

**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:**

**Unofficial preliminary rice exports from Thailand (excluding premium white and fragrant rice)** for August 10-16, 2015 totaled 97,698 metric tons, down 24,012 metric tons from the previous week but up 9,378 metric tons from the four-week moving average of 88,321 metric tons. Rice exports (excluding premium white and fragrant rice) from January 1 – August 16, 2015, totaled 2,475,348 metric tons, down 20 percent from the same period last year. Total rice exports from January to June 2015 totaled 4,457,927 metric tons, down 4.7 percent from the same period last year.

**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

**Rice Prices in Various Markets:**

August 25-2015	White Rice 5% Broken	White Rice 25% Broken
Gujrat	2447.55	2282.18
Andhra Pradesh	2427.30	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)
<b>Andhra Pradesh</b>					
Addanki	NR	B P T	3850	3900	3870
Chirala	0.1	B P T	3100	3200	3150
Denduluru	NR	Sona	2300	2500	2400
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
Ongole	0.1	B P T	3500	3600	3530
Repalli	0.1	B P T	4000	4200	4100
Tiruvuru	NR	Fine	3300	3500	3400
Visakhapatnam	0.1	B P T	3500	3700	3600
<b>Karnataka</b>					
Bangarpet	320	Broken Rice	1640	1820	1720
		Sarbati Raw	2317	2740	2580
Chintamani	49	Broken Rice	1650	1850	1800

		Hansa	2300	2700	2600
		Sona	3100	4800	4200
Honnali	30	Broken Rice	1400	1600	1500
		Sarbati Raw	1800	1800	1800

**(Arrivals and Prices in Rs/Qtl)**

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