

Oilmeals Weekly Research Report

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Executive Summary

Domestic soybean and rapeseed mustard fell ahead commencement of newly harvested soybean supplies, in recent days. Further, In August, India has imported rapeseed-mustard oil after 4 months since April 2020.

However, gains in domestic soymeal prices were witnessed with improved local demand but the meal exports fell in August'20.

The soybean fundamentals continued to remain weak on overall slack in local and overseas soymeal demand of Indian origin. Besides, India is continuously importing soyoil and the country has also purchased the oil in August, though the import volume has reduced compared to month-on-month and year-on-year.

Higher sown area under kharif'20 oilseeds, weak soymeal demand and increasing soyoil have hurt the crush margin in soybean. Considering the comfortable global soy supply scenario in the upcoming season, we don't have much expectation in soy demand in the new season.

But, the rapeseed-mustard fundamentals are still strong on festive demand in the seed from the oilseeds' crushers. However, we feel rapeseed-mustard prices will come under pressure with the increase in the new crop soybean supplies, the seed prices in the cash market are already in the overbought territory.

In the last official progressive kharif planting report, India's area under oilseeds coverage is reported up by 10.5%. This year area coverage under soybean is 121.21 lha, up by 7% from the 113.41 lha normal area. Agriwatch has pegged India's 2020/21 soybean output up 38% from previous season after increase in the sown area under the bean.

We expect soybean and soymeal to feature range-bound movement with weak-bias on bearish domestic and global supply outlook.

Further, the rapeseed-mustard prices will come under short-term pressure with the commencement of the newly harvested soybean supplies in the domestic market, but good festive oil and rape-meal demand will limit the losses.

Outlook – Cash Market

Outlook - Soybean (Spot, Indore): The soybean prices will feature range-bound movement with weak bias, given the commencement of newly harvested bean supplies, weak soymeal demand and higher soyoil imports. Further, expectation of higher soybean production this season will continue to weigh on the soy prices. The prices (Indore, Plant basis) are expected to feature range bound movement in the price band of 3,750– 4,000 level.

Outlook – Soy meal: Persistent weak demand from poultry sector and poor overseas demand with expectation of higher stock during the season will continue pressuring the domestic soymeal. Soymeal prices are likely to witness range-bound movement with weak bias. Indian meal exporters are advised to explore new markets aggressively and try to regain the lost markets especially traditional South and Far-East Asian destinations including Japan in the coming days. **(Vietnam, Indonesia, Philippines, Thailand, S. Korea and Japan combined are forecast to import 19.75 Mn T of soymeal in 2020/21 from Argentina, Brazil and US).** The domestic meal prices are likely to remain under supply pressure and feature range bound movement in near-term. Soy meal, Indore is expected to be in the range of 30,500 – 31,500/MT levels during the week.

Outlook - Rapeseed-Mustard (Spot, Jaipur basis): The rapeseed-mustard is expected to feature range-bound movement with firm bias, on good crushing demand backed by good demand in rapeseed-mustard oil and improved exports of rapeseed-mustard oilcake. The seed arrivals are gradually falling week-on-week. The seed prices are likely to be under pressure with the commencement of newly harvested soybean supplies and witness the levels between 5,450– 5,500/Qtl; levels during the week.

International Highlights

- ❖ NOPA has reported US August 2020 soybean crush at 165.055 million bushels, the lowest monthly crush since November. It was down from 172.794 million bushels in July 2020 and 168.085 million bushels processed in August 2019
- ❖ In the latest USDA, September'20, report, the department has slashed US 2020/21 soybean production to 117.3 million tonnes from 120.4 million tonnes forecast in August'20 report.
- ❖ The data shows that US processed 172.794 million bushels of soybean in July, the largest July soybean crush on record, up from 167.263 million bushels in June and the 168.09 million bushels processed in July 2019.
- ❖ Chinese state-owned trading firms have bought 480,000 tonnes of US soybean (in eight bulk shipments) for December and January delivery.
- ❖ **Revised September'20:** Brazil's 2020/21 soybean output is forecast up by around 5-6% between 127.3 million tonnes to 133.5 million tonnes by various agribusiness consultancies like Rabobank (127.3 Mn T), Abiove (131.5 Mn T), Datagro (131.69 Mn T), Celeres (131.4 Mn T), AgRural (131.3 Mn T) and Conab (133.5 Mn T) and USDA has pegged it at 133 Mn T currently.
- ❖ These agencies have pegged the Brazil's 2020/21 planted area to 37.9 - 38.2 million hectares (an increase of 1.3 – 2.5 million hectares over the 2019/20 final estimates).
- ❖ Given the Brazil's 2020/21 soybean production figures by various agencies, it will be an all-time high soybean production in the country which will once again prove to be competitive in the soybean market, in 2020/21 season. Brazil has harvested 125.5 million tonnes of soybean in 2019/20 which is slightly higher than 125 million tonnes in 2018/19.
- ❖ Argentina's 2020/21 soybean output is pegged at 50 million tonnes by Rosario Grain Exchange. The country harvested 50.7 million tonnes in 2019/20.
- ❖ Argentina is expected to increase its area under soybean crop by 0.6% this year vs 17.3 million hectares, said the exchange.

Sown Area – *Kharif* Oilseeds, India

In the progressive official Kharif oilseeds planting report dated 18th September 2020, by the Ministry of Agriculture, the total coverage area under Kharif oilseeds is reported at 196.77 lakh hectares, an increase by 10.5% from 178.11 lakh ha in the corresponding period of last year. Of the major oilseeds, soybean sowing is reported up by 7% at 121.21 lha compared to 113.41 lha during the corresponding period of last year, groundnut at 50.95 lha vs 39.13 lha, sesamum 14.01 lha vs 13.64 lha, castor seed at 7.74 lha vs 9.10 lha and niger at 1.63 lha vs 1.84 lha, during the same period last year. We feel country's final area under oilseeds to be above normal by 7-8% this season.

Area in Lakh Hectares

Crop	Normal Area (5 Year Avg.)	As on 18 Sep. 2020	As on 18 Sep. 2019	% Change
Groundnut	42.43	50.95	39.13	30.2
Soybean	111.49	121.21	113.41	6.9
Sunflower	1.84	1.23	0.99	24.2
Sesamum	14.13	14.01	13.64	2.7
Niger	2.41	1.63	1.84	-11.4
Castor	9.65	7.74	9.10	-14.9
Total Oilseeds	181.95	196.77	178.11	10.5

Source: MoA, GOI

Soybean

Soybean further declined, as expected, on commencement of the newly harvested crop arrivals in the key growing cash market yards in recent days.

However, quality of the beans is found to be poor (shrink) in some cash markets of Madhya Pradesh and the level of moisture in the new beans is considerably high. Further, crushers are the major participants in the market.

Besides, the moisture ranges between 15-25% in the new beans which is quoted Rs. 2800-2850 a quintal for beans with higher moisture and poor quality seed and it is quoted between Rs 3500-3600 a quintal for the bean with lower moisture and considerable good quality bean.

Forecast of higher soybean production for the new season, weak soymeal demand and increasing soyoil imports will continue to pressure the soybean complex and the keep the crush margins lower in medium-to-long term.

India's soyoil imports surged by 14% to 2,78,9867 tonnes during the last five months (Apr.-Aug.) of oil year 2019-20 compared to 2,45,2362 tonnes during the corresponding period last year.

Soymeal exports are reported down 24% during April-August 2020 compared to the same period last season.

India's area coverage under soybean crop is well above normal area of 111.49 lha by 9% last week.

In the last progressive planting report by the Ministry of Agriculture dated September 18, 2020, India's soybean sowing is reported up by 7% at 121.21 lha compared to 113.41 lha during the corresponding period of last year.

IMD's subdivision rainfall data of 20 September 2020 reveals that the West Madhya Pradesh has received 914 mm of rainfall vs 825 mm (+11% departure), Vidarbha 803 mm vs 905 mm (-11% departure) and East Rajasthan received 572 mm rainfall vs 588 mm normal (-3% departure).

Agriwatch has pegged India's 2020/21 soybean output at 12.06 million tonnes, up 38% from 8.74 million tonnes in 2019/20. SOPA has pegged India's 2020 soybean output at 12.25 Mn T after a recent crop survey. USDA has pegged it at 11.2 Mn T, up from the 10.5 Mn T previous estimate.

In the latest update by SOPA, the association has revised the import of soybean for the oil year 2019/20 upwards from 3 lakh tonnes to 5 lakh tonnes, soybean crushing during the same period is revised upwards from 73 lakh tonnes to 81 lakh tonnes, soymeal consumption for food from 6 lakh tonnes to 6.5 lakh tonnes and for feed from 47 lakh tonnes to 52.5 lakh tonnes.

SOPA has estimated India's carry over stock of soybean at the end of September 2020 to 6.06 lakh tonnes. It is expecting about 2 lakh tonnes of new soybean crop arrivals by the end of September'20.

Soybean plant delivery price have declined in Indore cash market at Rs 3,725 – 3,950 a quintal compared Rs 3,675 – 4,000 to the previous week.

The supplies of bean have increased with the start of some new crop supplies in various cash market yards of Madhya Pradesh to 3,85,000 bags during the week from 3,65,000 bags a week ago.

Government has set the MSP of soybean for kharif marketing season at Rs. 3880/Qtl vs Rs. 3710/Qtl last season. This will lend some support to the bean.

The major buyers are as follows: Agrawal, Neemuch, Shanti Overseas, Living Food, Goyal Protein, Bansal-Bhopal, Vippy-Dewas, ABIS, Sneha, Ruchi Soya, Shalimar Katol, Vippy Dewas, Dhanuka Neemuch, Avi Agri Ujjain, M.S. Neemuch, RH Seoni, Prakash, Kriti Dewas, Mahakali, Prestige Dewas, Itarsi Oil, Sanwaria Itarsi, MS Solvex Neemuch, MS Soya Pachore, during the week.

The domestic soybean prices are likely to feature range-bound movement with weak bias on slack in soymeal demand, higher soybean oil imports and expectation of good crop this season.

International:

In the latest USDA, September'20, report, the department has slashed US 2020/21 soybean production to 117.3 million tonnes from 120.4 million tonnes forecast in August'20 report.

Overall, the global soybean supplies for 2020/21 season is projected to be bearish.

Revised September'20: Brazil's 2020/21 soybean output is forecast up by around 5-6% between 127.3 million tonnes to 133.5 million tonnes by various agribusiness consultancies like Rabobank (127.3 Mn T), Abiove (131.5 Mn T), Datagro (131.69 Mn T), Celeres (131.4 Mn T), AgRural (131.3 Mn T) and Conab (133.5 Mn T) and USDA at 133 Mn T.

These agencies have pegged the Brazil's 2020/21 planted area to 37.9 - 38.2 million hectares which is up 1.3 – 2.5 million hectares estimated by these agencies for 2019/20.

Industry estimates suggest this year's Brazilian soybean export may reach 80 million tonnes or more, which means another 12 million tonnes could be exported over the next few months. Shipping lineup, showed 5.3 million tonnes of soybeans scheduled for August. China will be the largest buyers from Brazil.

The above statements with data reveal bearish global oilseeds supply scenario in the upcoming season.

China's domestic soybean production is seen at 18.81 million tonnes in 2020, up 3.9% from the previous year, according to forecasts of the agriculture ministry. The country's soybean crushing volumes were pegged at 85.98 million tonnes this year.

The strong Chinese buying will continue to lend support to the international soy prices during the season.

Argentina's 2019/20 soybean yield is estimated an average of 2.96 tonnes per hectare and the country's soybean production is pegged at 49.5 million tonnes, said the Buenos Aires Grains Exchange. The reduction is mainly due to the dry weather during the crop development phase.

The international soybean prices are expected to feature range bound movement with weak bias on better US soybean crop prospect and South American supply scenario. However, strong Chinese buying will limit the downside.

Soymeal

Soymeal posted gains on some improved local demand, but the gains were limited on newly harvested soybean supplies and continued weak soymeal exports from India.

The Solvent Extractors' Association of India has released the export data for export of oilmeals for the month of August 2020 and provisionally reported at 171,515 tonnes compared to 228,484 tonnes in August, 2019 i.e. down by 25%.

The overall export of oilmeals during April to August 2020 is provisionally also reported down at 1,013,177 tonnes compared to 1,146,295 tonnes during the same period of previous year i.e. down by 12%.

The soymeal exports fell by 6% to 58,190 tonnes in August 2020 compared to 61,957 tonnes in the same period last year. Besides, it fell by 24% to 2,49,339 tonnes during the last five months (Apr.-Aug.) of financial year 2020-21 compared to 3,28,633 tonnes during the corresponding period last year.

Forecast of higher soybean output in India this season, have again created the bearish supply scenario in soymeal in the coming season. We are still far from the pre-COVID demand level from poultry, after demand for poultry products has been severely hit since March 2020.

The soy complex is under pressure after crush margins are weak with multiple bearish factors including forecast of higher soybean output for the new season, decreasing local and overseas demand for soymeal of Indian origin and increasing soyoil imports.

Vietnam, Indonesia, Philippines, Thailand, S. Korea and Japan combined together is forecast to import 19.75 Mn T of soymeal in 2020/21 mainly from Argentina, Brazil and US.

The domestic average soymeal prices at Indore, witnessed gains to Rs. 31,167/MT and was quoted between Rs 30,5000 – 31,500/MT compared to the average of Rs 30,583/MT traded between the price range of Rs 30,000 – 31,000/MT previous week.

At Latur soymeal prices improved to Rs 32,000 – 33,000/MT from Rs 31,800 – 33,800/MT a week ago and in Nanded it was quoted higher at Rs. 33,500 - 34,000/MT compared to Rs. 33,000 - 34,000/MT a week ago. Besides, in Kota, the meal too improved to Rs 32,500 – 33,200/MT compared to Rs 32,000 – 34,000/MT previous week.

India's Y-o-Y soy meal prices, Indore, are currently lower. Soy meal Indore was quoted higher between Rs 30,5000 – 31,500/MT during the week compared to Rs 31,000 – 33,200/MT during the corresponding period last year.

The soy meal prices (Indore) are likely to feature range-bound movement between Rs. 31,000 – 31,500 /MT on slack in demand from poultry sector, in near to medium-term.

Previous updates:

India has lost the traditional South East Asian markets to South America in recent years as the markets have switched to GM soymeal and India has lost its non-GM advantage it enjoyed until recently. Japan was the biggest buyer of non-GM soymeal of Indian origin earlier.

Soymeal exports to SE Asian countries are continued to remain weak and given the bumper South American soybean crop and expectation of good US bean crop and it is unlikely India's soymeal export prices could compete with them.

SOPA is concerned about the falling demand from the traditional buyers like France, Japan, Iran, Korea and Nepal of soymeal of Indian origin.

In a major blow to the domestic soymeal market, which was already reeling under pressure, DGFT has blocked the online registration of Merchandise Export from India Scheme Claims (MEIS), this week, on its portal from exports undertaken 01.04.2020 onwards.

This will result in further decline in soymeal exports from India, as MEIS benefit of 5% is a significant incentive to compete in the world market. SOPA has made a representation to the government to revoke the suspension of the MEIS benefit immediately.

The revenue department have argued against continuing the MEIS, calling it wasteful and inefficient.

Instead of extending the Merchandise Exports of India Scheme, which cost Rs 43,500 crore in 2019-20, the NITI Aayog and the Ministry of Finance have called for putting financial resources into new Production-Linked Incentive (PLI) schemes in select sectors with core competency and potential for global exports.

However, SOPA has sought a stimulus package from the Centre to support the soybean industry, which has been hit by the lockdown and the collapse of poultry sector. It has asked the Center to increase the import duty in edible oils.

Besides, the SOPA members in a letter addressed to Ministry of Agriculture and Farmers Welfare have demanded exemption of GST on soybean and soymeal, the same time.

The poultry sector consumes 60% of the soymeal in India and there are no takers for it leading around half of the processing units being shut.

India's soymeal shipments may fall to around 500,000 MT in 2019-20 (Oct-Sep), less than one fourth of the year-ago figure of 2.1 million tonnes due to subdued demand from traditional overseas buyers amid ongoing countrywide lockdown, said Soybean Processors Association of India Chairman Davish Jain.

Technical Analysis:

NCDEX Soybean Futures



Soybean Spot, Indore



*Note: Daily Chart

Support & Resistance NCDEX Soybean – Oct. contract

S1	S2	PCP	R1	R2
3800	3700	4006	4300	4400

- Soybean posted gains on buying support in the market.
- Prices closed above 18-day EMA.
- RSI and stochastic are rising in the neutral zone.
- MACD is rising in the positive territory.
- The prices are expected to feature losses in the coming week.
- Trade Recommendation (NCDEX Soybean – Oct.) Week: **BUY** Above 4000. Levels: T1 – 4100; T2- 4150, SL - 3940.

Rapeseed - Mustard Seed

Rapeseed-mustard fell pressured by the commencement of the newly harvested soybean supplies. Besides, India has imported rapeseed oil (canola) of about 20,801 metric tonnes in August for the first time in last four months.

However, the demand in seed and oil is good ahead festivities. We feel the rapeseed-mustard prices will remain under short-term pressure with the increase in new soybean supplies.

Millers are aggressively crushing the rapeseed-mustard as the crush margins are good this season. The domestic rapeseed-mustard crushing was earlier expected to be in the range of 6.0-6.5 lakh tonnes but in last two months the processing stood at 8.0 lakh tonnes and it is expected to be in the range of 7.0-7.5 lakh tonnes in September.

Last season, about 25-27 lakh tonnes of the seed was processed in India between September and February.

Currently the cumulative rapeseed-mustard stock with government agencies and farmers stands at 23-24 lakh tonnes and the crushing season is yet to go another six months for the new crop arrivals.

About 2.5-3.0 lakh tonnes of the seed is the normal carry forward to the new season. This translates into availability of about 21-22 lakh tonnes of the seed will remain balance for crushing till February.

The Nafed and Hafed are gradually offloading their stock in the market. Nafed has sold above 8.35 lakh tonnes of rapeseed-mustard combined together new and old stock while Hafed has offloaded around 2.8 lakh tonnes of the seed of the total 5.30 lakh tonnes procured by the agency this year.

Though India has imported the rapeseed (canola) oil after four months in August, the overall decline in rapeseed oil imports during the oil year (Nov.-Oct.) limited the decline to the domestic rapeseed-mustard complex. India has.

In-spite of tough competition in world market, export of rapeseed meal performed well, during the last five months of financial year 2020-21 and reported at 487,060 tonnes against last year during the same period at 460,212 tonnes i.e. up by 6%, thanks to higher processing of Rapeseed Cake and better availability of Rapeseed Meal.

The above factors kept the crush margin in seed viable to the crushers. Better crush margin in the seed remain encouraging for the crushers.

Overall, the rapeseed-mustard sentiments are strong with good buying support and high MSP for the seed.

The all India rapeseed-mustard supplies improved week-on-week and were reported at 8.0 lakh bags during the week compared to around 10.30 lakh bags, previous week. The supplies were 8.30 lakh bags during the corresponding period last year.

RM seed prices fell by 0.5% to Rs 5,445 – 5,480 a quintal from Rs 5,450 – 5,530 a quintal previous week and Rs 4,180 – 4,235 a quintal during the corresponding period last year in Jaipur.

At NCDEX futures, the October contract rapeseed-mustard posted gains at 5,412/Qtl compared to 5,384/Qtl previous week.

Previous Updates

The total procurement of rapeseed-mustard by Nafed under PSS in 2020/21 from major seed producing states (Uttar Pradesh, Rajasthan, Gujarat, Haryana and Madhya Pradesh) stands at 8,03,853.33 metric tonnes with a total value of Rs. 3,55,705.10 Lakh and the total number of farmers benefiting from the scheme so far stands at 3,18,540.

Total procurement of the seed by Hafed in 2020/21 stands at 5,30,000 metric tonnes.

The government has fixed the Minimum Support Price for rapeseed-mustard at Rs 4425/Qtl.

Agriwatch has projected India's MY 2020/21 rapeseed production at 7.2 million tonnes while Solvent Extractors of India has estimated the seed production at 7.7 million tonnes.

India's 2019/20 rapeseed oil import estimate has been reduced to 0.25 lakh tons from 1.2 lakh tons in its earlier estimate, lower by 79.2 percent. Rapeseed oil consumption have been reduced to 27.30 lakh tons from 27.80 lakh tons in its earlier estimate, lower by 1.8 percent. End stocks of rapeseed oil in 2019/20 raised to 1.89 lakh ton from 1.38 lakh tons, lower by 36.95 percent, United States Department of Agriculture (USDA) kept same as previous estimate.

Strategie Grains has raised its forecast for 2020-21 rapeseed production in the European Union plus Britain to 16.79 million tonnes from 16.54 million in its previous estimates.

The upward revision, after six consecutive downward monthly projections was mainly due to favourable weather condition in Poland and Lithuania.

The rapeseed outturn is estimated to be still below previous year's poor crop harvest of 17.12 million tonnes, due to weak output in France, Britain, Central and Eastern Europe.

The production is hit mainly due to the very dry spring in parts of Europe as well widespread damage due to insects.

Strategie Grains has estimated EU rapeseed 2020-21 import to record 6.1 million tonnes, after estimating 6.2 million tonnes a month ago. EU had imported 6.0 million tonnes of rapeseed in 2019/20 season

Outlook: *The rapeseed-mustard is expected to stay strong and feature range-bound movement with firm bias, as the stockists and the solvent extractors have almost covered their stocks, in the cash market. Good rapeseed-mustard oil demand and improved overseas demand in rapeseed extract will continue to lend support to the seed prices are higher levels.*

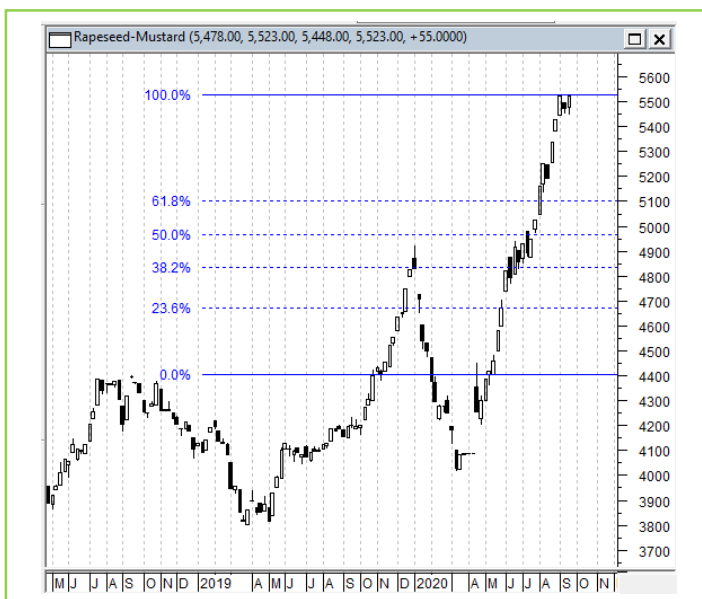
Technical Analysis:

NCDEX RM Seed Futures



*Note: Daily Chart

RM Seed Spot, Jaipur



Support & Resistance NCDEX RM Seed – Oct. contract

S1	S2	PCP	R1	R2
5200	5100	5412	5600	5700

- RM seed edged-up on buying interest.
- Prices closed above 18-day EMA.
- RSI and stochastic are rising in the neutral zone.
- MACD is heading in positive territory.
- The prices are expected to feature gains during the week.
- Trade Recommendation (NCDEX Rapeseed-Mustard – Oct.) Week: **BUY** Above 5400. Levels: Target – 5500; T2- 5600, SL – 5340.

Annexure

Soy DOC Rates at Different Centers			
Centres	Ex-factory rates (Rs/ton)		
	17-Sep-20	11-Sep-20	Parity To
Indore - 45%, Jute Bag	31500	30500	Gujarat, MP
Kota - 45%, PP Bag	33200	32500	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	34500	33500	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	33200	32300	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	33800	33500	Andhra, AP, Kar, TN
Latur	33000	32000	-
Sangli	32800	32300	Local and South
Solapur	32500	32300	Local and South
Akola – 45%, PP Bag	32800	32800	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Hingoli	34500	32800	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Bundi	33000	32300	-

Soy DOC at Ports			
Centers	Port Price		
	17-Sep-20	11-Sep-20	Change
Kandla (FOR) (INR/MT)	35000	31000	4000
Kandla (FAS) (USD/MT)	475	410	65
CNF Indonesia – Yellow SBM (USD/MT)	410	410	Unch

Rapeseed Meal	17-Sep-20	11-Sep-20	Change
FAS Kandla (USD/MT)	245	242	3
FOR Kandla (Rs/MT)	17700	17600	100
FOR Mundra (Rs/MT)	18000	18000	Unch
CNF Indonesia (USD/MT)	270	268	2

International Soy DOC			
Argentina FOB USD/MT	17-Sep-20	11-Sep-20	Change
Soybean Pellets	388	371	17

Soybean Cake Flour	388	371	17
Soya Meal	390	370	20
Soy Expellers	390	370	20

Sunflower (DOC) Rates	Ex-factory rates (Rs/ton)		
Centers	17-Sep-20	11-Sep-20	Change
Adoni	23200	22800	400
Khamgaon	0	0	Unch
Parli	0	0	Unch
Latur	22200	21500	700

Groundnut Meal (Rs/MT)	17-Sep-20	11-Sep-20	Change
Basis 45%, Saurashtra	27500	27500	Unch
Basis 40%, Saurashtra	25500	25500	Unch
GN Cake, Gondal	29000	29000	Unch

Mustard DOC	17-Sep-20	11-Sep-20	Change
Jaipur (Plant delivery)	16700	16700	Unch
Kandla (FOR Rs/MT)	17400	17600	-200

Mumbai Oil Meal Quotes:			
Rs/M.T.	17-Sep-20	11-Sep-20	Change
G.N. Extr (45%)	27000	27000	Unch
Kardi Extr	0	0	Unch
Undec Cottonseed Exp	23500	22500	1000
Rice Bran Extr.	0	0	Unch
Sunflower Extr.	19000	19000	Unch
Rapeseed Extr.	0	0	Unch
Soymeal 48%	32870	31826	1044
Castor Extr.	5500	5350	150

MSP of Kharif Oilseeds for Marketing Season 2020-21 - GOI

Sl. No	Crops	MSP for Kharif 2020-21	MSP for Kharif 2019-20	Increase in MSP (Absolute)
1	Groundnut	5275	5090	185
2	Sunflower seed	5885	5650	235
3	Soybean (yellow)	3880	3710	170
4	Sesamum	6855	6485	370
5	Nigerseed	6695	5940	755

The Cabinet Committee on Economic Affairs (CCEA) chaired by the Hon'ble Prime Minister Shri Narendra Modi has approved the increase in the Minimum Support Prices (MSPs) for all mandated Kharif crops for marketing season 2020-21.

Government has increased the MSP of Kharif crops for marketing season 2020-21, to ensure remunerative prices to the growers for their produce.

Among the Kharif oilseeds the MSP for groundnut has been increased to Rs. 5275 per quintal for marketing season 2020-21 from Rs.5090 per quintal in 2019-20 an increase of Rs.18 a quintal.

The MSP of sunflower to Rs. 5885 a quintal from earlier Rs. 5650 per quintal an increase of Rs 235 per quintal, Soybean-yellow to Rs. 3880 a quintal to Rs. 3710 per quintal last season, an increase of Rs. 170 a quintal, Sesamum to Rs. 6855 a quintal from 6485 earlier, an increase of Rs. 370 a quintal and the MSP of Nigerseed have been increased to Rs. 6695 a quintal from Rs. 5940 a quintal earlier, increase of Rs 755 per quintal.

Among all the Kharif crops, the highest increase in MSP is proposed for Nigerseed (Rs 755 per quintal) followed by Sesamum (Rs 370 per quintal), Urad (Rs 300 per quintal) and Cotton (long staple) (Rs 275 per quintal). The differential remuneration is aimed at encouraging crop diversification.

India's Oilseeds Production Seen Record at 34.2 Mn T vs 31.5 Mn in 2nd Adv Est. for 2019-20 - GOI

The 2nd Advance Estimates of production of oilseeds for 2019-20 have been released by the Department of Agriculture, Cooperation and Farmers Welfare on 18th February, 2020. The assessment of production of different crops is based on the feedback received from States and validated with information available from other sources.

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

Oilseeds – 34.2 million tonnes in 2019-20 vs 31.5 million tonnes in 2018-19

- Soybean – 13.62 million tonnes vs 13.27 million tonnes in 2018-19
- Rapeseed-Mustard - 9.11 million tonnes vs 9.26 million tonnes in 2018-19
- Groundnut - 8.24 million tonnes vs 6.73 million tonnes in 2018-19

India's total oilseeds production during 2019-20 is estimated at 34.19 million tonnes which is higher by 2.67 million tonnes than the production of 31.52 million tonnes during 2018-19.

The production of oilseeds during 2019-20 is also higher by 4.54 million tonnes than the five year average oilseeds production.

Sown Area – *Rabi* Oilseeds, India

In the final official Rabi oilseeds planting report, by the Ministry of Agriculture, the total coverage area under Rabi oilseeds is reported at 80.3 lakh hectares, slightly down 0.1% from 80.37 lakh ha in the corresponding period of last year. Of the major oilseeds, rapeseed-mustard sowing is reported down by 0.4% at 69.51 lha compared to 69.76 lha during the corresponding period of last year. Groundnut at 4.76 lha vs 4.59 lha, safflower at 0.63 lha vs 0.43 lha, sunflower at 1.04 lha vs 1.13 lha, sesamum 0.56 vs 0.71 and Linseed at 3.46 lha vs 3.44 lha during the same period last year.

Area in Lakh Hectares

Crop	Normal Area (5 Year Avg.)	2019-20	2018-19	% Change
Rapeseed/Mustard	60.48	69.51	69.76	-0.4
Groundnut	7.76	4.76	4.59	3.7
Safflower	1.41	0.63	0.43	46.5
Sunflower	2.96	1.04	1.13	-8.0
Sesamum	3.12	0.56	0.71	-21.1
Linseed	2.99	3.46	3.44	0.6
Others	0.14	0.34	0.31	9.7
Total Oilseeds	78.86	80.3	80.37	-0.1

Source: MoA, GOI

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