

Domestic Market Highlights:

As per initial surveys taken by All India Rice Exporters' Association, Basmati acreage in India for the 2015-16 Kharif season is likely to remain the same as last year even as prices had dropped considerably to Rs.2,000-2,900/quintal in 2014-15 from as much as Rs.4,000 the year before. Area under basmati cultivation touched 2.1 million hectares (mh) last year and sufficient rainfall across Haryana and Punjab – which account for as much as 70 per cent of basmati output – through most of the ongoing monsoon season has resulted in consistent planting. India produced 8.3 million tonnes of basmati rice last year. In 2014-15, Pusa-1121 was planted on around one million hectare while Pusa-1509 was covered between 0.5 and 0.7 mh. There has been a slight change this year and 1121 will cover 1.3-1.35 mh while 1509 may slide to between 0.35 and 0.4 mh.

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.

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 22-2015	White Rice 5% Broken	White Rice 25% Broken
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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
Kandukur	0.1	B P T	3600	3700	3650
Kondapi	0.1	B P T	3600	3800	3700
Machilipatnam	NR	B P T	3300	3400	3350
		Coarse	2300	2400	2350
Narasaraopet	NR	B P T	4000	4200	4100
Ongole	0.1	B P T	3500	3600	3540
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					
Cachar	40	Common	2400	2900	2700
		Fine	3000	3600	3200
		Other	2000	2500	2300
Dhekiajuli	34	Common	1900	2200	2100
		Fine	2340	2600	2500
Gauripur	15	Other	1800	3000	2600
Goalpara	135.7	Fine	3000	3800	3200
Lanka	40	Medium	1700	1800	1750

P.O. Uparhali Guwahati	75	Common	1800	2400	2100
		Fine	2100	3500	2800
		Super Fine	3400	14000	8700
Bihar					
Kishanganj	NR	Other	2400	2800	2600
Gujarat					
Dahod	63	Coarse	3400	4000	3700
Jambusar	NR	Other	2800	3200	3000
Jharkhand					
Daltenganj	NR	Other	2190	2300	2270
Giridih	12.58	Fine	3300	3500	3500
		Medium	2300	2500	2500
		Motta (Coarse) Boiled	2100	2200	2200
Jamshedpur	NR	Fine	3500	3600	3530
		Medium	2300	2400	2350
Lohardaga	23	Common	1800	2200	2000
		Fine	2800	3200	3050
		Medium	2200	2400	2300
Pakur	2	Fine	3055	3255	3143
Sahebganj	NR	Fine	2400	2900	2600
		Medium	1800	2100	1900
Karnataka					
Chintamani	43	Broken Rice	1500	1800	1700
		Hansa	2250	2800	2700
		Sona	2800	4750	4250
Gangavathi	38	Broken Rice	1190	1190	1190
Kerala					
Aroor	3	Basumathi	7200	7400	7300
		IR-8	2400	2600	2500
		Jaya	3200	3400	3300

		Other	3300	3500	3400
Ernakulam	2.5	Jaya	3200	3250	3250
Kottayam	10	Other	2800	3300	3200
Maharashtra					
Bhivandi	11	1009 Kar	1600	1800	1700
Mangaon	1	Other	1800	3500	2500
Orissa					
Balugaon	12	Sona Mansoori Non Basmati	2800	3000	2900
Bampada	10	Other	2400	3000	2500
Barikpur	10	Common	2300	3000	2400
Betnoti	0.02	Sanna Bhatta	1800	2200	2000
Bolangir	5	Other	2200	2300	2200
Deogarh	9	Other	2000	3000	2500
Jatni	2	Masuri	2000	2500	2250
Jeypore	1.8	Other	1800	2000	1900
Jeypore(Kotpad)	1.4	Common	3000	3300	3250
Karanjia	4	Common	2500	2700	2600
		Other	2400	2460	2450
Nilagiri	11	Other	2200	2400	2300
Tusura	5.5	Other	2200	2300	2200
Udala	39	Other	1600	4700	2700
Tripura					
Melaghar	2.5	Coarse	2300	2400	2350
		Fine	2900	3000	2950
		Masuri	2500	2600	2550
Taliamura	32	Other	2400	2600	2500
Uttar Pradesh					
Achalda	55	III	NR	NR	2225
Ajuha	14	Other	NR	NR	2045
Akbarpur	22	III	2040	2080	2060

Aligarh	80	III	2100	2200	2140
Allahabad	180	Other	NR	NR	2255
Azamgarh	138	III	NR	NR	2130
Bahraich	110	III	2045	2075	2060
Ballia	190	III	1950	2100	1990
Buland Shahr	11	III	NR	NR	2040
Chorichora	10	III	2050	2085	2070
Dadri	65	III	NR	NR	2125
Divai	14	III	2050	2100	2075
Farukhabad	4.5	III	NR	NR	2170
Fatehpur	3.5	III	NR	NR	2215
Firozabad	12	III	2000	2040	2020
Gonda	85	III	1950	2020	1980
Gorakhpur	210	III	2040	2240	2165
Jaunpur	50	Coarse	1975	2075	2015
Kanpur(Grain)	240	III	NR	NR	2200
Lucknow	100	Coarse	2100	2200	2150
Mirzapur	5	Other	1950	1990	1970
Muzzafarnagar	15	Common	NR	NR	2155
Naugarh	8.5	III	1900	1960	1930
Orai	NR	Other	NR	NR	2000
Partaval	40	III	1915	1970	1935
Pilibhit	68	Coarse	2175	2215	2195
Pratapgarh	45	III	2030	2080	2055
Rampur	15	Other	2140	2165	2150
Saharanpur	68	III	NR	NR	2150
Sardhana	0.8	III	NR	NR	2160
Tilhar	2	Other	2090	2160	2135
Varanasi(Grain)	364	Other	2020	2080	2040

Yusufpur	11	III	1970	2030	2000
Uttrakhand					
Bazpur	175	Common	1800	1800	1800
Tanakpur	19.9	Other	2200	2300	2250
West Bengal					
Balarampur	2	Other	2200	2240	2220
Balurghat	23	Other	1960	2050	2000
Beldanga	29	Other	2300	2400	2350
Birbhum	162	Common	1860	1900	1880
Bishnupur(Bankura)	80	Masuri	2000	2100	2050
		Other	2280	2320	2300
Burdwan	263	Common	1780	1820	1800
		Fine	1880	1920	1900
Champadanga	15	Ratnachudi (718 5-749)	2450	2650	2550
Darjeeling	2.5	Parimal (New)	2600	2800	2700
Diamond Harbour(South 24-pgs)	27	Common	1950	2050	2000
		Super Fine	3950	4050	4000
Egra/contai	56	Coarse	2060	2150	2100
		Fine	2550	2650	2600
Falakata	17	Common	1910	2010	1960
Guskara(Burdwan)	144	Fine	2100	2140	2120
Haldibari	13	Fine	2600	2700	2650
Indus(Bankura Sadar)	50	Other	2220	2300	2250

Islampur	4	Other	2100	2200	2150
Jalpaiguri Sadar	20	Fine	2800	3050	3000
		Other	2200	2300	2250
		Super Fine	3500	3700	3550
Jhargram	30	Fine	2700	2850	2800
		Other	2200	2400	2300
		Super Fine	3000	3200	3100
Kalimpong	0.8	Other	2200	2400	2300
Kalipur	115	Other	1900	2000	1950
		Sona Mansoori Non Basmati	1750	1850	1800
Kalna	90	Coarse (I.R.20)	1910	1930	1920
		Fine	1840	1860	1850
Karimpur	2	Other	3100	3200	3150
Kasimbazar	30	Other	2300	2400	2350
Katwa	8.5	Other	2200	2300	2250
Khatra	39	Other	2200	2320	2260
Lalbagh	16	Other	2200	2300	2250
Mekhliganj	20	Common	1800	1950	1850
		Fine	3075	3150	3100
Memari	152	Common	1780	1820	1800
		Fine	1880	1920	1900
Purulia	52	Other	2340	2340	2340
Raiganj	12	Other	2660	2750	2700
Ramkrishanpur(Howrah)	20.8	Other	2400	2600	2500
		Sona Mansoori Non Basmati	2100	2600	2200
Rampurhat	16	Common	1820	1875	1850
		Fine	2210	2250	2220

Sainthia	181.5	Other	1860	1900	1880
Samsi	200	Fine	2780	2820	2800
		H.Y.V.	2180	2220	2200
Uluberia	12	Other	2300	2500	2400

(Arrivals and Prices in Rs/Qtl)

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