

Price Forecast of Tapioca for February, March and April 2016

Tapioca prices to remain stable

Tapioca 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 10th 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. In Kerala, tapioca was cultivated in an area of 75,493 hectares with a production of 29.4 lakh tonnes during 2014-15. Kollam and Thiruvananthapuram districts account for 22 per cent and 20 per cent of the area under the crop in the state. India exported tapioca worth ₹131.32 million during April-January 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 ₹20 per Kg in November 2015 to ₹18 per Kg in December 2015, it further decreased to ₹15 per Kg. In Calicut market, the average price remained stable at ₹15 per kg in the months of November and December 2015, showing slight decrease to ₹14 per kg in January 2016. The average price remained stable at ₹10 per kg in the month of November and December 2015, followed by an increase to ₹12 in January 2016 in the Ernakulam market.

The “ICAR Network project on market intelligence” views that the prices are likely to remain stable in the coming months. 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.

The ranges of predicted prices are as follows:

Months	Forecasted Price (₹ per Kg)		
	Calicut	Ernakulam	Chalai, Thiruvananthapuram
February 2016	13-15	10-12	15 – 20
March 2016	14- 15	10-12	15 – 20
April 2016	14-15	11-13	15 – 20

Research Team

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