

# ANALYSIS OF THE PATTERN OF RICE PRODUCTION AND FORECASTING IN BANGLADESH BY SIMPLE EXPONENTIAL SMOOTHING MODEL

## Sofi Mahmud Parvez

Abstract—This study's main focus was to forecast rice production in Bangladesh using the mathematrical model. From 1961 to 2021 (60 years), time series data on rice production in Bangladesh were used in this research work. A forecasting technique with fluctuating data is exponential smoothing. In our data set, we applied the exponential smoothing method and predicted the next 50-year pattern of rice production in Bangladesh. Our analysis based on the time series data on rice production indicates that the production trend is increasing and the estimated size will reach 333.8148863 per capita (kg) in 2071. In this study, an attempt was made to compare the original and predicted series, which behave statistically well when predicting rice production in Bangladesh. Policymakers, researchers, traders, and producers will be able to forecast future prices using the findings of this study

*Keywords*— Exponential smoothing model, rice production, forecasting.

#### I. INTRODUCTION

A developing nation with an agricultural economy, Bangladesh is actively pursuing rapid development. Approximately 16.3% of Bangladesh's GDP is produced by agriculture, which is the foundation of the nation's economy[1]. The primary food crop in Bangladesh is rice, which uses about 75% of the country's agricultural land and accounts for 28% of its GDP. Bangladesh was the fourth-largest rice producer in the world in the middle of the 1980s, but its productivity lagged behind that of other Asian nations like Malaysia and Indonesia. It ranks as the sixth-largest producer of rice in the world right now[2].

Furthermore, the rice industry in Bangladesh contributes one-sixth of the national income and half of the agricultural GDP as well as 48% of rural jobs are provided by the rice industry. Additionally, it meets

Sofi Mahmud Parvez, is with the Department of Electrical and Electronic Engineering, Southeast University, Dhaka, Bangladesh (email: sofi.mahmud@seu.edu.bd).

one-third of an average person's daily caloric requirements. 75% of the cultivated land and 80% of the total irrigated area are used for rice farming[3]. As a result, rice is the main source of income for the people of Bangladesh.

Bangladesh produced 56.9 million tonnes of paddy and rice in 2021. Bangladesh's rice and paddy production increased by 2.89% per year from 15.1 million tonnes in 1972 to 56.9 million tonnes in 2021 [6]. Nevertheless, Bangladesh's rice production is unstable until natural disasters strike again. Because rice production in Vietnam was insufficient in 2017, Vietnam exported rice to Bangladesh [7]. Because of this, the outlook for rice production. To meet the needs of the citizens of our nation is absolutely necessary.

According to the aforementioned explanation, the researchers are enthusiastic about using the exponential smoothing model to analyse the results of rice paddy production. The goal of this study is to forecast Bangladesh's local rice production results over the course of the next few years and determine which of the two models is most accurate at doing so. I therefore hope that the government can develop a more detailed plan for the rice paddy food system and turn Bangladesh into a Centre for the export of rice.

## II. METHODOLOGY

The process entails comparing secondary source data to existing simple exponential model models.

# A. Data Information

The information was obtained from the Bangladesh Bureau of Statistics' Agricultural Yearbook, which covers 60 years of major crop statistics and is one of BBS's yearbooks. For an empirical analysis, annual secondary time series data were gathered from 1961 to 2021

# B. Simple Exponential Smoothing Model



The analytical time series model of exponential smoothing is quite useful and practical but less user-friendly. By calculating a smoothed average of previous values from time series data and progressively lowering the smoothing factor, the exponential smoothing model enhances forecasting[4, 5]. The single, double, and triple exponential smoothing models are the most common subsets of the exponential smoothing model. The single exponential smoothing is the main topic of this study.

Gives a weight based on the single exponential smoothing level  $(\alpha)$ . A single exponential smoothing method satisfies the equation (1).

$$S_t = \alpha x_t + (1 - \alpha)S_{t-1} = S_{t-1} + \alpha(x_t - S_{t-1})$$
(1)

Here,

 $S_t$  = smoothed statistic, the straightforward weighted average of the most recent observation  $x_t$ .

 $S_{t-1}$  = an earlier smoothed statistic

 $\alpha$  = factor for data smoothing 0 <  $\alpha$  < 1

t = time frame.

Smoothing will be reduced in level if the smoothing factor's  $\alpha$  value is high. While values of closer to zero have a greater smoothing effect and are less sensitive to recent changes, values of closer to 1 have less of a smoothing effect and give more weight to recent changes in the data.

## III. RESULT

Time series data for this study on rice production in Bangladesh are from the Agricultural Yearbook of Bangladesh Bureau of Statistics, which covers 60 years of major crop statistics and is one of the yearbooks of BBS. For the empirical analysis, annual secondary time series data from 1961 to 2021 were collected.

According to our selective Exponential smoothing model from table-1 we get that the value of alpha (level smoothing) 0.679445362 which is less than 1 and for that reason we applied Simple exponential smoothing. Table-2 represents the necessary information for model identification such as seasonal frequency 1, Model selection Criteria AIC and Box-Cox Transformation was Rounded Lambda. From Table-3, represents all statistical information like Number of observation (61), standard deviation (0.060511), Variance (0.003662), Akaike's Information Criterion (AIC) (-87.4723) and Bayesian Information Criterion (BIC) (-81.1396). In our analysis to find accuracy of forecast we calculate the following metric term, Root Mean Square Error (RMSE) (15.32839279), Mean Absolute Error (MAE) (1.32086539), Mean Absolute Percentage Error (MAPE) (4.316415825), Mean Absolute Scaled Error (MASE) (0.9356408) which is represent in table-4.

In Figure-1 we represent the difference between observation data and forecast value which help us to identify the accuracy of our analysis and we see that the residuals are -0.2 to 0.2 From this figure we can easily except that our assumed value will be equal to the actual value. Similarly, in figure-2 we represent the residuals of our forecasted value according to Lower 95.0% PI and Upper 95.0% PI.

Rice production per capita (kg) in Bangladesh increased from 278 to 336 between 1961 and 2021, indicating a positive trend. Based on this trend, we estimate that rice production in Bangladesh will increase from 336 to a maximum of 573 per capita (kg) between 2022 and 2070. The trend graph and prediction value chart of our estimate by annual period are shown an upturn and downturn pattern in Figures 3 and 4 and Table 5.

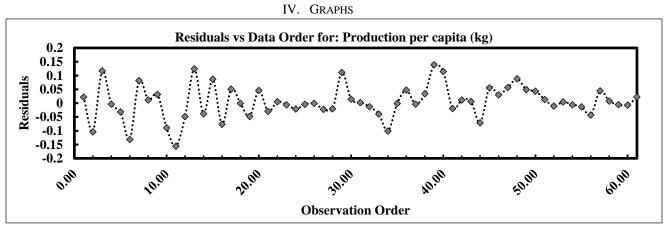


Figure 1-: Graphical representation of Residuals Vs Data Order for (Production per capita kg)



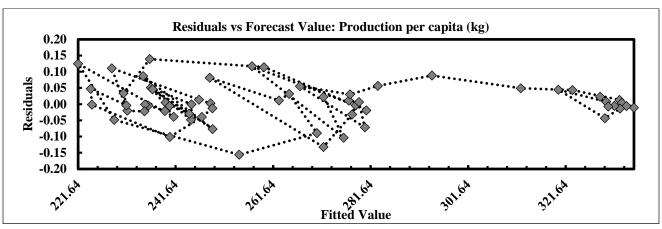


Figure-2: Graphical representation of Residuals Vs Forecast value (Production per capita kg)

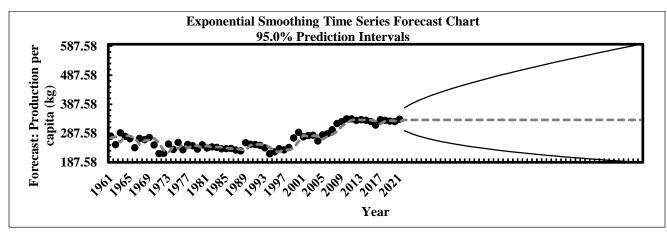


Figure-3: Graphical representation of Exponential smoothing time series data and Forecast Chart.

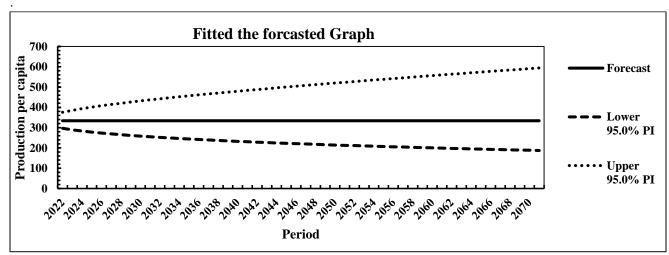


Figure-4: Fitted graph of Predicted value according to Exponential Smoothing Time Series Forecast Chart 95.0% Prediction Intervals



## V. TABLES

Table-1: Parameter Estimation for Simple exponential smoothing.

Parameter Estimates	
Term	Coefficient
alpha (level smoothing)	0.679445362
1 (initial level)	5.605739657

Table-2: Model information of Simple exponential smoothing

Exponential Smoothing Model Information		
Seasonal Frequency	1	
Model Selection Criterion	AIC	
Box-Cox Transformation	Rounded Lambda	
Lambda	0	
Threshold	0	

Table-3: Statistical information for Exponential Smoothing model.

Exponential Smoothing Model Statistics		
No. of Observations	61	
DF	59	
StDev	0.060511	
Variance	0.003662	
Log-Likelihood	46.73613	
AICc	-87.0512	
AIC	-87.4723	
BIC	-81.1396	

Table-4: Forecast Accuracy in-Sample (Estimation) One-Step-Ahead Forecast for Simple Exponential Smoothing.

Metric	In-Sample (Estimation) One-Step-Ahead Forecast
N	61
RMSE	15.32839279
MAE	11.32086539
MAPE	4.316415825
MASE	0.9356408

Table-5: Exponential Smoothing Time Series Forecast Chart 95.0% Prediction Intervals

Forecast Table			
Period	Forecast	Lower 95.0% PI	Upper 95.0% PI
2022	333.8148863	296.4823798	375.8482321
2023	333.8148863	289.2242541	385.2801993
2024	333.8148863	283.1878453	393.4928004
2025	333.8148863	277.9473072	400.9118829
2026	333.8148863	273.2777795	407.7623088
2027	333.8148863	269.0433904	414.1799512
2028	333.8148863	265.1546244	420.2543272
2029	333.8148863	261.5488229	426.0480971



2030	333.8148863	258.1801093	431.6071388
2031	333.8148863	255.0137069	436.9662308
2032	333.8148863	252.0225125	442.1524775
2033	333.8148863	249.1849209	447.1874859
2034	333.8148863	246.4833823	452.0888072
2035	333.8148863	243.9034129	456.8709268
2036	333.8148863	241.4328953	461.5459635
2037	333.8148863	239.0615716	466.124177
2038	333.8148863	236.7806678	470.6143425
2039	333.8148863	234.5826108	475.0240349
2040	333.8148863	232.4608106	479.3598456
2041	333.8148863	230.4094914	483.627552
2042	333.8148863	228.4235574	487.8322514
2043	333.8148863	226.4984866	491.9784674
2044	333.8148863	224.6302441	496.0702363
2045	333.8148863	222.8152127	500.111177
2046	333.8148863	221.0501343	504.1045491
2047	333.8148863	219.3320626	508.0533004
2048	333.8148863	217.6583228	511.9601072
2049	333.8148863	216.0264782	515.8274078
2050	333.8148863	214.4343016	519.6574311
2051	333.8148863	212.8797509	523.4522205
2052	333.8148863	211.3609487	527.2136549
2053	333.8148863	209.8761643	530.9434668
2054	333.8148863	208.423798	534.6432573
2055	333.8148863	207.0023681	538.3145098
2056	333.8148863	205.6104986	541.9586016
2057	333.8148863	204.2469097	545.5768142
2058	333.8148863	202.9104081	549.1703423
2059	333.8148863	201.5998795	552.740302
2060	333.8148863	200.3142813	556.2877373
2061	333.8148863	199.0526363	559.813627
2062	333.8148863	197.8140274	563.3188896
2063	333.8148863	196.5975925	566.804389
2064	333.8148863	195.4025197	570.2709385
2065	333.8148863	194.2280438	573.7193049
2066	333.8148863	193.0734425	577.150212
2067	333.8148863	191.9380331	580.5643441
2068	333.8148863	190.8211693	583.962349
2069	333.8148863	189.7222392	587.3448403
2070	333.8148863	188.6406621	590.7124002
2071	333.8148863	187.5758869	594.0655812



#### VI. CONCLUSION

According to studies, the simple exponential smoothing model was suitable for predicting the future of rice production in Bangladesh because it had the lowest values of forecasting error. The production of rice showed an increasing trend according to the forecast values. The government and policymakers will be able to make wise decisions to increase rice production in Bangladesh with the help of timely forecasts of this crop, and as a result, the increase in rice production will unquestionably help Bangladesh meet its domestic demand for this crop.

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Sofi Mahmud Parvez was born Cumilla, Bangladesh in 1997. He received B.Sc. (Hons) degree in Applied Mathematics from Noakhali Science and Technology University, Noakhali-Bangladesh in 2019. He achieved the MS degree

in Applied Mathematics from the same University in 2020.

Currently, Sofi Mahmud Parvez is working as a lecturer in the department of Electrical and Electronic Engineering of Southeast University, Dhaka

Bangladesh. His research interest in Bio-Mathematics, especially mathematical modelling on epidemiology, ecology and demography.