Oilmeals Weekly Research Report

Contents

Executive Summary

Ups and downs trend are featured at few trading centers in Soybean complex. Mustard seed prices closed lower side at various markets after good supplies of new crops. Government has allowed farmers to bring new harvested mustard crops in the markets despite lock down in India. Mustard prices may decline further in expectation of heavy supplies of new crop. However, lock downs in India is slowing trading activities. Mandies in UP and MP may also open for trading. NCDEX Soybean prices increased however Mustard future prices declined on selling pressures. CBOT prices closed on upside amid firm sentiments in global markets.

To avoid sever impact of COVID-19, government has extended lock down period until 3rd May 2020. Therefore no major trading activities are happening at trading centres. Under Coronavirus epidemic, total 28.55 lakh cases has been confirmed so far in the world including 1.98 lakh death numbers and 8.15 lakh recovered cases. In India, total confirmed cases are 24,942 under coronavirus impacts including 780 death cases and 5498 recovered cases so far.

Farmers have completed mustard crop harvesting in India. Currently, farmers have started selling mustard seed at few trading centers. As per sources, total 7.25 lakh tons arrivals of Mustard seed have been reported in March month 2020 consisting 3.25 lakh tones in Rajasthan, 1.40 lakh tons in UP, 35 thousand tons in Gujarat, 35 thousand tons in Punjab & Haryana, and 70 thousand tons in MP and 1.25 lakh tons in East India and other states. There is no selling by Nafed. It expects total 76 lakh tons of mustard crop size for this season including 32 lakh tons in Rajasthan, 13 lakh tons in UP, 10 lakh tones in Haryana, and 6.50 lakh tons in MP and 3 lakh tones in Gujarat,11.50 lakh tons in combined states i.e. Bengal, East India and other states of India.

As per the Mustard Oil Producers Association of India, India crushed 500,000 tonnes of oilseeds in February 2020 which is higher by 33.3% against previous year record after higher arrivals and robust demand of mustard meal exporters. Total crushing is also higher by 25% against Jan month record. In Feb month, around 200,000 tonnes of new mustard crop had hit the market including 60,000 tonnes of old crop. During Mar-Feb, total mustard seed supply was at 7.05 million tonnes. Arrivals in Rajasthan were reported at 2.55 million tonnes. While in UP, it was registered at 1.25 million tonnes and a combined 825,000 tonnes in Madhya Pradesh and Chhattisgarh. Total available stocks with processors, stockiest and state-run agencies stood at 200,000 tons as on February 28, 2020. 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.

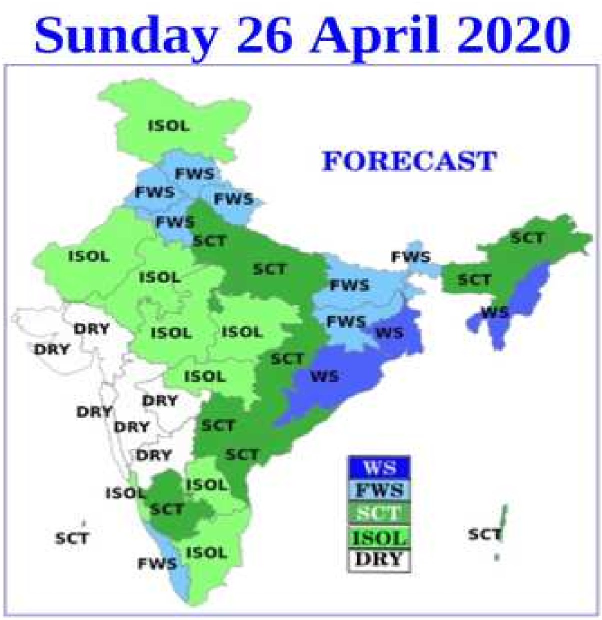
As per WASDE April report, world oilseed production for 2019/20 is projected at 577.07 million tons in Apr. month lower against 580.13 million tonnes in last month in expectation of lower crops in Brazil and Argentina. USDA estimates 597.27 million tonns of oilseeds production in 2018/19. Total oilseeds crushing is estimated slightly lower at 497.42 million tons against 497.94 million tons however it is higher from 489.35 million tonnes in previous year. Ending stocks for the world is kept lower at 116.33 million tonnes in this month against 117.37 million tons in last month estimates however lower from 129.21 million tonnes in 2018/19 on lower production.

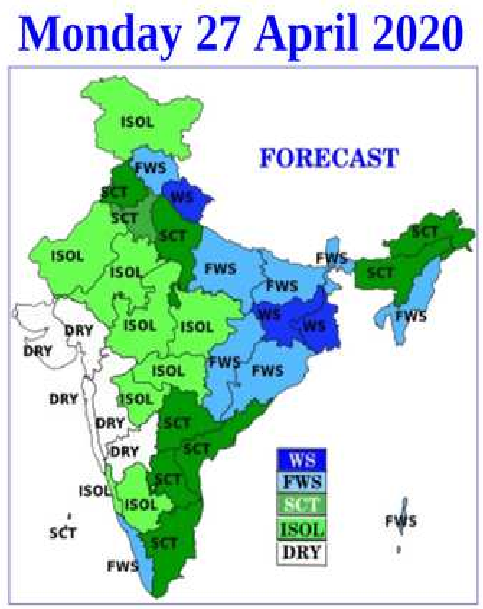
There will be no major trading activities due to lock down condition in India. While, Mustard prices may hover steady to weak zone amid good supplies.

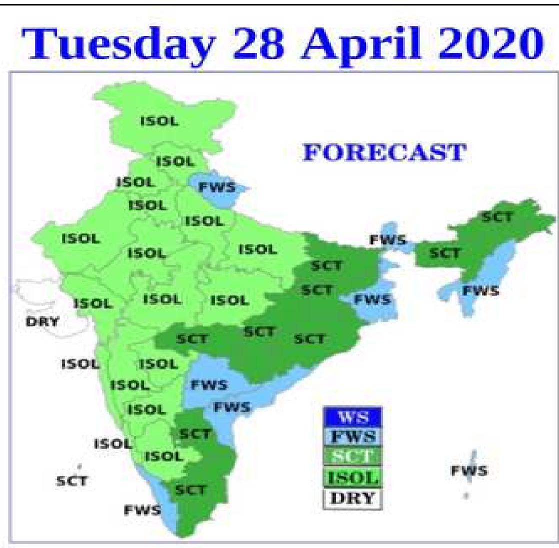
Outlook – Cash Market

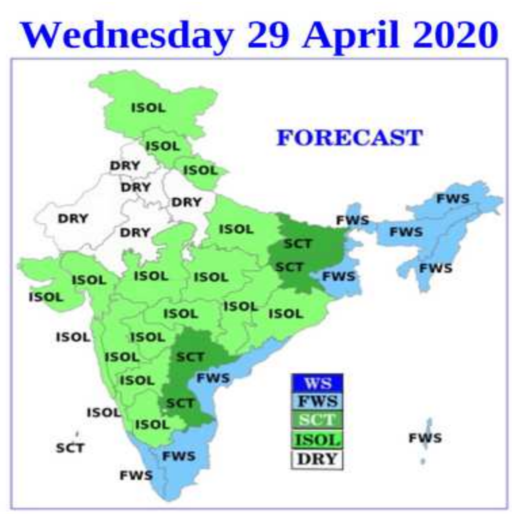
Outlook-Soybean (Spot, Indore): *Soybean Indore plants are remain closed amid lock down condition in India. The market sentiments are now depending on the stocks to be carried over to the next marketing year, buyers demand & weather condition, Kharif crop size estimates & global sentiments, condition of COVID-19 in India as well as in the World.*
Outlook –Soy meal (Spot, Indore): *Soymeal prices traded lower side amid weak sentiments in global markets. However, Coronavirus outbreaks in India has impacted highly on poultry demand. Soymeal prices are likely to trade lower side on weak demand.*
Outlook-Rapeseed-Mustard (Spot, Jaipur basis) *Mustard prices at Jaipur center closed lower side on good pace of arrivals in mandies. Expected heavy supplies in coming days and lower crushing will decline mustard seed prices in future. NCDEX future prices of RM Seed may also decline on selling pressures.*

Weekly Weather Report (IMD)









Due to continued moisture incursion, strong wind convergence and conductive upper level features fairly widespread to widespread rainfall activity is very likely to continue over parts of East and Northwest India during 2 to 3 days with peak activity over Odisha, Jharkhand and Gangetic West Bengal on 26th April 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

Various markets are remain closed on account of lock down in India on coronavirus epidemic. Millers have started to crush soybean but in limited capacity due to lack of labors, transportations issues and un-availability of raw material. Government has extended lock down period until 3rd May 2020 to control coronavirus disease.

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.

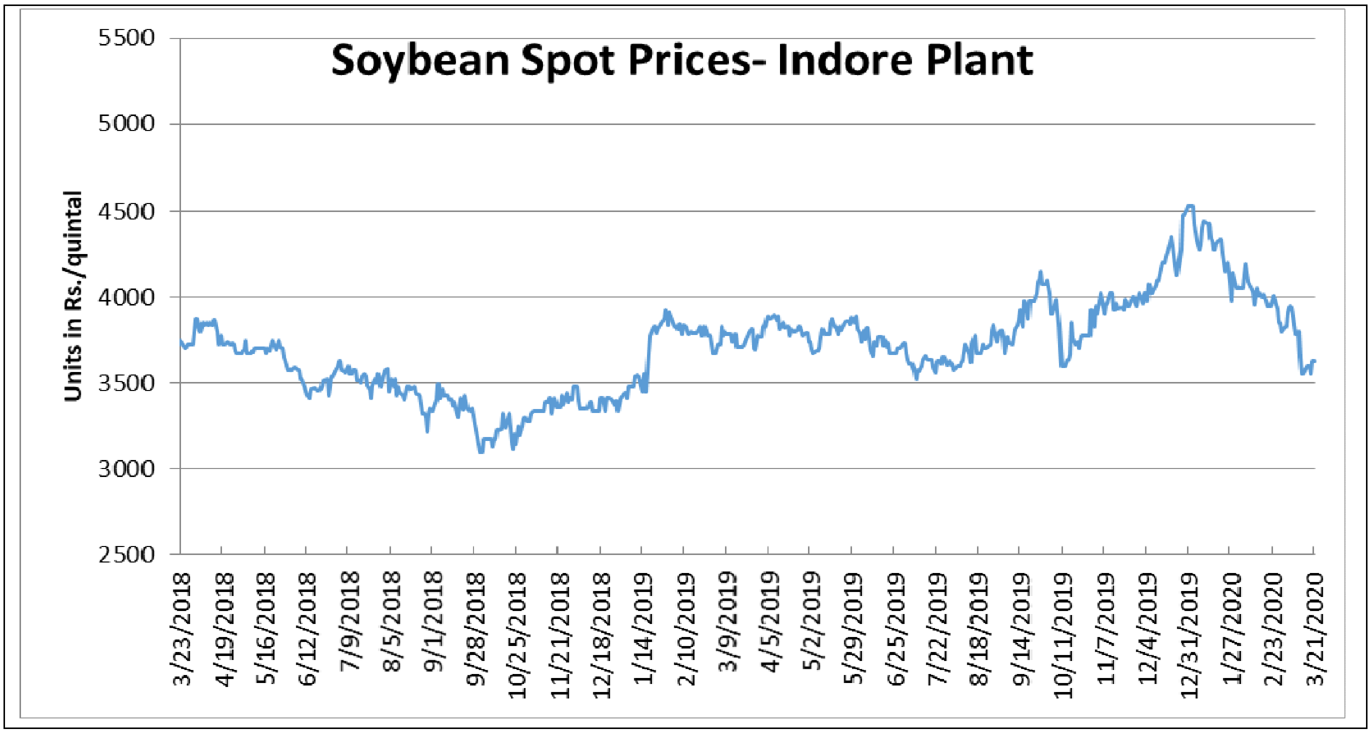
As per traders, total 20 to 25% soybeans are damaged in MP state majorly in the districts of Ratlam, Mandsaur and Neemuch. Traders expect Soybean production in India at 85 lakh tonnes for 2019/20 due to heavy crop loss in MP& Rajasthan.

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 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.



Source: Agriwatch

International Market

CBOT soybean prices increased amid good buying activities at lower price level. Major fall in crude oil has made on pressures on Soy oil prices which may curb any major rise in CBOT prices.

Recent rainfall in March month may cause to lower soybean crop size in Argentina for 2019-20. Growers in the country expect 50.5 million tonnes of soy in 2019-20 lower from its previous estimates.

As per sources, European Union bought total 11.5 million tonnes of Soybean till April 19, 2020 (season started on July 1) which is lower by 4% from last year record in Apr 14. EU soymeal imports had reached higher by 3% to 14.27 million tonnes against the year-earlier period, while Rapeseed imports went up by 45% to 5.13 million tonnes against last year record. However, palm oil imports stood down by 15% to 4.48 million tonnes.

As per Agrural , Brazil have harvested total 92% of its soybean planted area during 16 April 2020 which is lower from 95% from five year average for this time in the season. It expects 123.8 million tonnes of this season lower from 124.3 million tonnes from its earlier estimates on account of drought in the country.

The U.S. Department of Agriculture may spend up to $15.5 billion in the initial phase of its plan to support the nation's food supply chain against the impacts of the coronavirus outbreak.

As per custom's recent released data, China has imported 13% lower soybean in March 2020 compared to last year record after heavy rainfall in Brazil and slow demand on account of coronavirus outbreak. The country has bought total 4.28 million tonnes of oilseeds in March 2020 lower from 4.91 million tonnes in March 2019.The volume is also lower from five years records. However, the import in China is likely to increase in April 2020 and the coming months in expectation of good weather conditions in Brazil and already booked cargoes from U.S. under the Phase 1 trade deal.

As per NOPA recent data, NOPA members have crushed total 181.37million bushels of Soybeans in March 2020 which is higher from 166.28 million bushels in February 2020. It is also higher from 170.01 million bushels in March 2019. Crushing is higher than the average trade estimate of 175.16 million bushels, based on data gathered by Reuters from 8 analysts. While, soybean oil stocks declined to 1.89 billion pounds at the end of March against 1.92 billion pounds in February month however higher from 1.761 billion pounds at the end of March 2019. Soymeal exports has been reported higher in March 2020 at 973,741 tons against 762,745 tons in February 2020 and 844,294 tons exported in March 2019.

As per recent Conab report of April month, Brazil is likely to grow 1.72% lower soybean at 122.06 million tons in 2019-20 (crop year September-August) from its March month estimates i.e. 124.20 however 6.13% higher from last year record due to supportive weather condition. Soya yield is likely to stay lower at 3313 KG/ Ha. against 3373 Kg/Ha. in March month forecast however higher from 3206 Kg/Ha. in last year. Planting area is estimated 0.05% higher to 36.84 million ha.against 36.80 million Ha. in March month and 2.70% higher from 35.87 million Ha. in 2018-19.

As per Abiove, Brazil is likely to harvest 123.7 million tonne in 2020 higher from 120.75 million tonnes in 2019. The country may ship total 73.5 million tonnes in 2020. As per Agroconsult, Brazil may harvest lower soybean 123.5 million tonnes in 2019-20 lower from 124.3 million tonnes in its earlier forecast due to drought which have damaged crop mainly in Rio Grande do Sul state.

Currently, 24.14 cases in the world have been identified under Coronavirus impact where 1.65 lakh people could not survive and 6.29 people were recovered. The outbreak has reached almost whole of the world. This has led to lockdown of various countries leading to breakdown of global supply chain of soybean. Many countries have imposed complete lock down to prevent from COVID-19.

China has lifted lockup in almost all provinces and ravel restriction have been removed. With lifting of lockdown and fiscal stimulus measures Chinese economy is expected to pick up pace from next quarter when most of the world is going into lockdown. This has led to increase in meat consumption increasing demand of soybean in the country. However, lower swine count in China due to swine flu in 2019, which led to 40 percent drop in swine count led to lower demand of soybean by China. New cases for Coronavirus is rising which may plummet soybean demand in the country.

As per Rifinitiv Agriculture Report, Brazil shipped total 12.6 million tonnes in March 2020 which is 35% above last month and also 43% higher from last five years average March exports as supported by robust demand of China. China bought total 7.8 million tonnes in March 2020 which is higher by 2% from last year record i.e. 5.8 million tonnes in the corresponding period of time.

US-China trade settlement has been applicable from Feb 15 and there has been little purchase by China. However, with China restarting its economy and disruption of supply from Brazil will lead to higher demand of soybean from US supporting prices.

During the week (April 10th to 16th 2020) US sold 41% higher soybean 344,900 MT for 2019-20 from the previous week but lower by 48 percent from the prior 4-week average. Increases primarily for Spain (63,900 MT, including 63,000 MT switched from unknown destinations), Egypt (58,300 MT, including 55,000 MT switched from unknown destinations), Bangladesh (55,800 MT, including 58,000 MT switched from unknown destinations and decreases of 2,200 MT), Indonesia (55,500 MT, including 55,000 MT switched from unknown destinations and decreases of 2,600 MT), and unknown destinations (25,100 MT), were offset by reductions for Nepal (200 MT) and South Korea (100 MT). For 2020/2021, total net sales of 500 MT were for Malaysia. Exports of 528,600 MT were up 1 percent from the previous week and 8 percent from the prior 4-week average. The destinations were primarily to China (135,900 MT), Indonesia (68,500 MT), Spain (63,900 MT), Egypt (58,300 MT), and Bangladesh (55,800 MT).

According to China's General Administration of Customs (CNGOIC), China's Jan and Feb soybean imports rose 14.2 percent to 13.51 MMT from 11.83 MMT a year earlier. Imports in Dec were 9.54 million tonnes.

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 WASDE April report, world oilseed production for 2019/20 is projected at 577.07 million tons in Apr. month lower against 580.13 million tonnes in last month in expectation of lower crops in Brazil and Argentina. USDA estimates 597.27 million tonns of oilseeds production in 2018/19. Total oilseeds crushing is estimated slightly lower at 497.42 million tons against 497.94 million tons however it is higher from 489.35 million tonnes in previous year. Ending stocks for the world is kept lower at 116.33 million tonnes in this month against 117.37 million tons in last month estimates however lower from 129.21 million tonnes in 2018/19 on lower production.

As per USDA recent released report, U.S. Soybean production for 2019/20 is estimated unchanged at 96.84 million tons in April 2020. The exports has been declined by 1.36 million tonnes to 48.30 million tonnes in its April month report from 49.66 million tonnes in last month however higher from 47.56 million tonnes in 2018-19. U.S crushing is kept higher side at 57.83 million tonnes in April 2020 against 57.28 million tonnes in March month and also from 56.93 million tonnes in last year. Ending stocks of the country is expected to be higher at 13.07 million tonnes in Apr. month review against 11.55 million tonnes in last month however lower from 24.74 million tonnes in 2018/19.

As per USDA, soybean production of Brazil is forecast lower by 1.5 million tonnes to 124.5 million tonnes in April month compared to last month i.e. 126 million tonnes on account of drought condition however it is higher from 117 million tones in 2018-19. Exports of soybean in 2019-20 is expected at 78.50 million tons higher from 77 million tons in last month and also from 74.59 million tonnes in 2018-19.

As per USDA, U.S. Gulf FOB soybean export bids in March averaged $345/ton, lower $5 from February. Brazil Paranagua FOB averaged $340/ton down by $6 from February. Argentina Up River FOB averaged $324/ton, down $23.

As per the latest update from USDA, China soybean production is estimated remain at 18.10 million tonnes in April month like last month however it is higher from 15.96 million tonnes in 2018-19. Total imports of China are estimated at 89 million tonnes for 2019/20 season higher from last month record i.e. 88 million tonnes and also from 82.54 million tonnes. Total crushing is estimates same as in last month i.e. 86 million tonnes and higher from 85 million tonnes in previous year.

As per USDA, Argentina may harvest soybean crop at 52 million tonnes in 2019/20 lower from last month record i.e. 54 million tonnes in March month and also lower from 55.30 million tonnes in 2018-19.

As per Reuter poll trade estimates, U.S. may plant 84.86 million acres which is higher from 76.10 million acres in 2019. Agmarket keeps its estimates at 85.50 million acres.

Soy meal

Steady to weak tone are depicted in soymeal markets amid COVID-19 outbreaks in the world. Lock down in India has been extended until 3rd May 2020 to avoid sever impact of COVID-19.

According to trade source, one vessel (SMART LISA) are expected to arrive at Tuticorin port for sunflower seed meal with total capacity of 29700 tons. However, vessels are stuck at ports due to lock down in India.

During the week (Apr.10 to April 16, 2020) US sold lower 35% lower soybean cake and meal to 102,900 MT for 2019/2020 against the previous week and 44% lower from prior 4-week average. Increases primarily for Mexico (32,700 MT, including decreases of 400 MT), Canada (21,300 MT, including decreases of 100 MT), Israel (8,800 MT, including 8,500 MT switched from Ireland), Taiwan (7,900 MT), and Japan (6,200 MT), were offset by reductions for Ireland (8,500 MT) and Morocco (2,600 MT). Net sales of 15,500 MT for 2020/2021 were for Mexico (15,000 MT) and Japan (500 MT). Exports of 335,300 MT were up 72 percent from the previous week and 24 percent from the prior 4-week average. The destinations were primarily to Mexico (50,600 MT), the Dominican Republic (44,600 MT), Morocco (32,400 MT), Ecuador (32,200 MT), and Colombia (27,600 MT).

As per recent report of USDA, Soymeal production of India is kept unchanged at 6.6 million tonnes for 2019/20 in April month report however lower from 7.6 million tonnes in 2018/19 season. Domestic consumption is also placed unchanged at 5.49 million tonnes for this season like last month however higher from 5.2 million tonnes in previous year record.

As per USDA, global production of soymeal is estimated slightly lower at 238.08 million metric tonnes in April month against 238.48 million tonnes in March month however it is higher from 233.60 million tonnes in 2018-19. Exports of soymeal has been revised lower at 66.73 million metric tonnes against 66.88 million tonnes in March month and also from 67.26 million tonnes in 2018-19 on Coronavirus outbreaks in the world as poultry demand got much affected.

As per USDA, U.S. soybean meal export bids in March averaged $361/ton, higher $27 from February on supply concern in Argentina. Brazil Paranagua FOB averaged $337/ton, up $20 from February, and Argentina Up River FOB averaged higher by $18 to $348/ton.

As per recent SEA report, India shipped Oilmeals lower by 74% to 76,017 tons in February 2020 against 294,510 tons in February 2019. India shipped total 20,309 tons of soymeal, 40,585 tons of Rapeseed meal, 3500 tons of Rice Bran Ext., 11,623 tons of castor seed meal in Feb 2020. The overall export of oilmeals during April-Feb. 2020 is reported 25% lower to 2,200,690 tons compared to 2,941,971 tons in April-Feb.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 50% to 505,194 against 359,351 tons in Apr-to Feb 2020 compared to last season.

During April-February 2020, Vietnam imported 276,655 tons of oilmeals (compared to 592,697 tons); consisting of 6,417 tons of soybean meal, 167,643 tons of rapeseed meal and 102,595 tons of De-oiled Rice Bran Extraction. South Korea imported 809,733 tons of oilmeals (compared to 699,334 tons); consisting 51,098 tons of soybean meal, 365,243 tons of rapeseed meal and 393,392 tons of castor seed meal. Thailand imported 218,320 tons of oilmeals (compared to 298,400 tons) consisting 197,798 tons of rapeseed meal, 17,581 tons of Rice Bran Extractions and 2905 tons of soybean meal.

During April-February 2020, the export from Kandla is reported at 754,590 tons (34%), followed by Mundra handled 703,303 tons (32%), and Mumbai including JNPT handled 172,169 tons (8%) and Kolkata handled 131,269 tons (6%) and Others Ports handled 439,359 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 $96 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 – May. Contract				
S2	S1	PCP	R1	R2
3616	3690	3776	3946	3980

- Soybean May. contract depicts firm trend and likely to find support at 3690 and resistance at 3870
- On the upside, 3946 shall act as immediate resistance followed by INR 3980.
- On the downside, INR 3690 shall act as immediate support followed by 3616.
- Trade Recommendation (NCDEX-Soybean) -Buy

Weekly trade call: **Buy** below 3770 Target – T1-3840; T2-3900, SL – 3700

Soy DOC Rates at Different Centers			
Centres	Ex-factory rates (Rs/ton)		
	23-Apr-20	16-Apr-20	Parity To
Indore - 45%, Jute Bag	32500	34000	Gujarat, MP
Kota - 45%, PP Bag	32500	34000	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	34000	35500	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	33200	36000	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	35000	36800	Andhra, AP, Kar, TN
Latur	34000	36500	-
Sangli	34000	36500	Local and South
Solapur	33500	35800	Local and South
Akola – 45%, PP Bag	33000	36500	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Hingoli	34000	36800	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Bundi	32300	33800	-

Soy DOC at Ports			
Centers	Port Price		
	22-Apr-20	15-Apr-20	Change
Kandla (FOR) (INR/MT)	Unq	Unq	-
Kandla (FAS) (USD/MT)	Unq	Unq	-
CNF Indonesia – Yellow SBM (USD/MT)	Unq	Unq	-

Rapeseed Meal	22-Apr-20	15-Apr-20	Change
FAS Kandla (USD/MT)	Unq	-	-
FOR Kandla (Rs/MT)	Unq	-	-
FOR Mundra (Rs/MT)	Unq	-	-
CNF Indonesia (USD/MT)	Unq	-	-

International Soy DOC			
Argentina FOB USD/MT	22-Apr-20	15-Apr-20	Change
Soybean Pellets	318	326	-8
Soybean Cake Flour	318	326	-8
Soya Meal	314	322	-8
Soy Expellers	314	322	-8

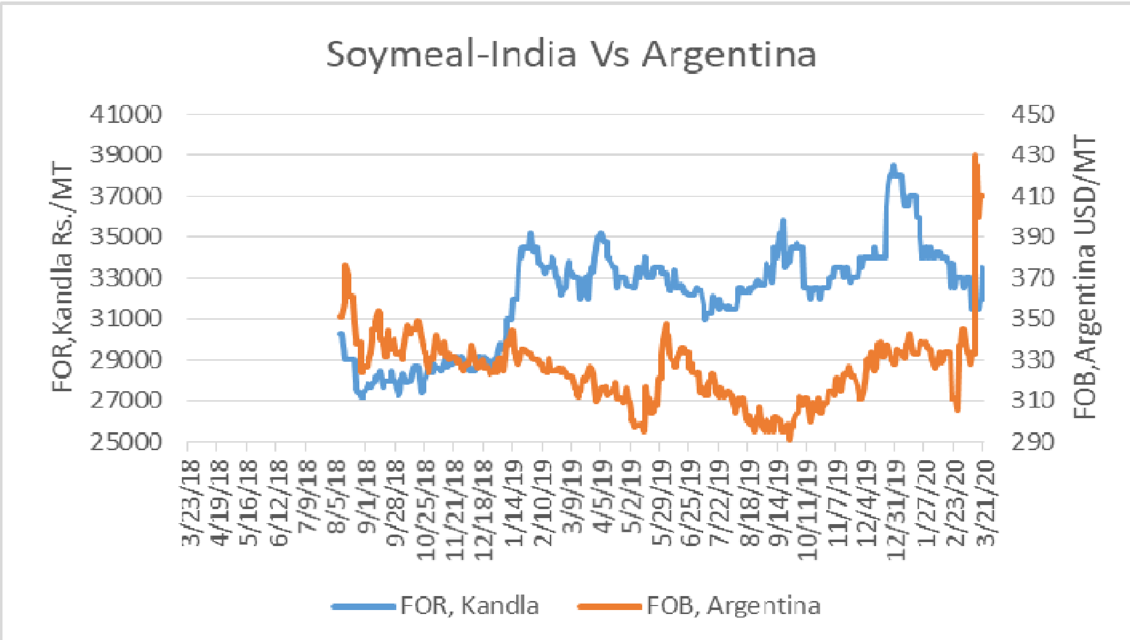
Sunflower (DOC) Rates	Ex-factory rates (Rs/ton)		
Centers	**23-Apr-20**	**16-Apr-20**	**Change**
Adoni	23200	23800	**-600**
Khamgaon	Unq	0	**-**
Parli	Unq	0	**-**
Latur	22700	23400	**-700**

Groundnut Meal (Rs/MT)	23-Apr-20	16-Apr-20	Change
Basis 45%, Saurashtra	Closed	Closed	**-**
Basis 40%, Saurashtra	Closed	Closed	**-**
GN Cake, Gondal	Closed	Closed	**-**

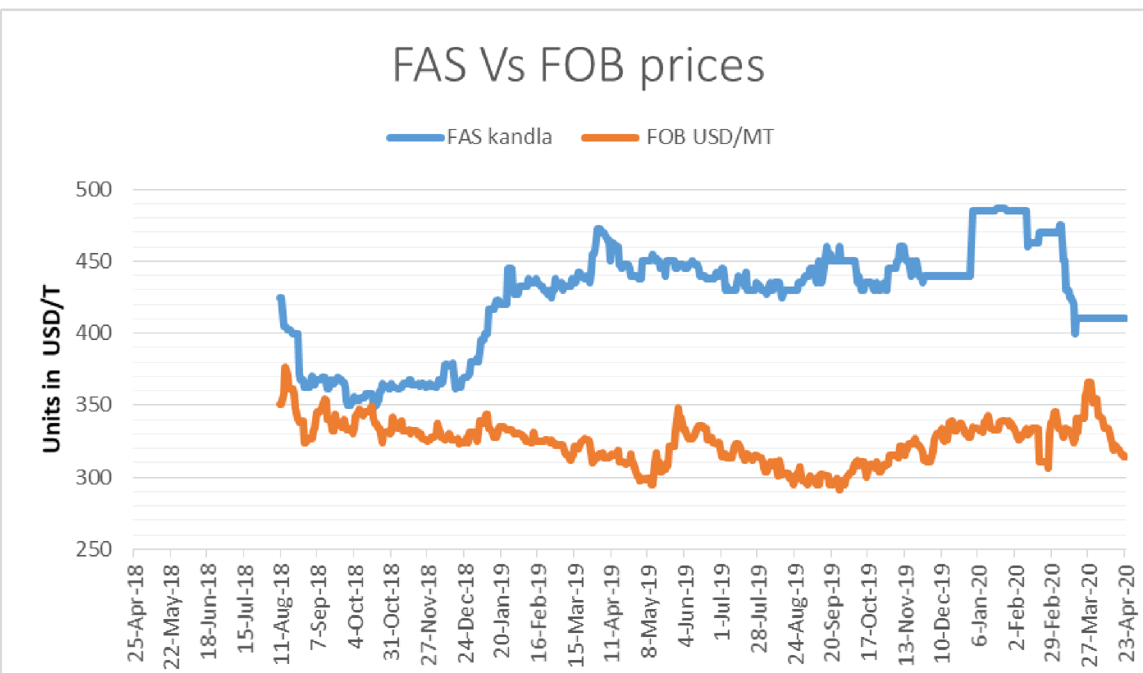
Mustard DOC	23-Apr-20	16-Apr-20	Change
Jaipur (Plant delivery)	16400	17100	**-700**
Kandla (FOR Rs/MT)	16800	17100	**-300**

Mumbai Oil Meal Quotes:			
Rs/M.T.	**23-Apr-20**	**16-Apr-20**	**Change**
G.N. Extr (45%)	28000	28500	**-500**
KardiExtr	Unq	Unq	**-**
Undec Cottonseed Exp	23000	24000	**-1000**
Rice Bran Extr.	Unq	Unq	**-**
Sunflower Extr.	21000	22000	**-1000**
Rapeseed Extr.	Unq	Unq	**-**
Soymeal 48%	33913	35478	**-1565**
Castor Extr.	Unq	Unq	**-**

Soymeal - India Vs Argentina



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



Rapeseed - Mustard Seed

Mustard seed prices at Jaipur market traded lower side on good pace of arrivals of new crop in the markets. Government has allowed farmers to sell new harvested mustard crop in mandies. Heavy rainfall in March month has delayed harvesting of mustard seed of this season. Excess rainfall has also damaged seed quality at some extent. Heavy supplies in coming days may put pressures on mustard seed prices. NAFED is ready now to procure new mustard crops when lock down will open in India.

Total progressive purchase of last season by NAFED have been reported at 10.89 lakh tons. Total stocks after sale of mustard seed is 3.30 lakh tons. So, total sale has been 7.59 lakh tons. Stock with NCDEX is 0.03 lakh tons.

Agriwatch expects 7.21 million tonnes of Mustard crop for 2021-20 which 8.76% lower from 7.90 million tonnes as estimated for 2019-20. Yield size may decline 8.5% to 1036.88 Kg/Hac. against 1133 Kg/Hac in 2019-20 due to non-seasonal rainfall in Jan 2020 and March 2020. India received 46% excess rainfall during 1st March 2020 to 1st April 2020 compared to Normal rainfall which may increase moistures level of already harvested crops. Heavy Rainfall and hailstorm in early Jan month 2020 have affected standing mustard crops in Rajasthan, Western Uttar Pradesh and Southern Haryana states of India as a result the stem rot and white rust disease are seen at growth stage. Area of India is reported 0.29% lower to 6.95 million hectares compared to 6.97 million hectares in 2019-20 as mustard area have shifted to Wheat, garlic and Barley crop in some growing belt of India.

COOIT has estimated 77 lakh tons of rapeseed crop in MY 2020-21 compared to crop of 75 lakh tons last year. In the second advanced estimate rapeseed crop has been estimated at 91.13 lakh tons compared to 92.56 lakh tons last year.

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.

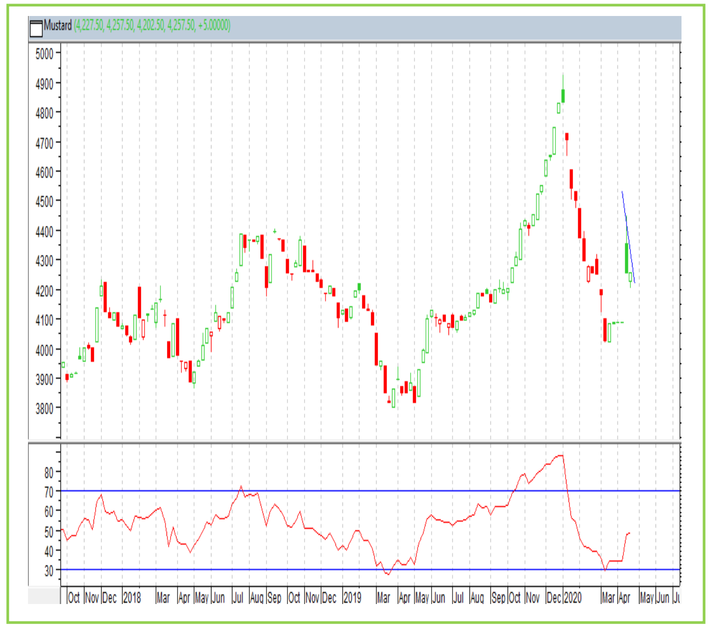
Government has announced Rs. 225 higher MSP of Mustard seed for Rabi 2020-21 seasons to Rs.4425 against Rs. 4200 in 2019-20.

According to United States Department of Agriculture (USDA) in April month, India may produce total 77 lakh tones of Rapeseed in 2019/20 lower from 80 lakh tonnes in 2018/19. It is unchanged from last month estimates. Ending stocks of mustard seed have been lowered to 2.19 lakh tonnes from 4.69 lakh tonnes in last year record. India's 2019-20 Rapeseed oil production is revised higher at 26.60 lakh tonnes higher from previous year record i.e. 26.22 lakh tonnes. While, mustard oil import estimates are placed lower at 0.45 lakh tonnes from 0.62 lakh tonnes in previous year.

Technical Analysis:

RM Seed Futures Contract

Mustard Spot Jaipur



****Daily Chart***

Support & Resistance NCDEX RM Seed – May. Contract				
S1	**S2**	**PCP**	**R1**	**R2**
3900	**3940**	**4081**	**4113**	**4160**

- Mustard May. contract depicts weakness and further can get immediate support at INR 3940
- Prices have tested the lower level of 4068 in this week.
- Trade Recommendation (NCDEX Rapeseed-Mustard) -**Sell**

Weekly trade call: **Sell** below –4080 Target – T1-4010 T2- 3950, SL –4110

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