

Domestic Market Highlights:

- Throughout the day price remained rangebound in most of the markets. Sugandha steam up by Rs. 300 to Rs. 7400 per qtl. 1401 steam wand up by Rs. 150 to Rs. 9600 per qtl. and 1718 sella down by Rs. 250 to Rs. 7700 per qtl. at Naya bazar, Delhi market.
- India's 5% broken rice prices remained stable and close to a five-year peak at \$421-\$428 per MT. The market was in panic due to the news of an export ban, leading sellers to refrain from entering into new contracts. Despite this situation, there was a positive development in rice planting, as the monsoon rainfall revived over the past fortnight.
- Punjab and Haryana witnessed rainfall exceeding 96% and 91% above the long period average (LPA), respectively, from 1st June to 12th July. The heavy rainfall in these states has caused the flooding of standing paddy crops in districts such as Amritsar, Hoshiarpur, Gurdaspur, and Fatehgarh in Punjab, and Ambala, Kurukshetra, and Yamuna Nagar in Haryana. About 250,000 hectares of paddy fields in 14 districts of Punjab and 150,000 hectares in seven districts of Haryana are flooded in water. Consequently, there is a high possibility of significant reduced yields and lower crop production.
- If the monsoon fails to stabilize, rice crops is at risk due to inadequate and uneven rainfall across multiple states this year. Although there has been an increase in sowing activity in the past week, still rice remains a cause for concern due to 20 percent decrease in stocks compared to the previous year. However, with the monsoon progressing into different regions of the country, there has been an improvement in terms of rice planting.
- 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.

- 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.
- 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.

International Market Highlights:

- The price of Vietnam's 5% broken rice reached its highest level since 2011, being offered at \$515-\$525 per MT, up from last week's range of \$510-\$513 per MT. The strong demand is driven by several factors, including countries bolstering their stocks in preparation for the anticipated adverse impacts of El Nino on production. Furthermore, India imposing restrictions on rice exports also contributed to the price surge.
- Thailand's 5% broken rice prices surged to \$545 per metric ton, reaching their highest level since February 2021, up from \$515 per ton last week. Amidst robust demand from concerned buyers.
- 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.

- 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
		21-Jul-23	20-Jul-23	
Delhi (Naya Bazar)	1121 Paddy	4400	4600	-200
	1509 Paddy	3750	3800	-50
	DB Paddy	3600	3800	-200
	Traditional Basmati Paddy	4700	4700	Unch
	Basmati Rice Common (Raw Wand)	10500	10300	200
	1121 Raw Wand	10000	9800	200
	1121 White Parboiled (Sella) Wand	7900	8100	-200

State/Centre	Variety	Prices (Rs/Qtl)		Change
		21-Jul-23	20-Jul-23	
	1121 Steam Wand	9800	9800	Unch
	1121 Golden Parboiled (Sella) Wand	8500	8600	-100
	1509 Steam Wand	9200	9400	-200
	1509 White Parboiled (Sella) Wand	7300	7450	-150
	Sugandha Steam	7400	7100	300
	Sarbati Raw Wand	6500	6350	150
	Sarbati White Parboiled (Sella) Wand	5400	5300	100
	Parmal Raw	5000	4900	100
	Parmal Steam Wand	4800	4700	100
	Parmal White Parboiled (Sella) Wand	4600	4600	Unch
	1718 Steam Wand	9200	9300	-100
	1718 White Parboiled (Sella) Wand	7700	7950	-250
	1401 Steam Wand	9600	9450	150
	1401 White Parboiled (Sella) Wand	8300	8100	200
	DB (Duplicate Basmati) (Pusa) Raw Wand	9200	9200	Unch
Punjab (Amritsar)	1121 Paddy	4600	4600	Unch
	1509 Paddy	3900	3900	Unch
	Traditional Basmati Paddy	5200	5200	Unch
	Basmati Rice Common (Raw Wand)	10800	10500	300
	1121 Steam Wand	9800	9800	Unch
	1121 White Parboiled (Sella) Wand	9000	9000	Unch
	1509 Steam Wand	9100	9100	Unch
	1509 White Parboiled (Sella) Wand	8000	8000	Unch
	Sarbati Raw Wand	6400	6400	Unch
	Sarbati Steam Wand	6200	6200	Unch
	Sarbati White Parboiled (Sella) Wand	5300	5300	Unch
	Parmal Steam Wand	4750	4750	Unch
	1718 Steam Wand	9300	9300	Unch
	1718 White Parboiled (Sella) Wand	8700	8700	Unch
	1401 Steam Wand	9300	9300	Unch
	PR-47 Govt. Quality	3100	3100	Unch
Haryana (Karnal)	1121 Paddy	4800	4800	Unch
	1509 Paddy	3800	3800	Unch
	Basmati Paddy 31no.	5200	5200	Unch
	Basmati Rice Common (Raw Wand)	11000	10800	200
	1121 Steam	10000	10000	Unch
	1121 White Parboiled (Sella) Wand	8200	8200	Unch
	1509 White Parboiled (Sella) Wand	7200	7200	Unch

State/Centre	Variety	Prices (Rs/Qtl)		Change
		21-Jul-23	20-Jul-23	
	Sarbati Steam	6200	6200	Unch
	Sarbati White Parboiled (Sella) Wand	5700	5700	Unch
	DB (Duplicate Basmati) Steam	9200	9200	Unch
	DB (Duplicate Basmati) White Parboiled	8200	8200	Unch
	Parmal Raw	4900	4900	Unch
	Parmal Steam Wand	4900	4900	Unch
	Parmal White Parboiled (Sella) Wand	4450	4450	Unch
	1718 Steam Wand	9400	9400	Unch
	1718 White Parboiled (Sella) Wand	7800	7800	Unch
	1401 Steam Wand	9400	9400	Unch
	IR-08	3100	3100	Unch
West Bengal (Kolkata)	Swarna White Parboiled 5% Silky Sortex	3160	3160	Unch
	Swarna White Parboiled 100% Silky Sortex	3250	3250	Unch
	IR-36 White Parboiled 5% Silky Sortex	3300	3300	Unch
	IR-64 White Parboiled 25% Silky Sortex	3500	3500	Unch
	Miniket 5% Broken	4600	4600	Unch
	Gobind Bhog	7200	7200	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	3200	3200	Unch
Chhattisgarh (Rajim)	Swarna 5% Broken	3100	3100	Unch
	BPT Steam	3850	3850	Unch
	BPT White Parboiled	3300	3300	Unch
Maharashtra (Nagpur)	HMT Raw	4800	4800	Unch
	JSR (Jai Shri Ram) Best	5600	5600	Unch
	Chinnor Best	5000	5000	Unch
	BPT	4200	4200	Unch
	Rupali	4400	4400	Unch
Maharashtra (Gondia)	IR-36 White Parboiled (Sella)	2900	2900	Unch
	HMT RAW	4900	4900	Unch
	BPT White Parboiled (Sella)	4600	4600	Unch
Karnatka (Raichur)	Sona Steam	5000	5000	Unch
	Sona Raw	5300	5600	-300
	Ganga Kaveri	5300	5400	-100

State/Centre	Variety	Prices (Rs/Qtl)		Change
		21-Jul-23	20-Jul-23	
	HMT	5800	5800	Unch
Telangna (Nizamabad)	BPT Steam	5600	5600	Unch
	BPT raw	5400	5400	Unch
	kolam Steam Sortex	5600	5600	Unch
	JSR (Jai Shree Ram) kolam	5700	5700	Unch
	IR-64	2500	2500	Unch
	Kinki	2400	2400	Unch
Telangana (Hyderabad)	IR-64-Bold Sortex	3000	3000	Unch
	Sona Masuti Steam	5300	5300	Unch
	IR-Silki Sortex	2800	2800	Unch
Uttarakhand (Uddhamsingh Nagar)	Organic Basmati	11500	11500	Unch
	Dehraduni Basmati	10800	10700	100
	1121 Steam	9900	9900	Unch
	1509 Steam	9300	9500	-200
	Sugandha White Parboiled (Sella)	6000	6150	-150
	Parmal White Parboiled (Sella)	4700	4700	Unch
	Sharbati Steam	6400	6250	150
Gujarat (Ahmedabad)	IR-08 Jaya Sortex	3300	3300	Unch
	Parmal Sortex	3300	3300	Unch
	Kolam Sortex	3600	3600	Unch

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