Rice Weekly Research Report

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Outlook and Review:

- In KMS 2021-22, 443.49 lakh MT of paddy has been procured in KMS 2021-22 in the procuring states. Till now approximately, 47.03 lakh farmers have been benefitted from the procurement with MSP value of Rs. 86,924.46 crore. In Punjab, the highest paddy procurement was done with 186.86 LMT benefitting 9.24 lakh farmers at MSP value of Rs. 36,623.64 crores. Haryana follows next with 55.30 LMT of paddy procurement benefitting 3.10 lakh farmers at MSP value of Rs. 10,839.97 crores.

- As of 24th December, rabi paddy sowing was done in 12.922 lakh hectares up by 0.202 lakh hectares from 12.720 lakh hectares the previous year during corresponding period. In Tamil Nadu, around 10.035 lakh hectares up by 1.062 lakh hectares from 8.973 lakh hectares the previous year.

- Thailand's 5% broken rice prices were quoted at $385-$396 per tonne as demand has remained flat due to lack of market activities during the holiday period. Vietnam's 5% broken rice fell to $395-$405 per tonne trading activity is slow due to the holidays. India's 5% broken parboiled variety was quoted at $355 to $360 per tonne, up from last week's $351-$356 range as rice supplies are limited right now because of a delay in milling.

- The demand for basmati has reduced in the market. In Haryana, no buyers were there for purchase of basmati paddy as rice demand is on lower side as well new covid restrictions in various states have impacted the market. As per sources, in Amritsar mandi, as of now approx. 2.25 lakh tonnes of basmati paddy has arrived yet against 3.33 lakh tonnes arrived the previous season.

- In Odisha, even after a month for kharif paddy procurement, in Kalahandi district the procurement is moving at low pace due to delay in issue of tokens, artificial shortage of gunny bags and concern of millers over delivery of fortified rice kernels (FRK) are some of the reasons attributed to the tardy pace of procurement.

- In Pakistan, surplus stock of rice would be exported and new markets were being explored globally. The country has stock of over eight million tonnes of rice; however, local consumption is nearly 3.5 million tonnes.

- As per sources, 18,700 MT of rice vessel AMIS WISDOM 1 is loading at Kakinada Port since 16th December 2021. Also, 46,000 MT of rice vessel HACI ALI SARI is loading at Kakinada Port since 24th December 2021. Also, 30,100 MT of rice vessel MISS SIMONA is loading at Kakinada Port since 20th December 2021. Also, 49,000 MT of rice vessel SEA FORTRESS is loading at Kakinada Port since 20th December 2021. Also, 18,000 MT of rice vessel MONEGASQUEE EPEE is loading at Kandla Port since 20th December 2021. And, 5,000 MT of rice vessel TUHINA is expected to arrive at Kolkata Port on 29th December 2021. And, 50,000 MT of rice vessel AQUARIUS is loading at Vizag Port since 24th December 2021. Also, 48,000 MT of rice vessel FANEROMENI is waiting for birth since 13th December 2021.

State wise Wholesale Prices Weekly Analysis for Rice first week December, 2021

State	Prices 24-31 Dec 2021	Prices 16-23 Dec 2021	Prices 09-15 Dec 2021	Prices 24-31 Dec 2020	% Change (Over Previous Week)	% Change (Over Previous Year)
Karnataka	3756.15	3609.56	4051.93	3386.72	4.06	10.91
Maharashtra	3473.04	4093.27	3584.68	3540.27	-15.15	-1.9
Odisha	2354	3236.3	3163.85	2774.78	-27.26	-15.16
Gujarat	4200	4200	4300.57	4202.06	Unch	-0.05
Kerala	3568.31	3673.23	3652.44	3479.46	-2.86	2.55
Tripura	2996.09	3043.2	3041.02	2867.07	-1.55	4.5
West Bengal	2740.21	2762.13	2830.77	2689.17	-0.79	1.9
Uttar Pradesh	2476.01	2505.74	2491.93	2376.46	-1.19	4.19
Average	3388.38	3389.65	3489.79	3222.26	-0.03	5.16

Prices in Rs/Quintal

The price of rice from December 24 to December 31 was down by 0.03 percent from the previous week. The market is expected to be down in coming week as well with lower export demand coming from international markets.

Outlook (Narella 1121 Paddy):-

Duration	Trend	Average Price Range	Reason
First Week of January, 2021	Trade with weak tone	Rs.3500-4000/Quintal	The international market remains calm due to festive holidays also the omicron spread scares the export market as well. .

Comparative Rice Varity 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
		25-Dec-21	18-Dec-21	25-Nov-21	25-Dec-20			
Delhi	**1121 Steam**	7300	7550	8300	6000	-3.31	-12.05	21.67
	1121 Sella	6700	6750	7200	5050	-0.74	-6.94	32.67
	1121 Raw	7300	7500	8500	6200	-2.67	-14.12	17.74
	Basmati Raw	_	10000	10000	9200	-	-	-
	1509 Steam Wand New	7000	7100	7600	5500	-1.41	-7.89	27.27
	Sugandh Steam	6200	6300	6200	4800	-1.59	Unch	29.17
	Sharbati Raw	4800	5000	5400	4300	-4.00	-11.11	11.63
	Pusa Raw Wand	6200	6200	6600	6000	Unch	-6.06	3.33
	Parmal Sella	3150	3300	3400	3250	-4.55	-7.35	-3.08

Rabi Paddy Sowing Updates as on 24th December, 2021:

State	Normal Area	Area sown reported			Absolute Change
		This Year	% of Normal	Last Year	
Andhra Pradesh	**6.89**	1.130	16.40	1.870	-0.540
Assam	**4.02**	0.109	2.71	0.125	-0.016
Bihar	**0.71**	0.00	0.00	0.00	0.00
Chhattisgarh	**-**	0.030	0.00	0.060	-0.030
Gujarat	**0.45**	0.00	0.00	0.00	0.00
Karnataka	**1.81**	0.130	7.12	0.060	0.070
Kerala	**0.44**	0.680	154.55	0.660	0.020
Maharashtra	**0.50**	0.00	0.00	0.00	0.00
Manipur	**1.83**	0.00	0.00	0.00	0.00
Odisha	**2.49**	0.035	1.41	0.076	-0.041
Tamil Nadu	**1.54**	10.035	651.62	8.978	1.062
Telangana	**7.33**	0.161	2.20	0.531	-0.370
Tripura	**0.71**	0.00	0.00	0.00	0.00
Uttar Pradesh	**0.26**	0.00	0.00	0.00	0.00
West Bengal	**12.81**	0.00	0.00	0.00	0.00
Others	**0.72**	0.412	57.22	0.365	0.047
All-India	**42.51**	**12.922**	**30.40**	**12.720**	**0.202**

Source: Agricoop (As on December 24, 2021)

State wise Ongoing Procurement KMS 2021-22

KMS 2021-22 (Units in LMTs) (as on 22.12.2021)				
S.No.	**STATES/ UTs**	**FCI**	**State Agency**	**Total**
1	A.P.	*0*	*6.64*	*6.64*
2	Telangana	*0*	*49.83*	*49.83*
3	Assam	*0*	*0*	*0*
4	Bihar	*0*	*5.77*	*5.77*
5	Chandigarh	*0.27*	*0*	*0.27*
6	Chhattisgarh	*0*	*39.89*	*39.89*
7	Gujarat	*0*	*0.60*	*0.60*
8	Haryana	*0.60*	*54.71*	*55.31*
9	H.P.	*0.28*	*0.00*	*0.28*
10	Jharkhand	*0*	*0.12*	*0.12*
11	J&K	*0.38*	*0.00*	*0.38*
12	Karnataka	*0*	*0*	*0.0*

13	Kerala	0	1.72	1.72
14	M.P.	0	12.13	12.13
15	Maharashtra	0	3.12	3.12
16	Odisha	0	6.39	6.39
17	Punjab	1.61	185.24	186.85
18	Rajasthan	0.07	0.00	0.07
19	NEF (Tripura)	0	0	0
20	Tamilnadu	0	6.83	6.83
21	U.P.	0.52	35.04	35.56
22	Uttrakhand	0	11.56	11.56
23	West Bengal	0	0	0
Total		3.73	419.59	423.32

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 443.49 LMT of paddy was procured as of December 26th 2021. In Punjab, the procurement operations are almost finished. The procurement has been done majorly in Punjab and Haryana. The procurement in southern and eastern part of the country have started. With time the procurement is about to increase specially in southern and eastern part of the country.

IGC Balance Sheet:

Attributes (Fig in Million Tons)	2018-19	2019-20 Est.	2020-21 Forecast	2021-22 (Proj.)	
				21.10.2021	18.11.2021
Production	499	500	508	513	513
Trade	43	44	48	48	48
Consumption	488	496	506	510	510
Carryover stocks	175	179	179	182	184
Y-O-Y change	11	4	2		3
Major Exporters	40	45	49	50	52

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

The Council's forecast for global rice trade in 2021 is fractionally higher m/m, at 48.3m t (44.0m), on stronger than anticipated demand from buyers in Asia. While 2021/22 world production is projected little-changed m/m, at a peak of 513m t (+1% y/y), end-season stocks are lifted from before, to 184m (+3m y/y), on an upward revision for India. The outlook for global import demand in 2022 is maintained and would be steady y/y.

Stronger demand from importers in Asia and Africa is seen pushing up world rice trade to a peak of 48.3m t (44.0m) in 2021. Linked to another record outturn in India, global production in 2021/22 is forecast at a fresh high, while inventories are seen expanding on accumulation in the major exporters. Despite a likely contraction in feed uptake in China, consumption is predicted at a record on continued population growth. Trade is projected little-changed y/y in 2022 as a potential reduction in deliveries to Asia is countered by firmer demand in Africa.

Rice Price Trend @ CBOT Jan-2022, Rough Rice) (Prices in US$/hundredweight)

Market Analysis

The CBOT Jan-22 weekly rough chart for rice indicates firm tone last week. The trade is continuing with firm tone after trading weak for last four weeks. Due to festive holidays in coming week an lower trade expected worldwide, we can expect the market to hover in the range of 13.90-14.50 in the coming week.

Price Projection (International-CBOT)

Duration	Trend	Price Range
1st Week of Dec-2021	Stay in the range bound with mix bias	USD/ Hundred Weight 13.90-14.50