

Domestic Market Highlights:

Inflation: Among the food grains, Inflation of Rice in the month of September has increased to 0.04% from the previous month's level of 238.2.

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

Arrivals (Tonnes)	Variety	Minimum Price (Rs./Quintal)	Maximum Price (Rs./Quintal)	Modal Price (Rs./Quintal)
NR	B P T	3950	4000	3980
0.1	B P T	3900	4000	3950
0.1	B P T	3100	3200	3100
0.1	B P T	3400	3600	3500
0.1	B P T	3800	3900	3850
0.1	B P T	3900	4000	3950
0.1	Sona Fine	4200	4300	4250
0.1	B P T	3740	3800	3760
NR	Fine	3400	3600	3500

60	Common	2400	2900	2700
	Fine	3000	3600	3200
	Other	2000	2500	2300
17.5	Common	1950	2200	2100
	Fine	2400	2700	2600
86.2	Common	1700	2000	1800
	Fine	3200	3800	3500
NR	Other	2200	2800	2500
9.3	Common	1800	2000	1900
	Fine	2600	2800	2700
	Super Fine	3000	4000	3500
0.1	Other	3000	3100	3050
NR	Other	2700	3500	3100
NR	Other	3200	4000	3600
NR	Other	3200	4000	3600
NR	Other	2210	2400	2390
12.32	Fine	3300	3500	3500
	Medium	2300	2500	2500
	Motta (Coarse) Boiled	2100	2200	2200
NR	Medium	2400	2800	2600
	Other	1800	2200	2000
NR	Fine	3700	3800	3740
	Medium	2650	2800	2700
2.5	Fine	3070	3255	3150
NR	Medium	2470	2600	2520
	Other	1860	2000	1940
1	Jaya	2000	2600	2200
2051	Medium	4000	4600	4300
438	Broken Rice	1360	1720	1580
	Sarbati Raw	2580	3240	2620
0.7	Jaya	2700	2900	2800
	Other	3000	3200	3100
7	IR-8	2400	2800	2500
	Jaya	3200	3500	3300
8	IR-8	2350	2450	2400
	Jaya	3150	3300	3200

	Other	3600	3700	3650
10	IR-8	2800	3000	2900
	Jaya	3800	4000	3900
	Other	6000	6200	6100
NR	Jaya	1600	1600	1600
3	Other	3500	4000	3750
40	1009 Kar	1839	3150	2970
0.04	Sanna Bhatta	1800	2200	2000
0.5	Other	2200	2400	2200
9	Other	2000	3000	2500
4.3	Common	300	330	325
1.6	Common	3000	3300	3250
6.5	Common	2800	3000	2900
	Other	2500	2700	2600
5.5	Other	2400	2500	2400
20	III	NR	NR	2280
24.5	Other	NR	NR	2100
130	Other	NR	NR	2260
160	III	1950	2100	1970
18.5	Other	2020	2050	2035
285	Coarse	NR	NR	2275
67.5	III	1950	2150	2050
26	III	NR	NR	2200
7	III	NR	NR	2020
60	III	1920	2150	2060
28	III	2000	2020	2010
9.5	Other	2100	2250	2190
6	Other	1950	2010	1975
11	III	1950	2000	1970
25	III	1950	2000	1975
400	Coarse	2170	2210	2190
18	Other	2150	2200	2180
0.5	III	NR	NR	2090
3656.6	Other	2000	2065	2025
110	III	1950	2100	1975
8	III	1970	2050	2010
630	Common	1880	1990	1938

50	Masuri	2250	2350	2300
	Other	2400	2500	2450
180	Common	1820	1840	1830
26.5	Other	2900	2900	2900
2	Parimal (New)	2600	2800	2700
4	Other	2050	2150	2100
22	Fine	2800	3000	2875
	Other	2000	2050	2030
	Super Fine	3600	3800	3650
13	Other	2270	2300	2300
175	Other	1825	1845	1835
14	Ratnachudi (718 5-749)	2400	2600	2500
12	Other	2400	2600	2500
	Sona Mansoori Non Basmati	2100	2300	2200

(Arrivals and Prices in Rs/Qtl)
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