

KHARIF 2019-20 PRE-SOWING PRICE FORECAST OF SOYBEAN

Soybean Price per Quintal will be around Rs. 3200-3400 at the Time of Harvesting (September to October 2019)

Soybean is one of the important commercial crops in many countries. It is the leading oilseed crop produced and consumed worldwide. Soybean has now become the largest source of vegetable oil and protein in the world and its large-scale cultivation is concentrated in countries such as Argentina, Brazil, Canada, China, India, Paraguay and USA which together produce about 96 per cent of the world's 189 million tonnes annual soybean production.

As per USDA latest report, soybean production is projected lower by 6.4 million tonnes to 355.7 million tonnes for 2019-20 followed by lower production expectations in U.S, Argentina and Canada. However, production for Brazil is projected at 123 million tonnes followed by Argentina (53 million tonnes). Soybean exports are projected at 151.2 million tonnes almost same as in 2018-19 i.e., 150.30 million tonnes.

According to USDA, United States soybean acreage may decrease by 5% to 84.6 million acres in 2019-20 compared to previous year record i.e., 89.2 million acres. Till now, in U.S. soybean was planted in 3% of total soybean crop acres of the country.

In India during 2018-19, about 112.61 lakh ha area was covered under soybean as compared to 105.92 lakh ha covered during corresponding period of last year. According to 2nd advance estimates, soybean production estimate was 136.89 lakh tonnes in kharif 2018-19 due to better yield and favorable weather condition in the major soybean crop growing states like Madhya Pradesh, Maharashtra and Rajasthan.

In Telanagna, area under soybean during 2018-19 was 1,78,935 hectares as against 1,64,971 hectares during corresponding period of last year and the same was increased in Asifabad, Nirmal, Adilabad, Kamareddy and Sangareddy districts compared to last year. This year soybean crop area may shift to maize and cotton on account of higher profit margin.

The Agricultural Market Intelligence Centre established under a research project for development of price forecasting mechanism in the Department of Agricultural Economics, College of Agriculture, Professor Jayashankar Telangana State Agricultural University, Rajendranagar, Hyderabad with the financial support of Agricultural Marketing Department, Telangana State has assessed pre-sowing price of soybean for kharif 2019-20. Under expected normal rainfall and crop coverage, it is predicted that the soybean price per quintal will be around **Rs. 3200 - 3400** at the time of harvesting (September to October 2019). This price forecast is based on the monthly modal price of soybean obtained for 10 years from Nizamabad regulated market using econometric models like ARIMA, SARIMA, ARIMAX, ARCH and GARCH and also the market survey. Nizambad and Adilabad are the major soybean markets in Telangana.

Note: There may be any possible deviation of the actual prices from the predicted prices in light of tentative developments in the commodity markets such as change in international prices, export or import restrictions, etc. And these price forecasts are based on past market price data & different econometric models and that actual market price may not turn out to be the same as forecasted.