

## **VANAKALAM (KHARIF) 2021-22 PRE-SOWING PRICE FORECAST OF SOYABEAN**

### **Soyabean Price per Quintal will be around Rs. 3800-4200 at the Time of Harvesting (September to October 2021)**

World soyabean production in 2019-20 is estimated as 333.67 million tonnes from a total area of 120.50 million hectares. Brazil ranks first in soyabean production with 114.27 million tonnes followed by United States of America (96.79 million tonnes), Argentina (55.26 million tonnes), China (15.73 million tonnes) and India (13.27 million tonnes) accounting for 34.25, 29.01, 16.56, 4.00 and 3.98 percent of world production. India ranks fourth in area with 11.34 million hectares (28.02 million acres) accounting for 9.41% of the world area and fifth in production with 11.22 million tonnes in 2019-20.

As per USDA report, Soybean production in the world is likely to increase by 6% to 386 million tonnes in 2021-22 in expectation of higher crop size in US and India. Higher soybean prices in this season will encourage farmers in India to cover higher soybean area. India's soymeal exports to remain strong by 90-100% year-on-year for coming months, after fall in the soybean crushing in Argentina and Brazil as their stocks dried up.

As per 2<sup>nd</sup> advance estimates of 2020-21, soyabean production in India is at 13.71 million tonnes compared to previous year 11.22 million tonnes. India's soymeal shipments improved by 126% to 15.64 lakh metric tonnes, during the last ten months (Apr.-Mar) of financial year 2020-21 compared to 6.92 lakh metric tonnes during the corresponding period of last year.

In 2020-21, India covered 121.21 lakh ha (299.52 lakh acres) of area under soybean as compared to 113.40 lakh ha (280.22 lakh acres) during corresponding period of last year. Among the states, Madhya Pradesh stood first with 58.54 lakh ha followed by Maharashtra (43.21 lakh ha), Rajasthan (11.00 lakh ha), Karnataka (3.32 lakh ha) and Telangana (1.61 lakh ha).

In Telangana, area under soyabean during 2020-21 was 1.61 lakh ha (3.98 lakh acres) as against 1.72 lakh ha (4.26 lakh acres) during corresponding period of last year. Among the districts, Kamareddy stood first with 84,975 acres followed by Adilabad (78,319 acres), Nirmal (77,117 acres), Nizamabad (74,805 acres) and Sangareddy (72,505 acres). According to the 1<sup>st</sup> advance estimates, Telangana soyabean production estimate was 3.42 lakh tonnes for 2020-21 as against 3.11 lakh tonnes in 2019-20.

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 vanakalam 2021-22. Under expected normal rainfall and crop area coverage, it is predicted that the soybean price per quintal will be around **Rs. 3800 - 4200** at the time of harvesting (September to October 2021). This price forecast is based on the monthly modal price of soyabean obtained for 12 years from Nizamabad regulated market using econometric models like ARIMA, SARIMA, ARIMAX, ARCH and GARCH and also the market survey. Nizamabad 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.***