Oilmeals Weekly Research Report

Contents

Executive Summary

Weak tone are featured in Oilseeds complex in this week after weak demand of millers and crushers. Arrivals at Mustard spot markets reported higher side as farmers have stated to bring their now crops in full speed. Soybean prices declined at various trading centers on poor demand of millers due to weak global sentiments. Fear of coronavirus is affecting exports markets of India. Farmers and traders hold total 20 to 30 lakh tons of soybean seed and likely to release in March end or April 2020. NCDEX soybean March contract closed higher side due to buyer's interest at lower side however RM seed April contract declined after selling pressures at the end of this week. CBOT prices declined amid weak global sentiments in this week.

Sopa has revised Soybean Kharif production for 2019 from 89.94 lakh tonnes to 93.06 lakh tonnes after its recent field survey in Maharashtra, Madhya Pradesh and Rajasthan states. The revision is only for Maharashtra from 36.295 lakh tonne to 39.416 lakh tonne as sowing area stood higher side at 37.36 lakh ha. in 2019 against 36.39 lakh ha. in 2018. India may harvest 14.85 per cent lower Soybean crop at 93.06 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. Sopa has increased soymeal consumption at 50 lakh tones higher from 47.5 lakh tonnes from its earlier estimates.

As per trade body, India is likely to grow at 7.8 million tonnes of Rapeseed crop in this season supported by higher yields on account of favorable weather condition. Agriwatch expect 7.46 million tonnes of Rapeseed crop in this season which is lower against 7.90 million tonnes in 2019-20. Farmers have covered total 6.9 million hac. of mustard seed in 2019-20 season lower by 0.24% against last year record as some parts of area has been shifted to Wheat crop. In 2019-20, we have estimated RM Seeds crop size at 7.9 MMT higher from 2018-19 due to higher sown area and good yield.

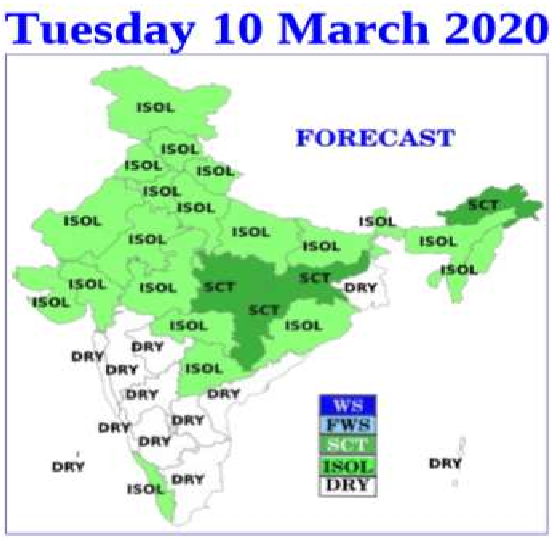
As per second advanced estimates of ministry, India is likely to grow 22.55% higher groundnut seed at 82.44 lakh tonnes in 2019-20 compared to 67.27 lakh tonnes in 2018-19. India may get 69.49 lakh tones of kharif crop of groundnut which is higher from 53.87 lakh tonnes however 3.3% lower Rabi season groundnut crop at 12.95 lakh tonnes in 2019-20 against last season. Mustard output of Rabi season is expected to stay at 91.13 lakh tonnes in 2019-20 which is 1.54% lower from 92.56 lakh tonnes in last year. Soybean crop size for kharif season is estimated at 136.28 lakh tonnes higher by 2.71% against 132.68 lakh tonnes in 2018-19. Total oilseeds crop size is placed at 341.88 lakh tonnes in 2019-20 higher against 315.22 in last year supported by higher kharif season crop size.

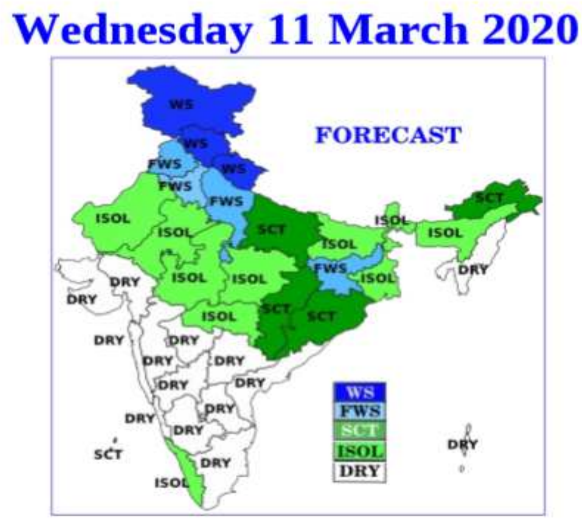
Soybean prices may trade lower side amid weak demand while Mustard prices may trade in steady to weak tone on good supplies.

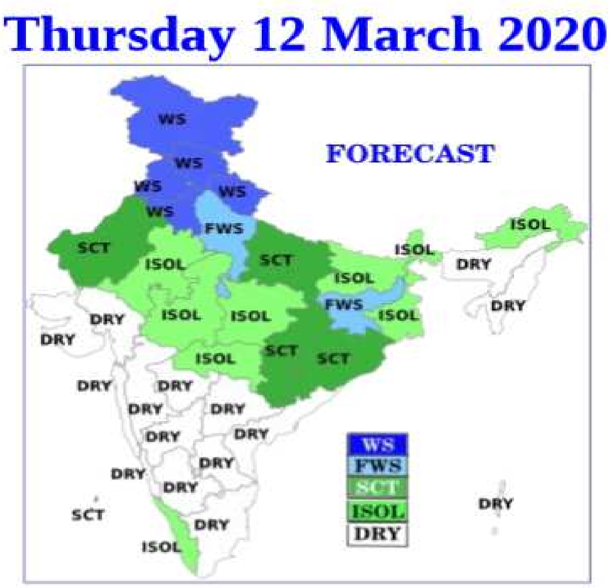
Outlook – Cash Market

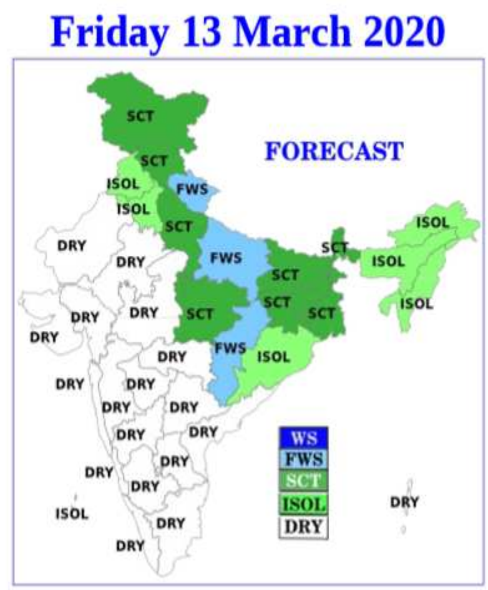
Outlook-Soybean (Spot, Indore): *Soybean Indore plant prices declined on weak demand. Prices are likely to decline in next week in expectation of weak demand of crushers and poor demand of other soybean derivatives in global markets due to Coronavirus. Prices are likely to trade in the range of 3850 to 3900 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, Kharif crop size estimates & global sentiments.*
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 next week on account of sluggish demand of poultry sector due to coronavirus. Prices are also being driven by global market's outlook and may trade between Rs.30500 to 31000/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 after heavy supplies. Prices may come down in next week in expectation of heavy supplies of new crop. Prices are likely to trade in the range of 4100 to 4140 in next week. NCDEX future prices of RM Seed may also decline in hope of heavy selling pressures at exchange.*

Weekly Weather Report









Thunderstorm accompanied with lightning, Hail & gusty wind (speed reaching 30-40 kmph) likely at a few places Haryana & Chandigarh; at isolated places over places over Himachal Pradesh, Uttarakhand, Punjab, Delhi, Uttar Pradesh, Rajasthan and Jharkhand; with lightning & gusty wind (speed reaching 30-40 kmph) likely at isolated places over Odisha and with lightning at a few places over Jammu & Kashmir, Ladakh, Gilgit-Baltistan; at isolated places over Madhya Pradesh, Chhattisgarh, Bihar and Vidarbha.

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 are continued at lower side on weak demand of crushers. Soybean prices may trade in steady to weak zone on dull demand 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.

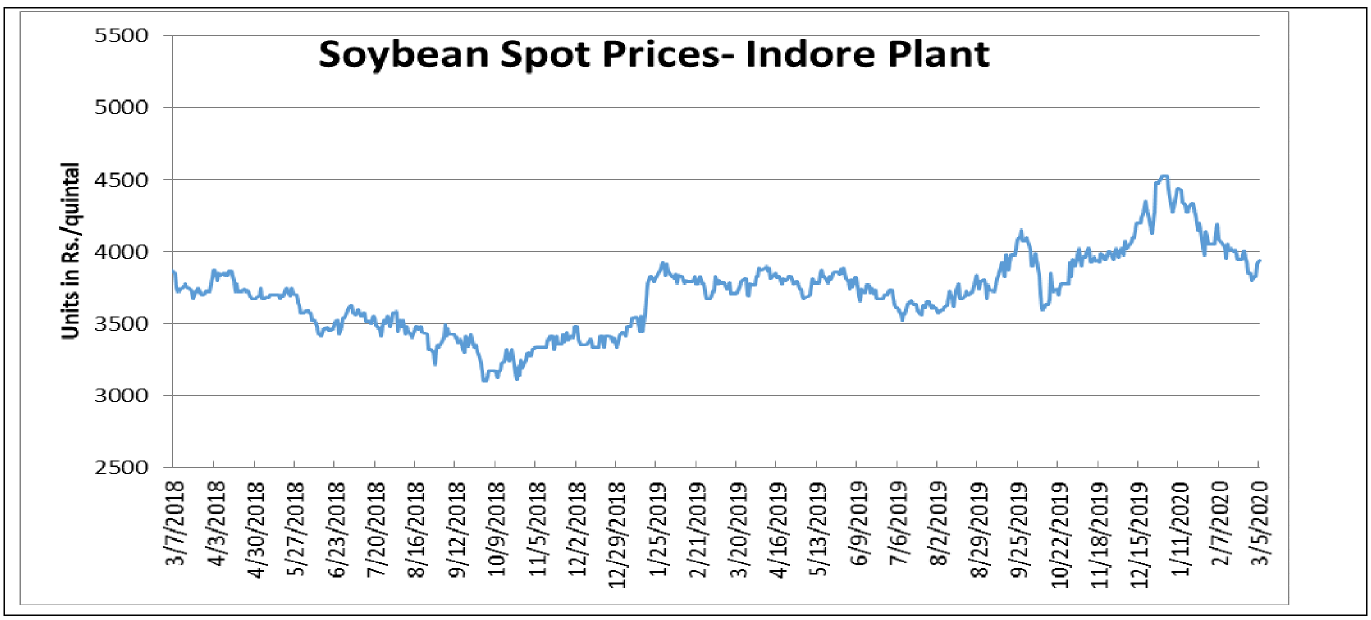
As per SOPA, Soybean arrivals is registered at 12 lakh tonnes in October month lower from 21 lakh tonnes in last year in same month and also lower of 4 years record due to less supplies. India has shipped total 0.20 lakh tonnes in Oct month less than 0.24 lakh tonnes in last year. Planters, Traders and 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 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 second advanced crop estimates 2019-20 of Ministry of Agriculture, Soybean production is estimated higher at 136.28 lakh tonnes as compared to 132.68 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 weak tone in coming days.



Source: Agriwatch

International Market

CBOT futures prices declined as fear of coronavirus is affecting exports demand in worldwide. Lower price of crude oil is also pushing CBOT soybean price downside. However, China has granted tariff exemptions for some crushers to import U.S. soybeans so that the country can fulfill commitments under its Phase 1 trade deal with the United States. Argentina may increase taxes on soybean, soyoil, and soymeal exports to 33% from the current 30%which may support CBOT price to rise.

As per sources, Brazil has shipped 243% higher Soybean at 5.12 million tonnes in Feb 2020 compared to previous month record i.e.1.49 million tonnes. However, it is lower by 2.84% from 5.27 million tonnes in Feb 2019. Brazil exported 27% lower soymeal at 0.77 million tonnes in Feb month 2020 against 1.06 million tonnes in Jan 2020 and also lower by 14% from 0.9 million tonnes in Feb 2019.

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

Brazil's Exports			
Products	**Feb-20**	**Jan-20**	**Feb-19**
Soybean (Mln Tons)	5.12	1.49	5.27
Soymeal (Mln Tons)	0.77	1.06	0.90
Soyoil (Tonnes)	60,400	12,600	36,100

As per Arc Mercosul, farmers in Brazil have harvested 43.1% of the soybean area as on Feb 28, 2020 of this season. It is lower from 56% in last year record during the same period of time. AgRural expects total 123.9 million tonnes of soybean harvest in 2019-20.

During (February 21 to 27, 2020) US sold 2% higher soybean to 345,000 MT for 2019-20 from the previous week and 35% from the prior four week average. Increases primarily for Mexico (164,000 MT, including decreases of 800 MT), Egypt (91,500 MT, including 90,000 MT switched from unknown destinations and decreases of 600 MT), the Netherlands (56,200 MT, including 60,000 MT switched from unknown destinations and decreases of 3,800 MT), Malaysia (50,300 MT, including 34,000 MT switched from unknown destinations), and Japan (42,300 MT, including decreases of 1,000 MT), were offset by reductions primarily for unknown destinations (135,200 MT). For 2020/2021, total net sales of 1,400 MT were for Japan. Exports of 695,600 MT were up 16 percent from the previous week, but down 22 percent from the prior 4-week average. The destinations were primarily to Egypt (171,500 MT), China (132,000 MT), Mexico (88,200 MT), the Netherlands (56,200 MT), and Bangladesh (52,800 MT).

As per sources, Argentina may grow higher soybean crop at 54.5 million tonnes in 2019-20 compared to its previous forecast i.e.53.1 million tonnes on account of good rainfall.

As per IGC (International Grain Council), Global soybean output for 2019-20 may decline by 5 million tonne to 345 million tonnes due to slight shortfall in U.S Soybean output. In 2020-21, U.S. may cover 4% higher soybean planting area.

As per USDA report, U.S. is likely to plant 11.69% higher Soybean at 85 million acres in 2020 higher from 76.1 million acres in 2019.

As per sources, European Union bought total 9.24 million tonnes of Soybean till March 1, 2020 (season started on July 1) which is lower by 5% from last year record in Feb.24, 2020. EU soymeal imports had reached higher by 2% to 11.57 million tonnes against the year-earlier period, while Rapeseed imports went up by 46% to 4.25 million tonnes against last year record. However, palm oil imports stood down by 16% to 3.51 million tonnes.

As per Arc Mercosul, farmers in Brazil have harvested 34.2% of the soybean area as on Feb 14, 2020 of this season. It is lower from 46.3% in last year record during the same period of time. Heavy rainfall has disturbed harvesting in the Goias, Minas Gerais, Mato Grasso do Sul, the west of Mato Grasso and Minas Gerais states. AgRural expects total 123.9 million tonnes of soybean harvest in 2019-20.

As per recent Conab report, Brazil is likely to grow 0.8% higher soybean at 123.2 million tons in 2019-20 (crop year September-August) from its previous month estimates and also higher by 7% from last year record due to supportive weather condition. Soy yield is likely to stay higher by 4.4% to 3.35 MT/ hectare on sufficient rainfall across the region in since October. Planting area is estimated 2.6% higher to 36.8 million ha. on good weather condition. Brazil is likely to export total 72 million tonnes in 2019-20 higher by 3% against last year. Ending stocks are forecast 39% lower to 2.18 million tonnes.

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.

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 176.94 million bushels of Soybeans in January 2020 which is higher from 174.81 million bushels in December 2019. It is also higher from 171.63 million bushels in January 2019. Crushing is above than the average trade estimate of 173.74 million bushels, based on data gathered by Reuters from 8 analysts. Soybean oil stocks rose to 2.01 billion pounds at the end of January against 1.75 billion pounds in December month and 1.54 billion pounds at the end of January 2019. Soymeal exports has been reported higher in January 2020 at 931,061 tons against 902,534 tons in December 2019 and 905,923 tons exported in January 2019.

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.

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 tons 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 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

Steady to weak tone are seen in soymeal complex on less buying activities of South based traders today. Fear of coronavirus in India is reducing demand of poultry firm.

According to trade source, one vessel (DODO) is expected to arrive at Tuticorin port for sunflower oil meal with total capacity of 31253 tons.

During the week (Feb.21 to Feb 27, 2020) US sold higher soybean cake and meal by 6% 316,700 MT for 2019/2020 from the previous week 64% higher from prior 4-week average. Increases primarily for the Philippines (138,500 MT), unknown destinations (90,000 MT), Canada (54,100 MT, including decreases of 500 MT), Denmark (35,000 MT, including 30,900 MT switched from Germany), and the United Kingdom (24,100 MT, switched from Germany), were offset by reductions primarily for Germany (55,000 MT). For 2020/2021, total net sales of 4,900 MT were for Canada. Exports of 338,300 MT--a marketing-year high--were up 22 percent from the previous week and 42 percent from the prior 4-week average. The destinations were primarily to the Philippines (66,200 MT), Bangladesh (51,000 MT), Denmark (35,000 MT), the United Kingdom (24,100 MT), and Canada (23,200 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.

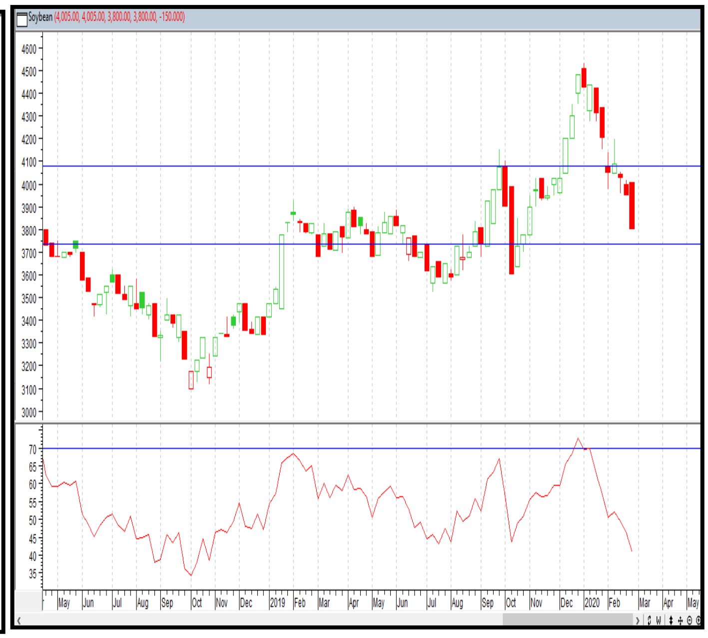
During April-January 2020, the export from Kandla is reported at 681,207 tons lower (34%), followed by Mundra handled 651,792 tons (32%), and Mumbai including JNPT handled 152,978 tons (8%) and Kolkata handled 119,461 tons (6%) and Others Ports handled 401,231 tons (20%).

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 $136 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
3600	3667	3794	3913	3980

- Soybean Mar. contract depicts weak trend and likely to find support at 3667 and resistance at 3913
- On the upside, 3913 shall act as immediate resistance followed by INR 3980.
- On the downside, INR 3667 shall act as immediate support followed by 3600.
- Trade Recommendation (NCDEX-Soybean) -Buy

Weekly trade call: **Buy** below 3720 Target – T1-3810; T2-3850, SL – 3670

Soy DOC Rates at Different Centers			
Centres	**Ex-factory rates (Rs/ton)**		
	5-Mar-20	**27-Feb-20**	**Parity To**
Indore - 45%, Jute Bag	31500	31000	Gujarat, MP
Kota - 45%, PP Bag	31700	31500	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	33500	33500	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	32500	32100	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	33500	33500	Andhra, AP, Kar, TN
Latur	32200	32700	-
Sangli	33000	33500	Local and South
Solapur	32500	33500	Local and South
Akola – 45%, PP Bag	32200	32300	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Hingoli	34000	34000	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Bundi	31500	31300	-

Soy DOC at Ports			
Centers	**Port Price**		
	4-Mar-20	**26-Feb-20**	**Change**
Kandla (FOR) (INR/MT)	33000	33000	Unch
Kandla (FAS) (USD/MT)	470	470	Unch
CNF Indonesia – Yellow SBM (USD/MT)	Unq	0	-

Rapeseed Meal	**4-Mar-20**	**26-Feb-20**	**Change**
FAS Kandla (USD/MT)	228	227	1
FOR Kandla (Rs/MT)	16300	16800	-500
FOR Mundra (Rs/MT)	16700	16800	-100
CNF Indonesia (USD/MT)	246	245	1

International Soy DOC			
Argentina FOB USD/MT	**4-Mar-20**	**26-Feb-20**	**Change**
Soybean Pellets	343	330	13
Soybean Cake Flour	343	330	13
Soya Meal	339	306	33
Soy Expellers	339	306	33

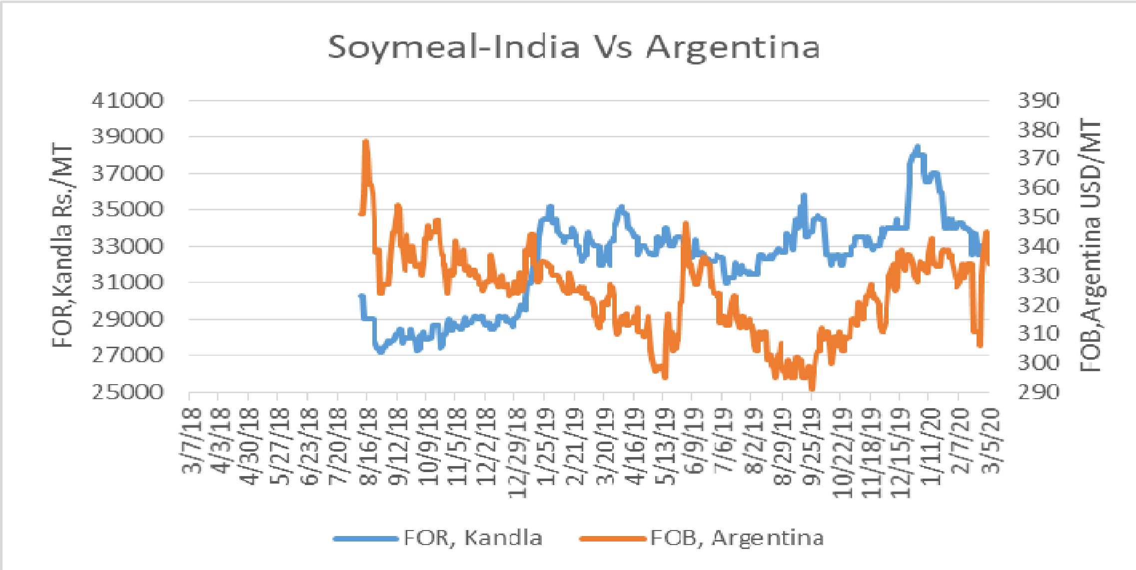
Sunflower (DOC) Rates	Ex-factory rates (Rs/ton)		
Centers	5-Mar-20	27-Feb-20	Change
Adoni	23200	23600	-400
Khamgaon	Unq	0	-
Parli	Unq	0	-
Latur	22900	23200	-300

Groundnut Meal (Rs/MT)	5-Mar-20	27-Feb-20	Change
Basis 45%, Saurashtra	25500	25500	Unch
Basis 40%, Saurashtra	24000	24000	Unch
GN Cake, Gondal	26000	26000	Unch

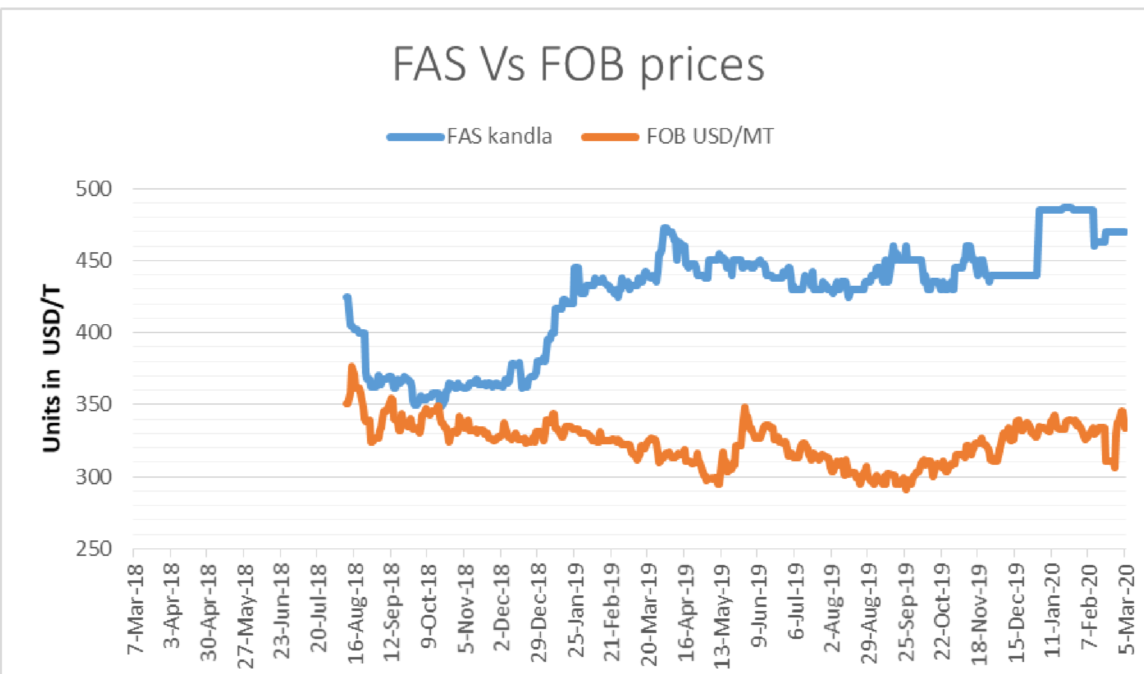
Mustard DOC	5-Mar-20	27-Feb-20	Change
Jaipur (Plant delivery)	16000	15800	200
Kandla (FOR Rs/MT)	16500	16300	200

Mumbai Oil Meal Quotes:			
Rs/M.T.	5-Mar-20	27-Feb-20	Change
G.N. Extr (45%)	25000	25000	Unch
KardiExtr	Unq	0	-
Undec Cottonseed Exp	21000	19000	2000
Rice Bran Extr.	Unq	0	-
Sunflower Extr.	21000	21500	-500
Rapeseed Extr.	Unq	0	-
Soymeal 48%	32870	32348	522
Castor Extr.	3650	3550	100

Soymeal - India Vs Argentina



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



Rapeseed - Mustard Seed

RM seed prices settled lower side after heavy supplies in the market. Arrivals are reported higher side as new crops has started to arrive in the market in a full speed. At the end of week, mustard seed prices closed lower side at 4165 per quintal as compared to 4275 per quintal in last week at the benchmark, Jaipur.

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. 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. 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.

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 rainfall in October and November and late harvesting of Kharif crops. Farmers had waited water to dry up the sowing low lying land. 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 second advanced estimates of government, it estimates Mustard seed output at 91.13 lakh tonnes for 2019/20 lower by 1.43 lakh tonnes from lakh tonnes in 2018/19.

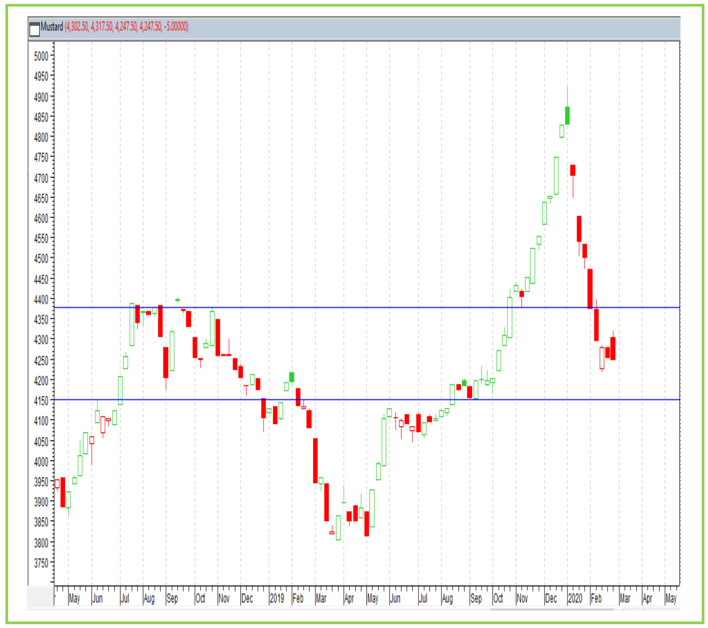
As per the Mustard Oil Producers Association of India data, India crushed 550,000 tonnes of mustard seed in December 2019 unchanged from previous month record and it is almost same as in last year during the corresponding period of time. Total supply of mustard in Rajasthan recorded at 100,000 tn in 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.

Technical Analysis:

RM Seed Futures Contract

Mustard Spot Jaipur



Support & Resistance NCDEX RM Seed – Apr. Contract				
S1	S2	PCP	R1	R2
3880	3920	4087	4150	4230

- Mustard Apr. contract depicts weakness and further can get immediate support at INR 3850
- Prices have tested the lower level of 4042 in this week.
- Trade Recommendation (NCDEX Rapeseed-Mustard) -**Sell**

Weekly trade call: **Sell** Above –4095 target – T1-4050 T2- 4000, SL –3950

Annexure

India's Total Oilseeds Production Seen at 341.88 Lakh Tons in 2nd Adv. Est. - GOI (Kharif+Rabi)

The first Advance Estimates of production of major crops for 2019-20 have been released on 18th Feb 2020 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 and Rabi crops estimates for 2019-20 has witnessed higher than their normal production. Oilseeds production of India is placed higher by 26.66 lakh tonnes to 341.88 lakh tonnes against the production of 315.22 lakh tonnes in 2nd advanced estimates for 2019-20. The estimated figure is also higher by 47.67 lakh tonnes than five years average oilseeds production.

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

Oilseeds – 341.9 Lakhtonnes

- Soybean – 136.28 Lakh Tons
- Groundnut – 82.44 Lakh Tons
- Castorseed – 20.43 akh Tons
- Sesame/Sesamum/Gingelly/Til – 6.64 Lakh Tons
- Nigerseed – 0.79 Lakh Tons
- Sunflower – 2.56 Lakh tons
- Mustard See-91.13
- Safflower-0.27
- Linseed-1.36

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