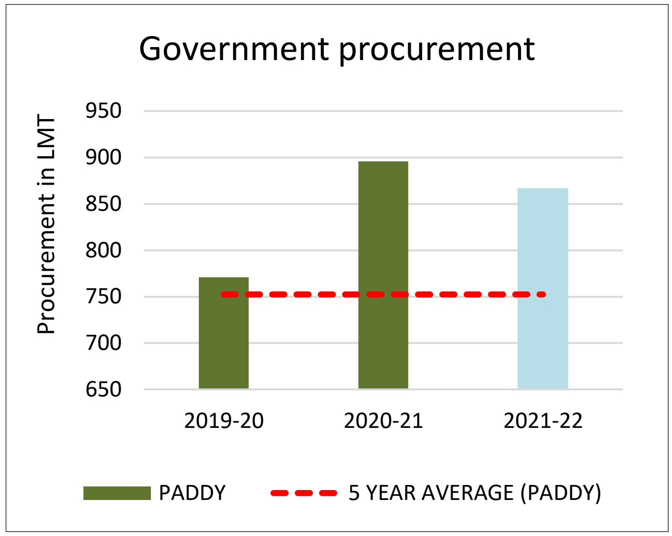
Rice Weekly Research Report

Contents

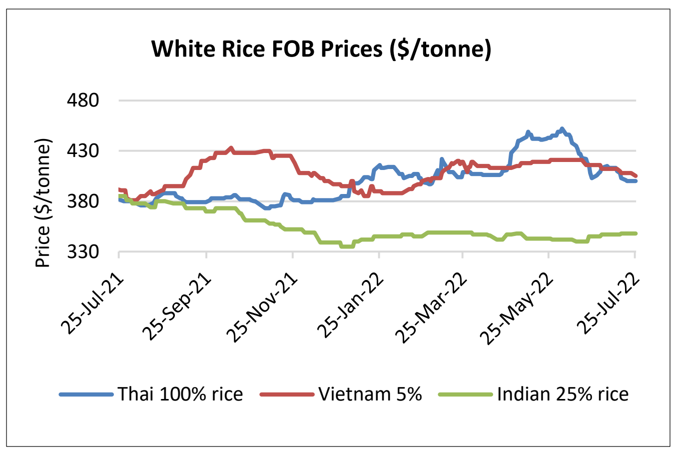
Outlook and Review:

- 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 same as past week.

- 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.

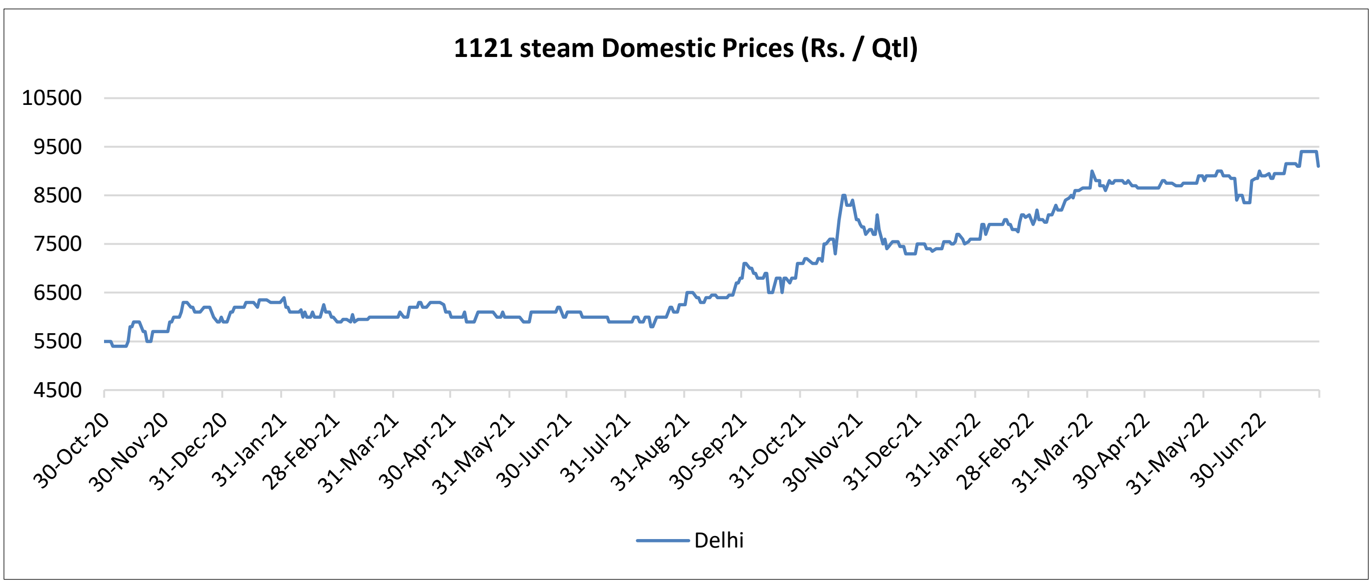


- According to sources Vietnam's Rice exports for the time frame between Jan-July rose by 20% to 4.16 million tonnes as compared to last year. Also Rice export revenue generation rose by around 8.5% to 2.6 billion when compared to previous year.
- As per the sources Thailand's 5% broken rice prices were noted at $400 per tonne which happens to be lower than last week's prices of $420 per tonne due to fall in the FoB prices of Thailand.
- Sources state that Vietnam's 5% broken rice prices dropped at $395-$413 per tonne which were reported at $415-$420 past week due to sluggish exports and arrival pressure of summer-autumn crop.
- As per the sources Pakistan's Rice export for fiscal year 2021-2022 have surged by around 32 % to 4.877 million tonnes as compared to the exports of 3.684 million tonnes for the fiscal year 2020-2021. Main reason behind this rise was hike of around 6 % in the area sown under Paddy in Pakistan as compared to previous year. Rice production in Pakistan also saw an increase of around 10.7 % during 2021-22 as compared to previous year.

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

State	Prices 24-31 Jul 2022	Prices 16-23 Jul 2022	Prices 09-15 Jul 2022	Prices 24-31 Jul 2021	% Change (Over Previous Week)	% Change (Over Previous Year)
Gujarat	4141.3	4174.84	4247.43	3800	-0.8	8.98
Tripura	2980.68	3033.47	3008.77	3049.56	-1.74	-2.26
Uttrakhand	2162.73	2008.76	2332.91		7.66	—
Maharashtra	3944.02	3744.33	4397.91	3664.74	5.33	7.62
NCT of Delhi	3200				—	—
Odisha	3065.4	3029.1	2965.87	2892.75	1.2	5.97
Kerala	3648.53	3646.56	3619.39	3453.05	0.05	5.66
Karnataka	3383.12	3370.09	3395.44	3814.46	0.39	-11.31
Uttar Pradesh	2593.26	2621.82	2622.05	2542.12	-1.09	2.01
Average	**3220.58**	**3187.34**	**3290.33**	**3255.53**		

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. 9,100 – Rs. 9,400 per quintal. However, average prices for during week under review were Rs. 9,350 per quintal.

Outlook (Narella 1121 Steam): -

Duration	Trend	Average Price Range	Reason
First Week of August, 2022	Firm bias	Rs.9,200-9,600/Quintal	Increased exporters demand and declining arrivals
Second Week of August, 2022	Firm bias	Rs.9,300-9,800 /Quintal	Increased exporters demand and declining arrivals
Third Week of August, 2022	Firm bias	Rs. 9,300-9,800 /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
		30-Jul-22	23-Jul-22	30-Jun-22	30-Jul-21			
Delhi	**1121 Steam**	9100	9400	8900	5900	-3.19	2.25	54.24
	1121 Sella	8600	8800	8450	5100	-2.27	1.78	68.63
	1121 Raw	9100	9500	9200	5900	-4.21	-1.09	54.24
	Basmati Raw	13000	13000	13000	10000	Unch	Unch	30.00
	1509 Steam Wand New	8500	8700	8500	5400	-2.30	Unch	57.41
	Sugandh Steam	7700	7700	7700	4800	Unch	Unch	60.42
	Sharbati Raw	6550	6600	6750	4700	-0.76	-2.96	39.36
	Pusa Raw Wand	8000	8000	7600	5300	Unch	5.26	50.94
	ParmalSella	3575	3550	3550	3100	0.70	0.70	15.32

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 (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 August-8 (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 0.36% to $16.88 as compared to previous week at $16.82. Market is currently trading above 18, 50 and 100 DMA indicating firm sentiments, while 9 DMA can be characterized as short term resistance. RSI is near 54 indicating firm buying strength and MACD is indicating firm momentum in short run.