

Oilmeals Weekly Research Report

Contents

- ❖ Executive Summary
- ❖ Outlook – Cash Market
- ❖ Sowing Status – Kharif Oilseeds 2019-20
- ❖ Weather Forecast and Current Status
- ❖ Soybean – Domestic & International
- ❖ Soy meal- – Domestic & International
- ❖ Technical Analysis - Soybean
- ❖ Rapeseed - Mustard
- ❖ Technical Analysis – RM Seed
- ❖ Annexure – Prices etc.

Executive Summary

Oilseeds complex closed on higher side during this week at most of physical trading centers. Soybean prices increased after less supply as traders and farmers are expecting more price hike in coming days. While, Mustard seed prices gained on robust demand of local buyers. Arrivals are also higher side as traders and farmers want to book profit at the current level. NAFED procurement activities and lower crop estimates of this season may support soybean prices to increase in long run. NCDEX future prices of Soybean and Mustard increased after buying activities of speculators. CBOT prices declined in this week after improved crop weather in South America and uncertainty for trade deal in U.S. and China.

In MP, exports of soybean derivatives have been declined in this year followed by lower crop availabilities and reporting a fall of 250 containers per month. Normally, exports pick up higher side during harvesting period of time and reports around 400 to 500 containers per month. However, less crop availabilities of this season have declined exports volume of soybean derivatives up to 200 containers. MP is one of the biggest soybean producers in the country and likely to produce 4.13 million tons of soybean in 2019-20 lower by 31.19% from 5.79 million tonnes in previous year record due to excess rainfall.

Rabi crop sowing has been started now in India. As per recent released data of Ministry, the total area under Oilseeds is reported lower by 3.19 lakh hac. to 54.88 lakh hectares as on 22nd Nov. 2019 against 58.07 lakh hectares in the previous year in the corresponding period of time. There is a drop-in sowing of Mustard seed to 50.71 lakh hectares lower by 2.92 lakh hac. against 53.62 lakh hectares in last year. Total covering area of groundnut stood at 1.66 lakh hectares lower against 1.74 lakh hectares in last year. Safflower has been planted on 0.19 lakh hectares lower against 0.20 lakh hectares in last year. Sunflower has been planted on 0.52 lakh hectares lower against 0.69 lakh hectares last year. Sesame has been planted on 0.23 lakh hectares higher against 0.11 lakh hectares last year. Linseed has been planted on 1.44 lakh ha against 1.58 lakh ha last year.

Total 60 to 70% soybean area of this season has been affected by non seasonal rainfall in Madhya Pradesh. In view of traders, India may get 20 to 25% lower soybean production in this season. Rainfall in October month has delayed soybean harvesting and damaged the quality of the crop which was harvested and laid in the field for drying. Incidence of sucking pest and yellow mosaic virus has been observed in the field after prolonged water loggings and damaged the quality of seeds. It has also delayed soybean harvesting in Maharashtra states. Traders expect 50% of soybean affected area due to non seasonal rainfall in Maharashtra. We expect Maharashtra Soybean production for 2019-20 at 2.90 million tones lower against 31.43% against previous year record. . Traders expect Soybean production in India at 8.5 million tonnes for 2019/20 due to heavy crop loss in MP & Rajasthan and Maharashtra. As per trade body, India may grow 18% lower Soybean crop to 9 million tonnes in 2019. As a result domestic soya bean prices have increased significantly to their highest in three and a half years, making exports of soya meal uncompetitive.

Soybean complex may trade in steady to higher side on lower crop estimates in coming days. RM Seed prices may increase amid good demand against less supplies.

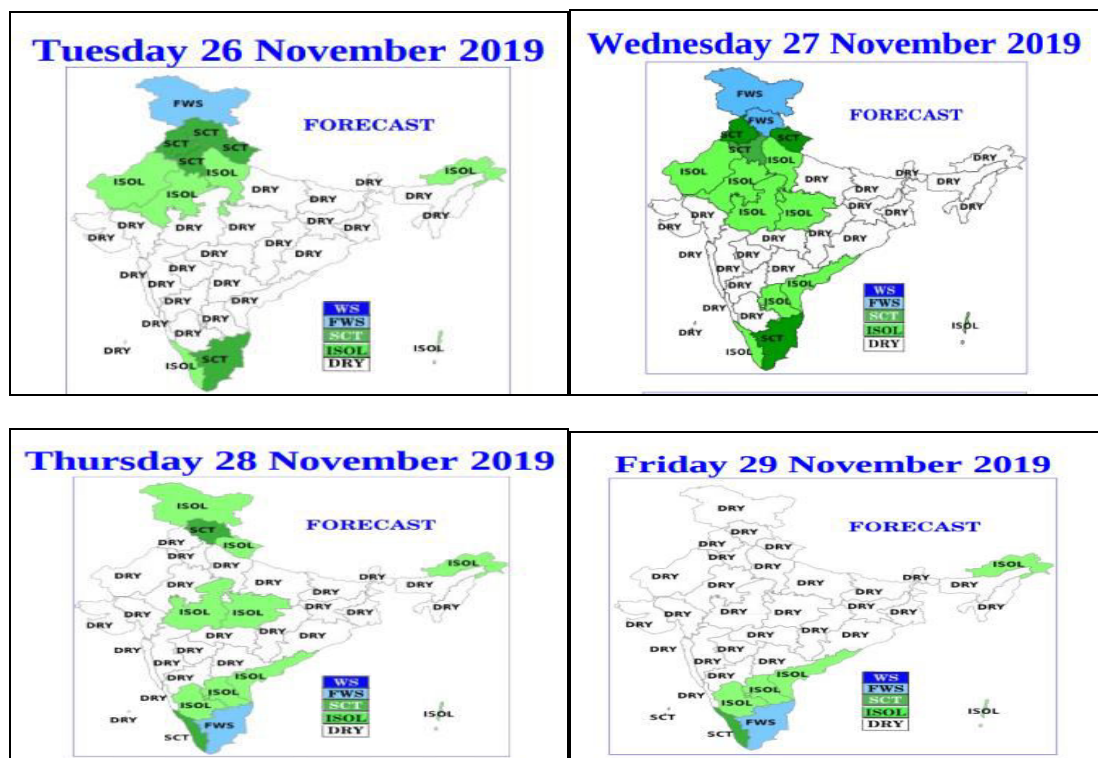
Outlook – Cash Market

Outlook-Soybean (Spot, Indore): Soybean Indore plant prices are remained on higher side on lower crop estimates of this season. Prices may increase in expectations of less supply in coming week. Prices are likely to trade in the range of 3950 to 4100 in next week. The market sentiments are now depending on the stocks to be carried over to the next marketing year, buyers demand & weather condition and Kharif crop size estimates and Nafed's procurement.

Outlook –Soy meal (Spot, Indore): Soy meal prices closed lower side due to less demand. Prices may trade steady to firm tone in the coming days following higher price trend in soybean and Soy oil markets. Prices are also being driven by global market's outlook and may trade between Rs.31800 to 32200/MT in Indore market. Exporters are less active in the market.

Outlook-Rapeseed-Mustard (Spot, Jaipur basis) Mustard seed prices at Jaipur market increased on strong demand of crushers. Prices may trade in steady to firm tone in coming week on good local demand against less supply. Prices are likely to trade in the range of 4480 to 4550 in next week. Nafed is likely to start disposal of Mustard seed soon which may weigh on prices. However, NCDEX future prices of RM Seed may decline on profit booking phase of the market.

Weekly Weather Report



Seasonal Rainfall Scenario (01 October to 20 November, 2019), for the country as a whole, cumulative rainfall during this year's post- monsoon season upto 20 November, 2019 is above LPA by 34%. Details of the rainfall are mentioned below:-

Weekly Rainfall Scenario (14 to 20 November, 2019) (IMD)

Regions	Actual Rainfall (MM)	Normal Rainfall (MM)	% Departure from LPA
Country as a whole	4.7	6.8	-31%
Northwest India	7.6	3.1	144%
Central India	0.6	3.9	-84%
South Peninsula	9.8	19.4	-50%
East & Northwest India	1.5	4.4	-65%

Weekly rainfall Scenario (01 October to 20 November, 2019)

Regions	Actual Rainfall (MM)	Normal Rainfall (MM)	% Departure from LPA
Country as a whole	131.9	98.8	34%
Northwest India	50.9	30.3	68%
Central India	118.9	65.3	82%
South Peninsula	271.0	223.7	21%
East & Northwest India	144.3	147.4	-0.2%

Rabi Oilseed Sowing Status

Rabi Oilseeds Sowing as on 22.11.2019 (In lakh Hectare)						
	Normal Area	Normal area as on date	2019	2018	Change (Y-o-Y)	% change of normal area
Rapeseed & Mustard	60.48	54.64	50.71	53.62	-2.92	-3.94
Groundnut	7.76	2.09	1.66	1.74	-0.08	-0.44
Safflower	1.41	0.51	0.19	0.20	-0.02	-0.32
Sunflower	2.96	1.37	0.52	0.69	-0.18	-0.85
Sesamum	3.12	0.16	0.23	0.11	0.11	0.059
Linseed	2.99	0.17	1.44	1.58	-0.14	-0.34
Others	0.14	0.18	0.15	0.12	0.03	-0.03
Total-Oilseeds (Nine)	78.85	60.75	54.88	58.07	-3.19	-5.87

Soybean

Domestic Market

Soybean prices rose at most of trading centers during this week on good demand of retailers, stockiest and traders. Arrivals are likely to increase further in market as farmers may bring new crops in full pace due to higher prevailing prices. Soybean prices may trade in steady to firm tone in expectation of good demand. Nafed's procurement activity and lower crop estimates of this season may support prices to rise.

As on 21st Nov.2019, Nafed has procured total 648 MT of Soybean from various trading centers in Telangana. Total 7656.43 MT has been procured so far from 4495 farmers. The State government has requested the Centre to increase the quantity of procurement of the Soybean crop produced in Telangana than the approved quota since the market price has been ruling below the minimum support price of ₹3,710 per quintal. Centre has agreed to procure 58,608 tonnes about 30.2% of the estimated production, of Soybean.

Crop harvesting is almost completed. Continuous heavy rainfall received during monsoon season has severely damaged the crop in Rajasthan and Madhya Pradesh. Incidence of sucking pest and yellow mosaic virus has been observed in the field. Overall crop condition is below normal and yield is expected to be below normal. As per traders, total 20 to 25% soybeans are damaged in MP state majorly in the districts of Ratlam, Mandsaur and Neemuch. Traders expect Soybean production in India at 85 lakh tonnes for 2019/20 due to heavy crop loss in MP& Rajasthan.

As per SOPA recent released data, Soybean arrivals is registered at 12 lakh tonnes in October month lower from 21 lakh tonnes in last year in same month and also lower of 4 years record due to less supplies. India has shipped total 0.20 lakh tonnes in Oct month less than 0.24 lakh tonnes in last year. Planters, Traders and Farmers held 75.64 lakh tonnes of Soybean stocks so far of this season. India has crushed total 6.50 lakh tonnes in Oct 2019 lower from 9.50 lakh tonnes in previous year during the same month. India may produce total 89.84 lakh tonnes in 2019/20 season. SOPA expects carry over stock from last year at 1.70 lakh tonnes and 1.54 lakh tonnes for carry forward in next year. Imports of India are likely to stand at 3 lakh tonnes. Retained for sowing will be at 12 lakh tonnes while direct consumption is estimated at 2 lakh tonnes. Exports for 2019/20 may

record at 1.50 lakh tonnes and crushing is estimated at 77.50 lakh tonnes. Soymeal production of the country is likely to stand at 62.78 lakh tonnes. Carry over stock of Soymeal is estimated at 1.59 lakh tonnes and 1.37 lakh tons of carry forward stocks. While export sea and land may stand at 10 lakh tonnes. Domestic consumption of Soymeal (Food) is estimated at 5.50 lakh tonnes and 47.50 lakh tonnes for Feed. In October month, India has exported total 0.50 lakh tonnes of Soymeal lower against 1.31 in Oct 2018 on lower overseas demand.

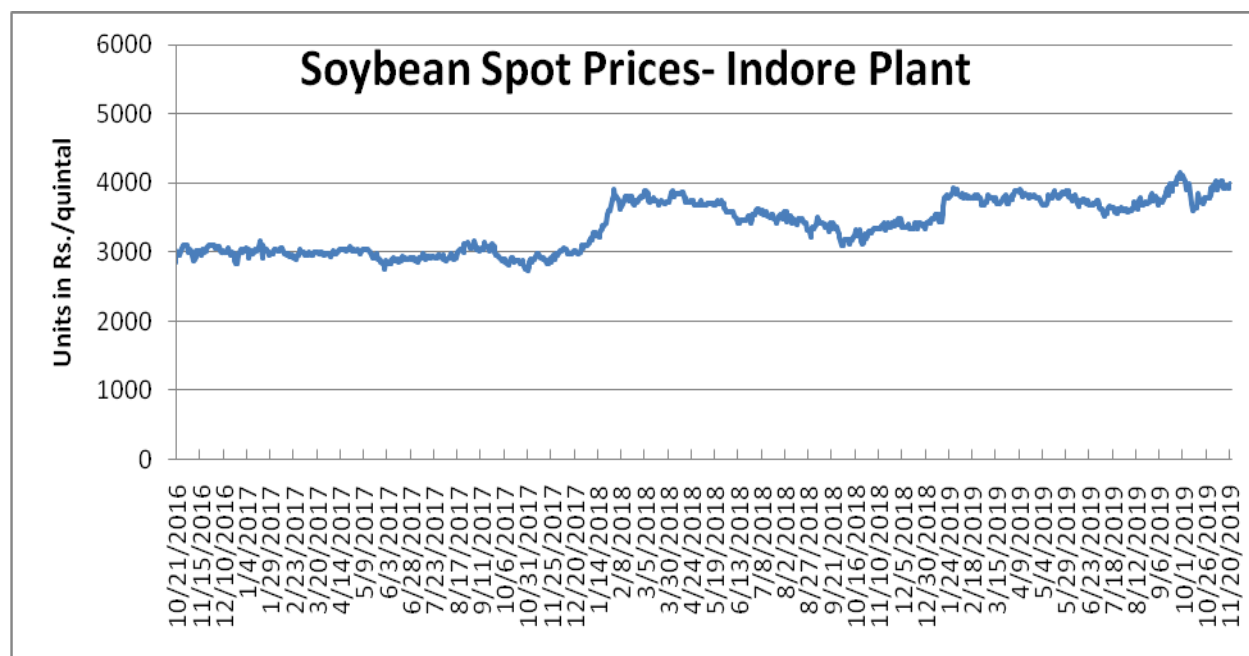
As per recent updates of SOPA, India may harvest 17.7 per cent lower Soybean crop at 89.9 lakh tonnes in 2019 against 109.3 lakh tonnes in 2018. The major Soybean producing states like Gujarat, Karnataka, Madhya Pradesh may harvest lower Soya crop by 30 per cent to 0.86 lakh tonnes, 7.1 per cent to 2.69 lakh tonnes, 31.1 per cent to 40.10 lakh tonnes respectively against last year record.

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.

As per the First Advance crop estimates 2019-20 of Ministry of Agriculture, Soybean production is estimated at 135.05 lakh tonnes as compared to 137.86 lakh tonnes in 2018-19.

The Ministry of Agriculture has fixed higher Minimum Support Price of Soybean (Yellow) at Rs 3710 per quintal for 2019-20 an increase of Rs 311 from Rs. 3399 per quintal in 2018-19.

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



International Market

CBOT Soybean future settled lower after uncertainty for trade deal between U.S. and China and improved crop weather in South America. Higher exports sales record of U.S. could not support prices to rise in this week.

As per sources, Farmers in Brazil have planted total 70.9% of soybean area as on 15th Nov. 2019 of this season which is higher by 13% against previous week supported by good rainfall. However, it is lower by 12% from previous year record during the same period of time and 2% from the five-year average record. As per USDA, the soybean planted area is likely to increase by 2% to 37 million hectares for 2019-20 against last year record and soybean production is forecast higher by 5% to 123 million T in normal weather condition as compared to last year.

As per USDA, U.S. has harvested total 91% of soybean at this weekend on 17th Nov 2019 higher from last week record i.e. 85% and similar to last year record however it is remained lower from five-year average record i.e. 95%.

During the week (Nov 8-15) US sold 22% higher soybean to 1,516,700 metric tons for 2019/2020 against the previous week and 39 percent from the prior 4-week average. Increases primarily for China (568,600 MT, including 132,000 MT switched from unknown destinations and decreases of 3,300 MT), Germany (198,000 MT), Spain (129,000 MT, including 128,000 MT switched from unknown destinations and decreases of 5,300 MT), Egypt (122,200 MT, including 52,500 MT switched from unknown destinations), and Bangladesh (105,000 MT, including 50,000 MT switched from China), were offset by reductions for unknown destinations (103,900 MT) and Singapore (600 MT). Exports of 1,707,400 MT--a marketing-year high--were up 35 percent from the previous week and 18 percent from the prior 4-week average. The destinations were primarily to China (873,600 MT), Germany (198,000 MT), Spain (129,000 MT), Pakistan (70,000 MT), and Japan (59,800 MT).

As per custom report, China has imported 10.7% lower to 6.18 million tonnes in October 2019 compared to 6.92 million tonnes in previous year. It is also lower by 24.6% from 8.2 million tonnes in September 2019. For the first nine months of the year, China bought 70.69 million tonnes of soybeans, down 8.1% from 76.93 million tonnes in the same period last year.

As per NOPA recent data, NOPA members have crushed total 175.39 million bushels of Soybeans in October 2019 which is higher than 152.56 million bushels in September 2019 on account of harvesting period of time. It is also higher from 172.34 million bushels in October 2018. However, crushing margin is lower because of higher soybean prices in U.S. Crushers have faced less competition for beans from exporters. Soybean oil stocks declined to 1.423 billion pounds at the end of October against 1.442 billion pounds in last month and 1.503 billion pounds at the end of October 2018. Soybean exports have been reported higher in October 2019 at 894,817 tons from 844,584 tons in September 2019 and 967,174 tons exported in October 2018.

As per Abiove, Brazil is likely to produce total 122.8 million tons in 2020 higher from 117.8 million tonnes in 2019. The country may export total 75 million tonnes lower from 83.26 million tonnes in 2019. Soy processing is forecast at 44 million tonnes higher against 42.9 million tonnes in 2019. Soy crushing may increase in 2020 due to higher biodiesel mix in diesel. However, soy planting area is still lagging behind last year record.

As per Agroconsult, Brazil is likely to ship lower soybean to China at 53 million tonne in 2019/20 against 60 million tonnes in the 2018-19 season in the case of a trade deal between the Asian country and the United States. It expects Brazilian exports to China to fall less if a trade deal is not reached, projecting soybean exports at 57 million tonnes, since the Asian nation is posed to reduce soybean buying overall due to smaller local demand for soymeal after the African swine fever (ASF) crisis. However, U.S may ship more soybean at 20 million tonnes to China in 2019-20 even if a trade deal is not reached compared to 14 million tonnes exported in 2018-19.

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 USDA recent released report, U.S. Soybean production for 2019/20 is forecasted slightly lower to 96.61 million tons in November compared to last month record i.e. 96.62 million tons. Exports of U.S are unchanged at 48.30 million tonnes in this month. While, U.S crushing reports stood 57.25 million tonnes lower against 57.69 million tonnes in Oct month. Ending stocks of the country is expected 12.92 million tonnes higher from 12.52 in last month.

As per WASDE report, world oilseed production for 2019/20 is projected at 571.30 million tons in Nov month, down 3.55 million tons from October due to mostly to lower soybean and cottonseed production. Soybean production is projected at 336.6 million tons, down by 2.4 million tons to a 4-year low, mainly reflecting lower production for the United States. Oilseeds crushing estimates is also down by 3.6 million to 494.7 million tons. Ending stocks are increased marginally from the October forecast mainly due to higher soybean stocks in Brazil and the United States partially offset by a 1.1-million-ton reduction in Argentina. Protein meal production is down 2.6 million tons from last month to 337.8 million tons primarily on lower soybean meal production in India. Vegetable oil production declines 1.0 million tons from October mostly due to lower production of soybean, rapeseed, and palm oil. Oil stocks are lowered 570,000 to 19.1 million tons, the lowest in 5 years.

As per USDA, the U.S. season-average soybean price for 2019/20 is forecast unchanged at \$9.00 per bushel. 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. U.S. Gulf FOB soybean export bids in October averaged \$358/ton, up \$22 from September. Brazil Paranagua averaged \$372/ton, up \$10 from September. Argentina Up River FOB averaged \$354/ton, up \$6. U.S. soybean meal export bids in October averaged \$339/ton, up \$9 from September.

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 and unchanged from previous month record. Exports of soybean in 2019-20 is expected to 76 million tonnes higher from 75.85 million tonnes in 2018-19 however lower from 76.50 million tonnes in October month.

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. Total imports of China are estimated at 8.5 million tonnes for 2019/20 season higher from 8.2 million tonnes in Oct. month. While crushing is forecasted at 8.4 million tonnes lower from 8.5 million tonnes in 2018/19.

As per IGC (International Grain Council), Global soybean output may decline by 18 million tonne to 341 million tonnes due to slight shortfall in U.S Soybean output for this season and lower planting area so far in Brazil.

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.

Soy meal

Soymeal prices declined this week on account of dull demand in the market. Demand in international markets (mainly in South East Asian countries) is very low due to higher domestic prices. As per SOPA, the Directorate General of Foreign Trade (DGFT) has stopped giving 7% MEIS benefit for export of soybean meal with effect from August 1, 2019 and de-activated the web portal for filing of such claims online. As a results exporter are suffering from huge losses.

Soymeal production of the country is likely to stand at 62.78 lakh tonnes. Carry over stock of Soymeal is estimated at 1.59 lakh tonnes and 1.37 lakh tons of carry forward stocks. While export Sea and land may stand at 10 lakh tonnes lower output and noncompetitive prices in world market. India had exported total 22 lakh tonnes in last year in 2018-19 season. Domestic consumption of Soymeal (Food) is estimated at 5.50 lakh tonnes and 47.50 lakh tonnes for Feed. In October month, India has exported total 0.50 lakh tonnes of Soymeal lower against 1.31 in Oct 2018 on lower overseas demand.

As per recent report of USDA, India may produce lower Soymeal to 6.4 million tonnes in 2019/20 compared to 7.6 million tonnes in 2018/19 season. The estimate is lower from 7.7 million tonnes in Oct month estimates due to less lower supplies of Soybean in this season. Domestic consumption is forecast at 5.35 million tonnes for this season higher from 5.2 million tonnes in previous year record however it is lower from previous month record i.e. 5.8 million tonnes due to less demand.

As per USDA, the U.S. season-average soybean price for 2019/20 is forecast unchanged at \$9.00 per bushel. 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. U.S. Gulf FOB soybean export bids in October averaged \$358/ton, up \$22 from September. Brazil Paranagua averaged \$372/ton, up \$10 from September. Argentina Up River FOB averaged \$354/ton, up \$6. U.S. soybean meal export bids in October averaged \$339/ton, up \$9 from September.

During the week (Nov.8-14, 2019) US sold 43% lower soybean cake and meal to 196,400 MT for 2019/2020 from the previous week and 12 percent from the prior 4-week average. Increases primarily for Peru (53,000 MT), Colombia (38,400 MT), Honduras (35,900 MT), Nicaragua (21,200 MT), and Burma (9,200 MT), were offset by reductions for Morocco (10,500 MT). Exports of 159,900 MT were primarily to Mexico (33,700 MT), Venezuela (26,000 MT), Colombia (25,800 MT), the Dominican Republic (24,600 MT), and Burma (10,900 MT).

As per recent SEA report, India shipped Oilmeals lower by 39% to 105,085 tons in October 2019 against 233,867 tons in September 2018. The overall export of oilmeals during April-Oct. 2019 is reported at 1,392,564tons compared to 1,732,916 tons in April-Oct.2018 i.e. down by 24%. This is mainly due to disparity in export of oilmeals, specifically soybean meal due to higher MSP of beans which makes the domestic soybean meal expensive in international market compared to other origin. The export of castor seed meal has increased to 301,666(210,371) tons, mainly exported to South Korea.

During April-October 2019, Vietnam imported 192,440 tons of oilmeals (compared to 338,292 tons); consisting of 3668 tons of soybean meal, 124,590 tons of rapeseed meal and 64,182 tons of De-oiled Rice Bran Extraction. South Korea imported 557,510 tons of oilmeals (compared to 472,935 tons); consisting 27,326 tons of soybean meal, 253,523 tons of rapeseed meal and 276,661 tons of castor seed meal. Thailand imported 130,715 tons of oilmeals (compared to 198,798 tons) consisting 111,367 tons of rapeseed meal, 17,581 tons of Rice Bran Extractions and 1,767 tons of soybean meal.

During April to Oct 2019, the export from Kandla is reported at 518,525 tons lower (37%), followed by Mundra handled 450,064 tons (31%), and Mumbai including JNPT handled 98,394 tons (7%) and Kolkata handled 89,833 tons (7%) and Others Ports handled 235,748 tons (17%).

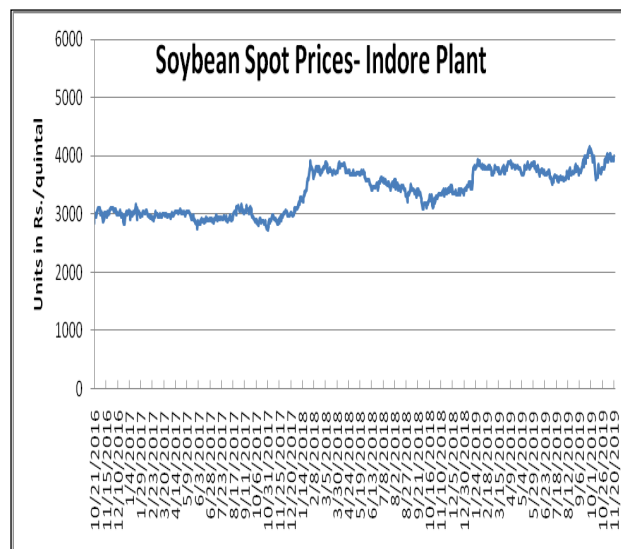
Indian Soymeal premium quoted higher side by \$126 per ton over Argentinean meal with Indian meal bullishness producing the premium rather than Argentinean meal bearishness. Such premiums may limit bookings of Indian Soymeal for forward as well as spot market.

Technical Analysis:

NCDEX Soybean FUTURE



Soybean Spot, Indore



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Note: Daily Chart

Support & Resistance NCDEX Soybean – Dec.Contract

S2	S1	PCP	R1	R2
3800	3900	4014	4180	4250

- Soybean Dec. contract depicts weak trend and likely to find support at 3900 and resistance at 4180
- On the upside, 4180 shall act as immediate resistance followed by INR 4250.
- On the downside, INR 3900 shall act as immediate support followed by 3800.
- Trade Recommendation (NCDEX-Soybean) - **Buy**

Weekly trade call: **Buy** Above-4010 Target – T1-4080; T2-4130, SL – 3950

Soy DOC Rates at Different Centers			
Centres	Ex-factory rates (Rs/ton)		
	21-Nov-19	14-Nov-19	Parity To
Indore - 45%, Jute Bag	31500	32200	Gujarat, MP
Kota - 45%, PP Bag	33000	33500	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	33800	33500	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	32600	32800	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	33200	34000	Andhra, AP, Kar, TN
Latur	34200	34500	-
Sangli	33600	33500	Local and South
Solapur	33500	34700	Local and South
Akola – 45%, PP Bag	31500	31900	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Hingoli	34000	33700	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Bundi	32800	33300	-

Soy DOC at Ports			
Centers	Port Price		
	20-Nov-19	13-Nov-19	
Kandla (FOR) (INR/MT)	32800	Unq	Unq
Kandla (FAS) (USD/MT)	445	Unq	Unq
CNF Indonesia – Yellow SBM (USD/MT)	480	Unq	Unq

Rapeseed Meal	20-Nov-19	13-Nov-19	
FAS Kandla (USD/MT)	246	Unq	Unq
FOR Kandla (Rs/MT)	17700	Unq	Unq
FOR Mundra (Rs/MT)	18000	Unq	Unq
CNF Indonesia (USD/MT)	265	Unq	Unq

International Soy DOC			
Argentina FOB USD/MT	20-Nov-19	13-Nov-19	
Soybean Pellets	323	321	2
Soybean Cake Flour	323	321	2
Soya Meal	323	320	3
Soy Expellers	323	320	3

Sunflower (DOC) Rates	Ex-factory rates (Rs/ton)		
Centers	21-Nov-19	14-Nov-19	

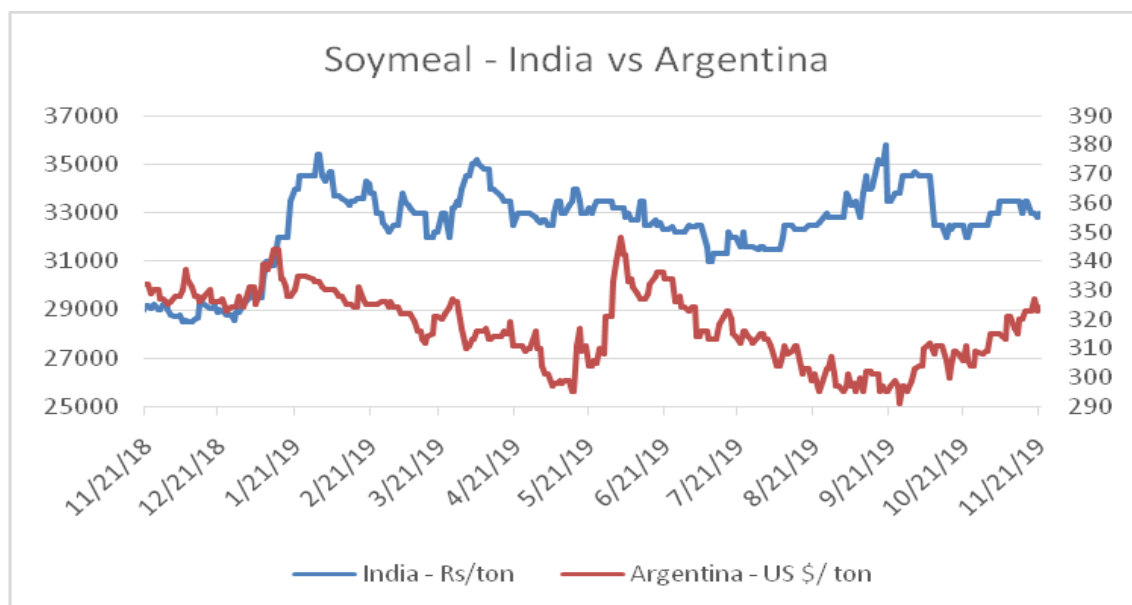
Adoni	23800	24000	- 200
Khamgaon	Unq	Unq	Unq
Parli	Unq	Unq	Unq
Latur	Unq	Unq	Unq

Groundnut Meal (Rs/MT)	21-Nov-19	14-Nov-19	
Basis 45%, Saurashtra	28000	28000	Unch
Basis 40%, Saurashtra	26000	26000	Unch
GN Cake, Gondal	29000	28500	-500

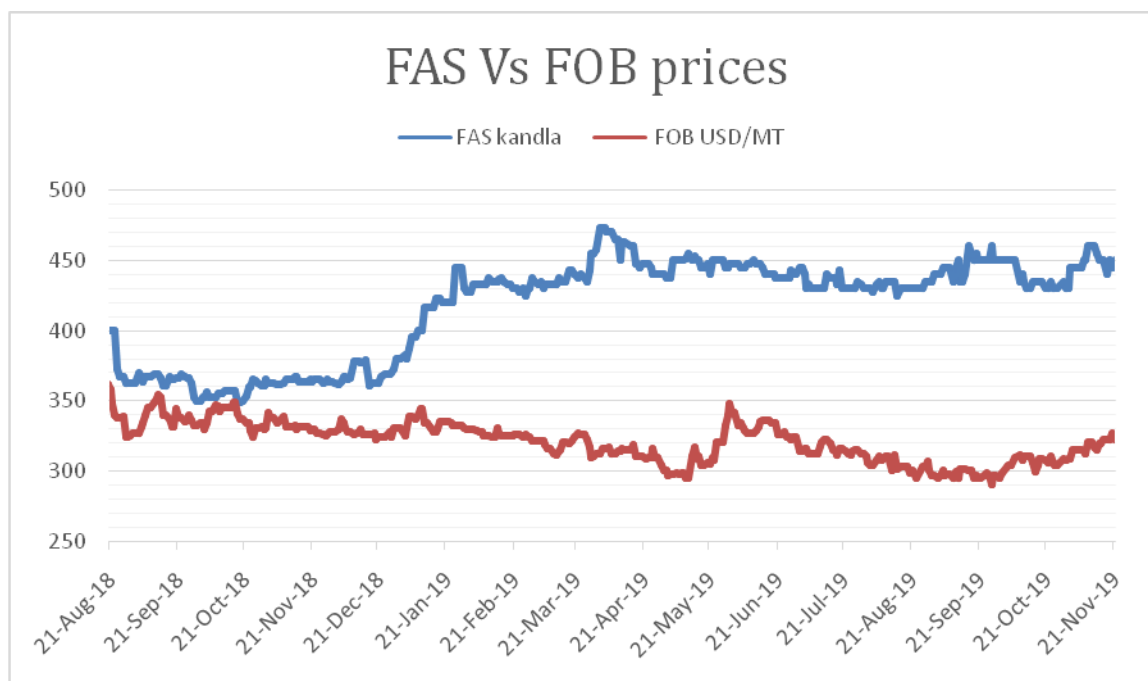
Mustard DOC	21-Nov-19	14-Nov-19	
Jaipur (Plant delivery)	17400	17700	-300
Kandla (FOR Rs/MT)	17700	18100	-400

Mumbai Oil Meal Quotes:			
Rs/M.T.	21-Nov-19	14-Nov-19	
G.N. Extr (45%)	27000	27500	-500
KardiExtr	Unq	Unq	Unq
Undec Cottonseed Exp	24000	25000	-1000
Rice Bran Extr.	Unq	Unq	Unq
Sunflower Extr.	21000	21000	Unch
Rapeseed Extr.	Unq	Unq	Unq
Soymeal 48%	32870	33600	-730
Castor Extr.	5900	5950	-50

Soymeal - India Vs Argentina – (US \$/tonne)



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



Rapeseed - Mustard Seed

RM seed prices increased this week supported by firm in demand of local crushers and traders. Arrivals are also on higher side in this week as farmers and traders are booking their profit at the current market prices. At the end of week, mustard closed higher at 4475 per quintal as compared to 4440 per quintal in last week at the benchmark, Jaipur.

As per recent Ministry report, India has covered total 50.70 lakh hac. Of Mustard area as on 22nd Nov. 2019 which lower by 2.91 lakh hac. against 53.62 lakh hac, in 2018-19. It is also lower by 3.94 lakh hac. from five year average area record i.e. 54.64 lakh hac. In Rajasthan, farmers have covered total 21.03 lakh hac. lower by 0.29 against 21.33 lakh hac. followed by 10.96 lakh in Uttar Pradesh, 5.3 lakh hac. in MP and 1.17 lakh hac. in Gujarat states.

High water level in most reservoirs will support to increase yield. However, acreage for Rabi season may decline less as sowing has been delayed due to recent rainfall in October and November and late harvesting of Kharif crops. Farmers are waiting water to dry up the sowing low lying land. The government expects Mustard seed production at 8.24 MT for 2019-20 lower than last year record. Government has announced Rs. 225 higher MSP of Mustard seed for Rabi 2020-21 seasons to Rs.4425 against Rs. 4200 in 2019-20. As per recent released data, there is a drop-in sowing of Mustard seed to 43.09 lakh hectares lower by 0.9 lakh hac. against 44.02 lakh hectares in last year as on 15th Nov. 2019.

According to United States Department of Agriculture (USDA) October estimates, India's 2019-20 Rapeseed oil import estimates are revised lower at 1.20 lakh tonnes from 1.25 lakh tonnes in previous year. Domestic consumption lowered to 27 lakh tonnes from 27.30 lakh tonnes in previous year record. Ending stocks have been lowered to 1.44 lakh tonnes from 1.43 lakh tonnes in last year record. India may produce total 77 lakh tones of Rapeseed in 2019/20 lower from 80 lakh tonnes in 2018/19.

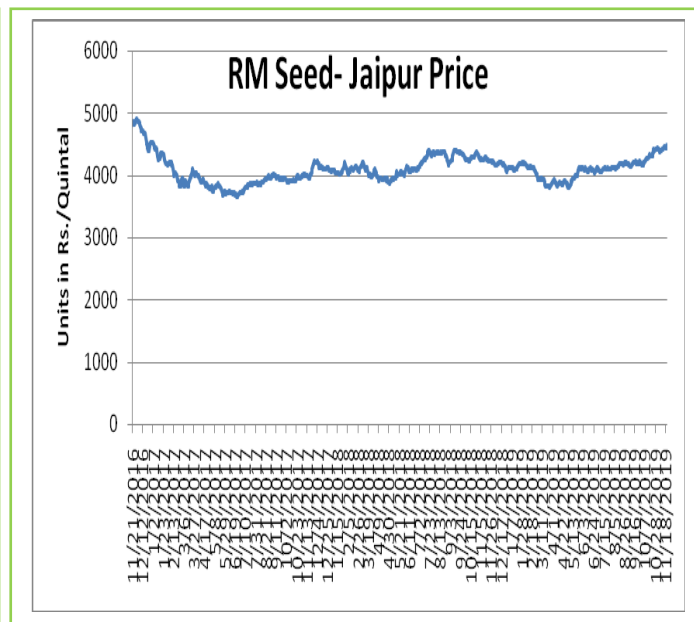
As on 16th Oct 2019, Nafed sold total of 7920 MT of R-19 Mustard seed holdings in Rajasthan, Madhya Pradesh & Haryana markets. It disposed total 87419 MT of Mustard R-19 so far and holds remaining balance at 1001488.76 MT. It is likely to dispose total 7.47 lakh tonnes in next three month following 2.51 in November 2019, 2.50 Lakh tonnes in Dec 19, and 2.45 lakh tonnes in Jan 20 from various trading centers of Lucknow, Indore, Jaipur, and Chandigarh & Ahmedabad. It may sell total 1938.67 MT in Lucknow, 1.20 lakh tonnes in Indore, 4.35 lakh tonnes in Jaipur, 1.45 lakh tonnes in Chandigarh, 45541.18 MT in Ahmedabad during Nov. Month to Jan 2020.

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.

As per Fourth advanced estimates of government, it estimates Mustard seed output at 93.9 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.

Technical Analysis:

RM Seed Futures Contract RM Seed Spot, Jaipur



Support & Resistance NCDEX RM Seed – Dec.Contract

S1	S2	PCP	R1	R2
4120	4210	4355	4500	4550

- Mustard Dec.contract depicts weakness and further can get support at INR 4210
- Prices have tested the lower level of 4291 in this week.
- Trade Recommendation (NCDEX Rapeseed-Mustard) -**Sell**

Weekly trade call: **Sell** Above – 4380 Target – T1-4300 T2- 4200, SL –4450

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 Lakhtonnes

- 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 2020/21 Rabi Oilseeds

Centre has increased the MSP of Mustard/Rapeseed by INR 225 from last year and kept it at INR 4425 per quintal. Last year the MSP of Mustard/rapeseed was INR 4200 per quintal including bonus of INR 200. Safflower MSP has been increased by INR 270 to INR 5215 from INR 4945 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

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