

Rice Weekly Research Report

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Outlook and Review:

- According to the latest Rice Kharif sowing data, sowing in India reached 310.17 lakh hectares on August 6th 2021, lower 2.73 percent from 318.88 lakh hectares the previous year at the same time. As of Aug 6, 2021, Telangana has a total area of 11.28 lakh hectares, lower from 12.76 lakh hectares the previous year at the same time. It is 1.38 lakh hectares in Rajasthan lower from 2 lakh hectares the previous year, and 6.30 lakh hectares in Gujarat up from 4.93 hectares the year before. Paddy sowing in Odisha has reduced by 20.81% from the previous year, reaching 19.97 lakh hectares down from 25.22 lakh hectare the previous year.
- Procurement of paddy in ongoing KMS 2021-22 is continuing smoothly in the procuring States of India at MSP, as was done in previous seasons, and till now (up-to 08.08.2021) a quantity of over 872.38 LMT of rice which is 13.16% higher from previous year. About 128.79 lakh farmers have already been benefitted with MSP value of Rs.1, 68,621.60 crore.
- Current spell of Weak monsoon conditions over the country likely to continue till next 5-6 days outside Northeast and adjoining east India, northern parts of Uttar Pradesh and Bihar where current activities of intense rainfall spell likely to continue during the same period.
- PMGKAY-4 has been approved by the Center. From July to November, it is continued from July 2021. This program is distributing 5 kg of food grains (wheat/rice) per person per month. Lifting 15.30 lakh tonnes of food grains by the states under the free ration distribution scheme: Food Corporation of India (FCI) has loaded food grains in 4005 railway rakes and transported them to different states from 1st April 2021 till now. The government has allocated 198.79 lakh tonnes of food grains under the free distribution scheme for the period July-November 2021.
- India's rice stock in the central pool as on July 1, 2021 stood at 29.68 million tons- up by 4.14% from 28.5 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 28.98 million tones recorded on July-01, 2021 up by 38.7% by from 20.89 million tons recorded during the corresponding period last year.
- Basmati rice exports were 3.58 lakh tonnes in April 2021 lower from 4.21 lakh tonnes in Apr 2020. The Basmati rice export were 16.07 lakh tonnes in Jan- April 2021 lower from 20.33 lakh tonnes in last year during the corresponding period of time. Demand may improve in the export market of Basmati rice.
- Andhra Pradesh's Kharif crop sowing target has been set at 94.20 lakh acres, which is 4% more than last year's production area. The target area for paddy production has been set at 39.50 lakh acres, the same as last year.
- The government raised the minimum support price (MSP) of paddy marginally by Rs 72 per quintal to Rs 1,940 per quintal for the 2021-22 crop year.
- Iraq is expected to import more rice from the United States, according to sources. Iraq has agreed to buy 200,000 tons of rice from the United States per year under a memorandum of understanding. It has previously purchased a total of 350,000 metric tonnes for \$ 180 million, with delivery scheduled in October and November.
- Vietnam's rice exports closed lower 10.6% so far this year due to corona virus restrictions. In Thailand, rice export prices dropped at its lowest level in two years this week on less demand. Depreciation in Thailand baht currency against U.S dollar is also weighing at export prices. Vietnam's 5% broken rice > prices slipped

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to \$390 per tonne on 29th July 2021 their lowest since February 2020 - from a range of \$395-\$400 a week earlier. Rice shipment in Vietnam is estimated lower by 10.6 % to 3.6 million tonnes in the first seven months of this year compared to last year. Shipments in July totalled 500,000 tonnes, worth \$289 million.

- Vietnam can stockpile rice from domestic farmers who have been afflicted by the coronavirus. It will also improve their motivation to grow rice in the next years. In the summer-autumn harvest, the country's rice crop size is expected to increase by 1.35 percent to 9.04 million tonnes. Rice shipments in the first seven months of this year were anticipated to be down 10.6% from a year ago, at 3.6 million tons.
- Thailand shipped 2.2 million tonnes of rice worth US \$ 1.38 billion in the first six months of this year, according to sources.

State wise Wholesale Prices Weekly Analysis for Rice Fourth week July, 2021

State	Prices 24-31 Jul 2021	Prices 16-23 Jul 2021	Prices 09-15 Jul 2021	Prices 24-31 Jul 2020	% Change(Over Previous Week)	% Change(Over Previous to Previous Week)	% Change(Over Previous Year)
Karnataka	3814.46	3957.61	3918.2	3406.03	-3.62	-2.65	11.99
Kerala	3450.1	3461.9	3469.85	3485.96	-0.34	-0.57	-1.03
Maharashtra	3654.53	3674.6	3702.15	6772.5	-0.55	-1.29	-46.04
Tripura	3049.56	3034.78	2999.6	3003.72	0.49	1.67	1.53
Odisha	2892.75	2833.1	2958.53	2630.5	2.11	-2.22	9.97
West Bengal	2827.54	2822.52	2750.77	3097.55	0.18	2.79	-8.72
Gujarat	3800	3800	3800	4200	0	0	-9.52
Uttar Pradesh	2543.28	2545.99	2539.68	2691.23	-0.11	0.14	-5.5
Jharkhand			2533.33	2533.33	—	—	—
Average	3254.03	3266.31	3185.79	3535.65			

Prices in Rs/Quintal

Outlook (Narella 1121 Paddy):-

Duration	Trend	Average Price Range	Reason
Second Week of Aug, 2021	Steady to firm	Rs.2900-3150/Quintal	In expectation of good export demand, the prices may trade steady to firm tone.

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
		6-Jul-21	30-Jul-21	6-Jun-21	6-Jul-20			
Delhi	1121 Steam	6000	5900	6000	7000	1.7	-	-14.3
	1121 Sella	5150	5100	5050	5450	1.0	2.0	Unch
	1121 Raw	6000	5900	6000	7000	1.7	-	-14.3
	Basmati Raw	10000	10000	10400	9000	-	-3.8	Unch
	1509 Steam Wand New	5500	5400	5500	5800	Unch	-	-5.2
	Sugandh Steam	4900	4800	5100	5000	Unch	-3.9	-2.0
	Sharbati Raw	4500	4700	4600	4300	-4.3	-2.2	4.7
	Pusa Raw Wand	5400	5300	5700	6200	1.9	-5.3	-12.9
	Parmal Sella	3100	3200	3150	3600	-3.1	-1.6	-13.9

Kharif Paddy Sowing Updates as on 8th August, 2021:

State	Statewise Rainfall Distribution (in mm)			Rice			% Change From Last Year
	Normal Rainfall	Cumulative (01-06-21 to 04-08-21)	% Devi. From Normal	Normal Area	Area sown reported		
					This Year	Last Year	
Andhra Pradesh	239.1	299.9	25	14.97	6.53	6.49	0.62
Arunachal Pradesh	1059.3	666.5	-37	1.31	1.26	1.26	0.00
Assam	907.3	729.3	-20	20.18	10.16	7.53	34.93
Bihar	554.7	657.9	19	31.14	28.14	31.16	-9.69
Chhattisgarh	622.9	596.1	-4	37.36	31.65	35.25	-10.21
Goa	2095.7	2350.6	12	0.27	0.20	0.24	-16.67
Gujarat	407.0	250.7	-38	7.97	6.30	4.93	27.73
Haryana	228.3	325.2	42	14.11	12.82	12.84	-0.16
Himachal Pradesh	413.9	388.0	-6	0.73	0.45	0.44	2.27
J&K	307.4	269.2	-12	2.81	1.10	1.07	2.33
Jharkhand	787.7	856.2	9	15.83	12.43	14.19	-12.40

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Karnataka	498.0	551.0	11	9.11	2.82	2.47	14.17
Kerala	1437.1	1012.3	-30	1.46	0.52	0.65	-20.00
Madhya Pradesh	479.4	531.1	11	21.32	26.37	22.14	19.11
Maharashtra	580.7	685.0	18	14.51	10.21	9.66	5.65
Manipur	849.3	351.3	-59	0.42	0.97	1.19	-18.49
Meghalaya	1867.7	1269.6	-32	0.97	0.97	0.97	Unch
Mizoram	925.5	704.4	-24	0.36	0.35	0.35	Unch
Nagaland	661.1	507.7	-23	2.05	1.35	1.68	-19.64
Odisha	613.3	467.5	-24	36.23	19.97	25.22	-20.82
Punjab	254.8	240.1	-6	29.92	30.48	31.49	-3.21
Rajasthan	225.5	252.5	12	1.98	1.38	2.00	-31.00
Sikkim	938.3	1076.3	15	0.10	0.09	0.10	-10.00
Tamil Nadu	134.3	188.8	41	16.26	3.13	2.00	56.44
Telangana	395.0	563.1	43	9.94	11.28	12.76	-11.60
Tripura	912.3	714.6	-22	2.00	0.73	0.73	-0.95
Uttar Pradesh	393.7	399.5	1	58.04	56.75	58.92	-3.68
Uttarakhand	642.3	669.0	4	2.41	2.49	2.48	0.40
West Bengal	787.7	856.2	9	41.47	29.06	28.50	1.96
Puducherry	179.2	150.0	-16	0.13	-	-	-
Others	-	-	-	0.27	0.21	0.16	34.62
All-India	489.3	479.7	-2	395.66	310.17	318.88	-2.73

State wise Progressive Procurement As on 08.08.2021

KMS 2020-21 (Positions upto 08.08.2021) Units in LMTs				
S.No.	STATES/ UTs	FCI	State Agency	Total
1	A.P.	-	82.87	82.87
2	Telangana	-	141.15	141.15
3	Assam	1.14	0.74	1.88
4	Bihar	0	35.59	35.59
5	Chandigarh	0.28	-	0.28
6	Chhattisgarh	-	59.35	59.35
7	Gujarat	-	1.1	1.1
8	Haryana	0.59	55.96	56.55
9	H.P.	-	-	-
10	Jharkhand	1.68	4.6	6.28

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11	J&K	0.38	-	0.38
12	Karnataka	-	2.06	2.06
13	Kerala	-	7.65	7.65
14	M.P.	-	37.26	37.26
15	Maharashtra	-	18.85	18.85
16	Odisha	-	77.38	77.38
17	Punjab	2.69	200.14	202.83
18	Rajasthan	-	-	-
19	NEF (Tripura)	-	0.24	0.24
20	Tamilnadu	0	39.83	39.83
21	U.P.	1.1	65.74	66.84
22	Uttarakhand	-	10.72	10.72
23	West Bengal	0.65	22.64	23.29
Total		8.51	863.87	872.38

Procurement of paddy in ongoing KMS 2021-22 is continuing smoothly in the procuring States of India at MSP, as was done in previous seasons, and till now (up-to 08.08.2021) a quantity of over 872.39 LMT of rice which is 13.16% higher from previous year. About 128.79 lakh farmers have already been benefitted with MSP value of Rs.1, 68,621.60 crore.

IGC Balance Sheet:

Attributes (Fig in Million Tons)	2018-19	2019-20 Est.	2020-21 Forecast	2021-22 (Proj.)	
				27.05.2020	29.07.2021
Production	498	499	505	512	511
Trade	43	44	46	47	47
Consumption	488	500	508	510	510
Carryover stocks	175	173	170	171	171
Y-O-Y change	10	-2	-3		1
Major Exporters	39	38	38	37	38

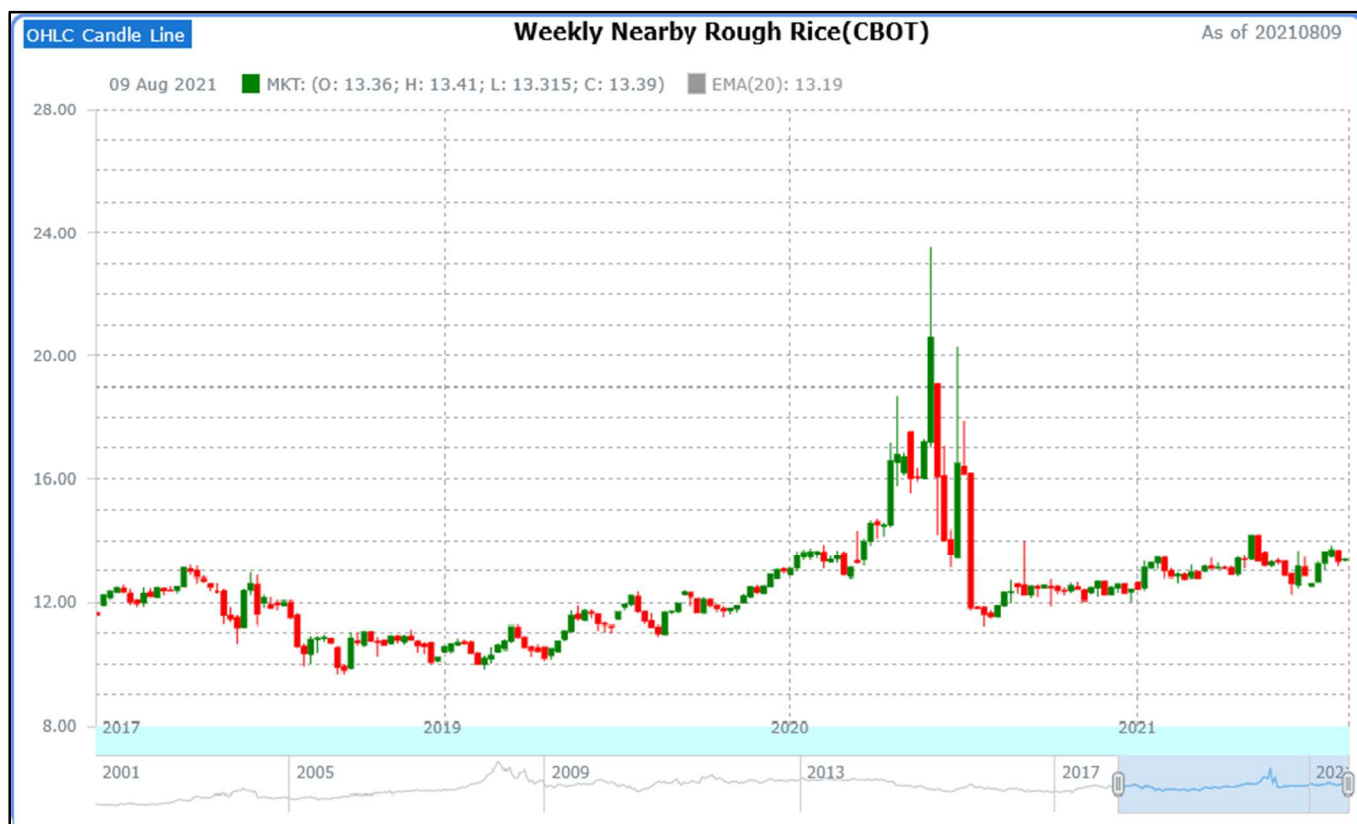
Note: Major exporters are India, Pakistan, Thailand, Vietnam, and United States.

Due to bigger harvests in Asia, global rice production in 2021/22 is projected to rise by 1.59% to a fresh high. Consumption is also set to go up – partly due to the likely scaling-back of COVID-19-related support schemes in Asia – stocks could edge up y/y. Trade in 2022 (Jan/Dec) is anticipated to be little-changed y/y, as a potential reduction in shipments to South Asia is offset by bigger dispatches to Africa. India is set to remain by far the world's leading exporter.

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

(Prices in US\$/hundredweight)



Market Analysis

The CBOT Sep-21 weekly rough chart for rice indicates firm tone from last week. We expect market to hover in the range of USD 13.45 -14.00 hundred weights in coming sessions.

Price Projection (International-CBOT)

Duration	Trend	Price Range
2 nd Week of Aug-2021	Steady to firm	USD/ Hundred Weight 13.45-14.00

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