

Domestic Market Highlights:

- Markets sentiments remained bearish throughout the day in most of the markets amid varied demand and supply.
- On 29th May, 2023, The Directorate General of Foreign Trade (DGFT) has announced changes to a notification from August 17, 2022. These changes will affect the export of rice (both basmati and non-basmati) to European Union (EU) member states and other European countries such as Iceland, Liechtenstein, Norway, Switzerland, and the UK. According to the new rules, exporters will only need to obtain a certificate of inspection from the Export Inspection Council/Export Inspection Agency for exports to these specific countries. For the next six months, exports to other European countries will not require a certificate of inspection from the Export Inspection Council/Export Inspection Agency.
- As per trade sources, Kharif rice sowing just started in South Indian states, West Bengal, Odisha, Maharashtra, Karnataka and Assam. Farmers have taken advantage of pre-Monsoon rains. Total 28.3 lakh Ha has been planted so far, down by 6.69% from the corresponding period last year. West Bengal is leading in the initial stage, covering 7.9 lakh Ha, followed by Telangana covering 4.77 lakh Ha. Farmers in Karnataka have covered 3.29 lakh Ha so far. The sowing pace may increase if pre-Monsoon rains continue.
- As per trade sources, the prices for Indian 5% broken parboiled rice have remained steady at \$374 to \$378 per tonne, maintaining the same level as the previous week. These rates have been subject to pressure, partially attributed to the depreciation of the rupee, resulting in an increased margin for traders engaged in overseas sales. Weak demand has been observed in recent weeks, leading to buyers deferring their purchases.
- During the Kharif Marketing Season (KMS) 2022-23, as of 22nd May 2023, the estimated production of rice stands at 1308.37 LMTs, according to the second advance estimate. The procurement estimate for rice is 626.06 LMTs, with an actual quantity of rice procured amounting to 520.63 LMTs. These figures have resulted in a total Minimum Support Price (MSP) payment of Rs. 159,659.59 Crores, benefiting a significant number of 1,12,96,159 farmers within the same KMS period.
- According to the 3rd Advance Estimates of agricultural year 2022-23, recently published by the Ministry of Agriculture and Farmers Welfare, the total production of rice has been revised to 1355.42 LMT. This figure represents a 3.59% increase compared to the 2nd advance estimate which was 1308.37 and a significant increase of 60.71 LMT when compared to the previous year.

- On 24th May, 2023, the G.O.I. granted authorization for the exportation of broken rice, within the context of government-approved shipments to other nations aimed at fulfilling their food security requirements. It is noteworthy that under ordinary circumstances, the export of broken rice is prohibited.
- As per trade sources, due to payment issues there is sluggish trade activity in Telangana, hence, market sentiments are bearish.
- As per the press release issued by the Indian Meteorological Department (IMD), it has been projected that the commencement of the Southwest Monsoon over the mainland region, specifically in Kerala, is expected to be postponed compared to the usual onset date. The anticipated date for the onset of the Southwest Monsoon over Kerala is forecasted to be around the 4th of June, 2023, with a model error margin of plus or minus four days.
- The government has announced its decision to procure the entire 15 lakh metric tonnes of paddy produced during the Rabi season of 2021-22. This procurement includes 13.73 lakh MTs of parboiled rice and the remaining amount of raw rice, subject to the condition that the State government hands it over to the Food Corporation of India.
- The Centre issued an advisory to the States on Wednesday, urging them to prepare for a potential worst-case scenario by ensuring an adequate supply of seeds for the kharif season in the event of deficient monsoon rainfall. The advisory was prompted by the India Meteorological Department's (IMD) confirmation that most global models indicate a moderate El Nino during the crucial monsoon season (June-September), which contributes 72% of the annual rainfall in India. Speaking at the annual Kharif Campaign, which aimed to prepare strategies for the upcoming season, Union Agriculture Secretary Manoj Ahuja noted that the weather department has forecasted normal monsoon conditions, but El Nino conditions could develop during the monsoon season.
- As per trade sources, the unseasonal rainfall that occurred during March and April resulted in significant losses for farmers, with thousands of acres of paddy and mango crops being destroyed. Many farmers had made substantial investments and are now facing difficulties in repaying their debts. Furthermore, during the paddy procurement process, the storage of paddy in open areas led to complete damage and in certain instances, germination of the wet paddy.
- As per trade sources, there is subdued demand in markets of Rajasthan amid local payment issues which has resulted in bearish sentiments in market. It is expected that mid-May onwards, demand for

seed might start for Kharif paddy sowing.

- As per trade sources, there has been a surge of more than 25 USD per tonne in the prices of Indian non-basmati white (raw) rice for export during the past two weeks, primarily driven by limited domestic supplies and a rising demand from international markets. On the other hand, parboiled (boiled) rice prices have witnessed a decline of 5 USD per tonne. Despite this trend, Indian white rice remains competitive, with a lead of 20-30 USD over its closest rival in the global market. In terms of parboiled rice, the Indian variety is currently at least 100 USD per tonne more affordable compared to its competitors.
- As per trade sources, the recent heavy rains and hailstorms have caused significant damage to standing crops across Nizamabad, Suryapet, and Adilabad districts, affecting thousands of acres. The inclement weather has persisted for the last two days, with all 29 mandals in Nizamabad district experiencing rainfall. As a result, paddy brought to the procurement centres has been soaked in rainwater, causing great distress to farmers. Approximately 30,000 metric tonnes of paddy have been impacted by the rains. The corporation has assured farmers that the damaged paddy stocks will be purchased once permission is obtained from higher officials. As of Monday, standing crops on 3,500 acres have been damaged in Nizamabad district, while horticulture crops on 5,000 acres and paddy on over 25,000 acres have been affected in Suryapet district.
- 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 of 15th 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.

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

- Bangladesh government has allocated a substantial incentive of Taka 33.20 crore with the objective of bolstering the cultivation and production of Aman paddy during the current year. This incentive program entails the provision of essential resources to farmers, including five kilograms of high-quality seeds, as well as ten kilograms each of DAP and MOP fertilizers, all of which will be provided free of charge. These resources are intended to support the cultivation of the high-yielding variety of Ropa Aman paddy on one bigha of land per farmer.
- Meanwhile, Bangladesh is presently engaged in a procurement drive for newly harvested rice. The government aims to acquire 1.2 million tonnes of rice from local farmers between May 7 and August 31, as part of its strategic efforts in the rice market.
- As per trade sources, Vietnam has experienced a slight increase in prices for its 5% broken rice, with the current range standing at \$490 to \$495 per tonne, compared to the previous range of \$485 to \$495 observed last week. The limited availability of supplies has prompted exporters to prioritize fulfilling contracts with Indonesian buyers.
- Thailand, on the other hand, has observed a slight decline in prices for its 5% broken rice, currently quoted at \$495 to \$500 per tonne, as opposed to the previous week's price of \$500. Subdued demand persists in the market, while stakeholders await the forthcoming crop harvest, which is anticipated to contribute additional supplies.
- As per trade sources, in the initial month of the current fiscal year (March 21-April 20), the Islamic Republic of Iran imported a substantial quantity of rice totaling 77,932 tons which is down by 52% when compared to the corresponding month of the previous year. Among the exporting nations, India emerged as the primary rice supplier to Iran, shipping 41,000 tons, followed by Pakistan with 30,000 tons and the United Arab Emirates with 2,000 tons.
- As per trade sources, between the months of January and April, Thailand experienced a commendable achievement in its rice exports, reaching a significant volume of 2.79 million tonnes. Projections for the entire year indicate that the total rice export quantity will exceed 8 million tonnes. These exports

have generated a noteworthy revenue of US\$1.5 billion (equivalent to 51.2 billion baht), marking a substantial increase of 23% when compared to the corresponding period in the previous year.

- Vietnam achieved significant gains in its rice export sector during the initial four months of the current year. With a shipment of 2.95 million tonnes, the country garnered a total revenue of 1.56 billion USD, reflecting impressive year-on-year increases of 54.5% and 43.6% in terms of volume and value, respectively. This notable growth in both export volume and value positions rice as one of the leading agricultural commodities driving Vietnam's economy in the first four months of 2023.
- This year, Asia's rice production is poised to increase as a result of higher prices that have encouraged farmers to expand acreage and utilize more fertilizer. Such developments are easing supply concerns that arose after production experienced its first decline in seven years during 2022. Recently harvested off-season rice crops from India and Thailand, the top two exporters globally, have surpassed the previous year's output levels, and farmers are preparing for the planting of main crops in the upcoming months, with prices remaining close to their two-year peak.
- As per trade sources, the cost of raw white rice has recently experienced an upswing throughout Asia. This trend can be attributed to certain countries' efforts to increase their rice reserves in preparation for potential impacts of the anticipated development of El Nino in the latter half of 2023. Specifically, countries like Indonesia, the Philippines, and Malaysia have shown increased interest in purchasing greater quantities of rice. Moreover, there is heightened demand for rice from islands near the Philippines, and the Malaysian market has become more accessible. India have also received inquiries from Vietnam, where new crops are projected to arrive by the end of this month. Buyers have requested expedited shipments to accommodate their urgent needs.

TODAY

State/Centre	Variety	Prices (Rs/Qtl)		Change
		30-May-23	29-May-23	
Delhi (Naya Bazar)	1121 Paddy	4150	4200	-50
	1509 Paddy	3800	3900	-100
	DB Paddy	3900	3900	Unch
	Traditional Basmati Paddy	4500	5000	-500
	Basmati Rice Common (Raw Wand)	9500	9500	Unch
	1121 Raw Wand	9000	9000	Unch
	1121 White Parboiled (Sella) Wand	7900	7900	Unch
	1121 Steam Wand	9000	9000	Unch
	1121 Golden Parboiled (Sella) Wand	8400	8400	Unch

	1509 Steam Wand	8600	8600	Unch
	1509 White Parboiled (Sella) Wand	7200	7200	Unch
	Sugandha Steam	7000	7000	Unch
	Sarbati Raw Wand	6500	6500	Unch
	Sarbati White Parboiled (Sella) Wand	5500	5500	Unch
	Parmal Raw	4400	4400	Unch
	Parmal Steam Wand	4200	4200	Unch
	Parmal White Parboiled (Sella) Wand	4100	4100	Unch
	1718 Steam Wand	8600	8600	Unch
	1718 White Parboiled (Sella) Wand	7700	7700	Unch
	1401 Steam Wand	8900	8900	Unch
	1401 White Parboiled (Sella) Wand	8500	8500	Unch
	DB(Duplicate Basmati) (Pusa) Raw Wand	8800	8800	Unch
Punjab (Amritsar)	1121 Paddy	4200	4600	-400
	1509 Paddy	4000	4300	-300
	Traditional Basmati Paddy	5000	5500	-500
	Basmati Rice Common (Raw Wand)	9500	9500	Unch
	1121 Steam Wand	9100	9100	Unch
	1121 White Parboiled (Sella) Wand	8100	8100	Unch
	1509 Steam Wand	9100	9100	Unch
	1509 White Parboiled (Sella) Wand	7300	7300	Unch
	Sarbati Raw Wand	6500	6500	Unch
	Sarbati Steam Wand	6300	6300	Unch
	Sarbati White Parboiled (Sella) Wand	5400	5400	Unch
	Parmal Steam Wand	4200	4250	-50
	1718 Steam Wand	8800	8900	-100
	1718 White Parboiled (Sella) Wand	7600	7600	Unch
	1401 Steam Wand	9000	9000	Unch
	PR-47 Govt. Quality	3050	3050	Unch
Haryana (Karnal)	1121 Paddy	4500	4700	-200
	1509 Paddy	4200	4400	-200
	Basmati Paddy 31no.	5500	5700	-200
	Basmati Rice Common (Raw Wand)	9500	9500	Unch
	1121 Steam	9100	9100	Unch
	1121 White Parboiled (Sella) Wand	8100	8200	-100
	1509 White Parboiled (Sella) Wand	7300	7300	Unch
	Sarbati Steam	6300	6300	Unch
	Sarbati White Parboiled (Sella) Wand	5400	5400	Unch
	DB(Duplicate Basmati) Steam	8850	8850	Unch
	DB(Duplicate Basmati) White Parboiled	8450	8250	200

	Parmal Raw	4400	4450	-50
	Parmal Steam Wand	4200	4250	-50
	Parmal White Parboiled (Sella) Wand	4150	4150	Unch
	1718 Steam Wand	8800	8900	-100
	1718 White Parboiled (Sella) Wand	7600	7600	Unch
	1401 Steam Wand	9000	9000	Unch
	IR-08	3050	3050	Unch
West Bengal (Kolkata)	Swarna White Parboiled 5% Silky Sortex	3050	3050	Unch
	Swarna White Parboiled 100% Silky Sortex	3070	3070	Unch
	IR-36 White Parboiled 5% Silky Sortex	3150	3150	Unch
	IR-64 White Parboiled 25% Silky Sortex	3650	3650	Unch
	Miniket 5% Broken	4200	4200	Unch
	Gobind Bhog	6600	6600	Unch
Andhra Pradesh (Kurnool)	Sona Fine	4400	4500	-100
Andhra Pradesh (Machilipatnam)	BPT Steam	4500	4600	-100
Chhattisgarh (Bhatapara)	HMT	4900	4700	200
	JSR (Jai Shri Ram)	5200	5100	100
	Vishnu Bhog	7400	7200	200
	Dugraj	NA	NA	-
	Swarna	3000	3000	Unch
Chhattisgarh (Rajim)	Swarna 5% Broken	2825	2900	-75
	BPT Steam	3800	4000	-200
	BPT White Parboiled	3400	3500	-100
Maharashtra (Nagpur)	HMT Raw	4800	4800	Unch
	JSR (Jai Shri Ram) Best	5600	5600	Unch
	Chinnor Best	5100	5100	Unch
	BPT	3600	3600	Unch
	Rupali	3800	3800	Unch
Maharashtra (Gondia)	IR-36 White Parboiled (Sella)	2700	2700	Unch
	HMT RAW	4750	4750	Unch
	BPT White Parboiled (Sella)	3600	3600	Unch
Karnatka (Raichur)	Sona Steam	4500	4500	Unch
	Sona Raw	5500	5500	Unch
	Ganga Kaveri	5500	5500	Unch
	HMT	4900	4900	Unch
Telangna (Nizamabad)	BPT Steam	4700	4700	Unch
	BPT raw	5300	5200	100
	kolam Steam Sortex	5500	5500	Unch
	JSR (Jai Shree Ram) kolam	4800	4800	Unch
	IR-64	2500	2500	Unch

	Kinki	2300	2200	100
Telangana (Hyderabad)	IR-64-Bold Sortex	2700	2700	Unch
	Sona Masuti Steam	5000	4900	100
	IR-Silki Sortex	2600	2600	Unch
Uttarakhand (Uddhamsingh Nagar)	Organic Basmati	10500	10500	Unch
	Dehraduni Basmati	9600	9600	Unch
	1121 Steam	9100	9100	Unch
	1509 Steam	8700	8700	Unch
	Sugandha White Parboiled (Sella)	6100	6100	Unch
	Parmal White Parboiled (Sella)	4200	4200	Unch
	Sharbati Steam	6100	6100	Unch
Gujarat (Ahmedabad)	IR-08 Jaya Sortex	2950	2800	150
	Parmal Sortex	3050	2950	100
	Kolam Sortex	3100	3200	-100

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