

RABI 2018-19 PRE-SOWING PRICE FORECAST OF GROUNDNUT

**Groundnut Price per Quintal will be around Rs. 3900-4300 at the Time of Harvesting
(January to March 2019)**

Groundnut (*Arachis hypogaea L.*) is an important oilseed crop in India which occupies first in terms of area and second position in terms of production. China is the largest producer as well as consumer of groundnut in the world followed by India, Nigeria, United States and Burma. According to Solvent Extractors Association (SEA), India's August 2018 edible oil imports increased by 9.62 percent to 14.66 lakh tons from 13.37 lakh tons in August 2017. As per APEDA report, India shipped 38.3 thousand tons of groundnut which is high by 2% for September month. Cumulative exports in the period Oct-Jun is still down year over year.

In India, area under groundnut during rabi 2017-18 was 3.87 lakh hectares. The major groundnut growing states are Gujarat, Andhra Pradesh, Tamil Nadu, Karnataka, Maharashtra and Rajasthan. Gujarat is the largest producing state accounting for 40% of total groundnut produced in the country.

In Telangana, during rabi 2017-18 area under groundnut was 1.15 lakh hectares and the major groundnut growing districts are Nagarkurnool, Mahabubnagar, Wanaparthy, Gadwal, Mahabubabad, Suryapet and Vikarabad.

The domestic groundnut prices gained as limited stocks has been off loaded from the NAFED warehouses, which has kept the supplies tight in the market. NAFED as on 4th Aug has 7.05 lakh tons of in shell groundnut stocks in their warehouses.

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 2018-19 rabi pre-sowing price forecast of groundnut. Under expected normal weather conditions and crop area coverage, it is expected that the groundnut price per quintal will be around **Rs. 3900-4300** at the time of harvesting (January to March 2019). This price forecast is based on the monthly modal price of groundnut obtained for 17 years from Gadwal regulated market using econometric models like ARIMA, SARIMA, ARCH, GARCH and ANN 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.