

Domestic Market Highlights:

- Price remained mostly steady to firm throughout the day in most of the markets. 1509 sella up by Rs. 500 to Rs. 7500 per qtl. 1121 sella up by Rs. 550 to Rs.8600 per qtl. in Amritsar, Punjab market. whereas, 1121 paddy up by Rs. 400 to Rs. 4600 per qtl. at Nayabazar, Delhi market.
- Food Corporation of India (FCI) has faced challenges in selling rice through the weekly e-auctions held recently. In the past two auctions, FCI was able to sell only 460 tonnes of rice out of the approximately 385,000 tonnes offered under the Open Market Sale Scheme (OMSS). One possible reason for the low sales could be that the price of Rs 31/kg set by FCI for the e-auction is higher than the price of a similar variety of rice available in the market.
- Additionally, FCI's rice has around 25% broken grains, which makes it less attractive for traders. In comparison, white raw rice without broken grains is currently available for export at the Mundra port in Gujarat at a similar cost. These factors could be the possible reason for less attraction towards OMSS sale for rice from buyers. Considering these circumstances, the government may reduce the prices of rice offered under the OMSS in order to make it more competitive in the market. The next e-auction is scheduled to take place on Wednesday.
- The price range for India's 5% broken parboiled rice increased to \$421 to \$428 per MT, compared to last week's range of \$412 to \$420 per MT. This week prices climbed to their highest since April 2018.
- It is estimated that 2.40 lakh hectares of paddy fields are at risk of being damaged due to continuous rainfall in various districts of Punjab, including Patiala, Sangrur, Mohali, Ludhiana, Jalandhar, and Fatehgarh Sahib. Out of this total, approximately 83,000 hectares of crops will be replanted. The farmers will receive paddy nurseries to facilitate the replantation process and will be encouraged to sow the PR 126 variety of paddy, as well as basmati.
- India, which represents approximately 40% of the global rice trade, has taken measures to tighten the trade of certain rice varieties. Following Russia's invasion of Ukraine, food staple prices such as wheat and corn have been rising, leading to the South Asian nation banning broken rice exports and imposing a 20% duty on shipments of white and brown rice last year.
- The Food Corporation of India (FCI) has recently decreased the price of rice and wheat offered through the domestic open market sale scheme for registered bulk buyers. Previously sold at ₹34/kg, fortified rice is now available at ₹31/kg.

- The Government of India is considering a proposal to prohibit the export of all non-Basmati Rice, which will be impacting around 80% of India's rice exports. While this action may potentially reduce domestic prices, there is a risk of escalating global costs. Whereas, Rice is a staple food for approximately half of the world's population, with Asia consuming roughly 90% of the global supply. Concerns over the return of the El Niño weather phenomenon have already caused benchmark prices to reach a two-year high, as it may potentially harm crops.
- Since the majority of the Kharif season sowing occurs in July, the progress of rainfall during this month will be crucial for rice production in eastern belt states such as Bihar, Jharkhand, and Odisha, as well as in the central state of Maharashtra and the southern regions of Telangana and Karnataka. These areas receiving deficient and weak rainfall progress so far. Moreover, farmers are shifting to Millets as certain state governments are offering incentives in light of 2023 being declared the "Year of Millets."
- The first e-auction round, held on July 5, for the open market sale scheme of rice to small traders received a very low response. The Food Corporation of India (FCI) had offered 3.88 lakh tonnes of rice, but only 170 tonnes were sold to five bidders. The next auction is scheduled for July 12, 2023.
- Despite ongoing restrictions on outbound shipments, India will continue to export food grains, such as wheat and rice, to countries in vulnerable situations. Last month, India granted approval for the shipment of broken rice to Senegal, Gambia, and Indonesia, responding to specific requests from these nations.
- On July 12, 2023, the third E-auction for the period of 2023-24 is set to occur. This auction will offer 4.29 LMT (Lakh Metric Tons) of wheat sourced from 482 depots, as well as 3.95 LMT of rice from 254 depots located throughout the country.
- The price range for India's 5% broken parboiled rice increased to \$412 to \$420 per tonnes, compared to last week's range of \$409 to \$416 per tonnes. While demand has been decreasing at higher price levels. However, limited supplies continue to push prices upwards.
- According to reports from IMD, there is positive news for crop plantations in India in July, particularly for states that grow paddy, as most areas are expecting to receive average rainfall during this month. Average rainfall is defined as ranging from 94 percent to 106 percent. Nevertheless, the increased temperatures in June resulted in substantial planting delays for numerous farmers cultivating kharif crops in India.

- According to reports, there is a growing demand for rice exports in the global market, resulting in an increase in prices for Basmati rice. The price of Basmati rice has risen to over Rs. 90,776 per MT, compared to Rs. 83,068 per MT last year. This surge in prices is expected to benefit Basmati growers and traders during the upcoming Kharif marketing season of 2023-24, as all varieties of aromatic long-grained rice have experienced price hikes in both the domestic and international markets.
- To tackle the escalating retail prices of rice, the government plans to auction a total of 400,000 tonnes of rice from its buffer stock. The Food Corporation of India (FCI) will start the e-auction process. The auction for ice auction will take place on July 5. The tender announcements will be made in the near future to engage bulk consumers and traders and enhance domestic supplies while tackling price inflation.
- During the Kharif Marketing Season (KMS) 2022-23, the Government of India has efficiently conducted paddy procurement. As of 02.07.2023, the Central Pool has acquired more than 845 Lakh Metric Ton (LMT) of paddy through Minimum Support Price (MSP).

International Market Highlights:

- According to the General Department of Vietnam Customs, Rice exports reached up to 4.2 million MT in the first half of the year, up by 21% compared to the same period last year. In June, the average export price of rice reached \$650 per MT, indicating a 9.4% increase from May and a substantial 20.8% rise from the same period last year. The surge in rice prices for export is due to a worldwide decrease in rice supply and the impact of the El Niño climate pattern.
- To ensure food security within the country, the government has established a target of collecting 2.46 million metric tons of rice during the current financial year 2023-2024. Out of this quantity, 1.96 million metric tons of rice will be procured domestically, while 500,000 metric tons will be sourced internationally. Regarding international sources, there is a plan to import 300,000 metric tons of rice through Government-to-Government (G-to-G) channels and obtain 200,000 metric tons through international tenders.
- The price range for Vietnam's 5% broken rice increased to \$510 to \$513 per MT, compared to last week range of \$500 to \$510. There is a robust demand for this rice variety, leading exporters to quickly procure paddy from farmers in order to fulfill their export agreements.
- The price range for Thailand's 5% broken rice remained steady at \$515 per MT, showing no change

from the previous period. Prices there are expected to increase after buyers stocked up.

- Next week, South Korea is scheduled to enter into an agreement with eight African nations aimed at enhancing rice production. The agreement stands for providing improved seed production facilities and high-yielding varieties that can yield two to three times more than domestic varieties. The goal is to reduce their reliance on imports, as current local production in West Africa only satisfies approximately 60% of the demand. In contrast, South Korea has managed to produce sufficient rice to fulfill over 90% of its local demand.
- Global rice prices, currently at their highest point in 11 years, are expected to continue rising. This comes as El Nino poses a threat to crop yields in major rice-producing regions and as the prices of alternative food staples become more expensive for impoverished populations in Asia and Africa.
- Mali, a West African country, is set to receive 2.9 Lakh tonnes of fully broken white rice from India through government-to-government (G2G) channels. This action comes after India's recent approval in May to permit the export of fully broken white rice, which had been prohibited since September of the previous year.
- In the fiscal year 2022-23, Iran purchased approximately one million tonnes of aromatic rice from India, which accounted for 20.35% of India's total basmati rice exports of 4.5 million tonnes. Nevertheless, India is now confronted with the potential risk of losing Iran as one of its major markets for basmati rice exports due to the depletion of rupee reserves held by the West Asian country in recent weeks.

TODAY

State/Centre	Variety	Prices (Rs/Qtl)		Change
		18-Jul-23	17-Jul-23	
Delhi (Naya Bazar)	1121 Paddy	4600	4200	400
	1509 Paddy	3700	3550	150
	DB Paddy	3700	3600	100
	Traditional Basmati Paddy	4700	4700	Unch
	Basmati Rice Common (Raw Wand)	9600	9600	Unch
	1121 Raw Wand	9400	9400	Unch
	1121 White Parboiled (Sella) Wand	8000	8000	Unch
	1121 Steam Wand	9450	9450	Unch
	1121 Golden Parboiled (Sella) Wand	8500	8500	Unch
	1509 Steam Wand	8800	8800	Unch

State/Centre	Variety	Prices (Rs/Qtl)		Change
		18-Jul-23	17-Jul-23	
	1509 White Parboiled (Sella) Wand	7000	7000	Unch
	Sugandha Steam	7200	7200	Unch
	Sarbati Raw Wand	6400	6400	Unch
	Sarbati White Parboiled (Sella) Wand	5600	5600	Unch
	Parmal Raw	4600	4600	Unch
	Parmal Steam Wand	4400	4400	Unch
	Parmal White Parboiled (Sella) Wand	4250	4250	Unch
	1718 Steam Wand	9100	9100	Unch
	1718 White Parboiled (Sella) Wand	7800	7800	Unch
	1401 Steam Wand	9200	9200	Unch
	1401 White Parboiled (Sella) Wand	8100	8100	Unch
	DB(Duplicate Basmati) (Pusa) Raw Wand	9000	9000	Unch
Punjab (Amritsar)	1121 Paddy	4600	4600	Unch
	1509 Paddy	3900	3900	Unch
	Traditional Basmati Paddy	5200	5200	Unch
	Basmati Rice Common (Raw Wand)	9900	9900	Unch
	1121 Steam Wand	9500	9450	50
	1121 White Parboiled (Sella) Wand	8600	8050	550
	1509 Steam Wand	9100	8850	250
	1509 White Parboiled (Sella) Wand	7500	7000	500
	Sarbati Raw Wand	6350	6350	Unch
	Sarbati Steam Wand	6150	6150	Unch
	Sarbati White Parboiled (Sella) Wand	5300	5300	Unch
	Parmal Steam Wand	4600	4550	50
	1718 Steam Wand	9100	9050	50
	1718 White Parboiled (Sella) Wand	8300	7700	600
	1401 Steam Wand	9200	9200	Unch
	PR-47 Govt. Quality	3050	3050	Unch
Haryana (Karnal)	1121 Paddy	4800	4800	Unch
	1509 Paddy	3800	3800	Unch
	Basmati Paddy 31no.	5200	5200	Unch
	Basmati Rice Common (Raw Wand)	10000	10000	Unch
	1121 Steam	9600	9450	150
	1121 White Parboiled (Sella) Wand	7950	8050	-100
	1509 White Parboiled (Sella) Wand	6900	7000	-100
	Sarbati Steam	6150	6150	Unch
	Sarbati White Parboiled (Sella) Wand	5300	5300	Unch
	DB(Duplicate Basmati) Steam	9050	9100	-50

State/Centre	Variety	Prices (Rs/Qtl)		Change
		18-Jul-23	17-Jul-23	
	DB(Duplicate Basmati) White Parboiled	8150	8150	Unch
	Parmal Raw	4800	4750	50
	Parmal Steam Wand	4600	4550	50
	Parmal White Parboiled (Sella) Wand	4400	4400	Unch
	1718 Steam Wand	9050	9050	Unch
	1718 White Parboiled (Sella) Wand	7800	7700	100
	1401 Steam Wand	9200	9200	Unch
	IR-08	3050	3050	Unch
West Bengal (Kolkata)	Swarna White Parboiled 5% Silky Sortex	3250	3250	Unch
	Swarna White Parboiled 100% Silky Sortex	3280	3280	Unch
	IR-36 White Parboiled 5% Silky Sortex	3300	3300	Unch
	IR-64 White Parboiled 25% Silky Sortex	3600	3600	Unch
	Miniket 5% Broken	4600	4600	Unch
	Gobind Bhog	7400	7400	Unch
Andhra Pradesh (Kurnool)	Sona Fine	5300	5300	Unch
Andhra Pradesh (Machilipatnam)	BPT Steam	5400	5400	Unch
Chhattisgarh (Bhatapara)	HMT	4900	4900	Unch
	JSR (Jai Shri Ram)	5300	5300	Unch
	Vishnu Bhog	7400	7400	Unch
	Dugraj	NA	NA	-
	Swarna	3300	3300	Unch
Chhattisgarh (Rajim)	Swarna 5% Broken	3100	3100	Unch
	BPT Steam	3850	3850	Unch
	BPT White Parboiled	3300	3300	Unch
Maharashtra (Nagpur)	HMT Raw	4700	4700	Unch
	JSR (Jai Shri Ram) Best	5600	5600	Unch
	Chinnor Best	4900	4900	Unch
	BPT	4200	4200	Unch
	Rupali	4400	4400	Unch
Maharashtra (Gondia)	IR-36 White Parboiled (Sella)	2850	2850	Unch
	HMT RAW	4800	4800	Unch
	BPT White Parboiled (Sella)	4500	4500	Unch
Karnatka (Raichur)	Sona Steam	4900	4900	Unch
	Sona Raw	5600	5600	Unch
	Ganga Kaveri	5300	5300	Unch
	HMT	5800	5800	Unch
Telangna (Nizamabad)	BPT Steam	5500	5500	Unch
	BPT raw	5300	5300	Unch

State/Centre	Variety	Prices (Rs/Qtl)		Change
		18-Jul-23	17-Jul-23	
	kolam Steam Sortex	5500	5500	Unch
	JSR (Jai Shree Ram) kolam	5600	5600	Unch
	IR-64	2500	2500	Unch
	Kinki	2350	2350	Unch
Telangana (Hyderabad)	IR-64-Bold Sortex	3000	3000	Unch
	Sona Masuti Steam	5200	5200	Unch
	IR-Silki Sortex	2750	2750	Unch
Uttarakhand (Uddhamsingh Nagar)	Organic Basmati	11000	11000	Unch
	Dehraduni Basmati	10000	10000	Unch
	1121 Steam	9550	9550	Unch
	1509 Steam	8900	8900	Unch
	Sugandha White Parboiled (Sella)	5900	5900	Unch
	Parmal White Parboiled (Sella)	4350	4350	Unch
	Sharbati Steam	6300	6300	Unch
Gujarat (Ahmedabad)	IR-08 Jaya Sortex	3200	3200	Unch
	Parmal Sortex	3200	3200	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 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.