

Paddy Outlook – July 2022

Paddy is cultivated globally being one of the most important cereal crops worldwide. USDA Global rice production in 2022/23 is forecast at a record 515.35 million tons (milled basis), with crop projections raised this month for India, Peru, and the Dominican Republic. Global consumption and residual use in 2022/23 is projected at a record 519.2 million tons (mt), up 0.8 million from the previous forecast and 1 percent larger than a year earlier, with India accounting for most of the upward revision. Global ending stocks are projected at 183.4 mt, down 2.8 million from the previous forecast and 2 percent below a year earlier, with India accounting for most of the downward revision and the year-to-year decline. Global rice trade in calendar year 2023 remains projected at a record 54.3 mt (milled basis), up almost 3 percent from a year earlier, with China, India, Pakistan, and Thailand accounting for the bulk of the expanded shipments.

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

Country	2021-22	2022-23*	Change over 2021-22
China	148.99	149.00	0.01
India	129.66	130.00	0.34
Indonesia	34.40	34.60	0.20
Vietnam	27.33	27.40	0.07
Thailand	19.65	19.80	0.15
Burma	12.35	12.50	0.15
Philippines	12.47	12.41	-0.06
Japan	7.64	7.55	-0.09
Pakistan	8.70	8.90	0.20
Brazil	7.28	7.10	-0.18
USA	6.09	5.80	-0.29
Nigeria	5.26	5.36	0.10
Egypt	2.90	2.90	0.00
South Korea	3.88	3.77	-0.11
European Union	1.72	1.74	0.02

Source: www.usda.gov * Estimated

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

	2020/21 (Estimated)	2021/22 (Forecast)	2022-23 (Projected)
Opening Stocks	181.5	181.8	181.1
Production	509.5	514.6	518.1
Imports	50.6	51.1	51.1
Total Availability	691	696.5	699.2
Total Consumption	509.2	515.4	518.2
Exports	50.6	51.1	51.1
Ending Stocks	181.8	181.1	181

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

Table 3: Domestic Balance Sheet (in MMT)

	2019-20	2020-21	2021-22*
Carry in	26.11	30.48	33.3
Production	118.87	124.37	122.85
Imports	0	0	0
Total Availability	144.98	154.85	156.15
Consumption	104.06	105	106.2
Exports	10.44	14.45	17.38
Total Usage	114.5	119.45	123.58
Carry out	30.48	35.4	32.57
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 May, 2022

State	Prices June, 2022	Prices May, 2022	Prices June, 2021	% Change (Over Previous Month)	% Change (Over Previous Year)
Andhra Pradesh	1877.58	1883.68	1821.59	-0.32	3.07
Chhattisgarh	1673.32	1568.22	1507.78	6.7	10.98
Gujarat	1612.06	1680.63	1349.43	-4.08	19.46
Karnataka	1979	1804	1900.37	9.7	4.14
Kerala	1934.97	1925.27	1910.31	0.5	1.29
Madhya Pradesh	1716.78	1541.38	1744.22	11.38	-1.57
Maharashtra	2155.13	2170.05	2175.95	-0.69	-0.96
NCT of Delhi	3479.21	3764.61		-7.58	
Odisha	1939.76	1938.48	1867.85	0.07	3.85
Pondicherry	1540.27	1318.87	1542.47	16.79	-0.14
Rajasthan	3932.32	3889.35	2363.62	1.1	66.37
Tamil Nadu	1591.7	1495.67	1296.24	6.42	22.79
Telangana	1797.37	1473.97	1671.43	21.94	7.53
Tripura	1581.77	1493.02	1535.21	5.94	3.03
Uttar Pradesh	1840.5	1828.4	1490.19	0.66	23.51
Uttarakhand	1313.6				
West Bengal	1936.35	1811.83	1847.21	6.87	4.83
Average	1994.22	1974.21	1736.02		

Source: agmarknet.gov.in

As per the Ministry of Agriculture, Vanakalam (kharif) paddy acreage as on 08th July 2022 has decreased by 23.94% to 72.24 lakh hectares (178.51 lakh acres) as compared to 94.99 lakh hectares (234.73 lakh acres) during the same period of last year. Higher acreage was covered in Punjab 23.11 lakh ha (57.11 lakh acres), Chhattisgarh 8.95 lakh ha (22.12 lakh acres), Uttar Pradesh 7.19 lakh ha (17.77 lakh acres), Haryana 5.57 lakh ha (13.76 lakh acres), Assam 3.24 lakh ha (8.01 lakh ha), Odisha 3.24 lakh ha (8.01 lakh acres), Uttarakhand 2.15 lakh ha (5.31 lakh acres), Manipur 1.55 lakh ha (3.82 lakh ha), Arunachal Pradesh 1.35 lakh ha (3.33 lakh acres), Bihar 1.94 lakh ha (4.79 lakh acres) and Telangana 0.53 lakh ha (1.31 lakh acres).

Table 5: State wise area under Paddy in India

STATE	2021-22			2022-23		
	Lakh ha	Lakh acres	% to total area	Lakh ha	Lakh acres	% to total area
Punjab	27.92	68.99	29.39	23.11	57.11	31.99
Chhattisgarh	15.14	37.41	15.94	8.95	22.12	12.39
Uttar Pradesh	6.82	16.85	7.18	7.19	17.77	9.95
Haryana	5.95	14.70	6.26	5.57	13.76	7.71
Odisha	5.83	14.41	6.14	3.24	8.01	4.49
Assam	4.23	10.45	4.45	3.16	7.81	4.38
Uttarakhand	2.12	5.24	2.23	2.15	5.31	2.98
Maharashtra	2.18	5.39	2.29	2.01	4.96	2.78
Bihar	3.6	8.90	3.79	1.94	4.79	2.69
Madhya Pradesh	6.53	16.14	6.87	1.87	4.62	2.59
Manipur	1.245	3.08	1.31	1.55	3.82	2.14
West Bengal	1.69	4.18	1.78	1.51	3.73	2.09
Arunachal Pradesh	1.26	3.11	1.33	1.35	3.33	1.87
Telangana	0.93	2.30	0.98	0.53	1.31	0.73
Other	9.54	23.59	10.05	8.12	20.06	11.24
Total	94.99	234.73	100.00	72.24	178.51	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
Nizamabad	31778	78524	34.00	24350	60170	45.88
Medak	6401	15817	6.85	6070	15000	11.44
Yadadri	3474	8585	3.72	5098	12598	9.61
Kamareddy	13784	34060	14.75	4304	10635	8.11
Jayashankar	316	782	0.34	3853	9522	7.26
Karimnagar	25464	62924	27.25	3531	8725	6.65
Khammam	3131	7737	3.35	2307	5701	4.35
Rajanna Siricilla	984	2432	1.05	800	1977	1.51
Siddipet	32	80	0.03	617	1524	1.16
Others	8099	20014	8.67	2138	5284	4.03
Total	93464	230955	100.00	53069	131136	100.00

Source: www.agri.telangana.gov.in

During vanakalam in Telangana, it has been sown in 0.53 lakh hectares (1.31 lakh acres) as on 6th July 2022 which is lower than 0.93 lakh hectares (2.31 lakh acres) covered during corresponding period of last year. Major paddy growing districts in Telangana are Nizamabad 0.24 lakh ha (0.60 lakh acres), Medak 6070 ha (0.15 lakh acres), Yadadri 5098 ha (0.12 lakh acres), Karimnagar 3531 ha (0.08 lakh acres), Peddapalli 0.67 lakh ha (1.67 lakh acres), Jayashanker 3853 ha (0.09 lakh acres) and Kamareddy 4304 ha (0.10 lakh acres).

Table 7: Arrivals and Prices for the Month of June 2022 in Suryapet Market Paddy-Grade-A

Date	Arrival (Quintals)	Minimum price (Rs/quintal)	Maximum price (Rs/quintal)	Modal price (Rs/quintal)
1	60	1,669	2,159	1,889
2	40	1,429	2,331	1,579
3	93	1,509	2,169	2,061
4	80	1,346	2,263	1,869
6	635	1,429	2,159	2,096
7	120	1,519	2,362	2,008
8	16	1,609	1,811	1,811
9	293	1,469	2,451	2,209
10	68	2,189	2,189	2,189
11	183	1,419	2,411	2,411
13	296	1,469	2,421	2,329
14	104	2,409	2,409	2,409
15	276	1,669	2,359	2,111
16	214	1,501	2,289	2,219
17	19	1,489	2,259	2,259
18	55	1,539	2,291	2,189
20	1,439	1,439	2,309	2,309
21	128	1,569	2,373	1,649
22	146	1,759	2,259	2,229
23	283	2,012	2,289	2,289
24	162	2,161	2,292	2,161
25	86	1,709	2,329	2,129
27	141	1,351	2,336	1,719

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

Paddy Price Outlook

Sources suggest that demand for Indian White Broken Rice is maintaining an upper hand over its competitor exporting countries due to feasible export prices when compared with others. The export price of 5% Broken Parboiled Rice variety was fell to \$355 -\$360 per ton from \$357-\$365 per ton last week, as Rupee value against dollar trumbled during past week.

Indian Rice exports during fiscal year 2021-22 was around 212.10 LMT as compared to total exports of 177.79 LMT during fiscal year 2020-21, comprising of 172.62 LMT of Non-Basmati Rice exports against 131.49 LMT Non-Basmati Rice exports during previous fiscal year. There are chances of increasing export demand of Indian Rice on account of consumers opting Rice as staple food over Wheat due to persisting high prices of Wheat around the world.

Under current scenario in upcoming season export of Indian Rice is expected to jump by 1.0 million tons and there are chances of India to emerge as leading Rice exporter, accounting for around forty percent of total world Rice supply. In order to control the ongoing instability in domestic Rice market, Bangladesh government has reduced import duty for Rice from 62.5% to 25%. This norm, as of now, is supposed to continue till 31st October 2022.

Table 8: Arrivals and Prices of Paddy (Common)for the Month of June 2022 in Suryapet Market

Date	Arrival (Quintals)	Minimum price (Rs/quintal)	Maximum price (Rs/quintal)	Modal price (Rs/quintal)
1	361	1,416	1,560	1,439
2	374	1,406	1,550	1,520
3	179	1,409	1,601	1,449
4	267	1,359	1,571	1,519
6	128	1,349	1,606	1,579
7	306	1,319	1,606	1,429
8	101	1,329	1,569	1,569
9	86	133	1,409	1,409
10	157	1,309	1,589	1,509
11	70	1,389	1,579	1,416
13	138	1,329	1,589	1,519
14	90	1,319	1,569	1,429
15	125	1,359	1,609	1,359
16	131	1,309	1,611	1,501
17	39	1,359	1,529	1,489
18	53	1,331	1,529	1,529
20	113	1,409	1,620	1,529
21	113	1,550	1,659	1,629
22	97	1,479	1,686	1,677
23	101	1,489	1,689	1,629
24	41	1,559	1,689	1,679
25	28	1,656	1,717	1,717
27	126	1,470	1718	1,669
29	227	1301	2321	2309

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. 1900–2200 and Rs. 1700 – 1960 per quintal respectively during the month of July, 2022.