



WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

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Indonesia

Indonesia will import 500,000 tonnes of rice until February 2023.

According to the Bulog, Indonesia's food procurement agency, it will import 500,000 tonnes of rice between December 2022 and February 2023 to top up government stock and contain price rises. 200,000 tonnes of rice will be delivered by the end of December 2022, procured from Viet Nam, Thailand, Pakistan and Myanmar. The rest of rice imports will be delivered gradually until February 2023 before the main rice harvest is due to start. The rice prices have risen in the last few months and Bulog's stock for market operations has decreased, therefore rice stock from abroad is urgently needed to dampen increases in rice prices, Ministry of Trade said,

Source: Reuters. (2022, Dec 15). *Indonesia's Bulog to import 500,000 T of rice until Feb 2023.*

Philippines

The Philippines extends tariff cuts on imported rice as the inflation rate is high.

Due to the high inflation, the Philippines has approved to extend lower tariff rates on imported rice until 31 December 2023. That means the tariff rate for imported rice will stay at 35 percent. The modified rates approved in

2021 were due to expire at the end of this year, but an inflation rate running 14-year highs warranted an extension of the tariff reprieve.

Source: Reuters. (2022, Dec 18). *Philippines extend tariff cuts on imported rice, other food items to fight inflation.*

Thailand

Thai rice exports will likely meet the goal of 2022 and go beyond the target.

According to the Department of Foreign Trade, Thailand is expected to achieve the goal of exporting 7.5 million tonnes of rice in 2022 and rice exporters have sought to ship out up to 8.58 million tonnes. The exchange rate has made Thai rice prices very competitive. Iraq's import of 1.3 million tonnes of Thai rice from January to October 2022 has helped rice exports grow by 500 percent year-on-year. Furthermore, rice exports are expected to rise further in 2023 thanks to exchange rates and the easing of Covid 19 measures. Also, Indonesia and Bangladesh have expressed interest in importing rice from Thailand as their harvests are not large enough to cover domestic demand.

Source: The Nation. (2022, Dec 16). *New, expanded markets may see Thai rice exports cross 2022 target.*

Rates for Thailand's rice are widened while supply is stable.

Thailand's 5 percent broken rice prices were quoted at 425-457 USD per tonne, widening from 444 USD per tonne last week. Indonesia ordered hundreds of thousands of tonnes of rice and many exporters are trying to fulfil this deal before the end of 2022. Meanwhile, there was a fresh demand from Japan for about 20,000 tonnes of rice to be fulfilled by March 2023. Moreover, the baht appreciation is supporting prices, while the rice supply remained unchanged, Bangkok-based traders said.

Source: Reuters. (2022, Dec 15). *RPT-ASIA RICE-Vietnam rates advance on healthy demand, low supplies.*

Viet Nam

The range of Vietnamese rice prices inch up amid upcoming demand.

Prices of Vietnamese 5 percent broken rice were offered at 448-453 USD per tonne, slightly up from 445-450 USD per tonne a week ago. Demand from both existing and new markets is still healthy while supplies are running low. Furthermore, buyers from China and the Philippines are still interested in Vietnamese rice even though Pakistan's rice is cheaper, the Mekong Delta-based traders said.

Source: Reuters. (2022, Dec 15). *RPT-ASIA RICE-Vietnam rates advance on healthy demand, low supplies.*

Gathered by the APTERR Secretariat
Tel: +66 (0) 2579 4816-17 Fax: +66 (0) 2579 4840
Email: sita.kum@apterr.org
Website: <http://www.apterr.org/>

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