

Soyabean Outlook – February 2023

World scenario

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.

The major soyabean growing states are Madhya Pradesh, Maharashtra, Rajasthan, Karnataka, and Telangana. According to the first advance estimates 2022-23, Government of India soyabean crop is estimated at 128.92 lakh tonnes as compared to 129.95 lakh tonnes in 2021-22. According to the 1st advance estimates, Telangana soyabean production estimate was 2.87 lakh tonnes for 2022-23 as against 2.66 lakh tonnes in 2021-22.

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

	2019-20	2020-21 (Estimated)	2021-22 (Forecasted)	2022-23 (Projected)
Opening Stocks	68.40	54.30	55.50	45.40
Production	341.20	370.10	355.80	388.10
Imports	169.40	159.20	155.20	167.30
Total Availability	409.60	424.40	411.40	433.50
Crush	311.20	325.50	325.50	335.70
Total Consumption	355.40	368.80	365.90	379.40
Exports	169.40	159.20	155.20	167.30
Ending Stocks	54.30	55.50	45.50	54.00

Source: International Grains Council

Indian scenario

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

	2019-20	2020-21 (Estimated)	2021-22 (Forecasted)	2022-23 (Projected)
Opening Stocks	0.60	0.50	0.50	0.40
Production	11.20	12.60	13.00	12.90
Imports	0.20	0.20	0.10	0.10
Total Availability	12.00	13.30	13.60	13.40
Crush	10.20	11.60	11.90	11.90
Total Consumption	11.40	12.70	13.10	13.00
Exports	0.10	-	0.10	0.10
Ending Stocks	0.50	0.50	0.40	0.40

Source: International Grains Council

Table 3: State wise area under soyabean in India

State	2021-22			2022-23		
	Area (lakh ha)	Area (lakh acres)	% to total area	Area (lakh ha)	Area (lakh acres)	% to total area
Madhya Pradesh	55.14	136.25	45.62	50.18	124.00	41.51
Maharashtra	46.05	113.79	38.10	49.10	121.33	40.61
Rajasthan	10.63	26.27	8.80	11.51	28.44	9.52
Karnataka	3.84	9.49	3.18	4.43	10.95	3.66
Gujarat	2.24	5.54	1.85	2.22	5.49	1.84
Telangana	1.53	3.78	1.27	1.75	4.32	1.45
Others	1.43	3.53	1.18	1.71	4.23	1.41
All India	120.86	298.65	100.00	120.90	298.75	100.00

Source: www.agricoop.gov.in

In India, as on 30th September 2022 area under soyabean during 2022-23 was 120.90 lakh hectares as against 120.86 lakh hectares during 2021-22. Among the states, Madhya Pradesh stood first with 50.18 lakh ha followed by Maharashtra (49.10 lakh ha), Rajasthan (11.51 lakh ha), Karnataka (4.43 lakh ha), Gujarat (2.22 lakh ha) and Telangana (1.75 lakh ha).

Soyabean prices in India

Table 4: State wise Wholesale Prices Monthly Analysis for Soyabean during January, 2023

State	Prices January, 2023	Prices December, 2022	Prices January, 2022	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh		5164.8		—	—
Chattisgarh	4966.31	4912.79	5487.19	1.09	-9.49
Gujarat	5339.57	5288.41	6383.15	0.97	-16.35
Karnataka	5243.38	5224.86	6078	0.35	-13.73
Madhya Pradesh	5377.61	5255.31	5820.11	2.33	-7.6
Maharashtra	5295.6	5259.44	6058.22	0.69	-12.59
Manipur	9400.07	9402.32	9332.95	-0.02	0.72
Nagaland	5100	5700	5900	-10.53	-13.56
Rajasthan	5312.98	5220.5	6129.41	1.77	-13.32
Telangana	5301.42	5414.55	6255.92	-2.09	-15.26
Uttar Pradesh	5273.67	5688.81	5744.46	-7.3	-8.2
Uttarakhand		4652.12	5678.33	—	—
Average	5661.06	5598.66	6260.7		

Source: <https://agmarknet.gov.in/>

Telangana scenario

In Telangana, as on 28th September 2022 area under soyabean was 4,33,468 acres as against 3,77,138 acres during 2021-22. Among the districts, Nirmal stood first with 1,14,057 acres followed by Adilabad (89,170 acres), Sangareddy (79,394 acres), Kamareddy (76,051 acres) and Nizamabad (58,911 acres).

Table 5: District wise area under soyabean in Telangana State

District	2021-22			2022-23		
	Area (ha)	Area (acres)	% to total area	Area (ha)	Area (acres)	% to total area
Nirmal	33197.22	82032	21.75	46157.30	114057	26.31
Adilabad	41146.48	101675	26.96	36085.87	89170	20.57
Sangareddy	22853.85	56473	14.97	32129.66	79394	18.32
Kamareddy	28785.33	71130	18.86	30776.80	76051	17.54
Nizamabad	23624.37	58377	15.48	23840.47	58911	13.59
Others	3015.32	7451	1.98	6428.44	15885	3.66
Total	152622.57	377138	100.00	175418.55	433468	100.00

Source: www.agritelangana.gov.in

Table 6: Prices and Arrivals of soyabean at Nizamabad Market in the Month of January, 2023

Date	Arrivals (Quintals)	Minimum Price (Rs/quintal)	Maximum Price (Rs/quintal)	Modal Price (Rs/quintal)
2	6	4,858	4,858	4,858
4	23	3,260	4,260	4,260
5	6	3,260	3,260	3,260
9	15	3,620	5,060	5,060
12	26	3,708	5,233	5,233
13	6	3,200	3,800	3,800
18	3	3,200	4,230	4,230
19	50	4,540	5,120	4,920
25	4	4,158	4,158	4,158
27	16	4,860	4,860	4,860
30	12	4,853	5,108	4,959
31	25	4,658	4,940	4,758

Source: <http://tsmarketing.in/>

Soyabean Price Outlook

According to USDA Jan’23 report, 2022/23 Argentina soybean production is lowered by 4.0 million tons to 45.5 million on drought conditions straining yields. Smaller supplies put downward pressure on crush and exports, both lowered this month. The China soybean import forecast for the 2022/23 marketing year (Oct-Sep) has been cut by 2.0 MMT to 96.0 MMT.

According to USDA Jan’23 report, 2021-22 Soyabean production estimate for India was unchanged at 12 million tonnes as compared to previous month estimates, However last year it was 11.9 MMT.

The weekly average prices of Soybean Indore plant prices went down by 1.7% to INR 5,654/ q as compared to INR 5,754/q previous week amid weak demand. The weekly average prices of Indore soymeal traded sideways at INR 42,766/MT as compared to last week at INR 42,816/MT amid subdued demand.

The Solvent Extractor Association monthly update showed Soymeal exports up by 265% to 1.64 Lakh tonnes in Nov'22 Vs 0.45 Lakh tonnes previous year. Soymeal exports went up for the third straight month on good soymeal export demand from south East Asia tracking competitive prices in global markets. Soymeal exports are up by 49% for the period April'22-Nov'22 to 3.26 Lakh tonnes as compared to 2.19 Lakh tonnes previous year same period.

Currently, Indian Soymeal FOB prices are trading at \$555/MT, Argentina Soymeal FOB prices are trading at \$594/MT and spread stands at \$-39/MT. Decline in Argentine soymeal prices has led to a squeeze in spread. Upon squeeze in spread Indian soymeal export demand is rising and so the prices are stable.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expects that Soybean may trade in price range between **Rs. 5000 – 5500** per quintal in the month of February 2023.