

Soyabean Outlook – November 2019

World scenario

Soyabean (*Glycine max L. Merrill*) is the world's most important seed legume, which contributes 25% of the global edible oil and about two-thirds of the world's protein concentrate for livestock feeding. United States of America stood first in soyabean production with 1195.18 lakh tonnes in 2017-18 followed by Brazil (1145.99 lakh tonnes), Argentina (549.71 lakh tonnes), China (131.52 lakh tonnes) and India (109.81 lakh tonnes).

Soyabean has become an important oilseed crop in India in a very short period with 113.98 lakh ha area under its cultivation during kharif 2019-20. The major soyabean growing states are Madhya Pradesh, Maharashtra, Rajasthan, Karnataka, and Telangana. According to the first advance estimates, Govt. of India, soyabean production is estimated at 135.05 lakh tonnes during kharif 2019-20.

As per recent World Agricultural Supply and Demand Estimates Report, soyabean meal production of India is estimated lower at 7.76 million tons for 2019-20 compared to previous year record i.e., 7.85 million tons. However, it is higher from 6.16 million tons in 2017-18 season. India may export 1.90 million tons soya meal in 2019-20 lower from 2.30 million tons in previous year. Domestic consumption of the country may stand at 5.80 million tons i.e., higher from 5.48 million tons in 2018-19.

Table 1: Global Soyabean Supply and Demand (in million tonnes)

	2017/18 (Estimated)	2018/19 (Forecasted)	2019/20 (Projected)
Opening Stocks	47.80	44.30	54.20
Production	340.90	363.10	342.40
Imports	152.70	149.10	150.10
Total Availability	388.70	407.40	396.50
Food	19.10	19.20	20.20
Feed	14.50	14.60	13.80
Crush	302.20	310.20	315.00
Total Consumption	344.70	353.10	358.90
Exports	152.70	149.10	150.10
Ending Stocks	44.30	54.20	37.90

Source: <https://igc.int/en/default.aspx>

Indian scenario**Table 2: Indian Soyabean Supply and Demand (in million tonnes)**

	2017/18 (Estimated)	2018/19 (Forecasted)	2019/20 (Projected)
Opening Stocks	0.60	0.10	0.10
Production	10.90	13.80	13.00
Imports	-	-	-
Total Availability	11.60	13.90	13.10
Food	0.60	0.50	0.50
Feed	0.80	0.80	0.80
Crush	9.90	12.40	11.50
Total Consumption	11.30	13.70	12.80
Exports	0.20	0.20	0.20
Ending Stocks	0.10	0.10	0.10

Source: <https://igc.int/en/default.aspx>

National Oilseed Processors Association (NOPA) has crushed total 152.56 million bushels of Soyabean in September 2019 which is lower than 168.08 million bushels in August 2019. It is also lower from 160.77 million bushels in September 2018.

Table 3: State wise area under soyabean in India

State	2018-19		2019-20	
	Area (lakh ha)	% to total area	Area (lakh ha)	% to total area
Madhya Pradesh	53.18	47.02	55.16	48.39
Maharashtra	40.44	35.76	40.11	35.19
Rajasthan	10.46	9.25	10.60	9.30
Karnataka	3.39	3.00	3.30	2.90
Telangana	1.78	1.57	1.77	1.55
Others	3.84	3.40	3.04	2.67
All India	113.09	100.00	113.98	100.00

Source: www.agricoop.com

In India, as on 26th September 2019 area under soyabean during 2019-20 was 113.98 hectares as against 113.09 hectares during 2018-19. Among the states, Madhya Pradesh stood first with 55.16 lakh ha followed by Maharashtra (40.11 lakh ha), Rajasthan (10.60 ha), Karnataka (3.30 lakh ha) and Telangana (1.77 lakh ha).

Soybean prices in India**Table 4: Soyabean prices in major markets of India (Rs/q)**

Centre	Prices (Rs/Qtl)				Change
	31-Oct-2019		30-Sep-2019		
	Low	High	Low	High	
Indore –Plant	3750	3900	4050	4100	-200
Indore–Mandi	3400	3800	3950	4000	-200
Nagpur-Plant	3700	3730	4020	4050	-320
Nagpur – Mandi	3000	3300	3610	3830	-530
Akola – Mandi	2400	3555	3100	3960	-405
Kota-Plant	3650	3700	4150	4200	-500
Kota – Mandi	3400	3650	4100	4150	-500
Bundi-Plant	3600	3700	4100	4150	-450
Bundi-Mandi	3300	3600	4000	4100	-500
Baran-Plant	3750	3800	4150	4200	-400
Baran-Mandi	3650	3750	4050	4075	-325
Bhawani Mandi Jhalawar–Plant	3750	3800	4200	4250	-450

Source: www.agriwatch.com

Telangana scenario

In Telangana, as on 25th September 2019 area under soyabean during 2019-20 was 1,77,015 hectares as against 1,78,935 hectares during 2018-19. Among the districts, Kamareddy stood first with 45,037 ha followed by Nirmal (39,193) Adilabad (32,291 ha), Nizamabad (31,685 ha) and Sangareddy (22,529 ha).

Table 5: District wise area under soyabean in Telangana State

District	2018-19		2019-20	
	Area (ha)	% to total area	Area (ha)	% to total area
Kamareddy	45223	25.27	45037	25.44
Nirmal	40344	22.55	39193	22.14
Adilabad	30120	16.83	32291	18.24
Nizamabad	39313	21.97	31685	17.90
Sangareddy	14880	8.32	22529	12.73
Others	9055	5.06	6280	3.55
Telangana State	178935	100.00	177015	100.00

Source: www.agritelangana.gov.in

Soyabean Prices in Telangana

Table 6: Prices and Arrivals of Soyabean at Nizamabad Market in the Month of October 2019

Date	Arrivals (Qtl)	Minimum Price (Rs/q)	Maximum Price (Rs/q)	Modal Price (Rs/q)
1	708	2,760	3,737	3,338
4	1,020	2,895	3,662	3,369
5	1,470	2,901	3,675	3,496
11	2,498	2,570	3,670	3,570
12	1,995	2,405	3,628	3,577
14	2,940	2,212	3,588	3,542
15	1,118	2,212	3,588	3,475
16	2,150	2,305	3,568	3,447
17	2,165	2,800	3,568	3,542
19	1,578	2,450	3,571	3,422
21	2,243	2,218	3,578	3,466
30	1,993	2,200	3,807	3,555
31	713	2,000	3,614	3,537

Source: www.tsmarketing.in

China imported 13.5% lower soyabean (8.2 million tonnes) in September 2019 due to lower demand of soya meal after an epidemic of African swine fever. India shipped oil meals lower by 39% to 105,232 tons in September 2019 against 172,423 tons in September 2018. The overall export of oil meals during Apr-Sep 2019 is reported at 1251527 tons compared to 1499049 tons in Apr-Sep 2018 i.e., down by 17%. This is mainly due to higher price of domestic produce soyabean meal.

Farmers in Madhya Pradesh have harvested almost 80% of soyabean crop of this season and stockiest are very active at the current level. In Rajasthan, 30 to 40% harvesting has been completed so far. However, in Maharashtra, harvesting pace is slow due to election activities and late sowing varieties of soyabean crop.

NAFED has started procurement of soyabean for kharif 2019 season in Telangana state of India. So far it procured around 492.10 MT from 271 farmers in various trading centers of Telangana.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expect that Soyabean is likely to trade in price range between **Rs. 3300 – 3500** per quintal in the month of November 2019.