

Domestic Market Highlights:

Sowing of Rabi rice crop continued to be lower than last year but improved in last week from 12.5% down to 8.0% till date, with preliminary reports from the States placing the total area sown at 14.77 lakh hectares (lh), as on January 01-2016, against 16.05 lakh hectares in the corresponding period last year. However normal area under rabi rice is approx 43.11 lakh hectare. We expect that total area under paddy will decline by 3-5% from normal due to crop shifting in major rabi rice growing states.

Total Rice exported from India in the fourth week of December was 160787.40 tonnes, down about 10% from last week export of 178763.75 tonnes. Out of total rice exports, basmati rice contributes 46.20%, and non-basmati rice is 53.79% in this period with quantity of around 74296.21 tonnes and 86488.20 tonnes respectively as per latest data extract from IBIS. Major importers of Indian Basmati rice in this period were Iran, Saudi and Korea whereas top importers for non-basmati were Nigeria, Ivory Coast and Benin. We expect Middle East countries to remain the major basmati buyers for Indian Basmati from Mundra, Kandla and Kakinada Port in coming months.

Wholesale Prices for India as an average for fourth week of December traded firmed by 8.09% and are currently hovering at Rs.2970-2980/quintal. We expect non-basmati rice market to move range bound with firm tone in coming week. Wholesale basmati rice prices in Delhi moved weak in fourth week of December and currently hover in the range of Rs.4400-4500 1121 sella and Rs.52-5300 for steam. Overall basmati rice is expected to trade in the range bound in coming weeks.

Rice procurement, by the Food Corporation of India (FCI) and state government agencies, for the kharif marketing season (KMS) 2015-16 (October 1, 2015 - September 30, 2016), has increased sharply over last year despite a likely lower output this year due to low price in open market. The FCI and the government agencies together have procured over 18 million tons of rice (milled equivalent of paddy) as of December 29, 2015, up about 31% from around 13.76 million tons procured during the same period last year. Based on the pace of procurement, the Food Ministry officials expressed confidence that the government may surpass the target of 30 million ton for KMS 2015-16. The FCI and government agencies procured 32 million tons of rice in KMS 2014-15.

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.

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.

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-29-2015	White Rice 5% Broken	White Rice 25% Broken
Gujarat	2422.87	2223.73
Andhra Pradesh	2402.62	2203.48

In Rs. /Quintal

Rice Prices in Various Markets

Market	Arrival s	Variety	Minimum Price	Maximum Price	Modal Price
	(Tonnes)		(Rs./Quintal)	(Rs./Quintal)	(Rs./Quintal)
Andhra Pradesh					
Addanki	NR	B P T	4050	4100	4070
Divi	0.1	B P T	3100	3200	3100
Gannavaram	NR	B P T	3600	4200	3900
Kandukur	0.1	B P T	3800	4000	3900
Kondapi	0.1	B P T	3800	4000	3900
Markapur	0.1	B P T	3900	4000	3950
Nandyal	0.1	Sona Fine	4200	4300	4250
Ongole	0.1	B P T	4000	4100	4030
Pamaru	NR	Medium	2100	2300	2200
Polavaram	NR	Sona	3000	3600	3400
Proddatur	NR	Masuri	4000	4200	4100
Assam					
Cachar	40	Common	2400	2900	2700
		Fine	3000	3600	3200
		Other	2000	2500	2300
Dibrugarh	19	Other	2200	2900	2550
Gauripur	38	Fine	3500	5000	4500

Howly	54.5	Broken Rice	1200	1500	1300
		Common	1800	2200	2000
		Fine	2400	2800	2500
		Super Fine	4400	4700	4500
Jorhat	37	Common	2000	2800	2600
Karimganj	60	Common	2050	2150	2100
North Lakhimpur	12	Common	1800	2000	1900
		Fine	2600	2800	2700
		Super Fine	3000	4000	3500
P.O. Uparhali Guwahati	76	Common	1800	2400	2100
		Fine	2100	3500	2800
		Super Fine	3400	14000	8900
Silapathar	24	Fine	2500	3500	3000
		Medium	2100	2300	2200
Bihar					
Nawada	NR	Other	1700	1900	1800
Gujarat					
Jambusar(Kaavi)	NR	Other	3700	4050	3900
Jhagadiya	NR	Other	1900	3100	2560
Savli	NR	Other	3300	3360	3350
Jharkhand					
Daltenganj	NR	Other	2230	2580	2310
Godda	NR	Medium	2000	2400	2200
		Other	1800	2000	1900
Latehar	NR	Boiled Rice	1900	2000	1950
		Fine	3100	3300	3200
		Medium	2600	2800	2700
Lohardaga	NR	Common	1600	2000	1860
		Fine	3000	3400	3170
		Medium	2200	2400	2365
Ranchi	NR	Coarse	1750	2180	2100
		Fine	3000	6100	3250
		Medium	2275	2825	2500
Karnataka					
Bangalore	2074	Medium	4000	4200	4100
Maharashtra					
Alibagh	3	Other	3500	4000	3750
Bhivandi	8	1009 Kar	2350	4550	3050
Kolhapur(Laxmipuri)	25	1009 Kar	2000	4700	3000
Murud	3	Other	2500	3000	2750
Palghar	7	1009 Kar	2095	4288	3050

Orissa					
Balugaon	30	Sona Mansoori Non Basmati	3000	3200	3100
Barikpur	10	Common	2400	3000	2500
Bolangir	5.5	Other	2200	2300	2200
Bonai	0.6	Other	2000	2200	2000
Chandabali	85	Common	1400	2200	1800
Deogarh	9	Other	2000	3000	2500
Jajpur	10	Other	1800	2600	2200
Jeypore	1.5	Other	4000	4200	4100
Jeypore(Kotpad)	4.4	Common	3000	3300	3250
Karanjia	6	Common	3000	3200	3100
		Other	2600	2800	2700
Kesinga	60	Other	2500	2600	2600
Nilagiri	10	Other	2300	2500	2400
Nimapara	4.5	Other	2000	2400	2200
Tileibani	3	Other	2000	3000	2500
Tusura	5	Other	2200	2300	2200
Tripura					
Chowmanu	0.55	Sona Mansoori Non Basmati	2	2	2
Melaghar	3.5	Coarse	2300	2400	2350
		Fine	2900	3000	2950
		Masuri	2400	2550	2500
Silachhari	0.5	Masuri	2700	2900	2800
Uttar Pradesh					
Allahabad	350	Other	NR	NR	1980
Balrampur	26.5	Other	2125	2160	2140
Baraut	15	III	NR	NR	2090
Bareilly	228	Coarse	NR	NR	2175
Buland Shahr	10	III	NR	NR	2040
Dadri	5	III	NR	NR	2060
Dibiapur	8	III	NR	NR	2250
Etawah	800	III	NR	NR	2250
Fatehpur	6.5	III	NR	NR	2140
Firozabad	12	III	NR	NR	2190
Ghaziabad	60	III	NR	NR	2050
Gonda	232	III	2100	2200	2150
Jaunpur	45	Coarse	1900	1975	1940
Kannauj	9	III	NR	NR	2200
Kanpur(Grain)	240	III	NR	NR	2125
Lakhimpur	20	Coarse	2100	2200	2100

Lucknow	116.2	Coarse	2050	2100	2075
Mainpuri	557.5	Coarse	NR	NR	1985
Mathura	720	III	NR	NR	1980
Mirzapur	23	Other	1890	1940	1910
Pilibhit	260	Coarse	2180	2210	2195
Saharanpur	88	III	NR	NR	2025
Shahganj	10	III	1950	2000	1980
Shahjahanpur	207.7	Other	2100	2225	2175
Shikohabad	45	Other	NR	NR	1950
Sitapur	141	Coarse	2150	2350	2230
Siyana	2.5	III	1950	2150	2050
Varanasi(Grain)	560	Other	1900	1980	1940
Uttarakhand					
Bazpur	1000	Common	1850	1850	1850
Gadarpur	1710	Other	1910	2111	2011
West Bengal					
Barasat	65	Masuri	2100	2300	2200
		Other	2400	2600	2500
Birbhum	136.2	Common	1850	1870	1860
Islampur	3.2	Other	2100	2200	2150
Kaliaganj	14	Other	2450	2550	2500
Khatra	37	Other	2200	2350	2300
Nadia	50	Fine	3150	3250	3200
Pandua	50	Ratnachudi (718 5-749)	2250	2350	2300
Raiganj	19	Other	2500	2600	2550
Sainthia	66.6	Other	1850	1870	1860
Samsi	600	Fine	2790	2820	2800
		H.Y.V.	1890	1920	1900

(Arrivals and Prices in Rs/Qtl)

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