

Domestic Market Highlights:

Saudi Arabia has emerged as the top importer for Indian aromatic rice for the fifth consecutive month in July. This month, Iran took the third position replacing Iraq which slipped to 5th position. Lowest FOB quotes were received by Iraq and USA, whereas higher price was offered by Kuwait and Saudi Arabia.

Total Rice export for MY-2014-15 till July-15 was 100 Lakh tonnes which was up by around 19% from last year's export of 88.3 lakh tonnes for the same period. Non-basmati rice export in the month of July was 6.14 lakh tonnes and basmati exports for MY-2014-15(Oct14-Sep-15) in the month was 2.7 lakh tonnes. For the remaining three months (Aug-Sept-2015) we expect around 12-15 lakh tonnes of rice to be exported from India. The total rice export expectation is approx 11-11.5 million tonnes for MY- 2014-15 which will up by 10% from MY 2013-14 export of 10.4 million tonnes.

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.

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:

Pakistani Farmers are engaged in transplanting rice with better than average irrigation water supplies. The Meteorological Department has forecasted that the total amount of rainfall during the upcoming monsoon season (July-September) will remain slightly below normal and glacier melt rate will be slightly more than normal, which means that overall availability of water in the country for the Kharif (summer) crops should be satisfactory.

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:

Aug-06-2015	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	1	B P T	3100	3200	3150
Divi	0.1	B P T	3100	3200	3100
Ongole	0.1	B P T	3400	3500	3440
Assam					
Dhekiajuli	26	Common	1900	2150	2050
		Fine	2300	2650	2500
Bihar					
Kishanganj	NR	Other	2400	2800	2600

Motihari	NR	Other	2500	3700	3000
Gujarat					
Dahod	49.2	Coarse	3400	4000	3600
Jharkhand					
Gumla	NR	Other	2900	3400	3150
Jamshedpur	NR	Fine	3500	3550	3520
		Medium	2240	2280	2260
Lohardaga	NR	Common	1700	2000	1800
		Fine	2800	3000	2900
		Medium	2100	2400	2200
Pakur	3.71	Fine	3044	3229	3155
Ranchi	NR	Coarse	1825	2280	2100
		Fine	3000	6100	3300
		Medium	2350	2675	2450
Simdega	NR	Boiled Rice	2140	2275	2200
		Broken Rice	1275	1480	1300
		Fine	2350	2500	2400
		Motta (Coarse) Boiled	1950	2100	2000
Maharashtra					
Aheri	3	Other	1750	1750	1750
Orissa					
Bonai	0.3	Other	2200	2400	2400
Junagarh	71.16	Other	2100	2200	2200
Karanjia	4	Common	2500	2700	2600
		Other	2400	2460	2450
Nimapara	4.5	Other	1800	2000	1900
Udala	45	Other	2000	4500	2700
Uttar Pradesh					
Chorichora	18	III	2005	2020	2015
Dibiapur	4	III	NR	NR	2270
Mirzapur	5	Other	1950	2000	1980
West Bengal					
Beldanga	32	Other	2250	2350	2300
Bolpur	194	Fine	2100	2200	2150
		Other	1950	2050	1980
Champadanga	14	Ratnachudi (718 5-749)	2500	2700	2600
Coochbehar	40	Coarse	2050	2100	2060
		Masuri	2800	2950	2870
Islampur	3	Other	2100	2200	2150
Kalipur	112	Other	1950	2100	2050
		Sona Mansoori Non Basmati	1850	1950	1900

Kasimbazar	29.5	Other	2250	2350	2300
Pundibari	9	Coarse	2025	2100	2030
Purulia	54	Other	2340	2480	2340
Sheoraphuly	11	Ratnachudi (718 5-749)	2600	2700	2650

(Arrivals and Prices in Rs/Qtl)

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