Oil Seed Monthly Research Report

Contents

Executive Summary

In Nov’21 soybean traded rangebound amid subdued soymeal export demand. However in last week of the month domestic prices were underpinned by strength in CBOT soybean and tight arrival.

This month, Indore monthly mandi soybean prices closed up to Rs 6,150/Qtl and was quoted monthly high at 6,550/Qtl and low at 5,900/Qtl compared to the previous month closing at Rs 6,125/Qtl.

In December’21 month, In Madhya Pradesh arrival went down by 40% to 48.60 lakh bags as compared to 81.20 lakh bags previous month. In Maharashtra arrival too went down by 34% to 42.15 lakh bags as compared to 64.05 lakh bags previous month. In Rajasthan arrival went down by 47% in December to 5.23 lakh bags as compared to 9.90 lakh bags previous month.

As on 31st Dec, Indore monthly soymeal prices closed 0.96% lower to Rs 51,500/MT and was quoted monthly high at 57,000/MT and low at 49,000/MT compared to the previous month closing at Rs 52,000/MT.

As on 31st December, at Latur the monthly soymeal prices remain unchanged to 58,000/MT compared to a month ago and in Nanded quoted 3% lower at Rs. 56,000/MT compared to Rs. 58,000/MT a month ago. Besides, in Kota the meal prices too went lower by 1% to Rs. 54,700/MT compared to Rs.55,000/MT previous month.

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%.

As on 31st Dec, Rapeseed Mustard price went 8% down and closed at Rs.7,438/Qtl as compared to Rs 8,113/Qtl last month. Prices remained under pressure on firm arrival and record acreage in the country. In Sri Ganganagar, rapeseed oilcake went 9% down to Rs 2,887/Qtl to Rs 3,187/Qtl previous month.

This month in Rajasthan, mustard arrival went up by 41% to 20.80 lakh Bags (85 Kg) as compared to previous month at 14.75 lakh bags.

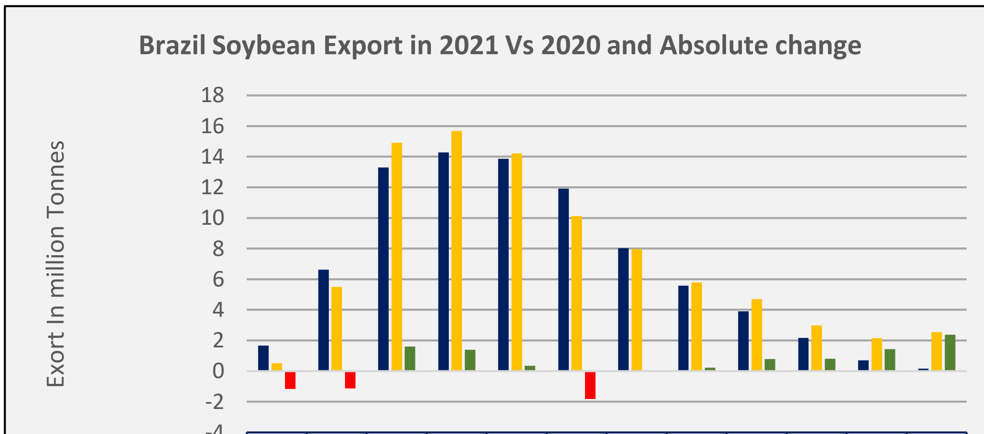
This month, Rajkot groundnut bold prices went up by 3.4% and stood at Rs 5,140 /Qtl against 4,970/Qtl last month. Arrival went down by 6% as compared to November which underpinned prices.

Outlook – Cash Market

Outlook - Soybean (Spot, Nagpur): *The soybean prices is expected to trade rangebound amid subdued soymeal demand. Currently crushers having need based buying approach. The prices (Nagpur, Plant basis) are expected to feature range bound movement in the price band of 6,100 – 6,700 level.*
Outlook – Soy meal: *Soymeal prices are likely to trade rangebound amid slacked export demand. The soy meal prices (Indore) are likely to feature range-bound movement between Rs. 50,000 – 55,000 /MT.*
Outlook - Rapeseed-Mustard (Spot, Jaipur basis)*: Tight inventory in the country continues. Despite that prices have corrected from higher level due to record acreage in the country. Rapeseed-mustard is expected to feature rangebound with weak bias. The seed prices are likely to witness the price levels between 72,000 –76,00/Qtl. in short-run.*

International Highlights

- In Dec’21, CBOT January soybeans witnessed gain of 9.16% to $ 13.28 a bushel for the month ended 31st Dec. March futures too increased by 9.19% to $ 13.39 a bushel. CBOT soybean went up on dry weather conditions in south Brazil and Argentina amid the prevailing La Nina may affect early-planted crops with some yield loss concerns.
- As on 30th December, according to Buenos Aires Grains Exchange, In Argentina, Soybean sowing progress stood at 81.4% sowing have been completed V 87.5% last year same period and 88.4% five-year average.
- According to Buenos Aires Grains Exchange, 56% soy crop is in excellent to good condition Vs 71% previous week, 36% soy crop is in fair condition Vs 26% previous week and 8% soy crop is in poor/very poor condition Vs 3% previous week.
- 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 December’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 Dec’21 stood at 2.54 million MT compared with 0.16 million MT in the same month last year.



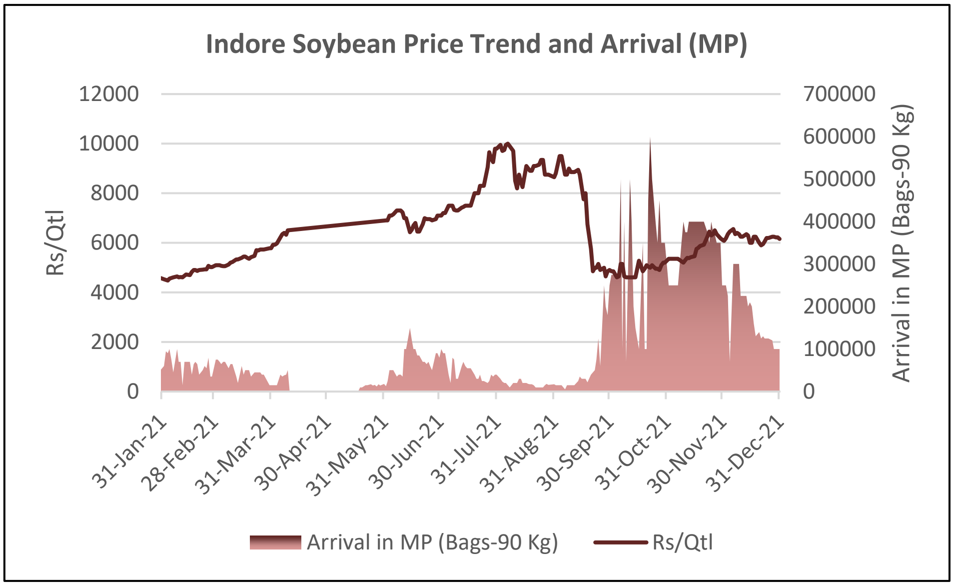
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	1.66	6.62	13.3	14.27	13.86	11.92	8.02	5.57	3.91	2.17	0.7	0.16
2021	0.51	5.5	14.91	15.67	14.22	10.12	7.96	5.79	4.7	2.98	2.14	2.54
Absolute change	-1.15	-1.12	1.61	1.40	0.36	-1.80	-0.06	0.22	0.79	0.81	1.44	2.38

- 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 8.57 million tonnes of U.S. soybeans in November, up from October arrivals.
- 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 month Indore soybean prices traded rangebound amid slacked soymeal export demand due to uncompetitive prices in global market. Arrival went down in December as compared to November which underpinned the prices in near term.



As on 30th Dec, Indore monthly mandi soybean prices closed up to Rs 6,150/Qtl and was quoted monthly high at 6,550/Qtl and low at 5,900/Qtl compared to the previous month closing at Rs 6,125/Qtl.

In December'21 month, In Madhya Pradesh arrival went down by 40% to 48.60 lakh bags as compared to 81.20 lakh bags previous month. In Maharashtra arrival too went down by 34% to 42.15 lakh bags as compared to 64.05 lakh bags previous month. In Rajasthan arrival went down by 47% in December to 5.23 lakh bags as compared to 9.90 lakh bags previous month.

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 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.

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.

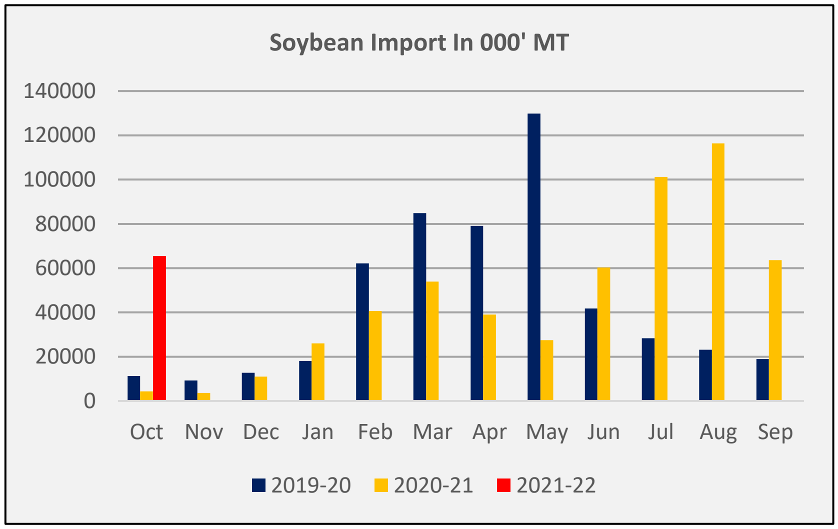
Uttar Pradesh had notified a stock limit order on October 12, 2021 on edible oil and oilseeds in the state. The limits for retailer are 10 quintals to 250 quintals. Limits for wholesalers stand at 50 quintals to 500 quintals. Telangana governments laid out stock limits for retailer are up to 100 quintals, 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.

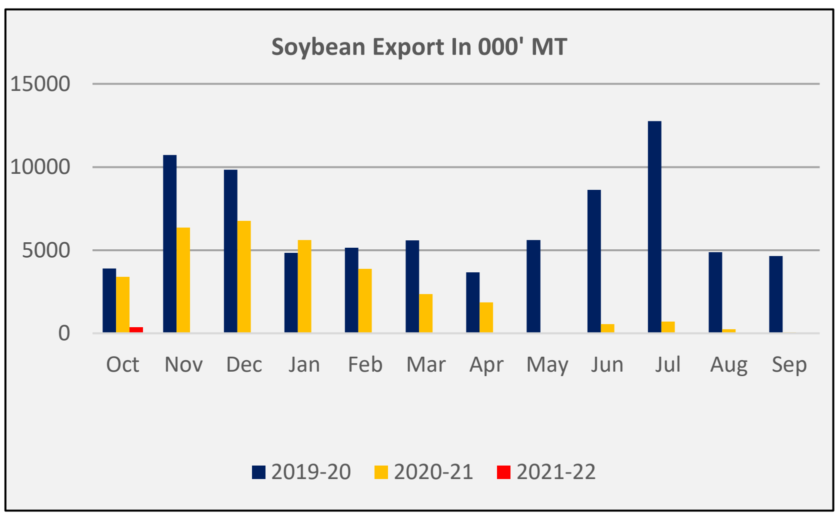
As per 1st advance estimates released by the Department of Agriculture and Farmers Welfare, the estimated production of soybean during 2021-22 is 127.20 lakh tons vs 128.97 lakh tons last year.

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

According to data from Department of Commerce, India's soybean import increased in the month of October 2021 by 3% to 65,542 tonnes compared to 63,612 tonnes during previous month. Further, the soybean imports last year same period stood at 4,332 MT. Of the total quantity around 35,847.57 tonnes were imported from Mozambique, 12,351 tonnes from Malawi, and 6,371 tonnes from Togo.

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 rangebound with firm bias amid slacked crushing due to subdued soymeal demand. However, domestic soybean prices likely to underpinned by CBOT soybean and tight arrival in near term.

International:

- As on 30th December, according to Buenos Aires Grains Exchange, In Argentina, Soybean sowing progress stood at 81.4% sowing have been completed V 87.5% last year same period and 88.4% five-year average.
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- 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 8.57 million tonnes of U.S. soybeans in November, up from October arrivals.

Balance Sheet – Soybean, India

Soybean (Fig in Mn T) MY-Oct.-Sep.	2020-21 F	2021-22 F
Carry In	0.55	0.82
Production	10.50	12.00
Imports	0.54	0.42
Total Availability	11.59	13.24
Processing/Crushing	9.74	11.39
Exports & Direct Consumption	0.03	0.09
Seeding/Retained for Sowing	1.00	1.00
Total Usage	10.77	12.48
Carry Out	0.82	0.76
Monthly Use	0.90	1.04
Stock/Consumption Ratio	8%	6%

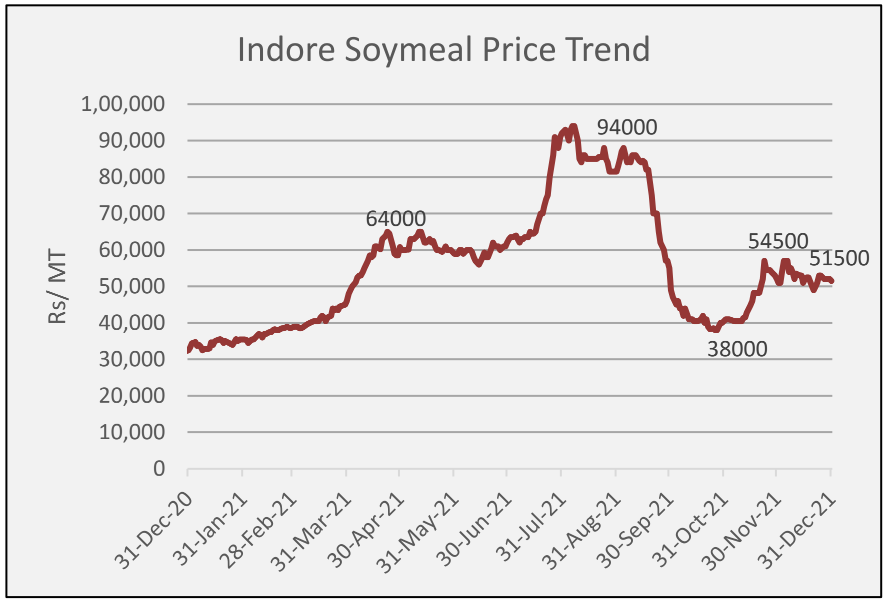
Source: Agriwatch Fig. in MnT

- Trade Observations: Limited buying is featured in soybean at various cash markets, due to weak soymeal demand.
- India's 2021-22 soybean production projected at 12 million tonnes against 10.50 MMT last seasons.
- India's 2021-22 soybean crush was estimated at 11.39 million tonnes vs 9.74 million tonnes in 2020-21.
- This translates into availability of 8.84 million tonnes of soy meal and 2.04 million tonnes of soy oil in 2021-22 MY.

Soymeal

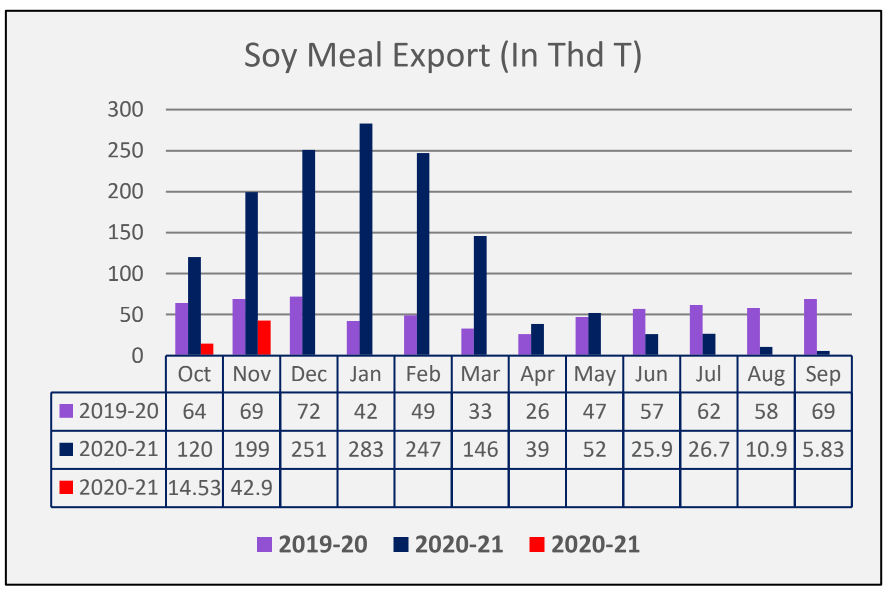
This month, Indore soymeal price traded rangebound amid slacked soymeal demand and limited crushing by crushers.

As on 31st Dec, Indore monthly soymeal prices closed 0.96% lower to Rs 51,500/MT and was quoted monthly high at 57,000/MT and low at 49,000/MT compared to the previous month closing at Rs 52,000/MT.



As on 31st December, at Latur the monthly soymeal prices remain unchanged to 58,000/MT compared to a month ago and in Nanded quoted 3% lower at Rs. 56,000/MT compared to Rs. 58,000/MT a month ago. Besides, in Kota the meal prices too went lower by 1% to Rs. 54,700/MT compared to Rs.55,000/MT previous month.

India's Y-o-Y soy meal prices, Indore, are currently higher. Soy meal Indore was quoted higher between Rs 49,000 – 57,000/MT during the month compared to Rs 31,500–33,300/MT during the corresponding period last year.



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
2019-20	64	69	72	42	49	33	26	47	57	62	58	69
2020-21	120	199	251	283	247	146	39	52	25.9	26.7	10.9	5.83
2020-21	14.53	42.9										

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 is quoted at US$ 714/MT against Brazil origin US$ 459/MT and Argentina US$ 454/MT, USA US$ 505/MT. India's Soymeal export is likely to remain slacked in next few months 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.

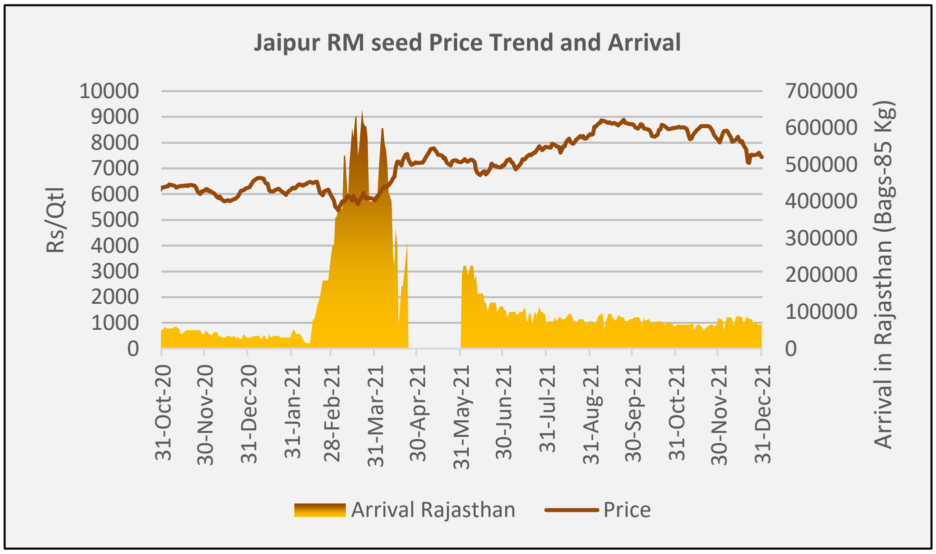
Outlook: The soy meal prices (Indore) are likely to trade rangebound tracking subdued soymeal demand, we expect to trade in the range of Rs. 50,000/MT – 55,000/MT.

Soybean Crush Margin

Avg Crush Margin – Dec 2021		Avg Crush Margin – Nov 2021		Avg Crush Margin – Dec 2020	
-5055		**-3286**		**-917**	
Min	Max	Min	Max	Min	Max
-8720	**-2170**	**-8620**	**-30**	**-2190**	**-245**

Rapeseed - Mustard Seed

Rapeseed-mustard prices went down amid firm arrival and record acreage in the country and currently trading near five months low. However, Arrival remained tight in the mandis which underpinned the prices in near term.



As on 31st Dec, Rapeseed Mustard price went 8% down and closed at Rs.7,438/Qtl as compared to Rs 8,113/Qtl last month. Prices remained under pressure on firm arrival and record acreage in the country. In Sri Ganganagar, rapeseed oilcake went 9% down to Rs 2,887/Qtl to Rs 3,187/Qtl previous month.

This month in Rajasthan, mustard arrival went up by 41% to 20.80 lakh Bags (85 Kg) as compared to previous month at 14.75 lakh bags.

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 31st Dec, All India Mustard sowing is up by 22.5% at 88.54 Lakh Ha compared with 72.30 Lakh Ha last year.

According to Department of agriculture, Rajasthan, as on 27th Dec, Rapeseed Mustard sowing is up by 37% and stood at 33.87 lakh hectare vs 24.7 lakh hectare last year same period.

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

Rapeseed Mustard sowing progress		As on 31st Dec'21		
	Normal area	2021-22	2020-21	% Change
Rajasthan	25.51	35.27	25.66	37.5%
Uttar Pradesh	6.95	14.08	12.33	14.2%
Madhya Pradesh	6.91	11.36	7.79	45.8%
Haryana	5.63	7.67	6.10	25.7%
West Bengal	5.50	5.40	5.72	-5.6%
Gujarat	1.96	3.35	2.14	56.7%
Assam	2.89	3.08	3.16	-2.4%
Jharkhand	2.60	3.01	3.91	-23.1%
Bihar	0.82	1.46	1.41	3.5%
Chattisgarh	0.44	1.16	1.40	-16.7%
Odisha	0.08	0.80	0.95	-15.7%
Jammu And Kashmir	0.48	0.31	0.28	8.6%
Arunanchal Pradesh	0.28	0.00	0.00	6.7%
Uttrakhand	0.15	0.17	0.17	0.0%
Nagaland	0.28	0.20	0.25	-22.8%
Sikkim	0.03	0.03	0.03	-0.9%
Others	1.06	1.19	1.00	18.9%
Total	61.55	88.54	72.30	22.5%
Data source-GOI			Area in Lakh ha	

As per Agriwatch estimates, RM seed production is projected above 100 MMT in 2021-22.

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 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%.

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.

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.

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.

Stats Canada has estimated Canada 2021/22 Canola crop at 12.8 MMT.

In the December'21 report, the USDA has decreased 2021/22 Canada Rapeseed production estimates at 13 million tonnes compared to previous month at 19 million tonnes last year.

RM Seed Supply, Pan India

RM Seed Arrivals Pan India in Bags (85 kg each).		
Monthly Arrivals– Dec'21	**1 Month Ago**	**Corresponding Period Last Year**
4865000	3350000	1845000

Outlook: RM Seed is expected to trade higher due to tight domestic supply and firm mustard oil demand, lower global RM seed production and bullish global dynamics.

Balance Sheet – Rapeseed-Mustard Seed, India

(Fig in MnT)

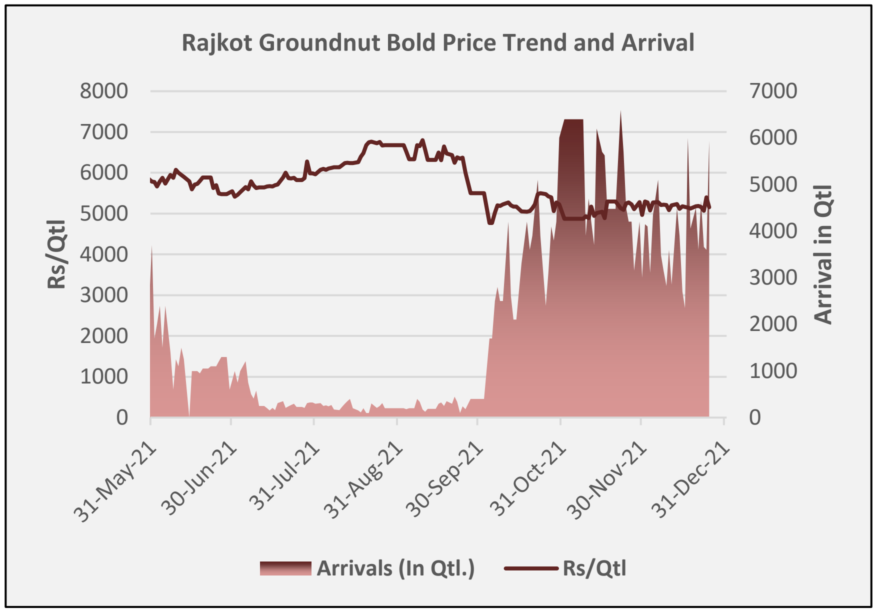
Rapeseed-Mustard (Fig in Mn T) MY-Feb.-Jan.	2020-21	2021-22
Carry In	0.33	0.13
Production	7.21	8.54
Imports	0.00	0.00
Total Availability	7.53	8.6
Processing/Crushing	7.10	8.06
Exports	0.00	0.00
Retained for Sowing & Direct Consumption	0.30	0.30
Total Usage	7.40	8.36
Carry Out/Ending Stock	0.13	0.31
Monthly Use	0.62	0.70
Stock/Consumption Ratio	0.02	0.04
Stock to Month Use Ratio	0.21	0.45

(Source: AgriWatch)

- Agriwatch has pegged India's 2021/22 Rapeseed-mustard outturn at 8.54 million tonnes, higher by 18% compared to the 2020/21 production at 7.2 million tonnes.
- India's production is above 5-year average of around 6.7 million tonnes.
- India's rapeseed-mustard prices corrected amid record acreage in the country.

Groundnut

In Rajkot, the monthly groundnut bold seed prices improved amid tight arrival. Farmers are currently approaching mandis as need based selling which underpinned price gains.



As of 31st Dec'21 Rajkot groundnut bold prices went up by 3.4% and stood at Rs 5,140 /Qtl against 4,970/Qtl last month. Arrival went down by 6% as compared to November which underpinned prices.

Agriwatch estimates India's MY 2020-21 groundnut seed production at 79.7 lakh tonnes. Of this, 68 lakh tonnes are the production estimate of kharif season and 11.7 lakh tonnes is estimated for rabi season.

As per IOPEPC's estimates released last month, all India coverage of Kharif-2021 Groundnut stood at 49,14,300 ha. The production is estimated to be 82,03,490 tonnes with an average yield of 1669 kg/ha. The highest groundnut producing state, Gujarat's groundnut production is estimated at 39.55 lakh tonnes with an average yield of 2071 kg/ha. IOPEPC's groundnut Kharif-2021 crop estimates are in close conformity with the government's First Advance estimate of 82.54 lakh tonnes.

As per 1st Advance Estimates, released by the Department of Agriculture and Farmers Welfare, the estimated production of kharif groundnut during 2021-22 is 82.54 lakh tons vs 85.56 lakh tons last year.

Solvent Extractor Association of India (SEA) has estimated Gujarat's Kharif Groundnut crop production up by 8.74% at 38.55 lakh tons from an acreage of 19.10 lakh ha as compared to 35.45 lakh tonnes previous year. Gujarat's present year's average yield for groundnut stands at 2020 kg/ha against the average yield of 1715 kg/ha last year, which is nearly up by 18% compared to last year.

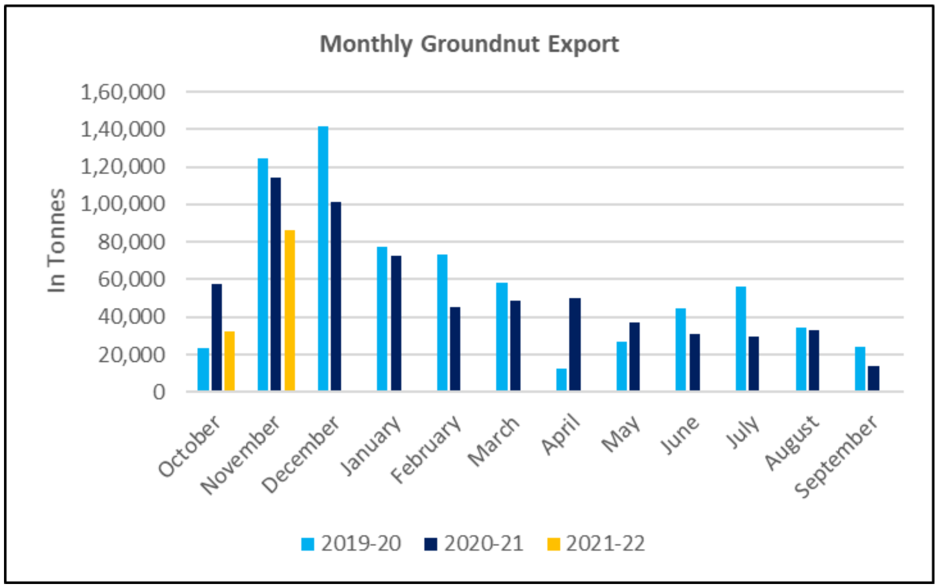
According to Saurashtra Oil Mills Association (SOMA) estimate, groundnut production in Gujarat is pegged at 34.4 lakh tonnes during the current kharif season.

NAFED had procured 2.86 lakh metric tons groundnut pod in 2020-21 as compared to the previous year's 7.21 lakh metric tons. The MSP for groundnut seed has been raised to Rs 5,550 per quintal for 2021-22, up from Rs 5,275 per quintal in 2020-21.

As of 24th December, report from the Ministry of Agriculture, 2021-22 Rabi groundnut sowing is up by 1.3% at 3.46 lha vs 3.41 lha last year same period. Sowing in Andhra Pradesh stood at 0.37 lakh ha vs 0.35 lakh ha previous year, In Tamilnadu sowing stood at 0.22 vs 0.53 lakh ha previous year, in Karnataka sowing stood at 1.29 lakh ha vs 1.29 lakh ha previous year, In Telangana sowing stood at 1.21 lakh ha vs 0.71 lakh ha previous year. In Orissa sowing stood at 0.29 lakh ha vs 0.44 lakh ha previous year.

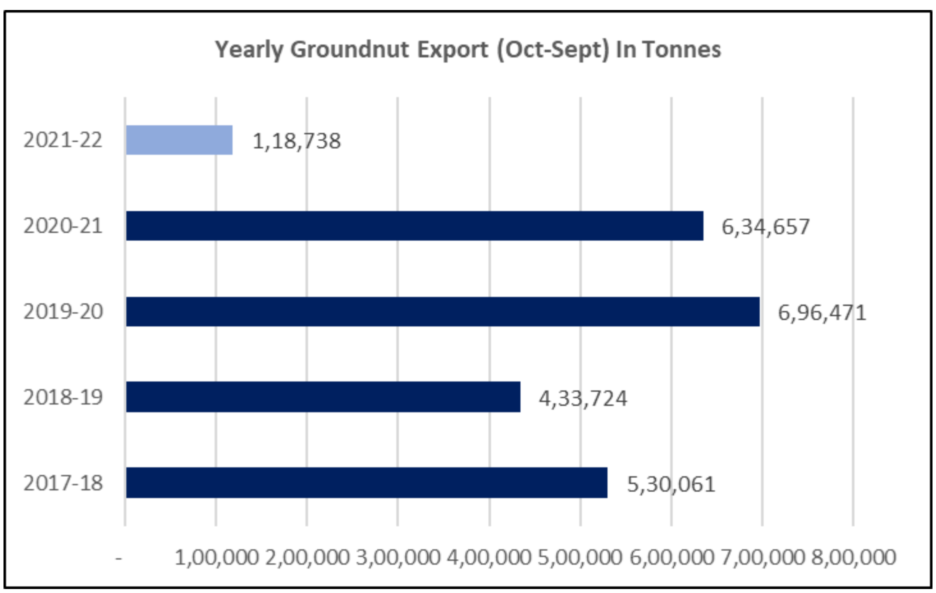
According to Solvent Extractor Association of India, there is no report of the export of groundnut DOC in August, October and November 2021. Exports for Groundnut DOC during April-Nov'2021 are reported down by 67% at 1,266 metric tonnes compared to 3,871 metric tonnes during the April-Nov'2020. India witnessed last groundnut DOC export of 211 MT in September 2021.

As per trade sources India's groundnut export decreased in the month of November 2021 by 24% to 86,348 tonnes at an average FOB of $1306/ MT compared to 1,14,263 tonnes during last year same period. Further, the groundnut export was up by 167% in November'2021 compared to the previous month. Of the total quantity around 40,541 tonnes were exported to Indonesia Vietnam, 16,103 tonnes, Philippines, 7,394 tonnes and 6,313 tonnes to Malaysia.

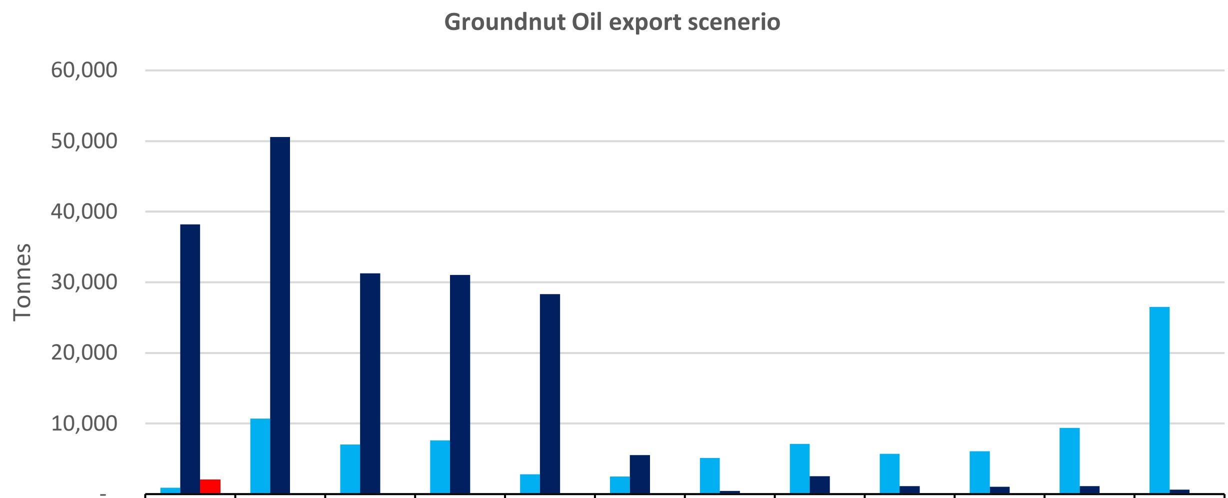


Source-Department of Commerce (November'21 Export Figure Based on Trade Sources)

According to Department of Commerce, India's groundnut export during Oct'21-Nov'21 decreased by 31% to 1,18,738 MT compared to 1,71,501 MT same period last year. Additionally, in 2020-21 India's groundnut export decreased by 9% to 6,34,657 tonnes compared to 6,96,471 in 2019-20.



Source-Department of Commerce (2021-22 Oct'21-Nov21) (November'21 Export Figure Based on Trade Sources)



	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
2019-20	912	10,674	7,036	7,609	2,803	2,486	5,125	7,102	5,702	6,061	9,387	26,488
2020-21	38,217	50,560	31,278	31,041	28,328	5,508	450	2,519	1,143	1,022	1,110	619
2021-22	2,079											

Source-Department of Commerce (November'21 Export Figure Based on Trade Sources)

As per Trade sources, India's groundnut oil export during November 2021 decreased by 95% to 2,079 tons this compares with 38,217 tons export in November 2020. China's groundnut oil demand remain slacked in Nov'21 as compared to previous year same period. Of the total exported quantity, In Nov'21 china imported 1,724 MT this compares with 36,761.93 MT in November'20. If china's groundnut oil demand remain subdued in upcoming months too, groundnut prices likely to remain under pressure.

According to USDA Dec'21 report, India's 2021-22 groundnut oil export is projected at 0.95 MMT as compared to 2.20 MMT in 2020-21 and 0.65 MMT in 2019-20.

As per USDA Dec'21 report, China is estimated to harvest 18.2 million tons of peanuts against 17.99 million metric tons previous year.

As per USDA Dec'21 report, the United States is expected to produce 2.83 million tons of peanuts in 2021-22 as against 2.79 million tons in 2020-21. Nigeria is expected to produce 4.80 million metric ton against 4.45 million metric ton last season.

Outlook: Groundnut price is expected to trade rangebound in near term amid slacked export demand by china.

Groundnut Kernel							
Center	Variety	% Change over Previous year	% Change over Previous month	Latest Dec-21	Month Ago Nov-21	Year Ago Dec-20	2 Year Ago Dec-19
Mumbai	GN Bolds 60/70	**NA**	**-2%**	8500	8700	8000	NR
(Source: Bombay Commodity Association)							

Annexure

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	31-Dec-21		30-Nov-21		
	Low	High	Low	High	
Indore –Plant	6300	6450	6300	6500	-50
Indore–Mandi	6000	6300	5950	6300	Unch
Nagpur-Plant	6275	6600	6500	6800	-200
Nagpur – Mandi	4675	6400	4600	6395	5
Latur – Mandi	4700	6600	5960	6480	120
Akola – Mandi	5900	6680	5800	6600	80
Kota-Plant	6200	6350	6600	6700	-350
Kota – Mandi	6125	6325	6050	6350	-25
Bundi-Plant	6000	6200	6400	6550	-350
Bundi-Mandi	5900	6100	6300	6450	-350
Baran-Plant	6100	6450	6320	6620	-170
Baran-Mandi	6000	6250	6220	6420	-170
Bhawani Mandi Jhalawar–Plant	6200	6300	6000	6200	100
Jhalwar-Mandi	6050	6150	5600	6100	50
Rapeseed/Mustard					
Jaipur-(Condition)	7425	7450	8100	8125	-675
Alwar-(Condition)	7050	7150	7750	7800	-650
Sri Ganganagar-(Non-Condition)	6750	6850	7350	7400	-550
New Delhi–(Condition)	7250	7300	7900	8000	-700
Kota-(Condition)	7050	7150	7000	7300	-150
Agra-(Condition)	7714	7810	8048	8238	-429
Neewai-(Condition)	6850	7050	7200	7500	-450
Hapur (UP)-(Condition)	7000	7100	7700	7800	-700
Groundnut Seed					
Rajkot	916	916	840	840	76
Sunflower Seed					
Gulbarga	4500	5400	4800	5500	-100
Latur	6000	6100	6400	6500	-400
Sholapur	6000	6100	6400	6500	-400

Soybean Prices are in INR/qtl. (1 bag=90 kg). Mandi prices – Loose, Mustard Seed Prices are in INR/qt (1 bag=85 kg) C – Condition (42%), *Groundnut seed in Rs/20 kg, Sunflower Seed in Rs/qtl.

Soy DOC Rates at Different Centers				
Centres	**Ex-factory rates (Rs/ton)**			
	31-Dec-21	**30-Nov-21**	Change	**Parity To**
Indore - 45%, Jute Bag	51500	52000	**-500**	Gujarat, MP
Kota - 45%, PP Bag	54700	55000	**-300**	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	57000	56800	**200**	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	56000	56000	**Unch**	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	56000	58000	**-2000**	Andhra, AP, Kar ,TN
Latur	58000	58000	**Unch**	-
Sangli	54500	55500	**-1000**	Local and South
Solapur	56000	54000	**2000**	Local and South
Akola – 45%, PP Bag	53000	55000	**-2000**	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Hingoli	56000	58000	**-2000**	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Bundi	54500	53000	**1500**	-

Soy DOC at Ports			
Centers	**Port Price**		
	30-Dec-21	**29-Nov-21**	**Change**
Kandla (FOR) (INR/MT)	54000	58000	**-4000**
Kandla (FAS) (USD/MT)	-	-	-
CNF Indonesia – Yellow SBM (USD/MT)	-	-	-

Rapeseed Meal	**30-Dec-21**	**29-Nov-21**	**Change**
FAS Kandla (USD/MT)	392	-	-
FOR Kandla (Rs/MT)	22850	25500	**-2650**
FOR Mundra (Rs/MT)	23000	-	-

CNF Indonesia (USD/MT)	350	398	-48

International Soy DOC			
Argentina FOB USD/MT	**30-Dec-21**	**29-Nov-21**	**Change**
Soybean Pellets	453	384	69
Soybean Cake Flour	453	384	69
Soya Meal	-	-	-
Soy Expellers	-	-	-

Sunflower (DOC) Rates	**Ex-factory rates (Rs/ton)**		
Centers	**31-Dec-21**	**30-Nov-21**	**Change**
Adoni	30000	28000	2000
Khamgaon	-	-	-
Parli	-	-	-
Latur	29000	27000	2000

Groundnut Meal (Rs/MT)	**31-Dec-21**	**30-Nov-21**	**Change**
Basis 45%, Saurashtra	38000	42500	-4500
Basis 40%, Saurashtra	34000	40000	-6000
GN Cake, Gondal	40000	44000	-4000

Mustard DOC	**31-Dec-21**	**30-Nov-21**	**Change**
Jaipur (Plant delivery)	22800	25300	-2500
Kandla (FOR Rs/MT)	23500	26400	-2900

Mumbai Oil Meal Quotes:			
Rs/M.T.	**31-Dec-21**	**30-Nov-21**	**Change**
G.N. Extr (45%)	38500	43000	-4500
Kardi Extr	-	-	-
Undec Cottonseed Exp	33500	30000	3500
Rice Bran Extr.	0	0	Unch
Sunflower Extr.	30000	30000	Unch
Rapeseed Extr.	-	-	-
Soymeal 48%	54783	55826	-1043
Castor Extr.	9650	10250	-600

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 soybean and Groundnut production seen higher in 1st Adv Est. for 2021-22-

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 21st 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.

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

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

The 4nd 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.

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

In the lastest 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 17th September

	Normal Area	2019-20	2020-21	% Change
Groundnut	41.7	50.98	49.14	-3.60%
Soybean	112.88	121.2	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%
Total Oilseeds	180.03	196.45	193.95	-1.27%

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 97.07 lakh hectares, up 20% from 97.07 lakh ha in the corresponding period of last year. Of the major oilseeds, rapeseed-mustard sowing is reported up by 22% at 88.54 lha compared to 72.30 lha during the corresponding period of last year. Groundnut at 3.64 lha vs 3.66 lha, safflower at 0.68 lha vs 0.54 lha, sunflower at 1.01 lha vs 0.87 lha, linseed at 2.57 lha vs 2.64 lha, and other 0.1 lha vs 0.09 lha during the same period last year.

Area in Lakh Hectares

Crop	Normal Area (5 Year Avg.)	As on 31st Dec 2021	As on 31st Dec 2020	% Change
Rapeseed/Mustard	61.55	88.54	72.30	22%
Groundnut	7.05	3.64	3.66	-1%
Safflower	0.9	0.68	0.54	26%
Sunflower	1.86	1.01	0.87	16%
Linseed	2.53	2.57	2.64	-3%
Others	0.04	0.10	0.09	11%
Total Oilseeds	**73.9**	**97.07**	**80.64**	**20%**

Source: MoA, GOI