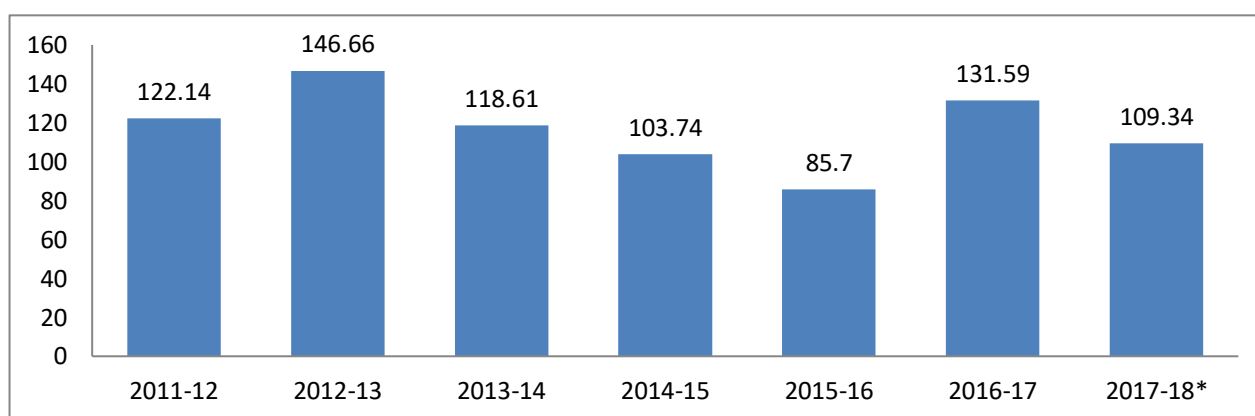


## Soybean Outlook – June 2018

Soybean is one of the fastest growing crops in India. It is recognized as one of the premier crops around the world. Due to high protein content and high oil content soybean is considered to be an important food commodity. The soya protein is called complete protein because it supplies sufficient amount of amino acids.

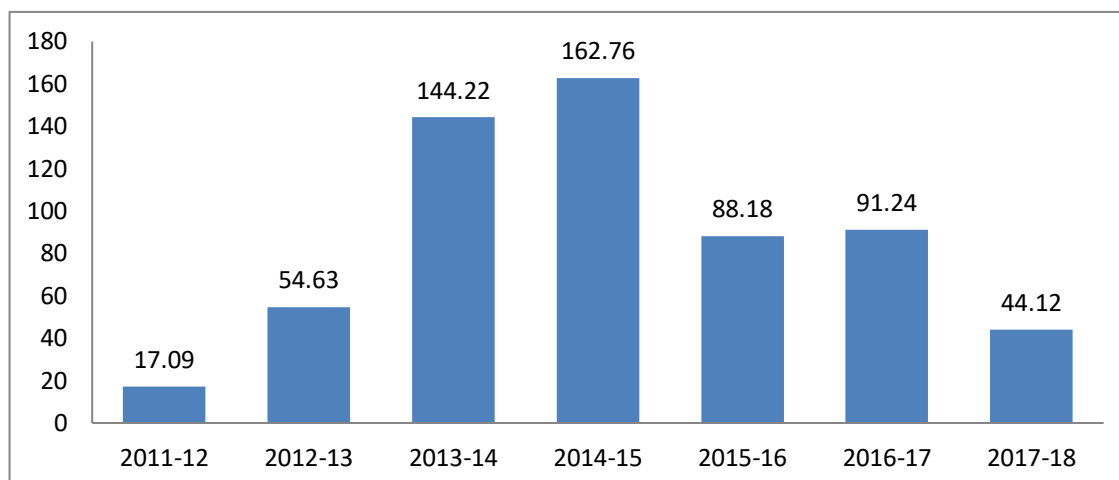
Soybean production is mainly confined to Madhya Pradesh, Maharashtra, Rajasthan, Andhra Pradesh, Telangana, Karnataka, Uttar Pradesh and Chhattisgarh. Soybean is mainly cultivated as a kharif crop in Northern Telangana districts of Adilabad, Komaram Bheem, Nirmal, Nizamabad and Medak. During 2017-18 soyabean crop has occupied 1.61 lakh ha area in Telangana, which was less by 44% as compared to 2016-17 (2.84 lakh ha).



Source: Directorate of Economics and Statistics (DES), \*3<sup>rd</sup> Advance Estimates

**Figure 1: Production of Soybean in India (in lakh tonnes)**

Soybean production in 2017-18 is expected to decrease to 109.34 lakh tonnes from 131.59 lakh tonnes last year. India has exported about 44.12 thousand tonnes of soybean meal and flour in 2018 (Figure 2).



Source: Department of Commerce

**Figure 2: India's exports of soybean in thousand tonnes**

**Table 1: Monthly prices of Soybean in major markets of India (Rs/q)**

Centre	Prices (Rs/q)				Percent Change
	May-18		Apr-18		
	Low	High	Low	High	
<b>Indore</b>	3400	3600	3500	3650	<b>-50</b>
<b>Nagpur</b>	3150	3500	3200	3600	<b>-100</b>
<b>Latur</b>	3200	3460	3600	3800	<b>-340</b>
<b>Kota</b>	3300	3400	3500	3600	<b>-200</b>
<b>Bundi</b>	3500	3550	3500	3600	<b>-50</b>
<b>Baran</b>	3300	3400	3400	3525	<b>-125</b>
<b>Jhalwar</b>	3450	3530	3500	3625	<b>-95</b>

Source: [www.agriwatch.com](http://www.agriwatch.com)

All major markets of soybean in the country were found to be integrated as indicated by the price data given in Table 1. The prices were declining in all major markets in India compared to previous month. Currently, soybean is being traded in all major markets of country at around Rs. 3150 to 3600 per quintal

**Table 2: Prices and arrivals of Soybean in Bainsa and Nizamabad market during May 2018**

Market	Date	Arrival (Tonnes)	Model price (Rs/quintal)
Bainsa	14	0.3	3233
	8	5	3241
	14	0.2	3204
	19	0.2	3279
Nizamabad	16	0.4	2805
	25	0.7	3255

Source: [www.agrimarketing.telangana.gov.in](http://www.agrimarketing.telangana.gov.in)

Prices and arrivals of Soybean in Bainsa and Nizamabad market during May 2018 presented in Table 2 indicates that presently soybean price in the state is ruling around Rs. 3200 per quintal under low arrivals.

According to Indian Meteorological Department, Indian south-west monsoon has entered Kerala on May 29, 2018 ahead of the normal date of June 01. Advancement of monsoon is likely to encourage farmers to increase sowing activities of soybean. Soybean sowing has started in some limited areas. In India the area coverage under soybean, as on 1st June 2018, is reported down 50% at 0.04 lakh hectares compared to 0.08 lakh hectares at the same period last year.

Kharif Soybean MSP for 2018-19 has been increased from Rs.3050/Qt to Rs.3325/Qt. According to industry sources earlier, acreage under soybean was expected to increase by around 15% this season. Farmers are likely to shift from cotton and pulses towards soybean. Higher soybean production will translate into higher soy meal production. This is likely to increase soy meal exports in the coming season.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expect that Soybean is likely to trade in price range between Rs. 3100 - 3300 per quintal in the month of June 2018.