

## **Price forecasts for farm level for next three months**

**Good quality groundnut pods to touch Rs.5000/qtl**

**Sunflower seeds to get Rs.3000-3400/qtl**

Given the population of 1.3 billion people, the consumption of edible oil in India, is around 21-22 million tonnes. The domestic supply of edible oil is estimated at 10.97 million tonnes and the import is 13.23 million tonnes up to September, 2017 as per the estimates of Directorate of Vanaspati, Vegetable oil and Fats (DVVOF), Government of India. In 2017-18 oil year, India's imports of edible oil is likely to increase further as per Solvent Extractors Association of India inspite of duty levied on edible oil imports.

Globally, India is the largest importer of edible oils. Around 60 per cent of edible requirements of the nation is being imported. In this palm oil constitutes around 60 per cent. The domestic prices of all edible oils seeds in India is very much influenced by international prices palm oil in Indonesia and Malaysia. Taking into account the above situation and anticipated production at national level, the price forecasts of groundnut pods and sunflower seeds are estimated by AMIC operating of IABM. ANGRAU, Tiruapti.

The area sown under groundnut in India in *kharif* 2017-18 stood at 41.58 lakh hectares as against 46.98 lakh hectare – in corresponding season of 2016-17. In Andhra Pradesh the area in *Kharif* 2017-18 was at 6.66 lakh hectares compared to 9.31 lakh hectares in 2016-17.

The analysis of modal prices of groundnut from Kurnool market for 12 years with the help of time series model, given the present market sentiments, the groundnut prices of good quality pods would revolve around Rs.5000 per quintal. In the coming four months.

## **Sunflower**

Sunflower oil is imported from Ukraine, Russia, Turkey and Argentina with Ukraine having a share of 95 per cent. The health consciousness of Indian consumers helped the consumption of sunflower oil to increase by 5 times in the past one and half-a-decades. In 2015-16, the imports of sunflower oil from Russia and Ukraine touched 15.16 lakh tones compared to 9.73 lakh tonnes in 2012-13. The obvious reason for this trend is that sunflower seeds production in the country has declined from 2010, while its production has increased internationally. There is no surprise if imports of sunflower touch 20 lakh tonnes in oil year 2016-17.

The price forecast groundnut pods and sunflower seeds estimated by Agricultural Market Intelligence Centre (AMIC), operating at Institute of Agribusiness Management (IABM), N.G Ranga Agricultural University, S.V. Agricultural College, Tirupati taking the modal revolved that, prices of sunflower from Kurnool market for 12 years with the help of time series model. Given the present market sentiments, the sunflower prices would be close to Rs.3200 to 3400/- in the coming 4 months.

In December, 2017 the edible oil seed prices are likely to increase very slightly. This increase is not sufficient to cover the storage cost, the storage loss and the interest accrual. Hence, farmers are recommended to sell groundnut and sunflower seed on harvest without going for storage.