

Required Report: Required - Public Distribution

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Report Name: Rice Trade - Monthly

Country: Burma - Union of

Post: Rangoon

Report Category: Grain and Feed

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Report Highlights:

Post forecasts Burmese rice exports higher in October. Despite low demand from African countries, there is high demand from Bangladesh and China. Domestic prices for both Emata and Shwe Bo Pawsan declined in October as supplies from the new rice crop enter the market and the Myanmar kyat appreciated against the U.S. dollar.

Burmese Rice Production

The Burmese Department of Agriculture (DOA) reported that farmers plan to cultivate 6.07 million hectares of main crop rice in marketing year (MY) 2022/23 and have planted about 98 percent of the planned rice acreage as of October 10, 2022. The DOA reported that farmers cultivated roughly 0.98 million hectares for the second rice crop in MY 2021/22 and have completed harvesting.

Non-Border Trade

Posts forecasts Burma's non-border rice and broken rice exports higher in October. Burma will fulfil part of the contracted rice to Bangladesh in October, and there is high broken rice demand from EU countries. The Myanmar Rice Federation (MRF) and Bangladesh signed a contract for 250,000 metric tons of 5 percent broken rice. Burmese exporters are already preparing the first shipment of 21,300 metric tons of rice to Bangladesh at the Sule Port in Yangon. Burma and Bangladesh have had a memorandum of understanding (MOU) to increase trade since 2017. The MRF and Bangladesh Ministry of Agriculture arranged this most recent contract under the 2017 MOU. Burma has two months to deliver the rice in three shipments.

The fluctuation of the exchange rate of the Myanmar kyat made rice prices higher and reduced rice exports in September (Table 3). Post obtained official export numbers by type and destination for the month of July (Table 1). Emata rice accounted for 65 percent of total exports, followed by broken rice at 21 percent, parboiled rice at 10 percent, brown rice at 2 percent, and Ngasein at 1 percent (Table 1). Post revised rice and broken rice export estimates for July, August, and September (Table 3) based on information from the MOC and MRF.

Table 1: Rice Exports by Type in July 2022 (Metric Tons)

July	Parboiled	Emata 5-20%	Emata 25%	Ngasein 5-20%	Ngasein 25%	Brown rice	Rice Total	Broken Rice Total	Total
Australia		40					40		40
Belgium	2,450	3,250				1,325	7,025	6,500	13,525
China		16,382		520			16,902	8,657	25,559
Croatia	25	75					100		100
Cyprus	50						50		50
Czech Republic	700			175			875		875
Estonia	100	70				5	175		175
France							0		0
Germany	427	450					877		877
Hong Kong					234		234		234
Hungary							0		0
Italy	1,668	375					2,043		2,043
Latvia	175	125					300		300
Lithuania	250	300					550		550
Malaysia			500				500		500
Netherlands	1,400						1,400	950	2,350
Philippines		1,560	23,480				25,040		25,040
Poland	250	1,000	935			5	2,190		2,190
Portugal		250					250		250
Romania		250					250		250
Singapore		24	150				174	25	199
Slovenia		260					260		260
Taiwan				175			175		175
Total	7,495	24,411	25,065	870	234	1,335	59,410	16,132	75,542

Source: Ministry of Commerce

Table 2: Monthly Rice Exports by Type in 2021 (Metric Tons)

Month	Rice Milled, 2021				Total
	Non-border trade		Border trade		
	Head Rice	Broken Rice	Head Rice	Broken Rice	
January	86,217	59,170	48,805	64,049	258,241
February	30,311	41,393	24,406	21,042	117,152
March	29,233	10,791	26,555	39,143	105,722
April	48,060	41,475	12,385	21,435	123,355
May	104,431	53,618	7,471	30,566	196,086
June	103,120	52,308	10,137	39,932	205,497
July	26,166	18,575	2,497	3,308	50,546
August	39,197	13,285	920	140	53,542
September	65,274	54,775	145	452	120,646
October	86,450	88,261	0	380	175,091
November	153,225	72,015	0	527	225,767
December	198,773	69,314	425	362	268,874
Total Rice	970,457	574,980	133,746	221,336	1,900,519

Source: Ministry of Commerce

Table 3: Monthly Rice Exports by Type in 2022 (Metric Tons)

Month	Rice Milled, 2022				Total
	Non-border trade		Border trade		
	Head Rice	Broken Rice	Head Rice	Broken Rice	
January	205,098	100,956	6,723	2,251	315,027
February	99,650	75,008	11,029	5,939	191,626
March	116,585	81,814	6,244	1,413	206,056
April	143,873	81,759	6,691	4,124	236,447
May	103,384	74,576	5,619	13,507	197,086
June	100,010	63,265	11,407	10,461	185,143
July	59,410	16,132	9,635	12,385	97,562
August	* 30,000	* 57,000	*7,900	*32,000	* 126,900
September	**23,000	* *25,000	* *8,000	* *38,000	** 94,000
October	*35,000	* 30,000	*3,000	* 38,000	*106,000
November					
December					
Total	916,010	605,510	76,248	158,080	1,755,847

Source: Ministry of Commerce, Myanmar Rice Federation.

* denotes post's estimate

** denotes MRF's estimate

Market Overview

Domestic prices for all grades of rice rose in September due to the depreciation of the Myanmar kyat (MMK) against the U.S. dollar (USD) (3,500MMK/USD). Prices for Emata 25 percent reached 42,000 MMK/108 lb, and prices for Shwe Bo Pawsan reached 93,000 MMK/108lb.

The Central Bank of Myanmar (CBM) released notification [39/2022](#) on August 30, 2022, stating that Burmese citizens abroad may freely use their wages or income earned in foreign currency for themselves, transfer them to others, or sell them to the bank if they transfer the money back to Burma through banks licensed to deal in foreign currency. In addition, the CBM announced that \$200 million would be injected into the foreign currency market on August 31, 2022, to reduce basic commodity prices due to high fuel prices. After those announcements, the Myanmar kyat appreciated against the U.S. dollar to 2,800 MMK/USD in the last week of September. The prices for all grades of rice dropped 5-6 percent in early October from the appreciation of the Myanmar kyat against the U.S. dollar and increased rice supplies in the market (Table 4).

Table 4: Monthly Domestic Wholesale Price for Emata and Shwe Bo Pawsan Rice in Rangoon Market

Type of Rice	Emata 25% (low grade)		Shwe Bo Pawsan	
	MMK/108lb	\$/MT	MMK/108lb	\$/MT
October (1-15)	39,000-40,000	371-381	78,000-90,000	742-857
September	37,000-42,000	352-361	83,000-93,000	790-886
August	32,000-33,000	304-314	78,000-90,000	743-857
July	30,500-31,500	290-300	54,000-66000	514-628
June	30,500-31,500	290-300	53,000-63000	504-600
May	27,000-28,500	257-271	53,000-63,000	504-600
April	26,500-28,000	252-267	57,000-63,000	524-600
March	23,000-28,000	219-267	57,000-63,000	542-600

MMK: Myanmar kyat

Source: Myanmar Rice Federation

Fixed exchange rate in June 2022: One USD = kyat 2,100 (Central Bank of Myanmar)

Market exchange rate in October 2022: One USD = kyat 2,800-2,850

Policy

The MOC and MRF organized the Myanmar Rice Conference 2022 held under the theme "Let's Try with Rice" at the Myanmar International Convention (Center-2) in Nay Pyi Taw on October 7, 2022. The Ministry of Agriculture, Livestock, and Irrigation presented information on rice cultivation and seed production developments, purchasing and storage of rice, milling developments, and value-added activities. The conference covered additional topics including challenges and difficulties facing the industry and how the government could support the development of rice production.

Burma donated 1,000 metric tons of rice to Sri Lanka to commemorate the 73rd anniversary of Burma-Sri Lanka diplomatic relations. The shipment arrived at the port of Colombo on October 10, 2022.

Attachments:

No Attachments