



WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

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Cambodia

Cambodia is expected to export one million tonnes of rice by 2020. The Cambodia Rice Federation (CRF) has committed to increasing the country's rice exports to one million tonnes by 2020. The commitment was made at the Strategic Plan 2020-2030 Consultation Workshop, which was attended by the CRF members, ministry representatives, government agencies, and international stakeholders. To achieve its goal, the CRF will export 35 percent of its rice to China, 30 percent each to European and Asean countries, and the remaining 5 percent to other markets. With this export proportion, luxury fragrant rice will account for 30 percent, while regular fragrant rice and regular rice will account for 40 and 30 percent, respectively. In order to meet export demand, the CRF provides a special interest rate credit package of 200 million USD to purchase rice during the harvest season. Meanwhile, the available funds can purchase around 500,000 tonnes of paddy, particularly jasmine rice, during the season. From January to September 2019, Cambodia exported 398,586 tonnes of rice, up 2.3 percent or 389,264 tonnes from the same period last year. During the period, rice shipments to China stood at 157,793 tonnes, up more than 44 percent year-on-year. On the other hand, rice exports to Europe fell to 135,471 tonnes or decreased by nearly 30 percent, as reported by the CRF.

Source: The Phnom Penh Post. (2019, Oct 30). *Kingdom will export one million tonnes of rice by 2020, says CRF.*

Thailand

Thai rice exports exposed to more competition from large producers because of the baht appreciation. The rice industry is enduring one of its most painful periods as the strong Thai baht makes exports uncompetitive. The baht has strengthened more than 9 percent against the US dollar in the past year, resulting in rice exports exposed to more competition from large producers such as India, Viet Nam, and China. According to the Thai Rice Exporters Association (TREA), Thai white rice is now selling at 425 USD per tonne; however, the figure would be about 380 USD per tonne if the baht was at the same level as the same period of last year. Accordingly, Thailand is likely to lose its position as the world's second-biggest rice exporter if the situation of baht appreciation does not improve.

Source: Bangkok Post. (2019, Nov 1). *Rice farmers feel the pain as baht surges.*

Viet Nam

Rice prices have decreased due to recent weak demand in the major markets. Rice export prices for Vietnamese rice fell this week from multi-month highs, because of weak demand from the Philippines and China. As of 31 October 2019, Viet Nam's 5 percent broken rice declined to 345-350 USD per tonne compared with 350-355 USD per tonne last week. According to the government data, Vietnamese rice shipments from January to October 2019 rose 6.1 percent from a year earlier to 5.56 million tonnes; however, the export revenue declined by 7.8 percent

Source: Reuters. (2019, Nov 1). *RPT-Asia Rice-Vietnam prices slip on weak demand; India rates steady.*

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* This Weekly Update on ASEAN Plus Three Rice Situations is based on all available sources during the period. The APTERR Secretariat shall take no responsibility for data accuracy in this publication and any consequence of their use.