

Soyabean Outlook – July 2019

World scenario

As per USDA, the estimated stocks of soybean in 2018-19 are 27 million tonnes and estimated production of 2019-20 is 113 million tonnes. The trade between US and china is still unresolved, even with the normal exports' sales record; the stocks would still more than 20 million tonnes in 2019-20. Bad weather and heavy rainfall caused more delay in soybean planting and supported CBOT prices to rise so far.

Table No. 1: Global Soybean Supply and Demand (in million tonnes)

	2017/18 (Estimated)	2018/19 (Forecasted)	2019/20 (Projected)
Opening Stocks	47.80	44.00	53.90
Production	340.90	362.70	357.80
Imports	152.30	151.50	152.20
Total Availability	388.80	406.70	411.70
Food	19.10	19.30	20.30
Feed	14.50	13.20	13.80
Crush	302.00	309.40	314.30
Total Consumption	344.80	351.60	358.60
Exports	152.30	151.50	152.20
Ending Stocks	44.00	53.90	52.90

Source: <https://igc.int/en/default.aspx>

Indian scenario

According to the 3rd Advance Estimates, Soyabean production was estimated at 137.43 lakh tonnes in 2018-19.

Table No. 2: Indian Soybean Supply and Demand (in million tonnes)

	2017/18 (Estimated)	2018/19 (Forecasted)	2019/20 (Projected)
Opening Stocks	0.6	0.1	0.2
Production	10.9	13.7	13.0
Imports	-	-	-
Total Availability	11.6	13.8	13.2
Food	0.6	0.5	0.5
Feed	0.8	0.8	0.8
Crush	9.9	12.1	11.6
Total Consumption	11.3	13.4	12.9
Exports	0.2	0.2	0.2
Ending Stocks	0.1	0.2	0.1

Source: <https://igc.int/en/default.aspx>

Table 3: State wise area under soybean in India

State	2018-19		2019-20	
	Area (lakh ha)	% to total area	Area (lakh ha)	% to total area
Madhya Pradesh	27.55	56.91	8.50	50.75
Rajasthan	3.60	7.44	5.37	32.06
Maharashtra	12.93	26.71	0.90	5.37
Telangana	1.09	2.25	0.74	4.42
Karnataka	2.47	5.10	0.55	3.28
Others	0.77	1.59	0.69	4.12
All India	48.41	100.00	16.75	100.00

Source: www.agricoop.com

Soybean prices in India

National Oilseeds Processors Association (NOPA) has reported that 154.79 million bushels soybean was crushed in May 2019, which is lower against 159.99 million bushels in April 2019 and 163.57 million bushels in May 2018.

Soybean oil stocks are reported lower to 1.581 billion pounds in May 2019 as compared to 1.787 billion pounds at the end of April 2019 and also below the 1.856 billion pounds in May 2018.

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

Centre	Prices (Rs/Qtl)				Change
	21-Jun-2019		14-Jun-2019		
	Minimum price	Maximum price	Minimum price	Maximum price	
Indore –Plant	3700	3770	3715	3725	45
Indore–Mandi	3525	3625	3550	3650	-25
Nagpur-Plant	3710	3750	3700	3730	20
Nagpur – Mandi	3420	3625	3360	3610	15
Latur – Mandi	3350	3725	NA	NA	NA
Akola – Mandi	3275	3540	3300	3560	-20
Kota-Plant	3840	3900	3775	3800	100
Kota – Mandi	3750	3850	3600	3750	100
Bundi-Plant	3820	3870	3700	3725	145
Bundi-Mandi	3740	3800	3600	3720	80
Baran-Plant	3630	3740	3500	3580	160
Baran-Mandi	3600	3720	3450	3550	170
Bhawani MandiJhalawar–Plant	3650	3750	3500	3600	150
Bhawani MandiJhalawar -Mandi	3640	3730	3550	3580	150

Source: www.agriwatch.com

Telangana scenario

As on 3rd July 2019 area under soyabean during 2019-20 was 74,344 hectares as against 75,612 hectares during 2018-19. Among the districts, Nirmal stood first with 28,876 ha followed by Adilabad (18,005 ha), Kamareddy (15,421 ha), Sangareddy (6,508 ha) and Nizamabad (2,900 ha).

Table 3: District wise area under soybean in Telangana State

District	2018-19		2019-20	
	Area (ha)	% to total area	Area (ha)	% to total area
Nirmal	-	-	28876	38.84
Adilabad	17533	23.19	18005	24.22
Kamareddy	24146	31.93	15421	20.74
Sangareddy	8097	10.71	6508	8.75
Nizamabad	25236	33.38	2900	3.90
Others	600	0.79	2634	3.54
Total	75612	100.00	74344	100.00

Source: www.agritelangana.gov.in

Soybean Prices inTelangana

Soybean prices increased at various trading centers as supplies are reported down ahead of good demand. Current market situation is not much predictable as soybean prices are volatile. Once farmers start covering kharif area under soybean in a full speed, soybean prices may overcome pressures. However, Government has increased MSP of yellow soybean by Rs. 311 per quintal from Rs. 3399 to Rs. 3710 for 2019-20.

Table 4: Prices and Arrivals of Soyabean at Nizamabad Market in the Month of June 2019

Variety	Date	Arrivals (Tonnes)	Minimum Price (Rs/q)	Maximum Price (Rs/q)	Modal Price (Rs/q)
White	22	1	2,526	2,526	2,526
	24	1	3,039	3,039	3,039
Yellow	25	1	2902	2902	2902

Source: www.tsmarketing.in

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expect that Soybean is likely to trade in price range between Rs. 2900 – 3200 per quintal in the month of July 2018.