

Forecast Report For October to December 2018



August 2018



Centre for Indian Agricultural Marketing Intelligence

Maharashtra Agricultural Competitiveness Project,

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Disclaimer - (The purpose of this report is to analyze the existing market situation and estimate the price trends in future. The estimates are subject to change due to changes in natural and economic factors – both domestic and international – affecting prices. There is no guarantee whatsoever that they would come true. The readers should use them with caution. If any person using these forecasts incurs any type of losses, the MACP project is in no way responsible for such losses).

Tur Price Forecast for October to December 2018

India is the largest producer and consumer of Tur in the world. The average spot prices of Tur in the Akola market are lying in the range of Rs. 3800 to 4200 per quintal in APMC markets nationally. The production of tur in Kharif Marketing Season 2017-18, was 41.80 lakh tonne's against 47.80 lakh tonne's a year ago. Due to higher production in this year the prices are likely to fall further below MSP.

Government of India's total Tur procurement (As on 15th May 2018) is 8,57,879 MT. The market is influenced by last year's inventory, imported stocks and this year's production. Government has opened up Tur for export. The government set restrictions on pulses imports in August 2017. The government has also introduced a quota system only for millers and refiners. The free import of Tur, restricted by imposing a quota of 2 million tonnes (up to 2020) according to a notification by the Directorate General of Foreign Trade (DGFT). The current import duty 10% is not having any impact on the domestic rates, which are continuing to rule below the MSP.

The minimum support price (MSP) for the year 2018-19 is Rs.5,675 per qtl.

During the last two years, the average prices of Tur in the Akola market for the months of Oct – Dec were as follows-

Year	Price (Rs. Per qtl.)
2016	5486
2017	3786

Based on the present market sentiments, in the year 2018-19 supply is forecast at 40 lakh tonnes (As against 42 lakh tonnes last year). At this level, the prices of Tur in **October to December 2018** is likely to be in the range of **Rs. 3900 to 4300 per qtl.**

This forecast will be revised monthly. Next forecast will be published in September 2018.

Soybean Price Forecast for October to December 2018

Soybean is a globally important oilseed crop. The USA, Brazil, Argentina, China and India are the leading soybean producing countries in the world. The prices of soybean are primarily determined by supply and demand factors not only in India but also in major producing and consuming countries of the world.

According to All India Crop Situation report by Ministry of Agriculture and Farmers Welfare, GoI, as on 24th August 2018, in Kharif season 2018-19, the acreage under soybean has been reported 111.29 Lakh ha. Previous year it was 104.98 Lakh ha. in India.

As per the USDA latest report (August 2018), the global soybean production is projected higher for marketing season 2018-19, at 367 Million tonnes as compared to 336.7 Million tons during previous year. The soybean production in India is projected at 10.80 Million tons as compared to 8.3 Million tonnes during previous year (2017-18).

The average prices of soybean during the June to August 2018 in the Indore market was Rs. 3487 per qtl. The Minimum Support Price (MSP) for 2018-19 is Rs. 3399 per qtl. The rainfall during 1st June to 29th August 2018 in the major soybean growing areas in India was normal.

During the last two years, the average prices of Soybean in Indore market for the month of October to December was as follows:-

Year	Price (Rs. Per qtl.)
2016	3056
2017	2935

The futures (closing) prices for Soybean in Indore market as on 28th August 2018 in NCDEX is as follows:

Delivery Month	Price (Rs. Per quintal)
October 2018	3,182
November 2018	3,199
December 2018	3,253
January 2019	3,313
February 2019	3,373

Based on the econometric analysis of past data, assuming normal rainfall and the present market sentiments, the average price of soybean in the Indore market for the months of **October to December 2018** is expected to be in between **Rs.3000 to Rs.3400 per qtl.** This forecast will be revised monthly. Next forecast will be published in September, 2018

Cotton Price Forecast for October to December 2018

Cotton is a globally important crops. The India, USA, China, Brazil and Pakistan are the leading soybean producing countries in the world. As per the All India crop situation report, Gol, dated on 24th, August 2018, the sowing of cotton in India was at 116.85 Lakh ha. As compare to previous it was at 119.67. The Indian cotton production is projected for marketing year 2018-19, at 365 Lakh Bales (170 kg/Bales) as compared to 371 Lakh Bales, during previous year (2017-18),(USDA, WASDE, August, 2018),

The average price of Cotton during the month of June to August 2018 in the Rajkot market was Rs. 5840 per qtl. The Minimum Support Price (MSP) for 2018-19, of medium staple cotton is Rs 5130 per qtl, and long staple cotton, it is Rs.5450/ctl. The rainfall during 1st June to 29th August 2018 in the major soybean growing areas in India was normal.

During the last two years, the average prices of Cotton in Rajkot market for the month of October to December was as follows:-

Year	Prices (Rs. Per qtl.)
2016	5084
2017	4685

The futures (closing) prices for Cotton in Rajkot market as on 28th August 2018 in MCX is as follows:

Delivery Month	Prices (Rs. per 170 kg Bales)
October 2018	23,190
November 2018	22,740
December 2018	22,770
January 2019	22,740

Based on the econometric analysis of past data, assuming normal rainfall and the present market sentiments, the average price of cotton in the Rajkot market for the months of **October to December 2018** is expected to be in between **Rs.4800 to Rs.5200 per qtl**. This forecast will be revised monthly. Next forecast will be published in September, 2018.

Maize Price Forecast for October to December 2018

Maize production in India constitutes 73% during Kharif season and balance during Rabi season production. The prices of Maize are influenced by quality, moisture, supply and demand conditions. The spot average prices of Maize in the Nizamabad market during last one month is Rs.1,230 per qtl. The maize futures prices shows increasing trend.

In the year 2017-18, Maize production was 26.80 million tones in India. About 19 % increase over previous year. The minimum support price (MSP) for the Kharif Marketing Season 2018-19 was Rs.1,700 per qtl.

During the last two years, the average prices of Maize in the Nizamabad market for the months of October-December were as follows-

Year	Price (Rs. per qtl.)
2016	1496/-
2017	1360/-

The futures prices for Maize as on 23 August 2018 in NCDEX is as follows:

Delivery Month	Price (Rs. Per quintal)
19 September 2018	1329
16 October 2018	1360
20 November 2018	1391
20 December 2018	1422

Based on the econometric analysis of past data and the present market sentiments, the average price of Maize in the months of **October to December 2018** is expected to be in between **Rs.1300 to Rs.1600 per qtl.** Next revised forecast will published in the month of September 2018.

Onion Price Forecast for September 2018

Onion is an important commercial vegetable crop. The onion prices experience very high volatility due to perishable in nature. The average price of Onion in Lasalgaon market during August 2018 was Rs. 961 per qtl.

India is second largest producer of onion in the world after China with 20% share in the total world production (FAO, 2014). In India, Maharashtra is a largest Onion producing state with contribution of 28% followed by Karnataka (17%) and Madhya Pradesh (15%).

As per National Horticulture Board (NHB) 3rd Advanced estimates, area under Onion is expected to be around 13.15 lakh hectares in 2017-18, as compared to 13.06 lakh hectares during the previous year. The major onion producing districts of Maharashtra are Nashik, Pune, Satara, Jalgaon, Dhule, Ahmednagar, Nagpur and Solapur.

Based on the time series analysis of past data and the present market sentiments, the expected average price of onion in Lasalgaon market for the month of **September 2018** is expected to be in between **Rs 700 to Rs. 900 per qtl**. This forecast will be publish for next monthly.

Tomato Price Forecast for September 2018

Tomato is an important commercial and dietary vegetable crop. From commercial point of view, it is a short duration, high-yielding, remunerative crop at the same time highly perishable in nature. The average prices of Tomato in Pune market during August 2018 was Rs. 895 per qtl.

India is second largest producer of tomato in the world after China with 8% share in the world production (FAO, 2014). Maharashtra rank tenth for the production of tomato (NHB, 2014-15). The major Tomato producing states are Madhya Pradesh (13%), Karnataka (12%), Andhra Pradesh (9%), Orissa (8.4%) and Gujarat (7.7%). The major Tomato producing districts of Maharashtra are Nashik, Pune, Satara, Ahmednagar, Nagpur and Sangli.

According to the 3rd Advance Estimates of National Horticultural Board (NHB), the area under tomato is estimated in India during the year 2017-18 is expected to be around 7.86 lakh hectares as compared to 7.97 Lakh hectares during the previous year. With reference to Tomato production, it is estimated to be 19 million tonnes in 2017-18 as against 20.7 million tonnes during previous year.

Based on the time series analysis of past data, traders survey and the present market sentiments, the expected average price of Tomato in Pune market for the months of **September 2018** is expected to be in between **Rs.700 to Rs. 900 per qtl**. This forecast will be published on monthly basis.

Further Information Contact

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