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.

With good rainfall this monsoon season, Rajasthan is likely to have bumper kharif crop production as the sowing was done in 144 lakh hectare area so far as against a target of 157 lakh hectare in 2015.With the excess rainfall as compared to last year, the sowing targets of kharif crops including Bajra, Sorghum, cereals, rice, and pulses were achieved at an average of 92 per cent so far.

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					
Addanki	NR	B P T	3750	3800	3780
Chirala	0.1	B P T	3100	3200	3150
Denduluru	NR	Sona	2300	2500	2400
Divi	0.1	B P T	3100	3200	3100
Ichapuram	48	Rice Floor	2500	3000	2800
Kondapi	0.1	B P T	3600	3800	3700
Nandyal	0.1	Sona Fine	3900	4000	3950
Narasaraopet	NR	B P T	4000	4200	4100
Ongole	0.1	B P T	3300	3400	3350
Repalli	0.1	B P T	4000	4200	4100
Tiruvuru	NR	Fine	3300	3500	3400
Visakhapatnam	0.1	B P T	3500	3700	3600
Assam					
Bohorihat	20	Coarse	2000	2300	2150
		Fine	2800	3200	3000
Cachar	120	Common	2400	2900	2700
		Fine	3000	3600	3200
		Other	2000	2500	2300
Dhing	86	Common	1800	2100	1950
		Fine	3300	3600	3450
Dibrugarh	NR	Other	2200	2800	2500
Gauripur	30	Fine	3500	5000	4500
Goalpara	124.8	Fine	3000	3800	3200
Hailakandi	3	Common	2400	2900	2700
		Other	2000	2500	2300
Gujarat					
Dahod	21.6	Coarse	3400	4000	3700
Jharkhand					
Chakulia	NR	Fine	2150	2350	2260

		Medium	1960	2070	2020
Daltenganj	NR	Other	2170	2300	2250
Giridih	16.37	Fine	3300	3520	3520
		Medium	2300	2560	2560
		Motta (Coarse) Boiled	2100	2240	2240
Gumla	NR	Other	2900	3200	3050
Jamshedpur	NR	Fine	3500	3560	3520
		Medium	2000	2100	2050
Khunti	NR	Coarse	1750	1850	1800
		Fine	2500	2900	2700
		Medium	2350	2450	2400
		Other	1800	2200	2000
Koderma	49	Fine	3300	3500	3400
		Medium	2200	2500	2300
		Motta (Coarse) Boiled	1500	1700	1600
Lohardaga	26	Common	1800	2200	2000
		Fine	2600	3000	2800
		Medium	2200	2400	2350
Pakur	5.45	Fine	3021	3230	3142
Ranchi	NR	Fine	3000	6100	3300
		Medium	2350	2675	2450
		Other	1825	2280	2100
Saraikela	NR	Medium	2420	2600	2510
		Other	1810	2000	1940
Karnataka					
Bangalore	2207	Medium	4000	4500	4300
Bangarpet	249	Broken Rice	1380	1720	1540
		Sarbati Raw	2900	3200	3000
Hanagal	6	Broken Rice	2000	2000	2000
Maharashtra					
Alibagh	3	Other	3200	3400	3300
Palghar	27	1009 Kar	2175	2848	2513
Orissa					
Balugaon	12	Sona Mansoori Non Basmati	2800	3000	2900
Bolangir	5.5	Other	2200	2300	2200
Bonai	0.4	Other	2200	2400	2400
Deogarh	9	Other	2000	3000	2500
Jajpur	NR	Other	1900	2600	2200
Jeypore	7.5	Common	300	330	325
Jharsuguda	2	Other	2500	3600	3000

Karanjia	6.5	Common	2500	2700	2600
		Other	2400	2500	2450
Rahama	1.56	Other	2200	3000	2300
Tusura	7	Other	2200	2300	2200
Tripura					
Taliamura	35	Other	2400	2500	2450
Uttar Pradesh					
Agra	43	III	NR	NR	2050
Allahabad	150	Other	NR	NR	2240
Badayoun	4	Other	2100	2180	2140
Bahraich	102	III	2045	2075	2060
Balrampur	34	Other	2010	2045	2025
Bijnaur	15	III	NR	NR	2160
Dadri	60	III	NR	NR	2135
Etawah	137	III	NR	NR	2250
Gazipur	32	III	1990	2030	2010
Gonda	80	III	1950	2020	1985
Gorakhpur	280	III	2100	2175	2140
Jaunpur	58	Coarse	1950	2050	2000
Khaga	9	Coarse	NR	NR	2210
Khurja	6	III	NR	NR	2030
Kopaganj	168.5	III	NR	NR	2070
Lucknow	117	Coarse	2125	2200	2155
Mawana	1	III	NR	NR	2175
Mirzapur	5	Other	1940	1980	1960
Muzzafarnagar	20	Common	NR	NR	2155
Naugarh	11	III	1025	1985	1945
Partaval	40	III	1910	1960	1930
Payagpur	8	III	2040	2085	2060
Raibareilly	6	Other	2060	2100	2070
Rampur	7.5	Other	2140	2160	2150
Sardhana	1.5	III	NR	NR	2140
Sitapur	40	Coarse	2060	2200	2110
Siyana	2	III	NR	NR	2020
Tamkuhi Road	5	Other	NR	NR	1470
Tilhar	1	Other	NR	NR	2120
Uttrakhand					
Gadarpur	1433	Other	1900	2105	2003
West Bengal					
Balarampur	2	Other	2200	2230	2220
Barasat	60	Masuri	2400	2500	2450
		Other	2550	2650	2600
Beldanga	32.5	Other	2250	2350	2300
Bolpur	194	Fine	2150	2250	2200
		Other	1980	2100	2050
Burdwan	**244**	**Common**	**1830**	**1870**	**1850**
		Fine	1980	2020	2000
Champadanga	**15**	**Ratnachudi (718 5-749)**	**2450**	**2650**	**2550**

Guskara(Burdwan)	144	Fine	2150	2190	2170
Haldibari	16	Fine	2600	2700	2650
Islampur	3	Other	2100	2200	2150
Jalpaiguri Sadar	**22**	**Fine**	**2780**	**3000**	**2870**
		Other	2200	2300	2240
		Super Fine	3500	3650	3525
Kalimpong	1	Other	2200	2400	2300
Kalipur	117	Other	1900	2000	1950
		Sona Mansoori Non Basmati	1800	1900	1850
Kasimbazar	32.5	Other	2250	2350	2300
Kolaghat	**16**	**Common**	**2300**	**2450**	**2400**
		Fine	2600	2750	2700
Medinipur(West)	16	Other	2270	2300	2300
Memari	143	Common	1830	1870	1850
		Fine	1980	2020	2000
Purulia	48	Other	2340	2360	2340
Ramkrishanpur(Howrah)	21.5	Other	2400	2600	2500
		Sona Mansoori Non Basmati	2100	2300	2200
Rampurhat	**1.74**	**Common**	**1780**	**1830**	**1810**
		Fine	2180	2220	2200
Sheoraphuly	10	Ratnachudi (718 5-749)	2600	2700	2650
Tamluk (Medinipur E)	15	Common	2200	2350	2300
		Fine	2500	2650	2600
Toofanganj	43	Fine	2875	2925	2900
Uluberia	6.7	Other	2300	2500	2400
		Sona Mansoori Non Basmati	2100	2300	2200

(Arrivals and Prices in Rs/Qtl)

Disclaimer