Rice Weekly Research Report

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Outlook and Review:

- Paddy procurement for Kharif 2020-21 is continuing smoothly in the procuring States & UTs of Punjab(which has contributed 70% so far at 199.32 LMT), Haryana, Uttar Pradesh, Telangana, Uttarakhand, Tamil Nadu, Chandigarh, Jammu & Kashmir, Kerala, Gujarat and Andhra Pradesh with purchase of over 286 LMTs of paddy up to 18.11.2020 against the last year corresponding purchase of 258 LMT showing an increase of 20.22 % over last year.
- All India Rice Exporters Association confirmed that the Iranian government lifted its seasonal ban on imports a month in advance. Also, the government has given positive indications on the resolution of the 2019 stalled remittances issue of over Rs.1700 crores, . Exporters claim that they are discussing basmati exports with Iranian importers. If everything goes well, exporters will start signing contracts for January 2021 delivery soon.
- Thai rice export prices have risen to their highest in nearly two months this week on concerns about supply even as demand remained sluggish. Thailand's benchmark 5% broken rice prices rose to USD 475-USD 485 on Thursday from USD 470-USD 480 last week.
- Meanwhile,poor local demand and plenty of stocks have led Indian rice to a near an eight-month trough.India's 5 percent broken parboiled variety was unchanged at USD 366-USD 370 per tonne, its lowest since the week of March 26. Demand is weak as buyers have taken a pause. Since container freight rates are going up, exporters can't reduce the prices.
- Vietnam's 5% broken rice prices were unchanged from a week earlier at USD 495-USD 500 per tonne this week. Demand from the Philippines is on the rise, but rice shipments from Cambodia to Vietnam help offset domestic thin supplies.

State wise Wholesale Prices Weekly Analysis for Rice third week November, 2020

State	Prices 16-23 Nov 2020	Prices 09-15 Nov 2020	Prices 16-23 Nov 2019	% Change(Over Previous Week)	% Change(Over Previous Year)
Karnataka	3036.94	3529.86	3874.17	-13.96	-21.61
Maharashtra	3555.65	3559.56	4053.52	-0.11	-12.28
Odisha	2920.68	3027.47	2534.68	-3.53	15.23
Tripura	2975.48	2980.87	2930.86	-0.18	1.52
Uttar Pradesh	2403.65	2431.75	2498.77	-1.16	-3.81
Chattisgarh		2500		__	__
Gujarat	4294.27	4300	3257.22	-0.13	31.84
Kerala	3490.46	3502.06	3490.02	-0.33	0.01
West Bengal	2748.62	2779.89	2782.87	-1.12	-1.23
Manipur			4805.69	__	__
Uttrakhand			2606.85	__	__
Assam			3273.88	__	__
Andhra Pradesh			4428.57	__	__
Meghalaya			5000	__	__
Average	3178.22	3179.05	3502.85		

Duration	Trend	Average Price Range	Reason
04th Week of Nov, 2020	Steady	Rs.3200-3700/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.

Comparative Rice Varity 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
	20-Nov-20	14-Nov-20	20-Oct-20	20-Nov-19			
1121 Steam	5700	5900	6300	5800	-3.39	-9.52	-1.72
1121 Sella	4700	4800	5000	5200	-2.08	-6.00	-9.62
1121 Raw	5800	5900	5900	5600	-1.69	-1.69	3.57
Basmati Raw	8600	8800	8800	8900	-2.27	-2.27	-3.37
1509 Steam Wand New	5300	5300	4800	5300	0.00	10.42	0.00
Sugandh Steam	4500	4500	3700	4600	0.00	21.62	-2.17
Sharbati Raw	3800	3800	3500	4500	0.00	8.57	-15.56
Pusa Raw Wand	5300	5300	5800	4600	0.00	-8.62	15.22
Parmal Sella	3200	3200	2950	3150	0.00	8.47	1.59

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:

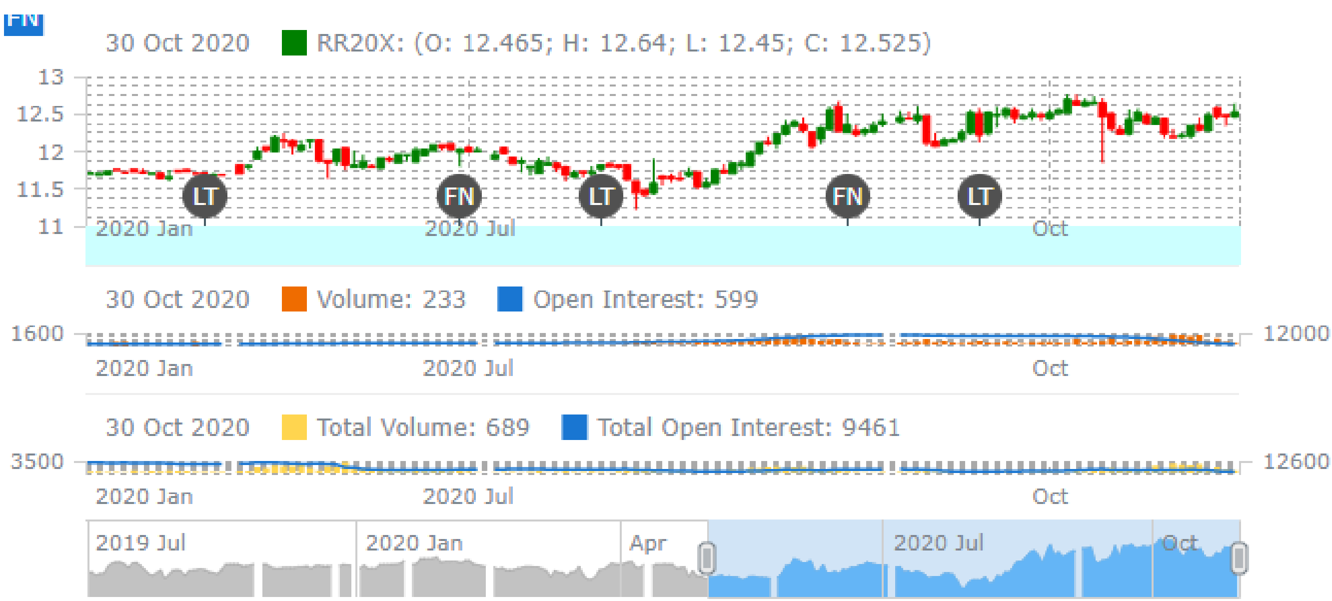
Attributes (Fig in Million Tons)	2017-18	2018-19	2019-20 Est.	2020-21 Forecast 27.08.2020)	24.09.2020
Production	494	498	497	505	504
Trade	46	43	42	45	45
Consumption	485	487	495	500	500
Carryover stocks	165	175	177	181	180
Y-O-Y change	9	10	2		4
Major Exporters	32	39	44	47	45

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 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
02nd Week of Nov-2020	Steady to Firm	USD/ Hundred Weight 11.50-14.50