



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.09

Required Report - public distribution

Date: 6/12/2007

GAIN Report Number: TH7076

Thailand

Grain and Feed

Weekly Rice Price Update

2007

Approved by:

Corey Pickelsimer, Agricultural Attaché
U.S. Embassy, Bangkok

Prepared by:

Ponnarong Prasertsri, Agricultural Specialist

Report Highlights:

Export prices declined slightly due to the Government stock release and less aggressive foreign demand. Last weeks optimism over the Philippines tender was dashed as Vietnam offered prices far lower than Thai exporters.

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

Indicative Prices (Week Ending Jun 11):

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	565	560	550	540	575	540	540	553	549
WR 100 B	330	333	330	328	328	333	327	330	331
PB 5%	320	340	327	323	320	332	320	326	328
WR 5%	325	325	323	322	323	323	322	323	324
WR 10%	320	322	319	319	319	319	317	319	320
WR 15%	314	313	310	316	315	312	312	313	314
WR 25%	297	297	296	310	300	295	307	300	301
WR 35%	294	-	-	-	-	291	-	293	294
A 1 SUP	258	-	260	257	250	256	260	257	258
A 1 SPEC	255	-	258	254	247	-	257	254	256
Source: Average actual prices received from exporters, Exchange rate: 34.4 baht/U.S.\$									

Market Tone

Export prices declined slightly due to a recent release of intervention stocks and less aggressive foreign demand. The Government decided to release 329,553 tons from the May 24, 2007 tender of 400,000 tons of 2004/05 – 2005/06 intervention stocks, but only after renegotiating bidding prices with exporters. The release was 81,272 tons of 100 percent B grade fragrant rice at around \$387-432/MT, with the remainder being 5 percent grade white rice at around \$285-311/MT. The bidding prices were around \$3/MT higher for white rice, and around \$20-30/MT higher for fragrant rice after renegotiation last week. All white rice will be for export, around half of which was sold to a leading Thai rice exporter who is fulfilling 5 percent grade white rice shipments to Iraq. The Government also plans to release outstanding stocks of around 3 million tons every 1 - 2 months. In addition, the Government expects that Government-to-Government deals will reach their target of 1 million tons by the end of this year. So far, Government-to-Government sales totaled around 580,000 tons, of which around 256,605 tons have been delivered. Meanwhile, the Philippines tender of 300,000 tons of 25 percent grade white rice last week was awarded to Vietnamese exporters who reportedly offered the lowest prices of around \$328.96/MT, C&F, far below the Thai rice prices.

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)	%
APR 22	139,814	116,470	1,505	1,387	8.5
APR 29	128,809	122,735	1,633	1,490	9.6
MAY 6	68,962	110,048	1,702	1,601	6.4
MAY 13	111,342	112,232	1,814	1,704	6.4
MAY 20	107,584	104,175	1,921	1,833	4.8
MAY 27	127,037	103,732	2,048	1,933	6.0
JUN 3	108,036	113,500	2,156	2,063	4.5
JUN 10	128,888	117,886	2,285	2,176	5.0

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 Jun. 4-10, 2007 totaled 128,888 tons, up 20,852 tons from the previous week's total, and up 11,001 tons from the four-week moving average of 117,886 tons. Export during Jan. 1 – Jun 10, 2007 totaled 2,285,287 tons, as compared with 2,175,757 tons in the previous year.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including fragrant rice) during Jan. 1 – Jun. 7, 2007, amounted to 3,454,205 tons, up 9.2 percent from 3,162,455 tons in the previous year.

Weekly Rice Sales

Private registered rice export sales for the period of May 21-25, May 28 – Jun 1, and Jun. 4-8, 2007 are as follows:

Movement (MT)	May 21-25	May 28 – Jun. 1	Jun. 4-8
Weekly sales	128,349	140,387	83,400
4 week sum	395,819	472,712	507,081
4 week mov. avg.	98,955	118,178	126,770
Total weekly sales	2,340,043	2,480,430	2,563,830

End of Report.