

Soyabean Outlook – August 2020

World scenario

World soyabean production in 2018-19 is estimated as 348.71 million tonnes from a total area of 124.92 million hectares. United States of America ranks first in soyabean production with 123.66 million tonnes followed by Brazil (117.88 million tonnes), Argentina (37.78 million tonnes), China (14.19 million tonnes) and India (13.78 million tonnes) accounting for 35, 33, 10, 4 and 4 percent of world production. India ranks fourth in area with 11.40 million hectares (28.16 million acres) accounting for 9.12% of the world area and fifth in production with 13.78 million tonnes.

The major soyabean growing states are Madhya Pradesh, Maharashtra, Rajasthan, Karnataka, and Telangana. As per the third advance crop estimates 2019-20 of Ministry of Agriculture, Soybean production is estimated at 122.42 lakh tonnes as compared to 132.68 lakh tonnes in 2018-19.

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

	2018/19 (Estimated)	2019/20 (Forecasted)	2020/21 (Projected)
Opening Stocks	47.60	61.10	47.20
Production	363.00	338.60	365.30
Imports	151.60	158.00	161.50
Total Availability	410.50	399.80	412.50
Food	19.30	20.40	21.10
Feed	13.80	12.50	15.10
Crush	306.60	310.60	318.60
Total Consumption	349.40	352.60	364.50
Exports	151.60	158.00	161.50
Ending Stocks	61.10	47.20	48.00

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

Indian scenario

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

	2018/19 (Estimated)	2019/20 (Forecasted)	2020/21 (Projected)
Opening Stocks	0.50	0.50	0.40
Production	13.30	12.20	12.90
Imports	-	0.10	-
Total Availability	13.80	12.90	13.30
Food	0.40	0.50	0.50
Feed	0.70	0.80	0.80
Crush	12.00	11.20	11.50
Total Consumption	13.10	12.40	12.80
Exports	0.20	0.10	0.10
Ending Stocks	0.50	0.40	0.40

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

Table 3: State wise area under soyabean 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
Madhya Pradesh	54.77	135.34	50.89	57.60	142.33	49.39
Maharashtra	35.02	86.54	32.54	40.74	100.67	34.93
Rajasthan	10.44	25.80	9.70	10.21	25.23	8.75
Karnataka	3.04	7.51	2.82	3.21	7.93	2.75
Telangana	1.67	4.13	1.55	1.56	3.85	1.34
Others	2.69	6.65	2.50	3.30	8.15	2.83
All India	107.63	265.96	100.00	116.62	288.17	100.00

Source: www.agricoop.com

In India, as on 31st July 2020 area under soyabean during 2020-21 was 116.62 lakh hectares as against 107.63 lakh hectares during 2019-20. Among the states, Madhya Pradesh stood first with 57.60 lakh ha followed by Maharashtra (40.74 lakh ha), Rajasthan (10.21 lakh ha), Karnataka (3.21 lakh ha) and Telangana (1.56 lakh ha).

Soyabean prices in India

Table 4: State wise Wholesale Prices Monthly Analysis for Soyabean July, 2020

State	Prices July, 2020	Prices June, 2020	Prices July, 2019	% Change(Over Previous Month)	% Change(Over Previous Year)
Chhattisgarh	3418.33	3473.71	3491.78	-1.59	-2.1
Gujarat	3584.01	3743.01	3303.69	-4.25	8.49
Karnataka	3564.32	3580.1	3581.21	-0.44	-0.47
Madhya Pradesh	3514.13	3618.22	3332.73	-2.88	5.44
Maharashtra	3636.55	3567.13	3507.4	1.95	3.68
Rajasthan	3576.95	3707.68	3508.7	-3.53	1.95
Telangana		3510.03	4610.2	---	---
Uttar Pradesh	5115.34	5183.2	4503.1	-1.31	13.6
Average	3772.8	3797.88	3729.85		

Source: https://agmarknet.gov.in/PriceTrends/SA_Pri_MonthRep.aspx

At Latur soymeal fell to Rs. 31,500 – 32,000/MT from Rs. 31,800 – 32,200/MT a week ago and in Nanded it was quoted low at Rs. 31,700 - 32,000/MT compared to Rs. 32,000 - 32,500/MT a week ago. However, in Kota, the meal witnessed some gains and was quoted at Rs 29,500 – 30,000/MT compared to Rs 29,300 – 29,800/MT previous week.

Telangana scenario

In Telangana, as on 5th August 2020 area under soyabean was 3,67,832 acres as against 4,13,668 acres during 2019-20. Among the districts, Kamareddy stood first with 79,835 acres followed by Adilabad (77,717 acres), Nirmal (70,691 acres), Sangareddy (66,450 acres) and Nizamabad (64,763 acres).

Table 5: District wise area under soyabean in Telangana State

District	2019-20			2020-21		
	Area (ha)	Area (acres)	% to total area	Area (ha)	Area (acres)	% to total area
Kamareddy	47005.12	116152	28.08	32308.13	79835	21.70
Adilabad	32027.28	79141	19.13	31451.00	77717	21.13
Nirmal	35408.43	87496	21.15	28607.68	70691	19.22
Sangareddy	16207.68	40050	9.68	26891.40	66450	18.07
Nizamabad	30249.49	74748	18.07	26208.70	64763	17.61
Others	6507.76	16081	3.89	3389.65	8376	2.28
Telangana State	167405.76	413668	100.00	148856.56	367832	100.00

Source: www.agritelangana.gov.in

US soybean sales for 2020-21 to all destinations have totaled to 10.4 million tonnes, a six-year high, with non-Chinese bookings at 4.3 million tonnes. Strong Chinese demand in soybean will remain supportive for the international soy market this season.

China imported 11.16 million tonnes in June'20 compared to 6.51 million tonnes during the same period in last year and 9.38 million tonnes in May'20. China's soybean imports in 2019-20 are expected at 87.50 million tonnes of which 13.7 million tonnes are expected to come from United States.

Domestic average soymeal prices at Indore witnessed mild gains at Rs. 28817/MT and was quoted between Rs. 28,500 – 29,000/MT compared to the average of Rs. 28767/MT traded between the price range of Rs. 28,700 – 29,000/MT previous week.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expect that Soybean is likely to trade in price range between **Rs. 3300 – 3500** per quintal in the month of August 2020.