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. Higherprice 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:

The Philippines, one of the world's biggest rice importers, could ship in more to boost buffer stocks and keep local prices stable because of an El Nino dry weather pattern now forecast to last until next year, potentially hurting the local harvest. Rice imports this year have reached 750,000 tonnes out of which 550,000 tonnes from Vietnam and the rest from Thailand. The NFA has permission from President Benigno Aquino to import an additional 250,000 tonnes if drought conditions worsen and hurt local rice production. However rice production is likely to up by 4.3% from last year with 12.4 million tonnes in coming season of 2015-16

The price of Thai rice is expected to climb steadily into next year, mainly because of the impact of drought on the world market as well as production in Thailand. However, there are still some factors that could suppress the price including the world economy, the financial problems in some countries, and the oil price, as it affects the purchasing power of some rice-importing nations. The Thai Rice Exporters Association (TREA) latest forecast that Thailand should be able to export between 9.5 million and 10 million tonnes of rice this year, as drought has increased demand in many countries, while Thailand has plenty of rice stocks. The drought will encourage higher rice prices in the world market and domestically amid higher demand amid lower production in Thailand and many countries. In Thailand alone, rice output is expected drop by 15-20 per cent or about 2 million to 3 million tonnes from the drought.

Vietnam rice exported stood about 2.92 million tonnes from January 01, 2015 – 23 July 2015 which is down by 19% from last seven months export figure of 3.63 million tones as per data received from Vietnam Food Association. The average FOB for rice in this year is approx USD 414/MT, down by 4% from last year same period price of USD 431/MT.

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.

Rice Prices in Various Markets:

July-27-2015	White Rice 5% Broken	White Rice 25% Broken
Gujrat	2524.45	2300.76
Andhra Pradesh	2504.20	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	3780
Denduluru	NR	Sona	2300	2500	2400
Repalli	0.1	B P T	3800	4000	3900
Visakhapatnam	0.1	B P T	3400	3600	3500
Assam					
Cachar	20	Common	2400	2900	2700
		Fine	3000	3600	3200
		Other	2000	2500	2300
Dhekiajuli	30	Common	1870	2100	2000
		Fine	2300	2600	2500
Dhing	98	Common	1800	2100	1950
		Fine	3200	3500	3350
Gauripur	9	Fine	3000	3500	3400
		Medium	1700	2000	1900
Karimganj	20	Common	2200	2400	2300
Lanka	20	Medium	1700	1800	1750
Nalbari	83	Common	1900	2100	2000
		Fine	2700	3100	2900
		Super Fine	3400	3800	3600
Bihar					
Bhagalpur	NR	Other	3800	4100	4000
Motihari	NR	Other	2500	3700	3000
Gujarat					
Dahod	21.1	Coarse	3400	4000	3850
Jharkhand					
Chakulia	NR	Fine	2160	2360	2250
		Medium	1970	2080	2030
Daltenganj	NR	Other	2150	2300	2230
Jamshedpur	NR	Fine	3500	3560	3550
		Medium	2250	2320	2300
Khunti	NR	Coarse	1750	1850	1800
		Fine	2500	2900	2700
		Medium	2350	2450	2400
		Other	1800	2200	2000
Koderma	51	Fine	3400	3600	3500
		Medium	2300	2500	2400
		Motta (Coarse) Boiled	1600	1800	1700
Lohardaga	NR	Common	1800	2200	2000

		Fine	2800	3000	2950
		Medium	2200	2400	2350
Saraikela	NR	Medium	2470	2600	2550
		Other	1850	2000	1980
Simdega	14	Boiled Rice	2130	2265	2200
		Broken Rice	1250	1475	1300
		Fine	2345	2500	2400
		Motta (Coarse) Boiled	1940	2100	2000
Kerala					
Aroor	6	Basumathi	8200	8400	8300
		IR-8	2400	2600	2500
		Jaya	3300	3500	3400
		Other	3000	3200	3100
Chengannur	8	IR-8	2400	2800	2500
		Jaya	3200	3600	3300
Manjeri	290	Other	2800	3800	3300
Mannar	10	IR-8	2600	2800	2700
		Jaya	3600	3800	3700
Maharashtra					
Bhivandi	**8**	**1009 Kar**	**1400**	**1800**	**1600**
Meghalaya					
Shillong	**0.8**	**Other**	**3400**	**3600**	**3500**
Orissa					
Bampada	10	Other	2300	3000	2400
Barikpur	**10**	**Common**	**2300**	**3000**	**2400**
		Other	2400	3200	2500
Bonai	0.4	Other	2200	2400	2400
Deogarh	9	Other	2000	3000	2500
Jajpur	NR	Other	2000	3000	2500
Jhumpura	NR	Other	1800	2600	2200
Karanjia	4.5	Common	2400	2700	2500
		Other	2200	2500	2400
Nawarangpur	27	Broken Rice	800	800	800
		Broken Rice(Kanki)	600	600	600
Uttar Pradesh					
Achalda	**37**	**III**	**NR**	**NR**	**2285**
Agra	44	III	NR	NR	2020
Akbarpur	57	III	2010	2050	2030
Allahabad	180	Other	NR	NR	2185
Babrala	80	Other	2100	2190	2145
Badayoun	**4**	**Other**	**2100**	**2180**	**2140**
Ballia	190	III	1970	2075	2015
Balrampur	32.5	Other	2030	2060	2045
Bareilly	228	Coarse	NR	NR	2150
Basti	70	III	1850	2000	1925
Bharthna	70	III	NR	NR	2270

Buland Shahr	**20**	**III**	**1800**	**2100**	**2035**
Chandoli	6	Other	1840	1880	1860
Chitwadagaon	600	III	1975	2100	2000
Chorichora	**10**	**III**	**2000**	**2025**	**2015**
Etawah	140	III	NR	NR	2275
Fatehabad	41	III	NR	NR	2020
Fatehpur	1	III	NR	NR	2230
Firozabad	14	III	1980	2030	2010
Ghaziabad	50	III	NR	NR	2180
Gonda	1600	III	1920	1975	1950
Jahanabad	1.5	Coarse	NR	NR	2160
Jaunpur	**50**	**Coarse**	**1925**	**2025**	**1975**
Jhansi	9	Other	1900	2000	1950
Kasganj	16	Coarse	2020	2075	2040
Khaga	8	Coarse	NR	NR	2215
Khairagarh	12	III	2000	2060	2030
Khurja	5	III	NR	NR	2030
Lakhimpur	12	Other	2100	2200	2130
Lucknow	110	Coarse	2100	2200	2150
Mawana	1	III	NR	NR	2160
Mirzapur	7	Other	NR	NR	1980
Muradabad	9	III	NR	NR	2120
Muzzafarnagar	15	Common	NR	NR	2160
Najibabad	**30**	**Other**	**NR**	**NR**	**2150**
Naugarh	5.5	III	1925	1965	1945
Orai	**NR**	**Other**	**NR**	**NR**	**2000**
Partaval	25	III	1925	1975	1950
Payagpur	6	III	2025	2060	2035
Pratapgarh	32.5	III	2020	2080	2050
Saharanpur	62	III	NR	NR	2150
Sardhana	0.5	III	NR	NR	2165
Shahaswan	50	Other	2100	2180	2140
Shahganj	NR	III	1900	1940	1920
Shahjahanpur	57.4	Other	820	865	850
Sirsa	8	III	NR	NR	2115
Sitapur	28.5	Coarse	2060	2200	2110
Siyana	1.5	III	NR	NR	2045
Uttrakhand					
Gadarpur	1041	Other	1500	2049	1775
Roorkee	400	Other	1900	1900	1900
Tanakpur	7	Other	2000	2100	2050
West Bengal					
Balarampur	2	Other	2200	2230	2220
Balurghat	26	Other	1860	1950	1900
Bolpur	194	Fine	2100	2200	2150
		Other	1950	2050	1980
Champadanga	8	Other	2450	2650	2550
		Ratnachudi (718 5-749)	2450	2650	2550

Coochbehar	4.5	Coarse	2025	2100	2050
		Masuri	2750	2900	2850
Darjeeling	2.2	Parimal (New)	2350	2500	2400
Gajol	61	Fine	2600	2700	2650
		H.Y.V.	2100	2300	2200
		Other	1900	2000	1950
Habra	51.5	Other	1870	1870	1870
Islampur	3	Other	2100	2200	2150
Jalpaiguri Sadar	3	Fine	2750	2850	2800
		Other	2150	2250	2200
		Super Fine	2950	3600	3500
Jiaganj	15	Other	2200	2300	2250
Kalna	78	Coarse (I.R.20)	1890	1910	1900
		Fine	1990	2010	2000
Karsiyang(Matigara)	0.16	Parimal (New)	2200	2400	2300
Lalbagh	12.5	Other	2250	2350	2300
Medinipur(West)	13	Other	2250	2300	2300
Mekhliganj	17.5	Common	1800	1900	1850
		Fine	3000	3100	3050
Nadia	50	Fine	2700	2800	2750
Pundibari	2.5	Coarse	2000	2100	2050
Purulia	51	Other	2360	2360	2360
Raiganj	13	Other	2570	2640	2600
Sheoraphuly	8	Ratnachudi (718 5-749)	2400	2500	2450

(Arrivals and Prices in Rs/Qtl)