

Paddy Outlook – January 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	147.00	0.27
India	118.43	120.00	1.57
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 * 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	164.6	175.5	175.8
Production	498	496.9	503.4
Imports	42.6	42.4	45
Total Availability	662.6	672.4	679.1
Total Consumption	487.2	496.6	500.7
Exports	42.6	42.4	45
Ending Stocks	175.5	175.8	178.4

Source: International Grains Council

Table 3: Domestic Balance Sheet (in MMT)

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

Source: www.agriwatch.com

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

State	Prices December, 2020	Prices November, 2020	Prices December, 2019	% Change (Over Previous Month)	% Change (Over Previous Year)
Andhra Pradesh	1916.48	2002.05	1869.38	-4.27	2.52
Chhattisgarh	1789.74	1558.69	1725.91	14.82	3.7
Gujarat	1841.08	1601.52	1902.6	14.96	-3.23
Karnataka	1866.16	1797.13	1947.15	3.84	-4.16
Kerala	1919.58	1924.5	1967.65	-0.26	-2.44
Madhya Pradesh	2384.77	2154.36	2109.6	10.7	13.04
Maharashtra	2288.1	2219.39	1982.09	3.1	15.44
Meghalaya	3866.67	4123.81	3200	-6.24	20.83
Odisha	1867.95	1866.4	1816.41	0.08	2.84
Pondicherry	1389.57	2010.13	1685.67	-30.87	-17.57
Punjab	1900.57	1891	2556.21	0.51	-25.65
Rajasthan	2208.72	2069.46	2327.49	6.73	-5.1
Tamil Nadu	1494.36	1425.06	1711.54	4.86	-12.69
Telangana	1836.55	1646.74	1726.28	11.53	6.39
Tripura	1565.72	1473.09	1536.32	6.29	1.91
Uttar Pradesh	1848.3	1765.82	1728.53	4.67	6.93
Uttarakhand	1905.06	1891.06	1734.13	0.74	9.86
West Bengal	1871.54	1854.95	1798.25	0.89	4.08
Average	1986.71	1959.73	1962.51		

Source: agmarknet.gov.in

As per the ministry of Agriculture, rabi paddy acreage as on 1st January 2021 has decreased by 4.14% to 14.83 lakh hectares (36.65 lakh acres) as compared to 15.47 lakh hectares (38.23 lakh acres) during the same period of last year. Higher acreage was covered in Tamil Nadu 9.40 lakh ha (23.23 lakh acres), Telangana 2.79 lakh ha (6.90 lakh acres), Andhra Pradesh 2.72 lakh ha (6.75 lakh acres), Kerala 0.73 lakh ha (1.80 lakh acres) and Assam 0.21 lakh ha (0.52 lakh acres).

During yasangi in Telangana, it has been sown in 2.79 lakh hectares (6.90 lakh acres) as on 6th January 2021 which is higher than 2.51 lakh hectares (6.22 lakh acres) covered during corresponding period of last year. Major paddy growing districts in Telangana are Nalgonda 0.73 lakh ha (1.81 lakh acres), Suryapet 0.50 lakh ha (1.26 lakh acres), Yadadri 0.28 lakh ha (0.69 lakh acres), Karimnagar 9131 ha (22564 acres), Nizamabad 20328 ha (50231 acres), Jangoan 6380 ha (15766 acres), Rajanna Siricilla 11392 ha (28150 acres) and Kamareddy 2433 ha (6012 acres).

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

Date	Arrival (Quintals)	Minimum price (Rs/quintal)	Maximum price (Rs/quintal)	Modal price (Rs/quintal)
1	2992	1306	1881	1629
2	2626	1359	1959	1629
3	2231	1311	2146	1509
4	2000	1339	2169	1811
5	1732	1307	1939	1749
7	2089	1319	1856	1719
9	1948	1316	2129	1871
10	1161	2139	2139	2139
11	1442	1339	2201	1831
12	1264	1309	2059	1861
15	2144	1309	2248	1909
16	1554	1439	2249	1872
17	1695	1312	2159	1951
18	1500	1329	1941	1866
19	868	1339	2281	1906
21	835	1589	2259	1929
22	828	1572	2109	1888
23	825	1482	1988	1951
24	1093	1369	2169	1890
28	505	1359	2089	1909
29	685	1419	1940	1876
30	436	1421	2304	1959

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

Paddy Price Outlook

India's Basmati and non basmati rice exports in November was 3.02 LT and 8.97 LT respectively. Rice exports from India in November were up by 84% from same period last year.

With low stocks of premium quality rice and weak demand, the basmati market is subdued. The supply of paddy has also been affected by the demonstrations by the farmers.

Paddy procurement for Kharif 2020-21 has progressed smoothly in the procuring states and UTs of Punjab, Haryana, Uttar Pradesh, Telangana, Uttarakhand, Tamil Nadu, Chandigarh, Jammu & Kashmir, Kerala, Gujarat, Andhra Pradesh, Chhattisgarh, Odisha, Madhya Pradesh, Maharashtra, Bihar and Jharkhand with purchase of over 415.37 LMTs of paddy up to 20.12.2020

against the last year corresponding purchase of 341.68 LMT showing an increase of 21.56 per cent over last year.

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

Date	Arrival (Quintals)	Minimum price (Rs/quintal)	Maximum price (Rs/quintal)	Modal price (Rs/quintal)
1	2029	1309	1639	1621
2	935	1309	1631	1623
3	950	1309	1635	1616
4	1042	1311	1635	1615
5	735	1311	1646	1612
7	762	1321	1649	1609
9	1014	1321	1641	1631
10	577	1366	1649	1621
11	364	1376	1661	1629
12	401	1389	1661	1632
15	705	1301	1664	1659
16	310	1421	1689	1655
17	283	1439	1691	1691
18	225	1351	1661	1651
19	400	1306	1701	1656
21	360	1306	1689	1659
22	220	1351	1649	1639
23	156	1346	1661	1641
24	143	1309	1659	1657
28	280	1301	1679	1439
29	127	1361	1709	1709
30	142	1322	1699	1689

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

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expects that Paddy-Grade-A (RNR) and Paddy-Common could trade in price ranges of Rs. 2000–2200 and Rs. 1550 - 1750 per quintal respectively during the month of January, 2021.