

**Domestic Market Highlights:**

**The Cabinet Committee on Economic Affairs, chaired by the Prime Minister Shri Narendra Modi,** has given its approval for the Minimum Support Prices (MSPs) for Kharif Crops of 2015-16 Seasons. The decision is based on recommendations of Commission for Agricultural Costs and Prices (CACP) for the Price Policy for Kharif Crops for the Marketing Season 2015-16. MSP for paddy grade A and common grade hiked by Rs.50/quintal from last year and current MSP is Rs. 1450 and Rs. 1410/quintal respectively.

**India's rice stocks in the central pool as of June 1, 2015 stood at around 22.485 million tons** (including a milled equivalent of about 9.234million tons of paddy), down about 20% from around 28.03 million tons recorded during the same period last year, according to data from the Food Corporation of India (FCI).

**Aromatic rice market traded against all expectations and decreased by 2-10% in the month of May.** Previously market expected increase in price due to higher import expectation from Iran and increased consumption in domestic market, however forecast for lower rainfall went against common expectation of the market. Generally area increases under basmati in weaker monsoon season. Lower rainfall in major aromatic growing states like Punjab, Haryana and U.P is expected to increase by 5-10% this year too which has impacted the cash market fundamental negatively. Currently 1121 steam price in Delhi market is hover in the range of Rs.5000-5100/quintal and Basmati raw is around Rs.6000-6200/quintal.

**Pakistan Basmati FOB in the month of May was down from the Indian basmati rice FOB by 15 US Dollar** and currently hover in the range of USD 890-895/MT. Pakistan basmati rice price have declined slightly in May after increasing continuously for two months. The decrease is due to better rice growing prospects as per FAO.

**Agriwatch revised the rice export in the second week of May after updating of rice export by APEDA.** Total Rice export for MY-2014-15 till May-15 was 81.76 lakh tonnes which was up by around 22% from same period last year export of 67.02 lakh tonnes. Non basmati rice export in the month of May was 4.92 lakh tonnes and basmati exports for MY-2014-15(Oct14-Sep-15) in the month was 4.04 lakh tonnes.

**India average wholesale rice prices continued to increase for the third consecutive month in May 2015** and currently hover in the range of Rs.2900-2910/quintal which is

up by 2% from last month due to expected lower production from the just being completed Rabi secondary rice crop (November - May). Non basmati rice prices declined in February due to increased supplies and declining export demand.

**There is a gossip in the market that Iran would start buying aromatic rice from India July onward.** Notably Iran has banned aromatic rice import from mid November last year to support local growers and lighten the burden of higher stock. Most likely Iran may resume import from Ramadan-Says A.K Gupta, adviser, APEDA. Iran has imported 9.35 lakh tonne basmati from India in 2014-15. Total basmati shipment was registered at 37.8 lakh tonne in 2014-15.

**Basmati acreage is expected to increase this year by 4 to 5 percent in comparison to 2.1 million ha. last year.** The main reason behind it is attributed mainly to lower rainfall, better returns and Punjab govt.'s move to encourage farmers to grow more basmati due to declining ground water level. Common rice need more water.

**As per recent updates from PIB, kharif rice sowing for MY-2015-16** commenced in major growing states and 1.80 lakh hectares has been covered till 20th May 2015 which is up by 0.30 lakh hectare from same period last year.

**Price Outlook:-Average Rice price in all India is likely to trade steady to firm with lean season in coming days.**

#### **International Market Highlight:**

**The Thailand government plans to call bids for another 2.6 million tonnes of high-quality rice** from state stocks between June and August while transferring low-quality and substandard grains to the industrial sector. Duangporn Rodphaya, director-general of the Foreign Trade Department, said with new output from the main crop coming after August, the June-August period was the right time for the government to call two or three bids for its rice stocks, starting with 1 million tonnes this month. Since Prime Minister Prayut Chan-o-cha took office, the Commerce Ministry has called six bids to speed up disposal of 18 million tonnes of state stocks accumulated from previous rice pledging schemes. The ministry has sold 2.1 million tonnes, fetching 22.4 billion baht so far. Remaining stocks include 2.6 million tonnes of high-quality rice ready to sell and 13-14 million tonnes of substandard grade grains. In a related development, the Commerce Ministry reported Thailand exported 3.6 million tonnes of rice in the first five months of this year, down by 8.51% year-on-year, worth 59.8 billion baht, down by 7.83%.

**Pakistan has surplus stocks of wheat, rice and other agricultural commodities; the government is likely** to impose duty ranging from 15 to 30 per cent on the import of these products in the budget 2015-16. The government is likely to review the rate of duty on the import of basmati rice which is second largest export of Pakistan after India. It has been proposed that duty should be increased from 10pc to 30pc in the next budget as import of basmati would forged domestic production. Similarly, it was proposed that duty on the import of broken rice should be enhanced from 10pc in 2014-15 to 30pc during the next fiscal year since rice is a cash crop and Pakistan earns foreign exchange on the export of rice.

**According to Reuters, Vietnam the one of the major rice exporter, has increased the floor price** (minimum export price, MEP) of its lower quality (25% broken) rice exports by about 3% to around \$350 per ton from around \$340 per ton in advance of the Philippines tender which is on June 5, 2015. The new MEP will reportedly be effective from June 1, 2015.

**As per Belarus Alesya Obodkova, the deputy director for logistics of the Belcoopsoyuz's Belcoopvneshtorg** plans to rise up shipments of rice, fresh and dried fruits, nuts from Pakistan. Rice is a very popular product in Belarus. Belcoopsoyuz's Belcoopvneshtorg imports 300 tonnes of rice per month. They already took samples of rice in Pakistan and will test them for quality. For the time being country will sign an agreement of intent, statement given by Alesya Obodkova.

#### **Rice Prices in Various Markets:**

June-15-2015	White Rice 5% Broken	White Rice 25% Broken
Gujrat	2474.40	2377.99
Andhra Pradesh	2454.15	2135.50

**In Rs./Quintal**

#### **Rice Prices in Various Markets**

Market Center	Arrivals	Variety	Minimum	Maximum	Modal
<b>Cereals</b>					
<b>Rice</b>					
<b>Andhra Pradesh</b>					
Addanki	NR	B P T	3700	3750	3720
Chirala	0.1	B P T	3100	3200	3150
Denduluru	NR	Sona	2300	2500	2400

Divi	0.1	B P T	3100	3200	3100
Ichapuram	96	Rice Floor	2000	3000	2200
Kondapi	0.1	B P T	3600	3800	3700
Nandyal	0.1	Sona Fine	3900	4000	3950
Visakhapatnam	0.1	B P T	3400	3600	3500
<b>Assam</b>					
Dhekiajuli	24	Common	1800	2100	1900
		Fine	2230	2600	2500
Dhing	114	Common	1900	2000	1950
		Fine	3000	3200	3150
Gauripur	43.5	Fine	3500	5000	4500
		Other	2200	3000	2600
Howly	32	Broken Rice	1600	1700	1650
		Common	1900	2050	2000
		Fine	2400	2900	2500
		Super Fine	4100	4600	4300
Karimganj	60	Common	2200	2400	2300
Lanka	50	Fine	2600	2800	2700
		Medium	1850	1900	1875
P.O. Uparhali Guwahati	86	Common	1800	2400	2100
		Fine	2100	3500	2800
		Super Fine	3400	14000	8700
Silapathar	2.2	Fine	2500	3500	3000
Sivasagar	NR	Broken Rice	1510	1610	1560
		Common	1860	2000	1930
		Fine	2370	2530	2450
		Medium	2065	2135	2100
		Super Fine	5400	5650	5525
<b>Bihar</b>					
Aurangabad	35	Other	1600	2500	2050
Bhagalpur	NR	Other	2700	3000	2900
Motihari	NR	Other	2500	3500	2900
Samastipur	NR	Other	3000	7000	5500
<b>Gujarat</b>					
Dahod	59	Coarse	3400	4100	3900
<b>Jharkhand</b>					
Bokaro (Chas)	NR	Other	2360	2500	2410
Chakulia	NR	Fine	2150	2350	2260
		Medium	1970	2060	2020
Daltenganj	NR	Other	2420	2700	2610

Gumla	NR	Other	3000	3400	3200
Hazaribagh	7.5	Other	2850	3050	2995
Jamshedpur	NR	Fine	3450	3520	3500
		Medium	2250	2350	2300
Khunti	NR	Coarse	1750	1850	1800
		Fine	2500	2900	2700
		Medium	2350	2450	2400
Latehar	NR	Boiled Rice	1850	1950	1900
Lohardaga	25	Common	2000	2200	2150
		Fine	2650	2800	2750
		Medium	2200	2400	2350
Saraikela	NR	Medium	2310	2600	2520
		Other	1730	2000	1920
<b>Karnataka</b>					
Bangalore	2351	Medium	4000	4500	4300
Bangarpet	396	Broken Rice	1380	1950	1830
		Sarbati Raw	2550	3000	2800
Bidar	23	Broken Rice	2200	2500	2400
		CR 1009 (Coarse) Boiled	3200	4500	4200
Chikkamagalore	6	Other	1900	1900	1900
Doddaballa Pur	6	Other	1300	1500	1400
Gulbarga	22	Broken Rice	1800	2400	2050
		Fine	3200	4450	4100
Madikeri	4	Other	2580	2580	2580
Mangalore	63	Fine	2600	3180	3080
		IR-8	2200	2400	2300
		Kattasambar	2400	2600	2500
Mulabagilu	1	Medium	4000	6000	5000
Mysore (Bandipalya)	398	Broken Rice	1400	1600	1500
		Coarse	1700	2000	1850
		Fine	3500	4000	3750
Shimoga	5	Coarse	2200	2500	2350
		Fine	2800	3400	3100
		Medium	2500	3000	2750
Udupi	3	Kachha Basmati	2400	3600	2800
<b>Kerala</b>					
Aroor	6	Basumathi	7200	7400	7300
		IR-8	2500	2700	2600

		Jaya	3200	3400	3300
		Other	3300	3500	3400
Cherthala	8	IR-8	2550	2650	2600
		Jaya	3350	3500	3400
		Other	3650	3800	3700
Manjeri	290	Other	2800	3800	3300
Thodupuzha	60	IR-8	2700	2900	2900
		Mataa Parboiled	3000	3200	3200
<b>Maharashtra</b>					
Alibagh	3	Other	3100	3500	3300
Palghar	26	1009 Kar	2001	2466	2165
<b>Meghalaya</b>					
Shillong	0.6	Other	3400	3600	3500
<b>Orissa</b>					
Balugaon	30	Sona Mansoori Non Basmati	2800	3000	2900
Bargarh	1.23	Other	2400	2600	2500
Bolangir	5.5	Other	2400	2500	2400
Bonai	1	Other	2000	2600	2200
Jajpur	NR	Other	2000	3000	2500
Jatni	3	Other	2000	2500	2250
Kalahandi(Dharamagarh)	51.36	Other	2100	2200	2200
Karanjia	5.8	Common	2400	2700	2500
		Other	2200	2500	2400
Tusura	3	Other	2400	2500	2400
<b>Tripura</b>					
Garjee	0.15	Masuri	2400	2700	2600
Kalyanpur	8	Other	2400	2600	2500
<b>Uttar Pradesh</b>					
Achalda	35	III	NR	NR	2270
Agra	73	III	2000	2060	2030
Ajuha	12	Other	NR	NR	2075
Aligarh	90	III	1860	1950	1900
Allahabad	190	Other	NR	NR	2160
Ballia	160	III	1950	2070	1995
Balrampur	40	Other	1960	1990	1975
Baraut	4	III	NR	NR	2100
Bareilly	290	Coarse	NR	NR	2100
Basti	12	III	1900	1980	1940
Bharthna	80	III	NR	NR	2270

Bijnaur	12	III	NR	NR	2120
Bindki	20	Other	2050	2150	2100
Buland Shahr	13.5	III	1800	2100	2030
Chandoli	7.5	Other	1860	1900	1885
Chorichora	18	III	1960	1975	1970
Dadri	60	III	NR	NR	2135
Devariya	55	III	2000	2040	2020
Divai	13.5	III	1950	2000	1975
Etah	25	Other	1980	2020	2000
Etawah	137	III	NR	NR	2275
Gazipur	39	III	2015	2035	2030
Ghaziabad	60	III	NR	NR	2170
Gonda	40	III	1950	2020	1980
Gorakhpur	435	III	1985	2040	2010
Gulavati	2.5	III	2000	2080	2050
Haathras	30	Coarse	NR	NR	1960
Hapur	5	III	NR	NR	2160
Jahanabad	13.5	Coarse	NR	NR	2170
Jasra	15	III	NR	NR	2110
Jaunpur	50	Coarse	1950	2050	2010
Jhansi	9	Other	1900	2000	1950
Kannauj	11.2	III	NR	NR	2195
Kasganj	12.5	Coarse	2030	2085	2060
Khairagarh	11	III	2010	2050	2030
Khatauli	1	III	2050	2145	2100
Khurja	4.5	III	1830	2200	2035
Lakhimpur	12	Other	2150	2230	2190
Lucknow	100	Coarse	2150	2250	2225
Mainpuri	88	Coarse	1900	2000	1950
Meerut	22	III	NR	NR	2175
Mirzapur	7.5	Other	NR	NR	1980
Muradabad	9	III	NR	NR	2075
Muzzafarnagar	45	Common	NR	NR	2140
Naugarh	6.5	III	1900	1975	1940
Partaval	45	III	1910	1980	1950
Payagpur	5	III	2050	2090	2075
Pilibhit	94	Coarse	2170	2210	2190
Pratapgarh	25	III	2000	2050	2025
Pukhrayan	5.5	III	NR	NR	2250
Raath	5	III	1500	1800	1675
Sandila	7	Other	2180	2200	2190

Sardhana	1	III	NR	NR	2135
Sehjanwa	104	III	1800	2100	1970
Shahganj	NR	III	1900	1940	1920
Shahjahanpur	205.7	Other	2000	2030	2015
Sirsa	9.5	III	NR	NR	2090
Sitapur	32	Coarse	2010	2180	2090
Siyana	1.5	III	1900	2200	2050
Unnao	7	III	2125	2175	2150
Varanasi(Grain)	406	Other	1980	2010	1990
Yusufpur	25	III	1900	1980	1935
<b>Uttrakhand</b>					
Gadarpur	640	Other	1480	2110	1795
<b>West Bengal</b>					
Alipurduar	60	Common	2150	2250	2200
		Fine	3150	3250	3200
		Super Fine	3600	3700	3650
Asansol	130	Fine	2250	2300	2270
Balurghat	27	Other	1860	1950	1900
Bankura Sadar	18	Other	2150	2300	2200
Baxirhat	36	Masuri	2875	2925	2900
Beldanga	43	Other	2250	2350	2300
Birbhum	396	Common	1900	1960	1935
Bishnupur(Bankura)	50	Masuri	1850	1950	1900
		Other	2150	2250	2200
Burdwan	318	Common	1810	1850	1830
		Fine	1830	1870	1850
Chakdah	40	Other	3000	3400	3200
Coochbehar	43	Coarse	2000	2050	2025
		Masuri	2750	2900	2825
Gajol	105	Fine	2500	2600	2550
		H.Y.V.	2100	2300	2200
		Other	1900	2100	2000
Garbeta(Medinipur)	55	Other	2180	2220	2200
Guskara(Burdwan)	145	Fine	2030	2070	2050
Habra	55	Other	1865	1865	1865
Islampur	4	Other	2100	2200	2150
Jangipur	102	Other	2075	2100	2085
Kaliaganj	15	Other	2400	2500	2450



Kasimbazar	47	Other	2250	2350	2300
Katwa	8.5	Other	2000	2400	2200
Khatra	39	Other	2200	2300	2250
Kolaghat	16	Common	2100	2250	2200
		Fine	2400	2550	2500
Lalbagh	18	Other	2100	2200	2150
Mekhliganj	19	Common	1800	1900	1850
		Fine	2925	3050	2950
Memari	172	Common	1810	1850	1830
		Fine	1830	1870	1850
Nadia	50	Fine	2550	2650	2600
Pundibari	8	Coarse	1975	2050	2000
Purulia	51	Other	2360	2400	2380
Raiganj	16	Other	2500	2600	2550
Ramkrishanpur(Howrah)	16.5	Other	2400	2600	2500
		Sona Mansoori Non Basmati	2200	2400	2300
Sainthia	428.6	Other	1860	1950	1900
Sealdah Koley Market	47.5	Fine	2200	2300	2300
Sheoraphuly	10	Ratnachudi (718 5-749)	2750	2850	2800
Tamluk (Medinipur E)	20	Common	2000	2150	2100
		Fine	2300	2450	2400
Toofanganj	43	Fine	2875	2925	2900
Uluberia	12	Other	2200	2400	2300
		Sona Mansoori Non Basmati	2000	2200	2100

**(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.