

**Latest Market Development:-**

***Rice market showed a steady trend with prices of aromatic and non-basmati rice varieties ruling firm, as per market sources that since the demand matched supply, prices were unchanged. The market is moving range-bound but within a positive territory. Traders expect that market may witness some change next week.***

***All-India progressive procurement of Rice for the marketing season 2012-13 as on 05.04.2013 was 296.09 lakh tonnes against the procurement of 294.22 lakh tonnes up to the corresponding period of last year. Total rice stocks in India's central pool stand at about 35.46 million tons as of April 1, 2013, up about 6% from around 33.35 million tons recorded on April 1, 2012, and the highest ever on record for this time of the year, according to data from the Food Corporation of India (FCI).***

***Among the food grains, inflation for Rice has decreased to 17.9% from the previous month's level of 18.84% and Wheat also decreased to 19.87% from the previous month's level of 21.69%.***

***As per data available from the Food Corporation of India (FCI) Rice stocks in India's central pool as of April 1, 2013 stand at around 35.46 million tonnes, the highest ever for this time of the year, Current rice stocks are about 6% higher than rice stocks of around 33.35 million tons recorded during the same time last year, and about 2.5 times the buffer and strategic norms of around 14.2 million tons required as on April 1, 2013.***

***Northern states received continuously rainfall from last week and may relief from scorching heat, but boro rice crop worth over Rs 19 crore was destroyed in at least 12 blocks of Burdwan over the past few days which will directly affect to the farmers of west Bengal.***

***Karnataka state govt. decided to provide Twenty five kg of rice at Re. 1 for all poor families and free laptops/tablets to pre-university level and graduate students as state's ruling BJP held out to the electorates in its policy for May 5 Assembly polls.***

***CACP recommend to Indian government to increase the MSP of paddy in 2013-14 from Rs. 1250 to Rs. 1310 per quintal for common grade paddy and Rs. 1280 to Rs. 1340 per quintal for Grade A. This could be the lowest increase in paddy MSP in recent years, if it will approve.***

***The Indian meteorological Department has predicted normal monsoon this year for the country, but according to IMD the correct position will be known only in the first week of next month.***

**Weather watch:**

- i. Rain/thundershowers would occur at a few places over West Bengal & Sikkim and northeastern states.
- ii. Rain/thundershowers would occur at one or two places over east Madhya Pradesh, Bihar, Jharkhand, Chhattisgarh, Odisha, Vidarbha and coastal Andhra Pradesh.
- iii. Rain/thundershowers would occur at one or two over western Himalayan region, Punjab, Haryana, Delhi, Rajasthan, Uttar Pradesh and west Madhya Pradesh during next 24 hours.
- iv. Rain/thundershowers would occur at one or two places over Kerala, Tamilnadu and Andaman & Nicobar Islands.
- v. No significant change in maximum temperatures over plains of northwest & central India.
- vi. Mainly dry weather would prevail over rest parts of the country.

**Rice export through OGL as on 20.12.2012**

<b>Rice Export Under OGL as on 30th September, 2012</b>							
<b>Units are in lakh tonnes</b>	<b>Non Basmati</b>	<b>Basmati</b>	<b>Total</b>	<b>2012-13</b>	<b>Non Basmati</b>	<b>Basmati</b>	<b>Total</b>
<b>2011-12</b>							
<b>Oct-2011</b>	4.5	3.4	7.9	<b>Oct-2012</b>	6.64	2.08	8.72
<b>Nov-2011</b>	5.5	4	9.5	<b>Nov-2012</b>	7.61	1.12	8.73
<b>Dec-2011</b>	5.9	2.5	8.4	<b>Dec-2012</b>	5.32	1.05	6.37
<b>Jan-2012</b>	5.45	2.75	8.2	<b>Jan-2013</b>	4.68	3.21	7.89
<b>Feb-2012</b>	5.75	1.76	7.51	<b>Feb-2013</b>	4.9	2.53	7.43
<b>Mar-2012</b>	5.6	2.25	7.85	<b>Mar-2013</b>	5.1	3.7	8.8
<b>April-2012</b>	5.8	1.35	7.15				
<b>May-2012</b>	5.3	1.9	7.2				
<b>June-2012</b>	5.5	1.75	7.25				
<b>July-2012</b>	5.25	2.25	7.5				
<b>Aug-2012</b>	3.75	1.71	5.46				
<b>Sept-2012</b>	2.25	1.25	3.5				
<b>Total</b>	<b>60.55</b>	<b>26.87</b>	<b>87.42</b>		<b>34.25</b>	<b>13.69</b>	<b>47.94</b>
<b>Note: - New season for paddy starts on Oct 2012.</b>							

Source: IBIS, and Traders (Revised Export Figure)

Total rice exports by India in the current Marketing Year (MY) October, 2012 to March, 2013, crossed 47 lakh tonnes, we expect total rice export in the end of this MY (Oct-2013) is likely to touch 9 Million tonnes which is first time in history and it also helps for India to become top rice exporters in the world. This is supported by strong demand from West Asia, Africa and South-East Asian countries.

**Domestic Supply And Demand:**

Marketing Year January -December			
Attributes	2010-11	2011-12	2012-13 E
Beginning Stocks with govt.	24.35	25.56	28.91
Production	95.98	104.32	100
Total Availability	120.33	129.88	128.91
Domestic consumption	48	50	52.5
Govt. Procurement	34.9	35.03	40
Exports	2.77	8.74	7.4
Total Usage	85.67	93.77	99.9
stock with Millers /Stockiest	9.1	7.2	7
Ending Stocks	25.56	28.91	22.01
Av Monthly Consumption	4	4.17	4.38
Stock to Month Use	6.39	6.94	5.03
Stock to Consumption Ratio	0.53	0.58	0.42
			Fig. in Million ton

India is in contented situation on the rice stock front with consecutive bumper productions and supported with higher carryout stock. We expect the new rice marketing season to begin with around 29 million T stock with smooth procurement under way despite lower Kharif production at around 86 to 87 million T. We expect 13 million T production Rabi season. Due to continuous overseas especially from African and gulf countries rice export may touch 9 million tonnes in this crop year. If export continues, carryout for next year may drop to around 28 million T.

**Progressive Procurement of Rice as on 05/04/2013:**

(Fig. in Lakh tonnes)

States	Total procurement in marketing season 2011-12 (Oct. – Sept.)	In Marketing season 2012- 2013	In Marketing season 2011-2012
Andhra Pradesh	75.38	41.08	47.76
Chhattisgarh	41.15	48.01	41.12
Haryana	20.07	26.03	20.05
Kerala	3.72	0.92	1.07
Madhya Pradesh	6.35	9.08	6.32
Maharashtra	1.78	1.76	1.90
Orissa	28.46	26.85	18.93
Punjab	77.31	85.57	77.31

<b>Tamil Nadu</b>	15.96	4.58	14.25
<b>Uttar Pradesh</b>	33.55	21.79	31.07
<b>Uttaranchal</b>	3.78	4.35	3.13
<b>West Bengal</b>	20.34	12.39	11.69
<b>All-India</b>	<b>350.25</b>	<b>296.09</b>	<b>294.22</b>

Source: <http://dacnet.nic.in/>

Rice procurement by Government agencies has crossed more than 70% of the targeted 40 million tonnes (mt) for the Kharif marketing season 2012-13 starting October. Procurement as on 05, April, 2013 stood at 28.39 mt, up around by 3 per cent over that in the corresponding period last year at 29.60 mt. Procurement has been higher in Punjab, Haryana, Chhattisgarh and Odisha, while States such as Andhra Pradesh and Uttar Pradesh have registered a decline due to late harvesting in this season. Procurement of paddy by the State agencies has been completed in the major rice growing States with the exception of Andhra Pradesh, Bihar and Odisha. The Government agencies had procured 35 mt of rice in the 2011-12 Kharif marketing season and are targeting 40 mt in the current season.

***Month-wise Rice Stock in Central Pool (As on 1st day of the month) Values in MMT***

<b>Year</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>April</b>	<b>May</b>	<b>June</b>	<b>July</b>	<b>Aug</b>	<b>Sept</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>
<b>2010</b>	<b>24.35</b>	<b>25.65</b>	<b>26.95</b>	<b>26.71</b>	<b>23.26</b>	<b>25.26</b>	<b>24.26</b>	<b>22.87</b>	<b>20.48</b>	<b>18.44</b>	<b>23.17</b>	<b>24.52</b>
<b>2011</b>	<b>25.58</b>	<b>27.80</b>	<b>28.70</b>	<b>28.82</b>	<b>27.76</b>	<b>27.64</b>	<b>26.86</b>	<b>25.27</b>	<b>22.7</b>	<b>20.5</b>	<b>26.83</b>	<b>27.63</b>
<b>2012</b>	<b>29.71</b>	<b>31.8</b>	<b>33.17</b>	<b>33.35</b>	<b>32.92</b>	<b>32.14</b>	<b>30.70</b>	<b>28.50</b>	<b>25.59</b>	<b>23.4</b>	<b>28.95</b>	<b>30.67</b>
<b>2013</b>	<b>32.22</b>	<b>35.4</b>	<b>35.8</b>	<b>35.46</b>								

Total rice stocks in India's central pool have increased to about 35.46 million tons as of April 1, 2013, up about 5% from about 33.35 million tons recorded on April 1, 2012, and the highest ever on record for this time of the year.

**State wise Wholesale Prices Weekly Analysis for Rice Third Week April, 2013:**

<b>State</b>	<b>Prices 16-23 Apr 2013</b>	<b>Prices 09-15 Apr 2013</b>	<b>Prices 01-08 Apr 2013</b>	<b>Prices 16-23 Apr 2012</b>	<b>% Change(Over Previous Week)</b>	<b>% Change(Over Previous to Previous Week)</b>	<b>% Change(Over Previous Year)</b>
<b>Assam</b>	2537.92	2511.78	2522.54	2286.51	1.04	0.61	11
<b>Gujarat</b>	2778.31	2615.51	2612.82	2186.76	6.22	6.33	27.05
<b>Jharkhand</b>	2438.18	2496.51	2480.23	2180.74	-2.34	-1.7	11.81
<b>Karnataka</b>	2930.27	2897.88	3086.47	2365.19	1.12	-5.06	23.89

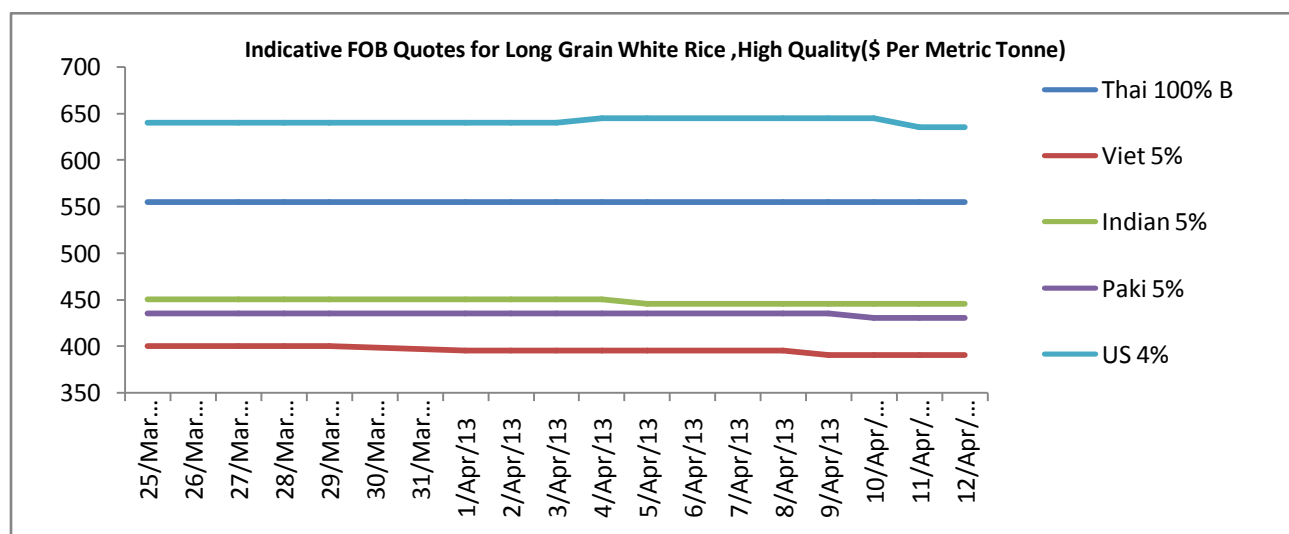
<b>Kerala</b>	3492.39	3490.53	3592.37	2573.24	0.05	-2.78	35.72
<b>Maharashtra</b>	5036.69	5273.3	5258.11	4137.63	-4.49	-4.21	21.73
<b>Manipur</b>	2135.82	2100	2100		1.71	1.71	—
<b>Meghalaya</b>	3100	2955.17	2972.73	3133.33	4.9	4.28	-1.06
<b>Orissa</b>	2336.09	2323.85	2211.7	2231.27	0.53	5.62	4.7
<b>U.P</b>	1705.56	1732.6	1728.31	1508.98	-1.56	-1.32	13.03
<b>Uttrakhand</b>	1877.47	1986.68	1940.05		-5.5	-3.23	—
<b>West Bengal</b>	2256.66	2233.92	2233.22	1934.61	1.02	1.05	16.65
<b>Average</b>	2718.78	2718.14	2728.21	2453.82			
<b>As per the data reported by APMCs</b>							

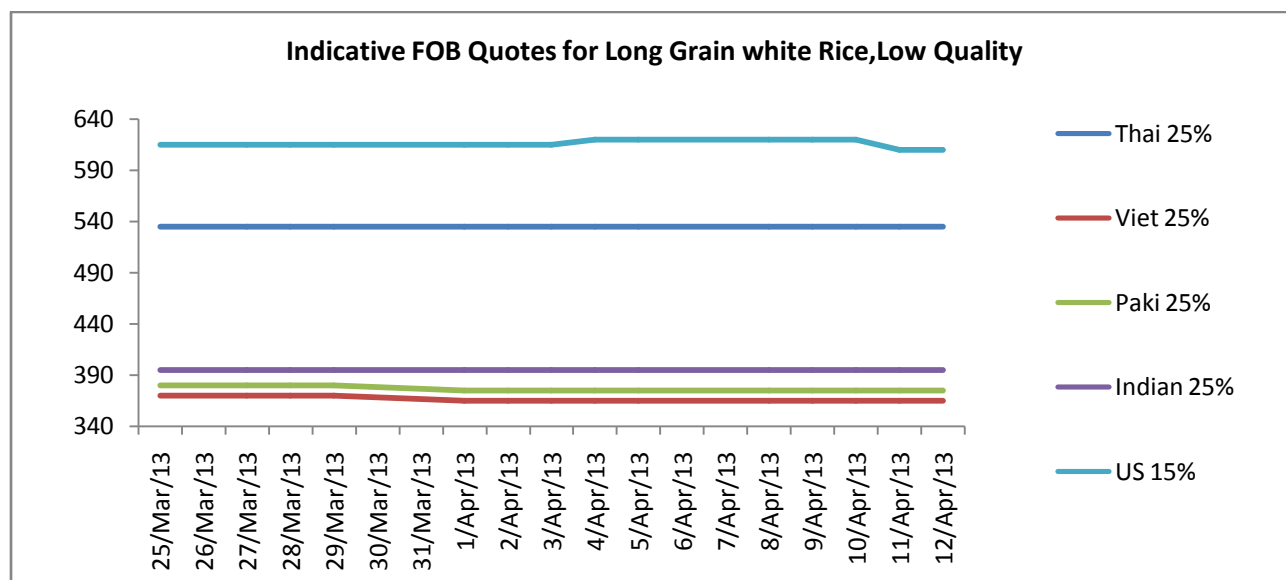
Average Prices of rice have almost same from last week despite arrival of rabi rice in southern states due to active participation by bulk buyers to meet the ongoing demand and we expect market well move steady to firm in the weeks ahead .

#### Price Projection for April 4<sup>th</sup> Week in domestic market:

Duration	Trend	Average Price Range
4 <sup>th</sup> Week of April, 2013	Steady	2700-2800

#### FOB Quotes for Long Grain White Rice, High Quality:-



**FOB Quotes for Long Grain White Rice, Low Quality:-**


FOB quotes for long grain white rice high quality and low quality are almost same from previous week.

**IGC Balance Sheet: Updated on 21.03.2013**
**(Fig. In MMT)**

IGC estimate released on 21.02.13	2009-10	2010-11	2011-12 estimated	2012-13 forecast 29.10.12 (Milled basis)	17.01.13
<b>Production</b>	441	448	466	466	468
<b>Trade</b>	31	36	38	36	36
<b>Consumption</b>	437	446	459	468	468
<b>Carry over St.</b>	96	99	106	105	107
<b>Year change</b>	4	3	7		1
<b>Major exporters</b>	29	31	37	38	39

Note: Major exporters are India, Pakistan, Thailand, Vietnam, and United States

**High Lights:-**

- The IGC GOI rice sub-Index fell 1% m/m but underlying trends were mixed, with prices easing to 13-month lows in Thailand, while being generally firmer elsewhere in Asia.
- World rice output in 2012/13 is forecast to edge up on larger crops in Africa and the Americas, and global use, driven by increases in Asia, is seen rising by 2% y/y, to an all-time high.
- The world carryover is set to rise marginally, with supplies in the major exporters of India and Thailand especially ample.
- Global trade in 2013 is projected to decline by 5% as importers in Asia and Africa buy less.

### World Market Recap:

Guyana's Agriculture Minister said that the government is hoping to export at least 200,000 tons of rice to neighboring Venezuela as a part of an agreement between the two countries. The minister said that a delegation will soon be sent to Venezuela to sign the rice export agreement for 2013 with the Venezuelan government under the newly elected president Nicolas Maduro. Under the PetroCaribe Energy Cooperation Agreement, Guyana sells rice to Venezuela and buys fuel in return with the help of an intermediary company. Guyana's Agriculture Minister also said that rice production in the country in 2012 stood at around 422,000 tons, and is expected to grow in 2013. He added that under the rice-oil agreement, no ceiling has been decided for export of rice to Venezuela. Guyana exports over 65% of its rice production annually. In 2012-13, rice production in the country is estimated at about 420,000 tons, against a consumption of around 120,000 tons. Exports in 2012-13 are estimated at around 285,000 tons by the USDA.

South Korea has issued tenders to purchase 100,686 tons of non-glutinous rice, according to the state-run Agro-Fisheries & Food Trade Corp. Delivery is expected to take place during August-October, 2013. Details of the tenders are mentioned in the picture above. Earlier this week, South Korea rejected tenders for about 52,338 tons of rice, while buying about 15,062 tons at prices around \$787 - \$792 per ton.

Thailand is hoping rice exports to South Africa will increase by around 5% this year after the sharp decline seen in 2012, helping the Southeast nation reclaim some share it lost to India in the last two years. The Director- General of Thailand's Trade Promotion Department told local sources that Thailand has already exported rice worth around \$381 million in the first two months of 2013 and a 5% increase in exports is expected in the full year. Thailand's rice exports to South Africa declined about 34% last year, from around 561,200 tons in 2011 to around 368,667 tons in 2012, according to data from the Thai Rice Exporters Association (TREA). Meanwhile, the USDA says Thailand was the chief supplier of rice to South Africa in MY 2010-11 (May to April), accounting for about 77% of total rice imports by South Africa, but the share declined to 61% in 2011-12 and 44% in the current MY, mainly due to competition with India. South Africa is completely dependent on rice imports to meet its domestic demand. In 2013-14, South Africa's rice imports are expected to grow around 8% year-on-year to around one million tons.

Rice production in Afghanistan is estimated to grow to about 460,000 tons in the MY 2012-13 (October to September), up about 36% from around 338,000 tons in the previous year, according to the USDA Post in Kabul. The surge is mostly helped by increase in yield to around 3.45 tons per hectare due to favorable weather conditions, sufficient water availability, and technical support provided by the international community. Rice is the second most important grain in Afghanistan after wheat, and consumption of rice is increasing in Afghanistan driven by growing demand in urban areas.

**Rice Price Trend @ CBOT (May- 13, Rough Rice):**


(Prices in US\$/hundredweight)

**Market analysis:**

The U.S. cash rice market was bearish trend in previous day session. We expect market will trade in the range of 15.00(support) to 15.80 (Resistant), Rice CBOT market is moving range bound and bearish tone is likely to continue on latest bearish outlook by IGC.

**Price Projection (International-CBOT):-**

Duration	Trend	Price Range
4 <sup>th</sup> Week of April, 2013	Steady to Week	15.00-15.80

**Disclaimer**

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>  
© 2013 Indian Agribusiness Systems Pvt Ltd.