

**Domestic Market Highlights:**

**Total rice exports from India for MY-2014-15 till September-15 was 118 Lakh tonnes which** was up by around 14% from last year's export of 104.3 lakh tonnes for the same period. Non- basmati rice exports in the month of September was 5.0 lakh tonnes and basmati exports in the month was 3.83 lakh tonnes. The total rice export is touched 118 lakh tonnes for MY- 2014-15, which will up by 13% from MY 2013-14 export of 104 lakh tonnes. Basmati exports in the end of marketing year were 41 lakh tonnes which is 18% up from last year exports of 34.59 lakh tonnes. Even after ban from Iran which is one of the largest buyers of Indian Basmati rice. In MY 2014-15, Saudi Arabia, Iraq, Kuwait, USA were the main buyers.

**According to FAO, Pakistan Basmati FOB in the month of September traded weak by 3.66%** from the previous month and currently hovers in the range of USD 855/MT, Similarly, Indian FOB in the month of September moved down from last month and currently is in the range of USD 790-795/MT which is down by around 11% from last month price. According to the FAO, rice prices in India and Pakistan declined due to the on-going harvesting.

**Total rice planting to India's main crop (June-December) stood 37.59 million hectare as of Oct-01, 2015** which is up by 0.72 lakh Ha during same period last year. This is almost final figure of main crop.

**Punjab Govt. has re-imposed 7% tax on basmati rice procurement again to check manipulation** by trades and exporters. The state govt had withdrawer taxes on the hope of higher prices. The applicable tax includes 2% tax towards market fee, 2% towards rural development fund and 3% towards Punjab Infrastructure Development Fund. Now millers/exporters require paying 7 % tax. However, exporters can get a refund if they export total purchased quantity. Actually govt had incurred heavy loss due to this tax withdrawal last year. This year production of basmati in Punjab is expected around 3.2 million tonne. It will give govt. Rs 448 crores.

**The Odisha cabinet approved the state food and procurement policy for kharif marketing season (KMS) 2015-16 that targets to procure 30 lakh tonnes of paddy in kharif and rabi seasons.** An initial target of 30 lakh tonnes of paddy has been fixed for kharif season 2015-16 by the government procuring agencies. As much as 23 lakh tonnes in kharif and 7 lakh tonnes in rabi season would be procured from the farmers in the state. Government agencies would be allowed to procure paddy from the Regulated Market Committee yards (mandis). In KMS 2014-15, state has procured around 34 lakh tonnes of

paddy and due to major destroyed of paddy standing crop this year paddy procurement target is only 30 lakh tonnes

**The procurement of paddy began in Haryana mandis from 24 September 2015, a week ahead** of schedule. The procurement Centre also agreed to the request of the Haryana government for procurement of PB 1509 variety of paddy. Procurement will continue till December 15. Paddy of common variety will be procured at a Minimum Support Price (MSP) of Rs 1,410 a quintal and Grade-A at MSP of Rs 1,450 a quintal.

**Price Outlook:-Average Rice price in all India is likely to trade steady to weak with arrival season is about to starts in coming days.**

#### **International Market Highlight:**

**Lower Rice Output Could Not Affect Thai Rice Export in 2015-16:** Due to dry weather, rice production in Thailand is likely to drop by around 4% from last year production of 18.75 million tonnes, but export from country may be steady with 10 million tonnes. The stockpiled rice accumulated under the previous government is expected to offset the possible decline in production. The military government holds about 13 million tons of rice stocks and it seeks to sell all the stockpiled rice by the end of next year, according to the Commerce Minister. Thailand FOB for white rice high quality is too favorable for major importing countries and currently average FOB is around USD 360-367/MT which is down by 17% from same time last year.

**Vietnam average Rice FOB (International Price) in this year is about USD 420/MT which is down by 2-3%** from last year price of USD 430-435/MT. Even after lower quotes offered by Vietnam, export from January till September 2015 was 4.8 million tonnes which is 9% down by last year nine months export. This year importers switched towards Thailand and India due to better parity and good quality also.

**Vietnam's rice stockpile shrinks as exports increase:** On the back of the lowered expectations for the year, the VFA has dropped its export target to 6.1-6.3 million metric tons, 700,000-500,000 metric tons less than last year. The VFA official warned that despite the decline in rice exports, there is not much stockpiled because the central region had a poor crop. Nearly 1.4 million metric tons on order have not been delivered to

customers, nearly 800,000 metric tons of which belong to Chinese customers. The VFA official expressed concern that many of these contracts are unlikely to be fulfilled.

**Thai white rice long grain high quality is moving in the range of USD 350-360/T which is down by USD 20/MT and USD 100/MT from last month and last year respectively.** Main crop harvesting is just started in some areas and will pick up in coming weeks and thus price is expected to move downwards.

**For MY15/16, Philippines rice production and area harvested are likely to decline from the previous year's level** as a result of the El Nino dry spell. As a result, milled rice imports in TY and MY15/16 were raised to 2 million tons for a modest increase from the MY14/15 level. In early September 2015, the Philippine government (GPH) approved the importation of an additional 750,000 tons of milled rice for arrival in the last quarter of 2015 (250,000 tons) and the first quarter of 2016 (500,000 tons). The GPH very recently awarded the supply contract for 750,000 tons of milled rice to Vietnam and Thailand. Export from India could also increase in the country.

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

| Oct-12-2015    | White Rice 5% Broken | White Rice 25% Broken |
|----------------|----------------------|-----------------------|
| Gujarat        | 2303.24              | 2108.60               |
| Andhra Pradesh | 2282.99              | 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   | 3950          | 4000          | 3980          |
| Divi                  | 0.1      | B P T   | 3100          | 3200          | 3100          |
| Kandukur              | 0.1      | B P T   | 3400          | 3600          | 3500          |
| Kondapi               | 0.1      | B P T   | 3800          | 3900          | 3850          |
| Markapur              | 0.1      | B P T   | 3800          | 3900          | 3850          |
| Ongole                | 0.1      | B P T   | 3720          | 3800          | 3740          |
| Tiruvuru              | NR       | Fine    | 3400          | 3600          | 3500          |
| Visakhapatnam         | 0.1      | B P T   | 3500          | 3800          | 3700          |
| <b>Assam</b>          |          |         |               |               |               |

|                           |      |            |      |       |      |
|---------------------------|------|------------|------|-------|------|
| Gauripur                  | 53   | Fine       | 3500 | 5000  | 4500 |
|                           |      | Other      | 1800 | 3000  | 2600 |
| North Lakhimpur           | 7.3  | Common     | 1800 | 2000  | 1900 |
|                           |      | Fine       | 2600 | 2800  | 2700 |
|                           |      | Super Fine | 3000 | 4000  | 3500 |
| P.O. Uparhali<br>Guwahati | 80.5 | Common     | 1800 | 2400  | 2100 |
|                           |      | Fine       | 2100 | 3500  | 2800 |
|                           |      | Super Fine | 3400 | 14000 | 8700 |
| <b>Bihar</b>              |      |            |      |       |      |
| Motihari                  | NR   | Other      | 2700 | 3500  | 3100 |
| <b>Gujarat</b>            |      |            |      |       |      |
| Dahod                     | 31   | Coarse     | 3800 | 4200  | 4000 |
| Jambusar                  | 1.1  | Other      | 3200 | 4000  | 3500 |
| Jambusar(Kaavi)           | NR   | Other      | 3500 | 4200  | 4000 |
| <b>Jharkhand</b>          |      |            |      |       |      |
| Chakulia                  | NR   | Fine       | 2140 | 2340  | 2250 |
|                           |      | Medium     | 1960 | 2050  | 2020 |
| Godda                     | NR   | Medium     | 2600 | 3000  | 2800 |
|                           |      | Other      | 2000 | 2400  | 2200 |
| Jamshedpur                | NR   | Fine       | 3700 | 3900  | 3800 |
|                           |      | Medium     | 2500 | 2650  | 2600 |
| Pakur                     | 3.3  | Fine       | 3073 | 3260  | 3154 |
| <b>Kerala</b>             |      |            |      |       |      |
| Aroor                     | 4    | Basumathi  | 7000 | 7200  | 7100 |
|                           |      | IR-8       | 2400 | 2600  | 2500 |
|                           |      | Jaya       | 2700 | 2900  | 2800 |
|                           |      | Other      | 2900 | 3100  | 3000 |
| Chengannur                | 6    | IR-8       | 2400 | 2800  | 2500 |
|                           |      | Jaya       | 2800 | 3500  | 3200 |
| Kottayam                  | 10   | Other      | 3000 | 3500  | 3400 |
| Punalur                   | 2    | Jaya       | 1600 | 1600  | 1600 |
| <b>Maharashtra</b>        |      |            |      |       |      |
| Bhivandi                  | 8    | 1009 Kar   | 2000 | 2200  | 2100 |
| Mumbai                    | 2449 | Other      | 2200 | 5000  | 3600 |
| <b>Manipur</b>            |      |            |      |       |      |
| Bishenpur                 | 1    | Other      | 2900 | 2900  | 2900 |
| Imphal                    | 4.3  | Other      | NR   | 3100  | 3100 |
| Lamlong Bazaar            | 1.5  | Other      | NR   | 3000  | 3000 |
| Moreh                     | 1.1  | Other      | 3300 | 3300  | 3300 |
| Thoubal                   | 1.5  | Other      | 2900 | 2900  | 2900 |
| <b>Meghalaya</b>          |      |            |      |       |      |

|                      |         |                           |      |      |      |
|----------------------|---------|---------------------------|------|------|------|
| Shillong             | 0.6     | Other                     | 3400 | 3600 | 3500 |
| <b>Orissa</b>        |         |                           |      |      |      |
| Bonai                | 0.4     | Other                     | 2200 | 2400 | 2400 |
| Jajpur               | NR      | Other                     | 2000 | 2800 | 2400 |
| Karanjia             | 4.5     | Common                    | 2800 | 3000 | 2900 |
|                      |         | Other                     | 2600 | 2800 | 2700 |
| <b>Uttar Pradesh</b> |         |                           |      |      |      |
| Ballia               | 140     | III                       | 1950 | 2100 | 1970 |
| Bijnaur              | 25      | III                       | NR   | NR   | 2200 |
| Bindki               | 32      | Other                     | NR   | NR   | 2240 |
| Dadri                | 45      | III                       | 1950 | 2130 | 2060 |
| Divai                | 14      | III                       | 2025 | 2075 | 2050 |
| Farukhabad           | 4.5     | III                       | NR   | NR   | 2180 |
| Fatehpur             | 2.5     | III                       | NR   | NR   | 2235 |
| Jaunpur              | 4       | Coarse                    | 1950 | 2050 | 1990 |
| Khairagarh           | 14      | III                       | 2000 | 2040 | 2020 |
| Mirzapur             | 5       | Other                     | 1950 | 2000 | 1970 |
| Naugarh              | 9.5     | III                       | 1950 | 2000 | 1975 |
| Partaval             | 20      | III                       | 1930 | 1990 | 1965 |
| Raibareilly          | 6.5     | Other                     | 2080 | 2150 | 2110 |
| Rampur               | 16      | Other                     | NR   | NR   | 2180 |
| Saharanpur           | 120     | III                       | NR   | NR   | 2140 |
| Sardhana             | 0.8     | III                       | NR   | NR   | 2060 |
| Shahganj             | NR      | III                       | 1900 | 2100 | 2010 |
| Shahjahanpur         | 2515    | Other                     | 2000 | 2065 | 2030 |
| Shikohabad           | 12      | Other                     | NR   | NR   | 1970 |
| Sitapur              | 65      | Coarse                    | 2060 | 2200 | 2110 |
| Varanasi(Grain)      | 280     | Other                     | 1900 | 2200 | 2000 |
| <b>Uttarakhand</b>   |         |                           |      |      |      |
| Bazpur               | 2185.35 | Common                    | 1780 | 1951 | 1816 |
| Gadarpur             | 2730    | Other                     | 1951 | 2050 | 2001 |
| <b>West Bengal</b>   |         |                           |      |      |      |
| Islampur             | 3.5     | Other                     | 2050 | 2150 | 2100 |
| Kaliaganj            | 12      | Other                     | 2725 | 2800 | 2750 |
| Raiganj              | 13      | Other                     | 2850 | 2925 | 2900 |
| Sealdah Koley Market | 62      | Fine                      | 2100 | 2200 | 2200 |
| Sheoraphuly          | 13      | Ratnachudi<br>(718 5-749) | 2400 | 2600 | 2500 |

(Arrivals and Prices in Rs/Qtl)

#### **Disclaimer**

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at © 2015 Indian Agribusiness Systems Pvt. Ltd.