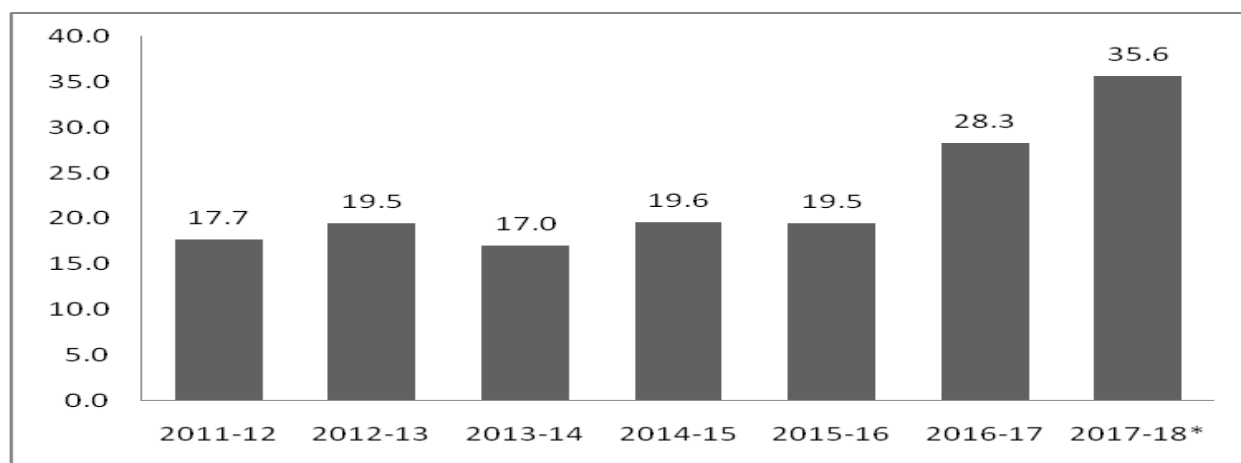


Blackgram Outlook – October 2018

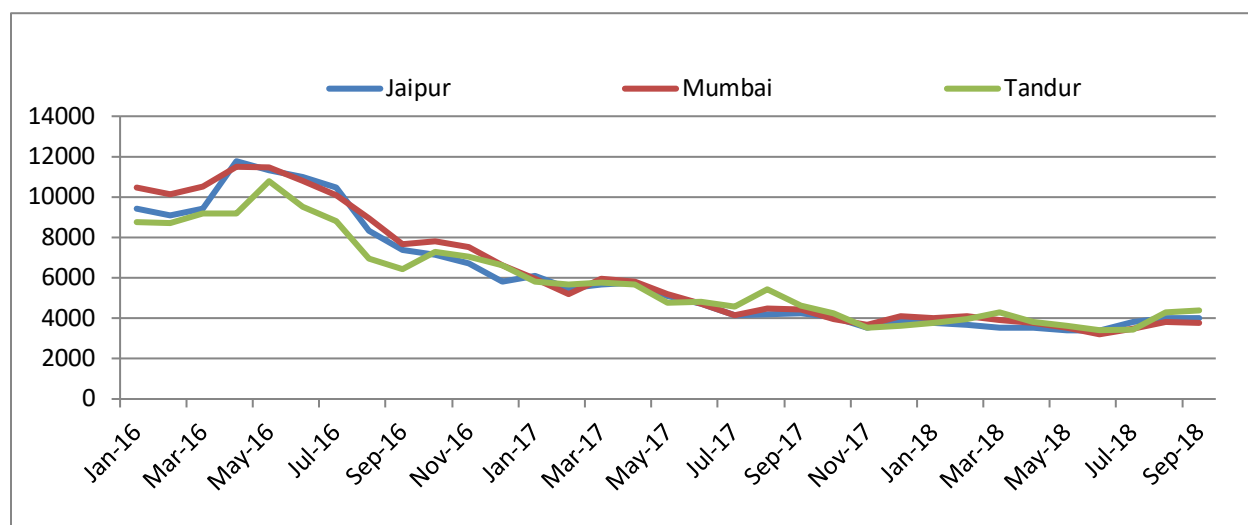
Blackgram is a highly priced pulse, very rich in phosphoric acid. India currently represents the largest producer of blackgram accounting for more than 70% of the global production. India is followed by Myanmar and Pakistan.

India has produced 28.4 lakh tonnes in kharif and 7.30 lakh tonnes in rabi 2017-18 as per the fourth advance estimate of Government. Kharif 2018 blackgram area is running behind by 8.81 lakh ha from last year to 40.20 lakh ha. Major states growing kharif blackgram are Madhya Pradesh(16.52 lakh ha), Uttar Pradesh(6.88 lakh ha), Maharashtra(3.76 lakh ha) and Rajasthan(4.72 lakh ha). In Telangana 2018-19 kharif area is 23839 ha and major growing districts are Sanga Reddy (7752 ha), Kama Reddy (4510 ha), Nirmal (3837 ha), Vikarabad (3360 ha), Adilabad (1104 ha) and Nizamabad (512 ha).



Source: Directorate of Economics and Statistics (DES), *4th Advance Estimates

Figure 1: Production of blackgram in India (in lakh tonnes)



Source: www.agriwatch.com, agrimarketing.telangana.gov.in

Figure 2: Average monthly prices of blackgram in major markets of India (Rs/q)

It is evident from Figure 2 that all major markets of blackgram in the country were found to be highly integrated with regard to price movement. The blackgram prices which were above Rs. 11000 per quintal in April 2016 observed continuous fall and fluctuating around Rs. 4000 since last one year. Currently blackgram in major markets is being traded at a lower price i.e., around Rs. 3800-4200 per quintal.

Table 1: Prices and arrivals of blackgram in Tandur market during September 2018

Date	Arrival (Tonnes)	Minimum price Rs/quintal	Maximum price Rs/quintal	Modal price Rs/quintal
4	36.4	3800	4551	4175
5	23.0	4050	4558	4527
6	47.6	4000	4890	4427
7	38.0	3900	4769	4557
11	76	3811	4859	4327
12	73.1	3900	4888	4307
14	168.3	3750	4900	3827
15	28.0	3701	4811	4027
18	93.1	3501	4709	3957
19	93.6	3550	4877	4057
20	64.3	3600	4509	4057
22	72.7	3500	4285	3857
24	67.2	3500	4311	4179
26	101.4	3650	4385	4227
27	116.6	3500	4362	4177
28	96.6	3500	4415	3957
29	90.0	3600	4450	4277

Source: agrimarketing.telangana.gov.in

New kharif urad crop quality got affected by recent rains. New arrival continues and poor quality is affecting price sentiments. More downward trend is unlikely as buyers are expected to start fresh buying at prevailing lower price. Dal millers and stockists would prefer to buy and it would not allow market to move down further from current level. Stake holders should buy at this level. Likely procurement from middle of October, lower production size and restricted import may remain supportive to urad cash market in coming weeks.

Blackgram import is expected to increase by one lakh ton to 2.5 lakh tonnes. Total supply would increase slightly from 35.67 to 36.05 lakh tonnes in 2018-19. Export would increase to 0.3 lakh tonnes due to export incentive. Consumption would increase from 26.7 to 27.8 lakh tonnes in 2018-19. So, carryout would decrease slightly from 8.97 to 8.25 lakh tonnes. As carryout is higher, supply side is expected to be at comfortable level this year too. So any unexpected spike is unlikely.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expect that blackgram is likely to trade in price range between Rs. 4300 - 4500 per quintal in the month of October 2018.