Oilmeals Weekly Research Report

Contents

Executive Summary

Weak tone are seen at major trading centers during this week on dull trading activities. Soybean price declined as seasonal demand is over and also lower demand of soymeal and soyoil. Farmers and traders hold total 20 to 30 lakh tonnes of soybean seed and likely to release in March end or April 2020. Mustard seed prices traded on weak tone and likely to decline further in expectation of rise in arrivals of new mustard crop. Traders expect 20% higher mustard crop of this season in Rajasthan belt. However, NCDEX soybean and Mustard seed prices rose after speculative buying activities at lower side. CBOT future soybean prices increased in this week after firm global sentiments.

Farmers have started to bring new mustard early sown crop at few districts of Rajasthan, UP, MP and Gujarat. However, the new harvested mustard crops contained 48 to 52% moisture which is higher than 10 to 12% in normal condition. Traders expect 20% higher mustard crop of this season in Rajasthan belt. Farmers have covered total 6.9 million hac. Of mustard seed in 2019-20 season lower by 0.4% against last year record. However, good weather condition and ample water availability have supported to increase yield at major growing states which is likely to boost up mustard crop production in this year. Traders expect 8 million tonnes of mustard crop output in this year which is higher by 2.6% from 7.8 million tonnes in previous year record.

According to farm ministry recent data, India is likely to grow mustard crop at 9.34 million tonnes for 2019/20 season which is unchanged from last year record. Overall crop condition is good and likely to support mustard production to increase. However, hailstorm in early Jan month 2020 have affected standing mustard crops in some parts of northern and western part of India which may cause the stem rot disease and leave the plant wilted. In Rajasthan, western Uttar Pradesh and southern Haryana, white rust and stem rot diseases were reported which may curb any major rise in crop size. It pegged 6.2 million hectares of mustard sowing area for this season unchanged from last season. It expects total 2.7 million hectares of sowing area in Rajasthan. However, farmers may switch mustard area to wheat in MP, Haryana, Uttar Pradesh and West Bengal. Mustard yield for 2019-20 is likely to stay unchanged at 1.49 tonnes per hac. as compared to previous year. While, yield may increase to 1.9 tonnes per hac. in some parts of eastern UP.

As per recent released data of Ministry, the total area under Oilseeds is reported lower by 0.07 lakh hectares to 80.29 lakh hectares as on 31st Jan 2020 against 80.36 lakh hectares in the previous year in the corresponding period of time. There is a drop-in sowing of Mustard seed to 69.51 lakh hectares lower by 0.24 lakh hac. against 69.76 lakh hectares in last year. Sunflower has been planted on 1.04 lakh hectares lower against 1.13 lakh hectares in last year. Sesame has been planted on 0.56 lakh hectares lower from last year i.e.0.71 lakh hac. However, total covering area of groundnut stood at 4.76 lakh hectares higher against 4.59 lakh hectares in last year. Safflower has been planted on 0.63 lakh hectares higher from last year record i.e.0.43 lakh hectares. Linseed has been planted on 3.46 lakh hectares higher against 3.44 lakh hectares in last year.

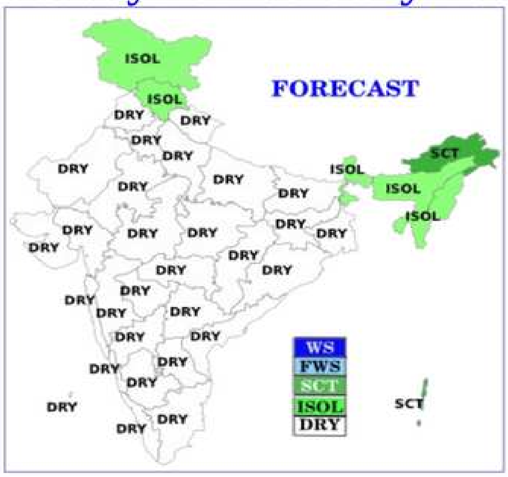
Soybean prices may trade in steady to weak tone on less demand of crushers and millers while Mustard seed may trade lower side after good supplies of new crop.

Outlook – Cash Market

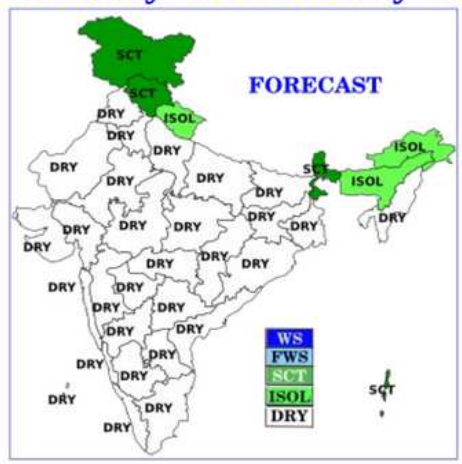
Outlook-Soybean (Spot, Indore): *Soybean Indore plant prices declined after improved demand. However, Prices may decrease in next week in expectation of weak demand of millers. Prices are likely to trade in the range of 3950 to 4050 in next week. The market sentiments are now depending on the stocks to be carried over to the next marketing year, buyers demand & weather condition and Kharif crop size estimates.*
Outlook –Soy meal (Spot, Indore): *Soymeal prices closed lower side on weak demand of south based traders. Prices may trade steady to weak tone in the coming days. Prices are also being driven by global market's outlook and may trade between Rs.31500 to 32200/MT in Indore market. Exporters are remain less active in the market.*
Outlook-Rapeseed-Mustard (Spot, Jaipur basis) *Mustard seed prices at Jaipur market showed weak trend on weak sentiments in the market. Prices may decline in coming week in expectation of good supplies of new crop. Prices are likely to trade in the range of 4150 to 4230 in next week. NCDEX future prices of RM Seed may decline in expectation on speculating selling activities at exchange.*

Weekly Weather Report

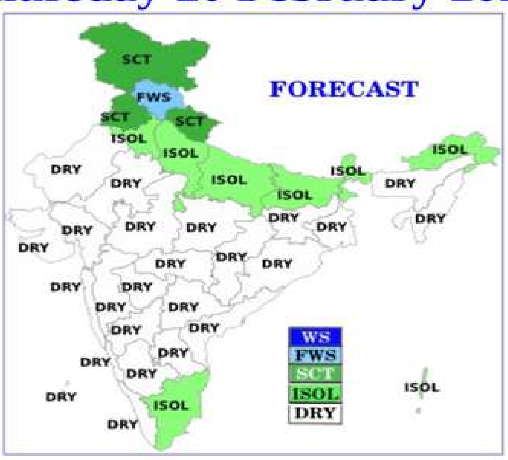
Tuesday 18 February 2020



Wednesday 19 February 2020



Thursday 20 February 2020



Friday 21 February 2020

Light/moderate scattered to fairly widespread rain/snowfall with isolated thunderstorm & lighting very likely over Punjab, Haryana, Chandigarh, Uttar Pradesh, East Madhya Pradesh and Chhattisgarh during 20th & 21st February 2020.

Rabi Oilseed Sowing Status

Rabi Oilseeds Sowing as on 31.1.2020 (In lakh Hectare)				
	Normal Area	2019-20	2018-19	Change (Y-o-Y)
Rapeseed & Mustard	60.48	69.15	69.76	**-0.24**
Groundnut	7.76	4.76	4.59	**0.17**
Safflower	1.41	0.63	0.43	**0.20**
Sunflower	2.96	1.04	1.13	**-0.09**
Sesamum	3.12	0.56	0.71	**-0.15**
Linseed	2.99	3.46	3.44	**0.02**
Others Oilseeds	0.14	0.34	0.30	**0.04**
Total-Oilseeds (Nine)	**78.85**	**80.29**	**80.36**	**-0.07**

Soybean

Domestic Market

Soybean prices traded lower at most of the trading centers during this week despite lower pace of arrivals of arrivals. Soybean prices may trade in steady to weak tone on less buying activities of crushers and millers.

Agriwatch estimates 8.74 million tonnes of Soybean output in India for 2019-20 season which is sharply down by 42.73% against 12.59 million tonnes in 2018-19 despite covering 1.02% higher soybean area in this year due to bad weather condition. Rains in MP came when harvest has ongoing and crop was damaged to the extent of 20% in the Malwa region. Damage was 30-35% in Neemuch, Mandsaurm, Nagada and Janora and 10-15% in Indore, Dewas and Ujjain. Soybean seed was damaged and quality of soybean was inferior. The size of seed was small and quality of seed was bad. Some crop was damaged while drying in some areas. Rains came in Maharashtra when harvest was in progress. Crop damage is 5% of the total while 10% of area was affected in which damage was 50%. Waterlogging was the main reason for damage which led to seed damage and bad quality of the seed due to fungus. Vidharba reported higher damage with losses as high as 50% of the crop damaged in 20% of the area. Akola reported major damage. Latur, Solapur and Beed reported 10% damage while Parbani, Nanded and Hingoli reported 15% damage to the crop.

Total balance stock of Soybean with Nafed is 10,677.68 MT consisting 10,651.45 MT in Telangana and 26.23 MT in Maharashtra.

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, 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.

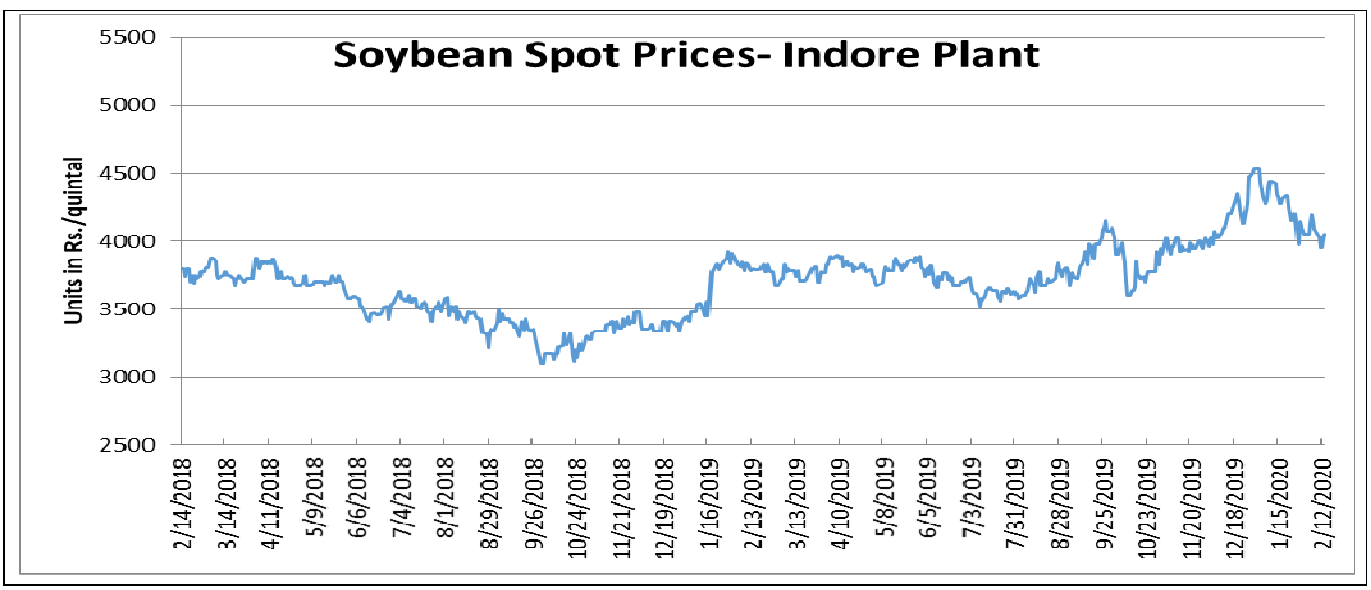
As per recent updates of SOPA, India may harvest 17.7 per cent lower Soybean crop at 89.9 lakh tonnes in 2019 against 109.3 lakh tonnes in 2018. The major Soybean producing states like Gujarat, Karnataka, Madhya Pradesh may harvest lower Soya crop by 30 per cent to 0.86 lakh tonnes, 7.1 per cent to 2.69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



Source: Agriwatch

International Market

CBOT futures prices closed upside after USDA recent released report of Jan month. As per USDA, U.S. soybean ending stock is likely to decline at 425 million bushels supported by rising demand of China. USDA has also increased the soybean export outlook for top exporter Brazil and Ukraine to reflect a 3.5% increase in overall Chinese soybean imports.

As per recent government data, China bought 69,009 tons of soybean in the week ended Feb 6, 2020 which is lower from last month record i.e.67, 113 tonnes in the week ended April 18, 2019.

As per Agroconsult, Brazil is likely to harvest 126.3 million tons of soybean in 2019-20 higher against 124.3 in its prior forecast. It forecasts soybean exports of Brazil for 2020 at 73 million tonnes for this season lower against 76-78 from its prior forecast.

During the week (Jan 31 to Feb 6, 2020) U.S. sold total 8% lower soybean for 2019-20 against previous week record however higher by 2% from the prior 4 week average. Increases primarily for China (132,000 MT), Egypt (120,000 MT), Bangladesh (60,900 MT, including 56,000 MT switched from unknown destinations and decreases of 1,100 MT), the Netherlands (56,000 MT, including 60,000 MT switched from unknown destinations and decreases of 4,000 MT), and Japan (48,400 MT, including 29,700 MT switched from unknown destinations and decreases of 1,200 MT), were offset by reductions for Costa Rica (100 MT). For 2020/2021, net sales of 6,300 MT were for Japan (6,100 MT) and Hong Kong (200 MT). Exports of 611,300 MT were down 58 percent from the previous week and 50 percent from the prior 4-week average. The destinations were primarily to Bangladesh (85,900 MT), Mexico (73,000 MT), China (69,000 MT), the Netherlands (56,000 MT), and Taiwan (50,800 MT).

As per Arc Merconsul, farmers in Brazil have harvested 15.7% of the soybean area as on Feb 7, 2020 of this season. It is lower from 27.3% in last year record during the same period of time. Recent rainfall has disturbed harvesting in the Goias, Minas, Gerais, Tocantins Sao Paulo and Mato Grasso states. AgRural expects total 123.9 million tonnes of soybean harvest in 2019-20.

As per sources, European Union bought total 8.35 million tonnes of Soybean till Feb 9, 2020 (season started on July 1) which is lower by 5% from last year record in Feb.9. EU soymeal imports had reached higher by 6% to 11.17 million tonnes against the year-earlier period, while Rapeseed imports went up by 43% to 4.05 million tonnes against last year record. However, palm oil imports stood down by 17% to 3.28 million tonnes.

Below table shows exports details of Brazil (as per Brazil's government monthly export released data as per):-

Brazil's Exports			
Products	**Jan-20**	**Dec-19**	**Jan-19**
Soybean (Mln Tons)	1.49	3.44	2.04
Soymeal (Mln Tons)	1.06	1.67	1.24
Soyoil (Tonnes)	12600	29100	38100

According to China's General Administration of Customs (CNGOIC), China's Dec soybean imports rose 15.3 percent to 9.54 MMT from 8.28 MMT in Nov 2019. Imports in Dec are 66.80 percent higher than Dec 2018 import of 5.72 MMT. Year to date soybean imports rose 0.5 percent to 88.511 MMT.As per agriculture ministry, soybean import in China may increase in 2020. Total soybean import from U.S. declined in 2019 due to trade war between

U.S. and China. The country bought total 88.51 million tonnes soybean in 2019 higher from 88.03 million tonnes in 2018 however lower from 95.53 million tonnes in 2017 before the trade war was broke. African swine fever disease in China has also affected total volume of China's imports.

As per NOPA recent data, NOPA members have crushed total 174.81 million bushels of Soybeans in December 2019 which is higher from 164.90 million bushels in November 2019. It is also higher from 171.75 million bushels in December 2018. Crushing is above than the average trade estimate of 171.64 million bushels, based on data gathered by Reuters from 8 analysts. It was also above all trade estimates that ranged from 168.21 million to 174.03 million bushels, with a median of 171.5 million. Soybean oil stocks rose to 1.75 billion pounds at the end of December against 1.44 billion pounds in November month and 1.498 billion pounds at the end of December 2018. Soymeal exports has been reported higher in December 2019 at 902,534 tons against 868,769 tons in November 2019 and 826,404 tons exported in December 2018.

As per WASDE February report, world oilseed production for 2019/20 is projected at 576.82 million tons in Feb month, higher against 574.63 million tonnes in last month after larger crops of Soybean and sunflower. Total oilseeds crushing has been increased at 2 million tons to 498.07 million tons due to higher crushing estimates in China and Maxico. Ending stocks for the world is kept 1.32 million tons higher at 113.81 million tonnes against 112.32 million tons last month estimates due to higher crop production estimates in Brazil and China stockpiling.

As per USDA recent released report, U.S. Soybean production for 2019/20 is forecasted unchanged at 96.84 million tons in February 2020 against previous month. Exports of U.S are increased at 49.66 million tonnes in this month against 48.30 million tonnes in January. U.S crushing is unchanged at 57.28 million tonnes in Feb. month. Ending stocks of the country is expected to be lower at 11.55 million tonnes in Feb. month review against 12.92 million tonnes in Jan. Month estimates.

USDA kept unchanged production estimates i.e. 53 million tons in February month report and lower from previous year record i.e 55.30 million tonnes. Farmers in country may plant total 18.2 million hectares in this season higher from 17.7 million hectares in last year record.

As per USDA, the soybean planted area in Brazil is likely to increase by 2% to 37 million hectares for 2019-20 against last year record and soybean production is forecast higher by 6.83% to 125 million T in normal weather condition as compared to last year. While, the consultancy expects, total soybean planting area in Brazil at 36.4 million hac.and the production at 120.7 million tonnes in the current season.

As per USDA, U.S. Gulf FOB soybean export bids in January averaged $361/ton, lower $2 from December. Brazil Paranagua FOB averaged $359/ton down by $ 10 from December. Argentina Up River FOB averaged $361/ton, down $6.

As per USDA forecast, soybean production of Brazil in 2019-20 is projected at 125 million tonnes higher against the previous year 117 million tonnes due to supportive weather condition and also higher from previous month record i.e.123 million tonnes. Exports of soybean in 2019-20 is expected to 77 million tones higher from 74.59 million tonnes in 2018-19.

As per the latest update from USDA, China soybean production is estimated at 18.10 million tonnes on higher-than-expected area. 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 88 million tonnes for 2019/20 season higher from

Jan. month. While crushing is forecasted higher at 86 million tonnes against 85 million tonnes in Jan. month estimates and also higher from 85 million tonnes in previous year.

As per USDA, U.S. soybean accumulated exports (shipments) to China totaled 11.4 million tons and 11.8 million to the rest of the world at the end of Jan month 2020. Outstanding sales were 611,000 tons to China and 3.3 million to the rest of the world. China had exported total 474,000 tons and 12.7 million to the rest of the world, and outstanding sales to China were 3.0 million tons and 12.3 million to the rest of the world in last season in the corresponding period of time. U.S. soybean export commitments (outstanding sales plus accumulated exports) to China totaled 12.0 million tons compared to 3.5 million a year ago. Total commitments to the world were 32.3 million tons, compared to 30.4 million for the same period last year.

China has opened soy meal market for imports from Argentina and Ukraine, 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. China has allowed poultry imports from Europe to tide over shortage of meat in its domestic market. Further, China has allowed cotton meal imports from Brazil and allowed poultry and meat imports from Canada and US to tide over rising domestic meat prices. China has also allowed to import rapeseed meal from Ukrain. It is likely to give permission to import rice bran and palm meal from Thailand.

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.

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.

Soy meal

Weak tone are featured in Soymeal complex on weak demand of South based traders. Weak global sentiments will put pressures in domestic soymeal prices.

According to trade source, one vessel (GOLDEN BAY) is waiting for birth at Kandla port for soybean meal with total capacity of 8395 tons.

During the week (Jan.31 to Feb 6, 2020) US sold higher soybean cake and meal by 10% 234,200 MT for 2019/2020 from the previous week however 44% lower from prior 4-week average. Increases primarily for Morocco (37,000 MT), the Philippines (35,400 MT), the Dominican Republic (25,000 MT), Canada (22,600 MT), and Ecuador (22,600 MT, including 7,000 MT switched from unknown destinations and decreases of 400 MT), were offset by reductions for Nicaragua (5,500 MT) and Belgium (900 MT). Exports of 268,200 MT were up 56 percent from the previous week and 27 percent from the prior 4-week average. The destinations were primarily to Spain (60,900 MT), the Philippines (50,700 MT), Mexico (45,500 MT), Libya (27,500 MT), and Canada (17,100 MT).

As per to Container Corporation of India Ltd (CONCOR), export consignment of soybean derivatives declined to almost half in December 2019 as compared to previous year in the corresponding period of time. Total shipments of soybean derivatives has fallen to 3000 containers during September to December 2019 compared to 3417 containers in last year in the same period of time. A lot of export consignment goes through road directly to the port however volumes was reported lower due to limited supplies and high prices in international market.

As per USDA, U.S. soybean meal export bids in January averaged $340/ton, down $4 from December. Brazil Paranagua FOB averaged $321/ton, higher $5 from December, and Argentina Up River FOB averaged higher by $5 to $336/ton.

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 unchanged from Jan. month estimates. 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 unchanged from previous month record.

As per recent SEA report, India shipped Oilmeals lower by 78% to 51,393 tons in January 2020 against 236,213 tons in January 2019. India shipped total 6107 tons of soymeal, 35,664 tons of Rapeseed meal, 4200 tons of Rice Bran Ext., 5422 tons of castor seed meal in Jan 2020. The overall export of oilmeals during April-Jan. 2020 is reported 24% lower to 2,006,669 tons compared to 2,647,461 tons in April-Jan.2019 on account of 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. However, the export of castor seed meal has increased by 46% to 485,245 against 332,031 tons in Apr-to Jan 2020 compared to last season.

During April-January 2020, Vietnam imported 254,655 tons of oilmeals (compared to 531,132 tons); consisting of 6,227 tons of soybean meal, 155,199 tons of rapeseed meal and 91,185 tons of De-oiled Rice Bran Extraction. South Korea imported 730,431 tons of oilmeals (compared to 633,797 tons); consisting 46,576 tons of soybean meal, 298,739 tons of rapeseed meal and 385,116 tons of castor seed meal. Thailand imported 211,062 tons of oilmeals (compared to 276,340 tons) consisting 190,696 tons of rapeseed meal, 17,581 tons of Rice Bran Extractions and 2785 tons of soybean meal.

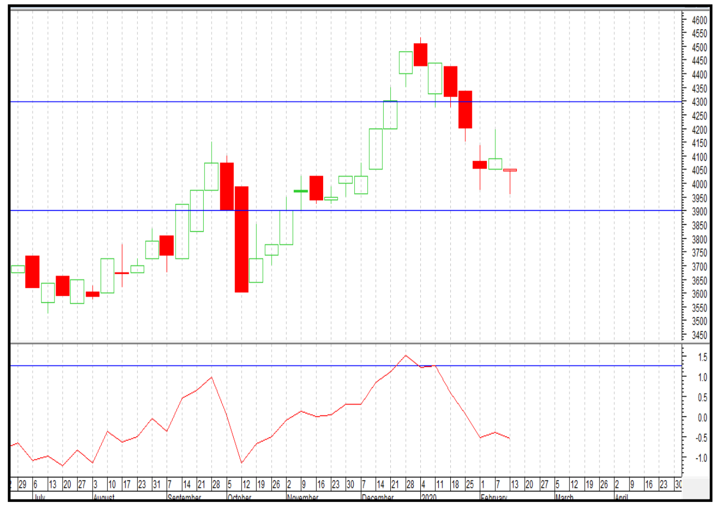
During April-January 2020, the export from Kandla is reported at 681,207 tons lower (34%), followed by Mundra handled 651,792 tons (32%), and Mumbai including JNPT handled 152,978 tons (8%) and Kolkata handled 119,461 tons (6%) and Others Ports handled 401,231 tons (20%).

As per sopa, total shipment of soymeal has declined over 70% to 1.13 lakh tonnes in oil year October and November 2019 as compared to 4.57 lakh tonnes in previous year record in the same period of time. India shipped total 63,000 tonnes in October 2019 lower against 1.31 lakh tonnes and 50,000 tonnes in November 2019 lower against 3.26 lakh tonnes in previous year during the corresponding period of time. Higher soybean meal prices has affected poultry sector demand. DOC buyers may switch to other alternative meal products due to higher soymeal prevailing prices.

Indian Soymeal premium quoted higher side by $132 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 – Mar. Contract				
S2	**S1**	**PCP**	**R1**	**R2**
3800	**3860**	**3940**	**4095**	**4180**

- Soybean Mar. contract depicts firm trend and likely to find support at 3860 and resistance at 4180
- On the upside, 4095 shall act as immediate resistance followed by INR 4180.
- On the downside, INR 3860 shall act as immediate support followed by 3800
- Trade Recommendation (NCDEX-Soybean) **-Buy**

Weekly trade call: **Buy** above 3930 Target – T1-4000; T2-4070, SL – 3880

Soy DOC Rates at Different Centers			
Centres	Ex-factory rates (Rs/ton)		
	13-Feb-20	6-Feb-20	Parity To
Indore - 45%, Jute Bag	32200	33300	Gujarat, MP
Kota - 45%, PP Bag	32700	34000	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	34300	35000	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	34000	34800	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	34000	35000	Andhra, AP, Kar, TN
Latur	33500	34100	-
Sangli	34300	35000	Local and South
Solapur	34000	34500	Local and South
Akola – 45%, PP Bag	32700	34000	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Hingoli	34500	35500	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Bundi	32500	33800	-

Soy DOC at Ports			
Centers	Port Price		
	12-Feb-20	5-Feb-20	Change
Kandla (FOR) (INR/MT)	34000	34000	Unch
Kandla (FAS) (USD/MT)	463	485	-22
CNF Indonesia – Yellow SBM (USD/MT)	0	0	Unch

Rapeseed Meal	12-Feb-20	5-Feb-20	Change
FAS Kandla (USD/MT)	218	218	Unch
FOR Kandla (Rs/MT)	15500	15750	-250
FOR Mundra (Rs/MT)	15900	16050	-150
CNF Indonesia (USD/MT)	240	243	-3

International Soy DOC			
Argentina FOB USD/MT	12-Feb-20	5-Feb-20	Change
Soybean Pellets	331	326	5
Soybean Cake Flour	331	326	5
Soya Meal	330	326	4
Soy Expellers	330	326	4

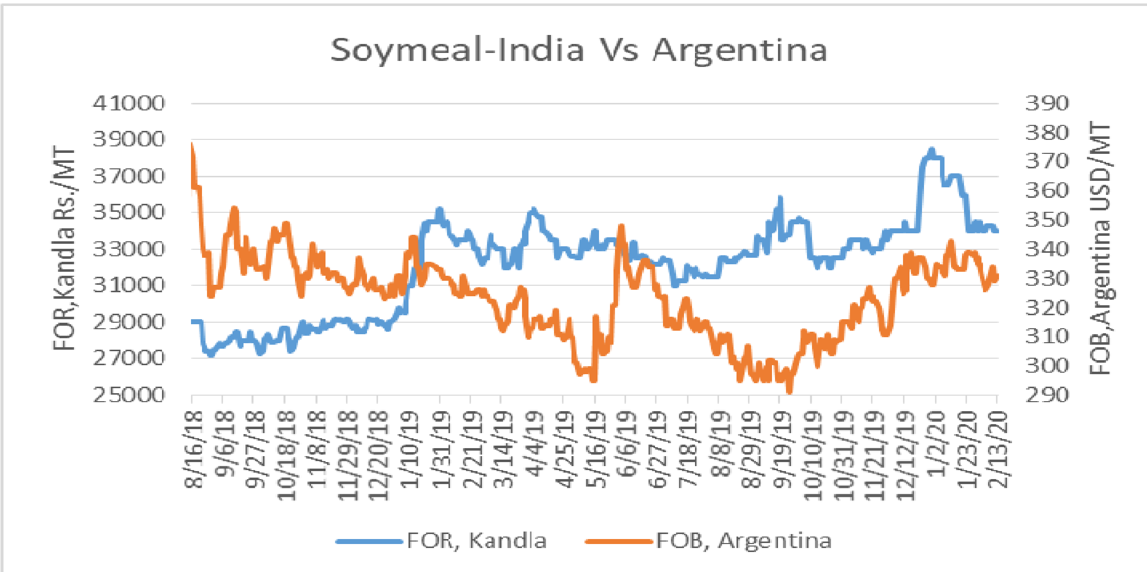
Sunflower (DOC) Rates	Ex-factory rates (Rs/ton)		
Centers	13-Feb-20	6-Feb-20	Change
Adoni	24000	24000	Unch
Khamgaon	0	0	Unch
Parli	0	0	Unch
Latur	23500	23800	-300

Groundnut Meal (Rs/MT)	13-Feb-20	6-Feb-20	Change
Basis 45%, Saurashtra	26500	28000	-1500
Basis 40%, Saurashtra	24000	26000	-2000
GN Cake, Gondal	26500	29000	-2500

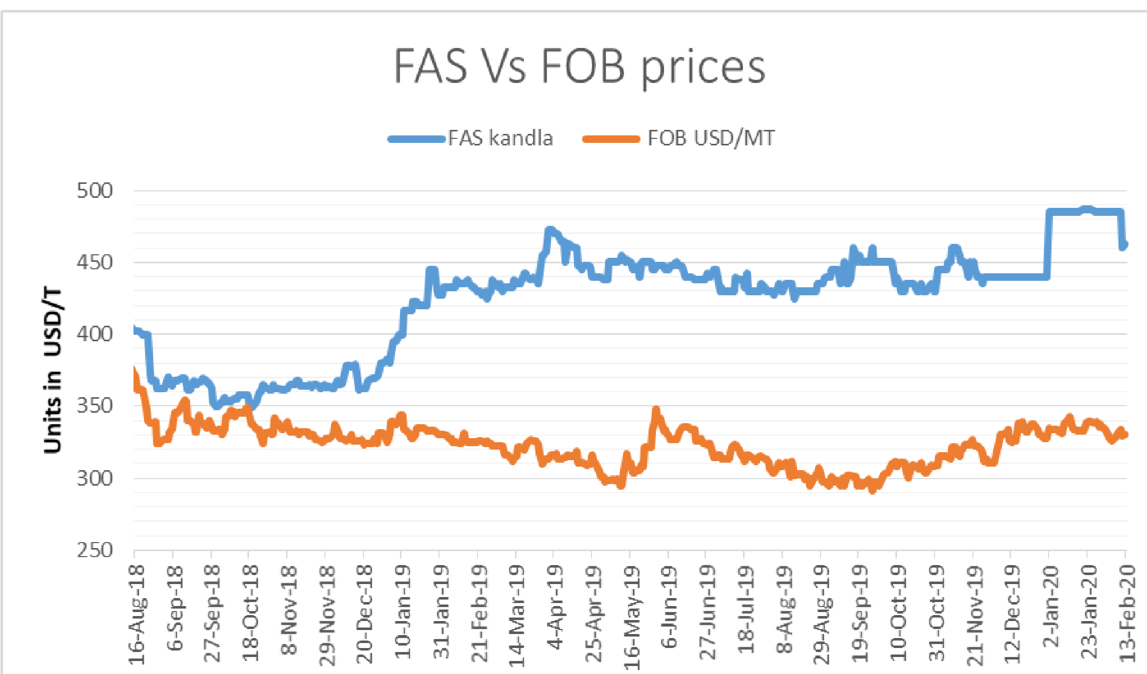
Mustard DOC	13-Feb-20	6-Feb-20	Change
Jaipur (Plant delivery)	14900	15000	-100
Kandla (FOR Rs/MT)	15600	15750	-150

Mumbai Oil Meal Quotes:			
Rs/M.T.	13-Feb-20	6-Feb-20	Change
G.N. Extr (45%)	26000	26000	Unch
KardiExtr	0	0	Unch
Undec Cottonseed Exp	20500	21000	-500
Rice Bran Extr.	0	0	Unch
Sunflower Extr.	20500	20500	Unch
Rapeseed Extr.	0	0	Unch
Soymeal 48%	34435	33704	731
Castor Extr.	4150	4500	-350

Soymeal - India Vs Argentina



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



Rapeseed - Mustard Seed

RM seed prices closed lower side on weak sentiments in this week. Arrivals are reported downside and likely to continue in next week as well. At the end of week, mustard seed prices closed lower at 4053 per quintal as compared to 4195 per quintal in last week at the benchmark, Jaipur.

As per recent Ministry report, India has covered total 69.51 lakh hac. of Mustard area as on 31st Jan. 2020 which is lower by 0.24 lakh hac. against 69.75 lakh hac, in 2018-19. In Rajasthan, farmers have covered total 25.09 lakh hac. higher against 24.77 lakh hac. Farmers have covered total mustard seed area at 12.24 lakh hac. in Uttar Pradesh, 7.04 lakh hac. in MP, 5.87 lakh hac. in West Bengal, 5.62 lakh hac. in Haryana, 2.81 lakh hac in Jharkhand, 1.72 lakh hac. in Gujarat.

Acreage of Mustard in the current season is lower against 2018-19. Mustard crop major growing states are Rajasthan, Madhya Pradesh, and Uttar Pradesh and Haryana state. In Rajasthan, traders expect total 2 to 5% lower mustard sowing area as mustard area may shift to garlic and wheat crop due to good price hike in last season compared to mustard seed prices. Recent rainfall will also support to increase yield of wheat and garlic crop compared to mustard crop. In Baran and Kota district, sowing is likely to be lower by 20%. While in Alwar and Bharatpur districts, it is likely to be equal like 2018 season. However, sowing area may increase nearly 2 to 5 % in Ganganagar district due to good water availability.

High water level in most reservoirs will support to increase yield. However, acreage for Rabi season may decline as sowing has been delayed due to recent rainfall in October and November and late harvesting of Kharif crops. Farmers had waited 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 i.e. 9.33 million tonnes. 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 the Mustard Oil Producers Association of India data, India crushed 550,000 tonnes of mustard seed in December 2019 unchanged from previous month record and it is almost same as in last year during the corresponding period of time. Total supply of mustard in Rajasthan recorded at 100,000 tn in December 2019, 45,000 tn in Uttar Pradesh, and 30,000 tn in Madhya Pradesh. Total available stocks with processors, stockiest and state-run agencies stood at 1.2 million tons in December 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.

According to United States Department of Agriculture (USDA) February estimates, India may produce total 77 lakh tones of Rapeseed in 2019/20 lower from 80 lakh tonnes in 2018/19. Ending stocks of mustard seed have been lowered to 4.69 lakh tonnes from 5.69 lakh tonnes in last year record. India's 2019-20 Rapeseed oil production is expected at 25.84 lakh tonnes unchanged from previous year while mustard oil import estimates are revised lower at 1.20 lakh tonnes from 1.25 lakh tonnes in previous year.

As per First advanced estimates of government, it estimates Mustard seed output at 82.37 lakh tonnes for 2019/20 lower by 11.02 lakh tonnes from 93.39 lakh tonnes in 2018/19.

Technical Analysis:

RM Seed Futures Contract

Mustard Spot Jaipur

Support & Resistance NCDEX RM Seed – Apr. Contract				
S1	**S2**	**PCP**	**R1**	**R2**
3800	**3900**	**4045**	**4100**	**4200**

- Mustard Apr. contract depicts firmness and further can get immediate support at INR 3900
- Prices have tested the lower level of 4024 in this week.
- Trade Recommendation (NCDEX Rapeseed-Mustard) -**Sell**

Weekly trade call: **Sell** Below –4060 target – T1-4000 T2- 3950, SL –4090

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	13-Feb-20		6-Feb-20		
	Low	High	Low	High	
Indore –Plant	4025	4080	4150	4240	-160
Indore–Mandi	3800	4000	3900	4050	-50
Nagpur-Plant	4150	4180	4200	4250	-70
Nagpur – Mandi	3600	3950	3610	4070	-120
Latur – Mandi	3550	4015	3800	4280	-265
Akola – Mandi	3300	3800	2900	3925	-125
Kota-Plant	3900	3950	4100	4200	-250
Kota – Mandi	3800	3900	3900	4100	-200
Bundi-Plant	3950	3975	4150	4200	-225
Bundi-Mandi	3800	3900	4000	4100	-200
Baran-Plant	3950	4000	4100	4300	-300
Baran-Mandi	3900	4000	3900	4200	-200
Bhawani Mandi Jhalawar–Plant	3950	4000	4250	4300	-300
Jhalwar-Mandi	3700	3950	4150	4200	-250
Rapeseed/Mustard					
Jaipur-(Condition)	4280	4285	4325	4330	-45
Alwar-(Condition)	4000	4050	4150	4200	-150
Sri Ganganagar-(Non-Condition)	3700	3750	3800	3850	-100
New Delhi–(Condition)	4250	4300	4250	4300	Unch
Kota-(Condition)	3700	3800	3860	3950	-150
Agra-(Condition)	4190	4286	4286	4357	-71
Neewai-(Condition)	3900	3980	4050	4100	-120
Hapur (UP)-(Condition)	4150	4200	4200	4250	-50
Groundnut Seed					
Rajkot	860	860	860	860	Unch
Sunflower Seed					
Gulbarga	3025	3755	3050	3750	5
Latur	0	0	0	0	Unch
Sholapur	0	0	0	0	Unch
Soybean Prices are in INR/qtl. (1 bag=90 kg). Mandi prices – Loose, Mustard Seed Prices are in INR/qt (1 bag=85 kg) C – Condition (42%), *Groundnut seed in Rs/20 kg, Sunflower Seed in Rs/qtl.					

Oilseed Arrivals in Key Centers:

Commodity / Centre	Arrivals in Bags/Qtl		Change
Soybean	**13-Feb-20**	**6-Feb-20**	
Madhya Pradesh	50000	60000	-10000
Maharashtra	50000	55000	-5000
Rajasthan	15000	17000	-2000
Bundi (Raj)	100	135	-35
Baran (Raj)	1000	700	300
Jhalawar (Raj)	800	1000	-200
Rapeseed/Mustard			
Rajasthan	40000	40000	Unch
Alwar	500	600	-100
Sri Ganganagar	200	200	Unch
Kota	300	500	-200
Groundnut Seed			
Rajkot (Gujarat)	3395	5635	-2240
Sunflower Seed			
Sholapur (Maharashtra)	NA	NA	-

Other Oilseed Prices at Mumbai (INR/100 Kg):

Oilseeds	13-Feb-20	6-Feb-20	Change
Groundnut Kernel	5700	5700	Unch
Gr. Bolds 60/70	7300	6750	550
Gr. Javas 60/70	8850	8300	550
Gr Javas 70/80	8700	7950	750
Gr.Javas 80/90	8250	7700	550
KardiSeed 2% Exp Qly	5400	5400	Unch
Sesame White 98/2/1 FM	10900	10900	Unch
Whitish 95/5/FFA/1FM	10700	10700	Unch
Brown 48/2 FFA/4 FM	10500	10500	Unch
Brown 48/3 FFA/4 FM	10000	10000	Unch
Brown 48/4 FM/* No FFA Guarantee	9700	9700	Unch
Sunflower Seed	4500	4500	Unch
Niger Seed (4% FM)	5500	5500	Unch

Annexure

India's Total Oilseeds Production Seen at 223.89 Lakh Tons in 1stAdv. 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 On10.10.2019

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