source: Average actual prices received from exporters, Exchange rate: 34 baht/U.S.\$

**Market Tone**

Export and domestic prices of premium white rice increased by 2-7 percent in response to aggressive shipments of parboiled rice. Parboiled rice prices continued to increase as exporters secured parboiled supplies for outstanding contracts African countries, particularly Nigeria. Current demand for parboiled rice strengthened white rice prices as millers continue to secure white rice paddy for parboiled production.

The Government is expected to increase the current second-crop intervention program target from 2.5 million tons of paddy to 3.5 million tons in order to cover all paddy harvested until the end of the program on September 30. So far, the Government has already bought 2.0 million tons valued at 21 billion baht (\$618 million). Currently the program is absorbing up to 40,000 – 50,000 tons of paddy/day as market prices for the current harvest are 3,000 baht/ton (\$88/MT) lower than intervention prices.

Meanwhile, last week's enquiry from the Malaysian Government for the government-to-government sales on 100,000 tons of 5% grade white rice is still tentative. Exporters expect Malaysia will likely buy Vietnamese rice which is \$100-\$200/MT lower than Thai rice.

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 29	212,103	190,391	4,503	2,579	74.5
JUL 6	168,072	179,923	4,671	2,679	74.3
JUL 13	171,699	177,731	4,843	2,784	73.9
JUL 20	178,180	182,513	5,021	2,877	74.5
Jul 27	182,769	175,180	5,204	2,980	74.6
Aug 3	101,488	158,534	5,305	3,062	73.3
Aug 10	122,027	146,116	5,427	3,165	71.4
Aug 17	125,268	132,888	5,553	3,254	70.6
Aug 24	155,649	126,108	5,708	3,355	70.2
Aug 31	154,550	139,373	5,863	3,442	70.4

*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 Aug 25-29, 2008 totaled 154,550 down 1,099 the previous week, and up 15,177 from the four-week moving average of 139,373 tons. Exports during Jan. 1 – Aug 31, 2008 totaled 5,862,894 tons, as compared with 3,441,512 tons in the previous year.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including fragrant rice) during Jan. 1 – Aug 22, 2008, amounted to 7,366,532 tons, up 42.9 percent from 5,155,993 tons in the previous year.

End of Report.