Domestic Market Highlights:

The area under rabi/summer rice as on May 01st 2015 stands at 40.66 as compared to 44.88 lakh hectare in previous year .Total area under rabi rice and summer crops stands at 64.20 lakh hectare as compared to 66.23 lakh hectare in previous year.

All India Average rice price in the first week of May was moved up by 2.65% from previous week and currently hover in the range of Rs.2700-2720/quintal. We expect market is likely to move in the range bound to firm in coming weeks due to weak monsoon prediction by IMD and also lower rabi area by 9% from last year under paddy. Domestic buyers are active due to all above reasons and thus prices are expected to move in north direction.

Sona masuri steam price in Andhra Pradesh is ruling at Rs.3100-3200/quintal and raw price is around Rs.3500/quintal as per by local traders. PR-11 Steam in Delhi mandi is Rs.2600/quintal. In case of basmati, 1121 steam and sela is at Rs. 5700-600 and 4700-4800/ quintal respectively.

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.

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 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 01st Week of May.

International Market Highlight:

Due to recent 7.8 Mw earthquake in Nepal, not only affected the economic condition of the country but also agriculture growth of the country. Market participant fear that rice area in the country may be much lower than expectation in the country in the coming kharif season, it will direct affect the total availability in the local rice market and Nepal could be dependent for rice on neighboring country. As per USDA Nepal produce around 3 million tonnes rice a year and import around 350,000 tonnes for total consumption. We expect that in coming season the import of agricultural produce including rice could increase from the country.

Lower demand for Vietnam's rice in the global market has compelled Vietnam Food Association to slash down MEP for 25 % broken rice from$350 to $340 per tonne.New floor price (MEP) will be effective from 30th April, 2015. Earlier in the month of March, VFA had reduced the MEP from USD 360-350/MT. Vietnam exported about 1.144

million tons of rice in January 1 - April 13, 2015, down about 35% from about 1.76 million tons of rice exported in first four months of 2014 which also indicates that the demand of the Vietnam rice is lower than last year.

As per the unofficial data, the preliminary rice exports (excluding premium white and fragrant rice) for April 13-19, 2015 totaled 13,968 metric tons, down 44,319 metric tons from the previous week and down 56,008 metric tons from the four-week moving average of 69,976 metric tonnes. Rice exports from January 1 - April 19, 2015, totaled 1,077,490 metric tons, down 2 percent from the same period last year.

Export prices declined slightly from the previous week as supplies of off-season rice continue coming into the market. This week, farm level prices of 5% grade white rice paddy fell to around 7,720 baht per metric ton ($239/MT), down 0.5 percent from the previous week. Meanwhile, inquiries from traders are reportedly quiet as they are sourcing relatively cheaper rice from Vietnam. Vietnamese rice is approximately 10 percent lower than Thai rice (new-crop 5% grade white rice) and around 5 percent lower than old-crop white rice from the government stocks.

As per Agriculture ministry of Cambodia, Country produced 9.32 million tons of paddy rice in 2014, slightly down from 9.38 million tons it produced in 2013. Based on last year's amount of production, besides local consumption, the country will have around 4.7 million tons of un- husked rice, or more than 3 million tons of milled rice, left for exports this year. In 2010, Cambodia set a goal of exporting 1 million tons of milled rice by the end of 2015; however, Commerce Minister Sun Chanthol admitted in February this year that the country was unlikely to achieve the target due to lack of milling capacity and funding. Last year, country had exported only 387,000 tons of milled rice, so it is difficult for us to achieve the target. Currently, some 61 companies have exported Cambodian rice to 40 countries and regions around the world, according to the report. Five main buyers of Cambodian rice are China, France, Malaysia, the Netherlands, and Poland.

The FAO has lowered its 2014 estimated global paddy production by 3.3 million tonnes since December, to 741.3 million tonnes (494.4 million tonnes of it milled), a level only 0.5 per cent below the record 2013 performance. The largest downward revision related to Thailand, one of the world's leading rice exporters, where unseasonable dryness leading to severe constraints in water availability for irrigation took a heavy toll on secondary crop production, the April 2015 issue of the "FAO Rice Market Monitor" states.

Thailand's rice production (paddy) declined by 2.7 per cent in 2014 to 34.3 million tonnes (22.7 million tonnes of milled rice), due mainly to a decline of secondary crop outputs affected by cuts in planted areas. However, in 2015, Thailand is expected to increase production by 2.1 per cent.

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:

May-02-2015	White Rice 5% Broken	White Rice 25% Broken
Gujarat	2389.88	2230.55
Andhra Pradesh	2369.63	2135.50

Rice Prices in Various Markets

Market	Arrivals	Variety	Minimum Price	Maximum Price	Modal Price
	(Tonnes)		(Rs./Quintal)	(Rs./Quintal)	(Rs./Quintal)
Andhra Pradesh					
Divi	0.1	B P T	3100	3200	3100
Kondapi	0.1	B P T	3400	3600	3500
Ongole	0.1	B P T	3500	3600	3550
Repalli	0.1	B P T	3800	4000	3900
Assam					
Howly	53	Broken Rice	1400	1500	1450
		Common	1900	2200	2000
		Fine	2400	2600	2500

		Super Fine	3700	4000	3900
Lanka	80	Medium	2200	2400	2300
Nalbari	76	Fine	2700	3100	2900
		Super Fine	3400	3600	3500
Srirampur	240	Other	2300	2950	2550
Jharkhand					
Chakulia	NR	Fine	2175	2350	2280
		Medium	1970	2070	2040
Koderma	42	Fine	3300	3500	3400
		Medium	2300	2500	2400
		Motta (Coarse) Boiled	1700	2000	1800
Karnataka					
Chintamani	35	Broken Rice	1950	2060	2000
Kerala					
Cherthala	12	Basmati Paddy	9750	9900	9800
		IR-8	2500	2600	2550
		Jaya	3350	3500	3400
Orissa					
Bargarh	1.02	Other	2100	2300	2200
Bonai	10	Other	1900	2200	2000
Jajpur	NR	Other	2100	2600	2600
Junagarh	41.6	Other	2100	2200	2200
Kalahandi(Dharamagarh)	41.7	Other	2100	2200	2200
Karanjia	7	Common	2400	2700	2500
		Other	2200	2500	2400
Nilagiri	7	Other	2100	2300	2200
Nimapara	4.5	Other	1800	2000	1900
Rahama	2.56	Other	2000	2800	2200
Tripura					
Silachhari	0.4	Masuri	2600	3000	2800
Uttar Pradesh					
Ajuha	13.5	Other	NR	NR	2080
Aligarh	80	III	1900	2000	1950
Allahabad	200	Other	NR	NR	2175
Anandnagar	30	Other	1850	2100	1940
Badayoun	5	Other	2060	2160	2110
Bahraich	140	III	2060	2090	2075
Barabanki	65	III	2010	2055	2035
Baraut	NR	III	1950	2160	2070
Bareilly	280	Coarse	NR	NR	2075
Basti	57	III	1850	2000	1915

Bijnaur	5	III	NR	NR	2075
Chhibramau(Kannuj)	22	III	NR	NR	2175
Chorichora	15	Other	1960	1990	1975
Faizabad	190	Other	2060	2090	2075
Fatehpur	50	III	NR	NR	2190
Gazipur	35	III	2000	2020	2010
Ghaziabad	50	III	NR	NR	2200
Gorakhpur	417.5	III	1975	2050	2010
Hapur	38	III	NR	NR	2150
Kanpur(Grain)	180	III	NR	NR	2175
Khaga	9	Coarse	NR	NR	2120
Khatauli	1	III	2050	2115	2100
Khurja	6.5	III	1900	2160	2040
Lakhimpur	12	Coarse	2100	2200	2125
Lalganj	2	III	1960	2000	1975
Lucknow	124	Coarse	2050	2125	2100
Muradabad	7	III	NR	NR	2080
Naugarh	6.5	III	1900	1960	1930
Partaval	11	III	1920	1960	1940
Pilibhit	94	Other	2150	2190	2170
Pukhrayan	7.5	III	NR	NR	2160
Rampur	5	Other	2040	2050	2045
Rura	4.5	III	NR	NR	2155
Sambhal	15	III	2140	2175	2160
Sehjanwa	64	III	1860	2050	1980
Shahjahanpur	70	Other	2080	2125	2100
Sitapur	27.5	Coarse	1980	2140	2080
Siyana	2	III	1950	2200	2040
Yusufpur	20	III	1880	1950	1915
Uttrakhand					
Gadarpur	1000	Other	1648	2100	1874
Roorkee	300	Other	1700	1700	1700
Tanakpur	5	Other	1700	2000	1800
West Bengal					
Barasat	60	Masuri	2350	2450	2400
		Other	2500	2600	2550
Beldanga	63	Other	2300	2400	2350
Habra	62.5	Other	1850	1850	1850
Kasimbazar	47	Other	2300	2400	2350
Sealdah Koley Market	55.7	Fine	2400	2500	2500

(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.