



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.09

Voluntary Report - public distribution

Date: 8/24/2004

GAIN Report Number: TH4093

Thailand

Grain and Feed

Weekly Rice Price Update

2004

Approved by:

Rodrick McSherry, Agricultural Counselor
U.S. Embassy, Bangkok

Prepared by:

Ponnarong Prasertsri, Agricultural Specialist/Russ Nicely, Agricultural Attache

Report Highlights:

Export prices changed insignificantly, as major buyers stayed away from the market.

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

Indicative Prices (Week Ending Aug 23):

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	390	370	446	423	415	380	390	402	404
WR 100 B	242	245	248	241	242	243	240	243	243
PB 5%	254	250	252	255	258	263	240	253	253
WR 5%	237	240	242	237	241	238	236	239	238
WR 10%	235	235	237	234	239	236	232	235	235
WR 15%	233	232	232	232	237	234	228	233	232
WR 25%	228	229	231	227	228	227	224	228	228
WR 35%	224	227	230	222	226	225	220	225	225
A 1 SUP	212	212	221	210	212	211	207	212	212
A 1 SPEC	211	211	220	208	210	-	206	211	211
Source: Average actual prices received from exporters									

Market Tone

Export prices changed insignificantly as major buyers stayed away from the market due to the concern over high freight costs due to a shortfall of liners in the region. Trade sources reported that some shipments to African countries were pending, as buyers were reluctant with the continued increase in freight costs. However, some major exporters still have outstanding contracts for the shipment of parboiled rice until October, leading to aggressive domestic demand for white rice paddy. Also, trade sources expected new order demand for the amount of around 100,000 tons for the shipment during September – November from the coming Iraqi tender for 5% grade white rice by the end of this week. As a result, white rice prices remained high.

As for the upcoming first rice trade (5% grade white rice) on Thailand's agricultural commodity future market on Aug. 26, 2004, trade sources expected trade volume will likely be thin, following the experience of rubber, the first commodity traded on this market. However, officials expect more traders will participate in this market, as compared to the one for rubber, due to the fact that the rice trade involves many traders, including farmers, millers, exporters, foreign buyers, and speculators. Moreover, Thai rice market is considered to be better than those in Vietnam and India, as foreign buyers can utilize alternative financial instruments available in the future market to hedge their risks that are not available in the competing markets.

The following are reported rice exports (as is basis):

WEEK ENDING	QUANTITY	4-WK AVG	YEAR TO DATE	YEAR AGO
	(MT)	(MT)	(TMT)	(TMT)
JUL 4	210,928	187,739	3,674	2,184
JUL 11	161,618	183,459	3,836	2,287
JUL 18	178,271	182,648	4,014	2,413
JUL 25	197,424	187,060	4,212	2,524
AUG 1	188,845	181,539	4,400	2,658
AUG 8	146,493	177,758	4,547	2,799
AUG 15	125,322	164,521	4,672	2,912
AUG 22	126,229	146,722	4,798	3,052

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. 16-22, 2004 totaled 126,229 tons, up 907 tons from the previous week's total and down 20,493 tons from the four-week moving average of 146,722 tons. Exports during Jan. 1 – Aug. 22, 2004 totaled 4,798,400 tons, compared with 3,052,318 tons during the same period in 2003.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including fragrant rice) during Jan. 1- Jul. 31, 2004, amounted to 5,629,362 tons, up 43 percent from the same period in the previous year.

Weekly Rice Sales

Private registered rice export sales for the period of Aug. 2-6, Aug. 9-13, and Aug. 16-20, 2004 are as follows:

Movement (MT)	Aug. 2-6	Aug. 9-13	Aug. 16-20
weekly sales	25,845	96,714	126,588
4 week sum	579,960	499,558	422,199
4 week mov. avg.	144,990	124,890	105,550
Total weekly sales	5,242,333	5,339,047	5,465,635

End of Report.