

Oilseeds Monthly Research Report

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Executive Summary

Soybean, meal fell in sync with rapeseed-mustard tracking losses in the international benchmark and bearish domestic outlook during the month under review.

Improved supply pressure in soybean on harvest in US and India, lower crude and bearish supply scenario in South America remained negative for soybean.

Soy meal exports from India continued to remain weak on demand shift to South America for competitive price offer, India has already lost the market. The domestic demand is steady though.

However, decline in palm oil exports by the major exporters pressured the international benchmark, BMD CPO, and stock limit on oilseeds in Rajasthan subsequently pressured the domestic rapeseed-mustard during the period.

The soybean and meal prices are unexpected to feature sharp gains it will witness range-bound movement with firm-bias in the upcoming months due to the bearish global supply scenario. Rapeseed-mustard will witness losses on new crop planting, expected to be near previous year's level.

Outlook – Cash Market

Outlook - Soybean (Spot, Indore): Soybean prices are expected to feature range-bound movement with firm-bias. Need based buying and weak soy meal exports, cheaper edible oil imports, higher global supply scenario and weakness in crude will limit the upside in near to medium-term. The prices are expected to feature mild gains and witness 3750 – 3950 levels (Indore, Plant basis).

Outlook – Soy meal: India's soy meal prices are unlikely to witness sharp gains on improved global supply scenario. Competitive meal price in South America has led to demand shift to the region and Indian meal exports were badly hit last season. Indian meal exporters are advised to aggressively explore the lost markets of last season especially traditional South and Far-East Asian destinations and Iran. The domestic meal prices are likely to feature mild gains in near-term. Soy meal, Indore is expected to witness Rs. 33,200 – 34,000/MT levels during December.

Outlook - Rapeseed-Mustard (Spot, Jaipur basis): In spot, the RM seed is expected to feature range-bound movement after stock limit on oilseeds in Rajasthan and progressing new crop planting. Weak palm oil exports from Malaysia and Indonesia will restrict the gains. The seed prices are likely to be between 5150 – 5300 levels during December.

International Highlights

- ❖ Brazil has shipped 1.44 million tons of soybeans in November 2015 compared to 0.18 million during the same period last year and 2.59 million tons in October 2015.
- ❖ The sales of Brazil's 2015/16 soybean crop are reported up at 46% by Dec. 1 compared to 41% in October. But the forwards sales are well above 26% a year ago followed by strong dollar which boosted the forward bookings. Brazil's soybean crop is 81% planted below last year's 85% and the 5-year average of 89%. A large area needs to be replanted due to the irregular rains in the key growing areas of Brazil at the time of planting.
- ❖ Brazil's newly planted soybean crop is hit by the rust fungus and the incidences nearly doubled compared the previous season mainly due to heavy rains in the South caused by El Nino. About 73 incidences have been reported in southern states of Rio Grande do Sul and Parana compared to 43 incidences during the same period last year.
- ❖ Ukraine's soybean harvest is expected to increase by 30% to 4.92 million tonnes while sunflower seed production is likely to increase by 6% to 12 million tonnes, said UkrAgroConsult. This will certainly increase the sunoil supplies like in 2013 and bean exports from the country in 2016.
- ❖ China's soybean purchases in December could rise to 8 million to 8.5 million tonnes. These are projections by China National Grain and Oils Information Center (CNGOIC) and Cofeed.
- ❖ The soybean harvesting in US is complete with the record 2015/16 production estimate of 39,81 million bushels compared to 39,27 million bushels in 2014/15 by USDA.
- ❖ In its November USDA report, the harvested area was kept unchanged at 82.4 million acres compared to its October projection, but the yield was raised to 48.3 bushels per acre compared to 47.2 bushels in October and also up from 47.5 bushels last season.
- ❖ In the November monthly report, FCStone has estimated US 2015/16 soybean outturn at 3.91 billion bushels which is lower compared to their October estimate of 3.919 billion bushels.
- ❖ Argentina's area under soybean is likely to be at 19.8 million hectares in 2015/16 season, which is 1% lower than the last season. The area is estimated by Buenos Aires Grains Exchange.

- ❖ However, Rosario grain exchanged had estimated 20.5 million hectares up from their previous season's estimate of 20.2 million hectares.
 - ❖ As per Rosario grains exchange, Argentina's 2015/16 area coverage under soybean is expected to be at 20.5 million hectares from 20.2 million hectares in the corresponding period last year.
 - ❖ Informa has raised US 2015/16 soybean production estimate 3.878 billion bushels compared to 3.870 bbu in the previous projection. The soybean yield is pegged at 47.2 bushels per acre vs previously estimated 47.1 bpa.
 - ❖ Celeres has estimated Brazil's 2015-16 soybean crop at 97.1 million tonnes, up 1.2% than the previous season (95.9 million tonnes). The planting is expected to increase by 2.3% to 32.2 million hectares or 80 million acres from last season.
 - ❖ FCStone has estimated Brazil's 2015-16 soybean production at 100.9 million tonnes, up from 96.2 million this season, 2014-15. Brazil's soybean planting is expected to commence in coming weeks.
 - ❖ Pro Farmer has pegged US soybean outturn at 3.887 billion bushels per acre with an average productivity of 46.5 billion bushels per acre.
 - ❖ Informa Economics has forecasted U.S. soybean production at 3.789 billion bushels. Informa pegged the U.S. soy yield at 45.4 bushels per acre.
- European Commission has slashed monthly forecast for 2015 EU rapeseed crop to 20.7 Mln T from 21.7 Mln T in the previous forecast. This is mainly due to dry weather; which will increase the dependency on soy and palm oil.

Sown Area – *Rabi* Oilseeds, India

In the official *Rabi oilseeds* planting report, by Ministry of Agriculture, (week ending 26 Nov. 2015), the total coverage area under *Rabi* oilseeds is reported at 57.08 lakh hectares, down 13.2% from 65.73 lakh ha in the corresponding period of last year. Of the major oilseeds, rapeseed-mustard sowing is reported down by 15.3% at 49.32 lha compared to 58.21 lha during the corresponding period of last year. Groundnut at 1.82 lha vs 2.3 lha, safflower at 0.85 lha vs 0.89 lha, sunflower at 2.17 lha vs 1.94 lha, sesamum 0.20 vs 0.26 and Linseed at 2.27 lha vs 1.87 lha during the same period last year.

Overall the kharif oilseeds area increased but the decline in yield potential will reduce the oilseeds production this season.

State wise Area Covered under Kharif Oilseeds for Week Ending as on 26 Nov, 2015

State	Area in Lakh Hectares															
	Rapeseed/Mustard		Groundnut		Safflower		Sunflower		Sesamum		Linseed		Other Oilseeds		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Andhra Pradesh	--	--	0.15	0.16	--	--	0.03	0.09	0.03	0.09	--	--	0.07	0.07	0.28	0.42
Telangana	--	--	0.90	1.08	0.01	0.01	0.02	0.03	--	0.01	--	--	--	0.01	0.93	1.14
Arunachal Pradesh	0.24	0.28	--	--	--	--	--	--	--	--	--	--	--	--	0.24	0.28
Assam	1.35	1.78	--	--	--	--	--	--	--	--	--	--	--	--	1.35	1.78
Bihar	0.73	0.76	--	--	--	--	--	--	--	--	0.15	0.12	--	--	0.89	0.89
Chhattisgarh	0.57	0.66	--	--	0.01	0.01	0.01	0.01	0.02	0.01	0.25	0.31	0.04	0.04	0.89	1.03
Gujarat	1.46	1.84	--	--	--	--	--	--	--	--	--	--	0.07	0.05	1.53	1.89
Haryana	5.25	5.14	--	--	--	--	--	--	--	--	--	--	--	--	5.25	5.14
Himachal Pradesh	0.02	0.02	--	--	--	--	--	--	--	--	--	--	0.02	--	0.04	0.02
Jammu & Kashmir	0.28	0.21	--	--	--	--	--	--	--	--	--	--	--	--	0.28	0.21
Jharkhand	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Karnataka	--	--	0.35	0.54	0.43	0.30	1.96	1.67	--	--	0.79	0.04	0.01	0.02	3.55	2.57
Kerala	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Madhya Pradesh	5.24	6.27	--	--	--	0.29	--	--	--	--	0.86	0.99	--	--	6.10	7.55
Maharashtra	--	--	--	--	0.40	0.27	0.13	0.11	0.01	--	0.08	0.10	0.05	0.04	0.67	0.52

Odisha	0.27	0.28	0.20	0.05	--	--	--	--	0.06	0.10	0.01	0.01	0.02	0.02	0.56	0.45
Punjab	0.26	0.25	--	--	--	--	--	--	--	--	--	--	0.14	--	0.40	0.25
Rajasthan	22.67	25.70	--	--	--	--	--	--	--	--	0.01	0.01	--	--	22.69	25.71
Tamil Nadu	--	--	0.22	0.47	--	--	0.02	0.03	0.08	0.05	--	--	0.02	0.01	0.33	0.57
Uttar Pradesh	9.03	11.21	--	--	--	--	--	--	--	--	0.12	0.27	--	--	9.14	11.48
Uttarakhand	0.15	0.13	--	--	--	--	--	--	--	--	--	--	--	--	0.15	0.13
West Bengal	1.80	3.55	--	--	--	--	--	--	--	--	0.01	0.01	--	--	1.81	3.56
Others	--	0.13	--	--	--	--	--	--	--	--	--	--	--	--	--	0.13
Total - All India	49.32	58.21	1.82	2.30	0.85	0.89	2.17	1.94	0.20	0.26	2.27	1.87	0.45	0.26	57.08	65.73

Soybean

The domestic soybean fell on weak crusher's demand owing to the widening negative crush margin during the month under review.

Sharp fall in soy meal exports from India and increased edible oil imports at the attractive prices from the major exporting countries remained negative for Indian soybeans.

Need based buying can't be ruled out, which is steady from the regular buyers who are catering the domestic soy meal and oil needs along with the other soy by-products including soy milk, nuggets and soy flour.

The major buyers in Madhya Pradesh are as follows: Cargill, ADM, Ruchi, Prestige, Ambuja, Prakash, Sitashri, Divya Jyoti, AV Agro, Rama Sitashri Vippy, Kriti, Mahalaxmi, Dhanuka, Khyati, Premier, Dhan Laxmi, ITC, Dhanuka Soy, Indian Solvent (ABIS), Advantage Overseas and have quoted the bean between Rs. 3600 – 3800 a quintal (10-2-2 specification) for Dewas and Mandsaur delivery during the week.

There is fear among the traders in Maharashtra that state may enforce stock limit on oilseeds like in Rajasthan. Hence, no aggressive buying featured towards the end of November.

The supplies are gradually falling and they eased in November compared to the arrivals in October. Lower supplies are attributed to the fall in India's soybean production.

As expected the soybean prices took correction during the last week of October but they are expected to rebound and strengthen in November as domestic market participants will actively cover their stock in near-term.

International:

The soybean at benchmark, CBOT, hit its highest since Oct. 22, recovery in crude initially during the week remained supportive which (crude) fell by the end of the week, closing below immediate support of US \$ 40/bbl.

However, the reports of US soybean export sales remained discouraging during the month. In the November USDA demand and supply report, US 2015/16 soybean production was projected at all time high of 3,981 million bushels which surpassed the 2014/15 estimate of production of 3927 million bushels.

In the November monthly report, FCStone has estimated US 2015/16 soybean outturn at 3,910 million bushels which is lower compared to their October estimate of 3.919 billion bushels.

The US soybean processors are estimated to have crushed 5.10 million tons of soybean during October against 4.04 million in September, reported by USDA. In the report US soy meal inventories at the end of October is estimated at 360,253 tons, up from 240,755 in September.

U.S. biodiesel production fell to 107 million gallons in September from 123 million gallons in August 2015. Soybean oil was the largest feedstock, with 390 million lbs in September compared which is 49 percent of total production, lower by 19 percent from August. In August soyoil production as feedstock for biodiesel production was 464 million lbs: U.S. Energy Information Administration (EIA).

Argentina's designated Agriculture Minister Ricardo Buryaile confirmed that the newly elected government led by President Mauricio Marci will reduce export tax by 5% from 35% to 30% and abolish export taxes on wheat and corn after it officially takes the office possibly on 10 December 2015.

The government will not only slash the export duty on soybean but also has committed to reduce the export tax on soy meal and oil.

The soybean planting in Argentina has just commenced but it is in the early stage. The decision will make the Argentina's soy competitive in the international market. The market remained under pressure for quite sometime after the promise by the re-elected government.

Brazil's newly planted soybean crop is hit by the rust fungus and the incidences nearly doubled compared the previous season mainly due to heavy rains in the South caused by El Nino. About 73 incidences have been reported in southern states of Rio Grande do Sul and Parana compared to 43 incidences during the same period last year.

The sales of Brazil's 2015/16 soybean crop are reported up at 46% by December 1 compared to 41% in October. But the forwards sales are well above 26% a year ago followed by strong dollar which boosted the forward bookings.

Brazil's soybean crop is more than 81% planted below last year's 85% and the 5-year average of 89%. A large area needs to be replanted due to the irregular rains in the key growing areas of Brazil at the time of planting.

Brazil has exported 1.13 million tons of soy meal in November 2015 compared to 0.98 million during the corresponding period last year and 1.4 in October 2015.

Further, Brazil has shipped 1.44 million tons of soybeans in November 2015 compared to 0.18 million during the same period last year and 2.59 million tons in October 2015.

Ukraine's soybean harvest is expected to increase by 30% to 4.92 million tonnes while sunflower seed production is likely to increase by 6% to 12 million tonnes, said UkrAgroConsult.

This will certainly increase the sunoil supplies like in 2013 and bean exports from the country in 2016.

China's soybean purchases in December could rise to 8 million to 8.5 million tonnes. These are projections by China National Grain and Oils Information Center (CNGOIC) and Cofeed.

China's soybean imports are expected to touch 22 million tonnes in the fourth quarter which is up 18% from the corresponding period last year but still down from 24.54 million tonnes from previous quarter.

Lower crude, Argentina's decision to cut export tax on soy, higher edible oil imports by India, poor soy meal shipments from India will limit the gains in near and medium-term, mild gains can't be ruled out in the upcoming month.

Balance Sheet – Soybean, India

Fig. in MnT

Oil Year (Oct-Sep)	2011-12	2012-13	2013-14	2014-15	2015-16
Carry In	0.37	0.40	0.32	0.32	0.23
Production	12.00	12.50	10.00	9.50	9.00
Imports	0.00	0.00	0.00	0.00	0.00
Total Availability	12.37	12.90	10.33	9.83	9.23
Crush	11.97	12.58	10.00	9.60	9.00
Exports	0.00	0.00	0.00	0.00	0.00
Total Usage	11.97	12.58	10.00	9.60	9.00
Carry Out	0.40	0.32	0.32	0.23	0.23
Monthly Use	1.00	1.05	0.83	0.80	0.75
Stock/Consumption Ratio	0.03	0.03	0.03	0.02	0.03
Stock to Month Use Ratio	0.40	0.31	0.39	0.28	0.30

Source: Agriwatch

- **Trade Observations: The soybean buying is sluggish for lower soy meal exports and higher edible oil imports at attractive prices. The new crop supplies are gradually falling in the key cash markets**
- We have revised down our preliminary estimate (11 mln T) and pegged India's 2015-16 soybean production at 9.0 million tonnes. This is due to the fall in potential yield output due to erratic/deficient rains during vegetative and flowering stage.
- We have revised India's 2014-15 soybean production to 9.5 million tonnes in our final production estimates.
- We expect 2015/16 soybean crush to be above 11.0 million tons. India's soy meal prices have to compete with the meal prices of South America in 2015/16 also.

Soy meal

Soy meal declined in sync with soybean, the fall is primarily due to weak India's soy meal exports followed by demand shift to the South America and China owing to the competitive price offered by the destinations.

However, the domestic soy meal demand is intact and good mainly from the poultry feed manufactures and poultry units with increase in the growth in poultry farming.

The soybean crushing in domestic market is not viable due to the weak meal exports and cheaper availability of edible oils in the international market which made the crush margin negative in soybean.

Again there are few countries which have started importing soybean to crush at their home and minimize the import bill on soy products like meal and oil, doing so is viable to some, who even export the surplus meal in the vicinity. Pakistan is one such example.

India has already lost international market in non-GM soy meal and the supplies are surplus in the domestic market if the exports are weak.

India's domestic consumption is around 5 million tonnes while it produces 6 to 8 million tonnes of soy meal every year, depending upon the soybean production.

The soy meal prices are at premium in several centers of Maharashtra compared to Indore this year. Earlier it was vice-versa. This is due to the higher demand from South India and thus freight advantage compared to the meal prices in Indore.

The soy meal ex-Indore price is quoted at Rs 32500/MT compared to Rs 35600/MT ex-Sangli. The soy meal dealers in Indore have to bring down the meal prices to make it competitive for the delivery in Tamil Nadu, Karnataka, Andhra Pradesh and Kerala.

India's export enquiries continued to be poor and the exports in November were quite low.

India's November 2015 oilmeal exports fell by 41% at 112,081 tonnes from 189,032 tonnes during the same period last year.

During April – November, India's oilmeal shipments fell by two-fifths to 895,646 tonnes compared to 1,452,105.

India's export of soy meal during November, 2015 was just 8,909 tons as compared to 110,806 tons in November, 2014 showing a decrease of 92% over the same period of last year: SEA

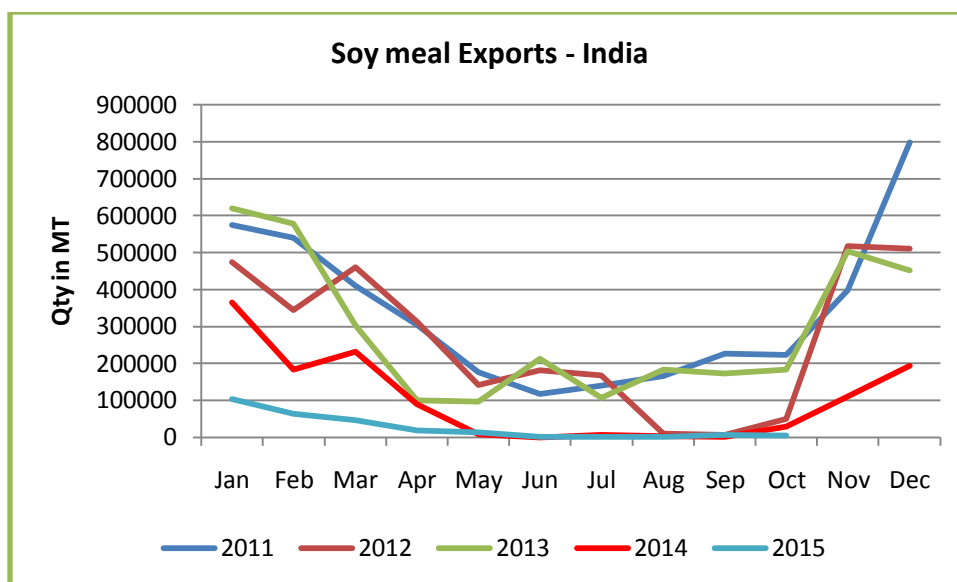
On a financial year basis, the export during April'2015 to November'2015 is 55,889 tons as compared to 250,904 tons in the same period of previous year showing a decrease of 78%.

The demand shift to South America for meal due to the attractive offer price compared to India is the major reason for the decline in the meal exports.

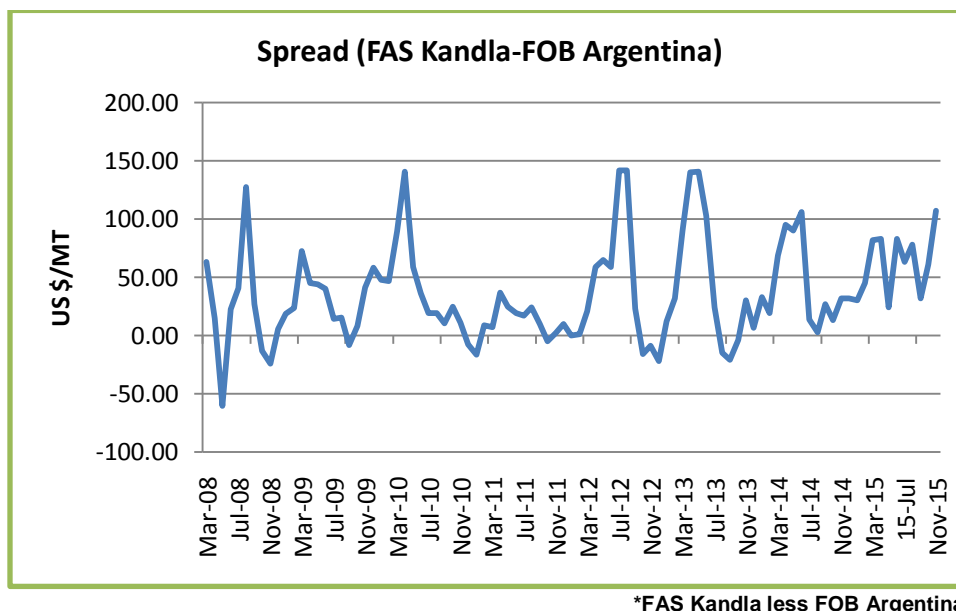
Considering the bearish global supply scenario, we feel, India may not be able to regain the market it lost last season due to competitive prices in South American and China's.

Preference of the soy meal of Indian origin mainly by the South-East countries due to logistic and freight advantage and demand for non-GMO meal has lost the ground owing to much higher soy meal price of Indian origin compared to the South American meal. Iran, Japan, Europe, Thailand, Vietnam, Indonesia and South Korea were the major destinations for Indian soy meal exports, whose demand shifted to South America.

The soy meal prices will feature mild gains on improved seasonal domestic buying, sharp gains are unlikely in near to medium-term.



India's Y-o-Y soy meal prices are lower. Soy meal export price, FAS Kandla (Dec. – Jan. delivery) was quoted lower between US \$ 445/MT compared to US \$ 484/MT during the corresponding period last year. The lower quotes are due to weak overseas meal demand.



The average monthly soy meal price spread between FAS Kandla and FOB Argentina has widened in November and was recorded at US \$ 107/MT in Nov. 2015 compared to US \$ 61/MT in Oct. 15. This is due to the spurt in the India's soy meal prices in recent months compared to Argentina's. Argentine soy meal export prices continued to be attractive as compared to the India's. Notably, India's soy meal exports are at the optimum levels during the period, October through January, the exports witnessed sharp fall during the period too. (*Spread - FAS Kandla less FOB Argentina). The global supply scenario will continue to keep India's meal exports lower this season.

Soymeal	Nov. 2015	Oct. 2015	Nov. 2014
FAS – Kandla	445	416	484
FOB – Argentina	338	355	452

Soybean Crush Margin

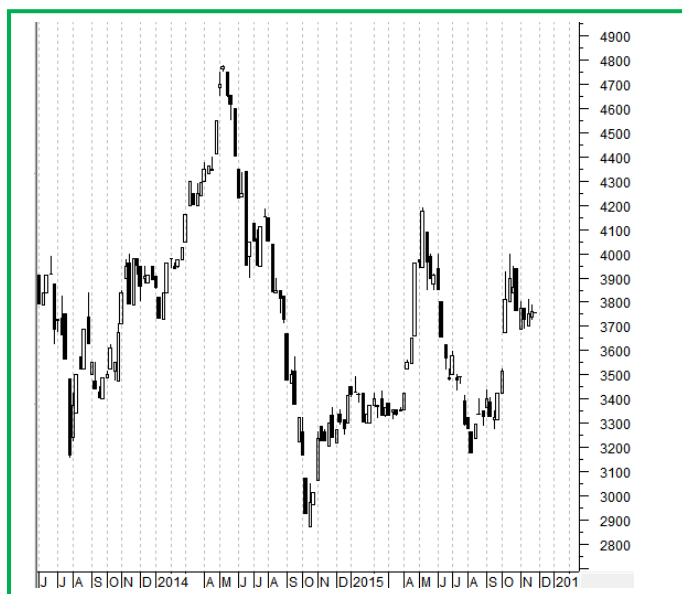
Avg Crush Margin – Nov. 2015		Avg Crush Margin – Oct. 2015		Avg Crush Margin – Nov. 2014	
-1376		-962		-760	
Min	Max	Min	Max	Min	Max
-1900	-625	-1690	-5	-1390	-140

The disparity in soybean crushing in November has widened compared to October month and also from the corresponding period last year. The y-o-y widening of the disparity remained discouraging for the solvent extractors in October, and the buying continued to be dull during the month. Increasing imports of cheaper edible oil and weak soy meal export sales continued to remain negative for the soy complex.

Technical Analysis:

NCDEX Soybean Futures

Soybean Spot, Indore



*Daily Chart

Support & Resistance NCDEX- Soybean Jan. Contract

S1	S2	PCP	R1	R2
3733	3588	3907	4197	4284

- Soybean fell on profit booking in November.
- Prices closed below 40-day SMA.
- MACD is easing in negative territory.
- RSI and stochastic are falling in neutral zone.
- Trade Recommendation (NCDEX Soybean – Jan.) – 1 Month: **BUY** Above 3800. T1 – 3900; T2 - 3850; SL –3740.

Rapeseed - Mustard Seed

Rapeseed-mustard witnessed sharp fall followed by the Rajasthan government's decision of stock limit on oilseeds. Rajasthan is the largest rapeseed-mustard grower state in the country. The seed was initially falling gradually with increasing pace in the new crop planting.

Besides, fall in palm oil demand by 10% from Malaysia remained bearish for BMD CPO leading negative spillover impact on domestic rapeseed-mustard.

India's rapeseed-mustard planting is underway but it is lagging previous year's pace over 15%. In the official planting report of the ministry of agriculture, dated 26 Nov. 2015, India's planted area under rapeseed-mustard is reported at 49.32 lakh hectares compared to 58.21 lakh hectares during the corresponding period last year.

India's total 2014/15 area under rapeseed-mustard stood at 65.17 lakh hectares which was down about 9% from 2013/14 area of 71.0 lakh hectares.

We expect 2015/16 area under rapeseed-mustard near previous year's level of 65.0 lakh hectares as the farmer's planting intentions reduced owing to the inadequate soil moisture.

Further, India's rapeseed extract exports are better than the soy meal shipments in terms of volume. But they are lower than the last year's exports. India exported around 12845 metric tons in November 2015 compared to 39,133 metric tons during the same period last year.

Indonesia and Malaysia has kept palm oil export duty to zero for December. Both have kept the export tax at zero since September 2014 to clear the increasing palm oil stocks.

This has made the palm oil prices competitive in the in the global market leading surge in the India's imports.

The market is waiting for India's November edible oil imports figure. India's import of vegetable oils during Oil Year 2014-15 (Nov.'14 to Oct.'15) i.e. edible oil and non-edible oil set a new record level of 146.1 lakh tons (14.61 MnT) compared to 118.2 lakh tons (11.82 MnT) for the corresponding period of last year i.e. up by 23.64%. Oil year 2014-15, has set a new record for highest import of palm products as well as soft oils like soybean, Sunflower and Rapeseed (canola) oils. (Source, SEA).

Import of Vegetable Oils during October 2015 is reported at 1,670,891 tons compared to 1,245,915 tons for Oct.'14 i.e. up by 34%. Import of edible oil in October 2015 is the highest import in any single month since allowed in OGL in 1994. Similarly import of palm products during Oct.'15 is the highest in any single month. (Source, SEA).

According to Societe Generale de Surveillance (SGS), Malaysia's palm oil exports fell by 10.2 percent in November to 1,351,478 tons from 1,504,737 tons in October 2015. Top buyers were European Union at 317,844 tons (267,625 tons), India at 287,590 tons (421,472 tons), China at 164,010 tons (159,700 tons), United States at 82,505 tons (136,134 tons) and Pakistan at 27,000 tons (24,650 tons). Values in brackets are figures of October 2015.

The market is expecting Malaysia's palm oil monthly demand and supply figures. Malaysia's stocks of palm oil rose to 28.34 lakh tons in October compared to 26.41 lakh tons in September, rise of 7.29 percent m-o-m. Production of palm oil rose to 20.37 (19.59) lakh tons, higher by 4 percent m-o-m. Exports rose to 17.12 (16.80) lakh tons, higher by 1.87 percent m-o-m. Imports fell to 0.73 (.76) lakh tons, lower by 4.1 percent m-o-m. Values in brackets are figures of September 2015, reported by the Malaysian Palm Oil Board (MPOB).

According to Indonesian Palm Oil Board, Indonesia's palm oil output in 2016 will be at 33 MMT, 5.00 lakh tons less than previously estimated at 33.5 MMT due to El Nino. Current year output forecast is at 31.5 MMT. El Nino conditions in Indonesia will strengthen till December.

According to Indonesia Palm Oil Association, Indonesia's 2016 palm oil production has been estimated at 31-31.5 MMT v/s 32.5 MMT in 2015 down due to El Nino.

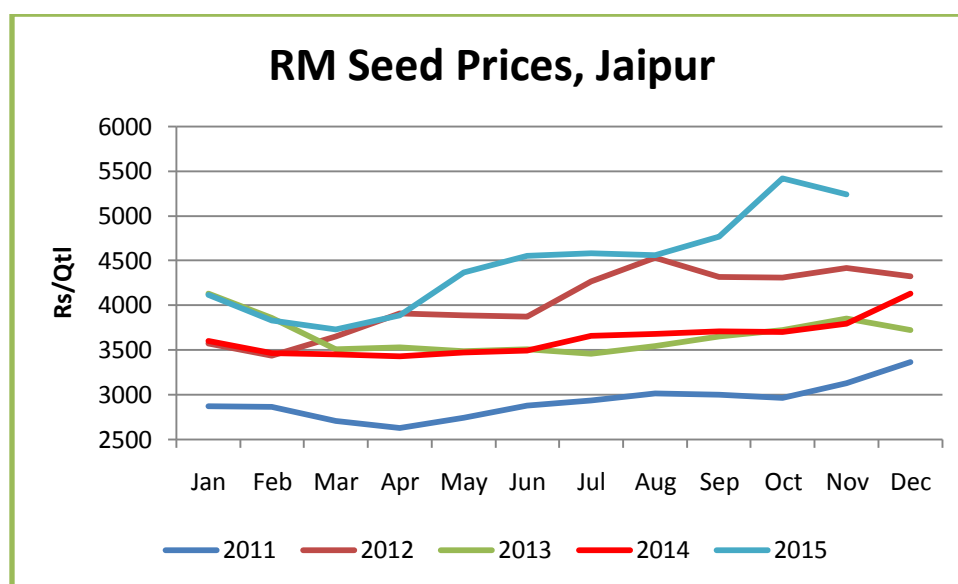
Outlook: The rapeseed-mustard will feature mild gains, in near-term, sharp gains are ruled out for progressive new crop planting, weakness in Malaysian palm oil and soybean and increased vegetable oil imports by India in near-term.

RM Seed Supply, Rajasthan

RM Seed Arrivals in Rajasthan in Bags (85 kg each).		
Monthly Arrivals– Nov.	1 Month Ago	Corresponding Period Last Year
9,50,000	13,50,000	15,75,000

The supplies are falling due to the lean season; they are lower than the corresponding period last season due to the lower production. The supplies are expected to fall further in coming weeks.

RM Seed Prices–Jaipur (Rajasthan)



Balance Sheet – Rapeseed-Mustard Seed, India

(Fig in MnT)

Marketing Year (Mar-Feb)	2011-12	2012-13	2013-14	2014-15	2015-16
Carry In	0.75	1.25	0.28	0.20	0.20
Production	7	6.5	7.2	7.74	5.9
Imports	0	0	0	0	0
Total Availability	7.75	7.75	7.48	7.94	6.10
Crush	6.5	7.47	7.28	7.74	5.90
Exports	0	0	0	0	0
Total Usage	6.5	7.47	7.28	7.74	5.9
Carry Out/Ending Stock	1.25	0.28	0.20	0.20	0.20
Monthly Use	0.54	0.62	0.61	0.65	0.49
Stock/Consumption Ratio	0.19	0.04	0.03	0.03	0.03
Stock to Month Use Ratio	2.31	0.45	0.33	0.31	0.41

(Source: Agriwatch)

- **Trade Observations: Short Supplies and better demand continued limited any sharp fall.**
- We have pegged India's 2015/16 RM seed outturn at 5.9 Mn T, 2015/16 production at 5.9 million tonnes, down by 24% at 7.7 million tonnes last season. The production fell compared to previous year due to decline in yield potential followed by unseasonal rains in the growing region and fall in sown area by 8.6% (6.52 million hectares vs 7.13 million hectares).
- The carry-in stands at 0.20 million tonnes, this season, which is at par with the previous year level.

Technical Analysis:

NCDEX RM Seed Futures



RM Seed Spot, Jaipur



*Daily Chart

Support & Resistance NCDEX - RM Seed Jan. Contract

S1	S2	PCP	R1	R2
4489	4290	4897	5295	5499

- The RM edged-lower on selling pressure, during the month.
- Prices closed below 40-day SMA
- RSI and stochastic are falling in neutral region.
- Prices are likely to feature losses in December.
- Trade Recommendation (NCDEX RM SEED-Jan.) – 1 Month: **SELL** Below 5000 levels.T1 – 4900; T2 - 4800; SL - 5060.

Annexure

Oil Meal Prices at Key Spot Markets:

Soy DOC Rates at Different Centers			
Centers	Ex-factory rates (Rs/ton)		
	30-Nov-15	31-Oct-15	Parity To
Indore (MP)	33400	33400	Gujarat, MP
Kota	33600	33800	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna	34800	34500	Mumbai, Maharashtra
Nagpur (42/46)	35000	35000	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	34800	35000	Andhra, AP, Kar ,TN
Latur	35300	35000	-
Sangli	35500	35000	Local and South
Sholapur	35200	35400	Local and South
Akola	34600	34700	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Hingoli	34700	34800	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Bundi	33500	33500	-

Soy DOC at Port			
Centers	Port Price		
	30-Nov-15	31-Oct-15	Change
Kandla (FOR) (INR/MT)	NA	NA	-
Kandla (FAS) (USD/MT)	NA	NA	-

International Soy DOC			
Argentina FOB USD/MT	30-Nov-15	30-Oct-15	Change
Soybean Pellets	320	343	-23
Soybean Cake Flour	320	343	-23
Soya Meal	328	351	-23
Soy Expellers	328	351	-23

Sunflower (DOC) Rates	Ex-factory rates (Rs/ton)		
Centers	30-Nov-15	31-Oct-15	Change
Adoni	24100	20000	4100
Khamgaon	NA	NA	-
Parli	24300	20600	3700
Latur	24100	19800	4300

Groundnut Meal (Rs/MT)	30-Nov-15	31-Oct-15	Change
Basis 45%, Saurashtra	29500	29000	500
Basis 40%, Saurashtra	26500	26000	500
GN Cake, Gondal	30000	29000	1000

Mustard DOC/Meal	30-Nov-15	31-Oct-15	Change
Jaipur (Plant delivery)	20500	18500	2000
Kandla (FOR Rs/MT)	20600	19000	1600
Sri Ganganagar	2455	2265	190

MSP of 2015/16 Kharif Oilseeds

The Cabinet Committee on Economic Affairs has given its approval for the Minimum Support Prices (MSPs) for Kharif Crops of 2015-16 season. The decision is based on recommendations of Commission for Agricultural Costs and Prices (CACP) for the Price Policy for Kharif Crops for the Marketing Season 2015-16. The MSP of all the kharif oilseeds have been increased.

The MSP of soybean is raised by Rs. 40/qtl from previous season to Rs2600/qtl, Groundnut by Rs 30/qtl to Rs 4030/qtl, sunflower and niger seed by Rs 50/qtl to Rs 3800/qtl and Rs 3650/qtl respectively. The MSP of sesamum is increased by Rs 100/qtl to Rs 4700/qtl.

MASP of 2014/15 Rabi Oilseeds

The Cabinet Committee on Economic Affairs has approved the Minimum Support Prices (MSPs) for Rabi Oilseeds Crops of 2014-15 season to be marketed in 2015-16 as follows: The MSP of Rapeseed/Mustard is raised by Rs. 50/Qtl to Rs. 3100/Qtl from Rs. 3050/Qtl earlier. For Safflower too it is increased by Rs. 50/Qtl to Rs. 3050/Qtl from Rs. 3000/Qtl in 2013-14.

Soy Meal Export (In MT)

	2008	2009	2010	2011	2012	2013	2014	2015
Jan	521243	521243	240318	574996	474993	619793	364443.7	103934
Feb	375098	375098	220552	540360	344240	577589	183551	64514
Mar	224639	224639	163666	410537	460464	302131	232176	46670
Apr	539175	100106	60264	305033	313832	100312	75884	18017
May	326875	77018	60575	176819	142588	97547	8226	14045
Jun	241508	109923	98400	117600	180987	213564	2636	2098
Jul	282438	58268	166632	139547	168341	107038	6682	929
Aug	205890	127299	176138	165510	10005	183555	2778	768
Sep	68443	171955	290868	225921	6525	173381	868	6886
Oct	88723	219721	404960	223594	49840	182724	29071	4237
Nov	647400	297340	443488	397659	517103	503269	110806	
Dec	655882	328225	611157	798041	510698	451314	193832	
Total	4177314	2610835	2937018	4075617	3179616	3512217	843874	

Source: SEA

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