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:

According to the Bureau of Agricultural Statistics (BAS), The Philippines rice stocks have increased in October 2015 after declining for four months continuously due to increase in imports. Total rice stocks in the Philippines as of October 1, 2015 stood at around 2.2 million tons, up about 12.2% from around 1.96 million tons recorded on September 1, 2015, and up about 21.5% from around 1.81 million tons recorded during the same period last year.

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.

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	4050	4100	4080
Denduluru	NR	Sona	2300	2500	2400
Kandukur	0.1	B P T	3400	3600	3500
Kondapi	0.1	B P T	3700	3800	3750
Markapur	0.1	B P T	3800	3900	3850
Visakhapatnam	0.1	B P T	3600	3800	3700
Assam					
Dibrugarh	NR	Other	2200	2900	2550
Gauripur	53	Fine	3500	5500	4500
		Other	1800	3000	2600
Karimganj	60	Common	2200	2400	2300
Lanka	50	Medium	1700	1750	1725
North Lakhimpur	5.8	Common	1800	2000	1900
		Fine	2600	2800	2700

		Super Fine	3000	4000	3500
Silapathar	7	Fine	2500	3500	3000
		Medium	2100	2300	2200
Bihar					
Nawada	NR	Other	2000	2200	2100
Jammu and Kashmir					
Jammu (Grain Mandi)	NR	Basmatibar (Raw/Old)	7500	8000	7750
Jharkhand					
Daltenganj	NR	Other	2230	2400	2340
Godda	NR	Medium	2200	2600	2400
		Other	1800	2200	2000
Gumla	NR	Other	2200	2500	2350
Hazaribagh	10.5	Other	2850	3030	2950
Jamshedpur	NR	Fine	4100	4300	4200
		Medium	2500	2700	2600
Ramgarh	32	Other	2400	2800	2600
Saraikela	NR	Medium	2430	2600	2560
		Other	1860	2000	1970
Kerala					
Punalur	2	Jaya	1600	1600	1600
Thodupuzha	70	IR-8	2300	2600	2600
		Mataa Parboiled	3650	3850	3850
Manipur					
Thoubal	1.5	Other	2700	2700	2700
Meghalaya					
Shillong	0.8	Other	3400	3600	3500
Orissa					
Bonai	0.5	Other	2200	2400	2200
Deogarh	9.5	Other	2000	3000	2500
Jeypore	4.8	Common	300	330	325
Jeypore(Kotpad)	4.8	Common	3000	3300	3250
Nilagiri	14	Other	2200	2500	2400
Punjab					
Malout	580	Basmati Paddy	1600	1665	1631
Tripura					
Mohanpur	7	Masuri	2800	3000	2900
		Other	2600	2800	2700
Uttar Pradesh					
Achalda	60	III	NR	NR	2260
Ajuha	23	Other	NR	NR	2045

Aligarh	75	III	2100	2200	2130
Ballia	130	III	1975	2100	2000
Balrampur	24	Other	2080	2115	2100
Basti	108	III	2000	2150	2075
Buland Shahr	8	III	NR	NR	2100
Dadri	60	III	NR	NR	2050
Dibiapur	7	III	NR	NR	2270
Firozabad	14	III	NR	NR	2020
Jhansi	5	Other	1900	2000	1950
Khairagarh	13	III	2020	2060	2040
Lakhimpur	16	Other	2100	2300	2200
Lucknow	152	Coarse	2100	2250	2200
Mirzapur	7	Other	1960	2050	1985
Muradabad	11	III	NR	NR	2280
Naugarh	12.5	III	2000	2050	2030
Orai	NR	Other	NR	NR	2000
Partaval	60	III	1975	2025	2000
Pilibhit	1100	Coarse	2170	2210	2190
Sardhana	1	III	NR	NR	2060
Shahganj	NR	III	1980	2040	2010
Uttrakhand					
Bazpur	481.1	Common	1630	1900	1814
Tanakpur	13	Other	2000	2050	2010
West Bengal					
Bishnupur(Bankura)	85	Masuri	1950	2050	2000
		Other	2250	2350	2300
Darjeeling	2	Parimal (New)	2700	2900	2800
Islampur	4	Other	2000	2100	2050
Kaliaganj	12	Other	2650	2750	2700
Kasipur	1.3	Other	2100	2100	2100
Khatra	39	Other	2250	2340	2300
Kolaghat	12	Common	2300	2450	2400
		Fine	2500	2650	2600
Purulia	48	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	500	Fine	2790	2820	2800
		H.Y.V.	1790	1820	1800
Sheoraphuly	11	Ratnachudi	2450	2650	2550

		(718 5-749)			
Tamluk (Medinipur E)	13	Common	2300	2450	2400
		Fine	2500	2650	2600

(Arrivals and Prices in Rs/Qtl)