

# Rice Weekly Research Report

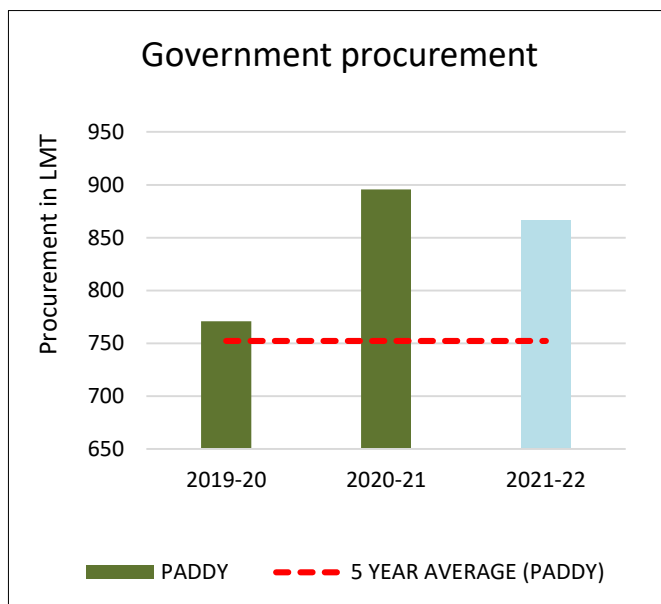
---

## Contents

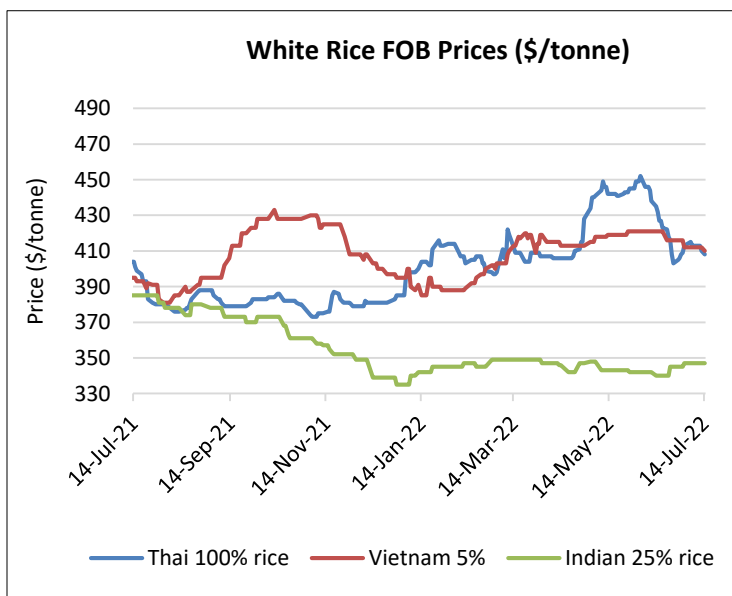
- ❖ Outlook and Review
- ❖ Weekly Price Change
- ❖ Kharif Sowing Update
- ❖ Progressive Procurement
- ❖ International Rice Market Summary
- ❖ IGC Balance Sheet
- ❖ CBOT Trend

### Outlook and Review:

- As of 14th July 22, the Centre has procured 866.70 lakh tonne (LMT) of paddy in the ongoing 2021-22 Marketing year so far at the Minimum Support Price (MSP). Till now, about 126.52 lakh farmers have been benefited with the MSP value.
- According to GOI's latest data India marked a decline in Rice area coverage till 15<sup>th</sup> July 22 as compared to same period last year. Till date Rice has been sown in 128.50 lakh Ha. Of area compared to 155.53 lakh Ha, approximately 17 % less compared to last year for same time period. As per the latest Kharif 2022 Sowing Report, largest area coverage under paddy was in Punjab at around 27.80 Lakh hectares as compared to 29.47 Lakh hectares during same period last year.



- Export price of 5% Broken Parboiled Indian Rice were reported at \$361-\$366 per Tonne as compared to previous week's price of \$355-\$360 per tonne, on the account of continues strong demand of Indian Rice from the end of Bangladesh traders.
- As per the latest updates export price of Indian Rice is around \$ 320 per tonne to various international Rice markets as compared to the export price of \$ 420 per tonne for Thailand and Vietnam sourced Rice for same destinations. As per the estimates Thailand as well as Vietnam Rice crop yield is expected to decline in upcoming season. This may led to increase in the difference between export prices of Indian Rice and export price of Thailand/Vietnam sourced Rice during upcoming days. If this price gap increases further India's Rice exports are expected to increase further.



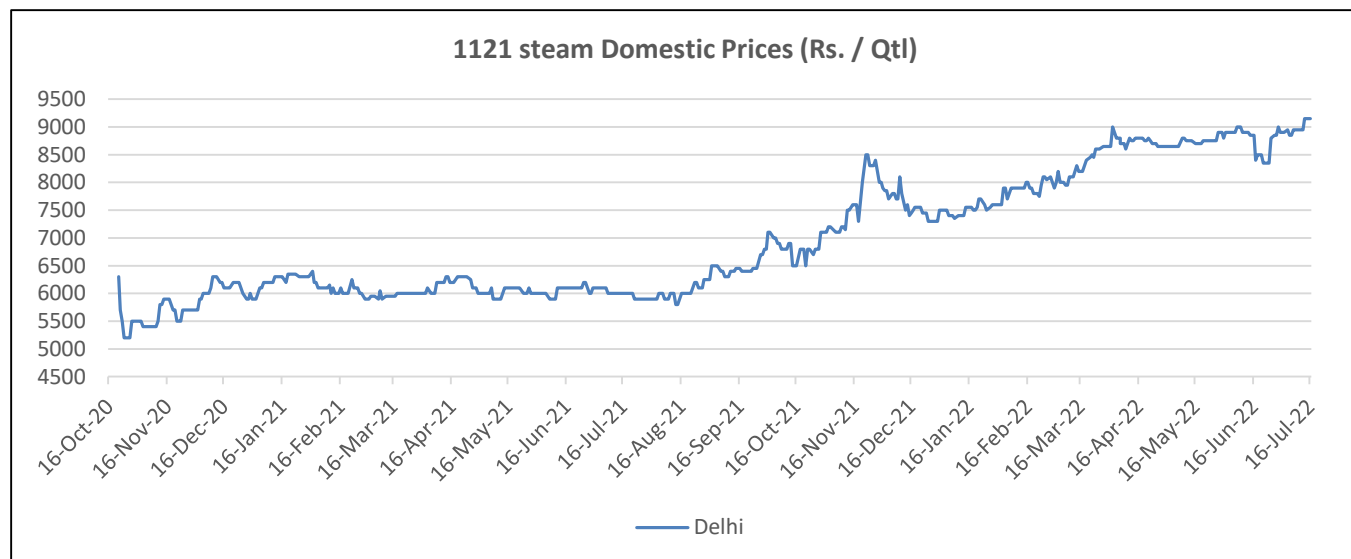
- Sources point towards 2.06 million tonne of milled and Paddy Rice exports from Cambodia during the span of January to June 2022, which happens to be 19.18% more than that of last year for same time period, with the estimated value of around \$ 616 million. Out of which 1,733,157 tonne of Paddy with the value of around \$336,232,458 was exported to Vietnam.  
As per the sources, Myanmar's export price for broken rice to China rose by around 9 % 120 yuan for 50-kg broken rice bag in Muse, which was around 110 yuan for 50-kg broken rice bag in Muse in May. This hike was seen after Myanmar's truck and drivers were allowed to enter at China's side.
- Sources state that Vietnam's 5% broken rice prices were noted at \$415-\$420 per tonne which happens to be unchanged from past week due to supply pressure being created by harvesting of summer-autumn crop, also ongoing Ukraine-Russia conflict is expected to maintain the international demand of Vietnamese Rice.
- As per the sources Thailand's 5% broken rice prices saw a hike over past week after decline for two consecutive week. Prices rose to \$420 per tonne from \$412-\$415 last week, as the reaction towards good demand of Thai Rice in the international market.
- As per the sources during July 21-May 22 Pakistan exported around 4.4 MMT of Rice worth around \$2,276 Million, which happens to be 33 % more than as compared to previous year for same time period.

### State wise Wholesale Prices Weekly Analysis for Rice Second week July, 2022

State	Prices 09-15 Jul 2022	Prices 01-08 Jul 2022	Prices 24-30 Jun 2022	Prices 09-15 Jul 2021	% Change (Over Previous Week)	% Change (Over Previous Year)
Tripura	3008.77	2955.76	3002.9	2999.6	1.79	0.2
Uttar Pradesh	2623.37	2576.44	2560.18	2539.68	1.82	2.47
Gujarat	4247.43	4196.66	4177.09	3800	1.21	1.68
Karnataka	3352.63	3609.07	3747.51	3918.2	-7.11	-10.54
Kerala	3619.39	3616.16	3647.03	3469.85	0.09	-0.76
Odisha	2969.27	2915.95	3034.2	2958.53	1.83	-2.14
Uttarakhand	2289.62	2109.19	2162.91		8.55	5.86
Maharashtra	4405.18	3782.61	3544.31	3702.15	16.46	24.29
West Bengal	3022.92	3048.6	3013.74	2750.77	-0.84	0.3
NCT of Delhi			5000		—	—
Jharkhand				2533.33	—	—
Average	3282.06	3201.16	3388.99	3185.79		

Prices in Rs/Quintal

(source: Agmarknet)



Basmati Rice prices mostly traded firm during period under review, as observed at bench mark market of Narella in Delhi prices of Basmati Rice variety 1121 steam traded between Rs. 8,950 – Rs. 9,150 per quintal. However, average prices for during week under review were Rs. 9,083 per quintal. The main reason for this was increasing exports of Indian Rice due to competitive prices of Indian Rice compared to other exporting countries, which lead to more demand from the exporters end.

**Outlook (Narella 1121 Steam): -**

Duration	Trend	Average Price Range	Reason
Third Week of July, 2022	Firm bias	Rs.8900-9250/Quintal	Increased exporters demand and declining arrivals
Fourth Week of July, 2022	Firm bias	Rs.8900-9250/Quintal	Increased exporters demand and declining arrivals
First Week of July, 2022	Firm bias	Rs.8900-9250/Quintal	Increased exporters demand and declining arrivals

**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-Jul-22	9-Jul-22	16-Jun-22	16-Jul-21			
Delhi	1121 Steam	9150	8950	8850	6000	2.23	3.39	52.50
	1121 Sella	8600	8550	8400	5100	0.58	2.38	68.63
	1121 Raw	9150	8950	8850	6000	2.23	3.39	52.50
	Basmati Raw	13000	13000	13000	10100	0.00	0.00	28.71
	1509 Steam Wand New	8500	8500	8400	5500	0.00	1.19	54.55
	Sugandh Steam	7700	7650	7550	5000	0.65	1.99	54.00
	Sharbati Raw	6600	6600	6500	4600	0.00	1.54	43.48
	Pusa Raw Wand	8000	7600	7600	5600	5.26	5.26	42.86
	ParmalSella	3550	3500	3500	3100	1.43	1.43	14.52

**Ongoing Kharif Paddy Sowing Updates as on 15<sup>th</sup> July, 2022:**

Sr.No	State	Normal Area	Area Covered		Difference in Area coverage	
		(DES)	(Lakh Ha)		with Current Week	
			2022	2021	2021	2020
1	Andhra.Pradesh	-	1.77	2.34	-0.57	-1.03
2	Arunachal.Pradesh	-	1.5	1.26	0.24	0.335
3	Assam	-	4.76	5.593	-0.833	-0.67
4	Bihar	-	6.06	8.77	-2.71	-7.71
5	Chhattisgarh	-	16.38	19.69	-3.31	-9.32
6	Goa	-	0.11	0.13	-0.02	-0.07
7	Gujarat	-	0.792	1.1	-0.308	-0.068
8	Haryana	-	7.41	7.94	-0.53	-1.62
9	Himachal.Pradesh	-	0.52	0.4	0.12	0.08
10	Jammu..Kashmir.	-	0.719	0.59	0.129	0.079
11	Jharkhand	-	1.023	2.93	-1.907	-2.637
12	Karnataka	-	1.108	1.28	-0.172	-0.542
13	Kerala	-	0.43	0.46	-0.03	0.05

14	Laddakh	-	-	-	-	-
15	Madhya.Pradesh	-	7.01	9.63	-2.62	-1.11
16	Maharashtra	-	3.98	2.96	1.02	0.44
17	Manipur	-	1.546	1.245	0.301	0.356
18	Meghalaya	-	0.63	0.94	-0.31	-0.34
19	Mizoram	-	0.295	0.32	-0.025	-0.055
20	Nagaland	-	1.54	1.253	0.287	-0.05
21	Odisha	-	5.446	9.06	-3.614	-7.514
22	Punjab	-	27.8	29.47	-1.67	-2.3
23	Rajasthan	-	1.185	0.434	0.751	0.215
24	Sikkim	-	0.076	0.075	0.001	-0.024
25	Tamil.Nadu	-	1.467	1.341	0.126	0.277
26	Telangana.	-	1.046	3.25	-2.205	-0.644
27	Tripura	-	0.3	0.809	-0.509	-0.12
28	Uttar.Pradesh	-	26.98	35.29	-8.31	-11.77
29	Uttarakhand	-	2.18	2.23	-0.05	-0.03
30	West.Bengal	-	3.94	4.68	-0.74	-0.59
31	Others	-	0.5	0.06	0.44	0.45
	Total	-	128.501	155.53	-27.028	-45.934

Source: NFSM (As on July 15, 2022)

#### State wise Ongoing Procurement KMS 2021-22

KMS 2021-22 (Units in LMTs) (as on 14.07.2022)				
S.No.	STATES/ UTs	FCI	State Agency	Total
1	A.P.	0.00	67.39	67.39
2	TELANGANA	0.00	119.07	119.07
3	ASSAM	2.07	2.27	4.34
4	BIHAR	0.00	44.90	44.90
5	CHANDIGARH	0.27	0.00	0.27
6	CHHATISGARH	0.00	92.01	92.01
7	GUJARAT	0.00	1.22	1.22
8	HARYANA	0.60	54.72	55.32
9	H. P.	0.28	0.00	0.28
10	JHARKHAND	0.00	7.53	7.53
11	J&K	0.40	0.00	0.41
12	KARNATAKA	0.00	2.19	2.19
13	KERALA	0.00	7.48	7.48
14	M. P	0.00	45.83	45.83
15	MAHARASHTRA	0.00	17.39	17.39

16	ODISHA	0.00	71.04	71.04
17	PUNJAB	1.69	185.60	187.29
18	RAJASTHAN	0.07	0.00	0.07
19	NEF (Tripura)	0.00	0.47	0.47
20	TAMIL NADU	0.00	40.59	40.59
21	UTTAR PRADESH	1.08	64.45	65.53
22	UTTRAKHAND	0.00	11.55	11.55
23	WEST BENGAL	0.00	24.53	24.53
Total	TOTAL	6.46	860.23	866.70

#### IGC Global Rice Balance Sheet:

Attributes ( Fig in Million Tons)	2019-20	2020-21 Est.	2021-22 (Fore.)	2022-23 (Proj.)	
				21.04.2022	19.05.2022
Production	500	510	514	520	519
Trade	44	51	51	50	51
Consumption	495	510	515	517	518
Carryover stocks	181	182	181	184	181
Y-O-Y change	5	1	0		0
Major Exporters	45	50	51	56	54

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

The outlook for world rice supply and demand in 2021-22 has little-changed month on month basis. The projection for global production in 2022-23 is cut slightly month on month basis and, due to an uprated figure for total use – linked to anticipated solid feed demand in China – global carryovers are lowered by 3MMT month on month basis. Trade in 2023 (Jan-Dec) is placed 1MMT higher, at 51MMT, unchanged year on year.

World rice trade is seen edging up to a high in 2022 on sizeable deliveries to Africa. Tied to acreage gains in Asia, 2022-23 global production is predicted 1% higher year on year at a record. Underpinned by population growth, food demand is seen pushing up consumption to a fresh high, with uptake for feeding also contributing to gains. With increases in major exporters compensating for reductions elsewhere, world carryovers are seen little-changed year on year. Global trade in 2023 is projected steady, at 51MMT, with heavy buying by African importers and China expected to feature.

**Rice Price Trend @ Rough Rice July-18 (Prices in US\$/hundredweight)**

**Market Analysis**

As depicted from the above chart, market has rebounded from support level, golden cross over indicating firm sentiments. Currently, market is trading above 9, 18, 50 and 100 DMA, indicating firm sentiments. RSI is above 55 indicating firm buying strength. However, MACD indicating weak momentum. In near term market is expected to take support from 18 DMA in short run.

**Disclaimer**

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2022 Indian Agribusiness Systems Limited.