



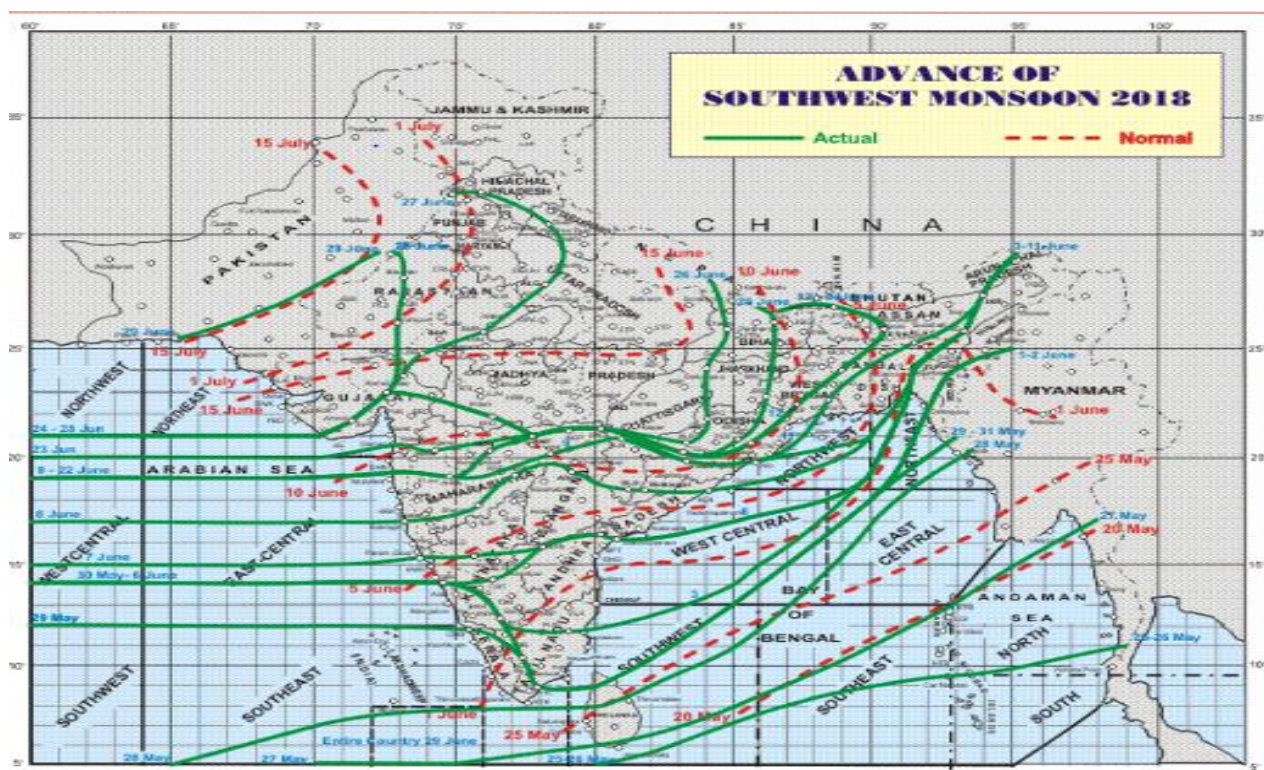
Rice Weekly Research Report

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Outlook and Review:**Domestic Front**

- **Average weekly wholesale prices of rice in India stood at Rs.3372 per quintal fourth week, up 2.13% from Rs.3300 per quintal from the previous week, and up 14.27% from Rs.2950 per quintal a year ago.** Agriwatch expects non-basmati rice market to move steady tone on the arrival of new crop.
- **China recently sanctioned 4 more Indian Rice mills / companies to export rice. Now, 24 rice millers can export non-basmati rice to China.** China is one of the largest rice producing and consuming countries in the world and imports 5 million tons of rice annually. India can export one million tons of rice to China. India has become the world's largest exporting country by exporting 127 million tons of rice. During the visit of Prime Minister of India to China, the two countries had compromised on rice imports, after which the first shipments of 100 metric tons from Nagpur to China came out in November. If the pesticide in exported rice is done according to excise standards then it will be good news for rice markets.
- **All-India progressive procurement of Rice as on 26.10.2018 for 2018-19 was at 77.19 lakh tons against the procurement of 56 lakh tons in the corresponding period of last year.** Higher procurement has been received from northern states of Punjab (42.72 lakh Tons), Haryana (32.80 lakh tons).
- **Basmati paddy prices have firmed up by 25-30 per cent on the back of speculation of a drop in production and firm demand both in domestic and export markets.** The price of the premium Pusa 1121 variety of basmati paddy is presently ruling at around Rs.3,700 a quintal, as against Rs.2,800 a quintal during the same period last year, recording a rise of nearly 32 per cent. The price of Pusa 1509 is also up by 29 per cent at Rs.3,100 a quintal.
- **Due to the all-round active buying of paddy, the prices touched the sky. Small Rice Millers are in a state of distress** and confused by seeing this fast that they do not buy or buy paddy. The fastest firmness came in the fine paddy, the production of fine rice this year, half of last year and the end of the old stock got support. The other paddy also caught the speed of the fine rice arrival.
- **India's rice stocks in the central pool as on Oct- 1, 2018 stood at around 19.74 million tons up by 19.2% from 16.56 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 12.6% by from 22.61 million tons recorded on Sept-01, 2018. Highest stock could be seen in the state of Telangana (18.0 lakh tons) followed by Andhra Pradesh (16.18 lakh tons) and Haryana (11.65 lakh tons) and Uttar Pradesh (11.53 Lakh Tons). The highest stock recorded of 33.96 million tons recorded in Feb- 2018.
- **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 Cote d'ivoires, Benin and Indonesia followed by Madagascar. 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.

Weather Watch:

Advance of Southwest Monsoon-2018

In the monsoon season, at All-India level, the rainfall during the week i.e. 27th September, 2018 – 03rd October, 2018 has been 63% lower than Long Period Average (LPA). Rainfall in the four broad geographical divisions of the country during the above period have been lower than LPA by 82% in North West India, 80% in Central India, 71% in East & North East India and 28% in South Peninsula. The cumulative rainfall in the country during the monsoon season i.e. 01st June, 2018 to 30th 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, 7% in Central India and 2% each in North West India & South Peninsula.

State wise Paddy Crop Situation - Kharif (2018-19) as on 20.09.2018

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.

State wise Wholesale Prices weekly for 04th Week of Oct-2018

State	Prices 24-31 Oct 2018	Prices 16-23 Oct 2018	Prices 09-15 Oct 2018	Prices 24-31 Oct 2017	% Change(Over Previous Week)	% Change(Over Previous to Previous Week)	% Change(Over Previous Year)
Andhra Pradesh		4183.33	4225	3078.13	—	—	—
Assam	3159.21	3122.25	3310.94	3153.32	1.18	-4.58	0.19
Gujarat	4103.79	3127.79	3175.87	3132.08	31.2	29.22	31.02
Jharkhand	2800.8	2897.74	2957.91	2733.33	-3.35	-5.31	2.47
Karnataka	3324.37	3599.45	3711.89	3541.36	-7.64	-10.44	-6.13
Kerala	3542.33	3569.23	3521.7	3834.34	-0.75	0.59	-7.62
Maharashtra	3252.1	3182.27	3307.7	3291.13	2.19	-1.68	-1.19
Manipur		3484.02	3453.55	3102.53	—	—	—
Meghalaya		2819.05	3000	2717.62	—	—	—
Nagaland	7600	7600	7400		0	2.7	—
NCT of Delhi	2725		3000	1800	—	-9.17	51.39
Odisha	2945.1	2961.74	2769.47	2860.34	-0.56	6.34	2.96
Tripura	3002.95	3041.56	3022.85	3380.75	-1.27	-0.66	-11.18
Uttar Pradesh	2418.87	2432.57	2399.45	2323.65	-0.56	0.81	4.1
Uttarakhand	2254.56	2353.53	2348.1	2279.22	-4.21	-3.98	-1.08
West Bengal	2698.92	2811.43	2732.44	2805.95	-4	-1.23	-3.81
Average	3371.38	3300.81	3396.05	2950.16			

Price Projection for Nov 01st Week in Domestic Market:

Duration	Trend	Average Price Range	Reason
01 st Week of Nov, 2018	Steady	Rs.2900-3300/Quintal	Domestic rice prices is expected to rule steady during MY 2018-19 harvest season (Oct-Jan), and would likely to go slightly up in February-2019 onwards after the pick-up of export and diminishing of arrival which support the price in medium to long term.

Weekly Price Change of 1121 Steam, Raw and Sella Rice Price Delhi Market (Figure: in Rs. /Quintal)

Variety	27 Oct 2018	20 Oct 2018	(Month Ago) 27 Sept 2018	(Year Ago) 27 Oct 2017	% ch. From last week	% Change from last Month	% Change from last Year
1121 Steam	7400	7500	7400	7200	-1.33	0.00	2.78
1121 Sella	6600	6500	6600	6200	1.54	0.00	6.45
1121 Raw	7500	7400	7000	7100	1.35	7.14	5.63
Basmati Raw	7100	7100	7000	7600	0.00	1.43	-6.58
1509 Steam Wand New	6700	6400	6000	NA	4.69	11.67	#VALUE!
Sugandh Steam	5600	5400	5200	NA	3.70	7.69	#VALUE!
Sharbati Raw	4700	4700	4900	5200	0.00	-4.08	-9.62
Pusa Raw Wand	6400	6400	6300	6200	0.00	1.59	3.23
Parmal Sella	3250	3200	3100	3000	1.56	4.84	8.33

Prices & Arrivals at Major Markets:

Rice Price (In Rs./ Quintal)	Grade	Change*	27 Oct 2018	26 Oct 2018	18 Oct 2018	27 Sep 2018	27 Oct 2017
Chirala(A.P)	BPT(Raw)	100	4600	4600	4500	4620	4600
Jharkhand(Ranchi)	Coarse	25	2600	2600	2575	2525	2525
Ernakulam(Kerala)	Jaya	0	3625	3625	3625	3450	3550
Divi(A.P)	BPT(Raw)	0	3400	3400	3400	3340	3450
Visakhapatnam	HMT(Raw)	-105	4150	4150	4255	4200	4150
Nandyal	Sona Fine	100	5600	5600	5500	5400	5400
Barasat(W.B)	Masuri	20	2620	2620	2600	2580	2550
Dibrugarh	Common	20	2300	2300	2280	2345	2250
Jhargram(W.B)	Common	25	3150	3150	3125	3000	3000
Karnal	Sarbati Steam	350	4950	4950	4600	5000	4900
Bangarpet(Kar)	IR-20	0	2980	2980	2980	2920	2950

*Difference between current and previous week prices.

Arrivals at Major Markets (Tons):

Paddy Arrivals (In Quintal)	Grade	Change	Current Week	Last Week	Source
Cuddapah	All Paddy	3.4	12	8.6	APMC
Srikakulam	All Paddy	-17	20	37	APMC
Guntur	All Paddy	15	45	30	APMC
Burdwan(W.B)	All Paddy	149	550	401	APMC

Delhi	All Paddy	443.85	2025	1581.15	APMC
Amritsar	All Paddy	864.25	20558	19693.75	APMC
Karnal	All Paddy	1099.45	14525	13425.55	APMC

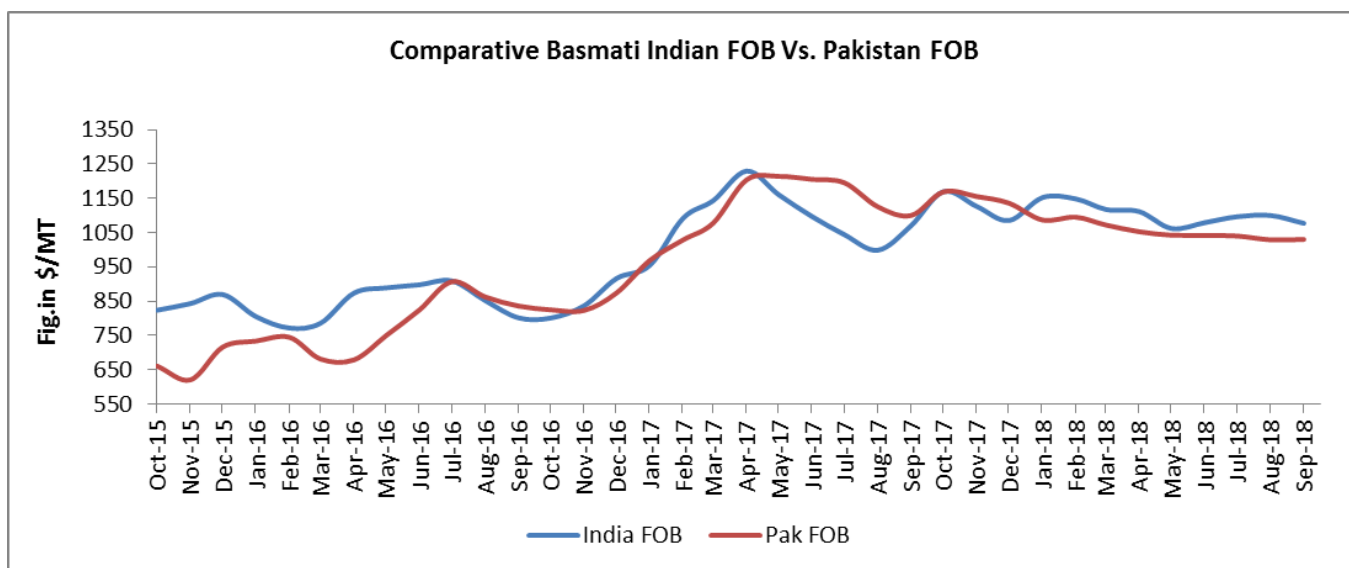
*Difference between current and previous week arrival

State wise Progressive Procurement

State/UTs	Target (only kharif crop) in marketing season 2018-19 (Oct. – Sept.)	Progressive Procurement as on 12.10.2018	
(in Lakh T)		In Marketing season 2018-19	In Marketing season 2017-18
AP	30.00	--	--
Telangana	15.00	0.88	--
Bihar	8.00	--	--
Chhattisgarh	40.00	--	--
Haryana	39.75	32.80	16.55
Jharkhand	2.00	--	--
Kerala	2.00	0.11	--
M.P	13.00	--	--
Maharashtra	4.00	--	--
Odessa	30.00	--	--
Punjab	114.00	42.72	15.31
Tamilnadu	8.00	0.05	--
U.P	33.00	--	--
Uttrakhand	5.00	0.08	--
West Bengal	23.00	--	--
Others	0	--	--
Total	370.00	77.19	31.92

All-India progressive procurement of Rice as on 26.10.2018 for 2017-18 was at 77.19 lakh tonnes against the procurement of 32 lakh tons in the corresponding period of last year. Highest procurement is received from northern states like Haryana and Punjab.

FOB Quotes Aromatic Rice (1121 Steam)



Source-FAO& Agriwatch

Indian FOB for 1121 steam traded firm in the month of September 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.

Global Updates

Rice export prices remained unchanged from the previous week as there has been little trading due to official

Global Updates

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

(Fig. In Million Tons)

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.

Rice Price Trend @ CBOT Nov- 18, Rough Rice)

(Prices in US\$/hundredweight)



Market Analysis

The CBOT Nov-18 month rough chart for rice indicates firm mode from last week. We expect market to hover in the range of USD 10.50-11.95 hundred weights in coming sessions.

Price Projection (International-CBOT)

Duration	Trend	Price Range
04 th Week of Oct-2018	Steady to Firm	USD/ Hundred Weight 10.50-11.95

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