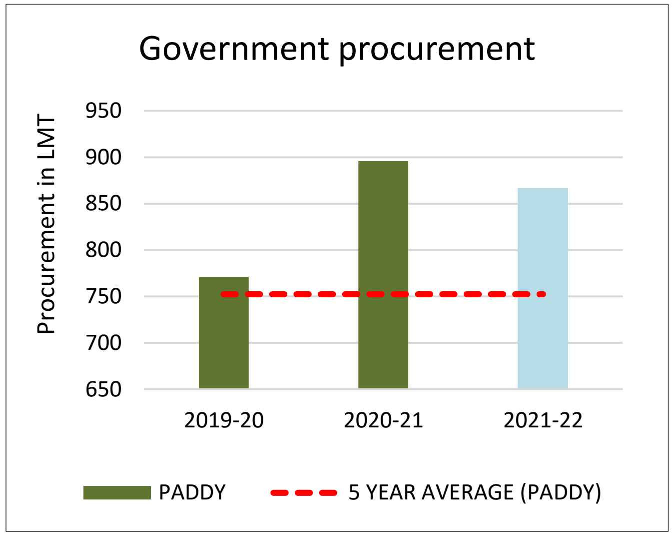
Rice Weekly Research Report

Contents

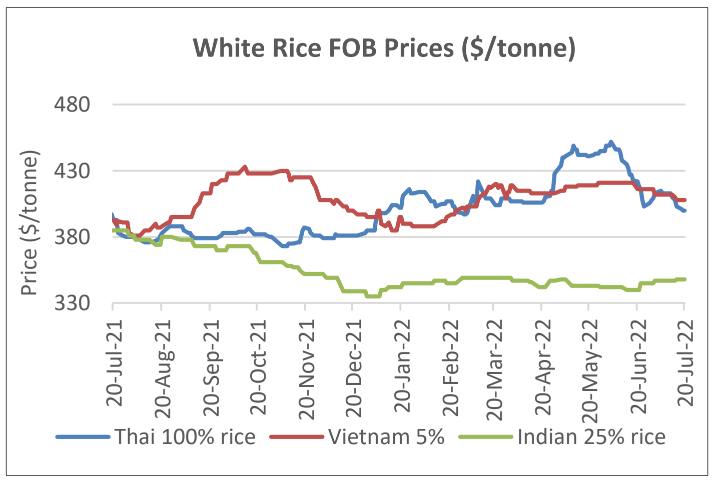
Outlook and Review:

- 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.
- As per the sources kharif Paddy sowing in India till 22 July 2022 lacks by around 19 percentage as compared to previous year for same time duration. Total area under Paddy coverage happens to be around 170.58 lakh hectare against 209.21 for same time period during past year.



- Export price of 5% Broken Parboiled Indian Rice were reported at $362 to $368 per Tonne as compared to previous week's price of $361-$366 per tonne, due to slow progressing Paddy planting in India.

- According to sources prices of common Rice variety (Swarna) has increased in domestic market of India this year by around Rs. 2 per kg to Rs. 25-27 per kg this year as compared to Rs. 23-25 per kg during last year. A rise in the prices of premium minikiet variety was also seen by around Rs. 3-5 per kg to Rs 41-42 per kg as compared to last year's price of Rs. 37-38 per kg. This surge in the prices is mainly due to robust exports of Indian Rice to Bangladesh.



- 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.

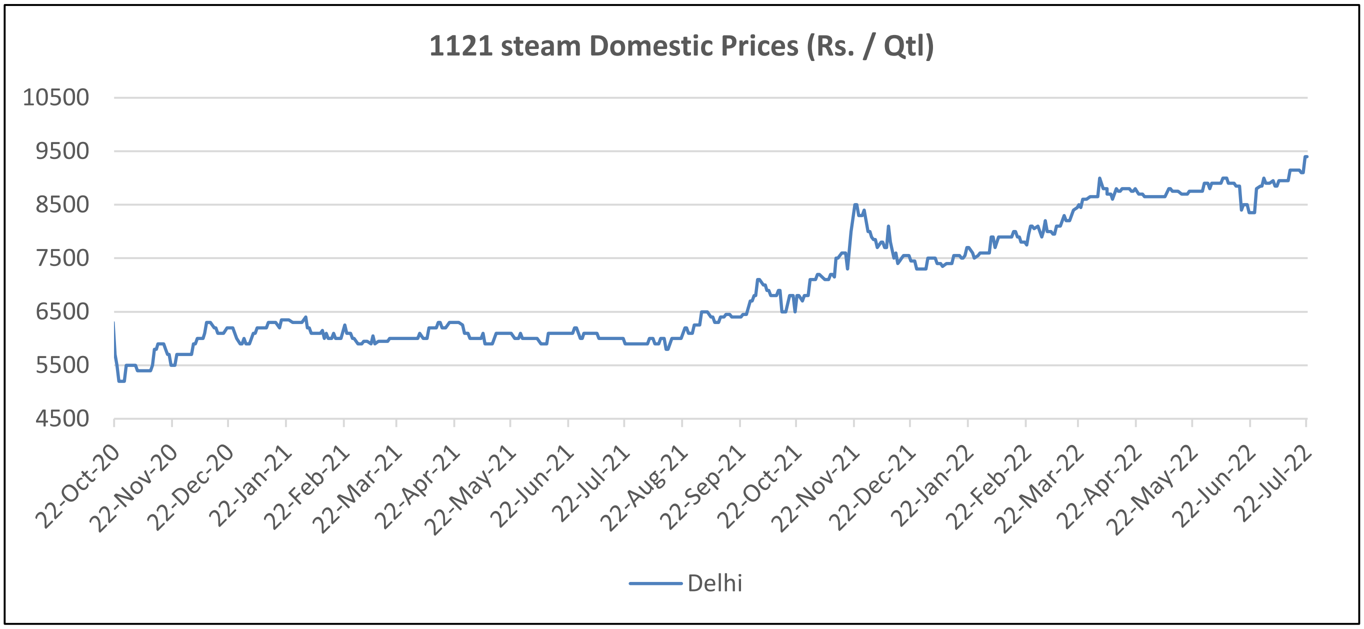
- Sources state that Vietnam's 5% broken rice prices were noted at $415-$420 per tonne which happens to be unchanged from past week due to slowed Paddy purchase from farmers, waiting harvest to reach it's peak.

- As per the sources Thailand's 5% broken rice prices were noted at $420 per tonne which happens to be unchanged from past week due to comfortable supply.
- As per the sources Cambodia has exported 17.4 % more milled Rice to China as compared to previous year which was around 168,280 tons of milled rice . Also as per the sources during first half of this year 3,27,200 tonnes of milled Rice has been exported by Southeast Asian Countries to 51 countries around the world which also happens to be 16.6 % more than previous year.
- 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.

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

State	Prices 16-23 Jul 2022	Prices 09-15 Jul 2022	Prices 01-08 Jul 2022	Prices 16-23 Jul 2021	% Change (Over Previous Week)	% Change (Over Previous Year)
Gujarat	4174.84	4247.43	4196.66	3800	**-1.71**	**9.86**
Karnataka	3373.43	3395.44	3609.07	3956.49	**-0.65**	**-14.74**
Kerala	3646.56	3619.39	3616.16	3461.9	**0.75**	**5.33**
Maharashtra	3748.45	4404.39	3782.45	3674.6	**-14.89**	**2.01**
Uttrakhand	2008.76	2332.91	2109.19		**-13.89**	__
Odisha	3032.84	2965.87	2915.95	2833.1	**2.26**	**7.05**
West Bengal	3046.05	3023.17	3048.6	2822.52	**0.76**	**7.92**
Uttar Pradesh	2620.83	2622.05	2576.44	2545.99	**-0.05**	**2.94**
Tripura	3033.1	3008.77	2955.76	3034.78	**0.81**	**-0.06**
Average	**3187.21**	**3291.05**	**3201.14**	**3266.17**		

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. 9,150 – Rs. 9,400 per quintal. However, average prices for during week under review were Rs. 9,258 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
Fourth Week of July, 2022	Firm bias	Rs.9,200-9,600/Quintal	Increased exporters demand and declining arrivals
First Week of August, 2022	Firm bias	Rs.9,400-9,800 /Quintal	Increased exporters demand and declining arrivals
Second Week of August, 2022	Firm bias	Rs. 9,400-9,800 /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
		23-Jul-22	16-Jul-22	23-Jun-22	23-Jul-21			
Delhi	**1121 Steam**	9400	9150	8800	5900	2.73	6.82	59.32
	1121 Sella	8800	8600	8350	5050	2.33	5.39	74.26
	1121 Raw	9500	9150	8800	5800	3.83	7.95	63.79
	Basmati Raw	13000	13000	13000	10100	unch	unch	28.71
	1509 Steam Wand New	8700	8500	8400	5400	2.35	3.57	61.11
	Sugandh Steam	7700	7700	7500	4800	unch	2.67	60.42
	Sharbati Raw	6600	6600	6500	4600	unch	1.54	43.48
	Pusa Raw Wand	8000	8000	7500	5500	unch	6.67	45.45
	ParmalSella	3550	3550	3475	3100	unch	2.16	14.52

Ongoing Kharif Paddy Sowing Updates as on 15th July, 2022:

Sr.No.	State	Normal Area (DES)	Area Covered (Lakh Ha)		Difference in Area coverage 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	**2019-20**	**2020-21 Est.**	**2021-22 (Fore.)**	**2022-23 (Proj.)**	
(Fig in Million Tons)				**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-25 (Prices in US$/hundredweight)

Market Analysis

As depicted from the above chart, during the week under review, market remained sideways and went marginally up by 0.30% to 16.8 and during the week, market made low of 16.5, high of 17.4 and closed at 16.8. Overall market is trading above 9, 18, 50 and 100 DMA indicating firm sentiments. RSI at 54 indicating good buying strength and MACD indicating firm momentum. In upcoming weeks, the market is expected to trade in the range of 17.4- 16.5 in the short run.