

## Price Forecast of Tapioca for May, June and July 2016

### Tapioca prices to increase marginally

Tapioca, the king of tropical tuber crops occupies a significant position in the global agricultural economy and is the major source of calories in tropical countries after rice and maize. The world tapioca production in 2015 was estimated as 291 million tonnes. Nigeria is the major country growing tapioca in the world accounting for about 18 and 20 per cent of the global area and production respectively. India occupies 10<sup>th</sup> position in global production and is the third largest producer in Asia. Tapioca was cultivated in an area of 2.28 lakh hectares in India, with a total production of 8.5 million tonnes in 2014-15. Tamil Nadu and Kerala accounted for 64 per cent and 34 per cent of the production respectively. The total area of 75,493 hectares under tapioca in Kerala during 2014-15 was distributed as 15,949, 23,823 and 35,721 hectares in autumn, winter and summer seasons respectively. Kollam and Thiruvananthapuram districts account for 22 per cent and 20 per cent of the area under the crop in the state. India exported 3334 tonnes of tapioca worth ₹143.69 million during the period from April to February 2015-16.

Tapioca is extensively grown as a food crop in Kerala, whereas it is cultivated mainly for starch and sago industries in Tamil Nadu. While the average price of tapioca in the Chalai market in Thiruvananthapuram decreased from ₹18 per Kg in December 2015 to ₹15 per Kg in January 2016, it further increased to ₹20 per Kg in April. In Calicut market, the average price slightly decreased from ₹15 per kg in December 2015 to ₹14 per kg in January 2016 and the price remained stable till April 2016. The average price increased from ₹10 per kg in the month of December 2015 to ₹12 in January 2016, then it decreased to ₹10 per kg in February-March 2016 and again increased to ₹12 in April 2016 in the Ernakulam market. The lower prices of tapioca during 2015 have resulted in decline in area under the crop and hence the production this year is expected to be comparatively lower.

The “ICAR Network project on market intelligence” views that the prices are likely to show an upward trend in the coming months as the market arrivals are expected to be lower. The prediction is based on econometric analysis of monthly price data from 2009 for three major markets of tapioca in Kerala and traders’ survey. As this forecast will prevail only with the above market sentiments and could vary with changes in the market situation, the farmers are advised to take suitable selling decisions.

## **Price Forecast of Tapioca for May, June and July 2016**

The ranges of predicted prices are as follows:

<b>Months</b>	<b>Forecasted Price ( ₹ per Kg)</b>		
	<b>Calicut</b>	<b>Ernakulam</b>	<b>Chalai, Thiruvananthapuram</b>
May 2016	13-14	10-12	18-20
June 2016	14-16	12-14	20-22
July 2016	14-16	12-14	20-22

### **Research Team**

**Dr. Jesy Thomas K., Dr. Anil Kuruvila, Dr. Chitra Parayil, Mr. Noushad A. K. and Ms. Rohini K.**  
**ICAR -Network Project on Market Intelligence**  
**College of Horticulture, Vellanikkara,**  
**Kerala Agricultural University, Thrissur**