**Latest Market Development**

***Wholesale Prices for India as an average for second week of October traded weak by 2.32% and are currently hovering at Rs.2640-2650/****quintal. We expect non-basmati rice market to move range bound to slightly weak due to start of new arrivals in major north Indian market.*

***Aromatic rice monthly average prices in the month of August*** *were weak by 8-12% in all major markets of Amritsar, Karnal and Delhi, due to frail demand from bulk buyers.*

***Total rice planting to India's main crop (June-December) stood at 37.81million hectare as of Oct-16, 2015 which is slightly down by 0.14 lakh*** *Ha from the corresponding period last year. This is almost final figure of main crop. As of October 01st-2015, Area under paddy in Punjab, Haryana and U.P is 28.43 lakh Ha, 12.43 Lakh Ha and 58.96 lakh hectare respectively, which is up by 0.23 lakh hectare, 1.07 lakh hectare and 1.99 lakh hectare in these states accordingly.*

***The total rice export has touched 118 lakh tonnes for MY- 2014-15, which is up by 13% from MY 2013-14*** *export of 104 lakh tonnes. Basmati exports in the end of marketing year were 41 lakh tonnes which is 18% up from last year exports of 34.59 lakh tonnes, despite the ban by Iran which is one of the largest buyers of Indian Basmati rice. In MY 2014-15, Saudi Arabia, Iraq, Kuwait, USA were the main buyers.*

***Total Rice exported from India in the first week of October (05-11) was 168107.87 tonnes out of which basmati rice*** *contributes 98.15%, only 1.84% non-basmati rice exported in this period with quantity of around 3103 tonnes as per latest data extract from IBIS. Major importers for Indian Basmati rice in this period was Saudi Arabia, Iraq and UAE.*

***The cumulative rainfall in the country during the post monsoon season i.e. 01st October to 07th October, 2015*** *was 44% lower than Long Period Average (LPA). Rainfall (% departure from LPA) in the four broad geographical divisions of the country during the above period was lower by 74% in East & North East India, 99% in North West India, and 55% in Central India and higher by 22% in South Peninsula. El Nino has had little effect on India's rice acreage. Total rice planted area stood at around 37.824 million hectares as of October 16, 2015, slightly down from around 37.967 million hectares planted during the corresponding time last year.*

**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** |

Figure in lakh Tonnes Source:FCI

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

**State wise Wholesale Prices weekly for 02nd Week of October-2015-**

| State | Prices 09-15 Oct 2015 | Prices 01-08 Oct 2015 | Prices 24-30 Sep 2015 | Prices 09-15 Oct 2014 | % Change(Over Previous Week) | % Change(Over Previous to Previous Week) | % Change(Over Previous Year) |
|---|---|---|---|---|---|---|---|
| **AP** | 2903.32 | 3407.24 | 3383.38 | 3754.1 | -14.79 | -14.19 | -22.66 |
| **Assam** | 3107.3 | 3067.71 | 3085.13 | 2915.5 | 1.29 | 0.72 | 6.58 |
| **Bihar** | 2008.1 | 1994.62 | 2006.67 | | 0.68 | 0.07 | __ |
| **Gujarat** | 2670.23 | 2667.61 | 2721.46 | 2619.3 | 0.1 | -1.88 | 1.94 |
| **Jharkhand** | 2550.75 | 2551.49 | 2563.63 | 2717.17 | -0.03 | -0.5 | -6.12 |
| **Karnataka** | 3450.35 | 3289.73 | 3366.82 | 3551.92 | 4.88 | 2.48 | -2.86 |
| **Kerala** | 3103.93 | 3104.93 | 3119.11 | 3362.14 | -0.03 | -0.49 | -7.68 |
| **Maharashtra** | 3452.13 | 3524.57 | 2962.72 | 3516.74 | -2.06 | 16.52 | -1.84 |
| **Manipur** | 3040.54 | 3219.11 | | 3181.78 | -5.55 | __ | -4.44 |
| **Meghalaya** | 3060.14 | 3418.3 | 3042.28 | 3903.81 | -10.48 | 0.59 | -21.61 |
| **Delhi** | 1800 | 2000 | 1880.43 | | -10 | -4.28 | __ |
| **Orissa** | 2092.17 | 2148.1 | 2249.45 | 2113.61 | -2.6 | -6.99 | -1.01 |
| **Tripura** | 2658.4 | 2659.88 | 2656.06 | 2708.6 | -0.06 | 0.09 | -1.85 |
| **U.P** | 2099.12 | 2094.72 | 2111.94 | 2113.27 | 0.21 | -0.61 | -0.67 |
| **Uttarakhand** | 2035.96 | 1889.15 | 1857.01 | 1912.62 | 7.77 | 9.64 | 6.45 |
| **W.Bengal** | 2271.87 | 2275.57 | 2283.8 | 2587.07 | -0.16 | -0.52 | -12.18 |
| **Average** | 2644.02 | 2707.04 | 2619.33 | 2932.82 | | | |
| **As per the data reported by APMCs** | | | | | | | |

Source agmarknet

**Price Projection for October 03r Week in Domestic Market:**

| Duration | Trend | Average Price Range |
|---|---|---|
| **03rd Week Of Oct, 2015** | **Steady to Weak** | **Rs.2590-2680/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 | 16 Oct 2015) | 08 Oct 2015) | Month Ago(16 Sept-2015) | % ch. From last week | % Change from last Month |
| 1121 Steam | 5300 | 5300 | 5000 | 0.00 | 6.00 |
| 1121 Sella | 4000 | 4000 | 3900 | 0.00 | 2.56 |
| 1121 Raw | 4600 | 4600 | 4700 | 0.00 | -2.13 |

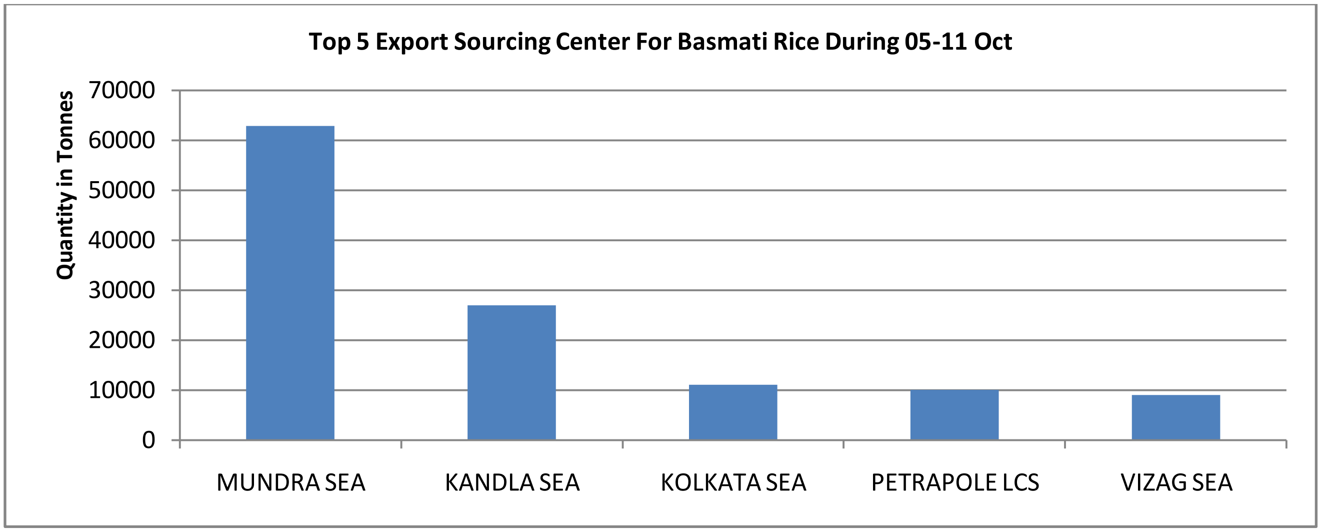
**Weekly Price (FOB) Change of Rice 5% broken high quality (Figure in USD/ MT):**

| Indian White Rice 5%, 25% High Quality, Long grain parboiled 5% | | | | | |
|---|---|---|---|---|---|
| Variety | 16 Oct 2015) | 08 Oct 2015) | Month Ago(16 Sept-2015) | % ch. From last week | % Change from last Month |
| White Rice 5% | 365 | 355 | 385 | 2.82 | -7.79 |
| White Rice 25% | 325 | 325 | 350 | 0.00 | -7.14 |
| Parboiled 5% | 345 | 345 | 370 | 0.00 | -6.76 |

**Major Importers of Basmati & Non Basmati Rice in the Period between 05-11 Oct-2015:**

| Country | QUANTITY (Tonnes) | Average of FOB $/Tonne | Country | QUANTITY(Tonnes ) | Average of FOB $/Tonne |
|---|---|---|---|---|---|
| U A E | 554.00 | 599.14 | S.ARABIA | 20609.49 | 903.74 |
| QATAR | 405.98 | 554.17 | IRAQ | 18199.83 | 715.95 |
| MALAYSIA | 390.00 | 330.11 | U A E | 17960.43 | 622.14 |
| SIERRA LEONE | 299.00 | 246.39 | U K | 16807.45 | 466.15 |
| MOZAMBIQUE | 262.50 | 360.60 | Blank | 11379.18 | 486.05 |
| SAUDI | 250.00 | 695.08 | BENIN | 11176.50 | 347.72 |
| U S A | 220.32 | 319.68 | SINGAPORE | 5876.92 | 3746.14 |
| DJIBOUTI | 211.48 | 496.12 | IRAN | 5786.71 | 832.96 |
| KUWAIT | 100.01 | 529.27 | BAHRAIN | 5228.70 | 738.54 |
| BENIN | 78.00 | 377.88 | SWEDEN | 4965.77 | 686.34 |
| Others | 331.77 | 535.43 | Others | 47013.84 | 623.57 |
| **Grand Total** | **3103.06** | **441.08** | **Grand Total** | **165004.82** | **811.13** |

**Major Basmati Export Sourcing Center:**




Total Rice export in the first week of Oct (05-11), 15 was 168107.87 tonnes. Mundra, Kolkata Sea were the major port for basmati rice import center during this period.

**Global Updates:**

***Thailand rice sellers increased their quotes for 100% rice, 5% broken rice, parboiled rice and Hom Mali rice varieties*** *by about $5 per ton each to around $370 - $380 per ton, $360 - $370 per ton, $365 - $375 per ton and $820 - $830 per ton respectively. Vietnam rice sellers increased quotes for 5% broken rice and 15% broken rice varieties by about $5 per ton each to around $355 - $365 per ton and $345 - $355 per ton respectively. Other Asian rice sellers kept their quotes unchanged. Due to higher quotes offered by Thailand and Vietnam, Indian Prices are likely to stay steady in the short term also recent rains in major growing states like Punjab and Haryana de-railed normal harvesting activity and it may directly impact the pace of arrival.*

***The Philippines may import an additional one million tons of rice next year in order to maintain adequate stocks*** *and avoid price hikes, especially with a strengthening El Nino on the horizon. Rice stocks in the Philippines declined in September for the fourth consecutive month. Total rice stocks as of September 1 stood at around 1.96 million tons, down about 12.5% from August and about 31.5% higher than the corresponding period last year. The Philippines Statistics Agency estimates the Philippines paddy rice production in the third quarter (July-September) of 2015 to decline about 14.8% y/y to 2.579 million tons, down from its previous forecast of 2.589 million tons.*

***Indonesia, which has signed purchase contracts with Vietnam and Thailand*** *to import rice in case of a need, will decide about the imports in November or December.*

***The USDA Post estimates Pakistan's MY 2014-15 (November-October) rice exports*** *will remain unchanged from last year's level of around 4 million tons.*

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

| | 2012-13 | 2013-14 | 2014-15 Estimate 22.01.15 | Forecast 27.08.15 2015-16 | Forecast 24.09.15 2015-16 |
|---|---|---|---|---|---|
| **Production** | 473 | 478 | 479 | 479 | 477 |
| **Trade** | 38 | 43 | 43 | 42 | 42 |
| **Consumption** | 469 | 480 | 484 | 488 | 488 |
| **Carryover stocks** | 113 | 11 | 106 | 97 | 95 |
| **Y-O-Y change** | 4 | -2 | -5 | | -11 |
| **Major Exporters** | 40 | 38 | 31 | 22 | 22 |

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

***IGC Rice Balance sheet Highlights:***

*World rice output in 2015/16 is predicted to fall slightly from the previous year's high, on expectations for smaller crops in key Asian producers. Together with reduced opening stocks, global availabilities are set to tighten and, given a population-driven increase in food use, carryovers are anticipated to contract by 10% y/y. Most of the downward adjustment of 11m t is likely to be due to a heavy drop in the major exporters. Trade in calendar year 2016 is expected to contract, but stay historically high. The projection of world rice output is cut by about 2m t, to 477m, but would still be only a fraction lower y/y. Feeding through to a smaller prediction of total supplies, and with consumption little changed from last month, global inventories are trimmed to 95m t, the y/y contraction of 10% almost entirely due to India and Thailand. The outlook for trade in 2016 is maintained at 42m t, down slightly from the year before, but well above the prior five-year average.*

***IGC Revised Rice Production Down By 2 MMT to 477 MMT***

*IGC has revised rice production estimate down by2 MMT to 477 MMT for 2015-16. Decrease in production estimate may shrink opening stock. With increasing population driven demand carry out may decrease by 10 percent year on year basis. It may stabilize rice price in the months ahead.*

***Global Trade of Rice may Decline to 42 MMT***

*Global trade of rice too has been projected slightly lower (at 42MMT) from previous year high. Global inventory may touch 95MMT due to decrease in Indian and Thai stock.*

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


**Market Analysis:**
*The CBOT November month rough chart for rice indicates weak movement in previous weekly session; overall market too is in down trend from last week. We expect market to hover in the range USD 11.60-11.90 hundredweight in coming sessions.*

**Price Projection (International-CBOT):**

| Duration | Trend | Price Range |
|---|---|---|
| **03rd week of Oct, 2015** | **Steady to Weak** | USD/ Hundred Weight 11.60-11.90 |