

## Paddy Outlook – December 2020

Paddy is cultivated globally being one of the most important cereal crops worldwide. USDA in its November report had estimated the global availability of rice at 67.10 million tons in 2019-20 marketing season. The same has been increased by 6 lakh tons to 67.16 million tons in the December report. The main reason for this is the increase in China's production. USDA has increased China's rice production estimates by 7 lakh tons to 14.77 million tons, based on the latest data from the National Bureau of Statistics of China.

**Table 1: Major Rice Producing Countries in the World (Milled production in million tonnes)**

Country	2019-20	2020-21	Change over 2019-20
<b>China</b>	<b>146.73</b>	<b>147.00</b>	<b>0.27</b>
<b>India</b>	<b>118.43</b>	<b>120.00</b>	<b>1.57</b>
Indonesia	34.00	34.90	0.90
Vietnam	27.15	27.00	-0.15
Thailand	17.66	18.60	0.94
Burma	12.70	12.90	0.20
Philippines	11.93	11.70	-0.23
Japan	7.61	7.62	0.01
Pakistan	7.20	7.60	0.40
Brazil	7.60	7.48	-0.12
USA	5.86	7.18	1.32
Nigeria	5.04	5.04	0.00
Egypt	4.30	4.00	-0.30
South Korea	3.74	3.85	0.11
European Union	1.98	1.98	0.00

Source: [www.usda.gov](http://www.usda.gov) \* Estimated

**Table 2: International Grain Council's World Rice Projections (in million metric tonnes)**

	2018/19 (Estimated)	2019/20 (Forecast)	2020/21 (Projected)
<b>Opening Stocks</b>	164.6	175.5	175.8
<b>Production</b>	498	496.9	503.4
<b>Imports</b>	42.6	42.4	45
<b>Total Availability</b>	662.6	672.4	679.1
<b>Total Consumption</b>	487.2	496.6	500.7
<b>Exports</b>	42.6	42.4	45
<b>Ending Stocks</b>	<b>175.5</b>	<b>175.8</b>	<b>178.4</b>

Source: International Grains Council

**Table 3: Domestic Balance Sheet (in MMT)**

	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21*</b>
<b>Carry in</b>	19.13	26.11	30.04
<b>Production</b>	116.48	118.43	119
<b>Imports</b>	0	0	0
<b>Total Availability</b>	135.61	144.54	149.04
<b>Consumption</b>	99	104.06	104.04
<b>Exports</b>	10.5	10.44	12
<b>Total Usage</b>	109.5	114.5	116.04
<b>Carry out</b>	26.11	30.04	33.00
<b>Av Monthly Consumption</b>	8.29	8.57	8.60
<b>Stock-to-Use ratio</b>	23.41%	24.57%	26.47%

Source: [www.agriwatch.com](http://www.agriwatch.com)

As per the ministry of Agriculture, kharif paddy acreage as on 18<sup>th</sup> Sep 2020 has increased by 7.46% to 406.97 lakh hectares (1005.64 lakh acres) as compared to 378.71 lakh hectares (935.81 lakh acres) during the same period of last year. Higher acreage was covered in Uttar Pradesh 60.14 lakh ha (148.61 lakh acres), West Bengal 43.34 lakh ha (107.10 lakh acres), Chhattisgarh 37.84 lakh ha (93.50 lakh acres), Odisha 37.02 lakh ha (91.48 lakh acres), Bihar 33.07 lakh ha (81.72 lakh acres), Madhya Pradesh 28.71 lakh ha (70.94 lakh acres), Punjab 27.36 lakh ha (67.61.16 lakh acres), Telangana 20.74 lakh ha (51.25 lakh acres) and Andhra Pradesh 14.02 lakh ha (34.64 lakh acres).

In Telangana, it has been sown in 21.26 lakh hectares (52.55 lakh acres) as on 30<sup>th</sup> Sep 2020 which is higher than 16.67 lakh hectares (41.19 lakh acres) covered during corresponding period of last year. Major paddy growing districts in Telangana are Nalgonda 1.60 lakh ha (3.97 lakh acres), Suryapet 1.60 lakh ha (3.95 lakh acres), Nizamabad 1.59 lakh ha (3.94 lakh acres), Jagityal 1.13 lakh ha (2.81 lakh acres), Khammam 1.11 lakh ha (2.76 lakh acres), Karimnagar 1.01 lakh ha (2.50 lakh acres), Kamareddy 1.00 lakh ha (2.48 lakh acres), Siddipet 0.92 lakh ha (2.27 lakh acres), Yadadri 0.81 lakh ha (2.02 lakh acres) and Rajanna Siricilla 0.59 lakh ha (1.46 lakh acres).

### **Paddy Price Outlook**

Thai rice export prices have raised to their highest in nearly two months this week on concerns about supply even as demand remained sluggish. Thailand's benchmark 5% broken rice prices rose to USD 475-USD 485 on Thursday from USD 470-USD 480 last week.

Meanwhile, poor local demand and plenty of stocks have led Indian rice to a near an eight-month trough. India's 5 percent broken parboiled variety was unchanged at USD 366-USD 370 per tonne, it's lowest since the week of March 26. Demand is weak as buyers have taken a pause. Since container freight rates are going up, exporters can't reduce the prices.

All India Rice Exporters Association confirmed that the Iranian government lifted its seasonal ban on imports a month in advance. Also, the government has given positive indications on the resolution of the 2019 stalled remittances issue of over Rs.1700 crores, . Exporters claim that they are discussing basmati exports with Iranian importers. If everything goes well, exporters will start signing contracts for January 2021 delivery soon.

**Table 4: Average Price of Paddy Common at Major States in India**

State	Prices November, 2020	Prices October, 2020	Prices November, 2019	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh	2002.05	1985.37	1842.07	0.84	8.68
Assam			1474.04	—	—
Chattisgarh	1558.69	1574.35	1761.2	-0.99	-11.5
Gujarat	1601.52	1508.21	1728.08	6.19	-7.32
Haryana	1921	1888.49	2021.7	1.72	-4.98
Karnataka	1797.1	1954.68	2029.64	-8.06	-11.46
Kerala	1924.5	1936.72	1992.21	-0.63	-3.4
Madhya Pradesh	2154.36	2041.17	2069.55	5.55	4.1
Maharashtra	2219.49	2374.41	2293.29	-6.52	-3.22
Manipur			3164.69	—	—
Meghalaya	4123.81	4058.33	3262.5	1.61	26.4
NCT of Delhi			2314.66	—	—
Odisha	1866.4	1803.94	1812.03	3.46	3
Pondicherry	2010.13	1452.51	1680.97	38.39	19.58
Punjab	1891	1889.72	1887	0.07	0.21
Rajasthan	2069.46	1839.43	2279.44	12.51	-9.21
Tamil Nadu	1424.9	1493.95	1684.03	-4.62	-15.39
Telangana	1646.74	1592.87	1715.77	3.38	-4.02
Tripura	1473.09	1590.84	1572.53	-7.4	-6.32
Uttar Pradesh	1765.82	1557.54	1666.61	13.37	5.95
Uttrakhand	1891.06	1874.88	1808	0.86	4.59
West Bengal	1854.95	1837.31	1737.98	0.96	6.73
<b>Average</b>	<b>1957.69</b>	<b>1908.14</b>	<b>1990.82</b>		

Source: [www.agmarknet.gov.in](http://www.agmarknet.gov.in)

**Table 5: Arrivals and Prices for the Month of November 2020 in Suryapet Market Paddy-Grade-A (RNR)**

Date	Arrival (Quintals)	Minimum price (Rs/quintal)	Maximum price (Rs/quintal)	Modal price (Rs/quintal)
2	1,173	1,226	1,609	1,471
3	729	1,220	1,632	1,474
4	858	1,209	1,569	1,211
5	1,334	1,206	1,604	1,486
6	1,363	1,216	1,449	1,336
7	1,295	1,201	1,429	1,201
9	2,227	1,201	1,386	1,346
10	1,254	1,201	1,519	1,286
11	1,246	1,226	1,589	1,371
12	997	1,200	1,556	1,366
13	901	1,209	1,529	1,426
16	1,729	1,219	1,659	1,516
17	1,361	1,206	1,586	1,466
18	1,308	1,201	1,619	1,469
19	1,160	1,201	1,691	1,406
20	1,366	1,301	1,724	1,486
21	1,071	1,306	1,789	1,506
23	1,534	1,301	1,831	1,686
24	1,044	1,301	1,951	1,646
25	2,216	1,309	2,008	1,801
28	1114	1351	1879	1801

Source: <http://tsmarketing.in/>

**Table 6: Arrivals and Prices for the Month of November 2020 in Suryapet Market Paddy (IR-64)**

Date	Arrival (Quintals)	Minimum price (Rs/quintal)	Maximum price (Rs/quintal)	Modal price (Rs/quintal)
2	2,333	1,209	1,575	1,466
3	1,388	1,211	1,562	1,466
4	1,427	1,286	1,579	1,506
5	1,334	1,206	1,604	1,486
6	1,789	1,321	1,609	1,539
7	1,874	1,326	1,581	1,469
9	1,745	1,201	1,629	1,489
10	1,516	1,225	1,629	1,489
11	1,067	1,489	1,642	1,642
12	1,036	1,201	1,649	1,589
13	1,493	1,206	1,671	1,639
16	1,385	1,339	1,689	1,566
17	1,140	1,259	1,691	1,639
18	1,092	1,269	1,669	1,589
19	831	1,309	1,659	1,639
20	778	1,359	1,645	1,642
21	718	1,339	1,649	1,569
23	1,370	1,329	1,679	1,629
24	1,044	1,429	1,729	1,486
25	1,158	1,309	1,629	1,446
28	878	1311	1619	1589

Source: <http://tsmarketing.in/>

Paddy-Grade-A (RNR) and Paddy-(IR-64) modal prices at Suryapet market ranged between Rs. 1201-1801 and Rs. 1446-1642 per quintal respectively during November 2020 at Suryapet market.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expects that Paddy-Grade-A (RNR) and Paddy-Common could trade in price ranges of Rs. 1888-2150 and Rs. 1550 - 1780 per quintal respectively during the month of December, 2020.