Domestic Market Highlights:

As per 4th Advance Estimates for 2014-15, total foodgrains production in the country is estimated at 252.68 million tonnes which is lower by 12.36 million tonnes than the last year's record food grains production of 265.04 million tonnes. Total production of rice is estimated at 104.80 million tonnes which is lower by 1.85 million tonnes than the last year's record production of 106.65 million tonnes. Fourth Advance Estimates are released in July-August and by this time fully firmed up data on area as well as yield of Kharif crops and rabi crops are expected to be available with the States. As such, Fourth Advance Estimates are considered to be almost as good as Final Estimates released in next February along with Second Advance Estimates for the subsequent agricultural year.

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.

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 18-2015	White Rice 5% Broken	White Rice 25% Broken
Gujrat	2517.13	2320.99
Andhra Pradesh	2496.88	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	3850	3900	3870
Chirala	0.1	B P T	3100	3200	3150
Denduluru	NR	Sona	2300	2500	2400
Divi	0.1	B P T	3100	3200	3100
Gannavaram	0.1	B P T	500	4000	3750
Kandukur	0.1	B P T	3600	3700	3650
Kondapi	0.1	B P T	3600	3800	3700
Nandyal	0.1	Sona Fine	3800	3900	3850
Narasaraopet	NR	B P T	4000	4200	4100
Ongole	0.1	B P T	3500	3600	3560
Repalli	0.1	B P T	4000	4200	4100
Tadepalligudem	NR	Sona	3600	3800	3700
Visakhapatnam	0.1	B P T	3500	3700	3600
Assam					
Dhekiajuli	27	Common	1900	2140	2000
		Fine	2300	2570	2400
Bihar					
Chhapra	0.1	Other	3000	3100	3050
Kishanganj	NR	Other	2400	2800	2600
Gujarat					
Dahod	7.9	Coarse	3400	4000	3700

Jambusar	NR	Other	2800	3200	3000
Jharkhand					
Deoghar	NR	Fine	2100	2300	2200
		Medium	1900	2100	2000
		Motta (Coarse) Boiled	1900	2100	2000
Gumla	NR	Other	2500	3200	2850
Koderma	46	Fine	3300	3500	3400
		Medium	2300	2500	2400
		Motta (Coarse) Boiled	1600	1800	1700
Lohardaga	20.5	Common	2000	2200	2140
		Fine	2800	3200	3035
		Medium	2200	2400	2335
Pakur	NR	Fine	3045	3260	3158
Ranchi	NR	Fine	3000	6100	3300
		Medium	2350	2675	2400
		Other	1825	2280	2100
Karnataka					
Bangarpet	580	Broken Rice	1360	1720	1580
		Sarbati Raw	2580	3240	2620
Chintamani	51	Broken Rice	1750	1900	1850
		Hansa	2310	2500	2460
		Sona	3200	4850	4250
Kerala					
Aroor	4	Basumathi	7000	7200	7100
		IR-8	2400	2600	2500
		Jaya	3200	3400	3300
		Other	3000	3200	3100
Chengannur	8	IR-8	2450	2700	2500
		Jaya	3200	3600	3300
Ernakulam	2.5	Jaya	3200	3250	3250
Kondotty	NR	Mataa Parboiled	2800	3000	2900
		Other	2650	2850	2750
Thodupuzha	80	IR-8	2400	2600	2500

		Mataa Parboiled	3150	3250	3250
Orissa					
Bampada	10	Other	2400	3000	2500
Betnoti	0.02	Sanna Bhatta	1800	2200	2000
Bolangir	5.5	Other	2200	2300	2200
Bonai	0.4	Other	2200	2400	2400
Deogarh	9	Other	2000	3000	2500
Jajpur	NR	Other	2000	3000	2500
Jatni	2	Masuri	2000	2500	2250
Jeypore	2.8	Common	300	330	325
Karanjia	5.6	Common	2500	2700	2600
		Masuri	2400	2500	2450
Nilagiri	11	Other	2300	2500	2400
Nimapara	4.5	Other	2000	2400	2200
Tusura	6.5	Other	2200	2300	2200
Tripura					
Bishalgarh	1.8	Fine	2800	3000	2900
		Masuri	2400	2600	2500
Champaknagar	2	Masuri	2400	2600	2500
Melaghar	1.5	Coarse	2300	2500	2400
		Fine	2900	3100	3000
		Masuri	2500	2700	2600
Silachhari	0.9	Masuri	2700	2900	2800
Uttar Pradesh					
Achalda	48	III	NR	NR	2230
Agra	45	III	NR	NR	2025
Ajuha	27	Other	NR	NR	2020
Aligarh	80	III	2100	2150	2130
Allahabad	160	Other	NR	NR	2255
Azamgarh	140	III	2075	2145	2100
Bahraich	105	III	2050	2080	2065
Ballia	180	III	1975	2100	2010
Balrampur	24	Other	2000	2040	2025
Baraut	NR	III	NR	NR	2140

Bareilly	268	Coarse	NR	NR	2200
Basti	110	III	1870	2000	1935
Bharthna	80	III	NR	NR	2220
Bijnaur	8	III	NR	NR	2175
Buland Shahr	12	III	1800	2100	2040
Chandoli	5	Other	NR	NR	1860
Dadri	70	III	NR	NR	2120
Dibiapur	5	III	NR	NR	2250
Etah	35	Other	2000	2060	2050
Etawah	130	III	NR	NR	2230
Farukhabad	5.8	III	NR	NR	2170
Fatehpur	8	III	NR	NR	2210
Gazipur	41.5	III	1990	2030	2010
Ghaziabad	40	III	NR	NR	2180
Gonda	78	III	1950	2020	1980
Gorakhpur	260	III	2000	2280	2170
Gulavati	2	III	1370	1455	1430
Haathras	25	Coarse	2100	2200	2150
Haldaur	240	Other	NR	NR	2180
Jahanabad	11.6	Coarse	NR	NR	2175
Jasra	15	III	NR	NR	2075
Jaunpur	58	Coarse	1950	2050	2000
Jhansi	6	Other	1900	2000	1950
Kanpur(Grain)	260	III	NR	NR	2150
Kasganj	6	Coarse	2000	2040	2020
Khaga	7.5	Coarse	NR	NR	2210
Khurja	6	III	NR	NR	2060
Lakhimpur	14	Other	2100	2220	2145
Mathura	45	III	NR	NR	2020
Mawana	1	III	NR	NR	2180
Mirzapur	6	Other	1950	1990	1970
Muradabad	13	III	NR	NR	2150
Muzzafarnagar	NR	Common	NR	NR	2150
Naugarh	8	III	1910	1970	1935

Payagpur	8.5	III	2050	2085	2070
Pilibhit	76	Coarse	2175	2210	2190
Pukhrayan	5	III	NR	NR	2155
Raibareilly	5	Other	2050	2100	2075
Rampur	9	Other	2130	2170	2145
Rura	4.5	III	NR	NR	2255
Saharanpur	70	III	NR	NR	2160
Shahganj	10	III	1900	2020	1950
Shahjahanpur	26.4	Other	2000	2050	2025
Shikohabad	30	Other	NR	NR	1860
Sirsa	9	III	NR	NR	2150
Sitapur	48	Coarse	2050	2250	2110
Siyana	2	III	NR	NR	2035
Sultanpur	300	Other	2050	2100	2075
Varanasi(Grain)	385	Other	2020	2065	2045
Uttrakhand					
Gadarpur	2508	Other	1425	2060	1743
Tanakpur	16	Other	2000	2200	2100
West Bengal					
Bethuadahari	5	Fine	3100	3200	3150
Coochbehar	35	Coarse	2000	2100	2050
Falakata	16.5	Common	1910	2010	1960
Ghatal	29	Common	1900	1960	1920
		Fine	2010	2080	2060
Islampur	3.2	Other	2100	2200	2150
Karsiyang(Matigara)	2	Parimal (New)	2200	2400	2300
Kasipur	1.2	Other	2220	2220	2220
Mathabhanga	70	Common	1900	2000	1950
Pundibari	7	Coarse	1975	2075	2000
Raiganj	10	Other	2575	2650	2600

Sealdah Koley Market	57.4	Fine	2200	2300	2300
Sheoraphuly	10	Ratnachudi (718 5-749)	2600	2700	2650

(Arrivals and Prices in Rs/Qtl)