

**Domestic Market Highlights:**

**As per latest information available on sowing of Rabi crops, around 71.2% of the normal area under Rabi crops** have been sown up to 11.12.2015. Area sown under all Rabi crops taken together has been reported to be 442.33 lakh hectares at All India level as compared to 486.69 lakh hectares in the corresponding period of last year.

**The FAO estimates 2016 global rice trade at around 45.3 million tons, up about 1.4% from an** estimated 44.7 million tons last year. The FAO expects most of the importers, especially in Africa and Latin America, to replenish inventories. On the export side, the expansion of trade could be dampened next year by more limited availabilities in several export origins, says the FAO. It expects exports of Vietnam to increase while those of India, Brazil and the U.S. to fall.

**Sowing of Rabi crop continued to be lower than last year but improved in last week from 22% down to 12.5% till date, with preliminary reports from the States placing the total area** sown at 370.28 lakh hectares (lh), as on December 4, against 438.77 lakh hectares in the corresponding period last year. Sowing/transplanting of rice was done in only 0.11 million hectare compared with 0.13 million hectares in the corresponding period last year. Rabi rice area is down by around 12.5% from corresponding period last year till December 18th 2015.

**Procurement of new paddy starts in Andhra Pradesh with all preparations required at this point of time.** A major producing district of A.P. has targeted to procure 3.5 lakh tonne paddy in ongoing season and for this 136 purchasing centers have been opened for smooth procurement. The procurement quantity may go up to 5.5 lakh tonne this season in this district. Millers in this reason have been directed to procure paddy at MSP of Rs. 1,450 per quintal for A-grade variety and Rs. 1,410 for common variety. Administration has warned millers to avoid irregularities in procurement and in payment process.

**Procurement in the Northern States is almost over, but will gradually spread to other parts of the country** as harvest progresses. Government procurement of MY 2015/16 rice under the minimum support price (MSP) continues to be ahead of last year due to the timely harvest (last year delayed due to October rains) and good harvest from the irrigated Northern States. Government procurement through November 30, 2015, is estimated at 13.87MMT compared to 10.64 MMT during the corresponding period of MY 2014/15.

**Total Rice exported from India in the first week of December was 148655.87 tonnes out of which** basmati rice contributes 51.5%, and non-basmati rice is 48.49% in this period with quantity of around 76571.65 tonnes and 72084.22 tonnes respectively.

**India's rice stocks in the central pool as of December 1, 2015 stood at around 11.315 million tons down about 48% from around 21.57 million tons recorded during the same period last year**, according to data from the Food Corporation of India (FCI). India's rice stocks in the central pool are down about 8% from around 12.27 million tons recorded on November 1, 2015. The current rice stocks are about one million tons more than the required strategic reserve norms of around 10.25 million tons for this time of the year, according to the FCI.

**Wholesale Prices for India as an average for first week of December traded steady to firm by 0.80%** and are currently hovering at Rs.2655-2660/quintal. We expect non-basmati rice market to move range bound with firm tone in coming week. India average wholesale rice prices, which declined in October 2015 with the beginning of the kharif (June-December) rice harvest, have increased in November on concerns of lower output due to El Nino-induced below average monsoon rains in many rice-growing areas.

**Price Outlook:-Average Rice price in all India is likely to trade steady with firm tone due to higher demand and tight supply.**

#### **International Market Highlight:**

**The Philippines may import 400,000 metric tons of rice in the first half of 2015-16 year, and as per** reported 500,000 tons of rice has been already imported from Thailand and Vietnam. On the other hand final assessment will be made in January on how much rice will be imported for 2016. El Nino is expected to intensify in the first half of 2016.

**The government of Turkey has announced the paddy purchasing price for 2015-16 at around TL (Turkish Lira) 1,580 (around \$534) per tonne.** Harvesting of paddy is almost over in the country and paddy as well rice prices is continuous bearish due to fresh arrival in the market. In 2015, Turkey is expected to produce record 920,000 tonnes of paddy this year, up about 11% from around 830,000 tonnes in 2014.

**After Nigeria, Mali is the second largest rice producing country in African continent and this year (2015-16)** Mali is expected to produce 2,451,321 tonnes of rice which is up by around 13% from last year.

**South Korea's state run Agro Fisheries & Food Trade Corporation (KAFTC) has purchased 55,555 tons of non-glutinous brown rice of China and U.S. origins for delivery between March 31, 2015 and April 30, 2015 in tenders that closed on December 9, 2015.**

**Vietnam's rice exports between January and November had year-on-year increase of 3.6 percent** in volume, but a 4.9 percent annual decrease in value. Rice exports in the first nine months reached 6.24 million tons, fetching US\$2.65 billion in total. Shipments in October and November were sharply increases compared to previous months, citing new contracts signed with the Philippines and Indonesia in October as the main reason. Under the contracts that will expire in March next year, Vietnam is set to export 450,000 tons of rice to the Philippines and one million tons to Indonesia. The contracts may bring the total rice exports in 2015 to 6.8 million tons, while the estimated figure released in September was only 6.02 million tons. The Vietnam Food Association cut the minimum price of exported rice twice, in May and September.

**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.

#### **Rice Prices in Various Markets:**

| Dec-23-2015    | White Rice 5% Broken | White Rice 25% Broken |
|----------------|----------------------|-----------------------|
| Gujarat        | 2424.33              | 2258.28               |
| Andhra Pradesh | 2404.08              | 2238.03               |

**In Rs. /Quintal**

#### **Rice Prices in Various Markets**

| Market                | Arrivals  | Variety | Minimum Price | Maximum Price | Modal Price   |
|-----------------------|-----------|---------|---------------|---------------|---------------|
|                       | (Tonnes ) |         | (Rs./Quintal) | (Rs./Quintal) | (Rs./Quintal) |
| <b>Andhra Pradesh</b> |           |         |               |               |               |
| Kondapi               | 0.1       | B P T   | 3800          | 4000          | 3900          |
| <b>Assam</b>          |           |         |               |               |               |
| Cachar                | 60        | Common  | 2400          | 2900          | 2700          |
|                       |           | Fine    | 3000          | 3600          | 3200          |
|                       |           | Other   | 2000          | 2500          | 2300          |
| Dibrugarh             | 19        | Other   | 2200          | 2900          | 2500          |

|                      |      |               |      |      |      |
|----------------------|------|---------------|------|------|------|
| Gauripur             | 47   | Other         | 1800 | 3000 | 2600 |
| Hailakandi           | NR   | Common        | 2400 | 2900 | 2700 |
|                      |      | Fine          | 3000 | 3600 | 3200 |
|                      |      | Other         | 2000 | 2500 | 2300 |
| Howly                | 67   | Broken Rice   | 1200 | 1500 | 1300 |
|                      |      | Common        | 1800 | 2200 | 2000 |
|                      |      | Fine          | 2400 | 2800 | 2600 |
|                      |      | Super Fine    | 4500 | 4700 | 4600 |
| Jorhat               | 35   | Common        | 2000 | 3000 | 2800 |
| Karimganj            | 60   | Common        | 2000 | 2100 | 2050 |
| Lanka                | 70   | Common        | 1700 | 1750 | 1725 |
| North Lakhimpur      | 8    | Common        | 1800 | 2000 | 1900 |
|                      |      | Fine          | 2600 | 2800 | 2700 |
|                      |      | Super Fine    | 3000 | 4000 | 3500 |
| Silapathar           | 3    | Fine          | 2500 | 3500 | 3000 |
|                      |      | Medium        | 2100 | 2300 | 2200 |
| Srirampur            | 135  | Common        | 2950 | 3200 | 2980 |
| <b>Jharkhand</b>     |      |               |      |      |      |
| Chaibasa             | NR   | Coarse        | 1500 | 2000 | 1800 |
|                      |      | Fine(Basmati) | 2200 | 2800 | 2400 |
|                      |      | Medium        | 2100 | 2600 | 2300 |
| Daltenganj           | NR   | Other         | 2250 | 2400 | 2350 |
| Jamshedpur           | NR   | Fine          | 4100 | 4300 | 4200 |
|                      |      | Medium        | 3550 | 3650 | 3600 |
| Ramgarh              | 32   | Other         | 2400 | 3000 | 2800 |
| Saraikela            | NR   | Medium        | 2450 | 2600 | 2520 |
|                      |      | Other         | 1890 | 2000 | 1970 |
| <b>Kerala</b>        |      |               |      |      |      |
| Manjeri              | 290  | Other         | 2800 | 3800 | 3000 |
| <b>Maharashtra</b>   |      |               |      |      |      |
| Kolhapur(Laxmipuri)  | 25   | 1009 Kar      | 1900 | 4700 | 3000 |
| <b>Orissa</b>        |      |               |      |      |      |
| Betnoti              | 0.04 | Sanna Bhatta  | 1800 | 2200 | 2000 |
| Bhanjanagar          | 0.1  | Common        | 2000 | 2200 | 2100 |
| Bonai                | 0.6  | Other         | 1410 | 1500 | 1410 |
| Jajpur               | NR   | Other         | 1800 | 2600 | 2200 |
| Junagarh             | 18.5 | Other         | 2100 | 2200 | 2100 |
| <b>Punjab</b>        |      |               |      |      |      |
| Jagraon              | 100  | Other         | 2240 | 2240 | 2240 |
| <b>Uttar Pradesh</b> |      |               |      |      |      |
| Lakhimpur            | 17   | Other         | 2080 | 3040 | 3015 |

|                    |     |                        |      |      |      |
|--------------------|-----|------------------------|------|------|------|
| Mirzapur           | 15  | Other                  | 1900 | 1950 | 1925 |
| Naugarh            | 14  | III                    | 2000 | 2070 | 2035 |
| <b>Uttarakhand</b> |     |                        |      |      |      |
| Ramnagar           | 2.5 | Common                 | 2200 | 2200 | 2200 |
| <b>West Bengal</b> |     |                        |      |      |      |
| Birbhum            | 138 | Common                 | 1850 | 1870 | 1860 |
| Islampur           | 3   | Other                  | 2100 | 2200 | 2150 |
| Sheoraphuly        | 11  | Ratnachudi (718 5-749) | 2400 | 2600 | 2500 |

**(Arrivals and Prices in Rs/Qtl)**

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