Contents

Rice Market Highlights

- *Wholesale rice Prices for India as an average was firm by 1% from last month and are currently hovering at Rs.2615-2620/quintal.*

- *Wholesale basmati rice prices in India's capital have been increasing since the beginning of November due to increased demand from stockiest against restricted supplies.*

- *Throughout the month of November basmati rice prices have seen a robust growth. A month ago 1121 Steam rice price was Rs. 5000/quintal. It is currently 24% more than last month and 35% more than last week and currently hovers in the range of Rs.6200/quintal. The major reason is the shift of pulses stockiest from pulses to rice business due to lower rice and higher pulses prices. New stockiest in rice market remained active during last two months and it encouraged rice price in the open market despite normal domestic and export demand. Overseas and domestic demands are normal and lower stocks too push the price northward.*

- *As per Agriwatch second preliminary estimates after final Kharif sowing, Indian rice production (including rabi) is expected to fall 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 the start of harvesting season, due to lower production estimates and lower carryover stock.*

- *As per All India Rice Exporters Association , Basmati production this year is expected to fall sharply, by 22% from last year production of 8.0 million tonnes to 6.2 million tonnes, however Agriwatch estimates it is down by only 8-10% to 7-7.2 million tonnes in MY 2015-16 due to area shift from 1509 to Parmal.*

- *Total Rice exported from India in the month of October was 6.33 lakh tonnes out of which basmati rice contributes 46.53%, and non-basmati rice is 53.46% in this month with quantity of around 338918.074 tonnes as per latest data extract from IBIS.*

- *The cumulative rainfall in the country during the post monsoon season i.e. 01st October to 18 th November, 2015 was 28% lower than Long Period Average (LPA). Rainfall (% departure from LPA) in the four broad geographical divisions of the country during the above period was lower by 60% in East & North East India, 8% in North West India, and 65% in Central India and higher by 4% in South Peninsula.*

- *Average rice price is likely to trade firm in coming months. India's average prices are to increase if India's production is dampened by intensifying El Nino weather pattern, which is likely to cause drought conditions in Asia. The government of India has forecasted the 2015-16 kharif (June - December) rice production at around 90.6 million tons, slightly lesser than the production in 2014-15 of 90.86 million tons.*

Price Projection for Next Month (January) in Domestic Market:

Duration	Trend	Average Price Range	Reason
January- 2016	**Steady to Firm**	**Rs.2650-2850/Q**	**Average Rice price in all India is likely to trade firm due to lower production prospects**

Rice Supply & Demand

Figure in MMT	2013-14	2014-15	2015-16*
Carry in	26.19	22.65	17.50
Production	106.54	104	100.00
Imports	0	0	0.00
Total Availability	132.73	126.65	117.50
Consumption	99.18	99.35	99.50
Exports	10.9	9.8	9.50
Total Usage	110.08	109.15	109.00
Carry out	22.65	17.5	**8.50**
Av Monthly Consumption	8.27	8.28	8.29
Stock to Month Use	2.74	2.11	0.79
Stock to Consumption Ratio	0.23	0.18	9.08

Agriwatch has updated the rice exports in the 2nd week of November based on data released by APEDA & IBIS. Total rice exports for MY-2014-15 till September-15 was 118 Lakh tonnes which was up by around 14% from last year's export of 104.3 lakh tonnes for the same period. Non- basmati rice exports in the month of September was 5.0 lakh tonnes and basmati exports in the month was 3.83 lakh tonnes.

Rice production in MY 2015-16 is likely to be down from 104 million tonnes in 2014-15 to 99-100 million tonnes due to lower rainfall and lower area coverage in kharif. On the Exports front, we expect rice exports in MY 2015-16, to fall by around 13% from 2014-15 and reach 9.5-10 million tonnes due to the lower carry over stock. However, the exports could improve should Indian rice continue to be competitive. Domestic consumption is likely to increase by 0.15% to 99.5 million tonnes in 2015-16 from last year consumption of 99.35 million tonnes

Agriwatch Rice (Kharif & Rabi) Production Estimate

State	(Kg/Hect) Normal Yield	In 000 Ha. Normal Area	As on 1 Oct-2015 Rainfall Status	Production in lakh T 5 Year Average Production	Production in lakh T 2015-16(Normal Expected Production)
Andhra Pradesh	3020.6	3234	4%	9606.716	11664.80
Assam	1958	2150	5%	3811.254	4830.87

Bihar	1811.2	3040.2	-28%	5103.844	5497.68
Chhattisgarh	1661.4	3741.6	-12%	5049.618	5747.43
Gujarat	2070	689	-14%	1336.994	1464.00
Haryana	3106.6	1062	-38%	826.398	1199.73
Himachal Pradesh	1638.8	72.5	-23%	1845.320	1825.47
Jharkhand	2009	1388.2	-14%	2405.460	2665.68
Karnataka	2743.4	1290	-20%	2889.296	3134.88
Kerala	2497.25	234.8	-26%	423.886	463.56
Madhya Pradesh	1381.2	1590.2	-12%	2219.124	2655.18
Maharashtra	1881.6	1545	-27%	2359.872	2679.42
Odisha	1567	4117	-10%	5592.036	6625.47
Punjab	3870.4	2810	-32%	8863.074	10099.50
Rajasthan	47.2	152.8	10.00%	221.352	283.57
Tamil Nadu	3183.6	1868.4	-10%	4489.364	4479.06
Telangana	--	--	-20%	--	--
Uttar Pradesh	2347.2	5829	-46%	11396.784	12852.60
Uttarakhand	2165.2	290	-28%	472.580	529.02
West Bengal	2736.4	5125	1%	12096.572	15248.87
Others	2411	2720.2	-	3126.276	3979.47
India	**2367.2**	**42949.9**	**-17%**	**84135.820**	**99565.80**

Agriwatch estimates this year KMS (2015-16), rice production to be between 99-101 million tonnes given the current rainfall scenario. Monsoon season is over and Kharif sowing has ended with lower paddy acreage figure. As per Agriwatch second preliminary estimates after final Kharif sowing ,Indian rice production (including rabi) is expected to fall 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 as shown in above table.

State wise Wholesale Price Monthly Analysis

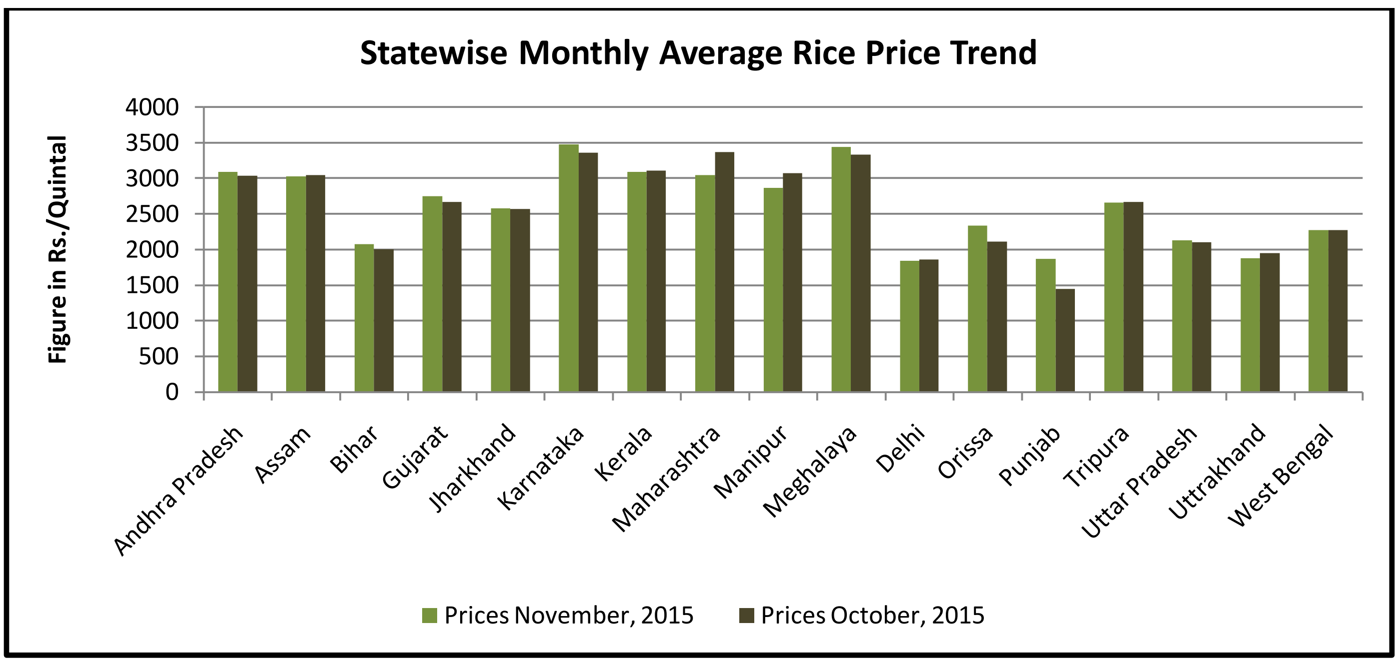
State	Prices November, 2015	Prices October, 2015	Prices November, 2014	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh	3094.77	3034.29	3004.14	1.99	3.02
Assam	3028.4	3046.08	3091.53	-0.58	-2.04
Bihar	2076.47	2002.23		3.71	__
Gujarat	2752.09	2669.96	2635.64	3.08	4.42
Jharkhand	2583.67	2574.69	2676.88	0.35	-3.48
Karnataka	3481.13	3361.42	3328.7	3.56	4.58
Kerala	3095.34	3112.45	3389.92	-0.55	-8.69
Maharashtra	3046.69	3374.24	4040.79	-9.71	-24.6

Manipur	2864.22	3077.56		-6.93	__
Meghalaya	3445.69	3336.14	3433.85	3.28	0.34
Delhi	1839.39	1862.15	2022.58	-1.22	-9.06
Orissa	2339.88	2115.77	2156.19	10.59	8.52
Punjab	1865.7	1450	2715.4	28.67	-31.29
Tripura	2657.79	2668.41	2707.3	-0.4	-1.83
Uttar Pradesh	2127.54	2101.87	2097.25	1.22	1.44
Uttrakhand	1874.72	1953.01	1953.91	-4.01	-4.05
West Bengal	2270.56	2269.9	2574.66	0.03	-11.81
Average	2614.36	2588.83	2779.24		

. Source-Agmark

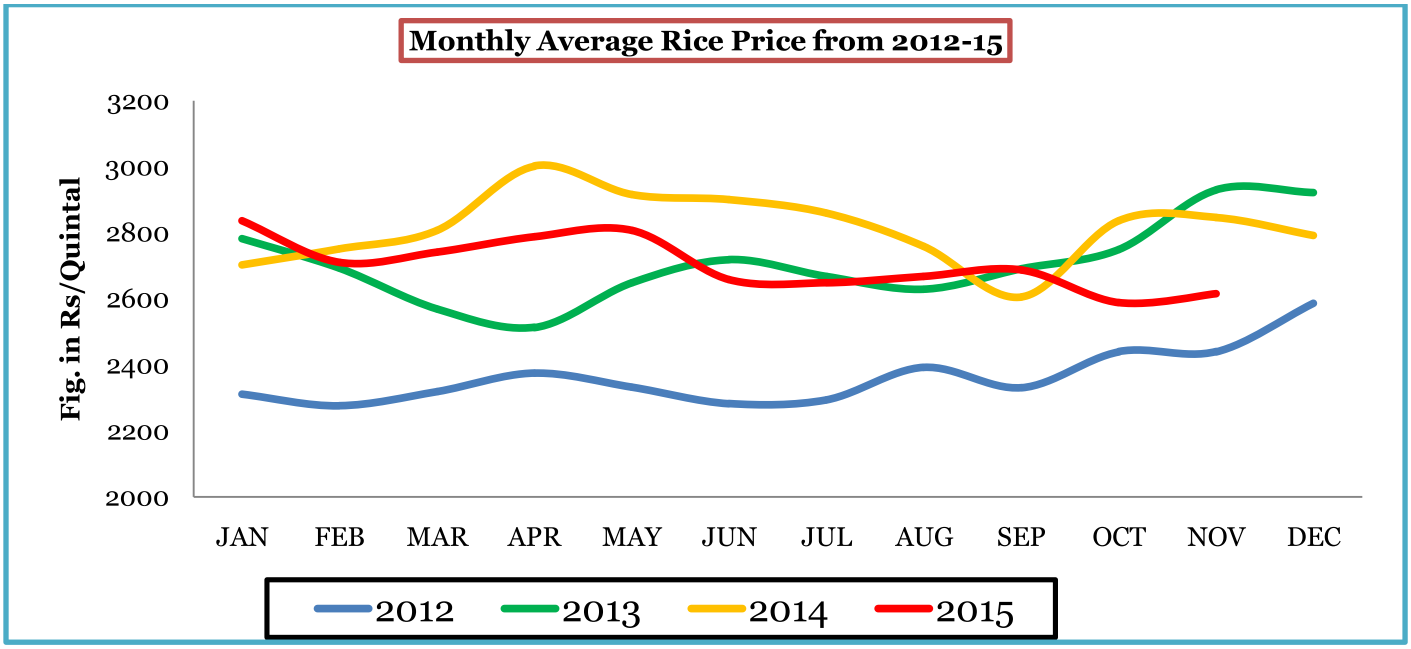
All India average wholesale rice prices were firm in November 2015 by 1%. Average wholesale rice prices of India which declined in October 2015 with the beginning of the kharif (June - December) rice harvest, have increased in November on concerns of lower output due to El Nino-induced below average monsoon rains in many rice growing areas.

Indian Average Rice Price Trend- November



All India rice average prices in the month of November was firm in major producing as well in major consuming states like A.P, Bihar, Karnataka, Orissa and Punjab, .

Monthly Average Rice Price Trend



Month-wise Rice Stock in Central Pool

Year	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
2011	25.58	27.80	28.70	28.82	27.76	27.64	26.86	25.27	22.7	20.5	26.83	27.63
2012	29.71	31.8	33.17	33.35	32.92	32.14	30.70	28.50	25.59	23.4	28.95	30.67
2013	32.22	35.4	35.8	35.46	34.72	33.3	31.50	29.23	26.78	23.13	28.58	28.62
2014	28.69	31.52	31.26	30.55	28.65	32.00	27.66	24.56	21.65	18.62	23.21	21.57
2015	23.13	25.22	24.05	23.82	22.23	22.48	21.67	18.66	16.31			

Source-FCI

India's rice stocks in the central pool as on September 1, 2015 stood at about 16.31 million tons (including a milled equivalent rice of about 24.21 million tons of paddy), about 23% lower than 24.56 million tons recorded during the corresponding period last year, according to data from the Food Corporation of India (FCI).

Rice Export Statistics

MY-2014-15	Non Basmati	Basmati	Total Export2014-15	MY-2015-16	Non Basmati	Basmati	Total Export2015-16
October-14	8.22	2.95	**11.17**	**October-14***	3.38	2.94	**6.32**
November-14	8.1	2.56	**10.66**	**November-14**			
December-14	5.38	3.82	**9.2**	**December-14**			
January-15	8.3	3.47	**11.77**	**January-15**			
February-15	8.62	3.79	**12.41**	**February-15**			
March-15	6	3.98	**9.98**	**March-15**			
April-15	4.67	3.48	**8.15**	**April-15**			
May-15	5.81	4.31	**10.12**	**May-15**			
June-15	5.98	3.43	**9.41**	**June-15**			
July-15*	6.14	2.7	**8.84**	**July-15**			
August-15*	5.6	2.68	**8.28**	**August-15**			
September-15*	5	3.83	**8.83**	**September-15**			
Total	**77.82**	**41**	**118.82**	**Total**	**3.38**	**2.94**	**6.32**

Source-DGCIS and * IBIS

Agriwatch has updated the rice exports in the first week of November based on data released by APEDA & IBIS. Total rice exports for MY-2014-15 September-15 was 118 Lakh tonnes, around 14% more last year's export of 104.3 lakh tonnes for the corresponding period. Non- basmati rice exports in MY 2015-16 which started from October 2015 was 3.38 lakh tonnes and basmati exports in the month were 2.94 lakh tonnes.

The total rice export has touched 118 lakh tonnes for MY- 2014-15, which is 13%higher than MY 2013-14 export of 104 lakh tonnes. Basmati exports in the end of marketing year were 41 lakh tonnes which is 18% higher than last year exports of 34.59 lakh tonnes, despite the ban by Iran which is one of the largest buyers of Indian Basmati rice. In MY 2014-15, Saudi Arabia, Iraq, Kuwait, USA were the main buyers.

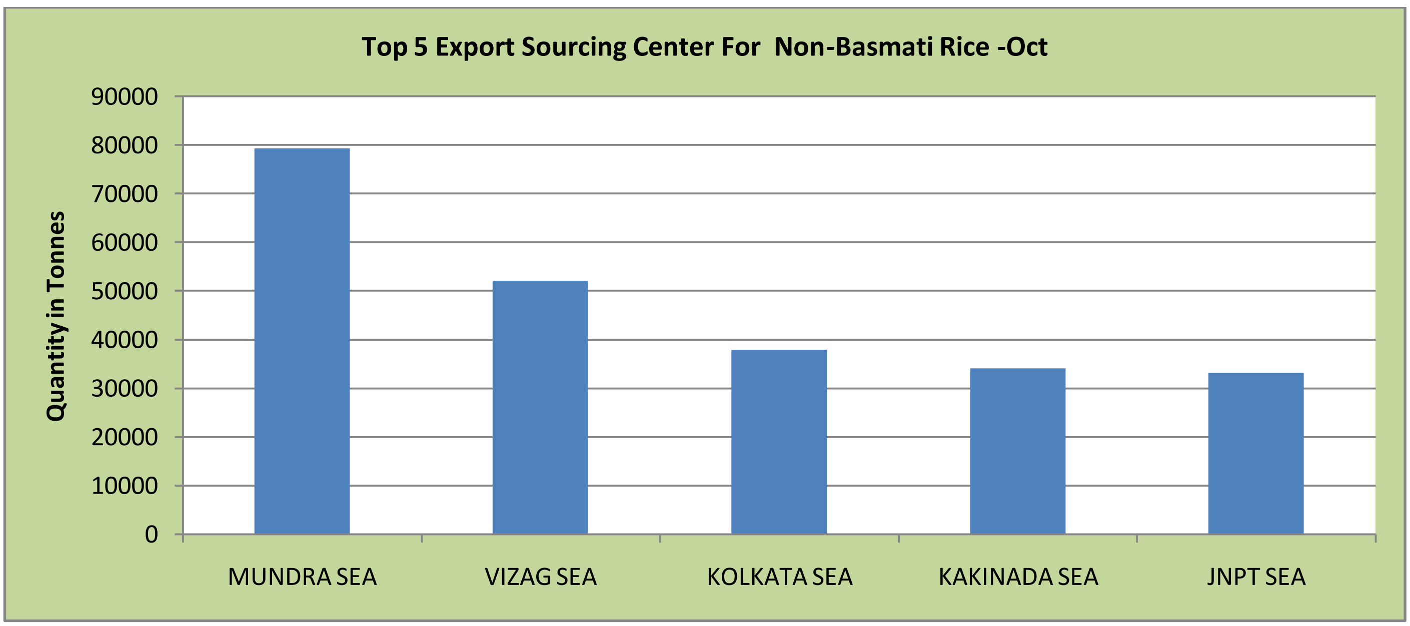
Major Importers of Basmati & Non basmati Rice in October

Major Importers of Non Basmati Rice			Major Importers of Basmati Rice		
Country	**Quantity in Tonnes**	**Average of FOB $/Tonne**	**Country**	**Quantity in Tonnes**	**Average of FOB $/Tonne**
BENIN	66073.30	344.87	U A E	70033.34	778.49
SENEGAL	44703.10	312.03	SAUDI	45037.38	850.70
B'DESH	20373.65	331.60	IRAQ	29854.49	702.94
SOMALIA	17566.05	348.48	IRAN	24510.37	780.76
U A E	16884.17	542.00	KOREA	14410.46	833.89
S.AFRICA	16201.16	347.09	KUWAIT	13538.85	870.00
TURKEY	14202.94	343.70	YEMEN	13092.64	742.19
TOGO	11074.50	344.68	S. ARABIA	12136.23	979.91

BAHRAIN	8153.14	452.26	U S A	11356.71	753.01
BERBERA	7723.00	343.67	U K	9516.43	791.45
Others	115963.08	470.39	Others	51456.50	850.43
Grand Total	**338918.07**	**470.08**	**Grand Total**	**294943.40**	**827.04**

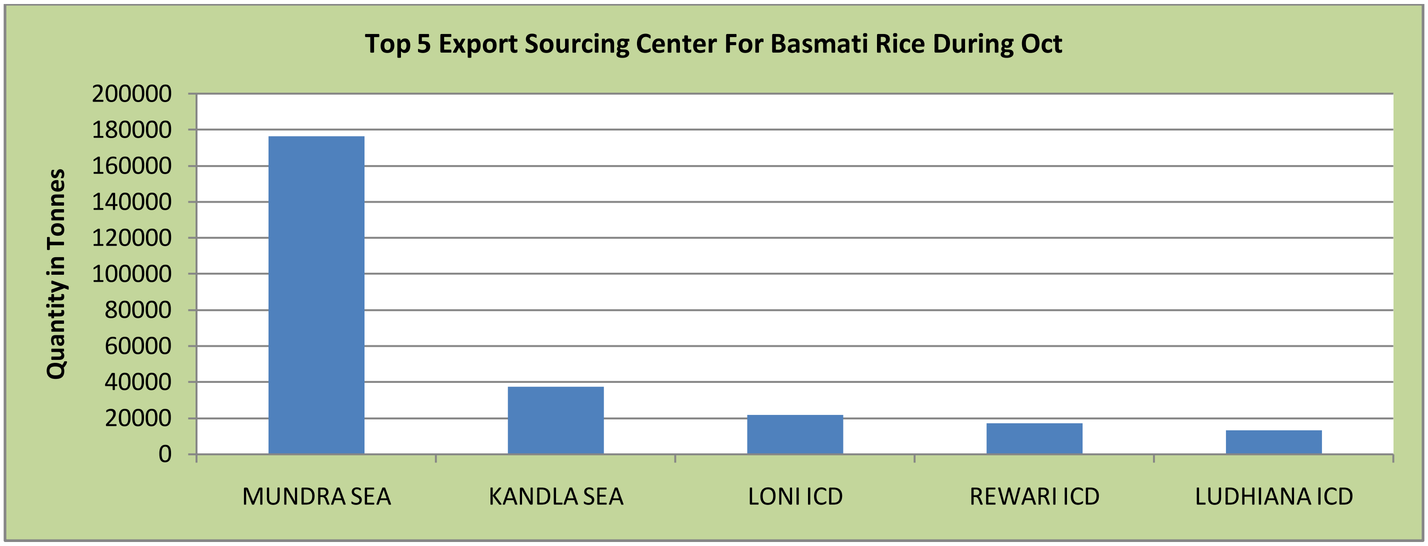
Total Rice exported from India in the month of October was 6.33 lakh tonnes out of which basmati rice contributes 46.53%, and non-basmati rice is 53.46% in this month with quantity of around 338918.074 tonnes as per latest data extract from IBIS. Major importers of Indian Basmati rice in this period were UAE, Iran, Saudi Arabia and Iraq. We expect Middle East countries to remain the major basmati buyers of Indian Basmati from Mundra and Kandla Port in coming months. Rice exports in this month were 43% lower than the export of 11 lakh tonnes during corresponding period last year.

Major Non-Basmati Export Sourcing Center:



Total non-basmati Rice export in the month of Oct -15 was 338918.07 tonnes. Mundra Sea, Vizag, and Kolkata Sea were the major ports for non-basmati rice export during this period.

Major Basmati Export Sourcing Center



Total basmati Rice export in the month of Oct-15 was 294943.40 tonnes. Mundra Sea, Kandla Sea and Loni ICD, were the major port for basmati rice export center during this period.

Rice Market Outlook

Non-basmati cash rice market would continue to trade firm taking clue from firm global market and renewed export demand from India, besides lower rice production, carryout stock, supported by higher demand has lent support to cash rice market. Rice quotes in major global competitors like Thailand, Vietnam too have increased in recent weeks and buyers are switching to Indian market once again as India remains the cheapest source of rice at current price. Export from neighboring country like Pakistan is deemed to decrease due to production shortfall and India is in a position to attract buyers of Pakistani rice.

At aromatic rice front, export volume is expected to increase as major buyers like Iran and Saudi Arabia would continue to buy in larger volume in the months ahead. This year Saudi Arabia replaced Iran at second position as a buyer for Indian aromatic rice. Besides this year basmati production is drastically lower than last year. Agriwatch expects that price may increase in cash markets of Punjab, Haryana and Delhi in coming months. South Indian aromatic rice market too, is expected to move up from current level as supply from central and north India would decrease due to expected tight supply side.

Global Market Scenario

Vietnam exported about 5.372 million tons of rice during January 1 – November 23, 2015, about 8% lower than about 5.858 million tons of rice exported in first eleven months of 2014, according to data from the Vietnam Food Association (VFA). The average rice export price so far in this year stands at about $409.72 per ton (FOB), lower by about 6.5% per ton from about $438.27 per ton recorded during corresponding period last year. According to the data from the VFA, Vietnam exported about 334,521 tons of rice from November 1-23, 2015, lower by about 51% from about 687,663 tons of rice exported in October 2015, and down about 31% from about 484,513 tons rice exported in November 2014.

Saudi Arabia continues to be the largest importer of rice from India, importing more than Iran during the first six months of 2015-16. Saudi Arabia imported 598,001 tonnes of rice during the April-September period, as against Iran which imported 361,474 tonnes of rice valued at $319.71 million. Besides Saudi Arabia and Iran, other rice importers include the UAE, Iraq and Kuwait.

Bangladesh has increased import duty from 10 percent to 20 percent on rice to protect local farmers from cheaper import flow. 10% import duty was imposed on rice, in May 2015. Local Rice millers association was demanding hike in import duty. Besides, it was also demanding restriction on imported quantity during July-Dec harvest of Aman Crop. The government will probably procure 200,000 tons of 2015 Aman rice from millers at Taka 31 per kilogram (around $388.5 per ton) between December 15, 2015 and March 15, 2016.

In November 2015, Pakistan's basmati rice export prices have declined by about 6% to around $621 per ton from around $661 per ton in October 2015, and is about 47% lower than the price levels of around $1,181 per ton a year-ago. . In terms of local currency, average Pakistan basmati rice prices in November 2015 declined by about 6% to around PKR 64,949 per ton from around PKR 68,744 per ton in October 2015, and about 45% lower than around PKR 118,903 per ton in November 2014. Average Pakistan basmati rice prices stood at around $862 per ton in the first eleven months of 2015 (January - November), about 37% lower than around $1,364 per ton recorded during the corresponding period last year. Pakistan exported 114,895 tons of basmati rice in the first four months of FY 2015-16 (July-June), lower by about 32% from around 168,955 tons exported during the corresponding period last year, according to the Pakistan Bureau of Statistics.

Source-Oryza

IGC Balance Sheet:

	2012-13	2013-14	2014-15 Estimate	Forecast 29.10.15	Forecast 19.11.15
				2015-16	2015-16
Production	473	478	478	474	474
Trade	38	43	43	42	42
Consumption	469	480	484	487	486
Carryover stocks	113	11	106	94	95
Y-O-Y change	4	-2	-5		-13
Major Exporters	40	38	31	21	21

Fig in Million Tonnes

Note: Major exporters are India, Pakistan, Thailand, Vietnam, and United States

IGC Rice Balance sheet Highlights:

Global rice output in 2015/16 is forecast at around 474m t, broadly unchanged from October, with a marginal fall from the previous year's record. Owing to smaller opening stocks and with consumption likely to expand to a new peak, global end-season reserves are anticipated to tighten markedly, by 12%, to 94m t – mostly on steep declines in the major exporters. Projected trade is maintained at 41.5m t, down fractionally y/y, but well above average on firm demand from buyers in Asia in particular.

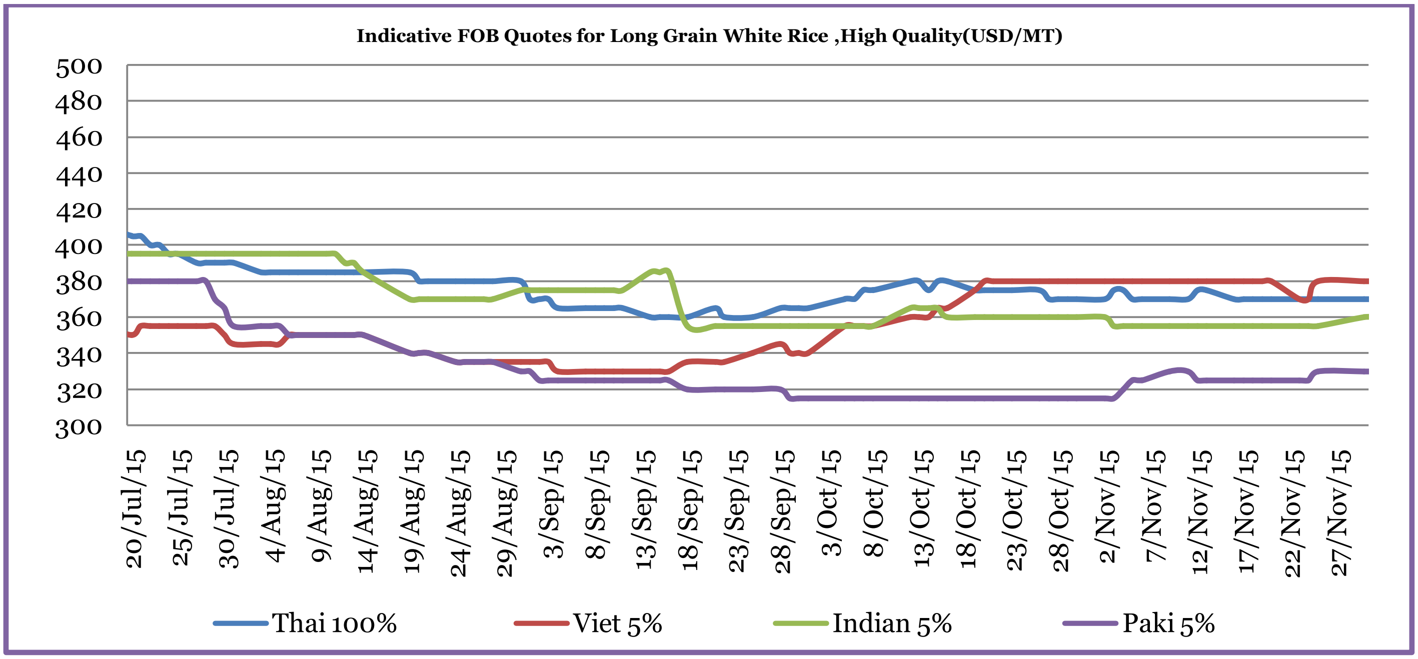
USDA & IGC Forecast the Same World Rice Production:

In its November 2015 Rice Outlook report, USDA also forecasted 2015-16 global rice production (milled basis) at around 474 million tons, about 1% lower than last year. due to as Disappointing crops in some producing nations – including India and Thailand are only partly offset by improved harvests elsewhere in Asia and an expected decline in acreage as well as decline in average yields, which are likely to be affected by adverse weather conditions. It forecasted 2015 global rice trade at around 42.4 million tons, down 2% from an estimated 43.2 million tons in 2014

Global Trade of Rice Unchanged from Last Month

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.

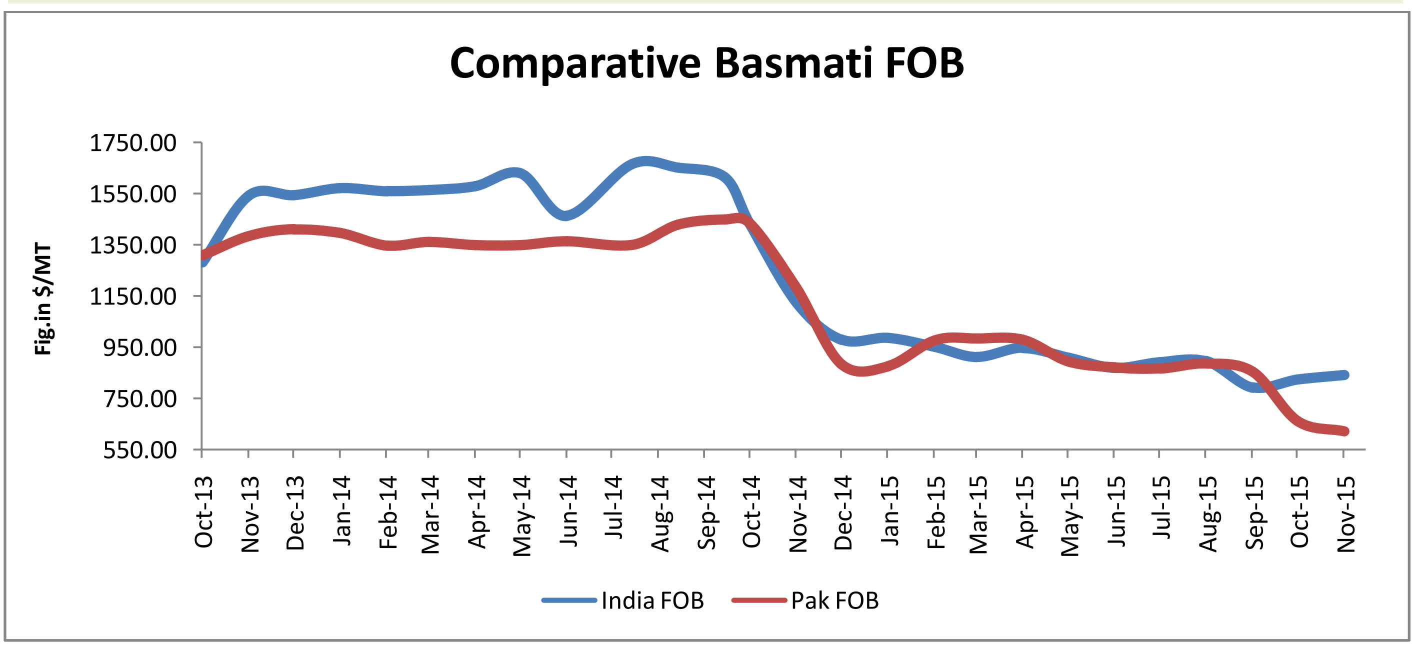
FOB Quotes for Long Grain White Rice, High Quality



Source-Oryza

FOB quotes for high quality white rice in the month of November was moving range bound for the major exporters except Pakistan. Thai long grain high quality white rice is moving in the range of USD 375-380/T which is up by USD 15/MT and down by USD 85/MT from last month and last year respectively. Vietnam long grain high quality white rice is moving in the range of USD 365-370/T which is same from last month.

FOB Quotes Aromatic Rice(1121 Steam)



Indian FOB for 1121 steam in the month of November moved up from last month and currently is in the range of USD 840-845/MT which is up by around 2.36% from last month price. Demand from international market push the price upward in recent weeks. On the other hand Pakistani basmati price have has declined for the third consecutive month in November 2015 after increasing in August 2015, according to the UN's Food and Agriculture Organization (FAO). Currently Pakistani basmati FOB is hovering in the range of USD 621/MT which is down by 6.05% from last month FOB of USD 661/MT. 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. They have been urging the government to intervene in the export market and support them.

Indicative Basmati Parity Sheet

Parity Calculation Sheet	Rajkot (Kandla)	Andhra Pradesh(Vizag)	Punjab(Kandla)	Haryana(kandla)	West Bengal(Kolkata)
Price @ various center	52000	54000	46000	47000	51000
Port handling charges /Loading/Unloading /Clearing (Rs/ton)	550	550	550	550	550
Freight Charges till port	400	400	1350	1350	450
Indian FOB (Rs/MT)	52950	54950	47900	48900	52000
Indian FOB (USD/MT)	794.33	824.33	718.57	733.57	780.08
Insurance @ 0.1%	0.79	0.82	0.72	0.73	0.78
Freight Charges (US $/ton) to Iran	55	55	55	55	55
CIF (Kandla to Iran)	850.12	880.16	774.29	789.31	835.86
INR Dated 03-12-2015	66.66	66.66	66.66	66.66	66.66

Rice Price Trend - CBOT

Duration	Trend	Support	Resistance
January-2016	Steady to Firm	S1-11.45 S2-11.50	R1-13.80 R2-14.00