

Domestic Market Highlights:

Agriwatch has updated the rice exports in the 01st week of December based on data released by APEDA & IBIS. Total rice exports for MY-2016-16 till December-15 was 30.68 Lakh tons which was down by around 1.12% from last year's three months export of 31.03 lakh tons for the same period. Non- basmati rice exports in the month of December was 8.71 lakh tons and basmati exports in the month was 6 lakh tons.

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, 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:

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					
Chirala	0.1	B P T	3900	4000	3950
Kandukur	0.1	B P T	3800	4000	3900
Markapur	0.1	B P T	3900	4000	3950
Nandyal	0.1	Sona Fine	3100	3200	3150
Ongole	0.1	B P T	4000	4100	4030
Pamaru	NR	B P T	1100	1300	1200

Polavaram	NR	Sona	3000	3600	3400
Proddatur	NR	Masuri	4000	4200	4100
Assam					
Cachar	30	Common	2400	2900	2700
		Fine	3000	3600	3200
		Other	2000	2500	2300
Dhekiajuli	26	Common	1750	2000	1900
		Fine	2200	2600	2400
Dibrugarh	19	Other	2200	2900	2550
Gauripur	27.5	Other	1900	3200	2300
Hailakandi	5	Common	2400	2900	2700
		Fine	3000	3600	3200
		Other	2000	2500	2300
Karimganj	40	Common	2050	2150	2100
North Lakhimpur	32	Common	1800	2000	1900
		Fine	2600	2800	2700
		Super Fine	3000	4000	3500
Srirampur	115	Common	2950	3200	2980
Bihar					
Chhapra	0.1	Other	3000	3100	3050
Jharkhand					
Daltenganj	NR	Other	2250	2500	2350
Dumka	NR	Coarse	1875	1950	1900
		Medium	2250	2300	2275
Godda	NR	Medium	2000	2400	2200
		Other	1800	2000	1900
Kerala					
Aroor	3	Basumathi	6800	7000	6900
		IR-8	2400	2600	2500
		Jaya	2700	2900	2800
		Other	2900	3100	3000
Chengannur	8	IR-8	2450	2800	2500
		Jaya	3200	3500	3400
Mannar	10	IR-8	2600	2800	2700
		Jaya	3500	3700	3600
		Other	6000	6200	6100
Punalur	1	Jaya	1600	1600	1600
Manipur					
Imphal	5	Other	NR	2700	2700
Thoubal	4.5	Other	2600	2600	2600
Orissa					
Bonai	1	Other	2000	2200	2000
Tripura					
Mohanpur	6	Masuri	2700	2900	2800
		Other	2500	2700	2600
Uttar Pradesh					
Aligarh	80	III	2100	2200	2150
Basti	113	III	2000	2150	2070

Bijnaur	15	III	NR	NR	2190
Dibiapur	8	III	NR	NR	2230
Firozabad	11	Other	NR	NR	2150
Jahanabad	13	Coarse	NR	NR	2200
Lakhimpur	21	Other	2000	2170	2080
Mainpuri	560	Coarse	NR	NR	2060
Mirzapur	27.5	Other	1900	1950	1920
Siyana	2.5	III	1950	2150	2060
Tilhar	68.7	Other	2170	2220	2210
West Bengal					
Balarampur	2.4	Other	2200	2220	2200
Beldanga	42	Other	2275	2325	2300
Islampur	4	Other	2100	2200	2150
Jalpaiguri Sadar	25	Fine	2700	2775	2750
		Other	1975	2025	2000
		Super Fine	3650	3700	3675
Kalna	80	Coarse (I.R.20)	1770	1790	1780
		Fine	2250	2270	2260
Kalyani	10.5	Fine	3100	3500	3400
		Other	2700	3100	3000
		Sona	2200	2500	2400
Nadia	50	Fine	3150	3250	3200
Ramkrishanpur(Howrah)	23.2	Other	2200	2400	2300
		Sona Mansoori Non Basmati	1800	2000	1900
Siliguri	35	Other	2400	2800	2600

(Arrivals and Prices in Rs/Qtl)

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