Rice Weekly Research Report

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Outlook and Review:

- As of 26th December 2021, 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 31st December, rabi paddy sowing was done in 14.052 lakh hectares down by 0.997 lakh hectares from 15.049 lakh hectares the previous year during corresponding period. In Tamil Nadu, around 10.219 lakh hectares up by 0.817 lakh hectares from 9.402 lakh hectares the previous year.

- As per APEDA, in the international market, Non-Basmati Rice has emerged as India's top export item among the many agricultural and processed food, contributing close to one-fourth of the total exports in 2020-21. India's Non-Basmati rice exports were valued at $4799.91 million (Rs 35,477 crore) in 2020-21, the Basmati Rice exports were at $4018.71 million (Rs 29,850 crore).

- Due to offseason rains, rice production in the current fiscal has significantly shrunk and the fall is the lowest in the past five years in Nepal. This year the rice production went down by 8.74 percent compared to the last fiscal year. The production was 5.13 million MT this year while it was 5.62 million MT last fiscal year.

- In Uttar Pradesh, government has bought approximately 40.92 lakh metric tonnes of paddy so far, benefitting more than six lakh farmers during the 2021-22 KMS. As on December 30, total paddy worth more than Rs 7,381.08 crore has been purchased from the farmers and payment is being made within 72 hours of the purchase directly to their bank accounts.

- Food Corporation of India declared that it would do away with open storage completely and go for only CAP (covered and plinth) storage by March 2022 as there have been numerous cases across India where large number of foodgrains have been destroyed after exposing to elements, especially rains, as the food stocks were stored in the open by FCI after procurement.

- As per sources, till now 1,97,604 tonnes of rice has been deposited with FCI and 92,683 tonnes of rice with State Civil Supplies Corporation godowns in Chhattisgarh. The government said that custom milling should be done in full capacity as per agreement with rice millers. It should then be transported to Rake Point of the Food Corporation of India (FCI) at the earliest. Every day 15,000 tonnes of rice must be deposited with FCI godowns.

- As per sources, 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. And 49,000 MT of rice vessel SEA FORTRESS is loading at Kakinada Port since 20th December 2021. Also, 5,000 MT of rice vessel RIDER is loading at Kandla Port since 29th December 2021

State wise Wholesale Prices Weekly Analysis for Rice first week January, 2022

State	Prices 01-08 Jan 2022	Prices 24-31 Dec 2021	Prices 16-23 Dec 2021	Prices 01-08 Jan 2021	% Change (Over Previous Week)	% Change (Over Previous Year)
Kerala	3671.83	3613.75	3673.23	3474.46	1.61	5.68
Tripura	3039.1	2990.37	3043.2	2898.17	1.63	4.86
Odisha	3327.15	2377.68	3236.3	2817.55	39.93	18.09
Uttar Pradesh	2470.82	2472.75	2505.74	2369.24	-0.08	4.29
Karnataka	3433.43	4213.64	3609.56	3712.19	-18.52	-7.51
Manipur	3476.34	-	-	-	___	___
Gujarat	4153.45	4200	4200	4308.37	-1.11	-3.6
Maharashtra	4114.91	3626.13	4093.27	3668.01	13.48	12.18
West Bengal	2776.82	2743.53	2762.13	2709.61	1.21	2.48
Average	3384.87	3279.73	3390.43	3244.7	3.21	4.32

Prices in Rs/Quintal

The price of rice from January 01 to January 08 was up by 3.21 percent from the previous week. The market is showing upward trend after weeks of downward trend. This is mainly due to a new order for basmati rice that came from Saudi Arabia which supported the market.The market is expected to be slightly firm in coming week as well.

Outlook (Narella 1121 Paddy):-

Duration	Trend	Average Price Range	Reason
First Week of January, 2021	Trade with mix bias	Rs.3500-3900/Quintal	More international order can increase the demand.

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
		31-Dec-21	25-Dec-21	30-Nov-21	31-Dec-20			
Delhi	**1121 Steam**	7500	7300	8000	5900	2.74	-6.25	27.12
	1121 Sella	6700	6700	7000	5100	0.00	-4.29	31.37
	1121 Raw	7500	7300	8000	5900	2.74	-6.25	27.12
	Basmati Raw	_	_	10000	8600	_	_	_
	1509 Steam Wand New	6900	7000	7300	5300	-1.43	-5.48	30.19
	Sugandh Steam	6200	6200	6800	5200	0.00	-8.82	19.23
	Sharbati Raw	4900	4800	5000	4200	2.08	-2.00	16.67
	Pusa Raw Wand	5700	6200	6200	6000	-8.06	-8.06	-5.00
	Parmal Sella	3100	3150	3400	3200	-1.59	-8.82	-3.13

Rabi Paddy Sowing Updates as on 31st December, 2021:

State	Normal Area	Area sown reported			Absolute Change
		This Year	% of Normal	Last Year	
Andhra Pradesh	**6.89**	1.690	24.53	2.720	-1.030
Assam	**4.02**	0.273	6.79	0.219	0.054
Bihar	**0.71**	0.00	0.00	0.00	0.00
Chhattisgarh	**-**	0.035	-	0.122	-0.087
Gujarat	**0.45**	0.00	0.00	0.00	0.00
Karnataka	**1.81**	0.050	2.76	0.080	-0.030
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**	0.093	3.73	0.089	0.04
Tamil Nadu	**1.54**	10.219	663.57	9.402	0.817
Telangana	**7.33**	0.478	6.52	1.245	-0.767
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**	0.534	74.17	0.512	0.022
All-India	**42.51**	**14.052**	**33.06**	**15.049**	**-0.997**

Source: Agricoop (As on December 31, 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	2021-22 (Proj.) 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 since last week after trading weak for previous four weeks. Worldwide the trade has been on lower side due to festive holidays leading to low buyers.

Price Projection (International-CBOT)

Duration	Trend	Price Range
1st Week of January-2022	Stay in the range bound with mix bias	USD/ Hundred Weight 14.10-14.80