

Seasonality in arrivals and prices of selected farm commodities

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ABSTRACT

A study was carried out during 2003-2004 to determine seasonality in arrivals and prices of selected farm commodities. Seasonality in arrivals and prices indicated that at an overall level arrival of paddy was the highest in winter season (3029.8 q) as compared to rainy and summer season. Price of paddy was the highest in rainy season (Rs. 545.26/q) as compared to summer and winter season. In vegetables, it was seen that at an overall level arrival of vegetables was the highest in summer season (15911.08 q) while it was at par rainy and winter season. Price of vegetables were highest in winter season (Rs. 11 60.78 /q) followed by rainy season (Rs. 1069.8/q). Arrival of pulses were the highest in rainy season (2406.9 q) followed by summer and winter season. Average price of pulses were highest in winter season (Rs. 1805.18/q). There is no any specific relation between the per quintal price of pulses and season.

Key words : Seasonality, Arrival, Prices and Farm commodities.

INTRODUCTION

Seasonality in the arrivals and prices of the three major commodities was studied. Critically on the basis of seasonal average prices *viz.*, rainy (June-September), winter (October-January) and summer (February-May) and seasonal arrivals in the market yard. This was useful to understand the seasonal upward and downward swings in the arrivals and 'prices of selected three farm commodities.

Seasonal price variations resembles a cycle covering a period of 12 month or less. The general pattern of seasonal variations in prices *i.e.* lower prices during the post harvest months and higher prices during the pre-harvest or off season months is a national future for food grains and is reported year after year. This is due mainly to seasonality in supply and factors affecting the stocking decision of the traders.

Reddy (1995) studied price behavior of paddy, maize, groundnut and chilies in Andhra Pradesh. The price analysis made in this study was based on the average monthly wholesale price data price indices were computed based on five base index number by choosing 1984-85 as the base year for the annual average wholesale price and price indices showed that there were fluctuations in agricultural prices from year to year. The increasing trend in prices of agricultural commodities indicates that the demand was more.

An attempt has been made in this paper to study seasonality in arrivals and prices of selected farm commodities.

MATERIALS AND METHODS

The published annual reports of APMC, Panvel were scanned for obtaining the relevant data regarding the details of arrivals and prices for a selected three commodities *viz.*, pulses for the period from 2000-01 to 2003-04.

The seasonal pattern is analysed by construction of seasonal index numbers. Seasonal index numbers are a set of numbers showing relative prices during different months of a year, the average' for the year being 100. The total of index number for 12 months is 1200. The seasonal indices for monthly data were computed by using simple average method.

The simple average method is used under the assumption that the data do not contain cyclical movements or trend to any appreciable extent. The following steps are involved in this method.

- Express the price of each month as percentages to average price for the concerned year.
- Work out the average (over years) of percentages for each month computed in (a).
- Calculate the sum of 12 monthly average(s) worked out in (b) and multiply the average for each month by the following correction factors (k) to make the total 1200 or averages 100.

$$K = \frac{1200}{S}$$

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