

Fortnightly Foodgrain Outlook

Issue No. 382

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HIGHLIGHTS

- Both the domestic retail and wholesale prices of rice decreased over the last fortnight (As on 6 April 2023).
- Domestic retail piece of *atta* remained unchanged, in contrast wholesale price decreased over the last fortnight (As on 6 April 2023).
- Export prices of rice in India decreased while Pakistan and Thai rice prices increased over the last fortnight.
- Export prices of US SRW, Ukraine and Russia wheat decreased whereas and U.S (HRW) price increased over the last fortnight.
- Global rice production projected decreased whereas wheat production projected increased than a year ago.
- Global rice export decreased and wheat export projected higher than a year ago.

SUMMARY

RICE PRICE

In the fortnight ending April 6, the retail price of rice decreased at TK. 46.50/KG and wholesale price of rice decreased selling at Tk 42.50/Kg in the Dhaka city markets.

ATTA PRICE

In this fortnight ending April 6, the retail price of *atta* remained unchanged at TK. 59.0/KG and wholesale price of *atta* decreased at Tk 52.50/Kg in the Dhaka city markets.

INTERNATIONAL RICE PRICE

In the fortnight ending April 7, Pakistan and Thai 5% parboiled rice prices increased by 9.5% and 4.3% whether Indian 5% parboiled rice price decreased by 0.5%. Final price of these 3 varieties are USD 517/MT, USD 480/MT and USD 397/MT respectively.

INTERNATIONAL WHEAT PRICE

In the fortnight ending April 7, U.S (SRW), Ukraine and Russian wheat prices decreased by 1.4%, 1.8% and 1.1% selling at USD 280/MT, USD 280/MT and USD 282/MT respectively. On the other hand, U.S (HRW) wheat price increased by 6% selling at USD 388/MT.

GLOBAL RICE AND WHEAT PRODUCTION

Global rice production in April 2022/23 projected about 509 million MT, which was 1% lower than the previous year's projection whereas Global wheat production in April 2022/23 projected about 789 million MT, which was 1.2% higher than the previous year's forecast.

GLOBAL RICE AND WHEAT TRADE PROSPECT

Global rice export for 2022/23 projected in April at 54.9 million MT, which is 3.3% lower than the forecast of a year earlier. In the 2022/23, world wheat trade projected in April about 212.7 million tons, which is 5% higher than the previous year's export.

BANGLADESH RICE IMPORT

Up to 6 April during this FY 2022-23, Government imported 634.0 thousand MT of rice and the private sector imported 420.0 thousand MT of rice.

BANGLADESH WHEAT IMPORT

Up to 6 April during this FY 2022-23, public sector imported 660.0 thousand MT of wheat and the private sector imported 1856.0 thousand MT of wheat.

GOVERNMENT INTERVENTION

During this fortnight, about 148 thousand MT food grains were distributed through the PFDS. The distribution was majorly dominated by FFP and followed by OMS, VGD.

GOVERNMENT STOCK

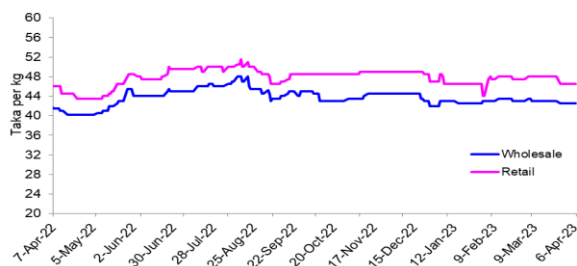
As on 6 April 2023, the public food grain stock was estimated at about 1804 thousand MT.

GOVERNMENT PROCUREMENT

Out of the target, 433.0 thousand MT of Aman rice has been procured during the FY 2022/23. Boro procurement has been set at 1.25 mmt for rice and 0.4 mmt for paddy with procuring price 44 Tk/kg for rice and 30 Tk/kg for paddy. Boro procurement will be started from 07 May 2023 and continue until 31 August 2023.

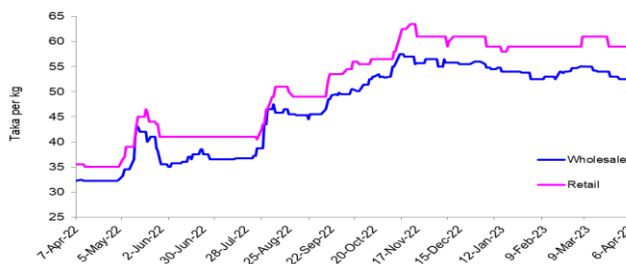
1. Domestic price: coarse rice and atta

Figure 1: Change in prices of Coarse Rice (Dhaka)



Source: Department of Agricultural Marketing (DAM), MIS&M (DG Food).

Figure 2: Change in prices of Atta (Dhaka)



Source: Department of Agricultural Marketing (DAM), MIS&M (DG Food).

Table 1: Rice and Atta price changes (Dhaka city)					
		over last fortnight	over last month	over last year	
RICE					
retail	46.50	▼	-3.1	▼	-2.1
wholesale	42.50	▼	-1.2	▼	-1.2
ATTA					
retail	59.00	▶	0.0	▶	0.0
wholesale	52.50	▼	-2.8	▼	-2.8

Source: DAM; Arrows indicate the direction of price change: red if a more than a 5% annual or 1% monthly/fortnightly rise, green if more than a 5% annual or a 1% monthly/fortnightly Decrease, yellow otherwise, the yearly change is calculated fortnight to fortnight.

RICE

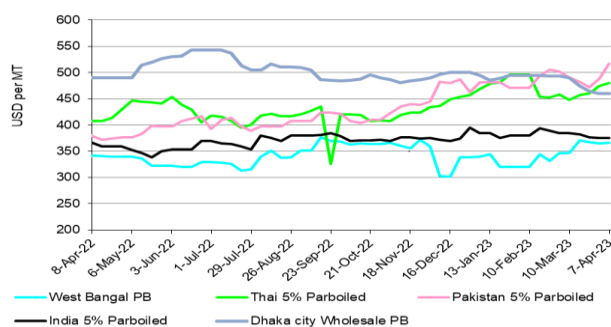
During this fortnight, both the retail and wholesale prices of rice (Swarna-Indian variety) in the Dhaka city markets decreased selling at TK. 46.5/KG and TK. 42.5/KG respectively. Over the last month, the retail and wholesale prices of rice decreased by 2.1% and 1.2% in the Dhaka city markets respectively. The point-to-point retail and wholesale prices were 2.7% and 1.4% higher than that of the corresponding period of the last year.

ATTA

Up to this fortnight, the retail price of atta remained unchanged at at TK. 59.0/KG and wholesale price of atta decreased selling at Tk 52.2/Kg in the Dhaka city markets. Over the last month, wholesale prices of *atta* in the Dhaka city markets decreased by 2.8%. Point-to-point retail and wholesale prices were 70.1% and 74.2% higher respectively comparing to the corresponding period of the last year.

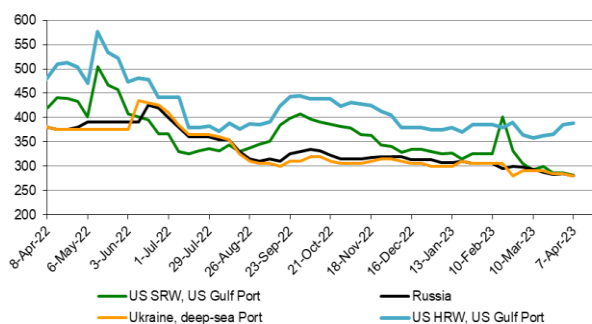
2. International price

Figure 3: Rice wholesale price in Dhaka and Kolkata and FOB Prices in relevant international markets



Source: For average weekly FOB prices: USDA, FAO, Jackson Sons & Co. (London) Ltd and Agrimarket Weekly. For average wholesale prices: Department of Agriculture Marketing, Govt. of Bangladesh and Department of Consumer Affairs, Government of India

Figure 4: Wheat wholesale price in Dhaka and FOB Prices in relevant international markets



RICE

In the fortnight ending April 7, Pakistan and Thai 5% parboiled rice prices increased by 9.5% and 4.3% up to USD 517/MT, USD 480/MT respectively whereas and Indian 5% parboiled rice price decreased by 0.5% at USD 375/MT. Over the same period, West Bengal parboiled rice decreased by 0.1% reaching USD 366/MT and Dhaka city wholesale prices of rice decreased by 3% down to USD 397/MT.

WHEAT

In the fortnight ending April 7, U.S (SRW), Ukraine and Russian wheat prices decreased by 1.4%, 1.8% and 1.1% down to USD 280/MT, USD 280/MT and USD 282/MT respectively and U.S (HRW) wheat price increased by 6% up to USD 388/MT.

Note: DAM has not been updating the price of wheat of the Dhaka city markets since September 2020.

Table 2: Chicago Board of Trade SRW Futures (USD/MT)

change	MAY (K23)	JUL (N23)	SEP (U23)	DEC (Z23)	MAR (H24)
31-Mar	254	259	263	270	274
7-Apr	248	253	257	264	269
change	-2.4%	-2.3%	-2.2%	-2.0%	-2.0%

Table 3: Kansas Board of Trade HRW Futures (USD/MT)

change	MAY (K23)	JUL (N23)	SEP (U23)	DEC (Z23)	MAR (H24)
31-Mar	323	317	315	316	314
7-Apr	318	311	309	310	309
change	-1.5%	-1.8%	-1.9%	-1.8%	-1.5%

Source: U.S. Wheat Associates Weekly Price Report, Conversion rates: 1USD/bu = 36.743 USD/MT

CBOT soft red winter (SRW) wheat future price this week lost \$6/MT from last week's price to end at \$248/MT. Similarly, KCBT hard red winter (HRW) future also lost \$5/MT from last week's price to close at \$318/MT (U.S. Wheat Associates, April 2023) (Table-2 & 3).

3. Global production and stock

Table 4: Rice world production and stock (million MT)

RICE	2020/21	2021/22	2022/23 forecast	change 2022/23 over 2021/22
Production	509	514	509	-1.0%
Ending stocks	189	183	171	-6.8%

Source: USDA (Grain: World Markets and Trade, April 2023)

RICE

Global rice production in April 2022/23 projected about 509 million MT, which was 1% lower than the previous year's projection. Global rice production is rising significantly, almost entirely due to a larger crop in India. Ending stocks in April 2022/23 projected about 171 million MT, which was 6.8% lower than the previous year (USDA, April 2023).

WHEAT

Global wheat production in April 2022/23 projected about 789 million MT, which was 1.2% higher than the previous year's forecast. Global production is forecast higher this month on larger crops in Kazakhstan, Australia, and India. Ending stocks in April 2022/23 projected about 272 million MT, which was 0.2% higher than the previous year (USDA, April 2023).

Table 5: Wheat world production and stock (millionMT)

Wheat	2020/21	2021/22	2022/23 forecast	change 2022/23 over 2021/22
Production	774	779	789	1.2%
Ending stocks	285	271	272	0.2%

Source: USDA (Grain: World Markets and Trade April 2023)

4. Global trade

Table 6: Main rice annual exporters (million MT milled)

	2020/21	2021/22	2020/21-2021/22 change	2022/23 projected	2021/22-2022/23 change
Thailand	6.28	7.68	▲ 22%	8.50	▼ 11%
Vietnam	6.27	7.05	▲ 12%	7.10	▼ 1%
USA	2.97	2.61	▼ -12%	1.94	▼ -26%
Pakistan	3.88	4.82	▲ 24%	3.80	▼ -21%
India	20.22	22.03	▲ 9%	22.50	▲ 2%
Others	11.55	12.57	▲ 9%	11.05	▼ -12%
World total	51.17	56.77	▲ 11%	54.90	▼ -3.3%

Table 7: Main wheat annual exporters (million MT)

	2020/21	2021/22	2020/21-2021/22 change	2022/23 projected	2021/22-2022/23 change
USA	27.05	21.78	▼ -19%	21.09	▼ -3%
European Union	29.74	32.00	▲ 8%	35.00	▲ 9%
Canada	26.43	15.12	▼ -43%	25.00	▲ 65%
Australia	23.77	27.51	▲ 16%	28.50	▲ 4%
Ukraine	16.85	18.84	▲ 12%	14.50	▼ -23%
Russia	39.10	33.00	▼ -16%	45.00	▲ 36%
Others	40.41	54.67	▲ 35%	43.62	▼ -20%
World total	203.35	202.92	▲ 0%	212.71	▲ 5%

Source: USDA (Grain: World Markets and Trade, March 2023) rice and wheat; arrows indicate The Direction of export quantities Change: red if more than 10% change from previous year, Yellow, more than 5% and green less than 5% change. For rice, 2020/21 is calendar year 2021, 2021/22 is calendar year 2022, 2022/23 is calendar year 2023 and so on.

RICE

- Global rice export for 2022/23 projected in April at 54.90 million MT, which is 3.3% lower than the forecast of a year earlier (USDA, April 2023).
- India accounts for a quarter of global rice production and is the second largest producer after China.
- Consumption forecasts were raised this month for Afghanistan, Bangladesh, Indonesia, Iraq, and the Philippines.

WHEAT

- In the 2022/23, world wheat trade projected in April at about 212.71 million tons, which is 5% higher than the previous year's export (USDA, April 2023).
- Global production is forecast higher this month on larger crops in Kazakhstan, Australia, and India. Global trade is forecast up with higher exports, mainly from Kazakhstan, Australia, and Brazil, more than offsetting smaller exports for Argentina and India.
- Imports are forecast up mostly on higher demand from Kazakhstan, Saudi Arabia, and Azerbaijan. Global consumption is raised with more consumption for food, seed, and industrial use in India and more feed and residual use in Kazakhstan. (USDA, April 2023).

5. Import

Figure 5: Rice imports (in '000 MT)

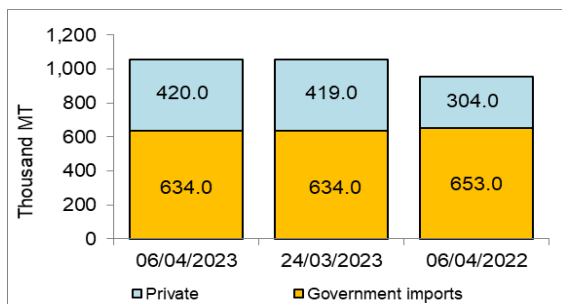
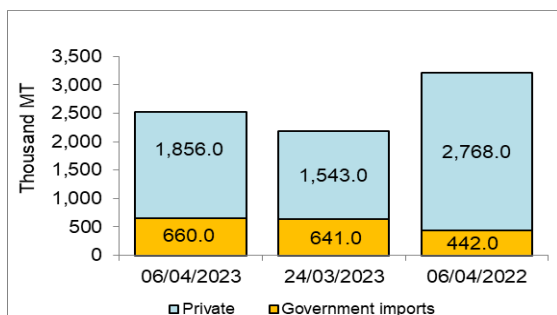


Figure 6: Wheat imports (in '000 MT)



RICE

Up to 6 April during this FY 2022-23, Government imported 634.0 thousand MT of rice and the private sector imported 420.0 thousand MT of rice. Over the same period of last year, the government imported 653.0 thousand MT of rice and the private sector imported 304.0 thousand MT of rice. Up to 30 June FY 2021-22, the government imported about 683.0 thousand MT of rice and about private sector 304 thousand MT of rice was imported by the.

WHEAT

Up to 6 April during this FY 2022-23, public sector imported 660.0 thousand MT of wheat and the private sector imported 1856.0 thousand MT of wheat. Over the same period of last year, public sector imported 442.0 thousand MT of wheat whereas private sector imported 2788.0 thousand MT of Wheat. Up to 30 June FY 2021-22, the government imported about 546.1 thousand MT of wheat and about 3466.0 thousand MT of wheat was imported by the private sector.

Table 8: LC situation, as on 18 March/23 (in '000MT)

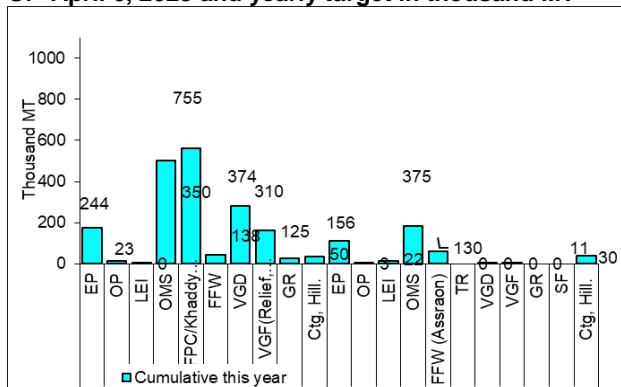
Period	L.C. opened		LC settled	
	Rice	Wheat	Rice	Wheat
1-18 March/23	10	379	109	164
Cumulative month, March/23	10	379	109	164
Cumulative year (starting 1st July/22)	1205	3046	1067	2213

Source: MISM, DG Food; Aid, if any, is included in Government imports

Source: Bangladesh Bank

6. Government intervention

Figure 7: Rice and wheat distributed through PFDS as of April 6, 2023 and yearly target in thousand MT



Source: Directorate General of Food and FPMU; OMS: Open Market Sale; OP: Other Priorities; LEI: Large Employers; EP: Essential; Priorities; FFW: Food for Work; VGD: Vulnerable Group Development; TR: Test Relief; VGF: Vulnerable Group Feeding; GR: Gratuitous Relief; SF: School Feeding

PUBLIC FOOD DISTRIBUTION

- The total distribution budget for 2021/22 was 3.39 million MT. The actual distribution was about 2.3 million MT. For FY 2022/23 the distribution plan through PFDS is about 3.28 million MT.
- During this fortnight, about 148 thousand MT food grains were distributed through the PFDS. The PFDS distribution was majorly dominated by FFP (41 Thousand MT), OMS (25 Thousand MT) and VGD (23.9 Thousand MT). As on 6 April FY 2022-23, about 2205 thousand MT food grains were distributed which is about 71.2% of the yearly target.
- The OMS drive is continuing up to the Upazila level all over the country sold at 30 Tk/kg for rice and 24 Tk/kg for *Atta*. Each beneficiary being able to purchase up to 5 kg of foodgrains.

PUBLIC STOCKS (inclusive transit)

- As on 6 April 2023, the public food grain stock was estimated at about 1804 thousand MT of which 1385 thousand MT for rice and 419 thousand MT for wheat (MISM, DG Food).

DOMESTIC FOOD GRAIN PROCUREMENT

- Government decided to procure 650 thousand MT of paddy at Tk 27.0/Kg and 1300 thousand MT of parboiled rice at Tk 40.0/Kg, and 50 thousand MT of *Atap* rice at Tk 39.0/Kg, a total of about 1772 thousand MT of rice (in terms of rice) during the *Boro* season (2022). *Boro* procurement started from 28 April 2022 and continued up to 31 August 2022. As on August 31, 1351.48 MT of *Boro* rice had been procured.
- Aman procurement started from 17/11/2022 and ended at 07/03/2023. During this time 433.0 thousand MT of rice has been procured. . *Boro* procurement has been set at 1.25 mmt for rice and 0.4 mmt for paddy with procuring price 44 Tk/kg for rice and 30 Tk/kg for paddy. *Boro* procurement will be started from 07 May 2023 and continue until 31 August 2023.

Aman Procurement

