

KHARIF 2019-20 PRE-HARVEST PRICE FORECAST OF GROUNDNUT

Groundnut Price per Quintal will be around Rs. 4800 - 5100 at the Time of Harvesting (October to December 2019)

Groundnut is an important oilseed crop in India which occupies first in terms of area and second position in terms of production. China is the largest producer as well as consumer of groundnut in the world followed by India, Nigeria and United States. Argentina completed harvest with impacts on yields and quality due to delay in harvesting. Expectations are between 0.55 and 0.57 million tonnes of exports. US peanut crop conditions are considered good for the main US origins. China is going to have a record crop this year.

National Agricultural Cooperative Marketing Federation of India (NAFED) is holding a 2018 crop peanut stock of around 0.26 million tonnes as on 22nd 2019. NAFED bought 0.71 million tonnes of peanut during 2018-19 from farmers at government fixed MSP of Rs. 4890 per quintal.

In Gujarat, groundnut yield is likely to increase up to 1800Kg/ha due to good rainfall compared to last year 1085 Kg/ha due to scanty rains. The estimated production could reach 28-30 lakh tonnes in the current year with favorable weather conditions. Higher prices at the end of the season last year and government procurement at the MSP promoted more farmers to cultivate groundnut this year. In Telangana, presently for groundnut crop there is no pest and diseases attacks and is in good condition.

The major groundnut growing states are Gujarat, Rajasthan, Andhra Pradesh, Karnataka and Madhya Pradesh. In India, during kharif 2019-20 groundnut was sown in around 38.88 lakh hectares which was 2.82 per cent lower than the corresponding period of last year (40.01 lakh ha). In Gujarat, it was sown in 15.50 lakh hectares followed by Rajasthan (5.73 lakh ha), Andhra Pradesh (5.10 lakh ha), Karnataka (3.82 lakh ha) and Madhya Pradesh (2.22 lakh ha).

In Telangana, groundnut has been sown in around 11,554 hectares as on 18th September 2019 compared to previous year 12,326 ha. Among the districts, Gadwal (Jogulamba) stood first in groundnut sown area with 5,327 hectares followed by Warangal (Rural) (2,082 ha), Wanaparthi (1,335 ha), Suryapet (1010 ha), and Nalgonda (563 ha).

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, Rajendranagar, Hyderabad at Professor Jayashankar Telangana State Agricultural University with the financial support of Agricultural Marketing Department, Telangana State has assessed 2019-20 kharif pre-harvest price forecast of groundnut. Under uneven rainfall and reduced crop area coverage, it is predicted that the groundnut price per quintal will be around **Rs. 4800 - 5100** at the time of harvesting (October to December 2019). This price forecast is based on the monthly modal price of groundnut obtained for 17 years from Gadwal regulated market using econometric models like ARIMA, SARIMA, ARCH and GARCH and also the market survey. Gadwal and Wanaparty are the two major groundnut 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.