Domestic Market Highlights:

Paddy sowing has increased by 4.50 per cent to 277.89 lakh hectares so far in the ongoing kharif season compared with the last year. The area under paddy last year at the same time was 265.90 lakh hectares.

According to FAO, Pakistan Basmati FOB in the month of July traded steady to slightly weak from the previous month and currently hovers in the range of USD 868/MT. On the other hand, Indian FOB in the month of July moved up from last month and currently is in the range of USD 890-895/MT.
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.

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:

As per statement given by Thai commerce ministry, China will buy 1 million tonnes of rice from Thailand, easing pressure on a military government struggling to shift stockpiles of the grain accumulated under a previous farm-subsidy programme. Thai Commerce Minister Chatchai Sirikalya, following a visit to China recently and said that country agreed to buy 1 million tonnes of rice to be delivered at year-end. Thailand, the world's second-largest rice exporter, has about 14.5 million tonne in stockpiles built up under a generous rice subsidy scheme run by a government that was overthrown by the military in May 2014. In December, China would buy 2 million tonnes of rice after the two countries signed a memorandum of understanding during a two-day regional summit in Bangkok. Thailand commerce minister also stated that Iran has expressed interest in buying rice at the end of August.

For marketing year (MY) 2015/16 (May to April), Bangladesh estimate for total rice area and production is unchanged at 11.8 million hectares and 34.8 million tons. For MY 2014/15, the rice import estimate increased to 1.2 million tons on revised customs data.

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:

August 08-2015	White Rice 5% Broken	White Rice 25% Broken
Gujrat	2522.87	2299.32
Andhra Pradesh	2502.62	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					
Chirala	0.1	B P T	3100	3200	3150
Divi	0.1	B P T	3100	3200	3100
Narasaraopet	0.1	B P T	4000	4200	4100
Visakhapatnam	0.1	B P T	3400	36000	3500
Assam					
Bohorihat	13	Coarse	2000	2200	2100
		Fine	2800	3200	3000
Cachar	30	Common	2400	2900	2700
		Fine	3000	3600	3200
		Other	2000	2500	2300
Dhekiajuli	NR	Common	2100	2300	2230
		Fine	2400	2700	2500
Dhing	97.2	Common	1800	2100	1950
		Fine	3300	3500	3450
Dibrugarh	NR	Other	2200	2800	2500
Gauripur	20	Other	2200	3000	2600
Karimganj	20	Common	2200	2400	2300
P.O. Uparhali Guwahati	63.2	Common	1800	2400	2100
		Fine	2100	3500	2800
		Super Fine	3400	14000	8700
Srirampur	250	Other	2850	3100	2950
Jharkhand					
Deoghar	NR	Fine	2100	2300	2200
		Medium	1900	2100	2000
		Motta (Coarse) Boiled	1900	2100	2000
Dumka	NR	Coarse	1800	2100	2000
		Medium	2800	3200	3100
Lohardaga	20	Common	2000	2200	2100
		Fine	2800	3200	3000
		Medium	2200	2400	2300
Ranchi	NR	Fine	3000	6100	3300
		Medium	2350	2675	2450
		Other	1825	2280	2100
Karnataka					
Bangalore	2502	Medium	4000	4500	4300

Bangarpet	429	Broken Rice	1390	1960	1830
		Sarbati Raw	2550	3000	2900
Kolar	11	Coarse	3800	4500	3975
Madikeri	6	Other	1450	1450	1450
Kerala					
Alappuzha	10	Basmati Paddy	3700	3800	3750
		IR-8	2550	2625	2600
		Jaya	2750	2850	2800
		Other	3350	3475	3400
		Ponni	2650	2725	2700
Aroor	5	Basumathi	6700	6900	6800
		IR-8	2600	2800	2700
		Jaya	2800	3000	2900
		Other	**3100**	**3300**	**3200**
Mannar	10	IR-8	2600	2800	2700
		Jaya	**3800**	**4000**	**3900**
Maharashtra					
Mangaon	**1**	**Other**	**1800**	**3500**	**2500**
Palghar	74	1009 Kar	2925	3800	3100
Meghalaya					
Shillong	0.5	Other	3400	3600	3500
Orissa					
Bampada	10	Other	2300	3200	2400
Bolangir	6	Other	2200	2300	2200
Bonai	0.3	Other	2200	2400	2400
Chandabali	85	Common	1400	1800	1400
Jajpur	NR	Other	1800	2600	2200
Jeypore	**4.5**	**Common**	**300**	**330**	**325**
Jeypore(Kotpad)	7.8	Common	3000	3300	3250
Nimapara	5	Other	2000	2400	2200
Uttar Pradesh					
Achalda	**46.5**	**III**	**NR**	**NR**	**2270**
Ajuha	18	Other	NR	NR	2100
Allahabad	140	Other	NR	NR	2230
Bahraich	98	III	2050	2080	2065
Ballia	200	III	1975	2100	2015
Balrampur	30	Other	2020	2050	2035
Baraut	**12**	**III**	**NR**	**NR**	**2100**
Basti	87.5	III	1875	2000	1930
Bijnaur	**20**	**III**	**NR**	**NR**	**2160**
Bindki	60	Other	NR	NR	2165
Buland Shahr	**10**	**III**	**1800**	**2100**	**2025**
Chorichora	12.5	III	2020	2065	2040
Dadri	60	III	NR	NR	2140
Etawah	170	III	NR	NR	2250
Fatehpur	3.5	III	NR	NR	2225
Gazipur	**38**	**III**	**1980**	**2020**	**2000**
Jahanabad	12.2	Coarse	NR	NR	2110

Jaunpur	60	Coarse	1950	2050	2000
Kanpur(Grain)	260	III	NR	NR	2150
Khairagarh	**12**	**III**	**2030**	**2070**	**2050**
Khatauli	NR	III	2050	2165	2100
Khurja	**6**	**III**	**NR**	**NR**	**2035**
Lakhimpur	10	Other	2100	2200	2130
Lucknow	118	Coarse	2080	2200	2130
Mirzapur	5	Other	1930	1970	1950
Naugarh	8.5	III	1910	1955	1930
Partaval	4	III	1910	1950	1930
Payagpur	6.5	III	2050	2085	2070
Pilibhit	98	Coarse	2170	2210	2190
Pratapgarh	53	III	2010	2070	2040
Rampur	5	Other	2100	2150	2120
Rura	4.5	III	NR	NR	2255
Saharanpur	30	III	NR	NR	2165
Sardhana	1	III	NR	NR	2150
Sehjanwa	77	III	1900	2125	2050
Shahabad(New Mandi)	8	Other	2150	2250	2200
Shahganj	20	III	1920	1960	1940
Shahjahanpur	20.9	Other	2010	2065	2040
Sirsa	9.5	III	NR	NR	2130
Sitapur	42	Coarse	2050	2200	2110
Siyana	2	III	NR	NR	2035
Sultanpur	250	Other	2050	2150	2085
Varanasi(Grain)	345	Other	2010	2080	2040
Uttrakhand					
Bazpur	200	Common	1860	1860	1860
West Bengal					
Barasat	60	Masuri	2400	2500	2450
		Other	2550	2650	2600
Bishnupur(Bankura)	20	Masuri	2080	2130	2100
		Other	2270	2330	2300
Bolpur	194	Fine	2100	2200	2150
		Other	1950	2050	1980
Champadanga	12	Ratnachudi (718 5-749)	2500	2700	2600
Coochbehar	41	Coarse	2040	2100	2060
		Masuri	2875	2950	2900
Ghatal	32	Fine	2120	2170	2150
Guskara(Burdwan)	137	Fine	2140	2180	2160
Islampur	3	Other	2100	2200	2150
Jalpaiguri Sadar	21	Fine	2780	3000	2860
		Other	2200	2280	2230
		Super Fine	3500	3650	3525
Kalipur	108	Other	1900	2000	1950
		Sona Mansoori Non	1800	1900	1850

		Basmati			
Khatra	39	Other	2250	2340	2300
Medinipur(West)	15	Other	2270	2300	2300
Mekhliganj	19	Fine	3050	3150	3100
Memari	154	Fine	1980	2020	2000
Pundibari	8	Coarse	2025	2100	2030
Purulia	52	Other	2340	2340	2340
Ramkrishanpur(Howrah)	22.6	Other	2400	2600	2500
		Sona Mansoori Non Basmati	**2100**	**2300**	**2200**
Sheoraphuly	11	Ratnachudi (718 5-749)	2600	2700	2650
Uluberia	11.6	Other	2300	2500	2400
		Sona Mansoori Non Basmati	2100	2300	2200

(Arrivals and Prices in Rs/Qtl)