

## Paddy Outlook – February 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
<b>China</b>	<b>146.73</b>	<b>148.30</b>	<b>1.57</b>
<b>India</b>	<b>118.43</b>	<b>120.00</b>	<b>1.57</b>
Indonesia	34.00	34.90	0.90
Vietnam	27.10	27.10	0.00
Thailand	17.66	18.60	0.94
Burma	12.70	12.90	0.20
Philippines	11.93	12.00	0.07
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	5.04	0.00
Egypt	4.30	4.00	-0.30
South Korea	3.74	3.51	-0.23
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)
Opening Stocks	164.7	175.5	173.8
Production	498	497	503.3
Imports	42.6	43.1	45.5
Total Availability	662.7	672.5	677.1
Total Consumption	487.2	498.7	502.3
Exports	42.6	43.1	45.5
<b>Ending Stocks</b>	<b>175.5</b>	<b>173.8</b>	<b>174.8</b>

Source: [International Grains Council](http://InternationalGrainsCouncil.org)

**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

Source: www.agriwatch.com

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

State	Prices January, 2021	Prices December, 2020	Prices January, 2020	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh	1913.44	1916.48	2015.02	-0.16	-5.04
Chhattisgarh	1782.4	1789.74	1753.62	-0.41	1.64
Gujarat	1935.55	1841.08	1928.24	5.13	0.38
Karnataka	1982.27	1866.16	2021.49	6.22	-1.94
Kerala	1928.37	1919.58	1961.67	0.46	-1.7
MP	2452.05	2384.77	2127.01	2.82	15.28
Maharashtra	2273.25	2288.1	2025.35	-0.65	12.24
Meghalaya	3800	3866.67		-1.72	—
Nagaland			8057.51	—	—
Odisha	1867.12	1867.95	1814.77	-0.04	2.88
Pondicherry	1759.96	1389.57	1385.05	26.66	27.07
Punjab	2700	1900.57		42.06	—
Rajasthan	2368.24	2208.72	2345.49	7.22	0.97
Tamil Nadu	1495.86	1494.36	1644.21	0.1	-9.02
Telangana	1839.04	1836.55	1816.87	0.14	1.22
Tripura	1577.6	1565.72	1627.05	0.76	-3.04
Uttar Pradesh	1843.73	1848.3	1757.76	-0.25	4.89
Uttrakhand		1905.06	1741.8	—	—
West Bengal	1870.72	1871.54	1825.07	-0.04	2.5
Average	2063.33	1986.72	2234.57		

Source: www.agmarknet.gov.in

As per the ministry of Agriculture, rabi paddy acreage as on 29<sup>th</sup> 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 in Telangana, it has been sown in 15.89 lakh hectares (39.26 lakh acres) as on 03<sup>rd</sup> February 2021 which is higher than 9.91 lakh hectares (24.49 lakh acres) covered during corresponding period of last year. Major paddy growing districts in Telangana are Nalgonda 1.40 lakh ha (3.47 lakh acres), Suryapet 1.50 lakh ha (3.7 lakh acres), Yadadri 0.79 lakh ha (1.95 lakh acres), Karimnagar 0.78 lakh ha (1.92 lakh acres), Nizamabad 1.21 lakh ha (3.01 acres), Jangoan 48812 ha (1.20 lakh acres), Rajanna Siricilla 0.60 lakh ha (1.49 lakh acres) and Kamareddy 0.70 lakh ha (1.75 lakh acres).

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

Date	Arrival (Quintals)	Minimum price (Rs/quintal)	Maximum price (Rs/quintal)	Modal price (Rs/quintal)
2	187	1,451	2,012	1,889
4	310	1,717	1,994	1,916
5	241	1,589	2,229	1,802
6	141	1,708	2,335	2,304
7	342	1,414	2,139	1,939
8	304	1,429	2,212	1,910
9	25	1,923	2,021	2,021
11	222	1,628	2,179	1,943
12	40	1,808	1,909	1,859
16	74	1,349	1,929	1,906
18	217	1,808	2,029	2,024
19	261	1,729	2,229	1,929
20	224	1,349	2,009	1,925
21	118	1,529	1,952	1,769
22	347	1,429	2,049	1,969
23	146	1,519	2,019	1,989
28	151	1,509	1,989	1,989
29	117	1,711	2,009	2,009

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

### **Paddy Price Outlook**

Rice export prices in India rose to their highest level in nearly two years on the back of healthy demand and an appreciating rupee, while a slow harvest squeezed supply and lifted Vietnamese rates. India's 5% broken parboiled variety was quoted at \$390-\$394 per ton this week, the highest since March 2019. Last week, prices were at \$385-\$391.

According to the latest figures of APEDA, total rice exports jumped to a peak of 115.98 lakh tonnes during the first nine months of the current financial year i.e., April-December 2020. In comparison, only 64.30 lakh tonnes of rice were exported in the nine months of April to

December in the year 2019. Asian and African buyers are aggressively making purchases from India. Even after marginal price rise, Indian rice is far cheaper than Thai rice.

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

<b>Date</b>	<b>Arrival (Quintals)</b>	<b>Minimum price (Rs/quintal)</b>	<b>Maximum price (Rs/quintal)</b>	<b>Modal price (Rs/quintal)</b>
2	45	1,336	1,681	1,671
4	111	1,442	1,691	1,666
5	55	1,316	1,671	1,616
6	200	1,541	1,661	1,656
7	113	1,489	1,652	1,642
8	213	1,439	1,662	1,656
9	11	1,439	1,449	1,449
11	174	1,391	1,671	1,642
12	52	1,349	1,663	1,651
16	46	1,503	1,511	1,503
18	94	1,536	1,673	1,673
19	83	1,424	1,676	1,566
20	104	1,589	1,682	1,681
21	153	1,302	1,692	1,639
22	200	1,386	1,696	1,686
23	76	1,309	1,639	1,459
28	118	1,339	1,717	1,717
29	48	1,409	1,659	1,409

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. 2050–2200 and Rs. 1600 - 1800 per quintal respectively during the month of February, 2021.