



WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

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Cambodia

The International Monetary Fund (IMF) to Cambodia and the Cambodia Rice Federation (CRF) are joining hands on Cambodia's rice research and studies.

The IMF to Cambodia and the CRF have agreed to undertake research and studies on the rice sector in Cambodia. The agreement was made in a meeting between the Acting President of CRF and the newly-appointed IMF President Representative for Cambodia. In the meeting, two sides shared views on a wide range of issues in Cambodia. After getting more and deep understanding of Cambodia's rice sector, the IMF and CRF are looking forward to collaboration on research studies on policies and regulations on Cambodia's economy and rice sector.

Source: Khmer Times. (2020, Mar 14). *IMF, CRF cooperate on rice research and studies.*

Thailand

Thai rice exports get a bright prospect from the Covid-19 outbreak.

According to the Thai Rice Exporters Association (TREA), the Covid-19 situation causes many countries to stock up on food supply as well as boosting orders of Thai rice. The importers want Thai exporters to be ready to deliver 100 percent of the order quantity from the delivery of 50 percent previously, which is 50 percent in March and the remaining in April. The overflow demand is a benefit for the producing countries and it increases the rice prices in the global market. Regarding the strong demand, Thailand's rice exports in February 2020 was estimated at 630,000 tonnes. Currently, the growth is depending on the Covid-19 situation and if the situation recovers, the rice orders will decrease. Moreover, Thailand's rice exports this year would be near the set target of 7.5 million tonnes.

Source: The Nation. (2020, Mar 14). *Thai Rice Exports get a boost from global Covid-19 scare.*

Prices of Thai rice surge to a more than six-and-a-half-year high this week because of the effect from drought.

On 12 March 2020, Thailand's benchmark 5 percent broken rice prices rose to 470-490 USD per tonne, the highest prices since August 2013, from 460-467 USD per tonne last week. The reason for high prices is the drought conditions, which raised concern over supply shortage and drove rice prices up to a more than six-and-a-half-year high. Many parts of the country's rice-growing area have been hit by drought. Meanwhile, many rice millers are refusing to sell rice due to uncertainty over supply during this dry season. Besides, the Thai government forecast that this year's dry season could extend the usual period of April through to June.

Source: Reuters. (2020, Mar 13). *RPT-Asia Rice-Thai drought raises supply jitter, Vietnam rates at over 1-yr high.*

Viet Nam

Viet Nam's rice export in 2020 has positive signals amid Covid-19 epidemic.

According to the Ministry of Agriculture and Rural Development (MARD), in the first two months of 2020, about 900,000 tonnes of rice worth 410 million USD were shipped aboard, up 27 percent in volume and 32 percent in value year-on-year. The Philippines was the biggest importer for Vietnamese rice, accounting for 31 percent of the total country's rice shipments. Meanwhile, Mozambique and Angola were among the markets with the biggest growth rate. These positive signs show Viet Nam is likely to achieve its rice export target of 6.7 million tonnes worth over 3 billion USD this year. Furthermore, the Covid-19 outbreak has a little impact on Viet Nam's rice sector whereas it lets Viet Nam have an opportunity to export to East Africa. Moreover, the country will have more export chance when some Free Trade Agreement (FTA) between the European Union (EU) and Viet Nam have come into force.

Source: Vietnam News Agency. (2020, Mar 16). *Rosy signs bright prospect for rice export.*

Vietnamese rice prices peak this week due to the uptick in domestic demand.

This week, rates for Viet Nam's 5 percent broken rice rose to 400-405 USD per tonne, the highest since November 2018, compared with 390-400 USD per tonne last week. The domestic demand has been strong over the past week because families are rushing to stockpile rice in anticipation of the further spread of the COVID-19. This reason forced exporters to raise rice prices due to scarce supplies.

Source: Reuters. (2020, Mar 13). *RPT-Asia Rice-Thai drought raises supply jitter, Vietnam rates at over 1-yr high.*

China

China sets aside the budget of 3.67 billion yuan (about 527.3 million USD) to expand early rice acreage in 2020.

According to the Ministry of Agriculture and Rural Affairs (MARA), China is working on increasing the planting area of early rice and the government has been supporting early rice production in this year through raising the minimum purchase prices. Meanwhile, the budget of 3.67 billion yuan has been allotted for this agricultural projects and local government have created supporting policies to promote an increase in the early rice acreage. In 2019, China's early rice planting area dropped by 7.1 percent to 4.45 million hectares, the National Bureau of Statistics (NBS) reported.

Source: China Daily. (2020, March 13). *China moves to expand early rice acreage.*

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