



Rice Monthly Research Report

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Outlook and Review (Domestic Front)-

India average wholesale rice prices have increases in March- 2017 due to continuous demand coming from international markets as well diminishing stock. Average monthly wholesale rice prices in India stood at around Rs.2, 993 per quintal in March 2017, up about 0.58% from around Rs.2, 976 per quintal in February 2017, and up about 5.63% from around Rs.2, 834 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.

India's 5% broken parboiled rice prices rose by \$2 per tonne to \$373 to \$378 a tonne this week, as gains in the rupee led exporters to raise prices, as the rupee was near its highest level in about 18 months. While prices weakened in Vietnam as the country entered its peak harvest season. Vietnam has entered its main harvest season since late March, pushing down prices of the 5% broken rice to \$348-\$350 a tonne FOB Saigon from \$350-\$355 last week. However Thailand prices of the benchmark 5-percent broken rice rose to \$350-\$365 a tonne free-on-board (FOB) Bangkok from \$350-\$362 last week, as the baht appreciated against the U.S. dollar, but demand has been dull.

As per Bihar Cooperative Minister, adequate outlets for procurement of paddy had been opened across the state to enable the farmers to sell their produce and get reasonable price. Also state government had made arrangement for procurement of paddy through 7,500 Primary Agriculture Credit Cooperative Society (PACS) to enable farmers to sell their produce at Minimum Support Price (MSP).

Among the food grains, the inflation for Cereals has decreased to 5.94% from the previous month's level of 7.49% and Pulses 6.21% from the previous month's level of 18.12%. The inflation for Rice has decreased to 2.97% from the previous month's level of 4.38% and Wheat 9.49% from the previous month's level of 12.82%.

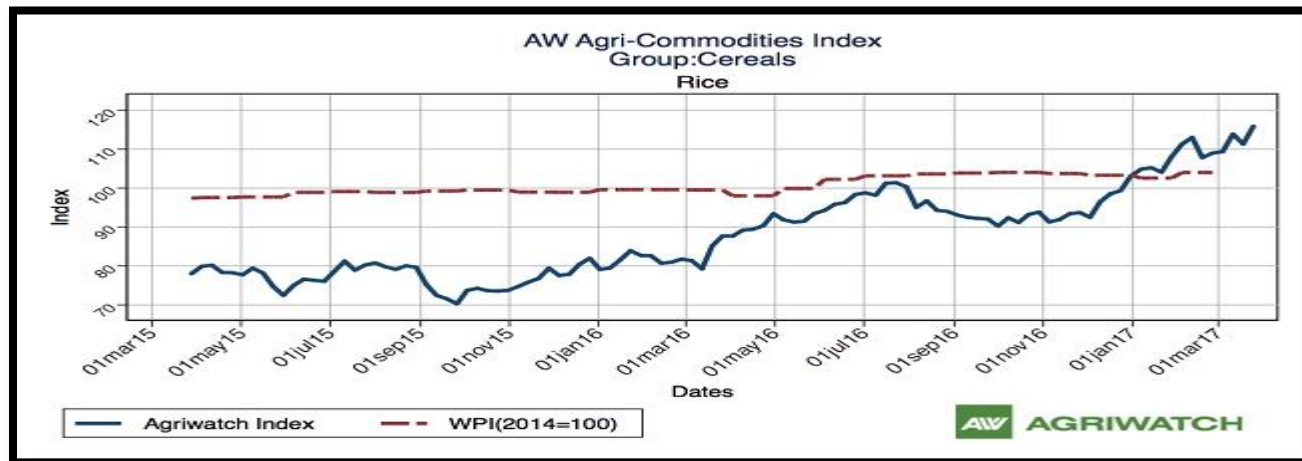
India is likely to emerge unscathed from the El Nino weather pattern as it is expected to set in only during the latter part of the four-month monsoon season which indicates that timely arrival of crop-nourishing rains. It is expected that monsoon is likely to arrive on the southern tip of Kerala state by around June 1 and retreat from the western state of Rajasthan by September. Forecasters in Japan and Australia also see a 40-50 chance of the El Nino weather pattern later this year. If this occurs, Agriwatch expects paddy/rice price will surge continuously in second quarter same as firmed in first quarter.

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 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.

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 January 27th 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.

In the Pre Monsoon season, at All-India level, the rainfall during the week (16th March, 2017 – 22nd March, 2017) has been 31% lower than the Long Period Average (LPA). Rainfall in the four broad geographical divisions of the country during the above period have been higher by 295% in South Peninsula and lower by 76% in North West India, 18% in Central India, 9% in East & North East India.

Agriwatch Cereals Commodity Indices – Mar-26, 2017



Agri Commodities Index rises 0.74% as Cereals, Pulses gain

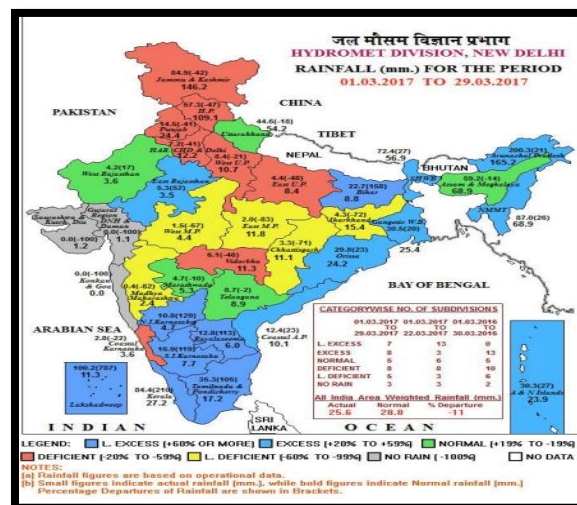
The Agriwatch Agri Commodities Index rose 0.74% to 110.34 during the week ended March 25, 2017 from 109.53 during the previous week led by higher cereals and pulses. The base for the Index and all sub-Indices is 2014 (= 100).

Seven of the 9 commodity group sub-Indices and 15 of the 29 individual commodity sub-Indices that constitute the main Index gained during the week. Spices and Sweeteners were the only declining groups this week. The commodity group sub-Index values and their weekly changes are as follows: Cereals: 113.47 (+1.16%), Pulses: 137.35 (+3.20%), Vegetables: 41.18 (+0.41%), Edible Oils: 104.47 (+0.60%), Oilseeds: 90.01 (+0.80%), Spices: 97.92 (-3.29%), Sweeteners: 125.31 (-0.44%), Fibres: 115.44 (+1.72%) and Other Non-Food Articles: 95.34 (+0.08%).

"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 www.agriwatch.com. The daily indices are available on subscription. Please contact for more details."

Monthly Average Cumulative Rainfall for March:

Rainfall was large excess/excess in 15, normal in 5, and deficient/large deficient in 13 and no rain in 3 out of 36 meteorological sub-division. Temperature Forecast: The Maximum temperatures very likely to be above normal by 2-4°C over most parts of northwest India, many places over central & east India and some parts of west India. These are likely to be below normal over most parts of northeast India and some parts of south Peninsular India. They are likely to be near normal over remaining parts of country during next one week.



Price Projection for Next Month (April) in Domestic Market

Duration	Trend	Average Price Range	Reason
April - 2017	Steady to firm	Rs.3000-3250/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	01-Apr-2017)	25-Mar-2017)	Month Ago(01-Mar-2017)	% ch. From last week	% Change from last Month
1121 Steam	7800	7050	7350	10.64	6.12
1121 Sella	6700	6150	5900	8.94	13.56
1121 Raw	7700	7150	6950	7.69	10.79

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	01-Apr-2017)	25-Mar-2017)	Month Ago(01-Mar-2017)	% ch. From last week	% Change from last Month
White Rice 5%	378	373	370	1.34	2.16
White Rice 25%	370	368	357	0.54	3.64
Parboiled 5%	375	372	365	0.81	2.74

Rice Supply & Demand

Figure in MMT	2013-14	2014-15	2015-16	2016-17*
Carry in	25.44	26.15	22.91	19.6
Production	106.64	104.8	104.3	106
Imports	0	0	0	0
Total Availability	132.08	130.95	127.21	125.6
Consumption	95.5	96	97.5	97.8
Exports	10.43	12.04	10.11	10.55
Total Usage	105.93	108.04	107.61	108.35

Carry out	26.15	22.91	19.6	17.25
Av Monthly Consumption	7.96	8.00	8.13	8.15
Stock to Month Use	3.29	2.86	2.41	2.12
Stock to Consumption Ratio	0.08	0.08	0.08	0.08

Rice production in MY 2016-17 is likely to be up from 104 million tons in 2015-16 to 106 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 increase 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 and also by strengthening of rupees support the rice export. Domestic consumption is likely to increase by 0.2% to 97.5 million tons in 2015-16 to 97.8 million tons in MY-2016-17. Ending stocks are seen falling proudly over the last two-three years and this would be a major reason for firming in price for second quarter. Also if chances of El- Niño occur as predicted by several metrological departments, impact on paddy sowing/planting or yield could be hurtful for coming years and this would remain the rice price firm for coming months.

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
Uttarakhand	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 the production will touch 107 million tons if rainfall is above 10% or more, which will be all time high for India.

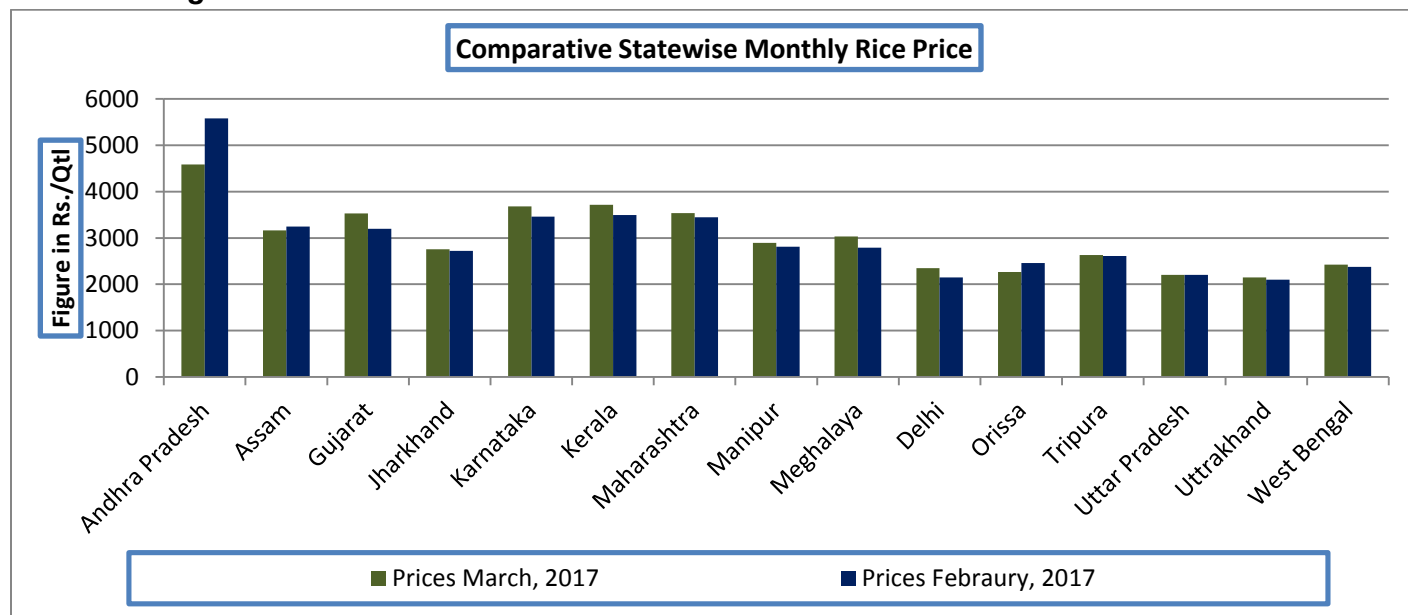
State wise Wholesale Price Monthly Analysis

State	Prices March, 2017	Prices February, 2017	Prices March, 2016	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh	4586.68	5582.01	4425.33	-17.83	3.65
Assam	3163.31	3243.76	3073.89	-2.48	2.91
Gujarat	3526.92	3200.17	3571.89	10.21	-1.26
Jharkhand	2752.33	2724.38	2524.59	1.03	9.02
Karnataka	3684.67	3462.96	3379.55	6.4	9.03
Kerala	3713.86	3492.13	2995.67	6.35	23.97
Maharashtra	3538.29	3447.35	3135.14	2.64	12.86
Manipur	2896.24	2812.52	2854.45	2.98	1.46
Meghalaya	3030.51	2793.05	3395.16	8.5	-10.74
Delhi	2349.09	2150.14	2112.2	9.25	11.22
Orissa	2262.97	2455.25	2199.19	-7.83	2.9
Tripura	2628.28	2608.91	2475.48	0.74	6.17
Uttar Pradesh	2202.73	2202.57	2115.14	0.01	4.14
Uttarakhand	2150.6	2096.88	2060.57	2.56	4.37
West Bengal	2423.14	2375.83	2196.4	1.99	10.32
Average	2993.97	2976.52	2834.31		

Source-Agmark

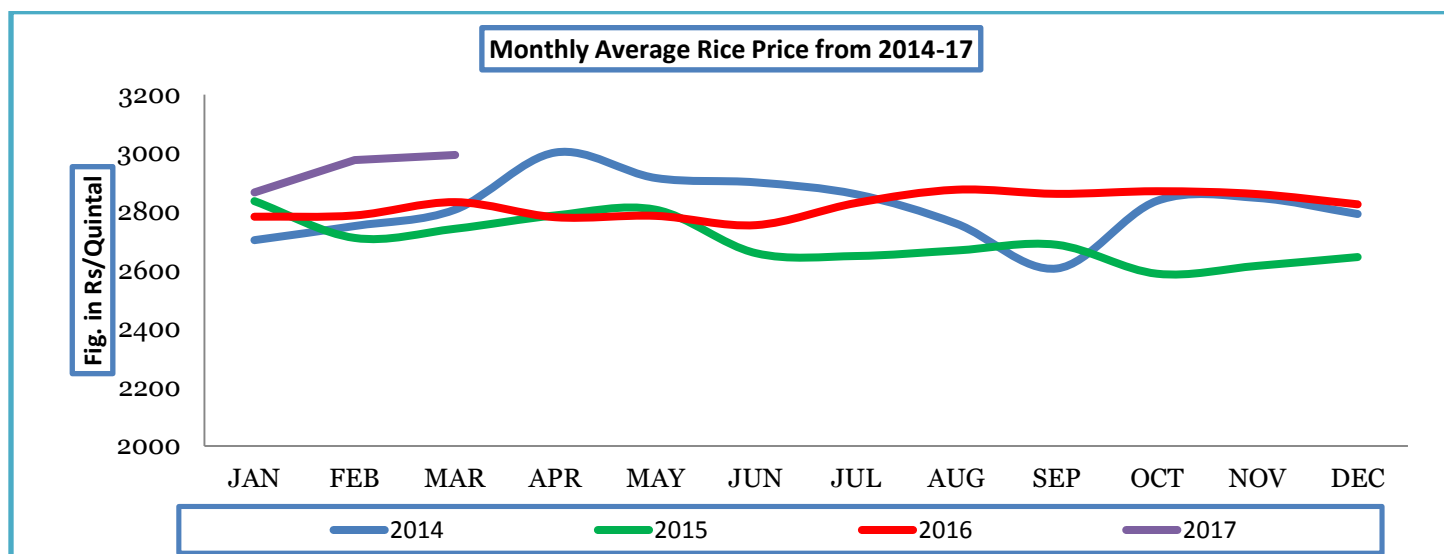
India average wholesale rice prices have increases in March- 2017 due to continuous demand coming from international markets as well diminishing stock. Average monthly wholesale rice prices in India stood at around Rs.2, 993 per quintal in March 2017, up about 0.58% from around Rs.2, 976 per quintal in February 2017, and up about 5.63% from around Rs.2, 834 per quintal a year ago.

Indian Average Rice Price Trend- March



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

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	29.29	31.43									

Source-FCI

India's rice stocks in the central pool as on March- 1, 2017 stood at around 31.43 million tons down by about 7.72% from around 34.06 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 7.30% from around 29.29 million tons recorded on February-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 (in Lakh T)	Total procurement in marketing season 2015-16 (Oct. – Sept.)	Progressive Procurement as on 23.03.2017	
		In Marketing season 2016-17	In Marketing season 2015-16
AP	43.36	25.55	28.74
Telangana	15.79	11.02	10.16
Chhattisgarh	34.42	46.62	39.72
Haryana	28.61	35.7	28.61
Kerala	3.82	1.82	2.14
M.P	8.49	13.14	8.41
Maharashtra	2.3	2.38	1.52
Odessa	33.69	22.92	23.63
Punjab	93.5	110.47	93.5
Tamilnadu	11.92	1.32	8.43
U.P	29.1	23.54	29.10
Uttrakhand	5.98	7.06	5.97
West Bengal	15.68	8.63	9.90
Others	1.81	0	3.76
Total	342.18	320.82	300.73

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 30 million tonne (mt) till date, which is 6.68% more than the purchase during corresponding 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 bank accounts of farmers. Last year procurement exceeded its target and this year too we expect government to achieve target which would ensure sufficient rice stocks in the central pool.

Rice Export Statistics

MY-2015-16	Non-Basmati	Basmati	Total Export-2015-16	MY-2016-17	Non-Basmati	Basmati	Total Export-2016-17
October-15	3.27	2.38	5.65	October-16	4.23	2.37	6.6
November-15	5.38	3.01	8.39	November-16	3.03	2.74	5.77
December-15	3.98	3.76	7.74	December-16	4.16	3.44	7.6

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	5.01	4.12	9.13	May-17			
June-17	6.85	4.35	10.63	June-17			
July-17	5.65	3.63	8.25	July-17			
August-16	6.58	2.26	8.84	August-17			
September-16	4.01	2.91	6.35	September-17			
Total	62.88	40.4	101.11	Total	11.42	8.55	19.97

Source-DGCIS

Agriwatch has updated the rice exports in the month of March based on data released by APEDA. Total rice exports for MY-2016-17 till December-16 were 19.97 lakh tons, around 8.31% lesser than last year's export of 21.78 lakh tons for the corresponding period (Oct-Dec). Non-basmati rice exports in MY 2016-17 which started from October 2016 to December was 11.42 lakh tons and basmati exports in these months were 8.55 lakh tons.

The total rice export has touched 101.11 lakh tons for MY- 2015-16, which is 16% lower than MY 2014-15 export of 120 lakh tons. Basmati exports in the end of marketing year were 40.4 lakh tons which is 2.36% lower than last year exports of 41.38 lakh tons.

Rice Market Outlook

Non-basmati rice market in the month of March moved up by 0.58% 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 to some extent in 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-2016-17 non-basmati rice exports reached 11.42 MMT. However price is expected to move in the range bound to positive territory in coming months.

Basmati rice price is expected to trade at firm tone with huge overseas demand. Basmati rice price is expected to trade firm with lower production in Kharif season (2016-17) as stocks from last year is not sufficient to fulfill the current demand, as Iran may soon lift its import ban from India due to country's diminishing stock. 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.

Major Rice Producing Countries:

Milled Production in Million Tons						
Country/Year	2012-13	2013-14	2014-15	2015-16	2016-17(Feb)	2016-17(Mar)
Bangladesh	33.82	34.39	34.5	34.5	34.581	34.581
India	105.241	106.646	105.482	104.408	106.5	106.5
Indonesia	36.55	36.3	35.56	36.2	36.6	36.6
Philippines	11.428	11.858	11.915	11	11.5	11.5
Thailand	20.2	20.46	18.75	15.8	18.6	18.6
Vietnam	27.537	28.161	28.166	27.458	27.8	27.8
Others	38.857	39.821	40.129	40.882	41.285	41.25
World Total	472.53	478.33	478.55	472.16	480.13	480.34

Ending Stocks in MMT						
Country/Year	2012-13	2013-14	2014-15	2015-16	2016-17(Feb)	2016-17(Mar)
China	49.832	53.102	57.436	63.735	69.31	69.085
India	25.5	22.8	17.8	18.4	17.7	17.9
Thailand	12.808	11.999	11.27	8.403	6.953	6.953
Others	12.988	13.843	16.306	14.358	13.072	12.792
World Total	113.88	113.87	114.91	116.14	117.95	117.65

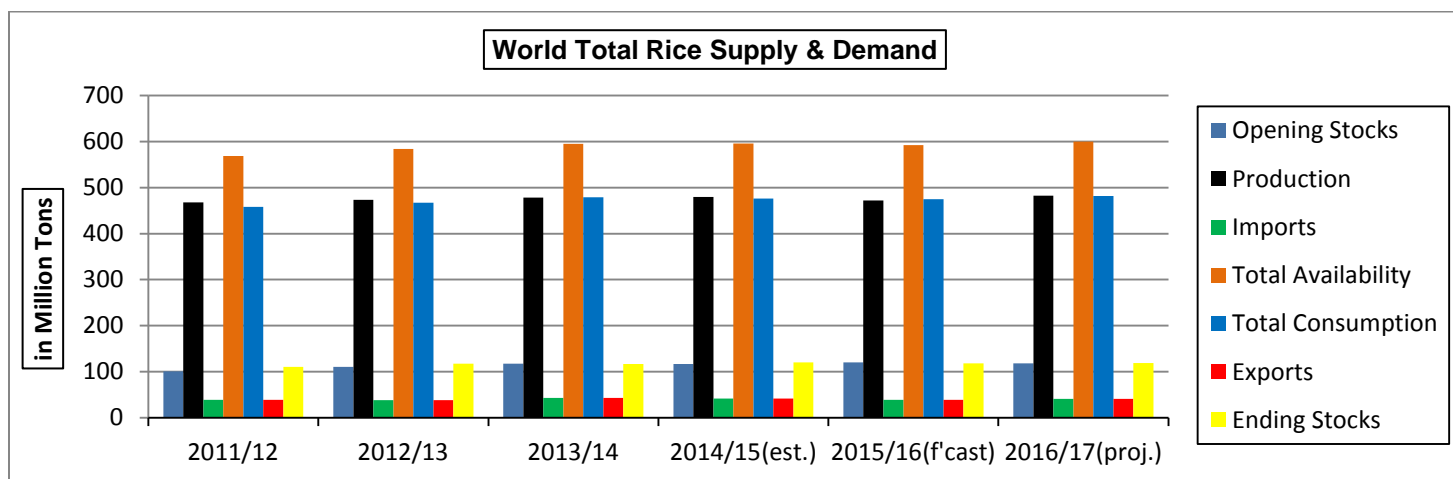
International Scenario & Outlook

Thailand Rice price are currently moving in the weak range and declined by 1.5-2% recently due to weaker Bhat and also supported by the sale of government food quality rice stocks tendered recently. Even though the government received qualified bids for approximately 2 million metric tons, the Ministry of Commerce agreed to sell only approximately 1.3 million metric tons. This sale consisted of (1) 0.5 million metric tons of 5% grade white rice, which is likely destined for export at competitive prices (bids were approximately 20 percent lower than current market prices).

Outlook: Rice Price is likely to trade in the range bound to weak even with lower production and carry out in coming months (April-June-2017) as Thai government planning to sell their 8 million tons of rice which is in stockpile from last 3-4 years.

Vietnam rice price in coming months (till June-July) is likely to trade in range bound as production is sufficient to fulfill the demand and price will rise after June only if weather /rainfall will go below normal or any El-Niño situation occurs.

World Supply & Demand of Rice



Largely reflecting the impact of El Niño on crops in Asian countries, world rice production is estimated to have fallen for the first time in six years in 2015/16. However, output is anticipated to resume an uptrend in 2016/17 and beyond, with gains largely tied to yield improvements amid limited prospects for bigger plantings. With growth in consumption set to outpace the expansion of supplies, world ending stocks are seen falling modestly over the medium-term, but would still be comfortable, with an average stocks-to-use ratio of 23%, only a fraction lower than in the previous five seasons. Trade is predicted to ascend on growing shipments of white and parboiled varieties to markets in Far East Asia and sub-Saharan Africa.

Production: Following a season in which production fell for the first time since 2009/10, world rice output is expected to increase in 2016/17 and beyond, mainly on yield improvements amid limited prospects for bigger plantings in key producers. Global plantings may dip fractionally in 2017/18. Sowings in some countries, including Vietnam, might contract, as farmers switch to more profitable crops, such as maize. Tentatively assuming normal conditions and trend yields, production is seen rising continuously, reaching 509m t by 2021/22, up by 25m on 2016/17.

Consumption: Growth could moderate in comparison to past years, as higher incomes and wider food choices, especially in some Asian countries, promote a shift in demand from traditional staples to include greater quantities of protein.

Stock: World carryovers are projected to remain comfortable, with only a modest net fall anticipated over the projection period, while the stocks-to-use ratio is seen averaging 23%, a single percentage point lower than in the prior five years.

Trade: India and Thailand are expected to retain their positions as the world's leading exporters, their combined share of trade steady at about 50%. Potential sales by Vietnam could be thwarted by smaller crops, a situation that may foster further opportunities for emerging exporters, namely Cambodia and Myanmar.

Global Market Scenario

Mexican rice production for MY2017/18 (October-September) is forecast to reach 290,000 MT (rough rice) due to additional harvested area in the southeast region (mainly Campeche and Veracruz), as well as in the state of Nayarit. This year's rough rice production level converts to 199,000 MT of milled rice. According to private sources, the main factor driving this increase in harvested area is the governmental support program announced last July 2016 (see 2016 GAIN Report MX6031 "Wheat, Corn, and Sorghum Estimates Down Slightly; New Rice Program Announced"). Increased planting of new certified long grain variety seeds and the use of new cultivation technological package, based on the Brazilian model, will also contribute to the production increase. The National Rice Product System industry group stated that the adoption of this new technological package in the last couple years has allowed slight production and productivity increases in several planting areas.

Thailand Unofficial preliminary rice exports (excluding premium white and fragrant rice) for February 27 – March 5, 2017, totaled 39,166 metric tons, down 99,799 metric tons from the previous week, and down 92,910 metric tons from the four-week moving average of 132,076 metric tons. Rice exports from January 1 – March 5, 2017, totaled 1,280,409 metric tons. Export prices declined 1-2 percent following the sale of 1.3 million metric tons of government food quality rice stocks. The government is likely to retender the remaining food-quality rice stocks and issue a new tender for feed-quality rice stocks by the end of March 2017.

According to the Thai Custom Department, rice exports totaled 9.9 million metric tons in 2016, up around 1 percent from 2015. This is due to a surge in fragrant rice exports which increased 19 percent from last year to reach 2.4 million metric tons. Meanwhile, parboiled rice exports declined to 2.1 million metric tons, down 10 percent from last year due to tight supplies caused by reduced 2016 off-season rice production. Also, white rice exports declined slightly to 5.4 million metric tons as the government suspended sales of rice stocks from September to December in 2016.

With the El-Nino weather anomaly, which was associated with the dry season recorded throughout 2016, and mild dry season expected in 2017, Malaysian rice production is forecast to stagnate at 1.8 million tons in 2016/17. In 2017/18 production is forecast to increase slightly to 1.82 million tons. This small increase for 2017/18 attributed to cut on government subsidize to rice farmers and government intention to lower end stock.

Indonesia will export 15 to 50 thousand tons of rice to Malaysia in an effort to meet the country's demand. In addition to exporting rice to Malaysia, Indonesia had exported rice to Papua New Guinea, which was shipped from Papua Province. According to government, rice stock now reaches 1.9 million tons and is sufficient to meet the publics need during the fasting month of Ramadan.

As per USDA latest report, china rice imports for MY-2016-17 is unchanged at 5 million tons. Vietnam and Thailand remain leading exporters of rice to China due to their competitive prices and freight advantage. Rice imports will continue to be profitable if South East Asian countries offer the prices below China's floor price of renminbi 2,660 per ton (\$389). The average CIF rice price from South East Asia to China is renminbi 2,432 per ton (\$350).

On a July- June MY basis, Philippines rice imports in MY-2016-17 are forecast at 1 million tons, down 38 percent from the MY 15/16 level. The decline is due to adequate ending stocks. Rice imports should increase

significantly in MY-2017-18 due to the anticipated decline in local production as a result of the finish of the QR and to replenish low inventory levels. Post forecasts overall imports in MY-2017-18 at two million tons or double the MY-2016-17 level. Ending rice stocks in MY 16/17 have dropped considerably from the previous year's level due a significant decline in production and imports. Stocks are estimated to be sufficient for 46 days (at a daily requirement of 32,000 tons) in MY 16/17 and 56 days in MY 17/18.

IGC Balance Sheet:
(Fig. In Million Tons)

Attributes (Fig in Million Tons)	2014-15 Estimate	2015-16 Estimate	2016-17 F'cast (23.02.17)	(2016-17) 30.3.2017	2017-18 Proj. 30.03.2017
Production	480	473	482	483	487
Trade	42	39	41	41	41
Consumption	476	475	482	482	486
Carryover stocks	120	118	119	118	119
Y-O-Y change	4	-2	-	0	1
Major Exporters	37	32	31	30	28

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

IGC Rice Balance sheet Highlights

Global rice supply and demand figures for 2016/17 are broadly unchanged from February. In 2017/18, world output is predicted at a new record, but y/y gains are likely to be slim as low international prices potentially serve as a disincentive to some producers. Population growth is set to lead food consumption higher, while carryover stocks are expected to remain comfortable. Trade could edge up slightly in 2018 on bigger shipments to African buyers in particular. Underpinned by higher plantings and improved growing conditions in Asia, world rice output in 2016/17 is seen rising by 2% y/y, to a record of 483m t. With the annual increase in supplies absorbed by a comparable rise in total use, global ending stocks are forecast steady y/y. However, major exporters' inventories could fall slightly as the Thai government looks to offload old crop reserves. Prospects for 2017/18 are tentative, but output may climb to a new peak. However, continued low prices may discourage area gains in some exporters. Although record uptake is anticipated, carryovers are predicted to stay high as a further drawdown in key exporters is more than offset by accumulation elsewhere. As always, trade will be shaped by import needs in Asia and Africa.

IGC Forecast the World Rice Production Up in 2017-18

In its March 2017 Grain Market Report (GMR), the International Grains Council (IGC) projection for 2017-18 global rice production at around 487 million tons, up about 0.82% from an estimated 483 million tons in 2016-17 on improved Asian production.

Global Trade of Rice Unchanged from Last Month

The IGC forecasts 2017-18 global rice trades at around 41 million tons, unchanged from its estimates for 2016-17. It expects world rice trade in 2017 to remain same on normal demand from buyers in Africa and Asia.

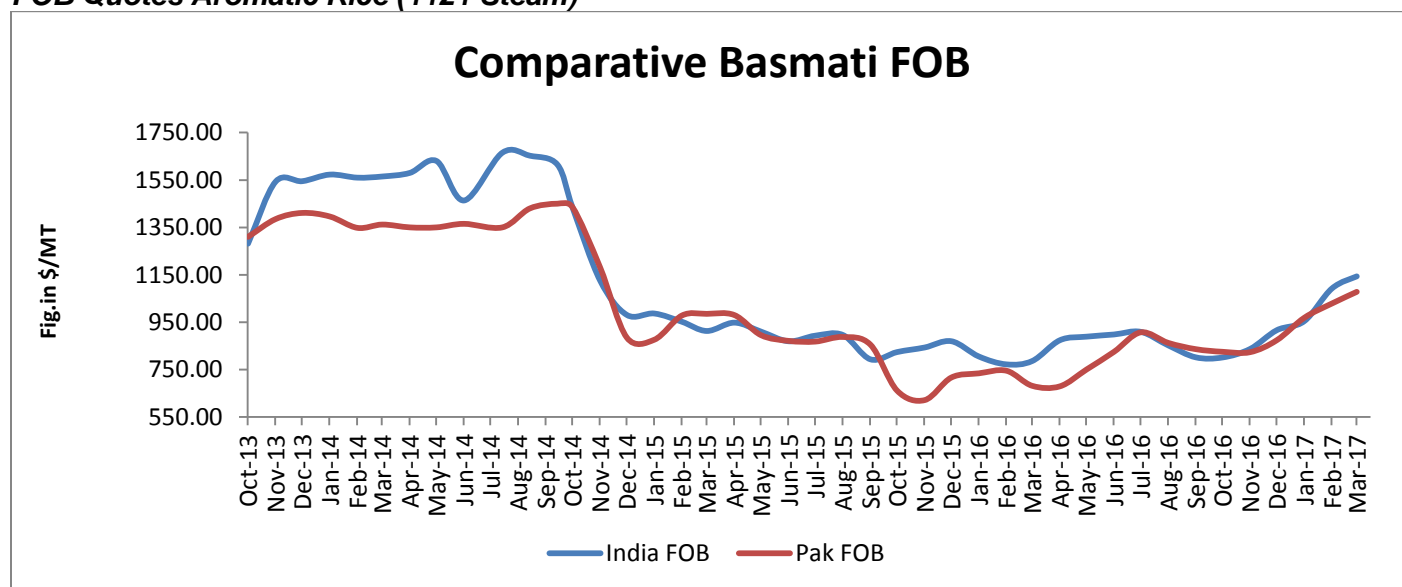
Global Consumption of Rice Increases in 2016-17

The IGC forecasts 2017-18 global rice consumption to up about 0.8% to around 486 million tons from an estimated 482 million tons in 2016-17

Indicative Basmati Parity Sheet

Parity Calculation Sheet	Rajkot (Kandla)	Andhra Pradesh(Vizag)	Punjab(Kandla)	Haryana(kandla)	West Bengal(Kolkata)
Price @ various center	75000	75500	73000	72500	75600
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)	75950	76450	74900	74400	76600
Indian FOB (USD/MT)	1153.20	1160.80	1137.26	1129.67	1163.07
Insurance @ 0.1%	1.15	1.16	1.14	1.13	1.16
Freight Charges (US \$/ton) to Iran	55	55	55	55	55
CIF (Kandla to Iran)	1209.36	1216.96	1193.40	1185.80	1219.24
INR Monthly Average	65.86	65.86	65.86	65.86	65.86

FOB Quotes Aromatic Rice (1121 Steam)



Source-FAO& AW

Indian FOB for 1121 steam in the month of March moved firm from last month and currently is in the range of USD 1143-1145/MT which is up by 4.6% from last month price of USD 1092/T. Average basmati rice price too firmed this month with higher demand and lower stocks. According to the UN's Food and Agriculture Organization (FAO), Currently Pakistani basmati FOB is also moving firmer from last six months due to lower production estimates and now it's hovering in the range of USD 1078-1080/MT which is also up by 4.78% from last month FOB of USD 1029/MT.

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



International Price Projection for Next Month-

Duration	Trend	Support	Resistance
April-2017	Steady to Firm	S1-9.30 S2-9.20	R1-10.30 R2-10.55

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