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# Rice Weekly Research Report

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***Outlook and Review:***

- Vietnam's 5% broken rice prices rose to \$495 per tonne this week from \$485-\$495 last week. Supplies are limited, while domestic demand is on the rise, as millions of people in central Vietnam have been affected by a series of floods and landslides. Vietnam's rice exports, in the first 10 months of this year were forecast to have dropped by 4%, from a year earlier to, 5.29 million tonnes.
- Thailand's 5% broken rice prices rose to \$452-\$480 from \$435-\$440 a week earlier. Domestic demand is high and some foreign ships have come to pick up export orders.
- Bangladesh, which has been grappling with dwindling supplies and a spike in domestic prices amid the pandemic, is set to nearly double rice procurement from an upcoming harvest beginning mid-November, after an earlier drive to shore up supplies fell short of targets. The government will buy 650,000 tonnes of rain-fed Aman rice variety from farmers, up from about 380,000 tonnes bought last year.
- Shipments from India slowed as exporters struggled to secure rail wagons and due to congestion at key ports. The sharp rise in container freight rates has also been hitting traders. India's 5 percent broken parboiled FoB fell to \$370-\$375 per tonne from \$372-\$377 last week. Depreciation in the rupee has allowed exporters to offer rice at competitive prices.
- Under the Central Government's Open Market Sale Scheme (OMSS), this year, about 9.53 lakh tonnes of rice were sold until last week. The government has set a target of selling 50 lakh tonnes of rice for the entire financial year under this scheme and has fixed the minimum reserve price (reserve price) of the sale of this rice at Rs 2250 per quintal. Since the market price of rice is running below this, private traders are showing little interest in purchasing government rice. During two initial weekly auctions of October 2020, private traders or bulk consumers did not buy government rice at all and in the third week also only 20 tonnes of rice were bought. Earlier, private traders had purchased 170 tonnes in September, 160 tonnes in August and 30 tonnes of government rice in July.
- As on 29 October, during KMS 2020-21, progressive procurement of Rice was 120.48 lakh MT compared to 90.12 lakh MT during corresponding period of KMS 2019-20. Total procurement of rice in My-2019-20 has reached to 516.49 lakh tonnes which was a record in last decade.

### State wise Wholesale Prices Weekly Analysis for Rice fourth week October, 2020

State	Prices 24-31 Oct 2020	Prices 16-23 Oct 2020	Prices 24-31 Oct 2019	% Change(Over Previous Week)	% Change(Over Previous Year)
Karnataka	3302.02	3253.18	4297.36	1.5	-23.16
Kerala	3486.2	3486.37	3488.27	0	-0.06
Andhra Pradesh			4018.75	---	---
Maharashtra	3567.11	2160	3486.06	65.14	2.32
Tripura	2998.64	2941.16	2953.15	1.95	1.54
Uttrakhand			2506.78	---	---
Assam			3055.37	---	---
Gujarat	4300	4247.45	3555.07	1.24	20.95
Odisha	3387.41	2777.8	2756.6	21.95	22.88
West Bengal	2767.85	2775.43	2915.13	-0.27	-5.05
Manipur			4779.17	---	---
NCT of Delhi			2750	---	---
Uttar Pradesh	2470.84	2503.32	2553.67	-1.3	-3.24
Jharkhand			3578.08	---	---
Punjab			1835	---	---
Average	3285.01	3018.09	3235.23		

Duration	Trend	Average Price Range	Reason
01 <sup>st</sup> Week of Nov, 2020	Steady	Rs.3300-3800/Quintal	Fresh Arrival starts in many northern states which may pressurize the rice and paddy market; however demand may put support on prices on medium term.

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

Rice Price	Grade	Change*	29-Oct-20	28-Oct-20	24-Oct-20	29-Sep-20	29-Oct-19
Chirala(A.P)	BPT(Raw)	0	3100	3100	3100	3300	3000
Jharkhand(Ranchi)	Coarse	0	3200	3200	3200	3100	2900
Ernakulam(Kerala)	Jaya	50	3450	3450	3400	3600	3300
Divi( A.P)	BPT(Steam)	0	3200	3200	3200	3000	3000
Visakhapatnam	HMT(Raw)	-100	3300	3300	3400	3900	3600
Nandyal	Sona Fine	0	3300	3400	3300	4100	3900

Barasat(W.B)	Masuri	-100	3100	3100	3200	3300	3250
Dibrugarh	Common	-100	3100	3100	3200	3200	3000
Jhargram(W.B)	IR-36	0	2900	2900	2900	2900	2350
Karnal	Sarbati Steam	100	3700	3700	3600	4400	4000
Bangarpet(Kar)	Sugandh Sela	0	3300	3300	3300	4500	4900

**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
	31-Oct-20	26-Oct-20	1-Oct-20	1-Nov-19			
1121 Steam	5500	5200	6200	5800	5.77	-11.29	-5.17
1121 Sella	5000	4250	4700	5000	17.65	6.38	0.00
1121 Raw	5500	5500	6200	5700	0.00	-11.29	-3.51
Basmati Raw	8800	8800	8800	8900	0.00	0.00	-1.12
1509 Steam Wand New	4800	4600	4500	5200	4.35	6.67	-7.69
Sugandh Steam	3600	3700	4000	4500	-2.70	-10.00	-20.00
Sharbati Raw	3300	3300	3600	4300	0.00	-8.33	-23.26
Pusa Raw Wand	5400	5700	5500	4600	-5.26	-1.82	17.39
Parmal Sella	3100	2900	3100	3100	6.90	0.00	0.00

**Paddy Kharif Sowing Updates as on 18<sup>th</sup> 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
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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:

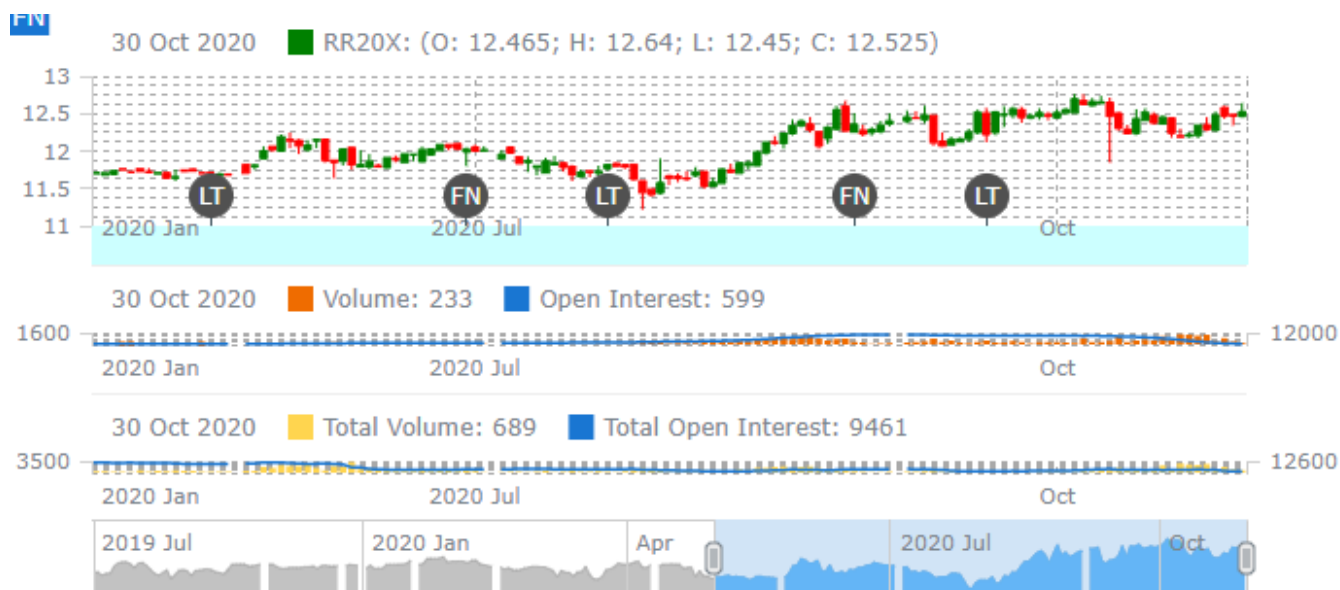
Attributes ( Fig in Million Tons)	2017-18	2018-19	2019-20 Est.	2020-21 Forecast 27.08.2020)	24.09.2020
<b>Production</b>	494	498	497	505	504
<b>Trade</b>	46	43	42	45	45
<b>Consumption</b>	485	487	495	500	500
<b>Carryover stocks</b>	165	175	177	181	180
<b>Y-O-Y change</b>	9	10	2		4
<b>Major Exporters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

(Prices in US\$/hundredweight)



Market Analysis

The CBOT November-20 month rough chart for rice indicates steady to 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 <sup>st</sup> Week of Nov-2020	Steady to Firm	USD/ Hundred Weight 11.50-14.50

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