

**Domestic Market Highlights:**

- Market prices remained rangebound during the day in most of the mandis throughout the country. There is strong demand coming from exporters for basmati in North-Indian paddy growing belt amid lull arrivals.
- Due to robust export demand and meagre supply, the market continued to show an upward trend this week. Arrival in Punjab and Haryana is almost over now. Due to current market fundamentals, market prices are anticipated to increase over the upcoming weeks. Due to increased export demand with a decline in arrivals, there is a significant demand for basmati from exporters in the North Indian paddy growing region.
- This week, the price for India's 5% broken parboiled variety was reported at \$387 to \$395 per tonne, which is the same as last week. For the second week in a row, prices remained at their highest levels in over two years because of strong demand and the fact that local dealers kept providing rice at lower prices than other Asian centres.
- 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.
- 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 13<sup>th</sup> 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**

- Due to the strong baht, which reduces profits for dealers for international trade and forces them to raise rates, Thailand's 5% broken rice prices were quoted at \$500 per tonne, which is the highest amount since March 2021 and comparable to levels seen last week. Thai rice exports may fall short of the export goal if the baht keeps appreciating.
- Due to the strong baht, Thailand's rice exporter organisation reduced its 2023 rice export objective from 8 million tonnes to 7.5 million tonnes last week.
- Vietnam's markets were shut this week due to Lunar New Year. Last week, the price for the 5% broken rice from Vietnam remained unchanged at \$445 to 450 per tonne.
- 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.

#### TODAY

State/Centre	Variety	Prices (Rs/Qtl)		Change
		30-Jan-23	28-Jan-23	
Delhi (Naya Bazar)	1121 Paddy	4600	4625	-25
	1509 Paddy	4100	4100	Unch
	DB Paddy	4800	4800	Unch
	Traditional Basmati Paddy	6300	6300	Unch
	Basmati Rice Common (Raw Wand)	11600	11600	Unch
	1121 Raw Wand	9500	9500	Unch
	1121 White Parboiled (Sella) Wand	8300	8200	100
	1121 Steam Wand	9400	9500	-100
	1121 Golden Parboiled (Sella) Wand	8700	8600	100
	1509 Steam Wand	9200	9000	200
	1509 White Parboiled (Sella) Wand	7900	8000	-100
	Sugandha Steam	7500	7900	-400
	Sarbati Raw Wand	6900	6800	100
	Sarbati White Parboiled (Sella) Wand	6300	5800	500
	Parmal Raw	4650	4700	-50
	Parmal Steam Wand	4450	4500	-50
	Parmal White Parboiled (Sella) Wand	4500	4400	100
	DB(Duplicate Basmati) (Pusa) Raw Wand	9000	8800	200
Punjab (Amritsar)	1121 Paddy	4900	4900	Unch
	1509 Paddy	4400	4400	Unch
	Traditional Basmati Paddy	6200	6200	Unch
	Basmati Rice Common (Raw Wand)	11500	11500	Unch
	1121 Steam Wand	9650	9500	150
	1121 White Parboiled (Sella) Wand	8400	8500	-100
	1509 Steam Wand	9350	9350	Unch

	1509 White Parboiled (Sella) Wand	8350	8350	Unch
	Sarbati Raw Wand	6850	6600	250
	Sarbati Steam Wand	6650	6800	-150
	Sarbati White Parboiled (Sella) Wand	6450	6500	-50
	Parmal Steam Wand	4500	4550	-50
	PR-47 Govt. Quality	3600	3650	-50
Haryana (Karnal)	1121 Paddy	4700	4900	-200
	1509 Paddy	4500	4600	-100
	Basmati Paddy 31no.	6200	6200	Unch
	Basmati Rice Common (Raw Wand)	11500	11500	Unch
	1121 Steam	9650	9700	-50
	1121 White Parboiled (Sella) Wand	8400	8600	-200
	1509 White Parboiled (Sella) Wand	7900	8000	-100
	Sarbati Steam	6650	6800	-150
	Sarbati White Parboiled (Sella) Wand	6450	6400	50
	DB(Duplicate Basmati) Steam	9200	9300	-100
	DB(Duplicate Basmati) White Parboiled	8200	8300	-100
	Parmal Raw	4300	4450	-150
	Parmal Steam Wand	4500	4650	-150
	Parmal White Parboiled (Sella) Wand	4500	4650	-150
	IR-08	3000	3000	Unch
West Bengal (Kolkata)	Swarna White Parboiled 5% Silky Sortex	2820	2820	Unch
	Swarna White Parboiled 100% Silky Sortex	2850	2850	Unch
	IR-36 White Parboiled 5% Silky Sortex	3200	3200	Unch
	IR-64 White Parboiled 25% Silky Sortex	3500	3500	Unch
	Miniket 5% Broken	4500	4500	Unch
	Gobind Bhog	6600	6600	Unch
Andhra Pradesh (Kurnool)	Sona Fine	4600	4600	Unch
Andhra Pradesh (Machilipatnam)	BPT Steam	4800	4800	Unch
Chhattisgarh (Bhatapara)	HMT	5000	5000	Unch
	JSR (Jai Shri Ram)	5600	5600	Unch
	Vishnu Bhog	8000	8000	Unch
	Dugraj	4400	4400	Unch
	Swarna	2650	2650	Unch
Chhattisgarh (Rajim)	Swarna 5% Broken	2650	2650	Unch
	BPT Steam	4200	4200	Unch
	BPT White Parboiled	3400	3400	Unch
Maharashtra (Nagpur)	HMT Raw	4400	4400	Unch
	JSR (Jai Shri Ram) Best	5100	5100	Unch
	Chinnor Best	4950	4900	50

	BPT	3600	3600	Unch
	Rupali	3800	3800	Unch
Maharashtra (Gondia)	IR-36 White Parboiled (Sella)	2850	2850	Unch
	HMT RAW	4700	5000	-300
	BPT White Parboiled (Sella)	3900	3900	Unch
Karnatka (Raichur)	Sona Steam	4100	4100	Unch
	Sona Raw	5200	5200	Unch
	Ganga Kaveri	5200	5200	Unch
	HMT	5200	5200	Unch
Telangna (Nizamabad)	BPT Steam	4400	4400	Unch
	BPT raw	4800	4800	Unch
	kolam Steam Sortex	4900	4900	Unch
	JSR (Jai Shree Ram) kolam	5000	5000	Unch
	IR-64	2500	2500	Unch
	Kinki	2200	2200	Unch
Telangana (Hyderabad)	IR-64-Bold Sortex	2800	2800	Unch
	Sona Masuti Steam	4400	4400	Unch
	IR-Silki Sortex	2500	2500	Unch
Uttrakhand (Uddhamsingh Nagar)	Organic Basmati	13500	13500	Unch
	Dehraduni Basmati	12500	12500	Unch
	1121 Steam	9550	9600	-50
	1509 Steam	9100	9100	Unch
	Sugandha White Parboiled (Sella)	7350	7000	350
	Parmal White Parboiled (Sella)	4550	4500	50
	Sharbati Steam	6700	6700	Unch
Gujarat (Ahmedabad)	IR-08 Jaya Sortex	2900	2900	Unch
	Parmal Sortex	2750	2750	Unch
	Kolam Sortex	3300	3300	Unch

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