

**Domestic Market Highlights:**

- Market prices remained bearish during the day in most of the mandis throughout the country amid sluggish trade activity and lull arrivals.
- This week, the price for India's 5% broken rice was reported at \$395 to \$402 a tonne, which is the same as last week. There is demand despite the recent rise in prices.
- As per the 2<sup>nd</sup> advance estimates of production of major agricultural crops released by the Union Ministry of Agriculture and Farmers Welfare on 14<sup>th</sup> February, 2023, the production of rice in India has revised to 130.83 MMT up from the target of 130.5 MMT. Rabi production estimate is revised upward to 22.76 MMT from the target of 18.5 MMT due to increased acreage in key rabi paddy growing states whereas Kharif rice production went down from the target of 112 MMT to 108.07 MMT due to unfavourable weather condition in Kharif season 2022-23.
- APEDA's most recent statistics shows that basmati rice exports climbed from 2.74 million tonnes in the same period last year to 3.2 million tonnes in April–December 2022. However, the increase in value was 40%, from \$2.38 billion to \$3.34 billion. As Iran, Saudi Arabia, and the UAE collectively purchased half of India's total shipments of the aromatic rice, basmati rice exports from India increased by 17% in volume during the first three quarters of the current fiscal year (ended Dec. 21, 2022), and exporters are earning at least 20% more on average in foreign markets.
- This year, the cultivation of samba paddy took place on more than 45,000 hectares of land in Madurai. Farmers in Melur claim that the recent rains had an impact on harvesting since they increased the moisture level of the paddy grain. As per sources, only 88 DPCs are currently operational in the area out of the 164 certified direct procurement centres.
- As of February 5<sup>th</sup>, 2023, FCI purchased 51.4 MT of rice, which was slightly more than the previous year at 66 million tonnes (MMT). The paddy procurement totalled 65 MMT over the same period the previous year. The FCI's rice stocks, which had been depleted by the implementation of the free ration scheme, have benefited from higher grain procurement. FCI had 17 MT of rice on hand at the start of the month and another 30 MMT was on the way from millers, greatly exceeding the 7.6 MMT buffer needed at the start of the year.
- 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 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 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.

**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**

- Vietnamese 5% broken rice was being sold for \$455 to \$460 a tonne, the same price as a week ago. Prices are anticipated to remain high as numerous nations, notably China and Indonesia, buy to increase their national stocks.
- Prices for Thailand's 5% broken rice were quoted at \$460 to \$465 per tonne, down from \$480 to \$490 last week. Due to depreciation of Baht, and lull demand, the price of rice has decreased.

- In January, Vietnam exported 400,000 tonnes of rice, a 20.9% decrease from the same month last year.
- As of USDA's recent report, the rice production in Bangladesh for the marketing year ending in April has been increased to 35.8 million tonnes.
- 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.

**TODAY**

State/Centre	Variety	Prices (Rs/Qtl)		Change
		17-Feb-23	16-Feb-23	
Delhi (Naya Bazar)	1121 Paddy	4400	4500	-100
	1509 Paddy	3950	3950	Unch
	DB Paddy	4300	4400	-100
	Traditional Basmati Paddy	5800	6100	-300
	Basmati Rice Common (Raw Wand)	10500	10500	Unch
	1121 Raw Wand	9500	9500	Unch
	1121 White Parboiled (Sella) Wand	8100	8300	-200
	1121 Steam Wand	9100	9450	-350
	1121 Golden Parboiled (Sella) Wand	8600	9000	-400
	1509 Steam Wand	8700	9200	-500
	1509 White Parboiled (Sella) Wand	7500	7950	-450
	Sugandha Steam	7700	8150	-450
	Sarbati Raw Wand	6500	6950	-450
	Sarbati White Parboiled (Sella) Wand	5800	6250	-450
	Parmal Raw	4200	4550	-350
	Parmal Steam Wand	4000	4350	-350
	Parmal White Parboiled (Sella) Wand	4200	4450	-250
	DB(Duplicate Basmati) (Pusa) Raw Wand	8900	9400	-500
Punjab (Amritsar)	1121 Paddy	4840	4840	Unch
	1509 Paddy	4300	4300	Unch
	Traditional Basmati Paddy	5700	6000	-300
	Basmati Rice Common (Raw Wand)	10400	10400	Unch
	1121 Steam Wand	9400	9400	Unch
	1121 White Parboiled (Sella) Wand	8250	8300	-50

	1509 Steam Wand	9300	9300	Unch
	1509 White Parboiled (Sella) Wand	7700	7750	-50
	Sarbati Raw Wand	6950	6950	Unch
	Sarbati Steam Wand	6750	6750	Unch
	Sarbati White Parboiled (Sella) Wand	6200	6250	-50
	Parmal Steam Wand	4250	4275	-25
	PR-47 Govt. Quality	3700	3700	Unch
Haryana (Karnal)	1121 Paddy	4650	4650	Unch
	1509 Paddy	4500	4500	Unch
	Basmati Paddy 31no.	5700	6000	-300
	Basmati Rice Common (Raw Wand)	10400	10400	Unch
	1121 Steam	9400	9400	Unch
	1121 White Parboiled (Sella) Wand	8250	8400	-150
	1509 White Parboiled (Sella) Wand	7700	7800	-100
	Sarbati Steam	6750	6500	250
	Sarbati White Parboiled (Sella) Wand	6200	6200	Unch
	DB(Duplicate Basmati) Steam	8600	9100	-500
	DB(Duplicate Basmati) White Parboiled	8000	8500	-500
	Parmal Raw	4450	4500	-50
	Parmal Steam Wand	4250	4300	-50
	Parmal White Parboiled (Sella) Wand	4300	4400	-100
	IR-08	3000	3000	Unch
West Bengal (Kolkata)	Swarna White Parboiled 5% Silky Sortex	2800	2800	Unch
	Swarna White Parboiled 100% Silky Sortex	2830	2820	10
	IR-36 White Parboiled 5% Silky Sortex	3100	3100	Unch
	IR-64 White Parboiled 25% Silky Sortex	3400	3400	Unch
	Miniket 5% Broken	4500	4500	Unch
	Gobind Bhog	6400	6400	Unch
Andhra Pradesh (Kurnool)	Sona Fine	4600	4600	Unch
Andhra Pradesh (Machilipatnam)	BPT Steam	4800	4800	Unch
Chhattisgarh (Bhatapara)	HMT	4900	4800	100
	JSR (Jai Shri Ram)	5400	5300	100
	Vishnu Bhog	8000	7900	100
	Dugraj	4400	4400	Unch
	Swarna	2500	2600	-100
Chhattisgarh (Rajim)	Swarna 5% Broken	2500	2500	Unch
	BPT Steam	3900	3900	Unch
	BPT White Parboiled	2900	2900	Unch
Maharashtra (Nagpur)	HMT Raw	4450	4400	50
	JSR (Jai Shri Ram) Best	4950	4900	50

	Chinnor Best	4950	4900	50
	BPT	3500	3500	Unch
	Rupali	3700	3700	Unch
Maharashtra (Gondia)	IR-36 White Parboiled (Sella)	2500	2600	-100
	HMT RAW	4250	4200	50
	BPT White Parboiled (Sella)	3300	3300	Unch
Karnatka (Raichur)	Sona Steam	4400	4400	Unch
	Sona Raw	5200	5200	Unch
	Ganga Kaveri	5200	5200	Unch
	HMT	5200	5200	Unch
Telangna (Nizamabad)	BPT Steam	4500	4400	100
	BPT raw	4700	4600	100
	kolam Steam Sortex	4600	4550	50
	JSR (Jai Shree Ram) kolam	5000	4900	100
	IR-64	2400	2500	-100
	Kinki	2200	2200	Unch
Telangana (Hyderabad)	IR-64-Bold Sortex	2700	2800	-100
	Sona Masuti Steam	4700	4650	50
	IR-Silki Sortex	2500	2500	Unch
Uttrakhand (Uddhamsingh Nagar)	Organic Basmati	12500	12500	Unch
	Dehraduni Basmati	11500	11500	Unch
	1121 Steam	9000	9350	-350
	1509 Steam	8600	9100	-500
	Sugandha White Parboiled (Sella)	6500	6800	-300
	Parmal White Parboiled (Sella)	4100	4350	-250
	Sharbati Steam	6200	6650	-450
Gujarat (Ahmedabad)	IR-08 Jaya Sortex	2950	3000	-50
	Parmal Sortex	2700	2700	Unch
	Kolam Sortex	3500	3600	-100

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