

Evidences

Study #3552

Contributing Projects:

- P1584 - IRRI Contribution to RICE Flagship Project 1

Part I: Public communications

Type: Other MELIA activity

Status: Completed

Year: 2021

Title: Explaining rice export price differentials

Commissioning Study: RICE CRP

Part II: CGIAR system level reporting**Links to the Strategic Results Framework:**

Sub-IDs:

- Conducive agricultural policy environment

Is this OICR linked to some SRF 2022/2030 target?: Too early to say

Description of activity / study: This study analyzed the price differentials, magnitude and speed of adjustment of different rice quality types: aromatic, Indica higher quality, and Indica lower quality rice. The composition of potential convergence club formation of price differential for each of these rice quality types was analyzed in the context of increasing market segmentation in the different rice quality markets.

The result suggest that there is weak evidence that the law of one price for rice holds in the long-run. The probability of a converged pairing increases for any two rice varieties that are both fragrant or from the same country. Also, the more similar is the market share then the greater is the probability of convergence.

A faster speed of adjustment is associated with rice pairing that are from the same country or where both varieties are fragrant. Differences in market share lead to a reduction in the speed of adjustment.

Geographic scope:

- Global

Comments: <Not Defined>

Links to MELIA publications:

- https://grispnetwork.groupsite.com/?flash_top=true