AGRIWATCH

Rice Weekly Research Report
21 Sept-2015

Latest Market Development

Wholesale Prices for India as an average for third week of September traded firmed by 1-2% and are currently hovering at Rs.2700-2710/quintal. We expect non-basmati rice market to move in the range bound with slightly firm in coming week.

Aromatic rice price in (all varieties) wholesale markets were traded weak in last couple of weeks due to frail demand from bulk buyers. Normally at the near end of the season, buyers prefer to stay away from market due to lower demand from bulk buyers and expected arrival from new crop, i.e., hardly one month away.

Total area planting to India's 2015-16 Kharif (main) rice crop (June - December) in India stood at around 36.841 million hectares as of September 11, 2015, slightly up from around 36.651 million hectares planted during the same time last year, according to a press release by the Agriculture Ministry.

Total Rice export for the period 07-13 Sept, 15 was 189807.4 thousand tonnes. Non- basmati rice export in the period was 102612.6 tonnes and basmati exports contribution for the period was 45.93% with quantity of 87190.8 tonnes.

As per first advance estimates released by Ministry of Agriculture, India's total foodgrains production, including rice, coarse cereals and pulses, is likely to touch 124.05 million tonnes (mt) this Kharif, 1.78 per cent lower than last year's final estimate of 126.38 mt. However, the early estimate for this kharif is higher than last year's early estimate of 120.27 mt – a 3.14 per cent increase. Rice production is pegged at 90.61 mt compared to 88.02 mt last year and targets for total rice production is about 106 million tonnes, whereas Agriwatch total rice production(including rabi) estimates for MY 2015-16 is around 104.5-105 million tonnes.

State wise Progressive Procurement

State/UTs	KMS 2014-15*
AP	35.72
Telangana	35.04
Assam	0.15
Bihar	16.19
Chandigarh	0.1
Chhattisgarh	33.55

Delhi	0
Gujarat	0
Haryana	20.15
H.P	0
Jharkhand	0.02
J&K	0
Karnataka	0.88
Kerala	3.74
M.P	8.07
Maharashtra	1.99
Nagaland	0
Odisha	34.87
Pondicherry	0
Punjab	77.86
Rajasthan	0
Tamil Nadu	9.51
U.P	16.98
Uttarakhand	4.65
West Bengal	20.32
Total	**319.79**

Source:FCI

*KMS 2014-15 is under progress. Figures reported as on 15.09.2015

State wise Wholesale Prices weekly for 03rd Week of September-2015-

State	Prices 16-23 Sep 2015	Prices 09-15 Sep 2015	Prices 01-08 Sep 2015	Prices 16-23 Sep 2014	% Change(Over Previous Week)	% Change(Over Previous to Previous Week)	% Change(Over Previous Year)
AP	2888.55	2798.31	2831.34	2568.35	3.22	2.02	12.47
Assam	2987.85	3102.15	3142.04	2923.75	-3.68	-4.91	2.19
Gujarat	2674.75	2672.3	2674.88	2604.5	0.09	0	2.7
Jharkhand	2661.22	2587.13	2608.69	2610.04	2.86	2.01	1.96
Karnataka	3468.91	3330.25	3404.9	3508.57	4.16	1.88	-1.13
Kerala	3193.24	3048.65	3086.74	3286.33	4.74	3.45	-2.83
Maharashtra	3070.01	2916.45	5400.9	3411.87	5.27	-43.16	-10.02
Meghalaya	3142.86	3087.18	3089.09	273.57	1.8	1.74	1048.83
Orissa	2282.9	2230.88	2093.51	2181.64	2.33	9.05	4.64
Tripura	2675.8	2631.45	2619.43	2619.04	1.69	2.15	2.17
UP	2102.49	2098.86	2097.43	2088.39	0.17	0.24	0.68
Uttarakhand	1788.38	1993.91	1933.56	2012	-10.31	-7.51	-11.11
West Bengal	2277.24	2247.48	2257.58	2571.95	1.32	0.87	-11.46
Average	2708.78	2672.69	2864.72	2512.3			
As per the data reported by APMCs							

Source agmarknet

Price Projection for September 04th Week in Domestic Market:

Duration	Trend	Average Price Range
04th Week Of Sept, 2015	Steady to firm	Rs.2700-2780/Q

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	**Today 18 Sept 2015)**	**Week Ago(11 Sept-15)**	**Month Ago (18 Aug-2015)**	**% ch. From last week**	**% Change from last Month**
1121 Steam	5000	5200	5800	-3.85	-10.34
1121 Sella	3900	4100	4700	-4.88	-12.77
1121 Raw	4700	5100	5500	-7.84	-7.27

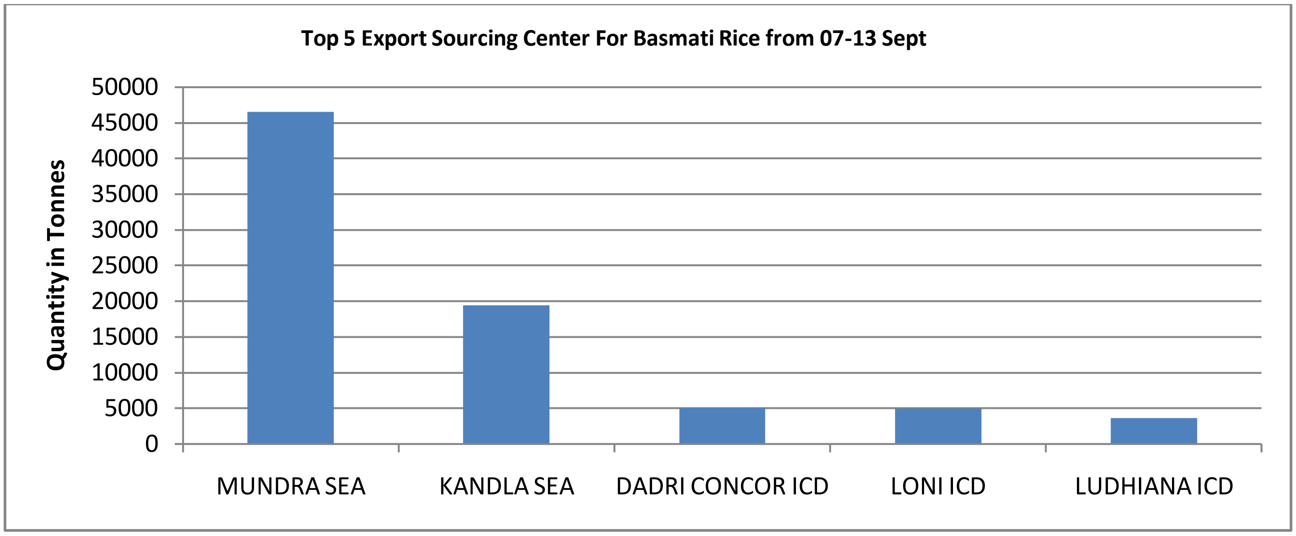
Weekly Price (FOB) Change of Rice 5% broken high quality(Figure in USD?MT):

Indian White Rice 5%, 25% High Quality, Long grain parboiled 5%					
Variety	**Today 18 Sept 2015)**	**Week Ago(11 SEPT-15)**	**Month Ago(18 Aug-2015)**	**% ch. From last week**	**% Change from last Month**
White Rice 5%	385	375	370	2.67	1.35
White Rice 25%	350	350	350	0.00	0.00
Parboiled 5%	360	365	365	-1.37	0.00

Major Importers of Basmati & Non Basmati Rice 07-13 Sept-2015:

Top 10 Non basmati Importer		Top 10 Basmati Importer	
Country	**QUANTITY(Tonnes)**	**Country**	**QUANTITY(Tonnes)**
BENIN	26172.75	U A E	18545.647
SENEGAL	12020	KUWAIT	11882.398
LIBERIA	10500.003	SAUDI	11762.765
TURKEY	5251.86	SAUDI ARABIA	7354.76
B'DESH	3672.66	IRAN	6753.9
U A E	3138.531	U K	6491.5
GUINEA	2937.325	IRAQ	5534.23
SOUTH AFRICA	2916.05	U S A	2165.654
OMAN	2887.504	YEMEN	2139.772
DJIBOUTI	2661	KOREA	2134
Others	30454.92229	Others	12430.181
Grand Total	**102612.6053**	**Grand Total**	**87194.807**

Major Basmati Export Sourcing Center:



Total Rice export for the period 07-13 Sept, 15 was 189807.4 thousand tonnes. Mundra, Kandla and Dadri Concor ICD were the major port for basmati rice import center during this period.

Global Updates:

VIETNAM and Thailand are poised to bag contracts to supply a total of 750,000 metric tons (MT) of additional rice to boost the Philippines' buffer stock amid a brewing "strong" El Niño that could turn out to be the worst since 1998. The National Food Authority (NFA) recently auctioned off the supply of 250,000 MT of 25% broken rice to be imported this year and 500,000 MT of the same standard due early next year. Only Vietnam and Thailand participated in the first auction round but their offers were rejected for exceeding the government's budget. Vietnam submitted a $431.25/MT offer for the entire 750,000 MT, while Thailand offered $430/MT for 300,000 MT.

Bangladeshi Farmers bagged a record 1.91 crore tonnes of boro rice last season, enabling the country to log in its highest rice output and attain self-sufficiency in staple food. Overall, rice output stood at a total of 3.47 crore tonnes in fiscal 2014-15, up 1 percent year-on-year, according to Bangladesh Bureau of Statistics.

The Philippines' National Food Authority (NFA) will import 750,000 tons of 25% broken rice at $426.83 per ton from the governments of Thailand (supplying 300,000 tons) and Vietnam (450,000 tons), according to local sources. Under this tender, 250,000 tons will be imported this year, including 125,000 tons in November and 125,000 tons in December, and 500,000 tons will be imported next year. The extra imports are part of efforts to boost stocks amid concerns that the country's production will be hurt by the El Niño weather pattern.

Major Importers of Basmati & Non Basmati Rice in the Month of Aug-2015:

Non Basmati			Basmati Rice		
Country	Quantity in Tonnes	Average of FOB $/Tonne	Country	Quantity in Tonnes	Average of FOB $/Tonne
BENIN	99659.17	357.98	U A E	67048.966	808.08
SENEGAL	62398	299.33	S.ARABIA	53162.02	891.76
GUINEA	52629.3	363.15	IRAN	27867.144	878.05
SOUTH AFRICA	47782.472	368.54	U K	13932.207	915.10
LIBERIA	44642.71	352.09	IRAQ	13021.248	786.09
IVORY COAST	34041.5	346.68	KUWAIT	13010.837	941.50
TURKEY	22204.374	366.02	U S A	7829.69143	838.44
SINGAPORE	20289.213	440.36	OMAN	6283.098	983.84
SOMALIA	18855.6	378.56	YEMEN	5502.978	831.44
Others	158183.7737	375.5	Others	60589.918	924.5
Grand Total	**560686.1127**	**469.93**	**Grand Total**	268248.1074	**852.77**

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

	2012-13	2013-14	2014-15 Estimate 22.01.15	Forecast 30.7.15 2015-16	Forecast 27.08.15 2015-16
Production	473	478	476	480	479
Trade	38	43	42	42	42
Consumption	469	479	484	489	488
Carryover stocks	113	112	103	96	97
Y-O-Y change	4	-2	-8		-9
Major Exporters	40	37	28	20	22

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

IGC Rice Balance sheet Highlights:
The projection of global rice output in 2015/16 is trimmed but, at 479m t, would broadly match the previous year's record. Carry-in stocks are placed higher than in July and, with total use little changed, aggregate carryovers are lifted by 0.9m t, to 96.9m. Nevertheless, this would still equate to a y/y decline of 9% and be the smallest in six seasons, mainly on a drop in leading exporters. At 42m t, world trade is anticipated to remain high in 2016 on demand from buyers in Africa and Asia World rice trade is projected to stay historically high in 2016, with China again the biggest buyer owing to large domestic-export price premiums.

The 2015/16 world rice outturn is seen broadly matching the previous year's record, although prospects remain tentative, especially due to ongoing weather worries. With population growth set to support a further expansion of uptake, global end-season inventories are projected to fall by 9%, to 96.9m t – the smallest in six years and almost entirely due to a contraction in key exporters. Trade is expected to remain high in 2016 on demand from buyers in Africa and Asia. Thailand's volumes are seen surpassing those of India as it reclaims its status as the world's biggest exporter.

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

Market Analysis:
The CBOT November month rough chart for rice indicates firm movement in previous weekly session; overall market is in bullish trend. We expect market to hover in the range USD 12.20-13.20/ hundredweight in coming sessions.

Price Projection (International-CBOT):

Duration	Trend	Price Range
04th week of Sept, 2015	**Steady to Firm**	USD/ Hundred Weight 12.20-13.20