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Thailand

Grain and Feed

Weekly Rice Price Update

2009

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Report Highlights:
Domestic and export prices were offered 2-5 higher percent due to tight exportable supplies due to the ongoing intervention program channeling rice to government stocks and a flurry of new inquiries after the new year. A portion of the ongoing government stock sales of 2.6 million tons, made last November, will likely be on hold as the new Government has issued an investigation regarding the transparency of the second portion of the tender, which occurred on November 28, 2008.

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

Indicative Prices (Week Ending Jan. 5):

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	795	785	820	-	800	770	-	794	768
WR 100 B	565	570	620	570	580	555	570	576	551
PB 5%	-	580	615	570	580	575	560	580	551
WR 5%	535	560	610	560	565	525	560	559	534
WR 10%	525	-	-	-	-	518	-	522	507
WR 15%	465	-	-	-	-	490	-	478	468
WR 25%	440	-	-	-	-	430	-	435	423
WR 35%	-	-	-	-	-	-	-	-	-
A 1 SUP	295	-	-	-	320	300	290	301	286
A 1 SPEC	-	-	-	-	-	-	-	-	-
Source: Average actual prices received from exporters, Exchange rate: 35.0 baht/U.S.$									

Market Tone

Domestic and export prices were offered 2-5 higher percent due to tight exportable supplies due to the ongoing intervention program channeling rice to government stocks and a flurry of new inquiries after the new year. Millers participating in the intervention program are reportedly focusing on making deliveries to government warehouses as current intervention prices remain 15-20 percent higher than market prices. Additionally, millers are running out of commercial stocks as farmers are selling paddy to the intervention program.

A portion of the ongoing government stock sales of 2.6 million tons, made last November, will likely be on hold as the new Government has issued an investigation regarding the transparency of the second portion of the tender, which occurred on November 28, 2008 (TH8200). Meanwhile, exporters are aggressively fulfilling outstanding shipments of new-crop fragrant rice to Asian buyers before the Chinese New Year holiday at the end of this month. Also, several new enquiries for Thai parboiled rice have arisen from African countries, particularly Nigeria, as India is unable to supply parboiled rice at this time due to a government export ban. Foreign demand for Thai white rice exports remained quiet due to competition from Vietnamese rice.

The current 2008/09 main-crop intervention program has absorbed approximately 3-4 million tons of paddy valued at 33 billion baht ($943 million), of which 3.0 billion baht ($86 million) remains in on-farm storage. The Government expects the program reach the target of 8.0 million tons by the end of February 2009.

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)	%
Nov 9	81,977	85,252	6,836	5,209	31.2
Nov 16	87,896	73,981	6,997	5,405	29.4
Nov 23	51,310	68,955	7,049	5,614	25.6
Nov 30	55,287	69,118	7,104	5,829	22.0
Dec 7	68,265	65,689	7,172	5,977	20.0
Dec 14	91,039	66,475	7,263	6,162	18.0
Dec 21	84,971	74,891	7,348	6,368	15.4
Dec 28	104,710	87,246	7,453	6,570	13.4
Dec 31	16,694	-	7,470	6,597	13.2
Jan 4	3,295	-	3	58	-94.3

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.

Unofficial exports (excluding fragrant rice) for Jan. 1 – Dec. 31, 2008 totaled 7,469,754 tons, as compared with 6,597,238 tons in the previous year. Meanwhile, export during Jan. 1-4, 2009 totaled 3,295 tons, down 94.3 percent from the same period in the previous year.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including fragrant rice) during Jan. 1 – Dec. 31, 2008, amounted to 10,015,763 tons, up 4.8 percent from 9,557,382 tons in the previous year.

Weekly Rice Sales

Private registered rice export sales for the period of Dec. 15-19, Dec. 22-26, and Dec. 29-31, 2008 are as follows:

Movement (MT)	Dec. 15-19	Dec. 22-26	Dec. 29-31
Weekly sales	83,639	63,287	39,017
4 week sum	324,860	301,966	-
4 week mov. avg.	81,215	75,492	-
Total weekly sales	6,620,230	6,683,517	6,722,534

End of Report.