



Department of Agriculture
Government of Maharashtra



THE WORLD BANK

The World bank assisted

**Hon. Balasaheb Thackeray Agribusiness & Rural Transformation
(SMART) Project**

मा. बाळासाहेब ठाकरे कृषी व्यवसाय व ग्रामीण परिवर्तन (स्मार्ट) प्रकल्प



PRICE FORECAST FOR FEBRUARY 2023

Project Implementation Unit -Agriculture

**Market Intelligence and Risk Mitigation Cell,
Pune**

JANUARY- 2023

Soybean Price Forecast for February 2023

Soybean is an important international oilseed crop and also commonly known as 'Golden bean'. The processed soybean is the major source of protein. 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. The United States of America (32%), Brazil (37%), Argentina (12%), China (5%) and India (3%) are contributed around 90% in the total production of soybean in the world (FAO-AMIS). Soybean contains 40 percent protein and 18 - 20 percent oil. The soy meal also called as De Oiled Cake (DOC) is widely used as a source of animal feed.

Global soybean production forecast is 388 million tonnes for MY 2022-23. Which is 8 percent higher than previous year (358 million tonnes (Est.), MY-2021-22). Indian soybean production is projected 12.00 million tonnes for MY 2022-23. (11.90 MMT, MY 2021-22, WASDE, USDA, January 2023). As per the first advance estimate of Department of Agriculture, Government of Maharashtra for the year of 2022-23, the soybean production is estimated 5.16 million tonnes.

The prices of soybean during the last three months in Indore market have been experienced mixed trend. The average spot price of soybean in the month of November 2022 was INR 5354 per qtl, December 2022 was INR 5298 and in January 2023 it was INR 5443. Minimum support price (MSP) for 2022-23 is Rs. 4300 per quintal.

During the last three months, the average prices of Soybean in Indore market and all India arrivals in APMC markets are shown in following table.

Months	Soybean Prices in Indore APMC market (INR/Qtl.)	All India Arrivals in APMC markets (Tonnes)
November 2022	5354	1367844
December 2022	5298	750658
January 2023	5443	498710

Based on the econometric analysis of past data and present market sentiments, the average prices of soybean in Indore market for the month of **February 2023** are expected to be between **Rs.5100 to 5600 per qtl**. This price forecast is for FAQ grade soybean.

COTTON PRICE FORECAST FOR FEBRUARY 2023

Cotton is one of the most important commercial crop cultivated in India. Due to its economic importance in India, it is also termed as “White-Gold”. It plays a major role in sustaining the livelihood of an estimated 6 million cotton farmers and 40-50 million people engaged in related activity such as cotton processing & trade.

Globally India is the major producing country of cotton followed by China and U.S.A. It accounts around 25% of the total global cotton production. As per the latest report published on 9th November, the US Department of Agriculture (USDA) has revised global cotton balance sheet includes lower production, consumption, trade and ending stocks. Production is down 1.6 million bales from last month. (Source: USDA)

Cotton prices in the Indian domestic market have increased by 5-10 per cent since the beginning of this month as arrivals have declined due to heavy rains in many parts of the country. After dropping to a 14-year low production last year, India’s cotton crop is projected at 344 lakh bales for the season starting October 1, 2022, higher by 36.95 lakh bales on last year’s crop size. In case of national Import & Export, 55 % increase in import and 23 % decrease in export has been estimated during the 2022-23 than the previous year. Same trend has been occurred at global level with 3.84 % increase in import and 1.81 % decrease in export than the previous year. China is the major consumer of cotton with 33 % of global cotton consumption followed by India. The estimated domestic consumption also seems to be in a lower side in 2022-23 with percent decrease of 2 % at both national and global level. In India, Minimum Support Price (MSP) for 2022-23 is Rs.6380 per quintal for long staple cotton & Rs. 6080 per quintal for medium staple cotton.

During last three months the average prices of cotton in Rajkot market and arrivals in India is as follows:

Month/Year	Cotton Prices (Rs. per qtl.)	Cotton Arrivals in India (Tonnes)
Nov -2022	9050	533,163
Dec-2022	8604	594717
Jan -2023	8350	641733

Assuming that the international cotton price for the month of Feb. 2023 is Rs. 18200 per qtl. (USDA and ICAC). Based on the qualitative & quantitative analysis and present market sentiments, the average price of cotton in the Rajkot market for the months of February 2023 is expected to be lies in the range of **Rs. 8000 to 8500 per qtl.**

TUR PRICE FORECAST FOR FEBRUARY 2023

India is the largest producer and consumer of Tur in the world. Maharashtra, Karnataka and Uttar Pradesh account for more than 60% production of Tur in India. Government of India has released first advance estimate of Kharif crops production for year 2022-23 expected tur production is estimated about 38.9 lakh tonnes, which is 10 % less than the previous year (43.4 lakh tonnes in 2021-22). As per the first advance estimate of Department of Agriculture, Government of Maharashtra for the year of 2022-23, Tur production is estimated 9.53 lakh tonnes.

The market is also influenced by last year's inventory, imported stocks lying in various ports and current year's production. Government has opened up Tur for export and set restrictions on pulses imports. The government has also introduced a quota system for millers, traders and refiners. The Centre has permitted imports of 4 lakh tones of tur in the financial year 2021-22. According to a latest notification by the Directorate General of Foreign Trade (DGFT) the 'free' import policy of tur shall stand extended up to 31 March 2023.

The prices of Tur during the last three months in Akola market have been experienced decreasing trend. The average spot price of Tur in the month of November 2022 was INR 7182 per qtl and it has decreased to INR 6893 per qtl. In January 2023.

Maximum arrivals will start from January onwards. The minimum support price (MSP) for the year 2022-23 is Rs. 6,600 per qtl.

During the last three months, the average prices of Tur in Akola market and all India arrivals in APMC markets are shown in following table.

Months	Tur Prices in Akola market (INR/Qtl.)	All India Arrivals in APMC markets (Tonnes)
November 2022	7182	28,123
December 2022	7052	44,991
January 2023	6893	167,586

Based on the present market sentiments, the prices of Tur in Akola market in the month of February 2023 is expected in the range of **Rs. 6800 to 7300 per qtl**. This price forecast is for FAQ grade of Tur.

GRAM PRICE FORECAST FOR FEBRUARY 2023

Gram is one of the major rabi pulse crops cultivated and consumed in India. It is also known as Bengal gram. Gram is second most important pulse crop in the world which accounts for about 20% of the world pulses production. Six countries including India, Australia, Turkey, Myanmar, Pakistan and Ethiopia account for about 90% of world gram production. India is the major producing country of gram, contributing for over 70-75% of total production in the world. Gram accounts for about 40 - 50% of total pulses produced in the country. The area and production of gram in India is about 99.96 lakh ha and 119.90 lakh tones, respectively in year 2020-21.

The estimated production of gram in 2021-22 is about 137.5 lakh tones which is likely to be higher than the previous year. Gram has the single largest share in India's export basket of pulses with about 60 percent share in the total pulses export during 2020-21.

Rabi arrivals will start from February onwards. The government of India has announced Rs. 5335 per quintal minimum support price (MSP) for gram in rabi marketing season 2023-24.

During the last three years, the average prices of gram in Latur market for the month of January to march is as follows: -

Months	Gram Prices in Latur market (INR/Qtl.)	All India Arrivals in APMC markets (Tonnes)
November 2022	4432	113,741
December 2022	4492	104,418
January 2023	4594	75,044

Based on the present market sentiments, the prices of tur in Akola market in the month of February 2023 is expected in the range of **Rs. 4500 to 5000 per qtl.** This price forecast is for FAQ grade of Gram.

Onion Price Forecast for February 2023

Onion (*Allium Cepa L.*) is one of the important commercial vegetable crops grown in different parts of the India. It is now one of the most important commodities essential in the Indian diet. Its use is increasing as the population and income are increasing. The onion prices experience very high volatility due to perishable in nature. India is the largest onion producing country in the world with 25.58 % share in the total world production (FAO, 2020). India produces onions both as Kharif crop and Rabi crop. The kharif and late kharif crops, which together, account for around 60 per cent of the production of onion in India, is not suitable for storage. The Kharif crop comes to the market during October – January. The Rabi crop is marketed during April – June. Maharashtra is a leading producer of onions in India with contribution of 33% followed by Karnataka (17%) and Madhya Pradesh (10%).

As per the Agriculture ministry, third advance estimates for 2021-22, Onion production is projected 312 lakhs. The area under Onion for 2022-23 is reported 6.30 lakh ha., as compared to 9.45 lakh hectares during the previous year (2021-22) in Maharashtra. The onion production is estimated 102.22 lakh tonnes for 2022-23 in Maharashtra. (136.68 lakh tonnes in 2021-22) (Dept. of Horticulture, GoM)

The prices of Onion during the last three months in Lasalgaon market have been experienced decreasing trend. The average spot price of Onion in the month of November 2022 was INR 2042 per qtl. It has decreased to INR 1493 per qtl in December 2022 and further it has declined to INR 1395 per quintal in January 2023. During the three months, the average prices of onion in Lasalgaon market and all India arrivals in APMC markets is as follows: -

Months	Onion Prices in Lasalgaon APMC market (INR/Qtl.)	All India Arrivals in APMC markets (Tonnes)
November 2022	2042	14,53,460
December 2022	1493	16,00,879
January 2023	1395	14,03,459

Based on the econometric analysis of past data and present market sentiments, the average price of Onion in the Lasalgaon market for the months of **February 2023** is expected to be between **Rs.1100 to 1400** per qtl.

Maize Price Forecast for February - 2023

Maize is one of the most important cereal crops cultivated globally. The maize prices in India are primarily determined by supply and demand factors not only in India. The United States of America (31 %), China (23%), Brazil (11%), EU (6%) Argentina (5%), and India (2%) are contributed around 78% in the total production of maize in the world (USDA, Feed Outlook: May 2022). The world production of maize 1,214.88 Million Metric Tons (MMT) in 2021-22, likely to decline by 4.85 percent in 2022-23 (1,155.93 MMT). The India maize production is projected 32 MMT for 2022-23. It is declined by 4.76 percent from previous year. (33 MMT 2021-22), World Agricultural Production, Jan -2023). The major states are Karnataka, Andhra Pradesh, Maharashtra, Madhya Pradesh and Uttar Pradesh. In Rabi, maize is grown in Bihar and coastal region of Andhra Pradesh. Production of Kharif Maize in the country during 2022-23 is estimated at 23.10 million Tonnes (Gol).

The prices of maize during the last three months in Chhindwara market has experienced increasing trend. The average spot price of maize in the month of November 2022 was 2063 per qtl. and it has increased to Rs. 2126 per qtl. in January 2023. The minimum support price (MSP) of Maize for 2022-23 is. Rs.1962 per qtl.

During the last three months, the average prices of maize in Chhindwara market and maize arrivals in India is as follows:

Month/Year	Prices Chhindwara market (Rs./quintal)	Maize Arrivals in India (Tonnes)
November - 2022	2063	1405222
December - 2022	2118	884495
January -2023	2126	398828

The futures (closing) prices of maize in Chhindwara market as on 27th Jan 2023 in NCDEX is as follows

Delivery Month	Price (Rs./quintal)
20-Feb-23	2,160
20-Mar-23	2,171
20-Apr-23	2,183
19-May-23	2,195

Based on the econometric analysis of past data and present market sentiments, The average price of Maize in the Chhindwara market for the months of February -2023 is expected to be between **Rs. 2000 to 2300 per qtl.** This price forecast is for FAQ grade of Maize.

Next forecast will be published in February 2023.

Disclaimer – The purpose of this report is to analyze the existing market situation and estimate the price trends in future. The forecasts are subject to change due to changes in international prices, Climate factors, Economic Factors and Government policies. Thus, actual market prices may be different than the forecasted prices. Hence readers are required to use caution while using these forecasts.

Market Intelligence and Risk Mitigation Cell, SMART

For further information

Market Intelligence and Risk Mitigation Cell

PIU- Agriculture

**Hon. Balasaheb Thackeray Agribusiness and Rural
Transformation Project (SMART)**

Sheti Mahamandal Bhavan, 270 Bhamburda, Senapati Bapat Road, Pune - 411016.
Tel.: 020- 25656577, Toll free – 1800 210 1770 , E-mail: mirmc.smart@gmail.com Website –
<https://www.smart-mh.org>