
Rice Weekly Research Report

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Outlook and Review:

- Rice export prices eased this week in most hubs on lackluster demand, with fresh supplies expected to be a further drag. Vietnamese traders were also concerned about low water levels in the Mekong.
- India's 5% broken parboiled slipped to \$376-\$382 per tonne from last week's \$379-\$385. Domestic prices are softening due to the expected rise in production. Exports prices are not falling in the same proportion because of the rising rupee.
- Thailand's benchmark 5% broken rice prices fell to \$472-\$477 from \$475-\$495 last week, attributed largely due to the fluctuation in Thai Baht amid muted demand. New supplies are steadily entering the market, and this could gradually lead to a decline in prices over the next few weeks.
- In Vietnam, rates for 5% broken rice were quoted at \$460-\$480 a tonne range versus \$470-\$475 last week, as export activity was muted with the absence of buyers from the Philippines. Some exporters are only focusing on fulfilling their contracts signed with Cuba. Water levels in the rice bowl Mekong Delta are low this year and exporters are concerned about possible drought or salination during the upcoming crop season.
- Bangladesh this week fixed wholesale prices for rice following a jump in domestic rates after a government drive to shore up supplies fell short of targets. Millers will now have to sell fine quality rice at 2,575 taka (\$30.37) for a sack of 50 kg and medium quality at 2,250 taka (\$26.54) in line with the new prices. Country has no option to import rice if the millers don't sell the grain at the fixed prices.

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	---	---
Uttrakhand			2846.46	---	---
Meghalaya			3800	---	---
Average	3398.29	3634.86	3343.14		

Duration	Trend	Average Price Range	Reason
01 st 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*	3-Oct-20	1-Oct-20	26-Sep-20	3-Sep-20	3-Oct-19
Chirala(A.P)	BPT(Raw)	-50	3200	3200	3250	3300	3000
Jharkhand(Ranchi)	Coarse	-200	3000	3000	3200	3100	2900
Ernakulam(Kerala)	Jaya	-100	3300	3300	3400	3500	3200
Divi(A.P)	BPT(Steam)	0	3100	3100	3100	3000	2900
Visakhapatnam	HMT(Raw)	-400	3600	3600	4000	3900	3700

Nandyal	Sona Fine	-250	3400	3400	3650	4100	3900
Barasat(W.B)	Masuri	0	3250	3200	3250	3300	3250
Dibrugarh	Common	50	3100	3100	3050	3200	3000
Jhargram(W.B)	IR-36	-100	2900	2900	3000	2900	2350
Karnal	Sarbati Steam	400	3800	3700	3400	4000	4200
Bangarpet(Kar)	Sugandh Sela	100	4000	4000	3900	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
	1-Oct-20	25-Sep-20	31-Aug-20	1-Oct-19			
1121 Steam	6200	6300	6400	7400	-1.59	-3.13	-16.22
1121 Sella	4700	4800	5200	6450	-2.08	-9.62	-27.13
1121 Raw	6200	6300	7100	7500	-1.59	-12.68	-17.33
Basmati Raw	8800	8800	8800	9500	0.00	0.00	-7.37
1509 Steam Wand New	4500	4600	5200	5900	-2.17	-13.46	-23.73
Sugandh Steam	4000	4500	4600	5300	-11.11	-13.04	-24.53
Sharbati Raw	3600	3200	3800	4300	12.50	-5.26	-16.28
Pusa Raw Wand	5500	5700	6100	5500	-3.51	-9.84	0.00
Parmal Sella	3100	3400	3750	3200	-8.82	-17.33	-3.13

Paddy Kharif Sowing Updates as on 18th September 2020-

State	RICE				
	Normal Area	Area sown reported			Absolute Change
		This Year	% of Normal	Last Year	
Andhra Pradesh	15.19	14.02	92.3	13.23	0.79
Arunachal Pradesh	1.30	1.17	89.9	1.31	-0.14
Assam	20.55	21.22	103.3	19.67	1.55
Bihar	31.85	33.07	103.8	27.72	5.35
Chhattisgarh	37.64	37.84	100.5	38.14	-0.30
Goa	0.27	0.24	88.1	0.28	-0.04
Gujarat	7.78	8.39	107.8	8.47	-0.08
Haryana	13.79	13.28	96.3	13.57	-0.29
Himachal Pradesh	0.73	0.74	101.6	0.73	0.01

J&K	2.80	1.16	41.4	1.15	0.01
Jharkhand	16.12	17.38	107.8	13.57	3.81
Karnataka	9.28	9.98	107.5	7.330	2.65
Kerala	1.47	0.68	46.4	0.68	0.00
Madhya Pradesh	21.67	28.71	132.5	24.60	4.11
Maharashtra	14.57	14.98	102.8	14.780	0.20
Manipur	0.42	1.95	467.3	0.97	0.98
Meghalaya	0.97	0.97	99.8	0.97	0.00
Mizoram	0.36	0.35	97.1	0.00	0.35
Nagaland	2.01	1.95	97.0	2.11	-0.16
Odisha	36.67	37.02	101.0	37.42	-0.40
Punjab	29.87	27.36	91.6	29.20	-1.84
Rajasthan	1.87	1.97	105.1	1.82	0.15
Sikkim	0.10	0.10	97.8	0.00	0.10
Tamil Nadu	16.06	4.96	30.9	3.85	1.11
Telangana	9.59	20.74	216.3	12.29	8.45
Tripura	2.00	0.42	21.0	1.65	-1.23
Uttar Pradesh	58.30	60.14	103.1	60.05	0.09
Uttarakhand	2.44	2.49	101.9	2.49	0.00
West Bengal	41.20	43.34	105.2	40.31	3.03
Others	0.28	0.35	126.4	0.35	0.00
All-India	397.29	406.97	102.4	378.71	28.26

State wise Progressive Procurement As on 25.09.2020

State	Target in Marketing season 2019-20 (October– September)	In Marketing season 2019-2020	In Marketing season 2018-19
<i>Andhra Pradesh</i>	63.37	54.24	48.09
<i>Telangana</i>	91.92	74.54	51.86
<i>Bihar</i>	12.00	13.41	9.49
<i>Chhattisgarh</i>	48.00	49.39	39.13
<i>Haryana</i>	40.00	43.03	39.41
<i>Kerala</i>	4.50	4.82	4.65
<i>Madhya Pradesh</i>	14.00	17.40	14.62
<i>Maharashtra</i>	12.70	11.57	5.80
<i>Odisha</i>	43.50	47.63	43.83
<i>Punjab</i>	114.00	108.76	113.34
<i>Tamil Nadu</i>	13.44	21.84	12.70
<i>Uttar Pradesh</i>	33.00	37.90	32.30

Uttarakhand	5.00	6.82	4.62
West Bengal	26.00	16.32	19.50
All-India	529.05	513.29	442.33

As on 25 September, during KMS 2019-20, Progressive Procurement of Rice was 513.29 lakh MT compared to 442.33 lakh MT during corresponding period of KMS 2018-19. This year in ongoing marketing season, procured quantity of Wheat & Rice has reached at all time high level.

IGC Balance Sheet:

Attributes (Fig in Million Tons)	2017-18	2018-19	2019-20 Est.	2020-21 Forecast 27.08.2020)	24.09.2020
Production	494	498	497	505	504
Trade	46	43	42	45	45
Consumption	485	487	495	500	500
Carryover stocks	165	175	177	181	180
Y-O-Y change	9	10	2		4
Major Exporters	32	39	44	47	45

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

Despite an anticipated 14% y/y increase in India's exports, global rice trade is seen falling for a third successive season in 2020 owing to a contraction in buying by African countries. This also partly explains expectations for a steep decline in Thailand's sales to a multi-year low. World consumption in 2019-20 is forecast to expand, with growth in India linked to COVID-19-related food security measures. Inventories are seen broadly steady y/y as gains in key exporters and China offset falls in importing nations. Underpinned by firm prices and broadly favorable conditions, production in 2020-21 could edge up to a peak of 504 million tonnes (497m), with uptake and inventories potentially reaching new highs. Trade is expected to rebound by 7% in 2021 on stronger African demand.

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

(Prices in US\$/hundredweight)


Market Analysis

The CBOT November-20 month rough chart for rice indicates firm tone from last month. We expect market to hover in the range of USD 12.00.80-13.50 hundred weights in coming sessions.

Price Projection (International-CBOT)

Duration	Trend	Price Range
01 st Week of Oct-2020	Steady to Firm	USD/ Hundred Weight 11.50-14.50

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