



International cereal export prices

Rice prices surge in April but those of wheat eased

International prices of rice rose sharply between March and April. The price of Thai white rice (100% second grade, f.o.b. Bangkok) increased 50 percent in the past month reaching USD 848 per tonne. Prices reacted to more action taken by countries to halt or slow the pace of their exports, at a time when large importers were active on the market to buy rice. A weakening US dollar and very high prices of other basic food commodities lent further strength to world rice prices. Although the arrival of new crops in countries such as Bangladesh, Brazil, India, Thailand or Viet Nam should ease the current market tightness, major exporting countries would need to lift their export restrictions for prices to fall back to more normal levels.

International wheat export prices in April declined from the record high levels in March (in nominal terms). The price of US wheat (No.2 Hard Red Winter, f.o.b. Gulf) averaged USD 389 per tonne, 19 percent down from March, but still USD 180 per tonne, or 86 percent, above the April 2007 average. In futures markets, prices have also decreased in recent weeks. Firmer prospects for a significant increase in global wheat output in 2008, reflecting favourable growing conditions so far in the northern hemisphere, as well as the announcement of a significant increase in export quotas by Ukraine, a large grain exporter, put downward pressure on prices.

International maize prices continued to increase steadily in April. The price of US maize (No. 2 Yellow, Gulf) averaged USD 248 per tonne in April, 6 percent more than a month ago. At this level US maize prices are about USD 78 per tonne up or 46 percent more, than the same period last year. Tightness in global supplies, coupled with expectation of lower area planted and delays in planting due to wet weather in the United States, the world's biggest producer, provided support.

Selected international cereal export prices* (USD per tonne)

	2007			2008		
	Apr.	Dec.	Jan.	Feb.	Mar.	Apr.
United States						
Wheat ¹	209	381	381	449	481	389
Maize ²	170	178	206	220	234	248
Sorghum ²	171	192	225	222	233	243
Argentina³						
Wheat	187	310	330	365	395	-
Maize	160	171	199	206	216	228
Thailand⁴						
Rice white ⁵	322	376	385	483	567	848
Rice, broken ⁶	256	342	365	431	522	720

*Prices refer to the monthly average (for April 2008 four weeks average except rice which is three weeks average).

¹ No.2 Hard Red Winter (Ordinary Protein) f.o.b. Gulf.

² No.2 Yellow, Gulf

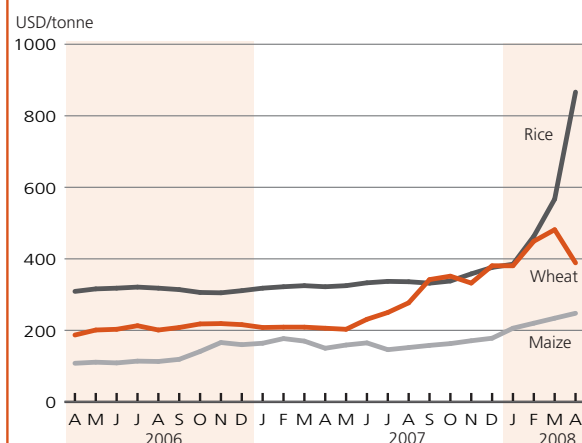
³ Up river, f.o.b.

⁴ Indicative traded prices.

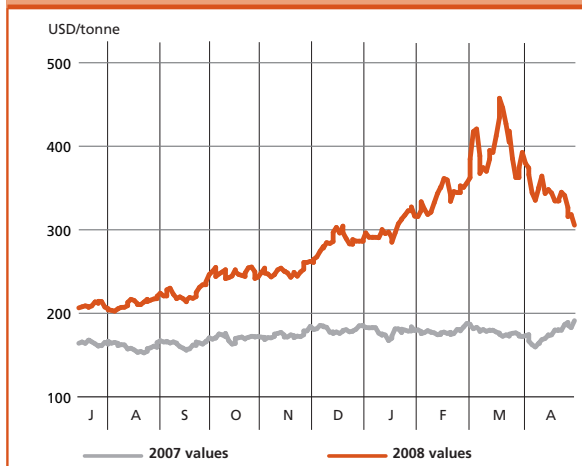
⁵ 100% second grade, f.o.b. Bangkok.

⁶ A1 super, f.o.b. Bangkok.

Selected international cereal prices (April 2008 3 wks avg for rice; 4 wks for wheat & maize)



CBOT wheat futures for July



CBOT maize futures for July

