

Soybean Outlook – November 2018

World scenario

Global 2018-19 soybean production is projected at 369.32 million MT which was 336.82 million MT during 2017-18. Increase in production was projected for United States and China that are partly offset by lower projections for Canada, India, and Uruguay.

According to Chinese customs data, China has imported 4 million tons of soybean in October against average import of 7.5 million tons. Nearly 7 million tons of soybean is available at the ports. According to Chinese officials soybean import is estimated at 19 million tons down by 5 million tons from last year.

Indian scenario

Soybean is one of the fastest growing crops in India. It is recognized as one of the premier crops around the world. Due to high protein content and high oil content soybean is considered to be an important food commodity. The soya protein is called complete protein because it supplies sufficient amount of amino acids. In India during 2018-19, about 112.61 lakh ha area was covered under soybean as compared to 105.92 lakh ha covered during corresponding period of last year.

Table 1: State wise area under soybean in India

State	2017-18 Area in lakh hectares	2018-19 Area in lakh hectares	Change in area over 2017-18
Telangana	1.65	1.78	+ 0.13
Chhattisgarh	1.32	1.29	- 0.03
Gujarat	1.29	1.35	+ 0.06
Karnataka	2.71	3.39	+ 0.68
Madhya Pradesh	50.1	53.18	+ 3.08
Maharashtra	38.39	39.97	+ 1.58
Rajasthan	9.69	10.46	+ 0.77
Other States	0.77	1.19	+ 0.42
Total	105.92	112.61	+ 6.69

Source: www.agricoop.com

Soybean prices in India

There is arrivals pressure maintained in the cash soybean market but at the same time the crush demand is equally compensating the supplies pressure. Vertically integrated poultry units are also busy in buying as they fill up their pipelines ahead of peak winter demand for poultry products.

Table 2: Monthly prices of Soybean in major markets of India (Rs/q)

Market	Sep-18		Oct-18	
	Minimum	Maximum	Minimum	Maximum
Indore	3000	3015	3100	3190
Nagpur	3100	3300	3190	3250
Latur	2950	3350	3030	3280
Akola	2900	3300	3050	3100
Kota	2700	3100	3050	3100
Bundi	2900	3000	3020	3070
Baran	3000	3250	2900	3070

Source: www.agriwatch.com

Currently, soybean is being traded in all major markets of country at around Rs. 2900 to 3250 per quintal and in all markets prices had decreased over the previous month. Compared to all markets in India, soybean was traded at a lower price in Bundi market, while Latur and Nagpur markets of Maharashtra stand for higher price.

State scenario

As on 26th September 2018 the area under soybean was 178935 hectares as against 164971 hectares during corresponding period of last year and the same was increased in Asifabad, Nirmal, Adilabad, Kamareddy and Sangareddy districts compared to last year.

Table 3: District wise area under soybean in Telangana State

District	2017-18 (Area in ha)	2018-19 (Area in ha)	Change over 2017-18
Kamareddy	41113	45223	+4110
Nirmal	37252	40344	+3092
Nizamabad	41474	39313	-2161
Adilabad	22998	30120	+7122
Sangareddy	12490	14880	+2390
Asifabad	3792	5552	+1760
Jagityal	3020	1490	-1530
Vikarabad	1250	1079	-171
Medak	1150	590	-560
Other Districts	432	344	-88
Total	164971	178935	+13964

Source: www.agritelangana.gov.in

Soybean Prices in Telangana**Table 4: Monthly Prices of Soybean during September 2017 and 2018 at Nizamabad**

Date	Arrivals (Tonnes)	Minimum price (Rs/quintal)	Maximum price (Rs/quintal)	Modal price (Rs/quintal)
1	857	2349	3052	3021
3	577	2458	3028	2907
4	885	2480	3015	2928
5	1087	2528	3058	2950
6	628	2488	3033	3003
8	1020	2600	3033	3006
12	1134	2758	3054	3045
13	825	2788	3088	3069
15	906	2958	3190	3152
16	613	2959	3208	3176
22	680	2828	3096	3076
23	209	2855	3116	3108
27	75	2725	3208	3175
30	329	2688	3276	3235
31	171	2808	3278	3228

Source: www.tsmarketing.in

Soybean most active November contract at NCDEX traded in a tight channel last week with one two trade touching 3400 on speculation on over potential exports to Iran. Spot Market remained in tight range and not such volatility has been observed. The production estimates has been in the range of 102 to 115 lakh tons. SOPA has given it first estimated of production at 114.87 lakh tons.

GOI has given approval for procurement of 26 lakh tons of oilseeds (Soybean, Groundnut and Sunflower) in 9 states i.e., Telangana, Andhra Pradesh, Uttar Pradesh, Rajasthan, Madhya Pradesh, Maharashtra, Karnataka and Tamil Nadu. Under Pradhan Mantri Annadata Aay Sanraks Han Abhiyan (PM- AAASHA) procurement will be carried by Food Corporation of India and National Agricultural Cooperative Marketing Federation of India Ltd (NAFED). The state warehousing corporation and central warehousing corporation is offering space of nearly 20 lakh tons this season.

Prices of soybean in Nizamabad market during October 2018 are ranging between Rs.2500 to 3278 per quintal. The increase in global production estimate, domestic acreage both in India and Telangana state may create pressure on prices of soybean. Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expect that Soybean is likely to trade in price range between Rs. 3000 – 3300 per quintal in the month of November 2018.