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# Rice Weekly Research Report

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## Contents

- ❖ Outlook and Review
- ❖ Weekly Price Change
- ❖ Weekly Rice Export
- ❖ Progressive Procurement
- ❖ FOB-1121 Steam
- ❖ International Rice Market Summary
- ❖ IGC Balance Sheet
- ❖ CBOT Trend

***Outlook and Review:***

- Rice export prices fell in top countries this week, with halted purchases and the onset of a new harvest added pressure.
- Vietnam's rates for 5% broken rice eased to \$470-\$475 a tonne this week, from a range of \$485-\$490 a tonne a week earlier. The autumn-winter harvest has started at some parts of the Mekong Delta, including Bac Lieu and Dong Thap provinces. Rice prices are expected to fall further when the harvest peaks in October. Meanwhile, the Philippines stopped buying the staple crop from Vietnam and may not resume its imports until next month, adding to the pressure.
- In Thailand, benchmark 5% broken rice prices fell to \$475-\$495 per tonne this week from \$480-\$504 last week on muted demand and a slight change in currency rates. Supply remained stable ahead of the upcoming harvest season in late October and that the new crop could push prices down significantly more.
- In India, rates for 5% broken parboiled variety were quoted around \$379-\$385 per tonne, down from last week's \$387-\$394, due to a depreciation in the rupee and weak demand. Demand has been moderating. Buyers are taking a pause after buying aggressively in July and August.
- As per first advance estimate released this week, Food grains production in Kharif period is projected to scale an all-time high of 144.52 million tonnes in 2020-21, propelled by record production of rice. The food grains output in Kharif 2019-20 has been estimated at 143.38 million tonnes. Rice production is likely to be 102.36 million tonnes, 0.38 million tonnes more than the previous year's estimated production and 6.7 million tonnes higher than the previous five years' average production of 95.66 million tonnes.
- Domestic prices rose in Bangladesh after a government drive to shore up supplies after floods destroyed crops fell short of its targets.

**State wise Wholesale Prices Weekly Analysis for Rice Last week September, 2020**

State	Prices 24-30 Sep 2020	Prices 16-23 Sep 2020	Prices 24-30 Sep 2019	% Change(Over Previous Week)	% Change(Over Previous Year)
Andhra Pradesh			4250	---	---
Maharashtra	3930.26	4203.39	3483.85	-6.5	12.81
Uttar Pradesh	2687.45	2637.93	2541.32	1.88	5.75
Tripura	2995.58	2999.86	2884.81	-0.14	3.84
Kerala	3479.28	3442.55	3402.97	1.07	2.24
West Bengal	2779.17	2772.45	2832.25	0.24	-1.87
Gujarat	4334.72	4324.65	3193.39	0.23	35.74
Manipur	5169.51	5163.98	4492.86	0.11	15.06
Jharkhand			3527.69	---	---
Karnataka	2520.01	4110.77	3724.33	-38.7	-32.34
Odisha	2688.65	3058.15	2690.91	-12.08	-0.08
Assam			3133.16	---	---
Uttarakhand			2846.46	---	---
Meghalaya			3800	---	---
Average	3398.29	3634.86	3343.14		

Duration	Trend	Average Price Range	Reason
01 <sup>st</sup> Week of Sept, 2020	Steady to Weak	Rs.3300-3800/Quintal	Fresh Arrival starts in many northern states which may pressurize the rice and paddy market

**Weekly Rice Price Change in Delhi Market (Figure: in Rs. /Quintal)**

Rice Price	Grade	Change*	26-Sep-20	25-Sep-20	19-Sep-20	26-Aug-20	26-Sep-19
Chirala(A.P)	BPT(Raw)	-50	3250	3250	3300	3300	3200
Jharkhand(Ranchi)	Coarse	-100	3200	3200	3300	3100	3000
Ernakulam(Kerala)	Jaya	-200	3400	3400	3600	3500	3300
Divi( A.P)	BPT(Steam)	-100	3100	3100	3200	3000	2900
Visakhapatnam	HMT(Raw)	-200	4000	4000	4200	3900	3850
Nandyal	Sona Fine	50	3650	3650	3600	4100	3900

Barasat(W.B)	Masuri	50	3250	3200	3200	3300	3250
Dibrugarh	Common	-50	3050	3100	3100	3200	3000
Jhargram(W.B)	IR-36	0	3000	2800	3000	2900	2350
Jhargram(W.B)	IR-36	0	3000	2900	3000	2600	2300
Karnal	Sarbati Steam	-200	3400	3500	3600	4000	4200
Bangarpet(Kar)	Sugandh Sela	-400	3900	4000	4300	4600	5000

**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
	26-Sep-20	21-Sep-20	27-Aug-20	27-Sep-19			
1121 Steam	6200	6300	6500	7600	-1.59	-4.62	-18.42
1121 Sella	4800	5000	5350	6400	-4.00	-10.28	-25.00
1121 Raw	6200	6200	7100	7500	0.00	-12.68	-17.33
Basmati Raw	8800	8800	8800	9500	0.00	0.00	-7.37
1509 Steam Wand New	4500	4600	5500	5900	-2.17	-18.18	-23.73
Sugandh Steam	4200	4500	4800	5100	-6.67	-12.50	-17.65
Sharbati Raw	3200	3200	3800	4300	0.00	-15.79	-25.58
Pusa Raw Wand	5600	5700	6100	5500	-1.75	-8.20	1.82
Parmal Sella	3400	3500	3750	3450	-2.86	-9.33	-1.45

**Paddy Kharif Sowing Updates as on 04<sup>th</sup> September 2020-**

State	This Year	Last Year
Andhra Pradesh	12.2	11.4
Arunachal Pradesh	1.17	1.17
Assam	18.76	19.09
Bihar	32.8	27.74
Chhattisgarh	37.73	37.79
Gujarat	8.36	8.23
Haryana	13.28	13.25
J&K	1.1	1.15
Jharkhand	17.3	13.41
Karnataka	8.23	5.96
Madhya Pradesh	28.62	23.38
Maharashtra	14.19	14.04
Nagaland	1.95	2.11
Odisha	36.81	36.51
Punjab	27.36	29.2
Rajasthan	1.97	1.82
Tamil Nadu	3.91	2.28

Telangana	19.62	10.71
Uttar Pradesh	60.14	60.05
Uttarakhand	2.49	2.49
West Bengal	42.39	38.35
Others	5.8	5.99
All-India	396.18	365.92

*State wise Progressive Procurement As on 04.09.2020*

State	Procurement(in Lakh Tons) 2019-20	2018-19
AP	53.18	32.25
Telangana	74.64	36.14
Assam	1.28	0.52
Bihar	13.41	9.28
Chhattisgarh	46.56	40.80
Haryana	43.03	39.09
Jharkhand	2.55	1.53
Kerala	4.75	4.07
M.P	17.40	13.95
Maharashtra	10.14	4.25
Odisha	47.01	34.48
Punjab	108.76	113.34
Tamilnadu	17.27	11.48
U.P	37.90	32.33
Uttrakhand	6.81	4.62
West Bengal	15.15	16.54
Total	509.41	395.05

All-India progressive procurement of Rice as on 24.08.2020 for Kharif Marketing Season (KMS) 2019-20 is 509.41.lakh tons against the procurement of 395.05 lakh tonnes in the corresponding period of last year.

*IGC Balance Sheet:*

Attributes ( Fig in Million Tons)	2015-16	2016-17	2017-18 Estimate	(2019-20) Forecast. 28.05.2020	(2020-21) Projection. 25.06.2020
Production	475	487	490	506	505
Trade	40	48	48	44	44
Consumption	475	488	494	500	501
Carryover stocks	164	174	176	182	180

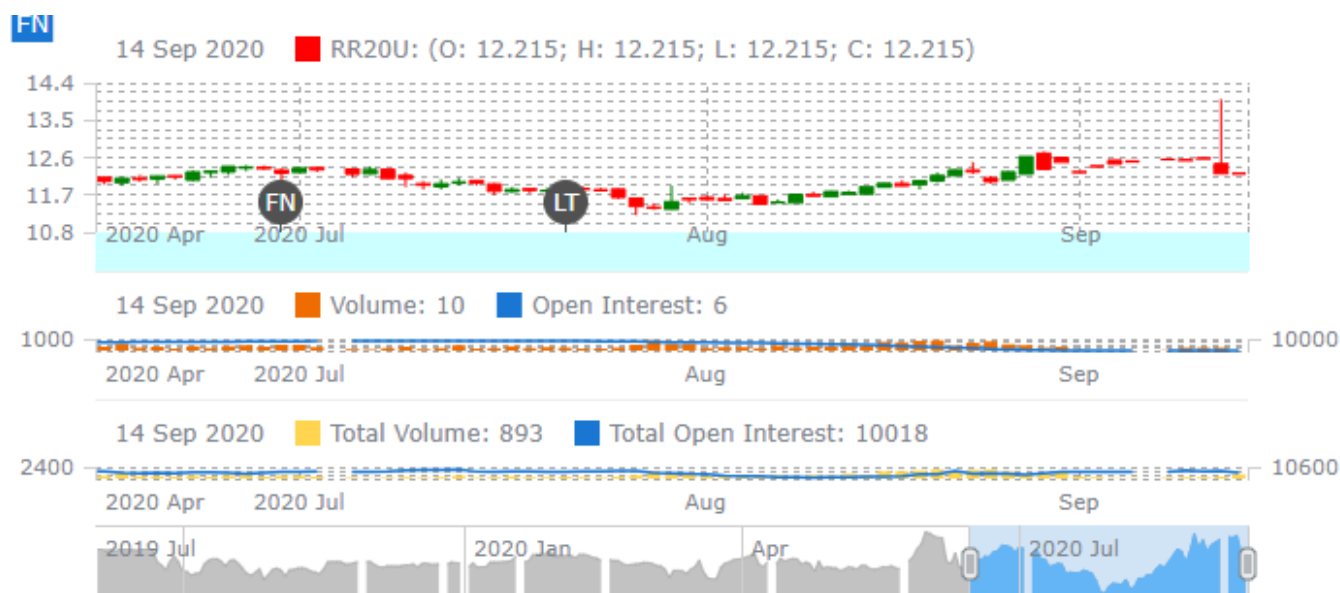
<b>Y-O-Y change</b>	9	9	3	-	4
<b>Major Exporters</b>	31	39	42	46	46

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

**IGC Rice Balance sheet Highlights:** With few changes to the 2019-20 global rice supply and demand balance sheet from previously, end-season carryovers are maintained at 176 million tons, a record level on gains in China and leading exporters. The 2020/21 production outlook is trimmed m/m, with the net reduction in total supplies leading to a modestly lower figure for inventories, placed at 180 million tons, albeit still a new high. The projection for trade in 2021 is unchanged m/m, at 44 million tons (+4% y/y).

### **Rice Price Trend @ CBOT Sept- 2020, Rough Rice)**

(Prices in US\$/hundredweight)



### **Market Analysis**

The CBOT Sept-2020, month rough chart for rice indicates range movement from last month. We expect market to hover in the range of USD 11.00-14.50 hundred weights in coming sessions.

### **Price Projection (International-CBOT)**

Duration	Trend	Price Range
04 <sup>th</sup> Week of Sept-2020	Steady to Firm	USD/ Hundred Weight 11.20-15.50

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