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Thailand

Grain and Feed

Weekly Rice Price Update

2007

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Report Highlights:

Export prices were offered \$2-3/MT higher due to the continued strengthening Thai baht. Freight costs remain a major concern despite a 10 percent drop in bulk vessel prices.

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

Indicative Prices (Week Ending Jul. 9):

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	563	565	-	544	-	540	540	550	550
WR 100 B	335	338	-	336	-	333	335	335	331
PB 5%	328	345	-	332	-	332	325	332	329
WR 5%	326	330	-	331	-	322	330	328	325
WR 10%	323	327	-	328	-	319	325	324	321
WR 15%	317	318	-	325	-	312	320	318	315
WR 25%	300	302	-	319	-	297	315	307	302
WR 35%	297	-	-	-	-	293	-	295	292
A 1 SUP	260	-	-	258	-	260	260	260	256
A 1 SPEC	257	-	-	255	-	-	257	256	254

Source: Average actual prices received from exporters, Exchange rate: 33.7 baht/U.S.\$

Market Tone

Despite a slight domestic price slowdown from increasing second-crop harvest supplies, export prices for most grades of rice rose by \$2-3/MT due to the continued strengthening Thai Baht. The Thai Baht reached a new high of 33.7 baht/\$U.S., as compared to the strengthening 34 baht/\$U.S. last week. Iran and Iraq are still buying Thai rice regularly, but import demand from African and European countries has been quiet due to concerns over high freight costs. Current freight costs of bulk vessels, particularly to African countries, are still high despite a recent 10 percent cost reduction from the previous week. Although freight costs for container vessels seasonally increase by almost double, particularly to Europe, freight costs this year remain much higher. Trade sources allege vessel owners are attempting take advantage of the relative high demand for their vessels.

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)	%
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
JUN 17	115,381	119,835	2,401	2,279	5.3
JUN 24	108,536	115,210	2,509	2,379	5.5
JUL 1	92,127	111,233	2,601	2,448	6.2
JUL 8	91,843	101,972	2,693	2,534	6.3

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 Jul. 2-8, 2007 totaled 91,843 tons, down 284 tons from the previous week's total, and down 10,129 tons from the four-week moving average of 101,972 tons. Export during Jan. 1 – Jul 8, 2007 totaled 2,693,173 tons, as compared with 2,533,918 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. 28, 2007, amounted to 3,986,205 tons, up 9.4 percent from 3,642,639 tons in the previous year.

Weekly Rice Sales

Private registered rice export sales for the period of Jun. 18-22, Jun. 25-29, and Jul. 2-6, 2007 are as follows:

Movement (MT)	Jun. 18-22	Jun. 25-29	Jul. 2-6
Weekly sales	89,299	80,457	71,800
4 week sum	454,378	394,448	382,848
4 week mov. avg.	113,595	98,612	95,712
Total weekly sales	2,794,421	2,874,878	2,946,678

End of Report.