

KEDIA ADVISORY

PADDY REPORT

Date: 20 June 2026

Kedia Stocks and Commodities Research Pvt. Ltd.

SEBI Registration Number: INH000006156



PAST PERFORMANCE





Price Performance: Paddy prices declined over 6% during the month amid export disruptions caused by the Middle East conflict, which delayed nearly 200,000 tonnes of basmati rice shipments. India's rice export value also fell 6% in April due to rising freight and insurance costs of 25–30%. However, tightening global supply expectations and renewed African demand provided partial support.


Domestic Supply & Stocks: India's rice production for 2025-26 is estimated at 1239.28 lakh tonnes, around 1% higher YoY, reflecting favorable acreage and productivity. Rabi paddy acreage also increased 15.19% YoY, signaling abundant domestic supplies. Additionally, government stocks remain elevated at 60.4 million tonnes, raising risks of market dumping if storage capacities become critically stretched during the upcoming procurement cycle.

Global Demand & Trade Dynamics: Global rice fundamentals remain mixed as USDA projects 2026-27 world rice production lower by 5 million tonnes to 537.8 million tonnes, the first decline since 2015-16. Global consumption is projected at a record 541.4 million tonnes, while ending stocks may decline 3.6 million tonnes. However, Vietnam's aggressive pricing and new import restrictions from Indonesia and Philippines continue pressuring Indian exports.

Weather & Export Risks: Below-normal monsoon expectations at 92% of LPA could trigger supply concerns if kharif sowing targets are missed later in the season. Heavy rains already damaged over 2 lakh hectares of crops in Maharashtra, while unseasonal rains affected Andhra Pradesh and Telangana. Simultaneously, geopolitical tensions around the Strait of Hormuz increased freight costs and disrupted vessel turnaround times, weakening export competitiveness.

Technical Outlook: Technically, a bearish harmonic pattern has formed on the weekly chart, indicating continuation of corrective weakness. RSI and MACD structures remain negative, while elevated volatility signals sustained downside pressure. Prices are expected to remain under pressure below the resistance zone of 4850–5000. Immediate downside targets are seen near 4300–4200, while extended weakness could drag prices towards 4100 and 3960 levels.

Price Outlook

Price	Trend	1-2 Months	3 Months
4500.00	Sell on Rise	 <p>As a Bearish Harmonic Pattern has formed on the weekly chart, the near-term outlook remains weak. RSI and MACD indicators continue showing negative momentum. Prices are likely to test 4300–4200 levels initially, whereas strong resistance is expected above 4850. Fundamentally, higher production at 1239.28 lakh tonnes and elevated government stocks at 60.4 MMT continue weighing on prices.</p>	Continuing the bearish outlook, prices may gradually decline towards 4200 followed by 4100 and 3960 levels over the medium term, while resistance is placed near 5000. Technical indicators including RSI, MACD, and volatility structure continue favoring downside continuation. Additionally, higher global competition, export disruptions, and abundant domestic supply may keep overall market sentiment under pressure despite lower global stock projections.

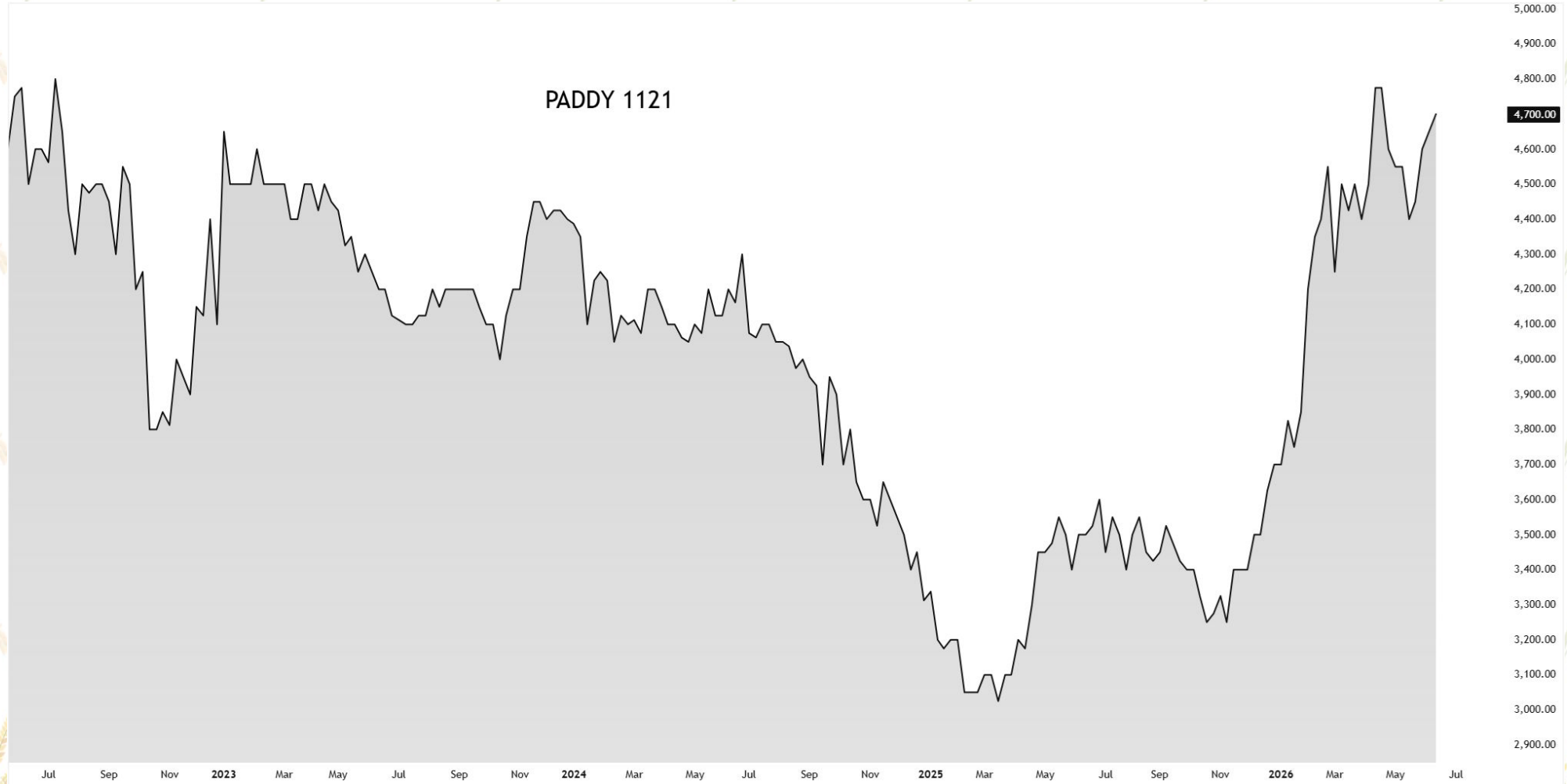
FUNDAMENTALS





Performance

Commodity	Price	Period (% Change)					
		1 Week	1 Month	3 Month	6 Month	1 Year	Ytd
Spot Paddy 1121	4,700.00	1.08	4.44	6.21	34.29	30.56	22.08





- Paddy prices gained over 4% monthly amid rising concerns regarding monsoon progress and production prospects.
- Government increased paddy MSP by ₹72 to ₹2,441 per quintal for 2026-27 season.
- India's rice procurement approached 50 million tonnes, rising 6% from previous year levels.
- USDA projects India's rice stock-to-use ratio declining over 7%, tightening future availability outlook.
- Farmers in Punjab and Haryana are shifting acreage from basmati to non-basmati varieties.
- Andhra Pradesh targets record rabi paddy procurement of 23 lakh tonnes, supporting demand.
- India approved 2.3 lakh tonnes rice exports to Maldives, boosting export market sentiment.
- African nations accelerated rice purchases after India's policy shift, strengthening export order books.
- India retains dominant global rice export share, maintaining strong influence over international pricing.
- Government rice stocks surged 15% annually to record highs at the beginning of June.
- Paddy sowing increased over 28% year-on-year, indicating improved planting progress across regions.
- Middle East conflict disrupted rice shipments and reduced India's export volumes during early 2026.
- Record rice production estimates above 154 million tonnes ensure comfortable domestic supply availability.
- Below-normal monsoon forecasts and El Niño concerns could support prices during later quarters.
- Global rice consumption is projected at record levels, exceeding production growth in 2026-27.
- Geopolitical tensions and higher freight costs continue raising risk premiums on rice shipments.
- Private millers are actively building inventories, anticipating stronger export demand and higher prices.
- Record global rice stocks and rising production may limit sustained upside in prices.



Strengths

- Prices gained over 4.4% in a month amid rising concerns over rainfall and production
- For the 2026-27 Kharif marketing season stands at ₹2,441 per quintal for common paddy, up by Rs 72.
- India's rice purchase reaches near 50 million tonnes, up 6% from a year ago
- As per USDA, India's stocks to use ratio for 2026-27 to drop 7.05% from 2025-26
- Reports from Punjab and Haryana indicate farmers are considering shifting 10-12% of traditional Basmati acreage to shorter-duration non-basmati varieties
- Andhra Pradesh targets record 23 lakh mt rabi paddy procurement
- India permits 2.3 lakh tonnes of rice export to Maldives for 2026-27
- Countries in Africa have rushed to renew depleted inventories after India's policy shift, boosting export orders.

Weaknesses

- India's rice stocks in government warehouses rose 15% from a year ago to a record high for the start of June
- As of 15 Jun, sowing done in 4.98 lakh hectares, up by over 28% compared to years 3.88 lakh hectares.
- India's rice exports during January to April fell 1.3% from a year ago to 8.39 million metric tons hit by the West Asia war.
- India's basmati rice exports fell 7% during January to April to 2.3 million metric tons.
- As per 3rd Adv Est, Rice production for 2025-26, expected at 1540.24 Lakh tonnes up by over 2.5% from last year.
- Unsold stocks from the previous Kharif season are still being offered at discounts to clear space for the new crop.
- IGC raised the global rice production forecast to 548 million tonnes for 2026/27, citing "modest acreage gains"

Opportunities

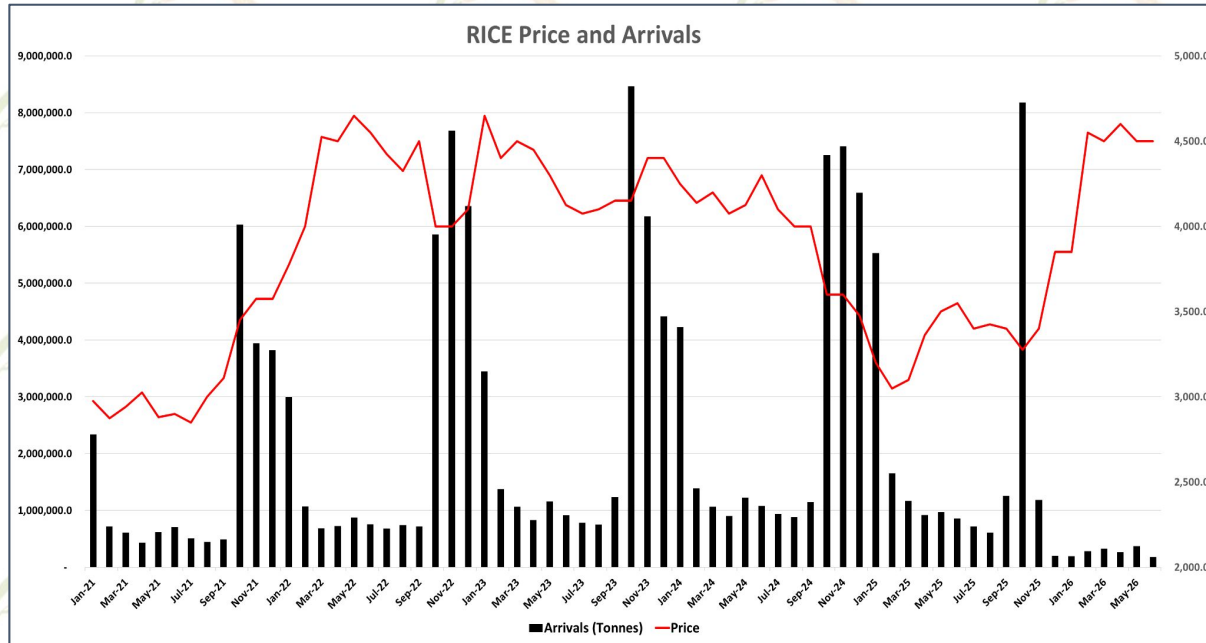
- Below-normal monsoon (92% LPA) could trigger a bullish price reversal by late Q3 if planting targets are missed.
- FAO warns El Niño may weaken India's monsoon, stressing rainfed rice crops.
- For 2026/27, World rice production is forecast down 5.0 million tons to 537.8 million tons, the first decrease since 2015/16 - USDA
- For 2026/27, Global consumption is projected 3.8 million tons higher to a record 541.4 million, on higher use by several countries – USDA
- For 2026/27, Global ending stocks are projected at 192.7 million tons, down 3.6 million, largely on reduced stocks for India – USDA
- Geopolitical tensions near the Strait of Hormuz have increased "risk premiums" on grain shipments, can drive up prices.
- Private millers are stocking up heavily, anticipating even higher export demand.
- Middle East countries increasing imports for food security reserves could provide 5-6% volume growth in non-war-affected markets.

Threats

- Rising freight and insurance costs amid the Iran conflict have disrupted trade routes, dampening African demand.
- Bumper government stocks of 60.4 million tonnes might lead to market-dumping if storage capacity reaches critical limits.
- Global rice production in 2025-26 is forecast at 561.6 million tonnes, up 2% and an all-time high – FAO
- FAO forecasts global rice stocks to hit peak of 217.7 million tonnes
- Due to Strait of Hormuz disruptions, slower vessel turnaround times have led exporters to reduce their paddy purchase bids.
- Vietnam recently slashed its 5% broken rice prices to \$355-\$360/MT to stay competitive, forcing Indian exporters to follow suit.
- Major buyers like Indonesia and the Philippines have imposed new "quality-based" restrictions, slowing down the pace of Indian shipments.

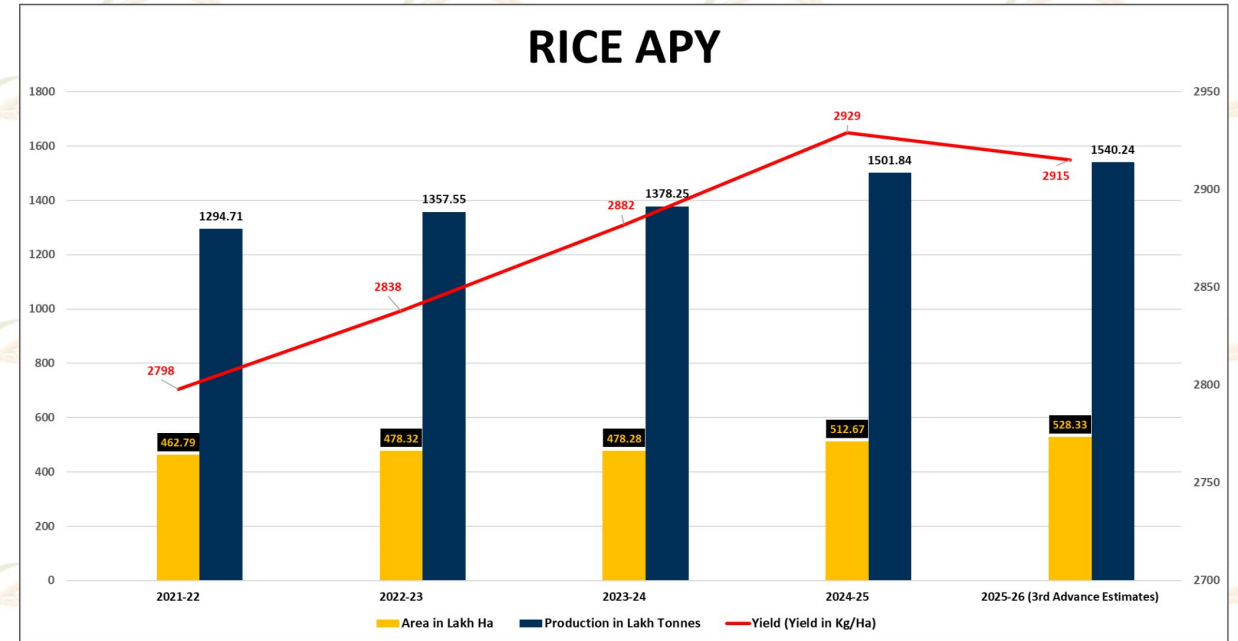


Arrivals



Source: UPAJ

APY



Global Rice Price Trends – May 2026 Highlights



FAO All Rice Price Index: 118.3 Points

▲ +2.7% MoM | ▲ +6.1% YoY

▲ Continued Increase in May 2026



Key Drivers Behind Price Increase

- ▲ Weather concerns in key rice exporting countries
- ▲ Higher crude oil and derivative prices
- ▲ Stronger quotes in leading Asian exporters



Indica Rice

▲ 3.1%

Stronger demand from Asia and Africa; tight exportable supplies



Japonica Rice

▲ 2.4%

Weather concerns in Japan and higher production costs



Basmati Rice

▲ 1.8%

Steady demand in Middle East & Asia; firm Export Prices



Export Demand

▲ 2.6%

Improved buying interest from Asia, Africa & Middle East



Global Supplies

▼ Tight

Limited exportable stocks in key exporting countries



Crude Oil Prices ▲
Prices Increased



Weather Concerns
Rainfall & Heat Risks



Freight Costs ▲
Transport Costs Up



Import Demand ▲
Strong Global Demand



In May 2026, the FAO All Rice Price Index rose to **118.3 points**, up **2.7%** from April and **6.1%** from a year ago. The increase was supported by weather risks and higher crude oil prices, despite stable global supplies.

- FAO All Rice Price Index increased 2.7% in May 2026.
- Weather concerns supported rice prices across major Asian exporting nations.
- Higher crude oil prices strengthened rice quotations through rising costs.
- Firm demand and supply uncertainties boosted sentiment in global rice markets.
- Leading Asian exporters witnessed stronger rice prices amid weather risks.
- Rising energy costs and derivatives provided additional support to rice prices.

Rice Market Outlook - WASDE June Report



U.S. Rice Outlook (2026/27)

Higher supplies, unchanged use & exports, slightly higher ending stocks.



U.S. Price Outlook

Season-average Farm Price (SAFP) unchanged at **\$13.50** per cwt, vs. revised **\$12.50** in 2025/26.



Production

175.2 million cwt

▼ 15% from 2025/26

Lower harvested area



Total Supplies

275.3 million cwt

▼ 10% from 2025/26

Lower production



Domestic & Residual Use

154.0 million cwt

Reduced supplies



Total Exports

79.0 million cwt

▼ 2.0 million cwt from 2025/26

Strong global competition & higher U.S. prices



Ending Stocks

42.3 million cwt

▼ 18% from 2025/26

Lower supplies, lower carryout

Global Rice Outlook (2026/27)



Global Production

537.8 million tons

▼ 5.0 million tons

First decrease since 2015/16; largest declines for India, Burma, and the U.S.



Global Consumption

541.4 million tons

▲ 3.8 million tons (record high)

India up 4.0 million tons to record 128.0 million on population growth and PDS distributions. China down 2.1 million tons to 145.1 million.



Global Trade

63.0 million tons

▲ 2.7 million tons (record high)

India leads exports at 25.0 million tons. Ample supplies and competitive prices limit export growth by other major Asia exporters.



Global Supplies

Larger Supplies

▲ vs. 2025/26

Supported by carryin stocks despite lower production.



Global Ending Stocks

192.7 million tons

▼ 3.6 million tons

Lower stocks, largely due to reduced stocks for India.



Global outlook for 2026/27: larger supplies, greater trade, increased consumption, and lower ending stocks compared to 2025/26.

- U.S. 2026/27 rice supplies increased slightly on higher beginning stocks carryover.
- U.S. rice ending stocks reached highest levels since the 1985/86 season.
- Season-average farm price remained unchanged at \$13.50 per cwt for 2026/27.
- Global rice production held steady at 537.8 million tonnes despite supply adjustments.
- India's rice output reached a record 154 million tonnes, boosting availability.
- Global rice trade remained at a record 63 million tonnes in 2026/27.
- World rice consumption eased slightly, while ending stocks edged marginally higher.
- Reduced beginning stocks in Iraq and Vietnam lowered global rice supplies.



Balance Sheet - Rice, Milled

World (1000 MT)					
Attribute	2023/2024	2024/2025	2025/2026	2026/2027	% Chg
Beginning Stocks	180,622	179,683	191,051	196,306	2.75
Production	523,809	542,024	542,819	537,819	(0.92)
Imports	53,803	57,975	57,188	59,768	4.51
Total Supply	758,234	779,682	791,058	793,893	0.36
Exports	56,831	61,516	60,284	63,008	4.52
Domestic Consumption	521,720	527,115	534,468	538,148	0.69
Ending Stocks	179,683	191,051	196,306	192,737	(1.82)
Total Demand	758,234	779,682	791,058	793,893	0.36
Stock to Use Ratio	23.70	24.50	24.82	24.28	(2.17)

India (1000 MT)					
Attribute	2023/2024	2024/2025	2025/2026	2026/2027	% Chg
Beginning Stocks	35,000	42,000	48,000	53,000	10.42
Production	137,825	150,184	152,000	150,000	(1.32)
Imports	-	-	-	-	-
Total Supply	172,825	192,184	200,000	203,000	1.50
Exports	14,422	22,827	23,000	25,000	8.70
Domestic Consumption	116,403	121,357	124,000	128,000	3.23
Ending Stocks	42,000	48,000	53,000	50,000	(5.66)
Total Demand	172,825	192,184	200,000	203,000	1.50
Stock to Use Ratio	24.30	24.98	26.50	24.63	(7.05)

Source: USDA

PADDY 1121 PRICE MOVEMENT SINCE 2020

Crop Calendar	Harvest		Sowing					Harvest				Kharif Rabi Growth	
	Sowing		Harvest		Sowing			Harvest		Sowing			
Year	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
2020	3175.0	2925.0	2975.0	2895.7	2965.0	3084.4	2820.0	2850.0	2700.0	2625.0	2710.0	2950.0	-200.00
	0.79	-7.87	1.71	-2.67	2.39	4.03	-8.57	1.06	-5.26	-2.78	3.24	8.86	-6.35
2021	2975.0	2875.0	2941.0	3025.0	2880.0	2900.0	2850.0	3000.0	3110.0	3450.0	3575.0	3575.0	625.00
	0.85	-3.36	2.30	2.86	-4.79	0.69	-1.72	5.26	3.67	10.93	3.62	0.00	21.19
2022	3775.0	4000.0	4525.0	4500.0	4650.0	4550.0	4425.0	4325.0	4500.0	4000.0	4000.4	4100.0	525.00
	5.59	5.96	13.13	-0.55	3.33	-2.15	-2.75	-2.26	4.05	-11.11	0.01	2.49	14.69
2023	4650.0	4400.0	4500.0	4450.0	4300.0	4125.0	4075.0	4100.0	4150.0	4150.0	4400.0	4400.0	300.00
	13.41	-5.38	2.27	-1.11	-3.37	-4.07	-1.21	0.61	1.22	0.00	6.02	0.00	7.32
2024	4250.0	4137.5	4200.0	4075.0	4125.0	4300.0	4100.0	4000.0	4000.0	3600.0	3600.0	3475.0	-925.00
	-3.41	-2.65	1.51	-2.98	1.23	4.24	-4.65	-2.44	0.00	-10.00	0.00	-3.47	-21.02
2025	3200.0	3050.0	3100.0	3362.5	3500.0	3550.0	3400.0	3425.0	3400.0	3275.0	3400.0	3850.0	375.00
	-7.91	-4.69	1.64	8.47	4.09	1.43	-4.23	0.74	-0.73	-3.68	3.82	13.24	10.79
2026	3850.0	4550.0	4500.0	4600.0	4450.0	4700.0							850.00
	0.00	18.18	-1.10	2.22	-3.26	5.62							22.08
Average	1.55	-3.00	3.76	0.67	0.48	0.70	-3.86	0.50	0.49	-2.77	2.79	3.52	Average

TECHNICALS









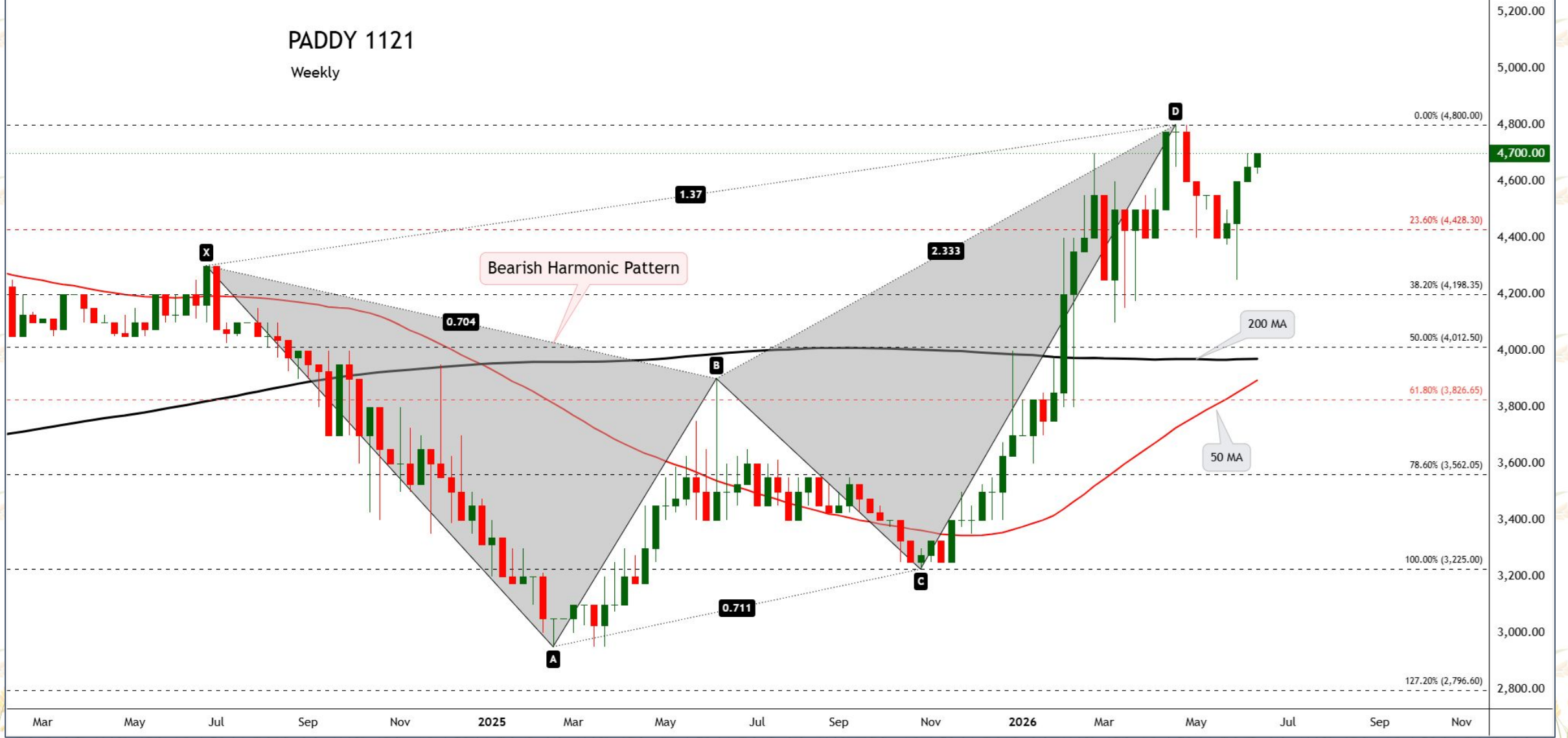
OUTLOOK





Paddy (Basmati) - Pusa 1121 Spot - 1W - NCDEX O4,650.00 H4,700.00 L4,625.00 C4,700.00 +50.00 (+1.08%)

PADDY 1121 Weekly





Price Performance: Paddy prices gained 4.14% during the month and 34.29% over six months, supported by concerns over monsoon progress and production prospects. The government increased MSP by ₹72 to ₹2,441 per quintal for the 2026-27 season, providing price support. However, record production estimates above 154 million tonnes and rising government stocks continue to limit aggressive upside potential.

Domestic Supply & Stocks: India's rice production for 2025-26 is estimated at 1,239.28 lakh tonnes, around 1% higher YoY, while rabi paddy acreage increased 15.19% YoY, indicating ample domestic availability. Government rice stocks have surged to 60.4 million tonnes and were reported 15% higher annually, creating potential market-dumping risks if storage constraints intensify.

Global Demand & Trade Dynamics: Global rice fundamentals remain mixed. USDA projects 2026-27 world rice production at 537.8 million tonnes, down 5 million tonnes, while global consumption is expected to reach a record 541.4 million tonnes. Ending stocks are projected to decline by 3.6 million tonnes. Supporting sentiment, India approved 2.3 lakh tonnes of rice exports to Maldives and African nations accelerated purchases, although Vietnam's aggressive pricing and new import restrictions from Indonesia and the Philippines continue pressuring exports.

Weather & Export Risks: Weather and geopolitical developments remain critical drivers. Below-normal monsoon expectations at 92% of LPA and El Niño concerns may threaten kharif production if sowing targets are missed. Heavy rains damaged more than 2 lakh hectares in Maharashtra, while geopolitical tensions around the Strait of Hormuz increased freight and insurance costs by disrupting trade routes.

Technical Outlook: Technically, paddy has formed a Bearish Harmonic Pattern on the weekly chart. RSI and MACD structures continue indicating negative momentum, while elevated volatility suggests sustained price swings. The market remains vulnerable below major resistance zones, and technical indicators favor corrective weakness. Although short-term rebounds may emerge, the prevailing structure continues to point toward downside risks as long as resistance levels remain intact.

Price Outlook

Price	Trend	1-2 Months	3 Months
4700.00	Sell on Rise (Important if prices crosses above 4980 level, the prices can see jump towards 5080-5160 levels)	Will carry our price outlook, as the Bearish Harmonic Pattern remains active and prices are holding below 4800 zone. Prices are likely to test 4520-4425 levels initially, whereas strong resistance is expected above 4980. Fundamentally, record production estimates of over 154 million tonnes, government stocks of 60.4 MMT, 28% higher sowing and abundant domestic supplies continue weighing on sentiment.	Continuing the bearish outlook, prices may gradually decline towards 4425 followed by 4300 and 4200 levels over the medium term, while resistance is placed near 5080. Fundamentally, higher domestic production, elevated inventories, weaker export competitiveness due to freight disruptions, Vietnam's aggressive pricing and quality restrictions from major importers may keep market sentiment under pressure.

KEDIA ADVISORY

Stay Ahead in Markets with Kedia Advisory

Get Live Commodity & Equity Market Updates backed by in-depth research, data-driven insights, and expert analysis.

Register Now @ Just ₹149



Why Kedia Advisory

- Real-time market updates
- Key levels & trend direction
- Research-based market views
- Trusted by active traders & investors

Visit: Kedia Advisory Website

www.kediaadvisory.com

CLICK HERE



SCAN ME



Kedia Stocks and Commodities Research Pvt Ltd

SEBI REGISTRATION NUMBER : INH000006156

Aadinath Commercial, Opp. Mumbai University, Vasant Valley Road, Khadakpada, Kalyan West

Investment in securities market are subject to market risks, read all the Related documents carefully before investing.

Connect with Kedia Advisory on WhatsApp

Master the markets with comprehensive research, real-time alerts, and expert insights across Equity and Commodities, all delivered instantly to your WhatsApp for a smarter trading edge.



Join Our Channel



Commodity Channel

Equity Channel

Why Join Our Channel?

- Instant & Mobile access to Market data
- Actionable Key levels and trend direction
- Priority research reports and expert calls
- Exclusive, tolored insights for channel subscribers

Kedia Stocks and Commodities Research Pvt Ltd

SEBI REGISTRATION NUMBER : INH000006156

Aadinath Commercial, Opp. Mumbai University, Vasant Valley Road, Khadakpada, Kalyan West

Investment in securities market are subject to market risks, read all the Related documents carefully before investing.



Scan the QR Code



Scan the QR Code



This Report is prepared and distributed by Kedia Stocks & Commodities Research Pvt Ltd. for information purposes only. The recommendations, if any, made herein are expressions of views and/or opinions and should not be deemed or construed to be neither advice for the purpose of purchase or sale through KSCRPL nor any solicitation or offering of any investment /trading opportunity. These information/opinions/ views are not meant to serve as a professional investment guide for the readers. No action is solicited based upon the information provided herein. Recipients of this Report should rely on information/data arising out of their own investigations. Readers are advised to seek independent professional advice and arrive at an informed trading/investment decision before executing any trades or making any investments. This Report has been prepared on the basis of publicly available information, internally developed data and other sources believed by KSCRPL to be reliable. KSCRPL or its directors, employees, affiliates or representatives do not assume any responsibility for or warrant the accuracy, completeness, adequacy and reliability of such information/opinions/ views. While due care has been taken to ensure that the disclosures and opinions given are fair and reasonable, none of the directors, employees, affiliates or representatives of KSCRPL shall be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including lost profits arising in any way whatsoever from the information/opinions/views contained in this Report. The possession, circulation and/or distribution of this Report may be restricted or regulated in certain jurisdictions by appropriate laws. No action has been or will be taken by KSCRPL in any jurisdiction (other than India), where any action for such purpose (s) is required. Accordingly, this Report shall not be possessed, circulated and/ or distributed in any such country or jurisdiction unless such action is in compliance with all applicable laws and regulations of such country or jurisdiction. KSCRPL requires such a recipient to inform himself about and to observe any restrictions at his own expense, without any liability to KSCRPL. Any dispute arising out of this Report shall be subject to the exclusive jurisdiction of the Courts in India.

KEDIA STOCKS & COMMODITIES RESEARCH PVT. LTD.

SEBI REGISTRATION NUMBER. INH000006156



+91 96195 51022



www.kediaadvisory.com



info@kediaadvisory.com



Aadinath Commercial, Opp. Mumbai University, Vasant Valley Road,
Khadakpada, Kalyan (W), Mumbai-421301

Scan the QR to
connect with us

