

KHARIF 2019-20 PRE-HARVEST PRICE FORECAST OF SOYBEAN

Soybean Price per Quintal will be around Rs. 3100-3400 at the Time of Harvesting (September to October 2019)

Soyabean is also known as Golden Bean or Miracle Crop, as they contain a complete source of protein and oil. It is the leading oilseed crop produced and consumed worldwide with 346.02 million metric tonnes. United States is the largest producer with 119.52 million metric tonnes followed by Brazil (112.00 million metric tonnes), Argentina (54 million metric tonnes), China (14.20 million metric tonnes) and India (9.50 million metric tonnes).

USDA expects U.S. Soybean yield size for 2019-20 at 3.33 metric tons per hectare lower from 3.47 metric tons per hectares in 2018-19. As a result, it forecasts lower production estimates at 112.95 million metric tons for 2019-20 lower from 123.66 million metric tons in 2018-19. Lower sowing area due to bad weather and heavy rainfall and decreased global production estimates, may support Chicago Board of Trade (CBOT) prices to rise in coming days.

As per USDA, the estimated stock of soybean in 2018-19 is 27 million tonnes and estimated production of 2019-20 is 113 million tonnes. Even though the trade between US and China is still unresolved, with the normal exports' sales record, the stocks would still remain more than 20 million tonnes in 2019-20.

In India during 2019-20, about 109.84 lakh ha area was covered under soybean as compared to 110.71 lakh ha covered during corresponding period of last year. Among the states, Madhya Pradesh stood first in acreage with 54.77 lakh hectares followed by Maharashtra (37.11 lakh ha), Rajasthan (10.46 lakh ha), Karnataka (3.04 lakh ha) and Telangana (1.71 lakh ha). According to 3rd advance estimates, soybean production estimate was 137.43 lakh tonnes in kharif 2018-19 due to better yield and favorable weather condition in the major soybean crop growing states like Madhya Pradesh, Maharashtra and Rajasthan.

In Telangana, area under soybean during 2019-20 was 1,71,213 hectares as against 1,70,405 hectares during corresponding period of last year. Among the districts, Kamareddy stood first in acreage with 44,934 hectares followed by Nirmal (39,193 ha), Adilabad (32,291 ha), Nizamabad (31,113 ha) and Sangareddy (17,174 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, 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 kharif 2019-20. Under uneven rainfall and crop coverage, it is predicted that the soybean price per quintal will be around Rs. **3100 - 3400** at the time of harvesting (September to October 2019). This price forecast is based on the monthly modal price of soybean obtained for 10 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.