

SEASONALITY IN WHOLESALE PRICE OF RICE

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SEASONAL fluctuation is a well-known feature of agricultural prices. Knowledge of the size of seasonal swings and regional differences will arm us against misleading interpretations which are likely to be offered to explain seasonal price-swings. Sometimes seasonal falls are likely to be interpreted as prices taking a downward trend, or *vice versa*. To guard against such misleading interpretations, knowledge of the pattern and the extent of seasonal swings in prices is essential. In this paper an attempt has been made to determine the seasonal pattern and the extent of seasonal swings in the wholesale price of rice on a regional basis with the help of data available in the *Bulletin of Agricultural Prices* issued by the Economic and Statistical Adviser to the Ministry of Food and Agriculture, Government of India.

The Bulletin of Agricultural Prices gives wholesale price quotation for every week ended Friday for a number of markets in India. The prices generally relate to common qualities. The price quoted is that of a standard maund (82-2/7 lbs.). Since 1958, the markets have been divided into primary and secondary markets. The primary markets are those where transactions generally take place between producers (or cultivators) and wholesalers. The secondary markets are those where the transactions generally occur between wholesalers and commission agents, or dealers, or other wholesalers; secondary markets also include terminal markets.

For analysis of seasonal variation the period 1953-58 is considered here. Averages of weekly quotations are calculated to give average price for each calendar month, and that series is utilized for calculating the seasonal index. The index is obtained for those centres for which the monthly series is continuous in the period 1953-58. The following are the centres with continuous data:

- (1) Ranchi (Bihar);
- (2) Gaya (Bihar);
- (3) Baharaich (Uttar Pradesh);
- (4) Raipur (Madhya Pradesh);
- (5) Contai (West Bengal).

A small gap in the series in the month of November 1954 for Ranchi, and January 1957 for Contai is filled up by taking the average of the preceding and succeeding months. It fairly well fits with the broad trend of the series in both the cases.

A few additional centres are quoted in the *Bulletin* from 1954-55. The centres for which the data are continuous during the period 1955-58 are also utilized for calculating the seasonal index. These are: