

Domestic Market Highlights:

- Market prices remained rangebound during the day in most of the mandis throughout the country due to varied supply and demand different mandis. There is strong demand coming from exporters for basmati in North-Indian paddy growing belt amid lull arrivals.
- As per sources, in order to make ethanol, over 1 million metric tonnes of consumable rice from the Food Corporation of India's reserves were sold at discounted prices in 2022. In the open markets for rice, maize, and sugarcane in the nation, where food and feed processors (and food customers) compete with oil production corporations for grains, similar crop diversions to create ethanol have been taking place. This can raise concerns regarding India's food security.
- Indian 5% broken parboiled variety export price quoted at \$387 to \$395 per tonne, up from \$375 to \$382 last week. Due to constrained supply and a stronger rupee, this week they reached their highest levels since April 2021.
- As per sources, with only a week left until the completion of Chhattisgarh's paddy procurement, farmer purchases of the crop surpassed 100 lakh tonnes on Tuesday. This kharif, the government intends to purchase 110 lakh tonnes of paddy by January 31.
- According to sources, farmers in Telangana cultivated in abundance during the Yasangi (rabi) season, placing the state to establish new records this year. As of Wednesday, the state's total sown area was 28.56 lakh acres, compared to the normal cultivated area for the season of 47.85 lakh acres. However, this is nearly twice as much as the 14.81 lakh acres that were sown during the Yasangi season last year. Due to unseasonal rainfall and a delay in harvesting operations, early sowing during the Yasangi season was delayed. 17.98 lakh acres, i.e., 60% of the total area sown, are used for paddy cultivation.
- According to sources, an order has been placed to import 100,000 tonnes of rice from Iran shortly after the country recently eased its import restrictions due to shortage of basmati rice in the domestic market. Since the beginning of November, imports of all types of rice have been prohibited. Almost 1.27 million tonnes of rice have been imported so far this year. Around 1.5 million tonnes are imported annually. Iran must therefore acquire almost 250,000 tonnes of the grain by the end of March. Iran imports a substantial amount of rice from India. This will increase Indian Basmati domestic market prices as well.

- As of January 15, 2023, FCI had procured 595.43 lakh tonnes (LMT) of paddy for the central pool during the current 2022–2023 kharif marketing season. Govt. is very actively buying paddy which might help in replenishing the stocks which have been exhausted by PMGKAY.
- As of 13th January, 2023 Ministry of Agriculture's rabi sowing update data, paddy has been sown in 26.22 lakh Ha. against 19.62 lakh Ha of previous year, higher by 33.6% in this rabi season.
- As per sources, rumours are circulating regarding the upliftment of the export ban on 100% broken rice which was imposed by govt. in September, 2022. However, according to agriwatch's estimates, it is not likely to lift the export ban any time before the rabi paddy harvesting as right now there is tight supply due to which the current prevailing market prices are moving upwards. After rabi paddy harvesting, govt. might uplift the export ban which will further ease the tension regarding food supply following Russia's invasion of Ukraine.
- According to sources, over 9.1 million individuals who are BPL would receive 5 kg of rice free of charge from the Telangana government starting this month for the duration of the following year.
- As per sources, in Punjab, a record 22 lakh tonnes (LT) of basmati, or the aromatic rice type, have been purchased so far in the harvest cycle of 2022–23, and farmers anticipate selling the grain for an additional 3–4 months.
- As per reports, paddy is typically grown on about 20,000 hectares in Dharmapuri district of Tamil Nadu. The area under cultivation now totals 60,000 hectares as a result of this year's abundant rains. A further aim set by the agriculture department for 2022–2023 is 1,67,000 hectares. The district got more than 1,200 mm of rain this year. Through DPCs, the government purchases paddy for Rs 19 per kg. However, private parties offer Rs. 9 to 12 per kilogramme. Farmers who sell in the private market cannot make money after accounting for labour and input costs.
- As per reports, despite shipping restrictions, India's exports of aromatic basmati and non-basmati rice increased 7.37 percent to 126.97 lakh tonnes from April to October of the current fiscal year. 118.25 lakh tonnes were exported during the same time of the prior fiscal. The amount of basmati rice exported as a percentage of all exports increased from 21.59 lakh tonnes in the April–October 2022–23 fiscal term to 24.97 lakh tonnes. Exports of non-basmati rice grew from 96.66 lakh tonnes to 102 lakh tonnes over the same time period.

- According to sources, due to an increase in the purchase of food grains during the previous eight years, the minimum support price (MSP) for rice has increased by 42.64 % during the eight years of the Narendra Modi government. Total procurement was 1,926 million tonnes from 2006 to 2014, and from 2014 to 2022, it rose to 2,273 million tonnes.

Domestic Market Outlook (Non-Basmati):

- As per prevailing market fundamentals, arrivals of non-basmati have almost come to an end so, it is expected that domestic prices would improve in near term.

International Market Highlights

- The price for the 5% broken rice from Vietnam remained unchanged at \$445 to 450 per tonne due to lunar new year holiday and lull supplies which will remain the same until winter-spring harvest arrivals.
- According to sources, Vietnam exported 226,000 tonnes of rice for \$114.7 million in the first half of January.
- Thailand reduced its objective for rice exports in 2023 from 8 million tonnes to 7.5 million tonnes, partly as a result of the continued high price of rice, which last week reached a record high in almost two years.
- Due to the strengthening of the baht and strong domestic demand, Thailand's 5% broken rice was quoted at \$500 to \$502 per tonne, the highest price since March 2021, up from \$495 per tonne last week.
- According to sources, Bangladesh has authorized the acquisition of 100,000 tonnes of rice through tenders as it works to increase reserves to manage local prices. Through G-to-G agreements, the government also intends to purchase rice from India.
- As per sources, there is good demand for all varieties of Basmati from Iraq and Yemen. Dubai festival is also scheduled to start in February, 2023, it would push prices further up. Apart from this, Iran normally starts buying from March every year and is expected to be the same for this year too. Right now, packing/shipping for basmati continues for Yemen, UAE, Saudi Arabia and Russia in south India. Exporters for aromatic rice are active right now.
- As per news reports, in contrast to the pricing offered by the private trade in a global import tender, Bangladesh has offered Indian cooperatives almost \$40 per tonne extra to import 2.5

lakh tonnes of parboiled rice in a government-to-government transaction. According to trade sources, the import agreement would be made through NCCF (National Cooperative Consumers Federation) and Kendriya Bhandar in two instalments, with Dhaka receiving rice at a price of \$443 and \$443.5 per tonne, respectively. Bangladesh will receive parboiled rice for at least \$25 less than Thailand or Pakistan, despite paying Indian cooperatives more for the G2G transaction. Currently, Pakistan is offering parboiled rice for \$453-457 per tonne, while Thailand is bidding \$486 per tonne.

- As per sources, in order to obtain at least 0.5 million tonnes (MT) of parboiled rice on a government-to-government (G2G) basis for distribution through ration shops, Bangladesh has approached India.

TODAY

State/Centre	Variety	Prices (Rs/Qtl)		Change
		21-Jan-23	20-Jan-23	
Delhi (Naya Bazar)	1121 Paddy	4900	4800	100
	1509 Paddy	4400	4450	-50
	DB Paddy	4850	5000	-150
	Traditional Basmati Paddy	6300	6300	Unch
	Basmati Rice Common (Raw Wand)	11600	11600	Unch
	1121 Raw Wand	9800	9800	Unch
	1121 White Parboiled (Sella) Wand	8600	8500	100
	1121 Steam Wand	9700	9600	100
	1121 Golden Parboiled (Sella) Wand	9100	9000	100
	1509 Steam Wand	9400	9400	Unch
	1509 White Parboiled (Sella) Wand	8150	8200	-50
	Sugandha Steam	8300	8100	200
	Sarbati Raw Wand	7100	7000	100
	Sarbati White Parboiled (Sella) Wand	6600	6400	200
	Parmal Raw	4900	4900	Unch
	Parmal Steam Wand	4700	4700	Unch
	Parmal White Parboiled (Sella) Wand	4700	4600	100
	DB(Duplicate Basmati) (Pusa) Raw Wand	8800	8800	Unch
Punjab (Amritsar)	1121 Paddy	5000	5000	Unch
	1509 Paddy	4400	4400	Unch
	Traditional Basmati Paddy	6200	6200	Unch
	Basmati Rice Common (Raw Wand)	11500	11500	Unch
	1121 Steam Wand	9650	9750	-100

	1121 White Parboiled (Sella) Wand	8600	8800	-200
	1509 Steam Wand	9350	9400	-50
	1509 White Parboiled (Sella) Wand	8100	8200	-100
	Sarbati Raw Wand	7000	7100	-100
	Sarbati Steam Wand	6800	6800	Unch
	Sarbati White Parboiled (Sella) Wand	6500	6500	Unch
	Parmal Steam Wand	4600	4625	-25
	PR-47 Govt. Quality	3700	3500	200
Haryana (Karnal)	1121 Paddy	4800	4800	Unch
	1509 Paddy	4600	4600	Unch
	Basmati Paddy 31no.	6200	6200	Unch
	Basmati Rice Common (Raw Wand)	11500	11500	Unch
	1121 Steam	9650	9750	-100
	1121 White Parboiled (Sella) Wand	8600	8800	-200
	1509 White Parboiled (Sella) Wand	8100	8200	-100
	Sarbati Steam	6800	6800	Unch
	Sarbati White Parboiled (Sella) Wand	6500	6500	Unch
	DB(Duplicate Basmati) Steam	8550	8550	Unch
	DB(Duplicate Basmati) White Parboiled	7650	7650	Unch
	Parmal Raw	4800	4800	Unch
	Parmal Steam Wand	4600	4700	-100
	Parmal White Parboiled (Sella) Wand	4800	4700	100
	IR-08	3000	3100	-100
West Bengal (Kolkata)	Swarna White Parboiled 5% Silky Sortex	2750	2750	Unch
	Swarna White Parboiled 100% Silky Sortex	2770	2770	Unch
	IR-36 White Parboiled 5% Silky Sortex	3150	3150	Unch
	IR-64 White Parboiled 25% Silky Sortex	3500	3500	Unch
	Miniket 5% Broken	4850	4850	Unch
	Gobind Bhog	6400	6400	Unch
Andhra Pradesh (Kurnool)	Sona Fine	4500	4500	Unch
Andhra Pradesh (Machilipatnam)	BPT Steam	4900	4900	Unch
Chhattisgarh (Bhatapara)	HMT	5000	5000	Unch
	JSR (Jai Shri Ram)	5600	5600	Unch
	Vishnu Bhog	7600	7600	Unch
	Dugraj	4400	4400	Unch
	Swarna	2600	2600	Unch
Chhattisgarh (Rajim)	Swarna 5% Broken	2650	2650	Unch
	BPT Steam	3650	3650	Unch
	BPT White Parboiled	3375	3375	Unch
Maharashtra (Nagpur)	HMT Raw	4400	4400	Unch

	JSR (Jai Shri Ram) Best	4900	4900	Unch
	Chinnor Best	4800	4800	Unch
	BPT	3500	3500	Unch
	Rupali	3700	3700	Unch
Maharashtra (Gondia)	IR-36 White Parboiled (Sella)	2800	2800	Unch
	HMT RAW	5000	5000	Unch
	BPT White Parboiled (Sella)	3900	3900	Unch
Karnatka (Raichur)	Sona Steam	3900	3900	Unch
	Sona Raw	4900	4900	Unch
	Ganga Kaveri	4900	4900	Unch
	HMT	4900	4900	Unch
Telangna (Nizamabad)	BPT Steam	4200	4200	Unch
	BPT raw	4400	4400	Unch
	kolam Steam Sortex	4800	4800	Unch
	JSR (Jai Shree Ram) kolam	4900	4900	Unch
	IR-64	2500	2500	Unch
	Kinki	2200	2200	Unch
Telangana (Hyderabad)	IR-64-Bold Sortex	2500	2500	Unch
	Sona Masuti Steam	4000	4000	Unch
	IR-Silki Sortex	2500	2500	Unch
Uttrakhand (Uddhamsingh Nagar)	Organic Basmati	13500	13500	Unch
	Dehraduni Basmati	12500	12500	Unch
	1121 Steam	9600	9500	100
	1509 Steam	9300	9300	Unch
	Sugandha White Parboiled (Sella)	7450	7100	350
	Parmal White Parboiled (Sella)	4600	4500	100
	Sharbati Steam	6800	6700	100
Gujarat (Ahmedabad)	IR-08 Jaya Sortex	3000	3000	Unch
	Parmal Sortex	3000	3000	Unch
	Kolam Sortex	3600	3600	Unch

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at © 2023 Indian Agribusiness Systems Limited.