



Research Paper

Red gram price movement across major markets of Maharashtra

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Paper History :

Received : 12.01.2014;

Revised : 10.02.2014;

Accepted : 18.02.2014

ABSTRACT : The present study aimed to study price movement of Red gram *i.e.* seasonal variation, price volatility and co-integration among the major Red gram markets in Maharashtra. For study purpose the data related to monthly average prices of Red gram were collected from major markets of Maharashtra State *viz.* Akola, Latur, Jalgaon and Nagpur for the period 2003-2013. Moving average method used to study seasonal variation. The econometric tools like ADF test, Johansen's Multiple Co-integration test, Granger Causality Test and ARCH-GARCH model were used to arrive at conclusion. The results of study showed that the prices of Red gram were higher in the months from July to October in all selected markets. The cyclical variation observed in the prices of Red gram in the selected markets. For all selected markets the price series showed the consequences of unit root and were stationary at first difference. The selected markets show long run equilibrium relationship and co-integration between them. Most of the markets showed bidirectional Causality influence on Red gram prices of each other. Akola, Latur, Jalgaon and Nagpur market, showed volatility shocks are not quite persistent in these markets.

KEY WORDS : ADF test, ARCH- GARCH, Co-integration, Granger causality test, Price movement, Price volatility, Seasonal variation

HOW TO CITE THIS PAPER : Patil, V.K., Tingre, A.S. and Chaudhari, D.J. (2014). Red gram price movement across major markets of Maharashtra. *Internat. Res. J. Agric. Eco. & Stat.*, 5 (1) : 70-75.