

ABSTRACT

Pakistan is an agricultural country and is blessed with immense agricultural resources on account of its fertile land, well-irrigated plains, varieties of weather, and practice of farming. . Prices of the agricultural products play major role in the economy. Most of the past researches in this regard are based on time series modeling. This research is an attempt to develop an econometric model for price prediction of potato. Potato is fifth major agriculture crop and third major food crop in Pakistan. The prime objective of this study is to build a statistical model which can predict fortnightly wholesale prices of potato by integrating different surveyed variables incorporated effectively in an operational model. Secondary data of ten years has been taken for this purpose from different government departments of the Punjab. Characteristics of the research variables and their impact on potato price have been studied in descriptive study. Multiple Linear Regression technique has been used to select the final operational model for the price projection of potato. An econometric model has been built for the sake of price projection of potato with four significant variables with high value of Adj. R^2 i.e. 0.91. All computations have been made by using a statistical software SPSS version 18.0. The prediction of potato prices by using Multiple Regression Technique is an initiative step in Pakistan. Similar research studies of price projection are recommended for the other major crops on daily basis.