Rice Monthly Research Report

Contents

Outlook and Review (Domestic Front)-

Average monthly wholesale rice prices in India stood at around Rs.2941 per quintal in March- 2018, up about 2.90% from around Rs.2858 per quintal in February- 2018, and up about 2.97% from around Rs.2856 per quintal a year ago. Agriwatch expects non-basmati rice market to move range bound with firm tone in coming month due to overseas and local demand.

Assuming normal weather conditions and 2018 monsoon in the country, MY 2018/19 rice production is forecast at 109 MMT from 43.5 Million Ha and trend yield (3.76 MHa). Despite a below-normal second half of the 2017 monsoon, rice growers realized good returns on sufficient water at the time of planting and critical crop growth stages and relatively firm domestic prices.

The government budget announcement on the new MSP pricing formula (1.5 times the cost of production) for the upcoming Indian crop year 2018/19 (July-June) kharif season raises the hope of 15-20 percent increase in the MSP for rice over last year, which should further support planting intentions for rice in the upcoming marketing year.

However, a timely and well distributed 2018 monsoon performance will be critical for realization of the forecast planted area and productivity. An erratic and weak monsoon across the major growing regions and critical crop growth stages (July-September) can potentially bring down planting by 1-2 MHa and production by 5-8 MMT from the forecast level, while adequate and well distributed rains can raise forecast production by 2-3 MMT.

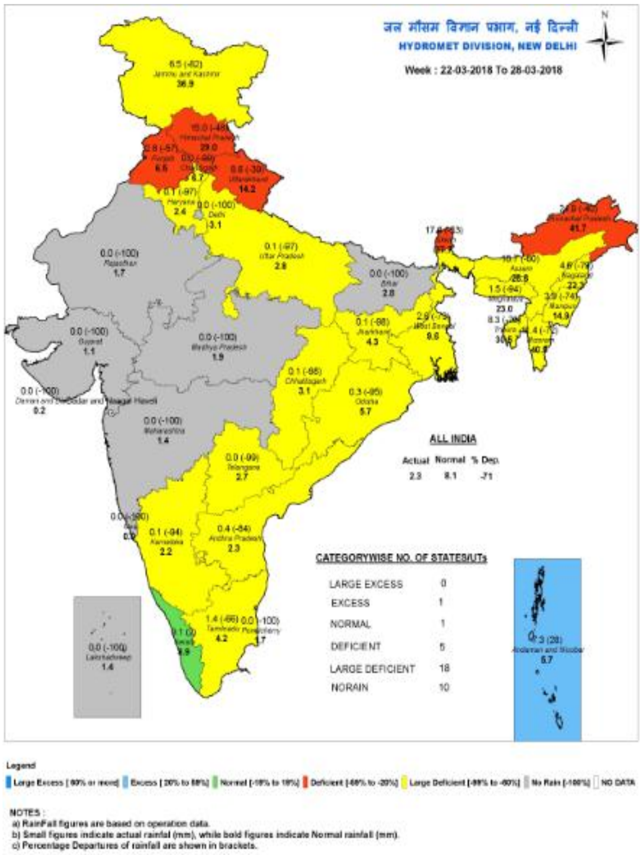
All-India progressive procurement of Rice as on 06.04.2018 for 2017-18 was at 314.18 lakh tons against the procurement of 315 lakh tons in the corresponding period of last year. Higher procurement has been received from northern states of Punjab (118.33 lakh Tons), Haryana (39.67 lakh tons), and U.P (28.75 lakh tons) and in south it is picking up in Telangana (12.23 Lakh Tons). Andhra Pradesh Government procurement has reached to 27.89 lakh tons. Chhattisgarh government has also procured around 32.07 lakh tons of rice as of now. Madhya Pradesh and Odisha procurement has reached 10.96 and 24.79 lakh tons respectively. Procurement in West Bengal and other rice growing states is still underway and reached to 0.31 lakh tons.

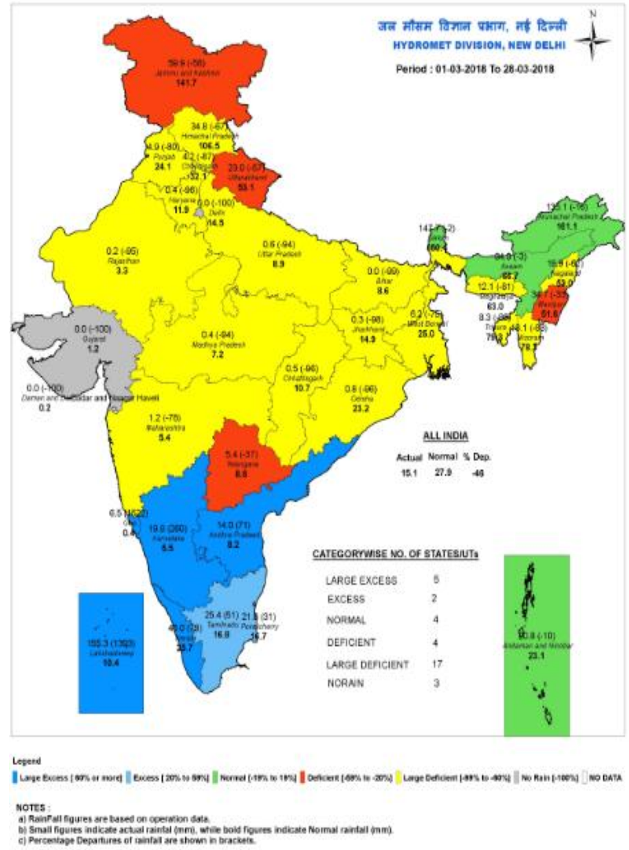
As per second advance estimate released by government on Tuesday, India's food grains output is estimated to reach a record 277.49 million ton in 2017-18. Rice production is estimated at record 111.01 million tons, including 96.48 million tons in kharif and 14.53 million tons in Rabi, as against 109.70 million tons during 2016-17. The kharif (summer) crops are harvested from October while Rabi (winter) crops have already started arriving in mandis and arrival will increase from April onwards.

In the pre monsoon season, at All-India level, the rainfall during the week (15th March, 2018 – 21st March, 2018) has been 06% higher than Long Period Average (LPA). Rainfall in the four broad geographical divisions of the country during the above period have been higher than LPA by 697% in South Peninsula, 06% in East & North East India and lower than LPA by 71% in Central India, 50% in North West India.

As per skymet forecast, Monsoon in India is likely to be normal with no chances of drought this year. The forecaster said there were 5% chances of excess rainfall that is more than 110 percent of long-period average (LPA). The average, or normal, rainfall in the country is defined between 96 and 104 per cent of a 50-year average for the entire four-month monsoon season. If it is normal, the country will record 887 mm for the four-month period from June to September.

Weather Watch:





The cumulative rainfall in the country during the pre-monsoon season i.e. 01st March to 21st March, 2018 has been 35% lower than Long Period Average (LPA). Rainfall in the four broad geographical divisions of the country during the above period have been higher than LPA by 142% in South Peninsula and lower than LPA by 90% in Central India, 58% in North West India, 20% in East & North East India.

Price Projection for Next Month (April) in Domestic Market

Duration	**Trend**	**Average Price Range**	**Reason**
April - 2018	**Steady to Firm**	**Rs.3100-3350/Q**	**Average Rice price across India is likely to trade range bound with firm tone in this month after some correction in last month as demand from local buyers/millers.**

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	**31-Mar-2018)**	**24-Mar-2018)**	**28-Feb-2018)**	**% ch. From last week**	**% Change from last Month**
1121 Steam	7200	7100	6900	**1.41**	**4.35**
1121 Sella	6800	6800	6700	**0.00**	**1.49**
1121 Raw	7000	7100	7000	**-1.41**	**0.00**

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	**31-Mar-2018)**	**24-Mar-2018)**	**28-Feb-2018)**	**% ch. From last week**	**% Change from last Month**
White Rice 5%	442	440	438	**0.45**	**0.91**
White Rice 25%	421	420	425	**0.24**	**-0.94**
Parboiled 5%	430	428	430	**0.47**	**0.00**

Rice Supply & Demand

Figure in MMT	2015-16	2016-17	2017-18	2018-19*	Oct-Dec	Jan-Mar	Apr-June	July-Sept
Carry in	20.08	17.17	17.07	16.57	16.57	97.32	69.77	41.77
Production	**104.00**	**108.00**	**108.50**	**107.50**	**107.50**	0.00	0.00	0.00
Imports	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Availability	124.08	125.17	125.57	124.07	124.07	97.32	69.77	41.77
Consumption	96.50	97.00	97.50	98.00	24.50	24.50	24.50	24.50
Exports	**10.41**	**11.10**	11.50	11.00	2.25	3.05	3.50	2.20
Total Usage	106.91	108.10	109.00	109.00	26.75	27.55	28.00	26.70
Carry out	**17.17**	**17.07**	**16.57**	**15.07**	**97.32**	**69.77**	**41.77**	**15.07**
Av Monthly Consumption	8.04	8.08	8.13	8.17	2.04	2.04	2.04	2.04
Stock to Month Use	2.14	2.11	2.04	1.85	47.67	34.17	20.46	7.38
Stock to Consumption Ratio	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08

Agriwatch revised the rice balance sheet in first week of April-2018 as new session starts for MY-2018-19. As expected by Agriwatch, rice export till September-2017 was 11.01 MMT; rice exports increased in the MY-2016-17 as demand from importing countries like Africa, Bangladesh etc. were higher from last year. Carry out for MY-2017-18 is likely to be lower than in last three consecutive years due to increased demand from overseas markets, increasing domestic consumption and expected to remain 16.5 MMT which is 3% down from last year and this may push the rice price in northward direction in third quarter i.e. March onwards.

Rice production for new MY-2018-19 is likely to reach 107.5 MMT, which is slightly down from last year, on expectation of area shift to other cash crops in Rabi season. More than ideal weather conditions, if occurs during planting at crop growth stages might increases the yield and production may touch 109 MMT in coming kharif season.

All India Expected Rice Area, Production and Yield forecast in MY-2018-19

2018-19	Under Normal Condition			Rainfall above Normal (5-10%)		
State/ UT	**Area**	**Production**	**Yield**	**Area**	**Production**	**Yield**
Andhra Pradesh	2357.94	7284.12	3107.09	2357.94	7472857.30	3169.24
Arunachal Pradesh	128.56	254.18	1982.87	128.56	260026.25	2022.53
Assam	2484.36	5032.03	2023.41	2484.36	5127419.46	2063.88
Bihar	3199.02	6163.49	1918.29	3199.02	6259399.26	1956.66
Chhattisgarh	3800.24	6273.75	1652.07	3800.24	6403818.24	1685.11
Goa	42.67	120.51	2810.59	42.67	122331.06	2866.80
Gujarat	782.45	1700.21	2175.59	782.45	1736333.01	2219.10
Haryana	1277.75	3986.87	3121.49	1277.75	4068255.21	3183.92
Himachal Pradesh	74.11	126.00	1697.99	74.11	128352.28	1731.95
Jammu & Kashmir	279.88	597.78	2141.54	279.88	611365.83	2184.37
Jharkhand	1404.86	2908.24	2071.30	1404.86	2968082.59	2112.72
Karnataka	1289.00	3469.68	2691.93	1289.00	3539291.81	2745.77
Kerala	199.52	538.75	2698.12	199.52	549081.42	2752.08
Madhya Pradesh	1988.28	3122.86	1570.60	1988.28	3185245.25	1602.01
Maharashtra	1555.85	2882.00	1854.36	1555.85	2942812.92	1891.45
Manipur	221.39	377.10	1734.49	221.39	391682.33	1769.18
Meghalaya	109.87	276.53	2514.34	109.87	281779.36	2564.63
Mizoram	36.64	57.24	1600.28	36.64	59803.01	1632.29
Nagaland	192.98	398.68	2075.84	192.98	408608.76	2117.35
Odisha	4102.09	7138.45	1739.71	4102.09	7279180.65	1774.50
Punjab	2891.95	11302.73	3908.16	2891.95	11528240.90	3986.32
Rajasthan	159.30	329.23	2073.44	159.30	336913.71	2114.91
Sikkim	11.22	18.43	1646.73	11.22	18839.93	1679.66
Tamil Nadu	1821.36	6111.95	3324.36	1821.36	6175947.34	3390.85
Telangana	1517.06	4620.20	3050.98	1517.06	4721107.96	3112.00
Tripura	260.22	743.27	2850.09	260.22	756495.68	2907.09
Uttar Pradesh	5894.95	13176.65	2236.32	5894.95	13446657.17	2281.05
UttaraKhand	261.97	600.62	2286.02	261.97	610845.43	2331.74
West Bengal	5439.02	15112.21	2780.64	5439.02	15426456.22	2836.26
All India	**43829.83**	**104843.66**	**2394.93**	**43829.83**	**107068573.19**	**2442.82**

All India milled rice production in MY-2018-19 is expected to hover between 105-107 million tons as per Agriwatch preliminary estimate. Weather/rainfall data is awaited and once monsoon starts in major growing states, we revise the APY according to rainfall status.

State Wise initial estimated production of Basmati & Non-Basmati long grain Rice during Kharif 2017(production in 000 tons):

S. No	State	Total Basmati	Pusa-1121	PB-1	Pusa-1509	Pusa-1401	Basmati 370	CSR-30	Type-3 & Others	Non-Notified	
										Sharbati	Sugandha
1	Haryana	2535	1611.6	223	147.9	272.5		278.9		21.2	
2	Punjab	2142.2	1842.3	110.2	192.9					22.2	
3	Uttar Pradesh	763.2	403.2	133	206.3				20.7	528.24	308.8
4	Uttarakhand	39.05	9.12	7.62	10.1				12.22	49.73	1.93
5	Jammu & Kashmir	132	25		1		106			35.9	
6	Himachal Pradesh	30	7		22					0	
Total		5641	3898	474	580	273	106	279	33	657	311

In the current season PB 1121acreage in the 7 states have been reduced by 10.6% over last year. Farmer preferred high yielding Pusa-1509 in place of low yielding PB-1121. Moreover PB 1509 also has shorter time period and early maturity trait, compared to PB 1121. Basmati crop cutting experiment shows that PB 1121 yields were intact in Haryana and Punjab while some crop damage reported in UP / UK but over this year lesser pest infestation observed in the fields. Timely application on remedial action by farmers on brown plant hopper & White bagged plant hopper reduces the crop losses. This year farmers harvested about 39-40 lakh tons of PB 1121 against the 43-44 lakh tons of harvest happened last year.

Basmati Rice Production Conclusion for MY-2017-18:

This year overall Basmati production was lowest in last five years. Basmati crop is about 10% lower than last year on account of lower acreage and yield losses specifically at Uttar Pradesh & Uttaranchal. This year Agro-climatic conditions were favorable for the crop and no major crop losses have been reported in the states like Punjab & Haryana. Farmers received about 40% higher price than last year and they are quite upbeat on the next year Basmati crop. Farmers grip towards Pusa 1509 will increase while little shift could be seen on traditional varieties

State wise Wholesale Price Monthly Analysis

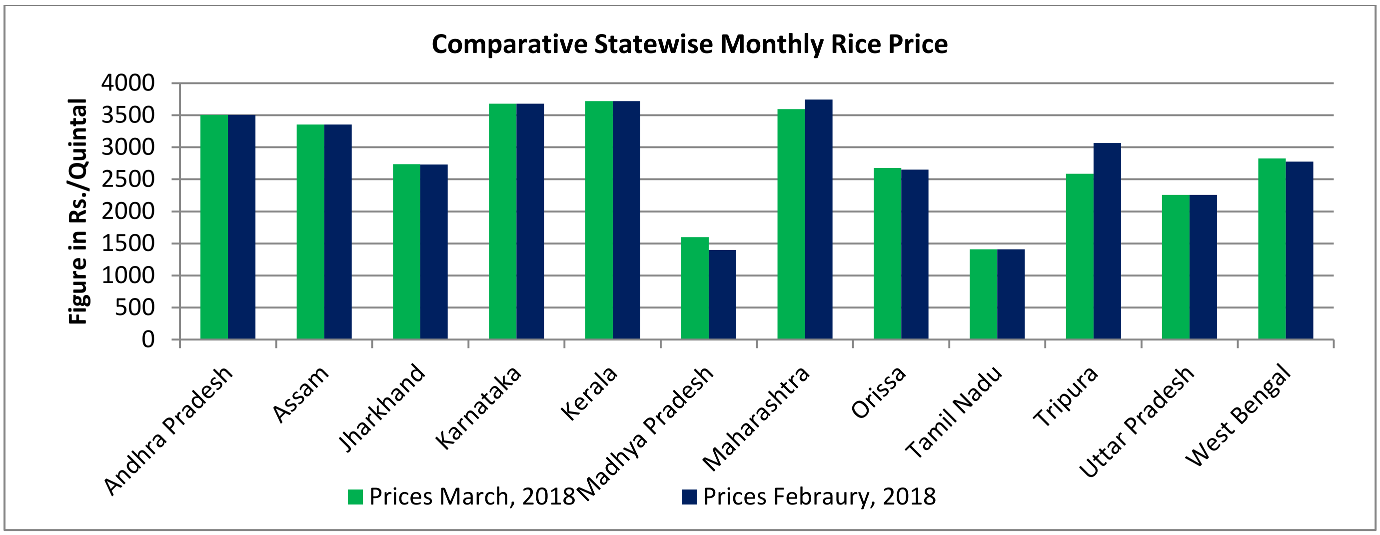
State	Prices March, 2018	Prices Febraury, 2018	Prices March, 2017	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh	3503.54	3503.54	4586.68	0	-23.61
Assam	3356.27	3356.27	3359.64	0	-0.1
Jharkhand	2736.03	2731.95	2752.72	0.15	-0.61
Karnataka	3681.08	3681.08	3694.82	0	-0.37
Kerala	3721.51	3721.51	3713.41	0	0.22
Madhya Pradesh		1400	1400	__	__
Maharashtra	3593.46	3746.56	3593.46	-4.09	0
Orissa	2678.45	2650.9	2678.45	1.04	0

Tamil Nadu	1410.88	1410.88	1083.8	0	30.18
Tripura	2587.45	3064	2628.93	-15.55	-1.58
Uttar Pradesh	2256.12	2256.12	2256.12	0	0
West Bengal	2827.76	2774.73	2827.76	1.91	0
Average	2941.14	2858.13	2856.19		

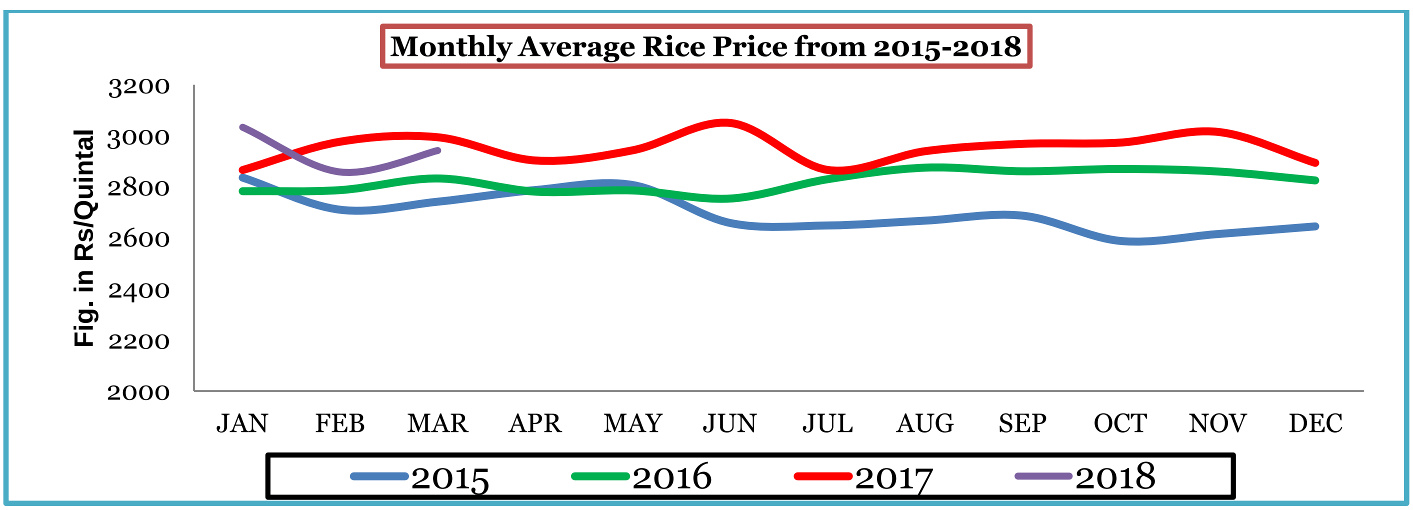
Source-Agmark

Average monthly wholesale rice prices in India stood at around Rs.2941 per quintal in March- 2018, up about 2.90% from around Rs.2858 per quintal in February- 2018, and up about 2.97% from around Rs.2856 per quintal a year ago. Agriwatch expects non-basmati rice market to move range bound with firm tone in coming month due to overseas and local demand.

Indian Average Rice Price Trend- February



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	29.07	28.84	26.46	23.70	20.39	16.56	27.19	30.13
2018	33.25	33.96	33.32									

Source-FCI

India's rice stocks in the central pool as on March- 1, 2017 stood at around 33.32 million tons up by about 6% from around 31.43 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 by 1.88% from around 33.96 million tons recorded on February-01, 2018. Highest stock could be seen in the state of Punjab (85.28 lakh tons) followed by Uttar Pradesh (24.20 Lakh Tons), Andhra Pradesh (19.06 lakh tons) and Haryana (19.98 lakh tons).

State wise Progressive Procurement

State/UTs	**Target (only kharif crop) in marketing season 2017-18 (Oct. – Sept.)**	**Progressive Procurement as on 23.03.2018**	
(in Lakh T)		**In Marketing season 2017-18**	**In Marketing season 2016-17**
AP	43.00	27.15	25.55
Telangana	34.00	12.23	11.02
Bihar	12.00	6.77	9.42
Chhattisgarh	48.00	32.07	40.22
Haryana	30.00	39.67	35.70
Kerala	2.32	1.59	1.79
M.P	13.00	10.96	13.14
Maharashtra	4.34	1.59	2.38
Odessa	37.00	23.96	22.59
Punjab	115.00	118.33	110.52
Tamilnadu	15.00	4.50	1.33
U.P	37.00	28.75	23.54
Uttrakhand	7.00	0.38	7.06
West Bengal	27.00	0.27	8.51
Others	0	0.87	0.46
Total	**430.00**	**309.76**	**313.97**

All-India progressive procurement of Rice as on 23.03.2018 for 2017-18 was at 309.76 lakh tons against the procurement of 313.97 lakh tons in the corresponding period of last year. The procurement of wheat for the rabi marketing season (RMS) 2018-19 was 0.48 lakh tons which was lower than the procurement of 1.87 lakh tons in the corresponding period of RMS 2017-18. Higher procurement has been received from northern states of Punjab (118.33 lakh Tons), Haryana (39.67 lakh tons), and U.P (20.26 lakh tons) and in south it is started in Telangana (11.68 Lakh Tons). Andhra Pradesh Government procurement has reached to 14.16 lakh tons. Chhattisgarh government also procured around 27.69 lakh tons of rice as of now, Madhya Pradesh and Odessa procurement reached to 8.71 and 8.39 lakh tons respectively. Procurement in West Bengal and other rice growing states is still underway.

Rice Export Statistics

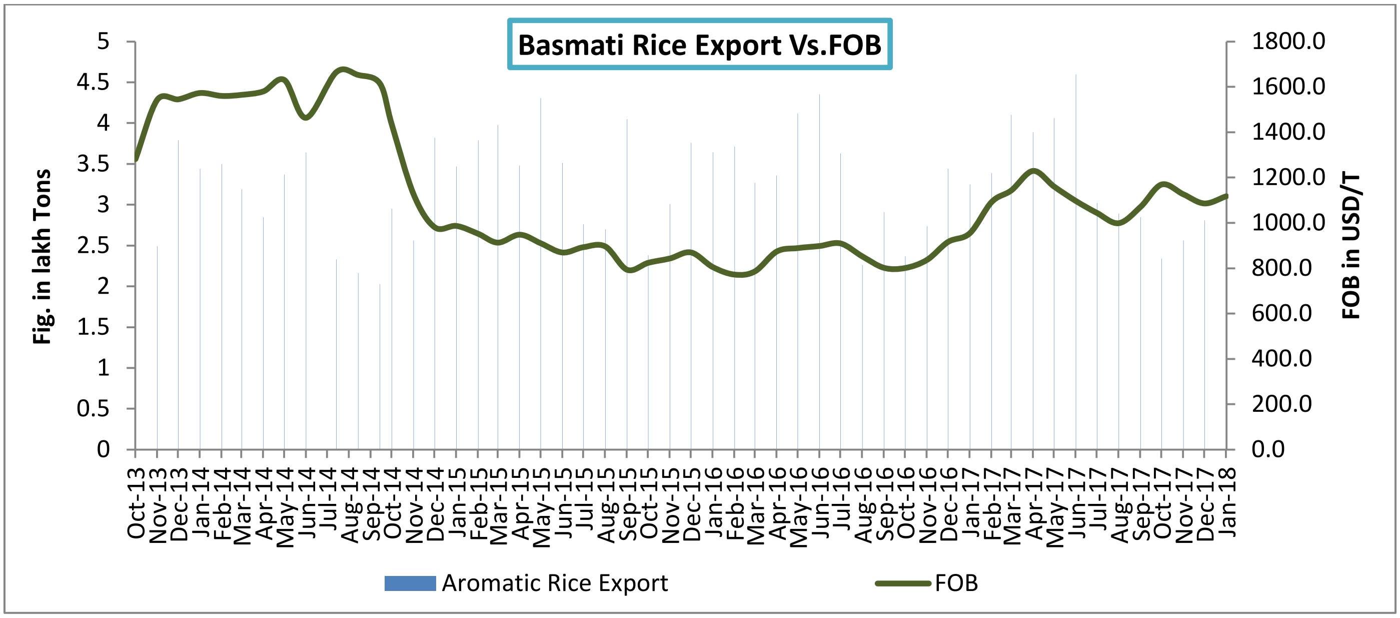
MY-2016-17	**Non-Basmati**	**Basmati**	**Total Export2016-17**	**MY-2017-18**	**Non-Basmati**	**Basmati**	**Total Export2017-18**
October-16	4.23	2.37	6.6	October-17	7.27	2.34	**9.61**
November-16	3.03	2.74	5.77	November-17	6.83	2.56	**9.39**
December-16	4.16	3.44	7.6	December-17	7.68	2.81	**10.49**
January-17	5.21	3.25	7.6	January-18	10.91	3.49	**14.4**
February-17	7.39	3.39	10.78	February-18			
March-17	6.17	4.1	10.27	March-18			
April-17	4.75	3.89	8.64	April-18			
May-17	5.5	4.06	9.56	May-18			
June-17	6.74	4.6	11.34	June-18			
July-17	7.24	3.02	10.26	July-18			
August-17	8.52	2.89	11.41	August-18			
September-17	8.85	2.85	11.7	September-18			
Total	**71.79**	**40.6**	**111.53**	**Total**	**32.69**	**11.2**	**43.89**

Source-DGCIS

Agriwatch has updated the rice exports in the month of March based on data released by APEDA. Rice export in MY-2017-18 starting from Oct-17 to Jan-17 was 43.89 lakh tons which is 55% higher than last year till January export of 28.43 lakh tons, higher export demand from Middle East, Sri-lanka, Bangladesh and African countries led to increase in rice export. We expect that total rice export for MY-2017-18 till Sept-2018 to reach 11.20 million tons; however, it could only hamper export when parity from our competitors are lower than us. In the month of December, non-basmati rice export was 7.68 lakh tons and basmati rice export was 2.81 lakh tons.

Total rice exports for MY-2016-17 till Sept-17 were 111.53 lakh tons, around 10.30% higher than last year's export of 101.11 lakh tons for the corresponding period (Oct-Sept). Non- basmati rice exports in MY 2016-17 which started from October 2016 to Sept-2017 was 71.79 lakh tons and basmati exports in these months were 40.6 lakh tons.

Aromatic Rice Export vs. 1121 FOB (Monthly Trend Analysis):



Technical Chart of 1121 Steam Rice (Delhi):-

Technical chart of 1121 steam rice shows steady sentiments in the month of March and currently 1121 steam rice price is Rs.7000-7100/quintal. Prices have likely bottomed out for the near future are likely to recover in the next month up to around Rs. 74-7600 per quintal.

Rice Market Outlook

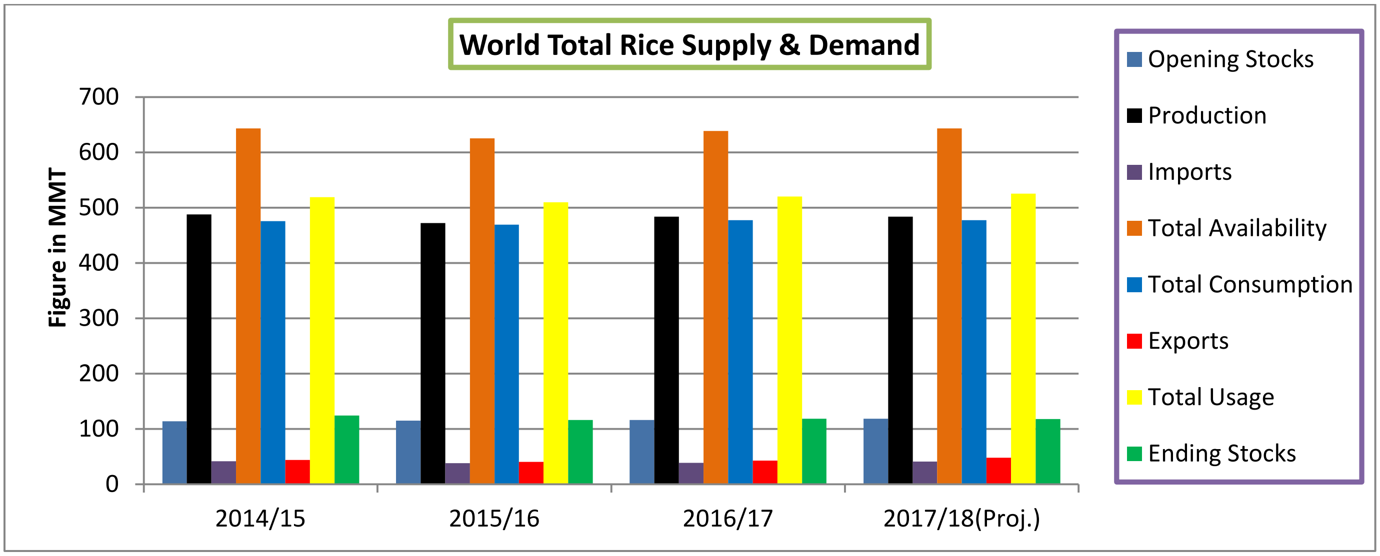
Domestic non-basmati rice prices have firm in March due to local millers demand and limited supply amid a recovery in local currency. Agriwatch expects that rice prices are expected to move steady to slightly firm in April with strong demand from local millers as well overseas buyers, also after that price will move firm in later months. Also, domestic prices during the marketing year will also depend on the availability of paddy/rice stock with private traders and international price movement.

Price of Aromatic rice was traded steady to slightly in March by 1-1.5% from last month and currently 1121 steam rice traded at Rs.7000-7200/quintal; Agriwatch expects price to be steady to firm in coming months with decreasing arrival. Good price remuneration but lower production estimates supported by higher domestic and international demand would not push the price much lower in this season.

Major Rice Producing Countries:

Milled Production in Million Tons						
Country/Year	**2012-13**	**2013-14**	**2014-15**	**2015-16**	**2016-17(Mar)**	**2017-18**
Bangladesh	33.82	34.39	34.5	34.5	34.581	33.00
India	105.241	106.646	105.482	104.408	106.5	107.5
Indonesia	36.55	36.3	35.56	36.2	36.6	37.00
Philippines	11.428	11.858	11.915	11	11.5	11.20
Thailand	20.2	20.46	18.75	15.8	18.6	20.40
Vietnam	27.537	28.161	28.166	27.458	27.8	28.45
World Total	**472.53**	**478.33**	**478.55**	**472.16**	**480.34**	**483.46**

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**



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 shrink, 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 be 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 previous five years.

Trade: India and Thailand are expected to retain their positions as the world's leading exporters, with 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

Indonesia Rice production in 2018/19 is forecast to increase to 37.3 million tons milled rice due to better yield from less pest and disease incidents and larger harvested area. Second crop paddy is currently ongoing with larger harvested area expected due to some corn area switching to paddy. The Ministry of Trade authorized 500,000 tons of imports for 2017/18; however, as of March 15, 2018, the National Logistics Agency (BULOG) only imported about 261,000 tons from Vietnam and Thailand. GOI extended the importing period through June 2018 to allow BULOG to fulfill the authorized volume, and total commitments are approaching 500,000 tons. Considering GOI's anti-import policy and forecast for increased production, 2018/19 rice imports are forecast to decline to 800,000 tons.

Pakistan's annual paddy production is likely to touch nine million tonne in next two to three years with predicted increase of 25 per cent sowing area of hybrid rice. The current paddy production is 6.9 million tonne per year which will touch nine million tonne in next three years as farmers' interest is increasing in sowing of hybrid rice. While the modern hybrid rice varieties are already being sown over 1.5 million acres of land in Sindh, the seed is all set to be commercially launched in different districts of southern Punjab in upcoming season. Since the hybrid rice average yield is more than 100 maund per acre, the cultivation if adopted in Punjab could make a considerable increase in annual rice production of the country.

MY 2017/18 Rice production in Pakistan is now estimated at a record 7.5 million metric tons up 300,000 tons from the previous estimate, in accordance with the latest government of Pakistan data. MY 2018/19 rice production is forecast at an aggressive 7.4 million metric tons, reflecting expectations of continued strong yields. Rice yields have grown steadily over the past decade as higher yielding basmati varieties and long grain hybrids have gained increasing acceptance among farmers. Hybrids have done especially well in Sindh where they account for 50 percent of planting, up from 35 percent just a few years ago. Better agronomic practices, more aggressive spraying, and resistant seed varieties have helped to reduce the incidence of bacterial leaf blight in recent years. More frequent flooding since 2010 has deposited nutrient rich soil in key growing areas, helping to further boost yields.

Vietnam exported nearly 1.4 million tons of rice worth 668 million U.S. dollars in the first three months of this year, up 9.1 percent in volume, and up 23.8 percent in value against the same period last year, according to the Vietnam Food Association. The country, which exported roughly 5.9 million tons of rice worth nearly 2.7 billion U.S. dollars last year, mainly to China and the Philippines, plans to ship abroad 6.5 million tons of rice, including higher volumes of such high-grade rice as Japonica, fragrant rice and sticky rice, this year. In recent years, Vietnam has increased export of high-grade rice, with Japonica accounting for 4.4 percent of its total rice export in 2017, said the association.

Unofficial and preliminary Thailand rice exports (excluding premium white and fragrant rice) for February 12-18, 2018, totaled 177,819 metric tons, down 83,213 metric tons from the previous week and down 43,282 metric tons from the four-week moving average of 221,101 metric tons. Rice exports from January 1- February 18, 2018, totaled 1,409,989 metric tons.

IGC Balance Sheet:

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

Attributes (Fig in Million Tons)	2015-16	2016-17 Estimate	2017-18 Forecast 22.02.2018	(2017-18) Forecast 22.03.2018	(2018-19) Proj. 22.03.2018
Production	474	487	484	486	492
Trade	39	46	45	46	46
Consumption	473	488	486	487	491
Carryover stocks	124	123	122	122	123
Y-O-Y change	1	-1		-1	1
Major Exporters	32	29	24	25	25

(Fig. In Million Tons)

IGC Rice Balance sheet Highlights:

Due to an upgrade for India, the world 2017/18 rice output forecast is raised by 2m t, to 486m, fractionally lower y/y. The net increase in supplies is channeled to a higher figure for use, leaving carryovers broadly steady m/m. Consistent with a revision for the prior year, trade in 2018 is boosted to about 46m t. Production could expand in 2018/19 on area gains in exporters, while consumption is seen edging higher, with stocks rising fractionally y/y. Trade is anticipated to remain elevated in 2019 on firm buying interest from Africa and Asia. World rice production in 2017/18 is forecast close to the prior season's peak as improved outturns in Asia more than offset disappointing crops elsewhere, notably in the USA. Consumption growth could be contained by tighter supplies and firmer values. Aggregate carryovers may fall marginally y/y, but within the total, major exporters' stocks are predicted at a decade low of 25.5 mt. Supply and demand prospects for 2018/19 are highly provisional, but production could expand on bigger plantings in key exporters, namely India, Thailand and the USA, amid stronger prices. Uptake is seen at a new peak on gains in Asia, while stocks may edge up as modest accumulation in China more than offsets a small contraction in exporters' reserves. Trade in 2019 is projected to stay high on demand from buyers in Africa and Asia.

IGC Forecast the World Rice Production Down in 2017-18

In its March 2018 Grain Market Report (GMR), the International Grains Council (IGC) projection for 2018-19 global rice production at around 492 million tons, up about 06 MMT from an estimated 486 million tons in 2017-18 on favorable Asian weather condition.

Global Trade of Rice Unchanged from Last Year

The IGC forecasts 2018-19 global rice trades at around 46 million tons, unchanged from its estimates for 2017-18. It expects world rice trade in 2018 to remain same on normal demand from buyers in Africa and Asia.

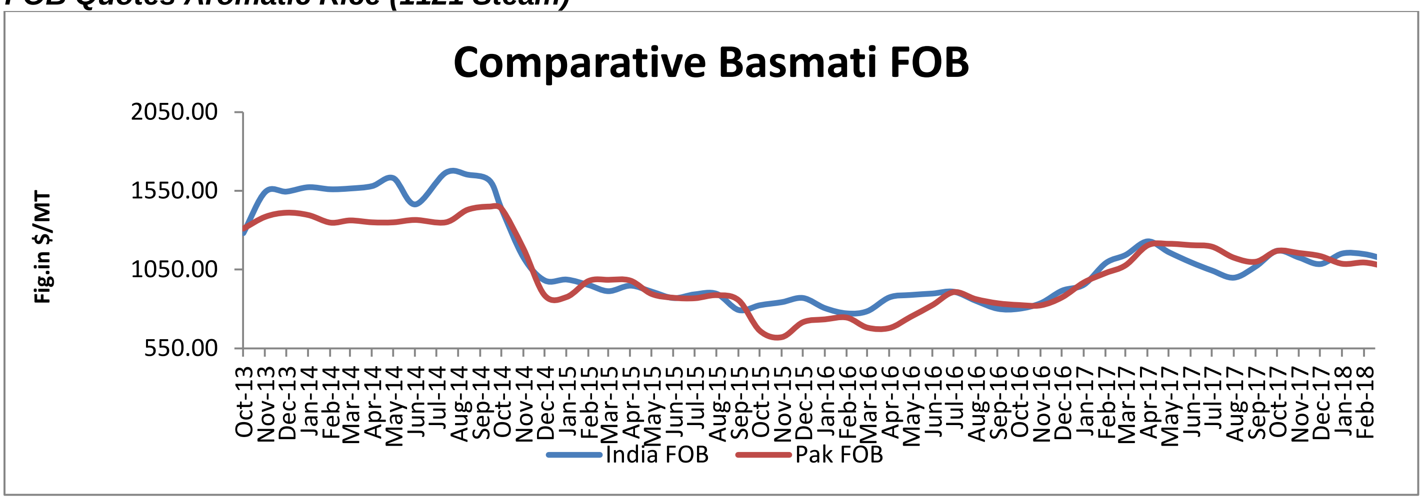
Global Consumption of Rice Increases in 2017-18

The IGC forecasts 2018-19 global rice consumption up by 4 million tons around 491 million tons from 2018-19. World rice stocks are projected to tighten in 2017/18 on a contraction in the major exporters, led by Thailand and India.

Indicative Basmati Parity Sheet

Parity Calculation Sheet	Rajkot (Kandla)	Andhra Pradesh(Vizag)	Punjab(Kandla)	Haryana(kandla)	West Bengal(Kolkata)
Price @ various center	73800	74000	70820	70500	74000
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)	74750	74950	72720	72400	75000
Indian FOB (USD/MT)	**1149.12**	**1152.19**	**1117.91**	**1112.99**	**1152.96**
Insurance @ 0.1%	1.15	1.15	1.12	1.11	1.15
Freight Charges (US $/ton) to Iran	55	55	55	55	55
CIF (Kandla to Iran)	1205.27	1208.34	1174.03	1169.10	1209.11
INR MonthlyAverage	65.05	65.05	65.05	65.05	65.05

FOB Quotes Aromatic Rice (1121 Steam)



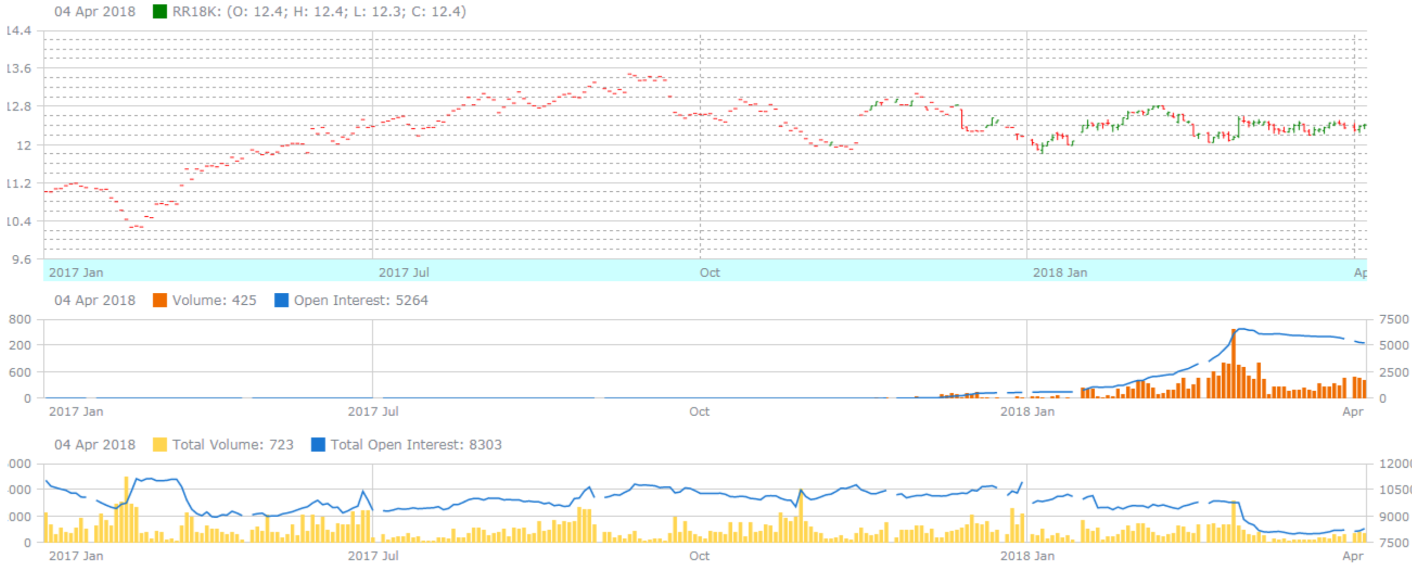
Source-FAO& AW

Indian FOB for 1121 steam in the month of March moved weak from last month and currently is in the range of USD 1117/MT which is down by 2.68% from last month price of USD 1148/T due to correction in the local market. Aromatic rice prices are also traded weak with lethargic buying from millers; Agriwatch expects that aromatic international rice price is likely to trade firm in coming months with good overseas demand. According to the UN's Food and Agriculture Organization (FAO), Currently Pakistani basmati FOB is moving firmer from last month and is now hovering in the range of USD 1072/MT which is down by 2.1% from last month FOB of USD 1095/MT.

Rice Price Trend – CBOT

@ CBOT May- 18, Rough Rice)

(Prices in US$/hundredweight)



International Price Projection for Next Month

Duration	Trend	Support	Resistance
April-2018	Steady	S1-10.80 S2-10.50	R1-12.90 R2-13.20