

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:

- Basmati rice exports were 4.6 million tonnes (mt) valued at \$4.01 (31,026 crore) billion in 2020-21, up from 4.45 mt valued at \$4.33 billion in the previous year (Rs 29,849 crore). The per unit value of Basmati exports fell by more than 10% to \$868 (Rs 63,400) per tonne last fiscal year (\$972 or Rs 71,000 in 2019-20).
- In the 2020-21 kharif marketing season, paddy procurement was 789 LMT—compared to 773 LMT in KMS 2019-20. The highest paddy procurement has been reported from Punjab, Telangana, Odisha, Andhra Pradesh, Uttar Pradesh, Chhattisgarh and Haryana follow it.
- There is a high demand for Indian coarse rice. Nepal, Burma, Vietnam, and other countries have high demand for coarse rice.
- Rice exports increased dramatically in the previous fiscal year. Demand can also be seen in the export of Basmati rice.
- The Philippines' reduction in rice import duty may benefit Indian rice exports. The Philippines imports 2.5 million tonnes of rice per year, primarily from Vietnam and Thailand. Non-basmati rice exports from India may increase to the Philippines. Indian basmati rice prices are higher than international prices.
- Centre paddy procurement in the ongoing season Kharif 2020-21 is continuing smoothly with purchase of over 749.98 lakh metric tonnes (LMTs) of paddy
- (includes Kharif Crop 705.56 LMT and Rabi Crop 44.42 LMT) upto 17.05.2021 against the last year corresponding purchase of 697.09 LMT, marking a rise of around 7.44% on year.
- India rice exports almost doubled to an all-time high of 17.7 MT last fiscal, against 9.5 MT a year ago. Similarly, wheat exports surged to 2.1 MT in FY21, the
- India rice exports almost doubled to an all-time high of 17.7 MT last fiscal, against 9.5 MT a year ago. Similarly, wheat exports surged to 2.1 MT in FY21, the
- highest since FY15 and compared with just 0.2 MT in the previous year.
- The change in rupee prices against the dollar had an impact on rice exports. After 7 weeks, Indian rice prices increased. Indian exported 5% Broken Parboiled at 379-385 \$/tonne, up from 370-374 \$/tonne last year.
- Rice production in Bangladesh fell dramatically last season, leading to an increase in imports. Rice production in Bangladesh could increase by 3.5 percent to 358 lakh tonnes, according to the USDA.
- For one year, the Philippines reduced tariffs on rice imports, both within and outside the minimum access volume quota, to 35 %, bringing rice from all sources to parity with the rate paid by ASEAN grain.
- India's rice stock in the central pool as on May 1, 2021 stood at 30.48 million tons- up by 7% from 28.50 million tons recorded during the corresponding period last year, according to data from Food Corporation of India (FCI). India's Unmilled paddy stocks in the central pool are 26.22 million tones recorded on May-01, 2021 up by 12% by from 23.42 million tons recorded during the corresponding period last year.
- As on 09 April 2021, during KMS 2020-21, Progressive Procurement of Rice was 498.61 lakh MT as compared to 519.97 lakh MT by the end of KMS 2019-20. Procurement of Unmilled paddy as on date is recorded at 742.27 lakh tonnes which was 773.45 lakh tonnes at the end of the last year KSM 2019-20.
- Average monthly wholesale rice prices in India stood at around Rs.3258 per quintal in April- 2021, up by 2% from Rs.3203 per quintal in March-2021 and down by 9% from Rs.3516 per quintal a year ago.
- Odisha began its shipment from Paradip port ,first assignment had been sent on 3rd may expected more export of rice this season.
- The rice production target for the 2021-22 kharif season is set at a record 104.3 million tonne.
- On Damanand and Nagar Haveli Prashan, 152 tonnes of wheat and 130 tonnes of rice were distributed under PMGKAY-3.
- In Gujarat, the Center has distributed 16805 tonnes of wheat and 9929 tonnes of rice as part of the free distribution scheme.
- Andhra Pradesh received 1.24 lakh tonnes of rice under this program.

07th-June-2021

State wise Wholesale Prices Weekly Analysis for Rice First week June, 2021

State	Prices 01-08 Jun 2021	Prices 24-31 May 2021	Prices 16-23 May 2021	Prices 01-08 Jun 2020	% Change(Over Previous Week)	% Change(Over Previous to Previous Week)	% Change(Over Previous Year)
Odisha	2733.76	2936.08	3159.01	2986.19	-6.89	-13.46	-8.45
Uttar Pradesh	2546.66	2514.54	2500.78	2608.58	1.28	1.83	-2.37
Jharkhand	2423.2	2412.7	2459.36	2483.33	0.44	-1.47	-2.42
Kerala	3485.28	3501.92	3501.01	3565.23	-0.48	-0.45	-2.24
Maharashtra	3608.89	3189.82	4081.35	4498.14	13.14	-11.58	-19.77
Karnataka	4584.93	4446.62	4469.71	3221.39	3.11	2.58	42.33
Gujarat	4400	4500	4437.84	4200	-2.22	-0.85	4.76
Tripura	2909.76	2958.77	2906.23	3169.19	-1.66	0.12	-8.19
West Bengal	2676.81	2652.15	2637.92	2813.49	0.93	1.47	-4.86
Average	3263.25	3234.73	3350.36	3282.84			

Prices in Rs/Quintal

Outlook :-

Duration	Trend	Average Price Range	Reason
01 st Week of June, 2021	Steady to Firm	Rs.3000-3300/Quintal	Good export which may pressurize the rice and paddy market; however demand may put support on prices on medium term.

07th-June-2021

Comparative Rice Variety Prices of Delhi (Naya Bazaar) in Rs./Quintal)

Market	Variety	Today	Week Ago	Month Ago	Year ago	% Change From last week	% Change from last Month	% Change from last Year
		07-Jun-21	31-May-21	08-May-21	06-Jun-20			
Delhi	1121 Steam	5900	6000	5900	6500	-1.67	0.00	-9.23
	1121 Sella	5100	5100	5100	5300	0.00	0.00	-3.77
	1121 Raw	6100	6000	6000	6500	1.67	1.67	-6.15
	Basmati Raw	10500	10400	9800	7600	0.96	7.14	38.16
	1509 Steam Wand New	5600	5500	5600	6000	1.82	0.00	-6.67
	Sugandh Steam	5000	5100	4900	5000	-1.96	2.04	0.00
	Sharbati Raw	4800	4800	4700	4000	0.00	2.13	20.00
	Pusa Raw Wand	5600	5600	5600	5400	0.00	0.00	3.70
	Parmal Sella	3200	3200	3200	3600	0.00	0.00	-11.11

State wise Progressive Procurement As on 13.05.2021

2019-20			2020-21
S.No.	STATES/ UTs	In Marketing season 2020-21	In MY season 2019-20
1	A.P.	55.33	41.97
2	Telangana	74.54	56.86
3	Assam	2.11	0.84
4	Bihar	13.41	23.4
5	Chandigarh	0.15	0.19
6	Chhattisgarh	52.24	39.76
7	Gujarat	0.14	0.74
8	Haryana	43.07	37.89
9	H.P.	0	0
10	Jharkhand	2.55	3.75
11	J&K	0.1	0.26

07th-June-2021

12	Karnataka	0.41	1.38
13	Kerala	4.83	4.42
14	M.P.	17.4	24.97
15	Maharashtra	11.67	9.07
16	Odisha	47.98	43.61
17	Punjab	108.76	135.89
18	Rajasthan	0	0
19	NEF (Tripura)	0.14	0.08
20	Tamilnadu	22.04	21.47
21	U.P.	37.9	44.78
22	Uttarakhand	6.82	7.12
23	West Bengal	18.38	15.55

As on 22nd May 2021, during KMS 2020-21, Progressive Procurement of Rice was 514.45 lakh MT as compared to 519.97 lakh MT during corresponding period of KMS 2019-20.

IGC Balance Sheet:

Attributes (Fig in Million Tons)	2017-18	2018-19	2019-20 Est.	25.03.2020	29.04.2021
Production	494	498	504	510	509
Trade	46	43	46	46	46
Consumption	485	487	504	507	506
Carryover stocks	165	175	173	177	176
Y-O-Y change	9	10	0		
Major Exporters	32	39	38	41	40

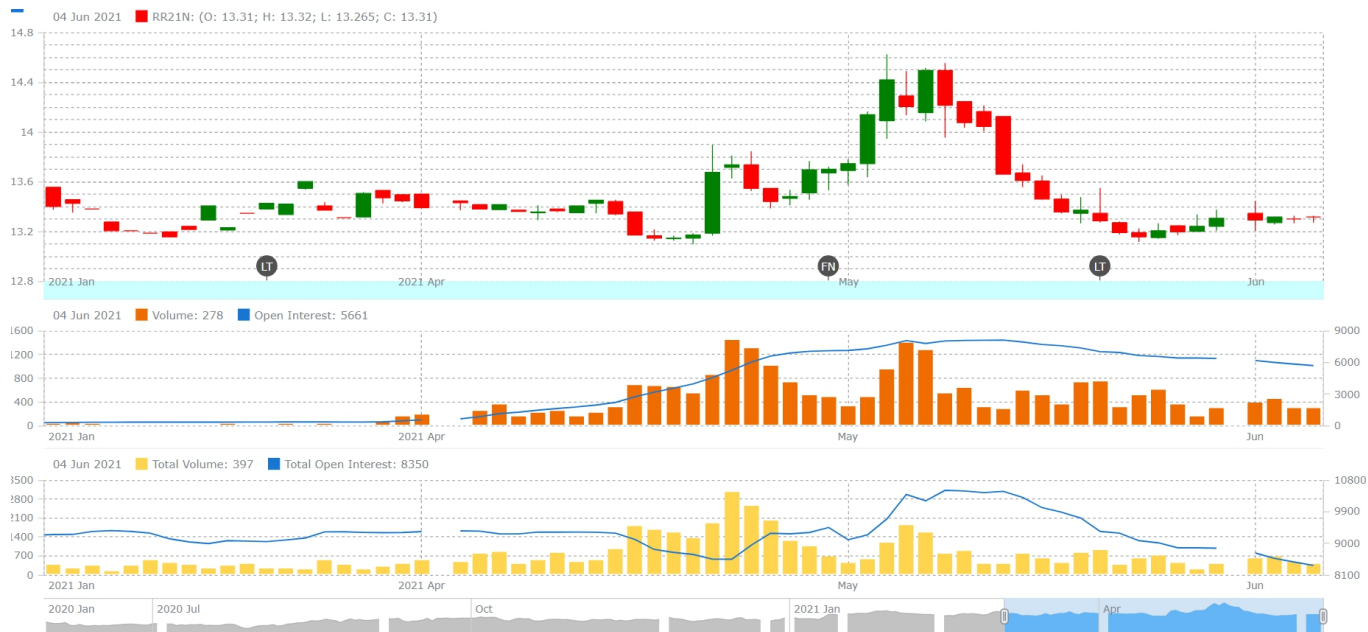
Note: Major exporters are India, Pakistan, Thailand, Vietnam, and United States

Global rice production in 2020/21 is seen at a new high, led by gains in Asia, although stocks could contract for a second successive year due to record use. Reflecting bigger crops in India and China, output in 2021/22 is predicted to expand by 2%, to an all-time peak. Population growth is seen underpinning record demand, but this could be tempered by lower feeding in China. Global inventories are likely to resume an upward trend. With sizeable shipments to sub-Saharan Africa anticipated, trade should stay high, at 47m t.

07th-June-2021

Rice Price Trend @ CBOT March- 2021, Rough Rice)

(Prices in US\$/hundredweight)



Market Analysis

The CBOT May-21 month rough chart for rice indicates steady to Firm tone from last month. We expect market to hover in the range of USD 13.00. -14.00 hundred weights in coming sessions.

Price Projection (International-CBOT)

Duration	Trend	Price Range
02 nd Week of June-2021	Steady to Firm	USD/ Hundred Weight 13.00-14.00

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