

Monsoon and Sowing: Update

The intensity of rainfall has pushed South-West monsoon higher at 6% (above LPA) till 30 Jul 2023. Region wise, Eastern and North Eastern region has received lower rainfall, while North Western region have recorded higher rainfall. Erratic rains has resulted in lower kharif sowing this year with pulses registering much lower sowing compared with last year. This is expected to translate in to higher inflation in the near term. IMD expects El Nino conditions will develop in the middle of the monsoon with global models projecting a possible peak through Nov'23-Jan'24. Moreover, in order to gauge the impact on kharif sowing, region wise distribution of rainfall needs to be tracked carefully.

Where does Kharif sowing stand?

As of 28 Jul 2023, the overall kharif sown area has declined by 0.3% (was up by 1.2% in the previous week) compared with last year. Rice sowing has improved by 1.9% for the same period. Sown area of oilseeds, sugarcane remain higher this year. Marginal improvement in the acreage of Bajra and Maize has pushed overall sown area of coarse cereals higher. However, Pulses acreage has declined by double digits (-11.3%) compared with last year. Both Arhar and Urad, registered a dip of (-) 16% and (-) 14.1% respectively for the same period. Cotton sowing (-1%) too remain much lower than last year.

Table 1: Kharif Sowing

| | Area sown in 2023-24 (Lakh ha) | Area sown in 2022-23 (Lakh ha) | Change (YoY %) |
|-----------------------|-----------------------------------|-----------------------------------|----------------|
| Coarse Cereals | 145.8 | 143.5 | 1.6 |
| Jowar | 10.6 | 10.6 | 0.2 |
| Bajra | 60.6 | 58.1 | 4.3 |
| Maize | 69.4 | 68.9 | 0.6 |
| Rice | 237.6 | 233.2 | 1.9 |
| Pulses | 96.8 | 109.1 | (11.3) |
| Oilseeds | 171.0 | 167.6 | 2.0 |
| Cotton | 116.7 | 117.9 | (1.0) |
| Sugarcane | 56.0 | 54.5 | 2.7 |
| Jute and Mesta | 6.4 | 6.9 | (8.1) |
| All Crops | 830.3 | 832.8 | (0.3) |

Source: CEIC, Bank of Baroda | Data as of 28 Jul 2023

Monsoon:

For the period 1 Jun 2023 to 30 Jul 2023, South West Monsoon is 6% above LPA compared with last year.

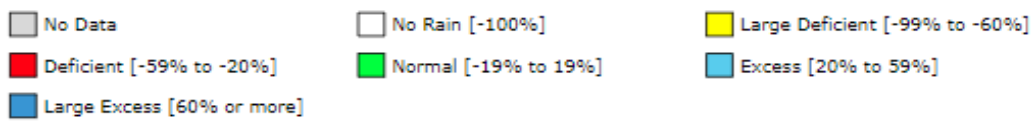
- Northern and Western part of the country has received excessive rainfall. These include states such as Rajasthan, Punjab, Haryana, Gujarat, Himachal Pradesh and Jammu & Kashmir.

- Most of the region in the Deccan plateau with the exception of Telangana and Kerala have received normal rainfall. Even some region in North Eastern region including Meghalaya, Arunachal Pradesh, Assam and Meghalaya continue to receive normal rainfall.
- On the other hand, states including Manipur, Mizoram, West Bengal, Bihar and Jharkhand have been on the receiving end of the lower rainfall.
- IMD has projected that based on global model, El Nino conditions are likely to develop in the middle of the season and is expected to continue through Q1CY24. IMD expects a fairly widespread rainfall in most parts of North West, Central and eastern region. However it expects scattered rainfall in other parts of the country.

Fig 1: Distribution pattern of South-West Monsoon



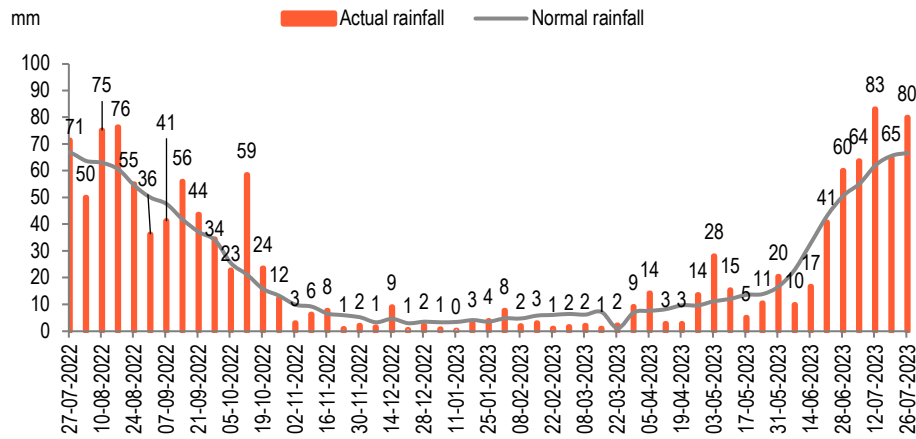
Source: IMD, Bank of Baroda Research | Period from 1 Jun-30 Jul 2023.



In Fig2, actual rainfall this year has been comparatively more than last year (80mm versus 71mm). It also continues to be higher than the normal rainfall. Fig 3, explains regions wise distribution of rainfall.

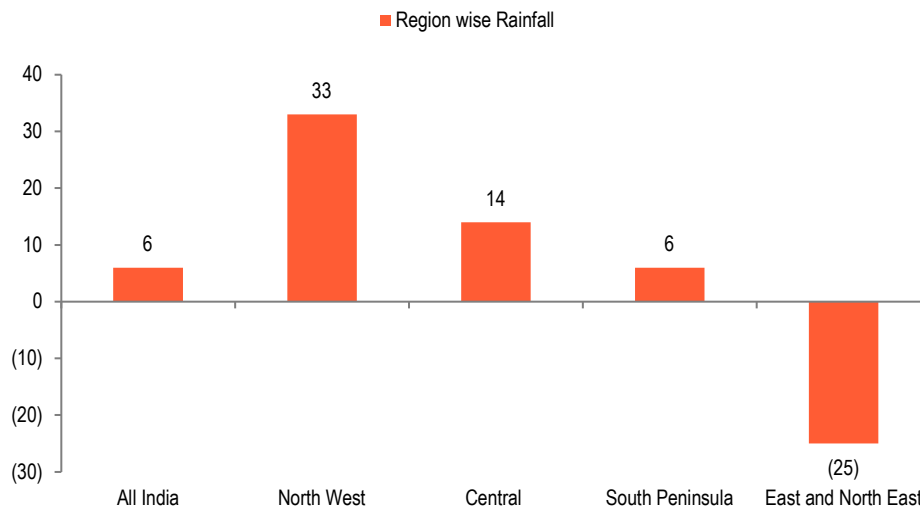
With the exception of Eastern and North Eastern region (25% below LPA), other regions have received much higher rainfall including North West (33% above LPA) Central (14% above LPA) region and South Peninsula (6% above LPA).

Fig 2: Weekly distribution of rainfall



Source: CEIC, Bank of Baroda

Fig 3: Region-wise deviation of rainfall



Source: CEIC, Bank of Baroda

In the table 2, mentioned below, over 6 subdivision (out of 36) have received lower rainfall (8 in the previous week) for cumulative period ranging from 1 Jun-30 Jul’23. Amongst states, there are 7 states (6 states-last week) that remain in the deficient zone during this period.

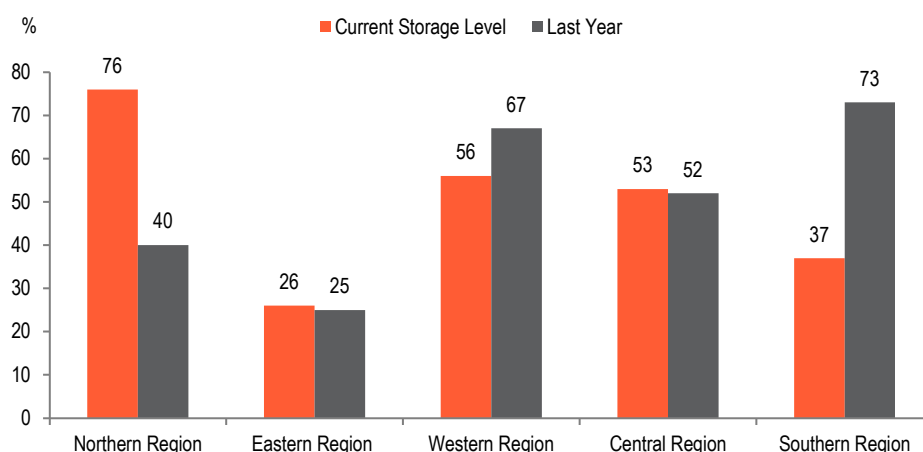
In terms of storage (Fig 4), the reservoir level as a % of total capacity stands at 48% as on 27 Jul 2023. Total live storage available in 146 reservoirs stands at 85% of storage of last year and 111% of average storage for last 10 years. Within regions, Northern region continues to have the highest reservoir levels (76% against 40% last year) and Central (53% versus 52% last year) and Eastern region (26% versus 25%). On the other hand, Western (56% versus 67%) and Southern region (37% against 73%) have lower reservoir level compared with last year.

Table2: Subdivision wise distribution of Rainfall

| Period (1 Jun 2023-30 Jul 2023) | No. of Subdivisions | Sub-division % area of Country |
|---------------------------------|---------------------|--------------------------------|
| Large Excess | 3 | 11% |
| Excess | 10 | 26% |
| Normal | 17 | 48% |
| Deficient | 6 | 15% |
| Large Deficient | 0 | 0% |
| No Rain | 0 | 0% |

Source: IMD, Bank of Baroda

Fig 4: Reservoir level across regions



Source: Central Water Commission, Bank of Baroda

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