

# Oilmeal Weekly Research Report

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## Executive Summary

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Soybean Most active Dec contract at NCDEX made multi week high in the last week on speculative buying and later found sharp correction. The week was towards bears from the Muhrat trading and continued to weaken till Friday making lower lows in every session consecutively for three days. Spot Market remained continued to remain in tight range and tested previous high of INR 3350 per quintal in Indore for plant delivery. With record Oct arrivals the production estimates is expected to remain above 104 lakh tons. We have still kept our production at 104 lakh tons. SOPA has given it first estimated of production at 114.87 lakh tons. Many traders has been opined that the SOPA production figures are overestimated and production should be in the range of 105-110 lakh tons.

Daily and weekly arrivals has achieved its maximum. The daily arrivals are recording in between 12 to 15 lakh bags. The daily arrivals should range in between 9 to 10 lakh bags on an average continuously till Nov and which is going to confirm the production of above 110 lakh tons. Such arrivals has resulted in Oct arrivals to record 19 lakh tons which is a record for the Oct month. The arrivals is expected to be higher in the OND quarter due to the BBY and NAFED procurement program. Thus with estimates of higher production and higher probability of arrivals the OND quarter arrivals should record all-time high. Future market has remained volatile but spot market has remained more or less in range. Soymeal exports pace in the Oct-Dec quarter is going to determine how soon we are going to dispose most of the surplus soymeal produced.

At soymeal front, 2 lakh tons of soymeal has been booked by Iran which is going to be dispatched In Nov. SOPA has reported export of 1.6 lakh tons of soymeal whereas SEA has reported just .34 lakh tons in its provisional estimates. In any case the soymeal exports in Oct month is not very high to bring any aggressive rallies in Soybean complex. Indian soymeal remained competitive in the market and more enquiries in the coming weeks is expected. Soybean crushers are finding good margin for the second consecutive year over higher soy oil and soy meal prices in Oct-Nov month. Demand from poultry farmers is going to increase as the farmers is going place higher number of chicks to meet coming rise in winter demand.

CBOT Soybean traded on weaker note on a bearish Nov WASDE report but recovered later in the week. USDA has lowered the crop number but upward revised the 2018-19 US end stocks which is an all-time high. Market has remained under the impression of positives coming out from proposed meeting of Trump with Xi later in the month in G20 meeting scheduled to held on 29<sup>th</sup> Nov. Exports sales has remained poor and which is resulting downwards revision of US exports number for the 2018-19. Brazilian soybean sowing is at are record high and is well above the average pace of sowing. With such event Brazil is able to ship its soybean from Jan onwards and thus is again a blow to US soybean as China has to wait only for till Dec to start getting soybean from Brazil and continue to ignore US. Argentina sowing of soybean is also leading against their average pace of sowing. Critical for soybean market is the 90% probability of development of an El Nino in Dec month as assessed by NOAA.

Rapeseed stocks offloading are still not fast enough to offload its stocks entirely at the end of this year. The ongoing rapeseed/Mustard sowing has slowed down after initial rapid advancements and is below last year as well as 5 year average. Thus expectations of record acreages this season is slowly evaporating. We are still estimating the acreages to be around 68.5 lakh hectares and more clarity will come in the third week of November on acreages number. Rapeseed arrivals have been high y-o-y as farmers are enjoying good price. Next round of rise in crushing demand is expected to happen from Mid Nov onwards to meet peak Winter

demand which is expected to help Mustard prices to gain towards last highs. Sowing is at a decent pace and we can expect a record acreage this season.

Overall soybean and Mustard is expected to trade in range bound manner.

**Reports releasing this week**

1. USDA US Weekly Export Sales Report: 15<sup>th</sup> Nov
2. USDA US Weekly Export Inspection Report: 12<sup>th</sup> Nov
3. NOPA US Monthly Soybean Crush Data: 15<sup>th</sup> Nov
4. India Rabi Sowing Progress: 16<sup>th</sup> Nov

## Outlook – Cash Market

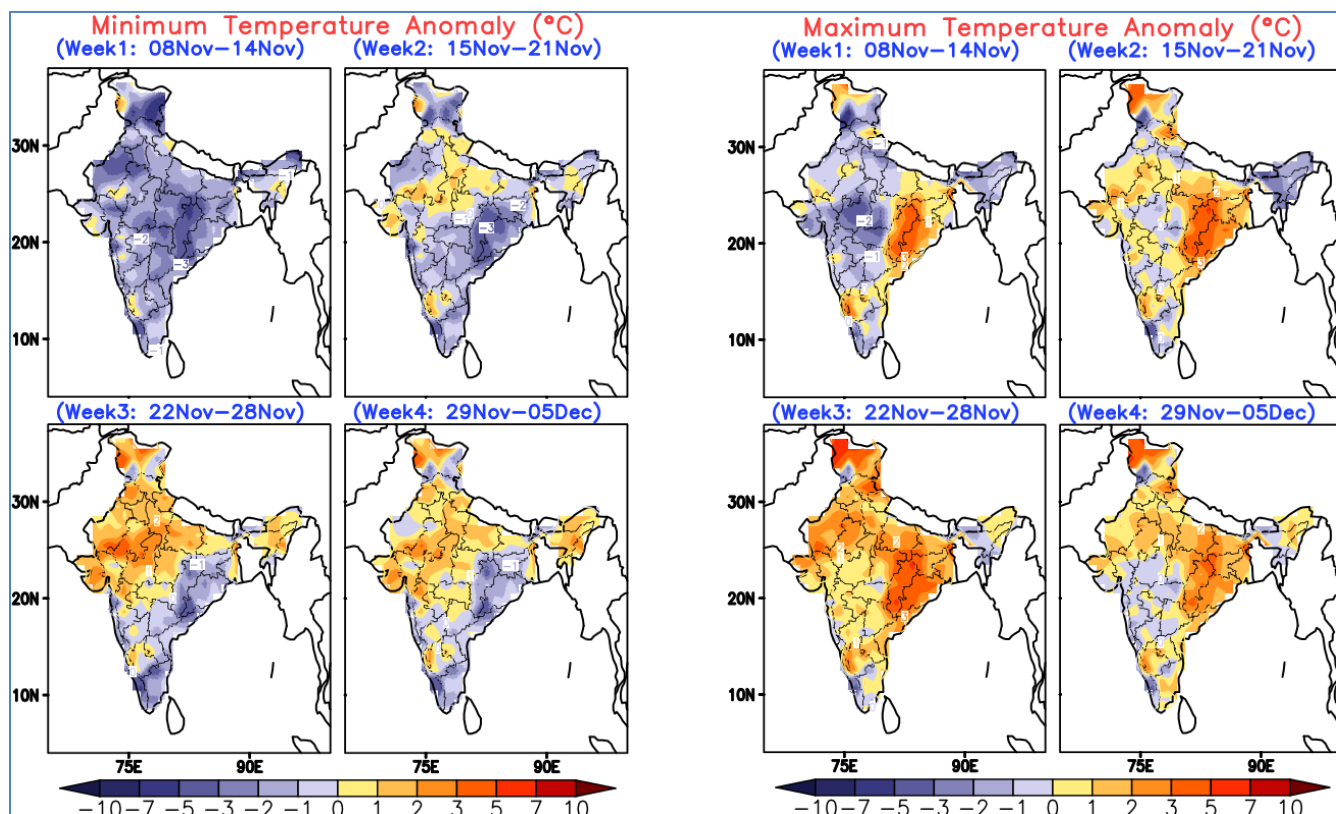
**Outlook - Soybean (Spot, Indore):** Soybean Indore is expected to trade range in between the range of 3200 to 3400. CBOT has remained sideways after sharp rally over expected renewed negotiations between China and US, but at this time same is not expected to push Indian prices up as in OND quarter Indian soybean remain decoupled with the CBOT. Current upside movement has confirmed the bottom being placed out and as we have moved to Nov month NCDEX will find difficult to test previous lows.

**Outlook – Soy meal (Spot, Indore):** Meal prices are expected to find support at current levels as the exports booking is reportedly strong. However short term correction can happen on cues from soybean price action. Indian meal is finding interest from non-regular buyers such as Iran due to Political Scenario and also from China. Thus forward bookings for OND delivery can exceed to 6 to 7 lakh tons. Much will depend on export pace and the quantum of exports disposed as compared to exportable surplus at the end of OND quarter.

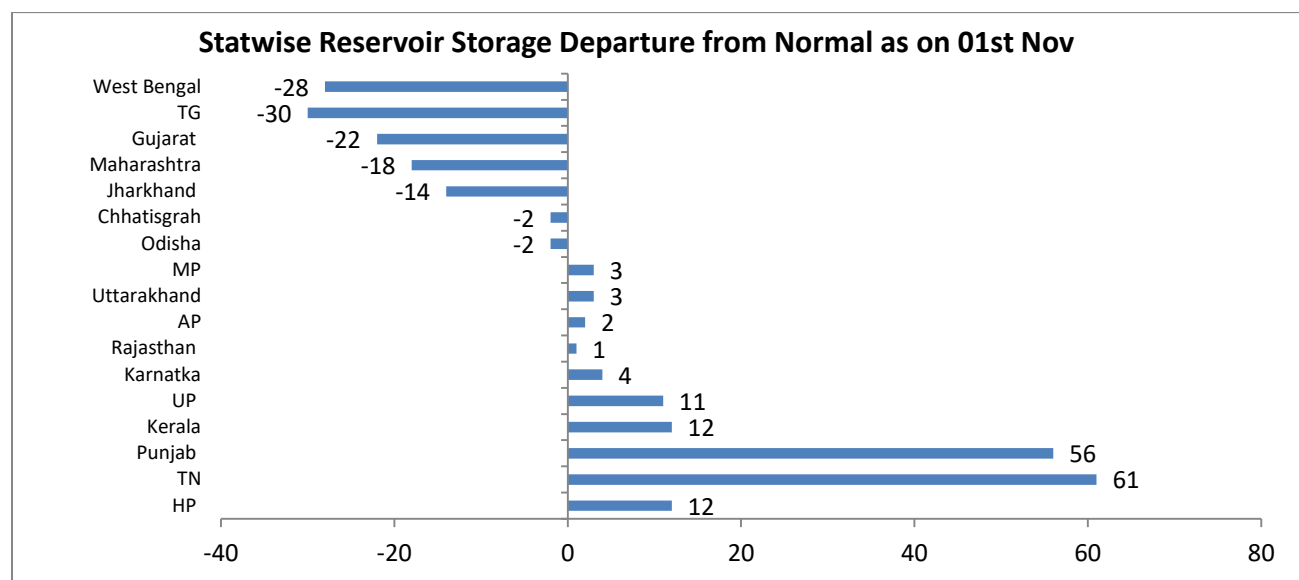
**Outlook - Rapeseed-Mustard (Spot, Jaipur basis):** As the winter Mustard Oil Demand is going to rise the Crush demand of Mustard is expected to follow. Crushers will be buying more as Mills will start crushing again after brief period of closure due to Diwali. Mustard is expected to start inching high from current levels.

## Weather Forecast (For Rabi Oilseeds)

### Temperature



## Reservoir Status in States



## Rabi Oilseed Sowing Progress

Rabi Oilseeds Sowing as on 9.11.2018						
	Normal Area	Normal Sowing as on Date	2017-18	2018-19	% Change (Y-o-Y)	% Sown of Normal
Rapeseed & Mustard	61.25	39.12	37.05	34.7	-6%	56.7%
Groundnut	7.85	1.67	1.62	1.11	-31%	14.1%
Safflower	1.62	0.47	0.33	0.11	-67%	6.8%
Sunflower	3.78	1.54	0.76	0.38	-50%	10.1%
Sesamum	3.04	0.11	0.09	0.08	-11%	2.6%
Linseed	2.93	0.89	0.91	0.65	-29%	22.2%
Other Oilseeds	0.15	0.1	0.09	0.07	-22%	46.7%
Total	80.62	43.9	40.85	37.1	-9%	46.0%

## Soybean

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### **Domestic Market**

In a recent move, US has granted India to waive from Iran sanctions for oil imports till March 2019. The US planned to re-impose oil-related sanctions to Iran from Nov 4. India has been engaged with US and successfully persuaded US in removal of trade sanctions. However the Oil imports is restricted to 1/3rd of the annual Imports.

Plants didn't took soybean for Diwali closure and the last offloading of soybean at maximum plants was till Tuesday. Many plants has already stopped offloading from Sunday. The full revival of crush is expected to happen in next week.

COOIT president has Mr Laxmichand Aggarwal has appealed to the govt to allow INR hedging by registered exporters and importers only as the speculators are driving the currency market.

USDA has upward revised India's production to 110 lakh tons as against 103.5 lakh tons in Oct report.

MP has targeted 16 LT of soybean procurement for the current season under the BBY (Bhavantar Bhugtan Yojana). Registered farmers under the flat BBY can sell soybean under the scheme.

According to AGMARKNET Soybean arrivals has been at 19.4 lakh tons on Oct month as against 13.7 lakh tons last year. Higher arrivals despite of lower carryover stock is indicating towards higher production this year.

MP state govt last year reimbursed the difference between the modal rates and MSP to farmers, up to a limit. Modal rates are the average price at nearby mandis. This year however the state had fixed its payout at up to Rs 500 a quintal to growers of soybean, irrespective of the actual difference between modal rate and MSP.

This is in line with the Centre's latest guidelines (under PM-ASHAA) according to which payout under any price deficiency payment scheme (PDPS) shouldn't exceed 25 per cent of the MSP value of the crop for which it has been started. So, in the case of soybean, the payout to farmers under Bhawantar should not exceed Rs 850 a quintal. The MP government, as noted, has decided to not pay more than 500 a quintal for soybean under Bhawantar. Thus it is not an BBY in its sense but a fixed bhavnatar yojana. MP state finds it difficult in maintaining record and registers, and thus adopted this policy.

***The domestic soybean prices are likely to be in tight range in the domestic market.***

## **International Market**

According to Informa, with a yield of 52.6 vs. USDA at 53.1 bpa, US soybean production is estimated at 4,647 mb or 43 mb below the USDA. September soybean exports were estimated at 119 mb vs. 164 mb the prior year.

According to the latest USDA crop progress report, 83 percent of the soybean crop had been harvested as compared with 72 percent a week ago but below the average pace of 89 percent.

The USDA is going to issue its latest monthly supply-and-demand report on Thursday and expect the USDA to lower its U.S. soybean yield estimate, but raise its forecast of 2018/19 soy ending stocks. The average market expectations for WASDE yield us at 52.9 bushels with market expectations ranging between 53.5 to 52.5 bushels.

The United States and China will hold the top-level diplomatic and security dialogue in Washington on Friday. Further down the month Trump, is expected to meet Xi at the G20 summit in Argentina.

In the USDA Weekly Exports inspection report 1.2 million tonnes of Soybean has been inspected. .

According to latest USDA GAIN report, China's soybean imports and soybean meal consumption are expected to stall in marketing year (MY) 2018/19 due to ongoing trade tensions between the United States and China and an outbreak of African Swine Fever. The bilateral trade dispute has ignited efforts by China to reduce U.S. soybean imports and slash soybean use for feed, pushing up China's domestic soybean and soybean meal prices and prompting higher than usual sales from the state soybean reserve. Post forecasts China's soybean imports to fall by 9 million metric tons (MMT) to 85 MMT in MY18/19.

Brazil biodiesel manufacturers are suggesting govt to place a 10% export duty on Soybean in order to get more soybean crush in the country which is going to be used in the production of biodiesel. Brazil has recently passed resolution to increase the biodiesel blend mandate by 1% per year from current 10% and upto 15% in the coming 5 years. Further this will also help the domestic crush industry, and tapping exports market of soybean and Soy Oil. Brazilian crushers are finding it difficult to find the crush margin as soybean prices has shot up as China increased their booking of Brazilian soybean over US soybean after trade spat.

Earlier govt has rejected the requests many times but the new govt is more right winger and since is an anti to China's aggressive economic advance might have if nit a gleam of possibility of introducing exports duty on Brazilian soybean.

US have indicated that they are going to lower the import duty on Argentinean biodiesel. Earlier US has imposed anti-dumping duty on Argentinean Biodiesel on allegations of destroying domestic industry. US is the largest buyer of Argentinean biodiesel. Any rise in Argentinean biodiesel exports can result in higher soybean crush in Argentina.



Sowing in Argentina is at faster rate due to copious rains. Sowing in Brazil has been completed in 60%. Sowing has been ahead of year average and thus analysts are betting on early harvest and thus early start of exports to China. In Mato Grasso sowing has been completed in 89% of area by Nov 2 which is 25% ahead of last year.

According to the Nov WASDE report US has downward revised the US yield to 42.1 bushels per acre as against 43.1 bushels in Oct report. However US soybean end stocks has been upward revised to 25.9 million tons as against 24 million tons in Oct estimates. World end stocks has been also upward revised to 112 million tons as against 110 million tons in Oct WASDE report.

USDA has upward revised Brazil exports to 77 million tons from 75 million tons whereas US exports has been downward revised to 51.7 million tons from 56 million tons a month ago.

US crop has been downwards revised to 125.1 million tons from 127.6 million tons.

China imported 6.92 million tons of soybean as reported by Chinese customs 18% high y-o-y but 14% down m-o-m. China has stockpiled Soybean as Brazil moves into lean season and as China is reluctant to buy Chinese soybean, China is trying to hedge its stock position.

According to Australian bureau of meteorology the chance of El Nino in Dec has been 70% which is similar to the NOAA forecast.

China has been aggressively booking rapemeal, rapeseed and sunmeal to combat possible short in supply of soymeal. Ukrainian sunmeal has benefitted mostly by this move as the Ukrainian sunmeal prices has almost doubled with few months.

US soybean net sales of 388,400 MT for 2018/2019 were down 2 percent from the previous week, but up 16 percent from the prior 4-week average. Increases were reported for the Netherlands (140,400 MT, including 136,000 MT switched from unknown destinations), Thailand (80,800 MT, including 70,000 MT switched from unknown destinations), Spain (70,600 MT, including 65,000 MT switched from unknown destinations), Pakistan (69,000 MT, including 66,000 MT switched from unknown destinations), and Bangladesh (60,000 MT, switched from China). Reductions were primarily for unknown destinations (379,500 MT). For 2019/2020, total net sales were reported for Japan (3,000 MT). Exports of 1,136,200 MT were down 14 percent from the previous week, but up 2 percent from the prior 4-week average. The destinations were primarily to the Netherlands (140,400 MT), Mexico (140,200 MT), China (136,100 MT), Argentina (99,300 MT), and Japan (87,100 MT).

According to Baltic and International Maritime Council, Iran has emerged as the biggest buyer of US soybeans in August in the aftermath of trade tensions between China and the US. Iran was able to import higher soybean before the announcement of the unilateral trade sanction on 6th August and thus the pipeline deliveries arrived in the August month. The sanctions though came into force in Nov thus the deliveries are expected to arrive till Oct month.

In Russia according to a preliminary assessment of the regional authorities of the agro-industrial complex, the area under oilseeds increased by 1.3 million hectares, for the first time in Russian history, reaching 13.9 million hectares. The areas under rapeseed increased most noticeably - by 1.5 times (to 1.6 million hectares) and

mustard - by 2.2 times (to 0.3 million hectares). Soybean acreages is at 2.9 million hectares and oilseed flax - 0.7 million hectares. Sunflower was planted on a record 8.1 million hectares.

As of October 30, 3.5 million tons of soybean were harvested (in 2017, 2.8 million tons) at a yield of 15.6 c / ha. The crop was threshed from an area of 2.3 million hectares or 81.9% of the harvesting area.

Sunflower threshed from an area of 6.8 million hectares or 84.9% of the harvest area. 10.8 million tons were threshed (in 2017 - 8 million tons), with a yield of 15.9 c / ha (in 2017 - 15.5 c / ha).

Rapeseed is threshed from an area of 1.5 million hectares or 94.4% of the harvest area. 2.1 million tons were threshed (in 2017 - 1.5 million tons), with a yield of 14.3 c / ha.

According to ABIOVE, Brazil's soy processing sector is in talks with Chinese government officials looking for ways to increase soymeal exports to the Asian nation especially after the decision was made to increase the biodiesel mandate by 1% every year which requires more soy oil and hence higher soybean crush.

Brazil's soy industry group Abiove raised its projection on soybean exports this year to 79 million tonnes from 77 million tonnes seen in October. Soybean production has also been upward revised to 120.5 million tonnes in its estimate for the Brazilian 2017/18 crop, from 119.5 million tonnes previously. ABIOVE expects crushing in Brazil to fall next year by 400,000 tonnes to 43.2 million tonnes.

Further ABIOVE revised 2019 soy oil export projection from 800,000 tonnes to 400,000 tonnes, due to expected higher local demand from biodiesel producers since blending is poised to increase next year from 10 percent to 11 percent of diesel composition.

US soybean total export commitments for U.S. soybeans in 2018-19 were down nearly 30 percent on the year. Sales to China were down at 94 percent.

According to the USDA GAIN report, the Chinese government maintains an unknown volume of soybeans in a state reserve, with estimates ranging from 6 million to 8 million tonnes which can last China just over four weeks, at the most, assuming a steady usage pace.

On average, the United States exports about 23 percent of its annual soybean volume in September and October. This year only 15 percent of soybean exported as of USDA's annual target, had been shipped through Nov.

Russian Agriculture Minister Dmitry Patrushev proposed setting up joint soy processing production with China on Russian soil as he met his Chinese counterpart for talks on Thursday, the agriculture ministry said.

Patrushev said Chinese investment in joint production would help Russia increase soy supplies to the Chinese market, the ministry said in a statement.

According to CONAB, Brazil 2018/19 Soybean Crop Seen At Btw 116.770 Million T And 119.266 Million T Versus 119.281 T Million In 2017/18.

## Soy meal

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CBOT soymeal witnessed bounced back sharply after the Trump tweet of easing relationship with China and probable tariff cut by Beijing in the G20 meet in the last week of Nov.

According to SEA, India's oilmeal exports in October fell 58 percent from a year earlier to 84,143 tonnes. Soymeal exports have been reported at 33898 tons as against 71425 tons last year in the same time frame. Exports have been sharp low due to limited stocks available with the exporters in contrast with last year to crush and exports.

Rape meal exports have been reported at 25234 tons almost falling by 3/4th m-o-m but slightly up y-o-y. Last year India exported 22731 tons of rapemeal in the Oct month.

Iranian state-owned animal feed importer SLAL purchased around 200,000 tonnes of soymeal from India in October in directly-negotiated deals for immediate delivery. The purchases as anticipated was over the US sanctions and to ensure there were sufficient supplies in the country. The U.S. sanctions, has complicated even approved trade such as food.

As US sanctioned the banks also for the payments of the cargoes traded market is looking for the options in the payment channels through which trade can be done. The details of the new U.S. sanctions on Iran is yet to come and clarity has to come on which banks sanction has been imposed. .

After the August sanction on Oil trade and related business such as shipping, The United States announced a new raft of sanctions on Iran on Monday. The U.S. Treasury Secretary Steven Mnuchin is going to impose unprecedented financial pressure on Iran which includes the sanctions on 50 Iranian banks and subsidiaries, more than 200 persons and vessels in its shipping sector, and targets Tehran's national airline, Iran Air, and more than 65 of its aircraft.

However Europe and China has opposed the reapplication of sanctions. On the other hand Switzerland is in talks with the United States and Iran about launching a humanitarian payment channel to help food and drugs keep flowing to Tehran.

U.S. sanctions permit trade in humanitarian goods such as food and pharmaceuticals, but measures imposed on banks and trade restrictions could make such items more expensive.

According to traders China has ample stocks of soymeal and soybean at their ports and thus China is not in hurry to buy Indian soymeal. A few booking can happen but expectations of huge amount of soymeal exports aren't visible nearby. Iran thus remains crucial for Indian soymeal exports pace.

Soymeal stocks in US have increased and by Sep ends the stocks were high by 38% m-o-m. This has kept the soymeal prices under pressure despite the rise in Soybean prices. Under the influence of which Argentinean soymeal prices doesn't seems to rise aggressively and in repercussion till India is not able to exports is surplus Indian bean complex has very limited potential for any rally in near term.

In the USDA Weekly exports sales report, US Soymeal net sales of 255,100 MT for 2018/2019 were reported for Ecuador (38,200 MT, including decreases of 1,800 MT), Mexico (30,500 MT, including decreases of 3,100 MT), the Philippines (29,100 MT), Colombia (28,300 MT, including 9,000 MT switched from unknown destinations), and Vietnam (27,800 MT). Reductions were primarily for El Salvador (10,000 MT). For, 2019/2020, net sales of 900 MT were reported for Mexico (700 MT) and Canada (200 MT). Exports of 237,600 MT were reported to the Philippines (47,000 MT), Mexico (43,100 MT), Ecuador (31,200 MT), Colombia (30,400 MT), and the Dominican Republic (24,200 MT).

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Weakness in Argentinean meal has led to widening spreads with Indian meal and is currently at \$27 per ton but good enough to absorb the freight advantage India is having towards the exports destination markets.

Current premium still has the potential for robust exports demand of Indian soymeal. Further prospects of exports to Iran and China have remained bright and Indian exporters have the space to enjoy premium with MEIS in place which can be used effectively in the soymeal trade negotiations.

With higher soy oil prices buoyed by the back to back import duty hike the Indian soybean crush margins are handsome and which has resulted in heavy crushing and also working in full capacity to meet the exports demand.

Demand from broilers and layers farmers is also going to increase the farmers pulling up their socks to meet peak winter demand.

Lower crush of groundnut will result in lower availability of GN meal and thus replacement demand for the Soymeal is going to be high. Moreover the rape meal export is also high and the same applies here also.

As the international sun meal prices was ruling at rock bottom levels India managed to import record sunmeal. In Calendar year 2016 India imported 2.68 lakh tons and in 2017 2.2 lakh tons against just 20 thd tons in 2015. However the imports in 2018 has drastically declined due to the rise in Chines demand of Ukrainian Sunmeal which has resulted in almost doubling of the Ukrainian Sun meal price especially after US-China trade war.

## Technical Analysis:

### NCDEX Soybean FUTURE\*



### Soybean Spot, Indore



\*Note: Daily Chart

### Support & Resistance NCDEX Soybean – Nov Contract

S2	S1	PCP	R1	R2
3180	3250	3270	3280	3310

- Soybean Dec contract rallied to test the resistance of 3480 after breaching the 3420 levels. Later soybean prices corrected sharply for three consecutive days making lower lows and breached the support of 3420 and 3380 to close at 3379.
- On the upside, INR 3380 shall act as immediate resistance followed by INR 3420
- On the downside, INR 3350 shall act as immediate support followed by 3310
- Trade Recommendation (NCDEX-Soybean – Dec) Buy

Weekly trade call: **Buy** 3340 to 3360 Target – T1-3380; T2- 3420, SL – 3310

## Rapeseed - Mustard Seed

The all India weekly seed supplies were reported 1.2 lakh bags as compared to 7.85 lakh bags in the previous week. The supplies were 9.95 lakh bags in the same time frame last year.

The spot price remained sideways in a festival week with limited arrivals and trade.

At NCDEX futures, the seed prices at Dec contract closed at INR 4125 Q/tl compared to INR 4158/Q/tl previous week.

Although Mustard sowing started at a brisk pace but could not able to sustain same momentum and as on 02<sup>nd</sup> Nov 27.84 lakh hectares has been brought under Mustard/rapeseed/Toria against 26.568 lakh hectares last year and 5 year average of 23.522 lakh hectares.

Sowing pace in MP and Haryana is above 5 year average but below last year. Sowing in Rajasthan is well above last year but below 5 year average. Sowing in UP is at par with last year and above year average sowing pace.

Mustard sowing has slowed down and in Gujarat as expected is below 5 year average and also last year. Sowing has been completed in .378 lakh hectares against average of .919 lakh hectares. Sowing in Rajasthan is also slowed down and is below 5 year average of 19.45 lakh hectares and is at 16.314 lakh hectares ahead of last year sowing pace. In Assam and WB also the sowing pace is behind 4 year average. Overall all India sowing has been completed in 34.7 lakh hectares lower as against 5 year average of 39.116 lakh hectares and also lower against last year of 37.053 lakh hectares.

According to MOPA, in Oct month 6 lakh tons of rapeseed has been crushed which has been higher by 33% y-o-y.

### Technical Analysis:



**NCDEX RM Seed Futures**
**RM Seed Spot, Jaipur**

Support & Resistance NCDEX RM Seed – Nov contract				
S1	S2	PCP	R1	R2
4050	4000	4130	4193	4217

- Mustard Dec Contract found support at 100% fibo levels and at the same time found resistance at 61.8% fibo levels to trade within the range in entire week. Mustard also made contract lows this week and recovered on the same day but later again tested the previous lows at the close of the week.
- Going ahead, the price is expected to find support in between 4120-4130
- Any breach of this is going to extend the weakness towards 4050
- Trade Recommendation (NCDEX Rapeseed-Mustard – Dec)

Weekly trade call: **Buy** 4120-40: Target – T1- 4190 T2- 4210, SL – 4050.

Soy DOC Rates at Different Centers			
Centres	Ex-factory rates (Rs/ton)		
	08-Nov-18	01-Nov-18	Parity To
Indore - 45%, Jute Bag	27020	26500	Gujarat, MP
Kota - 45%, PP Bag	26850	26800	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	28500	28300	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	28400	27500	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	28700	28300	Andhra, AP, Kar, TN
Latur	29800	29000	-
Sangli	#N/A	28500	Local and South
Solapur	28300	28000	Local and South
Akola – 45%, PP Bag	27500	28000	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Hingoli	29010	28500	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Bundi	26650	26600	-

Soy DOC at Ports			
Centers	Port Price		
	08-Nov-18	01-Nov-18	Change
Kandla (FOR) (INR/MT)	Unq	28400	-
Kandla (FAS) (USD/MT)	#VALUE!	385	-
CNF Indonesia – Yellow SBM (USD/MT)	Unq	375	-

Rapeseed Meal	08-Nov-18	01-Nov-18	Change
FAS Kandla (USD/MT)	Unq	225	-
FOR Kandla (Rs/MT)	Unq	16500	-
FOR Mundra (Rs/MT)	Unq	16900	-
CNF Indonesia (USD/MT)	Unq	242	-

International Soy DOC			
Argentina FOB USD/MT	08-Nov-18	01-Nov-18	Change
Soybean Pellets	334	338	-4
Soybean Cake Flour	334	338	-4
Soya Meal	339	342	-3
Soy Expellers	339	342	-3

Sunflower (DOC) Rates	Ex-factory rates (Rs/ton)		
Centers	08-Nov-18	01-Nov-18	Change
Adoni	Closed	20000	-
Khamgaon	Closed	0	-
Parli	Closed	0	-
Latur	Closed	0	-

Groundnut Meal (Rs/MT)	08-Nov-18	01-Nov-18	Change
Basis 45%, Saurashtra	Closed	Closed	-
Basis 40%, Saurashtra	Closed	Closed	-
GN Cake, Gondal	Closed	Closed	-

Mustard DOC	08-Nov-18	01-Nov-18	Change
Jaipur (Plant delivery)	Closed	16000	-
Kandla (FOR Rs/MT)	Closed	16500	-



<b>Mumbai Oil Meal Quotes:</b>			
<b>Rs/M.T.</b>	<b>08-Nov-18</b>	<b>01-Nov-18</b>	<b>Change</b>
G.N. Extr (45%)	Closed	0	-
Kardi Extr	Closed	0	-
Undec Cottonseed Exp	Closed	22000	-
Rice Bran Extr.	Closed	0	-
Sunflower Extr.	Closed	21000	-
Rapeseed Extr.	Closed	0	-
Soymeal 48%	Closed	27652	-
Castor Extr.	Closed	6400	-

## Annexure

### India's Kharif Oilseeds Production Seen at 313.1 Lakh Tons in 4<sup>th</sup> Adv Est. - GOI

The 4th Advance Estimates of production of major crops for 2017-18 have been released on 28<sup>th</sup> August, 2018 by the Department of Agriculture, Cooperation and Farmers Welfare. The assessment of production of different crops is based on the feedback received from States and validated with information available from other sources. As a result of floods and erratic rainfall during monsoon 2017, the country has witnessed lower oilseeds production in the current year compared to previous year.

The estimated production of major Kharif Oilseeds during 2017-18 is as under:

Oilseeds – 313.1 Lakh tonnes

- Soyabean – 109.34 Lakh Tons
- Groundnut – 91.8 Lakh Tons
- Rapeseed – 83.2 Lakh Tons
- Castorseed – 14.9 Lakh Tons
- Sesame/Sesamum/Gingelly/Til – 7.44 Lakh Tons
- Nigerseed – .75 Lakh Tons
- Sunflower – 1.9 Lakh tons
- Linseed - 1.73 Lakh Tons

### MSP for 2018/19 Kharif Oilseeds

The Cabinet Committee on Economic Affairs, chaired by the Prime Minister Shri Narendra Modi, has given its approval for Minimum Support Prices (MSPs) for Kharif Crops of 2018-19 season, the MSPs of all the Kharif oilseeds are raised for this season.

The MSP of Yellow Soybean is increased by 9.0% to Rs 3325/Qtl for 2018-19 season from Rs. 3050/Qtl (including Rs 100 bonus) in 2017-18, Groundnut -in- shell by 5.2% to Rs 4,680/Qtl from Rs 4,450/Qtl (including Rs 100 bonus), Sunflower seed by 3.7% to Rs 4,250/Qtl from Rs 4,100/Qtl (including Rs 200 bonus), Nigerseed by 5.5% to 4,275/Qtl from Rs 4,050/Qtl (including Rs 100 bonus) and Sesamum by 5.7% to Rs 5,600/Qtl from Rs 5,300/Qtl (including Rs 200 bonus).

Source: GOI

## North East Monsoon forecast for 2018

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#### Seasonal Rainfall over South Peninsula IMD's operational forecast for the 2018

Northeast monsoon season (October-December) rainfall over south Peninsula (Tamil Nadu, Coastal Andhra Pradesh, Rayalaseema, Kerala and South Interior Karnataka) is most likely to be normal (89% -111% of long period average (LPA)) with a tendency to be in the positive side of the normal. The LPA of the North-east monsoon seasonal rainfall over the south Peninsula for the base period, 1951-2000 is 332.1 mm. The 2018 Northeast monsoon seasonal rainfall over Tamil Nadu is most likely to be above normal ( $\geq 112\%$  of LPA). The long period average (LPA) of the Northeast monsoon seasonal rainfall over Tamil Nadu for the base period, 1951-2000 is 438.2 mm.

The normal timeline for the arrival of the North-East monsoon is between October 15 and 20, but the IMD does not announce a date in advance for the season.

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