



Rice Weekly Research Report

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Outlook and Review:**Domestic Front**

Average weekly wholesale rice prices in India stood at around Rs.3008 per quintal in first week of August-2017, firm about 4.74% from around Rs.2872 per quintal in last week, and up about 6.42% from around Rs.2827 per quintal a year ago. Agriwatch expects non-basmati rice market to move range bound with firm tone in coming month due to expectation of higher international demand and lower stock.

The total sown area as on 04th August 2017, as per reports received from States, stands at 878.23 lakh hectare as compared to 855.85 lakh hectare at this time last year. It is reported that rice has been sown/transplanted in 280.03 lakh ha, pulses in 121.28 lakh ha, coarse cereals in 156.95 lakh ha, sugarcane in 49.71 lakh hectare and cotton in 114.34 lakh ha.

All-India progressive procurement of Rice as on 28.07.2017 for 2016-17 was 386.82 lakh tonnes against the procurement of 340.96 lakh tonnes in the corresponding period of last year. The procurement of wheat for the rabi marketing season (RMS) 2017-18 was 308.01 lakh tonnes against the procurement of 229.62 lakh tonnes in the corresponding period of RMS 2016-17.

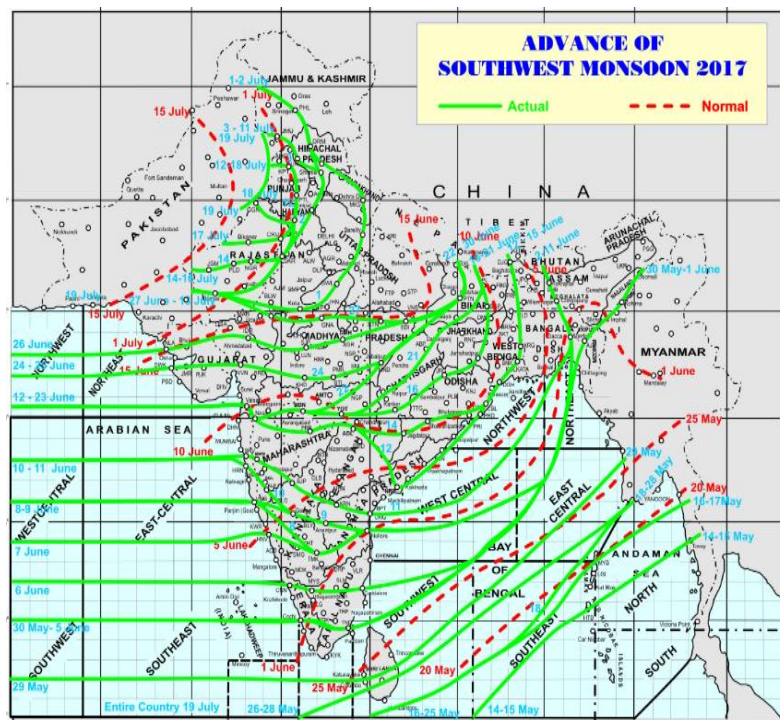
In the monsoon season, at All-India level, the rainfall during the week (20th July, 2017 – 26th July, 2017) has been 22% higher than Long Period Average (LPA). Rainfall in the four broad geographical divisions of the country during the above period have been higher than LPA by 48% in East & North East India, 35% in Central India and 29% in North West India but lower than LPA by 56% in South Peninsula.

Among the food-grains, the inflation for Cereals has decreased to 1.93% from the previous month's level of 4.15%, Pulses to (-) 25.47% from the previous month's level of (-) 19.73%, Paddy to 4.36% from the previous month's level of 6.33% and Wheat (-) 0.29% from the previous month's level of 2.23%.

Agriwatch has updated the rice exports in the first week of August based on data released by APEDA. Total rice exports for MY-2016-17 till May-17 were 66.82 lakh tons, around 0.32% lesser than last year's export of 67.04 lakh tons for the corresponding period (Oct-May). Non-basmati rice exports in MY 2016-17 which started from October 2016 to May-2017 was 40.44 lakh tons and basmati exports in these months were 27.24 lakh tons.

On hopes of good production, the Centre today fixed higher rice procurement target at 37.5 million tons for the 2017-18 marketing season beginning October. This year rice procurement crossed its target of 33 million tons and reached to 38.67 million tons. The target for rice producing states was also fixed in the meeting: Punjab to procure 115 lakh tonnes, Chhattisgarh (48 lakh tonnes), Uttar Pradesh (37 lakh tonnes), Haryana and Odisha (30 lakh tonnes each), Andhra Pradesh is 25 lakh tonnes and West Bengal (23 lakh tonnes).

India's agri exports for the April-June quarter rose by almost a tenth in dollar terms and 7% in rupee terms on strong overseas demand for products such as basmati rice and guar gum. Basmati rice, the largest product in the agri-exports basket, increased buying from Iran during the period. Basmati volumes for the April-June quarter stood at 1.25 million tons, a growth of 6% over last year's 1.18 million tons. As per by APEDA, besides increased buying from Iran, the higher per unit realization fetched by basmati shipments also contributed to the overall export growth in value terms. As against per ton realization of around \$850 last year, basmati rice has commanded an average price of \$1009 per ton in the April-June quarter this year. Higher realizations for non-basmati rice have also pushed up the growth in exports of the cereal as volumes saw a marginal dip at 1.72 million tons (against 1.78 million tons).


Weather Watch:
Advance of Southwest Monsoon-2017

According to the Indian Meteorological Department (IMD), heavy rains are expected next week in the Central Indian states of Gujarat, Madhya Pradesh, Rajasthan and Maharashtra. The Government of India has issued advisories regarding the rapid rise in water levels of rivers in these states. The IMD second forecast for the Southwest Monsoon predicts a normal monsoon for 2017 and suggests that June to September rainfall will be 98 percent of the Long Period Average (LPA). May 30, 2017, was the official onset date for the 2017 Southwest Monsoon when showers hit southern India

State wise Paddy Crop Situation - Kharif (2017-18) as on 04.08.2017

State	Normal Area	Normal Area as on date	Area sown reported			Absolute Change
			This Year	% of Normal	Last Year	
Andhra Pradesh	15.68	6.49	6.09	38.8	6.67	-0.58
Arunachal Pradesh	1.27	1.14	1.31	102.8	1.18	0.13
Assam	20.91	15.78	14.20	67.9	15.78	-1.58
Bihar	31.64	22.52	28.57	90.3	24.54	4.03
Chhattisgarh	37.97	30.95	31.17	82.1	30.23	0.94
Goa	0.44	0.13	0.26	59.4	0.25	0.01
Gujarat	7.35	4.95	6.13	83.4	4.76	1.37
Haryana	12.64	11.00	12.36	97.8	11.09	1.27
Himachal Pradesh	0.75	0.75	0.76	101.5	0.76	0.00
J&K	2.75	1.38	1.13	41.1	1.10	0.03
Jharkhand	14.46	7.38	9.68	66.9	6.59	3.09
Karnataka	10.36	3.60	2.92	28.2	4.18	-1.26
Kerala	1.54	0.91	0.59	38.4	0.56	0.03

Madhya Pradesh	19.30	13.86	14.19	73.5	15.10	-0.91
Maharashtra	15.18	5.74	6.84	45.1	6.35	0.49
Manipur	0.68	1.66	1.69	248.5	1.84	-0.15
Meghalaya	0.97	0.93	1.10	114.0	0.97	0.13
Mizoram	0.33	0.36	0.20	61.2	0.36	-0.16
Nagaland	1.87	1.84	2.10	112.4	2.00	0.10
Odisha	37.94	22.14	22.86	60.3	19.77	3.09
Punjab	28.77	29.04	29.11	101.2	30.46	-1.35
Rajasthan	1.51	1.07	1.33	88.0	1.44	-0.11
Sikkim	0.11	0.09	0.11	96.5	0.11	0.00
Tamil Nadu	16.31	2.14	1.51	9.3	2.43	-0.92
Telangana	9.75	4.71	3.45	35.4	3.15	0.30
Tripura	1.98	1.14	1.29	65.0	1.36	-0.07
Uttar Pradesh	58.79	51.92	51.92	88.3	48.03	3.89
Uttarakhand	2.51	2.43	2.45	97.7	2.42	0.03
West Bengal	41.91	22.81	24.52	58.5	23.27	1.25
Puducherry						
Others	0.29	0.22	0.20	69.4	0.18	0.02
All-India	395.94	269.09	280.03	70.7	266.93	13.10

Rice Sowing Update as on 4th August-2017: About 280.03 lakh ha area coverage under rice has been reported compared to normal of corresponding week (269.09 lakh ha). Thus 10.94 lakh ha less area has been covered compared to normal of corresponding week. Higher area is reported from the States of Bihar (6.05 lakh ha), Jharkhand (2.30 lakh ha), West Bengal (1.71 lakh ha), Haryana (1.36 lakh ha), Gujarat (1.18 lakh ha), Maharashtra (1.11 lakh ha), Odessa (0.72 lakh ha), Madhya Pradesh (0.33 lakh ha), Rajasthan (0.26 lakh ha), Nagaland (0.26 lakh ha), Chhattisgarh (0.21 lakh ha), Arunachal Pradesh (0.17 lakh ha), Meghalaya (0.17 lakh ha), Tripura (0.15 lakh ha), Goa (0.13 lakh ha) Punjab (0.07 lakh ha), Manipur (0.02 lakh ha), Sikkim (0.02 lakh ha), Uttarakhand (0.02 lakh ha) and Himachal Pradesh (0.01 lakh ha). Less area is reported from the States of Assam (1.58 lakh ha), Telangana (1.26 lakh ha), Karnataka (0.68 lakh ha), Tamil Nadu (0.63 lakh ha), Andhra Pradesh (0.40 lakh ha), Kerala (0.32 lakh ha), Jammu & Kashmir (0.24 lakh ha) and Mizoram (0.16 lakh ha).

State wise Wholesale Prices weekly for 01st Week of July-2017

State	Prices 01-08 Aug 2017	Prices 24-31 Jul 2017	Prices 01-08 Aug 2016	% Change(Over Previous Week)	% Change(Over Previous Year)
Andhra Pradesh	4022.5	2465.01	3793.2	63.18	6.05
Assam	3034.9	3236.27	3168.32	-6.22	-4.21
Gujarat	3186.81	3262.99	3223.01	-2.33	-1.12
Jharkhand	2733.33	2724.56	2609.35	0.32	4.75
Karnataka	3635.26	3656.24	3534.61	-0.57	2.85
Kerala	3792.85	3825.68	3239.27	-0.86	17.09
Maharashtra	3491.37	3656.5	2638.33	-4.52	32.33
Manipur	3100	3100	3018.45	0	2.7
Meghalaya	2767.02	2783.92	3381.43	-0.61	-18.17
Delhi		2025	2000	—	—
Orissa	2381.34	2483.63	2329.05	-4.12	2.25
Tripura	2891.11	2897.42	2739.38	-0.22	5.54
Uttar Pradesh	2235.6	2257.49	2205.64	-0.97	1.36
Uttarakhand	2238.86	2123.91	2114.35	5.41	5.89
West Bengal	2604.94	2580.48	2407.53	0.95	8.2
Average	3008.28	2871.94	2826.79		

Price Projection for August 02nd Week in Domestic Market

Duration	Trend	Average Price Range	Reason
02 nd Week of Aug, 2017	Steady	Rs.3100-3250/Quintal	Non-basmati rice market likely to move steady to firm note in coming weeks due to lower arrival and good domestic as well overseas demand.

Rice Price:

MARKET UPDATE

DATE: 20.07.2017

CROP	BASMATI		1121				1509			SUGANDHA		
	RAW	WHITE	RAW	STEAM	WHITE	GOLDEN	STEAM	WHITE	GOLDEN	STEAM	WHITE	GOLDEN
		PARBOILED			PARBOILED	PARBOILED		PARBOILED	PARBOILED		PARBOILED	PARBOILED
PADDY PRICE NEW	35500	34500	30500	30500	29500	29500	27500	27500	27000	27000	26500	26500
RICE @PMT MARKET PRICE	65000	60000	64000	64000	51500	54000	59000	48000	51000	55000	46000	48000
MARKET PRICE IN USD: 64.32	1119	1041	1104	1104	910	948	1026	855	902	964	824	855

CROP	PUSA				1401		SARBATI		PR-11 OR 14		PR-106		SAMBHA MANS.
	RAW	STEAM	WHITE	GOLDEN	STEAM	WHITE	STEAM	WHITE	STEAM	WHITE	RAW	WHITE	
			PARBOILED	PARBOILED		PARBOILED		PARBOILED		PARBOILED		PARBOILED	
PADDY PRICE NEW	28500	28500	27500	27500	28500	27500	19500	19500	15500	15500	13500	13500	17500
RICE @PMT MARKET PRICE	57000	58000	48000	51000	58000	49000	46000	38000	31000	29000	24000	24000	30000
MARKET PRICE IN USD: 64.32	995	1011	855	902	1011	871	824	700	591	560	482	482	575

1). ALL PRICES ARE FOR CNF DAMMAM,OMAN,BAHRAIN,KUWAIT,QATAR,SAME PRICE

2). YEMEN ADEN EXTRA 50 USD,HODEIDAH EXTRA 70 USD AND JEDDAH 5 USD.

NOTE: ALL PRICES ARE FOR 40KG DOUBLE JUTE BAGS.

USD@64.32

COUNTRY	PORT	CNF PRICE
KSA	DAMMAN	SAME PRICE
KSA	JEDDAH	EXTRA 5 USD
OMAN	SOHAR	SAME PRICE
BAHRAIN	BAHRAIN	SAME PRICE
YEMEN	ADEN	EXTRA 50 USD
YEMEN	HODEIDAH	EXTRA 70 USD
KUWAIT	KUWAIT	SAME PRICE
DOHA	QATAR	SAME PRICE

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	04-Aug-2017)	27-July-2017)	Month Ago(04-July-2017)	% ch. From last week	% Change from last Month
1121 Steam	5700	6350	6600	-10.24	-13.64
1121 Sella	4550	5175	5500	-12.08	-17.27
1121 Raw	5750	6250	6500	-8.00	-11.54

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	04-Aug-2017)	27-July-2017)	Month Ago(04-July-2017)	% ch. From last week	% Change from last Month
White Rice 5%	432	435	440	-0.69	-1.82
White Rice 25%	370	371	383	-0.27	-3.39
Parboiled 5%	435	438	442	-0.68	-1.58

Major Mandi Arrival in July-2017

Figure in Tons

Fig. in TonsMandi	July-17(Cumulative)	June-17(Cumulative)	July-16-Cumullatiive)	% Change(Over Previous Month)	% Change(Over Previous year)
Burdwan	144144.57	134928.57	123385.54	6.83	16.82
Midnapore	5177.19	4639.19	4074.17	11.60	27.07
Banaganapalli	16296.77	15833.77	15579.33	2.92	4.61
Ramachandrapuram	4581.75	4028.75	3733.75	13.73	22.71
Devariya	34868.34	33312.87	28500.43	4.67	22.34
Sitapur	29133.94	28709.38	27881.31	1.48	4.49
Mysore	79816	69738	58404.62	14.45	36.66
Raichur	187226.82	186457.74	67477.88	0.41	177.46
Villupuram	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
Thiruchirappalli	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!

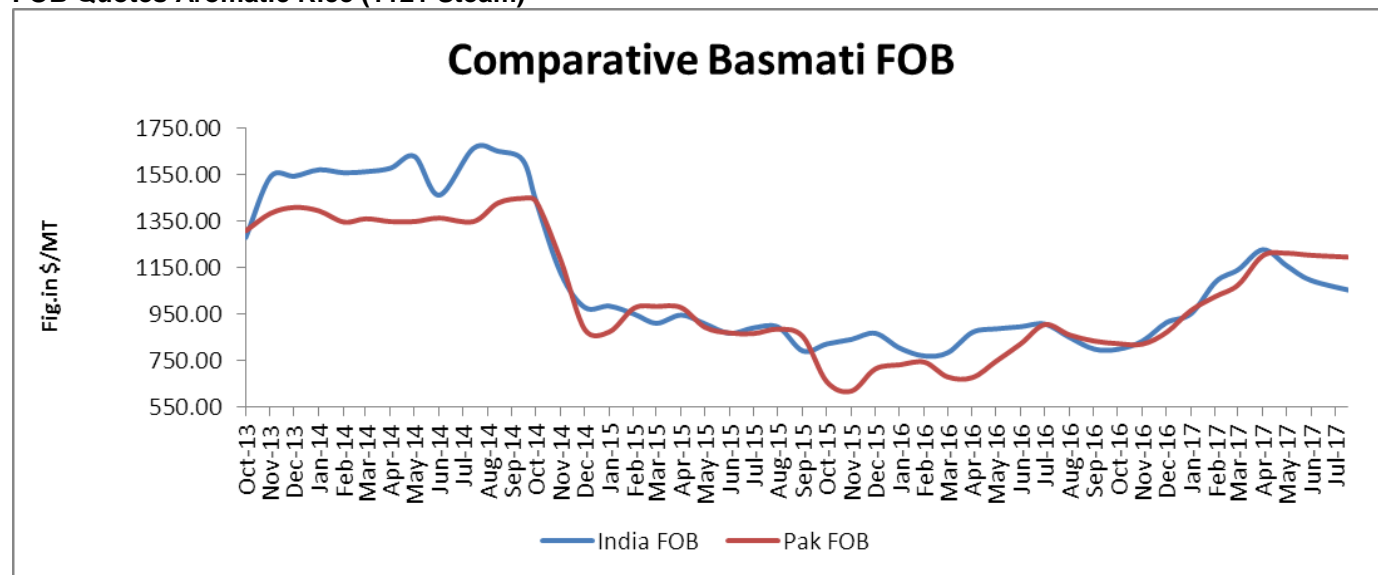
State wise Progressive Procurement

State/UTs	Total procurement Target in marketing season 2016-17 (Oct. – Sept.)	Progressive Procurement as on 28.07.2017	
(in Lakh T)		In Marketing season 2016-17	In Marketing season 2015-16
AP	42.00	37.15	43.28
Telangana	30.00	35.93	15.80
Bihar	20.00	12.34	12.23
Chhattisgarh	35.00	46.62	34.42
Haryana	29.00	35.83	28.61
Kerala	2.22	3.08	3.76
M.P	9.00	13.14	8.41
Maharashtra	3.25	3.06	2.30
Odessa	31.00	35.87	33.69
Punjab	94.5	110.52	93.5
Tamilnadu	15.00	1.42	11.23
U.P	33.50	23.54	29.10
Uttarakhand	6.00	7.06	5.97
West Bengal	25.00	19.23	15.45
Others	1.81	0	3.76
Total	380.00	386.82	340.96

Riding a record harvest, public rice procurement in MY 2016/17 through July 28, 2017, was estimated at 38.68 MMT, an increase over the 34.09 MMT procured during the corresponding period last year. All major rice producing states

procured at higher levels except for the southern states of Andhra Pradesh, and Tamil Nadu where dry conditions affected production levels. With additional procurement of rabi and summer rice likely to continue in eastern and southern states, although less than last year, public rice procurement in MY 2016/17 is already exceed the target of 38 MMT for MY 2016-17.

FOB Quotes Aromatic Rice (1121 Steam)



Source-FAO& Agriwatch

Indian FOB for 1121 steam in the month of July moved weak from last month and currently is in the range of USD 1043-1045/MT which is down by 4.80% from last month price of USD 1096/T. Average basmati rice price too frail this month with lower demand from international markets, however overall sentiments for basmati rice price remains firm in coming months. According to the UN's Food and Agriculture Organization (FAO), Currently Pakistani basmati FOB is moving weak and now it's hovering in the range of USD 1195/MT which is also down by 0.82% from last month FOB of USD 1205/MT.

Global Updates

Recently Bangladesh signed an agreement with Cambodia to purchase 1 million tonnes of rice within the next five years, Bangladesh will purchase 200,000 tonnes of white rice and 50,000 parboiled rice this year. Cambodia exported 288,562 tonnes of rice in the first six months this year, an increase of 7.6 percent compared with the same period last year.

Unofficial and preliminary Thailand rice exports (excluding premium white and fragrant rice) for July 17-23, 2017, totaled 215,663 metric tons, up 13,024 metric tons from the previous week, and up 18,460 metric tons from the four-week moving average of 197,203 metric tons. Rice exports from January 1 – July 23, 2017, totaled 4,989,434 metric tons.

Thailand Export prices further declined 2-3 percent from the previous week despite the Thai baht strengthening to 33.1 baht/USD from 33.3 baht/USD last week. This is largely due to a lack of new inquiries. Additionally, trade sources report that the Philippines' National Food Authority (NFA) will only buy approximately 25,000 metric tons of Thai rice for their July 25 import tender of 250,000 metric tons of new-crop 25% grade white rice. The remainder of the tender will be filled by Vietnamese rice. The received bids were reportedly 432 USD/MT for Thai rice and 409-435 USD/MT for Vietnamese rice. The shipment will take place during August – September 2017.

Turkey forecasts rice production at 776,000 MT in MY2017/18. Rice planting finished in May 2017. Although planting area is similar with last year, some farmers are hopeful about yields due to new seed varieties. Rice imports during the first nine months of MY 2016/17 were about 250,000 MT. Rice import into Turkey will be 300,000 tons, milled equivalent. According to Turkish Statistic Institute, Turkey imported 146,000 Mt of paddy rice (102,000 MT milled equivalent) from United States during the first nine months of MY 2016/17. When comparing importer and exporter data regarding Turkish rice trade, there are some differences due to transshipments. Also, another reason is that Turkish importers store the rice in bonded warehouses for 2-3 months until they find buyers to avoid advance payment of the 45 percent tariffs and VAT. Rice exports during the first nine months of MY 2016/17 were about 50,000 MT. Libya is the main destination with 18,300 MT, followed by Sudan with 7,300 MT. Rice export forecast at 75,000 MT in MY2016/17, milled equivalent due to strong demand from neighboring and African counties.

Bangladesh rice production in marketing year (MY) 2017/18 is forecast lower at 34.18 million metric tons (MMT). Unfavorable weather conditions during critical development stages drove yields lower for the Boro rice season. MY 2017/18 rice imports are forecast up at 1.2 MMT due to significantly reduced domestic production. MY 2017/18 projected wheat imports are raised to 6 MMT on increased consumption demand and lower domestic production in MY 2016/17. Corn consumption as feed is raised to 3.8 MMT in MY 2017/18 on expanding aqua culture production and increased feed processing capacity.

IGC Rice Balance Sheet
(Fig. In Million Tons)

Attributes (Fig in Million Tons)	2014-15	2015-16 Estimate	2016-17 F'cast	2017-18 Proj. 25.05.2017	(2017-18) Proj. 27.07.2017
Production	480	473	484	486	486
Trade	41	39	42	42	42
Consumption	475	474	484	488	488
Carryover stocks	121	120	120	118	118
Y-O-Y change	4	-1	0	-	-2
Major Exporters	37	32	30	27	27

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

IGC Rice Balance sheet Highlights

The outlook for rice supply and demand in 2016/17 is broadly unchanged from June, traded volumes seen rising by 7% y/y on firm demand from Asian buyers in particular. Projections for the following season are mostly maintained, with end-season carryovers set to fall slightly as a 12% drop in major exporters' stocks outweighs likely accumulation in China. The prediction for trade is lifted marginally, to 42.4m t, a modest increase y/y and in line with the 2014 peak on anticipated good buying interest from African and Asian importers. With exporter shipments data indicating continued firm demand, global rice trade in 2017 is seen up by 7% y/y, including significantly larger sales to Bangladesh, Sri Lanka and the Philippines. Tied to area growth in Asia, notably in Thailand and India, 2017/18 output could edge up to a high of 486m t. Population increases are set to push food use to a fresh peak and end-season carryovers are likely to fall; while inventory accumulation is anticipated in China, major exporters' stocks are seen contracting by 12% y/y. Partly reflecting government old crop sales, Thailand's stocks are projected to be down by almost 30%, to a nine-year low. Trade in 2018 is predicted to be up modestly, with volumes in line with the record of four years earlier.

IGC Forecast the World Rice Production Up in 2017-18

In its July 2017 Grain Market Report (GMR), the International Grains Council (IGC) projection for 2017-18 global rice production at around 486 million tons, up about 0.72% from an estimated 484 million tons in 2016-17 on improved Asian production.

Global Trade of Rice Unchanged from Last Month

The IGC forecasts 2017-18 global rice trades at around 42 million tons, unchanged from its estimates for 2016-17. It expects world rice trade in 2017 to remain same on normal demand from buyers in Africa and Asia.

Global Consumption of Rice Increases in 2016-17

The IGC forecasts 2017-18 global rice consumption to up about 1.0% to around 488 million tons from an estimated 484 million tons in 2016-17. World rice stocks are projected to tighten in 2017/18 on a contraction in the major exporters, led by Thailand.

Rice Price Trend @ CBOT September- 17, Rough Rice)
(Prices in US\$/hundredweight)

Market Analysis

The CBOT September-17 month rough chart for rice indicates firm movement from last month. We expect market to hover in the range of USD 11.30-12.80 hundred weights in coming sessions.

Price Projection (International-CBOT)

Duration	Trend	Price Range
02 nd Week of August, 2017	Steady to Firm	USD/ Hundred Weight 11.30-12.80

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