

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:

The Philippines rice stocks have declined for fourth consecutive month in September 2015 after increasing in April and May, according to the Bureau of Agricultural Statistics (BAS). Total rice stocks in the Philippines as of September 1, 2015 stood at around 1.96 million tons, down about 12.5% from around 2.24 million tons recorded in August 2015, and up about 31.5% from around 1.49 million tons recorded during the same period last year.

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-15-2015	White Rice 5% Broken	White Rice 25% Broken
Gujarat	2368.85	2109.25
Andhra Pradesh	2348.60	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	3950	4000	3970
Chirala	0.1	B P T	3900	4000	3950
Divi	0.1	B P T	3100	3200	3100

Kandukur	0.1	B P T	3400	3600	3500
Kondapi	0.1	B P T	3700	3800	3750
Nandyal	0.1	Sona Fine	4200	4300	4250
Ongole	0.1	B P T	3700	3800	3750
Repalli	0.1	B P T	4100	4300	4200
Tiruvuru	NR	Fine	3400	3600	3500
Visakhapatnam	0.1	B P T	3600	3800	3700
Assam					
Cachar	50	Common	2400	2900	2700
		Fine	3000	3600	3200
		Other	2000	2500	2300
Gauripur	NR	Fine	3500	5500	4500
Hailakandi	4	Common	2400	2900	2700
		Fine	3000	3600	3200
		Other	2000	2500	2300
Howly	73	Broken Rice	1450	1550	1500
		Common	1900	2200	2000
		Fine	2400	2800	2500
		Super Fine	4500	4900	4750
Lanka	40	Common	1700	1800	1750
North Lakhimpur	7.9	Common	1800	2000	1900
		Fine	2600	2800	2700
		Super Fine	3000	4000	3500
Silapathar	3.3	Fine	2500	3500	3000
		Medium	2100	2300	2200
Srirampur	235	Common	2950	3200	2980
Bihar					
Bhagalpur	NR	Other	3700	3900	3800
Nawada	NR	Other	2050	2150	2100
Gujarat					
Jambusar	NR	Other	3200	3400	3300
Jambusar(Kaavi)	NR	Other	3200	3400	3300
Jhagadiya	NR	Other	1950	3100	2600
Jharkhand					
Daltenganj	NR	Other	2220	2400	2310
Deoghar	NR	Fine	3600	4000	3800
		Medium	2100	2500	2300
		Motta (Coarse) Boiled	1900	2200	2100
Godda	NR	Medium	2400	2800	2600
		Other	1800	2200	2000
Saraikele	NR	Medium	2480	2600	2530
		Other	1870	2000	1950
Kerala					
Aroor	NR	Jaya	2700	2900	2800
		Other	3000	3200	3100
Chengannur	6	IR-8	2400	2700	2450
		Jaya	3200	3500	3300

Mannar	10	IR-8	2800	3000	2900
		Jaya	3800	4000	3900
		Other	5500	5700	5600
Manipur					
Bishenpur	1	Other	2900	2900	2900
Imphal	4.3	Other	NR	3100	3100
Lamlong Bazaar	1.2	Other	NR	3000	3000
Thoubal	1.5	Other	3000	3000	3000
Meghalaya					
Khliehriat	1.6	Other	2400	3000	2700
Orissa					
Bonai	0.4	Other	2200	2400	2400
Jeypore	1.9	Other	3500	4000	3700
Karanjia	5	Common	2800	3000	2900
		Other	2500	2700	2600
Kesinga	65	Other	2300	2400	2400
Udala	42	Other	1700	4400	2700
Tripura					
Melaghar	2	Coarse	2300	2400	2350
		Fine	3000	3100	3050
		Masuri	2600	2700	2650
Taliamura	35	Masuri	2600	2700	2650
Uttar Pradesh					
Azamgarh	190	III	2080	2150	2120
Bahraich	120	III	2055	2085	2070
Bareilly	267	Coarse	NR	NR	2250
Basti	89	III	1975	2125	2050
Bijnaur	24	III	NR	NR	2210
Farukhabad	4	III	NR	NR	2190
Gazipur	30	III	1990	2030	2010
Lakhimpur	9	Other	2100	2300	2200
Mirzapur	4.5	Other	1950	2000	1970
Muradabad	13	III	NR	NR	2180
Naugarh	12	III	1950	1990	1970
Partaval	40	III	1950	2000	1975
Payagpur	8.5	III	2060	2090	2075
Pilibhit	650	Coarse	2160	2195	2180
Pratapgarh	27	III	2040	2080	2060
Rampur	20	Other	NR	NR	2210
Sehjanwa	71	III	2075	2175	2100
Shahabad(New Mandi)	50	Other	2150	2250	2200
Uttrakhand					
Gadarpur	4454	Other	1881	2201	2041
West Bengal					
Asansol	127	Fine	2275	2320	2300
Balarampur	1.9	Other	2100	2130	2120
Balurghat	23	Other	1960	2050	2000
Beldanga	38.5	Other	2300	2350	2325

Bishnupur(Bankura)	110	Masuri	1950	2050	2000
		Other	2250	2350	2300
Champadanga	15	Ratnachudi (718 5-749)	2250	2400	2350
Durgapur	135	Fine	2220	2270	2250
Haldibari	9	Fine	2400	2600	2500
Islampur	3.2	Other	2050	2150	2100
Jalpaiguri Sadar	24	Fine	2800	3000	2875
		Other	2000	2050	2030
		Super Fine	3600	3800	3650
Kaliaganj	12	Other	2720	2800	2750
Kalimpong	0.8	Other	2200	2400	2300
Kalipur	92	Other	1750	1850	1800
		Sona Mansoori Non Basmati	1600	1700	1650
Kasimbazar	42.5	Other	2300	2350	2325
Kasipur	1	Other	2100	2100	2100
Khatra	38	Other	2200	2300	2250
Kolaghat	16	Common	2300	2450	2400
		Fine	2500	2650	2600
Mathabhanga	120	Common	1800	1900	1850
Medinipur(West)	14	Other	2270	2300	2300
Purulia	60	Other	2100	2100	2100
Raiganj	14	Other	2870	2940	2900
Sheoraphuly	13	Ratnachudi (718 5-749)	2400	2600	2500
Tamluk (Medinipur E)	15	Common	2300	2450	2400
		Fine	2500	2650	2600

(Arrivals and Prices in Rs/Qtl)
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