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# Rice Weekly Research Report

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**Outlook and Review:****Domestic Front**

- **Average weekly wholesale rice prices in India stood at around Rs.3312 per quintal in this week of February- 2019**, down by 0.7% from Rs.3335 per quintal in last week, and up by 14% from Rs.2900 per quintal a year ago. Agriwatch expects non-basmati rice market to move range bound with firm tone due to declining of paddy arrival.
- **Top Asian rice exporting hubs India and Thailand were hit by slack demand with fresh overseas deals few** and far between, while a booming harvest and stronger baht added further pressure on Thai markets. In top exporter India, the benchmark 5 percent broken parboiled variety was quoted around \$378-\$383 per ton this week, down from last week's \$380-\$385 due to depreciation in the rupee. Demand is modest. Prices are coming down due to a falling rupee. The rupee is down about 2 percent versus the dollar this year.
- **In Vietnam, rates for 5 percent broken rice rose to \$345 a ton from \$340 last week. Prices have edged** up a bit after the government said it is buying rice from farmers for stockpiling. The country's rice exports in January-February were forecast to fall 4.9 percent from a year earlier to 788,000 tons. Revenue from rice exports in the period was expected to drop 17.5 percent to \$335 million. February rice exports from Vietnam, the world's third-largest shipper of the grain after Thailand, totaled 350,000 tons, worth \$140 million.
- **Thailand's benchmark 5 percent broken rice price marginally narrowed to \$383-\$398, free on board Bangkok from \$383-\$405** quoted last week. Fresh supplies of rice entering the market have pushed prices slightly lower and demand remains flat. Exporters are selling the rice at a lower price but there are no major deals at the moment that (could) impact prices.
- **The country's leading rice production state- Uttar Pradesh's official procurement of this important grain** has been quite dynamic this time and it appears that by the end of the kharif marketing season, the total procurement of paddy would be more than 50 lakh tons. This will be the first time that more than five million tons of paddy will be purchased in UP. The Government has fixed minimum support price of paddy from Rs 1,550 per quintal to Rs 1750 per quintal and Rs 1,770 per quintal from Rs 1,590 per quintal for A grade. Paddy is being procured at this price.
- **Under the OMSS scheme, FCI sold 1,560 metric tonnes of rice from Jammu and Kashmir on February 27 at a price of Rs 2,655 per quintal.**
- **Haryana Agricultural Department has released the second advance estimation of crop production** for the entire marketing season (Kharif + Rabi) of 2018-19. Under this, the possibility of production of rice, wheat, sugarcane and guar is less than the 2017-18 seasons and the production of millet and cotton is expected more. As per the advance estimates, the production of rice in Haryana can be reduced by 4.3 percent from 48.80 lakh tons in 2017-18 season and 46.69 lakh tons in 2018-19 and wheat production could fall by 7.8 percent from 122.63 lakh tons to 113.01 lakh tons.
- **The government had fixed 375 lakh tons of paddy procurement in the current season, of which more** than 350 lakh tons of paddy has been procured so far. Government procurement of paddy this year may be more than 400 lakh tons. As on 25<sup>th</sup> February 2019, all India rice /Paddy procurement is reached to 355.40 lakh tons which is more than last year procurement of corresponding period. Highest procurement has been received from states of Punjab, Chhattisgarh, Haryana, Telangana and Andhra Pradesh.

- **The Maharashtra government announced a bonus of 500 rupees per quintal on the purchase of paddy** from farmers. Last year, the state government had given a bonus of Rs 200 per quintal on paddy in the kharif season. Due to drought in several districts of Maharashtra, the paddy crop was reduced.
- **In January, 5 lakh tons of basmati rice and 5 lakh tons of non-basmati rice were exported from India.** Exports of basmati rice from April to December were 28.6 million tons and non-basmati 56 lakh tons, ie non-basmati rice export reached 61 lakh tons and export of basmati rice reached 33.6 lakh tons from April to January.
- **The area of Rabi paddy has declined from 35.30 lakh hectares in last year to 16.55%, or decrease of 5.75 lakh hectares.** Under this, the rabi paddy area has increased in Telangana, Chhattisgarh, Kerala, Assam, Tripura and Orissa, while Tamil Nadu, Andhra Pradesh and Karnataka have decreased.

**This year about forty to fifty thousand hectares area under basmati has been shifted either to normal paddy or shifted to other major competitive crops like sugarcane/coarse cereals in comparison to last year.**

### ***PB-1121***

In the current season PB 1121 acreage in the 7 states has been reduced by 3.51% over last year. Farmer preferred high yielding Pusa-1509 in place of low yielding PB-1121. Moreover, PB 1509 also has shorter time period and early maturity trait if compared with PB 1121. Initial crop health report shows that PB 1121 is performing good in Haryana and Punjab while some crop damage reported in UP / Uttarakhand but over this year lesser crop infestation and timely application on remedial action by farmers on brown plant hopper & White bagged plant hopper reduces the crop losses. This year farmers are expected to harvest about 35-38 lakh tons of PB 1121 against the 39-40 lakh tons of harvest happened last year. However, final figures might differ once actual arrival will start coming in the market.

### ***Pusa 1509***

This year Pusa-1509 increased by 5.7% over last year. It clearly indicates that farmer replaced PB 1121 with Pusa - 1509 due to lesser price differential between these two prominent varieties. Farmer preferred high yielding Pusa-1509 in place of low yielding PB-1121. Also, PB-1509 shorter time period and early maturity trait preferred choice among farmers; PB 1509 crop health is also intact and expected to give slightly better yields in Haryana, UP & Punjab as compare to last year. Overall PB 1509 yields will be little bit on positive side as compare to last year, basis the current crop conditions This year farmers are expected to harvest around 6.0-6.5 lakh tons of PB 1509 which could be around 5.8-6.0 lakh ton last year. However, final figures might differ once actual arrival will start coming in the market.

### ***Sharbati and Sugandha***

The acreage under long grain non-basmati varieties (Sharbati and Sugandha) in these targeted districts has increased by 0.1%. This year Sharbati is transplanted on similar area as transplanted last year in Western & Central part of UP / Punjab & Haryana. This year farmers are expected to harvest around 6-7 lakh tons of Sharbati which could be around 0.3% higher than last year. However, final figures might differ once actual arrival will start coming in the market.

Source-APEDA

### Weather Watch:

An intense Western Disturbance along with its induced cyclonic circulation has caused fairly widespread to widespread rainfall/snowfall activity along with isolated heavy falls over Western Himalayan Region during the beginning of the week. This system has caused scattered to fairly widespread rainfall/thundershower activity over the adjoining plains of northwest India and over parts of central India. While moving eastwards, it has caused isolated to scattered rainfall/thundershower activity over parts of east and northeast India also. Another Western Disturbance has affected Western Himalayan Region from 24<sup>th</sup> and adjoining plains from 25<sup>th</sup> February 2019 and has caused scattered to fairly widespread rainfall/snowfall activity over Western Himalayan Region and isolated to scattered rainfall/thunderstorm activity over the adjoining plains of northwest India. Before it moved away, one more intense Western Disturbance along with its induced cyclonic circulation in quick succession has approached causing enhancement in the ongoing weather activity over the region. Accordingly, fairly widespread to widespread rainfall/snowfall activity along with isolated thunderstorm/hailstorm had been observed over Western Himalayan Region and fairly widespread to widespread rainfall/thunderstorm activity with isolated hailstorms had been observed over the adjoining plains of northwest India towards the end of the week.

### State wise Paddy Crop Situation - Rabi (2018-19) as on 08.02.2019

| State             | RICE        |              |                    |             |           | Over last year  |          |
|-------------------|-------------|--------------|--------------------|-------------|-----------|-----------------|----------|
|                   | Normal Area | Average Area | Area sown reported |             |           | Absolute Change | % Change |
|                   |             |              | This Year          | % of Normal | Last Year |                 |          |
| Andhra Pradesh    | 7.33        | 6.73         | 5.95               | 81.2        | 6.79      | -0.84           | -12.4    |
| Arunachal Pradesh | 0.00        |              |                    |             |           |                 |          |
| Assam             | 4.04        | 1.22         | 2.15               | 53.2        | 2.04      | 0.11            |          |
| Bihar             | 0.89        | 0.13         | 0.31               | 34.8        | 0.67      | -0.36           |          |
| Chhattisgarh      |             | 0.97         | 0.63               |             | 0.63      |                 |          |
| Goa               |             |              |                    |             |           |                 |          |
| J&K               | 0.35        | 0.00         |                    |             |           |                 |          |
| Jharkhand         | 0.02        |              |                    |             |           | 0.00            |          |
| Karnataka         | 2.17        | 0.33         | 0.24               | 11.0        | 0.36      | -0.12           | -33.3    |
| Kerala            | 0.45        | 0.78         | 1.07               | 237.8       | 0.88      | 0.19            | 21.6     |
| Madhya Pradesh    | 0.06        |              |                    |             |           |                 |          |
| Maharashtra       | 0.44        | 0.00         |                    |             |           | 0.00            |          |
| Manipur           | 1.77        |              |                    |             |           |                 |          |
| Mizoram           | 0.13        |              |                    |             |           |                 |          |
| Nagaland          | 0.04        |              |                    |             |           |                 |          |
| Sikkim            | 2.67        | 0.50         | 0.77               | 28.8        | 1.13      | -0.36           | -31.9    |
| Tamil Nadu        | 1.46        | 10.80        | 9.12               | 625.9       | 12.67     | -3.55           | -28.0    |
| Telangana         | 5.75        | 4.63         | 5.60               | 97.4        | 6.00      | -0.40           | -6.7     |
| Tripura           | 0.64        | 0.12         | 0.32               | 49.6        | 0.32      | -0.01           | -1.9     |

|                  |       |       |       |      |       |       |       |
|------------------|-------|-------|-------|------|-------|-------|-------|
| Uttar Pradesh    | 0.26  |       |       |      |       |       |       |
| Uttarakhand      | 0.14  |       |       |      |       |       |       |
| West Bengal      | 12.80 | 3.01  | 3.10  | 24.2 | 3.50  | -0.40 |       |
| Pondicherry      | 0.04  |       |       |      |       |       |       |
| Others           | 0.00  | 0.13  | 0.31  |      | 0.29  | 0.01  |       |
| <b>All-India</b> | 41.60 | 29.36 | 29.56 | 71.1 | 35.29 | -5.72 | -16.2 |

As per ministry of Agriculture latest sowing report, rabi paddy sowing area till 08<sup>th</sup> February-2019 was 25.36 lakh hectares which was down by 16.22% from last year same period of 35.29 lakh hectares and up by 0.7% from normal area of 29.36 lakh hectares. All major Rabi growing paddy states like A.P, Tamilnadu, Telangana shows downfall under rabi paddy due to unfavourable weather and water availability.

#### State wise Wholesale Prices weekly for 04<sup>th</sup> Week of Feb-2019

| State          | Prices<br>16-23 Feb<br>2019 | Prices<br>09-15 Feb<br>2019 | Prices<br>01-08 Feb<br>2019 | Prices<br>16-23 Feb<br>2018 | % Change(Over<br>Previous Week) | % Change(Over<br>Previous to<br>Previous Week) | % Change(Over<br>Previous Year) |
|----------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|---------------------------------|--|---------------------------------|
| Andhra Pradesh |                             |                             | 3895.83                     | 3012.02                     | —                               | —  | —                               |
| Assam          | 3150.26                     | 3184.33                     | 3254.66                     | 2947.25                     | -1.07                           | -3.21  | 6.89                            |
| Gujarat        | 3187.59                     | 3163.04                     | 3193.78                     | 3180.3                      | 0.78                            | -0.19  | 0.23                            |
| Jharkhand      | 3889.29                     | 3875.02                     | 3855.41                     | 2728.9                      | 0.37                            | 0.88   | 42.52                           |
| Karnataka      | 3570.22                     | 3630.15                     | 3681.85                     | 3567.9                      | -1.65                           | -3.03  | 0.07                            |
| Kerala         | 3469.56                     | 3466.97                     | 3460.83                     | 3709.9                      | 0.07                            | 0.25   | -6.48                           |
| Madhya Pradesh |                             |                             |                             | 5000                        | —                               | —  | —                               |
| Maharashtra    | 3517.4                      | 3530.54                     | 4298.48                     | 3500.85                     | -0.37                           | -18.17   | 0.47                            |
| Manipur        | 3850.95                     | 3692                        | 3621.01                     | 2948.18                     | 4.31                            | 6.35   | 30.62                           |
| Meghalaya      | 3740.52                     | 3593.93                     |                             | 2691.84                     | 4.08                            | —  | 38.96                           |
| Nagaland       | 6600                        | 6800                        |                             |                             | -2.94                           | —  | —                               |
| NCT of Delhi   |                             | 1975                        | 2750                        | 2148.69                     | —                               | —  | —                               |
| Odisha         | 2521.43                     | 2647.7                      | 2746.67                     | 2638.84                     | -4.77                           | -8.2   | -4.45                           |
| Tamil Nadu     | 1576                        |                             | 1490                        | 980                         | —                               | 5.77   | 60.82                           |
| Tripura        | 2900.52                     | 2915.3                      | 2913.1                      | 2994.5                      | -0.51                           | -0.43  | -3.14                           |
| Uttar Pradesh  | 2412.09                     | 2391.66                     | 2396.17                     | 2256.84                     | 0.85                            | 0.66   | 6.88                            |
| Uttarakhand    | 2579.87                     | 2427.45                     | 2616.03                     | 2192.26                     | 6.28                            | -1.38  | 17.68                           |
| West Bengal    | 2712.18                     | 2735.47                     | 2734.84                     | 2809.17                     | -0.85                           | -0.83  | -3.45                           |

|         |         |         |         |         |  |  |  |
|---------|---------|---------|---------|---------|--|--|--|
| Average | 3311.86 | 3335.24 | 3127.24 | 2900.44 |  |  |  |
|---------|---------|---------|---------|---------|--|--|--|

| Duration                           | Trend  | Average Price Range  | Reason  |
|------------------------------------|--------|----------------------|---|
| 04 <sup>th</sup> Week of Feb, 2019 | Steady | Rs.2950-3350/Quintal | Domestic rice prices is expected to rule steady to firm in coming weeks due to diminishing of stock, unfavorable weather which damage the rabi paddy in major states and also supports by the overseas markets. |

#### Weekly Price Change of 1121 Steam, Raw and Sella Rice Price Delhi Market (Figure: in Rs. /Quintal)

| Variety             | 4-Mar-19 | 23-Feb-19 | (Month Ago)<br>04 Feb 2019 | (Year Ago)<br>04 Mar 2018 | % ch. From last week | % Change from last Month | % Change from last Year |
|---------------------|----------|-----------|----------------------------|---------------------------|----------------------|--------------------------|-------------------------|
| 1121 Steam          | 7350     | 7300      | 7300                       | 7000                      | 0.68                 | 0.68                     | 5.00                    |
| 1121 Sella          | 6750     | 6750      | 6750                       | 6650                      | 0.00                 | 0.00                     | 1.50                    |
| 1121 Raw            | 7000     | 7300      | 7150                       | 7000                      | -4.11                | -2.10                    | 0.00                    |
| Basmati Raw         | 9500     | 9500      | 9000                       | 7300                      | 0.00                 | 5.56                     | 30.14                   |
| 1509 Steam Wand New | 7000     | 7000      | 7000                       | 6900                      | 0.00                 | 0.00                     | 1.45                    |
| Sugandh Steam       | 5300     | 5300      | 5400                       | 5900                      | 0.00                 | -1.85                    | -10.17                  |
| Sharbati Raw        | 4700     | 4600      | 4900                       | 5100                      | 2.17                 | -4.08                    | -7.84                   |
| Pusa Raw Wand       | 5550     | 5800      | 5600                       | 6300                      | -4.31                | -0.89                    | -11.90                  |
| Parmal Sella        | 3100     | 3100      | 3150                       | 3050                      | 0.00                 | -1.59                    | 1.64                    |

#### Prices & Arrivals at Major Markets:

| Rice Price<br>(In Rs./ Quintal) | Grade     | Change* | 02-Mar-19 | 01-Mar-19 | 23-Feb-19 | 02-Feb-19 | 02-Mar-18 |
|---------------------------------|-----------|---------|-----------|-----------|-----------|-----------|-----------|
| Chirala(A.P)                    | BPT(Raw)  | -30     | 3320      | 3350      | 3350      | 3300      | 3220      |
| Jharkhand(Ranchi)               | Coarse    | -5      | 2815      | 2800      | 2820      | 2780      | 2600      |
| Ernakulam(Kerala)               | Jaya      | -50     | 3200      | 3250      | 3250      | 3100      | 3000      |
| Divi( A.P)                      | BPT(Raw)  | 30      | 2855      | 2825      | 2825      | 2800      | 2800      |
| Visakhapatnam                   | HMT(Raw)  | -50     | 3900      | 3950      | 3950      | 3800      | 3780      |
| Nandyal                         | Sona Fine | -25     | 3200      | 3200      | 3225      | 3100      | 3000      |
| Barasat(W.B)                    | Masuri    | -25     | 2850      | 2850      | 2875      | 2800      | 2900      |
| Dibrugarh                       | Common    | 10      | 3020      | 3020      | 3010      | 2500      | 2450      |

|                |               |     |      |      |      |      |      |
|----------------|---------------|-----|------|------|------|------|------|
| Jhargram(W.B)  | Common        | 0   | 3100 | 3100 | 3100 | 3000 | 2800 |
| Karnal         | Sarbati Steam | -35 | 4865 | 4900 | 4900 | 4700 | 4700 |
| Bangarpet(Kar) | IR-20         | 90  | 2900 | 2800 | 2810 | 2900 | 2900 |

\*Difference between current and previous week prices

#### Arrivals at Major Markets (Tons)

| Paddy Arrivals (In Quintal) | Grade     | Change | Current Week | Last Week | Source |
|-----------------------------|-----------|--------|--------------|-----------|--------|
| Cuddapah                    | All Paddy | 0      | 0            | 0         | APMC   |
| Srikakulam                  | All Paddy | 0      | 0            | 0         | APMC   |
| Guntur                      | All Paddy | 0      | 0            | 0         | APMC   |
| Burdwan(W.B)                | All Paddy | -1203  | 2005         | 3208      | APMC   |
| Delhi                       | All Paddy | -1194  | 3098         | 4292      | APMC   |
| Amritsar                    | All Paddy | -19    | 66           | 85        | APMC   |
| Karnal                      | All Paddy | 48     | 190          | 142       | APMC   |

\*Difference between current and previous week arrival.

#### State wise Progressive Procurement

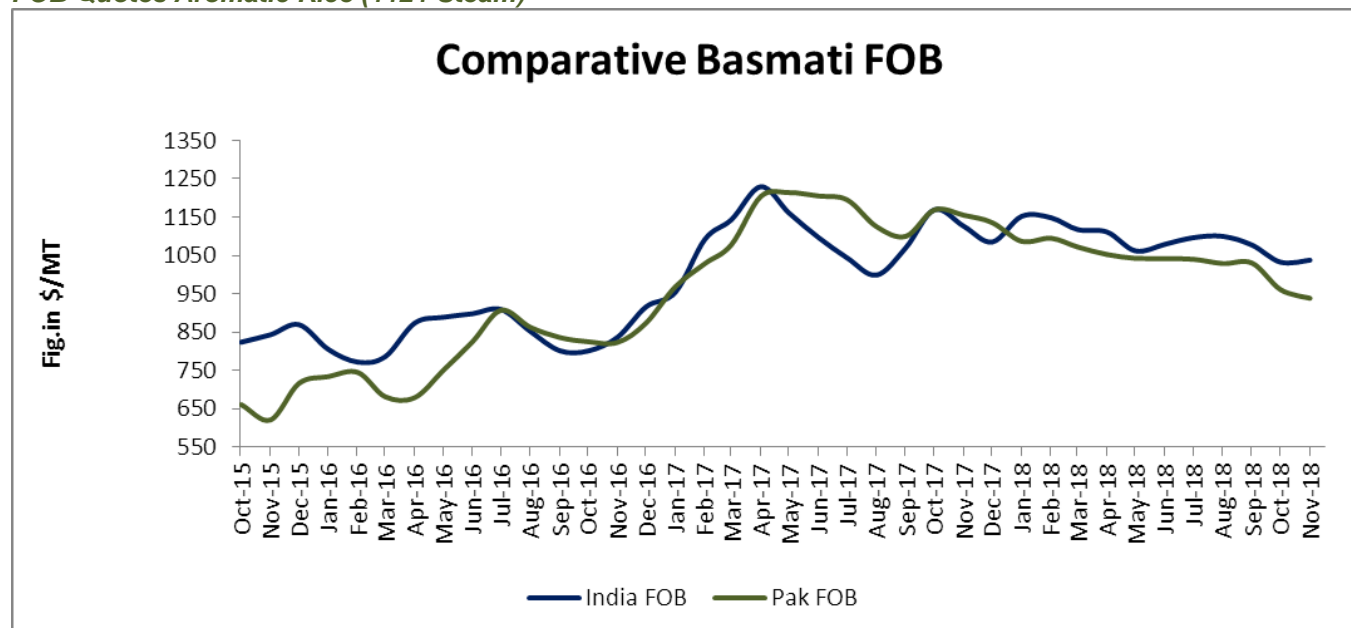
| State/UTs    | Target (only kharif crop) in marketing season 2018-19 (Oct. – Sept.) | Progressive Procurement as on 24.01.2019 |                             |
|--------------|--|--|-----------------------------|
| (in Lakh T)  |  | In Marketing season 2018-19              | In Marketing season 2017-18 |
| AP           | 30.00  | 19.69                                    | 17.40                       |
| Telangana    | 15.00  | 26.59                                    | 12.17                       |
| Bihar        | 8.00   | 1.12                                     | 2.03                        |
| Chhattisgarh | 40.00  | 40.24                                    | 31.77                       |
| Haryana      | 39.75  | 39.09                                    | 39.92                       |
| Jharkhand    | 2.00   | 0.29                                     | 0.39                        |
| Kerala       | 2.00   | 0.62                                     | 0.95                        |
| M.P          | 13.00  | 10.19                                    | 11.00                       |
| Maharashtra  | 4.00   | 2.39                                     | 1.27                        |
| Odessa       | 30.00  | 20.46                                    | 15.24                       |
| Punjab       | 114.00   | 113.30                                   | 118.39                      |
| Tamilnadu    | 8.00   | 2.17                                     | 0.03                        |
| U.P          | 33.00  | 25.36                                    | 24.88                       |
| Uttarakhand  | 5.00   | 4.44                                     | 0.35                        |
| West Bengal  | 23.00  | 8.88                                     | 0.06                        |
| Others       | 0  | --                                       | --                          |
| <b>Total</b> | <b>370.00</b>  | <b>315.30</b>                            | <b>276.16</b>               |

All-India progressive procurement of Rice as on 24.01.2019 for 2018-19 was at 315.30 lakh tons against the procurement of 276.16 lakh tons in the corresponding period of last year. The procurement of wheat for the Rabi

Marketing Season (RMS) 2018-19 was 357.95 lakh tons which was higher than the procurement of 308.24 lakh tons in the corresponding period of RMS 2017-18.

According to available data, in the current kharif marketing season, Punjab has procured 113.30 lakh tonnes rice, 39.09 lakh tonnes in Haryana, 40.24 lakh tonnes in Chhattisgarh, 26.59 lakh tonnes in Telangana, 25.36 lakh tonnes in Uttar Pradesh, 20.46 lakh tonnes in Orissa, 19.69 lakh tonnes in Andhra Pradesh, 10.19 lakh tonnes in Madhya Pradesh, 8.88 lakh tonnes in West Bengal, 4.44 lakh tonnes in Uttarakhand, 2.17 lakh tonnes in Tamil Nadu, 2.39 lakh tonnes in Maharashtra and 1.12 lakh tonnes in Bihar.

### FOB Quotes Aromatic Rice (1121 Steam)



Source-FAO& Agriwatch

Indian FOB for 1121 steam traded weak in the month of November and currently is in the range of USD 1037.65/MT which is up by 0.50% from last month price of USD 1032.48/T due to reducing arrival of current crop. Aromatic rice prices are also traded slightly firm on fresh demand from overseas buyers; Agriwatch expects that aromatic international rice price is likely to trade steady to firm in coming month due high demand and lower production prospective. According to the UN's Food and Agriculture Organization (FAO), Currently Pakistani basmati FOB is moving steady from last month and is now hovering in the range of USD 938/MT which is down by 2.35% from last month FOB of USD 960.75/MT.



### Global Updates

**According to the February report of IGC, rice production in this world can be 495 million tonnes, which is more than 1 million tonnes more than last year's production.** This year, consumption of rice in the world can be 492 million tons, 486 million tons last year. End of this season can save the carry over stock of 153 million tonnes of rice in the world, which is more than 3 million tons more than last year.

**According to the latest (February) report of USDA, rice production in China is expected to increase. On the basis of data** from the National Bureau of Statistics, USDA has set rice production estimation in China during the 2018-19 season, with an increase of approximately 50 lakh tons to 14.85 million tons. This figure is almost equal to the 2017-18 season.

**According to the USDA report, the use of rice in the 2018-19 marketing season is expected to reach 49.03 million tons,** which is 7 lakh tons more than the previous report estimates. Under this, the likelihood of the consumption of rice in China, Nepal and the Philippines and the reduction in Brazil and Nigeria has been expressed.

**Sri Lanka declared Minimum Support Price for Nadu and Samba variety rice which will be effective from 1st April. MSP of Nadu Variety Rice** is 80 Sq. Kg / kg (Indian Rupees 32 per kg) and Samba Variety MSP 85 Sri Lankan rupee per kg (Indian Rupees 34 per kg).

**Myanmar produced 9 billion tonnes of rice in 2017-18, out of which 3.85 million tonnes of rice was exported. The Myanmar** government aims to export 4 million tonnes of rice by 2020 for which farmers have announced different types of schemes.

**According to the latest (February) report of USDA, rice production in China is expected to increase. On the basis of data** from the National Bureau of Statistics, USDA has set rice production estimation in China during the 2018-19 season, with an increase of approximately 50 lakh tons to 14.85 million tons. This figure is almost equal to the 2017-18 season.

**According to the USDA report, the use of rice in the 2018-19 marketing season is expected to reach 49.03 million tons,** which is 7 lakh tons more than the previous report estimates. Under this, the likelihood of the consumption of rice in China, Nepal and the Philippines and the reduction in Brazil and Nigeria has been expressed.

**Thailand aims to export 9.5 million tons of rice this year, a 14% decline from 2018. The world's second-biggest rice exporter shipped** 11 million tons of rice in 2018. This year's rice export situation will not sail as smoothly as last year. The lower volumes are due to a stronger Thai baht and increased competition from India and Vietnam. The baht has gained nearly 2.6% against the US dollar so far this year. Indonesia will import less Thai rice this year due to ample rice stocks, and the Philippines and Malaysia are expected to turn from Thailand to Vietnam due to pricing.

**The European Commission has imposed tariffs on rice imported from Cambodia and Myanmar in a bid to curb a surge in rice** imports from the two Southeast Asian countries. In a statement released on Wednesday, the European Union (EU) said a significant increase of imports of Indica rice from Cambodia and Myanmar into EU caused economic damage to the EU producers. The European Commission has therefore decided today to re-introduce import duties that will be steadily reduced over a period of three years

**IGC Balance Sheet:**

| Attributes<br>( Fig in Million Tons) | 2015-16 | 2016-17 | 2017-18<br>Estimate | (2018-19)<br>Forecast.<br>22.11.2018 | (2018-19)<br>Forecast.<br>24.01.2019 |
|--------------------------------------|---------|---------|---------------------|--------------------------------------|--------------------------------------|
| Production                           | 475     | 487     | 490                 | 491                                  | 488                                  |
| Trade                                | 40      | 48      | 48                  | 49                                   | 47                                   |
| Consumption                          | 474     | 486     | 487                 | 493                                  | 491                                  |
| Carryover stocks                     | 122     | 123     | 126                 | 125                                  | 126                                  |
| Y-O-Y change                         | 1       | 1       | 1                   |                                      | -3                                   |
| Major Exporters                      | 33      | 31      | 28                  | 31                                   | 30                                   |

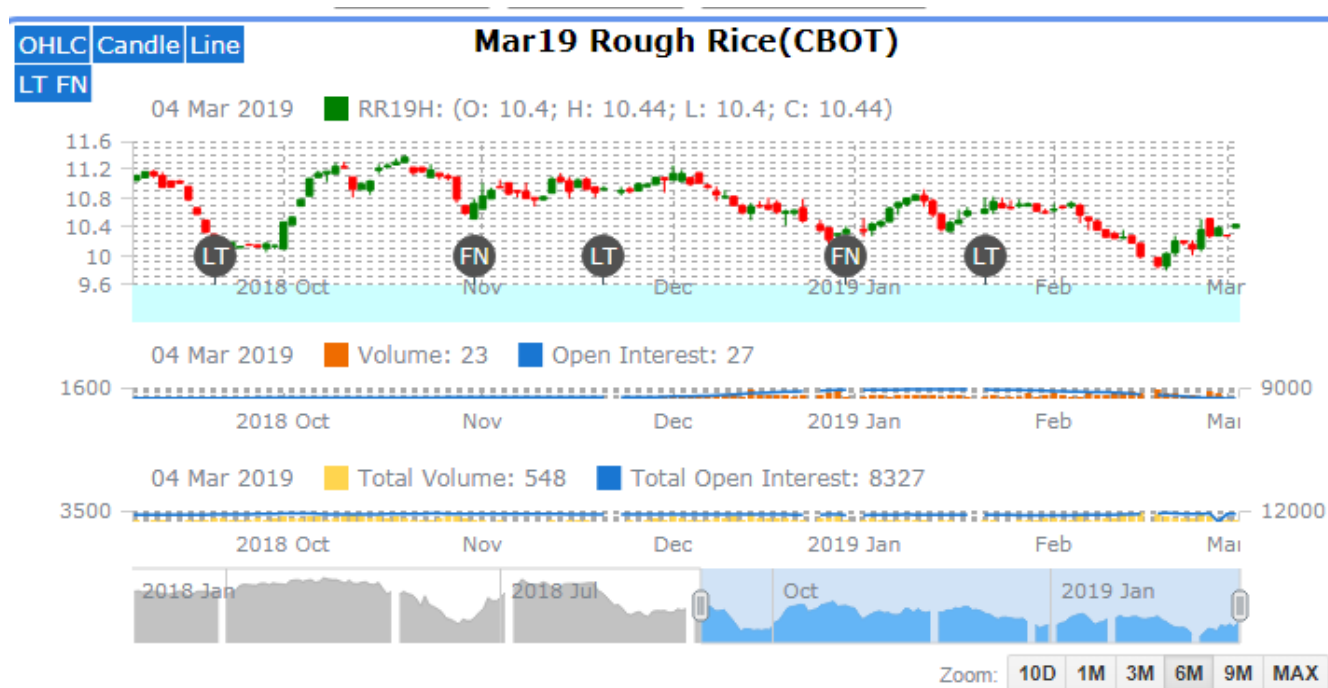
Note: Major exporters are India, Pakistan, Thailand, Vietnam, and United States

**IGC Rice Balance sheet Highlights:**

Owing to downgrades for India and Thailand, global rice output is forecast 3m t lower m/m, at 488m, a drop of 3m y/ y. Nevertheless, due to a larger figure for carry-ins, supplies are pegged fractionally higher than before and, reflecting a reduction for uptake, stocks are lifted to 126m t, but still a drop of 2% y/y. The 2019 trade projection is lowered to 47m t, a modest y/y gain on anticipated African demand. World rice production in 2018/19 is seen modestly lower y/y as potentially smaller crops in Asian exporters, where weather has been less than ideal, are only partly offset by improved outturns elsewhere. In China, too, output could fall amid supply-side reforms. With consumption set to ascend on population growth, inventories may fall, albeit remaining above average. Trade is predicted to edge up to a new peak in 2019, as bigger shipments to Africa more than offset a reduction in demand within Asia against the backdrop of bigger local supplies.

Rice Price Trend @ CBOT March- 19, Rough Rice)

(Prices in US\$/hundredweight)



**Market Analysis**

The CBOT March-19 month rough chart for rice indicates steady to firm tone from last week. We expect market to hover in the range of USD 10.00-11.50 hundred weights in coming sessions.

**Price Projection (International-CBOT)**

| Duration                          | Trend  | Price Range                        |
|-----------------------------------|--------|------------------------------------|
| 01 <sup>st</sup> Week of Mar-2019 | Steady | USD/ Hundred Weight<br>10.00-11.50 |

**Disclaimer**

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