

KHARIF 2017-18 PRE-SOWING PRICE FORECAST OF GROUNDNUT

Groundnut Price per Quintal will be around Rs. 4200-4600 at the Time of Harvesting (October to December 2017)

Groundnut is the major oilseed of India. It accounts for around 25% of the total oilseed production of the country. China is the largest producer of groundnut in the world accounting for more than 40% followed by India with about 15% share. Nigeria, United States and Burma are the other major groundnut producing countries in the world after China and India. In India major growing states are Gujarat, Andhra Pradesh, Tamil Nadu, Karnataka, Maharashtra, Rajasthan, Madhya Pradesh, Orissa, and Uttar Pradesh. Gujarat is the single largest producing state accounting for 40% of total groundnut produced in the country. According to Solvent Extractors Association (SEA), the kharif 2016-17 groundnut production in the country is estimated at 54.80 lakh tonnes as against 32.50 lakh tonnes in 2015-16 which is up by 70%.

In Telangana Mahabubnagar, Nagarkurnool, Wanaparthy, Gadwal, Mahbubabad, Suryapet, Karimnagar and Warangal are the major groundnut growing districts constituting 80% of total groundnut production. The area under groundnut during 2016-17 was almost doubled in the state i.e. 0.15 lakh hectares as compared to 0.08 lakh hectares during previous year due to favorable agro-climatic conditions.

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, Professor Jayashankar Telangana State Agricultural University, Rajendranagar, Hyderabad with the financial support of Agricultural Marketing Department, Telangana State has assessed pre-sowing price of groundnut for kharif 2017-18. Under expected normal rainfall and crop area coverage, it is predicted that the groundnut price per quintal will be around **Rs. 4200 - 4600** at the time of harvesting (Oct to Dec 2017). This price forecast is based on the monthly modal price of groundnut obtained for 16 years from Gadwal regulated market using econometric models like ARIMA, SARIMA, ARCH, GARCH and ANN and also the market survey.

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.