

Paddy Outlook – October 2021

Paddy is cultivated globally being one of the most important cereal crops worldwide. USDA in 2021-22 global rice market, total production was increased by 1.7 million tons to a record 507.9 million (milled basis). Crop projections were raised this month for India, Panama, Senegal, and South Korea, but lowered for Egypt and the United States. Global rice consumption and residual use in 2021-22 was increased by 0.3 million tons to a record 512.1 million tons, largely due to larger forecasts for Bangladesh, Iraq, Sri Lanka, and Taiwan that offset reduced consumption and residual use forecasts for Brazil, China, Cuba, EU, and the United States. The 2021-22 global ending stocks forecast was lowered by 3.2 million tons this month to 170.1 million tons, the second consecutive year of a decline in global ending stocks.

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

Country	2020-21	2021-22*	Change over 2020-21
China	148.30	149.00	0.70
India	122.27	121.00	-1.27
Indonesia	35.30	35.35	0.05
Vietnam	27.44	27.10	-0.34
Thailand	18.83	19.50	0.67
Burma	12.60	12.80	0.20
Philippines	12.42	12.30	-0.12
Japan	7.57	7.58	0.01
Pakistan	8.18	8.20	0.02
Brazil	8.00	8.02	0.02
USA	7.23	6.05	-1.18
Nigeria	4.89	5.00	0.11
Egypt	4.00	2.90	-1.10
South Korea	3.51	3.82	0.31
European Union	1.95	1.89	-0.06

Source: www.usda.gov * Estimated

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

	2019/20 (Estimated)	2020/21 (Forecast)	2021/22 (Projected)
Opening Stocks	175.1	178.6	179.3
Production	499.2	506.6	511.9
Imports	44	47.3	47.5
Total Availability	674.3	685.2	691.2
Total Consumption	495.7	505.9	509.3
Exports	44	47.3	47.5
Ending Stocks	178.6	179.3	181.9

Source: International Grains Council

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	122.27
Imports	0	0	0
Total Availability	135.61	144.98	152.75
Consumption	99.00	104.06	106.2
Exports	10.5	10.44	14
Total Usage	109.5	114.5	120.2
Carry out	26.11	30.48	32.55
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 September, 2021

State	Prices September, 2021	Prices August, 2021	Prices September, 2020	% Change (Over Previous Month)	% Change (Over Previous Year)
Andhra Pradesh	1620.75	1811.53	1934.97	-10.53	-16.24
Chhattisgarh	1643.86	1589.59	1626.3	3.41	1.08
Gujarat	1468.05	1483.82	1448.96	-1.06	1.32
Haryana			1888	—	—
Karnataka	1996.57	1963.1	1981.76	1.7	0.75
Kerala	1933.87	1922	1948.93	0.62	-0.77
Madhya Pradesh	1787.62	1799.01	2482.8	-0.63	-28
Maharashtra	2437.34	2338.21	2376.72	4.24	2.55
Meghalaya			4189.81	—	—
Odisha	1853.5	1857.21	1787.69	-0.2	3.68
Pondicherry	1935.12	1625.07	1398.19	19.08	38.4
Punjab			1893.31	—	—
Rajasthan		2363.83	1785.31	—	—
Tamil Nadu	1411.85	1234.19	1612.99	14.39	-12.47
Telangana	1729.82	1781.91	1808.73	-2.92	-4.36
Tripura	1571.2	1642.1	1611.47	-4.32	-2.5
Uttar Pradesh	1509.76	1458.7	1667.64	3.5	-9.47
West Bengal	1753.91	1769.98	1834.73	-0.91	-4.41
Average	1760.94	1776.02	1959.91		

Source: agmarknet.gov.in

As per the ministry of Agriculture, kharif paddy acreage as on 17th September 2021 has increased by 0.20% to 414.18 lakh hectares (1023.46 lakh acres) as compared to 413.34 lakh hectares (1021.38 lakh acres) during the same period of last year. Higher acreage was covered in Uttar Pradesh 60.26 lakh ha (148.91 lakh acres), West Bengal 42.51 lakh ha (105.04 lakh acres),

Chhattisgarh 37.50 lakh ha (92.66 lakh acres), Odisha 35.13 lakh ha (86.81 lakh acres), Madhya Pradesh 34.07 lakh ha (84.19 lakh acres), Punjab 30.68 lakh ha (75.81 lakh acres), Bihar 32.64 lakh ha (80.66 lakh ha), Telangana 25.06 lakh ha (61.92 lakh acres) and Andhra Pradesh 13.86 lakh ha (34.25 lakh acres).

Table 5: State wise area under Paddy in India

STATE	2020-21			2021-22		
	Lakh ha	Lakh acres	% to total area	Lakh ha	Lakh acres	% to total area
Uttar Pradesh	60.01	148.29	14.52	60.26	148.91	14.55
West Bengal	42.38	104.72	10.25	42.51	105.04	10.26
Chhattisgarhi	39.04	96.47	9.45	37.50	92.66	9.05
Odisha	37.05	91.55	8.96	35.13	86.81	8.48
Madhya Pradesh	28.71	70.94	6.95	34.07	84.19	8.23
Bihar	33.07	81.72	8.00	32.64	80.66	7.88
Punjab	31.49	77.81	7.62	30.68	75.81	7.41
Telangana	21.24	52.49	5.14	25.06	61.92	6.05
Assam	19.34	47.79	4.68	19.91	49.20	4.81
Jharkhand	17.48	43.19	4.23	17.62	43.54	4.25
Andhra Pradesh	14.02	34.64	3.39	13.86	34.25	3.35
Haryana	13.28	32.82	3.21	13.64	33.71	3.29
Uttarkhand	2.49	6.15	0.60	2.50	6.18	0.60
Other	53.74	132.79	13.00	48.80	120.59	11.78
Total	413.34	1021.38	100.00	414.18	1023.46	100.00

Source: www.agricoop.gov.in

Table 6: District wise area under Paddy in Telangana State

District	2020-21			2021-22		
	Ha	Acres	% to total area	Ha	Acres	% to total area
Suryapet	160033.99	395452.00	7.53	189979.16	469448.00	7.58
Nalgonda	160627.26	396918.00	7.56	186137.88	459956.00	7.42
Nizamabad	155580.42	384447.00	7.32	158849.48	392525.00	6.34
Siddipet	92223.14	227888.00	4.34	127413.45	314845.00	5.08
Khammam	111859.74	276411.00	5.26	119522.47	295346.00	4.77
Jagityal	113765.81	281121.00	5.35	118441.15	292674.00	4.72
Yadadri	81917.81	202423.00	3.86	112845.55	278847.00	4.50
Kamareddy	100408.33	248114.00	4.73	112298.42	277495.00	4.48
Karimnagar	101327.37	250385.00	4.77	110461.95	272957.00	4.41
Medak	75708.71	187080.00	3.56	103787.46	256464.00	4.14
Others	971157.20	2399778.00	45.71	1167242.27	2884314.00	46.56
Total	2124609.78	5250017.00	100.00	2506979.22	6194871.00	100.00

Source: www.agri.telangana.gov.in

During Vanakalam in Telangana, it has been sown in 25.06 lakh hectares (61.95 lakh acres) as on 29th September 2021 which is higher than 21.24 lakh hectares (52.50 lakh acres) covered during corresponding period of last year. Major paddy growing districts in Telangana are Suryapet 1.89 lakh ha (4.69 lakh acres), Nalgonda 1.86 lakh ha (4.59 lakh acres), Nizamabad 1.58 lakh ha (3.92 lakh acres), Kamareddy 1.12 lakh ha (2.77 lakh acres), Karimnagar 1.10 lakh ha (2.79 lakh acres), Medak 1.03 lakh ha (2.56 lakh acres), Siddipet 1.27 lakh ha (3.14 lakh acres), Jagityal 1.18 lakh ha (2.92 lakh acres), Yadadri 1.12 lakh ha (2.78 lakh acres) and Khammam 1.19 lakh ha (2.92 lakh acres).

Table 7: Arrivals and Prices for the Month of September, 2021 in Suryapet Market Paddy-Grade-A

Date	Arrival (Quintals)	Minimum price (Rs/quintal)	Maximum price (Rs/quintal)	Modal price (Rs/quintal)
1	71	1,409	1,789	1,709
2	415	1,419	2,040	1,709
3	186	1,359	1,813	1,742
4	81	1,520	1,971	1,919
7	234	1,369	1,729	1,589
8	206	1,509	1,751	1,689
9	648	1,329	1,939	1,740
11	234	1,489	2,020	1,949
13	369	1,439	2,025	1,520
14	389	1,602	1,900	1,769
15	272	1,269	1,991	1,449
16	576	1,250	2,050	2,050
17	648	1,329	1,939	1,740
18	327	1,759	2,050	2,050
20	264	1,209	1,989	1,969
21	215	1,429	1,992	1,889
22	199	1,329	2,052	2,052
23	428	1,559	2,056	2,056
24	477	1,519	2,079	2,050
25	166	1,706	1,989	1,919
27	33	1,339	1,792	1,749
29	246	1,404	2,089	1,919

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

Paddy Price Outlook

Thailand is forecasted to export 13% less rice in the 2021-22 marketing year, due to shipment container shortage and higher transportation costs, as per USDA. Freight cost to USA is five times higher than the pre covid times. Export of Thai rice to Singapore declined by 52% compared to previous years. Due to depreciation of Baht, the price of rice in Thailand eased to \$380-\$386 per tonne on 23rd September, the lowest in 18 months. The baht was weakened by 3% since August end. Thailand expects new supply in November.

In Telangana paddy output in this kharif season is expected to be 43% more than previous year, while FCI has announced only 60 lakh tonnes of rice to be procured and a yield of 1.38 crore tonnes is projected.

Table 8: Arrivals and Prices for the Month of September 2021 in Suryapet Market Paddy (Common)

Date	Arrival (Quintals)	Minimum price (Rs/quintal)	Maximum price (Rs/quintal)	Modal price (Rs/quintal)
1	8	1,259	1,359	1,359
2	150	1,289	1,506	1,469
3	23	1,419	1,419	1,419
4	5	1,362	1,401	1,401
7	167	1,239	1,512	1,369
8	100	1,392	1,462	1,419
9	73	1,209	1,429	1,419
11	178	1,209	1,479	1,279
13	117	1,233	1,476	1,459
14	55	1,216	1,501	1,429
15	266	1,229	1,429	1,429
16	64	1,339	1,429	1,429
17	73	1,209	1,429	1,419
18	39	1,239	1,359	1,329
20	69	1,309	1,429	1,429
21	39	1,359	1,419	1,389
22	255	1,359	1,509	1,509
23	131	1,359	1,569	1,569
24	189	1,209	1,519	1,409
25	8	1,209	1,369	1,369
27	1	1,369	1,369	1,369
29	57	1,369	1,459	1,459

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

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expects that Paddy-Grade-A and Paddy-Common could trade in price ranges of Rs. 1900–2000 and Rs. 1700 - 1900 per quintal respectively during the month of October, 2021.