

Soyabean Outlook – December 2019

World scenario

Soyabean (*Glycine max L. Merrill*) is the world's most important seed legume, which contributes 25% of the global edible oil and about two-thirds of the world's protein concentrate for livestock feeding. United States of America stood first in soyabean production with 1195.18 lakh tonnes in 2017-18 followed by Brazil (1145.99 lakh tonnes), Argentina (549.71 lakh tonnes), China (131.52 lakh tonnes) and India (109.81 lakh tonnes).

Soyabean has become an important oilseed crop in India in a very short period with 113.98 lakh ha area under its cultivation during kharif 2019-20. The major soyabean growing states are Madhya Pradesh, Maharashtra, Rajasthan, Karnataka, and Telangana. As per the first advance crop estimates 2019-20 of Ministry of Agriculture, Soybean production is estimated at 135.05 lakh tonnes as compared to 137.86 lakh tonnes in 2018-19.

As per recent World Agricultural Supply and Demand Estimates Report, soyabean meal production of India is estimated lower at 7.76 million tons for 2019-20 compared to previous year record i.e., 7.85 million tons. However, it is higher from 6.16 million tons in 2017-18 season. India may export 1.90 million tons soya meal in 2019-20 lower from 2.30 million tons in previous year. Domestic consumption of the country may stand at 5.80 million tons i.e., higher from 5.48 million tons in 2018-19.

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

| | 2017/18 (Estimated) | 2018/19 (Forecasted) | 2019/20 (Projected) |
|---------------------------|------------------------|-------------------------|------------------------|
| Opening Stocks | 48.30 | 44.70 | 52.60 |
| Production | 340.90 | 359.50 | 341.20 |
| Imports | 152.70 | 151.10 | 151.10 |
| Total Availability | 389.20 | 404.10 | 393.80 |
| Food | 19.10 | 19.10 | 20.10 |
| Feed | 14.40 | 13.00 | 13.40 |
| Crush | 302.00 | 310.10 | 315.40 |
| Total Consumption | 344.50 | 351.60 | 358.60 |
| Exports | 152.70 | 151.10 | 151.10 |
| Ending Stocks | 44.70 | 52.60 | 35.30 |

Source: <https://igc.int/en/default.aspx>

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

| | 2017/18 (Estimated) | 2018/19 (Forecasted) | 2019/20 (Projected) |
|---------------------------|------------------------|-------------------------|------------------------|
| Opening Stocks | 0.60 | 0.10 | 0.10 |
| Production | 10.90 | 13.80 | 13.50 |
| Imports | - | - | - |
| Total Availability | 11.60 | 13.90 | 13.60 |
| Food | 0.60 | 0.50 | 0.50 |
| Feed | 0.80 | 0.80 | 0.90 |
| Crush | 9.90 | 12.40 | 11.90 |
| Total Consumption | 11.30 | 13.70 | 13.20 |
| Exports | 0.20 | 0.20 | 0.20 |
| Ending Stocks | 0.10 | 0.10 | 0.20 |

Source: <https://igc.int/en/default.aspx>

National Oilseed Processors Association members have crushed total 175.39 million bushels of Soybeans in October 2019 which is higher than 152.56 million bushels in September 2019 on account of harvesting period of time.

Table 3: State wise area under soyabean in India

| State | 2018-19 | | 2019-20 | |
|-----------------------|-------------------|-----------------|-------------------|-----------------|
| | Area (lakh ha) | % to total area | Area (lakh ha) | % to total area |
| Madhya Pradesh | 53.18 | 47.02 | 55.16 | 48.39 |
| Maharashtra | 40.44 | 35.76 | 40.11 | 35.19 |
| Rajasthan | 10.46 | 9.25 | 10.60 | 9.30 |
| Karnataka | 3.39 | 3.00 | 3.30 | 2.90 |
| Telangana | 1.78 | 1.57 | 1.77 | 1.55 |
| Others | 3.84 | 3.40 | 3.04 | 2.67 |
| All India | 113.09 | 100.00 | 113.98 | 100.00 |

Source: www.agricoop.com

In India, as on 26th September 2019 area under soyabean during 2019-20 was 113.98 hectares as against 113.09 hectares during 2018-19. Among the states, Madhya Pradesh stood first with 55.16 lakh ha followed by Maharashtra (40.11 lakh ha), Rajasthan (10.60 ha), Karnataka (3.30 lakh ha) and Telangana (1.77 lakh ha).

Soybean prices in India**Table 4: Soyabean prices in major markets of India (Rs/q)**

| Commodity / Centre | Prices (Rs/Qtl) | | | | Change |
|------------------------------|-----------------|------|-----------|------|------------------|
| | 21-Nov-19 | | 14-Nov-19 | | |
| | Low | High | Low | High | |
| Soyabean | | | | | |
| Indore –Plant | 3925 | 4015 | 3875 | 3975 | 40 |
| Indore–Mandi | 3600 | 4000 | 3500 | 3950 | 50 |
| Nagpur-Plant | 3800 | 3900 | 3800 | 3850 | 50 |
| Nagpur – Mandi | 3300 | 3800 | 3300 | 3825 | -25 |
| Latur – Mandi | 3150 | 3800 | 3100 | 3730 | 70 |
| Akola – Mandi | 2900 | 3775 | 2900 | 3750 | 25 |
| Kota-Plant | 3900 | 3950 | 3900 | 3950 | Unchanged |
| Kota – Mandi | 3500 | 3950 | 3500 | 3850 | 100 |
| Bundi-Plant | 3900 | 3950 | 4000 | 4025 | -75 |
| Bundi-Mandi | 3500 | 3900 | 3700 | 4000 | -100 |
| Baran-Plant | 3950 | 4000 | 3900 | 3950 | 50 |
| Baran-Mandi | 3800 | 3975 | 3800 | 3900 | 75 |
| Bhawani Mandi Jhalawar–Plant | 4050 | 4080 | 4000 | 4050 | 30 |
| Jhalwar-Mandi | 3600 | 3980 | 3800 | 4000 | -20 |

Source: www.agriwatch.com

Telangana scenario

In Telangana, as on 25th September 2019 area under soyabean during 2019-20 was 1,77,015 hectares as against 1,78,935 hectares during 2018-19. Among the districts, Kamareddy stood first with 45,037 ha followed by Nirmal (39,193) Adilabad (32,291 ha), Nizamabad (31,685 ha) and Sangareddy (22,529 ha).

Table 5: District wise area under soyabean in Telangana State

| District | 2018-19 | | 2019-20 | |
|------------------------|-----------|-----------------|-----------|-----------------|
| | Area (ha) | % to total area | Area (ha) | % to total area |
| Kamareddy | 45223 | 25.27 | 45037 | 25.44 |
| Nirmal | 40344 | 22.55 | 39193 | 22.14 |
| Adilabad | 30120 | 16.83 | 32291 | 18.24 |
| Nizamabad | 39313 | 21.97 | 31685 | 17.90 |
| Sangareddy | 14880 | 8.32 | 22529 | 12.73 |
| Others | 9055 | 5.06 | 6280 | 3.55 |
| Telangana State | 178935 | 100.00 | 177015 | 100.00 |

Source: www.agritelangana.gov.in

Soyabean Prices in Telangana**Table 6: Prices and Arrivals of Soyabean at Nizamabad Market in the Month of November 2019**

| Date | Arrivals (Qtl) | Minimum Price (Rs/q) | Maximum Price (Rs/q) | Modal Price (Rs/q) |
|------|----------------|-----------------------|-----------------------|---------------------|
| 1 | 1,032 | 2,400 | 3,654 | 3,582 |
| 5 | 595 | 2,490 | 3,688 | 3,544 |
| 7 | 563 | 1,950 | 3,700 | 3,642 |
| 9 | 248 | 2,830 | 3,685 | 3,576 |
| 11 | 345 | 3,009 | 3,699 | 3,551 |
| 13 | 418 | 2,450 | 3,600 | 3,590 |
| 14 | 168 | 2,758 | 3,590 | 3,462 |
| 15 | 118 | 2,658 | 3,590 | 3,522 |
| 16 | 72 | 2,300 | 3,518 | 3,447 |
| 18 | 108 | 3,005 | 3,601 | 3,492 |
| 19 | 88 | 2,500 | 3,456 | 3,218 |
| 21 | 123 | 2,107 | 3,581 | 2,988 |
| 22 | 98 | 2,900 | 3,616 | 3,325 |
| 23 | 19 | 3,128 | 3,580 | 3,358 |
| 25 | 48 | 2,120 | 3,636 | 3,289 |
| 28 | 95 | 2,580 | 3,711 | 3,580 |
| 29 | 21 | 3,358 | 3,738 | 3,731 |
| 30 | 27 | 3,058 | 3,762 | 3,750 |

Source: www.tsmarketing.in

Soybean prices rose at most of trading centers during this week on good demand of retailers, stockiest and traders. Arrivals are likely to increase further in market as farmers may bring new crops in full pace due to higher prevailing prices.

As on 21st November 2019, NAFED has procured total 648 MT of Soybean from various trading centers in Telangana. Total 7656.43 MT has been procured so far from 4495 farmers.

China has imported 10.7% lower to 6.18 million tonnes in October 2019 compared to 6.92 million tonnes in previous year. It is also lower by 24.6% from 8.2 million tonnes in September 2019.

Soymeal exports have been reported higher in October 2019 at 894,817 tons from 844,584 tons in September 2019 and 967,174 tons exported in October 2018.

The State government has requested the Centre to increase the quantity of procurement of the Soybean crop produced in Telangana than the approved quota since the market price has been ruling below the minimum support price of Rs. 3,710 per quintal. Centre has agreed to procure 58,608 tonnes i.e., about 30.2% of the estimated production of Soybean.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expect that Soybean is likely to trade in price range between **Rs. 3400 – 3600** per quintal in the month of December 2019.