

# Oil Meal Weekly Research Report

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## Executive Summary

The weekly average domestic soybean prices traded lower despite tight arrival amid slacked domestic and export soymeal demand. Mustard prices traded near five month low on record acreage in the country.

Upon directions from the Government, SEBI has asked the exchanges to suspend trading in seven commodities, including soybean. Accordingly, no new contracts of soybean would be launched on NCDEX until further notice and only squaring off of positions is allowed in existing contracts.

The average weekly price of soybean at Indore plant decreased by 2.10% to Rs. 6,254 a quintal, compared to Rs.6,388 a week ago. The market made a low of 6,050 and high of 6,425 during the week. Despite tight arrival prices went down as industry is unable to find sufficient demand for soybean deoiled cake even at current prices.

According to Soybean Possessor Association of India (SOPA) November'21 Soy crush stood at 7 lakh tones Vs 6 lakh tonnes in Oct'21. Additionally, Oct'21 to Nov'21 soy crush stood at 13 lakh tonnes against 21 lakh tonnes last year same period.

According to Soybean Possessor Association of India (SOPA) November'21 soybean arrival stood at 14 lakh tonnes Vs 15 lakh tonnes in Oct'21. Additionally, Oct'21 to Nov'21 soybean arrival stood at 29 lakh tonnes Vs 37 lakh tonnes last year same period.

The weekly average prices of soymeal at Indore decreased by 2.5% to Rs 51,000 /MT and was quoted between Rs 49,000 – 53,000/MT throughout the week. This compares with previous week's average of Rs 52,333/MT. Soymeal prices went down on weakness in soybean price and slacked domestic and export demand.

Rapeseed Mustard weekly average price went down by 7.7% to Rs.7,458/Qtl, as compared to Rs 8,079/Qtl last week. The market made a low of 7,213 and high of 7,738 during the week. In Sri Ganganagar, the weekly average prices of rapeseed oilcake too went down by 9.48% to Rs 2,866/Qtl from previous week at Rs. 3,166/qtl.

According to Solvent Extractor Association of India, India's November'2021 soymeal exports declined by 78% to 42,951 metric tonnes compared to 1,98,776 metric tonnes in the same period last year. Further, the soymeal shipments too declined by 66% to 2,19,077 metric tonnes in aggregate, during the months (April-Nov.) of financial year 2020-21 compared to 6,36,981 metric tonnes during the corresponding period last year.

Additionally, Export of oilmeals for the month of November'2021 was provisionally reported at 1,62,442 tons compared to 3,32,336 tons last year same period i.e., down by 51%. The overall export of oilmeals during April – Nov'2021 is reported at 15,96,131 tons compared to 19,51,558 tons i.e., down by 18%.

According to Solvent extractors association of India, India's exports for rapeseed meal during April-Nov'2021 was down 10% at 7,00,613 metric tonnes compared to 7,74,849 metric tonnes during the same period previous marketing season.

The export of rapeseed meal in November'21 is reported at 42,383 metric tonnes against last year 45,050 metric tonnes during the same period i.e. down by 6%.

## Outlook – Cash Market

**Outlook - Soybean (Spot, Nagpur):** The soybean prices is expected to trade range bound with weak bias amid slacked soybean deoiled cake demand in the market. The prices (Nagpur, Plant basis) are expected to feature range bound movement in the price band of 6000 – 6,500 level.

**Outlook – Soy meal:**

Soymeal prices are likely to trade with range bound with weak amid weakness in soybean on subdued soymeal demand. The soy meal prices (Indore) are likely to feature range-bound movement between Rs. 48,000 – 55,000 /MT.

**Outlook - Rapeseed-Mustard (Spot, Jaipur basis):** Rapeseed-mustard is expected to correct from higher level amid record acreage in the country. The seed prices are likely to witness the price levels between 7300 – 7,600/Qtl. in short-run.

## International Highlights

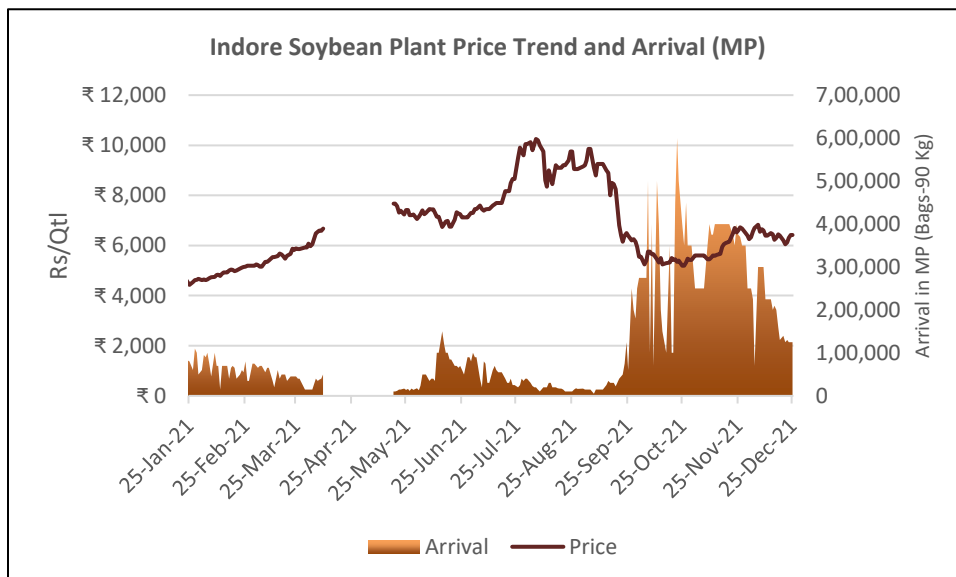
- CBOT January soybeans witnessed gain of 3.64% to \$ 13.32 a bushel for the week ended 25th Dec. March futures too increased by 4.06% to \$ 13.40 a bushel. CBOT soybean went up on weather concern in south America.
- As on 23rd December, according to Buenos Aires Grains Exchange, In Argentina, Soybean sowing progress stood at 73.3% sowing have been completed Vs 77.2% last year same period and 81.1% five-year average.
- According to Buenos Aires Grains Exchange, 71% soy crop is in excellent to good condition Vs 87% previous week, 26% soy crop is in fair condition Vs 12% previous week and 3% soy crop is in poor/very poor condition Vs 1% previous week.
- In Brazil soy planting has been completed, However, Dry weather conditions in south Brazil and Argentina amid the prevailing La Nina may affect early-planted crops with some yield loss concerns.
- According to NOPA, U.S. November'21 soybean crush is seen at 181.64 million bushels compared to 183.99 million bushels in October, down by 1.3 percent. On yearly comparison it is up by 0.34 percent from 181.01 million bushels.
- US soybean harvesting has been completed and estimated production is pegged at 120.42 MMT.
- According to USDA Dec'21 report, Soy production estimate for India remains unchanged at 11.9 million tons, US soy production estimate remain unchanged at 120.42 MMT, Argentina's production estimate unchanged at 49.5 million tonnes, Brazil soy production estimate unchanged at 144 MMT while China's soy production decreased to 16.40 MMT against last month estimate at 19 MMT. Overall, USDA December report seems neutral to firm.
- According to USDA November'21 report, India's 2021/22 soymeal production is estimated slightly lower at 8.0 MMT compared to 8.02 MMT previous month estimates and 7.62 million tonnes last year.
- According to National Association of Grain Exporters (ANEC) Brazil's soy export in Nov'21 stood at 2.28 million MT compared with 0.7 million MT in the same month last year
- As per USDA December forecasts, China is set to import record soybean, triggered by herd recovery in 2021 and 2022. Additionally, improved crush margin will also support soy import. USDA estimates China's 2021-22 soybean imports at 100 MMT, compared to 99.7 MMT last year.
- According to data released from the General Administration of Customs, China brought in 775,331 tonnes of U.S. soybeans in October, down 77% from 3.4 million tonnes a year earlier.
- USDA in its December'21 report, Canada canola production estimates pegged at 12.6 MMT Vs 19.48 MMT previous year, China at 14 MMT Vs 14 MMT last year, EU at 17.25 MMT Vs 16.28 MMT.
- According to USDA December'21 report, Canada canola exports estimated down to 5.3 MMT Vs 10.51 MMT last year.
- Lower canola production in Canada has disrupted exports and major importers likely turn to Australia to offset displaced imports.

## Soybean

This week, soybean prices remained under pressure despite tight arrival, as industry is unable to find sufficient demand for soybean deoiled cake at current prices.

The average weekly price of soybean at Indore plant decreased by 2.10% to Rs. 6,254 a quintal, compared to Rs.6,388 a week ago. The market made a low of 6,050 and high of 6,425 during the week. Despite tight arrival prices went down as industry is unable to find sufficient demand for soybean deoiled cake even at current prices.

This week, the total arrivals in Madhya Pradesh stood at 7.7 Lakh bags vs 11.25 Lakh bags last week. In Maharashtra total arrival stood at 6.90 lakh bags Vs 9.75 lakh bags last week and in Rajasthan the total arrivals stood at 0.84 lakh bags vs 1.14 lakh bags previous week.



Upon directions from the Government, SEBI has asked the exchanges to suspend trading in seven commodities, including soybean. Accordingly, no new contracts of soybean would be launched on NCDEX until further notice and only squaring off of positions is allowed in existing contracts.

According to Soybean Possessor Association of India (SOPA) November'21 Soy crush stood at 7 lakh tonnes Vs 6 lakh tonnes in Oct'21. Additionally, Oct'21 to Nov'21 soy crush stood at 13 lakh tonnes against 21 lakh tonnes last year same period.

According to Soybean Possessor Association of India (SOPA) November'21 soybean arrival stood at 14 lakh tonnes Vs 15 lakh tonnes in Oct'21. Additionally, Oct'21 to Nov'21 soybean arrival stood at 29 lakh tonnes Vs 37 lakh tonnes last year same period.

It is inferred from SOPA data that arrivals are slower as farmers are expecting better prices for soybean, but on the other hand industry is unable to find sufficient demand for soybean deoiled cake even at current prices. This has resulted into prices of soybean DOC as well as those of soybean declining despite of low arrivals.

As per sources, farmers are willing to hold more soybean anticipating higher prices in the future. As a result, sale to soy processors remained low. October crush total was 37% below last year's, according to SOPA and is expected to remain below normal in November.

Government of India had directed state governments to impose stock limits on edible oils and oilseeds till 31st March 2022 to check prices. The stock limit of all edible oils and oilseeds were to be decided by the respective

state government/Union territories administration on the basis of available stock and consumption pattern. Exceptions shall be provided for exporters and importers. Implementing this, Rajasthan government has imposed stock limit on oil seeds and edible oils on 26th Nov 2021 effective immediately, till 31st March 2022. Stock limit for Mustard seed, Toria, Taramira and Rayda for wholesalers is 2000 Qtl and that for retail traders is 100 Qtl. However, there is no stock limit on soybean in Rajasthan yet.

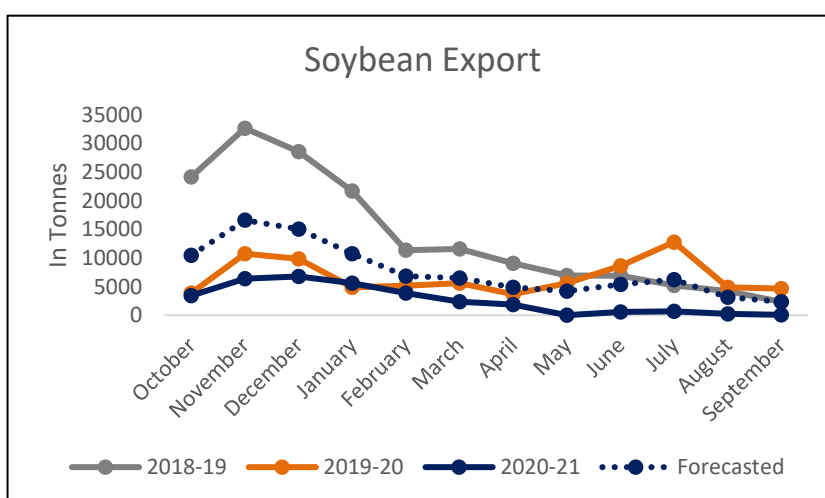
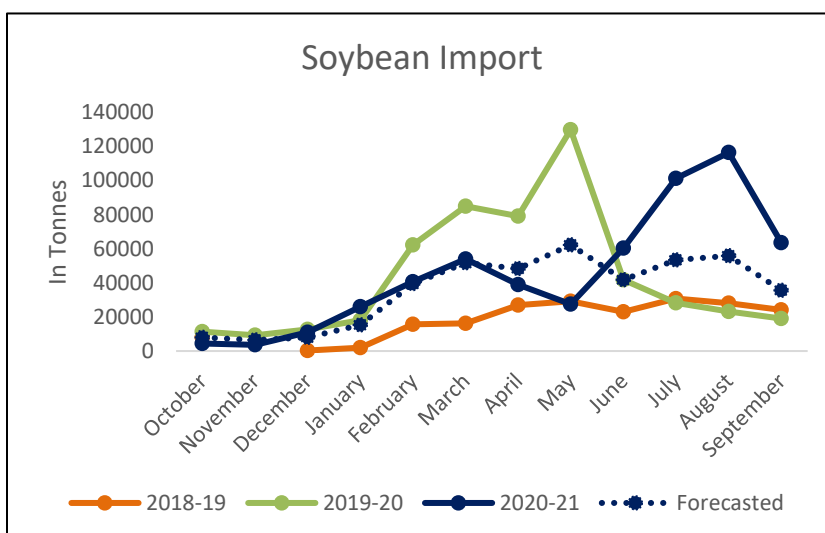
Uttar Pradesh had notified a stock limit order on October 12, 2021 on edible oil and oilseeds in the state. The limits for retailer are 10 quintals to 250 quintals. Limits for wholesalers stand at 50 quintals to 500 quintals. Telangana governments laid out stock limits for retailer are up to 100 quintals, stock limits for wholesalers are at 370 quintals to 5500 quintals and for manufactures and producers one month's production capacity or 3 years production average per month, whichever is higher. Other states may also impose stock limits going ahead.

As per 1st advance estimates released by the Department of Agriculture and Farmers Welfare, the estimated production of soybean during 2021-22 is 127.20 lakh tons vs 128.97 lakh tons last year.

Agriwatch has estimated India's 2021/22 soybean output estimate to 12 million tonnes, vs 10.45million tonnes in 2020/21.

According to department of commerce, India's soybean import decreased in the month of September 2021 by 45% to 63,612.49 tonnes compared to 116384.93 tonnes during previous month. Further, the soybean imports were up by 235% in September'2021 compared to the same period last year. Of the total exported quantity, around 19,519.57 tonnes exported by Mozambique, Malawi 17,762.66 tonnes, Tanzania 11,639.32 tonnes

According to Solvent Extractors Association (SEA), India's November edible oil stocks at ports and pipelines fell by 14.96 percent m-o-m to 17.05 lakh tons from 20.05 lakh tons in October 2021. Soy oil imports fell 22.02 percent in October y-o-y to 2.16 lakh



tons from 2.77 lakh tons in October 2020.

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.

**Outlook:** Domestic soybean prices are likely to trade range bound with weak bias despite tight arrival as domestic demand and export demand remain slacked.

#### **International:**

This week CBOT January soybeans witnessed gain of 3.64% to \$ 13.32 a bushel for the week ended 25th Dec. March futures too increased by 4.06% to \$ 13.40 a bushel. CBOT soybean went up on weather concern in south America.

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As on 23rd December, according to Buenos Aires Grains Exchange, In Argentina, Soybean sowing progress stood at 73.3% sowing have been completed Vs 77.2% last year same period and 81.1% five-year average.

According to Buenos Aires Grains Exchange, 71% soy crop is in excellent to good condition Vs 87% previous week, 26% soy crop is in fair condition Vs 12% previous week and 3% soy crop is in poor/very poor condition Vs 1% previous week.

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According to NOPA, U.S. November'21 soybean crush is seen at 181.64 million bushels compared to 183.99 million bushels in October, down by 1.3 percent. On yearly comparison it is up by 0.34 percent from 181.01 million bushels.

According to USDA Dec'21 report, Soy production estimate for India remains unchanged at 11.9 million tons, US soy production estimate remain unchanged at 120.42 MMT, Argentina's production estimate unchanged at 49.5 million tonnes, Brazil soy production estimate unchanged at 144 MMT while China's soy production decreased to 16.40 MMT against last month estimate at 19 MMT. Overall, USDA December report seems neutral to firm.

According to USDA November'21 report, India's 2021/22 soymeal production is estimated slightly lower at 8.0 MMT compared to 8.02 MMT previous month estimates and 7.62 million tonnes last year.

According to National Association of Grain Exporters (ANEC) Brazil's soy export in Nov'21 stood at 2.28 million MT compared with 0.7 million MT in the same month last year

As per USDA December forecasts, China is set to import record soybean, triggered by herd recovery in 2021 and 2022. Additionally, improved crush margin will also support soy import. USDA estimates China's 2021-22 soybean imports at 100 MMT, compared to 99.7 MMT last year.

According to data released from the General Administration of Customs, China brought in 775,331 tonnes of U.S. soybeans in October, down 77% from 3.4 million tonnes a year earlier.



## Soymeal

This week Indore weekly average soymeal price went down by 2.5% as compared to previous week amid weakness in soybean and subdued domestic and export soymeal demand.

The weekly average prices of soymeal at Indore decreased by 2.5% to Rs 51,000 /MT and was quoted between Rs 49,000 – 53,000/MT throughout the week. This compares with previous week's average of Rs 52,333/MT Soymeal prices went down on weakness in soybean price and slacked domestic and export demand.

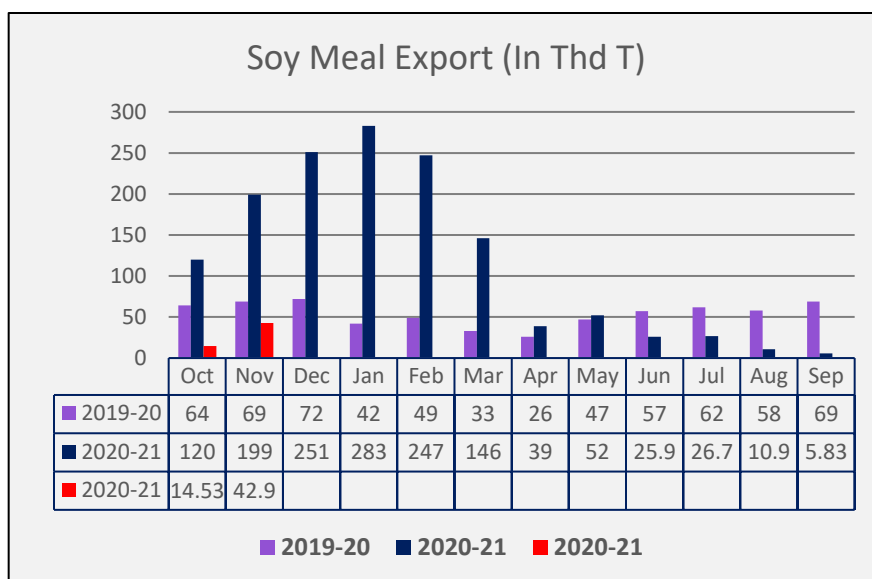
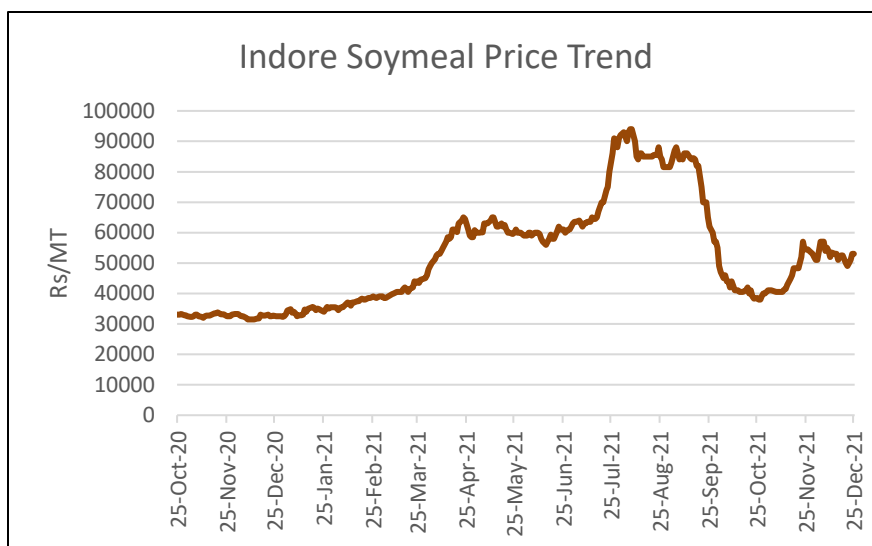
Weekly average prices at various centers also remained under pressure

compared to last week. At Latur, the weekly average soymeal prices decreased by 3.8% to Rs. 56,833/MT compared to Rs. 56,833 /MT a week ago, in Nanded it was quoted 2.3% down at Rs. 55,750/MT compared to Rs. 57,083 /MT a week ago. In Kota the meal prices went down by 3.4% to Rs. 53,183/MT compared to Rs. 55,058/MT previous week.

According to USDA November'21 report, world 2021/22 soymeal production is estimated higher at 258.51 million tonnes vs 248.13 million tonnes against last year record. India's 2021-22 soymeal production pegged at 5.06 MMT vs 4.90 MMT in 2020-21.

According to Solvent Extractor Association of India, India's November'2021 soymeal exports declined by 78% to 42,951 metric tonnes compared to 1,98,776 metric tonnes in the same period last year.

Further, the soymeal shipments too declined by 66% to 2,19,077 metric tonnes in aggregate, during the months



(April-Nov.) of financial year 2020-21 compared to 6,36,981 metric tonnes during the corresponding period last year.

Additionally, Export of oilmeals for the month of November'2021 was provisionally reported at 1,62,442 tons compared to 3,32,336 tons last year same period i.e., down by 51%. The overall export of oilmeals during April – Nov'2021 is reported at 15,96,131 tons compared to 19,51,558 tons i.e., down by 18%.

Currently India is outpriced for soybean meal export as Ex. Kandla quoted at US\$ 710/MT against Brazil origin US\$ 448.50/MT and Argentina US\$ 448.75/MT, USA US\$ 467.75/MT. India's Soymeal export likely to remain slacked due to higher prices.

Department of Consumer Affairs, Food and Public Distribution has imposed stock limit on soymeal till June 30, 2022. Soymeal millers, processors or plants are allowed to hold stocks only up to 90 days of production, the limits were imposed after amending the Essential Commodities Act of 1955 to include soymeal in the category.

As per sources, farmers are willing to hold more soybean anticipating higher prices in the future. As a result, sale to soy processors remained low. October crush total was 37% below last year's, according to SOPA and is expected to remain below normal in November.

**Outlook:** Soybean meal prices are expected to continue trade range bound with weak bias tracking weakness in soybean price and weak domestic and global demand.

#### **Previous updates:**

Despite request from poultry industry, Government of India has no current plans to allow imports of GM soymeal beyond the past deadline of 31 Oct 2021. Traders managed to import 6.5 lakh tonnes GM soymeal against 12 lakh tonnes permitted by the government within the stipulated period.

Poultry Breeders' Association has requested the government to extend the import deadline from 31st January to 31st March 2022, in order to be able to import the balance quantity from the 12-lakh tonne quota. However, Soybean Processors Association of India has strongly opposed extension of deadline for GM soymeal import, citing comfortable demand and supply situation in the country as domestic soybean production has increased by 15%. This year 5-6 lakh tonnes of soymeal have been already imported.

According to USDA quarterly stock report U.S. Farmers produced more soybeans, hold more stocks, the quarterly grain stocks were pegged at 256 million bushels vs. the avg. trade estimate of 174 million. The 2020-21 soybean production is pegged at 4.21 billion bushels vs. the trade's expectation of 4.13 billion bushels vs USDA's previous estimate of 4.13 billion bushels.

According to Solvent extractor association of India, India's October'2021 soymeal exports declined by 88% to 14,538 metric tonnes compared to 120,290 metric tonnes in the same period last year. Further, the soymeal shipments too declined by 60% to 176,126 metric tonnes in aggregate, during the months (April-Oct.) of financial year 2020-21 compared to 438,205 metric tonnes during the corresponding period last year.

Additionally, Export of oilmeals for the month of October'2021 provisionally reported at 157,467 tons compared to 318,706 tons in 2020 i.e. down by 51%. The overall export of oilmeals during April – October 2021 is reported at 14,33231 tons compared to 161,9222 tons i.e. down by 11%.

As on 15th September'21, According to the data released by NOPA, US crushed increased in Aug'21 by 2.38% to 158.84 million bushels (4.32 MMT) of soybeans in Aug'21 vs last month 155.15 million bushels (4.22 MMT). However, it has declined by 3.79% YoY.

In the September'21 report, the USDA has raised US 2021/22 soybean estimates at 119.03 million tonnes compared to previous month 118.08 million tonnes . It has kept the Brazil's 2021/22 soybean production unchanged to 144 million tonnes compared to previous month.

Besides, India soybean 2021/22 production estimates kept unchanged to 11.2 million tonnes. while Argentina's soybean estimate kept unchanged to 52 million tonnes from previous month.

The global 2021/22 soybean production estimate increased to 384.42 million tonnes vs 383.63 million tonnes in the previous month report by USDA. World 2021/22 soy meal production is estimated slightly down at 258.45 million tonnes vs 258.68 million tonnes in its previous estimate.

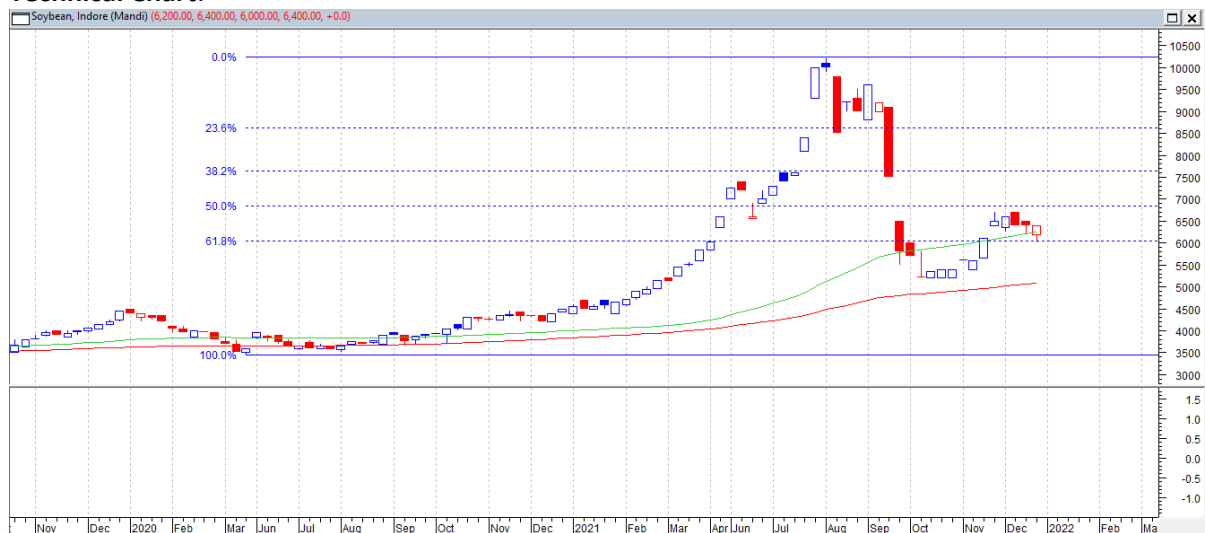
## Technical Analysis

(Based on Indore Mandi prices)

### SOYBEAN – Technical Outlook

### Soybean Indore Spot -Weekly time frame

#### Technical Chart:



#### Technical Commentary:

- Soybean prices at Indore mandi declined to Rs.6000 per quintal this week, but later bounced back to close flat at Rs.6400.
- 61.8% Fibonacci level of the previous up move has emerged as a good support.
- Immediate resistance is seen at 6700, characterized by multiple recent tops, and the next resistance is seen at 6855, which is 50% Fibonacci retracement level.

## Rapeseed - Mustard Seed

This week RM seed prices remained under pressure and trading near five month low, quoted down by more than 7% on record acreage in the country.

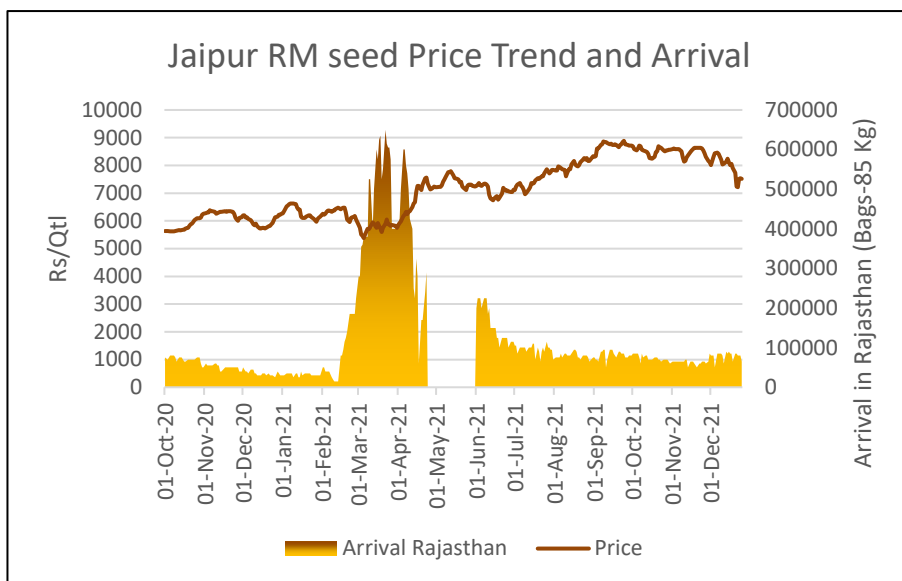
Rapeseed Mustard weekly average price went down by 7.7% to Rs.7,458/Qtl, as compared to Rs 8,079/Qtl last week. The market made a low of 7,213 and high of 7,738 during the week. In Sri Ganganagar, the weekly average prices of rapeseed oilcake too went down by 9.48% to Rs 2,866/Qtl from previous week at Rs. 3,166/qtl.

This week in Rajasthan, total mustard arrival stood at 4.75 lakh bags as compared to previous week at 5 lakh bags.

AW has revised India's 2021/22 rapeseed-mustard production up to 8.54 million tonnes from 8.0 million tonnes estimated in its previous forecast and it is up 18% from 7.21 million tonnes estimated last season.

As per Agriwatch estimates, this season all India RM seed acreage likely to remain above 84 lakh hectare and production at 97 to 100 lakh tonnes.

According to GOI, as on 17th Dec, All India Mustard sowing is up by 23.7% at 84.23 Lakh Ha compared with 68.11 Lakh Ha last year.



Rapeseed Mustard sowing progress		As on 17th Dec'21		
	Normal area	2021-22	2020-21	% Change
Rajasthan	25.51	35.14	24.67	42.4%
Uttar Pradesh	6.95	13.74	12.33	11.4%
Madhya Pradesh	6.91	10.80	7.42	45.6%
Haryana	5.63	7.56	6.09	24.1%
West Bengal	5.50	4.30	4.80	-10.4%
Gujarat	1.96	3.26	2.13	53.1%
Assam	2.89	2.79	2.86	-2.4%
Jharkhand	2.60	2.18	3.15	-30.8%
Bihar	0.82	1.28	1.25	2.4%
Chattisgarh	0.44	0.95	1.14	-16.7%
Odisha	0.08	0.62	0.83	-25.3%
Jammu And Kashmir	0.48	0.29	0.26	11.5%
Arunachal Pradesh	0.28	0.27	0.28	-3.6%
Uttarakhand	0.15	0.17	0.16	6.3%
Nagaland	0.28	0.19	0.25	-24.0%
Sikkim	0.03	0.03	0.03	0.0%
Others	1.06	0.66	0.46	43.7%
Total	61.55	84.23	68.11	23.7%

Data source-GOI

Area in Lakh ha

According to Central Organization for Oil Industry and Trade (COOIT) production of the mustard to increase to a record 100-110 lakh tonnes this season.

According to Department of agriculture, Rajasthan, as on 16th Dec, Rapeseed Mustard sowing is up by 33% and stood at 33.88 lakh hectare vs 24.43 lakh hectare last year same period.

As per sources, overall crop condition seems good in Rajasthan.

Mustard sowing expected to end with 18-20% increase in acreage as farmers are opting mustard over other crops amid lucrative prices.

As per Agriwatch estimates, till 30th Nov'21 76 lakh tonne crushing has been completed, 10.8 lakh tonne is with farmers, processors and stockists. There is no procurement by NAFED and HAFED. Ending stock is estimated at 3.2 lakh tonne.

Rajasthan govt. has imposed stock limit on oil seeds and edible oils on 26th Nov'21 till 31st march 22. Stock limit for Mustard seed, Toria, Taramira and Rayda for whole sellers is 2000 Qtl and retail trader oilseed storage limit pegged at 100 Qtl.

According to Solvent extractors association of India, India's exports for rapeseed meal during April-Nov'2021 was down 10% at 7,00,613 metric tonnes compared to 7,74,849 metric tonnes during the same period previous marketing season.

The export of rapeseed meal in November'21 is reported at 42,383 metric tonnes against last year 45,050 metric tonnes during the same period i.e. down by 6%.

USDA in its December'21 report, Canada canola production estimates pegged at 12.6 MMT Vs 19.48 MMT previous year, China at 14 MMT Vs 14 MMT last year, EU at 17.25 MMT Vs 16.28 MMT.

According to USDA December'21 report, Canada canola exports estimated down to 5.3 MMT Vs 10.51 MMT last year.

Lower canola production in Canada has disrupted exports and major importers likely turn to Australia to offset displaced imports.

### **International**

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According to USDA December'21 report, Canada canola exports estimated down to 5.3 MMT Vs 10.51 MMT last year.

Lower canola production in Canada has disrupted exports and major importers likely turn to Australia to offset displaced imports.

Canada canola production is down by 31% as compared to five-year average, yield down by 32%. However, area stood 1% up as compared to five-year average. Canola importers may switch to other countries such as

Ukraine, Australia, for substitutes amid lower production. There will be very little canola left for export in Canada.

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### **Previous Updates**

Australian canola prices surge to record high after farmers switched from barley to canola. Australian farmers increased canola production and exports and cut back on barley output and export since china banned import of barley from Australia in 2020.

In the Nov'21 report, the USDA has kept India's 2020/21 rapeseed production estimates unchanged at 8.5 million tonnes compared to previous month. However, Canada 2021/22 rapeseed production estimate unchanged at 13.0 MMT vs 14 MMT previous month and 19.48 MMT in 2020-21.

Further, EU Rapeseed 2021/22 production estimates increased to 17.10 million tonnes million tonnes vs 16.28 MMT last month and for China, the estimates remain unchanged to 14.00 million tonnes.

The global 2021/22 rapeseed production estimate decreased to 67.50 million tonnes vs 72.66 million tonnes in 2020-21.

India's exports for rapeseed meal during April-July 2021 was up 10% at 479,572 metric tonnes compared to 436,480 metric tonnes during the same period previous marketing season.

The export of rapeseed meal in July'21 is reported at 94,765 metric tonnes against last year 148,170 metric tonnes during the same period i.e. lower by 36%, However 14% down as compared to June21.

India imported 1033.06 tons rapeseed (Canola) oil in Apr 2021 v/s 506.00 tons imports in Apr 2020. While, for the period of April2020-March2021 imports rose to 42,720.05 tons compared to 54,426.39 tons in last oil year.

Higher palm oil imports by India has always hit the domestic mustard oil demand and the rapeseed-mustard crush margins.

The MSP for rapeseed-mustard has been increased in line with the recommendations of Swaminathan Commission to Rs. 4,650 per quintal for marketing season 2021-22 from Rs. 4,425 per quintal in 2020-21 an increase of Rs. 225 a quintal.

**Outlook:** RM Seed is expected to correct from higher level amid record acreage in the country.

## Annexure

Soy DOC Rates at Different Centers				
Centres	Ex-factory rates (Rs/ton)			Parity To
	25-Dec-21	20-Dec-21	Change	
Indore - 45%, Jute Bag	53000	50000	3000	Gujarat, MP
Kota - 45%, PP Bag	54200	54200	Unch	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	57000	57000	Unch	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	55000	53000	2000	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	56000	57000	-1000	Andhra, AP, Kar, TN
Latur	58500	57000	1500	-
Sangli	55000	54000	1000	Local and South
Solapur	55800	55800	Unch	Local and South
Akola – 45%, PP Bag	51000	54500	-3500	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Hingoli	54000	57000	-3000	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Bundi	54000	54000	Unch	-

Soy DOC at Ports			
Centers	Port Price		
	24-Dec-21	18-Dec-21	Change
Kandla (FOR) (INR/MT)	53500	56000	-2500
Kandla (FAS) (USD/MT)	0	0	Unch
CNF Indonesia – Yellow SBM (USD/MT)	0	0	Unch

Rapeseed Meal	24-Dec-21	18-Dec-21	Change
FAS Kandla (USD/MT)	305	0	305
FOR Kandla (Rs/MT)	23000	25000	-2000
FOR Mundra (Rs/MT)	23000	23700	-700
CNF Indonesia (USD/MT)	352	375	-23



International Soy DOC			
Argentina FOB USD/MT	24-Dec-21	18-Dec-21	Change
Soybean Pellets	442	423	19
Soybean Cake Flour	442	423	19
Soya Meal	0	0	Unch
Soy Expellers	0	0	Unch

Sunflower (DOC) Rates	Ex-factory rates (Rs/ton)		
Centers	25-Dec-21	20-Dec-21	Change
Adoni	30000	30000	Unch
Khamgaon	0	0	Unch
Parli	0	0	Unch
Latur	29000	29000	Unch

Groundnut Meal (Rs/MT)	25-Dec-21	20-Dec-21	Change
Basis 45%, Saurashtra	37000	37000	Unch
Basis 40%, Saurashtra	34000	34000	Unch
GN Cake, Gondal	38000	38000	Unch

Mustard DOC	25-Dec-21	20-Dec-21	Change
Jaipur (Plant delivery)	23800	23000	800
Kandla (FOR Rs/MT)	24900	24000	900

Mumbai Oil Meal Quotes:			
Rs/M.T.	25-Dec-21	20-Dec-21	Change
G.N. Extr (45%)	37000	37000	Unch
Kardi Extr	0	0	Unch
Undec Cottonseed Exp	32000	32000	Unch
Rice Bran Extr.	0	0	Unch
Sunflower Extr.	30000	29000	1000
Rapeseed Extr.	0	0	Unch
Soymeal 48%	55043	53217	1826
Castor Extr.	9850	9150	700



## MSP of Rabi Oilseeds for Marketing Season 2021-22- GOI

Sl. No	Crops	MSP for Rabi 2021-22	MSP for Rabi 2020-21	Increase in MSP (Absolute)
1	Rapeseed-mustard	4,650	4,425	225
2	Safflower	5,327	5,215	112

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 Rabi crops for marketing season 2021-22.

Government has increased the MSP of Rabi crops for marketing season 2021-22, to ensure remunerative prices to the growers for their produce. This increase in MSP is in line with the recommendations of Swaminathan Commission.

Among the Rabi oilseeds the MSP for rapeseed-mustard has been increased to Rs. 4,650 per quintal for marketing season 2021-22 from Rs. 4,425 per quintal in 2020-21 an increase of Rs. 225 a quintal.

The MSP of safflower to Rs. 5,327 a quintal from earlier Rs. 5,215 per quintal an increase of Rs 112 per quintal.

## MSP of Kharif Oilseeds for Marketing Season 2021-22 - GOI

Sl. No	Crops	MSP for Kharif 2021-22	MSP for Kharif 2020-21	Increase in MSP (Absolute)
1	Groundnut	5550	5275	275
2	Sunflower seed	6015	5885	130
3	Soybean (yellow)	3950	3880	70
4	Sesamum	7307	6855	452
5	Nigerseed	6930	6695	235

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 2021-22.

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. 5500 per quintal for marketing season 2020-21 from Rs.5275 per quintal in 2019-20 an increase of Rs.275 a quintal.

The MSP of sunflower to Rs. 6015 a quintal from earlier Rs. 5885 per quintal an increase of Rs 130 per quintal, Soybean-yellow to Rs. 3950 a quintal to Rs. 3880 per quintal last season, an increase of Rs. 70 a quintal, Sesamum to Rs. 7307 a quintal from 6855 earlier, an increase of Rs. 452 a quintal and the MSP of Nigerseed have been increased to Rs. 6930 a quintal from Rs. 6695 a quintal earlier, increase of Rs 235 per quintal.

Among all the Kharif crops, the highest increase in MSP is proposed for sesamum (Rs 452 per quintal) followed by Tur (Rs 300 per quintal) and Urad (Rs 300 per quintal). The differential remuneration is aimed at encouraging crop diversification.

## **India's Oilseeds Production Seen at 361.0 Lakh Tonnes vs 365.7 Lakh Tonnes in 4th Adv Est. for 2020-21- GOI**

The 4th Advance Estimates of production of oilseeds for 2020-21 have been released by the Department of Agriculture, Cooperation and Farmers Welfare on 11th Aug, 2021. The assessment of production of different crops is based on the feedback received from States and validated with information available from other sources.

The revised estimated production of major Oilseeds during 2020-21 is as under:

Total Oilseeds production in the country during 2020-21 is estimated at record 36.10 million tonnes which is higher by 2.88 million tonnes than the production during 2019-20. Further, the production of oilseeds during 2020-21 is higher by 5.56 million tonnes than the average oilseeds production of 30.55 million tonnes.

- Groundnut – 102.1 lakh tonnes vs 99.52 lakh tonnes in 2019-20.
- Castorseed – 17.76 lakh tonnes vs 18.42 lakh tonnes
- Sesamum – 8.12 lakh tonnes vs 6.58 lakh tonnes
- Nigerseed – 0.41 lakh tonnes vs 0.41 lakh tonnes (No difference)
- Soybean – 129 lakh tonnes vs 112.26 lakh tonnes
- Sunflower – 2.24 lakh tonnes vs 2.13 lakh tonnes
- Rapeseed-mustard – 10.11 lakh tonnes vs 91.24 lakh tonnes
- Linseed – 1.40 lakh tonnes vs 1.21 lakh tonnes
- Safflower – 0.34 lakh tonnes vs 0.44 lakh tonnes.

The 1st Advance Estimates of production of soybean and groundnut for 2021-22 have been released by the Department of Agriculture, Cooperation and Farmers Welfare on 21<sup>st</sup> September, 2021. The assessment of production of different crops is based on the feedback received from States and validated with information available from other sources.

- Groundnut – 8.25 million tonnes vs 8.55 million tons last year.
- Soyabean – 12.72 million tonnes vs 11.2 million tons last year.

Total kharif oilseeds production in the country during 2021-22 is estimated at 23.39 million tonnes which is higher by 2.96 million tonnes than the average oilseeds production of 20.42 million tonnes.

## Sown Area – Kharif Oilseeds, India 2021-22

In the latest official Kharif oilseeds planting report by the Ministry of Agriculture, the total coverage area under Kharif oilseeds is reported at 193.95 lakh hectares, an decrease by 1.27% from 196.45 lakh ha in the corresponding period of last year. Of the major oilseeds, soybean sowing is reported up by 0.47% at 121.77 lha compared to 121.20 lha during the corresponding period of last year, groundnut at 49.14 lha vs 50.98 lha, sesamum 13.31 lha vs 13.99 lha, castor seed at 6.96 lha vs 7.34 lha and niger at 1.13 lha vs 1.57 lha, during the same period last year. We feel country's final area under oilseeds to be above normal by 5-7% this season

As on 17<sup>th</sup> September

	Normal Area	2019-20	2020-21	% Change
Groundnut	41.7	50.98	49.14	-3.60%
Soybean	112.88	121.20	121.77	0.47%
Sunflower	1.42	1.23	1.51	23.20%
Sesamum	13.13	13.99	13.31	-4.91%
Niger	1.95	1.57	1.13	-28.06%
Castor	8.95	7.34	6.96	-5.13%
<b>Total Oilseeds</b>	<b>180.03</b>	<b>196.45</b>	<b>193.95</b>	<b>-1.27%</b>

Area in Lakh Hectares

Source- GOI

## Sown Area – Rabi Oilseeds, India 2021-22

In the latest official rabi oilseeds planting report, by the Ministry of Agriculture, the total coverage area under rabi oilseeds is reported at 95.04 lakh hectares, up 20% from 79.46 lakh ha in the corresponding period of last year. Of the major oilseeds, rapeseed-mustard sowing is reported up by 21% at 86.98 lha compared to 71.62 lha during the corresponding period of last year. Groundnut at 3.46 lha vs 3.41 lha, safflower at 0.65 lha vs 0.51 lha, sunflower at 0.98 lha vs 0.84 lha, sesamum 2.39 lha vs 2.48 lha, and other 0.1 lha vs 0.09 lha during the same period last year.

Area in Lakh Hectares

<i><b>Crop</b></i>	<i><b>Normal Area (5 Year Avg.)</b></i>	<i><b>As on 24th Dec 2021</b></i>	<i><b>As on 24th Dec 2020</b></i>	<i><b>% Change</b></i>
Rapeseed/Mustard	61.55	86.98	71.62	<b>21%</b>
Groundnut	7.05	3.46	3.41	<b>1%</b>
Safflower	0.9	0.65	0.51	<b>27%</b>
Sunflower	1.86	0.98	0.84	<b>17%</b>
Sesamum	2.53	2.39	2.48	<b>-4%</b>
Others	0.12	0.1	0.09	<b>11%</b>
<b>Total Oilseeds</b>	<b>77.38</b>	<b>95.04</b>	<b>79.46</b>	<b>20%</b>

Source: MoA, GOI

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