

Domestic Market Highlights:

Total basmati rice export in the second week of Oct (12-18), 15 was 64784.50 tonnes. Mundra, Kandla & Loni ICD was the major port for basmati rice export center during this period. Total non basmati Rice export in the second week of Oct (12-18), 15 was 82028.33 tonnes. Mundra, Vizag and Kolkata Sea was the major port for basmati rice export center during this period.

Wholesale Prices for India as an average for third week of October traded weak by 0.39% and are currently hovering at Rs.2630-2640/quintal. We expect non-basmati rice market to move range bound to slightly weak due to fresh arrival in major mandis.

Pusa basmati paddy has started hitting the Fazilka mandi in Punjab, purchasing is yet to commence. Millers are hesitant to buy paddy at current price as they had incurred heavy losses last year due to lower price in global market. Millers are not going to offer Rs 1700 to Rs 1800 per qtl this year. Higher price than this would make their business unviable. They say basmati price is ruling Rs3700 to Rs 3800 per qtl and at this price they are unable to offer more than Rs 1800 per qtl. They fear that large quantity of last year is still unsold. It would continue to restrict aromatic rice price in the weeks ahead. On the other hand farmers says that price should be around Rs 2500 per qtl so that they can meet their input cost and continue to grow basmati.

With increasing cost of production, lower rainfall and declining prices for aromatic rice prices farmers in Punjab and Haryana are facing problems related to basmati rice marketing this season. Ample stock in major importing countries, unexpectedly lower price, quality issue and sluggish demand from global market for aromatic rice have pressurized basmati rice price further. Farmers are in depressed mood and when they are expecting higher prices for their produce, prices rules lower. This has increased their problem. Now they have started protesting against the prevailing lower price are demanding a Minimum Support Price (MSP) of Rs 4200 to Rs 5000 per quintal from the government.

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.

Price Outlook:-Average Rice price in all India is likely to reel under pressure with beginning of new arrival.

International Market Highlight:

According to data from the Vietnam Food Association (VFA), Vietnam exported about 4.48 million tons of rice in January 1 - October 20, 2015, down about 17% from about 5.37 million tons of rice exported in first ten months of 2014. Global rice prices especially of Vietnam are continuing to increase amid fears of lower supplies and increased demand from Indonesia and the Philippines. This could be opportunity for Indian rice export as international rice price is ruling below from all major suppliers and Indian rice export could increase in MY 2015-16.

Indonesia has finally agreed to import rice from Thailand and Vietnam to secure domestic stocks and maintain stable prices after previously insisting that stocks were low but enough to satisfy his commitment to self-sufficiency in the vital commodity. Indonesia needs rice supplies from overseas to maintain sufficient stocks in anticipation of failed harvests due to prolonged drought caused by the El Niño weather phenomenon. As per State Logistics Agency current stocks had almost run out, with only 1.4 million tons remaining. Vietnam had agreed to provide 1 million tons of rice for Indonesia. Thailand has not yet come to an agreement. As Agriwatch expect, it is likely to increase the rice price of Vietnam after this deal as demand of Vietnam rice is more in overseas market.

Vietnam 5% broken rice is now showing at about \$375 per ton, up about \$15 per ton from a week ago, up about \$15 per ton from a month ago and down about \$65 per ton from a year ago.

USDA forecasts 2015 global rice trade at around 42.4 million tons, down 2% from an estimated 43.2 million tons in 2014 and unchanged from last month's forecast. USDA expects a 2 million ton or 18% decline y/y in 2015 Thai rice exports and weaker shipments from Egypt, but says an increase from other countries such as India, Pakistan and the U.S. may not fully compensate for fall in Thai exports.

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.

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.

Rice Prices in Various Markets:

Oct-23-2015	White Rice 5% Broken	White Rice 25% Broken
Gujarat	2338.20	2208.30
Andhra Pradesh	2317.95	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	3980
Chirala	0.1	B P T	3900	4000	3950
Divi	0.1	B P T	3400	3500	3400
Gannavaram	0.1	B P T	4000	4500	4250
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
Narasaraopet	NR	B P T	4000	4200	4100
Ongole	0.1	B P T	3740	3800	3750
Repalli	0.1	B P T	4200	4400	4300
Tiruvuru	NR	Fine	3400	3600	3500

Assam					
Dhekiajuli	26	Common	1870	2100	2000
		Fine	2300	2650	2500
Dhing	92	Common	1700	2000	1800
		Fine	3200	3500	3400
Gauripur	48	Fine	3500	5500	4500
		Other	1800	3000	2600
Lanka	50	Medium	1700	1800	1750
North Lakhimpur	9	Common	1800	2000	1900
		Fine	2600	2800	2700
		Super Fine	3000	4000	3500
Silapathar	8.5	Fine	2500	3500	3000
		Medium	2100	2300	2200
Srirampur	150	Common	2950	3200	2980
Bihar					
Kishanganj	NR	Other	2400	2800	2600
Nawada	NR	Other	2000	2200	2100
Gujarat					
Jambusar	NR	Other	2800	3800	3500
Jambusar(Kaavi)	NR	Other	2800	3800	3500
Jharkhand					
Daltenganj	NR	Other	2240	2400	2350
Godda	NR	Medium	2400	2800	2600
		Other	1800	2200	2000
Pakur	6	Fine	3068	3246	3149
Saraikela	NR	Medium	2440	2600	2570
		Other	1870	2000	1980
Meghalaya					
Shillong	0.7	Other	3400	3600	3500
Orissa					
Bonai	0.5	Other	2200	2400	2400
Jajpur	NR	Other	2000	2800	2400
Uttar Pradesh					
Ballia	150	III	1950	2100	1980
Lakhimpur	8	Other	2150	2300	2210
Siyana	2	III	1950	2150	2050
Vilthararoad	180	III	1960	2100	1990
Uttarakhand					
Roorkee	700	Other	1900	1900	1900
West Bengal					
Chakdah	24	Other	2900	2900	2900

Islampur	3.2	Other	2000	2100	2050
Sealdah Koley Market	62.5	Fine	2100	2200	2200
Sheoraphuly	10	Ratnachudi (718 5-749)	2450	2650	2550

(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.