Rice Weekly Research Report

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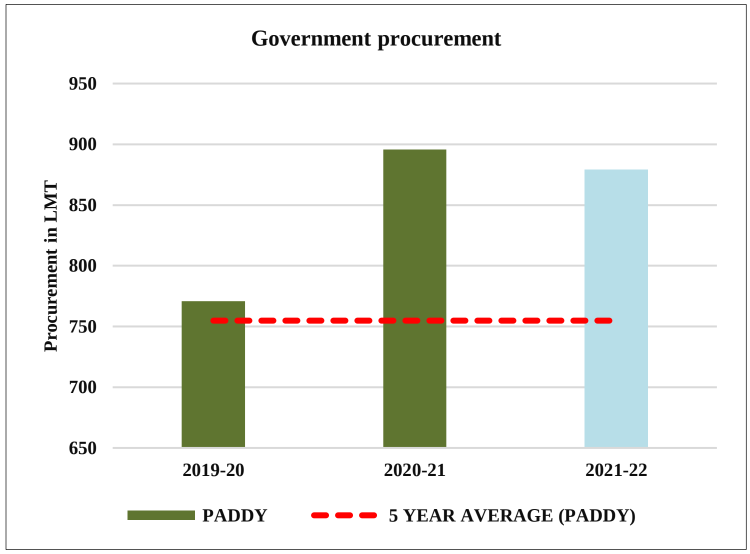
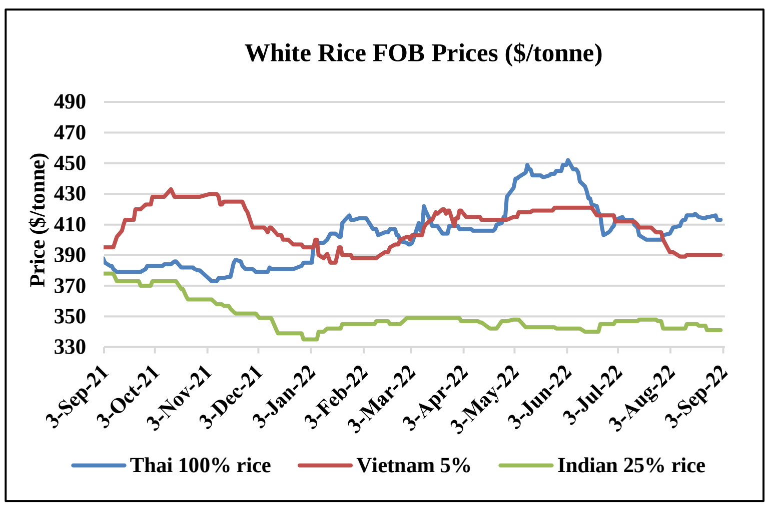
Outlook and Review:

- According to the latest data of FCI as of 31st Aug 22, the Centre has procured 881.32 lakh tonne (LMT) of paddy in the current 2021-22 marketing year so far at the Minimum Support Price (MSP). Up till this point, the MSP value has benefited around 130.65 lakh farmers.



- As of 26th August 2022, Rice has been sown in 367.55 lakh Ha. of area compared to 390.99 lakh Ha of previous year, down by 6%. The lag in acreage has reduced from earlier 13% as recent rains mainly over eastern India reportedly added to the acreage.
- Export price of 5% Broken Parboiled Indian Rice were quoted at $379-387 per Tonne as compared to prices of $366-$372 per Tonne during past week due to a Bangladeshi tender, prices increased. Due to crop damage this year, Bangladesh may be compelled to make large purchases.
- Sources state that Vietnam's 5% broken rice prices remained constant at $390-$393 per tonne as per the reports from 25th august,2022 till last week. Along with the markets closing for the national day holiday, slow sales and poor demand were reason behind this, and prices aren't anticipated to drop because the summer-autumn harvest's finish is lowering supplies.

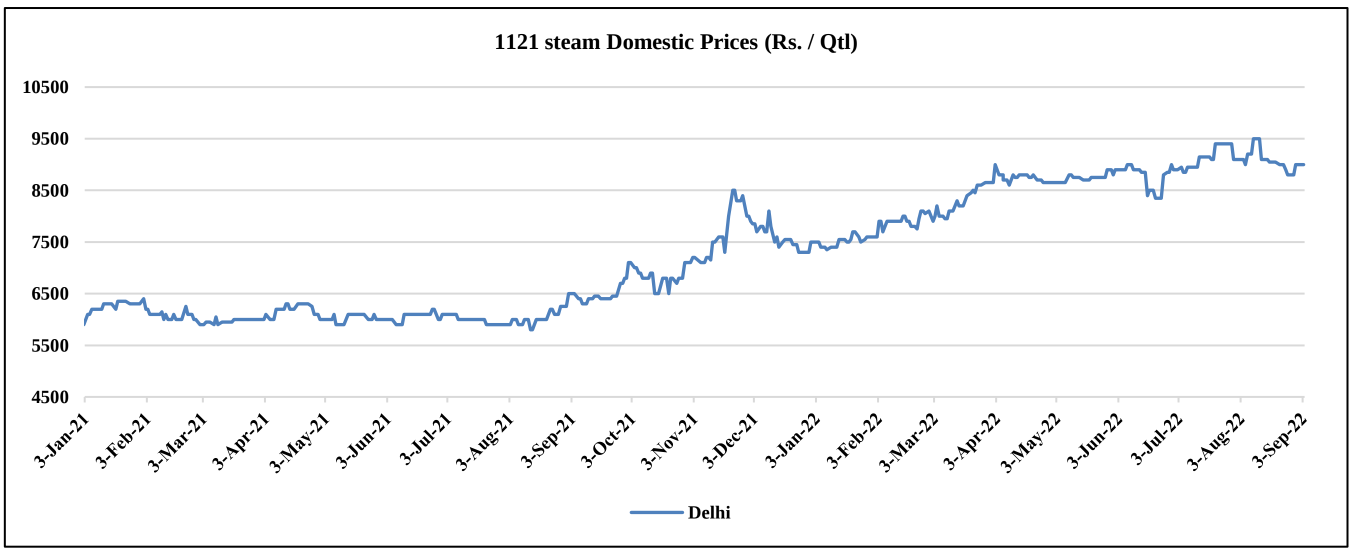


- As per the sources Thailand's 5% broken rice prices were reported slightly low at $415-$416 per tonne as compared to $416-$420 per tonne than last week's prices due to reduced demand as a result of rain and continuous production.

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

State	Prices 01-08 Sep 2022	Prices 24-31 Aug 2022	Prices 16-23 Aug 2022	Prices 01-08 Sep 2021	% Change (Over Previous Week)	% Change (Over Previous Year)
Kerala	4012.65	4050.3	3848.44	3390.99	-0.93	18.33
Odisha	2938.91	2765.62	2880.92	3135.3	6.27	-6.26
Uttar Pradesh	2673.54	2659.41	2669.88	2547.81	0.53	4.93
Uttrakhand	2099.44	2123.65	2130.38		-1.14	__
Karnataka	3497.17	4401.11	4115.61	3981.26	-20.54	-12.16
Bihar		2685.88			__	__
Manipur	3441.45				__	__
NCT of Delhi		6525			__	__
West Bengal	3255.74	3364.97	3304.79	2786.74	-3.25	16.83
Gujarat	4072.87	4128.81	4167.85	3668.56	-1.35	11.02
Maharashtra	3204.11	3602.13	3312.5	3579.36	-11.05	-10.48
Tripura	3091.69	3142.6	3075.25	3008.86	-1.62	2.75
Average	3228.76	3586.32	3278.4	3262.36		

Prices in Rs/Quintal **(source: Agmarknet)**



- Rice prices remained firm throughout the week at majority cash markets across the country. At bench market Narella, Delhi, the average weekly prices of Basmati 1121 steam rice traded at Rs. 8,967 per quintal, which is high by almost 0.5% compared to the average weekly prices of past week due to high prevailing price of paddy coming into markets. And at the prevailing prices cost for rice would increase, that’s why millers and stockists are also quoting higher prices.

Outlook (Narella 1121 Steam): -

Duration	Trend	Average Price Range	Reason
Second Week of September, 2022	Range bound	Rs.9,200-9,700/Quintal	Moderate supply due to failed Kharif production.
Third Week of September, 2022	Range bound	Rs.8800-8,900/Quintal	Increased arrivals due to harvest season.
Fourth Week of September, 2022	Range bound	Rs.8800-8,900/Quintal	Increased arrivals due to harvest season.

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
		27-Aug-22	20-Aug-22	28-Jul-22	27-Aug-21			
Delhi	**1121 Steam**	8800	9050	9400	6100	-2.76	-6.38	44.26
	1121 Sella	8300	8550	8800	5300	-2.92	-5.68	56.60
	1121 Raw	9300	9100	9500	6100	2.20	-2.11	52.46
	Basmati Raw	13200	13200	13000	9600	0.00	1.54	37.50
	1509 Steam Wand New	8300	8400	8700	5700	-1.19	-4.60	45.61
	Sugandh Steam	7400	7700	7700	5000	-3.90	-3.90	48.00
	Sharbati Raw	6300	6500	6600	4800	-3.08	-4.55	31.25
	Pusa Raw Wand	8500	8400	8000	5300	1.19	6.25	60.38
	ParmalSella	3600	3750	3550	3100	-4.00	1.41	16.13

Ongoing Kharif Paddy Sowing Updates as on 26th August 2022:

Sr.No.	State	Normal Area	Area Covered		Difference in Area coverage	
		(DES)	(Lakh Ha)		with Current Week & Normal	
			2022	2021	2022	Normal
1	Andhra Pradesh	15.17	10.69	10.27	0.42	-4.48
2	Arunachal Pradesh	1.32	1.36	1.26	0.10	0.03
3	Assam	19.98	18.71	19.19	-0.49	-1.28
4	Bihar	30.76	29.92	32.32	-2.40	-0.84
5	Chhattisgarh	37.31	33.22	36.67	-3.45	-4.09
6	Goa	0.26	0.22	0.25	-0.03	-0.04

7	Gujarat	8.16	8.50	8.02	0.48	0.34
8	Haryana	14.06	13.20	13.64	-0.44	-0.86
9	Himachal Pradesh	0.72	0.88	0.50	0.38	0.16
10	J&K	2.73	1.12	1.17	-0.05	-1.61
11	Jharkhand	15.48	6.95	17.46	-10.51	-8.53
12	Karnataka	9.24	7.49	6.28	1.21	-1.75
13	Kerala	1.48	0.58	0.54	0.04	-0.90
14	Madhya Pradesh	21.44	31.70	32.16	-0.46	10.26
15	Maharashtra	14.52	14.49	14.56	-0.07	-0.03
16	Manipur	0.40	1.95	1.95	0.00	1.55
17	Meghalaya	0.97	0.76	0.94	-0.18	-0.21
18	Mizoram	0.35	0.34	0.37	-0.03	-0.01
19	Nagaland	2.08	2.00	2.21	-0.21	-0.08
20	Odisha	36.20	29.01	31.25	-2.24	-7.19
21	Punjab	29.83	31.33	31.45	-0.12	1.50
22	Rajasthan	2.07	2.26	1.94	0.32	0.19
23	Sikkim	0.09	0.09	0.11	-0.02	-0.01
24	Tamil Nadu	16.32	3.28	3.00	0.28	-13.04
25	Telangana	12.04	18.50	17.20	1.30	6.46
26	Tripura	2.00	1.61	1.83	-0.22	-0.39
27	Uttar Pradesh	57.67	57.62	60.25	-2.63	-0.05
28	Uttarakhand	2.38	2.35	2.33	0.02	-0.03
29	West Bengal	41.64	36.93	41.55	-4.62	-4.71
30	Puducherry	0.11			0.00	-0.11
31	Others	0.28	0.50	0.32	0.18	0.22
	All-India	**397.06**	**367.55**	**390.99**	**-23.45**	**-29.51**

Source: - GOI

State wise Ongoing Procurement KMS 2021-22

KMS 2021-22 (Units in LMTs) (as on 31.08.2022)				
S.No.	**STATES/ UTs**	**FCI**	**State Agency**	**Total**
1	**A.P.**	0.00	67.56	67.56
2	**TELANGANA**	0.00	119.05	119.05
3	**ASSAM**	2.24	2.78	5.02
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	17.61	17.61
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	0.58	0.58
20	**TAMIL NADU**	0.00	43.27	43.27
21	**UTTAR PRADESH**	1.08	64.45	65.53
22	**UTTRAKHAND**	0.00	11.55	11.55
23	**WEST BENGAL**	0.00	35.31	35.31
Total		**6.63**	**874.68**	**881.32**

IGC Global Rice Balance Sheet:

Attributes (Fig in Million Tons)	2019-20	2020-21 Est.	2021-22 (Fore.)	2022-23 (Proj.)	
				21.07.2022	18.08.2022
Production	500	510	515	518	514
Trade	44	51	51	52	52
Consumption	495	509	517	519	518
Carryover stocks Y-O-Y change	181 5	182 1	180 -2	179	177 -3
Major Exporters	45	50	50	53	49

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 3 MMT month on month basis. Trade in 2023 (Jan-Dec) has been estimated higher by 1MMT to 51 MMT. However, it is similar to 2021-22 forecast for the trade.

World rice trade is seen edging up to a high in 2022 on sizeable deliveries to Africa. acreage gains in Asia, 2022-23 global production is predicted 1% up year on year basis. 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 September,2022 (Prices in US$/hundredweight)

Market Analysis

Market is currently moving in uptrend and trading above 9, 18, 50 and 100 DMA indicating bullish sentiments RSI is currently in Overbought zone, indicating strong buying strength, MACD is indicating strong momentum.