Oilmeals Weekly Research Report

Contents

Executive Summary

Mixed trends are featured in Soybean complex during this week amid mixed sentiments in the market. Supplies are remained higher side due to good pace of harvesting of Soybean crops. While, Mustard seed prices rose on account of good demand in Diwali season. Farmers in MP have harvested almost 80% of Soybean crop of this season and stockiest are very active at the current level. While, in Rajasthan, 30 to 40% harvesting has been completed so far. In Maharashtra, harvesting pace is slow due to election activities and late sowing varieties of soybean crop. Farmers may harvest in full speed after 1st November 2019. However, NAFED procurement process of Soybean and lower crop estimates of this season may support Soybean prices from any major fall. NCDEX future prices of Soybean and RMSeed settled higher side the end of the week due to buyers' interests in the market. CBOT prices increased as China offered to exempt some U.S. shipments from import tariffs.

As per trade body, India may grow 18% lower Soybean crop to 9 million tonnes in 2019 due to excess rainfall at the time of maturity stage. Madhya Pradesh received 44% above average rainfall which resulted water logging and badly affected soybean matured crops. As per SOPA survey, Soybean crops have damaged in Rajasthan and Maharashtra states as well.

As per recent updates of SOPA, India may harvest 17.7% lower Soybean crop to 89.9 lakh tonnes in 2019 against 109.3 lakh tonnes in 2018 on account of heavy rainfall at maturity period of time. The major growing Soybean states like Gujarat, Karnataka, Madhya Pradesh may harvest lower Soya crop by 30% to 0.86 lakh tonnes, 7.1% to 2.69 lakh tonnes,31.1% to 40.10 lakh tonnes respectively against last year record. However, Farmer may get 5.7% higher Soybean to 36.29 lakh tonnes in Maharashtra in the current season.

As per the Mustard Oil Producers Association of India data, India crushed 13% lower mustard seed to 500,000 tonnes in September 2019 compared to last month record on account of lack luster demand of mustard meal exporters and less arrivals in physical markets. While, it is unchanged from last year record during the same month. In September 2019, total supply of mustard seed was 150,000 tonnes in Rajasthan, 85,000 tonnes in Uttar Pradesh 85,000 and 45,000 tonnes in Madhya Pradesh. Total available stocks with processors, stockiest and state-run agencies stood at 1.6 million tons in September 2019. It pegged total mustard crop output at 8.1 million tonnes in 2018-19 season which is higher from 7.1 million tonnes in last season. The estimated figure is lower than the farm ministry fourth advance estimate i.e. 9.3 million tonnes.

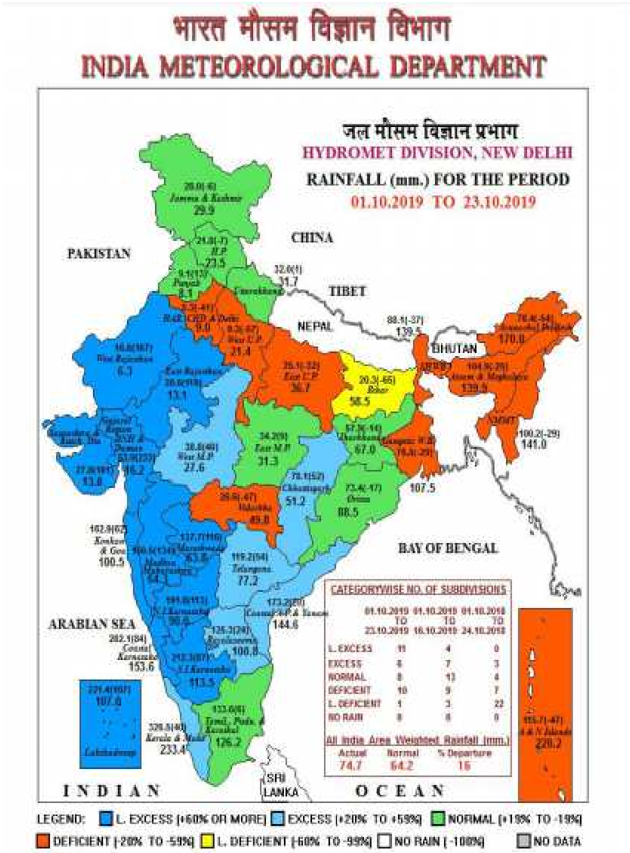
The First Advance Estimates of production of major crops for 2019-20 have been released on 23rd Sep, 2019 by the Department of Agriculture, Cooperation and Farmers Welfare. The assessment of production of different crops is based on the feedback received from States and validated with information available from other sources. Few the major crops producing states have received good rainfall. As a result, the production of oilseeds kharif crops estimates for 2019-20 has witnessed higher than their normal production. Oilseeds production of India is placed higher by 11.11 lakh tonnes to 223.89 lakh tonnes against the production of 212.78 lakh tonnes in 4th advanced estimates for 2018-19. The estimated figure is also higher by 11.5 lakh tonnes than five years average oilseeds production.

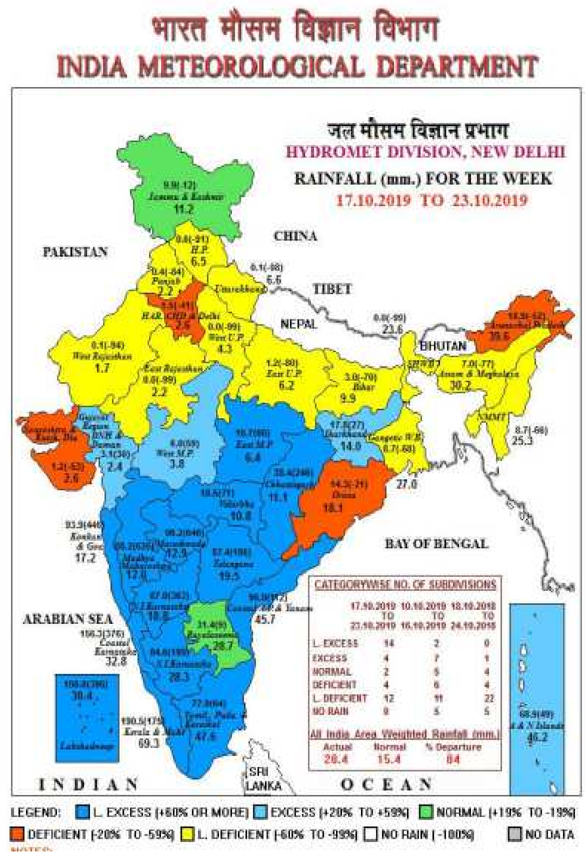
Soybean complex may trade in steady to lower side in coming days. While, RM Seed prices may increase amid good demand.

Outlook – Cash Market

Outlook-Soybean (Spot, Indore): *Soybean Indore plant prices declined after heavy supplies in the market. Prices may decline in expectation of heavy new crop supplies in coming week. Prices are likely to trade in the range of 3700 to 3750 in next week. The market sentiments are now depending on the surplus bean stocks to be carried over to the next marketing year, kharif harvesting pace, millers demand & weather condition and Kharif crop size estimates.*
Outlook –Soy meal (Spot, Indore): *Soymeal prices declined on dull demand. Prices may trade steady to weak tone in the coming days on weak demand. Prices are also being driven by domestic soybean prices and may trade between Rs.30000 to 31000/MT in Indore market. Exporters are less active in the market.*
Outlook-Rapeseed-Mustard (Spot, Jaipur basis) *Mustard seed prices at Jaipur market firmed up on good local crushers demand on festive season. Prices may trade in steady to firm tone in coming week on good local demand. Prices are likely to trade in the range of 4350 to 4420 in next week. NCDEX future prices of RM Seed may increase on good buying activities of speculators.*

Weekly Weather Report





Heavy rainfall had been reported at isolated places over Coastal Karnataka on five days; over Coastal Andhra Pradesh on four days; over Odisha, Madhya Maharashtra, Marathwada and Telangana on three days; over Tamilnadu & Puducherry, South Interior Karnataka and Kerala on two days and over Konkan & Goa, Chhattisgarh, Rayalaseema, North Interior Karnataka and Lakshadweep on one day each during the week.

Kharif Oilseed Sowing Status

Kharif Oilseeds Sowing as on 04.10.2019 (In lakh Hectare)						
	Normal Area	Normal area as on date	2019	2018	Change (Y-o-Y)	% change of normal area
Groundnut	42.43	40.75	39.40	40.49	**-1.09**	**-1.3**
Soybean	111.49	112.42	114.24	113.10	**1.1**	**1.8**
Sunflower	1.91	1.54	1.12	1.17	**0.0**	**-0.4**
Sesamum	17.25	15.77	13.79	14.47	**-2.0**	**-0.7**
Niger	2.51	2.13	2.31	2.04	**0.3**	**0.2**
Castor	9.69	9.47	9.55	8.89	**0.7**	**0.1**
Total Oilseed	185.28	182.09	180.41	180.16	**0.3**	**-1.7**

Soybean

Domestic Market

Mixed trends are seen in Soybean complex by the end of the week on mixed sentiments in the market. Arrivals are likely to increase further in market amid good speed of harvesting. Soybean prices may decline in expectation of heavy supplies of new crops. However, Nafed's procurement activity and lower crop estimates of this season may support prices from any major fall.

NAFED has started to procure soybean Kharif 2019 season in Telangana state of India. As on 22nd Oct 2019, it procured total 118.70 MT from various trading centers of Telangana farmers. Total 492.10 MT has been procured so far from 271 farmers.

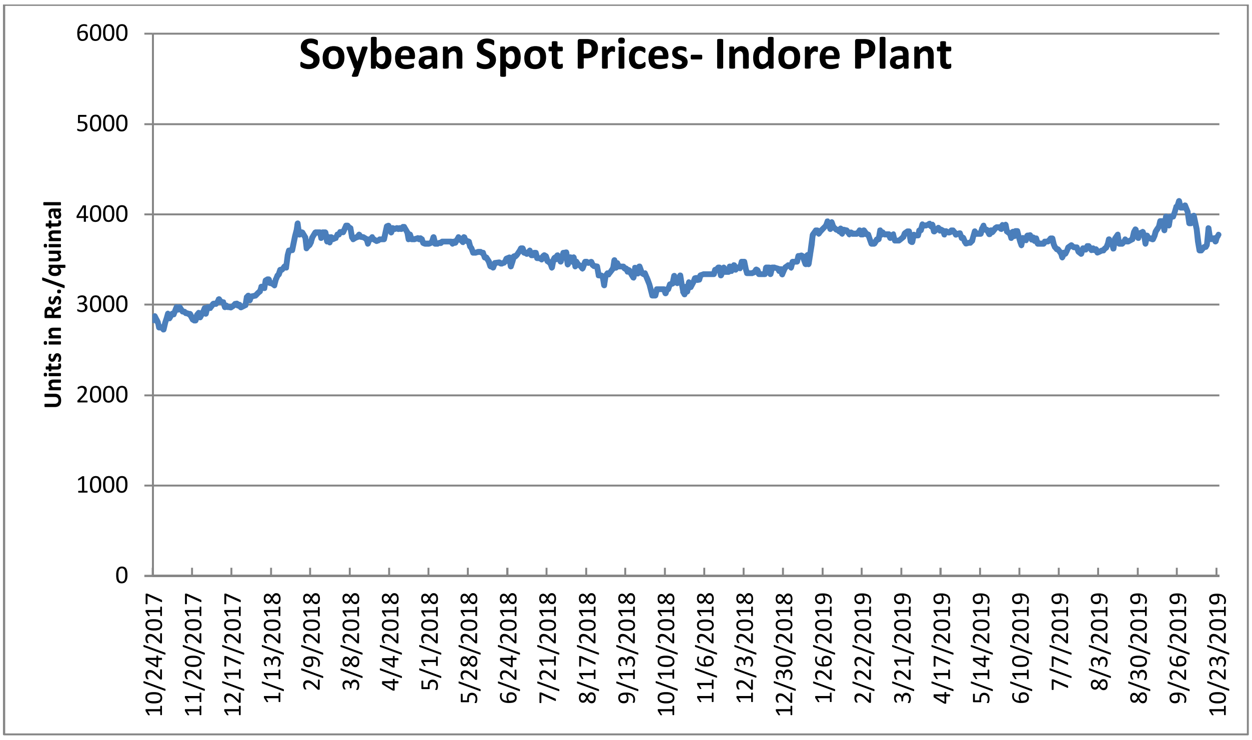
As per source, Farmers are harvesting Soybean crop of this season in full speed supported by sunny weather condition. Harvested crops are in good condition. However, water stagnation in MP and Rajasthan may result 10 to 15 % damages of soybean crop of this season. In 2019, Soybean growers have increased area as compared to previous year record. As per traders, total 20 to 25% soybeans are damaged in MP state majorly in the districts of Ratlam, Mandsaur and Neemuch. Madhya Pradesh received 38% more rainfall than the average since the start of four-month long monsoon season on June 1. Traders expect Soybean production in India at 85 lakh tonnes for 2019/20 due to heavy crop loss in MP& Rajasthan.

As per ministry report, All India sowing of soybean stood at 114.24 lakh hectares compared to 113.10 lakh hectares as on 04.10.2019. Sowing of soybean is higher in Madhya Pradesh at 55.16 lakh tonnes against 53.18 lakh tonnes in last year and Rajasthan at 10.61 lakh tonnes compared to 10.46 lakh tonnes in previous year.

Announcement of a higher minimum support price (MSP) for MY 2019/20 likely encouraged additional oilseed planting during an extended planting window in anticipation of higher returns, stable yields, and relatively lower crop maintenance compared to cotton. The GOIs MSP announcement claims that farmers receive 1.5 times the production cost of planting a crop.

As per the sources, recovery of monsoon this season in August has pulled down the prices of agricultural commodities during few days on expectations of a recovery in kharif output and favorable climatic condition for the Rabi harvest for 2020. Although crop damages have been reported in few areas due to excess rain. However, for Rabi crops, including mustard seed, good rain in September (as forecast by weather agencies), would provide better soil moisture for sowing. Besides, there are huge procured stocks of mustard seed with government, and the prices Mustard will remain under pressure.

The domestic soybean prices are likely to trade in steady to weak tone in coming days.



International Market

CBOT Soybean future prices closed on higher side during this weekend as China offered to exempt some U.S. shipments from import tariffs. China offered 10 million tonnes of tariff-free quota to major Chinese and international soybean crushers to import soybeans from the United States.

Farmers in Brazil have planted 21% Soybean crop as on 17th October 2019 which is lower from previous year record i.e. 34%. In Parana state, farmers have completed total 33% lower against last season on account of dry weather condition.

As per Reuter, European Union soybean imports in the 2019/20 season that started on July 1 had reached 3.9 million tonnes by Oct. 20,2019 lower by 1% from last year. EU soymeal imports had noticed higher by 16% to 5.8 million tonnes against previous year. Palm oil imports stood down by 7% to 1.65 million tonnes.

During (Oct 11-17,2019) U.S. sold total 475,200 metric tons for 2019/2020 which were down 70 percent from the previous week and 72 percent from the prior 4-week average. Increases primarily for Pakistan (193,600 MT, including 127,700 MT switched from unknown destinations), the Netherlands (142,200 MT, including 129,000 MT switched from unknown destinations and decreases 1,500 MT), Mexico (124,500 MT, including 47,500 MT switched from unknown destination and decreases of 3,200 MT), Thailand (98,900 MT, including 68,000 MT switched from unknown destinations), and Taiwan (81,400 MT, including 50,000 MT switched from unknown destinations and decreases of 1,900 MT), were partially offset by reductions for unknown destinations (583,900 MT). Exports of 1,382,900 MT were up 45 percent from the previous week and 43 percent from the prior 4-week average. The destinations were primarily to Egypt (203,200 MT), Thailand (182,300 MT), Mexico (175,100 MT), the Netherlands (142,200 MT), and Taiwan (141,800 MT).

As per Reuter, China imported 13.5% lower Soybean to 8.2 million tonnes in September 2019 due to lower demand of Soymeal after an epidemic of African swine fever. China bought 9.48 million tonnes in last month. It is slightly lower from 8.01 million tonnes in September 2018.

As per Conab, Brazil may harvest higher Soybean crop by 4.7% to 120.39 Million tonnes in 2019/20 against 115.03 million tonnes in last year. Soybean area in Brazil is likely to stand higher by 1.9% to 36.571 Million Ha. in 2019/20 against 35.874 Million Ha. in 2018/19 season. Brazil may export total 72 Million tonnes in 2019/20 higher from 70 Million tonnes in 2018/2019 however the projected figure is lower from 83.257 million tonnes in 2017/2018. The state of Mato Grosso will increase its soybean acreage by 2.6% to 9.95 million hectares (27.2% of the total) followed by Rio Grande do Sul which will increase 1.0% to 5.83 million hectares (15.9% of the total), Parana will increase 0.9% to 5.48 million hectares (14.9% of the total), Goias will increase 2.0% to 3.54 million hectares (9.6% of the total), and Mato Grosso do Sul will increase 3.4% to 2.95 million hectares (8.0% of the total.
As per sources, Ukraine may export lower soybean by 19.8% to 2 million tonnes in 2019/20 against previous year record. While, it may export higher sunoil by 0.8% to 6.1 million tonnes in 2019/20 from last year record. The country may export 16.7% higher Rapeseed to 2.86 million tonnes in 2019/20 against 2018/19 season.

As per government report, Brazil shipped total 4,447,700 tonnes in September 2019 lower from 5,321,200 tonnes in August 2019.

China has opened soy meal market for imports from Argentina in an effort to improve supply of soy meal in the country. Supplies of Argentina meal will start from the harvest of its crop in 2020.

As per USDA recent released report, U.S. oilseed production for 2019/20 is forecasted lower by 2.3 million tons at 107.9 million tons from last month with lower soybean, peanuts and cottonseed production partly offset by a higher canola and sunflower seed. U.S. Soybean production is forecast at 3.6 billion bushels, down 83 million, mainly on lower yields. U.S may get soybean yield at 46.9 bushels per acres in 2019/20 which is lower than the projection of September month however it is also lower from 47.2 bushels per acres as projected by Reuter analyst poll. Harvested area is reduced slightly to 75.6 million acres. Soybean supplies for 2019/20 are forecast at 4.5 billion bushels down 175 million on lower production and beginning stocks. With a small increase in soybean crush, ending stocks are projected at 460 million bushels, down 180 million.

As per USDA, the U.S. season-average soybean price for 2019/20 is forecast at $9.00 per bushel, up 50 cents reflecting smaller supplies. The soybean meal price is forecast at $325.00 per short ton, up $20.00. The soybean oil price forecast is raised 0.5 cents to 30.0 cents per pound.

As per USDA forecast, soybean production of Brazil in 2019-20 is projected at 123 million tonnes higher against the previous year 117 million tonnes due to supportive weather condition. Exports of soybean in 2019-20 is expected to 76.50 million tonnes higher from 75.80 million tonnes in 2018-19.

As per the latest update from USDA, China soybean production is estimated at 17.1 MMT on higher-than-expected area. Most industry sources forecast the crop at 17 MMT or above. Encouraged by subsidies favoring soybean production, farmers have increased planted area; the subsidy has been particularly effective in Northeast provinces. Weather has been favorable as slightly higher yields are expected.

As per WASDE report, world oilseed production for 2019/20 is projected at 574.8 million tons, down 4.6 million tons from September on lower soybean, sunflower seed, rapeseed, and peanut production. Soybean production is projected at 339 million tons, down by 2.4 million tons to a 4-year low, mainly reflecting lower production for the United States. Global rapeseed production is forecast lower on reductions for Canada, Australia, the EU, and the United States. Canadian rapeseed production is reduced on lower yield prospects resulting from an unseasonably heavy snow and a season-ending freeze. Other production changes include lower sunflower seed production for Ukraine, lower cottonseed production for Pakistan and Brazil, and higher cottonseed production for India. With lower global oilseed supplies only partly offset by reduced crush, global oilseed stocks are projected at 109.8 million tons, down 4.6 million. Soybeans account for most of the change with lower stocks in the United States only partly offset by increases for Argentina and Brazil.

Soy meal

Soymeal prices declined on lackluster demand of south based traders during this week. Prices may fall in upcoming days due to weak trend in soybean domestic markets.

As per NOPA recent data, NOPA members have crushed total 152.56 million bushels of Soybeans in September 2019 which is lower than 168.08 million bushels in August 2019. It is also lower from 160.77 million bushels in September 2018. Soybean oil stocks increased to 1.442 billion pounds at the end of September lower against 1.401 billion pounds at the end of August 2019 and 1.53 billion pounds at the end of September 2018. Soymeal exports has been reported up in September 2019 to 844,584 tons from 699,212 tons in August 2019 and 785,267 tons exported in August 2018.

During the week (Oct 11 -17, 2019) US sold Soymeal and cake at 110,400 MT for 2019/20 marketing year primarily for Vietnam (53,300 MT, including 50,000 MT switched from unknown destinations), Colombia (28,200 MT, including decreases of 400 MT), Mexico (16,800 MT), Morocco (15,000 MT), and Burma (14,800 MT), were partially offset by reductions primarily for unknown destinations (41,000 MT), Belgium (3,700 MT), and Guatemala (2,300 MT). For 2020/2021, total net sales reductions of 300 MT were for Canada. Exports of 263,300 MT were primarily to the Philippines (54,800 MT), Vietnam (53,300 MT), Mexico (50,500 MT), Ecuador (30,300 MT), and Canada (21,600 MT).

As per recent SEA report, India shipped Oilmeals lower by 39% to 105,232 tons in September 2019 against 172,423 tons in September 2018. The overall export of oilmeals during April-Sep. 2019 is reported at 1251527 tons compared to 1499049 tons in April-Sep.2018 i.e. down by 17%. This is mainly due to higher price of domestic produce soybean meal. The export of castor seed meal has increased to 301,666(210,371) tons, mainly exported to South Korea.

During April-September 2019, Vietnam imported 170,705 tons of oilmeals (compared to 293,001 tons); consisting of 3070 tons of soybean meal, 107,183 tons of rapeseed meal and 59,933 tons of De-oiled Rice Bran Extraction. South Korea imported 505,290 tons of oilmeals (compared to 463,145 tons); consisting 23,288 tons of soybean meal, 237,930 tons of rapeseed meal and 244,072 tons of castor seed meal. Thailand imported 125,472 tons of oilmeals (compared to 187,159 tons) consisting 106,342 tons of rapeseed meal, 17,581 tons of Rice Bran Extractions and 1549 tons of soybean meal.

The export from Kandla is reported at 483770 tons lower (39%), followed by Mundra handled 385699 tons (31%), and Mumbai including JNPT handled 88895 tons (7%) and Kolkata handled 85313 tons (7%) and Others Ports handled 207850 tons (17%).

As per recent WASDE report, Soybean meal production of India is estimated remain lower at 7.76 million tons for 2019/20 compared to previous year record i.e. 7.85 million tons. It is higher from 6.16 million tons in 2017/18 season. India may export 1.90 million tons Soymeal in 2019/20 lower from 2.35 million tons as in previous year. Domestic consumption of the country may stand at 5.80 million tons higher from 5.48 million tons in 2018/19.

During Indian Soymeal premium quoted higher side by $124 per ton over Argentinean meal with Indian meal bullishness producing the premium rather than Argentinean meal bearishness. Such premiums may limit bookings of Indian Soymeal for forward as well as spot market.

Technical Analysis:

NCDEX Soybean FUTURE

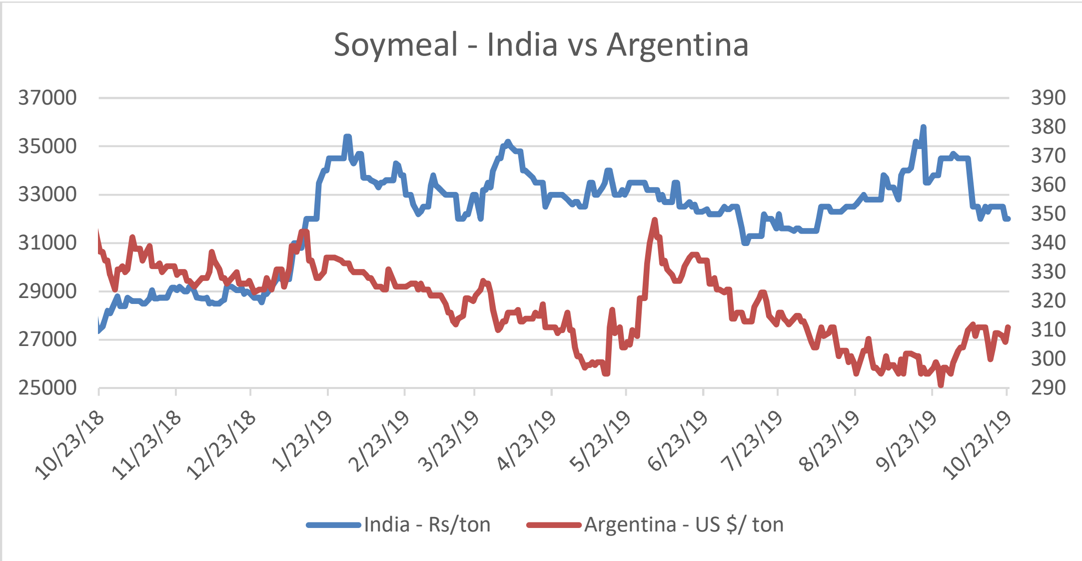
Soybean Spot, Indore

Note: Daily Chart

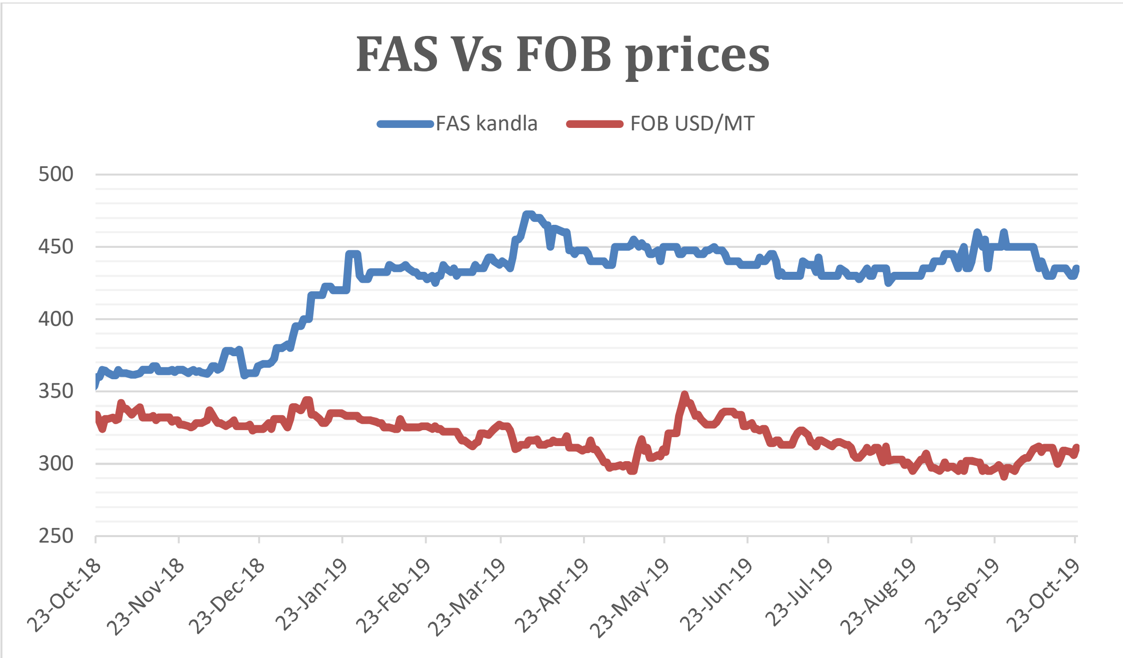
Support & Resistance NCDEX Soybean – Nov. Contract				
S2	S1	PCP	R1	R2
3700	3750	3815	3900	4000

- Soybean Nov. contract depicts firm trend and likely to find support at 3750 and resistance at 3920.
- On the upside, 3920 shall act as immediate resistance followed by INR 4020.
- On the downside, INR 3750 shall act as immediate support followed by 3700.
- Trade Recommendation (NCDEX-Soybean) -**Sell**

Weekly trade call: **Sell** Above-3820 Target – T1-3750; T2- 3700, SL – 3850



FAS SBM, Kandla Vs FOB SBM, Argentina – (US $/tonne)



Soy DOC Rates at Different Centers			
Centres	**Ex-factory rates (Rs/ton)**		
	24-Oct-19	**17-Oct-19**	**Parity To**
Indore - 45%, Jute Bag	31200	32000	Gujarat, MP
Kota - 45%, PP Bag	32500	33000	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	33800	34700	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	32500	34000	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	33600	34300	Andhra, AP, Kar, TN
Latur	34500	34200	-
Sangli	33500	34000	Local and South
Solapur	33000	34000	Local and South
Akola – 45%, PP Bag	32200	33000	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Hingoli	33800	35000	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Bundi	32300	32200	-

Soy DOC at Ports			
Centers	**Port Price**		
	23-Oct-19	**16-Oct-19**	
Kandla (FOR) (INR/MT)	32000	32300	**-300**
Kandla (FAS) (USD/MT)	435	435	**Unch**
CNF Indonesia – Yellow SBM (USD/MT)	450	455	**-5**

Rapeseed Meal	**23-Oct-19**	**16-Oct-19**	
FAS Kandla (USD/MT)	240	240	**Unch**
FOR Kandla (Rs/MT)	17400	17100	**300**
FOR Mundra (Rs/MT)	17800	17500	**300**
CNF Indonesia (USD/MT)	262	Unq	**Unq**

International Soy DOC			
Argentina FOB USD/MT	**23-Oct-19**	**16-Oct-19**	
Soybean Pellets	311	305	**6**
Soybean Cake Flour	311	305	**6**
Soya Meal	311	300	**11**
Soy Expellers	311	300	**11**

Sunflower (DOC) Rates	**Ex-factory rates (Rs/ton)**		
Centers	**24-Oct-19**	**17-Oct-19**	

Adoni	24000	24500	-500
Khamgaon	Unq	Unq	Unq
Parli	Unq	Unq	Unq
Latur	Unq	Unq	Unq

Groundnut Meal (Rs/MT)	**24-Oct-19**	**17-Oct-19**	
Basis 45%, Saurashtra	28000	28000	**Unch**
Basis 40%, Saurashtra	26000	26000	**Unch**
GN Cake, Gondal	27000	28500	**-1500**

Mustard DOC	**24-Oct-19**	**17-Oct-19**	
Jaipur (Plant delivery)	17200	16600	**600**
Kandla (FOR Rs/MT)	17500	17200	**300**

Mumbai Oil Meal Quotes:			
Rs/M.T.	**24-Oct-19**	**17-Oct-19**	
G.N. Extr (45%)	27500	27500	**Unch**
Kardi Extr	Unq	Unq	**Unq**
Undec Cottonseed Exp	37000	37000	**Unch**
Rice Bran Extr.	Unq	Unq	**Unq**
Sunflower Extr.	21000	19500	**1500**
Rapeseed Extr.	Unq	Unq	**Unq**
Soymeal 48%	32348	33391	**-1043**
Castor Extr.	5950	6100	**-150**

Rapeseed - Mustard Seed

RM seed prices are continued on higher side supported by strong local crushers demand on Diwali occasion. At the end of week, mustard closed higher at 4375 per quintal as compared to 4330 per quintal in last week at the benchmark, Jaipur.

As on 16th Oct 2019, Nafed sold total of 7920 MT of R-19 Mustard seed holdings in Rajasthan, Madhya & Haryana markets. It disposed total 87419 MT of Mustard R-19 so far and holds remaining balance at 1001488.76 MT so far.

As per the Mustard Oil Producers Association of India data, India crushed 13% lower mustard seed to 500,000 tonnes in September 2019 compared to last month record on account of lack luster demand of mustard meal exporters and less arrivals in physical markets. While, it is unchanged from last year record during the same month. In September 2019, total supply of mustard seed was 150,000 tonnes in Rajasthan, 85,000 tonnes in Uttar Pradesh 85,000 and 45,000 tonnes in Madhya Pradesh. Total available stocks with processors, stockiest and state-run agencies stood at 1.6 million tons in September 2019. It pegged total mustard crop output at 8.1 million tonnes in 2018-19 season which is higher from 7.1 million tonnes in last season. The estimated figure is lower than the farm ministry fourth advance estimate i.e. 9.3 million tonnes.

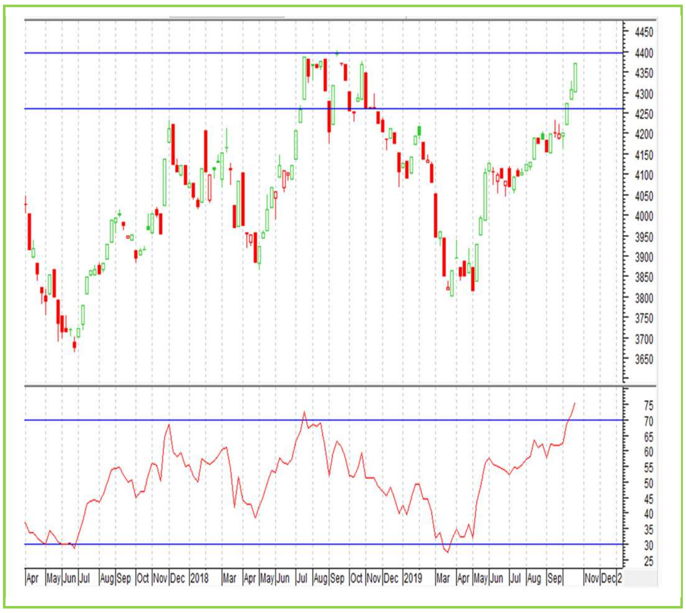
Rapeseed meal exports grew this year due to improved demand from South Korea, Thailand, and Vietnam. Post expects that by September 2019, India will be able to sell a little less than 1 MMT. Currently, it is quoted at $220/MT (July, FOB Indian port) and is very competitive compared to $225/MT (July, FOB Hamburg) quoted by international suppliers.

As per Fourth advanced estimates of government, it estimates Mustard seed output at 9.39 lakh tonnes for 2018/19 higher by 9.09 lakh tonnes from 84.3 lakh tonnes in 2017/18. It estimates groundnut crop size at 66.95 lakh tonnes for 2018/19 against 92.53 lakh tonnes.

Agriwatch estimated rapeseed crop at 7.1 MMT in MY 2018-19. However, new rapeseed crop for 2019-20 is estimated at 7.9 MMT above last year due to higher rapeseed sown area and yields. This will lead to lower rapeseed prices in future thereby adversely affecting rapeseed oil prices. New rapeseed crop harvest has peaked. SEA projects Mustard seed crop size at 8.5 MT in 2018/19 which is very close to agriculture ministry estimates i.e. 8.32 MT. While, other sources like Central Organization for Oil Industry and Trade keeps its forecast at 8.7 MT for this season. According to NBHC (National Bulk Handling Corporation) Rabi crop recent report, crop size of Mustard seed is likely to go up by 0.30% than last estimate to 8.72 million metric tonne. The figure is also higher by 4.78% over last year record due to favorable weather condition resulting in higher yields in major producing states.

SEA projects Mustard seed crop size at 8.5 MT in 2018/19 which is very close to agriculture ministry estimates i.e. 8.32 MT. While, other sources like Central Organization for Oil Industry and Trade keep its forecast at 8.7 MT for this season. In the second advanced estimates, ministry expects higher Indian Rapeseed & Mustard crop (Rabi) at 83.97 lakh tonnes for 2018/19 season against 75.40 lakh tonnes in 2017/18. Normal rainfall at the maturity stage of crop improved yield of crop. The estimates are higher than 2016/17 crop size i.e. 79.17 lakh tonnes.

Technical Analysis:

RM Seed Futures Contract	***RM Seed Spot, Jaipur***
	

Support & Resistance NCDEX RM Seed – Nov. contract				
S1	**S2**	**PCP**	**R1**	**R2**
4150	**4200**	**4276**	**4350**	**4400**

- Mustard Nov. contract depicts remain firmness and further can get support at INR 4200
- Prices have tested the lower level of 4228 in this week.
- Trade Recommendation (NCDEX Rapeseed-Mustard) - **Buy**

Weekly trade call: **Buy** below – 4250 Target – T1-4300 T2- 4350, SL –4210

Annexure

India's Total Oilseeds Production Seen at 223.89 Lakh Tons in 1st Adv. Est. - GOI (Kharif)

The first Advance Estimates of production of major crops for 2019-20 have been released on 23rd Sep, 2019 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. Few the major crops producing states have received good rainfall. As a result, the production of oilseeds kharif crops estimates for 2019-20 has witnessed higher than their normal production. Oilseeds production of India is placed higher by 11.11 lakh tonnes to 223.89 lakh tonnes against the production of 212.78 lakh tonnes in 4th advanced estimates for 2018-19. The estimated figure is also higher by 11.5 lakh tonnes than five years average oilseeds production.

The estimated production of major Oilseeds during 2019-20 is as under:

Oilseeds – 223.89 Lakh tonnes

- Soybean – 135.05 Lakh Tons
- Groundnut – 63.11 Lakh Tons
- Castorseed – 17.37 Lakh Tons
- Sesame/Sesamum/Gingelly/Til – 6.86 Lakh Tons
- Nigerseed – 0.83 Lakh Tons
- Sunflower – 0.67 Lakh tons

MSP for 2019/20 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 2019-20 season, the MSPs of all the Kharif oilseeds are raised for this season. The MSP of Yellow Soybean is increased by Rs.311 from Rs.3399/qt in 2018-19 to Rs.3710/qt in 2019-20,Groundnut is increased by Rs.200 from Rs.4890/qt in 2018-19 to Rs.5090/qt in 2019-20, Sunflower is increased by Rs.262 from Rs.5388/qt in 2018-19 to Rs.5650/qt in 2019-20, Sesamum is increased by Rs.236/qt from Rs.6249/qt in 2018-19 to Rs.6485/qt in 2019-20, Niger seed is increased by Rs.63 from Rs.5877/qt in 2018-19 to Rs.5940/qt in 2019-20.

MSP for 2018/19 Rabi Oilseeds

Centre has increased the MSP of Mustard/Rapeseed by INR 200 from last year and kept it at INR 4200 per quintal. Last year the MSP of Mustard/rapeseed was INR 400 per quintal including bonus of INR 100. Safflower MSP has been increased to INR 4945 from INR 4100 per quintal of last year. Last year MSP includes a bonus of INR 100 per quintal.

SOPA Soybean Production Estimates Kharif 2019-20 As On 10.10.2019

SOPA Soybean Estimates Kharif						
	2018-19			2019-20		
State	Area	Yield	Production	Area	Yield	Production
Gujarat	1.32	925	1.241	1.003	858	0.861
Maharashtra	36.39	944	34.34	37.363	971	36.295
Karnataka	3.19	911	2.90	3.302	816	2.694
Madhya Pradesh	54.1	1075	58.18	51.952	772	40.107
Chhattisgarh	1.281	865	1.108	0.742	726	0.539
Telangana	1.791	877	1.571	1.783	846	1.508
Rajasthan	9.212	971	8.945	9.627	681	6.56
Others	1.09	955	1.041	1.841	748	1.377
Total	108.4	940.4	109.3	107.6	802.3	89.9

Monsoon 2019-IMD Forecast:

Fairly widespread to widespread rainfall with isolated heavy falls and thunderstorm accompanied with lightning likely over entire south India except over South Interior Karnataka and Tamilnadu where isolated heavy to very heavy falls are likely during next 5 days. Fairly widespread to widespread rainfall with isolated heavy falls and thunderstorm accompanied with lightning likely over Madhya Maharashtra, Marathawada and Konkan & Goa during next 2-3 days.