Domestic Market Highlights:

The total sown area as on 31st July, as per reports received from States, stands at 764.28 lakh hectare as compared to 703.43 lakh hectare at this time last year which is up by around 8% from same period last year. It is reported that rice has been sown/transplanted in 227.81 lakh ha against 214.82 lakh hectare in 2014.

The government set a target to procure 30 million tonne (MT) of rice during the next kharif marketing season (2015-16) starting from October 1. We expect that government is likely to procure 27.5-28.5 million tonnes which is lower by 8-9% from procurement target due to higher open market price and lower stock with private traders. Punjab (8.2 mt) has the highest target, followed by Chhattisgarh (3.6 mt), Odisha (2.8 mt), Uttar Pradesh (2.75 mt), Haryana (2.35 mt), Andhra Pradesh and Bihar (2 mt each), Telangana and West Bengal (1.8 mt each).

Total rice export (including non basmati) in the 04th week of July(20-26 July-2015) is accounted approx 52,371 T as per data received from IBIS. Kakinada, mundra and Kandla were the major port for basmati rice import center during this period.

Agriwatch estimates that rice price in domestic as well global markets is likely to firming up in coming months due to continuous thinning of stock, lower rainfall prediction by IMD and supported overseas demand.

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.

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					
Denduluru	NR	Sona	2300	2500	2400
Kondapi	0.1	B P T	3600	3800	3700
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	35	Common	1800	2000	1900
		Fine	2240	2560	2450
Dhing	88.5	Common	1800	2100	1950
		Fine	3350	3600	3500
Dibrugarh	NR	Other	2200	2800	2500
Gauripur	20	Other	2000	3600	3500
Hailakandi	4	Common	2400	2900	2700
		Fine	3000	3600	3200
		Other	2000	2500	2300

Lanka	30	Medium	1700	1800	1750
P.O. Uparhali Guwahati	77	Common	1800	2400	2100
		Fine	2100	3500	2800
		Super Fine	3400	14000	8700
Sivasagar	NR	Broken Rice	1520	1620	1570
		Common	1780	2010	1945
		Fine	2380	2550	2465
		Medium	2088	2158	2123
		Super Fine	5452	5680	5566
Gujarat					
Dahod	30.8	Coarse	3400	4000	3850
Jharkhand					
Jamshedpur	NR	Fine	3460	3540	3500
		Medium	2230	2300	2250
Lohardaga	20	Common	1700	2000	1800
		Fine	2800	3000	2950
		Medium	2100	2300	2200
Pakur	NR	Fine	3042	3250	3136
Kerala					
Alappuzha	10	Basmati Paddy	3700	3800	3750
		IR-8	2600	2750	2675
		Jaya	2800	2925	2875
		Other	3350	3475	3400
		Ponni	2650	2750	2700
Aroor	5	Basumathi	8200	8400	8300
		IR-8	2400	2600	2500
		Jaya	3200	3400	3300
		Other	3300	3500	3400
Chengannur	6	IR-8	2400	2800	2500
		Jaya	3200	3500	3400
Manjeri	290	Other	2800	3800	3300
Mannar	10	IR-8	2500	2700	2600
		Jaya	3800	4000	3900
Punalur	2	Basumathi	5000	7500	6000
		IR-8	2700	3000	2800
		IR-8 Raw (New)	2500	3000	2800
		Jaya	3000	3800	3500
Meghalaya					
Shillong	1	Other	3400	3600	3500
Orissa					
Bolangir	6	Other	2300	2400	2300
Bonai	0.4	Other	2200	2400	2400
Deogarh	9	Other	2500	3500	3000
Jajpur	NR	Other	2000	2800	2500
Karanjia	5.6	Common	2400	2700	2500
		Other	2200	2500	2400
Nilagiri	10	Other	2300	2500	2400
Tusura	5	Other	2200	2300	2200
Tripura					

Kalyanpur	6	Masuri	2400	2600	2500
Santir Bazar	1.4	Coarse	2500	2600	2550
		Medium	2600	2700	2650
Uttar Pradesh					
Achalda	45	III	NR	NR	2275
Achnera	44	III	2000	2060	2030
Agra	41	III	NR	NR	2025
Ajuha	21.5	Other	NR	NR	2050
Bahraich	117	III	2050	2080	2065
Bharthna	60	III	NR	NR	2270
Bharwari	192.5	Other	NR	NR	2090
Bijnaur	15	III	NR	NR	2150
Bindki	110	Other	NR	NR	2175
Chandoli	6.5	Other	1850	1890	1870
Chorichora	20	III	1990	2005	2000
Dadri	65	III	NR	NR	2090
Dhampur	600	Common	NR	NR	2150
Dhanura	2.5	III	NR	NR	2085
Divai	9	III	2000	2080	2040
Etawah	150	III	NR	NR	2275
Ghaziabad	70	III	NR	NR	2175
Gonda	150	III	1930	1990	1970
Gorakhpur	280	III	2020	2080	2050
Jahanabad	14.5	Coarse	NR	NR	2160
Jahangirabad	2	Other	NR	NR	2035
Kannauj	11	III	NR	NR	2220
Khurja	4	III	NR	NR	2035
Lakhimpur	13	Other	2100	2200	2130
Lucknow	74	Coarse	2100	2200	2160
Mawana	1.5	III	NR	NR	2150
Mirzapur	6	Other	NR	NR	1970
Muradabad	12	III	NR	NR	2100
Muzzafarnagar	23	Common	NR	NR	2155
Naugarh	4	III	1925	1970	1950
Partaval	20	III	1420	1475	1445
Pilibhit	124	Coarse	2165	2200	2185
Pratapgarh	35	III	2025	2075	2050
Raibareilly	5.5	Other	2050	2100	2070
Rampur	5	Other	2100	2125	2120
Saharanpur	68	III	NR	NR	2150
Sardhana	NR	III	NR	NR	2165
Shahganj	NR	III	1880	1920	1900
Shahjahanpur	127.6	Other	1985	2015	2005
Sitapur	29	Coarse	2060	2200	2109
Siyana	1.5	III	NR	NR	2050
Utraula	25	Other	2000	2030	2015
Yusufpur	20	III	1950	2000	1975
Uttrakhand					
Bazpur	220	Common	2250	2250	2250
Gadarpur	1429	Other	2010	2100	2050
West Bengal					

Balarampur	2	Other	2200	2230	2220
Beldanga	33.5	Other	2250	2350	2300
Bolpur	194	Fine	2100	2200	2150
		Other	1950	2050	1980
Champadanga	10	Ratnachudi (718 5-749)	2450	2650	2550
Coochbehar	8.5	Coarse	2025	2100	2050
		Masuri	2750	2900	2850
Gajol	76	Fine	2500	2600	2550
		H.Y.V.	2100	2300	2200
		Other	1800	1900	1850
Islampur	4	Other	2100	2200	2150
Jalpaiguri Sadar	22	Fine	2750	2870	2830
		Other	2170	2280	2200
		Super Fine	3470	3600	3500
Kalipur	37	Other	1900	2000	1950
		Sona Mansoori Non Basmati	1800	1900	1850
Kasipur	1.3	Other	2200	2200	2200
Mekhliganj	16.5	Common	1800	1900	1850
		Fine	3050	3150	3100
Pandua	46	Ratnachudi (718 5-749)	2300	2500	2400
Purulia	44	Other	2360	2360	2360
Samsi	300	Fine	2690	2720	2700
		H.Y.V.	1990	2020	2000
Sheoraphuly	7.5	Ratnachudi (718 5-749)	2400	2500	2450

(Arrivals and Prices in Rs/Qtl)