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 fourth week of October (26 Oct-01 Nov) was 145388.83 tonnes out of which basmati rice contributes 43.01%, and 56.98% non-basmati rice exported in this period with quantity of around 82848.22 tonnes as per latest data extract from IBIS. Major importers for Indian Basmati rice in this period were UAE, Iran, Saudi Arabia and Korea. We expect 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 up by 64% from last week export of 88483.77 tonnes.

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 UN's Food and Agriculture Organization (FAO), Pakistan basmati rice export prices have declined for second consecutive month after increasing in August 2015. The decline can be attributed to increasing supplies from the current harvest, lack of export demand as well as surging stocks. Pakistan rice exporters reportedly hold around 500,000 tons of basmati rice from last season. In October 2015, Pakistan's basmati rice export prices have declined by about 23% to around $661 per ton from around $855 per ton in September 2015, and down about 54% from their year-ago levels of around $1,435 per ton. Unlikely, Indian FOB in the month of October moved up from last month and currently is in the range of USD 820-825/MT which is up by around 3.86% from last month price.

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.

Rice Prices in Various Markets:

Nov-05-2015	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
Chirala	0.1	B P T	3900	4000	3950
Denduluru	NR	Sona	2300	2500	2400
Divi	0.1	B P T	3500	3600	3500
Gannavaram	0.1	B P T	3500	4000	3750
Kandukur	0.1	B P T	3400	3600	3500
Kondapi	0.1	B P T	3700	3800	3750
Narasaraopet	NR	B P T	3950	4100	4000
Ongole	0.1	B P T	3800	3900	3820
Visakhapatnam	0.1	B P T	3600	3800	3700
Assam					
Bohorihat	10	Coarse	2000	2400	2200
		Fine	2800	3200	3000

Dibrugarh	NR	Other	2200	2900	2550
Gauripur	45	Fine	3500	5500	4500
Goalpara	71.5	Fine	3000	3800	3200
Golaghat	25	Common	2400	2500	2450
Hailakandi	4	Common	2400	2900	2700
		Fine	3000	3600	3200
		Other	2000	2500	2300
Karimganj	60	Common	2200	2400	2300
Nalbari	NR	Common	1900	2100	2000
		Fine	2700	3100	2900
		Super Fine	3400	3800	3600
North Lakhimpur	8.8	Common	1800	2000	1900
		Fine	2600	2800	2700
		Super Fine	3000	4000	3500
Silapathar	6	Fine	2500	3500	3000
		Medium	2100	2300	2200
Bihar					
Nawada	NR	Other	2000	2200	2100
Gujarat					
Jambusar	NR	Other	3000	4200	3500
Savli	NR	Other	3100	3160	3151
Jammu and Kashmir					
Jammu (Grain Mandi)	NR	Basmatibar (Raw/Old)	7500	8000	7750
Jharkhand					
Bermo	8	Coarse	2400	2600	2600
		Fine	3300	3500	3500
Giridih	15.87	Fine	3300	3500	3500
		Medium	2300	2500	2500
		Motta (Coarse) Boiled	2100	2200	2200
Godda	NR	Medium	2200	2600	2400
		Other	1800	2200	2000
Pakur	3.4	Fine	3035	3264	3152
Karnataka					
Bangalore	1412	Medium	4000	4300	4100
Madikeri	5	Other	2645	2645	2645
Kerala					
Chala	7	Other	2350	2800	2480
Chengannur	8	IR-8	2400	2800	2500
		Jaya	3200	3600	3500

Cherthala	10	IR-8	2450	2600	2500
		Jaya	3050	3200	3100
		Other	3650	3800	3700
Manjeri	290	Other	2800	3800	3000
Mannar	10	IR-8	2400	2600	2500
		Jaya	3400	3600	3500
		Other	6000	6200	6100
Orissa					
Bampada	10	Other	2300	3000	2400
Bolangir	6	Other	2200	2300	2200
Bonai	0.5	Other	2200	2400	2200
Jeypore	1.4	Common	300	330	325
Jeypore(Kotpad)	4.4	Common	3000	3300	3250
Nimapara	4.5	Other	2000	2400	2200
Udala	44	Other	1600	4500	2800
Punjab					
Malout	600	Basmati Paddy	1570	1671	1631
Tripura					
Melaghar	3	Coarse	2300	2400	2350
		Fine	2900	3000	2950
		Masuri	2500	2600	2550
Taliamura	35	Masuri	2600	2800	2700
Uttar Pradesh					
Achalda	50	III	NR	NR	2265
Agra	50	III	NR	NR	2140
Aligarh	80	III	1980	2150	2120
Bareilly	290	Coarse	NR	NR	2260
Basti	125	III	2000	2150	2075
Bijnaur	17	III	NR	NR	2250
Buland Shahr	12	III	NR	NR	2030
Dadri	65	III	NR	NR	2060
Etawah	760	III	NR	NR	2200
Firozabad	15	III	NR	NR	2010
Ghaziabad	60	III	NR	NR	2080
Jhansi	6	Other	2000	2200	2100
Kasganj	22	Coarse	2030	2050	2040
Khairagarh	14	III	2000	NR	2030
Lakhimpur	17	Other	2100	2270	2190
Lucknow	160	Coarse	2000	2150	2100
Mirzapur	5	Other	1960	2050	1990
Muzzafarnagar	40	Common	NR	NR	2055

Payagpur	9	III	2075	2100	2085
Pilibhit	1000	Coarse	2175	2215	2195
Pukhrayan	7.5	III	NR	NR	2100
Raibareilly	10.5	Other	2000	2100	2050
Rampur	36	Other	NR	NR	2200
Saharanpur	140	III	NR	NR	2060
Shahganj	NR	III	2000	2050	2030
Shahjahanpur	2766.5	Other	2050	2080	2065
Siyana	2	III	1970	2120	2040
Varanasi(Grain)	320	Other	1900	2100	2000
Uttrakhand					
Roorkee	1210	Other	1900	2000	1900
West Bengal					
Balurghat	24	Other	1960	2050	2000
Bishnupur(Bankura)	75	Masuri	1950	2050	2000
		Other	2250	2350	2300
Bolpur	200	Fine	2050	2150	2100
		Other	1800	1900	1850
Burdwan	258	Common	1730	1770	1750
		Fine	1860	1900	1880
Darjeeling	1.5	Parimal (New)	2700	2900	2800
Falakata	25	Common	1900	2000	1950
Guskara(Burdwan)	148	Fine	2040	2080	2060
Islampur	3.2	Other	2000	2100	2050
Kaliaganj	13	Other	2650	2740	2700
Kalimpong	8	Other	2200	2400	2300
Kasipur	1.1	Other	2100	2100	2100
Khatra	38	Other	2200	2300	2250
Mathabhanga	120	Common	1800	1900	1850
Medinipur(West)	15	Other	2260	2300	2300
Memari	155	Common	1730	1770	1750
		Fine	1860	1900	1880
Nadia	50	Fine	2850	2950	2900
Raiganj	13	Other	2700	2800	2750
Sheoraphuly	12	Ratnachudi (718 5-749)	2400	2600	2500

(Arrivals and Prices in Rs/Qtl)

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