

Soyabean Outlook – September 2019

World scenario

As per recent World Agricultural Supply and Demand Estimates report, Soyabean meal production of India is estimated at 7.6 million tonnes for 2019-20 compared to previous year record (6.16 million tonnes).

As per the Solvent Extractors' Association of India the export of oilmeals during August 2019 is provisionally reported at 98,871 tons compared to 359,752 tons in August, 2018 i.e., down by 73%. The overall export of oilmeals during April-August, 2019 is reported at 1,016,682 tons compared to 1,326,626 tons in April-August, 2018 i.e., down by 23%. This is mainly due to higher price of domestically produced soyabean meal. This makes the domestic oilmeal expensive in international market compared to other origins.

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

	2017/18 (Estimated)	2018/19 (Forecasted)	2019/20 (Projected)
Opening Stocks	47.80	44.60	55.00
Production	340.90	363.00	347.70
Imports	152.70	149.60	150.90
Total Availability	388.70	407.60	402.70
Food	19.10	19.20	20.20
Feed	14.50	14.60	13.70
Crush	301.90	308.80	315.00
Total Consumption	344.50	352.40	358.60
Exports	152.70	149.60	150.90
Ending Stocks	44.60	55.00	44.10

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	13.70	13.00
Imports	-	-	-
Total Availability	11.60	13.90	13.10
Food	0.60	0.50	0.50
Feed	0.80	0.80	0.80
Crush	9.90	12.30	11.50
Total Consumption	11.30	13.50	12.80
Exports	0.20	0.20	0.20
Ending Stocks	0.10	0.10	0.10

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

Indian Scenario

As on 6th September 2019 area under soyabean during 2019-20 was 112.71 hectares as against 111.79 hectares during 2018-19. Among the states, Madhya Pradesh stood first with 54.77 lakh ha followed by Maharashtra (39.46 lakh ha), Rajasthan (10.60 ha), Karnataka (3.18 lakh ha) and Telangana (1.72 lakh ha).

Table 3: State wise area under soybean in India

State	2018-19		2019-20	
	Area (lakh ha)	% to total area	Area (lakh ha)	% to total area
Madhya Pradesh	53.18	47.57	54.77	48.59
Maharashtra	39.15	35.02	39.46	35.01
Rajasthan	10.46	9.36	10.60	9.40
Karnataka	3.39	3.03	3.18	2.82
Telangana	1.78	1.59	1.72	1.53
Others	3.83	3.43	2.98	2.64
All India	111.79	100.00	112.71	100.00

Source: www.agricoop.com

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

Commodity / Centre	Prices (Rs/Qtl)				Change
	31-Aug-19		31-Jul-19		
	Low	High	Low	High	
Soybean					
Indore –Plant	3780	3800	3570	3640	160
Indore–Mandi	3550	3675	3450	3525	150
Nagpur-Plant	3780	3820	3680	3700	120
Nagpur – Mandi	3200	3625	3310	3520	105
Latur – Mandi	3685	3745	3590	3700	45
Akola – Mandi	3200	3635	3200	3525	110
Kota-Plant	3780	3840	3525	3625	215
Kota – Mandi	3730	3760	3435	3585	175
Bundi-Plant	3730	3760	3500	3550	210
Bundi-Mandi	3570	3610	3400	3480	130
Baran-Plant	3560	3620	3300	3400	220
Baran-Mandi	3580	3600	3350	3380	220
Bhawani Mandi Jhalawar–Plant	3600	3680	3450	3500	180
Jhalwar-Mandi	3470	3620	3200	3450	170

Source: www.agriwatch.com

Telangana scenario

As on 4th September 2019 area under soyabean during 2019-20 in the state was 1,72,283 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 (31,706ha) and Sangareddy (17,776 ha).

Table 5: District wise area under soybean in Telangana State

District	2018-19		2019-20	
	Area (ha)	% to total area	Area (ha)	% to total area
Kamareddy	45223	25.27	45037	26.14
Nirmal	40344	22.55	39193	22.75
Adilabad	30120	16.83	32291	18.74
Nizamabad	39313	21.97	31706	18.40
Sangareddy	14880	8.32	17776	10.32
Others	9055	5.06	6280	3.65
Total	178935	100.00	172283	100.00

Source: www.agritelangana.gov.in

Soybean Prices in Telangana

Firm trends are witnessed at most of the soybean trading centers due to decreased supplies in the market and improved demand from the local crushers and south based traders. Soybean prices may come under pressure once the supplies increase in the market.

Table 6: Prices and Arrivals of Soyabean at Nizamabad Market in the Month of August 2019

Date	Arrivals (Qtl)	Minimum Price (Rs/q)	Maximum Price (Rs/q)	Modal Price (Rs/q)
21	1	2,429	2,429	2,429
27	6	3,333	3,333	3,333

Source: www.tsmarketing.in

As per the sources, India's soybean output is seen rising this year, on increase in acreage and copious rains in the key growing regions of Madhya Pradesh, Rajasthan. Soybean production will be higher this year and it is expected to be at least around 14 million tonnes. Farmers in Madhya Pradesh and Rajasthan have planted more area, while the area has shrunk in Maharashtra. However, last week, SOPA indicated that there was no widespread or excessive damage to the crop due to excess rains. The harvesting of the early maturing varieties will begin by September 20-25 and full-scale harvesting will be from October 15.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expect that Soybean is likely to trade in price range between **Rs. 3000 – 3300** per quintal in the month of September 2019.