

### **Domestic Market Highlights:**

- Markets remained steady throughout the day in most of the markets amid tight supply.
- The 5% broken parboiled variety of rice from India was quoted at \$385-\$392 per tonne this week, showing an increase from last week's range of \$383-\$389. This price rise can be attributed to the appreciation of the rupee and the growing demand for rice in the market.
- The government has recently announced the removal of the 20% export duty on rice of “seed quality in the husk”, following a thorough review of rice stocks. This exemption has been implemented as of April 11th, and aims to facilitate trade in the rice sector.
- As per trade sources, the recent decline in wheat and maize prices has had a ripple effect on the rice market. However, the reality is that rice stocks are limited in the producer mandis of Etawah, Etah, Mainpuri, Hathras, Mathura, Bharatpur. Furthermore, there are still six months until the new harvest of all Basmati varieties of paddy arrives, and before that, the summer cumin crop is expected in May-June, but its sowing conditions are unfavorable. As a result, the availability of high-quality paddy in rice mills is scarce, and exporters are focusing on deals with Iran and other Gulf countries. This is expected to intensify market demand in the future, particularly for Taj and 1718 Basmati varieties of rice, as rice mills have little to no stock. Hence, the market is anticipated to remain robust.
- As of 15<sup>th</sup> March, 2023, the GOI has granted approval for the provision of fortified rice via the Targeted Public Distribution System (TPDS) under the National Food Security Act (NFSA), as well as in other government welfare schemes in all states and union territories (UTs) by 2024, in a phased approach. During Phase I, states/UTs have procured roughly 17.51 LMT of fortified rice for distribution under ICDS and PM POSHAN. The implementation of Phase II is ongoing, and as of February 2023, 92.77 LMT of fortified rice has been procured for distribution under TPDS in Aspirational and High Burden Districts. Additionally, states/UTs have procured about 27.46 LMT of fortified rice for ICDS and PM-POSHAN.
- 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.
- 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 office 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.
- 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.

#### **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**

- The National Food Authority (NFA), the state grains agency of the Philippines, has submitted a proposal to import 330,000 tonnes of rice to address an anticipated deficit in the country's buffer stock. As of the end of the year, the Philippines is projected to have 1.69 million tonnes of rice inventory, which is equivalent to 45 days of buffer stocks, only half of the ideal 90-day stock needed for price

stabilization. However, due to budgetary constraints, the NFA expects its buffer stocks to decrease to less than 500,000 sacks of rice by July 2023, equivalent to less than a day of public consumption. To address this shortfall, the NFA is seeking a government-to-government arrangement for the rice importation, as the current regulations only permit private traders to import rice, with the NFA's function being limited to emergency buffer stocking. The Philippines is one of the largest buyers of rice in the world, primarily importing from Vietnam, its Southeast Asian neighbor, and also purchasing from Thailand, India, and other Asian producers.

- As per trade sources, Vietnam's 5% broken rice was offered at \$465-\$470 per tonne, up from \$460 per tonne a week ago. The demand for Vietnamese rice remains robust, and the country's exports in the first quarter witnessed significant growth.
- During the January-March period, Vietnam successfully exported 1.85 million tonnes of rice, reflecting a significant increase of 23.4% compared to the corresponding period last year. Notably, the Philippines and China continued to be the major importers of Vietnamese rice in the first quarter, showcasing the sustained demand from these key markets.
- Meanwhile, Thailand's 5% broken rice prices also experienced an upward trend, rising to \$485-\$490 per tonne from \$480-\$482 in the previous week. Exporters are actively procuring rice to meet orders from regions like Indonesia, indicating strong demand in the market.
- The Indian Government has granted special consideration for the export of 3.5 lakh tonnes (lt) of broken rice to Gambia and Senegal. The Commerce Ministry has authorized the export of 1 lakh tonnes of broken rice to Gambia and 2.5 lakh tonnes to Senegal. Furthermore, the Ministry has permitted the shipment of 9,990 tonnes of broken rice to Djibouti and Ethiopia.
- According to WASDE Report of 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
		18-Apr-23	17-Apr-23	
Delhi (Naya Bazar)	1121 Paddy	4600	4600	Unch
	1509 Paddy	4300	4500	-200
	DB Paddy	4400	4350	50
	Traditional Basmati Paddy	5500	5500	Unch
	Basmati Rice Common (Raw Wand)	10200	10200	Unch
	1121 Raw Wand	9800	9800	Unch
	1121 White Parboiled (Sella) Wand	8200	8200	Unch
	1121 Steam Wand	9500	9500	Unch
	1121 Golden Parboiled (Sella) Wand	8700	8700	Unch
	1509 Steam Wand	9200	9200	Unch
	1509 White Parboiled (Sella) Wand	7800	7800	Unch
	Sugandha Steam	7800	7800	Unch
	Sarbati Raw Wand	6800	6800	Unch
	Sarbati White Parboiled (Sella) Wand	5800	5800	Unch
	Parmal Raw	4500	4500	Unch
	Parmal Steam Wand	4300	4300	Unch
	Parmal White Parboiled (Sella) Wand	4250	4250	Unch
	DB(Duplicate Basmati) (Pusa) Raw Wand	9400	9400	Unch
Punjab (Amritsar)	1121 Paddy	4700	4700	Unch
	1509 Paddy	4300	4300	Unch
	Traditional Basmati Paddy	5700	5700	Unch
	Basmati Rice Common (Raw Wand)	10000	10000	Unch
	1121 Steam Wand	9550	9550	Unch
	1121 White Parboiled (Sella) Wand	8400	8400	Unch
	1509 Steam Wand	9400	9400	Unch
	1509 White Parboiled (Sella) Wand	7950	7950	Unch
	Sarbati Raw Wand	6900	6900	Unch
	Sarbati Steam Wand	6700	6700	Unch
	Sarbati White Parboiled (Sella) Wand	5950	6050	-100
	Parmal Steam Wand	4400	4400	Unch
	PR-47 Govt. Quality	3050	3050	Unch
Haryana (Karnal)	1121 Paddy	4700	4700	Unch
	1509 Paddy	4300	4300	Unch
	Basmati Paddy 31no.	6000	6000	Unch

	Basmati Rice Common (Raw Wand)	10000	10000	Unch
	1121 Steam	9550	9550	Unch
	1121 White Parboiled (Sella) Wand	8400	8400	Unch
	1509 White Parboiled (Sella) Wand	7950	7950	Unch
	Sarbati Steam	6700	6700	Unch
	Sarbati White Parboiled (Sella) Wand	5950	6050	-100
	DB(Duplicate Basmati) Steam	9200	9200	Unch
	DB(Duplicate Basmati) White Parboiled	8300	8300	Unch
	Parmal Raw	4600	4600	Unch
	Parmal Steam Wand	4400	4400	Unch
	Parmal White Parboiled (Sella) Wand	4425	4400	25
	IR-08	3100	3100	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	3100	3100	Unch
	IR-64 White Parboiled 25% Silky Sortex	3200	3200	Unch
	Miniket 5% Broken	4200	4200	Unch
	Gobind Bhog	6400	6400	Unch
Andhra Pradesh (Kurnool)	Sona Fine	4500	4500	Unch
Andhra Pradesh (Machilipatnam)	BPT Steam	4600	4600	Unch
Chhattisgarh (Bhatapara)	HMT	4650	4650	Unch
	JSR (Jai Shri Ram)	4800	4800	Unch
	Vishnu Bhog	7200	7200	Unch
	Dugraj	NA	NA	-
	Swarna	2775	2775	Unch
Chhattisgarh (Rajim)	Swarna 5% Broken	2725	2725	Unch
	BPT Steam	4100	4100	Unch
	BPT White Parboiled	3100	3100	Unch
Maharashtra (Nagpur)	HMT Raw	4800	4800	Unch
	JSR (Jai Shri Ram) Best	5200	5200	Unch
	Chinnor Best	5100	5100	Unch
	BPT	3900	3900	Unch
	Rupali	4100	4100	Unch
Maharashtra (Gondia)	IR-36 White Parboiled (Sella)	2700	2700	Unch
	HMT RAW	4750	4750	Unch
	BPT White Parboiled (Sella)	3850	3850	Unch
Karnatka (Raichur)	Sona Steam	4000	4000	Unch
	Sona Raw	5200	5200	Unch
	Ganga Kaveri	5200	5200	Unch
	HMT	4800	4800	Unch

Telangna (Nizamabad)	BPT Steam	4500	4500	Unch
	BPT raw	4700	4700	Unch
	kolam Steam Sortex	5200	5200	Unch
	JSR (Jai Shree Ram) kolam	4600	4600	Unch
	IR-64	2300	2300	Unch
	Kinki	2200	2200	Unch
Telangana (Hyderabad)	IR-64-Bold Sortex	2600	2600	Unch
	Sona Masuti Steam	4600	4600	Unch
	IR-Silki Sortex	2500	2500	Unch
Uttrakhand (Uddhamsingh Nagar)	Organic Basmati	10600	10600	Unch
	Dehraduni Basmati	10100	10100	Unch
	1121 Steam	9400	9400	Unch
	1509 Steam	9200	9200	Unch
	Sugandha White Parboiled (Sella)	6900	6900	Unch
	Parmal White Parboiled (Sella)	4350	4350	Unch
	Sharbati Steam	6500	6500	Unch
Gujarat (Ahmedabad)	IR-08 Jaya Sortex	3000	3000	Unch
	Parmal Sortex	2700	2700	Unch
	Kolam Sortex	3500	3500	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 Indian Agribusiness Systems Limited. 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 positions in any commodities (or investment). Please see the detailed disclaimer at © 2023 Indian Agribusiness Systems Limited.*