

VANAKALAM (KHARIF) 2020-21 PRE-SOWING PRICE FORECAST OF GROUNDNUT

Groundnut Price per Quintal will be around Rs. 4600 - 4800 at the Time of Harvesting (October to December 2020)

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.

India has exported total 5.33 lakh tonnes groundnut during Apr to Jan 2019-20 which is higher by 8.92% as against 4.89 lakh tonnes of groundnut in the last year. Indian groundnuts are mainly exported to Indonesia, China, Philippines, Vietnam, Malaysia, Thailand, Algeria, Ukraine, Russia, Iran and Nepal. India imports groundnut from Nepal, Netherlands, Sri Lanka and Sudan. Indian exports could benefit from trade restrictions against Chinese goods across the global market and there has been less cultivation of peanut in Sudan and Senegal, which would also help Indian exporters to explore other markets.

India ranks first in groundnut area with 4.94 million hectares (12.20 million acres) accounting for 17.32% of the world area and second in production with 6.70 million tonnes accounting for 14.55% of the world production. In India, among oilseed crops, groundnut crop occupy first position in terms of area and second position in terms of production after soyabean. According to the 3rd advance estimates, groundnut production estimate (kharif and rabi) was 9.34 million tonnes for 2019-20 as against 6.72 million tonnes in 2018-19. NAFED has procured 7.19 lakh tonnes in 2019-20, major share being from Gujarat alone (5 lakh tonnes).

In India, during kharif 2019-20 groundnut was sown in around 38.88 lakh hectares (96.07 lakh acres) which was 2.82 per cent lower than the corresponding period of last year 40.01 lakh ha (98.86 lakh acres). In major producing state Gujarat, it was sown in 15.50 lakh hectares (38.30 lakh acres) followed by Rajasthan 5.73 lakh ha (14.15 lakh acres), Andhra Pradesh 5.10 lakh ha (12.60 lakh acres), Karnataka 3.82 lakh ha (9.43 lakh acres) and Madhya Pradesh 2.22 lakh ha (5.48 lakh acres).

In Telangana, groundnut is a major oilseed crop in yasangi (rabi) season although little area is cultivated in vanakalam (kharif) season for seed purpose. In Telangana, groundnut has been sown in around 11,554 hectares (28,550 acres) as compared to previous year 12,326 ha (30,458 acres). In Vanakalam (kharif), Gadwal (Jogulamba), Warangal (Rural), Wanaparthi, Suryapet, and Nalgonda districts are major groundnut growing districts in Telangana.

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 2020-21 vanakalam (kharif) pre-sowing price forecast of groundnut. Under expected normal rainfall and crop area coverage, it is predicted that the groundnut price per quintal will be around **Rs. 4600 - 4800** at the time of harvesting (October to December 2020). This price forecast is based on the monthly modal price of groundnut obtained for 18 years from Gadwal regulated market using econometric models like ARIMA, SARIMA, ARCH and GARCH 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.