



Rice Monthly Research Report

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Outlook and Review (Domestic Front)-

India average wholesale rice prices have decreased in April- 2017 due to some arrival pressure coming from traders who are doing profit booking at higher level, however prices are expected to move again firm after some correction as demand of Indian rice is coming from different countries. Average monthly wholesale rice prices in India stood at around Rs.2, 903 per quintal in April 2017, down about 3.11% from around Rs.2, 996 per quintal in March 2017, and up about 4.29% from around Rs.2, 785 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.

Rice prices in India rose on a stronger rupee, while markets in Thailand and Vietnam remained quiet recently, In India, the world's biggest rice exporter, prices for 5-percent broken parboiled rice rose by \$3 to \$387-\$392 a tonne this week on an appreciation in the rupee and a rise in paddy prices in the local market. The rupee has risen 6 percent so far in 2017 and is trading near its highest level in 21 months, trimming returns for exporters. The strengthening rupee is also pushing up prices in dollar terms, making Indian supplies less competitive.

According to preliminary official statistics, rice exports from October 2016 to February 2017 was estimated at 4.06 MMT compared to 3.84 MMT for the corresponding period last year, largely on strong demand for non-Basmati rice. Assuming no significant changes in the price parity for Indian rice during the remaining marketing year, MY 2016/17 exports are likely to reach 10 MMT, nearly same as last year.

Egypt, traditionally a rice exporter, has contracted to purchase 20,000 tonnes of Indian rice; the government statement did not explain why it had contracted to buy the rice. But in December, the government had said it would import rice after cancelling a tender to buy locally produced rice when the bidding companies all offered higher prices than the government had asked for. As per USDA latest report, Egypt's 2016 rice paddy production is estimated at 5.1 million metric tonnes versus annual consumption of about 3.95 million tonnes.

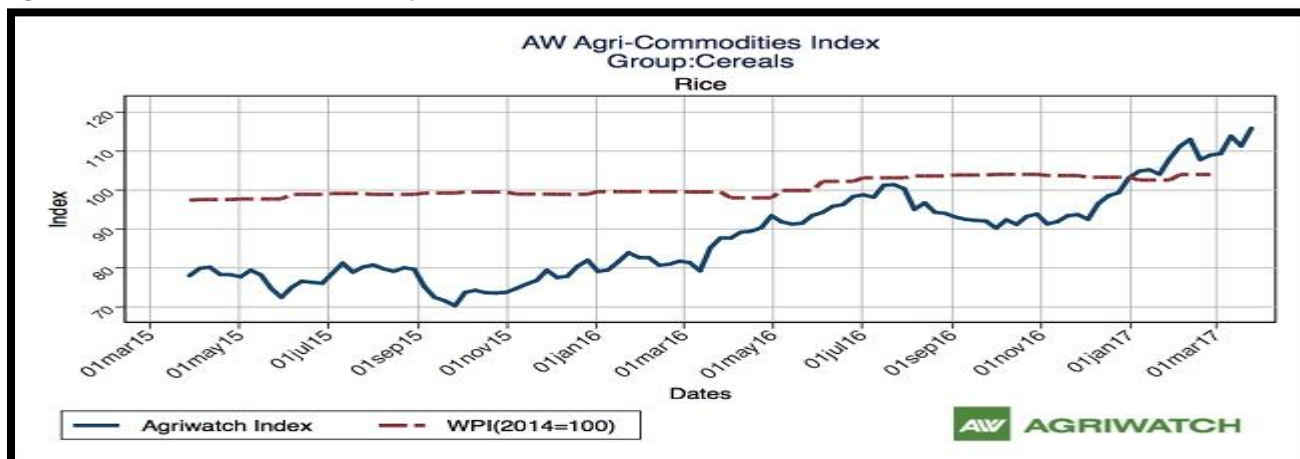
IMD forecast that India's crucial monsoon rains are expected to be of an average amount in 2017, easing concerns over farm and economic growth in the world's leading producer of an array of agricultural goods. Monsoon rains this year are expected to be 96% of the long-term average. The monsoon delivers about 70 percent of India's annual rainfall, critical for growing crops such as rice, sugar cane, corn, cotton and soybeans because nearly half of the country's farmland lacks irrigation. India could 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.

The country is likely to produce an all-time high 273 million tonnes (MT) of food grain in the 2017-18 crop year starting July and maintain 4 percent farm growth, anticipating a good monsoon.

The All Commodities inflation rate based on Wholesale Price Index (WPI) on a point to point basis for the month of March, 2017, decreased to 5.70% from the level of 6.55 in the month of February, 2017. The inflation rate was (-) 0.45% during the corresponding period of last year. Among the foodgrains, the inflation for Rice has increased to 5.07% from the previous month's level of 4.40%. The inflation for Cereals has decreased to 4.97% from the previous month's level of 6.09%, Pulses to -6.09% from the previous month's level of -0.79% and Wheat to 4.65% from the previous month's level of 8.36%.

The cumulative rainfall in the country during the Pre monsoon season i.e. 01st March to 19th April, 2017 has been 4% 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 21% in East & North East India & 1% in South Peninsula but lower than LPA by 57% in Central India and 16% in North West India.

Agriwatch Cereals Commodity Indices – Mar-26, 2017



Agri Commodities Index rises 0.74% as Cereals, Pulses gain

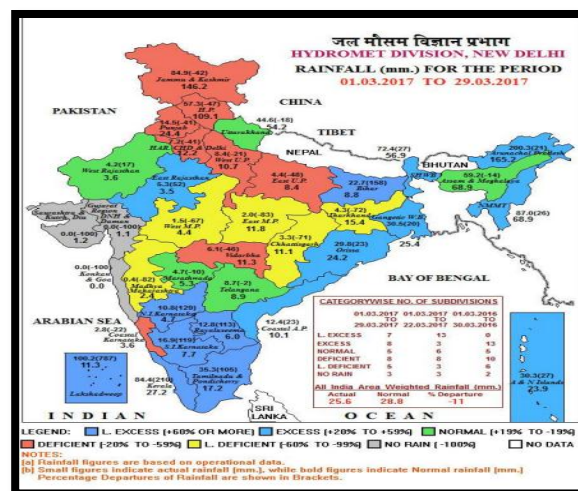
The Agriwatch Agri Commodities Index rose 0.74% to 110.34 during the week ended March 25, 2017 from 109.53 during the previous week led by higher cereals and pulses. The base for the Index and all sub-Indices is 2014 (= 100).

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."

Weather Watch:

IMD has forecasted near normal monsoon with close to 50% probability that El Nino will occur during the period of July-September. This forecast was further reduced to 40% by IMD. Although international agencies like National oceanic and atmospheric administration (NOAA) and Australian Bureau of meteorology (ABM) have predicted close to 50% probability of El Nino. NOAA and ABM will release their next forecast on 11th May and 26th April. As per US-based International Research Institute for Climate and Society there is a probability of around 55% of El Nino occurring in May-July and 70% that it will occur in July-September. If the probability increases in coming time period it will lead to a poor southwest monsoon thereby leading to unfavourable condition for the crops.



Price Projection for Next Month (May) in Domestic Market

Duration	Trend	Average Price Range	Reason
May - 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	06-May-2017)	30-Apr-2017)	Month Ago(06-Apr-2017)	% ch. From last week	% Change from last Month
1121 Steam	7300	7450	7800	-2.01	-6.41
1121 Sella	6300	6450	6500	-2.33	-3.08
1121 Raw	7500	7800	7900	-3.85	-5.06

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	06-May-2017)	30-Apr-2017)	Month Ago(06-Apr-2017)	% ch. From last week	% Change from last Month
White Rice 5%	392	387	378	1.29	3.70
White Rice 25%	385	382	370	0.79	4.05
Parboiled 5%	380	377	365	0.80	4.11

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

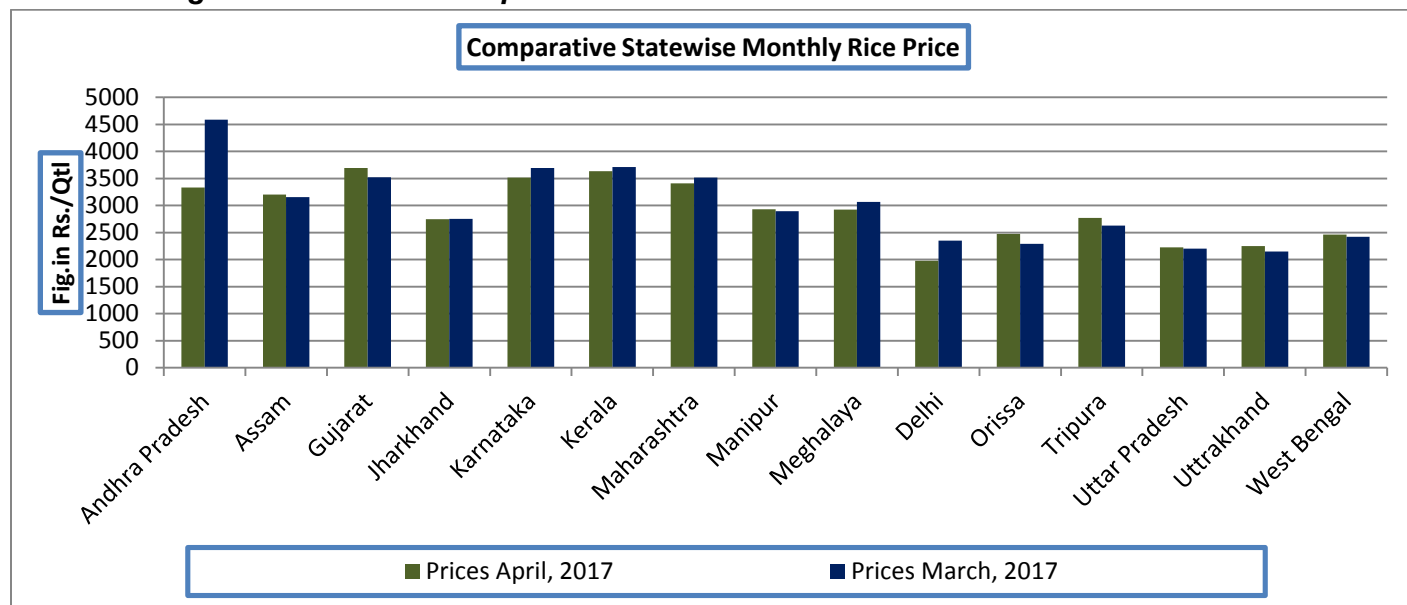
All India milled rice production in MY-2016-17 is expected to hover between 106-106.5 million tons as per Agriwatch first estimate. This year there is excess rainfall in most of the paddy growing states. On the other hand paddy acreage is also supportive of higher production, as of 29 July 2016, higher 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

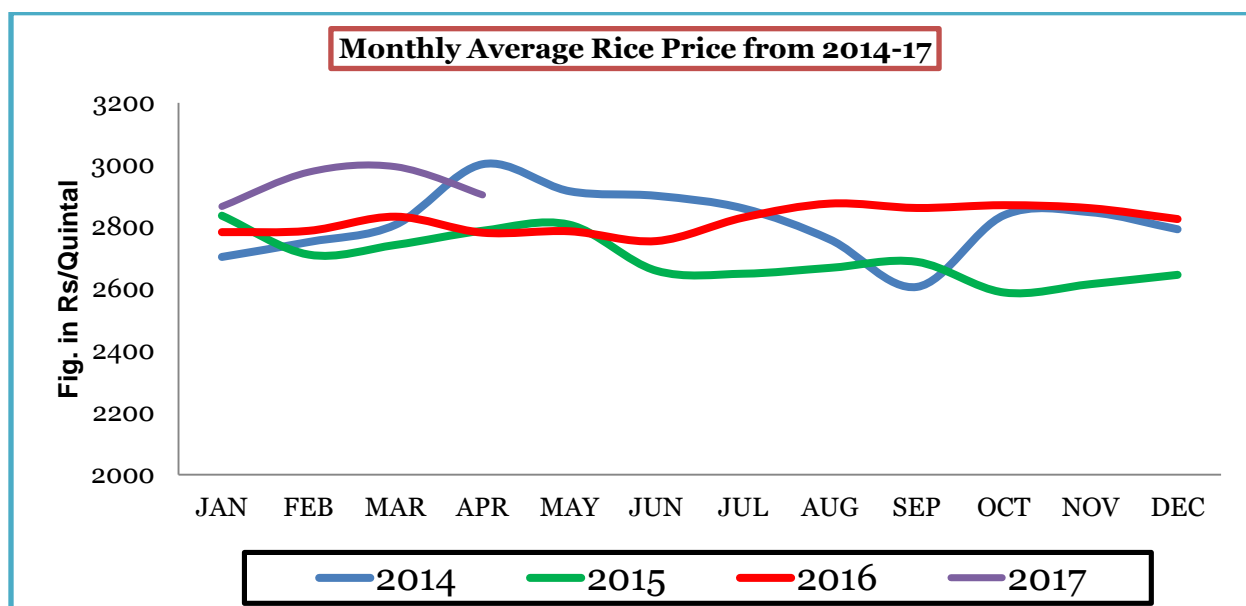
State	Prices April, 2017	Prices March, 2017	Prices April, 2016	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh	3331.12	4586.68	3125.91	-27.37	6.56
Assam	3202.17	3153.72	3025.48	1.54	5.84
Gujarat	3693.46	3519.73	3572.37	4.94	3.39
Jharkhand	2747.55	2752.72	2400.19	-0.19	14.47
Karnataka	3518.79	3695.55	3426.97	-4.78	2.68
Kerala	3632.11	3713.41	2966.59	-2.19	22.43
Maharashtra	3408.92	3516.33	3460.04	-3.05	-1.48
Manipur	2930.34	2896.24	2883.59	1.18	1.62
Meghalaya	2925.65	3063.85	3466.32	-4.51	-15.6
Delhi	1978.95	2349.09	1976.11	-15.76	0.14
Orissa	2473.33	2291.66	2208.38	7.93	12
Tripura	2767.95	2628.93	2511.46	5.29	10.21
Uttar Pradesh	2225.88	2203.68	2127.37	1.01	4.63
Uttarakhand	2247.5	2150.6	2465.24	4.51	-8.83
West Bengal	2462.49	2423.51	2235.63	1.61	10.15
Average	2903.08	2996.38	2783.55		

Source-Agmark

Despite record domestic production, market prices have ruled relatively firm in the 2nd quarter of MY 2016/17 (Jan-Mar) on strong export demand. However, prices have started easing in April with the impending arrival of the rabi rice. India average wholesale rice prices have decreases in April- 2017 due to rabi arrival as well profit booking by traders. Average monthly wholesale rice prices in India stood at around Rs.2, 903 per quintal in April 2017, down about 3.11% from around Rs.2, 996 per quintal in March 2017, and up about 4.29% from around Rs.2, 784 per quintal a year ago.

Indian Average Rice Price Trend- April


All India rice average prices in the month of March was weak in major producing as well in major consuming States like Andhra Pradesh, 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	29.78								

Source-FCI

India's rice stocks in the central pool as on April- 1, 2017 stood at around 29.78 million tons up by about 35% from around 22.16 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 about 5.24% from around 31.43 million tons recorded on March-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 21.04.2017	
		In Marketing season 2016-17	In Marketing season 2015-16
AP	43.36	28.45	33.23
Telangana	15.79	12.02	10.94
Chhattisgarh	34.42	46.62	39.72
Haryana	28.61	35.7	28.61
Kerala	3.82	2.71	3.26
M.P	8.49	13.14	8.41
Maharashtra	2.3	2.46	1.60
Odessa	33.69	26.35	25.21
Punjab	93.5	110.47	93.5
Tamilnadu	11.92	1.41	9.59
U.P	29.1	23.54	29.10
Uttrakhand	5.98	7.06	5.97
West Bengal	15.68	15.90	12.59
Others	1.81	0	3.76
Total	342.18	339.85	316.65

Riding a record harvest, public rice procurement in MY 2016/17 through April 24, 2017, was estimated at 33.7 MMT, an increase over the 31.4 MMT procured during the corresponding period last year. All major rice producing states procured at higher levels except for the southern states of Andhra Pradesh, and Tamil Nadu where dry conditions affected production levels. With additional procurement of rabi and summer rice likely to continue in eastern and southern states, albeit less than last year, public rice procurement in MY 2016/17 is likely to exceed the previous record 36 MMT in MY 2009/10.

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	5.21	3.25	7.68
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	16.63	11.8	27.57

Source-DGCIS

Agriwatch has updated the rice exports in the month of May based on data released by APEDA. Total rice exports for MY-2016-17 till January-16 were 27.57 lakh tons, around 10.55% lesser than last year's export of 30.82 lakh tons for the corresponding period (Oct-Jan). Non- basmati rice exports in MY 2016-17 which started from October 2016 to January was 16.63 lakh tons and basmati exports in these months were 11.8 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

Despite record domestic production, market prices have ruled relatively firm in the 2nd quarter of MY 2016/17 (Jan-Mar) on strong export demand. However, prices have started easing in April with the impending arrival of the rabi rice. Currently, spot prices for common-grade coarse rice range from INR 21,950 (\$340) to INR 32,200 (\$500) per MT in major producing states. Prices are likely to remain steady in through the third quarter of MY 2016/17 (Apr-Jun). However, prices during the last quarter of MY 2016/17 will largely depend on the progress of 2017 monsoon and the international prices.

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. 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. Basmati rice price also traded weak in last two weeks due to profit booking by traders.

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

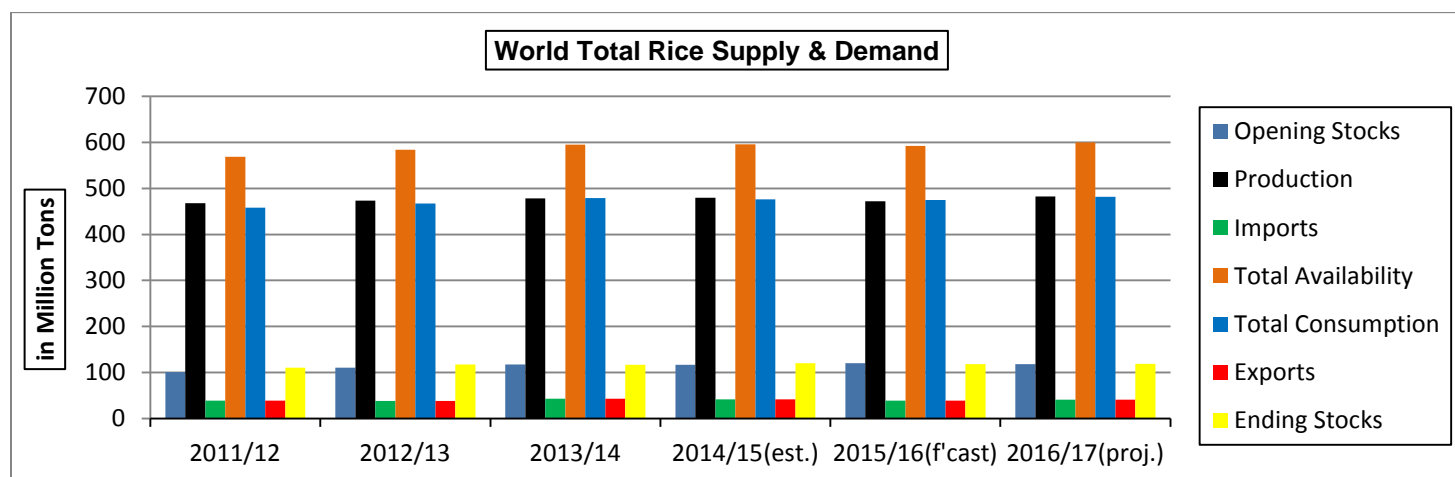
International Scenario & Outlook

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



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

The exports of basmati rice from Pakistan during the month of March 2017 increased by 154.28 percent as compared the exports of the corresponding month of last year. During month of March, about 45,745 metric tons of basmati rice worth \$43.976m was exported as compared the exports of 17,412 metric tons valuing of \$17.294m of same month last year.

Iran's state grains buyer GTC issued tenders to buy at least 65,000 tonnes of rice from Thailand and India, signaling a return to seeking international bids after the easing of sanctions. Iran had largely purchased rice through lengthy direct negotiations before the relaxation of Western sanctions, which were imposed over the nation's nuclear program. The new tenders, with a closing date of April 18, sought 50,000 tonnes from Thailand and 15,000 tonnes from India for May shipment.

Unlike in MY2016/17 in Thailand when severe drought delayed and prevented farmers from planting main-crop rice in many irrigated areas in the lower northern region and the central plains, farmers will be able to plant MY2017/18 main-crop rice as usual in May 2017 due to sufficient water supplies. Main-crop rice acreage in these areas accounts for approximately 20 percent of total main-crop rice production. The government recently announced their support for the Royal Irrigation Department's plan to supply water for main-crop rice planting in May 2017, compared to last year when irrigation supplies were not available until August 2016 which was too late for main-crop rice planting in many locations. As of April 18, 2017, the RID reported that water supplies in major reservoirs totaled 4.9 billion cubic meters, which is more than double last year's record low levels (Figure 1). Therefore, Post's forecast for MY2017/18 rice production remains unchanged at 19.5 million metric tons which is approximately a 5 percent increase from MY2016/17 in anticipation of a recovery of main-crop rice production.

According to the Thai Customs Department, Thai rice exports during January - March 2017 totaled 2.7 million metric tons, down 6 percent from the same period last year due to a reduction in white rice exports. Exports of white rice declined to 1.3 million metric tons, down 19 percent from the same period last year due mainly to competition from Vietnamese rice which was approximately 30-40 USD/MT cheaper. Additionally, the government suspended the sale of old-crop white rice stocks during the harvest of main-crop rice in January and February 2017. Typically, old-crop white rice from government stocks is very competitive in the African market as the price is 30-35 USD/MT cheaper than new-crop white rice. However, at the same time, exports of parboiled rice increased 10 percent and fragrant rice increased 4 percent from the same period last year, totaling 0.5 and 0.7 million metric tons, respectively. Post's forecast for Thai rice exports remains unchanged at 10 million metric tons in MY2016/17 and MY2017/2018, up 1 percent from last year, driven by the government's sale of the remaining rice stocks in the second and third quarter of 2017.

Rice production for 2017/18 is forecast to drop to 800,000 tons (milled basis) as a result of a projected smaller planted area. Contacts indicate there are substantial uncertainties in the sector as returns have not been good in the past three crops. There are many small and medium producers seriously thinking of changing to other alternatives. In Corrientes province the alternative is to go back to raising cattle. In Entre Rios, where most of the shift could happen, most producers could instead plant soybeans or corn. In general, large producers are projected to maintain their area. There are a total of 400-450 rice producers in Argentina.

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.

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. 27.04.2017
Production	480	473	482	487	487
Trade	42	39	41	41	41
Consumption	476	475	482	486	485
Carryover stocks	120	118	119	119	120
Y-O-Y change	4	-2	-		2
Major Exporters	37	32	31	28	30

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

IGC Rice Balance sheet Highlights

Minor adjustments for production and uptake lift the 2016/17 global rice stocks forecast slightly, to 119m t, a fractional y/y rise. For the 2017/18 season, projections for supply and demand are little changed from March, with output seen edging up to a new peak, mainly on gains in Asian producers, while end-season carryovers are tentatively expected to reach 120m t, 1m higher than before. World import demand in 2018 is seen marginally stronger y/y, at 41m t. Aided by much improved weather across Asia, 2016/17 global rice output is placed at a peak of 483m t, 10m higher y/y. Amid anticipated record supplies, uptake is seen rising to a new high, while end-season inventories could edge up. The outlook for world supply and demand in 2017/18 is tentative given that the bulk of seeding is still some months away. Nevertheless, assuming continued state support for producers in Asia and favorable conditions for crop development, output is predicted to reach a record of 487m t. Both consumption and inventories are likely to expand further, while traded volumes are seen remaining high, at about 41m t. Thailand's export potential may be contained by tighter supplies, but India and Vietnam could sell more.

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

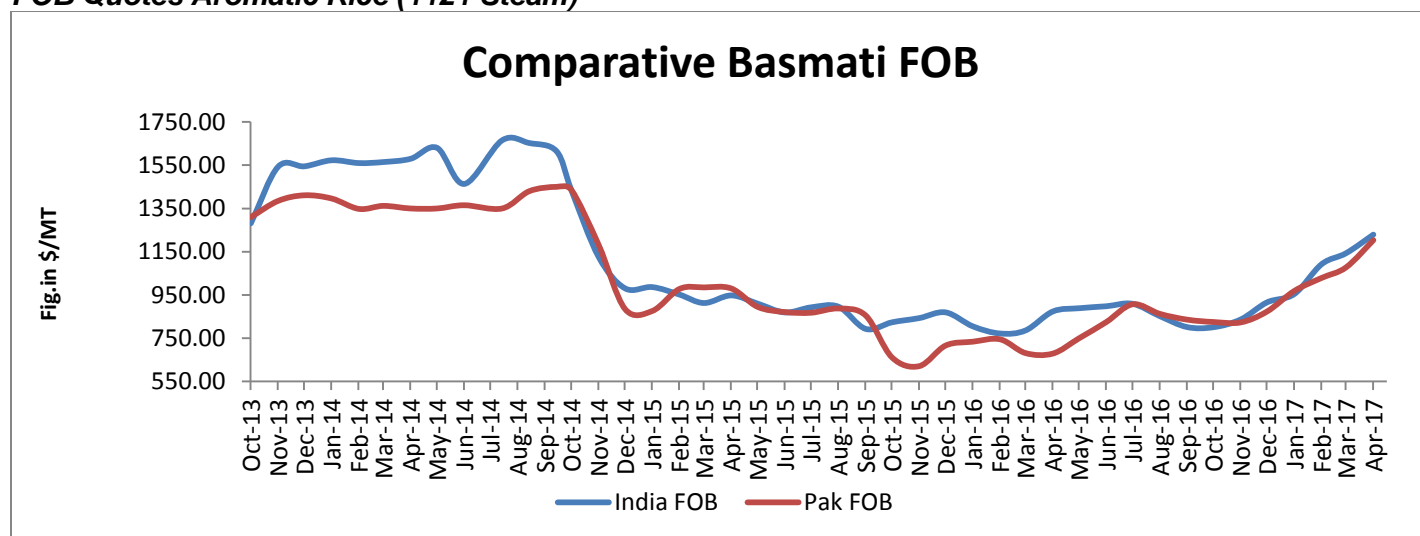
The IGC forecasts 2017-18 global rice trades at around 41 million tons, unchanged from its estimates for 2016-17. It expects world rice trade in 2017 to remain same on normal demand from buyers in Africa and Asia.

Global Consumption of Rice Increases in 2017-18

The IGC forecasts 2017-18 global rice consumption to up about 0.8% to around 485 million tons from an estimated 482 million tons in 2016-17

Indicative Basmati Parity Sheet

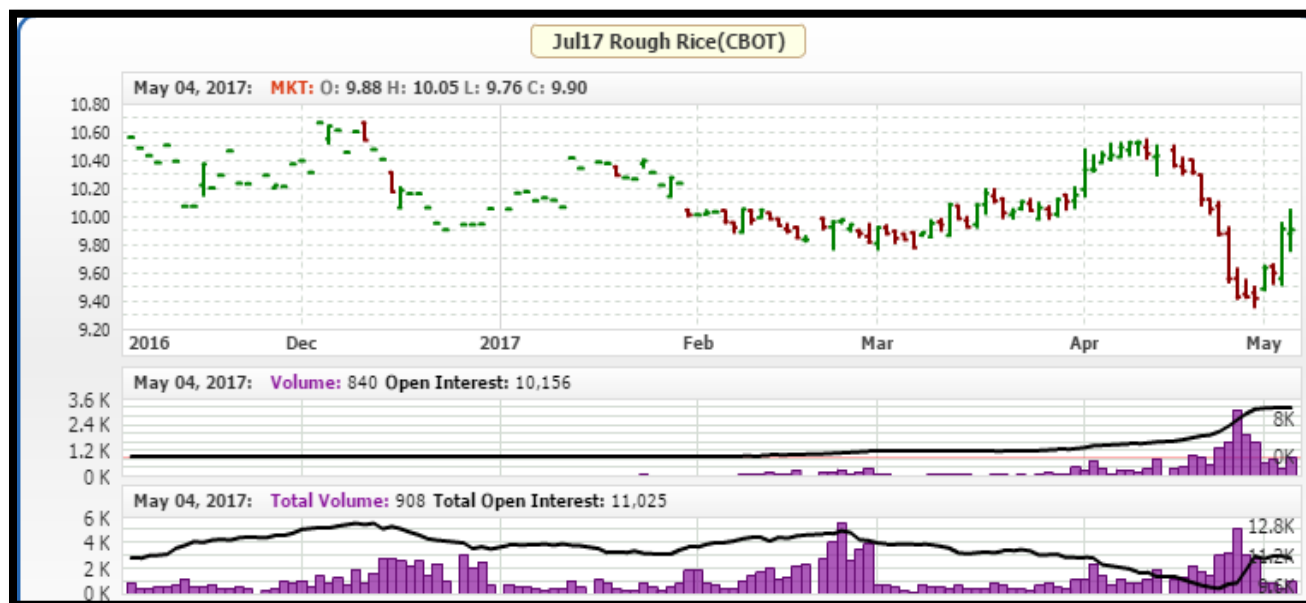
Parity Calculation Sheet	Rajkot (Kandla)	Andhra Pradesh(Vizag)	Punjab(Kandla)	Haryana(kandla)	West Bengal(Kolkata)
Price @ various center	77500	78500	76500	77000	78000
Port handling charges /Loading/Unloading /Clearing (Rs/ton)	550	550	550	550	550
Freight Charges till port	400	400	1350	1350	450
Indian FOB (Rs/MT)	78450	79450	78400	78900	79000
Indian FOB (USD/MT)	1215.15	1230.64	1214.37	1222.12	1223.67
Insurance @ 0.1%	1.22	1.23	1.21	1.22	1.22
Freight Charges (US \$/ton) to Iran	55	55	55	55	55
CIF (Kandla to Iran)	1271.36	1286.87	1270.59	1278.34	1279.89
INR Monthly Average	64.56	64.56	64.56	64.56	64.56

FOB Quotes Aromatic Rice (1121 Steam)


Source-FAO& AW

Indian FOB for 1121 steam in the month of April moved firm from last month and currently is in the range of USD 1229-1230/MT which is up by 7.5% from last month price of USD 1143/T. Average basmati rice price too firmed this month with higher demand and lower stocks, however from last one week prices traded weak due to profit booking by traders. According to the UN's Food and Agriculture Organization (FAO), Currently Pakistani basmati FOB is also moving firmer from last seven months due to lower production estimates and now it's hovering in the range of USD 1203-1205/MT which is also up by 11.66% from last month FOB of USD 1078/MT.

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



International Price Projection for Next Month-

Duration	Trend	Support	Resistance
May-2017	Steady to Firm	S1-9.20 S2-9.10	R1-10.35 R2-10.55

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