Domestic Market Highlights:

Government procurement of MY 2015/16 rice under the minimum support price is significantly ahead of last year due to the timely harvest of rice unlike last year where harvest was delayed by about two weeks due to October rains. Government procurement through October 25, 2015, is estimated at 6.54 MMT compared to 5.05 MMT during the corresponding period of MY 2014/15. Most of the procurement is currently limited to the northern states, but will gradually spread to other parts of the country from November onwards as harvest progresses. Based on the production and procurement estimates suggested by various states, the government has set the MY 2015/16 kharif rice procurement target of 30 MMT compared to MY 2014/15 kharif rice procurement of 25.3 MMT (target 30.1 MMT).

The Agricultural Products Export Development Authority (APEDA) is planning to promote basmati rice exports in retail packs with Indian brands in key markets in order to boost the country's basmati rice exports. This will increase the Basmati price in some extent. It is anticipated that the prices would bounce back by late December primarily due to an increase in demand from the Middle East and Iran which is expected to resume imports of the aromatic rice after January-February as Agriwatch expected.

Wholesale Prices for India as an average for fourth week of October traded weak by 2.63% and are currently hovering at Rs.2650-2660/quintal. We expect non-basmati rice market to move range bound to slightly weak due to fresh arrival in major mandis.

Aromatic rice monthly average prices in the fourth week of October were steady from last week and currently move with Rs.4000/quintal (1121 Sela) and rs.5300/quintal (Steam). We expect price of 1121 varieties move in the range bound in coming week.

Total Rice exported from India in third week of October (19-25) was 88483.77 tonnes out of which basmati rice contributes 37.61%, and 62.38% non-basmati rice exported in this period with quantity of around 55198.19 tonnes as per latest data extract from IBIS. Major importers for Indian Basmati rice in this period was UAE, Iran, Saudi Arabia and Yemen. We xpect Middle East countries to remain the major basmati buyers for Indian Basmati from Mundra and Kandla Port in coming weeks. Rice exports in this week were down by 40% from last week export of 146812.83 tonnes. We expect that rice export will down in coming week as arrival starts and trend sayes that export is slower at the peak arrival time.

As per Agriwatch second preliminary estimates after final Kharif sowing ,Indian rice production (including rabi) is expected to down by 4-5% from last year production of 104.5 million tonnes to 99-100 million tonnes in KMS 2015-16 due to lower area and lower rainfall in major growing states. Average rice price is likely to trade steady even with harvesting season starts, due to lower production estimates and lower carryover stock.

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

International Market Highlight:

The IGC forecasts 2015-16 global rice trade at around 42 million tons, unchanged from the previous year's 42 million tons as well as its previous estimate of around 42 million tons. Thailand is projected to be the world's leading exporter in 2016.

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:

Nov-03-2015	White Rice 5% Broken	White Rice 25% Broken
Gujarat	2325.25	2227.00
Andhra Pradesh	2305.00	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	4100	4150	4120
Chirala	0.1	B P T	3900	4000	3950
Denduluru	NR	Sona	2300	2500	2400
Divi	0.1	B P T	3500	3600	3500
Kondapi	0.1	B P T	3700	3800	3750
Markapur	0.1	B P T	3800	3900	3850
Nandyal	0.1	Sona Fine	4200	4300	4250
Ongole	0.1	B P T	3700	3800	3740

Tiruvuru	NR	Fine	3400	3600	3500
Visakhapatnam	0.1	B P T	3600	3800	3700
Assam					
Dhekiajuli	29	Common	1800	2200	2000
		Fine	2300	2650	2500
Dhing	87	Common	1700	2000	1800
		Fine	3200	3500	3350
Dibrugarh	NR	Other	2200	2900	2550
Howly	54.5	Broken Rice	1380	1500	1450
		Common	1700	2200	1900
		Fine	2500	2800	2700
		Super Fine	4600	4800	4700
Karimganj	40	Common	2200	2400	2300
Lanka	35	Medium	1700	1750	1725
North Lakhimpur	7.7	Common	1800	2000	1900
		Fine	2600	2800	2700
		Super Fine	3000	4000	3500
P.O. Uparhali Guwahati	72	Common	1800	2400	2100
		Fine	2100	3500	2800
		Super Fine	3400	14000	8700
Silapathar	5.6	Fine	2500	3500	3000
		Medium	2100	2300	2200
Srirampur	190	Common	2950	3200	2980
Bihar					
Kishanganj	NR	Other	2600	3000	2800
Gujarat					
Dahod	15	Coarse	3800	4000	3900
Jambusar	485	Other	3200	4200	3600
Jambusar(Kaavi)	NR	Other	3300	4200	3900
Jammu and Kashmir					
Jammu (Grain Mandi)	NR	Basmatibar (Raw/Old)	7500	8000	7750
Jharkhand					
Daltenganj	NR	Other	2220	2400	2330
Deoghar	NR	Fine	3600	4000	3800
		Medium	2100	2500	2300
		Motta (Coarse) Boiled	1900	2300	2100
Giridih	20.41	Fine	3300	3500	3500
		Medium	2300	2500	2500
		Motta (Coarse)	2100	2200	2200

		Boiled			
Godda	NR	Medium	2200	2600	2400
		Other	1800	2200	2000
Jamshedpur	NR	Fine	4000	4200	4100
Koderma	42	Fine	3300	3600	3500
		Medium	2300	2500	2400
		Motta (Coarse) Boiled	1600	1800	1700
Lohardaga	NR	Common	1800	2000	1900
		Fine	3000	3300	3260
		Medium	2200	2400	2335
Ranchi	NR	Coarse	1610	2125	1750
		Fine	2900	6000	3060
		Medium	2100	2725	2225
Saraikela	NR	Medium	2420	2600	2550
		Other	1850	2000	1960
Karnataka					
Bangalore	2025	Medium	4000	4300	4100
Bangarpet	424	Broken Rice	1520	1800	1620
		Sarbati Raw	2560	2980	2820
Kerala					
Manjeri	290	Other	2800	3800	3000
Maharashtra					
Palghar	12	1009 Kar	1662	3687	2000
Manipur					
Bishenpur	1	Other	2900	2900	2900
Imphal	4.4	Other	NR	3100	3100
Orissa					
Balugaon	15	Sona Mansoori Non Basmati	3000	3200	3100
Bonai	0.5	Other	2200	2400	2200
Chandabali	85	Common	1400	1600	1500
Deogarh	9	Other	2000	3000	2500
Jeypore	5.5	Common	300	330	325
Jeypore(Kotpad)	7.8	Common	3000	3300	3250
Nilagiri	15	Other	2200	2400	2300
Punjab					
Dhilwan	24	Basmati Paddy	1550	1721	1600
Malout	600	Basmati Paddy	1570	1651	1625
Tripura					

Melaghar	3	Coarse	2300	2400	2350
		Fine	2900	3000	2950
		Masuri	2500	2600	2550
Uttar Pradesh					
Agra	51	III	NR	NR	2120
Ajuha	18	Other	NR	NR	2055
Akbarpur	80	III	2080	2110	2100
Allahabad	150	Other	NR	NR	2280
Azamgarh	225	III	2080	2140	2110
Balrampur	15	Other	2080	2120	2100
Bareilly	320	Coarse	NR	NR	2250
Basti	115	III	2000	2150	2070
Bindki	85	Other	NR	NR	2265
Chhibramau(Kannuj)	15	III	NR	NR	2170
Etawah	500	III	NR	NR	2200
Faizabad	120	III	2100	2150	2120
Farukhabad	6	III	NR	NR	2190
Fatehpur	3.5	III	NR	NR	2220
Firozabad	15	III	NR	NR	2010
Ghaziabad	60	III	NR	NR	2055
Gonda	80	III	2020	2150	2100
Gulavati	2	III	1980	2100	2060
Jasra	15	III	NR	NR	2085
Kannauj	9.5	III	NR	NR	2180
Kanpur(Grain)	320	III	NR	NR	2075
Kasganj	20	Coarse	2030	2070	2050
Khairagarh	14	III	2000	2060	2030
Khatauli	4	III	1950	2060	2000
Lakhimpur	15	Other	2150	2300	2180
Lalganj	8	III	1915	1950	1930
Lucknow	146	Coarse	2150	2250	2200
Madhoganj	28	Other	2075	2250	2175
Mawana	1	III	NR	NR	2050
Mirzapur	6	Other	1960	2040	1980
Muradabad	8	III	NR	NR	2300
Muzzafarnagar	50	Common	NR	NR	2055
Naugarh	11	III	2000	2055	2035
Partaval	40	III	1950	2000	1975
Pilibhit	1200	Coarse	2180	2210	2195
Raibareilly	11.5	Other	2000	2100	2020
Saharanpur	150	III	NR	NR	2080

Sardhana	1.2	III	NR	NR	2060
Shahjahanpur	2839.4	Other	2015	2080	2050
Sitapur	124	Coarse	2050	2200	2100
Siyana	2	III	1950	2150	2055
Tilhar	128.1	Other	NR	NR	2100
Uttrakhand					
Gadarpur	2610	Other	1550	2140	1845
West Bengal					
Balarampur	2.1	Other	2120	2140	2130
Balurghat	24	Other	1960	2050	2000
Bankura Sadar	16	Other	2050	2150	2100
Beldanga	41	Other	2200	2300	2250
Chakdah	28	Other	2950	2950	2950
Champadanga	14	Ratnachudi (718 5-749)	2400	2550	2450
Egra/contai	46	Coarse	1760	1850	1800
		Fine	2450	2560	2500
Falakata	15	Common	1900	2000	1950
Islampur	3.2	Other	2000	2100	2050
Jalpaiguri Sadar	25	Fine	2775	2875	2850
		Other	1925	2000	1975
		Super Fine	3650	3850	3675
Kaliaganj	12	Other	2650	2750	2700
Kalimpong	1.4	Other	2160	2360	2260
Kalipur	112	Other	1900	2000	1950
		Sona Mansoori Non Basmati	1750	1850	1800
Kasimbazar	38.5	Other	2200	2300	2250
Kolaghat	12	Common	2300	2450	2400
		Fine	2500	2650	2600
Medinipur(West)	15	Other	2240	2250	2250
Pandua	50	Ratnachudi (718 5-749)	2300	2500	2400
Purulia	60	Other	2100	2120	2100
Raiganj	10	Other	2700	2800	2750
Ramkrishanpur(Howrah)	22	Other	2400	2600	2500
		Sona Mansoori Non Basmati	2000	2200	2100
Samsi	600	Fine	2790	2820	2800
		H.Y.V.	1790	1820	1800
Sheoraphuly	12	Ratnachudi (718 5-749)	2450	2650	2550

Tamluk (Medinipur E)	13	Common	2300	2450	2400
		Fine	2500	2650	2600

(Arrivals and Prices in Rs/Qtl)