

## Paddy Outlook – May 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>118.87</b>	<b>121.00</b>	<b>2.13</b>
Indonesia	34.70	35.20	0.50
Vietnam	27.10	27.10	0.00
Thailand	17.66	18.83	1.17
Burma	12.70	12.60	-0.10
Philippines	11.93	12.40	0.47
Pakistan	7.20	7.60	0.40
Japan	7.61	7.57	-0.04
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	1.99	1.96	-0.03

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>	<b>164.7</b>	<b>175.6</b>	<b>174.0</b>
<b>Production</b>	<b>498.3</b>	<b>498.8</b>	<b>503.8</b>
<b>Imports</b>	<b>42.6</b>	<b>44.0</b>	<b>45.7</b>
<b>Total Availability</b>	<b>663</b>	<b>674.5</b>	<b>677.7</b>
<b>Total Consumption</b>	<b>487.4</b>	<b>500.5</b>	<b>503.5</b>
<b>Exports</b>	<b>42.6</b>	<b>44.0</b>	<b>45.7</b>
<b>Ending Stocks</b>	<b>175.6</b>	<b>174.0</b>	<b>174.2</b>

Source: <https://www.igc.int/en/markets/marketinfo-sd.aspx>

**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	30.48
<b>Production</b>	116.48	118.87	120.32
<b>Imports</b>	0	0	0
<b>Total Availability</b>	135.61	144.98	150.8
<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	30.48	34.76
<b>Ave. Monthly Consumption</b>	8.29	8.57	8.60

Source: www.agriwatch.com

**Table 4: Average Price of Paddy Common in Major States of India, April 2021**

State	Prices April, 2021	Prices March, 2021	Prices April, 2020	% Change (Over Previous Month)	% Change (Over Previous Year)
<b>Andhra Pradesh</b>	1852.29	1939.91	1780.13	-4.52	4.05
<b>Chhattisgarh</b>	1528.06	1587.3	1660.84	-3.73	-7.99
<b>Gujarat</b>	1577.07	1538.33	1937.04	2.52	-18.58
<b>Jharkhand</b>	1752.5	1752.5		0	—
<b>Karnataka</b>	1916.92	2042.3	2026.52	-6.14	-5.41
<b>Kerala</b>	1913.5	1917.58	1950	-0.21	-1.87
<b>Madhya Pradesh</b>	2124.69	2237.63	2241.45	-5.05	-5.21
<b>Maharashtra</b>	2247.66	2132.89	2098.14	5.38	7.13
<b>Odisha</b>	1833.07	1866.85	1814.97	-1.81	1
<b>Pondicherry</b>	1712.3	1460.19	1485.62	17.27	15.26
<b>Punjab</b>			1925	—	—
<b>Rajasthan</b>	2389.66	2308.98	2314.42	3.49	3.25
<b>Tamil Nadu</b>	1318.75	1560.56	1656.71	-15.5	-20.4
<b>Telangana</b>	1616.58	1750.28	1833.24	-7.64	-11.82
<b>Tripura</b>	1672.58	1668.2		0.26	—
<b>Uttar Pradesh</b>	1540.39	1581.76	1742.17	-2.62	-11.58
<b>West Bengal</b>	1842.07	1828.75	1828.37	0.73	0.75
<b>Average</b>	<b>1802.38</b>	<b>1823.38</b>	<b>1886.31</b>		

Source: 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 21.36 lakh hectares (52.78 lakh acres) as on 24<sup>th</sup> 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 April 2021 in Suryapet Market Paddy-Grade-A (RNR)**

Date	Arrival (Quintals)	Minimum price (Rs/quintal)	Maximum price (Rs/quintal)	Modal price (Rs/quintal)
1	239	1,310	1,869	1,646
3	372	1,359	1,851	1,669
6	685	1,309	1,829	1,717
7	886	1,311	1,826	1,752
8	761	1,329	1,789	1,642
9	903	1,500	1,759	1,716
10	845	1,300	1,789	1,682
12	1,050	1,316	1,836	1,538
15	1,284	1,301	1,848	1,688
16	1,318	1,319	1,858	1,681
17	1,239	1,309	1,757	1,711
19	3,290	1,309	1,826	1,757
20	3,008	1,311	1,842	1,506
22	3,977	1,300	1,839	1,606
24	3,036	1,301	1,848	1,400
26	4,319	1,306	1,806	1,515
27	2,124	1,303	1,708	1,476
28	3,417	1,304	1,747	1,429
29	3,760	1,300	1,726	1,379
30	2,280	1,319	1,616	1,552

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

### **Paddy Price Outlook**

UAE rice consumption and imports are expected to rise by 15%, or 150,000 MT, to 1.15 MMT in MY2021/22 as the UAE economy expands and stockpiles remain stable. Due to the negative impact of COVID-19 on demand, revised MY2019/20 rice consumption was down by 150,000 MT to 850,000 MT. MY2021/22 rice ending stocks are expected to be 250,000 MT, slightly higher due to the UAE's strategic grain reserve.

Non-basmati rice exports have increased from Rs. 13,030 crore to Rs. 30,277 crore as a result of entry into new markets such as Timor-Leste, Papua New Guinea, Brazil, Chile, and

Puerto Rico, Togo, Senegal, Malaysia, Madagascar, Iraq, Bangladesh, Mozambique, Vietnam, Tanzania Republic, and Madagascar were also recipients of exports.

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

Date	Arrival (Quintals)	Minimum price (Rs/quintal)	Maximum price (Rs/quintal)	Modal price (Rs/quintal)
1	1,839	1,309	1,679	1,535
3	3,989	1,309	1,661	1,486
6	7,186	1,269	1,649	1,489
7	6,295	1,301	1,589	1,409
8	5,137	1,301	1,609	1,356
9	3,211	1,300	1,609	1,341
10	3,264	1,300	1,579	1,368
12	2,440	1,306	1,619	1,372
15	5,531	1,301	1,589	1,346
16	4,835	1,301	1,589	1,366
17	3,612	1,301	1,589	1,356
19	5,021	1,300	1,609	1,366
20	3,307	1,301	1,596	1,389
22	4,512	1,300	1,609	1,376
24	5,216	1,300	1,536	1,369
26	7,109	1,301	1,549	1,406
27	2,868	1,300	1,421	1,336
28	6,390	1,301	1,519	1,354
29	5,547	1,302	1,529	1,366
30	1,352	1,301	1,534	1,380

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

Arrival of paddy in the mandis is constantly weakening. In anticipation of increased export demand, millers increased their purchases of basmati paddy. Price of basmati paddy was increased by 75 to 100 rupees in a week. If demand rises further, prices may rise by 50 to 100 rupees. There is a chance that domestic rice demand will increase.

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. 1650 - 1868 per quintal respectively during the month of May, 2021.