

Voluntary Report – Voluntary - Public Distribution

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Report Highlights:

On August 19, 2020, the Ministry of Agriculture and Farmers Welfare (MoAFW) raised the Indian crop year (ICY) 2019/20 (July-June) grain production estimate to a record 296.7 million metric tons, (MMT) a significant increase from the 295.7 MMT (May 2020) third advance estimate. Post's Market Year 2019/20 Production, Supply and Demand (PS&D) estimates for rice, corn, millet and sorghum, and the MY 2020/21 PS&D for wheat and barley are revised to reflect the latest official forecasts. MY 2020/21 rice production forecast is also raised higher to 120 MMT on favorable planting and yield prospects on excellent monsoon rains. MY 2019/20 rice exports are estimated at 11 MMT, and 2020/21 exports forecast at 11.5 MMT.

Government Further Raises 2019/20 Record Grain Production

On August 19, 2020, the Ministry of Agriculture and Farmers Welfare (MoAFW) released the [Fourth Advance Estimate of Food Grains for ICY 2019/20](#), further raising the forecast record grain production to 296.65 MMT, an increase from the earlier [Third Advance Estimate](#) of 295.67 MMT (May 15, 2020) on higher wheat and rice acreage and production. MY 2019/20 grain production is estimated at more than four percent greater than last year's (ICY 2018/19) record harvest (295.21 MMT), largely fueled by record rice and wheat production due to favorable weather that supported higher planting and record yields of the two crops.

ICY 2019/20 grain production includes rice, coarse grains, and pulse *kharif* season crops harvested last fall, and *rabi* crops harvested this spring (MY 2019/20); and *rabi* wheat and barley harvested in March-June 2020 (MY 2020/21). The latest official estimates are based on the feedback from various state governments on acreage and yield estimate surveys for the *kharif* crops and provisional estimates for acreage and yield for *rabi* crops. The MoAFW will release its ICY 2019/20 final estimates by February 2021 based on the final results from the state crop surveys.

Post's major grains production and supply estimates are revised to reflect the official production and planted area estimates. Consumption and ending stocks have been revised to account for noted changes in the production estimates.

RICE

Table 1. India: Commodity, Rice Milled, Production, Supply and Demand Estimates (PSD)

Rice, Milled Market Year Begins	2018/2019		2019/2020		2020/2021	
	Oct 2018		Oct 2019		Oct 2020	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
India						
Area Harvested (1000 HA)	44160	44160	43600	43780	44000	44500
Beginning Stocks (1000 MT)	22600	22600	29500	29500	35000	35000
Milled Production (1000 MT)	116480	116480	117939	118430	118000	120000
Rough Production (1000 MT)	174737	174737	176926	177663	177018	180018
Milling Rate (.9999) (1000 MT)	6666	6666	6666	6666	6666	6666
MY Imports (1000 MT)	0	0	0	0	0	0
TY Imports (1000 MT)	0	0	0	0	0	0
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	139080	139080	147439	147930	153000	155000
MY Exports (1000 MT)	10420	10420	10100	11000	11000	11500
TY Exports (1000 MT)	9790	9790	10500	11500	11000	11500
Consumption & Residual (1000 MT)	99160	99160	102339	101930	104000	105000
Ending Stocks (1000 MT)	29500	29500	35000	35000	38000	38500
Total Distribution (1000 MT)	139080	139080	147439	147930	153000	155000
Yield (Rough) (MT/HA)	3.9569	3.9569	4.0579	4.0581	4.0231	4.0453
MY = Marketing Year, begins with the month listed at the top of each column						
TY = Trade Year, which for Rice, Milled begins in January for all countries. TY 2020/2021 = January 2021 - December 2021						

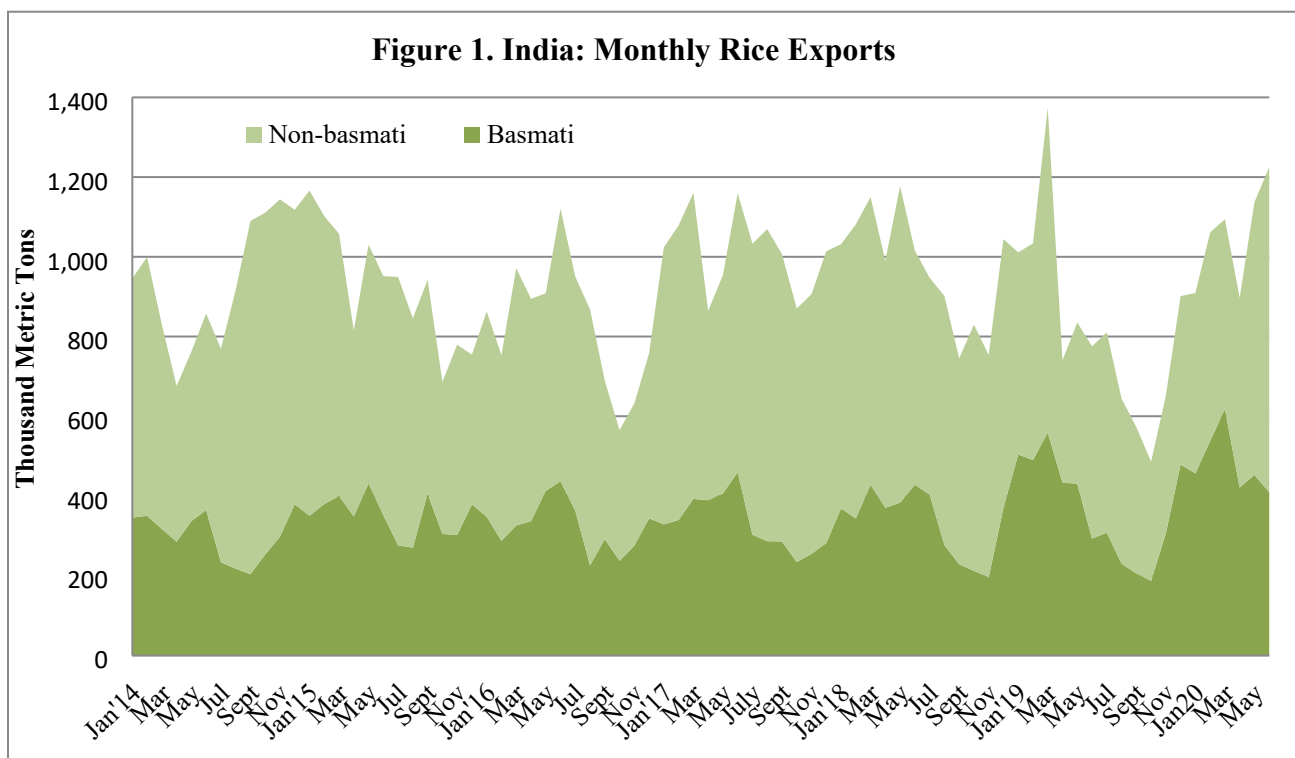
Production Raised

Based on the MoAFW's latest fourth advance estimates, MY 2019/20 (October-September) rice production has been raised to a record 118.4 MMT (versus 117.9 MMT in May 2020) due to higher than earlier estimated planting area (43.8 million hectares). MY 2020/21 production forecast has also been raised higher to 120 MMT based on the higher pace of planting and expected good yields due to excellent 2020 monsoon rains across the rice-growing states.

The MoAFW estimates rice planting through August 28, 2020, at 38.98 million hectares, approximately 3.5 million hectares higher than rice planting during the corresponding period in 2019. Field sources report that the rice crop is progressing well under sufficient precipitation across the major rice growing areas. Government sources and agricultural experts report a likely fourth consecutive record rice harvest in the upcoming season should weather conditions remain favorable for the standing *kharif* (fall harvested) rice, and that there are no major cyclones or floods in the coming months.

Exports Strong

Post estimates MY 2019/20 rice exports at 11 MMT, and MY 2020/21 at 11.5 MMT based on the current pace of highly competitive Indian rice prices vis-à-vis competing origins and forecasted higher domestic supplies.



Source: Directorate General of Commercial Intelligence, Government of India (GOI).

Indian rice exports have strongly recovered since December 2019 due to highly competitive prices compared to other origins. Despite the decline in April 2020 coming from supply disruptions caused by the COVID-19 related national lockdown, official provisional export data estimates rice exports in the first three quarter of MY 2019/20 (Oct 2019-June 2020) at 8.4 MMT, nearly the same levels as last year's exports in the same period. However, exports in the last two months (May-June 2020) have been very strong, estimated at 2.4 MMT, compared to 1.6 MMT in May-June 2019. While official estimates for July/August are not available, trade sources report a continued steady pace of exports in the coming months on strengthened export demand and restoration of the supply chain and port operations.

Assuming no significant change in the current price parity of Indian rice versus other origins, and steady international demand, MY 2019/20 rice exports are estimated to reach 11 MMT and CY 2020 exports at 11.5 MMT. The MY 2020/21 export forecast is estimated at 11.5 MMT, due to improved domestic supplies on forecasted record harvests.

Consumption/Stocks Revised

MY 2019/20 and 2020/21 consumption and MY 2020/21 ending stocks are adjusted to reflect the changes in the production and trade estimates.

WHEAT

Table 2. India: Commodity, Wheat, PSD

Wheat Market Year Begins India	2018/2019		2019/2020		2020/2021	
	Apr 2018		Apr 2019		Apr 2020	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	29651	29651	29319	29319	30554	31450
Beginning Stocks (1000 MT)	13230	13230	16992	16992	24000	24700
Production (1000 MT)	99870	99870	103600	103600	107180	107590
MY Imports (1000 MT)	17	17	20	20	25	20
TY Imports (1000 MT)	18	18	20	20	25	20
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	113117	113117	120612	120612	131205	132310
MY Exports (1000 MT)	496	496	500	500	1000	1000
TY Exports (1000 MT)	494	494	500	500	1000	1000
Feed and Residual (1000 MT)	5000	5000	6000	6000	6500	7000
FSI Consumption (1000 MT)	90629	90629	90112	89412	93000	93000
Total Consumption (1000 MT)	95629	95629	96112	95412	99500	100000
Ending Stocks (1000 MT)	16992	16992	24000	24700	30705	31310
Total Distribution (1000 MT)	113117	113117	120612	120612	131205	132310
Yield (MT/HA)	3.3682	3.3682	3.5335	3.5335	3.5079	3.421
MY = Marketing Year, begins with the month listed at the top of each column						
TY = Trade Year, which for Wheat begins in July for all countries. TY 2020/2021 = July 2020 - June 2021						

Record MY 2020/21 Production

Based on the MoAFW's latest estimate, the MY 2020/21 (April-March) wheat production estimate is raised to a record 107.6 MMT, due to the previous 31.45 million hectares (near-record). State agricultural data suggests production higher than previously expected in the states of Madhya Pradesh, Uttar Pradesh and Rajasthan on revised higher planting estimates.

Raised Ending Stocks

Post estimates MY 2019/20 ending stocks at 24.7 MMT, based on the latest April 1, 2020 government wheat stocks estimates reported by the Food Corporation of India.

MY 2020/21 ending stocks are further raised to a record 31.3 MMT due to record harvests and procurement (record 38.98 MMT versus 31.13 MMT last year, and previous record 37.92 MMT in MY 2012/13).

CORN

Table 3. India: Commodity, Corn, PSD

Corn Market Year Begins India	2018/2019		2019/2020		2020/2021	
	Nov 2018		Nov 2019		Nov 2020	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	9027	9027	9270	9723	9000	9200
Beginning Stocks (1000 MT)	2329	2329	1346	1346	2146	1883
Production (1000 MT)	27715	27715	28900	28637	27500	27500
MY Imports (1000 MT)	221	221	400	400	300	300
TY Imports (1000 MT)	212	212	400	400	300	300
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	30265	30265	30646	30383	29946	29683
MY Exports (1000 MT)	419	419	500	500	400	400
TY Exports (1000 MT)	482	482	500	500	400	400
Feed and Residual (1000 MT)	17300	17300	16800	16800	17000	17000
FSI Consumption (1000 MT)	11200	11200	11200	11200	11200	11200
Total Consumption (1000 MT)	28500	28500	28000	28000	28200	28200
Ending Stocks (1000 MT)	1346	1346	2146	1883	1346	1083
Total Distribution (1000 MT)	30265	30265	30646	30383	29946	29683
Yield (MT/HA)	3.0702	3.0702	3.1176	2.9453	3.0556	2.9891

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Corn begins in October for all countries. TY 2020/2021 = October 2020 - September 2021

Lower MY 2019/20 Production

Based on the MoAFW's latest estimate, the MY 2019/20 (November-October) corn production estimate is marginally lowered to 28.6 MMT, despite a significant increase in sowing area to 9.72 million hectares (compared to 9.27 million hectares estimated earlier in the third advance estimate). This revision supports initial field reports of *kharif* corn yields in the southern states affected by late 2019 monsoon rains. MY 2020/21 corn planted area is raised higher to 9.2 million hectares based on the reports of previously higher than expected *kharif* corn planting due to excellent 2020 monsoon rains. However, the MY 2020/21 production forecast remains unchanged at 27.5 MMT on reports of heavy rains causing significant crop damage in some corn growing regions.

Lowered Ending Stocks

MY 2019/20 and 2020/21 ending stocks estimates are revised lower to account for revised MY 2019/20 production.

OTHER COARSE GRAINS

Post's MY 2019/20 millet and sorghum production and MY 2020/21 barley production are marginally raised based on MoAFW's fourth advance estimates. Consumption and ending stocks in the table below have been adjusted to account for production changes.

Table 4. India: Commodity, Millet, PSD

Millet Market Year Begins India	2018/2019		2019/2020		2020/2021	
	Nov 2018		Nov 2019		Nov 2020	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	8450	8450	8860	8987	8900	8900
Beginning Stocks (1000 MT)	687	687	323	323	663	544
Production (1000 MT)	10236	10236	12340	12421	11000	11000
MY Imports (1000 MT)	0	0	0	0	0	0
TY Imports (1000 MT)	0	0	0	0	0	0
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	10923	10923	12663	12744	11663	11544
MY Exports (1000 MT)	0	0	0	0	0	0
TY Exports (1000 MT)	0	0	0	0	0	0
Feed and Residual (1000 MT)	700	700	1200	1200	1000	1000
FSI Consumption (1000 MT)	9900	9900	10800	11000	10000	10000
Total Consumption (1000 MT)	10600	10600	12000	12200	11000	11000
Ending Stocks (1000 MT)	323	323	663	544	663	544
Total Distribution (1000 MT)	10923	10923	12663	12744	11663	11544
Yield (MT/HA)	1.2114	1.2114	1.3928	1.3821	1.236	1.236

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Millet begins in October for all countries. TY 2020/2021 = October 2020 - September 2021

Table 5. India: Commodity, Sorghum, PSD

Sorghum Market Year Begins India	2018/2019		2019/2020		2020/2021	
	Nov 2018		Nov 2019		Nov 2020	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	4093	4093	4656	4712	4800	4800

Beginning Stocks (1000 MT)	274	274	148	148	231	328
Production (1000 MT)	3475	3475	4633	4730	4400	4400
MY Imports (1000 MT)	0	0	0	0	0	0
TY Imports (1000 MT)	0	0	0	0	0	0
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	3749	3749	4781	4878	4631	4728
MY Exports (1000 MT)	51	51	50	50	50	50
TY Exports (1000 MT)	53	53	50	50	50	50
Feed and Residual (1000 MT)	350	350	500	500	450	450
FSI Consumption (1000 MT)	3200	3200	4000	4000	3900	4000
Total Consumption (1000 MT)	3550	3550	4500	4500	4350	4450
Ending Stocks (1000 MT)	148	148	231	328	231	228
Total Distribution (1000 MT)	3749	3749	4781	4878	4631	4728
Yield (MT/HA)	0.849	0.849	0.9951	1.0038	0.9167	0.9167

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Sorghum begins in October for all countries. TY 2020/2021 = October 2020 - September 2021

Table 6. India: Commodity, Barley, PSD

Barley	2018/2019		2019/2020		2020/2021	
	Apr 2018		Apr 2019		Apr 2020	
Market Year Begins	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
India						
Area Harvested (1000 HA)	661	661	576	576	618	602
Beginning Stocks (1000 MT)	240	240	250	250	220	220

Production (1000 MT)	1781	1781	1633	1633	1591	1687
MY Imports (1000 MT)	135	135	192	192	250	250
TY Imports (1000 MT)	258	258	200	200	250	250
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	2156	2156	2075	2075	2061	2157
MY Exports (1000 MT)	6	6	5	5	5	5
TY Exports (1000 MT)	2	2	5	5	5	5
Feed and Residual (1000 MT)	450	450	350	350	350	450
FSI Consumption (1000 MT)	1450	1450	1500	1500	1500	1500
Total Consumption (1000 MT)	1900	1900	1850	1850	1850	1950
Ending Stocks (1000 MT)	250	250	220	220	206	202
Total Distribution (1000 MT)	2156	2156	2075	2075	2061	2157
Yield (MT/HA)	2.6944	2.6944	2.8351	2.8351	2.5744	2.8023

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Barley begins in October for all countries. TY 2020/2021 = October 2020 - September 2021

Attachments:

No Attachments.