

## **VANAKALAM (KHARIF) 2020-21 PRE-HARVEST PRICE FORECAST OF SOYABEAN**

### **Soyabean Price per Quintal will be around Rs. 3450-3650 at the Time of Harvesting (September to October 2020)**

World soyabean production in 2018-19 is estimated as 348.71 million tonnes from a total area of 124.92 million hectares. United States of America ranks first in soyabean production with 123.66 million tonnes followed by Brazil (117.88 million tonnes), Argentina (37.78 million tonnes), China (14.19 million tonnes) and India (13.78 million tonnes) accounting for 35, 33, 10, 4 and 4 percent of world production respectively. India ranks fourth in area with 11.40 million hectares (28.16 million acres) accounting for 9.12% of the world area and fifth in production with 13.78 million tonnes.

For 2020-21, world soybean production is projected as 365.30 million tonnes compared to previous year 338.30 million tonnes. Soybean beginning stocks, imports, exports and ending stocks are projected at 47.2, 161.50, 161.50 and 48 million tonnes respectively as compared to last year estimates i.e., 61.10, 158.00, 158.00 and 47.20 million tonnes in the same order. In India, soyabean beginning stocks, exports and ending stocks are estimated at 0.40, 0.10 and 0.40 million tonnes respectively.

As per 3<sup>rd</sup> advance estimates of 2019-20, soybean production in India is at 12.24 million tonnes compared to previous year 13.26 million tonnes. Weak soyameal exports and higher soya oil imports by India continue to pressure the domestic soya market and the domestic soyameal demand continued to remain weak due to the lack of demand from poultry sector amidst COVID-19.

In India, as on 13<sup>th</sup> August 2020 area under soyabean during 2020-21 was 118.99 lakh hectares as against 111.45 lakh hectares during 2019-20. Among the states, Madhya Pradesh stood first with 58.30 lakh ha followed by Maharashtra 41.97 lakh ha, Rajasthan 10.46 lakh ha, Karnataka 3.24 lakh ha and Telangana 1.56 lakh ha as against 54.77 lakh ha, 38.51 lakh ha, 10.49 lakh ha, 3.12 lakh ha and 1.70 lakh ha in respective states during 2019-20.

In Telangana, as on 12<sup>th</sup> August 2020 area under soyabean was 3,83,893 acres as against 4,20,698 acres during 2019-20. Among the districts, Kamareddy stood first with 81,285 acres followed by Adilabad 77,996 acres, Nirmal 73,240 acres, Nizamabad 71,598 acres and Sangareddy 70,461 acres as against 111,445 acres, 79,141 acres, 96,846 acres, 74,748 acres and 42,437 acres in respective districts during 2019-20. Telangana stood fifth in terms of area and production with 1.71 lakh ha (4.22 lakh acres) and 3.11 lakh tonnes respectively in the year 2019-20. Government of India has increased MSP of soybean by Rs. 170 per quintal for 2020-21 kharif marketing season i.e., Rs. 3880/Qtl as compared to previous year MSP of Rs. 3710/Qtl.

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-harvest price of soybean for vanakalam 2020-21. Considering the present crop area coverage and its condition, it is predicted that the soybean price per quintal will be around **Rs. 3450 - 3650** at the time of harvesting (September to October 2020). This price forecast is based on the monthly modal price of soybean obtained for 11 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.*