

RESEARCH
BOB ECONOMICS RESEARCH | MONSOON UPDATE

Monsoon and Sowing progress

SUMMARY
INDIA ECONOMICS: MONSOON UPDATE

India's South-West monsoon continues to engulf the entire country resulting in higher rainfall at 1% (above LPA) till 14 Jul 2023. However, paucity of rainfall in some states has kept kharif sowing lower compared with last year. Rice and pulses continue to register lower acreage. Region wise, Southern peninsula and Eastern region have recorded lower rainfall and needs further monitoring. In terms of subdivisions and states, 15 and 12 respectively have received deficient rainfall during this period (1 Jun-14 Jul 2023). Additionally, Prospects of El Nino occurrence seems more likely in the middle of the monsoon. Excessive rainfall in some regions also needs to be tracked as IMD continues to issue flood alert around the same.

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Daily macro indicators

Ticker	13-Jul	14-Jul	Chg (%)
US 10Y yield (%)	3.76	3.83	7bps
India 10Y yield (%)	7.08	7.09	2bps
USD/INR	82.07	82.17	(0.1)
Brent Crude (US\$/bbl)	81.4	79.9	(1.8)
Dow	34,395	34,509	0.3
Hang Seng	19,351	19,414	0.3
Sensex	65,559	66,061	0.8
India FII (US\$ mn)	12-Jul	13-Jul	Chg (\$ mn)
FII-D	(48.5)	5.1	53.6
FII-E	(40.6)	688.1	728.7

Source: Bank of Baroda Economics Research

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MONSOON UPDATE

15 July 2023

Monsoon and Sowing progress

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Jahnvi Prabhakar
Economist

Where does Kharif sowing stand?

As of 15 Jul 2023, the overall sown area of kharif crops have declined by (-) 2.0% (-8.7% in the previous week) compared with last year. Total sown area of coarse cereals has increased by 15.9% led by Jowar (26.7%) and Bajra (45.7%). Though, maize sowing was relatively lower at (-) 5.6% compared with last year. Acreage of rice continues to be lower at (-) 6.1%. However, the sowing has improved from previous week (-23.9%). Cotton (-11.6%) and Jute & Mesta (7.8%) have registered much lower sowing this year. Moreover, pulses sowing continues to be lower this year with Arhar recording a sharp decline (-38.2%). On the other hand, Sugarcane and oilseeds sowing are higher than last year at 4.7% and 1.6% respectively.

Table 1: Kharif Sowing

	Area sown in 2023-24 (Lakh ha)	Area sown in 2022-23 (Lakh ha)	Change (YoY %)
Coarse Cereals	104.9	90.6	15.9
Jowar	8.6	6.8	26.7
Bajra	50.1	34.4	45.7
Maize	43.8	46.4	(5.6)
Rice	123.2	131.2	(6.1)
Pulses	66.9	77.1	(13.3)
Oilseeds	139.2	136.9	1.6
Cotton	96.3	108.9	(11.6)
Sugarcane	55.8	53.3	4.7
Jute and Mesta	6.4	6.9	(7.8)
All Crops	592.7	605.7	(2.0)

Source: CEIC, Bank of Baroda | Data as of 15 Jul 2023

Monsoon:

For the period 1 Jun 2023 to 14 Jul 2023, South West Monsoon is 1% above LPA compared with last year.



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