

Paddy Outlook – April 2021

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
China	146.73	148.30	1.57
India	118.87	121.00	2.13
Indonesia	34.70	35.50	0.80
Vietnam	27.10	27.10	0.00
Thailand	17.66	18.60	0.94
Burma	12.70	13.00	0.30
Philippines	11.93	12.20	0.27
Japan	7.61	7.62	0.01
Pakistan	7.20	7.60	0.40
Brazil	7.60	7.48	-0.12
USA	5.88	7.23	1.35
Nigeria	5.04	4.73	-0.31
Egypt	4.30	4.00	-0.30
South Korea	3.74	3.51	-0.23
European Union	1.97	1.98	0.01

Source: 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)
Opening Stocks	164.9	175.6	174.4
Production	498.3	497.4	503.6
Imports	42.6	43.6	45.6
Total Availability	663.2	673.0	678.0
Total Consumption	487.6	498.6	502.2
Exports	42.6	43.6	45.6
Ending Stocks	175.6	174.4	175.8

Source: <https://www.igc.int>

Table 3: Domestic Balance Sheet (in MMT)

	2018-19	2019-20	2020-21*
Carry in	19.13	26.11	30.48
Production	116.48	118.87	120.32
Imports	0	0	0
Total Availability	135.61	144.98	150.8
Consumption	99	104.06	104.04
Exports	10.5	10.44	12
Total Usage	109.5	114.5	116.04
Carry out	26.11	30.48	34.76
Av Monthly Consumption	8.29	8.57	8.60

Source: www.agriwatch.com

Table 4: Average Price of Paddy Common at Major States in India March 2021

State	Prices March, 2021	Prices February, 2021	Prices March, 2020	% Change (Over Previous Month)	% Change (Over Previous Year)
Andhra Pradesh	1939.91	1943.79	1953.41	-0.2	-0.69
Chhattisgarh	1587.31	1603.4	1637.89	-1	-3.09
Gujarat	1538.33	1817.26	1912.05	-15.35	-19.55
Jharkhand	1752.5	1752.5		0	—
Karnataka	2042.18	2027.21	2149.53	0.74	-4.99
Kerala	1917.58	1948.89	1922.87	-1.61	-0.28
Madhya Pradesh	2237.63	2356.03	2100.07	-5.03	6.55
Maharashtra	2119.43	2134.77	2028.1	-0.72	4.5
Meghalaya		3500		—	—
Nagaland			8392.11	—	—
Odisha	1866.85	1864.9	1826.46	0.1	2.21
Pondicherry	1460.19	1512.71	1445.91	-3.47	0.99
Rajasthan	2308.98	2378.99	2181.45	-2.94	5.85
Tamil Nadu	1560.56	1566.78	1684.17	-0.4	-7.34
Telangana	1750.28	1833.62	1706.55	-4.55	2.56
Tripura	1668.2	1652.18	1639.73	0.97	1.74
Uttar Pradesh	1581.76	1731.89	1729.1	-8.67	-8.52
West Bengal	1828.75	1872.77	1839.96	-2.35	-0.61
Average	1822.53	1970.45	2259.33		

Source: agmarknet.gov.in

As per the Ministry of Agriculture, rabi paddy acreage as on 29th January 2021 has increased by 16.62% to 35.23 lakh hectares (87.05 lakh acres) as compared to 30.21 lakh hectares (74.64 lakh acres) during the same period of last year. Higher acreage was covered in Telangana

11.31 lakh ha (27.95 lakh acres), Tamil Nadu 10.51 lakh ha (25.97 lakh acres), Andhra Pradesh 6.82 lakh ha (16.85 lakh acres), West Bengal 2.52 lakh ha (6.23 lakh acres), Assam 1.43 lakh ha (3.53 lakh acres), Odisha 1.00 lakh ha (2.47 lakh acres) and Kerala 0.78 lakh ha (1.93 lakh acres).

During yasangi 2020-21 in Telangana, it has been sown in 21.36 lakh hectares (52.78 lakh acres) as on 24th March 2021 which is higher than 15.63 lakh hectares (38.62 lakh acres) covered during corresponding period of last year. Major paddy growing districts in Telangana are Nalgonda 1.89 lakh ha (4.68 lakh acres), Suryapet 1.74 lakh ha (4.31 lakh acres), Yadadri 0.99 lakh ha (2.46 lakh acres), Karimnagar 1.07 lakh ha (2.64 lakh acres), Nizamabad 1.56 lakh ha (3.87 acres), Jangoan 0.64 lakh ha (1.59 lakh acres), Rajanna Siricilla 0.67 lakh ha (1.67 lakh acres) and Kamareddy 1.003 lakh ha (2.47 lakh acres).

Table 5: Arrivals and Prices for the Month of March 2021 in Suryapet Market Paddy-Grade-A (RNR)

Date	Arrival (Quintals)	Minimum price (Rs/quintal)	Maximum price (Rs/quintal)	Modal price (Rs/quintal)
4	117	1,702	1,829	1,829
5	40	1,606	1,926	1,908
6	61	1,879	1,902	1,879
8	45	1,729	1,869	1,729
10	42	1,789	1,909	1,889
15	76	1,639	1,829	1,639
16	108	1,319	1,766	1,469
17	128	1,429	1,881	1,656
18	77	1,638	1,869	1,638
19	36	1,556	1,909	1,752
20	46	1,429	1,612	1,606
22	164	1,419	1,879	1,809
23	38	1,493	1,729	1,652
25	16	1,709	1,819	1,709
26	180	1,589	1,829	1,733
27	87	1,567	1,791	1,567
30	124	1,483	1,819	1,793

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

Paddy Price Outlook

After March, all-round domestic and export demand is about to come down, and after the fine paddy milling in UP, has more broken pieces, will make the market jump as soon. There is also no scope for retardation. TREA, with the cooperation of APEDA, began rice export, since then a quantity of above 2000 tonnes have been exported to western African countries.

According to the president of Rice Exporters Association of India, Exporters could easily save 16% for paddy/rice transportation by changing loading norms due to reduction in freight charges by Indian Railways. This will ultimately benefit Indian Rice exporters and exporters can save \$3 to \$4 per ton. This would enhance the competitiveness of Indian rice *vis-à-vis* other rice exporting countries

Table 6: Arrivals and Prices for the Month of March 2021 in Suryapet Market Paddy (IR-64)

Date	Arrival (Quintals)	Minimum price (Rs/quintal)	Maximum price (Rs/quintal)	Modal price (Rs/quintal)
4	102	1,489	1,679	1,521
5	68	1,419	1,609	1,419
6	20	1,309	1,509	1,409
8	134	1,409	1,656	1,589
10	150	1,414	1,639	1,489
15	383	1,319	1,679	1,489
16	108	1,474	1,603	1,549
17	100	1,409	1,619	1,446
18	60	1,489	1,689	1,539
19	221	1,359	1,642	1,546
20	200	1,309	1,509	1,439
22	360	1,302	1,619	1,589
23	1,059	1,309	1,666	1,591
25	1,205	1,329	1,671	1,569
26	2,185	1,309	1,681	1,486
27	1,923	1,309	1,641	1,339
30	2,920	1,316	1,639	1,389

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

Flood ravaged Bangladesh has emerged as a major buyer of rice. Bangladesh has decided to import 350,000 tonnes through government-to-government deal, including 150,000 tonnes each from India and Thailand and 50,000 tonnes from Vietnam.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expects that Paddy-Grade-A (RNR) and Paddy-Common could trade in price ranges of Rs. 1888–2200 and Rs. 1600 - 1868 per quintal respectively during the month of April, 2021.