

RABI 2017-18 PRE-HARVEST PRICE FORECAST OF GROUNDNUT

Groundnut Price Per Quintal will be around Rs. 4100-4400 at the Time of Harvesting

(January to March 2018)

Groundnut is called as the 'king' of oilseeds. It is one of the most important food and cash crops of our country. In 2014, world production of groundnut was 43.9 million tonnes, led by China with 38% of the global total followed by India (15%). Other significant producers were Nigeria, the United States, Sudan, Indonesia, Myanmar, Senegal, Argentina and Vietnam. Major export destinations are Indonesia, Vietnam Social Republic, Malaysia, Philippines and Thailand.

India is the second largest producer of groundnuts after China. Groundnut is the largest oilseed in India in terms of production. Among the states Gujarat is the largest producer contributing 25 per cent of the total production followed by Andhra Pradesh, Tamil Nadu, Karnataka, Maharashtra, Rajasthan, Madhya Pradesh, Orissa, and Uttar Pradesh. In India area under groundnut during rabi 2017-18 was 3.87 lakh hectares as compared to 3.37 lakh hectares in 2016-17.

In Telangana Nagarkurnool, Mahabubnagar, Wanaparthi, Gadwal, Mahabubabad, Suryapet and Vikarabad are the major groundnut growing districts constituting 80% of total groundnut production. The area under groundnut during 2017-18 has decreased to 1.15 lakh hectares from 1.32 lakh hectares.

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-harvest price forecast of groundnut for Rabi 2017-18 based on the 16 years monthly modal prices of Gadwal regulated market using econometric models like ARIMA, SARIMA, ARCH, GARCH and ANN and also the market survey. Under expected normal productivity and increase in MSP Rs. 4450, it is predicted that the price of groundnut would be around **Rs. 4100-4400** at the time of harvesting. (Jan to Mar 2018). Gadwal, Wanaparthi, Suryapet and Warangal are found to be the major markets for groundnut in the state.

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.