

Domestic Market Highlights:

The total sown area as on 26th June, as per reports received from States, stands at 165.62 lakh hectare as compared to lakh hectare at this time last year. It is reported that rice has been sown/transplanted in 23.28 lakh ha, pulses in 11.04 lakh ha, coarse cereals in 19.28 lakh hectare, oilseeds in 27.89 lakh ha and cotton in 34.87 lakh ha.

This kharif season 2015-16, better-than-expected monsoon rains in the past two weeks have helped farmers in several parts of India sow all kharif crops like paddy, cotton, pulses and oilseeds on time, but the IMD is still sticking to its forecast of a likely drought. Although a delayed arrival of the monsoon had worried farmers, more than two-thirds of the country has now received normal or above-normal levels of rainfall so far this monsoon season, which starts on June 1. Overall, rainfall is 23 percent above normal as of Wednesday. Agriwatch first preliminary rice production estimates that this year (KMS 2015-16) rice production is expected to be around 104 million tonnes under current rainfall condition. However if paddy growing states receives lower rain fall between -5 to -10%, production may decrease by 1.5% to 103.23 million tonnes.

In the second week of June-2015 (08-14 June), total rice export from India was registered at 2.10 lakh tonnes in which non-basmati export registered at approx 1.43 lakh tonnes whereas basmati rice contribution was only 67 thousand T, as per data received from IBIS. Total basmati rice export in the 2nd week of June was around 67,526.52 T with an average FOB of USD 928/MT. Mundra, Loni ICD and Dadri Concor ICD were the major port for basmati rice import center during this period.

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 (CACAP) 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.

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.

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 Ramdan-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 2.1million 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.

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

International Market Highlight:

Pakistan's total exports declined sharply in May 2015, continuing to decline for the second consecutive month after increasing about 33% m/m in March 2015. Pakistan exported around 263,044 tons of rice (including basmati and non-basmati) in May 2015, down about 27% from around 360,446 tons exported in April 2015, according to provisional data from the Pakistan Bureau of Statistics (PBS). In terms of value, Pakistan's rice export earnings declined about 16% to around \$152 million in May 2015 from around \$180 million earned in April 2015.

Thai Rice Mill Association President Manus Kitprasert has expressed concern that the prolonged low rice price in Thailand could force many rice mill operators to exit the market.

The Ministry of Commerce reported that 840,000 tons of rice out of the 1.06 million tons worth 7.8 billion baht in the government stockpile, were sold in the 3rd auction. Miss Banjongjit Angsusingh, Deputy Director-General of the Department Foreign Trade, said 40 out of the 43 qualified business operators made offers this time. She said 107 out of 153 silos of rice had been sold, netting 7.8 billion baht in a 840,000-ton rice deal.

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.

Rice Prices in Various Markets:

June-25-2015	White Rice 5% Broken	White Rice 25% Broken
Gujarat	2380.50	2285.28
Andhra Pradesh	2360.25	2135.50

In Rs./Quintal

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	10575	10625	10600
Nandyal	0.1	Sona Fine	3900	4000	3950
Tiruvuru	NR	Fine	3300	3500	3400
Visakhapatnam	0.1	B P T	3400	3600	3500
Assam					
Cachar	40	Common	2400	2900	2700
		Fine	3000	3600	3200
		Other	2000	2500	2300
Dhekiajuli	35	Common	1900	2100	2000
		Fine	2300	2700	2500
Gauripur	30	Fine	3500	5000	4500
		Other	2200	3000	2600

Hailakandi	4	Common	2400	2900	2700
		Fine	3000	3600	3200
		Other	2000	2500	2300
Karimganj	40	Common	2200	2400	2300
P.O. Uparhali Guwahati	70	Common	1800	2400	2100
		Fine	2100	3500	2800
		Super Fine	3400	14000	8700
Bihar					
Bhagalpur	NR	Masuri	3500	3700	3600
		Other	2800	3000	2900
Saharsa	NR	Other	2000	3400	2700
Gujarat					
Dahod	1.7	Coarse	3400	4100	3850
Jhagadiya	NR	Other	1970	3070	2560
Jammu and Kashmir					
Jammu (Grain Mandi)	NR	Basmatibar (Raw/Old)	10000	10400	10200
Jharkhand					
Daltenganj	NR	Other	2490	2700	2680
Gumla	NR	Other	2400	3000	2700
Lohardaga	28	Common	2000	2200	2100
		Fine	2800	3000	2900
		Medium	2200	2400	2300
Pakur	5.2	Fine	3100	3300	3200
Ramgarh	24	Other	2600	3000	2800
Saraikele	NR	Medium	2380	2600	2590
		Other	1710	2000	1990
Simdega	10	Boiled Rice	2145	2270	2200
		Broken Rice	1240	1480	1300
		Fine	2330	2500	2400
		Motta (Coarse) Boiled	1950	2100	2000
Karnataka					
Chintamani	88	Broken Rice	1900	2000	1950
		Hansa	2300	2500	2450
		Sona	3250	5200	4300
Madhugiri	2	Rice Floor	2500	3500	3000
Ramanagara	4	Medium	1750	1850	1800
Kerala					
Aroor	1	Basumathi	7200	7400	7300
		IR-8	2500	2800	2600
		Jaya	3200	3400	3300
		Other	3300	3500	3400
Chengannur	7	IR-8	2400	2800	2500
		Jaya	3200	3600	3500

Mannar	10	IR-8	2500	2700	2600
		Jaya	3500	3700	3600
Maharashtra					
Palghar	21	1009 Kar	1940	2451	2363
Meghalaya					
Jowai	1.7	Other	2500	3000	2700
Shillong	0.8	Other	3400	3600	3500
Orissa					
Barikpur	10	Common	2400	3200	2500
Bonai	0.8	Other	2200	2600	2400
Chandabali	85	Common	2200	2400	2400
Jajpur	NR	Other	2000	2800	2500
Jeypore(Kotpad)	2.2	Common	3000	3300	3250
Rahama	2.45	Other	2100	3100	2300
Tripura					
Melaghar	2	Coarse	2200	2300	2250
		Fine	2800	2900	2850
		Masuri	2400	2500	2450
Uttar Pradesh					
Allahabad	150	Other	NR	NR	2170
Anandnagar	30	Other	1870	2150	1980
Bahraich	130	III	2060	2095	2080
Ballia	160	III	1975	2050	2000
Balrampur	30	Other	1965	1990	1975
Baraut	NR	III	NR	NR	2100
Basti	68.5	III	1920	1980	1945
Bharthna	70	III	NR	NR	2270
Bijnaur	9	III	NR	NR	2120
Bindki	36	Other	2100	2200	2180
Buland Shahr	25	III	1800	2100	2025
Chandoli	7	Other	1860	1895	1875
Dadri	75	III	1980	2200	2120
Dhanura	2.5	III	NR	NR	2100
Etawah	145	III	NR	NR	2275
Faizabad	114	Other	2060	2100	2080
Fatehpur	10	III	NR	NR	2180
Gazipur	37	III	1980	2020	2000
Ghaziabad	80	III	NR	NR	2160
Jahanabad	14.2	Coarse	NR	NR	2180
Jasvantnagar	45	III	NR	NR	2280
Jaunpur	60	Coarse	1975	2075	2025
Kasganj	6	Coarse	2830	2895	2860
Khaga	8.5	Coarse	NR	NR	2190
Khurja	5	III	NR	NR	2040
Lakhimpur	8	Other	2190	2280	2215
Mawana	0.5	III	NR	NR	2175

Mirzapur	7	Other	NR	NR	1975
Muradabad	12	III	NR	NR	2100
Nagina	80	Common	NR	NR	2100
Naugarh	10.5	III	1900	1975	1935
Partaval	7.5	III	1920	1980	1950
Payagpur	5.5	III	2025	2065	2040
Pilibhit	240	Coarse	2165	2200	2185
Pratapgarh	30	III	2000	2060	2030
Shahjahanpur	138.1	Other	2015	2060	2040
Siyana	1.5	III	1900	2200	2040
Varanasi(Grain)	41.7	Other	1970	2050	1995
Yusufpur	35	III	1880	1970	1920
Uttarakhand					
Bazpur	44	Common	1410	1410	1410
West Bengal					
Asansol	130	Fine	2280	2320	2300
Balarampur	2	Other	2150	2200	2180
Balurghat	25	Other	1860	1950	1900
Beldanga	45	Other	2250	2350	2300
Champadanga	15	Ratnachudi (718 5-749)	2400	2600	2500
Coochbehar	43	Coarse	2025	2100	2050
		Masuri	2750	2900	2825
Durgapur	145	Fine	2280	2320	2300
Haldibari	15	Fine	2500	2600	2550
Jangipur	98	Other	2130	2150	2140
Kalipur	112	Other	1950	2100	2000
		Sona Mansoori Non Basmati	1850	1950	1900
Karimpur	2	Other	3100	3200	3150
Kasimbazar	49	Other	2250	2350	2300
Medinipur(West)	17	Other	2280	2300	2300
Mekhliganj	22	Common	1800	1900	1850
		Fine	2970	3050	2975
Memari	162	Common	1830	1870	1850
		Fine	1860	1900	1880
Pundibari	10	Coarse	2025	2100	2025
Purulia	42	Other	2360	2380	2380

(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.