



WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

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Cambodia

Rice production and harvested area in 2018-19 are forecast to increase steadily thanks to favorable weather conditions and sufficient water supply.

According to a report from the United States Department of Agriculture (USDA), milled rice production in 2018-19 is forecast at 5.62 million tonnes, up from 5.46 million tonnes in 2017-18 and 5.25 million tonnes in 2016-17. Also, harvested area is forecast to rise to 3.29 million hectares in 2018-19, up from 3.21 million hectares in 2017-18 and 3.09 million hectares in 2016-17. For the trading, Cambodian rice exports are predicted at 1.4 million tonnes in 2018-19, up from 1.3 million tonnes in 2017-18 and 1.25 million tonnes in 2016-17, said the USDA.

Source: World Grain News. (2018, Apr 20). *Cambodia rice output forecast higher behind expansion in exports.*

Indonesia

Indonesia bought 150,000 tonnes of rice from Pakistan in direct deals.

Despite several large recent purchases, the country's import requirements remain large in order to help improve local supplies and stabilise domestic prices. On 13 April 2018, The State Logistics Agency (Bulog) bought about 150,000 tonnes of rice from Pakistan again. The purchase was made in direct deals negotiated without international

tenders being issued. The 45,000 tonnes of 5 percent broken grade was bought at 460 USD per tonne and the 105,000 tonnes of 15 percent broken grade was bought at 450 USD per tonne, including cost and freight (C&F) both. The total of 150,000 tonnes is for shipment from May to July this year. For the recent purchases, in late March, Bulog bought 50,000-tonne rice from Pakistan and 500,000-tonne rice from Viet Nam and Thailand. The 50,000-tonne rice is set to ship by the end of May, while the 500,000-tonne rice is for rapid shipment in April and May this year.

Source: Reuters. (2018, Apr 13). *Indonesia buys about 150,000 tonnes rice from Pakistan;* and Dawn. (2018, Apr 14). *Indonesia lifts 150,000 tonnes of rice from Pakistan.*

Philippines

The emergency importation of 250,000-tonne rice to serve as buffer stock is set to arrive in May 2018.

After the approval of the Terms of Reference (TOR) on government - to - government (G2G) importation on 17 April 2018, letters of invitation had already been sent through courier service to the local embassies of Viet Nam and Thailand, where the only countries have an existing Rice Trade Agreement with the Philippines, according to the National Food Authority (NFA). The submission of price offers is scheduled on 27 April 2018 and a Notice to Proceed (NTP) with the importation would be sent to the winning bidder by 7 May 2018. Regarding to the NTP, the winning supplier shall start shipping their awarded volume with the estimated time for 10-15 days to arrive the country. The agency will focus on immediate distribution as soon as the stocks arrive and the NFA rice will continue to be sold at 27-32 Pesos (0.52-0.61 USD) per kilogram nationwide, said the NFA administrator.

* 1 USD = 52.065 Pesos

Source: Rappler. (2018, Apr 20). *NFA set to import 250,000 MT tons of rice in May;* and National Food Authority. (2018, Apr 21). *NFA rice back in markets starting May.*

Thailand

The Ministry of Agriculture and Cooperatives (MOAC) has announced a rice production plan for the 2018/19 crop. Under the plan, more than 33 million tonnes of rice will be produced from 70 million rice fields nationwide to keep up with demand. According to the Deputy Minister of Agriculture and Cooperatives, the first round of rice production in the 2018/19 crop includes 58 million rai (9.28 million hectares) with the expected yield more than 25 million tonnes of rice, while about 8 million tonnes will be produced from 12.2 million rai (1.95 million hectares) for the second round of rice production. The global rice trade has a tendency to improve due to continuous demand from many countries, especially in Africa and Middle East as well as Indonesia, Malaysia and the Philippines. This is a good opportunity for Thailand to export more rice, said the Deputy Minister.

* 1 rai = 0.16 hectare

Source: Vietnam Plus. (2018, Apr 23). *Thailand's rice production plan announced.*

Thai rice exports may reach 10 million tonnes in 2018 due to high global demand for rice imports. According to the honorary president of Thai Rice Exporters Association (TREA), demand for importing rice from global markets at present is increasing, especially Indonesia and the Philippines which both countries expect to import rice about two million tonnes and one million tonnes respectively in this year. Additionally, China also wants to increase rice imports to six million tonnes this year, up from five million tonnes per year. Regarding to the positive signal, in 2018, Thai rice exports may reach 10 million tonnes, over the initial target of 9.5 million tonnes, and rice price for 5 percent broken grade is expected to be above 420 USD a tonne.

Source: Post Today. (2018, Apr 16). *High global demand, Thai rice exports 2018 may reach 10 million tons.*

Viet Nam

Rice price for 5 percent broken grade rose to 435 - 440 USD a tonne from 425 - 430 USD a week earlier. Prices have been rising due to the new government deals with Indonesia and the Philippines and the shrinking of regular rice growing area as farmers turn to grow more fragrant rice. In the first three months of 2018, Viet Nam shipped 1.49 million tonnes of rice, up 20 percent from the same period of 2017. In March alone, Viet Nam exported 658,818 tonnes of rice, up 94 percent from February, according to General Department of Vietnam Customs.

Source: Reuters. (2018, Apr 12). *ASIA RICE-INDIAN PRICES SLIDE AS DEMAND DIPS; VIETNAM RATES UP FOR THIRD WEEK;* and TREA.

China

The Chinese government will give 27.52 million yuan grant (4.38 million USD) to the Philippines aiming to boost paddy production. On 17 April 2018, the agreement as mentioned amount was signed between the Department of Finance (DOF)'s Finance Secretary and Chinese Commerce Minister. The funds will be used for Phase III of the Technical Cooperation Project for the Philippines' Agricultural Technology Center, which is being implemented by the Department of Agriculture. This will help boost the Philippines' paddy production capacity towards rice sufficiency by modernising the Philippine Sino Center for Agricultural Technology's (PhilSCAT) hybrid rice technology research and demonstration center into a modern hybrid rice breeding station and technology demonstration center, said the DOF.

* 1 USD = 6.2817 yuan

Source: The Manila Times. (2018, Apr 14). *China grants P226M for hybrid rice project;* and Business Manila Bulletin. (2018, Apr 16). *PH gets agriculture tech grant from China.*

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