

**Domestic Market Highlights:**

**As per first advance estimates released by Ministry of Agriculture, India's total foodgrain production**, including rice, coarse cereals and pulses, is likely to touch 124.05 million tonnes (mt) this Kharif, 1.78 per cent lower than last year's final estimate of 126.38 mt. However, the early estimate this kharif is higher than last year's early estimate of 120.27 mt – a 3.14 per cent increase. Rice production is pegged at 90.61 mt compared to 88.02 mt last year and targets for total rice production is about 106 million tonnes, whereas Agriwatch total rice production(including rabi) estimates for MY 2015-16 is around 104.5-105 million tonnes.

**Wholesale Prices for India as an average for second week of September traded weak by 5.6%** and are currently hovering at Rs.2630-2640/quintal. Frail demand in previous week was the main reason for bearishness in rice price, however overall sentiments remain bullish in coming week.

**Total rice stock in central pool stock as on September,01st 2015 is 16.31 million tonnes which** is down by around 2 million tonnes from last month stock. Out of four zones, south and north zone are major with contribution of 50.49 lakh tonnes and 43.44 lakh tonnes respectively.

**According to FAO, Pakistan Basmati FOB in the month of August traded firm by 2.24%** from the previous month and currently hovers in the range of USD 888/MT, Similarly, Indian FOB in the month of Aug moved up from last month and currently is in the range of USD 895-896/MT.

**Aromatic rice monthly average prices in the month of August were weak by 3-13% in all major markets of Amritsar, Karnal and Delhi**, due to frail demand from bulk buyers. We expect that basmati rice prices in India to decline in the coming months as supplies from the on-going kharif crop would reach the market while there is still no confirmation over the resumption of rice imports from Iran.

**Total rice planting to India's main crop (June-December) stood 34.58 million hectare** as of Aug-28, 2015 which is up by 0.41 lakh Ha during same period last year.

**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 exports for MY-2014-15 till August-15 was 109 Lakh tonnes which was up by around 18%** from last year's export of 93.41 lakh tonnes for the same period. Non-basmati rice exports in the month of August was 5.6 lakh tonnes and basmati exports in the month was 2.68 lakh 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 (excluding premium white and fragrant rice) for August 31 – September 6, 2015** totaled 111,176 metric tons, up 2,202 metric tons from the previous week but down 1,909 metric tons from the four-week moving average of 113,085 metric tons. Rice exports (excluding premium white and fragrant rice) from January 1 – September 6, 2015, totaled 2,828,991 metric tons, down 18 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.

**Vietnam exported about 3.818 million tons of rice in first eight months of 2015, down about 10% from about 4.26 million tons of rice exported during same time last year, according to data from the Vietnam Food Association (VFA).** The average rice export price so far in this year stands at about \$417 per ton (FOB), down about 3% per ton from about \$431 per ton recorded during same last year. In August, 2015, Vietnam exported about 517,060 tons of rice, down about 18% from about 627,089 tons rice exported in August 2014, and down about 12% from about 589,323 tons rice exported in July 2015. The average export price in August stands at about \$434 per ton, up about 1% per ton from a year ago and up about 8% per ton from a month ago.

**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.

#### **Rice Prices in Various Markets:**

Sept 14-2015	White Rice 5% Broken	White Rice 25% Broken
Gujarat	2554.48	2322.25
Andhra Pradesh	2534.23	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>					
Kandukur	0.1	B P T	3600	3700	3650
Kondapi	0.1	B P T	3600	3800	3700
Assam					
Gauripur	36	Fine	3500	5000	4500

		Other	1800	3000	2600
Jharkhand					
Gumla	NR	Other	2300	2700	2500
Kerala					
Aroor	4	Basumathi	7800	8000	7900
		IR-8	2400	2600	2500
		Jaya	3200	3400	3300
		Other	3100	3300	3200
Chengannur	7	IR-8	2400	2800	2500
		<b>Jaya</b>	<b>3200</b>	<b>3600</b>	<b>3500</b>
Mannar	10	IR-8	2800	3000	2900
		Other	4000	4200	4100
<b>Punalur</b>	<b>2.5</b>	<b>IR-8</b>	<b>3000</b>	<b>3200</b>	<b>3100</b>
		Jaya	2700	2900	2800
Meghalaya					
<b>Shillong</b>	<b>0.8</b>	<b>Other</b>	<b>3400</b>	<b>3600</b>	<b>3500</b>
Orissa					
<b>Bonai</b>	<b>0.3</b>	<b>Other</b>	<b>2200</b>	<b>2400</b>	<b>2400</b>
Jajpur	NR	Other	2000	2800	2400
<b>Kalahandi(Dharamagarh)</b>	<b>37.79</b>	<b>Other</b>	<b>2100</b>	<b>2200</b>	<b>2100</b>
Tripura					
Kalyanpur	4	Other	2500	2600	2550
Uttar Pradesh					
<b>Mirzapur</b>	<b>5</b>	<b>Other</b>	<b>1970</b>	<b>2000</b>	<b>1990</b>
West Bengal					
<b>Bankura Sadar</b>	<b>14</b>	<b>Other</b>	<b>2100</b>	<b>2250</b>	<b>2150</b>
Beldanga	30	Other	2300	2350	2325
<b>Bishnupur(Bankura)</b>	<b>160</b>	<b>Masuri</b>	<b>1900</b>	<b>2000</b>	<b>1950</b>
		Other	2150	2250	2200
Champadanga	12	Ratnachudi (718 5-749)	2400	2600	2500
Islampur	4	Other	2100	2200	2150
Jangipur	70	Other	2080	2100	2090
Kalipur	110	Other	1950	2050	2000
		Sona Mansoori Non Basmati	1800	1900	1850
Kasimbazar	30	Other	2300	2350	2325
Khatra	39	Other	2150	2250	2200
Kolaghat	13	Common	2300	2450	2400
		Fine	2500	2650	2600
Medinipur(West)	13	Other	2250	2300	2300
<b>Raiganj</b>	<b>12</b>	<b>Other</b>	<b>2875</b>	<b>2930</b>	<b>2900</b>
Samsi	1000	Fine	2790	2820	2800
		H.Y.V.	1990	2020	2000
Sheoraphuly	10	Ratnachudi (718 5-	2600	2700	2650

		749)			
Tamluk (Medinipur E)	13	Common	2300	2450	2400
		<b>Fine</b>	<b>2500</b>	<b>2650</b>	<b>2600</b>

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

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