



# Rice Weekly Research Report

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***Outlook and Review:***

- This time in Andhra Pradesh, till January 12, the total area of rabi crops could reach only 39.10 lakh acres, which was 44.36 lakh acres in the same period last year and much less than the total target of 58.92 lakh acres. According to the report of the State Agriculture Department, as on 12<sup>th</sup> January, 2021, during the current Rabi season, the area under paddy in Andhra Pradesh increased from 11.61 lakh acres to 13.19 lakh acres, but the area under coarse cereals decreased from 6.74 lakh acres to 4.10 lakh acres, of pulses. The area has dropped from 21.20 lakh hectares to 18.29 lakh acres and the oilseeds sowing area has been reduced from 2.09 lakh acres to 1.65 lakh acres.
- Paddy production in Telangana is increasing rapidly due to which the contribution to the central pool is also increasing. Paddy production there reached 130 lakh tonnes during the 2019-20 season. Earlier production was recorded at 62.50 lakh tonnes in 2018-19, 51.70 lakh tonnes in 2017-18 and 29.60 lakh tonnes in 2016-17.
- Paddy is produced in both Kharif and Rabi seasons in Telangana. Telangana's contribution to the total government procurement of paddy in the Rabi season has reached to 63 percent. In this state, irrigation facility has been provided in more than 60 lakh acres where farmers are being encouraged to cultivate paddy. In Telangana, farmers are being supplied electricity round the clock, which is increasing the production of food grains and pulses there.
- In 2019-20, 47 lakh tonnes of paddy was procured in Telangana during the Kharif season and 65 lakh tonnes during the Rabi season. In 2014, Telangana was carved out of a separate state and within just 6 years, there was a record increase of 367 percent in government procurement of paddy there. The procurement of rabi season paddy increased by 76 percent last year.
- Apart from turmeric, the farmers of Telangana also demanded a bonus of Rs 600 quintal on fine variety paddy. Reliance purchased gold Mansoori variety from farmers of Karnataka at the rate of Rs. 1950 per quintal, which is higher than MSP.
- Considering high domestic demand and export demand, rice price is expected to gain momentum. Indian rice is very much liked in Gulf countries like UAE, Dubai, Yemen Iraq etc. and shipment is to be done in these countries in the coming month too. Due to the corona virus disease, many countries are forced to make huge stocks of food.
- India's rice stock in the central pool as on December- 1, 2020 stood at 14.54 MMT down by 31.64% from 21.27 MMT recorded during the corresponding period last year, according to data from Food Corporation of India (FCI). India's rice stocks in the central pool are down by 13.40% by from 16.79 MMT recorded on November-01, 2020.

### State wise Wholesale Prices Weekly Analysis for Rice Second week January, 2021

State	Prices 09-15 Jan 2021	Prices 01-08 Jan 2021	Prices 24-31 Dec 2020	Prices 09-15 Jan 2020	% Change(Over Previous Week)	% Change(Over Previous to Previous Week)	% Change(Over Previous Year)
Gujarat	4122.41	4308.37	4202.06	4020.42	-4.32	-1.9	2.54
Uttar Pradesh	2388.86	2369.3	2376.46	2608.63	0.83	0.52	-8.42
Uttarakhand				2655.94	---	---	---
Karnataka	3301.82	3741.46	3386.72	3792.32	-11.75	-2.51	-12.93
Odisha	2668.79	2817.18	2774.78	2880.2	-5.27	-3.82	-7.34
Jharkhand	2366.67				---	---	---
Maharashtra	3723.7	3595.53	3540.27	4260.09	3.56	5.18	-12.59
Tripura	2920.94	2898.17	2867.07	2928.17	0.79	1.88	-0.25
West Bengal	2677.55	2709.61	2689.17	2869.68	-1.18	-0.43	-6.7
Kerala	3488.94	3474.46	3479.46	3494.71	0.42	0.27	-0.17
Average	3073.3	3239.26	3164.5	3278.91			

Duration	Trend	Average Price Range	Reason
02 <sup>nd</sup> Week of Jan, 2021	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 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
	16-Jan-21	9-Jan-21	16-Dec-20	16-Jan-20			
1121 Steam	6300	6200	6100	6200	1.61	3.28	1.61
1121 Sella	5300	5400	5000	5250	-1.85	6.00	0.95
1121 Raw	6300	6200	6100	6000	1.61	3.28	5.00
Basmati Raw	9200	8600	9400	8200	6.98	-2.13	12.20
1509 Steam Wand New	5700	5600	5900	5600	1.79	-3.39	1.79
Sugandh Steam	5000	4900	4600	4700	2.04	8.70	6.38
Sharbati Raw	4400	4500	4300	3500	-2.22	2.33	25.71
Pusa Raw Wand	6000	6000	5800	4400	0.00	3.45	36.36
Parmal Sella	3400	3300	3250	3250	3.03	4.62	4.62

### Paddy Kharif Sowing Updates as on 18<sup>th</sup> 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	<b>0.36</b>	0.35	97.1	0.00	0.35
Nagaland	<b>2.01</b>	1.95	97.0	2.11	-0.16
Odisha	<b>36.67</b>	37.02	101.0	37.42	-0.40
Punjab	<b>29.87</b>	27.36	91.6	29.20	-1.84
Rajasthan	<b>1.87</b>	1.97	105.1	1.82	0.15
Sikkim	<b>0.10</b>	0.10	97.8	0.00	0.10
Tamil Nadu	<b>16.06</b>	4.96	30.9	3.85	1.11
Telangana	<b>9.59</b>	20.74	216.3	12.29	8.45
Tripura	<b>2.00</b>	0.42	21.0	1.65	-1.23
Uttar Pradesh	<b>58.30</b>	60.14	103.1	60.05	0.09
Uttarakhand	<b>2.44</b>	2.49	101.9	2.49	0.00
West Bengal	<b>41.20</b>	43.34	105.2	40.31	3.03
Others	<b>0.28</b>	0.35	126.4	0.35	0.00
All-India	<b>397.29</b>	<b>406.97</b>	<b>102.4</b>	<b>378.71</b>	<b>28.26</b>

**State wise Progressive Procurement As on 30.12.2020**

State	In Marketing season 2020-21	In MY season 2019-20
<i>Andhra Pradesh</i>	9.22	5.73
<i>Telangana</i>	27.07	21.86
<i>Bihar</i>	3.63	0.07
<i>Chhattisgarh</i>	29.91	13.87
<i>Haryana</i>	37.60	43.07
<i>Kerala</i>	1.15	1.09
<i>Madhya Pradesh</i>	13.53	1.32
<i>Maharashtra</i>	1.81	1.36
<i>Odisha</i>	13.30	8.45
<i>Punjab</i>	135.86	108.73
<i>Tamil Nadu</i>	3.83	0.32
<i>Uttar Pradesh</i>	31.83	24.00
<i>Uttarakhand</i>	6.68	6.12
<i>West Bengal</i>	0.00	--
<i>All-India</i>	<b>316.51</b>	<b>236.31</b>

As on 27<sup>th</sup> November 2020, during KMS 2020-21, Progressive Procurement of Rice was 208.18 lakh MT as compared to 175.20 lakh MT during corresponding period of KMS 2019-20.

**IGC Balance Sheet:**

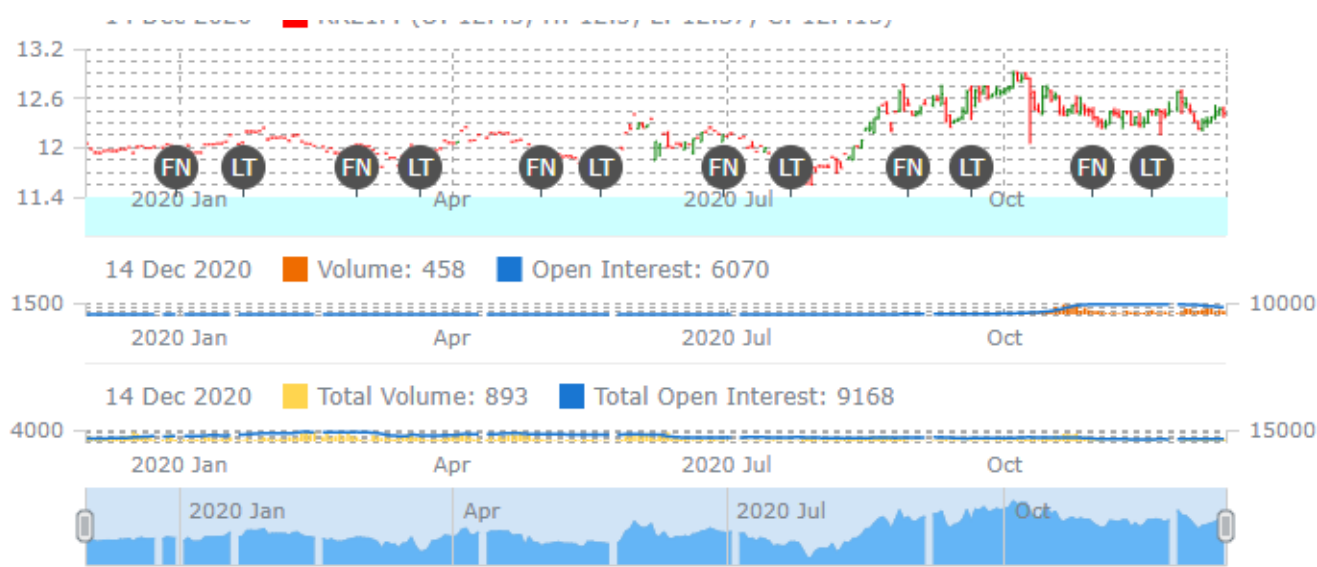
Attributes ( Fig in Million Tons)	2017-18	2018-19	2019-20 Est.	2020-21 Forecast 29.10.2020)	26.11.2020
Production	494	498	497	504	503
Trade	46	43	42	45	45
Consumption	485	487	495	501	501
Carryover stocks	165	175	177	178	178
Y-O-Y change	9	10	2	3	3
Major Exporters	32	39	44	44	43

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

Despite weak demand and disruptions to export flows earlier in the year owing to the impact of the COVID-19 pandemic, world **rice** trade in 2020 (Jan/Dec) is expected to be only fractionally lower y/y. This is linked to larger than anticipated shipments in the second half of the season, principally by India. Consumption in 2019/20 is seen reaching a new peak, with gains led by enlarged government food assistance programmes in India, while end-season inventories may be broadly unchanged y/y. Production in 2020/21 is forecast to expand by 6m t y/y, to a high of 503m, including larger outturns in major exporters. World uptake may continue to expand on population growth, while stocks could increase further. Trade in 2021 is anticipated to rebound by 6% y/y, to 45m t, on tentative expectations of stronger demand from importers in sub-Saharan Africa.

**Rice Price Trend @ CBOT Jan- 2021, Rough Rice)**

(Prices in US\$/hundredweight)



**Market Analysis**

**The CBOT January-21** 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
02 <sup>nd</sup> Week of Jan-2021	Steady to Firm	USD/ Hundred Weight 11.50-14.50

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