Domestic Market Highlights:

In the second week of May, aromatic rice price ruled steady to slightly firm in major producing states like Punjab and Haryana. Trans planting of Satha crop (60 days) has just started in Uttar Pradesh and recent rains are considered to be beneficial to the standing crop. The crop will be ready for harvesting in the second week of July.

As per USDA report published in May, Global rice production is projected at a record 482 million tons. Asian countries rice production rises driven by China, India, and Bangladesh. Southeast Asia is projected to harvest a record crop, boosting supplies and reducing import needs in the region. Africa's crop is expected to reach a record. Global ending stocks are projected to decline for the third consecutive year, and are the lowest since 2007/08. Combined ending stocks for Thailand and India, the top 2 exporters, are down 26 percent. At export font, Thailand is projected at 11.0 million tons, maintaining its place as the top exporter. The government continues to lower stocks via government-to-government sales and open tenders. India is forecast at 8.5 million tons, substantially lower than 2015 mainly due to smaller carryover stocks. Vietnam is steady at 6.7 million on continued demand from China and the Philippines. Pakistan is down slightly at 3.8 million tons. The United States is forecast at 3.5 million tons, marginally higher than 2015, on larger supplies and improved price competitiveness.

As per data received by IBIS, Rice export in the month of April was around 7.61 lakh tonnes which include 4.17 lakh tonnes of non basmati and 3.44 lakh tonnes of basmati rice, and it is approx 24% lower than last month. Major basmati importers in the month of April was Saudi Arabia, Iran and U.A.E with the contribution of 1.01 lakh tonnes, 55 thousand T and 33 thousand T respectively.

All India Average rice price in the second week of May was moved down by 1% from previous week and currently hover in the range of Rs.2670-2680/quintal. We expect market is likely to move in the range bound to firm in coming weeks due to lower rabi rice coverage and supported by lean season.

As Agriwatch had predicted to firmness in basmati rice market to move up from last month report, market behave exactly in same manner and again we expect market will trade firm in coming month from current level. Aromatic average rice price in different Mandis of Punjab and Haryana were up by 1-8% from last month average price.

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.

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.

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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 03rd Week of May.

International Market Highlight:

Pakistan exported about 472,357 tonnes of rice (including basmati and non-basmati) in March 2015, up about 33% from about 355,747 tonnes exported in February 2015, according to provisional data from the Pakistan Bureau of Statistics (PBS). Pakistan rice millers have also urged the government to announce new rice export policy to help them avoid huge losses due to low rice prices.

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.

Rice Prices in Various Markets:

May-14-2015	White Rice 5% Broken	White Rice 25% Broken
Gujrat	2411.86	2253.19
Andhra Pradesh	2391.61	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					
Chirala	0.1	B P T	3500	3600	3550
Denduluru	NR	Sona	2300	2500	2400
Gannavaram	0.1	B P T	3600	4200	3900
Kondapi	0.1	B P T	3400	3600	3500
Ongole	0.1	B P T	3500	3600	3560
Assam					

Cachar	20	Common	2400	2900	2700
		Fine	3000	3600	3200
		Other	2000	2500	2300
Dhing	96	Common	1900	2000	1950
		Fine	2700	3000	2800
Hailakandi	2	Other	2000	2500	2300
Lanka	60	Fine	2600	2800	2700
		Medium	1800	1850	1825
Bihar					
Saharsa	NR	Other	2100	3250	2675
Gujarat					
Dahod	0.3	Coarse	3600	4300	4000
Jharkhand					
Daltenganj	NR	Other	2470	2700	2650
Gumla	NR	Other	2300	2600	2450
Khunti	NR	Coarse	1750	1850	1800
		Other	1730	2000	1950
Karnataka					
Chintamani	83	Broken Rice	2350	2520	2460
Holenarsipura	21	Broken Rice	1300	1300	1300
Shikaripura	3	Fine	2500	3028	2850
Kerala					
Chala	70	Other	2500	3050	2800
		Jaya	3300	3500	3400
Maharashtra					
Pen	1	Other	3550	6050	4080
Manipur					
Imphal	3.6	Other	NR	2900	2900
Thoubal	1.7	Other	2800	2800	2800
Meghalaya					
Shillong	1	Other	3400	3600	3500
Orissa					
Bampada	5	Other	2400	3200	2500
Barikpur	10	Common	2400	3000	2500

Bhanjanagar	0.1	Common	2000	2200	2100
Bolangir	6	Other	2400	2500	2400
Bonai	3	Other	1900	2000	2000
Chandabali	85	Common	2200	2800	2400
Tusura	6	Other	2400	2500	2400
Tripura					
Taliamura	34	Other	2400	2600	2500
Uttar Pradesh					
Achalda	30	III	2225	2255	2245
Akbarpur	114.4	III	1950	2010	1980
Aligarh	90	III	2000	2050	2020
Allahabad	230	Other	NR	NR	2150
Anandnagar	40	Other	NR	NR	1950
Baberu	3	Other	1900	1975	1950
Badayoun	2	Other	2070	2190	2140
Bahraich	134	III	2065	2095	2080
Ballia	180	III	1950	2050	1990
Dibiapur	250	III	2200	2300	2250
Etawah	120	III	NR	NR	2225
Faizabad	156	Other	2050	2090	2070
Farukhabad	4	III	NR	NR	2190
Fatehpur	45	III	NR	NR	2180
Gazipur	38	III	1990	2010	2000
Ghaziabad	50	III	NR	NR	2180
Gorakhpur	418	III	1975	2050	2000
Haathras	25	Coarse	1945	2055	1995
Hardoi	168	III	2150	2170	2160
Jahanabad	9	Coarse	2050	2070	2060
Jasvantnagar	50	III	NR	NR	2230
Jaunpur	71	Coarse	1950	2050	1990

Kanpur(Grain)	140	III	NR	NR	2220
Kasganj	11.5	Coarse	2015	2075	2030
Khaga	8.5	Coarse	NR	NR	2165
Khatauli	2	III	NR	NR	2135
Khurja	7	III	NR	NR	2030
Lakhimpur	12	Coarse	2100	2200	2125
Lalitpur	29	Other	2140	2240	2175
Lucknow	86	Coarse	2050	2200	2125
Mainpuri	136	Coarse	1880	2000	1950
Mawana	1.5	III	NR	NR	2090
Meerut	14	III	NR	NR	2160
Shahabad(New Mandi)	11	Other	2150	2250	2200
Shahganj	NR	III	1910	1950	1930
Shahjahanpur	552.5	Other	2065	2150	2100
Sirsa	12.5	III	NR	NR	2120
Sitapur	25.5	Coarse	2000	2125	2065
Siyana	2	III	1850	2140	1965
Beldanga	58	Other	2300	2400	2350
Bolpur	190	Fine	2400	2500	2450
		Other	2200	2300	2250
Champadanga	16	Ratnachudi (718 5-749)	2550	2650	2600
Coochbehar	50	Coarse	2050	2125	2100
		Masuri	2700	2900	2800
Darjeeling	2	Parimal (New)	2600	2800	2700
Durgapur	148.5	Fine	2230	2270	2250
Egra/contai	53	Coarse	1860	1950	1900
		Fine	2250	2350	2300
Habra	57.5	Other	1850	1850	1850
Jangipur	82	Other	2370	2400	2380
Kaliaganj	21	Other	2350	2450	2400

Kalimpong	0.7	Other	2350	2550	2450
Kalipur	118	Other	1900	2000	1950
Sainthia	435	Other	1810	1900	1840
Sheoraphuly	8	Ratnachudi (718 5-749)	2900	3000	2950
Tamluk (Medinipur E)	20	Fine	2240	2350	2300
Uluberia	10.7	Other	2250	2350	2300
		Sona Mansoori Non Basmati	2000	2200	2100

(Arrivals and Prices in Rs/Qtl)