

Domestic Market Highlights:

Pondicherry govt announced free 10 kg rice and 5 kg wheat per month under the PDS to eligible families replacing the 2-month old system of disbursing Rs 300 per family through banks, as he presented Rs 6,450-crore tax free state budget for 2015-16. The state Government had modified the scheme discontinuing supply of 10 kg rice to the families and started disbursing Rs 300 per month to them through banks since March this year. Consumer would start getting 10 kg single boiled rice and 5 kg wheat from Next month (May).

India rice export touched 10.81 million tonne in first 11 months of the FY 2014-15. It is 8.5 percent higher from the same period last year (9.96 million tonne). However, basmati rice export has declined by 4 percent to around 3.3 million tonne during April-2014 to Feb 2015. Basmati export during same period last year was recorded at 3.44 million tonne. The reason behind lower basmati export is mainly attributed to lower demand /ban from Iran.

All India Average rice price in the third week of April was moved weak by 4.35% from previous week and currently hover in the range of Rs2700-2750/quintal; market took some recovery from current level as it was around 11% up from last week. We expect market is likely to move in the range bound to firm in coming weeks. Major producer Andhra Pradesh price was seen too weak and down by 0.66% from last week and now average rice price in the state was hover in between Rs.3550-3660/quintal in this week even with rabi crop damage in the state.

All-India progressive procurement of Rice as on 10.04.2015 for the marketing season 2014-15 was 249.31 lakh tonnes against the procurement of 247.83 lakh tonnes up to the corresponding period of last year. Punjab, Chhattisgarh and Haryana are the major contributor for rice procurement with contribution of 77.81 lakh tonnes, 33.55 Lakh T and 20.01 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.

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.

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 Commerce Ministry is monitoring the price of rice in the world market day by day to see when it can reopen bidding this year for government stocks, since it is afraid of hurting the rice price in the local market. With the sluggishness in global rice trading, local exporters are focusing more on government-to-government contracts, which they see as helping drive shipments for the whole year. Factors affecting sales of rice abroad are global currency volatility, a stronger baht, droughts and monsoons in many producing and importing countries, lower oil prices and the global economic slowdown. With the global rice market cooling down, the ministry has had to delay the year's third rice auction from this month. According to the Thai Rice Exporters Association, rice exports are projected at about 8 million to 8.5 million tonnes this year. The government needs to be more careful about dumping huge quantities of rice on the market in order to prevent prices from dropping.

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.

Rice Prices in Various Markets:

April-23-2015(Rs./Qtl)	White Rice 5% Broken	White Rice 25% Broken
Gujarat	2402.36	2244.31
Andhra Pradesh	2380.36	2234.56

Rice Prices in Various Markets

Market	Arrivals	Variety	Minimum Price	Maximum Price	Modal Price
	(Tonnes)		(Rs./Quintal)	(Rs./Quintal)	(Rs./Quintal)
Andhra Pradesh					
Addanki	NR	B P T	3600	3650	3620
Divi	0.1	B P T	3100	3200	3100
Kandukur	0.1	B P T	3500	3700	3600
Kondapi	0.1	B P T	3400	3600	3500
Ongole	0.1	B P T	3500	3600	3560
Visakhapatnam	0.1	B P T	3500	3700	3600
Assam					

Dibrugarh	NR	Other	2200	2800	2500
Karimganj	60	Common	2100	2300	2200
Nalbari	75	Common	1900	2100	2000
Gujarat					
Dahod	10	Coarse	3600	4300	4000
Jharkhand					
Daltenganj	NR	Other	2480	2700	2640
Gumla	NR	Other	2600	2800	2700
Karnataka					
Honnali	22	Sarbati Raw	1500	1800	1750
Kerala					
Aroor	6	Basumathi	7200	7400	7300
		IR-8	2400	2600	2500
Chengannur	8	IR-8	2300	2600	2400
Kottayam	10	Other	2700	3200	3100
Mannar	10	IR-8	3200	3400	3300
Meghalaya					
Jowai	1.7	Other	2500	3000	2700
Shillong	1.2	Other	3400	3600	3500
Orissa					
Bolangir	5	Other	2400	2500	2400
Chandabali	75	Common	1400	2200	1800
Deogarh	9	Other	2000	3000	2500
Jeypore(Kotpad)	5.8	Common	3000	3300	3250
Junagarh	61.8	Other	2100	2200	2200

Kalahandi(Dharamagarh)	61.8	Other	2100	2200	2200
Tripura					
Kalyanpur	6	Other	2400	2600	2500
Uttar Pradesh					
Agra	60	III	1980	2040	2015
Aligarh	90	III	1900	1950	1920
Allahabad	210	Other	NR	NR	2160
Azamgarh	150	III	1970	1990	1980
Buland Shahr	4	III	1800	2100	2030
Devariya	110	III	1950	1970	1960
Dibiapur	300	III	2230	2250	2240
Divai	14	III	1850	1900	1875
Firozabad	20	III	1980	2020	2000
Jaunpur	92	Other	1900	2000	1965
Kanpur(Grain)	200	III	NR	NR	2165
Lucknow	200	Coarse	2000	2100	2050
Mawana	1	III	NR	NR	2100
Pilibhit	74	Coarse	2160	2195	2180
Sitapur	20	Coarse	2000	2150	2100
Uttrakhand					
Gadarpur	661	Other	1700	2200	1950
West Bengal					
Balarampur	2	Other	2320	2360	2340
Beldanga	59	Other	2400	2500	2450
Birbhum	475.2	Common	1850	1900	1875

Champadanga	14	Ratnachudi (718 5-749)	2550	2650	2600
Falakata	10.5	Common	2150	2200	2175
Garbeta(Medinipur)	42	Other	2280	2320	2300
Habra	72.5	Other	1900	1900	1900
Islampur	4	Common	2100	2200	2150
Kalipur	115	Other	1900	2000	1950
Medinipur(West)	16	Other	2350	2400	2400
Purulia	51	Other	2380	2400	2380
Ramkrishanpur(Howrah)	20.2	Other	2500	2700	2600
Tamluk (Medinipur E)	24	Common	2050	2150	2100

(Arrivals and Prices in Rs/Qtl)

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