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					
Addanki	NR	B P T	3750	3800	3780
Chirala	0.1	B P T	3100	3200	3150
Repalli	0.1	B P T	3800	4000	3900
Visakhapatnam	0.1	B P T	3400	3600	3500
Assam					
Cachar	60	Common	2400	2900	2700
		Fine	3000	3600	3200
		Other	2000	2500	2300
Gauripur	20	Other	2200	3000	2600
Goalpara	124.2	Fine	3000	3800	3200
Jorhat	20	Common	2000	3000	2800
Lanka	25	Medium	1700	1800	1750
Srirampur	240	Other	2800	3100	2900
Bihar					
Kishanganj	NR	Other	2400	2800	2600

Gujarat					
Dahod	23	Coarse	3400	4000	3600
Jharkhand					
Chakulia	NR	Fine	2160	2340	2250
		Medium	1970	2080	2030
Daltenganj	NR	Other	2170	2300	2250
Pakur	5	Fine	3060	3255	3140
Saraikela	NR	Medium	2410	2600	2590
		Other	1890	2000	1930
Kerala					
Aroor	4	Basumathi	8000	8200	8100
		IR-8	2300	2500	2400
		Jaya	3100	3300	3200
		Other	3200	3400	3300
Chengannur	6	IR-8	2450	2800	2500
		Jaya	3200	3500	3300
Kottayam	10	Other	2800	3300	3200
Mannar	10	IR-8	3000	3200	3100
		Jaya	3800	4000	3900
Punalur	2.5	Basumathi	5000	7000	6500
		Jaya	2800	3000	2900
Orissa					
Bolangir	5	Other	2300	2400	2300
Bonai	0.5	Other	2200	2400	2400
Chandabali	85	Common	1400	1800	1800
Deogarh	9	Other	2000	3000	2500
Jeypore	12.5	Common	300	330	325
Jeypore(Kotpad)	1.9	Common	3000	3300	3250
Karanjia	5.6	Common	2500	2700	2600
		Other	2400	2500	2460
Nimapara	4.5	Other	1800	2000	1900
Rahama	2.75	Other	2000	3000	2200
Tusura	5	Other	2300	2400	2300
Tripura					
Mohanpur	7	Masuri	2700	2900	2800
		Other	2600	2700	2650
Uttar Pradesh					
Achalda	40	III	NR	NR	2280
Ajuha	16	Other	NR	NR	2065
Allahabad	150	Other	NR	NR	2200
Azamgarh	165	III	2050	2100	2070
Badayoun	3	Other	2100	2170	2135
Baraut	8	III	NR	NR	2115
Bijnaur	NR	III	NR	NR	2150
Bindki	95	Other	NR	NR	2145
Buland Shahr	**20**	**III**	**1800**	**2100**	**2045**
Dadri	60	III	NR	NR	2135
Gazipur	44	III	1975	2005	1990

Ghaziabad	70	III	NR	NR	2165
Jaunpur	70	Coarse	1925	2025	1980
Jhansi	7.5	Other	1900	2000	1950
Khaga	8	Coarse	NR	NR	2210
Khairagarh	16	III	2000	2060	2030
Lalganj	2.5	III	1980	2010	2000
Lucknow	103	Coarse	2050	2175	2140
Mawana	2	III	NR	NR	2160
Mirzapur	8	Other	1950	1990	1975
Muradabad	**6**	**III**	**NR**	**NR**	**2130**
Partaval	30	III	1910	1970	1935
Pilibhit	140	Coarse	2170	2210	2190
Raibareilly	5	Other	2050	2100	2075
Rampur	6.5	Other	2100	2130	2120
Rura	5	III	NR	NR	2240
Saharanpur	58	III	NR	NR	2170
Sardhana	NR	III	NR	NR	2130
Shahganj	**NR**	**III**	**1920**	**1960**	**1940**
Shahjahanpur	55.8	Other	2000	2025	2010
Sitapur	31	Coarse	2050	2200	2100
Tilhar	**2**	**Other**	**NR**	**NR**	**2150**
West Bengal					
Baxirhat	36	Masuri	2875	2925	2900
Beldanga	**32**	**Other**	**2250**	**2350**	**2300**
Bolpur	194	Fine	2100	2200	2150
		Other	1950	2050	1980
Champadanga	15	Ratnachudi (718 5-749)	2500	2700	2600
Coochbehar	6	Coarse	2025	2100	2050
		Masuri	2750	2900	2850
Egra/contai	55	Coarse	2050	2160	2100
		Fine	**2470**	**2550**	**2500**
Gajol	45	Fine	2500	2600	2550
		H.Y.V.	2100	2300	2200
		Other	1800	1900	1850
Habra	51.5	Other	1870	1870	1870
Islampur	4	Other	2100	2200	2150
Jalpaiguri Sadar	22	Fine	2750	2880	2840
		Other	2180	2280	2215
		Super Fine	3470	3600	3500
Kaliaganj	10	Other	2525	2600	2550
Kalimpong	0.9	Other	2200	2400	2300
Kalipur	60	Other	1950	2050	2000
		Sona Mansoori Non Basmati	1850	1950	1900
Karimpur	2	Other	3100	3200	3150
Kasimbazar	32.5	Other	2250	2350	2300
Medinipur(West)	10	Other	2280	2300	2300

Pandua	46	Ratnachudi (718 5-749)	2300	2500	2400
Pundibari	2	Coarse	2000	2100	2050
Purulia	58	Other	2340	2340	2340
Raiganj	9	Other	2630	2690	2650

(Arrivals and Prices in Rs/Qtl)