Rice Monthly Research Report

Contents

Outlook and Review (Domestic Front)-

Average monthly wholesale rice prices in India stood at around Rs.2934 per quintal in April- 2018, down about 1.45% from around Rs.2977 per quintal in March- 2018, and up about 1.64% from around Rs.2886 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.

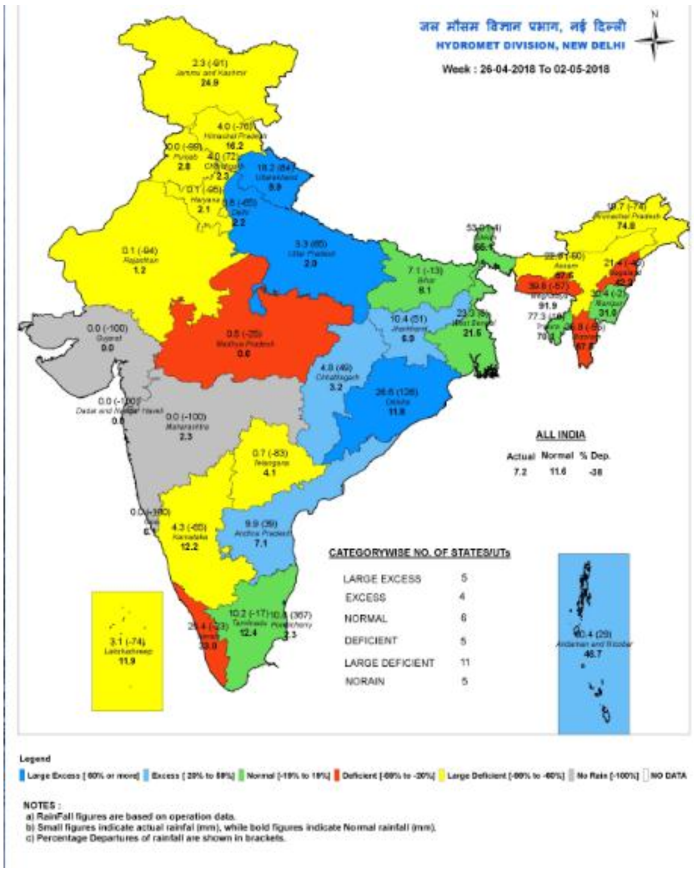
Rice exports have continued strong since the last quarter of CY 2017 on strong export demand from neighboring Bangladesh, Iran and African markets. Assuming no significant change in the export competitiveness of Indian rice and a stable value of the Indian rupee vis-a-vis the US Dollar, MY 2017/18 rice exports are estimated to reach a record 13 MMT (9 MMT of coarse rice and 4.0 MMT of Basmati rice) at the current pace of monthly exports. Basmati rice is mostly exported to Middle Eastern countries and Europe, while coarse rice is mostly exported to African and neighboring countries. Preliminary CY 2017 export figures from official data indicate export sales totaling 12.55 MMT, with a significant increase in exports to Bangladesh and Iran. Other major export destinations were neighboring Nepal and Sri Lanka), other Middle Eastern countries (including Saudi Arabia, U.A.E., Iraq), and African countries (Senegal, Benin, Guinea, Cote D' Ivoire, and Somalia.)

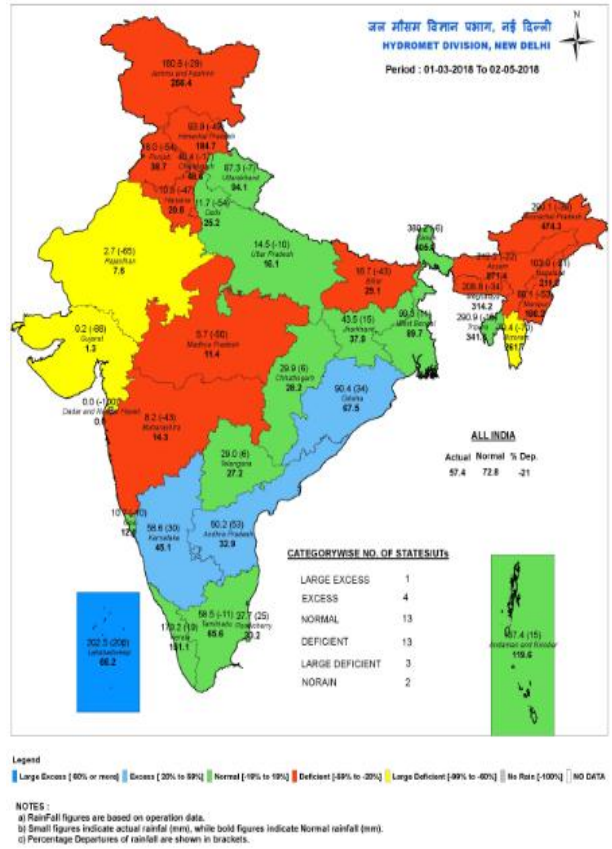
All-India progressive procurement of Rice as on 26.04.2018 for 2017-18 was at 321.62 lakh tonnes against the procurement of 336.09 lakh tonnes in the corresponding period of last year. The procurement of wheat for the rabi marketing season (RMS) 2018-19 was 234.61 lakh tonnes which was higher than the procurement of 214.52 lakh tonnes in the corresponding period of RMS 2017- 18.

In the pre monsoon season, at All-India level, the rainfall during the week (19th April, 2018 – 25th April, 2018) has been 1% 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 63% in North West India but lower than LPA by 41% in Central India, 21% in South Peninsula and 3% in East & North East India.

Rice export prices in India rose as demand picked up, while rates for the Thai variety eased amid prospects of a healthy harvest, even as top exporters looked to clinch a possible deal with the Philippines. Rates for India's 5 percent broken parboiled rice rose from the 4-1/2 month lows hit last week, gaining $3 to $412-$416 a ton, as demand improved from African buyers. Indian rice is currently very competitive compared with supplies from Thailand and Vietnam; a weaker Indian rupee had allowed exporters to lower prices in the past few weeks. India's exports jumped by 18% from a year ago to a record 12.7 million tons in the 2017/18 financial year to March 31, lifted by demand for non-basmati rice from Bangladesh, Benin and Sri Lanka.

Weather Watch:





The cumulative rainfall in the country during the pre-monsoon season i.e. 01st March to 25th April, 2018 has been 18% 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 32% in South Peninsula but lower than LPA by 28% in North West India, 25% in East & North East India and 9% in Central India.

Price Projection for Next Month (May) in Domestic Market

Duration	Trend	Average Price Range	Reason
May - 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 Rice Price Change in Delhi Market (Figure: in Rs. /Quintal)

Rice Price Comparison Delhi Market(in Rs./Qtl)					
Variety	2-May-18	25-Apr-18	02-Apr-2018)	% ch. From last week	% Change from last Month
1121 Steam	6900	7000	7200	-1.43	-4.17
1121 Sella	6350	6450	6800	-1.55	-6.62
1121 Raw	7000	7000	7000	0.00	0.00
Basmati Raw	7000	7000	7400	0.00	-5.41
1509 Steam Wand	6800	6800	6800	0.00	0.00
Sugandha Steam	5500	5700	5900	-3.51	-6.78
Sharbati Raw	4900	5050	4900	-2.97	0.00
Pusa Raw Wand	6100	6200	6200	-1.61	-1.61
Parmal Sella	2950	2950	2900	0.00	1.72

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

Indian White Rice 5%, 25% High Quality, Long grain parboiled 5%					
Variety	02-May-2018)	28-Apr-2018)	2-Apr-18	% ch. From last week	% Change from last Month
White Rice 5%	430	432	440	-0.46	-2.27
White Rice 25%	385	383	380	0.52	1.32
Parboiled 5%	415	419	430	-0.95	-3.49

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

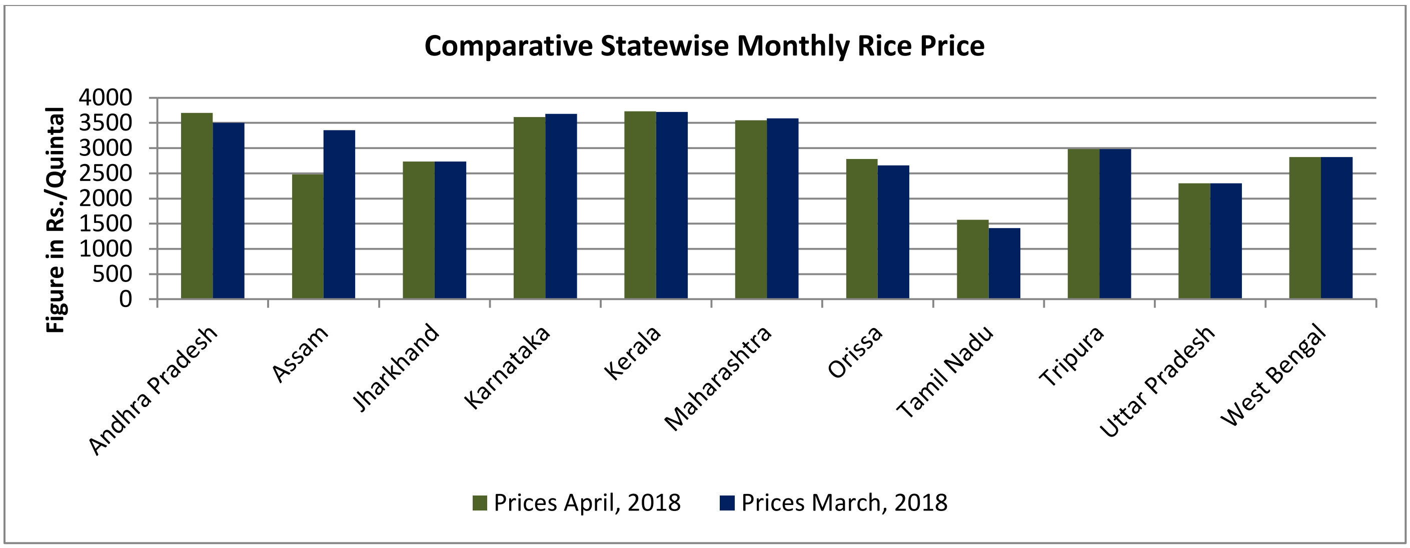
State	Prices April, 2018	Prices March, 2018	Prices April, 2017	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh	3700	3503.54	3331.12	5.61	11.07
Assam	2480.5	3356.27	3202.17	-26.09	-22.54
Jharkhand	2734.16	2734.16	2734.16	0	0
Karnataka	3615.52	3681.89	3615.52	-1.8	0
Kerala	3729.24	3717.15	3729.24	0.33	0

Maharashtra	3552.47	3593.46	3552.47	-1.14	0
Orissa	2785.79	2654.73	2785.79	4.94	0
Tamil Nadu	1576	1410.88	1576	11.7	0
Tripura	2983.21	2983.21	2767.95	0	7.78
Uttar Pradesh	2300.41	2300.41	2300.41	0	0
West Bengal	2819.45	2819.45	2819.45	0	0
Average	**2934.5**	**2977.74**	**2886.89**		

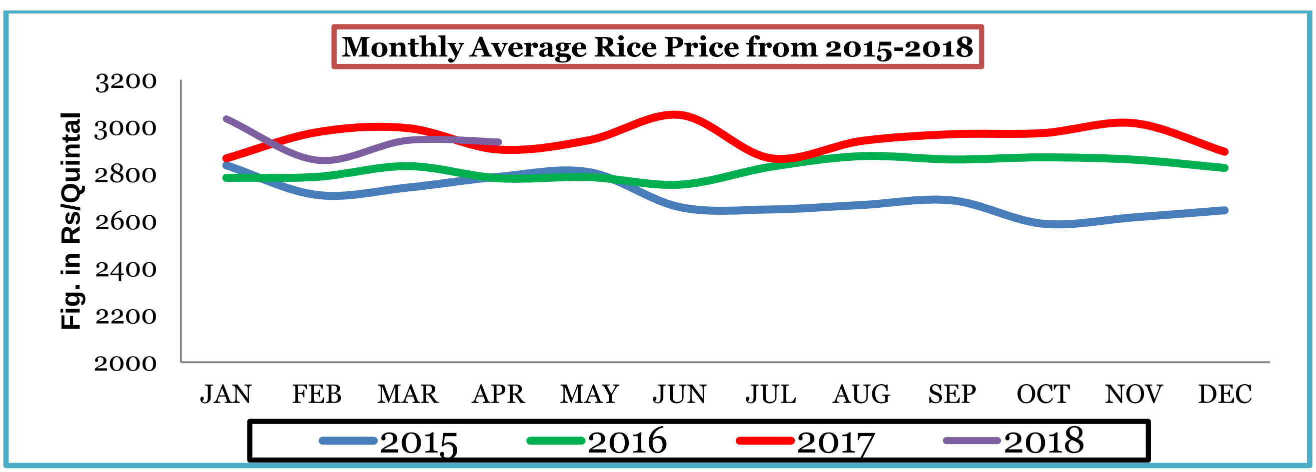
Source-Agmark

Average monthly wholesale rice prices in India stood at around Rs.2934 per quintal in April- 2018, down about 1.45% from around Rs.2977 per quintal in March- 2018, and up about 1.64% from around Rs.2886 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- April



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	30.04								

Source-FCI

India's rice stocks in the central pool as on April- 1, 2018 stood at around 30.04 million tons down by about 10% from around 33.32 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 3.33% about by from around 29.78 million tons recorded on April-01, 2017. 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	30.15	29.59
Telangana	34.00	14.98	13.11
Bihar	12.00	7.96	12.34
Chhattisgarh	48.00	32.07	40.22
Haryana	30.00	39.67	35.70
Kerala	2.32	2.82	2.78
M.P	13.00	10.96	13.14
Maharashtra	4.34	1.61	2.46
Odessa	37.00	25.32	26.84
Punjab	115.00	118.33	110.52
Tamilnadu	15.00	6.43	1.41
U.P	37.00	28.75	23.54
Uttrakhand	7.00	0.38	7.06
West Bengal	27.00	0.35	15.67
Others	0	0.87	0.46
Total	**430.00**	**321.62**	**336.09**

All-India progressive procurement of Rice as on 26.04.2018 for 2017-18 was at 321.62 lakh tons against the procurement of 336.09 lakh tons in the corresponding period of last year. The procurement of wheat for the rabi marketing season (RMS) 2018-19 was 234.61 lakh tons which was higher than the procurement of 214.52 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

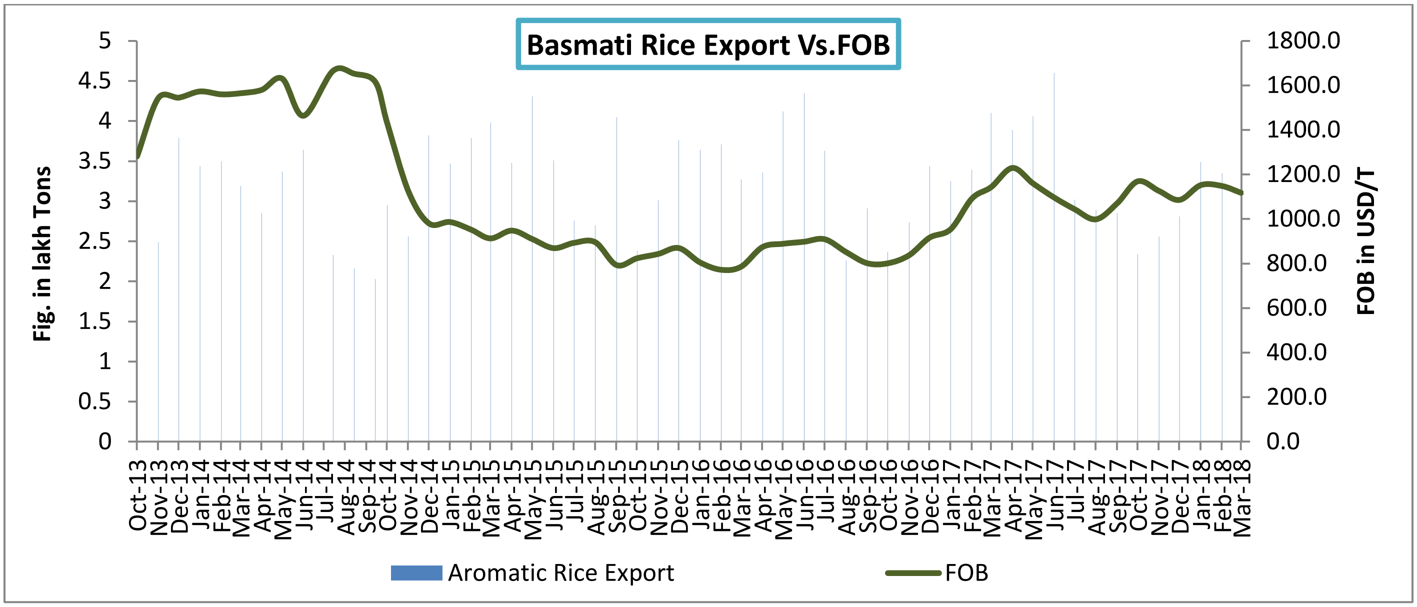
MY-2016-17	Non-Basmati	Basmati	Total Export2016-17	MY-2017-18	Non-Basmati	Basmati	Total Export2017-18
October-16	4.23	2.37	6.6	October-17	7.27	2.34	**9.61**
November-16	3.03	2.74	5.77	November-17	6.83	2.56	**9.39**
December-16	4.16	3.44	7.6	December-17	7.68	2.81	**10.49**
January-17	5.21	3.25	7.6	January-18	10.91	3.49	**14.4**
February-17	7.39	3.39	10.78	February-18	7.67	3.35	**11.02**
March-17	6.17	4.1	10.27	March-18	8.72	4.3	**13.02**
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**	**49.08**	**18.85**	**67.93**

Source-DGCIS

Agriwatch has updated the rice exports in the month of May based on data released by APEDA and trade sources. Rice export in MY-2017-18 starting from Oct-17 to March-2018 was 67.93 lakh tons which is 37% higher than last year till March export of 49.48 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 March, non-basmati rice export was 8.72 lakh tons and basmati rice export was 4.3 lakh tons.

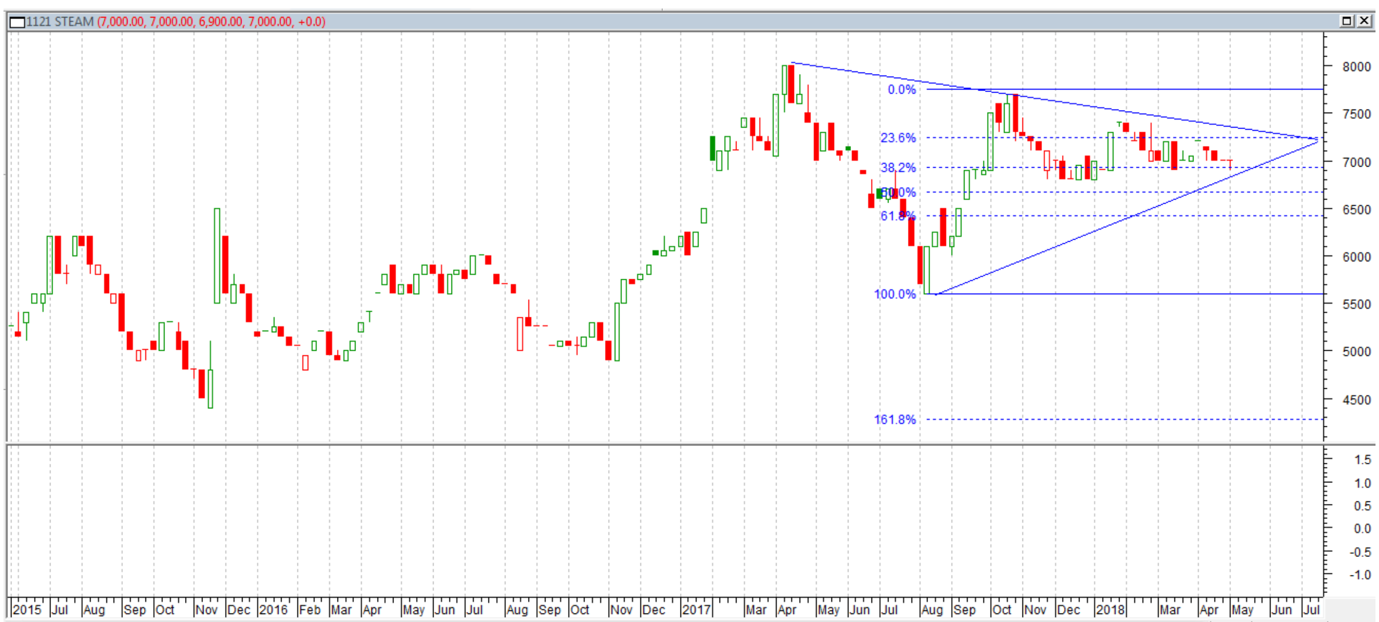
Total rice exports for MY-2016-17 till Sept-17 were 111.53 lakh tons, around 10.30% higher than last year's export of 101.11 lakh tons for the corresponding period (Oct-Sept). Non- basmati rice exports in MY 2016-17 which started from October 2016 to Sept-2017 was 71.79 lakh tons and basmati exports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

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



Above given chart shows the quantity of basmati rice export on monthly basis and tentative FoB for the same. Basmati rice export in the month of March was 4.3 lakh tons with an average FoB of USD 1111/T. Basmati rice export in the month was around 28% higher than last month export of 3.35 lakh tons and around 5% higher by last year export of 4.1 lakh tons in the month of March-2017.

Technical Chart of 1121 Steam Rice (Delhi):



Technical chart of 1121 steam rice shows steady sentiments in the month of April 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

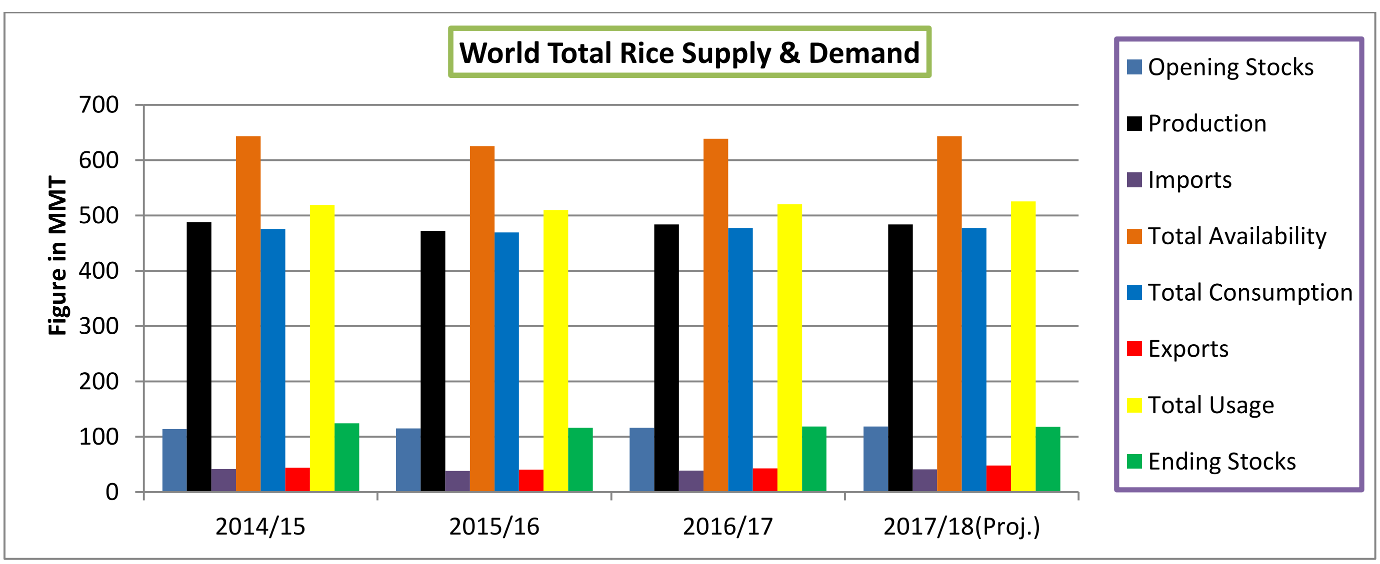
Domestic non-basmati rice prices have weak in April due to slow demand from millers and sufficient stock. Agriwatch expects that rice prices are expected to move steady to slightly firm in May with strong demand from local millers as well overseas buyers, also after that price will move firm in later 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 in April by 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

Thailand Export prices for most grades of rice increased 2-5 percent from the previous week due mainly to strong demand for white rice from Indonesia. Traders reported that Thai rice exporters are securing white rice supplies to fulfill sizable 5% and 10% grade white rice shipments to Indonesia. The delivery of these shipments will take place in May 2018. Unofficial and preliminary rice exports (excluding premium white and fragrant rice) for April 9-15, 2018, totaled 104,982 metric tons, up 7,307 metric tons from the previous week and down 40,659 metric tons from the four-week moving average of 145,641 metric tons. Rice exports from January 1- April 15, 2018, totaled 2,792,454 metric tons.

MY 2017/18 Pakistan rice production 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.

Cambodia produced 10.5 million tons of paddy rice in 2017, up 5.7 percent year-on-year. With the amount of production last year, besides local consumptions, the country would have some 5.56 million tons of un-husked rice, or 3.56 million tons of milled rice, left over for exports this year. According to the minister, the Southeast Asian nation exported 635,697 tons of milled rice to 63 countries and regions last year. China is the top buyer of Cambodian rice, followed by France and Poland.

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.

The Philippines' state agency has issued international tenders to purchase 500,000 tons of rice. A separate tender for 250,000 tons has been issued; open only to Vietnam and Thailand. Vietnam's exports in the first four months of 2018 were forecast to have risen by 22.3 percent from a year earlier to 2.17 million tons, according to the government's General Statistics Office. Prices for Thailand's 5 percent broken rice dropped to $430-$445 a ton, free on board (FOB) Bangkok, from $440-$445 last week. This was because of speculation of ample supply from the harvest expected around the end of May or early June.

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	(2018-19) Proj. 22.03.2018	(2018-19) Proj. 26.04.2018
Production	474	487	486	492	493
Trade	39	47	46	46	47
Consumption	473	487	487	491	493
Carryover stocks	124	123	123	123	123
Y-O-Y change	1	-1	-1		0
Major Exporters	32	29	26	25	25

(Fig. In Million Tons)

IGC Rice Balance sheet Highlights:

With upward revisions for key Asian buyers offsetting reductions for others, world rice trade in 2018 is seen unchanged m/m, at 46mt. The 2018/19 global rice output projection is lifted fractionally from March, at a record 493mt, the 7m y/y rise mainly on potential gains in major exporters. Since the increase in supplies is channeled to higher consumption, carryovers are broadly steady m/m; at 123mt. Trade is tentatively projected to remain elevated in 2019. World rice production in 2017/18 is seen only fractionally lower y/y, at 486mt, as larger harvests in Asia mostly offset falls elsewhere. With accumulation in China contrasting with a reduction in key exporters, global reserves are expected to hold steady, at 123mt. Given state efforts to ensure ample local supplies in Asia, trade should stay high in 2018. Prospects for 2018/19 remain tentative since fieldwork is many months away. Nevertheless, given firmer international values, area gains are possible in leading exporters as production reaches a high of 493mt, up by 1% y/y. With the predicted expansion of supplies matched by a population-driven rise in demand, stocks are seen unchanged y/y. Trade is expected to remain at peak levels in 2019, with India maintaining its position as the dominant exporter.

IGC Forecast the World Rice Production Up in 2018-19

In its April 2018 Grain Market Report (GMR), the International Grains Council (IGC) projection for 2018-19 global rice production at around 493 million tons, up about 07 MMT from an estimated 486 million tons in 2017-18 on favorable Asian weather condition.

Global Trade of Rice Up from Last Year

The IGC forecasts 2018-19 global rice trades at around 47 million tons, around 1 Mt up 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.

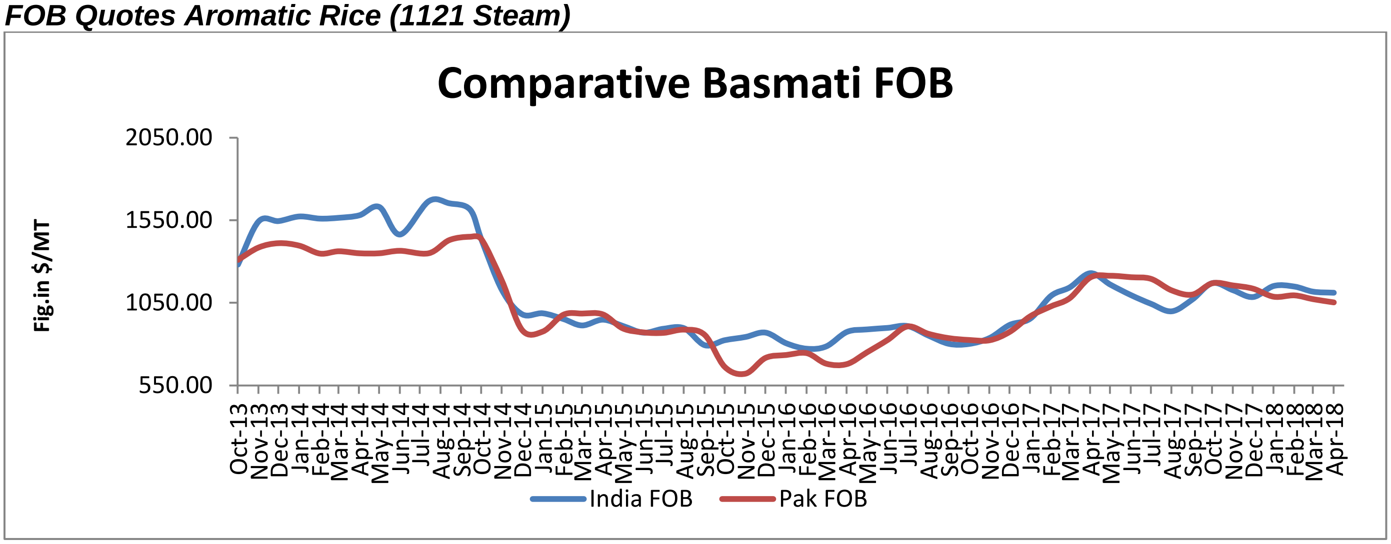
Global Consumption of Rice Increases in 2018-19

The IGC forecasts 2018-19 global rice consumption up by 11 million tons around 493 million tons in 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	70750	70500	73500
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	72650	72400	74500
Indian FOB (USD/MT)	**1138.79**	**1141.83**	**1106.79**	**1102.99**	**1134.98**
Insurance @ 0.1%	1.14	1.14	1.11	1.10	1.13
Freight Charges (US $/ton) to Iran	55	55	55	55	55
CIF (Kandla to Iran)	1194.93	1197.98	1162.90	1159.09	1191.11
INR Monthly Average	65.64	65.64	65.64	65.64	65.64

FOB Quotes Aromatic Rice (1121 Steam)



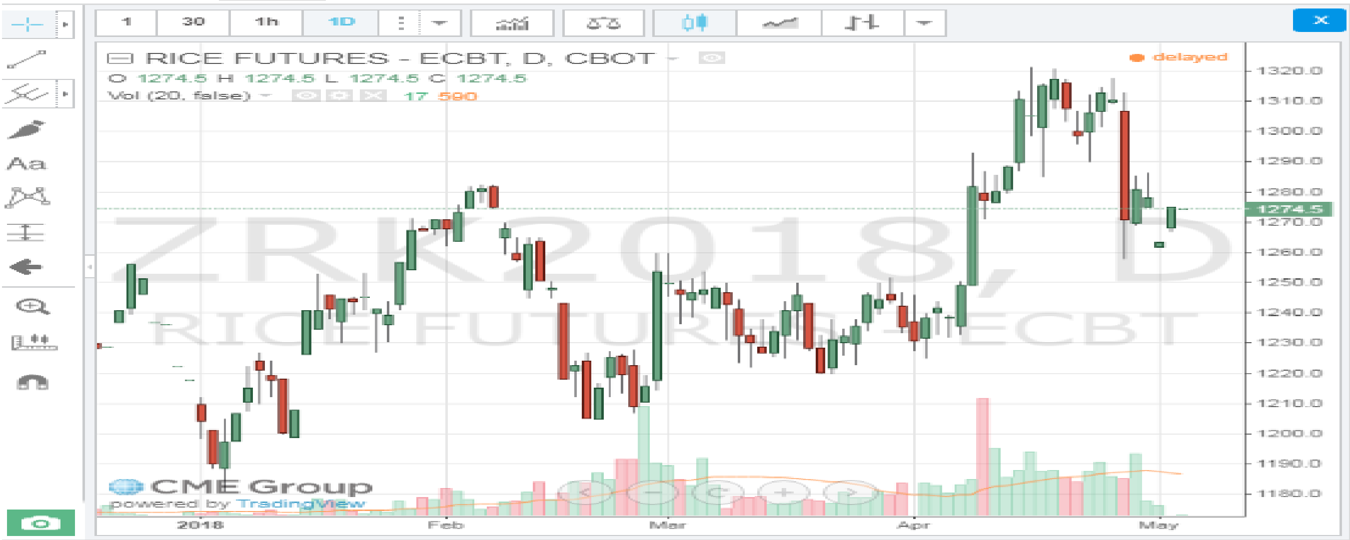
Source-FAO& AW

Indian FOB for 1121 steam in the month of April moved weak from last month and currently is in the range of USD 1111.06/MT which is down by 0.57% from last month price of USD 1117/T due to drop of rice price in the local market. Aromatic rice prices are also traded weak with sluggish 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 weaker from last month and is now hovering in the range of USD 1052.5/MT which is down by 1.81% from last month FOB of USD 1072/MT.

Rice Price Trend – CBOT

@ CBOT May- 18, Rough Rice)

(Prices in US$/hundredweight)



International Price Projection for Next Month

Duration	**Trend**	**Support**	**Resistance**
May-2018	**Steady**	**S1-10.80** **S2-10.50**	**R1-13.30** **R2-13.50**