



WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

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Philippines

The Philippines' rice imports are seen to remain at three million tonnes in 2023. According to the United States Department of Agriculture, the Philippines may continue to import three million tonnes of rice next year due to the flat production and ample stocks, even as consumption grows. The Philippines' milled rice production in 2023 is forecast at 12.41 million tonnes, slightly lower than the 12.47 million projected production in 2022. Meanwhile, rice consumption is seen to increase 15.35 million tonnes next year because of the high price of wheat, up from the projected 15.2 million tonnes of consumption this year. The Department of Agriculture of the Philippines suggested additional funds for fertiliser subsidies are needed before the wet season to increase rice production, as fertiliser prices in the international market have been rising since last year.

Source: Philstar. (2022, May 16). *Philippine rice imports to remain steady at 3 million MT.*

Thailand

The strong interest from the Middle East boosts Thailand's rice prices. Prices of Thailand's 5 percent broken rice rose to 450 USD per tonne from 432-435 USD per tonne a week earlier. The gradual decline in Thai rice supplies and continuous demand from Iraq and Iran contributed to a rise in the

Thai rice price, said Bangkok-based traders. Another supply of off-season crops is expected in June and July.

Source: Reuters. (2022, May 12). *RPT-ASIA RICE-Indian rates slip on rupee plunge, Thai prices gain on Mideast demand.*

Thai rice exporters worry over the rising domestic rice prices. According to the Thai Rice Exporters Association (TREA), 5 percent white rice prices in the domestic market have risen by 25 percent to 15 baht (0.43 USD) per kilogramme, up from 12 baht (0.34 USD) per kilogramme at the beginning of 2022, driven by the huge import demand, especially from Iraq. Meanwhile, rice export prices have increased by 15 percent from 400 USD per tonne to 460 USD per tonne year-on-year. The increase in rice prices may prompt importers to have wait and see approach to buy more Thai rice in the second quarter of 2022, possibly leading to lose of the opportunity for Thai rice exports. Furthermore, TREA expects rice export prices to increase by another 5 percent, or 20 USD per tonne, in the second quarter of this year.

*1 USD = 34.8900 baht

Source: Bangkok Post. (2022, May 16). *Rising domestic rice prices unsettle Thai exporters.*

Viet Nam

Vietnamese rice exports to the European Union (EU) are almost 18 million USD during the first quarter of 2022. According to the Agency of Foreign Trade under the Ministry of Industry and Trade, Viet Nam exported 22,500 tonnes of rice to the EU for around 18 million USD from January to March 2022, increasing four-fold in both volume and value year-on-year, due to preferential tariffs under the EU-Vietnam Free Trade Agreement. Moreover, over 30,000 tonnes of rice were shipped to the EU in the first four-month of 2022, earning around 23 million USD. Italy was the top buyer of the EU, with spending on Vietnamese rice surging 26-fold compared with the same period in 2021.

Source: VietnamPlus. (2022, May 11). *Rice exports to EU quadruple in Q1.*

Vietnamese rice prices slightly decrease amid the quiet trading activities.

Vietnamese 5 percent broken rice rates were quoted at 415-420 USD per tonne versus 420 USD per tonne last week. The trading activity is mute on tight domestic supplies but is expected to increase from June 2022 with anticipated demand from the Philippines, Africa, China and Bangladesh, said a Ho Chi Minh City-based trader. According to the Vietnam Food Association, Viet Nam's rice exports are estimated at 6-6.2 million tonnes in 2022, compared with 6.24 million tonnes in 2021.

Source: Reuters. (2022, May 12). *RPT-ASIA RICE-Indian rates slip on rupee plunge, Thai prices gain on Mideast demand.*

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