

Domestic Market Highlights:

Rice export from India in the month of December was approx 14.71 lakh tonnes which was up by 60% last year December export of 9.2 lakh tonnes and also up from last month from 52%. Non basmati rice contribution was around 59% and rest 40.78% contribution of basmati rice with quantity of 8.71 lakh tonnes and 6 lakh tonnes respectively as per data received from IBIS.

Wholesale Prices for India as an average for first week of January trade firm by 5.80% and are currently hovering at Rs.2930-2940/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 first week of January due to frail demand and supply from producing states and currently hover in the range of Rs.4200-4250 for 1121 sella and Rs.51-5300 for steam. Overall basmati rice is expected to trade range bound in coming weeks.

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.

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.

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, 2105.

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:

Jan-04-2016	White Rice 5% Broken	White Rice 25% Broken
Gujarat	2431.63	2231.77
Andhra Pradesh	2411.38	2211.52

In Rs. /Quintal

Rice Prices in Various Markets

Market Center	Arrivals	Variety	Minimum Price	Maximum Price	Modal Price
Cereals					
Rice					
Andhra Pradesh					
Denduluru	NR	Sona	2300	2500	2400
Divi	0.2	B P T	3100	3200	3100
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
Ongole	0.1	B P T	4000	4100	4030
Proddatur	NR	Masuri	4000	4200	4100
Assam					
Cachar	60	Common	2400	2900	2700
		Fine	3000	3600	3200

		Other	2000	2500	2300
Dibrugarh	32	Other	2200	2900	2550
Howly	45	Broken Rice	1200	1500	1300
		Common	1800	2000	1900
		Fine	2300	2400	2350
		Super Fine	4000	4200	4100
Lanka	75	Common	1700	1750	1725
North Lakhimpur	19	Common	1800	2000	1900
		Fine	2600	2800	2700
		Super Fine	3000	4000	3500
Silapathar	29	Fine	2500	3500	3000
		Medium	2100	2300	2200
Bihar					
Chhapra	0.1	Other	3000	3100	3050
Nawada	NR	Other	1700	1900	1800
Gujarat					
Dharampur(veg)	50	Masuri	3000	3500	3250
Jambusar	NR	Other	3000	4500	4000
Jambusar(Kaavi)	NR	Other	3500	4500	4000
Jhagadiya	NR	Other	1910	3095	2520
Jharkhand					
Chaibasa	NR	Coarse	1500	2000	1800
		Fine(Basmati)	2200	2800	2400
		Medium	2100	2600	2300
Chakulia	NR	Fine	2160	2340	2250
		Medium	1860	1980	1930
Daltenganj	NR	Other	2230	2500	2330
Godda	NR	Medium	2000	2400	2200
		Other	1800	2000	1900
Gumla	NR	Other	2700	3300	3000
Jamshedpur	NR	Fine	4500	4600	4550
		Medium	4000	4200	4100
		Other	3000	3200	3100
Lohardaga	NR	Common	1800	2000	1950
		Fine	2900	3200	3050
		Medium	2200	2500	2350
Ranchi	NR	Coarse	1700	2200	2120
		Fine	3100	6000	3250
		Medium	2300	2850	2500
Saraikela	NR	Medium	2450	2600	2520
		Other	1870	2000	1960

Karnataka					
Bangalore	1894	Medium	4000	4200	4100
Holenarsipura	27	Coarse	1776	1776	1776
Kerala					
Aroor	3	Basumathi	6800	7000	6900
		IR-8	2400	2600	2500
		Jaya	2700	2900	2800
		Other	2900	3100	3000
Chengannur	5	IR-8	2400	NR	2400
		Jaya	3200	NR	3200
Cherthala	10	IR-8	2350	2500	2400
		Jaya	3100	3300	3200
		Other	3650	3750	3700
Maharashtra					
Alibagh	3	Other	3500	4000	3750
Bhivandi	8	1009 Kar	2350	4200	3350
Kolhapur(Laxmipuri)	20	1009 Kar	2000	4700	3000
Murud	4	Other	2500	3000	2750
Meghalaya					
Shillong	0.8	Other	3400	3600	3500
Orissa					
Bonai	0.8	Other	2000	2200	2000
Deogarh	9.5	Other	2000	3000	2500
Jajpur	52	Other	1850	2700	2250
Jeypore	7.5	Common	300	330	325
Jeypore(Kotpad)	7.8	Common	3000	3300	3250
Karanjia	6	Common	3000	3300	3200
		Other	2800	3000	2900
Nimapara	4	Other	2000	2400	2200
Tileibani	2.5	Other	2000	3000	2500
Tripura					
Melaghar	3	Coarse	2350	2450	2400
		Fine	3000	3100	3050
		Masuri	2500	2600	2550
Uttar Pradesh					
Achalda	160	III	NR	NR	2245
Ajuha	14	Other	NR	NR	2120
Baberu	4	Other	2100	2175	2150
Bahraich	146	III	2065	2100	2085
Bareilly	231	Coarse	NR	NR	2200
Basti	150	III	2000	2200	2085

Bharthna	600	III	NR	NR	2240
Bijnaur	4	III	NR	NR	1620
Bindki	45	Other	NR	NR	2220
Buland Shahr	9	III	NR	NR	2040
Farukhabad	4	III	NR	NR	2200
Hamirpur	8	Other	NR	NR	1950
Jahanabad	13.5	Coarse	NR	NR	2250
Jaunpur	48	Coarse	1900	1950	1925
Khair	6	III	2130	2190	2160
Khairagarh	6	III	NR	NR	2060
Khatauli	3	III	NR	NR	2030
Lucknow	120	Coarse	2000	2120	2080
Mirzapur	26	Other	1890	1945	1920
Naugarh	15	III	2000	2075	2040
Pilibhit	280	Coarse	2170	2210	2190
Saharanpur	84	III	NR	NR	2030
Sardhana	1	III	NR	NR	2090
Sitapur	138	Coarse	2150	2350	2230
Siyana	2.5	III	1970	2125	2050
Sultanpur	297.5	Other	2125	2200	2160
Tilhar	1	Other	2160	2200	2190
Yusufpur	35	III	1850	1900	1875
Uttrakhand					
Bazpur	1000	Common	1900	1900	1900
Gadarpur	413	Other	1940	2045	1993
Ramnagar	60	Common	2000	2210	2105
West Bengal					
Barasat	70	Masuri	2100	2300	2200
		Other	2400	2600	2500
Garbeta(Medinipur)	22	Other	2430	2480	2450
Islampur	3.1	Other	2100	2200	2150
Kaliaganj	15	Other	2525	2600	2550
Karimpur	3	Other	3100	3200	3150
Karsiyang(Matigara)	1.5	Other	2400	2900	2600
Kasimbazar	46	Other	2310	2380	2340
Kolaghat	10	Common	2200	2350	2300
		Fine	2400	2550	2500
Mekhliganj	22.5	Common	1950	2050	2000
		Fine	3050	3150	3100
Pandua	50	Ratnachudi (718 5-749)	2350	2500	2400
Raiganj	2	Other	2550	2650	2600

Ramkrishanpur(Howrah)	23.6	Other	2400	2600	2500
		Sona Mansoori Non Basmati	2000	2200	2100
Sheoraphuly	10.5	Ratnachudi (718 5-749)	2400	2600	2500
Tamluk (Medinipur E)	10	Common	2200	2350	2300
		Fine	2400	2550	2500

(Arrivals and Prices in Rs/Qtl)
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