

Paddy Outlook – June 2023

Paddy is cultivated globally being one of the most important cereal crops worldwide. USDA’s Global rice production in 2023/24 is projected at a record 520.5 million tons, up more than 2 percent from a year earlier, with Bangladesh, the European Union, China, Pakistan, and the United States accounting for most of the expected increase. Global domestic and residual use in 2023/24 is projected at a record 523.0 million tons, up 1.5 million from a year earlier, with South Asia accounting for most of the increase. With domestic and residual use projected to again exceed global production, global ending stocks in 2023/24 are projected to decline 2.5 million tons to 166.7 million, the third consecutive year of decreasing global rice stocks and the smallest since 2017/18.

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

Country	2022-23	2023-24	Change over 2022-23
China	145.95	149.00	3.05
India	135.50	133.00	-2.50
Indonesia	34.00	34.45	0.45
Vietnam	27.00	27.00	0.00
Thailand	20.20	20.50	0.30
Burma	11.80	12.50	0.70
Philippines	12.60	12.60	0.00
Japan	7.48	7.45	-0.03
Pakistan	5.50	9.00	3.50
Brazil	6.80	6.80	0.00
USA	5.09	6.12	1.03
Nigeria	5.36	5.23	-0.13
Egypt	3.60	3.78	0.18
South Korea	3.76	3.57	-0.19
European Union	1.34	1.46	0.12

Source: www.usda.gov* Estimated

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

	2021/22 (Estimated)	2022-23 (Forecast)	2023-24 (Projected)
Opening Stocks	182.6	178.2	171.4
Production	514.9	508.9	521.3
Imports	55.2	52.6	53.8
Total Availability	697.4	687	692.7
Total Consumption	519.3	515.6	519.5
Exports	55.2	52.6	53.8
Ending Stocks	178.2	171.4	173.2

Source: International Grains Council

Table 3: Domestic Balance Sheet (in MMT)

Figure in MMT	2020-21	2021-22	2022-23*
Carry in	30.48	35.4	42.11
Production	124.37	130.29	135.54
Imports	0	0	0
Total Availability	154.85	165.69	148.06
Consumption	105	106.2	109
Exports	14.45	17.38	12.5
Total Usage	119.45	123.58	121.5
Carry out	35.4	42.11	26.56
Stock- to-use ratio	25.00%	27.00%	22.00%

Source: www.agriwatch.com

Table 4: Average Price of Paddy Common at Major States in India May, 2023

State	Prices May, 2023	Prices April, 2023	Prices May, 2022	% Change (Over Previous Month)	% Change (Over Previous Year)
Andhra Pradesh	2042	2041	1867	0.05	9.37
Chhattisgarh	1879	1870	1518	0.48	23.78
Gujarat	1902	1868	1697	1.82	12.08
Karnataka	1993	2117	1807	-5.86	10.29
Kerala	2065	2057	1925	0.39	7.27
Madhya Pradesh	1803	2388	1528	-24.5	18
Maharashtra	2478	2568	2170	-3.5	14.19
Manipur	1875	1761		6.47	
NCT of Delhi	3055	3531	3799	-13.48	-19.58
Odisha	2039	2007	1938	1.59	5.21
Pondicherry	1680	1637	1331	2.63	26.22
Rajasthan	3801	3966	3889	-4.16	-2.26
Tamil Nadu	1882	1914	1491	-1.67	26.22
Telangana	1741	1624	1416	7.2	22.95
Tripura	1848	2022	1470	-8.61	25.71
Uttar Pradesh	2000	1963	1811	1.88	10.44
Uttrakhand	2026	2172		-6.72	
West Bengal	2050	2032	1840	0.89	11.41
Average	2119.94	2192.79	1968.56		

Source: www.agmarknet.gov.in

As per the Ministry of Agriculture, Yasangi (Rabi) paddy acreage as on 3rd February 2023 has increased by 37.89% to 53.91 lakh hectares (135.96 lakh acres) as compared to 39.90 lakh hectares (98.59 lakh acres) during the same period of last year. Higher acreage was covered in Telangana 22.84 lakh ha (56.44 lakh acres), Tamil Nadu 12.21 lakh ha (30.17 lakh acres), Andhra Pradesh 5.51 lakh ha (13.62 lakh acres) and Assam 1.84 lakh ha (4.55 lakh acres). According to

3rd Advance Estimates of Production of Food grains for 2022-23, all India rice production estimate was 135.54 million tonnes.

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
Telangana	14.50	35.83	36.34	22.84	56.44	42.37
Tamilnadu	11.78	29.11	29.52	12.21	30.17	22.65
Andhra Pradesh	6.75	16.68	16.92	5.51	13.62	10.22
Assam	1.52	3.76	3.81	1.84	4.55	3.41
Kerala	0.88	2.17	2.21	0.83	2.05	1.54
Other	4.47	11.05	11.20	10.68	26.39	19.81
Total	39.90	98.59	100.00	53.91	133.21	100.00

Source: www.agricoop.gov.in

Table 6: District wise area under Paddy in Telangana State

District	2021-22			2022-23		
	Ha	Acres	% to total area	Ha	Acres	% to total area
Nalgonda	175236	433017	12.08	224116	553801	9.81
Suryapet	177234	437955	12.22	193007	476930	8.45
Nizamabad	134573	332537	9.28	161206	398347	7.06
Siddipet	98588	243617	6.80	138796	342972	6.08
Jagtiyal	67010	165584	4.62	120450	297638	5.27
Yadadri	57135	141184	3.94	117081	289312	5.13
Karimnagar	85973	212443	5.93	109827	271388	4.81
Kamareddy	68954	170389	4.75	104953	259343	4.59
Medak	57410	141864	3.96	102552	253412	4.49
Khammam	37166	91839	2.56	85950	212386	3.76
Peddapalli	67679	167239	4.67	80951	200033	3.54
Others	423512	1046519	29.20	845506	2089288	37.01
Total	1450471	35,84,187	100.00	2284393	56,44,850	100.00

Source: www.agri.telangana.gov.in

During yasangi (Rabi) in Telangana, it has been sown in 22.84 lakh hectares (56.44 lakh acres) as on 29th March 2023 which is 57.47 % higher than 14.50 lakh hectares (35.84 lakh acres) covered during corresponding period of last year. Major paddy growing districts in Telangana are Nalgonda 2.24 lakh ha (5.55 lakh acres), Suryapet 1.92 lakh ha (4.76 lakh acres), Nizamabad 1.61 lakh ha (4.00 lakh acres), Siddipet 1.40 lakh ha (3.46 lakh acres), Jagityal 1.20 lakh ha (2.97 lakh acres), Yadadri 1.17 lakh ha (2.90 lakh acres), Karimnagar 1.09 lakh ha (2.70 lakh acres) Kamareddy 1.056 lakh ha (2.61 lakh acres), Medak 1.03 lakh ha (2.55 lakh acres), Khammam

0.86 lakh ha (2.12 lakh acres) and Peddapalli 0.83 lakh ha (2.05 lakh acres). According to 3rd Advance Estimates of Production of Food grains for 2022-23, rice production estimate was 175.27 lakh tonnes in Telangana State.

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

Date	Arrival (Quintals)	Minimum price (Rs/quintal)	Maximum price (Rs/quintal)	Modal price (Rs/quintal)
2	44	1,409	2,359	2,359
4	46	1,514	2,462	2,462
5	6	2,532	2,532	2,532
8	193	1,629	1,689	1,659
9	81	2,585	2,585	2,585
11	3	2,619	2,619	2,619
12	123	1,469	1,829	1,759
13	20	2,633	2,689	2,689
15	32	2,727	2,727	2,727
16	25	1,549	2,006	2,006
18	23	1,549	1,549	1,549
22	173	1,469	2,862	2,569
23	32	1,589	2,106	2,106
24	19	1,939	2,913	2,909
25	13	1,719	1,719	1,719
26	85	1,609	1,709	1,709
29	112	2,691	3,021	2,839
30	22	1,706	2,152	2,152
31	15	2,522	2,982	2,863

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

Paddy Price Outlook

The price range for India's 5% broken parboiled rice variety was \$375-\$380 per tonne, reflecting an increase compared to the previous week's range of \$374-\$378. The demand for rice imports from Asian countries has shown some improvement, primarily driven by the lower prices.

Notably, Vietnam's rice exports in the first five months of this year are estimated to have surged by approximately 40.8% compared to the same period last year, amounting to 3.9 million tonnes. Moreover, rice shipments from Vietnam in May reached an estimated volume of 1 million tonnes. As for Thailand, the prices for their 5% broken rice remained steady at \$495 per tonne, with minimal fluctuations compared to the range of \$495-\$500 quoted in the preceding week due to subdued demand and the weakened Baht.

The G.O.I. has authorized the export of approximately 1.06 million tonnes of grains, comprising wheat and rice, as part of the nation's diplomatic food assistance program to four countries. However, it should be noted that restrictions on the export of wheat and limitations on

rice shipments will remain in effect. In line with discussions held with the Ministry of External Affairs regarding humanitarian food assistance, the Ministry of Food has approved the export of over 200,000 tonnes of broken rice to Indonesia, 500,000 tonnes of broken rice to Senegal, and 50,000 tonnes of broken rice to Gambia.

Table 8: Arrivals and Prices of Paddy (Common) for the Month of May 2023 in Suryapet Market

Date	Arrival (Quintals)	Minimum price (Rs/quintal)	Maximum price (Rs/quintal)	Modal price (Rs/quintal)
2	3,881	1,401	1,664	1,566
3	2,213	1,461	1,685	1,677
4	2,447	1,419	1,708	1,652
5	2,533	1,409	1,717	1,659
6	2,494	1,443	1,719	1,656
8	3,378	1,401	1,742	1,660
9	3,371	1,401	1,742	1,728
11	3,266	1,401	1,775	1,640
12	3,094	1,401	1,784	1,756
13	2,875	1,409	1,859	1,639
15	3,608	1,404	1,781	1,756
16	2,367	1,459	1,785	1,719
17	2,783	1,409	1,809	1,719
18	1,246	1,409	1,819	1,729
22	4,103	1,401	1,782	1,679
23	1,361	1,406	1,785	1,739
24	1,266	1,419	1,773	1,693
25	669	1,469	1,779	1,759
26	500	1,469	1,789	1,769
27	334	1,509	1,781	1,701
29	980	1,416	1,793	1,709
30	456	1519	1772	1859
31	298	1469	1769	1692

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expects that Paddy-Grade-A and Paddy-Common could trade in price ranges of Rs. 2060–2460 and Rs. 1980–2060 quintal respectively during the month of June, 2023.