Rice Monthly Research Report

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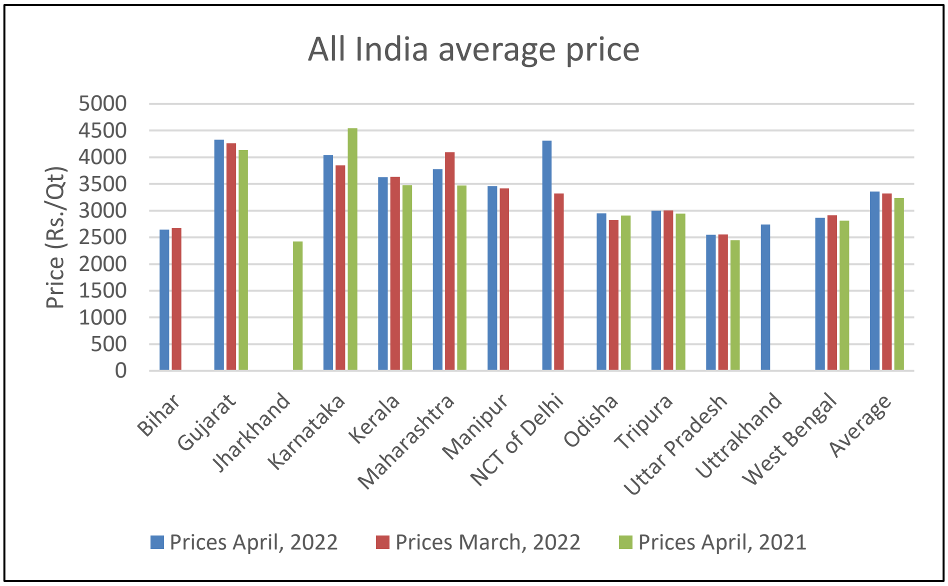
Outlook and Review (Domestic Front)

Price:

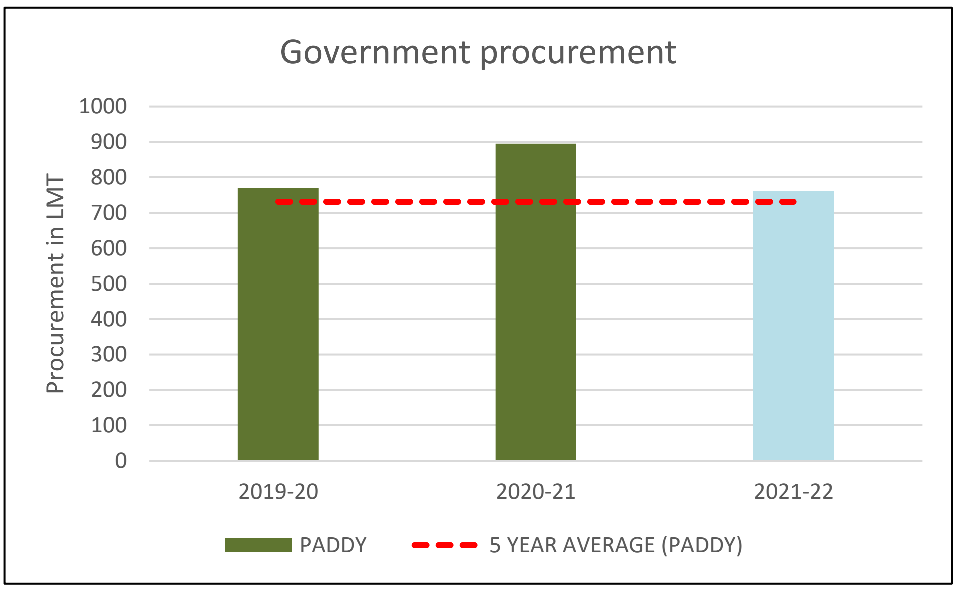


- Average monthly wholesale monthly rice prices in India stood at around Rs.3358.48 per quintal in April-2022, up by 1.09% from Rs. 3322.43 per quintal in March-2022 and up by 3.62% from Rs.3240.94 per quintal a year ago.

- The average rice prices were showing steady to firm tone due to more demand for rice as an alternative to wheat which rose to all time high.

Procurement:

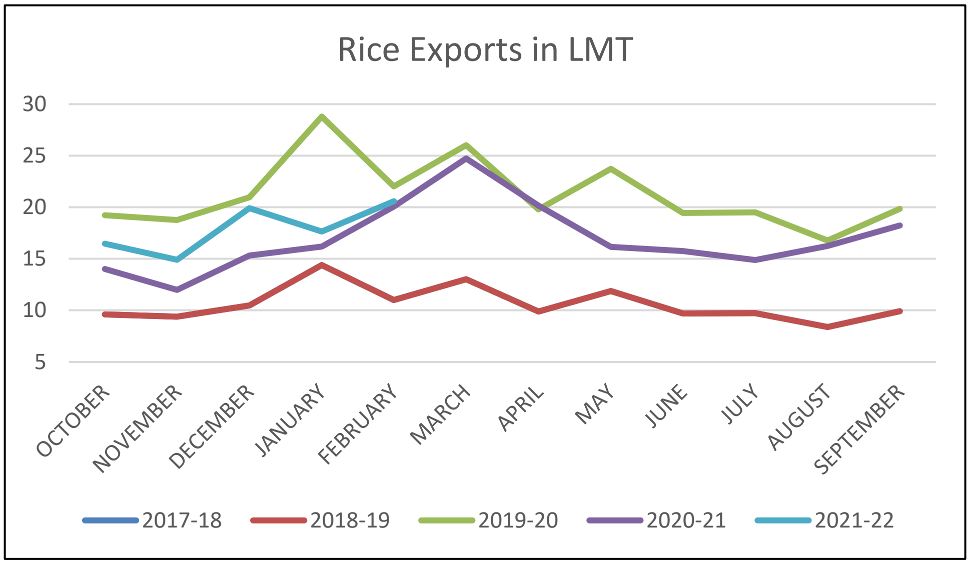
- As of 01st May, the Centre has procured 760.94 lakh tonne of paddy in the ongoing 2021-22 marketing year so far at the minimum support price (MSP). Till now, about 109.45 lakh farmers have benefited.



- For KMS 2021-22, the centre has procured 255 LMT of raw rice and 88.16 LMT of parboiled rice, Telangana remains the largest contributor of parboiled rice. The current stocks are enough for 3-4 years and as a result Centre is not willing to purchase parboiled rice from the states. Though the central government has agreed to purchase 40 LMT of raw rice from Telangana. The procurement of parboiled rice will not be done as center has enough stocks.

- Centre has extended KMS 2021-22 till May 31st. The extension was done for seventh time with earlier extended till April 30th.

Export:



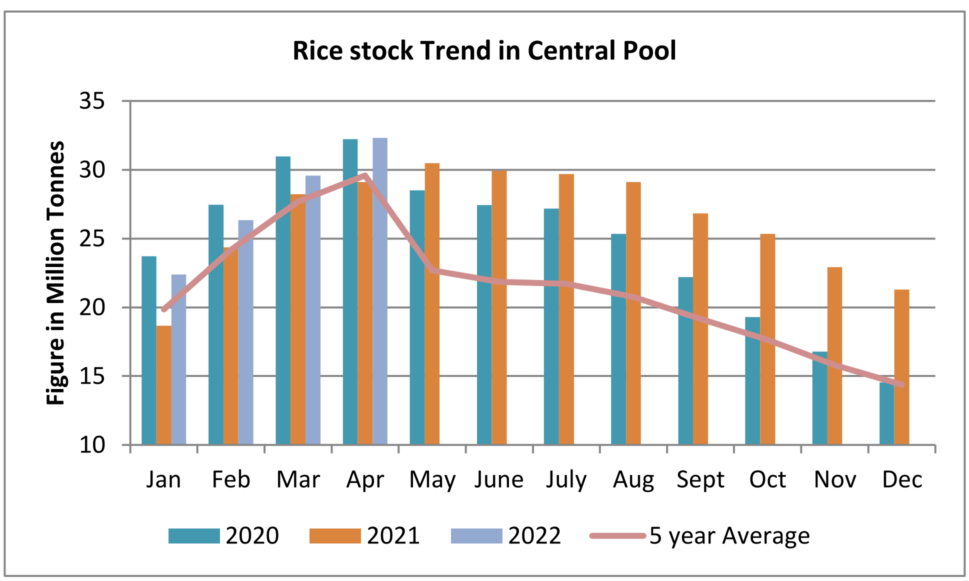
- From the chart, the overall exports of rice for the month of February stood at 20.59 LMT. Most of the rice Bangladesh, China, Nepal were the largest importers of Indian rice.

- India's 5% broken parboiled rice was quoted at $361 to $365 per tonne FOB, unchanged from the last week. Domestic supplies are improving as government is distributing a lot of rice to poor people at free of cost or at nominal rate.

- Currently the new crop arrivals of non-basmati have started in southern and eastern states. As a result, the FOB prices are expected to reduce in coming days.

- Also, as Ramzan has ended and wedding season has started we expect demand from Middle East countries would increase for basmati rice.

Stock Position:



- On 01st April, FCI had a stock of 32.32 million tonnes of rice in central pool, compared to buffer norms of 13.54 million tonnes.

- As shown in the graph, the stocks in April month are all time high.

- As a result, government has increased the allocation norms for rice under PMGKAY.

- The monthly allocation of 21.65 LMT of rice for PMGKAY is increased to 32.74 LMT. This will help the government to utilize the over supplied stocks in central pool and will prevent fall in wheat stocks.

Paddy sowing:

- As of 04th February, Rabi paddy sowing covered 35.190 lakh hectares down by 17.53% from 42.670 lakh hectares the previous year. Tamil Nadu has sown 11.900 lakh hectares of paddy so far up from 10.870 lakh hectares. The decrease in the acreage is mainly due to Telangana and Andhra Pradesh farmers opting out of paddy due to the procurement issues with the Centre and government's crop diversification policies. Also, in West Bengal and Odisha, the sowing has been delayed due to unseasonal rainfalls.

Production:

- As per Ministry of Agriculture's Second Advance Estimate, the kharif rice production estimate stood at 109.54 MMT higher compared to 107.04 during the previous estimate for MY 2021-22. The rabi estimate stands at 18.39 MMT. Agriwatch has estimated the kharif production at 107.83 MMT while preliminary estimate for rabi rice is at 15.02 MMT.

- ***Weather Watch***:

  During the month of April, there were increase in temperature. Irregular rainfalls were also reported in some parts of Southern states, though no major impact has occurred in rice crop.

Price Projection for Next Month (May) in Narella Market

Variety	Trend	Average Price Range	Reason
1121 Paddy	Steady to Firm	Rs.4900-4400/Quintal	Lower stocks in the market.
1121 Steam	Firm	Rs. 8600-8900/Quintal	Good export demand from middle east as Eid ends and low availability of stocks within millers.
Parmal Steam	Steady to Weak	Rs. 3450-3200/ Quintal	Higher supplies from southern markets are reducing the non-basmati demands.

Rabi Paddy Sowing Updates for MY-2021-22

State	Normal Area	Area sown reported			Absolute Change
		This Year	% of Normal	Last Year	
Andhra Pradesh	**6.89**	6.750	97.97	7.150	**-0.400**
Assam	**4.02**	1.840	45.77	1.970	**-0.130**
Bihar	**0.71**	0.00	0.00	0.00	**0.00**
Chhattisgarh	**-**	0.670	-	0.650	**0.020**
Gujarat	**0.45**	0.00	0.00	0.00	**0.00**
Karnataka	**1.81**	0.070	3.87	0.080	**-0.010**
Kerala	**0.44**	0.880	200	0.740	**0.140**
Maharashtra	**0.50**	0.00	0.00	0.00	**0.00**
Manipur	**1.83**	0.00	0.00	0.00	**0.00**
Odisha	**2.49**	0.790	31.73	1.540	**-0.750**
Tamil Nadu	**1.54**	11.900	772.72	10.870	**1.030**
Telangana	**7.33**	7.760	105.87	14.790	**-7.030**
Tripura	**0.71**	0.00	0.00	0.00	**0.00**
Uttar Pradesh	**0.26**	0.00	0.00	0.00	**0.00**
West Bengal	**12.81**	3.800	29.66	4.150	**-0.350**
Others	**0.72**	0.730	101.39	0.730	**0.000**
All-India	**42.51**	35.190	82.78	42.670	**-7.480**

Source: Agricoop **(As on Feb-04, 2022)**

Comparative Rice Variety Prices of Delhi (Naya Bazaar) in Rs./Quintal)

Variety	Today	Week Ago	Month Ago	Year ago	% Change From last week	% Change from last Month	% Change from last Year
	28-Apr-22	21-Apr-22	31-Mar-22	30-Apr-21			
1121 Steam	8650	8800	8650	6000	**-1.70**	Unch	**44.17**
1121 Sella	7900	8050	7650	5250	**-1.86**	**3.27**	**50.48**
1121 Raw	8650	8800	8550	6000	**-1.70**	**1.17**	**44.17**
Basmati Raw	10300	10300	10000	9800	Unch	**3.00**	**5.10**
1509 Steam Wand New	8500	8600	8300	5700	**-1.16**	**2.41**	**49.12**
Sugandh Steam	7200	7400	7200	5000	**-2.70**	Unch	**44.00**
Sharbati Raw	6050	6200	5800	4700	**-2.42**	**4.31**	**28.72**
Pusa Raw Wand	7500	7750	7100	5700	**-3.23**	**5.63**	**31.58**
Parmal Sella	3425	3550	3300	3300	**-3.52**	**3.79**	**3.79**

Source-Agriwatch

Rice Supply & Demand for MY-2021-22 *(Back to Contents)*

Particulars	2018-19	2019-20	2020-21	2021-22*
Opening Stock	18.53	25.00	28.83	22.44
Production	118.48	116.32	119.00	122.85
Imports	0.00	0.00	0.00	0.00
Total Supply	137.01	141.32	147.83	145.29
Exports	12.01	9.49	20.39	17.38
Consumption	100.00	103.00	105.00	106.20
Total use	112.01	112.49	125.39	123.58
Ending Stock	**25.00**	**28.83**	**22.44**	**21.71**
Stock-to-Use ratio	22.32%	25.62%	17.90%	17.57%

**AW Forecast (Preliminary)*

Rice Production Estimates:

- As per latest Government's second advance estimate, the production of kharif rice during 2021-22 is 109.54 million tonnes, while Agriwatch's estimate for kharif rice production during 2021-22 has been corrected to 107.83 million tonnes from the previous estimate of 110.63 million tonnes due to fall in yields reported in various states. The production of rabi rice is estimated at 18.39 million tonnes by second advance estimate, AgriWatch's rabi preliminary estimate is 15.02 million tonnes. AgriWatch's overall production estimate for 2021-22 has been corrected to 122.85 million tonnes.

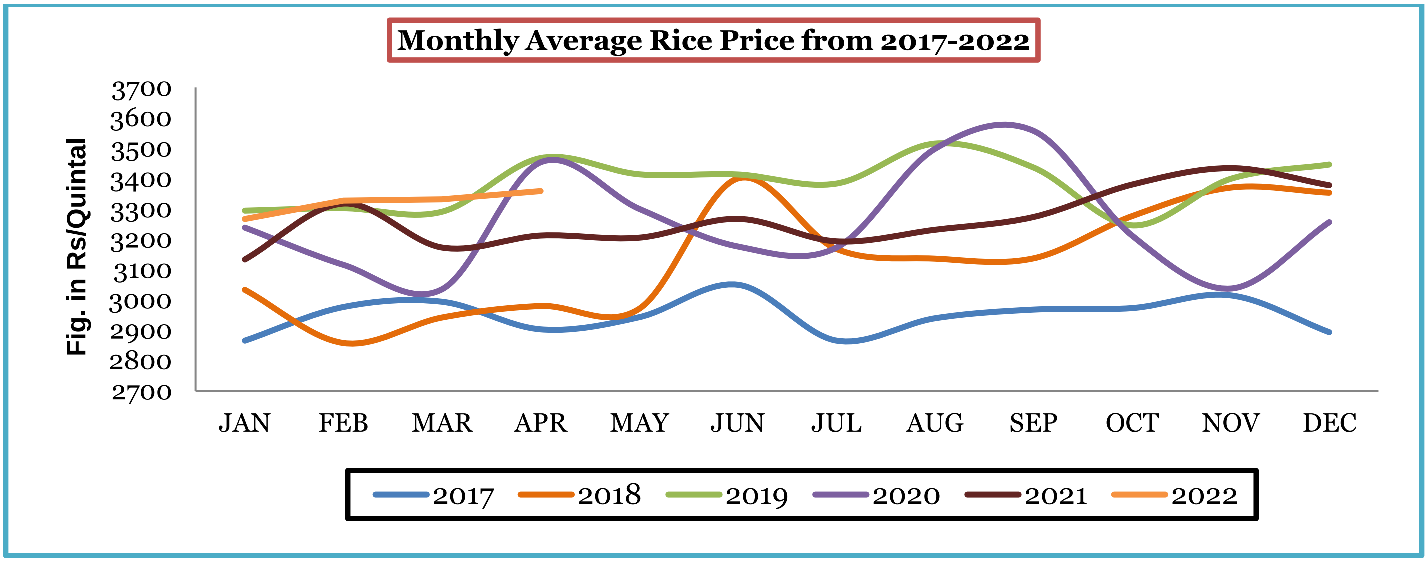
State	Acreage (mn Ha)	Yield (kg/Ha)	Production (mn MT)
Andhra Pradesh	0.66	4469.70	2.95
Assam	0.18	2833.33	0.51
Karnataka	0.07	3000.00	0.21
Kerala	0.09	3222.22	0.29
Odisha	0.08	3125.00	0.25
Tamil Nadu	0.14	4214.29	0.59
Telangana	0.78	3410.26	2.66
West Bengal	1.27	3354.33	4.26
Others	0.97	3402.06	3.30
All India	**4.25**	**3534.12**	**15.02**

State wise Wholesale Prices Monthly Analysis for Rice April, 2022

State	Prices April, 2022	Prices March, 2022	Prices April, 2021	% Change (Over Previous Month)	% Change (Over Previous Year)
Bihar	2645.72	2677.4	-	-1.18	-
Gujarat	4331.67	4261.75	4134.46	1.64	4.77
Jharkhand	-	-	2424.87	-	-
Karnataka	4040.69	3847.24	4542.38	5.03	-11.04
Kerala	3630.2	3632.45	3476.32	-0.06	4.43
Maharashtra	3778.91	4093.84	3474.14	-7.69	8.77
Manipur	3458.67	3415.86	-	1.25	-
NCT of Delhi	4309.05	3321.43	-	29.73	-
Odisha	2953.27	2822.76	2909.34	4.62	1.51
Tripura	2996.56	3005.94	2946.72	-0.31	1.69
Uttar Pradesh	2549.68	2555.11	2445.54	-0.21	4.26
Uttrakhand	2738.33	-	-	-	-
West Bengal	2868.99	2912.98	2814.71	-1.51	1.93
Average	**3358.48**	**3322.43**	**3240.94**	**1.06**	**3.63**

Prices in Rs/Quintal

Source-Agmarknet



Source-Agmarknet

Month-wise Rice Stock in Central Pool (in MMT)

Year	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
2017	13.48	17.03	20.41	23.08	22.83	22.10	21.04	19.86	18.18	16.31	14.03	13.13
2018	16.20	19.89	23.27	24.87	25.36	24.27	23.25	21.85	20.57	18.63	16.25	14.78
2019	18.29	22.79	26.39	29.39	29.05	27.58	28.42	27.53	26.14	24.91	23.105	21.27
2020	23.71	27.45	30.97	32.23	28.50	27.44	27.17	25.34	22.19	19.30	16.79	14.54
2021	18.66	24.36	28.23	29.11	30.48	29.92	29.68	29.11	26.83	25.32	22.92	21.30
2022	22.15	26.34	23.40	32.32	-	-	-	-	-	-	-	-

Source-FCI

State-wise Procurement As on 20.03.2022 for KMS 2021-22 ***(in lakh tonnes)***

KMS 2021-22 (Units in LMTs) (as on 28.04.2022)				
S.No.	**STATES/ UTs**	**FCI**	**State Agency**	**Total**
1	A.P.	**0**	**43.64**	**43.64**
2	Telangana	**0**	**69.05**	**69.05**
3	Assam	**1.09**	**1.05**	**2.14**
4	Bihar	**0**	**44.90**	**44.90**
5	Chandigarh	**0.27**	**0**	**0.27**
6	Chhattisgarh	**0**	**92.01**	**92.01**
7	Gujarat	**0**	**1.22**	**1.22**
8	Haryana	**0.60**	**54.71**	**55.31**
9	H.P.	**0.28**	**0.00**	**0.28**

10	Jharkhand	0	7.53	7.53
11	J&K	0.41	0.00	0.41
12	Karnataka	0	2.19	2.19
13	Kerala	0	4.64	4.64
14	M.P.	0	45.83	45.83
15	Maharashtra	0	13.38	13.38
16	Odisha	0	57.24	57.24
17	Punjab	1.69	185.59	187.28
18	Rajasthan	0.07	0.00	0.07
19	NEF (Tripura)	0	0.31	0.31
20	Tamilnadu	0	33.24	33.24
21	U.P.	1.07	64.46	65.53
22	Uttrakhand	0	11.55	11.55
23	West Bengal	0	22.01	22.01
Total		5.49	754.54	760.03

Source-FCI

Rice Export Statistics (in Lakh MT)

MY-2020-21	Non Basmati	Basmati	Total Export 2020-21	MY-2021-22	Non-Basmati	Basmati	Total Export 2021-22
October-20	10.44	3.57	14.01	**October-21**	14.34	2.14	16.48
November-20	8.97	3.02	11.99	**November-21**	12.56	2.35	14.91
December-20	11.96	3.35	15.32	**December-21**	16.49	3.44	19.92
January-21	12.40	3.80	16.20	**January-22**	14.18	3.48	17.66
February-21	16.16	3.91	20.07	**February-22**	16.65	3.94	20.59
March-21	19.96	4.78	24.74	**March-22**	-	-	-
April-21	16.59	3.58	20.17	**April-22**	-	-	-
May-21	12.44	3.71	16.15	**May-22**	-	-	-
June-21	12.16	3.59	15.75	**June-22**	-	-	-
July-21	11.46	3.43	14.89	**July-22**	-	-	-
August-21	13.53	2.71	16.24	**August-22**	-	-	-
September-21	15.77	2.47	18.24	**September-22**	-	-	-
Total	**161.84**	**41.92**	**203.77**	**Total**	**74.22**	**15.35**	**89.56**

Source-DGCIS

International Market:

- The fertilizer prices are increasing on higher side. The urea fertilizer was up by 14% compared to March month prices. The average global prices of urea are trading at $1031 per tonne which is all time high. DAP prices were 13% higher compared to March month and average prices are trading at $1040 per tonne. The MAP prices were 11% expensive compared to previous month and average prices trading at $1056 per tonne. As fertilizer prices are on higher side, most farmers are exempting fertilizer usage leading to lower yield. We also expect the sowing area in coming days to go down due to surging prices.

- As per reports, Pakistan's Rice export has increased by 14.96 percent, increased from $1,560.429 million to $1,793.909 million. The exports of Basmati rice increased from $408.117 million to $496.389 million, which is a 21.63 percent increase. Moreover, an increase in other rice products were recorded from $1,152.312 million to $1,297.519 million, which is a 12.60 sharing growth increase.

- Bangladesh has raised the price it will pay to farmers for the current season's rice to 40 taka ($0.48) per kilogram, which is up from 36 taka a year ago. The government will buy a total of 1.8 MMT of summer variety of rice and paddy from local farmers starting from May 7. The move is crucial as the country is undergoing increase in the price of rice and it will help keep domestic prices stable.

- Senegal's rice production is expected to rise by 9% for the 2022-23 MY. The production rose largely due to increase in access to certified seeds, fertilizers and agricultural equipment. In 2021-2022, production is estimated to fall by 4% to 1.25 MMT compared with the prior year due to delays in the rehabilitation of areas that became unsuitable for rice growing, Senegal is also one of the major rice importing countries from India. Production increase may lower their dependence on India for rice in coming year.

- Vietnam's rice exports during the first four months of the year have likely rose 4.4% to 2.05 MMT. Revenue from rice exports in the period is projected to decrease by 6% from a year earlier to $1.04 billion. April rice exports from Vietnam, likely totaled 550,000 MT, worth $273 million.

Global rice Balance Sheet:

Attributes	2019-20	2020-21 Est.	2021-22 (Fore.)		2022-23 (Proj.)
(Fig in Million Tons)			17.03.2022	21.04.2022	21.04.2022
Production	500	510	514	515	520
Trade	44	51	51	51	50
Consumption	495	509	514	514	517
Carryover stocks	180	181	181	181	184
Y-O-Y change	4	1		1	3
Major Exporters	45	50	52	52	56

Note: Major exporters are India, Pakistan, Thailand, Vietnam, and United States

- World rice output in 2021-22 is lifted by 1 MMT, to a record of 515 MMT (+1%), with outlooks for consumption, stocks and trade also pegged fractionally higher month on month. World rice production in 2022-23 is tentatively seen establishing a new high, including gains in key exporters. Further growth in uptake and inventories is predicted, but global import demand may edge lower in 2023 on softer Asian buying interest.

- Including a record outturn in India, world rice output is projected 1% higher year on year, at a peak of 515 MMT. With China in particular utilizing larger quantities of rice for feeding, global uptake is forecast at a new high, with inventories set to accumulate – largely reflecting gains in India.

- Trade is seen at a record of 51 MMT, broadly steady year on year. The 2022-23 global rice outturn is projected 1% larger year on year on potentially bigger harvests in key exporters. Population growth should underpin expanded uptake, while stocks could build further on gains in India. Trade in 2023 is seen remaining historically high.

Monthly FOB (US dollar/tonne)

Month	Thai 25% broken rice	Vietnam 25% broken rice	Pakistan 25% broken rice	India 25% broken rice
Apr-22	427.75	391.00	329.80	326.00
Mar-22	417.25	385.75	323.25	340.00
Feb-22	422.00	372.75	331.00	334.75
Jan-22	418.75	369.25	335.50	330.75
Dec-21	392.75	374.40	320.20	325.20
Nov-21	394.25	398.75	320.25	334.00
Oct-21	393.40	399.00	322.40	351.00
Sep-21	391.75	384.00	320.75	357.50
Aug-21	392.00	364.00	321.00	361.00
Jul-21	411.00	376.00	343.40	363.00
Jun-21	461.50	437.00	374.25	370.00
May-21	482.50	462.50	382.75	370.00

Indicative Basmati Parity Sheet

Parity Calculation Sheet	Rajkot (Kandla)	Andhra Pradesh (Vizag)	Punjab (Kandla)	Haryana (kandla)	West Bengal (Kolkata)
Price @ various center	88680	88680	88000	88380	88630
Port handling charges /Loading/Unloading /Clearing (Rs/ton)	330	330	330	330	330
Freight Charges till port	2000	2000	2000	2000	2000
Indian FOB (Rs/MT)	91010	91010	90330	90710	90960
Indian FOB (USD/MT)	**1194.51**	**1194.51**	**1185.59**	**1190.58**	**1193.86**
Insurance @ 0.1%	1.19	1.19	1.19	1.19	1.19
Freight Charges (US $/ton) to Dubai	50	50	50	50	50
CIF (Kandla to Dubai)	**1245.71**	**1245.71**	**1236.77**	**1241.77**	**1245.05**
INR Monthly Average	76.19	76.19	76.19	76.19	76.19

Source-Agriwatch Trade Source

***Rice Price Trend – CBOT@* CBOT Apr- 22, Rough Rice)**
(Prices in US$/hundredweight)

Market Analysis

- ***The CBOT Rough rice*** futures is moving with upward trend. The candles are moving above 9,18,50 and 100 DMA which indicates firm sentiments.

- The RSI oscillator above 70 indicates overbought condition indicating that there can be some corrections in coming days.
- The MACD crossover also indicates firm bias.

International Price Projection for Next Month:

Duration	Trend	Support	Resistance
May-2022	**Firm bias**	**S1-15.57** **S2-14.84**	**R1-19.00** **R2-21.04**