Latest Market Development:

All India Average rice price in the third week of May was moved up by 9.73% from previous week and currently hover in the range of Rs.2750-2760/quintal. We expect market is likely to move in the range bound to firm in coming weeks due to lower rabi rice coverage and supported by lean season.

In the 3rd advance estimate released by government in the second week of May, India's rice production forecast for 2014-15 to be about 102.54 million tonnes which is down by 4% from last year.

Trans planting of Satha crop (60 days) has just started in Uttar Pradesh and recent rains are considered to be beneficial to the standing crop. The crop will be ready for harvesting in the second week of July.

Though the (basmati and non-basmati) paddy transplantation is likely to start next month, the arrear dues for last year's basmati paddy have not yet reached to commission agents working in grain markets. It has created shortage of fund. With fund crunch commission agents are finding it difficult to meet the demands of farmers, who need money to sow new crop.

India exported about 11.65 million tonnes of rice (including basmati and non basmati) in the FY 2014-15 (April - March), up about 8% from about 10.78 million tons exported during the same period in FY 2013-14.

As per data received from IBIS Rice export in the month of April was registered at 7.61 lakh tonnes which include 4.17 lakh tonnes of non basmati and 3.44 lakh tonnes of basmati rice and total rice export is approx 24% lower than last month.

Major basmati importers in the month of April were Saudi Arabia, Iran and U.A.E contributing 1.01 lakh tonnes, 55 thousand T and 33 thousand T respectively.

Rice Monthly Export:

MY-2013-14	Non Basmati	Basmati	Total Export 2013-14	MY-2014-15	Non Basmati	Basmati	Total Export2014-15
October-13	6.7	1.8	**8.5**	**October-14**	8.22	2.95	**11.17**
November-13	4.29	2.49	**6.78**	**November-14**	8.1	2.56	**10.66**
December-13	5.11	3.79	**8.9**	**December-14**	5.38	3.82	**9.2**
January-14	6.85	3.44	**10.29**	**January-15**	8.3	3.47	**11.77**
February-14	6.18	3.5	**9.68**	**February-15**	8.62	3.79	**12.41**
March-14	4.17	3.19	**7.36**	**March-15***	6	3.98	**9.98**
April-14	4.61	2.85	**7.46**	**April-15**			
May-14	4.68	3.37	**8.05**	**May-15**			
June-14	5.05	3.64	**8.69**	**June-15**			
July-14	5.76	2.33	**8.09**	**July-15**			
August-14	7.45	2.16	**9.61**	**August-15**			
September-14	8.86	2.03	**10.89**	**September-15**			
Total	**69.71**	**34.59**	**104.3**	**Total**	**44.62**	**20.57**	**65.19**

Revised (Source-DGCIS & * = IBIS)

Agriwatch revised the rice export in the second week of May after updating of rice export by APEDA. Total Rice export for MY-2014-15 till March-15 was 65.19 lakh tonnes which was up by around 26% from same period last year export of 51.55 lakh tonnes. Non basmati rice export in the month of March was 6.00 lakh tonnes and basmati exports for MY-2014-15(Oct14-Sep-15) in the month was 3.98 lakh tonnes.

According to the preliminary export figures, rice exports during October 2014 through March 2015 are estimated at 65 MMT, about 1.1 MMT higher compared to last year's exports during the corresponding period. Market sources report strong exports to the traditional Middle East and African markets and neighboring Bangladesh and Sri Lanka. However, export prospects in the second half of the marketing year are likely to be affected by expected firm domestic prices and concerns on the MY 2015/16 rice planting and production. Assuming lower pace of exports in the second half of the marketing season, MY 2014/15 exports are expected to reach 10.2 MMT. CY 2015 exports are estimated at 9.8 MMT on expected lower pace of exports in the last quarter of the calendar year. Post continues to estimate MY 2015/16 exports at 8.5 MMT on expected tight domestic supplies.

India Rice Balance Sheet:

Figure in MMT	2013-14	2014-15*
Carry in	26.19	22.65
Production	106.54	102.5
Imports	0	0
Total Availability	132.73	125.15
Consumption	99.18	99.35
Exports	10.9	9
Total Usage	110.08	108.35
Carry out	22.65	16.8
Av Monthly Consumption	8.27	8.28
Stock to Month Use	2.74	2.03
Stock to Consumption Ratio	0.23	0.17

(Source: Agriwatch Research, USDA)

Agriwatch has revised its rice production and ending stock estimates in April, 1st week. Rabi sowing is almost over in rabi rice growing states and acreage is 9.5% down from last year so we down the rice production for MY-2014-15 from 103 million tonnes in previous estimates(3rd week Of February) to 102.5 million tonnes.

At Export front, it is same from Agriwatch's last estimates, however we expect that export of rice (including basmati and non basmati rice) could vary from 9 million tonnes to 9.5 million tonnes depends upon global demand for Indian rice and competitive price offer by major competitors like Thailand, Pakistan and Vietnam.

Domestic consumption is likely to up by 1.17% from last year consumption of 99.18 million tonnes to 99.35 million tonnes in 2014-15. Fall in production, fall in total availability and around 9 million tonnes of export could be the main reason for lower carry stock in MY 2014-15. This may push the rice price in upward direction in medium to long term (April-August).

Progressive Procurement of Rice as on 10.04.2015 (lakh tonnes):

State	Total procurement in marketing season	Progressive Procurement as on 10.04.2015	
	2013-14 (Oct. - Sept.)	In Marketing season 2014-15	In Marketing season 2013-14

Andhra Pradesh	37.38	17.90	36.64
Telangana	44.00	16.08	0.00
Chhattisgarh	43.0	33.55	42.85
Haryana	24.06	20.01	24.05
Kerala	4.00	2.46	2.47
Punjab	81.06	77.81	81.06
Madhya Pradesh	10.14	8.07	10.40
Maharashtra	2.00	1.36	1.29
Tamil Nadu	7.0	0.06	0.59
Uttaranchal	4.63	4.29	3.82
Uttar Pradesh	11.27	15.42	10.75
West Bengal	13.59	12.58	7.82
Others	36.46	4.02	9.42
All-India	319	249.31	247.83

Rice Stock in Central Pool Kitty from 2011-2015:

Year	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
2011	25.58	27.80	28.70	28.82	27.76	27.64	26.86	25.27	22.7	20.5	26.83	27.63
2012	29.71	31.8	33.17	33.35	32.92	32.14	30.70	28.50	25.59	23.4	28.95	30.67
2013	32.22	35.4	35.8	35.46	34.72	33.3	31.50	29.23	26.78	23.13	28.58	28.62
2014	28.69	31.52	31.26	30.55	28.65	32.00	27.66	24.56	21.65	18.62	23.21	21.57
2015	23.13	25.22	24.05	23.62	22.23							

*Format of stock position has been revised w.e.f. 1.9.2013. In earlier format, rice included un-milled paddy lying with FCI and State Agencies in terms of rice.

Total rice stocks in India's central pool have up to 22.23 million tons as of May- 1, 2015.

State wise Wholesale Prices Weekly for Rice 03rd Week of May-2015:

State	Prices 16-23 May 2015	Prices 09-15 May 2015	Prices 01-08 May 2015	Prices 16-23 May 2014	% Change(Over Previous Week)	% Change(Over Previous to Previous Week)	% Change(Over Previous Year)
AP	3561.88	3637.85	3644.14	3600.72	-2.09	-2.26	-1.08
Assam	3000.94	3076.47	2828.87	3322.23	-2.46	6.08	-9.67
Gujarat	4000	3881.89	4018.39	2730.26	3.04	-0.46	46.51
Jharkhand	2519.34	2550.01	2512.96	2680.19	-1.2	0.25	-6
Karnataka	1769.62	1741.2	1722.46	2993.86	1.63	2.74	-40.89
Kerala	3114.17	2986.73	3084.89	3266.44	4.27	0.95	-4.66
Maharashtra	3375	3284.07	3265.54	4234.39	2.77	3.35	-20.3
Manipur		2833.33	2858.47	3100	__	__	__
Meghalaya		3223.08	3471.77	3529.66	__	__	__
NCT of Delhi		1900		2052	__	__	__
Orissa	2442.57	2396	2381.03	2328.28	1.94	2.58	4.91
Tripura	2633.7	2613.64	2639.84	2558.69	0.77	-0.23	2.93
U.P	2027.84	2050.32	2046.04	2035.49	-1.1	-0.89	-0.38
Uttarakhand	1915.45	2024.39	1873.39	2162.57	-5.38	2.25	-11.43
West Bengal	2751.08	2507.1	2251.15	2679.76	9.73	22.21	2.66
Average	2759.3	2713.74	2757.07	2915.02			
As per the data reported by APMCs							

Price Projection for May 04th Week in Domestic Market:

Duration	Trend	Average Price Range
04th Week of May, 2015	Steady to Firm	Rs.2700-2850/Q

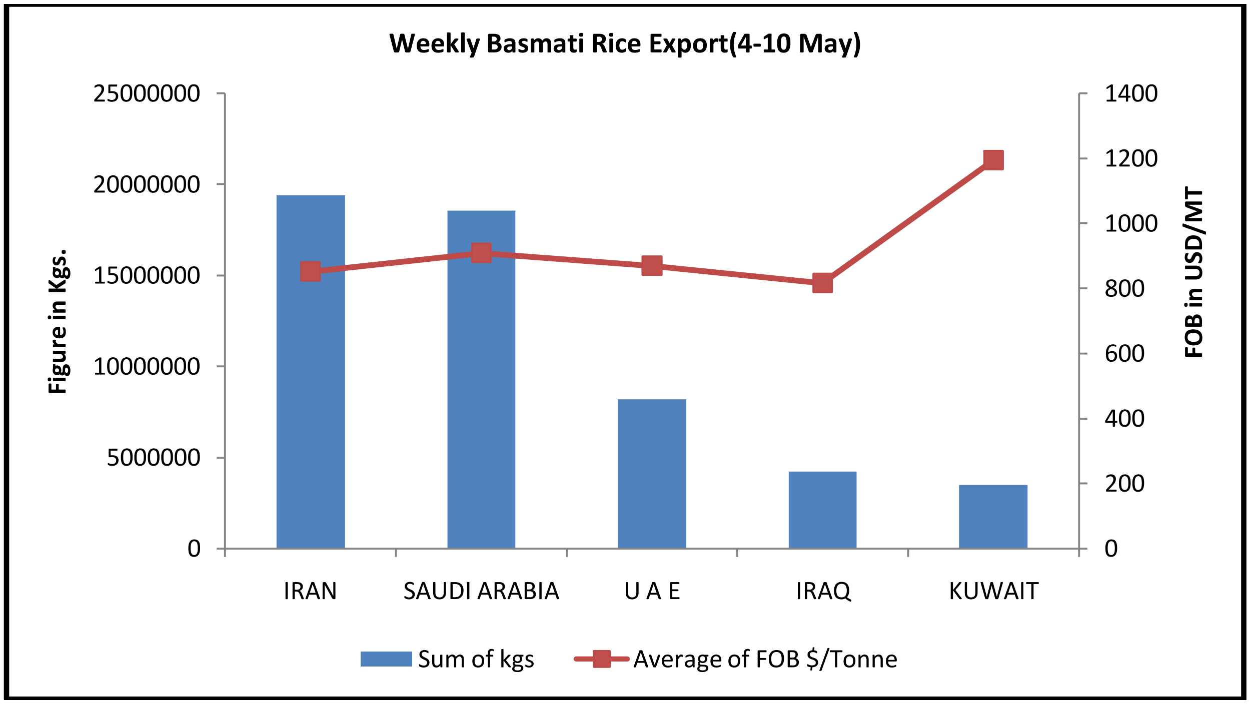
Global Updates:

Pakistan exported about 472,357 tonnes of rice (including basmati and non-basmati) in March 2015, up about 33% from about 355,747 tonnes exported in February 2015, according to provisional data from the Pakistan Bureau of Statistics (PBS). Pakistan rice millers have also urged the government to announce new rice export policy to help them avoid huge losses due to low rice prices.

Vietnam is implementing a contract on exporting rice to the Philippines while negotiating with Malaysia on the same issue. In the first four months of the year, the country exported2.04 million tonnes of rice, earning US$889 million, down in 0.5% in quantity and 5% in value, according to the Ministry of Industry and Trade (MoIT). The MoIT said the decrease is attributed to an abundant supply source of rice exporters which leads to a fierce competition in the market. Big rice exporters like Thailand and India have high stockpiles of rice. Especially, Thailand is taking drastic measures to export more rice to key markets. Huynh The Nang, general director of the Vietnam Southern Food Corporation (Vinafood 2) hoped that from late June to early July this year, Vietnam's rice exporters might gain more markets. He added that from the beginning of the year, the Philippines has imported 300,000 tonnes of rice from Vietnam and is expected to buy an additional 500,000 tonnes.

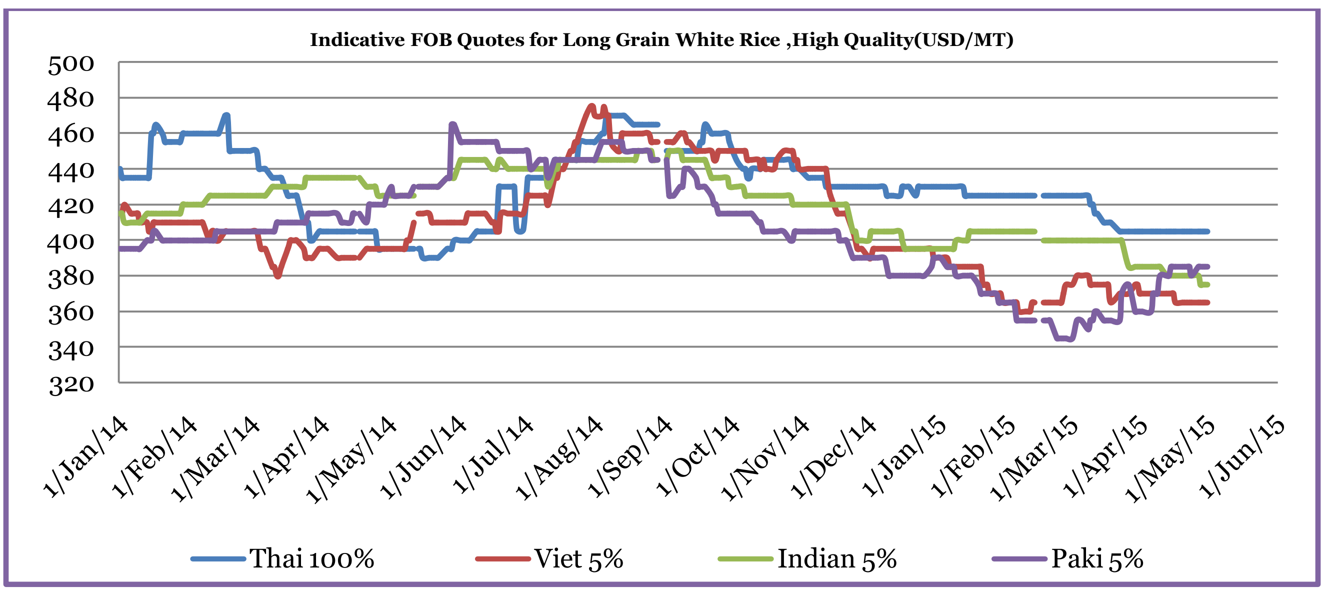
Taiwan will donate 16,670 metric tons of white rice to 17 countries in Asia, Africa, Latin America and the Pacific this year, as per by the national Agriculture and Food Agency (AFA) . The rice will be shipped by the end of June and the donations to the recipient countries will be managed by the World Taiwanese Chambers of Commerce, the World League for Freedom and Democracy ROC Chapter, Noordhoff Craniofacial Foundation, Buddhist Compassion Relief Tzu Chi Foundation, and Ministry of Foreign Affairs (MOFA), according to the AFA. The donation of 16,670 metric tons of rice is intended to help feed refugees and poor people in Bangladesh, Cambodia, Indonesia, Jordan, Pakistan and the Philippines in Asia; Lesotho, Mozambique, South Africa, Swaziland and Zimbabwe in Africa; the Dominican Republic, Haiti, Honduras, Nicaragua and El Salvador in Latin America; and Tuvalu in the South Pacific,

Top 5 Importers of Basmati Rice in First Week of May (04th -10th May-2015):



Source: IBIS

FOB Quotes for Long Grain White Rice, High Quality



Source-Oryza

IGC Balance Sheet: **(Fig. In Million Tonnes)**

	2012-13	2013-14 est.	projection 26.02.15	2014-15 Forecast 22.01.15	projection 23.04.15 2015-16
Production	467	472	476	475	474
Trade	39	39	43	42	41
Consumption	458	469	479	483	483
Carryover stocks	109	112	109	101	100
Y-O-Y change	8	3	-3	-	-9
Major Exporters	37	40	37	31	30

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

IGC Rice Balance sheet Highlights:

The 2014/15 global rice outturn is seen fractionally lower m/m, at 474m t, a negligible fall from the previous year's record. With a reduced figure for carry-ins leading to tighter supplies, global end-season stocks are cut slightly, to 100m t, the y/y drop of 8% mostly in the major exporters. Forecast trade in 2015 is down marginally m/m, to 41m t, a decline of 4% from the 2014 peak owing to reduced demand from Asian buyers.

At 474m t, world rice output in 2014/15 is anticipated to be marginally below the previous year's record. As increased uptake, mainly in Asia, boosts consumption to a new peak of 483m t, world end-season inventories are forecast to contract by 8% y/y, to a five-year low. Within the total, major exporters' stocks are seen dropping by one-fifth, to 30m t, on heavy falls in Thailand and India. Global trade in 2015 is expected to recede by about 4%, mainly on reduced buying interest from Asian importers.

Rice Price Trend @ CBOT May- 15, Rough Rice):
(Prices in US$/hundredweight)

Market Analysis:

The CBOT May month rough rice chart indicates range bound movement in previous session. We expect market will hover in the range USD 9.15-9.80/ hundredweight in coming sessions.

Price Projection (International-CBOT):

Duration	Trend	Price Range
04th Week of May, 2015	**Steady to weak**	USD/ Hundred Weight 9.15-9.80