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 12-2015	White Rice 5% Broken	White Rice 25% Broken
Gujrat	2527.20	2300.40
Andhra Pradesh	2506.95	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
Tiruvuru	NR	Fine	3300	3500	3400
Visakhapatnam	0.1	B P T	3400	3600	3500
Assam					
Dhekiajuli	32	Common	1900	2100	2000
		Fine	2300	2600	2500
Dibrugarh	NR	Other	2200	2800	2500
Gauripur	23	Fine	3500	5000	4500
		Other	2200	3000	2600
Golaghat	30	Common	2300	2400	2350
Karimganj	40	Common	2200	2400	2300
P.O. Uparhali Guwahati	72.5	Common	1800	2400	2100
		Fine	2100	3500	2800
		Super Fine	3400	14000	8700
Srirampur	260	Other	2850	3100	2950
Bihar					
Bhagalpur	NR	Other	3800	4000	3900
Motihari	NR	Other	2500	3700	3000
Gujarat					
Dahod	25.8	Coarse	3400	4000	3800
Jhagadiya	NR	Other	1900	3075	2550
Jharkhand					
Daltenganj	NR	Other	2150	2300	2230
Dumka	NR	Coarse	1800	2100	2000
		Medium	2800	3200	3100
Giridih	12.84	Fine	3300	3500	3500
		Medium	2300	2500	2500
		Motta (Coarse) Boiled	2100	2200	2200
Gumla	NR	Other	2900	3200	3050
Khunti	NR	Coarse	1750	1850	1800
		Fine	2500	2900	2700
		Medium	2350	2450	2400
		Other	1800	2200	2000
Lohardaga	NR	Common	2000	2200	2100
		Fine	2800	3200	3000

		Medium	2200	2400	2300
Pakur	2.77	Fine	3041	3220	3125
Ranchi	NR	Fine	3000	6100	3300
		Medium	2350	2675	2450
		Other	1825	2280	2100
Saraikela	NR	Medium	2490	2600	2580
		Other	1880	2000	1920
Karnataka					
Bangalore	1990	Medium	4000	4500	4300
Bangarpet	292	Broken Rice	1380	1950	1820
		Sarbati Raw	2300	2860	2680
Kolar	16	Fine	3800	4500	4089
T. Narasipura	10	CR 1009 (Coarse) Boiled	3160	3160	3160
Kerala					
Aroor	4	Basumathi	6800	7000	6900
		IR-8	2500	2700	2600
		Jaya	**3100**	**3300**	**3200**
		Other	2900	3100	3000
Chengannur	NR	IR-8	2450	2800	2600
		Jaya	3200	3600	3500
Ernakulam	3	Jaya	3400	3450	3450
Mannar	**10**	**IR-8**	**2900**	**3100**	**3000**
		Jaya	3800	4000	3900
Maharashtra					
Bhivandi	7	1009 Kar	1600	2000	1800
Devala	NR	Other	1650	1650	1650
Mangaon	1	Other	1800	3500	2500
Palghar	38	1009 Kar	2515	3946	2730
Manipur					
Imphal	**3.9**	**Other**	**NR**	**3100**	**3100**
Lamlong Bazaar	1	Other	NR	3000	3000
Thoubal	1.6	Other	2900	2900	2900
Orissa					
Balugaon	15	Sona Mansoori Non Basmati	2850	2900	2900
Bhawanipatna	11	Other	2000	2000	2000
Jatni	2	Masuri	2000	2500	2250
Jeypore	5.5	Other	4000	4200	4100
Jeypore(Kotpad)	13	Common	3000	3300	3250
Uttar Pradesh					
Achalda	35	III	NR	NR	2275
Ajuha	**23.5**	**Other**	**NR**	**NR**	**2085**
Akbarpur	48	III	2030	2070	2050
Aligarh	**80**	**III**	**2000**	**2100**	**2070**
Allahabad	160	Other	NR	NR	2230

Badayoun	2	Other	2100	2190	2145
Ballia	190	III	1975	2100	2015
Bindki	**80**	**Other**	**NR**	**NR**	**2160**
Firozabad	12	III	2010	2050	2030
Gazipur	40	III	1985	2015	2000
Gonda	70	III	1970	1995	1985
Gorakhpur	**245**	**III**	**2075**	**2170**	**2125**
Haathras	40	Coarse	2000	2100	2060
Jaunpur	55	Coarse	1950	2050	1990
Kanpur(Grain)	250	III	NR	NR	2160
Khaga	10	Coarse	NR	NR	2200
Lakhimpur	**12**	**Other**	**2100**	**2200**	**2125**
Lucknow	108	Coarse	2100	2225	2150
Mirzapur	**6**	**Other**	**1930**	**1980**	**1950**
Naugarh	7.5	III	1910	1955	1930
Partaval	26	III	1915	1970	1935
Payagpur	5.5	III	2050	2090	2065
Pratapgarh	51	III	2025	2075	2050
Raibareilly	6.5	Other	2060	2100	2070
Rura	5.5	III	NR	NR	2245
Saharanpur	25	III	NR	NR	2165
Sehjanwa	80	III	1900	2150	2040
Shahganj	NR	III	1910	1950	1930
Shahjahanpur	20	Other	2000	2060	2040
Siyana	1.5	III	NR	NR	2030
Uttrakhand					
Gadarpur	2380	Other	1835	1900	1867
West Bengal					
Balurghat	27	Other	1860	1950	1900
Beldanga	34	Other	2250	2350	2300
Bolpur	194	Fine	2100	2200	2150
		Other	1950	2050	1980
Champadanga	16	Ratnachudi (718 5-749)	2500	2700	2600
Coochbehar	42.5	Coarse	2050	2100	2060
		Masuri	2850	2950	2900
Egra/contai	52	Coarse	2050	2150	2100
		Fine	2470	2550	2500
Haldibari	15	Fine	2600	2700	2650
Islampur	3	Other	2100	2200	2150
Kaliaganj	12	Other	2480	2530	2500
Kalimpong	1.4	Other	2200	2400	2300
Kalipur	112	Other	1900	2000	1950
		Sona Mansoori Non Basmati	1800	1900	1850
Kasimbazar	33.5	Other	2250	2350	2300
Kasipur	1.2	Other	2220	2220	2220

Medinipur(West)	16	Other	2250	2300	2300
Mekhliganj	18	Common	1850	1950	1900
		Fine	3050	3150	3100
Pandua	50	Ratnachudi (718 5-749)	2300	2550	2450
Pundibari	18	Coarse	2025	2100	2030
Purulia	50	Other	2340	2360	2340
Raiganj	**14**	**Other**	**2575**	**2640**	**2600**
Sheoraphuly	10	Ratnachudi (718 5-749)	2600	2700	2650

(Arrivals and Prices in Rs/Qtl)

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