

Domestic Market Highlights:

- Market prices remained almost bearish during the day in most of the mandis throughout the country due to sluggish trade activity amid less arrivals.
- As per sources, 17.86 million tons of non-basmati rice were shipped in 2022, whereas 4.4 million tonnes of premium basmati rice were exported. While basmati rice is primarily exported from India to the Middle East, the United States, and Britain, non-basmati rice is primarily sent to Africa and Asia. Prices were driven up by an export duty on shipments of Indian non-basmati rice, but consumers soon reverted back because Thailand and Vietnam were selling rice for much more prices.
- According to the Ministry of Agriculture's most recent sowing data, which was published on February 2, 2023, paddy has been sown in 46.25 lakh hectares, compared to 35.05 lakh ha the year before, an increase of 32% this rabi season. This will offset the decrease in rice production during the kharif season. Rabi paddy is now being sown in most of the rice-growing states, with the exception of Gujarat, Maharashtra, and Tripura, where it has not yet begun.
- Now that export demand has reduced amid meagre arrivals, the market has started moving downward this week. Arrival in Punjab and Haryana is almost over now. In West Bengal, lower prices are attracting demand from Haryana, Punjab, Delhi. Whereas in Raichur, Karnataka, market is almost steady due to the limited demand from Tamil Nadu, Kerala, and Chhattisgarh despite low arrivals. Due to current market fundamentals, market prices are anticipated to decrease over the upcoming weeks.
- As of Saturday, January 28, 1,40,865 metric tonnes (MT) of paddy from the first crop of farmers had been purchased by the six procurement agencies involved in the state's paddy procurement during the present Kharif Marketing Season (KMS) 2022–23. 10 lakh MT of paddy must be purchased by the state government during the current Kharif marketing season. 1,40,865 MT of paddy has already been sold by 16,476 farmers to the six procurement organisations.
- 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 due to 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 now, 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 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.
- 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
		03-Feb-23	02-Feb-23	
Delhi (Naya Bazar)	1121 Paddy	4650	4650	Unch
	1509 Paddy	4200	4200	Unch
	DB Paddy	4750	4750	Unch
	Traditional Basmati Paddy	6300	6300	Unch
	Basmati Rice Common (Raw Wand)	11200	11600	-400
	1121 Raw Wand	9300	9500	-200
	1121 White Parboiled (Sella) Wand	8100	8200	-100
	1121 Steam Wand	9200	9300	-100
	1121 Golden Parboiled (Sella) Wand	8500	8600	-100
	1509 Steam Wand	9000	9000	Unch
	1509 White Parboiled (Sella) Wand	7700	7900	-200
	Sugandha Steam	7500	7800	-300
	Sarbati Raw Wand	6700	6800	-100
	Sarbati White Parboiled (Sella) Wand	5800	6200	-400

	Parmal Raw	4600	4500	100
	Parmal Steam Wand	4400	4300	100
	Parmal White Parboiled (Sella) Wand	4400	4450	-50
	DB(Duplicate Basmati) (Pusa) Raw Wand	8600	8800	-200
Punjab (Amritsar)	1121 Paddy	4850	4890	-40
	1509 Paddy	4400	4400	Unch
	Traditional Basmati Paddy	6200	6200	Unch
	Basmati Rice Common (Raw Wand)	11100	11500	-400
	1121 Steam Wand	9525	9600	-75
	1121 White Parboiled (Sella) Wand	8525	8500	25
	1509 Steam Wand	9200	9325	-125
	1509 White Parboiled (Sella) Wand	8200	8350	-150
	Sarbati Raw Wand	6700	6850	-150
	Sarbati Steam Wand	6500	6650	-150
	Sarbati White Parboiled (Sella) Wand	6400	6450	-50
	Parmal Steam Wand	4350	4500	-150
	PR-47 Govt. Quality	3300	3600	-300
Haryana (Karnal)	1121 Paddy	4700	4700	Unch
	1509 Paddy	4500	4500	Unch
	Basmati Paddy 31no.	6200	6200	Unch
	Basmati Rice Common (Raw Wand)	11100	11500	-400
	1121 Steam	9500	9600	-100
	1121 White Parboiled (Sella) Wand	8300	8500	-200
	1509 White Parboiled (Sella) Wand	7800	7900	-100
	Sarbati Steam	6800	6650	150
	Sarbati White Parboiled (Sella) Wand	6300	6450	-150
	DB(Duplicate Basmati) Steam	8700	9200	-500
	DB(Duplicate Basmati) White Parboiled	8400	8200	200
	Parmal Raw	4600	4300	300
	Parmal Steam Wand	4400	4500	-100
	Parmal White Parboiled (Sella) Wand	4400	4500	-100
	IR-08	3000	3000	Unch
West Bengal (Kolkata)	Swarna White Parboiled 5% Silky Sortex	2725	2780	-55
	Swarna White Parboiled 100% Silky Sortex	2740	2800	-60
	IR-36 White Parboiled 5% Silky Sortex	3050	3100	-50
	IR-64 White Parboiled 25% Silky Sortex	3500	3450	50
	Miniket 5% Broken	4600	4600	Unch
	Gobind Bhog	6500	6500	Unch
Andhra Pradesh (Kurnool)	Sona Fine	4500	4500	Unch
Andhra Pradesh (Machilipatnam)	BPT Steam	4800	4800	Unch

Chhattisgarh (Bhatapara)	HMT	4950	4950	Unch
	JSR (Jai Shri Ram)	5500	5500	Unch
	Vishnu Bhog	8000	8000	Unch
	Dugraj	4500	4500	Unch
	Swarna	2600	2600	Unch
Chhattisgarh (Rajim)	Swarna 5% Broken	2600	2600	Unch
	BPT Steam	4000	4000	Unch
	BPT White Parboiled	3200	3200	Unch
Maharashtra (Nagpur)	HMT Raw	4400	4400	Unch
	JSR (Jai Shri Ram) Best	5300	5300	Unch
	Chinnor Best	4950	4950	Unch
	BPT	3600	3600	Unch
	Rupali	3800	3800	Unch
Maharashtra (Gondia)	IR-36 White Parboiled (Sella)	2850	2850	Unch
	HMT RAW	4700	4700	Unch
	BPT White Parboiled (Sella)	3900	3900	Unch
Karnatka (Raichur)	Sona Steam	4200	4200	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	4600	4600	Unch
	IR-Silki Sortex	2500	2500	Unch
Uttrakhand (Uddhamsingh Nagar)	Organic Basmati	13000	13500	-500
	Dehraduni Basmati	12000	12500	-500
	1121 Steam	9100	9200	-100
	1509 Steam	8900	8900	Unch
	Sugandha White Parboiled (Sella)	6600	6900	-300
	Parmal White Parboiled (Sella)	4300	4350	-50
	Sharbati Steam	6400	6500	-100
Gujarat (Ahmedabad)	IR-08 Jaya Sortex	2900	2900	Unch
	Parmal Sortex	2800	2800	Unch
	Kolam Sortex	3600	3600	Unch

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