

Rice Weekly Research Report

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Outlook and Review:

- India's 5% broken parboiled variety has experienced a decline in prices, with the current quote at \$382 to \$388 per tonne, compared to last week's \$385 to \$392, attributed to the depreciation in the rupee. However, export demand for India's rice remains steady, with active buyers from the Asian region in recent days.
- As per trade sources, exports during March were reported to be at 13.23 LMT, out of which 7.96 LMT was non-basmati rice and 5.27 LMT was basmati rice.
- Vietnam's 5% broken rice prices have recently reached the levels of \$495-\$500 per tonne, similar to those seen in April 2021, and have increased from the previous range of \$465-\$470 a week ago. This hike in price can be attributed to the end of the country's largest winter-spring harvest of the year and the ongoing strong demand for Vietnamese rice, despite the dwindling domestic supplies. It is expected that the high prices may result in a decrease in purchases from buyers such as the Philippines.
- On a different note, Bangladesh has advised to harvest paddy rapidly in wetland areas in the northeastern part of the country due to the likelihood of flash floods caused by heavy rains anticipated in neighboring India's Meghalaya state.
- Meanwhile, Thailand's 5% broken rice prices have experienced a slight decline, from \$485 to \$490 last week, to \$480 per tonne, with subdued market activity after the Songkran holiday, which marks the Thai New Year. Notably, Thailand's rice exports in the first two months of 2023 have increased by 38% compared to the same period last year, reaching 1.4 million tonnes.

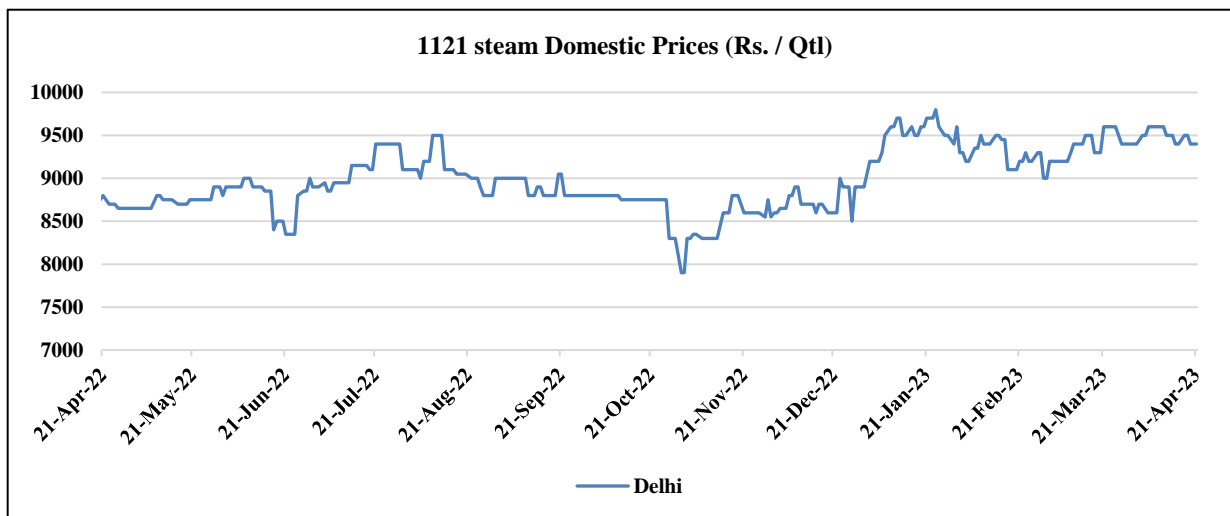
State wise Wholesale Prices Weekly Analysis for Rice Third Week of April, 2023

State	Prices 16-23 Apr 2023	Prices 09-15 Apr 2023	Prices 01-08 Apr 2023	Prices 16-23 Apr 2022	% Change (Over Previous Week)	% Change (Over Previous Year)
Bihar	2900	3947.25	4127.27	2752.89	-26.53	5.34
Gujarat	4355.75	4356.03	4274	4326.58	-0.01	0.67
Karnataka	4136.53	4150.07	4300.4	3935.47	-0.33	5.11
Kerala	4329.4	4325.79	4318.36	3642.35	0.08	18.86
Maharashtra	4011.84	4922.44	4243.69	3874.89	-18.5	3.53
Manipur	3455.13	3408.31	3407.99	3455.91	1.37	-0.02
NCT of Delhi		2000	4050	4325	—	—
Odisha	3254.83	3136.95	2821.53	3035.27	3.76	7.23
Tripura	3503.8	3526.67	3477.29	2998.8	-0.65	16.84
Uttar Pradesh	2696.25	2630.04	2614.83	2538.56	2.52	6.21
Uttarakhand	2640.55	3145.5	2360.84	2784.29	-16.05	-5.16
West Bengal	3271.14	3161.94	3225.55	2894.55	3.45	13.01
Average	3505.02	3559.25	3601.81	3380.38		

Prices in Rs/Quintal

(source: Agriwatch)

- During the week under review, market behaved in a rangebound manner. However, downward trend was observed in paddy/rice prices of North-Indian paddy growing belt. This can be attributed to subdued export demand, as importers are procuring Rabi rice from the South-Indian markets due to the significant arrival pressure being experienced there. It is anticipated that arrival pressure will persist until the end of April.
- During the week under review, the average price of Sugandha rice in the benchmark Narela market went down by 2.70% to Rs. 7800 per quintal from last week, and price of 1121 steam went down by 0.88% at Rs. 9433.33 per quintal from the previous week.



Technical Analysis (Domestic market)

(Based on Narela Mandi prices)



Technical Commentary:

- During the week under review, market rebounded after previous week's loss from 9400 to 9600 levels and made high of 9,500 and low of 9,600.
- Market is currently facing near term support of 18, 25 and 50 EMA, however, 100 EMA can be characterized as long-term support.
- RSI rebounded after previous week's decline from 56.44 to 60.08 this week, indicating improved buying strength 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. 9,500/qtl. and are expected to trade with firm bias in the range of INR 9,300-9,600 in short run.

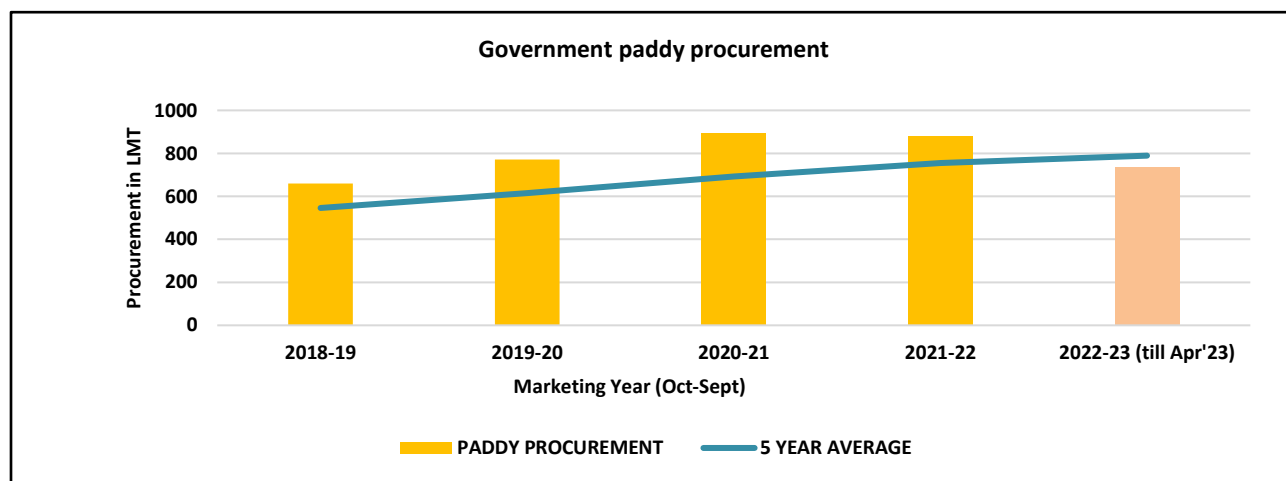
Rice Price Outlook (INR./Qtl)	Previous week 8 th Apr'23- 14 th Apr'23	Week under review 15 th Apr'23- 21 st Apr'23	Next week 22 nd Apr'23- 28 th Apr'23
Weekly Average Price	9,400-9,600	9,400-9,500	9,300-9,600

State wise Procurement KMS 2022-23

KMS 2022-23 (Units in LMTs) (as on 16.04.2023)				
S.No.	STATES/ UTs	FCI	State Agency	Total
1	A.P.	0.00	31.32	31.32
2	TELANGANA	0.00	65.02	65.02
3	ASSAM	1.53	3.17	4.70
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	1.68	1.68
11	J&K	0.34	0.00	0.34
12	KARNATAKA	0.00	0.20	0.20
13	KERALA	0.00	4.34	4.34

14	M. P	0.00	46.16	46.16
15	MAHARASHTRA	0.00	15.07	15.07
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	25.72	25.72
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	5.39	732.73	738.12

- As of April 16, 2023, the central pool had received 738.12 lakh tonnes (LMT) of paddy from FCI and state agencies during the current 2022–2023 kharif marketing season.
- As of April 2023, FCI have 248.60 LMT rice in its central pool against the required quantity of 135.40 LMT buffer on July 1st and 276.43 LMT of unmilled paddy.



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 the week under review, after previous week's gain, market went down by 2.43%, made high of 17.47 and low of 16.76. 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 gone down from 48 to 46.74, indicating low 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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