

Rice

11th -18th July, 2005

MAJOR ACTIVITY HIGHLIGHTS

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DOMESTIC AND INTERNATIONAL NEWS:

Asian Rice Prices Started on Weak Note

Weekly trade in rice got off to a slow start on Asian markets, with exporters in Thailand once again lowering asking prices to reflect ongoing weakness in the country's currency and in an effort to attract buyers. Unfortunately, the continuing price declines are rewarding buyers for their "wait and see" attitude. Exporters were asking U.S. \$282 MT FOB Bangkok for 100% B grade; \$278 for 5% broken; and \$260 MT for 25% broken rice. In news affecting trade prospects, Thailand has asked Indonesia to lift its ban on rice imports. Without a change in policy, government officials in Thailand say the country may not meet its 8.6 million MT export target for 2005-06. Last year Indonesia bought 155,739 MT of rice from Thailand, down from 763,690 MT in 2003. Nominal FOB prices for Indian rice are: U.S. \$224 to 233 MT for New Permal variety; and between \$230 and \$234 MT for Old Permal variety.

Rice: Ten States Switched Over on FCI's New plans

FCI (Food Corporation of India) has now decided to launch a new procurement system on rice and wheat. Ten states had already switched over the new procurement system in respect of rice. Andhra Pradesh, a major rice procuring state, had accepted in principle to switch over to the new system. It is noticed that the rice and coarse grain procurement was stood at 22.9 million tonnes and 0.827 million tonnes respectively in 2004-05. Rice stocks were to the tune of 11.60 million MTs as on June 1, 2005. To meet the increasing demand of boiled rice in Tamil Nadu and Kerala, the FCI had moved paddy from Chattisgarh to TamilNadu and Andhra Pradesh for milling.

Pakistan Exported 864,417 MT of Basmati Rice

In the year 2004-05, it is witnessed that Pakistan has exported a totalled of 864,417 MT of Basmati rice worth \$495 million against 710,000 MT valued at \$355 million exported in the previous year 2003-04. Where as the figure of export of non-Basmati variety is not released but it is expected to be 1.3 million MT non-Basmati rice worth \$435 million. Pakistan rice export has touched the figure of \$930 million in the year 2004-05 and it is destined to become the member of one billion-dollar club. Pakistan rice export has increased though the production has declined. Old seeds and shortage of water pushed the crop yield down in the

country. The value addition in Pakistani rice export has increased to 22 percent during the year 2004-05.

Rice Sowing is Still Down by 18.5%

Late arrival of southwest monsoon had delayed kharif sowing this year but now it is fast seen making up for the shortfall, according to an agriculture ministry official. Though rice sowing is going ahead in most states, it is still 18.5 per cent down this year at 5.48 million hectares. The data said major shortfall is reported in Orissa due to delayed onset of monsoon, while the state government has assured to achieve the target of 3.8 million hectares. As of today, rice acreage in Orissa is around 815,000 hectares compared with 1.4 million hectares last year. Rice acreage in Punjab is down at 2.07 million hectares (compared with 2.25 million hectares last year) and in Bihar at 110,000 hectares (compared with 322,000 hectares last year). On the other hand, sowing in Tamil Nadu is up, almost double on year, at 102,000 hectares compared with 65,000 hectares last year. Maize sowing is down 30 per cent at 2.9 million hectares.

USDA: World Rice Situation Witnesses to Squeeze

Projected global 2005-06 production, imports, and ending stocks are lowered from a month ago, while consumption and exports are raised, according to the latest report from the USDA's World Agricultural Outlook Board. World production is projected at nearly 410 million MT, 500,000 below a month ago. The decrease in global production is primarily due to smaller crops projected for Burma, the United States, and South Korea. World imports are lowered primarily because of a decline in China imports. Global exports are raised due mainly to an increase for India. Global ending stocks for 2005-06 are projected at 66.8 million MT, 0.5 million below last month, and 7.9 million below revised 2004-05. Projected ending stocks are down primarily because of reductions for China, India, Indonesia, Pakistan, and the United States, and partially offset by increases for the Philippines and Vietnam. U.S. rice production in 2005-06 is projected at 221 million cwt, 4 million cwt below last month and nearly 10 million cwt below record 2004-05. Estimated harvested area of 3.31 million acres reported in the Acreage report is 49,000 acres below last month, and 38,000 acres below 2004-05. The yield for 2005-06 is projected at 6,721 pounds per acre, 30

pounds per acre below last month, and 221 pounds per acre below 2004-05 records. Long-grain rice production is projected at 169.5 million cwt, 2.5 million cwt below last month, and slightly above 2004-05. Combined medium- and short-grain rice production is projected at 51.5 million cwt, 1.5 million cwt below last month, and over 10 million cwt below 2004-05. Beginning stocks for 2005-06 are projected at 35.9 million cwt, 3.5 million cwt below last month. Projected imports for 2005-06 are lowered slightly to 14.0 million cwt. Domestic and residual use is unchanged from a month ago while exports are lowered. Exports for 2005-06 are projected at 119 million cwt, 2 million below last month, but 10 million above revised 2004-05. Milled and brown rice exports are projected at 84 million cwt (rough basis), nearly 5% below last month, while rough rice exports are projected at 35 million cwt, 6% above last month. Ending stocks are projected at 25.7 million cwt, 19% below last month, and 28% below revised 2004-05. The season- average farm price range for 2005-06 is raised \$0.10 per cwt on each end to \$7.30 to \$7.60 per cwt compared to a revised \$7.25 to \$7.35 per cwt for 2004-05. Tighter domestic supplies particularly for combined medium- and short-grain rice will keep prices higher in 2005-06.

Vietnam Rice Market Remained Firm

The market situation for rice in Vietnam remained firmer, with the government saying the country will again export around 4 million MT. Exporters were asking U.S. \$245 to \$255 MT FOB Ho Chi Minh City for 5% broken; and \$230 MT for 25% broken rice. Markets were also helped by news the Vietnam Southern Food Corp. was the only company to offer rice on a 92,000 MT tender for 15% broken by the Philippine National Food Authority. The company is asking U.S. \$279 MT C+F for shipment before August 31. The next Philippine import tender is for 185,000 MT on July 21. India's internal rice market ranged between U.S. \$224 and \$233 MT for New Permal variety; and between \$230 and \$234 MT for Old Permal variety.

Thailand Rice Markets Maintained Its Downward Trend

The rice market situation in Thailand are continuing to slip down due to the weakness in Thai currency level versus the U.S. dollar and the willingness of exporters to adjust prices accordingly is making it hard for the country's rice market. Export prices for all grades of rice continued to fall sharply due mainly to further weakening of the Thai baht to the new low of around 42-baht/U.S. dollar. The U.S. agricultural attaché reported, domestic prices remained eased slightly, as some local traders and millers reportedly released speculative stocks to cover the risk from the likelihood of the government stock release.

India Sold Abroad 509000 MT Rice in April

It was reported by the U.S. agricultural attaché that India exported 509,000 metric tons (MT) of rice in April, including 81,000 MT basmati and 428,000 MT of non-basmati rice variety. This lifted calendar year to date shipments to 2.1 million MT, including 400,000 MT basmati and 1.7 million MT of non-basmati rice.

Asian Rice Market Showed Stable Sentiment

Pakistani domestic rice market witnessed to quiet in the face of tight supplies of good quality product until the new crop rice is hit the market in September. Local traders were quoting U.S. \$226 to \$230 MT for Irri-6 varieties. Markets in Vietnam and Thailand are mixed at mid-week, with Thai

exporters continuing to trim asking prices in an effort to attract buyers. By contract, strong local demand helped lift prices in Vietnam. Thai exporters are now asking between U.S. \$282 and \$284 MT FOB Bangkok for 100% grade B; \$277 to \$279 MT for 5% broken; and between \$285 and \$287 MT for parboiled 100% sorted rice. Vietnamese exporters are asking between \$230 and \$234 MT FOB Ho Chi Minh for 5% broken; and between \$226 and \$228 MT for 25% broken. India's internal rice market ranged between U.S. \$224 and \$233 MT for New Permal variety; and between \$230 and \$234 MT for Old Permal variety.

India Requested to EU for Common Basmati Protocol

India has requested European Union to provide it the DNA protocol of Basmati submitted by Pakistan with a view to arrive at a common global protocol for the commodity, according to the chairman K. S. Money of APEDA (Agricultural and Processed Food Products Export Development Authority). New Delhi wants a common protocol, as the commodity is geographically grown only in India and Pakistan. EU's verification system will have to base on a uniform protocol to avoid confusion. India had recently submitted the protocol for Basmati rice to European Union, which is aimed at preventing any fraudulent exports of the variety to latter. Once the protocol is implemented then it will help the European authorities to distinguish between Basmati and non-Basmati varieties to levy tariff. Basmati rice enjoys zero per cent import duty in European Union. EU extended duty concessions to brown Basmati rice had introduced a new rice import regime in September 2004. Country's annual Basmati exports are estimated at 700,000 tonnes to 800,000 tonnes.

Import Situation for Rice & Maize in Russia

In this marketing year Russia imported 11,000 tonnes of maize, mainly from Ukraine (10,700 tonnes); 41,100 tonnes of rice mainly from India (10,200 tonnes) and Pakistan (8,100 tonnes) in May 2005.

U.S. Rice Export Witnessed to Higher

The net sales of 47,900 MT rice were 50 percent above the previous week, but 29 percent under the prior 4-week average, according to the USDA current weekly export sales highlights. Major increases for Panama (27,900 MT), Papua New Guinea (8,300 MT), Israel (4,100 MT), Mexico (2,900 MT), and the United Kingdom (2,700 MT) were partially offset by decreases for Haiti (5,800 MT). Sales of 12,500 MT for delivery in 2005/06 were primarily for Haiti (12,000 MT). Exports of 81,900 MT were 81 percent more than the previous week, but 7 percent less than the prior 4-week average. The primary destinations were Panama (19,300 MT), Papua New Guinea (12,200 MT, including 4,000 MT late reporting), Haiti (10,900 MT), Guatemala (10,100 MT), and the United Kingdom (5,400 MT).

Pakistan Likely to Export 8000 MT Basmati Rice To Qatar

It is a good news for the Pakistani traders that they have succeeded in booking orders for the export of about 8000 MT of basmati rice to Qatar first time. First time, Pakistan would be exporting rice to Qatar in such a big quantity in the wake of the agreements managed by Pakistani traders. Pak-Doha Import and Export Association reported that these would be completed in next two/three days.

Rice: World Markets And Trade

MONTHLY HIGHLIGHTS:

Philippines Likely to Largest Importer in the World in 2005: According to the government, planting delays for the main season crop, thus necessitating further imports. With two tenders for the month of July totaling just less than 300,000 MT, the import forecast has now been raised to 1.9 million MT, which would be the largest since 1998.

PRICES:

International: Asian prices have dropped over the last month. Thai 100B is currently quoted at \$286 PMT, FOB, down \$9 from last month, mainly a result of the weakening baht.

Viet 5% is currently quoted at \$232 per ton, FOB, down \$17 from last month (down \$25 in 2 months). With commitments rumored near the official cap of 3.8 million tons, the government instituted an export ban until an assessment of the current harvest is complete. India 5% is currently quoted at \$262 per ton, FOB, up \$2 from last month

TRADE CHANGES IN 2006 Selected Importers:

China is cut 300,000 to 600,000 tons based on a continuation of government policies to expand production.

TRADE CHANGES IN 2005 Selected Exporters:

- China is raised 50,000 to 650,000 tons as a result of improved shipments to South Korea, Russia, and Africa.
- India is boosted 250,000 to 3.75 million MT as the pace of exports continues to exceed last year.
- Pakistan is up 100,000 to 2.2 million MT on the strong export pace to date.
- With exports continuing to significantly trail last year's record pace, Thailand is reduced 250,000 to 8.25 million MT.
- Stronger exports to Peru and Senegal have not offset reduced shipments to Brazil; therefore Uruguay is dropped 50,000 to 650,000 MT.
- Despite a government-announced export ban, Vietnam is raised 100,000 to 4.3 million tons. The ban is expected to be a temporary measure and does not prohibit participation in the upcoming Philippines tenders.

Selected Importers

- Bangladesh is up 50,000 to 750,000 tons as a consequence of stronger than anticipated imports from India through April.
- China is slashed 200,000 to 500,000 Mt, as import demand for regular white rice is weak.
- Despite the government extension of the import ban, Indonesia is boosted 200,000 to 900,000 MT because of lower production and tightening stocks.
- Philippines is raised 300,000 to 1.9 million MT on stronger import demand caused by delayed planting of the main crop.
- Peru is increased 25,000 to 115,000 MT due to stronger than anticipated import demand.

Further Import Of Rice Necessary in Bangladesh

The Bangladeshi Parliamentary Standing Committee on the Ministry of Food and Disaster Management Thursday suggested the ministry is likely to import rice to ensure emergency food stock. There are 0.8 million MT of foodgrains in emergency stock now in different silos and godowns in the county. Though it is witnessed that prices of

rice in the city and its neighboring areas marked a slight rise, where as it was stable in the rural areas, therefore no decision was taken to introduce Open Market Sales (OMS). The committee was apprised that the ministry has already soared tender to procure one-lakh MT of wheat and 50 thousand MT of rice from abroad.

Vietnam Exports 92,000 MT Rice to Philippines

The Philippines required 92,000 MT of rice at the price of \$279 per MT in a tender. The NFA will hold another buy tender on July 21 for another 185,000 MT of rice. The rice imports are proposed to ensure sufficient domestic supply during the lean production months of July-to-September, following a delayed planting of main crop rice this year. In 2005, imports are likely to reach 1.8 million MT, the highest since 1998.

Indian Basmati Rice may Soon Find Place in Malaysia

Basmati, the pride of India, may perhaps soon find a place in Malaysia, as this Southeast Asian country to open up its markets for the long grain aromatic rice from the subcontinent. Malaysia imports 20,000 tonnes basmati rice annually, of which 18,000 tonnes are from Pakistan and only 2,000 tonnes from India. India buys palm oil from Malaysia. According to Ms Priyanka Mittal, Director of KRBL Ltd (which is the world's largest rice millers and basmati rice exporters) that they want to promote Indian basmati imports in Malaysia. It is a superior grain and has been accepted world over. India is the largest trading partner of Malaysia in Southeast Asia. In 2004, total trade amounted to \$2.9 billion of which India's imports from Malaysia were around \$2 billion. Indian exports to Malaysia were only \$0.9 billion.

Indian Rice Exporter Eyeing on Malaysia

It was witnessed that the rice markets in India finished the week with price ranging between U.S. \$224 and \$233 MT for New Permal variety and between \$230 and \$235 MT for Old Permal variety. Exporters in India are hopeful Malaysia will increase basmati rice imports from India. Last season Malaysia imported 20,000 MT, with Pakistan supplying 18,000 and India the balance. It is expected that the market price would continue this tone in the coming days.

Agreement between SBI and NSC to Finance Seed Production

An agreement was made between the State Bank of India (SBI) and the National Seeds Corporation Ltd (NSC) to finance farmers for seed production under contract farming. A MoU was signed here this week by SBI chief general manager (ABU), Mr Anup Banerji and NSC managing director, Mr BB Pattanaik, according to sources. The memorandum constitutes to finance 1,000 registered growers of NSC across the country for seed production at large scale, comprising 561 varieties of 79 crops, and 120 varieties of 38 vegetables. The major crops, which are hybrid seeds of maize, sorghum, bajra, cotton, paddy, sunflower, castor, fodder sorghum and vegetables included in this memorandum. The product range includes breeder, foundation and certified seeds of various crops.

Punjab Farmers Requested To Grow Basmati Rice

The North Indian farmers in Punjab's Moga district have been asked to cultivation of basmati rice in the wake of substantial losses to crops like cotton and maize due to the

recent heavy rains. The district agriculture development committee meeting was chaired by deputy commissioner who expressed severe concern over the losses to cotton and maize crops due to the rains. The Chief agriculture officer suggested to cultivate basmati rice and should sow it by the end of this month to those farmers, whose cotton and maize crops were damaged.

Indonesia Rejected The Request of Thai Rice Import

According to the Indonesian Minister of Agriculture, the government could not grant the request of the Thailand government to import rice from Thailand, because the policy to ban imports of rice from Thailand has certainly helped the farmers in terms of generating better income. While the ban on rice imports had been came since January of this year, the government must still be alert to the possibility of overseas rice being smuggled into Indonesia. It is projected that by the end of 2005 rice production will total 53 million MT of unhusked rice. It was witnessed that the State Logistics Board (Bulog), national rice stocks will amount to 1.2 million by the end of the year.

Domestic Rice Market Commentary

DELHI MARKET

In this week the market price for rice remained almost unchanged in Delhi. It is due to stable demand and supply. There was no government intervention programme. It is expected that the market sentiment would remain stable in the coming days. The monsoon activity also affected the rice market in this week.

Market Price For Different Varieties Of Rice In Delhi Mandis

Delhi	11.07.05	18.07.05
Basmati rice old	3100-3150	3000-3150
Basmati	2475-2575	2500-2600
Basmati Lalqila	4400	4400
Lalmahal	4600	4600
Sharbati new	1625-1675	1625-1675
Sharbati old	1725-1775	1725-1775
Parmal raw	975-1015	960-1000
Wand	1060-1125	1040-1125
Parmal sela	1020-1100	1000-1090
IR 8	940-980	925-980
DB Rice	2150-2350	2150-2350

KARNAL MARKET:

In the Karnal market, it is witnessed that the market price for rice remained slightly weak with range bound for some varieties in this week, where as some varieties remained unchanged. The new crop has reached in the market, therefore the market remained slightly weak. The sowing of kharif rice crop is going on. The weather condition of this market remained well, which helped in the sowing progress. It can be expected that the rice prices would remain stable in the coming days.

Market Price For Different Varieties Of Rice In Karnal Mandis

KARNAL	11.07.05	18.07.05
Basmati rice shella	2200	2100-2200
Basmati rice raw	2400-2525	2400-2500
Sharbati shella	1500-1600	1400-1550
Parmal raw rice	960-1080	960-1080
Parmal sella	1010-1090	1015-1080
IR 8	840-875	840-875
Wand	840-875	1050-1100
Govind	1050	1050
Db rice shella	2000	1900-2000
Db rice esteem	2400	2400-2525

AMRITSAR MARKET:

The Amritsar market for rice witnessed mixed sentiment in this week. According to the traders, the new Parmal rice crop will be available in August in this market. Sharbati esteem and DB paddy variety showed slight downward sentiment. The ongoing market sentiment suggested that rice price would remain stable in the coming days until the new crop will hit the market.

Market Price For Different Varieties Of Rice In Amritsar Mandis

AMRITSAR	11.07.05	18.07.05
Sharbati paddy	900	950
DB paddy	1000-1050	1000
Sharbati sella raw rice	1600-1650	1650-1700
Sharbati esteem	1700-1800	1675-1700
Sharbati parboiled	1700-1750	1700-1750
DB parboiled	2100-2200	2100-2150
IR 8	1050	1100
Basmati rice raw	2800-2850	2800-2900
Basmati rice sella	2500	2400-2500
Parmal	1100	1150
PR11 sella	1200-1250	1200
Parmal wand	1100-1250	1150

RUDRAPUR MARKET:

The market price for most of the rice variety in Rudrapur market remained range bound with stable market in this week, where as Sharbati paddy witnessed weak under tone due to new crop arrival in the market. It is expected from the market scenario that the price would continue this tone in the coming days.

Market Price For Different Varieties Of Rice In Rudrapur Mandis

RUDRAPUR	11.07.05	18.07.05
Sharbati paddy	900	600-650
DB paddy	1150-1250	1150
Parmal paddy	500-550	425
Parma rice	1000-1050	1000
Basmati paddy	1250	1200
Basmati rice	2200	2250
Shabati shella	1700	1650
Sharbati esteem	1850	1750
DB shella	2350	2200
DB esesteem	2600	2500

WEST BENGAL MARKET:

In this market the different varieties of rice were sold in the stable range. The non-scented variety is exported to Bihar, Jharkhand and scented varieties are exported to Karnataka, Kerala, Tamilnadu etc. It is expected that the price would be up in the coming days due to shortage of rice in the market. In this area the rice sowing is carried on with the availability of monsoon rains. The next crop will be reached in the market in October to November.

Market Price For Different Varieties Of Rice In West Bengal Mandis

WEST BENGAL	11.07.05	18.07.05
Ratnachudi	1175-1200	1100-1200
CO 36	990-1010	960-980
Coarse	870-890	900
CO 43 Medium Boiled	1060-1070	1060
Fine	1230-1240	1220
Super Fine	1750-1760	1750
IR 36 (super)	950-1000	1170-1180
Minikit Shankar	1250	1250
Minikit (M- Shankar)	1400	1400-1450
Nagra	1500	1600
Doodh Kalma	1450	1360-1410
Swarna	950	950
Pankaj	965	965
BM 20	1150	1400
Swarna parboiled	950	950
Govindobhog	2100-2200	2200
Chawl Moni	1600	1700

KURUKHESTRA MARKET:

Rice prices in Kurukhestra market remained range bound with stable sentiment due to stable demand and supply. The demand for rice was mainly offset the supply of rice. It is expected that the market price would recover on downside when the new crop would hit the market.

Market Price For Different Varieties Of Rice In Kurukhestra Mandis

KURUKHESTRA	11.07.05	18.07.05
DB paddy	1200-1225	1250
DB rice	2100-2250	2100-2300
DB esteem	2600-2700	2500-2700
Sharbati esteem	1850-1900	1900
Sharbati shella	1650-1725	1700
PR 11 rice	1200	1150-1250
PR11 shella	1200	1150-1200
Parmal rice	1100-1130	1100
Basmati shella	2250-2300	2200-2300
Raw Basmati	2700-2800	2600-2800
Basmati paddy	1350-1400	1400

DEHRADUN MARKET:

The market price for different varieties in Dehradun market remained almost unchanged except Parmal raw and IR 8 rice in this week. The most of the variety prevailed at the same rate as of the previous week. It is expected that the market would remain steady in the coming days.

Market Price For Different Varieties Of Rice In Dehradun Mandis

DEHRADUN	11.07.05	18.07.05
Basmati Raw	2350-2450	2350-2450
Sharbati	1650-1800	1650-1800
Parmal Raw	1065-1120	1065-1120
IR 8	975-1000	975-1000

Conclusion

The market sentiment for different varieties of rice remained range bound with stable trend. The new Parmal rice has been reached in the Rudrapur market, therefore the market sentiment in this area remained slightly weak only for Parmal variety. The demand behind this market sentiment remained stagnant. It is expected that the ongoing situation would continue this tone in the coming days. In global rice market the rice prices fluctuated slightly in this week. The Philippines' National Food Authority paid Vietnam's Southern Food Corp. U.S. \$279 MT C+F for 92,000 MT of 15% broken rice for arrival before the end of August. The next import tender is scheduled for July 21 and covers 185,000 MT. Asian rice markets were helped by news of the purchase, finishing the week unchanged to slightly firmer. Exporters in Vietnam are now asking U.S. \$230 to

\$234 MT FOB Ho Chi Minh City for 5% broken and \$226 to \$228 MT for 25% broken. Exporters in Thailand left asking prices unchanged against expectations their government will extend its price support program beyond Friday. They are asking U.S. \$ 282 to \$285 MT FOB Bangkok for 100% B grade; \$277 to \$279 MT for 5% broken; and \$282 to \$279 MT for parboiled 100% sorted rice.

Port Watch

Kandla Port is loading 14,500 MT of rice on the vessel 'El Tanin' to Dammam. The vessel is being handled by Aditya agents. Another vessel, 'Banglar Moni' is expected at the port to load 10,000 MT of rice to Dammam. Aditya agents will be handling the vessel.

Mumbai Port is loading 7,025 MT of rice on the vessel 'Santha Maria'. Shann Marine Services is handling the vessel.

Weather Watch

Forecast for the period upto 23 July, 2005

Weather Systems:

The active monsoon conditions prevailed over most parts of northwest India and central India due to the prevalent monsoon depression. During the week, monsoon rainfall activity has been quite extensive and in excess of normal over the Arunachal Pradesh,

West Uttar Pradesh, Haryana/Chandigarh/Delhi, Punjab, Himachal Pradesh, J&K, Marathwada, Vidarbha, Telangana, North Interior Karnataka and Lakshadweep that resulted in contributing about 3% above normal rainfall and 32% of the seasonal quantum of rainfall for the country. The All India rainfall scenario has transformed from deficit regime to the above normal rainfall regime during the week thus raising the total quantum of monsoon rain for the period 1June-13 July to 1% above normal from 2% below normal during the previous week.

Forecast for next 5-6 days

The upper air cyclonic circulation over north-interior Karnataka and neighbourhood is likely to cause scattered to fairly widespread rains in South Peninsula viz. Kerala, Tamilnadu, Andhra Pradesh and Karnataka during next 2-3 days.

The interaction between the upper air cyclonic circulation over west Uttar Pradesh and the Western disturbance in the form of an upper air cyclonic circulation over Punjab, is expected to cause scattered to fairly widespread rains over North West India during next 24-48 hours. The activity is expected to reduce thereafter.

NE and eastern parts of the country viz., NE States and, West Bengal, Bihar, Jharkhand and Orissa are likely to receive widespread rains during next 4-5 days.

Zone-Wise Rainfall Forecast for Next 5 Days

NORTH & NORTH-WEST INDIA [J&K, HP, UTTARANCHAL, PUNJAB, HARYANA, WEST UP]: Scattered to Fairly widespread rainfall is likely over many parts of NW India viz., West Uttar Pradesh, Haryana, Punjab, Uttaranchal, and Himachal Pradesh during next 24-48 hours and reduce thereafter.

EAST AND NE INDIA [EAST UP, BIHAR, JHARKHAND, WEST BENGAL, ORISSA, NE STATES]: Scattered to fairly widespread rainfall is expected over East Uttar Pradesh, Jharkhand and Orissa and fairly wide spread to wide

spread rainfall with isolated heavy rains over Bihar, West Bengal, and NE States during next 4 days.

CENTRAL INDIA [MP, CHATTISGARH, VIDARBHA]: Isolated to Scattered rainfall is expected over Chhattisgarh, Madhya Pradesh and Vidarbha during next 2 days.

SOUTH INDIA [TAMILNADU, AP, KERALA, KARNATAKA, ANDAMAN & NICOBAR ISLANDS, LAKSHADEEP]: Scattered to fairly widespread rains are also likely over entire south peninsular India viz., Kerala, Karnataka, Andhra Pradesh and Tamilnadu. during next 2-3 days.

WEST INDIA [MAHARASHTRA OTHER THAN VIDARBHA, GUJARAT, RAJASTHAN]: Fairly wide spread rains are expected over Konkan & Goa during next 2-3 days. Madhya Maharashtra, Marathwada Gujarat and West Rajasthan may receive isolated to scattered rains during above period. East Rajasthan may receive scattered to fairly wide spread rains during next 48 hours.

Rice Output Estimates For Kharif 2004-05

Crop	Season	2 nd Advance Estimates 2004-05	Per cent change	4 th Advance Estimates 2003-04
Rice	Total	87.80	0.9	87.00
	Kharif	73.29	-0.9	73.92
	Rabi	14.51	10.9	13.08

Progressive Procurement of Rice as on 11.07.2005 (lakh tonnes)

State	Total procurement in marketing season 2003-04 (Oct.- Sept.)	Progressive Procurement as on 11.07.05	
		In Marketing season 2004-2005	In Marketing season 2003-2004
Andhra Pradesh	42.30	37.04	40.35
Bihar	3.63	2.90	3.63
Chhattisgarh	23.74	25.88	22.66
Haryana	13.34	16.62	13.34
Madhya Pradesh	1.12	0.43	1.09
Maharashtra	3.08	1.21	2.61
Orissa	13.73	12.52	11.24
Punjab	86.62	90.58	86.59
Tamil Nadu	2.07	6.51	2.07
Uttar Pradesh	25.54	25.75	22.33
Uttaranchal	3.23	3.07	3.15
West Bengal	9.25	7.38	9.07

Source: GOI, Ministry of Agriculture

Summary of progress of Kharif crop (area coverage) (Area in lakh hectares)

Crop	Normal area	Area Coverage (as reported on 11.07)			Area Difference in Important States-this year vs Last year (absolute, %)
		This Year	Last Year	Difference	
Rice	399	54.85	67.27	-12.42	AP (-0.2, -56.3), Bih(-2.1, -65.8), Har(-0.7, -15.6), HP(-0.6, -89.4), Kar(-0.2, -12.2), Chh(-0.2, -7.7), Mah(-1.1, -49.6), Ori(-5.5, -40.3), Pun (-1.8, -8.0), UP(-0.4, -19.5), WB(-0.3, -11.1)

International Asian Rice Prices FOB

Thailand	\$/Mt	Vietnam	\$/Mt
100%B	\$275	5% DP	\$242
5%	\$269	5%	\$241
10%	\$264	10%	\$237
15%	\$257	15%	\$225
25%	\$246	25%	\$217
35%	\$244		
Jasmine	\$374		
PB 100% Sortexed	\$279		
A1 super	\$208		
Pakistan		India	
5%	\$252	Basmati (finer grade)	\$850
20%	\$245	PR 106 PB 5%	\$290
25%	\$243	1001 25%	\$237
		PR 106 25%	\$230

Indicative Closing Forex Rate **1 USD = Rs 43.54**

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