



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.09

Required Report - Public distribution

Date: 2/10/2009

GAIN Report Number: TH9021

Thailand

Grain and Feed

Weekly Rice Price Update

2009

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Report Highlights:

Domestic and export prices declined slightly as most shipments of parboiled rice to African countries have been fulfilled. Demand for Thai rice has slowed as buyers expect world prices to decline once India removes its export ban on non-basmati in the coming months. As a result, intervention prices will likely remain more attractive through the end of February.

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

Indicative Prices (Week Ending Feb. 10):

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	850	-	900	-	860	825	-	859	860
WR 100 B	620	-	625	-	635	580	600	612	616
PB 5%	-	-	675	-	635	625	620	639	645
WR 5%	600	-	600	-	615	555	590	592	593
WR 10%	580	-	-	-	-	548	-	564	572
WR 15%	515	-	-	-	-	520	-	518	523
WR 25%	490	-	-	-	-	470	-	480	480
WR 35%	-	-	-	-	-	-	-	-	-
A 1 SUP	310	-	-	-	320	320	-	317	322
A 1 SPEC	-	-	-	-	-	-	-	-	-

Source: Average actual prices received from exporters,
Exchange rate: 34.7 baht/U.S.\$

Market Tone

Domestic and export prices declined slightly as most shipments of parboiled rice to African countries have been fulfilled. Meanwhile, new contracts for parboiled rice have slowed down as African buyers have built up their rice stocks after aggressively sourcing rice during January - February. Foreign buyers, particularly in Africa, are hesitant to conclude deals for Thai parboiled rice have increased more than ten percent since early January. Buyers expect world prices to decline once India removes its export ban on non-basmati in the coming months.

Any reductions in domestic white rice prices remain limited by the intervention program. Presently, the program has absorbed 5.3 million tons of paddy valued at 56 billion baht (\$1.6 billion), of which 2.6 million tons are white rice paddy, and approximately 2.0 million tons are fragrant rice. The program has been less aggressive over the past few weeks as market prices have increased to the same level as intervention prices. However, intervention prices will likely remain more attractive through the end of February, as foreign demand for parboiled rice has slowed down. By the end of the program, MY2008/09 main-crop intervention stocks will likely increase to 6.0 million tons, approximately 4.0 million tons milled equivalent. Meanwhile, the outstanding rice intervention stocks will reach 6.2 million tons, of which 2.3 million tons are old-crop stocks.

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)	%
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
Jan 11	87,324	-	91	220	-58.9
Jan 18	127,646	-	218	379	-42.2
Jan 25	141,973	90,060	360	557	-35.3
Feb 1	73,513	107,614	434	739	-41.3
Feb 8	116,472	114,901	550	915	-39.9

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. 2-8, 2009 totaled 116,472 tons, up 42,959 tons from the previous week, and up 1,571 tons from the four-week moving average of 114,901 tons. Exports during Jan. 1- Feb. 8 totaled 550,224 tons, as compared with 915,183 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. 4, 2009, amounted to 710,100 tons, down 37.5 percent from 1,135,163 tons in the previous year.

Weekly Rice Sales

Private registered rice export sales for the period of Jan. 19-23, Jan. 26-30, and Feb. 2-6, 2009 are as follows:

Movement (MT)	Jan. 19-23	Jan. 26-30	Feb. 2-6
Weekly sales	151,719	108,700	82,972
4 week sum	-	542,224	502,854
4 week mov. avg.	-	135,556	125,714
Total weekly sales	433,524	542,224	625,196

End of Report.