

## **VANAKALAM (KHARIF) 2022-23 PRE-SOWING PRICE FORECAST OF SOYABEAN**

### **Soyabean Price per Quintal will be around Rs. 6150-6550 at the Time of Harvesting (September to October 2022)**

World soyabean production in 2020-21 is estimated as 353.47 million tonnes from a total area of 136.82 million hectares. Brazil ranks first in soyabean production with 121.80 million tonnes followed by United States of America (112.55 million tonnes), Argentina (48.80 million tonnes), China (19.60 million tonnes) and India (11.23 million tonnes) accounting for 34, 32, 14, 6 and 3 percent of world production. India ranks fourth in area with 12.12 million hectares (29.94 million acres) accounting for 8.86% of the world area and fifth in production with 11.23 million tonnes in 2020-21.

As per USDA report 2022-23, soyabean production in the world is likely to increase by 11.37% to 394.69 million tonnes in 2022-23. India and Brazil soyabean production estimate are at 11.50 million tonnes and 149 million tonnes as compared to 11.90 million tonnes and 125 million tonnes in 2021-22 respectively. However China's Soya crush is estimated at 95 million tonnes as compared to previous year 89 million tonnes in 2021-22. While China's Soya import is estimated at 99 million tonnes as compared to previous year 92 million tonnes in 2021-22.

During 2021-22, global production and exports are down by 5% and 6% respectively on crop loss in Argentina and Brazil. Ending stock is tight at 89.5 million tonnes down by 13% which is reflecting in multi month high CBOT soyabean prices.

According to SOPA, during Oct 2021-March 2022 crush, soya remained low by 35% at 40.5 lakh tonnes as compared to 62.5 Lakh tonnes previous year same period. Arrivals too recorded low by 18% to 61 lakh tonnes as compared to 74.75 lakh tonnes previous year same period. Prices are high despite higher ending stocks at 17%, as farmers are holding major chunks in anticipation of better prices.

According to data from Department of Commerce, India's soyabean import increased by 64% in the Oct 2021-Feb 2022 to 1.40 lakh tonnes compared to 0.85 lakh tonnes during same period last year and remains well above from the five year's average. Imports were higher in first two months of current season on less availability in the country.

Soyabean exports were higher by 51% in Oct 21-Feb'22 to 39,265 tonnes compared to previous year same period at 26,030 tonnes. Export demand improved in Feb'22 on good demand by Turkey, US and Canada as these countries bought Non- GM Soyabean.

The Ministry of Consumer, Food and Public Distribution, allowed import of GM soya mills for balance quantity of 5.50 lakh tonnes out of the estimates 12 lakh metric tonnes of August 2021 till 30 September 2022, reviewing the imported quantity and domestic prices at regular intervals.

Soymeal shipments declined by 84% to 3.72 lakh tonnes, during the months of April 21-March'22 compared to 15.64 metric tonnes during the corresponding period last year. Export remained lower because of soyabean crush margins in India are currently squeezed by pressure on meal prices. Additionally, lower crushing of soyabean also pushing higher import of crude soyabean oil in India.

In India, area under soyabean during 2021-22 was 121.76 lakh hectares as against 121.20 lakh hectares during 2020-21. Among the states, Madhya Pradesh stood first with 55.84 lakh ha followed by Maharashtra (46.01 lakh ha), Rajasthan (10.62 lakh ha), Karnataka (3.82 lakh ha), Gujarat (2.24 lakh ha) and Telangana (1.51 lakh ha). As per 3<sup>rd</sup> advance

estimates of 2021-22, soyabean production in India is at 13.82 million tonnes compared to previous year 12.61 million tonnes.

In Telangana, area under soyabean was 3,74,487 acres in 2021-22 as against 3,98,745 acres during 2020-21. Among the districts, Adilabad stood first with 1,01,588 acres followed by Nirmal (82,006 acres), Kamareddy (69,191 acres), Nizamabad (58,272 acres), and Sangareddy (56,116 acres). According to the 2<sup>nd</sup> advance estimates, Telangana soyabean production estimate was 2.49 lakh tonnes for 2021-22 as against 3.42 lakh tonnes in 2020-21.

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 soyabean for vanakalam 2022-23. Under expected normal rainfall and crop area coverage, it is predicted that the soyabean price per quintal will be around **Rs. 6150 - 6550** at the time of harvesting (September to October 2022). This price forecast is based on the monthly modal price of soyabean obtained for 14 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 soyabean 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.***