



## WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

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### Myanmar

#### ***Rice export earnings hit over 370 million USD from April to September 2018.***

During April to mid-September this year, Myanmar exported about 1,070,986 tonnes worth more than 370 million USD, including 853,403 tonnes of rice with the value over 305 million USD and 217,583 tonnes of broken rice with the value over 65 million USD. Regarding to the mentioned period, Myanmar exported rice and broken rice to 42 countries globally. Rice exports via border trade accounts for 55.87 percent, while 44.13 percent for maritime trade, according to the Ministry of Commerce.

**Source:** Eleven Myanmar. (2018, Sep 29). *Rice export earnings hit over \$ 370 m.*

### Philippines

#### ***Prices of commercial rice are expected to decline in October 2018.***

According to the National Food Authority (NFA), prices of commercial rice will likely to go down to 37-39 pesos (0.6-0.7 USD) per kilogram in October 2018 from 40-42 pesos (0.73-0.77 USD) per kilogram, due to the arrival of additional rice imports and the start of the harvest season. In September 2018, NFA already increased its market participation to 20 percent from 13 percent last month. The current NFA rice inventory

stands at 115,000 tonnes, which means the low-priced rice could maintain its current 20 percent level of market participation for around 17 days. Recently, the NFA Council has approved the additional importation of 750,000 tonnes of rice, when the first batch of 250,000 tonnes is expected to arrive in November 2018. Once the upcoming imports are all delivered, the inventory will have the potential to reach up to 300,000 tonnes, said NFA spokesperson.

\*1 USD = 54.251 pesos

**Source:** The Manila Times. (2018, Sep 28). *Rice prices to go down in October; and Philippine Daily Inquirer. (2017, Sep 28). Prices of commercial rice expected to drop soon to P37-P39 a kilo.*

### Thailand

#### ***The 100,000 tonnes of Thai rice will be shipped to China, supporting local prices and boosting rice exports.***

According to Commerce Minister, China has agreed to buy 100,000 tonnes of rice from Thailand under government-to-government (G2G) contract struck in 2015 for 1 million tonnes, when 500,000 tonnes were previously supplied to China. The purchase of 5 percent newly harvested white rice will be delivered in late September or in October 2018. This purchase helps support domestic paddy prices and also indicates that China may need to import more Thai rice in the remaining months of this year. In addition, last September, the Foreign Trade Department held activities and a roadshow in Australia to promote Thai premium-grade rice, and also participated the expo in China to promote Thai rice and seek out new distribution channels. With higher purchase demand and continuous marketing efforts, Thai rice exports in 2018 are confident to achieve 11 million tonnes as targeted, said Commerce Minister. From 1 January to 21 September 2018, Thailand had exported 8.22 million tonnes worth 4.16 billion USD, up 2.9 percent in volume and 13.6 percent in value year-on-year.

**Source:** Bangkok Post. (2018, Sep 27). *China buy to boost rice exports; and TREA.*

## Viet Nam

### ***Rice exports see bright prospects in the rest of this year due to the increase of high-quality rice proportion and the favorable rice export policies.***

According to Deputy Director of the Agro Processing and Market Development Authority under the Ministry of Agricultural and Rural Development (MARD), during the first nine months of 2018, Viet Nam shipped around 4.9 million tonnes of rice with the earning of 2.5 billion USD, up 8 percent in volume and 22 percent in value year-on-year. This is the impressive achievement to the effective rice sector restructuring program, which the focus is on developing high-quality and fragrant rice to boost exports to demanding countries. Up to 80 percent of exports are now classified as high-quality rice and sold at an average 500 USD per tonne. Moreover, the new Decree 107/2018 with many preferential policies, which will take effect on 1 October 2018, will remove difficulties and legal barriers for rice exporters to expand into foreign markets. Vietnamese rice is expected to be more competitive than before in terms of price, as local firms are able to reduce export costs. This will provide an opportunity for Viet Nam to compete with its rivals, such as Thailand and India, said Deputy Director.

**Source:** The Saigon Times Daily. (2018, Sep 27). *Bright prospects for rice exports*; Vietnam Plus. (2018, Sep 26). *Promising future for rice exporters*; and TREA.

## China

### ***The first consignment of Indian rice is going to be shipped to China.***

As China and India signed an agreement to amend a protocol on phytosanitary requirements to allow exporting rice from India to China on 9 June 2018, the first consignment of 100 tonnes of Indian rice (5 percent broken white rice) will be shipped on 28 September 2018 and received by China National Cereals, Oils and Foodstuffs Corporation (COFCO), China's state-owned enterprise. Moreover, after the concerted efforts of the Indian government, the total of

19 rice mills and processing units have been registered for export Indian rice to China, said Ministry of Commerce and Industry of India.

**Source:** The Economic Times. (2018, Sep 27). *India to ship first consignment of non Basmati rice to China tomorrow*; and Reuters. (2018, Sep 27). *India to ship first consignment of common grade rice to China*.

## Republic of Korea

### ***Rice production in 2018 is expected to hang around 3.85 million tonnes.***

According to the Korea Rural Economic Institute (KREI), a national policy research institute, the Republic of Korea's total rice production in 2018 is expected to reach around 3.85 million tonnes, down from 3.97 million tonnes of 2017. The decline is related to the decrease in rice cultivation area nationwide this year which stands at 738,000 hectares, down by 2.2 percent from 755,000 hectares last year. The country's rice cultivation area has been shrinking by an average 2.3 percent annually for the past five years. The contraction is in line with overall trends when people have been eating less of staple grain and opting for more dietary variety, said KREI.

**Source:** Yonhap News Agency. (2018, Sep 30). *S. Korea's rice production expected to hover around 3.85 mln tons in 2018*; and The Korea Herald. (2017, Sep 4). *Rice paddies down in 2018*.

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