Rice Monthly Research Report

Contents

Outlook and Review:
Domestic Front

India average wholesale rice prices have increases in January- 2017 due to continuous demand coming from international markets as well stock holding by traders. Average monthly wholesale rice prices in India stood at around Rs.2, 866 per quintal in January 2017, up about 0.74% from around Rs.2, 845 per quintal in December 2016, and up about 1.27% from around Rs.2, 830 per quintal a year ago.*Agriwatch expects non-basmati rice market to move range bound with firm tone in coming month due to expectation of higher international demand.*

As per latest information available on sowing of crops, total area sown under Rabi crops in the country as on 27.01.2017 has been reported to be 637.34 lakh hectares as compared to 600.02 lakh hectares in the corresponding period of last year. This year's area coverage so far is higher by 37.3 lakh ha. than the last year and 21.2 lakh ha. than normal area coverage during the same period., Rice sowing in the period up to January27th declined to 21.77 lakh hectares. Chhattisgarh was the only State to report a jump in acreage, while all other rice growing States including Tamil Nadu reported a fall in sowing.

As per latest information available on sowing of crops, around 98% of the normal area under Rabi crops has been sown up-to 20.01.2017. Total area sown under Rabi crops in the country as on 20.01.2017 has been reported to be 628.34 lakh hectares as compared to 592.36 lakh hectares in the corresponding period of last year. This year's area coverage so far is higher by 36.0 lakh hectares than the last year and 19.5 lakh hectares than normal area coverage during the same period. Paddy area till date is 19.36 lakh hectares which is around 13.8% lower than last year area of 22.45 lakh hectares and around 22.92% lower than average area of 19.36 lakh hectares.

Iran may soon issue notification to resume Basmati rice imports from India after a 20 member trade delegation visited the country in last week of January. As per by commerce ministry, Iran may soon issue the notification about resumption of issuance of permits of rice. The Iranian government has recently amended tariffs for importing rice by reducing it from the previous 40% to 26%. It was announced on January 21 that the rate would stand at 5% following a series of tariff cuts on a list of agro-food products.

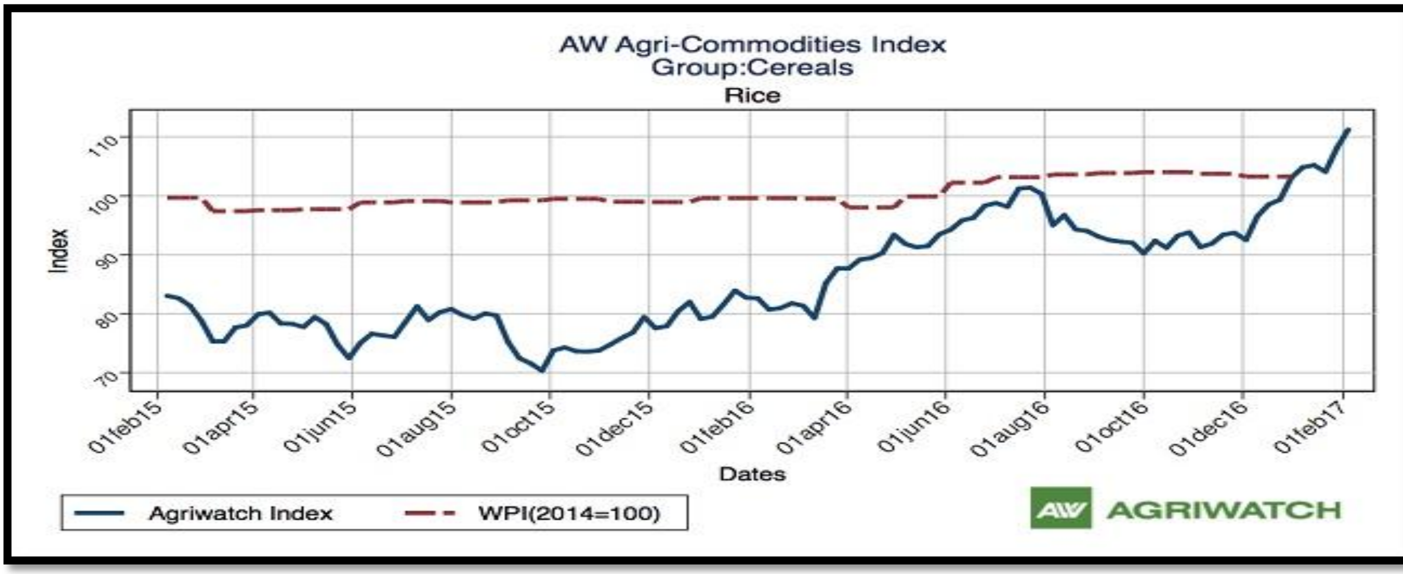
The Centre has approved the Odessa Government proposal for extension of Kharif paddy procurement deadline to April 30. Paddy procurement is in full swing in most of the districts except Kandhamal where the the process will start from next week. Setting a target to procure 30 lakh tons of rice for the 2016-17 kharif marketing season (KMS), the state government started the procurement operation from Bargarh district on November 29 last year. Since post-harvest operation of paddy is still on in many parts of the state, the state government requested the Ministry of Agriculture to extend the paddy procurement deadline from March 30 to end of April, 2017. About 17.45 lakh tons of paddy (equivalent to 11.87 lakh tons of rice) worth Rs 2,562 crore has been procured till date.

All-India progressive procurement of Rice as on 27.01.2017 for the Kharif marketing season 2016-17 was 265.74 lakh tons against the procurement of 235.21 lakh tons in the corresponding period of last year.

The cumulative rainfall in the country during the winter season i.e. 01st January to 25th January, 2017 has been 3% lower than the Long Period Average (LPA). Rainfall in the four broad geographical divisions of the country during the above period has been higher than LPA by 49% in North West India and lower by 86% in Central India, 85% in East & North East India and 15% in South Peninsula.

As per latest report released by USDA, MY 2016/17 milled rice production at a record106.5 million metric tons (MMT) on higher planted area and normal 2016 monsoon in the major growing states. Planting of rabi (winter planted) rice is also likely to be slightly higher than last year at 4 million hectare compared to 3.9 million hectare last year on improved availability of availability of irrigation water, particularly in south India

Agriwatch Rice Commodity Indices –Feb-05, 2017



The Agriwatch Agri Commodities Index dipped 0.32% to 114.85 during the week ended Feb 4, 2017 from 115.21 during the previous week. The base for the Index and all sub-Indices is 2014 (= 100).

Commodity price trends were mixed with 4 of the 9 commodity group sub-Indices gaining during the week. Gains in cereals and non-food articles were offset by declines in pulses and edible oils. The commodity group sub-Index values and their weekly changes are as follows: Cereals Index: 116.96 (+1.49%), Pulses Index: 153.32 (-3.75%), Vegetables Index: 41.73 (+0.40%), Edible Oils Index: 111.13 (-1.38%), Oilseeds Index: 93.99 (-2.39%), Spices Index: 113.60 (-3.27%), Sweeteners Index: 125.57 (-0.35%), Fibres Index: 115.01 (+1.33%) and Other Non-Food Articles Index: 98.94 (+4.86%).

"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 (February) in Domestic Market

Duration	Trend	Average Price Range	Reason
February - 2017	**Steady to firm**	**Rs.2800-3000/Q**	**Average Rice price across India is likely to trade steady with firm tone due to overseas demand and limited supply from major producing states.**

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	**02-Jan2017)**	**24-Dec 2016)**	**Month Ago(02-Dec-2016)**	**% ch. From last week**	**% Change from last Month**
1121 Steam	6100	6050	6050	**0.83**	**0.83**
1121 Sella	5000	4950	4900	**1.01**	**2.04**
1121 Raw	6350	6250	6200	**1.60**	**2.42**

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	**02-Jan2017)**	**24-Dec 2016)**	**Month Ago(02-Dec-2016)**	**% ch. From last week**	**% Change from last Month**
White Rice 5%	390	375	372	**4.00**	**4.84**
White Rice 25%	370	355	354	**4.23**	**4.52**
Parboiled 5%	375	370	365	**1.35**	**2.74**

Rice Supply & Demand

Figure in MMT	2013-14	2014-15	2015-16	2016-17
Carry in	25.44	22.76	17.52	15.12
Production	**106.64**	**104.8**	**104.3**	**105**
Imports	0	0	0	0
Total Availability	132.08	127.56	121.82	120.12
Consumption	99.18	98	96.5	97
Exports	**10.14**	**12.04**	**10.2**	**10.5**
Total Usage	109.32	110.04	106.7	107.5
Carry out	**22.76**	**17.52**	**15.12**	**12.62**
Av Monthly Consumption	8.27	8.17	8.04	8.08
Stock to Month Use	2.75	2.15	1.88	1.56
Stock to Consumption Ratio	0.08	0.08	0.08	0.08

Agriwatch has updated the rice exports in the 01st week of February based on data released by APEDA, IBIS & USDA. Total rice exports for MY-2015-16 till September-16 was 10.2 million tons, down by around 15% from last year's export of 12.04 million tons for the corresponding period.

Rice production in MY 2016-17 is likely to be up from 104 million tons in 2015-16 to 105.5 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 up by around 3% from 2015-16 and reach 10.5 million tons due to the expectation of lifting of rice import ban from Iran and also import duty cut by Iran and Sri-Lanka, which may increase in rice export. Domestic consumption is likely to increase by 0.5% to 96.5 million tons in 2015-16 to 97 million tons in MY-2016-17.

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

State	Normal Yield(Kg/Hect)	Normal Areain 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 of 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.

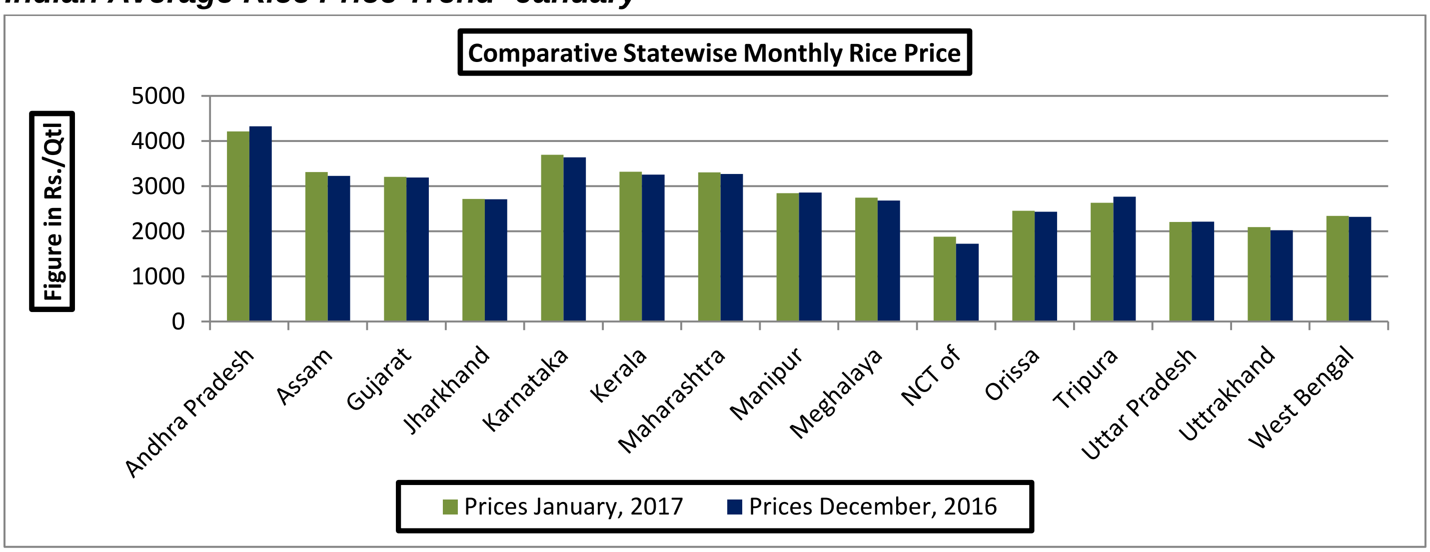
State wise Wholesale Price Monthly Analysis

State	Prices January, 2017	Prices December, 2016	Prices January, 2016	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh	4217.01	4326.65	5438.75	-2.53	-22.46
Assam	3316.72	3228.49	2967.36	2.73	11.77
Gujarat	3207.67	3193.34	2785.77	0.45	15.14
Jharkhand	2717.62	2710.93	2517.37	0.25	7.95
Karnataka	3698.11	3637.42	3406.96	1.67	8.55
Kerala	3321.39	3256.7	3118.48	1.99	6.51
Maharashtra	3304.55	3274.38	3187.06	0.92	3.69
Manipur	2844.73	2860.49	2603.89	-0.55	9.25
Meghalaya	2746.21	2682.8	3531.69	2.36	-22.24
NCT of	1880.95	1728.26	1915.38	8.83	-1.8
Orissa	2455.17	2434.24	2208.96	0.86	11.15
Tripura	2633.34	2770.72	2476.59	-4.96	6.33
Uttar Pradesh	2206.29	2216.83	2119.07	-0.48	4.12
Uttrakhand	2093.54	2026.93	1950.74	3.29	7.32
West Bengal	2342.41	2319.81	2214.84	0.97	5.76
Average	**2865.71**	**2844.46**	**2829.52**		

Source-Agmark

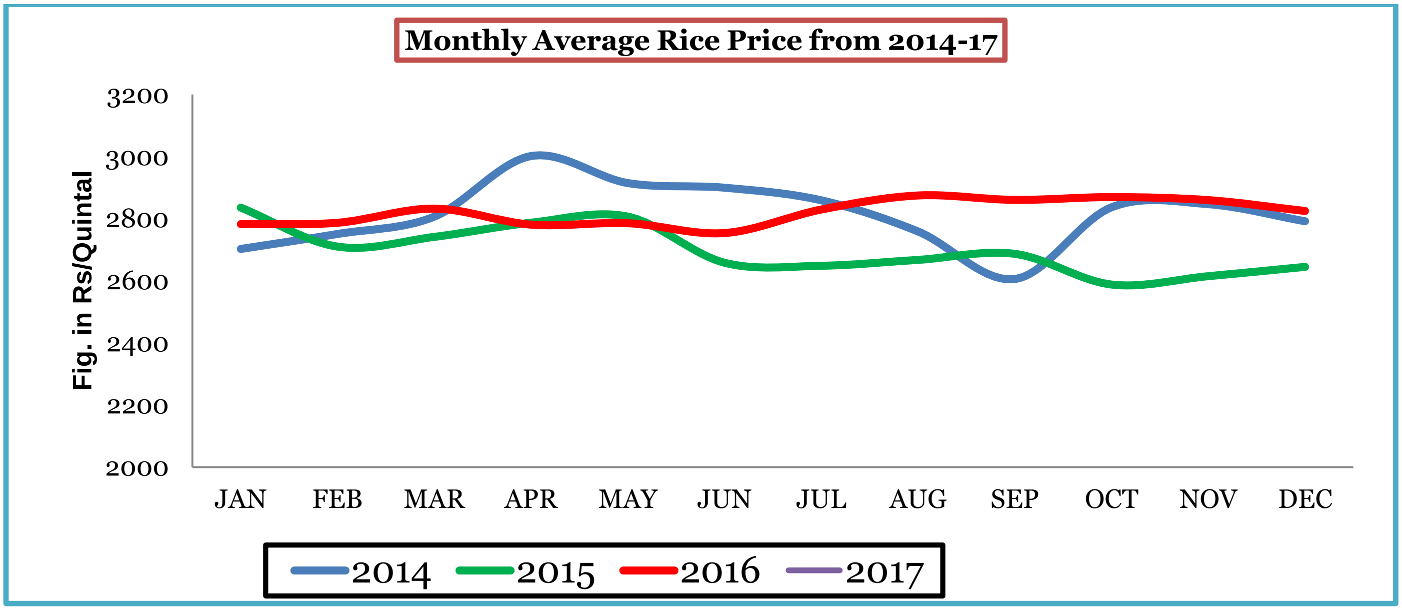
India average wholesale rice prices have increases in January- 2017 due to continuous demand coming from international markets as well stock holding by traders. Average monthly wholesale rice prices in India stood at around Rs.2, 866 per quintal in January 2017, up about 0.74% from around Rs.2, 845 per quintal in December 2016, and up about 1.27% from around Rs.2, 830 per quintal a year ago.

Indian Average Rice Price Trend- January



All India rice average prices in the month of January was firmed in major producing as well in major consuming States like Andhra Pradesh, Assam, Karnataka, Kerala, Delhi and West Bengal.

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	27.4	23.98	20.21	27.94	27.49
2015	28.74	30.98	28.4	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	29.00	24.17	19.73	16.56	31.2	26.95
2017	29.69											

Source-FCI

India's rice stocks in the central pool as on January- 1, 2017 stood at around 29.69 million tons up by about 14.10% from around 26.02 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 up about 10.16% from around 26.95 million tons recorded on December-01, 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.

State wise Progressive Procurement

State/UTs	Total procurement in marketing season 2015-16 (Oct. – Sept.)	Progressive Procurement as on 27.01.2017	
(in Lakh T)		In Marketing season 2016-17	In Marketing season 2015-16
AP	43.36	16.58	17.58
Telangana	15.79	10.85	9.84
Chhattisgarh	34.42	42.81	37.87
Haryana	28.61	35.7	28.61
Kerala	3.82	1.28	1.13

M.P	8.49	12.21	7.6
Maharashtra	2.3	1.74	1.02
Odessa	33.69	13.09	12.33
Punjab	93.5	110.44	93.49
Tamilnadu	11.92	0.09	0.9
U.P	29.1	12.75	17.39
Uttrakhand	5.98	5	5.18
West Bengal	15.68	1.14	1.7
Others	1.81	0	3.76
Total	**342.18**	**265.74**	**235.21**

Demonetization has not adversely impacted the rice procurement drive by the Food Corporation of India (FCI) and affiliated state government agencies so far. The rice equivalent of paddy procurement from farmers, which began officially for the 2016-17 marketing season on October 1, has crossed 24 million tonne (mt) till date, which is 19% more than the purchase during same period last year. States such as Punjab, Haryana and Chhattisgarh, where procurement has been completed for the season, have reported purchase by the agencies more than last year. This is mainly because of normal monsoon rains and direct transfer of the minimum support price (MSP) to farmers' bank accounts. Last year procurement exceeds from its target and this year also we expect government achieve target which would ensure sufficient rice stocks in the central pool.

Rice Export Statistics

MY-2015-16	Non-Basmati	Basmati	Total Export2015-16	MY-2016-17	Non-Basmati	Basmati	Total Export2015-16
October-15	3.27	2.38	5.65	**October-16**	3.8	2.18	**5.98**
November-15	5.38	3.01	8.39	**November-16**	2.7	2.16	**4.86**
December-15	3.98	3.76	7.74	**December-16**			
January-16	5.4	3.64	9.04	**January-17**			
February-16	4.68	3.71	8.39	**February-17**			
March-16	6.5	3.27	9.77	**March-17**			
April-16	5.57	3.36	8.93	**April-17**			
May-17	4.47	3.71	8.18	**May-17**			
June-17	6.68	3.95	10.63	**June-17**			
July-17	5.25	3	8.25	**July-17**			
August-16	6.37	1.95	8.32	**August-17**			
September-16	3.69	2.65	6.35	**September-17**			
Total	**61.24**	**38.39**	**99.64**	**Total**	**6.5**	**4.34**	**10.84**

Source-DGCIS and * IBIS

Agriwatch has updated the rice exports in the month of November based on data released by APEDA & IBIS. Total rice exports for MY-2016-17 till November-16 were 10.84 lakh tons, around 23% lesser than last year's export of 14 lakh tons for the corresponding period (Oct-Nov). Non- basmati rice exports in MY 2016-17 which started from October 2016 to November was 6.50 lakh tons and basmati exports in these months were 4.34 lakh tons.

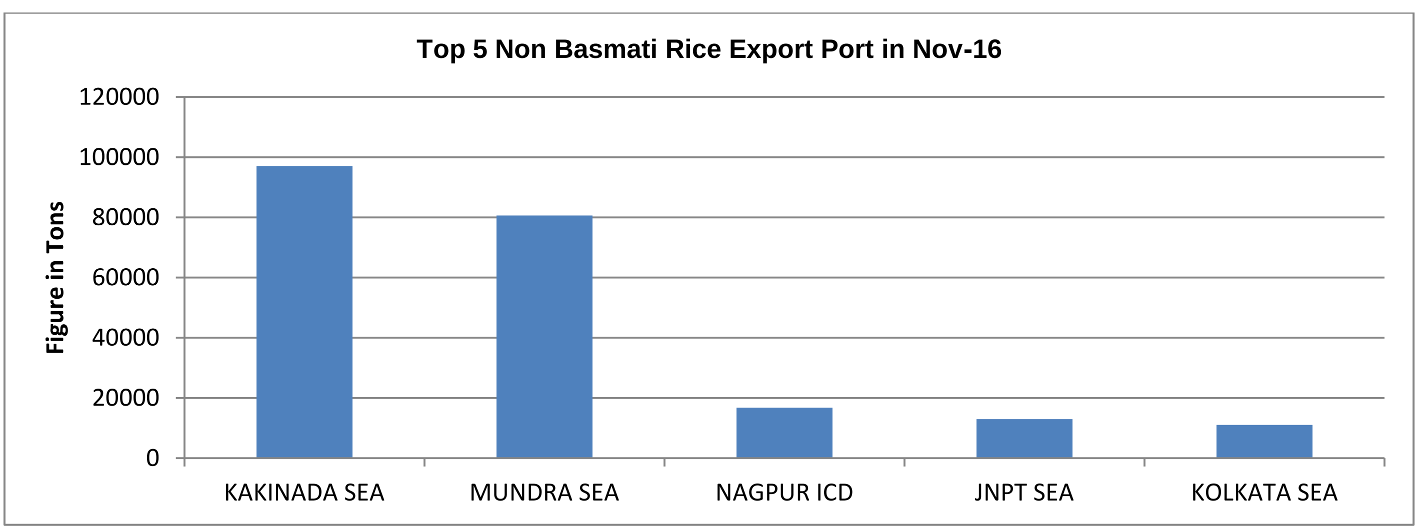
The total rice export has touched 99.65 lakh tons for MY- 2015-16, which is 17% lower than MY 2014-15 export of 120 lakh tons. Basmati exports in the end of marketing year were 39 lakh tons which is 7.22% lower than last year exports of 41.38 lakh tons.

Major Importers of Basmati &Non-basmati Rice in November

Non-Basmati Rice			Basmati Rice		
Country	**Quantity(Tons)**	**Average of FOB $/Ton**	**Country**	**Quantity(Tons)**	**Average of FOB $/Ton**
IRAQ	49974.99	504.89	U A E	60739.35	806.22
GUINEA	30344.25	327.45	SAUDI	39866.78	804.06
CAMBODIA	17625.00	330.65	IRAN	19771.60	667.90
U A E	15889.90	543.21	IRAQ	16439.07	697.79
S.AFRICA	15292.85	413.30	KUWAIT	11780.05	878.37
BENIN	13435.98	358.01	U S A	7154.67	852.12
SAUDI	10640.35	497.27	U K	6217.02	756.40
DJIBOUTI	9671.81	340.26	BAHRAIN	6065.40	847.58
BAHRAIN	8629.19	561.09	QATAR	5063.89	802.87
SOMALIA	6384.50	375.31	NETHERLANDS	4969.43	774.42
Others	93000.87	425.14	Others	38739.91	788.77
Grand Total	270889.69	508.29	Grand Total	216807.16	812.59

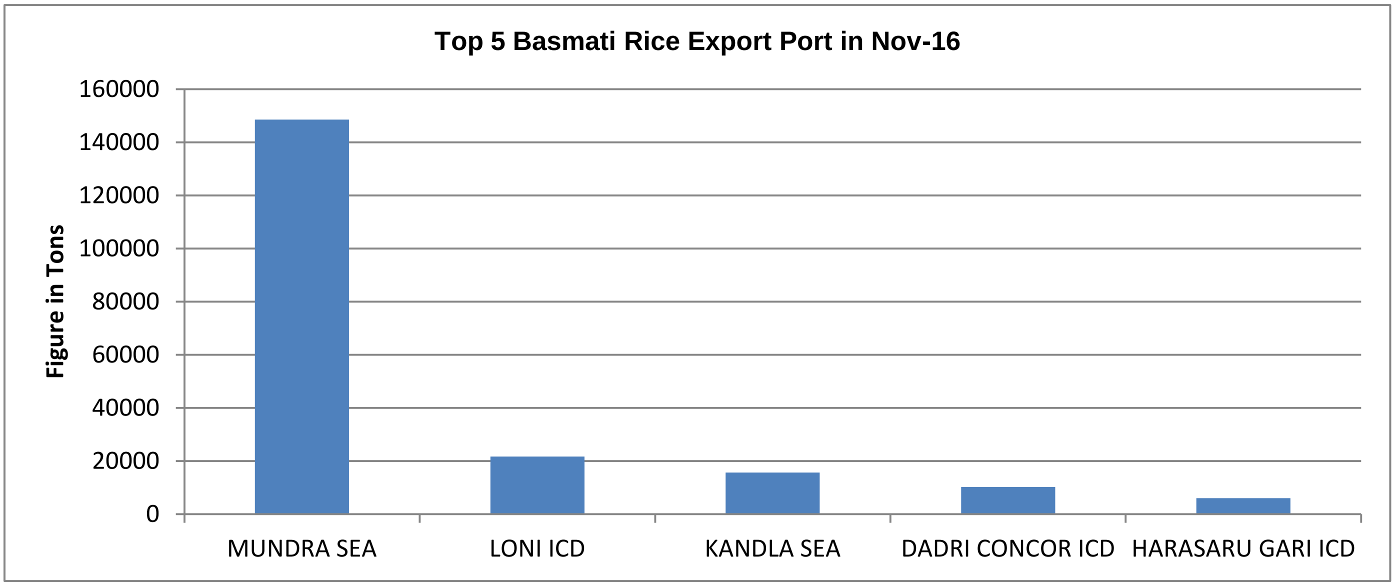
Total Rice exported from India in November was 4.86 lakh tons out of which basmati rice contribute 44.45%, and non-basmati rice is 55.54% in this period with quantity of around 2.16 lakh tons and 2.70 lakh tons respectively as per latest data extract from IBIS.Major importers of Indian Basmati rice in this period were Iraq, Guinea and Cambodia. 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 UAE, Saudi and Iran. Monthly rice exports in the month were down by around 19% from last month export of 5.98 lakh tons.

Major Non-Basmati Export Sourcing Center



Total non-basmati Rice export in the month of November was 2.70 lakh tons. Kakinada Sea, Mundra Sea and Nagpur ICD 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 Nov was 2.16 lakh tons. Mundra Sea, Loni ICD and Kandla 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 January moved slightly up by 0.74% from last month. We expect non-basmati rice to hover range bound with firm tone in coming month as arrival is getting slower in many producing regions which may support price in some extent to the 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, MY- 2016 exports reached 9.9 MMT. However price is expected to move in the range bound to positive territory in coming months.

Basmati rice price is expected to trade steady with firm tone even with huge overseas demand. Basmati rice price is expected to trade firm even with lower production in Kharif season (2016-17) as stocks from last year is too not sufficient to fulfill the current demand, due to Iran may soon lift its import ban from India. On the other hand international demand, especially from Middle East countries is normal, which may also support to push price up in some extent in coming months.

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Global Market Scenario

Rice imports to Ukraine continued shrinking this season; Ukraine imported 14 KMT of rice from July till November 2016/17 that is 35% less than at the same time last year. Rice imports to Ukraine continued shrinking this season, So, Ukraine imported 14 KMT of rice from July till November 2016/17 that is 35% less than at the same time last year. India continues to be Ukraine's traditional rice supplier, though with noticeably reduced shipments. 5.5 KMT of Indian rice was imported to Ukraine in the period under review against 7.9 KMT in July-November 2015/16. Rice imports from Pakistan plummeted to 2.4 KMT that is down two-thirds from last year. However some increase in rice purchases from Kazakhstan. So, Kazakhstan had exported to Ukraine 78% more rice than for the entire last season.

Indonesia government has expressed its optimism that the country's rice harvest will be adequate to meet the market demand this year, Last year, the government imported 1.2 million tons of rice, but it was ordered in 2015 while no new rice imports were booked in 2016. Meanwhile, is upbeat about this year's production reaching 80 million tons of rice, more than the annual national demand of 60 million tons.

According to TREA, Thailand finished 2016 as the second largest rice exporter, shipping a total of 9.88 million tons, behind India, which exported 10.43 million tons, Thai rice exports rose 0.9% in 2016 over 2015, and were worth US$4.4 billion. Vietnam finished third, shipping 4.95 million tons, Pakistan fourth with 4.19 million and the US fifth at 3.52 million. Vietnam finished third, shipping 4.95 million tons, Pakistan fourth with 4.19 million and the US fifth at 3.52 million. The US Department of Agriculture forecasts that India will remain the largest exporter this year, with 10 million tons, followed by Thailand 9.7 million, Vietnam 5.8 million and Pakistan 3.55 million. The global production will be at 480 million tons, slightly exceeding projected consumption of 477 million, according to the department. Global rice trade is predicted at 40 million tons.

Unofficial preliminary Thailand rice exports (excluding premium white and fragrant rice) for January 16-22, 2017 totaled 90,329 metric tons, down 44,018 metric tons from the previous week. Rice exports from January 1-22, 2017, totaled 307,571 metric tons. Presently, the government is holding around 8 million metric tons of rice stocks which consist of around 3 million metric tons of food-grade rice and 5 million metric tons of non-food grade rice. The non-food grade rice comprises of 3.15 million metric tons of sub-standard rice which is still useable as animal feed and 1.85 million metric tons of deteriorated rice which still can be used to produce ethanol.

Despite the Thai baht strengthening from 35.3 baht/USD to 34.95 baht/USD, export prices declined approximately 1 percent from the previous week due to the lack of new enquiries. Traders expect little additional trading activity next week as well due to the Chinese New Year holiday. Additionally, traders expect that the government will likely issue new tenders for food and non-food grade rice stocks in February 2017 before the supplies of MY2016/17 off-season rice enter the market.

Until January 27 this fiscal year, the Myanmar exported 1.15 million tonnes of rice and broken rice, down nearly 140,000 tonnes from the same period last year. Foreign countries have offered to buy rice under a government-to-government deal. Sri Lanka now wants to import Myanmar's rice. Last financial year's rice exports were 1.5 million tonnes and now Sri Lanka has offered to buy 50,000 tonnes, with a memorandum of understanding being discussed. Rice is mainly exported to African and EU markets. Monthly rice exports to Africa amount to 60,000 tonnes, according to the Myanmar Rice Federation.

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

Attributes (**Fig in Million Tons)**	**2013-14**	**2014-15 Estimate**	**2015-16 Forecast 25.02.16**	**Projection**	**Projection (2016-17)**
Production	478	480	473	482	484
Trade	42	43	42	40	41
Consumption	478	477	473	482	482
Carryover stocks	114	112	101	114	117
Y-O-Y change	0	-2	-10	0	3
Major Exporters	38	32	20	25	29

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

IGC Rice Balance sheet Highlights

The Council's outlook for world rice production in 2016/17 is lowered on account of diminished prospects in South Asia, notably in Sri Lanka. Nevertheless, it is still expected to post a 10m t y/y increase, to a record of 482m. With total uptake cut fractionally, world ending stocks are forecast unchanged from previously and steady y/y, at 118m t. The prediction for trade is kept at 41m t (+5%), in line with average. After a season in which harvests in Asian producers were negatively affected by dryness, world rice output could recover in 2016/17, by 2% y/y, to a peak of 482m t, under improved conditions. Larger availabilities are expected to be absorbed by a population-driven expansion in food use across Africa and Asia, resulting in little change in the world carryover, placed at 118m t. However, major exporters' inventories may retreat for the fourth consecutive year, especially on efforts by the Thai government to offload state reserves. Trade is predicted to rise by 5%, to 41m t, in 2017, as depressed world market values stimulate bigger purchases by some importers.

IGC Forecast the World Rice Production Up in 2016-17

In its January 2016 Grain Market Report (GMR), the International Grains Council (IGC) forecasts 2016-17 global rice production at around 484 million tons, up about 2 % 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 41 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.

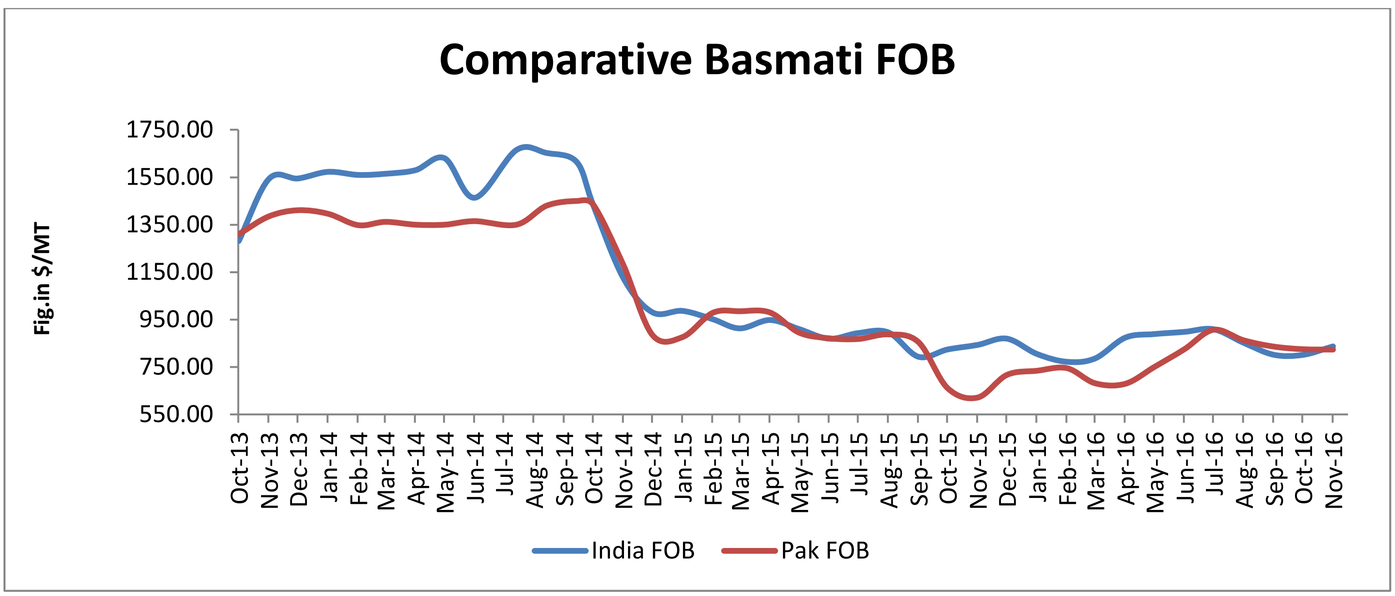
Global Consumption of Rice Increases in 2016-17

The IGC forecasts 2016-17 global rice consumption to up about 2% to around 483 million tons from an estimated 473 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	72000	72500	70000	70500	71580
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)	72950	73450	71900	72400	72580
Indian FOB (USD/MT)	**1071.69**	**1079.04**	**1056.27**	**1063.61**	**1066.26**
Insurance @ 0.1%	1.07	1.08	1.06	1.06	1.07
Freight Charges (US $/ton) to Iran	55	55	55	55	55
CIF (Kandla to Iran)	1127.76	1135.12	1112.32	1119.67	1122.32
INR Monthly Average	68.07	68.07	68.07	68.07	68.07

FOB Quotes Aromatic Rice (1121 Steam)



Source-FAO& AW

Indian FOB for 1121 steam in the month of November moved firm from last month and currently is in the range of USD 835-836/MT which is up by 4.47% from last month price of 812USD/T. Average basmati rice price too firm even with arrival pressure as aromatic rice production estimates is 25-30% lower than last year, according to the UN's Food and Agriculture Organization (FAO). Currently Pakistani basmati FOB is hovering in the range of USD 823-825/MT which is almost same from last month FOB of USD 825/MT.

Rice Price Trend – CBOT
@ CBOT March- 17, Rough Rice)
(Prices in US$/hundredweight)

Duration	Trend	Support	Resistance
Feb-2017	**Steady**	**S1-9.20** **S2-9.10**	**R1-10.30** **R2-10.45**