

Rice Weekly Research Report

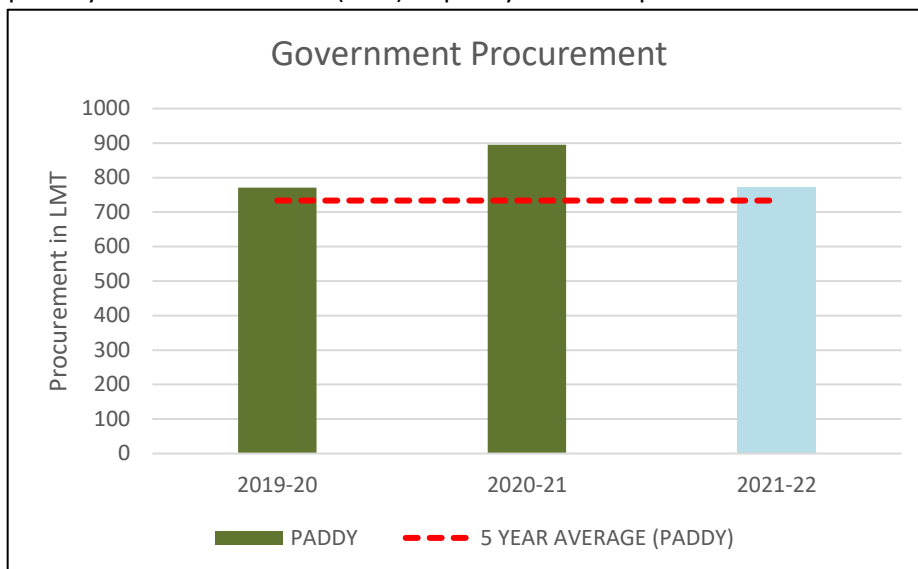
Contents

- ❖ Outlook and Review
- ❖ Weekly Price Change
- ❖ Rabi Sowing Update
- ❖ Progressive Procurement
- ❖ International Rice Market Summary
- ❖ IGC Balance Sheet
- ❖ CBOT Trend

Outlook and Review:

- Indian rice markets witnessed a bearish trend in the weekly trades as trading activity remained subdued, however, the market participants feels that the prices can start rising towards the end of May as fresh buying may strengthen. But logistical challenges still persist which can't be ruled out for near term. Demand from African and Asian nations remain good and price increase is expected across all markets.

- As of 10th May 2022, a total quantity of 772.17 Lakh MT (LMT) of paddy has been procured in KMS 2021-22. Till now about 110.88 Lakh farmers have been benefitted.



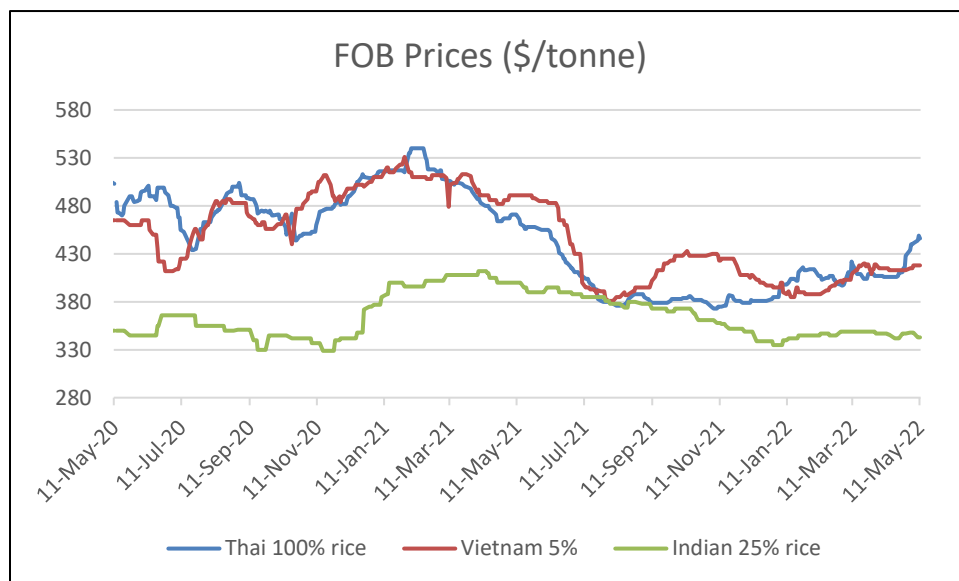
- Andhra Pradesh is planning to improve its export policy for better export potential of various commodities including Rice. The state is planning to develop three major ports to increase cargo handling capacity. From overall exports, 4.6% of the exports is for rice.

Currently, Vizag, Kakinada and Krishnapatnam ports are the major ports in Andhra Pradesh.

- As per sources, Cambodia has exported 221,138 MT of milled rice and 1,648,474 MT of un-milled rice, with a total value of \$516.21 million in the first four months of 2022. Cambodia has exported to 54 destinations of which Cambodia exported 115,255 MT or 52.12 %, worth \$62.74 million to China and Hong Kong. And exported 68,555 MT, or 31 percent, valued at \$51 million to Europe. The export to ASEAN countries amounted to 21,876 MT or 9.89 percent, with a value of \$13.90 million. The exports to other countries were valued at \$11.74 million, representing 15,452 MT or a share of 6.99 percent. Exports of all types of fragrant rice were 67.12 percent, white rice (30.13 percent), steamed rice (1.07 percent) and organic rice (1.68 percent).
- Vietnam has exported 2.06 MMT of rice valued at \$1 billion in the first four months of 2022, up by 4.8% in terms of volume but down by 5.7% in terms of value from a year earlier. Rice exports in April rose by 4.6% from March to 555,769 MT, valued at \$275 million.
- India's 5% broken rice was quoted at \$357 to \$361 per tonne FOB, which is down from last week's \$363-\$367, as the rupee touched a record low versus the dollar. Falling rupee is helping exporters to lower prices. Across all the parts, the demand for Indian rice is firm.
- Vietnam's 5% broken rice was quoted at \$415-\$420 per tonne FOB against \$420 a week ago. Trading activity is weak due to tight domestic supplies, but is expected to pick up from June with anticipated high demand from the Philippines, Africa, China and Bangladesh. Vietnam's rice exports are estimated at 6.0-6.2 MMT this year, compared to 6.24 MMT last year.

- Thailand's 5% broken rice prices rose to \$450 per tonne FOB from \$432-\$435 last week. There continues to be demand from Iraq and Iran which are buying in bulk with their own ships, driving prices up. Also contributing to rising prices, supplies have begun to gradually decrease.

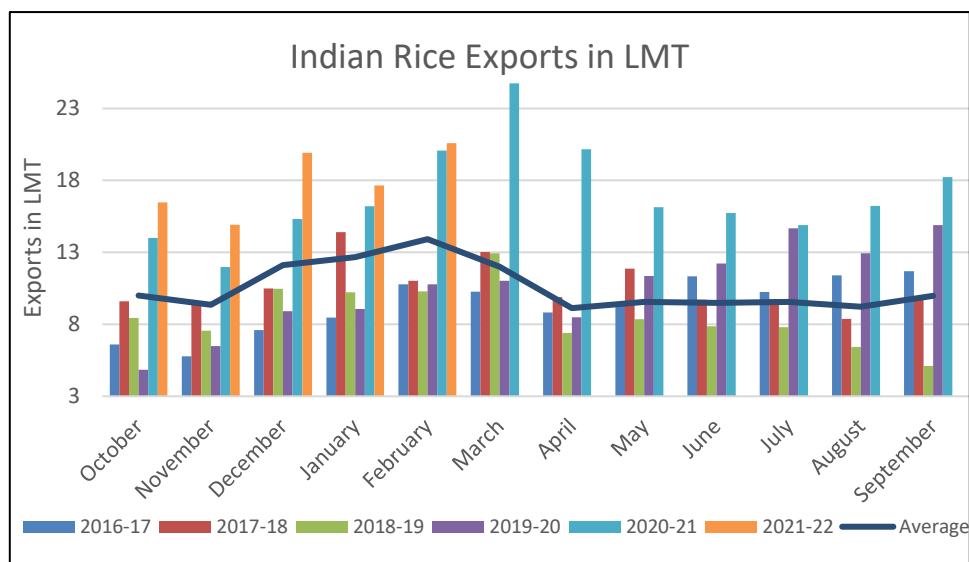
- Due to the new regime of fixing the exchange rate in Myanmar is impacting the competitiveness of Myanmar rice. The orders from international market started becoming low. In January, exports of rice (including broken rice) hit 260,000 MT. Due to increase in prices, the 5 percent



broken rice, which exporters in Pakistan are selling for \$350 per metric tonne, Myanmar exporters are offering \$370 to \$380 a tonne, up from \$330 to \$335 a tonne at the start of this year.

- USDA has estimated record production at record 515 MMT which is 2 MMT higher than previous year as larger crop in South and South East Asia including India, Indonesia, Bangladesh, Thailand and Pakistan. Global consumption is also expected to rise due to increase in consumption from India, China and Sub-Saharan countries.

- As per sources, basmati rice exports for the month of March stood at 4.60 LMT while for non-basmati rice, the exports stood at 16.44 LMT.



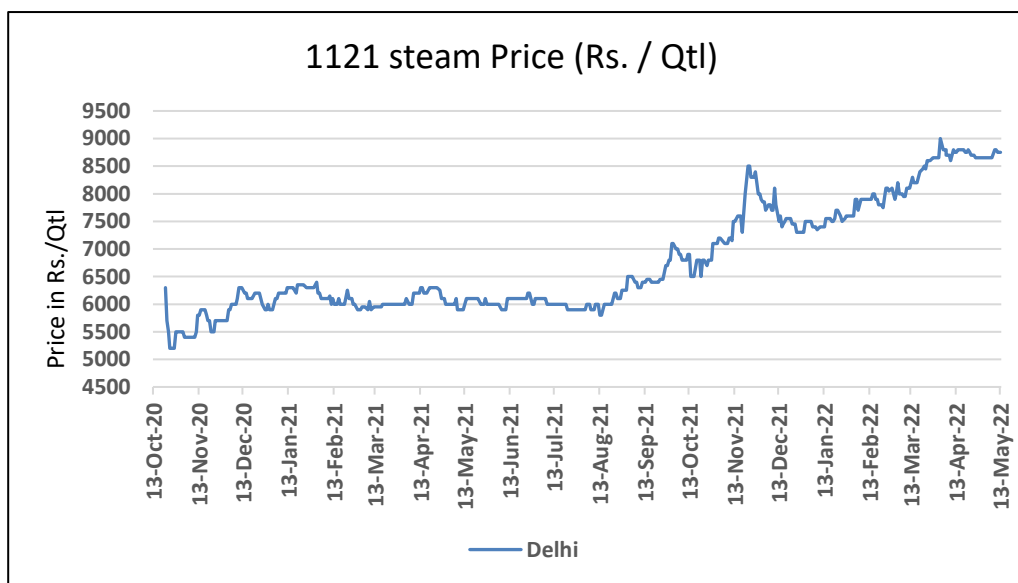
State wise Wholesale Prices Weekly Analysis for Rice second week May, 2022

State	Prices 09-15 May 2022	Prices 01-08 May 2022	Prices 24-30 Apr 2022	Prices 09-15 May 2021	% Change (Over Previous Week)	% Change (Over Previous Year)
Uttar Pradesh	2560.35	2572.9	2558.8	2489.64	-0.49	2.84
Karnataka	3633.13	3542.46	3675.76	4437.39	2.56	-18.12
Maharashtra	3680.98	3967.53	3820.37	3423.54	-7.22	7.52
Odisha	2606.25	2670.6	2954.65	3226.3	-2.41	-19.22
West Bengal	2997.18	2963.92	2917.77	2797.82	1.12	7.13
Bihar	2537.05	2598.66	2589.74	-	-2.37	-
Gujarat	4254.12	4255.31	4330.11	-	-0.03	-
Uttarakhand	-	-	2554.64	-	-	-
Kerala	3647.29	3617.28	3626.74	3483.47	0.83	4.7
Manipur	-	-	3464.06	-	-	-
Tripura	2979.3	2962.18	2979.19	2878.04	0.58	3.52
Jharkhand	-	-	-	2485.59	-	-
Average	3210.63	3238.98	3224.71	3152.72	-0.88	1.84

Prices in Rs/Quintal

(source: Agmarknet)

After Eid and Ramzan, the basmati rice start seeing an upward trend as the wedding season has started and demand from Iran and other middle east countries has increased. Also, the government has banned wheat exports. Earlier, the wheat exports were impacting the rice exports as most of the vessels and rakes were used for wheat. But with the export ban decision, we are expecting that rice export activity will improve in coming days which may support the prices.



Outlook (Narella 1121 Steam): -

Duration	Trend	Average Price Range	Reason
Third Week of May, 2022	Firm bias	Rs.8670-8770/Quintal	Low stocks and good export demand
Fourth Week of May, 2022	Firm bias	Rs.8700-8800/Quintal	Low stocks and good export demand
First Week of June, 2022	Firm bias	Rs.8750-8850/Quintal	Low stocks and good export demand

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
		13-May-22	6-May-22	13-Apr-22	13-May-21			
Delhi	1121 Steam	8750	8650	8750	-	1.16	Unch	-
	1121 Sella	7800	7850	8000	-	-0.64	-2.50	-
	1121 Raw	8800	8700	8800	-	1.15	Unch	-
	Basmati Raw	10300	10300	10300	-	Unch	Unch	-
	1509 Steam Wand New	8450	8400	8500	-	0.60	-0.59	-
	Sugandh Steam	7150	7200	7500	-	-0.69	-4.67	-
	Sharbati Raw	6050	6000	6100	-	0.83	-0.82	-
	Pusa Raw Wand	7250	7250	7700	-	Unch	-5.84	-
	Parmal Sella	3400	3425	3500	-	-0.73	-2.86	-

Rabi Paddy Sowing Updates as on 04th February, 2022:

State	Normal Area	Area sown reported			Absolute Change
		This Year	% of Normal	Last Year	
Andhra Pradesh	6.89	6.750	97.97	7.150	-0.400
Assam	4.02	1.840	45.77	1.970	-0.130
Bihar	0.71	0.00	0.00	0.00	0.00
Chhattisgarh	-	0.670	-	0.650	0.020
Gujarat	0.45	0.00	0.00	0.00	0.00
Karnataka	1.81	0.070	3.87	0.080	-0.010
Kerala	0.44	0.880	200	0.740	0.140
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	0.790	31.73	1.540	-0.750
Tamil Nadu	1.54	11.900	772.72	10.870	1.030
Telangana	7.33	7.760	105.87	14.790	-7.030
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	3.800	29.66	4.150	-0.350
Others	0.72	0.730	101.39	0.730	0.000
All-India	42.51	35.190	82.78	42.670	-7.480

Source: Agricoop (As on February 04, 2022)

State wise Ongoing Procurement KMS 2021-22

KMS 2021-22 (Units in LMTs) (as on 10.05.2022)				
S.No.	STATES/ UTs	FCI	State Agency	Total
1	A.P.	0	49.66	49.66
2	Telangana	0	72.71	72.71
3	Assam	1.28	1.23	2.51
4	Bihar	0	44.90	44.90
5	Chandigarh	0.27	0	0.27
6	Chhattisgarh	0	92.01	92.01
7	Gujarat	0	1.22	1.22
8	Haryana	0.60	54.71	55.31
9	H.P.	0.28	0.00	0.28
10	Jharkhand	0	7.53	7.53
11	J&K	0.41	0.00	0.41
12	Karnataka	0	2.19	2.19

13	Kerala	0	5.53	5.53
14	M.P.	0	45.83	45.83
15	Maharashtra	0	13.38	13.38
16	Odisha	0	57.24	57.24
17	Punjab	1.69	185.59	187.28
18	Rajasthan	0.07	0.00	0.07
19	NEF (Tripura)	0	0.31	0.31
20	Tamilnadu	0	34.25	34.25
21	U.P.	1.08	64.45	65.53
22	Uttarakhand	0	11.56	11.56
23	West Bengal	0	22.01	22.01
Total		5.67	766.49	772.17

IGC Global Rice Balance Sheet:

Attributes (Fig in Million Tons)	2019-20	2020-21 Est.	2021-22 (Fore.)		2022-23 (Proj.)
			17.03.2022	21.04.2022	21.04.2022
Production	500	510	514	515	520
Trade	44	51	51	51	50
Consumption	495	509	514	514	517
Carryover stocks	180	181	181	181	184
Y-O-Y change	4	1		1	3
Major Exporters	45	50	52	52	56

Note: Major exporters are India, Pakistan, Thailand, Vietnam.

World rice output in 2021-22 is lifted by 1 MMT, to a record of 515 MMT (+1%), with outlooks for consumption, stocks and trade also pegged fractionally higher month on month. World rice production in 2022-23 is tentatively seen establishing a new high, including gains in key exporters. Further growth in uptake and inventories is predicted, but global import demand may edge lower in 2023 on softer Asian buying interest.

Including a record outturn in India, world rice output is projected 1% higher year on year, at a peak of 515 MMT. With China in particular utilizing larger quantities of rice for feeding, global uptake is forecast at a new high, with inventories set to accumulate – largely reflecting gains in India. Trade is seen at a record of 51 MMT, broadly steady year on year. The 2022-23 global rice outturn is projected 1% larger year on year on potentially bigger harvests in key exporters. Population growth should underpin expanded uptake, while stocks could build further on gains in India. Trade in 2023 is seen remaining historically high.

Rice Price Trend @ Rough Rice May-22 (Prices in US\$/hundredweight)

Market Analysis

As depicted from the above chart, the CBOT rough rice futures are moving in an upward trend. The candlesticks are above 9, 18, 50 and 100 DMA indicating firm sentiments. The MACD is moving upward indicating firm sentiments. The RSI oscillator also suggest upward movement.

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