
Rice Monthly Research Report

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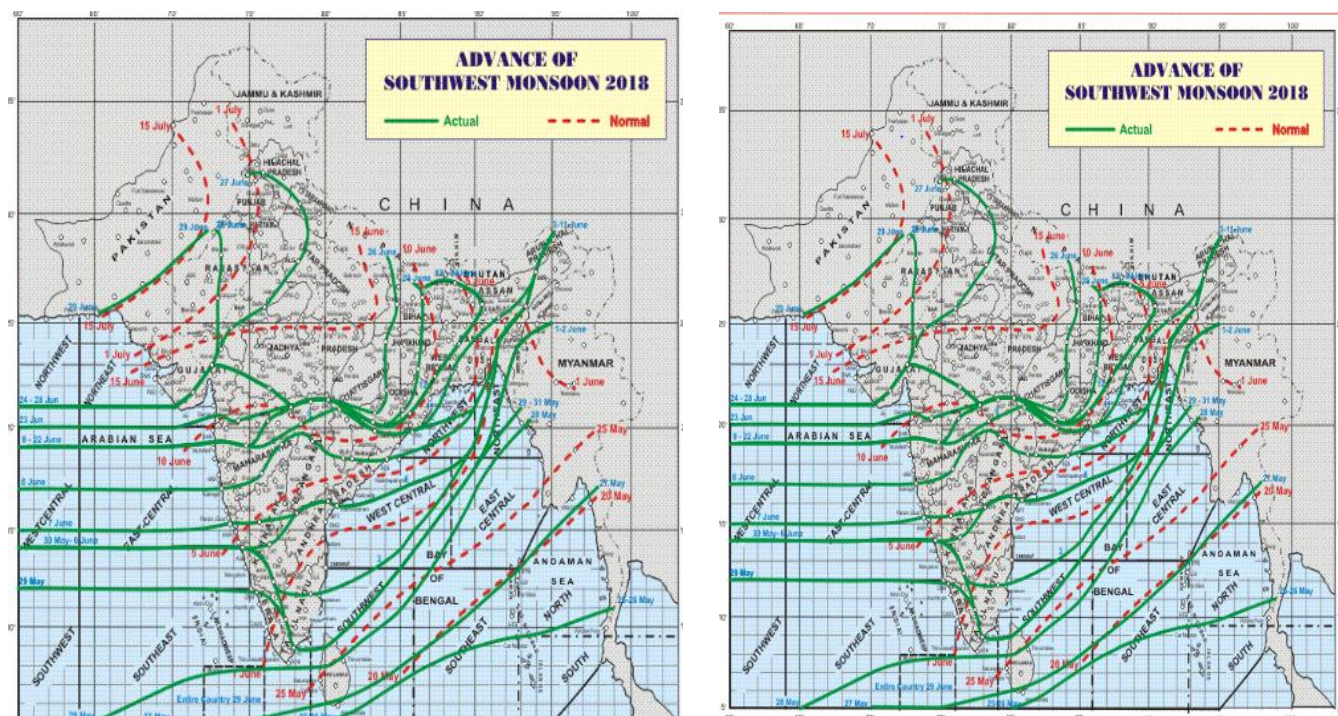
Outlook and Review (Domestic Front)

- **Average monthly wholesale rice prices in India stood at around Rs.3137 per quintal in September- 2018, up by 0.84% from Rs.3111 per quintal in Aug- 2018, and up by 5.68% from Rs.2970 per quintal a year ago.** Agriwatch expects non-basmati rice market to move range bound with some weak tone as expectation of arrival of new crop hit in the mandi.
- **According to government estimates production of kharif food-grains for 2018-19 crop years (July-June) has been estimated** at a record 141.59 million ton on the back of increased acreage under paddy and expected better yield in pulses and coarse cereals. Notably, last year's kharif output was 140.73 mt as per the latest (fourth) estimate, up from 134.67 seen in the first estimate. Interestingly, rice output in kharif 2018-19 is estimated to be a record 99.24 million ton in this kharif season, up from 97.5 million ton in the previous season. This could potentially boost up the exports, the sowing area under paddy was 2.36% higher at 38.6 million hectares as of September 20 as against the year-ago period. However, a higher output means the government will have to buy more rice from farmers.
- **Basmati exporters of Punjab and Haryana are unfazed by the recent incessant rains that damaged paddy and hope to maintain** the upswing that was started from July this year. The rain damaged 'Pusa-1509' - a variety which is normally harvested in September. The area under this variety is, however, insignificant. Traders don't expect any decline in basmati exports this year. The total area under 'Pusa -1121' is around 10.64 lakh hectares while only 1.32 lakh hectares are under 'Pusa-1509' across basmati-producing states,
- **Uttar Pradesh has set a target of procuring paddy on 50 million tons of MSP in MY-2018-19. Last year Uttar Pradesh** purchased 43 lakh tons of paddy. An additional amount of 20 rupees per quintal will be given for cleaning of paddy which was earlier Rs. 10 per quintal. The purchase will take place from October 1 to 28 February, 2019.
- **The Uttar Pradesh Cabinet on Tuesday approved the Paddy Procurement Policy 2018-19 under which the state government has fixed the minimum support price (MSP) for common paddy at Rs 1,750 per quintal from the earlier** Rs 1,550 and Rs 1,770 for Grade I paddy. At a meeting of the Cabinet chaired by Chief Minister Yogi Adityanath, it was also decided that the state government would procure 50 lakh metric tons of paddy from the farmers. Procurement last year was 43 lakh metric tons. It is also decided that the government will give recognition to only online purchases. The state Cabinet has also approved a proposal to double the incentive for millers, contractors and farmers, and an additional Rs 20 will be given for the sieving, cleaning, washing and cutting processes. This amount was Rs 10 earlier. Three thousand paddy procurement centres will also be set up across the state.
- **The arrival of paddy is gradually increasing in all the producing states. The arrival of 1509 variety Pusa paddy is constantly** increasing. Prices are running 2300-2400 per quintal. Gradually the arrival of paddy variety of other variety will also start growing. According to the first advance production estimate of agriculture ministry, rice yields are estimated to be 992.40 lakh tons in 2018-19, whereas in the crop season 2017-18, the production of kharif rice was 975 lakh tons.
- **The government has cut the rice procurement target this year. The procurement of rice in Kharif season starting from** October will be reduced by 11.56 lakh tons compared to last year. The procurement of 114 lakh tons of rice from Punjab and 39.75 lakh tons of rice is procured from the Haryana. The government procurement of rice in these two states will be done from October 1 to December 15. Apart from this, the Government has set a target of procuring 30 lakh tons in Andhra Pradesh, 15 lakh tons in Telangana, 40 lakh tons in Chhattisgarh, 13 lakh tons in Madhya Pradesh, 8 lakh tons from Bihar, 33 lakh tons in UP, 3 million

tons in Odisha, 23 lakh tons in West Bengal, 8 lakh tons in Tamil Nadu, 5 lakh tons in Uttarakhand, 4 lakh tons from Maharashtra.

- The Chhattisgarh government announced to give 300 rupees / quintal bonus on the purchase of paddy to the farmers by electing the election. Chhattisgarh farmers will now get 2,070 on A-grade paddy and Rs 2,050 / quintal on normal grade paddy.

Weather-Watch:



In the monsoon season, at All-India level, the rainfall during the week i.e. 20th September, 2018 – 26th September, 2018 has been 20% 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 148% in North West India & 19% in Central India but lower than the LPA by 29% in South Peninsula & 22% in East & North East India. The cumulative rainfall in the country during the monsoon season i.e. 01st June, 2018 to 26th September, 2018 has been 9% lower than LPA. Rainfall in the four broad geographical divisions of the country during the above period have been lower than LPA by 24% in East & North East India, 5% in Central India, 2% in South Peninsula and 1% in North West India.

Price Projection for Next Month (Oct) in Domestic Market

Duration	Trend	Average Price Range	Reason
Oct - 2018	Steady to Weak	Rs.2900-3300/Quintal	Domestic rice prices is expected to rule steady to weak in the month of October as fresh arrival of paddy starts in mandi and put cap on price in the month.

Paddy Kharif Sowing Updates as on 20th Sept-2018:

RICE						
State	Normal Area	Normal Area as on date	Area sown reported			Absolute Change
			This Year	% of Normal	Last Year	
Andhra Pradesh	15.30	13.81	13.48	88.1	13.58	-0.10
Arunachal Pradesh	1.29	1.29	1.31	101.7	1.31	0.01
Assam	20.73	20.67	19.56	94.4	20.19	-0.63
Bihar	31.64	32.35	32.56	102.9	34.18	-1.62
Chhattisgarh	38.08	36.69	37.54	98.6	36.73	0.81
Goa	0.29	0.20	0.28	97.9	0.27	0.02
Gujarat	7.41	7.88	8.05	108.6	8.05	0.00
Haryana	12.94	12.27	13.29	102.7	12.87	0.42
Himachal Pradesh	0.74	0.76	0.74	99.5	0.76	-0.02
J&K	2.80	1.60	1.14	40.9	1.16	-0.01
Jharkhand	14.94	15.54	15.15	101.4	17.35	-2.20
Karnataka	10.00	8.94	11.35	113.5	6.04	5.31
Kerala	1.48	0.63	0.57	38.6	0.62	-0.05
Madhya Pradesh	20.50	20.13	21.65	105.6	20.23	1.42
Maharashtra	15.08	15.04	15.21	100.8	14.31	0.90
Manipur	0.33	1.84	0.32	96.7	1.69	-1.37
Meghalaya	0.97	0.99	1.01	104.3	1.10	-0.09
Mizoram	0.32	0.36	0.35	107.8	0.33	0.02
Nagaland	1.91	1.92	2.08	109.1	2.07	0.01
Odisha	37.66	36.18	37.04	98.4	36.25	0.79
Punjab	28.93	29.08	30.42	105.2	29.26	1.16
Rajasthan	1.64	1.46	1.15	70.2	1.69	-0.54
Sikkim	0.11	0.11	0.11	94.6	0.11	-0.01
Tamil Nadu	15.46	3.62	4.22	27.3	2.70	1.52

Telangana	9.20	7.54	10.31	112.1	7.58	2.73
Tripura	1.99	1.61	1.83	91.9	1.29	0.53
Uttar Pradesh	58.87	59.25	59.73	101.5	59.78	-0.05
Uttarakhand	2.47	2.50	2.48	100.5	2.50	-0.02
West Bengal	41.91	41.48	42.71	101.9	42.40	0.31
Pondicherry	0.12	0.00	0.00	0.0	0.00	0.00
Others	0.29	0.54	0.21	72.7	0.57	-0.36
All-India	395.39	376.30	385.85	97.6	376.96	8.89

Rice acreage in India as on 20th Sep 2018 increased to 385.85 lakh hectares as compared to 376.96 lakh hectares same period last year and also up by normal area as on date of 376.30 lakh hectares which seems that rice production is expected to be good if weather become favorable at the time of harvesting. Higher acreage is mainly reported from the states of Andhra Pradesh (13.48 lakh Ha.), Telangana (10.31 lakh Ha.), Haryana (13.29 lakh Ha.), Punjab (30.42 lakh Ha.), Chhattisgarh (37.54 lakh Ha.), Madhya Pradesh (21.65 lakh Ha.). Lower acreage is reported in the states of U.P, Bihar, Manipur, Assam and Tripura.

Weekly Rice Price Change in Delhi Market (Figure: in Rs. /Quintal)

Variety	04 Oct 2018	29 Sep 2018	(Month Ago) 04 Sept 2018	(Year Ago) 04 Oct 2017	% ch. From last week	% Change from last Month	% Change from last Year
1121 Steam	7200	7400	7500	7150	-2.70	-4.00	0.70
1121 Sella	6600	6650	6650	5700	-0.75	-0.75	15.79
1121 Raw	7000	7000	7000	7000	0.00	0.00	0.00
Basmati Raw	7000	7000	7000	7600	0.00	0.00	-7.89
1509 Steam Wand New	5600	5900	6800	NA	-5.08	-17.65	#VALUE!
Sugandh Steam	4500	5200	5500	NA	-13.46	-18.18	#VALUE!
Sharbati Raw	4800	4500	5000	4900	6.67	-4.00	-2.04
Pusa Raw Wand	6200	6500	6600	6200	-4.62	-6.06	0.00
Parmal Sella	3050	3100	3050	3100	-1.61	0.00	-1.61

Rice Price (In Rs./ Quintal)	Grade	Change*	05 Oct 2018	04 Oct 2018	28Sept 2018	05 Sep 2018	05 Oct 2017	Source
Chirala(A.P)	BPT(Raw)	50	4650	4650	4600	4635	4620	APMC
Jharkhand(Ranchi)	Coarse	-50	2585	2580	2635	2500	2500	APMC
Ernakulam(Kerala)	Jaya	-20	3600	3610	3620	3550	3500	APMC
Divi(A.P)	BPT(Raw)	155	3455	3450	3300	3345	3450	APMC
Visakhapatnam	HMT(Raw)	100	4300	4310	4200	4150	4080	APMC
Nandyal	Sona Fine	-20	5480	5420	5500	5400	5250	APMC
Barasat(W.B)	Masuri	-20	2600	2600	2620	2580	2550	APMC
Dibrugarh	Common	-55	2300	2300	2355	2345	2220	AGRIWATCH
Jhargram(W.B)	Common	50	3100	3100	3050	3000	2980	AGRIWATCH

Karnal	Sarbati Steam(New)	-200	3800	3800	4000	5050	4950	AGRIWATCH
Bangarpet(Kar)	IR-20	20	3000	3000	2980	2900	2950	APMC

*Change from previous week

Rice Supply & Demand

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Figure in MMT	2016-17	2017-18	2018-19*	Oct-Dec	Jan-Mar	Apr-June	July-Sept
Carry in	17.17	17.57	17.47	17.47	99.75	71.87	44.00
Production	108.50	110.00	109.50	109.50	0.00	0.00	0.00
Imports	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Availability	125.67	127.57	126.97	126.97	99.75	71.87	44.00
Consumption	97.00	97.50	97.50	24.38	24.38	24.38	24.38
Exports	11.10	12.60	12.75	2.85	3.50	3.50	2.90
Total Usage	108.10	110.10	110.25	27.23	27.88	27.88	27.28
Carry out	17.57	17.47	16.72	99.75	71.87	44.00	16.72
Av Monthly Consumption	8.08	8.13	8.13	2.03	2.03	2.03	2.03
Stock to Month Use	2.17	2.15	2.06	49.11	35.38	21.66	8.23
Stock to Consumption Ratio	0.08	0.08	0.08	0.08	0.08	0.08	0.08

*AW Forecast (Preliminary)

Agriwatch revised the rice balance sheet in first week of Oct-2018 as new session starts for MY-2018-19. Agriwatch expects that rice export till September-2018 would touch 12.60 MMT; due to higher demand from importing countries like Africa, Bangladesh and from Middle East etc. and also supported by the weakening of Indian currency. Carry out for MY-2018-19 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 16.72 MMT which is 4.2% down from last year and this may push the rice price in northward direction second quarter of MY-2018-19(March onwards). Rice production for new MY-2018-19 is likely to reach 109.5 MMT, which is down by 0.5 MMT from last year.

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

AW Estimates2018-19				
States	Area (In ' 000 Hectare)	Production (In ' 000 Ton)	Yield (T/ha.)	5 Years Av.Yield
Andhra Pradesh	2150.00	8120.50	3.78	3.197
Assam	2400.00	5160.00	2.15	2.029
Bihar	3150.00	7345.00	2.33	2.112
Chhattisgarh	3800.00	7050.00	1.86	1.758
Gujarat	756.47	1765.00	2.33	2.223

Haryana	1288.00	4099.70	3.18	3.183
Himachal Pradesh	74.00	128.98	1.74	1.743
Jammu and Kashmir	114.33	260.42	2.28	2.278
Jharkhand	1407.34	3790.00	2.69	2.154
Karnataka	850.00	2360.00	2.78	2.642
Kerala	100.00	250.00	2.50	2.661
Madhya Pradesh	2106.00	3470.69	1.65	1.648
Maharashtra	1250.88	2387.93	1.91	1.909
Odisha	3225.46	7715.00	2.39	1.856
Punjab	3042.00	12300.00	4.04	3.952
Rajasthan	115.00	239.55	2.08	2.083
Tamil Nadu	1850.00	6398.00	3.46	2.881
Telangana	1750.00	5394.20	3.08	3.082
Uttar Pradesh	5973.00	13630.39	2.28	2.282
Uttarakhand	248.00	630.00	2.54	2.327
West Bengal	5250.00	15100.00	2.88	2.790
Others	990.00	2500.00	2.53	2.255
India	41890.47	110095.35	2.63	2.432

Source-Govt. Estimates as per Second Advance estimates released on 21.03.2018(2017-18)

All India milled rice production in MY-2018-19 is expected to hover between 110-111 million tons as per Agriwatch preliminary estimate. Sowing of paddy is higher from last year and as per now weather is also suitable for the growth phase so we expect that production of rice will touch 110-111 MMT if no major changes happen at the time of harvesting.

State wise Wholesale Price Monthly Analysis:

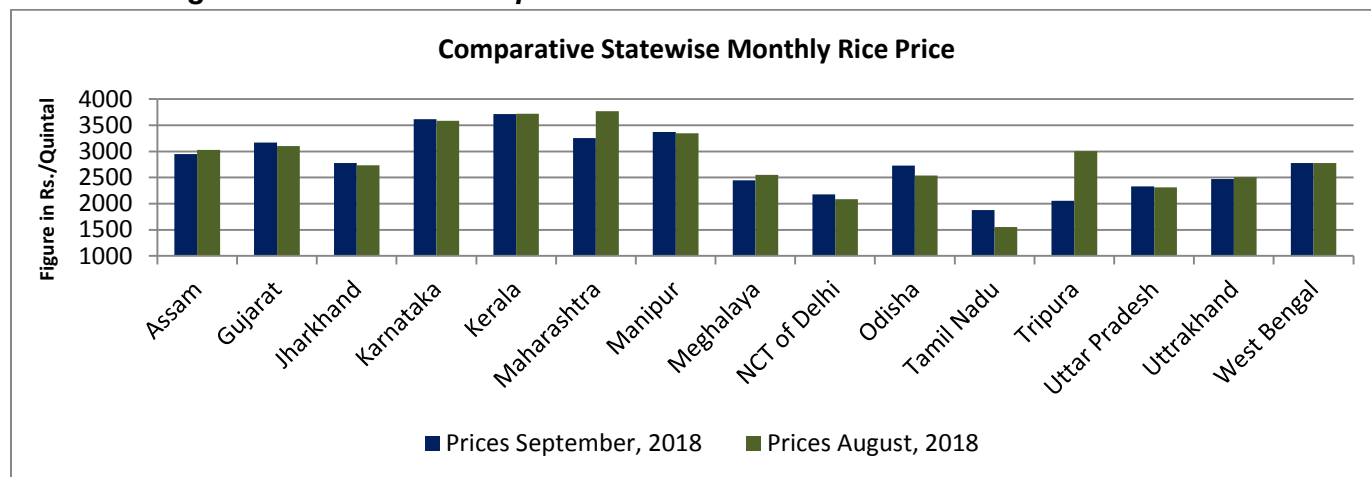
State	Prices September, 2018	Prices August, 2018	Prices September, 2017	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh	4133.98		4087.19	—	1.14
Assam	2951.84	3025.74	3013.41	-2.44	-2.04
Gujarat	3167.06	3104.37	3120.52	2.02	1.49
Jharkhand	2778.59	2733.48	2735.08	1.65	1.59
Karnataka	3614.32	3586.67	3654.71	0.77	-1.11
Kerala	3714.74	3719.91	3835.57	-0.14	-3.15
Maharashtra	3258.24	3771.89	3485.62	-13.62	-6.52
Manipur	3372.09	3348.91	3104.56	0.69	8.62
Meghalaya	2449.18	2549.18	2784.28	-3.92	-12.04
Nagaland	7466.67	7150		4.43	—

NCT of Delhi	2176.67	2088	1966.3	4.25	10.7
Odisha	2729.22	2540.93	2441.21	7.41	11.8
Tamil Nadu	1880	1552.09		21.13	—
Tripura	2052.66	3003.11	2976.61	-31.65	-31.04
Uttar Pradesh	2329.8	2314.41	2231.41	0.66	4.41
Uttarakhand	2471.14	2506.13	2397.77	-1.4	3.06
West Bengal	2779.36	2779.08	2686	0.01	3.48
Average	3136.8	3110.87	2968.02		

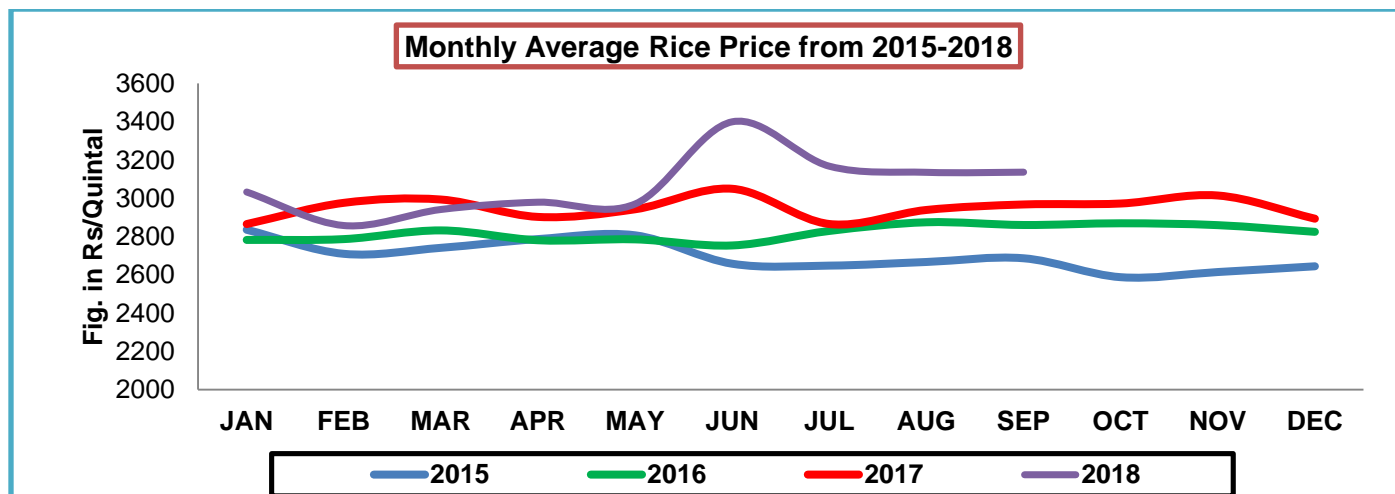
Source-Agmark

Average monthly wholesale rice prices in India stood at around Rs.3137 per quintal in September- 2018, up by 0.84% from Rs.3111 per quintal in Aug- 2018, and up by 5.68% from Rs.2970 per quintal a year ago. Agriwatch expects non-basmati rice market to move range bound with some weak tone as expectation of arrival of new crop hit in the mandi.

Indian Average Rice Price Trend- September



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	29.74	29.54	23.25	24.94	22.61			

Source-FCI

India's rice stocks in the central pool as on Sep- 1, 2018 stood at around 22.61 million tons up by 10.89% from 20.39 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 by 9.34% by from 24.94 million tons recorded on Aug-01, 2018. Highest stock could be seen in the state of Punjab (80.61 lakh tons) followed by Andhra Pradesh (19.58 lakh tons) and Haryana (17.16 lakh tons) and Uttar Pradesh (14.48 Lakh Tons). The highest stock recorded of 339.6 lakh tons recorded in Feb- 2018.

State wise Progressive Procurement

State/UTs	Target (only kharif crop) in marketing season 2017-18 (Oct. – Sept.)	Progressive Procurement as on 20.09.2018	
(in Lakh T)		In Marketing season 2017-18	In Marketing season 2016-17
AP	43.00	39.94	37.24
Telangana	34.00	36.18	35.95
Bihar	12.00	7.93	12.34
Chhattisgarh	48.00	32.55	40.22
Haryana	30.00	39.92	35.83
Jharkhand	2.50	1.43	1.39
Kerala	2.32	3.29	3.03
M.P	13.00	10.96	13.14
Maharashtra	4.34	1.79	3.09
Odessa	37.00	32.87	36.30
Punjab	115.00	118.33	110.52
Tamilnadu	15.00	9.89	1.41
U.P	37.00	28.75	23.54
Uttarakhand	7.00	0.38	7.06
West Bengal	27.00	16.73	18.95
Others	0	0.22	0.46
Total	430.00	381.77	380.69

All-India progressive procurement of Rice as on 20.09.2018 for 2017-18 was at 381.77 lakh tons against the procurement of 380.69 lakh tons in the corresponding period of last year. Higher procurement has been received from northern states of Punjab (118.33 lakh Tons), Haryana (39.92 lakh tons), and U.P (28.75 lakh tons) and in south it is started in Telangana (36.21 Lakh Tons). Andhra Pradesh Government procurement has reached to 39.19 lakh tons. Chhattisgarh government also procured around 32.07 lakh tons of rice as of now, Madhya Pradesh and Odessa procurement reached to 10.96 and 32.80 lakh tons respectively. Procurement in West Bengal and other rice growing states reached to 16.73 lakh tons.

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	6.19	3.7	9.89
May-17	5.5	4.06	9.56	May-18	9.6	2.92	12.52
June-17	6.74	4.6	11.34	June-18	10.23	4.79	15.02
July-17	7.24	3.02	10.26	July-18	5.68	4.07	9.75
August-17	8.52	2.89	11.41	August-18	5.5	2.89	8.39
September-17	8.85	2.85	11.7	September-18			
Total	71.79	40.6	111.53	Total	80.05	37.5	117.55

Source-DGCIS

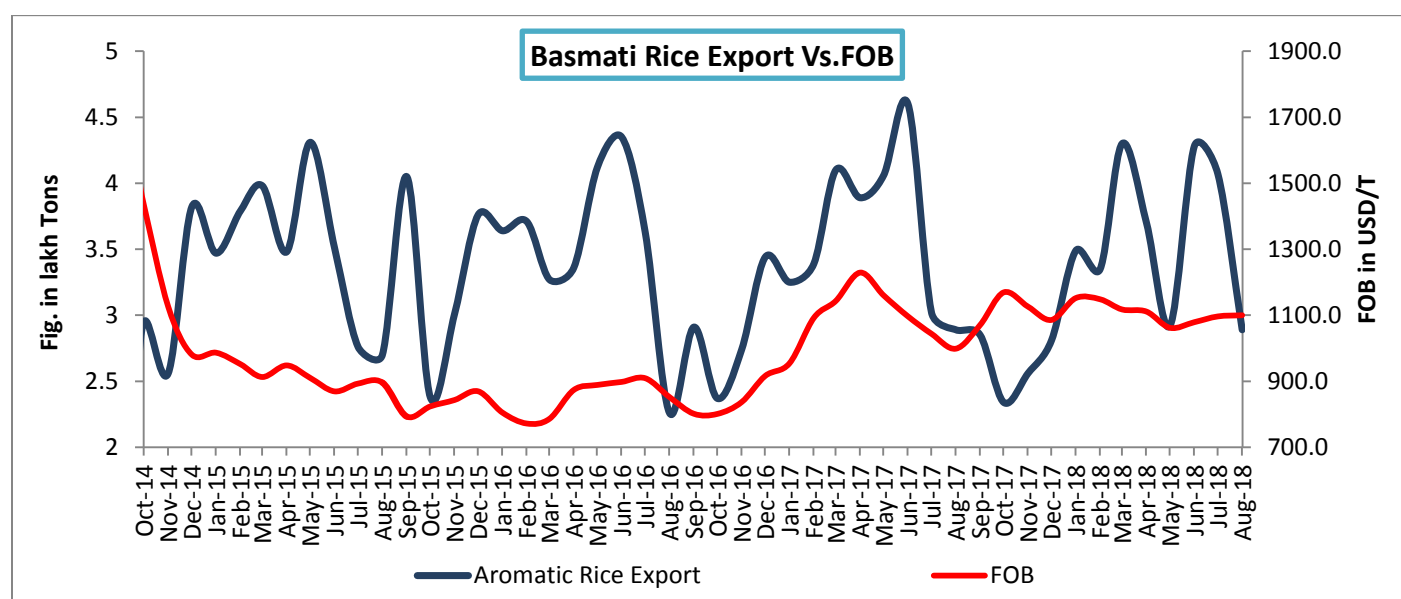
Rice export from India in the month of Aug-2018 was 8.39 lakh tons in which basmati rice contribution was 34.44% of total and around 2.89 lakh tons of aromatic rice was exported in the month, Iran, Iraq and Saudi Arabia were the major Indian aromatic rice importers in this month; on the other hand non-basmati rice export in this month was 5.5 lakh tons which was LOWER by 3.16% from previous month export, major importing countries of non-basmati rice in the month were Benin, Indonesia and Bangladesh followed by Qatar. Total rice export in MY-2017-18 (From Oct to Aug.) from India was 11.75 million tons up by 17% from corresponding period of last year export of 10.08 million tons.

Destination Wise Basmati and Non-basmati Rice Export in Aug-2018:

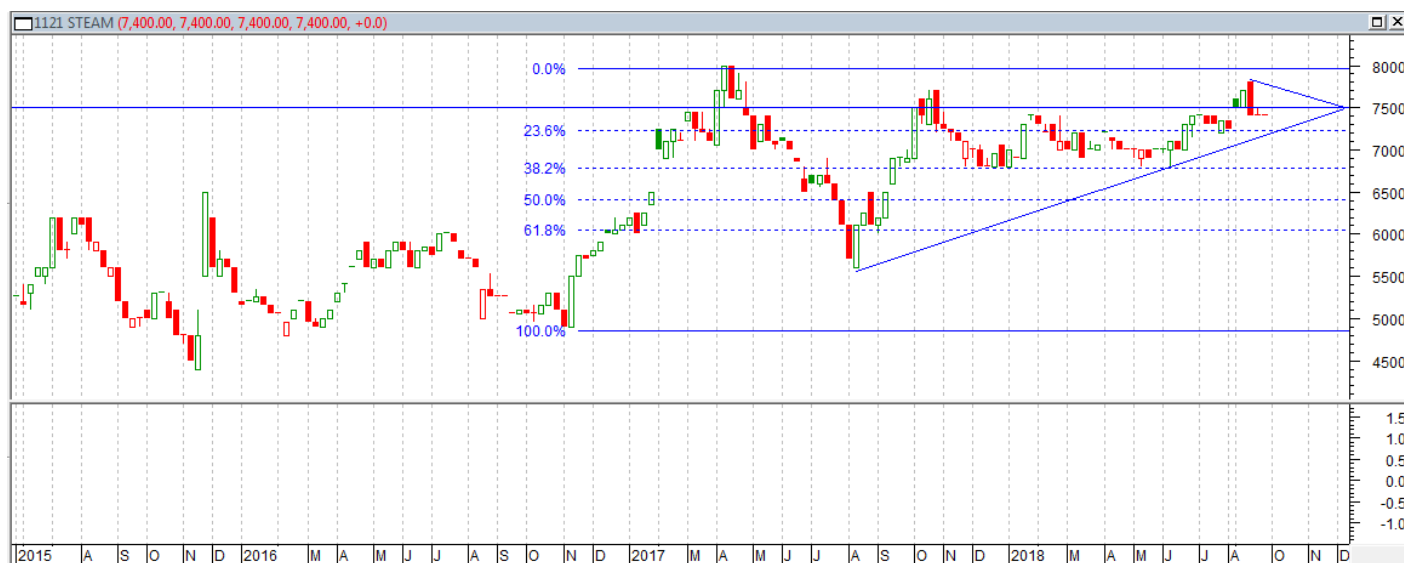
Country	Quantity in Kgs	% of Total	Country	Quantity in Kgs	% of Total
COTE D IVOIRE	55923554	10.16%	IRAN	61793885	21.33%
BENIN	50538800	9.18%	SAUDI ARABIA	51407430	17.75%
INDONESIA	43462312.38	7.90%	IRAQ	39575553	13.66%
MADAGASCAR	37570055	6.83%	YEMEN, DEMOCRATIC	21687035	7.49%

UNITED ARAB EMIRATES	30314879.44	5.51%	UNITED ARAB EMIRATES	15225477.98	5.26%
GUINEA	22724909	4.13%	KUWAIT	14311538	4.94%
SENEGAL	22004935	4.00%	UNITED STATES	12641486.18	4.36%
SOMAALIA	18372388	3.34%	UNITED KINGDOM	8020680	2.77%
PHILIPPINES	16838659	3.06%	QATAR	6266542	2.16%
GHANA	15956550	2.90%	CANADA	6030628	2.08%
Others	236632364.5	43.00%	Others	52726499	18.20%
Grand Total	550339406.3	100%	Grand Total	289686754.2	100.00%

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. Aromatic rice export in the month of Aug was 2.89 lakh tons with an average FoB of USD 1099/T. Aromatic rice export in the month was 29% lower than last month export of 4.07 lakh tons and almost same from last year export of 2.6 lakh tons.

Technical Chart of 1121 Steam Rice (Delhi):


Technical chart of 1121 steam rice shows steady to weak sentiments in the month of September and currently 1121 steam rice price is Rs.74-7500/quintal. We expect that 1121 rice prices is likely to move downwards in coming month due to fresh arrival is about to start in many producing regions.

Rice Market Outlook

Rice export prices in India fell for a second week on sluggish demand, while rates in Thailand were propped up by lower supply and expectations of new orders from Philippines, Indonesia and Japan. Some demand is there, but not much. Millers are now waiting for new crop arrivals to offer, Supplies from summer-sown crop will become available for exports from next month. Indian production of summer-sown rice is estimated to grow 1.8 percent to 99.24 million tons. The falling rupee is (however) making Indian exports more competitive than Thailand and Vietnam.

Price of Aromatic rice was traded firmed in September from last month and currently 1121 steam rice traded at Rs.74-7500/quintal; Agriwatch expects price to be steady to slightly weak in coming month with fresh arrival, however aromatic rice or paddy price wouldn't go much lower as stock from last year is not sufficient to fulfil the demand.

Global Market Scenario

In China, conditions are favorable for single rice and semi-late rice in the maturation stage. Late rice in the south is under favorable conditions in the heading stage. In India, Kharif rice is under favorable conditions while in the maturity stage in the north and tillering stage in the south. An increase in total sown area is reported. In Indonesia, sowing of dry-season rice is complete with total sown area down due to dry conditions earlier this season. Harvest of the earlier sown rice continues with yields remaining above last year's yields. In Viet Nam, conditions are favorable for the summer-autumn rice (wet-season rice) with a slight reduction in national total sown area. Harvest has begun in the south with some delays due to a late start of the season. In Thailand, conditions of wet-season rice are generally favorable owing to continuous rain and good weather. However, flooding due to heavy rains in the northeastern region is expected to reduce yields. In the Philippines, wet-season rice conditions are mixed due to adverse weather conditions over the course of the season. Harvest of the April-May sown crop is ongoing and a reduction in final yields compared to last year is expected. A typhoon in mid-September affected heavily the northern region, but details are currently under investigation. In the US, conditions are favorable.

Pakistan's rice production forecast for MY 2018/19 is unchanged at 7.4 MMT. Pakistan has exported 3.4 MMT of rice during the current marketing year (MY17/18), and exports are expected to reach at 4.3 MMT by the conclusion of the marketing year. FAS Islamabad forecasts no changes in the PSD estimates for both wheat and rice.

Myanmar will export over two million tons of rice and broken rice during the six-month mini budget, Rice export may decline this year. But country needs to monitor it. Floods destroyed about 400,000 acres of monsoon paddy this year. It is not a paddy harvest season. From April 1 to August 17 this year, Myanmar earned US\$ 315.283 million from exports of more than 909,376 tons of rice and broken rice. Compared with the same period last year, Myanmar exported more than one million tons of rice and broken rice worth nearly US\$ 300 million. This year, rice export dropped by 115,073 tons, but export earnings increased by more than US\$ 15 million, according to the MRF. Thanks to the market expansion in 2017-2018 FY, nearly 3.6 million tons of rice were exported, reaching the record high in over 50 years.

MY2018/19 Thailand rice production is expected to increase to 21.2 million metric tons, up 4 percent from MY2017/18 due to expanded acreage and favorable weather conditions during the vegetative and reproductive growth stages. In 2018, rice exports are expected to decline to 10.5 million metric tons, a 9 percent reduction from the record 11.6 million metric tons exported in 2017 due to the limited availability of government food-quality rice stocks for sale in 2018 as the government finalized the sale of the remaining 43,725 metric tons of food quality rice stocks on June 6, 2018. The government has approved three domestic support programs to assist rice farmers during the MY2018/19 harvest season.

IGC Balance Sheet-

Attributes (Fig in Million Tons)	2015-16	2016-17	2017-18 Estimate	(2018-19) Forecast. 23.08.2018	(2018-19) Forecast. 27.09.2018
Production	475	487	488	491	491
Trade	40	47	48	48	49
Consumption	474	486	487	492	492
Carryover stocks	123	123	124	123	124
Y-O-Y change	1	1	1		-1
Major Exporters	33	31	28	28	31

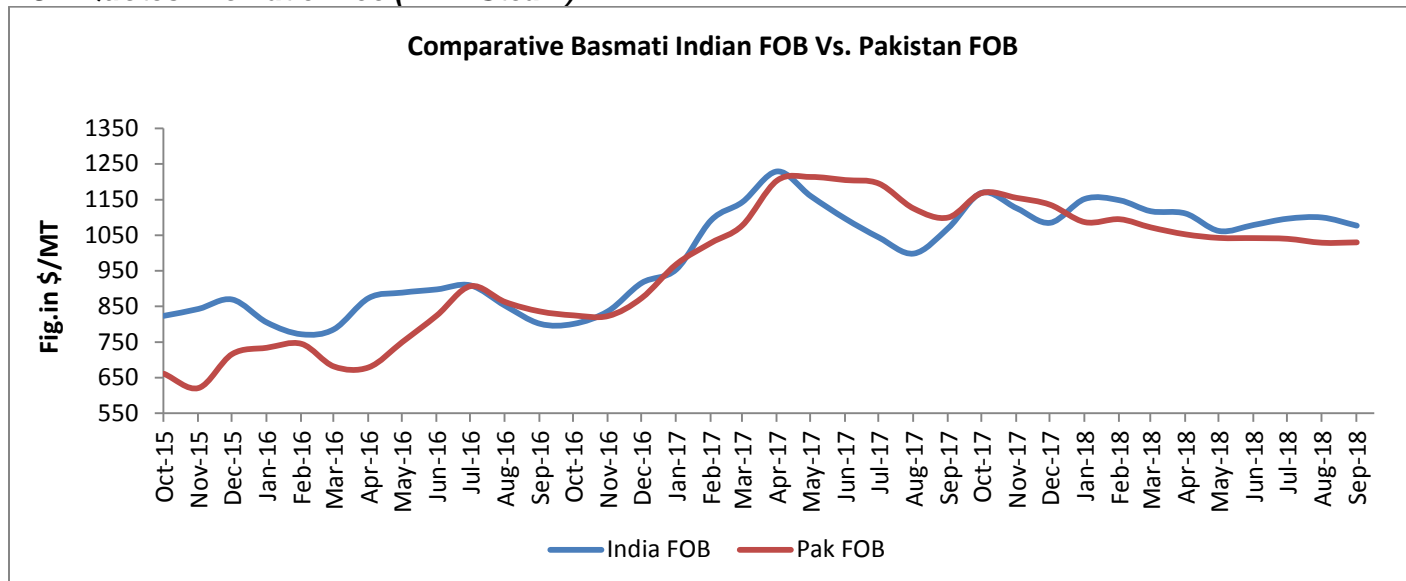
Note: Major exporters are India, Pakistan, Thailand, Vietnam, and United States

IGC Rice Balance sheet Highlights:

Reflecting a revised estimate for production, together with adjustments for India's inventories, 2017/18 world rice carryovers are raised by 2m t m/m, to 126m, a 2% y/y gain. Projections for production and use in 2018/19 are unchanged m/m, but larger carry-ins result in a marginal upgrade for end-season reserves, to 124m t, modestly tighter y/y. The 2019 trade outlook is up slightly from August, to a record of 49m t, the 1% y/y increase tied to likely firmer demand from Asia and Africa. Rice production in 2018 upgraded, as improved prospects for the US and especially India outweighed reductions for Mali, Pakistan and the Philippines. Utilization in 2018/19 still expected at an all-time record, despite a slight downward adjustment to non-food use forecasts. Trade in 2019 raised marginally, on higher anticipated imports by Brazil, the Philippines and Saudi Arabia. Stocks (ending in 2019) now seen expanding by 2.6 percent, mainly due to an upward revision to carryovers in India.

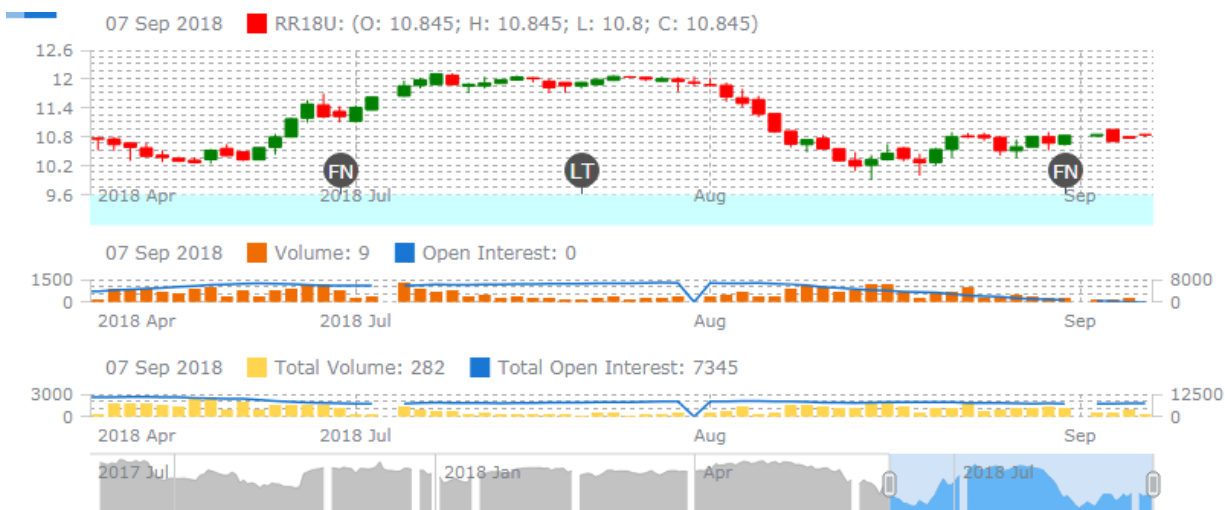
Indicative Basmati Parity Sheet

Parity Calculation Sheet	Rajkot (Kandla)	Andhra Pradesh(Vizag)	Punjab(Kandla)	Haryana(Kandla)	West Bengal(Kolkata)
Price @ various center	76500	75800	75000	74500	76000
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)	77450	76750	76900	76400	77000
Indian FOB (USD/MT)	1074.35	1064.64	1066.72	1059.79	1068.11
Insurance @ 0.1%	1.07	1.06	1.07	1.06	1.07
Freight Charges (US \$/ton) to Iran	55	55	55	55	55
CIF (Kandla to Dubai)	1130.43	1120.71	1122.79	1115.85	1124.18
INR Monthly Average	72.09	72.09	72.09	72.09	72.09

FOB Quotes Aromatic Rice (1121 Steam)


Source-FAO& AW

Indian FOB for 1121 steam traded firm in the month of Sept and currently is in the range of USD 1077/MT which is down by 2% from last month price of USD 1099/T due to lower demand from overseas market. Aromatic rice prices are also traded slightly weak as millers are waiting for new crop; Agriwatch expects that aromatic international rice price is likely to trade steady to weak in coming month due to arrival pressure which is likely to start soon in next 15-20 days. According to the UN's Food and Agriculture Organization (FAO), Currently Pakistani basmati FOB is moving steady from last month and is now hovering in the range of USD 1030/MT which is almost same from last month FOB of USD 1029/MT.

Rice Price Trend – CBOT @ CBOT Nov- 18, Rough Rice)
(Prices in US\$/hundredweight)


International Price Projection for Next Month:

Duration	Trend	Support	Resistance
Oct-2018	Steady	S1-10.50 S2-10.20	R1-12.80 R2-13.00

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