

Domestic Market Highlights:

A government advisory body The Commission for Agricultural Costs and Prices (CACP) on crop pricing has recommended a modest increase of Rs 50 per quintal in the minimum support price for paddy farmers. In its MSP proposals made to Agriculture Ministry for various kharif (summer-sown) crops for 2015-16, the paddy MSP has been suggested to be increased to Rs 1,410 a quintal from Rs. 1,360 for common variety and Rs. 1450 from Rs 1,400 for 'A grade' variety paddy. For the 2014-15 kharif seasons, the previous government had also raised the support price of paddy by Rs 50 per quintal to Rs 1,360 for common variety and to Rs 1,400 for 'A grade' variety paddy.

All India Average rice price in the second week of April was moved firm by 10.39% from previous week and currently hover in the range of Rs.2900-2910/quintal. We expect market is likely to move in the range bound to firm in coming weeks. Average rice price in Andhra Pradesh in second week of April was moved down by 3.2% from last week and currently hover in the range of Rs.3590-3600/quintal (average of all varieties).

Andhra Government agencies had purchased Rs 425 crores worth of paddy from farmers in Krishna district during the kharif season. Opening a paddy procurement centre at Gollapudi village in Krishna district to purchase rabi season paddy from farmers, government agencies purchased 3,31,135 metric tonne of paddy from 15,393 farmers in the district as per by Minister for Water Resources Devineni Umamaheshwara Rao.

Total rice (non basmati and basmati) export in the month of March was 9.98 lakh tonnes which is up by around 31% from last month due to fresh demand came from African Countries, as per latest data provide by IBIS.

Total Rice export for MY-2014-15 till March-15 was 59.39 lakh tonnes which was up by around 15% from same period last year export of 51.51 lakh tonnes. Non basmati rice export in the month of March was 6.00 lakh tonnes and basmati exports for MY-2014-15(Oct14-Sep-15) in the month was 3.98 lakh tonnes. This month Saudi Arabia was the largest buyer of aromatic rice which contributes around 30% of total export of aromatic rice.

As per data released by Ministry of agriculture, Planting for India's 2014-15 rabi (secondary) rice crop (November-May) has reached about 3.943 million hectares as of March 27, a decrease of about 9.5% from the same period last year.

All-India progressive procurement of Rice as on 27.03.2015 for the marketing season 2014-15 was 240.66 lakh tonnes against the procurement of 243.94 lakh tonnes upto the corresponding period of last year. Punjab, Chhattisgarh and Haryana are the major contributor for rice procurement with contribution of 77.81 lakh tonnes, 33.54 Lakh T and 19.96 Lakh T respectively, However in MY-2014-15 contribution by Punjab is lower by 4% from last year same period of 88.06 lakh tonnes due to lower production estimates for MY-2014-15 and comparatively high open market price.

China is likely to begin rice import from India in July this year, as domestic consumption is increased in 2014-15 by 1.43% from last year as per by USDA. China previously restricted the import of Indian basmati rice due to Khapra beetle.

Price Outlook:-Average Rice price in all India is likely to trade steady to slightly Firm in 02nd Week of April.

International Market Highlight:

The FAO has estimated Pakistan will export about 3.8 million tons of rice in 2015, slightly up from 2014 due to expected increased production this year. The FAO estimates Pakistan's 2014 paddy rice production at about 10.1 million tons (about 6.85 million tons, basis milled), down about 1% from about 10.19 million tons (about 6.93 million tons, basis milled) produced in 2013, due to localized crop damages in some eastern parts of Punjab, Gilgit Baltistan and Azad Jammu and Kashmir (AJK), following floods in September and drought in south-eastern parts of Sindh province.

Iran's likely resumption of import is unlikely to drive market up suddenly as stock is ample owing to bumper crop this year. However, higher expected demand from EU may support cash market at current level and resultantly aromatic rice market may get firmer by 2 to 3 percent in the short to medium term. Commerce ministry expects 8 to 10 lakh tonne import by Iran in 2014-15. Usually Iran imports 12 to 13 lakh tonne basmati rice from India.

Colombian rough/paddy rice production is expected to increase 130,000 MT to 1.98 million MT in MY2015/16. In 2014, the area planted fell by about 60,000 hectares (148,000 acres). As a result, rice production declined 132,000 MT. Reduced supplies at the end of CY 2014 put upward pressure on rice prices, increasing 53% since December 2014.

The MY 2015/16 (October to September) Mexico rice production is forecast at 240,000 MT, with harvested area estimated at 41,000 ha. This year's rough rice production level converts to 165,000 MT of milled rice. The Post/New total rice production estimate for MY 2014/15 has been revised slightly upward from USDA/Official estimates to 230,000 MT (rough production) reflecting the most recent data from SAGARPA (Secretariat of Agriculture, Livestock, Rural Development, Fisheries and Food). The increase in rough rice production is equivalent to 158,000 MT of milled rice.

The Government of Costa Rica published Executive Decree #38884-MEIC on February 27th, which sets the producer price at colones(Unit) 22,139 per 73.6 kg bag of dry and clean paddy rice. This price is equivalent to \$557/MT at the current exchange rate of colones 540/USD, and represents a 2 percent decline from the previous price. The decree also sets the minimum and maximum price for different presentations and qualities of milled rice, either locally produced or imported. Those prices will enter into effect on June 8th, 2015 so that the millers can sell their current stocks of rice. With the new prices, the consumer will obtain a 4 percent reduction in the price of milled rice. The government had previously said that it would reduce the price of rice as part of an agreement with the rice sector.

Paddy Prices in Various Markets

Market	Arrivals	Variety	Minimum Price	Maximum Price	Modal Price
	(Tonnes)		(Rs./Quintal)	(Rs./Quintal)	(Rs./Quintal)
Andhra Pradesh					
Achanta	NR	MTU-1010	1380	1400	1390
Banaganapalli	NR	Sona Mahsuri	1400	1600	1500
Bobbili	NR	1001	1360	1370	1360
Gooti	0.1	Other	1300	1500	1400
Gopalavaram	NR	Sona Masuri (OLD)	1310	1400	1350
Gudur	0.1	MTU-1010	1360	1420	1380
Kandukur	0.1	B P T	2300	2400	2350
Kondapi	0.1	B P T	1900	2100	2000
Kurupam	NR	1001	1360	1360	1360
Macharla	0.1	B P T	1420	1470	1450
Mangalagiri	NR	B P T	1450	1550	1500
Narsipatnam	NR	Paddy	1360	1400	1380
Palakonda	NR	Paddy	1330	1360	1345
Parvathipuram	NR	1001	1360	1360	1360
Pathapatnam	NR	Paddy	1360	1400	1360

Proddatur	NR	B P T	1450	1550	1500
Rajampet	NR	ADT 37	1450	1550	1500
Rapur	0.1	MTU-1010	1360	1410	1380
Sampara	NR	B P T	1400	1500	1450
		Swarna Masuri (New)	1360	1370	1365
Venkatagiri	0.1	MTU-1010	1360	1410	1380
Yellamanchili	NR	Paddy	1360	1400	1380
Assam					
Silapathar	1.8	Paddy fine	1400	1500	1450
Gujarat					
Dehgam	102	Other	1125	1200	1162
Dehgam(Rekhiyal)	NR	Other	1100	1175	1137
Shehra	NR	Other	1100	1300	1200
Songadh	0.8	Other	1300	1300	1300
Jharkhand					
Chakulia	NR	Other	1210	1400	1330
Punjab					
Faridkot	70	Basumathi	2060	2465	2388
Tamil Nadu					
Anaimalai	7.2	Other	1360	1410	1380
Madurai	NR	ADT 43	1420	1500	1470
		AST 16	1400	1420	1410
		Ponni	1530	1600	1560
		Sona	1600	1650	1620
Melur	NR	ADT 36	1620	1700	1680
		ADT 43	1680	1720	1700
Usilampatty	NR	ADT 43	1700	1800	1750
		Co. 43	1600	1700	1650
		Ponni	2300	2400	2350
Telangana					
Husnabad	4.5	MTU-1010	1350	1500	1430
Mothkur	NR	MTU-1010	1400	1400	1400
Nakrekal	NR	MTU-1010	1400	1400	1400
Nizamabad	2	MTU-1010	1300	1300	1300
Voligonda	NR	MTU-1010	1400	1400	1400
Voligonda(Ramannapet)	NR	MTU-1010	1400	1400	1400

Tripura					
Melaghar	9.5	Masuri	1400	1440	1420
		Other	1250	1275	1260
		Paddy fine	1450	1500	1475
Uttar Pradesh					
Divai	45	Basumathi	1200	1900	1450
Lakhimpur	600	Common	1300	1400	1370
Uttrakhand					
Gadarpur	960	Other	1310	1360	1335
West Bengal					
Falakata	4	Common	1200	1275	1225
Mathabhanga	20	Common	1075	1125	1100
Nadia	10	Fine	1550	1650	1600

(Arrivals and Prices in Rs/Qtl)

Rice Prices in Various Markets

Market	Arrivals	Variety	Minimum Price	Maximum Price	Modal Price
	(Tonnes)		(Rs./Quintal)	(Rs./Quintal)	(Rs./Quintal)
Andhra Pradesh					
Kandukur	0.1	B P T	3500	3700	3600
Kondapi	0.1	B P T	3400	3600	3500
Visakhapatnam	0.1	B P T	3500	3700	3600
Assam					
Silapathar	2.1	Fine	2500	3500	3000
Jharkhand					
Chakulia	NR	Fine	2210	2400	2350
		Medium	2000	2100	2030
Daltenganj	NR	Other	2490	2700	2650
Jamshedpur	17	Fine	2590	2620	2600
		Medium	1940	1960	1950
Latehar	NR	Boiled Rice	1800	2000	1900
		Fine	2700	3000	2800
		Medium	2450	2600	2550
Saraikela	NR	Medium	2360	2600	2580
		Other	1750	2000	1970
Meghalaya					

Shillong	1	Other	3400	3600	3500
Tripura					
Melaghar	4.5	Coarse	2400	2500	2450
		Fine	2800	2900	2850
		Masuri	1400	1440	1420
Uttar Pradesh					
Bijnaur	14.5	III	NR	NR	2070
Jaunpur	94	Coarse	1925	2025	1970
Karvi	17	III	1850	1950	1900
Lakhimpur	20	Other	2000	2150	2080
Mawana	0.8	III	NR	NR	2100
Siyana	1	III	1950	2200	2040
Uttrakhand					
Gadarpur	3212	Other	1460	2050	1755
West Bengal					
Falakata	10	Common	2125	2175	2150
Habra	77	Other	1850	1850	1850
Islampur	3	Common	2100	2200	2150
Mathabhanga	170	Common	2000	2100	2050
Nadia	50	Fine	3050	3150	3100
Sealdah Koley Market	55.1	Fine	2400	2500	2500
Sheoraphuly	10	Ratnachudi (718 5-749)	2600	2750	2700

(Arrivals and Prices in Rs/Qtl)

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 © 2015 Indian Agribusiness Systems Pvt. Ltd.