

RABI 2018-19 PRE-SOWING PRICE FORECAST OF GROUNDNUT

Groundnut Price per Quintal will be around Rs. 4900-5200 at the Time of Harvesting (January to March 2019)

Groundnut (*Arachis hypogaea L.*) is an important oilseed crop in India which occupies first in terms of area and second position in terms of production. China is the largest producer as well as consumer of groundnut in the world followed by India, Nigeria, United States and Burma. Indian groundnuts are exported to Indonesia, Vietnam, Philippines, Malaysia, China, Russia, Ukraine and United Kingdom.

In India, area under groundnut during rabi 2018-19 was 3.87 lakh hectares and the major groundnut growing states are Gujarat, Andhra Pradesh, Tamil Nadu, Karnataka, Maharashtra and Rajasthan. Gujarat is the largest producing state accounting for 40% of total groundnut produced in the country.

In Telangana, during rabi 2018-19 area under groundnut was 1.15 lakh hectares and the major groundnut growing districts are Nagarkurnool, Mahabubnagar, Wanaparthy, Gadwal, Mahabubabad, Suryapet and Vikarabad

NAFED bought 0.71 million tonnes of peanut during 2018-19 from farmers at government fixed MSP of Rs. 4890 per quintal. NAFED holding a stock of nearly 19,925 tonnes of peanut of 2017 crop. NAFED purchased 1 million tonnes of peanut during crop year 2017-18 at Rs. 4450 per quintal from farmers.

Groundnut production is projected to grow by 8.6 per cent in 2019-20. This growth comes over a 17.3 per cent fall in production in 2018-19. The production of groundnut took a big hit in drought-hit Gujarat, where production fell by an estimated 35 per cent in 2018-19. During kharif 2019-20, groundnut crop in Gujarat may yield bumper crop and influence the groundnut future prices.

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, Rajendranagar, Hyderabad at Professor Jayashankar Telangana State Agricultural University with the financial support of Agricultural Marketing Department, Telangana State has assessed 2019-20 rabi pre-sowing price forecast of groundnut. Under normal weather conditions and crop area coverage, it is expected that the groundnut price per quintal will be around **Rs. 4900-5200** at the time of harvesting (January to March 2019). This price forecast is based on the monthly modal price of groundnut obtained for 17 years from Gadwal regulated market using econometric models like ARIMA, SARIMA, ARCH, GARCH and ANN and also the market survey. Gadwal and Wanaparty are the two major groundnut 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.