

**Domestic Market Highlights:**

- Most of the market remained steady to firm amid normal supply and poor demand.
- As per trade sources, prices for India's 5% broken parboiled rice decreased from \$397-\$404 per tonne, highest in roughly two years, to \$390-\$395 per tonne as a result of the rupee's depreciation.
- 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.
- 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 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 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**

- As per sources, prices for Thailand's 5% broken rice were reported at \$450 to \$460 per tonne, compared to \$460 range the previous week due to quiet supply & demand.
- According to sources, 5% broken rice was being sold in Vietnam for \$440 to \$445 per tonne, down from \$457 per tonne a week earlier. Prices decreased little as supply increased due to the winter-spring harvest. While prices may continue to decline when the harvest reaches its height this month, strong global demand might keep the decline from being more apparent.
- According to this month's WASDE Report released on 8th March, 2023, The global outlook for 2022/23 indicates a significant increase in supplies, consumption, trade, and ending stocks. The projected supplies have been raised by 7.0 million tons to a total of 693.3 million, with India's production alone accounting for the entire increase. The country's production has been raised to a record 132.0 million tons, based on the Second Advanced Estimate by the Government of India and the expectation of further increase in the final estimate, given the recent trend. The global consumption for 2022/23 is expected to reach a record high of 520.0 million tons, with an increase of 2.8 million tons, primarily due to India. The global trade for rice is projected to increase by 0.9 million tons to reach 54.9 million, with India's exports surpassing reductions in Uruguay and the United States. The estimated global ending stocks

have been raised by 4.2 million tons to 173.3 million, with China and India contributing to 81 percent of the total rice stocks worldwide.

# TODAY

State/Centre	Variety	Prices (Rs/Qtl)		Change
		10-Mar-23	09-Mar-23	
Delhi (Naya Bazar)	1121 Paddy	4425	4465	-40
	1509 Paddy	4100	4100	Unch
	DB Paddy	4300	4400	-100
	Traditional Basmati Paddy	5200	5200	Unch
	Basmati Rice Common (Raw Wand)	9900	9900	Unch
	1121 Raw Wand	9500	9300	200
	1121 White Parboiled (Sella) Wand	8200	8000	200
	1121 Steam Wand	9300	9200	100
	1121 Golden Parboiled (Sella) Wand	8500	8500	Unch
	1509 Steam Wand	9000	8900	100
	1509 White Parboiled (Sella) Wand	7800	7800	Unch
	Sugandha Steam	7800	7700	100
	Sarbati Raw Wand	6800	6700	100
	Sarbati White Parboiled (Sella) Wand	5900	5800	100
	Parmal Raw	4400	4300	100
	Parmal Steam Wand	4200	4100	100
	Parmal White Parboiled (Sella) Wand	4100	4100	Unch
	DB(Duplicate Basmati) (Pusa) Raw Wand	8700	8200	500
Punjab (Amritsar)	1121 Paddy	4785	4900	-115
	1509 Paddy	4200	4200	Unch
	Traditional Basmati Paddy	5400	5400	Unch
	Basmati Rice Common (Raw Wand)	9900	9900	Unch
	1121 Steam Wand	9500	9500	Unch
	1121 White Parboiled (Sella) Wand	8400	8300	100
	1509 Steam Wand	9300	9300	Unch
	1509 White Parboiled (Sella) Wand	7900	7900	Unch
	Sarbati Raw Wand	6800	6800	Unch
	Sarbati Steam Wand	6600	6600	Unch
	Sarbati White Parboiled (Sella) Wand	5900	5900	Unch
	Parmal Steam Wand	4150	4150	Unch
	PR-47 Govt. Quality	3200	3200	Unch
Haryana (Karnal)	1121 Paddy	4400	4400	Unch
	1509 Paddy	4200	4200	Unch
	Basmati Paddy 31no.	5800	5800	Unch

	Basmati Rice Common (Raw Wand)	9900	9900	Unch
	1121 Steam	9500	9500	Unch
	1121 White Parboiled (Sella) Wand	8400	8300	100
	1509 White Parboiled (Sella) Wand	7900	7900	Unch
	Sarbati Steam	6600	6600	Unch
	Sarbati White Parboiled (Sella) Wand	5900	5900	Unch
	DB(Duplicate Basmati) Steam	8600	8400	200
	DB(Duplicate Basmati) White Parboiled	7900	7800	100
	Parmal Raw	4350	4350	Unch
	Parmal Steam Wand	4150	4150	Unch
	Parmal White Parboiled (Sella) Wand	4150	4150	Unch
	IR-08	3050	3050	Unch
West Bengal (Kolkata)	Swarna White Parboiled 5% Silky Sortex	2750	2750	Unch
	Swarna White Parboiled 100% Silky Sortex	2780	2780	Unch
	IR-36 White Parboiled 5% Silky Sortex	3050	3050	Unch
	IR-64 White Parboiled 25% Silky Sortex	3500	3500	Unch
	Miniket 5% Broken	4500	4500	Unch
	Gobind Bhog	6300	6300	Unch
Andhra Pradesh (Kurnool)	Sona Fine	4600	4600	Unch
Andhra Pradesh (Machilipatnam)	BPT Steam	4700	4700	Unch
Chhattisgarh (Bhatapara)	HMT	4500	4500	Unch
	JSR (Jai Shri Ram)	4800	4800	Unch
	Vishnu Bhog	8000	8000	Unch
	Dugraj	NA	NA	-
	Swarna	2600	2600	Unch
Chhattisgarh (Rajim)	Swarna 5% Broken	2500	2500	Unch
	BPT Steam	3800	3800	Unch
	BPT White Parboiled	3000	3000	Unch
Maharashtra (Nagpur)	HMT Raw	4500	4500	Unch
	JSR (Jai Shri Ram) Best	5200	5200	Unch
	Chinnor Best	5000	5000	Unch
	BPT	3500	3500	Unch
	Rupali	3700	3700	Unch
Maharashtra (Gondia)	IR-36 White Parboiled (Sella)	2700	2700	Unch
	HMT RAW	4700	4700	Unch
	BPT White Parboiled (Sella)	3300	3300	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	4800	4800	Unch
	IR-Silki Sortex	2600	2600	Unch
Uttrakhand (Uddhamsingh Nagar)	Organic Basmati	11500	11500	Unch
	Dehraduni Basmati	10500	10500	Unch
	1121 Steam	9300	9300	Unch
	1509 Steam	9000	9000	Unch
	Sugandha White Parboiled (Sella)	6700	6400	300
	Parmal White Parboiled (Sella)	4100	4200	-100
	Sharbati Steam	6600	6600	Unch
Gujarat (Ahmedabad)	IR-08 Jaya Sortex	2950	2950	Unch
	Parmal Sortex	2800	2800	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.