

**Domestic Market Highlights:**

**Aromatic rice price in ( all varieties) wholesale markets are continuously firming up due to boost in local demand** and also lower sowing of basmati varieties reported in this kharif season as per traders and farmers feedback received last week. We expect firmness to continue in coming weeks.

**Total area planting to India's 2015-16 Kharif (main) rice crop** (June - December) stood at around 13.211 million hectares as of July 17, 2015, up about 4% from around 12.655 million hectares planted during the same time last year.

**India received 8% below normal rainfall in the third week of July, according to the Indian Meteorological Department (IMD). Central, south peninsular and north-east regions received 15%, 13% and 4% below average rains during the week.** However, the north-west region received 12% above-average rainfall. AW is concerned that less rainfall in July could severely impact rice yields. If rains do not pick up in the next few days, a substantial decline in acreage and yields is possible. The IMD is predicting rains to improve in the central and southern regions after July 20-25.

**The lifting of sanctions on Iran by the U.S. and the E.U will not affect India's basmati rice exports** though exports of other commodities like soymeal, sugar and corn are likely to be affected. A former President of the All India Rice Exporters Association (AIREA) noted that basmati rice exports to Iran may now increase by about 10% as Iranian traders were limiting their purchases and were preferring other routes, but now they are free to work directly with Indian exporters. He added that Iran may import around one million tons of Indian basmati rice. India exported around 900,000 tons of basmati rice to Iran in FY 2014-15 (April - March) compared to around 1.44 million tons in FY 2013-14 due to a temporary ban imposed by the Middle East nation citing surplus stocks.

**Food grains procurement by the West Bengal state government has fallen far short of the target set** by the Mamata Banerjee government. The paddy procurement target in Kharif season was 23, 70,000 tonnes. So far, only 13, 15,217 tonnes could be procured. Food minister Jyotipriya Mullick, though, claimed that the target could be achieved by September. However, this year's target achievement is a notch higher than last year's. Last year, the target was 22, 00,000 tonnes and the achievement was only 9, 16,087 tonnes. Higher price offered in open market could be the main reason for lower procurement in 2014-15 seasons.

**Total Rice export for MY-2014-15 till June-15 was 91.17 lakh tonnes which was up by around 20%** from same period last year export of 75.71 lakh tonnes. Non basmati rice

export in the month of June was 5.98 lakh tonnes and basmati exports for MY-2014-15(Oct14-Sep-15) in the month was 3.43 lakh tonnes.

For remaining three months (July-Sept-2015) we expects that around 7-7.5 lakh tonnes rice will be exported from India which account total rice export expectation comes to approx 9.5-9.8 lakh tonnes for MY- 2014-15.

**Basmati rice imports by the European Union (EU) nations declined to around 223,549 tons during September 1, 2014 - June 18, 2015, down about 27% from around 305,469 tons imported during the same period last year.** Netherlands remains the largest buyer of basmati rice with 45,783 tons (about 20% of total basmati imports during the stated period) followed by the U.K with 38,307 tons (about 17% of total basmati imports during the period). Basmati rice imports by the other EU nations during September 1, 2014 - June 18, 2-015 is as follows: Belgium (37,126 tons; 16.6%); France (35,484 tons; 15.8%); Italy (25,385 tons; 11.3%) and Spain (24,813 tons; 11%). While basmati rice imports by the Netherlands increased about 17% from around 39,249 tons last year, those by the U.K declined about 68% from around 121,429 tons last year.

Government of basmati producing states (Punjab and Haryana) have been advised to plant Pusa basmati 1509 variety after July 15 to avoid incidence of breakage. About 300,000 hectares in Punjab and about 250,000 hectares in Haryana were used to plant basmati 1509 variety 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:**

**Overall rice exports from Pakistan have declined sharply in July-March 2015 because Pakistani basmati cannot compete with Indian Basmati on marketing grounds. More especially** Pakistani basmati export to the UAE has declined 26.4 percent yoy in July-February 2015. Due to a slump in global prices non-basmati rice came down in value terms but not in quantity. However, the report warns Pakistani exporters to remain vigilant as Thailand is gradually firming up its export orders.

**Thai rice exports for 2015 are expected to reach 9.5 million tonnes, according to the Thai Rice Exporters Association's estimate.** Its previous forecast was 10 million tonnes.

In the first half of this year, 4.5 million tonnes of Thai rice have been sold already. Thailand is expected to sell 800,000 tonnes per month on average as foreign demand remains rapid from Indonesia and the Philippines. According to TREA President Chareon Laothamatas the situation would improve in the second half.

**Unofficial preliminary rice exports (excluding premium white and fragrant rice) for July 6-12, 2015 totaled** 87,844 metric tons, up 5,521 metric tons from the previous week and up 4,306 metric tons from the four-week moving average of 83,539 metric tons. Rice exports (excluding premium white and fragrant rice) from January 1 – July 12, 2015, totaled 2,056,761 metric tons, down 18 percent from the same period last year. Total rice exports from January to May 2015 totaled 3,772,158 metric tons, down 1.4 percent from the same period last.

**The Commerce Ministry plans to auction 1.29 million tonnes of inedible rice for industrial use at the end of July, to** reduce the ageing government stockpile accumulated under the previous government's rice pledging scheme. An inventory made on June 30 showed the ministry had a total of 15.11 million tonnes of rice remaining in the stockpile after recent sales, in three categories.

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

July-20-2015	White Rice 5% Broken	White Rice 25% Broken
Gujrat	2511.81	2289.24
Andhra Pradesh	2491.56	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)
<b>Andhra Pradesh</b>					
Divi	0.1	B P T	3100	3200	3100
Kondapi	0.1	B P T	3600	3800	3700
Nandyal	0.1	Sona Fine	3800	3900	3850
Assam					
Dhekiajuli	26	Common	1900	2200	2000
		Fine	2300	2700	2500
Lanka	30	Medium	1700	1800	1750
Bihar					
Chhapra	0.1	Other	3000	3100	3050
Motihari	NR	Other	2500	3700	3000
Jharkhand					
Daltenganj	NR	Other	2140	2300	2280
Dumka	NR	Coarse	1800	2100	2000
		Medium	2800	3200	3100
Khunti	NR	Coarse	1750	1850	1800
		Fine	2500	2900	2700
		Medium	2350	2450	2400
Lohardaga	26	Common	1800	2100	2000
		Fine	2800	3000	2950
		Medium	2100	2300	2200
Pakur	3.44	Fine	3025	3247	3144
Saraikela	NR	Medium	2470	2600	2550
		Other	1850	2000	1990
Kerala					
Aroor	6	Basumathi	8800	9000	8900
		IR-8	2400	2600	2500
		Jaya	3200	3400	3300
		Other	3300	3500	3400
Chengannur	7	IR-8	2400	2800	2500
		Jaya	3200	3600	3400
Mannar	10	IR-8	2800	3000	2900
		Jaya	3500	3700	3600
Maharashtra					
Alibagh	3	Other	1500	1700	1600
Manipur					
Lamlong Bazaar	1	Other	NR	3000	3000
Thoubal	1.7	Other	2800	2800	2800
Meghalaya					
Shillong	0.8	Other	3400	3600	3500
Orissa					
Barikpur	10	Common	2300	2500	2400

		Other	2400	3000	2500
Betnoti	0.02	Sanna Bhatta	1800	2200	2000
Bolangir	5.5	Other	2200	2300	2200
Deogarh	9	Other	2000	3000	2500
Tusura	6	Other	2300	2400	2300
Udala	42	Other	1900	4600	2600
Uttar Pradesh					
<b>Achalda</b>	<b>33</b>	<b>III</b>	<b>NR</b>	<b>NR</b>	<b>2285</b>
Akbarpur	65	III	2000	2050	2025
<b>Aligarh</b>	<b>85</b>	<b>III</b>	<b>1980</b>	<b>2060</b>	<b>2020</b>
Allahabad	160	Other	NR	NR	2180
Anandnagar	25	Other	1900	2200	2000
Ballia	190	III	1950	2100	2000
<b>Balrampur</b>	<b>40</b>	<b>Other</b>	<b>2025</b>	<b>2065</b>	<b>2050</b>
Baraut	15	III	NR	NR	2080
Bareilly	200	Coarse	NR	NR	2150
Basti	73.5	III	1850	2000	1915
Bijnaur	25	III	NR	NR	2140
<b>Bindki</b>	<b>60</b>	<b>Other</b>	<b>2100</b>	<b>2150</b>	<b>2120</b>
Buland Shahr	25	III	1800	2100	2025
Chandoli	6	Other	1840	1890	1860
Devariya	60	III	2000	2050	2025
Etawah	127.5	III	NR	NR	2280
Faizabad	110	Other	2060	2100	2080
Fatehpur	2.5	III	NR	NR	2220
<b>Gazipur</b>	<b>56</b>	<b>III</b>	<b>1970</b>	<b>2000</b>	<b>1985</b>
Gulavati	2	III	2000	2080	2045
<b>Hapur</b>	<b>45</b>	<b>III</b>	<b>NR</b>	<b>NR</b>	<b>2160</b>
Jahanabad	15.4	Coarse	NR	NR	2125
<b>Jaunpur</b>	<b>70</b>	<b>Coarse</b>	<b>1900</b>	<b>2000</b>	<b>1960</b>
Kanpur(Grain)	260	III	NR	NR	2150
Khatauli	NR	III	2050	2160	2100
<b>Khurja</b>	<b>4.5</b>	<b>III</b>	<b>NR</b>	<b>NR</b>	<b>2035</b>
Lakhimpur	10	Other	2100	2200	2150
Lucknow	109	Coarse	2150	2250	2200
Mawana	1	III	NR	NR	2175
Mirzapur	6	Other	NR	NR	1980
<b>Muradabad</b>	<b>12</b>	<b>III</b>	<b>NR</b>	<b>NR</b>	<b>2090</b>
Payagpur	7	III	2050	2085	2065
Pilibhit	240	Coarse	2160	2200	2185
Pratapgarh	31	III	2020	2070	2045
<b>Rampur</b>	<b>5</b>	<b>Other</b>	<b>2100</b>	<b>2125</b>	<b>2110</b>
Rura	4.5	III	NR	NR	2220
Sardhana	NR	III	NR	NR	2150
Shahganj	NR	III	1880	1930	1910
Shahjahanpur	175	Other	2015	2040	2025
Sitapur	24	Coarse	2060	2200	2100
Siyana	2	III	NR	NR	2025

Varanasi(Grain)	365	Other	2000	2040	2025
West Bengal					
Alipurduar	60	Common	2150	2250	2200
		Fine	3150	3250	3200
		Super Fine	3600	3700	3650
Balurghat	23	Other	1860	1950	1900
Beldanga	32.5	Other	2250	2350	2300
Burdwan	248	Common	1830	1870	1850
		Fine	1880	1920	1900
Champadanga	12	Ratnachudi (718 5-749)	2400	2600	2500
Coochbehar	4.5	Coarse	2025	2100	2050
		Masuri	2750	2900	2850
Darjeeling	2.4	Parimal (New)	2600	2800	2700
Gajol	65	Fine	2550	2650	2600
		H.Y.V.	2100	2300	2200
		Other	1900	2000	1950
Guskara(Burdwan)	145	Fine	2100	2140	2120
Habra	47	Other	1870	1870	1870
Islampur	3	Other	2100	2200	2150
Jalpaiguri Sadar	22	Fine	2750	2850	2800
		Other	2150	2250	2200
		Super Fine	3450	3550	3480
Kalipur	90	Other	1850	1950	1900
		Sona Mansoori Non Basmati	1750	1900	1800
Karsiyang(Matigara)	1	Parimal (New)	2200	2400	2300
Kasimbazar	32.5	Other	2250	2350	2300
Kolaghat	11	Common	2200	2350	2300
		Fine	2500	2650	2600
Mathabhanga	150	Common	1900	2000	1950
Mekhliganj	21	Common	1800	1900	1850
		<b>Fine</b>	<b>2950</b>	<b>3100</b>	<b>3050</b>
Memari	147	Common	1830	1870	1850
		Fine	1880	1920	1900
Raiganj	13	Other	2570	2625	2600
Sheoraphuly	8.5	Ratnachudi (718 5-749)	2300	2400	2350

(Arrivals and Prices in Rs/Qtl)

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