

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)
Andhra Pradesh					
Addanki	NR	B P T	3750	3800	3770
Denduluru	NR	Sona	2300	2500	2400
Ichapuram	80	Rice Floor	2500	3000	2800
Kondapi	0.1	B P T	3600	3800	3700
Nandyal	0.1	Sona Fine	3800	3900	3850
Repalli	0.1	B P T	3800	4000	3900
Tadepalligudem	NR	Sona	3400	3600	3500
Tiruvuru	NR	Fine	3300	3500	3400
Visakhapatnam	0.1	B P T	3400	3600	3500
Assam					
Dhekiajuli	27.5	Common	1950	2200	2100
		Fine	2340	2700	2550
Bihar					
Bhagalpur	NR	Other	3900	4100	4000
Kishanganj	NR	Other	2400	2800	2600
Saharsa	NR	Other	2000	3300	2650
Gujarat					
Dahod	0.3	Coarse	3400	4000	3850
Jharkhand					
Chakulia	NR	Fine	2160	2350	2260
		Medium	1970	2070	2030
Gumla	NR	Other	3000	3200	3100
Jamshedpur	NR	Fine	3530	3550	3540
		Medium	2000	2050	2020
Khunti	NR	Coarse	1750	1850	1800
		Fine	2500	2900	2700
		Medium	2350	2450	2400
		Other	1800	2200	2000
Koderma	38	Fine	3400	3700	3500
		Medium	2300	2500	2400
		Motta (Coarse) Boiled	1700	1900	1800
Latehar	NR	Boiled Rice	1850	2000	1900
		Fine	2800	3000	2900
		Medium	2400	2600	2500
Lohardaga	20	Common	1900	2200	2000
		Fine	2800	3000	2950
		Medium	2200	2400	2345
Pakur	2.8	Fine	3046	3218	3139
Karnataka					
Bangalore	1700	Medium	4000	4500	4300

Bangarpet	294	Broken Rice	1380	1950	1830
		Sarbati Raw	2550	3000	2800
Chintamani	33	Broken Rice	1700	1900	1800
		Hansa	2300	2500	2450
		Sona	3210	4800	4200
Kerala					
Mannar	10	IR-8	2800	3000	2900
		Jaya	3600	3800	3700
Orissa					
Bampada	10	Other	2300	3000	2400
Barikpur	10	Common	2300	2500	2400
		Other	2400	3000	2500
Bolangir	6	Other	2300	2400	2300
Bonai	0.5	Other	2200	2400	2400
Deogarh	9	Other	2000	3000	2500
Jajpur	NR	Other	2000	2800	2500
Jatni	3	Masuri	2000	2500	2250
Junagarh	27.2	Other	2100	2200	2200
Nilagiri	10	Other	2300	2500	2400
Tusura	4	Other	2300	2400	2300
Telangana					
Adilabad(Rythu Bazar)	0.16	B P T	3000	3000	3000
Tripura					
Kalsi	0.5	Other	2400	2600	2500
Uttar Pradesh					
Agra	45	III	NR	NR	2015
Ajuha	12	Other	NR	NR	2060
Akbarpur	57	III	2000	2050	2025
Aligarh	90	III	1960	2050	2000
Allahabad	180	Other	NR	NR	2180
Azamgarh	145	III	2050	2120	2085
Barabanki	64	III	2000	2050	2025
Baraut	NR	III	NR	NR	2080
Basti	59	III	1850	2000	1915
Bijnaur	15	III	NR	NR	2140
Buland Shahr	15	III	NR	NR	2020
Chandoli	5	Other	1850	1890	1870
Chorichora	14	III	1995	2010	2000
Dadri	55	III	NR	NR	2100
Faizabad	95	Other	2060	2100	2080
Fatehpur	3	III	NR	NR	2230
Gazipur	57	III	1975	1995	1985
Ghaziabad	70	III	NR	NR	2160
Jahanabad	15.5	Coarse	NR	NR	2125
Jasra	13	III	NR	NR	2125
Jaunpur	60	Coarse	1925	2025	1970
Khaga	8	Coarse	NR	NR	2200
Khurja	3	III	NR	NR	2030

Lalganj	1.5	III	1980	2000	1980
Mainpuri	85	Coarse	1900	2000	1975
Mawana	1.5	III	NR	NR	2180
Mirzapur	7	Other	NR	NR	1975
Muradabad	8.5	III	NR	NR	2100
Nagina	140	Common	NR	NR	2150
Naugarh	8.5	III	1915	1960	1940
Orai	NR	Other	NR	NR	2000
Partaval	25	III	1920	1965	1940
Payagpur	8	III	2040	2085	2060
Pilibhit	260	Coarse	2170	2210	2190
Raibareilly	6.5	Other	2050	2100	2070
Rampur	7	Other	2100	2135	2110
Saharanpur	68	III	NR	NR	2160
Shahganj	40	III	1900	1940	1920
Shahjahanpur	69.8	Other	2000	2035	2015
Sitapur	27	Coarse	2050	2200	2105
Siyana	1.5	III	NR	NR	2050
Sultanpur	370	Other	2000	2100	2050
Tamkuhi Road	22	Other	NR	NR	1960
Unnao	6	III	2130	2175	2150
Uttrakhand					
Bazpur	620	Common	2185	2185	2185
Gadarpur	882	Other	1700	2400	2050
West Bengal					
Habra	47.5	Other	1870	1870	1870
Islampur	3	Other	2100	2200	2150
Raiganj	13	Other	2570	2625	2600
Sheoraphuly	4.5	Ratnachudi (718 5-749)	2300	2400	2350

(Arrivals and Prices in Rs/Qtl)

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