

Peanut Blog

An ounce of information



Soyabean, Groundnut, and Sunflower Prices Fall Below MSP Levels

Soyabean, groundnut, and sunflower prices have fallen 8-25% below the Minimum Support Price (MSP) in agri-terminal markets during the early days of the harvesting season.

Farmers are facing significant losses due to delayed MSP-based procurement, with soyabean prices averaging ₹4,268 per quintal, 12.8% lower than the MSP. Large crop expectations and export uncertainties, especially to Iran, are adding downward pressure on oilseed prices. While crops like maize, tur, and sesame have traded above MSP, offering some relief, others like urad and bajra have also dipped below the support price. Farmers in Rajasthan have suffered major financial losses as a result of the government's inaction.

Key Highlights

- # Soyabean, groundnut, and sunflower prices drop 8-25% below MSP.
- # Farmers face losses due to delayed procurement mechanisms.
- # Bajra, urad, and moong prices witness a steep decline in early October.
- # Maize, tur, and sesame trade above MSP, providing relief to farmers.
- # Export uncertainties and crop expectations affect oilseed prices.

The prices of soyabean, groundnut, and sunflower have dropped 8-25% below the Minimum Support Price (MSP) in agri-terminal markets during the first few days of the current harvesting season. Despite the Centre's announcement, procurement mechanisms have not yet been fully activated, leading farmers to sell their crops below the MSP. According to Agmarknet data, soyabean prices averaged ₹4,268 per quintal, which is 12.8% below the MSP, while groundnut and sunflower saw prices 14.2% and 24.5% below their respective MSPs. This situation has left farmers struggling with low returns.

Supporting the price performance, the drop in oilseed prices is due to large crop expectations, especially with fresh arrivals of soyabean. Export uncertainties caused by turmoil in the Middle East have further affected prices, particularly for soyabean de-oiled cake, which is a key export product to markets like Iran. Farmers' losses are mounting, especially in Rajasthan, where a delay in the MSP procurement has seen them selling crops at a loss.

Source: <https://in.investing.com/news/commodities-news/soyabean-groundnut-and-sunflower-prices-fall-below-msp-levels-4458943>