



Research Paper

Soybean price movement across major markets of Madhya Pradesh

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ABSTRACT : Soybean is the leading oilseed produced globally. Huge fluctuations in prices of farm produce are observed during past few years. The present study aimed to study price movement of soybean *i.e.* seasonal variation, price volatility and co-integration among the major soybean markets in Madhya Pradesh. For study purpose the data related to monthly average prices and arrivals of soybean were collected from major markets from different markets in States *viz.*, Betul, Dewas, Dhar and Indore for the period 2005-2016. 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 soybean were higher in the months from June to August in all selected markets. The cyclical variation observed in the prices of soybean in the selected markets. For all selected markets the prices series are free from 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 influence on soybean prices of each other. Betul, Dewas, Dhar, and Indore, recorded low price volatility in soybean prices.

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

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