Rice Monthly Research Report

Contents

Outlook and Review:
Domestic Front

On an average wholesale prices of non-basmati rice for India in July was firm by 2.74% from last month and are *currently hovering at Rs.2825-2830/quintal. Prices of Basmati rice remained stable for the third week in July on sluggish demand from retailers against supply from producing regions.*

Till July 29, higher area coverage under rice, compared to normal area coverage of corresponding week (average of 2011-12 *to 2015-16), was reported from A.P 4.48 lakh hectare up by around 17.58% from compare period corresponding year followed by Karnataka 2.84 lakh hectare up by 20% from last year, M.P 13.81 lakh hectare up by 35%, Punjab 29.71 lakh hectare up by 1.40% and Telangana 1.91 lakh hectare up by 60% from last year till date.*

As per Punjab Rice Millers and Export Association, basmati crop in Punjab will go down by 25-30 per cent this season. Punjab *is expecting basmati area of about 5 lakh hectares in current Kharif season, which is about 35 per cent lower than what the state saw in last sowing season. Area under Basmati in Punjab stood at 7.63 lakh hectares and 8.62 lakh hectares in 2015-16 and 2014-15, respectively. Punjab's major basmati growing areas including Amritsar, Gurdaspur have seen sharp dip in sowing of basmati paddy this year. Out of the 1.73 lakh hectares of total paddy last year in Gurdaspur district, 60 per cent of area was under basmati. But this year, area under basmati has shrunk to 30 per cent of total sowing area and rest is with other varieties. In Amritsar, area under basmati went down by 25,000 hectares out of total area of 1.80 lakh hectares.*

Haryana, which is also a major basmati growing state, is expecting compare acreage under aromatic varieties which was seen last *year. Area under basmati this year will be about 60 per cent of total paddy area in the state,Which was seen last year; Basmati area was 8.80 lakh hectares in Haryana last season out of 13.54 lakh hectares of total area under paddy.*

Total Rice exported from India in the month of June was 10.63 lakh tons out of which basmati rice contributes 37.16%, *and non-basmati rice is 62.83% in this month with quantity of around 3.95 lakh tons and 6.68 lakh tons respectively as per latest data extract from IBIS.*

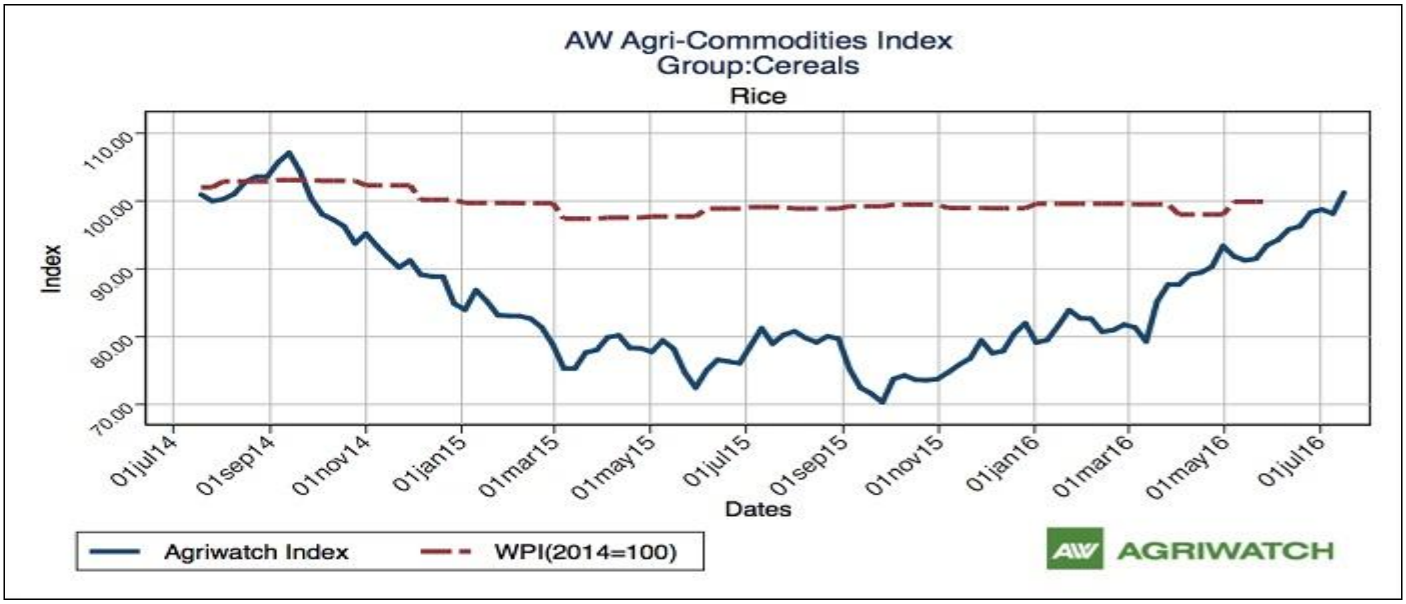
All-India progressive procurement of Rice as on 01.07.2016 for the marketing season 2015-16 was 340.54 lakh tons against *the procurement of 312.53 lakh tons up to the corresponding period of last year.*

The cumulative rainfall in the country during the monsoon season i.e. 01st June, 2016 to 27th July, 2016 has been *equal to Long Period Average (LPA). Rainfall (% departure from LPA) in the four broad geographical divisions of the country during the above period has been higher than LPA by 9% in Central India, 2% in South Peninsula, equal to LPA in North West India and lower by 12% in East & North East India.*

Among the food grains, the inflation for Cereals has increased to 6.32% from the previous month's level of 4.60%, Rice *to 3.37% from the previous month's level of 2.22% and Wheat 6.83% from the previous month's level of 3.85%. The inflation for Pulses has decreased to 26.61% from the previous month's level of 35.56%.*

The monsoon performance up to July 27 has been equal to average for India as a whole. The Indian Meteorological *Department reported that rains this season have been normal in northwest India, nearly 10 percent above average in central India, slightly better than average in south India, while rains in east and northeast India have been about 10 percent below normal.*

Agriwatch Cereals Commodity Indices – Aug-01, 2016



The Agriwatch Agri Commodities Index jumped 2.13% to 121.71 during the week ended July 16, 2016 from 119.17 during the previous week. The base for the Index and all sub-Indices is 2014 (= 100). Pulses led by chana and vegetables led by onion were the big weekly gainers with cereals and fibres also posting significant weekly gains. Only three of the nine sub-Indices within the main Index declined. The sub-Index values and their weekly changes are as follows: Cereals Index: 108.04 (+1.66%), Pulses Index: 227.08 (+6.13%), Vegetables Index: 89.37 (+11.45%), Edible Oils Index: 114.45 (+0.10%), Spices Index: 142.67 (+4.91%), Fibres Index: 121.86 (+5.98%), Sweeteners Index: 120.82 (-0.14%), Oilseeds Index: 114.18 (-0.04%) and Other Non-Food Articles Index: 90.89 (-0.35%).

"Agriwatch has recently launched its AW Agri Commodity Indices to enable organizations access independent Indices to track and use to benchmark their purchases and sales. The Indices are based on the daily prices in the key benchmark markets for each commodity that AW has been covering for the past decade. The indices include an Aggregate Index, Category Indices and individual commodity indices. The weekly indices are free to access on our website wwwagriwatch.com. The daily indices are available on subscription. Please contact for more details."

Price Projection for Next Month (Sept) in Domestic Market

Duration	Trend	Average Price Range	Reason
September - 2016	**Steady**	**Rs.2750-2900/Q**	**Average Rice price in all India is likely to trade steady due to expectation of higher sowing supported by good Monsoon.**

Weekly Price Change of 1121 Steam, Raw and Sella Rice Price Delhi Market (Figure: in Rs. /Quintal)

1121 Steam, Raw and Sella Rice Price Delhi Market					
Variety	30-July-2016)	22-July- 2016)	Month Ago(30-June-2016)	% ch. From last week	% Change from last Month
1121 Steam	5800	5900	5850	-1.69	-0.85
1121 Sella	4600	4600	4750	0.00	-3.16
1121 Raw	5900	5800	5950	1.72	-0.84

Weekly Price (FOB) Change of Rice 5% broken high quality (Figure in USD/ MT):

Indian White Rice 5%, 25% High Quality, Long grain parboiled 5%					
Variety	30-July-2016)	22-July-2016)	Month Ago(30-June-2016)	% ch. From last week	% Change from last Month
White Rice 5%	375	375	375	0.00	0.00
White Rice 25%	335	335	345	0.00	-2.90
Parboiled 5%	350	350	355	0.00	-1.41

Rice Supply & Demand

Figure in MMT	2013-14	2014-15	2015-16	2016-17
Carry in	25.44	22.76	16.17	11.37
Production	**106.64**	**104.8**	**103.5**	**106.45**
Imports	0	0	0	0
Total Availability	132.08	127.56	119.67	117.82
Consumption	99.18	99.35	98.3	98.9
Exports	**10.14**	**12.04**	**10**	**9.5**
Total Usage	109.32	111.39	108.3	108.4
Carry out	**22.76**	**16.17**	**11.37**	**9.42**
Av Monthly Consumption	8.27	8.28	8.19	8.24
Stock to Month Use	2.75	1.95	1.39	1.14
Stock to Consumption Ratio	0.08	0.08	0.08	0.08

Agriwatch has updated the rice exports in the 01st week of Aug based on data released by APEDA & IBIS. Total rice exports for MY-2015-16 till June-16 was 79 Lakh tons, down by around 17.5% from last year's export of 93 lakh tons for the corresponding period. Non- basmati rice exports in the month of June was 6.68 lakh tons and basmati exports in the month was 3.95 lakh tons.

Rice production in MY 2016-17 is likely to be up from 103.5 million tons in 2015-16 to 106-106.5 million tons due to more than average rainfall and normal area coverage in Kharif as well in Rabi rice. On the Exports front, Agriwatch expects rice exports in MY 2016-17, to fall by around 5% from 2015-16 and reach 9.0-9.5 million tons due to the lower carry over stock. However, the exports could improve if Indian rice price continue to be competitive over Thailand and Vietnam. Domestic consumption is likely to increase by 0.15%

to 98.3 million tons in 2015-16 to 98.9 million tons in MY-2016-17. On the other hand USDA estimates MY 2016-17 rice exports lower at 8.5 million tons compared to the last year export of 9 million tons based on the pace of exports in the first quarter of the marketing season.

All India Expected Rice Production w.r.t Rainfall in MY-2016-17

State	Normal Yield(Kg/Hect)	Normal Area in Lakh Ha.	Rainfall Status	5 Year Average Production	2016-17(Normal Expected Production)	Rice Production @ Above Normal (Rain More than 5-10%	Rice Production @ Excess Monsoon (More Than 10%
Andhra Pradesh	3020.6	16.48	33%	11529.52	11933.05	11990.70	12048.35
Assam	1958	0.9	-26%	4693.58	4787.45	4787.45	4810.92
Bihar	1811.2	30.82	-23%	5969.60	6059.14	6059.14	6088.99
Chhattisgarh	1661.4	37.74	7%	6358.97	6613.33	6645.12	6645.12
Gujarat	2070	7.33	-45%	1607.60	1631.71	1631.71	1639.75
Haryana	3106.6	12.42	-18%	3901.67	3979.70	3979.70	4018.72
H.P	1638.8	0.76	-12%	125.93	127.82	127.82	127.82
Jharkhand	2009	12.72	-18%	2827.57	2884.12	2884.12	2898.26
Karnataka	2743.4	10.66	11%	3512.05	3582.29	3617.41	3634.97
Kerala	2497.25	1.56	-14%	518.75	531.72	531.72	531.72
M.P	1381.2	18.46	86%	2788.63	2872.29	2900.18	2905.75
Maharashtra	1881.6	15.21	40%	2808.83	2836.92	2865.01	2865.01
Odisha	1567	38.39	-17%	7109.45	7322.73	7322.73	7358.28
Punjab	3870.4	28.48	1%	11053.05	11329.38	11329.38	11384.64
Rajasthan	47.2	1.41	28.00%	284.020	285.44	285.44	285.44
Tamil Nadu	3183.6	16.14	5%	5503.95	5558.99	5558.99	5641.55
Telangana		10.5	31%		0.00	0.00	0.00
Uttar Pradesh	2347.2	58.5	-3%	13353.23	13820.59	13820.59	13820.59
Uttrakhand	2165.2	2.55	3%	581.47	598.91	598.91	598.91
West Bengal	2736.4	40.63	-6%	14078.77	14501.13	14501.13	14501.13
Others	2411	0.29	--	5123.89	5200.75	5200.75	5200.75
India	**2367.2**	**392.67**	**4%**	**101428.30**	**106457.48**	**106638.02**	**107006.68**

All India milled rice production in MY-2016-17 is expected to hover between 106-106.5 million tons as per Agriwatch first estimate. This year there is excess rainfall in most of the paddy growing states. On the other hand paddy acreage is also supportive for higher production, as of 29 July 2016, higher paddy acreage is reported from states like, A.P, Punjab, M.P, Karnataka, and Telangana. AW expects pan India milled rice production to go up to 106.63 million tons if rainfall is more than 5% and if rainfall is above 10% or more, the production will touch 107 million tons which will all time high for India.

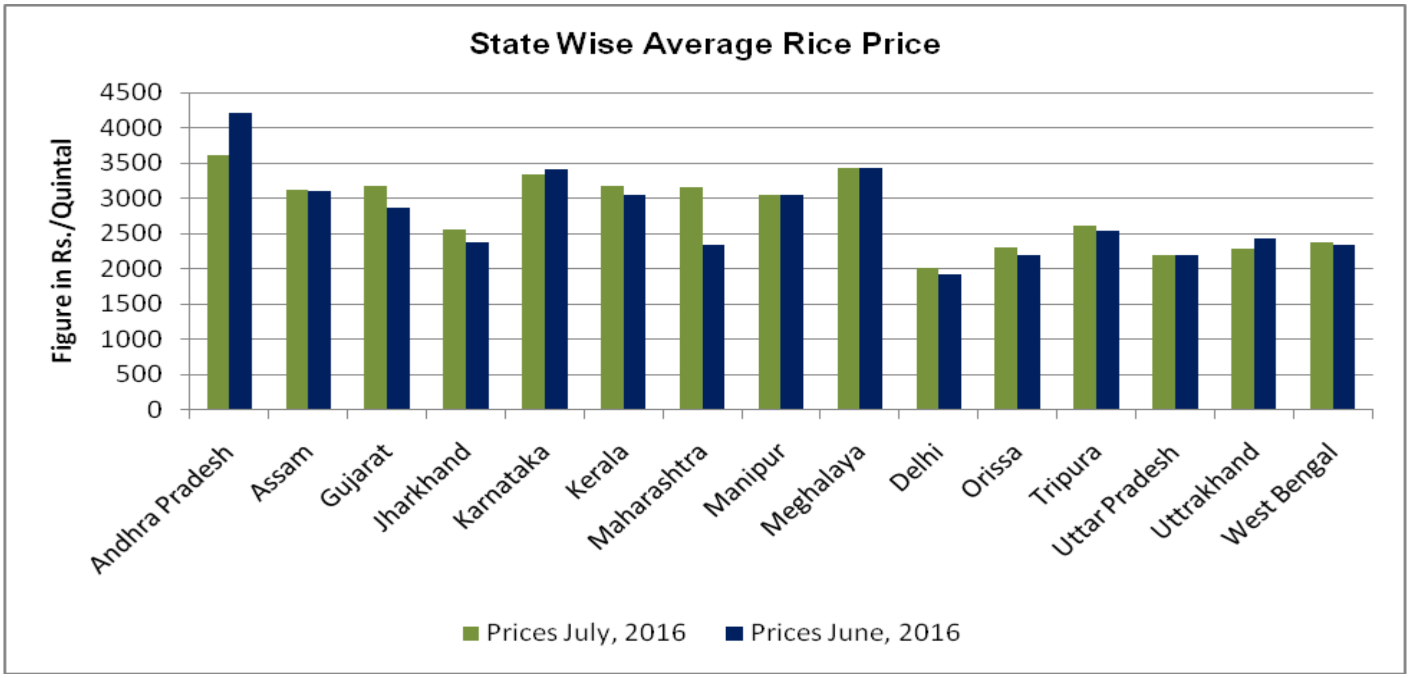
State wise Wholesale Price Monthly Analysis

State	Prices July, 2016	Prices June, 2016	Prices July, 2015	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh	3618.06	4209.16	2804.77	-14.04	29
Assam	3116.51	3102.14	3128.76	0.46	-0.39
Bihar		2597.99	2054.79	__	__
Gujarat	3180.09	2868.59	2663.69	10.86	19.39
Jharkhand	2550.75	2368.45	2520.82	7.7	1.19
Karnataka	3343.15	3408.58	3501.68	-1.92	-4.53
Kerala	3181.07	3043.2	3126.16	4.53	1.76
Maharashtra	3163	2348.03	2917.86	34.71	8.4
Manipur	3050.04	3057.39	2907.73	-0.24	4.89
Meghalaya	3433.96	3425.44	3459.41	0.25	-0.74
Delhi	2020.41	1928	1800	4.79	12.25
Orissa	2301.09	2193.35	2245.37	4.91	2.48
Telangana			3134.05	__	__
Tripura	2612.38	2544.19	2553.23	2.68	2.32
Uttar Pradesh	2195.52	2195.05	2086.91	0.02	5.2
Uttrakhand	2295.3	2426.65	1907.15	-5.41	20.35
West Bengal	2385.18	2348.96	2228.62	1.54	7.02
Average	**2829.77**	**2754.07**	**2649.47**		

Source-Agmark

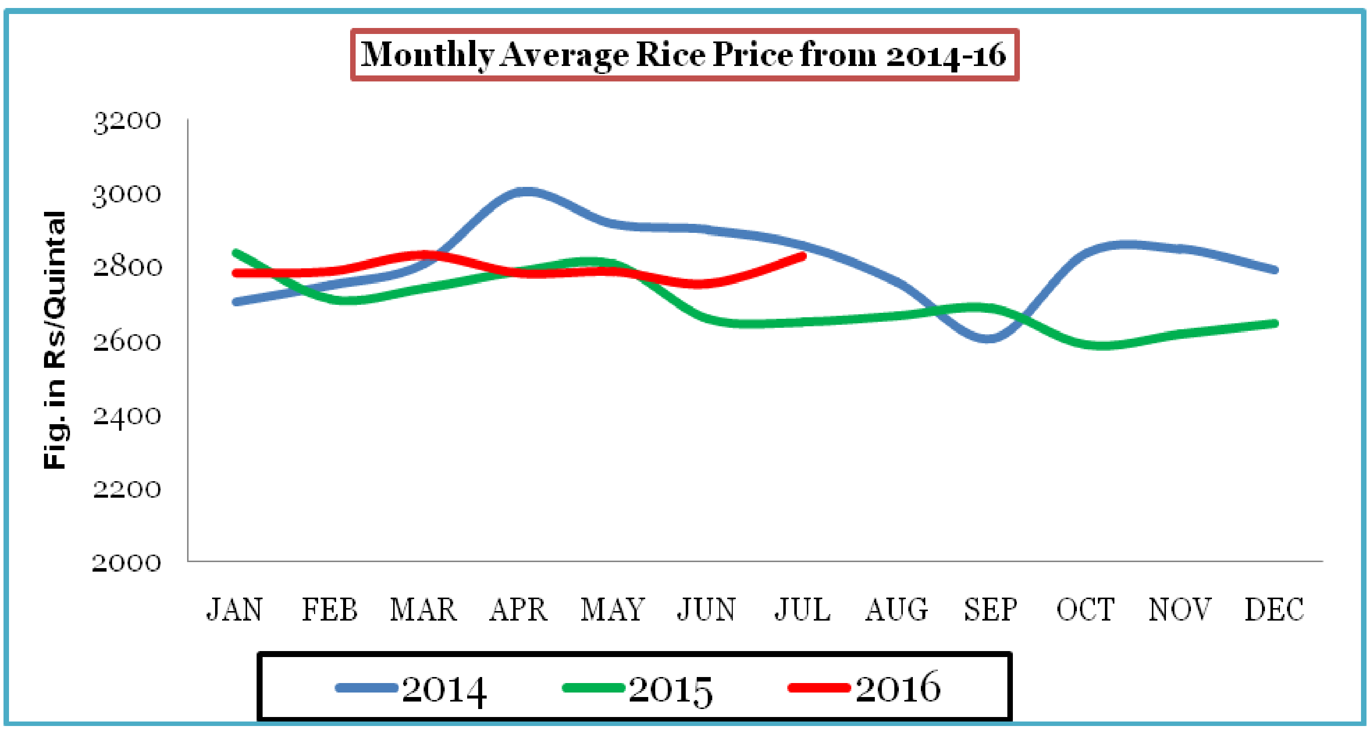
India average wholesale rice prices have increased in July- 2016 even with higher sowing as this is lean time and demand from international as well domestic is more than normal. Average monthly wholesale rice prices in India stood at around Rs.2, 829.77 per quintal in July 2016, up about 2.74% from around Rs.2, 754 per quintal in June 2016, and up about 6.8% from around Rs.2, 49 per quintal a year ago.

Indian Average Rice Price Trend- July



All India rice average prices in the month of July was firm in major producing as well in major consuming States like West Bengal, Maharashtra, Orissa, Delhi and Jharkhand.

Monthly Average Rice Price Trend



Source-Agmarknet

Month-wise Rice Stock in Central Pool

Year	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
2014	38.01	38.99	37.93	35.61	32.72	32.01	27.66	27.40	23.98	20.21	27.94	27.49
2015	28.74	30.98	28.40	27.13	25.01	25.72	24.52	20.32	17.51	14.93	25.89	30.35
2016	26.02	28.94	34.06	22.16	21.32	27.21	13.62					

Source-FCI

India’s rice stocks in the central pool as on July 1, 2016 stood at around 13.62 million tons down by about 44% from around 24.52 million tons recorded during the corresponding period last year, according to data from the Food Corporation of India (FCI). India's rice stocks in the central pool are down by about 50% from around 27.21 million tons recorded on June 1, 2016. The current rice stocks are about one million tons more than the required strategic reserve norms of around 1.25 million tons for this time of the year, according to the FCI.

Rice Procurement Target for 2016-17-

State	Target of Procurement for Kharif Crop only (In Lakh MT)
Andhra Pradesh	29
Assam	0.75
Bihar	20
Chhattisgarh	35
Haryana	29
Jharkhand	2.72
Karnataka	0.5
Kerala	1.22
Madhya Pradesh	9
Maharashtra	2.5
Odisha	24
Punjab	94.5
Tamil Nadu	10
Telangana	15
Uttar Pradesh	33.5
Uttrakhand	6
West Bengal	17
Others	0.31
Total	**330**

Procurement target for paddy in terms of rice for Kharif Crop during Kharif Marketing Season (KMS) 2016-17 has been finalized as 330 lakh tons against target of 300 lakh tons of last year i.e. KMS 2015-16. In KMS 2015-16 actual procurement of rice (Kharif crop) was 309.28 LMT. Highest target is set for Punjab (94.5 lakh tons) followed by Chhattisgarh (35.00) lakh Tons) and U.P (33.50 LT).

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-15	3.38	2.94	6.32
November-14	8.1	2.56	10.66	November-15	6.62	3.03	9.65
December-14	5.38	3.82	9.2	December-15	8.71	6	14.71
January-15	8.3	3.47	11.77	January-16	5	3.08	8.08
February-15	8.62	3.79	12.41	February-16	4.43	2.66	7.09
March-15	6	3.98	9.98	March-16	5.59	2.81	8.4
April-15	4.67	3.48	8.15	April-16	5.11	2.84	7.95
May-15	5.81	4.31	10.12	May-16	4.47	3.71	8.18
June-15	5.98	3.43	9.41	June-16	6.68	3.95	10.63
July-15	6.14	2.7	8.84	July-16			
August-15	5.6	2.68	8.28	August-16			
September-15	5	3.83	8.83	September-16			
Total	**77.82**	**41**	**118.82**	**Total**	**49.99**	**31.02**	**81.01**

Source-DGCIS and * IBIS

Agriwatch has updated the rice exports in the first week of July based on data released by APEDA & IBIS. Total rice exports for MY-2015-16 till June-16 were 81 lakh tons, around 12.77% lesser than last year's export of 92.87 lakh tons for the corresponding period (Oct-June). Non- basmati rice exports in MY 2015-16 which started from October 2015 to June was 49.99 lakh tons and basmati exports in these months were 31.02 lakh tons.

The total rice export has touched 118 lakh tons for MY- 2014-15, which is 13%higher than MY 2013-14 export of 104 lakh tons. Basmati exports in the end of marketing year were 41 lakh tons which is 18% higher than last year exports of 34.59 lakh tons, 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.

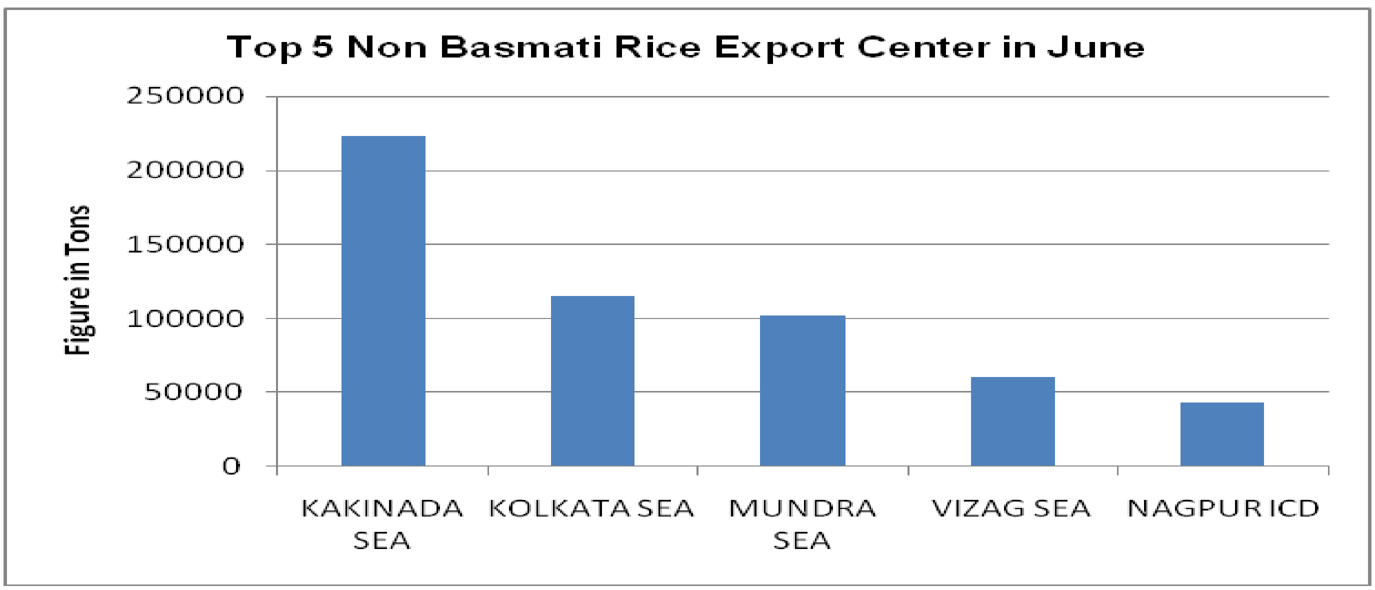
Major Importers of Basmati & Non basmati Rice in June

Non-Basmati Rice			**Basmati Rice**		
Country	**Quantity(Tons)**	**Average of FOB $/Ton**	**Country**	**Quantity(Tons)**	**Average of FOB $/Ton**
BENIN	161360.75	358.98	IRAN	126897.99	784.14
IVORY COAST	104152.00	338.70	U A E	61024.92	790.93
SENEGAL	54938.55	316.00	KOREA	38207.00	752.05
S.AFRICA	37116.58	341.65	IRAQ	38064.02	690.66
GUINEA	35042.00	353.82	SAUDI	37844.78	813.33

TURKEY	33075.65	379.51	U K	10802.03	734.76
U A E	26458.34	610.27	YEMEN	10568.04	789.41
DJIBOUTI	22509.70	359.09	U S A	10035.04	837.00
IRAQ	19884.49	502.75	TURKEY	5634.36	684.55
SOMALIA	18977.93	345.98	OMAN	5399.76	849.44
Others	154772.05	515.75	Others	50836.50	819.81
Grand Total	**668288.03**	**486.38**	**Grand Total**	**395314.43**	**791.18**

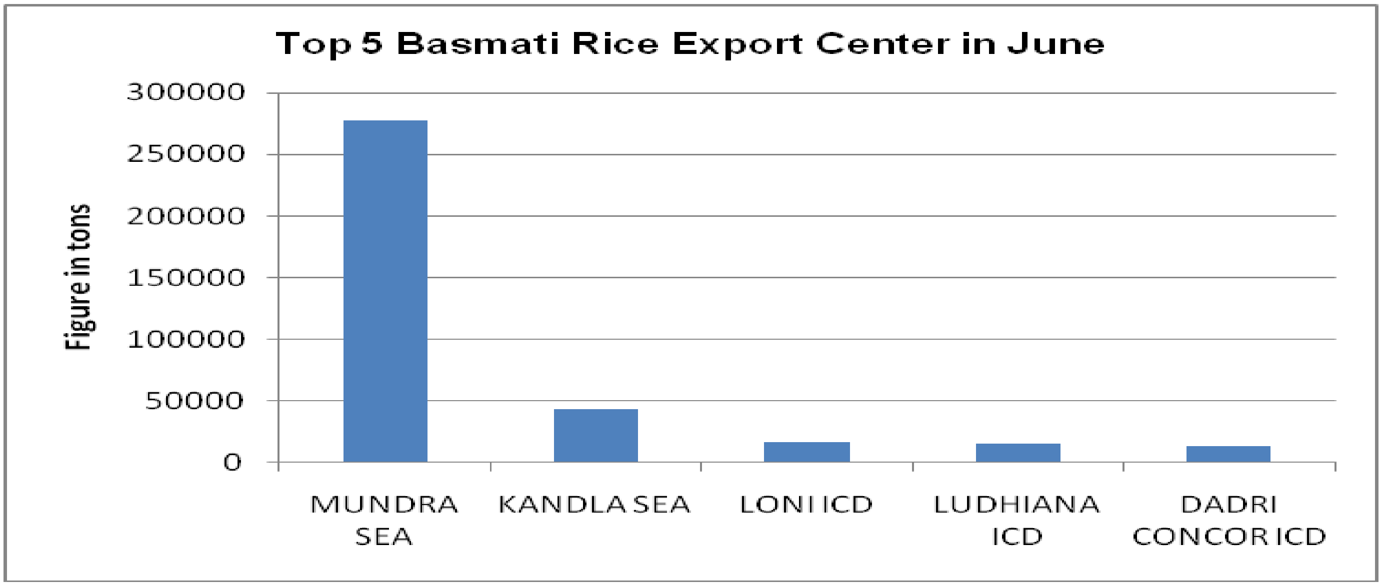
Total Rice exported from India in the month of June was 10.63 lakh tons out of which basmati rice contributes 37%, and non-basmati rice is 62.83% in this month with quantity of around 3.95 lakh tons and 6.68 lakh tons respectively as per latest data extract from IBIS. Major importers of Indian Basmati rice in this period were Iran, UAE and Korea. We expect Middle East countries to remain the major basmati buyers of Indian Basmati from Mundra and Kakinada Port in coming months. Major non basmati importers were Benin, Ivory Coast and Senegal. Rice exports in this month were 30% higher than the export of 8.18 lakh tons during last month. Rice export in MY-2015-16 starts from Oct-2015 till June-2016 was down by 12.77% from corresponding period last year export of 93 lakh tons (Oct-2014-June-2015).

Major Non-Basmati Export Sourcing Center



Total non-basmati Rice export in the month of June -16 was 668288 tons. Kakinada Sea, Kolkata Sea, and Mundra Sea were the major ports for non-basmati rice export during this period. These five ports cover more than 80% of total export in this period.

Major Basmati Export Sourcing Center



Total basmati Rice export in the month of June-16 was 395314 tons. Mundra Sea, Kandla Sea and Loni ICD, were the major port for basmati rice export center during this period. These three ports cover more than 90% of total export in this period.

Rice Market Outlook

Non basmati rice market in the month of July moved up by 2.7% from last month; meanwhile rice price has continuously increased in last five consecutive months except June. We expect non basmati rice to hover range bound with some positive territory in coming month as carryover stock is diminishing. After sluggish pace of exports since the beginning of the MY 2015/16, exports after March 2016 recovered on improved demand for non-Basmati rice in the traditional African market. With the forecast of a normal monsoon and consequent sufficient domestic rice production, government is unlikely to impose any export restrictions. At the current pace of monthly exports, CY 2016 exports are likely to reach 9.5 MMT.

Basmati rice price is expected to trade steady with firm tone due to expectation of lower area in coming Kharif season (2016-17). It is also reported that basmati paddy acreage is expected to fall by 20-30% in this Kharif season in major growing states like Punjab and Haryana as farmers like to switch this area to non aromatic paddy. On the other hand international demand, especially from Middle East countries is normal, which may also support to push price up in coming months.

Global Market Scenario

***Rice stockpiles in the Philippines exceed the requirement to carry the country through the lean months, possibly postponing** the need to import more rice until this December. There is no immediate need to import rice, adding that current procurement levels and stocks inventory is enough to last until December this year. The current national rice inventory stands at 3,077,100 metric tons, good to last for 96 days. Of this volume, 913,500 MT belongs to NFA, good to last for 28 days, while 994,700 MT are commercial stocks, and 1,168,900 MT are household stocks. Daily withdrawals of rice at government-owned warehouses were pegged at 106,000 bags. It is the first time in decades that the Philippines have not imported rice during the lean months. Traditionally, lean season in the Philippines starts in July and ends in September. It is also the time when the government imports rice that would help stabilize price in retail markets.*

***Due to the ample supply, including some buffer stock imports before the lean season, the price of rice registered** negative inflation rates in the first two quarters of the year, effectively pulling down the average for the food sector during the first semester of 2016.The ample supply during the first semester, despite the El Niño phenomenon in some areas across the country, was attributed to the output from the summer harvest from February to April, and the timely arrival of rice imports before the lean months of July to September. For the first quarter of 2016, rice prices were monitored to be 2.0 percent lower compared to the previous year, inching a bit higher to –0.9 percent in the second quarter as the country approached the so-called lean months for rice. The Philippine Statistics Agency (PSA) recorded the national average price for well-milled rice at P41.13/kilogram in the first quarter of 2016 versus P42.68 during the corresponding period in 2015, and P41.3/kg during the second quarter of 2016 versus P41.81/kg in 2015.*

***Unofficial preliminary rice exports (excluding premium white and fragrant rice) for July 4-10, 2016 totaled 39,776** metric tons, down 18,156 metric tons from the previous week and down 19,120 metric tons from the four-week moving average of 58,896 metric tons. Rice exports from January 1 – July 10, 2016 totaled 1,870,118 metric tons, down 8 percent from the corresponding period last year.*

***Australian rice production for 2016/17 is forecast by Post to reach 450,000 MT on a milled basis, which is an upgrade** on the official forecast of 400,000 MT for a number of reasons. These include a significant carryover of untraded water entitlements from the previous season and a high guaranteed price for rice of a$415/MT by the industry body Sun Rice. This forecast is relatively conservative as better water availability and seasonal conditions could result in higher yields. Water allocations for 2016/17 are expected to be well above the previous season due to improved rainfall and a pause in the federal government's environmental water entitlement purchases.*

***Vietnam's rice export is estimated to drop to 5.65 million tons in 2016, down 14 percent against the previous** year and 800,000 tons lower than initial forecast. According to the Vietnam Food Association (VFA), this is the first time since 2009 Vietnam's rice export may fall below 6 million tons. At present, Vietnam's big rice importers like the Philippines and Indonesia are showing no intention of buying more rice. Meanwhile, the purchasing power of China, which accounts for nearly 35 percent of Vietnam's export volume, is declining. VFA statistics showed that Vietnam shipped abroad 2.65 million tons of rice in the first half of this year, earning 1.14 billion USD. China remained Vietnam's largest rice importer, accounting for 35 percent of the market share, followed by Africa and Indonesia. As of late 2016, there are about 1.27 million tons of rice in stock. However, the rice output of the summer-autumn crop is predicted to decrease due to long-lasting drought and saline interruption.*

IGC Balance Sheet: *(Fig. In Million Tons)*

Attributes (Fig in Million Tons)	2013-14	2014-15 Estimate	2015-16 Forecast 25.02.16	Projection 01.07.16	Projection (2016-17) 28.07.16
Production	478	480	473	486	487
Trade	42	43	42	42	42
Consumption	478	481	483	488	489
Carryover stocks	114	112	101	99	100
Y-O-Y change	0	-2	-10	-	-2
Major Exporters	38	32	20	18	18

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

IGC Rice Balance sheet Highlights

At a record of 487mt, the outlook for global rice output in 2016/17 is raised slightly from last month to reflect adjustments for some Asian producers. The upward revision is channeled to higher figures for consumption, pegged at a peak of 489mt, and carryovers, placed at 100m, albeit sill down slightly y/y. The projection for trade in 2017 is maintained at an above-average volume of 42mt, underpinned by anticipated firm demand from buyers in Africa and Asia.

After the previous year's fall, the world rice outturn is projected to recover strongly in 2016/17, rising by 3%, to an all-time peak of 487m t, on gains in Asian producers, including China, India and Thailand. However, given reduced carry-in stocks, total supplies are expected to increase only modestly and, with consumption set to expand further, end-season inventories are seen contracting slightly. Within the total, major exporters' carryovers could fall by 13% y/y. Trade in 2017 is expected to be underpinned by deliveries to Africa and Asia, with Thailand comfortably the biggest exporter, its shipments likely to exceed 11m t.

IGC Forecast the World Rice Production Up in 2016-17

In its May 2016 Grain Market Report (GMR), the International Grains Council (IGC) forecasts 2016-17 global rice production at around 487 million tons, up about 2.95% from an estimated 473 million tons in 2015-16 on improved Asian production.

Global Trade of Rice Unchanged from Last Month

The IGC forecasts 2016-17 global rice trades at around 42 million tons, unchanged from its estimates for 2015-16. It expects world rice trade in 2017 to increase on high demand from buyers in Africa and Asia.

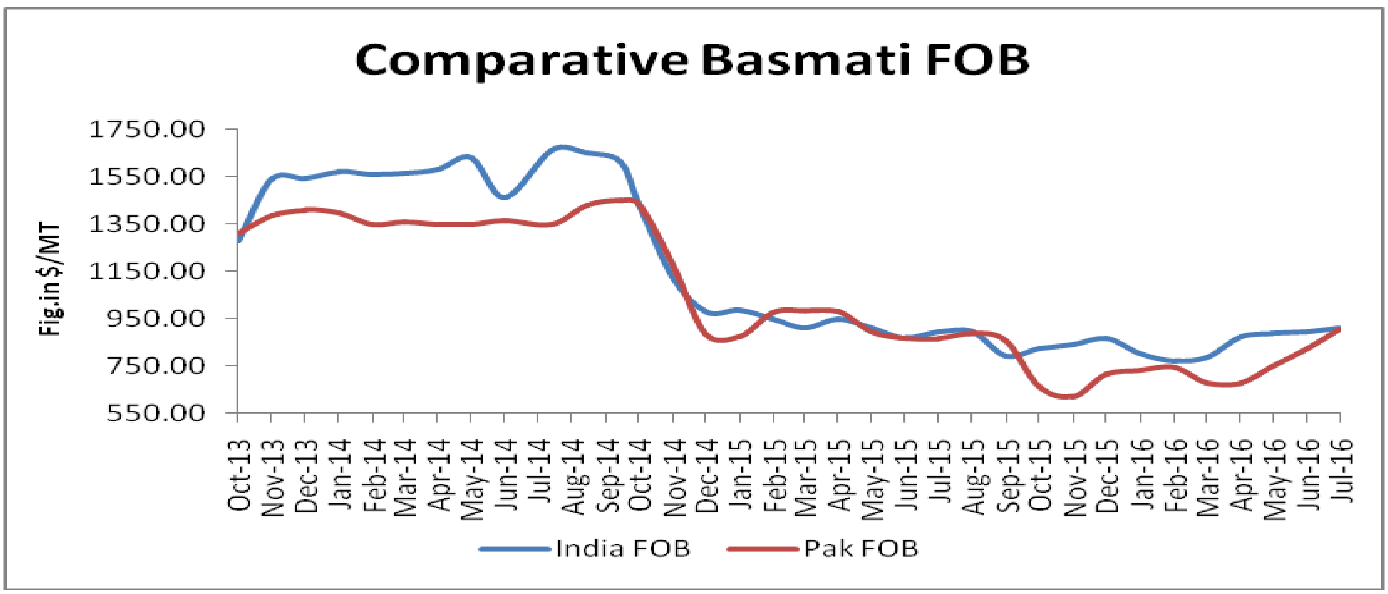
Global Consumption of Rice Increases in 2016-17

The IGC forecasts 2016-17 global rice consumption to increase about 1.24% to around 489 million tons from an estimated 483 million tons in 2015-16.

Indicative Basmati Parity Sheet

Parity Calculation Sheet	Rajkot (Kandla)	Andhra Pradesh(Vizag)	Punjab(Kandla)	Haryana(kandla)	West Bengal(Kolkata)
Price @ various center	59000	59350	58500	58888	5950
Port handling charges /Loading/Unloading /Clearing (Rs/ton)	550	550	550	550	55000
Freight Charges till port	400	400	1350	1350	450
Indian FOB (Rs/MT)	59950	60300	58000	60788	61400
Indian FOB (USD/MT)	**893.04**	**898.26**	**864.00**	**905.53**	**914.64**
Insurance @ 0.1%	0.89	0.90	0.86	0.91	0.91
Freight Charges (US $/ton) to Iran	55	55	55	55	55
CIF (Kandla to Iran)	948.94	954.16	919.86	961.43	970.56
INR MonthlyAverage	67.13	67.13	67.13	67.13	67.13

FOB Quotes Aromatic Rice (1121 Steam)



Source-FAO& AW

Indian FOB for 1121 steam in the month of July moved up from last month and currently is in the range of USD 909-910/MT which is up by around 1.24% from last month price. Average basmati rice price increased due to increased buying interest for stockpiling which push the price in northward direction. Pakistani basmati price has also moved up from USD 825/MT to 907$/MT, according to the UN's Food and Agriculture Organization (FAO). Currently Pakistani basmati FOB is hovering in the range of USD 907-908/MT which is up by 9.93% from last month FOB of USD 750/MT.

Rice Price Trend – CBOT

Duration	Trend	Support	Resistance
Sept-2016	**Steady to Weak**	**S1-9.10** **S2-8.95**	**R1-9.95** **R2-10.10**