



Rice Weekly Research Report

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 for a sixth straight week in Thailand, with fresh supply expected to bring down rates further this month, as subdued global demand crimped exports from most Asian hubs.

Thailand's benchmark 5 percent broken rice prices eased slightly to \$470-\$475 per tonne from \$472-\$477 last week, with traders expecting the slight dip to fluctuation in the currency exchange amid relatively flat demand. The prices may go lower if the harvest volume is bigger than expected, which will be known around the end of the month.

India rice prices remained steady due to softening demand after a surge in exports in the last few months. Prices of the 5 percent broken parboiled variety were unchanged from last week, around \$376-\$382 per tonne. Traders may not be able to hold the prices low despite ample crop, due to the appreciating rupee.

Due to drought condition in Thailand, rice export from India could increase by 42% from last year. As per latest statement by AIREA, India rice export in MY-2020-21 could even touch a new record of 14 MMT in MY-2020-21.

In Vietnam, rates for 5 percent broken rice were quoted at \$470 a tonne versus \$460-\$480 last week, as demand from Philippines remained weak. Some buyers from the Philippines having shown interest, but most of them ended up only checking for prices.

Meanwhile, domestic prices of rice kept rising in Bangladesh which officials blamed on hoarding by middlemen, despite the government's move to fix wholesale prices of the staple grain for the nation. According to Food Minister of Bangladesh, strict action will be taken against those who are hoarding rice to create artificial crisis to make windfall profits.

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
03 rd Week of Oct, 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*	10-Oct-20	9-Oct-20	3-Oct-20	10-Sep-20	10-Oct-19
Chirala(A.P)	BPT(Raw)	-100	3100	3100	3200	3300	3000
Jharkhand(Ranchi)	Coarse	150	3150	3150	3000	3100	2900
Ernakulam(Kerala)	Jaya	0	3300	3300	3300	3500	3200
Divi(A.P)	BPT(Steam)	0	3100	3100	3100	3000	2900

Visakhapatnam	HMT(Raw)	-100	3500	3600	3600	3900	3700
Nandyal	Sona Fine	-100	3300	3400	3400	4100	3900
Barasat(W.B)	Masuri	50	3300	3300	3250	3300	3250
Dibrugarh	Common	0	3100	3100	3100	3200	3000
Jhargram(W.B)	IR-36	100	3000	2900	2900	2900	2350
Karnal	Sarbati Steam	0	3800	3700	3800	4000	4200
Bangarpet(Kar)	Sugandh Sela	0	4000	4000	4000	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
	10-Oct-20	5-Oct-20	10-Sep-20	11-Oct-19			
1121 Steam	5700	5700	6300	7400	0.00	-9.52	-22.97
1121 Sella	4800	4800	5100	6500	0.00	-5.88	-26.15
1121 Raw	5800	5800	6200	7400	0.00	-6.45	-21.62
Basmati Raw	8800	8800	8800	9500	0.00	0.00	-7.37
1509 Steam Wand New	4500	4500	4900	6000	0.00	-8.16	-25.00
Sugandh Steam	4500	4500	4500	5200	0.00	0.00	-13.46
Sharbati Raw	3600	3600	3500	4200	0.00	2.86	-14.29
Pusa Raw Wand	5700	5700	5800	5500	0.00	-1.72	3.64
Parmal Sella	3200	3200	3400	3200	0.00	-5.88	0.00

Paddy Kharif Sowing Updates as on 18th September 2020-

RICE					
State	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
Andhra Pradesh	63.37	54.24	48.09
Telangana	91.92	74.54	51.86
Bihar	12.00	13.41	9.49
Chhattisgarh	48.00	49.39	39.13
Haryana	40.00	43.03	39.41
Kerala	4.50	4.82	4.65
Madhya Pradesh	14.00	17.40	14.62
Maharashtra	12.70	11.57	5.80
Odisha	43.50	47.63	43.83
Punjab	114.00	108.76	113.34
Tamil Nadu	13.44	21.84	12.70

Uttar Pradesh	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
03 rd Week of Oct-2020	Steady to Firm	USD/ Hundred Weight 11.50-14.50

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2020 Indian Agribusiness Systems Ltd.