

Groundnut Outlook – October 2020

Groundnut (*Arachis hypogaea* L.) is an important oilseed crop in India which occupies first position in terms of area and second position in terms of production. China ranks first in groundnut production with 17.39 million tonnes followed by India 6.70 million tonnes, Nigeria 2.89 lakh tonnes, Sudan 2.88 million tonnes and Myanmar 1.60 million tonnes accounting for 37, 14, 6, 2 and 1 percent of total world production of 46.01 million tonnes during 2018-19.

Table 1: State wise area under groundnut in India

State	2019-20			2020-21		
	Area (lakh ha)	Area (lakh acres)	% to total area	Area (lakh ha)	Area (lakh acres)	% to total area
Gujarat	15.52	38.35	39.67	20.65	51.03	40.53
Andhra Pradesh	5.16	12.75	13.19	7.50	18.53	14.72
Rajasthan	5.73	14.16	14.65	7.28	17.99	14.29
Karnataka	3.82	9.44	9.76	5.37	13.27	10.54
Madhya Pradesh	2.22	5.49	5.67	2.80	6.92	5.50
Others	6.67	16.48	17.05	7.35	18.16	14.43
All India	39.12	96.67	100.00	50.95	125.90	100.00

Source: www.agricoop.com

According to the all India kharif crop coverage report, Government of India, as on 18th September 2020, groundnut was sown in around 50.95 lakh hectares as compared to last year (39.12 lakh ha). Among the states, Gujarat stood first in area coverage with 20.65 lakh ha followed by Andhra Pradesh (7.50 lakh ha), Rajasthan (7.28 lakh ha), Karnataka (5.37 lakh ha), and Madhya Pradesh (2.80 lakh ha).

Table 2: State wise Wholesale Prices Monthly Analysis for Groundnut September, 2020

State	Prices September, 2020	Prices August, 2020	Prices September, 2019	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh	4067.33	4253.39	6039	-4.37	-32.65
Chhattisgarh	2792.13	5090.77	3635.67	-45.15	-23.2
Gujarat	4220.42	5149.01	5133.94	-18.03	-17.79
Karnataka	3980.81	4805.59	5634.23	-17.16	-29.35
Maharashtra	4263.08	5075.59	5538.94	-16.01	-23.03
Odisha	5412.26	5969.86	4096.15	-9.34	32.13
Rajasthan	4405.34	4072.86	5087.81	8.16	-13.41
Tamil Nadu	6204.14	6857.39	7732.78	-9.53	-19.77
Telangana	3763.56	3793.78	5286.01	-0.8	-28.8
Uttar Pradesh	4636.67	4692.18	4878.73	-1.18	-4.96
West Bengal	6343.21	6164.51	5833.93	2.9	8.73
Average	4553.54	5084.08	6273.49		

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

Table 3: District wise area under groundnut in Telangana State

District	2019-20			2020-21		
	Area (ha)	Area (Acres)	% to total area	Area (ha)	Area (Acres)	% to total area
Gadwal	6049.25	14948	48.18	6220.84	15372	41.46
Warangal (Rural)	2583.11	6383	20.57	2950.97	7292	19.67
Wanaparthy	1426.92	3526	11.36	1722.34	4256	11.48
Nagarkurnool	293.8	726	2.34	1145.67	2831	7.64
Suryapet	483.60	1195	3.85	747.86	1848	4.98
Others	1719.92	4250	13.70	2216.47	5477	14.77
Total	12556.61	31028	100.00	15004.15	37076	100.00

Source: www.agritelangana.gov.in

In Telangana, groundnut has been sown in around 37,076 acres as on 30th September 2020. Among the districts, Gadwal stood first in groundnut sown area with 15,372 acres followed by Warangal (Rural) (7292 acres), Nagarkurnool (2831 acres), Wanaparthy (4256 acres) and Suryapet (1848 acres).

Table 4: Arrivals and Prices of Groundnut at Suryapet Market in the Month of September 2020

Date	Arrivals (Quintals)	Minimum Price (Rs/quintal)	Maximum Price (Rs/quintal)	Modal Price (Rs/quintal)
1	10	4,296	4,296	4,296
3	1	3,499	3,499	3,499
9	4	3,009	3,126	3,009
18	1	2,956	2,956	2,956
19	3	5,155	5,155	5,155
21	4	4,435	4,435	4,435
22	5	2,559	3,559	2,559
23	49	2,259	4,651	4,221
28	7	3,305	4,755	4,755

Source: <http://agrimarketing.telangana.gov.in>

Groundnut Price Outlook

According to the first advance estimates, groundnut production is estimated to be at 95.35 lakh tonnes, higher by 11.68 lakh tonnes than the production of 83.67 lakh tonnes during 2019-20.

India is expecting a bumper Kharif crop with increased sowing, but the rains are relentless. If the monsoon remains normal with no damage from pests and diseases, a record peanut crop could be assured.

According to SEA's estimate the Gujarat peanut crop has been pegged at 6.25 million tonnes, against 4.70 million tonnes last year.

Peanut production is expected to jump substantially this year with an increase in yield from 1,009 kg per hectare to 1,419 kg per hectare.

America's seventy-five percent of the peanut acreage was rated good to excellent condition. Exports volumes from Argentina were a record in 2020, due to speedy harvest.

Brazil started sowing seeds for the new crop in full swing; remains of the seed will come to market later in October. Chinese new crop peanut in Southern area harvest to start from September.

NAFED has disposed 3.88 lakh tonnes of groundnut combined together in the states of Gujarat and Rajasthan, including stocks from Kharif'18 and Kharif'19. Currently, India's groundnut stock is seen below 2.8 – 3 lakh tonnes, as per Saurashtra Oil Mills Association.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expects that groundnut may trade in a range of **Rs. 4700 – 5000** per quintal during the month of October 2020.