

Rice Weekly Research Report

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Outlook and Review:

- The 5% broken parboiled variety of rice in India saw an increase in prices this week, with price ranging from \$383 to \$389 per tonne, up from the previous week's range of \$380 to \$385. This uptick can be attributed to an improvement in demand and an appreciation in the value of the rupee.
- Similarly, Vietnam's 5% broken rice remained unchanged from a week ago, with prices quoted at \$460 per tonne on Thursday. Rice prices are expected to remain at elevated levels in the short term, as global economic and political uncertainties have prompted countries to increase their food reserves.
- Thailand's 5% broken rice prices were quoted at \$480 to \$482 per tonne, showing a slight increase from the previous week's range of \$475 to \$482. Domestically, prices are high as the harvesting season approaches its end, resulting in lower supply.

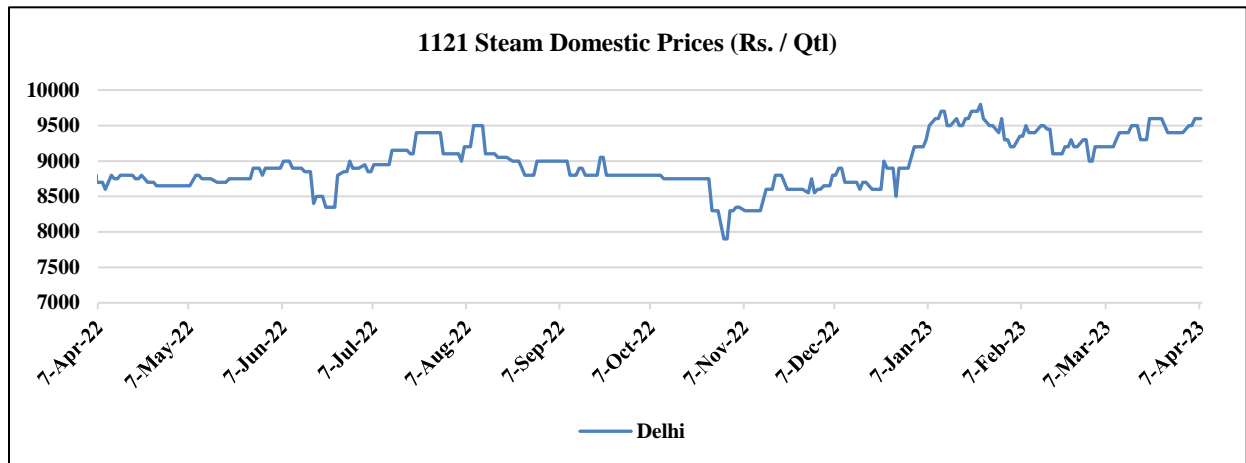
State wise Wholesale Prices Weekly Analysis for Rice First Week of April, 2023

| State | Prices 01-08 Apr 2023 | Prices 24-31 Mar 2023 | Prices 16-23 Mar 2023 | Prices 01-08 Apr 2022 | % Change (Over Previous Week) | % Change (Over Previous Year) |
|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------------|-------------------------------|
| Bihar | | 3900 | 3650 | 2616.75 | — | — |
| Gujarat | 4274 | 4262.94 | 4289.62 | 4317.73 | +0.26 | -1.01 |
| Karnataka | 4315.3 | 4078.44 | 4266.54 | 4105.29 | +5.81 | +5.12 |
| Kerala | 4319.92 | 4327.61 | 4327.75 | 3663.74 | -0.18 | +17.91 |
| Maharashtra | 4323.57 | 3845.31 | 4528.66 | 3701.64 | +12.44 | +16.8 |
| Manipur | 3407.99 | 3388.97 | 3329.58 | 3452.83 | +0.56 | -1.3 |
| NCT of Delhi | 4013.01 | | | 4300 | — | -6.67 |
| Odisha | 3110.53 | 3496.35 | 3213.36 | 2960.56 | -11.03 | +5.07 |
| Tripura | 3489.85 | 3415.69 | 3407.59 | 2996.2 | 2.17 | +16.48 |
| Uttar Pradesh | 2613.72 | 2583.57 | 2586.85 | 2555.65 | 1.17 | +2.27 |
| Uttarakhand | 2297.58 | 2454.71 | 2494.1 | 2748.64 | -6.4 | -16.41 |
| West Bengal | 3209.59 | 3234.43 | 3346.77 | 2839.19 | -0.77 | +13.05 |
| Average | 3579.55 | 3544.37 | 3585.53 | 3354.85 | | |

Prices in Rs/Quintal

(source: Agriwatch)

- During the week under review, prices remained steady to firm. Fresh arrivals from rabi crop, from the south-Indian paddy growing belt are expected from mid-April onwards, which might result in increased arrival pressure and price hike.
- During the week under review, the average price of Sugandha rice in the benchmark Narela market extended previous week's gain 1.91% to Rs. 8016.66 per quintal from last week, and price of 1121 steam also ticked up marginally by 0.70% at Rs. 9533.33 per quintal from the previous week.



Technical Analysis (Domestic market)

(Based on Narela Mandi prices)

Rice – Technical Outlook

Rice Narela Mandi prices -Weekly time frame

Technical Chart:



Technical Commentary:

- During this week, market declined from 9600 to 9400 levels and made both low and high of 9,400.
- Market is currently facing near term support of 18, 25 and 50 EMA can be characterized as near-term support, however, 100 EMA can be characterized as long-term support.
- RSI extended previous week's decline from 61.65 to 56.44 this week, however buying strength is still firm and MACD is indicating steady to firm momentum.
- 9,100-9,200 is near term support and 9,600-9,700 is near term resistance.

Recommendation-

- Market Participants are recommended to wait to buy near the support of 9,200 and sell above range of 9,500 in short run.

Rice Price Outlook for coming week (Narela 1121 Steam): Prices are currently at INR. 9,600/qtl. and are expected to trade with firm bias in the range of INR 9,300-9,600 in short run.

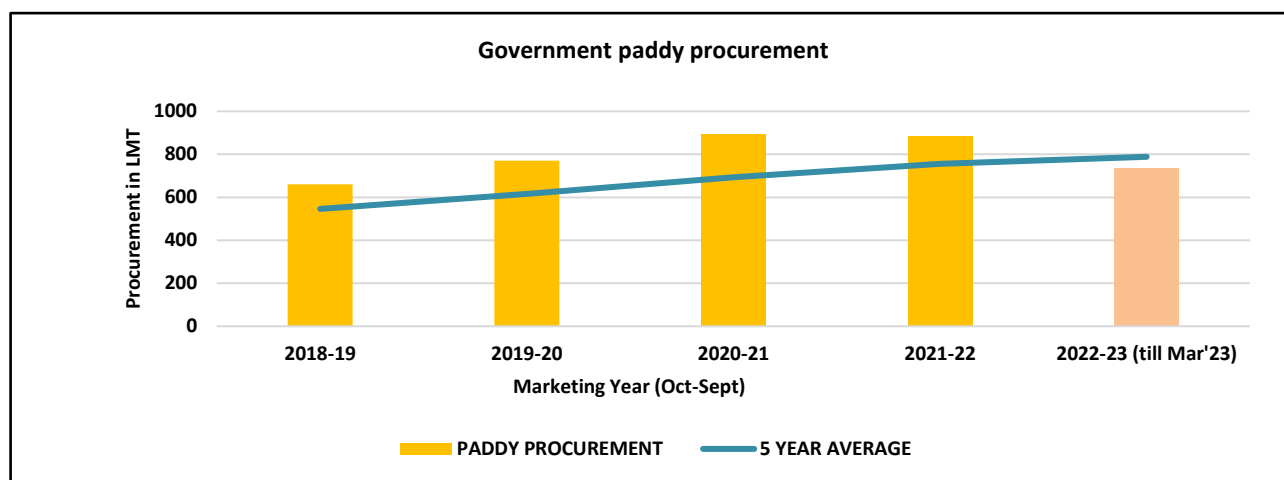
| Rice Price Outlook (INR./Qtl) | Previous week 25 th Mar'23- 31 st Mar'23 | Week under review 1 st Apr'23- 7 th Apr'23 | Next week 8 th Apr'23- 14 th Apr'23 |
|-------------------------------|---|---|--|
| Weekly Average Price | 9,400-9,600 | 9,400-9,600 | 9,300-9,600 |

State wise Procurement KMS 2022-23

| KMS 2022-23 (Units in LMTs) (as on 02.04.2023) | | | | |
|--|---------------|------|--------------|--------|
| S.No. | STATES/ UTs | FCI | State Agency | Total |
| 1 | A.P. | 0.00 | 31.30 | 31.30 |
| 2 | TELANGANA | 0.00 | 65.02 | 65.02 |
| 3 | ASSAM | 1.38 | 2.78 | 4.16 |
| 4 | BIHAR | 0.00 | 42.05 | 42.05 |
| 5 | CHANDIGARH | 0.19 | 0.00 | 0.19 |
| 6 | CHHATISGARH | 0.00 | 87.53 | 87.53 |
| 7 | GUJARAT | 0.00 | 1.77 | 1.77 |
| 8 | HARYANA | 0.14 | 59.22 | 59.36 |
| 9 | H. P. | 0.07 | 0.07 | 0.14 |
| 10 | JHARKHAND | 0.00 | 1.64 | 1.64 |
| 11 | J&K | 0.34 | 0.00 | 0.34 |
| 12 | KARNATAKA | 0.00 | 0.19 | 0.19 |
| 13 | KERALA | 0.00 | 2.22 | 2.22 |
| 14 | M. P | 0.00 | 46.16 | 46.16 |
| 15 | MAHARASHTRA | 0.00 | 15.04 | 15.04 |
| 16 | ODISHA | 0.00 | 65.17 | 65.17 |
| 17 | PUNJAB | 2.00 | 180.11 | 182.11 |
| 18 | RAJASTHAN | 0.00 | 0.00 | 0.00 |
| 19 | NEF (Tripura) | 0.00 | 0.40 | 0.40 |
| 20 | TAMIL NADU | 0.00 | 23.25 | 23.25 |
| 21 | UTTAR PRADESH | 1.12 | 64.38 | 65.50 |

| | | | | |
|----|--------------|-------------|---------------|---------------|
| 22 | UTTRAKHAND | 0.00 | 8.96 | 8.96 |
| 23 | WEST BENGAL | 0.00 | 30.39 | 30.39 |
| | TOTAL | 5.24 | 727.65 | 732.89 |

- As of April 2, 2023, the central pool had received 732.89 lakh tonnes (LMT) of paddy from FCI and state agencies during the current 2022–2023 kharif marketing season.
- As of March 2023, FCI had 210.54 LMT rice in its central pool against the required quantity of 135.8 LMT buffer on April 1.



IGC Global Rice Balance Sheet:

| Attributes (Fig in Million Tons) | 2020-21 | 2021-22 (Est.) | 2022-23 (Fore.) | | 2023-24 (Proj.) |
|-------------------------------------|---------|-------------------|-----------------|------------|--------------------|
| | | | 16.02.2023 | 16.03.2023 | 16.03.2023 |
| Production | 510 | 515 | 504 | 511 | 522 |
| Trade | 51 | 55 | 52 | 52 | 54 |
| Consumption | 509 | 519 | 513 | 517 | 520 |
| Carryover stocks | 182 | 178 | 170 | 173 | 175 |
| Y-O-Y change | 0 | -4 | | -5 | 2 |
| Major Exporters | 50 | 46 | 42 | 45 | 46 |

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

The global rice output for the year 2022/23 has been revised upwards by 7 million tonnes to reach 511 million tonnes (or 515 million tonnes), primarily due to an increase in production estimates for India. This additional supply is expected to result in higher consumption and stocks. Moreover, if the Asian region witnesses larger crops, the 2023/24 global rice output could be the highest ever recorded. In such a scenario, the demand and inventories are also predicted to increase. It is anticipated that the trade in rice during the period of January to December 2024 may expand to 54 million tonnes, which is 2 million tonnes more than the previous forecast.

Rice Price Trend – CBOT@ CBOT May- 23, Rough Rice (Weekly Time frame)

(Prices in US\$/hundredweight)

Market Analysis

During this week, the market continued previous week's loss and went down by 4.41%, made high of 17.55 and low of 16.54. It is currently trading below 9, 18 and 50 DMA indicating weak momentum, however, it is trading above 100 DMA which can be characterized as long-term support. RSI has declined from 48 to 44, indicating weak buying strength. Additionally, MACD is also indicating weak momentum.



| Duration | Trend | Support | Resistance |
|----------|---------|-------------------|---------------------|
| May-2023 | Bearish | S1-16.50 S2-16 | R1-17.90 R2-18.3 |

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