

Rice

01st - 08th April 2006

MAJOR ACTIVITY HIGHLIGHTS

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DOMESTIC AND INTERNATIONAL NEWS:

Thailand Rice Prices Quoted Ease This Week

This week witnessed a little change in the prices of rice varieties quoted by Thailand. On Monday, Thai 100% B grade was quoted at \$306-\$308/ton, free-on-board Bangkok, as against \$308 PMT a week earlier. Thailand 5% broken rice was also quoted lower at \$298 PMT, FOB Bangkok, compared with \$300 PMT, FOB Bangkok, a week earlier whereas, Thailand parboiled 100% sortexed was quoted steady at \$295 PMT, FOB.

Philippine Likely to Buy 500,000 MT of Rice

The Philippine National Food Authority reportedly to buy 500,000 MT of rice through a tender on May, 3rd. The total amount of purchase includes 400,000 MT of 25% broken rice, 50,000 MT of 15% broken and another 50,000 MT of iron-fortified rice. This purchase would total the volumes imports about 1.25 million MT so far in the year for this country.

Vietnam: Oversupply Pushed Down Rice Prices at Delta

Mekong Delta provinces is famous as the largest grain-growing region of Vietnam country. This delta region harvested record rice this time. The total amount harvested led to oversupply in the area and eventually, pushed down the rice prices. Recently, rice offered in the region much lower at VND 1,900-2,200 per kilogram, which is even lower than Government's minimum threshold of VND 2,300 per kilogram. Trade ministry reportedly, suggested the rice growers to maintain their stocks in reserve until the harvest season ends and prices recover from the drastic low.

Rice: USDA Weekly Export Sales Highlights

Weekly Export Sales Highlights of US Department of Agriculture is released on Thursday i.e. April 06, 2006. This summary is based on reports from exporters (for the period February March 24-30, 2006).

Rice: Net sales of 38,600 MT were 51 percent below the previous week and 58 percent under the prior 4-week average. The primary destinations were Jamaica (10,500 MT), South Korea (9,800 MT), Honduras (6,800 MT), Mexico (5,500 MT), Canada (4,000 MT), and Guatemala (2,000 MT). Exports of 91,400 MT were 22 percent below the previous week and 20 percent under the prior 4-week average. The primary destinations were Mexico (31,100

MT), Honduras (18,800 MT), Turkey (8,600 MT), Saudi Arabia (7,500 MT), Guatemala (5,300 MT), the United Kingdom (5,200 MT), and the Dominican Republic (4,500 MT).

Sri Lanka's Rice Output About to higher Than Estimated

The rice production of Sri Lanka for the crop year ending Sept. 30, 2007 likely to higher and estimated to be 2.1 million MT as against estimated of 2.1 million MT for the current crop year. The import scenario of the country is also higher than previous year in the area of rice. In the current year the country expected to import 60,000 MT of rice comparing to 50,000 MT in the last year.

Vietnam Offered Steady Prices for Rice at Friday

Despite the strong global demand Vietnam offered rice at steady prices. The ongoing harvesting of rice crops in the country led to higher supply and this mainly restricted price to go up. Vietnam's 5% broken rice was offered Friday at \$250-\$255 PMT, FOB, while 25% broken was offered at \$230-\$232 PMT.

DOMESTIC MARKET COMMENTARY DELHI MARKET

Rice prices at Delhi mandi witnessed some bullish tone on increased demand in the fresh month. Increased demand coupled with meagre arrivals governing the markets sentiments. The demand increased due to the Ram Nabami festivals. The Basmati raw rice quoted at some higher levels at Rs.3000. Rice basmati (Lalquila) Rs.4400, Shri Lal Mahal Rs. 4600 DB Rice also quoted slightly higher at Rs.2300. The availability of paddy was almost negligible. The prices of Sharbati varieties remained in previous range on steady demand and quoted like, Sharbati sella at Rs.1525-1600 and Sharbati raw at Rs.1650-1680. the Parmal varieties quoted at some upper sides except Parmal raw. Parmal raw offered at Rs.1000-1050, Parmal wand Rs.1250, Parmal sella Rs.1100-1200, IR-8 Rs.915-965 per quintal. Traders are noted that the prevailing sentiments are likely to continue with possibility of slight increase for the coming days.

Market Price For Different Varieties Of Rice In Delhi Mandis (Rs. per Qtl.)

Delhi	01.04.06	08.04.06
Basmati New	2750-2800	3000
Basmati paddy	1350-1400	-
Sharbati raw	1650-1700	1650-1680
Sharbati sella	-	1525-1600
Parmal raw	1100	1000-1050
Wand	1150	1250
Parmal sella	1075-1100	1100-1200
DB Rice	2100-2275	2300
DB Paddy	1150	1150

RUDRAPUR MARKET:

Rudrapur market showed range bound sentiment for majority of the rice varieties in this week. Steady supply-demand scenario mainly underpinning the market sentiments. Parmal raw and Wand are quoted range bound like previous week in the range of Rs.1000-1025 and Rs.1040-1075 respectively. No arrival of new Basmati rice is reported. Basmati rice quoted in the market in the steady range of Rs.2700-2800. A lower arrival is reported in the market. It is expecting that the rice price may be range bound to slightly firm in the coming week.

Market Price For Different Varieties Of Rice In Rudrapur Mandis

RUDRAPUR	01.04.06	08.04.06
Sharbati paddy (New)	-	
DB paddy	1150-1200	1150-1200
Parmal paddy	650	650
Parmal raw rice	1050	1000-1025
Wand	1070	1040-1075
Basmati paddy	1210	-
Basmati rice	2700-2800	2700-2800
Sharbati sella	1700	1750
DB sella	2200	2250

KARNAL MARKET:

Karnal mandi witnessed somewhat firm sentiments during this week. The market activity reportedly increased. The demand increased due to the festivals of Ram Nabami. However, supply of rice steady at some lower sides. Parmal raw quoted firm at Rs. 1100, Parmal sella offered higher at Rs.1125. Sharbati varieties offered steady to higher levels like: Sharbati sella offered steady at Rs.1600-1650, Sharbati esteem quoted higher in the range of Rs.1750-1770, DB rice also witnessed firm sentiments and quoted at Rs.2200. The price of basmati rice offered range bound with firm undertone and quoted in the range of Rs.2800-2850 in this week. According to traders the prices for the rice are likely to witness range bound to slightly increase in the coming week on increased demand and steady to lower arrivals.

Market Price For Different Varieties of Rice In Karnal Mandis

KARNAL	01.04.06	08.04.06
Basmati rice raw	2750-2850	2800-2850
Sharbati esteem	1740	1750-1770
Sharbati sella	1625-1640	1600-1650
Parmal raw rice	1080	1100
Parmal sella	1080-1100	1125
DB rice sella	2150	2200
IR8	870-910	900-920

DEHRADUN MARKET:

All the rice varieties traded range bound in this week. Stable demand and lsteady supply had underpinned the market sentiments. Basmati raw offered steady at the range of Rs.2375-2600. Where others varieties also are quoted range bound like: Sharbati at Rs.1700-1800, and IR-8 Rs.975-1000, Parmal raw at Rs.1025-1100. The most of the arrival is coming from Haryana. It is also expected that the prices would remain steady to slightly increase for the coming days.

Market Price For Different Varieties Of Rice In Dehradun Mandis

DEHRADUN	01.04.06	08.04.06
Basmati Raw	2375-2600	2375-2600
Sharbati	1700-1800	1700-1800
Parmal Raw	1025-1100	1025-1100
IR 8	975-1000	975-1000

KURUKHESTRA MARKET:

Rice prices at Kurukhestra market witnessed firm sentiments in this week comparing to last week. The Sharbati varieties have traded at some higher sides as against last week. Sharbati prices were like: Sharbati esteem at Rs.1750, Sharbati sella at Rs.1640-1660, DB quoted at steady with firm undertone sentiments at Rs. 2200. Lower arrival is reported in this market. The arrival of Parmal varieties is reportedly very less. The prices are likely to remain steady in the coming days.

Market Price For Different Varieties Of Rice In Kurukhestra Mandis

KURUKHESTRA	01.04.06	08.04.06
DB rice (New)	2150-2200	2200
Sharbati esteem	1750	1750
Sharbati sella	1650-1660	1640-1660
Parmal raw	1100	1100
Parmal Wand	1100	1150
Parmal Sella	1080-1110	1110-1130
Basmati Rice	2700-2800	2800-2850
Basmati paddy	1300	1300

WEST BENGAL MARKET:

The rice prices in West Bengal market witnessed a bullish sentiment in this week. Lower supply coupled with increased domestic demand governing the market sentiment. Arrivals were reportedly lower. Rice supplied remain steady in Bihar as well as some southern states such as Karnataka and Tamilnadu. Rice supplied to Bihar in the range of 60-70 tonnes. Govindobhog and Chawlmoni reportedly supplied to states from Burdwan markets. Govindobhog and Chawlmoni are offered higher at the range of Rs.2300-2330 and Rs.1720-1770 respectively. Others varieties also quoted at some higher sides, like: IR36 Rs.1200-1220, Minikit Shankar Rs.1600, Swarna Rs.1070-1080. About 200 trucks full of rice are going to locally such as Howrah, Nadia, Birbhum mandis per day from the Bardawan mandis. Traders attributed the rice prices mostly remained range bound with some firm sentiments to the first fortnight of April.

Market Price For Different Varieties Of Rice In West Bengal

WEST BENGAL	01.04.06	08.04.06
IR 36 (super)	1200	1200-1220
Minikit Shankar	1500-1600	1600
Minikit (M- Shankar)	1550-1660	1650-1670
Doodh Kalma	1350	1360
Swarna (New)	1050	1070-1080
Pankaj	950-1000	980-1000
Swarna parboiled	1160-1180	1150-1180
Govindobhog	2220-2320	2300-2330
Chawl Moni	1700-1750	1720-1770

AMRITSAR MARKET:

Rice traded in Amritsar mandi at steady to some higher prices in this week. Steady arrival coupled with fresh demand mainly underpinning the prevailing sentiments. The Basmati rice prices quoted range bound with firm undertone at Rs.2850-2950 comparing to last week. Rice export is continuing for DB rice as well as Basmati from this market. The present prices of different varieties in Amritsar market are Sarbati raw at Rs.1550-1600, Sarbati sella at Rs.1630-1650, Esteem at Rs.1700, Parmal Wand at Rs.1150-1200, Basmati paddy quoted steady at Rs.1400. Prices are expected to remain range bound for the coming days

Market Price For Different Varieties Of Rice In Amritsar

AMRITSAR	01.04.06	08.04.06
Sharbati sella rice	1600-1625	1630-1650
Sharbati raw rice	1525-1550	1550-1600
Sharbati esteem (New)	1650-1700	1700
Basmati rice raw	2800	2850-2900
Basmati Paddy	1350-1400	1400
Parmal Govt. Quality	1070-1090	1080
Parmal Wand (New)	1150-1200	1150-1200

CONCLUSION

Rice traded in majority of rice markets in the country at range bound with firm undertone sentiments. Although, some markets witnessed slightly higher sentiments during this week as against last week under review. Slightly increased demand due to Ram Nabami festivals mostly governed the market sentiments. Market activities also increased after March closing. The arrivals were steady at some lower levels. Rice export has been reportedly rolling on but in lower quantity. Traders are optimistic about the rising prices in coming days due to increase in demand in near future for export as well as domestic demand amidst lower supply. Range bound with somewhat firm undertone sentiments is likely to witness in the coming days.

PORT WATCH (As on 07th April, 2006)

'Golden Aries' has berthed at Mumbai Port and continues to load 1,200 MT of rice. The vessel is being handled by Samsara Shipping agents. 'Kardaran Star' is expected at Kandla Port to load 11,000 MT of rice to Saudi Arabia. Parekh agents will be handling the vessel.

WEATHER WATCH (As on 07th April, 2006)

ALL INDIA WEATHER FORECAST BULLETIN WEATHER OUTLOOKS

Ongoing rainfall and thundershower activity over northeastern states are likely to continue further during next week except during 9-10 when April when the activity may be subdued. Isolated thunderstorm activity with hailstorm/squall are also likely over West Bengal, Kerala, south interior Karnataka, Rayalaseema, Chattisgarh, Orissa, Jharkhand and Bihar during next 3- 4 days. A western disturbance is likely to approach Jammu and Kashmir and adjoining hilly region during 8-9 April 06 and move in an eastward direction. Under its influence scattered to fairly widespread rains/ snow is likely over the hilly region of north-west India from 8th evening till 11 April. Adjoining plains viz. Punjab, Haryana, West UP may experience isolated rains/thundershowers during same period. Mainly dry weather is likely over rest regions of the country. Prediction suggests that the heat wave conditions over parts of Rajasthan and some pockets of west Haryana, northwest Madhya Pradesh and Telangana may continue for 2-3 more days. Thereafter respite is expected with gradual fall in temperatures by about 3 deg. C over north and central India.

NORTH & NORTH NORTHWEST INDIA [J&K, HP, UTTRANCHAL, PUNJAB, HARYANA, DELHI, WEST UP]

Scattered to fairly widespread rain/snow is expected over hilly regions beginning from 8-9th till 11th April, 2006. Isolated rains/thundershowers are also likely over adjoining plains viz. Punjab, Haryana and west UP around the same period.

EAST AND NE INDIA [EAST UP, BIHAR, JHARKHAND, WEST BENGAL, ORISSA, NE STATES]

Scattered to fairly widespread rain/thundershowers accompanied with isolated hail/ squalls are likely over NE States and West Bengal & Sikkim in coming days. Isolated to scattered rains are also likely in Bihar, Orissa, and Jharkhand regions.

CENTRAL INDIA [MP, CHATTISGARH, VIDARBHA]

Chhattisgarh is likely to experience isolated thunderstorm activity during next 2-3 days. Mainly clear weather is likely to prevail over rest region.

SOUTH INDIA [TAMILNADU, AP, KERALA, KARNATAKA, ANDAMAN & NICOBAR ISLANDS, LAKSHADEEP]

Isolated to scattered rainfall is expected over Bay Islands, coastal Tamilnadu, south interior Karnataka, Rayalaseema and Kerala during next 2-3 days.

WEST INDIA [MAHARASHTRA OTHER THAN VIDARBHA, GUJARAT, RAJASTHAN]

Mainly dry weather may prevail over the region. However some parts of north Rajasthan may experience thunderstorm during 10-11 April 06.

FOREX (As on 08th April, 2006):

Foreign Currency	Rs. per unit
1 US \$	44.63
1 Euro	54.48
100 Yen	37.91
1 British £	78.20

SUMMARY PROGRESS OF RABI RICE

(Area Coverage) (Area in lakh hectares)

Normal Area	Area Coverage (As reported on 27.03.06)			Area Difference in Important States- This Year vs. Last Year (Absolute, %)
	This Year	Last Year	Difference	
38	48.70	39.55	+9.15	AP(+5.1, +61.0), Ass (-0.2, -4.6), Kar (+1.1, +51.4), TN(+1.9, +27.6), WB(+1.1, +7.6)

Source: Ministry of Agriculture, GOI

PROGRESSIVE PROCUREMENT OF RICE AS ON 27.03.06

(Lakh tonnes)

State	Total procurement in marketing season 2004-05 (Oct.- Sept.)	Progressive Procurement as on 27.03.06	
		In Marketing season 2005-06	In Marketing season 2004-05
Andhra Pradesh	39.04	21.37	20.90
Chhattisgarh	28.37	27.44	22.70
Haryana	16.62	20.40	16.51
Maharashtra	2.05	1.45	0.55
Orissa	15.90	8.87	7.62
Punjab	91.06	87.52	88.69
Tamil Nadu	6.52	6.03	5.83
Uttar Pradesh	29.71	24.29	22.90
Uttaranchal	3.16	2.97	2.38
West Bengal	9.44	8.38	3.98
All-India	246.83	214.58	193.82

Source: Ministry of Agriculture, GOI

International Asian Rice Prices Per MT FOB (Current)

THAILAND	\$/Mt	VIETNAM	\$/Mt
100%B	\$307	5% DP	\$265
5%	\$302-303	5%	\$265
10%	\$300	10%	\$260
15%	\$285	15%	\$245
25%	\$268	25%	\$250
35%	\$264		
Jasmine	\$411		
PB 100% Sortexed	\$298		
A1 super	\$215		
PAKISTAN	\$/Mt	INDIA	\$/Mt
15%	\$230	Basmati (fine grade)	\$850
20%	\$221	PR 106 PB 5%	\$270
25%	\$215	PR 106 5%	\$270
		PR 106 25%	\$236

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