Rice Weekly Research Report

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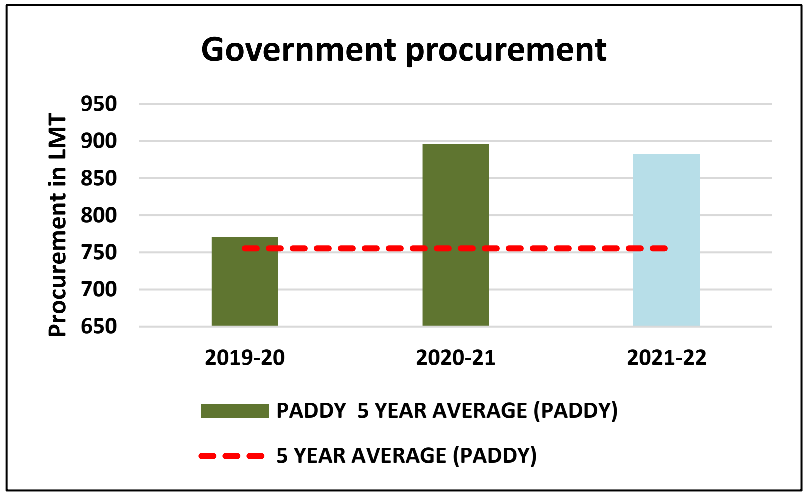
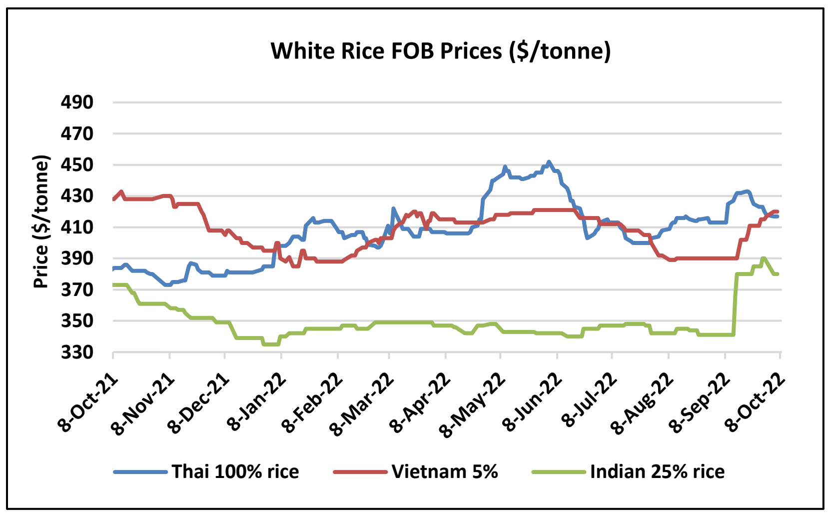
Outlook and Review:

- Procurement of paddy has started in some states and as per the latest data of FCI as of September 30th, 2022, the Center has so far procured 2.92 lakh tonne (LMT) of paddy in the current 2022-23 marketing year at the Minimum Support Price (MSP). The MSP value has so far benefited over 130.87 lakh farmers.



- As of latest sowing update on 30th September 2022, area deficit of paddy has decreased. Rice has been sown in 402.88 lakh Ha. of area compared to 423.04 lakh Ha of previous year, down by 4.76% due to erratic monsoon rains in Jharkhand, West Bengal, and Uttar Pradesh.
- Export price of 5% Broken Parboiled Indian Rice eased at $376-384 per Tonne as that of $385-$392 last week due to the weaker rupee and anticipations of increased supply as a result of the extension of government's PMGKAY scheme.



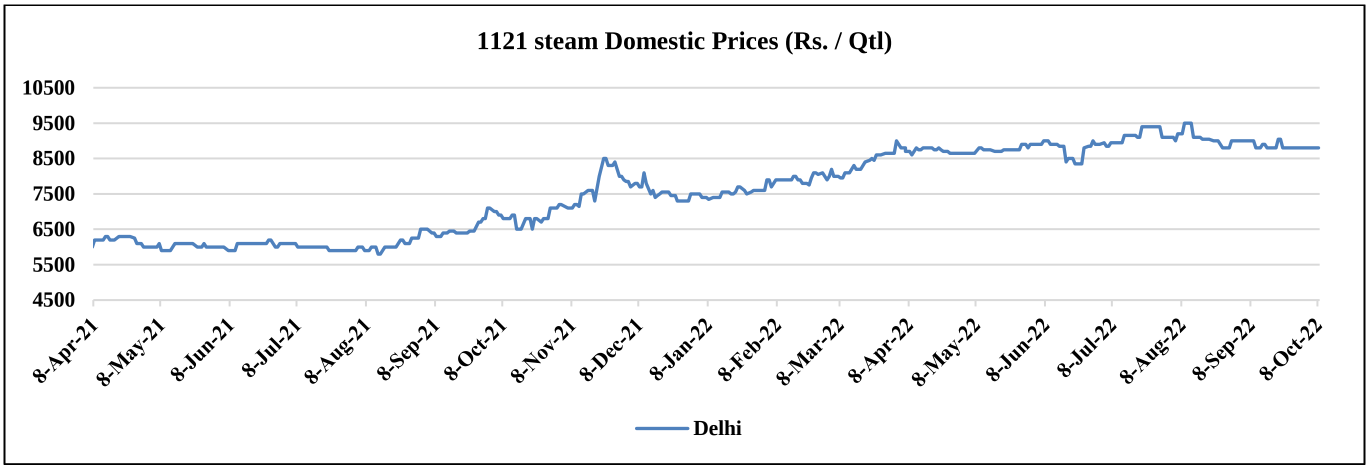
- As per the sources, Thailand's 5% broken rice prices rose to $422-$435 per tonne from $420-$435 per tonne last week amid a weaker baht. Due to the export demand from Middle East and South Asia.
- Export price of Vietnam's 5% broken rice rose to $420-$425 per Tonne, from $400-$410 last week due to end of the summer-autumn harvest.

State wise Wholesale Prices Weekly Analysis for Rice Second Week October, 2022

State	Prices 09-15 Oct 2022	Prices 01-08 Oct 2022	Prices 24-30 Sep 2022	Prices 09-15 Oct 2021	% Change(Over Previous Week)	% Change (Over Previous Year)
Karnataka	3596.2	4009.55	4019.76	4485.47	-10.31	-19.83
Kerala	4500	4121.02	4102.33	3437.35	9.2	30.91
Maharashtra	3756.09	4492.41	3894.1	3417.96	-16.39	9.89
Odisha	3063.7	2967.54	3079.6	2918.86	3.24	4.96

Tripura	3050.79	2980.35	3116.07	3070.16	2.36	-0.63
Uttar Pradesh	2730.89	2643.54	2640.69	2564.68	3.3	6.48
West Bengal	3174.36	3246.61	3387.39	2847.47	-2.23	11.48
Gujarat	3209.09	3850.41	4143.58	3800	-16.66	-15.55
Bihar			2986.01		—	—
Manipur		3452.74	3441.24		—	—
NCT of Delhi		2919	3800		—	—
Uttrakhand	2750	1888.84	2087.26		45.59	—
Average	**3314.57**	**3324.73**	**3391.5**	**3317.74**		

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



- Market sentiments remained almost stable throughout the week due to release of old stock by millers and stockists as well as export restrictions and new arrivals from Kharif crop. The weekly average price of Sughandha Rice remained steady at Rs. 7,100 per quintal in the benchmark Narella market, and the prices of 1121 steam wand also remained steady at Rs. 8800. Market prices for basmati grades are going to be low due to depressed export demand and for non-basmati grades also it is going to be weak because of increased distribution under PMGKAY scheme and low demand due to export restrictions.

Outlook (Narella 1121 Steam): -

Duration	Trend	Average Price Range	Average Price Range
Second Week of October, 2022	Steady to Weak	Rs.8,900-9,100/Quintal	Depressed export demand and new arrivals.
Third Week of October, 2022	Steady to Weak	Rs.8,900-9,100/Quintal	Depressed export demand and new arrivals.
Fourth Week of October, 2022	Steady to Weak	Rs.8,900-9,100/Quintal	Unwillingness of buyers/traders to buy at current price

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
		08-Oct-22	01-Oct-22	08-Sep-22	09-Oct-21			
Delhi	1121 Steam	8800	8800	9000	6800	0.00	-2.22	29.41
	1121 Sella	8650	8650	8550	5800	0.00	1.17	49.14
	1121 Raw	8900	8900	9100	6800	0.00	-2.20	30.88
	Basmati Raw	10000	10000	13000	9600	0.00	-23.08	4.17
	1509 Steam Wand New	7300	7300	7700	6000	0.00	-5.19	21.67
	Sugandh Steam	7100	7100	7200	5400	0.00	-1.39	31.48
	Sharbati Raw	6200	6200	6750	4100	0.00	-8.15	51.22
	Pusa Raw Wand	8400	8400	8400	5600	0.00	0.00	50.00
	ParmalSella	4200	4200	4000	3100	0.00	5.00	35.48

Ongoing Kharif Paddy Sowing Updates as on 30th September 2022:

Sr.No.	State	Normal Area	Area Covered		Difference in Area coverage	
		(DES)	(Lakh Ha)		with Current Week & Normal	
		Normal	2022	2021	2022	Normal
1	Andhra Pradesh	15.17	13.83	14.35	-6.74	-8.81
2	Arunachal Pradesh	1.32	1.36	1.32	2.04	2.58
3	Assam	19.98	19.55	20.48	-4.80	-2.18
4	Bihar	30.76	30.67	32.64	-6.04	-0.30
5	Chhattisgarh	37.31	36.99	37.58	-1.96	-0.85
6	Goa	0.26	0.22	0.25	-12.00	-14.43
7	Gujarat	8.16	8.68	8.13	6.22	6.34
8	Haryana	14.06	14.58	13.64	6.89	3.71
9	Himachal Pradesh	0.72	0.88	0.74	18.92	22.58
10	J&K	2.73	2.62	2.58	1.55	-4.18
11	Jharkhand	15.48	8.40	17.62	-52.35	-45.75
12	Karnataka	9.24	10.15	9.89	-0.68	9.90
13	Kerala	1.48	0.59	0.61	-3.28	-60.06
14	Madhya Pradesh	21.44	32.20	38.52	-6.50	50.21
15	Maharashtra	14.52	15.55	15.46	0.52	7.11
16	Manipur	0.40	1.95	1.95	0.00	389.70
17	Meghalaya	0.97	0.76	0.97	-21.86	-21.63
18	Mizoram	0.35	0.34	0.37	-7.03	-2.66
19	Nagaland	2.08	2.00	2.21	-9.41	-3.93
20	Odisha	36.20	35.16	35.32	-0.55	-2.86
21	Punjab	29.83	31.33	31.45	-0.38	5.04

22	Rajasthan	2.07	2.31	1.94	19.18	11.45
23	Sikkim	0.09	0.10	0.11	-9.09	6.84
24	Tamil Nadu	16.32	5.70	4.62	0.78	-65.10
25	Telangana	12.04	26.12	25.15	3.86	116.91
26	Tripura	2.00	1.69	1.94	-11.27	-15.80
27	Uttar Pradesh	57.67	57.78	60.26	-4.11	0.19
28	Uttarakhand	2.38	2.36	2.33	1.29	-1.01
29	West Bengal	41.64	38.52	42.17	-8.66	-7.50
30	Puducherry	0.11				
31	Others	0.28	0.50	0.40	19.05	81.75
	All-India	**397.06**	**402.88**	**425.00**	**-4.77**	**1.47**

Source: - GOI

State wise Ongoing Procurement KMS 2021-22

KMS 2021-22 (Units in LMTs) (as on 30.09.2022)				
S.No.	**STATES/ UTs**	**FCI**	**State Agency**	**Total**
1	**A.P.**	0.00	0.00	0.00
2	**TELANGANA**	0.00	0.00	0.00
3	**ASSAM**	0.00	0.00	0.00
4	**BIHAR**	0.00	0.00	0.00
5	**CHANDIGARH**	0.00	0.00	0.00
6	**CHHATISGARH**	0.00	0.00	0.00
7	**GUJARAT**	0.00	0.00	0.00
8	**HARYANA**	0.00	0.00	0.00
9	**H. P.**	0.00	0.00	0.00
10	**JHARKHAND**	0.00	0.00	0.00
11	**J&K**	0.00	0.00	0.00
12	**KARNATAKA**	0.00	0.00	0.00
13	**KERALA**	0.00	0.00	0.00
14	**M. P**	0.00	0.00	0.00
15	**MAHARASHTRA**	0.00	0.00	0.00
16	**ODISHA**	0.00	0.00	0.00
17	**PUNJAB**	0.00	0.00	0.00
18	**RAJASTHAN**	0.00	0.00	0.00
19	**NEF (Tripura)**	0.00	0.00	0.00
20	**TAMIL NADU**	0.00	2.92	2.92
21	**UTTAR PRADESH**	0.00	0.00	0.00
22	**UTTRAKHAND**	0.00	0.00	0.00
23	**WEST BENGAL**	0.00	0.00	0.00

Total		**0.00**	**2.92**	**2.92**

IGC Global Rice Balance Sheet:

Attributes (Fig in Million Tons)	2019-20	2020-21 Est.	2021-22 (Fore.)	2022-23 (Proj.) 18.08.2022	22.09.2022
Production	500	510	516	514	508
Trade	44	51	51	52	49
Consumption	495	509	518	518	515
Carryover stocks	181	182	180	177	173
Y-O-Y change	5	1	-2		-7
Major Exporters	45	50	49	49	48

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 with trade edging up to a new high. The estimated global output for 2022–2023 has been reduced by 6 million tonnes per month due to lower expectations for Asian countries, particularly India due to lower production, and export restrictions. Global carryovers are reduced by 7 million to 173 MMT, including decreases for China and top exporters, along with a decreased prediction for food use. The 2023 trade projection has been reduced by about 3 MMT month on month basis due to anticipated tighter supply from major suppliers.

According to sources, the weak demand has resulted in a drop in total exports for the marketing year 2021–2022. This year's floods in Pakistan affected the non-basmati growing region, but the basmati belt remains unaffected and has suffered no damage. Due to Pakistan's currency's sharp decline, basmati rice export prices are currently very competitive against India, which has a negative impact on India's pricing and export demand.

***Rice Price Trend – CBOT@* CBOT Nov- 22, Rough Rice)**
(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 near Overbought zone, indicating strong buying strength, MACD is indicating firm momentum.

Duration	Trend	Support	Resistance
Nov-2022	Firm bias	S1-17 S2-16	R1-18 R2-19