

Rice Weekly Research Report

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Outlook and Review:

- As per trade sources, this week, the 5% broken parboiled rice variety in India was quoted at a price range of \$376-\$380 per tonne, compared to the previous week's range of \$378-\$382. Buyers are delaying their purchases as prices continue to decrease, waiting to observe the extent of further price drops.
- Vietnam's 5% broken rice was offered at \$485-\$495 per tonne, down from \$495-\$500 a week ago. Following a prolonged holiday that ended on Wednesday, trading activity in Vietnam has not yet picked up. April exports nearly doubled year-on-year to 1.1 million tonnes, with shipments in the first four months of 2023 up 43.6% from a year earlier, valued at \$1.56 billion.
- Thailand's 5% broken rice prices fell to approximately \$485 per tonne. The prices had increased to a more than two-month high of \$490-\$495 per tonne last week due to demand from Indonesia and depleting local supplies as the harvest season came to a close. Despite an increase in orders since last week, exporters are still fulfilling shipments to Indonesia. Prices are expected to remain at this level for some time as the supply slows near the end of the harvesting period.

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

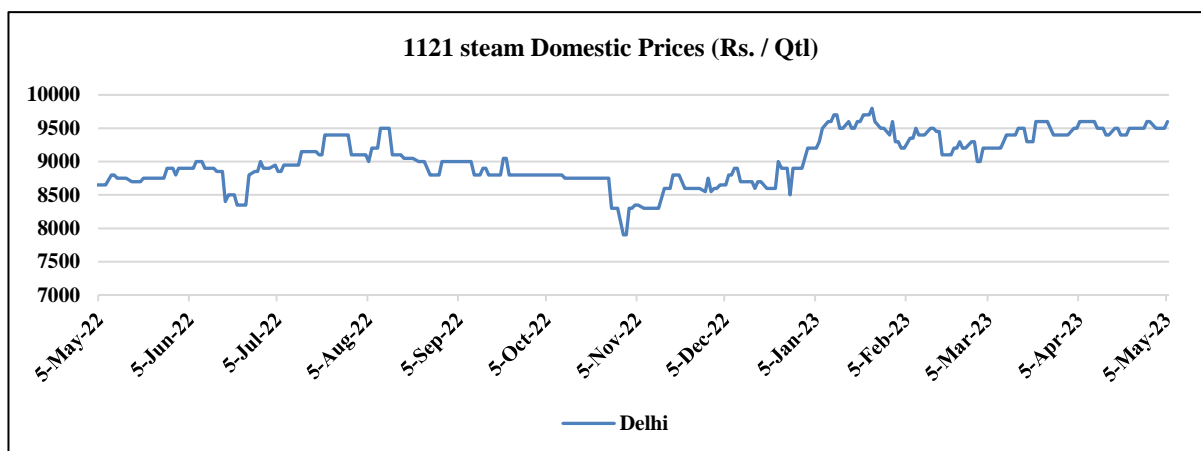
State	Prices 01-08 May 2023	Prices 24-30 Apr 2023	Prices 16-23 Apr 2023	Prices 01-08 May 2022	% Change (Over Previous Week)	% Change (Over Previous Year)
Bihar		3870	3844	2599	—	—
Gujarat	4317	4397	4356	4255	-1.82	1.46
Karnataka	4241	4029	4134	3610	5.26	17.48
Kerala	4343	4338	4344	3568	0.12	21.72
Maharashtra	3786	3896	4067	3969	-2.82	-4.61
Manipur	3683	3525	3455		4.48	—
Meghalaya		4500			—	—
Odisha	3259	3234	3214	2622	0.77	24.29
Tripura	3506	3529	3470	2946	-0.65	19.01
Uttar Pradesh	2666	2663	2666	2556	0.11	4.3
Uttarakhand	2810	3193	2639		-11.99	—
West Bengal	3380	3280	3277	2975	3.05	13.61
Average	3599.1	3704.5	3587.82	3233.33		

Prices in Rs/Quintal

(source: Agriwatch)

- Market remained rangebound during the week under review. Summer crop of Maharashtra which was expected to arrive in markets from the first week of May, is now delayed due to heavy rainfall. However, in Chhattisgarh, arrivals have begun from last week. In Telangana, the paddy brought to procurement centers was stored in exposed areas, leading to significant damage and in certain instances, germination of the wet paddy was seen.

- During the week under review, the average price of Sugandha rice in the benchmark Narela market went down by 1.67% to Rs. 7833.33 per quintal from last week, and price of 1121 steam increased by 0.17% 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 the week under review, market rebounded after previous week's loss from 9400 to 9500 levels and made high of 9,500 and low of 9,400.
- Market is currently facing near term support of 18, 25 and 50 EMA, however, 100 DMA can be characterized as long-term support.
- RSI improved from 55.12 to 57.03 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 9,300 and sell above range of 9,600 in short run.

Rice Price Outlook for coming week (Narela 1121 Steam): Prices are currently at INR. 9,400/qtl. and are expected to trade with firm bias in the range of INR 9,400-9,700 in short run.

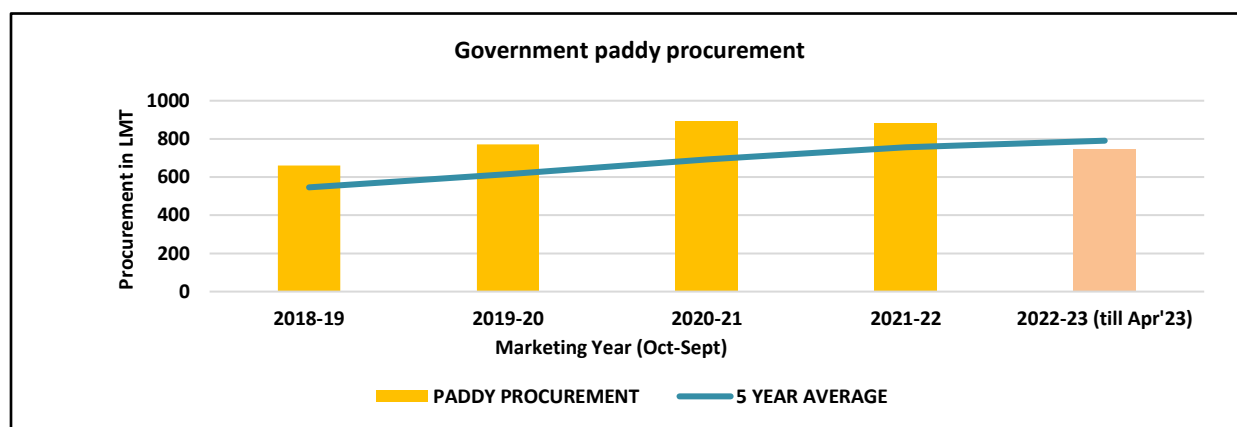
Rice Price Outlook (INR./Qtl)	Previous week 22 nd Apr'23- 28 th Apr'23	Week under review 29 th Apr'23- 5 th May'23	Next week 6 th May '23- 12 th May'23
Weekly Average Price	9,516.66	9,533.33	9,400-9,700

State wise Procurement KMS 2022-23

KMS 2022-23 (Units in LMTs) (as on 30.04.2023)				
S.No.	STATES/ UTs	FCI	State Agency	Total
1	A.P.	0.00	33.98	33.98
2	TELANGANA	0.00	65.92	65.92
3	ASSAM	1.67	3.41	5.08
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	1.70	1.70
11	J&K	0.34	0.00	0.34
12	KARNATAKA	0.00	0.20	0.20
13	KERALA	0.00	5.24	5.24
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	180.10	182.10
18	RAJASTHAN	0.00	0.00	0.00
19	NEF (Tripura)	0.00	0.40	0.40
20	TAMIL NADU	0.00	26.77	26.77

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	5.53	738.49	744.02

- As of April 30, 2023, the central pool had received 744.02 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.)	
				16.03.2023	20.04.2023
Production	510	515	509	522	521
Trade	51	55	53	54	54
Consumption	509	519	515	520	519
Carryover stocks	182	178	172	175	174
Y-O-Y change	0	-4	-6		2
Major Exporters	50	46	43	46	45

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

- The rice trade for the period of January to December 2023, which is expected to involve potentially significant shipments to Indonesia, is anticipated to show a modest increase on a month-on-month basis, with an estimated volume of nearly 53 million metric tons. Forecasts for the 2023/24 period remain largely unchanged since March, with a minor reduction in carry-in stocks and an aggregate end-season inventory expected to be slightly lower on a month-on-month basis, at 174 million metric tons, representing a year-on-year increase of 2 million metric tons. Expectations for increased trading volumes persist.

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

(Prices in US\$/hundredweight)

Market Analysis

During the week under review, market rebounded after previous week's loss, market went up by 2.37%, made high of 17.28 and low of 16.70. 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 improved to 48.60, indicating improved buying strength. Additionally, MACD is also indicating weak momentum.



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