



Paddy Monthly Outlook Report-May, 21

Table of contents

1. Paddy market outlook- April, 21
2. Domestic market highlights
3. Supply and demand -India, 2020-21
4. Monthly trends in arrivals and prices for major markets
5. Spot market dynamics
6. International wheat Outlook-FOB and CBOT quotes

Domestic Monthly market dynamics-May, 21

Arrivals: Paddy procurement for rabi season 2020-21 is conducting smoothly across the country with the procurement of 86.41 lakh MT till 31.05.2021. During May-21, arrivals picking up by 111 percent as against april-21 at all major markets from 2.89 lakh MT to 5.94 lakh tonnes, but it was 43 % less when compared to corresponding period of last year.

Price trend: Average monthly wholesale paddy prices in India stood at around Rs.1670.70 per quintal in May- 2021, down

by 2.40% from Rs.1711.90 per quintal in April-2021 and down by 2.80 % from Rs.1716.76per quintal a year ago. Paddy prices in coming months would likely to trade at steady form as procurement will improve in all markets in coming months. The Minimum support price for paddy for 2020-21 is currently at Rs.1868 for common variety and Rs.1888 for Grade 'A' variety.

All India Paddy Market summary, May-21	
Total Arrivals	5.94 LMT
Average price	Rs.1670.70/ qtl
MSP	Rs.1868/ qtl
Cheapest market: Gudiyapatnam (TN)	Rs.945/ qtl
Costliest Market: Gondpimpri	Rs.2758/ qtl

Domestic Market Highlights - May, 21

Ministry of Agriculture and farmers welfare has released the third advance estimate of principal crops for 2020-21. As per 3rd advance estimates, total food grain production in India is estimated at 305.44 Million MT, which is higher by 7.94 Million MT than the previous year production of 297.50 Million MT.

According to 3rd advance estimates for 2020-21, total production of **Rice is estimated at record 121.46 Million MT**, it is higher by 26.66 Million tonnes than the last 5-years (2015-16 to 2019-20) average production of rice.

Area under summer crops -2021			
Crops	Area sown in 2020	Area sown in 2021	% Change
Rice	34.35	39.61	15.33
Pulses	10.64	17.82	67.48
Oil seeds	9.78	10.87	11.16
Millets	11.67	12.15	4.11
Total	66.44	80.46	21.10

Paddy procurement for rabi season 2020-21 is conducting smoothly across the country with the procurement of 86.41 lakh MT till 31.05.2021. Over all 791.78 LMT of paddy procured from 109.9 lakh farmers as against 770.93 LMT during corresponding period last year.

Procurement of paddy in Telanagana state has been started with big gain and opening in above 105 procurement centers. As per Telangana Today, nearly 38 thousand MT of paddy has been procured with value of Rs.128.70 million has been distributed to farmers as of 09 May 2021.

Area coverage under summer crops in 2021 increases by 21.10%. Despite increase in Covid -19 cases during Second wave, the area under summer crops increased by 21.10 % from 66.44 lakh ha to 80.46 lakh ha. Area under rice has gone up by 15.33 % from previous year to 39.61 lakh ha.

Supply and Demand - India, 2020-21

	Particulars (Fig. in MMT)	India	
		2020-21	2021-22
1	Opening stock	28.0	27.40
2	Production	120.30	122.0
3	Imports	-	-
4	Total availability (1+2+3)	148.30	149.40
5	Consumption	105.40	107.20
6	Exports	15.20	14.20
7	Total usage (5+6)	120.10	121.10
8	Ending stocks	27.40	28
9	Avera..monthly consumption	8.74	8.93

As per International grain council (IGC), India's rice production for 2021-22 is forecasted at 122.00 MMT compared to 120.30 MMT in 2020-21. Higher production is expecting in 2021-22 due to increase in yield and area. Over all consumption may be increase by 1.8 MMT in 2021-22 from 105 MMT and average monthly consumption wil be 8.93 MMT. Exprot of rice

in 2021-22 will decrease by 1 MMT as per IGC forecast, may be due to more domestic requirement for consumption.

Percentage growth in monthly arrivals and prices of paddy in India

Date	Prices			Arrivals		
	Rs./qtl	P-o-P % change	Y-o-Y % change	Metric Tonnes	P-o-P % change	Y-o-Y % change
May-21	1,670.70	-2.4	-2.8	594,125.30	111	-43.8
Apr-21	1,711.90	1.3	-0.4	281,609.40	-39.5	-37.4
Mar-21	1,690.20	-3.7	-1.9	465,271.90	-27.4	-19.4
Feb-21	1,754.20	-2.2		641,243.60	-77.9	
Jan-21	1,793.80	-1.8	-1.1	2,899,687.40	-30.6	-21.7

Compared to last 3 months, during May-21 paddy arrivals are picking up strongly by 111 percent as against April-21. When compared to last year, paddy arrivals are not reaching their monthly arrivals in all the months. Similar trend we can see the paddy prices for the past 5 months. Last year, paddy prices were hovered in the range between Rs.17500 to 1850 per quintal. Paddy prices in coming months would likely to trade at steady form as procurement will improve in all markets in coming months.

Trends in arrivals of paddy at major markets in India in May-21

States	Markets	May_21	April_21	May_20	% change from previous month	% change from a year ago
Odisha	Attabira	115837	0.12	134160.2	96530425	-15.82
Chhattisgarh	Dhamtari	36848	5063.3	50963.5	627.74	-38.31
Karnataka	Gangavathi	30009	23884	39240	25.64	-30.76
Karnataka	Sindhanur	29137	22975	60205	26.82	-106.63
Tamil Nadu	Tiruvonnainallur	28996	32522	452	-12.16	6310.51
Chhattisgarh	Kurud	21506	8671.5	71044.8	148.01	-230.35
Telangana	Amangal	19924	4119	26206.88		-31.54
Chhattisgarh	Basana	19176	6264.7	16828.6	206.10	13.95
Odisha	Godabhaga	12533	2.4	6069.99	522120.83	106.48
Telangana	Suryapeta	6377	20644	0	-223.73	100.00
West Bengal	Burdwan	5416	4484	3098	20.79	74.82

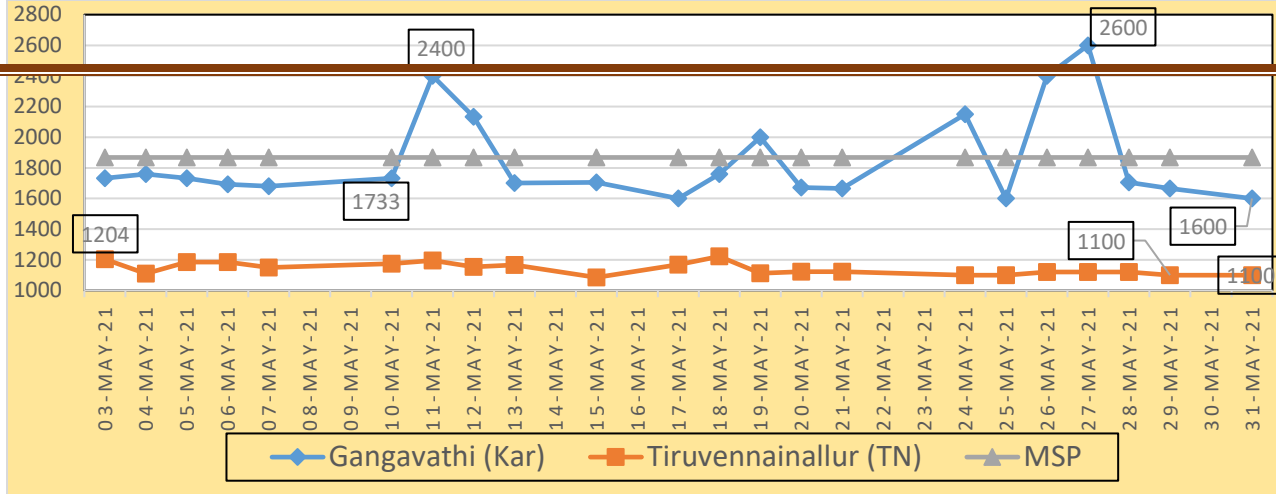
During the month of May-21, most part of arrivals in paddy came from Odisha, Chhattisgarh, Karnataka and Telangana markets. Especially, in Odisha, procurement has started during May-21 with huge arrivals at minimum support price i.e Rs.1868/etc . Over all compared to April, volumes of arrivals become high during May in most of the markets.

Trends in prices of paddy at major markets in India in May-21

States	Markets	May_21	April_21	May_20	% change from previous month	% change from a year ago
Odisha	Attabira	1868	1868	1815	0.00	2.92
Chhattisgarh	Dhamtari	1514	1474	1519	2.74	-0.35
Karnataka	Gangavathi	1850	1853	1832	-0.20	0.95
Karnataka	Sindhanur	1974	1885	1921	4.70	2.73
Tamil Nadu	Tiruvonnainallur	1165	1232	1372	-5.72	-17.80
Chhattisgarh	Kurud	1549	1578	1612	-1.83	-4.06
Telangana	Amangal	1888	1807	1825	4.30	3.34
Chhattisgarh	Basana	1326	1386	1386	-4.55	-4.53
Odisha	Godabhaga	1868	1868	1815	0.00	2.92
Telangana	Suryapeta	1449	1555	1550	-7.34	-6.98
West Bengal	Burdwan	1879	1868	1815	0.59	3.53
Madhya Pradesh	Obedullaganj	2732	2632	2279	3.78	19.87
Maharashtra	Mul	2700	2560	2124	5.47	27.13

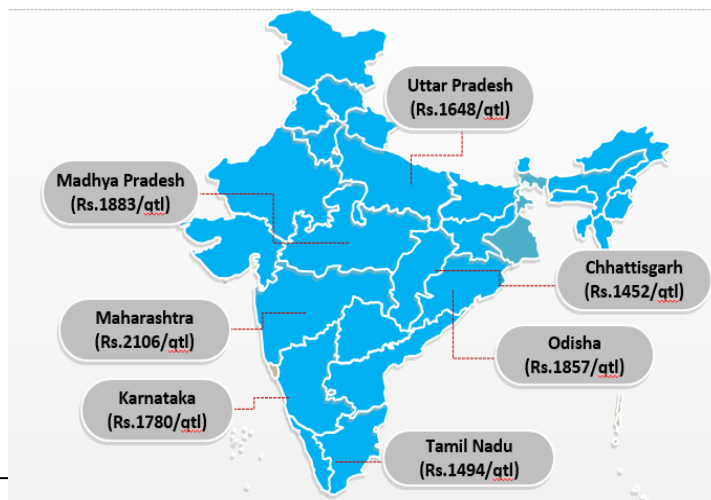
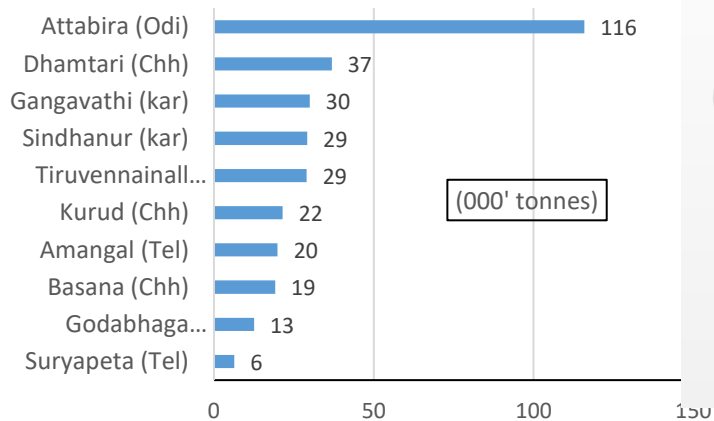
Monthly average wholesale paddy prices in India were traded at in the range of Rs.1500 to 2500 per quintal. Since April-21, paddy prices are in steady form due to slow procurement across rabi paddy growing states. Paddy prices in coming months would likely to trade from weak to steady tune as progress in procurement across states.

Comparison of spot markets prices of paddy with MSP (Rs/ qtl)



Spot Market Dynamics in Paddy during May-21

Top 10 mandis in arrivals



Prices of paddy during May-

21

Price comparison with peers (Cereals and Millets) during May-

21

Paddy



Wheat



Maize



Rs.1670.70/qtl

(-2.40%)

Sorghum



Rs.1942.50/qtl

(-7.10%)

Rs.1909.20/qtl

(+1.40%)

Pearl Millet



Rs.1376.90/qtl

(+4.20%)

Rs.1522/qtl

(+2.40%)

Finger Millet



Rs.2924.30/qtl

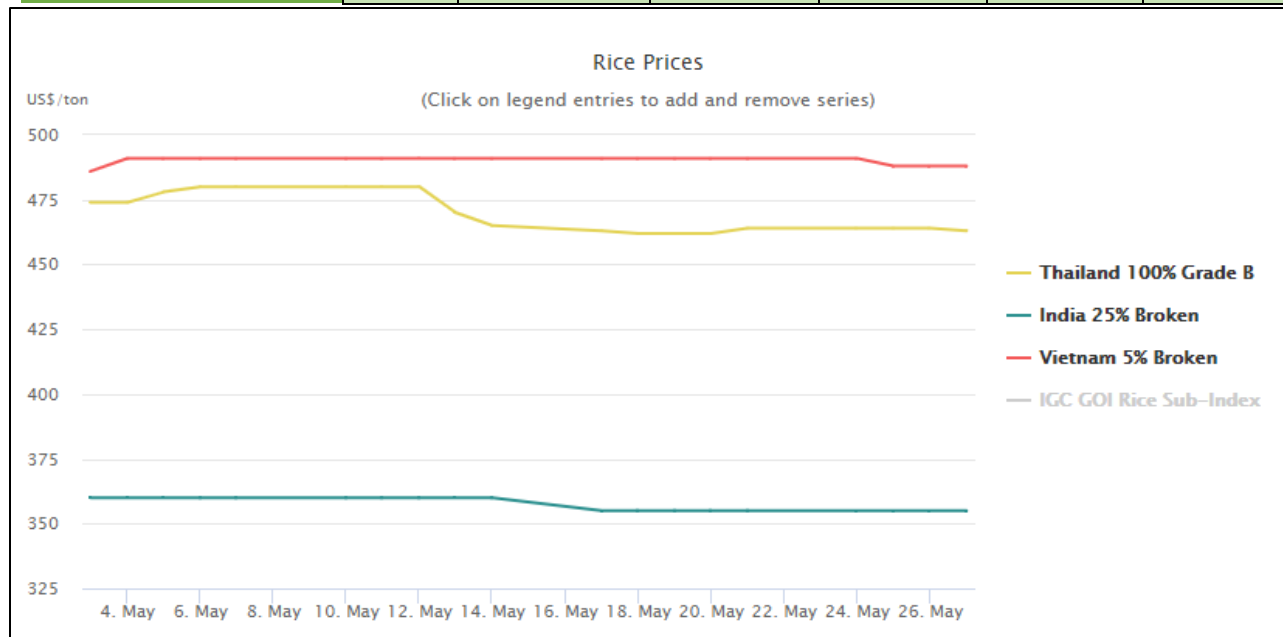
(+3.3%)

*() parentheses represents the % change from previous month

Paddy - Global Market Outlook

Paddy export prices-Free on board (FOB) (USD/T)

Countries -type	27 th May	03 rd May	\$ change	Annual Change	52 Week High	52 Week Low
Indian 25 % broken	355	360	-5	5%	373	329
Thailand 5% Broken	463	474	-11	-7%	515	430
Vietnam 5% broken	488	486	2	6%	520	412



Source: International Grain Council (IGC)

- All global FOB quotes for rice are in steady form during the month of May-2021 except Thailand. However, FOB quotes for Indian 25 % broken rice was hovered in the range of \$355-360 per MT.
- Thailand FOB quotes for 5 % broken rice are hovering in the range from \$463 to 475 per MT during the month of May, 21.
- Notably, All FOB quotes were reached their 52 week high during April, 2021.

Chicago Board of Trade Rough rice (CBOT) Future prices:



During May-21, Chicago board of trade market price of Rough rice for July-21 contract is projected to decline by \$ 1-2 per bushels and as on 28th May, it is hovering around \$13.30 per bushels.