

Domestic Market Highlights:

- Market prices remained rangebound today in most of the mandis throughout the country. In most of the North Indian paddy growing belt, arrivals have almost ended, stockists are easing the prices to sell the rice stocks even at lower prices amid payment issues and lull demand.
- According to trade sources, the forthcoming rabi crop of the current KMS 2022-23 is expected to yield 106 LMT rice, which will be procured from 11 states that produce rabi crop rice. The states have been advised to increase their milling capacity to ensure that the milling of one season is completed before the start of the next season, thus preventing the recycling of rice.
- During the week under review, market witnessed a downward trend due to a tight supply and poor demand. In GULFOOD 2023, Dubai, exporters from Haryana, Punjab and Delhi, had a successful trade in rice. They secured export orders for the rice in their inventory, leading to a quiet domestic demand currently. However, there is an anticipation of some price movement from mid-March onwards.
- Price for India's 5% broken rice increased to \$397-\$404 a tonne from \$395-\$402 last week due to robust export demand amid competitive prices.
- As per trade sources, a Saudi Arabian importer company has given HAFED export orders for 85,000 metric tonnes (MT) of basmati rice, valued at Rs 850 crore. A 33,000 MT order has been completed, and the other orders are being carried out. HAFED is now taking part in a GULFOOD 2023, the largest food and beverage expo in the world, by setting up its display stall there for the first time.
- According to trade sources, as the largest exporter of white rice in the world attempts to control local prices, India has no plans to lift restriction on broken rice exports or reduce a 20% levy on such shipments. The export restrictions imposed by India will make consumers pay more for rice, which has recently become more expensive, particularly in Asia and Africa. Another reason behind this decision is that the El Nino weather phenomena may affect this year's monsoon rains so it would be risky not to keep rice stock in hand amid limited wheat stocks.
- As per the 2nd advance estimates of production of major agricultural crops released by the Union Ministry of Agriculture and Farmers Welfare on 14th 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 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.
- 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.

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

- Prices for Vietnam's 5% broken rice reported at \$457 per tonne from \$455 to \$460 last week. Demand is still high since many people are purchasing despite the unstable global scenario. Shipments to Malaysia and Africa were significantly down from last year during the first half of this month, while sales to China and the Philippines saw a significant uptick. A UN-backed agreement that allows for the continuation of grain supplies from the Black Sea is up for negotiation this week, and there is a risk that the confrontation between Russia and Ukraine may worsen.
- In spite of weak demand, Thailand's 5% broken rice prices remained stable at \$460 per tonne. New supply anticipated in early March to April might further correct the prices.
- As per sources, amid middlemen's stockpiling, domestic rice prices in Bangladesh remain high despite good crops and reserves. To stabilise local prices, Bangladesh has permitted private traders to import rice.

TODAY

State/Centre	Variety	Prices (Rs/Qtl)		Change
		03-Mar-23	02-Mar-23	
Delhi (Naya Bazar)	1121 Paddy	4400	4400	Unch

	1509 Paddy	4000	4000	Unch
	DB Paddy	4250	4400	-150
	Traditional Basmati Paddy	5200	5200	Unch
	Basmati Rice Common (Raw Wand)	9900	9700	200
	1121 Raw Wand	9300	9300	Unch
	1121 White Parboiled (Sella) Wand	8000	8000	Unch
	1121 Steam Wand	9200	9000	200
	1121 Golden Parboiled (Sella) Wand	8500	8500	Unch
	1509 Steam Wand	8900	9000	-100
	1509 White Parboiled (Sella) Wand	7800	7600	200
	Sugandha Steam	7700	7800	-100
	Sarbati Raw Wand	6700	6600	100
	Sarbati White Parboiled (Sella) Wand	5800	5900	-100
	Parmal Raw	4300	4100	200
	Parmal Steam Wand	4100	4100	Unch
	Parmal White Parboiled (Sella) Wand	4100	4100	Unch
	DB(Duplicate Basmati) (Pusa) Raw Wand	8200	8700	-500
Punjab (Amritsar)	1121 Paddy	4950	4800	150
	1509 Paddy	4150	4200	-50
	Traditional Basmati Paddy	5400	5400	Unch
	Basmati Rice Common (Raw Wand)	9900	9700	200
	1121 Steam Wand	9300	9300	Unch
	1121 White Parboiled (Sella) Wand	8250	8200	50
	1509 Steam Wand	9000	9000	Unch
	1509 White Parboiled (Sella) Wand	7700	7550	150
	Sarbati Raw Wand	6800	6800	Unch
	Sarbati Steam Wand	6600	6600	Unch
	Sarbati White Parboiled (Sella) Wand	5850	5850	Unch
	Parmal Steam Wand	4050	4050	Unch
	PR-47 Govt. Quality	3200	3200	Unch
Haryana (Karnal)	1121 Paddy	4600	4500	100
	1509 Paddy	4400	4300	100
	Basmati Paddy 31no.	5800	5800	Unch
	Basmati Rice Common (Raw Wand)	9900	9700	200
	1121 Steam	9300	9300	Unch
	1121 White Parboiled (Sella) Wand	8250	8200	50
	1509 White Parboiled (Sella) Wand	7700	7550	150
	Sarbati Steam	6600	6400	200
	Sarbati White Parboiled (Sella) Wand	5850	5900	-50
	DB(Duplicate Basmati) Steam	8500	8800	-300

	DB(Duplicate Basmati) White Parboiled	8000	8300	-300
	Parmal Raw	4250	4200	50
	Parmal Steam Wand	4050	4000	50
	Parmal White Parboiled (Sella) Wand	4100	4050	50
	IR-08	3050	3050	Unch
West Bengal (Kolkata)	Swarna White Parboiled 5% Silky Sortex	2800	2800	Unch
	Swarna White Parboiled 100% Silky Sortex	2820	2820	Unch
	IR-36 White Parboiled 5% Silky Sortex	3050	3050	Unch
	IR-64 White Parboiled 25% Silky Sortex	3500	3500	Unch
	Miniket 5% Broken	4400	4400	Unch
	Gobind Bhog	6400	6400	Unch
Andhra Pradesh (Kurnool)	Sona Fine	4600	4600	Unch
Andhra Pradesh (Machilipatnam)	BPT Steam	4700	4700	Unch
Chhattisgarh (Bhatapara)	HMT	4500	4600	-100
	JSR (Jai Shri Ram)	4800	5100	-300
	Vishnu Bhog	8000	8000	Unch
	Dugraj	NA	NA	-
	Swarna	2600	2650	-50
Chhattisgarh (Rajim)	Swarna 5% Broken	2500	2500	Unch
	BPT Steam	3800	3800	Unch
	BPT White Parboiled	3000	3000	Unch
Maharashtra (Nagpur)	HMT Raw	4400	4400	Unch
	JSR (Jai Shri Ram) Best	4900	4900	Unch
	Chinnor Best	4800	4800	Unch
	BPT	3400	3400	Unch
	Rupali	3600	3600	Unch
Maharashtra (Gondia)	IR-36 White Parboiled (Sella)	2700	2700	Unch
	HMT RAW	4600	4600	Unch
	BPT White Parboiled (Sella)	3200	3200	Unch
Karnatka (Raichur)	Sona Steam	4200	4200	Unch
	Sona Raw	5200	5200	Unch
	Ganga Kaveri	5200	5200	Unch
	HMT	5100	5100	Unch
Telangna (Nizamabad)	BPT Steam	4600	4600	Unch
	BPT raw	4900	4900	Unch
	kolam Steam Sortex	5000	5000	Unch
	JSR (Jai Shree Ram) kolam	5200	5200	Unch
	IR-64	2500	2500	Unch
	Kinki	2300	2300	Unch
Telangana (Hyderabad)	IR-64-Bold Sortex	2800	2800	Unch

	Sona Masuti Steam	4850	4850	Unch
	IR-Silki Sortex	2600	2600	Unch
Uttrakhand (Uddhamsingh Nagar)	Organic Basmati	11500	11500	Unch
	Dehraduni Basmati	10500	10500	Unch
	1121 Steam	9300	9000	300
	1509 Steam	9000	9000	Unch
	Sugandha White Parboiled (Sella)	6400	6700	-300
	Parmal White Parboiled (Sella)	4200	4100	100
	Sharbati Steam	6600	6400	200
	IR-08 Jaya Sortex	3000	3000	Unch
Gujarat (Ahmedabad)	Parmal Sortex	2750	2750	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.