

Rice Weekly Research Report

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Outlook and Review:

- As of 17th October, over 56.62 lakh MT of paddy has been procured in KMS 2021-22. The procurement took place in the states and UTs of Chandigarh, Haryana, Himachal Pradesh, Jammu & Kashmir, Punjab, Uttar Pradesh and Uttarakhand. The KMS 2021-22 at MSP has benefitted 371919 farmers worth Rs. 11,099.25 crore.
- FCI will start using mixed indicator method to determine the age of milled rice stock during the acceptance of custom milled raw rice for procurement under the central pool. In the test, the sample showing green/avocado color shall only be accepted while yellow and orange color shall be rejected.
- FCI has directed district officials of Bathinda to check 2% of mandi for moisture check as reports of procurement of paddy above the permissible limit is seen. Currently the moisture limit is 17%. Due to higher moisture content, millers are affected due to relaxation in quality and quantity of the product.
- The Government is expected to procure paddy from November 1 in Chhattisgarh. Last year delay in procurement has shortened the procurement period due to which farmers were unable to sell the product within the MSP.
- Before rabi sowing, shortage of fertilizer was observed in many states of the country including Rajasthan, Haryana, UP, Punjab and Karnataka mainly for DAP. In case of Rajasthan, during April – September, the central government supplied only 3.07 lakh tonnes of DAP against the demand of 4.50 lakh tonnes in the state. Also in October, against demand of 1.50 lakh tonnes only 68,000 tonnes were supplied.
- The all-India stock of urea was 5,245 thousand metric tonnes as of September 30, 2021, compared to 5,590 tonnes in the last year. The DAP stocks were 2,075 thousand metric tonnes as against 5,023 thousand metric tonnes a year ago. The stock of NPK fertilizer was 3,241 thousand metric tonnes against compared to 3,600 thousand tonnes, while MOP stood at 963 thousand metric tonnes compared with 2,024 thousand metric tonnes.
- Paddy rates below MSP in several districts of UP was reported. The rate of common paddy was in the range of Rs. 1100-1980 per quintal during the week and for sharbati, the rates were in the range of Rs. 1750-3000 per quintal. As per official portal, the modal prices were below the MSP on 116 occasions out of 157 times the data were recorded.
- Indonesia's rice husk output in 2021 is estimated at 55.27 million tonnes, up from 54.65 million tonnes last year as per statista bureau, which is below the government target of 58.5 million tonnes in 2021. In January-September the output was 45.61 million tonnes while it is projected to be 9.66 million tonnes in October-December.
- Export prices for rice in major Asian market remains steady this week, with Indian market experiencing lower supplies while Thai markets struggling with shipping constraints.
- India's top exporter variety of 5% broken parboiled variety RI-INBKN5-P1 was quoted at \$360 to \$363 per tonne.

State wise Wholesale Prices Weekly Analysis for Rice third week October, 2021

State	Prices 16-23 Oct 2021	Prices 09-15 Oct 2021	Prices 01-08 Oct 2021	Prices 16-23 Oct 2020	% Change (Over Previous Week)	% Change (Over Previous Year)
Gujarat	3800	3800	3800	4247.45	0	-10.53
Kerala	3446.97	3437.35	3416.86	3486.37	0.28	-1.13
Tripura	3102.38	3070.16	3091.07	2941.16	1.05	5.48
West Bengal	2674.39	2847.47	2870.41	2775.43	-6.08	-3.64
Karnataka	4585.01	4497.91	4113	3252.68	1.94	40.96
Uttar Pradesh	2590.73	2564.68	2547.88	2503.32	1.02	3.49
Odisha	3020.49	2918.86	2990.3	2777.8	3.48	8.74
Maharashtra	3789.24	3417.96	3417.89	2160	10.86	75.43
Average	3376.15	3319.3	3280.93	3018.03	1.71	11.87

Prices in Rs/Quintal

Outlook (Narella 1121 Paddy):-

Duration	Trend	Average Price Range	Reason
Fourth Week of Oct, 2021	Stay in the range bound	Rs.3200-3400/Quintal	Arrivals is expected to come by the end of month until then the price is expected to stay in the range bound.

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
		16-Oct-21	08-Oct-21	16-Sep-21	16-Oct-20			
Delhi	1121 Steam	6500	6800	6450	5950	-4.41	0.78	9.24
	1121 Sella	5800	5800	5600	5000	Unch	3.57	16.00
	1121 Raw	6500	6800	6400	5800	-4.41	1.56	12.07
	Basmati Raw	9600	9600	9500	8800	Unch	1.05	9.09

	1509 Steam Wand New	6200	6000	5950	4500	3.33	4.20	37.78
	Sugandh Steam	5400	5400	5100	4300	Unch	5.88	25.58
	Sharbati Raw	4000	4100	4900	3600	-2.44	-18.37	11.11
	Pusa Raw Wand	5700	5600	5500	5700	1.79	3.64	Unch
	Parmal Sella	3000	3100	3200	3200	-3.23	-6.25	-6.25

Kharif Paddy Sowing Updates as on 17th September, 2021:

State	State wise Rainfall Distribution (in mm)			Rice			% Change from last Year
	Normal Rainfall	Cumulative (01-06-21 to 17-09-21)	% Devi. From Normal	Normal Area	Area sown reported		
					This Year	Last Year	
Andhra Pradesh	428.60	520.60	21.47	14.97	13.86	14.02	-1.14
Arunachal Pradesh	1560.70	1229.90	-21.20	1.31	1.28	1.32	-3.03
Assam	1356.30	1074.30	-20.79	20.18	19.91	19.34	2.95
Bihar	920.10	986.30	7.19	31.14	32.64	33.07	-1.30
Chhattisgarh	1065.90	1004.40	-5.77	37.36	37.50	39.04	-3.94
Goa	2836.30	2974.80	4.88	0.27	0.25	0.25	Unch
Gujarat	652.60	524.10	-19.69	7.97	8.13	8.39	-3.10
Haryana	416.20	506.00	21.58	14.11	13.64	13.28	2.71
Himachal Pradesh	718.30	611.80	-14.83	0.73	0.74	0.65	13.85
J&K	521.40	375.40	-28.00	2.81	2.58	2.57	0.39
Jharkhand	952.20	909.80	-4.45	15.83	17.62	17.48	0.80
Karnataka	749.50	806.70	7.63	9.11	9.07	9.98	-9.12
Kerala	1915.10	1586.00	-17.18	1.46	0.61	0.67	-8.96
Madhya Pradesh	882.60	834.20	-5.48	21.32	34.07	28.71	18.67
Maharashtra	921.80	1047.70	13.66	14.51	15.45	15.02	2.86
Manipur	1268.10	503.30	-60.31	0.42	1.95	1.95	Unch
Meghalaya	2653.60	2167.20	-18.33	0.97	0.97	0.97	Unch
Mizoram	1474.20	1165.50	-20.94	0.36	0.37	0.35	5.71
Nagaland	1037.80	773.10	-25.51	2.05	2.21	2.57	-14.01
Odisha	1061.60	932.50	-12.16	36.23	35.13	37.05	-5.18
Punjab	438.70	375.60	-14.38	29.92	30.66	31.49	-2.64
Rajasthan	398.10	409.00	2.74	1.98	1.94	2.18	-11.01
Sikkim	1469.80	1711.50	16.44	0.10	0.11	0.09	18.28
Tamil Nadu	269.20	323.60	20.21	16.26	4.60	4.09	12.47
Telangana	669.90	910.40	35.90	9.94	21.28	20.60	3.30

Tripura	1333.30	1116.30	-16.28	2.00	1.94	1.98	-2.02
Uttar Pradesh	732.10	632.50	-13.60	58.04	60.26	60.01	0.42
Uttarakhand	1108.40	1072.80	-3.21	2.41	2.50	2.49	0.40
West Bengal	1262.20	1378.60	9.22	41.47	42.51	43.38	-2.01
Puducherry	354.10	348.70	-1.52	0.13	-	-	-
Others				0.27	0.40	0.35	14.29
All-India	807.40	772.70	-4.30	395.66	414.18	413.34	0.20

State wise Ongoing Procurement KMS 2021-22

KMS 2021-22 (Units in LMTs) (as on 07.10.2021)				
S.No.	STATES/ UTs	FCI	State Agency	Total
1	A.P.	0	0	0
2	Telangana	0	0	0
3	Assam	0	0	0
4	Bihar	0	0	0
5	Chandigarh	0.01	0	0.01
6	Chhattisgarh	0	0	0
7	Gujarat	0	0	0
8	Haryana	0.02	4.84	4.86
9	H.P.	0	0	0
10	Jharkhand	0	0	0
11	J&K	0	0	0
12	Karnataka	0	0	0
13	Kerala	0	0	0
14	M.P.	0	0	0
15	Maharashtra	0	0	0
16	Odisha	0	0	0
17	Punjab	0.03	3.63	3.66
18	Rajasthan	0	0	0
19	NEF (Tripura)	0	0	0
20	Tamilnadu	0	0	0
21	U.P.	0	0	0
22	Uttrakhand	0	0	0
23	West Bengal	0	0	0
Total		0.06	8.47	8.53

Procurement of paddy in ongoing KMS 2021-22 is going in India at MSP, as was done in previous seasons, and a quantity of over 8.53 LMT of rice was procured as of October 7th 2021.

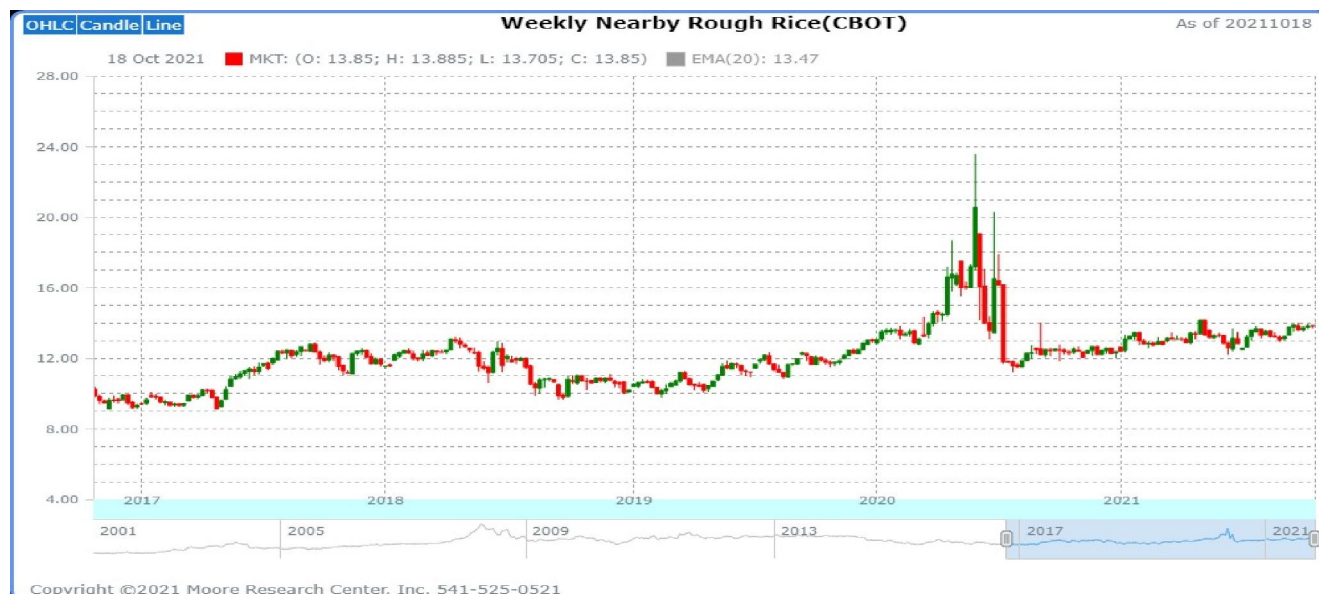
IGC Balance Sheet:

Attributes (Fig in Million Tons)	2018-19	2019-20 Est.	2020-21 Forecast	2021-22 (Proj.)	
				26.08.2021	23.09.2021
Production	498	499	507	512	512
Trade	43	44	47	47	48
Consumption	488	496	506	511	509
Carryover stocks	175	179	179	172	182
Y-O-Y change	10	4	1		3
Major Exporters	39	43	47	39	50

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

Global rice consumption in 2020/21 is placed 3m t lower m/m despite upgrade in Chinese feed demand to reflect a downgrade for India, linked to historic data revisions. Taking account of a higher figure for carry-ins, the forecast for stocks is lifted by 8m t m/m. This feeds through to an increased projection of world reserves in 2021/22, raised by 10m t m/m, to a peak of 182m (+3m y/y). Trade in 2022 is predicted 1m t higher m/m, at 48m (+1m).

Huge demand from buyers in Asia and Africa is expected to boost rice trade to a peak of 47m t in 2021, with India potentially taking a 40% share of exports. Global output in 2021/22 is seen rising by 1% y/y, to a record of 512m t, principally on bigger harvests in Asia. Consumption is set to expand on population gains, albeit as uptake in China likely retreats on lower feed use, while stocks are seen increasing by 3m t y/y, mostly on accumulation in India. Global trade in 2022 is predicted to edge up, with Thailand potentially reclaiming market share from India.

Rice Price Trend @ CBOT Nov-2021, Rough Rice) (Prices in US\$/hundredweight)

Market Analysis

The *CBOT Nov-21* weekly rough chart for rice indicates weak tone from last week. The rice is expected to have a good production worldwide and the ending stocks are expected to be lower, we expect market to hover in the range of USD 13.40-14.30 hundred weights in coming sessions.

Price Projection (International-CBOT)

Duration	Trend	Price Range
4 th Week of Oct-2021	Stay in the range bound	USD/ Hundred Weight 13.40-14.30

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